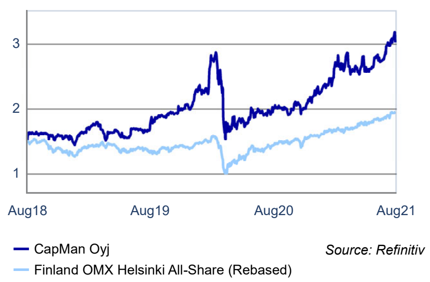
CapMan

Investment Companies
Finland

KEY DATA

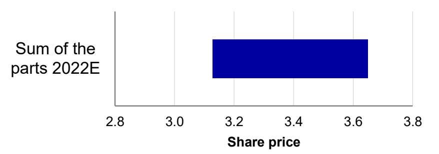
Stock country	Finland
Bloomberg	CAPMAN FH
Reuters	CAPMAN.HE
Share price (close)	EUR 3.04
Free Float	75%
Market cap. (bn)	EUR 0.48/EUR 0.48
Website	www.capman.com
Next report date	27 Oct 2021

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2021E	2022E	2023E
Sales	0%	2%	3%
EBIT (adj)	18%	4%	6%
EPS (adj.)	20%	4%	7%

Source: Nordea estimates

Successfully capturing global opportunities

The Q2 report highlighted CapMan's growth momentum, as its AuM increased 37% y/y, to EUR 4.3bn, and we believe more is yet to come. The share of AuM from outside the Nordics increased to ~60% by the end of June 2021, indicating that CapMan is successfully attracting international investors. The next triggers for the share include fundraising for Infra II and a new real estate concept during H2 2021. We raise 2022E-23E adjusted EBIT by 4-6% owing to improved confidence in the upcoming fundraising projects. We increase our SOTP-based fair value range to EUR 3.1-3.6 per share (3.0-3.5). We model an EBIT CAGR of 17% for 2019-23 and calculate a 2021 dividend yield of 4.8%.

Short-term performance boosted by fair value changes

Q2 EBIT exceeded Refinitiv consensus by 49%, mainly driven by high fair value changes. Recurring management company fees slightly exceeded our expectations. CapMan has accelerated exits from a couple of its funds with good performance, which could result in high carried interest revenue for the next few years, particularly given high valuations in the market. We expect carried interest of EUR 3.5-6m for 2021-22, after EUR 0.9m in 2020.

Strong AuM growth, with further potential

AuM increased by 37% y/y to EUR 4.3bn, driven by several fundraising rounds, such as NRE III (EUR 0.6bn), and a new residential fund with current AuM of EUR 0.3bn and a targeted size of EUR 1bn by 2023. CapMan said that it plans to launch two sizeable fundraising projects during H2 2021 that specifically target international investors. We raise 2022E-23E EBIT by 4-6%, mainly as a result of increasing our size assumption for the Infra II fund from EUR 250m to EUR 400m.

We increase our fair value range to EUR 3.1-3.6 per share

We calculate a fair value range of EUR 3.1-3.6 (3.0-3.5) for the share. We base this range on a sum-of-the-parts valuation that utilises EV/EBIT multiples of 13-15x for CapMan's 2022E operating EBIT, excluding fair value changes (compared to key peer eQ, which is trading at 21x 2022E). We value CapMan's investments based on the book value as of June 2021. Our dividend estimate of EUR 0.15 for 2021 corresponds to a dividend yield of ~4.8%, based on the current share price, and we expect the company to increase its dividend by EUR 0.01 per share annually in 2021-23.

Nordea Markets - Analysts
Pauli Lohi
Analyst

Svante Krokfors
Director

SUMMARY TABLE - KEY FIGURES

EURm	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	31.8	26.7	34.8	36.0	49.0	43.0	52.5	66.6	75.1
EBIT (adj)	9.3	18.7	19.5	12.0	25.1	12.3	38.6	40.4	46.9
EBIT (adj) margin	29.2%	70.0%	55.9%	33.2%	51.1%	28.7%	73.6%	60.7%	62.4%
EPS (adj), EUR	0.06	0.16	0.10	0.05	0.12	0.03	0.19	0.19	0.22
EPS (adj) growth	71.6%	174.6%	-35.8%	-49.7%	127.0%	-71.9%	478.3%	-1.1%	17.4%
DPS (ord), EUR	0.07	0.09	0.11	0.12	0.13	0.14	0.15	0.16	0.17
EV/Sales	4.7	7.5	8.1	6.2	7.7	9.0	7.9	5.8	4.6
EV/EBIT (adj)	16.2	10.7	14.5	18.6	15.1	31.4	10.8	9.5	7.4
P/E (adj)	16.9	7.7	17.0	28.2	19.8	69.5	13.6	13.8	11.7
P/BV	1.4	1.3	2.2	1.9	2.8	3.2	3.6	3.4	3.1
Dividend yield (ord)	7.0%	7.2%	6.2%	8.2%	5.5%	4.7%	5.0%	5.3%	5.6%
Net debt	48	21	25	5	16	25	30	23	12
Net debt/EBITDA	5.0	1.1	1.2	0.4	0.8	2.7	1.8	0.8	0.3

Source: Company data and Nordea estimates

Review of Q2 report

EBIT exceeded consensus by 49%, driven by fair value changes

The Q2 report was strong, driven by highly positive fair value changes that can be considered a non-recurring element. Our main takeaway from the Q2 report is that AuM grew 37% y/y and the fundraising pipeline seems promising.

DEVIATION

EURm	Actual Q2/21	NDA est. Q2/21	Deviation vs. actual		Consensus Q2/21	Deviation vs. actual		Actual Q1/21	q/q	Actual Q2/20	y/y
Sales	**11.9**	**11.5**	**0.4**	**3%**	**11.7**	**0.2**	**2%**	**11.3**	**5%**	**8.7**	**36%**
Adj. EBIT	**11.3**	**6.0**	**5.3**	**89%**	**7.6**	**3.7**	**49%**	**10.1**	**12%**	**4.1**	**174%**
Adj. EBIT margin	95.5%	52.2%		43.3pp	65.4%		30.0pp	89.5%	6pp	47.5%	48.0pp
Adj. EPS, EUR	**0.053**	**0.032**		**66%**	**0.037**	**0.00**	45%	**0.049**	9%	**0.018**	200%
Sales											
Management company business	9.9	8.3	1.6	19%				9.0	9%	6.5	53%
- excluding carried interest	9.6	7.5	2.1	28%				9.0	7%	6.1	58%
- carried interest	0.3	0.8	-0.5	-65%				0.0	502%	0.4	-29%
Services	2.0	3.2	-1.2	-38%				2.3	-12%	2.2	-10%
Other	0.0	-0.2	0.2	-105%				-0.2	-106%	0.0	-48%
Adj. EBIT											
Management company business	2.4							2.5	-2%	1.6	54%
- excluding carried interest	2.2							2.4	-11%	1.2	81%
- carried interest	0.3							0.0	502%	0.4	-29%
Services	0.7							1.2	-39%	0.5	62%
Fair value changes, Investments	9.4							7.9	19%	2.8	236%
Other	-1.2							-1.4	-15%	-0.7	74%

Source: Company data, Refinitiv and Nordea estimates

EBIT up 4-6% for 2022E-23E

We increase our EBIT estimates by 4-6% for 2022-23, owing to the strong momentum in fundraising projects.

ESTIMATE REVISIONS

	New estimates			Old estimates			Difference, %		
EURm	**2021E**	**2022E**	**2023E**	**2021E**	**2022E**	**2023E**	**2021E**	**2022E**	**2023E**
Sales	**52.5**	**66.6**	**75.1**	**52.5**	**65.5**	**72.9**	**0%**	**2%**	**3%**
Sales growth (%)	364%	27%	13%	364%	25%	11%	0.0pp	2.1pp	1.5pp
Adj. EBIT	**38.6**	**40.4**	**46.9**	**32.8**	**38.9**	**44.2**	**18%**	**4%**	**6%**
Adj. EBIT margin	73.6%	60.7%	62.4%	62.4%	59.4%	60.6%	11.2pp	1.3pp	1.8pp
Adj. EPS (EUR)	**0.19**	**0.19**	**0.22**	**0.16**	**0.18**	**0.21**	**20%**	**4%**	**7%**
Net sales by segment									
Management company business	42.7	55.8	63.3	42.7	54.7	61.0	0%	2%	4%
- excluding carried interest	39.2	50.8	58.3	39.2	49.7	56.0	0%	2%	4%
- carried interest	3.5	5.0	5.0	3.5	5.0	5.0	0%	0%	0%
Services business	9.1	10.0	11.0	9.1	10.0	11.0	0%	0%	0%
Other	0.7	0.8	0.8	0.7	0.8	0.8	0%	0%	0%
Adj. EBIT by segment									
Management company business	16.0	28.2	34.0	16.9	27.4	32.1	-5%	3%	6%
- excluding carried interest	12.5	23.2	29.0	13.4	22.4	27.1	-7%	4%	7%
- carried interest	3.5	5.0	5.0	3.5	5.0	5.0	0%	0%	0%
Services business	4.1	4.7	5.4	4.1	4.7	5.4	0%	0%	0%
Investments	23.6	12.6	12.7	16.7	11.9	12.0	41%	6%	6%
- return on invested capital	3%	10%	10%	3%	10%	10%	0.0pp	0.0pp	0.0pp
Other	-5.0	-5.1	-5.2	-5.0	-5.1	-5.2	0%	0%	0%
Net sales growth by segment									
Management company business	38%	31%	13%	38%	28%	12%	0.0pp	2.6pp	1.8pp
- excluding carried interest	30%	30%	15%	30%	27%	13%	0.0pp	2.9pp	1.9pp
- carried interest	301%	43%	0%	301%	43%	0%	0.0pp	0.0pp	0.0pp
Services business	-20%	10%	10%	-20%	10%	10%	0.0pp	0.0pp	0.0pp
Other	5%	5%	5%	5%	5%	5%	0.0pp	0.0pp	0.0pp

Source: Nordea estimates

Our estimates versus consensus

We are below short-term consensus, but do not see it as a negative trigger for the share

Historically, we have been below consensus on EBIT. Currently, our EBIT estimates are 3-9% below consensus for 2021-22, but 3% above for 2023. We do not believe, however, that this will be a negative trigger for the share.

OUR ESTIMATES VS CONSENSUS

	Our estimates			Consensus estimates			Difference %		
EURm	**2021E**	**2022E**	**2023E**	**2021E**	**2022E**	**2023E**	**2021E**	**2022E**	**2023E**
Sales	**52.5**	**66.6**	**75.1**	**56.6**	**68.0**	**71.0**	**-7%**	**-2%**	**6%**
Adj. EBIT	**38.6**	**40.4**	**46.9**	**39.8**	**44.3**	**45.4**	**-3%**	**-9%**	**3%**
Adj. EBIT margin	73.6%	60.7%	62.4%	70.3%	65.2%	63.9%	3.2pp	-4.6pp	-1.5pp
Adj. EPS, EUR	**0.19**	**0.19**	**0.22**	**0.19**	**0.21**	**0.21**	**4%**	**-8%**	**5%**
DPS	**0.15**	**0.16**	**0.17**	**0.15**	**0.16**	**0.18**	**0%**	**0%**	**-3%**

Source: Refinitiv and Nordea estimates

Valuation conclusion

Our valuation is based solely on a sum-of-the-parts model. Based on an applied EV/EBIT range of 13-15x and investments at their latest book value, we estimate a fair value range of EUR 3.1-3.6 per share.

SOTP valuation forms the basis of our fair value range

SOTP valuation

For our sum-of-the-parts valuation, we apply EV/EBIT multiples of 13-15x. Key peer eQ is currently trading at 21x 2022E, according to Refinitiv. CapMan has better earnings growth potential than eQ, we argue, although its financial results are typically more volatile between quarters, owing to fair value changes. We use the multiples only for valuing the operative result (excluding fair value changes). We value CapMan's fund investments at their fair value, based on the Q2 2021 report.

SUM-OF-THE-PARTS VALUATION (EURm) BASED ON 2022 ESTIMATES

Based on 2022 estimates	Sales	EBIT	Valuation method	EV Range
Management company business	55.8	28.2	EV/EBIT 13x - 15x	367 - 423
Services business	10.0	4.7	EV/EBIT 13x - 15x	61 - 70
Investment business	-	12.6	Book value Mar 2021	117 - 143
Other	-	-5.1	EV/EBIT 13x - 15x	-66 to -77
Total	**65.8**	**40.4**		**478 - 560**
Net debt 2022				-23
2020-21E dividends				34
Equity value				489 - 571
Number of share (m)				156.5
Equity per share, EUR				**3.1 - 3.6**

Source: Company data and Nordea estimates

Risks

We believe that the largest risks for CapMan's operations are macroeconomic and market-related, as an economic slowdown could hamper the performance of fund companies and thus affect their valuations. Changes in interest rates could affect the amount that the company can raise for funds, and a slowing transaction market could hinder CapMan's ability to make new investments or exit assets. The performance of CapMan's existing funds will materially affect its ability to raise money for its subsequent funds.

Detailed estimates

ESTIMATES BY SEGMENT (EURm)

Net sales	**2017**	**2018**	**2019**	**2020**	**2021E**	**2022E**	**2023E**
Management Company business	25.1	24.2	32.8	30.9	42.7	55.8	63.3
-Management fees	19.6	22.1	24.7	28.9	35.1	46.1	53.1
-Service fees	1.1	1.1	1.2	1.2	4.1	4.7	5.2
-Carried interest	4.4	1.0	6.9	0.9	3.5	5.0	5.0
Service business	5.6	8.7	15.7	11.4	9.1	10.0	11.0
Other	0.5	0.6	0.5	0.7	0.7	0.8	0.8
Group	**34.8**	**36.0**	**49.0**	**43.0**	**52.5**	**66.6**	**75.1**
Sales growth							
Management Company business	-6%	-4%	35%	-6%	38%	31%	13%
Service business	n.a.	56%	81%	-27%	-20%	10%	10%
Group	**31%**	**3%**	**36%**	**-12%**	**22%**	**27%**	**13%**
Adj. EBIT							
Management Company business	2.7	2.8	10.2	9.1	16.0	28.2	34.0
-Without carried interest	-1.7	1.8	3.3	8.2	12.5	23.2	29.0
Service business	2.3	4.4	9.1	5.0	4.1	4.7	5.4
Investment business	17.3	6.5	10.2	4.0	23.6	12.6	12.7
Other	-2.7	-1.7	-5.9	-5.7	-5.0	-5.1	-5.2
Group	**19.5**	**12.0**	**25.1**	**12.3**	**38.6**	**40.4**	**46.9**
-Without fair value changes	1.9	6.9	12.8	7.9	14.6	27.3	33.7
-Without FV changes and carried interest	-2.5	5.8	5.9	7.1	11.1	22.3	28.7
Adj. EBIT growth							
Management Company business		6%	260%	-11%	76%	76%	21%
Service business		94%	109%	-45%	-18%	14%	14%
Investment business		-63%	58%	n.a.	n.a.	-47%	1%
Group	**4%**	**-39%**	**110%**	**-51%**	**213%**	**5%**	**16%**
Adj. EBIT margin							
Management Company business	11%	12%	31%	29%	38%	51%	54%
-without carried interest	-9%	8%	13%	29%	36%	50%	55%
Service business	41%	50%	58%	44%	45%	47%	49%
Management fee and service fee together	2%	20%	31%	33%	38%	50%	54%
Group	**56%**	**33%**	**51%**	**29%**	**74%**	**61%**	**62%**
Investment business							
Invested capital	169.3	126.6	129.4	116.6	130.7	131.7	131.9
Fair value changes	17.6	5.1	12.2	4.4	24.1	13.1	13.2
-Return on invested capital	10%	4%	9%	3%	10%	10%	10%
Expenses	-4.1	-1.2	-2.0	-0.4	-0.4	-0.5	-0.5
EBIT	**17.3**	**6.5**	**10.2**	**4.0**	**23.6**	**12.6**	**12.7**
Capital under management (EURbn)	**2.8**	**3.0**	**3.2**	**3.8**	**4.6**	**4.9**	**5.3**
-growth y/y	4%	9%	7%	18%	20%	8%	7%

Source: Company data and Nordea estimates

Reported numbers and forecasts

ANNUAL ESTIMATES

EURm	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Management fees	25.5	26.9	28.7	27.4	26.6	19.6	22.1	24.7	28.9	35.1	46.1	53.1
Carried interest	1.8	2.9	10.8	4.4	0.0	4.4	1.0	6.9	0.9	3.5	5.0	5.0
Sale of services	0.0	0.0	0.0	0.0	0.0	7.1	10.3	17.4	13.3	13.9	15.5	17.0
Dividend & interest income	0.0	0.0	0.0	0.0	0.0	3.7	2.5	0.0	0.0	0.0	0.0	0.0
Net sales	**27.3**	**29.8**	**39.5**	**31.8**	**26.7**	**34.8**	**36.0**	**49.0**	**43.0**	**52.5**	**66.6**	**75.1**
sales growth %	-16%	9%	33%	-20%	-16%	31%	3%	36%	-12%	22%	27%	13%
Other operating income	0.0	0.0	0.0	0.3	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Personnel expenses	-17.4	-15.6	-17.8	-17.1	-18.3	-21.4	-19.9	-24.2	-23.9	-27.1	-28.6	-30.1
Depreciation and amortisation	-0.8	-0.7	-0.4	-0.3	-0.3	-1.7	-0.2	-1.4	-1.5	-1.9	-2.0	-2.1
Other operating expenses	-12.0	-11.6	-12.0	-10.6	-12.2	-9.9	-9.1	-12.1	-9.7	-8.9	-8.7	-9.2
Fair value changes	5.3	1.2	-3.1	5.2	22.6	17.6	5.1	12.2	4.4	24.1	13.1	13.2
EBIT	**2.6**	**3.3**	**6.4**	**9.3**	**18.7**	**19.5**	**12.0**	**19.4**	**12.3**	**38.6**	**40.4**	**46.9**
margin %	10%	11%	16%	29%	70%	56%	33%	40%	29%	74%	61%	62%
Net financials	0.1	-0.7	-1.4	-2.9	-3.1	-3.2	-2.7	-1.8	-3.1	-3.3	-3.3	-3.3
Income using the equity method*	0.0	0.0	0.0	0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
Profit before taxes	3.3	2.0	4.9	6.4	15.5	16.2	9.3	17.6	9.2	35.4	37.1	43.6
Income taxes	-0.6	-0.5	-1.0	-0.4	-0.2	-0.8	-0.8	-1.7	-2.9	-5.3	-7.4	-8.7
Profit for the period	2.7	1.5	4.0	6.1	15.3	15.5	8.5	15.9	6.3	30.1	29.7	34.9
EPS, EUR	**0.00**	**-0.01**	**0.03**	**0.06**	**0.16**	**0.10**	**0.06**	**0.09**	**0.03**	**0.19**	**0.19**	**0.22**

Source: Company data and Nordea estimates

INTERIM ESTIMATES

EURm	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21E	Q4/21E
Management fees	6.8	5.8	6.5	9.7	8.0	8.4	8.5	10.1
Carried interest	0.1	0.4	0.1	0.3	0.0	0.3	1.2	2.0
Sale of services	5.0	2.5	2.3	3.5	3.2	3.2	3.2	3.8
Dividend & interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net sales	**12.0**	**8.7**	**9.0**	**13.4**	**11.3**	**11.9**	**12.9**	**15.8**
sales growth %	29%	-35%	-8%	-19%	-5%	36%	44%	18%
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Personnel expenses	-6.3	-5.2	-4.9	-7.5	-6.3	-7.8	-5.6	-7.5
Depreciation and amortisation	-0.3	-0.4	-0.3	-0.4	-0.4	-0.4	-0.4	-0.8
Other operating expenses	-2.8	-2.2	-1.9	-2.8	-2.7	-2.0	-2.1	-1.4
Fair value changes	-8.4	3.2	2.6	7.0	8.2	9.6	3.1	3.2
EBIT	**-6.0**	**4.1**	**4.5**	**9.7**	**10.1**	**11.3**	**7.8**	**9.3**
margin %	-50%	47%	50%	73%	89%	95%	60%	59%
Net financials	-0.6	-0.7	-0.7	-1.1	-0.9	-0.8	-0.8	-0.8
Income using the equity method*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit before taxes	-6.5	3.4	3.8	8.6	9.3	10.5	7.0	8.5
Income taxes	-0.9	-0.3	-0.4	-1.4	-1.5	-1.6	-1.0	-1.3
Profit for the period	-8.0	2.7	3.3	6.8	7.4	8.6	5.9	8.0
EPS, EUR	**-0.05**	**0.02**	**0.02**	**0.04**	**0.05**	**0.06**	**0.04**	**0.05**

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	7.0	6.7	6.5	4.8	4.8	16.1	16.0	16.0	16.0	16.0
of which R&D	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which other intangibles	0.8	0.5	0.3	0.2	0.1	0.8	0.7	0.7	0.7	0.7
of which goodwill	6.2	6.2	6.2	4.5	4.7	15.3	15.3	15.3	15.3	15.3
Tangible assets	0.2	0.2	0.2	0.3	0.3	3.4	2.6	1.9	1.1	0.2
of which machinery & plant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which property	0.2	0.2	0.2	0.3	0.3	3.4	2.6	1.9	1.1	0.2
of which land	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shares associates	9.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest bearing assets	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0
Deferred tax assets	4.1	4.4	4.9	1.8	2.0	3.7	2.4	2.4	2.4	2.4
Other non-interest bearing assets	55.3	47.2	51.4	58.3	80.6	118.6	116.1	116.1	116.1	116.1
Other non-current assets	3.4	62.5	48.6	37.0	12.1	9.4	9.1	9.1	9.1	9.1
Total non-current assets	**79.0**	**121.1**	**111.6**	**102.1**	**99.8**	**151.3**	**146.4**	**145.5**	**144.7**	**143.8**
Inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	6.0	6.6	9.8	8.7	12.6	10.8	14.0	14.0	14.0	14.0
Other current assets	0.3	0.3	86.2	77.1	39.0	10.8	0.3	0.3	0.3	0.3
Cash and bank	28.7	21.6	45.0	23.3	54.5	43.7	58.0	53.3	60.4	71.2
Total current assets	**34.9**	**28.5**	**141.1**	**109.2**	**106.2**	**65.2**	**72.3**	**67.6**	**74.7**	**85.5**
Assets held for sale	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total assets	**113.9**	**149.6**	**252.7**	**211.3**	**206.0**	**216.5**	**218.8**	**213.1**	**219.4**	**229.4**
Shareholder equity	65.6	65.2	143.0	126.7	120.5	127.4	112.5	113.8	120.1	130.0
of which preferred stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which Equity part of hybrid debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority interest	0.0	0.0	0.0	0.0	0.4	2.1	0.7	0.7	0.7	0.7
Total Equity	**65.6**	**65.2**	**143.0**	**126.7**	**121.0**	**129.5**	**113.3**	**114.5**	**120.9**	**130.8**
Deferred tax	2.0	2.0	9.9	8.6	3.3	2.2	2.7	2.7	2.7	2.7
Long term interest bearing debt	27.2	69.4	48.1	45.2	49.7	59.1	82.6	82.6	82.6	82.6
Non-current liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term liabilities	0.0	0.0	0.1	0.1	0.2	0.0	6.9	0.0	0.0	0.0
Convertible debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shareholder debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hybrid debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total non-current liabilities	**29.2**	**71.3**	**58.1**	**53.9**	**53.2**	**61.3**	**92.3**	**85.3**	**85.3**	**85.3**
Short-term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	13.7	13.1	33.3	26.8	16.8	20.2	11.1	11.1	11.1	11.1
Other current liabilities	0.4	0.0	0.3	0.8	5.1	4.5	1.3	1.3	1.3	1.3
Short term interest bearing debt	5.0	0.0	18.0	3.0	10.0	0.9	0.9	0.9	0.9	0.9
Total current liabilities	**19.1**	**13.1**	**51.7**	**30.7**	**31.9**	**25.6**	**13.3**	**13.3**	**13.3**	**13.3**
Liabilities for assets held for sale	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total liabilities and equity	**113.9**	**149.6**	**252.7**	**211.3**	**206.0**	**216.4**	**218.8**	**213.1**	**219.4**	**229.4**

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
EBITDA (excludes fair value changes)	**9.9**	**4.4**	**-3.7**	**3.6**	**7.0**	**8.5**	**9.4**	**16.5**	**29.4**	**49.0**
Paid taxes	-3.5	-0.9	-0.3	-1.6	-3.1	-4.6	-4.3	-5.3	-7.4	-8.7
Net financials	-2.8	-4.3	-4.2	-3.9	-2.4	-2.6	0.0	-3.3	-3.3	-3.3
Other adjustments to reconcile cash flow	6.3	4.6	0.4	0.0	0.7	0.8	0.0	0.0	0.0	0.0
Funds from operations (FFO)	**10.0**	**3.9**	**-7.8**	**-1.8**	**2.2**	**2.1**	**5.2**	**7.9**	**18.7**	**37.0**
Change in NWC	1.7	-3.3	4.6	-1.8	-6.9	-2.5	0.0	0.0	0.0	0.0
Cash flow from operations (CFO)	**11.7**	**0.6**	**-3.1**	**-3.6**	**-4.7**	**-0.4**	**5.2**	**7.9**	**18.7**	**37.0**
Capital Expenditure	0.0	0.0	0.0	-0.3	-0.1	-0.6	-0.4	0.0	0.0	0.0
Free Cash Flow before A&D	**11.7**	**0.6**	**-3.1**	**-3.9**	**-4.8**	**-0.9**	**4.8**	**7.9**	**18.7**	**37.0**
Acquisitions and disposals (mainly exits from investments)	0.0	-39.6	37.3	34.0	39.7	17.5	4.4	24.1	13.1	13.2
Free cash flow	**11.7**	**-39.0**	**34.2**	**30.1**	**34.9**	**16.5**	**5.6**	**25.0**	**31.7**	**37.0**
Dividend paid	-3.5	-5.2	-6.0	-13.0	-16.1	-19.0	-21.9	-21.8	-23.4	-25.0

Source: Company data and Nordea estimates

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Nordea Bank Abp

Nordea Markets Division, Research
Visiting address:
Aleksis Kiven katu 7, Helsinki
FI-00020 Nordea
Finland

Tel: +358 9 1651
Fax: +358 9 165 59710

Reg.no. 2858394-9
Satamaradankatu 5
Helsinki

Nordea Bank Abp, filial i Sverige

Nordea Markets Division, Research
Visiting address:
Smålandsgatan 17
SE-105 71 Stockholm
Sweden

Tel: +46 8 614 7000
Fax: +46 8 534 911 60

Nordea Danmark, Filial af Nordea Bank Abp, Finland

Nordea Markets Division, Research
Visiting address:
Grønjordsvej 10
DK-2300 Copenhagen S
Denmark

Tel: +45 3333 3333
Fax: +45 3333 1520

Nordea Bank Abp, filial i Norge

Nordea Markets Division, Research
Visiting address:
Essendropsgate 7
N-0107 Oslo
Norway

Tel: +47 2248 5000
Fax: +47 2256 8650