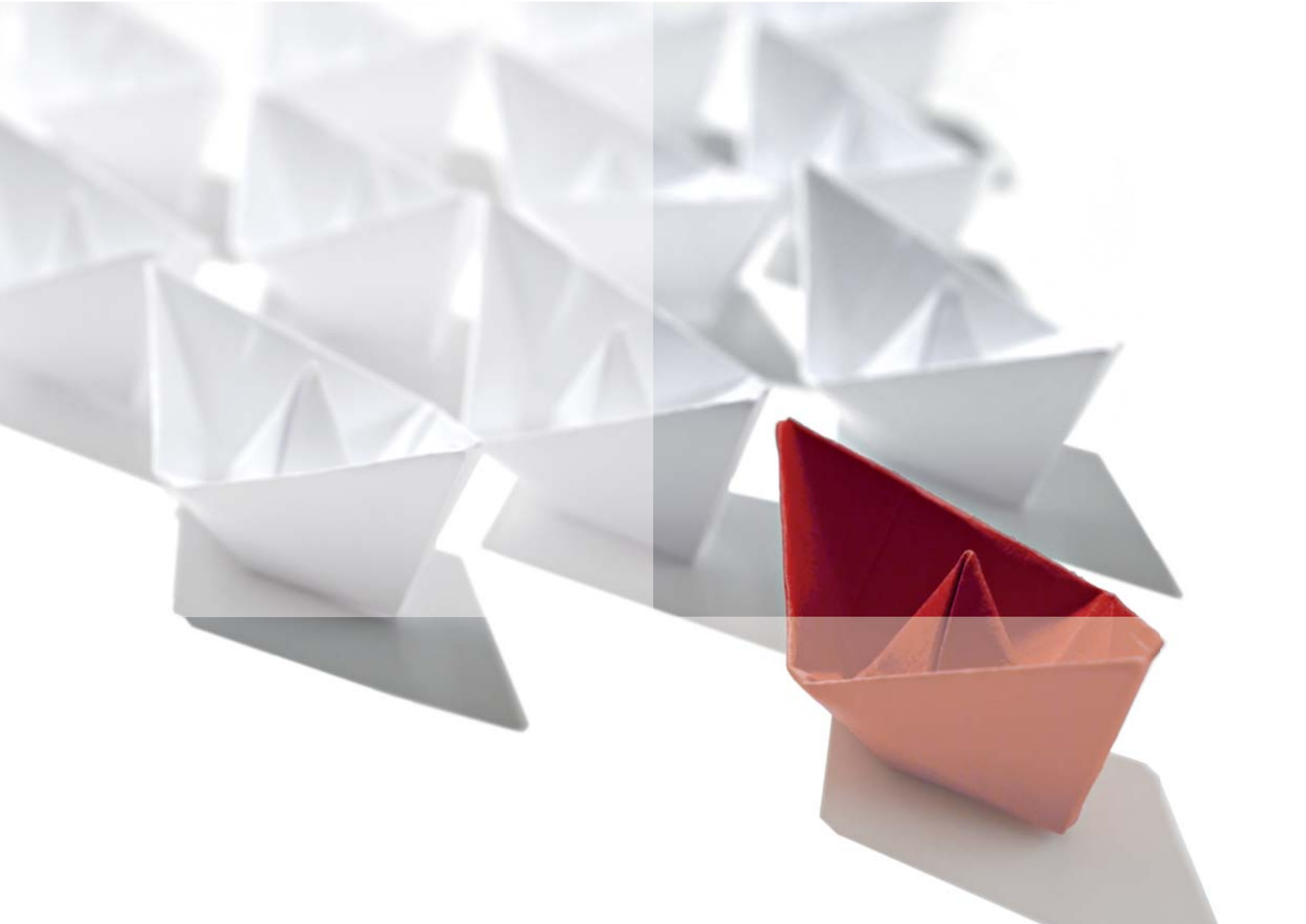
HYPOPORT
THE FINANCE INTEGRATOR



Interim report of Hypoport AG

for the period ended 30 September 2012

Berlin, 5 November 2012

HYPOPORT
THE FINANCE INTEGRATOR

Key performance indicators

Financial performance (€´000)	1 Jan – 30 Sep 2012	1 Jan – 30 Sep 2011	Change
Revenue	62,942	58,802	7 %
Gross profit	34,288	32,188	7 %
EBITDA	6,942	7,774	-11 %
EBIT	3,002	3,898	-23 %
EBIT margin (EBIT as a percentage of gross profit)	8.8	12.1	-28 %
Net profit (loss) for the year	1,543	2,322	-34 %
attributable to Hypoport AG shareholders	1,550	2,358	-34 %
Earnings per share (€)	0.25	0.38	-34 %
	1 July - 30 Sep 2012	1 July - 30 Sep 2011	
Revenue	20,981	22,954	-9 %
Gross profit	11,049	12,235	-10 %
EBITDA	1,758	3,901	-55 %
EBIT	402	2,565	-84 %
EBIT margin (EBIT as a percentage of gross profit)	3.6	21.0	-83 %
Net profit (loss) for the year	26	1,669	-98 %
attributable to Hypoport AG shareholders	-11	1,668	-101 %
Earnings per share (€)	0.00	0.27	-100 %
Financial position (€´000)	30 Sep 2012	31 Dec 2011	
Current assets	30,653	37,090	-17 %
Non-current assets	38,908	35,046	11 %
Equity	32,201	31,269	3 %
attributable to Hypoport AG shareholders	31,988	31,049	3 %
Equity ratio (%)	46.0	43.3	6 %
Total assets	69,561	72,136	-4 %

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HYPOPORT
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1. Letter to shareholders

Dear shareholder

„The key is not to predict the future, but to be prepared for it," Pericles once observed. The ongoing turmoil in capital markets, in the political arena and, finally, in the real economy underlines just how pertinent this saying is in the current situation. As with most companies, we cannot escape our volatile environment or the highly uncertain future, nor can we forecast the latter with any degree of certainty. The Hypoport Group has therefore spent the last few months continuing to equip itself properly for the future.

The fact that interest rates remained low was once again key to the latest trends and developments in the financial services market in the third quarter of 2012. This has forced insurance companies to review their pension and investment products to establish whether they yield adequate returns. Germany now more than ever needs future-proof insurance solutions to plug the increasingly evident pensions gap. At the same time, the low interest rates and attractive borrowing terms on offer in the real-estate market have fuelled strong demand – for which less and less supply is available. By maintaining high levels of liquidity for the banks and their deposit-taking business, the central bank has temporarily caused basic investment products to be less aggressively marketed to private clients since the summer.

These changes had varying impacts on the Private Clients business unit, which offers insurance products, loans and investments. The challenges facing insurers briefly caused revenue and earnings to fall in the corresponding product segment. At the same time, growing numbers of financial advisers who have been examining the viability of their own roles going forward have come to the conclusion that only business models based on independence and sustainability – such as the one used by our Private Clients unit – have any future. For a short while, the low level of interest rates charged on central bank loans sharply reduced competition between banks in their efforts to obtain high-quality customer deposits and sell basic investment products. This was bad for customers – and for our Private Clients business unit. The consistently solid performance achieved by the mortgage finance business was unable to fully compensate for these trends in the other product segments. Consequently, the Private Clients business unit reported a net loss for the first time since Hypoport floated on the stock market.

The Institutional Clients unit continued to benefit from the attractive interest rates on offer. Housing companies, commercial investors and local authorities showed a keen interest in both small and big-ticket loans. This business unit reported sound third-quarter results on the back of normal levels of intra-year volatility.

The Financial Service Providers unit continued to perform impressively, with a constant stream of new partners deciding to work with its platforms. At the same time, existing partners used its financial marketplace more intensively and in more diverse ways. This business unit maintained its strong commitment to – and investment in – strategic projects in the third quarter.

The Hypoport Group is looking to exploit opportunities arising from the weakening insurance market in particular. In doing so, it always focuses on ensuring that it is ideally placed to generate future growth. Despite the challenges posed by its operating environment, the Hypoport Group remains firmly on a growth trajectory. Nonetheless, we have revised downwards our profit forecast for 2012 as a whole. We now expect to raise our revenue year on year but to generate lower earnings before interest, tax, depreciation and amortisation. Assuming that economic conditions remain stable next year, we believe that in 2013 we will see growth that will compensate for the current slowdown. As things stand, this will include substantial revenue growth and an impressive earnings performance.

Kind regards,

Ronald Slabke
Chief Executive Officer

HYPOPORT
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2. Hypoport's shares

Share price performance

Hypoport's share price continued to perform inconsistently in the third quarter of 2012, declining from €10.45 at the end of June to €9.30 on 30 September and hitting a third-quarter high of €10.13 on 4 July.

Performance of Hypoport's share price, January to September 2012 (daily closing prices on Frankfurt Stock Exchange)

Earnings per share

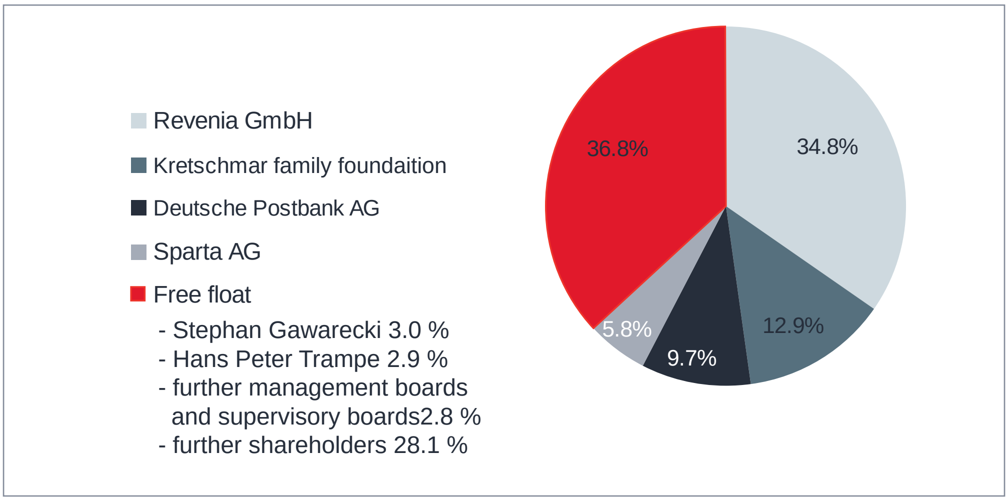
The earnings per share reported by the Hypoport Group for the third quarter of 2012 came to €0.00 (Q3 2011: €0.27). Earnings per share for the first nine months of this year came to €0.25 (Q1-Q3 2011: €0.38).

Trading volumes

The daily volume of Hypoport shares traded in the third quarter of 2012 averaged €18,637.02. The highest average daily turnover was in July (2,436 shares), followed by August (2.054 shares). The month with the lowest daily turnover was September, when an average of only 1,677 Hypoport shares changed hands.

Shareholder structure

The free float in Hypoport's shares amounts to 36.8 per cent.
Breakdown of shareholders as at 30 September 2012:



Research

The table below shows the research studies on Hypoport's shares published in the third quarter of 2012.

Analysten	Recommendation	Upside target	Date of recommendation
Montega	Buy	€16.00	13 September 2012
Equinet	Buy	€11.50	23 August 2012
CBS Research	Buy	€15.00	6 August 2012
Equinet	Hold	€11.50	6 August 2012

Designated Sponsor

Designated sponsors enhance a share's liquidity by quoting binding prices at which they will buy and sell the share. The designated sponsor for Hypoport AG is Close Brothers Seydler Bank AG, Frankfurt am Main.

Ad-hoc disclosures

As a publicly traded company we are required to make ad-hoc disclosures of facts that could influence our share price. No ad-hoc disclosures were published in the third quarter of 2012. Ad-hoc disclosures can be downloaded from our website at www.hypoport.com.

Notification of directors‘ dealings

No notifications of directors‘ dealings were published in the third quarter of 2012.

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Key data on Hypoport´s shares

Security code number (WKN)	549 336
International securities identification number (ISIN)	DE 000 549 3365
Stock exchange symbol	HYQ
Type	No-par-value shares
Notional value	€1.00
Subscribed capital	€6,194,958,00
Stock exchanges	Frankfurt XETRA
Market segment	Regulated market
Transparency level	Prime Standard
Membership of indices	CDAX Classic All Share DAXsector All Financial Services DAXsubsector Diversified Financial GEX Prime All Share
Performance	
Share price as at 2 July 2012	€10.10 (Frankfurt)
Share price as at 30 September 2012	€9.30 (Frankfurt)
High in third quarter 2012	€10,13 (4 July 2012)
Low in third quarter 2012	€8.01 (21 August 2012)
Market capitalisation	€57.6 million (30 September 2012)
Trading volume	€18.637,02 (daily average for third quarter of 2012)

3. Interim group management report

Economic conditions

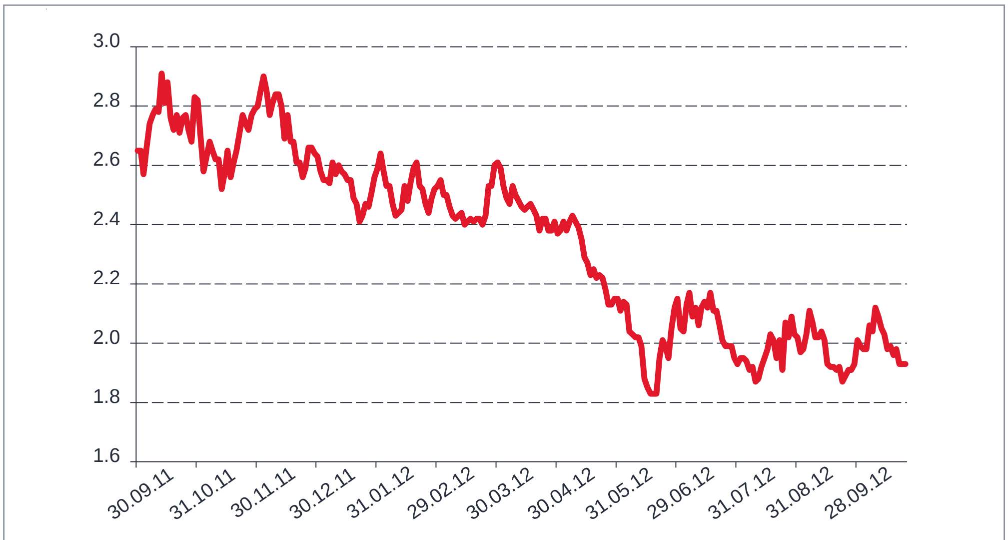
Macroeconomic environment

The International Monetary Fund (IMF) reckons that global economic growth for 2012 will come in at 3.3 per cent, which is lower than previously assumed. The reason for this is the continued failure to take concerted action to shore up confidence and trust in the political and economic arenas – worldwide and, especially, in Europe. It remains to be seen whether the establishment of the European Stability Mechanism (ESM) will be a step in this direction. The IMF expects euro-zone economic output to contract by 0.4 per cent in 2012.

In October the IMF lowered its forecast for this year's growth in German gross do-mestic product (GDP) from 1.4 per cent to 0.9 per cent. The German Institute for Economic Research (DIW) expects the German economy to have expanded by 0.2 per cent in the third quarter of 2012, following growth of 0.5 per cent in the first three months of the year and 0.3 per cent in the second quarter. Weakening business activity is also affecting the labour market. Although work continues to be available and there is still demand for labour, the unsettled environment has slowed the pace of job creation. But it is not just that the economy has recently performed worse than in previous months: the outlook for large companies, medium-sized firms, and consumers alike has deteriorated significantly. The main threat to Germany's export-reliant economy remains the euro crisis.

Conditions in the financial services sector

Robust demand for German government bonds has lowered the long-term interest rates on Bunds, covered bonds (pfandbriefs) and mortgage finance.

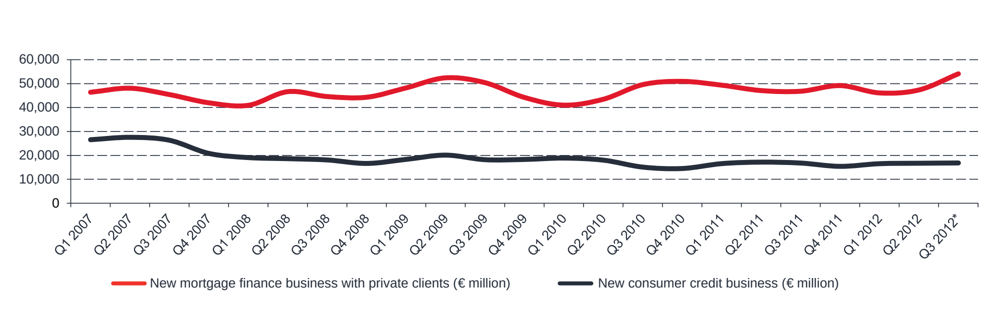


Ten-year swap rates over the past 365 days

Germans' interest in safe investments – such as real estate – remained consistently strong in the third quarter of 2012. The high level of demand across the country pushed up the residential property price indices. However, this strong demand was not matched by sufficient suitable supply in order to boost business in this segment. Instead, the number of transactions stabilised at a high level. The statistics published by the Bundesbank also show that the aggregate market figures for mortgages, building finance and personal loans have been flatlining.

According to Bundesbank statistics, the total volume of €112.1 billion in mortgage finance provided in the German market during the first seven months of 2012 was marginally below the corresponding prior-year figure (total volume of mortgage finance provided up to and including July 2011: €112.3 billion).

The total volume of building finance provided in Germany during the first seven months of this year edged up by just 0.9 per cent year on year to approximately €58.4 billion (total volume of building finance provided up to and including July 2011: €57.9 billion).



Total volume of private mortgage mortgage finance and personal loans (source: Deutsche Bundesbank);
*Q3 2012 September interpolated

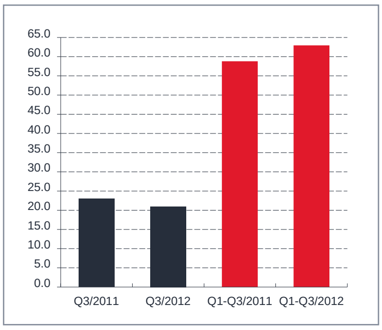
Bundesbank statistics reveal that the total volume of €39.1 billion in personal loans provided in the German market during the first seven months of 2012 was also slightly lower year on year (0.8 per cent down on €39.4 billion, the total volume of personal loans provided up to and including July 2011).

According to Bundesbank statistics, the total funds invested in fixed-term, instant-access and savings accounts increased by 4.7 per cent to €1.628 trillion (July 2011: €1.554 trillion).

The insurance industry has its work cut out owing to the continued decline in investment returns. Consequently, insurance is not very attractive as an investment or pension product at present. Private health insurance has also lost some of its appeal as a result of premium adjustments in response to the low level of interest rates. The gender-neutral insurance rates being introduced in December 2012 have so far failed to stimulate the market. Taken together, these conditions meant that the insurance market performed poorly in the third quarter of 2012.

Revenue

In the first nine months of 2012 the Hypoport Group raised its revenue by a further 7.0 per cent year on year from €58.8 million to €62.9 million. The revenue generated in the third quarter of 2012 fell by 8.6 per cent year on year to €21.0 million (Q3 2011: €23.0 million) owing to the lower revenue earned by the Institutional Clients and Private Clients business units. Third-quarter gross profit declined accordingly by 9.7 per cent from €12.2 million in 2011 to €11.0 million this year. Gross profit for the first nine months of 2012 almost matched revenue growth, rising by 6.0 per cent year on year from €32.2 million to €34.3 million.

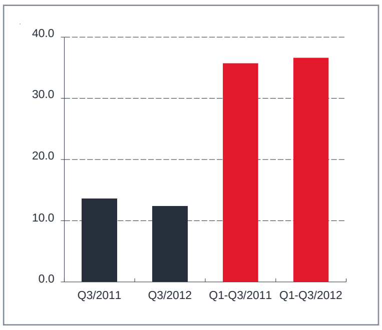


Revenue Hypoport Group (€ million)

The figures for revenue and selling expenses described below include revenue and selling expenses shared with other segments.

Private Clients business unit

The Private Clients business unit, which specialises in online sales of financial products, once again managed to raise its revenue in an adverse market environ-ment. Its revenue for the first nine months of 2012 advanced by 2.5 per cent year on year to €36.6 million (Q1-Q3 2011: €35.7 million), while third-quarter revenue in 2012 decreased by 8.8 per cent to €12.4 million (Q3 2011: €13.6 million). The higher fee and commission expense incurred by the ongoing expansion of branch-based and agent sales coupled with the cap on agency commissions for the sale of comprehensive private health insurance, which came into effect on 1 April 2012, narrowed the gross margin in this business unit. In addition, banks ran less aggressive advertising campaigns targeting short-term customer deposits, which reduced the margins earned on basic banking products. Consequently, the gross profit generated in the third quarter of 2012 fell by 24.5 per cent from €5.3 million to €4.0 million. Gross profit for the first nine months of this year declined by 5.8 per cent to €13.0 million (Q1-Q3 2011: €13.8 million).



Revenue Private Clients (€ million)

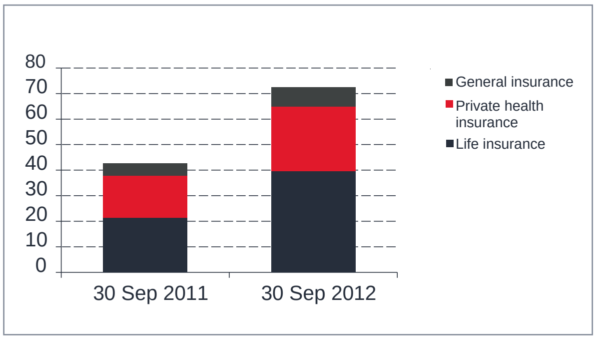
Private Clients	1 Jan to 30 Sep 2012	1 Jan to 30 Sep 2011	1 July to 30 Sep 2012	1 July to 30 Sep 2011
Revenue (€ million)	36.6	35.7	12.4	13.6
Selling expenses (€ million)	23.6	21.9	8.4	8.3
Net Revenue (€ million)	13.0	13.8	4.0	5.3

The loan brokerage product segment was considerably expanded in the first nine months of 2012 and reported strong growth in its total volume of loans processed, which increased by 19.6 per cent from €2.85 billion to €3.41 billion. Growth in the third quarter of this year came to 14.3 per cent. However, this encouraging trend was unable to compensate for the contraction in the other product segments.

	1 Jan to 30 Sep 2012	1 Jan to 30 Sep 2011	1 July to 30 Sep 2012	1 July to 30 Sep 2011
Volume of financing transactions (€ billion)	3.41	2.85	1.28	1.12
Volume of insurance transactions (€ million)	13.60	18.12	5.35	7.60
life insurance	6.67	8.08	2.57	3.39
private health insurance	4.99	8.83	2.04	3.82
general insurance	1.94	1.21	0.74	0.39

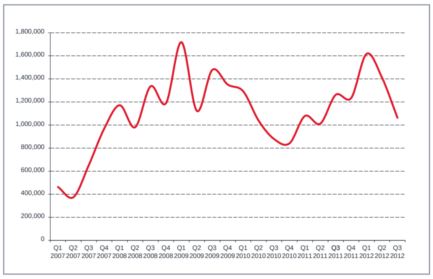
The volume of transactions in insurance products during the first nine months of 2012 fell sharply by 24.9 per cent from €18.12 million in annual premiums to €13.60 million. Premiums earned in the third quarter of 2012 decreased by 29.6 per cent to €5.35 million (Q3 2011: €7.60 million). This trend clearly reflects the situation in the insurance market described above in the section entitled ‚Conditions in the financial services sector'.

Hypoport achieved year-on-year growth in the portfolio of insurance policies under its management as at 30 September 2012, raising its annual life insurance premiums by 85.0 per cent from €21.4 million to €39.6 million, its annual private health insurance premiums by 54.9 per cent from €16.4 million to €25.4 million and its annual general insurance premiums by 59.6 per cent from €4.7 million to €7.5 million. Consequently, the total portfolio of insurance policies under management reached a new all-time high of €72.5 million in annual premiums as at 30 September 2012 compared with €42.5 million a year earlier.



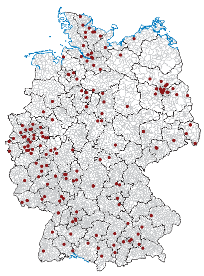
Portfolio of insurance policies/annual premiums (€ million)

The number of leads acquired in the first nine months of 2012 jumped by 0.7 million year on year to 4.1 million (Q1-Q3 2011: 3.4 million). However, the potential for generating revenue was limited by market conditions in the third quarter. Consumers are increasingly looking for basic investment products such as instant-access and fixed-term deposits in response to the uncertainty prevailing in financial markets. As these products are currently only offering interest rates of less than 2.0 per cent, however, they hold little appeal for most customers.



Number of leads

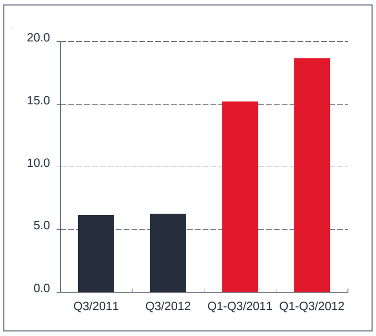
The number of advisers working in the various distribution channels of the Private Clients business unit was significantly increased and had reached a new all-time high by 30 September 2012. The map on the right gives an overview of the extensive network of branches established by our franchisees in Germany as well as the Hypoport branches that are located in the major German commercial centres.



Distribution channels	30 Sep 2012	30 Sep 2011
Branches	744	597
Advisers in branch-based sales	205	177
Independent financial advisers acting as agents	3.805	3.585

Financial Service Providers business unit

Buoyed by a strong real-estate market and the continuation of low interest rates in the mortgage finance market, Financial Service Providers – the second-largest business unit – once again celebrated one of its best quarterly results in terms of transaction volumes since the EUROPACE financial marketplace was set up, winning major partners and benefiting from the general growth in independent distributors.



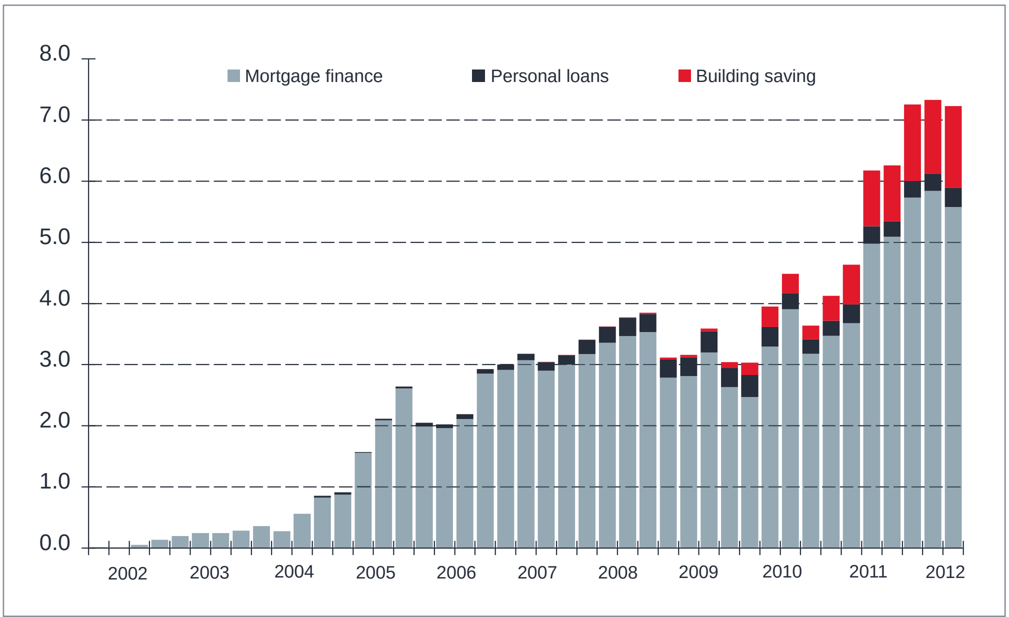
Revenue Financial Service Providers (€ million)

The volume of transactions completed in the third quarter of 2012 totalled €7.2 billion, which was 17 per cent higher than in the corresponding period of last year (Q3 2011: €6.2 billion). The value of transactions generated in the first nine months of 2012 grew by 46 per cent to €21.8 billion.

The total volume of mortgage finance transactions completed in the third quarter of 2012 rose by 12 per cent to €5.6 billion (Q3 2011: €5.0 billion). The volume of mortgage transactions generated in the first nine months of 2012 grew by 41 per cent year on year to €17.1 billion (Q1-Q3 2011: €12.1 billion). Banks, insurance companies and building finance associations are using EUROPACE not only to strengthen their own business but, increasingly, to sell financial products. The volume of transactions processed on the financial marketplace grew significantly on the back of this expansion of product suppliers' business models, the success in signing up new financial product distributors, and the attractive level of interest rates.

The total value of building finance products brokered via EUROPACE rose sharply in both the third quarter of 2012 (up by 46 per cent from €0.9 billion in Q3 2011 to €1.3 billion) and in the first nine months of this year (up by 92 per cent from €2.0 billion in Q1-Q3 2011 to €3.8 billion). This result reflected the migration of new strategic partners and the benign trend towards the long-term hedging of interest-rate risk.

Our business in personal loans is still feeling the effects of weaker consumer demand and banks' reluctance to lend in the wake of the financial crisis. The value of personal loan transactions generated via EUROPACE remained unchanged year on year at €0.3 billion in the third quarter of 2012 (Q3 2011: €0.3 billion), while in the first nine months of this year it rose slightly year on year to €0.9 billion (Q1-Q3 2011: €0.8 billion).



Volume of transactions on EUROPACE (€ billion)

Revenue grew year on year on both a quarterly and nine-month comparison, advancing by 3.3 per cent to €6.3 million in the third quarter of 2012 (Q3 2011: €6.1 million) and jumping by 23.0 per cent to €18.7 million in the first nine months of this year (Q1-Q3 2011: €15.2 million) on the back of larger transaction volumes, but with revenue from collaborations and Packager-related business slightly lower. Gross margins widened as a result of the disproportionately strong growth in higher-margin platform business. Gross profit rose by an impressive 22.2 per cent to €4.4 million in the third quarter of 2012 (Q3 2011: €3.6 million) and jumped by 27.2 per cent to €13.1 million in the first nine months of this year (Q1-Q3 2011: €10.3 million).

EUROPACE Financial Service Providers business unit	1 Jan to 30 Sep 2012	1 Jan to 30 Sep 2011	1 July to 30 Sep 2012	1 July to 30 Sep 2011
Volume of transactions (€ billion)	21.8	14.9	7.2	6.2
thereof mortgage finance	17.1	12.1	5.6	5.0
thereof personal loans	0.9	0.8	0.3	0.3
thereof building saving	3.8	2.0	1.3	0.9
Revenue (€ million)	18.7	15.2	6.3	6.1
Selling expenses (€ million)	5.6	4.9	1.9	2.5
Net Revenue (€ million)	13.1	10.3	4.4	3.6

Bausparkasse Schwäbisch Hall acquired an equity stake in GENOPACE GmbH with effect from 1 April 2012. Consequently, this platform for credit cooperatives and mutually owned banks will in future provide its partners with automated access to the mortgage finance products of the entire cooperative financial network. Users of GENOPACE will therefore be able to choose from the full range of building finance products available in the marketplace.

In April, loan protection insurance policies were integrated into EUROPACE's sales process as an additional new mortgage finance product under the alliance with payment protection insurer Credit Life International N.V. These policies insure customers against default in the event that they die, become unemployed or are unable to work and constitute a modest step towards the integration of insurance products on the EUROPACE platform.

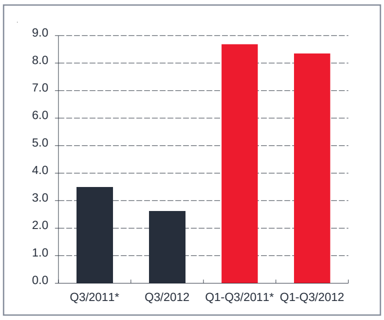
Santander Bank and Hypoport AG decided in June to expand their collaboration further. Santander Bank – which provides retail banking services – will in future use the support of EUROPACE's technology to offer its customers a product mix comprising its own loans as well as the extensive product ranges of third-party institutions. This will enable it to deliver appropriate financing solutions for its cus-tomers under a best-advice approach.

More than 270 participants – a record figure – attended the 20th EUROPACE Con-ference that was held in August. The two main focal topics of interest at this gath-ering were the new Basel III and Solvency II regulations and their impact, and the latest technological developments around EUROPACE 2.

Despite the fact that our partner-specific financial marketplaces GENOPACE and FINMAS are still fairly new, they are already being accessed by 69 (30 September 2011: 52) and 40 (30 September 2011: 32) contractual partners respectively, while the total number of partners actively using our EUROPACE platform rose from 162 at the end of September 2011 to 190 as at 30 September 2012.

Institutional Clients business unit

The Hypoport Group merged its Corporate Real Estate Clients business unit with its Institutional Clients unit to form the new Institutional Clients business unit with effect from 1 January 2012. The objectives of this merger are to create three business units of similar sizes and to simplify internal processes.



Revenue Institutional Clients (€ million)

Arranging big-ticket loans for German housing companies, local authorities and commercial property investors constitutes a key source of revenue for the new, larger business unit as well. In this function the unit has continued to benefit from its exceptionally strong market position as the central intermediary for big-ticket financing, modestly expanding the total volume of new loans brokered in the first nine months of 2012 by 3 per cent compared with the impressive prior-year figure. The year-on-year contraction in the volume of new lending brokered in the third quarter of 2012 was attributable to the exceptionally high value of big-ticket transactions completed in the corresponding quarter of 2011. The fall in revenue despite the modest increase in the value of new loans brokered was essentially attributable to the higher proportion of low-margin loan renewals and to non-volume-related advisory fees for substantial tranches of funding.

€5.6 million of the revenue generated in the first nine months of 2012 came from the brokerage of loans and insurance (Q1-Q3 2011: €5.7 million), and €2.7 million was earned from consulting services (Q1-Q3 2011: €3.0 million). €1.8 million of the revenue generated in the third quarter of 2012 came from the brokerage of loans and insurance (Q3 2011: €2.6 million), while €0.8 million stemmed from consulting services (Q3 2011: €0.9 million).

Institutional Clients	1 Jan to 30 Sep 2012	1 Jan to 30 Sep 2011	1 July to 30 Sep 2012	1 July to 30 Sep 2011
Loan Brokerage				
Volume of new business (€ million)	1,051	1,322	287	734
Volume of prolongation (€ million)	530	215	111	89
Revenue (€ million)	8.4	8.7	2.7	3.5
Selling expenses (€ million)	0.3	0.4	0.0	0.1
Net Revenue (€ million)	8.1	8.3	2.7	3.4

* The comparative prior-year tax figures have been adjusted and are explained in section 5 of the notes to the interim consolidated financial statements „Comparative figures for 2011"

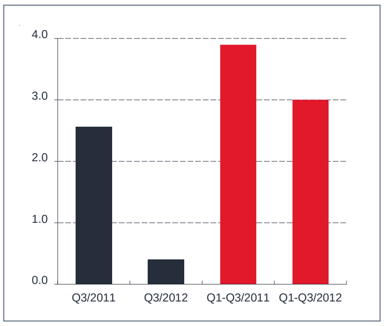
Own work capitalised

In the third quarter of 2012 the Company continued to attach considerable importance to investing in the further expansion of its B2B financial marketplaces. It also invested in new advisory systems for end customers and distributors. This capital expenditure underpins the ongoing growth of its Financial Service Providers and Private Clients business units.

In the third quarter of 2012 the Company invested a total of €2.1 million (Q3 2011: €1.3 million) in the development of its marketplaces and advisory systems, while in the first nine months of this year it spent €5.6 million on them (Q1-Q3 2011: €4.8 million). Hypoport continues to invest heavily in its forward-looking projects as part of these activities. Of these totals, €1.5 million was capitalised in the third quarter of 2012 (Q3 2011: €1.0 million) and €3.7 million was capitalised in the first nine months of this year (Q1-Q3 2011: €2.8 million), while amounts of €0.6 million for the third quarter of 2012 (Q3 2011: €0.3 million) and €1.9 million for the first nine months of this year (Q1-Q3 2011: €2.0 million) were expensed as incurred. These amounts represent the pro-rata personnel expenses and operating costs attributable to software development.

Earnings

The higher earnings generated by the Financial Service Providers business unit owing to economies of scale and the solid earnings contributed by the Institutional Clients unit in what was a normal, volatile market environment over the year to date failed to compensate for the much lower level of earnings in the Private Clients business unit resulting from the challenging market conditions affecting insurance and basic banking products.



EBIT (€ million)

Against the backdrop of the operating performance described above, EBITDA for the first nine months of 2012 fell to €6.9 million (Q1-Q3 2011: €7.8 million) and EBIT declined to €3.0 million (Q1-Q3 2011: €3.9 million). In the third quarter of 2012 the Company generated EBITDA of €1.8 million (Q3 2011: €3.9 million) and EBIT of €0.4 million (Q3 2011: €2.6 million).

The EBIT margin (EBIT as a percentage of gross profit) for the third quarter of 2012 fell accordingly from 21.0 per cent to 3.6 per cent. The EBIT margin for the first nine months of this year contracted to 8.8 per cent (Q1-Q3 2011: 12.1 per cent).

Other income and expenses

Other operating income mainly comprises employee contributions of €356 thousand to vehicle purchases (Q1-Q3 2011: €317 thousand) and income of €240 thousand unrelated to the reporting period (Q1-Q3 2011: €169 thousand).

Personnel expenses for the first nine months of 2012 rose because the average number of employees during the period increased from 475 to 521 people.

The breakdown of other operating expenses is shown in the table below.

in €´000	1 Jan to 30 Sep 2012	1 Jan to 30 Sep 2011	1 July to 30 Sep 2012	1 July to 30 Sep 2011
Operating expenses	3,863	3,406	1,360	1,223
Other selling expenses	2,140	1,782	758	513
Administrative expenses	3,017	2,763	1,119	1,077
Other personnel expenses	581	578	254	211
Other expenses	407	481	193	35
	10,008	**9,010**	**3,684**	**3,059**

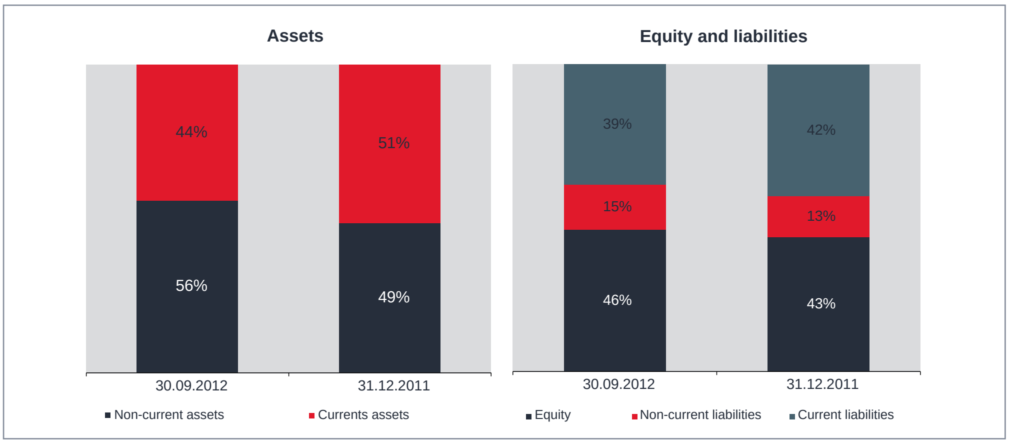
The operating expenses consist mainly of building rentals of €1.434 million (Q1-Q3 2011: €1.294 million) and vehicle-related costs of €1.052 million (Q1-Q3 2011: €952 thousand). The other selling expenses relate to advertising costs and travel expenses. The administrative expenses largely comprise IT-related costs of €1.328 million (Q1-Q3 2011: €1.336 million) as well as telephone charges and other communication costs of €462 thousand (Q1-Q3 2011: €405 thousand). The other personnel expenses mainly consist of training costs of €414 thousand (Q1-Q3 2011: €384 thousand).

Net finance costs

The net finance costs mainly include interest expenses of €0.7 million for the drawdown of loans and credit lines (Q1-Q3 2011: €0.8 million) and interest expenses of €0.2 million for the discounting of non-current receivables from product suppliers (Q1-Q3 2011: interest income of €0.2 million).

Balance sheet

The Hypoport Group's consolidated total assets as at 30 September 2012 amounted to €69.6 million, which was 4 per cent lower than the total as at 31 December 2011 (€72.1 million).



Non-current assets totalled €38.9 million (31 December 2011: €35.0 million). This amount included goodwill which, at an unchanged €14.8 million, remained the largest single item.
Financial assets essentially comprise a loan of €1.063 million (31 December 2011: €750 thousand) to a joint venture.

Current assets decreased by €6.4 million to €30.7 million because current trade receivables declined by €4.8 million and cash and cash equivalents fell by €2.1 million. The main items bucking this trend were the other assets, which increased by €0.5 million.

The equity attributable to Hypoport AG shareholders as at 30 September 2012 grew by €0.9 million, or 3.0 per cent, to €32.0 million. The equity ratio improved from 43.0 per cent to 46.0 per cent owing to the Hypoport Group's significant net profit and the contraction in its total assets.

The €0.2 million decrease in non-current liabilities to €10.1 million stemmed primarily from the €0.2 million reduction in non-current financial liabilities.
Current liabilities declined by €3.3 million to €27.2 million mainly owing to the €1.1 million decrease in trade payables and the €1.0 million reduction in current financial liabilities.
Total financial liabilities declined by €1.2 million to €17.5 million largely because the level of new borrowing was lower than the scheduled loan repayments.

Cash flow

Cash flow fell by €0.8 million to €5.5 million during the reporting period. This decrease was largely attributable to the lower net profit reported for the period.
The total net cash generated by operating activities as at 30 September 2012 amounted to €4.9 million (30 September 2011: €0.9 million). The cash used for working capital fell by €4.8 million to €0.6 million (30 September 2011: €5.4 million).

The net cash outflow of €4.9 million from investing activities (30 September 2011: outflow of €4.0 million) stemmed primarily from the fact that capital expenditure on non-current intangible assets had risen to €4.2 million (30 September 2011: €2.9 million).

The net cash outflow of €2.1 million from financing activities (30 September 2011: outflow of €2.1 million) related to scheduled loan repayments of €5.4 million (30 September 2011: €2.1 million) and new borrowing of €3.9 million (30 September 2011: €0.0 million) as well as purchases of the Company's own shares worth €0.6 million (30 September 2011: €0.0 million).

Cash and cash equivalents as at 30 September 2012 totalled €5.4 million, which was €2.1 million lower than at the beginning of the year.
Cash and cash equivalents at the end of the period consisted exclusively of cash on hand and at banks.

Capital expenditure

The main capital expenditures during the reporting period related to upgrades of the EUROPACE financial marketplaces and the development of new advisory systems for end customers and distributors.

Employees

The number of employees in the Hypoport Group rose continuously in line with revenue growth and totalled 543 people as at 30 September 2012. This was an increase of 11.0 per cent on the end of 2011 (31 December 2011: 489 people). An average of 521 people were employed in the first nine months of 2012 (Q1-Q3 2011: 475 people).

Outlook

The economic, banking and sovereign debt crises raging in the euro zone have in recent months caused shock waves that extend well beyond this geographical area. The International Monetary Fund (IMF) has lowered its growth forecasts for virtually all economic regions. Assuming that the political class manage to restore lasting confidence and trust in markets and politics, the IMF expects to see GDP growth of 0.2 per cent in the euro zone and 3.6 per cent in the global economy for 2013. It remains to be seen to what extent the European Central Bank's already announced purchases of government bonds issued by crisis-stricken euro zone members will fuel inflation in the euro area and, consequently, in Germany as well.
The IMF expects to see modest growth of 0.9 per cent in Germany for both this year and 2013 owing to the economic slowdown in other euro-zone countries, thereby cutting its growth forecast for 2013 by 0.5 percentage points.

The real-estate market continues to be strongly influenced by political events and the capital markets. As long as the current uncertainty prevails, German interest rates will remain low. Whereas the alternatives are gradually falling by the wayside, real estate is still one of the safest investments in Germany. While nationwide property price indices have posted solid gains, major cities such as Hamburg, Munich and Berlin have often seen sharp prices rises and excess demand.
The falling capital market returns being earned by insurance companies mean that their investment and pension products are yielding lower annuity rates at maturity. Declining annuities will increase the pensions gap in Germany even further over the medium and long term. The German government has been trying to raise people's awareness of this issue by staging the first demographics summit and launching the current debate about pensions and poverty in old age. The more tangible and perceptible this gap and its consequences become, the more demand there will be for good insurers and insurance products in Germany.

Comprehensive and impartial advice coupled with the necessary product diversity remain a significant competitive edge in dealings with private and institutional clients. The Hypoport Group will continue to utilise this advantage and, with its widely diversified business model, it is excellently placed to exploit future potential. Given the subdued macroeconomic outlook and, in particular, the challenges facing the insurance market, however, we expect to raise our revenue year on year but to generate lower earnings before interest, tax, depreciation and amortisation (EBITDA) for 2012 as a whole. Assuming that our operating environment remains stable, we are forecasting substantial growth and an impressive earnings performance for next year.

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4. Interim consolidated financial statements

Consolidated balance sheet as at 30 September 2012

Assets	30 Sep 2012 €´000	31 Dec 2011 €´000
Non-current assets		
Intangible assets	28,744	27,867
Property, plant and equipment	2,354	2,452
Financial assets	1,191	985
Trade receivables	5,342	2,498
Other assets	22	26
Deferred tax assets	1,255	1,218
	38,908	**35,046**
Current assets		
Trade receivables	20,285	25,115
Other current items	4,398	3,862
Income tax assets	597	595
Cash and cash equivalents	5,373	7,518
	30,653	**37,090**
	69,561	**72,136**
Equity and liabilities		
Equity		
Subscribed capital	6,195	6,195
Treasury shares	-61	-1
Reserves	25,854	24,855
	31,988	**31,049**
Non-controlling interest	213	220
	32,201	**31,269**
Non-current liabilities		
Financial liabilities	7,618	7,769
Provisions	314	299
Other liabilities	10	10
Deferred tax liabilities	2,187	2,219
	10,129	**10,297**
Current liabilities		
Provisions	75	281
Financial liabilities	9,876	10,890
Trade payables	11,055	12,176
Current income tax liabilities	817	905
Other liabilities	5,408	6,318
	27,231	**30,570**
	69,561	**72,136**

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Consolidated income statement

for the period 1 January to 30 September 2012

	1 Jan to 30 Sep 2012 €´000	1 Jan to 30 Sep 2011 €´000	1 July to 30 Sep 2012 €´000	1 July to 30 Sep 2011 €´000
Revenue	62,942	58,802	20,981	22,954
Selling expenses (Commision and lead costs)	-28,654	-26,614	-9,932	-10,719
Gross profit	**34,288**	**32,188**	**11,049**	**12,235**
Own work capitalised	3,664	2,838	1,449	1,012
Other operating income	1,094	1,109	272	246
Personnel expenses	-22,096	-19,351	-7,328	-6,533
Other operating expenses	-10,008	-9,010	-3,684	-3,059
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**6,942**	**7,774**	**1,758**	**3,901**
Depreciation, amortisation expense and impairment losses	-3,940	-3,876	-1,356	-1,336
Earnings before interest and tax(EBIT)	**3,002**	**3,898**	**402**	**2,565**
Financial income	56	223	6	114
Finance costs	-923	-789	-216	-258
Earnings before tax (EBT)	**2,135**	**3,332**	**192**	**2,421**
Income taxes and deferred taxes	-592	-1,010	-166	-752
Net profit for the year	**1,543**	**2,322**	**26**	**1,669**
attributable to non-controlling interest	-7	-36	-37	1
attributable to Hypoport AG shareholders	**1,550**	**2,358**	**-11**	**1,668**
Earnings per share (€)	**0.25**	**0.38**	**0.00**	**0.27**

HYPOPORT
THE FINANCE INTEGRATOR

Consolidated statement of comprehensive income

for the period 1 January to 30 September 2012

	1 Jan to 30 Sep 2012 €´000	1 Jan to 30 Sep 2011 €´000	1 July to 30 Sep 2012 €´000	1 July to 30 Sep 2011 €´000
Net profit for the year	1,543	2,322	26	1,669
Total income and expenses recognized in equity*	0	0	0	0
Total comprehensive income	1,543	2,322	26	1,669
attributable to non-controlling interest	-7	-36	37	1
attributable to Hypoport AG shareholders	1,550	2,358	-11	1,668

* There was no income or expences to be recognized in equity during the reporting priod.

Abridged consolidated statement of changes in equity for the nine months ended 30 September 2012

€´000	Subscribed capital	Capital reserves	Retained earnings	Equity attributable to Hypoport AG shareholders	Equity attributable to non-controlling interest	Equity
Balance as at 1 January 2011	6,182	1,937	19,083	27,202	188	27,390
Sale of own shares	12	114	2	128	0	128
Total comprehensive income	0	0	2,358	2,358	-36	2,322
Balance as at 30 September 2011	**6,194**	**2,051**	**21,443**	**29,688**	**152**	**29,840**

€´000	Subscribed capital	Capital reserves	Retained earnings	Equity attributable to Hypoport AG shareholders	Equity attributable to non-controlling interest	Equity
Balance as at 1 January 2012	6,194	2,052	22,803	31,049	220	31,269
Sale of own shares	0	0	0	0	0	0
Purchase of own shares	-60	0	-551	-611	0	-611
Total comprehensive income	0	0	1,550	1,550	-7	1,543
Balance as at 30 September 2012	**6,134**	**2,052**	**23,802**	**31,988**	**213**	**32,201**

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Consolidated cash flow statement

for the period 1 January to 30 September 2012

	30 Sep 2012 €´000	30 Sep 2011 €´000
Earnings before interest and tax (EBIT)	3,002	3,898
Non-cash income (+) / expense (-)	-231	-793
Interest received (+)	56	223
Interest paid (-)	-923	-789
Income tax payments (-)	-361	-89
Depreciation and amortisation expense, impairment losses (+) / reversals of	3,940	3,876
Cashflow	**5,483**	**6,326**
Increase (+) / decrease (-) in current provisions	-206	108
Increase (-) / decrease (+) in inventories, trade receivables and other assets not attributable to investing or financing activities	1,415	-5,268
Increase (+) / decrease (-) in trade payables and other liabilities not attributable to investing or financing activities	-1,842	-235
Change in working capital	**-633**	**-5,395**
Cash flows from operating activities	**4,850**	**931**
Payments to acquire property, plant and equipment / intangible assets (-)	-4,719	-3,588
Proceeds from the disposal of financial assets (+)	53	42
Purchase of financial assets (-)	-259	-409
Cash flows from investing activities	**-4,925**	**-3,955**
Payments to shareholders (-)	-611	0
Proceeds from the issue of bonds and drawdown of loans under finance facilities (+)	3,900	0
Redemption of bonds and loans (-)	-5,359	-2,111
Cash flows from financing activities	**-2,070**	**-2,111**
Net change in cash and cash equivalents	-2,145	-5,135
Cash and cash equivalents at the beginning of the period	7,518	11,200
Cash and cash equivalents at the end of the period	**5,373**	**6,065**

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Abridged segment reporting

for the period 1 January to 30 September 2012

€´000	Institutional Clients*	Private Clients	Financial Service Providers	Re-conciliation	Group
Segment revenue in respect of third parties					
1 Jan - 30 Sep 2012	8,349	36,544	17,973	76	62,942
1 Jan - 30 Sep 2011	8,639	35,648	14,463	52	58,802
1 July - 30 Sep 2012	2,621	12,366	5,977	17	20,981
1 July - 30 Sep 2011	3.491	13,553	5,893	17	22,954
Segment revenue in respect of other segments					
1 Jan - 30 Sep 2012	0	68	718	-786	0
1 Jan - 30 Sep 2011	48	79	758	-885	0
1 July - 30 Sep 2012	0	19	303	-322	0
1 July - 30 Sep 2011	7	27	257	-291	0
Total segment revenue					
1 Jan - 30 Sep 2012	8,349	36,612	18,691	-710	62,942
1 Jan - 30 Sep 2011	8,687	35,727	15,221	-833	58,802
1 July - 30 Sep 2012	2,621	12,385	6,280	-305	20,981
1 July- 30 Sep 2011	3,498	13,580	6,150	-274	22,954
Gross profit					
1 Jan - 30 Sep 2012	8,115	13,050	13,068	55	34,288
1 Jan - 30 Sep 2011	8,203	13,733	10,252	0	32,188
1 July - 30 Sep 2012	2,664	4,025	4,345	15	11,049
1 July - 30 Sep 2011	3,359	5,279	3,597	0	12,235
Segment earnings before interest, tax and depreciation (EBITDA)					
1 Jan - 30 Sep 2012	2,986	725	4,950	-1,719	6,942
1 Jan - 30 Sep 2011	3,686	2,558	3,650	-2,120	7,774
1 July - 30 Sep 2012	946	-200	1,536	-524	1,758
1 July - 30 Jun 2011	1,760	1,432	1,607	-898	3,901
Segment earnings before interest and tax (EBIT)					
1 Jan - 30 Sep 2012	2,660	673	1,991	-2,322	3,002
1 Jan - 30 Sep 2011	3,238	2,544	841	-2,725	3,898
1 July - 30 Sep 2012	817	-211	534	-738	402
1 July - 30 Sep 2011	1,612	1,445	321	-813	2,565
Segment assets					
30 Sep 2012	21,834	21,056	23,227	3,444	69,561
31 Dec 2011	23,365	20,990	24,311	3,470	72,136

* The comparative prior-year tax figures have been adjusted and are explained in section 5 of the notes to the interim consolidated financial statements „Comparative figures for 2011"

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5. Notes to the interim consolidated financial statements

Information about the Company

The Hypoport Group is an internet-based financial service provider. Its business model is based on two mutually supporting pillars: the Financial Product Sales and B2B Financial Marketplaces divisions.

Operating through its wholly owned subsidiary Dr. Klein & Co. AG, Vergleich.de Gesellschaft für Verbraucherinformation mbH and Qualitypool GmbH, the Hypoport Group offers private clients internet-based banking and financial products (providing advice, if requested, either by telephone or face to face) ranging from current accounts and insurance to mortgage finance.

The Hypoport Group operates EUROPACE, which is a B2B financial marketplace and the largest German online transaction platform offering mortgages, building finance products and personal loans. A fully integrated system links a large number of banks with several thousand financial advisers, thereby enabling products to be sold swiftly and directly.

Its parent company is Hypoport AG, which is headquartered in Berlin, Germany. Hypoport AG is entered in the commercial register of the Berlin-Charlottenburg local court under HRB 74559. The business address of the Company is Klosterstrasse 71, 10179 Berlin, Germany.

Basis of presentation

The condensed interim consolidated financial statements of Hypoport AG for the nine months ended 30 September 2012 have been prepared in accordance with the provisions of IAS 34 (Interim Financial Reporting). They are based on the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) as adopted by the European Union and take into account the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). The report has been condensed in accordance with IAS 34 compared with the scope of the consolidated financial statements for the year ended 31 December 2011. These condensed interim consolidated financial statements should therefore be read in conjunction with the consolidated financial statements for the year ended 31 December 2011 and the disclosures contained in the notes thereto. These condensed interim consolidated financial statements have not been reviewed by an auditor.

These condensed interim consolidated financial statements are based on the accounting policies and the consolidation principles applied to the consolidated financial statements for the year ended 31 December 2011.

The interim consolidated financial statements and the single-entity financial statements for the entities included in the IFRS interim consolidated financial statements are prepared in euros.

To improve clarity, all figures in the IFRS consolidated financial statements and the group management report are presented in thousands or millions of euros unless stated otherwise. We wish to point out that the application and aggregation of rounded amounts and percentages and the use of automated calculation methods may give rise to rounding discrepancies.

All figures on the quantities and volumes of financial products sold (e.g. volume of loans brokered, life insurance premiums, or volume of transactions processed on EUROPACE) include cancellations and, consequently, cannot be compared directly with the revenue figures shown, which exclude cancellations. The relevant figures shown in each case are calculated at a cut-off point in the product transaction process that is appropriate for the accrual method of accounting used. Cancellations that occur later in this process – e.g. as a result of additional credit checks or health checks performed by product suppliers or the exercise of cancellation rights by consumers – are not included in the relevant figures shown.

The consolidated balance sheet is broken down into current and non-current items in accordance with IAS 1.51 et seq.

The consolidated income statement is presented under the nature-of-expense method.

Accounting policies

The accounting policies applied are those used in 2011, with the following exceptions:

- IAS 1: Presentation of Items of other Comprehensive Income
- IAS 12: Deferred Tax: Recovery of Underlying Assets

The first-time adoption of these standards has had no impact on the financial position or financial performance of the Hypoport Group.

Comparative figures for 2011

The Hypoport Group merged its Corporate Real Estate Clients business unit with its Institutional Clients unit to form the new Institutional Clients business unit with effect from 1 January 2012. The objectives of this merger are to create three business units of similar sizes and to simplify internal processes. The comparative prior-year figures have been restated accordingly. This merger has not affected either the net profit (loss) for the period or the earnings (loss) per share reported by the Hypoport Group.

Basis of consolidation

The consolidation as at 30 September 2012 included all entities controlled by Hypoport AG in addition to Hypoport AG itself.

The table below shows the entities included in the interim consolidated financial statements in addition to Hypoport AG

	Holding %
ATC Hypoport B.V., Amsterdam	50.00
Dr. Klein & Co. AG, Lübeck	100.00
Europace AG, Berlin (formerly Hypoport Insurance Market GmbH, Berlin)	100.00
GENOPACE GmbH, Berlin	50.025
FINMAS GmbH, Berlin	50.00
Hypoport B.V., Amsterdam	100.00
Hypoport Finance AG, Berlin	100.00
Hypoport Mortgage Market Ltd., Westport (Ireland)	100.00
Hypoport on-geo GmbH, Berlin	50.00
Hypoport Stater B.V., Amsterdam	50.00
Hypoport Systems GmbH, Berlin	100.00
Qualitypool GmbH, Lübeck	100.00
Starpool Finanz GmbH, Berlin	50.025
Vergleich.de Gesellschaft für Verbraucherinformation mbH, Berlin	100.00

With the exception of Hypoport Stater B.V., Hypoport on-geo GmbH, FINMAS GmbH and ATC Hypoport B.V. (all joint ventures consolidated on a pro-rata basis owing to lack of control), all companies in the Group are fully consolidated.

Intangible assets and property, plant and equipment

Intangible assets primarily comprise unchanged goodwill of €14.8 million and development costs of €12.6 million for the financial marketplaces (31 December 2011: €12.0 million).

Property, plant and equipment consists solely of office furniture and equipment of €2.4 million (31 December 2011: €2.4 million).

Income taxes and deferred taxes

This item includes current and deferred tax income and expense in the following amounts:

in €´000	1 Jan to 30 Sep 2012	1 Jan to 30 Sep 2011	1 July to 30 Sep 2012	1 July to 30 Sep 2011
Income taxes and deferred taxes	592	1,010	166	752
Current income taxes	662	325	300	99
Deferred taxes	-70	685	-134	653
in respect of timing differences	621	810	364	686
in respect of tax loss carryforwards	-691	-125	-498	-33

A current income tax expense of €40 thousand (Q1-Q3 2011: €0 thousand) relates to previous years.

The average combined tax rates computed on the basis of current legislation are unchanged at just under 30 per cent for companies in Germany and between 12.5 per cent and 25.5 per cent for subsidiaries outside Germany.

Earnings per share

The figure for the earnings (loss) per share is determined in accordance with IAS 33. Basic earnings (loss) per share is calculated by dividing the net profit (loss) for the period attributable to the shareholders of Hypoport AG by the weighted average number of outstanding shares. In 2012 there were no share options that would have a dilutive effect on earnings per share.

€´000	1 Jan to 30 Sep 2012	1 Jan to 30 Sep 2011	1 July to 30 Sep 2012	1 July to 30 Sep 2011
Net profit for the year	1,543	2,322	26	1,669
of which attributable to Hypoport AG stockholders	1,550	2,358	-11	1,668
Basic weighted number of outstanding shares	6,172	6,192	6,138	6,193
Basic earnings per share (€)	**0.25**	**0.38**	**0.00**	**0.27**

Subscribed capital

The Company's subscribed capital as at 30 September 2012 was unchanged at €6,194,958.00 (31 December 2011: €6,194,958.00) and was divided into 6,194,958 (31 December 2011: 6,194,958) fully paid-up registered no-par-value shares.

The Annual Shareholders' Meeting held on 1 June 2012 voted to carry forward Hypoport AG's distributable profit of €22,059,892.70 to the next accounting period.

Authorised capital

The Annual Shareholders' Meeting held on 1 June 2012 voted to set aside the un-used authorisation granted on 1 June 2007 and to issue a new authorisation. The Management Board was authorised – subject to the consent of the Supervisory Board – to increase the Company's subscribed capital by up to a total of €3,097,479.00 by issuing new registered no-par-value shares for cash or non-cash capital contribution on one or more occasions on or before 31 May 2017. The Management Board can decide – subject to the consent of the Supervisory Board – to disapply the shareholders' statutory pre-emption rights.

Conditional capital

The conditional capital created by an Annual Shareholders Meeting resolution adopted on 26 August 2002 no longer exists.

Treasury shares

Hypoport held 61,041 treasury shares as at 30 September 2012 (equivalent to €61,041.00, or 0.99 per cent, of the subscribed capital of Hypoport AG), which are intended to be issued to employees. The change in the balance of treasury shares and the main data relating to transactions during the reporting period are shown in the table below.

Change in the balance of treasury shares in 2012	Number of shares	Proportion of subscribed capital %	Cost of purchase €	Sale price €	Gain or loss on sale €
Opening balance as at 1 January 2012	1,046	0.017	1,307.50		
Sold in January 2012	5	0.000	6,25	0,00	-6.25
Purchased in May 2012	17,990	0.290	192,811.00		
Purchased in June 2012	19,500	0.315	205,819.00		
Purchased in July 2012	20,000	0.323	189,977.70		
Purchased in August 2012	2,510	0.041	22,395.60		
Balance as at 30 September 2012	**61,041**	**0.985**			

This expense incurred by the purchase of treasury shares was recognised directly in equity and offset against retained earnings.

Reserves

The breakdown of reserves can be found in the above consolidated statement of changes in equity.

Capital reserves include the premium from the capital increase carried out in 2001 (€400 thousand), the premium from the issuance of shares under the 2002–2004 employee share ownership programme from 2006 to 2009 (€1.187 million), an amount equivalent to the par value of the treasury shares recalled in 2006 (€99 thousand), an amount equivalent to the imputed share of subscribed capital for the treasury shares recalled in 2007 (€247 thousand) and income from the issuance of shares to employees (€120 thousand, of which €0 thousand relates to 2012).

Retained earnings include the profits generated by the entities included in the consolidated financial statements prior to the first-time consolidation on 1 January 2004, the capital gains on the sale of treasury shares, the losses on the recall of treasury shares and three negative goodwill amounts arising from business combinations. These negative goodwill amounts are reported under retained earnings, because profits had been retained after the acquisition but before the date of first-time consolidation.

The cumulative net profits and losses for all periods since the date of first-time consolidation, all the remaining adjustments made under the first-time adoption of IFRS with effect from 1 January 2004 and recognised directly in equity, and a stat-utory reserve of €7 thousand (31 December 2011: €7 thousand) are also reported under this item.

Non-controlling interest

This item relates to the non-controlling interest in the equity of Starpool Finanz GmbH and GENO-PACE GmbH.

Share-based payment

No share options were issued in the third quarter of 2012.

Related parties

IAS 24 requires disclosure of the names of persons or entities that control Hypoport AG or are controlled by Hypoport AG. Transactions between Hypoport AG and its subsidiaries are eliminated during consolidation and are therefore not subject to the disclosure requirement in this section.

IAS 24 also requires disclosure of the names of persons who can exercise significant influence over the Company.

The parties covered by the requirements also include key management personnel, their close family members and other entities via which a named person exercises control or significant influence over Hypoport AG. The parties covered by this requirement during the reporting period were the members of the Group Management Board and Supervisory Board of Hypoport AG and their close family mem-bers.

The table below shows the numbers of shares in Hypoport AG directly or indirectly held by the members of the Group Management Board and Supervisory Board as at 30 September 2012.

	Number of shares 30 Sep 2012	Number of shares 31 Dec 2011
Management Board		
Ronald Slabke	2,245,831	2,241,831
Thilo Wiegand	28,000	24,000
Stephan Gawarecki	187,800	187,800
Hans Peter Trampe	174,990	174,990
Supervisory Board		
Dr. Ottheinz Jung-Senssfelder	14,000	14,000
Prof. Dr. Thomas Kretschmar	814,286	814,286
Christian Schröder	23,500	24,000

The companies in the Hypoport Group have not carried out any further disclosable transactions with members of either the Supervisory Board or the Group Management Board or with companies on whose management or supervisory bodies these persons are represented. This also applies to close family members related to these persons.

Revenue generated by joint ventures totalled €22 thousand in the third quarter of 2012 (Q3 2011: €139 thousand) and €306 thousand in the first nine months of this year (Q1-Q3 2011: €410 thousand). Receivables from joint ventures amounted to €1.143 million as at 30 September 2012 (31 December 2011: €948 thousand) while liabilities to such companies totalled €1.063 million (31 December 2011: €813 thousand).

Opportunities and risks

In the period under review, there were no material changes to the opportunities and risks for the Group as described in the risk report in the 2011 group management report. There are no identifiable risks to the Hypoport Group as a going concern.

Seasonal influences on business activities

There were no exceptional, positive seasonal influences on the performance of the Hypoport Group's business in the third quarter of 2012. The first quarter of every year is notoriously the weakest season in the mortgage finance business. In the past, positive changes in the mortgage market for both private and institutional clients have been noticeable over the course of a year. The Company expects to see an encouraging trend in the sale of insurance products to private and institutional clients during the course of the year caused, among other things, by certain industry-wide cancellation deadlines and tax issues.

Events after the reporting period

No material events have occurred since the balance sheet date.

Berlin, 5 November 2012

Hypoport AG, the Management Board
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