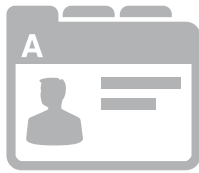


📶 Q3 2012

XING



Q3



Interim Report



KEY FIGURES

		Q3/2012	Q3/2011	Q2/2012	Q2/2011	Q1/2012
Total revenues ¹⁾	in € million	18.33	16.56	18.19	16.33	17.70
Revenues from services	in € million	18.08	16.34	17.88	16.17	17.46
„Subscriptions“ revenues	in € million	12.08	11.39	11.93	11.32	11.75
„e-Recruiting“ revenues	in € million	3.69	3.05	3.37	2.81	3.47
„Advertising“ revenues	in € million	1.36	1.17	1.56	1.48	1.22
„New Verticals“ revenues	in € million	0.95	0.72	1.01	0.55	1.02
EBITDA	in € million	5.52	5.36	5.09	5.67	4.80
EBITDA margin	in %	30	32	28	35	27
Earnings for the period	in € million	2.20	2.60	2.07	2.37	1.97
Cash flow from operating activities	in € million	4.74	4.71	3.90	-2.03	6.46
Earnings per share (undiluted)	in €	0.40	0.48	0.38	0.43	0.36
Equity	in € million	48.50	54.31	45.76	70.94	44.85
Cash and cash equivalents	in € million	55.05	65.53	51.72	64.22	51.40
Members worldwide	in millions	12.65	11.42	12.39	11.12	12.10
thereof paying members (worldwide)	in thousands	795	779	793	769	793
Members in D-A-CH	in millions	5.91	5.09	5.71	4.88	5.51
thereof paying members (D-A-CH)	in thousands	770	751	767	741	766
Employees		524	420	519	381	488

¹⁾ Including other operating income.

COMPANY PORTRAIT

› XING is the social network for professional business contacts. More than 12.6 million members worldwide use XING to boost their business, job, and career. 5.9 million of those members are based in German-speaking countries. People from all kinds of industries use XING to find jobs, look for new employees, projects, cooperation partners, advice and business ideas. XING members meet up online to exchange views in more than 50 thousand specialist groups, and get together at networking events to share their contacts, skills and expertise. XING AG was founded in 2003 in Hamburg, Germany. The company went public in 2006 and has been listed on the TecDAX index since September 2011.

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LETTER FROM THE CEO

Dear shareholders,

I took over as CEO at XING AG on October 16 and am very happy to present our results for the third quarter of 2012 to you for the very first time in my new role. But first of all I would like to share the impressions I have gleaned here at XING during the first few weeks of my tenure.

I started out by conducting a number of one-on-one discussions with various employees with the aim of quickly getting up to speed and finding out more about the company and the people behind the XING brand. I soon noticed that I was surrounded by a highly motivated and skilled team that was well aware of the company's strengths and the challenges it faces. The excellent induction from my predecessor Stefan Gross-Selbeck and the support from the other members of the Executive Board really eased me into my new role and helped me to get up to speed within a short space of time.

Based on that, we quickly defined and implemented a new organizational structure, the aim of which is to build on our strengths while also putting the necessary pieces into place for our next growth phase. XING currently enjoys an excellent market position and is well known in its core markets. XING has a strong brand and is well positioned in terms of the social recruiting market which is still in its infancy in Germany, but is set to see strong growth in the future. We intend to focus heavily on expanding our social recruiting market leadership from now on, which is why we have set up a new dedicated division.

On top of that, we want to do even more for our Premium members and provide all our members with good reasons to remain loyal to XING. We have already taken initial steps in this regard by introducing the attachments feature which allows Premium members to send XING messages with attachments up to 100 MB in size. As you have probably come across in the past, most email servers and webmail providers have an attachment limit of around 10 MB per email, which is fairly easy to reach with wieldy Power-Point presentations. The 100 MB limit offered by XING is a great solution to this problem, and is barely considered a limit as even very large files are unlikely to reach 100 MB in size. Another additional benefit is that these attachments are sent and received within a secure environment. This is just one of the many projects we currently have in the pipeline, and we will let you know about new features as and when we roll them out.

I am also very happy that Timm Richter has chosen to fill the Executive Board vacancy and will be starting as our new Chief Product Officer (CPO) on March 1, 2013, at the latest. XING's product is of course the linchpin of everything we do in helping our customers to pursue their career goals. We want to grab the opportunities presented to us with both hands and continue to write history over the coming years by driving growth across the board.

During the period under review, 196 thousand people in German-speaking countries chose to sign up to XING, taking the total membership number there to over 5.9 million. Over the last few years, XING focused heavily on member and activity growth, and has seen excellent results in this regard since the end of 2010.

Having said that, overall business development was not as positive, with the e-Recruiting division not growing quite to the extent we had anticipated. The overall development on that market was in fact quite slow, and therefore proved to be the key contributor for our own slowdown in growth.

The launch of the XING Talent Manager (XTM) - a professional recruiting tool for businesses and recruiters - on September 27, 2012, was a major milestone in terms of boosting our e-Recruiting business. More and more companies are starting to focus on active sourcing, which means proactively contacting potential candidates with regard to current vacancies. The XING Talent Manager is tailored to the needs of businesses and recruiters, and we intend to continue developing this product over the coming months. That way, HR managers will always have quick and easy access to the largest candidate pool in German-speaking countries.

Overall, XING's total revenues for Q3/2012 rose by 11 percent to €18.33 million when compared to Q3/2011, while operating results (EBITDA) of €5.52 million equate to a margin of 30 percent.

Last but not least, I would also like to mention the takeover offer currently submitted by our major strategic shareholder, Burda. On Friday, October 26, Burda informed us that it had acquired an additional 9.5 percent of the XING AG stock at a price of €40.44 per share, meaning that it now holds 38.9 percent of the company's shares. By exceeding the 30 percent threshold, Burda is required by law to submit a mandatory takeover offer to the other shareholders. Burda chose to offer €44 per share, which is 18 percent higher than the previous closing rate. Burda has always been an excellent strategic investor for XING, which is why we are happy that this is set to continue in the future, too. Moreover, this underlines the statements made in Burda's press release which pointed out that XING should "continue its successful business course" and that "fundamental changes to the business or its bodies are not planned". The XING share will also not be delisted from the stock exchange.

We will publish an official statement on the takeover bid in the near future.

I look forward to meeting you all and to forging a successful future here at XING.

Kind regards,

Dr. Thomas Vollmoeller
Chief Executive Officer (CEO)
XING AG



Dr. Thomas Vollmoeller, Chief Executive Officer (CEO)

XING SHARE

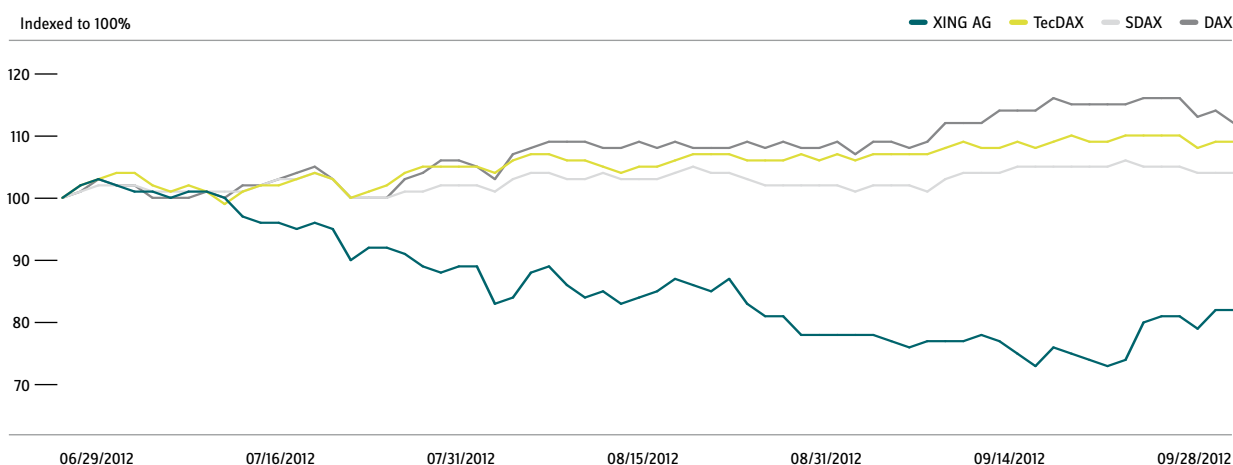
Basic data about the XING share

Shares outstanding as of September 30, 2012	5,478,891
Share capital in €	5,478,891.00
Share type	Registered shares
IPO	December 7, 2006
WKN / ISIN	XNG888 / DE000XNG8888
Bloomberg	OIBC
Reuters	OBCGn.DE
Transparency level	Prime Standard
Index	TecDAX since September 19, 2011
Sector	Software

Key data of the XING share

	Q3 2012	Q3/2011
XETRA closing price at end of period in €	37.86	54.61
High in €	47.50	61.32
Low in €	33.51	42.57
Market capitalization at end of period in € million	207	295
Average trading volume per trading day (XETRA)	11,085	28,355
TecDax ranking		
based on orderbook turnover	29	25
based on free-float market capitalization	30	29
Earnings per share (undiluted) in €	0.40	0.48

Q3/2012 XING share price development vs. indices



Share price of XING shares June 29, 2011 €46.00 = 100%.

XING share price development vs. indices

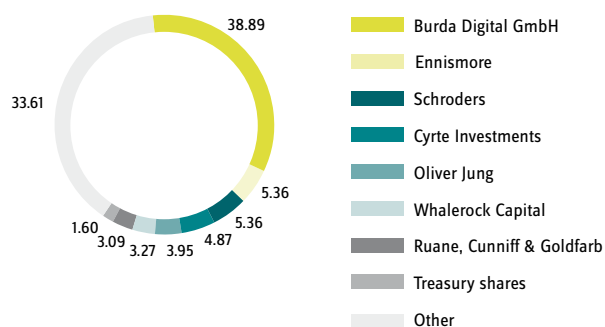
Q3/2012

XING AG	(18)%
TecDAX	+9%
SDAX	+4%
DAX	+12%

Analyst recommendations as of November 8, 2012

Broker	Recommendation	Price target
Berenberg Bank	Buy	€51.00
Commerzbank	Buy	€66.00
Close Brothers	Hold	€52.00
Deutsche Bank	Hold	€50.00
DZ Bank	Buy	€45.00
Hauck & Aufhäuser	Buy	€49.00
HSBC	Underweight	€38.00
Jefferies	Underperform	€32.00
JP Morgan Cazenove	Neutral	€41.00
Macquarie	Buy	€60.00
Montega	Sell	€37.00
Warburg Research	Hold	€42.00

Shareholder structure as of November 8, 2012
in %



Financial information

for the period from January 1 to September 30, 2012

Interim group management report

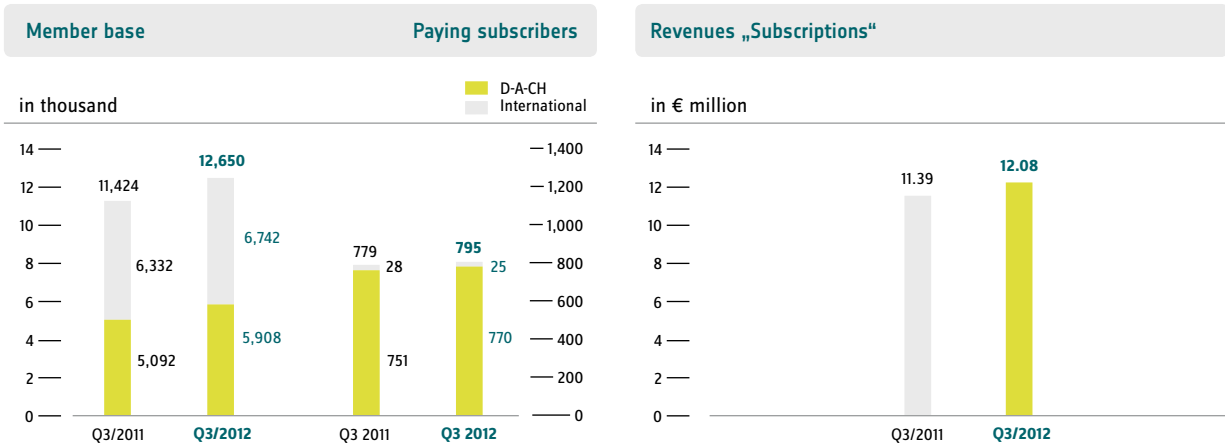
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INTERIM GROUP MANAGEMENT REPORT

for the period from January 1 to September 30, 2012



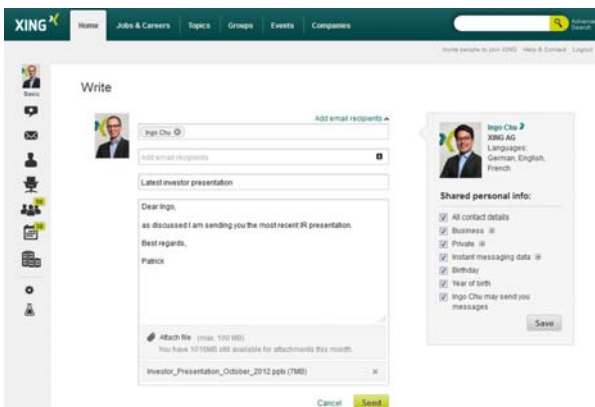
Business development

Member growth and development of the Business division "Subscriptions"

The success of a social network such as XING depends heavily on the size of the community and member interaction. Over the last few years, XING AG has focused its resources on boosting these metrics and consolidating its market leadership. In the last 12 months, XING has acquired more than 800 thousand new members in German-speaking countries (D-A-CH). During Q3/2012, around 200 thousand people signed up to www.xing.com in D-A-CH to build up a professional contact network and boost their career. Some 12.65 million people from all over the world were registered on the XING platform as of the end of the third quarter of 2012. On the other hand, the strong focus on member growth and activity had a negative impact on upgrades to paid memberships over the last few quarters. During Q1, 7 thousand members upgraded to a paid membership. This figure dropped to just 1 thousand in Q2, but recovered again during Q3 with 3,445 XING users choosing to upgrade to the additional paid features. XING had a total of 770 thousand paid members in D-A-CH and 795 thousand worldwide as of the end of September.

In line with this, **Subscriptions** revenues rose by six percent from €11.39 million in Q3/2011 to €12.08 million in Q3/2012. The relative rise in revenues (6 percent) is therefore double the relative growth rate of paid members (3 percent). This can mainly be attributed to an increase in the price of Premium memberships and by removing the option of taking out a 24-month membership in April 2011. During Q3, a number of new services and features were added to the Premium membership. One new feature was the cooperation XING entered into with secure.me in August. People in business often also have profiles on other social networks such as Facebook and Twitter, meaning that more and more personal details such as photos and comments appear publicly online. In order to present a rounded image and protect their own reputation, social network users need some form of protection. XING's collaboration with secure.me provides instant reputation and privacy reputation both on and outside of the XING platform. XING Premium members can activate the secure.me Premium package free of charge, giving them the option to keep an eye on their name, company and children in the online world. To do so, users can create customized search alerts in their secure.me account. From then on, secure.me monitors the web for these terms 24 hours a day and provides the user with a chronological overview of the latest posts, comments, photos and videos which can then be filtered, analyzed and exported as and when required.

At the start of October, several handy new features were rolled out to Premium members. It's a common scenario: You put together a presentation and then realize that it's too large to send it by email. Since October 4, 2012, Premium members can add upload attachments up to 100 MB in size to messages and then send them to XING contacts and other XING members. Now the attachment feature represents a great way of securely sending presentations, briefings, and the like.



All of the attachments within a conversation are available on the right-hand side of the page so they're always there as and when needed, such as in the middle of online correspondence with an agency. Each Premium member has a total storage space of 1 GB available. Both Premium and basic members can receive messages with attachments.

The **Subscriptions** division includes the XING Premium membership and continues to make up the lion's share of XING AG's revenues. Despite this, the strong focus on member growth and growing activity rates has led to this division not being developed further over the past few years. These two new features are the company's first steps towards increasing its work rate on its core business over the coming years and set the course for renewed growth in that area.

Business division development „e-Recruiting“

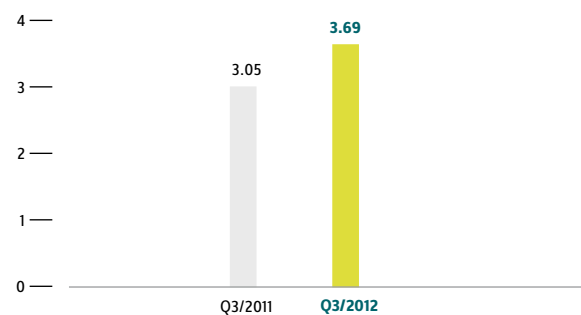
XING AG's second-largest source of income saw steady growth during the period under review. **e-Recruiting** revenues grew by €638 thousand (21 percent) from €3.05 million in Q3/2011 to €3.69 million in Q3/2012. As has been the case for some time now, economic insecurities are having an overall negative impact, which in turn has led to reluctance among companies to post job ads on www.xing.com/jobs.

According to data provided by the German Federal Employment Agency (BA), unemployment figures dropped slightly in September 2012, but this improvement was still lower than that usually seen in September. Frank Weise, Chairman of the Managing Board of the Federal Employment Agency, pointed out that demand levels on the labor market have dropped over the last few months. Despite this trend, HR consulting firm Baumann from Frankfurt indicated that there is still a lack of experts and executives such as IT specialists and marketing managers, thus leading to sustained demand in those areas.

In order to cater to these shifting conditions, businesses looking to hire new staff are having to revise their recruiting processes. In the past, companies have generally used passive recruiting channels such as conventional job ads. Things have changed and businesses are now having to take a more proactive approach to recruiting with HR staff using employer branding and HR marketing to set themselves apart from the crowd and appeal to the intended target group. XING Company Profiles have proven highly popular as a means of reaching out to potential candidates and presenting their business in a positive light.

Revenues „e-Recruiting“

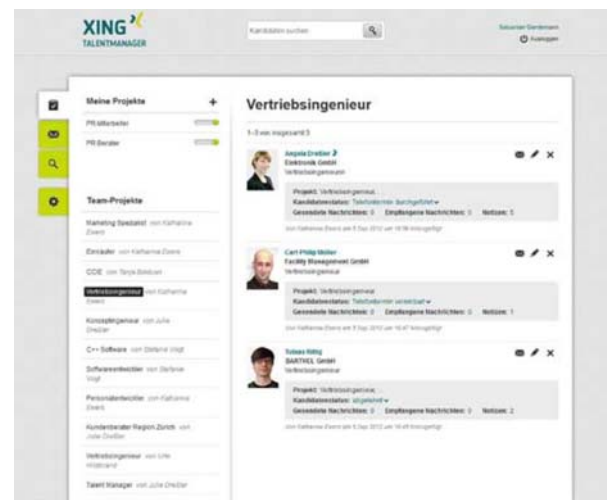
in € million



At the end of September 2012 the **XING Talent Manager (XTM)** was launched at the Zukunft Personal specialist trade fair. XTM is an entirely new solution for corporate clients and represents a major milestone in terms of proactively approaching candidates.

This specially developed tool allows recruiters to search the entire XING community for potential candidates and contact them directly, even if they aren't on the lookout for a new job. XTM ensures transparent communication with everyone involved, which is a key requirement of HR bosses and vital for effective teamwork. As this is a corporate membership, it also means that data is always retained by the company, even if a recruiter leaves. Extensive search, filter and management features were specially developed for the recruiter target group and are based on real-life feedback gained at an early stage. Studies such as the Social Media Recruiting Report 2012 by the Institute for Competitive Recruiting (ICR) show that every fourth employer in German-speaking countries uses social media to proactively look for staff, and this trend is set to rise going forward. ICR Director Wolfgang Brickwedde said that "The XING Talent Manager is the Web 2.0 recruiting tool that has been long awaited among recruiters."

XTM replaces the former Recruiter membership and, after the introductory period, is available from 2013 at a price of €249 a month per user license. This represents a great way for mid-sized firms to embrace modern recruiting methods and get in touch with potential candidates.



The XING Talent Manager also allows companies to set themselves apart from the crowd and attract the best people, which is becoming increasingly important due to war for talent. XTM provides access to the largest talent pool in German-speaking countries.

Another key step in Q3 involved linking the XING platform to existing HR systems. In September, XING entered into a cooperation with the consulting firm **Promerit HR + IT Consulting AG** and used the **XING Connector** to create a joint interface that links applicant management systems with XING for the first time ever. That way, companies can post job vacancies on XING from their own systems. This also works the other way around as people interested in vacancies can submit their XING profile information to the company's HR applicant system, which in turn saves them a lot of time filling in online and offline applications.

As things stand, the interface can be integrated into SAP e-Recruiting, although integration within other systems is also feasible. Companies interested in an interface can submit a request to XING via Promerit. These newly created features and opportunities will help to boost XING's position as the leading social recruiting platform in German-speaking countries.

Business division development „Advertising“

The Company significantly grew its **Advertising** revenues when compared to Q2, and again reached double-digit growth of 16 percent over Q3/2011 with revenues of €1.36 million for the period under review. Nevertheless, the Display Advertising segment is currently undergoing a realignment phase due to last until the end of the year.

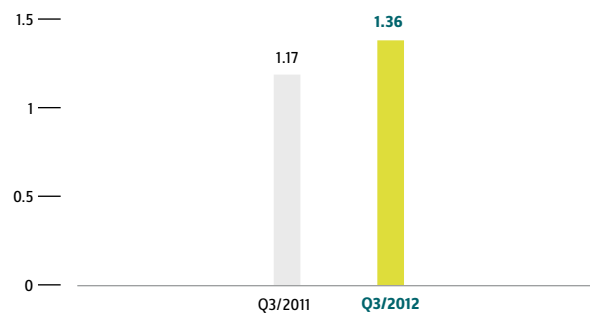
The previous marketing company changed its strategic stance, so the XING AG management team decided to go with TOMORROW FOCUS Media, one of Germany's largest online marketing companies, which will handle all of XING's marketing activities from January 1, 2013. TOMORROW FOCUS Media was initially granted co-marketing rights for the XING website, meaning that both the old and new marketing companies will work in parallel until the end of 2012.

XING AdCreator launch

XING has always been appealing to advertisers due to its attractive target group. At the same time, members have frequently asked for the option to advertise certain content on the platform, such as events, Company Profiles, jobs, or their own profile. Around 150 thousand events are organized via XING every year. The aim here is to meet the needs of organizers who want to generate more interest in their events and also present users with relevant content. The AdCreator now gives members the opportunity to advertise their events on XING. During the booking process, the person posting the ad is informed about the size of the potential target group on XING. The AdCreator will also be rolled out to other parts of the platform following the current introductory phase. XING is therefore positioning the AdCreator as the long tail by also addressing advertising customers with low budgets.

Revenues „Advertising“

in € million

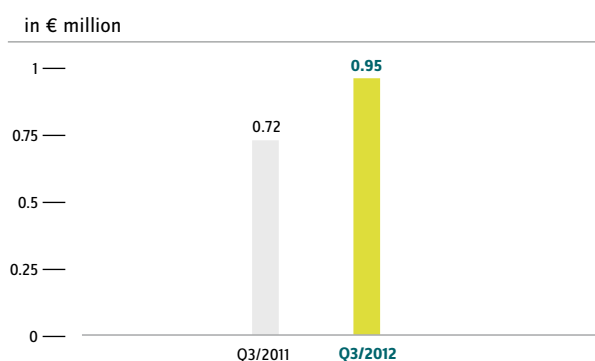


Company Profiles is continuing its highly dynamic growth as 111 thousand companies have a XING Company Profile at the end of September 2012, an increase of 11 thousand in just three months.

During Q3/2012, Company Profiles saw a number of multimedia content and product improvements. The company's location is now displayed on an interactive map (by clicking on "show on map" next to the address in the company's business card). This makes it easier for potential applicants or business clients to plan trips to the company and they can check out the office and its surroundings on Google Street View. The option for editors to choose their own Company Profile link was also recently added: "www.xing.com/company/your-company". This is very useful if companies change their name or if they have a long name containing special symbols.

On top of that, PLUS profile customers can take advantage of the new "Profil-Check PLUS" advisory service (only available in German) where XING discusses the main points of the Company Profile at length with the customer and provides tips and tricks such as interaction options. This paid service is far more in depth than the usual support service offered and really helps to provide companies with a professional profile.

Revenues „New Verticals“ (events)



Business division development „New Verticals“ (events)

During the third quarter, XING's newest division performed well with revenues of €0.95 million, an increase of 32 percent compared to Q3/2011. When compared to Q2/2012, however, revenues have slowed somewhat. Overall, tickets with a value of €13.24 million were sold during Q3/2012.

In September, FVW Mediengruppe - Germany's leading travel industry media group - chose amiano for the first time to handle its fvw Kongress/Travel Expo trade fair which saw over 3 thousand visitors. More events are set to follow in the future. Further afield, amiano acquired Success Resources as well as PanPho Co. Ltd., Thailand's largest provider of educational and motivational seminars.

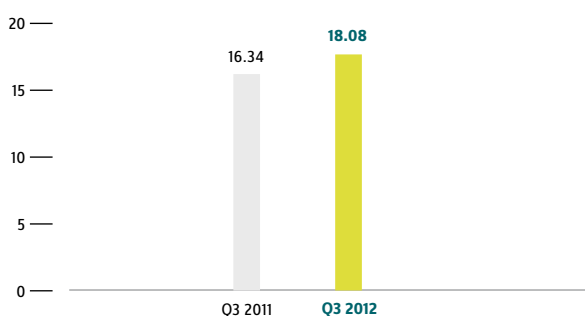
And the AdCreator launch in August 2012 now gives event organizers in German-speaking countries a marketing tool suited to their needs as it allows them to advertise their event to the intended target group in an appealing way with just a few clicks. The option to advertise an event is offered during the event creation process. During the introductory phase, events such as seminars or lounge evenings can be specifically targeted at members with a particular interest in such events. To this end, the AdCreator provides filters such as member region or industry to help narrow down the target group and make sure they're a good match for the event.



An online marketing seminar in New York is of little use to consultants in Seattle, and the AdCreator helps to make sure that ads are displayed to the right people. This in turn makes such ads as useful and relevant as information posted by a member's own contacts and in groups.

Revenues of the Group

in € million



Statement of income and accumulated earnings

XING AG grew in all four divisions and increased its service revenues by 11 percent from €16.34 million in Q3/2011 to €18.08 million in Q3/2012. The Company saw a slight downturn in revenue growth due to the generally moot economic climate. The company has slowed down its investment in personnel during the Q3/2012. After having hired 63 additional employees in the first half 2012 only 5 additional employees were hired in Q3/2012. Given the significant increase in employees, personnel expenses of €7.69 million for the period were 30 percent higher than in Q3/2011 and 3 percent higher than in Q2/2012. Marketing expenses dropped by 23 percent from €1.5 million in Q3/2011 to €1.16 million in Q3/2012.

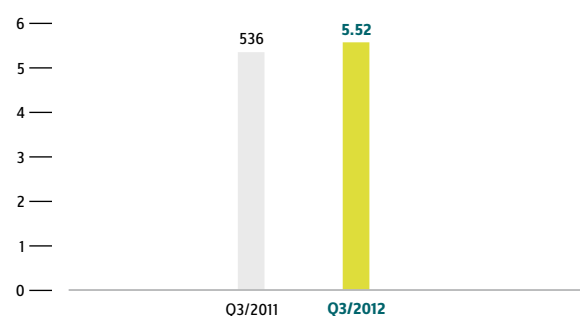
Other operating expenses rose moderately by two percent compared to Q3/2011 to €3.97 million. Compared to Q2/2012, other operating expenses actually decreased by 4 percent.

The Company's total EBITDA for the third quarter 2012 was €5.52 million, which is 3 percent higher than in Q3/2011 and 8 percent higher than in Q2/2012. This in turn led to a margin of 30 percent of revenues.

Scheduled depreciation of €2.12 million equate to an increase of 21 percent compared to Q3/2011.

EBITDA

in € million



As a result, the EBIT came to €3.40 million in Q3/2012, compared to €3.60 million for the same period in the previous year. Taking into consideration the positive net interest income of €0.07 million (same period in 2011: €0.22 million) and €1.26 million payable in income tax (same period in 2011: €1.23 million), this results in consolidated earnings of €2.20 million compared to €2.60 million for the same period in the previous year.

Product development

Business card scanner for the XING Android app

A lot of XING users are faced with the situation where they attended a trade fair or event and met a lot of interesting people they want to connect with. After exchanging business cards with numerous people, they are faced with the laborious task of typing everyone's contact details into their phone, database and the like.

But now there's an easier way to get round this thanks to the latest version of the XING Android app. The version released in September now contains an automatic business card scanner.

This is a free feature that allows XING members to use the XING Android app to turn business cards into XING contacts. Firstly, the user takes a photo of the business card, which is then swiftly and automatically processed in anonymous form. If the scanner gets any of the details wrong, the user can simply edit them manually. Once the app has captured the required details,

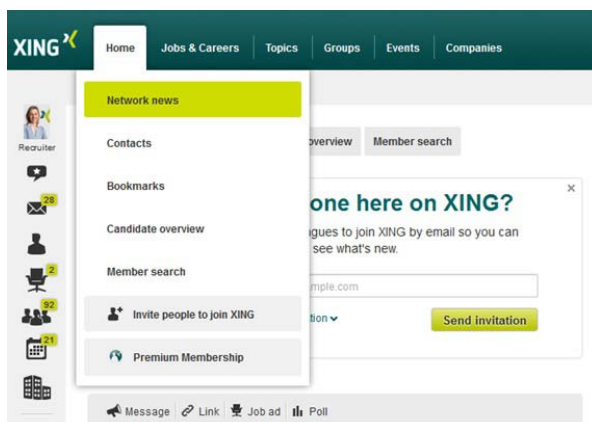
the user can simply invite them to join XING or, if they're already a member, send them a contact request. This is a simple way to manage your contacts in your XING address book, and has the added benefit that you're still connected to that person should you lose their business card or if you lose your phone.



Design improvements

XING ensures improved usability by tweaking its design and layout.

One particular change involved the top navigation bar. If a member clicks on a menu item there, the drop-down menu now has a clearer layout and small symbols.



XING is committed to continually improving its product and design in order to remain flexible so changing needs and new ideas can be accommodated.

Risk report

Permanent monitoring and management of risks are key tasks of a listed company. For this purpose, XING has implemented the early risk-recognition system required in accordance with Section 91 (2) AktG and continuously develops it within the context of current market and company developments.

Each individual employee is called on to actively look for and prevent potential damages to the Company. Their task is to immediately remove all risks in their own area of responsibility, and to immediately notify the responsible parties in the event of any indications of existing risks that may arise. An essential requirement for such a task is knowledge of the risk management system and maximum risk awareness of each individual employee. For this reason, XING familiarizes its employees with the risk management system in regular introductory events and also with the aid of information material, and draws their attention to the significance of risk management.

Potential risks are continually identified and analyzed. Identified risks are then systematically evaluated as to their probability of occurrence and the expected potential damage. The persons with risk responsibility and senior executives are questioned with regard to the status of existing risks and the identification of new risks in the course of quarterly risk inventories and status queries.

At XING's subsidiary amiando GmbH, potential risks are continually identified and analyzed and persons with risk responsibility and senior executives are questioned with regard to the status of existing risks on a quarterly basis. This integration helps to ensure early recognition of any risks originating from the subsidiary that may have a negative long-term impact on the Company.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

for the period from January 1 to September 30, 2012

Consolidated income statement

for the period from January 1 to September 30, 2012

in € thousand	01/01/2012 - 09/30/2012	01/01/2011 - 09/30/2011	07/01/2012 - 09/30/2012	07/01/2011 - 09/30/2011
Service revenues	53,419	47,931	18,081	16,343
Other operating income	806	613	252	217
Total revenues	54,225	48,544	18,333	16,560
Personnel expenses	(22,462)	(17,053)	(7,687)	(5,930)
Marketing expenses	(4,515)	(3,992)	(1,158)	(1,500)
Other operating expenses	(11,843)	(10,849)	(3,970)	(3,773)
EBITDA	15,405	16,650	5,518	5,357
Depreciation and amortization	(6,021)	(5,405)	(2,122)	(1,753)
EBIT	9,384	11,245	3,396	3,604
Interest income	311	328	68	227
Interest expenses	(10)	(12)	(2)	(5)
EBT	9,685	11,561	3,462	3,826
Taxes on income	(3,438)	(3,900)	(1,263)	(1,229)
Net profit	6,247	7,661	2,199	2,597
Earnings per share (undiluted) in €	1.14	1.42	0.40	0.48
Earnings per share (diluted) in €	1.12	1.41	0.39	0.48

Consolidated statement of comprehensive income

for the period from January 1 to September 30, 2012

in € thousand	01/01/2012 - 09/30/2012	01/01/2011 - 09/30/2011	07/01/2012 - 09/30/2012	07/01/2011 - 09/30/2011
Net profit	6,247	7,661	2,199	2,597
Currency translation adjustment	3	(11)	3	(2)
Other result	3	(11)	3	(2)
Total result of the period	6,250	7,650	2,202	2,595

Consolidated balance sheet

as of September 30, 2012

Assets in € thousand	09/30/2012	12/31/2011
Non-current assets		
Intangible assets		
Purchased software	2,540	2,296
Internally generated software	6,985	7,072
Goodwill	5,574	5,574
Other intangible assets	1,918	2,915
Property, plant and equipment		
Tenant improvements	733	850
Other plant and machinery	4,637	4,512
Down payments and assets under construction	0	20
Financial assets		
Equity participations	51	51
Other financial assets	23	23
Deferred tax assets	722	758
	23,183	24,071
Current assets		
Receivables and other assets		
Receivables attributable to services	5,702	5,663
Tax refund assets	71	7
Other assets	2,123	1,888
Cash and other short-term deposits		
Cash and other current deposits	55,051	66,196
Third-party cash	4,725	2,021
	67,672	75,775
	90,855	99,846

Liabilities in € thousand	09/30/2012	12/31/2011
Shareholders' equity		
Subscribed capital	5,479	5,426
Treasury shares	(2,055)	(2,367)
Capital reserves	15,537	14,008
Other reserves	16,484	15,700
Retained earnings	13,056	9,829
	48,501	42,596
Non-current liabilities		
Deferred tax liabilities	2,385	2,510
Deferred income	1,258	1,248
	3,643	3,758
Current liabilities		
Trade accounts payable	912	1,060
Deferred income	24,019	21,617
Tax provisions	21	30
Other liabilities	13,759	30,785
	38,711	53,492
	90,855	99,846

Consolidated cash flow statement

for the period from January 1 to September 30, 2012

in € thousand	01/01/2012 - 09/30/2012	01/01/2011 - 09/30/2011	07/01/2012 - 09/30/2012	07/01/2011 - 09/30/2011
Earnings before taxes	9,664	11,561	3,442	3,826
Amortization on capitalized development costs	1,857	2,280	683	628
Depreciation and amortization	4,165	3,125	1,439	1,126
Personnel expenses, stock option program	388	691	120	225
Personnel expenses, employee share program	393	0	127	0
Interest income	(311)	(331)	(68)	(234)
Interest received	418	177	117	80
Interest expenses	10	10	10	10
Taxes paid	(3,601)	(7,312)	(1,217)	(171)
Change in receivables and other assets	(389)	(1,596)	(1,069)	3
Change in liabilities	2,799	4,627	2,571	1,695
Change in other assets and liabilities due to the acquisition of consolidated companies	0	(1,802)	0	0
Change in deferred income	2,412	3,163	424	(39)
Elimination of amiando third-party obligations	(2,704)	(3,165)	(1,836)	(2,441)
Cash flow from operating activities	15,101	11,428	4,743	4,708
Capitalization of internally generated software	(1,770)	(1,829)	(615)	(470)
Purchase of other software	(1,414)	(437)	(332)	(35)
Purchase of other intangible assets	0	(25)	0	0
Purchase of property, plant and equipment	(1,986)	(2,001)	(614)	(1,247)
Purchase of consolidated companies (less cash acquired)	0	(5,411)	0	(337)
Cash flow from investing activities	(5,170)	(9,703)	(1,561)	(2,089)

in € thousand	01/01/2012 - 09/30/2012	01/01/2011 - 09/30/2011	07/01/2012 - 09/30/2012	07/01/2011 - 09/30/2011
Special distribution of capital	(19,953)	0	0	0
Dividends paid	(3,020)	0	0	0
Proceeds from disposal of treasury shares	312	750	0	0
Proceeds from exercised stock options	1,582	3,998	149	725
Interest paid	0	(10)	0	(10)
Cash flow from financing activities	(21,079)	4,738	149	715
Differences due to currency translation	3	33	0	44
Change in cash	(11,145)	6,496	3,331	3,378
Cash at beginning of period	66,196	59,036	51,720	62,154
Cash at the end of the period ¹⁾	55,051	65,532	55,051	65,532
Third-party cash at beginning of period	2,021	0	2,889	2,067
Consolidation-related allocation of third-party cash	0	1,343	0	0
Change in third-party cash	2,704	3,165	1,836	2,441
Third-party cash at the end of the period	4,725	4,508	4,725	4,508

¹⁾ Cash and cash equivalents are liquid assets

Consolidated statement of changes in equity

for the period from January 1 to September 30, 2012

in € thousand	Subscribed capital	Capital reserves	Treasury stock	Other reserves	Retained earnings	Shareholders' equity, total
As of 01/01/2011	5,292	29,586	(3,041)	14,867	14,475	61,179
Currency translation	0	0	0	33	0	33
Net result	0	0	0	0	7,661	7,661
Total result for period	0	0	0	33	7,661	7,694
Capital increase from share-based payment	119	3,879	0	0	0	3,998
Special distribution	0	(20,000)	0	0	0	(20,000)
Sale of treasury shares	0	0	750	0	0	750
Personnel expenses from						
Stock option program	0	0	0	692	0	692
Employee share program	0	0	0	0	0	0
As of 09/30/2011	5,411	13,465	(2,291)	15,592	22,136	54,313
As of 01/01/2012	5,426	14,008	(2,367)	15,700	9,829	42,596
Currency translation	0	0	0	3	0	3
Net result	0	0	0	0	6,247	6,247
Total result for period	0	0	0	3	6,247	6,250
Capital increase from share-based payment	53	1,529	0	0	0	1,582
Dividend payments	0	0	0	0	(3,020)	(3,020)
Sale of treasury shares	0	0	312	0	0	312
Personnel expenses from						
Stock option program	0	0	0	388	0	388
Employee share program	0	0	0	393	0	393
As of 09/30/2012	5,479	15,537	(2,055)	16,484	13,056	48,501

Notes to the consolidated interim financial statements for the period from January 1 to September 30, 2012

Basis for preparing the financial statements and accounting methods

These condensed consolidated financial statements for the period ending on September 30, 2012, have been prepared in accordance with the International Financial Reporting Standards for Interim Statements (IAS 34) as applicable in the EU. The condensed consolidated financial statements do not contain all of the information required for full annual consolidated financial statements, and should be read in conjunction with the consolidated financial statements as at and for the year ended December 31, 2011.

The period under review began on January 1, 2012, and ended on September 30, 2012. The corresponding previous year period began on January 1, 2011, and ended on September 30, 2011.

The XING AG consolidated interim financial statements and interim group management report dated September 30, 2012, were approved for publication on November 8, 2012, by the Executive Board.

The accounting principles applied to this condensed consolidated interim financial statement are the same as those used for the annual consolidated financial statement for the financial year ending December 31, 2011. The following standards and interpretations, to be applied for the first time from January 1, 2012, form an exception to these principles:

New and amended standards and interpretations adopted for the first time did not have any impact on the accounting methods, financial position or performance of the Group.

Amendment to IAS 12 - Deferred tax: Recovery of Underlying Assets

This amendment clarifies how deferred tax relating to investment property is to be measured using the fair value model. The amendment to this standard has no impact on XING's financial results as XING does not have any such property.

Amendment to IFRS 7 - Financial Instruments: Disclosures - Transfers of Financial Assets

This amendment governs a number of new disclosures about transfers of financial assets that are not derecognized in their entirety with the aim of enabling users to financial statements to understand the relationship between transferred financial assets that are not derecognized in their entirety and the associated liabilities. If financial asset transfers are derecognized in their entirety, disclosures must be made provided the entity retains continuing involvement.

Amendment to IFRS 1 - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters

When an entity's date of transition to IFRS is on, or after, the functional currency normalization date, the entity may elect to measure all assets and liabilities, held before the functional currency normalization date, at fair value on the date of transition to IFRS.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

On January 1, 2012, the economic service life of the XING platform was set at 5 years. The remaining service life of the self-developed website is thus 51 months as of September 30, 2012.

Group of consolidated companies

At the time of the consolidated interim reporting date, the group of consolidated companies included:

	09/30/2012	12/31/2011	Initial consolidation	Shareholders' equity as of		Result Q1-Q3/2012
	in %	in %		09/30/2012	in € thousand	
Grupo Galenicom Tecnologias de la Informacion (eConozco), S.L., Barcelona, Spain	100	100	2007	(14)	(4)	
XING International Holding GmbH, Hamburg, Germany	100	100	2007	(32)	(1)	
XING Networking Spain, S.L., Barcelona, Spain	100	100	2007	92	(68)	
EUDA Uluslararası Danışmanlık ve Bilisim Hizmetleri Limited Sirketi (XING Turkey), Istanbul, Turkey ¹⁾	100	100	2008	81	(16)	
XING Switzerland GmbH, Sarnen, Switzerland	100	100	2008	44	7	
XING Italy S.R.L., Mailand, Italy	100	100	2009	35	0	
Socialmedian Inc., Wilmington, Delaware, USA	100	100	2009	0	0	
XING İnsan Kaynakları Uluslararası Danışmanlık Hizmetleri Ltd. Sti., Istanbul, Turkey ¹⁾	100	100	2010	(5)	(1)	
amiando GmbH, Hamburg, Germany	100	100	2010	(2,232)	(2,265)	

¹⁾ 99.5 percent of shares are held indirectly via XING International Holding GmbH, Hamburg, Germany, and 0.5 percent are held directly by XING AG.

All internal balances, business transactions, income and expenses as well as all results attributable to internal transactions were completely eliminated.

Company acquisitions

In December 2010, XING AG acquired Kronen tausend 615 GmbH, Berlin, Germany, with subscribed capital of €25 thousand, which renamed changed its legal form to XING Events GmbH headquartered in Hamburg, Germany. Kronen tausend 615 GmbH then purchased 100 percent of shares in Munich-based events platform amiando AG in December 2010. The shares were transferred on January 5, 2011. The purchase price consisted of a fixed amount of €7.4 million to be paid in two installments

(€5.4 million in 2011 after closing, and €2.0 million at the end of 2012). Earn-outs of €0.4 million were also agreed, which are to be paid out on December 31, 2012, along with the second installment of the purchase price.

amiando AG changed its legal form to amiando GmbH and was merged with XING Events GmbH retroactively with effect from December 30, 2010. The initial consolidation within the scope of the merger took place on January 5, 2011, at the same time the shares were transferred.

The outflow of funds for 2011 due to the acquisition can be illustrated as follows:

in € thousand	
Cash acquired with the subsidiary	1,343
Less acquired third-party cash	(1,343)
	0
Outflow of funds (1st installment)	(5,411)
Outflow of funds (balance)	(5,411)

The fair values of amiando GmbH's identifiable assets and debts, calculated at the time of initial consolidation within the scope of the purchase price allocation, consist of the following:

Initial consolidation	
in € thousand	01/05/2011
Purchase price including potential earn-outs	7,821
XING Events GmbH equity	(27)
amiando AG equity	539
Value of purchase price allocation	8,333
Value of internally developed software	(445)
Brand/domain value	(1,205)
Value of customer relations	(1,015)
Active deferred taxes	(973)
Passive deferred taxes	879
Goodwill	5,574

The purchase price allocation took place on January 5, 2011. Goodwill can be attributed to anticipated synergies and other effects resulting from amiando's activities.

During the first nine months of 2012, amiando GmbH achieved revenues of €2,934 thousand (same period in 2011: €1,875 thousand) and earnings of €-2,264 thousand (same period in 2011: €-1,866 thousand).

Employee shares and Stock Option Plan

During the period under review, 3,450 employee shares were issued to employees within the scope of the 2011 employee share scheme. Expenditure for existing and new option emissions amounted to €393 thousand for the period from January to September 2012 (same period in 2011: €0 thousand).

No new stock options were issued during 2012 reporting period. Expenditure for existing option emissions amounted to €388 thousand during the period under review (€691 thousand during the same period in 2011).

The Stock Option Plan was evaluated by Mercer Deutschland GmbH.

Additions and disposals of assets

In the reporting period from January 1 to September 30, 2012, the Company invested a total of €3,400 thousand (same period in 2011: €2,463 thousand) in EDP software and hardware, and for other office equipment. In addition, XING AG invested €1,770 thousand (same period in 2011: €1,829 thousand) in developing software in house.

Alongside the planned platform depreciation, one-time depreciations of €471 thousand (same period in 2011: €1,014 thousand) were performed as a result of the fundamental changes and redesign made to the platform during 2012. The high value during the previous year was attributable to the full redesign the platform underwent during 2011.

Breakdown of other operating expenses

The following table breaks down the primary items of sundry operating expenses:

in € thousand	01/01/2012 - 09/30/2012	01/01/2011 - 09/30/2011
IT services, business-related services and services for new markets	2,817	2,037
Expenses for premises	2,263	1,106
Payments relating to cash at banks	1,261	1,283
Travel, entertainment and other business expenses	1,024	891
Legal consulting and accounting fees	982	1,332
Server hosting, administration and traffic	850	1,618
Other HR costs	647	393
Ongoing training fees	301	243
Phone/cell phone/postage/courier costs	270	196
Auditing fees	251	210
Supervisory board compensation	178	178
Losses on receivables	117	133
Office equipment	103	125
Rent/Leasing	92	158
Other	687	946
Total	11,843	10,849

The increase in expenses for premises is largely attributable to the fact that additional office space was rented in order to accommodate the expansion plans at both XING and amiando.

The other expenses largely consist of expenses, rate differences, insurance policies and fees not related to the period under review.

Segment information

XING AG has one segment subject to reporting requirements, with the business areas "Subscriptions", "e-Recruiting" (Jobs and Recruiter memberships), "Advertising" (display advertising, Enterprise Groups, Top Deals and Company Profiles), „New Verticals" (events) and "Other". Growth in „New Verticals" (events) is attributable to the acquisition and initial consolidation of the Munich-based events platform amiando AG.

The segment revenues for the period under review are shown in the following tables:

in € thousand	01/01/2012 - 09/30/2012	01/01/2011 - 09/30/2011	07/01/2012 - 09/30/2012	07/01/2011 - 09/30/2011
Subscriptions	35,750	33,843	12,078	11,387
e-Recruiting	10,529	8,569	3,686	3,048
Advertising	4,140	3,701	1,361	1,172
New Verticals (events)	2,979	1,778	950	722
Other	21	40	6	14
Total	53,419	47,931	18,081	16,343

in € thousand	01/01/2012 - 09/30/2012	01/01/2011 - 09/30/2011	01/01/2012 - 09/30/2012	01/01/2011 - 09/30/2011
Germany, Austria and Switzerland (D-A-CH)	50,847	45,762	17,243	15,563
International	2,572	2,169	838	780
Total	53,419	47,931	18,081	16,343

As there are no considerable changes to long-term assets, these have not been listed in the table.

Contingent liabilities

As was the case from January 1, 2011, to September 30, 2011, none of XING's assets was leased during the same period in 2012. There were no contingent liabilities during the period under review, nor the 2011 comparative period.

Related parties

During the period under review, payments amounting to €107 thousand were made to Burda direct GmbH (same period in 2011: €0 thousand), a Hubert Burda Media company.

In the first nine months of 2012, XING AG also made payments amounting to €76 thousand to DLD Media GmbH (same period in 2011: €60 thousand), a Hubert Burda Media company.

amiando GmbH rendered services in the amount of €53 thousand (same period in 2011: €0 thousand) to DLD Media GmbH and €4 thousand (same period in 2011: €0 thousand) to Chip communications GmbH, both of which are Hubert Burda Media companies, during the period under review.

XING AG rendered services in the amount of €5 thousand (same period in 2011: €0 thousand) to Cellular GmbH and €1 thousand (same period in 2011: €0 thousand) to Elite Medianet GmbH, both of which are Hubert Burda Media companies, during the period under review.

XING AG also rendered services in the amount of €2 thousand (same period in 2011: €2 thousand) to Burda Creative Group GmbH and €30 thousand (same period in 2011: €0 thousand) to Burda Services GmbH during the period under review.

Significant events during and after the interim reporting date

The following significant event occurred during the first nine months of 2012:

On October 25, 2012, Burda Digital GmbH (Burda Digital), headquartered in Munich, Germany, directly acquired 9.48 percent of XING AG's share capital. As a result, Burda Digital's share of voting rights in relation to total share capital increased to 38.89 percent (€5,478,891.00). By exceeding the 30 percent threshold, Burda Digital effectively assumed control of XING AG as set out in sections 29 (2) and 35 (1) of the German Securities Acquisition and Takeover Act (WpÜG) and is therefore required submit a mandatory takeover offer to the other shareholders as stated in 35 (2) of the German Securities Acquisition and Takeover Act (WpÜG).

Hamburg, November 7, 2012

Der Vorstand

Dr. Thomas Vollmoeller Ingo Chu

Dr. Helmut Becker Jens Pape

FINANCIAL CALENDAR 2012

Date	Event
November 8, 2012	Interim Report Q3, 2012

MASTHEAD & CONTACT

This Interim report is available in both German and English. In the event of diversity in interpretation, the German version shall prevail. Both versions and further press information are available for download at www.xing.com. Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

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