Company Presentation XING AG

Ingo Chu (CFO) & Patrick Möller (Director Investor Relations)
November 2010

Executive Summary
Q3 Highlights

Improved profitability:
- EBITDA: 4.46m (32.4% margin), up 52% yoy

Strong growth of non subscription revenues

E-Recruiting:
- DACH revenues up +84% yoy, (82% yoy globally)
- Continuing path of accelerating growth

Advertising:
- DACH revenues up +51% yoy, (46% yoy globally)

Subscription:
- Stable increase in payer base
- DACH revenues up 13% yoy, (11% yoy globally)

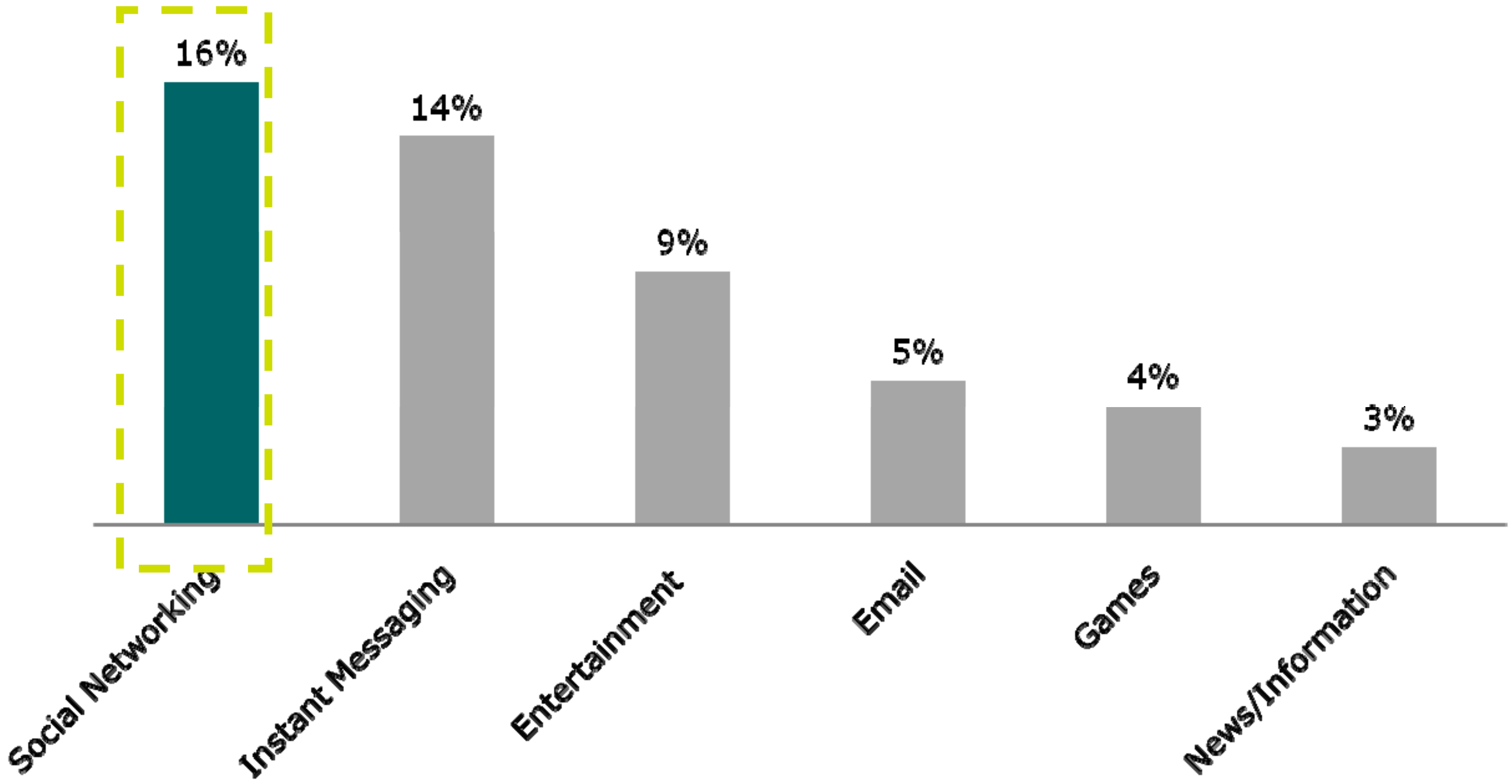
Product:
- Major platform improvements with highly encouraging early results

2010 – The year of profitable growth

02 Social Networking is Our Business

How Europe uses the web?

[Share of regional minutes on key online categories]



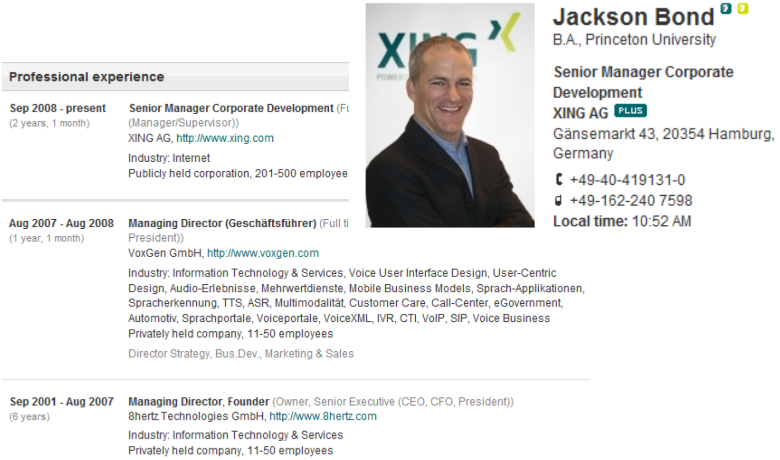
More that 900m people use social networks worldwide so far!

Source: Comscore Data Passport First Half 2010

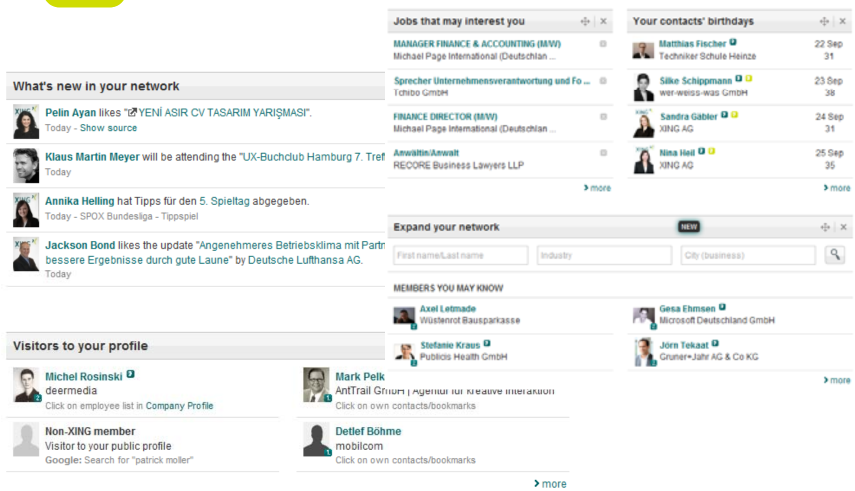
02 Core Use Cases of XING as a Professional Network

HOME | SEARCH | MESSAGES | CONTACTS | GROUPS | EVENTS | JOBS | COMPANIES | BEST OFFERS

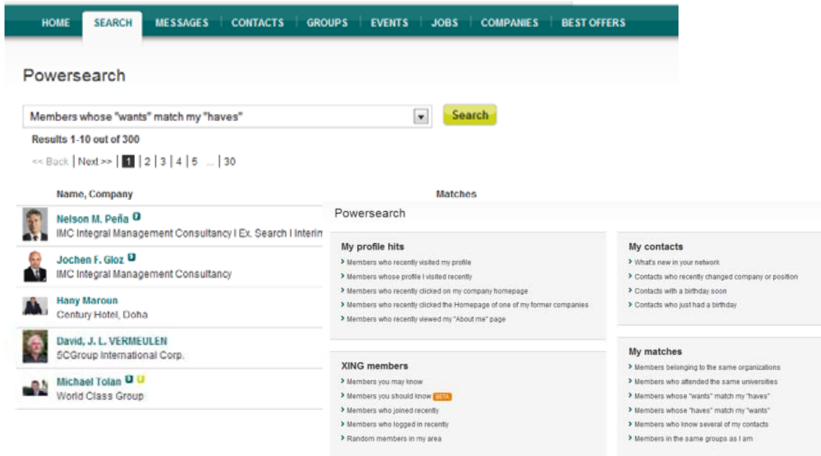
1 Digital Identity Management



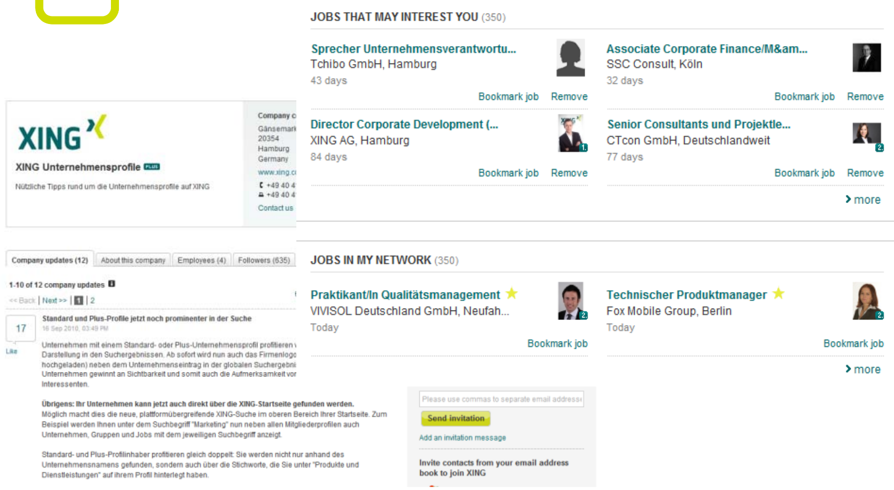
2 Efficient Contact Management



3 Business lead generation

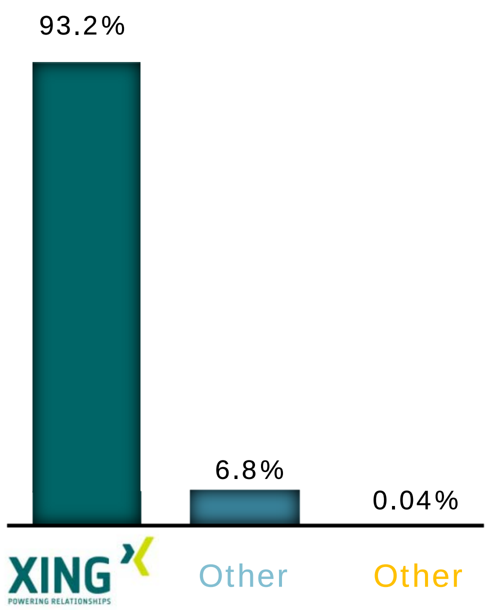


4 Tool for marketing, jobs & recruitment

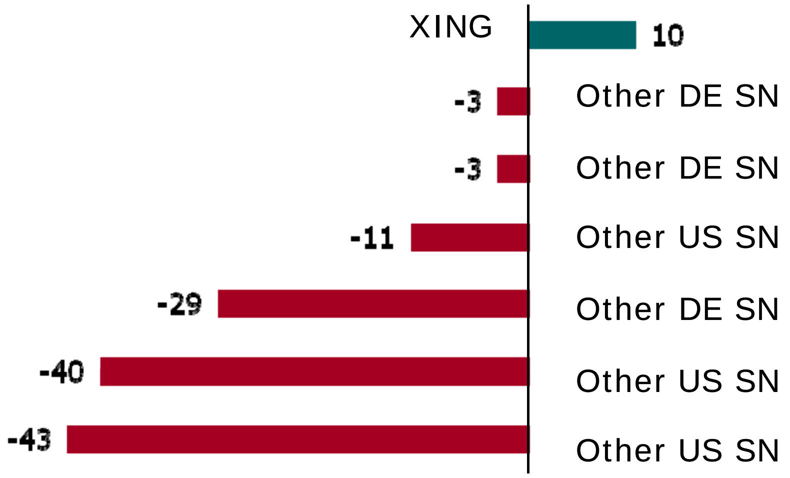


02 Strong DACH market positioning

Distribution of Page Views on relevant business networking sites in Germany[1]



Net Promoter Score Social Networks in %[2]



[1] Source: Comscore media metrics report june 2010, [2] TNS study

	DACH			
	Subscriptions	**E-Recruiting**	**Advertising**	**International**
Revenues yoy growth in %	€10.4m +13%	€1.8m +84%	€0.8m +51%	€0.5m -11%
Recent Highlights	▪ Recent product launches showing positive impact on member growth and activity ▪ Strongest member growth since Q2'09 ▪ Payer adds flat q0q	▪ another quarter of accelerating growth ▪ 2009 investments paying off ▪ New coop with No.1 Swiss job portal (Jobs.ch) to cover Swiss market	▪ Boost in eCPM (x4 since Jan 2010) ▪ New formats (i.e. wallpaper)	▪ significant member base in core markets (~1m members in Turkey & 1.5m members in Spain) ▪ Future focus: driving activtiy rather than growth
Market potential	~19m people[1]	>€100m	>€2bn	~17m people[1]

[1] Source: XING analysis of addressable market

04 Our strategic approach
Invest & expand into new verticals (i.e. e-recruiting)

XING

Paid Memberships


PREMIUM MEMBER

...

Verticals

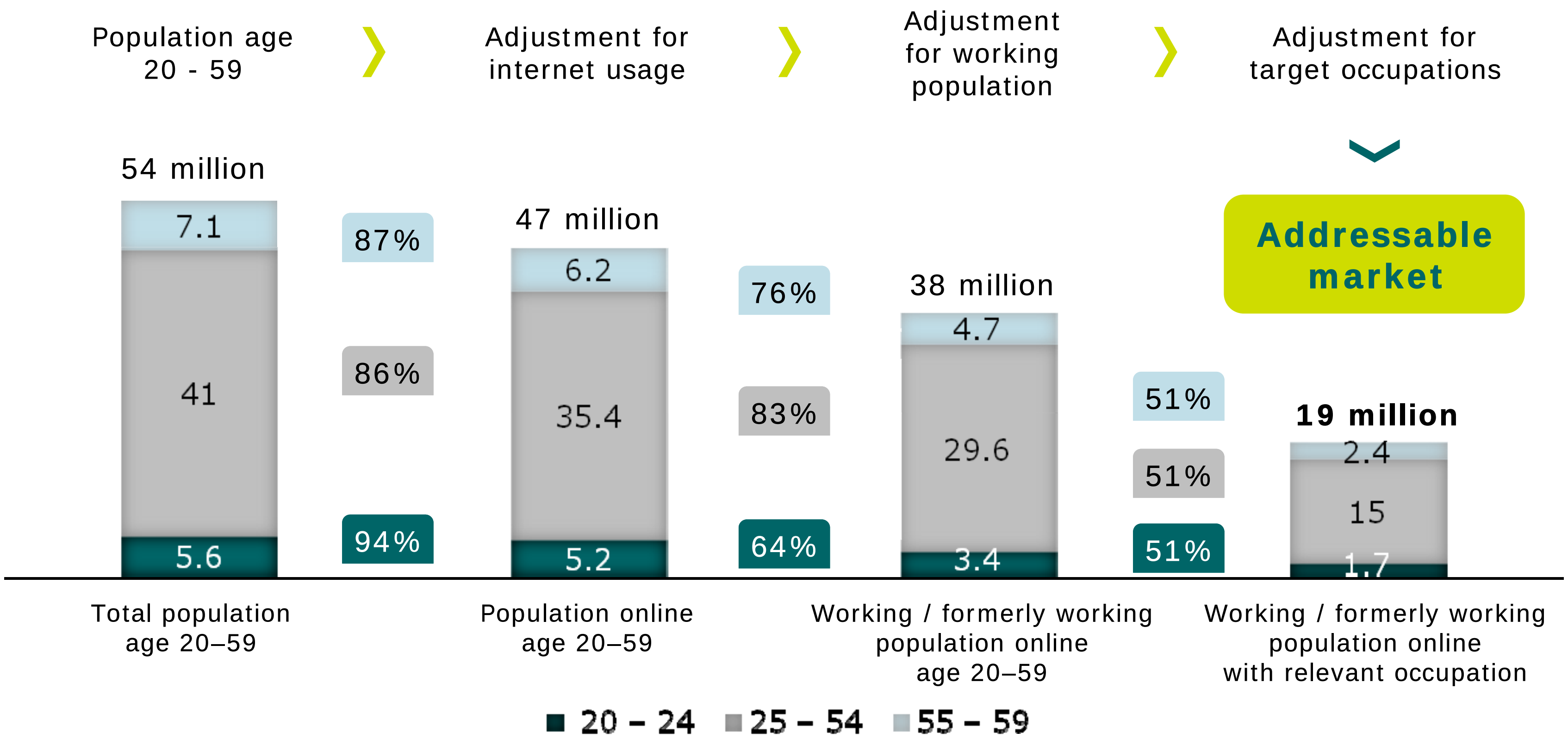
- E-recruiting
- Advertising
- TBA
- TBA
- TBA

Basic Membership

05 Large Potential For Further Member & Payer Growth

Addressable Market DACH: Market Size Estimate 2015

XING



Source: United Nations World Population Prospects 2006, United Nations Economic Commission for Europe – Statistical Division, European Commission Long-Term Labour Force Projections 2005, OECD's Committee Information Service, CEDEFOP Future Skill Needs in Europe Forecast 2008, Sal. Oppenheim estimates

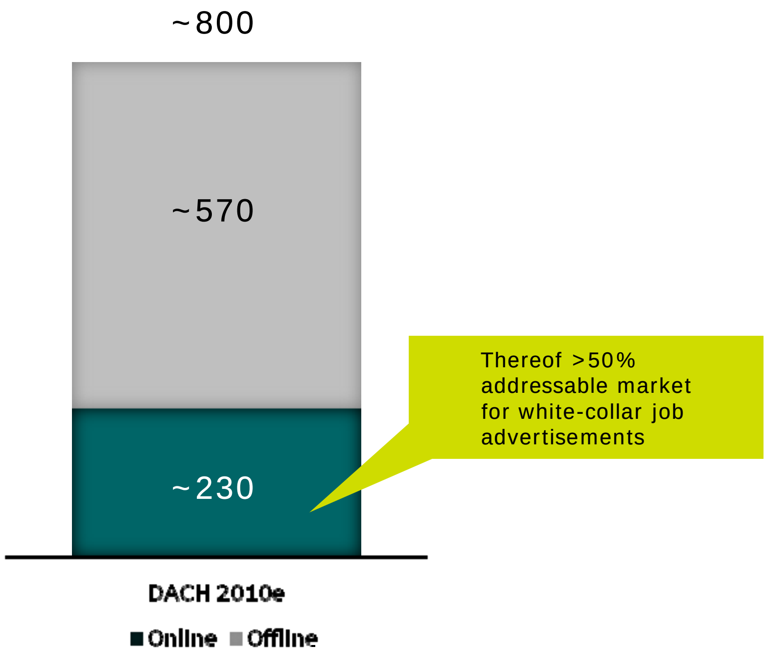
» **XING's total addressable market in DACH (2015) is estimated at 19 million users**

05 Jobs & Recruiting Business (DACH) at a glance

Massive native potential for XING, >€100m addressable market

Market volume job boards DACH

in €m



Our opportunity to succeed

- Career advancement one core motivation to use XING
- Millions of talents on platform, best profile database in DACH (and ES and TR)
- >75.000 recruiters already on XING
- Reach most attractive “latent seekers” segment through push recommendations

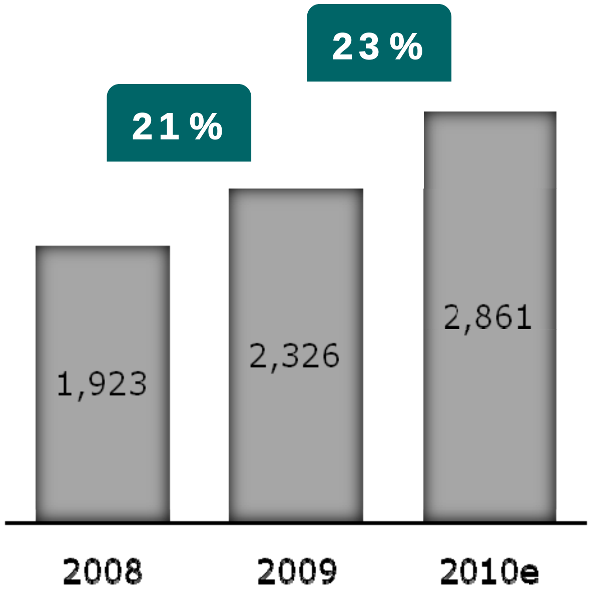
Source: Company estimates

Many HR executives reckon XING to be the Next Big Thing in Recruiting

German Online Display Ads: a € 2bn+ market

German speaking online display advertising market 2008-2010e gross-growth estimates

in €m



Our opportunity to succeed

- Targeting – detailed information on customers available
- Quality – high-profile community attracts strong brands and quality advertisers
- Real opportunity: Converting advertising into content that users appreciate (exclusive offers, jobs, providers, contextual etc)

» Despite market size, only secondary business since other models provide more user value and monetization potential. Limited investments to expand business.

Source: OVK Online Report 2/2010

Significant product launches with promising early impact

Building Blocks

Strengthen Basics

- New Design
- New features (e.g. „to do list“)

New services

- Messages to contacts for basic members
- Improved search
- XING plug in for MS Outlook Social Connector

Mobile Innovation

- Mobile handshake
- Mobile website

PR & Marketing Offensive

- PR campaign
- TV spot

Impact as of now

Growth:

Member gross adds

Invitations

Unique inviters

Activity:

Logins

Messages sent

Contact adds

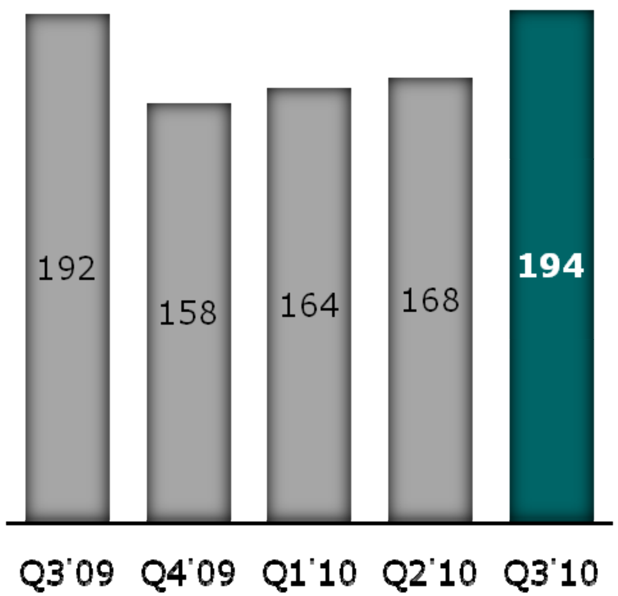
Status messages

KPI's (DACH: 16.09. -15.10.) compared with period before product offensive (01.09 - 15.09.)

DACH: Promising trend of net member adds

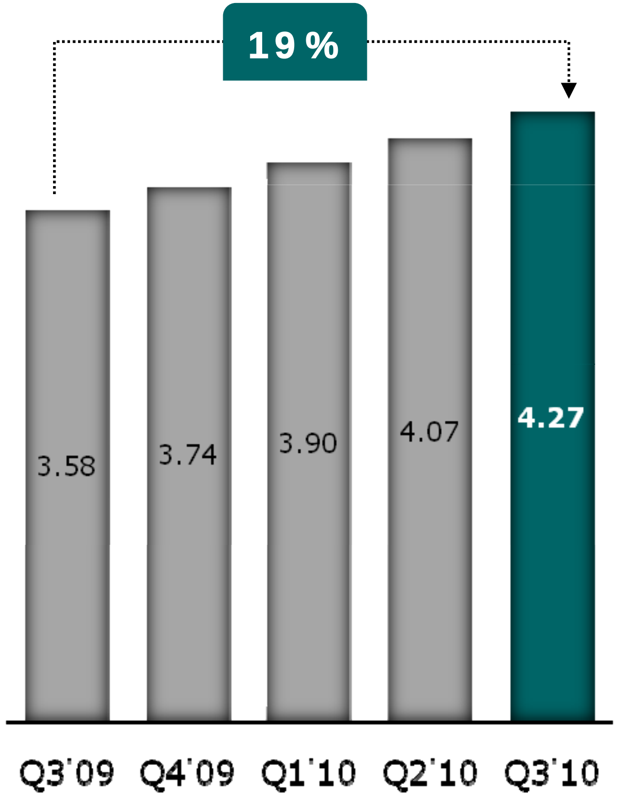
Member net adds

in 000‘



Member base DACH

in m

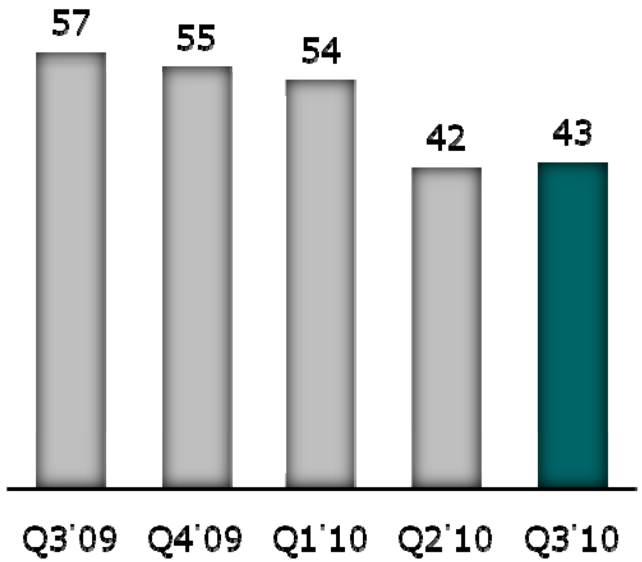


- Strongest member growth (+194k) since Q2‘2009
- Continuously strong #1 in DACH
- XING usage 10x higher than next competitor in Germany*

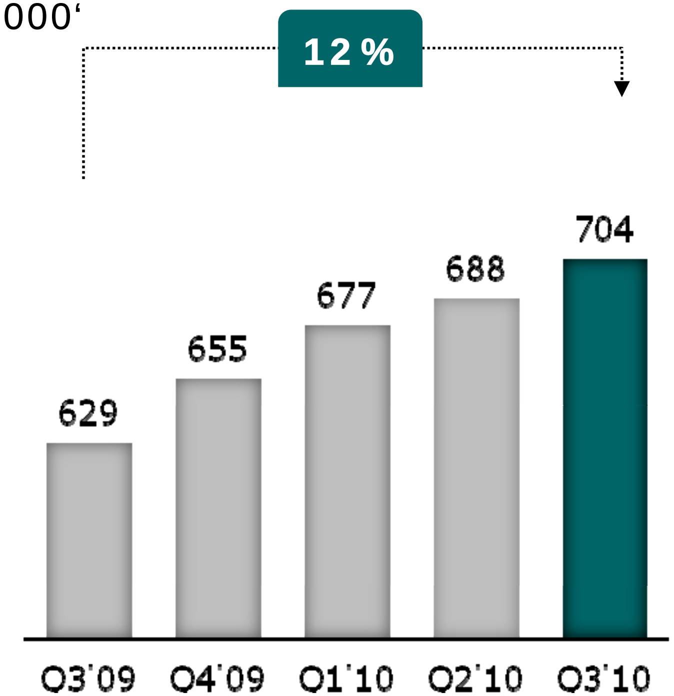
* Source: Comscore August 2010

07 DACH: Payer base up 12%

Payer gross adds
in 000'



Payer base
in 000'

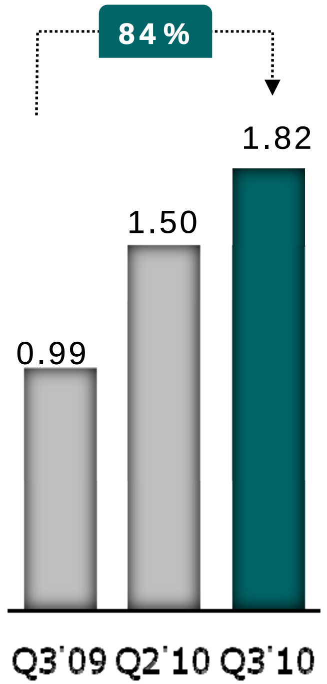


[International Payer base: 29k]

» Q3 net payer adds (16k) up vs. previous quarter (11k)

07 DACH: E-Recruiting:
Revenues increase by 84% yoy

"E-Recruiting" revenues
in €m



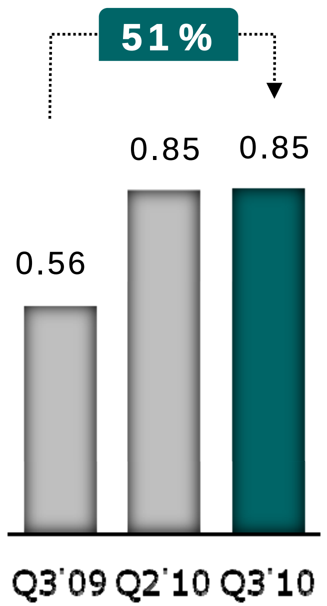
Selection of new customers in Q3'10
More than 300 in total

» **Distribution partnership with leading job portal in Switzerland www.jobs.ch**

07 **DACH: Advertising:**
YoY growth of 51%

XING

Advertising revenues
in m

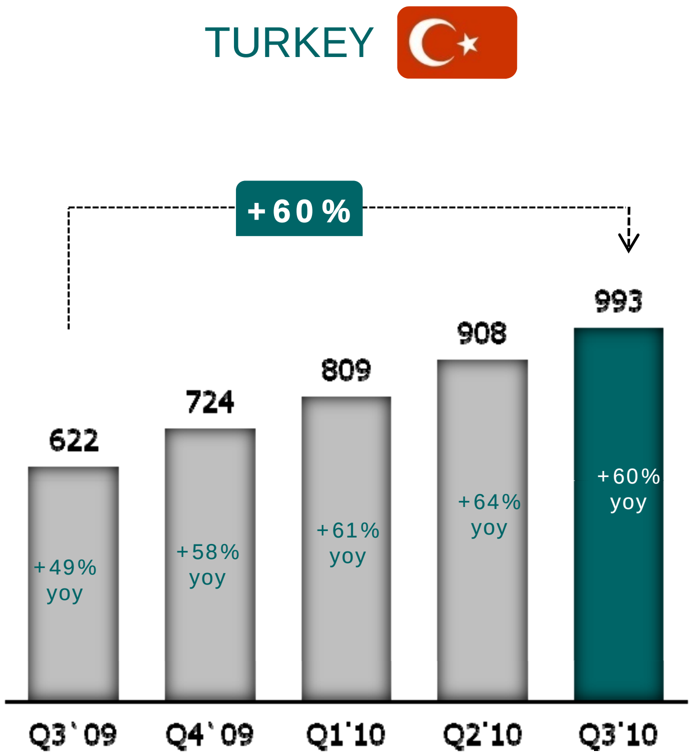


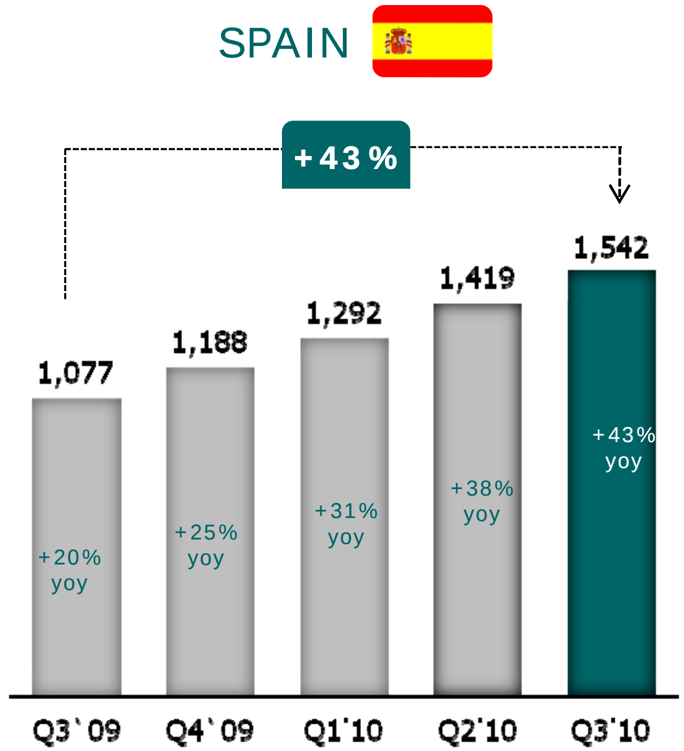
Comments

- CPM 4x compared to January 2010
- New ad formats
- Total number of company profiles reached 200,000

» **Q3 display ad revenues impacted by seasonality**
Decent qoq increase in Q4 expected

08 International business
Over 1m members in both markets





» **Significant member base in both markets**
Future focus: driving activity

Source: company data

09 Significant increase in operating performance in Q3

XING

	Q3'10	Q2'10	Q3'10 vs. Q2'10	Q3'09	Q3'10 vs. Q3'09
	Abs.	Abs.	Rel.	Abs.	Rel.
Total revenue[1]	13.8	13.3	+4%	11.7	+18%
Costs	-9.3	-9.5	-2%	-8.7	+7%
EBITDA	4.5	3.7	+19%	2.9	+52%
Margin	32%	28%	+4%pt	25%	+7%pt
Depreciation	-1.3	-1.2	6%	-1.5	-11%
Financial Result	-0.0	0.0		0.0	
Taxes	-1.0	-1.2	-15%	-1.1	-10%
Net Result	2.1	1.3	+56%	0.3	+513%

[1] Including other operating income

» **EBITDA-Margin up 5th consecutive quarter in a row**

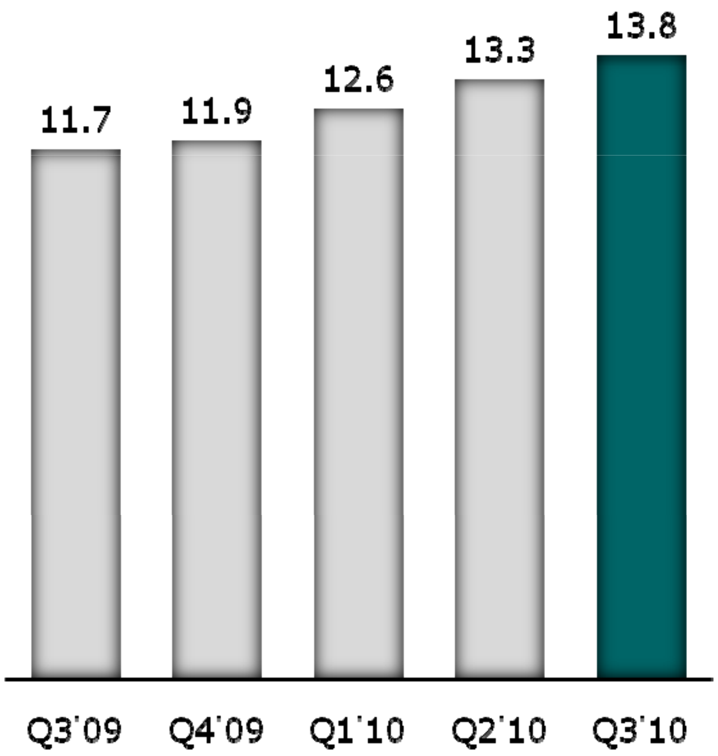
09 **Quarterly revenues continue to grow**

EBITDA €4.5m; margin 32%

- Global figures -

Revenues

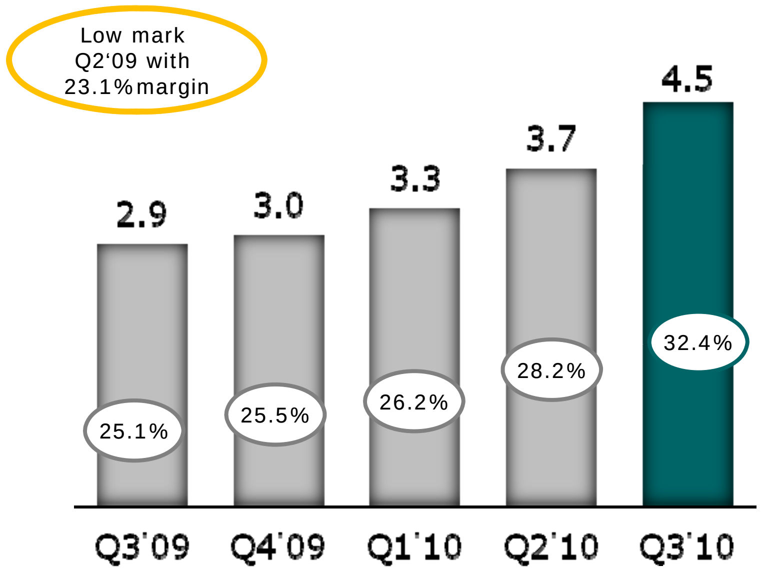
In €m



EBITDA

In €m

In % of total revenue

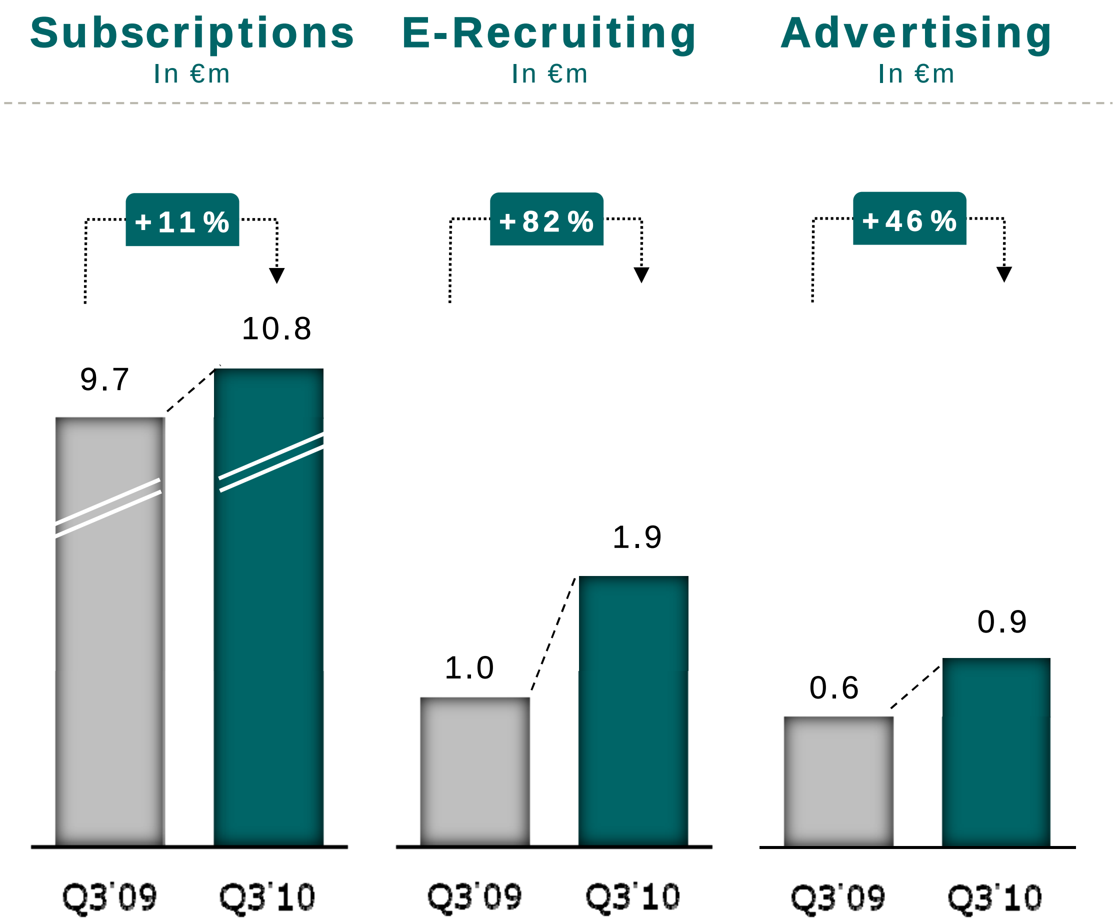


» EBITDA Margin >30% for the first time since Q2'09

09 Continuing strong growth in e-recruiting & advertising

XING

- Global figures -



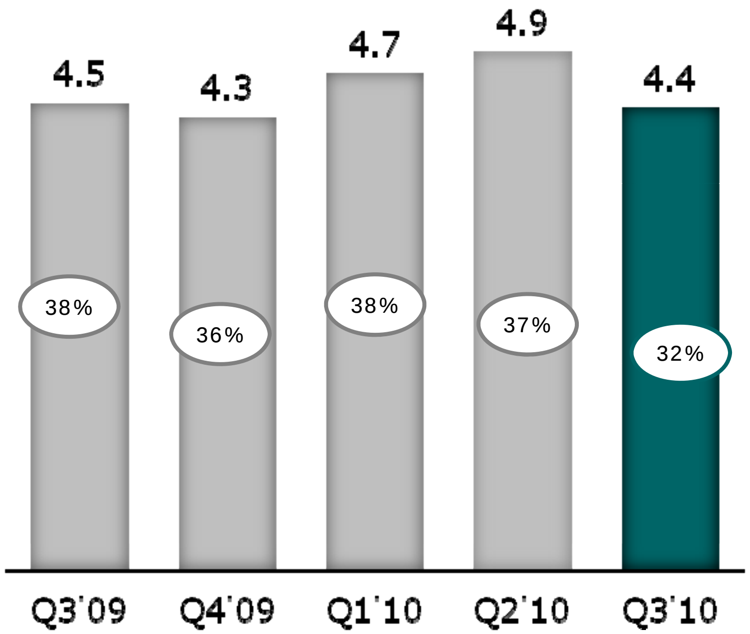
» **XING community and web 2.0 context powerful assets to enter and exploit adjacent markets**

09 Personnel costs Q3'10: €4.4m; 32% of revenues

- Global figures -

Personnel

in €m
in % of revenue



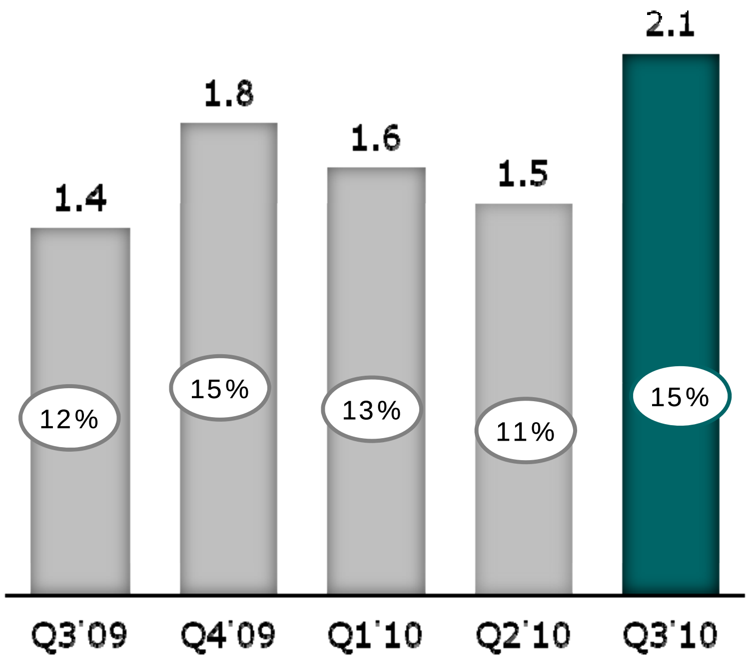
Comments

- Q2 impacted by negative one-off from reorg
- Q3 impacted by positive one-off from release of personnel-related accruals
- FTE's qoq flat

09 Marketing expenditures
First XING-TV campaign ever started in Sep'2010

- Global figures -

Marketing
in €m
in % of revenue



Comments

- First XING TV Campaign

- SEM
- Display campaigns
- Affiliate programs
- Cooperations

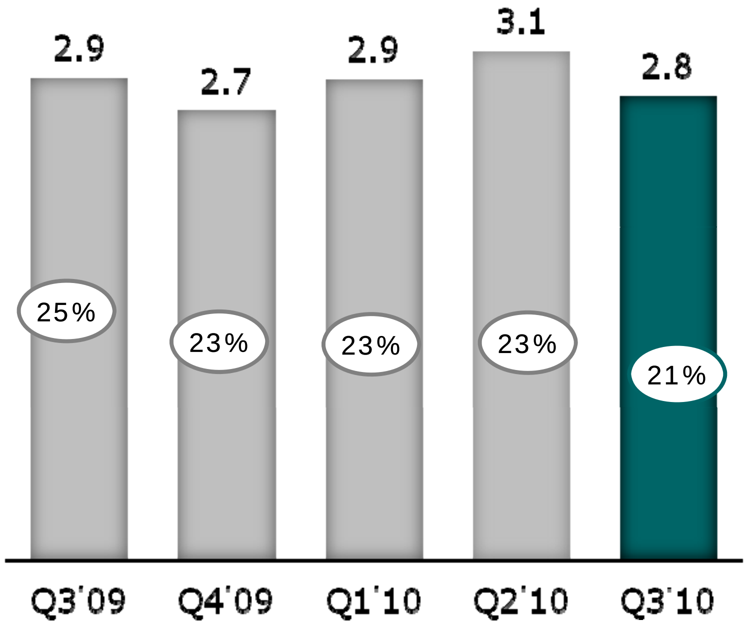
09 **Other operating expenses in Q3'10:**
€2.8m; 21% of revenues

XING

- Global figures -

Other operating expenses

in €m
in % of revenue



Comments

Cost line includes:

- External services
- Legal, audit, consulting
- Payment processing
- Server hosting
- Rent & other costs

09 Cash Flow Statement
Operating cash flow €4.0m in Q3'2010

- Global figures -

in €m	2009		2010				
	Q3'09	Q4'09	Q1'10	Q2'10	Q3'10	Q3'10 vs. Q3'09	Q3'10 vs. Q2'10
	Abs.	Abs.	Abs.	Abs.	Abs.	Abs.	Abs.
EBITDA	2.9	3.0	3.3	3.7	4.5	+1.6	+0.8
Interest/Tax/ESOP	0.0	+0.3	+0.3	+0.1	-1.3	-1.3	-1.4
Δ Net Working Capital	+1.4	+1.1	+5.6	+1.2	+0.8	-0.6	-0.5
Operating Cash flow	**+4.3**	**+4.4**	**+9.2**	**+5.0**	**+4.0**	**-0.3**	**-1.0**
Investment - Operating	-1.5	-1.1	-1.4	-1.1	-1.2	-0.3	-0.1
Investment - Acquisitions	0.0	0.0	-0.7	0.0	-0.4	-0.4	-0.4
Financing incl. Share Buyback	0.0	1.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	-0.1	0.0	0.0	0.0	0.0	0.0
Free Cash flow	**+2.8**	**+4.2**	**+7.1**	**+4.0**	**+2.4**	**-0.4**	**-1.6**

» **€1.5m tax payments in Q3'2010**

0 9 Balance Sheet
Low invested capital!

in €m	2010			2009	
	Q3'10	Q2'10	Q1'10	Q4'09	Q3'09
	Abs.	Abs.	Abs.	Abs.	Abs.
Assets	**90.8**	**88.6**	**84.9**	**80.7**	**82.1**
Operating assets	17.1	17.0	17.0	19.6	21.3
Acquisitions / International	16.9	17.2	17.5	17.9	21.7
TAX A/R	0.4	0.5	0.5	0.4	0.5
Cash	**56.4**	**53.9**	**50.0**	**42.9**	**38.6**
Liabilities	**90.8**	**88.6**	**84.9**	**80.7**	**82.1**
Equity	58.3	55.9	54.3	52.7	55.7
Deferred Income	20.1	19.6	18.7	16.2	14.8
Liabilities	5.3	5.7	5.8	6.4	6.5
Tax Liabilities	7.1	7.4	6.2	5.4	5.0
Other	0.0	0.0	0.0	0.0	0.0

» **Negative net working capital**

Thank you
for your attention!

POWERING RELATIONSHIPS
WWW.XING.COM

Backup

POWERING RELATIONSHIPS
WWW.XING.COM

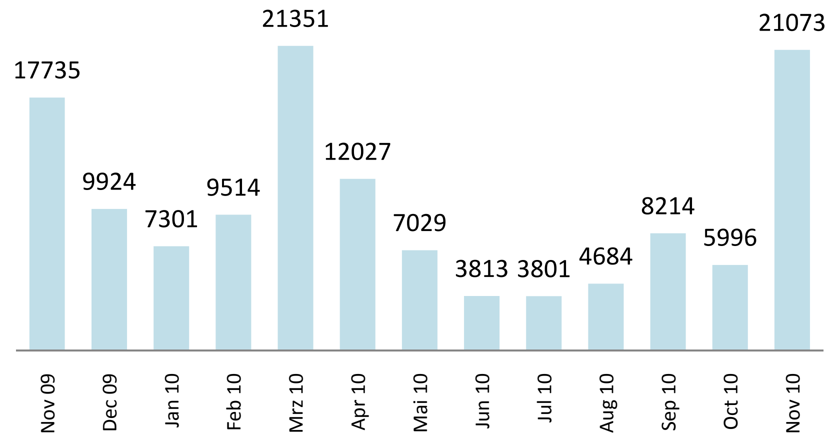
XING AG IR stats
Market Cap: ~€150m / €56m cash / no debt

XING

Consensus (Nov 16, 2010)

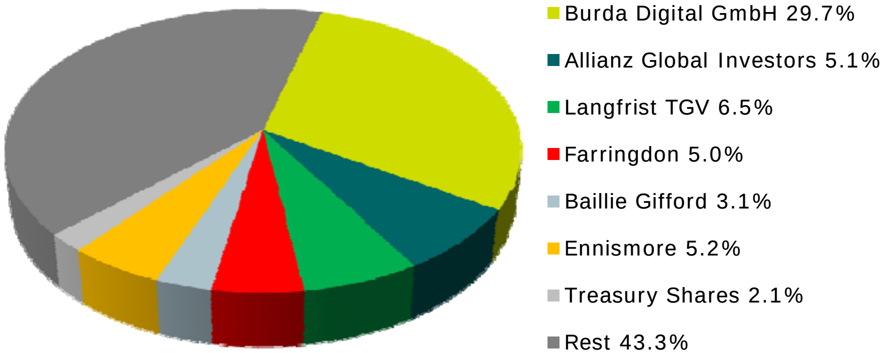
	2010e	2011e	2012e
Total revenues	**54,4**	**64,9**	**72,7**
EBITDA	**16,3**	**21,4**	**24,6**
Margin	30%	33%	34%
Depreciation	-5,3	-5,8	-6,3
EBIT	**11,1**	**15,6**	**18,3**
Margin	20%	24%	25%
Net income	**7,6**	**11,2**	**13,1**
EPS in €	1,45	2,10	2,48
Free cash flow	**11,3**	**12,2**	**13,8**

Average Trading Volume per day (XETRA)



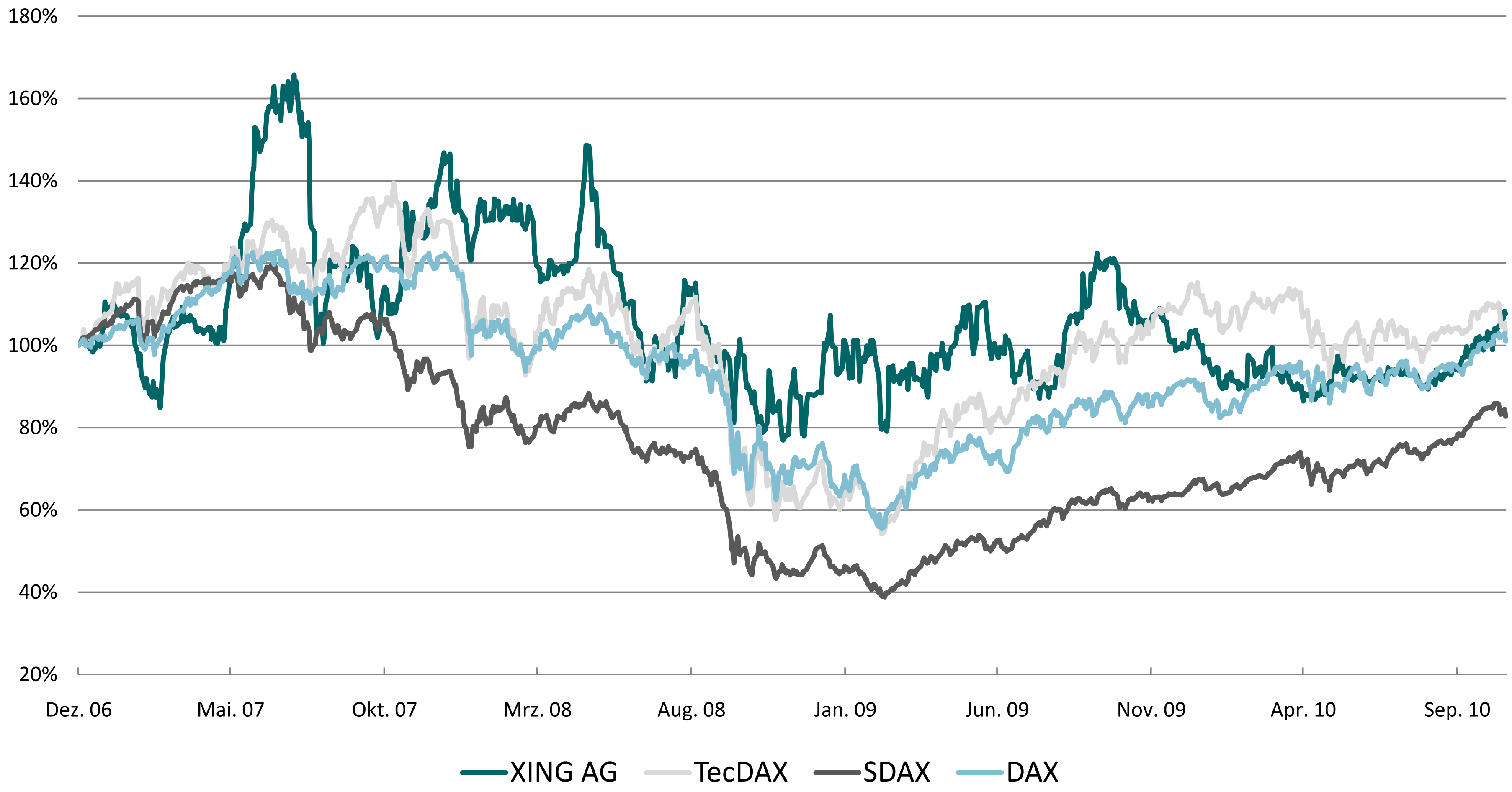
Analyst coverage	Deutsche Bank, DZ Bank, Hauck & Aufhäuser, HSBC, LBBW
Shares	5,272,447

TecDax ranking end of October 2010	
Market Cap.	36
Turnover	46



Free float according to Deutsche Börse: 68.2%

XING share price since IPO in Dec'06 (as of Nov 16, 2010)



XING AG	TecDAX	SDAX	DAX
+8%	+3%	-27%	+1%

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XING's current revenue streams

Subscription business	▪ Paid in advance ▪ 733k Payers ▪ >90% activity rate	▪ 3 months: €6.95* ▪ 12 months: €5.95* ▪ 24 months: €4.95*
E-Recruiting	▪ Recruiter memberships ▪ Click Price Job Ads ▪ Fix Price Job Ads	▪ €49.95/€39.95/€29.95 (3/6/12 months)* ▪ €0.69 per job click ▪ LOGO: €395 / DESIGN: €495*
Advertising	▪ Best Offers ▪ Enterprise Groups ▪ Display Advertising ▪ Company Profiles	▪ Set up fee & rev. Share ▪ Set up & regular fee ▪ eCPM ▪ €24.90 (Standard) / €129 (Plus)*
Others	▪ Paid-Events ▪ XING Seminars	▪ Provision to XING ▪ Provision to XING

* Per month

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