

Press release

Preliminary financial results for 2016

Sustained, all-round growth for Hypoport

Berlin, 13 March 2017: Technology-based financial service provider Hypoport once again reported the most successful financial year in its history with its results for 2016. Consolidated revenue rose by 13 per cent to €156.6 million (2015: €139.0 million). Earnings before interest and tax (EBIT) rose at an even faster rate, climbing by 21 per cent to €23.2 million (2015: €19.3 million). Moreover, earnings per share increased by 15 per cent to €3.00 (2015: €2.61).

“Our preliminary financial results for 2016 show that, on the basis of our business models in the mortgage finance market, we again generated strong growth. This is an excellent achievement because the implementation of the Mortgage Credit Directive and the absence of stimulus from interest rates significantly subdued the market in the first nine months of the year,” commented Ronald Slabke, Chief Executive Officer of Hypoport AG, on the Group’s performance. He attributes the Company’s sustained success to the superiority of its business models and technologies as well as a corporate culture that is focused on allowing talent to flourish.

The Financial Service Providers business unit generated double-digit growth in all the relevant key figures. It considerably increased its share of both the mortgage finance market, which contracted slightly, and the personal loans market. By acquiring the new subsidiaries, NKK Programm Service AG and HypService GmbH, the foundations were laid for expansion in the insurance and property valuation markets. Revenue rose by 22 per cent to €53.6 million (2015: €44.0 million). EBIT climbed by 29 per cent to €13.0 million (2015: €10.1 million). This strong growth was achieved despite increased costs as a result of stepping up key account management, particularly for regional banks, and software development.

The Private Clients business unit also widened its share of the mortgage finance and personal loans markets. Numerous awards bestowed on Dr. Klein by consumer magazines pushed up demand and demonstrate the superiority of the non-captive advisory model. Overall, the business unit’s revenue growth was just into double figures, with revenue advancing to €86.1 million (2015: €78.6 million). EBIT grew at an even faster rate, rising by 21 per cent to €9.0 million (2015: €7.4 million). Positive trends in the sale of insurance and other banking products contributed to the improvement in earnings.

The Institutional Clients business unit also delivered a strong performance in the face of sluggish interest rates. The small rise in revenue, which went up by 7 per cent to €18.6 million (2015: €17.3 million), was achieved despite the housing industry remaining muted for much of 2016. Higher capital expenditure on existing and new business models resulted in EBIT of €6.3 million (2015: €6.6 million).

Moreover, Hypoport introduced some highly promising new business models and, having focused on organic growth for many years, integrated new subsidiaries into the Group. “We are taking a careful approach to supplementing our rapid organic growth by acquiring companies whose success will benefit the Hypoport Group. These new activities are still ‘tender seedlings’ – from the perspective of the Group as a whole in 2016. I am confident that, by leveraging synergies between existing and new subsidiaries, we will enable them to make an additional and substantial contribution to the growth of the Hypoport Group in the near future,” said Ronald Slabke. “We again expect our Group’s revenue and earnings growth to be just into double figures in 2017,” he added with regard to this year.

Information on 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 about 400 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 Firmenkunden AG has been a major financial service partner to housing companies and commercial property investors since 1954. Hypoport AG is headquartered in Berlin, employs about 800 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

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