

Robust fundraising pipeline

CapMan posted strong Q4 results and the operating profit adjusted for the EUR 4.2m goodwill amortization related to CapMan's operations in Russia improved clearly to EUR 7.7m, aided by significant carried interest. On-going fundraising projects, with the NRE III and NC III funds as new projects, provide major AUM growth potential. The Q4 report overall provided clear support for continued solid earnings growth in coming years. We raise our target price to EUR 2.5 (2.1) ex-div and retain our HOLD-rating.

Carried interest boosted Q4 profitability

CapMan's Q4 results beat expectations. Revenue grew to EUR 16.6m, aided by EUR 5.4m carried interest mainly from the Hotels fund. The operating profit amounted to EUR 3.4m but was affected by a non-cash amortization of goodwill relating to CapMan's business in Russia and the adj. operating profit was at EUR 7.7m. A clear positive sign was the growth in management fees during Q4, up to EUR 7.3m. CapMan proposed a dividend of EUR 0.13 per share.

Major AUM growth potential in coming years

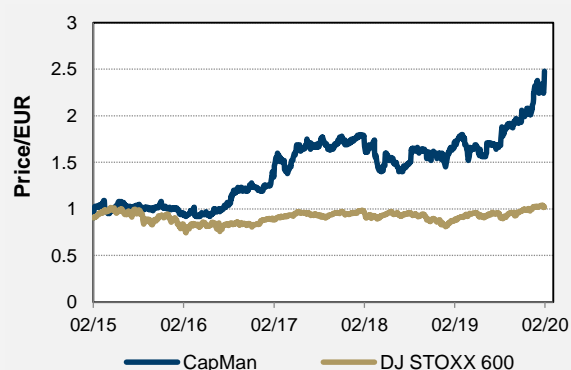
CapMan has begun the fundraising for the NRE III and NC III funds, which should add new AUM north of EUR 500m upon close. Together with other on-going fundraising projects we see major AUM growth potential in the coming years. We have post Q4 raised our estimates, with our 2020-2021E adj. operating profit estimates up some 20%. We expect a 140% increase in the Management Company business adj. operating profit (excl. carry) in 2020 driven by fee growth and limited cost increases.

HOLD with an ex-div TP of EUR 2.5 (2.1)

CapMan's share price has seen larger increases and on peer multiples the expected major profitability improvement in 2020 appears to have been largely accounted for. On our revised estimates we raise our target price to EUR 2.5 (2.1) ex-div and retain our HOLD-rating.

Rating

■ HOLD



Share price, EUR (Last trading day's closing price) 2.48

Target price, EUR 2.5

Latest change in recommendation 25-Oct-19

Latest report on company 27-Jan-20

Research paid by issuer: YES

No. of shares outstanding, '000's 153,755

No. of shares fully diluted, '000's 153,755

Market cap, EURm 381

Free float, % 64.0

Exchange rate EUR 1.000

Reuters code CAPMAN.HE

Bloomberg code CAPMAN FH

Average daily volume, EURm 0.74

Next interim report 23-Apr-20

Web site capman.com/shareholders

Analyst Jerker Salokivi

E-mail jerker.salokivi@evli.com

Telephone +358 9 4766 9149

■ BUY ■ HOLD ■ SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2018	36.0	12.0	33.2%	-11.2	0.05	26.8	6.3	18.9	-5.2	0.12
2019	49.0	19.4	39.6%	-6.8	0.09	25.4	7.7	19.4	-1.9	0.13
2020E	58.5	34.9	59.6%	19.3	0.19	13.4	6.9	11.6	5.1	0.14
2021E	64.0	39.6	61.8%	27.2	0.21	11.7	6.2	10.1	7.1	0.15
2022E	67.1	41.6	62.0%	29.3	0.23	11.0	5.8	9.4	7.7	0.20
Market cap, EURm			381	Gearing 2020E, %			12.1	CAGR EPS 2019-22, %	35.3	
Net debt 2020E, EURm			17	Price/book 2020E			2.8	CAGR sales 2019-22, %	11.1	
Enterprise value, EURm			404	Dividend yield 2020E, %			5.6	ROE 2020E, %	21.6	
Total assets 2020E, EURm			238	Tax rate 2020E, %			7.0	ROCE 2020E, %	17.6	
Goodwill 2020E, EURm			15	Equity ratio 2020E, %			58.1	PEG, P/E 20/CAGR	2.1	

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

CapMan	2018	Q1/'19	Q2/'19	Q3/'19	Q4/'19	2019	Q1/'20E	Q2/'20E	Q3/'20E	Q4/'20E	2020E	2021E	2022E
Management fees	22.1	6.1	5.4	6.0	7.3	24.9	7.2	7.5	7.3	7.9	29.8	32.2	34.1
Sale of services	10.3	3.0	7.3	3.0	3.9	17.2	4.6	5.9	3.7	5.4	19.6	21.4	23.4
Carried interest	1.0	0.1	0.7	0.7	5.4	6.9	0.6	0.6	3.7	4.2	9.0	10.4	9.6
Dividend and interest income	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue	36.0	9.3	13.4	9.7	16.6	49.0	12.4	14.0	14.7	17.5	58.5	64.0	67.1
<i>change, %</i>	<i>3.3%</i>	<i>9.8%</i>	<i>17.0%</i>	<i>34.1%</i>	<i>86.9%</i>	<i>36.1%</i>	<i>9.8%</i>	<i>17.0%</i>	<i>34.1%</i>	<i>5.4%</i>	<i>19.5%</i>	<i>9.3%</i>	<i>4.8%</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	-19.9	-5.3	-5.5	-5.2	-8.2	-24.2	-5.3	-5.6	-5.3	-8.3	-24.4	-25.9	-27.5
Other operating expenses	-9.1	-3.2	-3.3	-2.5	-3.1	-12.1	-3.1	-3.2	-2.4	-3.0	-11.7	-11.9	-12.2
Depreciation and amortisation	-0.2	-0.3	-0.4	-0.3	-4.6	-5.6	-0.4	-0.4	-0.4	-0.4	-1.5	-1.5	-1.6
Fair value changes	5.1	4.2	1.7	3.8	2.6	12.3	3.3	3.4	3.6	3.7	14.0	15.0	15.8
Operating profit	12.0	4.7	5.8	5.5	3.4	19.4	7.0	8.0	10.0	9.8	34.9	39.6	41.6
<i>Operating profit margin, %</i>	<i>33.2%</i>	<i>50.7%</i>	<i>43.3%</i>	<i>56.4%</i>	<i>20.6%</i>	<i>39.6%</i>	<i>56.4%</i>	<i>57.1%</i>	<i>68.5%</i>	<i>56.2%</i>	<i>59.6%</i>	<i>61.8%</i>	<i>62.0%</i>
Items affecting comparability	0.0	0.9	0.5	0.0	4.2	5.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adj. operating profit	12.0	5.6	6.3	5.5	7.7	25.0	7.0	8.0	10.0	9.8	34.9	39.6	41.6
Net financials	-2.7	-0.6	-0.7	-0.6	0.1	-1.8	-0.6	-0.6	-0.6	-0.6	-2.4	-2.6	-2.5
Pre-tax profit	9.3	4.1	5.1	4.9	3.5	17.6	6.4	7.4	9.4	9.2	32.5	37.0	39.1
Income taxes	-0.8	-0.1	-0.9	-0.9	0.1	-1.7	-0.4	-0.5	-0.7	-0.6	-2.3	-2.6	-2.7
Minority interest	-0.4	-0.4	-1.2	-0.2	-0.1	-1.9	-0.2	-0.7	-0.2	-0.6	-1.8	-1.8	-1.8
Profit for the period	8.1	3.6	3.0	3.8	3.5	13.9	6.0	6.9	8.8	8.6	30.2	34.4	36.4
EPS, EUR	0.05	0.02	0.02	0.03	0.02	0.09	0.04	0.04	0.06	0.06	0.20	0.22	0.24
Assets under management	3043	3196	3270	3240	3245	3245					3 900	4 200	4 500
Management Company business	2018	Q1/'19	Q2/'19	Q3/'19	Q4/'19	2019	Q1/'20E	Q2/'20E	Q3/'20E	Q4/'20E	2020E	2021E	2022E
Revenue	24.2	6.4	6.4	7.0	13.0	32.8	8.0	8.3	11.2	12.4	40.0	43.6	44.7
Operating profit	2.8	0.8	0.9	1.9	2.4	6.0	2.3	2.8	6.0	5.8	16.9	19.9	20.2
Investment business	2018	Q1/'19	Q2/'19	Q3/'19	Q4/'19	2019	Q1/'20E	Q2/'20E	Q3/'20E	Q4/'20E	2020E	2021E	2022E
Revenue	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating profit	6.5	3.9	1.0	3.2	2.1	10.2	3.0	2.7	2.9	3.2	11.8	12.7	13.5
Services business	2018	Q1/'19	Q2/'19	Q3/'19	Q4/'19	2019	Q1/'20E	Q2/'20E	Q3/'20E	Q4/'20E	2020E	2021E	2022E
Revenue	8.7	2.9	6.9	2.7	3.2	15.7	4.3	5.6	3.4	4.7	18.0	19.8	21.8
Operating profit	4.4	1.8	4.9	1.6	0.9	9.1	2.7	3.6	2.0	2.3	10.7	11.8	13.0
Other	2018	Q1/'19	Q2/'19	Q3/'19	Q4/'19	2019	Q1/'20E	Q2/'20E	Q3/'20E	Q4/'20E	2020E	2021E	2022E
Revenue	0.6	0.0	0.0	0.0	0.4	0.5	0.0	0.0	0.0	0.4	0.5	0.5	0.6
Operating profit	-1.7	-1.7	-1.0	-1.2	-2.0	-5.9	-1.0	-1.1	-1.0	-1.5	-4.6	-4.8	-5.1

Investment Management Companies	MCAP MEUR	EV/EBIT			P/E			Div. yield		
		19	20	21	19	20	21	19	20	21
Institut de Developpement	321	15.4x	13.8x	12.8x	18.3x	16.3x	15.3x	4.3 %	4.3x	4.3x
Deutsche Beteiligungs	580	12.3x	12.9x	11.5x	13.6x	16.5x	13.1x	3.9 %	3.9x	4.0x
Mutares	195		1 014.6x	25.8x	6.9x	12.8x	30.7x	7.7 %	7.6x	7.9x
3i Group Plc	12712	8.3x	6.7x		9.3x	8.6x	7.2x	2.9 %	3.5x	3.7x
Eurazeo	5120	17.5x	15.6x	14.9x	16.6x	14.4x	12.9x	2.0 %	2.1x	2.1x
Ratos	1015	19.7x	13.0x	14.0x	21.4x	11.3x	10.7x	3.6 %	3.4x	4.9x
Partners Group Holding	22010	26.3x	23.9x	21.8x	28.5x	25.9x	23.4x	2.7 %	2.9x	3.2x
Peer Group Average	3324	16.6x	157.2x	16.8x	16.4x	15.1x	16.2x	3.9 %	4.0x	4.3x
Peer Group Median	321	16.5x	13.8x	14.5x	16.6x	14.4x	13.1x	3.6 %	3.5x	4.0x
CapMan (Evli est.)	372	19.4x	11.3x	9.8x	25.4x	13.1x	11.4x	5.6 %	5.8x	6.2x

CapMan prem./disc. to peer median

18% -18% -32% 53% -9% -13% 58% 64% 55%

Source Bloomberg, Evli Research

Finnish financial services peers	MCAP EUR	EV/EBIT			P/E			Div. yield		
		19	20	21	19	20	21	19	20	21
eQ	494	18.2x	14.1x	14.4x	22.6x	18.0x	18.6x	4.7 %	5.6 %	5.4 %
Taaleri	242	19.9x	11.3x	11.5x	17.7x	12.1x	12.0x	3.7 %	4.0 %	4.2 %
Evli Bank	277				16.3x	12.8x	11.2x	5.6 %	6.9 %	7.8 %
United Bankers Oyj	93	17.5x	12.6x	10.9x	20.8x	16.3x	13.2x	5.0 %	6.1 %	6.7 %
EAB Group	42		23.1x	16.6x		24.5x	21.1x	1.6 %	2.3 %	2.9 %
Titanium	106	15.1x	10.6x	9.2x	13.8x	11.8x	10.6x	7.2 %	7.7 %	8.2 %
Peer Group Average	209	17.7x	14.3x	12.5x	18.2x	15.9x	14.4x	4.6 %	5.4 %	5.9 %
Peer Group Median	174	17.9x	12.6x	11.5x	17.7x	14.6x	12.6x	4.8 %	5.9 %	6.1 %
CapMan (Evli est.)	372	19.4x	11.3x	9.8x	25.4x	13.1x	11.4x	5.6 %	5.8 %	6.2 %

CapMan prem./disc. to peer median

9% -10% -15% 44% -10% -9% 17% -2% 2%

Source Bloomberg, Evli Research

VALUATION

SOTP	Implied value (EURm)	Per share (EUR)	Notes
Management Company (excl. carry)	124	0.81	16x 2020E EBIT EUR 7.8m
Services business	107	0.70	10x 2020E EBIT EUR 10.7m
Investment business	173	1.13	NAV
Carried interest	34	0.22	DCF
Corporate functions	-55	-0.36	12x 2020E EBIT EUR -4.6m
Total debt	-50	-0.33	Senior bond
Equity value (SOTP)	333	2.17	
Peer multiples			
EV/EBIT 19-20E		2.14-2.58	
P/E 19-20E		1.61-2.53	
Div. yield 19-20E		2.37-2.68	
Target price (ex-div)		2.50	

Source: Evli Research

INTERIM FIGURES

EVLI ESTIMATES, EURm	2019Q1	2019Q2	2019Q3	2019Q4	2019	2020Q1E	2020Q2E	2020Q3E	2020Q4E	2020E	2021E	2022E
Net sales	9.3	13.4	9.7	16.6	49.0	12.4	14.0	14.7	17.5	58.5	64.0	67.1
EBITDA	5.0	6.2	5.8	8.0	25.0	7.4	8.3	10.4	10.2	36.3	41.3	43.5
<i>EBITDA margin (%)</i>	<i>53.7</i>	<i>46.2</i>	<i>60.1</i>	<i>48.0</i>	<i>51.0</i>	<i>59.3</i>	<i>59.7</i>	<i>70.9</i>	<i>58.3</i>	<i>62.0</i>	<i>64.6</i>	<i>64.9</i>
EBIT	4.7	5.8	5.5	3.4	19.4	7.0	8.0	10.0	9.8	34.9	39.6	41.6
<i>EBIT margin (%)</i>	<i>50.7</i>	<i>43.3</i>	<i>56.4</i>	<i>20.6</i>	<i>39.6</i>	<i>56.4</i>	<i>57.1</i>	<i>68.5</i>	<i>56.2</i>	<i>59.6</i>	<i>61.8</i>	<i>62.0</i>
Net financial items	-0.6	-0.7	-0.6	0.1	-1.8	-0.6	-0.6	-0.6	-0.6	-2.4	-2.6	-2.5
Pre-tax profit	4.1	5.1	4.9	3.5	17.6	6.4	7.4	9.4	9.2	32.5	37.0	39.1
Tax	-0.1	-0.9	-0.9	0.1	-1.7	-0.4	-0.5	-0.7	-0.6	-2.3	-2.6	-2.7
<i>Tax rate (%)</i>	<i>2.6</i>	<i>17.5</i>	<i>17.5</i>	<i>-1.7</i>	<i>7.9</i>	<i>7.0</i>	<i>7.0</i>	<i>7.0</i>	<i>7.0</i>	<i>7.0</i>	<i>7.0</i>	<i>7.0</i>
Net profit	3.6	3.0	3.8	3.5	14.0	5.8	6.2	8.6	8.0	28.5	32.6	34.6
EPS	0.02	0.02	0.02	0.02	0.09	0.04	0.04	0.06	0.05	0.19	0.21	0.23
EPS adjusted (diluted no. of shares)	0.02	0.02	0.02	0.02	0.09	0.04	0.04	0.06	0.05	0.19	0.21	0.23
Dividend per share	0.00	0.00	0.00	0.00	0.13	0.00	0.00	0.00	0.00	0.14	0.15	0.20
SALES, EURm												
Management Company business	6.4	6.4	7.0	13.0	32.8	8.0	8.3	11.2	12.4	40.0	43.6	44.7
Service business	2.9	6.9	2.7	3.2	15.7	4.3	5.6	3.4	4.7	18.0	19.8	21.8
Other & eliminations	0.0	0.0	0.0	0.4	0.5	0.0	0.0	0.0	0.4	0.5	0.5	0.6
Total	9.3	13.4	9.7	16.6	49.0	12.4	14.0	14.7	17.5	58.5	64.0	67.1
SALES GROWTH, Y/Y %												
Management Company business	8.1	-2.1	25.9	109.5	35.5	25.6	30.5	60.9	-5.0	21.9	9.1	2.5
Investment business	-100.0	-100.0	-99.9	-100.0	-100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Service business	107.1	84.3	83.4	54.9	80.8	50.9	-19.5	26.3	48.1	14.9	10.0	10.0
Other & eliminations	-37.8	-76.8	-99.6	13.3	-18.2	80.1	15.0	0.0	0.2	5.0	5.0	5.0
Total	9.8	17.0	34.1	87.1	36.1	33.6	4.5	51.2	5.3	19.5	9.3	4.8
EBIT, EURm												
Management Company business	0.8	0.9	1.9	2.4	6.0	2.3	2.8	6.0	5.8	16.9	19.9	20.2
Investment business	3.9	1.0	3.2	2.1	10.2	3.0	2.7	2.9	3.2	11.8	12.7	13.5
Service business	1.8	4.9	1.6	0.9	9.1	2.7	3.6	2.0	2.3	10.7	11.8	13.0
Other & eliminations	-1.7	-1.0	-1.2	-2.0	-5.9	-1.0	-1.1	-1.0	-1.5	-4.6	-4.8	-5.1
Total	4.7	5.8	5.5	3.4	19.4	7.0	8.0	10.0	9.8	34.9	39.6	41.6
EBIT margin, %												
Management Company business	12.4	14.5	27.1	18.2	18.2	28.9	33.2	53.8	46.8	42.3	45.5	45.3
Service business	61.3	70.6	57.1	27.9	57.9	62.9	64.6	59.6	50.1	59.5	59.5	59.5
Other & eliminations	-7,543.5	-2,894.4	-453.6	-1,197.6	-1,197.6	-2,492.7	-2,739.6	-340.8	-892.5	-887.7	-887.7	-887.7
Total	50.7	43.3	56.4	20.6	39.6	56.4	57.1	68.5	56.2	59.6	61.8	62.0

INCOME STATEMENT, EURm	2015	2016	2017	2018	2019	2020E	2021E	2022E
Sales	31.8	26.7	34.8	36.0	49.0	58.5	64.0	67.1
<i>Sales growth (%)</i>	<i>-19.5</i>	<i>-16.0</i>	<i>30.6</i>	<i>3.3</i>	<i>36.1</i>	<i>19.5</i>	<i>9.3</i>	<i>4.8</i>
EBITDA	9.6	18.9	21.2	12.2	25.0	36.3	41.3	43.5
<i>EBITDA margin (%)</i>	<i>30.2</i>	<i>71.0</i>	<i>61.0</i>	<i>33.8</i>	<i>51.0</i>	<i>62.0</i>	<i>64.6</i>	<i>64.9</i>
Depreciation	-0.3	-0.3	-0.3	-0.2	-1.4	-1.5	-1.7	-1.9
EBITA	9.3	18.7	21.0	12.0	23.6	34.9	39.6	41.6
Goodwill amortization / writedown	0.0	0.0	-1.5	0.0	-4.2	0.0	0.0	0.0
EBIT	9.3	18.7	19.5	12.0	19.4	34.9	39.6	41.6
<i>EBIT margin (%)</i>	<i>29.2</i>	<i>70.0</i>	<i>55.9</i>	<i>33.2</i>	<i>39.6</i>	<i>59.6</i>	<i>61.8</i>	<i>62.0</i>
Reported EBIT	9.3	18.7	19.5	12.0	19.4	34.9	39.6	41.6
<i>EBIT margin (reported) (%)</i>	<i>29.2</i>	<i>70.0</i>	<i>55.9</i>	<i>33.2</i>	<i>39.6</i>	<i>59.6</i>	<i>61.8</i>	<i>62.0</i>
Net financials	-2.8	-3.1	-3.3	-2.7	-1.8	-2.4	-2.6	-2.5
Pre-tax profit	6.5	15.5	16.2	9.3	17.6	32.5	37.0	39.1
Taxes	-0.4	-0.2	-0.8	-0.8	-1.7	-2.3	-2.6	-2.7
Minority shares	0.0	0.0	0.0	-0.4	-1.9	-1.7	-1.8	-1.8
Net profit	5.1	14.3	15.3	8.1	14.0	28.5	32.6	34.6
Cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BALANCE SHEET, EURm								
Assets								
Fixed assets	104	95	93	88	120	134	144	149
Goodwill	6	6	5	5	15	15	15	15
Right of use assets	0	0	0	3	3	4	4	4
Inventory	0	0	0	0	0	0	0	0
Receivables	13	101	89	57	31	29	26	28
Liquid funds	22	45	23	55	44	52	57	60
Total assets	150	253	211	209	217	238	251	260
Liabilities								
Shareholder's equity	50	128	127	121	127	136	147	159
Minority interest	0	0	0	0	2	2	2	2
Convertibles	15	15	0	0	0	0	0	0
Lease liabilities	0	0	0	3	3	4	4	4
Deferred taxes	2	10	9	3	2	2	2	2
Interest bearing debt	69	66	48	60	57	65	64	60
Non-interest bearing current liabilities	13	33	27	17	20	24	26	28
Other interest-free debt	0	0	1	5	5	5	5	5
Total liabilities	150	253	211	209	217	238	251	260
CASH FLOW, EURm								
+ EBITDA	10	19	21	12	25	36	41	44
- Net financial items	-7	-3	-3	-3	-2	-2	-3	-2
- Taxes	-1	0	-2	-3	-5	-2	-3	-3
- Increase in Net Working Capital	-3	5	-2	-7	-3	6	5	0
+/- Other	0	-23	-18	-4	-16	-2	-2	-2
= Cash flow from operations	-2	-3	-4	-5	0	36	39	36
- Capex	-2	-2	-1	2	-6	-16	-12	-7
- Acquisitions	0	0	0	-8	-1	0	0	0
+ Divestments	0	0	0	0	0	0	0	0
= Free cash flow	-4	-5	-4	-11	-7	19	27	29
+/- New issues/buybacks	0	70	-4	2	12	0	0	0
- Paid dividend	-5	-6	-13	-16	-18	-20	-22	-23
+/- Other	2	-35	-1	56	1	9	-1	-4
Change in cash	-7	23	-22	31	-11	9	5	3

KEY FIGURES	2016	2017	2018	2019	2020E	2021E	2022E
M-cap	179	258	216	354	381	381	381
Net debt (excl. convertibles)	21	25	8	16	17	11	5
Enterprise value	215	283	225	377	404	398	391
Sales	27	35	36	49	59	64	67
EBITDA	19	21	12	25	36	41	44
EBIT	19	19	12	19	35	40	42
Pre-tax	16	16	9	18	32	37	39
Earnings	14	15	8	14	28	33	35
Equity book value (excl. minorities)	128	127	121	127	136	147	159
Valuation multiples							
EV/sales	8.1	8.1	6.3	7.7	6.9	6.2	5.8
EV/EBITDA	11.4	13.3	18.5	15.1	11.1	9.6	9.0
EV/EBITA	11.5	13.5	18.9	15.9	11.6	10.1	9.4
EV/EBIT	11.5	14.5	18.9	19.4	11.6	10.1	9.4
EV/OCF	-68.8	-78.0	-48.1	-1,037.5	11.3	10.1	10.7
EV/FCFF	1.9	10.8	4.9	23.7	16.1	12.0	11.1
P/FCFE	-34.2	-60.0	-19.3	-52.3	19.7	14.0	13.0
P/E	17.6	13.1	26.8	25.4	13.4	11.7	11.0
P/B	1.4	2.0	1.8	2.8	2.8	2.6	2.4
Target EV/EBITDA	0.0	0.0	0.0	0.0	11.1	9.6	9.0
Target EV/EBIT	0.0	0.0	0.0	0.0	11.6	10.0	9.4
Target EV/FCF	0.0	0.0	0.0	0.0	20.8	14.6	13.3
Target P/B	0.0	0.0	0.0	0.0	2.8	2.6	2.4
Target P/E	0.0	0.0	0.0	0.0	13.5	11.8	11.1
Per share measures							
Number of shares	143,287	145,600	147,116	153,755	153,755	153,755	153,755
Number of shares (diluted)	143,287	145,600	147,116	153,755	153,755	153,755	153,755
EPS	0.10	0.10	0.05	0.09	0.19	0.21	0.23
Operating cash flow per share	-0.02	-0.02	-0.03	0.00	0.23	0.26	0.24
Free cash flow per share	-0.04	-0.03	-0.08	-0.04	0.13	0.18	0.19
Book value per share	0.89	0.87	0.82	0.83	0.89	0.96	1.03
Dividend per share	0.09	0.11	0.12	0.13	0.14	0.15	0.20
Dividend payout ratio, %	90.0	104.9	218.9	143.1	75.6	70.7	90.0
Dividend yield, %	7.2	6.2	8.2	5.2	5.6	6.0	8.2
FCF yield, %	-2.9	-1.7	-5.2	-1.9	5.1	7.1	7.7
Efficiency measures							
ROE	16.1	12.0	6.5	11.3	21.6	23.0	22.6
ROCE	10.9	10.1	6.7	10.4	17.6	18.6	18.8
Financial ratios							
Inventories as % of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Receivables as % of sales	379.6	255.5	157.6	63.2	49.8	41.2	41.2
Non-interest bearing liabilities as % of sales	125.0	77.0	46.7	41.2	41.2	41.2	41.2
NWC/sales, %	253.4	176.1	96.8	12.9	1.0	-6.9	-6.6
Operative CAPEX/sales, %	7.9	1.9	-5.2	12.0	27.9	19.1	10.7
CAPEX/sales (incl. acquisitions), %	7.9	1.9	-28.6	10.9	27.9	19.1	10.7
FCFF/EBITDA	6.0	1.2	3.8	0.6	0.7	0.8	0.8
Net debt/EBITDA, book-weighted	1.1	1.2	0.7	0.7	0.5	0.3	0.1
Debt/equity, market-weighted	0.4	0.2	0.3	0.2	0.2	0.2	0.2
Equity ratio, book-weighted	56.6	60.0	57.8	59.8	58.1	59.6	61.9
Gearing, %	14.7	19.7	6.9	12.6	12.1	7.4	3.0

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 its 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 services.

INVESTMENT CASE: CapMan is set to continue to grow its earnings and increase earnings stability. An important driver is the increase in fee-based profitability through growth in capital under management, while still being able to maintain a sound cost structure. Additional earnings potential in the upcoming years is offered by the outlook of several of CapMans funds approaching carry. Good cash flows and a healthy balance sheet support continued high dividend payouts.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Silvertärnan Ab	16,226,519	40.242	10.6%
Ilmarinen Mutual Pension Insurance Company	10,464,415	25.952	6.8%
Laakkonen Mikko Kalervo	6,378,320	15.818	4.1%
Oy Inventiainvest AB	4,723,703	11.715	3.1%
Varma Mutual Pension Insurance Company	3,675,215	9.115	2.4%
Joensuun Kauppa ja Kone Oy	3,511,853	8.709	2.3%
Vesasco Oy	3,088,469	7.659	2.0%
The State Pension Fund	2,500,000	6.200	1.6%
Heiwes Oy	2,094,480	5.194	1.4%
Momea Invest Oy	2,079,222	5.156	1.4%
Ten largest	54,742,196	135.761	36%
Residual	99,012,452	245.551	64%
Total	153,754,648	381.312	100%

EARNINGS CALENDAR

OTHER EVENTS

March 11, 2020

AGM

COMPANY MISCELLANEOUS

CEO: Joakim Frimodig

Ludviginkatu 6, 4 fl. 01300 Helsinki

CFO: Niko Haavisto

Tel: +358 207 207 500

IR: Linda Tierala

DEFINITIONS

P/E	$\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS	$\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV	$\frac{\text{Price per share}}{\text{Shareholders' equity} + \text{taxed provisions per share}}$	DPS	Dividend for the financial period per share
Market cap	Price per share * Number of shares	OCF (Operating cash flow)	EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value)	Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow)	Operating cash flow – operative CAPEX – acquisitions + divestments
EV/Sales	$\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, %	$\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA	$\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX/sales	$\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT	$\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital	Current assets – current liabilities
Net debt	Interest bearing debt – financial assets	Capital employed/Share	$\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets	Balance sheet total	Gearing	$\frac{\text{Net debt}}{\text{Equity}}$
Div yield, %	$\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, %	$\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, %	$\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, %	$\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, %	$\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, %	Cumulative annual growth rate = Average growth per year
ROE, %	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholder's equity} + \text{minority interest} + \text{taxed provisions (average)}}$		

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Investment recommendations are defined as follows:

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

ERP's investment recommendation of the analyzed company is updated at least 2 times per year.

Recommendation	Percentage
Sell	8%
Hold	53%
Buy	39%

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

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Contact information**SALES, TRADING AND RESEARCH****Equity Sales**

Ari Laine +358 9 4766 9115
Lauri Ahokanto +358 9 4766 9117
Niclas Henelius +358 9 4766 9116

Trading

Lauri Vehkaluoto (Head) +358 9 4766 9120
Pasi Väisänen +358 9 4766 9120
Antti Kässi +358 9 4766 9120
Miika Ronkanen +358 9 4766 9120

ETFs and Derivatives

Joachim Dannberg +358 9 4766 9123
Kimmo Lijja +358 9 4766 9130

Structured Investments

Heikki Savijoki +358 9 4766 9726
Aki Lakkisto +358 9 4766 9123

Equity Research

Jonas Forslund +358 9 4766 9314
Joonas Ilvonen +358 44 430 9071
Jerker Salokivi +358 9 4766 9149
Anna-Liisa Rissanen +358 40 157 9919

Evli Investment Solutions

Johannes Asuja +358 9 4766 9205
Markku Reinikainen +358 9 4766 9669



EVLI BANK PLC
Aleksanterinkatu 19 A
P.O. Box 1081
FIN-00101 Helsinki, FINLAND
Phone +358 9 476 690
Fax +358 9 634 382
Internet www.evli.com
E-mail firstname.lastname@evli.com

**EVLI BANK PLC,
STOCKHOLMSFILIAL**
Regeringsgatan 67 P.O. Box 16354
SE-103 26 Stockholm
Sverige
stockholm@evli.com
Tel +46 (0)8 407 8000
Fax +46 (0)8 407 8001