

# Press release

Corporate news

## Q3 results: Hypoport AG boosts turnover

**Berlin, 7 November 2008:** The corporate strategy adopted by Hypoport AG is continuing to prove its ability to resist crisis. Both of the Group's flagships - its EUROPACE transactions platform and Dr. Klein, its provider of all-round financial services – are successfully withstanding the crisis and again showed impressive growth against the trend in the third quarter 2008

The third quarter marked a new record for Hypoport AG when the transaction volume of its EUROPACE platform reached Euro 3.767 billion, equivalent to a percentage increase of more than 20% compared with the same quarter last year. Overall, mortgage financing transactions worth Euro 3.466 billion and private loans of Euro 0.301 billion were processed.

The GENOPACE platform operated jointly in collaboration with cooperative banks also showed positive development. This platform is based on EUROPACE technology. Although only launched in April 2008, it still managed to pass the transactions mark of Euro 100 million by the close of the last quarter.

Dr. Klein, the Group's provider of all-round financial services, was also able to report a marked increase in turnover: At Euro 8.5 million, turnover in the third quarter reflected a 39% increase in mortgage financing transactions and investment products compared with the same quarter last year.

The otherwise positive results were clouded somewhat by the closure of the loss-making "EUROPACE for ABS investors" division. One-off special depreciation on software developments and accruals for contract terminations weighed on the third quarter, pushing operating EBIT from Euro 1.140 million down to a loss of Euro 1.392 million for the quarter.

Since the remaining divisions of Hypoport AG are all profitable, results are expected to improve considerably in the fourth quarter 2008. In spite of special effects relating to the approaching preparation of the annual financial statements, the Management Board expects results to be significantly positive.

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As Prof. Dr. Thomas Kretschmar, Co-CEO of Hypoport AG, explains: "Our growth in these difficult market conditions corroborates the changes occurring in financial and credit business". Many banks will refrain from taking each and every loan onto their own balance sheets and will instead pass some of these onto other lenders. Private clients are also adopting a new approach. Although traditionally they still have their normal banks, there is a clearly tangible trend towards independent counselling.

Prof. Kretschmar summarises the results for the quarter: "Thanks to our EUROPACE transactions platform and Dr. Klein as a provider of all-round financial services, we are benefiting from both developments, although Hypoport share price developments have so far unfortunately failed to reflect this potential".

### **About Hypoport AG**

Hypoport Group is an internet-based all-round financial services provider based in Berlin. The Group employs more than 450 people. The company has been listed in the Prime Standard on Deutsche Börse since the end of 2007. Its business model consists of two reciprocally beneficial pillars – the sale of financial products (Dr. Klein & Co. AG) and the provision of a platform for transacting financial products via the internet.



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. Hypoport AG publishes the monthly house price index (HPX) based on real transaction data.

A list of the banks and service providers that use the platform can be downloaded from [www.hypoport.de](http://www.hypoport.de), as can the Annual Report 2007.

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