

## Press release

**Hypoport AG expects Brexit to have a positive impact on its business in the medium term**

### **Brexit: demand for property will continue to rise**

**Berlin, 28 June 2016: In the opinion of the Management Board of Hypoport AG, the United Kingdom's exit from the European Union will not have a negative impact on the business models of Hypoport, a provider of technology-based financial services. It is far more likely that the anticipated concentration of EU migrant workers in Germany and the flight to German real estate by unsettled property investors will stimulate the German lending market.**

"Hypoport and our subsidiaries are not directly dependent on the UK," explains Ronald Slabke, Chief Executive Officer of Hypoport AG. "Neither our subsidiary Dr. Klein, our EUROPACE financial marketplace nor other subsidiaries have business operations in the UK." No direct negative effects are therefore in prospect. "Like many other experts, we expect investors to increasingly withdraw from the UK and try their luck in other economically interesting European markets," adds Slabke. "This should further push up demand for property, especially in major German cities."

"What's more, EU migrant workers will increasingly head for Germany as restrictions are expected to be imposed in the UK," believes Hypoport's Chief Executive Officer. "This will also create more demand for housing – adding to the already huge level of excess demand." Studies show that around 400,000 new homes per year are currently required, but only 250,000 or so are being built. "These factors support our mortgage finance business. And, there are no indicators for a sudden rise in interest rates, which means conditions for mortgage finance remain excellent."

Slabke also thinks that Brexit will generally be positive for Germany as a whole: "Although nobody can yet reliably predict all of the consequences of Brexit, the expected additional investment in Germany as a safe haven is of course welcome. I also believe that Brexit will be good for Germany in other respects, at least in the short term. The pressure on the euro is strengthening the German economy, and the UK's departure gives further weight to Germany's role as the economic centre of the EU."

#### **About Hypoport AG**

The Hypoport Group is a technology-based financial service provider. The business model is based on its three mutually supporting business units: Private Clients, Financial Service Providers, and Institutional Clients. All three units are engaged in the distribution of financial services, facilitated or supported by finance-technology ('fintech'). As a wholly-owned subsidiary of Hypoport, Europace AG develops and operates the web-based EUROPACE financial marketplace, which is Germany's largest platform for mortgages, building finance products and personal loans. A fully integrated system links more than 350 partners – banks, insurers and financial product distributors. Several thousand users execute some 35.000 transactions worth a total of up to €4 billion on EUROPACE every month.

The Hypoport subsidiary Dr. Klein & Co. AG is an independent online distributor of financial products. This firm's specialists provide private clients with a full range of advisory services around mortgage finance, insurance and



retirement planning. Dr. Klein & Co. AG has been a major financial service partner to housing companies and commercial property investors since 1954. Hypoport AG is headquartered in Berlin, employs more than 500 people and is listed in the Prime Standard of the Frankfurt Stock Exchange. At the end of 2015 Hypoport was admitted to the SDAX.

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**Key data on Hypoport's shares**

ISIN DE 0005493365  
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