



# CapMan Plc Half-Year Report for the period 1 January – 30 June 2019

CapMan Plc Stock Exchange Release / Half-Year Financial Report  
8 August 2019 at 8:30 a.m. EEST

## CapMan Plc Half-Year Report for the period 1 January – 30 June 2019

### Performance and main events:

- Group turnover was MEUR 22.6 1 Jan–30 Jun 2019 (MEUR 17.8 1 Jan–30 Jun 2018), growth was 27 per cent from the comparison period.
- Operating profit was MEUR 10.5 (MEUR 10.1). Operating profit excluding items affecting comparability was MEUR 11.9 (MEUR 10.1), growth was 18 per cent from the comparison period.
- Diluted earnings per share for the period were 4.3 cents (4.8 cents). Diluted earnings per share excluding items affecting comparability were 5.2 cents (4.8 cents).
- Capital under management was EUR 3.3 bn (EUR 2.8 bn), growth was 18 per cent from the comparison period.
- The first closing of CapMan Buyout XI fund was held at MEUR 160.

This stock exchange release is a summary of CapMan Plc's Half-Year Report for the period 1 January – 30 June 2019. 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:

"CapMan's strong growth continues as Group turnover grew by 27 per cent in the first half of 2019. Correspondingly, comparable operating profit grew by 18 per cent from the comparison period to MEUR 12. The improvement in results reflects the positive development of our core business and especially growth in the Management Company and Service businesses. Fee-based profitability doubled from the comparison period.

The positive development of the Service business across the board has supported growth and improved profitability during the first half of the year. Fundraising projects completed by Scala in the beginning of the year generated success fees and the strong development of CaPS continued. In addition, the acquisition of JAM Advisors had a positive impact on Service business growth. Growth outlook for all service areas remains good, although some periodic fluctuation is expected in success fees due to the nature of the business.

We are building a stronger foundation for our Management Company business. Net growth in our capital under management was 18 per cent, i.e. MEUR 500 from the comparison period. One of the accomplishments for the review period was the establishment of our eleventh Buyout fund, among others.

Fundraising remains active. We are currently raising capital for the newest Buyout, Infra and Real Estate funds. In addition, we are planning new investment products and plan to launch new fundraising projects this year. In the past two years, we have strengthened and renewed our investment teams. Following already completed measures, near term-growth of the Management Company business can be achieved without significant additional expenses.

Our funds have actively invested and conducted exits in 2019. In the first half of the year, our funds completed nine new investments and five exits. Value creation work continues and returns of many of our own funds were good in the first half of 2019.

We were able to successfully increase fee-based profitability in the first half of the year as outlined in our core objectives. Many of our funds approach carry and we are well-positioned to achieve strong returns on our own investments in the future. Strong growth and improved profitability support 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	1-6/19	1-6/18
Operating profit	10.5	10.1
Items affecting comparability		
Acquisition related costs	1.1	
Donations	0.3	
Items affecting comparability, total	1.4	
Adjusted operating profit	11.9	10.1
Profit for the period	8.2	7.6
Items affecting comparability		
Acquisition related costs	1.0	
Donations	0.3	
Items affecting comparability, total	1.3	
Adjusted profit for the period	9.5	7.6
Earnings per share, cents	4.4	4.8
Items affecting comparability, cents	0.8	
Adjusted earnings per share, cents	5.2	4.8
Earnings per share, diluted, cents	4.3	4.8
Items affecting comparability, cents	0.9	
Adjusted earnings per share, diluted, cents	5.2	4.8
%	<b>30.6.2019</b>	<b>30.6.2018</b>
Return on equity, %*	13.6	12.3
Return on equity, comparable, %*	15.8	12.3
Equity ratio, %	60.2	58.4

\*CapMan has changed the calculation of Return on equity (ROE) as of Q2 2019. Return on equity is calculated as annualised profit for the period divided by average total equity (incl. non-controlling interests). Previously, ROE was calculated as annualised profit attributable to equity holders of the parent divided by average equity attributable to equity holders of the parent. The figures for the comparison periods have been restated accordingly.

## 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 linda.tierala@capman.com. The conference is also accessible over a live webcast at <https://capman.videosync.fi/2019-q2-results>. 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, 8 August 2019

CAPMAN PLC  
Board of Directors

### Further information:

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### Distribution:

Nasdaq Helsinki Ltd  
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[www.capman.com](http://www.capman.com)

Appendix: [CapMan Plc 1-6 2019 Half-Year 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)