



**NEW  
WORK  
SE**

FY 2019 (UNAUDITED)

Results Presentation

HAMBURG, FEBRUARY 25, 2020

# EXECUTIVE SUMMARY FY 2019 (UNAUDITED)

## Financial Performance

Service revenues  
(excl. M&A: +15%) +16%

EBITDA +14%

Net Income  
(excl. one-offs: +21%) +11%

## Operational Highlights

### B2C:

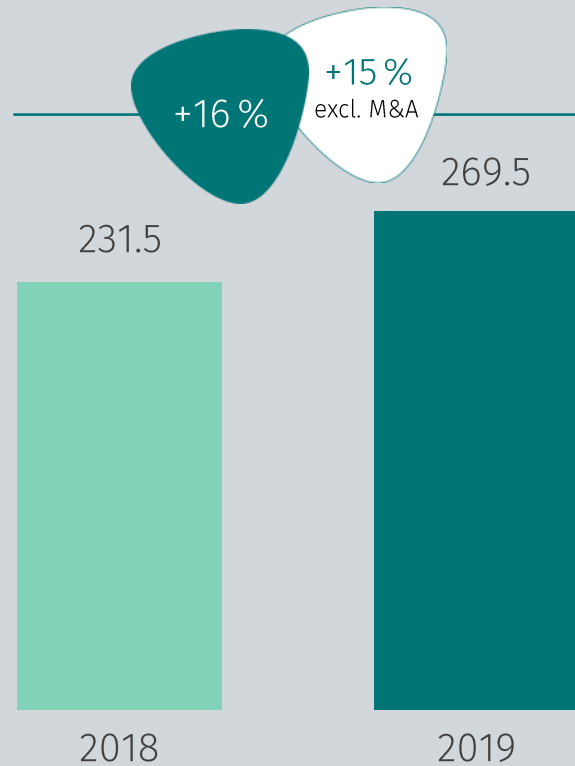
- Strong member growth @XING
- Significant Workplace Insights growth @Kununu

### B2B:

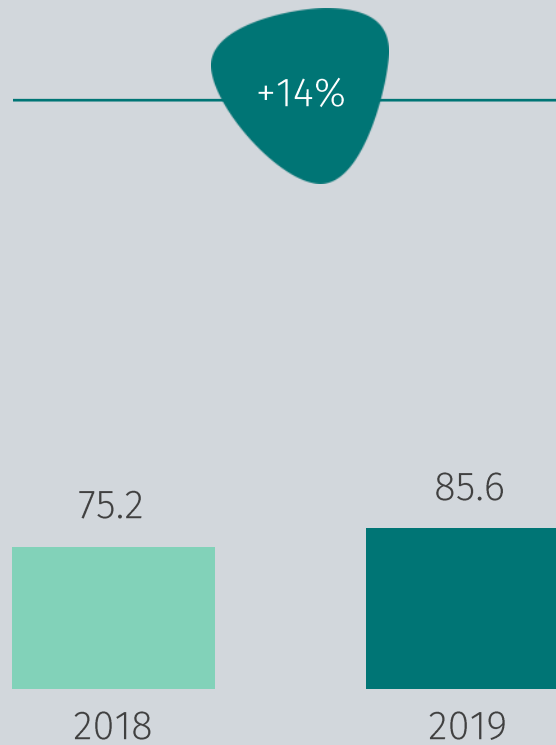
- Recruiting customer base growing nicely
- Enriched Employer Branding solutions
- Successful transformation from display to native advertising

# REVENUES, EBITDA & NET INCOME GROWING DOUBLE DIGIT

Service Revenues  
in €m



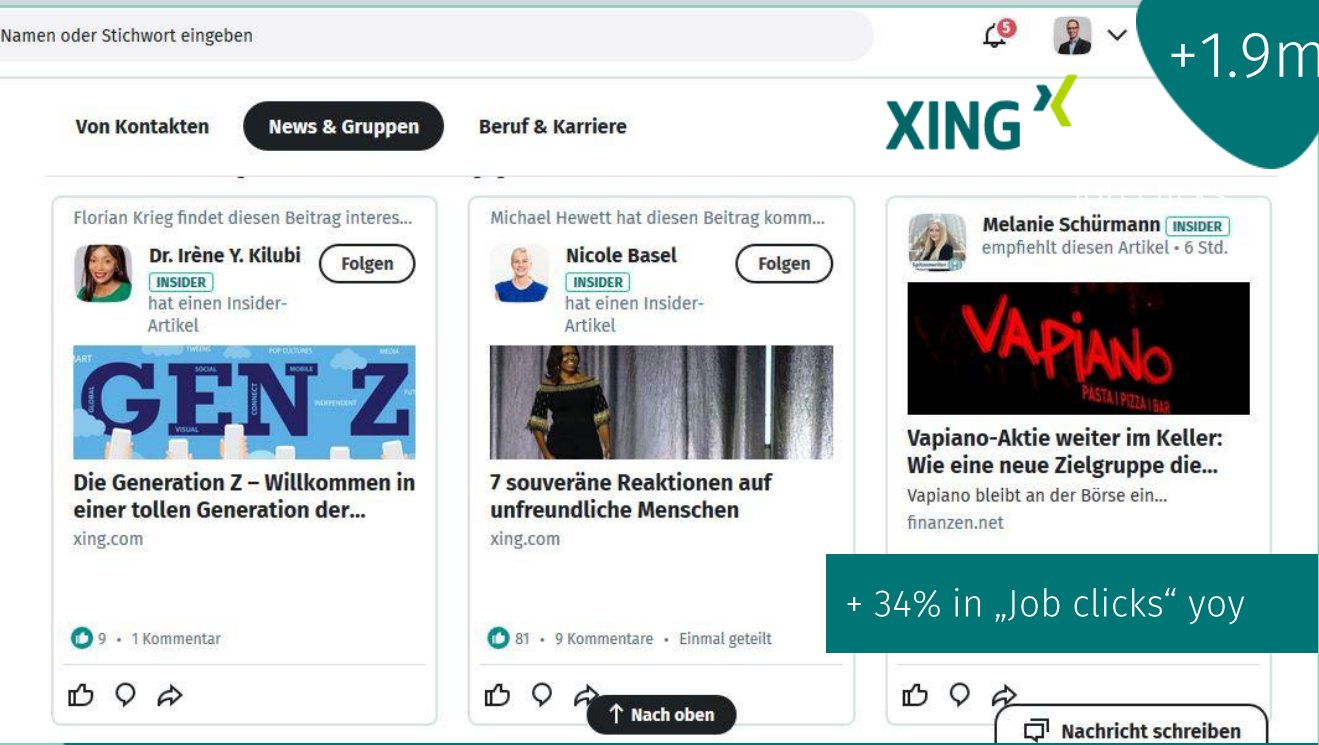
EBITDA  
in €m



Net Income  
in €m



# 2019: XING MEMBERS AND KUNUNU WORKPLACE INSIGHTS GROWING STRONGLY



17.2 million members (+1.9m yoy) / ~17.6m today  
 1,065 thousand paying members (+39k yoy)



Every 2<sup>nd</sup> jobseeker in D-A-CH uses kununu\*

# 2019: B2B E-RECRUITING AND MARKETING SOLUTIONS & EVENTS CONTINUE TO GROW NICELY

Enriching employer branding portfolio

- B2B E-Recruiting subscription customers growing 20%
- More user value for EBPs through culture and salary insights
- EBP price increase since Q4 19

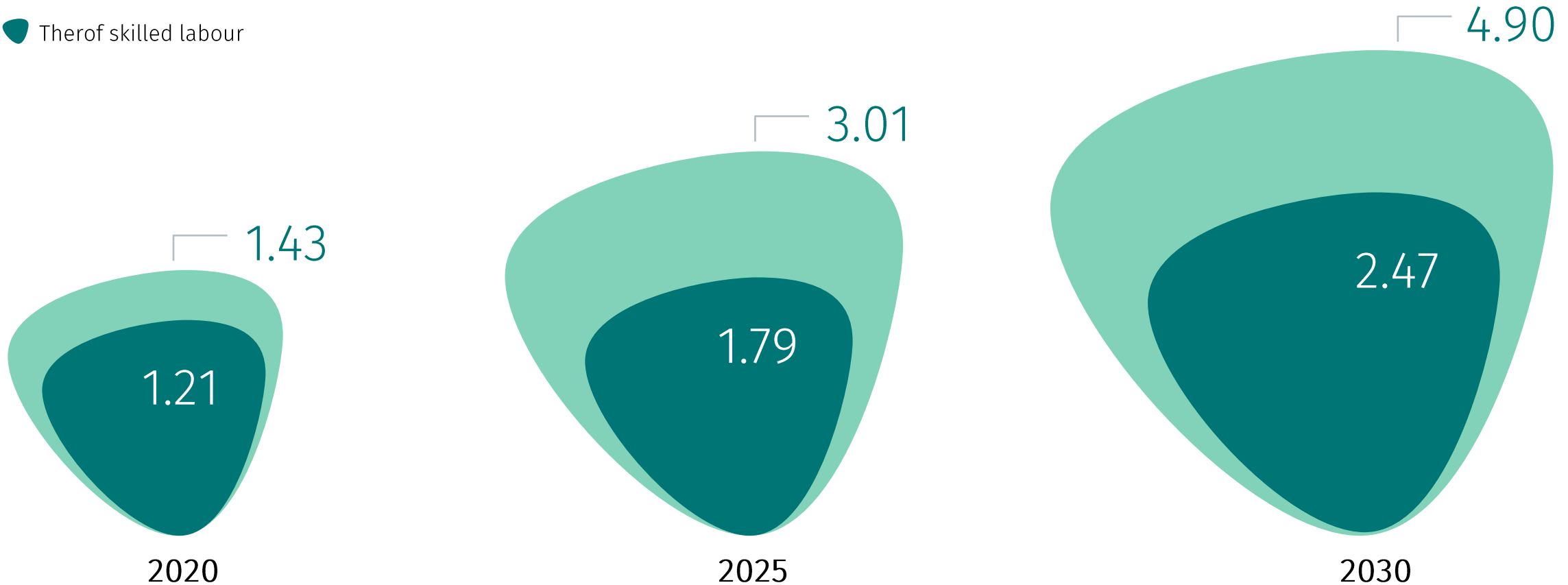
Successful transformation from display to native ads

- Ad Inventory shift from Display to AdManager fully executed until end 2019
- Average eCPM increased by 57%
- Overall ad pressure expected to be reduced from 1.5 bn in 2019 to 1.3 bn in 2020

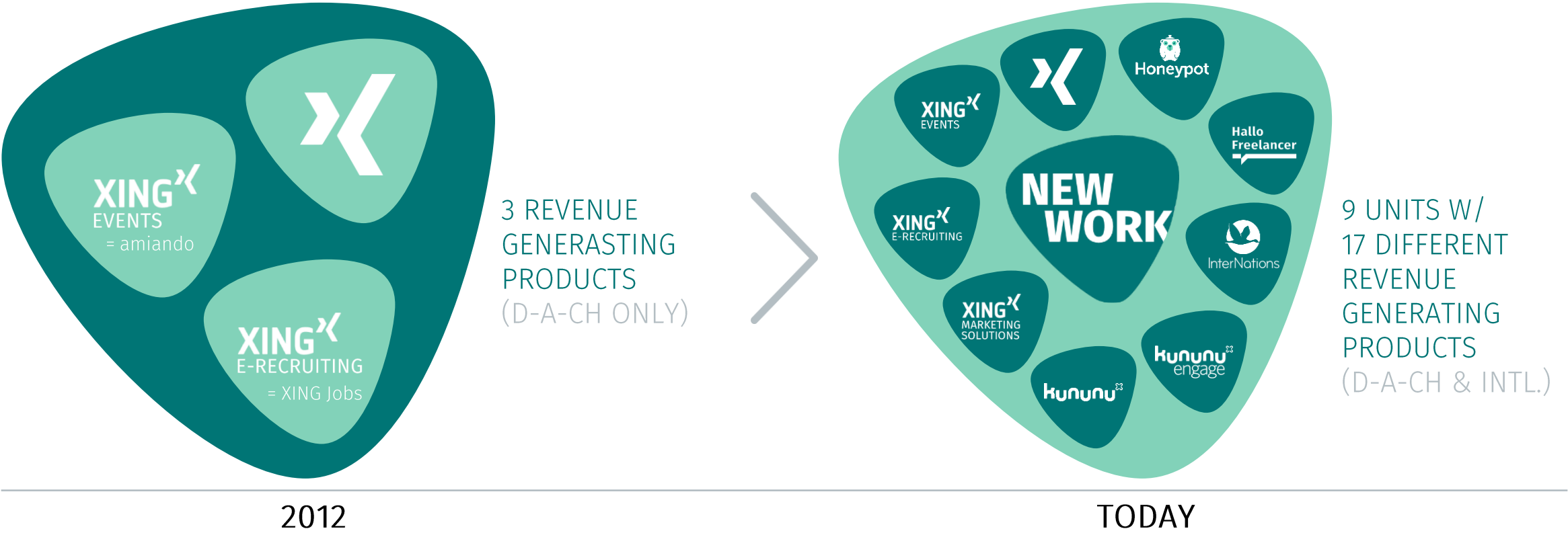
# INCREASE OF TALENT SCARCITY TO CONTINUE...

OPEN VACANCIES IN MILLION

Therof skilled labour



# ... AND WE ARE WELL POSITIONED TO BENEFIT FROM THESE STRUCTURAL CHANGES



▶ “WE PIONEER A WORKING WORLD WHERE PEOPLE CAN DO WHAT THEY LOVE AND LOVE WHAT THEY DO.”

# KEY INITIATIVES 2020

## B2C

- Launching upgraded premium membership & price increase @XING

## B2B

- Ramp up EBP solutions @kununu
- Boost Prescreen & HoneyPot.io
- Further increase market penetration for B2B E-Recruiting solutions
- Continue growth of native advertising





# NUMBERS FY 2019 (UNAUDITED)

# 2019 FINANCIAL HIGHLIGHTS

- CONTINUOUS STRONG C-SIDE GROWTH
- TOP-LINE GROWTH OF 16% (ORGANIC: 15%)
- EBITDA SLIGHTLY ABOVE OUTLOOK W/ € 85.6M
- OPERATING CASHFLOW INCREASED TO € 79.7M
- DIVIDEND PROPOSAL: INCREASE OF 21% TO € 2.59

# 2019 P&L: € 269.5M REVENUES; € 85.6M EBITDA

## ONE-TIME KUNUNU US IMPAIRMENT & E/O EARN OUT EFFECTS

	2019	2018	2019 vs. 2018	2019 vs. 2018
	Abs.	Abs.	Rel.	Abs.
Service revenues	269.5	231.5	16%	38.0
Other operating income	6.4	2.6	142%	3.7
Capitalized own work	24.9	24.5	2%	0.5
Costs before capitalization	(215.3)	(183.4)	(17%)	(31.8)
EBITDA	85.6	75.2	14%	10.3
Margin	32%	32%	(1%pt)	N/A
D&A	(38.5) (33.0)	(29.0)	(33%)	(9.5)
Financial result	5.1 (1.3)	(1.2) (2.2)	N/A	6.3
Taxes	(17.7) (14.9)	(14.0)	(27%)	(3.7)
Net income	34.4 36.4	31.0 30.1	11%	3.4
EPS	6.13 6.47	5.51 5.35	11%	0.61

2019: Adjusted for one time effects: kununu US impairment (€8.3m) & one-time earn-out adjustments incl. kununu US step-up (€ 6.4m)  
 2018: Adjusted for one time earn-out adjustments of €0.9m

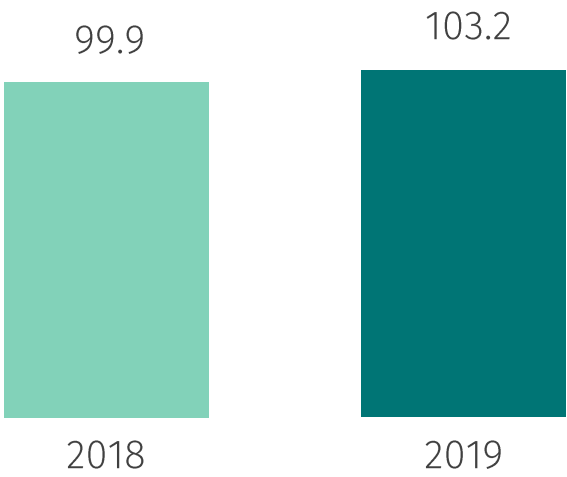
# INCREASING MARGINS IN B2B; INVESTMENTS IN FUTURE GROWTH CONTINUE TO IMPACT MARGINS IN B2C

	Segment EBITDA 2019	2019 Margin	2018 Margin	▲ Comment
B2C	€ 27.3m	26%	39%	Investments in new products
B2B E-Recruiting	€ 93.2m	66%	65%	
B2B Marketing Solutions & Events	€ 9.3m	36%	32%	
kununu International	€ (1.9m)	N/A	10%	
Tech, Central Services & Other	€ (42.3m)	N/A	N/A	
<b>Total EBITDA</b>	<b>€ 85.6m</b>	<b>32%</b>	<b>32%</b>	

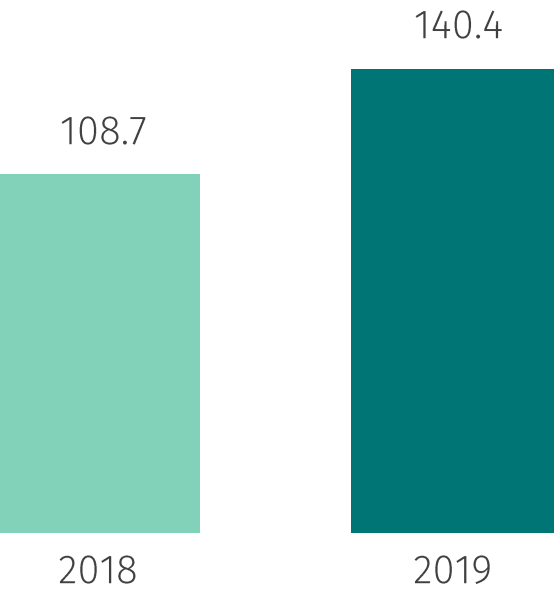
- B2C investments drive also monetization basis for B2B
- B2B margins reflecting „by-product economics“

# 2019: DOUBLE DIGIT GROWING B2B SEGMENTS NOW ACCOUNT FOR 2/3 OF TOTAL REVENUE

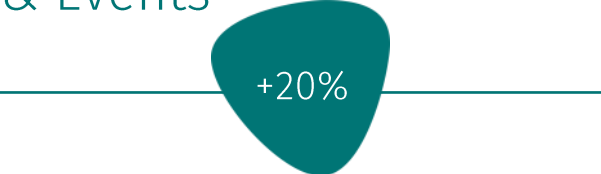
## B2C



## B2B E-Recruiting



## B2B Marketing Solutions & Events



## 2019: STRONG OPERATING CASH FLOW OF € 79.7M

	2019	2018	2019 vs. 2018	2019 vs. 2018
	Abs.	Abs.	Rel.	Abs.
EBITDA	85.6	75.2	14%	10.3
Interest / tax / other	(9.5)	(10.2)	7%	0.7
Change in net working capital	8.8	8.7	1%	0.1
Non-cash changes from changes in basis of consolidation	(5.2)	0.0	N/A	(5.2)
Operating cash flow excl. organiser cash	79.7	73.8	8%	6.0
Investment – operating	(35.4)	(32.7)	(8%)	(2.7)
Investment – acquisitions & joint venture	(25.2)	(6.9)	(265%)	(18.3)
Investment – financial assets	0.0	0.0	0%	0.0
Interests paid, lease liabilities, FX rate diff. & rest	(5.7)	(3.2)	(76%)	(2.5)
Cash-flow excl. dividends & organiser cash	13.4	30.9	(57%)	(17.5)
Regular dividend	(12.0)	(9.4)	(28%)	(0.6)
Special dividend	(20.0)	0.0	N/A	(20.0)
Cash-flow excl. organiser cash	(18.6)	21.5	(186%)	(40.1)
Effects organiser cash	0.8	(0.2)	552%	0.9
Cash-flow incl. organiser cash	(17.8)	21.3	(184%)	(39.2)

# NUMBERS Q4 2019 (UNAUDITED)

# Q4 2019 P&L: € 73.2M REVENUES; € 21.7M EBITDA; POSITIVE ONE-TIME EARN-OUT EFFECT OF € 5.3M

	Q4 2019	Q4 2018	Q4 2019 vs. Q4 2018	Q3 2019	Q4 2019 vs. Q3 2019
	Abs.	Abs.	Rel.	Abs.	Rel.
Service revenues	73.2	64.3	14%	68.2	7%
Other operating income	0.3	0.6	(50%)	0.7	(55%)
Capitalized own work	5.6	5.1	10%	7.2	(22%)
Costs before capitalization	(57.4)	(48.1)	(19%)	(51.8)	(11%)
EBITDA	21.7	21.9	(1%)	24.2	(11%)
Margin	30%	34%	(4%pts)	36%	(6%pts)
D&A	(13.3) <b>(13.2)</b>	(12.7)	(5%)	(12.6) <b>(7.0)</b>	(5%)
Financial result	4.9 <b>(0.3)</b>	(0.5) <b>(0.4)</b>	N/A	(0.4)	N/A
Taxes	(1.6)	(2.2)	29%	(7.3) <b>(4.5)</b>	78%
Net income	11.7 <b>6.6</b>	6.5 <b>6.6</b>	80%	4.0 <b>12.4</b>	196%
EPS	2.09 <b>1.17</b>	1.16 <b>1.17</b>	80%	0.70 <b>2.20</b>	196%

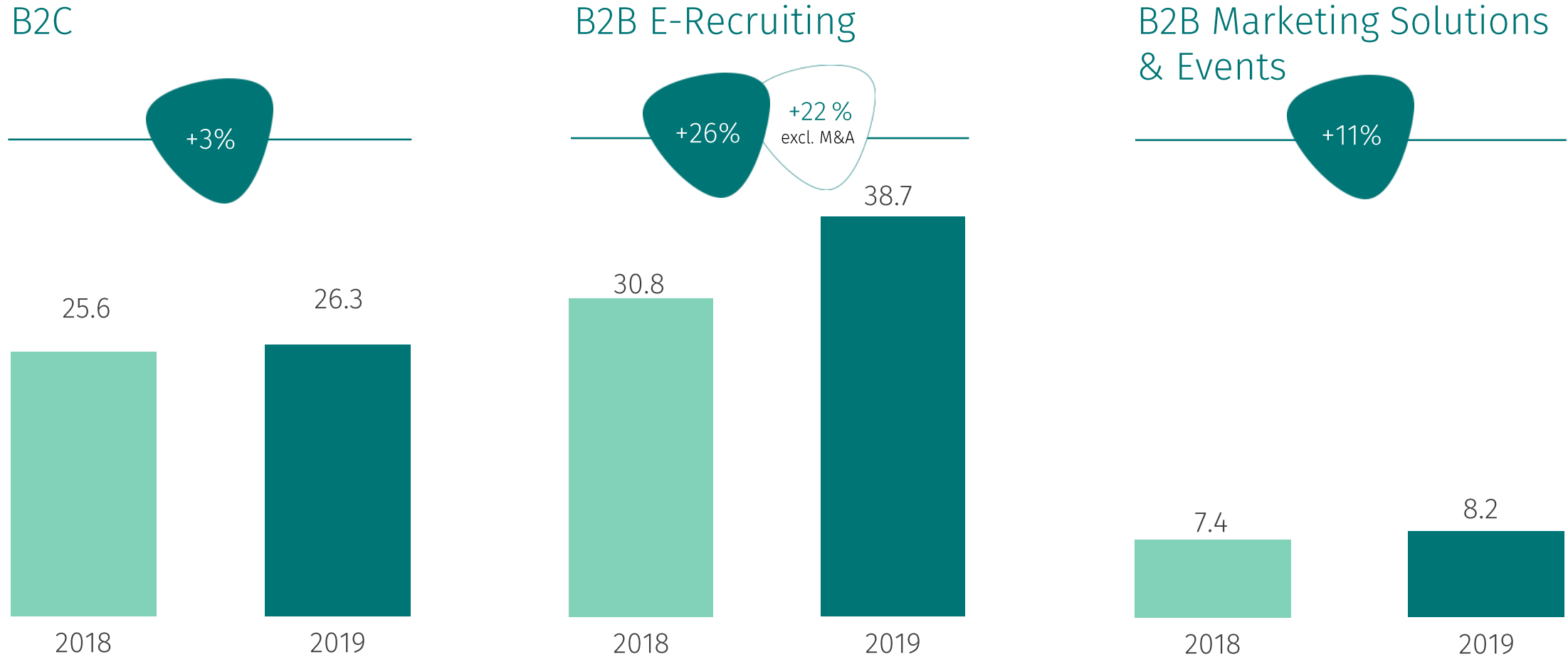
Q4 2019: Adjusted for one-time effects: kununu US impairment of 0.1m in D&A and Earn-Out adjustments of € (5.3m) in Financial Result

Q3 2019: Adjusted for one-time effects: kununu US impairment of €5.6m in D&A and € 2.8m in Taxes

Q4 2018: Adjusted for one-time effects: Earn-Out adjustments of € 0.1m in Financial Result



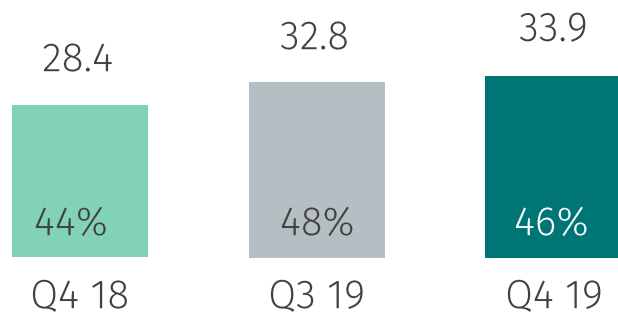
# Q4 2019: B2B E-RECRUITING SEGMENT DRIVING TOPLINE GROWTH



# Q4 2019: COST DEVELOPMENT BEFORE CAPITALIZATION

## Personnel

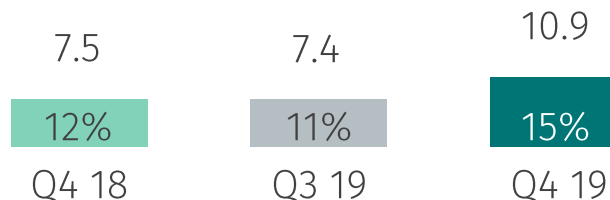
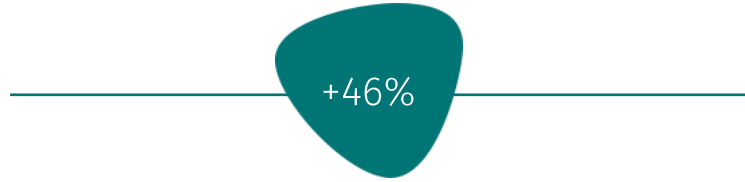
in € m and in % of revenues



- + 331 FTEs yoy (incl. 101 through M&A)
- Investment in product/tech org & sales/marketing

## Marketing

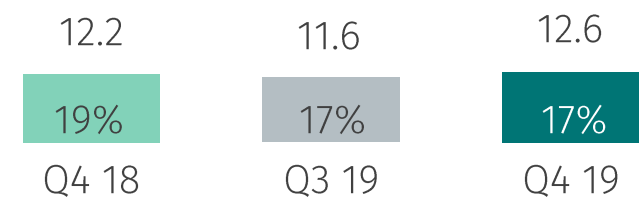
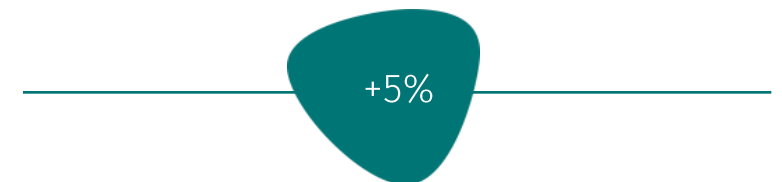
in € m and in % of revenues



- Online display & social media
- SEM
- B2B E-Recruiting media campaign

## Other expenses

in € m and in % of revenues



- External services (fewer freelancers yoy)
- Server hosting
- Payment processing
- Travel & entertainment
- Other

# Q4 2019: STRONG OPERATING CASH FLOW OF € 16.3M

	Q4 2019	Q4 2018	Q4 2019 vs. Q4 2018	Q3 2019	Q4 2019 vs. Q3 2019
	Abs.	Abs.	Abs.	Abs.	Abs.
EBITDA	21.7	21.9	(0.2)	24.2	(2.5)
Interest / tax / other	(1.1)	(1.9)	0.8	(3.6)	2.5
Change in net working capital	(4.2)	(5.4)	1.1	(2.4)	(1.8)
Non-cash changes from changes in basis of consolidation	0.0	0.0	0.0	0.0	0.0
Operating cash flow excl. organiser cash	16.3	14.6	1.7	18.3	(1.9)
Investment – operating	(9.0)	(7.1)	(1.8)	(9.4)	0.4
Investment – acquisitions & joint venture	0.0	(1.0)	1.0	(0.2)	0.2
Investment – financial assets	0.0	0.0	0.0	0.0	0.0
Interests paid, lease liabilities, FX rate diff. & rest	(2.0)	(0.8)	(1.2)	(1.1)	(0.9)
Cash-flow excl. dividends & organiser cash	5.4	5.6	(0.3)	7.6	(2.2)
Regular dividend	0.0	0.0	0.0	0.0	0.0
Special dividend	0.0	0.0	0.0	0.0	0.0
Cash-flow excl. organiser cash	5.4	5.6	(0.3)	7.6	(2.2)
Effects organiser cash	(3.5)	(2.4)	(1.0)	2.5	(6.0)
Cash-flow incl. organiser cash	1.9	3.2	(1.3)	10.1	(8.2)

# PROPOSAL FOR REGULAR DIVIDEND INCREASE OF 21% TO € 2.59

	2019	2018	▲
Adjusted net income	€ 36.4m	€ 30.1m	+ 21%
#Shares (weighted)	5.6m	5.6m	0%
Adjusted earnings per share	€ 6.47	€ 5.35	+ 21%
Regular dividend per share	€ 2.59	€ 2.14	+ 21%
Special dividend per share	None	€ 3.56	N/A

No restriction for future growth given cash-generative business model



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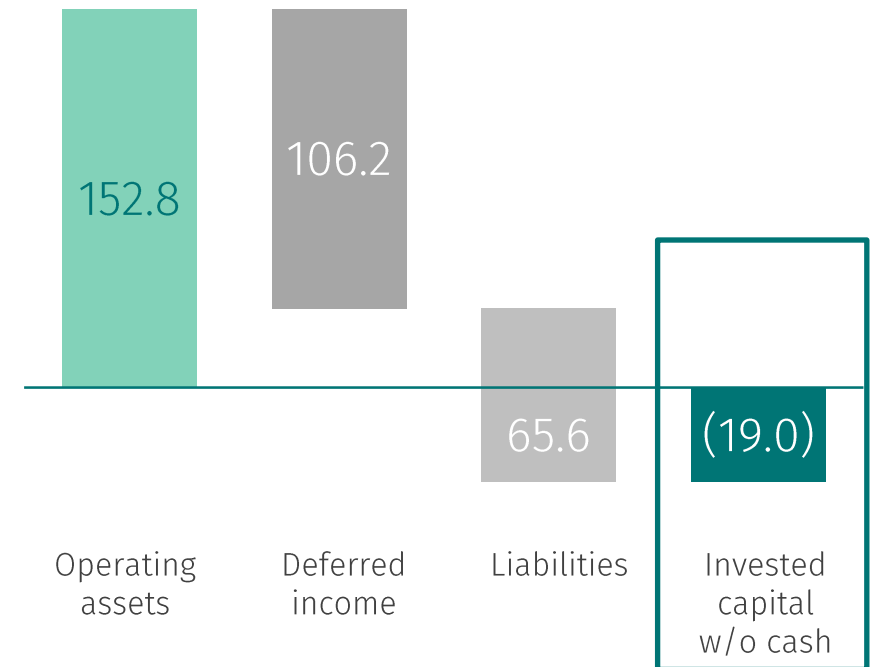
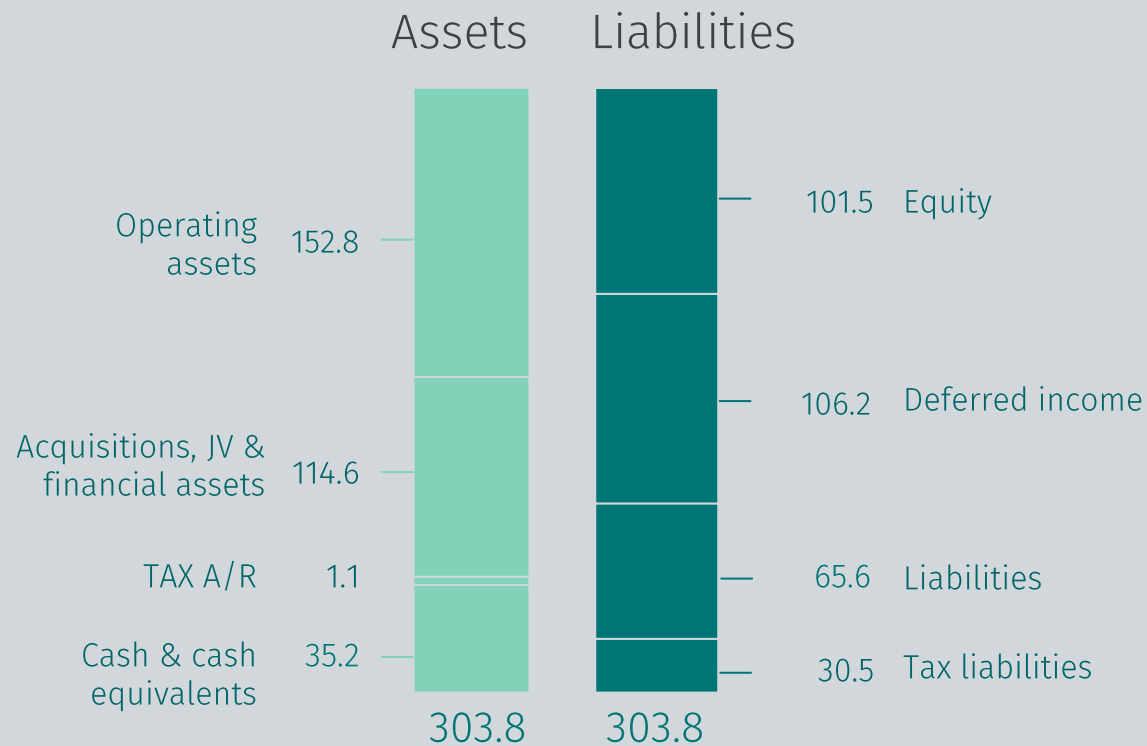
THANK YOU  
FOR YOUR ATTENTION.

# BACKUP

# NEGATIVE INVESTED CAPITAL FROM SHAREHOLDERS' PERSPECTIVE

Excl. event organiser cash and NWC

in €m



# CONSENSUS, INVESTOR INFORMATION & CONTACT DETAILS

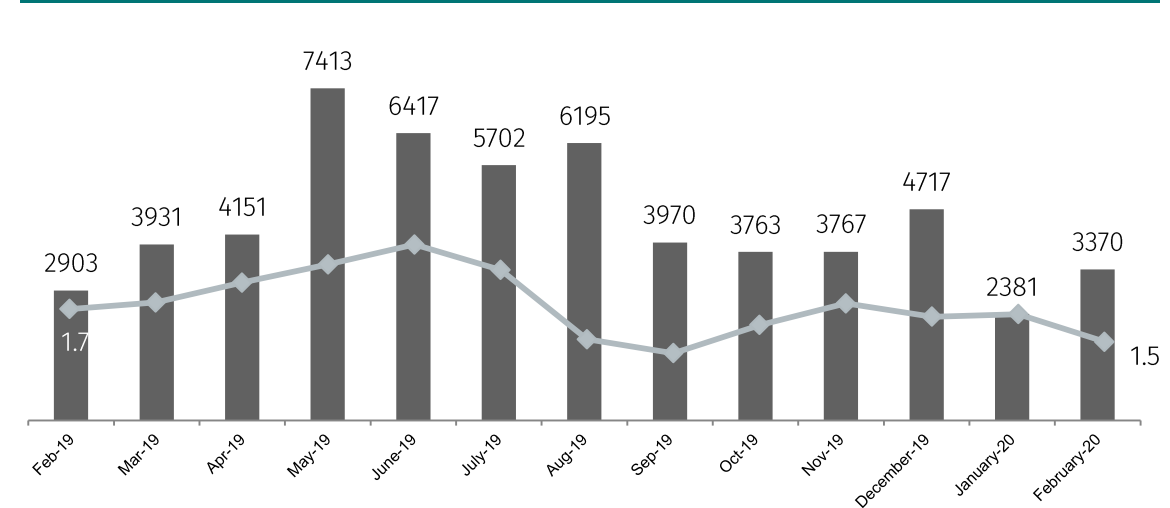


# NEW WORK SE CONSENSUS & IR STATS

Consensus collected by IR	2020e	2021e	2022e
Service revenues	<b>314</b>	<b>356</b>	<b>401</b>
EBITDA	<b>101</b>	<b>118</b>	<b>136</b>
Margin	32%	33%	34%
D&A	-38	-43	-45
EBIT	<b>62</b>	<b>77</b>	<b>91</b>
Margin	20%	21%	23%
Net income	<b>42</b>	<b>51</b>	<b>60</b>
EPS in €	7,44	9,00	10,22
DPS in €	2,78	3,22	3,60

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 €bn)



Burda Digital SE (DE)	50.0 %
Oppenheimer (US)	4.7 %
Rest	45.3%

Numbers based on last filing – current shareholdings can differ

# INVESTOR RELATIONS CONTACT DETAILS & SOCIAL MEDIA CHANNELS



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