

# XING Q3 2017 Results Presentation

Hamburg, November 6, 2017



XING<sup>x</sup>



# XING growing strongly in Q3 2017

## Strong financial results

- Revenue +28% (22% excl. M&A)
- EBITDA +27%
- Net income +25%

## Operating KPIs fully on track

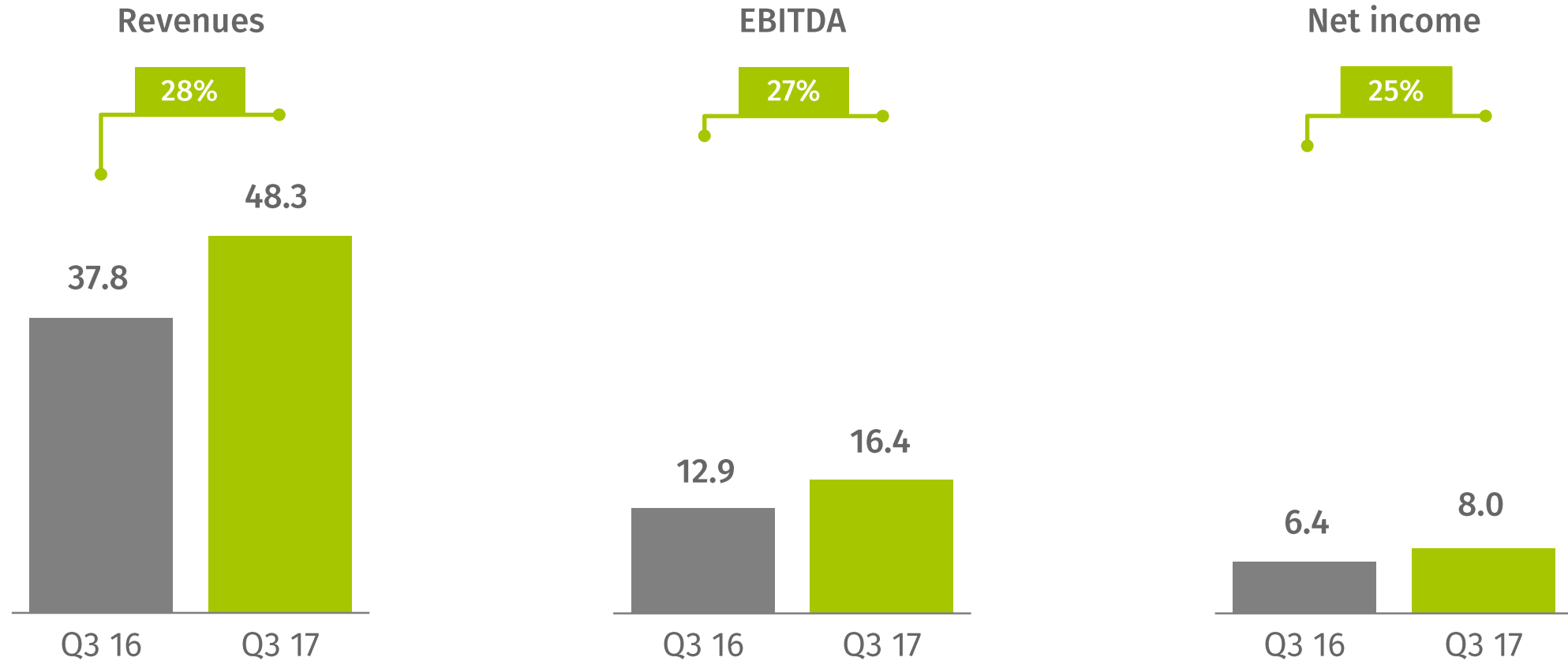
- 499k net new members
- 14k net new paying members in D-A-CH

**Full year EBITDA guidance now € 58-59m**



# Strong financial performance

Revenue +28%\*; EBITDA +27%; Net income +25%



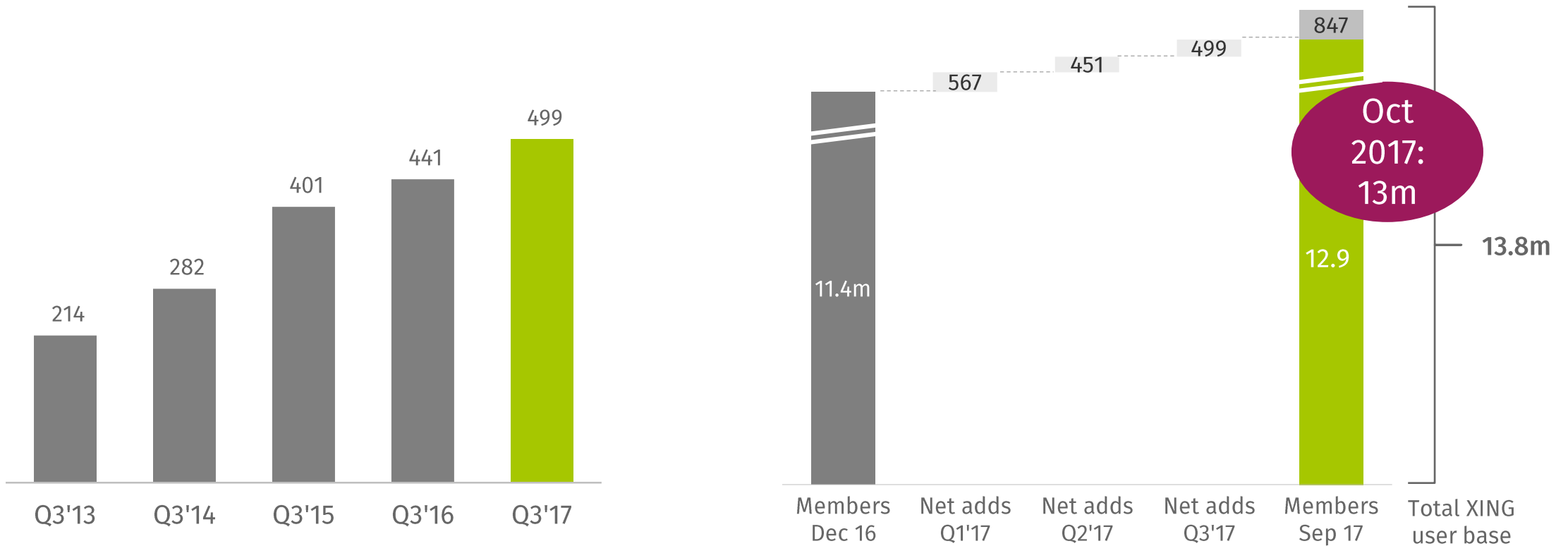
\* 22% excl, M&A (Prescreen & InterNations)



# Q3'17: Another strong quarter w/ 499k net adds

## Crossing 13m platform members in October 2017

Development of XING member growth  
In 000s

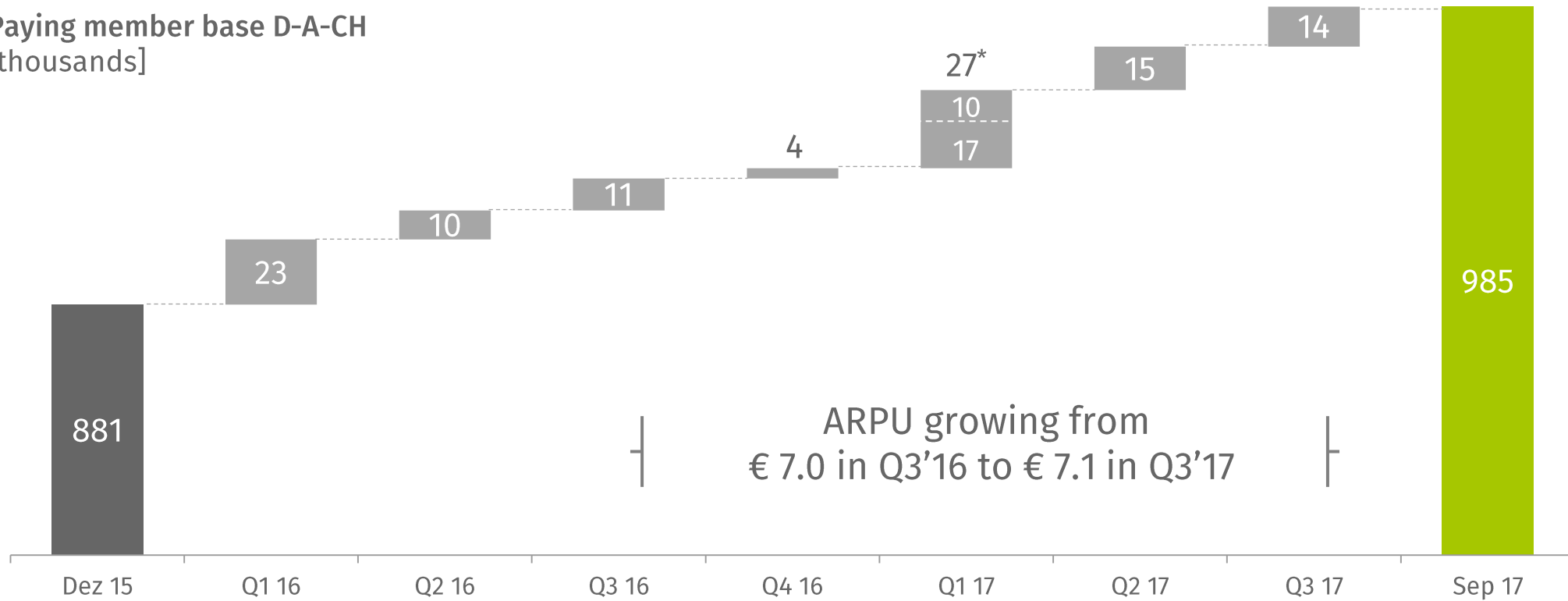


Rounding differences are possible



# Q3'17: 14k net payer adds ARPU continues to grow

Paying member base D-A-CH  
[thousands]



\*Change in reporting method in connection with change of payment provider leads to ~10k payer base step increase as of Jan 1, 2017

Rounding differences are possible



# New B2C Executive membership strengthening local communities & XING's offline presence

XING Executives			
<p><b>Self-development</b></p> <p>Self-development via experience exchange with peers as alternative to executive training &amp; coaching</p>	<p><b>Networking among peers</b></p> <p>Be part of top 1% in an exclusive club &amp; build up exclusive network &amp; powerful contacts with other senior executives / peers</p>	<p><b>Self-positioning</b></p> <p>Position yourself externally as verified executive &amp; position yourself vs. peers (via benchmarking)</p>	<p><b>Career advancement</b></p> <p>Maximize career chances by positioning yourself vs. executive headhunter &amp; recruiters and by being found by them</p> <p>▼</p> <p>Below surface to avoid negative self-selection (no ProJobs for Executives)</p>
<p>Offline circle membership: 3,600€ p.A:</p>			
Primarily offline		Primarily online	

## What Executives say

*“Another circle..? Yes, but this is one with peers on eye level. Here you get answers and thought leadership.”*  
**Pierre Andre Schneider, Head of Corporate Development & Strategy, Nordex SE**

*“XING Executive provides people from different backgrounds with the opportunity to assess professional challenges collaboratively from various angles.”*

**Franz von Stauffenberg, Geschäftsführer SIG SAUER GmbH & Co. KG**

Online membership to be launched soon



# XING launched new TalentPool Manager

## Further enrichment of XING E-Recruiting suite



Pools prefilled automatically



Every candidate in one place



Stay in touch easily



The right time to approach

The screenshot displays the XING E-Recruiting TalentPool Manager interface. The main view shows a list of candidates for 'Swisscom: Company Followers'. The interface includes a sidebar with navigation options: Dashboard, Pools, Messages, Search, and Administration. The main content area features a search bar and filters for Job Title, Haves, and Location (currently set to Hamburg). A list of candidates is shown, including John Parker (Tax Consultant), Jennifer Pitt (Freelance Media Designer), Martin Davies (Junior Marketing Manager), and Keith Bale (Recruiter). Each candidate profile includes their name, job title, duration of experience, and location. A 'Premium' badge is visible next to each name. The interface also shows a 'Willingness to change jobs' indicator for each candidate. On the right side, there is a 'Location' dropdown menu with a search bar and a list of cities: Hamburg (50), Berlin (234), Lisbon (234), London (234), and Paris (234). The top right corner shows tabs for 'Automatische Pools', 'Eigene Pools', and 'Team-Pools'. Below the tabs, there are two panels: 'IT Architect' with 8 candidates and 'PHP Entwickler' with 2 candidates. The bottom right corner shows a 'Collapse' button.



# Q3 2017 Financial Results



## Q3 financials

- Ongoing strong quarterly member growth w/ 499k net adds
- Revenue growth at 28% yoy, organic growth strong w/ 22%
- EBITDA growing 27% to € 16.4m
- Strong operating cash-flow w/ €16.9m
- Improved EBITDA outlook to € 58-59m

# Q3 2017 P&L: € 48.3m revenues; € 16.4m EBITDA

	Q3 2017	Q3 2016	Q3 2017 vs. Q3 2016	Q2 2017	Q3 2017 vs. Q2 2017
	Abs.	Abs.	Rel.	Abs.	Rel.
Total revenue <sup>1</sup>	48.3	37.8	28%	43.9	10%
Costs	(31.9)	(24.8)	(28%)	(28.6)	(11%)
EBITDA	16.4	12.9	27%	15.3	7%
Margin	34%	34%	0%pts	35%	(1%pt)
D&A	(3.6)	(2.5)	(42%)	(3.1)	(14%)
Financial result	(0.1)	(0.1)	(34%)	0.5*	N/A
At equity consolidated companies (JV)	(0.8)	(0.9)	(11%)	(0.9)	(13%)
Taxes	(4.0)	(3.0)	(34%)	(3.8)	(5%)
Net result	8.0	6.4	24%	8.0	0%
EPS	1.42	1.14	26%	1.42	0%

Rounding differences are possible

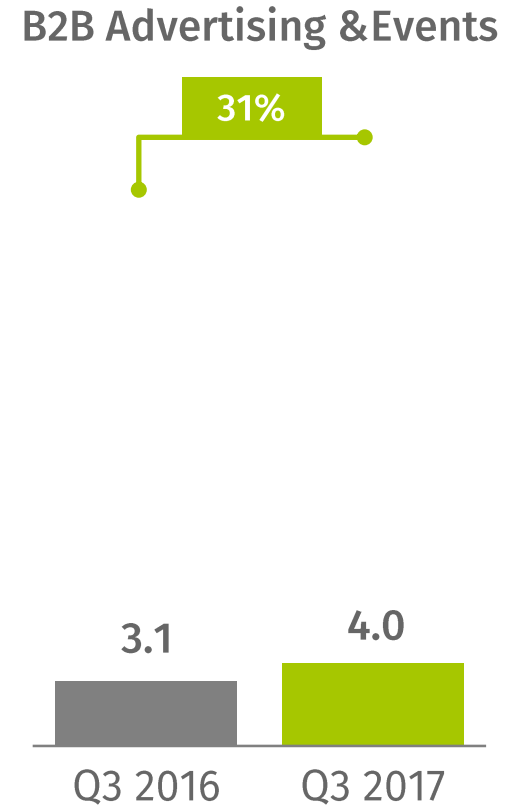
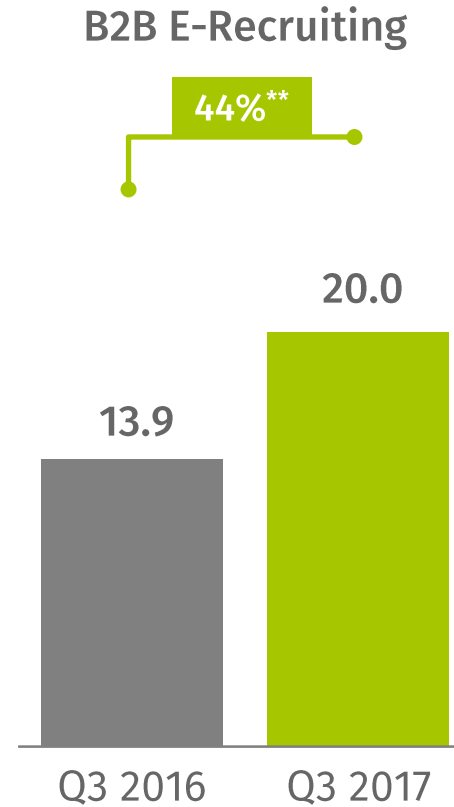
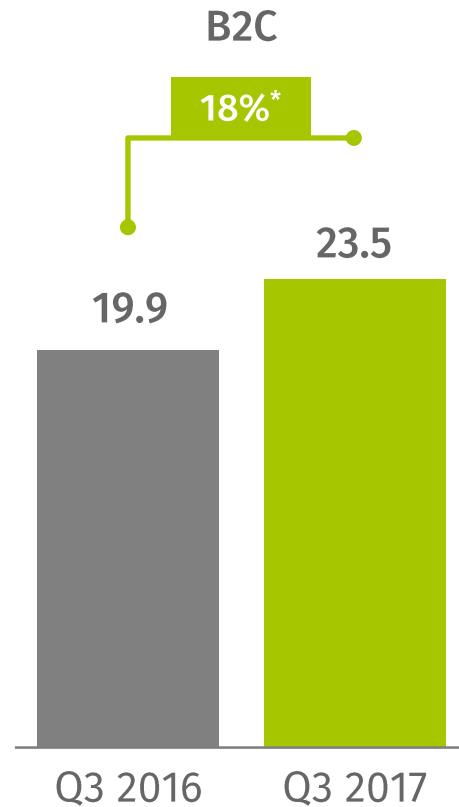
\* Positive one time effect due to release of earn-out-provisions of 0.6m

# Q3 2017: EBITDA contribution by segment

	Segment EBITDA	Q3 17 Margin	Q3 16 Margin
B2C	€ 12.0m	51%	53%
B2B E-Recruiting	€ 12.9m	64%	65%
B2B Advertising & Events	€ 1.0m	25%	13%
(Kununu) International	(€ 0.0m)	(15%)	23%
Tech, Central Services & Other	(€ 9.5m)	N/A	N/A
<b>Total EBITDA</b>	<b>€ 16.4m</b>	<b>34%</b>	<b>34%</b>

Rounding differences are possible

# Q3 2017: E-Recruiting revenue growing >40%



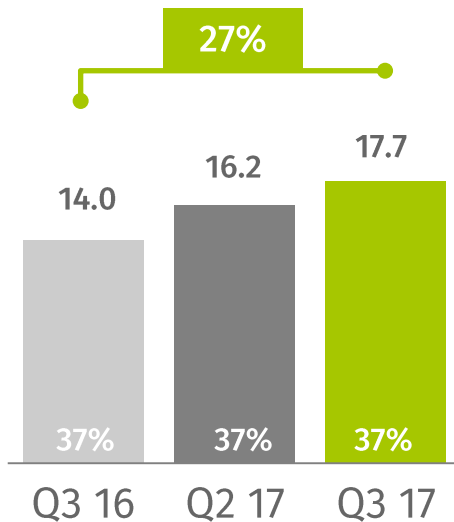
\* 9% excl. InterNations consolidation

\*\* 41% excl. Prescreen consolidation

Rounding differences are possible

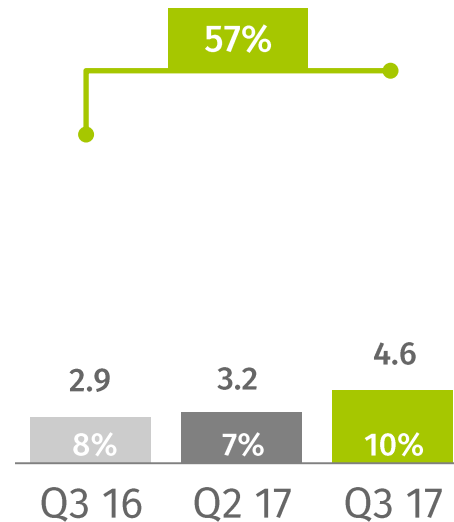
# Q3 2017: Cost development

**Personnel**  
in € m in % of total revenue



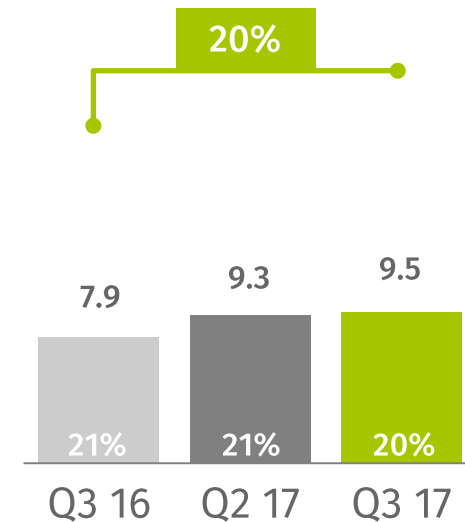
- +218 FTE's (incl. 110 from M&A)
- Investment in product/tech org & sales/marketing

**Marketing**  
in € m in % of total revenue



- Online display & social media
- SEM
- Offline expenditures (Conferences & events, print)
- Affiliate

**Other expenses**  
in € m in % of total revenue



- External services
- Rent
- Server hosting
- Payment processing
- Travel & Entertainment
- Other

# Q3 2017: Operating cash flow of € 16.9m

	Q3 2017	Q3 2016	Q3 2017 vs. Q3 2016	Q2 2017	Q3 2017 vs. Q2 2017
	Abs.	Abs.	Abs.	Abs.	Abs.
EBITDA	16.4	12.9	3.5	15.3	1.1
Interest / tax / ESOP / earn-out accruals / other	(2.1)	(1.4)	(0.7)	(1.8)	(0.4)
Change in net working capital	6.7	0.0	6.7	(0.9)	7.6
Non-cash changes from changes in basis of consolidation	(4.2)	0.0	(4.2)	0.0	(4.2)
Operating cash flow excl. organizer cash	16.9	11.5	5.4	12.7	4.2
Investment – operating	(9.2)	(4.3)	(4.9)	(7.0)	(2.2)
Investment – acquisitions & joint venture	(25.4)	0.0	(25.4)	0.0	(25.4)
Interests paid & exchange rate differences	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)
Cash flow excl. dividends & organizer cash	(17.8)	7.2	(25.0)	5.6	(23.5)
Regular dividend	0.0	0.0	0.0	(7.7)	7.7
Special dividend	0.0	0.0	0.0	(9.0)	9.0
Cash flow excl. organizer cash	(17.8)	7.2	(25.0)	(11.1)	(6.8)
Effects organizer cash	1.5	2.0	(0.5)	(3.6)	5.1
Cash flow incl. organizer cash	(16.3)	9.2	(25.5)	(14.6)	(1.7)

Rounding differences are possible

**Thank you  
for your attention.**

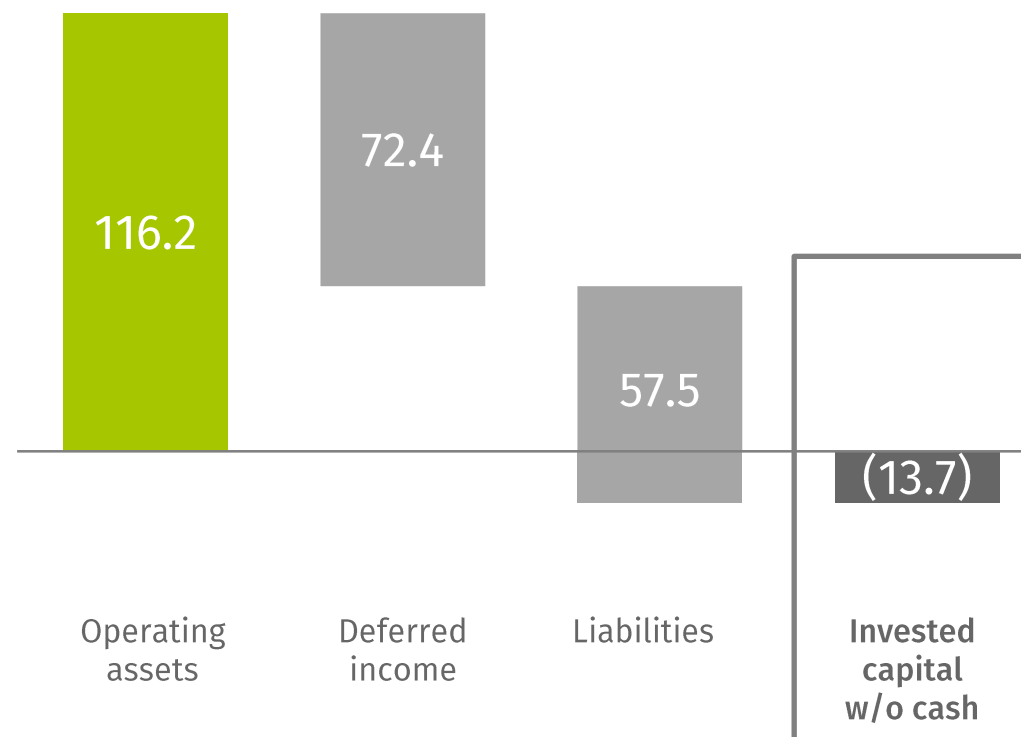
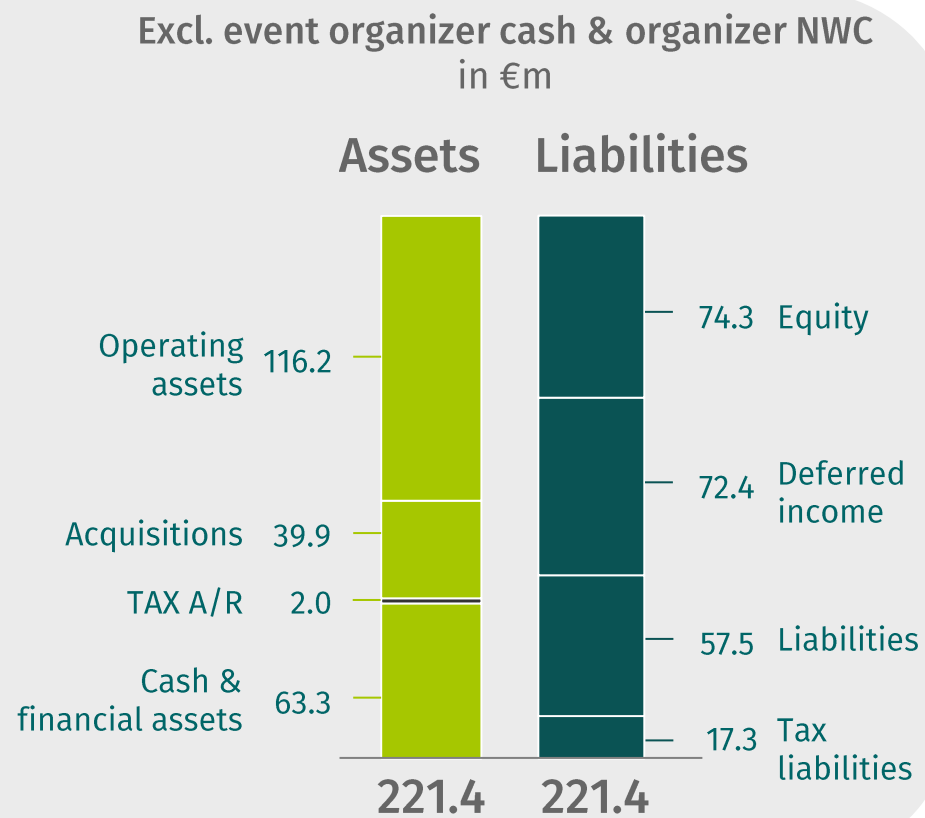
**XING** 



# Backup



# Negative invested capital from shareholders' perspective



Rounding differences are possible



# Consensus, investor information & contact details

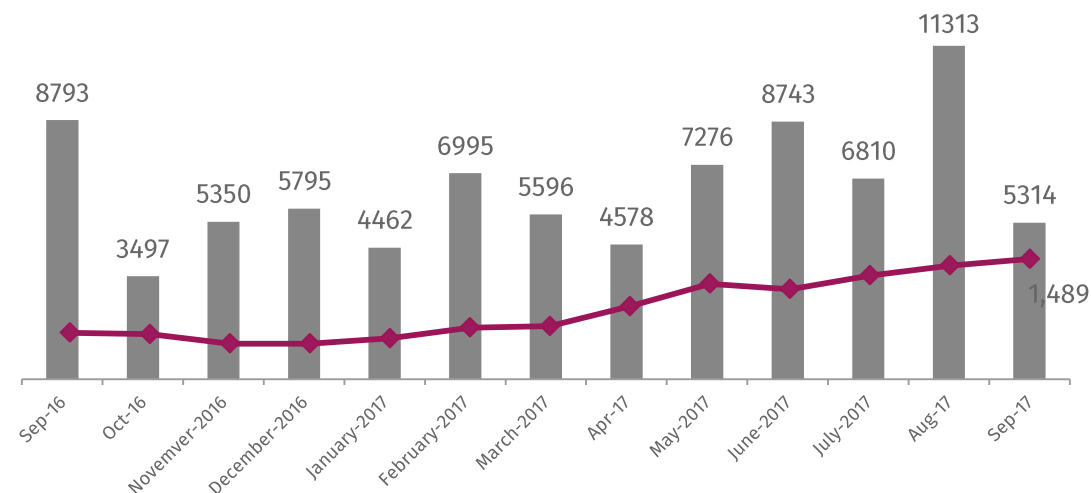
# XING AG IR stats

Consensus from 6 brokers collected by XING IR

	2017e	2018e	2019e	2020e
<b>Total revenues</b>	<b>175</b>	<b>205</b>	<b>239</b>	<b>269</b>
<b>EBITDA</b>	<b>57</b>	<b>70</b>	<b>85</b>	<b>99</b>
<b>Margin</b>	33%	34%	36%	37%
<b>D&amp;A</b>	-12	-13	-16	-19
<b>EBIT</b>	<b>45</b>	<b>57</b>	<b>70</b>	<b>80</b>
<b>Margin</b>	26%	28%	29%	30%
<b>Net income</b>	<b>29</b>	<b>37</b>	<b>47</b>	<b>55</b>
<b>EPS in €</b>	5.12	6.85	8.59	10.21
<b>DPS in €</b>	1.95	2.52	2.62	2.87

<b>Analyst coverage</b>	Berenberg Bank, Commerzbank, Deutsche Bank, Equinet, Hauck & Aufhäuser, MM Warburg, Odco Seydler
<b>Shares</b>	<b>5,620,435</b>

## Average trading volume per day (XETRA) & Market Cap (in € m)



Burda Digital GmbH (DE)	<b>50.26%</b>
Deutsche Asset & Wealth Mngt. (DE)	<b>4.95%</b>
Oppenheimer (US)	<b>5.04%</b>
State of Norway (NOR)	<b>3.21%</b>
Wasatch Advisors (US)	<b>3.02%</b>
Rest	<b>33.52%</b>

Numbers based on last filing – actual shareholdings can differ

# Investor Relations contact details & social media channels



## PATRICK MOELLER

Director Investor Relations

XING SE  
Dammtorstrasse 30  
20354 Hamburg  
Germany

Tel.: +49 (0)40 419 131-793

Fax: +49 (0)40 419 131-44

(Please use this number to submit "WpHG notifications")

Email: [patrick.moeller@XING.com](mailto:patrick.moeller@XING.com)

[http://twitter.com/XING\\_ir](http://twitter.com/XING_ir)



<http://www.slideshare.net/patmoeller>



<http://www.youtube.com/XINGcom>



<http://blog.XING.com>



<skype:patrickmoeller?add>





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