



## Interim Report for the First Quarter of 2008

- **Sales increased by 45% in a difficult market**
- **Superior business models and investment into the future**
- **First Annual General Meeting since the company was listed in 2007 to take place on May 16<sup>th</sup>, 2008**

**Berlin, May 15<sup>th</sup>, 2008** – For Hypoport AG, the 2008 fiscal year has started out auspiciously. The 45% increase of our turnover as compared to the same quarter of the preceding year clearly shows the dynamic growth characterizing our as yet young company. In particular, sales in our private banking business unit “Other Financial Services Products” have taken an exceptionally positive development. Ronald Slabke, Co-CEO of Hypoport AG, confirmed, “We were able to increase the sales of our miscellaneous banking and insurance products to such a considerable degree that today, the lion’s share of our turnover is generated by this field of business, if we leave aside our real estate financing division.”

This means that Hypoport AG is independent of the short-term market fluctuations that are currently hitting the private real estate financing market. “We will continue to invest into the expansion of existing business models and will develop new ones. If the framework conditions remain as they are, we believe that our company will continue its positive development in 2008,” stated Prof. Dr. Thomas Kretschmar, Co-CEO.

May 16<sup>th</sup>, 2008 will see the first annual general meeting of the company since it was listed on the stock exchange in October of 2007. The AGM will be held at its corporate headquarters at Alexanderplatz in Berlin.

### Revenue Development

In the first quarter of 2008, the Hypoport group was able to increase its turnover as compared to the same period in the previous year by a considerable margin: it soared up by 45%, from € 8.7 million to € 12.6 million. The EBITDA also increased by plus 5% from € 2.0 million to € 2.1 million in the first quarter of 2008.

In spite of the stagnation on the general market – due to the slump in private real estate financing and the unattractive interest rate development – the private banking business unit has been working against the current trend, increasing its sales by 49% to € 7.6 million (Q1 of 2007: € 5.1 million).

In another field, the key figure of leads gained (customer inquiries), which reflects the development of the business, set a new record in the first three months of the year at approximately 1.2 million (Q1 of 2007: 0.5 million).

### Share Price

The first quarter of this year was characterized by volatile capital markets. The Deutsche Aktienindex (DAX) stock index lost nearly a quarter of its value, which was the result of the existing uncertainty on the credit markets that has not been mitigated yet. This was a development that also caught up with the Hypoport stock. At expected low trading activity, the price per share moved from approximately € 15 at the beginning of this year to approximately € 11 at the end of the quarter.

“We are positive that the clearly positive development experienced by Hypoport AG, against all odds on the market, and its continued successful growth will also entail a systematic increase of our company’s value as a going concern,” stated Slabke.





### **Investing into the future**

In addition to investing into the further development of the EUROPACE financial marketplace, the major investment projects we pursued in the first quarter of 2008 were the establishment of Starpool Finanz GmbH, Berlin, together with Deutsche Postbank AG, Bonn, and of GENOPACE GmbH, Berlin. The purpose of these companies is to broker loans on the basis of the EUROPACE platform. Both companies will commence operations in the second quarter and will contribute to the further growth of the Hypoport group.

The number of employees has likewise increased as a direct result of the increased sales. As per March 31<sup>st</sup>, 2008, the group (at its Lübeck and Berlin locations) has 439 excellently trained and highly motivated employees. This corresponds to a 9% increase as compared to the situation given at the end of 2007.

For further information and to download the Interim Report as per March 31<sup>st</sup>, 2008, please log onto our website at [www.hypoport.de/publikationen.html](http://www.hypoport.de/publikationen.html) or to the press center at [www.hypoport.de](http://www.hypoport.de)

### **About Hypoport AG**

The Hypoport Group is an internet-based all-round financial services provider. Its business model consists of two reciprocally beneficial pillars – the sale of financial products and the provision of a platform for transacting financial products via the internet.

Dr. Klein & Co. AG, Hypoport's wholly owned subsidiary, provides banking and finance products - ranging from current accounts to insurance policies to mortgage financing - to private clients via the internet and, if requested, offers advice both over the telephone or face-to-face. Dr. Klein & Co. AG is an independent company that selects the best products for the client from a wide range offered by more than 100 well-known banks and insurance companies. The web-based processes generate cost benefits that are passed on to the private clients. This enables Dr. Klein to usually offer much better terms than local banks, savings banks or insurance agents. In addition, the corporate property clients division at Dr. Klein, which has been operating since 1954, leads the market for financing municipal and cooperative residential property companies.

Hypoport operates the EUROPACE B2B financial marketplace, which is the largest German online platform for transacting financing products. A fully integrated system links more than 30 banks with several thousand financial advisors, thus enabling the quick and direct agreement of contracts. The platform's highly automated processes generate considerable cost benefits. Nowadays, EUROPACE processes some 400 financing transactions every day. EUROPACE is also used as an information platform for ABS transactions throughout Europe

#### **Contact**

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