
Printview

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Press release: XING releases its 2007 Annual Report

- Meets annual guidance for 2007
- Shows vigorous profitable growth
- Further consolidates business networking market
- Establishes new business models

Hamburg, March 27, 2008 – XING AG (ISIN: DE000XNG8888), operator of XING, the leading network for business contacts in Europe, releases its 2007 Annual Report today, and has met its annual guidance.

In its first full financial year, XING AG achieved revenues of €19.61 million and an operating EBITDA of €6.89 million. This corresponds to an EBITDA margin of approximately 35.2 percent. Earnings per share for FY 2007 amounted to €1.10. With these results, XING AG has met its guidance for 2007, nearly doubling revenue for the year and achieving an EBITDA margin of 30-35 percent. The Company's profit ratio for 2007 is at the upper end of the published guidance.

Vigorous organic growth with a high profit ratio

In the 2007 fiscal year, the member base increased by over three million members (including the acquisitions of the Spanish platforms eConozco and Neurona) to approximately 4.83 million. With over 141,000 new Premium Members in FY 2007 (short financial year 2006: nearly 130,000), XING AG has recorded the highest growth in paying members in the history of the Company. At the end of the year, XING had approximately 362,000 paying members, up from 221,000 paying members at the end of 2006. A few weeks ago, XING AG achieved another milestone, registering over 400,000 paying members, demonstrating that the growth in the social networking industry remains constant and unchanged.

Consolidation in the Spanish-language market

Last year, XING AG became the first business network to acquire another social network with focus on business customers, after taking over the Spanish competitor eConozco. At the end of 2007, the acquired platform was successfully integrated into the XING networking platform. Months after the first acquisition in Spain, XING AG acquired the market leader in the Spanish-language market, Neurona. Shortly after the end of the financial year, XING AG continued with its strategy of active consolidation, acquiring the Turkish business network cember.net. The Company further demonstrated that it is employing the capital from the IPO in a strategically relevant manner, effectively promoting international growth.

New business models

The past financial year was marked not only by acquisitions and commercial partnership agreements, but also by an expansion of the Company's business models. In Q4 2007, XING AG introduced two additional business models, realizing initial revenues from these new segments. The new segments "eCommerce" and "Advertising" have already contributed to the revenue and results of XING AG for the first time. The "eCommerce" segment, introduced in October 2007, contributed approximately €0.40 million in revenue, mainly from job listings posted on the platform. The "Advertising" segment, which began operations in December 2007, already resulted in revenue of €0.75, due to one-time fees. Revenue from "Subscriptions", the core business segment of XING AG, amounted to €17.84 in the past financial year.

"The Company and its employees can look back at 2007 as a successful financial year. In one of the fastest growing industries in the world, we've positioned ourselves splendidly, and have continued to expand our position as the European market leader in business networking," said Lars Hinrichs, CEO of XING AG.

Financial & Non financial KPIs on XING AG

XING total	2007*	2006**	Q4/ 2007*	Q4/2006**
Revenue in €m	19.61	6.11	6.48	3.44
EBITDA in €m	6.89	-0.69	2.76	-1.28

EBITDA Margin	35.2%	neg	42.6%	neg
EPS (diluted) in €	1.07	neg	0.40	neg
EPS (undiluted) in €	1.10	neg	0.41	neg

Segment: **Subscription**

	2007*	2006**	Q4/ 2007*	Q4/2006**
Revenue in €m	17.84	5.90	5.29	3.26
Paying members in m	0.362	0.221	0.362	0.221
Basic members in m	4.470	1.474	4.470	1.474
Total members in m	4.832	1.694	4.832	1.694
Net adds paying members in m	0.141	0.130	0.037	0.032
Net adds basic members in m	2.997	0.873	0.545	0.216
Net adds total in m	3.138	1.003	0.582	0.248

Segment: **Advertising**

	2007	2006	Q4/ 2007	Q4/2006
Revenue in €m	0.75	-	0.75	-
Page Impression in bn.	-2.37	-1.67	-0.65	-0.47

Segment: **eCommerce**

	2007	2006	Q4/ 2007	Q4/2006
Revenue in €m	0.40	-	0.40	-
No. of Marketplace Clicks in m	1.05	-	1.05	-

* Excl. Discontinued operations and one off effects (Q1/07) due to the IPO

** Short financial year (July to December 06); continuing operations

About XING:

XING makes your professional network an active part of your life. Far more than a directory of business contacts, XING enables its members to discover professional people, opportunities and privileges through its unique discovery capability and advanced contact management tools. With the successful IPO of XING as the first Web 2.0 company to go public, XING AG has had a long-term impact on the social networking trend amongst professionals. By focusing on the target group 'business people worldwide', the company is able to offer tailored features, thereby making networking and contact management simpler. Besides Headquarters in Hamburg, XING AG is also represented with offices in Barcelona, Istanbul and Beijing.

XING. Powering Relationships.

Important notice:

Cautionary note regarding forward-looking statements:

This press release notice contains forward-looking statements concerning XING AG, its subsidiaries, and economic and political conditions that could influence the performance or operations of XING AG. These forward-looking statements are based on assumptions made by the management of the Company in accordance with the information available to it at the time. A variety of different factors could lead to actual results, trends and conditions that differ significantly from the forward-looking statements contained in this press release. The Company does not assume any liability for this eventuality and cannot guarantee that the information upon which the forward-looking statements are based is correct and complete, nor is the Company, its subsidiaries and affiliated companies liable for the future correctness of the statements outlined in this press release.