

CapMan Plc Stock Exchange Release 4 May 2011 at 8:30 a.m. EET

## CapMan Plc Group's Interim Report 1 January - 31 March 2011

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

- Group turnover totalled MEUR 8.2 (January-March 2010: MEUR 11.4).
- The Group's operating profit was MEUR 4.0 (MEUR 4.3).
- The Management Company business recorded an operating result of MEUR 0.0 (MEUR 3.2) and the Fund Investment business an operating profit of MEUR 4.0 (MEUR 1.1).
- Profit before taxes was MEUR 4.8 (MEUR 5.0) and profit after taxes was MEUR 3.7 (MEUR 3.5).
- Profit attributable to the owners of the parent company was MEUR 3.6 (MEUR 3.4). Earnings per share were 3.5 cents (3.3 cents).
- Capital under management as of 31 March 2011 was MEUR 3,415.6 (31.3.2010: MEUR 3,556.8).
- CapMan published its updated strategy, new vision and new financial targets on 4 February 2011.
- We have specified our guidance for 2011 and expect operating profit for 2011 to exceed the 2010 operating profit, mainly as a result of positive development in CapMan's own fund investments. Operating profit in 2010 was MEUR 6.3 excluding non-recurring items. In February CapMan's operating profit for 2011 was expected to slightly exceed the 2010 operating profit.

### CEO Lennart Simonsen:

"We published our updated strategy and new vision during the first quarter of this year. We have now moved to the execution phase, where our focus will be on improving performance and simplifying operations to create the agility needed to operate in complex market space.

In terms of performance, the start of the year has been marked by a good level of activity in our investment operations. I am pleased with our result in the first quarter, which mainly resulted from the positive fair value development of our own fund investments. The OneMed exit, closed in March, returned a significant amount of paid-in capital to investors in the CapMan Buyout VIII fund and further strengthened CapMan's cash position. The positive trend in the M&A market continued during the first quarter. Bank financing for mergers and acquisitions and real estate investments is at a good level in the Nordic countries, and we are seeing high-quality deal flow in all key investment partnerships. Exit negotiations are under way in respect of a number of companies and properties in the portfolios of CapMan funds. We always aim to exit our investment targets at the best possible valuation, which might impact the timing of the exits. As anticipated, the fundraising market has remained challenging, although we see some signs of the market picking up during 2011. CapMan's significant new fundraising rounds will take place primarily in 2012.

Our latest decision related to simplifying our operations is to close our office in Denmark. We expect the results of the simplification measures already taken and currently under way to begin to show fully in our results from 2012 onwards."

### Business operations

CapMan is a private equity fund manager operating in the Nordic countries and Russia. CapMan 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. Depending on the development of funds' investments and the general market situation, these can have a significant positive or negative impact on the Group's result.



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.

### Significant events in Q1 2011

CapMan published its updated strategy and new vision on 4 February 2011. CapMan's vision is to be the best-performing European private equity firm, and its strategy is to combine the strengths of entrepreneurial partnerships and all capabilities within CapMan to provide excellent returns to its investors. CapMan also published new financial targets that relate particularly to profitability and the company's balance sheet. CapMan's target for return on equity is over 20% p.a.; its target for equity ratio is over 60%, and its dividend pay-out ratio (as before) at least 50% of the net profit. The amount of future dividends will be subject to CapMan's future earnings, financial position, and cash flows. Although CapMan does not have a separate target for growth, it will continue to exploit growth opportunities, particularly in its key investment partnerships.

CapMan signed a letter of intent on 4 February to divest its real estate consulting business. The transaction will not have a substantial impact on CapMan's result for 2011, and is expected to be closed during the third quarter of 2011, at the latest.

### Group turnover and result in Q1 2011

The Group's turnover decreased in Q1 2011 compared to Q1 2010 and totalled MEUR 8.2 (MEUR 11.4). This was attributable to lower carried interest income and lower management fees than in the first quarter of 2010. Operating expenses were MEUR 8.3 (MEUR 8.3).

The Group's operating profit totalled MEUR 4.0 (MEUR 4.3). Financial income and expenses amounted to MEUR 0.4 (MEUR -0.1). CapMan's share of the profit of its associated companies was MEUR 0.5 (MEUR 0.8). Profit before taxes was MEUR 4.8 (MEUR 5.0) and profit after taxes was MEUR 3.7 (MEUR 3.5).

Profit attributable to the owners of the parent company was MEUR 3.6 (MEUR 3.4). Earnings per share were 3.5 cents (3.3 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 8.2 (MEUR 11.4). Management fees decreased, as expected, compared to the comparable period last year and totalled MEUR 7.1 (MEUR 8.4). This was attributable to exits made after the comparable period in question and the decision made in Q4 2010 to reduce the size of the CapMan Technology 2007 fund.

Income from real estate consulting remained similar to that in the same period last year and totalled MEUR 0.5 (MEUR 0.4). The aggregate total of management fees and income from real estate consulting was MEUR 7.6 (MEUR 8.8).

Carried interest income totalled MEUR 0.4 (MEUR 2.4) and came mainly from the Finnmezzanine III B fund following its transfer to carry after its exit from the OneMed Group.

The Management Company business recorded an operating result of MEUR 0.0 (MEUR 3.2) and a profit of MEUR 0.2 (MEUR 2.7).

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 in Q1 2011 were MEUR 4.1 (MEUR 1.1) and represented a 6.7% increase in value over the period (Q1 2010 saw a 1.9% increase in value). 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 31 March 2011 was MEUR 64.4 (31 March 2010: MEUR 59.4).



Operating profit for the Fund Investment business was MEUR 4.0 (MEUR 1.1) and the profit for the period was MEUR 3.4 (MEUR 0.8). CapMan's share of the result of its Maneq associated companies impacted profit performance. The performance of Maneq companies depends on the changes in the fair value of investments made by Maneq funds.

CapMan made new investments in its funds totalling MEUR 4.4 (MEUR 1.4) during the review period. The majority of these were made in the CapMan Buyout IX and CapMan Public Market funds. CapMan received distributions from funds totalling MEUR 10.1 (MEUR 2.4). The majority of this capital was received from the CapMan Buyout VIII following its exit from the OneMed Group. CapMan did not make any new commitments to funds in Q1 2011.

The amount of remaining commitments totalled MEUR 30.3 as of 31 March 2011 (31.3.2010: MEUR 41.2). The aggregate fair value of existing investments and remaining commitments as of 31 March 2011 was MEUR 94.7 (MEUR 100.6). 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 31 March 2011**

CapMan's balance sheet totalled MEUR 156.0 as of 31 March 2011 (31.3.2010: MEUR 151.1). Non-current assets amounted to MEUR 105.6 (MEUR 112.5), of which the carrying amount of goodwill totalled MEUR 6.4 (MEUR 10.2). The decrease in goodwill resulted from the write-down on the reorganisation of technology operations in the last quarter of 2010.

Fund investments booked at fair value totalled MEUR 64.4 (MEUR 59.4). Long-term receivables amounted to MEUR 19.7 (MEUR 24.8), of which MEUR 19.0 (MEUR 23.8) 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 Maneq funds pay market rate interest on loans they receive from CapMan Plc.

Current assets amounted to MEUR 46.9 (MEUR 38.6). Liquid assets (cash in hand and at banks, plus other financial assets at fair value through profit and loss) increased as a result of the Access transaction closed in Q4 2010 and the OneMed exit closed in February 2011, and amounted to MEUR 42.9 (MEUR 30.2).

The size of CapMan's hybrid bond stands at MEUR 29.0. Due to the dividends paid, the interest on the bond for the financial year is deducted from equity in line with the terms of the loan. The interest on the bond is payable semi-annually. CapMan Plc had a bank financing package of MEUR 44.4 (MEUR 53.8) available as of 31 March 2011, of which MEUR 34.4 (MEUR 43.8) was utilised. Trade and other payables totalled MEUR 37.2 (MEUR 32.7). The Group's interest-bearing net debts amounted to MEUR -7.8 (MEUR 13.5).

The Group's cash flow from operations totalled MEUR 2.4 (MEUR 11.8). Income from fund management fees 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 12.3 (MEUR 0.3) and is related to fund investments and repaid capital received by the company. Cash flow before financing totalled MEUR 14.7 (MEUR 12.2), while cash flow from financing was MEUR -6.3 (MEUR -2.8).

### **Key figures as of 31 March 2011**

CapMan's equity ratio as of 31 March 2011 was 54.7% (31.3.2010: 52.6%). Return on equity was 16.9% (18.1%) and return on investment was 16.6% (18.0%). The target level for the company's equity ratio is at least 60% and at least 20% for return on equity.



**Key figures**

	<b>31.3.11</b>	31.3.10	31.12.10
Earnings per share, cents	<b>3.5</b>	3.3	17.7
Diluted, cents	<b>3.5</b>	3.3	17.7
Shareholders' equity / share, cents *	<b>97.2</b>	90.3	107.7
Share issue adjusted number of shares	<b>84,255,467</b>	84,281,766	84,255,467
Number of shares at the end of period	<b>84,281,766</b>	84,281,766	84,281,766
Number of shares outstanding	<b>84,255,467</b>	84,255,467	84,255,467
Company's possession of its own shares, end of period	<b>26,299</b>	26,299	26,299
Return on equity, % p.a.	<b>16.9</b>	18.1	20.8
Return on investment, % p.a.	<b>16.6</b>	18.0	19.7
Equity ratio, %	<b>54.7</b>	52.6	58.5
Net gearing, %	<b>-9.5</b>	17.9	7.3

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

**Fundraising in Q1 2011 and capital under management as of 31 March 2011**

Capital under management refers to the remaining investment capacity of funds and capital already invested at acquisition cost. Capital increases as fundraising for new funds progresses and declines as exits are made.

As expected, the fundraising market remained challenging during the review period. CapMan continued fundraising for its CapMan Mezzanine V fund.

Capital under management decreased following the exits made after the comparable period last year and the decision made in Q4 2010 to reduce the size of the CapMan Technology 2007 fund. Capital under management totalled MEUR 3,415.6 as of 31 March 2011 (31.3. 2010: MEUR 3,556.8). Of this, MEUR 1,686.6 (MEUR 1,829.0) was held in funds making investments in portfolio companies and MEUR 1,729.0 (MEUR 1,727.8) in real estate funds.

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

**Decisions adopted by the Annual General Meeting**

CapMan Plc held its Annual General Meeting in Helsinki on 30 March 2011. The AGM confirmed the 2010 financial statements and discharged the Board of Directors and the CEOs from liability for the 2010 financial year. The meeting approved the Board of Directors' proposals un-amended. The AGM decided that a dividend of EUR 0.12 per share should be paid to shareholders, in line with the Board's proposal, and this was paid to shareholders on 11 April 2011.

The AGM confirmed that the Board of Directors shall consist of six members and that their term of office shall run until the end of the next AGM. Mr. Koen Dejonckheere, Mr. Conny Karlsson, Mr. Teuvo Salminen, and Mr. Heikki Westerlund were re-elected to the Board; and Mrs. Nora Kerppola and Mr. Claes de Neergaard were elected as new members.

PricewaterhouseCoopers Oy, Authorised Public Accountants, were elected as the company's auditors, with Mikko Nieminen, APA, as Lead Auditor. Terja Artimo, APA, of the same company, was elected as his deputy.

**Authorisations granted to the Board by the AGM**

The AGM authorised the Board to purchase CapMan B shares and accept them as pledges. The authorisation covers a maximum of 8,000,000 B shares and will remain in force until 30 June 2012. The AGM also authorised the Board to decide on a share issue, as well as the issuance of special rights entitling holders to shares. The authorisation covers



a maximum of 12,000,000 B shares and will remain in force until 30 June 2012. The content of these authorisations is covered in more detail in the stock exchange release related to the decisions adopted by the AGM issued on 30 March 2011.

### Organisation of the Board of Directors

At its organising meeting held on 30 March 2011, the Board of Directors elected Heikki Westerlund as Chairman and Teuvo Salminen as Vice Chairman. The Board established an Audit Committee comprising Teuvo Salminen (Chairman) and Conny Karlsson, a Remuneration Committee comprising Nora Kerppola (Chairman), Koen Dejonckheere, and Claes de Neergaard, and a Nomination Committee comprising Heikki Westerlund (Chairman), Koen Dejonckheere, and Teuvo Salminen.

### Personnel

CapMan employed a total of 137 people as of 31 March 2011 (31.3.2010: 148), of whom 93 (102) 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 31 March 2011 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

The number of CapMan Plc shareholders increased by approximately 10% during the review period and totalled 5,329 as of 31 March 2011 (31.3.2010: 4,789). CapMan Plc did not issue any flagging notices during the review period.

### Company shares

As of 31 March 2011, CapMan Plc held a total of 26,299 CapMan Plc B shares. There were no changes in the number of shares held by CapMan Plc in Q1 2011.

### Stock option programmes

As of 31 March 2011, CapMan Plc had one stock option programme in place – Option Programme 2008 – as part of incentive and commitment arrangements for 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 share subscription price of the 2008A options is EUR 2.53 and of the 2008B option EUR 0.96. The subscription period for 2008A options started on 1 May 2011 and for 2008B options will start on 1 May 2012. Receivables from shares subscribed using these options will be entered in the company's invested unrestricted shareholders' equity. At the end of March 2011, 1,811,500 of 2008A stock option entitlements and 1,630,000 2008B stock option entitlements were allocated.

### Trading and market capitalisation

CapMan Plc's B shares closed at EUR 1.60 on 31 March 2011 (31.3. 2010: EUR 1.74). The average price during the review period was EUR 1.72 (EUR 1.66). The highest price paid was EUR 1.84 (EUR 1.89) and the lowest EUR 1.58 (EUR 1.34). The number of CapMan Plc B shares traded in the first quarter of 2011 was clearly higher than in the same quarter in 2010. A total of 7.8 million (3.2 million) shares were traded, valued at MEUR 13.4 (MEUR 5.4).



CapMan Plc's market cap segment in NASDAQ OMX Helsinki was changed from mid cap to small cap on 1 January 2011. The market capitalisation of CapMan Plc B shares as of 31 March 2011 was MEUR 125.3 (MEUR 136.2). The market capitalisation of all company shares, including A shares valued at the closing price of B shares, was MEUR 134.9 (MEUR 146.7).

### Events after the review period

In line with its strategy to focus on performance and simplification, CapMan has decided to close its office in Denmark.

### Significant risks and short-term uncertainties

CapMan's Management Company business is generally 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 fund investments. 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. The EU's Basel III and Solvency II legislative initiatives will limit the ability of especially European banks and insurance companies to invest in private equity funds. This could also impact CapMan's fundraising, the amount of capital it has under management, and any new management fees that CapMan could receive.

### Business environment

The prospects for growth in the demand for private equity continue to remain good over the long term. The financial recession and its impact have clearly slowed growth in the private equity industry, however. The fundraising market is expected to remain difficult in 2011. A recent study by Preqin\* indicates that over half of the institutional investors that took part in the study expect to increase their investments in private equity funds in 2011 compared to 2010, which indicates that a gradual improvement could take place in 2011. A more dynamic buyout and M&A market, together with capital repaid through exits, will support this development. International investor interest is currently focused primarily on small and mid-cap buyout funds.

Private equity has consolidated its position in financing M&A activities and growth, and continues to focus typically on sector consolidation, family successions, and the privatisation of public services and functions. 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 both mergers and acquisitions and real estate investments is at a good level in the Nordic countries, and the volume of deal flow has remained good across all our investment areas. The portfolios of our funds contain a number of investments that 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 2011 as a whole are positive. In accordance with IPEVG criteria, the fair value development of portfolio companies will be impacted by how well listed companies are able to deliver on their profit projections and by how the 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.

In the real estate market, a significant proportion of transactions in recent years has taken place between Finnish investors, mainly institutional ones. International investor interest in the Finnish real estate market is clearly increasing, however. For the present, international interest has mainly focused on prime properties with a lower risk ratio; despite the relatively limited availability of this type of property on the market. Along with increased demand, rising yield expectations have tailed off and property valuation levels have risen slightly, particularly in the case of properties with a low level of lease-related cash flow risk. We expect the number of real estate transactions to increase during 2011. Occupancy rates for office premises have continued to be satisfactory and there have been signs of a recovery in demand. The retail sector grew by approximately 6% during the first two months of 2011, which



had a positive effect on shopper number and the sales of large shopping centres. The positive development in shopping centres is expected to continue.

CapMan funds investing in portfolio companies have some MEUR 635 available for making new and add-on investments, while real estate funds have approximately MEUR 310 of investment capacity, mainly for developing their existing portfolios.

The European Parliament adopted the European Directive on Alternative Investment Fund Managers (AIFM directive) in November 2010. The directive is expected to come into force in summer 2011, after which member states will have 24 months to integrate it into national legislation. The directive stipulates 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**

Management fees are expected to fall behind 2010 levels in 2011 as a result of exits reducing the management fee base and significant new fundraising rounds taking place primarily in 2012. Following restructuring carried out in 2010, operating expenses will decrease, but proportionally less than management fees. CapMan will continue to develop its organisation during 2011 to ensure growth in key investment partnerships. Management fees will not fully cover our operating expenses in 2011.

Exit negotiations are under way in respect of a number of companies and properties in the portfolios of CapMan funds. We expect the CapMan Equity VII A, B, and Sweden funds, as well as the Finnmezzanine III A fund, to transfer to carry during 2011-2012. The development of the fair value of fund investments will depend on the development of portfolio companies and the general market situation; we expect positive fair value development to continue in 2011.

We have specified our guidance and expect our operating profit for 2011 to exceed our 2010 operating profit, mainly as a result of positive development in CapMan's own fund investments. Operating profit in 2010 was MEUR 6.3 excluding non-recurring items.

In February CapMan's operating profit for 2011 was expected to slightly exceed the 2010 operating profit.

CapMan Plc Group will publish its Interim Report for 1 January – 30 June 2011 on Thursday, 11 August 2011.

Helsinki, 4 May 2011

CAPMAN PLC

Board of Directors

### **Press conference:**

A press conference (in Finnish) for analysts and the media will be held today at 12.00 EET in CapMan's offices at Korkeavuorenkatu 32, Helsinki, Finland, at which CapMan's CEO Lennart Simonsen will present the result 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.

### **Further information:**

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### **Distribution:**

NASDAQ OMX Helsinki

Principal media

[www.capman.com](http://www.capman.com)



\* Preqin, Research Report Q1 2011, Private Equity Fundraising Update.

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

Appendix 1: CapMan Plc Group's funds under management as of 31 March 2011, MEUR

Appendix 2: Operations of CapMan's funds under management, 1 January – 31 March 2011

## 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 2010 financial statements. The revised and amended standards that came into force on 1 January had no impact on this report. The information presented in the Interim Report is un-audited.

### GROUP STATEMENT OF COMPREHENSIVE INCOME (IFRS)

€ ('000)	1-3/11	1-3/10	1-12/10
<b>Turnover</b>	<b>8,185</b>	11,449	38,150
Other operating income	<b>0</b>	57	22,963
Personnel expenses	<b>-5,276</b>	-5,176	-25,241
Depreciation and amortisation	<b>-216</b>	-223	-884
Impairment of goodwill	<b>0</b>	0	-3,839
Other operating expenses	<b>-2,821</b>	-2,930	-12,835
Fair value gains / losses of investments	<b>4,099</b>	1,129	2,707
<b>Operating profit</b>	<b>3,971</b>	4,306	21,021
Financial income and expenses	<b>355</b>	-85	560
Share of associated companies' result	<b>455</b>	789	2,358
<b>Profit before taxes</b>	<b>4,781</b>	5,010	23,939
Income taxes	<b>-1,125</b>	-1,534	-6,383
<b>Profit for the period</b>	<b>3,656</b>	3,476	17,556
<b>Other comprehensive income:</b>			
Translation differences	<b>3</b>	-64	461
<b>Total comprehensive income</b>	<b>3,659</b>	3,412	18,017
<b>Profit attributable to:</b>			
Equity holders of the company	<b>3,587</b>	3,400	17,328
Non-controlling interests	<b>69</b>	76	228
<b>Total comprehensive income attributable to:</b>			
Equity holders of the company	<b>3,590</b>	3,336	17,789
Non-controlling interests	<b>69</b>	76	228
<b>Earnings per share for profit attributable to the equity holders of the Company:</b>			
Earnings per share, cents	<b>3.5</b>	3.3	17.7
Diluted, cents	<b>3.5</b>	3.3	17.7

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)	31.3.11	31.3.10	31.12.10
<b>ASSETS</b>			
<b>Non-current assets</b>			
Tangible assets	558	768	602
Goodwill	6,406	10,245	6,406
Other intangible assets	2,300	2,830	2,424
Investments in associated companies	6,860	7,336	6,400
Investments at fair value through profit and loss			
Investments in funds	64,377	59,357	66,504
Other financial assets	598	569	619
Receivables	19,657	24,836	24,778
Deferred income tax assets	4,885	6,585	4,923
	<b>105,641</b>	<b>112,526</b>	<b>112,656</b>
<b>Current assets</b>			
Trade and other receivables	3,954	8,360	4,619
Other financial assets at fair value through profit and loss	378	2,894	980
Cash and bank	42,536	27,312	34,049
	<b>46,868</b>	<b>38,566</b>	<b>39,648</b>
Non-current assets held for sale	3,501	0	3,501
<b>Total assets</b>	<b>156,010</b>	<b>151,092</b>	<b>155,805</b>
<b>Capital attributable the Company's equity holders</b>			
Share capital	772	772	772
Share premium account	38,968	38,968	38,968
Other reserves	38,679	38,546	38,679
Translation difference	72	-328	69
Retained earnings	3,443	-2,315	12,241
	<b>81,934</b>	<b>75,643</b>	<b>90,729</b>
<b>Non-controlling interests</b>	<b>342</b>	<b>180</b>	<b>273</b>
<b>Total equity</b>	<b>82,276</b>	<b>75,823</b>	<b>91,002</b>
<b>Non-current liabilities</b>			
Deferred income tax liabilities	3,081	1,885	3,078
Interest-bearing loans and borrowings	31,990	37,500	35,371
Other liabilities	1,296	2,620	1,331
	<b>36,367</b>	<b>42,005</b>	<b>39,780</b>



**Current liabilities**

Trade and other payables	<b>34,057</b>	26,442	17,395
Interest-bearing loans and borrowings	<b>3,125</b>	6,250	6,250
Current income tax liabilities	<b>185</b>	572	1,378
	<b>37,367</b>	33,264	25,023
<b>Total liabilities</b>	<b>73,734</b>	75,269	64,803
<b>Total equity and liabilities</b>	<b>156,010</b>	151,092	155,805

**GROUP STATEMENT OF CHANGES IN EQUITY**

€ ('000)	Attributable to the equity holders of the Company						Non-controlling interest	Total equity
	Share capital	Share premium account	Other reserves	Translation differences	Retained earnings	Total		
<b>Equity on 31 Dec 2009</b>	772	38,968	37,347	-392	1,097	77,792	413	78,205
Options			1,199		-1,028	171		171
Dividends					-3,370	-3,370	-309	-3,679
Hybrid bond, interest (net of tax)					-2,414	-2,414		-2,414
Comprehensive profit				64	3,400	3,464	76	3,540
<b>Equity on 31 Mar 2010</b>	772	38,968	38,546	-328	-2,315	75,643	180	75,823
<b>Equity on 31 Dec 2010</b>	772	38,968	38,679	69	12,241	90,729	273	91,002
Options					143	143		143
Dividends					-10,114	-10,114		-10,114
Hybrid bond, interest (net of tax)					-2,414	-2,414		-2,414
Comprehensive profit				3	3,587	3,590	69	3,659
<b>Equity on 31 Mar 2011</b>	<b>772</b>	<b>38,968</b>	<b>38,679</b>	<b>72</b>	<b>3,443</b>	<b>81,934</b>	<b>342</b>	<b>82,276</b>

**STATEMENT OF CASH FLOW (IFRS)**

€ ('000)	1-3/11	1-3/10	1-12/10
<b>Cash flow from operations</b>			
Profit for the financial year	3,656	3,476	17,556
Adjustments	-2,764	319	-15,958
<b>Cash flow before change in working capital</b>	<b>892</b>	<b>3,795</b>	<b>1,598</b>
Change in working capital	2,010	8,700	9,003
Financing items and taxes	-508	-672	-4,580
<b>Cash flow from operations</b>	<b>2,394</b>	<b>11,823</b>	<b>6,021</b>
<b>Cash flow from investments</b>	<b>12,343</b>	<b>330</b>	<b>19,979</b>
<b>Cash flow before financing</b>	<b>14,737</b>	<b>12,153</b>	<b>26,000</b>
Dividends paid	0	0	-3,679
Other net cash flow	-6,250	-2,819	-6,250
<b>Financial cash flow</b>	<b>-6,250</b>	<b>-2,819</b>	<b>-9,929</b>
<b>Change in cash funds</b>	<b>8,487</b>	<b>9,334</b>	<b>16,071</b>
Cash funds at start of the period	34,049	17,978	17,978
<b>Cash funds at end of the period</b>	<b>42,536</b>	<b>27,312</b>	<b>34,049</b>

## Segment information

The Group has two reporting segments: the Management Company business and the Fund Investment business.

1-3/2011	Management Company business			Fund Investment business	Total
	CapMan Private Equity	CapMan Real Estate	Total		
€ ('000)					
Turnover	5,978	2,207	8,185	0	8,185
Operating profit/loss	311	-338	-27	3,998	3,971
Profit/loss for the financial year	570	-338	232	3,424	3,656
Assets	8,420	1,441	9,861	95,780	105,641
Total assets includes:					
Investments in associated companies	0	0	0	6,860	6,860
Non-current assets held for sale	3,501	0	3,501	0	3,501
<b>1-3/2010</b>	<b>Management Company business</b>			<b>Fund Investment business</b>	<b>Total</b>
	CapMan Private Equity	CapMan Real Estate	Total		
€ ('000)					
Turnover	9,263	2,186	11,449	0	11,449
Operating profit/loss	3,253	-14	3,239	1,067	4,306
Profit/loss for the financial year	2,675	-14	2,661	815	3,476
Assets	16,451	1,625	18,076	93,602	111,678
Total assets includes:					
Investments in associated companies	2,135	0	2,135	5,201	7,336
<b>1-12/2010</b>	<b>Management Company business</b>			<b>Fund Investment business</b>	<b>Total</b>
	CapMan Private Equity	CapMan Real Estate	Total		
€ ('000)					
Turnover	29,745	8,405	38,150	0	38,150
Operating profit/loss	19,844	-908	18,936	2,085	21,021
Profit/loss for the financial year	15,326	-1,235	14,091	3,465	17,556
Assets	9,272	1,519	10,791	101,865	112,656
Total assets includes:					
Investments in associated companies	0	0	0	6,400	6,400
Non-current assets held for sale	3,501	0	3,501	0	3,501



## 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 €0.12 per share, totalling €10.1 million in all, was paid for 2010. The dividend was paid to shareholders on 11 April 2011. (A dividend of €0.04 per share, totalling €3.4 million in all, was paid for 2009.)

## Non-current assets

€ ('000)	31.3.11	31.3.10	31.12.10
Investments in funds at fair value through profit and loss at Jan 1	66,504	59,421	59,421
Additions	4,432	1,391	11,822
Distributions	-10,087	-2,425	-6,759
Fair value gains/losses on investments	3,528	970	2,020
Investments in funds at fair value through profit and loss at end of the period	64,377	59,357	66,504

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

	31.3.11	31.3.10	31.12.10
Buyout	32,198	34,298	36,933
Mezzanine	4,979	3,843	4,238
Russia	1,779	1,115	1,488
Public Market	3,684	2,320	3,610
Real Estate	5,672	4,474	5,302
Other	11,273	8,240	10,307
Access	4,792	5,067	4,626
In total	64,377	59,357	66,504

## Transactions with related parties (associated companies)

€ ('000)	31.3.11	31.3.10	31.12.10
Receivables - non-current at end of review period	18,631	22,766	23,126
Receivables - current at end of review period	291	399	765

## Non-current liabilities

€ ('000)	31.3.11	31.3.10	31.12.10
Interest bearing loans at end of review period	31,990	37,500	35,371

## Seasonal nature of CapMan's 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 financial year.



**Personnel**

<b>By country</b>	<b>31.3.11</b>	<b>31.3.10</b>	<b>31.12.10</b>
Finland	<b>93</b>	102	103
Denmark	<b>3</b>	3	3
Sweden	<b>19</b>	22	22
Norway	<b>7</b>	7	7
Russia	<b>14</b>	13	14
Luxembourg	<b>1</b>	1	1
In total	<b>137</b>	148	150

**By team**

CapMan Private Equity	<b>58</b>	61	64
CapMan Real Estate	<b>41</b>	39	43
CapMan Platform	<b>38</b>	48	43
In total	<b>137</b>	148	150

**Contingent liabilities**

<b>€ ('000)</b>	<b>31.3.11</b>	<b>31.3.10</b>	<b>31.12.10</b>
Leasing agreements	<b>8,635</b>	10,412	9,191
Securities and other contingent liabilities	<b>67,173</b>	67,332	68,146
Remaining commitments to funds	<b>30,264</b>	41,188	36,299

## Remaining commitments by investment area

Buyout	<b>13,574</b>	20,715	15,910
Mezzanine	<b>4,313</b>	906	5,069
Russia	<b>2,992</b>	3,753	3,225
Public Market	<b>964</b>	2,620	1,443
Real Estate	<b>1,181</b>	1,326	1,215
Other	<b>5,275</b>	9,699	7,414
Access	<b>1,965</b>	2,169	2,023
In total	<b>30,264</b>	41,188	36,299

**Turnover and profit quarterly****2011****MEUR** **1-3/11**

Turnover	<b>8.2</b>
Management fees	<b>7.1</b>
Carried interest	<b>0.4</b>
Real Estate consulting	<b>0.5</b>
Other income	<b>0.2</b>
Other operating income	<b>0.0</b>
Operating expenses	<b>-8.3</b>
Fair value gains of investments	<b>4.1</b>
Operating profit	<b>4.0</b>
Financial income and expenses	<b>0.4</b>
Share of associated companies' result	<b>0.5</b>
Profit before taxes	<b>4.8</b>
Profit for the period	<b>3.7</b>

2010

**MEUR** **1-3/10** **4-6/10** **7-9/10** **10-12/10** **1-12/10**

Turnover	11.4	9.6	8.7	8.5	38.2
Management fees	8.4	8.9	7.9	7.7	32.9
Carried interest	2.4	0.1	0.1	0.0	2.6
Real Estate consulting	0.4	0.4	0.4	0.4	1.6
Other income	0.2	0.2	0.3	0.4	1.1
Other operating income	0.1	0.0	0.0	22.9	23.0
Operating expenses	-8.3	-8.6	-8.5	-17.4	-42.8
Fair value gains / losses of investments	1.1	-0.7	1.3	1.0	2.7
Operating profit	4.3	0.2	1.5	15.0	21.0
Financial income and expenses	-0.1	0.1	0.2	0.4	0.6
Share of associated companies' result	0.8	1.1	0.6	-0.1	2.4
Profit after financial items	5.0	1.4	2.2	15.3	23.9
Profit for the period	3.5	1.7	1.8	10.6	17.6



**APPENDIX 1: CAPMAN PLC GROUP'S FUNDS UNDER MANAGEMENT AS OF 31 MARCH 2011, MEUR**

The tables below show the status of funds managed by CapMan as of 31 March 2011. 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 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 a 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.

The definitions of 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)	
<b>Funds generating carried interest</b>								
Fenno Program 1) and FM II B, in total	76.0	74.7	8.1	5.8	0.4	145.0	9.3	10-20%
FV V	169.9	165.7	33.4	18.2	1.2	249.5	7.8	20%
FM III B	20.2	19.9	3.6	4.4	0.9	25.9	0.3	20%
<b>Total</b>	<b>266.1</b>	<b>260.3</b>	<b>45.1</b>	<b>28.4</b>	<b>2.5</b>	<b>420.4</b>	<b>17.4</b>	
<b>Funds that are expected to transfer to carry during 2011–2012</b>								
CME VII A	156.7	152.8	86.0	96.0	4.2	134.2		20%
CME VII B	56.5	56.5	32.5	40.6	2.3	61.4		20%
CME SWE	67.0	66.4	36.8	41.1	1.9	57.7		20%
FM III A	101.4	100.6	24.3	23.6	2.8	117.6		20%
<b>Total</b>	<b>381.6</b>	<b>376.3</b>	<b>179.6</b>	<b>201.3</b>	<b>11.2</b>	<b>370.9</b>		
<b>Other funds not yet in carry</b>								
CME VII C	23.1	19.8	11.5	9.5	0.1	8.2		20%
CMB VIII 2)	440.0	358.7	247.4	214.5	2.5	106.4		14%
CM LS IV	54.1	42.1	30.8	30.3	0.4			10%
CMT 2007 2), 6)	99.6	64.5	43.9	51.6	1.0			10%
CMR	118.1	54.7	28.4	33.1	4.6			3.4%
CMPM	138.0	111.4	83.7	99.9	0.6	51.3		10%
CMB IX	294.6	149.3	135.2	142.5	1.2			10%
CMM IV 4)	240.0	230.0	141.6	135.8	39.6	78.1		15%
CMM V	60.0	18.8	18.0	18.8	0.7			10%
<b>Total</b>	<b>1,467.5</b>	<b>1,049.3</b>	<b>740.5</b>	<b>736.0</b>	<b>50.7</b>	<b>244.0</b>		
<b>Funds with no carried interest potential to CapMan</b>								
FM III C, FV IV, FV V ET, SWE LS 3), SWE Tech 2), 3) and FM II A, C, D 2)								
<b>Total</b>	<b>316.1</b>	<b>301.9</b>	<b>47.0</b>	<b>29.0</b>	<b>3.3</b>	<b>225.6</b>		
<b>Funds investing in portfolio companies, total</b>	<b>2,431.3</b>	<b>1,987.8</b>	<b>1,012.2</b>	<b>994.7</b>	<b>67.7</b>	<b>1,260.9</b>	<b>17.4</b>	



## REAL ESTATE FUNDS

	Original investment capacity	Paid-in capital	Fund's current portfolio at cost	Fund's current portfolio at fair value	Net cash assets	Distributed cash flow to investors	Distributed cash flow to management company (carried interest)	CapMan's share of cash flow, if fund generates carried interest
<b>Funds not yet in carry</b>								
CMRE I 5)								
Equity and bonds	200.0	188.5	65.0	51.6		195.2	27.4	26%
Debt financing	300.0	277.2	88.1	88.1				
<b>Total</b>	<b>500.0</b>	<b>465.7</b>	<b>153.1</b>	<b>139.7</b>	<b>3.6</b>	<b>195.2</b>	<b>27.4</b>	
CMRE II								
Equity	150.0	98.4	103.9	91.7		0.5		12%
Debt financing	450.0	252.9	239.1	239.1				
<b>Total</b>	<b>600.0</b>	<b>351.3</b>	<b>343.0</b>	<b>330.8</b>	<b>-2.0</b>	<b>0.5</b>		
CMHRE								
Equity	332.5	309.3	348.4	282.3		21.1		12%
Debt financing	617.5	526.5	502.7	502.7				
<b>Total</b>	<b>950.0</b>	<b>835.8</b>	<b>851.1</b>	<b>785.0</b>	<b>-7.0</b>	<b>21.1</b>		
PSH Fund								
Equity	5.0	3.5	3.4	5.4				10%
Debt financing	8.0	8.0	7.9	7.9				
<b>Total</b>	<b>13.0</b>	<b>11.5</b>	<b>11.3</b>	<b>13.3</b>	<b>0.4</b>			
<b>Real estate funds, total</b>	<b>2,063.0</b>	<b>1,664.3</b>	<b>1,358.5</b>	<b>1,268.8</b>	<b>-5.0</b>	<b>216.8</b>	<b>27.4</b>	
<b>All funds, total</b>	<b>4,494.3</b>	<b>3,652.1</b>	<b>2,370.7</b>	<b>2,263.5</b>	<b>62.7</b>	<b>1,477.7</b>	<b>44.8</b>	

## 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	PSH	= Project Specific Hotel Fund
CMPM	= CapMan Public Market Fund	SWE LS	= Swedestart Life Science
CMR	= CapMan Russia Fund	SWE Tech	= Swedestart Tech



## 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.

### 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 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) So-called "Old funds": Finnmezzanine Fund II B (established 1998, transferred to carry 2006), Fenno Fund (established in 1997, transferred to carry in 2005), Skandia I (established in 1997, transferred to carry in 2005) and Skandia II (established in 1997, transferred to carry in 2004) together form the Fenno Program, which is jointly managed with Fenno Management Oy.
- 2) The fund comprises 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 31 March 2011.
- 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 the previous payment of carried interest, a total of MEUR 54.9 in paid-in capital had not yet been returned to investors. This capital, together with the annual income entitlement payable on it, must be paid to investors before further carried interest can be distributed.

CapMan's management considers it unlikely that further carried interest will be provided by the CapMan Real Estate I fund. As a result, the fund is no longer included in the category of funds in carry. A total of some MEUR 6 of carried interest was not entered in CapMan's profit in 2007 but instead left in reserve in case that some of the carried interest would have to be returned to investors in future.

- 6) CapMan Technology 2007: Further to the reorganisation of technology investment operations announced in November 2010, the size of CapMan Technology 2007 was decreased by 30% at the end of December 2010.



## **APPENDIX 2: OPERATIONS OF CAPMAN'S FUNDS UNDER MANAGEMENT, 1 JANUARY – 31 MARCH 2011**

During the review period, the operations of private equity funds managed by CapMan comprised direct investments in portfolio companies in the Nordic countries and Russia (CapMan Private Equity), as well as real estate investments (CapMan Real Estate). Investments by CapMan funds investing in portfolio companies focus on two key investment areas in the Nordic countries and on one investment area in Russia. The investment areas are middle market buyouts (CapMan Buyout), investments in mid-sized companies operating in Russia (CapMan Russia), and significant minority shareholdings in listed small and mid-cap companies (CapMan Public Market). The investment focus of CapMan's real estate funds is on real estate properties, principally in Finland. CapMan also has two other investment areas (CapMan Technology and CapMan Life Science), these do not make new investments, but focus instead on developing the value of their existing portfolio companies. These two investment areas are reported under Private Equity in the category "Other".

### **CAPMAN PRIVATE EQUITY**

#### **Investments in portfolio companies in January-March 2011**

CapMan funds made three new investments, as well as some add-on investments, during the review period, investing MEUR 67.3 in all. Add-on investments accounted for around 10% of the total. The new investments were Design-Talo Oy, Eastway Oy, and an investment by CapMan's Public Market fund that has not yet been disclosed. During the first quarter of 2010, funds made three new investments and several add-on investments totalling MEUR 22.2.

#### **Exists from portfolio companies in January-March 2011**

CapMan funds exited completely from eight companies during the first quarter of 2011. Final exits were made from Aerocrine AB, Affecto Plc, EM4 Inc, Jolife AB, OneMed Group, Region Avia, SaaSplaza B.V, and SMEF Group A/S. No significant partial exits were closed during the review period. Exits made in the first quarter had a combined acquisition cost of MEUR 112.6. In January-March 2010, complete exits were made from four companies and a partial exit from another, with a combined acquisition cost of MEUR 32.4.

#### **Other events in the review period**

Cardinal Foods, in which the CapMan Equity VII funds are a principal shareholder, signed an agreement in March to sell its subsidiary Norsk Kylling to REMA Industrier.

#### **Events after the close of the review period**

CapMan funds exited from Fastrax Oy after the close of the review period in April.

### **CAPMAN REAL ESTATE**

#### **Investments in and commitments to real estate acquisitions and projects in January-March 2011**

CapMan's real estate funds made no new investments during the review period. Add-on investments were made in a number of properties, totalling MEUR 7.2 in all. In addition, funds were committed to finance real estate acquisitions and projects valued at MEUR 63.0 as of 31 March 2011. During the first quarter of 2010, funds made one new investment and various add-on investments totalling MEUR 12.9. Commitments to finance new projects totalled MEUR 28.0 as of 31 March 2010.



### Exits from real estate investments in January-March 2011

The exit of the CapMan Real Estate I fund from Kiinteistö Oy Munkkiniemen puistotie 25 was closed during the review period. The exit had an acquisition cost of MEUR 11.8. During the first quarter of 2010, one exit was closed with an acquisition cost of MEUR 8.7.

### FUND INVESTMENT ACTIVITIES IN FIGURES

#### Investments and exits made by funds at acquisition cost, MEUR

	1-3/2011	1-3/2010	1-12/2010	
<b>New and add-on investments</b>				
Funds investing in portfolio companies	<b>67.3</b>	22.2	196.2	
Buyout	<b>53.2</b>	11.2	118.0	
Russia	<b>0.2</b>	4.2	14.4	
Public Market	<b>13.9</b>	4.5	35.6	
Other	<b>0.0</b>	2.3	28.2	
Real estate funds	<b>7.2</b>	12.9	45.6	
<b>Total</b>	<b>74.5</b>	35.1	241.8	
<b>Exits*</b>				
Funds investing in portfolio companies	<b>112.6</b>	32.4	114.4	
Buyout	<b>82.2</b>	11.6	66.3	
Russia	<b>10.0</b>	-	-	
Public Market	<b>6.5</b>	14.3	19.1	
Other	<b>13.9</b>	6.5	29.0	
Real estate funds	<b>11.8</b>	8.7	8.7	
<b>Total</b>	<b>124.4</b>	41.1	123.1	

\* 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 63.0 as of 31 March 2011.

#### Funds' aggregate combined portfolio\* as of 31 March 2011, MEUR

	Portfolio at acquisition cost	Portfolio at fair value	Share of portfolio (fair value) %
Funds investing in portfolio companies	1 012.2	994.7	43.9
Real estate funds	1 358.5	1 268.8	56.1
<b>Total</b>	<b>2 370.7</b>	<b>2 263.5</b>	<b>100.0</b>
Funds investing in portfolio companies			
Buyout	739.4	719.8	72.4
Russia	28.4	33.1	3.3
Public Market	83.7	99.9	10.1
Other	160.7	141.9	14.2
<b>Total</b>	<b>1 012.2</b>	<b>994.7</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 635 for new and add-on investments as of 31 March 2011. Of their remaining capital, some MEUR 410 was earmarked for buyout investments (incl. mezzanine investments), some MEUR 80 for technology investments, some MEUR 20 for life science investments, some MEUR 80 for investments by the CapMan Russia team, and some MEUR 45 for investments by the CapMan Public Market team. Real estate funds had a remaining investment capacity amounting to some MEUR 310, which has largely been reserved for developing funds' existing investments.