

Press release

Europace transaction volume in Q1 2020

Hypoport SE: Europace platform's quarterly transaction volume exceeds €20 billion for the first time

- Total transaction volume for the first quarter of 2020 rises by more than 30 per cent compared with the same quarter of 2019
- Cooperative banks more than double their volume
- Economic fallout of coronavirus not yet reflected in the transaction volume in the first quarter

Berlin, 6 April 2020: Europace, the largest B2B lending marketplace in Germany for mortgage finance, building finance products and personal loans, saw its transaction volume* increase by around 34 per cent to €20.8 billion in the first quarter of 2020 (Q1 2019: €15.5 billion). The transaction volume per sales day amounted to €324 million (Q1 2019: €245 million).**

This strong growth was the result of further gains in market share across all three product groups (mortgage finance, building finance and personal loans). The transaction volume for mortgage finance, which is by far the largest product group, rose by 38 per cent year on year to €16.7 billion in the first quarter of 2020 (Q1 2019: €12.1 billion). The second-largest product group, building finance, increased its transaction volume by 22 per cent to €3.1 billion in the first three months of this year (Q1 2019: €2.5 billion). The volume in the smallest product group, personal loans, also went up in the first quarter, rising by 14 per cent to €1.0 billion (Q1 2019: €0.9 billion).

All three product groups thus grew at significantly faster rates than their respective markets once again. Figures from Deutsche Bundesbank show that, in the period January to February*** 2020, the volume of new mortgage finance business in Germany increased by roughly 5 per cent year on year. In the same period, the volume of new building finance agreements fell by around 7 per cent. The volume of new business for consumer loans was almost unchanged (up by 0.3 per cent) compared with the period January to February 2019.

FINMAS, the sub-marketplace for institutions in the Savings Banks Finance Group, increased its transaction volume by 50 per cent to €2.0 billion in the first three months of 2020 (Q1 2019: €1.3 billion). The platform therefore again brought the affiliated banks substantial productivity gains. In the cooperative banking sector, institutions used the dedicated GENOPACE sub-marketplace to generate a volume of €1.7 billion, a rise of 159 per cent (Q1 2019: €0.7 billion). Alongside these encouraging trends at the savings banks and cooperative banks, the volumes generated by the non-captive financial distributors and private commercial banks that use Europace also expanded at a faster rate than the market.

Product suppliers on the Europace lending marketplace are divided into three groups: private commercial banks and insurance companies, savings banks and cooperative banks. Private commercial banks and insurance companies remain the largest group, granting loans with a volume of €14.6 billion as product suppliers in the first quarter of 2020 (Q1 2019: €11.7 billion). The lending volume of the savings banks rose to €3.4 billion (Q1 2019: €2.3 billion). The volume of loans granted by the cooperative banks as product suppliers amounted to €2.8 billion (Q1 2019: €1.5 billion). The savings banks and cooperative banks thus further increased their new lending business relative to private commercial banks and insurance companies by using our marketplace.

“All four user groups have significantly increased their market share at the start of the new year,” says Ronald Slabke, Chief Executive Officer of Hypoport SE, commenting on Europace’s strong performance in the first three months of 2020. “We are continuing to see buoyant growth at the savings banks and cooperative banks. The distancing measures introduced in Germany due to the COVID-19 pandemic have not yet had any negative impact on the Europace transaction volume in the first quarter. This is partly explained by the typical time lag between a decrease in property transactions and the effect on the subsequent mortgage finance transactions. The economy is expected to suffer, but the precise consequences for the volume of mortgage finance in Germany cannot be reliably quantified at present. One thing is certain, however. As a platform for providing digital advice from anywhere in the world – even if the advisor is working from home – and exchanging documents digitally, Europace enables partners to provide their customers with the very best mortgage finance service during the current crisis.”

Volume of transactions* on EUROPACE			
(€ billion)	Q1 2020	Q1 2019	Q1Veränderung
Total transaction volume	20.77	15.46	34.3%
of which mortgage finance	16.72	12.08	38.4%
of which building finance	3.06	2.51	21.8%
of which personal loans	0.98	0.86	13.9%
Transaction volume per sales day (€ million)**	324.5	245.4	32.2%

** All figures on the volume of financial products processed (mortgage finance, building finance (‘Bausparen’) and personal loans) are stated before 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.*

*** Sales days are defined as the number of bank working days less half of the number of 'bridging days' (days falling between public holidays and weekends).*

**** Deutsche Bundesbank's figures for the period January to February 2020; figures for March 2020 have not yet been published.*

About Hypoport SE

Hypoport SE is headquartered in Lübeck (Germany) and is the parent company of the Hypoport Group. The Group is a network of technology companies for the credit, real-estate and insurance industries with a workforce of approx. 2,000 employees. It is grouped into four segments: Credit Platform, Private Clients, Real Estate Platform and Insurance Platform.

The Credit Platform segment operates EUROPACE, which is an online B2B financial marketplace and the largest German platform offering mortgages, building finance products and personal loans. A fully integrated system links more than 700 partners – banks, insurers and financial product distributors. Several thousand loan brokerage advisors execute more than 30,000 transactions per month on EUROPACE, generating a volume of more than €6 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 segment, 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.

All real estate-related activities of the Hypoport Group, with the exception of mortgage finance, are grouped together in the Real Estate Platform segment (previously Institutional Clients) with the aim of digitalising the financing, management, sale and valuation of properties.

The Insurance Platform segment operates SMART INSUR, a web-based B2B platform for advice, comparison of tariffs and the administration of insurance policies. The segment also incorporates the insurance unit of Qualitypool, a B2B distribution company.

The shares of Hypoport SE 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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Key data on Hypoport's shares

ISIN DE 0005493365
WKN 549336
Stock exchanges symbol HYQ