

CapMan Plc Stock Exchange Release – 4 May 2012 at 9:00 a.m. EET

CapMan Group's Interim Report for 1 January – 31 March 2012

Performance and main events during the review period:

- Group turnover totalled MEUR 6.7 (January-March 2011: MEUR 8.2).
- The Group's operating profit was MEUR 2.7 (MEUR 4.0).
- The Management Company business recorded an operating loss of MEUR 0.6 (MEUR 0.0). The Fund Investment business recorded an operating profit of MEUR 3.4 (MEUR 4.0).
- Profit before taxes was MEUR 3.6 (MEUR 4.8) and profit after taxes was MEUR 3.1 (MEUR 3.7).
- Profit attributable to the owners of the parent company was MEUR 3.1 (MEUR 3.6). Earnings per share were 2.9 cents (3.5 cents).
- Capital under management as of 31 March 2012 totalled MEUR 3,034.6 (31 March 2011: MEUR 3,117.2).
- Fundraising commenced in three business areas.

Outlook for 2012 unchanged

CapMan's next major fundraising rounds will take place in 2012. The development of the company's current year management fees will depend on the timing of exits made from current funds and the size and timing of new funds to be established.

Our operating expenses will continue to decline as a result of the various efficiency enhancement measures that have been taken. Due to our fundraising efforts, management fees will not fully cover operating expenses until the new funds currently in the process of being established reach an adequate size.

The fair value of CapMan's fund investments developed favourably during the first quarter of 2012. We believe that our portfolio companies are well-positioned to continue performing well in this respect during the rest of the year, which would have a positive effect on the fair value development of our fund investments.

The Group's overall result for 2012 will mainly depend on whether funds already generating carried interest are able to conduct new exits, whether new funds will transfer to carry, and on how the value of investments develops in funds where CapMan is a substantial investor. Due to the difficulty of forecasting these developments and their timing, CapMan will not issue guidance on its result for the full year.

CEO Lennart Simonsen:

"CapMan's result during the first quarter was satisfactory, given the challenging operating environment. Our funds' portfolio companies and properties continued to develop well during the quarter, which had a positive impact on the value of our own holdings. CapMan has a solid base of resources and expertise to develop its portfolio companies and real estate over the long term.

In contrast to the slowdown of the European real estate and M&A market in the first quarter, activity in the Nordic real estate market increased during the first three months of the year while M&A activity in the region remained at level with the previous quarter. The Russian economy demonstrated robust development in the beginning of the year while the country's outlook remains positive. CapMan was recently selected by Private Equity International* as one of the three leading private equity firms in Russia, reflecting our successful track record in the region.

Our funds hold several portfolio companies and properties where exit negotiations are in progress. Although it is important to get the funds into carry, our aim is always to sell our holdings at the most attractive valuation, which in turn can affect the timing of individual exits.

Fundraising is our major focus area during 2012. We began fundraising for the Buyout X, Nordic Real Estate, and CapMan Russia II funds during the first quarter. CapMan's strong market position, long-term relationships with investors, good historical returns, and over 20 years of experience in the private equity field support the Group's



successful fundraising efforts. We believe that we will complete the first round of fundraising for all three new funds during 2012."

Business operations

CapMan Group is a private equity fund manager operating in the Nordic countries and Russia. The Group also makes investments in its own funds.

Private equity investment means making direct equity investments in companies and real estate. Investments are made through funds, which raise their capital primarily from institutional investors such as pension funds and foundations. Private equity investors actively develop their portfolio companies and real estate by working closely with the management and tenants. Value creation is based on promoting companies' sustainable growth and strengthening their strategic position. Private equity investment is of a long-term nature – investments are held for an average of three to five years and the entire life cycle of a fund is typically around 10 years. Over the long term, private equity funds have generated significantly higher levels of returns compared to other investment classes**, and the industry's prospects are good. By investing in CapMan, institutional and private investors can benefit from the profit potential of the private equity industry while diversifying their exposure.

The Group has two operating segments: a Management Company business and a Fund Investment business.

In its Management Company business, CapMan raises capital from Nordic and international institutions for the funds that it manages. The investment teams invest this capital in Nordic and Russian companies and real estate. The management company business has two sources of income. Fund investors pay a management fee to CapMan (typically 0.5-2.5% p.a.) during the life cycle of each fund. The management fee is based on fund size less realised exits during the fund's investment period (typically 5 years), after which the management fee is based on the remaining invested portfolio valued at cost. Management fees normally cover CapMan's operating costs and generally represent a steady and highly predictable source of income.

The second source of income of the Management Company business is carried interest received from funds. Carried interest denotes the Management Company's share of each fund's cash flow after paid-in capital has been distributed to fund investors and the latter have received their annual preferential return (so-called hurdle rate (IRR), typically 8% p.a.). The amount of carried interest generated depends on the timing of exits and the stage at which funds are in their life cycle, which makes advance prediction difficult.

Through its Fund Investment business CapMan makes investments from its own balance sheet in the funds that it manages. Income in this business is generated by increases in the fair value of investments and realised returns. Fair value is determined by the development of portfolio companies and real estate held by the funds in addition to general market developments. Unlike CapMan's other income, revenue from its fund investments can sometimes be negative.

As there may be considerable quarterly fluctuations in carried interest and the fair value of fund investments, the Group's financial performance should be analysed over a longer time span than the quarterly cycle.

Group turnover and result in January - March 2012

The Group's turnover during the first quarter was lower than in the comparable quarter in 2011 and totalled MEUR 6.7 (Q1 2011: MEUR 8.2) as a result of lower management fees and carried interest compared to 2011. In addition, the turnover in the comparable quarter included MEUR 0.5 of real estate consulting income. CapMan sold its real estate consulting business in June 2011. Operating expenses fell as planned, as a result of efficiency enhancement initiatives, and totalled MEUR 7.5 (MEUR 8.3).

The Group recorded an operating profit of MEUR 2.7 (MEUR 4.0). Financial income and expenses amounted to MEUR 0.2 (MEUR 0.4). CapMan's share of the profit of its associated companies was MEUR 0.7 (MEUR 0.5). Profit before taxes was MEUR 3.6 (MEUR 4.8) and profit after taxes was MEUR 3.1 (MEUR 3.7).

Profit attributable to the owners of the parent company was MEUR 3.1 (MEUR 3.6). Earnings per share were 2.9 cents (3.5 cents).



A quarterly breakdown of turnover and profit, together with turnover, operating profit/loss, and profit/loss by segment for the review period, can be found in the Tables section of this report.

Management Company business

Turnover generated by the Management Company business during the first quarter totalled MEUR 6.7 (MEUR 8.2). Management fees decreased compared to the comparable period in 2011 as a result of exits, and totalled MEUR 6.2 (MEUR 7.1).

No carried interest income was received during the quarter. This compares to carried interest income of MEUR 0.4 received in the first quarter of 2011.

The Management Company business recorded an operating loss of MEUR 0.6 (MEUR 0.0) and a loss of MEUR 0.5 (profit of MEUR 0.2). The status of the funds managed by CapMan is presented in more detail in Appendix 1.

Fund Investment business

Fair value changes related to fund investments were MEUR 3.5 (MEUR 4.1) during the first quarter and represented a 4.8% increase in value during the period (6.7% increase in value during the first quarter of 2011). This positive development in fair value was largely the result of good financial progress made by portfolio companies. Fair value changes were also influenced by developments in the market value of portfolio company peers. The aggregate fair value of fund investments as of 31 March 2012 was MEUR 74.6 (31 March 2011: MEUR 64.4).

Operating profit for the Fund Investment business was MEUR 3.4 (MEUR 4.0) and profit for the quarter was MEUR 3.6 (MEUR 3.4). CapMan's share of the result of its Maneq associated companies impacted profit. Changes in the fair value of Maneq fund investments impacted the performance of Maneq companies.

CapMan invested a total of MEUR 2.1 (MEUR 4.4) into the funds during the first quarter. The majority of the investment was allocated to the CapMan Buyout VIII fund. CapMan received distributions from funds totalling MEUR 0.8 (MEUR 10.1). CapMan did not make any new commitments to funds during the quarter.

The amount of remaining commitments totalled MEUR 23.3 as of 31 March 2012 (31 March 2011: MEUR 30.3). The aggregate fair value of existing investments and remaining commitments as of the same date was MEUR 97.9 (MEUR 94.7). CapMan's objective is to invest 1-5% of the original capital in the new funds that it manages, depending on fund size, fund demand, and CapMan's own investment capacity.

Investments in portfolio companies are valued at fair value in accordance with the International Private Equity and Venture Capital Valuation Guidelines (IPEVG), while real estate assets are valued in accordance with the value appraisals of external experts, as detailed in Appendix 1.

Investments at fair value and remaining investment capacity by investment area are presented in the Tables section.

Balance sheet and financial position as of 31 March 2012

CapMan's balance sheet totalled MEUR 141.8 as of 31 March 2012 (31 March 2011: MEUR 156.0). Non-current assets amounted to MEUR 117.0 (MEUR 105.6), of which the carrying amount of goodwill totalled MEUR 6.2 (MEUR 6.4).

Fund investments booked at fair value totalled MEUR 74.6 (MEUR 64.4). Long-term receivables amounted to MEUR 19.7 (MEUR 19.7), of which MEUR 18.7 (MEUR 19.0) were loan receivables from Maneq funds. Both CapMan Plc and CapMan personnel are investors in Maneq funds. The expected returns from CapMan's Maneq investments are broadly in line with the return expectations for CapMan's other investments in its own funds, and Maneq funds pay market rate interest on loans they receive from CapMan Plc.

Current assets amounted to MEUR 21.3 (MEUR 46.9). Liquid assets (cash in hand and at banks, plus other financial assets at fair value through profit and loss) amounted to MEUR 13.0 (MEUR 42.9). The decrease in cash in hand was



impacted by dividends totalling MEUR 5.8 paid on 26 March 2012. Dividends paid during the comparable quarter last year were MEUR 0.0 as CapMan paid its 2010 dividend of MEUR 10.1 on 11 April 2011.

CapMan Plc's hybrid bond stands at MEUR 29.0. Due to dividend payments, the interest on the bond for the financial year is deducted from equity in line with the terms of the loan. The interest on the bond is payable semi-annually. CapMan Plc had a bank financing package totalling MEUR 41.3 (MEUR 44.4) available as of 31 March 2012, of which MEUR 31.3 (MEUR 34.4) was utilised. Trade and other payables totalled MEUR 22.9 (MEUR 34.1). The Group's interest-bearing net debts amounted to MEUR 19.0 (MEUR -7.8).

The Group's cash flow from operations totalled MEUR 0.9 (MEUR 2.4). Income from fund management fees is paid semi-annually, in January and July, and is shown under working capital in the cash flow statement. Cash flow from investments totalled MEUR -1.1 (MEUR 12.3) and is related to fund investments and repaid capital received by the company. Cash flow before financing totalled MEUR -0.2 (MEUR 14.7), while cash flow from financing was MEUR -9.1 (MEUR -6.3).

Key figures 31 March 2012

CapMan's equity ratio as of 31 March 2012 was 61.4% (31 March 2011: 54.7%), its return on equity 14.5% (16.9%), and its return on investment 13.1% (16.6%). The target level for the company's equity ratio is at least 60%, while it targets over 20% return on equity.

Key figures

	31.3.12	31.3.11	31.12.11
Earnings per share, cents	2.9	3.5	10.1
Earnings per share, diluted, cents	2.9	3.5	10.1
Shareholders' equity / share, cents *	98.8	97.2	104.7
Share issue adjusted number of shares	84,255,467	84,255,467	84,255,467
Number of shares at the end of period	84,281,766	84,281,766	84,281,766
Number of shares outstanding	84,255,467	84,255,467	84,255,467
Company's possession of its own shares, end of period	26,299	26,299	26,299
Return on equity, %**	14.5	16.9	12.4
Return on investment, %**	13.1	16.6	11.9
Equity ratio, %	61.4	54.7	61.9
Net gearing, %	22.8	-9.5	14.4

*) In line with IFRS standards, the MEUR 29 hybrid bond has been included in equity, also when calculating equity per share. The interest on the hybrid bond (net of tax) for the review period has been included when calculating earnings per share.

Fundraising during January - March 2012 and capital under management as of 31 March 2012

Capital under management refers to the remaining investment capacity of funds and capital already invested at acquisition cost. Capital increases as fundraising for new funds progresses and declines as exits are made.

On-going economic uncertainty has impacted the fundraising market, which is expected to remain challenging during 2012.

CapMan began fundraising for the Buyout X, Nordic Real Estate, and CapMan Russia II funds during the first quarter. The Group expects first fundraising rounds for all three new funds to be completed during 2012.

Capital under management declined during the quarter, to MEUR 3,034.5 as of 31 March 2012 (31 March 2011: MEUR 3,117.2), and is attributable to the exits made after the comparable period. Of the total capital under management, MEUR 1,590.1 (MEUR 1,686.6) was held in funds making investments in portfolio companies and



MEUR 1,443.9 (MEUR 1,430.6) in real estate funds.

Funds under management, together with their investment activities, are presented in more detail in Appendices 1 and 2.

Decisions taken by the Annual General Meeting

The Annual General Meeting (AGM) of CapMan Plc was held in Helsinki on 14 March 2012. The AGM approved the annual accounts for the 2011 financial year and discharged the company's Board of Directors and Chief Executive Officer from liability. The AGM approved all the proposals presented by the Board of Directors to the AGM. The AGM decided, in accordance with the proposal of the Board of Directors, to distribute a dividend of EUR 0.07 per share, which was paid to shareholders on 26 March 2012.

The AGM elected six members to the Board of Directors for a term of office expiring at the end of the next AGM. Koen Dejonckheere, Nora Kerppola, Claes de Neergaard, Teuvo Salminen, and Heikki Westerlund were re-elected, and Karri Kaitue was elected as a new member.

PricewaterhouseCoopers Oy, authorized public accountants, was re-elected auditor of the company, with Mikko Nieminen as responsible auditor. The AGM decided to amend Section 9 of the Articles of Association and eliminate the position of deputy auditor. The term of office of the deputy auditor ended on 27 March 2012.

More details on the decisions taken at the meeting can be found in the stock exchange release issued on 14 March 2012.

Authorisations given to the Board by the AGM

The Annual General Meeting authorised the Board of Directors to decide on the repurchase and/or on the acceptance as pledges of the company's B shares. The number of B shares concerned shall not exceed 8,000,000, and the authorisation shall remain in force until the end of the following AGM and 30 June 2013 at the latest. The AGM also authorised the Board to decide on the issuance of shares and other special rights entitling to shares. The number of shares to be issued shall not exceed 15,000,000 B shares and the authorization shall remain in force until the end of the following AGM and 30 June 2013 at the latest.

Further details on these authorisations can be found in the stock exchange release on the decisions taken by the AGM issued on 14 March 2012.

Organizing meeting held by the Board of Directors

At its organizing meeting held on 14 March 2012, the Board of Directors elected Heikki Westerlund as Chairman and Teuvo Salminen as Vice Chairman. Teuvo Salminen (Chairman), Karri Kaitue, and Nora Kerppola were elected to the Board's Audit Committee; Nora Kerppola (Chairwoman), Koen Dejonckheere, and Claes de Neergaard were elected to the Remuneration Committee; and Heikki Westerlund (Chairman), Koen Dejonckheere, and Teuvo Salminen were elected to the Nomination Committee.

Personnel

CapMan employed a total of 115 people as of 31 March 2012 (31.3.2011: 134), of whom 78 (93) worked in Finland and the remainder in Sweden, Norway, Russia, and Luxembourg. The drop in numbers compared to 2011 is largely attributable to the sale of the real estate consulting business. A breakdown of personnel by country is presented in the Tables section.

Shares and share capital

There were no changes in CapMan Plc's share capital or the number of shares during the first quarter of 2012. Share capital as of 31 March 2012 totalled EUR 771,586.98. The number of B shares was 78,531,766 and that of A shares



5,750,000 as of 31 March 2012.

B shares entitle holders to one vote per share and A shares to 10 votes per share.

Shareholders

The number of CapMan Plc shareholders increased by over 10% from the review period and totalled 6,054 as of 31 March 2012 (31 March 2011: 5,329). No flagging notices were issued during the first quarter.

Company shares

As of 31 March 2012, CapMan Plc held a total of 26,299 CapMan Plc B shares. No changes took place in the number of shares held by CapMan Plc during the quarter.

Stock option programmes

As of 31 March 2012, CapMan Plc had one stock option programme in place – Option Programme 2008 – as part of its incentive and commitment arrangements for personnel. The maximum number of stock options issued under Option Programme 2008 will be 4,270,000, which will carry an entitlement to subscribe to a maximum of 4,270,000 new B shares. The programme is divided into A and B series, both of which cover a maximum of 2,135,000 option entitlements. The share subscription price of the 2008A options is EUR 2.53 and of the 2008B option EUR 0.89. The subscription period for 2008A options started on 1 May 2011 and will start on 1 May 2012 for 2008B options. Receivables from shares subscribed to under these options will be entered in the company's unrestricted shareholders' equity. As of 31 March 2012, 1,926,250 2008A stock option entitlements and 2,070,000 2008B stock option entitlements were allocated.

Trading and market capitalisation

CapMan Plc's B shares closed at EUR 1.05 on 31 March 2012 (31 March 2011: EUR 1.60). The average price during the quarter was EUR 1.10 (EUR 1.72). The highest price paid was EUR 1.15 (EUR 1.84) and the lowest EUR 1.02 (EUR 1.58). The number of CapMan Plc B shares traded totalled 7.4 million (7.8 million), valued at MEUR 7.8 (MEUR 13.4).

The market capitalisation of CapMan Plc B shares as of 31 March 2012 was MEUR 82.5 (31 March 2011: MEUR 125.3). The market capitalisation of all company shares, including A shares valued at the closing price of B shares, was MEUR 88.5 (MEUR 134.9).

Significant risks and short-term uncertainties

Prolonged economic uncertainty may affect CapMan's operations by delaying exits and reducing the fair value of the company's portfolio. Continued market uncertainty may also impact the already challenging fundraising conditions, thereby reducing fund investors' willingness and ability to make new commitments to CapMan's funds.

The fundraising environment is expected to remain challenging throughout 2012, which could affect the final outcome of fundraising during the year.

The EU's Basel III and Solvency II legislative initiatives limit the ability of European banks and insurance companies to invest in private equity funds, and could impact CapMan's fundraising activity and the amount of capital that it has under management, as well as any new management fees that CapMan might receive.

Business environment

While long-term growth prospects in terms of the demand for private equity funds remain positive, current market uncertainty has reduced activity in the private equity industry. The volume of M&A activity, in Central Europe in particular, declined during the first quarter of this year, while that in the Nordic countries remained at level with the last



quarter of 2011, as measured in deal flow.*** Compared to the rest of Europe, Nordic banks have been less affected by the economic problems in the Eurozone, which has helped maintain the availability of bank-based funding and M&A activity in the Nordic region.

CapMan funds investing in portfolio companies continue to execute their investment strategies. The companies and real estate in our funds' portfolios developed well in general during the first quarter, and the funds are ready to exit a number of them. The lower level of M&A activity and the instability of the market, however, have resulted in delays for some exit negotiations.

The prospects of our portfolio companies are largely positive for 2012. In accordance with IPEVG criteria, the fair value development of portfolio companies will also be impacted by the development of profit projections and market valuations of listed companies and the performance of currencies used in our areas of operations against the Euro. We plan to keep sufficient reserves in our funds to support the growth and financing of portfolio companies. Long-term cooperation with Nordic banks is of particular importance for us, and has generally been successful.

The fundraising market remained challenging during the first quarter, and the weaker exit market has delayed capital repayments to investors. International investors are currently in particular interested in funds that invest in small and medium-sized companies. The Southern European debt crisis has resulted in raised investor awareness of opportunities in the Nordic region.

The European commercial real estate investment market experienced a seasonal slowdown in the first quarter of 2012 according to commercial real estate services company CBRE****. Despite this, activity in the Nordic region picked up during the quarter. The growth is supported by the region's positive economic growth outlook especially in comparison with the rest of Europe. The investment market is further supported by the underlying stability of the Nordic countries that in combination with some distressed real estate opportunities offer attractive investment opportunities to active investors. Most of the investor appetite has remained in prime properties and scarcity of debt financing is seen as one of the key reasons for modest activity in the value-add segments. Both prime rents and yields have remained mostly unchanged in Finland and elsewhere in the Nordics during the first quarter.***** There has been a continued pressure for further increase in more secondary yields. Retail trade confidence has remained strong in Finland and sales growth continued to rise as the outlook remains positive. The number of overnight stays in Finnish hotels continued to increase during the first two months of the year with both occupancy and average room rate development being positive.*****

CapMan funds investing in portfolio companies have some MEUR 523 available for making new and add-on investments, while real estate funds have an investment capacity of approximately MEUR 55, which will be used mainly for developing their existing portfolios.

Regulatory environment

The European Directive on Alternative Investment Fund Managers (AIFM directive) came into force on 21 July 2011, and member states have until 21 July 2013 to integrate it into their national legislation. The directive stipulates an operating license for participants, as well as other significant requirements, including fund investor and authority reporting. Thanks to its organisation and operating model, CapMan is in a good position to operate within the requirements of these new regulations.

In the US, the Dodd-Franck Act requires certain non-US private equity advisors and managers to register with or report to the Securities and Exchange Commission (S.E.C.). In line with the requirements of the Act, CapMan reported to the S.E.C. on Group companies that manage funds with American investors or offer investment advice covering such funds by 30 March 2012.

CapMan actively monitors other regulatory developments affecting the industry, including the Basel III and Solvency II initiatives, which are designed to set capital requirements for European banks and insurance companies.

Future outlook

CapMan's next major fundraising rounds will take place in 2012. The development of the company's current year management fees will depend on the timing of exits made from current funds and the size and timing of new funds to



be established.

Our operating expenses will continue to decline as a result of the various efficiency enhancement measures that have been taken. Due to our fundraising efforts, management fees will not fully cover operating expenses until the new funds currently in the process of being established reach an adequate size.

The fair value of CapMan's fund investments developed favourably during the first quarter of 2012. We believe that our portfolio companies are well-positioned to continue performing well in this respect during the rest of the year, which would have a positive effect on the fair value development of our fund investments.

The Group's overall result for 2012 will mainly depend on whether funds already generating carried interest are able to conduct new exits, whether new funds will transfer to carry, and on how the value of investments develops in funds where CapMan is a substantial investor. Due to the difficulty of forecasting these developments and their timing, CapMan will not issue guidance on its result for the full year.

The CapMan Group will publish its Interim Report for 1 January – 30 June 2012 on Thursday, 9 August 2012.

Helsinki, 4 May 2012

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* Private Equity International, Annual Review 2011
** Bain & Company, Global Private Equity Report
***Unquote/Arle, Private Equity Barometer Q1/2012
**** CBRE MarketView European Investment Quarterly Q1 2012
*****CBRE MarketView EMEA Rents and Yields Q1 2012
*****Statistics Finland, Accommodation Statistics February 2012

Appendices (after the Tables section):

Appendix 1: CapMan Group's funds under management as of 31 March 2012, MEUR
Appendix 2: Operations of CapMan's funds under management, 1 January – 31 March 2012



Accounting principles

The Interim Report has been prepared in accordance with the International Financial Standards (IFRS) and is in conformity with the accounting policies published in the 2011 financial statements. The revised and amended standards entering into force on 1 January 2012 had no impact on this interim report. The information presented in the Interim Report is un-audited.

GROUP STATEMENT OF COMPREHENSIVE INCOME (IFRS)

€ ('000)	1-3/12	1-3/11	1-12/11
Turnover	6,676	8,185	32,440
Other operating income	0	0	670
Personnel expenses	-4,332	-5,276	-22,349
Depreciation and amortisation	-195	-216	-811
Other operating expenses	-2,922	-2,821	-11,704
Fair value gains / losses of investments	3,487	4,099	12,849
Operating profit	2,714	3,971	11,095
Financial income and expenses	218	355	559
Share of associated companies' result	689	455	2,055
Profit before taxes	3,621	4,781	13,709
Income taxes	-507	-1,125	-2,622
Profit for the period	3,114	3,656	11,087
Other comprehensive income:			
Translation differences	5	3	-31
Total comprehensive income	3,119	3,659	11,056
Profit attributable to:			
Equity holders of the company	3,114	3,587	10,899
Non-controlling interests	0	69	188
Total comprehensive income attributable to:			
Equity holders of the company	3,119	3,590	10,868
Non-controlling interests	0	69	188
Earnings per share for profit attributable to the equity holders of the Company:			
Earnings per share, cents	2.9	3.5	10.1
Earnings per share, cents	2.9	3.5	10.1

Accrued interest payable on the hybrid bond has been taken into consideration for the review period when calculating earnings per share.



GROUP BALANCE SHEET (IFRS)

€ ('000)	31.3.12	31.3.11	31.12.11
ASSETS			
Non-current assets			
Tangible assets	401	558	438
Goodwill	6,204	6,406	6,204
Other intangible assets	1,913	2,300	1,881
Investments in associated companies	9,174	6,860	8,347
Investments at fair value through profit and loss			
Investments in funds	74,580	64,377	70,167
Other financial assets	599	598	597
Receivables	19,703	19,657	19,601
Deferred income tax assets	4,464	4,885	4,025
	117,038	105,641	111,260
Current assets			
Trade and other receivables	8,357	3,954	5,467
Other financial assets at fair value through profit and loss	373	378	378
Cash and bank	12,577	42,536	21,887
	21,307	46,868	27,732
Non-current assets held for sale	3,501	3,501	3,501
Total assets	141,846	156,010	142,493
EQUITY AND LIABILITIES			
Capital attributable the Company's equity holders			
Share capital	772	772	772
Share premium account	38,968	38,968	38,968
Other reserves	38,814	38,679	38,679
Translation difference	43	72	38
Retained earnings	4,682	3,443	9,784
	83,279	81,934	88,241
Non-controlling interests	0	342	0
Total equity	83,279	82,276	88,241
Non-current liabilities			
Deferred income tax liabilities	2,542	3,081	2,569
Interest-bearing loans and borrowings	25,654	31,990	28,753
Other liabilities	1,172	1,296	1,131
	29,368	36,367	32,453

Current liabilities

Trade and other payables	22,949	34,057	15,269
Interest-bearing loans and borrowings	6,250	3,125	6,250
Current income tax liabilities	0	185	280
	29,199	37,367	21,799
Total liabilities	58,567	73,734	54,252
Total equity and liabilities	141,846	156,010	142,493

GROUP STATEMENT OF CHANGES IN EQUITY**Attributable to the equity holders of the Company**

EUR ('000)	Share capital	Share premium account	Other reserves	Trans-lation differ-ences	Retained earnings	Total	Non-controll-ing interests	Total equity
Equity on 1 Jan 2011								
772	38,968	38,679	69	12,241	90,729	273	91,002	
Options				143	143			143
Dividends				-10,114	-10,114			-10,114
Hybrid bond, interest (net of tax)				-2,414	-2,414			-2,414
Comprehensive profit			3	3 587	3 590	69	3,659	
Equity on 31 Mar 2011	772	38,968	38,679	72	3,443	81,934	342	82,276
Equity on 1 Jan 2012								
772	38,968	38,679	38	9,784	88,241	0	88,241	
Options			135	145	280			280
Dividends				-5,898	-5,898			-5,898
Hybrid bond, interest (net of tax)				-2,463	-2,463			-2,463
Comprehensive profit			5	3,114	3,119			3,119
Equity on 31 Mar 2012	772	38,968	38,814	43	4,682	83,279	0	83,279

STATEMENT OF CASH FLOW (IFRS)

€ ('000)	1-3/12	1-3/11	1-12/11
Cash flow from operations			
Profit for the financial year	3,114	3,656	11,087
Adjustments	-3,014	-2,764	-10,350
Cash flow before change in working capital	100	892	737
Change in working capital	1,172	2,010	-1,142
Financing items and taxes	-369	-508	-7,788
Cash flow from operations	903	2,394	-8,193
Cash flow from investments	-1,087	12,343	14,607
Cash flow before financing	-184	14,737	6,414
Dividends paid	-5,898	0	-10,336
Other net cash flow	-3,228	-6,250	-8,240
Financial cash flow	-9,126	-6,250	-18,576
Change in cash funds	-9,310	8,487	-12,162
Cash funds at start of the period	21,887	34,049	34,049
Cash funds at end of the period	12,577	42,536	21,887

Segment information

The Group has two reporting segments: the Management Company business and the Fund Investment business.

1-3/2012 € ('000)	Management Company business			Fund Investment business	Total
	CapMan Private Equity	CapMan Real Estate	Total		
Turnover	4,950	1,726	6,676	0	6,676
Operating profit/loss	-420	-228	-648	3,362	2,714
Profit/loss for the financial year	-296	-228	-524	3,638	3,114
Assets	8,012	1,104	9,116	107,922	117,038
Total assets includes:					
Investments in associated companies	0	0	0	9,174	9,174
Non-current assets held for sale	3,501	0	3,501	0	3,501
1-3/2011 € ('000)	Management Company business			Fund Investment business	Total
	CapMan Private Equity	CapMan Real Estate	Total		
Turnover	5,978	2,207	8,185	0	8,185
Operating profit/loss	311	-338	-27	3,998	3,971
Profit/loss for the financial year	570	-338	232	3,424	3,656
Assets	8,420	1,441	9,861	95,780	105,641
Total assets includes:					
Investments in associated companies	0	0	0	6,860	6,860
Non-current assets held for sale	3,501	0	3,501	0	3,501
1-12/2011 € ('000)	Management Company business			Fund Investment business	Total
	CapMan Private Equity	CapMan Real Estate	Total		
Turnover	24,633	7,807	32 440	0	32 440
Operating profit/loss	-45	-1 024	-1 069	12 164	11 095
Profit/loss for the financial year	-651	-1 024	-1 675	12 762	11 087
Assets	8,362	627	8,989	102,271	111,260
Total assets includes:					
Investments in associated companies	0	0	0	8,347	8,347
Non-current assets held for sale	3,501	0	3,501		3,501



Income taxes

The Group's income taxes in the Income Statements are calculated on the basis of current taxes on taxable income and deferred taxes. Deferred taxes are calculated on the basis of all temporary differences between book value and fiscal value.

Dividend

A dividend of €0.07 per share, total €5.9 million, was paid for the year 2011. The dividend was paid to the shareholders on 26 March 2012 (A dividend of €0.12 per share, total €10.1 million, was paid for the year 2010.).

Non-current assets

€ ('000)	31.3.12	31.3.11	31.12.11
Investments in funds at fair value through profit and loss at Jan 1	70,167	66,504	66,504
Additions	2,144	4,432	11,847
Distributions	-781	-10,087	-19,530
Fair value gains/losses on investments	3,050	3,528	11,346
Investments in funds at fair value through profit and loss at end of the period	74,580	64,377	70,167
Investments in funds at fair value through profit and loss at the end of period	31.3.12	31.3.11	31.12.11
Buyout	40,987	32,198	37,458
Mezzanine	3,660	4,979	3,835
Russia	3,149	1,779	2,836
Public Market	4,066	3,684	3,631
Real Estate	6,336	5,672	6,038
Other	11,910	11,273	11,961
Access	4,472	4,792	4,408
In total	74,580	64,377	70,167

Transactions with related parties (associated companies)

€ ('000)	31.3.12	31.3.11	31.12.11
Receivables - non-current at end of review period	18,685	18,631	18,682
Receivables - current at end of review period	538	291	890

Non-current liabilities

€ ('000)	31.3.12	31.3.11	31.12.11
Interest bearing loans at end of review period	25,654	31,990	28,753

Seasonal nature of CapMan's business

Carried interest income is accrued on an irregular schedule depending on the timing of exits. One exit may have an appreciable impact on the Group's result for the full financial year



Personnel

By country	31.3.12	31.3.11	31.12.11
Finland	78	93	79
Sweden	15	19	18
Norway	8	7	8
Russia	13	14	14
Luxembourg	1	1	1
In total	115	134	120

Commitments

€ ('000)	31.3.12	31.3.11	31.12.11
Leasing agreements	6,956	8 635	7,534
Securities and other commitments	66,766	67,173	67,143
Remaining commitments to funds	23,304	30,264	24,425
Remaining commitments by investment area			
Buyout	8,759	13,574	10,008
Mezzanine	4,879	4,313	4,826
Russia	1,795	2,992	2,113
Public Market	1,091	964	299
Real Estate	857	1,181	942
Other	3,999	5,275	4,328
Access	1,924	1,965	1,909
In total	23,304	30,264	24,425

Turnover and profit quarterly

2012 MEUR	1-3/12
Turnover	6.7
Management fees	6.2
Carried interest	0.0
Other income	0.5
Other operating income	0.0
Operating expenses	-7.5
Fair value gains of investments	3.5
Operating profit	2.7
Financial income and expenses	0.2
Share of associated companies' result	0.7
Profit before taxes	3.6
Profit for the period	3.1

2011 MEUR	1-3/11	4-6/11	7-9/11	10-12/11	1-12/11
Turnover	8.2	7.6	9.8	6.8	32.4
Management fees	7.1	6.8	6.8	6.4	27.1
Carried interest	0.4	0.0	2.6	0.1	3.1
Real Estate consulting	0.5	0.5	0.0	0.0	1.0
Other income	0.2	0.3	0.4	0.3	1.2
Other operating income	0.0	0.6	0.0	0.0	0.6
Operating expenses	-8.3	-9.2	-7.9	-9.5	-34.9
Fair value gains / losses of investments	4.1	6.2	-0.1	2.6	12.8
Operating profit	4.0	5.2	1.8	0.1	11.1
Financial income and expenses	0.4	0.0	-0.2	0.4	0.6
Share of associated companies' result	0.5	1.9	0.4	-0.7	2.1
Profit after financial items	4.8	7.2	2.0	-0.3	13.7
Profit for the period	3.7	5.2	1.6	0.6	11.1

APPENDIX 1: THE CAPMAN GROUP'S FUNDS UNDER MANAGEMENT AS OF 31 MARCH 2012, MEUR

The tables below show the status of the funds managed by CapMan as of 31 March 2012. CapMan groups its funds into four categories in terms of their life cycle as follows: 1) Funds generating carried interest; 2) Funds in exit and value creation phase; 3) Funds in active investment phase; and 4) Funds with no carried interest potential for CapMan.

Exits made by funds generating carried interest provide CapMan with immediate carry income, while those in the exit and value creation phase can be expected to start generating carried interest within the next 1-5 years. The carry potential of funds in active investment phase is likely to be realised over the next 5-10 years. The last category comprises funds that do not offer any carried interest potential for CapMan, either because CapMan's share of carry in the funds concerned is small or because the funds are not expected to transfer to carry.

When analysing the projected timetable within which a fund could transfer to carry, the cumulate cash flow that investors have already received should be compared to the fund's paid-in capital. In order for a fund to enter carry, it must first return its paid-in capital and pay an annual preferential return to investors. In the case of funds in the exit or value creation phase, the table shows the cash flow that must be returned to investors to enable a fund to transfer to carry. The carry potential of each fund can be evaluated by comparing this figure to the fair value of the fund's portfolio. A portfolio's fair value, including its possible net cash flows, provides an indication of the distributable capital available as of the end of the reporting period. Any uncalled capital in a fund (relevant especially for funds in the active investment phase) should be taken into account when evaluating the cash flow that will be needed to enable a fund to transfer to carry.

The percentage shown in the last column indicates the share of each fund's cash flow due to CapMan as and when the fund transfers to carry. Following a previous distribution of carried interest, any new paid-in capital, together with the annual preferential return payable on it, must be returned to investors before any further distribution of carried interest can take place.

Definitions of the column headings are shown below the table.



FUNDS INVESTING IN PORTFOLIO COMPANIES

Size	Paid-in capital	Fund's current portfolio		Net cash assets	Distributed cash flow		Amount of cash flow needed to transfer the fund to carry as of 31.3.2012	CapMan's share of cash flow if fund generates carried interest				
		At cost	At fair value		To investors	To mgmt company						
Funds generating carried interest												
Feno Program ¹⁾ , FM II B, FV V, FM IIIB												
Total	258.0	252.3	18.0	12.6	1.4	406.8	17.4	10-20%				
Funds in exit and value creation phase												
FM III A	101.4	100.6	22.1	22.0	3.5	120.8	9.6	20%				
CME VII A ⁶⁾	156.7	152.9	59.4	70.0	9.1	148.0	62.5	15%				
CME VII B ⁶⁾	56.5	56.5	19.2	29.9	5.0	69.1	9.2	13%				
CME Sweden ⁶⁾	67.0	66.4	25.5	30.0	3.9	63.6	28.4	15%				
CMB VIII ^{2), 6)}	440.0	389.3	256.7	301.9	8.1	154.1	365.6	12%				
CMLS IV	54.1	47.9	32.2	37.5	1.3	12.1	49.6	10%				
CMT 2007 ²⁾	99.6	68.9	39.1	55.1	0.0	9.1	79.6	10%				
CMPM	138.0	130.2	101.6	111.3	0.5	53.4	103.1	10%				
Total	1,113.3	1,012.7	555.8	657.7	31.4	630.2						
Funds in active investment phase												
CMR	118.1	80.1	48.8	60.3	6.3		3.4%					
CMB IX	294.6	212.7	176.4	197.0	3.9	13.4		10%				
CMM V	95.0	19.7	18.0	20.0	0.7	1.2		10%				
Total	507.7	312.5	243.2	277.3	10.9	14.6						
Fund with no carried interest potential-for CapMan												
FV IV, FV VET, SWE LS ³⁾ , SWE Tech ^{2), 3)} , CME VII C, FM II A, C, D ²⁾ , FM III C, CMM IV ⁴⁾												
Total	580.5	553.5	176.0	153.6	27.7	360.5						
Private equity funds total	2,459.5	2,131.0	993.0	1,101.2	71.4	1,412.1	17.4					



REAL ESTATE FUNDS

Investment capacity	Paid-in capital	Fund's current portfolio		Net cash assets	Distributed cash flow		Amount of cash flow needed to transfer the fund to carry as of 31.3.2012	CapMan's share of cash flow if fund generates carried interest				
		At cost	At fair value		To investors	To mgmt. company						
Funds in exit and value creation phase												
CMRE I ⁵⁾												
Equity and bonds	200.0	188.5	59.9	45.3	205.3	27.4	65.6	26%				
Debt-financing	300.0	276.6	70.5	70.5								
Total	500.0	465.1	130.4	115.8	1.4	205.3	27.4					
CMRE II												
Equity and bonds	150.0	115.0	116.3	119.3	0.5		154.9	12%				
Debt-financing	450.0	276.8	262.6	262.6								
Total	600.0	391.8	378.9	381.9	3.8	0.5						
CMHRE												
Equity and bonds	332.5	316.1	363.2	305.5	27.2		390.7	12%				
Debt-financing	617.5	539.6	509.1	509.1								
Total	950.0	855.7	872.3	814.6	0,8	27.2						
Total	2,050.0	1,712.6	1,381.6	1,312.3	6.0	233.0	27.4					
Funds in active-investment phase												
PSH Fund												
Equity and bonds	5.0	3.5	3.5	6.2	0.5			10%				
Debt-financing	8.0	8.0	7.8	7.8								
Total	13.0	11.5	11.3	14.0	0.2	0.5						
Total	13.0	11.5	11.3	14.0	0.2	0.5						
Real Estate funds total	2,063.0	1,724.1	1,392.9	1,326.3	6.2	233.5	27.4					

CapMan

Abbreviations used to refer to funds:

CMB	= CapMan Buyout	CMRE	= CapMan Real Estate
CME	= CapMan Equity	CMT 2007	= CapMan Technology 2007
CMLS	= CapMan Life Science	FM	= Finnmezzanine Fund
CMM	= CapMan Mezzanine	FV	= Finnventure Fund
CMHRE	= CapMan Hotels RE	PSH Fund	= Project Specific Hotel Fund
CMPM	= CapMan Public Market Fund	SWE LS	= Swedestart Life Science
CMR	= CapMan Russia Fund	SWE Tech	= Swedestart Tech

Explanation of the terminology used in the fund tables

Size/Original investment capacity:

Total capital committed to a fund by investors, i.e. the original size of a fund. For real estate funds, investment capacity also includes the share of debt financing used by a fund.

Paid-in capital:

Total capital paid into a fund by investors as of the end of the review period.

Fund's current portfolio at fair value:

Fund investments in portfolio companies are valued at fair value in accordance with the International Private Equity and Venture Capital Valuation Guidelines (IPEVG, www.privateequityvaluation.com), and investments in real estate assets are valued in accordance with the appraisals of external experts.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. Due to the nature of private equity investment activities, fund portfolios contain investments with a fair value that exceeds their acquisition cost, as well as investments with a fair value less than the acquisition cost.

Net cash assets:

When calculating the investors' share, a fund's net cash assets must be taken into account in addition to the portfolio at fair value. The proportion of debt financing in real estate funds is presented separately in the table.

Amount of cash flow needed to transfer the fund to carry

This cash flow refers to the profit distributed by funds and the capital they pay back to investors. The figure indicates the size of the cash flow that must be returned to investors as of the end of the reporting period to enable a fund to transfer to carry. A fund's carry potential can be evaluated by comparing this figure to the fair value of its portfolio.

CapMan's share of cash flow if a fund generates carried interest:

When a fund has generated the cumulative preferential return for investors specified in the fund agreements, the management company is entitled to an agreed share of future cash flows from the fund, known as carried interest.

After the previous distribution of profits, any new capital called in, as well as any annual preferential returns on it, must be returned to investors before any new distribution of profits can be paid.

Footnotes to the tables

1) Feno Fund and Skandia I fund together form the Feno Program, which is jointly managed with Feno Management Oy.

2) The fund is comprised of two or more legal entities (parallel funds are presented separately only if the investment focuses or portfolios differ significantly).

3) Currency items are valued at the average exchange rates quoted on 31 March 2012.

4) CapMan Mezzanine IV: The paid-in commitment includes a MEUR 192 bond issued by Leverator Plc. Distributed cash flow includes payments to both bond subscribers and to the fund's partners.

5) CapMan Real Estate I: Distributed cash flow includes repayment of the bonds and cash flow to the fund's partners. Following the previous payment of carried interest, a total of MEUR 42.9 in paid-in capital had not yet been returned to investors. This capital, together with the annual income entitlement payable on it, must be paid to investors before further carried interest can be distributed.



CapMan's management considers it unlikely that further carried interest will be provided by the CapMan Real Estate I fund. As a result, the fund is no longer included in the category of funds in carry. A total of some MEUR 6 of carried interest was not entered in CapMan's profit in 2007 but held in reserve in case some carried interest might have to be returned to investors in the future.

6) CapMan Plc's Board of Directors made a decision on 2 February 2012 to increase Buyout investment teams' share of carried interest to better reflect the prevailing industry practices. In the case of the CapMan Buyout VIII fund, the investment teams' share is approximately 40%, and in the case of the CapMan Equity VII funds approximately 25%.

APPENDIX 2: OPERATIONS OF CAPMAN'S FUNDS UNDER MANAGEMENT, 1 JANUARY – 31 MARCH 2012

The operations of the private equity funds managed by CapMan during the first quarter of 2012 comprised direct investments in portfolio companies in the Nordic countries and Russia (CapMan Private Equity), as well as real estate investments (CapMan Real Estate). Investments by CapMan funds investing in portfolio companies focus on two key investment areas in the Nordic countries and one in Russia. These take the form of mid-size buyouts (CapMan Buyout), investments in mid-sized companies operating in Russia (CapMan Russia), and significant minority shareholdings in listed small and mid-cap companies (CapMan Public Market). The investment focus of CapMan's real estate funds is mainly on real estate properties in Finland. CapMan also has two other investment areas (CapMan Technology and CapMan Life Science), which do not make new investments, but concentrate instead on developing the value of their existing portfolio companies. These two latter investments areas are reported under "Other" in Private Equity.

CAPMAN PRIVATE EQUITY

Investments in portfolio companies in January-March 2012

CapMan's funds made no new investments during the first quarter, but did make a number of add-on investments in existing portfolio companies, totalling MEUR 14.1. These add-on investments were largely concentrated in portfolio companies held by Buyout funds. Three new investments and a couple of add-on investments valued at a total of MEUR 67.3 were made during the equivalent quarter last year.

Exits from portfolio companies in January-March 2012

CapMan's funds exited completely from Inmeta Crayon ASA during the first quarter and partially from Ordyhna Holding and Metals and Powders Technology AB. Exits had a combined acquisition cost of MEUR 42.4. During the comparable period last year, final exits were made from eight portfolio companies, with a combined acquisition cost of MEUR 112.6.

Events after the close of the review period

In April 2012, CapMan Russia fund invested in Top League.

CapMan's funds completed their exit from Ordyhna Holding after the end of the review period, in April 2012. This exit will not have a substantial impact on CapMan's result for 2012.

CAPMAN REAL ESTATE

Investments in and commitments to real estate acquisitions and projects in January-March 2012

CapMan's real estate funds did not make any new investments during the first quarter. Add-on investments were made in a number of existing developments, totalling MEUR 8.4. In addition, real estate funds were committed to provide finance for real estate acquisitions and projects totalling MEUR 39 as of 31 March 2012. During the first quarter of 2011, funds made a number of add-on investments totalling MEUR 7.2, while commitments to finance new projects totalled MEUR 63.0 as of 31 March 2011.



Exits from real estate investments in January-March 2012

CapMan's real estate funds did not exit any properties during the first quarter. During the comparable period last year, funds completed one exit, with an acquisition cost of MEUR 11.8.

FUND INVESTMENT ACTIVITIES IN FIGURES

Investments and exits made by funds at acquisition cost, MEUR

	1-3/2012	1-3/2011	1-12/2011
New and add-on investments			
Funds investing in portfolio companies	14.1	67.3	168.7
Buyout	12.7	53.2	108.7
Russia	0,0	0.2	20.6
Public Market	0,0	13.9	31.8
Other	1,4	0.0	7.6
Real estate funds	8,4	7.2	56.6
Total	22.5	74.5	225.3
Exits*			
Funds investing in portfolio companies	42.4	112.6	205.4
Buyout	38.5	82.2	159.3
Russia	0,0	10.0	10.0
Public Market	0,0	6.5	6.5
Other	3.9	13.9	29.6
Real estate funds	0,0	11.8	35.1
Total	42.4	124.4	240.5

* including partial exits and repayments of mezzanine loans.

In addition, real estate funds had made commitments valued at MEUR 39.0 to finance real estate acquisitions and projects as of 31 March 2012.

Funds' combined portfolio* as of 31 March 2012, MEUR

	Portfolio at acquisition cost	Portfolio at fair value	Share of portfolio (fair value) %
Funds investing in portfolio companies	993.0	1,101.2	45.4
Real estate funds	1,392.9	1,326.3	54.6
Total	2,385.9	2,427.5	100.0
Funds investing in portfolio companies			
Buyout	692.0	789.7	71.7
Russia	48.8	60.3	5.5
Public Market	101.6	111.3	10.1
Other	150.6	139.9	12.7
Total	993.0	1,101.2	100.0

* Total of all investments of funds under management.

Remaining investment capacity

After deducting actual and estimated expenses, funds investing in portfolio companies had a remaining investment capacity amounting to some MEUR 523 for new and add-on investments as of 31 March 2012. Of their remaining



capital, approx. MEUR 350 was earmarked for buyout investments (incl. mezzanine investments), approx. MEUR 68 for technology investments, approx. MEUR 15 for life science investments, approx. MEUR 59 for investments by the CapMan Russia team, and approx. MEUR 31 for investments by the CapMan Public Market team. Real estate funds had a remaining investment capacity of approx. MEUR 55, which has been reserved primarily for developing the funds' existing investments.

