

# Press release

## Results for the first half of 2019

### **Hypoport builds on its successful start to 2019 and achieves its best H1 results in the Company's history**

- Consolidated revenue rises by 29 per cent year on year to reach €157 million in the first half of 2019
- EBIT increases only slightly, by 7 per cent, to just under €16 million owing to continued high levels of investment in the future

**Berlin, 5 August 2019: Hypoport published its half-year report today and confirmed the preliminary results for the first six months of 2019 that it had announced on 26 July 2019. Consolidated revenue rose by a substantial 29 per cent to €157.1 million (H1 2018: €121.7 million). All four of the Hypoport Group's segments contributed to this very strong performance.**

In the first half of 2019, the **Credit Platform segment** consolidated its central position in the mortgage finance market with a 23 per cent increase in revenue to €65.5 million (H1 2018: €53.2 million). The transaction volume on the B2B lending marketplace EUROPACE grew by 14 per cent to €31.9 billion, whereas statistics from Deutsche Bundesbank reveal that the volume of new mortgage finance business rose by only 5 per cent in the same period. This shows that EUROPACE has gained further market share. Despite capital expenditure aimed at future growth, the segment's earnings before interest and tax (EBIT) went up by 25 per cent to €14.2 million (H1 2018: €11.4 million).

The **Private Clients segment**, with its well-known B2C brand Dr. Klein is benefiting from the sustained rise in demand from consumers for neutral mortgage finance advice and from an increase in the number of loan brokerage advisors. The sales volume grew by 11 per cent to €3.5 billion (H1 2018: €3.2 billion). As a result, revenue advanced by 14 per cent to €50.5 million (H1 2018: €44.1 million). Despite this healthy revenue growth, the segment's EBIT fell by 34 per cent to €4.5 million (H1 2018: €6.9 million) due to a shift in the product mix, the addition of further regional product partners, capital expenditure on process digitalisation and adjustments to personnel capacity.

Revenue in the **Real Estate Platform segment** amounted to €20.9 million in the first half of 2019, a year-on-year increase of 44 per cent (H1 2018: €14.5 million). EBIT dropped by 23 per cent to €2.4 million (H1 2018: €3.2 million) owing to the slightly smaller contribution to EBIT from the property financing platform, expenses related to expansion of the property valuation platform (Value AG) and capital expenditure to leverage synergies between the Real Estate Platform segment and the EUROPACE lending marketplace.

The **Insurance Platform segment** continued to focus on integrating the software companies that had been acquired and on expanding business relationships with existing clients (distribution organisations, brokerage pools and B2C insurtech start-ups) to encompass all modules of the SMART INSUR platform. The segment's revenue virtually doubled to reach €20.5 million (H1 2018: €10.6 million). Thanks to this robust revenue growth, the relatively new segment was able to significantly reduce its start-up losses despite sustained high levels of capital expenditure. As a result, EBIT amounted to a loss of €0.3 million, representing a substantial improvement on the loss of €1.7 million reported in the first half of 2018.

In the first six months of the year, Hypoport forged ahead with future-oriented capital expenditure on the segments' individual platform solutions and the leveraging of synergies between the individual segments. It also significantly expanded target-group-specific sales capacity. Nonetheless, the Hypoport Group's EBIT climbed by 7 per cent to €15.8 million (H1 2018: €14.8 million). Earnings per share increased by 2 per cent to €1.92 (H1 2018: €1.88).

"The Hypoport Group is maintaining its impressive growth trajectory in 2019," said Ronald Slabke, Chief Executive Officer, commenting on the Group's performance. "The entirely organic growth of the Credit Platform segment is excellent, while expansion of the product range in the Private Clients segment will pave the way for further organic growth. The performance of the two newer segments, Insurance Platform and Real Estate Platform, makes us very optimistic about 2019 and beyond. Consequently, we are confirming our forecast for consolidated revenue of €310 million to €340 million and EBIT of €32 million to €40 million in 2019."

The complete half-year report is now available on Hypoport AG's website under [Investor Relations](#).

(€ million)	H1 2019	H1 2018	H1 change	Q2 2019	Q2 2018	Q2 change
Revenue	157.1	121.7	29%	78.6	61.6	28%
Gross profit	82.2	65.3	26%	42.0	33.8	24%
EBITDA	24.7	19.0	30%	12.4	9.5	30%
EBIT	15.8	14.8	7%	7.8	7.3	7%
Net profit for the period	12.0	11.4	6%	5.8	5.5	7%
Earnings per share	1.92	1.88	2%	0.93	0.90	3%
Employees as at 30 June	1,632	1,384	18%	-	-	-

## About Hypoport AG

Hypoport AG is headquartered in Lübeck and is the parent company of the Hypoport Group. The Group is a network of technology companies for the credit, real-estate and insurance industries with a workforce of approx. 1,700 employees. It is grouped into four segments: Credit Platform, Private Clients, Real Estate Platform and Insurance Platform.

The Credit Platform segment operates EUROPACE, which is an online B2B financial marketplace and the largest German platform offering mortgages, building finance products and personal loans. A fully integrated system links more than 650 partners – banks, insurers and financial product distributors. Several thousand loan brokerage advisors execute more than 30,000 transactions per month on EUROPACE, generating a volume of more than €5 billion. Besides EUROPACE, the FINMAS and GENOPACE sub-marketplaces and the B2B distribution companies Qualitypool and Starpool support the growth of the credit platform.

The Private Clients segment, made up of the web-based, non-captive financial product distributor Dr. Klein Privatkunden and the consumer comparison portal Vergleich.de, brings together all business models aimed at directly advising consumers on mortgages, insurance or pension products.

All real estate-related activities of the Hypoport Group, with the exception of mortgage finance, are grouped together in the Real Estate Platform segment (previously Institutional Clients) with the aim of digitalising the financing, management, sale and valuation of properties.

The Insurance Platform segment operates SMART INSUR, a web-based B2B platform for advice, comparison of tariffs and the administration of insurance policies. The segment also incorporates the insurance unit of Qualitypool, a B2B distribution company.

The shares of Hypoport AG are listed in the Prime Standard segment of the Frankfurt Stock Exchange (Deutsche Börse) and have been included in the SDAX since 2015.

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## Key data on Hypoport's shares

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