



DUNA HOUSE[®]
GROUP

Quarterly measures 2017 Q4

January 8, 2018.



dunahouse.com

Quarterly measures

DUNA HOUSE hereby publishes financial indexes that are available for the given quarter beforehand, thus our respected shareholders and investors are given the chance to receive information on the tendencies within a short time following the expiry of the given quarter – prior to the quarterly financial statements publicly disclosed according to the Holding's Event Calendar.

In accordance with Management intentions, these indexes shall be published on a regular basis, no later than on the 5. working day following the given quarter.

Holding Management asks its respected shareholders and investors to note that all indexes published in the present report are to be considered preliminary. Final figures shall be published in the quarterly financial statement.

Budapest, 8 January 2018.

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EXECUTIVE SUMMARY

The loan brokerage activity of DUNA HOUSE Group has continued its growth in Q4 of 2017. All segments have achieved significant expansion in 2017.

Following the growth in the second and third quarters of 2017, the real estate brokerage activities of the Group were led by seasonality in the fourth quarter. Loan brokerage, on the other hand, achieved outstanding 13.0% q-o-q growth with brokered loan volumes reaching HUF 18.4 billion in the period.

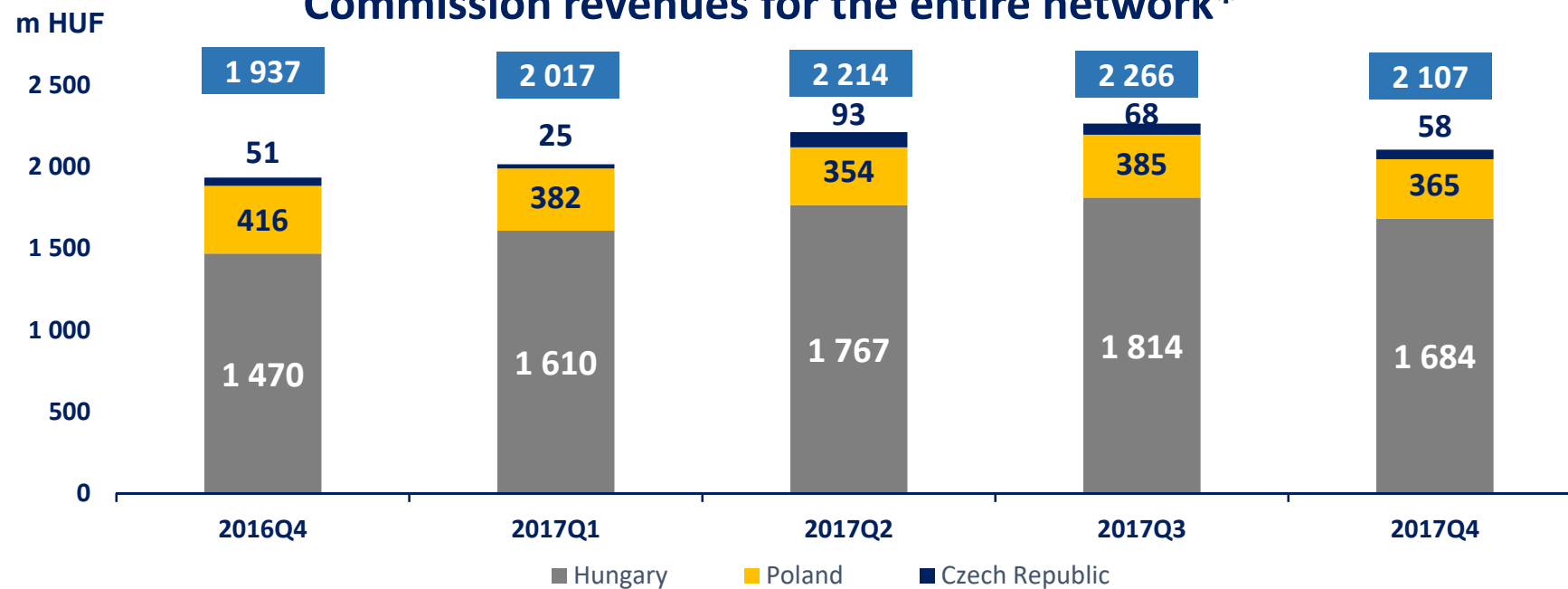
The Polish activities intermediated loans with total value of HUF 7.5 billion in the fourth quarter of 2017, a record and an increase of 67.3% y-o-y, exceeding overall market growth. The performance of the real estate broker network in Poland decreased by 5.2% q-o-q following ordinary seasonality. The management expects an uptrend in the following quarters, subject to usual seasonality effects.

In Hungary, both the real estate brokerage and loan brokerage volumes decreased q-o-q due to usual seasonality, by 7.2% and 3.7% respectively. The commission revenues of the previously underperforming own office segment, have been picking up and grew by 3.9% q-o-q as the result of the successful new leadership.

With regards to the full-year of 2017, the Group has achieved outstanding volume growth. Its real estate broker networks generated commission revenues of HUF 8.6 billion (+11.0% growth y-o-y), while the commission revenues of the own office segment increased to HUF 1.6 billion (+16.2% y-o-y). The brokered loan volumes jumped to HUF 64.7 billion (+49.5% y-o-y) and the home saving products to above HUF 24.9 billion (+30.2% y-o-y).

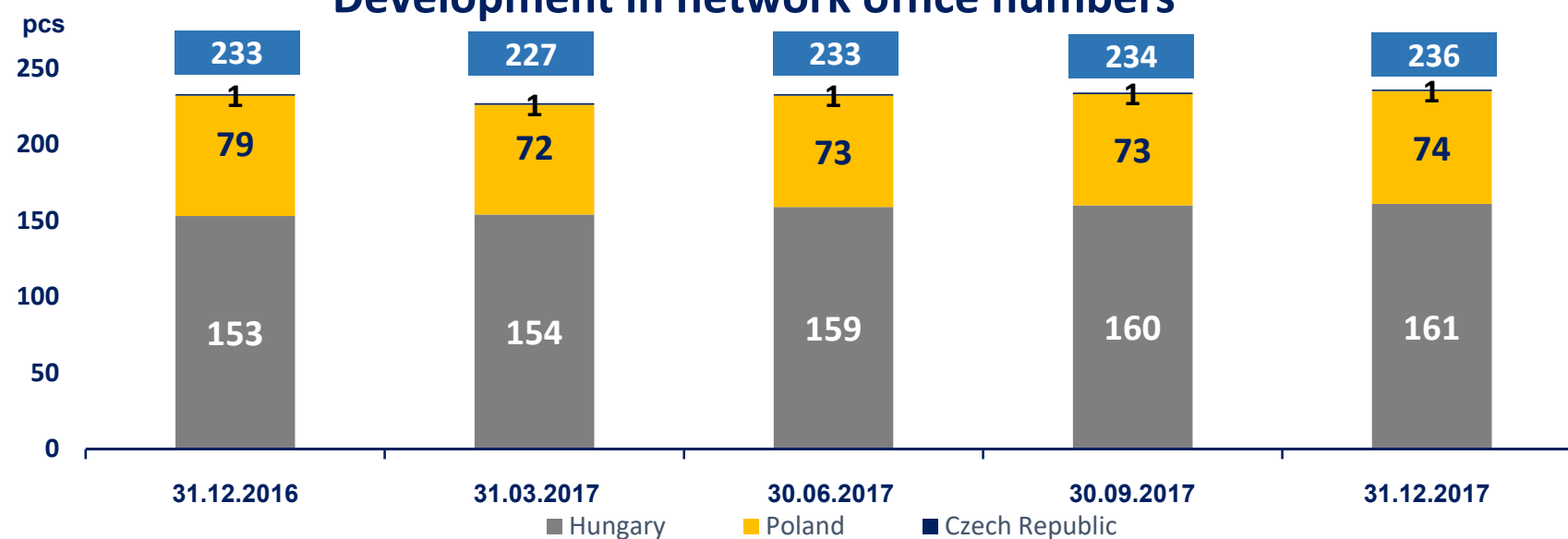
Changes in network commission revenues and office numbers

Commission revenues for the entire network*



*total revenue realized as a result of property market transactions intermediated by Duna House Holding franchise networks altogether

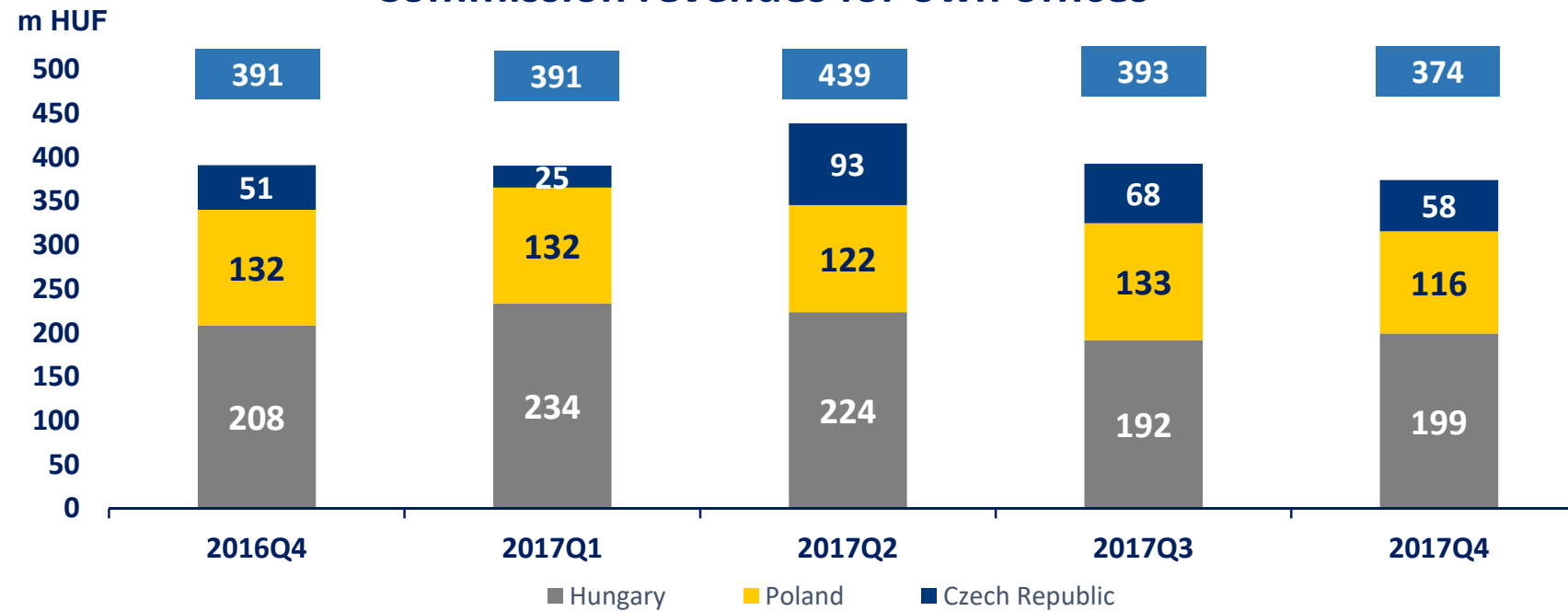
Development in network office numbers



- Duna House Group had a strong last quarter in 2017, despite the negative seasonality effects. Commission revenues of its real estate broker networks reached HUF 2.1 billion in the fourth quarter (+8.8% y-o-y) and increased by 11.0% y-o-y in the full year of 2017.
- Growth was predominantly generated by Hungary, reaching a y-o-y increase of 14.6% in the fourth quarter of 2017 and a y-o-y growth of 7.3% in the full year.
- In Poland, the downward trend of commission incomes, which was driven by network optimization, has turned around in the third quarter of 2017. The fourth quarter of the year followed usual seasonality with commissions decreasing by 5.2% q-o-q. The performance of the network has stabilized in the second quarter of 2017, the management expects an uptrend in the following quarters, subject to usual seasonality effects.
- In terms of office numbers, one office opened in Hungary and one in Poland during the quarter. The management expects further expansion in both countries in the coming quarters.

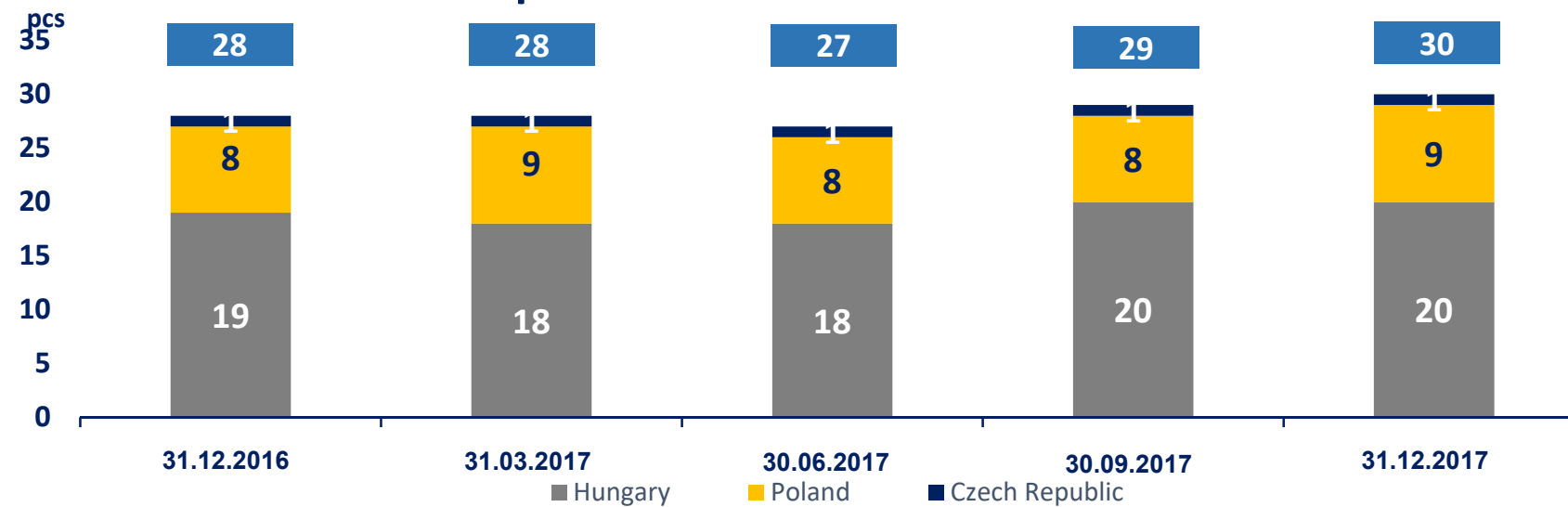
Changes in commission revenues and office numbers for own offices

Commission revenues for own offices*



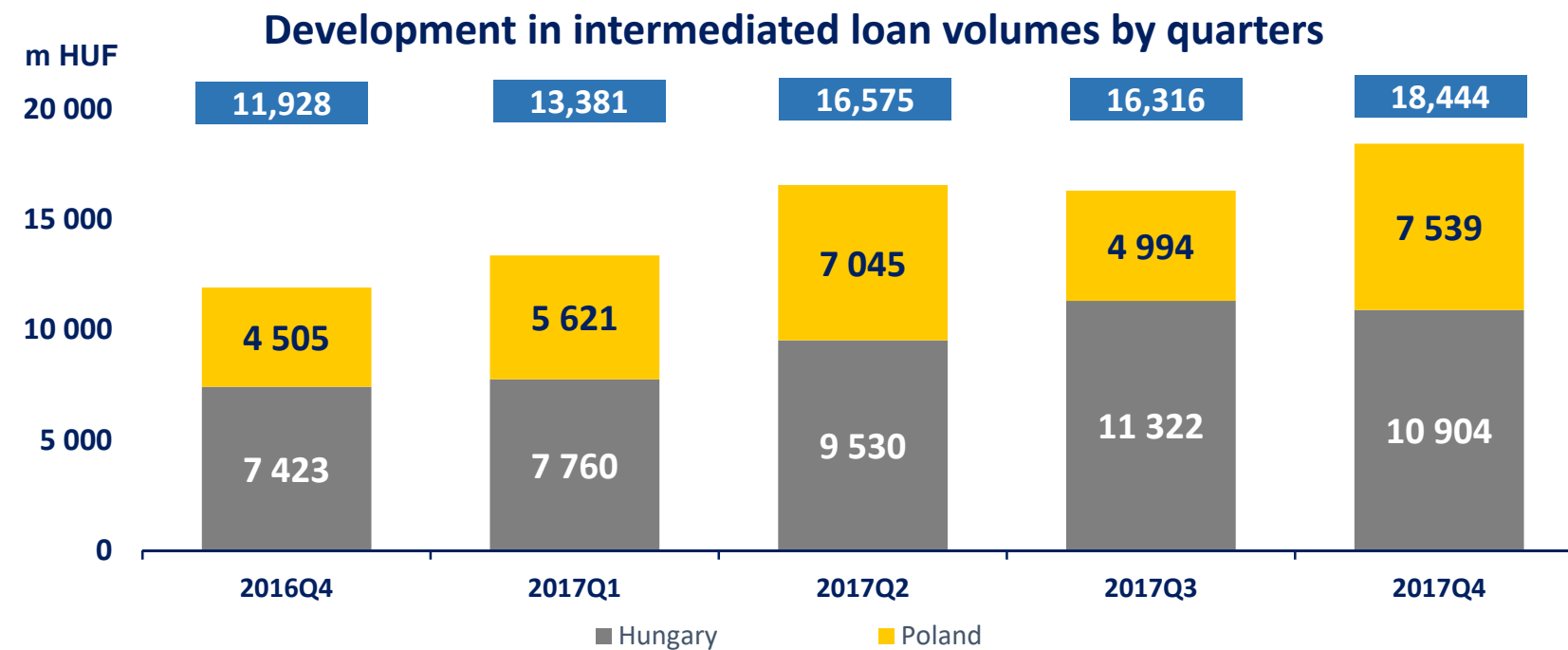
*total revenue realized as a result of property market transactions intermediated by Duna House Holding franchise networks altogether

Development in own office numbers



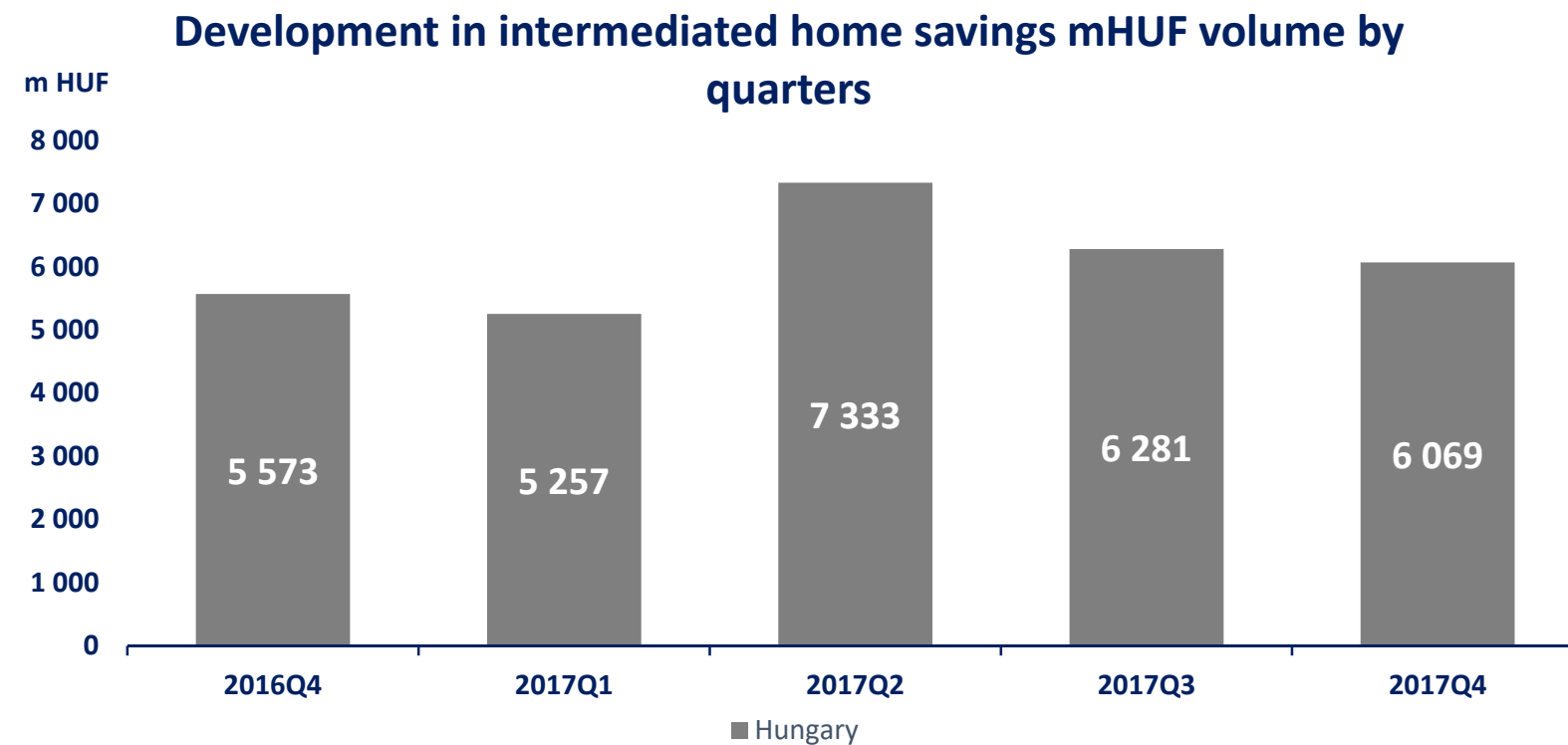
- The commission revenues generated by the own office segment decreased by 4.8% q-o-q in the last quarter of the year with different dynamics in Hungary and Poland.
- In Hungary, the segment started to grow under new management even in spite of negative seasonality factors. Commission incomes grew by 3.9% q-o-q.
- The commission revenues of Polish own offices decreased by 11.8% y-o-y and by 12.5% q-o-q in the fourth quarter of 2017. The underperformance is partly explained by the fact that some of the key salespersons decided during the year to continue as franchise partners.
- In terms of office numbers, the Group followed a cautious expansion, similar as in the previous quarters.

Changes in intermediated loan volumes



- The fourth quarter and the full year of 2017 have both been record high periods for Duna House Group in loan brokerage. The total value of loans intermediated by the Group reached HUF 18.4 billion this quarter (+54.6% y-o-y). In the whole year of 2017, loan volumes reached HUF 65 billion (+49.5% y-o-y).
- In Hungary, seasonality caused a slight decrease in the fourth quarter compared to the third quarter, but y-o-y increase was outstanding, 46.9%.
- The Polish operation reached record high loan volumes by intermediating loans of HUF 7.5 billion in the fourth quarter. This exceptional, 67.3% y-o-y growth highly exceeds the overall expansion of the market.

Changes in intermediated home savings volume

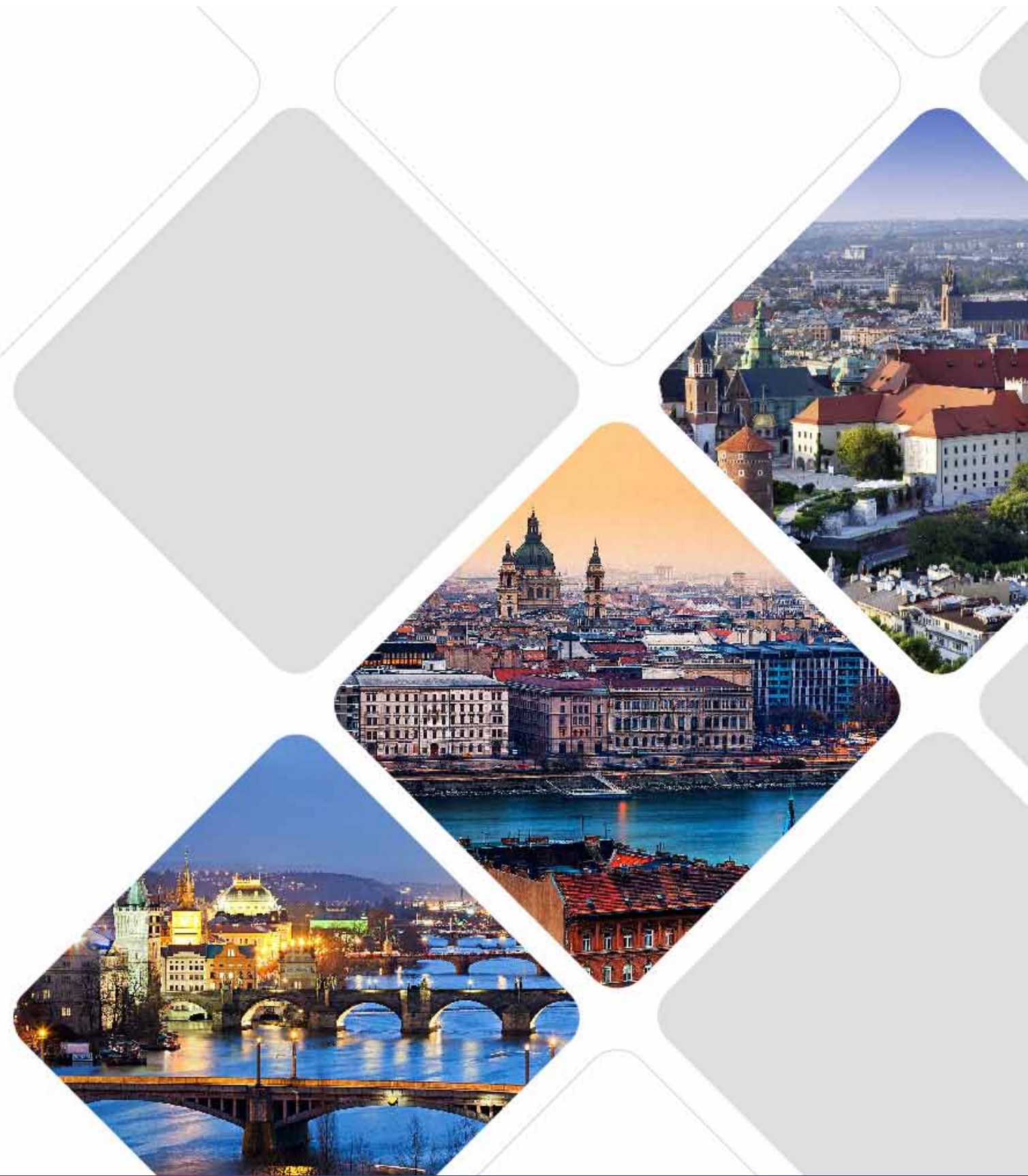


- Following the exceptionally high values in the second quarter of 2017, home savings volumes stabilized above HUF 6.0 billion per quarter, 8.9% above the levels of the fourth quarter of 2016. The Group achieved 30.2% y-o-y growth in the full year of 2017 in this product line.



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