

Analysen

25 July 2018

Accumulate

Recommendation unchanged

Share price: EUR 165.40

closing price as of 24/07/2018

Target price: EUR 176.00

Target Price unchanged

Upside/Downside Potential 6.4%

Reuters/Bloomberg HYQn.DE/HYQ GR

Market capitalisation (EURm) 1,025

Current N° of shares (m) 6

Free float 64%

Daily avg. no. trad. sh. 12 mth 15

Daily avg. trad. vol. 12 mth (m) 695.71

Price high/low 12 months 116.50 / 169.60

Abs Perfs 1/3/12 mths (%) -0.96/8.10/37.89

Key financials (EUR) 12/17 12/18e 12/19e

Sales (m) 195 247 280

EBITDA (m) 30 40 48

EBITDA margin 15.5% 16.2% 17.1%

EBIT (m) 23 32 38

EBIT margin 12.0% 12.7% 13.6%

Net Profit (adj.)(m) 18 24 30

ROCE 20.4% 17.5% 20.8%

Net debt/(cash) (m) 12 16 (12)

Net Debt/Equity 0.1 0.1 -0.1

Debt/EBITDA 0.4 0.4 -0.3

Int. cover(EBITDA/Fin. int) 92.1 42.2 50.5

EV/Sales 4.7 4.2 3.6

EV/EBITDA 30.3 26.0 21.1

EV/EBITDA (adj.) 30.3 26.0 21.1

EV/EBIT 39.1 33.0 26.7

P/E (adj.) 46.9 41.5 34.9

P/BV 10.9 9.6 7.5

OpFCF yield -1.4% -1.9% 2.6%

Dividend yield 0.0% 0.0% 0.0%

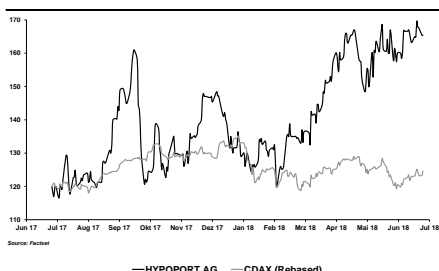
EPS (adj.) 3.10 3.98 4.74

BVPS 13.33 17.28 22.06

DPS 0.00 0.00 0.00

Shareholders

Slabke 36%;



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Good preliminary Q2 results

The facts: Hypoport has just reported good preliminary Q2 results. Revenues were up by 28% yoy to EUR 60.9m (equinet: EUR 61m) and EBIT was up by 9% yoy to EUR 7m which was however slightly below our forecast of EUR 7.3m. EBIT margin amounted to 11.4%.

Our analysis:

Hypoport - Q2 2018

EUR m	Q2 2018	Q2 2018e	Q2 2017	yoy	Cons.	delta
Revenues	60.9	61.0	47.6	28.0%	na	na
EBIT	7.0	7.3	6.4	9.4%	na	na
EBIT Margin	11.4%	12.0%	13.4%	-194 BP	na	na
Net Profit	na	5.6	5.2	na	na	na

Sources: Hypoport, equinet Research

Hypoport will publish full Q2 results on August 6.

Conclusion & Action: All in all good figures, even if EBIT was slightly below our forecast. Hypoport remains on track to reach its full-year EBIT target (EUR 29m to EUR 34m).

HYP is the key beneficiary of the strong housing market in Germany which led to an increased demand for mortgage loans. Additionally HYP's online marketplace for insurance policies should become HYP's second earnings driver in the coming years. The recent acquisitions have put HYQ a step closer to this target. Earnings growth should remain strong with an expected EPS CAGR of 22% (2017-2021e). Hence, we stick to our Accumulate recommendation with a target price of EUR 176.00.

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**.



The ESN spectrum of recommendations (or ratings) for each stock comprises 5 categories: **Buy (B)**, **Accumulate (A)**, **Neutral (N)**, **Reduce (R)** and **Sell (S)**.

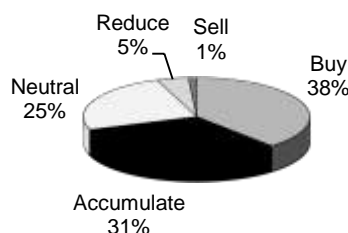
Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

Meaning of each recommendation or rating:

- **Buy:** the stock is expected to generate total return of **over 15%** during the next 12 months time horizon
- **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
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- **Sell:** the stock is expected to generate total return **under -15%** during the next 12 months time horizon
- **Rating Suspended:** the rating is suspended due to a change of analyst covering the stock or a capital operation (take-over bid, SPO, ...) where the issuer of the document (a partner of ESN) or a related party of the issuer is or could be involved
- **Not Rated:** there is no rating for a company being floated (IPO) by the issuer of the document (a partner of ESN) or a related party of the issuer

Certain flexibility on the limits of total return bands is permitted especially during higher phases of volatility on the markets

ESN Ratings Breakdown



For full ESN Recommendation and Target price history (in the last 12 months) please see ESN Website [Link](#)
Date and time of production: 25/07/2018 09:09 CET
First date and time of dissemination: 25/07/2018 09:12 CET

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