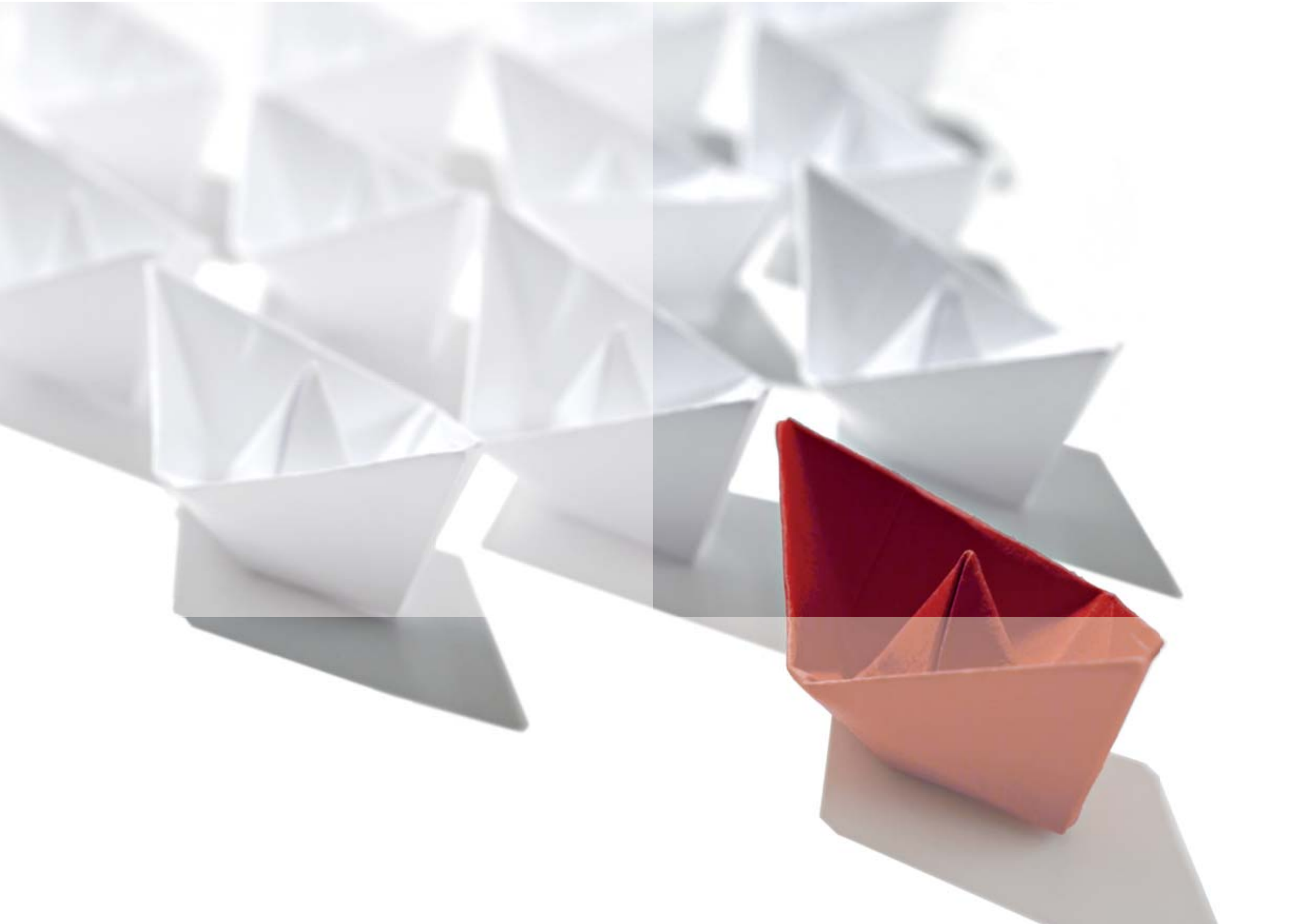
HYPOPORT
THE FINANCE INTEGRATOR



Interim report of Hypoport AG for the period ended 30 June 2011

Berlin, 8 August 2011

HYPOPORT
THE FINANCE INTEGRATOR

Key performance indicators

Financial performance (€´000)	1 Jan – 30 Jun 2011	1 Jan – 30 Jun 2010	Change
Revenue	35,848	28,035	28 %
Gross profit	19,953	16,996	17 %
EBITDA	3,873	3,300	17 %
EBIT	1,333	1,132	18 %
EBIT margin (EBIT as a percentage of gross profit)	6.7	6.7	0 %
Basic earnings (loss) per share (€)	0.11	0.03	267 %
Diluted earnings (loss) per share (€)	0.11	0.03	267 %
Hypoport Group			
Net profit (loss) for the year	653	141	363 %
attributable to Hypoport AG shareholders	690	174	297 %
Basic earnings (loss) per share (€)	0.11	0.03	267 %
Diluted earnings (loss) per share (€)	0.11	0.03	267 %
Financial performance (€´000)	**1 Apr - 30 Jun 2011**	**01 Apr - 30 Jun 2010**	
Revenue	18,165	15,946	14 %
Gross profit	9,586	9,862	-3 %
EBITDA	1,631	3,328	-51 %
EBIT	351	2,210	-84 %
EBIT margin (EBIT as a percentage of gross profit)	3.7	22.4	-84 %
Basic earnings (loss) per share (€)	0.01	0.22	-95 %
Diluted earnings (loss) per share (€)	0.01	0.22	-95 %
Hypoport Group			
Net profit (loss) for the year	65	1,294	-95 %
attributable to Hypoport AG shareholders	74	1,325	-94 %
Basic earnings (loss) per share (€)	0.01	0.22	-95 %
Diluted earnings (loss) per share (€)	0.01	0.22	-95 %
Financial position (€'000)	**30 Jun 2011**	**31 Jun 2010**	
Current assets	26,907	30,130	-11 %
Non-current assets	35,913	37,048	-3 %
Equity	28,170	27,390	3 %
attributable to Hypoport AG shareholders	28,019	27,202	3 %
Equity ratio (%)	44.6	40.5	10 %
Total assets	62,820	67,178	-6 %

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1. Letter to shareholders

Dear shareholder,

our organisation is firmly on track. Hypoport generated revenue of €35.8 million between January and June of this year, which represents an increase of roughly 28 per cent on the first six months of last year (revenue in the first half of 2010: €28 million). Earnings before interest, tax, depreciation and amortisation (EBITDA) rose by 17 per cent year on year from €3.3 million to €3.9 million in the first half of 2011. We have just been through a challenging six months. On the one hand, the German economy is proving resilient to the turmoil in the euro zone, while the financial services market remained stable in the first half of the year. On the other, however, there is a general lack of sustainable market stimulus to give an additional boost to the growth that we have achieved under our own steam. Let's now look at each of our business units in turn.

More than 1,000 specialists operating as independent financial product distributors

Our Private Clients business unit delivered an impressive performance in the first six months of this year, growing its revenue by around 33 per cent to €22.1 million (revenue in the first half of 2010: €16.5 million). We are continuing to expand our distribution network in our business with private clients. Dr. Klein now has 586 specialists who provide our clients with personal financial advice in their own locality. Including the other permanent staff working throughout the Group, Hypoport therefore has a total workforce of more than 1,000 committed professionals offering independent financial advice.

v.l.n.r.: Thilo Wiegand, Ronald Slabke, Hans Peter Trampe und Stephan Gawarecki

BOXL generates first €1 billion worth of transactions

Revenue in the Financial Service Providers business unit came to €9.1 million in the first six months of 2011, growing by 40 per cent year on year (revenue in the first half of 2010: €6.5 million). The EUROPACE financial marketplace achieved its best-ever quarterly result in Q2, generating a total transaction volume of €4.64 billion and beating the previous record that it had set in the third quarter of 2010 by 3.4 per cent. The new Baufi Online XL (BOXL) mortgage finance sales platform contributed to this performance by generating its first €1 billion worth of transactions from building finance agreements and loans. The Financial Service Providers business unit therefore fared encouragingly overall in the first half of 2011. We supported this trend by continuing to invest heavily in EUROPACE 2, our next-generation transaction platform.

Strengthening our sales capability

Against an expected backdrop of volatile business conditions during the first six months, the Corporate Real Estate Clients business unit generated first-half revenue of €3.2 million (revenue in the first half of 2010: €3.8 million). Revenue in the Amsterdam-based Institutional Clients business unit grew by approximately 25 per cent between January and June to roughly €2 million (revenue in the first half of 2010: €1.6 million). We gave a further boost to our sales activities in this business by setting up a joint venture.

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The record transaction volumes achieved on EUROPACE, the €1 billion worth of business generated by BOXL alone, and our ongoing drive to strengthen our sales capability and our team throughout the Hypoport Group give us cause for optimism that we can build on the outstanding results achieved in 2010. On behalf of the Company's entire Management Board and our more than 1,000 professionals who work tirelessly to provide independent financial advice I would therefore like to express my sincere gratitude for the confidence and trust that you have shown.

Yours sincerely

Ronald Slabke
Chief Executive Officer

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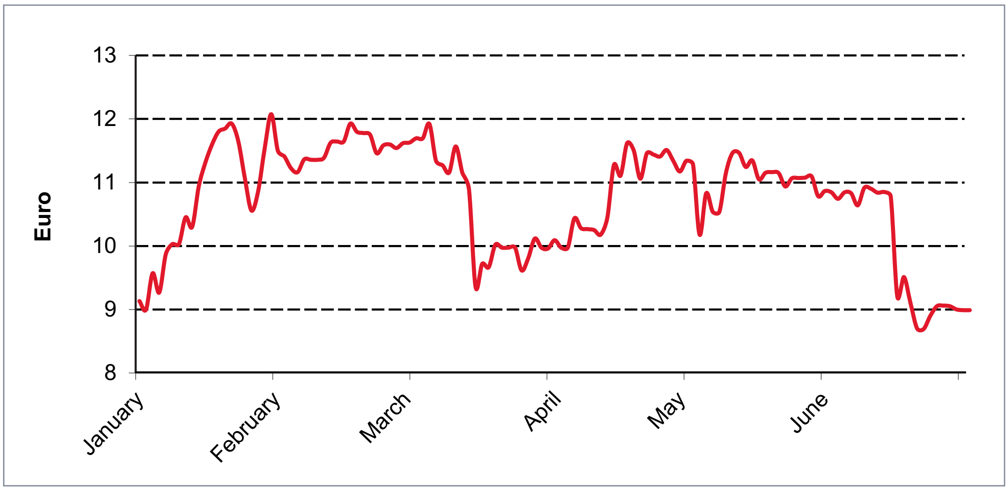
2. Hypoport's shares

Share price performance

In the second quarter of 2011 Hypoport's share price initially rose slightly from €10.00 at the end of the first quarter to a second-quarter high of €11.65 on 15 April. Towards the end of the quarter it then dipped to a second-quarter low of €8.70 on 21 June before staging a modest recovery to €8.99 on 30 June.



Performance of Hypoport's share price, January to June 2011 (daily closing prices on Frankfurt Stock Exchange)

Earnings per share

The Company reported earnings of €0.01 per share for the second quarter of 2011 (Q2 2010: €0.22). Earnings per share for the first half of the year came to €0.11 (H1 2010: €0.03).

Trading volumes

The average daily volume of Hypoport shares traded trebled compared with the previous quarter from €27,691.13 to €84,761.21. The highest average daily turnover was in June (14,447 shares), followed by May (7,651 shares). The month with the lowest daily turnover was April, when an average of only 2,612 Hypoport shares changed hands.

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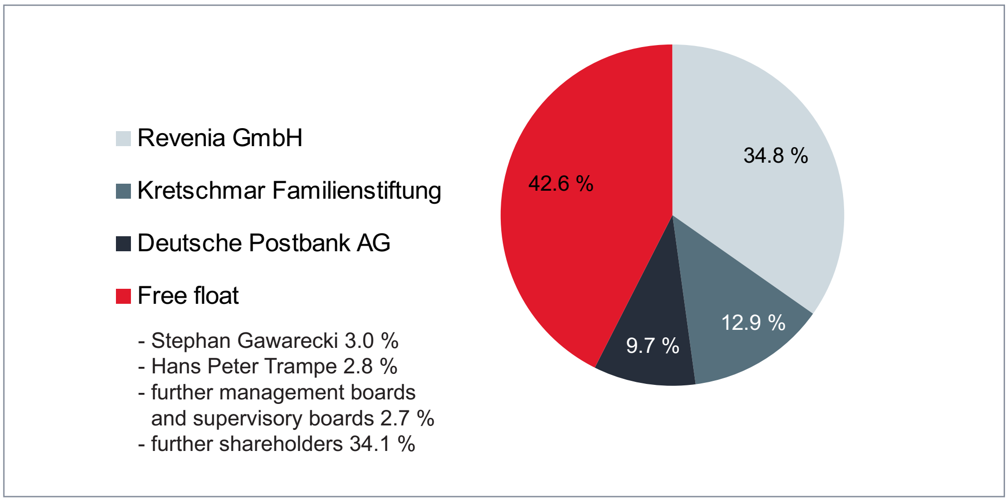
Shareholder structure

The free float in Hypoport's shares amounts to 42.6 per cent. Breakdown of shareholders as at 30 June 2011:



Shareholder Structure as at 30 June 2011

Notification of directors' dealings

The table below shows the directors' dealings notified for the second quarter of 2011.

Date of transaction	Notifying person/entity	Transaction	Stock exchange	Number of shares	Execution price
7 April 2011	Monika Schröder	Sale	Stuttgart	1,000	10.25 €
11 May 2011	Dr. Ottheinz Jung-Senssfelder	Sale	XETRA	7,500	11.50 €
11 May 2011	Beate Hübner	Sale	XETRA	2,500	11.50 €
11 May 2011	Kretschmar Familienstiftung*	Sale	XETRA	64,142	11.50 €
17 May 2011	Kretschmar Familienstiftung*	Sale	XETRA	35,000	11.48 €
16 June 2011	Kretschmar Familienstiftung*	Sale	XETRA	257,211	9.08 €
17 June 2011	Monika Schröder	Sale	Stuttgart	10,000	9.04 €

* Prof. Dr. Thomas Kretschmar is managing director of Kretschmar Research GmbH.

Ad-hoc disclosures

As a publicly traded company we are required to make ad-hoc disclosures of facts that could influence our share price. No ad-hoc disclosures were published in the second quarter.
Ad-hoc disclosures can be downloaded from our website at www.hypoport.com.

Designated sponsor

Designated sponsors enhance a share's liquidity by quoting binding prices at which they will buy and sell the share. The designated sponsor for Hypoport AG is Close Brothers Seydler Bank AG, Frankfurt am Main.

Research

Three analysts published research studies on Hypoport's shares in the second quarter of 2011. The table below shows their most recent recommendations, the dates on which they were issued, and the target price in each case.

Analyst	Recommendation	Upside target	Date of recommendation
CBS Research	Buy	16.80 €	9 May 2011
Lang & Schwarz	Buy	16.00 €	9 May 2011
Equinet Investigator	Buy	17.00 €	18 April 2011
CBS Research	Buy	16.80 €	5 April 2011
Lang & Schwarz	Buy	16.00 €	4 April 2011

Grunddaten zur Aktie

Security code number (WKN)	549 336
International securities identification number (ISIN)	DE 000 549 3365
Stock exchange symbol	HYQ
Type	No-par-value shares
Notional value	1.00 €
Subscribed capital	6,194,958.00 €
Stock exchanges	Frankfurt XETRA
Market segment	Regulated market
Transparency level	Prime Standard
Membership of indices	CDAX Classic All Share DAXsector All Financial Services DAXsubsector Diversified Financial GEX Prime All Share
Performance	
Share price as at 1 April 2010	9.95 € (Frankfurt)
Share price as at 30 June 2010	8.99 € (Frankfurt)
High in second quarter 2010	11.65 € (15 April 2011)
Low in second quarter 2010	8.70 € (21 Juni 2011)
Market capitalisation	55.7 Mio. € (30 Juni 2011)
Trading volume	84,761.21 € (daily average for second quarter of 2011)

3. Interim group management report

Economic and sectoral conditions

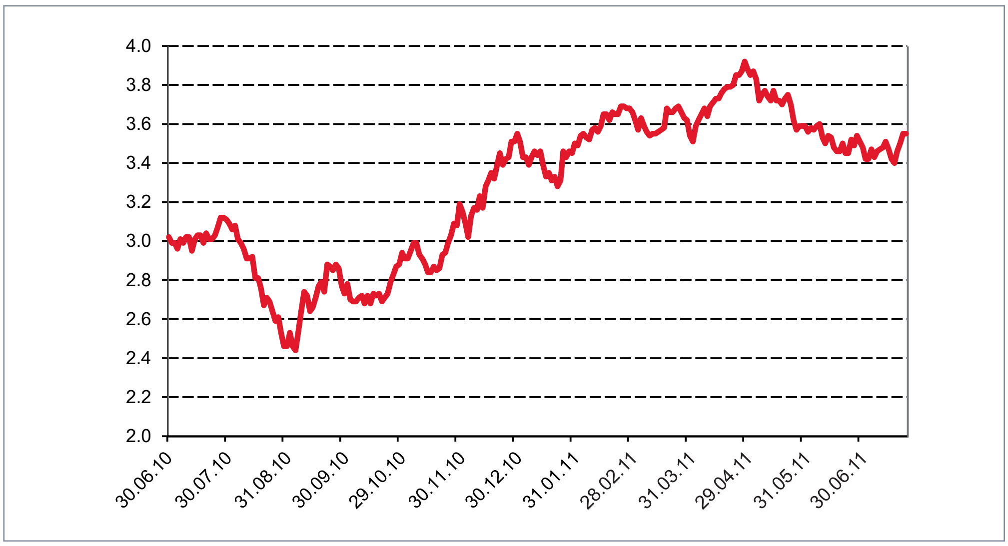
Economic conditions

Having bounced back sharply in 2010, global economic growth has slowed markedly of late. Nonetheless, the prospects for further global growth remain intact. The fortunes of Hypoport AG's business are largely determined by the economic situation in Germany.

Although foreign trade is still the key driver of German economic growth, falling unemployment and much more bullish expectations about the future are also boosting the country's consumer spending. Domestic demand in Germany strengthened significantly towards the summer. The euro zone's largest economy continued to grow steadily on the whole throughout the first half of 2011. Excessive rises in general prices and the high levels of government debt in Greece, Ireland, Portugal and Italy are seen as the main threats to this uptrend going forward. The sovereign debt crisis in the euro zone has escalated in recent months. The de-facto insolvency of a euro-zone country would unleash turmoil in the financial markets, which in turn would adversely affect the future performance of the German economy. The European Central Bank (ECB) acted to head off the growing problem of inflation in July by raising interest rates modestly for the second time this year by a further 25 basis points to 1.5 per cent. The ECB is performing a delicate balancing act in its attempts to take account of the broad diversity of the national economies in the European Union.

Conditions in the financial services sector

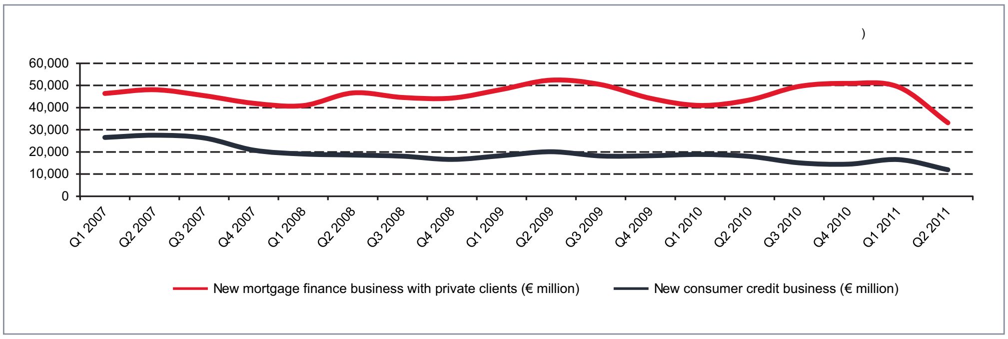
The rise in ten-year swap rates in the first half of 2011 temporarily intensified the competitive pressures on independent intermediaries compared with full-service providers such as traditional regional and relationship banks and, in addition, it boosted short-term demand for real estate, thereby expanding the volume of new loans brokered.



Ten-year swap rates over the past 360 days

According to Bundesbank statistics, the total volume of mortgage finance provided in the first five months of 2011 rose sharply year on year. We reckon that the Bundesbank's figures present a slightly distorted view of the mortgage finance market. The monthly figures for April and May in particular suggest an overly optimistic market trend. As mortgage interest rates fell slightly in the second quarter of 2011, fuelling hopes that rates would slide even further, we found that consumers were fairly reluctant to commit to financial products at present.

The Bundesbank reckons that the level of business in personal loans fell slightly year on year by 9.0 per cent from €31.3 billion to €28.5 billion.



Total volume of private mortgage mortgage finance and personal loans (source: Deutsche Bundesbank)

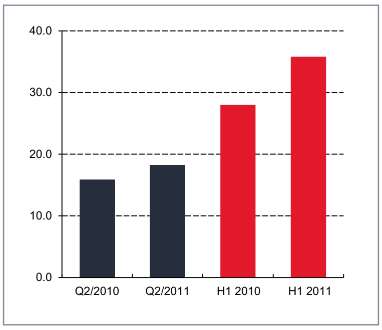
Demand for building finance grew markedly year on year. According to the Bundesbank's statistics, the total value of building finance products sold in the first five months of 2011 increased by 14.5 per cent year on year from €36.2 billion to €41.5 billion.

According to portfolio investment statistics compiled by the Federal Association of German Fund Management Companies (BVI), the total value of assets under management in Germany rose slightly in the first five months of 2011. German investment companies had total fund assets of €1.540 trillion under management as at 31 May 2011 (31 December 2010: €1.510 trillion), of which €704 billion (31 December 2010: €701 billion) was allocated to retail funds and €836 billion (31 December 2010: €809 billion) to specialised funds for institutional investors.

Consumers were increasingly looking for conservative investments during the reporting period, with the result that Bundesbank statistics reported a modest rise in total funds invested in fixed-term, instant-access and savings accounts as at 31 May 2011, which rose by €12.9 billion to €1,545.8 billion.

The insurance market is performing even better. The German Insurance Association (GDV) is forecasting an exceptionally sharp rise of 4.7 per cent in gross premium income across all insurance segments for 2011.

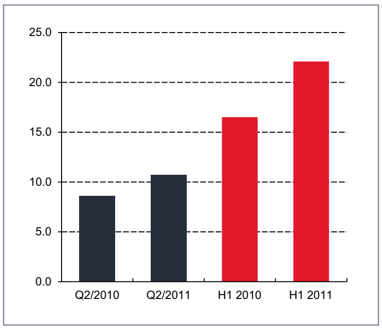
Revenue



Revenue Hypoport Group (€ million)

In the second quarter of 2011 the Hypoport Group once again achieved strong growth in its revenue, which advanced by 13.9 per cent from €15.9 million in the second quarter of 2010 to €18.2 million. A comparison of the first half of the year – during which revenue rose by 27.9 per cent year on year to €35.8 million (H1 2010: €28.0 million) – also illustrates just how quickly our organisation continues to grow. Selling expenses rose at a higher rate than revenue owing to a shift between higher-margin and low-margin revenue models in some cases; consequently, the gross profit earned in the second quarter of 2011 decreased by 2.8 per cent from €9.9 million to €9.6 million. The gross profit generated in the first six months of 2011 rose by an impressive 17.4 per cent year on year from €17.0 million to €20.0 million.

Private Clients business unit



Revenue Private Clients (€ million)

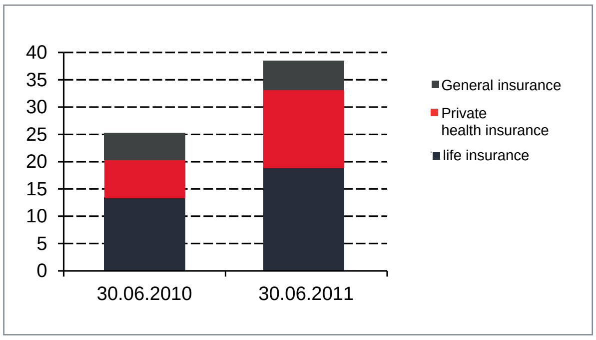
The Private Clients business unit, which specialises in online sales of financial products, once again managed to raise its revenue sharply against a background of mixed market conditions. Its second-quarter revenue jumped by 24.4 per cent to €10.7 million (Q2 2010: €8.6 million), while its revenue for the first half of 2011 surged by 33.9 per cent to €22.1 million (H1 2010: €16.5 million). Gross profit for the first six months of the year also rose sharply – by 18.1 per cent to €8.5 million (H1 2010: €7.2 million). The gross profit earned in the second quarter rose by 11.1 per cent year on year from €3.6 million to €4.0 million.

Private Clients	1 Jan to 30 Jun 2011	1 Jan to 30 Jun 2010	1 Apr to 30 Jun 2011	1 Apr to 30 Jun 2010
Revenue (€ million)	22.1	16.5	10.7	8.6
Selling expenses (€ million)	13.6	9.3	6.7	5.0
Net Revenue (€ million)	8.5	7.2	4.0	3.6

The loan brokerage product segment was considerably expanded in the first half of 2011 and reported strong growth in its total volume of lending, which increased by 21.8 per cent from €1.42 billion to €1.73 billion. Year-on-year growth in the second quarter of 2011 came to 7.7 per cent.

	1 Jan to 30 Jun 2011	1 Jan to 30 Jun 2010	1 Apr to 30 Jun 2011	1 Apr to 30 Jun 2010
Volume of financing transactions (€ billion)	1.73	1.42	0.84	0.78
Volume of insurance transactions (€ million)	10.52	5.83	4.96	3.27
life insurance	4.69	2.92	2.53	1.82
private health insurance	5.01	2.41	2.05	1.24
general insurance	0.82	0.50	0.38	0.21

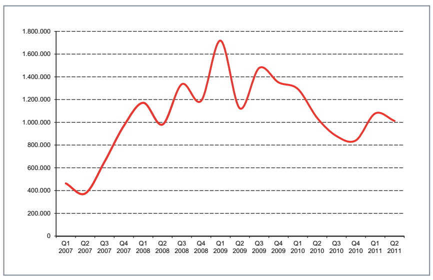
The massive expansion of the Company's presence in the insurance market generated significant growth stimulus, with the value of its transactions in the first six months of 2011 soaring by 80.4 per cent from €5.8 million in annual premiums to €10.5 million. Premiums earned in the second quarter of 2011 jumped by 51.7 per cent to €5.0 million (Q2 2010: €3.3 million).



Portfolio of insurance policies/annual premiums (€ million)

Hypoport achieved year-on-year growth in the portfolio of insurance policies under its management as at 30 June 2011, raising its annual life insurance premiums by 42.9 per cent from €13.3 million to €19.0 million, its annual private health insurance premiums by 81.0 per cent from €7.9 million to €14.3 million and its annual general insurance premiums by 32.5 per cent from €4.0 million to €5.3 million. Consequently, the total portfolio of insurance policies under management reached a new all-time high of €38.6 million in annual premiums at the end of June 2011 compared with the €25.2 million reported as at 30 June 2010.

The broad-based growth in these and other banking products clearly demonstrates that the Company's strategy of distributing a wide range of financial products and services has given an additional boost to its product segments and further reduced its reliance on individual product categories.


Number of leads

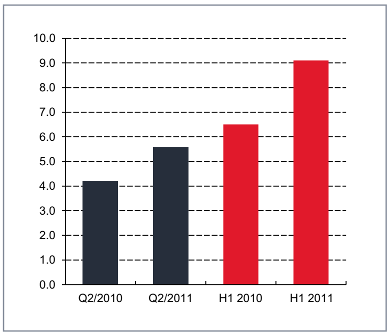
Slightly bucking the trend, the number of leads acquired in the first six months of 2011 fell by 0.2 million year on year to 2.1 million (H1 2010: 2.3 million). This reflects consumers' current reluctance to put their money into simple investment products such as instant-access and fixed-term deposits because short-term interest rates remain low. However, the turnaround in monetary policy initiated by the European Central Bank is already impacting on this business as well and has enabled the number of leads to rebound to the level achieved in the second quarter of 2010 (1.0 million).

The number of advisers working in the various distribution channels of the Private Clients business unit was significantly increased and had reached a new high by 30 June 2011. The map on the right gives an overview of the extensive network of branches established by our franchisees in Germany.

Distribution channels	30 Jun 2011	30 Jun 2010
Advisers in branch-based sales	586	479
Branches run by franchisees	171	187
Independent financial advisers acting as agents	3,221	2,689

Financial Service Providers business unit

Financial Service Providers, which is the second-largest business unit, continued to feel the effects of the financial crisis. One problem was the lack of any significant market stimulus, while another was that the competitiveness of major strategic lenders on the EUROPACE platform remained limited in the face of financial market volatility.

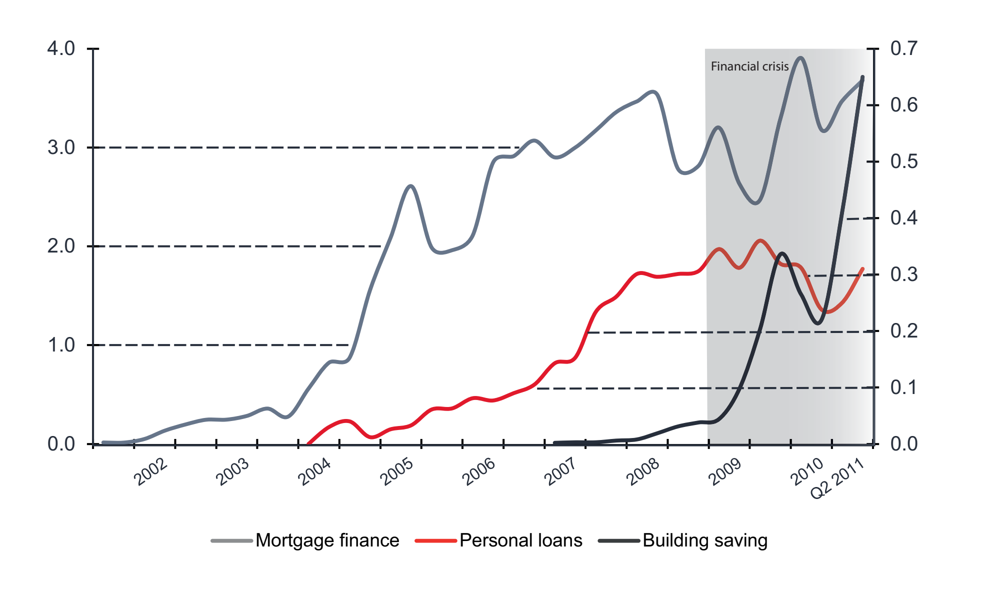


Revenue Financial Service Providers (€ million)

Thanks to the success of the new Baufi Online XL (BOXL) mortgage finance sales platform, which for the first time generated €1 billion worth of business from building finance agreements and loans, the EUROPACE financial marketplace achieved its best-ever quarterly result in terms of total transaction volume. The volume of transactions completed in the second quarter of 2011 totalled €4.7 billion, which was 17.4 per cent higher than in the corresponding period of last year (Q2 2010: €4.0 billion). Year-on-year growth in the first six months of 2011 came to 25.6 per cent.

The total volume of mortgage finance transactions completed in the second quarter of 2011 rose by 11.7 per cent to €3.6 billion (Q2 2010: €3.4 billion). The volume of transactions generated in the first half of 2011 grew by 24.0 per cent year on year to €7.1 billion (H1 2010: €5.8 billion). The trend towards the independent distribution of financial services continues to provide firm foundations on which this marketplace can grow. Encouraged by a level of interest rates which, although now rising, remains relatively low, many customers have decided to realise their dream of becoming a homeowner. The marketplace's ongoing expansion into the cooperative and public-sector regional banking industry is having an increasing impact and accelerating the growth of EUROPACE.

The volume of building finance agreements and loans brokered over the EUROPACE platform more than doubled in both the second quarter of 2011 to €0.7 billion (Q2 2010: €0.3 billion) and in the first six months of this year to €1.1 billion (H1 2010: €0.5 billion) largely owing to the successful rollout of BOXL, whereas the value of personal loan transactions remained virtually unchanged year on year at €0.4 billion in the second quarter of 2011 (Q2 2010: €0.3 billion) and €0.6 billion in the first six months of this year (H1 2010: €0.7 billion). Our business in personal loans is still feeling the effects of banks' reluctance to lend in the wake of the financial crisis.



Volume of transactions on EUROPACE (€ billion)

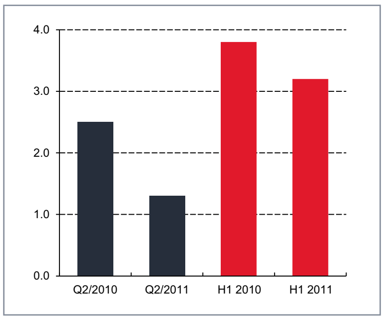
Revenue achieved above-average year-on-year increases, jumping by 33.5 per cent to €5.6 million in the second quarter of 2011 (Q2 2010: €4.2 million) and by 40.0 per cent to €9.1 million in the first six months of this year on the back of larger transaction volumes and the growth in collaborations and Packager-related business. Selling expenses rose at a higher rate than revenue as a result of the sharp increase in low-margin collaborations and Packager-related business. Gross profit advanced by 12.8 per cent to €3.6 million in the second quarter of 2011 (Q2 2010: €3.2 million) and surged by 36.7 per cent to €6.7 million in the first half of this year (H1 2010: €4.9 million).

EUROPACE Financial Service Providers business unit	1 Jan to 30 Jun 2011	1 Jan to 30 Jun 2010	1 Apr to 30 Jun 2011	1 Apr to 30 Jun 2010
Volume of transactions (€ billion)	8.8	7.0	4.7	4.0
thereof mortgage finance	7.1	5.8	3.6	3.4
thereof personal loans	0.6	0.7	0.4	0.3
thereof building saving	1.1	0.5	0.7	0.3
Revenue (€ million)	9.1	6.5	5.6	4.2
Selling expenses (€ million)	2.4	1.6	2.0	1.0
Net Revenue (€ million)	6.7	4.9	3.6	3.2

Despite the fact that our partner-specific financial marketplaces GENOPACE and FINMAS are still fairly new, they are already being accessed by 52 (30 June 2010: 28) and 31 (30 June 2010: 13) contractual partners respectively, while the total number of partners actively using our EUROPACE platform rose from 130 at the end of June 2010 to 160 as at 30 June 2011.

Corporate Real Estate Clients business unit

The loan brokerage product segment in the Corporate Real Estate Clients business unit achieved only 60 per cent of the volume of new loans that it had brokered in the second quarter of 2010 and 90 per cent of the volume of new lending brokered in the first half of last year owing to a lack of big-ticket transactions. Consequently, second-quarter revenue also fell sharply by 48 per cent to €1.3 million (Q2 2010: €2.5 million). Revenue for the first six months of 2011 declined by 16 per cent year on year from €3.8 million to €3.2 million.

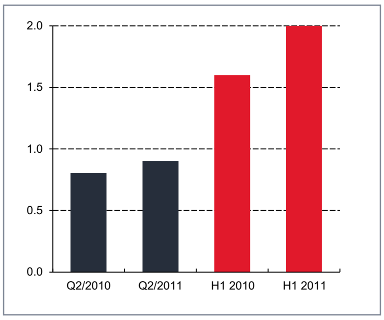


Revenue Corporate Real Estate Clients (€ million)

Corporate Real Estate Clients business unit	1 Jan to 30 Jun 2011	1 Jan to 30 Jun 2010	1 Apr to 30 Jun 2011	1 Apr to 30 Jun 2010
Loan Brokerage				
Volume of new business (€ million)	588	643	269	429
Prolongationsvolumen (Mio. €)	126	153	49	100
Revenue (€ million)	3,2	3,8	1,3	2,5
Selling expenses (€ million)	0,1	0,2	0,0	0,1
Net Revenue (€ million)	3,1	3,6	1,3	2,4

Institutional Clients business unit

Institutional Clients – the smallest of the four business units – generated record revenue of €2.0 million in the first half of 2011 (H1 2010: €1.6 million) from its EUROPACE for issuers product (for issuers of securitisations, pfandbriefs and other covered bonds). Second-quarter revenue rose by 13 per cent from €0.8 million to €0.9 million.



Institutional Clients revenue (€ million)

Institutional Clients	1 Jan to 30 Jun 2011	1 Jan to 30 Jun 2010	1 Apr to 30 Jun 2011	1 Apr to 30 Jun 2010
Revenue (€ million)	2.0	1.6	0.9	0.8
Selling expenses (€ million)	0.2	0.1	0.1	0.0
Net Revenue (€ million)	1.8	1.5	0.8	0.8

Own work capitalised

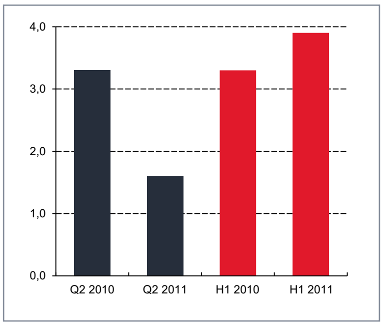
In the second quarter of 2011 the Company continued to attach considerable importance to investing in the further expansion of its B2B financial marketplaces. This capital expenditure underpins the ongoing growth of its Financial Service Providers, Corporate Real Estate Clients and Institutional Clients business units. Apart from maintaining its competitive edge in existing product segments in the second quarter, the Company took further key measures to extend its EUROPACE marketplace to the Netherlands and introduce EUROPACE 2 in Germany.

In the second quarter of 2011 the Company invested a total of €1.7 million (Q2 2010: €1.8 million) in the development of its marketplaces; in the first six months of this year it spent €3.5 million (H1 2010: €3.5 million). Hypoport continues to invest heavily in its forward-looking projects as part of these activities. Of this total, €0.9 million was capitalised in the second quarter of 2011 (Q2 2010: €1.6 million), while €1.8 million was capitalised in the first six months of this year (H1 2010: €2.9 million). This shift is attributable to the currently much higher proportion of partner-specific configurations during the migration process, which Hypoport does not capitalise owing to their shorter useful lives. This amount represents the pro-rata personnel expenses and operating costs attributed to software development.

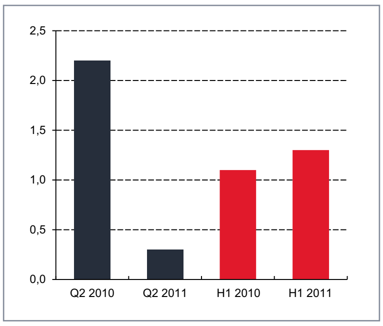
Earnings

The significant improvement in the Hypoport Group's earnings that had begun in the second quarter of 2010 continued in the first half of 2011. The successful expansion of business with private clients and the EUROPACE platform's best-ever quarterly result in terms of transaction volumes generated highly encouraging levels of earnings in both the Private Clients and Financial Service Providers business units. On the other hand, the Hypoport Group's profitability was dented by the lack of big-ticket deals in the Corporate Real Estate Clients business unit and by the decrease in own work capitalised.

Against the backdrop of the operating performance described above, EBITDA and EBIT rose to €3.9 million (H1 2010: €3.3 million) and €1.3 million (H1 2010: €1.1 million) respectively in the first six months of 2011. In the second quarter of 2011 the Company generated EBITDA of €1.6 million (Q2 2010: €3.3 million) and EBIT of €0.3 million (Q2 2010: €2.2 million).



EBITDA (€ million)



EBIT (€ million)

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Expenses

Personnel expenses for the first half of 2011 rose in line with the increase in the average number of employees during the period from 452 to 469 people.

The breakdown of other operating expenses is shown in the table below.

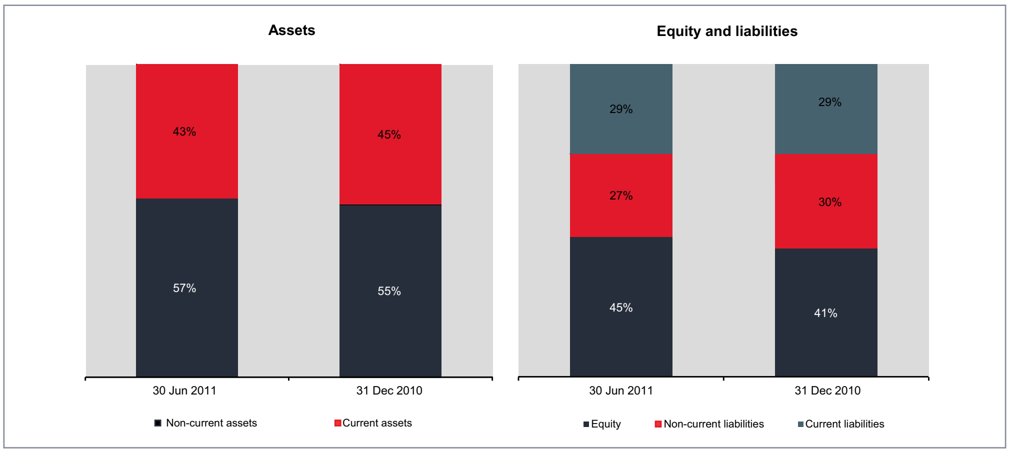
in €´000	1 Jan to 30 Jun 2011	1 Jan to 30 Jun 2010	1 Apr to 30 Jun 2011	1 Apr to 30 Jun 2010
Operating expenses	2,183	1,824	1,277	981
Other selling expenses	1,269	1,075	589	495
Administrative expenses	1,686	1,898	705	944
Other personnel expenses	367	208	200	124
Other expenses	446	363	144	78
	5,951	**5,368**	**2,915**	**2,622**

The operating expenses consist mainly of building rentals of €861 thousand (H1 2010: €708 thousand) and vehicle-related costs of €581 thousand (H1 2010: €469 thousand). The other selling expenses relate to advertising costs and travel expenses. The administrative expenses largely comprise IT-related costs of €766 thousand (H1 2010: €1.024 million) as well as telephone charges and other communication costs of €267 thousand (H1 2010: €286 thousand). The other personnel expenses mainly consist of training costs of €223 thousand (H1 2010: €159 thousand).

The net finance costs primarily include interest expense and similar charges of €0.5 million incurred by the drawdown of loans and the use of credit lines (H1 2010: €0.5 million).

Balance sheet

The Hypoport Group's consolidated total assets as at 30 June 2011 amounted to €62.8 million, which was 6 per cent lower than the total as at 31 December 2010 (€67.2 million).



Balance structure

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Non-current assets totalled €35.9 million (31 December 2010: €37.0 million). This amount included goodwill which, at an unchanged €14.8 million, remained the largest single item. Financial assets essentially comprise a loan of €625 thousand (31 December 2010: €375 thousand) to a joint venture. Current assets decreased by €3.2 million to €26.9 million owing to the €5.6 million reduction in cash and cash equivalents. By contrast, trade receivables rose by €1.3 million and other assets grew by €1.1 million.

The equity attributable to Hypoport AG shareholders as at 30 June 2011 grew by €0.8 million, or 3.0 per cent, to €28.0 million. The equity ratio improved from 40.5 per cent to 44.6 per cent owing to the Hypoport Group's significant net profit and the contraction in its total assets.

The €3.9 million decrease in non-current liabilities to €16.7 million stemmed primarily from the fall in financial liabilities. Current liabilities declined by €1.2 million to €18.0 million, mainly owing to the €3.5 million decrease in trade payables. On the other hand, current financial liabilities grew by €3.3 million. This was mainly because a non-current loan for €2.5 million was reclassified owing to its agreed term to maturity.

Total financial liabilities fell by €0.7 million to €19.9 million largely as a result of scheduled repayments.

Cash flow

Cash flow increased by €1.0 million to €3.3 million during the reporting period. The total net cash outflow from operating activities as at 30 June 2011 amounted to €2.4 million (30 June 2010: net cash inflow of €1.3 million). The reduction in cash flow compared with the corresponding period of 2010 was mainly attributable to the fact that the cash used for working capital rose by €4.7 million to €5.7 million (30 June 2010: €1.0 million).

The net cash outflow of €2.4 million from investing activities (30 June 2010: net outflow of €3.6 million) stemmed primarily from the €1.9 million increase in capital expenditure on non-current intangible assets. The net cash outflow of €0.9 million from financing activities (30 June 2010: net cash inflow of €2.4 million) largely relates to the scheduled repayment of loans.

Cash and cash equivalents as at 30 June 2011 totalled €5.6 million, which was €5.6 million lower than at the beginning of the year owing to seasonal factors. This decrease was primarily caused by the payment of super commissions to distribution partners in the first quarter of 2011 for the 2010 financial year. Cash and cash equivalents at the end of the period consisted exclusively of cash on hand and at banks.

Capital expenditure

Most of the capital investment was spent on enhancing the EUROPACE financial marketplaces.

Employees

The number of employees in the Hypoport Group rose continuously in line with revenue growth and amounted to 476 people as at 30 June 2011. This was an increase of 4.6 per cent on the end of 2010 (31 December 2010: 455 people). An average of 469 people were employed in the first half of 2011 (H1 2010: 452 people).

Outlook

The constantly accelerating pace of recovery in the global economy over the course of 2010 continued in the first half of 2011. The latest forecast published by the International Monetary Fund (IMF) predicts global economic growth of 4.4 per cent for 2011, which would be slightly weaker than last year's owing to the rise in oil prices and the need for many countries to consolidate their public finances.

The main risks to the sustainability of the economic recovery continue to come from the international arena. The lacklustre performance of the US economy, rising commodity and energy prices, the sovereign debt crisis and persistently high unemployment in parts of the euro zone and the United States, and the escalation of events in the Arab world are all likely to act as a significant drag on growth at both national and international level.

The rate of inflation in individual countries is generally expected to continue to rise. Given the unrelenting pressure on prices, economic experts expect both the US Federal Reserve and the European Central Bank (ECB) to have carried out several modest interest-rate hikes by the end of this year.

Despite the unusually large number of uncertainties confronting the economy going forward, the general parameters influencing Hypoport's sector remain intact.

Home ownership remains a key component of private pension provision because it is seen as crisis-proof and inflation-proof. Insurance and investment products continue to benefit from the urgent need for private pension provision. The effects of an ageing population and a falling birth rate on government-funded healthcare systems are still providing attractive business opportunities for private health insurers and one-stop distributors of financial products such as Dr. Klein.

Because the Hypoport Group – with its competitive and diversified business models – is well positioned in this growth market despite the subdued macroeconomic outlook, we are cautiously optimistic and expect the Company's business to continue to perform well over the next 18 months, generating significant double-digit growth in revenue and gross profit and a net profit in line with last year's.

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4. Interim consolidated financial statements

Consolidated balance sheet as at 30 June 2011

Assets	30 Jun 2011 €´000	31 Dec 2010 €´000
Non-current assets		
Intangible assets	27,522	27,809
Property, plant and equipment	2,303	2,431
Financial assets	745	501
Trade receivables	4,049	5,004
Other assets	26	26
Deferred tax assets	1,268	1,277
	35,913	**37,048**
Current assets		
Trade receivables	16,768	15,453
Other current items	4,130	3,039
Income tax assets	438	438
Cash and cash equivalents	5,571	11,200
	26,907	**30,130**
	62,820	**67,178**
Equity and liabilities		
Equity		
Subscribed capital	6,195	6,195
Treasury shares	-2	-13
Reserves	21,826	21,020
	28,019	**27,202**
Non-controlling interest	151	188
	28,170	**27,390**
Non-current liabilities		
Financial liabilities	13,994	17,914
Provisions	437	437
Other liabilities	10	10
Deferred tax liabilities	2.212	2.194
	16,653	**20,555**
Current liabilities		
Provisions	240	172
Financial liabilities	5,941	2,680
Trade payables	6,146	9,631
Current income tax liabilities	188	148
Other liabilities	5,482	6,602
	17,997	**19,233**
	62,820	**67,178**

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Consolidated income statement

for the period 1 January to 30 June 2011

	1 Jan to 30 Jun 2011 €´000	1 Jan to 30 Jun 2010 €´000	1 Apr to 30 Jun 2011 €´000	1 Apr to 30 Jun 2010 €´000
Revenue	35,848	28,035	18,165	15,946
Selling expenses (Commision and lead costs)	-15,895	-11,039	-8,579	-6,084
Gross profit	**19,953**	**16,996**	**9,586**	**9,862**
Own work capitalised	1,826	2,886	904	1,617
Other operating income	863	680	354	344
Personnel expenses	-12,818	-11,894	-6,298	-5,873
Other operating expenses	-5,951	-5,368	-2,915	-2,622
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**3,873**	**3,300**	**1,631**	**3,328**
Depreciation, amortisation expense and impairment losses	-2,540	-2,168	-1,280	-1,118
Earnings before interest and tax (EBIT)	**1,333**	**1,132**	**351**	**2,210**
Financial income	109	24	50	10
Finance costs	-531	-508	-262	-258
Earnings before tax (EBT)	**911**	**648**	**139**	**1,962**
Income taxes and deferred taxes	-258	-507	-74	-668
Net profit (loss) for the year	**653**	**141**	**65**	**1,294**
attributable to non-controlling interest	-37	-33	-9	-31
attributable to Hypoport AG shareholders	**690**	**174**	**74**	**1,325**
Basic earnings (loss) per share	**0.11**	**0.03**	**0.01**	**0.22**
Diluted earnings (loss) per share	**0.11**	**0.03**	**0.01**	**0.22**

Consolidated statement of comprehensive income

for the period 1 January to 30 June 2011

	1 Jan to 30 Jun 2011 €´000	1 Jan to 30 Jun 2010 €´000	1 Jan to 30 Jun 2011 €´000	1 Jan to 30 Jun 2010 €´000
Net profit (loss) for the year	653	141	65	1,294
Total income and expenses (recognized in equity*)	0	0	0	0
Total comprehensive income	653	141	65	1,294
attributable to non-controlling interest	-37	-33	-9	-31
attributable to Hypoport AG shareholders	690	174	74	1,325

*) There was no income or expences to be recognized in equity during the reporting period.

Abridged consolidated statement of changes in equity for the six months ended 30 June 2011

€´000	Subscribed capital	Capital reserves	Retained earnings	Equity attributable to Hypoport AG shareholders	Equity attributable to non-controlling interest	Equity
Balance as at 1 January 2010	6,129	1,748	15,812	23,725	200	23,925
Total comprehensive income	–	–	174	174	-33	141
Balance as at 30 June 2010	**6,129**	**1,784**	**15,986**	**23,899**	**167**	**24,066**
€´000	Subscribed capital	Capital reserves	Retained earnings	Equity attributable to Hypoport AG shareholders	Equity attributable to non-controlling interest	Equity
Balance as at 1 January 2011	6,182	1,937	19,083	27,202	188	27,390
Sale of own shares	11	114	2	127	0	127
Total comprehensive income	–	–	690	690	-37	653
Balance as at 30 June 2011	**6,193**	**2,051**	**19,775**	**28,019**	**151**	**28,170**

Consolidated cash flow statement

for the period 1 January to 30 June 2011

	30 Jun 2011 €´000	30 Jun 2010 €´000
Earnings before interest and tax (EBIT)	1,333	1,132
Non-cash income (+) / expense (-)	-220	-453
Interest received (+)	109	24
Interest paid (-)	-531	-508
Income tax payments (-)	89	-57
Income tax receipts (+)	0	3
Depreciation and amortisation expense, impairment losses (+) / reversals of impairment losses (-) on non-current assets	2,540	2,168
Cashflow	**3,320**	**2,309**
Increase (+) / decrease (-) in current provisions	68	-43
Increase (-) / decrease (+) in inventories, trade receivables and other assets not attributable to investing or financing activities	-1,442	-693
Increase (+) / decrease (-) in trade payables and other liabilities not attributable to investing or financing activities	-4,318	-287
Change in working capital	**-5,692**	**-1,023**
Cash flows from operating activities	**-2,372**	**1,286**
Payments to acquire property, plant and equipment / intangible assets (-)	-2,125	-3,617
Proceeds from the disposal of financial assets (+)	32	41
Purchase of financial assets (-)	-276	-18
Cash flows from investing activities	**-2,369**	**-3,594**
Proceeds from the issue of bonds and drawdown of loans under finance facilities (+)	0	3.000
Redemption of bonds and loans (-)	-888	-624
Cash flows from financing activities	**-888**	**2,376**
Net change in cash and cash equivalents	-5,629	68
Cash and cash equivalents at the beginning of the period	11,200	7,157
Cash and cash equivalents at the end of the period	**5,571**	**7,225**

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Abridged segment reporting

for the period 1 January to 30 June 2011

€´000	Corporate Real Estate Clients	Private Clients	Financial Service Providers	Institutional Clients	Re-conciliation	Group
Segment revenue in respect of third parties						
1 Jan - 30 Jun 2011	3,177	22,095	8,570	1,971	35	35,848
1 Jan - 30 Jun 2010	3,754	16,501	6,104	1,643	33	28,035
1 Apr - 30 Jun 2011	1,335	10,685	5,250	879	16	18,165
1 Apr - 30 Jun 2010	2,508	8,637	3,977	809	15	15,946
Segment revenue in respect of other segments						
1 Jan - 30 Jun 2011	41	52	501	0	-594	0
1 Jan - 30 Jun 2010	75	69	425	0	-569	0
1 Apr - 30 Jun 2011	7	25	329	0	-361	0
1 Apr - 30 Jun 2010	37	59	243	0	-339	0
Total segment revenue						
1 Jan - 30 Jun 2011	3,218	22,147	9,071	1,971	-559	35,848
1 Jan - 30 Jun 2010	3,829	16,570	6,529	1,643	-536	28,035
1 Apr - 30 Jun 2011	1,342	10,710	5,579	879	-345	18,165
1 Apr - 30 Jun 2010	2,545	8,696	4,220	809	-324	15,946
Segment earnings before interest, tax and depreciation (EBITDA)						
1 Jan - 30 Jun 2011	1,256	1,126	2,043	670	-1,222	3,873
1 Jan - 30 Jun 2010	1,732	684	940	515	-571	3,300
1 Apr - 30 Jun 2011	324	797	1,099	231	-820	1,631
1 Apr - 30 Jun 2010	1,384	606	1,397	260	-319	3,328
Segment earnings before interest and tax (EBIT)						
1 Jan - 30 Jun 2011	1,085	1,099	520	541	-1,912	1,333
1 Jan - 30 Jun 2010	1,638	656	-721	423	-864	1,132
1 Apr - 30 Jun 2011	243	782	488	167	-1,329	351
1 Apr - 30 Jun 2010	1,335	591	536	214	-466	2,210
Segment assets						
30 Jun 2011	15,762	17,166	20,477	5,811	3,604	62,820
31 Dec 2010	15,135	20,047	24,001	4,940	3,055	67,178

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5. Notes to the interim consolidated financial statements

Information about the Company

The Hypoport Group is an internet-based financial service provider that offers a full range of financial products. Its business model is based on two mutually supporting pillars: the Financial Product Sales and B2B Financial Marketplaces divisions.

Operating through its wholly owned subsidiary Dr. Klein & Co. AG, Vergleich.de Gesellschaft für Verbraucherinformation mbH and Qualitypool GmbH, the Hypoport Group offers private clients internet-based banking and financial products (providing advice, if requested, either by telephone or face to face) ranging from current accounts and insurance to mortgage finance.

With its EUROPACE B2B financial marketplace, the Hypoport Group uses Germany's largest online transaction platform to sell financial products. A fully integrated system links a large number of banks with several thousand financial advisers, thereby enabling products to be sold swiftly and directly.

Its parent company is Hypoport AG, which is headquartered in Berlin, Germany. Hypoport AG is entered in the commercial register of the Berlin-Charlottenburg local court under HRB 74559. The business address of the Company is Klosterstrasse 71, 10179 Berlin, Germany.

Basis of presentation

The condensed interim consolidated financial statements of Hypoport AG for the six months ended 30 June 2011 have been prepared in accordance with the provisions of IAS 34 (Interim Financial Reporting). They are based on the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) as adopted by the European Union and take into account the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). The report has been condensed in accordance with IAS 34 compared with the scope of the consolidated financial statements for the year ended 31 December 2010. These condensed interim consolidated financial statements should therefore be read in conjunction with the consolidated financial statements for the year ended 31 December 2010 and the disclosures contained in the notes thereto. These condensed interim consolidated financial statements have not been reviewed by an auditor.

These condensed interim consolidated financial statements are based on the accounting policies and the consolidation principles applied to the consolidated financial statements for the year ended 31 December 2010.

The interim consolidated financial statements and the single-entity financial statements for the entities included in the IFRS interim consolidated financial statements are prepared in euros.

To improve clarity, all figures in the IFRS consolidated financial statements and the group management report are presented in thousands or millions of euros unless stated otherwise. We wish to point out that the application and aggregation of rounded amounts and percentages and the use of automated calculation methods may give rise to rounding discrepancies.

All figures on the quantities and volumes of financial products sold (e.g. volume of loans brokered, life insurance premiums, or volume of transactions processed on EUROPACE) include cancellations and, consequently, cannot be compared directly with the revenue figures shown, which exclude cancellations. The relevant figures shown in each case are calculated at a cut-off point in the product transaction process that is appropriate for the accrual method of accounting used. Cancellations that occur later in this process – e.g. as a result of additional credit checks or health checks performed by product suppliers or the exercise of cancellation rights by consumers – are not included in the relevant figures shown.

The consolidated balance sheet is broken down into current and non-current items in accordance with IAS 1.51 et seq. The consolidated income statement is presented under the nature-of-expense method.

Accounting policies

The accounting policies applied are those used in 2010, with the following exceptions:

- IAS 24: "Related Party Disclosures "
- IFRS 1: "Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters"
- IFRIC 14: "Prepayments of a Minimum Funding Requirement"
- IFRIC 19: "Extinguishing Financial Liabilities with Equity Instruments"

The mandatory application of these standards and interpretations has had no impact on the financial position or financial performance presented in these interim financial statements of the Hypoport Group. Any impact on future periods will be recognised accordingly.

Basis of consolidation

The consolidation as at 30 June 2011 includes all entities controlled by Hypoport AG in addition to Hypoport AG itself. ATC Hypoport B.V., Amsterdam, has been consolidated for the first time in 2011.

The wholly owned subsidiary Hypoport B.V., Amsterdam, and Amsterdamsch Trustee's Kantoor B.V., Amsterdam, together set up the joint venture ATC Hypoport B.V., Amsterdam, on 27 April 2011. This company's subscribed capital amounts to €18,000.00 and is fully paid-up. Hypoport B.V. holds shares worth €9,000.00 in the joint venture. ATC Hypoport B.V. is consolidated only on a pro-rata basis because of the restricted level of control exercised by Hypoport B.V.

The purpose of this joint venture is to provide loan-level analysis over an internet platform for regulators, investors, rating agencies, securitisation firms and other clients in the securitisation market and to render other outsourcing and advisory services relating to such analysis and reports. The aim is to develop a loan-level platform that will become the European standard.
Amsterdamsch Trustee's Kantoor is the market leader in the management and administration of Dutch securitisations, while Hypoport leads the market in technology-based securitisation solutions.

Together these two entities cover virtually all Dutch securitisations, which should ensure that the platform gets off to a successful start.

To streamline the Hypoport Group's shareholding structure, Freie Hypo GmbH was merged with Dr. Klein & Co. AG with effect from 1 January 2011 and is therefore no longer consolidated as a separate entity.

The table below shows the entities included in the interim consolidated financial statements in addition to Hypoport AG.

	Holding in %
ATC Hypoport B.V., Amsterdam	50.00
Dr. Klein & Co. AG, Lübeck	100.00
GENOPACE GmbH, Berlin	50.025
FINMAS GmbH, Berlin	50.00
Hypoport B.V., Amsterdam	100.00
Hypoport Finance AG, Berlin	100.00
Hypoport Insurance Market GmbH, Berlin	100.00
Hypoport Mortgage Market Ltd., Westport (Irland)	100.00
Hypoport on-geo GmbH, Berlin	50.00
Hypoport Stater B.V., Amsterdam	50.00
Hypoport Systems GmbH, Berlin	100.00
Qualitypool GmbH, Lübeck	100.00
Starpool Finanz GmbH, Berlin	50.025
Vergleich.de Gesellschaft für Verbraucherinformation mbH, Berlin	100.00

With the exception of Hypoport Stater B.V., Hypoport on-geo GmbH, FINMAS GmbH and ATC Hypoport B.V. (all joint ventures consolidated on a pro-rata basis), all companies in the Group are fully consolidated.

Intangible assets and property, plant and equipment

Intangible assets primarily comprise unchanged goodwill of €14.8 million and development costs of €11.7 million for the financial marketplaces (31 December 2010: €11.8 million). Property, plant and equipment consists solely of office furniture and equipment of €2.3 million (31 December 2010: €2.4 million).

Income taxes and deferred taxes

The average combined tax rates computed on the basis of current legislation are unchanged at just under 30 per cent for companies in Germany and between 12.5 per cent and 25.5 per cent for subsidiaries outside Germany.

Earnings per share

The figure for the earnings (loss) per share is determined in accordance with IAS 33. Basic earnings (loss) per share is calculated by dividing the net profit (loss) for the period attributable to the shareholders of Hypoport AG by the weighted average number of outstanding shares. Diluted earnings (loss) per share is calculated by dividing the net profit (loss) for the period attributable to the shareholders of Hypoport AG by the total weighted average number of outstanding shares, adjusted for the dilutive effect of potential new shares. The figure for the earnings (loss) per share becomes diluted if the average number of shares is increased as a result of adding in the issue of potential shares in connection with options.

In 2011 there are no share options that would have a dilutive effect on earnings per share. The dilutive effect of the options granted in the years 2002 to 2004 was an average of 34 thousand shares in the second quarter of 2010 and of 38 thousand shares in the first six months of 2010. The weighted number of outstanding shares is calculated on the basis of a daily balance.

	1 Jan to 30 Jun 2011	1 Jan to 30 Jun 2010	1 Apr to 30 Jun 2011	1 Apr to 30 Jun 2010
Net profit (loss) for the year (€'000)	653	141	65	1.294
of which attributable to Hypoport AG stockholders	690	174	74	1.325
Basic weighted number of outstanding shares (´000)	6,182	6,129	6,182	6,129
Basic earnings (loss) per share (€)	**0.11**	**0.03**	**0.01**	**0.22**
Weighted number of share options (´000) causing a dilutive effect	0	66	0	66
Diluted weighted number of outstanding shares (´000)	6,182	6,167	6,182	6,163
Diluted earnings (loss) per share (€)	**0.11**	**0.03**	**0.01**	**0.22**

Subscribed capital

The Company's subscribed capital as at 30 June 2011 was unchanged at €6,194,958.00 (31 December 2010: €6,194,958.00) and was divided into 6,194,958 (31 December 2010: 6,194,958) fully paid-up registered no-par-value shares.

The Annual Shareholders' Meeting held on 17 June 2011 voted to carry forward Hypoport AG's distributable profit of €13,524,321.99 to the next accounting period.

Authorised capital

Following approval of a resolution by the Annual Shareholders' Meeting on 1 June 2007, the unused authorisation of 19 December 2006 was set aside and replaced by a new authorisation. The Management Board was authorised, subject to the consent of the Supervisory Board, to increase the subscribed capital of the Company by up to a total of €3,000,000.00 by way of an issue of new registered no-par-value shares for cash or non-cash contribution on one or more occasions on or before 31 May 2012. The Management Board can decide to disapply the statutory pre-emption rights of the shareholders, subject to the consent of the Supervisory Board.

Conditional capital

The Annual Shareholders' Meeting on 26 August 2002 approved a conditional capital increase of up to €276,808.00 in the Company's subscribed capital, which now amounts to €122,650.00. The purpose of the conditional capital increase was to allow share options to be granted to employees, members of the Management Board and to directors of Hypoport Group companies. The share option programme ended on 31 December 2010. Since it is no longer possible to issue shares from conditional capital in connection with the exercise of share options, the authorisation for the conditional capital has been set aside.

Treasury shares

Hypoport held 1,643 treasury shares as at 30 June 2011 (equivalent to €1,643.00, or 0.03 per cent, of the subscribed capital of Hypoport AG), which are intended to be issued to employees. The change in the balance of treasury shares and the main data relating to transactions during the reporting period are shown in the table below.

Change in the balance of treasury shares in 2011	Number of shares	Proportion of subscribed capital in %	Cost of purchase €	Sale price €	Gain or loss on sale €
Opening balance as at 1 January 2011	12,920	0.209	16,150.00		
Sold in January 2011	10,250	0.165	12,812.50	0.00	-12,812.50
Sold in April 2011	810	0.013	1,012.50	0.00	-1,012.50
Sold in June 2011	217	0.004	271.25	0.00	-271.25
Balance as at 30 June 2011	1,643	0.027			

This expense incurred by the purchase of treasury shares was recognised directly in equity and offset against retained earnings.

Reserves

The breakdown of reserves can be found in the above consolidated statement of changes in equity.

Capital reserves include the premium from the capital increase carried out in 2001 (€400 thousand), the premium from the issuance of shares under the 2002–2004 employee share ownership programme from 2006 to 2009 (€1.187 million), an amount equivalent to the par value of the treasury shares recalled in 2006 (€99 thousand), an amount equivalent to the imputed share of subscribed capital for the treasury shares recalled in 2007 (€247 thousand) and income from the issuance of shares to employees (€119 thousand).

Retained earnings include the profits generated by the entities included in the consolidated financial statements prior to the first-time consolidation on 1 January 2004, the capital gains on the sale of treasury shares, the losses on the recall of treasury shares and three negative goodwill amounts arising from business combinations. These negative goodwill amounts are reported under retained earnings, because profits had been retained after the acquisition but before the date of first-time consolidation.

The cumulative net profits and losses for all periods since the date of first-time consolidation, all the remaining adjustments made under the first-time adoption of IFRS on 1 January 2004 and recognised directly in equity, and a statutory reserve of €7 thousand (2010: €7 thousand) are also reported under this item.

Non-controlling interest

This item relates to the non-controlling interest in the equity of Starpool Finanz GmbH and GENO-PACE GmbH.

Share-based payment

No share options were issued in the second quarter of 2011.

Related parties

IAS 24 requires disclosure of the names of persons or entities that control Hypoport AG or are controlled by Hypoport AG. Transactions between Hypoport AG and its subsidiaries are eliminated during consolidation and are therefore not subject to the disclosure requirement in this section.

IAS 24 also requires disclosure of the names of persons who can exercise significant influence over the Company.The scope of persons covered by the requirements also includes key management personnel, their close family members and other entities via which a named person exercises control or significant influence over Hypoport AG. The persons covered by this requirement during the reporting period were the members of the Group Management Board and Supervisory Board of Hypoport AG and their close family members. The table below shows the numbers of shares in Hypoport AG directly or indirectly held by the members of the Group Management Board and Supervisory Board as at 30 June 2011.

	Number of shares 30 Jun 2011	Number of shares 31 Dec 2010
Management Board		
Ronald Slabke	2,241,841	2,241,831
Thilo Wiegand	24,000	24,000
Stephan Gawarecki	187,800	187,800
Hans Peter Trampe	174,990	188,490
Supervisory Board		
Dr. Ottheinz Jung-Senssfelder	14,000	24,000
Prof. Dr. Thomas Kretschmar	814,286	1,371,974
Christian Schröder	24,000	24,000

The companies in the Hypoport Group have not carried out any further disclosable transactions with members of either the Supervisory Board or the Group Management Board or with companies on whose management or supervisory bodies these persons are represented. This also applies to close family members related to these persons.

Revenue generated by joint ventures totalled €119 thousand in the second quarter of 2011 (Q2 2010: €98 thousand) and €271 thousand in the first half of this year (H1 2010: €219 thousand). Receivables from joint ventures amounted to €778 thousand as at 30 June 2011 (31 December 2010: €565 thousand) while liabilities to such companies totalled €625 thousand (31 December 2010: €375 thousand).

Opportunities and risks

In the period under review, there were no material changes to the opportunities and risks for the Group as described in the risk report in the 2010 group management report. There are no identifiable risks to the Hypoport Group as a going concern.

Seasonal influences on business activities

There were no exceptional, positive seasonal influences on the performance of the Hypoport Group's business in the second quarter of 2011. The first quarter of every year is notoriously the weakest season in the mortgage finance business. In the past, positive changes in the mortgage market for both private and corporate clients have been noticeable during the course of a year. The Company is assuming that there will be an encouraging trend in the distribution of insurance products for private customers and corporate real estate clients during the course of the year caused, among other things, by certain industry-wide cancellation deadlines and tax issues.

Events after the balance sheet date

No material events have occurred since the balance sheet date.

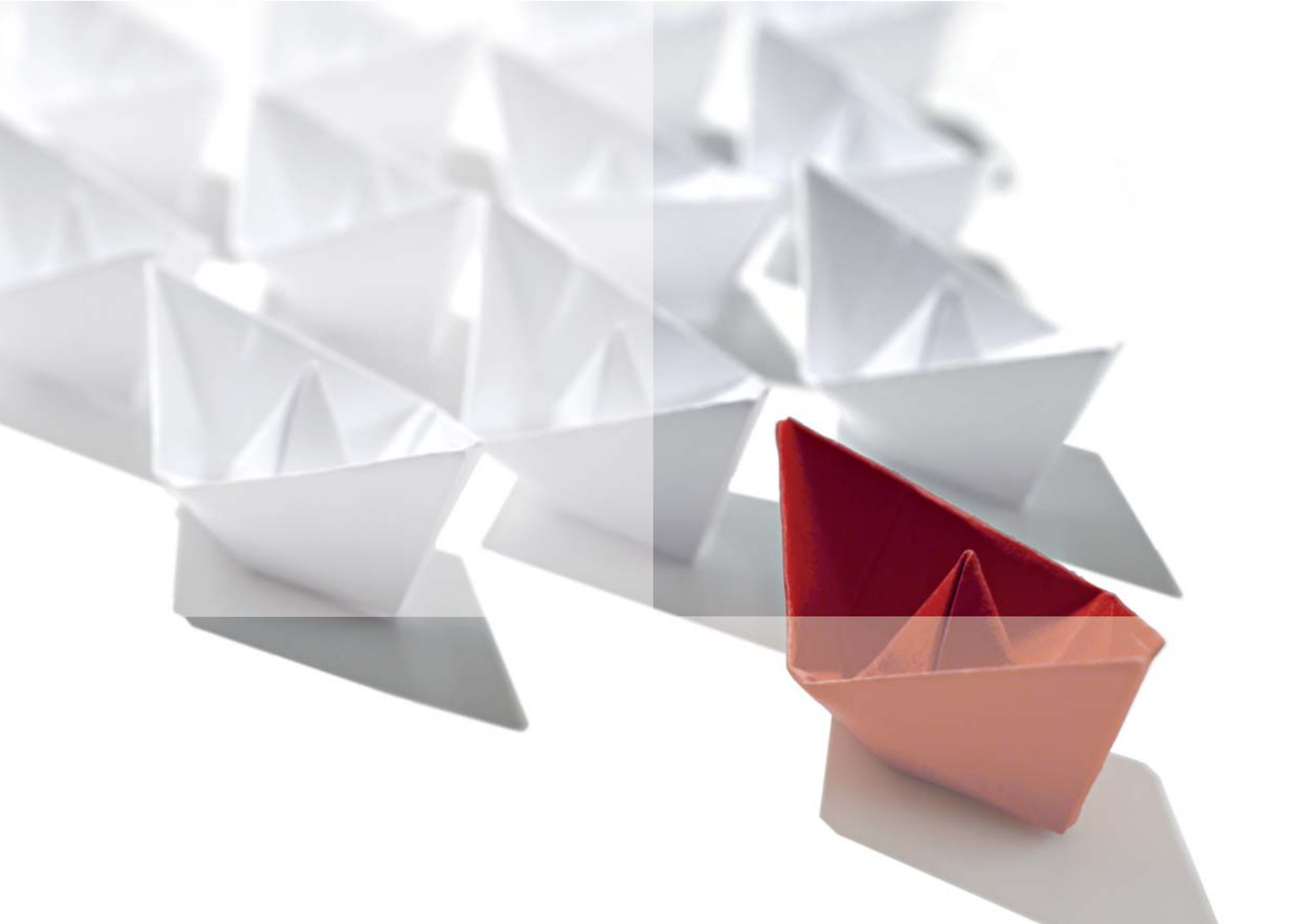
Responsibility statement

"We assure that, to the best of our knowledge and in accordance with the accounting standards applicable to interim financial reporting, the interim consolidated financial statements give a fair presentation of the Hypoport Group's financial position and financial performance, the interim group management report gives a fair presentation of the Hypoport Group's business, profits and position and that the material opportunities and risks of its expected development during the remainder of the financial year are described."

Berlin, 8 August 2011

Hypoport AG – The Management Board
Ronald Slabke – Thilo Wiegand – Stephan Gawarecki – Hans Peter Trampe

HYPOPORT
THE FINANCE INTEGRATOR



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DEUTSCHE BÖRSE
PRIME STANDARD