



Flash Note

Accumulate

Recommendation unchanged

Share price: EUR 119.80

closing price as of 02/08/2017

Target price: EUR 131.00

from Target Price: EUR 114.00

Upside/Downside Potential 9.3%

Reuters/Bloomberg HYQn.DE/HYQ GR

Market capitalisation (EURm) 742

Current N° of shares (m) 6

Free float 63%

Daily avg. no. trad. sh. 12 mth 20

Daily avg. trad. vol. 12 mth (m) 1,742.59

Price high/low 12 months 63.06 / 132.50

Abs Perfs 1/3/12 mths (%) 5.55/17.16/35.67

Key financials (EUR)

	12/16	12/17e	12/18e
Sales (m)	157	188	214
EBITDA (m)	28	33	38
EBITDA margin	18.1%	17.4%	17.8%
EBIT (m)	23	27	31
EBIT margin	14.8%	14.2%	14.6%
Net Profit (adj.)(m)	18	21	25
ROCE	28.4%	32.7%	36.9%
Net debt/(cash) (m)	1	(15)	(39)
Net Debt/Equity	0.0	-0.2	-0.4
Net Debt/EBITDA	0.0	-0.4	-1.0
Int. cover(EBITDA/Fin.int)	70.6	65.5	47.8
EV/Sales	3.1	3.9	3.3
EV/EBITDA	17.0	22.2	18.4
EV/EBITDA (adj.)	17.0	22.2	18.4
EV/EBIT	20.8	27.2	22.5
P/E (adj.)	25.8	34.3	28.5
P/BV	7.5	8.8	6.8
OpFCF yield	1.1%	1.9%	3.0%
Dividend yield	0.0%	0.0%	0.0%
EPS (adj.)	3.01	3.49	4.20
BVPS	10.30	13.68	17.74
DPS	0.00	0.00	0.00

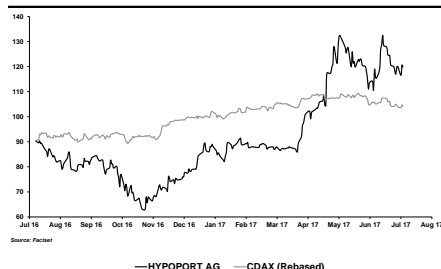
Reason: Rating Change

3 August 2017

Key beneficiary of strong housing market in Germany; Acc. with TP EUR 131 (EUR 114)

Hypoport is the key beneficiary of the strong housing market in Germany as it led to an increased demand in mortgage loans. The positive housing market in Germany is in our view partly fueled by the low interest rate environment and to a lesser extent from an under-supply of apartments/houses. We see further significant growth potential for Europace, Hypoport's online marketplace for mortgage loans. Hypoport's latest initiative, its online marketplace for insurance policies, should become Hypoport's second earnings driver in the coming years. We have updated our valuation, taking into account the insurance platform separately. Thus we derive a new target price of EUR 131 (EUR 114). Hence, we reiterate our Accumulate recommendation.

- ✓ **Residential Real Estate Market in strong condition:** The German residential real estate market is in a strong condition (see exhibit 1) and we expect this to continue even if price increases should continue on a lower scale than in recent years. In our view the low interest rates were the key growth driver for this development. Additionally the population growth in metropolitan areas and the under-supply of suitable housing played a positive role.
- ✓ **Europace should further grow its market share:** Europace has a market share of around 15% (based upon Bundesbank new bus. figures) in Germany. While it has a market share of around 50% among mortgage loan brokers it has only a market share of around 2% among savings and mutual banks, the market leaders in the German mortgage loan mkt. Although Europace has around 70% of the TOP 25 savings/mutual banks under contract, the banks only partially use Europace. We expect this to change in the coming yrs. as banks are under pressure to save costs to offset the negative revenues impact from the decline in the interest rates. Using Europace is one possibility to reduce costs as banks can outsource the loan processing while offering customers a better service.
- ✓ **Insurance online marketplace:** At its CMD early May Hypoport presented for the first time its new online marketplace for insurance products. The idea is to offer insurance brokers and insurance companies a similar solution like Europace for the distribution/processing of insurance products. Following the acquisition of various smaller software companies Hypoport has built a comprehensive software solution which enables users to advise customers (incl. product comparison) and process the policies (incl. claims management) with one software tool. HYP targets annual revenues of EUR 150m in 10 years and an EBIT generation of between EUR 40m and EUR 50m (equinet calculation).
- ✓ **Vulnerable against higher interest rates:** In case of a rise in interest rates Hypoport should benefit in the short term as demand for mortgage loans should spike as people should move housing investments forward to still benefit from the low rates. Loan demand should decline in the mid-term, partially due to a base effect but also due to a lower housing demand as some investors would not be willing to buy a house if they have to pay higher interest costs. In the long term a possible lower demand for housing should be more than offset by a higher market share of Europace. Generally we see the risk that sentiment for Hypoport shares could deteriorate in case of higher rates.



Analyst(s)

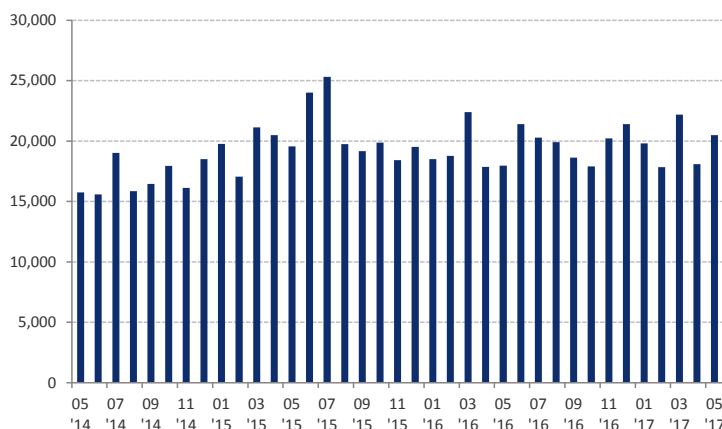
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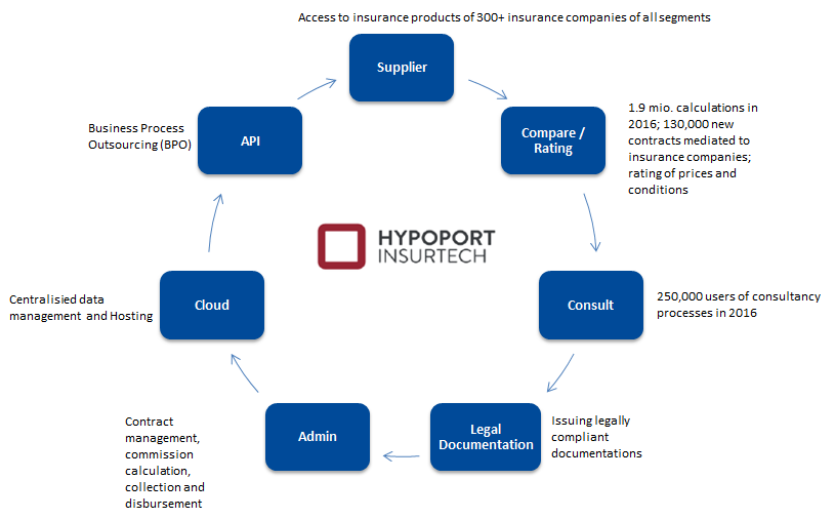
Exhibit 1: Monthly new mortgage business volume (EUR bn)



Source: Bundesbank, equinet Research

Insurance Platform as mid-term revenues driver: HYP plans to build an online marketplace for the insurance sector similar to that it has done for the loan business. Therefore it has made various smaller acquisitions in 2016/Q1 2017 (such as NKK Programm Service AG, Maklersoftware GmbH, Innosystems GmbH) to be able to offer insurance policy brokers (and in a second step also insurance companies) an integrated software solution ranging from the document management to the advising of the customers, incl. product comparison. Currently, this integrated software solution is only used by Dr. Klein, i.e. no external customers have yet decided to implement it. This will clearly take some time until HYP will win its first customer. In order to increase transparency HYP created the new business unit Insurance Platform, which achieved EUR 3.8m revenues in Q1 2017, while EBIT was at EUR -0.1m. Most of the revenues came from the recently acquired companies.

Exhibit 2: Insurance Platform



Source: Hypoport, equinet Research

Revenue Potential: Based upon a total insurance premium volume of around EUR 200bn in the German market HYP sees a market share of 10% as achievable – note that Europace has a market share of around 16% (based upon Bundesbank figures). Assuming a transaction fee of 0.75% (charged on the premium volume) HYP sees a revenues potential of around EUR 150m as achievable. Assuming a similar gross margin like Europace achieved in Q1 '17 and an EBIT margin (EBIT margin calculated on the basis of revenues less distribution costs) of between 40% and 50% (seen as achievable by HYP) we estimate an



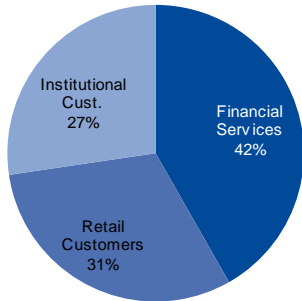
EBIT potential of between EUR 40 and 50m for this unit. HYP believes that this is achievable within the next ten years which we think sounds quite ambitious. We are nevertheless confident that HYP's insurance marketplace will become a similar success like Europace as 1) the insurance industry (both on the the distribution and the production side) is under high cost pressure to increase efficiency. Digitalization has only begun for the industry and will be one of the key issues for the industry in the coming years. 2) HYP has already proven once with Europace that it can successfully build an online marketplace. Thus it has extensive know-how on the technology/software side but equally important it also knows how to win customers. Through Dr. Klein it has business relationships with most of the important insurance companies and through its recent acquisitions it has gained access to broker networks. 3) There are only few players that offer such an integrated insurance marketplace. Most of the players in the market offer only software/IT solutions for specific parts of the value chain, i.e. documentation or the consulting process. Acturis and Finanzsoft/softfair are currently the only ones in the market offering a similar product/service.

Valuation: While we see this latest strategic move very positively and are convinced that this could become a similar success like Europace, we are cautious how to take this into account for valuation purposes. So far we had not taken into account at all for our valuation which is too cautious as the earnings prospects are significant. Valuing the online insurance marketplace with a separate DCF model we have derived a fair value of EUR 37 per share. Adding this to our calculated fair value of EUR 94 for Hypoport excl. the online insurance marketplace we come to a new fair value of EUR 131 per share.



Exhibit 3: Investment Case in Charts

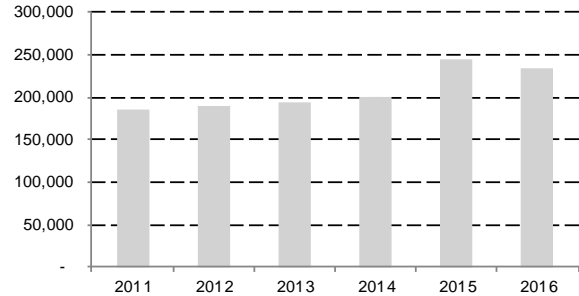
Business split



Financial Services (Europace) is Hypoport's key revenues pillar.

Source: Hypoport, equinet Research

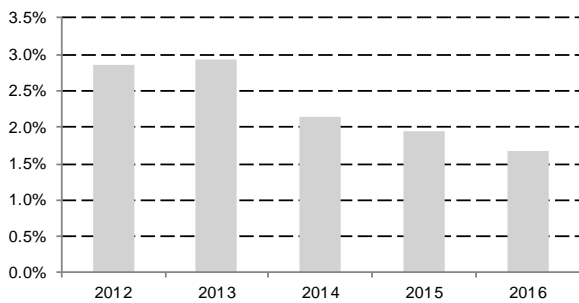
Market development (new mortgage loans in EUR m)



New mortgage loan volumes in GER have benefited from a decline in interest rates, 2016 being negatively impacted from regulation.

Source: Bundesbank, equinet Research

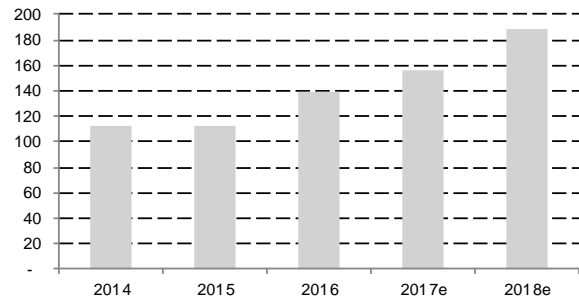
10YR Mortgage Rate development



10YR Mortgage rates on record low levels; we do not expect a sharp increase in the short term.

Source: Hypoport, equinet Research

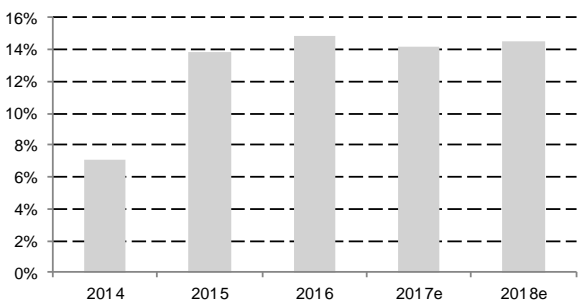
Revenues development (in EUR m)



A positive overall market development and a growing market share of Hypoport should be the main revenues drivers.

Source: Hypoport, equinet Research

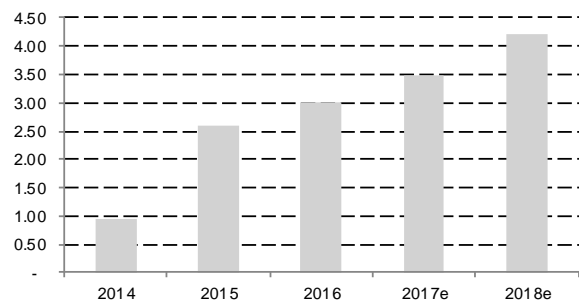
EBIT margin development



EBIT Margins should not further increase in 2017e/'18e due to investments into the online insurance marketplace.

Source: Hypoport, equinet Research

EPS development (in EUR)



We forecast EPS CAGR of 16% (2016e-'18e).

Source: Hypoport, equinet Research



Exhibit 4: At a Glance

Business Units	Credit Platform	Private Clients	Institutional Clients	Insurance Platform		
		 DIE PARTNER FÜR IHRE FINANZEN				
Products/ applications	Through its credit platform Europace the company is enabling banks to distribute loans of more than hundred banks to its customers. Banks can also use Europace to solely process their own loan business.	Dr. Klein is the brand through which Hypoport is servicing retail customers. Dr. Klein's more than 500 IFAs advise customers on different financial products, the focus being clearly on mortgage loans.	Hypoport is brokering real estate loans to institutional customers via Dr. Klein. In addition to the pure brokerage of loans Dr. Klein has recently started to more and more advise customers on how to finance real estate transactions.	Hypoport's youngest business unit targets the insurance market. Idea is to build an Europace for the insurance industry, i.e. an online insurance market place which comprises products comparison, advice tools and processing of the policies and claims management.		
Customers	Customers range from mortgage brokers via Postbank to savings and mutual banks. Savings and mutual banks are serviced via two separate joint ventures. Although we do not have any figures we do not see Europace being dependent on a few single customers.	Customers are normal retail customers with average financing needs. Mortgage customers should be above average incomes. Very diversified customer base, no dependence on single customers at all.	Customers are professional real estate investors, mainly public housing investors. We do not have any figures, but the dependence on single customers may be somewhat higher in this unit.	Potential customers include insurance brokers, IFAs and insurance companies. At the moment HYP has only customers which use certain parts of the software. Revenues are still on low level, i.e. customer dependence not an issue yet.		
Market share/ positioning	Overall market share of Europace in GER Europace's only market, in mortgage loans is around 15%. Market share of around 50% among mortgage brokers, market share of only 2% among savings/mutual banks.	No figures available, we estimate that Dr. Klein has a market share of below 5%.	No figures available, but Dr. Klein's market share should be well below 5%.	Market share not yet meaningful as this unit is still in the ramp-up phase.		
Drivers	Main driver is the demand for mortgage loans which is impacted by level of interest rates and demand for apartments/housing.	Main driver is the demand for mortgage loans which is impacted by level of interest rates and demand for apartments/housing.	High dependence on the public hand; even if the need for more public housing is high, the process until construction starts and a loan is needed may take long.	Overall growth of insurance premiums and growing need for insurers and brokers to increase efficiency.		
Main competitors	Interhyp is the only important competitor offering a similar service.	Interhyp as mortgage broker, other IFAs like MLP, OVB, DVAG.	Mainly savings banks, but also mutual, private banks and other loan brokers.	At the moment similar software solutions are offered by Acturis and Finanzsoft/softair.		
Entry barriers/ competitive advantage	Entry barriers depend on the different business units. Highest entry barriers exist in our view in Hypoport's strongest growing unit, Europace. With the underlying technology and the extensive customer relationships HYP has a decisive competitive advantage compared to other players.					
Strategy & Guidance	Strategy: (I) Winning more customers for Europace to realize economies of scale. (II) Build-up of an insurance marketplace in the mid-to-long term. (III) Developing Private and Institutional Clients further which should continue to benefit from the housing boom in Germany		Guidance 2017: Revenue: double-digit growth EBIT double-digit growth	equinet Estimates Revenue: 188 y/y 20.0% EBIT margin 14.8%	Consensus Revenue: 188 19.9% EBIT margin 14.5%	
2016	Sales (EURm) y/y 156.6 12.7%	EBITDA (EURm) Margin 28.3 18.1%	EBIT (EURm) Margin 23.2 14.8%	EPS 5Y hist. CAGR 38.0%		
Sales & EBIT Split	Sales split by division 		EBIT split by division 		Group financial development 	EBIT margin development
Shareholder structure & management	CEO Ronald Slabke Major shareholder and CEO (since 2010) • With Hypoport since 2002 • >20 years experience in the banking industry • prior to becoming CEO he was board member of Hypoport (since 2002). He joined Dr. Klein & Co GmbH & Co. KG in 1996, he became a board member in 2000.		Board Member (since 2010) Stephan Gawarecki • With Dr. Klein since 2004 • almost 20 years experience in the banking/insurance industry • Prior to his career at Dr. Klein Mr. Gawarecki worked for FinanceScout24 and Deutscher Ring • Mr. Gawarecki is responsible for Retail Customers and Commercial Insurance business for all distribution channels.		Shareholder structure 	
# of employees FY	709					

Source: Hypoport, equinet Research



Hypoport AG : Summary tables

PROFIT & LOSS (EURm)	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Sales	112	139	157	188	214	242
Cost of Sales & Operating Costs	0.0	0.0	0.0	0.0	0.0	0.0
Non Recurrent Expenses/Income	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	12.7	25.1	28.3	32.7	38.2	44.3
EBITDA (adj.)*	12.7	25.1	28.3	32.7	38.2	44.3
Depreciation	4.8	5.8	5.1	6.0	7.0	7.5
EBITA	17.5	30.9	33.4	38.7	45.2	51.8
EBITA (adj)*	17.5	30.9	33.4	38.7	45.2	51.8
Amortisations and Write Downs	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	7.9	19.3	23.2	26.7	31.2	36.8
EBIT (adj.)*	7.9	19.3	23.2	26.7	31.2	36.8
Net Financial Interest	-0.7	-0.1	-0.4	-0.5	-0.8	-0.8
Other Financials	0.0	0.0	0.0	0.0	0.0	0.0
Associates	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0	0.0
Earnings Before Tax (EBT)	7.3	19.1	22.8	26.2	30.4	36.0
Tax	1.3	3.2	4.8	5.2	5.2	6.1
<i>Tax rate</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Net Profit (reported)	5.9	15.9	18.0	20.9	25.2	29.8
Net Profit (adj.)	5.9	15.9	18.0	20.9	25.2	29.8
CASH FLOW (EURm)	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Cash Flow from Operations before change in NWC	10.7	23.7	25.8	22.7	31.2	36.3
Change in Net Working Capital	-2.3	2.9	-7.5	-2.3	-3.0	-2.0
Cash Flow from Operations	8.4	26.7	18.3	20.5	28.2	34.3
Capex	-6.2	-7.1	-13.3	-6.0	-6.0	-6.0
Net Financial Investments	-1.2	-6.9	-7.4	2.7	2.1	2.1
Free Cash Flow	1.1	12.7	-2.3	17.1	24.3	30.4
Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Other (incl. Capital Increase & share buy backs)	-1.1	-3.6	1.5	-1.8	0.0	0.0
Change in Net Debt	0.0	9.1	-0.8	15.3	24.3	30.4
NOPLAT	5.6	13.5	16.3	18.7	21.9	25.8
BALANCE SHEET & OTHER ITEMS (EURm)	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Net Tangible Assets	2.2	2.6	2.6	1.1	-0.4	-1.9
Net Intangible Assets (incl. Goodwill)	31.0	31.9	41.7	43.2	43.7	43.7
Net Financial Assets & Other	0.1	0.0	1.1	1.1	1.1	1.1
Total Fixed Assets	33.3	34.5	45.4	45.4	44.4	42.9
Cash (-)	-12.0	-24.8	-22.4	-39.5	-63.8	-94.2
Shareholders Equity	38.6	52.4	63.8	84.7	110	140
Minority	0.3	0.3	0.3	0.4	0.5	0.6
Total Equity	38.9	52.7	64.1	85.1	110	140
Long term interest bearing debt	0.0	0.0	0.0	0.0	0.0	0.0
Provisions	0.0	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	-5.8	-9.3	-6.7	-12.2	-11.2	-10.2
Total Long Term Liabilities	-5.8	-9.3	-6.7	-12.2	-11.2	-10.2
Short term interest bearing debt	21.1	24.7	23.2	25.0	25.0	25.0
Net Working Capital	8.9	8.9	12.9	13.0	16.0	18.0
GROWTH & MARGINS	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
<i>Sales growth</i>	<i>11.1%</i>	<i>23.7%</i>	<i>12.7%</i>	<i>20.0%</i>	<i>14.0%</i>	<i>13.0%</i>
EBITDA (adj.)* growth	55.7%	97.5%	12.9%	15.6%	16.8%	15.9%
<i>EBITA (adj.)* growth</i>	<i>41.4%</i>	<i>76.9%</i>	<i>8.1%</i>	<i>16.0%</i>	<i>16.8%</i>	<i>14.5%</i>
<i>EBIT (adj.)* growth</i>	<i>100.1%</i>	<i>142.7%</i>	<i>20.6%</i>	<i>15.1%</i>	<i>16.8%</i>	<i>17.8%</i>



Hypoport AG : Summary tables

GROWTH & MARGINS	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Net Profit growth	97.0%	168.1%	13.7%	15.8%	20.4%	18.4%
EPS adj. growth	97.0%	175.1%	14.6%	15.8%	20.4%	18.4%
DPS adj. growth						
EBITDA (adj)* margin	11.3%	18.0%	18.1%	17.4%	17.8%	18.3%
EBITA (adj)* margin	15.5%	22.2%	21.3%	20.6%	21.1%	21.4%
EBIT (adj)* margin	7.1%	13.9%	14.8%	14.2%	14.6%	15.2%
RATIOS	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Net Debt/Equity	0.2	0.0	0.0	-0.2	-0.4	-0.5
Net Debt/EBITDA	0.7	0.0	0.0	-0.4	-1.0	-1.6
Interest cover (EBITDA/Fin.interest)	18.5	n.m.	70.6	65.5	47.8	55.4
Capex/D&A	-129.8%	-121.3%	-260.6%	-100.0%	-85.7%	-80.0%
Capex/Sales	5.5%	5.1%	8.5%	3.2%	2.8%	2.5%
NWC/Sales	8.0%	6.4%	8.2%	6.9%	7.5%	7.4%
ROE (average)	16.6%	34.9%	31.0%	28.1%	25.9%	23.9%
ROCE (adj.)	13.2%	31.1%	28.4%	32.7%	36.9%	43.1%
WACC	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%
ROCE (adj.)/WACC	1.7	4.0	3.7	4.2	4.8	5.6
PER SHARE DATA (EUR)***	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Average diluted number of shares	6.2	6.0	6.0	6.0	6.0	6.0
EPS (reported)	0.96	2.63	3.01	3.49	4.20	4.97
EPS (adj.)	0.96	2.63	3.01	3.49	4.20	4.97
BVPS	6.23	8.46	10.30	13.68	17.74	22.55
DPS	0.00	0.00	0.00	0.00	0.00	0.00
VALUATION	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
EV/Sales	0.8	3.6	3.1	3.9	3.3	2.8
EV/EBITDA	6.7	19.9	17.0	22.2	18.4	15.2
EV/EBITDA (adj.)*	6.7	19.9	17.0	22.2	18.4	15.2
EV/EBITA	4.8	16.1	14.4	18.8	15.6	13.0
EV/EBITA (adj.)*	4.8	16.1	14.4	18.8	15.6	13.0
EV/EBIT	10.7	25.9	20.8	27.2	22.5	18.3
EV/EBIT (adj.)*	10.7	25.9	20.8	27.2	22.5	18.3
P/E (adj.)	12.7	30.6	25.8	34.3	28.5	24.1
P/BV	2.0	9.5	7.5	8.8	6.8	5.3
Total Yield Ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EV/CE	2.0	11.5	8.4	12.7	11.9	11.3
OpFCF yield	3.0%	3.9%	1.1%	1.9%	3.0%	3.8%
OpFCF/EV	2.6%	3.9%	1.0%	2.0%	3.1%	4.2%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend yield (gross)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EV AND MKT CAP (EURm)	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Price** (EUR)	12.16	80.50	77.75	119.80	119.80	119.80
Outstanding number of shares for main stock	6.2	6.2	6.2	6.2	6.2	6.2
Total Market Cap	75	499	482	742	742	742
Net Debt	9	0	1	-15	-39	-69
<i>o/w Cash & Marketable Securities (-)</i>	<i>-12</i>	<i>-25</i>	<i>-22</i>	<i>-40</i>	<i>-64</i>	<i>-94</i>
<i>o/w Gross Debt (+)</i>	<i>21</i>	<i>25</i>	<i>23</i>	<i>25</i>	<i>25</i>	<i>25</i>
Other EV components	0	0	0	0	0	0
Enterprise Value (EV adj.)	85	499	483	728	704	673

Source: Company, equinet Bank estimates.

Notes

* Where EBITDA (adj.) or EBITA (adj.) = EBITDA (or EBITA) -/+ Non Recurrent Expenses/Income and where EBIT (adj.) = EBIT -/+ Non Recurrent Expenses/Income - PPA amortisation

**Price (in local currency): Fiscal year end price for Historical Years and Current Price for current and forecasted years

Sector: Financial Services Industrials/FinSvcs Industrials

Company Description: Hypoport is a financial service provider focusing on real estate loans. Key product is the Europace platform which is an internet based platform enabling banks on the one hand to more efficiently process their mortgage basis and on the other hand to get access to more than 250 product partners.



Recommendations and Disclosures

Coverage	Analyst	Target	Rating	Disc.	Coverage	Analyst	Target	Rating	Disc.
2G Energy	Rüzgar	22.50	Neutral	2/3/5	Pfeiffer Vacuum	Sen	162.00	Accumulate	5
4SC	Miemietz	3.50	Buy	7	Procredit Holding	Häßler	15.60	Accumulate	2
Aareal Bank	Häßler	38.00	Neutral		PSI SOFTWARE AG	Droste	18.00	Accumulate	2/3
Adpepper	Heilmann	2.45	Neutral	2/3	PWO	Schuldt	53.00	Accumulate	2/3
adidas	Josefson	192.00	Buy		RIB Software	Droste	16.50	Buy	2/3
Adler Modemaerkte	Josefson	7.50	Buy	7	RTL Group	Josefson	81.00	Accumulate	
ADLER Real Estate	Häßler	17.00	Buy		Stabilus	Schuldt	17.00	Accumulate	7
Aixtron	Sen	4.00	Neutral	2/3	Siegfried Holding AG	Miemietz	220.00	Accumulate	
Allianz	Häßler	185.00	Accumulate		SLM Solutions	Sen	27.50	Reduce	
Axel Springer	Josefson	51.00	Neutral		SMT Scharf AG	Rüzgar	14.50	Neutral	2/3
Bayer	Miemietz	118.00	Buy		Software AG	Droste	30.00	Sell	
BB Biotech	Miemietz	60.00	Buy	7	Stabius	Tanzer	75.00	Accumulate	
Biotest	Miemietz	19.00	Neutral	2/3	Suedzucker	Bruns	20.00	Neutral	
BMW	Schuldt	98.00	Accumulate		SuessMicroTec	Sen	11.00	Accumulate	2/3
Cenit	Droste	22.50	Buy		Surteco	Mildner	26.10	Accumulate	2/3
comdirect	Häßler	10.60	Neutral		Symrise	Hinkel	67.00	Neutral	
Commerzbank	Häßler	9.50	Neutral		Szyggy AG	Heilmann	11.50	Neutral	2/3
Continental	Schuldt	240.00	Buy		TAKKT	Bruns	21.80	Accumulate	2
CORESTATE Capital Holding S.A.	Mayer	65.00	Buy	2/5	Talanx Group	Häßler	34.00	Neutral	
CTS Eventim	Heilmann	40.00	Buy		Technotrans	Becker	36.00	Neutral	2/3
Daimler AG	Schuldt	76.00	Buy		TELECOLUMBUS	Sen	12.00	Buy	
Daldrup & Soehne	Becker	10.10	Buy	2/3/5	Telefonica Deutschland	Sen	3.70	Sell	
Demire	Mayer	4.30	Accumulate		United Internet	Sen	63.00	Buy	
Deutsche Bank	Häßler	19.00	Buy		va-Q-tec	Sen	17.00	Neutral	2/3/5
Deutsche EuroShop	Mayer	42.00	Accumulate		Viscom	Rüzgar	18.00	Accumulate	2/3
Deutsche Pfandbriefbank	Häßler	12.00	Accumulate		Volkswagen	Schuldt	166.00	Buy	
Deutsche Telekom	Sen	15.50	Neutral		WCM AG	Mayer	3.25	Neutral	2/3
Drillisch	Sen	66.00	Buy		Wilex	Miemietz	4.00	Buy	2/3
ErlingKlinger	Schuldt	17.00	Reduce		Wincor Nixdorf	Sen	50.00	Accumulate	
elumeo SE	Josefson	9.60	Buy		windeln.de	Josefson	5.00	Buy	2
Epigenomics AG	Miemietz	7.52	Neutral	2/3	XING	Heilmann	300.00	Buy	
Euromicron AG	Droste	13.00	Buy	2/3/5	Zalando	Josefson	48.00	Buy	
Ferratium	Häßler	28.00	Buy						
Fielmann	Heilmann	71.00	Neutral						
Freenet	Sen	36.00	Buy	2					
FuchsPetrolub	Hinkel	47.00	Neutral						
Gerry Weber	Josefson	10.00	Reduce						
Gesco	Becker	25.40	Accumulate	2/3/5					
GFT Technologies	Droste	28.00	Buy	2/3					
Gigaset	Sen	0.85	Accumulate	2/3					
Grenke	Häßler	80.00	Accumulate						
Hannover Re	Häßler	100.00	Neutral						
Heidelberger Druck	Augustin	3.50	Buy						
Hornbach Holding	Bruns	89.00	Buy	2					
Hugo Boss	Josefson	78.00	Buy						
Hypoport AG	Häßler	131.00	Accumulate	7					
Kontron	Sen	3.60	Buy						
KWS	Hinkel	346.00	Neutral						
Leoni	Schuldt	51.00	Neutral						
Linde	Hinkel	174.00	Accumulate						
Logwin	Mildner	145.00	Neutral	2/3/5					
Manz AG	Rüzgar	42.50	Accumulate	2/3					
MAXAutomation AG	Becker	8.65	Buy	2/3/5					
Merck	Miemietz	112.00	Neutral						
Merkur Bank	Häßler	9.30	Buy	2/7					
Metro Wholesale and Food Specialis	Bruns	29.00	Buy	2					
MLP	Häßler	7.50	Buy	2/3					
MTU Aero Engines	Rüzgar	135.00	Accumulate	2					
Munich Re	Häßler	180.00	Neutral						
Nemetschek SE	Droste	47.00	Reduce	5					
Nexus AG	Droste	24.00	Buy						
Norma Group	Schuldt	61.00	Buy						
OHB SE	Rüzgar	25.00	Neutral	7					
OVH Holding AG	Häßler	20.00	Accumulate	2/5/7					
Patrizia	Häßler	22.00	Buy						

* =Coverage suspended

Source: equinet Recommendations



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Remarks

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Buy - The stock is expected to generate a total return of over 20% during the next 12 months time horizon.

Accumulate - The stock is expected to generate a total return of 10% to 20% during the next 12 months time horizon.

Hold - The stock is expected to generate a total return of 0% to 10% during the next 12 months time horizon

Reduce - The stock is expected to generate a total return of 0 to -10% during the next 12 months time horizon

Sell - The stock is expected to generate a total return below -10% during the next 12 months time horizon

Basis of Valuation

Equinet Bank uses for valuation purposes primarily DCF-Valuations and Sum-Of-The-Parts-Valuations as well as peer group comparisons.

Share prices

Share prices in this analysis are the German closing prices of the last trading day before the publication.

Sources

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Marie-Curie-Str. 24-28, 60439 Frankfurt am Main



Recommendation history for HYPOPORT AG

Date	Recommendation	Target price	Price at change date
03-Aug-17	Accumulate	131.00	119.80
08-May-17	Accumulate	114.00	103.00
25-Aug-16	Buy	100.00	82.50

Source: Factset & ESN, price data adjusted for stock splits.

This chart shows equinet Bank continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. Current analyst: Philipp Häßler, CFA (since 25/08/2016)





ESN Recommendation System

The ESN Recommendation System is **Absolute**. It means that each stock is rated on the basis of a **total return**, measured by the upside potential (including dividends and capital reimbursement) over a **12 month time horizon**.



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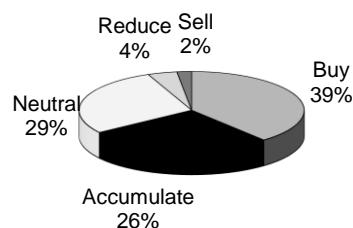
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Meaning of each recommendation or rating:

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- **Accumulate:** the stock is expected to generate total return of **5% to 15%** during the next 12 months time horizon
- **Neutral:** the stock is expected to generate total return of **-5% to +5%** during the next 12 months time horizon
- **Reduce:** the stock is expected to generate total return of **-5% to -15%** during the next 12 months time horizon
- **Sell:** the stock is expected to generate total return **under -15%** during the next 12 months time horizon
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Certain flexibility on the limits of total return bands is permitted especially during higher phases of volatility on the markets

Equinet Bank Ratings Breakdown



For full ESN Recommendation and Target price history (in the last 12 months) please see ESN Website [Link](#)

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