

Press release

Initial assessment of the 2017 results

Hypoport increases its consolidated revenue by around 24 per cent in 2017 and invests in further growth

- The Group's total revenue for 2017 climbs by approximately 24 per cent to around €194 million
- Excellent performance from Credit Platform, Private Clients and Insurance Platform business units
- Small increase in revenue in the Institutional Clients business unit

Berlin, 2 March 2018: The preliminary financial results for the Hypoport Group, which were analysed at today's meeting of the Management Board, show that revenue for 2017 was up sharply, by around 24 per cent, compared with the previous year. The Group's total revenue thus amounted to approximately €194 million (2016: €156.6 million). This is an impressive increase given that the mortgage finance market contracted by 2.2 per cent.

The Credit Platform and Private Clients business units delivered an excellent performance. In the Credit Platform business unit, revenue rose by approx. 17 per cent to around €77 million. This resulted in earnings before interest and tax (EBIT) of roughly €15 million (up by 13 per cent). These healthy increases were largely the result of the addition of further contractual partners (up by 26 per cent) and the growth in the volume of transactions on the EUROPACE financial marketplace to more than €48 billion.

Revenue in the Private Clients business unit rose even more sharply, advancing by approx. 23 per cent to around €82 million. This was thanks not only to sustained high demand from consumers for neutral brokerage of mortgage finance but also to the addition of additional mortgage advisors (up by 7 per cent). The exceptionally strong growth of EBIT, which climbed by approx. 27 per cent to roughly €12 million, indicates the good scalability of this business unit.

Revenue in the Institutional Clients business unit rose by approx. 4 per cent to around €19 million. Despite this increase, the business unit's parallel capital expenditure on key account management and the digitalisation of business processes with borrowers and lenders caused EBIT to fall to approximately €5 million. Revenue growth was fairly modest because of the lack of stimulus from



interest rates in the second half of the year and the uncertainty surrounding targets for the construction of social housing following the German general election.

The results of the newest business unit, Insurance Platform, were in line with projections and, through its new Smart InsurTech umbrella brand, generated revenue of approximately €15 million with expected start-up losses of around €1 million.

"Our Credit Platform and Private Clients business units did extremely well. The new business unit, Insurance Platform, also performed to our utmost satisfaction," said Ronald Slabke (CEO), commenting on the results for 2017 in the context of the Hypoport Group's future development. "Thanks to our substantial capital expenditure on the Institutional Clients and Insurance Platform business units as well as the moderate level of investment in the Credit Platform and Private Clients business units, we have laid very strong foundations for the further growth of the Hypoport Group in the years ahead."

All the initial assessments regarding the financial results that were presented to the Management Board and referred to in this press release are preliminary and still need to be verified by the auditor and adopted by the Supervisory Board. Hypoport will be publishing its detailed preliminary financial results for 2017 as planned on 12 March of this year, followed by the annual report on 26 March 2018.

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 500 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 Smart InsurTech, a platform for advice, comparison of tariffs and the administration of insurance policies.

Hypoport AG is headquartered in Berlin, Germany, and has around 1,000 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.

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