Acquisition of kununu
Creating an employer branding powerhouse

Analyst & Investor briefing, January 9, 2013

Dr. Thomas Vollmoeller (CEO) & Ingo Chu (CFO)
Executive summary

XING AG acquires kununu GmbH
Goal: Grow kununu employer branding business and support XING’s social recruiting strategy

Employer ratings important for both jobseekers & corporates

kununu is market leader for employer ratings in D-A-CH

Deal supports growth and e-recruiting strategy

Deal structure ties purchase price to future development of the business
Employer branding is a growing market

Employer branding grows in importance…

…and is top internal challenge for HR

1) Only top topics shown; Source: Social Media Recruiting Report 2012, ICR, with >500 participants; Recruiting Trends 2012 Study (Uni Frankfurt, Monster), TOP 1000 companies
kununu at a glance
Market leader in employer ratings in D-A-CH

Founded: 2007
Headquarter: Vienna, Austria
Employees: 24
PI’s / Month: >3m
EBITDA: Break even 2012
Cashflow: Positive 2012

Rated companies
[In € 000s]

Revenues
[In € 000s]

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012e</th>
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<tbody>
<tr>
<td>Rated companies</td>
<td>30</td>
<td>45</td>
<td>55</td>
</tr>
<tr>
<td>Changes</td>
<td>+50%</td>
<td>+22%</td>
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</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012e</th>
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<tbody>
<tr>
<td>Revenues</td>
<td>311</td>
<td>904</td>
<td>2,000</td>
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<tr>
<td>Changes</td>
<td>+191%</td>
<td>+121%</td>
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Strong revenue growth & break even in 2012

Source: kununu
kununu sells the user-generated company profiles to HR departments for customization at tiered prices

**Product**

**Business Model**

**Free**
- Receive reviews from users (employees, apprentices, interviewees)
- List of company benefits determined by reviewing users
- Employer search and matching tools

**Paid Profiles**
- Detailed Profile with subpages
- Picture gallery with workplace photos
- "Open Company" Seal
- Facebook / XING integration

Optional
- Recruiting Video
- Job Postings
- Job Postings + Recruiting Video

190 – 690 €
290 – 1,090 €
390 – 1,590 €
490 – 1,990 €

*Prices per month on the basis of a 12-month contract; prices depending on company size, prices quoted in €.
Source: kununu GmbH
Rationale of the deal

- kununu standalone is a proven business model
  - Growth in revenues and traffic
  - EBITDA & cash flow positive
  - KPI for driving business is #reviews

- XING in excellent position to drive reviews and thereby generate growth
  - Active cooperation since 2 years
  - Synergies from combining existing CP business with kununu

- Very good fit with XING e-recruiting strategy „Matching people & jobs“
  - Increases relevance for jobseekers by providing unique & authentic content regarding employers
  - Opportunity for corporates to improve employer branding w/ better CP product
  - Sustainable differentiation vs. traditional job boards & international competitors
Deal structure

- Acquisition of 100% of the shares of kununu GmbH
- Founders stay on board for at least 2 years
- Purchase price
  - Initial payment of ~€3.6m
  - Maximum of further payments of a total of ~€5.8m depending on numerous conditions to be met
- Timing: Full consolidation as of January 1, 2013
Thank you for your kind attention!
Consequently, employer-review sites gain traction

Importance of employer branding reflected by growing awareness of employer-review sites

Q: Is your company reviewed on an employer-review site like kununu?

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<th>Year</th>
<th>Yes</th>
<th>No</th>
<th>Don't know</th>
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<tbody>
<tr>
<td>2009</td>
<td>41%</td>
<td>27%</td>
<td>32%</td>
</tr>
<tr>
<td>2010</td>
<td>44%</td>
<td>36%</td>
<td>20%</td>
</tr>
<tr>
<td>2011</td>
<td>70%</td>
<td>18%</td>
<td>13%</td>
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</table>

Source: Recruiting Trends 2012 Study (Uni Frankfurt, Monster), TOP 1000 companies; Alexa

Note: glassdoor.com is US market leader for employer reviews

Strong trend towards employer-review sites

Daily traffic rank

- Monster
- Glassdoor

2009 2010 2011
Investor Relations
Contact details & social media channels

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