

Press release

Corporate news

Hypoport AG continues to grow

Berlin, 1 March 2009: Following on from its recently reported increase in transaction volume, Hypoport AG expects revenues to have continued growing at a rate well into the double-digit percentage range in the fourth quarter 2008. The demand for impartial and qualified consulting services free of any affiliation to individual banks is raising the appeal both directly of the internet-based all-round financial services we offer and indirectly of EUROPACE, our B2B financial marketplace. In light of this trend, coupled with the increasing stability of market factors, developments can be expected to remain positive into 2009.

Hypoport Group once again continued to grow in the fourth quarter 2008. The Management Board therefore expects Group revenues to witness growth well into the double-digit percentage range both by quarter-on-quarter comparison and compared with the same quarter last year. Ronald Slabke, Co-CEO of Hypoport AG, comments on the positive business development: "In addition to this growth, we expect the active business divisions to generate earnings at the same level witnessed in previous quarters, in spite of the difficulties posed by negative market conditions". The company will be presenting its provisional results for the year as a whole on 17th March.

According to Prof. Dr. Thomas Kretschmar, Co-CEO of Hypoport AG: "This result is very satisfactory overall and clearly sets us apart from the performance witnessed by the market as a whole".

According to figures published by Bundesbank, new mortgage transactions dropped by 3.3 percent in 2008 to their current level of EUR 176 billion. The market volume for instalment loans even declined by 28.7 percent to its current level of EUR 72 billion. The insurance industry is witnessing stagnating premium revenues across all business divisions.

Kretschmar believes that this development is due to the structural changes taking place in the market for financial services. Many customers are disappointed with the "consulting quality" that their banks offer when selling their own products and are increasingly turning to impartial financial advisors instead. As Slabke explains: "This is clearly visible, for example, from the excellent performance demonstrated by the corporate clients division of Dr. Klein & Co. AG, our all-round financial services subsidiary".

This year, the Management Board expects the overall market for financial services to stabilise at its weak level of 2008. Banks will continue to try and attract customer deposits to refinance their own transactions, thus ensuring the availability of attractive terms for call money and fixed deposits. Slabke emphasises the potential: "Anyone who compares these offers with the internet terms quoted by our subsidiary Dr. Klein, for example, can easily benefit from an interest rate improvement of several

percentage points for a secure financial investment". At the same time, real estate will regain importance as a crucial component of pension provision. This trend is favoured by historically low interest rates. Hypoport is also benefiting from further stimulus provided by the insurance market. The marked increase in the cost of the national health insurance scheme, for example, is opening up enormous potential to provide customers with competent advice. Kretschmar adds: "In 2009, consumers will adopt a much more sensitive and price-conscious approach to their long-term financial decisions. We will reap the benefits, together with any other providers of all-round financial services who tailor their services to the needs of their customers".

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About Hypoport AG

Hypoport Group is an internet-based all-round financial services provider based in Berlin. The Group employs more than 450 people. The company has been listed in the Prime Standard on Deutsche Börse since the end of 2007. Its business model consists of two reciprocally beneficial pillars – the sale of financial products (Dr. Klein & Co. AG) and the provision of a platform for transacting financial products via the internet.



Hypoport operates the EUROPACE B2B financial marketplace, which is the largest German online platform for transacting financing products. A fully integrated system links more than 30 banks with several thousand financial advisors, thus enabling the quick and direct agreement of contracts. The platform's highly automated processes generate considerable cost benefits. Already, some 400 financing transactions are being processed via EUROPACE every day. Hypoport AG publishes the monthly house price index (HPX) based on real transaction data.

A list of the banks and service providers that use the platform can be downloaded from www.hypoport.de, as can the Annual Report 2007.

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