

## A solid start to the year

CapMan's Q1 results were slightly below our estimates. Group turnover amounted to EUR 9.3m (Evli EUR 10.7m) and the operating profit amounted to EUR 4.7m (Evli 5.5m), while the comparable operating profit was at EUR 5.6m. CapMan continued reallocation of its market portfolio capital, with EUR 20.0m remaining. Capital under management rose to EUR 3.2bn.

- Group turnover in Q1 amounted to EUR 9.3m (EUR 7.3m in Q1/18), below our estimates (Evli EUR 10.7m). No significant carried interest was booked during the quarter.
- Operating profit in Q1 was EUR 4.7m (EUR 4.1m in Q1/18), below our estimates (Evli EUR 5.5m). Operating profit excl. IAC was EUR 5.6m
- Management Company business revenue in Q1 was EUR 6.4m vs. EUR 7.2m Evli. Operating profit in Q1 was EUR 0.8m vs. EUR 1.8m Evli.
- Investment business: Revenue in Q1 was EUR 0.0m vs. EUR 0.2m Evli. Operating profit in Q1 was EUR 3.9m vs. EUR 2.9m Evli.
- Services business: Revenue in Q1 was EUR 2.9m vs. EUR 3.3m Evli. Operating profit in Q1 was EUR 1.8m vs. EUR 1.3m Evli.
- Capital under management by the end of Q1 was EUR 3.2bn. Of the capital under management EUR 1.9bn was attributable to real estate funds, EUR 0.9bn to private equity funds and EUR 0.3bn to Infra.
- CapMan continued reallocation of its market portfolio funds and had EUR 20.0m remaining at the end of Q1.

### Rating

+ BUY

Q1/19	Actual	Evli	Year ago	Q4/18
Net sales	9.3	10.7	7.3	8.9
EBIT	4.7	5.5	4.1	-2.9
PTP	4.1	4.9	3.5	-3.6
EPS	0.02	0.03	0.02	-0.02

Deviation	Actual	Evli	Year ago	Q4/18
Net sales		-13%	27%	5%
EBIT		-15%	16%	-
PTP		-16%	16%	-
EPS		-19%	7%	-

 Share price, EUR (Last trading day's closing price) **1.67**

 Target price, EUR **1.8**

 Latest change in recommendation **27-Apr-18**

 Latest report on company **20-Mar-19**

 Research paid by issuer: **YES**

 No. of shares outstanding, '000's **152,454**

 No. of shares fully diluted, '000's **152,454**

 Market cap, EURm **255**

 Free float, % **75.0**

 Exchange rate EUR **1.000**

 Reuters code **CAPMAN.HE**

 Bloomberg code **CAPMAN FH**

 Average daily volume, EURm **0.2**

 Next interim report **25-Apr-19**

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+ BUY ■ HOLD ■ SELL

### PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	Ptx profit EURm	EPS EUR	P/E (x)	EV/Sales (x)	P/CF (x)	EV/EBIT (x)	DPS EUR
2017	35	19	55.9%	16	0.10	13.1	8.1	9.1	14.5	0.11
2018	36	12	33.2%	9	0.05	26.8	6.2	6.7	18.6	0.12
2019E	46	24	51.7%	21	0.13	13.0	5.8	4.7	11.1	0.13
2020E	50	29	58.6%	27	0.16	10.2	5.3	7.2	9.1	0.14
2021E	54	33	62.0%	30	0.18	9.0	5.0	8.2	8.1	0.15

Market cap, EURm	255	BV per share 2019E, EUR	0.8	CAGR EPS 2018-21, %	49.9
Net debt 2019E, EURm	8	Price/book 2019E	2.1	CAGR sales 2018-21, %	14.1
Enterprise value, EURm	264	Dividend yield 2019E, %	7.8	ROE 2019E, %	16.1
Total assets 2019E, EURm	208	Tax rate 2019E, %	7.0	ROCE 2019E, %	13.2
Goodwill 2019E, EURm	5	Equity ratio 2019E, %	59.0	PEG, P/E 19/CAGR	0.9

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

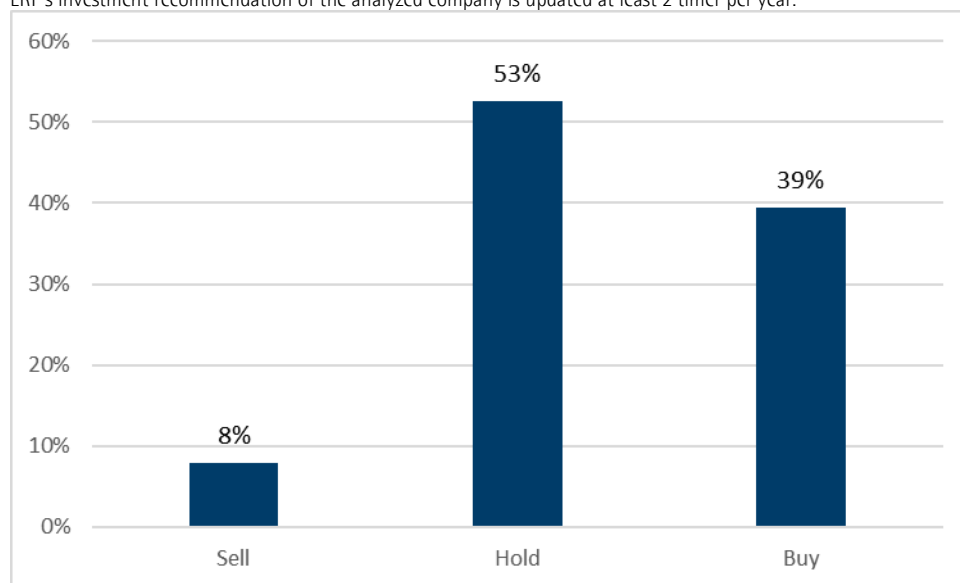
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Investment recommendations are defined as follows:

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

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The graph above shows the distribution of ERP's recommendations of companies under coverage in 1st of February 2019. If recommendation is not given, it is not mentioned here.

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

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