



## Buy

Recommendation unchanged

**Share price: EUR 80.60**

closing price as of 11/01/2017

**Target price: EUR 100.00**

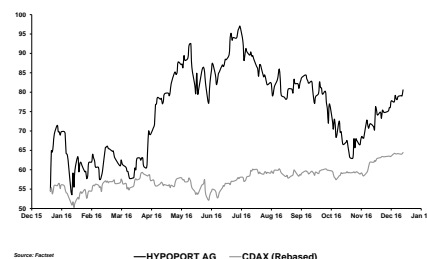
Target Price unchanged

Reuters/Bloomberg

HYQGN.DE/HYQ GR

Market capitalisation (EURm)	499
Current N° of shares (m)	6
Free float	63%
Daily avg. no. trad. sh. 12 mth	23
Daily avg. trad. vol. 12 mth (m)	887
Price high 12 mth (EUR)	97.00
Price low 12 mth (EUR)	53.59
Abs. perf. 1 mth	12.15%
Abs. perf. 3 mth	0.00%
Abs. perf. 12 mth	9.39%

Key financials (EUR)	12/15	12/16e	12/17e
Sales (m)	139	155	171
EBITDA (m)	25	29	33
EBITDA margin	18.0%	18.7%	19.4%
EBIT (m)	19	23	28
EBIT margin	13.9%	15.1%	16.2%
Net Profit (adj.)(m)	16	18	22
ROCE	31.1%	38.2%	46.7%
Net debt/(cash) (m)	(0)	(18)	(41)
Net Debt/Equity	0.0	-0.3	-0.4
Debt/EBITDA	0.0	-0.6	-1.2
Int. cover(EBITDA/Fin. int)	171.8	19.3	22.1
EV/Sales	3.6	3.0	2.7
EV/EBITDA	19.9	16.0	13.8
EV/EBITDA (adj.)	19.9	16.0	13.8
EV/EBIT	25.9	19.8	16.6
P/E (adj.)	31.4	26.6	23.1
P/BV	9.5	6.8	5.4
OpFCF yield	3.9%	3.7%	4.4%
Dividend yield	0.0%	0.0%	0.0%
EPS (adj.)	2.56	2.92	3.49
BVPS	8.46	11.38	14.87
DPS	0.00	0.00	0.00



Shareholders: Slabke 37%;

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## Acquisition of two Insuretechs

**The facts:** This morning Hypoport has announced that it was acquiring two Insuretechs, Maklersoftware.com and Innosystems. No purchase price was published; we estimate that HYP paid around EUR 10m in total for the two companies.

**Our analysis:** Through the acquisition of these two companies HYP is strengthening its market position in the insuretech market; in addition to the efficient administration of insurance portfolio, HYP can now offer market participants proven advisory software (Maklersoftware.com) and a comprehensive price comparison tool (Innosystems). Note, that HYP bought NKK AG, a leading provider of software for the administration of broker portfolios, last summer. Thus, HYP is getting closer to its target of creating an integrated solution for insurance brokers as it has already done with Europace for mortgage loan brokers.

**Conclusion & Action:** We see the two acquisitions positively as they should help HYP to build an integrated solution for insurance brokers (like it did for mortgage loan brokers). We see this strategy positively as it should help HYP to build another revenue pillar (in addition to Europace) in the mid-term. Estimated purchase price should be around EUR 10m and thus not significant for HYP.

We stick to our Buy rating with a target price of EUR 100. HYP should continue to be in pole position to benefit from the low interest rate environment while winning further market share in the mortgage brokerage market. We forecast average annual revenue growth of 16% between 2016e and 2018e, annual net profit growth should amount to 16%.