

# Interhyp Quarterly Results

## Q1 2008

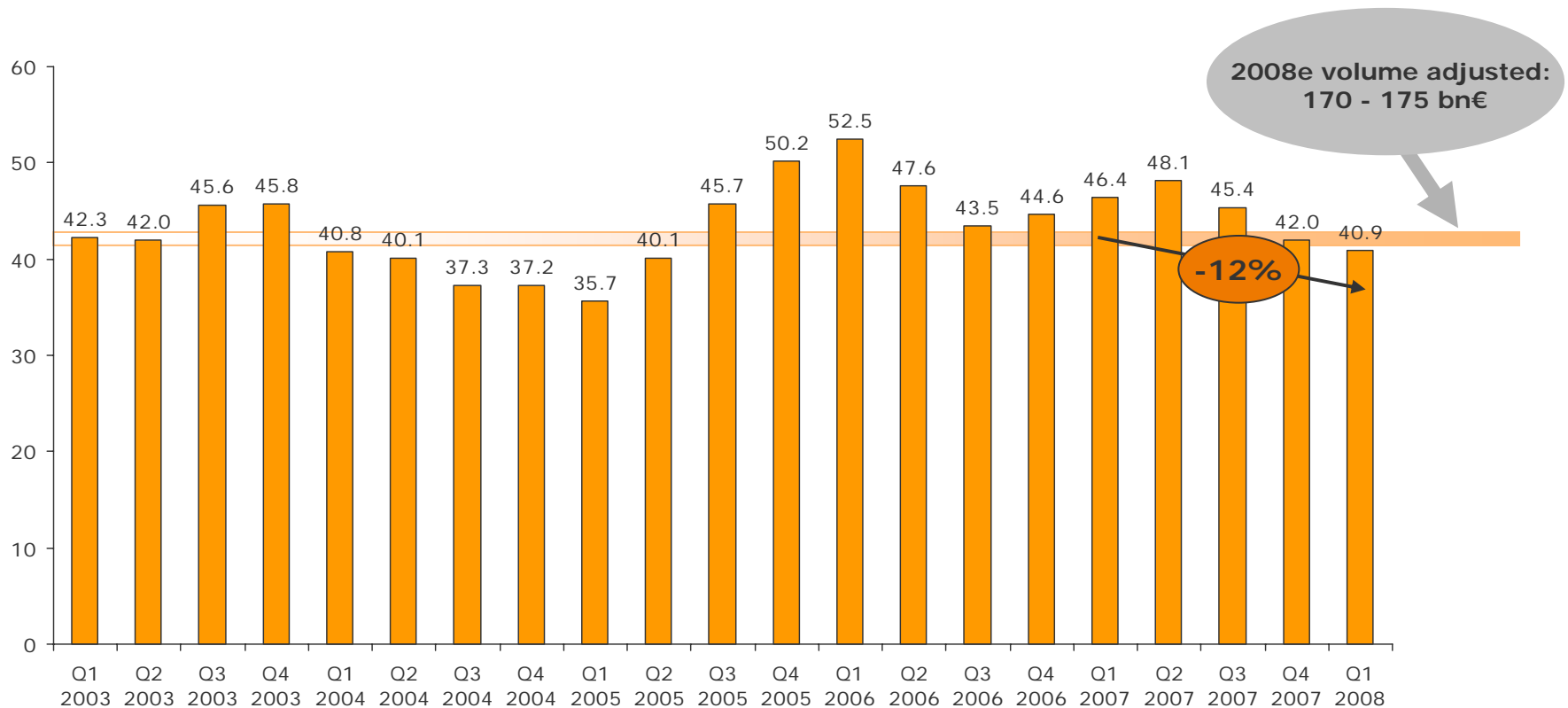
7 May 2008

## Q1 Key Indicators

	<i>Q1 2008</i>	<i>Q1 2007</i>	<i>Chg. yoy</i>
<b>Mortgage volume</b>	1,263 m€	1,339 m€	(6%)
<b>Net revenues</b>	15.3 m€	16.4 m€	(7%)
<b>EBIT</b>	3.5 m€	6.1 m€	(43%)
<b>EBIT margin</b>	22.9%	37.3%	
<b>Net income after minorities</b>	2.5 m€	3.9 m€	(34%)

## A tough market environment in Q1: Bundesbank new business figures down 12% vs. Q1 2007

*Quarterly new mortgage volume in Germany\* (€bn)*

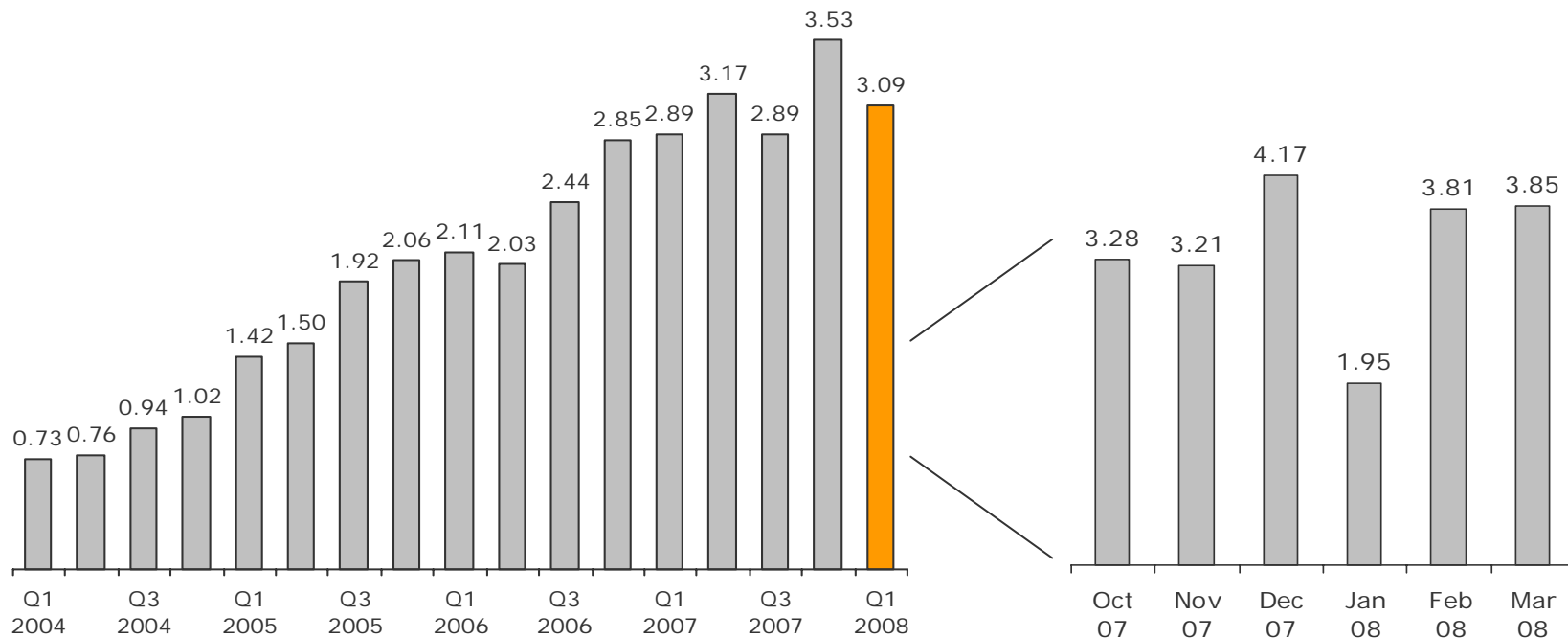


\* Based on new mortgage volume of German banks published by Deutsche Bundesbank (MFI interest rate statistics); includes mortgages for purchases and construction as well as refinancing of existing loans

# Q1 market share impacted by low January – February and March very strong

*Interhyp market share per quarter\* (%)*

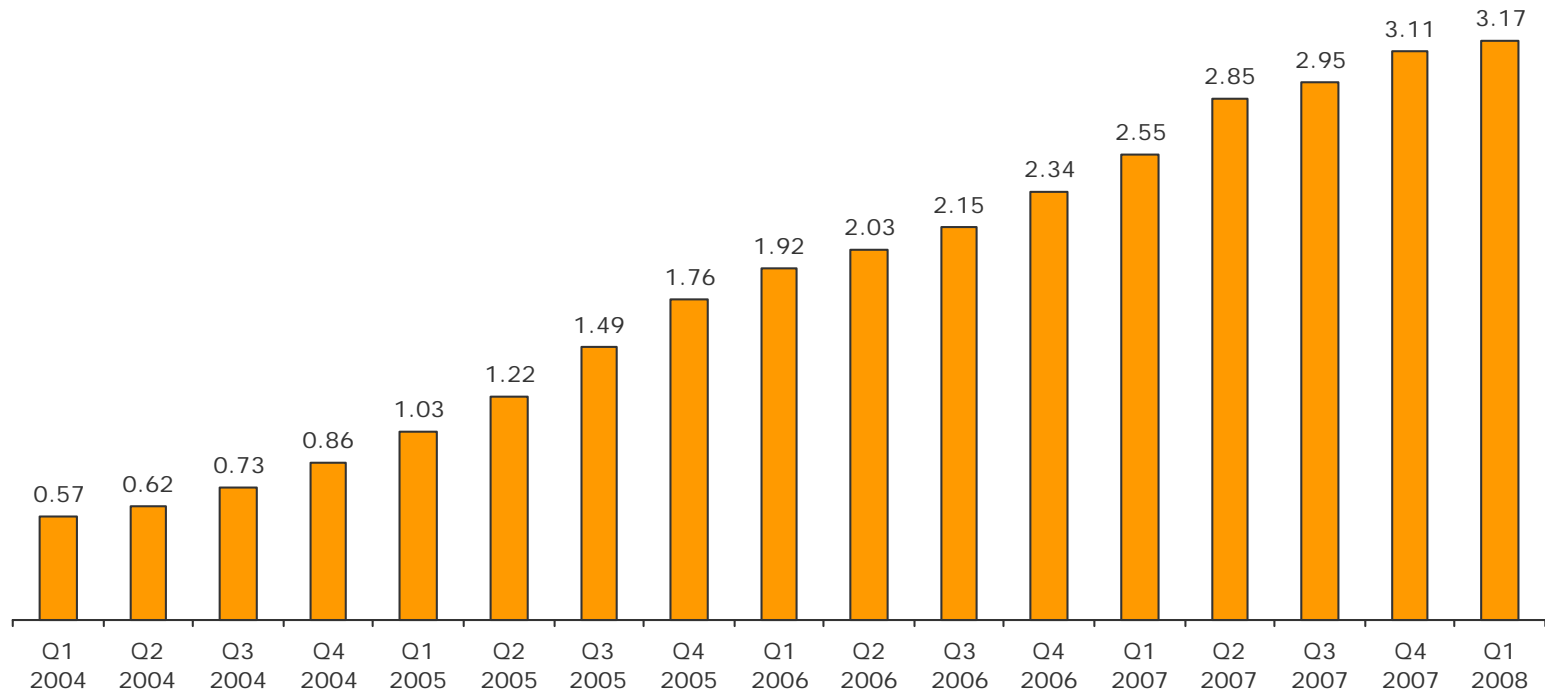
*Interhyp market share per month\**



\* Based on new mortgage volume of German banks published by Deutsche Bundesbank (MFI interest rate statistics)

## 12M trailing market share continues the growth trend

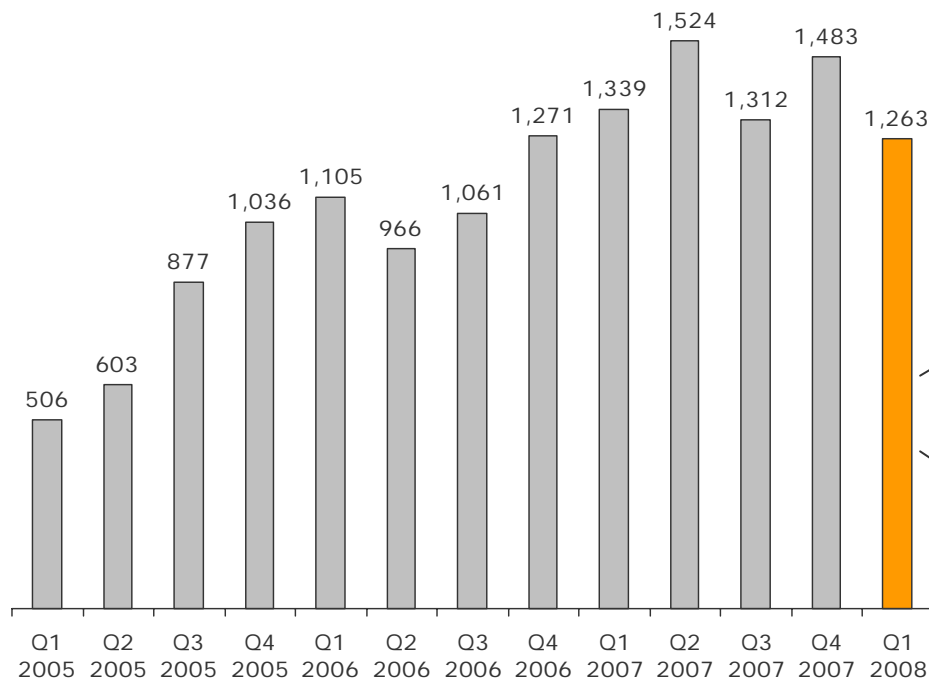
*Interhyp market share of German new mortgage business\* (in %, LTM)*



\* Based on new mortgage volume of German banks published by Deutsche Bundesbank (MFI interest rate statistics)

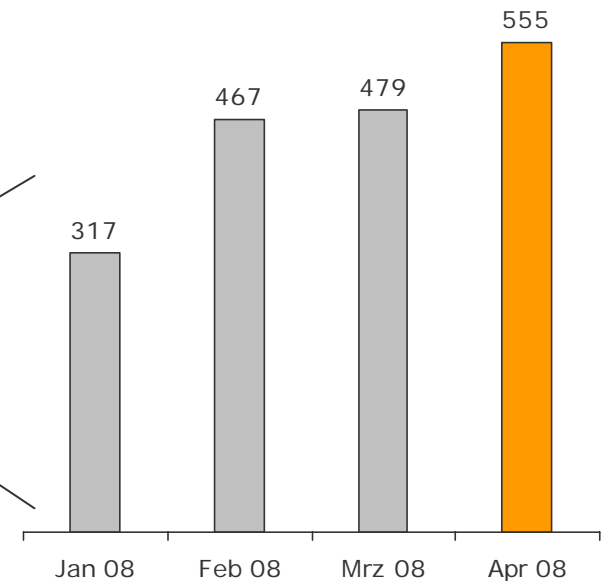
## Weak Q1 mortgage volume due to extremely weak January – record volume in April

*Quarterly mortgage volumes (€m)*



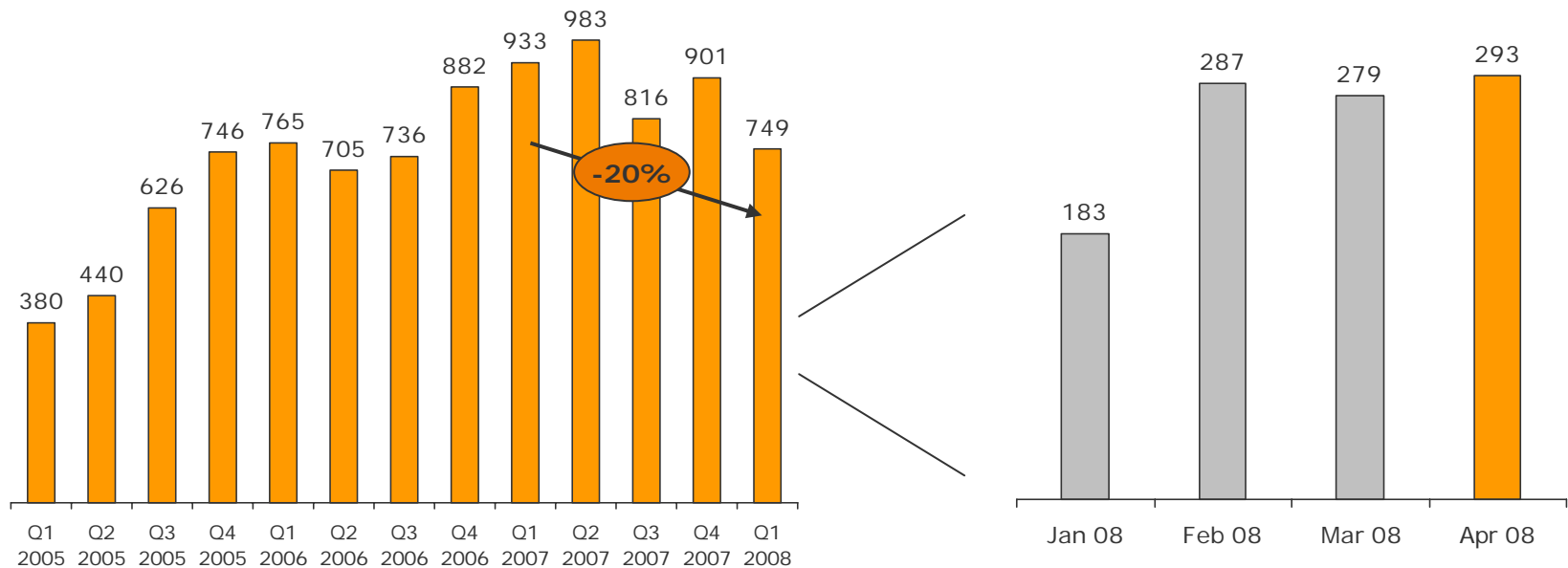
*Monthly mortgage volumes (€m)*

**Weak January volume due to unusually low December application flow**



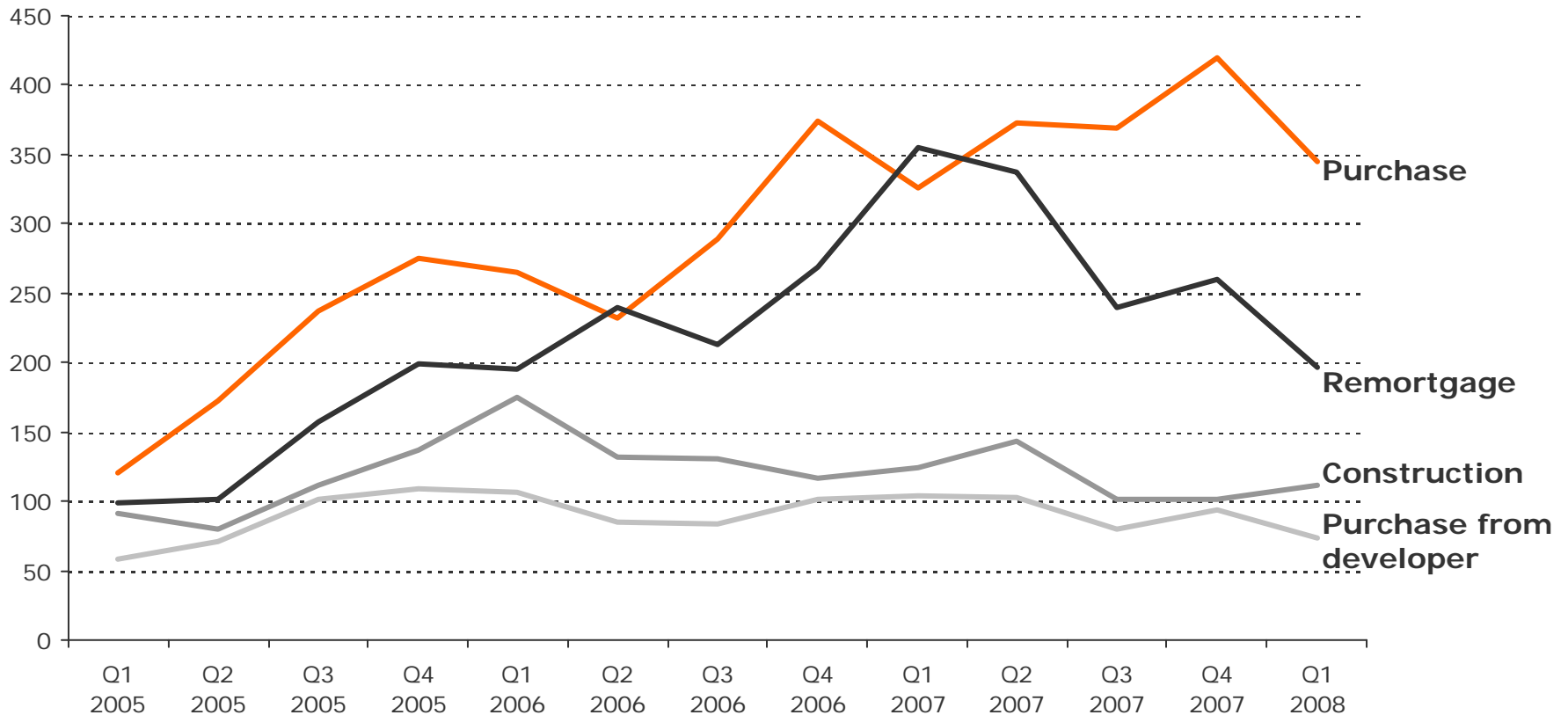
## Direct channel affected by market weakness and defensive customer behaviour

*Mortgage volume in Direct Channel (€m)*



## Weakness in Direct Channel primarily due to slow remortgage business

*Closed mortgage volume in Direct Channel (€m)*



## Direct Channel: Regionalisation complemented with office number 18 in Augsburg

### Regional office locations



\* opening in summer

### Direct Channel strategy

#### Regionalisation: New office in Augsburg

- We will add an additional office in Augsburg in summer to strengthen our local presence in the healthy Bavarian real estate market

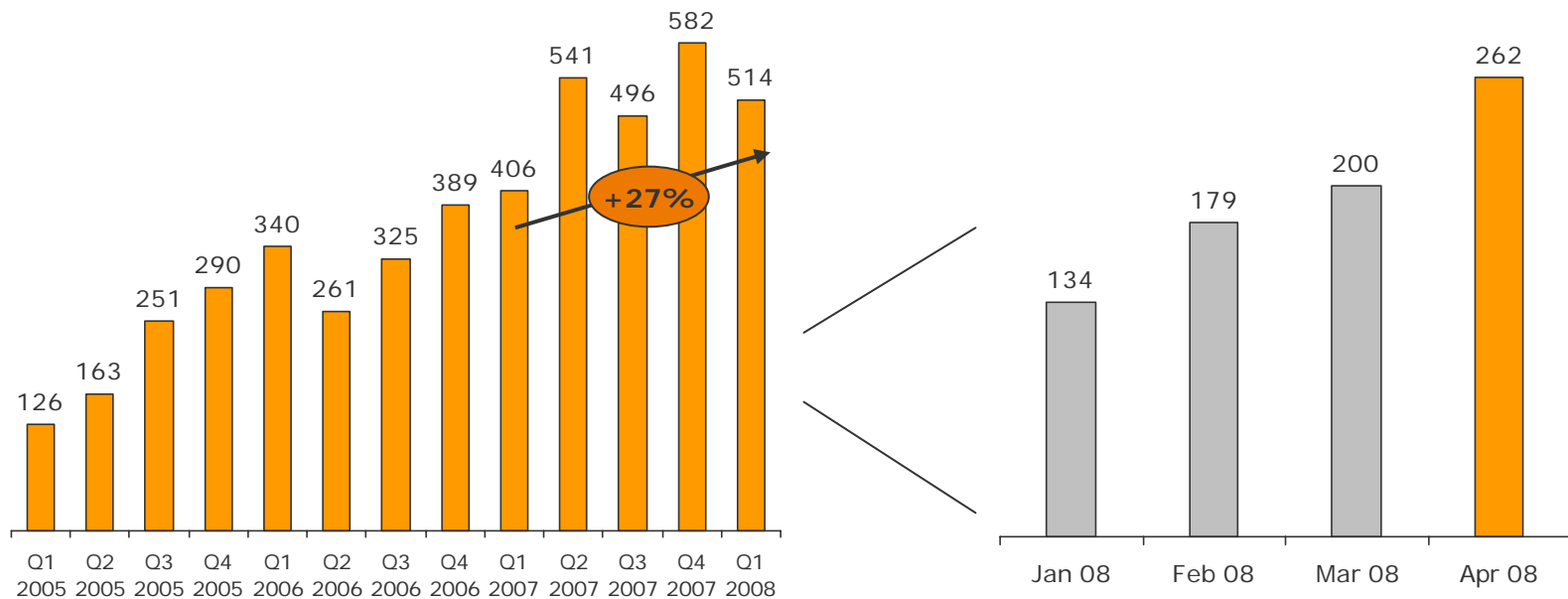
#### Interhyp's recent consumer press awards:

- Interhyp was awarded best online mortgage offering by consumer magazine Finanztest
- Interhyp was also named best direct mortgage provider by finance magazine FocusMoney



## Intermediary Channel shows structural growth and increasing momentum

*Mortgage volume in intermediary channel (€m)*



# Intermediary Channel: Focus on new partnerships and new Prohyp branding for the IFA business

## Update on recently launched partnerships



- Successful rollout: 110 offices out of 250 are already linked to MLP Hyp and start contributing
- Operational break even achieved already in Q1



- Successful launch of website and all support functions in January



## New institutional partners



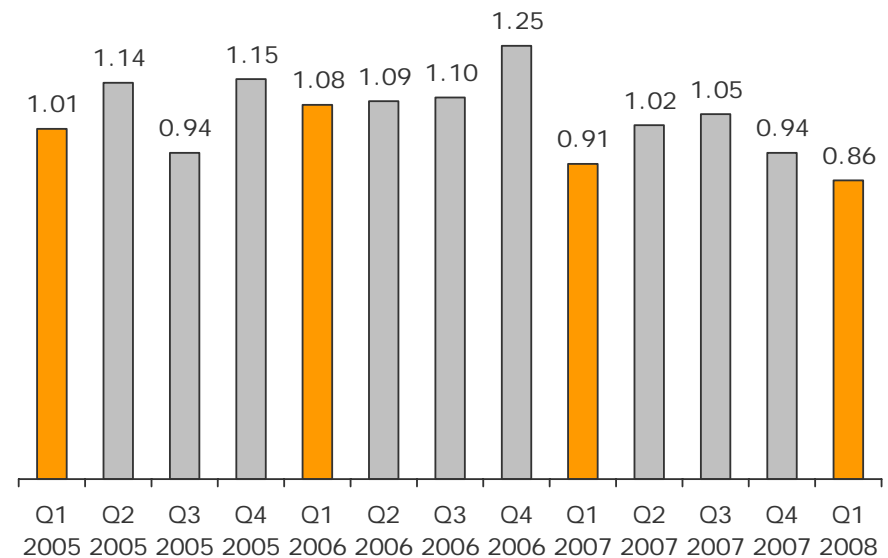
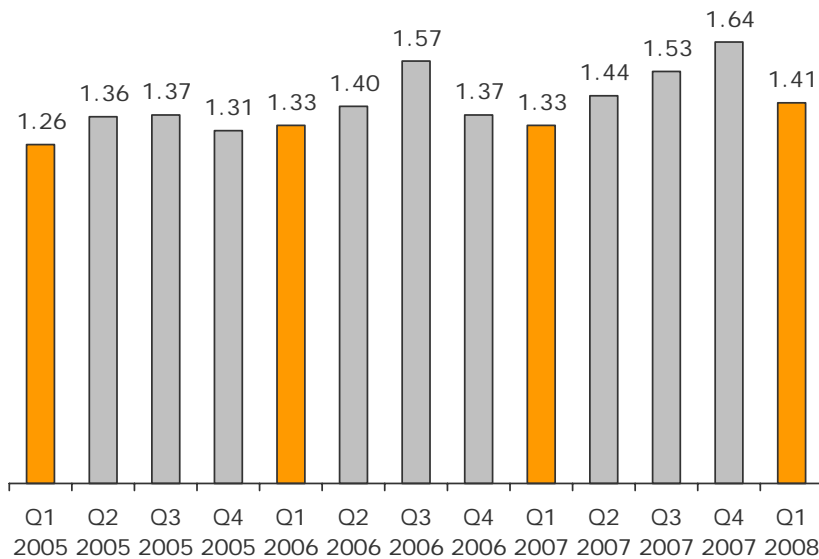
## New Prohyp campaign launched

- New Prohyp branding to reflect regional presence and focus on service



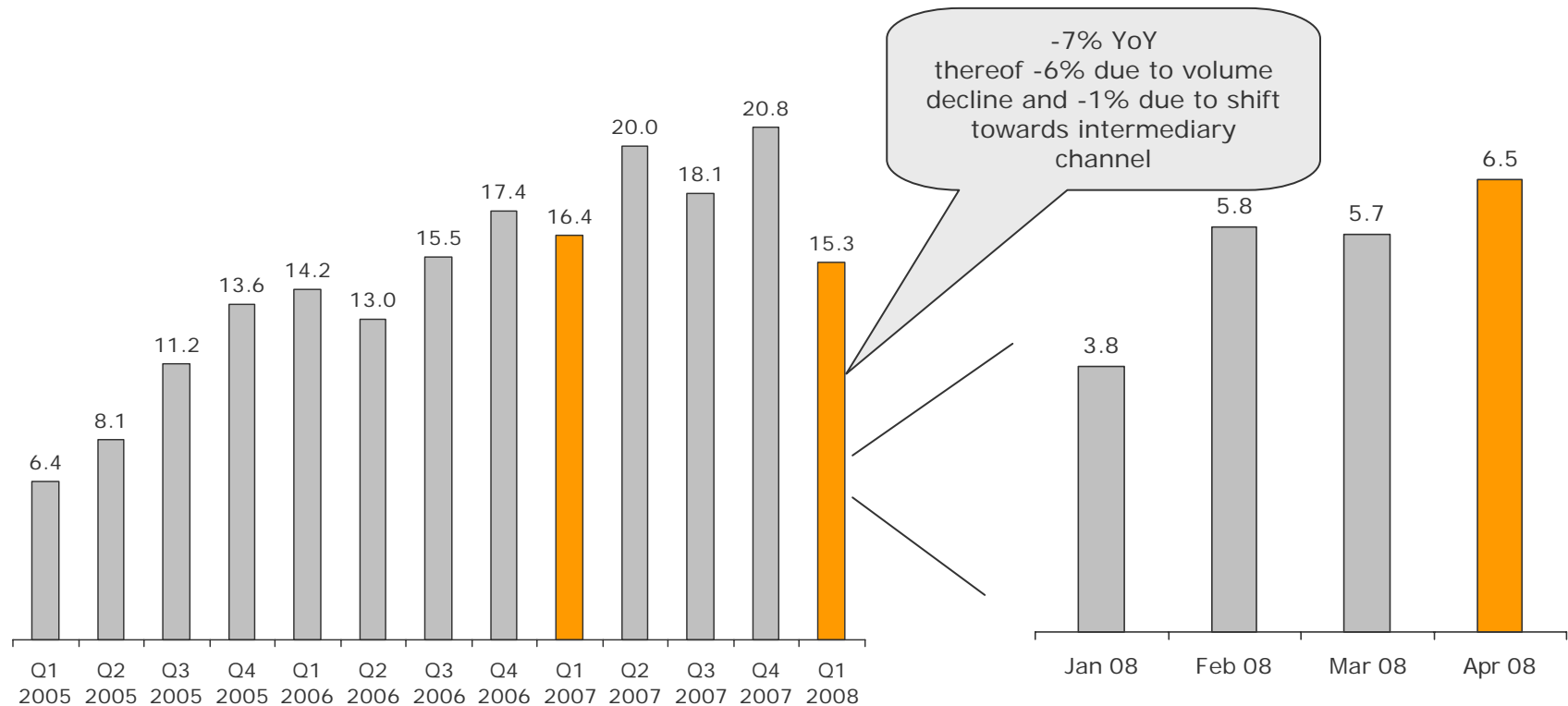
## Net revenue margins solid and as expected for a 1st quarter

*Net revenue margins in % of mortgage volume*



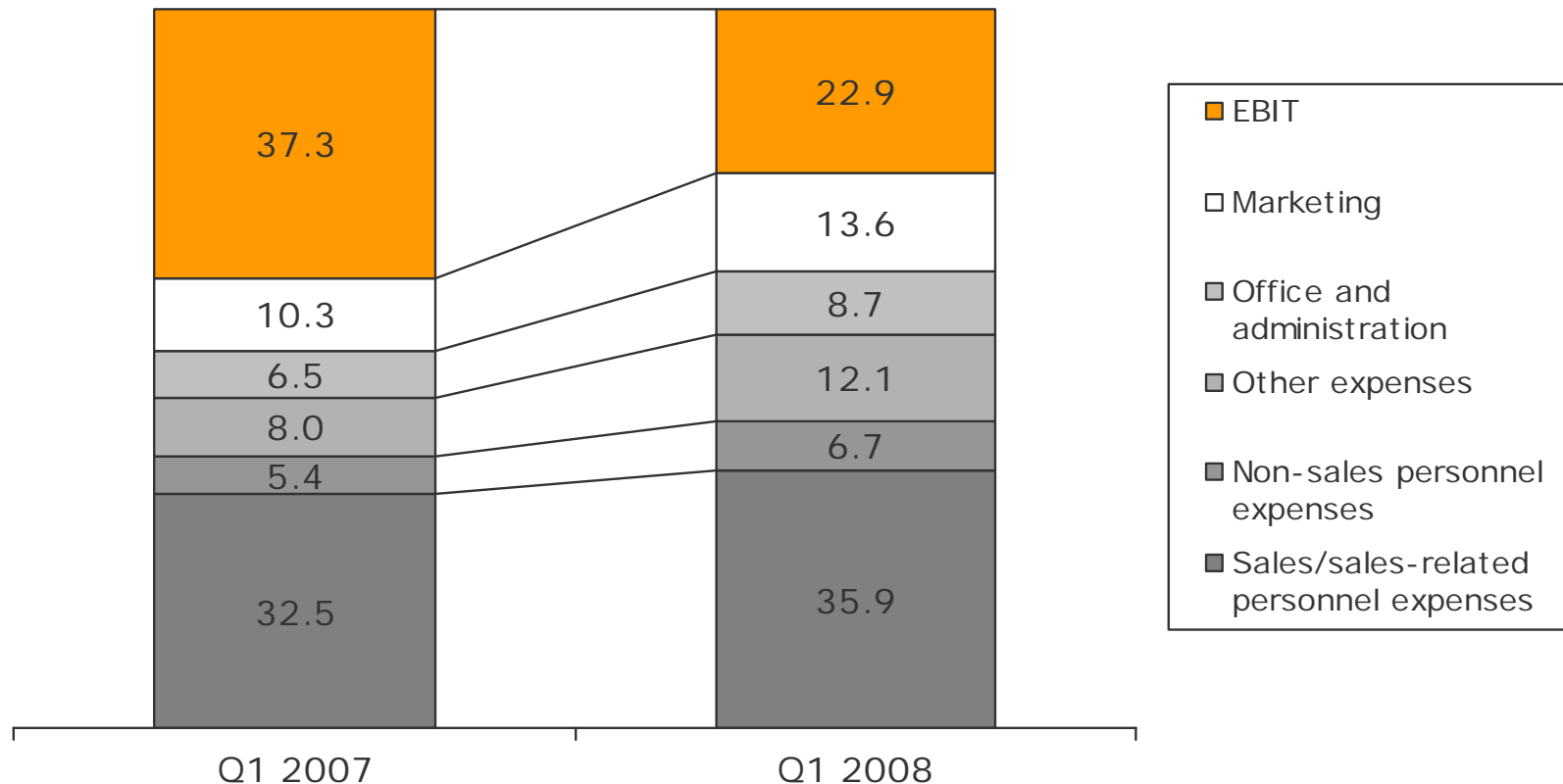
## YoY decline in revenues in line with decline in mortgage volume

Quarterly net revenues (€m)



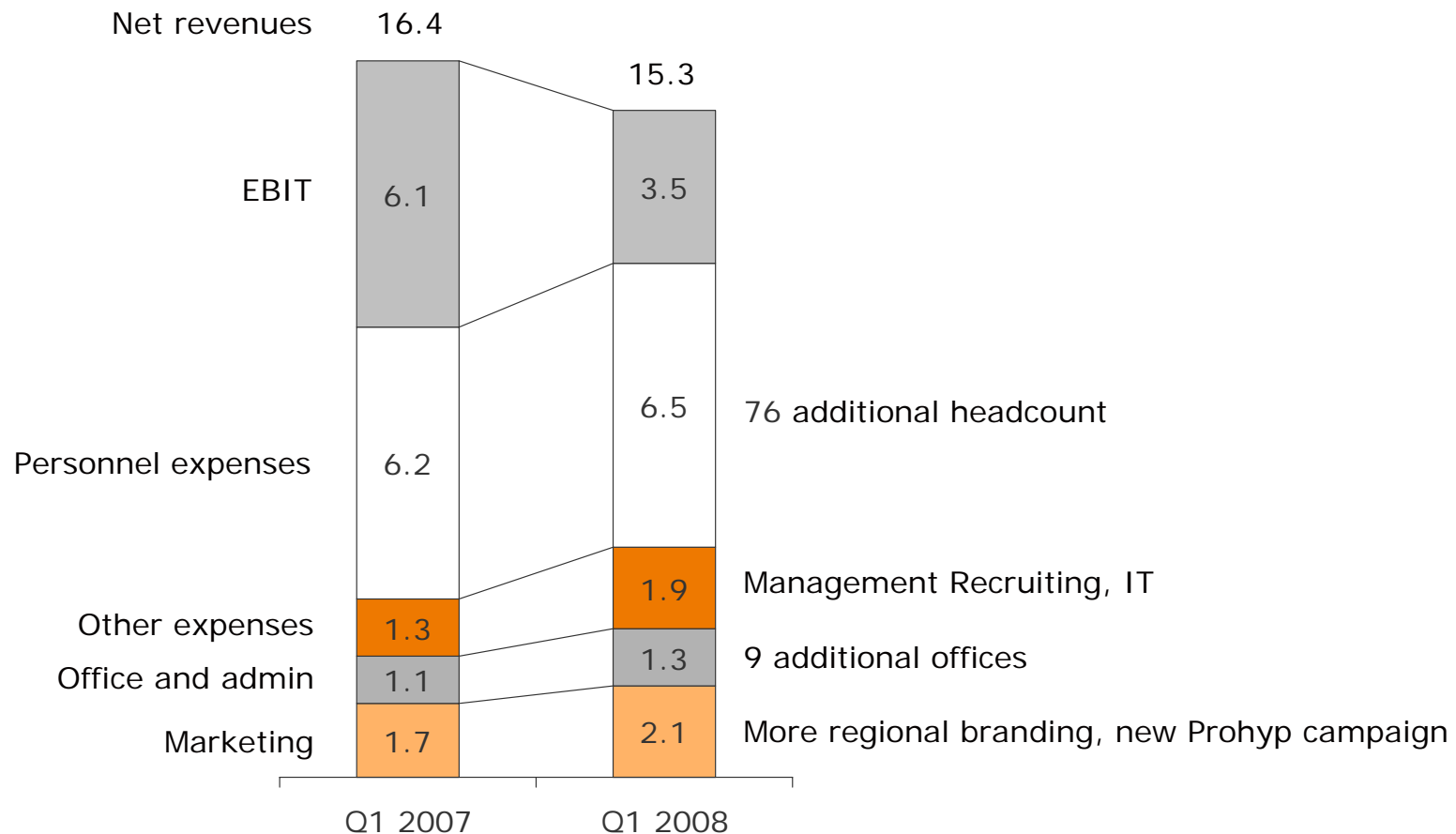
## January result reduces Q1 EBIT margin – March is back up to 36%

*Interhyp margin components (in % of net revenues)*



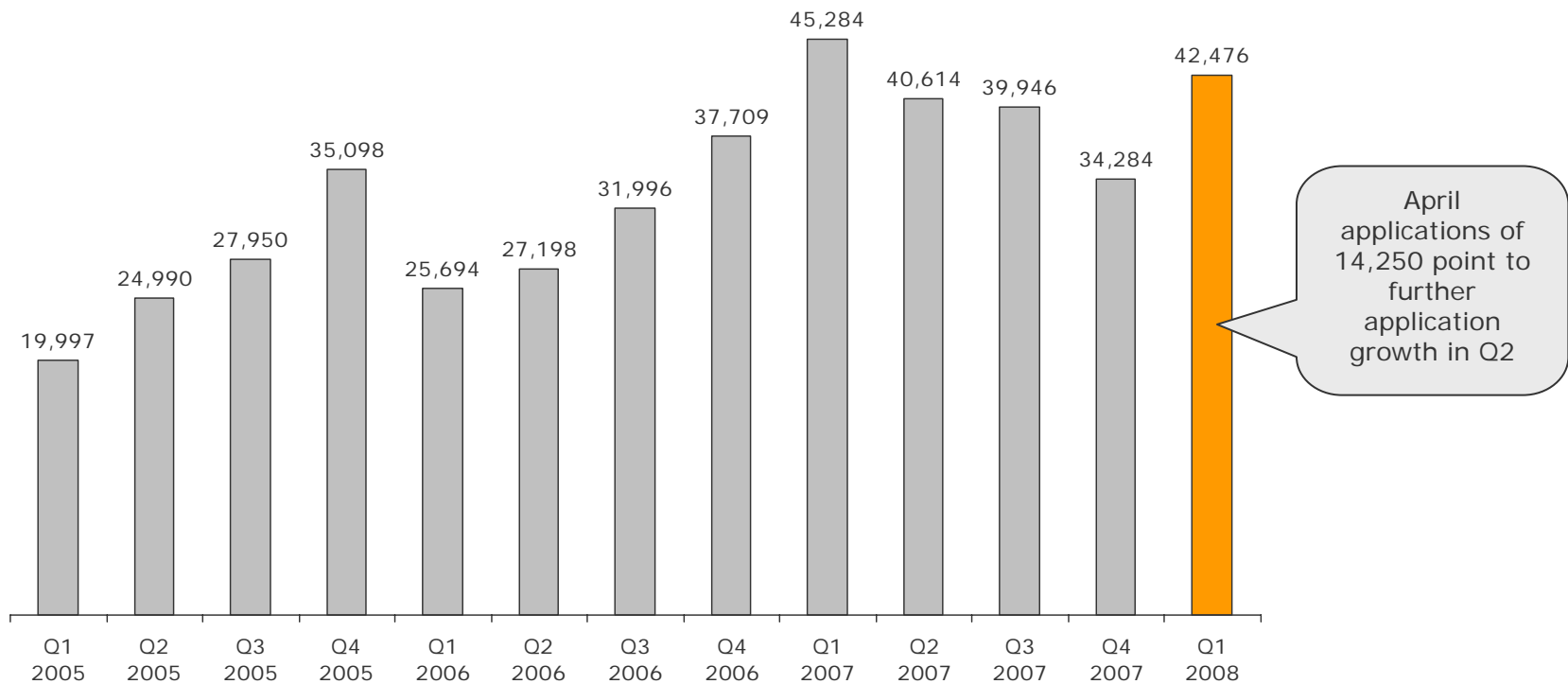
## Lower revenues and increase in cost structure reduce Q1 EBIT

### Comparison of cost structure Q1 2008 vs. Q1 2007



## Application flow in Q1 back on track after unusually weak Q4

### Quarterly mortgage applications



## 2008 Guidance unchanged

- *As we cannot count on growth in the underlying mortgage market in 2008 due to the current uncertain economic outlook, our own growth prospects are based on **further market share gains** in both the Direct Channel and the Intermediary Channel.*
- *We expect **double-digit growth** for each closed mortgage volume, net revenues and EBIT in 2008.*

# Appendix

## Strong top and bottom line growth continues

<i>Income Statement</i>	<i>Quarterly results</i>		
	<i>Q1 2008</i>	<i>Q1 2007</i>	<i>chg.</i>
<i>[kEUR]</i>			
<b>Total revenues</b>	<b>18,489</b>	<b>19,233</b>	<b>(4%)</b>
Direct Channel	10,532	12,730	(17%)
mortgage/mortgage-related	10,527	12,387	(17%)
non-mortgage	5	343	(99%)
Intermediary Channel	7,958	6,503	22%
Commissions to brokers*	(3,227)	(2,816)	15%
<b>Net revenues</b>	<b>15,262</b>	<b>16,417</b>	<b>(7%)</b>
Expenses	(11,762)	(10,301)	14%
<b>EBIT</b>	<b>3,500</b>	<b>6,116</b>	<b>(43%)</b>
Interest income/expense	548	476	15%
Investments in associates	(68)	-	-
Taxes	(1,365)	(2,730)	-50%
Minorities	(80)	-	-
<b>Net income after minorities</b>	<b>2,535</b>	<b>3,861</b>	<b>(34%)</b>

All numbers based on IFRS

\* Commissions to partners in the Intermediary Channel

## Strong free cash flow

<i>Cash flow statement</i>	<i>Quarterly results</i>	
	<i>Q1 2008</i>	<i>Q1 2007</i>
<i>[KEUR]</i>		
<b>EBT</b>	<b>3,981</b>	<b>6,591</b>
Adjustments* *	90	(3)
Change in receivables and other assets	8,022	4,133
Change in provisions	(3)	4
Change in liabilities	(3,577)	(3,224)
Taxes paid	(3,178)	(1,314)
Interest paid	(1)	(1)
Other non-cash items	(2)	3
<b>From operating activities</b>	<b>5,333</b>	<b>6,189</b>
<b>From investing activities</b>	<b>162</b>	<b>10,358</b>
thereof from securities	-	10,448
<b>From financing activities</b>	<b>-</b>	<b>-</b>
Changes in cash and cash equivalents	5,495	3,648
<b>Cash and cash equivalents end of period</b>	<b>54,458</b>	<b>37,594</b>

\* includes depreciation on non-current assets, financial result and other items

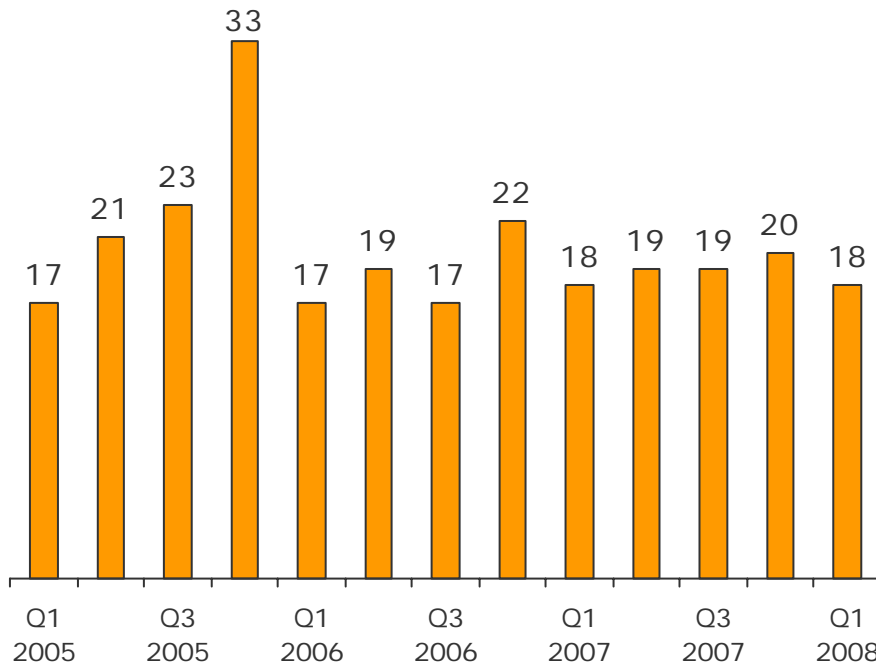
## Current balance sheet structure

<i>Balance sheet</i>	<i>Q1 2008</i>	<i>Year-end figures</i>					
		<i>2007</i>	<i>2006</i>	<i>2005</i>	<i>2004</i>	<i>2003</i>	<i>2002</i>
<i>[kEUR]</i>							
Non-current assets	5,546	5,948	4,430	4,116	1,483	2,689	1,263
Investments in associates	521	552	-	-	-	-	-
Current assets	67,983	68,991	66,358	46,828	8,790	4,820	4,929
Trade accounts receivable	10,731	18,844	17,163	11,626	4,726	2,368	1,190
Securities	0	0	10,992	1,003	1,009	0	0
Cash and cash equivalents	54,458	48,963	37,594	33,945	2,933	2,313	3,557
Total assets	73,528	74,939	70,789	50,944	10,273	7,509	6,193
Shareholders' equity*	66,737	64,032	54,430	40,258	2,479	1,957	2,146
Long-term liabilities and provisions	529	573	677	779	3,499	3,622	2,964
Short-term liabilities and provisions	6,263	10,334	15,523	9,907	4,295	1,930	1,083
Accounts payable	2,414	2,554	3,372	3,405	1,501	742	367

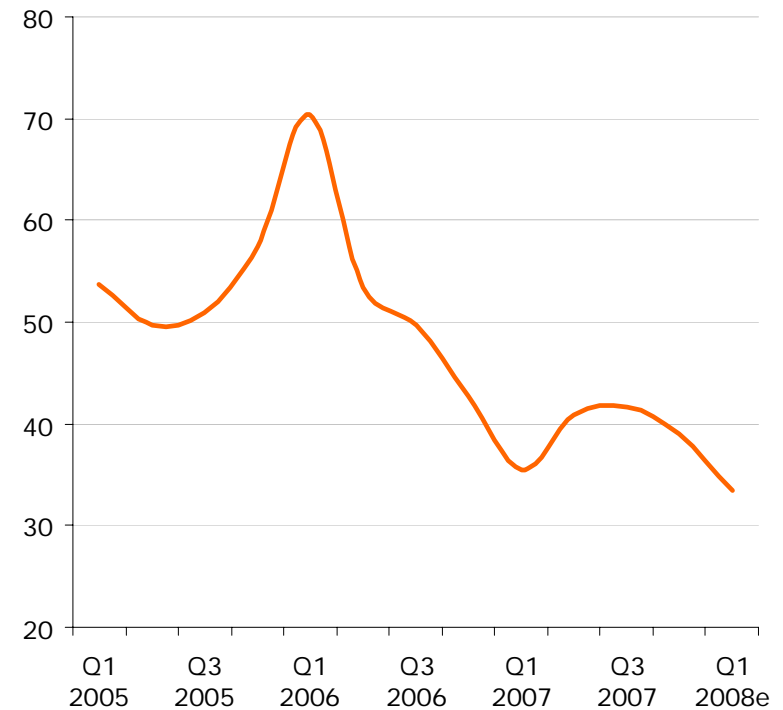
\* including the share of other associates of EUR 1,508 thousand

## The short term picture of the underlying real estate market: transactions down 13% vs. Q4

*Transactions in 11 large German cities\*  
(in thousands of transactions)*



*Building permits (in thousands)\*\**

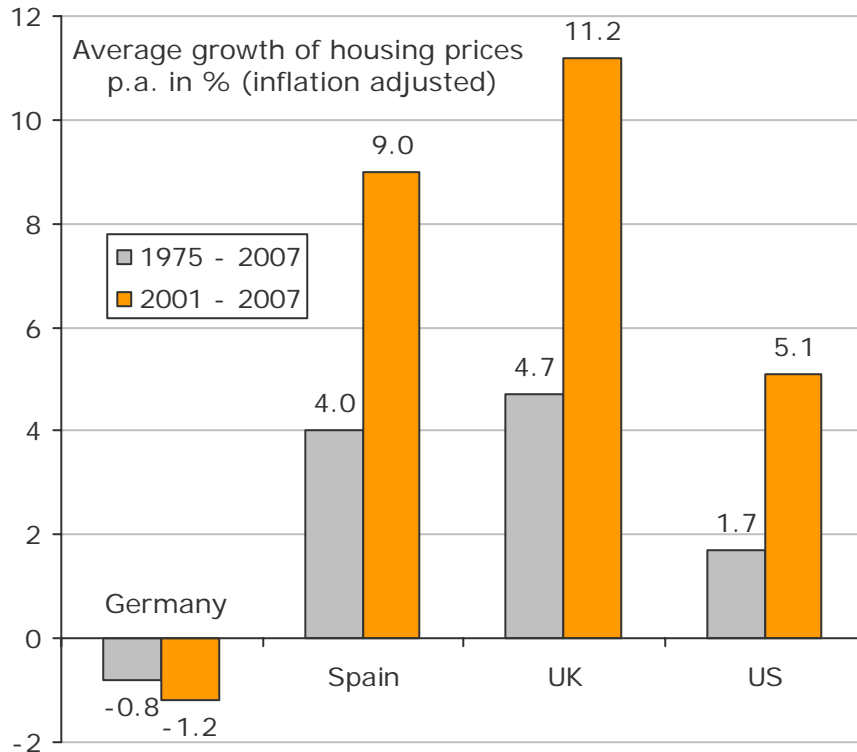


\* Source: transaction data for purchases of houses, apartments and construction plots published by the „Gutachterausschüsse“ (surveyors' councils) of 11 cities (Berlin, Bielefeld, Dortmund, Düsseldorf, Frankfurt, Hamburg, Hannover, Cologne, Munich, Stuttgart and Wiesbaden)  
Q1 2008 preliminary

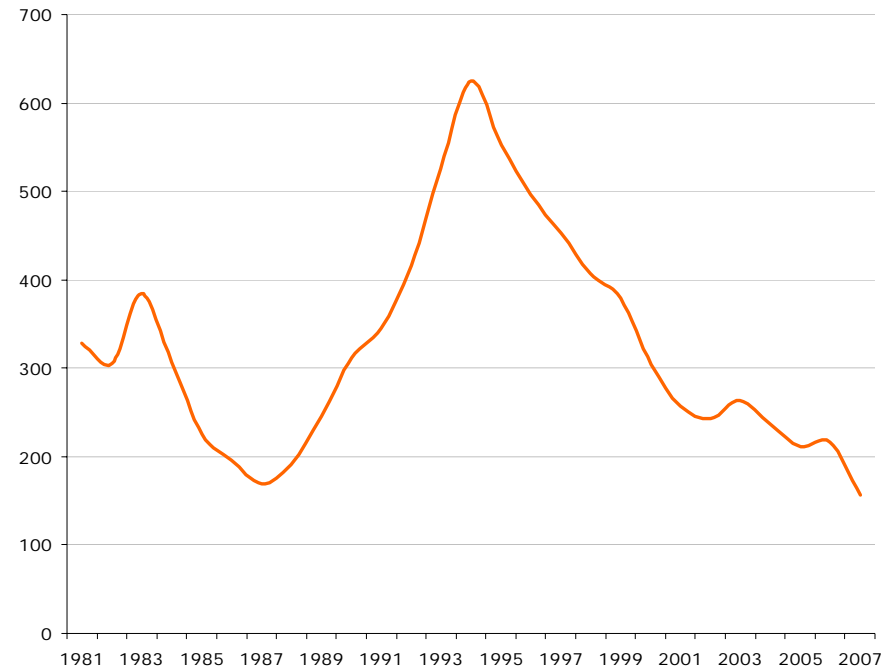
\*\* Source: destatis, Q1 expectation based on january numbers

## The long term picture: Building activity at post-war lows, prices weak

*Price moves of residential real estate \**



*Building permits (in thousands) \*\**

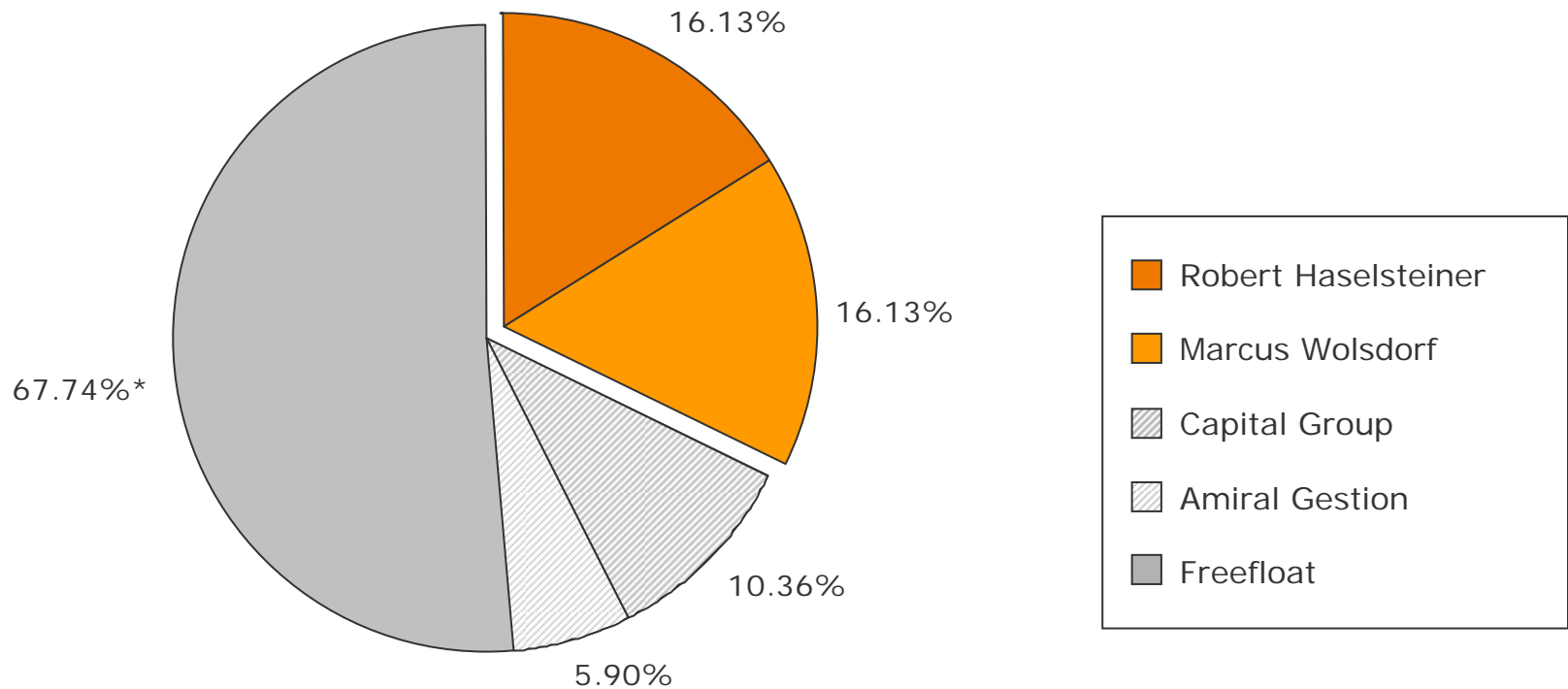


\* Source: DIW

\*\* Source: destatis

# Freefloat at 67.7%\*

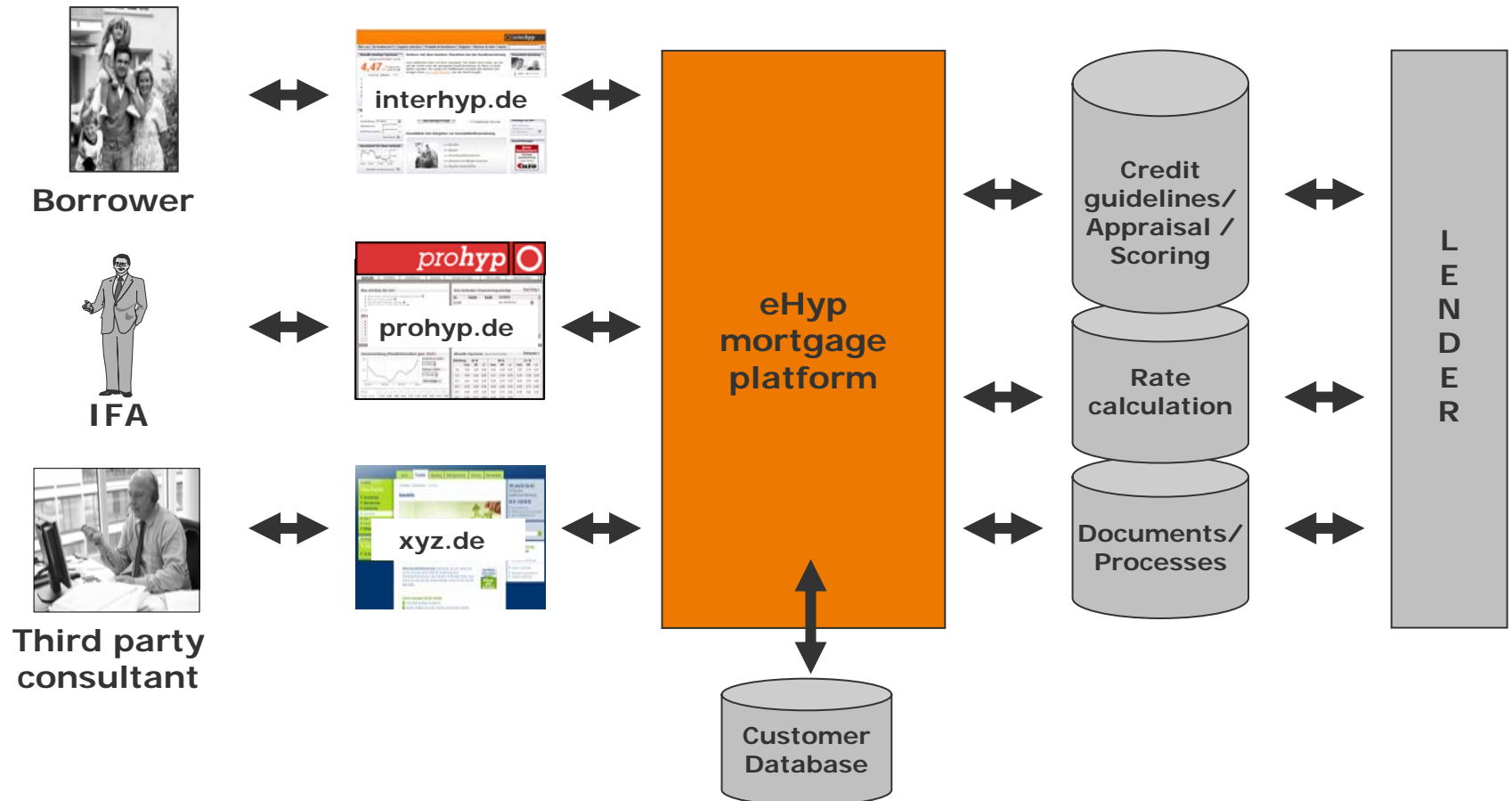
*Interhyp shareholder structure as at 2 April 2008*



\* In compliance with Deutsche Börse AG freefloat guidelines, our freefloat includes the 16.26% stake of the above listed companies as well as 51.48% of further shareholders.

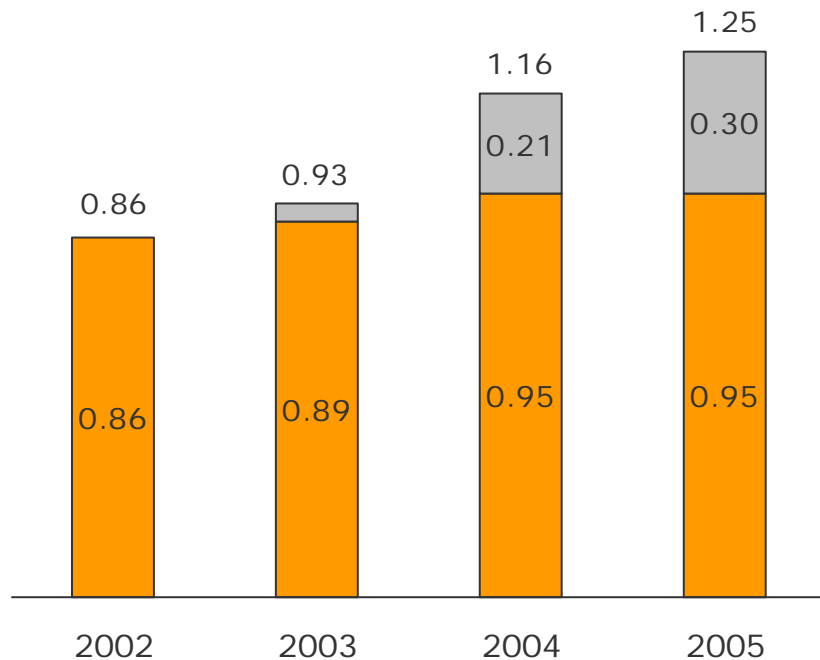
# The eHyp platform: the key for scalability and productivity

*The eHyp mortgage platform is at the core of all processes and front-ends*



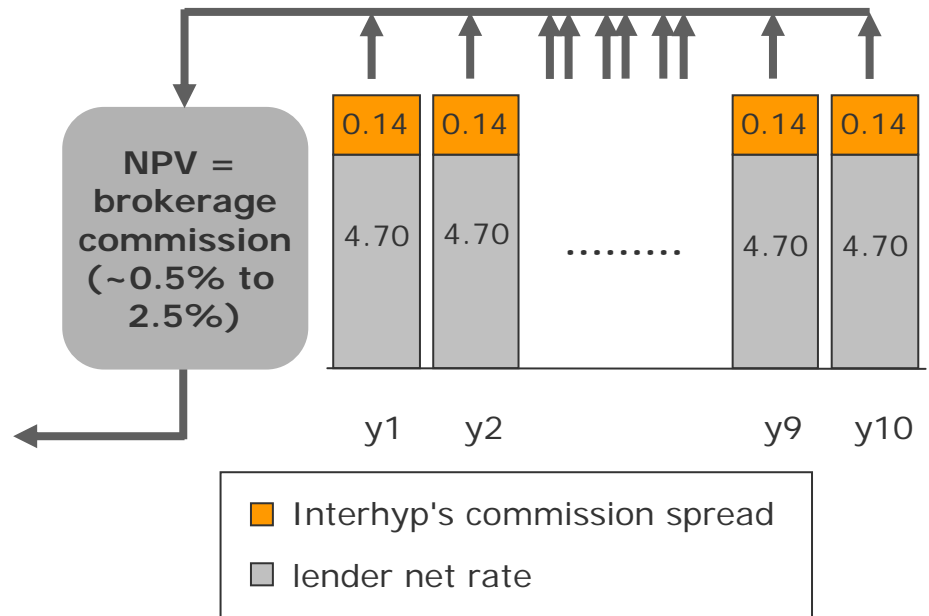
# The commission model allows pricing discretion

Net revenue in % of mortgage volume



- volume rebates
- mortgage brokerage commissions

Commission model (%)



**Recurring revenue potential at the end of the initial fixed interest term**

## Investment highlights

### Market opportunity

- 2nd largest mortgage market in Europe
- Underdeveloped mortgage brokerage market with significant growth potential
- Underlying trend towards online financial services

### Leading market position

- #1 residential mortgage broker in the German market
- Leading mortgage website
- High barriers to success

### Superior business model

- Compelling value proposition for all parties
- Unique combination of high-tech and human touch
- Highly scalable technology and sales platform

### Strong Management

- Long-standing experience in investment and retail banking
- Committed, entrepreneurial senior management team

### Financial track record

- Strong top and bottom line growth
- Compelling profitability profile

## Contact and Calendar

### *Company calendar*

<b>Event</b>	<b>Date</b>
Annual general meeting	4 Jun 2008
Report on 2nd quarter 2008	7 Aug 2008
Report on 3rd quarter 2008	10 Nov 2008

### *Contact*

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