

CapMan Plc Stock Exchange Release 30 October 2009 at 8.45 a.m.

## CapMan Plc Group's Interim Report 1 January – 30 September 2009

### Performance and main events during the review period:

- Group turnover totalled MEUR 26.3 (January–September 2008: MEUR 27.0).
- Group's operating profit for the third quarter was MEUR 2.0 (MEUR -0.4).
- The Group posted an operating loss of MEUR -2.2 (MEUR 3.3) in January–September, as a result of changes in the fair value of fund investments.
- The Management Company business recorded an operating profit of MEUR 2.2 (MEUR 5.9) and the Fund Investment business recorded an operating loss of MEUR -4.4 (MEUR -2.7).
- Profit/loss before taxes was MEUR -3.4 (MEUR 2.7) and profit/loss after taxes was MEUR -3.0 (MEUR 1.9).
- Profit/loss attributable to the owners of the parent company was MEUR -3.2 (MEUR 1.8). Earnings per share were -6.6 cents (2.2 cents).
- Liquid assets as of 30 September 2009 totalled MEUR 30.7 (MEUR 7.7).
- Capital under management increased to MEUR 3,504.1 (MEUR 3,407.5 as of 31 December 2008 and MEUR 3,174.9 as of 30 September 2008).
- CapMan incorporated its Fund Investment business in a new company, to which it transferred part of its fund investments and investment commitments on 30 June 2009.
- CapMan's own investment commitments were reduced by a total of MEUR 21.6 following CapMan's sale of investment commitments totalling MEUR 13.6 to the Belgian-based private equity firm Gimv and a reduction of MEUR 8.0 in the investment commitment in the CapMan Public Market fund.

### CEO Heikki Westerlund comments on the events of the review period and on future prospects:

“Our operating result has returned to a satisfactory level, following the sharp fall in fair values that took place around the end of last year. This positive development gives us a promising foundation for the future. Although activity on the M&A and real estate markets continues to be low, there are clear signs of opportunities for making exits from investments that have developed well. Overall, the development of our result is tied to the general economic situation. With an investment capacity of more than EUR 1 billion, we are well-placed to make new investments. The number of potential investment opportunities is particularly good in respect of Russia and our Public Market fund.

The portfolios of our funds have developed as expected over recent months. In developing our portfolio companies, our aim is to make maximum use of our extensive investment capacity and the consolidation opportunities that exist in the sectors in which these companies operate.

We have strengthened our financial position significantly through the sale of our investment commitments and fund investments at fair value to the Belgian private equity firm, Gimv, and a Finnish institution. Together with the hybrid loan that we secured earlier, we now have a clearly stronger financial position.”

### Business operations

CapMan is an alternative asset manager, which also makes investments in its own funds. The guiding principle for the investment activities of the funds managed by the Group is to work actively and directly towards increasing the value of investments.

The Group has two operating segments: the Management Company business and Fund Investments. The Management Company business is subdivided into two business areas: CapMan Private Equity, which manages funds that invest in portfolio companies, and CapMan Real Estate, which manages funds that invest in real estate and provides real estate consulting. Income from the Management Company business is derived from management fees paid by funds, carried interest received from funds, and income generated by real estate consulting.



**CapMan Plc**  
 Korkeavuorenkatu 32 · 00130 Helsinki · Finland  
 Tel +358 207 207 500 · Fax +358 207 207 510  
 Business ID 0922445-7 · Domicile Helsinki

**CapMan Capital Management Ltd**  
 Korkeavuorenkatu 32 · 00130 Helsinki · Finland  
 Tel +358 207 207 500 · Fax +358 207 207 510  
 Business ID 0749027-6 · Domicile Helsinki

The Fund Investment business comprises fund investments made from CapMan Plc's balance sheet and investments in Maneq funds. Income from the Fund Investment business is derived from realised returns on fund investments and changes in the fair value of investments.

There may be considerable quarterly fluctuation in carried interest and the fair value of fund investments. As a result, the Group's financial performance should be analysed over a longer time span than the quarterly cycle.

### **Incorporation of Fund Investment business and sale of investments and commitments**

CapMan established a new company, CapMan Fund Investments SICAV SIF, during the review period, which operates as a feeder fund for funds managed by the Group. Part of CapMan's own investment commitments and fund investments were transferred to the feeder fund on 30 June 2009, and CapMan aims at transferring its remaining investments and commitments by the end of the first quarter of 2010. These transfers will affect the parent company's distributable assets, and the size of this impact will depend on the fair value of the investments on the date of transfer. The impact of transfers made as of the end of June was MEUR -1.8.

CapMan announced on 7 August 2009 that it would sell investment commitments totalling MEUR 13.6 and fund investments totalling MEUR 3.4 to Belgian-based private equity firm Gimv. The transactions were completed on 9 September 2009. The commitments and investments sold to Gimv targeted the CapMan Technology 2007, CapMan Russia, and CapMan Public Market funds. The direct impact of the transaction on the Group's cash flow in 2009 is approx. MEUR 3.4. It will not have an impact on the Group's result for 2009, as the transactions were executed at fair value. As a result, Gimv has become the second investor in the feeder fund. Fund investments and commitments made by Gimv will not be consolidated in CapMan Plc Group's figures. The feeder fund could acquire other new investors in the future.

Incorporation of the Fund Investment business will clarify the distinction between the Group's Management Company business and its Fund Investments. The sale of investment commitments will reduce CapMan Plc's capital calls in the future and strengthen the Group's financial position.

CapMan's intention to incorporate its own fund investments and to have third party investors in the possible new vehicle to be formed was announced for the first time in the Interim Report published on 30 October 2008.

### **Group turnover and result in January–September 2009**

The Group's turnover in January-September 2009, at MEUR 26.3, was lower than during January-September 2008 (MEUR 27.0). Fair value changes related to fund investments totalled MEUR -4.2 (MEUR -2.5) and operating expenses amounted to MEUR 24.4 (MEUR 21.2). On a quarterly level, operating expenses decreased during the review period. Expenses have increased on the comparable period, particularly as a result of the establishment of new investment areas CapMan Russia and CapMan Public Market and the impact of CapMan Hotels RE fund's expenses, which have been booked in full since March 2008.

The Group's operating profit/loss totalled MEUR -2.2 (MEUR 3.3). A goodwill write-down of MEUR 0.7 related to the life science operations acquired in 2002 was made during the review period. Financial income and expenses amounted to MEUR -0.4 (MEUR -0.6) and CapMan's share of the associated companies' result was MEUR -0.9 (MEUR 0.1). Profit/loss before taxes was MEUR -3.4 (MEUR 2.7) and profit/loss after taxes was MEUR -3.0 (MEUR 1.9).

Profit/loss attributable to the owners of the parent company was MEUR -3.2 (MEUR 1.8). Earnings per share were -6.6 cents (2.2 cents).

The quarterly breakdown of turnover and profit, together with turnover, operating profit/loss, and profit/loss by segment for the review period, are presented in the tables section of the Interim Report.



## Management Company business

Turnover generated by the Management Company business in January–September 2009 totalled MEUR 26.3 (MEUR 27.0). Management fees rose substantially from the comparable period and amounted to MEUR 24.6 in January–September 2009 (MEUR 20.9). This increase was attributable to the establishment of the CapMan Hotels RE, CapMan Public Market, CapMan Russia, and CapMan Buyout IX funds in 2008.

Income from real estate consulting fell from the comparable period and totalled MEUR 1.3 (MEUR 1.7). The aggregate total of management fees and income from real estate consulting was MEUR 25.9 (MEUR 22.6).

No substantial exits were made from funds in carry during the review period and no carried interest income was generated. Carried interest income totalling MEUR 4.1 was generated as a result of the StaffPoint exit during the comparable period.

The Management Company business recorded an operating profit of MEUR 2.2 (MEUR 5.9) and a profit for the period of MEUR 3.4 (MEUR 5.8).

The status of funds managed by CapMan is presented in more detail in Appendix 1.

## Fund Investment business

Fair value changes related to fund investments were MEUR -4.2 (MEUR -2.5), of which approximately MEUR 1.0 million (MEUR 0.0) was attributable to realised losses related to the sale of CapMan's own fund investments. The fair value changes of fund investments represent a 7.3% reduction in value during the review period. The change in the fair value of fund investments during the third quarter was MEUR 0.4, equivalent to a 0.9% increase in value. The negative development in fair value has mainly been attributable to a weakening in the result prospects of certain portfolio companies in 2009. As a whole, the results of portfolio companies in 2009 are expected to be below those recorded in 2008, although fund portfolios also include companies that are developing strongly. The aggregate fair value of fund investments as of 30 September 2009 was MEUR 53.9 (MEUR 59.8 as of 30 September 2008).

Operating profit/loss for the Fund Investment business was MEUR -4.4 (MEUR -2.7), and the profit/loss for the period was MEUR -6.3 (MEUR -3.9).

CapMan made new investments in its own funds totalling MEUR 9.2 (MEUR 21.4) during the review period. Investments were made in funds including CapMan Buyout VIII, CapMan Buyout IX, CapMan Russia, and CapMan Public Market. CapMan did not give any new investment commitments to its funds during the review period.

The amount of remaining commitments was significantly lower compared to the same period last year and totalled MEUR 47.6 (MEUR 69.0) as of 30 September 2009. The aggregate fair value of existing investments and remaining commitments as of 30 September 2009 was MEUR 101.6 (MEUR 128.8). CapMan's objective is to invest in its future funds 1–5% of their original capital depending on the fund's demand and CapMan's own investment capacity.

Investments in portfolio companies are valued at fair value in accordance with the International Private Equity and Venture Capital Valuation Guidelines (IPEVG), while real estate assets are valued in accordance with the value appraisals of external experts, as detailed in Appendix 1. Fair value changes have no impact on the Group's cash flows.

Investments at fair value and remaining investment capacity by investment area are presented in the tables section of the Interim Report.

## Balance sheet and financial position as of 30 September 2009

CapMan's balance sheet total increased to MEUR 142.9 during the review period (MEUR 129.4 as of 30 September 2008). Non-current assets were lower and amounted to MEUR 101.6 (MEUR 112.6 as of 30 September 2008). Goodwill was MEUR 10.2 as of 30 September 2009. The carrying amount of goodwill was adjusted during the review period by MEUR 0.7 following the reduction of the final purchase price for the Norum



acquisition, and by MEUR 0.7 as a result of the write-down on life science operations. Fund investments booked at fair value fell to MEUR 53.9 (MEUR 59.8). Long-term receivables amounted to MEUR 24.0 (MEUR 30.0), of which MEUR 22.0 (MEUR 25.2) were loan receivables from Maneq funds. In addition to CapMan Plc, CapMan personnel are investors in Maneq funds.

The expected returns from CapMan's Maneq investments are broadly in line with the return expectations for CapMan's other investments in its own funds. Maneq funds pay market rate interest on loans they receive from CapMan Plc.

Current assets amounted to MEUR 41.3 (MEUR 16.8). Liquid assets (cash in hand and at banks, plus other financial assets at fair value through profit and loss) amounted to MEUR 30.7 (MEUR 7.7). Liquid assets mainly include the remaining proceeds of the hybrid bond used to finance CapMan's investments in its own funds. The size of the hybrid bond rose to MEUR 29 (MEUR 20 as of 31 December 2008), and can be increased to a maximum of MEUR 30.

The hybrid bond is included in 'Other reserves' under equity in the balance sheet. The interest on the bond is payable semi-annually and was deducted from equity at the end of June. Following repayments, CapMan Plc had a bank financing package of MEUR 56.9 (MEUR 60) available as of 30 September 2009, of which MEUR 46.9 (MEUR 44.0) was in use. There were no significant changes in the amount of interest-bearing liabilities during the review period. Trade and other payables totalled MEUR 17.7 (MEUR 17.9). The Group's interest-bearing net debts amounted to MEUR 16.2 (MEUR 36.3).

The Group's cash flow before financing was MEUR -6.2 (MEUR -23.0). Income from management fees received from funds is paid semi-annually, in January and July, and is shown under working capital in the cash flow statement. Cash flow from investments is primarily related to fund investments.

## Key figures

CapMan's equity ratio as of 30 September 2009 was 55.3% (47.7% as of 30 September 2008). Return on equity was -4.1% (3.1%) and return on investment was -1.5% (5.0%). The target level for the company's equity ratio is at least 50% and for return on equity at least 25%.

	30.9.09	30.9.08	31.12.08
Earnings per share, cents	-6.6	2.2	-10.2
Diluted, cents	-6.6	2.2	-10.2
Shareholders' equity per share, cents*	91.3	73.4	86.1
Share issue adjusted number of shares	82,257,824	80,081,859	80,432,600
Number of shares at end of period	83,674,965	80,990,171	81,458,424
Number of shares outstanding	83,648,666	80,890,268	81,322,921
Own shares held by the Company at end of period	26,299	99,903	135,503
Return on equity, %	-4.1	3.1	-11.8
Return on investment, %	-1.5	5.0	-6.3
Equity ratio, %	55.3	47.7	50.3
Net gearing, %	21.4	61.8	30.3

\* In line with IFRS standards, the hybrid bond has been included in equity, also when calculating equity per share.

## Fundraising and capital under management as of 30 September 2009

Capital under management refers to the remaining investment capacity of funds and capital already invested at acquisition cost. CapMan's target is to increase its capital under management by an average of 15% a year.

Fundraising for the CapMan Buyout IX, CapMan Hotels RE, CapMan Public Market, and CapMan Russia funds took place during the review period.

New capital totalling MEUR 42 was raised for the CapMan Buyout IX fund, increasing the size of the fund to MEUR 263. Fundraising is continuing.



CapMan Hotels RE and CapMan Public Market funds held final closings in July. The investment capacity of the CapMan Hotels RE fund totalled MEUR 872.5, of which MEUR 332.5 comprises equity while the balance is senior debt. The CapMan Hotels RE fund invests in existing hotel properties and new hotel projects, primarily in Finland and Sweden. CapMan Hotels RE Oy, which is 80%-owned by CapMan Plc, acts as the fund's management company, and has committed MEUR 5 in the fund. CapMan Plc's share of the fund's cash flows if the fund is in carry will be 12% and the investment team responsible for the fund will receive 8%.

CapMan Public Market fund, which invests in listed Nordic companies, held its final close at MEUR 138.0. CapMan Plc's investment commitment in the fund fell from MEUR 15 to MEUR 7 during the review period, as new capital totalling MEUR 40 million was raised during the final round of fundraising, of which MEUR 8 was used to reduce CapMan's investment commitment. CapMan Plc's share of the fund's cash flows if the fund is in carry will be 10% and the investment team responsible for the fund will receive 10%.

The final close of the CapMan Russia fund, which invests primarily in medium-sized companies in Russia, was held at MEUR 118.1 in April. Following this, CapMan Plc's share of the possible carried interest to be generated by the fund was also determined. CapMan Plc will receive 3.4% of the fund's cash flows if the fund is in carry. This relatively lower carried interest share results from the fact that part of the fund had already been raised before its transfer to CapMan's management.

Capital under management totalled MEUR 3,504.1 as of 30 September 2009 (MEUR 3,174.9 as of 30 September 2008). Of this, MEUR 1,845.0 (MEUR 1,534.4) was in funds making investments in portfolio companies and MEUR 1,659.1 (MEUR 1,640.5) in real estate funds.

Funds under management and their investment activities are presented in more detail in Appendices 1 and 2.

## Personnel

CapMan employed a total of 147 people as of 30 September 2009 (141 as of 30 September 2008), of whom 106 (104) worked in Finland and the remainder in other Nordic countries or Russia. The establishment of the CapMan Russia and CapMan Public Market teams have both contributed to a growth in the number of personnel. A breakdown of personnel by country and team is presented in the tables section of the Interim Report.

## Shares and share capital

There were no changes in CapMan Plc's share capital during the review period. Share capital as of 30 September 2009 totalled EUR 771,586.98 (EUR 771,586.98 as of 30 September 2008). The number of listed CapMan Plc B shares increased to 77,674,965 following the issue of 2,216,541 new CapMan B shares by CapMan Plc in connection with the directed issue related to the Norum acquisition. There were no changes in the number of unlisted CapMan Plc A shares, which totalled 6,000,000 shares as of 30 September 2009. The Company's B shares entitle holders to one vote per share and its A shares to 10 votes per share.

## Shareholders

CapMan Plc had 4,729 shareholders as of 30 September 2009 (4,475 as of 30 September 2008). CapMan issued a flagging notice on 24 September 2009 when the holding of GIMV N.V. exceeded one-twentieth (1/20) of the company's shares following a share transaction concluded on 23 September 2009.

## Company shares

A total of 109,204 of CapMan's own shares were used as part payment for the additional purchase price in the Norum acquisition. As of 30 September 2009, CapMan Plc held a total of 26,299 CapMan Plc B shares. CapMan made no purchases of its own shares during the review period.



## Stock option programmes

As of 30 September 2009, CapMan Plc had two stock option programmes in place, Option Program 2003 and Option Program 2008, as part of the incentive and commitment programme for key personnel. The 2003B options are traded on the options list of NASDAQ OMX Helsinki. A total of 625,000 B shares may be subscribed for with 2003B options, for which the subscription period ends on 31 October 2009. A total of 40,500 of CapMan's B shares were subscribed with 2003B stock options during the review period and they were entered in the Trade Register after the review period on 16 October 2009.

The maximum number of stock options issued within the Option Program 2008 will be 4,270,000, which will carry an entitlement to subscribe to a maximum of 4,270,000 new B shares. The subscription period for 2008A options will start on 1 May 2011 and for 2008B options on 1 May 2012. Receivables from shares subscribed using options are entered in the Company's invested unrestricted shareholders' equity.

## Trading and market capitalisation

The exceptional market climate and global stock market situation that has continued during 2009 were reflected in the trading volumes and prices of CapMan Plc shares. The company's B shares closed at EUR 1.31 on 30 September 2009 (EUR 1.85 on 30 September 2008). The average price during the review period was EUR 1.02 (EUR 2.59). The highest price was EUR 1.63 (EUR 3.40) and the lowest EUR 0.77 (EUR 1.75). A total of 12.9 million (8.2 million) CapMan Plc B shares were traded during the review period, valued at a total of MEUR 14.1 (MEUR 21.2).

The market capitalisation of CapMan Plc B shares as of 30 September 2009 was MEUR 101.8 (MEUR 138.7). The market capitalisation of all shares, with A shares valued at the closing price of B shares for the review period, was MEUR 109.6 (MEUR 149.8).

## Changes in Group management

CapMan Plc announced changes in the Company's management and Management Group on 3 September 2009. Senior Partner and Head of Investor Services, Jerome Bouix, was appointed Deputy CEO of CapMan Plc, principally responsible for investments made from CapMan's balance sheet in the funds managed by the Group, fundraising for funds managed by the Group, business development, and the Group's finances and administration. Partner Göran Barsby and Senior Partner Hans Christian Dall Nygård were appointed new members of the Management Group. All the above changes became effective as of 1 October 2009.

The Head of CapMan Life Science, Senior Partner Jan Lundahl, B.Sc. (Econ.) resigned from the CapMan Plc Group on 3 April 2009 and left the Management Group. Partner, Dr Johan Bennarsten, M.Sc. (Eng.), M.D., who had previously acted as Deputy Head of CapMan Life Science, was appointed Head of CapMan Life Science effective 6 April 2009.

## Board authorisations

By decision of the Annual General Meeting, CapMan Plc's Board of Directors is authorised to purchase the Company's own shares and to accept them as a pledge, to decide on a share issue and to issue stock options and other entitlements to shares. The authorisations are in force until 30 June 2010, and the terms and conditions attached to them were specified in more detail in the Stock Exchange release issued on 7 April 2009.

## Norum acquisition

The purchase price of the Norum acquisition that was announced in May 2008 and in which CapMan acquired a 51% stake in Norum decreased to MEUR 7.3. The Board of Directors of CapMan Plc decided that the additional purchase price of MEUR 0.3 would be paid to the sellers in cash and in CapMan Plc shares owned by the Company. Furthermore CapMan Plc acquired the remaining 49% Norum shares in April. The purchase price for the remaining shares was MEUR 3.6, of which CapMan Plc paid approx. MEUR 1.8 in cash and approx. MEUR 1.8 through a directed issue to the sellers.



The Norum acquisition was specified in more detail in the Stock Exchange releases issued on 26 May 2008, 27 August 2008, 7 April 2009 and 20 April 2009 and available on CapMan's website at [www.capman.com/En/Media/Releases/](http://www.capman.com/En/Media/Releases/).

### **Significant risks and short-term uncertainties**

CapMan Plc's Management Company business is profitable on a yearly basis, but the prevailing market climate has increased the level of uncertainty involved in forecasting the Company's financial performance. The combination of an almost total standstill in the M&A market, a credit squeeze, and a sharp decline in the fair value of investments has further weakened exit opportunities to a significant extent. This may result in the postponement of exits and delays in carried interest income as a result. The economic climate may impact tenants' operations in the real estate market, affecting the vacancy rate and rental income of investment properties. CapMan believes that fundraising will continue to be challenging, which might affect the end-result of ongoing fundraising activities and management fees over the next few years.

### **Business environment**

The prospects for growth in the demand for alternative assets will remain good over the long term. The downturn in economy and the steep decline in the market valuations of other asset classes, however, are clearly slowing growth in the alternative asset class. Private equity has consolidated its position in financing M&A and growth, and continues to focus typically on consolidation in various sectors, family successions, the privatisation of public services and functions, and the commercialisation of R&D in the technology and life science sectors. Increased entrepreneurial activity has also boosted growth. Real estate funds have gained an established share of institutional investors' investment allocations.

The EU legislative initiative on regulation for alternative asset managers and funds, when passed, will stipulate an operating license for participants, as well as other significant requirements, including fund investor and authority reporting. The new regulation will place a burden on smaller players in particular and may also impact the number of players in the field. Thanks to its organisation and operating model, CapMan is in a good position to meet the new regulation.

The CapMan funds investing in portfolio companies will continue to implement their investment strategies. The crisis in the debt market has also been reflected in CapMan's operating area. We believe that bank financing for buyouts, mergers & acquisitions, and real estate investments will gradually recover. We have not yet seen forced sales, as price elasticity has been lower in the private equity market than in public markets. The number of new potential portfolio companies has remained at a good level, especially for CapMan's Public Market and Russia funds. The exit market has come to a standstill, but there are signs that it is beginning to start up again as we move towards 2010.

The slowdown in the growth of the underlying economy has been reflected in our portfolio companies, in those sectors linked to industrial manufacturing and the automotive industry, for example. The result prospects for portfolio companies have weakened since the spring, but this negative fair value development was offset by a favourable development in the multiples of listed peers in most cases. We plan to keep enough reserves in our funds to support our companies' growth and financing. Long-term cooperation with the Nordic banks is particularly important for us, and has worked well.

In the real estate sector, the debt market crisis has depressed the volume of real estate transactions. The number of foreign players, in particular, has fallen significantly. Weakening property demand and rising yield expectations have lowered property valuation levels. We anticipate transaction volumes to remain low, but expect deals to pick up as we move towards 2010. The use of equity for financing real estate transactions has increased. Demand for prime real estate remains good. Occupancy rates and demand for office and retail premises are at a satisfactory level. The vacancy rates for office premises are expected to rise in Greater Helsinki, however, which will result in a downward pressure on rent levels. The demand for real estate consulting has remained stable.

All CapMan's investment teams are in a good position and have adequate resources to implement their investment strategies in the Nordic countries and Russia. CapMan's funds investing in portfolio companies have



some MEUR 900 available for making new and follow-on investments, while real estate funds have approx. MEUR 320 of investment capacity, mainly for developing the existing portfolio.

### **Future outlook**

Management fees and income from real estate consulting will cover CapMan's fixed expenses in 2009. Income from carried interest will depend on developments in the exit market. Despite the slowdown in the exit market, CapMan's funds still have portfolio companies ready to enter the exit process. We expect the CapMan Equity VII A, B, and Sweden funds, as well as the Finnmezzanine III A and B funds, to transfer to carry during 2010–2011. The fair value of CapMan's fund investments developed negatively during the first half, and progress during the second half will depend on the general market situation and the development of portfolio companies.

The Group's overall result for 2009 will mainly depend on whether new exits are made by funds already generating carried interest, and on how the value of investments will develop in those funds in which CapMan is a substantial investor. Without significant positive fair value changes and carried interest income, the result for the full year will be loss-making.

CapMan Plc will publish its Financial Statements for 2009 on Friday 5 February 2010.

Helsinki, 30 October 2009

CAPMAN PLC  
Board of Directors

### **Press conference:**

A press conference for analysts and the media will be held today at 12.00 noon in CapMan's offices at Korkeavuorenkatu 32, Helsinki, Finland, at which CapMan's CEO Heikki Westerlund will present the interim results and review the market situation. A light lunch will be served. The press conference will continue in the form of a Capital Markets event between 12.45 and 14.00.

Presentation material for the press conference will be published in Finnish and English on CapMan Plc Group's Internet website once the conference has started. The material for the Capital Markets event will only be available in English.

### **Further information:**

Heikki Westerlund, CEO, tel. +358 207 207 504 or +358 50 559 6580  
Kaisa Arovaara, CFO, tel. +358 207 207 583 or +358 50 370 3715

### **Distribution:**

Helsinki Stock Exchange  
Principal media  
[www.capman.com](http://www.capman.com)

### **Appendices (after the tables section):**

Appendix 1: CapMan Plc Group's funds under management as of 30 September 2009, MEUR  
Appendix 2: Operations of CapMan's funds under management, 1 January – 30 September 2009  
Appendix 3: Capital and mandates under management of associated company, Access Capital Partners, as of 30 September 2009





## Accounting principles

The Interim Report has been prepared in accordance with International Financial Reporting Standards (IFRS). As of 1 January 2009, the Group has applied the following new and revised standards: IFRS 8 Operating Segments and IAS 1 Presentation of Financial Statements. In other regards, the accounting principles applied in the Interim Report are the same as in the financial statements for 2008. The Interim Report has not been audited.

### GROUP STATEMENT OF COMPREHENSIVE INCOME (IFRS)

EUR ('000)	1-9/09	1-9/08	1-12/08
<b>Turnover</b>	<b>26,349</b>	26,982	36,790
Other operating income	57	5	108
Personnel expenses	-14,027	-12,052	-16,867
Depreciation and amortisation	-753	-396	-635
Impairment of goodwill	-700	0	0
Other operating expenses	-8,966	-8,792	-12,321
Fair value gains / losses of investments	-4,190	-2,476	-13,373
<b>Operating profit / loss</b>	<b>-2,230</b>	3,271	-6,298
Financial income and expenses	-361	-612	-1,994
Share of associated companies' result	-847	46	-2,378
<b>Profit / loss before taxes</b>	<b>-3,438</b>	2,705	-10,670
Income taxes	478	-774	2,612
<b>Profit / loss for the period</b>	<b>-2,960</b>	1,931	-8,058
<b>Other comprehensive income:</b>			
Translation differences	102	-161	-359
<b>Total comprehensive income / loss</b>	<b>-2,858</b>	1,770	-8,417
<b>Profit / loss attributable to:</b>			
Equity holders of the company	-3,163	1,792	-8,209
Minority interest	203	139	151
<b>Total comprehensive income / loss attributable to:</b>			
Equity holders of the company	-3,061	1,631	-8,568
Minority interest	203	139	151
<b>Earnings per share for profit / loss attributable to the equity holders of the Company:</b>			
Earnings per share, cents	-6.6	2.2	-10.2
Diluted, cents	-6.6	2.2	-10.2

Accrued interest payable on the hybrid bond has been taken into consideration when calculating earnings per share.



**GROUP BALANCE SHEET (IFRS)**

EUR ('000)	30.9.09	30.9.08	31.12.08
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**ASSETS****Non-current assets**

Tangible assets	959	1,114	1,064
Goodwill	10,245	11,897	11,762
Other intangible assets	3,016	3,063	3,229
Investments in associated companies	4,310	3,483	1,575
Investments at fair value through profit and loss			
Investments in funds	53,945	59,781	53,147
Other financial assets	737	981	828
Receivables	23,985	28,984	24,451
Deferred income tax assets	4,375	3,261	3,707
	<b>101,572</b>	<b>112,564</b>	<b>99,763</b>

**Current assets**

Trade and other receivables	10,620	9,158	12,965
Other financial assets at fair value through profit and loss	2,454	1,707	942
Cash and bank	28,221	5,971	24,330
	<b>41,295</b>	<b>16,836</b>	<b>38,237</b>

**Total assets**

	<b>142,867</b>	<b>129,400</b>	<b>138,000</b>
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**EQUITY AND LIABILITIES****Capital attributable the Company's equity holders**

Share capital	772	772	772
Share premium account	38,968	38,968	38,968
Other reserves	36,673	5,224	25,829
Translation difference	-560	-28	-226
Retained earnings	-565	13,673	3,585
	<b>75,288</b>	<b>58,609</b>	<b>68,928</b>

**Minority interest**

	268	208	221
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**Total equity**

	<b>75,556</b>	<b>58,817</b>	<b>69,149</b>
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**Non-current liabilities**

Deferred income tax liabilities	374	2,959	284
Interest-bearing loans and borrowings	40,625	30,000	43,125
Other liabilities	2,369	5,678	6,600
	<b>43,368</b>	<b>38,637</b>	<b>50,009</b>



**Current liabilities**

Trade and other payables	17,693	17,946	15,751
Interest-bearing loans and borrowings	6,250	14,000	2,875
Current income tax liabilities	0	0	216
	<b>23,943</b>	31,946	18,842

<b>Total liabilities</b>	<b>67,311</b>	70,583	68,851
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<b>Total equity and liabilities</b>	<b>142,867</b>	129,400	138,000
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**GROUP STATEMENT OF CHANGES IN EQUITY****Attributable to the equity holders of the Company**

	Share capital	Share premium account	Other reserves	Translation differences	Retained earnings	Total	Minority interest	Total equity
EUR ('000)								
<b>Equity on 31 Dec 2007</b>	772	38,968	2,961	133	24,676	67,510	34	67,544
Options			59			59		59
Dividends paid					-12,795	-12,795		-12,795
Share issues			2,392			2,392		2,392
Own shares purchased			-188			-188		-188
Other changes						0	35	35
Comprehensive profit / loss				-161	1,792	1,631	139	1,770
Equity on 30 Sep 2008	772	38,968	5,224	-28	13,673	58,609	208	58,817
Equity on 31 Dec 2008	772	38,968	25,829	-226	3,585	68,928	221	69,149
Options					28	28		28
Share subscriptions with options			48			48		48
Dividends paid						0	-46	-46
Share issue			1,796			1,796		1,796
Hybrid bond			9,000			9,000		9,000
Hybrid bond, interest paid					-1,015	-1,015		-1,015
Other changes				-436		-436	-110	-546
Comprehensive profit / loss				102	-3,163	-3,061	203	-2,858
<b>Equity on 30 Sep 2009</b>	<b>772</b>	<b>38,968</b>	<b>36,673</b>	<b>-560</b>	<b>-565</b>	<b>75,288</b>	<b>268</b>	<b>75,556</b>



**CASH FLOW STATEMENT**

EUR ('000)	1-9/09	1-9/08	1-12/08
<b>Cash flow from operations</b>			
Profit / loss for the financial year	-2,960	1,931	-8,058
Adjustments	5,636	4,629	16,526
<b>Cash flow before change in working capital</b>	<b>2,676</b>	6,560	8,468
Change in working capital	2,945	-199	-4,564
Financing items and taxes	-2,980	-9,600	-10,327
<b>Cash flow from operations</b>	<b>2,641</b>	-3,239	-6,423
<b>Cash flow from investments</b>	<b>-8,792</b>	-19,652	-20,387
<b>Cash flow before financing</b>	<b>-6,151</b>	-22,891	-26,810
Dividends paid	-46	-18,589	-18,589
Other net cash flow	10,088	27,710	49,988
<b>Financial cash flow</b>	<b>10,042</b>	9,121	31,399
<b>Change in cash funds</b>	<b>3,891</b>	-13,770	4,589
Cash funds at start of the period	24,330	19,741	19,741
<b>Cash funds at end of the period</b>	<b>28,221</b>	5,971	24,330

**SEGMENT INFORMATION**

The Group reports two segments:  
Management Company business and Fund Investments

EUR ('000)	1-9/09	1-9/08	1-12/08
<b>Turnover</b>			
Management company business			
CapMan Private Equity	20,032	21,366	29,273
CapMan Real Estate	6,317	5,616	7,517
Total turnover	26,349	26,982	36,790
<b>Operating profit / loss</b>			
Management company business			
CapMan Private Equity	2,194	6,119	7,607
CapMan Real Estate	-48	-186	-284
Total	2,146	5,933	7,323
Fund investments	-4,376	-2,662	-13,621
Total operating profit / loss	-2,230	3,271	-6,298



**Profit / loss for the period**

Management company business			
CapMan Private Equity	<b>3,398</b>	6,214	6,766
CapMan Real Estate	<b>-48</b>	-424	-284
Total	<b>3,350</b>	5,790	6,482
Fund investments	<b>-6,310</b>	-3,859	-14,540
Profit / loss for the period	<b>-2,960</b>	1,931	-8,058

**Non-current assets**

Management company business			
CapMan Private Equity	<b>16,952</b>	19,313	16,763
CapMan Real Estate	<b>1,347</b>	2,372	2,299
Total	<b>18,299</b>	21,685	19,062
Fund investments	<b>83,273</b>	90,879	80,701
Non-current assets total	<b>101,572</b>	112,564	99,763

**Income taxes**

The Group's tax expenses comprise taxes on taxable income for the period and deferred taxes. Deferred taxes are calculated on the basis of all temporary differences between book value and fiscal value.

**Dividends**

No dividend was paid for the 2008 financial year. (2007: EUR 0.16 per share, representing a total of MEUR12.8)

**Non-current assets**

EUR ('000)	<b>30.9.09</b>	30.9.08	31.12.08
Investments in funds at fair value through profit and loss at 1 Jan	<b>53,147</b>	44,230	44,230
Additions	<b>9,175</b>	21,376	26,326
Distributions	<b>-377</b>	-3,102	-3,700
Disposals	<b>-3,616</b>	0	0
Fair value gains / losses on investments	<b>-4,384</b>	-2,723	-13,709
Investments in funds at fair value through profit and loss at end of period	<b>53,945</b>	59,781	53,147

**Investments in funds at fair value through profit and loss at end of period**

Buyout	<b>31,032</b>	34,140	29,301
Technology	<b>3,504</b>	6,144	5,843
Life Science	<b>2,576</b>	2,711	2,053
Russia	<b>1,144</b>	0	1,919
Public Market	<b>1,734</b>	0	
Mezzanine	<b>4,032</b>	3,222	2,570
Other	<b>364</b>	477	340
Real Estate	<b>4,413</b>	5,610	5,088
Access	<b>5,146</b>	7,477	6,033
Total	<b>53,945</b>	59,781	53,147



**Transactions with related parties (associated companies)**

EUR ('000)	<b>30.9.09</b>	30.9.08	31.12.08
Receivables - non-current at end of period	<b>21,260</b>	25,551	21,257
Receivables - current at end of period	<b>423</b>	1,743	2,196

**Non-current liabilities**

EUR ('000)	<b>30.9.09</b>	30.9.08	31.12.08
Interest-bearing loans at end of period	<b>40,625</b>	30,000	43,125

Seasonal nature of business

Carried interest income is accrued on an irregular schedule depending on the timing of exits. An exit may have an appreciable impact on CapMan Plc's result for the full financial year.

**Personnel**

<b>By country</b>	<b>30.9.09</b>	30.9.08	31.12.08
Finland	<b>106</b>	104	102
Denmark	<b>3</b>	3	3
Sweden	<b>18</b>	18	19
Norway	<b>7</b>	6	6
Russia	<b>13</b>	10	11
In total	<b>147</b>	141	141

**By team**

CapMan Private Equity	<b>58</b>	52	54
CapMan Real Estate	<b>42</b>	43	43
Investor Services	<b>25</b>	26	24
Internal Services	<b>22</b>	20	20
In total	<b>147</b>	141	141

**Contingent liabilities**

EUR ('000)	<b>30.9.09</b>	30.9.08	31.12.08
Leasing agreements	<b>8,493</b>	9,271	9,087
Securities and other contingent liabilities	<b>69,814</b>	69,372	69,604
Remaining commitments to funds	<b>47,616</b>	69,010	77,234
Remaining commitments by investment area			
Buyout	<b>22,667</b>	13,390	26,133
Technology	<b>5,941</b>	13,104	12,226
Life Science	<b>5,338</b>	5,845	5,684
Public Market	<b>4,160</b>	15,000	15,000
Russia	<b>4,101</b>	13,500	11,091
Mezzanine	<b>912</b>	3,490	2,504
Other	<b>586</b>	587	311
Real Estate	<b>1,634</b>	2,109	1,879
Access	<b>2,277</b>	1,985	2,406
In total	<b>47,616</b>	69,010	77,234



**Turnover and profit quarterly****2009**

<b>MEUR</b>	<b>1-3/09</b>	<b>4-6/09</b>	<b>7-9/09</b>	<b>1-9/09</b>
Turnover	8.1	8.7	9.5	26.3
Management fees	7.4	8.2	9.0	24.6
Carried interest	0.0	0.0	0.0	0.0
Real Estate consulting	0.6	0.4	0.3	1.3
Other income	0.1	0.1	0.2	0.4
Other operating income	0.0	0.1	0.0	0.1
Operating expenses	-8.4	-8.1	-7.9	-24.4
Fair value gains / losses of investments	-4.3	-0.3	0.4	-4.2
Operating profit / loss	-4.7	0.5	2.0	-2.2
Financial income and expenses	-0.5	0.3	-0.2	-0.4
Share of associated companies' result	0.6	-1.8	0.3	-0.9
Profit / loss before taxes	-4.6	-1.0	2.2	-3.4
Profit / loss for the period	-3.7	-1.3	2.0	-3.0

**2008**

<b>MEUR</b>	<b>1-3/08</b>	<b>4-6/08</b>	<b>7-9/08</b>	<b>1-9/08</b>	<b>10-12/08</b>	<b>1-12/08</b>
Turnover	7.2	12.1	7.7	27.0	9.8	36.8
Management fees	6.4	7.2	7.3	20.9	8.7	29.6
Carried interest	0.0	4.1	0.0	4.1	0.0	4.1
Real Estate consulting	0.7	0.6	0.4	1.7	0.7	2.4
Other income	0.2	0.1	0.0	0.3	0.4	0.7
Other operating income	0.0	0.0	0.0	0.0	0.1	0.1
Operating expenses	-6.7	-7.9	-6.6	-21.2	-8.6	-29.8
Fair value gains / losses of investments	-0.1	-1.0	-1.4	-2.5	-10.9	-13.4
Operating profit	0.4	3.3	-0.4	3.3	-9.6	-6.3
Financial income and expenses	0.3	-0.1	-0.8	-0.6	-1.4	-2.0
Share of associated companies' result	0.1	-0.2	0.2	0.1	-2.5	-2.4
Profit after financial items	0.7	3.0	-1.0	2.7	-13.4	-10.7
Profit for the period	0.5	2.2	-0.8	1.9	-10.0	-8.1



## APPENDIX 1: CAPMAN PLC GROUP'S FUNDS UNDER MANAGEMENT AS OF 30 SEPTEMBER 2009, MEUR

The tables below show the status of funds managed by CapMan at the end of the review period. When analysing the schedule for funds to start generating carried interest, the relationship between distributed cash flows to investors and paid-in capital should be compared. When a fund starts generating carried interest the capital must be returned and an annual preferential return paid on it. The fair value of a portfolio, including any of the fund's net cash assets, represents the capital distributable to investors at the end of the review period.

When assessing the cash flow a fund needs in order to start generating carried interest, it should be noted that the capital of some funds has not yet been called and paid in. The percentage figure in the last column on the right shows CapMan's share of cash flows if the fund is generating carried interest. After the previous distribution of profits, any new capital paid in, as well as the preferential annual return on it, must however be returned to investors before further carried interest income is paid. Of the funds already generating carried interest, CapMan Real Estate I fund is still in the active investment phase and Finnventure V fund can still make follow-on investments in its current portfolio companies.

The definitions for column headings are presented below the tables.

### FUNDS INVESTING DIRECTLY IN PORTFOLIO COMPANIES

	Size	Paid-in capital	Fund's current portfolio at cost	Fund's current portfolio at fair value	Net cash as-sets	Distributed cash flow to in-vestors	Distributed cash flow to man-agement company (carried interest)	CapMan's share of cash flow, if fund gener-ates carried interest
<b>Funds generating carried interest</b>								
FV II, FV III 1) and FM II B in total	58.6	57.4	3.1	0.2	0.1	180.1	44.2	20-35%
FV V	169.9	165.1	41.9	24.2	1.2	237.9	5.3	20%
Fenno Program in total 2)	59.0	59.0	8.1	6.8	0.1	123.4	8.7	10-12%
<b>Total</b>	<b>287.5</b>	<b>281.5</b>	<b>53.1</b>	<b>31.2</b>	<b>1.4</b>	<b>541.4</b>	<b>58.2</b>	
<b>Funds that are expected to transfer to carry during 2010–2011</b>								
CME VII A	156.7	141.1	91.7	117.6	0.7	92.7		20%
CME VII B	56.5	54.6	36.5	56.4	0.2	41.9		20%
CME SWE	67.0	60.1	39.2	50.3	0.5	40.0		20%
FM III A	101.4	99.8	32.9	27.2	2.3	103.1		20%
FM III B	20.2	19.9	8.4	10.9	0.9	18.6		20%
<b>Total</b>	<b>401.8</b>	<b>375.5</b>	<b>208.7</b>	<b>262.4</b>	<b>4.6</b>	<b>296.3</b>		





**Other funds****not yet in carry**

CME VII C	23.1	17.9	10.9	6.7	0.2	7.2	20%
CMB VIII 1)	440.0	327.7	285.2	235.8	2.2		14%
CM LS IV	54.1	25.4	15.7	13.4	0.4		10%
CMT 2007 1)	142.3	43.9	33.2	30.6	0.5		10%
CMR	118.1	31.3	23.7	23.7	0.5		3.4%
CMPM	138.0	25.3	21.0	48.1	0.5		10%
CMB IX	263.0	16.6	12.3	12.3	1.7		10%
CMM IV 3)	240.0	230.0	164.8	161.5	40.9	29.8	15%
Total	1,418.6	718.1	566.8	532.1	46.9	37.0	

**Funds with no  
carried interest****potential to CapMan**

FM III C, FV IV, FV V ET 3),  
SWE LS, SWE Tech 1),  
and FM II A, C, D 1)

Total	298.6	283.5	77.0	40.8	4.5	196.0	
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**Funds investing in  
portfolio companies,  
total**

<b>2,406.5</b>	<b>1,658.6</b>	<b>905.6</b>	<b>866.5</b>	<b>57.4</b>	<b>1,070.7</b>	<b>58.2</b>	
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**REAL ESTATE FUNDS**

	Original invest- ment capa- city	Paid-in capital	Fund's current portfolio at cost	Fund's current portfolio at fair value	Net cash as- sets	Distributed cash flow to in- vestors	Distributed cash flow to man- agement company (carried interest)	CapMan's share of cash flow, if fund gene- rates carried interest
<b>Funds generating carried interest</b>								
CMRE I 5)								
equity and bonds	200.0	192.5	70.7	59.5		187.1	27.4	26%
debt financing	300.0	277.6	97.6	97.6				
Total	500.0	470.1	168.3	157.1	2.9	187.1	27.4	



**Other funds****not yet in carry****CMRE II**

equity	150.0	75.0	96.6	89.5		0.5	12%
debt financing	450.0	242.2	224.1	224.1			
<b>Total</b>	<b>600.0</b>	<b>317.2</b>	<b>320.7</b>	<b>313.6</b>	<b>-1.2</b>	<b>0.5</b>	

**CMHRE**

equity	332.5	295.3	306.0	227.5		10.8	12%
debt financing	540.0	526.0	519.2	519.2			
<b>Total</b>	<b>872.5</b>	<b>821.3</b>	<b>825.2</b>	<b>746.7</b>	<b>5.9</b>	<b>10.8</b>	

**Real estate funds, total**    **1,972.5**    **1,608.6**    **1,314.2**    **1,217.4**    **7.6**    **198.4**    **27.4**

**All funds, total**            **4,379.0**    **3,267.2**    **2,219.8**    **2,083.9**    **65.0**    **1,269.1**    **85.6**

**Abbreviations used to refer to funds:**

CMB	= CapMan Buyout	CMRE	= CapMan Real Estate
CME	= CapMan Equity	CMT 2007	= CapMan Technology 2007
CMLS	= CapMan Life Science	FM	= Finnmezzanine Fund
CMM	= CapMan Mezzanine	FV	= Finnventure Fund
CMHRE	= CapMan Hotels RE	SWE LS	= Swedestart Life Science
CMPM	= CapMan Public Market Fund	SWE Tech	= Swedestart Tech
CMR	= CapMan Russia Fund		

**Size/Investment capacity:**

Total capital committed to a fund by investors, i.e. the original size of the fund. For real estate funds, investment capacity also includes the share of debt financing used by the fund.

Capital under management by Access Capital Partners is presented separately in Appendix 3.

**Paid-in capital:**

Total capital paid into a fund by investors at the end of the review period.

**Fund's current portfolio at fair value:**

Fund investments in portfolio companies are valued at fair value in accordance with the International Private Equity and Venture Capital Valuation Guidelines (IPEVG, [www.privateequityvaluation.com](http://www.privateequityvaluation.com)), and investments in real estate assets are valued in accordance with the appraisals of external experts.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. Due to the nature of private equity investment activities, fund portfolios contain investments with a fair value that exceeds their acquisition cost, as well as investments with a fair value less than the acquisition cost.

**Net cash assets:**

When calculating the investors' share, a fund's net cash assets must be taken into account in addition to the portfolio at fair value. The proportion of debt financing in real estate funds is presented in separate rows in the table.



### CapMan's share of cash flow if a fund generates carried interest:

When a fund has produced for investors the cumulative preferential return specified in the fund agreements, the management company is entitled to an agreed share of future cash flows from the fund (carried interest). Cash flow, in this context, includes both profit distributed by the funds and repayments of capital. After the previous distribution of profits, any new capital called in, as well as any annual preferential returns on it, must, however, be returned to investors before the new distribution of profits can be paid.

#### Footnotes to the table

- 1) The fund is comprised of two or more legal entities (parallel funds are presented separately only if their investment focuses or portfolios differ significantly).
- 2) The Fenno Rahasto, Skandia I, and Skandia II funds comprise the Fenno Programme, which is managed jointly with Fenno Management Oy.
- 3) Currency items are valued at the average exchange rates quoted on 30 September 2009.
- 4) CapMan Mezzanine IV: The paid-in commitment includes a MEUR 192 bond issued by Leverator Plc. Distributed cash flow includes payments to both bond subscribers and to the fund's partners.
- 5) CapMan Real Estate I: Distributed cash flow includes repayment of the bonds and cash flow to the fund's partners. Following previous distribution of profits, paid-in capital and distributed cash flow to investors totalled MEUR 67.0 as of 30 September 2009.

## APPENDIX 2: OPERATIONS OF CAPMAN'S FUNDS UNDER MANAGEMENT, 1 JANUARY – 30 SEPTEMBER 2009

The operations of private equity funds managed by CapMan in the review period comprised direct investments in portfolio companies mainly in the Nordic countries and Russia (CapMan Private Equity) as well as real estate investments mainly in Finland (CapMan Real Estate). The investment activities of funds making direct investments in portfolio companies include mid-sized buyout investments in the manufacturing industry and the service and retail sectors, technology investments in growth stage and later growth stage technology companies, life science investments in companies specialising in medical technology and healthcare services, investments in mid-sized companies operating in Russia, and investments in significant minority stakes in listed mid-cap companies.

### CAPMAN PRIVATE EQUITY

#### Investments in portfolio companies in January–September 2009

CapMan funds made three new investments, as well as several follow-on investments, during the review period, investing MEUR 95.8 in all. The new investment targets were Nobia AB, Papa John's Russia, and Metals and Powders Thomas Klier AB. The largest follow-on investments during the review period were in Anhydro Holding A/S, Avelon Group Oy, Curato AS, Cargo Partner Group, InfoCare AS, Komax Group Oy, Metallfabriken Ljunghäll AB, Northern Alliance Oy, Proxima AB, and ScanJour A/S. In the comparable period in 2008, CapMan funds made seven new investments, together with follow-on investments, amounting to MEUR 185.3.

#### Exits from portfolio companies in January–September 2009

CapMan funds exited completely from XLENT AB and partially from Å&R Carton AB during the review period. The shares in Birdstep Technology ASA received in connection with the exit from Secgo Software in 2007 were sold. Final and partial exits at acquisition cost by funds during the review period totalled MEUR 19.6. During the comparable period in 2008, funds exited completely from five companies and partially from several others. The acquisition cost for all of these exits in the comparable period in 2008 amounted to MEUR 28.9.



### **Events after the review period**

CapMan Public Market Fund invested in Intrum Justitia AB, and the fund held 4.0 per cent of the outstanding shares and votes in the company as of 28 October 2009.

In addition, CapMan Technology 2007 fund's Swedish portfolio company KMW Energi AB filed for financial restructuring in October.

### **CAPMAN REAL ESTATE**

#### **Investments in and commitments to real estate acquisitions and projects in January–September 2009**

CapMan's real estate funds made two new investments during the review period. The CapMan Real Estate I fund invested in a commercial property in Tuusula in April and acquired an office property in the Helsinki suburb of Munkkiniemi in June. New and follow-on investments totalled MEUR 92.9. The largest follow-on investment was made in the Kauppakeskus Skanssi shopping mall in Turku, which was completed and opened to the public in April. In addition, as of 30 September 2009, funds had made commitments to finance real estate acquisitions and projects over the next few years amounting to MEUR 50.0. During the comparable period last year, funds exercised previous investment commitments and made new and follow-on investments amounting to a total of MEUR 994.7. Commitments to finance new projects totalled MEUR 160.5 as of 30 September 2008.

#### **Exits from real estate investments in January–September 2009**

An exit by CapMan Real Estate I fund from an office property located at Ludviginkatu 3–5 in Helsinki took place during the review period. Funds did not make exits from real estate investments during the comparable period in 2008.

### **Events after the review period**

The CapMan RE II fund and Finesco Oy signed the final documents covering the purchase of a site zoned for commercial and residential use in Hyvinkää, Finland from the city of Hyvinkää, together with a project agreement covering the site's development, in October after the review period.

## FUNDS' INVESTMENT ACTIVITIES IN FIGURES

### Funds' investments and exits at acquisition cost, MEUR

	1-9/2009	1-9/2008	1-12/2008	
<b>New and follow-on investments</b>				
Funds investing in portfolio companies	95.8	185.3	232.6	
Buyout	59.1	158.5	190.3	
Technology	6.9	9.3	20.3	
Life Science	1.9	4.1	5.2	
Russia	6.9	13.4	16.8	
Public Market	21.0	-	-	
Real estate funds	92.9	994.7	1,070.4	
<b>Total</b>	<b>188.7</b>	<b>1,180.0</b>	<b>1,303.0</b>	
<b>Exits</b>				
Funds investing in portfolio companies	19.6	28.9	39.4	
Buyout	16.1	16.5	20.9	
Technology	3.5	8.4	14.6	
Life Science	-	4.0	3.9	
Russia	-	-	-	
Public Market	-	-	-	
Real estate funds	9.1	-	-	
<b>Total</b>	<b>28.7</b>	<b>28.9</b>	<b>39.4</b>	

\* Including partial exits and repayments of mezzanine loans.

In addition, as of 30 September 2009, real estate funds had made commitments to finance real estate acquisitions and projects valued at MEUR 50.0.

### The funds' aggregate combined portfolio\* as at 30 September 2009, MEUR

	Portfolio at acquisition cost	Portfolio at fair value	Share of portfolio (fair value) %
Funds investing in portfolio companies	905.6	866.5	41.6
Real estate funds	1,314.2	1,217.4	58.4
<b>Total</b>	<b>2,219.8</b>	<b>2,083.9</b>	<b>100.0</b>
Funds investing in portfolio companies			
Buyout	696.1	690.6	79.7
Technology	121.5	78.7	9.1
Life Science	43.3	25.4	2.9
Russia	23.7	23.7	2.7
Public Market	21.0	48.1	5.6
<b>Total</b>	<b>905.6</b>	<b>866.5</b>	<b>100.0</b>

\* Aggregated entity formed of all investments of funds under management.

### Remaining investment capacity

After deducting actual and estimated expenses, funds investing in portfolio companies had a remaining investment capacity amounting to some MEUR 904 for new and follow-on investments as of 30 September 2009. Of their remaining capital, some MEUR 518 was earmarked for buyout investments (incl. mezzanine investments), some MEUR 138 for technology investments, some MEUR 37 for life science investments, some



MEUR 94 for investments by CapMan Russia team, and some MEUR 117 for investments by CapMan Public Market team. Real estate funds had remaining a investment capacity amounting to some MEUR 316.

### **APPENDIX 3: CAPITAL AND MANDATES UNDER THE MANAGEMENT OF ASSOCIATED COMPANY, ACCESS CAPITAL PARTNERS, AS OF 30 SEPTEMBER 2009**

CapMan Plc owns a 35% holding in the European fund management company, Access Capital Partners. As of 30 September 2009 Access Capital Partners had approx. EUR 2.6 billion of capital under management. Further information on Access Capital Partners can be found at [www.access-capital-partners.com](http://www.access-capital-partners.com).

<b>Fund/Mandates</b>	<b>Size, MEUR</b>
Access Capital Fund 1)	250.3
Access Capital Fund II Mid-market buy-out 1)	153.4
Access Capital Fund II Technology 1)	123.5
Access Capital Fund III Mid-market buy-out 1)	307.4
Access Capital Fund III Technology 1)	88.9
Access Capital Fund IV Growth buy-out 1)	425.0
Access Capital Fund IV High Growth Technology Europe 1)	35.0
Private Equity Mandates	1,212.0
<b>Total</b>	<b>2,595.5</b>

1) The fund is comprised of two or more legal entities (parallel funds are presented separately only if their investment focuses or portfolios differ significantly).

CapMan Plc Group's share of the carried interest from the Access funds is: Access Capital Fund: 47.5%, Access Capital Fund II: 45%, Access Capital Fund III: 25%, Access Capital Fund IV: 25%, Access/Private Equity Mandates: 25%.

