

## Steady as she goes

CapMan showed good progress across the board in Q2. The Services business is showing signs of bringing the growth pace up a notch and the overall expectations remain favourable. We retain our BUY-rating and TP of EUR 3.4.

### Q2 results slightly better than expected

CapMan reported slightly better than expected Q2 results. Turnover amounted to EUR 17.7m (EUR 16.5m/17.8m Evli/cons.) while operating profit amounted to EUR 14.1m (11.5m/11.9m Evli/cons.). The Management company business performance was in line with expectations (EBIT 6.1m/6.1m act./Evli), with 3.2m in carried interest (Evli EUR 3.0m) mainly from CapMan's growth Equity fund. The Services business growth pace increased, and the business area exceeded our expectations on growth and profitability. The main deviations to our estimates came from fair value changes (EUR 9.8m/6.0m act./Evli) aided by the Picosun exit, CapMan's largest exit measured by exit value. A one-off cost of EUR 1.4m due to the early vesting of CapMan's 2020 performance share plan had a negative impact on costs.

### Good overall expectations for H2/2022

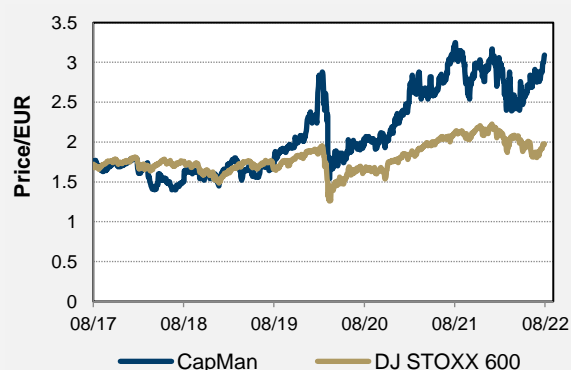
Our 2022 estimates revisions roughly correspond to the deviation in our Q2 estimates and actual figures, now expecting an operating profit of EUR 65.1m (2021: 44.6m). The carry potential remains in place, noting however the uncertainty relating to timing and magnitude. On-going and completed deals post-Q2 provide additional support for continued solid investment returns. AUM growth is supported by the Infra II fund (recent first close) and the new Social Real Estate strategy fund (first close H2/22e) along with other on-going fund raisings and open-ended products. We expect the net AUM growth pace to slightly slow down following increased exits.

### BUY-rating with a TP of EUR 3.4

Without larger changes to our estimates or views we retain our TP of EUR 3.4. Valuation remains favourable, with 2022e P/E at just below 10x. The high share of uncertain earnings from carry and investment returns remains a limiting factor for valuation upside, support is provided by growing dividend payments.

## Rating

BUY



Share price, EUR (Last trading day's closing price) 3.09

Target price, EUR 3.4

Latest change in recommendation	29-Apr-21
Latest report on company	29-Apr-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	488
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	27-Oct-22
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
2020	43.0	12.3	28.7%	-15.6	0.03	70.6	9.1	31.7	-4.3	0.14
2021	52.8	44.6	84.6%	11.1	0.22	13.9	9.5	11.2	2.3	0.15
2022E	73.6	65.1	88.4%	16.3	0.32	9.6	7.3	8.2	3.3	0.16
2023E	75.1	54.4	72.5%	41.4	0.26	11.8	6.9	9.5	8.5	0.17
2024E	80.1	60.0	74.9%	47.2	0.30	10.4	6.2	8.3	9.7	0.18
Market cap, EURm	488		Gearing 2022E, %	30.4		CAGR EPS 2021-24, %		10.8		
Net debt 2022E, EURm	42		Price/book 2022E	3.6		CAGR sales 2021-24, %		14.9		
Enterprise value, EURm	536		Dividend yield 2022E, %	5.2		ROE 2022E, %		38.9		
Total assets 2022E, EURm	286		Tax rate 2022E, %	12.9		ROCE 2022E, %		28.5		
Goodwill 2022E, EURm	15		Equity ratio 2022E, %	48.3		PEG, P/E 22/CAGR		-2.7		

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

CapMan	2020	Q1/'21	Q2/'21	Q3/'21	Q4/'21	2021	Q1/'22	Q2/'22	Q3/'22E	Q4/'22E	2022E	2023E	2024E
Management fees	32.9	9.0	9.6	10.7	11.5	40.8	10.4	11.4	11.8	12.2	45.7	48.5	50.9
Sale of services	9.3	2.3	2.0	1.9	2.9	9.2	2.5	3.2	2.9	3.8	12.4	14.2	15.6
Carried interest	0.9	0.0	0.3	2.2	0.3	2.9	1.3	3.2	5.0	6.0	15.5	12.4	13.6
Revenue	43.0	11.3	11.9	14.9	14.7	52.8	14.2	17.7	19.7	22.0	73.6	75.1	80.1
change, %	-12.2%	-5.3%	36.4%	66.9%	9.7%	22.8%	25.7%	48.8%	32.5%	49.7%	39.5%	2.0%	6.7%
Other operating income	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Materials and services	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.3	-0.1	-0.1	-0.6	-0.7	-0.8
Personnel expenses	-23.9	-6.3	-7.8	-7.5	-9.1	-30.6	-7.3	-10.0	-8.6	-9.5	-35.4	-35.4	-37.1
Other operating expenses	-9.7	-2.7	-2.0	-2.1	-3.1	-10.0	-2.3	-2.6	-2.2	-3.3	-10.4	-11.0	-11.5
Depreciation and amortisation	-1.5	-0.4	-0.4	-0.4	-0.4	-1.6	-0.4	-0.4	-0.4	-0.4	-1.5	-1.6	-1.7
Fair value changes	4.4	8.2	9.6	6.0	10.1	33.9	14.7	9.8	8.0	7.0	39.4	28.0	31.0
Operating profit	12.3	10.1	11.3	10.9	12.2	44.6	18.9	14.1	16.5	15.7	65.1	54.4	60.0
Operating profit margin, %	28.7%	89.6%	95.5%	73.4%	83.2%	84.6%	>100%	79.8%	83.5%	71.2%	88.4%	72.5%	74.9%
Items affecting comparability	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
Adj. operating profit	12.3	10.1	11.3	10.9	12.2	44.6	18.9	14.1	16.5	15.7	65.1	54.4	60.0
Net financials	-3.1	-0.9	-1.3	-0.8	-1.1	-4.0	-2.6	-1.1	-1.0	-1.0	-5.7	-6.0	-5.1
Pre-tax profit	9.2	9.3	10.1	10.2	11.1	40.6	16.3	13.0	15.5	14.7	59.5	48.4	55.0
Income taxes	-2.9	-1.5	-1.2	-0.8	-1.7	-5.2	-2.9	-1.2	-1.9	-1.8	-7.7	-6.3	-7.1
Minority interest	-1.1	-0.3	0.0	-0.4	-0.3	-1.0	-0.1	-0.2	-0.3	-0.3	-1.2	-1.2	-1.2
Profit for the period	6.3	7.5	8.8	9.0	9.0	34.3	13.3	11.6	13.3	12.7	50.6	41.0	46.7
EPS, EUR	0.04	0.05	0.06	0.06	0.06	0.22	0.09	0.07	0.09	0.08	0.32	0.26	0.30
Assets under management	3827	3889	4326	4341	4517	4517	4750	4834			5000	5300	5500
<b>Management Company business</b>	<b>2020</b>	<b>Q1/'21</b>	<b>Q2/'21</b>	<b>Q3/'21</b>	<b>Q4/'21</b>	<b>2021</b>	<b>Q1/'22</b>	<b>Q2/'22</b>	<b>Q3/'22E</b>	<b>Q4/'22E</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>
Revenue	33.7	9.0	9.9	12.9	11.8	43.6	11.7	14.5	16.8	18.2	61.2	60.9	64.5
Operating profit	9.5	2.5	2.4	5.1	3.2	13.2	4.4	6.1	8.2	8.9	27.6	25.6	27.5
<b>Investment business</b>	<b>2020</b>	<b>Q1/'21</b>	<b>Q2/'21</b>	<b>Q3/'21</b>	<b>Q4/'21</b>	<b>2021</b>	<b>Q1/'22</b>	<b>Q2/'22</b>	<b>Q3/'22E</b>	<b>Q4/'22E</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>
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	4.0	7.9	9.4	5.9	9.6	32.7	14.5	9.6	7.8	6.8	38.6	27.2	30.1
<b>Services business</b>	<b>2020</b>	<b>Q1/'21</b>	<b>Q2/'21</b>	<b>Q3/'21</b>	<b>Q4/'21</b>	<b>2021</b>	<b>Q1/'22</b>	<b>Q2/'22</b>	<b>Q3/'22E</b>	<b>Q4/'22E</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>
Revenue	8.6	2.3	2.0	1.9	2.4	8.6	2.5	3.2	2.9	3.3	11.9	13.6	15.0
Operating profit	4.6	1.2	0.7	1.1	1.2	4.2	1.4	1.7	1.7	1.8	6.5	8.0	9.1
<b>Other</b>	<b>2020</b>	<b>Q1/'21</b>	<b>Q2/'21</b>	<b>Q3/'21</b>	<b>Q4/'21</b>	<b>2021</b>	<b>Q1/'22</b>	<b>Q2/'22</b>	<b>Q3/'22E</b>	<b>Q4/'22E</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>
Revenue	0.7	0.0	0.0	0.0	0.5	0.5	0.0	0.0	0.0	0.5	0.6	0.6	0.6
Operating profit	-5.7	-1.4	-1.2	-1.1	-1.7	-5.4	-1.4	-3.3	-1.2	-1.8	-7.6	-6.4	-6.7

Source: CapMan, Evli Research estimates

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	3.09 PV of Free Cash Flow	351 Long-term growth, %	2.0 Risk-free interest rate, %	2.25
DCF share value	5.11 PV of Horizon value	504 WACC, %	7.9 Market risk premium, %	5.8
Share price potential, %	65.3 Unconsolidated equity	-6 Spread, %	0.5 Debt risk premium, %	2.8
Maximum value	5.6 Marketable securities	65 Minimum WACC, %	7.4 Equity beta coefficient	1.10
Minimum value	4.7 Debt - dividend	-107 Maximum WACC, %	8.4 Target debt ratio, %	30
Horizon value, %	59.0 Value of stock	807 Nr of shares, Mn	158.1 Effective tax rate, %	20

DCF valuation, EURm	2021	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	Horizon
Net sales	53	74	75	80	82	84	86	88	91	93	95	97
<i>Sales growth, %</i>	<i>22.8</i>	<i>39.5</i>	<i>2.0</i>	<i>6.7</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)	45	65	54	60	58	59	60	62	63	65	66	68
<i>Operating income margin, %</i>	<i>84.6</i>	<i>88.4</i>	<i>72.5</i>	<i>74.9</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.	2	2	2	2	2	2	2	2	2	2	2	2
EBITDA	46	67	56	62	59	61	62	64	65	67	69	
- Paid taxes	-3	-8	-7	-8	-7	-8	-8	-8	-8	-8	-9	
- Change in NWC	5	5	0	0	0	0	0	0	0	0	0	
<i>NWC / Sales, %</i>	<i>0.1</i>	<i>-7.3</i>	<i>-7.3</i>	<i>-7.2</i>	<i>-7.2</i>	<i>-7.1</i>	<i>-7.1</i>	<i>-7.1</i>	<i>-7.0</i>	<i>-7.0</i>	<i>-7.0</i>	
+ Change in other liabs	19	0	0	0	0	0	0	0	0	0	0	
- Operative CAPEX	0	-41	0	0	0	0	0	0	0	0	0	
<i>opCAPEX / Sales, %</i>	<i>0.7</i>	<i>56.7</i>	<i>2.1</i>	<i>2.2</i>	<i>2.2</i>	<i>2.2</i>	<i>2.3</i>	<i>2.3</i>	<i>2.3</i>	<i>2.4</i>	<i>2.3</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	-33	0	0	0	0	0	0	0	0	0	0	
= FCFF	34	23	49	54	51	53	54	56	57	58	60	1,030
= Discounted FCFF		22	44	45	40	38	36	34	32	31	29	504
= DFCF min WACC		23	44	45	40	39	37	35	34	32	30	575
= DFCF max WACC		22	43	44	39	37	35	33	31	30	28	445

## INTERIM FIGURES

EVLI ESTIMATES, EURm	2021Q1	2021Q2	2021Q3	2021Q4	2021	2022Q1	2022Q2	2022Q3E	2022Q4E	2022E	2023E	2024E
Net sales	11.3	11.9	14.9	14.7	52.8	14.2	17.7	19.7	22.0	73.6	75.1	80.1
EBITDA	10.5	11.7	11.3	12.6	46.2	19.3	14.5	16.9	16.1	66.7	55.9	61.6
<i>EBITDA margin (%)</i>	<i>92.8</i>	<i>98.5</i>	<i>76.1</i>	<i>85.9</i>	<i>87.4</i>	<i>135.5</i>	<i>82.2</i>	<i>85.5</i>	<i>73.0</i>	<i>90.6</i>	<i>74.5</i>	<i>76.9</i>
EBIT	10.1	11.3	10.9	12.2	44.6	18.9	14.1	16.5	15.7	65.1	54.4	60.0
<i>EBIT margin (%)</i>	<i>89.6</i>	<i>95.5</i>	<i>73.4</i>	<i>83.2</i>	<i>84.6</i>	<i>132.7</i>	<i>79.8</i>	<i>83.5</i>	<i>71.2</i>	<i>88.4</i>	<i>72.5</i>	<i>74.9</i>
Net financial items	-0.9	-1.3	-0.8	-1.1	-4.0	-2.6	-1.1	-1.0	-1.0	-5.7	-6.0	-5.1
Pre-tax profit	9.3	10.1	10.2	11.1	40.6	16.3	13.0	15.5	14.7	59.5	48.4	55.0
Tax	-1.5	-1.2	-0.7	-1.7	-5.2	-2.9	-1.2	-1.9	-1.8	-7.7	-6.3	-7.1
<i>Tax rate (%)</i>	<i>16.5</i>	<i>12.4</i>	<i>7.1</i>	<i>15.7</i>	<i>12.9</i>	<i>17.7</i>	<i>9.2</i>	<i>12.0</i>	<i>12.0</i>	<i>12.9</i>	<i>12.9</i>	<i>12.9</i>
Net profit	7.5	8.8	9.0	9.0	34.3	13.3	11.6	13.3	12.7	51.0	41.4	47.1
EPS	0.05	0.06	0.06	0.06	0.22	0.08	0.07	0.08	0.08	0.32	0.26	0.30
EPS adjusted (diluted no. of shares)	0.05	0.06	0.06	0.06	0.22	0.08	0.07	0.08	0.08	0.32	0.26	0.30
Dividend per share	0.00	0.00	0.00	0.00	0.15	0.00	0.00	0.00	0.00	0.16	0.17	0.18
<b>SALES, EURm</b>												
Management Company business	9.0	9.9	12.9	11.8	43.6	11.7	14.5	16.8	18.2	61.2	60.9	64.5
Service business	2.3	2.0	1.9	2.4	8.6	2.5	3.2	2.9	3.3	11.9	13.6	15.0
Other & eliminations	0.0	0.0	0.0	0.5	0.5	0.0	0.0	0.0	0.5	0.6	0.6	0.6
Total	11.3	11.9	14.9	14.7	52.8	14.2	17.7	19.7	22.0	73.6	75.1	80.1
<b>SALES GROWTH, Y/Y %</b>												
Management Company business	25.9	52.6	84.5	14.6	41.0	29.3	46.8	30.0	54.5	40.3	-0.6	6.0
Service business	-52.5	-10.2	7.1	-5.4	-24.1	11.3	59.1	49.1	35.5	37.6	15.0	10.0
Other & eliminations	57.1	-47.6	-90.0	-11.3	-23.0	-36.4	-9.1	5.0	5.0	3.9	5.0	5.0
Total	-5.3	36.5	66.9	9.7	22.8	25.7	48.8	32.5	49.7	39.5	2.0	6.7
<b>EBIT, EURm</b>												
Management Company business	2.5	2.4	5.1	3.2	13.2	4.4	6.1	8.2	8.9	27.6	25.6	27.5
Investment business	7.9	9.4	5.9	9.6	32.7	14.5	9.6	7.8	6.8	38.6	27.2	30.1
Service business	1.2	0.7	1.1	1.2	4.2	1.4	1.7	1.7	1.8	6.5	8.0	9.1
Other & eliminations	-1.4	-1.2	-1.1	-1.7	-5.4	-1.4	-3.3	-1.2	-1.8	-7.6	-6.4	-6.7
Total	10.1	11.3	10.9	12.2	44.6	18.9	14.1	16.5	15.7	65.1	54.4	60.0
<b>EBIT margin, %</b>												
Management Company business	27.5	24.7	39.1	27.3	30.2	37.6	42.0	48.8	49.0	45.1	42.0	42.6
Service business	52.5	36.9	55.2	48.6	48.4	54.4	52.9	58.5	54.5	55.0	58.9	60.8
Other & eliminations	-12,972.7	-10,990.9	-10,720.0	-340.1	-1,011.6	-19,814.3	-32,780.0	-11,328.6	-334.6	-1,369.7	-1,089.8	-1,089.8
Total	89.6	95.5	73.4	83.2	84.6	132.7	79.8	83.5	71.2	88.4	72.5	74.9

INCOME STATEMENT, EURm	2017	2018	2019	2020	2021	2022E	2023E	2024E
Sales	34.8	36.0	49.0	43.0	52.8	73.6	75.1	80.1
<i>Sales growth (%)</i>	<i>30.6</i>	<i>3.3</i>	<i>36.1</i>	<i>-12.2</i>	<i>22.8</i>	<i>39.5</i>	<i>2.0</i>	<i>6.7</i>
EBITDA	21.2	12.2	25.0	13.9	46.2	66.7	55.9	61.6
<i>EBITDA margin (%)</i>	<i>61.0</i>	<i>33.8</i>	<i>51.0</i>	<i>32.2</i>	<i>87.4</i>	<i>90.6</i>	<i>74.5</i>	<i>76.9</i>
Depreciation	-0.3	-0.2	-1.4	-1.5	-1.5	-1.6	-1.5	-1.6
EBITA	21.0	12.0	23.6	12.3	44.6	65.1	54.4	60.0
Goodwill amortization / writedown	-1.5	0.0	-4.2	0.0	0.0	0.0	0.0	0.0
EBIT	19.5	12.0	19.4	12.3	44.6	65.1	54.4	60.0
<i>EBIT margin (%)</i>	<i>55.9</i>	<i>33.2</i>	<i>39.6</i>	<i>28.7</i>	<i>84.6</i>	<i>88.4</i>	<i>72.5</i>	<i>74.9</i>
Reported EBIT	19.5	12.0	19.4	12.3	44.6	65.1	54.4	60.0
<i>EBIT margin (reported) (%)</i>	<i>55.9</i>	<i>33.2</i>	<i>39.6</i>	<i>28.7</i>	<i>84.6</i>	<i>88.4</i>	<i>72.5</i>	<i>74.9</i>
Net financials	-3.3	-2.7	-1.8	-3.1	-4.0	-5.7	-6.0	-5.1
Pre-tax profit	16.2	9.3	17.6	9.2	40.6	59.5	48.4	55.0
Taxes	-0.8	-0.8	-1.7	-2.9	-5.2	-7.7	-6.3	-7.1
Minority shares	0.0	-0.4	-1.9	-1.1	-1.0	-0.8	-0.8	-0.8
Net profit	15.3	8.1	14.0	5.1	34.3	51.0	41.4	47.1
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	93	88	120	117	131	171	171	172
Goodwill	5	5	15	15	15	15	15	15
Right of use assets	0	3	3	2	1	1	1	1
Inventory	0	0	0	0	0	0	0	0
Receivables	89	57	31	23	25	29	30	32
Liquid funds	23	55	44	58	65	66	68	72
Total assets	211	209	217	219	240	286	288	294
Liabilities								
Shareholder's equity	127	121	127	113	126	136	152	173
Minority interest	0	0	2	1	2	2	2	2
Convertibles	0	0	0	0	0	0	0	0
Lease liabilities	0	3	3	2	1	1	1	1
Deferred taxes	9	3	2	3	5	5	5	5
Interest bearing debt	48	60	57	81	82	107	92	76
Non-interest bearing current liabilities	27	17	20	18	24	34	35	37
Other interest-free debt	1	5	5	1	1	1	1	1
Total liabilities	211	209	217	219	240	286	288	294
<b>CASH FLOW, EURm</b>								
+ EBITDA	21	12	25	14	46	67	56	62
- Net financial items	-3	-3	-2	-3	-4	-6	-6	-5
- Taxes	-2	-3	-5	-4	-3	-8	-6	-7
- Increase in Net Working Capital	-2	-7	-3	-16	5	5	0	0
+/- Other	-18	-4	-16	-3	-33	-1	-1	-1
= Cash flow from operations	-4	-5	0	-12	11	58	43	49
- Capex	-1	2	-6	-3	0	-42	-2	-2
- Acquisitions	0	-8	-1	0	0	0	0	0
+ Divestments	0	0	6	0	0	0	0	0
= Free cash flow	-4	-11	-1	-16	11	16	41	47
+/- New issues/buybacks	-4	2	12	-1	2	-17	0	0
- Paid dividend	-13	-16	-18	-20	-22	-23	-25	-27
+/- Other	-1	56	-5	51	16	25	-15	-16
Change in cash	-22	31	-11	14	7	1	1	5

KEY FIGURES	2018	2019	2020	2021	2022E	2023E	2024E
M-cap	216	354	363	476	488	488	488
Net debt (excl. convertibles)	8	16	26	18	42	26	5
Enterprise value	225	377	391	500	536	519	498
Sales	36	49	43	53	74	75	80
EBITDA	12	25	14	46	67	56	62
EBIT	12	19	12	45	65	54	60
Pre-tax	9	18	9	41	59	48	55
Earnings	8	14	5	34	51	41	47
Equity book value (excl. minorities)	121	127	113	126	136	152	173
<b>Valuation multiples</b>							
EV/sales	6.3	7.7	9.1	9.5	7.3	6.9	6.2
EV/EBITDA	18.5	15.1	28.2	10.8	8.0	9.3	8.1
EV/EBITA	18.9	15.9	31.7	11.2	8.2	9.5	8.3
EV/EBIT	18.9	19.4	31.7	11.2	8.2	9.5	8.3
EV/OCF	-48.1	-1,037.5	-32.8	45.4	9.2	12.1	10.2
EV/FCFF	4.9	23.7	70.9	14.7	23.1	10.7	9.3
P/FCFE	-19.3	-404.4	-23.2	42.9	30.0	11.8	10.3
P/E	26.8	25.4	70.6	13.9	9.6	11.8	10.4
P/B	1.8	2.8	3.2	3.8	3.6	3.2	2.8
Target EV/EBITDA	0.0	0.0	0.0	0.0	8.7	10.1	8.8
Target EV/EBIT	0.0	0.0	0.0	0.0	8.9	10.4	9.1
Target EV/FCF	0.0	0.0	0.0	0.0	35.7	13.6	11.5
Target P/B	0.0	0.0	0.0	0.0	3.9	3.5	3.1
Target P/E	0.0	0.0	0.0	0.0	10.5	13.0	11.4
<b>Per share measures</b>							
Number of shares	147,116	153,755	156,459	156,617	158,055	158,055	158,055
Number of shares (diluted)	147,116	153,755	156,459	156,617	158,055	158,055	158,055
EPS	0.05	0.09	0.03	0.22	0.32	0.26	0.30
Operating cash flow per share	-0.03	0.00	-0.08	0.07	0.37	0.27	0.31
Free cash flow per share	-0.08	-0.01	-0.10	0.07	0.10	0.26	0.30
Book value per share	0.82	0.83	0.72	0.80	0.86	0.96	1.09
Dividend per share	0.12	0.13	0.14	0.15	0.16	0.17	0.18
Dividend payout ratio, %	218.9	143.1	426.1	68.5	49.6	64.9	60.4
Dividend yield, %	8.2	5.6	6.0	4.9	5.2	5.5	5.8
FCF yield, %	-5.2	-0.2	-4.3	2.3	3.3	8.5	9.7
<b>Efficiency measures</b>							
ROE	6.5	11.3	4.3	28.8	38.9	28.7	29.0
ROCE	6.7	10.4	6.4	21.9	28.5	22.0	24.0
<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	157.6	63.2	54.5	47.9	40.0	40.0	40.0
Non-interest bearing liabilities as % of sales	46.7	41.2	41.9	46.0	46.0	46.0	46.0
NWC/sales, %	96.8	12.9	9.6	0.1	-7.3	-7.3	-7.2
Operative CAPEX/sales, %	-5.2	12.0	8.0	0.7	56.7	2.1	2.2
CAPEX/sales (incl. acquisitions), %	-28.6	10.9	7.4	0.7	56.7	2.1	2.2
FCFF/EBITDA	3.8	0.6	0.4	0.7	0.3	0.9	0.9
Net debt/EBITDA, book-weighted	0.7	0.7	1.8	0.4	0.6	0.5	0.1
Debt/equity, market-weighted	0.3	0.2	0.2	0.2	0.2	0.2	0.2
Equity ratio, book-weighted	57.8	59.8	51.8	53.0	48.3	53.6	59.2
Gearing, %	6.9	12.6	22.5	14.0	30.4	16.8	3.1

**COMPANY DESCRIPTION:** CapMan is a leading Nordic asset management and investment company. CapMan manages over EUR 4.5 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 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 and reaching carry. Good cash flows and a healthy balance sheet support continued high dividend payouts.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Silvertärnan Ab	16,226,519	50.140	10.3%
Ilmarinen Mutual Pension Insurance Company	10,318,326	31.884	6.5%
Laakkonen Mikko Kalervo	6,478,320	20.018	4.1%
Oy Inventiainvest AB	4,011,860	12.397	2.5%
Varma Mutual Pension Insurance Company	3,675,215	11.356	2.3%
Joensuun Kauppa ja Kone Oy	3,289,502	10.165	2.1%
Vesasco Oy	3,088,469	9.543	2.0%
Nordea Funds	2,597,276	8.026	1.6%
The State Pension Fund	2,500,000	7.725	1.6%
Momea Invest Oy	2,150,000	6.644	1.4%
Ten largest	54,335,487	167.897	34%
Residual	103,719,481	320.493	66%
Total	158,054,968	488.390	100%

**EARNINGS CALENDAR**

October 27, 2022

Q3 report

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



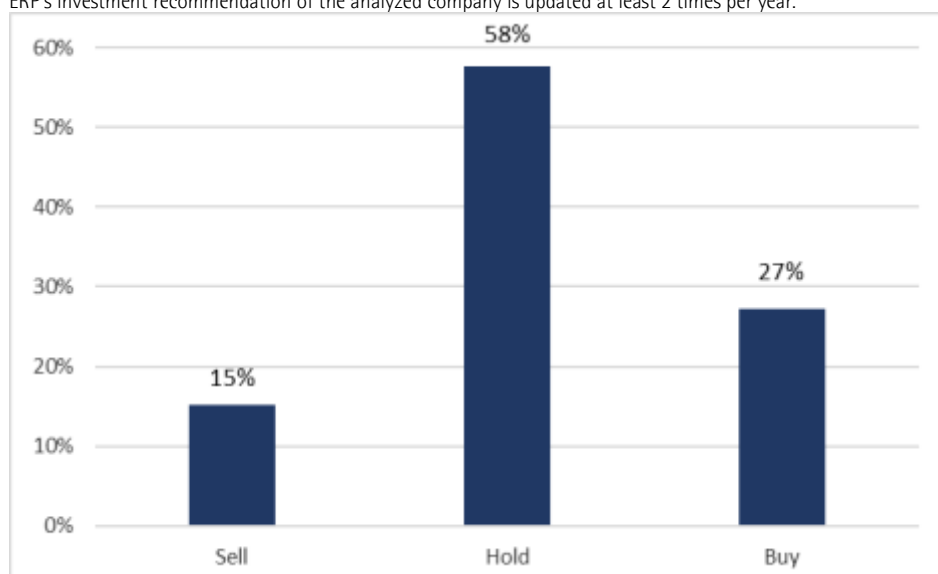
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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

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