



January 1 to September 30  
INTERIM REPORT  
of XING AG **2007**

**XING makes your professional network an active part of your life.**  
 Far more than a directory of business contacts, XING enables its members to discover professional people, opportunities and privileges through its unique discovery capability and advanced contact management tools. Besides Headquarters in Hamburg, XING AG is represented by offices in Barcelona (Neurona, XING Spain) and Beijing.

**XING AG at a glance<sup>1)</sup>**

	07/01/2007 - 09/30/2007	04/01/2007 - 06/30/2007	01/01/2007 - 09/30/2007	07/01/2006 - 09/30/2006	01/01/2006 - 09/30/2006
Revenues in € million <sup>2)</sup>	4.94	4.28	13.13	2.67	6.26
EBITDA in € million <sup>2)</sup>	2.07	1.13	4.13	0.59	0.18
EBITDA margin <sup>2)</sup> in %	42	26	31	22	3
Result for the period in € million <sup>2)</sup>	1.68	0.96	3.52	0.47	0
Result for the period in € million	1.17	0.71	2.35	0.32	(0.33)
Operating cashflow in € million	2.62	1.97	4.88	1.38	2.59
Operating cashflow/share in €	0.50	0.38	0.94	0.27	0.50
Earnings per share in € <sup>2)</sup>	0.32	0.18	0.68	0.09	(0.00)
Equity in € million	43.65	42.33	43.65	5.91	5.91
Members <sup>3)</sup> in million	4.25	3.52	4.25	1.45	1.45
thereof Premium Members	0.325	0.285	0.325	0.189	0.189
Confirmed contacts in million	63.6	56.1	63.6	35.2	35.2
Employees	109	111	109	70	70

<sup>1)</sup> There may be deviations due to rounding figures

<sup>2)</sup> continuing operations

<sup>3)</sup> 2007 including eConozco and Neurona

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**Dear ladies and gentlemen,**

**Dear shareholders, employees and XING members,**

In the third quarter since the IPO, XING AG has fulfilled its promise of increasing EBITDA margin. The quarter was a very successful one for our Company, we have produced record results. Since April, we have more than doubled the number of members on the platform to over 4 million, and with an EBITDA of over 2 million euros, have once again proven the scalability of our business model.

The social networking trend continues unabated and has become a global media sensation in recent months, drawing the attention of millions of Internet users to business networks such as XING. The management at XING now knows that online social networks have the potential to become the new gateways to the Internet, overtaking the dominant position of traditional websites and search engines.

In Q3/2007, we once again made improvements to the platform to meet the desires and expectations of our members, successfully implementing a series of key IT projects such as the improvement of XING "Marketplace" and the launch of new member profiles.

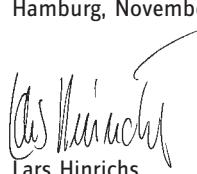
The past months were also very successful in an operational sense. The two Spanish networks for business contacts acquired by XING AG, eConozco and Neurona, recorded a considerable increase in members following the buyout, bolstering our presence in the Spanish-speaking world cementing our market dominance in this area in Spain.

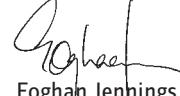
Our success in consolidating the European market for online business social networking strengthens us in our resolve to continue with this strategy in the future and actively consolidate this growth market with funds raised during the IPO.

In addition, we continue to expect potential for organic growth and value enhancement for XING. In particular, the management recognizes the potential for new sources of revenues and profits in the areas of advertisement and e-commerce.

With your investment, you have made a choice for the European market leader in the business networking segment. We, the employees and management of XING, will continue to do everything in our power to ensure that this success is maintained in the future.

Hamburg, November 2007

  
Lars Hinrichs  
Chairman of the  
Executive Board  
XING AG

  
Eoghan Jennings  
Chief Financial Officer  
XING AG

  
Burkhard Blum  
Member of the Executive Board  
XING AG

# Short management review

## Business environment and economic development

XING AG (XING) further consolidated its market position in the third quarter. In particular, the multilingualism of its platform and the active consolidation of the Spanish networks eConozco and Neurona significantly strengthened XING's position in the fast-growing Spanish-speaking world. As a result, XING had 4% of all Spanish internet users registered on its platforms at the end of the third quarter 2007, thereby exceeding XING's 3% share of internet users in its domestic market of Germany. This and other factors contributed to the internationalisation of the XING member base. By the end of September, more than 60% of the total member base had registered in countries outside of Germany. XING member growth is also substantiated by industry experts who forecast that approximately 1.8 billion people will have access to the Internet by 2010<sup>1)</sup>, providing additional momentum to the global growth of XING's member base.

## Business development

### Strong member and revenue growth in the third quarter

Whereas XING AG concentrated its efforts in the first half-year on the expansion of its overall membership base, the third quarter was characterized – besides a continually strong growth in Basic Members – by the growth of new Premium Members. After an increase in fee-paying members in the first quarter by approximately 38,000 and a seasonal deceleration of growth to approximately 26,000 net new paying members in the second quarter, XING achieved the strongest growth in the company's history in the third quarter. Approximately 40,000 members decided to upgrade to a Premium Membership on XING in the third quarter, thereby also contributing to continued favourable financial results in the future. This growth can be primarily attributed to intensified marketing promotions on the XING platform as well as successful marketing campaigns in

France and Poland. This correlation between planned up-sell marketing activities and the acceleration of growth in Premium Members forms a promising outlook resulting in promoting additional conversions to Premium Membership in future.

At the end of the third quarter, XING recorded 325,000 Premium Members worldwide, the number of fee-paying members having increased by more than 70% compared to the same quarter in the previous year.

Besides the positive increase in the Premium Membership base, the overall member base has also been marked by strong growth. In Q3 alone, 730,000 new members worldwide chose to manage their contacts and expand their professional network using XING. Now with more than 4.25 million members, the highest number of page views and the highest average time users spent on the Website vis-à-vis its main competitors, XING has firmly established itself as the European market leader in online business social networking. The organic growth trend of members registered with the Spanish subsidiaries eConozco and Neurona – acquired in the first half-year of 2007 – has been particularly positive. Since acquisition, eConozco, which is going to be migrated into XING AG within the fourth quarter, has more than doubled its member number to over 380,000. Dynamic growth and high Internet penetration rates mean that Spain will continue to represent one of the most significant target markets for XING. But also growth in Latin America and Italy is very encouraging. Membership numbers in the German speaking market have also risen significantly. Over the past nine months, the member base increased by almost 70% to 1.57 million members.

Initial successes can already be reported as a result of the partnership with ZoomInfo Corp. in the US as well: The membership base in the US has more than doubled in size over the past nine months. Furthermore, ZoomInfo and XING launched a co-registration option on the ZoomInfo platform which is opening up further synergies between the two platforms.

<sup>1)</sup> Source: Industry Analysts

## Member base XING AG - worldwide<sup>1)</sup>

As per 09/30/2007	Members in million	Change vs. 06/30/2007
Germany	1.57	+ 0.17 million / + 13%
Spain	0.77	+ 0.06 million / + 9%
Rest of Europe	0.63	+ 0.13 million / + 26%
Asia	0.42	+ 0.08 million / + 24%
South America	0.69	+ 0.20 million / + 40%
North America	0.12	+ 0.06 million / + 104%
Other regions	0.04	+ 0.02 million / + 123%
<b>Total</b>	<b>4.25</b>	<b>+ 0.73 million / + 21%</b>

<sup>1)</sup> including eConozco and Neurona members

### Introduction of new revenue sources at XING

The official launch of the XING "Marketplace" feature in May 2007 laid both the foundation stone for expanding business operations and for creating other new sources of income for the Company. Premium Members can post offers on "Marketplace" for other members. For the time being, functionality is limited to the listing of jobs, and this will be expanded to include service and real estate offers in the future.

Just days into the fourth quarter, XING launched its novel fixed price per click billing system for the posting of job offers, thereby creating an additional business model and a flexible new billing engine which is a solid basis for additional revenue streams in the years to come. Within a few months of the initial launch of XING "Marketplace", it soon became clear that there was both a strong rise in the number of job listings on the XING platform and a growing interest from corporations who are seeking qualified employees and using this powerful new tool to assist them.

### Research, product development and new features at XING

Besides standard maintenance and scaling work, conceptual and technical activities during the third quarter 2007 were focused on:

- Further development of "Marketplace", including an innovative billing solution
- Development of the new member profile "Profile 2.0"
- Integration of partners such as ZoomInfo via an API
- Relaunch of the XING mobile portal
- Integration of eConozco

The innovative web development framework Ruby on Rails gained significant ground this quarter. Applications such as "Marketplace" and the API (Application Programming Interface) – which are all running on Rails – are very scalable and quicker to innovate. Additionally, XING came closer to the long-term goal of a service-oriented architecture. In particular as the link-up with the XING database backend has turned out to be a success in sharing services across the two implementation technologies (perl, rails). Such a service-oriented architecture will enable XING to scale development resources even further.

Offers which already existed such as XING for cell phones, PDAs and BlackBerrys are also being upgraded and developed on a continuous basis, in order to further increase usage by mobile members. XING managed to be the first Web 2.0 company with a mobile portal for its members. Since a complete relaunch of the XING's mobile portal, members can now navigate even faster and simpler, view up-to-date job listings on the move, or arrange meetings and appointments. Especially the launch of the new member profile in September 2007 represents both a significant improvement and further development of the platform. XING members are now able to present their professional background in far more detail, with capacity for more comprehensive information and personal data. The "edit in place" functionality also allows XING members to conveniently edit their data without having to leave their pro-

Registered XING members in million and growth in %



file page. In addition, a new 'info' area included on profiles provides information about how individual XING members wish to use the platform. This makes it easier to identify relevant members and to contact people in a more targeted way. Moreover, XING members can now list their other profiles with Web 2.0 providers such as Amazon, del.icio.us or YouTube, linking them to their XING profile.

### Sale of the subsidiary First Tuesday

XING AG announced plans to sell its Swiss subsidiary First Tuesday Zurich AG in the 2007 Half-Year Interim Financial Report. Before the sale of the Swiss shell and sundry fixed assets, all valuable continuing business activities were transferred and integrated to the XING AG headquarters in Hamburg. This move marks a continuation of XING AG's policy of quickly restructuring out any business area that proves not to scale, further demonstrating XING AG's discipline in executing acquisitions to best effect additional profitability.

### Competitive environment

The market in which XING AG does business is characterized by high attractiveness and strong growth potential. A key distinction in this market is the considerably higher activity level<sup>1)</sup> of XING members vis-à-vis other competitors: Measured in terms of total usage time in minutes and number of pages viewed, the XING website is subject to considerably more intensive use than that of the closest competitor, which at present has a greater number of profiles<sup>2)</sup>. XING AG has enjoyed rapid international expansion which is supported by the multilingual nature of the user interface and the communication system (which supports 16 languages, including English, Spanish, French, German, Portuguese, Chinese, Russian, Finnish, Swedish, and Japanese). Particularly in Europe, this multilingualism is a competitive advantage for the Company. Additionally, the partnership between XING and ZoomInfo has allowed the Company to further expand its member base in Anglo-american countries like the US, UK, Canada and Australia in Q3.

<sup>1)</sup> Source: ComScore Networks, Inc., Report from September 2007

<sup>2)</sup> Source: LinkedIn Corporation

Service revenues in € thousand



## Results of operations

### Revenue trend

XING generated **revenues** from services from its continuing operations of €4,710 thousand. This can be attributed primarily to the sale of Premium Memberships. This amount is equivalent to a growth of 78% compared to the same period in the previous year.

During the first nine months of the reporting year, service revenues from continuing operations accounting for €12,579 thousand more than doubled compared to the prior year (€6,237 thousand).

**Other operating income** from continuing operations of €231 thousand (prior period: €26 thousand) results mainly from the reversal of accruals.

From January until September 2007, **other operating income** from continuing operations totalled €549 thousand (prior period: €28 thousand).

### Result

The **EBITDA** margin from continuing operations of 42% in the third quarter of 2007 has increased significantly compared to the same period in the previous year (22%). For the period from January until September 2007, the EBITDA reached 31% (prior year: 3%).

The **EBT** result has improved considerably as a result of the increased interest earnings (€1,877 thousand in Q3 2007 versus €471 thousand in Q3 2006). During the first nine months of 2007, the EBT reached €3,734 (prior year: €(5) thousand).

### Relevant profit and loss trends

The growth in the number of employees from 70 (by September 30, 2006) to 109 (by September 30, 2007) has led to an increase in personnel expenses, from €1,094 thousand in the third quarter 2007 compared to €676 thousand in Q3 2006. When comparing the first three quarters of 2007 with those of 2006, personnel expenses grew from €1,623 thousand to €3,651 thousand.

One single employee was still employed in the Company's discontinued operation in Switzerland at the end of September 2007 (prior period: 7 employees). Personnel expenses accounted for €80 thousand in Q3 2007 (€427 thousand for the first nine months of 2007) compared to €171 thousand in Q3 2006 (€378 thousand for the first nine months of 2006).

XING carried out its focus on online marketing activities, resulting in **marketing expenditure** of €238 thousand during Q3 2007 (prior period €85 thousand). When comparing the first nine months, marketing expenditure accounted for €900 thousand in 2007 versus €327 thousand in 2006. The discontinued operation incurred no significant amount of marketing expenses during the reporting period.

**Other operating expenses** such as public relations and investor relations expenses, supervisory board fees, building rental, insurance, etc. grew from €1,533 thousand in Q3 2007 compared to €1,315 thousand in Q3 2006. From January until September 2007, other operating expenses accounted for €4,440 thousand (prior period: €4,136 thousand).

The **depreciation** of intangible assets mainly relating to XING's self-developed software accounted for €330 thousand in Q3 2007 (prior period: €83 thousand) and €948 thousand for the first nine months of 2007 (first nine months of 2006: 182 thousand). In terms of fixed assets, the Company depreciated €138 thousand in Q3 2007 (prior period: €43 thousand) resulting in a cumulative amount of €362 thousand for the first nine months (prior period: €110 thousand). Remaining depreciation positions (€41 thousand in Q3 2007 and €109 thousand year-to-date) break down into purchased software and write-off of subsidiaries' loans.

Discontinued operation accounted for a depreciation amount of €407 thousand in Q3 2007 (prior period: €48 thousand) mainly resulting from goodwill' and intercompany loan write-offs. Year-to-date, depreciation from discontinued operation accounted for €415 thousand (prior period: €48 thousand).

## Net assets

At the reporting date September 30, 2007, cash and cash equivalents in the amount of €37,175 thousand accounted for 69% of the Group's €54,138 thousand in total assets. At the reporting date December 31, 2006, the proportion of liquid assets amounted to 89%. The decrease in liquid assets from €45,225 thousand for the period ending June 30, 2007 to €37,175 thousand for the period ending September 30, 2007 results essentially from the acquisitions made by the Company in Spain in Q1 and Q2 2007.

## Financial position

The Company generated **cash flow from operating activities** amounting to €2,616 thousand (prior period: €1,383 thousand).

At the reporting date September 30, 2007, **cash flow from investing activities** amounted to €2,052 thousand (prior period: €731 thousand). This amount principally results from further investments in the company acquisition of Neurona as well as investments made in fixed assets and other intangible assets.

## Risk report

The early risk identification system as implemented by the Executive Board in accordance with Article 91, Par. 2 of the German Stock Corporation Act (Aktiengesetz), provides for the permanent monitoring and controlling of risks. In the nine months since the publishing of the Annual Report, the Company has not identified any additional risks than those risk factors listed in the Annual Report.

## Outlook

The past nine months have been largely dedicated to the acquisition of two competitors (eConozco and Neurona) in the Spanish-speaking market and the cooperation with ZoomInfo in the United States. In the coming months XING will focus on integrating the subsidiaries into the Group, and on migrating the acquired member profiles to the XING platform. A second key initiative for the rest of this year and the coming year will be to attract paying members from the ranks of ZoomInfo users.

The Company expects an additional increase in Basic and Premium Members, and will continue to focus on organic growth in the future, as well as to monitor and enhance the possibilities for further external growth. In addition to the successful monetization of a large portion of the German speaking customer base via Premium Memberships, XING also sees additional potential to further monetize the global member base, thus creating new sources of revenues.

The milestones achieved by the Company to date – such as the rapid growth of the XING member base, the successful acquisitions of eConozco and Neurona, the start of an innovative billing system for XING “Marketplace”, or continual developments of the platform all confirm the success of the Company's sustainable strategy.

The success of the strategy is further confirmed by the achievement of the Company's goals for 2007, namely to increase total revenues from the previous year by approximately 100% (previous year's figures €10.1 m) and to achieve an EBITDA margin of 30 to 35%.

## Significant events after the reporting date

With the launch of XING “Marketplace” in the first half of 2007, the Company introduced a significant expansion in addition to the existing business model. During the BETA phase, Premium Members were able to place job listings free-of-charge for all members on the XING platform to read. Shortly after the end of the third quarter, XING ended the BETA phase successfully, and introduced a performance-based billing model for “Marketplace” on October 12, 2007, thus creating an additional source of revenues for the Company. The new partnership also allows XING AG to develop innovating and unique business models, and to make costs or expenditures extremely scalable.

On November 12, 2007 XING AG announced that it is going to open a further business model. XING will incorporate online advertising on its platform before the end of Q4 2007.

Hamburg, November 15, 2007



Lars Hinrichs  
Chairman of the  
Executive Board  
XING AG



Eoghan Jennings  
Chief Financial Officer  
XING AG



Burkhard Blum  
Member of the Executive Board  
XING AG

## Consolidated income statement as of September 30, 2007<sup>1)</sup>

	07/01/2007 - 09/30/2007 in thousand €	07/01/2006 - 09/30/2006 in thousand €	01/01/2007 - 09/30/2007 in thousand €	01/01/2006 - 09/30/2006 in thousand €
Service revenues	4,710	2,642	12,579	6,237
Other operating income	231	26	549	27
<b>Total revenues</b>	<b>4,941</b>	<b>2,668</b>	<b>13,128</b>	<b>6,264</b>
Cost of sales	(4)	0	(4)	0
Personnel expenses	(1,094)	(676)	(3,651)	(1,623)
Marketing expenses	(238)	(85)	(900)	(327)
Other operating expenses	(1,533)	(1,315)	(4,440)	(4,136)
<b>EBITDA</b>	<b>2,072</b>	<b>592</b>	<b>4,133</b>	<b>178</b>
Depreciation and amortization	(509)	(143)	(1,419)	(328)
<b>EBIT</b>	<b>1,563</b>	<b>449</b>	<b>2,714</b>	<b>(150)</b>
Interest income / (expense), net	314	22	1,020	145
<b>EBT</b>	<b>1,877</b>	<b>471</b>	<b>3,734</b>	<b>(5)</b>
Income taxes	(197)	0	(215)	4
<b>Net profit/loss for the period from continuing operations</b>	<b>1,680</b>	<b>471</b>	<b>3,519</b>	<b>(1)</b>
<b>Net profit/loss for the period from discontinued operation</b>	<b>(507)</b>	<b>(153)</b>	<b>(1,170)</b>	<b>(328)</b>
<b>Total net profit/loss for the period</b>	<b>1,173</b>	<b>318</b>	<b>2,349</b>	<b>(329)</b>
<b>Total operations</b>				
Earnings per share (undiluted)	0.23	0.06	0.45	(0.06)
Earnings per share (diluted)	0.22	0.06	0.44	(0.06)
<b>Continuing operations</b>				
Earnings per share (undiluted)	0.32	0.09	0.68	0
Earnings per share (diluted)	0.31	0.09	0.66	0

<sup>1)</sup> There may be deviations due to rounding figures

# Consolidated balance sheet as of September 30, 2007<sup>1)</sup>

ASSETS	09/30/2007 in thousand €	12/31/2006 in thousand €
<b>Non-current assets</b>		
Intangible assets		
Other intangible assets	4,804	202
Acquired software	353	297
Self developed software	2,753	1,869
Goodwill	5,385	254
Fixed assets		
Technical equipment and machines	1	12
EDP hardware & other office equipment	1,529	971
Financial assets		
Investments	206	100
Other financial assets	287	289
	<b>15,318</b>	<b>3,994</b>
<b>Current assets</b>		
Inventories		
Merchandises	19	0
Receivables and other assets		
Trade receivables	944	1,533
Other assets	682	221
Cash and cash equivalents		
	37,175	45,225
	<b>38,820</b>	<b>46,979</b>
	<b>54,138</b>	<b>50,973</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Subscribed capital	5,202	5,202
Capital reserves	38,978	38,561
Other reserves	(22)	9
Retained earnings	(513)	(2,862)
	<b>43,645</b>	<b>40,910</b>
Minority interests	0	0
	<b>43,645</b>	<b>40,910</b>
<b>Long term liabilities</b>		
Finance lease liabilities	280	393
Deferred tax liabilities	155	0
Deferred income	491	500
	<b>926</b>	<b>893</b>
<b>Short term liabilities</b>		
Finance lease liabilities	157	157
Trade payables	994	1,734
Accruals	1,641	2,877
Deferred income	5,724	4,160
Other liabilities	1,050	242
	<b>9,566</b>	<b>9,170</b>
	<b>54,138</b>	<b>50,973</b>

<sup>1)</sup> There may be deviations due to rounding figures

## Consolidated cash flow statement as of September 30, 2007<sup>1)</sup>

	07/01/2007 - 09/30/2007 in thousand €	07/01/2006 - 09/30/2006 in thousand €	01/01/2007 - 09/30/2007 in thousand €	01/01/2006 - 09/30/2006 in thousand €
Net result for the period	1,173	318	2,349	(329)
Non-cash income/expenses from discontinued operations	153	0	153	0
Loss goodwill/disposal of investment	220	48	220	48
Depreciation and amortization	179	60	471	146
Depreciation on capitalized development costs	330	83	947	182
Personal expenses for stock option plan	149	0	416	0
Changes in accruals	129	421	(1,236)	737
Changes in deferred taxes	0	0	155	(4)
Changes in net working capital				
Changes in receivables and other assets	91	(415)	141	(403)
Changes in trade payables and other liabilities	(237)	236	(291)	313
Changes in deferred income	429	632	1,555	1,901
<b>Cash flow from operating activities</b>	<b>2,616</b>	<b>1,383</b>	<b>4,880</b>	<b>2,591</b>
Purchase of intangible assets	(1,146)	(771)	(2,982)	(1,552)
Purchase of fixed assets	(310)	(78)	(910)	(233)
Investments in subsidiaries (less cash acquired)	(596)	0	(8,932)	(245)
Investment in other financial assets	0	118	(106)	(100)
<b>Cash flow from investing activities</b>	<b>(2,052)</b>	<b>(731)</b>	<b>(12,930)</b>	<b>(2,130)</b>
Capital increases	0	0	0	(3)
<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(3)</b>
Change in cash and cash equivalents	565	652	(8,050)	458
Cash and cash equivalents at the beginning of the period	36,611	6,791	45,225	6,985
<b>Cash and cash equivalents at the end of the period</b>	<b>37,175</b>	<b>7,443</b>	<b>37,175</b>	<b>7,443</b>

<sup>1)</sup> There may be deviations due to rounding figures

## Consolidated statement of changes in equity for the period from January 1 to September 30, 2007<sup>1)</sup>

	Attributable to equity holders of the parent						Total equity in thousand €
	Subscribed capital in thousand €	Capital reserve in thousand €	Other reserves in thousand €	Retained earnings in thousand €	Total in thousand €	Minority interests in thousand €	
<b>At 31.12.2005</b>	<b>52</b>	<b>6,837</b>	<b>0</b>	<b>(649)</b>	<b>6,240</b>	<b>0</b>	<b>6,240</b>
Foreign currency translation	0	(3)	1	0	(2)	0	(2)
Cost of raising capital	0	0	0	0	0	0	0
Net profit/loss for the period	0	0	0	(329)	(329)	0	(329)
<b>At 30.09.2006</b>	<b>52</b>	<b>6,834</b>	<b>1</b>	<b>(978)</b>	<b>5,909</b>	<b>0</b>	<b>(5,909)</b>
<b>At 31.12.2006</b>	<b>5,202</b>	<b>38,561</b>	<b>9</b>	<b>(2,862)</b>	<b>40,910</b>	<b>0</b>	<b>40,910</b>
Foreign currency translation	0	0	(31)	0	(31)	0	(31)
Net profit/loss for the period	0	0	0	2,349	2,349	0	2,349
Total income and expenses for the period	0	0	(31)	2,349	2,318	0	2,318
Personnel expenses for stock option plan	0	417	0	0	417	0	417
Capital increases	0	0	0	0	0	0	0
<b>At 30.09.2007</b>	<b>5,202</b>	<b>38,978</b>	<b>(22)</b>	<b>(513)</b>	<b>43,645</b>	<b>0</b>	<b>43,645</b>

<sup>1)</sup> There may be deviations due to rounding figures

# Notes to the consolidated financial statements for the interim period ending September 30, 2007

## Basis of preparation, methods of accounting and valuation

XING is a leading online service which provides business executives with a variety of professional tools, including advanced contact management, sophisticated networking opportunities and digital profile management. XING generates its revenues mainly from membership subscriptions.

The consolidated financial statements for the third quarter ending September 30, 2007 have been prepared in accordance with the International Financial Reporting Standards (IAS 34) as adopted by the EU.

The period under review is from January 1, 2007 to September 30, 2007. The prior period figures relate to the period from January 1, 2006 to September 30, 2006.

The same accounting policies and calculation methods were used for this Interim Report as for the Half Year Report ending June 30, 2007.

## Basis of consolidation

The basis of consolidation in the consolidated financial statements comprises the following companies:

	09/30/2007 in %	12/31/2006 in %	Year of consolidation
First Tuesday AG, Switzerland	0	100	2006
openBC China Ltd., China	55	55	2006
openBC Network Technology (Beijing) Co. Ltd., China <sup>1)</sup>	100 <sup>1)</sup>	100 <sup>1)</sup>	2006
Grupo Galenicom Tecnologias de la Information, S.L., (eConozco), Spain	100	0	2007
XING International Holding GmbH	100	0	2007
Neurona Networking, S.L., (Neurona), Spain <sup>2)</sup>	100 <sup>2)</sup>	0	2007

<sup>1)</sup> 100% are indirectly held via shares amounting to 55% of openBC China Ltd., China.

<sup>2)</sup> 100% are indirectly held via shares amounting to 100% of XING International Holding GmbH, Germany.

## Acquisitions

As mentioned in the Half Year Report 2007, the final purchase price allocation of Neurona Networking S.L. will be completed by December 31, 2007. The temporary price allocation as per Half Year Report remains valid until that date.

## Stock option plan

Within the scope of the stock option plan 2006, further stock options were issued on September 7, 2007, accounting for an expenditure of €14,674.38 in Q3 2007.

The stock option evaluation was performed by Mercer Deutschland GmbH using the same method of evaluation and updated criteria as for the 2006 Stock Option Plan.

### Information about the discontinued operation (IFRS 5)

On September 30, 2007, XING AG completed the sale of 100% of the share capital of First Tuesday AG, Zurich.

The sales price for First Tuesday AG, Zurich, was set at CHF 1.00 while all valuable assets and liabilities were taken over by XING AG.

Individual company closing:

	Discontinued operation 000 €
Purchase price	0.0006
Goodwill	(220)
Assets assumed	32
Liabilities assumed	(185)
<b>Total Loss</b>	<b>(373)</b>

During the third quarter 2007, the discontinued operation generated a loss of €507 thousand (prior period: €153 thousand) and a cumulated loss of €1,170 thousand (prior period: €328 thousand) during the first nine months of 2007. This can be illustrated as follows:

	07/01/2007 - 09/30/2007 in thousand €	07/01/2006 - 09/30/2006 in thousand €	01/01/2007 - 09/30/2007 in thousand €	01/01/006 - 09/30/2006 in thousand €
Service revenues	0	115	22	271
Other operating income	77	10	80	17
<b>Total revenues</b>	<b>77</b>	<b>126</b>	<b>102</b>	<b>288</b>
Cost of sales				
Personnel & permanent contractors expenses	(80)	(171)	(427)	(378)
Marketing expenses	12	-	66	-
Other operating expenses	(98)	(60)	(332)	(190)
<b>Total costs</b>	<b>(165)</b>	<b>(231)</b>	<b>(824)</b>	<b>(568)</b>
<b>EBITDA</b>	<b>(88)</b>	<b>(105)</b>	<b>(723)</b>	<b>(279)</b>
Depreciation and amortization	(407)	(48)	(415)	(48)
<b>EBIT</b>	<b>(495)</b>	<b>(153)</b>	<b>(1,137)</b>	<b>(327)</b>
Interest income / expense, net	(12)	0	(33)	(1)
<b>EBT</b>	<b>(507)</b>	<b>(153)</b>	<b>(1,170)</b>	<b>(328)</b>
Income taxes	0	0	0	0
<b>Net profit/loss for the period</b>	<b>(507)</b>	<b>(153)</b>	<b>(1,170)</b>	<b>(328)</b>

### Additions and disposals of assets

In the three-month period ending September 30, 2007, an amount of €548 thousand (prior period: €608 thousand) was invested in self-developed software. The capitalized self-developed software comprises investments for further development and new functions on the XING Web site. In the third quarter ending September 30, 2007, the Company purchased software amounting to €4 thousand (prior period: €117 thousand), as well as IT hardware and other office equipment, amounting to €310 thousand (prior period: €78 thousand).

Looking at the nine months reporting period, investments in self-developed software accounted for €1,832 thousand (prior period: €1,218 thousand), in purchased software for €130 thousand (prior period: €178 thousand) and in EDP hardware for €910 thousand (prior period: €233 thousand).

### Summary of other operating expenses

The main items allocated to other operating expenses are broken down in the following overview:

	01.07.2007 – 30.09.2007 in thousand €	01.07.2007 – 30.09.2007 in thousand €	01.01.2007 – 30.09.2007 in thousand €	01.01.2006 – 30.09.2006 in thousand €
IT and operating expenses and expenses for emerging markets	466	532	1,165	1,585
Legal, consulting and audit expenses	231	288	819	615
IT service, hosting and administration	267	132	768	321
Travel, entertainment and other operating expenses	86	124	247	342
Payment processing	153	116	451	374
Others	330	123	990	899
Continuing operations	1,533	1,315	4,440	4,136
Discontinued operations	98	60	332	190
<b>Total</b>	<b>1,631</b>	<b>1,375</b>	<b>4,772</b>	<b>4,326</b>

Expense types such as public relations and investors relation, supervisory board fees, building rental, insurances to name a few are comprised under the category "others".

## Segment information

The geographical allocation of revenues from the product Premium Membership for the reporting period is shown in the table below:

	01/01/2007 - 09/30/2007 in thousand €	01/01/2006 - 09/30/2006 in thousand €	07/01/2007 - 09/30/2007 in thousand €	07/01/2006 - 09/30/2006 in thousand €
Germany	10,116	4,915	3,781	2,139
Rest of Europe	2,100	1,097	784	423
Asia	177	97	66	39
Americas	138	76	52	31
Other	33	40	7	13
<b>Total</b>	<b>12,564</b>	<b>6,225</b>	<b>4,690</b>	<b>2,645</b>

## Related party disclosures

epublica GmbH, Hamburg, which is a shareholder of the Company and develops the software for the XING platform, provided services amounting to €457 thousand (prior period: €352 thousand) during the reporting period.

## Significant events during and after the interim reporting period

The appointment of Burkhard Blum as member of the Executive Board was announced by the Company on August 17, 2007.

As outlined in the section labeled "discontinued operations", the Company disposed of the Group's business unit First Tuesday AG in September 2007.

A billable version of "Marketplace" - the Company's job listings offer - was successfully launched on October 12, 2007. It is a performance-based billing model which opens up a further income source for the Company.

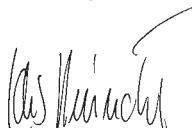
On November 12, 2007 XING AG announced that it is going to provide a further business model. XING will incorporate online advertising on its platform before the end of Q4 2007.

## Director's dealings

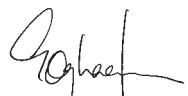
No notifications in accordance with section 21 of the German Securities Trading Act were issued since Q1 2007.

Information about director's dealings pursuant to Section 15 of the German Securities Trading Law can be downloaded from the Company's website under the Investor Relations heading.

Hamburg, November 15, 2007



Lars Hinrichs  
Chairman of the  
Executive Board  
XING AG



Eoghan Jennings  
Chief Financial Officer  
XING AG



Burkhard Blum  
Member of the Executive Board  
XING AG

# Further information about the XING share

## Key data

Trading symbol	O1BC
German Securities Code Number (WKN)	XNG888
ISIN	DE000XNG8888
Bloomberg	O1BC
Reuters	OBCGn.DE
Market segment	Prime Standard
Stock exchanges	Berlin, Düsseldorf, Frankfurt, Munich, Stuttgart

## Key share data

Number of shares	5,201,700
XETRA closing price as of 09/30/2007	€37.99
Market capitalization as of 09/30/2007	€197.6 million
Average trading volume (01/01 - 09/30)	12,190
Share price high (01/01 - 09/30)	€50.79
Share price low (01/01 - 09/30)	€26.00

## Masthead

### XING AG

Gänsemarkt 43  
20354 Hamburg  
Germany

Phone +49 40 41 91 31-0  
Fax +49 40 41 91 31-11

### Investor Relations contact

Phone +49 40 41 91 31-793  
Fax +49 40 41 91 31-11  
patrick.moeller@xing.com

### Corporate Communications contact

Phone +49 40 41 91 31-19  
Fax +49 40 41 91 31-11  
daniela.hinrichs@xing.com

