



## CapMan Plc 1 January – 31 March 2019 Interim Report

CapMan Plc Interim Report  
25 April 2019 at 8.30 a.m. EEST

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#### Performance and main events:

- Group turnover was MEUR 9.3 1 Jan–31 Mar 2019 (MEUR 7.3 1 Jan–31 Mar 2018), growth was 27 per cent.
- Operating profit was MEUR 4.7 (MEUR 4.1). Operating profit excluding items affecting comparability was MEUR 5.6 (MEUR 4.1), growth was 38 per cent.
- Diluted earnings per share for the period were 2.4 cents (2.3 cents). Diluted earnings per share excluding items affecting comparability were 2.9 cents (2.3 cents).
- CapMan acquired 60 per cent of the reporting, analysis and wealth management firm JAM Advisors on 27 February 2019.
- A total of EUR 0.12 per share was distributed to shareholders as dividend and equity repayment for 2018.

This stock exchange release is a summary of CapMan Plc's 1 January – 31 March 2019 Interim Report. The complete report is available in pdf-format as an attachment to this release and on the company's website at <https://www.capman.com/shareholders/financial-reports/>.

#### Joakim Frimodig, CEO:

"The year began with a solid improvement in results. Group comparable operating profit was approx. MEUR 5.6, growing by 38 per cent from last year's first quarter. Comparable earnings per share also developed strongly and were 3 cents. The improved results are based on the strong development of our core business. Fee-based profitability continued its growth and the return of our own funds was on a good level.

Our turnover grew by 27 per cent from the comparison period. Fee income grew due to strategic projects completed and funds established last year. The Services business also grew across the board. Fee-based profitability of our Management Company and Services businesses almost doubled from the comparison period.

The results for the first quarter of the year did not include significant carried interest, although several of our funds are closer to carry.

Most funds developed favourably and especially the Growth fund had a significant effect on our result. The development of our fund investments corresponded to an annualised return of 12 per cent. We continued with selling down the market portfolio in the beginning of the year and continue to allocate funds to our own investments in 2019 according to plan.

An important strategic move was the acquisition of a majority in JAM Advisors. Our objective is to commercialise JAM Advisors' technologically advanced service business and expand its customer base. The execution of our joint business plan has commenced well and the central action items to reach cost synergies have been made in the beginning of the year.

We continue raising newly established funds. The final size of the Infra fund is determined in the end of the year and fundraising for the next Buyout fund is proceeding according to plan. Our Real Estate business grows strongly, and we are working on projects, which as completed, increase the fee and carry potential of this investment area further. The outlook for all Service business remains very good based on CaPS's growth prospects, ongoing projects for Scala and the commercialisation of JAM Advisors' services.

The positive earnings development in the beginning of the year, execution of our strategy and ongoing projects generate positive earnings growth, which supports the implementation of our long-term dividend policy. Our objective is to distribute an annually growing dividend to our shareholders."

#### CapMan maintains financial objectives and outlook estimate for 2019 unchanged

CapMan's objective is to pay an annually increasing dividend to its shareholders.

The combined growth objective for Management Company and Service business is more than 10 per cent p.a. on average. The objective for return on equity is more than 20 per cent p.a. on average. CapMan's equity ratio target is more than 60 per cent.

CapMan expects to achieve these financial objectives gradually and key figures are expected to show fluctuation on an annual basis considering the nature of the business. CapMan expects management fees and fees from services to continue growing in aggregate in 2019. Our objective is to improve the aggregate profitability of Management Company and Service businesses before carried interest income and any possible items affecting comparability.

The return on CapMan's investments have a substantial impact on CapMan's overall result. The development of industries and local economies, market instrument and inflation development, valuation multiples of peer companies, exchange rates and various other factors outside of CapMan's control, as well as the combined effect of the aforementioned factors, influence fair value development of CapMan's overall investments in addition to portfolio company and asset-specific development.

CapMan's objective is to improve results in the longer term, taking into account annual fluctuations affecting the business. For these and other above-mentioned reasons, CapMan does not provide numeric estimates for 2019.

Items affecting comparability are described in the Tables section of this report.

## Key figures

MEUR	1-3/19	1-3/18
Operating profit	4.7	4.1
Items affecting comparability		
Acquisition related costs	0.8	
Donations	0.1	
Items affecting comparability, total	0.9	
Adjusted operating profit	5.6	4.1
Profit for the period	4.0	3.3
Items affecting comparability		
Acquisition related costs	0.7	
Donations	0.1	
Items affecting comparability, total	0.8	
Adjusted profit for the period	4.8	3.3
Earnings per share, cents	2.4	2.3
Items affecting comparability, cents	0.6	
Adjusted earnings per share, cents	3.0	2.3
Earnings per share, diluted, cents	2.4	2.3
Items affecting comparability, cents	0.5	
Adjusted earnings per share, diluted, cents	2.9	2.3
%	31.3.19	31.3.18
Return on equity, %	12.2	11.2
Return on equity, comparable, %	15.0	11.2
Equity ratio, %	52.6	57.6

## Press, analyst and institutional investor conference and webcast today at 10.00 a.m. EEST

CapMan's management will present the result for the review period to press, analysts and institutional investors in a press conference to be held at 10.00 a.m. EEST at CapMan's head office in Helsinki, address Ludviginkatu 6. To join the conference in person, please register with [mari.kemppi@capman.com](mailto:mari.kemppi@capman.com). The conference is also accessible over a live webcast at <https://capman.videosync.fi/2019-q1>. The conference will be held in English. A replay of the webcast will be available on the company's website after the event. Welcome!

Helsinki, 25 April 2019

CAPMAN PLC  
Board of Directors

### Further information:

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### Distribution:

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[www.capman.com](http://www.capman.com)

Appendix: [CapMan Plc 1-3 2019 Interim Report](#)

**CapMan** is a leading Nordic private asset expert with an active approach to value creation. We offer a wide selection of investment products and services. As one of the Nordic private equity pioneers, we have developed hundreds of companies and real estate assets and created substantial value in these businesses and assets over the past 30 years. With over €3 billion in assets under management, our objective is to provide attractive returns and innovative solutions to investors. We have a broad presence in the unlisted market through our local and specialised teams. Our investment strategies cover Private Equity, Real Estate and Infra. We also have a growing service business that includes procurement services, fundraising advisory, and analysis, reporting and wealth management services. Altogether, CapMan employs 140 people in Helsinki, Stockholm, Copenhagen, London, Moscow and Luxembourg. [www.capman.com](http://www.capman.com)