



XING – #1 Professional Social Network In German Speaking Europe

Presentation of preliminary results 2013

February 25th, 2014

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Pro-forma results

Results contained in this presentation are partly based on unaudited pro-forma financial results that the Company derived from its preliminary and past financial statements for the indicated periods in order to make these periods comparable and show non-recurring costs.

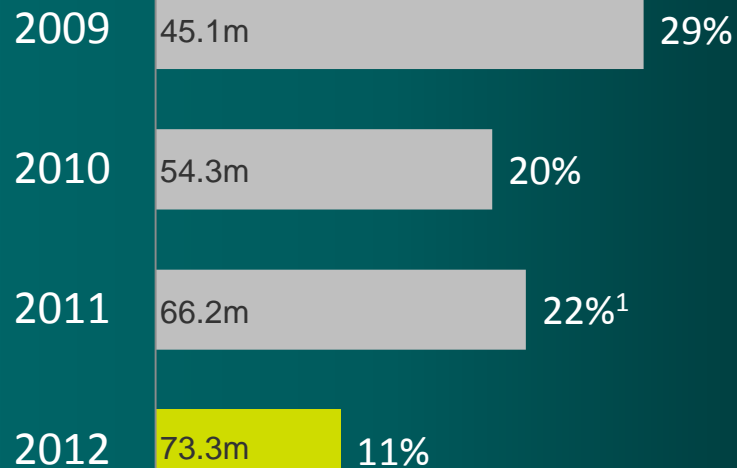
Cautionary note regarding preliminary results and pro-forma financial results

This presentation contains preliminary results and pro-forma results. The preliminary results may change during their final review. While the Company believes that its pro-forma financial results are reflective of its recurrent trends and the on-going status of its business, there can be no assurance that its pro-forma results will accurately reflect these trends and status and therefore, its investors are urged not to rely solely upon the pro-forma results when making their investing decision and the pro-forma results should always be reviewed together with its actual financial results.



Many initiatives to stop declining growth rates in 2012

Situation 2012: Declining growth rates

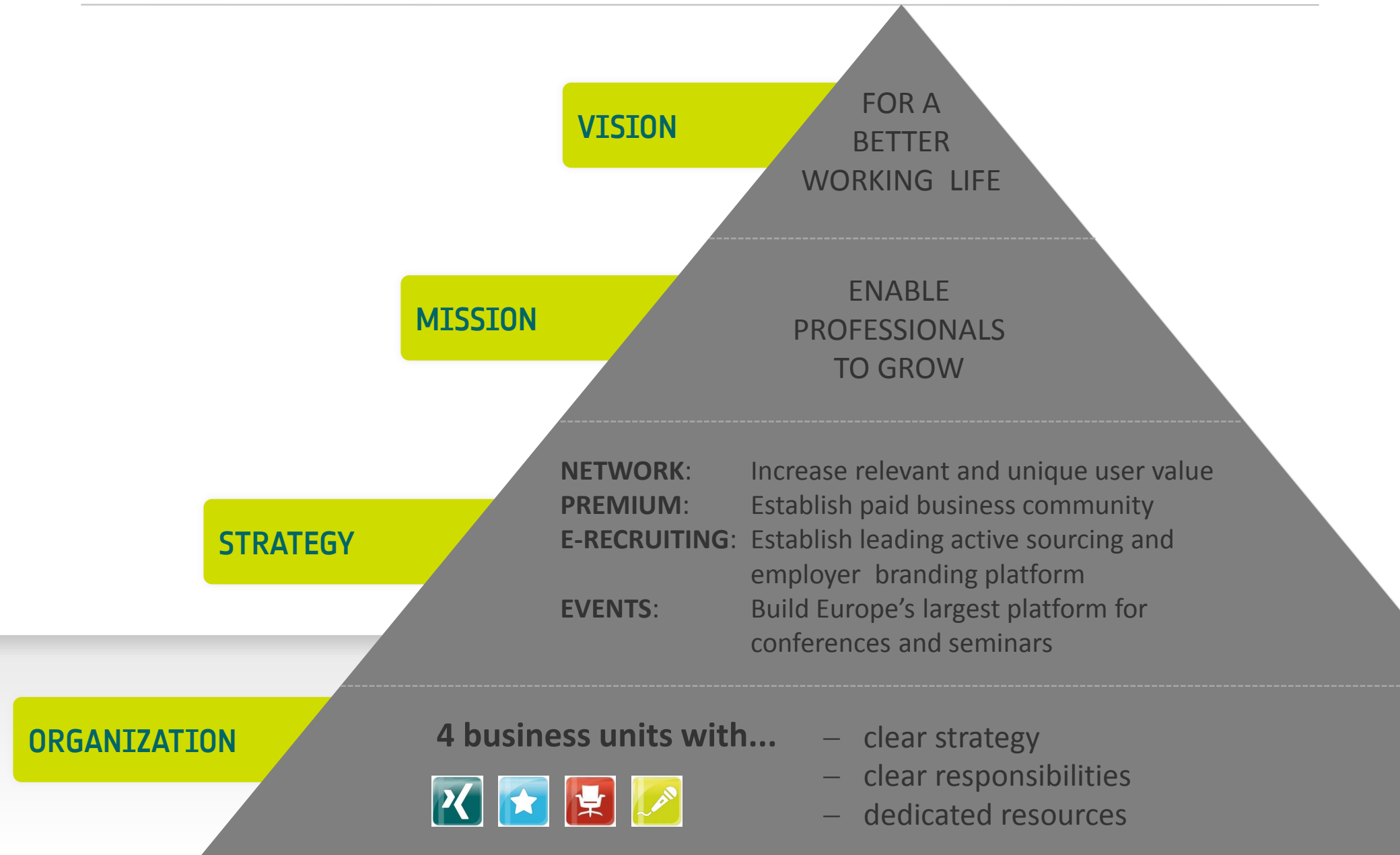


Key initiatives 2013

- New vision & mission
- Adjusted strategy
- More product innovation
- New organizational structure
- New people

¹ Incl. acquisition of amiando (XING events)

In 2013 we established a consistent and coherent frame for XING



Strong focus on product innovation with multiple new products launched in 2013



Network



Premium



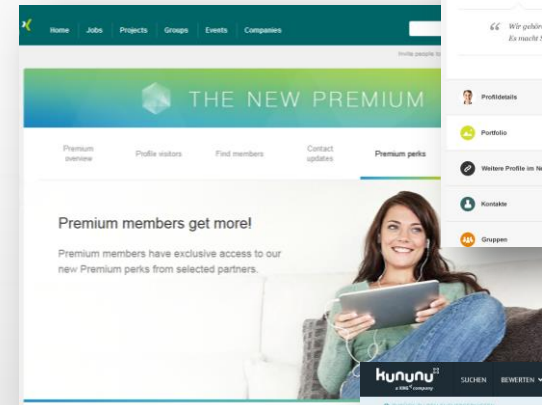
E-Recruiting



Events

2013 key product innovations

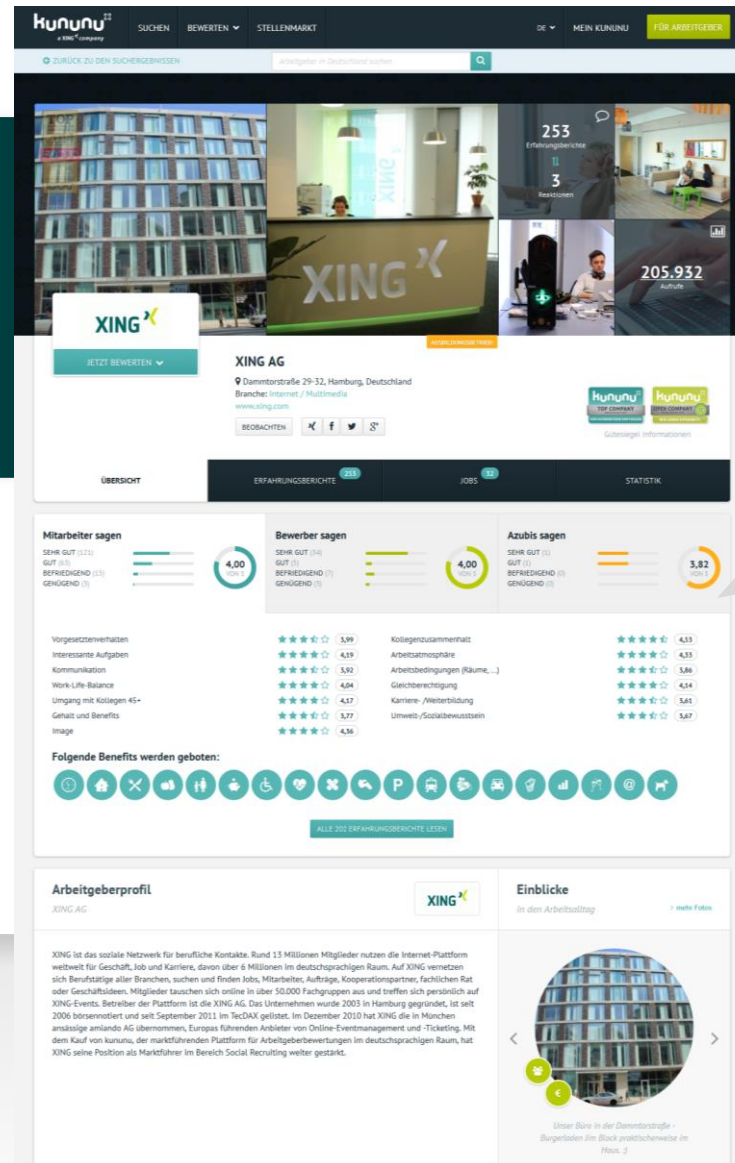
- New member profile
- New mobile products (i.e. launch of ipad app)
- „Das neue Premium“
- XING Talentmanager 2.0
- New employer branding profile
- Social Job ads
- Rebranding of amiando into XING events
- XING events mobile app



M&A: Successful acquisition and integration of kununu

Acquired in
January 2013

- €4m
- €2m revenues

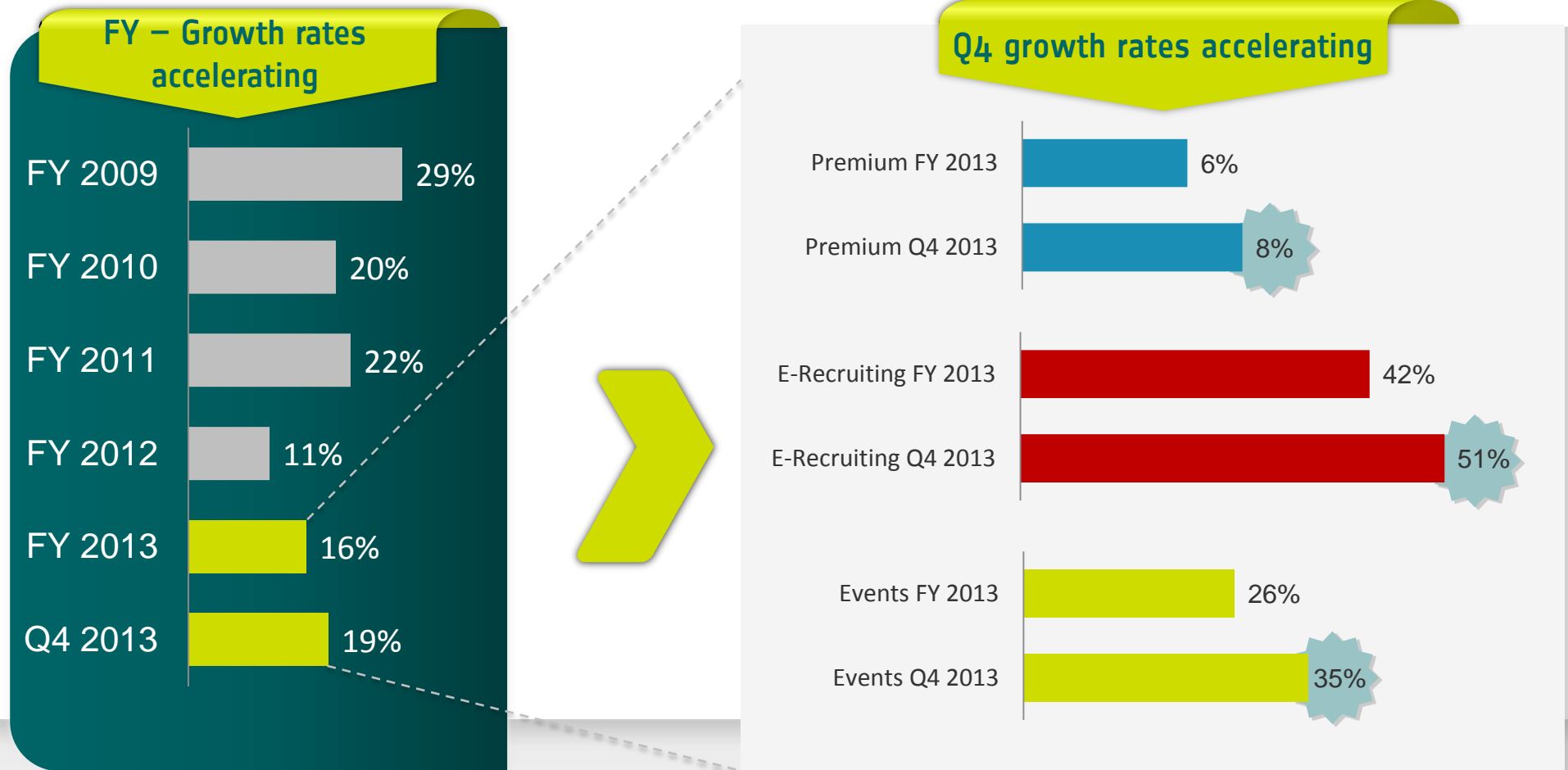


2013

- Revenue 2x
- €1.8m free cashflow
- Fully integrated into XING

Perfect fit for XING and our vision „for a better working life“

FY 2013: Re-acceleration of top-line growth achieved...



... with growth rates increasing quarter over quarter

Accelerating top-line growth driving EBITDA & Operating cash flow

Revenues

in €m

16%
(2012:11%)

73

85

2012

2013

EBITDA

in €m

11%

22*

24

2012 adj.

2013

Operating cash flow

in €m

26%

19

24

2012

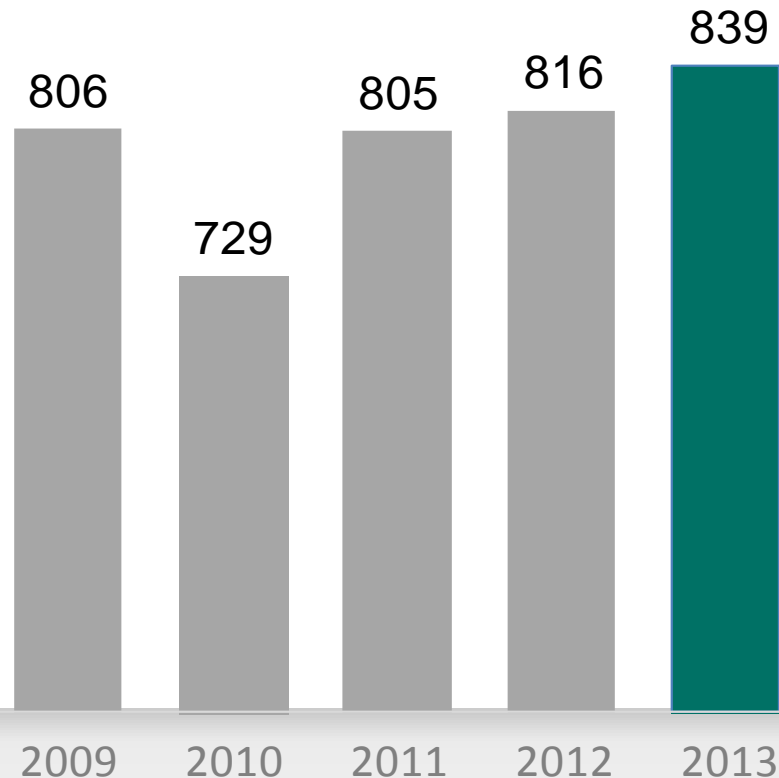
2013

Further improvement in member growth

Launch of “New Premium” offering to impact payer growth in 2014ff

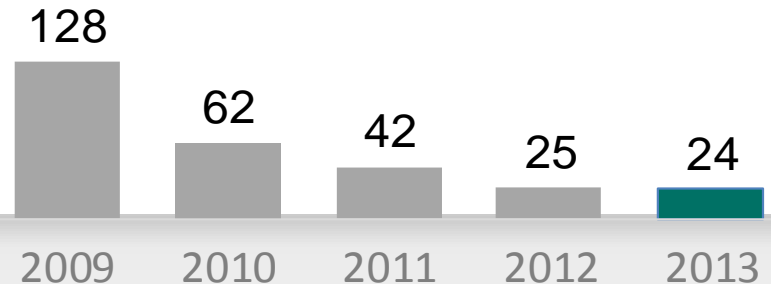


Member growth
in 000s



Member base in D-A-CH mid Jan 2014:
7.0m

Payer growth
in 000s



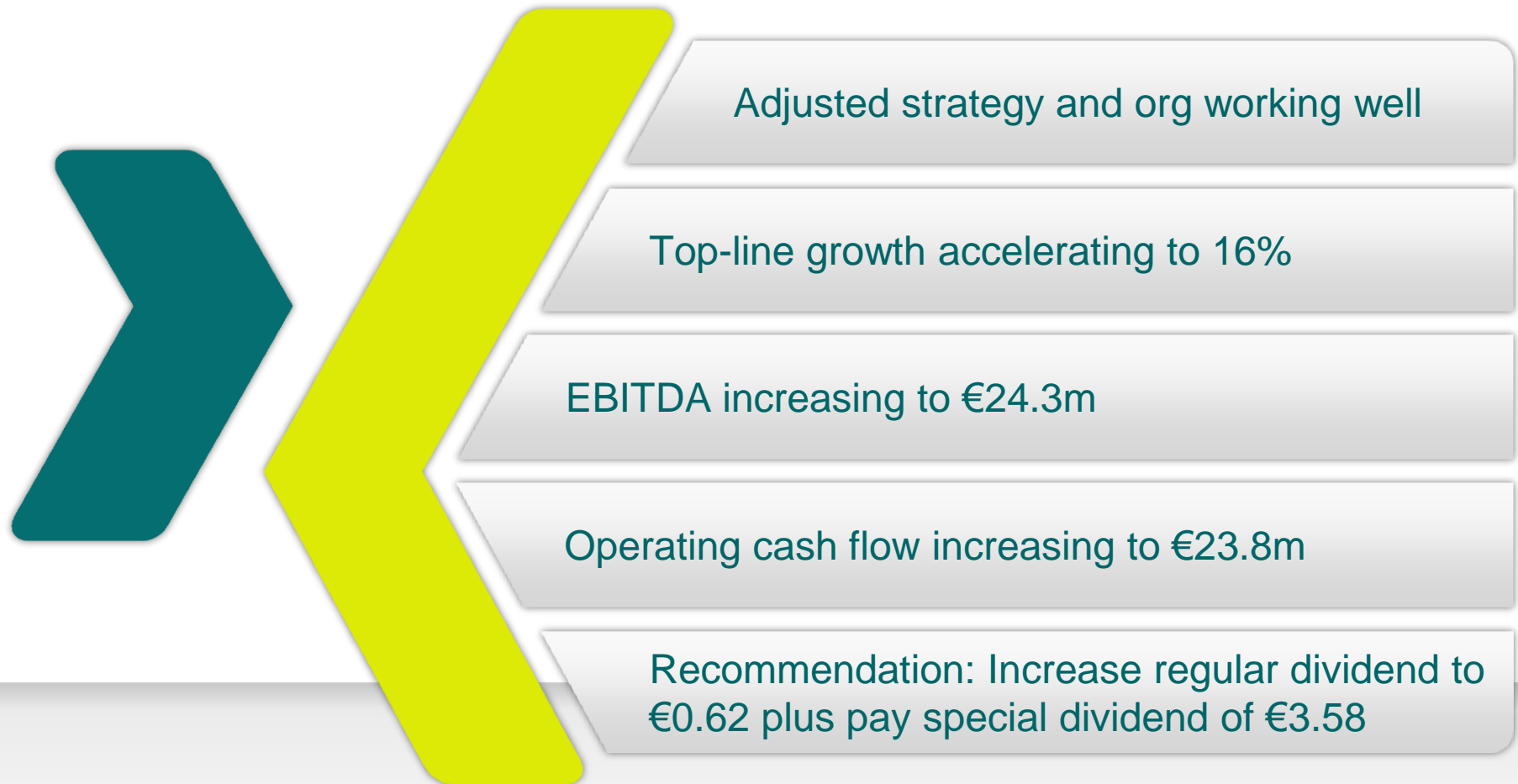
Payer base in D-A-CH 2013: 807k
Worldwide: 830k

Our goal: double 2012 revenues until 2016

2013: Mission accomplished



* TV campaign to impact profit margin in Q1







FY 2013: Revenue growth 16%, EBITDA up by 11%

	2013	2012 adjusted	2013 vs. 2012	2013 vs. 2012
	Abs.	Abs. ²	Abs.	Rel.
Total revenue ¹	84.8	73.3	11.5	16%
Costs	(60.5)	(51.3)	(9.2)	(18%)
EBITDA	24.3	22.0	2.3	11%
Margin	29%	30%	(1%pt)	
Depreciation	(8.5)	(8.3)	(0.1)	(1%)
Financial result	(0.0)	0.3	(0.4)	(110%)
Taxes	(5.3)	(4.8)	(0.5)	(10%)
Net result	10.5	9.2	1.4	15%

(1) Including other operating income

(2) 2012 figures adjusted for one-time expenses related to Burda takeover bid & kununu GmbH acquisition (€1.9m) & taxes adjusted by €0.5m accordingly

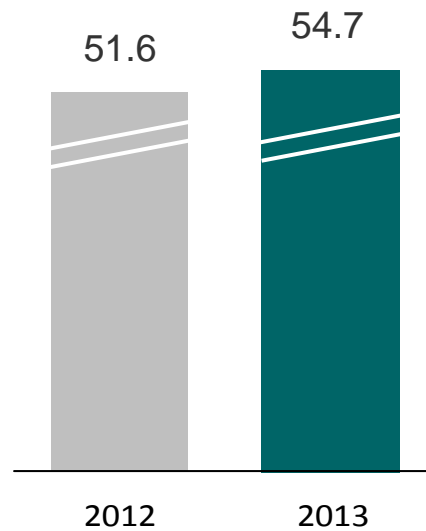
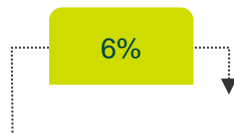
 **EPS €1.90 up 11% yoy**

		Segment EBITDA	Margin
Network /Premium	 	€34.4m	63%
E-Recruiting		€10.7m	45%
Events		(€2.7m)	N.A.
Tech, Central Services & Other		(€18.0m)	N.A.

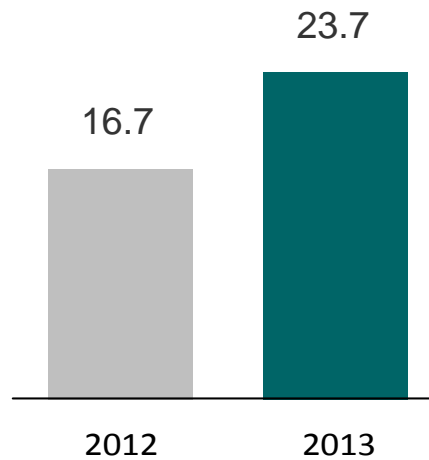
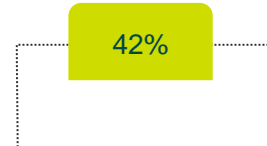
 Ongoing investments in “Events” dilutes group EBITDA margin by ~5%pts

Network/Premium and e-recruiting driving overall revenue growth

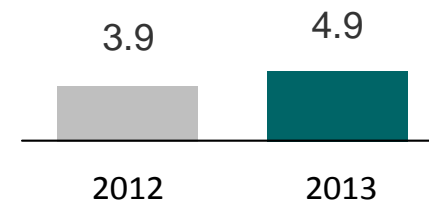
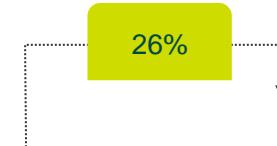
Network/Premium in €m



e-Recruiting in €m



Events in €m



Full year operating cash flow €23.8m

	2013	2012	2013 vs. 2012	2013 vs. 2012
	Abs.	Abs.	Abs.	Rel.
EBITDA	24.3	20.1	4.2	21%
Interest/tax/ESOP	(4.8)	(3.8)	(1.0)	(27%)
Δ Net working capital	4.3	2.6	1.7	67%
Operating cash flow excl. organizer cash	23.8	18.9	4.9	26%
Investment – operating	(10.5)	(7.3)	(3.2)	(43%)
Investment – acquisitions	(2.9)	(2.5)	(0.5)	(20%)
Financing incl. transaction of own shares	2.7	3.8	(1.1)	(30%)
Free cash flow excl. dividends & organizer cash	13.1	13.0	0.1	1%
Capital return	0.0	(20.0)	20	100%
Regular dividend	(3.1)	(3.0)	(0.1)	(3%)
Free cash flow excl. organizer cash	10.0	(10.0)	20.1	200%
Effects organizer cash	0.2	0.6	(0.4)	(65%)
Free cash flow incl. organizer cash	10.2	(9.4)	19.7	208%

Q4 numbers

Q4'13: €22.7m revenues, €6.9m EBITDA

	Q4'13	Q3'13	Q4'13 vs. Q3'13	Q4'12	Q4'13 vs. Q4'12
	Abs	Abs.		Abs ²	
Total revenue ¹	22.7	21.6	5%	19.0	19%
Costs	(15.8)	(15.4)	(3%)	(12.4)	(27%)
EBITDA	6.9	6.2	12%	6.6	6%
Margin	31%	29%	2%pts	35%	(4%pts)
Depreciation (adjusted)	(2.2)	(2.1)	(7%)	(2.3)	5%
Financial result	(0.1)	0.0	(457%)	0.0	(537%)
Taxes (adjusted)	(1.5)	(1.5)	(2%)	(1.4)	(10%)
Net result (adjusted)	3.1	2.7	15%	2.9	7%

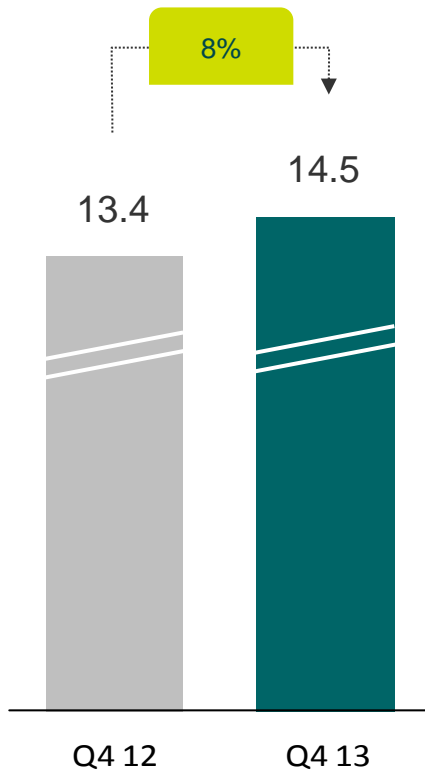
(1) Including other operating income

(2) Adjusted for one-time expenses related to Burda bid and kununu acquisition (€1.9m)

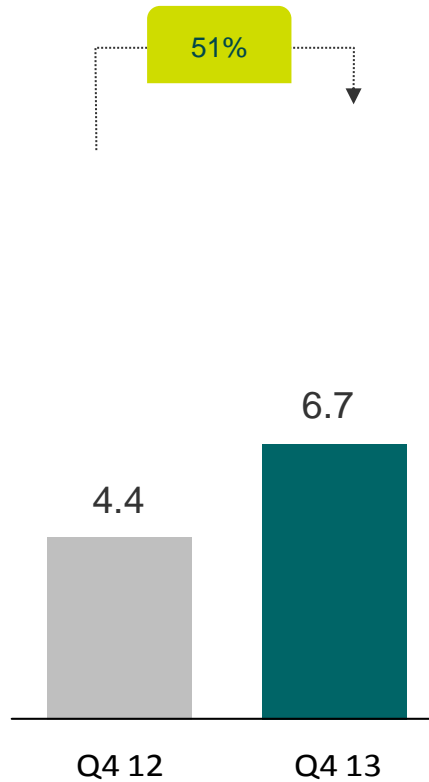
 Yoy top-line growth of 19% accelerating each quarter (Q3:18%, Q2:15%, Q1:11%)

Q4 2013: Accelerating top-line growth

Network/Premium in €m



e-Recruiting in €m



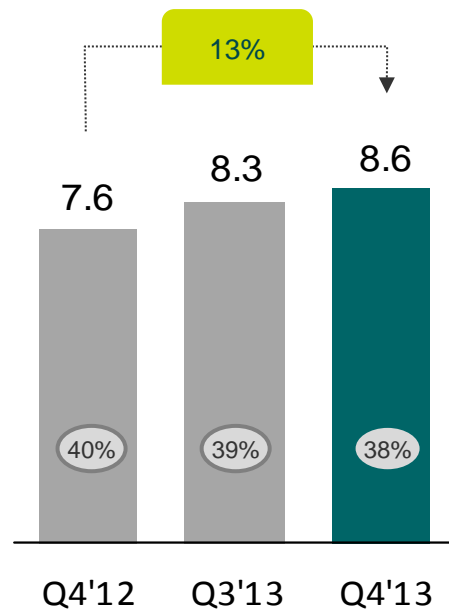
Events in €m



Personnel main investment area to further drive company growth

Personnel

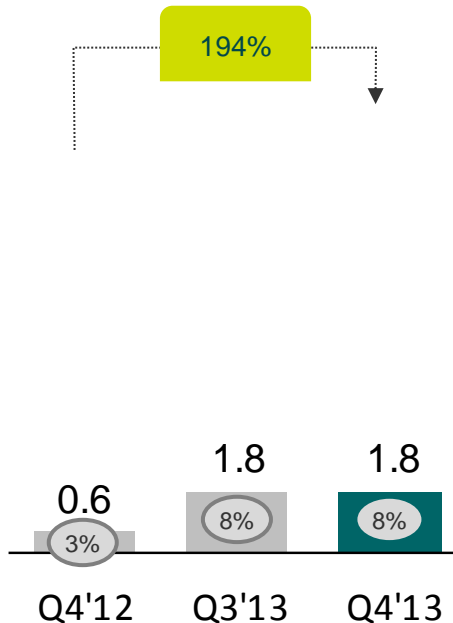
in €m
in % of total revenue



- Investment into product/technology organization & sales/marketing
- 18 new FTEs in Q4
- 56 new FTE's in 2013, thereof 29 kununu

Marketing

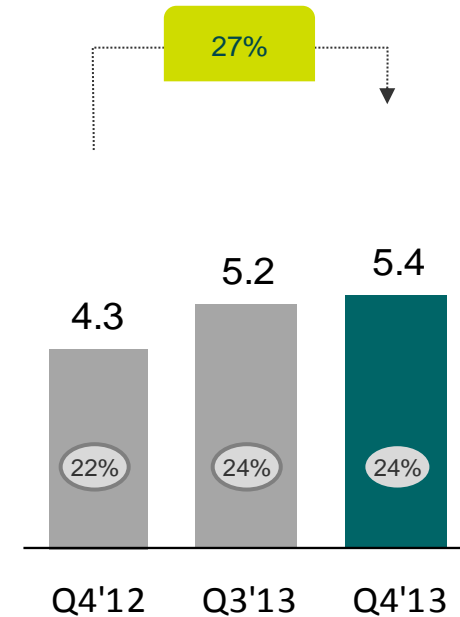
in €m
in % of total revenue



- Online display & social media adv.
- Search engine marketing (SEM)
- Offline marketing expenditure (conferences & events, print, sponsoring)
- Affiliate marketing
- Start of TV campaign in Q4 13

Other Expenses

in €m
in % of total revenue



- External services, legal, audit & consulting
- Payment processing, server hosting
- Rent & other costs

Q4'2013: Operating cash flow: €6.0m

	Q4/13	Q3/13	Q4/13 vs. Q3/13	Q4/12	Q4/13 vs. Q4/12
	Abs.	Abs.	Abs.	Abs.	Abs.
EBITDA	6.9	6.2	0.7	4.7	2.3
Interest/tax/ESOP	(1.5)	(0.9)	(0.6)	(1.4)	(0.1)
Δ Net working capital	0.6	(0.9)	1.5	0.5	0.1
Operating cash flow excl. organizer cash	6.0	4.4	1.6	3.8	2.3
Investment – operating	(3.0)	(2.9)	(0.1)	(2.1)	(0.9)
Investment – acquisitions	0.0	0	0-0	(2.5)	2.5
Financing incl. transaction of own shares	0.6	0.4	0.2	1.9	(1.4)
Free cash flow excl. organizer cash & dividends	3.6	1.9	1.6	1.1	2.4
Regular dividends	0.0	0.0	0.0	0.0	0.0
Free cash flow excl. event organizer cash & incl. dividends	3.6	1.9	1.6	1.1	2.5
Effects organizer cash	(2.4)	1.6	(4.0)	(2.1)	(0.3)
Free cash flow incl. organizer cash & dividends	1.1	3.5	(2.4)	(1.0)	2.1

Executive board recommends to increase regular dividend to €0.62 and to pay a special dividend of €3.58 per share

- Dividend increase from €0.56 to €0.62 according to EPS growth of 11%
- One time special dividend of €3.58 (€20m)
 - Liquid assets of >€66m end of 2013
 - Highly cash-generative business
 - Payout with no impact reg. execution of our growth strategy
- Regular dividend policy unchanged:
Sustainable dividend payments going forward



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Closing remarks

Thank you
for your kind
attention!

XING AG IR stats

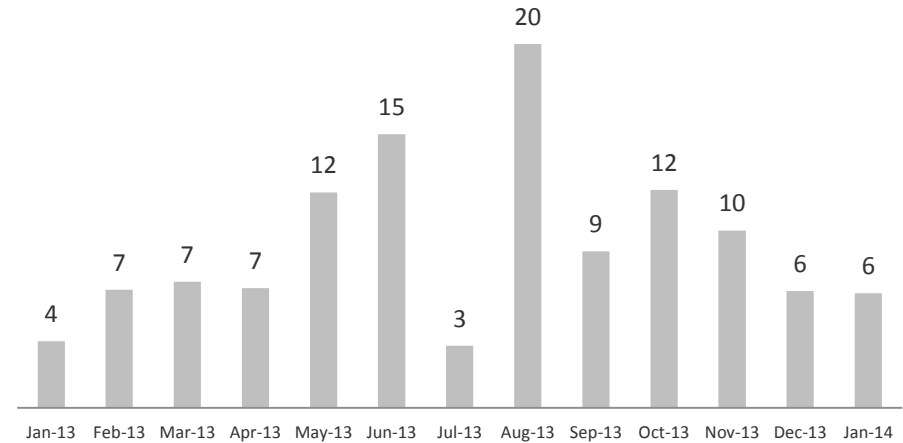
Market cap: ~€500m / >€66m cash / no debt



Consensus (Analyst estimates as of February, 2014)	Consensus from 8 brokers	2013e	2014e	2015e
	Total revenues	83.1	93.8	103.1
	EBITDA	24.1	30.1	35.4
	<i>Margin</i>	29%	32%	34%
	Depreciation	-8.6	-8.9	-8.9
	EBIT	15.5	21.1	26.5
	<i>Margin</i>	19%	23%	26%
	Net income	10.6	14.5	18.7
	EPS in €	1.92	2.64	3.38
	DPS in €	0.67	0.81	1.11

Average trading volume per day (XETRA)

[in thousand]



Analyst coverage

Berenberg Bank, Commerzbank,
Close Brothers, Deutsche Bank,
Hauck & Aufhäuser,
JP Morgan Cazenove,
MM Warburg, Montega

Shares

5,592,137

Burda Digital GmbH	2,922,244	52.26%
Deutsche Asset & Wealth Mngt	372,660	6.66%
Schroders	282,421	5.05%
Union Investment	173,284	3.10%
Treasury Shares	12,832	0.23%
Rest	1,828,696	32.70%

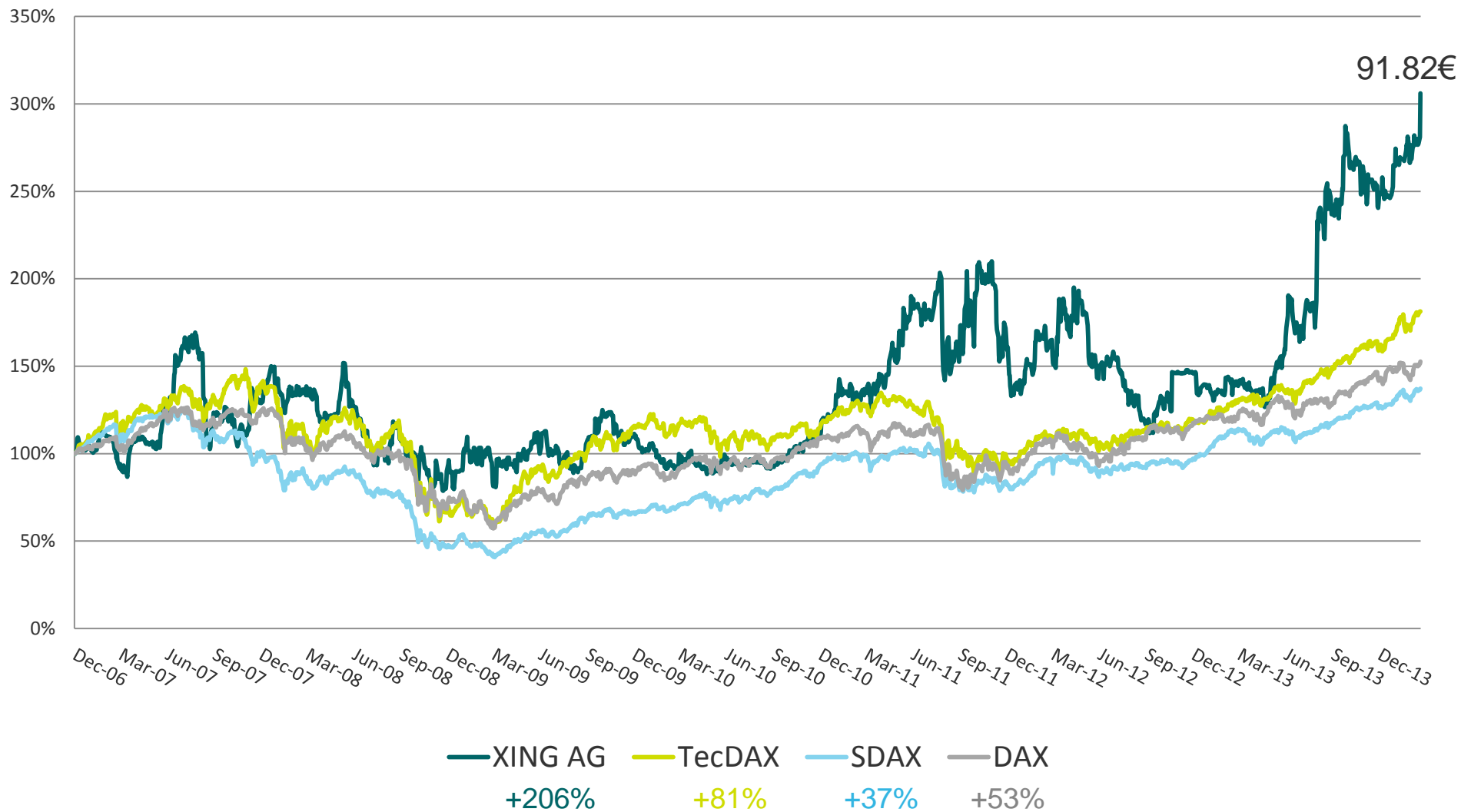
Numbers based on last filing – actual shareholdings can differ

TecDax ranking end of Jan 2013

Market Cap.	28
Turnover	31

XING share price development since IPO in Dec 06

as of February 25, 2014 (12:00 PM CET)



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