XING Q2 2017 Results Presentation

Hamburg, August 7, 2017
Q2 2017 with strong operating and financial KPI‘s

Sound financials
- Revenue +21%
- EBITDA +23%
- Net income +25%

Operations running smoothly
- 451k net new members
- 15k net new paying members
- Launch of video @ XING
- Launch of XING E-Recruiting 360°

Fully on track to achieve 2020 targets
- M&A transactions (InterNations & Prescreen) supporting 2020 targets
- 2017 outlook of €57m EBITDA incl. acquisitions confirmed
Strong financial performance with revenue +21%; EBITDA +23% and net income +25%
Q2’17: Strong member growth with 451k net member adds

Development of XING member growth
In 000s

Q2’13  Q2’14  Q2’15  Q2’16  Q2’17
211    215    333    415    451

Members Dec 16  Net adds Q1’17  Net adds Q2’17  Members June 17
11.4m    567    451    793

XING Events users  Total XING user base
12.4m    13.2m

Rounding differences are possible
Q2’17: Strong payer conversion with 15k payer net adds (up 51% yoy)

Paying member base D-A-CH [thousands]

- 2015: 881
- Q1 16: 23
- Q2 16: 10
- Q3 16: 11
- Q4 16: 4
- Q1 17: 27
- Q2 17: 10
- June 2017: 971

ARPU growing from €6.7 in Q2’16 to €7.0 in Q2’17 (+5%)

*Change in reporting method in connection with change of payment provider leads to ~10k payer base step increase as of Jan 1, 2017

Rounding differences are possible
XING leveraging on most popular medium – VIDEO – with launch of XING Talk (B2C) and Video Advertising (B2B)

Video content (B2C) – “XING Talk”
- Logical expansion of our content initiative
- News
- Klartext
- Industry Insider
- XING Talk (NEW)
- Video supporting/driving user engagement

Video Advertising (B2B)
- Video one of the largest growth drivers in digital advertising market
- XING Sponsored Video Posts placed on the start page of pre-defined target audience
- Ensuring maximum attention for advertisers, as well as a consistent user experience, video ads start automatically without sound
B2B: Helping companies to hire the best candidate with launch of XING 360°

**XING network**
Access to > 12 m potential candidates

**Employer Branding Profile (EBP)**
Positioing as attractive Employer on XING and kununu with EBP Professional

**XING TalentManager (XTM)**
Active candidate search with unlimited # XTM licenses

**XING Job ads (XJM)**
XING job ad flatrate – unlimited #job postings

**XING ReferralManager (XRM)**
Employee-referrals with XING: digital & automated

**Add-on value**
Full-service through personal XING 360°-specialists, individual training sessions and und exclusive events

XING 360° - Upsell opportunities through product bundling
Fully on track to achieve 2020 targets; 2020 revenue target now ~€ 300m

in Mio. EUR

Revenue
EBITDA

2016
2020E

149
48

~ 100

~300

CAGR ~ 19%
CAGR ~ 20%
Q2 financials on track

- Ongoing strong member growth w/ 451k net adds
- Revenue growth in target range w/ 21% yoy
- EBITDA on track w/ €15.3m
- Operating cash-flow €12.7m
Q2 2017 P&L: € 43.9m revenues; € 15.3m EBITDA

<table>
<thead>
<tr>
<th></th>
<th>Q2 2017</th>
<th>Q2 2016</th>
<th>Q2 2017 vs. Q2 2016</th>
<th>Q1 2017</th>
<th>Q2 2017 vs. Q1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>43.9</td>
<td>36.2</td>
<td>21%</td>
<td>42.2</td>
<td>4%</td>
</tr>
<tr>
<td>Costs</td>
<td>(28.6)</td>
<td>(23.8)</td>
<td>(20%)</td>
<td>(30.2)</td>
<td>5%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>15.3</td>
<td>12.4</td>
<td>23%</td>
<td>12.0</td>
<td>28%</td>
</tr>
<tr>
<td>Margin</td>
<td>35%</td>
<td>34%</td>
<td>0%pts</td>
<td>28%</td>
<td>6%pts</td>
</tr>
<tr>
<td>D&amp;A</td>
<td>(3.1)</td>
<td>(2.5)</td>
<td>(27%)</td>
<td>(2.9)</td>
<td>(8%)</td>
</tr>
<tr>
<td>Financial result</td>
<td>0.5*</td>
<td>0.0</td>
<td>1,105%</td>
<td>(0.1)</td>
<td>N/A</td>
</tr>
<tr>
<td>At equity consolidated companies (JV)</td>
<td>(0.9)</td>
<td>(0.7)</td>
<td>(26%)</td>
<td>(1.27)</td>
<td>(30%)</td>
</tr>
<tr>
<td>Taxes</td>
<td>(3.8)</td>
<td>(2.9)</td>
<td>(32%)</td>
<td>(2.6)</td>
<td>(48%)</td>
</tr>
<tr>
<td>Net result</td>
<td>8.0</td>
<td>6.4</td>
<td>25%</td>
<td>5.1</td>
<td>56%</td>
</tr>
<tr>
<td>EPS</td>
<td>1.42</td>
<td>1.14</td>
<td>25%</td>
<td>0.91</td>
<td>56%</td>
</tr>
</tbody>
</table>

Rounding differences are possible
* Positive onetime effect due to release of earn-out-provisions of 0.6m
## Q2 2017: EBITDA contribution by segment

<table>
<thead>
<tr>
<th>[in €m]</th>
<th>Segment EBITDA</th>
<th>Q2 17 Margin</th>
<th>Q2 16 Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>B2C</td>
<td>12.0</td>
<td>57%</td>
<td>55%</td>
</tr>
<tr>
<td>B2B E-Recruiting</td>
<td>12.0</td>
<td>66%</td>
<td>63%</td>
</tr>
<tr>
<td>B2B Advertising &amp; Events</td>
<td>1.3</td>
<td>33%</td>
<td>32%</td>
</tr>
<tr>
<td>Kununu International</td>
<td>(0.0)</td>
<td>(13%)</td>
<td>39%</td>
</tr>
<tr>
<td>Tech, Central Services &amp; Other</td>
<td>(10.0)</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total EBITDA</strong></td>
<td><strong>15.3</strong></td>
<td><strong>35%</strong></td>
<td><strong>34%</strong></td>
</tr>
</tbody>
</table>

Rounding differences are possible
Q2 2017: All segments growing double digit

- **B2C**: 11% growth from Q2 2016 (19.0) to Q2 2017 (21.0)
- **B2B E-Recruiting**: 38% growth from Q2 2016 (13.1) to Q2 2017 (18.0)
- **B2B Advertising & Events**: 20% growth from Q2 2016 (3.2) to Q2 2017 (3.9)

*Rounding differences are possible*
Q2 2017: Cost development

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

- Q2 16: 13.4, 37%
- Q1 17: 15.3, 36%
- Q2 17: 16.2, 37%

- +114FTE’s
- Investment in product/tech org & sales/marketing
- Incl. non operating costs

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

- Q2 16: 2.7, 8%
- Q1 17: 6.2, 15%
- Q2 17: 3.2, 7%

- Online display & social media
- SEM
- Offline expenditures (Conferences & events, print)
- Affiliate

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

- Q2 16: 7.7, 21%
- Q1 17: 8.7, 21%
- Q2 17: 9.3, 21%

- External services
- Rent
- Server hosting
- Payment processing
- Travel & Entertainment
- Other
Q2 2017: Operating cash flow of € 12.7m

<table>
<thead>
<tr>
<th>[In €m]</th>
<th>Q2 2017</th>
<th>Q2 2016</th>
<th>Q2 2017 vs. Q2 2016</th>
<th>Q1 2017</th>
<th>Q2 2017 vs. Q1 2017</th>
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</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>15.3</td>
<td>12.4</td>
<td>2.9</td>
<td>12.0</td>
<td>3.3</td>
</tr>
<tr>
<td>Interest / tax / ESOP</td>
<td>(1.8)</td>
<td>(1.7)</td>
<td>(0.3)</td>
<td>(2.0)</td>
<td>0.3</td>
</tr>
<tr>
<td>Change in net working capital</td>
<td>(0.9)</td>
<td>3.9</td>
<td>(4.8)</td>
<td>9.6</td>
<td>(10.5)</td>
</tr>
<tr>
<td>Operating cash flow excl. organizer cash</td>
<td>12.7</td>
<td>14.9</td>
<td>(2.3)</td>
<td>19.6</td>
<td>(6.9)</td>
</tr>
<tr>
<td>Investment – operating</td>
<td>(7.0)</td>
<td>(5.7)</td>
<td>(1.3)</td>
<td>(6.9)</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Investment – acquisitions &amp; joint venture</td>
<td>0.0</td>
<td>(3.0)</td>
<td>3.0</td>
<td>(4.0)</td>
<td>4.0</td>
</tr>
<tr>
<td>Investment – financial assets</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>(30.0)</td>
<td>30.0</td>
</tr>
<tr>
<td>Interests paid &amp; exchange rate differences</td>
<td>(0.0)</td>
<td>0.0</td>
<td>(0.0)</td>
<td>(0.0)</td>
<td>(0.0)</td>
</tr>
<tr>
<td>Free cash flow excl. dividends &amp; organizer cash</td>
<td>5.6</td>
<td>6.2</td>
<td>(0.6)</td>
<td>(21.3)</td>
<td>27.0</td>
</tr>
<tr>
<td>Regular dividend</td>
<td>(7.7)</td>
<td>(5.8)</td>
<td>(1.9)</td>
<td>0.0</td>
<td>(7.7)</td>
</tr>
<tr>
<td>Special dividend</td>
<td>(9.0)</td>
<td>(8.4)</td>
<td>(0.6)</td>
<td>0.0</td>
<td>(9.0)</td>
</tr>
<tr>
<td>Free cash flow excl. organizer cash</td>
<td>(11.1)</td>
<td>(8.0)</td>
<td>(3.0)</td>
<td>(21.3)</td>
<td>10.3</td>
</tr>
<tr>
<td>Effects organizer cash</td>
<td>(3.6)</td>
<td>(0.5)</td>
<td>(3.1)</td>
<td>5.2</td>
<td>(8.8)</td>
</tr>
<tr>
<td>Free cash flow incl. organizer cash</td>
<td>(14.6)</td>
<td>(8.5)</td>
<td>(6.1)</td>
<td>(16.1)</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Rounding differences are possible
Financial implications

- Transaction enables stronger growth in B2C segment
- Allocation to B2C segment
- Revenue impact 2017e: ~€4-5m
- EBITDA impact 2017e: ~0.5-1m
- Consolidation starting Q3 2017

Impact on 2017: ~€5m on 2017 revenues & neutral effect on 2017 EBITDA target of €57m

Impact on 2020: Upper end of revenue guidance (270-300m) & EBITDA of €100m

Recap from analyst call [July 13, 2017]

- Transaction significantly improves market position and growth potential
- Allocation to B2B E-Recruiting segment
- Revenue impact 2017e: ~€0.5-1m
- EBITDA impact 2017e: ~(0.5-1m)
- Consolidation starting Q3 2017
Thank you for your attention.
Backup
Negative invested capital from shareholders’ perspective

Excl. event organizer cash in €m

Assets  Liabilities

Other financial assets  30.1
Operating assets  75.8
Acquisitions  16.8
TAX A/R 1.6
Cash  51.0

175.3  175.3

66.3 Equity
68.1 Deferred income
26.0 Liabilities
14.8 Tax liabilities

75.8  68.1  (26.0)

Operating assets  Deferred income  Liabilities

Invested capital w/o cash & other financial assets

(18.3)

Rounding differences are possible
Consensus, investor information & contact details
XING AG IR stats
Market cap: ~€ 1.3bn / ~€ 50m cash / no debt

Consensus from 6 brokers collected by XING IR

<table>
<thead>
<tr>
<th></th>
<th>2017e</th>
<th>2018e</th>
<th>2019e</th>
<th>2020e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenues</td>
<td>175</td>
<td>205</td>
<td>239</td>
<td>269</td>
</tr>
<tr>
<td>EBITDA</td>
<td>57</td>
<td>70</td>
<td>85</td>
<td>99</td>
</tr>
<tr>
<td>Margin</td>
<td>33%</td>
<td>34%</td>
<td>36%</td>
<td>37%</td>
</tr>
<tr>
<td>D&amp;A</td>
<td>-12</td>
<td>-13</td>
<td>-16</td>
<td>-19</td>
</tr>
<tr>
<td>EBIT</td>
<td>45</td>
<td>57</td>
<td>70</td>
<td>80</td>
</tr>
<tr>
<td>Margin</td>
<td>26%</td>
<td>28%</td>
<td>29%</td>
<td>30%</td>
</tr>
<tr>
<td>Net income</td>
<td>29</td>
<td>37</td>
<td>47</td>
<td>55</td>
</tr>
<tr>
<td>EPS in €</td>
<td>5.12</td>
<td>6.85</td>
<td>8.59</td>
<td>10.21</td>
</tr>
<tr>
<td>DPS in €</td>
<td>1.95</td>
<td>2.52</td>
<td>2.62</td>
<td>2.87</td>
</tr>
</tbody>
</table>

Average trading volume per day (XETRA) & Market Cap (in € m)

<table>
<thead>
<tr>
<th>Date</th>
<th>Volume</th>
<th>Market Cap</th>
</tr>
</thead>
<tbody>
<tr>
<td>June-16</td>
<td>960</td>
<td>1,310</td>
</tr>
<tr>
<td>July-16</td>
<td>9825</td>
<td>1,310</td>
</tr>
<tr>
<td>August-16</td>
<td>6610</td>
<td>1,310</td>
</tr>
<tr>
<td>September-16</td>
<td>5570</td>
<td>1,310</td>
</tr>
<tr>
<td>October-16</td>
<td>3497</td>
<td>1,310</td>
</tr>
<tr>
<td>November-16</td>
<td>5350</td>
<td>1,310</td>
</tr>
<tr>
<td>December-16</td>
<td>5795</td>
<td>1,310</td>
</tr>
<tr>
<td>January-17</td>
<td>4462</td>
<td>1,310</td>
</tr>
<tr>
<td>February-17</td>
<td>6995</td>
<td>1,310</td>
</tr>
<tr>
<td>March-17</td>
<td>5596</td>
<td>1,310</td>
</tr>
<tr>
<td>April-17</td>
<td>4578</td>
<td>1,310</td>
</tr>
<tr>
<td>May-17</td>
<td>7276</td>
<td>1,310</td>
</tr>
<tr>
<td>June-17</td>
<td>8743</td>
<td>1,310</td>
</tr>
</tbody>
</table>

Analyst coverage
Berenberg Bank, Commerzbank, Deutsche Bank, Equinet, Hauck & Aufhäuser, MM Warburg, Oddo Seydler

Shares
5,620,435

Numbers based on last filing – actual shareholdings can differ
XING share price development since IPO

- DAX: +89%
- TecDAX: +221%
- XING AG: +727%
Investor Relations
contact details & social media channels

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