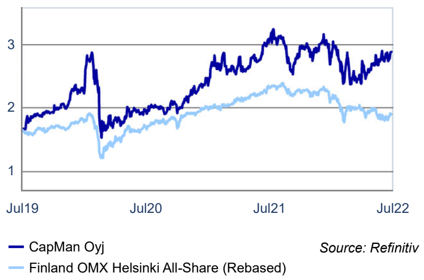
CapMan

Investment Companies
Finland

KEY DATA

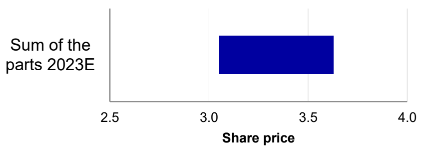
Stock country	Finland
Bloomberg	CAPMAN FH
Reuters	CAPMAN.HE
Share price (close)	EUR 2.88
Free Float	75%
Market cap. (bn)	EUR 0.45/EUR 0.45
Website	www.capman.com
Next report date	04 Aug 2022

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

ESTIMATE CHANGES			
Year	**2022E**	**2023E**	**2024E**
Sales	4%	2%	-1%
EBIT (adj)	7%	4%	-1%
EPS (adj.)	5%	4%	-1%

Source: Nordea estimates

Supportive exit pipeline for 2022-23

CapMan will release its Q2 report on 4 August. In June, the company announced its exit from Picosun, which takes its Growth 2017 fund into carried interest. In addition, we expect more exit news related to Nordic Real Estate funds, which should secure strong carry flow in 2022-23 in combination with the Growth fund. However, market turmoil creates some uncertainty over its fair value changes and exit timeline. With the help of three new products in the pipeline for 2022, we expect AuM of EUR 5bn at the end of 2022. We derive a fair value range of EUR 3.1-3.6 (3.0-3.6) per CapMan share.

Picosun was the largest exit in CapMan's history

On 16 June, CapMan announced the exit of its Growth fund from Picosun, representing the largest exit value in its history. The fund (EUR 86m of commitments) still has eight companies remaining as it transfers to carried interest. In addition, CapMan's Buyout fund is in the midst of an exit process from Fortaco, with an expected closing in H2 2022. We expect more exit news related to Nordic Real Estate funds (NRE I in carry) in H2, which should secure strong carry flow in 2022-23. Despite the current market turmoil, we expect fair value changes to remain positive through completed exits. However, we note uncertainties, especially those related to the real estate sector, which might have an impact on Q4 results through fair value changes. For Q2, we model EUR 8.3m of positive fair value changes and EUR 6m in carry. We expect management fees to be up 13% y/y in Q2.

We increase our carried interest estimates

We raise our 2022E-23E top line by 2-4%, driven mainly by higher carry estimates. We take a slightly more cautious view on the underlying management company business (excluding carried interest) owing to inflation. We leave our 2024 estimates virtually unchanged.

Fair value range of EUR 3.1-3.6

We derive an SOTP-based fair value range of EUR 3.1-3.6 (3.0-3.6). We use 13-15x EV/EBIT for 2023E operating EBIT (excluding carry forwards) and 4-6x EV/EBIT for 2023E carry forwards and CapMan's book value for investments. With more normalised carry, CapMan would trade at a 2023E P/E of ~14x. Based on our estimates, the share offers dividend yield of around 6% for 2022-24.

Nordea Markets - Analysts
Joni Sandvall
Analyst

Svante Krokfors
Director

SUMMARY TABLE - KEY FIGURES

EURm	2016	2017	2018	2019	2020	2021E	2022E	2023E	2024E
Total revenue	26.7	34.8	36.0	49.0	43.0	52.8	76.7	73.5	75.9
EBIT (adj)	18.7	19.5	12.0	25.1	12.3	44.6	64.6	44.9	45.8
EBIT (adj) margin	70.0%	55.9%	33.2%	51.1%	28.7%	84.6%	84.2%	61.1%	60.3%
EPS (adj), EUR	0.16	0.10	0.05	0.12	0.03	0.22	0.31	0.20	0.21
EPS (adj) growth	174.6%	-35.8%	-49.7%	127.1%	-72.2%	564.4%	42.0%	-34.4%	2.4%
DPS (ord), EUR	0.09	0.11	0.12	0.13	0.14	0.15	0.16	0.17	0.18
EV/Sales	7.5	8.1	6.2	7.7	9.0	9.4	5.5	5.3	4.7
EV/EBIT (adj)	10.7	14.5	18.6	15.0	31.3	11.1	6.6	8.7	7.8
P/E (adj)	7.7	17.0	28.2	19.8	70.2	13.8	9.3	14.2	13.8
P/BV	1.3	2.2	1.9	2.8	3.2	3.8	3.0	2.9	2.7
Dividend yield (ord)	7.2%	6.2%	8.2%	5.5%	6.0%	4.9%	5.5%	5.9%	6.2%
Net debt	21	25	5	16	25	18	-9	-15	-21
Net debt/EBITDA	1.1	1.2	0.4	0.8	2.7	1.5	-0.3	-0.5	-0.4

Source: Company data and Nordea estimates

Estimate revisions and expectations

Revisions mainly due to higher carry expectations

We make only minor estimate revisions to our Management Company estimates (excluding carry), while we hike our carry expectations following the Picosun exit. We hike 2022E-23E EBIT by 4-7%. We leave our 2024 estimates virtually unchanged.

ESTIMATE REVISIONS

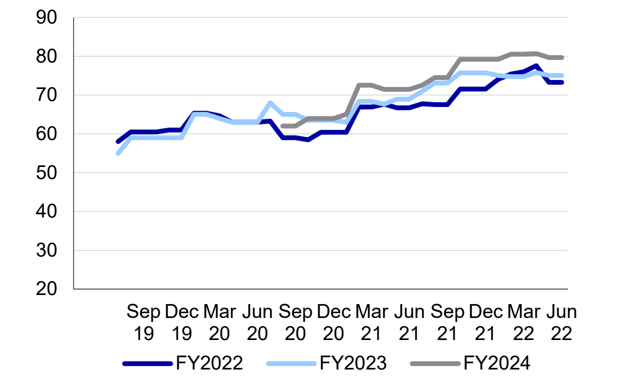
	New estimates				Old estimates				Difference, %			
EURm	**Q2 2022E**	**2022E**	**2023E**	**2024E**	**Q2 2022E**	**2022E**	**2023E**	**2024E**	**Q2 2022E**	**2022E**	**2023E**	**2024E**
Sales	**19.0**	**76.7**	**73.5**	**75.9**	**18.0**	**73.7**	**72.0**	**76.4**	**6%**	**4%**	**2%**	**-1%**
Adj. EBIT	**15.7**	**64.6**	**44.9**	**45.8**	**13.1**	**60.4**	**43.3**	**46.2**	**20%**	**7%**	**4%**	**-1%**
Adj. EBIT margin	82.8%	84.2%	61.1%	60.3%	72.9%	81.9%	60.2%	60.5%	9.9pp	2.3pp	0.9pp	-0.1pp
Adj. EPS (EUR)	**0.08**	**0.31**	**0.20**	**0.21**	**0.07**	**0.30**	**0.20**	**0.21**	**8%**	**5%**	**4%**	**-1%**
Net sales by segment												
Management company	16.7	66.6	62.1	63.5	15.7	63.6	60.6	64.0	6%	5%	2%	-1%
- excluding carried interest	10.7	45.1	52.6	56.0	10.7	45.1	53.1	56.5	0%	0%	-1%	-1%
- carried interest	6.0	21.5	9.5	7.5	5.0	18.5	7.5	7.5	20%	16%	27%	0%
Services business	2.3	9.6	10.7	11.8	2.3	9.6	10.7	11.8	0%	0%	0%	0%
Other	0.0	0.6	0.6	0.6	0.0	0.6	0.6	0.6	0%	0%	0%	0%
Adj. EBIT by segment												
Management company	8.9	35.2	30.4	30.3	8.1	32.4	29.1	31.1	10%	9%	4%	-2%
- excluding carried interest	2.9	13.7	20.9	22.8	3.1	13.9	21.6	23.6	-7%	-1%	-3%	-3%
- carried interest	6.0	21.5	9.5	7.5	5.0	18.5	7.5	7.5	20%	16%	27%	0%
Services business	1.0	5.2	6.2	7.1	1.0	5.2	6.2	7.1	0%	0%	0%	0%
Investments	8.1	30.7	14.0	14.2	5.1	27.7	13.7	13.9	59%	11%	2%	2%
Other	-2.3	-6.5	-5.7	-5.8	-1.1	-4.9	-5.7	-5.8	113%	33%	0%	0%

Source: Nordea estimates

Expectations

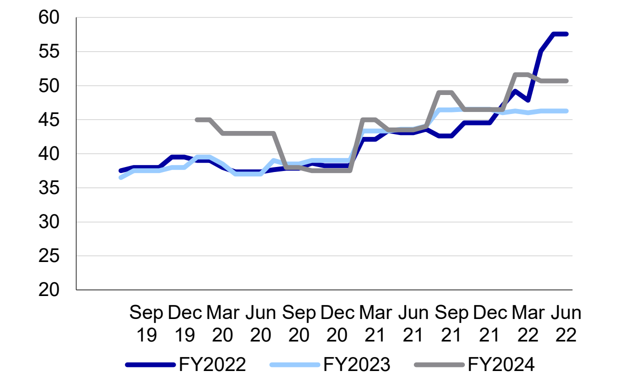
CapMan will report its Q1 results on 28 April at 08:00 EET. Refinitiv consensus expectations for adjusted EBIT have increased throughout the year owing to positive business momentum and positive fair value changes.

CONSENSUS SALES ESTIMATES (EURm)



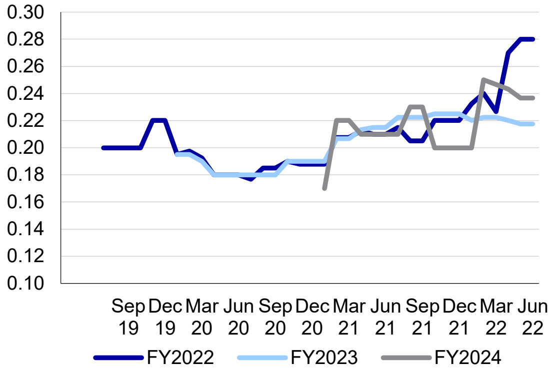
Source: Refinitiv

CONSENSUS EBIT ESTIMATES (EURm)



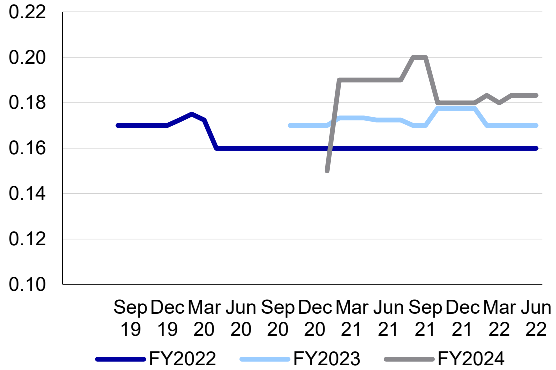
Source: Refinitiv

CONSENSUS EPS ESTIMATES (EUR)



Source: Refinitiv

CONSENSUS DPS ESTIMATES (EUR)



Source: Refinitiv

Above consensus for 2022E EBIT, below for 2023E-24E

Our EBIT estimates are 12% above post-Q1 Infront consensus for 2022 and 3-10% below for 2023-24. We believe the main difference is due to carry forward and fair value change expectations. Our estimates are in line with consensus on dividends for 2022-24.

OUR ESTIMATES VS CONSENSUS

	Our estimates				Consensus estimates				Difference %			
EURm	**Q2 2022E**	**2022E**	**2023E**	**2024E**	**Q2 2022E**	**2022E**	**2023E**	**2024E**	**Q2 2022E**	**2022E**	**2023E**	**2024E**
Sales	**19.0**	**76.7**	**73.5**	**75.9**	**17.8**	**73.2**	**75.0**	**79.8**	**7%**	**5%**	**-2%**	**-5%**
Adj. EBIT	**15.7**	**64.6**	**44.9**	**45.8**	**10.8**	**57.6**	**46.4**	**50.7**	**46%**	**12%**	**-3%**	**-10%**
Adj. EBIT margin	82.8%	84.2%	61.1%	60.3%	60.5%	78.7%	61.9%	63.5%	22.2pp	5.5pp	-0.8pp	-3.2pp
PTP	14.1	58.7	40.3	41.3	9.9	53.2	42.3	46.8	43%	10%	-5%	-12%
EPS, EUR	**0.078**	**0.31**	**0.20**	**0.21**	**0.053**	**0.29**	**0.23**	**0.26**	**49%**	**9%**	**-10%**	**-18%**
DPS		**0.16**	**0.17**	**0.18**		**0.16**	**0.17**	**0.18**		0%	0%	0%

Source: Infront 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 use a 2023E EV/EBIT range of 13-15x to value the management company business (excluding carry), EV/EBIT of 4-6x for our 2023 carry valuation and 13-15x EV/EBIT to value the Services business. From this, we derive a fair value range of EUR 3.1-3.6 (3.0-3.6) per CapMan share. We use CapMan's book value as a proxy for the investment fair value, deduct 2022E net debt and add 2022E 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	62.1	30.4	EV/EBIT 10.2x - 12.2x	310 - 371
excluding carried interest	52.6	20.9	EV/EBIT 13x - 15x	272 - 314
carried interest	9.5	9.5	EV/EBIT 4x - 6x	38 - 57
Services business	10.7	6.2	EV/EBIT 13x - 15x	80 - 93
Investment business	-	14.0	Book value Mar 2022	128 - 156
Other	0.6	-5.7	EV/EBIT 13x - 15x	-75 to -86
Total	**73.5**	**44.9**		**444 - 534**
Net debt 2022E				9
2022E dividends				25
Equity value				478 - 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 3.3-4.0 per share

In our DCF model, we assume a sales CAGR of 2.4% for 2022-27, followed by a 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	3.0%
Market risk premium	4.0%
Forward looking asset beta	nm
Beta debt	0.1
Forward looking equity beta	1.3-1.8
Cost of equity	8.2-10.2%
Cost of debt	4.0%
Tax-rate used in WACC	20%
Equity weight	70%
WACC	**6.7-8.1%**

Source: Nordea estimates

DCF VALUE (EURm AND EUR)

DCF value	Value	Per share
NPV FCFF	513-629	3.2-4
(Net debt)	-18	-0.1
Time value	28	0.2
Market value of associates	0	0.0
(Market value of minorities)	-2	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	**521-637**	**3.3-4**

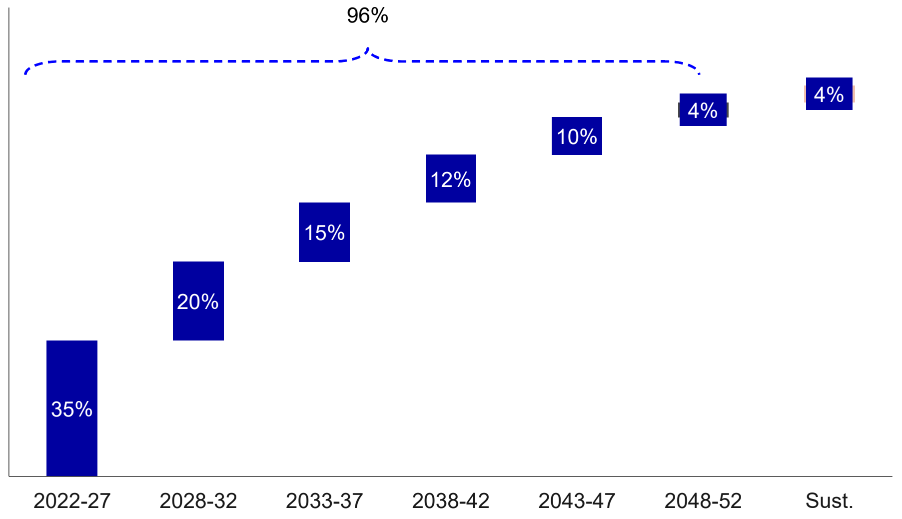
Source: Nordea estimates

DCF ASSUMPTIONS

Averages and assumptions	2022-27	2028-32	2033-37	2038-42	2043-47	2048-52	Sust.
Sales growth, CAGR	2.4%	2.5%	2.5%	2.5%	2.5%	2.5%	
EBIT-margin, excluding associates	63.5%	50.0%	50.0%	50.0%	50.0%	7.0%	
Capex/depreciation, x	1.3	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	-5%	-5%	-5%	-5%	-5%	-5%	
FCFF, CAGR	-6.1%	0.2%	2.5%	2.5%	2.5%	-34.1%	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 (EURm)

Segment estimates EURm							
Net sales	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Management Company business	24.2	32.8	30.9	43.6	66.6	62.1	63.5
-Management fees	22.1	24.7	28.9	36.6	40.5	47.6	50.5
-Service fees	1.1	1.2	1.2	4.2	4.6	5.0	5.5
-Carried interest	1.0	6.9	0.9	2.9	21.5	9.5	7.5
Service business	8.7	15.7	11.4	8.6	9.6	10.7	11.8
Other	0.6	0.5	0.7	0.5	0.6	0.6	0.6
Group	**36.0**	**49.0**	**43.0**	**52.8**	**76.7**	**73.5**	**75.9**
Sales growth							
Management Company business	-4%	35%	-6%	41%	53%	-7%	2%
Service business	56%	81%	-28%	-24%	11%	12%	10%
Group	**3%**	**36%**	**-12%**	**23%**	**45%**	**-4%**	**3%**
Adj. EBIT							
Management Company business	2.8	10.2	9.1	13.2	35.2	30.4	30.3
-Without carried interest	1.8	3.3	8.2	10.3	13.7	20.9	22.8
Service business	4.4	9.1	4.9	4.2	5.2	6.2	7.1
Investment business	6.5	10.2	4.0	32.7	30.7	14.0	14.2
Other	-1.7	-5.9	-5.7	-5.4	-6.5	-5.7	-5.8
Group	**12.0**	**25.1**	**12.3**	**44.6**	**64.6**	**44.9**	**45.8**
-Without fair value changes	6.9	12.8	7.9	10.7	32.9	29.9	30.6
-Without FV changes and carried interest	5.8	5.9	7.1	7.9	11.4	20.4	23.1
Adj. EBIT growth							
Management Company business	6%	260%	-11%	45%	167%	-14%	0%
Service business	94%	109%	-46%	-15%	24%	20%	14%
Investment business	-63%	58%	n.a.	n.a.	-6%	-54%	1%
Group	**-39%**	**110%**	**-51%**	**262%**	**45%**	**-30%**	**2%**
Adj. EBIT margin							
Management Company business	12%	31%	29%	30%	53%	49%	48%
-without carried interest	8%	10%	27%	24%	21%	34%	36%
Service business	50%	58%	43%	48%	54%	58%	60%
Management fee and service fee together	20%	31%	33%	32%	38%	47%	48%
Group	**33%**	**51%**	**29%**	**85%**	**84%**	**61%**	**60%**
Investment business							
Invested capital	126.6	129.4	116.6	130.4	150.1	152.1	153.3
Fair value changes	5.1	12.2	4.4	33.9	31.7	15.0	15.2
-Return on invested capital	4%	9%	4%	28%	22%	10%	10%
Expenses	-1.2	-2.0	-0.4	-1.2	-1.0	-1.0	-1.0
EBIT	**6.5**	**10.2**	**4.0**	**32.7**	**30.7**	**14.0**	**14.2**
Capital under management (EURbn)	**3.0**	**3.2**	**3.8**	**4.5**	**5.0**	**5.6**	**5.9**
-growth y/y	9%	7%	18%	18%	12%	11%	5%

Source: Company data and Nordea estimates

Reported numbers and forecasts

ANNUAL ESTIMATES

EURm	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Management fees	26.9	28.7	27.4	26.6	19.6	22.1	24.7	28.9	36.6	40.5	47.6	50.5
Carried interest	2.9	10.8	4.4	0.0	4.4	1.0	6.9	0.9	2.9	21.5	9.5	7.5
Sale of services	0.0	0.0	0.0	0.0	7.1	10.3	17.4	13.3	13.3	14.7	16.3	17.9
Dividend & interest income	0.0	0.0	0.0	0.0	3.7	2.5	0.0	0.0	0.0	0.0	0.0	0.0
Net sales	**29.8**	**39.5**	**31.8**	**26.7**	**34.8**	**36.0**	**49.0**	**43.0**	**52.8**	**76.7**	**73.5**	**75.9**
sales growth %	9%	33%	-20%	-16%	31%	3%	36%	-12%	23%	45%	-4%	3%
Other operating income	0.0	0.0	0.3	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Personnel expenses	-15.6	-17.8	-17.1	-18.3	-21.4	-19.9	-24.2	-23.9	-30.6	-32.6	-31.9	-33.2
Depreciation and amortisation	-0.7	-0.4	-0.3	-0.3	-1.7	-0.2	-1.4	-1.5	-1.5	-1.5	-1.5	-1.6
Other operating expenses	-11.6	-12.0	-10.6	-12.2	-9.9	-9.1	-12.1	-9.7	-10.0	-9.7	-10.1	-10.6
Fair value changes	1.2	-3.1	5.2	22.6	17.6	5.1	12.2	4.4	33.9	31.7	15.0	15.2
EBIT	**3.3**	**6.4**	**9.3**	**18.7**	**19.5**	**12.0**	**19.4**	**12.3**	**44.6**	**64.6**	**44.9**	**45.8**
margin %	11%	16%	29%	70%	56%	33%	40%	29%	85%	84%	61%	60%
Net financials	-0.7	-1.4	-2.9	-3.1	-3.2	-2.7	-1.8	-3.1	-4.0	-5.9	-4.6	-4.5
Income using the equity method*	0.0	0.0	0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit before taxes	2.0	4.9	6.4	15.5	16.2	9.3	17.6	9.2	40.6	58.7	40.3	41.3
Income taxes	-0.5	-1.0	-0.4	-0.2	-0.8	-0.8	-1.7	-2.9	-5.2	-9.4	-8.1	-8.3
Profit for the period	1.5	4.0	6.1	15.3	15.5	8.5	15.9	6.3	35.4	49.3	32.3	33.0
EPS, EUR	**-0.01**	**0.03**	**0.06**	**0.16**	**0.10**	**0.06**	**0.09**	**0.03**	**0.22**	**0.31**	**0.20**	**0.21**

Source: Company data and Nordea estimates

INTERIM ESTIMATES

EURm	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22E	Q3/22E	Q4/22E
Management fees	8.0	8.4	9.6	10.5	9.3	9.5	10.0	11.7
Carried interest	0.0	0.3	2.2	0.3	1.3	6.0	6.0	8.2
Sale of services	3.2	3.2	3.1	3.9	3.6	3.5	3.3	4.3
Dividend & interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net sales	**11.3**	**11.9**	**14.9**	**14.7**	**14.2**	**19.0**	**19.3**	**24.2**
sales growth %	-5%	36%	67%	10%	26%	60%	30%	65%
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Personnel expenses	-6.3	-7.8	-7.5	-9.1	-7.2	-9.0	-7.6	-8.9
Depreciation and amortisation	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4
Other operating expenses	-2.7	-2.0	-2.1	-3.1	-2.4	-2.3	-2.2	-2.8
Fair value changes	8.2	9.6	6.0	10.1	14.7	8.3	4.6	4.1
EBIT	**10.1**	**11.3**	**10.9**	**12.2**	**18.9**	**15.7**	**13.7**	**16.3**
margin %	90%	95%	73%	83%	133%	83%	71%	67%
Net financials	-0.9	-1.3	-0.8	-1.1	-2.6	-1.6	-0.9	-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	9.3	10.1	10.2	11.1	16.3	14.1	12.8	15.4
Income taxes	-1.5	-1.2	-0.7	-1.7	-2.9	-1.8	-2.3	-2.4
Profit for the period	7.5	8.8	9.0	9.0	13.3	12.3	10.5	13.1
EPS, EUR	**0.05**	**0.06**	**0.06**	**0.06**	**0.09**	**0.08**	**0.07**	**0.08**

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	6.7	6.5	4.8	4.8	16.1	16.0	15.8	15.8	15.8	15.8
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	0.5	0.3	0.2	0.1	0.8	0.7	0.5	0.5	0.5	0.5
of which goodwill	6.2	6.2	4.5	4.7	15.3	15.3	15.3	15.3	15.3	15.3
Tangible assets	0.2	0.2	0.3	0.3	2.5	1.7	0.8	1.0	1.5	2.0
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	0.3	0.3	2.5	1.7	0.8	1.0	1.5	2.0
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	0.1	0.1	0.0	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	0.2	0.0	0.0	0.0	0.0
Deferred tax assets	4.4	4.9	1.8	2.0	3.7	2.4	1.8	1.8	1.8	1.8
Other non-interest bearing assets	47.2	51.4	58.3	80.6	118.6	116.1	130.0	130.0	130.0	130.0
Other non-current assets	62.5	48.6	37.0	12.1	9.4	9.1	10.5	10.5	10.5	10.5
Total non-current assets	**121.1**	**111.6**	**102.1**	**99.8**	**150.4**	**145.5**	**158.8**	**159.1**	**159.6**	**160.1**
Inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	6.6	9.8	8.7	12.6	10.8	14.0	15.2	21.4	19.7	19.6
Other current assets	0.3	86.2	77.1	39.0	10.8	0.3	0.0	0.0	0.0	0.0
Cash and bank	21.6	45.0	23.3	54.5	43.7	58.0	65.2	91.9	98.2	104.0
Total current assets	**28.5**	**141.1**	**109.2**	**106.2**	**66.2**	**73.3**	**81.4**	**114.3**	**119.0**	**124.7**
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	**149.6**	**252.7**	**211.3**	**206.0**	**216.5**	**218.8**	**240.3**	**273.3**	**278.6**	**284.8**
Shareholder equity	65.2	143.0	126.7	120.5	127.4	112.5	125.8	151.5	158.5	164.6
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	0.4	2.1	0.7	1.6	1.7	1.7	1.7
Total Equity	**65.2**	**143.0**	**126.7**	**121.0**	**129.5**	**113.3**	**127.4**	**153.2**	**160.2**	**166.3**
Deferred tax	2.0	9.9	8.6	3.3	2.2	2.7	4.6	4.6	4.6	4.6
Long term interest bearing debt	69.4	48.1	45.2	49.7	59.1	82.6	82.0	82.0	82.0	82.0
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	0.1	0.1	0.2	0.2	6.9	7.6	7.6	7.6	7.6
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	**71.3**	**58.1**	**53.9**	**53.2**	**61.4**	**92.3**	**94.2**	**94.2**	**94.2**	**94.3**
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	13.1	33.3	26.8	16.8	20.2	11.1	16.7	23.5	21.8	21.8
Other current liabilities	0.0	0.3	0.8	5.1	4.5	1.3	1.0	1.4	1.3	1.4
Short term interest bearing debt	0.0	18.0	3.0	10.0	0.5	0.4	0.5	0.5	0.5	0.5
Total current liabilities	**13.1**	**51.7**	**30.7**	**31.9**	**25.6**	**13.3**	**18.7**	**25.9**	**24.1**	**24.2**
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	**149.6**	**252.7**	**211.3**	**206.0**	**216.5**	**218.8**	**240.3**	**273.3**	**278.6**	**284.8**

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
EBITDA (excludes fair value changes)	**4.4**	**-3.7**	**3.6**	**7.0**	**8.5**	**9.4**	**12.2**	**34.4**	**31.4**	**47.4**
Paid taxes	-0.9	-0.3	-1.6	-3.1	-4.6	-4.3	-0.7	-9.4	-8.1	-8.3
Net financials	-4.3	-4.2	-3.9	-2.4	-2.6	-3.2	-0.1	-5.9	-4.6	-4.5
Other adjustments to reconcile cash flow	4.6	0.4	0.0	0.7	0.8	0.0	0.0	0.0	0.0	0.0
Funds from operations (FFO)	**3.9**	**-7.8**	**-1.8**	**2.2**	**2.1**	**2.0**	**11.4**	**19.1**	**18.8**	**34.6**
Change in NWC	-3.3	4.6	-1.8	-6.9	-2.5	-15.7	3.2	1.1	-0.2	0.1
Cash flow from operations (CFO)	**0.6**	**-3.1**	**-3.6**	**-4.7**	**-0.4**	**-13.8**	**14.7**	**20.2**	**18.6**	**34.7**
Capital Expenditure	0.0	0.0	-0.3	-0.1	-0.6	-0.4	-0.1	-0.8	-1.0	-1.0
Free Cash Flow before A&D	**0.6**	**-3.1**	**-3.9**	**-4.8**	**-0.9**	**-14.1**	**14.6**	**19.5**	**17.6**	**33.7**
Acquisitions and disposals (mainly exits from investments)	-39.6	37.3	34.0	39.7	17.5	4.4	33.9	31.7	15.0	0.0
Free cash flow	**-39.0**	**34.2**	**30.1**	**34.9**	**16.5**	**5.6**	**0.2**	**51.2**	**32.6**	**33.7**
Dividend paid	-5.2	-6.0	-13.0	-16.1	-19.0	-21.9	-9.8	-23.5	-25.3	-26.9

Source: Company data and Nordea estimates

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