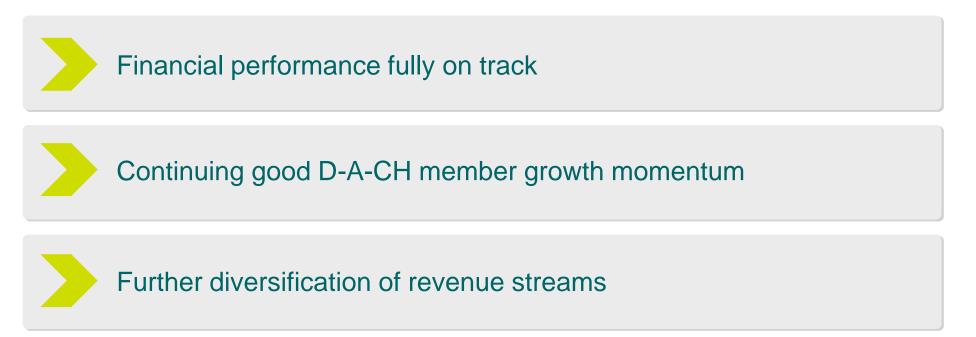


# XING Q3 results Presentation

November 15, 2011

#### **Executive Summary**



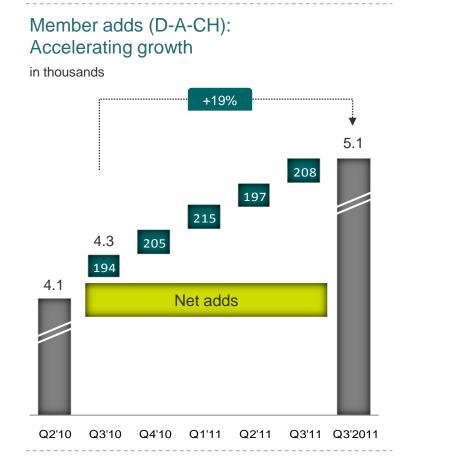




Significant product investments ("mobile", features & new "sales" membership)

#### **Growth Momentum In Core Market Continues**





#### Comments

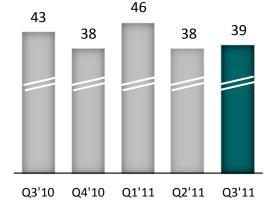
- Total member base up 19% (Sep11 vs. Sep10)
- Business Networking Penetration
   D-A-CH still low (~7%)
- Confirming large growth potential: D-A-CH market with significant runway for further growth

## Subscriber Base Growing

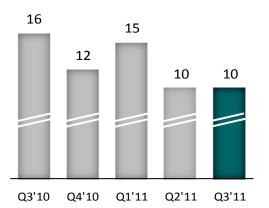
#### 10k Net Adds In Q3'11 Despite Price Increase In April



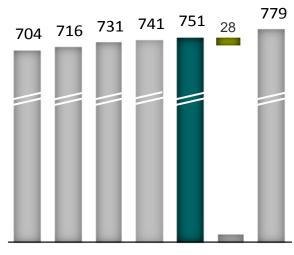
Gross subscriber adds D-A-CH in thousands



Net subscriber adds D-A-CH in thousands



Paying subscriber base in thousands



Q3'10 Q4'10 Q1'11 Q2'11 Q3'11 Intl. Total

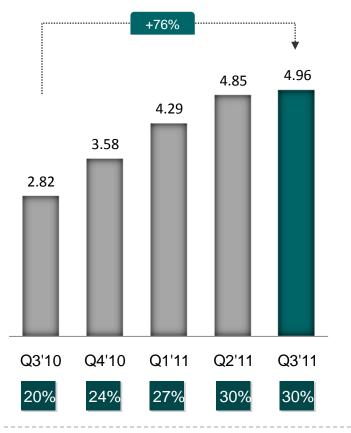
Pricing structure effective since April 2011 for all new members
3m = €7.95 (€6.36 for first 3 months → new price after first renewal)
12m = €6.95 (€5.56 for first 12 months → new price after first renewal)

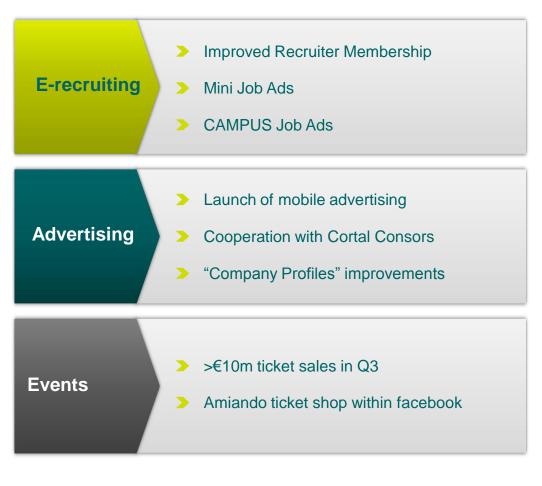
#### 'Verticals' Drive Overall Growth



#### "Verticals": Continued strong growth

Revenues from "verticals" (recruiting, advertising, events & other) in €m & in % of total revenues





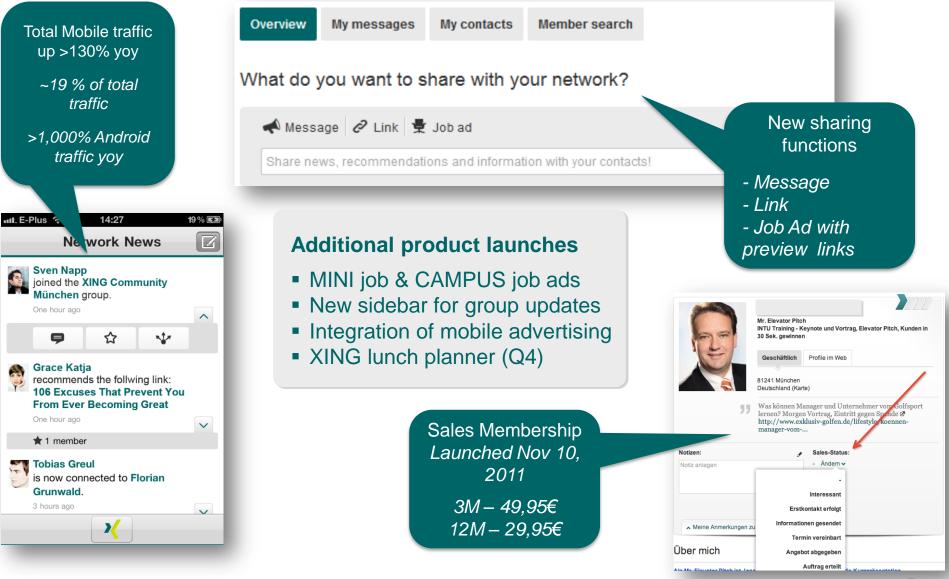
<sup>1</sup> Source: Company estimates, RW Baird estimates (2008), Monster.com research & internal estimates

<sup>2</sup> Source: OVK Report 2/2011

<sup>3</sup> Source: Meeting- und Eventbarometer (GCB 2009 & 2010), Anbieterbefragung 2008 (ghh consult GmbH), PR 17.06.2008 (Verlagsgruppe Handelsblatt), Bilanz 2009: Kennzahlen der Messewirtschaft (AUMA)

## Product improvements Q3'2011 & Q4'2011

New sharing functions, Sales membership & improvements to XING mobile...



**XING** 

#### **Financial Summary**



Fully on track regarding our financial goals



Healthy top-line growth of 20%



Continued diversification of our revenue base

Accelerated investments in future growth reflected in EBITDA & margins

### Revenues €16.6m, EBITDA €5.4m With 32% Margin



	Q3'11	Q2'11	Q3'11 vs. Q2'11	Q3'10	Q3'11 vs. Q3'10
	Abs.	Abs.		Abs.	
Total revenue <sup>1</sup>	16.6	16.3	+1%	13.8	20%
Costs	(11.2)	(10.7)	(6%)	(9.3)	(20%)
EBITDA	5.4	5.7	(6)%	4.5	20%
Margin	32%	35%	-3%pt	32%	0%pt
Depreciation	(1.8)	(2.2)	20%	(1.3)	(36%)
Financial result	0.2	0.1	+241%	-0.0	NA
Taxes	(1.2)	(1.2)	(4%)	(1.0)	(20%)
Net result	2.6	2.4	10%	2.11	23%

(1) Of revenue

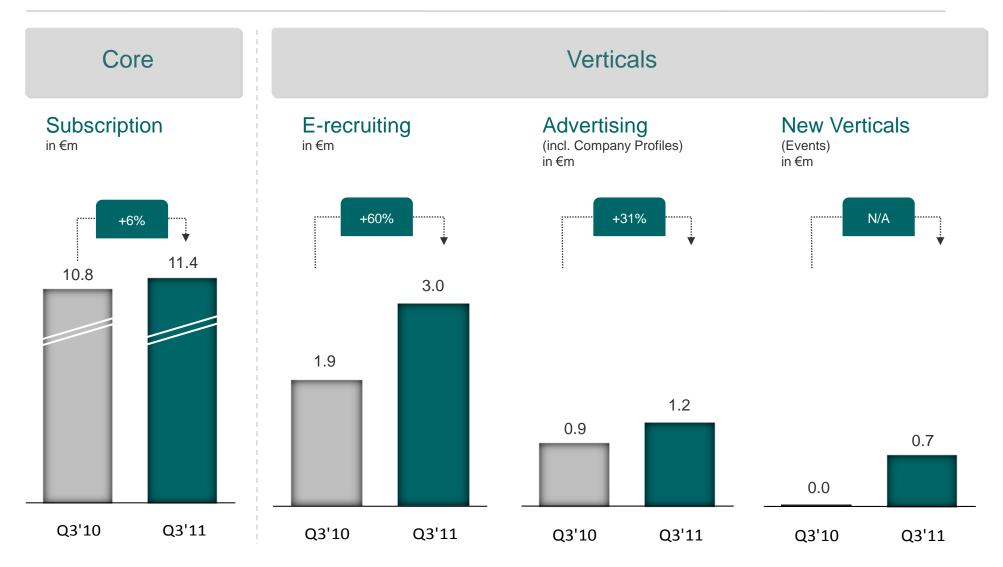
(2) Including other operating income



- EBITDA margin impacted by startup investments in
- Events (approx. -4 percentage points), relocation of data center & +27 FTE
- Financial result further improved through new treasury policy

#### **Ongoing Diversification Of Revenue Streams**





## Personnel Expenses Are Main Investment Area To Further Drive Company Growth

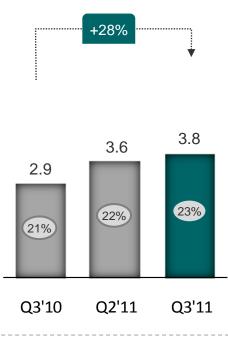


Personnel Marketing in €m in €m in % of total revenue in % of total revenue -28% +38% 5.9 5.7 4.3 36% 35% 31% 2.1 1.5 1.4 15% 8% 9% Q3'10 Q2'11 03'11 Q3'10 Q3'11 Q2'11

- Yoy increase due to amiando acquisition
- Investment into product/technology organization & sales/marketing
- > 27 new FTEs (40 heads) in Q3

- > Online display & social media adv.
- Search engine marketing (SEM)
- Offline marketing expenditure (conferences & events, print, sponsoring)
- > Affiliate marketing

#### Other Expenses in €m in % of total revenue



- External services, legal, audit & consulting
- Payment processing, server hosting
- Rent & other costs
- > Yoy increase due to amiando
- Data center move in H2 2011

## **Operating Cash-flow**



	Q3'11	Q2'11	Q3'11 vs. Q2'11	Q3'10	Q3'11 vs. Q3'10
	Abs.	Abs.	Abs.	Abs.	Abs.
EBITDA	5.4	5.7	-0.3	4.5	+0.9
Interest/tax/ESOP	+0.1	-6.6	+6.7	-1.3	+1.4
$\Delta$ Net working capital	-0.8	+0.0	-0.8	+0.8	-1.6
Operating cashflow excl. organizer cash	4.7	-0.9	+5.6	4.0	+0.7
Investment – operating	-1.8	-1.4	-0.7	-1.6	-0.5
Investment – acquisitions	-0.3	0.0	0.0	0.0	0.0
Financing incl. transaction of own shares	+0.8	4.0	-3.2	0.0	+0.8
Free cashflow excl. organizer cash	3.4	+1.7	+1.7	2.4	+1.0
Effects organizer cash	+2.4	-0.4	+2.8	0.0	+2.4
Free cashflow incl. organizer cash	5.8	1.3	4.5	2.4	3.4



# Thank you for your kind attention

The professional network www.xing.com

## Backup

#### XING AG IR stats Market cap: ~€325m / ~€63m cash / no debt

2013e

88.3

29.9

34%

-7.5

22.5

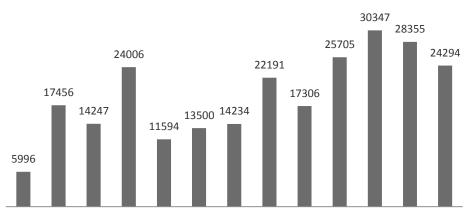
25% **15.7** 

2.98 **16.0** 



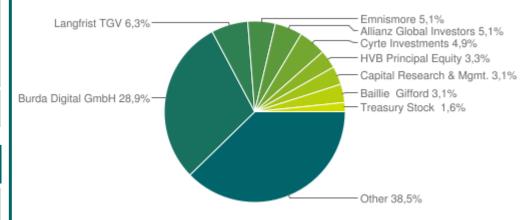
		2011e	2012e
Consensus (November, 2011)	Total revenues	66.4	77.6
	EBITDA	21.0	25.4
	Margin	32%	33%
	Depreciation	-6.3	-6.9
	EBIT	14.7	18.5
	Margin	22%	24%
	Net income	9.9	12.8
	EPS in €	1.88	2.43
	Free cashflow	7.3	11.5

Average trading volume per day (XETRA)



Oct 10 Nov 10 Dez 10 Jan 11 Feb 11 Mrz 11 Apr 11 Mai 11 Jun 11 Jul 11 Aug 11 Sep 11 Okt 11

Analyst coverage	Deutsche Bank, DZ Bank, Hauck & Aufhäuser, HSBC, Montega AG, Close Brothers			
Shares	5,410,771			
TecDax ranking end of October 2011				
Market Cap.	25			
Turnover	27			



Free float according to Deutsche Börse: 69.3%

## XING Share Price Since IPO In Dec 2006



(as of November 11, 2011)



#### **Investor Relations** Contact details

# XING <sup>×</sup>



 Follow us on twitter:

 http://twitter.com/xing\_ir

 Cocococo

 Marking

 Marking

Sell Side, Patrick Möller

Patrick Möller

Director Investor Relations

XING AG Gänsemarkt 43 20354 Hamburg Germany

Tel.: +49 (0)40 419 131-793 Fax.: +49 (0)40 419 131-44 (Please use this number to submit "WpHG notifications")

Email.: patrick.moeller@xing.com

Website: http://corporate.xing.com/english/investor-relations/

http://www.youtube.com/user/XINGcom



