

Press release

Volume of Private Clients transactions in 2013

Dr. Klein: strong growth in loan transaction volumes and insurance portfolio

Lübeck, 7 February 2014: The Private Clients division of financial service provider Dr. Klein & Co. AG increased its volume of loan transactions by 18 per cent in 2013. The volume of transactions in new insurance business contracted by 9 per cent year on year in line with market trends. In particular the one-off effect of the introduction of gender-neutral insurance rates in 2012 was absent from the new insurance business transacted in 2013 and therefore resulted in a disappointing fourth quarter.

The insurance portfolio grew by 38 per cent over the same period.

Dr. Klein & Co. AG once again made a valuable contribution to the transaction growth achieved by the Private Clients business unit in the Hypoport Group. The volume of loan transactions increased by 18 per cent year on year to €5.4 billion (2012: €4.5 billion). Attractive terms and conditions, high demand and Dr. Klein's branch network throughout Germany helped generate strong growth. The volume of insurance transactions completed in 2013 came to €21.7 million (2012: €23.7 million). Whereas the total value of new health insurance and life insurance policies purchased fell, transaction volumes in general insurance rose sharply. The aggregate insurance portfolio, which is important for the Company's future, grew by 38 per cent to €101.1 million, topping the €100 million mark for the first time (2012: €73.0 million). Dr. Klein remains the largest franchise organisation in the German financial services industry.

Stephan Gawarecki places the transaction-related figures in context

Stephan Gawarecki, the chief executive officer (CEO) of Dr. Klein & Co. AG, placed the loan transaction figures within the context of prevailing trends in the lending market: "Interest rates on loans fell to a new all-time low during the period January to May 2013 before edging up again between May and September. Apart from when they rose sharply in May, rates remained sluggish in 2013. In addition, growth in the mortgage finance market as a whole continued to be constrained by the shortage of available properties. We grew much more strongly than the overall market, whose volumes increased only marginally. Our access to virtually all product suppliers often enables us to offer the most favourable terms and conditions. What's more, we provide all our customers in Germany with personal, face-to-face advice at one of our branch offices near where they live."

The German insurance sector continued to undergo radical change in 2013. "The insurance market was shaken to its core from the perspective of consumers, regulators, the media and the low-interest-rate environment while the process of consolidation continued apace," commented Gawarecki, adding: "Portfolio growth will be the key benchmark for gauging distributors' success in future. The substantial expansion of our portfolio shows that we are on the right track in this respect. Only sufficiently large portfolios guarantee a certain level of protection against market fluctuations. The shortage of year-end

business, interest-rate movements, and regulatory changes are all evidence of the fact this market volatility is on the increase. The fourth-quarter performance of our insurance business was especially weak in 2013 compared with the previous year, and even our lending business generated lower growth during this period."

Explanatory note concerning information on Dr. Klein's financial results

Owing to complex market-related factors and the accounting treatment applied, neither the revenue generated by the Hypoport Group as a whole nor the revenue earned by individual units can be directly extrapolated from the transaction figures given above.

About Dr. Klein & Co. AG

Dr. Klein is an independent provider of financial services for private and institutional clients. For private clients, Dr. Klein identifies the ideal products to suit their individual finance-related requirements. Around 800 experts offer advice focusing on all issues relating to current accounts and call money, insurance policies and financial investments, or mortgage financing and private loans. The service is provided over the internet and in more than 200 branch offices. The company is not affiliated to any specific providers. Dr. Klein & Co. AG has been a preferred partner for the provision of financial services to the residential property industry, municipal clients and commercial real estate investors since 1954. Dr. Klein offers its institutional clients comprehensive support, competent advice and customised concepts for financial and portfolio management and business-related insurance policies. Its client-oriented consulting expertise and long years of working closely with all well-known credit and insurance companies ensure that Dr. Klein always has the simplest access to the best possible financial services. Dr. Klein is wholly owned by Hypoport AG, the internet-based financial services provider that is listed on the Frankfurt Stock Exchange

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