

CapMan Plc Stock Exchange Release 5 November 2010 at 8:30 a.m. EET

CapMan Plc Group's Interim Report, 1 January – 30 September 2010

Performance and main events during the review period:

- Group turnover totalled MEUR 29.7 million (January-September 2009: MEUR 26.3)
- The Group's operating profit was MEUR 6.0 (MEUR -2.2)
- The Management Company business recorded an operating profit of MEUR 4.6 (MEUR 2.1) and the Fund Investment business an operating profit of MEUR 1.3 (MEUR -4.4)
- Profit before taxes was MEUR 8.6 (MEUR -3.4) and profit after taxes was MEUR 7.0 (MEUR -3.0)
- Profit attributable to the owners of the parent company was MEUR 6.8 (MEUR -3.2). Earnings per share were 5.9 cents (-6.6 cents)
- Liquid assets as of 30 September 2010 totalled MEUR 22.1 (30.9.2009: MEUR 30.7)
- Capital under management increased to MEUR 3,578.3 (30.9.2009: MEUR 3,504.1; 31.12.2009: MEUR 3,504.3)
- Lennart Simonsen took over as CapMan Plc's CEO on 1 June 2010
- We expect the overall result for 2010 to exceed the previous year's result.
- CapMan is considering divesting its real estate consulting operations while staying committed to the further development of real estate fund management business.

CEO Lennart Simonsen comments on events during the review period and the company's future prospects:

"The first nine months of the year were active in terms of both new investments and exits. We made a total of eight new investments and completed 11 exits. We continued to work on developing the value of our portfolio companies, both in the Nordic region and Russia, and they recorded largely good financial performance.

Much of the uncertainty that has characterised the M&A market recently has disappeared and the level of deal flow is good in all the areas that we invest in. Bank financing for mergers and acquisitions and real estate investments is at a good level. Our funds are working on a number of exits and we expect some of these to take place over the next six months.

As anticipated the fundraising market continued to be difficult during the third quarter. We are satisfied with the EUR 60 million raised during the first round of fundraising for the CapMan Mezzanine V fund.

We launched during the third quarter a strategic review on which we will report in due course. In developing CapMan the key targets that also support each other are to improve our profitability and to simplify our operations.

Our profit after taxes, EUR 7.0 million, was satisfactory."

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 the Fund Investment business.

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. Management fees and real estate consulting income normally cover the company's operating costs and generally represent a steady and very predictable source of income.

Income from the Fund Investment business comes from changes in the fair value of investments and realised returns on CapMan's own fund investments, and these can have a significant positive or negative impact on the Group's result, depending on the development of the funds' investments and the general market situation.

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



Group turnover and result during January-September 2010

The Group's turnover increased compared to the equivalent period last year and totalled MEUR 29.7 (January-September 2009: MEUR 26.3). Operating expenses totalled MEUR 25.4 (MEUR 24.4).

The Group's operating profit rose to MEUR 6.0 (MEUR -2.2). Financial income and expenses amounted to MEUR 0.2 (MEUR -0.4). CapMan's share of the profit of its associated companies increased clearly compared to the equivalent period last year and totalled MEUR 2.5 (MEUR -0.8). Profit before taxes was MEUR 8.6 (MEUR -3.4) and profit after taxes was MEUR 7.0 (MEUR -3.0).

Profit attributable to the owners of the parent company was MEUR 6.8 (MEUR -3.2). Earnings per share were 5.9 cents (-6.6 cents).

A quarterly breakdown of turnover and profit, together with turnover, operating profit/loss, and profit/loss by segment for the review period, can be found in the tables section of this report.

Management Company business

Turnover generated by the Management Company business during the review period totalled MEUR 29.7 (MEUR 26.3). Management fees increased compared to the equivalent period last year and amounted to MEUR 25.2 (MEUR 24.6).

Income from real estate consulting totalled MEUR 1.2 (MEUR 1.3). The aggregate total of management fees and income from real estate consulting was MEUR 26.4 (MEUR 25.9).

Carried interest income totalled MEUR 2.6 (MEUR 0.0) and came mainly from the Finnventure V fund following its exit from the financial administration services company Pretax and its sale of the shares in the American company, On2 Technologies, that the fund received when exiting Hantro Products Oy in 2007.

The Management Company business recorded an operating profit of MEUR 4.6 (MEUR 2.1) and a profit of MEUR 4.0 (MEUR 3.4).

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

Fund Investment business

Fair value changes related to fund investments during the review period were MEUR 1.7 (MEUR -4.2) and represented a 2.7% increase in value over the period. Changes during the third quarter were MEUR 1.3 (MEUR 0.4), equivalent to a 2.1% increase in value over this period. The development of individual portfolio companies, as well as changes in the market capitalisation of their listed peers, impacted fair value development. The aggregate fair value of fund investments as of 30 September 2010 was MEUR 62.7 (30 September 2009: MEUR 53.9).

Operating profit for the Fund Investment business was MEUR 1.3 (MEUR -4.4) and the profit for the period was MEUR 3.0 (MEUR -6.3). Profit performance benefited from CapMan's share of the result of its Maneq associated companies. Changes in the fair value of fund investments made by Maneq companies contributed here.

CapMan made new investments in its funds totalling MEUR 7.8 (MEUR 9.2) during the period. Investments were made in funds including CapMan Buyout IX, CapMan Buyout VIII, CapMan Russia, and CapMan Technology 2007. CapMan received distributions from funds totalling MEUR 5.9 (MEUR 0.4). The majority of this capital was received following exits made by the CapMan Equity VII, CapMan Buyout VIII, CapMan Mezzanine IV, and CapMan Public Market funds. CapMan gave a new MEUR 5 commitment to the CapMan Mezzanine V fund in the third quarter.

The amount of remaining commitments totalled MEUR 39.7 as of 30 September 2010 (30.9.2009: MEUR 47.6). The aggregate fair value of existing investments and remaining commitments as of 30 September was MEUR 102.4 (MEUR 101.6). CapMan's objective is to invest 1-5% of the original capital in the new funds that it manages, depending on fund size, fund 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.



Balance sheet and financial position as of 30 September 2010

No substantial changes took place in CapMan's balance sheet total during the review period, which stood at MEUR 146.4 as of 30 September (30.9.2009: MEUR 142.9). Non-current assets amounted to MEUR 117.4 (30.9.2009: MEUR 101.6). No changes took place in goodwill during the review period, which stood at MEUR 10.2 as of 30 September (30.9.2009: MEUR 10.2).

Fund investments booked at fair value rose to MEUR 62.7 (MEUR 53.9). Long-term receivables amounted to MEUR 26.1 (MEUR 24.0), of which MEUR 25.4 (MEUR 22.0) 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, and these funds pay market rate interest on loans they receive from CapMan Plc.

Current assets amounted to MEUR 29.0 (MEUR 41.3). Liquid assets (cash in hand and at banks, plus other financial assets at fair value through profit and loss) amounted to MEUR 22.1 (MEUR 30.7).

The size of CapMan's hybrid bond stands at MEUR 29.0. Due to dividend payments, the interest on the bond for the financial year is deducted from equity in line with the terms of the loan and is payable semi-annually. Interest on the hybrid bond totalling MEUR 1.6 was paid in June. CapMan Plc had a bank financing package of MEUR 50.6 (MEUR 56.9) available as of 30 September, of which MEUR 40.6 (MEUR 46.9) was utilised. There were no significant changes in the amount of interest-bearing liabilities. Trade and other payables totalled MEUR 21.4 (MEUR 17.7). Outstanding interest on the hybrid bond for this year is included in current liabilities. The Group's interest-bearing net debts amounted to MEUR 19.8 (MEUR 16.2).

The Group's cash flow from operations totalled MEUR 12.3 (MEUR 2.6). Income from management fees paid by funds is paid semi-annually, in January and July, and is shown under working capital in the cash flow statement. Cash flow from investments totalled MEUR -1.4 (MEUR -8.8) and was primarily related to fund investments and repaid capital received by the company. Cash flow before financing totalled MEUR 10.9 (MEUR -6.2), while cash flow from financing was MEUR -7.7 (MEUR 10.0). Cash flow from financing includes the MEUR 3.4 dividend paid in April.

Key figures as of 30 September 2010

CapMan's equity ratio as of 30 September 2010 was 57.3% (30.9.2009: 55.3%). Return on equity was 11.9% (-5.5%) and return on investment was 10.6% (-2.0%). The target level for the company's equity ratio is at least 50% and for return on equity at least 25%.

Key figures

	30.9.10	30.9.09	31.12.09
Earnings per share, cents	5.9	-6.6	-3.0
Diluted, cents	5.9	-6.6	-3.0
Shareholders' equity / share, cents *	94.4	91.3	94.2
Share issue adjusted number of shares	84,255,467	82,727,824	83,015,987
Number of shares at the end of period	84,281,766	83,674,965	84,281,766
Number of shares outstanding	84,255,467	83,648,666	84,255,467
Company's possession of its own shares, end of period	26,299	26,299	26,299
Return on equity, %**	11.9	-5.5	0.2
Return on investment, %**	10.6	-2.0	2.8
Equity ratio, %	57.3	55.3	55.1
Net gearing, %	24.8	21.4	34.8

* In line with IFRS standards, the MEUR 29.0 hybrid bond has been included in equity, also when calculating equity per share. The net interest on the hybrid bond for the review period has been included when calculating earnings per share.

** These figures have been annualised.



Fundraising in January-September and capital under management as of 30 September 2010

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. Capital increases as fundraising for new funds progresses and declines as exits are made.

The fundraising market continued to be challenging during the review period. According to a recent study by Preqin*), worldwide fundraising during the third quarter of 2010 increased by 20% from the previous quarter, which saw the least amount of capital raised for seven years. Despite this, fundraising fell short of the capital raised in the first quarter and the fundraising time frame lengthened to an average of over 20 months.

The CapMan Mezzanine V fund held its first closing at MEUR 60 on 23 September 2010. CapMan's commitment to the fund is MEUR 5. The target size of the new fund is MEUR 150, or approximately half the size of the CapMan Buyout IX fund. The two funds will invest mainly in the same companies.

The CapMan Buyout IX fund held its final closing on 30 June 2010 and reached a final size of MEUR 294.6. In addition, the investment capacity of the CapMan Hotels RE fund rose during the first quarter from MEUR 872.5 to MEUR 950.0 when debt financing was increased to the maximum amount allowed under the fund's terms.

The operations of the Finnventure Rahasto II Ky, Finnventure Rahasto III Ky, and Finnventure Rahasto III G funds ended during the review period when the funds in question exited their last remaining portfolio company, Oy Turo Tailor Ab.

CapMan is continuing to investigate new opportunities in the real estate market, including the potential for taking an active role on the housing property market in the Greater Helsinki region.

Capital under management totalled MEUR 3,578.3 as of 30 September 2010 (30.9.2009: MEUR 3,504.1). Of this, MEUR 1,850.5 (MEUR 1,845.0) was in funds making investments in portfolio companies and MEUR 1,727.8 (MEUR 1,659.1) in real estate funds.

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

Changes in the company's management

Niko Haavisto was appointed CapMan Plc's CFO and a member of the Management Group on 28 January 2010 and took up these positions on 26 April 2010. Lennart Simonsen was appointed CapMan Plc's CEO and a Senior Partner on 30 March 2010 and took up these positions as of 1 June 2010. These appointments are covered in greater detail in the stock exchange releases issued on 28 January and 30 March this year.

CapMan Group's HR Director and member of the Management Group, Hilikka-Maija Katajisto, resigned in September and her employment with the company will end on 31 December 2010.

Authorisations held by the Board of Directors

Following a decision by the Annual General Meeting, CapMan Plc's Board of Directors is authorised to purchase CapMan shares and accept them as pledges, and decide on a share issue and the issuance of stock option rights and other entitlements related to CapMan shares. These authorisations will remain in force until 30 June 2011 and their content is covered in more detail in the stock exchange release on the decisions adopted by the Annual General Meeting issued on 30 March 2010.

Personnel

CapMan employed a total of 149 people as of 30 September 2010 (30.9.2009: 147), of whom 102 (106) worked in Finland and the remainder in the other Nordic countries, Russia, and Luxembourg. A breakdown of personnel by country and team is presented in the tables section.



Shares and share capital

There were no changes in either CapMan Plc's share capital or the number of shares during the review period. Share capital as of 30 September 2010 totalled EUR 771,586.98. B shares totalled 78,281,766 and A shares 6,000,000. B shares entitle holders to one vote per share and A shares to 10 votes per share.

Shareholders

CapMan Plc had 4,928 shareholders as of 30 September 2010 (30.9.2009: 4,729). No significant changes took place in the company's ownership during the review period and no flagging notices were issued.

Company shares

As of 30 September 2010, CapMan Plc held a total of 26,299 CapMan Plc B shares and made no purchases of company shares during the review period.

Stock option programmes

As of 30 September 2010, CapMan Plc had one stock option programme in place – Option Programme 2008 – as part of incentive and commitment arrangements for key personnel. The maximum number of stock options issued under Option Programme 2008 will be 4,270,000, which will carry an entitlement to subscribe to a maximum of 4,270,000 new B shares. The programme is divided into A and B series, both of which cover a maximum of 2,135,000 option entitlements. 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 these options will be entered in the company's invested unrestricted shareholders' equity. As of the end of the review period, 2,068,250 of 2008A stock option entitlements and 1,855,000 of 2008B stock option entitlements were allocated.

Trading and market capitalisation

CapMan Plc's B shares closed at EUR 1.42 on 30 September 2010 (30.9.2009: EUR 1.31). The average price during the review period was EUR 1.60 (EUR 1.02). The highest price paid was EUR 1.98 (EUR 1.63) and the lowest EUR 1.28 (EUR 0.77). A total of 9.0 million (12.9 million) CapMan Plc B shares were traded, valued at MEUR 14.4 (MEUR 14.1).

The market capitalisation of CapMan Plc B shares as of 30 September 2010 was MEUR 111.2 (MEUR 101.8). The market capitalisation of all company shares, including A shares valued at the closing price of B shares, was MEUR 119.7 (MEUR 109.6).

Significant risks and short-term uncertainties

CapMan's Management Company business is profitable on an annual basis, but a major element of uncertainty is associated with forecasting the company's overall financial performance because of the timing of revenue generated from possible carried interest and the development of the fair value of portfolio companies. Structural changes in the Nordic region's export industries could have a negative impact on the operations of some portfolio companies and their profitability. The fundraising environment is expected to remain challenging, for the next 12 months at least, which could impact the outcome of fundraising during this period, and the amount of capital under management, and any new management fees that CapMan could receive.

Business environment

The prospects for growth in the demand for alternative assets continue to remain good over the long term. The financial recession and its impacts have clearly slowed growth in the alternative asset class. A recent study by Prequin*) indicates that the fundraising market improved slightly during the third quarter of the year, but the market is expected to remain difficult over the short term. Around a fifth of the institutional investors that took part in the study expect to increase their investments in private equity funds over the next 12 months, which, if it realises, would signal



a gradual improvement next year. A more dynamic buyout and M&A market, together with capital repaid through exits, would support this development. The interest of international investors is currently focused primarily on small and mid-cap buyout funds, while real estate properties are also the subject of interest among Nordic pension funds.

Private equity has consolidated its position in financing M&A activities and growth, and continues to focus typically on sector consolidation, 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, for their part, have gained an established share of institutional investors' investment allocations.

CapMan funds investing in portfolio companies will continue to implement their investment strategies. Bank financing for mergers and acquisitions and real estate investments is at a good level, and the volume of deal flow has remained good across all our investment areas. The portfolios of our funds contain a number of investments where the value creation process has been completed and which CapMan is now ready to exit from.

The development of our portfolio companies during the review period was largely good, and profit and growth projections for 2010 as a whole are positive. In accordance with IPEVG criteria, the fair value development of portfolio companies will also be impacted by how well listed companies are able to deliver on their profit projections and by how the exchange rates of currencies used in our areas of operations perform against the euro. We plan to keep sufficient reserves in our funds to support the growth and financing of our companies. Long-term cooperation with the Nordic banks is particularly important for us, and has worked well.

Finnish insurance companies investing solely their own equity have been active on the property investment market, and international investors have also returned to the market. The combined trend of weakening property demand and rising yield expectations has tailed off and property valuation levels have stabilised or even risen in respect of properties with a low level of lease-related cash flow risk. Demand for real estate with long leases is good. We expect the number of real estate transactions to increase during the winter of 2010-2011. Occupancy rates and demand for office and retail premises have continued to be satisfactory. The vacancy rates for office premises are expected to rise in Greater Helsinki, however, putting a downward pressure on rents. The demand for real estate consulting has remained stable. The portfolios of CapMan's real estate funds include a number of properties from which funds are now ready to exit.

CapMan funds investing in portfolio companies have some MEUR 790 available for making new and add-on investments, while real estate funds have approximately MEUR 360 of investment capacity, mainly for developing their existing portfolios.

The European Parliament is expected to vote on the European Directive on Alternative Investment Fund Managers (AIFM directive) on 10 November 2010. As and when passed, the directive will stipulate an operating license for participants, as well as other significant requirements, including fund investor and authority reporting. Thanks to its organisation and operating model, CapMan is in a good position to meet the challenge these new regulations represent.

Future outlook

Guidance in the Interim Report published on 6 August 2010:

Management fees and income from real estate consulting will cover CapMan's fixed costs and interest expenses in 2010. Exit negotiations are under way in respect of a number of companies in the portfolios of CapMan funds, but the cautious atmosphere in the marketplace could well continue to postpone the exits from portfolio companies planned by our funds. 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 2011. The development of the fair value of fund investments will depend on the development of portfolio companies and the general market situation; we expect fair value development to be at least neutral for the rest of this year.

We expect the overall result for 2010 to exceed the previous year's result.

Revised guidance on 5 November 2010:

Management fees and income from real estate consulting will cover CapMan's fixed costs and interest expenses in 2010. Exit negotiations are under way in respect of a number of companies in the portfolios of CapMan funds. 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 2011. The development of the fair value of fund investments will depend on the development of portfolio



companies and the general market situation; we expect fair value development to be at least neutral for the rest of this year.

We expect the overall result for 2010 to exceed the previous year's result.

CapMan Plc will publish its Financial Statements Bulletin for 1 January-31 December 2010 on Friday, 4 February 2011.

Helsinki, 5 November 2010

CAPMAN PLC

Board of Directors

Press conference:

A press conference (in Finnish) for analysts and the media will be held today at midday EET in CapMan's offices at Korkeavuorenkatu 32, Helsinki, Finland, at which CapMan's CEO Lennart Simonsen will present the interim results and review the market situation. A light lunch will be served. Presentation material for the press conference will be published in Finnish and English on CapMan Plc Group's website once the conference has started.

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* Preqin Private Equity Spotlight October 2010. Preqin is an independent market intelligence company that specialises in alternative asset classes.

Appendices (after the tables section):

Appendix 1: CapMan Plc Group's funds under management as of 30 September 2010, MEUR

Appendix 2: Operations of CapMan's funds under management, 1 January – 30 September 2010

Appendix 3: Capital and mandates under the management of associated company, Access Capital Partners, as of 30 September 2010

The logo for CapMan, featuring the word "CapMan" in a stylized, serif font. The "C" and "M" are larger and more prominent, with the "a" and "n" being smaller and more closely spaced. The logo is set against a dark grey rectangular background.

Accounting principles

The Interim Report has been prepared in accordance with the International Financial Standards (IFRS) and is in conformity with the accounting policies published in the 2009 financial statements. The revised and amended standards entering into force on 1 January 2010 had no impact on this interim report. The information presented in the Interim Report is un-audited.

GROUP STATEMENT OF COMPREHENSIVE INCOME (IFRS)

€ ('000)	1-9/10	1-9/09	1-12/09
Turnover	29,662	26,349	36,257
Other operating income	65	57	137
Personnel expenses	-15,644	-14,027	-18,464
Depreciation and amortisation	-661	-753	-957
Impairment of goodwill	0	-700	-700
Other operating expenses	-9,096	-8,966	-12,845
Fair value gains / losses of investments	1,652	-4,190	-3,322
Operating profit / loss	5,978	-2,230	106
Financial income and expenses	163	-361	-185
Share of associated companies' result	2,480	-847	1,293
Profit / loss before taxes	8,621	-3,438	1,214
Income taxes	-1,593	478	-1,076
Profit / loss for the period	7,028	-2,960	138
Other comprehensive income:			
Translation differences	313	102	270
Total comprehensive income / loss	7,341	-2,858	408
Profit / loss attributable to:			
Equity holders of the company	6,790	-3,163	-210
Non-controlling interests	238	203	348
Total comprehensive income / loss attributable to:			
Equity holders of the company	7,103	-3,061	60
Non-controlling interests	238	203	348
Earnings per share for profit / loss attributable to the equity holders of the Company:			
Earnings per share, cents	5.9	-6.6	-3.0
Diluted, cents	5.9	-6.6	-3.0

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



GROUP BALANCE SHEET (IFRS)

€ ('000)	30.9.10	30.9.09	31.12.09
ASSETS			
Non-current assets			
Tangible assets	609	959	838
Goodwill	10,245	10,245	10,245
Other intangible assets	2,514	3,016	2,972
Investments in associated companies	8,003	4,310	6,547
Investments at fair value through profit and loss			
Investments in funds	62,679	53,945	59,421
Other financial assets	618	737	585
Receivables	26,050	23,985	25,304
Deferred income tax assets	6,712	4,375	6,177
	117,430	101,572	112,089
Current assets			
Trade and other receivables	6,907	10,620	10,291
Other financial assets at fair value through profit and loss	972	2,454	1,673
Cash and bank	21,125	28,221	17,978
	29,004	41,295	29,942
Total assets	146,434	142,867	142,031
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	38,678	36,673	37,347
Translation difference	-79	-560	-392
Retained earnings	1,210	-565	1,097
	79,549	75,288	77,792
Non-controlling interests	342	268	413
Total equity	79,891	75,556	78,205
Non-current liabilities			
Deferred income tax liabilities	1,921	374	1,824
Interest-bearing loans and borrowings	35,638	40,625	40,625
Other liabilities	1,303	2,369	2,291
	38,862	43,368	44,740
Current liabilities			
Trade and other payables	21,431	17,693	12,227
Interest-bearing loans and borrowings	6,250	6,250	6,250
Current income tax liabilities	0	0	609
	27,681	23,943	19,086
Total liabilities	66,543	67,311	63,826
Total equity and liabilities	146,434	142,867	142,031



GROUP STATEMENT OF CHANGES IN EQUITY

€ ('000)	Attributable to the equity holders of the Company					Total	Non-controlling interest	Total equity
	Share capital	Share premium account	Other reserves	Translation differences	Retained earnings			
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 (net of tax)					-1,015	-1,015		-1,015
Other changes				-436		-436	-110	-546
Comprehensive profit / loss				102	-3,163	-3,061	203	-2,858
Equity on 30 Sep 2009	772	38,968	36,673	-560	-565	75,288	268	75,556
Equity on 31 Dec 2009	772	38,968	37,347	-392	1,097	77,792	413	78,205
Options			1,331		-893	438		438
Dividends paid					-3,370	-3,370	-309	-3,679
Hybrid bond, interest (net of tax)					-2,414	-2,414		-2,414
Comprehensive profit / loss				313	6,790	7,103	238	7,341
Equity on 30 Sep 2010	772	38,968	38,678	-79	1,210	79,549	342	79,891

STATEMENT OF CASH FLOW (IFRS)

€ ('000)	1-9/10	1-9/09	1-12/09
Cash flow from operations			
Profit / loss for the financial year	7,028	-2,960	138
Adjustments	-1,289	5,636	5,352
Cash flow before change in working capital	5,739	2,676	5,490
Change in working capital	10,115	2,945	-3,463
Financing items and taxes	-3,587	-2,980	-3,825
Cash flow from operations	12,267	2,641	-1,798
Cash flow from investments	-1,379	-8,792	-15,105
Cash flow before financing	10,888	-6,151	-16,903
Dividends paid	-3,679	-46	-46
Other net cash flow	-4,062	10,088	10,597
Financial cash flow	-7,741	10,042	10,551
Change in cash funds	3,147	3,891	-6,352
Cash funds at start of the period	17,978	24,330	24,330
Cash funds at end of the period	21,125	28,221	17,978

Segment information

The Group reports two segments: Management company business and Fund investments

1-9/2010	Management Company business			Fund Investment business	Total
	CapMan Private Equity	CapMan Real Estate	Total		
€ ('000)					
Turnover	23,319	6,343	29,662	0	29,662
Operating profit/loss	4,560	85	4,645	1,333	5,978
Profit/loss for the financial year	3,931	102	4,033	2,995	7,028
Assets	14,910	1,459	16,369	101,061	117,430
Total assets includes:					
Investments in associated companies	1,688	0	1,688	6,315	8,003
1-9/2009	Management Company business			Fund Investment business	Total
	CapMan Private Equity	CapMan Real Estate	Total		
€ ('000)					
Turnover	20,032	6,317	26,349	0	26,349
Operating profit/loss	2,194	-48	2,146	-4,376	-2,230
Profit/loss for the financial year	3,398	-48	3,350	-6,310	-2,960
Assets	16,952	1,347	18,299	83,273	101,572
Total assets includes:					
Investments in associated companies	1,693	0	1,693	2,617	4,310
1-12/2009	Management Company business			Fund Investment business	Total
	CapMan Private Equity	CapMan Real Estate	Total		
€ ('000)					
Turnover	27,263	8,994	36,257	0	36,257
Operating profit/loss	3,128	547	3,675	-3,569	106
Profit/loss for the financial year	3,197	544	3,741	-3,603	138
Assets	17,528	1,272	18,800	93,289	112,089
Total assets includes:					
Investments in associated companies	1,962	0	1,962	4,585	6,547

Income taxes

The Group's income taxes in the Income Statements are calculated on the basis of current taxes on taxable income and deferred taxes. Deferred taxes are calculated on the basis of all temporary differences between book value and fiscal value.

Dividends

A dividend of EUR 0.04 per share, total MEUR 3.4, was paid for the year 2009. (No dividend was paid for the year 2008.)

Non-current assets

€ ('000)	30.9.10	30.9.09	31.12.09
Investments in funds at fair value through profit and loss at Jan 1	59,421	53,147	53,147
Additions	7,827	9,175	13,038
Distributions	-5,909	-377	-586
Disposals	0	-3,616	-3,616
Fair value gains/losses on investments	1,340	-4,384	-2,562
Investments in funds at fair value through profit and loss at end of the period	62,679	53,945	59,421
Investments in funds at fair value through profit and loss at the end of period	30.9.10	30.9.09	31.12.09
Buyout	37,083	31,032	34,233
Technology	4,412	3,504	3,616
Life Science	3,746	2,576	3,683
Russia	1,351	1,144	1,049
Public Market	2,027	1,734	3,422
Mezzanine	3,862	4,032	4,000
Other	227	364	364
Real Estate	4,780	4,413	4,296
Access	5,191	5,146	4,758
Total	62,679	53,945	59,421

Transactions with related parties (associated companies)

€ ('000)	30.9.10	30.9.09	31.12.09
Receivables - non-current at end of review period	24,371	21,260	22,598
Receivables - current at end of review period	1,032	423	779

Non-current liabilities

€ ('000)	30.9.10	30.9.09	31.12.09
Interest bearing loans at end of review period	35,638	40,625	40,625

Seasonal nature of CapMan's business

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

Personnel

By country	30.9.10	30.9.09	31.12.09
Finland	102	106	107
Denmark	3	3	3
Sweden	22	18	21
Norway	7	7	7
Russia	14	13	12
Luxembourg	1	0	0
In total	149	147	150

By team			
CapMan Private Equity	64	58	61
CapMan Real Estate	40	42	42
Investor Services	24	25	23
Internal Services	21	22	24
In total	149	147	150

Contingent liabilities

€ ('000)	30.9.10	30.9.09	31.12.09
Leasing agreements	9,786	8,493	10,927
Securities and other contingent liabilities	65,896	69,814	68,164
Remaining commitments to funds	39,727	47,616	42,624
Remaining commitments by investment area			
Buyout	16,294	22,667	20,967
Technology	4,668	5,941	5,486
Life Science	3,354	5,338	4,160
Public Market	2,417	4,160	2,669
Russia	3,339	4,101	4,067
Mezzanine	5,904	912	910
Other	427	586	510
Real Estate	1,292	1,634	1,582
Access	2,032	2,277	2,273
In total	39,727	47,616	42,624



Turnover and profit quarterly

2010

MEUR	1-3/10	4-6/10	7-9/10	1-9/10
Turnover	11.4	9.6	8.7	29.7
Management fees	8.4	8.9	7.9	25.2
Carried interest	2.4	0.1	0.1	2.6
Real Estate consulting	0.4	0.4	0.4	1.2
Other income	0.2	0.2	0.3	0.7
Other operating income	0.1	0.0	0.0	0.1
Operating expenses	-8.3	-8.6	-8.5	-25.4
Fair value gains / losses of investments	1.1	-0.7	1.3	1.7
Operating profit / loss	4.3	0.2	1.5	6.0
Financial income and expenses	-0.1	0.1	0.2	0.2
Share of associated companies' result	0.8	1.1	0.6	2.5
Profit / loss before taxes	5.0	1.4	2.2	8.6
Profit / loss for the period	3.5	1.7	1.8	7.0

2009

MEUR	1-3/09	4-6/09	7-9/09	1-9/09	10-12/09	1-12/09
Turnover	8.1	8.7	9.5	26.3	10.0	36.3
Management fees	7.4	8.2	9.0	24.6	8.7	33.3
Carried interest	0.0	0.0	0.0	0.0	0.0	0.0
Real Estate consulting	0.6	0.4	0.3	1.3	1.1	2.4
Other income	0.1	0.1	0.2	0.4	0.2	0.6
Other operating income	0.0	0.1	0.0	0.1	0.0	0.1
Operating expenses	-8.4	-8.1	-7.9	-24.4	-8.6	-33.0
Fair value gains / losses of investments	-4.3	-0.3	0.4	-4.2	0.9	-3.3
Operating profit	-4.7	0.5	2.0	-2.2	2.3	0.1
Financial income and expenses	-0.5	0.3	-0.2	-0.4	0.2	-0.2
Share of associated companies' result	0.6	-1.8	0.3	-0.9	2.2	1.3
Profit after financial items	-4.6	-1.0	2.2	-3.4	4.6	1.2
Profit for the period	-3.7	-1.3	2.0	-3.0	3.1	0.1



APPENDIX 1: CAPMAN PLC GROUP'S FUNDS UNDER MANAGEMENT AS OF 30 SEPTEMBER 2010, MEUR

The tables below show the status of funds managed by CapMan as of 30 September 2010. When analysing the schedule for funds to start generating carried interest, the relationship between the cumulative cash flows already distributed 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 of the tables below 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 be returned to investors before further carried interest income can be paid. Of the funds already generating carried interest, the 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		Net cash assets	Distributed cash flow		CapMan's share of cash flow if fund generates carried interest
			at cost	at fair value		to investors	to management company (carried interest)	
Funds generating carried interest								
Fenno Program 1) and FM II B, in total	76.0	74.7	8.1	7.4	0.2	145.0	9.3	10-20%
FV V	169.9	165.4	34.6	14.9	1.0	249.5	7.8	20%
Total	245.9	240.1	42.7	22.3	1.2	394.5	17.1	
Funds that are expected to transfer to carry during 2011								
CME VII A	156.7	152.6	87.9	110.6	4.4	115.5		20%
CME VII B	56.5	56.5	33.9	50.9	2.3	50.8		20%
CME SWE	67.0	66.3	37.6	47.3	1.9	49.7		20%
FM III A	101.4	100.6	31.3	26.4	3.0	108.4		20%
FM III B	20.2	19.9	6.0	8.0	0.9	22.7		20%
Total	401.8	395.9	196.7	243.2	12.5	347.1		

Other funds not yet in carry

CME VII C	23.1	19.7	11.2	7.8	0.3	8.2	20%
CMB VIII 2)	440.0	352.9	298.1	274.7	2.1	12.2	14%
CM LS IV	54.1	36.0	24.8	19.3	0.8		10%
CMT 2007 2)	142.3	63.2	43.0	41.6	1.4		10%
CMR	118.1	47.4	36.9	28.4	0.2		3.4%
CMPM	138.0	72.4	50.2	53.9	0.9	46.8	10%
CMB IX	294.6	99.6	87.9	92.5	2.4		10%
CMM IV 4)	240.0	230.0	160.5	158.0	41.5	48.9	15%
CMM V	60.0						10%
Total	1,510.2	921.2	712.6	676.2	49.6	116.1	

Funds with no carried interest potential to CapMan

FM III C, FV IV, FV V ET, SWE LS 3), SWE Tech 2), 3) and FM II A, C, D 2)

Total	312.9	298.7	67.5	35.3	4.1	212.3	
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Funds investing in portfolio companies, total

2,470.8	1,855.9	1,019.5	977.0	67.4	1,070.0	17.1
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REAL ESTATE FUNDS

	Original investment capacity	Paid-in capital	Fund's current portfolio		Net cash as-sets	Distributed cash flow		CapMan's share of cash flow, if fund generates carried interest
			at cost	at fair value		to investors	to management company (carried interest)	
Funds not yet in carry								
CMRE I 5)								
Equity and bonds	200.0	188.5	66.4	51.7		193.3	27.4	26%
Debt financing	300.0	278.0	98.0	98.0				
Total	500.0	466.5	164.4	149.7	1.2	193.3	27.4	
CMRE II								
Equity	150.0	87.8	96.4	84.1		0.5		12%
Debt financing	450.0	241.2	230.0	230.0				
Total	600.0	329.0	326.4	314.1	-6.7	0.5		
CMHRE								
Equity	332.5	309.3	336.7	252.6		10.8		12%
Debt financing	617.5	526.8	508.2	508.2				
Total	950.0	836.1	844.9	760.8	5.8	10.8		
Real estate funds, total	2,050.0	1,631.6	1,335.7	1,224.6	0.3	204.6	27.4	
All funds, total	4,520.8	3,487.5	2,355.2	2,201.6	67.7	1,274.6	44.5	



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		

Explanation of the terminology used in the fund tables**Size/Original 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), 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 separately in the table.

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

When a fund has generated the cumulative preferential return for investors specified in the fund agreements, the management company is entitled to an agreed share of future cash flows from the fund, known as carried interest.

Cash flow, in this context, includes both profit distributed by 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 be returned to investors before any new distribution of profits can be paid.

Footnotes to the table

- 1) The Fenno Rahasto, Skandia I, and Skandia II funds comprise the Fenno Program, which is managed jointly with Fenno Management Oy.
- 2) The fund is comprised of two or more legal entities (parallel funds are presented separately only if the focus of their investment or portfolios differ significantly).
- 3) Currency items are valued at the average exchange rates quoted on 30 September 2010.
- 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 totalling MEUR 56.8 has yet to be returned to investors.



This capital, together with the preferential annual income payable on it, must be paid to investors before any new distribution of profits can be paid. Based on the market situation, CapMan's management considers it unlikely that the CapMan Real Estate I fund will generate any new distribution of profits in the future. As a result, the fund has been transferred out of the category of funds generating carried interest. A total of some MEUR 6 million from the profit distributed by the fund in 2007 was not booked as revenue because of concerns that the money in question would have to be returned at some point in the future.

APPENDIX 2: OPERATIONS OF CAPMAN'S FUNDS UNDER MANAGEMENT, 1 JANUARY – 30 SEPTEMBER 2010

The operations of private equity funds managed by CapMan during 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 manufacturing industry and the service and retail sectors in the Nordic countries, technology investments in growth-stage and later growth-stage technology companies in the Nordic countries, life science investments in companies specialising in medical technology and healthcare services in the Nordic countries, investments in mid-sized companies operating in Russia, and investments in significant minority holdings in listed companies in the Nordic countries.

CAPMAN PRIVATE EQUITY

Investments in portfolio companies in January–September 2010

CapMan funds made seven new investments, as well as several add-on investments, during the review period, investing MEUR 144.6 in all. Add-on investments accounted for around a third of the total. The new investments were Bank Europeiskij, Esperio Care Oy, Havator Oy, Hermelinen Hälsovård AB, INR Aspen, LMZ, and Oy Lunawood Ab. Significant add-on investments were made in Walki Group Oy, Komax Group Oy, Northern Alliance Oy, Proxima AB, Affecto Oyj, Papa John's, and Avelon Group Oy. During the comparable period in 2009, funds made three new investments and a number of add-on investments totalling MEUR 95.8.

Exists from portfolio companies in January–September 2010

CapMan funds exited completely from 10 companies during the review period. Complete exits were made from Exidio Oy, Foreca Oy, Gammadata Holding AB, Inflight Service AB, Inion AB, Nobia AB, Oy Turo Tailor Ab, PacketFront Sweden AB, and Pretax Oy. In addition, funds sold the shares in US-based On2 Technologies received when exiting Hantro Products Oy in 2007. The funds also sold their holdings in Farnos Holding Oy. The Farnos transaction was a partial exit for the funds from their investment in Orion's Noiro cosmetics unit (now Lumene) made in 2003. The funds made also a partial exit from MQ Sweden AB. Exits made during the review period had a combined acquisition cost of MEUR 99.7. During the comparable period last year, complete exits were made from two companies and a partial exit from another, with a combined acquisition cost of MEUR 19.6.

CAPMAN REAL ESTATE

Investments in and commitments to real estate acquisitions and projects in January–September 2010

The CapMan Hotels RE fund invested in a property in the centre of Helsinki that is planned for conversion into a hotel. In addition, the fund made a significant add-on investment in the Rantasipi Airport Hotel in Vantaa and took a significant add-on investment decision to modernise and upgrade the Turun Centrum site in Turku. CapMan's real estate funds made a number of other add-on investments in existing properties. New and add-on investments totalled MEUR 18.2. Funds were committed to finance real estate acquisitions and projects valued at MEUR 35.0 as of 30 September 2010. During the comparable period in 2009, funds made two new investments and various add-on investments totalling MEUR 92.9. Commitments to finance new projects totalled MEUR 50.0 as of 30 September 2009.



Exits from real estate investments in January-September 2010

The CapMan Real Estate I fund exited from Kiinteistö Oy Helsingin Kalevankatu 20 in Helsinki in the review period. The acquisition cost of the property was MEUR 8.7. During the comparable period in 2009, an exit by CapMan Real Estate I fund from an office property located at Ludviginkatu 3–5 in Helsinki took place. The acquisition cost of the property was MEUR 9.1.

FUND INVESTMENT ACTIVITIES IN FIGURES

Investments and exits made by funds at acquisition cost, MEUR

	1-9/2010	1-9/2009	1-12/2009
New and add-on investments			
Funds investing in portfolio companies	144.6	95.8	172.0
Buyout	102.5	59.1	80.4
Technology	15.7	6.9	13.5
Life Science	3.8	1.9	8.1
Russia	13.0	6.9	7.1
Public Market	9.6	21.0	62.9
Real estate funds	18.2	92.9	104.9
Total	162.8	188.7	276.9
Exits*			
Funds investing in portfolio companies	99.7	19.6	32.4
Buyout	58.5	16.1	16.8
Technology	17.2	3.5	8.6
Life Science	4.9	-	3.9
Russia	-	-	-
Public Market	19.1	-	3.1
Real estate funds	8.7	9.1	9.1
Total	108.4	28.7	41.5

* Including partial exits and repayments of mezzanine loans.

In addition, real estate funds had made commitments to finance real estate acquisitions and projects valued at MEUR 35.0 as of 30 September 2010.

Funds' aggregate combined portfolio* as of 30 September 2010, MEUR

	Portfolio at acquisition cost	Portfolio at fair value	Share of portfolio (fair value) %
Funds investing in portfolio companies	1,019.5	977.0	44.4
Real estate funds	1,335.7	1,224.6	55.6
Total	2,355.2	2,201.6	100.0
Funds investing in portfolio companies			
Buyout	760.8	775.8	79.5
Technology	124.2	86.3	8.8
Life Science	47.4	32.6	3.3
Russia	36.9	28.4	2.9
Public Market	50.2	53.9	5.5
Total	1,019.5	977.0	100.0

* 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 790 for new and add-on investments as of 30 September 2010. Of their remaining capital, some MEUR 480 was earmarked for buyout investments (incl. mezzanine investments), some MEUR 125 for technology investments, some MEUR 25 for life science investments, some MEUR 80 for investments by the CapMan Russia team, and some MEUR 80 for investments by the CapMan Public Market team. Real estate funds had a remaining investment capacity amounting to some MEUR 360, which has largely been reserved for developing funds' existing investments.

APPENDIX 3: CAPITAL AND MANDATES UNDER THE MANAGEMENT OF ASSOCIATED COMPANY, ACCESS CAPITAL PARTNERS, AS OF 30 SEPTEMBER 2010

CapMan Plc owns a 35% holding in the European fund of funds management company, Access Capital Partners. As of 30 September 2010, Access Capital Partners had approx. EUR 2.7 billion of capital under management. CapMan Plc Group's share of the carried interest from the Access funds and Private Equity Mandates established since 2003 is 25%. For older funds, this share is higher.

Further information on Access Capital Partners can be found at www.access-capital-partners.com.