

Full Year Results 2009

XING 

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Hamburg, March 30, 2010

01 Overview of 2009 performance



		2009	2008	Change
Total income ¹	€m	45.1	35.3	+28%
EBITDA	€m	11.8	12.2	-3%
EBITDA-Margin	%	26	34	
Net-result	€m	-1.7	7.3	-123%
Net-result adjusted	€m	+3.9 ²	7.3	-47%

¹ Including other operating income

² Adjusted for tax provisions resulting from the retroactive tax audit for the fiscal years 2003 to 2007 as well extraordinary write downs of €5.4m in Q4'2009

01 XING business rests on four pillars



DACH				
	Subscriptions	E-Recruiting	Advertising	International
Revenues % share of total	€35.5m 81%	€4.2m 9%	€2.2m 5%	€2.0m 5%
Market position & strategic focus	„Dominant #1“ Further drive penetration	„Attacker“ Leverage social media trends in e-recruiting to grow share	„Special Interest Premium Player“ Improve monetization	„#1 in focus countries“ Build out leadership positions
Market Size % XING share	~19m people ¹ 20%	200m 2%	€2bn <1%	~17m people ¹ 11%

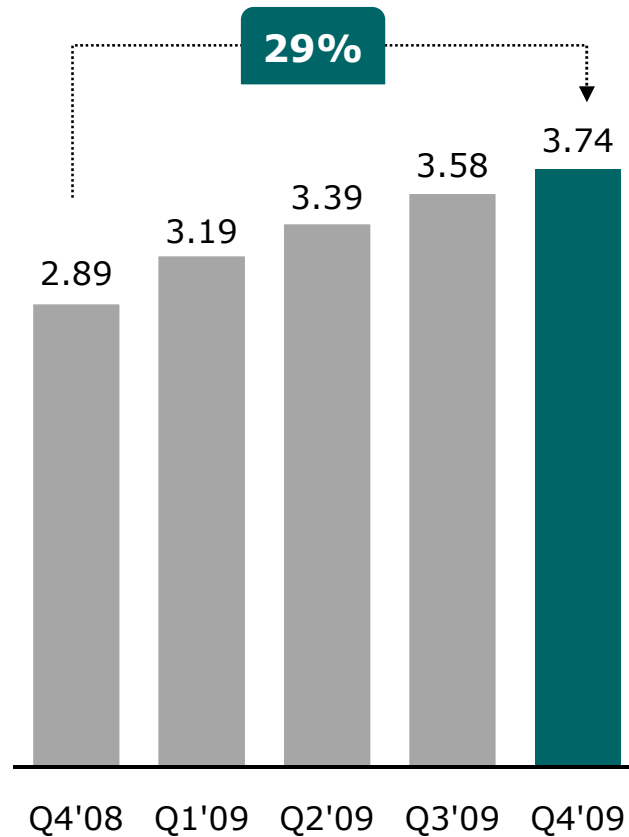
¹ Source: XING analysis of addressable market

01 Subscription: Continuing to grow the member base while driving member activity



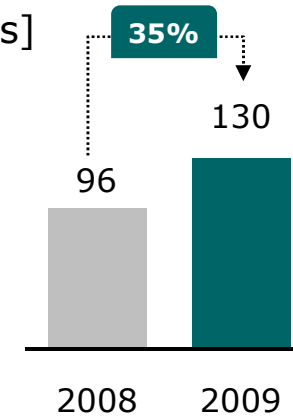
Member base

in m



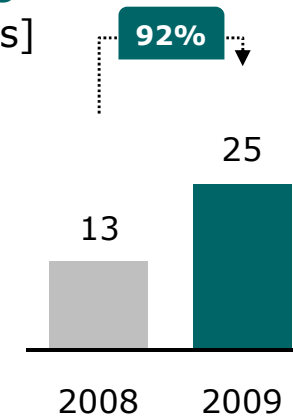
Events

[in 000s]



Groups

[in 000s]



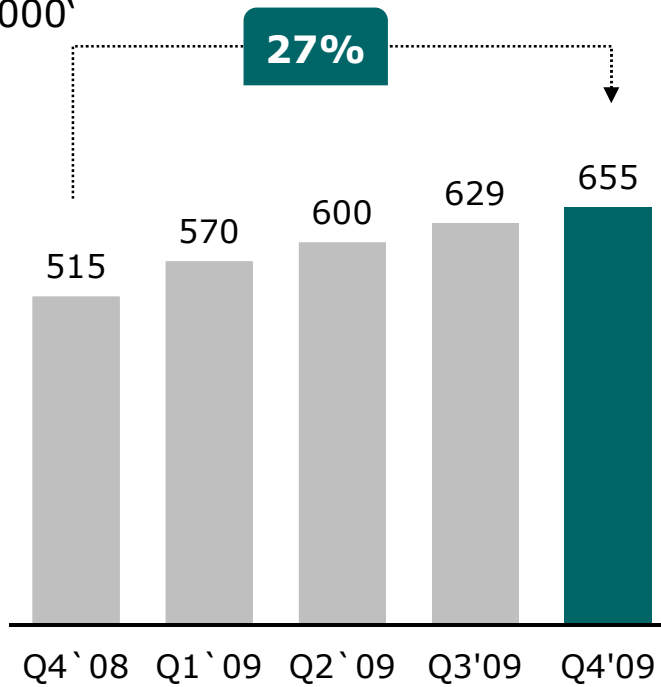
01 Subscription DACH: Payer base up 27%

Stable rate of payer acquisition



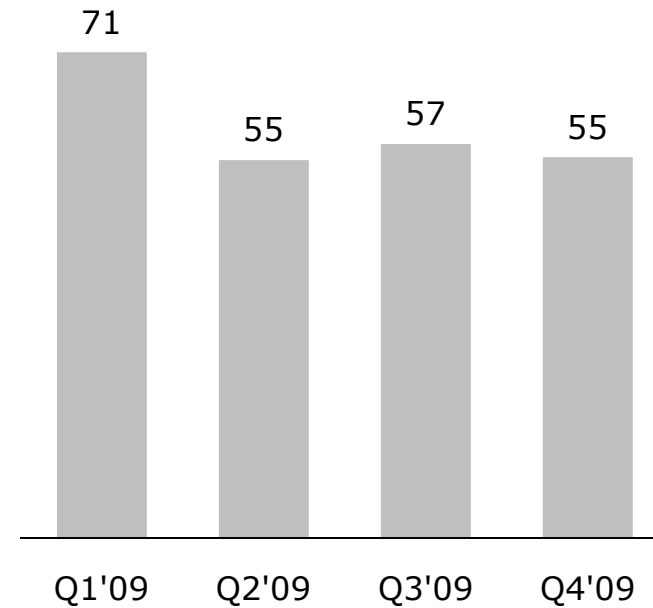
Payer base

in 000'



Payer acquisition

in 000'



Subscription revenues increased by 34% in 2009
Global payer base increased by 25% to 687k

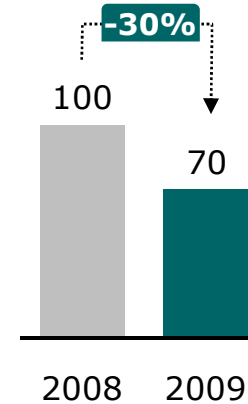
01 E-Recruiting revenues increase by 11% against declining overall online job market in DACH



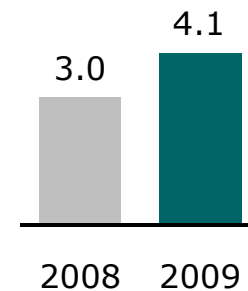
"E-Recruiting" revenues
in €m



E-Recruiting market development in DACH*
[Index]



XING listing share
[in%]

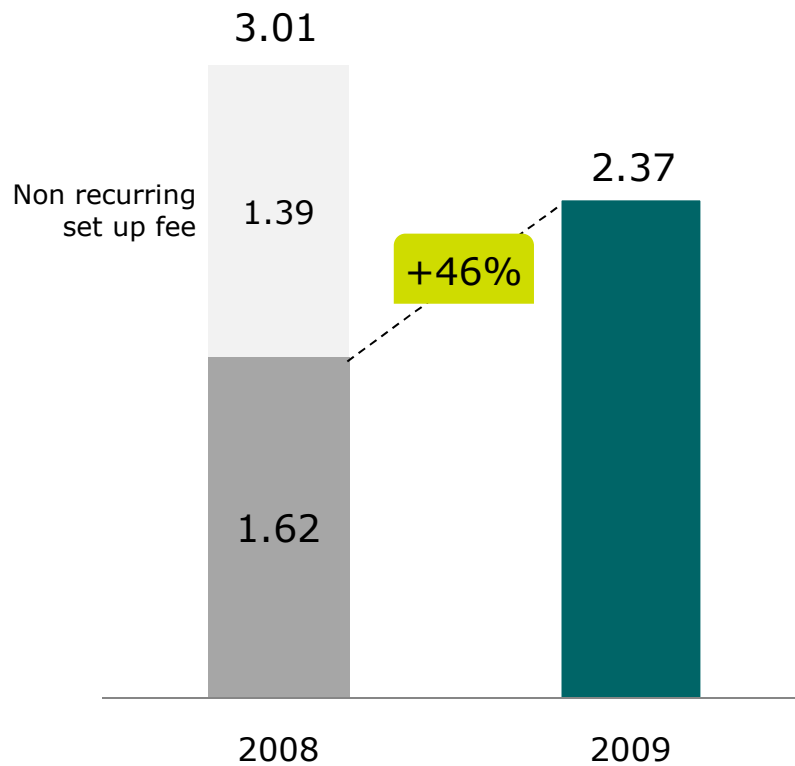


* Source: Anzeigendaten, XING industry model

01 Effective YoY growth in advertising of 47%

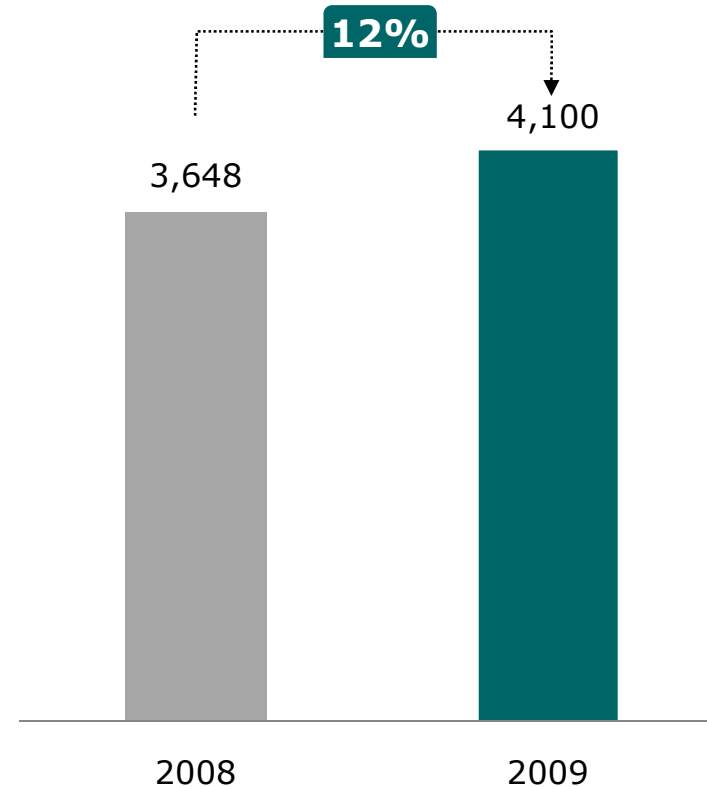
Advertising revenues

in m



Advertising market Germany 2009

in €m*



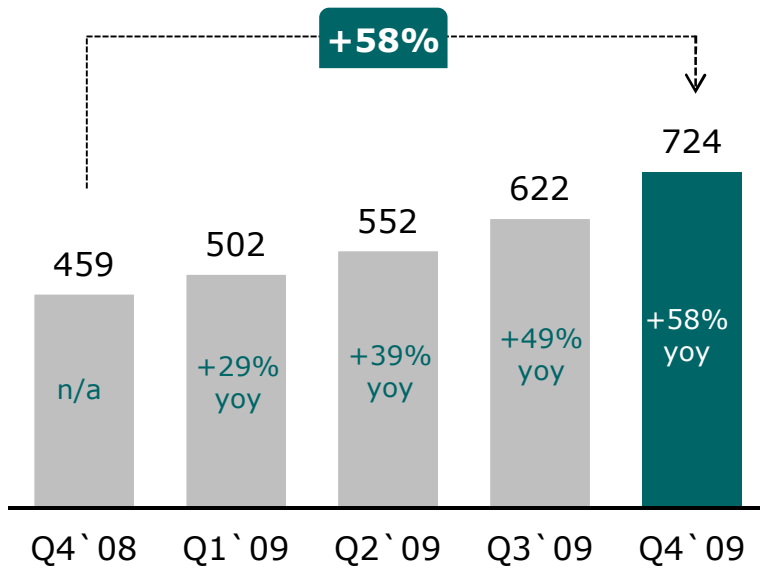
* Source: OVK Online Report 2010/01

01 International business: member growth in Spain & Turkey continues to accelerate

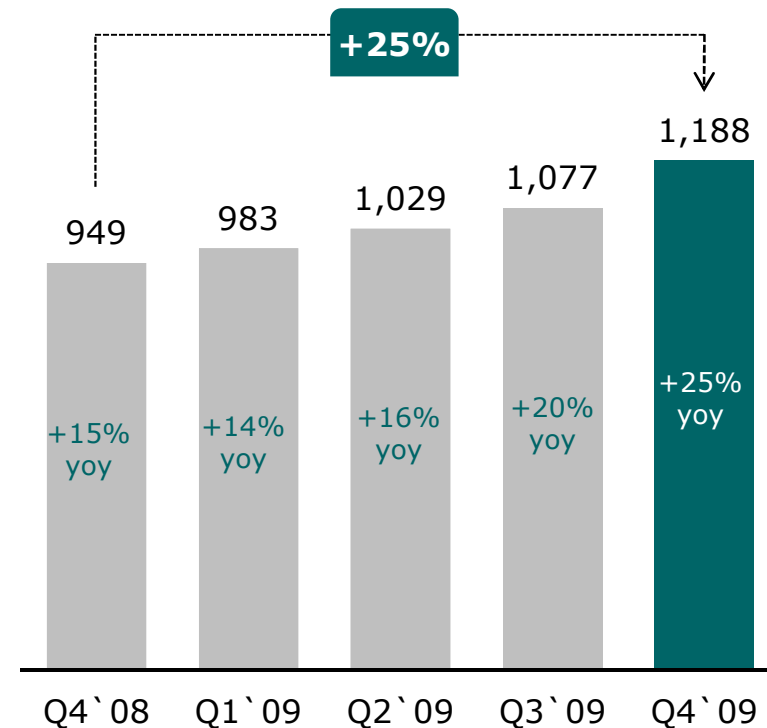


Member growth in thousand

TURKEY 

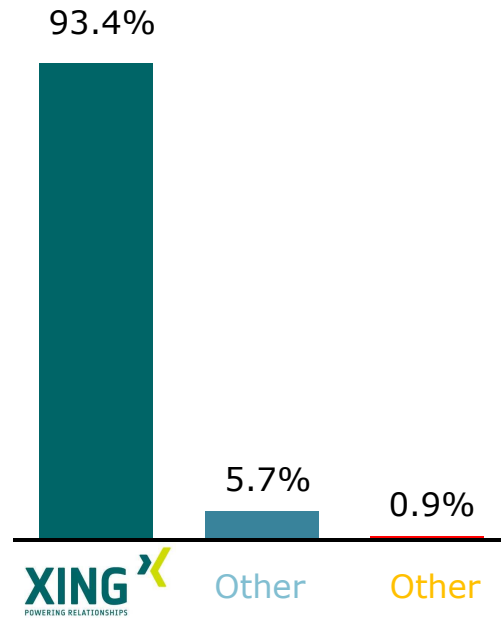


SPAIN 

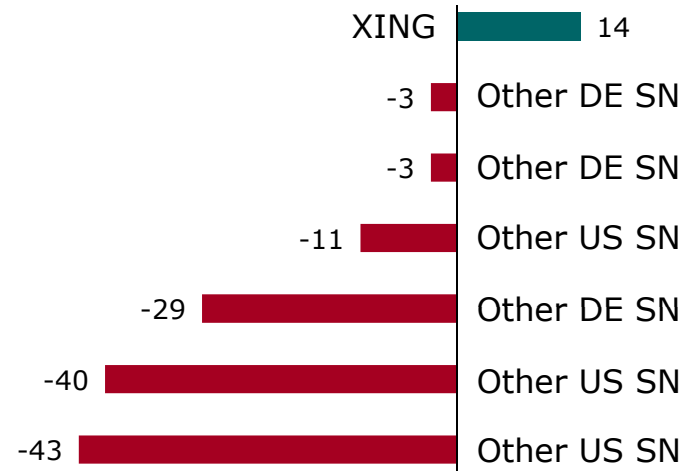


01 Strong DACH market Positioning

Distribution of Page Views on relevant business networking sites in Germany¹



Net Promoter Score Social Networks in %²



Examples of XING e-recruiting customers



¹ Source: Comscore media metrics report december 2009, ² TNS study



- **FY 2009 strong operating performance despite investment mode**
 - EBITDA 11.8 m€, margin 26%
- **Revenue growth driven by all business segments**
- **Net income impacted by XO effects**
 - XO write-offs
 - XO tax effects
- **Operating cash flow 14m€**
- **Q4 results continue upward trend**
- **Q4 Free Cash Flow + 4.2m€**

02 Strong operating performance despite investment mode

P&L

in €m

	2009		2008		Δ	
	Abs.	in%*	Abs.	in%*	Abs.	in%*
Revenues ¹⁾	45.1	100%	35.3	100%	+9.8	28%
Personnel Exp.	-15.7	-35%	-8.8	-25%	-6.9	-78%
Marketing Exp.	-5.3	-12%	-4.4	-12%	-0.9	-21%
Oth. Operat. Exp.	-12.2	-27%	-9.9	-28%	-2.3	-23%
Total	-33.2	-74%	-23.1	-66%	-10.1	-44%
EBITDA	11.8	26%	12.2	34%	-0.3	-3%

* of revenue

¹⁾ incl. Other operating income

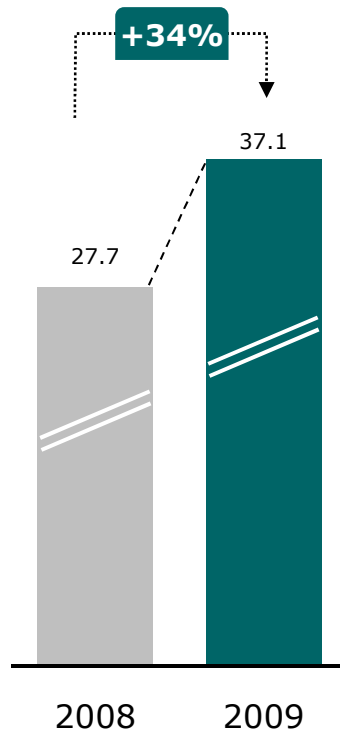


EBITDA 2009 reflects investments in e-recruiting / advertising and core international markets

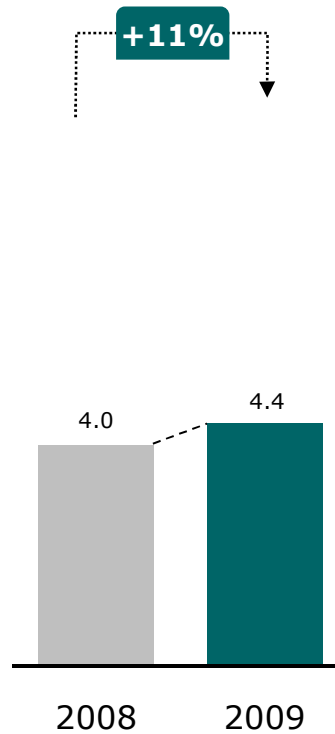
02 Strong growth in core subscription business and new business segments e-recruiting/advertising



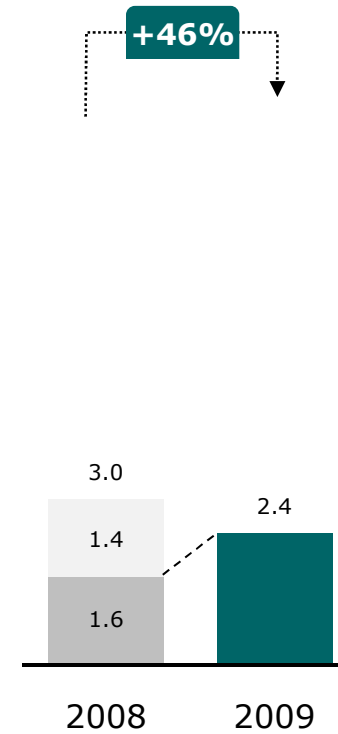
Subscription in €m



E-recruiting in €m



Advertising in €m



02 Net income impacted by XO effects

- in million € -

	2009 Actual			2009 Pro forma	
EBITDA	11.8			11.8	
Depreciation	-10.9	<ul style="list-style-type: none"> → XO write-off Social Median → XO write-off China → XO write-off Billing → XO write-off Plazes 		-5.5	
Financial result	0.3			0.2	
EBT	1.2			6.5	
Taxes	-2.9	<ul style="list-style-type: none"> → XO tax audit 2003-2007 → XO write-off not tax deductible 		-2.6	
Net income	-1.7			3.9	

» Without XO effects Net income would be +3.9 m€

02 Operating Cash Flow 14m€

in €m

	2009	2008	Δ
	Abs.	Abs.	Abs.
EBITDA	11.8	12.2	-0.3
Interest/Tax/ESOP	-0.6	2.3	-2.9
Net Working Capital	2.8	3.2	-0.4
Operating Cashflow	14.1	17.7	-3.7
Investment - Operating	-6.8	-6.9	0.1
Investment - Acquisitions	-7.1	-3.4	-3.7
Financing incl. Share Buyback	-0.1	-2.4	2.2
Other	-0.1	0.0	-0.1
Free Cash Flow	-0.1	5.1	-5.1

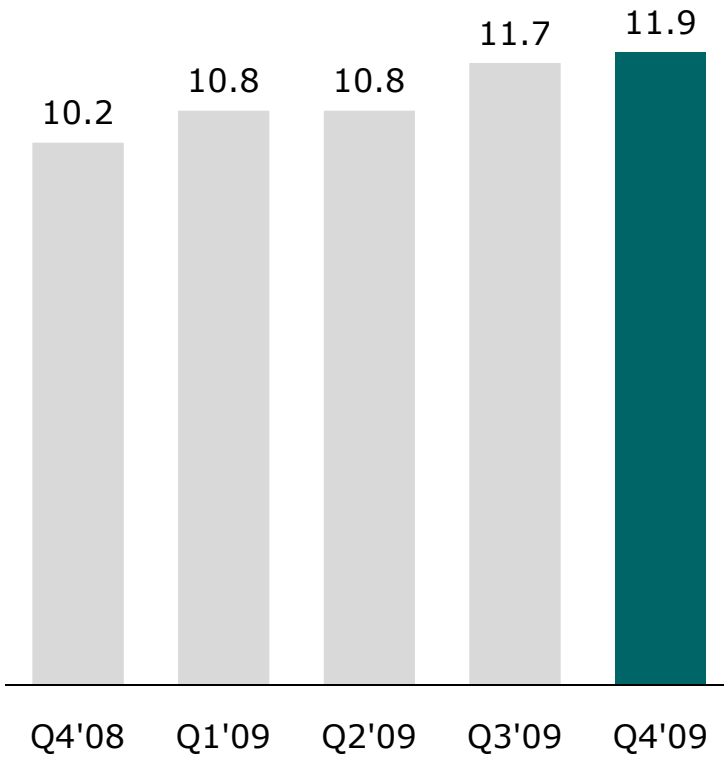


2009 first year with tax cash-out

02 Quarterly revenues continue to grow

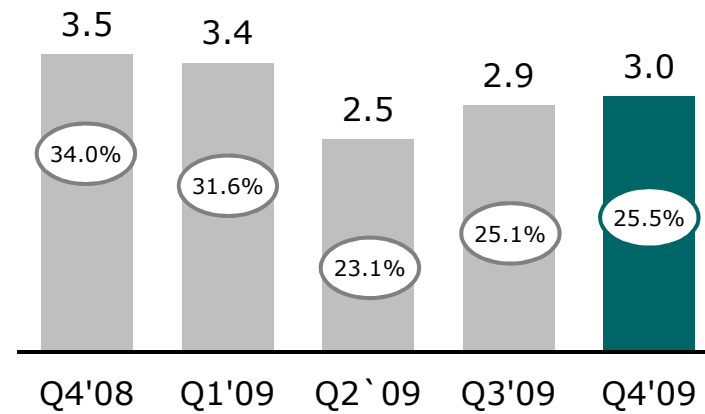
Revenues

In €m



EBITDA

In €m



Upward trend in EBITDA since Q3 despite investment mode

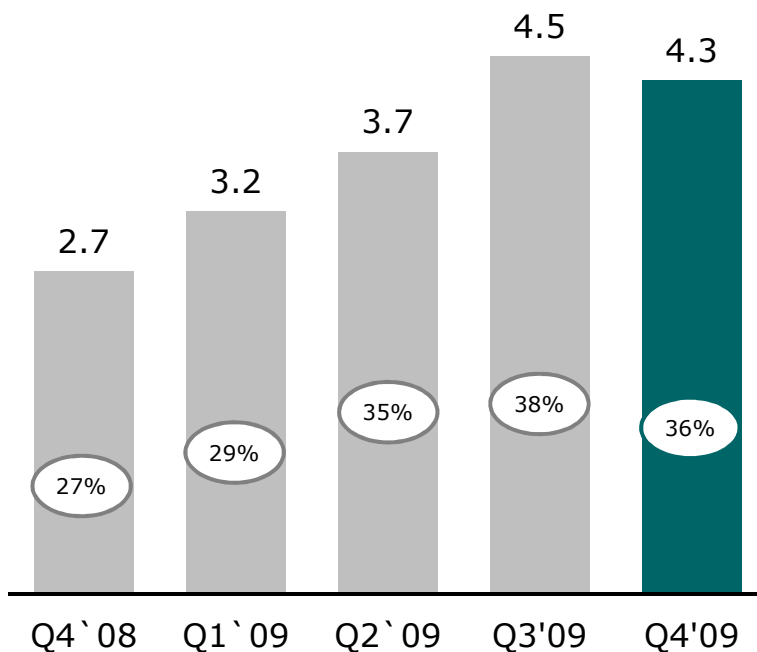
02 Continued investment in personnel to address new business segments e-recruiting/advertising



Personnel

in €m

in % of revenue



Comments

yoy development focused on

- Product/Engineering
- Revenue/ Sales
- Customer Care

qoq development focused on

- Product/Engineering

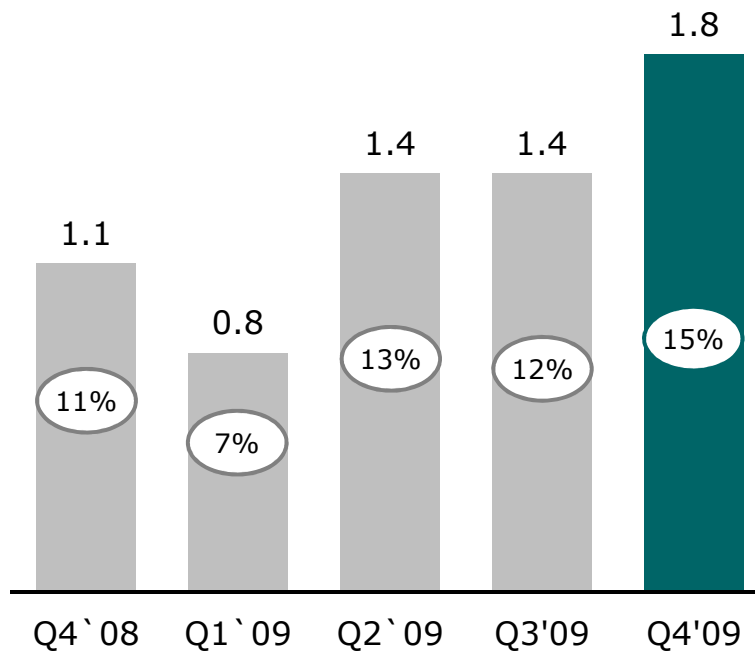


Development reflects shift from one-product to multi-product and from b2c to b2b company

02 Marketing expenditures

Marketing

in €m
in % of revenue



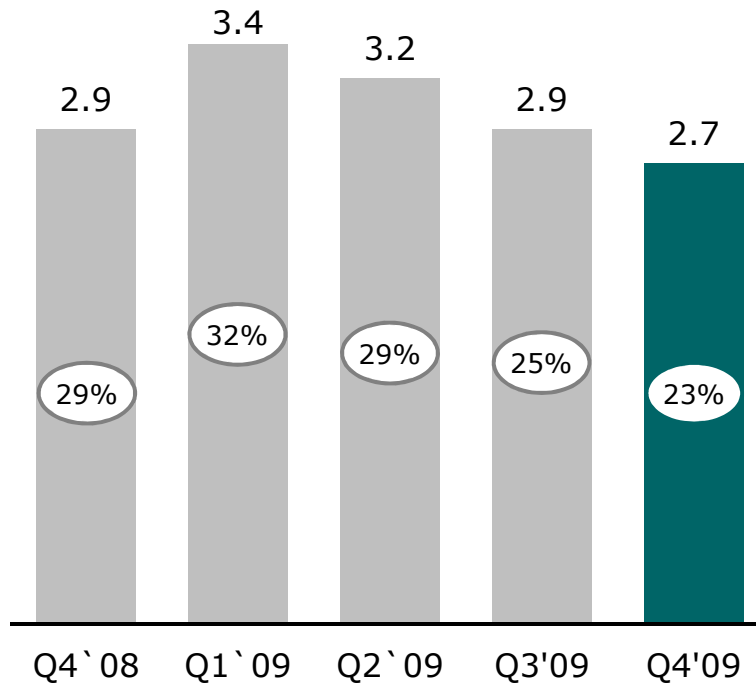
Comments

- SEM
- Display campaigns
- Affiliate programs
- Cooperations

02 Other operating expenses

Other operating expenses

in €mio
in % of revenue



Comments

Cost line includes:

- External services (especially development freelancers)
- Legal, audit, consulting
- Payment processing
- Server hosting
- Rent & other costs

02 Cash Flow

Free cash flows increase yoy and qoq



in €m	2008	2009			Q4'09	Q4'09 vs. Q4'08	Q4'09 vs. Q3'09
	Q4'08	Q1'09	Q2'09	Q3'09			
	Abs.	Abs.	Abs.	Abs.	Abs.	Abs.	Abs.
EBITDA	3.5	3.4	2.5	2.9	3.0	-0.5	+0.1
Interest/Tax/ESOP	+0.5	+0.5	-1.3	0.0	+0.3	-0.2	+0.3
Δ Net Working Capital	+2.3	+0.6	-0.3	+1.4	+1.1	-1.2	-0.3
Operating Cashflow	+6.3	+4.5	+0.9	+4.3	+4.4	-1.9	+0.1
Investment - Operating	-2.8	-2.1	-2.2	-1.5	-1.1	+1.7	+0.4
Investment - Acquisitions	-0.9	-7.1	0.0	0.0	-0.0	+0.9	-0.0
Financing incl. Share Buyback	-2.3	-1.0	-0.1	0.0	1.0	+3.3	+1.0
Other	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1
Free Cash Flow	+0.4	-5.7	-1.4	+2.8	+4.2	+3.9	+1.4

While 2009 was a year of change and investment ...

... 2010 will be a year of profitable growth...

- **Subscription: Drive penetration in DACH**
- **E-Recruiting: Continue to gain market share**
- **Advertising: Improve monetization**
- **International: Invest to strengthen market position**

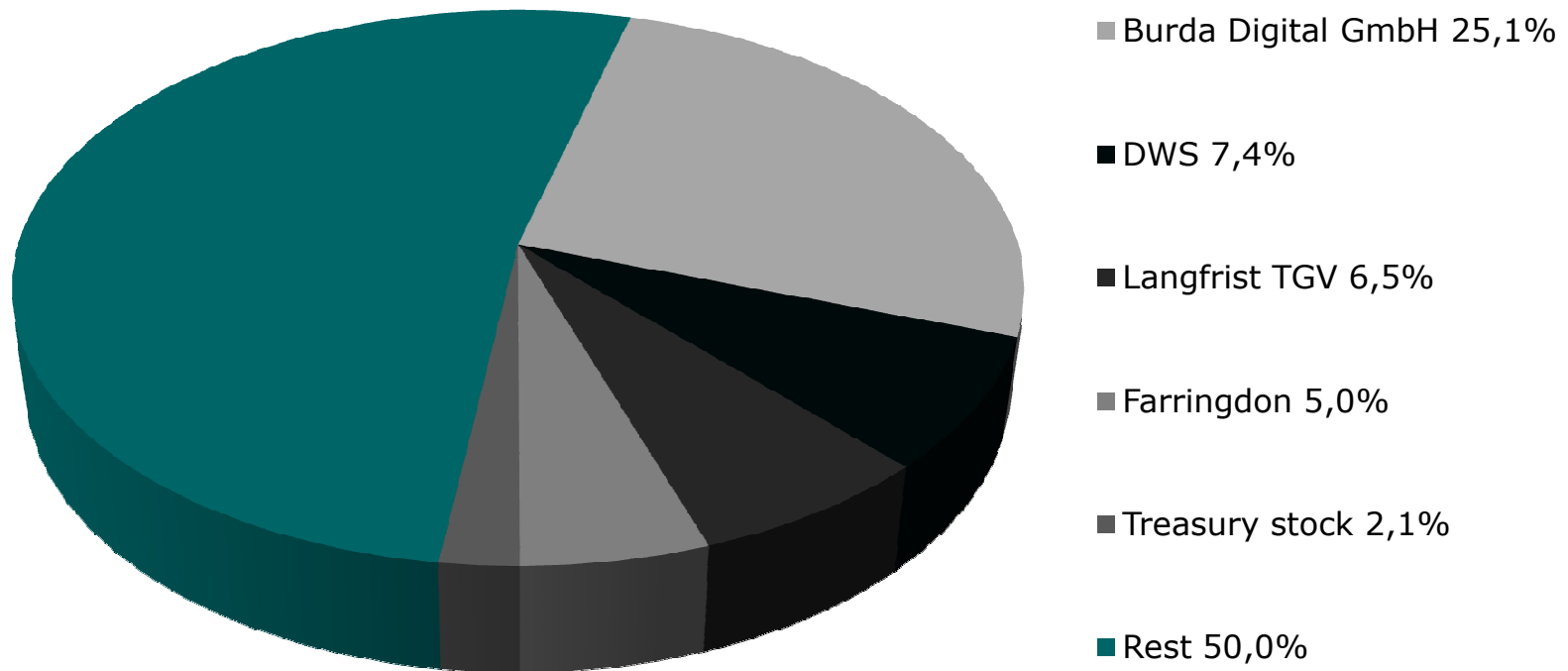
... Driving both top line and bottom line growth

Thank you
for your kind attention!

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02 XING's current revenue streams

Subscription main pillar, diversification into new models on track



Subscription business	<ul style="list-style-type: none">▪ Paid in advance▪ 687k Payers▪ >90% activity rate	<ul style="list-style-type: none">▪ 3 months: €6.95*▪ 12 months: €5.95*▪ 24 months: €4.95*
E-Recruiting	<ul style="list-style-type: none">▪ Recruiter memberships▪ Click Price Job Ads▪ Fix Price Job Ads	<ul style="list-style-type: none">▪ €49.95/€39.95/€29.95 (3/6/12 months)*▪ €0.59 per job click▪ €295 / €395 / €495*
Advertising	<ul style="list-style-type: none">▪ Best Offers▪ Display Advertising▪ Company Profiles	<ul style="list-style-type: none">▪ Set up fee + rev. share▪ CPM▪ €29 (Standard) / €129 (Plus)*
Others	<ul style="list-style-type: none">▪ Paid-Events▪ XING Seminars▪ Other operating income	<ul style="list-style-type: none">▪ Provision to XING▪ Provision to XING▪ Mainly charges

* Per month

Share data 9M'09	
Shares	5,271,773
Bloomberg	O1BC
EPS 9M'09	€0.42
Op. CF per Share 9M'09	€2.00
Average trading volume per day	~9,500
Analysts Coverage	Deutsche Bank, DZ Bank, Hauck & Aufhäuser, HSBC, LBBW

TecDax Ranking end of February	
Measure	Rank
Market Cap.	35
Turnover	37



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