

Press release

Volume of transactions in the first half of 2017

EUROPACE: Transaction volume reaches around €200 million per sales day for the first time in the second quarter of 2017

- Total volume of transactions rises by 12.5 per cent compared with the first half of 2016
- GENOPACE and FINMAS sub-marketplaces generate disproportionately strong growth
- Overall market for mortgage finance expands only slightly year on year

Berlin, 21 July 2017: Growth in the volume of transactions on the main EUROPACE marketplace was again into double figures at 12.5 per cent in the first half of 2017. The sub-marketplaces GENOPACE (cooperative banks) and FINMAS (savings banks) increased their share of technology-based mortgage finance with disproportionately strong growth that was into the high double digits.

According to Deutsche Bundesbank, the overall market for mortgage finance in the period January to May 2017 expanded by just 3 per cent to €98.4 billion, compared with €95.5 billion in the prior-year period. This was the case even though the market had suffered significantly in April and May of last year due to the flawed introduction of the Mortgage Credit Directive. "We expect the overall market volume for June to be lower than in the same month of last year," explains Ronald Slabke, Chief Executive Officer of Hypoport AG. "Given that there is a huge amount of demand in the housing market, this is a clear signal to politicians that a great deal more needs to be done for the private housing market."

In this market environment, EUROPACE maintained its growth trajectory and generated a transaction volume* totalling €24.0 billion in the first six months of 2017 (H1 2016: €21.4 billion, increase of 12.5 per cent).

"Taking into account that there were fewer sales days – defined as the number of working days less half of the number of 'bridging days' (days falling between public holidays and weekends) – in the second quarter of 2017, our transaction volume per sales day rose to €199 million (Q2 2016: €176 million; Q1 2017: €187 million). EUROPACE is continuing to gain market share rapidly," adds Ronald Slabke.

The growth of the EUROPACE marketplace is still being driven by increases achieved by neutral mortgage finance distributors and by EUROPACE's success in becoming an established technology-based advisory solution for regional banks. In the first half of 2017, the FINMAS volume rose to €1.1 billion (H1 2016: €0.7 billion, increase of 58 per cent), while the volume of business concluded via

GENOPACE grew to €0.6 billion (H1 2016: €0.5 billion, increase of 32 per cent). "The German banking sector is rapidly expanding its use of digital technologies for mortgage finance," says Ronald Slabke. "EUROPACE offers the ideal sales solution for every bank and savings bank, regardless of whether they aim to grow through greater use of third-party distributors, online, in their own branches, through the sale of their own products and services or through the brokerage of third-party products."

On the product supplier side, the Sparkasse-Group and the institutions in the cooperative financial network continue to benefit disproportionately from EUROPACE's growth and are taking market share from private banks. In the first half of 2017, they generated increases of 52 per cent to €2.5 billion (H1 2016: €1.6 billion) and of 22 per cent to €1.6 billion (H1 2016: €1.3 billion) respectively.

* All figures on the volume of financial products processed include cancellations and, consequently, cannot be compared directly with the revenue figures shown, which exclude subsequent cancellations. Neither the revenue nor the earnings generated by Hypoport can be directly extrapolated from the transaction figures given above.

Information on Hypoport AG

Hypoport AG is the parent company of the Hypoport Group. The subsidiaries of the Hypoport Group are engaged in the distribution of financial services, facilitated or supported by financial technology ('fintech'), and are divided into four business units.

The Credit Platform business unit operates EUROPACE, which is an online financial marketplace and the largest German software platform offering mortgages, building finance products and personal loans. A fully integrated system links more than 400 partners – banks, insurers and financial product distributors. Several thousand loan brokerage advisors execute some 35,000 transactions per month on EUROPACE, generating a volume of around €4 billion. Besides EUROPACE, the FINMAS and GENOPACE sub-marketplaces and the B2B distribution companies Qualitypool and Starpool support the growth of the credit platform.

The Private Clients business unit, made up of the web-based, non-captive financial product distributor Dr. Klein Privatkunden and the consumer comparison portal Vergleich.de, brings together all business models aimed at directly advising consumers on mortgages, insurance or pension products.

The Institutional Clients business unit, operating under the DR. KLEIN Firmenkunden AG brand, is a leading financial service partner to housing companies and commercial property investors.

The Insurance Platform business unit operates Hypoport InsurTech, a platform for advice, comparison of tariffs and the administration of insurance policies. Besides Hypoport InsurTech, NKK, InnoSystems, Maklersoftware.com and Qualitypool support the growth of the insurance platform.

Hypoport AG is headquartered in Berlin, Germany, and has around 850 employees. Its shares are listed in the Prime Standard segment of the Frankfurt Stock Exchange (Deutsche Börse) and have been included in the SDAX since 2015.

Contact

Hypoport AG
Michaela Reimann
Head of Investor Relations & Public Affairs
Tel: +49 (0)30 42086 1936
Email: ir@hypoport.de
www.hypoport.com



Key data on Hypoport's shares

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