

Q1 2019 - Results Presentation

Hamburg, May 3rd 2019

XING^X



Executive Summary - a very good start into 2019

Financials

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

Operations

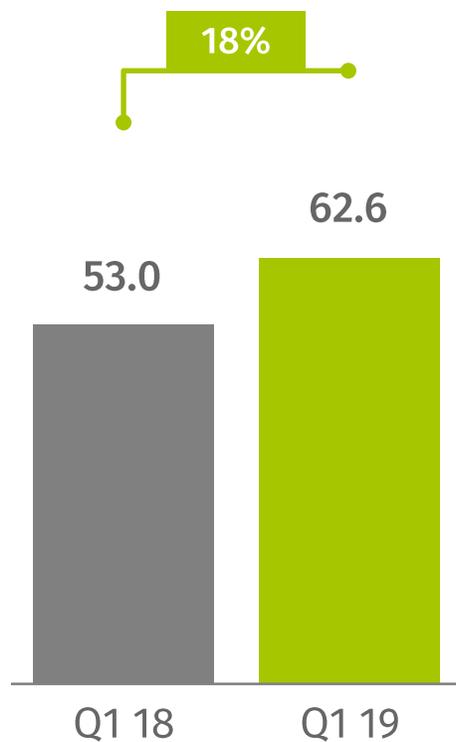
- B2C: XING platform adding 531k members / InterNations adding 134k members
- B2B E-Recruiting: Subscription customers up by 37%
- Continuing strong product execution and high innovation speed



Revenues, EBITDA & Operating CF growing strongly

Service Revenues

- in €m -



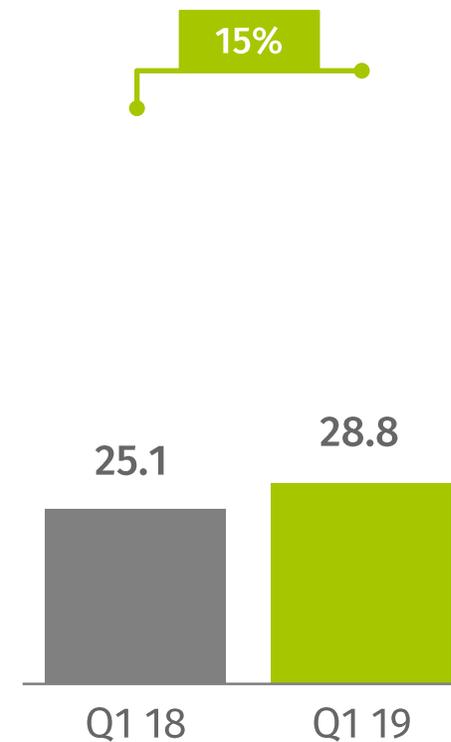
EBITDA

- in €m -



Operating Cashflow

- in €m -

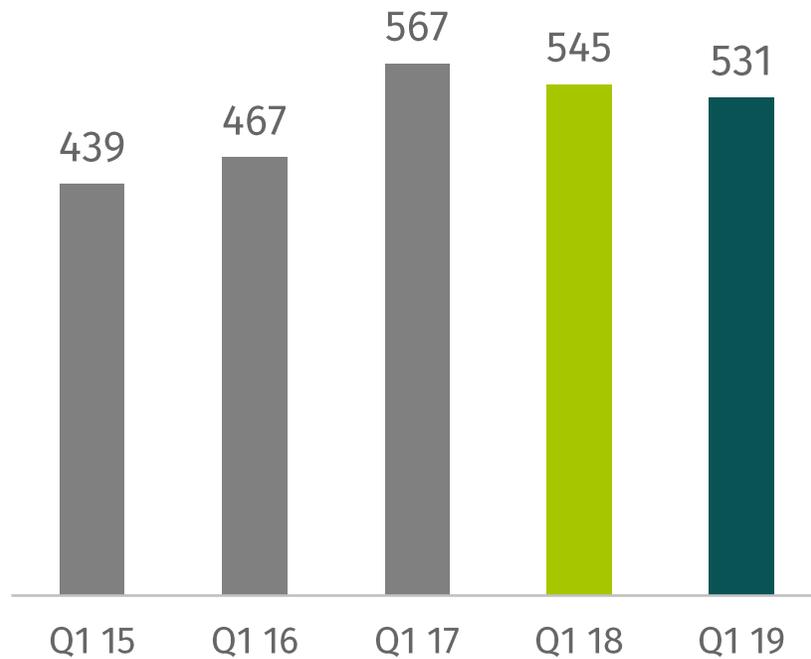




Strong net member growth @ XING & InterNations

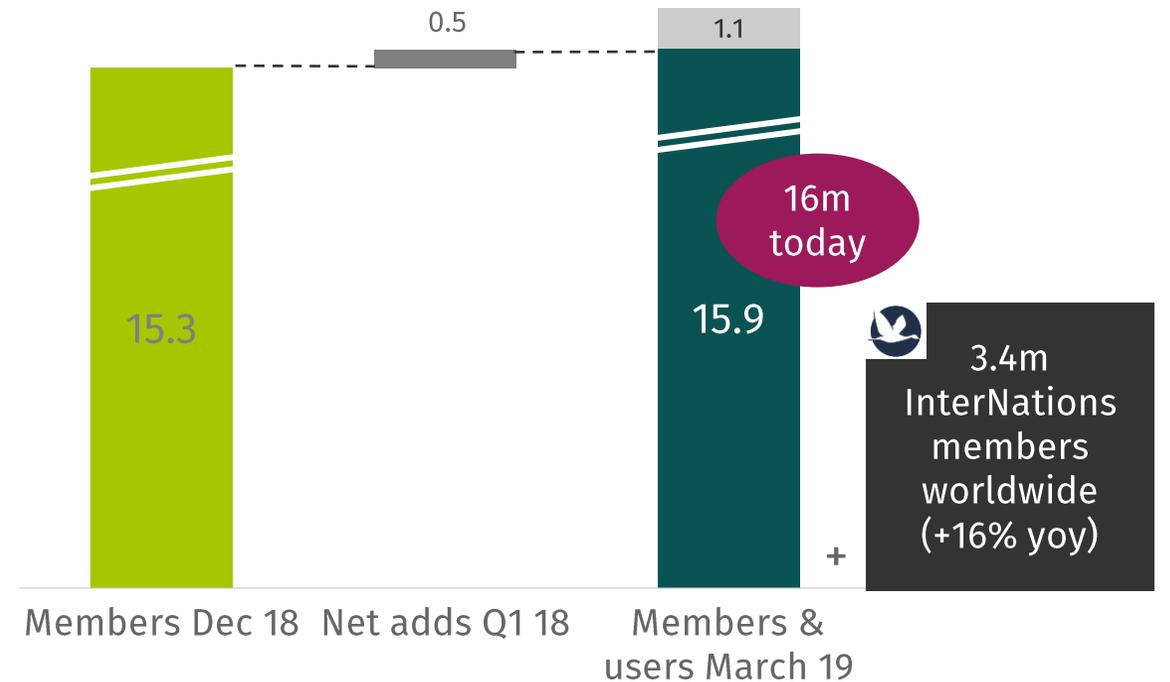
Member growth D-A-CH

- in 000s -



Members + users D-A-CH

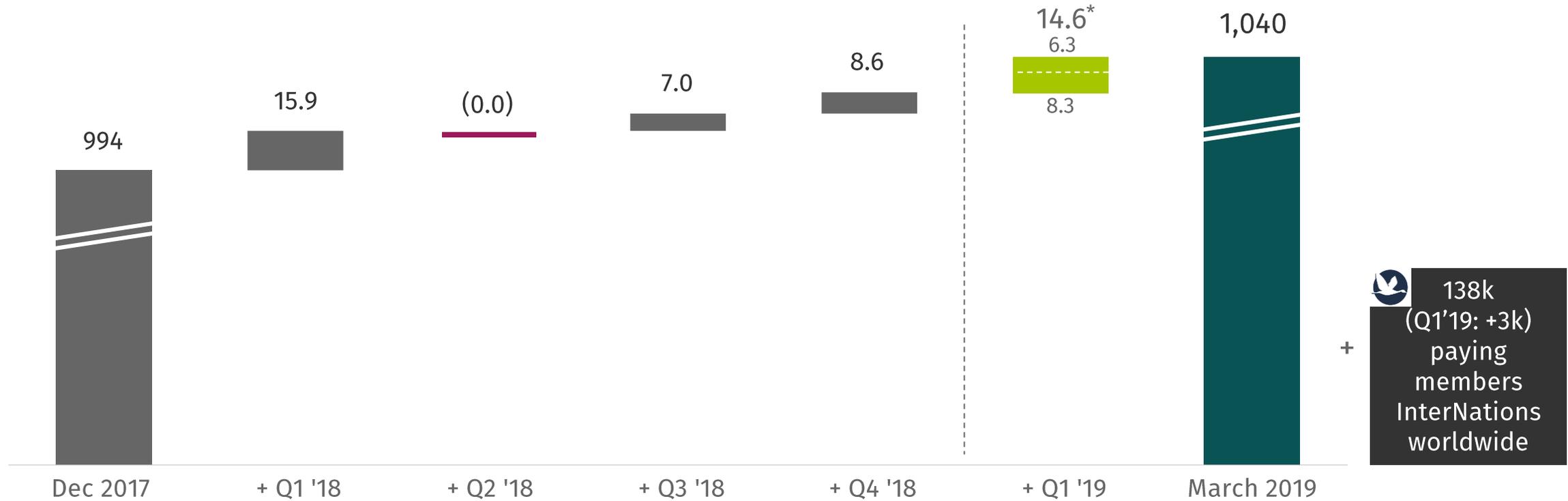
- in m -





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 -



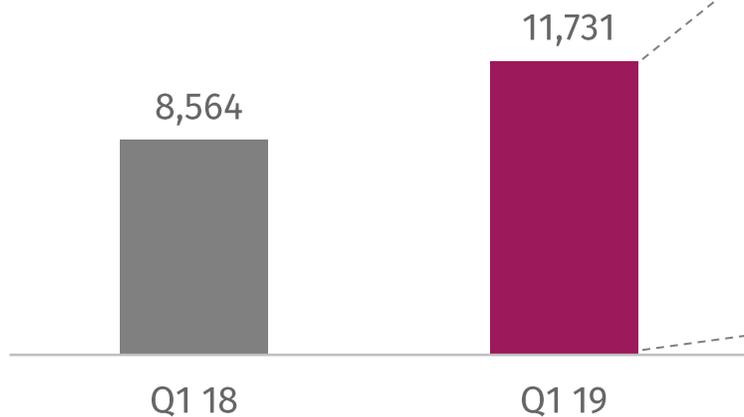
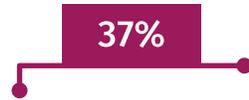
* Organic payer growth +6.3k; a change in payer analysis methodology leads to one time payer base increase in D-A-Ch by 8.3k as of Jan 1st 2019

Rounding differences possible

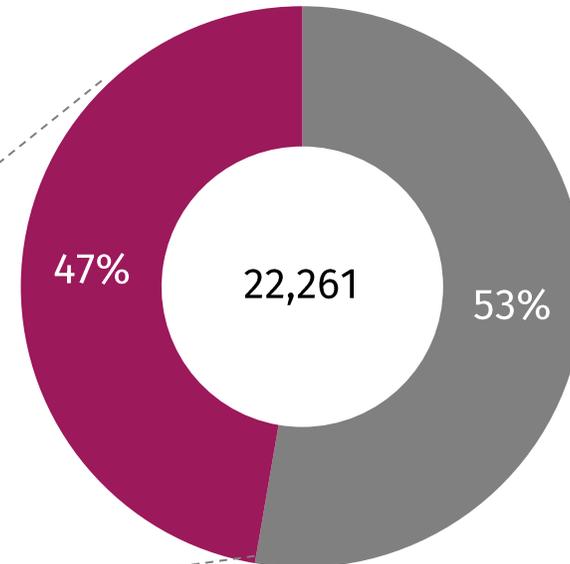


Sustained strong growth in with >3k (+37% yoy) net new B2B E-Recruiting subscription customers

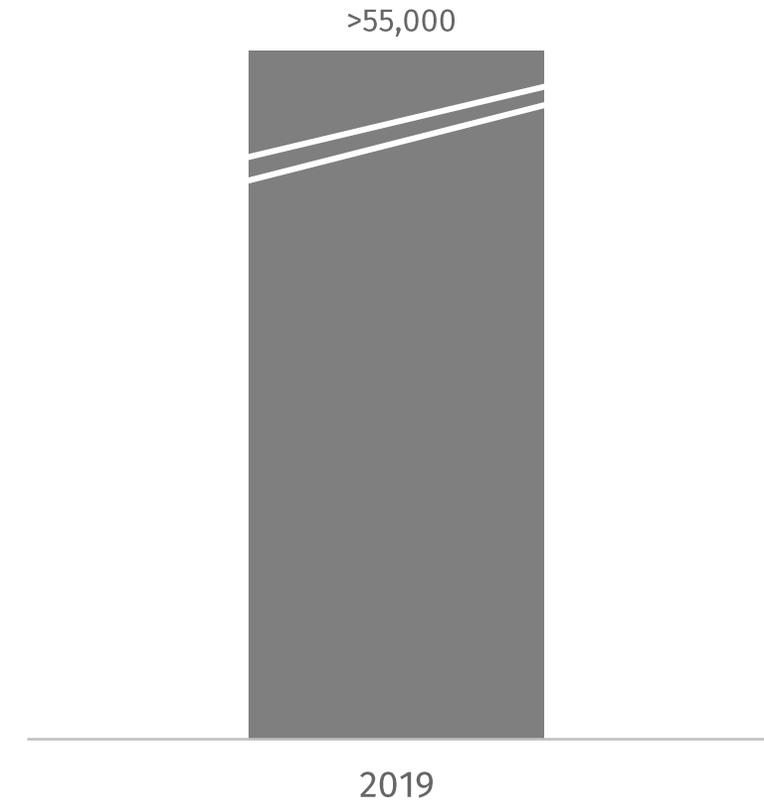
Subscription customers
D-A-CH



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



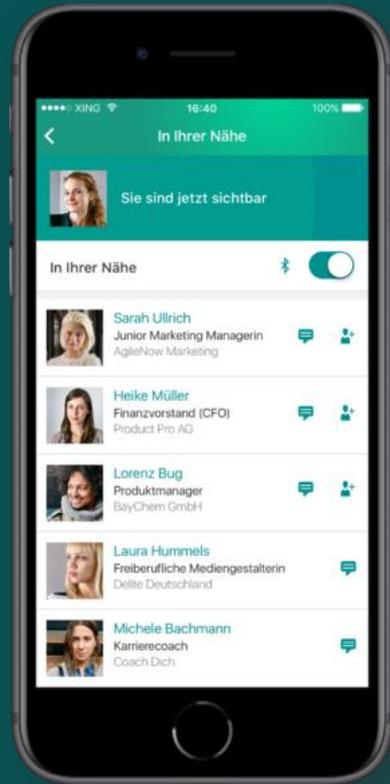
Total addressable market
D-A-CH





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

“Around You”



Relaunch “XING Campus”

Bereit für die Arbeitswelt?
Jeden Tag gibt's hier neue Jobs für Studenten und Absolventen.

[Alle Jobs ansehen](#)

Tipps & Tricks für deine Bewerbung

| | | |
|--|--|--|
| Lebenslauf In 5 Minuten zum perfekten Lebenslauf | Anschreiben Professionelle Anschreiben ganz einfach selbst gestalten | Bewerbung Das Wichtigste rund um das Thema Bewerbung |
|--|--|--|

New Work Experience



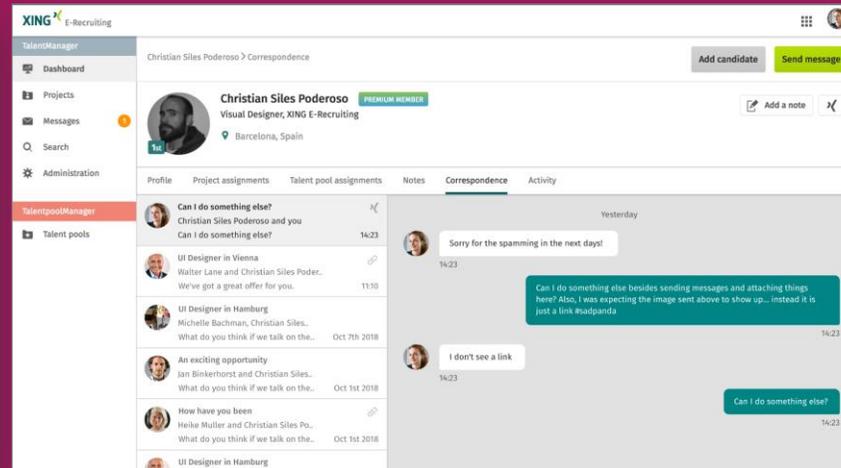
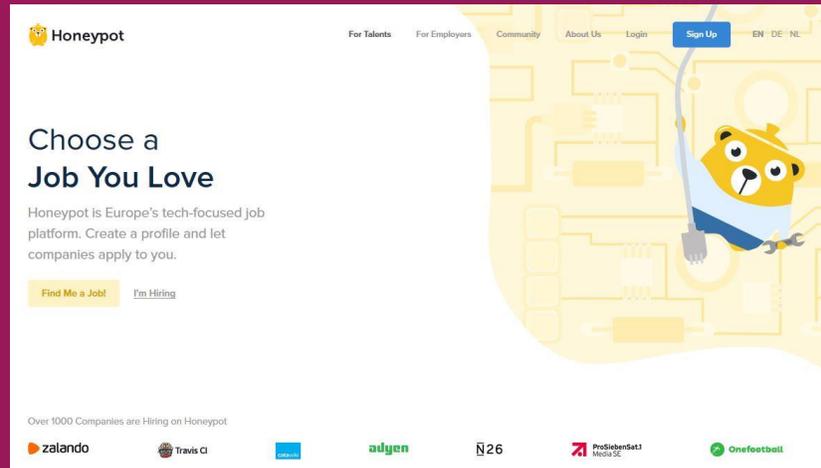


B2B E-Recruiting: M&A, high innovation speed and product execution

Honeypot acquisition

Messenger optimization for recruiters

Labour market compass



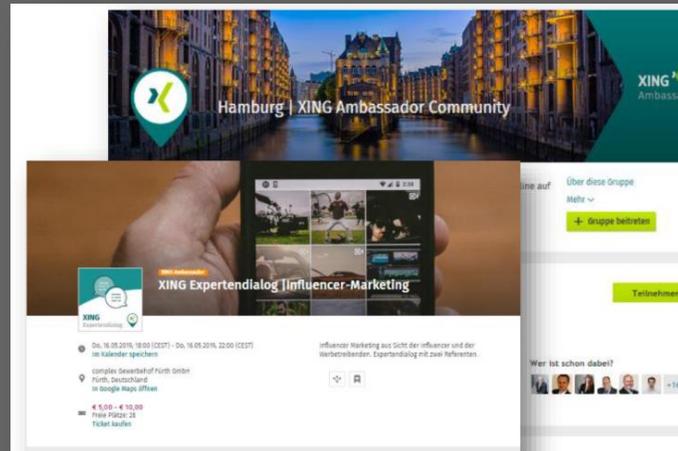


B2B Marketing Solutions & Events: High innovation speed and product execution

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 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 |
| <i>Margin</i> | <i>27</i> <i>(in % of total revenues)</i> | <i>28</i> <i>(in % of service revenues)</i> | | 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“

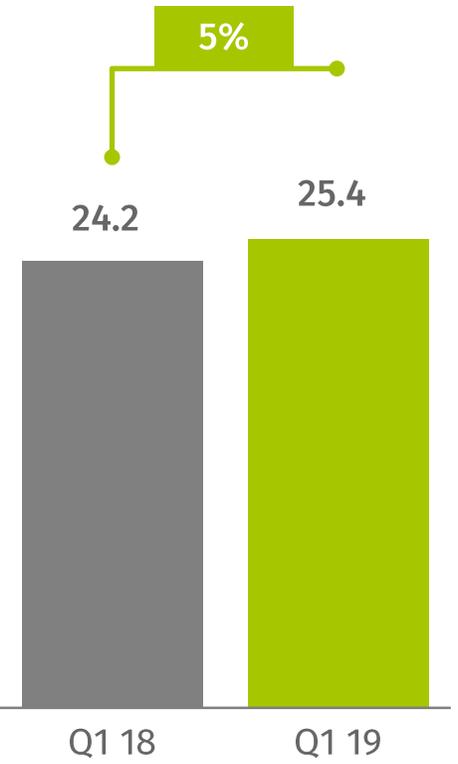
* EBITDA includes a minor positive one-time effect of € 0.9m related to the conclusion of a new office lease agreement



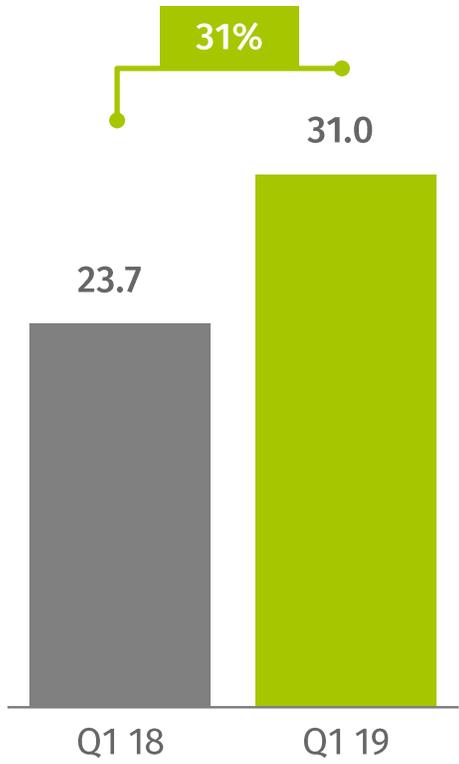
Q1 2019: B2B E-Recruiting driving growth w/31% yoy



B2C



B2B E-Recruiting



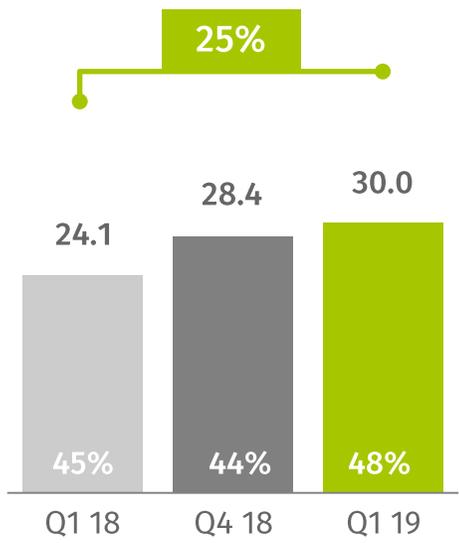
B2B Marketing Solutions & Events



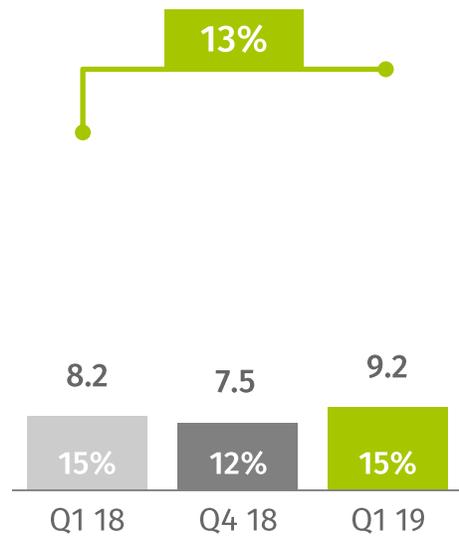


Q1 2019: Cost development (before capitalization) reflects investments in future growth and some special items

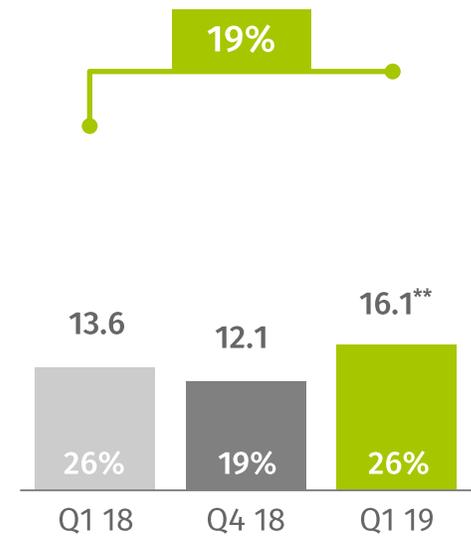
Personnel*
in € m and in % of revenues



Marketing
in € m and in % of revenues



Other expenses*
in € m and in % of revenues



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

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

- 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 

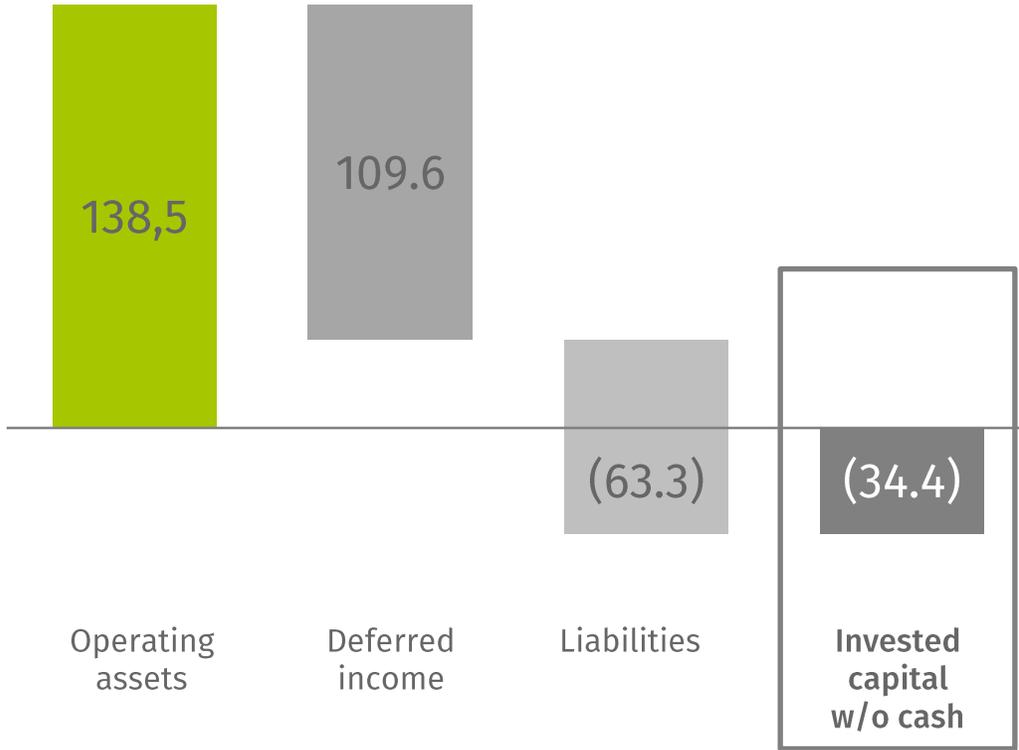
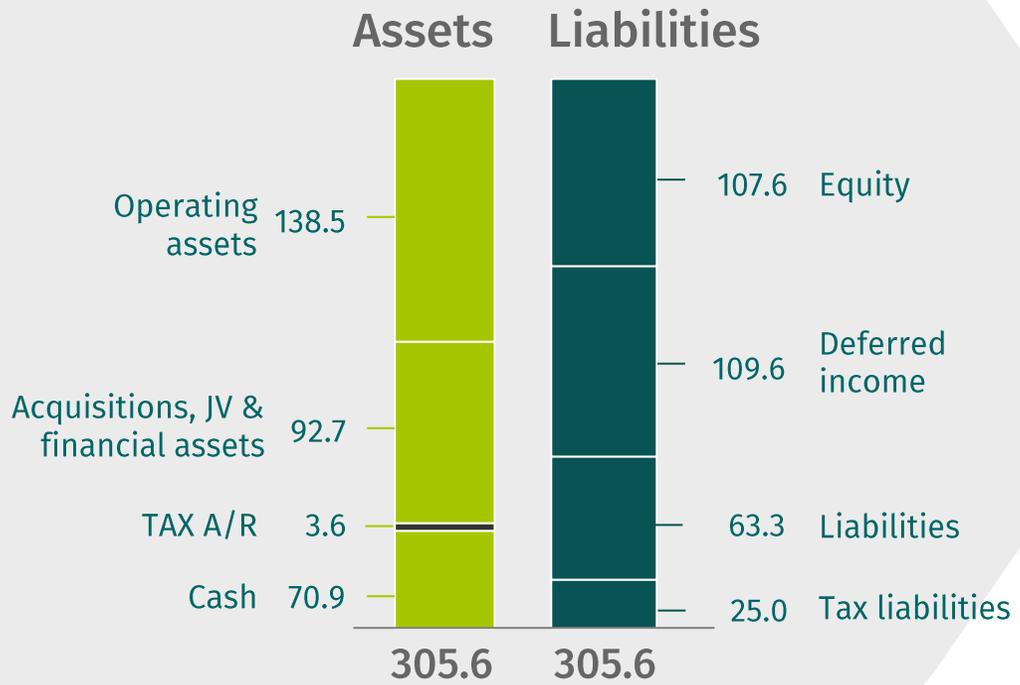


Backup



Negative invested capital from shareholders' perspective

Excl. event organiser cash and NWC
in €m



Rounding differences possible



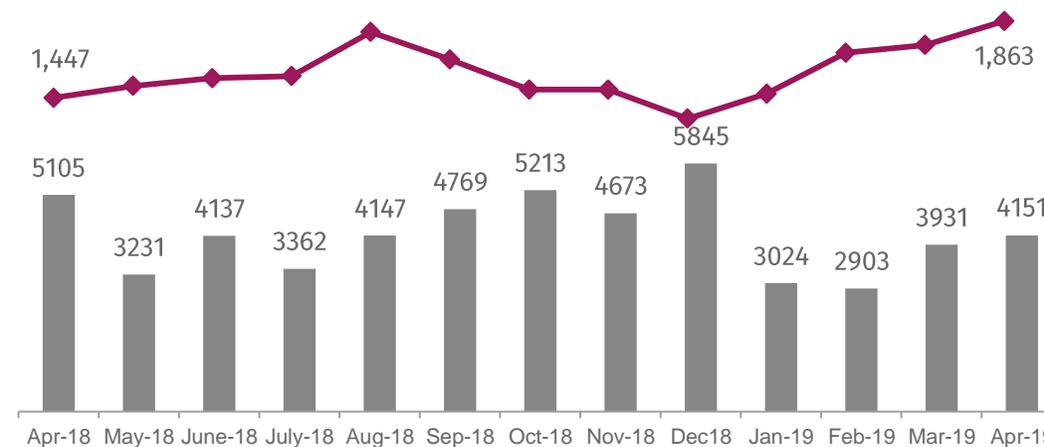
Consensus, investor information & contact details

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 |

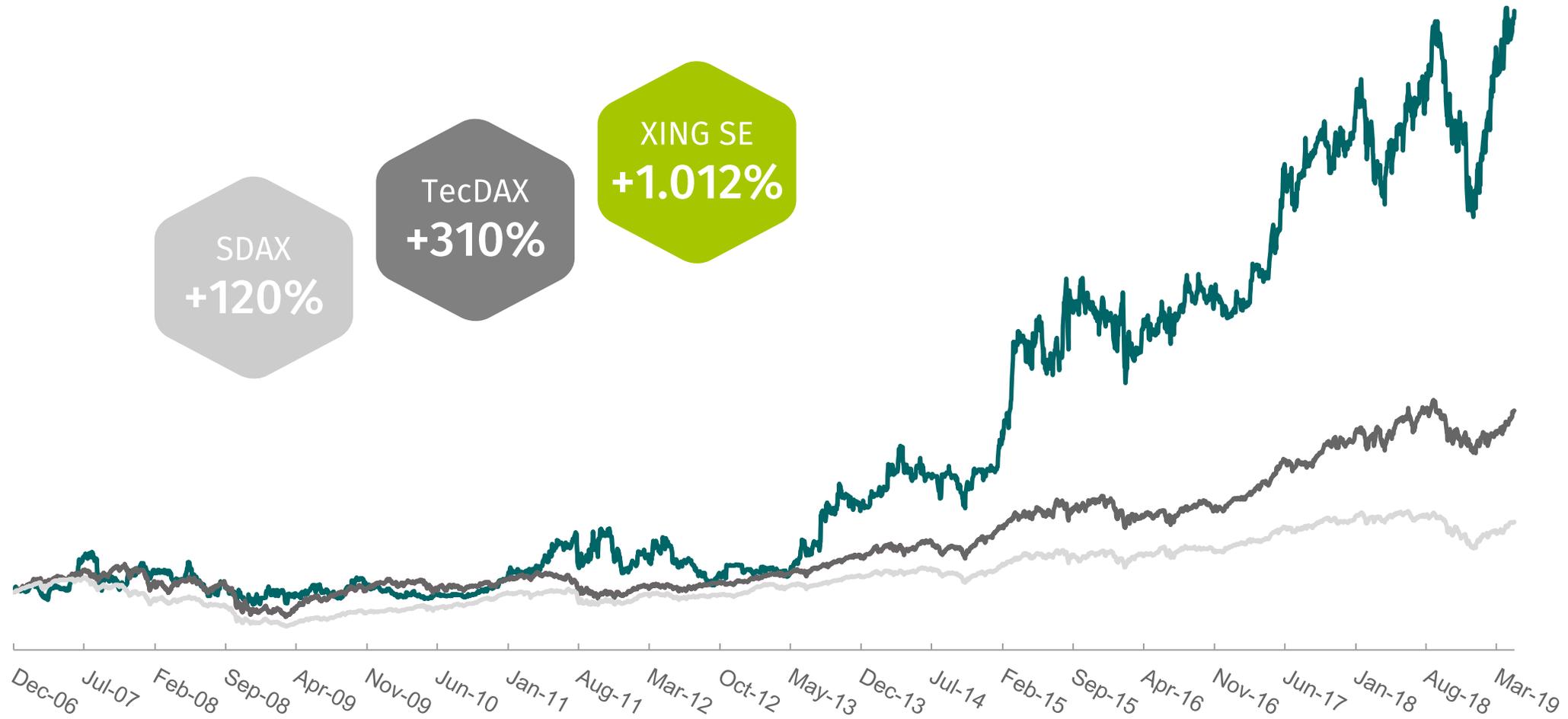
Average trading volume per day (XETRA) & market cap (in €m)



| | |
|-------------------------|---------|
| 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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<skype:patrickmoeller?add>





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