

XING 

Interim report

January 1 to September 30, 2008

		Q3 / 2008	Q3 / 2007	9M / 2008	9M / 2007	Q2 / 2008
Recognized revenues ¹⁾	in million €	9.18	4.94	25.09	13.13 ²⁾	8.41
EBITDA	in million €	3.71	2.07	9.47 ³⁾	4.13 ²⁾	3.13 ³⁾
EBITDA margin	in %	40	42	38 ³⁾	31 ²⁾	37 ³⁾
Net income for the period	in million €	1.77	1.17	4.72	2.35	1.33
Operating cash flow	in million €	3.63	2.68	11.46	5.03	4.34
Operating cash flow per share	in €	0.70	0.52	2.20	0.97	0.83
Earnings per share (undiluted)	in €	0.34	0.23	0.92	0.45	0.26
Equity	in million €	51.48	43.65	51.48	43.65	49.42
Liquid assets	in million €	42.56	37.18	42.56	37.18	40.95
Members	in million	6.53	4.25	6.53	4.25	6.14
thereof: Premium members	in thousands	513	325	513	325	470
Peer-to-peer connections	in million	112	64	112	64	100
Employees	number	161	109	161	109	142

¹⁾ Including other operating income

²⁾ Adjusted by one-off factors from the IPO

³⁾ Adjusted by one-off expenses of discontinued M&A activities (€ 768 thousand)

In line with the motto: “Discover and utilize your relationships” XING AG offers an Internet platform customized to meet the needs of the business professionals. Sales professionals, IT specialists as well as communications experts and bankers require an efficient tool for managing their professional contacts and for generating genuine added value. Business Networking has long since been established as a key factor of success and XING has had a major role to play in shaping this trend. At present, more than 6 million members are expanding their professional contact network with XING.

Apart from successfully becoming the leading online business network in Europe, XING AG shares have also long since been established on the capital market following the successful IPO as the first Web 2.0 company at the end of 2006. Continuously rising user numbers are resulting in expanding sales and income. XING AG has its headquarters in Hamburg, and is also represented with its own branches in Barcelona, Peking and Istanbul as well as strategic growth markets. XING offers its entire range of functionalities in 16 languages and thus in a unique variety. So that members can also benefit from the theory of “no two people are more than six degrees apart” with global networking and are also able to get to know and utilize indirect business relations.

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Letter of the Executive Board

**Ladies and gentlemen,
Dear shareholders, employees and XING members,**

Despite the difficult economic times, XING AG has continuously expanded its growth in the course of the third quarter 2008. A continuing financial market crisis is automatically followed by additional crises in other sectors, and the media will of course also feel the consequences. However, crises also offer opportunities, because they accelerate changes.

We offer our members a wide range of opportunities to extend their professional network and to generate a genuine added value particularly in difficult economic periods. For instance, in the first nine months, we have signed up 152 thousand subscribers. Expanding numbers of members are resulting in higher revenues and contributions to earnings in all three service categories. This demonstrates that XING is one of the winners of this development.

We are free of debt and, apart from rising profits from operations, we have access to liquid assets of around € 43 million. We therefore believe that we are in an excellent position to consistently continue our successful growth even if the financial market crisis continues.

Since the IPO in December 2006, we have constantly expanded the numbers of our members and thus our revenues and results in every quarter. With € 9.2 million in the third quarter of 2008 alone, we have virtually doubled revenues compared with the third quarter of 2007. After only nine months, we have thus generated revenues of € 25.1 million, and have already exceeded 2007's full year revenues by more than 28 percent.

This rapid growth is due primarily to the successful increase in the number of our members, which has also seen the members of subscribers rise to 513 thousand. The number of Premium members accounted for 325 thousand members a year ago.

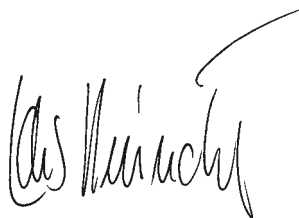
The new segments eCommerce and Advertising are already contributing a significant part of our revenues generating 20 percent of total revenues (€ 4,8 million) within the first nine months of the fiscal year. And we expect these activities to expand even further in future.

Apart from the growth in revenues, XING AG is one of the small number of listed companies which are combining such rapid revenue growth with an above-average profitability. In the third quarter of 2008 alone, the Company generated an operating EBITDA margin of 40 percent. XING AG is thus one of the most profitable companies on the German markets.

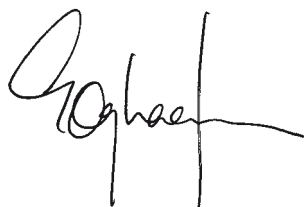
The unique success and the continuing strong growth of XING are attributable particularly to highly motivated and experienced employees. Their commitment is our most sustainably productive capital. And, since the beginning of the year, we have recruited a further 52 employees in order to enable us to continue to successfully implement the growth strategy which we have initiated. They help develop new ideas and business models, and provide XING with strong support for the successful implementation of numerous new projects which provide our members with additional added value for business networking.

As detailed above, we are in an optimal position to continue our successful growth even if the financial market crisis continues. The comparatively positive performance of our share price demonstrates that we can also count on the confidence of our shareholders. We should also like to thank you for your trust at this point.

Hamburg, November 2008



Lars Hinrichs
CEO and founder



Eoghan Jennings
CFO



Burkhard Blum
Member of the
Executive Board

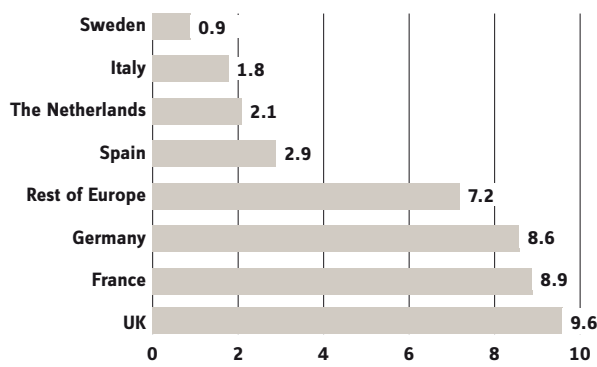
Interim management report

Development of business and the sector

Membership growth in the social networking sector continues unabated. According to the Company, more than 250 million people throughout the world are currently using social networks. This means that approximately 17 percent of all Internet users already have a profile in a wide range of online communities. According to the experts of Datamonitor, they generate revenues of more than € 600 million with such profiles. According to the Company, the number of users of social networks has continued to rise in the third quarter of 2008. At present, more than half of all users live in Europe and Asia.

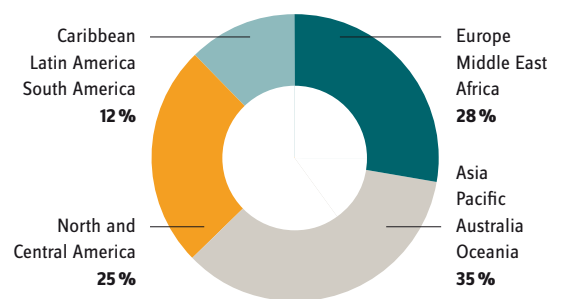
XING focuses its activities on the European business networking markets, and has more than 4.6 million members in Europe alone. According to a BITKOM analysis, the Company's home market of Germany has around 9 million users in social networks, and is the third largest social networking market in Europe, behind England and France. With around 2.3 million members in Germany, XING has a share of more than 25 percent of the German market, and we consider that we are the clear market leader in the field of business networking. And XING has expanded this market leadership throughout Europe. As a result of the acquisitions of its competitors eConozco and Neurona in 2007, the Company's share of the market in Spain has increased considerably.

Members in social networks in millions



Source: Datamonitor

Members in social networks according to region



With approximately 900 thousand members, XING is today the largest business network in the Iberian peninsula. Around 31 percent of all social networking users in Spain are registered with XING.

With the acquisition of cember.net at the beginning of the first half of 2008, XING has further expanded its European-wide market leadership in business networking to include Turkey, and has established an excellent starting position for achieving further viral growth.

Business development

Revenues continue to grow

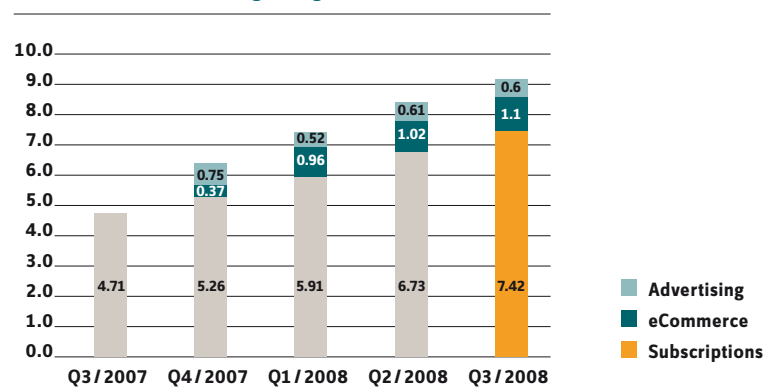
At the beginning of the third quarter, XING has already generated more revenues than 2007's full year revenues; at € 25.1 million after nine months, it has set a new record. As of September 30, the Company has thus virtually doubled its revenues compared with the previous year (€ 13.2 million). With € 9.2 million, XING continued its revenue growth in the third quarter compared with the previous year (Q3 / 2007: € 4.7 million). This continuously positive development confirms that the Company has created a recurring and sustainably expanding source of income from its core business with subscribers.

At the end of September, 513 thousand members were using the extended functions and services via a Premium subscription. XING has accordingly further increased its **subscription** revenues. In the first nine months, revenues in the Company's core business amounted to € 20.1 million, compared with € 12.6 million in the corresponding previous year period. At € 7.4 million in Q3 / 2008, the Company has thus achieved the highest subscription revenues in its history (Q3 / 2007: € 4.7 million). In the fifth year of its existence, the Company has also demonstrated that the growth is also resulting in sustainable income which increases at a stable rate.

XING job market as revenue driver

Besides the core business with premium memberships XING introduced new activities in Q4 / 2007 which provide members with genuine added value and which also boosted revenue and earnings growth. In particular, the **Marketplace**, with thousands of job offers for qualified specialists and executives, has already become the second largest revenue driver of the Company, despite the fact that this service has only recently been

Service revenues according to segments in € million

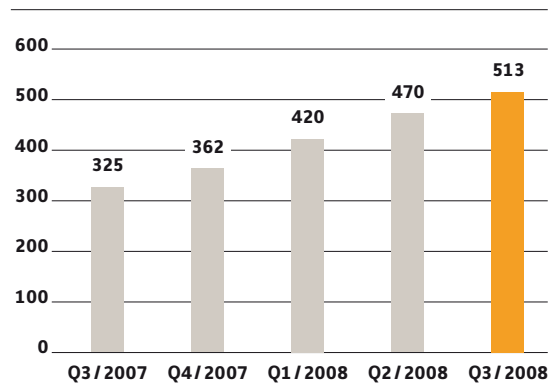


introduced. At € 3.1 million in the first nine months, the investments in developing and implementing the Marketplace business model have been repaid in less than six months. The development of this additional service has not only taken root among personnel decision-makers and head hunters. The interest of XING members is also increasing tremendously. Following the start-up phase in the fourth quarter of 2007, which saw around 1.1 million clicks on current job offers in the Marketplace, the number of clicks generated by members rose to 2.9 million in the third quarter.

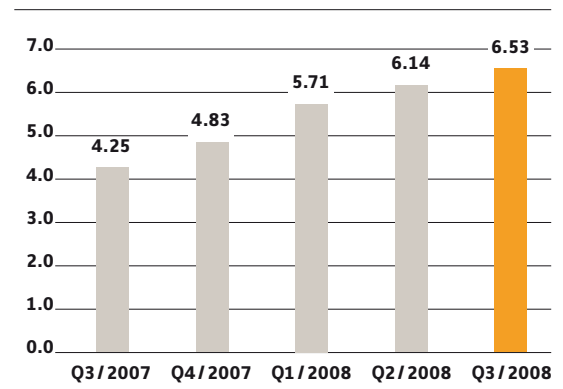
As a result of strong demand, XING has also been offering a customized all-round service to key accounts since the middle of the third quarter; this service comprises personnel contacts and customized software support to enable recruiting via XING to be automatically incorporated in their processes.

At the end of the fourth quarter of 2007, XING developed a third source of revenue with **Advertising**; in the first nine months, the Company has already generated around € 1.7 million additional revenues with advertising marketing for specific target groups. Of this figure, around € 600 thousand was attributable to the third quarter. However, extreme care is being exercised with regard to developing this particular area of activity. This is because the success of the Company, unlike the case with many other purely advertising-financed business models in the Internet, is not dependent on advertising revenues. On the contrary, the Company has succeeded in focusing on the networking needs of its members with services and functionalities which are relevant for them, and on this basis has succeeded in establishing business models which are much

Premium members in thousand



Number of members in millions



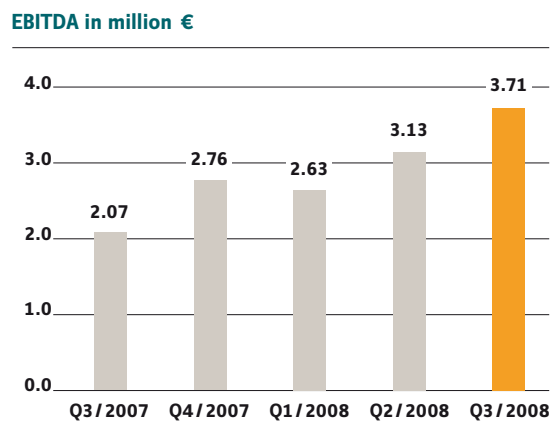
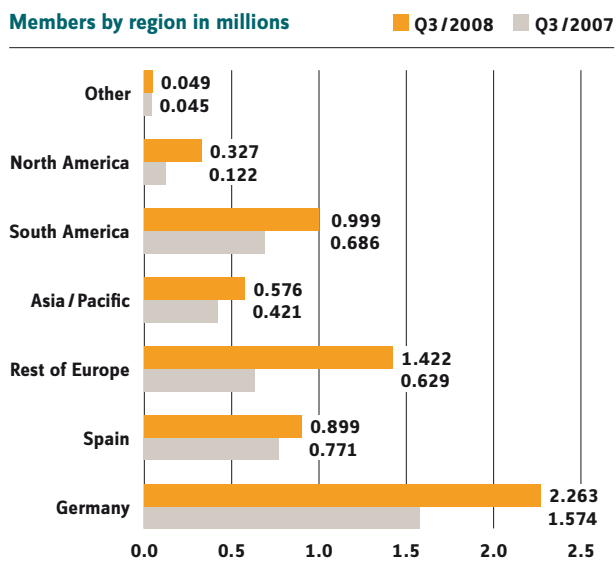
more sustainable and valuable than short-term advertising revenues. Accordingly, XING will in future continue to pursue a strategy of using advertising for generating revenues with the non-paying Basic members, and will also continue to exercise extreme caution with regard to using this source of revenue in future.

Profitable growth thanks to scalable business models

Since the IPO at the end of 2006 and also during the past nine months, XING has demonstrated that the Company is achieving very profitable and also rapid growth. Only very few listed companies are able to report comparable revenue growth of more than 80 percent compared with the previous year together with an EBITDA margin of 40 percent. The three scalable segments of XING constitute the basis for this profitable growth. When it commenced its operations in 2003, the Company established a recurring and sustainable source of income with its subscriptions, and complemented these activities

at the end of 2007 by means of two additional services, namely eCommerce and Advertising. In its core business of subscriptions, XING was able to increase the number of subscribers from 362 thousand at the end of 2007 to 513 thousand at the end of September 2008. The total member base increased to 6.53 million at the end of September. This means that XING has accordingly boosted the number of its members by more than 1.5 million during the last nine months (end of 2007: 4.83 million).

In the third quarter, XING was able to sign up a total of 390 thousand new members. It has to be borne in mind that business networking traditionally achieves less strong growth in the summer months and during the holiday period. Since the end of September, the number of members and subscribers is again achieving much stronger growth than was the case during the holiday period.





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New marketing initiatives at the end of the holiday period

Following the end of the holiday period, XING has again considerably stepped up the pace of its marketing activities in the third quarter. With its umbrella campaign "My network value", the Company has started broadly based marketing initiatives in Italy, Great Britain, Turkey as well as Germany.

Thanks to the acquisition and integration of its Spanish competitor Neurona, XING has also acquired a strong member base in Italy. With its first Italian campaign, the Company has addressed in particular the existing members and further boosted the brand awareness of XING with large posters. The marketing campaign was accompanied by additional PR activities and media interviews.

The Italian campaign was followed by a broadly based marketing initiative in Istanbul and London.



With the start of the “My network value” campaign in Turkey, XING has achieved strong public interest in Istanbul following the successful integration of cember.net. XING is thus welcoming all new members and is also positioning itself as a clear market leader for business networking in Turkey. The campaign was accompanied by a major press tour in Istanbul.

Great Britain has long since also been a strategically very interesting market for XING. The Company has already established well networked regional communities with long-standing members in that country. A previously broadly based PR tour of the Company's CEO in London encountered strong public interest. Under the headline “Start Networking - not just Linkin”, XING has further expanded its brand awareness and simultaneously ensured much stronger perception and reporting in the media. The campaign was visualized with large posters in the London Underground and at all major crossroads in the financial metropolis.



New Guided Tour on www.xing.com

XING has a wide range of functionalities and useful tools which have so far not always been noticed and used in an optimum manner by many new members and also by existing members. With this new Guided Tour, XING not only explains the advantages of traditional networking, it also visualizes all functionalities and tools at XING with which members are able to generate genuine added value from their network. The tour is available in all 16 platform languages, and is supported with strong key visuals which are readily understandable for an international public; the aim is to emphasize the benefits of XING in an even clearer manner and thus to further boost the number of new registrations.

Optimal entrance: New start page

In addition to the new Guided Tour, XING has also redesigned its home page and thus the window of access to XING. The further developed home page presents potential members the “key benefits” of networking on XING at a glance. XING stands for global networking, searching for contacts and active career planning. With its silhouettes, XING addresses all nationalities in 16 languages, including Chinese, French, Germans or Americans. The contact search which is important for new members can be seen at first glance on the new home page, and can be used for a quick search enquiry.

XING – Find business contacts at the click of a mouse

Use XING's powerful search functions to get ahead faster



Global Networking
Contact Management

People Finder
Powerful search functions

Jobs & Career
Detailed filter

Join XING for free!

XING powers relationships for the world's business professionals.

[Sign up now for free!](#)

XING members login

Username / Email address

Password

Log in automatically on this computer

[Log in](#) [Forgot your password?](#)



People Finder

Find contacts, companies, coworkers

Search by name, company, and more

[Find](#)



XING for Partners

The best way to reach over 5 million professionals from over 200 countries

[More info](#)



Guided Tour

Take the tour and find out about all XING features

[More info](#)

Extension of the Marketplace for career planning

Since September 2008, XING has been testing an individual valuation system for the Marketplace with a selected target group. In this way, members are able to evaluate the relevance of the job offers displayed in their own profile and thus tailor the proposals for the user's personal career planning to precisely meet his own preferences. A scale of "very interesting" to "not interesting" can be used for assessing the relevance of the displayed job for the member's personal career. This considerably boosts the target accuracy of the offers. This is thus the first time that it is possible to present the desire for further career development instead of, as has been the case previously, comparing job offers only with the general information in XING profiles. This benefits in particular members who are looking for a career change. A small number of evaluations

is sufficient in order to considerably enhance the relevance of the results. Evaluations which have been submitted can be reset and reallocated to take account of changes in career wishes. The quality of the personally displayed job offers can also be improved by actively using the search function and evaluating the automatically proposed offers. The assessments of the offers by the members are anonymous and are not visible for the person offering the job or for other members. If members do not wish to evaluate offers, they continue to receive those offers which match their XING profile. The new evaluation system has been initially be introduced in the beta phase for a group of 10,000 test users, and will be made available to all members in the near future.

Research and product development

XING is considered to be one of the world-wide technology leaders in the field of social networking platforms, and can look back on a wide range of forward-looking features and functionalities introduced in the field. The purpose of the new product developments and improvements of existing products as well as interactive services on the XING platform in the third quarter was to further enhance the benefit of the platform for members. In addition, the performance of the online platform, with constantly new functionalities, is also expected to meet the increasing requirements of the growth-oriented business strategy. The following were key activities in this respect:

- The process of integrating cember.net in XING, including the network and members, ran smoothly, and was a great success in terms of technology and operationally
- Implementation of a new registration process, with the aim of more simple registration
- SEO measures for the Marketplace as well as implementation of campaign functionality for Spain and Italy
- Relaunch of the home page with new design
- Architecture work in the context of future development and technical implementation of innovative opensocial features in 2009
- Start of developments for preparing the introduction of further profitable functions in the platform.

In the first half, XING continued in line with planning to press on with expanding the IT infrastructure so that it will also in future be able to provide a high level of performance quality to the constantly increasing number of users throughout the world. The consistent distribution of our IT infrastructure over several data centers for further minimizing failure risks was successfully completed. In addition, numerous measures were successfully implemented with regards to performance optimization and stability of the platform.

In order to assure operation and to improve the platform, XING is using the innovative web development framework Ruby on Rails in addition to the tried-and-tested Pearl technology. XING is a leading employer in this innovative field of software development, and also draws attention to itself at specialist conferences and events within the Rails Community by way of sponsoring and expert contributions.

Risk report

Permanent monitoring and management of risks is one of the key tasks of a listed company. For this purpose, XING has implemented the risk management system throughout the Company for early recognition of risks and opportunities required in accordance with Section 91 (2) AktG. This is continuously optimized within the context of current market and company developments. The functionality of the system, as was the case in the previous year, was again reviewed by the auditors risk.

Each individual employee is required to avert potential damage from the Company. All employees are obliged to immediately remove all risks in their own area of responsibility and to immediately notify the corresponding contacts in the event of any indications of existing risks or risks which might be arising. Essential requirements in this respect are knowledge of the risk management system and maximum risk awareness of employees. Accordingly, the employees are familiarized with the risk management system in regular introductions and by way of information material, and their attention is drawn to the significance of risk management.


The Company continuously identifies and analyzes potential risks. The risks which are identified are systematically evaluated on the basis of the probability of occurrence and the expected potential damage. A comprehensive risk inventory was carried out in 2007; existing risks were - where appropriate - reassessed, and new potential risks were identified. XING has regularly carried out risk inventories since the beginning of 2008.

Compared with the risk factors detailed in the current annual report, the Company has not documented any further major risks in the previous quarters.

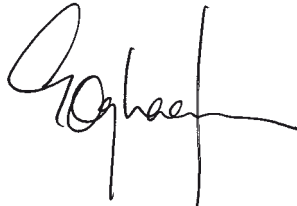
Outlook

In the past nine months and also in 2007, XING has demonstrated that it has established a rapidly expanding and also sustainable business model. Even the current crisis on the capital markets has so far not a negative impact on the Company. Management of XING considers that the crisis will present opportunities over the next few months. This is because, particularly in crisis situations, a widespread personal network and the related possibilities constitute a key module for continuing to achieve career and business success. In the course of the next few months, XING will increasingly devote its activities to developing and implementing further sources of income and new services and functionalities for its members. XING is also assuming that the entire social networking sector will continue to become more important particularly for business professionals during the next few years.

Hamburg, October 22, 2008



Lars Hinrichs
CEO and founder



Eoghan Jennings
CFO



Burkhard Blum
Member of the
Executive Board

Significant events after the end of the reporting period

No major events have occurred after the end of the third quarter 2008.

Consolidated interim financial statements

Consolidated income statement for the period from January 1 to September 30, 2008¹⁾

	01/07/2008 - 30/09/2008 in € thousand	01/07/2007 - 30/09/2007 in € thousand	01/01/2008 - 30/09/2008 in € thousand	01/01/2007 - 30/09/2007 in € thousand
Revenues from services	9,115	4,710	24,894	12,601
Other operating income	63	303	196	629
Total revenues	9,178	5,013	25,090	13,230
Cost of materials	0	(4)	(27)	(4)
Personnel expenses and freelance staff	(1,896)	(1,170)	(6,098)	(4,078)
Marketing expenses	(1,333)	(226)	(3,302)	(966)
Other operating expenses	(2,237)	(1,631)	(6,957)	(4,772)
EBITDA	3,712	1,982	8,706	3,410
Depreciation	(1,167)	(916)	(2,094)	(1,833)
EBIT	2,545	1,066	6,612	1,577
Financial income	397	313	1,053	1,028
Financial expenses	(4)	(11)	(17)	(40)
EBT	2,938	1,368	7,648	2,565
Expenses attributable to taxes on income	(1,168)	(197)	(2,928)	(215)
Total result for the period	1,770	1,171	4,720	2,350
Thereof:				
Shareholders of the parent company	1,792	1,171	4,773	2,350
Minorities	(22)	0	(53)	0
	1,770	1,171	4,720	2,350
Earnings per share (undiluted)	0.34	0.23	0.92	0.45
Earnings per share (diluted)	0.33	0.22	0.89	0.44

¹⁾ There may be variances due to rounding figures.

Consolidated balance sheet as of September 30, 2008¹⁾

ASSETS	30/09/2008 in € thousand	31/12/2007 in € thousand
Non-current assets		
Intangible assets		
Other intangible assets	4,718	2,054
Purchased software	288	307
Self-developed software	4,078	2,934
Goodwill	13,440	9,280
Property, plant and equipment		
IT hardware and other business equipment	1,669	2,487
Financial assets		
Equity participations	0	200
Other financial assets	20	132
Deferred tax assets	681	1,626
	24,894	19,020
Current assets		
Inventories		
Products	26	20
Receivables and other assets		
Trade accounts receivable	3,762	2,121
Other assets	3,328	376
Tax refund assets	105	219
Cash and cash equivalents and other current deposits	42,563	37,844
Available-for-sale current assets	200	0
	49,984	40,580
	74,878	59,600

LIABILITIES	30/09/2008 in € thousand	31/12/2007 in € thousand
Shareholders' equity		
Subscribed capital	5,202	5,202
Capital reserve	38,517	38,517
Other reserves	1,324	636
Cumulative profit/loss	6,518	1,744
	51,561	46,099
Minorities	(82)	(117)
	51,479	45,982
Non-current liabilities		
Liabilities from finance leases	8	240
Deferred tax liabilities	2,384	1,533
Deferred income	600	540
	2,992	2,313
Current liabilities		
Liabilities from finance leases	164	160
Trade accounts payable	3,865	2,320
Deferred income	9,061	6,380
Other liabilities	5,441	1,702
Tax liabilities	1,876	743
	20,407	11,305
	74,878	59,600

¹⁾ There may be variances due to rounding figures.

Consolidated cash flow statement from January 1 to September 30, 2008¹⁾

	01/07/2008 - 30/09/2008 in € thousand	01/07/2007 - 30/09/2007 in € thousand	01/01/2008 - 30/09/2008 in € thousand	01/01/2007 - 30/09/2007 in € thousand
Net profit for the period	2,938	1,368	7,648	2,565
Depreciation and amortization	940	586	1,513	885
Depreciation on capitalized development costs	227	330	581	948
Personnel expenses for stock option program	286	149	788	416
Interest income	(397)	(313)	(1,053)	(1,028)
Interest received	397	308	1,053	1,026
Interest expenses	4	11	17	40
Interest paid	0	(1)	(2)	(11)
Gain from disposal of fixed assets	0	0	(2)	0
Change in receivables and other assets	(1,422)	91	(4,491)	141
Change in payables and other liabilities	54	(274)	2,633	(1,506)
Change in other assets and liabilities with regard to acquisition of consolidated companies	0	0	38	0
Change in deferred income	611	429	2,740	1,556
Cash flow from operating activities	3,638	2,684	11,463	5,030
Capitalization of self-developed software	(779)	(550)	(1,725)	(1,831)
Purchase of other software	(67)	4	(92)	(159)
Purchase of other intangible assets	(687)	(3)	(1,302)	(3)
Result from the disposal of fixed assets	0	0	3	0
Purchase of property, plant and equipment	(439)	(310)	(1,034)	(912)
Purchase of consolidated companies (less cash acquired)	0	(1,193)	(2,209)	(9,927)
Acquisition of minority interests	0	0	(365)	0
Investment in other financial assets	(2)	0	118	(106)
Cash flow from investing activities	(1,974)	(2,052)	(6,606)	(12,937)
Repayment of liabilities from finance leases	(42)	(58)	(122)	(114)
Interest paid	(4)	(10)	(16)	(29)
Cash flow from financing activities	(46)	(68)	(138)	(143)
Change in cash and cash equivalents	1,618	564	4,719	(8,050)
Cash and cash equivalents at the beginning of the period	40,945	36,611	37,844	45,225
Cash and cash equivalents at the end of the period	42,563	37,175	42,563	37,175

¹⁾ There may be variances due to rounding figures.

Consolidated statement of changes in equity for the period from January 1 to September 30, 2008¹⁾

	Attributable to equity holders of the parent company						Total equity in € thousand
	Subscribed capital in € thousand	Capital reserve in € thousand	Other reserves in € thousand	Retained earnings in € thousand	Total in € thousand	Minority interests in € thousand	
At 01/01/2007	5,202	38,517	53	(2,862)	40,910	0	40,910
Foreign currency translation	0	0	(31)	0	(31)	0	(31)
Total income and expense for the period recognized directly in equity	0	0	(31)	0	(31)	0	(31)
Net result	0	0	0	2,349	2,349	0	2,349
Total result for the period	0	0	(31)	2,349	2,318	0	2,318
Personnel expenses, stock option program	0	0	417	0	417	0	417
At 30/09/2007	5,202	38,517	440	(513)	43,645	0	43,645
At 01/01/2008	5,202	38,517	637	1,744	46,100	(117)	45,983
Foreign currency translation	0	0	(101)	0	(101)	0	(101)
Total income and expense for the period recognized directly in the equity	0	0	(101)	0	(101)	0	(101)
Net result	0	0	0	4,773	4,773	(52)	4,721
Total result for the period	0	0	(101)	4,773	4,672	(52)	4,620
Purchase of minority interest	0	0	0	0	0	87	87
Personnel expenses, stock option program	0	0	788	0	788	0	788
At 30/09/2008	5,202	38,517	1,324	6,518	51,561	(82)	51,479

¹⁾ There may be variances due to rounding figures.

Notes to the group interim financial statements for the period ending September 30, 2008

Basis of preparation, methods of accounting and valuation methods

The consolidated interim financial statements for the nine months period ending September 30, 2008 have been prepared in accordance with the International Financial Reporting Standards (IAS 34) adopted by the EU. These statements cover the period from January 1 2008 to September 30, 2008. The comparison period is the period between January 1, 2007 and September 30, 2007. The accounting policies and calculation methods applied for this interim report are the same as those used for the half year report for the period ending June 30, 2008.

Basis of consolidation

The group of consolidated companies in the consolidated interim financial statements comprises the following companies:

	30/09/2008	31/12/2007	Initial consolidation
	in %	in %	
openBC China Ltd., China	85	55	2006
openBC Network Technology (Beijing) Co. Ltd., China ¹⁾	85	55	2006
Grupo Galenicom Tecnologías de la Información, S.L., (eConozco), Spanien	100	100	2007
XING International Holding GmbH, Deutschland	100	100	2007
Neurona Networking, S.L., (Neurona), Spanien ²⁾	100	100	2007
EUDA Uluslararası Danışmanlık ve Bilisim Hizmetleri Limited Sirketi (cember.net), Türkei ³⁾	80	0	2008
XING Switzerland GmbH, Schweiz ⁴⁾	100	0	2008

¹⁾ XING AG holds 85 percent of the shares in openBC China Ltd., China, which in turn holds 100 percent of the shares in openBC Network Technology (Beijing) Co. Ltd., China.

²⁾ 100 percent are held indirectly via shares of 100 percent in XING International Holding GmbH, Germany.

³⁾ 80 percent are held indirectly via shares of 79.5 percent in XING International Holding GmbH and shares of 0.5 percent in XING AG.

⁴⁾ XING Switzerland GmbH was established on September 23, 2008 in Sarnen, Switzerland. 100 percent of the capital stock is held indirectly via shares of 100 percent in XING International Holding GmbH, Germany.

Stock option program

On September 5, 2008, 66,137 stock options were issued to selected employees within the framework of the stock option program 2008. Expenses totaling € 788 thousand were recognized at the end of the third quarter. Of this figure, the new stock option plan accounted for € 22 thousand. The expected term of the option right is between 3.5 and 4.5 years. The weighted fair value for the outstanding stock option plan 2008 is € 9.86. The stock option plan was valued by Mercer Deutschland GmbH, and the valuation is based on the same valuation methods and updated assumptions which are applicable for the stock option program 2006.

Composition of the other operating expenses

The following overview breaks down the main items of other operating expenses:

	01/01/2008 - 30/09/2008 in € thousand	01/01/2007 - 30/09/2007 in € thousand
Legal, audit and accounting fees	1,447	865
IT services, management services and services for new markets	1,736	1,220
Server hosting, administration and traffic	1,174	776
Costs for payment processing	1,079	452
Travel, entertainment and other business expenses	301	287
Other expenses	1,221	1,173
Total	6,958	4,772

The remaining expenses comprise expenses incurred in public relations and investor relations activities, Supervisory Board remuneration, rental and insurance fees, etc.

Segment information

XING AG's segment structure comprises Premium memberships (incl. revenues from subscription and Premium groups), Advertising (incl. advertising revenues), eCommerce (incl. Marketplace) and Others.

	01/07/2008 - 30/09/2008 in € thousand	01/01/2008 - 30/09/2008 in € thousand
Premium memberships	7,416	20,059
eCommerce	1,097	3,075
Advertising	600	1,732
Others	2	28
Service revenues	9,115	24,894

	01/07/2008 - 30/09/2008 in € thousand	01/01/2008 - 30/09/2008 in € thousand
Germany	7,406	19,759
Rest of Europe	1,540	4,386
Asia / Pacific	64	202
America	97	295
Others	9	252
Service revenues	9,115	24,894

Non-current assets are not detailed due to immaterial changes in the reported period.

Related-party disclosures

epublica GmbH, Hamburg, which is a shareholder of the Company and which develops the software for the XING platform, provided services to XING amounting to € 1,636 thousand in the period under review (previous period: € 1,499 thousand).

Major events during and after the end of the interim reporting period

No major events have occurred after the end of the nine months reporting period.

Director's dealings

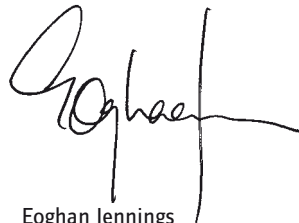
No reportable transactions have been published since the first quarter of 2007 in accordance with Section 15a of the Wertpapierhandelsgesetz (German Securities Trading Act).

Information concerning director's dealings in accordance with Section 15 of the Wertpapierhandelsgesetz can be downloaded from the Company's web site under Investor Relations.

Hamburg, October 22, 2008



Lars Hinrichs
CEO and founder



Eoghan Jennings
CFO



Burkhard Blum
Member of the
Executive Board

XING shares

Key parameters of XING shares

	Q3 / 2008	Q3 / 2007
XETRA closing price	€ 29.94	€ 37.99
High	€ 35.50	€ 50.79
Low	€ 28.00	€ 30.80
Market capitalization	€ 155.7 million	€ 197.6 million
Average trading volume per trading day	8,441	11,005
Ranking in TecDAX		
Based on revenues	62	54
Based on market capitalization	44	51
Earnings per share (undiluted)	€ 0.34	€ 0.23
Operating cash flow per share	€ 0.70	€ 0.52
Shareholders' equity per share	€ 9.90	€ 8.84

Data of XING shares

Number of shares	5,201,700
Type of share	Registered shares
IPO	December 7, 2006
Trading symbol	O1BC
Security Identification Number (WKN)	XNG888
ISIN	DE000XNG8888
Bloomberg	O1BC
Reuters	OBCGn.DE
Market segment	Prime Standard
Stock exchanges	Berlin, Bremen, Düsseldorf, Frankfurt, Munich, Stuttgart

Performance share price compared with the indices

	Q3 / 2008	Q1 to Q3 / 2008
XING	- 12 %	- 32 %
TecDAX	- 11 %	- 30 %
DAX	- 9 %	- 28 %
SDAX	- 20 %	- 35 %

Masthead and contact

This interim report is available in German and English.

Both versions as well as further press releases can also be downloaded from the Internet under www.xing.com.

Annual reports, interim reports and current financial information regarding XING AG can be obtained from:

Press releases and current information concerning XING AG are available from:

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