XING – #1 Professional Social Network in German Speaking Europe

Preliminary FY Results 2011 Presentation – March 1, 2012
Successful execution of 2011 strategy

- Strong member growth in core markets
- Verticals showing strong topline growth
- Strong competitive position

Significant growth potential ahead in core markets (D-A-CH) to become a €100m+ company in a few years
Low market penetration promises further potential for growth
**‘Verticals’ Drive Overall Growth**

“Verticals”: Continued strong growth

Revenues from “verticals” in €m & in % of total revenues

<table>
<thead>
<tr>
<th></th>
<th>€m</th>
<th>% YOY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>7.1</td>
<td>+20%</td>
</tr>
<tr>
<td>2011</td>
<td>11.0</td>
<td>+29%</td>
</tr>
</tbody>
</table>

- **e-Recruiting**
  - Accelerating growth
  - Social Media Recruiting on the rise
    - XING No.1 social media platform for job ads, candidate search & screening
  - Significant growth potential left
    - Only 12% of 1,000 largest Co’s in Germany use SM for job postings

- **Advertising**
  - Display eCPM rose by 40%
  - Launch of mobile advertising
  - New ad formats (i.e. self-booking) planned for Q2

- **Events**
  - €35m ticket sales in 2011
  - 33 new employees since acquisition

1 Source: Recruiting Trends 2012
Subscriber base continues to grow
6k Net Adds In Q4'11

Gross subscriber adds
D-A-CH
in thousands

Net subscriber adds
D-A-CH
in thousands

Subscriber base
in thousands

+6%
User Interface / Frontend
- New design & better user experience
- New sharing functions
- New features, e.g.
  - XING lunch planner
  - XING beta labs with “Poll”-feature & “Freelancer” marketplace
  - MINI job & CAMPUS job ads

“Mobile”
- XING everywhere
  (Android, iOS, HTML5, Windows 7, XING Beam)
- Integration of mobile advertising

“Subscription Products”
- Improvement of „Recruiter Membership“
- Launch of “Sales Membership”

Coming soon
- XING API (Q2 2012)
- XING Corporate Recruiter Account (CRA) (Q2 2012)
#1 Business Network in D-A-CH

... in members
With >5.3m+ members in D-A-CH XING is the largest business network in a region with 100m inhabitants and the world’s #4 in GDP

... in growth
>800k net new members in 2011

... in activity
with more than 4/5 of all segment page views, XING is the most active business network

... social media recruiting platform
for online job ad postings

... in brand awareness
confirmed by recent GFK analysis
Executive summary

Revenue growth of 22% with continued revenue diversification

Increased EBITDA of €22m and margin of 34%

Adjusted for impairment net income increases by 31%

Recommendation to start regular dividend payments
FY 2011: Another year of revenue and EBITDA growth

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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Total revenue¹</td>
<td>66.2</td>
<td>54.3</td>
<td>11.9</td>
<td>22%</td>
</tr>
<tr>
<td>Costs</td>
<td>(43.9)</td>
<td>(37.6)</td>
<td>(6.4)</td>
<td>(17%)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>22.2</td>
<td>16.7</td>
<td>5.5</td>
<td>33%</td>
</tr>
<tr>
<td>Margin</td>
<td>34%</td>
<td>31%</td>
<td>+3%pts</td>
<td>na</td>
</tr>
<tr>
<td>Depreciation (adjusted)²</td>
<td>(8.0)</td>
<td>(5.2)</td>
<td>(2.8)</td>
<td>(55%)</td>
</tr>
<tr>
<td>Financial result</td>
<td>0.5</td>
<td>0.0</td>
<td>0.5</td>
<td>na</td>
</tr>
<tr>
<td>Taxes (adjusted)²</td>
<td>(5.3)</td>
<td>(4.3)</td>
<td>(0.9)</td>
<td>(22%)</td>
</tr>
<tr>
<td>Net result (adjusted)²</td>
<td>9.4</td>
<td>7.2</td>
<td>2.2</td>
<td>31%</td>
</tr>
</tbody>
</table>

(1) Including other operating income
(2) Adjustment for one time write-down of market entries for Spain & Turkey (€14.4m) & taxes adjusted by €0.3m accordingly

- Bottom line adjusted for one time write-down of €14.4m
- At the same time reinforced investment mode since H2 2011
Increase In Profitability Driven By Scaling Business, Growth To Profitability Of New Business & Turnaround International

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscription</td>
<td>+</td>
<td>+</td>
<td>Scale of existing business</td>
</tr>
<tr>
<td>E-recruiting</td>
<td>+</td>
<td>+</td>
<td>Scale of existing business</td>
</tr>
<tr>
<td>Advertising w/o Company Profiles</td>
<td>+</td>
<td>+</td>
<td>Scale of existing business</td>
</tr>
<tr>
<td>Company Profiles</td>
<td>-</td>
<td>+</td>
<td>Growth to profitability</td>
</tr>
<tr>
<td>International</td>
<td>-</td>
<td>+</td>
<td>Turnaround</td>
</tr>
<tr>
<td>Events</td>
<td>n/a</td>
<td>-</td>
<td>Major investment field</td>
</tr>
<tr>
<td><strong>Total EBITDA margin</strong></td>
<td>31%</td>
<td>34%</td>
<td></td>
</tr>
</tbody>
</table>

- High profitability due to by-product economics in verticals
- Investment in Events dilutes overall margin by 5-6%pts.
- Further investment fields: mobile, advertising, marketing, sales
Continued strong growth of vertical revenues

Core

Subscription

in €m

- 42.4
- 45.6

+7%

2010 2011

Verticals

E-recruiting

in €m

- 7.1
- 11.7

+65%

2010 2011

Advertising

(incl. Company Profiles)
in €m

- 3.9
- 5.3

+35%

2010 2011

New Verticals

(Events)
in €m

- 0.0
- 2.5

N/A

2010 2011
### Full year operating cash flow €13.9m

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
<th>2011 vs. 2010</th>
<th>2011 vs. 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Abs.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>22.2</td>
<td>16.7</td>
<td>5.5</td>
<td>33%</td>
</tr>
<tr>
<td>Interest/tax/ESOP</td>
<td>(9.1)</td>
<td>(1.4)</td>
<td>(7.7)</td>
<td>na</td>
</tr>
<tr>
<td>△ Net working capital</td>
<td>0.8</td>
<td>7.1</td>
<td>(6.3)</td>
<td>(89%)</td>
</tr>
<tr>
<td>Operating cash flow excl.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>organizer cash</td>
<td>13.9</td>
<td>22.4</td>
<td>(8.5)</td>
<td>(38%)</td>
</tr>
<tr>
<td>Investment – operating</td>
<td>(6.5)</td>
<td>(5.7)</td>
<td>(0.8)</td>
<td>15%</td>
</tr>
<tr>
<td>Investment – acquisitions</td>
<td>(5.4)</td>
<td>(1.1)</td>
<td>(4.4)</td>
<td>na</td>
</tr>
<tr>
<td>Financing incl.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>transaction of own shares</td>
<td>5.2</td>
<td>0.5</td>
<td>4.7</td>
<td>na</td>
</tr>
<tr>
<td>Free cash flow excl.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>organizer cash</td>
<td>7.2</td>
<td>16.2</td>
<td>(9.0)</td>
<td>(56%)</td>
</tr>
<tr>
<td>Effects organizer cash</td>
<td>2.0</td>
<td>na</td>
<td>2.0</td>
<td>na</td>
</tr>
<tr>
<td>Free cash flow incl.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>organizer cash</td>
<td>9.2</td>
<td>16.2</td>
<td>(7.0)</td>
<td>(43%)</td>
</tr>
</tbody>
</table>

Adjusted for distortions operating cash flow has increased from €15.6m in 2010 to €18.7m in 2011

- 2010 one-time cash in from renegotiation of credit card contract (+€3.5m) and shift of tax cash-outs into 2011 (+€3.3m)
- 2011 tax-cash-outs for years 2006-2010 (-€4.8m)
Q4 numbers
### Q4’11: €17m revenues, €5.6m EBITDA, 32% margin

<table>
<thead>
<tr>
<th></th>
<th>Q4’11</th>
<th>Q3’11</th>
<th>Q4’11 vs. Q3’11</th>
<th>Q4’10 vs. Q4’10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total revenue</strong>&lt;sup&gt;1&lt;/sup&gt;</td>
<td>17.6</td>
<td>16.6</td>
<td>+6%</td>
<td>14.7</td>
</tr>
<tr>
<td><strong>Costs</strong></td>
<td>(12.0)</td>
<td>(11.2)</td>
<td>(7%)</td>
<td>(9.4)</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>5.6</td>
<td>5.4</td>
<td>4%</td>
<td>5.2</td>
</tr>
<tr>
<td><strong>Margin</strong></td>
<td>32%</td>
<td>32%</td>
<td>0%pt</td>
<td>36%</td>
</tr>
<tr>
<td><strong>Depreciation (adjusted)&lt;sup&gt;(2)&lt;/sup&gt;</strong></td>
<td>(2.6)</td>
<td>(1.8)</td>
<td>(50%)</td>
<td>(1.5)</td>
</tr>
<tr>
<td><strong>Financial result</strong></td>
<td>0.2</td>
<td>0.2</td>
<td>(25%)</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Taxes (adjusted)&lt;sup&gt;(2)&lt;/sup&gt;</strong></td>
<td>(1.4)</td>
<td>(1.2)</td>
<td>(11%)</td>
<td>(1.3)</td>
</tr>
<tr>
<td><strong>Net result (adjusted)&lt;sup&gt;(2)&lt;/sup&gt;</strong></td>
<td>1.8</td>
<td>2.6</td>
<td>(32%)</td>
<td>2.5</td>
</tr>
</tbody>
</table>

<sup>1</sup> Including other operating income

<sup>2</sup> Adjustment for one time write-down of market entries for Spain & Turkey (€14.4m) & taxes adjusted by €0.3m accordingly

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**Increased investment mode in HY2 2011**
Q4’11: Continued revenue diversification

### Core

**Subscription**
- Q4’10: €11.0
- Q4’11: €11.7
  - Increase: +6%

### Verticals

#### E-recruiting
- Q4’10: €2.2
- Q4’11: €3.1
  - Increase: +40%

#### Advertising (incl. Company Profiles)
- Q4’10: €1.4
- Q4’11: €1.6
  - Increase: +15%

#### New Verticals (Events)
- Q4’10: €0.0
- Q4’11: €0.7

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Q4’10 | Q4’11
--- | ---
Subscription | €11.0 | €11.7
E-recruiting | €2.2 | €3.1
Advertising (incl. Company Profiles) | €1.4 | €1.6
New Verticals (Events) | €0.0 | €0.7
Personnel main investment area to further drive company growth

**Personnel**
in €m
in % of total revenue

- Q4'10: 3.9 (27%)
- Q3'11: 5.9 (36%)
- Q4'11: 6.5 (37%)

**Marketing**
in €m
in % of total revenue

- Q4'10: 1.6 (11%)
- Q3'11: 1.5 (9%)
- Q4'11: 1.7 (10%)

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

- Q4'10: 3.9 (26%)
- Q3'11: 3.8 (23%)
- Q4'11: 3.8 (22%)

*Yoy increase due to amiamo acquisition*
*Investment into product/technology organization & sales/marketing*
*35 new FTEs in Q4*

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

*External services, legal, audit & consulting*
*Payment processing, server hosting*
*Rent & other costs*
*Data center move in H2 2011*
### Quarterly operating cash-flow €2.5m

<table>
<thead>
<tr>
<th></th>
<th>Q4’11</th>
<th>Q3’11</th>
<th>Q4’11 vs. Q3’11</th>
<th>Q4’10</th>
<th>Q4’11 vs. Q4’10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Abs.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>5.6</td>
<td>5.4</td>
<td>0.2</td>
<td>5.2</td>
<td>0.4</td>
</tr>
<tr>
<td>Interest/tax/ESOP</td>
<td>(2.7)</td>
<td>0.1</td>
<td>(2.8)</td>
<td>(0.6)</td>
<td>(2.1)</td>
</tr>
<tr>
<td>∆ Net working capital</td>
<td>(0.4)</td>
<td>(0.8)</td>
<td>0.4</td>
<td>(0.5)</td>
<td>0.1</td>
</tr>
<tr>
<td>Operating cashflow excl.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>organizer cash</td>
<td>2.5</td>
<td>4.7</td>
<td>(2.2)</td>
<td>4.2</td>
<td>(1.7)</td>
</tr>
<tr>
<td>Investment – operating</td>
<td>(2.2)</td>
<td>(1.8)</td>
<td>(0.5)</td>
<td>(2.0)</td>
<td>(0.3)</td>
</tr>
<tr>
<td>Investment – acquisitions</td>
<td>(0.0)</td>
<td>(0.3)</td>
<td>0.3</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td>Financing incl.</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>transaction of own shares</td>
<td>0.4</td>
<td>0.8</td>
<td>(0.4)</td>
<td>0.5</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Free cashflow excl.</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>organizer cash</td>
<td>0.7</td>
<td>3.4</td>
<td>(2.7)</td>
<td>2.7</td>
<td>(2.0)</td>
</tr>
<tr>
<td>Effects organizer cash</td>
<td>(2.5)</td>
<td>2.4</td>
<td>(4.9)</td>
<td>na</td>
<td>(2.5)</td>
</tr>
<tr>
<td>Free cashflow incl.</td>
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</tr>
<tr>
<td>organizer cash</td>
<td>(1.8)</td>
<td>5.8</td>
<td>(7.6)</td>
<td>2.7</td>
<td>(4.5)</td>
</tr>
</tbody>
</table>

Adjusted for distortions operating cash flow has increased from €3.6m in Q3 to €4.2m in Q4

- Q3 tax cash-out shifted to Q4 (+€1.1m)
- Q4 tax-cash-out for past quarters (-€1.7m)
We plan to pay out regular dividends

Strong recurring cash flows despite investments in growth
- Prepaid revenues
- High margins
- Low capital intensity

Sufficient funds
- Cash: €46m*
- Authorized capital
- Debt capacity (currently debt free)

Executive board recommends to start paying out dividends
- €0.56 per share = ~€3m
- Policy: Sustainable dividend payments going forward

* Excluding organizer cash and return of capital of €20m
Overall strategy in 2012 remains unchanged

Exploit large remaining market potential in DACH region

Monetize through combination of paid memberships and verticals

- Upcoming launches: Corporate Recruiter account, social advertising products

Further invest in product development and marketing

Significant growth potential ahead in core markets (D-A-CH) to become a €100m+ company in a few years
Thank you for your kind attention!
Backup
Negative invested capital from shareholders' perspective

Return of €3.76 per share to shareholders on Feb 7, 2012
[Record date was August 1, 2011]
**XING AG IR stats**

Market cap: €260m / ~€66m cash* / no debt

<table>
<thead>
<tr>
<th>Consensus (February, 2012)</th>
<th>2012e</th>
<th>2013e</th>
<th>2014e</th>
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</thead>
<tbody>
<tr>
<td>Total revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Margin</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>EBIT</td>
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<td></td>
</tr>
<tr>
<td>Margin</td>
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<td></td>
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<tr>
<td>Net income</td>
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<tr>
<td>EPS in €</td>
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</tr>
<tr>
<td>Free cash flow</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Average trading volume per day (XETRA)**

- Jan 11: 24006
- Feb 11: 11594
- Mrz 11: 13500
- Apr 11: 14234
- Mai 11: 17306
- Jun 11: 25705
- Jul 11: 30347
- Aug 11: 28355
- Sep 11: 24294
- Okt 11: 22230
- Nov 11: 36719
- Dez 11: 33889
- Jan 12: 24006

**Analyst coverage**

- Commerzbank, Close Brothers, Deutsche Bank, DZ Bank, Hauck & Aufhäuser, MM Warburg, Montega AG,

**Shares**

5,426,321

**TecDax ranking end of January 2012**

- Market Cap.: 26
- Turnover: 24

**Free float according to Deutsche Börse: 69.5%**

* €20m (~3.76 per share) return to shareholders expected for February 7, 2012
XING Share Price Since IPO In Dec 2006
(as of February 29, 2012)

€48

€30

+61%  +10%  -3%  +7%
Patrick Moeller
Director Investor Relations
XING AG
Gaensemarkt 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
IR Website: http://corporate.xing.com/english/investor-relations/

http://twitter.com/xing_ir
http://www.slideshare.net/patmoeller
http://www.youtube.com/XINGcom
http://blog.xing.com
skype:patrickmoeller?add