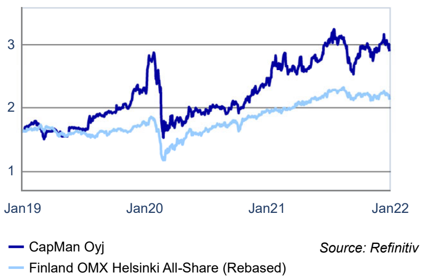
CapMan

Investment Companies
Finland

KEY DATA

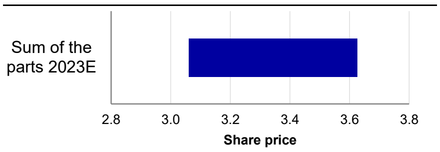
Stock country	Finland
Bloomberg	CAPMAN FH
Reuters	CAPMAN.HE
Share price (close)	EUR 2.90
Free Float	75%
Market cap. (bn)	EUR 0.45/EUR 0.45
Website	www.capman.com
Next report date	03 Feb 2022

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2021E	2022E	2023E
Sales	-8%	5%	-3%
EBIT (adj)	-11%	7%	-5%
EPS (adj.)	-11%	8%	-6%

Source: Nordea estimates

2022 will benefit from high carry

CapMan will report its Q4 on 3 February. The company announced on 4 January that its Nordic Real Estate fund will enter carry in the coming months once it has completed recently announced or signed property exits. At the end of Q3, 60% of the EUR 4.3bn assets under management (AuM) was derived outside the Nordics with a positive trend among large institutional investors. We expect the company to reach record carry in 2022, driven by the Nordic Real Estate fund, while the exit pipeline should offer fairly stable carry after 2022. We derive a fair value range of EUR 3.1-3.6 (3.2-3.8) per CapMan share.

Multiple funds entering carry in H1 2022

On 4 January, CapMan announced that, after multiple property exits, its Nordic Real Estate fund will start distributing carry once it has completed recently announced or signed property exits. We had anticipated the Nordic Real Estate fund to start distributing carry in Q4 2021, while we now expect the full carry distribution in 2022. In addition to strong 2022E carry (EUR 17.5m), we believe the current exit pipeline of funds should offer relatively stable carry after 2022. We expect the strong AuM development to continue and we model EUR 5.7bn in AuM in 2023, up from EUR 4.3bn at the end of Q3 2021.

Estimate revisions reflect the timing of exits

We make only minor revisions to our underlying estimates ahead of the Q4 report, mainly related to the exit timeframe of the funds. We move EUR 5m of Nordic Real Estate carry from Q4 2021E to 2022E. Hence, we lower 2021E adjusted EBIT by 11% and raise 2022E by 7%. In addition, we trim our management fee estimates for 2022-23. We now model EUR 3.5m carry in 2021, EUR 17.5m in 2022 and EUR 7.5m in 2023.

Fair value range of EUR 3.1-3.6

We derive an SOTP-driven fair value range of EUR 3.1-3.6 (3.2-3.8). We use 13-15x EV/EBIT for 2023E operating EBIT (excluding carry), 4-6x EV/EBIT for 2023E carry, and CapMan's book value for investments. On more normalised carry, CapMan trades at 2023E P/E of ~14x, fairly in line with Finnish peers. Based on our estimates, the share offers a ~5.5-6% dividend yield for 2022-23.

Nordea Markets - Analysts
Joni Sandvall
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	53.5	74.7	73.5
EBIT (adj)	9.3	18.7	19.5	12.0	25.1	12.3	40.5	46.4	43.6
EBIT (adj) margin	29.2%	70.0%	55.9%	33.2%	51.1%	28.7%	75.7%	62.2%	59.3%
EPS (adj), EUR	0.06	0.16	0.10	0.05	0.12	0.03	0.20	0.22	0.20
EPS (adj) growth	71.6%	174.6%	-35.8%	-49.7%	127.1%	-72.2%	512.9%	7.6%	-6.5%
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	8.3	5.5	5.1
EV/EBIT (adj)	16.2	10.7	14.5	18.6	15.0	31.3	11.0	8.8	8.6
P/E (adj)	16.9	7.7	17.0	28.2	19.8	70.2	14.3	13.3	14.3
P/BV	1.4	1.3	2.2	1.9	2.8	3.2	3.7	3.4	3.2
Dividend yield (ord)	7.0%	7.2%	6.2%	8.2%	5.5%	6.0%	5.2%	5.5%	5.9%
Net debt	48	21	25	5	16	25	13	2	-5
Net debt/EBITDA	5.0	1.1	1.2	0.4	0.8	2.7	0.8	0.0	-0.1

Source: Company data and Nordea estimates

Estimate revisions and expectations

We trim underlying estimates slightly

We move EUR 5m carry from Q4 2021E to 2022E and make slight adjustments to our fund estimates, resulting in slightly negative management fee estimate revisions. We now expect EUR 3.5m carry in 2021, EUR 17.5m in 2022 and EUR 7.5m in 2023.

ESTIMATE REVISIONS

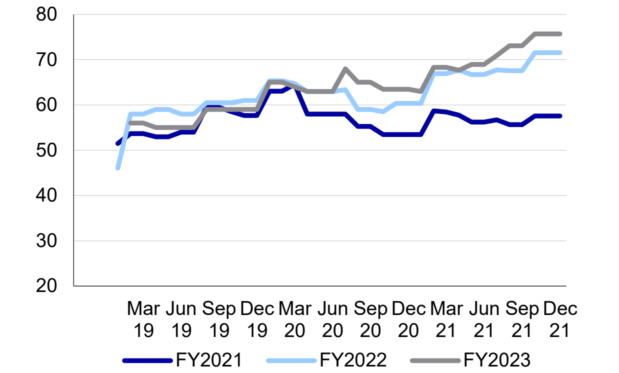
	New estimates				Old estimates				Difference, %			
EURm	**Q4 2021E**	**2021E**	**2022E**	**2023E**	**Q4 2020E**	**2021E**	**2022E**	**2023E**	**Q4 2020E**	**2021E**	**2022E**	**2023E**
Sales	**15.4**	**53.5**	**74.7**	**73.5**	**20.1**	**58.2**	**71.4**	**75.7**	**-23%**	**-8%**	**5%**	**-3%**
Adj. EBIT	**8.1**	**40.5**	**46.4**	**43.6**	**13.0**	**45.4**	**43.4**	**46.0**	**-38%**	**-11%**	**7%**	**-5%**
Adj. EBIT margin	52.3%	75.7%	62.2%	59.3%	64.4%	78.0%	60.7%	60.8%	-12.1pp	-2.3pp	1.4pp	-1.5pp
Adj. EPS (EUR)	**0.04**	**0.20**	**0.22**	**0.20**	**0.06**	**0.23**	**0.20**	**0.22**	**-39%**	**-11%**	**8%**	**-6%**
Net sales by segment												
Management company	12.0	43.9	64.1	61.9	16.7	48.6	60.9	64.1	-28%	-10%	5%	-3%
- excluding carried interest	11.1	40.4	46.6	54.4	10.7	40.1	48.4	56.6	3%	1%	-4%	-4%
- carried interest	1.0	3.5	17.5	7.5	6.0	8.5	12.5	7.5	-84%	-59%	40%	0%
Services business	2.7	8.9	9.8	10.8	2.7	8.9	9.8	10.8	0%	0%	0%	0%
Other	0.7	0.7	0.8	0.8	0.7	0.7	0.8	0.8	0%	0%	0%	0%
Adj. EBIT by segment												
Management company	4.8	14.8	34.9	31.2	9.7	19.7	31.8	33.7	-50%	-25%	10%	-7%
- excluding carried interest	3.8	11.3	17.4	23.7	3.7	11.2	19.3	26.2	3%	1%	-10%	-9%
- carried interest	1.0	3.5	17.5	7.5	6.0	8.5	12.5	7.5	n.a.	-59%	40%	0%
Services business	1.5	4.5	5.2	6.0	1.5	4.5	5.2	6.0	0%	0%	0%	0%
Investments	3.1	26.2	11.8	11.9	3.1	26.2	11.8	11.9	0%	0%	0%	0%
Other	-1.3	-5.0	-5.5	-5.6	-1.3	-5.0	-5.5	-5.6	0%	0%	0%	0%

Source: Nordea estimates

Expectations

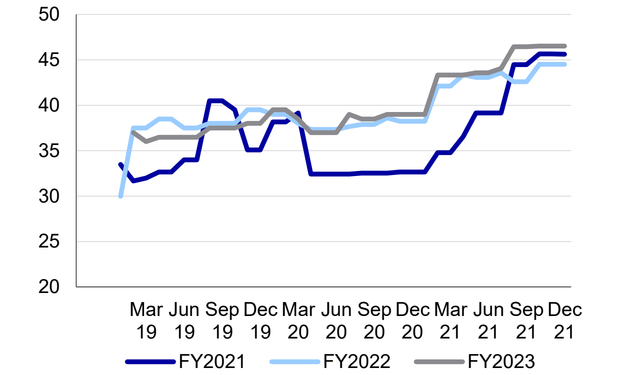
CapMan will report its Q4 results on 27 October at 08:00 EET. Consensus (Refinitiv) expectations for adjusted EBIT have increased throughout the year owing to positive business momentum and positive fair value changes.

CONSENSUS SALES ESTIMATES (EURm)



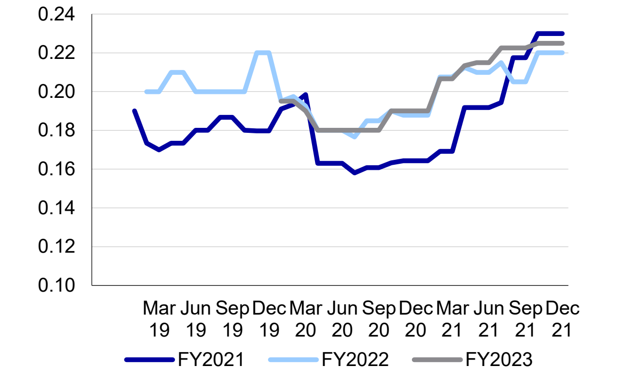
Source: Refinitiv

CONSENSUS EBIT ESTIMATES (EURm)



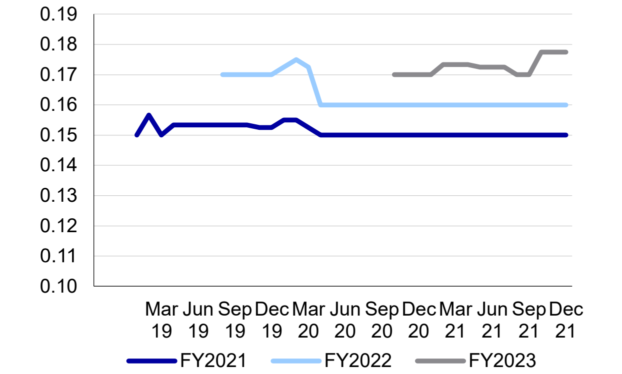
Source: Refinitiv

CONSENSUS EPS ESTIMATES (EUR)



Source: Refinitiv

CONSENSUS DPS ESTIMATES (EUR)



Source: Refinitiv

Fairly in line with consensus for 2022E

We are 9% below Refinitiv consensus on adjusted EBIT for 2021E. However, we think the consensus has not fully taken into account the shift in carry. We are in line with consensus on 2022E EBIT, while we are 6% below for 2023E, most likely due to more conservative carry expectations.

OUR ESTIMATES VERSUS CONSENSUS

	Our estimates				Consensus estimates				Difference %			
EURm	**Q4 2021E**	**2021E**	**2022E**	**2023E**	**Q4 2021E**	**2021E**	**2022E**	**2023E**	**Q4 2021E**	**2021E**	**2022E**	**2023E**
Sales	**15.4**	**53.5**	**74.7**	**73.5**	**18.0**	**56.1**	**73.2**	**75.7**	**-14%**	**-5%**	**2%**	**-3%**
Adj. EBIT	**8.1**	**40.5**	**46.4**	**43.6**	**12.2**	**44.4**	**46.3**	**46.5**	**-34%**	**-9%**	**0%**	**-6%**
Adj. EBIT margin	52.3%	75.7%	62.2%	59.3%	67.6%	79.2%	63.2%	61.4%	-15.3pp	-3.5pp	-1.0pp	-2.1pp
PTP	7.1	36.6	42.6	39.8	11.3	40.8	42.8	43.1	-37%	-10%	-1%	-8%
Adj. EPS, EUR	**0.040**	**0.20**	**0.22**	**0.20**	**0.063**	**0.23**	**0.23**	**0.23**	**-37%**	**-10%**	**-4%**	**-10%**

Source: Refinitiv and Nordea estimates

Valuation

Using a sum-of-the-parts valuation, we derive a fair value range of EUR 3.1-3.6 per CapMan share.

SOTP valuation of EUR 3.1-3.6 per share

We shift our valuation approach to 2023. Using a 2023E EV/EBIT range of 13-15x for management business operational EBIT estimates for 2023E (excluding carry), EV/EBIT of 4-6x for our 2023E carry estimate and 13-15x EV/EBIT for Services business 2023E EBIT, we derive a fair value range of EUR 3.1-3.6 per CapMan share. We use CapMan's book value as a proxy for investment fair value, deduct 2022E net debt and add 2021E dividends.

SUM-OF-THE-PARTS VALUATION BASED ON 2023 ESTIMATES (EURm AND EUR)

Based on 2023 estimates	Sales	EBIT	Valuation method	EV Range
Management company business	61.9	31.2	EV/EBIT 10.8x - 12.8x	339 - 401
excluding carried interest	54.4	23.7	EV/EBIT 13x - 15x	309 - 356
carried interest	7.5	7.5	EV/EBIT 4x - 6x	30 - 45
Services business	10.8	6.0	EV/EBIT 13x - 15x	79 - 91
Investment business	-	11.9	Book value Sep 2021	113 - 138
Other	0.8	-5.6	EV/EBIT 13x - 15x	-73 to -84
Total	**73.5**	**43.6**		**458 - 546**
Net debt 2022E				-2
2021E dividends				23
Equity value				479 - 568
Number of shares (m)				156.6
Equity per share, EUR				**3.1 - 3.6**

Source: Company data and Nordea estimates

DCF valuation suggests EUR 3.4-4.2 per share

In our DCF model, we assume a sales CAGR of 9.3% for 2021-26, followed by gradual deceleration to 2.5% growth in perpetuity, meaning that organic growth is roughly the same as the average rate of inflation. We also assume CapMan will have a long-term adjusted EBIT margin of 50%. We use a 4% cost of debt in our DCF model, as the current level is unlikely to persist in the long term. We also assign a long-term equity weight of 70% in our DCF model.

WACC COMPONENTS

WACC components	
Risk-free interest rate	2.0%
Market risk premium	4.5%
Forward looking asset beta	nm
Beta debt	0.1
Forward looking equity beta	1.3-1.8
Cost of equity	7.9-10.1%
Cost of debt	4.0%
Tax-rate used in WACC	20%
Equity weight	70%
WACC	**6.5-8%**

Source: Nordea estimates

DCF VALUE (EURm AND EUR)

DCF value	Value	Per share
NPV FCFF	512-631	3.3-4
(Net debt)	-25	-0.2
Time value	51	0.3
Market value of associates	0	0.0
(Market value of minorities)	-1	0.0
Surplus values	0	0.0
(Market value preference shares)	0	0.0
Share based adjustments	0	0.0
Other adjustments	0	0.0
DCF Value	**536-655**	**3.4-4.2**

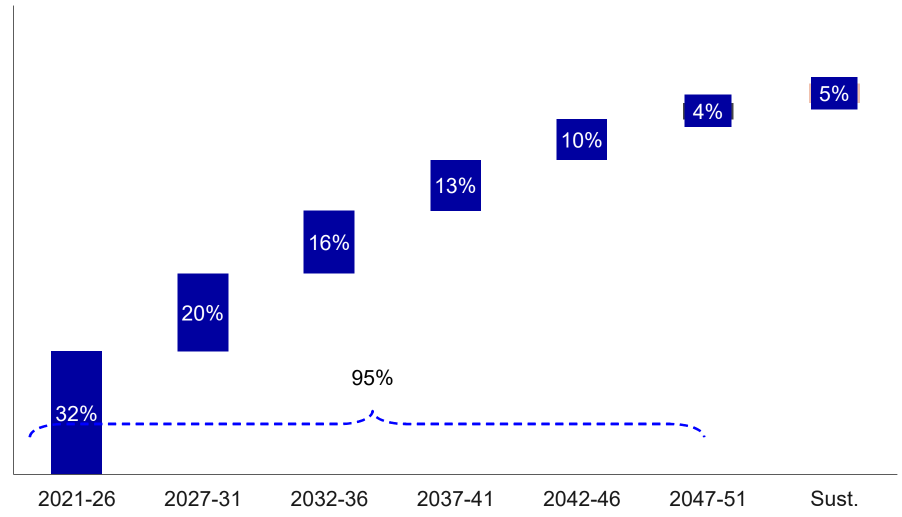
Source: Nordea estimates

DCF ASSUMPTIONS

Averages and assumptions	2021-26	2027-31	2032-36	2037-41	2042-46	2047-51	Sust.
Sales growth, CAGR	9.3%	4.0%	2.5%	2.5%	2.5%	2.5%	
EBIT-margin, excluding associates	60.9%	50.0%	50.0%	50.0%	50.0%	7.2%	
Capex/depreciation, x	1.2	1.0	1.0	1.0	1.0	1.0	
Capex/sales	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%	
NWC/sales	-2%	-2%	-2%	-2%	-2%	-2%	
FCFF, CAGR	0.0%	1.7%	2.9%	2.5%	2.5%	-33.8%	2.5%

Source: Nordea estimates

DCF VALUATION DISTRIBUTION



Source: Nordea estimates

Main 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 company's ability to raise 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

Segment estimates EURm							
Net sales	**2017**	**2018**	**2019**	**2020**	**2021E**	**2022E**	**2023E**
Management Company business	25.1	24.2	32.8	30.9	43.9	64.1	61.9
-Management fees	19.6	22.1	24.7	28.9	36.0	41.6	48.8
-Service fees	1.1	1.1	1.2	1.2	4.4	5.1	5.6
-Carried interest	4.4	1.0	6.9	0.9	3.5	17.5	7.5
Service business	5.6	8.7	15.7	11.4	8.9	9.8	10.8
Other	0.5	0.6	0.5	0.7	0.7	0.8	0.8
Group	**34.8**	**36.0**	**49.0**	**43.0**	**53.5**	**74.7**	**73.5**
Sales growth							
Management Company business	-6%	-4%	35%	-6%	42%	46%	-3%
Service business	n.a.	56%	81%	-28%	-22%	10%	10%
Group	**31%**	**3%**	**36%**	**-12%**	**24%**	**40%**	**-2%**
Adj. EBIT							
Management Company business	2.7	2.8	10.2	9.1	14.8	34.9	31.2
-Without carried interest	-1.7	1.8	3.3	8.2	11.3	17.4	23.7
Service business	2.3	4.4	9.1	4.9	4.5	5.2	6.0
Investment business	17.3	6.5	10.2	4.0	26.2	11.8	11.9
Other	-2.7	-1.7	-5.9	-5.7	-5.0	-5.5	-5.6
Group	**19.5**	**12.0**	**25.1**	**12.3**	**40.5**	**46.4**	**43.6**
-Without fair value changes	1.9	6.9	12.8	7.9	13.4	33.8	30.8
-Without FV changes and carried interest	-2.5	5.8	5.9	7.1	9.9	16.3	23.3
Adj. EBIT growth							
Management Company business		6%	260%	-11%	63%	136%	-10%
Service business		94%	109%	-46%	-10%	17%	16%
Investment business		-63%	58%	n.a.	n.a.	-55%	0%
Group	**4%**	**-39%**	**110%**	**-51%**	**228%**	**15%**	**-6%**
Adj. EBIT margin							
Management Company business	11%	12%	31%	29%	34%	54%	50%
-without carried interest	-9%	8%	13%	29%	31%	42%	49%
Service business	41%	50%	58%	43%	50%	53%	56%
Management fee and service fee together	2%	20%	31%	33%	35%	44%	50%
Group	**56%**	**33%**	**51%**	**29%**	**76%**	**62%**	**59%**
Investment business							
Invested capital	169.3	126.6	129.4	116.6	126.7	127.4	127.1
Fair value changes	17.6	5.1	12.2	4.4	27.1	12.7	12.7
-Return on invested capital	10%	4%	9%	4%	23%	10%	10%
Expenses	-4.1	-1.2	-2.0	-0.4	-0.9	-0.8	-0.8
EBIT	**17.3**	**6.5**	**10.2**	**4.0**	**26.2**	**11.8**	**11.9**
Capital under management (EURbn)	**2.8**	**3.0**	**3.2**	**3.8**	**4.6**	**5.1**	**5.7**
-growth y/y	4%	9%	7%	18%	20%	12%	11%

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	36.0	41.6	48.8
Carried interest	1.8	2.9	10.8	4.4	0.0	4.4	1.0	6.9	0.9	3.5	17.5	7.5
Sale of services	0.0	0.0	0.0	0.0	0.0	7.1	10.3	17.4	13.3	14.0	15.6	17.1
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**	**53.5**	**74.7**	**73.5**
sales growth %	-16%	9%	33%	-20%	-16%	31%	3%	36%	-12%	24%	40%	-2%
Other operating income	0.0	0.0	0.0	0.3	0.1	0.0	0.0	0.0	0.1	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	-29.0	-29.5	-30.7
Depreciation and amortisation	-0.8	-0.7	-0.4	-0.3	-0.3	-1.7	-0.2	-1.4	-1.5	-1.5	-1.5	-1.6
Other operating expenses	-12.0	-11.6	-12.0	-10.6	-12.2	-9.9	-9.1	-12.1	-9.7	-9.4	-9.7	-10.2
Fair value changes	5.3	1.2	-3.1	5.2	22.6	17.6	5.1	12.2	4.4	27.1	12.7	12.7
EBIT	**2.6**	**3.3**	**6.4**	**9.3**	**18.7**	**19.5**	**12.0**	**19.4**	**12.3**	**40.7**	**46.6**	**43.8**
margin %	10%	11%	16%	29%	70%	56%	33%	40%	29%	76%	62%	60%
Net financials	0.1	-0.7	-1.4	-2.9	-3.1	-3.2	-2.7	-1.8	-3.1	-3.9	-3.9	-3.8
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	36.8	42.8	40.0
Income taxes	-0.6	-0.5	-1.0	-0.4	-0.2	-0.8	-0.8	-1.7	-2.9	-5.0	-8.6	-8.0
Profit for the period	2.7	1.5	4.0	6.1	15.3	15.5	8.5	15.9	6.3	31.8	34.2	32.0
EPS, EUR	**0.00**	**-0.01**	**0.03**	**0.06**	**0.16**	**0.10**	**0.06**	**0.09**	**0.03**	**0.20**	**0.22**	**0.20**

Source: Company data and Nordea estimates

INTERIM ESTIMATES

EURm	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21E
Management fees	6.8	5.8	6.5	9.7	8.0	8.4	9.6	9.9
Carried interest	0.1	0.4	0.1	0.3	0.0	0.3	2.2	1.0
Sale of services	5.0	2.5	2.2	3.5	3.2	3.2	3.1	4.6
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**	**8.9**	**13.4**	**11.3**	**11.9**	**14.9**	**15.4**
sales growth %	29%	-35%	-8%	-19%	-5%	36%	67%	15%
Other operating income	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Personnel expenses	-6.3	-5.2	-4.9	-7.5	-6.3	-7.8	-7.5	-7.4
Depreciation and amortisation	-0.3	-0.4	-0.3	-0.4	-0.4	-0.4	-0.4	-0.4
Other operating expenses	-2.8	-2.2	-1.9	-2.8	-2.7	-2.0	-2.1	-2.6
Fair value changes	-8.4	3.2	2.6	7.0	8.2	9.6	6.0	3.2
EBIT	**-6.0**	**4.1**	**4.5**	**9.7**	**10.1**	**11.3**	**10.9**	**8.3**
margin %	-50%	47%	50%	73%	90%	95%	73%	54%
Net financials	-0.6	-0.7	-0.7	-1.1	-0.9	-1.3	-0.8	-1.0
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	10.1	10.2	7.3
Income taxes	-0.9	-0.3	-0.4	-1.4	-1.5	-1.2	-0.7	-1.5
Profit for the period	-8.3	3.3	3.3	6.8	7.5	9.0	9.0	6.4
EPS, EUR	**-0.05**	**0.02**	**0.02**	**0.04**	**0.05**	**0.06**	**0.06**	**0.04**

**Share of the income of investments accounted for using the equity method*

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	2.5	1.7	1.9	2.1	2.5
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	2.5	1.7	1.9	2.1	2.5
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**	**150.4**	**145.5**	**145.5**	**145.7**	**146.2**
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	13.4	17.9	16.9
Other current assets	0.3	0.3	86.2	77.1	39.0	10.8	0.3	0.4	0.5	0.5
Cash and bank	28.7	21.6	45.0	23.3	54.5	43.7	58.0	71.2	82.2	88.6
Total current assets	**34.9**	**28.5**	**141.1**	**109.2**	**106.2**	**66.2**	**73.3**	**85.9**	**101.7**	**107.1**
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**	**231.4**	**247.4**	**253.3**
Shareholder equity	65.6	65.2	143.0	126.7	120.5	127.4	112.5	122.5	133.3	140.2
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**	**123.3**	**134.0**	**141.0**
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	0.2	6.9	6.9	6.9	6.9
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**	**61.4**	**92.3**	**92.3**	**92.3**	**92.3**
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	13.4	17.9	16.9
Other current liabilities	0.4	0.0	0.3	0.8	5.1	4.5	1.3	1.6	2.2	2.2
Short term interest bearing debt	5.0	0.0	18.0	3.0	10.0	0.5	0.4	0.4	0.4	0.4
Total current liabilities	**19.1**	**13.1**	**51.7**	**30.7**	**31.9**	**25.6**	**13.3**	**15.9**	**21.1**	**20.0**
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**	**216.5**	**218.8**	**231.4**	**247.4**	**253.3**

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**	**15.1**	**35.5**	**32.6**
Paid taxes	-3.5	-0.9	-0.3	-1.6	-3.1	-4.6	-4.3	-5.0	-8.6	-8.0
Net financials	-2.8	-4.3	-4.2	-3.9	-2.4	-2.6	-3.2	-3.9	-3.9	-3.8
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**	**2.0**	**6.3**	**23.1**	**20.8**
Change in NWC	1.7	-3.3	4.6	-1.8	-6.9	-2.5	-15.7	3.2	0.5	0.0
Cash flow from operations (CFO)	**11.7**	**0.6**	**-3.1**	**-3.6**	**-4.7**	**-0.4**	**-13.8**	**9.5**	**23.5**	**20.8**
Capital Expenditure	0.0	0.0	0.0	-0.3	-0.1	-0.6	-0.4	-0.8	-0.8	-1.0
Free Cash Flow before A&D	**11.7**	**0.6**	**-3.1**	**-3.9**	**-4.8**	**-0.9**	**-14.1**	**8.7**	**22.8**	**19.8**
Acquisitions and disposals (mainly exits from investments)	0.0	-39.6	37.3	34.0	39.7	17.5	4.4	27.1	12.7	12.7
Free cash flow	**11.7**	**-39.0**	**34.2**	**30.1**	**34.9**	**16.5**	**5.6**	**35.8**	**35.5**	**32.5**
Dividend paid	-3.5	-5.2	-6.0	-13.0	-16.1	-19.0	-21.9	-21.8	-23.5	-25.1

Source: Company data and Nordea estimates

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