CapMan Plc Group’s Interim Report January–March 2008

Financial performance and major events during the review period:

- **The Group's turnover totalled MEUR 7.2 (Jan-Mar 2007: MEUR 28.1). The comparable period in 2007 included carried interest income of MEUR 21.0 as a result of CapMan Real Estate I fund's real estate portfolio sale.**
- **Operating profit was MEUR 0.4 (25.4 following the MEUR 21.0 carried interest from CapMan Real Estate I fund).**
- **Profit before taxes totalled MEUR 0.7 (26.7) and after taxes MEUR 0.5 (19.9).**
- **Parent company shareholders' share of profit was MEUR 0.5 (14.3), and earnings per share based on it were 0.6 cents (18.5 cents).**
- **Capital under management grew in the first quarter by 38% to MEUR 3,016.7 (2,190.5 on 31 December 2007), through CapMan's establishment of a new MEUR 835 private equity fund focusing on hotel properties, CapMan Hotels RE Ky. The aggregate size of the funds under management was MEUR 3,853.6 on 31 March 2008 (2,996.1 on 31 March 2007).**
- **CapMan Plc changes the practise for reporting capital under management. In future capital under management will refer to funds' remaining investment capacity and capital already invested at acquisition cost. The figure excludes capital from which the funds have already exited. The fund size will refer to the original capital of the fund, including capital from which the fund has already exited.**
- **CapMan will invest in its future funds 2-10 per cent of their original capital.**

CEO Heikki Westerlund comments the financial performance in the review period and future prospects:
"The profit for the period was clearly lower than in the comparable period last year, largely due to the high volume real estate portfolio sale in the first quarter of 2007. Such large quarterly fluctuations are typical in our business operations.
CapMan's operational outlook for the longer term remains favourable, as the demand for alternative assets has continued its growth. An increasing number of institutional investors are allocating a growing proportion of their investments to this asset class. Our new product development projects in Russia and on publicly listed markets have made concrete progress and are now in the fundraising phase.
It can be seen in the investment and exit activities of our funds that the effects of the international credit crunch are emerging in CapMan operating areas. We believe, however, that our investment teams will continue to have a good basis for making new investments. Nevertheless, the impact on the exit market will be reflected in lower prices and longer times to exit. If the exit market continues to slow, we expect the carried interest income to fall below the 2007 figure."

Business operations

CapMan is an alternative asset manager with two business areas: CapMan Private Equity, which manages funds that invest in portfolio companies, and CapMan Real Estate, which manages funds that invest in real estate and also provides real estate consulting. The guiding principle for funds' investment activities is to directly and actively work towards increasing the value of investments. Information about each business area is reported in a separate segment in the company's interim reports.
CapMan Plc's income is derived from management fees paid by funds, from carried interest received from funds, from returns on fund investments made from CapMan Plc's own balance sheet, and from income generated by real estate consulting. There can be considerable quarterly fluctuation in carried interest as well as in the fair value of fund investments. For this reason CapMan's financial performance should be analysed over a longer time span than the quarterly cycle.

Turnover and profit in January-March 2008
CapMan's turnover for the review period was MEUR 7.2 (MEUR 28.1 for Jan-Mar 2007). The main factors affecting turnover and profit are described in more detail in the relevant sections of this Interim Report.
The Group's operating profit totalled MEUR 0.4 (25.4). Profit before taxes amounted to MEUR 0.7 (26.7) and the profit after taxes to MEUR 0.5 (19.9).
The parent company shareholders' share of the profits was MEUR 0.5 (14.3), and earnings per share based on it were 0.6 (18.5) cents.
The quarterly breakdown of turnover and profit as well as turnover and profit by segment are presented in the tables section of this Interim Report.
Management fees, real estate consulting income and operating expenses
The amount of management fees grew during the review period to MEUR 6.3 (5.8). Growth in management fees was largely due to establishment of the new CapMan Hotels RE real estate fund during the review period. Management fees also increased through the fundraising for CapMan Technology 2007 fund and investments made by the CapMan RE II fund.
Income from real estate consulting totalled MEUR 0.7 (0.6). The aggregate total of management fees and income from real estate consulting was MEUR 7.0 (6.4), and covered the operating expenses of MEUR 6.7 (MEUR 6.8 taking into results-linked bonuses for the comparable period). Comparable expenses rose slightly as a result of the organisation's growth.
Carried interest
CapMan receives carried interest income from funds that have already repaid paid-in capital to their investors and paid an annual preferential return on the capital. No exits were made from funds generating carried interest during the review period and no carried interest was generated. Carried interest for the comparison period amounted MEUR 21.2, which accrued primarily through the sale of CapMan Real Estate I fund's real estate portfolio.
There were no exits during the review period that would have moved funds closer to generating carried interest. The status of funds managed by CapMan is presented in more detail in Appendix 1.
Income from CapMan's own fund investments and investment commitments
During the first quarter of 2008 the fair value changes of fund investments produced a slight loss. The weak market early in 2008 was reflected in returns from fund investments through the decreasing market valuations of the investment targets' listed peer groups. Funds' portfolios also saw positive value adjustments for individual companies.
Fair value changes related to fund investments were MEUR -0.1 (4.1). The change in fair value during the comparable period was exceptionally large and broadly attributable to a value adjustment in CapMan Equity VII fund's portfolio company Moventas, from which there was a partial exit during the comparison period. There were no exits by funds from their investments during the review period, and consequently no realised returns (comparable period: MEUR 0.3). Fund investments made from CapMan's own balance sheet had an overall impact of MEUR -0.1 (4.4) on profit for the period. CapMan Plc's financial target is a 15% annual return to fund investors.
CapMan made new investments in its funds during the review period amounting to MEUR 10.8 (7.4). Most of these investments were made in CapMan Buyout VIII and CapMan Hotels RE funds. The aggregate fair value of CapMan's fund investments from its own balance sheet was MEUR 53.5 on 31 March 2008 (MEUR 38.4 on 31 March 2007).
CapMan committed MEUR 5 to the CapMan Hotels RE funds during the review period. The amount of outstanding investment commitments at the end of the review period was MEUR 50.9 (58.1). The aggregate fair value of existing investments and outstanding investment commitments on 31 March 2008 was MEUR 104.4 (MEUR 96.4 on 31 March 2007).
Investments in portfolio companies are valued at fair value in accordance with the guidelines of the European Private Equity & Venture Capital Association (EVCA) and real estate assets are valued in accordance with the value appraisements of external experts, as detailed in Appendix 1.
Balance sheet and financial position on 31 March 2008
There were no significant changes in CapMan's balance sheet in January-March 2008, and the balance sheet totalled MEUR 121.7 the end of the review period (MEUR 114.2 on 31 March 2007). Non-current assets increased during the review period to MEUR 88.9 (60.6), mainly due

to growth in investments made in funds and receivables. Long-term receivables amounted to MEUR 20.3 (12.1), of which MEUR 16.1 (9.0) was loan receivables from the Maneq funds. Current assets declined to MEUR 32.9 (53.7) owing to dividend payments made to minority shareholders and investments made in funds. Liquid assets (cash and bank plus other financial assets at fair value through profit and loss) amounted to MEUR 19.4 (43.7). In the comparison period liquid assets were exceptionally high due to the carried interest income received from CapMan Real Estate I fund as a result of its real estate portfolio sale.

Interest-bearing liabilities increased to MEUR 19.0 (10.0), as CapMan pursued its strategy of using debt financing to finance some of its investments in funds. The amount of trade and other payables rose to MEUR 43.0 (28.1), partly due to tax reserves and dividend payment liabilities. The Group's interest-bearing net debts amounted to MEUR -0.4 (-33.7).

Key figures

CapMan's equity ratio on 31 March 2008 was 47.6% (61.9% on 31 March 2007). The equity ratio fell below the 50% target level owing to a dividend liability. If the dividend had been paid in the first quarter, the equity ratio would have been 53.5%. Return on equity was 0.8% (32.0%) and return on investment was 1.6% (36.7%). The company aims for a return on investment of over 25%.

	31 Mar 08	**31 Mar 07**	**31 Dec 07**
Earnings per share, cents	**0.6**	18.5	23.8
Diluted, cents	**0.6**	18.2	23.7
Shareholders' equity / share, cents	**69.1**	79.5	86.4
Share issue adjusted number of shares	**79,968,818**	77,158,698	78,142,867
Number of shares at the end of period	**79,968,818**	77,158,698	79,968,819
Number of shares outstanding	**79,968,818**	77,158,698	79,968,819
Return on equity, %	**0.8**	32.0	38.9
Return on investment,%	**1.6**	36.7	44.2
Equity ratio, %	**47.6**	61.9	57.6
Net gearing, %	**-0.7**	-50.0	-27.5

New products and product development

On 18 January 2008 CapMan Plc established CapMan Hotels RE Ky, a new private equity real estate fund that invests in hotel properties. The size of this hotel fund was MEUR 834.9 on the establishment date, and can rise to a maximum EUR 1.1 billion. In conjunction with its establishment, the fund acquired a total of 39 hotel properties worth altogether MEUR 805 from Northern European Properties Ltd (NEPR). Seven professionals in the hotels business transferred to the CapMan Group's employment. CapMan Hotels RE Ky's management company is CapMan Hotels RE Oy, of which CapMan Plc owns 80%. Establishment of the fund is forecast to have a slightly positive impact on CapMan's profit for the current year, as a result of the management fees paid by the fund.

During the review period CapMan continued to explore opportunities for expanding operations into Russia, and for establishing a fund for investing in publicly listed markets. At the end of March the transfer of Jukka Ruuska, President of the OMX Nordic Exchanges and the Stockholm Stock Exchange, to CapMan was announced. Mr Ruuska will head CapMan's business development project to establish an equity fund investing in Nordic companies listed on public markets. The fund will create value with active ownership, for example by utilising methods and tools from the private equity environment. Ruuska will start at CapMan in September 2008 at the latest. The company expects to finalise both of the aforementioned projects during 2008.

Reporting of capital under management as from 1 January 2008

CapMan Plc will change the principles for reporting capital under management. In future capital under management or assets under management will refer to funds' remaining investment capacity and capital already invested valued at acquisition cost. The figure excludes capital from which the funds have already exited. The capital under management increases with new funds raised and declines through exits. Return expectations are directed to the capital under management both in the form of management fees and any possible carried interest.

In future the terms funds under management or original capital of a fund will be used to refer to the original size of a fund, including capital from which the fund has already exited. The tables below set out the development of capital under management and of funds under management in euro terms since 2003.
CapMan's target is to increase the capital under management by an average 15% a year.

Capital and funds under management 2003 - 31 March 2008, MEUR

	Capital under management	Growth, %	Funds under management	Growth, %
31 Dec 2003	980.1		1,153.0	
31 Dec 2004	1,051.4	7.3%	1,274.1	10.5%
31 Dec 2005	1,844.9	75.5%	2,173.4	70.6%
31 Dec 2006	2,115.8	14.7%	2,544.4	17.1%
31 Dec 2007	2,190.5	3.5%	3,016.7	18.6%
31 Mar 2008	3,016.7	37.7%	3,853.6	27.8%

Capital under management has grown between 2003 and 2007 by an average 24.9% a year.
The foreign currency items in the funds' capital under management have been transferred for the entire period at the average exchange rate of 31 March 2008.
Capital under management on 31 March 2008
Capital under management grew by some 38% in January-March as a result of the establishment of the CapMan Hotels RE fund, and amounted to MEUR 3,016.7 on 31 March 2008 (MEUR 2,190.5 on 31 December 2007 and MEUR 2,237.6 on 31 March 2007). Of this sum MEUR 1,386.2 (MEUR 1,442.0) was in funds making investments in portfolio companies and MEUR 1,630.5 (MEUR 795.6) in real estate funds. Capital was raised during the review period as follows:

Fund	Established	Capital 31 Dec 2007	Capital 31 Mar 2008	CapMan Group's commitment	CapMan Group's carried interest (net*)
CapMan Technology 2007	9.2.2007	140.3	142.3	15.0	10%
CapMan Hotels RE Ky	18.1.2008	0.0	834.9	5.0	12%

* Taking into account carried interest due to management companies' other owners and investment teams after the fund has started generating carried interest.
More detailed information about managed funds and their investment activities is presented in Appendices 1 and 2.
Funds and mandates managed by associated company Access Capital Partners
The aggregate size of funds and private equity mandates managed by Access Capital Partners rose during the review period to MEUR 2,498.5 (MEUR 1,662.1 on 31 March 2007). The funds' capital has grown since the review period, largely due to growth in private equity mandates and the establishment of the new fund, ACF IV Growth Buy-out Europe. The fund's fundraising will continue in 2008. The funds managed by Access Capital Partners are described in more detail in Appendix 3.
CapMan Plc owns 35% of the capital stock of Access Capital Partners. The shares are valued in the balance sheet at their acquisition cost.
Personnel
On 31 March 2008 CapMan employed altogether 119 (101) people, of whom 94 (74) worked in Finland and the remainder worked in other Nordic countries. The establishment of the new hotel fund in particular contributed to growth in the number of personnel. A breakdown of personnel by country and by team is presented in the tables section of this Interim Report.
Shares and share capital

There were no changes in CapMan Plc's share capital or number of shares during the review period. Share capital on 31 March 2008 was MEUR 771,586.98 (MEUR 771,586.98 on 31 March 2007). The number of listed B shares was 73,968,819 and the number of unlisted A shares 6,000,000. The company's B shares have one vote per share and A shares 10 votes per share. No shares were subscribed for by exercising 2003A or 2003B options during the review period. Another 575,572 B shares can still be subscribed for with 2003A options 625,000 B shares with 2003B options. The subscription period for 2003A options expires on 31 October 2008, and for 2003B options on 31 October 2009. The subscription prices of the shares will be entered in the invested unrestricted shareholders' equity.

Shareholders

CapMan Plc had 4,490 shareholders on 31 March 2008 (4,813 on 31 March 2007). There were no significant changes in the ownership of the company during the review period and no flagging notices were issued. Neither CapMan Plc nor any of its subsidiaries held the company's own shares.

Market capitalisation and trading

CapMan Plc's B shares had a closing price of EUR 2.55 on 31 March 2008 (EUR 3.48 on 31 March 2007). The average price during the review period was EUR 2.79 (3.20). The highest price was EUR 3.40 (3.64) and the lowest EUR 2.40 (2.86). The trading of the company's shares, in terms of volume and value, declined appreciably with respect to the comparable period. Altogether 4.2 million (8.8 million) CapMan Plc B shares were traded during the review period for a total of MEUR 11.6 (28.2).

The market capitalisation of CapMan Plc B shares on 31 March 2008 was MEUR 188.6 (242.1). The market capitalisation of all shares, in which the A shares are valued at the closing price for the review period of B shares, was MEUR 203.9 (269.9).

Decisions adopted by the Annual General Meeting

CapMan Plc's Annual General Meeting (AGM) was held in Helsinki on 27 March 2008. The meeting confirmed the 2007 financial statements and granted discharge from liability to the Board of Directors and the CEO for the 2007 financial year.

The AGM accepted the Board's proposal that a dividend of EUR 0.16 per share be distributed to shareholders for the 2007 financial year. The dividend was paid on 8 April 2007. CapMan Plc's target is to distribute at least 50 per cent of the net profit as dividend, and the dividend paid corresponds to 67% of the profit per share.

The AGM confirmed that the Board consists of six members. Sari Baldauf, Tapio Hintikka, Lennart Jacobsson, Teuvo Salminen and Ari Tolppanen will continue as Board members. Conny Karlsson was elected as a new member to the Board of Directors.

PricewaterhouseCoopers Oy, authorised public accountants, with Jan Holmberg, APA as the Lead Auditor, was elected as CapMan Plc's auditor. Terja Artimo, APA, from the same auditing firm, was elected as deputy auditor.

The AGM decided to issue stock options to the key personnel of the company and its subsidiaries (Stock Option Program 2008). The Board of Directors will decide on distributing the stock options to key personnel already employed by, or to be recruited by, the company. The maximum total number of stock options issued within the Stock Option Program 2008 will be 4,270,000 and the stock options entitle their owners to subscribe for a maximum total of 4,270,000 new B-shares in the company. Of the stock options, 2,135,000 will be marked with the symbol 2008A and 2,135,000 with the symbol 2008B. The subscription price of a share will be based on the prevailing market price of the B share on the OMX Nordic Exchange Helsinki during the May-June 2008 period plus a 10% surcharge (for 2008A options) and during the May-June 2009 period plus a 10% surcharge (for 2008B options). The subscription period for the shares with 2008A options is 1 May 2011-31 December 2012 and with 2008B options is 1 May 2012-31 December 2013. The share subscription price will be entered into the invested unrestricted shareholders' equity.

Authorisations granted by the Annual General Meeting

The AGM authorised the Board to decide on a share issue that includes the right to issue new shares or to reissue existing B shares in the company, as well as to issue stock options and other entitlements to B shares referred to in chapter 10, paragraph 1 of the Finnish Companies Act. The authorisation covers a maximum total of 20,000,000 of the company's B shares, and can be used to finance and implement acquisitions, or other business transactions and investments, or employee incentive plans. The authorisation includes: the right to deviate from the shareholders' pre-emptive right to the company's shares, provided that weighty financial reasons exist pursuant to the Finnish Companies Act; the right to resolve to issue shares without payment provided that particularly weighty financial reasons exist pursuant to the Finnish Companies Act; and the right to issue shares to the company itself without payment. In a share issue, however, the maximum amount of shares issued to the company itself must be less than 10% of the company's total number of shares. The authorisation includes the right for the Board to determine the terms and conditions of the issue and re-issue of shares, share option rights and other entitlements referred to in chapter 10, paragraph 1 of the Finnish Companies Act, as well as to determine other matters pertaining to these actions in accordance with the Finnish Companies Act, including the right to resolve how the subscription price is entered in the accounts. The authorisation is valid until 30 June 2009.

The AGM authorised the Board to purchase the Company's own B shares and accept them as a pledge. The authorisation covers a maximum total of 8,000,000 B shares. The shares in the possession of, or held as pledges by, the company must, however, be less than 10% of the company's total number of shares. The shares may be purchased or accepted as a pledge in order to finance or implement acquisitions or other business transactions, to develop the company's capital structure, to improve the liquidity of the company's shares, to be disposed for other purposes, or to be cancelled. The repurchase of shares will reduce the funds available for the distribution of profits. The repurchases will be carried out through public trading on the OMX Nordic Exchange Helsinki, whereby the shares will be purchased in another proportion than according to the holdings of the shareholders and in accordance with the rules and regulations of the OMX Nordic Exchange Helsinki and the Finnish Central Securities Depository. The repurchase price must be based on the market price of the Company's shares in public trading. The authorisation is valid until 30 June 2009.

Organisation of Board and independence from company

At the Board's organisation meeting held immediately after the AGM, Ari Tolppanen was elected Chairman and Teuvo Salminen was elected Deputy Chairman of the Board of Directors. The Board also assessed the independence from the company of the Board members and of the company's major shareholders. Sari Baldauf, Tapio Hintikka, Conny Karlsson and Teuvo Salminen were declared to be independent members.

Events after the review period

CapMan Plc signed on 7 May 2008 a MEUR 50 loan agreement. The purpose of this five-year agreement is to finance CapMan Plc's own investments in its future funds.

Business environment

The demand for alternative assets has continued its growth, and an increasing number of institutional investors are allocating a growing proportion of their investments to this asset class. Private equity investment has consolidated its position in financing M&A and growth, and its growth in the Nordic countries is further accelerated by consolidation in various sectors, family successions, privatisation of public services and functions, the strong contribution of R&D in the technology and life science sectors and increasing entrepreneurial activity. Real estate market growth is speeded up by accelerated structural change, in which particularly pension companies transfer real estate investments from their balance sheets into funds.

CapMan will continue to implement its Nordic investment strategy as far as the funds investing in portfolio companies are concerned. The nervousness of debt markets has started to be reflected in CapMan's operating area also. Nordic banks are still offering financing for middle-market buyouts and real estate transactions, but more moderate debt ratios are being offered and the price of money has risen during the spring. The number of new potential portfolio companies has remained at a good level and our private equity teams are in a good position for making new investments. However, the nervousness of debt markets will be reflected in lower prices and longer times to exit.

The slowdown in growth of the real economy has been seen in our investment targets, especially in those sectors that are linked, for instance, to US consumer demand. Overall, our portfolio companies' development has been favourable. A steep decline in the listed market valuations was reflected in the fair value of our investment targets.

Instability in debt markets has weakened the liquidity of the real estate market during the first quarter of 2008. Higher interest rates and tighter bank credit will continue to affect both

competition and the valuation levels in the real estate sector. Consequently, we expect to see increased use of equity for the financing of real estate transactions. Good core assets will continue to command high prices, but requirements for returns on more opportunistic investments are expected to rise. On the leasing market, the occupancy rate and demand for office and retail are in a good level. Numerous new construction projects are in progress this year, which will in time affect the supply of office premises in particular.
All CapMan's investment teams are in a good position and have adequate resources to implement their investment strategies in the Nordic countries. The funds investing in portfolio companies have some MEUR 650 for making new and follow-on investments, while the real estate funds have roughly a MEUR 340 investment capacity for identifying new investment targets and developing existing portfolio.

Short-term risks and uncertainties

Should the crisis in the debt market deepen, the consequent credit squeeze could result in both a slowdown in investment activity and a postponement of exits. The reflection of the credit market turbulence on the real economy growth may weaken the business operations of funds' portfolio companies.

Future outlook

CapMan's strategy is to exploit growth opportunities within the alternative asset class. In addition to CapMan's existing business areas (Private Equity and Real Estate) the alternative asset class includes, among others, infrastructure investment, forestry investment and funds actively operating in public securities markets. CapMan's projects for expanding operations geographically in Russia and to establish a fund investing in public markets based on CapMan's value creation expertise have made concrete progress and are now in the fundraising phase. The aim is to finalise the projects during 2008. CapMan will invest in its future funds 2-10 per cent of their original capital depending on the fund's demand and CapMan's own investment capacity.
Management fees and returns on real estate consulting cover CapMan's fixed expenses. The Group's full-year result for 2008 will depend on how many new exits are made by funds already generating carried interest, on whether new funds start generating carried interest, and on how the value of investments develops in those funds in which CapMan is a substantial investor. According to our understanding the CapMan Equity VII A, B and Sweden funds, Finnventure Fund IV fund and Finnmezzanine III A and B funds will start generating carried interest in 2008 and 2009. The funds have several exit processes underway. If the exit market continues to slow, we expect the carried interest income to fall below the 2007 figure.
We believe that our portfolio companies and real estate assets will develop favourably in 2008. However the prevailing instability in financial markets may be reflected in the fair value of the funds' investment targets as a result of changes in listed peers' valuations, and thus also in the fair value of CapMan Group Plc's fund investments in 2008.

CapMan Plc's Interim Report for 1 January - 30 June 2008 will be published on Wednesday 8 August 2008.

Helsinki, 7 May 2008
CAPMAN PLC
Board of Directors

Press conference:

A press conference for analysts and the media will be held today at 12 noon in CapMan's offices at Korkeavuorenkatu 32, Helsinki, Finland. CapMan's CEO Heikki Westerlund will present the quarter's result and review the market situation. A light lunch will be served at the event. Presentation material for the press conference will be published in Finnish and English on CapMan Plc Group's internet website once the conference has started.

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GROUP BALANCE SHEET (IFRS)

€ ('000)	**31.3.08**	**31.3.07**	**31.12.07**
ASSETS			
Non-current assets			
Tangible assets	**809**	642	819
Goodwill	**5,305**	4,845	4,845
Other intangible assets	**1,098**	683	1,001
Investments in associated companies	**3,515**	2,866	3,407
Investments at fair value through profit and loss			
Investments in funds	**53,496**	38,378	44,230
Other financial assets	**825**	846	878
Receivables	**20,296**	12,062	16,191
Deferred income tax assets	**3,547**	230	3,547
	88,891	60,552	74,918
Current assets			
Trade and other receivables	**13,487**	9,988	7,837
Other financial assets at fair value through profit and loss	**7,275**	19,654	14,857
Cash and bank	**12,100**	24,053	19,741
	32,862	53,695	42,435
Total assets	**121,753**	114,247	117,353
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	**2,961**	1,235	2,961
Translation difference	**166**	216	133
Retained earnings	**12,343**	20,155	24,676
	55,210	61,346	67,510
Minority interest	**74**	6,036	34
Total equity	**55,284**	67,382	67,544
Non-current liabilities			

Deferred income tax liabilities	**3,702**	3,258	3,734
Interest-bearing loans	**19,000**	10,000	16,000
Other liabilities	**802**	490	701
	23,504	13,748	20,435
Current liabilities			
Trade and other payables	**42,965**	28,098	21,356
Interest-bearing loans and borrowings			
Current income tax liabilities	**0**	5,019	8,018
	42,965	33,117	29,374
Total liabilities	**66,469**	46,865	49,809
Total equity and liabilities	**121,753**	114,247	117,353

GROUP INCOME STATEMENT (IFRS)

€ ('000)	**1-3/08**	**1-3/07**	**1-12/07**
Turnover	**7,181**	28,090	51,572
Other operating income	**0**	18	236
Personnel expenses	**-3,790**	-3,427	-15,381
Depreciation and amortisation	**-121**	-143	-581
Other operating expenses	**-2,774**	-3,206	-11,783
Fair value gains / losses of investments	**-119**	4,083	5,696
Operating profit	**377**	25,415	29,759
Financial income and expenses	**252**	329	1,070
Share of associated companies' result	**76**	915	1,915
Profit before taxes	**705**	26,659	32,744
Income taxes	**-239**	-6,755	-8,509
Profit for the financial year	**466**	19,904	24,235
Attributable to:			
Equity holders of the company	**462**	14,278	18,620
Minority interest	**4**	5,626	5,615
Earnings per share for profit attributable to the equity holders of the Company:			
Earnings per share, cents	**0.6**	18.5	23.8
Diluted, cents	**0.6**	18.2	23.7
Operating profit, %	**5.25**	90.50	57.7

GROUP STATEMENT OF CHANGES IN EQUITY

	Attributable to the equity holders of the Company							
€ ('000)	Share capital	Share premium account	Other reser-ves	Trans-lation differ-rences	Re-tained ear-nings	Total	Min-ority inte-rest	Total equity
Equity on 31.12.2006	772	38,968	1,218	316	15,074	56,348	599	56,947
Share subscriptions with options								
Translation difference				-100				
Options			17		61			
Profit for the financial year					14,279		5,625	
Dividens paid					-9,259		-188	
Equity on 31.3.2007	772	38,968	1,135	216	20,155	61,346	6,036	67,382
Equity on 1.12.2007	772	38,968	2,961	133	24,676	67,510	34	67,544
Share subscriptions with options								
Translation difference				33				
Options								
Profit for the financial year					462		4	
Dividens paid					-12,795			
Other Changes							36	
Equity on 31.3.2008	772	38,968	2,961	166	12,343	55,210	74	55,284

GROUP'S CASH FLOW (IFRS)

€ ('000)	1-3/08	1-3/07	1-12/07
Cash flow from operations			
Profit for the financial year	**466**	19,904	24,235
Adjustments	**252**	2,082	239
Cash flow before change in working capital	**718**	21,986	24,474
Change in working capital	**1,523**	7,914	5,662
Financing items and taxes	**-385**	135	-1,111
Cash flow from operations	**1,856**	30,035	29,025
Cash flow from investments	**-10,039**	-4,602	-6,823

Cash flow before financing	**-8,183**	25,433	22,202
Dividends paid	**-5,794**	-188	-9,687
Other net cash flow	**6,336**	-15,329	-6,911
Financial cash flow	**542**	-15,517	-16,598
Change in cash funds	**-7,641**	9,916	5,604
Cash funds at start of the period	**19,741**	14,137	14,137
Cash funds at end of the period	**12,100**	24,053	19,741

Accounting principles
The company's Interim Report has been prepared in accordance with the IAS 34 standard on interim financial reporting. The same accounting principles have been applied in the Interim Report as in the 2007 financial statements. The Interim Report has not been audited.

Segment information

€ ('000)	**1-3/08**	**1-3/07**	**1-12/07**
Turnover			
CapMan Private Equity	**5,549**	5,654	25,840
CapMan Real Estate	**1,632**	22,436	25,732
Total	**7,181**	28,090	51,572
Operating profit			
CapMan Private Equity	**262**	4,579	9,484
CapMan Real Estate	**115**	20,836	20,275
Total	**377**	25,415	29,759

Income taxes
The Group's income taxes during the review period are calculated on the basis of the estimated average tax rate during the fiscal year. Deferred taxes are calculated on the basis of all temporary differences between book value and fiscal value.

Dividends
A dividend of EUR 0.16 per share was paid for financial year 2007, representing a total of MEUR 12.8. (2006: EUR 0.12 representing a total of MEUR 9.3)

Non-current assets

€ ('000)	**31.3.08**	**31.3.07**	**31.12.07**
Investments in funds at fair value through profit and loss at Jan 1	**44,230**	33,122	33,122
Additions	**10,826**	7,393	15,384
Disposals	**-1,441**	-6,220	-9,972
Fair value gains/losses on investments	**-119**	4,083	5,696
Investments in funds at fair value through profit and loss at end of the period	**53,496**	38,378	44,230

Additions and investments in funds by area:

	1-3/08	**1-3/07**	**1-12/07**
Additions			
Private equity	**5,862**	7,066	14,500
Real Estate	**4,837**	41	598
Access Capital Partners	**127**	286	286
Total	**10,826**	7,393	15,384

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

	31.3.08	**31.3.07**	**31.12.07**
Private equity	**40,589**	30,604	36,010
Real Estate	**5,328**	52	526
Access Capital Partners	**7,579**	7,722	7,694
Total	**53,496**	38,378	44,230

Transactions with related parties (associated companies)

€ ('000)	**31.3.08**	**31.3.07**	**31.12.07**
Receivables - non-current	**16,676**	7,464	12,497
Receivables - current	**1,641**	995	879

Non-current liabilities

€ ('000)	**31.3.08**	**31.3.07**	**31.12.07**
Interest bearing loans	**19,000**	10,000	16,000

Seasonal nature of 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	**31.3.08**	**31.3.07**	**31.12.07**
Finland	**94**	74	86
Denmark	**5**	5	4
Sweden	**15**	16	15
Norway	**5**	6	5
In total	**119**	101	110

By team	**31.3.08**	31.3.07	31.12.07
CapMan Private Equity	**37**	37	37
CapMan Real Estate	**37**	26	30
Investor Services	**26**	20	25
Internal Services	**19**	18	18
In total	**119**	101	110

Contingent liabilities

€ ('000)	**31.3.08**	**31.3.07**	**31.12.07**
Leasing contracts and other contingent liabilities	**11,268**	10,421	11,797
Commitments to funds	**50,863**	58,093	55,994
Commitments to funds by area			
Private Equity	**46,409**	53,118	51,577

Real Estate	**2,338**	2,732	2,174
Access Capital Partners	**2,116**	2,243	2,243
Total	**50,863**	58,093	55,994

Of the total investment commitments, MEUR 19.8 were given to the CapMan Buyout VIII fund, MEUR 12.4 to the CapMan Technology 2007 fund, and the remainder mainly to the CapMan Life Science IV, CapMan Mezzanine IV, CapMan Equity VII and Access Capital Fund II funds.

Turnover **and profit quarterly**

YEAR 2008 **MEUR**	**1-3/08**
Turnover	**7.2**
Management fees	**6.3**
Carried interest	**0.0**
Income of investments in funds	**0.0**
Real Estate consulting	**0.7**
Other income	**0.2**
Other operating income	**0.0**
Operating expenses	**-6.7**
Fair value gains / losses of investments	**-0.1**
Operating profit	**0.4**
Financial income and expenses	**0.3**
Share of associated companies' result	**0.1**
Profit before taxes	**0.7**
Profit for the period	**0.5**

YEAR 2007 MEUR	1-3/07	4-6/07	7-9/07	10-12/07	1-12/07
Turnover	28.1	7.5	8.0	8.0	51.6
Management fees	5.8	6.5	6.2	6.1	24.6
Carried interest	21.2	0.2	1.0	1.2	23.6
Income of investments in funds	0.3	0.0	0.1	0.1	0.5
Real Estate consulting	0.6	0.5	0.5	0.5	2.1
Other income	0.2	0.3	0.2	0.1	0.8
Other operating income	0.0	0.1	0.0	0.1	0.2
Operating expenses	-6.8	-7.0	-6.0	-7.9	-27.7
Fair value gains / losses of investments	4.1	0.5	2.9	-1.8	5.7
Operating profit	25.4	1.1	4.9	-1.6	29.8
Financial income and expenses	0.3	0.2	0.2	0.4	1.1
Share of associated companies' result	0.9	0.2	0.8	0.0	1.9
Profit after financial items	26.7	1.4	5.9	-1.3	32.7
Profit for the period	19.9	1.0	4.6	-1.3	24.2

APPENDIX 1: CAPMAN PLC GROUP'S FUNDS UNDER MANAGEMENT AT 31 MARCH 2008, MEUR

The tables below show the status of funds managed by CapMan at the end of the review period. When analysing the schedule for funds to start generating carried interest, the relationship between distributed cash flows to investors to paid-in capital should be compared. When a fund starts generating carried interest the capital must be returned and an annual preferential return paid on it. The fair value of a portfolio, including any of the fund's net cash assets, represents the capital distributable to investors at the end of the review period.
When assessing the cash flow a fund needs in order to start generating carried interest, it should be noted that the capital of some funds has not yet been called and paid-in. The percentage figure in the last column on the right shows CapMan's share of cash flows if the fund is generating carried interest. After the previous distribution of profits, any new capital paid-in, as well as the preferred annual return on it, must however be returned to investors before further carried interest income is paid. Of the funds already generating carried interest, the CapMan Real Estate I fund is still in the active investment phase, and 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 at cost	at fair value	Net cash assets	Distributed cash flow to investors	to management company (carried interest)	CapMan's share of cash flow, if fund generates carried interest
Funds generating carried interest								
FV II, FV III 1) and FM II B in total	58.6	57.4	3.1	2.8	0.4	179.7	44.1	20-35%
FV V	169.9	161.8	59.5	55.5	4.2	218.1	1.1	20%
Fenno Ohjelma (Fenno Rahasto, Skandia I and Skandia II) in total 2)	59.0	59.0	10.8	11.7	0.2	122.9	8.6	10-12%
Total	287.5	278.2	73.4	70.0	4.8	520.7	53.8	
Funds that are expected to start generating carried interest at the latest during 2009								
FV IV	59.5	59.5	10.3	14.0	0.7	65.7		20%
CME VII A	156.7	129.8	83.6	153.2	11.4	81.0		20%
CME VII B	56.5	51.6	33.4	73.4	6.1	36.5		20%

CME SWE	67.0	55.3	35.8	64.8	5.2	35.0		20%
FM III A	101.4	98.1	30.4	39.6	2.2	100.4		20%
FM III B	20.2	19.8	8.1	11.4	0.5	17.8		20%
Total	461.3	414.1	201.6	356.4	26.1	336.4		
Other funds not yet in carry								
CME VII C	23.1	15.5	9.8	8.7	0.2	6.4		20%
CMB VIII A	360.0	170.4	140.5	143.6	10.3			14%
CMB VIII B	80.0	38.0	31.2	31.8	2.3			14%
CM LS IV	54.1	20.1	16.3	12.2	0.5			10%
CMT 2007 1)	142.3	25.6	18.3	18.3	3.0			10%
FM III C	13.9	13.9	3.5	4.1	2.0	12.4		20%
CMM IV 4)	240.0	116.2	93.3	103.2	3.0	21.0		15%
Total	913.4	399.7	312.9	321.9	21.3	39.8		
Funds with limited carried Interest potential to CapMan								
NPEP II [3], FV V ET, SWE LS [3], SWE Tech [1), 3)] and FM II A, C, D [1]								
Total	256.5	232.3	80.8	71.2	4.9	122.1		
Funds that invest in portfolio companies, total	1,918.7	1,324.3	668.7	819.5	57.1	1,019.0	53.8	

REAL ESTATE FUNDS

	Invest-ment capacity	Paid-in capital	Fund's current portfolio at cost	Fund's current portfolio at fair value	Net cash assets	Distributed cash flow to inves-tors	Distributed cash flow to man-agement company (carried interest)	CapMan's share of cash flow if fund generates carried interest
Funds generating carried interest								

CMRE I 5)								
equity and bonds	200.0	151.7	27.9	29.1		184.8	27.4	26%
debt financing	300.0	206.8	65.1	65.1				
Total	500.0	357.8	93.0	94.2	6.9	184.8	27.4	
Other funds not yet in carry								
CMRE II								
equity	150.0	43.7	40.5	41.8				12%
debt financing	450.0	118.0	118.0	118.0				
Total	600.0	161.7	158.5	159.8	-1.0			
CMHRE II 6)								
equity	294.9	269.1	258.7	256.2				12%
debt financing	540.0	526.0	551.8	551.8				
Total	834.9	795.1	810.5	808.0	5.8			
Real estate funds, total	1,934.9	1,314.6	1,062.0	1,062.0	11.7	184.8	27.4	
All funds, total	3,853.6	2,638.9	1,730.7	1,881.5	68.8	1,203.8	81.2	

Abbreviations used to refer to funds:

CMB	= CapMan Buyout Fund	CMT 2007	= CapMan Technology 2007
CME	= CapMan Equity	FM	= Finnmezzanine Fund
CMLS	= CapMan Life Science Fund	FV	= Finnventure Fund
CMM	= CapMan Mezzanine	NPEP	= Nordic Private Equity Partners
CMHRE	= CapMan Hotels RE	SWE LS	= Swedestart Life Science
CMRE	= CapMan Real Estate	SWE Tech	= Swedestart Tech

Size / investment capacity:
Total capital committed to the 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 associated company Access Capital Partners is presented separately in Appendix 3.
Paid-in capital:
Total capital paid into the fund by investors at the end of the review period.
Fair value of fund's current portfolio:
The funds' investments in portfolio companies are valued at fair value in accordance with the guidelines of the European Private Equity & Venture Capital Association (EVCA) and investments in real estate assets are valued in accordance with the value appraisements of external experts.
The 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, the funds' portfolios contain investment targets with a fair value that exceeds their acquisition cost as well as investment targets with a fair value less than the acquisition cost. In defining the fair value of portfolio companies, investment targets are valued at acquisition cost from the time of investment for a 12-month period, after which they are valued at fair value. According to the EVCA's policy of prudence, technology and life science targets are typically valued at acquisition cost or a lower figure up until exit.
Net cash assets:

When calculating the investors' share, the fund's net cash assets must be taken into account in addition to the portfolio at fair value. Net cash assets in the CapMan Mezzanine IV fund may be negative, due to the senior debt used in the fund. In real estate funds the net cash assets do not include senior debt because it is presented separately.

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

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

Footnotes to table

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

2) The Fenno Rahasto, Skandia I and Skandia II funds together comprise the Fenno Program, which is managed jointly with Fenno Management Oy.

3) Currency items are valued at the average exchange rates quoted at 31 March 2008.

4) CapMan Mezzanine IV: The paid-in commitment includes a MEUR 96 bond issued by Leverator Plc. The fund's net cash assets include a loan facility, with which investments are financed up to the next bond issue. 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.

6) CapMan Hotels RE: The portfolio has been financed with a MEUR 25.8 short-term loan in addition to a senior loan of MEUR 526.

APPENDIX 2: OPERATIONS OF CAPMAN'S FUNDS UNDER MANAGEMENT 1 Jan - 31 Mar 2008

The operations of private equity funds managed by CapMan in the review period comprised investments in portfolio companies mainly in the Nordic countries as well as real estate investments in Finland. The investment activities of funds making direct investments in portfolio companies include buyouts, technology investments and investments in the life science sector. Buyouts are made in the mid-market class in manufacturing, service and retail industries. Technology investments focus on growth-stage technology companies. Life science investments focus on companies specialising in medical technology and healthcare services.

CAPMAN PRIVATE EQUITY

Investments in portfolio companies January-March 2008

The CapMan funds made three new investments as well as follow-on investments worth altogether MEUR 38.2 in January-March. The new investment targets were Barnebygg Gruppen, The New Black Oy (Varesvuo Partners Oy) and CargoPartner Group. In the comparable period of 2007 the funds made three new investments as well as follow-on investments amounting to MEUR 58.1.

During the review period some of the Mawell investment made by the CapMan Technology 2007 fund in 2007 was syndicated with the CapMan Life Science IV fund. As a result, and exceptionally, the value of technology investments was negative.

Exits from portfolio companies January-March 2008

The funds made a final exit from Solid Information Technology Oy during the review period. In addition to this the LUMENE Group, one of the CapMan Equity VII fund's portfolio companies, split into the LUMENE Group and Farmos Oy, which returned some of the original investment to investors in the fund. Final and partial exits at acquisition cost by the funds during the review period totalled MEUR 10.7. During the comparable period in 2007 the funds exited finally from two companies and partially from a number of other companies. The exits at acquisition cost during the comparable period, including repayments of mezzanine loans, amounted to MEUR 25.5.

CAPMAN REAL ESTATE

Investments in and commitments to real estate acquisitions and projects January-March 2008

The CapMan Hotels RE Ky fund in January acquired 39 hotel properties from Northern European Properties Ltd in conjunction with the establishment of the fund. Investments in retail properties located at Yliopistonkatu 22 and Kristiinankatu 8 in Turku were also finalised in January. In addition, investment commitments made earlier were used during the review period for financing the Skanssi Kauppakeskus shopping mall project and an investment in land located in the Kivistö district of Vantaa was announced. The investment is subject to the City of Vantaa's decision on its pre-emptive right of purchase.

Investments amounting to MEUR 902.0 were made during the review period, in addition to which the funds had made commitments as at 31 March 2008 to finance real estate acquisitions and projects over the next few years amounting to MEUR 233. In the comparable period in 2007 investments were made in three new targets and the amount invested totalled MEUR 19.4.

Exits from real estate investments January-March 2008

The funds did not exit from any real estate investments during the review period. In the comparable period in 2007 the CapMan Real Estate I fund sold its portfolio of 22 office properties to Samson Properties Ltd, The Royal Bank of Scotland (RBS) and Ajanta Oy for MEUR 377.5.

Other events during the review period

On 18 January 2008 the CapMan Real Estate fund signed a Letter of Intent with Holiday Club Resorts Oy for the development of four spa hotel projects in the Nordic countries over the next few years. The planned resorts are located at Himos and Saimaa in Finland and Västervik and Öresund in Sweden.

FUND'S INVESTMENT ACTIVITIES IN FIGURES

Funds' investments and exits at acquisition cost, MEUR

	1-3/2008	1-3/2007	1-12/2007
New and follow-on investments			
Funds investing in portfolio companies	38.2	58.1	164.7
Buyout	36.5	54.2	126.7
Technology	-0.6	2.3	28.6
Life Science	2.3	1.6	9.4
Real estate funds	902.0	19.4	160.0
Total	940.2	77.5	324.7
Exits*			
Funds investing in portfolio companies	10.7	25.5	93.2
Buyout	5.1	22.5	74.1
Technology	5.6	3.0	19.1
Life Science	-	-	-
Real estate funds	-	304.4	304.4
Total	10.7	329.9	397.6

* Including partial exits and repayments of mezzanine loans.

As at 31 March 2008, the real estate funds had made commitments to finance real estate acquisitons and projects amounting to MEUR 233.0.

Funds' aggregate combined portfolio * 31 Mar 2008, MEUR

	Portfolio at acquisition price MEUR	Portfolio at fair value MEUR	Share of portfolio (fair value) %
Funds investing in portfolio companies	668.7	819.5	43.6
Real estate funds	1,062.0	1,062.0	56.4

Total	1,730.7	1,881.5	100.0
Funds investing in portfolio companies			
Buyout	515.2	686.0	83.7
Technology	108.8	96.6	11.8
Life Science	44.7	36.9	4.5
Real estate funds	668.7	819.5	100.0

*Aggregated entity formed of all investment targets of funds under management.

Remaining investment capacity

After deduction of actual and estimated expenses, on 31 March 2008 the funds that invest in portfolio companies had some MEUR 650 remaining for investments in portfolio companies and for follow-on investments. Of the remaining capital, some MEUR 430 was earmarked for buyout investments (including mezzanine investments), MEUR 178 for technology investments and MEUR 42 for life science investments. The real estate funds have remaining investment capacity amounting to MEUR 340.

APPENDIX 3: CAPITAL UNDER MANAGEMENT OF ASSOCIATED COMPANY ACCESS CAPITAL PARTNERS ON 31 MARCH 2008

CapMan has a 35% holding in Access Capital Partners, which is based in Paris, Munich and Guernsey. Access Capital Partners manages four funds of funds as well as private equity investment mandates that invest in European mid-market buyout and technology funds. Further information on Access Capital Partners and its operations can be found at www.access-capital-partners.com.

Fund/mandates	**Size, MEUR***
Access Capital Fund 1)	250.3
Access Capital Fund II Mid-market buy-out 1)	153.4
Access Capital Fund II Technology 1)	123.5
Access Capital Fund III Mid-market buy-out 1)	307.4
Access Capital Fund III Technology 1)	88.9
Access Capital Fund IV Growth buy-out 1)	413.0
Private Equity -mandaatit	1,162.0
Total	2,498.5

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

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