

A man with glasses and a beard, wearing a grey cardigan over a plaid shirt, is sitting at a desk and smiling while working on a laptop. The desk is cluttered with papers and a smartphone. A large window in the background lets in bright sunlight, creating a warm and professional atmosphere.

XING FY2014

Preliminary Results

Feb 23, 2015

XING 

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IMPORTANT NOTICE

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.

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2014: DELIVERED



ACCELERATING GROWTH IN ALL DIMENSIONS

- +1.1M NEW MEMBERS
- +20% REVENUE GROWTH
- +30% EBITDA GROWTH (EXCL. KUNUNU EARN-OUT)

MAJOR STEPS TOWARDS REPOSITIONING

- E-RECRUITING OFFENSIVE
- REVITALIZATION OF CORE PREMIUM BUSINESS

PROPOSAL: INCREASE OF REGULAR DIVIDEND BY 48% to 0.92€

2015E: FURTHER ACCELERATION OF TOP-LINE GROWTH

2014: DELIVERED ON ALL TARGETS

RECAP FROM FY2013 PRESENTATION

OUR TARGETS FOR 2014 WERE:



EBITDA margin
expansion becomes visible



Strong push towards
new positioning
“For a better working life”*



Significant push
towards mobile

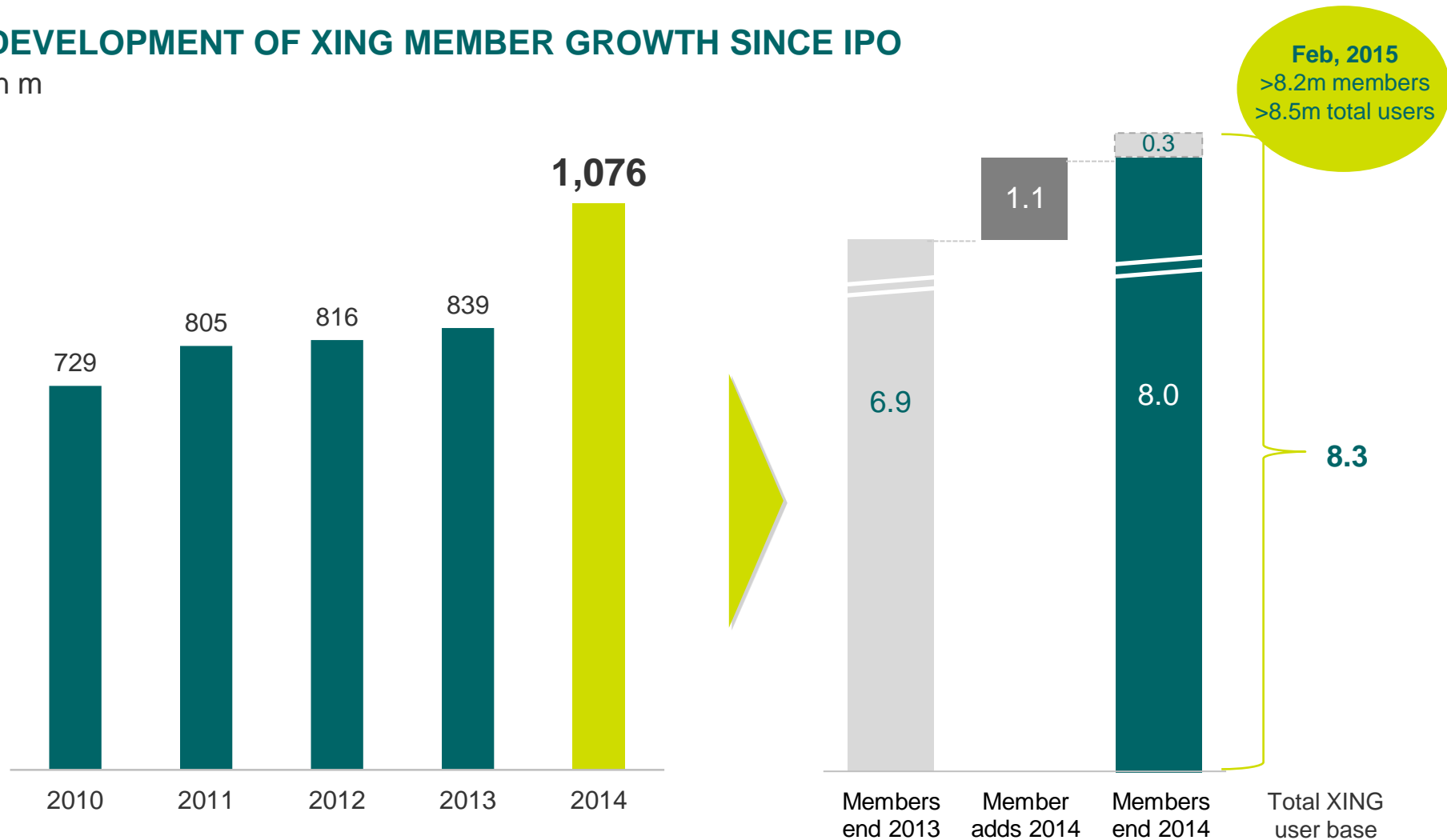


Continued enforcement
of product innovations

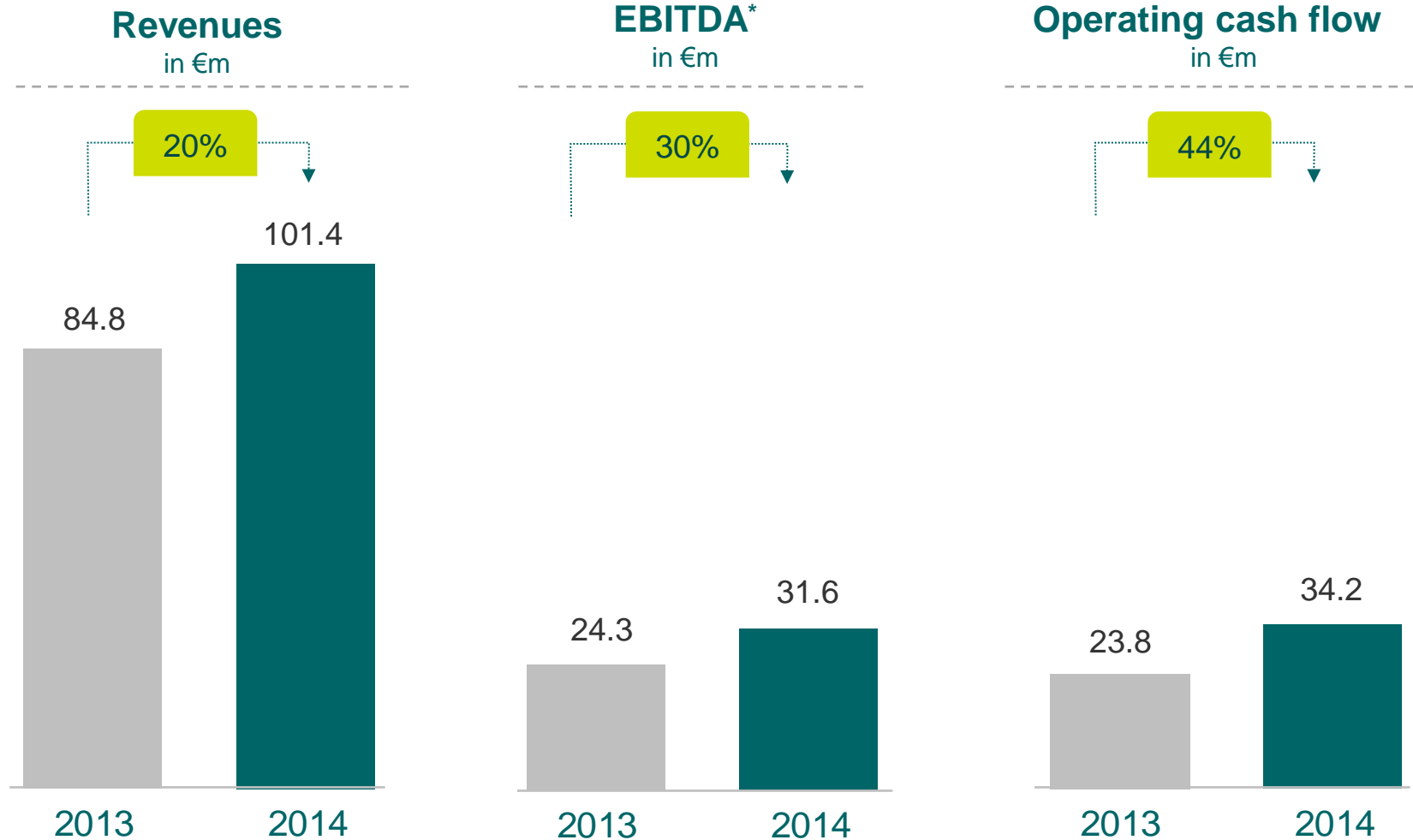
2014: DELIVERED ON ALL TARGETS MEMBER GROWTH REACHES ALL-TIME HIGH...

DEVELOPMENT OF XING MEMBER GROWTH SINCE IPO

In m



2014: DELIVERED ON ALL TARGETS ... AS WELL AS REVENUE, EBITDA AND CASH FLOW



2014: OUR SUCCESS FACTORS

Key successes 2014



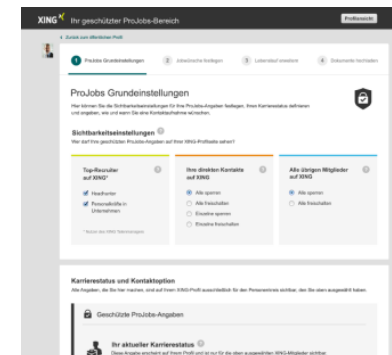
Network

- Strongest ever member growth
- Mobile usage significantly increased



Premium

- New Premium fully accepted (double digit growth)
- Successful launch of ProJobs membership



e-Recruiting

- Successful “Offensive 2014” (Revenues +39%)
- Strong increase of XTM and EBP B2B customer base
- Good jobs ad business (plus new opportunities after Jobbörse.com acquisition)



Events

- New events marketplace supports differentiation
- Strong support for member/user growth



LONG-TERM STRATEGY UNCHANGED

CLEAR TARGETS FOR 2015



FY 2014 FINANCIALS

OVERVIEW: ACCELERATING PACE IN 2014



RECORD MEMBER GROWTH

TOP LINE GROWTH ACCELERATES TO 20%

EBITDA SLIGHTLY ABOVE UPPER END OF GUIDANCE;
MARGIN UP 2%PTS

OPERATING CASH-FLOW INCREASED TO €34M

DIVIDEND PROPOSAL OF €0.92/SHARE (+48%YOY)

WELL ON TRACK TO ACHIEVE 2016 GOALS

FY 2014: DELIVERED ON ALL FINANCIAL METRICS

REVENUES €101.4M, EBITDA (EXCL. EARN-OUT) €31.6M

	2014 Prelim	2013	2014 vs. 2013	2014 vs. 2013
	Abs.	Abs.	Abs.	Rel.
Total revenue ¹	101.4	84.8	16.6	20%
Costs	(69.8)	(60.5)	(9.3)	(15%)
EBITDA w/o kununu earn-out	31.6	24.3	7.3	30%
Margin w/o kununu earn-out	31%	29%	+2%pts	+2%pts
Non-operating costs from kununu earn-out	(2.4)	(1.5)	(1.1)	(62%)
EBITDA incl. kununu earn-out	29.2	22.8	6.4	28%
Adjusted depreciation (incl. PPA) ²	(8.6)	(8.5)	(0.1)	(2%)
Financial result ²	(0.0)	0.1	(0.1)	N/A
Adjusted taxes ²	(7.3)	(5.3)	(2.0)	(37%)
Adjusted net result ²	13.2	9.1	4.1	45%
Adjusted net result w/o kununu earn-out ²	15.7	10.5	5.2	49%

(1) Including other operating income









(2) Excl. write-down of XING Events of €7.5m (-€0.5m tax effect)

Rounding differences are possible

Write-down of XING EVENTS business of €7.5m in FY 2014

- No impact on group strategy
- No impact on cash flows

FY 2014: MARGIN EXPANSION IN NETWORK/PREMIUM AND E-RECRUITING SEGMENT

		Segment EBITDA	Margin	YoY trend
Network/Premium	 	€39.5m	64% ³	
E-Recruiting ¹		€ 17.3m ¹ € 14.9m ²	53% ¹⁾⁴⁾ 45% ²	
Events		(€2.1m)	N/A	
Tech, Central Services & Other		(€23.0m)	N/A	N/A
Total EBITDA w/o kununu earn-out		€ 31.6m	31%	

¹⁾ W/o kununu earn-out

²⁾ Incl. Kununu earn-out

³⁾ 2013:63%

⁴⁾ 2013:45%

FY 2014: SUCCESSFUL REVITALIZATION OF NETWORK/PREMIUM BUSINESS

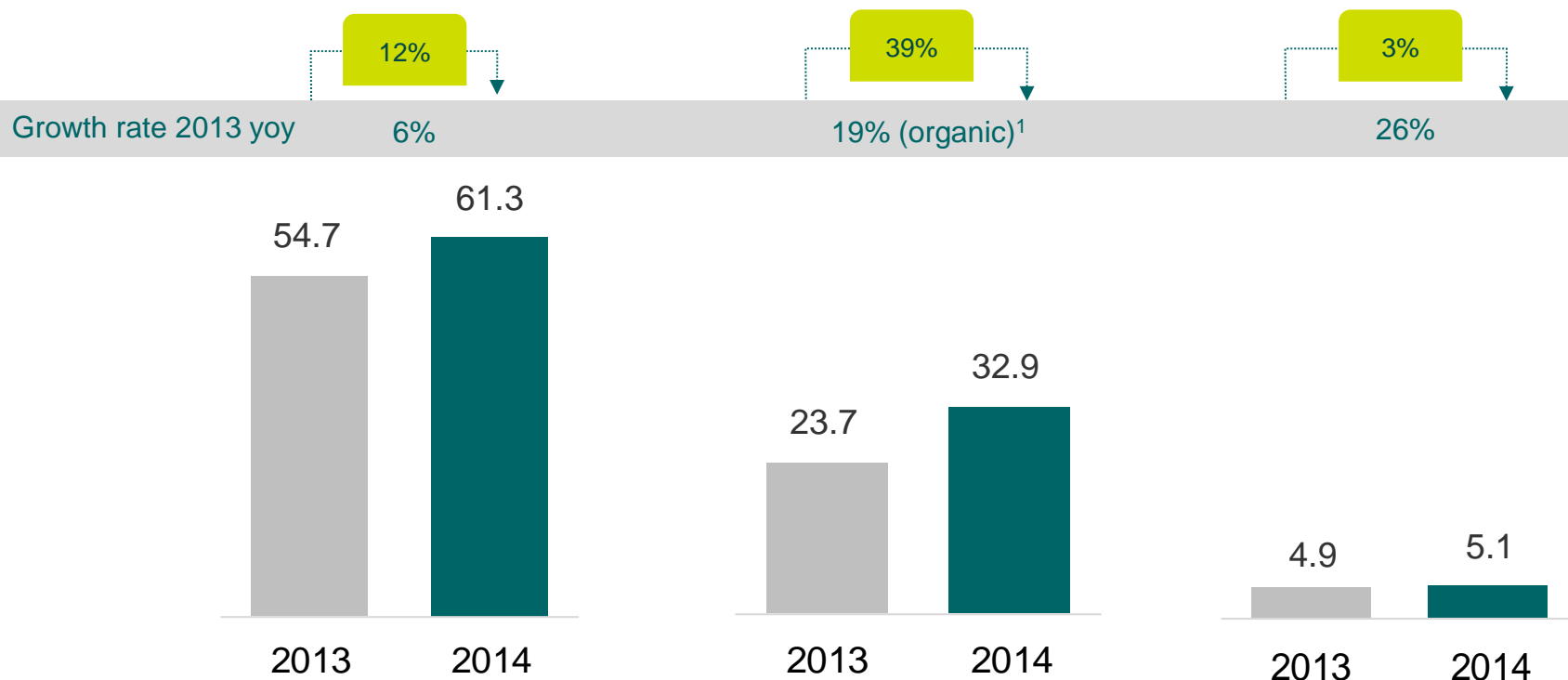
Network/Premium
in €m



e-Recruiting
in €m



Events
in €m



- Total payer net adds 2014: 28k
- Total payer net adds w/o xo churn from price increase existing base 38k (+58% yoy)

FY 2014: OPERATING CASH FLOW +44% TO €34M

	2014	2013	2014 vs. 2013	2014 vs. 2013
	Abs.	Abs.	Abs.	Rel.
EBITDA	29.2	22.8	6.4	28%
Interest / tax / ESOP & earn out (kununu)	(1.5)	(3.3)	1.8	55%
Change in net working capital	6.5	4.3	2.2	52%
Operating cash flow excl. organizer cash	34.2	23.8	10.4	44%
Investment – operating	(12.1)	(10.5)	(1.6)	16%
Investment – acquisitions	(0.9)	(2.9)	2.0	68%
Financing incl. transaction of own shares	0.0	2.7	(2.7)	-99%
Free cash flow excl. dividends & organizer cash	21.2	13.1	8.1	62%
Regular dividend	(3.5)	(3.1)	(0.4)	(12%)
Special dividend	(20.0)	0.0	(20.0)	N/A
Free cash flow excl. organizer cash	(2.2)	10.0	(12.2)	(122%)
Effects organizer cash	0.4	0.2	0.2	110%
Free cash flow incl. organizer cash	(1.8)	10.2	(12.0)	(117%)

Rounding differences are possible

Q4/14 FINANCIALS

Q4/14: 24% TOP-LINE GROWTH

	Q4/14	Q3/14	Q4/14 vs. Q3/14	Q4/13	Q3/14 vs. Q3/13
	Abs.	Abs.	%	Abs.	%
Total revenue ¹	28.3	26.0	8%	22.7	24%
Costs	(18.0)	(16.1)	(12%)	(15.8)	(14%)
EBITDA w/o kununu earn-out	10.2	9.9	4%	6.9	47%
Margin w/o kununu earn-out	36%	38%	(2%pts)	30%	6%pts
Non-operating costs from kununu earn-out	(0.7)	(0.8)	(11%)	(1.5)	55%
EBITDA incl. kununu earn-out	9.6	9.1	5%	5.5	75%
Adjusted depreciation (incl. PPA) ²	(2.2)	(1.9)	(15%)	(2.2)	(2%)
Financial result	(0.0)	0.0	N/A	0.0	N/A
Adjusted taxes ²	(2.5)	(2.5)	0%	(1.5)	(62%)
Adjusted net result incl. kununu earn-out ²	4.8	4.7	3%	1.7	177%
Adjusted net result w/o kununu earn-out ²	5.5	5.4	1%	3.1	76%

(1) Including other operating income

(2) Excl. write-down of XING Events of €7.5m (-€0.5m tax effect)

Rounding differences are possible

Q4/14: FURTHER ACCELERATION IN REVENUE GROWTH IN NETWORK/PREMIUM AND E-RECRUITING

Network / Premium
in €m

e-Recruiting
in €m

Events
in €m

16%

44%

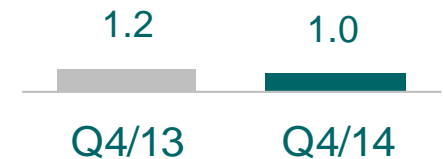
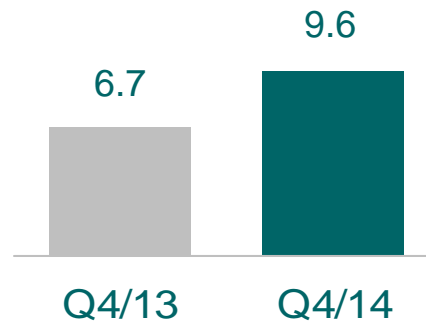
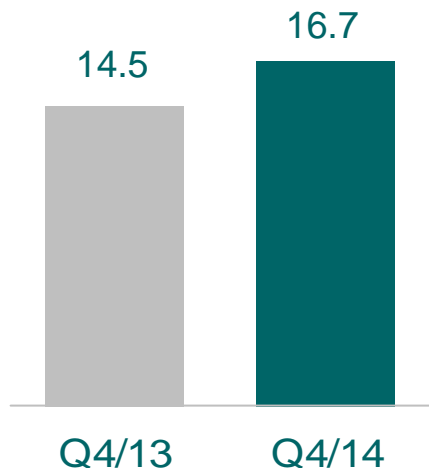
(14%)

Growth rate Q4/13 yoy

8%

19% (organic)¹

35%



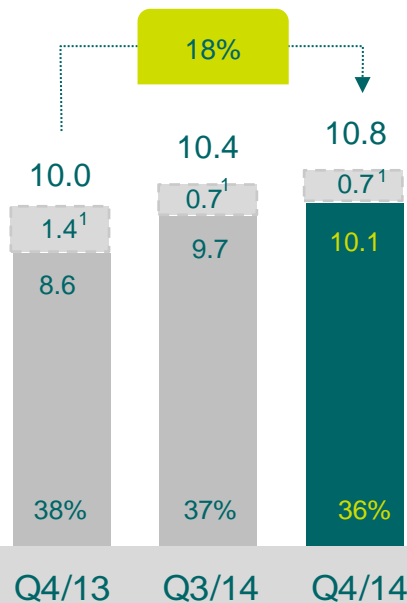
¹) W/o anorganic growth from kununu acquisition

Rounding differences are possible

Q4/14 COST DEVELOPMENT

Personnel

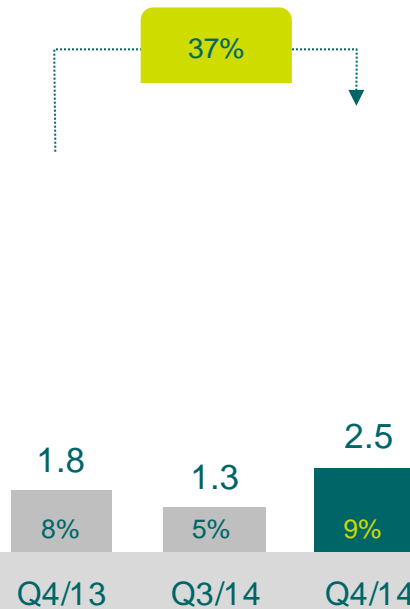
in €m
in % of total revenue



- Investment in product/technology organization & sales/marketing
- Including non-operating costs from kununu earn-out
- +63FTEs

Marketing

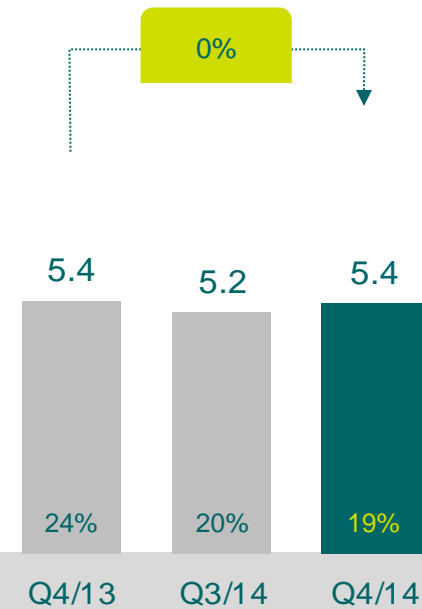
in €m
in % of total revenue



- Online display & social media adv.
- Search engine marketing (SEM)
- Offline marketing expenditure (conferences & events, print, sponsoring)
- Affiliate marketing

Other expenses

in €m
in % of total revenue



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

¹⁾ Impact from kununu earn-out

Rounding differences are possible

Q4/14: FREE CASH FLOW OF €6.1M

	Q4/14	Q3/14	Q4/14 vs. Q3/14	Q4/13	Q4/14 vs. Q4/13
	Abs.	Abs.	Abs.	Abs.	Abs.
EBITDA	9.6	9.1	0.5	5.5	4.1
Interest/tax & kununu earn out	(0.4)	(0.3)	(0.1)	0.0	(0.4)
Change net working capital	0.6	1.6	(1.0)	0.6	0.0
Operating cash flow excl. organizer cash	9.8	10.5	(0.7)	6.0	3.8
Investment – operating	(3.6)	(3.2)	(0.4)	(3.0)	(0.6)
Investment – acquisitions	0.0	(0.3)	0.3	0.0	0.0
Financing incl. transaction of own shares	0.0	0.0	0.0	0.6	(0.6)
Free cash flow excl. organizer cash & dividends	6.1	6.9	(0.8)	3.6	2.5
Regular & special dividends	0.0	0.0	0.0	0.0	0.0
Free cash flow excl. event organizer cash & incl. Dividends	6.1	6.9	(0.8)	3.6	2.5
Effects organizer cash	(2.7)	0.5	(3.2)	(2.4)	(0.3)
Free cash flow incl. event organizer cash & dividends	3.5	7.4	(3.9)	1.1	2.4

Rounding differences are possible

DIVIDEND PROPOSAL BASED ON FUNDAMENTAL XING EARNINGS

	2014	2013	▲
Reported net income	6.2	9.1	(1.9)
Adjustment kununu earn-out	+2.5	+1.4	(1.1)
Adjustment XING Events	+7.1	N/A	N/A
Adjusted net income	15.7	10.5	+49%
#Shares (weighted)	5.6m	5.6m	+0.0
Adjusted earnings per share	2.81	1.90	+48%
Dividend per share	0.92	0.62	+48%

Rounding differences are possible

CLOSING REMARKS

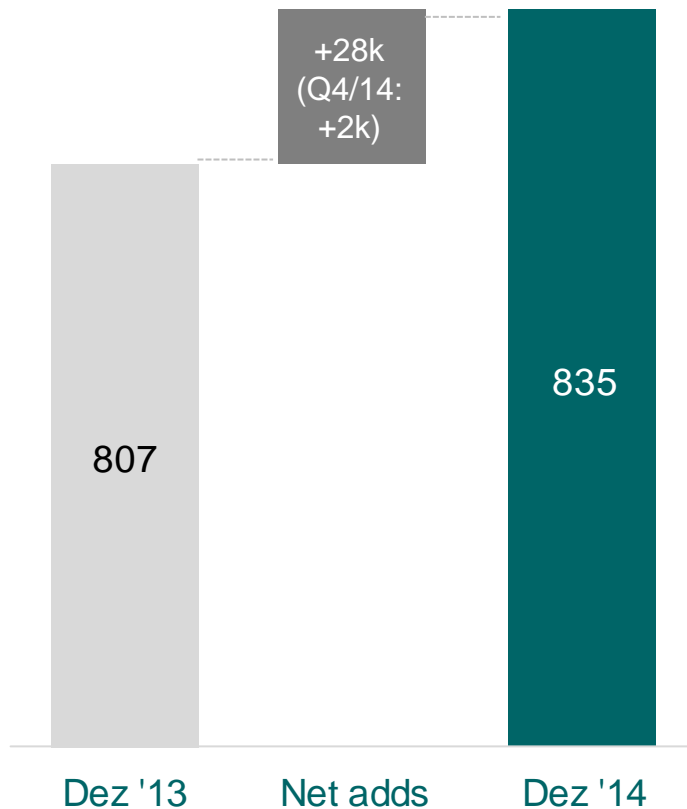
THANK YOU
FOR YOUR KIND ATTENTION!

INVESTOR INFORMATION & CONTACT

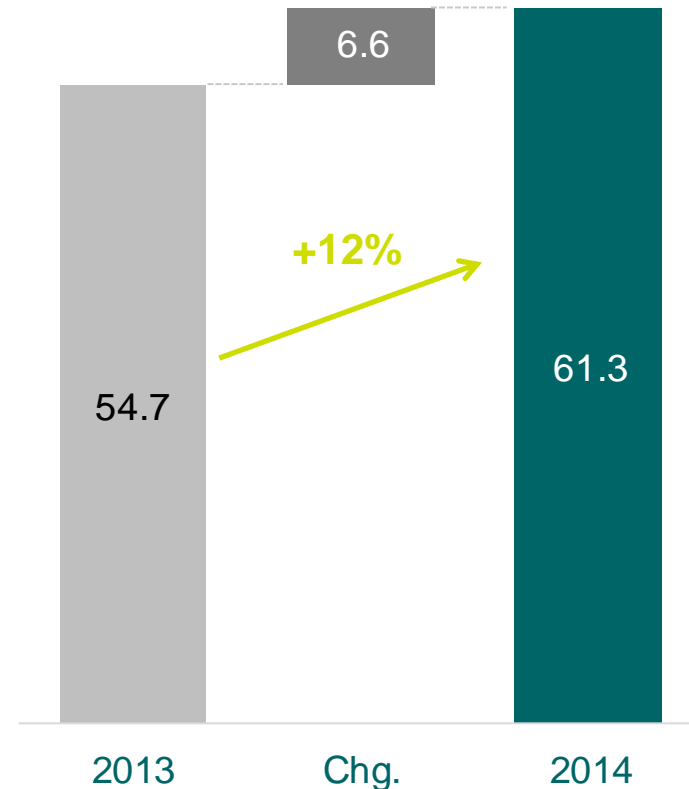
NETWORK / PREMIUM SEGMENT SHOWING ACCELERATING REVENUE GROWTH RATES: 2014: +12% VS. 2013: +6%



Paying member base D-A-CH
[thousands]



Network / Premium revenues
[€m]



Rounding differences are possible

¹⁾ ARPU Q3/14: €5.61 (Q3/13: €5.19)

XING AG IR STATS

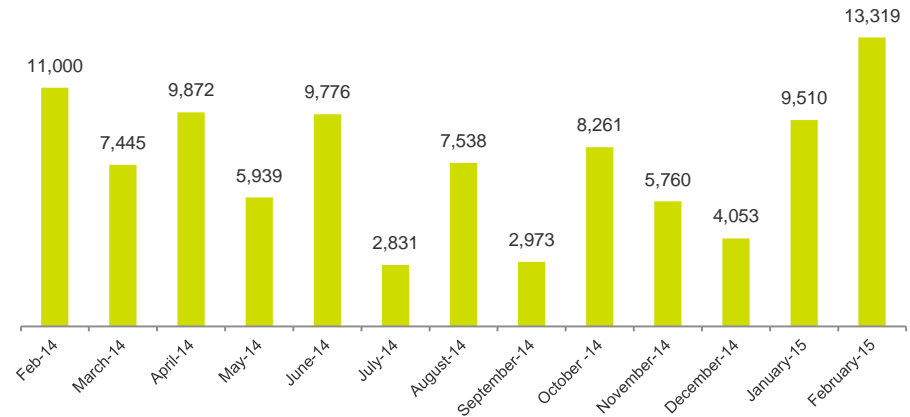
MARKET CAP: ~€600m / >€64m CASH / NO DEBT

Consensus
(Analyst estimates as of Nov 10, 2014)

Consensus from 10 brokers
as collected by XING

	2014e	2015e	2016e
Total revenues	97.2	110.3	125.3
EBITDA	28.0	36.8	44.7
<i>Margin</i>	29%	33%	36%
Depreciation	(8.7)	(9.5)	(9.8)
EBIT	19.3	27.5	34.9
<i>Margin</i>	20%	25%	28%
Net income	13.1	18.6	23.3
EPS in €	2.24	3.21	4.13
DPS in €	0.79	1.11	1.36

Average trading volume per day (XETRA) & Market Cap



Analyst coverage

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

Shares

5,592,137

TecDax ranking end of January 2015

Market Cap. 28

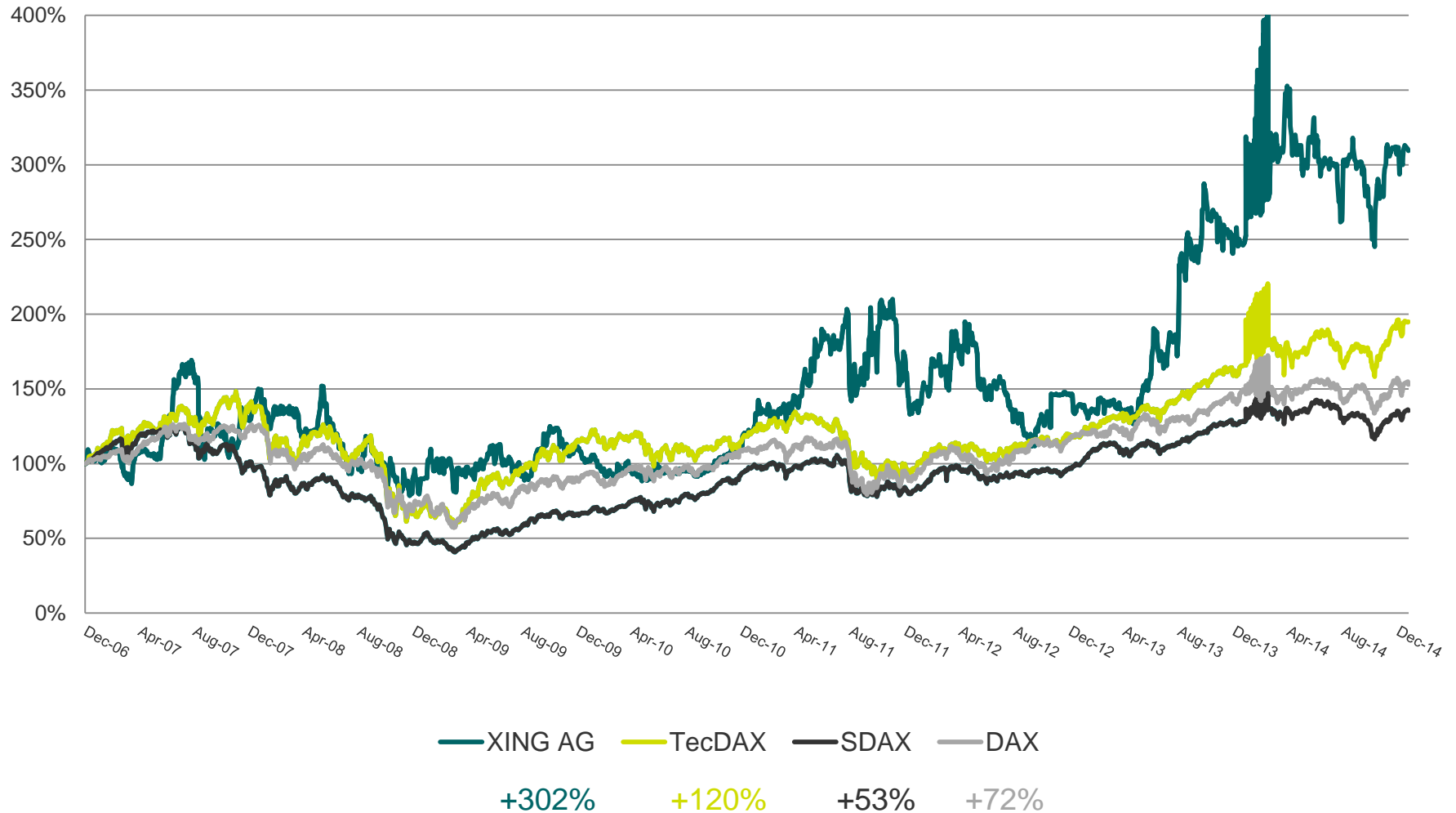
Turnover 31

Burda Digital GmbH (DE)	50.51%
Deutsche Asset & Wealth Mngt (DE)	5.97%
Oppenheimer (US)	5.07%
Schroders (UK)	5.05%
Union Investment (DE)	5.00%
Treasury Shares	0.22%
Rest	28.18%

Numbers based on last filing – actual shareholdings can differ

XING SHARE PRICE DEVELOPMENT SINCE IPO

as of Feb 20, 2015



INVESTOR RELATIONS

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