

# Preliminary results 2016

Hamburg, Feb 23, 2017

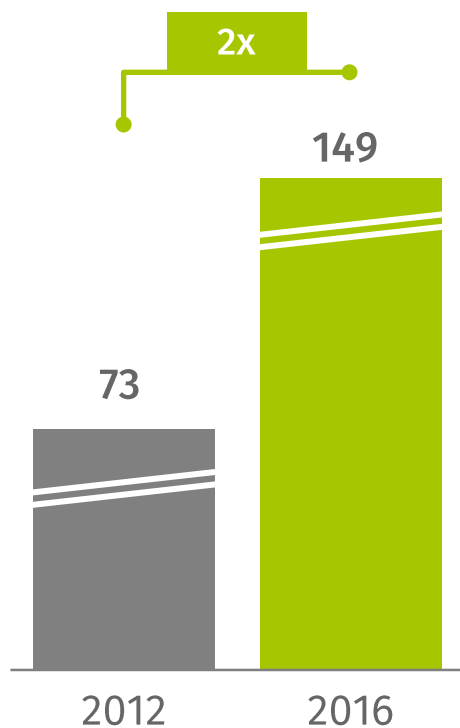
A man with short grey hair and a beard, wearing a blue and black plaid button-down shirt, is looking down at a device in his hands. He is sitting at a table in what appears to be a cafe or office setting. The background is slightly blurred, showing a window and some furniture.

**XING** 

# 2016: We delivered on our promise!

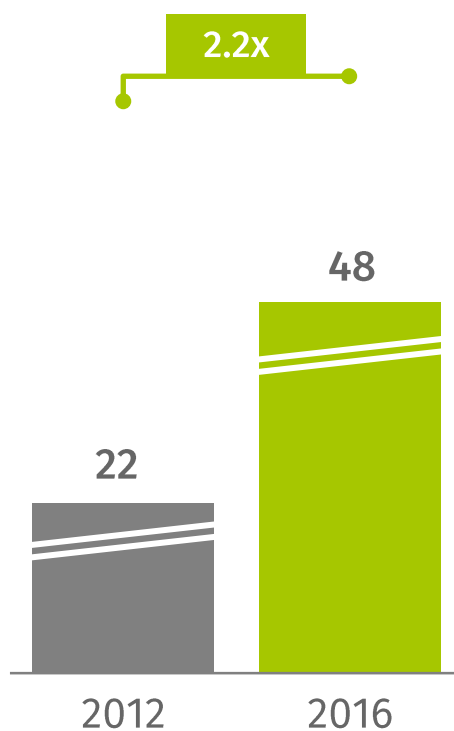
## Revenues more than doubled

- in €m -



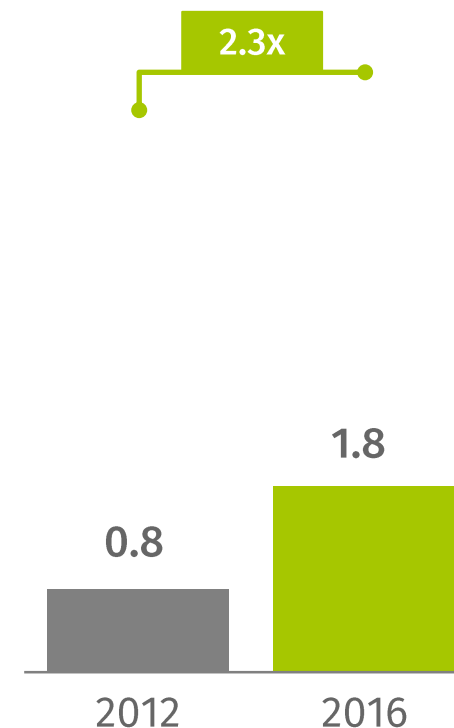
## EBITDA more than doubled

- in €m -



## Member growth more than doubled

- in m -

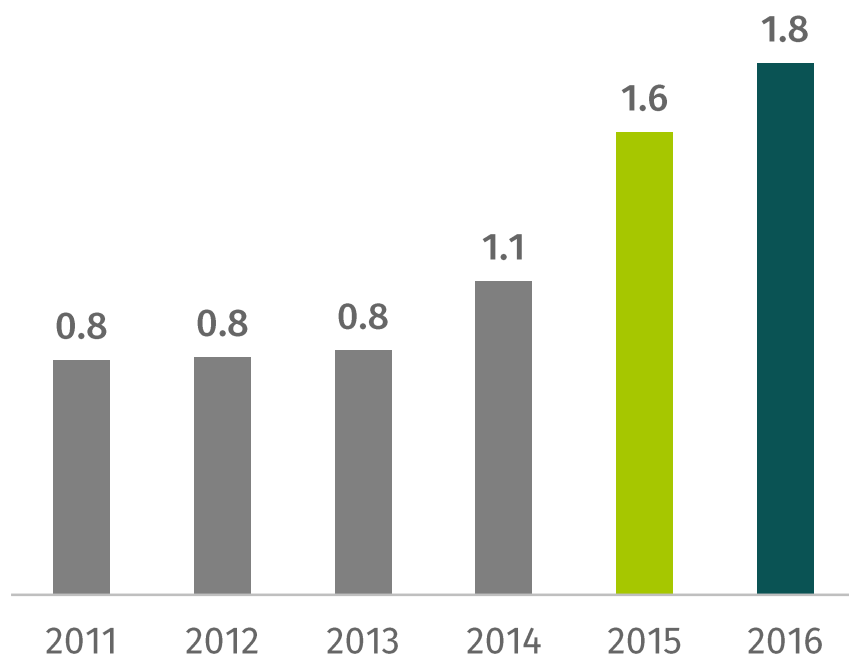




# Member development: Increasing member growth and clear market leader in D-A-CH region

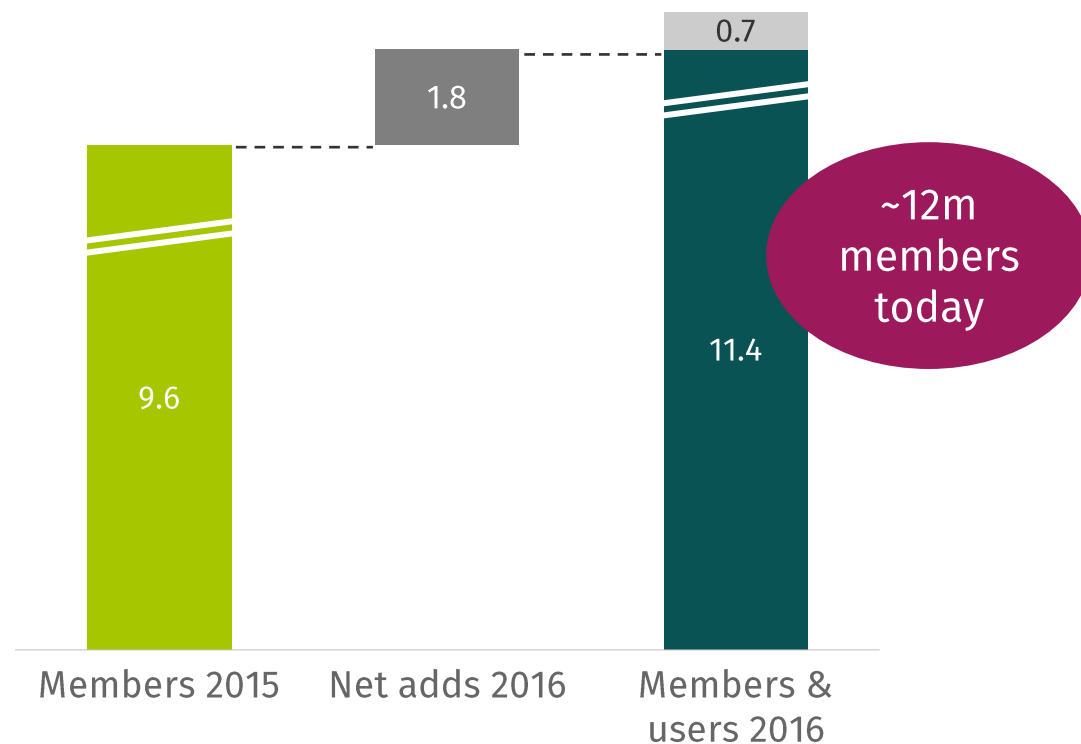
### Member growth

- in m -



### Member base

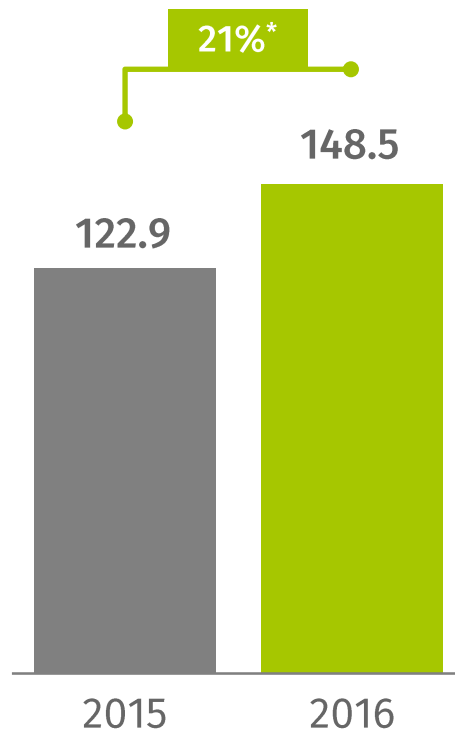
- in m -



# Revenues, EBITDA, Cash-flow on or above target

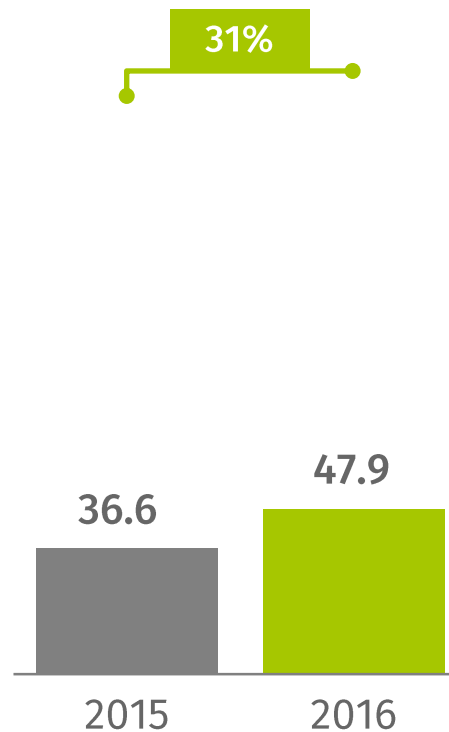
## Revenues

- in €m -



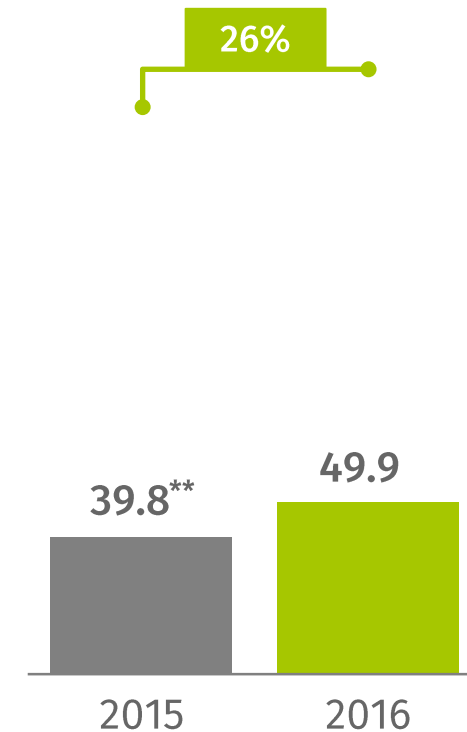
## EBITDA

- in €m -



## Operating cash-flow

- in €m -



\* Topline growth excluding one time positive currency effects (CHF) in 2015 amounts to 22% in 2016

\*\* 2015 Operating cash-flow adjusted by cash-out for kununu earn-out of € 4.0m

# Healthy, double-digit growth in all segments



## B2C

- Yoy growth +14%
- Increasing unit growth w/ 48k net payer adds
- Increasing ARPU (+8%)
- Further growth of Premium membership
- Strong growth of ProJobs special membership
- Establishment of ProCoach membership
- Content, Mobile, Messaging driving activity



## B2B E-Recruiting

- Yoy growth +33%
- Strong development in modern E-Recruiting:
  - Active Sourcing (XTM)
  - Employer Branding (EBP)
- Launch of further modern E-Recruiting product (XING ReferralManager)
- Strong increase in candidate traffic in XING Jobs marketplace

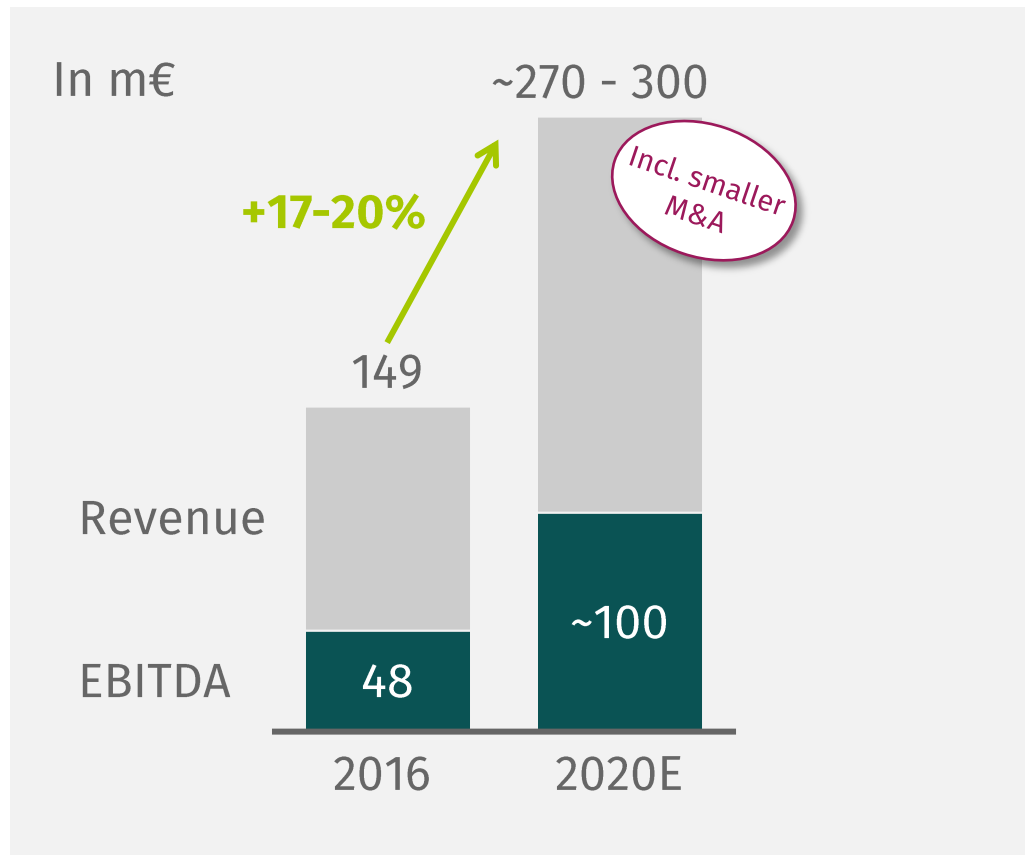


## B2B Advertising & Events

- Yoy growth +13%
- Repositioning of advertising business
- Further developed self-booking advertising
- Launch new ad format “Sponsored Articles”
- Break-even in Events unit

# Outlook 2020: We want to grow 17-20% p.a.

## Key Financials 2016-2020



## Growth drivers

### B2B will contribute ~3/4 of growth

- Majority from existing products
  - Active Recruiting (XTM)
  - Passive Recruiting (Job ads)
  - Employer Branding (EBP)
- Further contribution from new products
  - XING ReferralManager (XRM)
  - New E-Recruiting solutions (TBA)
  - Reinvented Advertising & Events business
  - Other innovations

### B2C will contribute ~1/4 of growth

- Majority from new products, especially new special memberships
- Further contribution from existing products
  - Premium, ProJobs & ProCoach



# FY 2016 Financials

## 2016: We delivered on our promise

- Record member growth w/ 1.8m net adds
- Strong top-line growth w/ 21%
- EBITDA slightly above outlook w/ € 47.9m
- Operating cash-flow increased to € 49.9m
- Dividend proposal of € 1.37 per share (2015: € 1.03) and special dividend proposal of € 1.60 (2015: € 1.50) per share





# FY 2016: Revenues € 148.5m, EBITDA € 47.9m

In €m	2016	2015	2016 vs. 2015	2016 vs. 2015
	Abs.	Abs.	Abs.	Rel.
Total revenue <sup>1</sup>	148.5	122.9	25.6	21%
Costs	(100.6)	(86.3)	(14.3)	(17%)
EBITDA	47.9	36.6	11.3	31%
D&A (incl. PPA)	(10.7)	(10.0)	(0.6)	(6%)
Financial result	(0.3)	(0.2)	(0.1)	(63%)
Kununu US Joint venture	(2.7)	N/A	(2.7)	N/A
Taxes	(10.7)	(8.8)	(1.9)	(22%)
Net income	23.6	17.6	5.9	34%
Earnings per share	4.19	3.15	1.08	33%

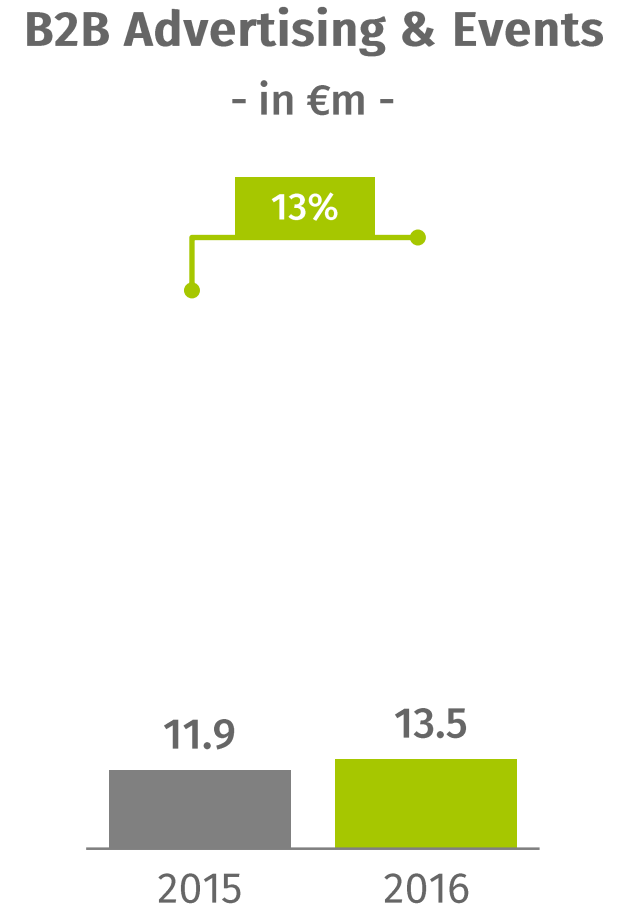
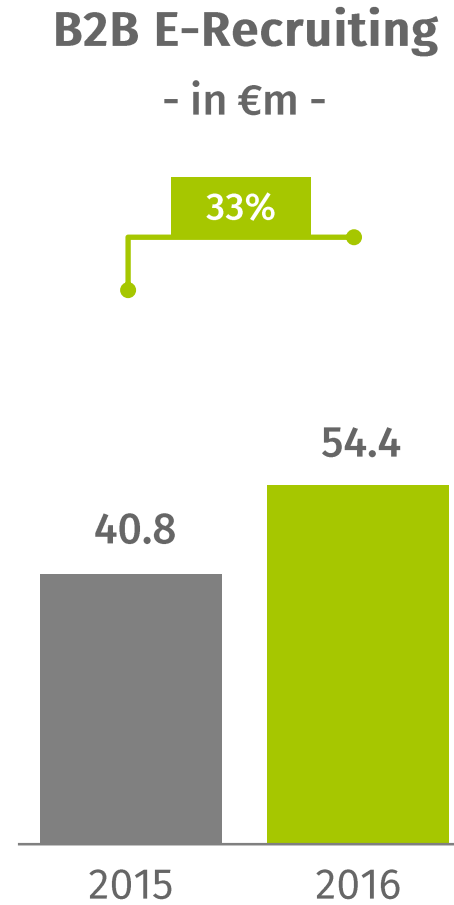
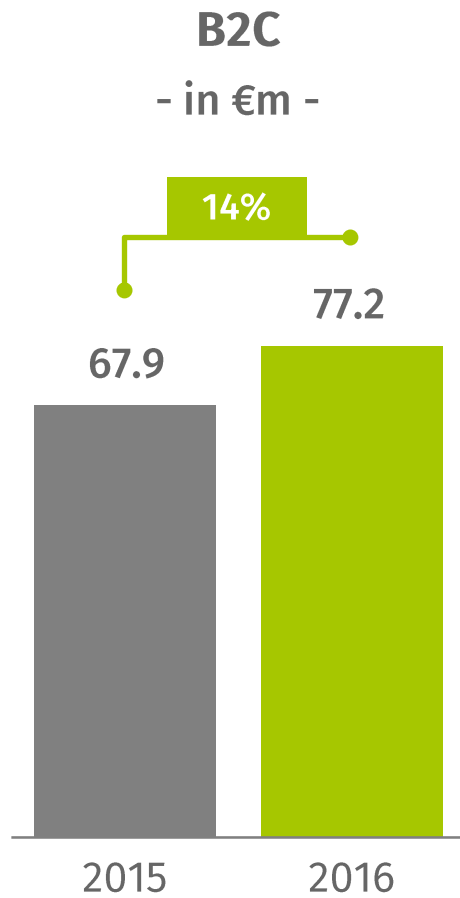


# FY 2016: EBITDA by segment

In €m	Segment EBITDA	Margin
B2C	€ 39.9m	52%
B2B E-Recruiting	€ 35.6m	65%
B2B Advertising & Events	€ 2.9m	22%
Kununu Intl.	(€ 0.1m)	Neg.
Tech, Central Services & Other	(€ 30.3m)	Neg.
<b>Total EBITDA</b>	<b>€ 47.9m</b>	<b>32%</b>



# FY 2016: Double-digit growth in all segments



Rounding differences are possible

# FY 2016: Operating cash-flow of € 49.9m

In €m	2016		2015		2016 vs. 2015	
	Abs.		Abs.		Abs.	Rel.
EBITDA	47.9		36.6		11.3	31%
Interest / tax / ESOP / Earn-out accruals	(6.9)		(7.7)		0.7	9%
Change in net working capital	8.9		6.9		2.1	31%
Operating cash flow excl. organizer cash	49.9	39.8	35.8		14.1	39%
Investment – operating	(24.6)		(15.2)		(9.3)	(61%)
Investment – acquisitions	(5.7)		(5.8)		0.1	2%
ESOP & transaction of own shares	0.0		4.6		(4.6)	N/A
Interest paid & exchange rate differences	(0.1)		(0.1)		0.1	(42%)
Free cash flow excl. dividends & organizer cash	19.6		19.2		0.4	2%
Regular dividend	(5.8)		(5.1)		(0.6)	(12%)
Special dividend	(8.4)		N/A		(8.4)	N/A
Free cash flow excl. organizer cash	5.4		14.1		(8.7)	(62%)
Effects organizer cash	0.2		(0.3)		0.5	187%
Free cash flow incl. organizer cash	5.6		13.8		(8.2)	(59%)

**Pls note: 2015 - IFRS accounting of cash-out for kununu earn-out distorts cash-flow from NWC, operating cash-flow, and cash-flow from investment activities**

- Cash-flow from change in NWC reported € 6.9m; adjusted by cash-out for kununu earn-out of € 4.0m leads to CF NWC of € 10.8m
- Op. Cash-flow reported € 35.8m; adjusted by cash-out for kununu earn-out of € 4.0m leads to op. Cash-flow of **€ 39.8m**
- Cash-flow from investing activities reported -€ 5.8m; adjusted by cash-out for kununu earn-out of € 4.0m leads to -€ 9.8m



# Q4 2016 Financials



# Q4 2016: Revenues € 40.2m, EBITDA € 12.2m

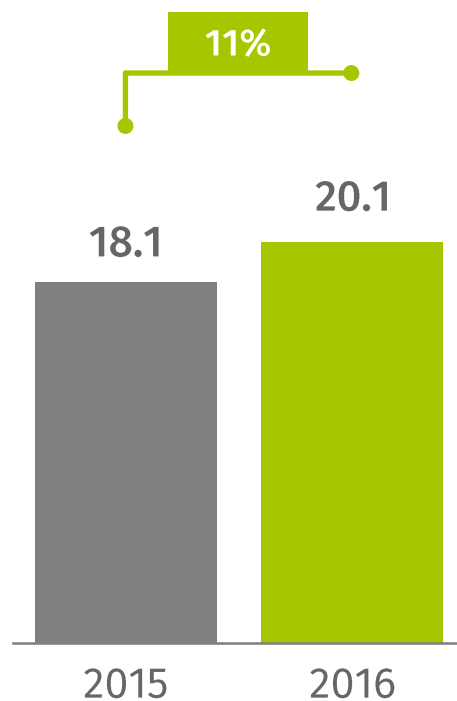
In €m	Q4/2016	Q3/2016	Q4/2016 vs. Q3/2016	Q4/2015	Q4/2016 vs. Q4/2015
	Abs.	Abs.	Rel.	Abs.	Rel.
Total revenue <sup>1</sup>	40.2	37.8	7%	33.0	22%
Costs	(28.1)	(24.8)	(13%)	(23.4)	(20%)
EBITDA	12.2	12.9	(6%)	9.6	27%
Margin	30%	34%	(4%pts)	29%	1%pt
D&A (incl. PPA)	(3.5)	(2.5)	(38%)	(3.2)	(8%)
Financial result	(0.2)	(0.1)	(99%)	(0.1)	(188%)
Kununu Joint Venture	(1.0)	(0.9)	(19%)	0.0	N/A
Taxes	(2.1)	(3.0)	32%	(2.1)	0%
Net Income	5.4	6.4	(16%)	4.2	28%
EPS	0.96	1.14	(16%)	0.75	28%

Rounding differences are possible

# Q4 2016: All segments growing

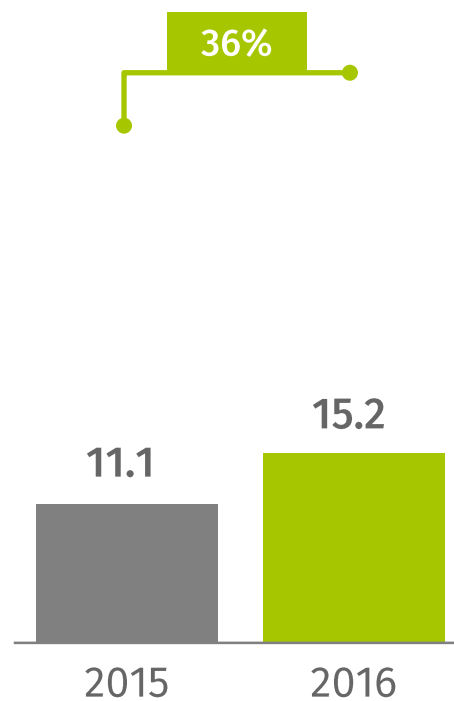
## B2C

- in €m -



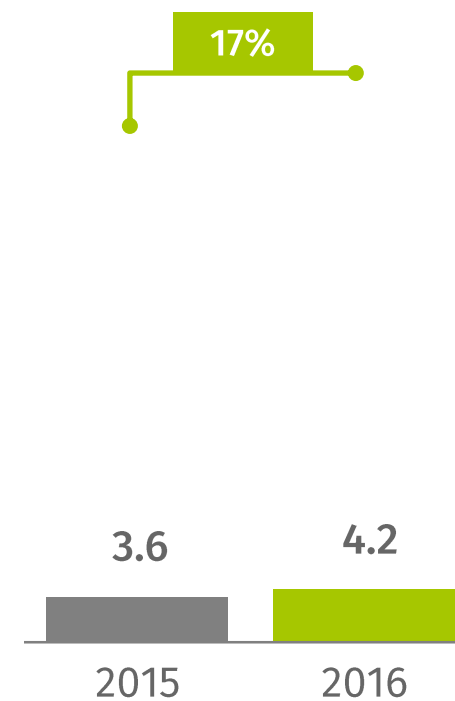
## B2B E-Recruiting

- in €m -



## B2B Advertising & Events

- in €m -

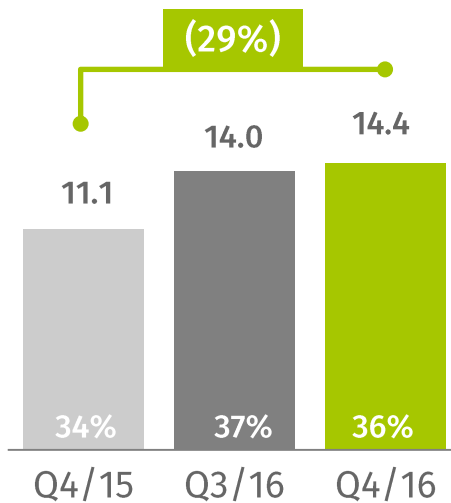


Rounding differences are possible

# Q4 2016: Cost development

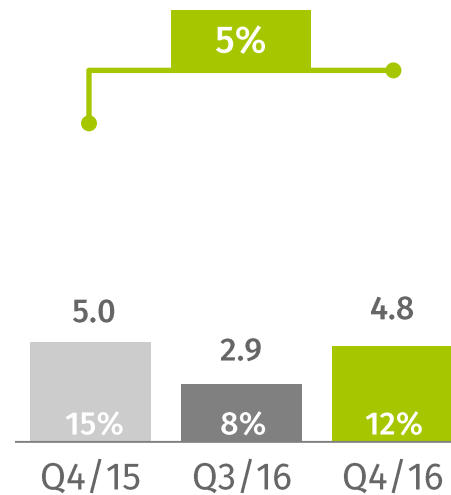
## Personnel

- in € m in % of total revenue -



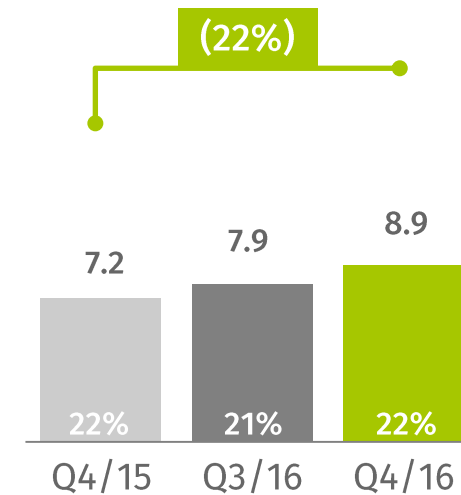
## Marketing

- in € m in % of total revenue -



## Other expenses

- in € m in % of total revenue -



- +140 FTE's
- Investment in product/tech org & sales/marketing
- Incl. non operating costs

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

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

Rounding differences are possible



# Q4 2016: Operating cash-flow of € 10.7m

In €m	Q4 2016	Q3 2016	Q4 2016 vs. Q3 2016	Q4 2015	Q4 2016 vs. Q4 2015
	Abs.	Abs.	Abs.	Abs.	Abs.
EBITDA	12.2	12.9	(0.8)	9.6	2.6
Interest / tax / ESOP / Earn-out accruals	(2.7)	(1.4)	(1.2)	(3.4)	0.7
Change in net working capital	1.2	0.0	1.2	2.9	(1.7)
Operating cash flow excl. organizer cash	10.7	11.5	(0.8)	9.1	1.6
Investment – operating	(9.6)	(4.3)	(5.3)	(5.1)	(4.5)
Investment – acquisitions	0.0	0.0	0.0	0.0	0.0
ESOP & transaction of own shares	0.0	0.0	0.0	0.0	(0.0)
Interests paid & exchange rate differences	0.0	(0.1)	0.1	(0.1)	0.1
Free cash flow excl. dividends & organizer cash	1.1	7.2	(6.1)	3.9	(2.8)
Regular dividend	0.0	0.0	0.0	0.0	0.0
Special dividend	0.0	0.0	0.0	0.0	0.0
Free cash flow excl. organizer cash	1.1	7.2	(6.1)	3.9	(2.8)
Effects organizer cash	(3.1)	2.0	(5.1)	(3.2)	0.0
Free cash flow incl. organizer cash	(2.0)	9.2	(11.2)	0.7	(2.7)

Rounding differences are possible



# Proposed for regular dividend of € 1.37 per share

	2016	2015	▲
Net income	€ 23.6m	€ 17.6m	+34%
#Shares (weighted)	5.6m	5.6m	N/A
Earnings per share	€ 4.19	€ 3.15	+33%
Regular dividend per share	€ 1.37	€ 1.03	+33%

**Special dividend of € 1.60 per share**

**No restriction for future growth given cash-generative business model**

**Thank you  
for your attention.**

**XING** 