

Outlook remains positive

CapMan posted solid Q1 results, although slightly below our estimates. Of particular interest were comments relating to carried interest, with potential materialization from H2/19 onwards. The fundraising of the newest Buyout fund is progressing well, while Infra has also seen positive development, with AUM now at EUR 270m. We retain our BUY-rating with a target price of EUR 1.85 (1.80)

Comparable operating profit at a solid EUR 5.6m

CapMan's Q1 results fell slightly below our estimates, with group turnover at EUR 9.3m (Evli 10.7m) and operating profit of EUR 4.7m (Evli 5.5m). The comparable operating profit, excluding one-off costs relating mainly to the acquisition of JAM Advisors, amounted to EUR 5.6m. The combined revenue of the Management Company business and Services business grew 27% y/y. No significant carried interest was booked during the quarter, but Scala success fees aided the Services business turnover. The operating profit was aided by a EUR 1.5m fair value change of the company's market portfolio, with EUR 20m of the portfolio remaining at the end of the quarter.

Positive comments on carried interest outlook

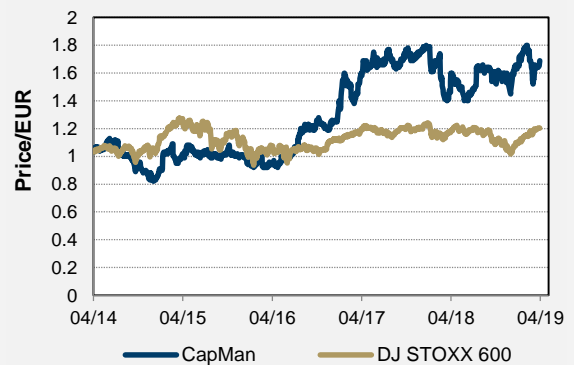
Management comments regarding the carried interest outlook were positive. Carried interest materialization already during H2/19 appears plausible and potential in the coming years remains solid in both private equity funds and real estate. Near-term interest also remains on the progress of fundraising of the new Buyout fund and development of the first Infra fund, with total AUM in Infra already at EUR 270m, while management also hinted on new projects in the pipeline.

BUY with a TP of EUR 1.85 (1.80)

We have made no major revisions to our estimates post-Q1. We expect an operating profit of EUR 23.4m, supported by carried interest during the latter half of the year. Although uncertainties with carried interest are always present, the encouraging management comments alleviate some uncertainty concerns. We retain our BUY-rating with a target price of EUR 1.85 (1.80).

Rating

BUY



Share price, EUR (Last trading day's closing price) 1.69

Target price, EUR 1.85

Latest change in recommendation 27-Apr-18

Latest report on company 20-Mar-19

Research paid by issuer: YES

No. of shares outstanding, '000's 152,454

No. of shares fully diluted, '000's 152,454

Market cap, EURm 258

Free float, % 75.0

Exchange rate EUR 1.000

Reuters code CAPMAN.HE

Bloomberg code CAPMAN FH

Average daily volume, EURm 0.2

Next interim report 08-Aug-19

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BUY **HOLD** **SELL**

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	Ptx profit EURm	EPS EUR	P/E (x)	EV/Sales (x)	P/CF (x)	EV/EBIT (x)	DPS EUR
2017	35	19	55.9%	16	0.10	13.1	8.1	9.1	14.5	0.11
2018	36	12	33.2%	9	0.05	26.8	6.3	6.7	18.9	0.12
2019E	45	23	52.5%	21	0.13	13.2	6.2	4.0	11.9	0.13
2020E	49	30	61.5%	28	0.17	10.0	5.6	6.6	9.2	0.14
2021E	53	34	64.9%	31	0.19	8.9	5.3	7.5	8.2	0.15
Market cap, EURm			258	BV per share 2019E, EUR		0.8	CAGR EPS 2018-21, %			51.6
Net debt 2019E, EURm			18	Price/book 2019E		2.1	CAGR sales 2018-21, %			13.5
Enterprise value, EURm			277	Dividend yield 2019E, %		7.7	ROE 2019E, %			16.1
Total assets 2019E, EURm			225	Tax rate 2019E, %		6.1	ROCE 2019E, %			12.6
Goodwill 2019E, EURm			20	Equity ratio 2019E, %		54.6	PEG, P/E 19/CAGR			0.9

All the important disclosures can be found on the last pages of this report.

CapMan	2017	Q1/'18	Q2/'18	Q3/'18	Q4/'18	2018	Q1/'19	Q2/'19E	Q3/'19E	Q4/'19E	2019E	2020E	2021E
Management fees	19.6	5.6	5.7	5.2	5.6	22.1	6.1	6.3	6.6	7.2	26.2	28.1	29.5
Sale of services	7.1	1.6	4.1	1.7	2.9	10.3	3.0	4.3	2.7	4.0	14.1	15.4	16.8
Carried interest	4.4	0.1	0.6	0.2	0.1	1.0	0.1	0.1	1.8	2.1	4.2	5.8	6.3
Dividend and interest income	3.7	1.1	1.0	0.2	0.2	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue	34.8	8.5	11.4	7.2	8.9	36.0	9.3	10.8	11.2	13.3	44.5	49.2	52.6
<i>change, %</i>	<i>30.6%</i>	<i>12.7%</i>	<i>25.8%</i>	<i>-23.3%</i>	<i>0.5%</i>	<i>3.3%</i>	<i>9.8%</i>	<i>-5.5%</i>	<i>54.4%</i>	<i>49.4%</i>	<i>23.7%</i>	<i>10.6%</i>	<i>6.9%</i>
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Personnel expenses	-21.4	-4.7	-5.5	-4.7	-5.0	-19.9	-5.3	-6.1	-5.4	-5.9	-22.6	-23.0	-23.6
Other operating expenses	-9.9	-2.2	-2.6	-1.6	-2.8	-9.1	-3.2	-2.7	-1.7	-3.0	-10.6	-9.8	-10.0
Depreciation and amortisation	-1.7	-0.1	-0.1	0.0	0.0	-0.2	-0.3	-0.3	-0.2	-0.3	-1.0	-1.1	-1.2
Fair value changes	17.6	2.5	2.7	3.9	-4.0	5.1	4.2	2.7	3.2	3.0	13.0	14.9	16.2
Operating profit	19.5	4.1	6.0	4.8	-2.9	12.0	4.7	4.5	7.0	7.1	23.4	30.3	34.2
<i>Operating profit margin, %</i>	<i>55.9%</i>	<i>48.0%</i>	<i>52.6%</i>	<i>66.8%</i>	<i>-33.2%</i>	<i>33.2%</i>	<i>50.7%</i>	<i>42.0%</i>	<i>63.0%</i>	<i>53.3%</i>	<i>52.5%</i>	<i>61.5%</i>	<i>64.9%</i>
Net financials	-3.2	-0.5	-1.0	-0.5	-0.7	-2.7	-0.6	-0.7	-0.7	-0.7	-2.6	-2.7	-2.9
Pre-tax profit	16.2	3.5	5.1	4.3	-3.6	9.3	4.1	3.9	6.4	6.4	20.8	27.6	31.3
Income taxes	-0.8	-0.2	-0.8	-0.2	0.4	-0.8	-0.1	-0.3	-0.4	-0.4	-1.3	-1.9	-2.2
Profit for the period	15.5	3.3	4.3	4.1	-3.2	8.5	4.0	3.6	5.9	6.0	19.5	25.7	29.1
EPS, EUR	0.10	0.02	0.03	0.03	-0.02	0.05	0.02	0.02	0.04	0.04	0.13	0.17	0.19
Assets under management	2800	2799	2758	2681	3043	3043	3196				3 400	3 600	3 800
Management Company business	2017	Q1/'18	Q2/'18	Q3/'18	Q4/'18	2018	Q1/'19	Q2/'19E	Q3/'19E	Q4/'19E	2019E	2020E	2021E
Revenue	25.1	5.9	6.5	5.5	6.2	24.2	6.4	6.7	8.7	9.5	31.3	34.7	36.7
Operating profit	2.7	0.8	0.7	0.8	0.5	2.8	0.8	0.8	3.8	3.6	9.0	11.8	13.8
Investment business	2017	Q1/'18	Q2/'18	Q3/'18	Q4/'18	2018	Q1/'19	Q2/'19E	Q3/'19E	Q4/'19E	2019E	2020E	2021E
Revenue	3.7	1.1	1.0	0.2	0.2	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating profit	17.3	3.2	3.4	3.8	-4.0	6.5	3.9	2.3	2.8	2.6	11.5	14.0	15.3
Services business	2017	Q1/'18	Q2/'18	Q3/'18	Q4/'18	2018	Q1/'19	Q2/'19E	Q3/'19E	Q4/'19E	2019E	2020E	2021E
Revenue	5.6	1.4	3.8	1.5	2.0	8.7	2.9	3.9	2.5	3.4	12.6	13.9	15.3
Operating profit	2.3	0.6	2.4	0.6	0.8	4.4	1.8	2.1	0.9	1.2	5.9	6.5	7.2
Other	2017	Q1/'18	Q2/'18	Q3/'18	Q4/'18	2018	Q1/'19	Q2/'19E	Q3/'19E	Q4/'19E	2019E	2020E	2021E
Revenue	0.5	0.0	0.2	0.0	0.4	0.6	0.0	0.2	0.0	0.4	0.6	0.6	0.6
Operating profit	-2.7	-0.4	-0.6	-0.4	-0.3	-1.7	-1.7	-0.6	-0.4	-0.4	-3.1	-2.0	-2.1

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	1.69 PV of Free Cash Flow	181 Long-term growth, %	2.0 Risk-free interest rate, %	2.25
DCF share value	2.91 PV of Horizon value	289 WACC, %	7.9 Market risk premium, %	5.8
Share price potential, %	72.0 Unconsolidated equity	-1 Spread, %	0.5 Debt risk premium, %	2.8
Maximum value	3.2 Marketable securities	55 Minimum WACC, %	7.4 Equity beta coefficient	1.10
Minimum value	2.7 Debt - dividend	-81 Maximum WACC, %	8.4 Target debt ratio, %	30
Horizon value, %	61.4 Value of stock	443 Nr of shares, Mn	152.5 Effective tax rate, %	20

DCF valuation, EURm	2018	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	Horizon
Net sales	36	45	49	53	54	55	57	58	60	61	62	64
<i>Sales growth, %</i>	<i>3.3</i>	<i>23.7</i>	<i>10.6</i>	<i>6.9</i>	<i>2.5</i>	<i>2.5</i>	<i>2.5</i>	<i>2.5</i>	<i>2.5</i>	<i>2.5</i>	<i>2.0</i>	<i>2.0</i>
Operating income (EBIT)	12	23	30	34	35	33	34	35	36	37	37	38
<i>EBIT margin, %</i>	<i>33.2</i>	<i>52.5</i>	<i>61.5</i>	<i>64.9</i>	<i>64.9</i>	<i>60.0</i>	<i>60.0</i>	<i>60.0</i>	<i>60.0</i>	<i>60.0</i>	<i>60.0</i>	<i>60.0</i>
+ Depreciation+amort.	0	1	2	2	2	2	2	2	2	2	2	
- Income taxes	-7	-1	-2	-2	-2	-2	-2	-2	-3	-3	-3	
- Change in NWC	27	41	9	1	0	0	0	0	0	0	0	
<i>NWC / Sales, %</i>	<i>96.8</i>	<i>-14.2</i>	<i>-31.1</i>	<i>-30.4</i>	<i>-30.2</i>	<i>-29.9</i>	<i>-29.7</i>	<i>-29.5</i>	<i>-29.3</i>	<i>-29.1</i>	<i>-28.9</i>	
+ Change in other liabs	0	0	0	0	0	0	0	0	0	0	0	
- Capital Expenditure	3	-61	-17	-12	-2	-2	-2	-2	-2	-2	-2	-2
<i>Investments / Sales, %</i>	<i>-8.5</i>	<i>137.4</i>	<i>34.7</i>	<i>23.0</i>	<i>3.7</i>	<i>3.7</i>	<i>3.7</i>	<i>3.7</i>	<i>3.7</i>	<i>3.7</i>	<i>3.7</i>	<i>3.7</i>
- Other items	7	2	0	0	0	0	0	0	0	0	0	
= Unlevered Free CF (FCF)	42	5	22	22	33	31	32	33	33	34	35	603
= Discounted FCF (DFCF)		5	19	18	25	22	21	20	19	18	17	289
= DFCF min WACC		5	19	18	25	22	21	20	19	18	17	330
= DFCF max WACC		5	19	18	24	21	20	19	18	17	16	254

INTERIM FIGURES

EVLI ESTIMATES, EURm	2018Q1	2018Q2	2018Q3	2018Q4	2018	2019Q1	2019Q2E	2019Q3E	2019Q4E	2019E	2020E	2021E
Net sales	8	11	7	9	36	9	11	11	13	45	49	53
EBITDA	4	6	5	-3	12	5	5	7	7	24	32	36
<i>EBITDA margin (%)</i>	<i>48.7</i>	<i>53.2</i>	<i>67.6</i>	<i>-32.9</i>	<i>33.8</i>	<i>53.7</i>	<i>44.5</i>	<i>65.0</i>	<i>55.4</i>	<i>54.8</i>	<i>64.8</i>	<i>68.3</i>
EBIT	4	6	5	-3	12	5	5	7	7	23	30	34
<i>EBIT margin (%)</i>	<i>48.0</i>	<i>52.6</i>	<i>66.8</i>	<i>-33.2</i>	<i>33.2</i>	<i>50.7</i>	<i>42.0</i>	<i>63.0</i>	<i>53.3</i>	<i>52.5</i>	<i>61.5</i>	<i>64.9</i>
Net financial items	-1	-1	-1	-1	-3	-1	-1	-1	-1	-3	-3	-3
Pre-tax profit	4	5	4	-4	9	4	4	6	6	21	28	31
Tax	0	-1	0	0	-1	0	0	0	0	-1	-2	-2
<i>Tax rate (%)</i>	<i>5.7</i>	<i>15.9</i>	<i>5.5</i>	<i>12.2</i>	<i>8.6</i>	<i>2.6</i>	<i>7.0</i>	<i>7.0</i>	<i>7.0</i>	<i>6.1</i>	<i>7.0</i>	<i>7.0</i>
Net profit	3	4	4	-3	8	4	4	6	6	20	26	29
EPS	0.02	0.03	0.03	-0.02	0.05	0.03	0.02	0.04	0.04	0.13	0.17	0.19
EPS adjusted (diluted no. of shares)	0.02	0.03	0.03	-0.02	0.05	0.03	0.02	0.04	0.04	0.13	0.17	0.19
Dividend per share	0.00	0.00	0.00	0.00	0.12	0.00	0.00	0.00	0.00	0.13	0.14	0.15
SALES, EURm												
Management Company business	6	7	6	6	24	6	7	9	9	31	35	37
Investment business	1	1	0	0	3	0	0	0	0	0	0	0
Service business	1	4	1	2	9	3	4	2	3	13	14	15
Other & eliminations	0	0	0	0	1	0	0	0	0	1	1	1
Total	8	11	7	9	36	9	11	11	13	45	49	53
SALES GROWTH, Y/Y %												
<i>Management Company business</i>	<i>11.7</i>	<i>28.8</i>	<i>-30.7</i>	<i>-7.2</i>	<i>-3.5</i>	<i>8.1</i>	<i>3.0</i>	<i>56.9</i>	<i>52.7</i>	<i>29.3</i>	<i>10.9</i>	<i>5.7</i>
<i>Investment business</i>	<i>-3.0</i>	<i>-55.9</i>	<i>21.8</i>	<i>5.7</i>	<i>-32.8</i>	<i>-100.0</i>	<i>-100.0</i>	<i>-99.9</i>	<i>-100.0</i>	<i>-100.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Service business</i>	<i>35.1</i>	<i>112.6</i>	<i>17.8</i>	<i>35.7</i>	<i>56.0</i>	<i>107.1</i>	<i>3.7</i>	<i>66.6</i>	<i>65.6</i>	<i>45.6</i>	<i>10.0</i>	<i>10.0</i>
<i>Other & eliminations</i>	<i>32.1</i>	<i>416.7</i>	<i>64.7</i>	<i>-5.7</i>	<i>25.4</i>	<i>-37.8</i>	<i>5.7</i>	<i>-99.6</i>	<i>5.0</i>	<i>-2.3</i>	<i>5.0</i>	<i>5.0</i>
Total	12.7	25.8	-23.3	0.5	3.3	9.8	-5.5	54.4	49.4	23.7	10.6	6.9
EBIT, EURm												
Management Company business	1	1	1	1	3	1	1	4	4	9	12	14
Investment business	3	3	4	-4	6	4	2	3	3	12	14	15
Service business	1	2	1	1	4	2	2	1	1	6	7	7
Other & eliminations	0	-1	0	0	-2	-2	-1	0	0	-3	-2	-2
Total	4	6	5	-3	12	5	5	7	7	23	30	34
EBIT margin, %												
<i>Management Company business</i>	<i>12.8</i>	<i>11.4</i>	<i>14.5</i>	<i>8.7</i>	<i>11.7</i>	<i>12.4</i>	<i>11.3</i>	<i>43.9</i>	<i>38.4</i>	<i>28.8</i>	<i>33.9</i>	<i>37.5</i>
<i>Investment business</i>	<i>285.0</i>	<i>350.5</i>	<i>2,130.2</i>	<i>-1,625.9</i>	<i>257.0</i>							
<i>Service business</i>	<i>41.0</i>	<i>64.8</i>	<i>38.0</i>	<i>39.2</i>	<i>50.4</i>	<i>61.3</i>	<i>53.7</i>	<i>34.9</i>	<i>35.4</i>	<i>46.8</i>	<i>46.8</i>	<i>46.8</i>
<i>Other & eliminations</i>	<i>-1,205.4</i>	<i>-375.5</i>	<i>-1,250.0</i>	<i>-87.2</i>	<i>-283.9</i>	<i>-7,543.5</i>	<i>-373.1</i>	<i>-87.2</i>	<i>-87.2</i>	<i>-525.1</i>	<i>-316.7</i>	<i>-316.7</i>
Total	48.0	52.6	66.8	-33.2	33.2	50.7	42.0	63.0	53.3	52.5	61.5	64.9

INCOME STATEMENT, EURm	2014	2015	2016	2017	2018	2019E	2020E	2021E
Sales	39	32	27	35	36	45	49	53
<i>Sales growth (%)</i>	<i>32.6</i>	<i>-19.5</i>	<i>-16.0</i>	<i>30.6</i>	<i>3.3</i>	<i>23.7</i>	<i>10.6</i>	<i>6.9</i>
Costs	-33	-22	-8	-14	-24	-20	-17	-17
Reported EBITDA	7	10	19	21	12	24	32	36
Extraordinary items in EBITDA	0	0	0	0	0	0	0	0
<i>EBITDA margin (%)</i>	<i>17.2</i>	<i>30.2</i>	<i>71.0</i>	<i>61.0</i>	<i>33.8</i>	<i>54.8</i>	<i>64.8</i>	<i>68.3</i>
Depreciation	0	0	0	0	0	-1	-2	-2
EBITA	6	9	19	21	12	23	30	34
Goodwill amortization / writedown	0	0	0	-1	0	0	0	0
Reported EBIT	6	9	19	19	12	23	30	34
<i>EBIT margin (%)</i>	<i>16.2</i>	<i>29.2</i>	<i>70.0</i>	<i>55.9</i>	<i>33.2</i>	<i>52.5</i>	<i>61.5</i>	<i>64.9</i>
Net financials	-1	-3	-3	-3	-3	-3	-3	-3
Pre-tax profit	5	6	16	16	9	21	28	31
Extraordinary items	0	0	0	0	0	0	0	0
Taxes	-1	0	0	-1	-1	-1	-2	-2
Minority shares	0	0	0	0	0	0	0	0
Net profit	3	5	14	15	8	20	26	29
BALANCE SHEET, EURm								
Assets								
Fixed assets	65	104	95	93	91	129	145	155
<i>% of sales</i>	<i>166</i>	<i>329</i>	<i>357</i>	<i>266</i>	<i>253</i>	<i>291</i>	<i>294</i>	<i>295</i>
Goodwill	6	6	6	5	5	20	20	20
<i>% of sales</i>	<i>16</i>	<i>20</i>	<i>23</i>	<i>13</i>	<i>13</i>	<i>44</i>	<i>40</i>	<i>37</i>
Inventory	0	0	0	0	0	0	0	0
<i>% of sales</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Receivables	10	13	101	89	57	30	24	26
<i>% of sales</i>	<i>24</i>	<i>41</i>	<i>380</i>	<i>255</i>	<i>158</i>	<i>67</i>	<i>49</i>	<i>49</i>
Liquid funds	29	22	45	23	55	45	49	53
<i>% of sales</i>	<i>73</i>	<i>68</i>	<i>169</i>	<i>67</i>	<i>152</i>	<i>100</i>	<i>100</i>	<i>100</i>
Total assets	114	150	253	211	209	225	240	255
Liabilities								
Equity	50	50	128	127	121	123	129	137
<i>% of sales</i>	<i>128</i>	<i>158</i>	<i>480</i>	<i>364</i>	<i>336</i>	<i>276</i>	<i>262</i>	<i>260</i>
Deferred taxes	2	2	10	9	3	3	3	3
<i>% of sales</i>	<i>5</i>	<i>6</i>	<i>37</i>	<i>25</i>	<i>9</i>	<i>7</i>	<i>7</i>	<i>6</i>
Interest bearing debt	47	84	81	48	63	63	68	73
<i>% of sales</i>	<i>120</i>	<i>266</i>	<i>304</i>	<i>138</i>	<i>175</i>	<i>141</i>	<i>138</i>	<i>139</i>
Non-interest bearing current liabilities	14	13	33	27	17	31	34	37
<i>% of sales</i>	<i>35</i>	<i>41</i>	<i>125</i>	<i>77</i>	<i>47</i>	<i>70</i>	<i>70</i>	<i>70</i>
Other interest free debt	0	0	0	1	5	5	5	5
<i>% of sales</i>	<i>1</i>	<i>0</i>	<i>2</i>	<i>3</i>	<i>15</i>	<i>12</i>	<i>11</i>	<i>10</i>
Total liabilities	114	150	253	211	209	225	240	255
CASH FLOW, EURm								
+ EBITDA	7	10	19	21	12	24	32	36
- Net financial items	-1	-3	-3	-3	-3	-3	-3	-3
- Taxes	-1	-1	0	1	-6	-1	-2	-2
- Increase in Net Working Capital	2	-3	5	6	27	41	9	1
+/- Other	5	-2	-23	-6	6	2	0	0
= Cash flow from operations	12	1	-3	17	42	64	36	32
- Capex	0	47	-51	2	3	-61	-17	-12
- Acquisitions	0	0	0	0	0	0	0	0
+ Divestments	0	0	0	0	0	0	0	0
= Net cash flow	6	-5	47	19	45	3	19	19
+/- Change in interest-bearing debt	0	37	-3	-33	15	0	5	5
+/- New issues/buybacks	1	0	70	-9	2	0	0	0
- Paid dividend	-3	-5	-6	-8	-16	-18	-20	-21
+/- Change in loan receivables	0	0	0	0	0	0	0	0
Change in cash	4	27	107	-30	46	-15	5	3

KEY FIGURES	2015	2016	2017	2018	2019E	2020E	2021E
M-cap	86	111	258	216	258	258	258
Net debt	63	36	25	8	18	19	21
Enterprise value	149	147	283	225	277	277	279
Sales	32	27	35	36	45	49	53
EBITDA	10	19	21	12	24	32	36
EBIT	9	19	19	12	23	30	34
Pre-tax	6	16	16	9	21	28	31
Earnings	5	14	15	8	20	26	29
Book value	50	128	127	121	123	129	136
Valuation multiples							
EV/sales	4.7	5.5	8.1	6.3	6.2	5.6	5.3
EV/EBITDA	15.5	7.7	13.3	18.5	11.3	8.7	7.8
EV/EBITA	16.1	7.9	13.5	18.9	11.9	9.2	8.2
EV/EBIT	16.1	7.9	14.5	18.9	11.9	9.2	8.2
EV/operating cash flow	260.7	-46.9	9.9	7.0	4.3	7.2	8.1
EV/cash earnings	24.6	6.4	14.8	72.0	13.5	10.2	9.0
P/E	14.7	10.9	13.1	26.8	13.2	10.0	8.9
P/E excl. goodwill	14.7	10.9	12.2	26.8	13.2	10.0	8.9
P/B	1.7	0.9	2.0	1.8	2.1	2.0	1.9
P/sales	2.7	4.1	7.4	6.0	5.8	5.2	4.9
P/CF	150.9	-35.4	9.1	6.7	4.0	6.6	7.5
Target EV/EBIT	0.0	0.0	0.0	0.0	12.9	9.9	8.9
Target P/E	0.0	0.0	0.0	0.0	14.4	11.0	9.7
Target P/B	0.0	0.0	0.0	0.0	2.3	2.2	2.1
Per share measures							
Number of shares	86,317	88,409	145,626	147,142	152,454	152,454	152,454
Number of shares (diluted)	86,317	88,409	145,626	147,142	152,454	152,454	152,454
EPS	0.06	0.16	0.10	0.05	0.13	0.17	0.19
EPS excl. goodwill	0.07	0.12	0.15	0.05	0.13	0.17	0.19
Cash EPS	0.07	0.26	0.13	0.02	0.13	0.18	0.20
Operating cash flow per share	0.01	-0.04	0.20	0.22	0.42	0.25	0.22
Capital employed per share	0.66	1.79	1.01	0.83	0.93	0.97	1.03
Book value per share	0.58	1.45	0.87	0.82	0.80	0.84	0.89
Book value excl. goodwill	0.51	1.38	0.84	0.79	0.68	0.71	0.77
Dividend per share	0.07	0.09	0.11	0.12	0.13	0.14	0.15
Dividend payout ratio, %	118.6	55.5	104.9	219.0	101.5	83.0	78.6
Dividend yield, %	7.0	7.2	6.2	8.2	7.7	8.3	8.9
Efficiency measures							
ROE	10.1	16.1	12.0	6.5	16.1	20.5	22.0
ROCE	8.0	10.9	10.1	6.7	12.6	15.8	16.8
Financial ratios							
Capex/sales, %	-148.7	190.8	-6.0	-8.5	137.4	34.7	23.0
Capex/depreciation excl. goodwill,%	-14,671.1	19,726.7	-753.1	-1,524.6	4,422.0	1,067.0	684.4
Net debt/EBITDA, book-weighted	6.5	1.9	1.2	0.7	0.7	0.6	0.6
Debt/equity, market-weighted	1.0	0.7	0.2	0.3	0.2	0.3	0.3
Equity ratio, book-weighted	33.5	50.6	60.0	57.8	54.6	53.7	53.5
Gearing	1.25	0.28	0.20	0.07	0.15	0.15	0.15
Number of employees, average	0	0	0	0	0	0	0
Sales per employee, EUR	0	0	0	0	0	0	0
EBIT per employee, EUR	0	0	0	0	0	0	0

COMPANY DESCRIPTION: CapMan is a leading Nordic asset management and investment company. CapMan manages over EUR 3 billion in assets. The company mainly manages investors' assets but also makes direct investments from balance sheet, mainly into own funds. Current investments strategies cover Buyout, Growth Equity, Real Estate, Infra, Russia, and Credit. CapMan also has a growing service business that includes fundraising advisory, procurement activities, reporting and analysis services and fund management.

INVESTMENT CASE:

OWNERSHIP STRUCTURE	SHARES	EURm	%
Mandatum Life Insurance Company	11,605,186	19.613	7.6%
Ilmarinen Mutual Pension Insurance Company	10,464,415	17.685	6.9%
Oy Inventiainvest AB (Ari Tolppanen)	7,024,794	11.872	4.6%
Laakkonen Mikko Kalervo	6,378,320	10.779	4.2%
Varma Mutual Pension Insurance Company	3,675,215	6.211	2.4%
Joensuun Kauppa ja Kone Oy	3,311,853	5.597	2.2%
Vesasco Oy	3,088,469	5.220	2.0%
The State Pension Fund	2,500,000	4.225	1.6%
Winsome Oy + Tuomo Raasio	2,130,043	3.600	1.4%
Heiwes Oy	2,094,480	3.540	1.4%
Ten largest	52,272,775	88.341	34%
Residual	100,181,191	169.306	66%
Total	152,453,966	257.647	100%

EARNINGS CALENDAR

August 08, 2019

Q2 report

OTHER EVENTS**COMPANY MISCELLANEOUS**

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Tel: +358 207 207 500

IR: Linda Tierala

DEFINITIONS

P/E	$\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/Sales	$\frac{\text{Market cap}}{\text{Sales}}$	DPS	Dividend for the financial period per share
P/BV	$\frac{\text{Price per share}}{\text{Shareholders' equity} + \text{taxed provisions per share}}$	CEPS	$\frac{\text{Gross cash flow from operations}}{\text{Number of shares}}$
P/CF	$\frac{\text{Price per share}}{\text{Operating cash flow per share}}$	EV/Share	$\frac{\text{Enterprise value}}{\text{Number of shares}}$
EV (Enterprise value)	Market cap + net debt + minority interest at market value – share of associated companies at market value	Sales/Share	$\frac{\text{Sales}}{\text{Number of shares}}$
Net debt	Interest bearing debt – financial assets	EBITDA/Share	$\frac{\text{Earnings before interest, tax, depreciation and amortisation}}{\text{Number of shares}}$
EV/Sales	$\frac{\text{Enterprise value}}{\text{Sales}}$	EBIT/Share	$\frac{\text{Operating profit}}{\text{Number of shares}}$
EV/EBITDA	$\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortisation}}$	EAFI/Share	$\frac{\text{Pretax profit}}{\text{Number of shares}}$
EV/EBIT	$\frac{\text{Enterprise value}}{\text{Operating profit}}$	Capital employed/Share	$\frac{\text{Total assets} - \text{non interest bearing debt}}{\text{Number of shares}}$
Div yield, %	$\frac{\text{Dividend per share}}{\text{Price per share}}$	Total assets	Balance sheet total
Payout ratio, %	$\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Interest coverage (x)	$\frac{\text{Operating profit}}{\text{Financial items}}$
Net cash/Share	$\frac{\text{Financial assets} - \text{interest bearing debt}}{\text{Number of shares}}$	Asset turnover (x)	$\frac{\text{Turnover}}{\text{Balance sheet total (average)}}$
ROA, %	$\frac{\text{Operating profit} + \text{financial income} + \text{extraordinary items}}{\text{Balance sheet total} - \text{interest free short term debt} - \text{long term advances received and accounts payable (average)}}$	Debt/Equity, %	$\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
ROCE, %	$\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non interest bearing debt (average)}}$	Equity ratio, %	$\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest free loans}}$
ROE, %	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	CAGR, %	Cumulative annual growth rate = Average growth per year

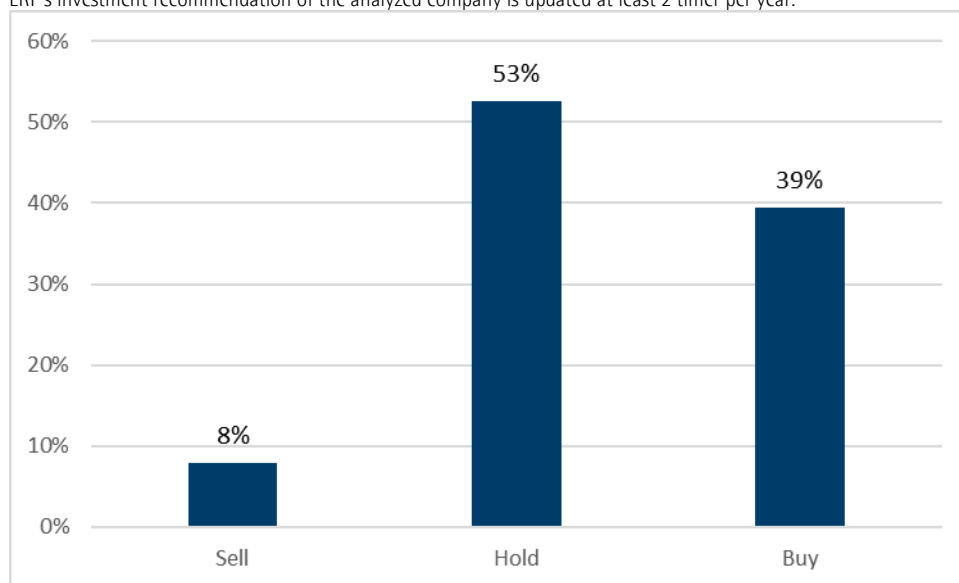
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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 - (+10) %	HOLD
> 10 %	BUY

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Name(s) of the analyst(s): Salokivi

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