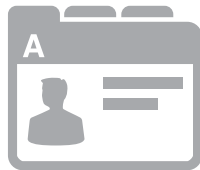


📶 H1 2012

XING



H1



Half Year Report
for the period from January 1 to June 30, 2012



KEY FIGURES

		H1 2012	H1 2011	Q2 2012	Q2 2011	Q1 2012
Total revenues ¹⁾	in € million	35.89	31.98	18.19	16.33	17.70
Revenues from services	in € million	35.34	31.59	17.88	16.17	17.46
„Subscriptions“ revenues	in € million	23.67	22.46	11.93	11.32	11.75
„e-Recruiting“ revenues	in € million	6.84	5.52	3.37	2.81	3.47
„Advertising“ revenues	in € million	2.78	2.53	1.56	1.48	1.22
„New Verticals“ revenues	in € million	2.03	1.06	1.01	0.55	1.02
EBITDA	in € million	9.89	11.29	5.09	5.67	4.80
EBITDA margin	in %	28	35	28	35	27
Earnings for the period	in € million	4.04	5.06	2.07	2.37	1.97
Cash flow from operating activities	in € million	10.36	6.73	3.90	-2.03	6.46
Earnings per share (undiluted)	in €	0.74	0.94	0.38	0.43	0.36
Equity	in € million	45.90	70.94	45.76	70.94	44.85
Cash and cash equivalents	in € million	51.72	64.22	51.72	64.22	51.40
Members worldwide	in millions	12.39	11.12	12.39	11.12	12.10
thereof paying members (worldwide)	in thousands	793	769	793	769	793
Members in D-A-CH	in millions	5.71	4.88	5.71	4.88	5.51
thereof paying members (D-A-CH)	in thousands	767	741	767	741	766
Employees		519	381	519	381	488

¹⁾ Total revenues including other operating income.

COMPANY PORTRAIT

› XING is the social network for professional business contacts. More than 12 million members worldwide use XING to boost their business, job, and career. 5.7 million of those members are based in German-speaking countries. People from all kinds of industries use XING to find jobs, look for new employees, projects, cooperation partners, advice and business ideas. XING members meet up online to exchange views in more than 50 thousand specialist groups, and get together at networking events to share their contacts, skills and expertise. XING AG was founded in 2003 in Hamburg, Germany. The company went public in 2006 and has been listed on the TecDAX index since September 2011.

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Dr. Stefan Gross-Selbeck
Chief Executive Officer
(CEO)

Jens Pape
Chief Technological Officer
(CTO)

Ingo Chu
Chief Financial Officer
(CFO)

Dr. Helmut Becker
Chief Commercial Officer
(CCO)

EXECUTIVE BOARD LETTER

Dear shareholders,

The general conditions for future growth at XING AG have continued to improve during the first six months of the current financial year. During the period under review we continued the accelerated investment phase initiated in Q3/2011, and also focused on acquiring new members in German-speaking countries (D-A-CH) and developing new features.

Our clear focus on core-market growth is proving highly successful as H1/2012 saw the strongest member growth for three years. In total, almost 440 thousand people in D-A-CH signed up to www.xing.com to generate and manage new contacts, improve their career opportunities, and identify new potential business partners. This reinforced our position as the largest and most influential business network in the D-A-CH region.

During the last few quarters, our focus has shifted away from monetization expansion plans involving additional business models and new paid functionality. We also observed a more reserved stance among our clients when it came to future marketing and personnel expenses, which is reflected in the slight downturn in revenue growth. Nevertheless, XING's total revenues rose by 12 percent from €32.0 million during H1/2011 to €35.9 million in H1/2012. Our vertical business divisions ("e-Recruiting", "Advertising" and "New Verticals") saw an impressive 28 percent rise in revenues to €11.7 million during the period under review. During H1/2012, our operating results (EBITDA) dropped slightly from €11.3 million in H1/2011 to €9.9 million due to accelerated investments. Our "e-Recruiting" and "Advertising" business divisions will see new features launched, and we expect financial growth to pick up again at company level.

This year's AGM in June saw us reach a key milestone in terms of boosting shareholder value as the shareholders and shareholder representatives present agreed by a clear majority to all of the suggestions put forward, which meant the introduction of a regular dividend payout. The day after the AGM, the first-ever dividend payment of €0.56 per share was paid out to our shareholders.

Thank you for the trust you have vested in us and your support at this year's AGM.

Dr. Stefan Gross-Selbeck
CEO

Ingo Chu
CFO

Dr. Helmut Becker
CCO

Jens Pape
CTO

XING SHARE

Stammdaten zur XING-Aktie

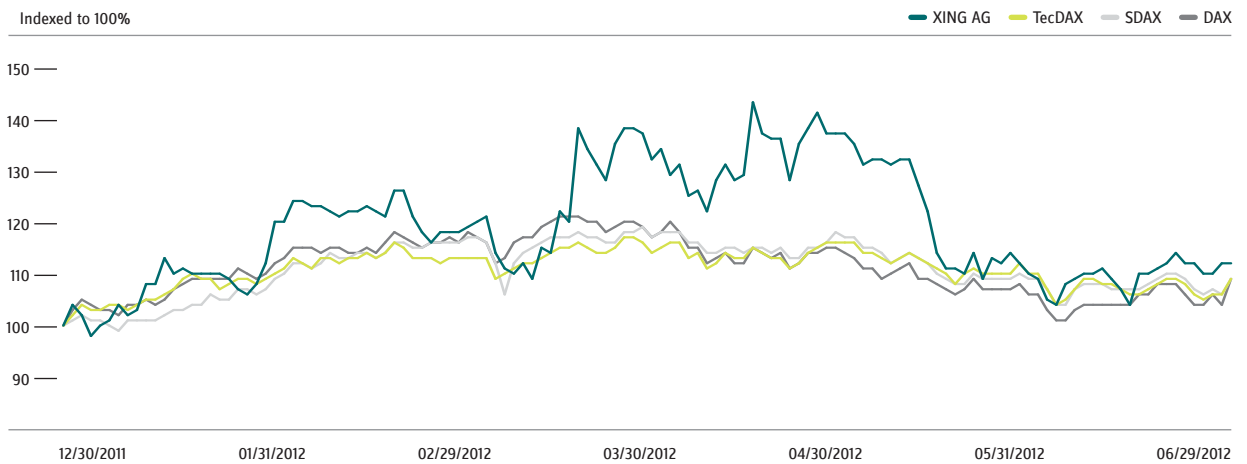
Shares outstanding as of June 30, 2012	5,474,110
Share capital in €	5,474,110.00
Share type	Registered shares
IPO	December 7, 2006
WKN / ISIN	XNG888 / DE000XNG8888
Bloomberg	OIBC
Reuters	OBCGn.DE
Transparency level	Prime Standard
Index	TecDAX since September 19, 2011
Sector	Software

Key data of the XING share

	H1 2012	H1 2011
XETRA closing price at end of period in €	46.00	54.15
High in €	58.50	58.17
Low in €	44.22	35.50
Market capitalization at end of period in € million	251.8	292.2
Average trading volume per day (XETRA)	19,732	17,139
TecDax ranking		
based on orderbook turnover	18	25
based on free-float market capitalization	24	31
Earnings per share (undiluted) in €	0.74	0.94
Equity per share in €	8.38	13.15

XING share

Share price development in comparison from December 30, 2011 to June 29, 2012



Share price of XING shares December 30, 2011 €41.05 = 100%.

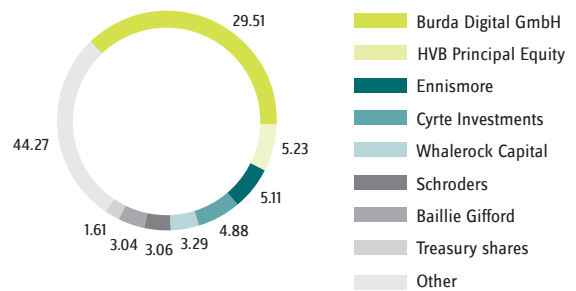
Performance XING share in comparison

H1 2012

XING AG	+12%
TecDAX	+9%
SDAX	+9%
DAX	+9%

Shareholder structure as of August 10, 2012

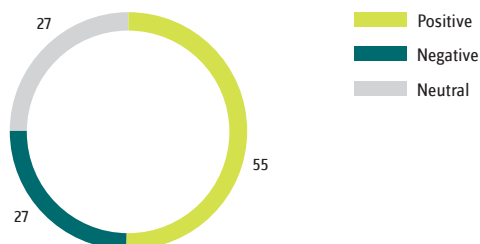
in %



Analyst recommendations for the XING share

as of August 10, 2012

in %



Financial information

for the period from January 1 to June 30, 2012

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INTERIM GROUP MANAGEMENT REPORT

for the period from January 1 to June 30, 2012

Business development

Business and industry development

General economic situation

During the second quarter of 2012, the German economy remained stable, but the risks underlying economic recovery are still very much a focus. Business analysts are quick to point out external risks stemming from concerns about economic growth within the euro zone. Sentiment indicators also mirror the growing insecurity currently dominating the markets. In June the ifo Business Climate Index dropped to a two-year low, while the ZEW index for June showed that market expectations are at their lowest level since 1998.

Market development

Even though the German Federal Ministry of Economics and Technology considers the German domestic economy to remain stable during Q2/2012, business customers are increasingly wary when it comes to future investments in marketing and human resources. A similar impact on growth in our "e-Recruiting" and "Advertising" business divisions is also a possibility.

The trend towards social networks remains unchanged, especially among managers. According to a recent social media study conducted by LAB & Company, an international HR consulting firm, XING is by far the most used network for business in Germany (72 percent). XING is also well ahead in Germany in terms of social recruiting with 51 percent of those surveyed stating that they use our platform.

Competition

As an online social network for business professionals, XING is in direct competition with other European business networking platforms. XING is the clear market leader in Germany, Austria, and Switzerland with more than 5.7 million members in these countries.

Member growth

In the first six months of the 2012 financial year, XING acquired 677 thousand new members, taking the overall member base worldwide to 12.39 million as of the end of June. XING's strategic focus remains on acquiring new members in German-speaking countries (D-A-CH). Here, XING saw a rise in growth levels with 233 thousand people in the D-A-CH region signing up during Q1 and 203 thousand during Q2 2012. With 436 thousand new members in D-A-CH in H1/2012, XING achieved the strongest growth levels over a six-month period since 2009. As of the end of June 2012, more than 5.7 million people from German-speaking countries use XING for business networking.

Result of operations within the XING Group

In H1/2012, XING AG achieved a €3.8 million or 11.9 percent increase in revenues compared to H1/2011 which was partially attributable to expanding sales activities and additional marketing campaigns. Accordingly, marketing expenses rose by 34.7 percent by €0.9 million during H1/2011 to €3.4 million in H1/2012. Personnel costs for the first half of 2012 increased by 32.8 percent from €11.1 million in H1/2011 to €14.8 million in H1/2012, and therefore underline the accelerated investments in, e.g. product development and sales, that have been made since the third quarter of 2011. Other operating expenses rose

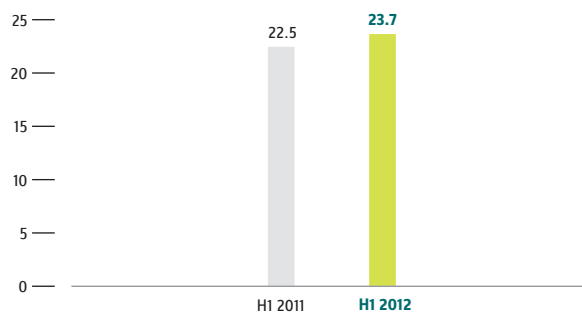
by 11.4 percent from €7.1 million to €7.9 million, largely due to expansion costs. The Company's total EBITDA for the period was €9.9 million, which was below the figure for the previous year period (€11.3 million). This downturn was anticipated, however, and attributable to the major additional investments in platform growth and development. In terms of Group income, the EBITDA margin decreased as planned from 35.3 percent to 27.5 percent.

Due to increased investments, mainly in our data center, of €1.0 million, scheduled depreciation totalled €3.8 million, which represents an increase when compared to the previous year's corresponding figure. Non-recurring depreciation dropped from €0.8 million in H1/2011 to €0.1 million during the first half of 2012.

The Company's EBIT therefore amounts to €6.0 million in the first half year of 2012, compared to €7.6 million for the same period in the previous year. Taking into consideration the positive net interest income of €0.2 million (H1/2011: €0.1 million) and €2.2 million payable in income tax (H1/2011: €2.7 million), this results in consolidated earnings of €4.0 million compared to €5.1 million for the same period in the previous year.

Revenues "Subscriptions"

in € million



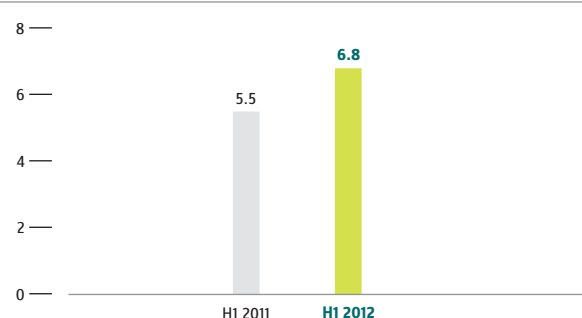
Business division development

"Subscriptions"

The number of paying members in D-A-CH increased slightly during H1/2012. Overall growth slowed as anticipated due to the focus on accelerating growth among basic members and boosting general activity levels. In D-A-CH, around 8 thousand XING members opted for the platform's advanced features, 7 thousand of whom signed up during Q1 and 1 thousand net in Q2, which often sees a lower uptake rate compared to other quarters. Revenues in the first six months of 2012 rose by 5 percent to €23.7 million due to our pricing changes in Q2/2011 and the higher-priced Sales membership. The more dynamic growth of our vertical business divisions saw the revenue share attributable to the Company's largest division, **Subscriptions**, drop from 71 percent in H1/2011 to 67 percent in H1/2012.

Revenues "e-Recruiting"

in € million



"e-Recruiting"

e-Recruiting has already grown to become XING AG's second-largest source of revenue. In spite of the slight reluctance among personnel departments and staffing agencies to post job ads, XING AG's "e-Recruiting" division achieved growth of 24 percent compared to H1/2011, taking revenues for the period to €6.8 million.

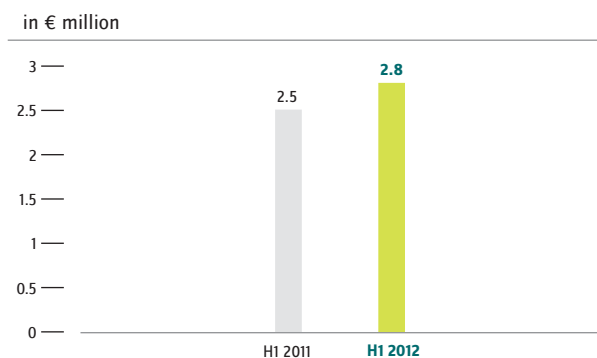
According to the German Federal Statistical Office, more than 53 percent of all Internet users in Germany are active on at least one social network. According to a study carried out by the Institute for Competitive Recruiting, XING is the top social recruiting tool among employers looking to reach out to potential employees. More than 5.7 million people from German-speaking countries have a XING profile, making the platform the largest online database of employees and freelancers in that region. The option for recruiters and employers to get in direct contact with suitable candidates or conduct passive recruiting within a social context can provide a vital edge over the competition in the battle for talent.

As the younger generation that grew up with the Internet now comes to the fore, the labor market is now shifting towards social recruiting as people use the web and their contact network to find out more about potential employers, including their corporate culture, and expect companies to approach them with a suitable vacancy. This applies in particular to graduates as well as managers and specialists with a number of years of experience.

HR marketing teams are able to take advantage of the fact that recruiting and employer branding are converging all the time. Small and mid-sized businesses stand to benefit most from this trend as business networks allow them to put together an appealing profile irrespective of their size. The more they use the viral effect of networks to post career-based messages and attract followers, the more likely they are to attract great people. Social networks allow businesses to lever a great deal of added value in terms of recruiting and employer branding with just a moderate budget. Social media recruiting success is also supported by carefully selecting suitable profiles, individual candidate contact, and real-time processing.

Last-minute recruiting is now a thing of the past as social networks provide companies with an opportunity to remain in contact with specialists and show that they're an open employer. Contact details on social networks are also up to date so both businesses and potential candidates are always able to stay in touch with one another.

Revenues "Advertising"



"Advertising"

XING AG's **Advertising** division mainly focuses on display advertising on www.xing.com as well as paid Company Profiles (www.xing.com/companies) and Top Deals (www.xing.com/bestoffers). In total, XING AG's "Advertising" division generated revenues of €2.78 million in H1/2012 compared to €2.53 million during H1/2011.

XING's "Advertising" division expanded its offering during the second quarter to include mobile ads such as mobile release sponsoring. This form of advertising is exclusive to XING and was already used by Gelbe Seiten (German Yellow Pages) when launched at the end of Q2. After users install or update their Android or iPhone app to the latest version, an ad appears while the user waits for the app to synchronize their contacts. The ad is also shown in the user's "What's new in your network" feed for 48 hours after the app is installed or updated. This move is evidence of XING's expansion in terms of mobile advertising as more than 20 percent of XING's total traffic is via mobile devices. This shows that the Company is also benefitting from the ever-growing mobile advertising market.

A self-booking system especially developed for XING by an external partner was completed during Q2 and launched as a beta version on xing.com in order to offer small and mid-sized businesses an opportunity to post ads themselves as a clever way of reaching out to their target groups.

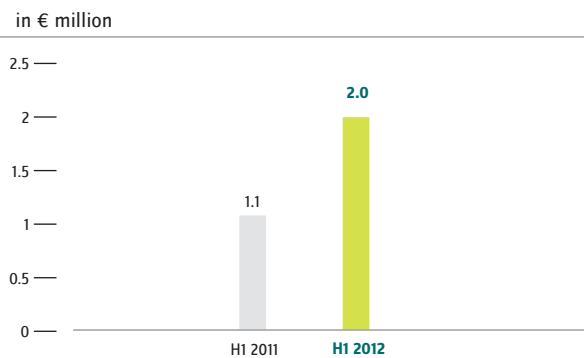
Popular products that have already been launched include the so-called "Special", a top-selling cooperation format for clients that offers users added value.

At the end of Q2, XING passed the 100 thousand Company Profiles mark, which equates to a 25 percent rise over the same period last year. Profiles are managed by HR, PR and marketing representatives who also post updates that can be accessed via the XING platform or Google and other search engines. The visibility of Company Profiles in natural listings of search engines was improved during Q2 with the result that 18 percent of visitors to Company Profiles came via search engines, which is a major bonus for small companies and freelancers.

In July, XING launched the option for Company Profile administrators to add media content such as videos, images and PDF files to further boost the appeal of their services, employer branding and products. Administrators can upload images and PDF files as well as YouTube and Vimeo videos that visitors can then click on and view.

Experts in the German online advertising market continue to remain mildly optimistic, but if the economy does slow down, the Company's clients will make cuts to their advertising budgets which will naturally impact negatively on our Advertising revenues.

Revenues "New Verticals" (events)



"New Verticals" (events)

The **New Verticals (events)** division has developed extremely well since the acquisition of amiando GmbH at the end of 2010. Revenues of €2.03 million were generated in the professional ticketing segment during H1/2012, which equates to an increase of 92 percent and thus making it XING AG's fastest growing business division. During the course of the second quarter, the Company acquired the well-known leading conference and seminar provider Euroforum (www.euroforum.de) as a ticketing and end-to-end entry management customer. XING also entered into an official partnership with the French event organizer trade association (www.afo-evenements.fr). During the second half of 2012, the amiando and XING Events integration will continue with work also being carried out to improve usability.

Net assets

On the closing date, June 30, 2012, long-term net assets were valued at €23.7 million (December 31, 2011: €24.1 million). The long-term capital of €49.6 million amounted to a 208.7 percent surplus over the long-term net assets (December 31, 2011: €46.4 million - a 192.6 percent surplus). In contrast to the almost unchanged non-current assets, the long-term capital rose, which was mainly due to the H1/2012 results (€+4.0 million) and capital contributions from stock option plans (€+1.7 million). This development was in part offset by a €3.0 million dividend payout for the 2011 financial year.

The current assets of €9.8 million without cash remained at a similar level to that in H1/2011 (€9.6 million), while the change in current liabilities was largely due to the payment of a €20 million special distribution of funds that was agreed on last year. The rise in liabilities from sales deferrals and a few other minor changes led to a 33.2 percent decrease (€17.8 million) from €53.5 million on December 31, 2011, to €35.7 million.

On the closing date, the Group's long-term net assets were valued at €85.3 million, which equates to a €14.5 million (14.6 percent) decrease compared to the value as of December 31, 2011 (€99.8 million). Liquid assets continue to remain one of the main asset items on the balance sheet, accounting for 60.7 percent (December 31, 2011: 66.3 percent) of total assets. If customer payments for event tickets held in trust are removed from the balance sheet as third-party cash, liquid assets actually account for 62.8 percent of total assets (December 31, 2011: 67.7 percent).

Financial position

In the first six months of 2012, XING AG generated positive cash flow from operating activities of €10.4 million compared to €6.7 million during H1/2011. The cash flow for the previous year was impacted by around €4.5 million in retrospective tax payments not related to the period under review. The positive cash flow for the period under review was largely attributable to the operating results and continued rise in advance customer payments of €2.0 million compared to H1/2011 (which in turn saw an increase of €3.2 million over H1/2010).

In the first half of 2012, the cash flow from investment activities amounted to €-3.6 million (comparative period: €-7.6 million). The negative figure from the previous year is mainly attributable to the amiando acquisition (€-5.1 million).

In the first half of 2012, the cash flow from financing activities amounted to €-21.2 million. During the first half of 2011, the cash flow from financing activities amounted to €+4.0 million. Expenses of €23 million were incurred due to dividend payments to shareholders (of which €20 million was a special distribution of funds from capital contributions - H1/2011: €0), which were contrasted by proceeds resulting from exercising options and selling treasury shares within the scope of stock option plans amounting to €1.7 million (H1/2011: €4.0 million).

At the end of the period, XING's liquid assets amounted to €51.7 million compared to €62.2 million at the end of the first half of 2011. The Company also handled €2.9 million in third-party cash.

The cash flow margin of 29.3 percent (cash flow from operating activities/service revenues) is still running at a high level. This confirms the intrinsic value of the Company, and permits further investment in future growth.

With an equity ratio of 53.8 percent as of June 30, 2012 (42.7 percent as of December 31, 2011), XING is primarily financed by way of shareholder equity. This constitutes a sound basis that provides the Company with a high degree of stability even in the event of possible negative developments.

Product development

Blog import via RSS

In June 2012, XING released a Beta Labs feature called RSS import to make it easier for users to share their blog, ideas, expertise and views with their network. All members need to do is go to their profile - where they'll see a notification text about the new feature - and add the RSS feed to their existing profiles. The content of a blog or CMS will then automatically be posted to their contacts. All of the usual sharing and commenting features are of course still available.

Beta Labs is a platform hosting beta-stage projects that are developed at high speed and of interest to XING users who'd like to test drive them before they go mainstream. These members can then provide their feedback, thereby making a key contribution to the development of our new features.

Endorsing feature

June 2012 also saw the launch of another Beta Labs feature - endorsing. XING combines two key elements of our users' working lives - the skills and experience listed in their profile as well as the contacts and acquaintances within their business network. The new endorsing feature allows people who visit someone's profile to endorse their entries in the "Haves" section of their profile. Endorsers don't have to be direct contacts, nor do they need to have activated the feature themselves. If someone endorses someone's "Haves", a notification will automatically be posted in the "What's new in your network" feed of both the endorser and the person who received the endorsement, making it a great way to showcase qualifications and boost long-term online reputation. Anyone interested in giving the endorsing feature a try should go to Beta Labs where they can activate the feature for their profile.

Risk report

Permanent monitoring and management of risks are key tasks of a listed company. For this purpose, the Company has implemented the early risk-recognition system required in accordance with Section 91 (2) AktG and continuously develops it within the context of current market and company developments.

Each individual employee is required to avert potential damage from the company. His task is to immediately remove all risks in his own area of responsibility and to immediately notify the corresponding contacts in the event of any indications of existing risks or risks which might arise. An essential requirement for such a task is knowledge of the risk management system and maximum risk awareness of employees. For this reason, XING familiarizes its employees with the risk management system in regular introductory events and also with the aid of information material, and draws their attention to the significance of risk management.

The Company continuously identifies and analyzes potential risks. Identified risks are then systematically evaluated as to their probability of occurrence and the expected potential damage. The persons with risk responsibility and senior executives are questioned with regard to the status of existing risks and the identification of new risks in the course of quarterly risk inventories and status queries.

The subsidiary amianto GmbH was integrated into the Company's risk management system in 2011. Here, potential risks are continually identified and analyzed and persons with risk responsibility and senior executives are questioned with regard to the status of existing risks on a quarterly basis. This integration helps to ensure early recognition of any risks originating from the subsidiary that may have a negative long-term impact on the Group.

Forecast and opportunity report – anticipated development

Anticipated development of operating results

XING AG has continued to diversify its revenue sources and is pursuing two main goals during the current financial year: member and traffic growth, i.e. non-financial performance indicators, which have a much higher priority than boosting key financials. The management is optimistic that total revenues and adjusted EBITDA can increase over the next two years. Examples of special factors to be adjusted are restructuring costs, results of disposals, impairment costs, other non-operating expenses as well as other non-operating income. The special factors are positive or negative effects which occur only once or only rarely and which, in their nature and extent, are unusual and of major significance and thus distort the result from operations.

Anticipated financial position and net assets

XING AG has a strong business model. A large proportion of revenues – including the vertical business divisions – is paid by customers/members in advance and therefore explains the Company's high operating cash flow. This liquidity is not required to finance business operations. The annual investment volume for the next two years will approach the ten-million mark. XING AG does not carry any debts, and therefore enjoys a high level of financial flexibility that is set to continue over the coming years.

Opportunity report

The XING platform has more than 5.7 million members in German-speaking countries, making it the largest and most active business community in that region. This in turn represents a number of opportunities for XING AG to build upon its solid financial results and high profitability levels over the coming years. There is major potential for growth, with current professional network penetration levels standing at around six percent in D-A-CH. More than 15 percent of people living in other European countries are already active on one or more business networks. This also equates to additional growth potential for XING AG's core markets over the next few years, which is to be coupled with further penetration of new target groups such as students and other industries. XING's innovational power, platform improvements, and new features such as the Beta Labs, the mobile offering, and API which provides access to third-party providers, all go hand in hand to create further opportunities to increase overall traffic within the community and identify new monetarization potential.

"Subscriptions"

The "Subscriptions" division accounted for 67 percent of the Company's revenues as a result of upgrades from basic to Premium membership as well as new membership types such as the Sales membership which was introduced in November 2011. This allowed the Company to tap into new customer segments and generate further growth although growth rates are likely to slow somewhat due to the current high percentage of paying members. This will be compensated for over the coming years by our "New Verticals".

"e-Recruiting"

XING's "e-Recruiting" division provides the Company with an efficient, low-cost way of posting job ads and reaching out to talented XING members. Management estimates indicate two key ways for XING AG to establish itself as the leading German social media recruitment provider. The number of offline ads in daily newspapers, magazines, and the like will continue to decline, meaning that recruiting budgets will increasingly shift to online ads. In addition, budgets for online job ads will also tend to be allocated to social media recruiting rather than conventional job portals. This opinion is also backed up by a survey carried out by www.socialmedia-recruiting.com where around 60 percent of recruiters and personnel managers said there was a need for action in terms of social media recruiting. These trends represent a great opportunity for the "e-Recruiting" division to grow revenues over the coming years.

"Advertising"

Revenues in "Advertising" were largely generated through the sale of display advertising space on www.xing.com and paid Company Profiles. Other opportunities in this area are arising from increasing platform usage, the launch of new advertising products, and growing interest among businesses in terms of expanding their social media communication activities by creating and maintaining a presence on business networks such as XING. Any downturn in the economic climate will however negatively impact our clients' advertising budgets.

“New Verticals” (events)

XING AG's “New Verticals” consist of the Company's events business. Since the first quarter of 2011, XING AG has generated revenues through its subsidiary, amiando GmbH, by advertising and processing paid events complete with ticketing. This represents another source of revenue for the Company, which in turn boosts its growth potential. The “Social Media & Events Report 2012” study underlines the importance of social media as an event advertising tool. The integration of ticketing services into the XING platform, the ongoing international expansion of this division, and the establishment of mobile applications over the coming years will all help to build a key source of revenues for XING AG.

Hamburg, August 13, 2012

The Executive Board

Dr. Stefan Gross-Selbeck

Ingo Chu

Dr. Helmut Becker

Jens Pape

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

for the period from January 1 to June 30, 2012

Consolidated income statement

for the period from January 1 to June 30, 2012

in € thousand	01/01/2012 - 06/30/2012	01/01/2011 - 06/30/2011	04/01/2012 - 06/30/2012	04/01/2011 - 06/30/2011
Service revenues	35,338	31,588	17,877	16,171
Other operating income	554	391	313	157
Total revenues	35,892	31,979	18,190	16,328
Personnel expenses	(14,775)	(11,123)	(7,489)	(5,675)
Marketing expenses	(3,357)	(2,492)	(1,502)	(1,353)
Other operating expenses	(7,873)	(7,070)	(4,112)	(3,629)
EBITDA	9,887	11,294	5,087	5,671
Depreciation and amortization	(3,900)	(3,651)	(2,075)	(2,184)
EBIT	5,987	7,643	3,012	3,487
Interest income	243	97	120	65
Interest expenses	(8)	0	(5)	0
EBT	6,222	7,740	3,127	3,552
Taxes on income	(2,180)	(2,676)	(1,059)	(1,183)
Net profit	4,042	5,064	2,068	2,369
Earnings per share (undiluted) in €	0.74	0.94	0.38	0.44
Earnings per share (diluted) in €	0.73	0.93	0.38	0.43

Consolidated statement of comprehensive income

for the period from January 1 to June 30, 2012

in € thousand	01/01/2012 - 06/30/2012	01/01/2011 - 06/30/2011	04/01/2012 - 06/30/2012	04/01/2011 - 06/30/2011
Net profit	4,042	5,064	2,068	2,369
Currency translation adjustment	3	(11)	3	(2)
Other result	3	(11)	3	(2)
Total result of the period	4,045	5,053	2,071	2,367

Consolidated balance sheet

as of June 30, 2012

Assets in € thousand	06/30/2012	12/31/2011
Non-current assets		
Intangible assets		
Purchased software	2,619	2,296
Internally generated software	7,053	7,072
Goodwill	5,574	5,574
Other intangible assets	2,263	2,915
Property, plant and equipment		
Tenant improvements	797	850
Other plant and machinery	4,642	4,512
Down payments and assets under construction	0	20
Financial assets		
Equity participations	51	51
Other financial assets	23	23
Deferred tax assets	717	758
	23,739	24,071
Current assets		
Receivables and other assets		
Receivables attributable to services	5,198	5,663
Tax refund assets	96	7
Other assets	1,623	1,888
Cash and other short-term deposits		
Cash and other current deposits	51,720	66,196
Third-party cash	2,889	2,021
	61,526	75,775
	85,265	99,846

Liabilities in € thousand	06/30/2012	12/31/2011
Shareholders' equity		
Subscribed capital	5,474	5,426
Treasury shares	(2,055)	(2,367)
Capital reserves	15,393	14,008
Other reserves	16,237	15,700
Retained earnings	10,851	9,829
	45,900	42,596
Non-current liabilities		
Deferred tax liabilities	2,392	2,510
Deferred income	1,258	1,248
	3,650	3,758
Current liabilities		
Trade accounts payable	724	1,060
Deferred income	23,595	21,617
Tax provisions	0	30
Other liabilities	11,396	30,785
	35,715	53,492
	85,265	99,846

Consolidated cash flow statement

for the period from January 1 to June 30, 2012

in € thousand	01/01/2012 - 06/30/2012	01/01/2011 - 06/30/2011
Earnings before taxes	6,222	7,740
Amortization on capitalized development costs	1,174	1,651
Depreciation and amortization	2,726	2,000
Personnel expenses, stock option program	268	467
Personnel expenses, employee share program	266	0
Interest income	(243)	(95)
Interest received	301	95
Taxes paid	(2,384)	(7,141)
Change in receivables and other assets	680	(1,599)
Change in liabilities	228	2,936
Change in other assets and liabilities due to the acquisition of consolidated companies	0	(1,802)
Change in deferred income	1,988	3,202
Elimination of amiando third-party obligations	(868)	(724)
Cash flow from operating activities	10,358	6,730
Capitalization of internally generated software	(1,155)	(1,359)
Purchase of other software	(1,082)	(402)
Purchase of other intangible assets	0	(25)
Purchase of property, plant and equipment	(1,372)	(754)
Purchase of consolidated companies (less cash acquired)	0	(5,074)
Cash flow from investing activities	(3,609)	(7,614)

in € thousand	01/01/2012 - 06/30/2012	01/01/2011 - 06/30/2011
Special distribution of capital	(19,953)	0
Dividends paid	(3,020)	0
Proceeds from disposal of treasury shares	312	750
Proceeds from exercised stock options	1,433	3,273
Cash flow from financing activities	(21,228)	4,023
Differences due to currency translation	3	(21)
Change in cash	(14,476)	3,118
Cash at beginning of period	66,196	59,036
Cash at the end of the period ¹⁾	51,720	62,154
Third-party cash at beginning of period	2,021	0
Consolidation-related allocation of third-party cash	0	1,343
Change in third-party cash	868	724
Third-party cash at the end of the period	2,889	2,067

¹⁾ Cash and cash equivalents are liquid assets

Consolidated statement of changes in equity

for the period from January 1 to June 30, 2012

in € thousand	Subscribed capital	Capital reserves	Treasury stock	Other reserves	Retained earnings	Shareholders' equity, total
As of 01/01/2011	5,292	29,586	(3,041)	14,867	14,475	61,179
Currency translation	0	0	0	(11)	0	(11)
Net result	0	0	0	0	5,064	5,064
Total result for period	0	0	0	(11)	5,064	5,053
Capital increase from share-based payment	102	3,385	0	0	0	3,487
Sale of treasury shares	0	76	674	0	0	750
Personnel expenses from						
Stock option program	0	0	0	467	0	467
Employee share program	0	0	0	0	0	0
As of 06/30/2011	5,394	33,047	(2,367)	15,323	19,539	70,936
As of 01/01/2012	5,426	14,008	(2,367)	15,700	9,829	42,596
Currency translation	0	0	0	3	0	3
Net result	0	0	0	0	4,042	4,042
Total result for period	0	0	0	3	4,042	4,045
Capital increase from share-based payment	48	1,385	0	0	0	1,433
Dividend payments	0	0	0	0	(3,020)	(3,020)
Sale of treasury shares	0	0	312	0	0	312
Personnel expenses from						
Stock option program	0	0	0	268	0	268
Employee share program	0	0	0	266	0	266
As of 06/30/2012	5,474	15,393	(2,055)	16,237	10,851	45,900

Notes to the consolidated interim financial statements for the period from January 1 to June 30, 2012

Basis for preparing the financial statements and accounting methods

These condensed consolidated financial statements for the half year ending on June 30, 2012, have been prepared in accordance with the International Financial Reporting Standards for Interim Statements (IAS 34) as applicable in the EU. The condensed consolidated financial statements do not contain all of the information required for full annual consolidated financial statements, and should be read in conjunction with the consolidated financial statements as at and for the year ended December 31, 2011.

The period under review began on January 1, 2012, and ended on June 30, 2012. The corresponding previous year period began on January 1, 2011, and ended on June 30, 2011.

The XING AG consolidated interim financial statements and interim group management report for the period ending on June 30, 2012, was approved by the Executive Board on August 13, 2012.

The accounting principles applied to this condensed consolidated interim financial statement are the same as those used for the annual consolidated financial statement for the financial year ending December 31, 2011. The following standards and interpretations, to be applied for the first time from January 1, 2012, form an exception to these principles:

New and amended standards and interpretations adopted for the first time did not have any impact on the accounting methods, financial position or performance of the Group:

Amendment to IAS 12 - Deferred tax: Recovery of Underlying Assets

This amendment clarifies how deferred tax relating to investment property is to be measured using the fair value model. The amendment to this standard has no impact on XING's financial results as XING does not have any such property.

Amendment to IFRS 7 - Financial Instruments: Disclosures - Transfers of Financial Assets

This amendment governs a number of new disclosures about transfers of financial assets that are not derecognized in their entirety with the aim of enabling users to financial statements to understand the relationship between transferred financial assets that are not derecognized in their entirety and the associated liabilities. If financial asset transfers are derecognized in their entirety, disclosures must be made provided the entity retains continuing involvement.

Amendment to IFRS 1 - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters

When an entity's date of transition to IFRS is on, or after, the functional currency normalization date, the entity may elect to measure all assets and liabilities, held before the functional currency normalization date, at fair value on the date of transition to IFRS.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

On January 1, 2012, the economic service life of the XING platform was set at five years. The remaining service life of the self-developed website is thus 54 months as of June 30, 2012.

Group of consolidated companies

At the time of the consolidated interim reporting date, the group of consolidated companies included:

	06/30/2012	12/31/2011	Initial	Shareholders' equity as of	Result
	in %	in %	consolidation	06/30/2012	Q2 2012
				in € thousand	in € thousand
XING Hong Kong Ltd., Hong Kong, China	100	100	2006	(50)	(1)
openBC Network Technology (Beijing) Co. Ltd., Beijing, China	100	100	2006	30	0
Grupo Galenicom Tecnologias de la Informacion (eConozco), S.L., Barcelona, Spain	100	100	2007	(13)	(3)
XING International Holding GmbH, Hamburg, Germany	100	100	2007	(32)	(1)
XING Networking Spain, S.L., Barcelona, Spain ¹⁾	100	100	2007	109	(51)
EUDA Uluslararası Danışmanlık ve Bilisim Hizmetleri Limited Sirketi (XING Turkey), Istanbul, Turkey ²⁾	100	100	2008	92	(5)
XING Switzerland GmbH, Sarnen, Switzerland ¹⁾	100	100	2008	41	4
XING Italy S.R.L., Mailand, Italy ¹⁾	100	100	2009	35	0
Socialmedian Inc., Wilmington, Delaware, USA	100	100	2009	0	0
XING İnsan Kaynakları Uluslararası Danışmanlık Hizmetleri Ltd. Sti., Istanbul, Turkey ²⁾	100	100	2010	(5)	(1)
amiando GmbH, Hamburg, Germany	100	100	2010	(1,273)	(1,306)

¹⁾ 100 percent is held indirectly via shares of 100 percent in XING International Holding GmbH, Hamburg, Germany.

²⁾ 99.5 percent of shares are held indirectly via XING International Holding GmbH, Hamburg, Germany, and 0.5 percent of shares are held directly by XING AG.

Company acquisitions

In December 2010, XING AG acquired Kronen tausend 615 GmbH, Berlin, Germany, with subscribed capital of €25 thousand, which renamed changed its legal form to XING Events GmbH headquartered in Hamburg, Germany. Kronen tausend 615 GmbH then purchased 100 percent of shares in Munich-based events platform amiando AG in December 2010. The shares were transferred on January 5, 2011. The purchase price consisted of a fixed amount of €7.4 million to be paid in two installments (€5.4 million in 2011 after closing, and €2.0 million at the end of 2012).

Earn-outs of €0.4 million were also agreed, which are to be paid out on December 31, 2012, along with the second installment of the purchase price.

amiando AG changed its legal form to amiando GmbH and was merged with XING Events GmbH retroactively with effect from December 30, 2010. The initial consolidation within the scope of the merger took place on January 5, 2011, at the same time the shares were transferred.

The outflow of funds for 2011 due to the acquisition can be illustrated as follows:

in € thousand	
Cash acquired with the subsidiary	1,343
Less acquired third-party cash	(1,343)
	0
Outflow of funds (1st installment)	(5,411)
Outflow of funds (balance)	(5,411)

The fair values of amiando GmbH's identifiable assets and debts, calculated at the time of initial consolidation within the scope of the purchase price allocation, consist of the following:

Initial consolidation	
in € thousand	01/05/2011
Purchase price including potential earn-outs	7,821
XING Events GmbH equity	(27)
amiando AG equity	539
Value of purchase price allocation	8,333
Value of internally developed software	(445)
Brand/domain value	(1,205)
Value of customer relations	(1,015)
Active deferred taxes	(973)
Passive deferred taxes	879
Goodwill	5,574

The purchase price allocation took place on January 5, 2011. Goodwill can be attributed to anticipated synergies and other effects resulting from amiando's activities.

During the first half of 2012, amiando GmbH achieved revenues of €2,026 thousand (H1/2011: €1,056 thousand) and earnings of €-1,306 thousand (H1/2011: €-1,168 thousand).

Employee shares and Stock Option Plan

During the period under review, 3,450 employee shares were issued to employees within the scope of the 2011 employee share scheme. Expenditure for existing and new option emissions amounted to €266 thousand during H1/2012 (H1/2011: €0 thousand).

No new stock options were issued during H1/2012. Expenditure for existing and new option emissions amounted to €268 thousand during the period under review (€467 thousand during the same period of the previous year).

The Stock Option Plan was evaluated by Mercer Deutschland GmbH.

Treasury shares

In order to service claims resulting from Stock Option Plans, 11,892 treasury shares (H1/2011: 25 thousand) were sold to eligible shareholders in H1/2012. The proceeds amounted to €312 thousand. As of June 30, 2012, XING AG still held over 75,940 treasury shares (H1/2011: 87,832 shares).

Additions and disposals of assets

In the first six months of 2012, the Company invested €2,454 thousand (H1/2011: €1,181 thousand) in EDP software and hardware, and for other office equipment. In addition, XING AG invested €1,155 thousand (H1/2011: €1,359 thousand) in developing software in house.

Alongside the planned platform depreciation, one-time depreciations of €135 thousand were performed during H1/2012 (H1/2011: €799 thousand) as a result of ongoing developments on the platform.

Equity

Please refer to the statement of changes in shareholders' equity for an equity change analysis.

Dividend payment

Pursuant to the AGM held on June 14, 2012, XING AG paid out a dividend of €0.56 per share for the 2011 financial year on June 15, 2012. With 5,393,783 shares eligible to receive a dividend, this equates to a total payout of €3,020,518.48.

Breakdown of other operating expenses

The following table breaks down the primary items of sundry operating expenses:

in € thousand	01/01/2012 - 06/30/2012	01/01/2011 - 06/30/2011
IT services, business-related services and services for new markets	2,074	1,358
Expenses for premises	1,455	635
Payments relating to cash at banks	849	840
Leasing, Server hosting, administration and traffic	687	1,043
Travel, entertainment and other business expenses	676	587
Legal consulting and accounting fees	538	979
Other HR costs	389	289
Ongoing training fees	191	138
Phone/cell phone/postage/ courier costs	175	120
Auditing fees	153	120
Supervisory board compensation	140	103
Losses on receivables	77	93
Office equipment	74	74
Other	395	691
Total	7,873	7,070

The increase in expenses for premises is largely attributable to the fact that additional office space was rented in order to accommodate the expansion plans at both XING and amiando.

The other expenses largely consist of expenses, rate differences, insurance policies and fees not related to the period under review.

Segment information

XING AG has one segment subject to reporting requirements, with the business areas "Subscriptions", "e-Recruiting" (Jobs and Recruiter memberships), "Advertising" (display advertising, Enterprise Groups, Top Deals and Company Profiles), "New Verticals" (events) and "Other". Growth in "New Verticals" is mainly attributable to the expansion of activities at amiando, the Munich-based events platform acquired by XING AG in January 2011.

The segment revenues for the period under review are shown in the following tables:

in € thousand	01/01/2012 - 06/30/2012	01/01/2011 - 06/30/2011
Subscriptions	23,672	22,456
e-Recruiting	6,843	5,521
Advertising	2,779	2,529
New Verticals (events)	2,029	1,056
Other	15	26
Total	35,338	31,588

in € thousand	01/01/2012 - 06/30/2012	01/01/2011 - 06/30/2011
D-A-CH (Germany, Austria, Switzerland)	33,604	30,200
International	1,734	1,388
Total	35,338	31,588

As there are no considerable changes to long-term assets, these have not been listed in the table.

Contingent liabilities

As was the case in Q1/2011, none of XING's assets was leased during Q1/2012. There were no contingent liabilities during the period under review, nor the 2011 comparative period.

Related parties

In the first six months of 2012, payments amounting to €9 thousand were made to Burda direct GmbH (H1/2011: €0 thousand), a Hubert Burda Media company.

In the first six months of 2012, XING AG also made payments amounting to €48 thousand to DLD Media GmbH (H1/2011: €48 thousand), a Hubert Burda Media company.

XING AG rendered services in the amount of €5 thousand (H1/2011: €0 thousand) to Cellular GmbH and €1 thousand (H1/2011: €0 thousand) to Elite Medianet GmbH, both of which are Hubert Burda Media companies, during the period under review.

XING AG also rendered services in the amount of €2 thousand (H1/2011: €0 thousand) to Burda Creative Group GmbH and €1 thousand (H1/2011: €0 thousand) to Burda Services GmbH during the period under review.

Significant events during and after the interim reporting date

No major events have occurred since the end of the first half of 2012.

Hamburg, August 13, 2012

The Executive Board

Dr. Stefan Gross-Selbeck Ingo Chu

Dr. Helmut Becker Jens Pape

REVIEW REPORT

To XING AG, Hamburg:

We have reviewed the interim condensed consolidated financial statements, comprising the income statement, the statement of comprehensive income, the statement of financial position, the statement of cash flows, the statement of changes in equity and selected explanatory notes, and the interim group management report of XING AG, Hamburg, for the period from 1 January 2012 to 30 June 2012, which are part of the six-monthly financial report pursuant to Sec. 37w WpHG [“Wertpapierhandelsgesetz”: German Securities Trading Act]. The preparation of the interim condensed consolidated financial statements in accordance with IFRSs on interim financial reporting as adopted by the EU and of the group management report in accordance with the requirements of the WpHG [“Wertpapierhandelsgesetz”: German Securities Trading Act] applicable to interim group management reports is the responsibility of the Company’s management. Our responsibility is to issue an attestation on the interim condensed consolidated financial statements and the interim group management report based on our review.

We conducted our review of the interim condensed consolidated financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance in our critical appraisal to preclude that the interim condensed consolidated financial statements are not prepared, in all material respects,

in accordance with IFRSs on interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the applicable provisions of the WpHG. A review is limited primarily to making inquiries of company personnel and applying analytical procedures and thus does not provide the assurance that we would obtain from an audit of financial statements. In accordance with our engagement, we have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

Hamburg, 14 August 2012

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Klimmer
Wirtschaftsprüfer
[German Public Auditor]

Schröder
Wirtschaftsprüferin
[German Public Auditor]

DECLARATION OF LEGAL REPRESENTATIVES

We declare that, to the best of our knowledge, the consolidated financial statements provide a true and fair view of the net assets, financial position and results of operations of the Group in accordance with the applicable accounting principles and that the Group management report presents the development of business including the business result and the provision of the Group in such a way that a picture corresponding to the actual circumstances is provided and that the major opportunities and risks of the probable development of the Group are described.

The Executive Board

Hamburg, August 14, 2012

FINANCIAL CALENDAR 2012

Date	Event
August 14, 2012	Interim Report H1, 2012
November 12, 2012	Interim Report Q3, 2012

MASTHEAD & CONTACT

This Interim report is available in both German and English. In the event of diversity in interpretation, the German version shall prevail. Both versions and further press information are available for download at www.xing.com. Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

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