

Growth momentum intact

CapMan reported solid quarterly figures once again. Our estimates remain largely intact, with expected near-term carry set to boost profit levels further.

A strong quarter

CapMan reported its Q3 results, which on group level were slightly better than expected. Revenue grew 67% to EUR 14.9m (EUR 12.2m/12.6m Evli/cons.). Operating profit amounted to EUR 10.9m (EUR 10.7m/8.9m Evli/cons.). Business area figures corresponded rather well with our estimates, the largest differences deriving from the EUR 2.2m carried interest from CapMan's Mezzanine V fund and the Investment business operating profit coming in below our estimates (EUR 5.9m/7.9m act./Evli). Capital under management remained on par with previous quarter levels at EUR 4.3bn, but with EUR 250m raised in October and on-going fundraising growth is well set to pick up. In terms of new products CapMan launched the CWS Investment Partners investment programme in co-operation with Alplinvest, with some USD 90m committed to the first programme and more scheduled for 2022.

Small estimate tweaks

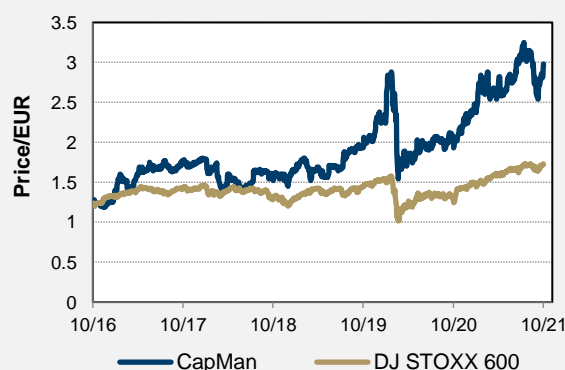
Our estimates have seen only small tweaks post-Q3, for FY 21 a slight increase in management fees in light of the good fundraising progress, seeing >EUR 10m quarterly levels within grasp. Based on management comments we remain fairly confident in a clear increase in carry during the coming quarters, as multiple funds are expected to enter carry in the next six months. For 2022 we expect to see continued growth in management fees and Management company operating profit through carry and >10% growth in the Services business. The fair value changes of own funds (1-9/2021: 26%) has been exceptionally good, and as such we expect a smaller profit contribution in 2022.

BUY-rating with a target price of EUR 3.4

With only smaller estimates revision we retain our target price of EUR 3.4, BUY-rating intact. Q3 in our view continued to prove CapMan's potential and the outlook remains very promising.

Rating

BUY



Share price, EUR (Last trading day's closing price) 2.98

Target price, EUR 3.4

Latest change in recommendation 30-Apr-21

Latest report on company 6-Aug-21

Research paid by issuer: YES

No. of shares outstanding, '000's 156,617

No. of shares fully diluted, '000's 156,617

Market cap, EURm 467

Free float, % 64.0

Exchange rate EUR 1.000

Reuters code CAPMAN.HE

Bloomberg code CAPMAN FH

Average daily volume, EURm 0.25

Next interim report 03-Feb-22

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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
2019	49.0	19.4	39.6%	-0.9	0.09	25.4	7.7	19.4	-0.2	0.13
2020	43.0	12.3	28.7%	-15.6	0.03	70.6	9.1	31.7	-4.3	0.14
2021E	58.6	49.1	83.9%	22.6	0.25	11.9	8.4	10.1	4.8	0.15
2022E	72.6	51.9	71.4%	29.0	0.27	11.2	6.7	9.4	6.2	0.16
2023E	75.7	53.1	70.2%	42.4	0.27	10.9	6.2	8.9	9.1	0.20
Market cap, EURm	467		Gearing 2021E, %	19.0		CAGR EPS 2020-23, %		102.9		
Net debt 2021E, EURm	25		Price/book 2021E	3.6		CAGR sales 2020-23, %		20.7		
Enterprise value, EURm	494		Dividend yield 2021E, %	5.0		ROE 2021E, %		32.4		
Total assets 2021E, EURm	236		Tax rate 2021E, %	10.5		ROCE 2021E, %		24.3		
Goodwill 2021E, EURm	15		Equity ratio 2021E, %	55.3		PEG, P/E 21/CAGR		2.7		

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

CapMan	2019	Q1/20	Q2/20	Q3/20	Q4/20	2020	Q1/21	Q2/21	Q3/21	Q4/21E	2021E	2022E	2023E
Management fees	24,9	6,9	5,9	6,6	9,7	29,0	8,0	8,4	9,6	10,4	36,5	40,9	43,3
Sale of services	17,2	5,0	2,5	2,2	3,5	13,1	3,2	3,2	3,1	4,1	13,6	15,5	17,8
Carried interest	6,9	0,1	0,4	0,1	0,3	0,9	0,0	0,3	2,2	6,0	8,5	16,2	14,6
Dividend and interest 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
Revenue	49,0	11,9	8,7	8,9	13,4	43,0	11,3	11,9	14,9	20,5	58,6	72,6	75,7
<i>change, %</i>	<i>36,1%</i>	<i>28,6%</i>	<i>-34,8%</i>	<i>-8,2%</i>	<i>-19,2%</i>	<i>-12,2%</i>	<i>-5,3%</i>	<i>36,4%</i>	<i>66,9%</i>	<i>52,8%</i>	<i>36,2%</i>	<i>24,0%</i>	<i>4,3%</i>
Other operating income	0,0	0,0	0,0	0,1	0,0	0,1	0,0	0,0	0,0	0,0	0,1	0,1	0,1
Personnel expenses	-24,2	-6,3	-5,2	-4,9	-7,5	-23,9	-6,3	-7,8	-7,5	-9,2	-30,8	-32,3	-33,9
Other operating expenses	-12,1	-2,8	-2,2	-1,9	-2,8	-9,7	-2,7	-2,0	-2,1	-3,1	-9,9	-10,4	-10,9
Depreciation and amortisation	-5,6	-0,3	-0,4	-0,3	-0,4	-1,5	-0,4	-0,4	-0,4	-0,5	-1,6	-1,7	-1,7
Fair value changes	12,3	-8,4	3,2	2,6	7,0	4,4	8,2	9,6	6,0	9,0	32,8	23,6	24,0
Operating profit	19,4	-6,0	4,1	4,5	9,7	12,3	10,1	11,3	10,9	16,7	49,1	51,9	53,1
<i>Operating profit margin, %</i>	<i>39,6%</i>	<i>-50,1%</i>	<i>47,5%</i>	<i>50,0%</i>	<i>72,5%</i>	<i>28,7%</i>	<i>89,6%</i>	<i>95,5%</i>	<i>73,4%</i>	<i>81,7%</i>	<i>83,9%</i>	<i>71,4%</i>	<i>70,2%</i>
Items affecting comparability	5,7	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Adj. operating profit	25,0	-6,0	4,1	4,5	9,7	12,3	10,1	11,3	10,9	16,7	49,1	51,9	53,1
Net financials	-1,8	-0,6	-0,7	-0,7	-1,1	-3,1	-0,9	-1,3	-0,8	-1,0	-3,9	-3,9	-3,7
Pre-tax profit	17,6	-6,5	3,4	3,7	8,6	9,2	9,3	10,1	10,2	15,7	45,2	47,9	49,4
Income taxes	-1,7	-0,9	-0,3	-0,4	-1,4	-2,9	-1,5	-1,2	-0,7	-1,3	-4,8	-5,0	-5,2
Minority interest	-1,9	-0,9	0,2	-0,1	-0,4	-1,1	-0,3	0,0	-0,3	-0,5	-1,1	-1,2	-1,2
Profit for the period	13,9	-8,3	3,3	3,3	6,8	6,3	7,5	8,8	9,1	14,0	39,4	41,7	43,0
EPS, EUR	0,09	-0,05	0,02	0,02	0,04	0,04	0,05	0,06	0,06	0,09	0,25	0,27	0,27
Assets under management	3245	3225	3151	3577	3827	3827	3889	4326	4341	4650	4700	4950	5100
Management Company business	2019	Q1/20	Q2/20	Q3/20	Q4/20	2020	Q1/21	Q2/21	Q3/21	Q4/21E	2021E	2022E	2023E
Revenue	32,8	7,9	7,1	7,6	11,1	33,7	9,0	9,9	12,9	17,7	49,6	62,3	63,9
Operating profit	6,0	1,9	1,6	2,1	3,9	9,5	2,5	2,4	5,1	9,1	19,1	30,3	30,3
Investment business	2019	Q1/20	Q2/20	Q3/20	Q4/20	2020	Q1/21	Q2/21	Q3/21	Q4/21E	2021E	2022E	2023E
Revenue	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
Operating profit	10,2	-8,4	2,8	2,6	7,0	4,0	7,9	9,4	5,9	8,9	32,0	22,7	23,1
Services business	2019	Q1/20	Q2/20	Q3/20	Q4/20	2020	Q1/21	Q2/21	Q3/21	Q4/21E	2021E	2022E	2023E
Revenue	15,7	4,1	1,6	1,2	1,7	8,6	2,3	2,0	1,9	2,2	8,4	9,6	11,1
Operating profit	9,1	2,9	0,4	0,6	0,7	4,6	1,2	0,7	1,1	0,7	3,7	4,7	5,9
Other	2019	Q1/20	Q2/20	Q3/20	Q4/20	2020	Q1/21	Q2/21	Q3/21	Q4/21E	2021E	2022E	2023E
Revenue	0,5	0,0	0,0	0,1	0,6	0,7	0,0	0,0	0,0	0,6	0,6	0,7	0,7
Operating profit	-5,9	-2,4	-0,7	-0,8	-1,8	-5,7	-1,4	-1,2	-1,1	-1,9	-5,6	-5,9	-6,2

Source: CapMan, Evli Research estimates

Investment Management Companies	MCAP MEUR	EV/EBIT			P/E			Div. yield		
		21	22	23	21	22	23	21	22	23
Institut de Developpement	369	15,4x	14,7x	14,2x	19,8x	17,7x	17,0x	4,0 %	4,0 %	4,0 %
Deutsche Beteiligungs	748	3,6x	7,2x		4,9x	9,5x		3,0 %	3,3 %	
Mutares SE	480	5,7x		23,1x	2,1x	53,4x	11,1x	6,8 %	7,2 %	7,2 %
3i Group Plc	15218	4,9x	5,6x	5,3x	5,1x	5,9x	5,8x	3,0 %	3,3 %	3,8 %
Eurazeo	6232	16,0x	16,9x	15,1x	9,4x	10,5x	8,7x	2,0 %	2,2 %	2,1 %
Ratos	1619	13,5x	10,9x	10,5x	21,5x	14,7x	14,1x	3,7 %	2,9 %	3,0 %
Partners Group Holding	39665	29,3x	32,2x	28,7x	32,8x	36,1x	32,5x	2,1 %	2,1 %	2,4 %
Peer Group Average	5540	12,6x	14,6x	16,1x	13,7x	21,1x	14,8x	3,5 %	3,6 %	3,8 %
Peer Group Median	643	13,5x	12,8x	14,6x	9,4x	14,7x	12,6x	3,0 %	3,3 %	3,4 %
CapMan (Evli est.)	476	10,4x	10,8x	10,4x	12,6x	13,2x	13,0x	4,9 %	5,3 %	5,6 %

CapMan prem./disc. to peer median -23 % -16 % -29 % 35 % -10 % 3 % 62 % 60 % 65 %

Source FactSet, Evli Research

Finnish financial services peers	MCAP MEUR	EV/EBIT			P/E			Div. yield		
		21	22	23	21	22	23	21	22	23
eQ	1100				29,2x	30,3x	26,1x	3,5 %	3,5 %	3,9 %
Taaleri Plc	310				21,9x	22,3x	13,7x	11,0 %	8,0 %	7,3 %
Evli Bank	537	6,7x	7,3x	6,7x	16,4x	15,8x	15,0x	10,2 %	6,0 %	6,3 %
EAB Group	42	15,2x	9,5x	8,1x	19,3x	11,2x	9,4x	3,6 %	4,9 %	5,3 %
Titanium Oyj	162				15,0x	12,8x	11,6x	6,0 %	6,6 %	7,3 %
Peer Group Average	430	10,9x	8,4x	7,4x	20,4x	18,5x	15,1x	6,9 %	5,8 %	6,0 %
Peer Group Median	310	10,9x	8,4x	7,4x	19,3x	15,8x	13,7x	6,0 %	6,0 %	6,3 %
CapMan (Evli est.)	476	10,4x	10,8x	10,4x	12,6x	13,2x	13,0x	4,9 %	5,3 %	5,6 %

CapMan prem./disc. to peer median -5 % 29 % 40 % -35 % -17 % -5 % -17 % -12 % -12 %

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	2.98 PV of Free Cash Flow	343 Long-term growth, %	2.0 Risk-free interest rate, %	2.25
DCF share value	5.07 PV of Horizon value	502 WACC, %	7.9 Market risk premium, %	5.8
Share price potential, %	70.3 Unconsolidated equity	-3 Spread, %	0.5 Debt risk premium, %	2.8
Maximum value	5.6 Marketable securities	58 Minimum WACC, %	7.4 Equity beta coefficient	1.10
Minimum value	4.7 Debt - dividend	-105 Maximum WACC, %	8.4 Target debt ratio, %	30
Horizon value, %	59.4 Value of stock	795 Nr of shares, Mn	156.6 Effective tax rate, %	20

DCF valuation, EURm	2020	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	Horizon
Net sales	43	59	73	76	78	80	82	84	86	88	90	91
<i>Sales growth, %</i>	-12.2	36.2	24.0	4.3	2.5	2.5	2.5	2.5	2.5	2.5	2.0	2.0
Operating income (EBIT)	12	49	52	53	54	56	57	58	60	61	63	64
<i>Operating income margin, %</i>	28.7	83.9	71.4	70.2	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
+ Depreciation+amort.	2	1	2	2	3	3	3	3	3	3	3	
EBITDA	14	51	54	56	57	58	60	61	63	64	66	
- Paid taxes	-5	-5	-5	-6	-6	-6	-6	-6	-6	-6	-7	
- Change in NWC	-16	-2	-2	0	0	0	0	0	0	0	0	
<i>NWC / Sales, %</i>	9.6	9.7	10.1	10.2	10.2	10.2	10.3	10.3	10.4	10.4	10.4	
+ Change in other liabs	18	0	0	0	0	0	0	0	0	0	0	
- Operative CAPEX	-3	-15	-11	0	0	0	0	0	0	0	0	
<i>opCAPEX / Sales, %</i>	8.0	28.4	18.0	3.6	3.5	3.5	3.5	3.5	3.5	3.5	3.5	
- Acquisitions	0	0	0	0	0	0	0	0	0	0	0	
+ Divestments	0	0	0	0	0	0	0	0	0	0	0	
- Other items	-3	0	0	0	0	0	0	0	0	0	0	
= FCFF	6	29	36	49	51	52	53	54	56	57	58	1,009
= Discounted FCFF		29	33	42	40	38	36	34	32	31	29	502
= DFCF min WACC		29	33	42	40	38	37	35	33	32	30	572
= DFCF max WACC		29	33	41	39	37	35	33	31	30	28	444

INTERIM FIGURES

EVLI ESTIMATES, EURm	2020Q1	2020Q2	2020Q3	2020Q4	2020	2021Q1	2021Q2	2021Q3	2021Q4E	2021E	2022E	2023E
Net sales	12.0	8.7	8.9	13.4	43.0	11.3	11.9	14.9	20.5	58.6	72.6	75.7
EBITDA	-5.6	4.5	4.8	10.2	13.9	10.5	11.7	11.3	17.1	50.6	53.9	55.6
<i>EBITDA margin (%)</i>	<i>-47.2</i>	<i>51.9</i>	<i>53.9</i>	<i>75.9</i>	<i>32.2</i>	<i>92.8</i>	<i>98.5</i>	<i>76.1</i>	<i>83.4</i>	<i>86.4</i>	<i>74.2</i>	<i>73.5</i>
EBIT	-6.0	4.1	4.5	9.7	12.3	10.1	11.3	10.9	16.7	49.1	51.9	53.1
<i>EBIT margin (%)</i>	<i>-50.1</i>	<i>47.5</i>	<i>50.0</i>	<i>72.5</i>	<i>28.7</i>	<i>89.6</i>	<i>95.5</i>	<i>73.4</i>	<i>81.7</i>	<i>83.9</i>	<i>71.4</i>	<i>70.2</i>
Net financial items	-0.6	-0.7	-0.7	-1.1	-3.1	-0.9	-1.3	-0.8	-1.0	-3.9	-3.9	-3.7
Pre-tax profit	-6.5	3.4	3.8	8.6	9.2	9.3	10.1	10.2	15.7	45.2	47.9	49.4
Tax	-0.9	-0.3	-0.4	-1.4	-2.9	-1.5	-1.2	-0.7	-1.3	-4.8	-5.0	-5.2
<i>Tax rate (%)</i>	<i>-13.4</i>	<i>9.6</i>	<i>9.5</i>	<i>16.1</i>	<i>31.9</i>	<i>16.5</i>	<i>12.4</i>	<i>7.1</i>	<i>8.0</i>	<i>10.5</i>	<i>10.5</i>	<i>10.5</i>
Net profit	-8.3	3.3	3.3	6.8	5.1	7.5	8.8	9.0	14.0	39.3	41.7	43.0
EPS	-0.05	0.02	0.02	0.04	0.03	0.05	0.06	0.06	0.09	0.25	0.27	0.27
EPS adjusted (diluted no. of shares)	-0.05	0.02	0.02	0.04	0.03	0.05	0.06	0.06	0.09	0.25	0.27	0.27
Dividend per share	0.00	0.00	0.00	0.00	0.14	0.00	0.00	0.00	0.00	0.15	0.16	0.20
SALES, EURm												
Management Company business	7.2	6.5	7.0	10.3	30.9	9.0	9.9	12.9	17.7	49.6	62.3	63.9
Service business	4.8	2.2	1.8	2.6	11.4	2.3	2.0	1.9	2.2	8.4	9.6	11.1
Other & eliminations	0.0	0.0	0.1	0.6	0.7	0.0	0.0	0.0	0.6	0.6	0.7	0.7
Total	12.0	8.7	8.9	13.4	43.0	11.3	11.9	14.9	20.5	58.6	72.6	75.7
SALES GROWTH, Y/Y %												
Management Company business	12.2	1.5	0.3	-21.1	-5.6	25.9	52.6	84.5	72.3	60.2	25.7	2.6
Service business	66.1	-68.2	-33.6	-18.7	-27.6	-52.5	-10.2	7.1	-14.6	-26.2	15.0	15.0
Other & eliminations	-69.6	-41.7	0.0	30.9	41.2	57.1	-47.6	-90.0	5.0	-9.7	5.0	5.0
Total	28.7	-34.8	-8.2	-19.3	-12.2	-5.3	36.5	66.9	52.8	36.2	24.0	4.3
EBIT, EURm												
Management Company business	1.9	1.6	2.1	3.6	9.1	2.5	2.4	5.1	9.1	19.1	30.3	30.3
Investment business	-8.4	2.8	2.6	7.0	4.0	7.9	9.4	5.9	8.9	32.0	22.7	23.1
Service business	3.0	0.5	0.6	1.0	5.0	1.2	0.7	1.1	0.7	3.7	4.7	5.9
Other & eliminations	-2.4	-0.7	-0.8	-1.8	-5.7	-1.4	-1.2	-1.1	-1.9	-5.6	-5.9	-6.2
Total	-6.0	4.1	4.5	9.7	12.3	10.1	11.3	10.9	16.7	49.1	51.9	53.1
EBIT margin, %												
Management Company business	25.9	24.5	29.7	34.7	29.4	27.5	24.7	39.1	51.4	38.5	48.6	47.4
Service business	62.2	20.5	35.9	37.2	44.2	52.5	36.9	55.2	31.8	44.0	48.9	53.3
Other & eliminations	-33,814.3	-3,300.0	-850.0	-322.4	-824.9	-12,972.7	-10,990.9	-10,720.0	-319.2	-893.0	-893.0	-893.0
Total	-50.1	47.5	50.0	72.5	28.7	89.6	95.5	73.4	81.7	83.9	71.4	70.2

INCOME STATEMENT, EURm	2016	2017	2018	2019	2020	2021E	2022E	2023E
Sales	26.7	34.8	36.0	49.0	43.0	58.6	72.6	75.7
<i>Sales growth (%)</i>	<i>-16.0</i>	<i>30.6</i>	<i>3.3</i>	<i>36.1</i>	<i>-12.2</i>	<i>36.2</i>	<i>24.0</i>	<i>4.3</i>
EBITDA	18.9	21.2	12.2	25.0	13.9	50.6	53.9	55.6
<i>EBITDA margin (%)</i>	<i>71.0</i>	<i>61.0</i>	<i>33.8</i>	<i>51.0</i>	<i>32.2</i>	<i>86.4</i>	<i>74.2</i>	<i>73.5</i>
Depreciation	-0.3	-0.3	-0.2	-1.4	-1.5	-1.5	-2.0	-2.5
EBITA	18.7	21.0	12.0	23.6	12.3	49.1	51.9	53.1
Goodwill amortization / writedown	0.0	-1.5	0.0	-4.2	0.0	0.0	0.0	0.0
EBIT	18.7	19.5	12.0	19.4	12.3	49.1	51.9	53.1
<i>EBIT margin (%)</i>	<i>70.0</i>	<i>55.9</i>	<i>33.2</i>	<i>39.6</i>	<i>28.7</i>	<i>83.9</i>	<i>71.4</i>	<i>70.2</i>
Reported EBIT	18.7	19.5	12.0	19.4	12.3	49.1	51.9	53.1
<i>EBIT margin (reported) (%)</i>	<i>70.0</i>	<i>55.9</i>	<i>33.2</i>	<i>39.6</i>	<i>28.7</i>	<i>83.9</i>	<i>71.4</i>	<i>70.2</i>
Net financials	-3.1	-3.3	-2.7	-1.8	-3.1	-3.9	-3.9	-3.7
Pre-tax profit	15.5	16.2	9.3	17.6	9.2	45.2	47.9	49.4
Taxes	-0.2	-0.8	-0.8	-1.7	-2.9	-4.8	-5.0	-5.2
Minority shares	0.0	0.0	-0.4	-1.9	-1.1	-1.2	-1.2	-1.2
Net profit	14.3	15.3	8.1	14.0	5.1	39.3	41.7	43.0
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	95	93	88	120	117	132	142	142
Goodwill	6	5	5	15	15	15	15	15
Right of use assets	0	0	3	3	2	3	4	4
Inventory	0	0	0	0	0	0	0	0
Receivables	101	89	57	31	23	31	39	41
Liquid funds	45	23	55	44	58	52	65	67
Total assets	253	211	209	217	219	236	267	272
Liabilities								
Shareholder's equity	128	127	121	127	113	130	148	166
Minority interest	0	0	0	2	1	1	1	1
Convertibles	15	0	0	0	0	0	0	0
Lease liabilities	0	0	3	3	2	3	4	4
Deferred taxes	10	9	3	2	3	3	3	3
Interest bearing debt	66	48	60	57	81	74	80	65
Non-interest bearing current liabilities	33	27	17	20	18	25	30	32
Other interest-free debt	0	1	5	5	1	1	1	1
Total liabilities	253	211	209	217	219	236	267	272
CASH FLOW, EURm								
+ EBITDA	19	21	12	25	14	51	54	56
- Net financial items	-3	-3	-3	-2	-3	-4	-4	-4
- Taxes	0	-2	-3	-5	-4	-5	-5	-5
- Increase in Net Working Capital	5	-2	-7	-3	-16	-2	-2	0
+/- Other	-23	-18	-4	-16	-3	-1	-1	-1
= Cash flow from operations	-3	-4	-5	0	-12	39	42	45
- Capex	-2	-1	2	-6	-3	-17	-13	-3
- Acquisitions	0	0	-8	-1	0	0	0	0
+ Divestments	0	0	0	6	0	0	0	0
= Free cash flow	-5	-4	-11	-1	-16	23	29	42
+/- New issues/buybacks	70	-4	2	12	-1	0	0	0
- Paid dividend	-6	-13	-16	-18	-20	-22	-23	-25
+/- Other	-35	-1	56	-5	51	-7	7	-15
Change in cash	23	-22	31	-11	14	-6	12	3

KEY FIGURES	2017	2018	2019	2020	2021E	2022E	2023E
M-cap	258	216	354	363	467	467	467
Net debt (excl. convertibles)	25	8	16	26	25	19	2
Enterprise value	283	225	377	391	494	488	471
Sales	35	36	49	43	59	73	76
EBITDA	21	12	25	14	51	54	56
EBIT	19	12	19	12	49	52	53
Pre-tax	16	9	18	9	45	48	49
Earnings	15	8	14	5	39	42	43
Equity book value (excl. minorities)	127	121	127	113	130	148	166
Valuation multiples							
EV/sales	8.1	6.3	7.7	9.1	8.4	6.7	6.2
EV/EBITDA	13.3	18.5	15.1	28.2	9.8	9.1	8.5
EV/EBITA	13.5	18.9	15.9	31.7	10.1	9.4	8.9
EV/EBIT	14.5	18.9	19.4	31.7	10.1	9.4	8.9
EV/OCF	-78.0	-48.1	-1,037.5	-32.8	12.6	11.6	10.4
EV/FCFF	10.8	4.9	23.7	70.9	16.8	13.5	9.6
P/FCFE	-60.0	-19.3	-404.4	-23.2	20.7	16.1	11.0
P/E	13.1	26.8	25.4	70.6	11.9	11.2	10.9
P/B	2.0	1.8	2.8	3.2	3.6	3.2	2.8
Target EV/EBITDA	0.0	0.0	0.0	0.0	11.0	10.3	9.6
Target EV/EBIT	0.0	0.0	0.0	0.0	11.4	10.7	10.1
Target EV/FCF	0.0	0.0	0.0	0.0	24.7	19.1	12.6
Target P/B	0.0	0.0	0.0	0.0	4.1	3.6	3.2
Target P/E	0.0	0.0	0.0	0.0	13.6	12.8	12.4
Per share measures							
Number of shares	145,600	147,116	153,755	156,459	156,617	156,617	156,617
Number of shares (diluted)	145,600	147,116	153,755	156,459	156,617	156,617	156,617
EPS	0.10	0.05	0.09	0.03	0.25	0.27	0.27
Operating cash flow per share	-0.02	-0.03	0.00	-0.08	0.25	0.27	0.29
Free cash flow per share	-0.03	-0.08	-0.01	-0.10	0.14	0.18	0.27
Book value per share	0.87	0.82	0.83	0.72	0.83	0.95	1.06
Dividend per share	0.11	0.12	0.13	0.14	0.15	0.16	0.20
Dividend payout ratio, %	104.9	218.9	143.1	426.1	59.8	60.1	72.0
Dividend yield, %	6.2	8.2	5.6	6.0	5.0	5.4	6.6
FCF yield, %	-1.7	-5.2	-0.2	-4.3	4.8	6.2	9.1
Efficiency measures							
ROE	12.0	6.5	11.3	4.3	32.4	30.0	27.4
ROCE	10.1	6.7	10.4	6.4	24.3	23.5	22.7
Financial ratios							
Inventories as % of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Receivables as % of sales	255.5	157.6	63.2	54.5	53.7	53.7	53.7
Non-interest bearing liabilities as % of sales	77.0	46.7	41.2	41.9	41.9	41.9	41.9
NWC/sales, %	176.1	96.8	12.9	9.6	9.7	10.1	10.2
Operative CAPEX/sales, %	1.9	-5.2	12.0	8.0	28.4	18.0	3.6
CAPEX/sales (incl. acquisitions), %	1.9	-28.6	10.9	7.4	28.4	18.0	3.6
FCFF/EBITDA	1.2	3.8	0.6	0.4	0.6	0.7	0.9
Net debt/EBITDA, book-weighted	1.2	0.7	0.7	1.8	0.5	0.4	0.0
Debt/equity, market-weighted	0.2	0.3	0.2	0.2	0.2	0.2	0.1
Equity ratio, book-weighted	60.0	57.8	59.8	51.8	55.3	55.7	61.4
Gearing, %	19.7	6.9	12.6	22.5	19.0	13.0	1.2

COMPANY DESCRIPTION: CapMan is a leading Nordic asset management and investment company. CapMan manages over EUR 4.0 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, Credit and Special situations. CapMan also has a growing service business that includes 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	48.355	10.4%
Ilmarinen Mutual Pension Insurance Company	10,318,326	30.749	6.6%
Laakkonen Mikko Kalervo	6,378,320	19.007	4.1%
Oy Inventiainvest AB	4,486,860	13.371	2.9%
Varma Mutual Pension Insurance Company	3,675,215	10.952	2.3%
Joensuun Kauppa ja Kone Oy	3,289,502	9.803	2.1%
Vesasco Oy	3,088,469	9.204	2.0%
The State Pension Fund	2,500,000	7.450	1.6%
Nordea Funds	2,254,997	6.720	1.4%
Momea Invest Oy	2,150,000	6.407	1.4%
Ten largest	54,368,208	162.017	35%
Residual	102,249,085	304.702	65%
Total	156,617,293	466.720	100%

EARNINGS CALENDAR

February 03, 2022	FY 2021 Results
April 28, 2022	Q1 report
August 04, 2022	Q2 report
October 27, 2022	Q3 report

OTHER EVENTS

March 16, 2022	AGM
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COMPANY MISCELLANEOUS

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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, %	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholder's equity} + \text{minority interest} + \text{taxed provisions (average)}}$		

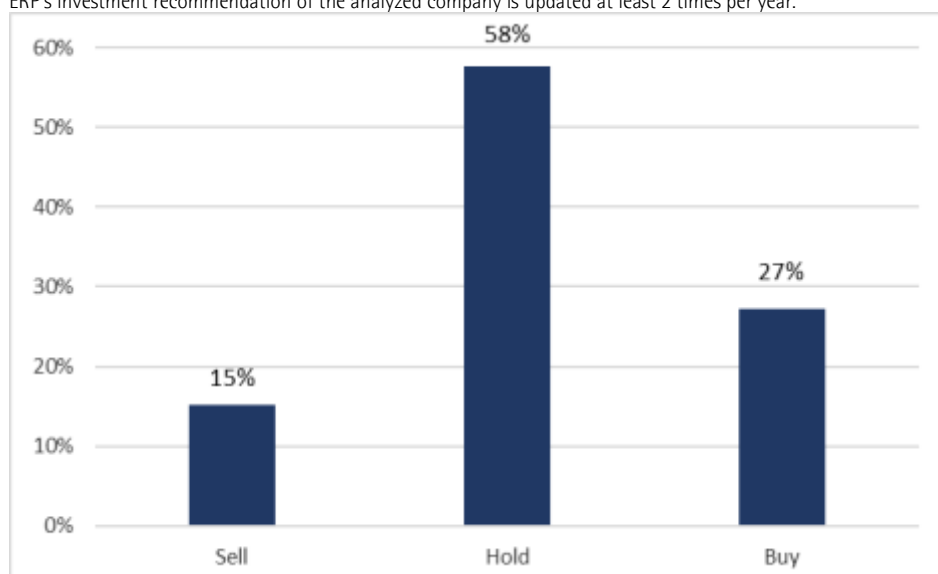
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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

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