

Good start into the year: Q1 results above expectations

Hypoport has reported better than expected preliminary Q1 results on an EBIT level, while revenues were slightly weaker than expected. Sales increased by 7% yoy to EUR 108m (PAsE: EUR 112m) and EBIT was up by 15% yoy to EUR 12m (PAsE: EUR 11m). EBIT margin was with 11.1% on a strong level, above our forecast of 9.8%. According to the ADHOC release the pandemic-related decline in revenues in the personal loan business and postponements to the second half of 2021 due to a new public funding mechanism structure in corporate finance business had a temporary dampening effect. At the same time the transaction-based business in property finance seemed to have particularly performed well in Q1. All in all, good figures, Hypoport had a good start into the year. The slightly lower revenues than expected can be explained by normal quarterly fluctuations and by the new public funding mechanism structure in the corporate finance business, i.e. we expect revenue growth to accelerate again in the next quarters. The good development of the EBIT shows that Hypoport's high margin business performed particularly well in Q1. We see Hypoport well on track to reach our full-year estimates and thus stick to our Buy rating with a target price of EUR 540.

Q1 2021

EUR m	Q1 2021	Q1 2021e	Q1 2020	yoy	Cons.	delta
Revenues	108	112.0	100.6	7%	na	na
EBIT	12	11.0	10.5	15%	na	na
EBIT Margin	11%	9.8%	10.5%	66 BP	na	na

Source: Pareto Securities Research, Hypoport

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