Preliminary results 2018

February 26, 2019

XING

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XING SE – Another successful year

All major financial KPIs growing strongly

- Revenue +25% (+21% excl. M&A effects)
- EBITDA + 23%
- Cash-flow before dividends & M&A +51%

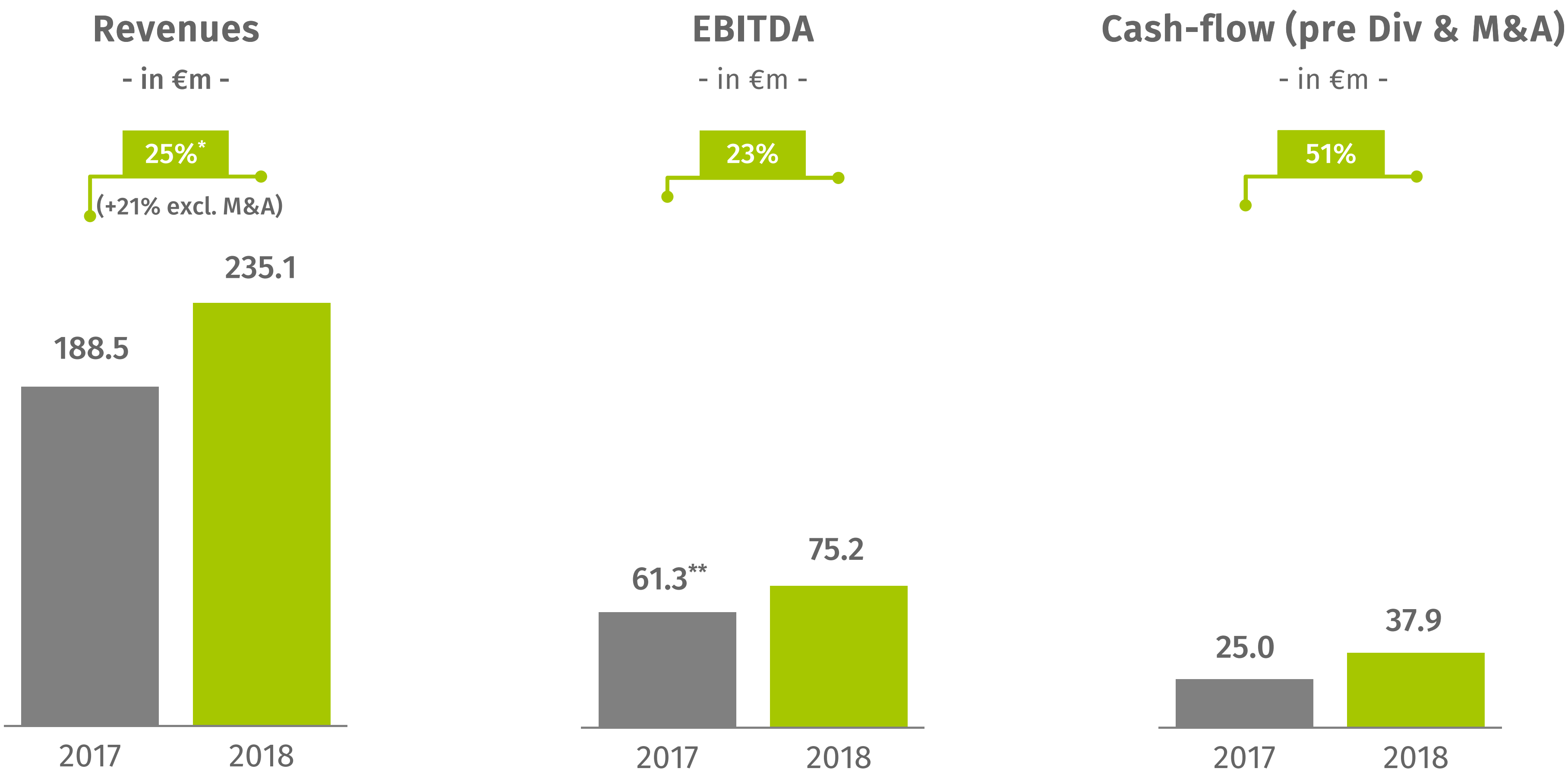
All major non financial KPIs growing strongly

- Member growth at www.xing.com + 14% & www.internations.org + 16%
- B2B E-Recruiting subscription customer growth + 40%

XING SE to become New Work SE

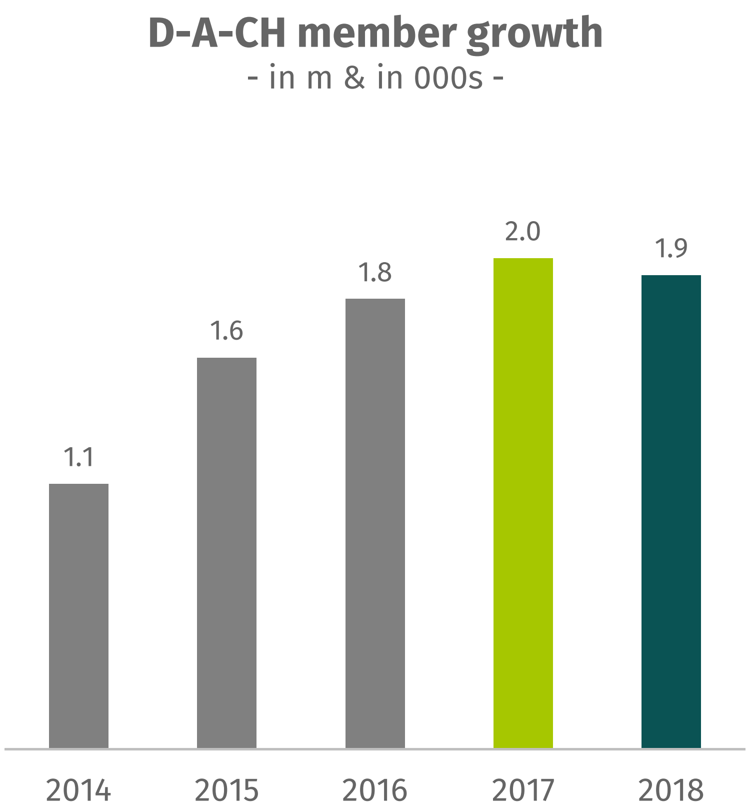
- Putting us at the vanguard of one of the megatrends for the coming years
- ‚New Work' perfectly dovetails structural megatrends with our user's & customer's needs

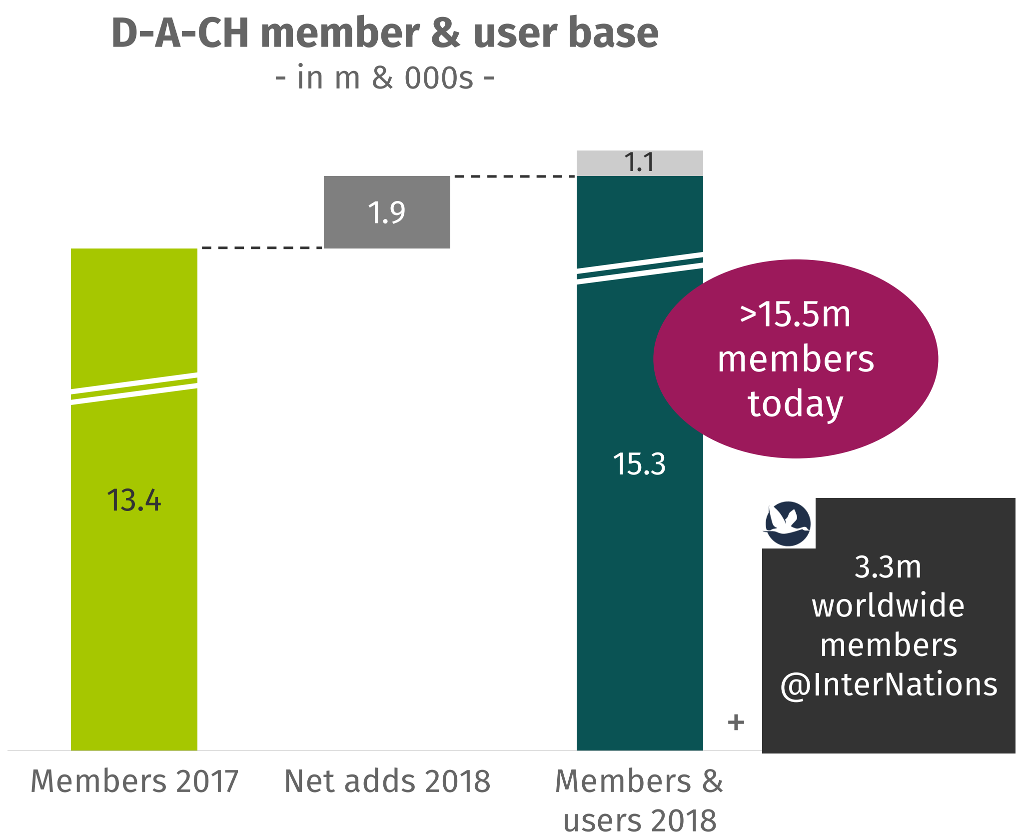
Revenues, EBITDA & Cash-flow growing strongly



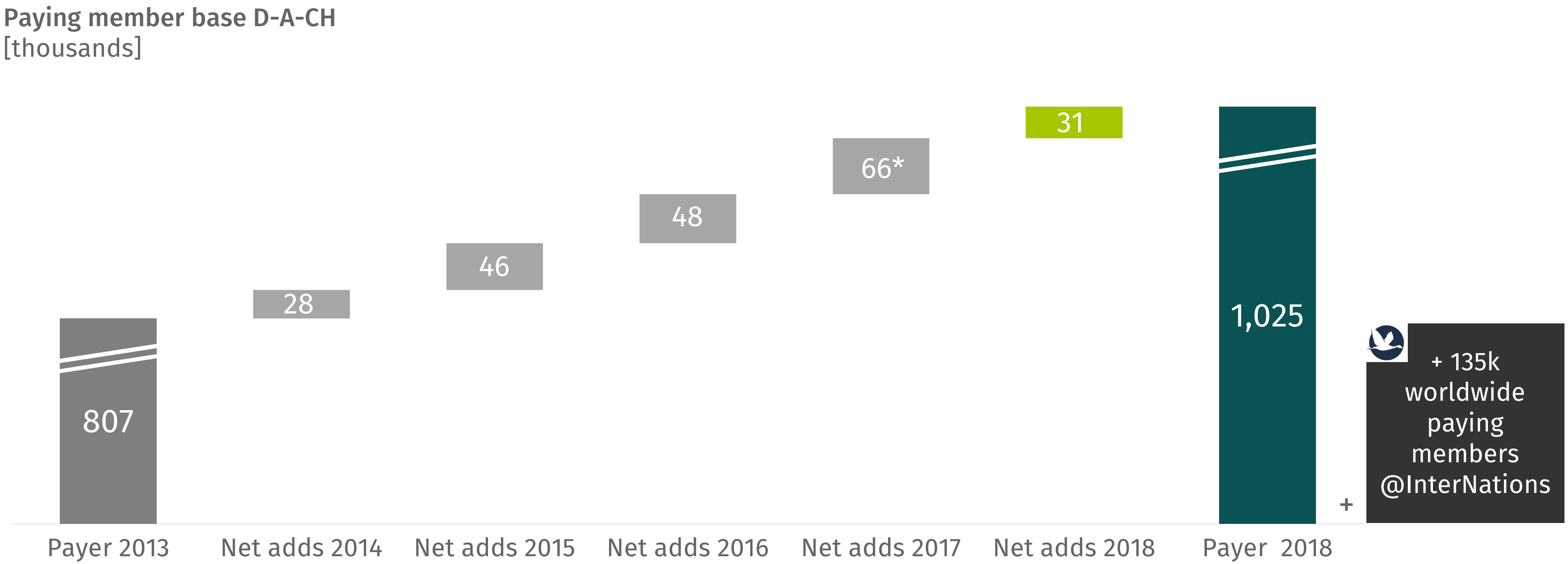
* Organic topline growth excluding one time positive effects from M&A (InterNations & Prescreen) amounts to 21% in 2018
** Retroactive adjustment according to IFRS 15/16

Member & payer development: +1.9m





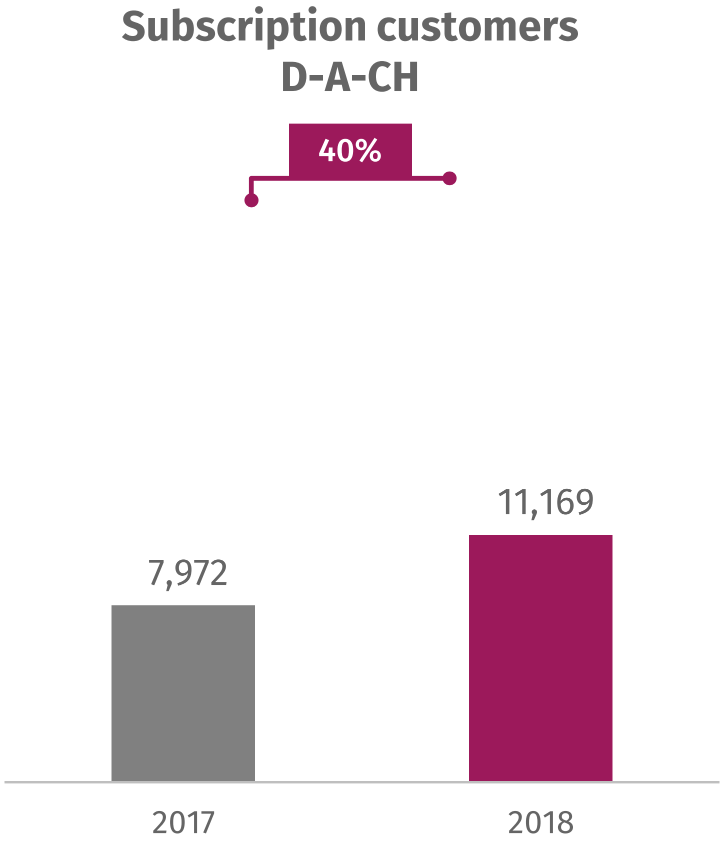
2018: 31k net payer adds @ XING & 11k @ InterNations

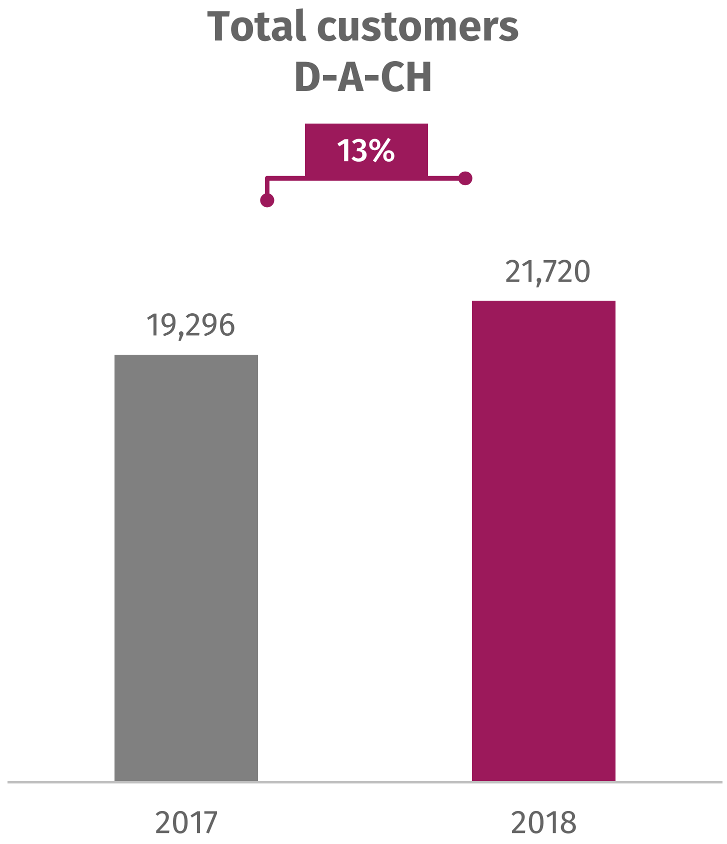


*Change in reporting method in connection with change of payment provider leads to ~10k payer base step increase as of Jan 1, 2017. Adjusted growth would be 56k

Rounding differences are possible

More than 3k (+40% yoy) net new B2B E-Recruiting subscription customers

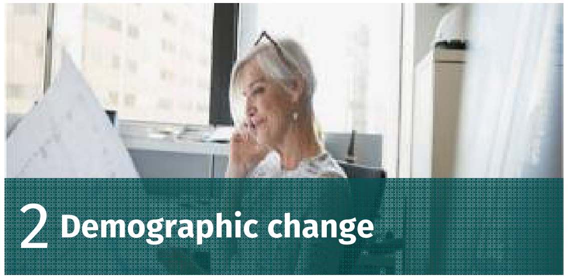




Overall Megatrends & dimensions that make work „new“

Megatrends › **Effects**


1 Automation and digitalization


2 Demographic change

3 Changing values


4 Unbalanced labor market


5 Need for lifelong-learning


6 Changing ways of working

7 Institutional shifts

SOURCE: McKinsey

XING has continuously enhanced its value proposition to embrace new work and will be renamed into New Work SE in 2019

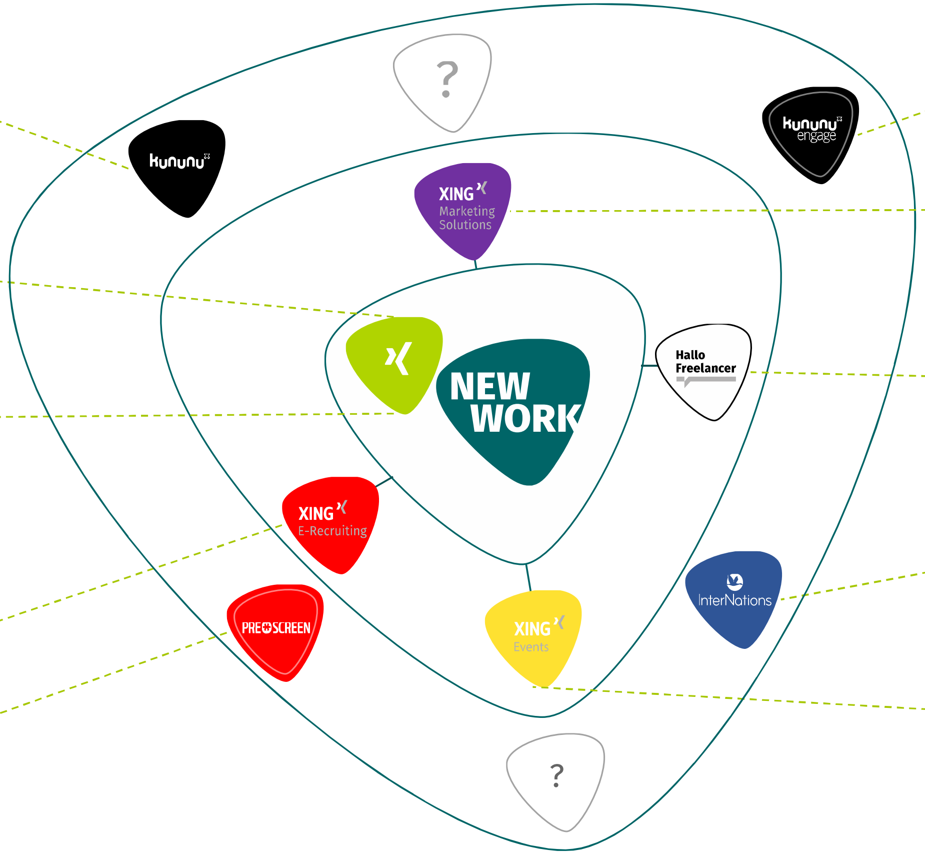
Empower people to choose the right place to work and create a better workplace
- 3.2 m reviews on 855k employers

Enable professionals to grow
- 15.5m members (Feb 19) w/ addressable market of 27m

Shaping debate about New Work
- New Work Experience (NWX)
- New Work Sessions
- http://nwx.xing.com & New Work Trendbook

Help companies to hire the best
- > 20,000 companies looking for talent w/ addressable market of >55k

- 1,000 companies managing their HR workflows



Improving corporate culture and employee engagement

Enable business to advertise and strengthen their employer brand"
- >60m monthly visits (Jan 19)

Enabling fair, fast and convenient connections between companies and freelancers
- 450k freelancers on XING w/addressable market of 1.4m

We make expat life a great experience
- 3.4m EXPATS & Global minds worldwide w/>60m addressable market

Inspiring people nearby
- 127k events in 2018 w/~ 800k participants

FY 2018
Financials

2018 – Yet another successful year for XING

Ongoing strong member growth w/ 1.9m net adds

Strong top-line growth w/ 25% yoy (organic: 21%)

EBITDA slightly above outlook w/ € 75.2m

Operating cash-flow increased to € 73.8m

Dividend proposal of € 2.14 per share (2017: € 1.68)
& special dividend of €3.56

FY 2018: Revenues € 235.1m EBITDA € 75.2m

In €m	2018	2017	2018 vs. 2017	2018 vs. 2017
	Abs.	Abs.	Abs.	Rel.
Total revenue*	235.1	188.5	46.6	25%
Costs	(159.8)	(127.2)	(32.7)	(26%)
EBITDA	**75.2**	**61.3**	**13.9**	**23%**
D&A (incl. PPA)	(29.0)	(20.8)	(8.3)	(40%)
Financial result	(1.0) (0.1)**	(0.7) 1.6***	(1.7)	N/A
Kununu US Joint venture	(1.2)	(3.6)	2.4	68%
Taxes	(14.0)	(12.9)	(1.0)	(8%)
Reported Net income	**31.0**	**25.7**	**5.3**	**21%**
Adjusted Net income	**30.1**	**23.3**	**6.8**	**29%**
Reported Earnings per share	5.51	4.56	0.95	21%
Adjusted Earnings per share	5.35	4.14	1.20	29%

* Including other operating income

Rounding differences are possible

** Financial result w/ one time positive effect from release of E/O accruals of € 0.9m; adjusted financial result would be (1.0)

*** Financial result w/ one time positive effect from release of E/O accruals of € 2.3m; adjusted financial result would be (0.7)

2017 values adjusted retroactively according to IFRS 15/16

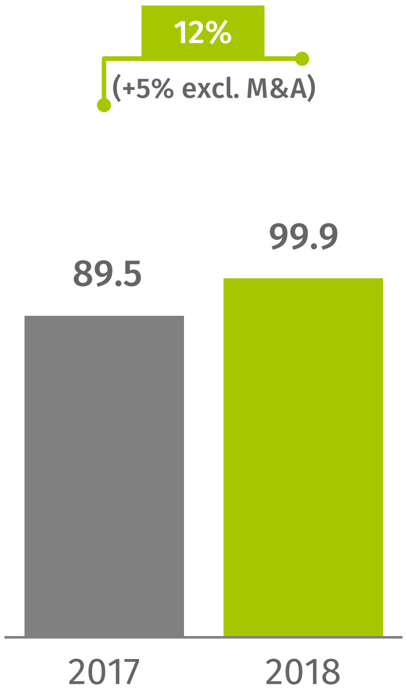
FY 2018: B2B E-Recruiting contributing strongly with 65% EBITDA margin

In €m	Segment EBITDA	Margin
B2C	€ 39.0 m	39%
B2B E-Recruiting	€ 71.0m	65%
B2B Marketing Solutions & Events	€ 7.0m	32%
Kununu Intl.	€ 0.2m	10%
Tech, Central Services & Other	(€ 42.0m)	N/A
Total EBITDA	€ 75.2m	32%

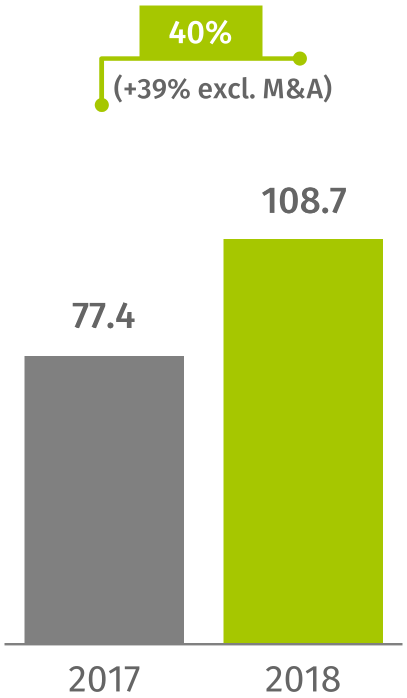
Rounding differences are possible

FY 2018: All segments growing double digit

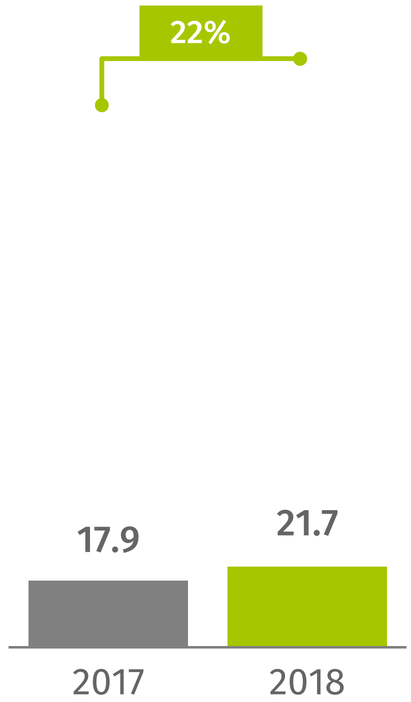
B2C
- in €m -



B2B E-Recruiting
- in €m -



B2B Marketing Solutions & Events
- in €m -



2017 values adjusted retroactively according to IFRS 15/16

Rounding differences are possible

FY 2018: Operating cash-flow of € 73.8

In €m	2018	2017	2018 vs. 2017	2018 vs. 2017
	Abs.	Abs.	Abs.	Rel.
EBITDA	**75.2**	**61.3**	**13.9**	**23%**
Interest / tax / ESOP / Earn-out accruals	(10.2)	(9.1)	(1.1)	(12%)
Change in net working capital	8.7	14.2	(5.5)	(39%)
Non-cash changes from changes in basis of consolidation	0.0	(4.1)	4.1	N/A
Operating cash flow excl. organizer cash	**73.8**	**62.3**	**11.5**	**18%**
Investment – operating	(32.7)	(33.4)	0.7	2%
Investment – acquisitions & Joint Venture	(6.9)	(29.5)	22.6	(77%)
Investment & Disposal of financial assets	0.0	(29.9)	29.9	N/A
Interest paid & exchange rate differences & lease liabilities	(3.0)	(3.9)	0.8	21%
Sale / purchase of own shares	(0.2)	0.0	0.2	N/A
Cash-flow excl. dividends & organizer cash	**30.9**	**(34.4)**	**65.4**	**N/A**
Regular dividend	(9.4)	(7.7)	(1.7)	(22%)
Special dividend	0.0	(9.0)	9.0	N/A
Cash-flow excl. organizer cash	**21.5**	**(51.1)**	**72.6**	**N/A**
Effects organizer cash	(0.2)	1.0	(1.2)	N/A
Cash-flow incl. organizer cash	**21.3**	**(50.1)**	**71.4**	**N/A**

2017 values adjusted retroactively according to IFRS 15/16

Rounding differences are possible

Q4 2018
Financials

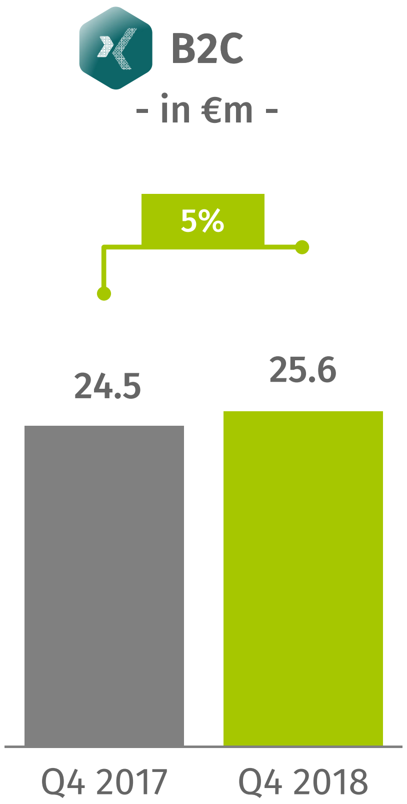
Q4 2018: Revenues € 65.1, EBITDA € 21.9m

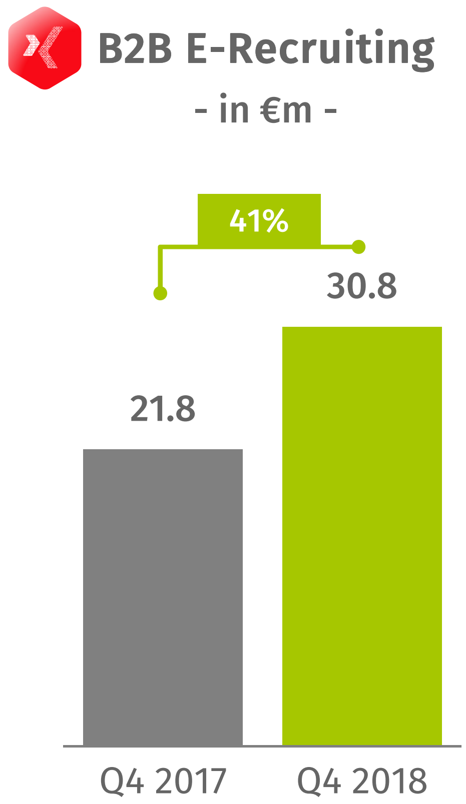
In €m	Q4/2018	Q3/2018	Q4/2018 vs. Q3/2018	Q4/2017	Q4/2018 vs. Q4/2017
	Abs.	Abs.	Rel.	Abs.	Rel.
Total revenue[1]	**65.1**	59.5	9%	53.6	21%
Costs	**(43.2)**	(39.6)	(9%)	(38.0)	(14%)
EBITDA	**21.9**	**19.9**	**10%**	**15.6**	**40%**
Margin	**34**	33	1%pt	29%	5%pts
D&A (incl. PPA)	**(12.7)**	(6.3)	(102%)	(8.9)	(43%)
Financial result[2]	(0.2) **(0.2)**	(0.2)	(5%)	(0.4) 1.3	N/A
Kununu Joint Venture	**(0.2)**	0.0	N/A	(0.7)	67%
Taxes	**(2.2)**	(4.2)	48%	(2.6)	13%
Reported Net income	**6.5**	**9.1**	**(29%)**	**4.8**	**34%**
Adjusted Net income	**6.6**	**9.1**	**(28%)**	**3.1**	**111%**
Reported Earnings per share	**1.16**	1.62	(29%)	0.86	34%
Adjusted Earnings per share	**1.17**	1.62	(28%)	0.55	111%

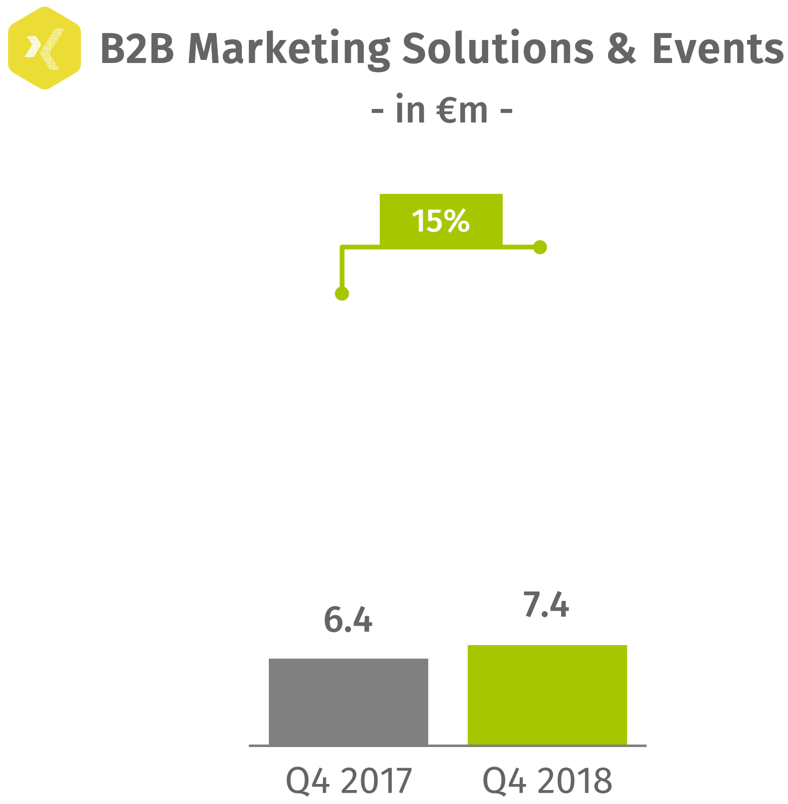
[1] Including other operating income
[2] Financial result Q4 2018 w/ one time positive effect from release of E/O accruals of €(0.1m); adjusted financial result would be (0.2)
Financial result Q4 2017 w/ one time positive effect from release of E/O accruals of €1.7m; adjusted financial result would be (0.4)

2017 values adjusted retroactively according to IFRS 15/16
Rounding differences are possible

Q4 2018: All segments growing





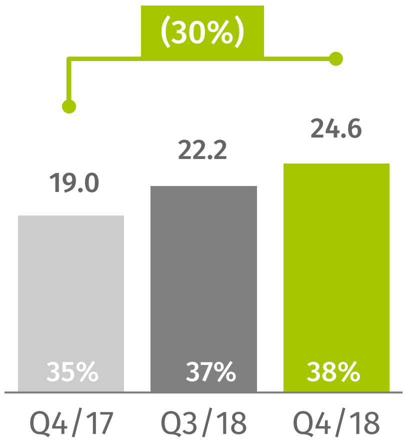


2017 values adjusted retroactively according to IFRS 15/16

Rounding differences are possible

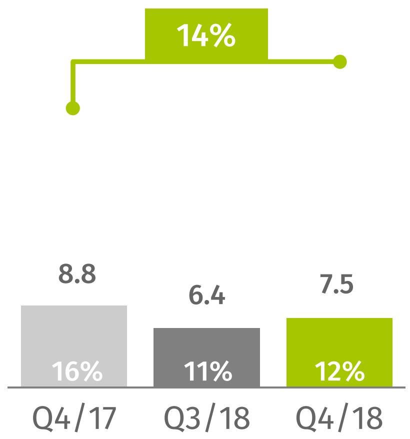
Q4 2018: Cost development

Personnel
- in € m in % of total revenue -



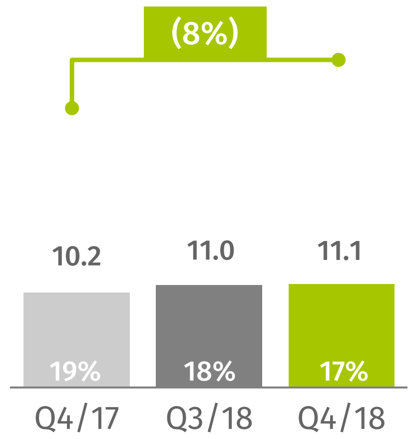
- +252FTE's
- Investment in product/tech org & sales/marketing
- Incl. non operating costs

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, legal, audit & consulting
- Payment processing, server hosting
- Rent & other costs

2017 values adjusted retroactively according to IFRS 15/16

Rounding differences are possible

Q4 2018: Operating cash-flow of € 14.6m

	Q4 2018	Q4 2017	Q4 2018 vs. Q4 2017	Q3 2018	Q4 2018 vs. Q3 2018
	Abs.	Abs.	*Abs.*	Abs.	*Abs.*
EBITDA	**21.9**	**15.6**	***40%***	**19.9**	***10%***
Interest / tax / other	**(1.9)**	(3.1)	*40%*	(3.2)	*42%*
Change in net working capital	**(5.4)**	(1.9)	*(177%)*	0.6	*(981%)*
Non-cash changes from changes in basis of consolidation	**0.0**	0.0	*(100%)*	0.0	*0%*
Operating cash flow excl. organiser cash	**14.6**	**10.5**	***39%***	**17.3**	***(15%)***
Investment – operating	**(7.1)**	(10.2)	*30%*	(7.5)	*5%*
Investment – acquisitions & joint venture	**(1.0)**	(0.1)	*(897%)*	0.0	*N/A*
Investment – financial assets	**0.0**	0.0	*0%*	0.0	*0%*
Interests paid, FX rate diff. & lease liabilities	**(0.8)**	(1.1)	*23%*	(0.7)	*(21%)*
Sale / Purchase of own shares	**0.0**	0.0	*0%*	0.1	*(100%)*
Cash-flow excl. dividends & organiser cash	**5.6**	**(0.9)**	***N/A***	**9.1**	***(38%)***
Effects organiser cash	**(2.4)**	(2.2)	*(11%)*	1.2	*N/A*
Cash-flow incl. organiser cash	**3.2**	**(3.1)**	***N/A***	**10.3**	***(69%)***

2017 values adjusted retroactively according to IFRS 15/16

Rounding differences are possible

Proposal for regular dividend of €2.14 per share & special dividend of €3.56 per share

	2018	2017	▲
E/O adjusted net income	**€ 30.1**	**€ 23.3m**	**+ 29%**
#Shares (weighted)	5.6m	5.6m	0%
E/O adjusted earnings per share	**€ 5.35**	**€ 4.14**	**+ 29%**
Regular dividend per share	**€ 2.14**	**€ 1.68**	**+ 27%**
Special dividend per share	**€ 3.56**	**N/A**	**N/A**

No restriction for future growth given cash-generative business model

2017 values adjusted retroactively according to IFRS 15/16

Rounding differences are possible

Thank you
for your attention.

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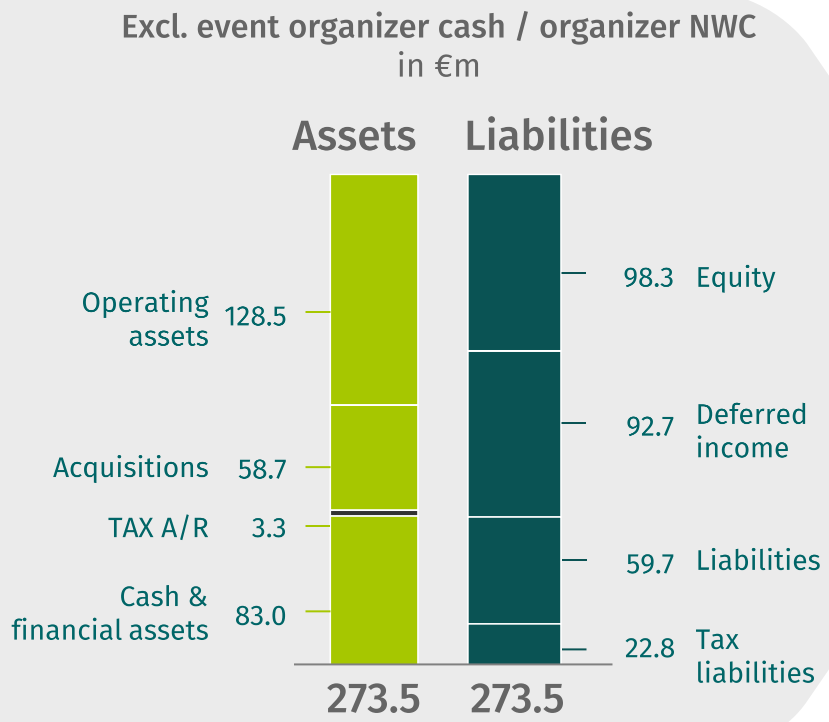
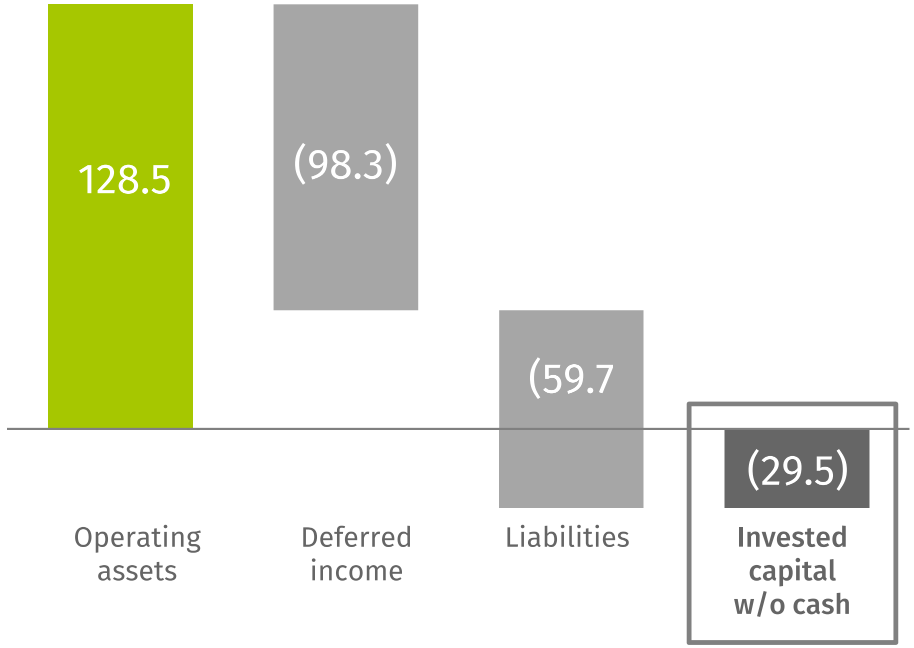
Negative invested capital from shareholders' perspective





Rounding differences are possible

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