

Press release

Preliminary results for 2017

Hypoport generates record revenue in 2017 and predicts buoyant growth in 2018

- Consolidated revenue rises by 24 per cent to €195 million in 2017
- Credit Platform and Private Clients business units increase their revenue by 18 per cent and 23 per cent respectively, despite the overall market for mortgage finance contracting by 2 per cent
- Small increase in revenue in the Institutional Clients business unit due to muted demand for finance from corporate clients in the second half of 2017
- Insurance Platform business unit delivers excellent performance after presenting the integrated SmIT platform
- Further capital expenditure planned for 2018, particularly in the Institutional Clients business unit and in the continued growth of the Insurance Platform business unit
- Growth expected to be in double figures in 2018, with revenue of €220 million to €240 million and EBIT of €26 million to €31 million

Berlin, 12 March 2018: The Hypoport Group's preliminary results for the year confirm the initial assessment published on 2 March 2018. Hypoport can now also provide further details of the performance of the individual business units and the forecast for 2018. Consolidated revenue rose by 24 per cent to €194.9 million (2016: €156.6 million). This is an impressive success given that the mortgage finance market contracted by 2.2 per cent and institutional clients held back in the second half of the year.

The detailed breakdown of the four business units shows that revenue in the Credit Platform business unit rose sharply, by 18 per cent, to €77.5 million (2016: €65.9 million). This strong revenue growth was attributable to expansion of the EUROPACE financial marketplace, with the number of partners climbing by 26 per cent to 501 and the volume of transactions increasing to over €48 billion. The earnings before interest and tax (EBIT) posted by the Credit Platform business unit amounted to €15.5 million (2016: €13.6 million), a year-on-year rise of 14 per cent. Excluding the small start-up losses resulting from the expansion of property valuation products, the business unit's EBIT would have increased at a stronger rate than revenue.



Revenue in the Private Clients business unit grew even faster, advancing by 23 per cent to €82.3 million (2016: €66.9 million). This success was attributable to sustained high demand among consumers for neutral mortgage advice and the increase in the number of mortgage advisors to 562 (2016: 524). The business unit's good scalability enabled it to achieve an even stronger rise in EBIT, which was up by 28 per cent to €12.1 million (2016: €9.5 million).

In the Institutional Clients business unit, revenue rose slightly, by 4 per cent, to €19.4 million (2016: €18.6 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. Despite this increase, achieved during a temporary dip in the market, 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 €5.0 million (2016: €6.3 million).

The results of the Insurance Platform business unit, created at the start of 2017, were in line with projections. It contributed revenue of €15.2 million to the Group's total (2016: €5.1 million). The new umbrella brand, Smart InsurTech (SmIT), was introduced at the same time as the acquired software companies were being integrated. In its first year, the new business unit registered start-up losses of €1.2 million (2016: €0.4 million), which was as expected.

The aforementioned increases in revenue in the individual business units, the growth in earnings in the two larger segments and the investment for the future in the Institutional Clients and Insurance Platform business units meant that overall earnings were on a par with the record level achieved in 2016. The Hypoport Group as a whole posted EBIT of €23.3 million (2016: €23.3 million). Earnings per share came to €3.10 (2016: €3.00).

"The increases in revenue of 18 per cent and 23 per cent in our Credit Platform and Private Clients business units, contrasting with the overall market's 2 per cent contraction, are an excellent achievement for 2017 and are proof positive of our market positioning," said Chief Executive Officer Ronald Slabke, commenting on business performance in 2017. "Our newest business unit, Insurance Platform, also performed to our utmost satisfaction. We expect it to again generate strong revenue growth of at least 50 per cent in 2018. Our digital, integrated business models covering the three sectors of lending, real estate and insurance are delivering continual growth – despite the stagnant market. This is because our dynamism and innovation enable our partners to make significant efficiency gains."

Hypoport anticipates growth in double figures in 2018, with revenue of €220 million to €240 million and EBIT of €26 million to €31 million.



The preliminary financial results still need to be verified by the auditor and adopted by the Supervisory Board. The annual report will be published as planned 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 more than 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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ISIN DE 0005493365
WKN 549336
Stock exchanges symbol HYQ