

## Decent quarter with some surprises

CapMan's operative performance in Q4 was quite decent with the big surprise being the divestment of JAY Solutions. The outlook for 2023 remains quite good and the investment case attractive despite some uncertainty.

### Operatively quite as expected

CapMan reported operatively rather decent Q4 figures. The larger surprises came in the divestment of JAY Solutions (CapMan's ownership 60%) and appointment of a new CEO. JAY Solutions was sold to Bas Invest for a consideration of EUR 8.5m at an attractive valuation of ~4x sales. CapMan, however, booked an EUR 2.6m goodwill impairment charge due to an accounting technicality relating to the option for the minority stake. As a result, EBIT came in softer than expected at EUR 7.5m (EUR 11.4m/9.6m Evli/cons.), adj. EBIT at EUR 10.1m. CapMan's BoD proposed a dividend of EUR 0.17, a notch above expectations (EUR 0.16 Evli/cons.), for a dividend yield of ~6%.

### Outlook remains quite good

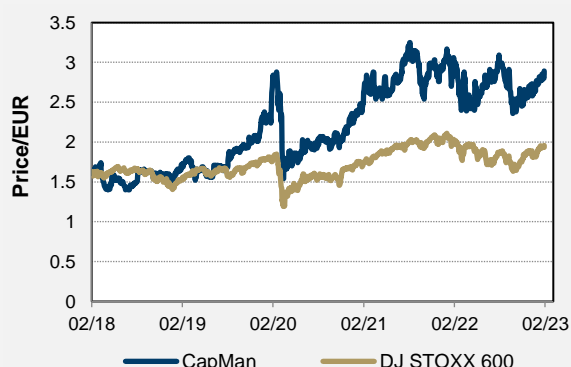
The overall fairly decent fundraising and transaction outlook does not appear to have changed at least for the worse in the past months. The fundraising activity is seeing some support from a rebound in previous investment decision making slowness, with recent development in some funds having been slower than expected. We expect similar operating profit levels in 2023 as in 2022. The expected larger negative is in fund returns, after a stellar comparison period. We expect the Management Company business to clearly improve mainly through increased carried interest while expecting the Services business to improve on an adj. basis through growth and divestment of the loss-making JAY solutions.

### BUY with a target price of EUR 3.2 (3.1)

CapMan in our view continues to convince despite some market softness. The market situation and an on our estimates higher expected share of more uncertain carried interest creates some uncertainty. With the not too challenging valuation level and the ~6% dividend yield the investment case remains attractive. We retain our BUY-rating with a TP of EUR 3.2 (3.1).

## Rating

BUY



Share price, EUR (Last trading day's closing price) 2.89  
 Target price, EUR 3.2

Latest change in recommendation 29-Apr-21  
 Latest report on company 28-Oct-22  
 Research paid by issuer: YES  
 No. of shares outstanding, '000's 158,055  
 No. of shares fully diluted, '000's 158,055  
 Market cap, EURm 457  
 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 28-Apr-23  
 Web site capman.com/shareholders

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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
2021	52.8	44.6	84.6%	11.1	0.22	13.9	9.5	11.2	2.3	0.15
2022	67.5	53.1	78.6%	3.0	0.25	10.8	7.0	8.9	0.7	0.17
2023E	77.9	54.9	70.5%	43.8	0.28	10.4	6.2	8.8	9.6	0.18
2024E	89.7	63.5	70.9%	50.5	0.32	9.0	5.1	7.2	11.0	0.20
2025E	101.8	73.8	72.5%	60.1	0.38	7.6	4.2	5.8	13.2	0.24
Market cap, EURm	457		Gearing 2023E, %	12.8		CAGR EPS 2022-25, %		15.0		
Net debt 2023E, EURm	20		Price/book 2023E	2.9		CAGR sales 2022-25, %		14.6		
Enterprise value, EURm	483		Dividend yield 2023E, %	6.2		ROE 2023E, %		29.6		
Total assets 2023E, EURm	283		Tax rate 2023E, %	13.0		ROCE 2023E, %		22.9		
Goodwill 2023E, EURm	8		Equity ratio 2023E, %	56.2		PEG, P/E 23/CAGR		0.9		

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

CapMan	2021	Q1/'22	Q2/'22	Q3/'22	Q4/'22	2022	Q1/'23E	Q2/'23E	Q3/'23E	Q4/'23E	2023E	2024E	2025E
Revenue	52.8	14.2	17.7	15.9	19.7	67.5	16.9	18.4	20.3	22.2	77.9	89.7	101.8
change, %	22.8%	25.7%	48.8%	6.9%	34.1%	27.9%	19.2%	4.3%	27.6%	12.7%	15.4%	15.1%	13.5%
Other operating income	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Materials and services	0.0	-0.1	-0.3	-0.3	-0.3	-1.0	-0.3	-0.3	-0.3	-0.3	-1.2	-1.3	-1.3
Personnel expenses	-30.6	-7.3	-10.0	-7.7	-9.7	-34.7	-7.2	-8.3	-8.1	-9.7	-33.4	-37.8	-41.9
Other operating expenses	-10.0	-2.3	-2.6	-2.9	-3.4	-11.2	-2.4	-2.8	-3.0	-3.6	-11.8	-12.4	-13.0
Depreciation and amortisation	-1.6	-0.4	-0.4	-0.4	-3.0	-4.1	-0.4	-0.4	-0.4	-0.4	-1.6	-1.7	-1.7
Fair value changes	33.9	14.7	9.8	8.0	4.1	36.5	5.0	6.0	6.0	8.0	25.0	27.0	30.0
Operating profit	44.6	18.9	14.1	12.7	7.5	53.1	11.6	12.7	14.4	16.2	54.9	63.5	73.8
Operating profit margin, %	84.6%	>100 %	79.8%	79.7%	37.8%	78.6%	68.2%	68.9%	71.2%	72.9%	70.5%	70.9%	72.5%
Items affecting comparability	0.0	0.0	0.0	0.0	2.6	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adj. operating profit	44.6	18.9	14.1	12.7	10.1	55.7	11.6	12.7	14.4	16.2	54.9	63.5	73.8
Net financials	-4.0	-2.6	-1.1	-0.5	-1.3	-5.5	-1.1	-1.1	-1.1	-1.1	-4.4	-3.9	-3.1
Pre-tax profit	40.6	16.3	13.0	12.2	6.1	47.6	10.5	11.6	13.3	15.1	50.5	59.7	70.7
Income taxes	-5.2	-2.9	-1.2	-1.4	-1.1	-6.6	-1.4	-1.5	-1.7	-2.0	-6.6	-7.8	-9.2
Minority interest	-1.0	-0.1	-0.2	-0.5	-0.6	-1.4	-0.3	-0.3	-0.3	-0.3	-1.1	-1.2	-1.2
Profit for the period	34.3	13.3	11.6	10.2	4.5	39.6	8.8	9.8	11.3	12.9	42.9	50.7	60.3
EPS, EUR	0.22	0.09	0.07	0.07	0.03	0.25	0.06	0.06	0.07	0.08	0.27	0.32	0.38
Assets under management	4908					5039					5500	6500	7600
Management Company business	2021	Q1/'22	Q2/'22	Q3/'22	Q4/'22	2022	Q1/'23E	Q2/'23E	Q3/'23E	Q4/'23E	2023E	2024E	2025E
Revenue	43.6	11.7	14.5	12.6	17.1	55.9	14.7	15.8	17.7	19.2	67.5	77.9	88.7
-Fee income	40.8	10.4	11.4	11.6	12.9	46.2	11.7	12.8	13.1	14.6	52.3	61.1	70.3
-Carried interest	2.9	1.3	3.2	1.0	4.1	9.6	3.0	3.0	4.6	4.6	15.2	16.7	18.4
Operating profit	13.2	4.4	6.1	4.2	7.6	22.3	6.9	6.8	8.5	9.0	31.2	37.3	44.1
Investment business	2021	Q1/'22	Q2/'22	Q3/'22	Q4/'22	2022	Q1/'23E	Q2/'23E	Q3/'23E	Q4/'23E	2023E	2024E	2025E
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	32.7	14.5	9.6	7.9	3.7	35.7	4.9	5.9	5.9	7.6	24.2	26.1	29.1
Services business	2021	Q1/'22	Q2/'22	Q3/'22	Q4/'22	2022	Q1/'23E	Q2/'23E	Q3/'23E	Q4/'23E	2023E	2024E	2025E
Revenue	8.6	2.5	3.2	3.1	2.4	11.1	2.2	2.6	2.4	2.7	9.9	11.2	12.4
Operating profit	4.2	1.4	1.7	1.8	-1.9	3.0	1.3	1.6	1.5	1.5	5.9	6.8	7.6
Other	2021	Q1/'22	Q2/'22	Q3/'22	Q4/'22	2022	Q1/'23E	Q2/'23E	Q3/'23E	Q4/'23E	2023E	2024E	2025E
Revenue	0.5	0.0	0.0	0.2	0.3	0.6	0.0	0.0	0.2	0.3	0.6	0.6	0.6
Operating profit	-5.4	-1.4	-3.3	-1.3	-1.9	-7.9	-1.5	-1.6	-1.4	-1.9	-6.3	-6.6	-7.0

Source: CapMan, Evli Research estimates

Finnish financial services peers	MCAP MEUR	EV/EBIT			P/E			Div. yield		
		22	23	24	22	23	24	22	23	24
eQ	952	21.5x	17.8x	15.8x	24.1x	21.8x	19.6x	4.3 %	4.7 %	5.2 %
Taaleri Plc	363	11.1x	12.3x	14.9x	17.3x	15.8x	18.8x	7.1 %	6.9 %	4.4 %
Evli	480	15.3x	12.1x	10.3x	23.1x	15.3x	11.9x	6.3 %	8.6 %	10.3 %
United Bankers Oyj	154	10.9x	10.3x	8.3x	15.2x	13.8x	11.3x	5.6 %	6.3 %	6.9 %
Titanium Oyj	174				12.5x	11.7x	11.0x	6.7 %	7.2 %	7.7 %
Peer Group Average	425	14.7x	13.1x	12.3x	18.5x	15.7x	14.5x	6.0 %	6.7 %	6.9 %
Peer Group Median	363	13.2x	12.2x	12.6x	17.3x	15.3x	11.9x	6.3 %	6.9 %	6.9 %
CapMan (Evli est.)	457	8.9x	8.8x	7.2x	10.8x	10.4x	9.0x	6.3 %	6.2 %	6.9 %

CapMan prem./disc. to peer median

-33 % -28 % -42 % -37 % -32 % -24 % 0 % -9 % 0 %

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	2.89 PV of Free Cash Flow	439 Long-term growth, %	2.0 Risk-free interest rate, %	2.25
DCF share value	6.37 PV of Horizon value	612 WACC, %	7.9 Market risk premium, %	5.8
Share price potential, %	120.5 Unconsolidated equity	-6 Spread, %	0.5 Debt risk premium, %	2.8
Maximum value	7.0 Marketable securities	56 Minimum WACC, %	7.4 Equity beta coefficient	1.10
Minimum value	5.8 Debt - dividend	-93 Maximum WACC, %	8.4 Target debt ratio, %	30
Horizon value, %	58.3 Value of stock	1,007 Nr of shares, Mn	158.1 Effective tax rate, %	20

DCF valuation, EURm	2022	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	Horizon
Net sales	68	78	90	102	104	107	110	112	115	118	120	123
<i>Sales growth, %</i>	<i>27.9</i>	<i>15.4</i>	<i>15.1</i>	<i>13.5</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)	53	55	64	74	73	75	77	79	81	83	84	86
<i>Operating income margin, %</i>	<i>78.6</i>	<i>70.5</i>	<i>70.9</i>	<i>72.5</i>	<i>70.0</i>	<i>70.0</i>	<i>70.0</i>	<i>70.0</i>	<i>70.0</i>	<i>70.0</i>	<i>70.0</i>	<i>70.0</i>
+ Depreciation+amort.	4	2	2	2	2	2	2	2	2	2	2	2
EBITDA	57	57	65	76	75	77	79	81	83	85	87	
- Paid taxes	-4	-7	-8	-10	-9	-10	-10	-10	-10	-11	-11	
- Change in NWC	-10	0	0	0	0	0	0	0	0	0	0	
<i>NWC / Sales, %</i>	<i>7.6</i>	<i>6.7</i>	<i>5.9</i>	<i>5.3</i>	<i>5.1</i>	<i>5.0</i>	<i>4.9</i>	<i>4.8</i>	<i>4.7</i>	<i>4.6</i>	<i>4.6</i>	
+ Change in other liabs	2	0	0	0	0	0	0	0	0	0	0	
- Operative CAPEX	0	0	0	0	0	0	0	0	0	0	0	
<i>opCAPEX / Sales, %</i>	<i>4.9</i>	<i>2.2</i>	<i>2.0</i>	<i>1.8</i>	<i>1.8</i>	<i>1.8</i>	<i>1.9</i>	<i>1.9</i>	<i>2.0</i>	<i>2.0</i>	<i>2.0</i>	
- 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	-32	0	0	0	0	0	0	0	0	0	0	
= FCFF	13	49	57	66	65	67	68	70	72	74	75	1,300
= Discounted FCFF		46	49	53	48	46	44	41	39	37	35	612
= DFCF min WACC		46	49	53	49	47	45	43	41	39	37	700
= DFCF max WACC		46	48	52	47	45	42	40	38	36	34	539

## INTERIM FIGURES

EVLI ESTIMATES, EURm	2022Q1	2022Q2	2022Q3	2022Q4	2022	2023Q1E	2023Q2E	2023Q3E	2023Q4E	2023E	2024E	2025E
Net sales	14.2	17.7	15.9	19.7	67.5	16.9	18.4	20.3	22.2	77.9	89.7	101.8
EBITDA	19.3	14.5	13.0	10.5	57.3	12.0	13.1	14.8	16.6	56.5	65.2	75.5
<i>EBITDA margin (%)</i>	<i>135.5</i>	<i>82.2</i>	<i>81.9</i>	<i>53.0</i>	<i>84.8</i>	<i>70.6</i>	<i>71.1</i>	<i>73.2</i>	<i>74.7</i>	<i>72.6</i>	<i>72.7</i>	<i>74.2</i>
EBIT	18.9	14.1	12.7	7.5	53.1	11.6	12.7	14.4	16.2	54.9	63.5	73.8
<i>EBIT margin (%)</i>	<i>132.7</i>	<i>79.8</i>	<i>79.7</i>	<i>37.8</i>	<i>78.6</i>	<i>68.2</i>	<i>68.9</i>	<i>71.2</i>	<i>72.9</i>	<i>70.5</i>	<i>70.9</i>	<i>72.5</i>
Net financial items	-2.6	-1.1	-0.5	-1.3	-5.5	-1.1	-1.1	-1.1	-1.1	-4.4	-3.9	-3.1
Pre-tax profit	16.3	13.0	12.2	6.1	47.6	10.5	11.6	13.3	15.1	50.5	59.7	70.7
Tax	-2.9	-1.2	-1.4	-1.1	-6.6	-1.4	-1.5	-1.7	-2.0	-6.6	-7.8	-9.2
<i>Tax rate (%)</i>	<i>17.7</i>	<i>9.2</i>	<i>11.9</i>	<i>12.1</i>	<i>13.1</i>	<i>13.0</i>	<i>13.0</i>	<i>13.0</i>	<i>13.0</i>	<i>13.0</i>	<i>13.0</i>	<i>13.0</i>
Net profit	13.3	11.6	10.2	4.5	39.6	9.1	10.1	11.6	13.2	44.0	50.7	60.3
EPS	0.08	0.07	0.06	0.03	0.25	0.06	0.06	0.07	0.08	0.28	0.32	0.38
EPS adjusted (diluted no. of shares)	0.08	0.07	0.06	0.03	0.25	0.06	0.06	0.07	0.08	0.28	0.32	0.38
Dividend per share	0.00	0.00	0.00	0.00	0.17	0.00	0.00	0.00	0.00	0.18	0.20	0.24
<b>SALES, EURm</b>												
Management Company business	11.7	14.5	12.6	17.1	55.9	14.7	15.8	17.7	19.2	67.5	77.9	88.7
Service business	2.5	3.2	3.1	2.3	11.1	2.2	2.6	2.4	2.7	9.9	11.2	12.4
Other & eliminations	0.0	0.0	0.2	0.3	0.6	0.0	0.0	0.2	0.3	0.6	0.6	0.6
Total	14.2	17.7	15.9	19.7	67.5	16.9	18.4	20.3	22.2	77.9	89.7	101.8
<b>SALES GROWTH, Y/Y %</b>												
Management Company business	29.3	46.8	-2.6	44.9	28.0	26.1	9.0	40.3	12.7	20.8	15.4	13.9
Service business	11.3	59.1	59.7	-3.5	29.0	-12.7	-17.5	-22.5	14.9	-10.9	13.0	11.0
Other & eliminations	-36.4	-9.1	2,040.0	-36.1	3.2	0.0	0.0	0.0	0.3	0.2	10.3	5.0
Total	25.7	48.8	6.9	34.1	27.9	19.2	4.3	27.6	12.7	15.4	15.1	13.5
<b>EBIT, EURm</b>												
Management Company business	4.4	6.1	4.2	7.6	22.3	6.9	6.8	8.5	9.0	31.2	37.3	44.1
Investment business	14.5	9.6	7.9	3.7	35.7	4.9	5.9	5.9	7.6	24.2	26.1	29.1
Service business	1.4	1.7	1.8	-1.9	3.0	1.3	1.6	1.5	1.5	5.9	6.8	7.6
Other & eliminations	-1.4	-3.3	-1.3	-1.9	-7.9	-1.5	-1.6	-1.4	-1.9	-6.3	-6.6	-7.0
Total	18.9	14.1	12.7	7.5	53.1	11.6	12.7	14.4	16.2	54.9	63.5	73.8
<b>EBIT margin, %</b>												
Management Company business	37.6	42.0	33.7	44.4	39.9	46.8	43.2	48.0	46.8	46.3	47.9	49.7
Service business	54.4	52.9	59.6	-79.6	27.1	59.1	61.5	62.5	55.6	59.6	60.7	61.4
Other & eliminations	-19,814.3	-32,780.0	-630.4	-595.7	-1,434.4	-21,328.6	-15,900.0	-647.7	-581.1	-1,145.5	-1,086.2	-1,086.2
Total	132.7	79.8	79.7	37.8	78.6	68.2	68.9	71.2	72.9	70.5	70.9	72.5

INCOME STATEMENT, EURm	2018	2019	2020	2021	2022	2023E	2024E	2025E
Sales	36.0	49.0	43.0	52.8	67.5	77.9	89.7	101.8
<i>Sales growth (%)</i>	<i>3.3</i>	<i>36.1</i>	<i>-12.2</i>	<i>22.8</i>	<i>27.9</i>	<i>15.4</i>	<i>15.1</i>	<i>13.5</i>
EBITDA	12.2	25.0	13.9	46.2	57.3	56.5	65.2	75.5
<i>EBITDA margin (%)</i>	<i>33.8</i>	<i>51.0</i>	<i>32.2</i>	<i>87.4</i>	<i>84.8</i>	<i>72.6</i>	<i>72.7</i>	<i>74.2</i>
Depreciation	-0.2	-1.4	-1.5	-1.5	-1.6	-1.6	-1.6	-1.7
EBITA	12.0	23.6	12.3	44.6	55.7	54.9	63.5	73.8
Goodwill amortization / writedown	0.0	-4.2	0.0	0.0	-2.6	0.0	0.0	0.0
EBIT	12.0	19.4	12.3	44.6	53.1	54.9	63.5	73.8
<i>EBIT margin (%)</i>	<i>33.2</i>	<i>39.6</i>	<i>28.7</i>	<i>84.6</i>	<i>78.6</i>	<i>70.5</i>	<i>70.9</i>	<i>72.5</i>
Reported EBIT	12.0	19.4	12.3	44.6	53.1	54.9	63.5	73.8
<i>EBIT margin (reported) (%)</i>	<i>33.2</i>	<i>39.6</i>	<i>28.7</i>	<i>84.6</i>	<i>78.6</i>	<i>70.5</i>	<i>70.9</i>	<i>72.5</i>
Net financials	-2.7	-1.8	-3.1	-4.0	-5.5	-4.4	-3.9	-3.1
Pre-tax profit	9.3	17.6	9.2	40.6	47.6	50.5	59.7	70.7
Taxes	-0.8	-1.7	-2.9	-5.2	-6.6	-6.6	-7.8	-9.2
Minority shares	-0.4	-1.9	-1.1	-1.0	-1.4	0.0	-1.2	-1.2
Net profit	8.1	14.0	5.1	34.3	39.6	44.0	50.7	60.3
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
<b>BALANCE SHEET, EURm</b>								
Assets								
Fixed assets	88	120	117	131	170	170	170	170
Goodwill	5	15	15	15	8	8	8	8
Right of use assets	3	3	2	1	3	3	3	3
Inventory	0	0	0	0	0	0	0	0
Receivables	57	31	23	25	32	36	41	45
Liquid funds	55	44	58	65	56	64	74	84
Total assets	209	217	219	240	271	283	298	312
Liabilities								
Shareholder's equity	121	127	113	126	140	157	179	208
Minority interest	0	2	1	2	2	2	2	2
Convertibles	0	0	0	0	0	0	0	0
Lease liabilities	3	3	2	1	3	3	3	3
Deferred taxes	3	2	3	5	8	8	8	8
Interest bearing debt	60	57	81	82	90	81	69	50
Non-interest bearing current liabilities	17	20	18	24	26	30	34	39
Other interest-free debt	5	5	1	1	1	1	1	1
Total liabilities	209	217	219	240	271	283	298	312
<b>CASH FLOW, EURm</b>								
+ EBITDA	12	25	14	46	57	57	65	76
- Net financial items	-3	-2	-3	-4	-5	-4	-4	-3
- Taxes	-3	-5	-4	-3	-3	-7	-8	-9
- Increase in Net Working Capital	-7	-3	-16	5	-10	0	0	0
+/- Other	-4	-16	-3	-33	-32	0	-1	-1
= Cash flow from operations	-5	0	-12	11	6	45	52	62
- Capex	2	-6	-3	0	-3	-2	-2	-2
- Acquisitions	-8	-1	0	0	0	0	0	0
+ Divestments	0	6	0	0	0	0	0	0
= Free cash flow	-11	-1	-16	11	3	44	50	60
+/- New issues/buybacks	2	12	-1	2	-1	0	0	0
- Paid dividend	-16	-18	-20	-22	-23	-27	-28	-32
+/- Other	56	-5	51	16	12	-8	-12	-19
Change in cash	31	-11	14	7	-10	9	10	10

KEY FIGURES	2019	2020	2021	2022	2023E	2024E	2025E
M-cap	354	363	476	428	457	457	457
Net debt (excl. convertibles)	16	26	18	37	20	-2	-30
Enterprise value	377	391	500	472	483	461	431
Sales	49	43	53	68	78	90	102
EBITDA	25	14	46	57	57	65	76
EBIT	19	12	45	53	55	64	74
Pre-tax	18	9	41	48	51	60	71
Earnings	14	5	34	40	44	51	60
Equity book value (excl. minorities)	127	113	126	140	157	179	208
<b>Valuation multiples</b>							
EV/sales	7.7	9.1	9.5	7.0	6.2	5.1	4.2
EV/EBITDA	15.1	28.2	10.8	8.2	8.5	7.1	5.7
EV/EBITA	15.9	31.7	11.2	8.5	8.8	7.2	5.8
EV/EBIT	19.4	31.7	11.2	8.9	8.8	7.2	5.8
EV/OCF	-1,037.5	-32.8	45.4	78.1	10.6	8.8	7.0
EV/FCFF	23.7	70.9	14.7	35.5	9.9	8.1	6.6
P/FCFE	-404.4	-23.2	42.9	140.8	10.4	9.1	7.6
P/E	25.4	70.6	13.9	10.8	10.4	9.0	7.6
P/B	2.8	3.2	3.8	3.1	2.9	2.5	2.2
Target EV/EBITDA	0.0	0.0	0.0	0.0	9.3	7.8	6.3
Target EV/EBIT	0.0	0.0	0.0	0.0	9.6	8.0	6.5
Target EV/FCF	0.0	0.0	0.0	0.0	12.1	10.0	8.0
Target P/B	0.0	0.0	0.0	0.0	3.2	2.8	2.4
Target P/E	0.0	0.0	0.0	0.0	11.5	10.0	8.4
<b>Per share measures</b>							
Number of shares	153,755	156,459	156,617	158,055	158,055	158,055	158,055
Number of shares (diluted)	153,755	156,459	156,617	158,055	158,055	158,055	158,055
EPS	0.09	0.03	0.22	0.25	0.28	0.32	0.38
Operating cash flow per share	0.00	-0.08	0.07	0.04	0.29	0.33	0.39
Free cash flow per share	-0.01	-0.10	0.07	0.02	0.28	0.32	0.38
Book value per share	0.83	0.72	0.80	0.89	0.99	1.14	1.32
Dividend per share	0.13	0.14	0.15	0.17	0.18	0.20	0.24
Dividend payout ratio, %	143.1	426.1	68.5	67.8	64.7	62.3	62.0
Dividend yield, %	5.6	6.0	4.9	5.9	6.2	6.9	8.2
FCF yield, %	-0.2	-4.3	2.3	0.7	9.6	11.0	13.2
<b>Efficiency measures</b>							
ROE	11.3	4.3	28.8	29.8	29.6	30.1	31.1
ROCE	10.4	6.4	21.9	23.8	22.9	25.5	28.5
<b>Financial ratios</b>							
Inventories as % of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Receivables as % of sales	63.2	54.5	47.9	47.5	46.4	45.4	44.6
Non-interest bearing liabilities as % of sales	41.2	41.9	46.0	38.2	38.2	38.2	38.2
NWC/sales, %	12.9	9.6	0.1	7.6	6.7	5.9	5.3
Operative CAPEX/sales, %	12.0	8.0	0.7	4.9	2.2	2.0	1.8
CAPEX/sales (incl. acquisitions), %	10.9	7.4	0.7	4.9	2.2	2.0	1.8
FCFF/EBITDA	0.6	0.4	0.7	0.2	0.9	0.9	0.9
Net debt/EBITDA, book-weighted	0.7	1.8	0.4	0.7	0.4	0.0	-0.4
Debt/equity, market-weighted	0.2	0.2	0.2	0.2	0.2	0.2	0.1
Equity ratio, book-weighted	59.8	51.8	53.0	52.5	56.2	61.0	67.3
Gearing, %	12.6	22.5	14.0	26.3	12.8	-0.9	-14.3

**COMPANY DESCRIPTION:** CapMan is a leading Nordic asset management and investment company. CapMan manages over EUR 5 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 consisting of procurement activities provider CaPs

**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 in an approaching carry. Good cash flows and a healthy balance sheet support continued high dividend payouts.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Silvertärnan Ab	21,280,519	61.501	13.5%
Ilmarinen Mutual Pension Insurance Company	9,650,326	27.889	6.1%
Laakkonen Mikko Kalervo	6,478,320	18.722	4.1%
Varma Mutual Pension Insurance Company	3,675,215	10.621	2.3%
Joensuun Kauppa ja Kone Oy	3,289,502	9.507	2.1%
Vesasco Oy	3,088,469	8.926	2.0%
The State Pension Fund	2,500,000	7.225	1.6%
Momea Invest Oy	2,150,000	6.214	1.4%
Laakkonen Hannu	1,992,742	5.759	1.3%
Laine Capital Oy	1,523,348	4.402	1.0%
Ten largest	55,628,441	160.766	35%
Residual	102,426,527	296.013	65%
Total	158,054,968	456.779	100%

**EARNINGS CALENDAR**

April 28, 2023	Q1 report
August 03, 2023	Q2 report
October 26, 2023	Q3 report

**OTHER EVENTS****COMPANY MISCELLANEOUS**

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



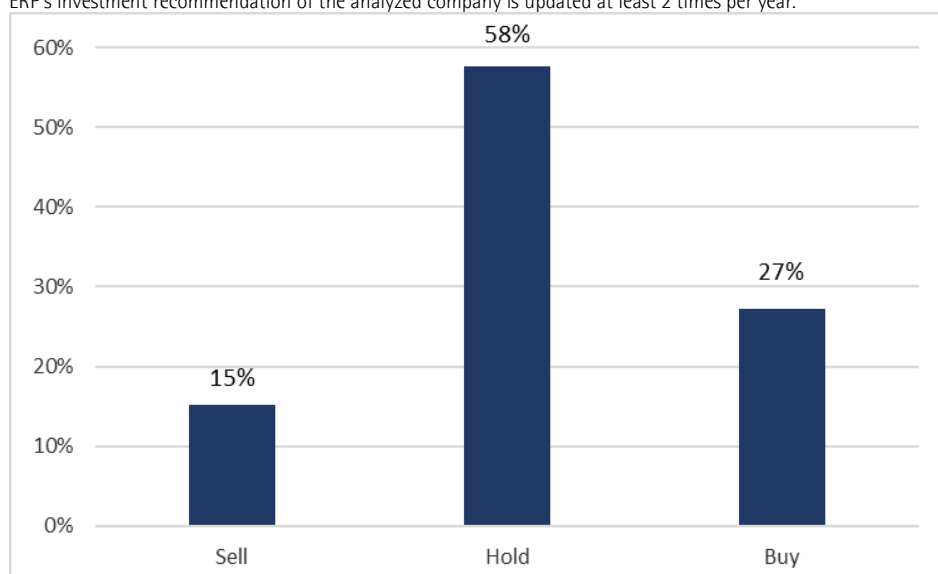
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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

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