

Press release

Corporate news

Interim report 2009: Hypoport with stable revenues

Berlin, 14 August 2009: Hypoport AG was again able to increase revenues in the first six months of 2009. As has also been the case in the past, the Group is using most of the gains to actively drive its future positioning in the marketplace. This burdens our current results. But former investments in the future are now proving to be the driving force behind the company's success. On this basis, the earnings generated by three of the four business units grew by between 18 and 64 percent.

Hypoport AG was again able to marginally increase its revenues in the first six months of 2009. Compared with the first half 2008, Group revenues increased by 2 percent to EUR 25.1 million (previous year: EUR 24.6 million). Gross profit increased in line by 2 percent to EUR 16.5 million (previous year: EUR 16.2 million). Earnings before interest, taxes, depreciation and amortisation (EBITDA) declined from EUR 4.1 million to currently EUR 3 million, besides the general economic situation primarily as a result of investments aimed at establishing the new B2B transaction platform. Further funds were invested in developing new sectors within the market for financial services and in the ongoing expansion of the company's sales capacities in existing markets. Ronald Slabke, Co-CEO of Hypoport AG, comments on the results: "The decrease in EBITDA is clearly not satisfying. However, compared with the results of the peer group our position is still excellent. We believe that actively shaping our own market positioning is crucially important at this particular moment in time. We are not looking to reap the short term success at the tip of the iceberg. Our strategy is tailored more to the long term profits on the fertile mainland."

The Private Clients business unit once again increased its revenues generated from "other financial service products". The – at times – aggressive pricing strategy adopted by various regional banks caused revenues from mortgage loans to decline slightly, resulting in a 5 percent decrease in revenues overall. Earnings (EBIT) for the business unit as a whole were not affected, and increased by 45 percent to the current level of EUR 1.6 million. In addition, the company was able to considerably strengthen its sales capacities at all levels and particularly with regard to the branch office consultants.

In the current environment, the Corporate Real Estate Clients business unit is benefiting from the long standing relationships of trust it has built up with its clients and from the ensuing good reputation it has meanwhile earned throughout the sector. Compared with the first six months of 2008, new business increased by 32 percent to EUR 661 million in the first half 2009, pushing revenues up to EUR 3.4 million. This equates to an increase of nearly 10 percent compared with the same period last year (H12008: EUR 3.1 million). Earnings actually increased even further – by 64 percent to EUR 1.8 million.

The Institutional Clients business unit, which is based in the Netherlands, also reported very satisfactory revenue and earnings performance. The marked increase in the demand for issuers' consulting services pushed revenues up to EUR 1.6 million (H12008: EUR 1.2 million). Earnings increased by 18 percent to EUR 0.4 million.

Revenues generated by the Financial Service Providers business unit increased to EUR 4.9 million (H12008: EUR 4.2 million). Large investments in the new platform technology and the aggressive conditions briefly offered by product providers operating outside the Europace marketplace did, however, burden earnings by EUR 1.3 million. Hypoport aims to prevent the same situation happening again in future and has successfully acquired further players in the banking environment for Europace. Close cooperation has been agreed with the PSD banks and preparations for collaboration with an association of savings banks are underway. In addition, a joint venture with On-geo, the provider of specialist geo data, has enhanced the value of the platform for all Europace partners.

On the occasion of the tenth anniversary of the Europace platform, Prof. Dr. Thomas Kretschmar, Co-CEO and member of Hypoport's management board, looks back over past developments: "We started with just a handful of staff and the idea of integrating all financing processes across the entire value chain into one platform. Nowadays, several hundred members of staff are constantly working on improving the marketplace, which has meanwhile become the standard." As a result of the recent cooperation agreements, Hypoport will shortly be actively collaborating with all major players in the sector. According to Kretschmar: "This will make us virtually immune to future distortions in the marketplace and will allow us to significantly increase the earnings generated by our platform again, once the crisis has passed." Kretschmar expects revenues and gross profit to record slight growth, maybe into the double digits, over the coming six months and total earnings to match the level witnessed in the first half of the year.

About Hypoport AG

Hypoport Group is an internet-based all-round financial services provider based in Berlin. The Group employs some 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 found at <http://www.hypoport.de/partner.html>. The Annual Report 2008 is available for download at <http://www.hypoport.de/publikationen.html>.

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