

## In line with expectations

CapMan's net sales in Q3 amounted to EUR 9.7m, in line with our estimates and slightly below consensus (EUR 9.9m/10.1m Evli/cons.). EBIT amounted to EUR 5.5m, slightly above our estimates and in line with consensus (EUR 5.3m/5.6m Evli/cons.).

- Revenue in Q3 was EUR 9.7m (EUR 7.2m in Q3/18), in line with our estimates and slightly below consensus estimates (EUR 9.9m/10.1m Evli/Cons.). Growth in Q3 amounted to 34.7 % y/y.
- Operating profit in Q3 amounted to EUR 5.5m (EUR 4.8m in Q3/18), slightly above our estimates and in line with consensus estimates (EUR 5.3m/5.6m Evli/cons.), at a margin of 56.7 %.
- EPS in Q3 amounted to EUR 0.03 (EUR 0.03 in Q3/18), in line with our estimates and consensus estimates (EUR 0.03/0.03 Evli/cons.).
- Management Company business: Revenue in Q3 was EUR 7.0m vs. EUR 6.9m Evli. Operating profit in Q3 amounted to EUR 1.9m vs. EUR 2.0m Evli.
- Investment business: Revenue in Q3 was EUR 0.0m vs. EUR 0.0m Evli. Operating profit in Q3 amounted to EUR 3.2m vs. EUR 2.4m Evli.
- Services business: Revenue in Q3 was EUR 2.7m vs. EUR 3.0m Evli. Operating profit in Q3 amounted to EUR 1.6m vs. EUR 1.3m Evli.
- Capital under management by the end of Q3 was EUR 3.2bn (Q3/18: EUR 2.7bn). Real estate funds: EUR 1.9bn, private equity & credit funds: EUR 1.0bn, infra funds: EUR 0.3bn, and other funds: EUR 0.1bn.
- The CapMan Mezzanine V fund under our CapMan's Credit strategy started realizing carry in September.

### Rating

HOLD

Q3/19	Actual	Evli	Cons.	Year ago
Net sales	9.7	9.9	10.1	7.2
EBIT	5.5	5.3	5.6	4.8
EPS	0.03	0.03	0.03	0.03

Deviation	Actual	Evli	Cons.	Year ago
Net sales		-2%	-4%	35%
EBIT		4%	-2%	15%
EPS		-17%	-17%	-17%

\*Consensus by Bloomberg

Share price, EUR (Last trading day's closing price)	1.96
Target price, EUR	1.95
Latest change in recommendation	25-Oct-19
Latest report on company	25-Oct-19
Research paid by issuer:	YES
No. of shares outstanding, '000's	153,270
No. of shares fully diluted, '000's	153,270
Market cap, EURm	300
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	31-Oct-19
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BUY HOLD SELL

### PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2017	34.8	19.5	55.9%	21.0	0.10	13.1	8.1	14.5	8.1	0.11
2018	36.0	12.0	33.2%	42.3	0.05	26.8	6.3	18.9	19.6	0.12
2019E	45.7	22.9	50.1%	1.2	0.11	18.1	7.0	14.0	0.4	0.13
2020E	50.6	31.5	62.2%	23.0	0.16	12.0	6.3	10.1	7.7	0.14
2021E	54.3	35.6	65.5%	18.8	0.19	10.5	5.9	9.0	6.2	0.15

Market cap, EURm	300	BV per share 2019E, EUR	15.1	CAGR EPS 2018-21, %	50.5
Net debt 2019E, EURm	18	Price/book 2019E	2.5	CAGR sales 2018-21, %	14.7
Enterprise value, EURm	321	Dividend yield 2019E, %	6.6	ROE 2019E, %	13.8
Total assets 2019E, EURm	216	Tax rate 2019E, %	8.8	ROCE 2019E, %	12.4
Goodwill 2019E, EURm	20	Equity ratio 2019E, %	56.3	PEG, P/E 19/CAGR	0.9

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

CapMan Q3/19	Actual	Evli	vs. Evli	Consensus	vs. cons	Q3/18	vs. Q3/18
Net sales	9.7	9.9	-2.0%	10.1	-4.0%	7.2	34.7%
-Management Company business	7.0	6.9	1.2%			5.5	27.0%
-Investment business	0.00	0.00	-			0.20	-
-Services business	2.7	3.0	-10.0%			1.5	80.0%
-Other	0.02	0.00	-			0.00	-
EBIT	5.5	5.3	3.8%	5.6	-1.8%	4.8	14.6%
-Management Company business	1.9	2.0	-5.5%			0.80	>100%
-Investment business	3.2	2.4	33.3%			3.8	-15.8%
-Services business	1.6	1.3	19.7%			0.60	>100%
-Other	-1.16	-0.40	<-100%			-0.40	<-100%
EPS	0.03	0.03	-16.7%	0.03	-16.7%	0.03	-16.7%

**Concensus by Bloomberg**

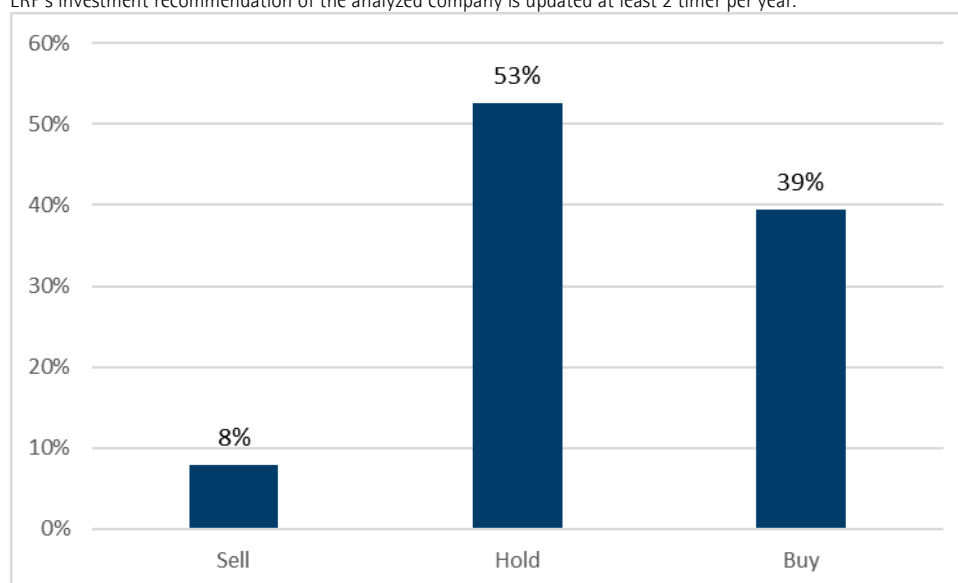
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Investment recommendations are defined as follows:

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

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The graph above shows the distribution of ERP's recommendations of companies under coverage in 1st of February 2019. If recommendation is not given, it is not mentioned here.

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

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