Q1 2019 - Results Presentation

Hamburg, May 3rd 2019

XING

Executive Summary - a very good start into 2019

Financials

- Service revenues: +18%
- EBITDA +20%
- Operating Cashflow +15%

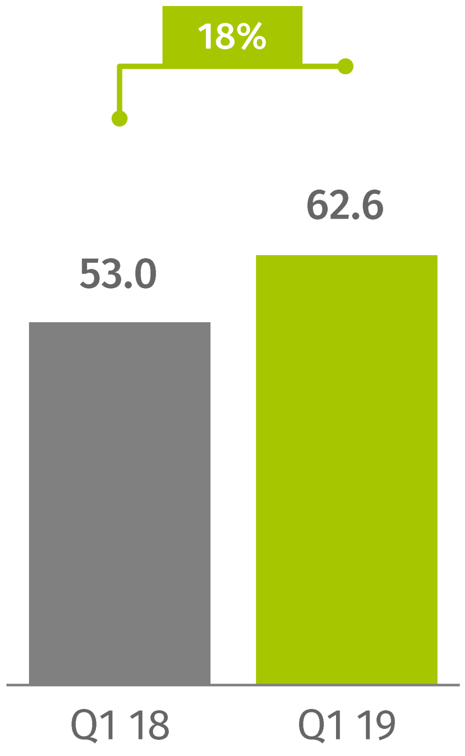
Operations

- B2C: XING platform adding 531k members / InterNations adding 134k members
- B2B E-Recruiting: Subscription customers up by 37%
- Continuing strong product execution and high innovation speed

Revenues, EBITDA & Operating CF growing strongly

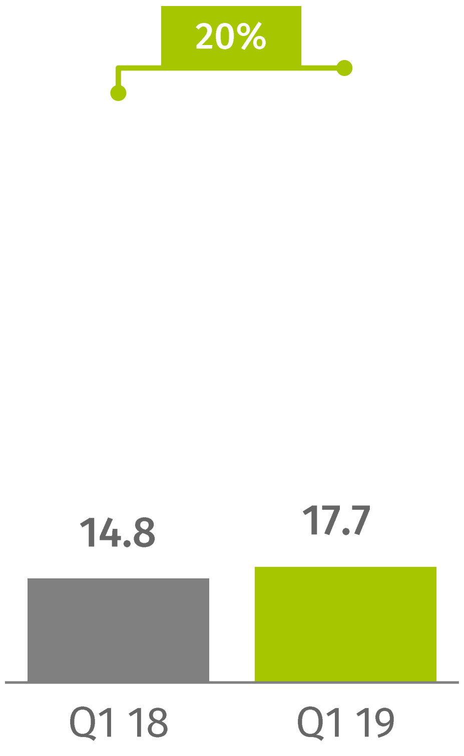
Service Revenues

- in €m -



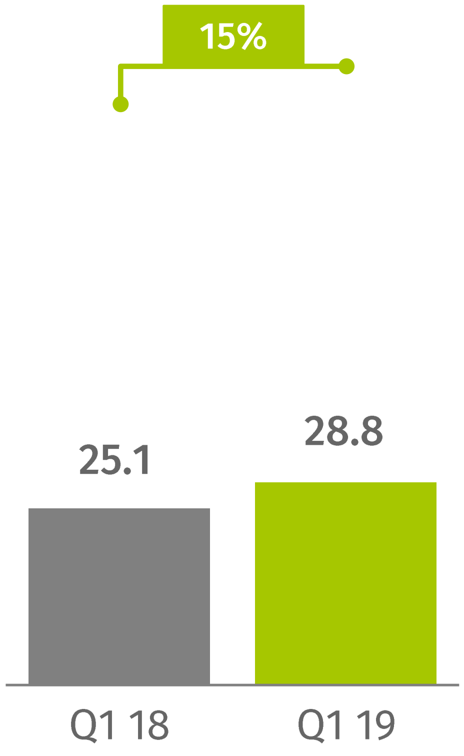
EBITDA

- in €m -

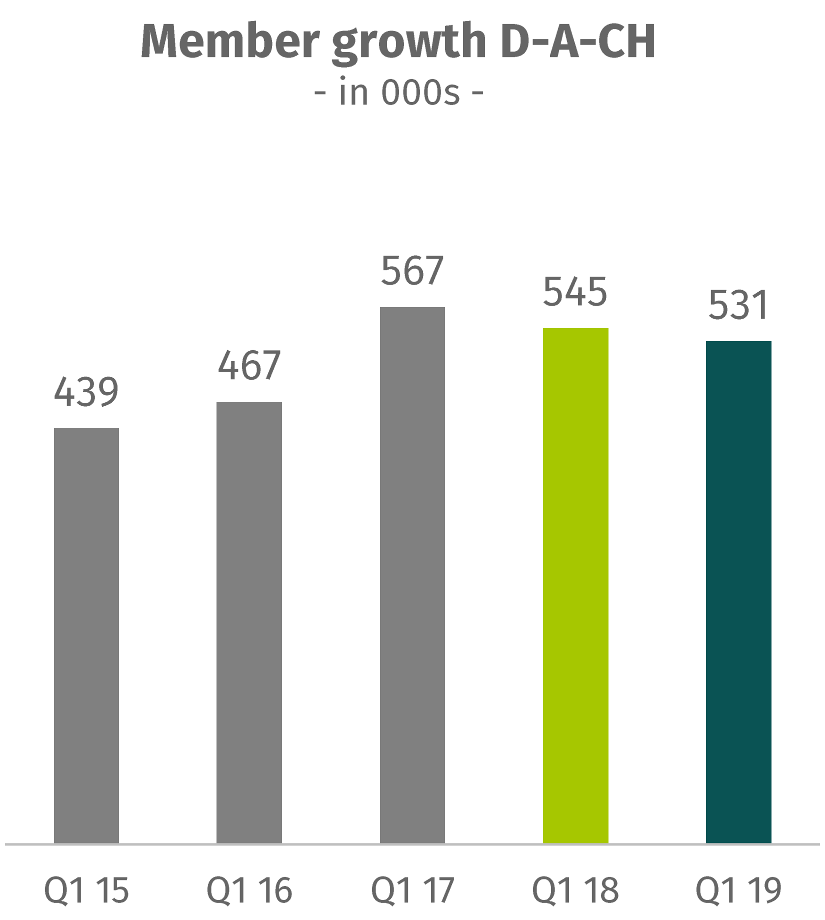


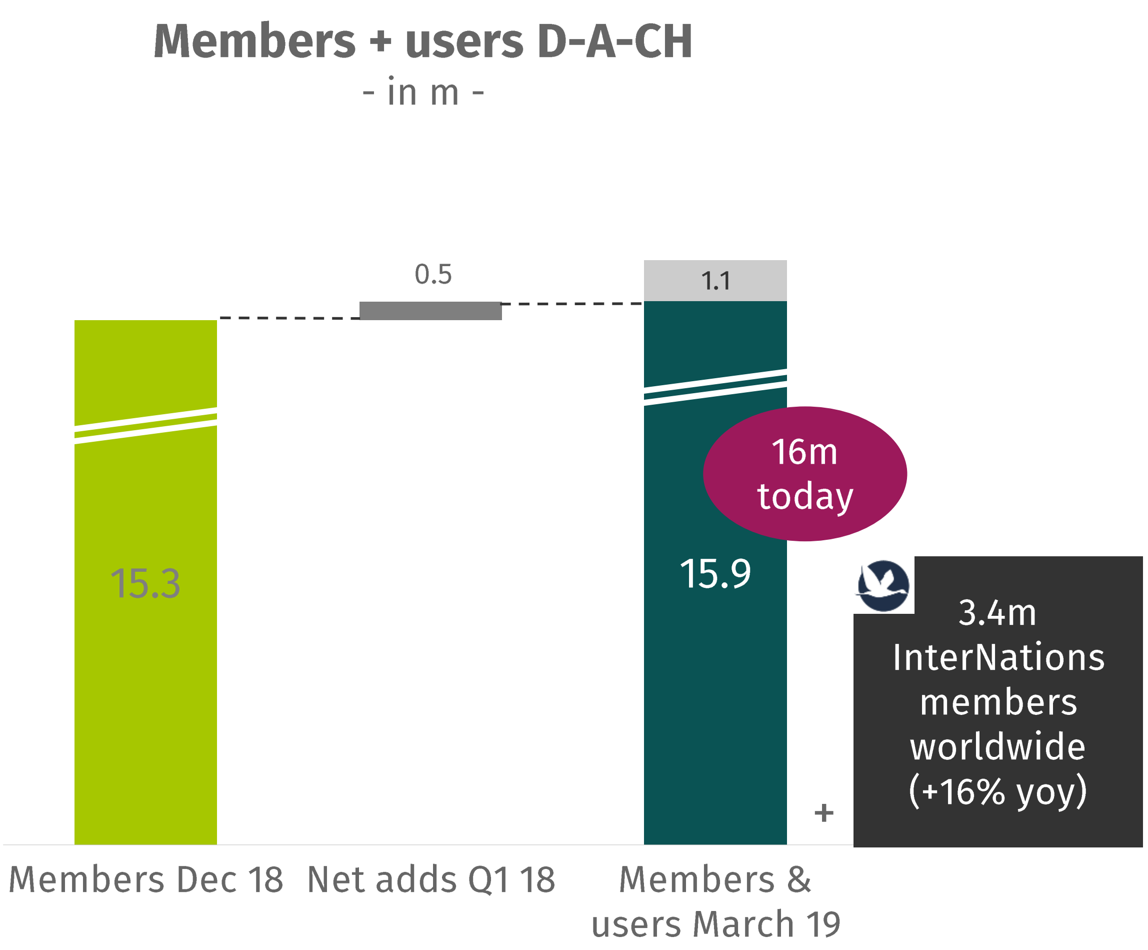
Operating Cashflow

- in €m -



Strong net member growth @ XING & InterNations

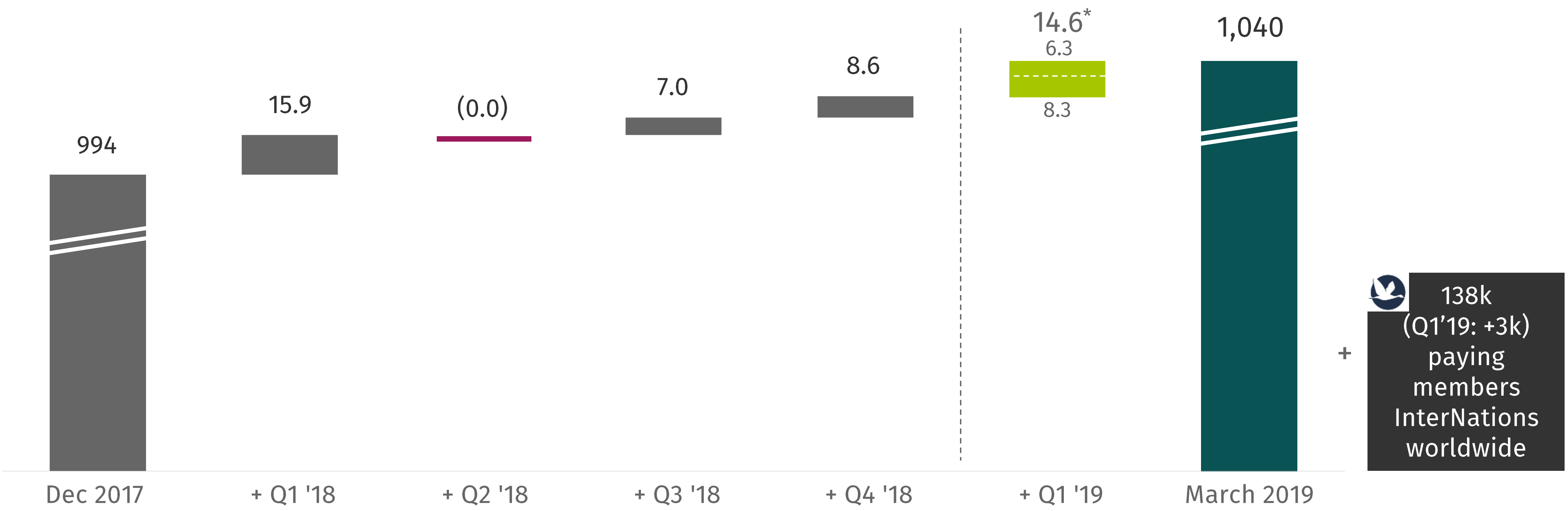




Organic Q1 payer growth @XING D-A-CH w/ 6k and 3k worldwide net payer adds @InterNations.org

Paying members D-A-CH

- in 000s -

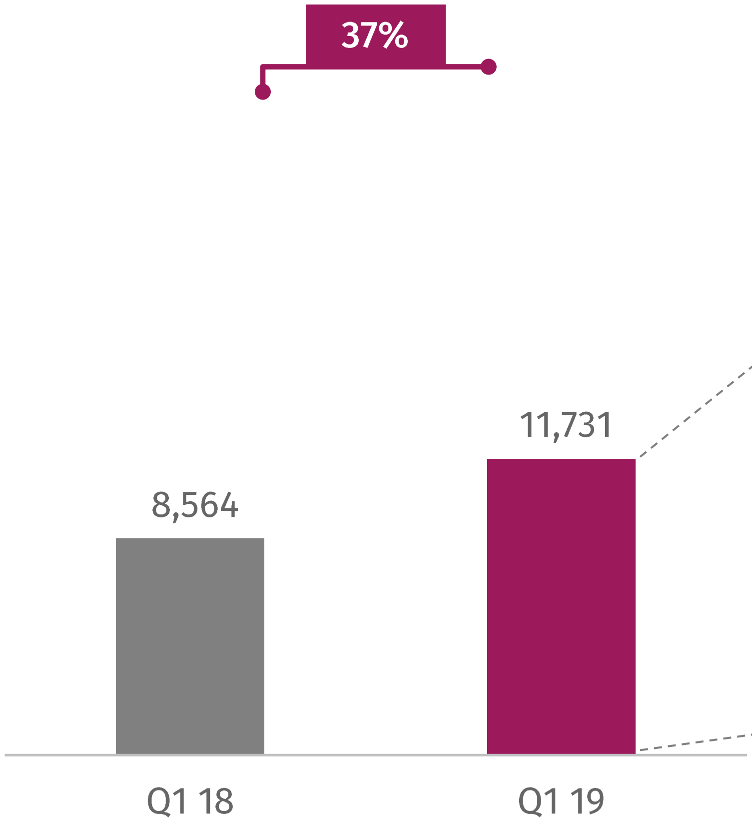


* Organic payer growth +6.3k; a change in payer analysis methodology leads to one time payer base increase in D-A-Ch by 8.3k as of Jan 1st 2019

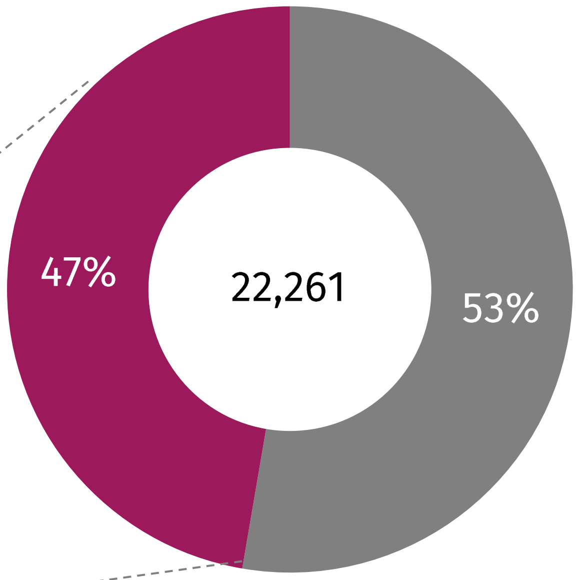
Rounding differences possible

Sustained strong growth in with >3k (+37% yoy) net new B2B E-Recruiting subscription customers

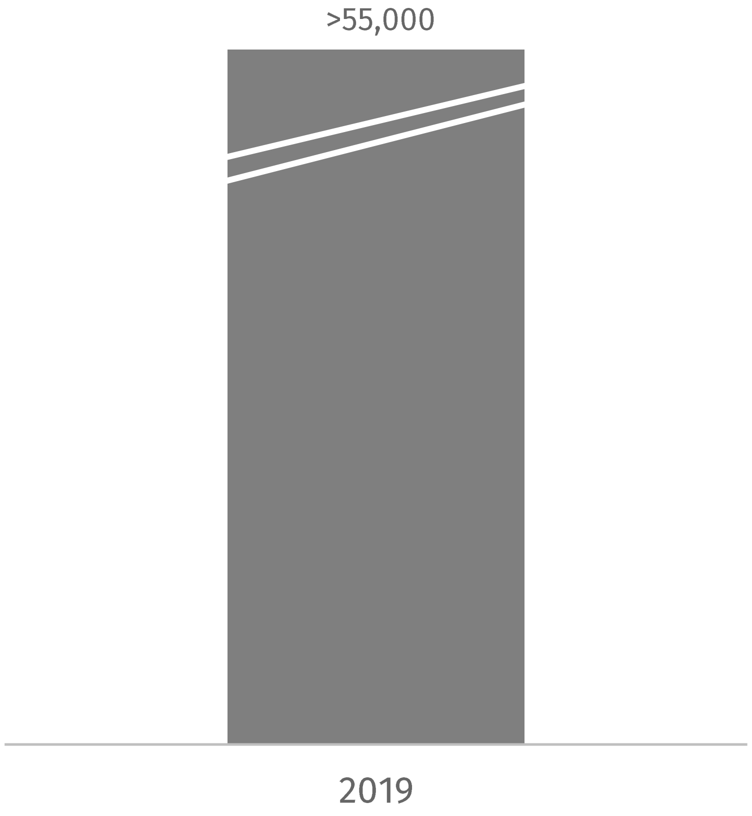
Subscription customers D-A-CH



Penetration of total XING B2B E- Recruiting customer base D-A-CH in %

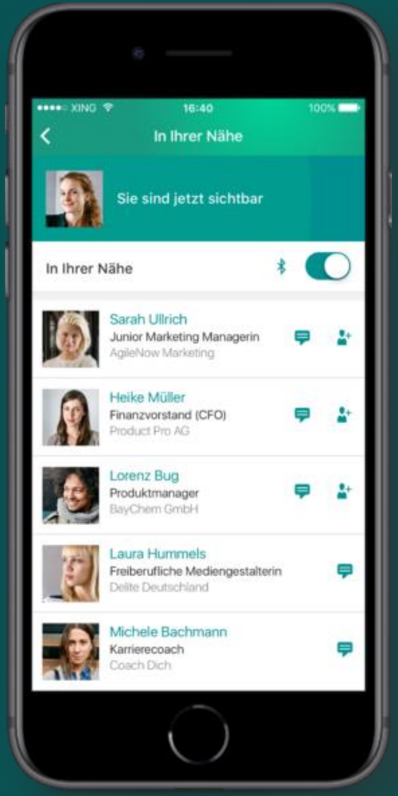


Total addressable market D-A-CH

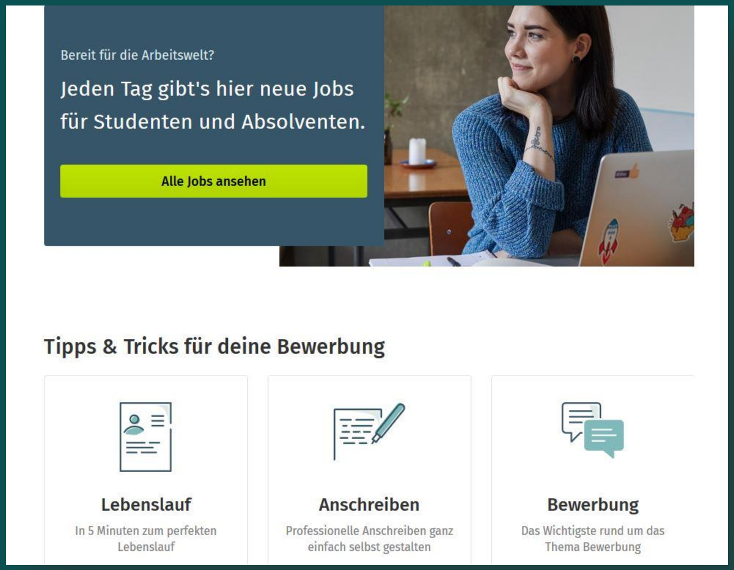


B2C: high innovation speed and product execution and a successful New Work experience flagship conference

“Around You”



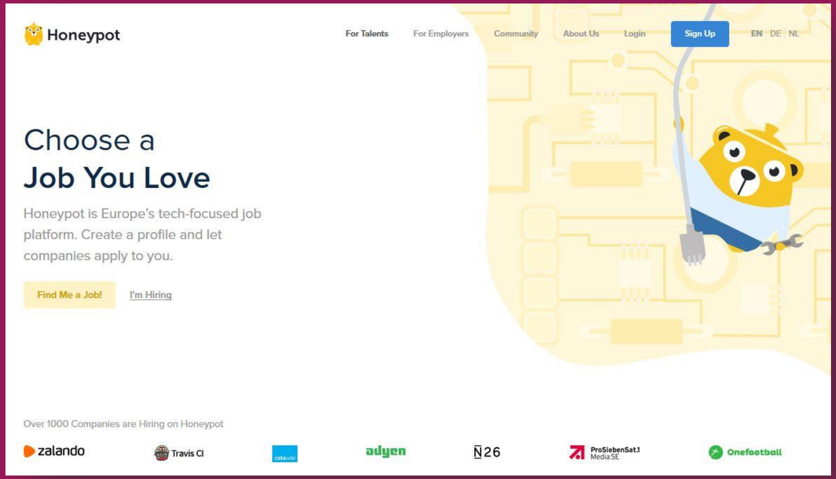
Relaunch “XING Campus”



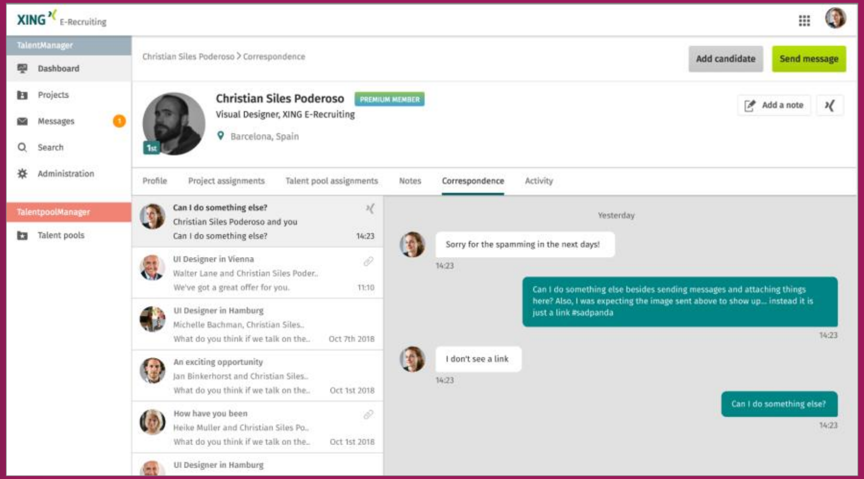
New Work Experience

B2B E-Recruiting: M&A, high innovation speed and product execution

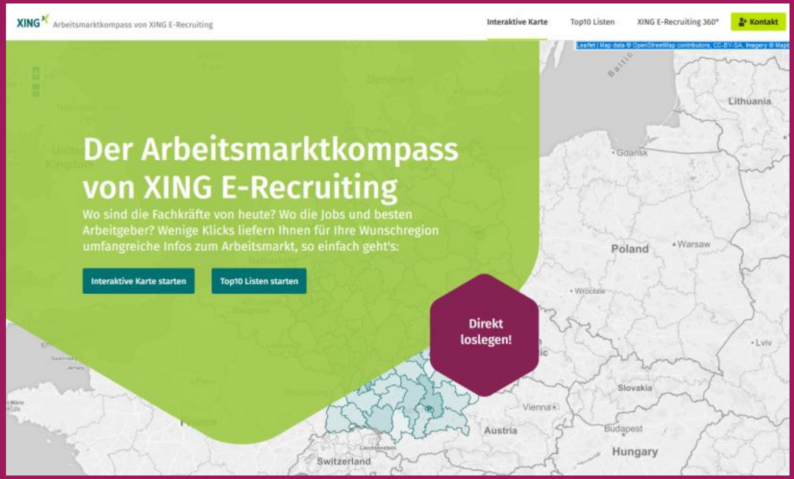
Honeypot acquisition



Messenger optimization for recruiters



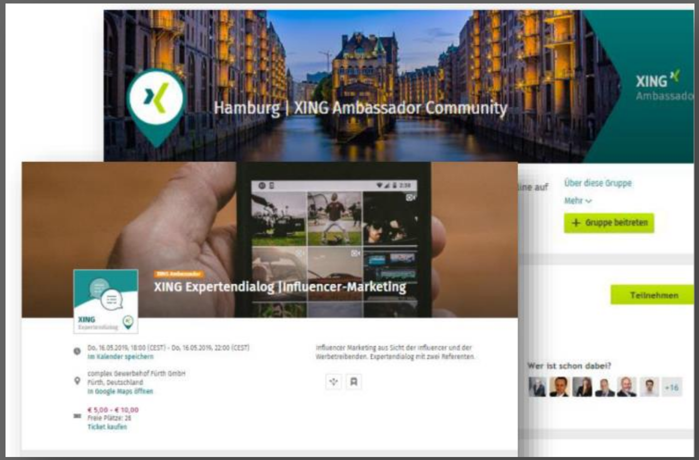
Labour market compass



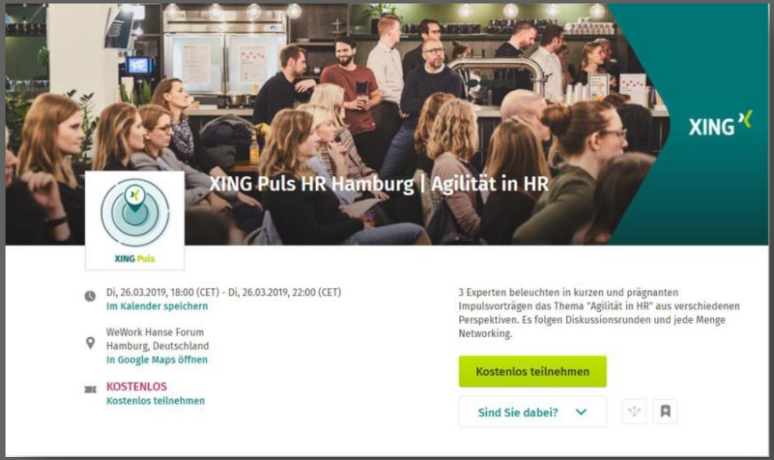
B2B Marketing Solutions & Events:
High innovation speed and product execution

Soft launch of “Brand Studio”

Local XING Pulse event series



Relaunch Ambassador program



Q1 2019
Financial Results

Q1 Financials

- Ongoing strong member growth @XING & InterNations
- Continued strong organic revenue growth at w/18% yoy*
- EBITDA of € 17.7m
- Strong operating cash flow at €28.8m

From 2019 on new P&L structure to further increase transparency

* New P&L reporting structure since Jan 1st 2019 – XING reports service revenues instead of total revenues incl. other operating income

New P&L structure: more transparency and change in kununu integration in group P&L

P&L	Q1 2018 (old)	Q1 2018 (new)	▲	Comment
Service revenues	**53.0**	**53.0**		No change
Other operating income	1.0	0.7	(0.3)	Minor consequential change
Total revenues	54.0			Eliminated
Capitalized own work (NEW)		7.0	7.0	Key structural change
Personnel expenses	(20.0)	(24.1)	(4.1)	Major consequential change
Marketing expenses	(8.2)	(8.2)		No change
Other operating expenses	(11.0)	(13.6)	(2.6)	Major consequential change
EBITDA	14.8	14.8		No change
Margin	*27 (in % of total revenues)*	*28 (in % of service revenues)*		Consequential change
Depreciation	(4.7)	(4.7)		No change
Financial result	(0.8)	(0.8)		No change
EBT	9.3	9.3		No change
Taxes	(3.2)	(3.2)		No change
Net income	6.1	6.1		No change

kununu US now fully consolidated as of Jan 31st 2019 instead of at equity in financial result

Q1 2019 P&L: € 62.6 revenues; € 17.7 m EBITDA and including several special items

	Q1 2019*	Q1 2018	Q1 2019 vs. Q1 2018	Q4 2018	Q1 2019 vs. Q4 2018
	Abs.	Abs.	*Rel.*	Abs.	*Rel.*
Service revenues	**62.6**	53.0	*18%*	64.3	*(3%)*
Other operating income	**4.8**	0.7	*600%*	0.6	*723%*
Capitalized own work	**5.6**	7.0	*(19%)*	5.1	*11%*
Costs before capitalization	**(55.4)**	(45.9)	*21%*	(48.1)	*15%*
EBITDA	**17.7**	14.8	*20%*	21.9	*(19%)*
Margin	**28%**	28%	*0%pt*	34%	*(6%pts)*
D&A	**(5.9)**	(4.7)	*25%*	(12.7)	*(53%)*
Financial result	**1.0**	(0.8)	*N/A*	(0.4)	*N/A*
Taxes	**(3.9)**	(3.2)	*25%*	(2.2)	*76%*
Net income	**8.9**	6.1	*45%*	6.5	*37%*
EPS	**1.58**	1.09	*45%*	1.16	*37%*

- New headquarter: Other operating income +€ 3.8m; Cost (€ 2.9m); positive effect of € 0.9m will be used for project cost in 2019
- Cost front-loading in Q1: ~ (€ 1m) mostly in other operating expenses
- Full consolidation of kununu: Q1 EBITDA impact (€ 0.2m)
- Financial result: Non-operating one-time, non-cash xo effect of +€ 1.3m from 1st time consolidation

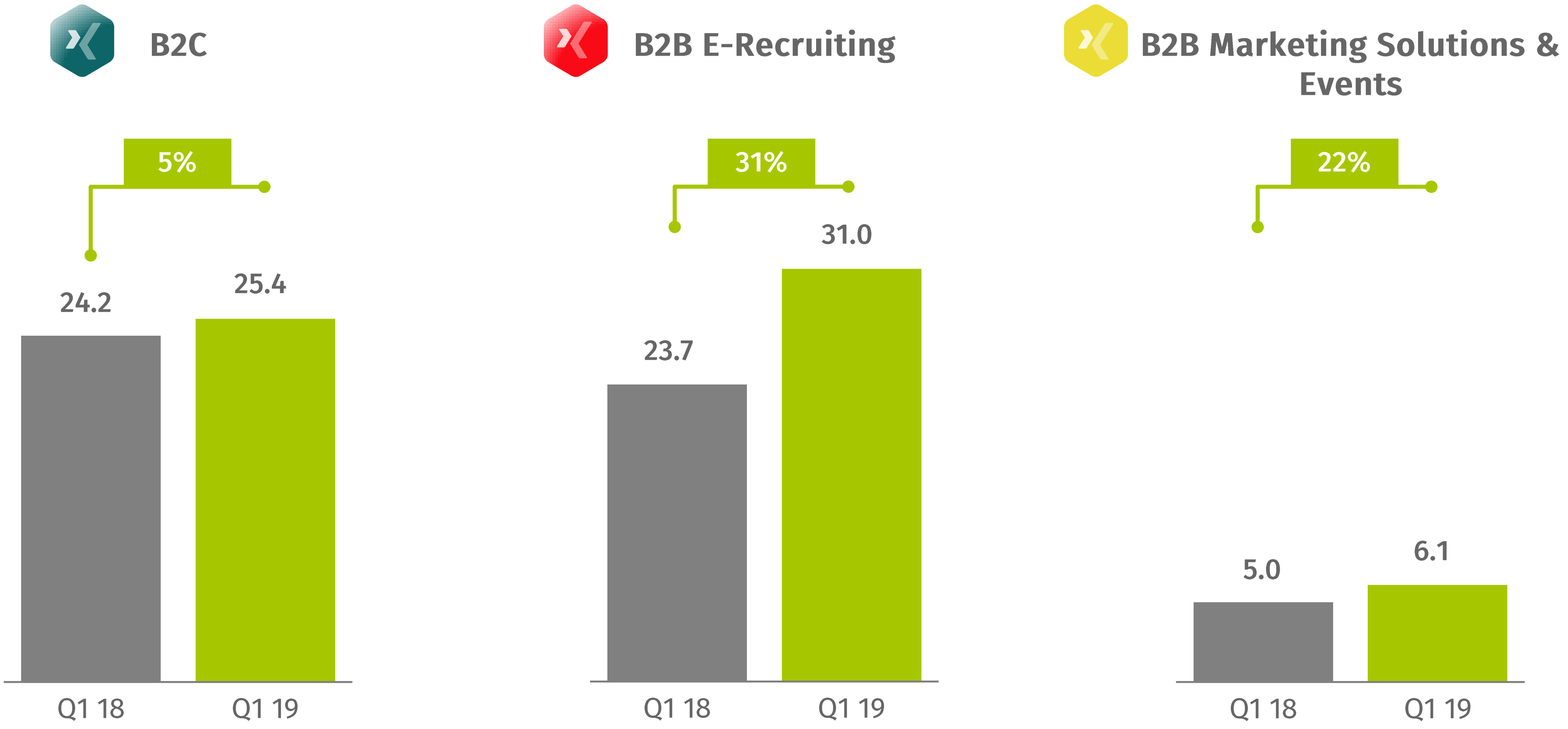
Increasing margins in B2B; Investments in future growth impact margins in B2C

	Segment EBITDA	Q1 19 Margin	Q1 18 Margin	▲ Comment
B2C	7.5	29%	41%	Investments in new products
B2B E-Recruiting	21.6	70%	66%	
B2B Advertising & Events	1.8	30%	27%	
kununu International	(0.2)	N/A	N/A	
Tech, Central Services & Other	(13.0)	N/A	N/A	
Total EBITDA	**€ 17.7**	**28%**	**28%**	

- B2C investments drive also monetization basis for B2B
- B2B margins reflecting „by-product economics“

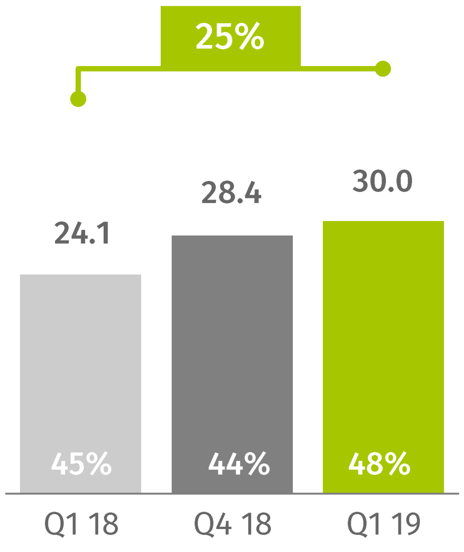
* EBITDA includes a minor positive one-time effect of € 0.9m related to the conclusion of a new office lease agreement

Q1 2019: B2B E-Recruiting driving growth w/31% yoy



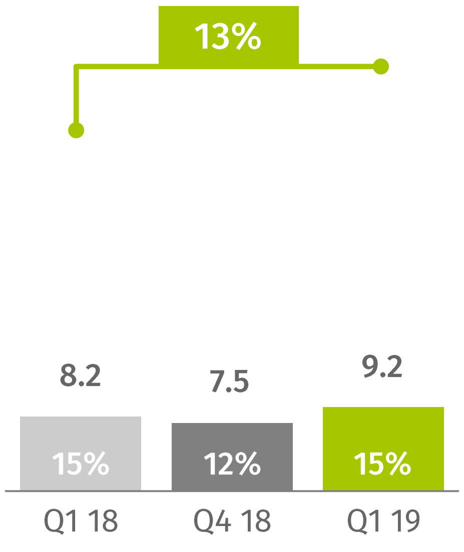
Q1 2019: Cost development (before capitalization) reflects investments in future growth and some special items

Personnel*
in € m and in % of revenues



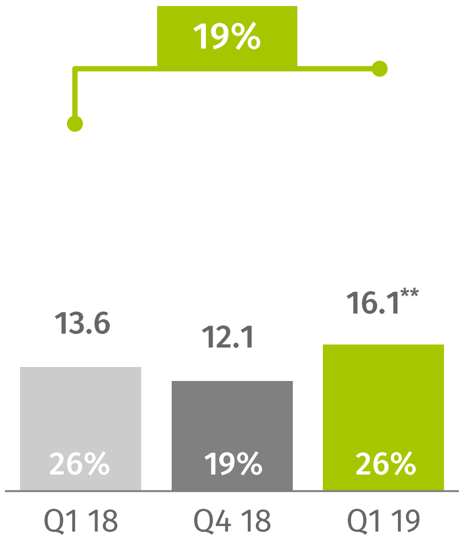
- +252 FTEs yoy
- Investment in product/tech org & sales/marketing
- Incl. non-operating costs

Marketing
in € m and in % of revenues



- Online display & social media
- SEM
- Ramp up XER360 support materials
- Agency commissions in E-Recruiting
- Barter deals

Other expenses*
in € m and in % of revenues



- External services
- Server hosting
- Payment processing
- Travel & entertainment
- Other
- Special items: One-time new HQ costs, Cost front-loading

* New reporting structure since Jan 1st 2019; 2018 values adjusted retroactively
** Other expenses negatively impacted by € 2.9m related to the conclusion of a new office lease contract

Q1 2019: Strong operating cash flow of € 28.8

	Q1 2019	Q1 2018	Q1 2019 vs. Q1 2018	Q4 2018	Q1 2019 vs. Q4 2018
	Abs.	Abs.	*Abs.*	Abs.	*Abs.*
EBITDA	17.7	14.8	*2.9*	21.9	*(4.2)*
Interest / tax / other	(2.3)	(2.8)	*0.6*	(1.9)	*(0.4)*
Change in net working capital	17.1	13.1	*4.0*	(5.4)	*22.5*
Non-cash changes from changes in basis of consolidation	(3.8)	0.0	*(3.8)*	0.0	*(3.8)*
Operating cash flow excl. organiser cash	28.8	25.1	*3.7*	14.6	*14.2*
Investment – operating	(8.0)	(8.4)	*(0.5)*	(7.1)	*(0.8)*
Investment – acquisitions & joint venture	(2.5)	(1.2)	*(1.3)*	(1.0)	*(1.5)*
Investment – financial assets	0.0	0.0	*0.0*	0.0	*0.0*
Interests paid, FX rate diff. & lease liabilities	(1.2)	(0.8)	*(0.4)*	(0.8)	*(0.4)*
Cash-flow excl. dividends & organiser cash	17.1	14.6	*2.5*	5.6	*11.5*
Effects organiser cash	2.8	1.6	*1.2*	(2.4)	*5.2*
Cash-flow incl. organiser cash	19.9	16.1	*3.8*	3.2	*16.7*

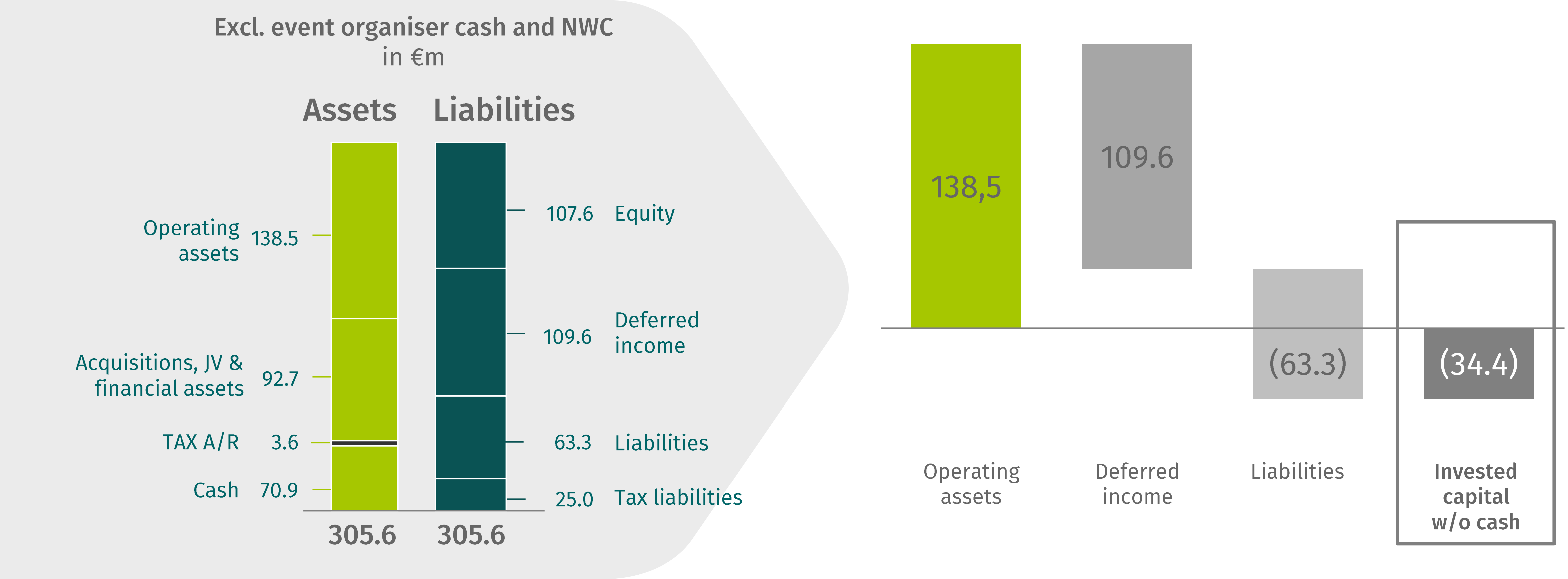
Rounding differences possible

Thank you
for your attention.

XING

Backup

Negative invested capital from shareholders' perspective



Rounding differences possible

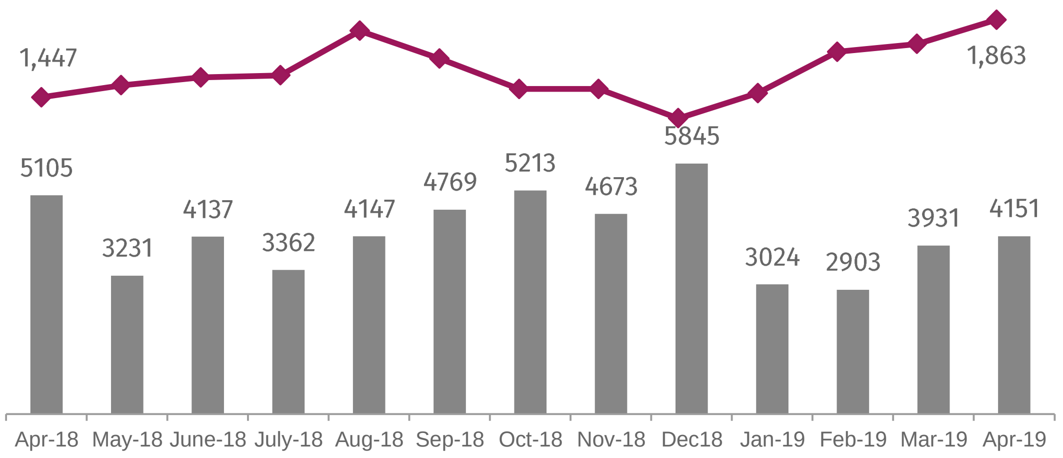
Consensus, investor information & contact details

XING SE IR stats

Consensus collected by XING IR	2019e	2020e	2021e
Service revenues	**278.0**	**315.0**	**349.0**
EBITDA	**87.7**	**104.6**	**121.2**
Margin	32%	33%	35%
D&A	(30.5)	(34.1)	(37.6)
EBIT	**57.2**	**70.6**	**83.6**
Margin	21%	22%	24%
Net income	**37.9**	**47.9**	**55.7**
EPS in €	6.80	8.50	9.84
DPS in €	2.56	3.11	3.58

Analyst coverage	Berenberg , Commerzbank, Deutsche Bank, Hauck & Aufhäuser, MM Warburg, Pareto Securities
Shares	5,620,435

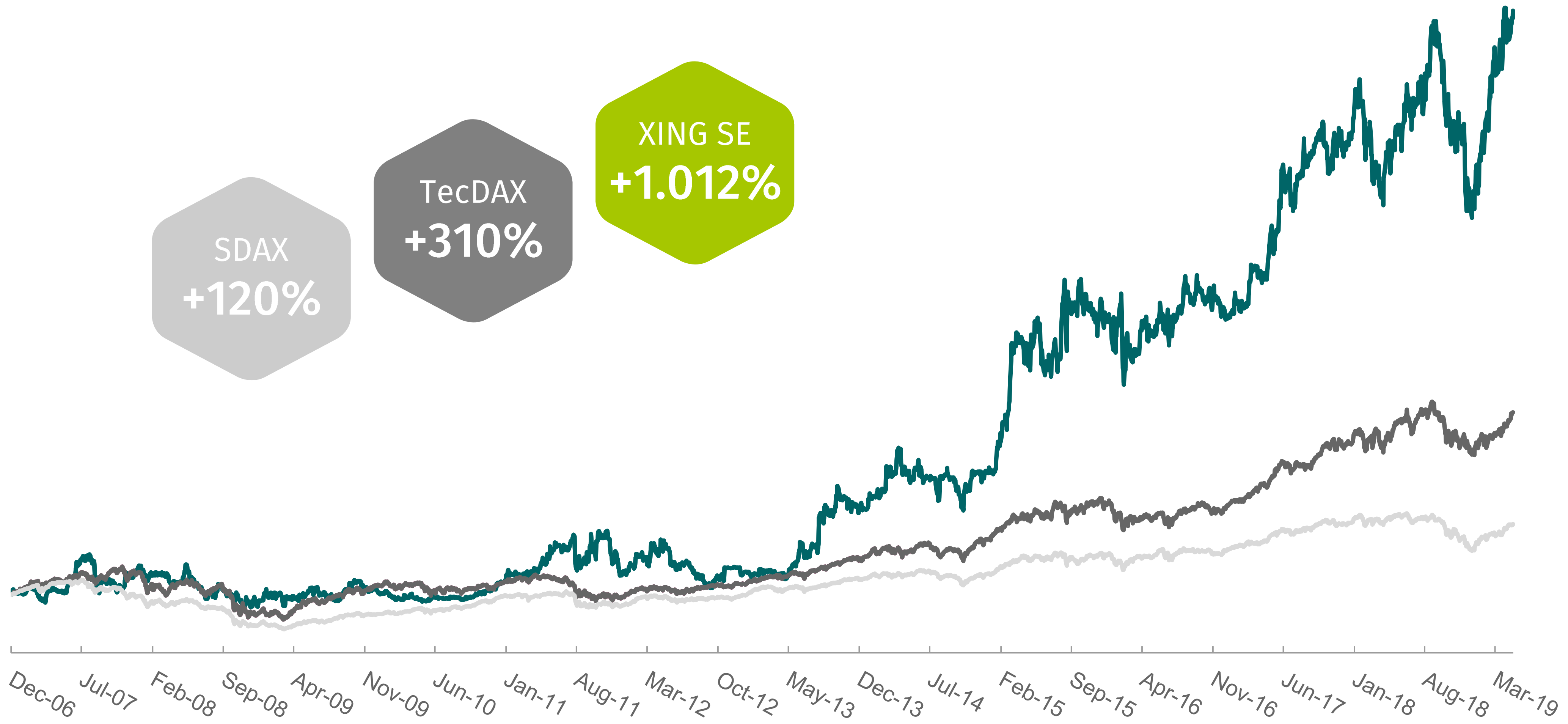
Average trading volume per day (XETRA) & market cap (in €m)



Burda Digital GmbH (DE)	50.26 %
Oppenheimer (US)	5.04 %
Wasatch Advisors	3.02 %
Rest	41.68 %

Numbers based on last filing – actual shareholdings can differ

XING share price development since IPO



Investor Relations
contact details & social media channels

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