

Janne Larma – CEO of eQ Group

21.8.2013



eQ Group today

Full-service asset manager and leading corporate finance advisor

Private Equity
Corporate Finance
Asset Management



Asset management

Full service asset manager

- Full range of mutual funds
- Private equity
- Hedge funds

AUM € 6.3 bn

Corporate finance

Advium

- Mergers and acquisitions
- Large real-estate transactions
- ECM transactions

Over 100 closed transactions

Investments

From own balance

- Investments in 20 private equity funds and 5 fund of funds

€ 35 million invested

eQ
Group

- Main owners are domestic and committed
- Key personnel owns some 33 % of the shares
- OMXH –listed, market cap €85 million (14.8.2013)
- CEO: Janne Larma
- Chairman: Ole Johansson
- Total personnel: 81



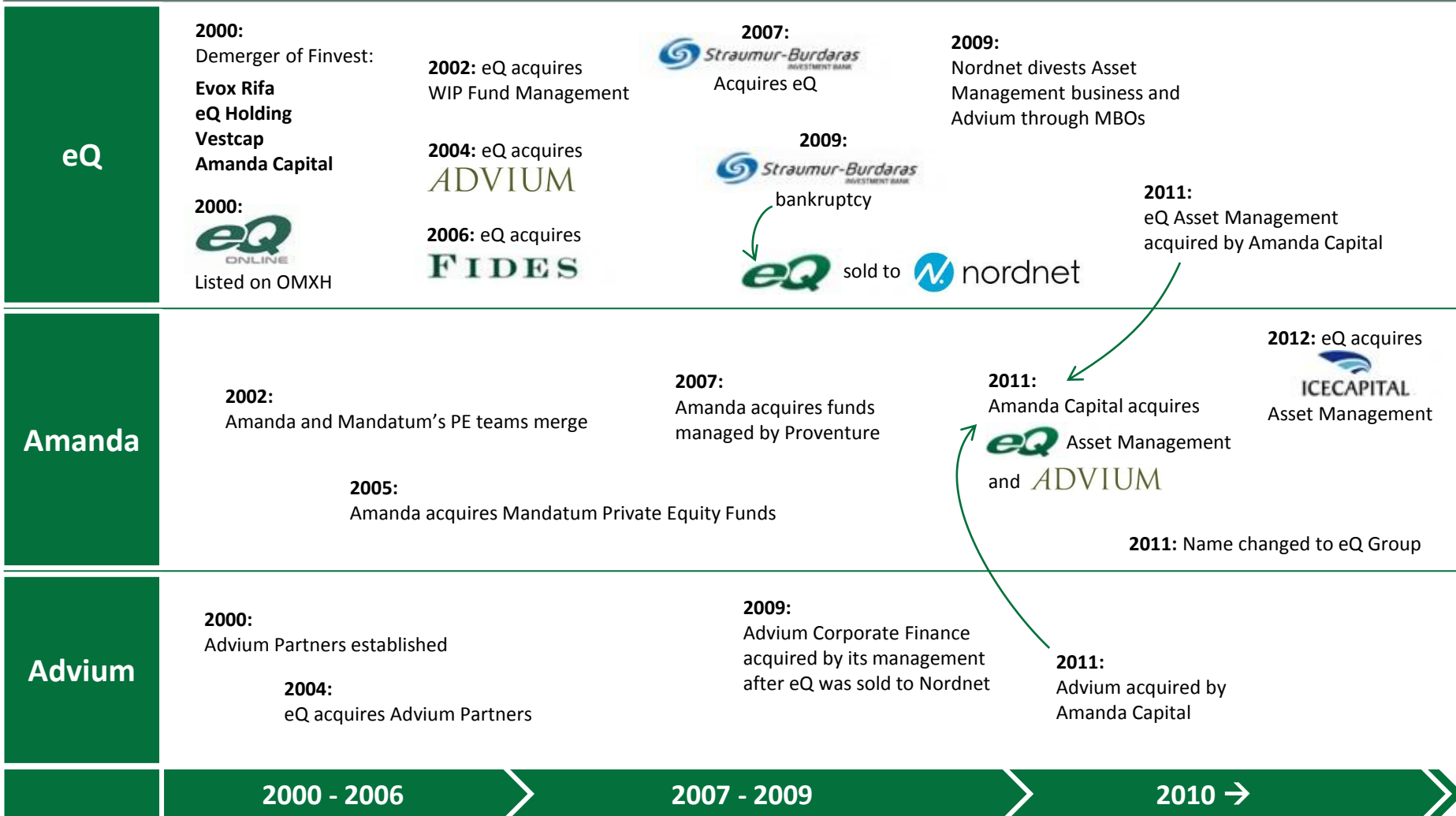
eQ Group timeline

High level of activity

Private Equity
Corporate Finance
Asset Management



Key events in eQ Group's history



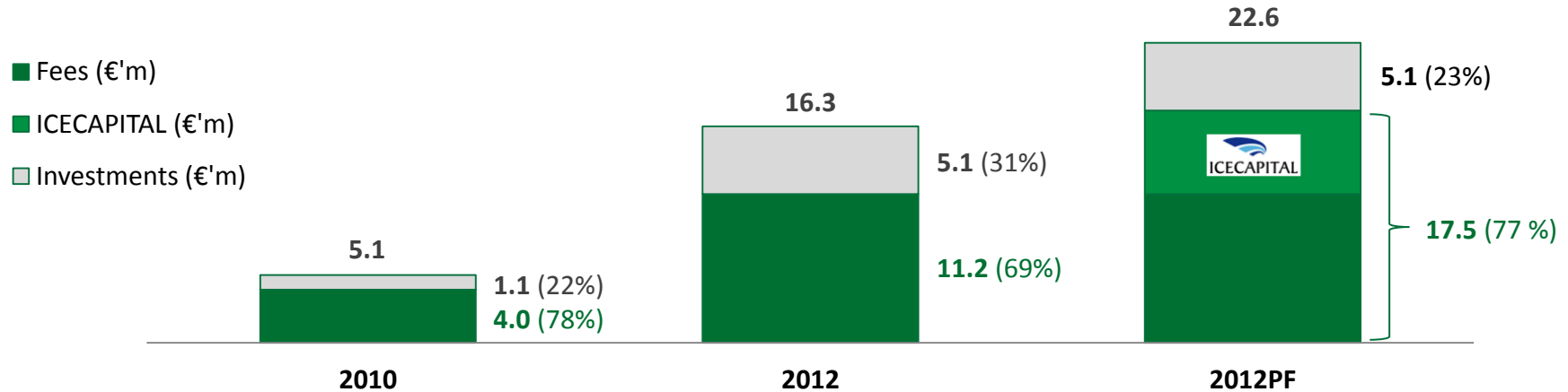
From an investment company...

... to a financial services company

Private Equity
Corporate Finance
Asset Management



Considerable increase in fee income



Key financial data (€'m)

(€'m)	2010	2012	2012PF
Fee income	4.0	11.2	11.2
ICECAPITAL AM			6.3
Investments	1.1	5.1	5.1
Personnel	13	80	80
IB debt	5.8	4.0	4.0
Cash & equivalents	4.1	10.8	10.8
Net debt	1.7	-6.8	-6.8
Investments (in BS)	40.6	39.1	39.1

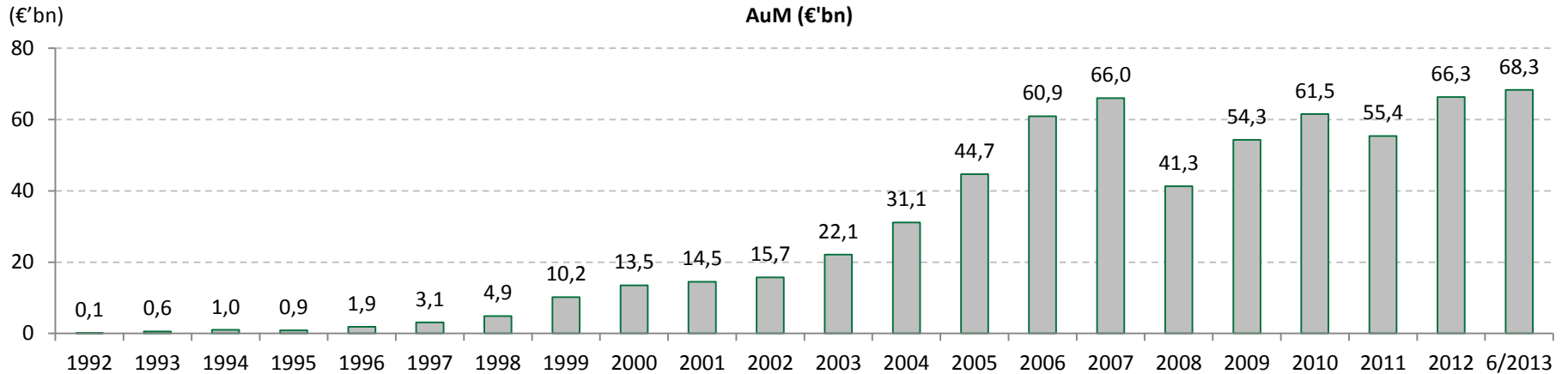
Asset management in Finland

Finnish asset management has grown significantly...

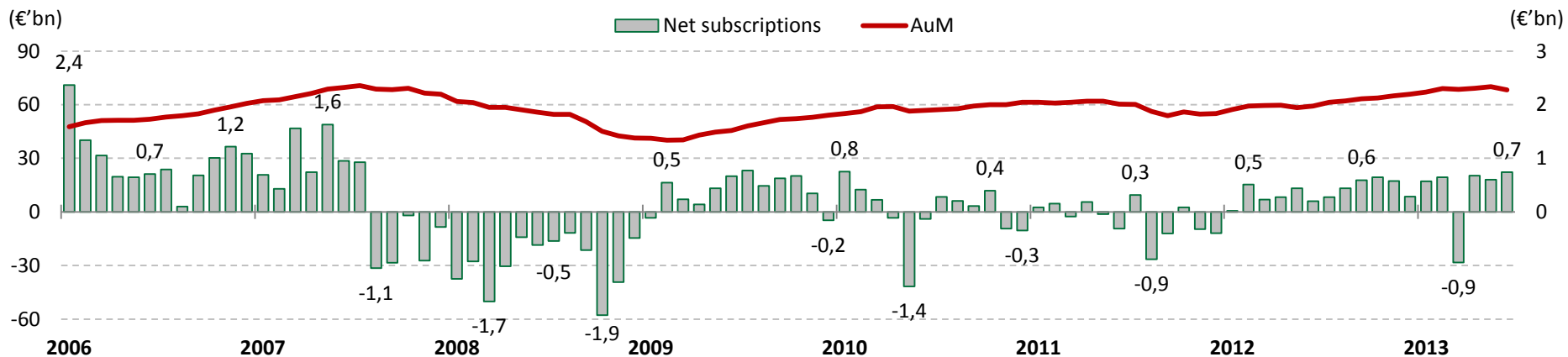
Private Equity
Corporate Finance
Asset Management



AuM development 1992 →



Monthly net subscriptions



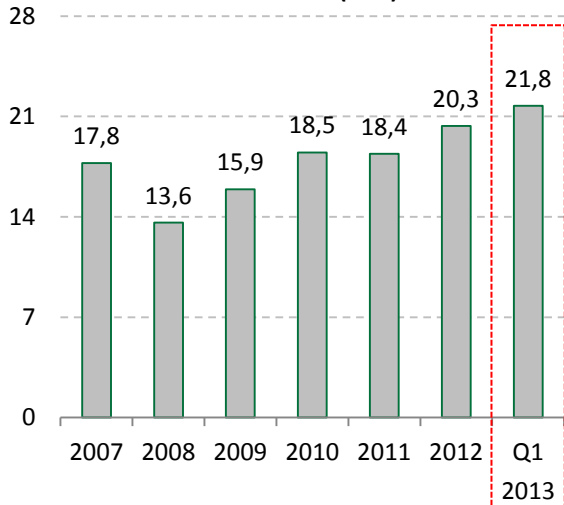
Source: Investment research Finland – Mutual fund reports 6/2013

Asset management globally

AuM development 2007 - 2013

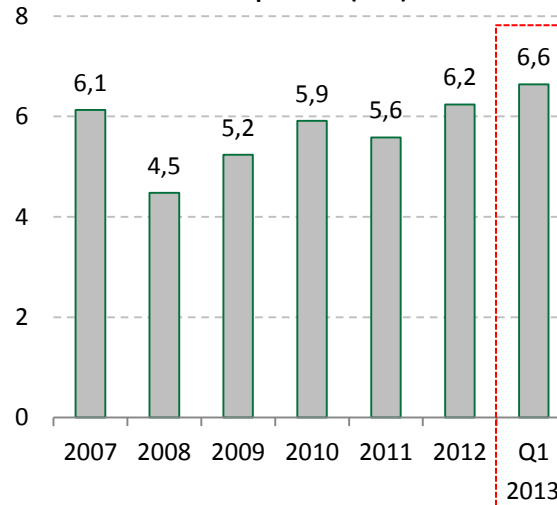
Global AuM

Global AuM (€'tn)



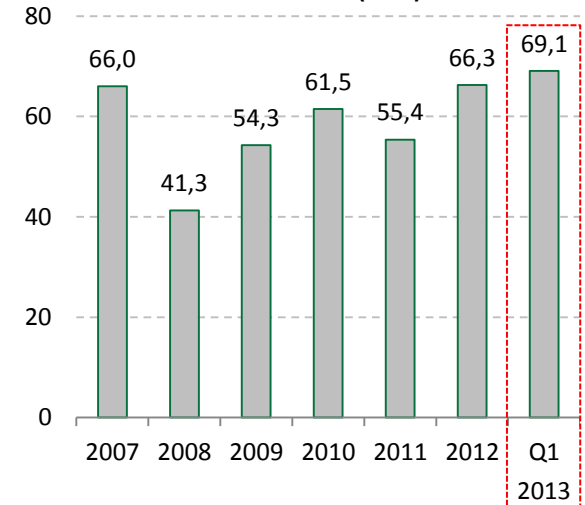
European AuM

Europe AuM (€'tn)

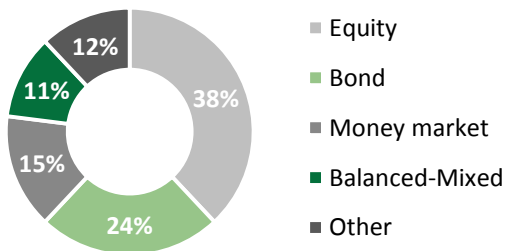


Finnish AuM

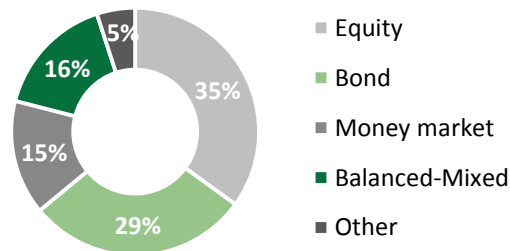
Finland AuM (€'bn)



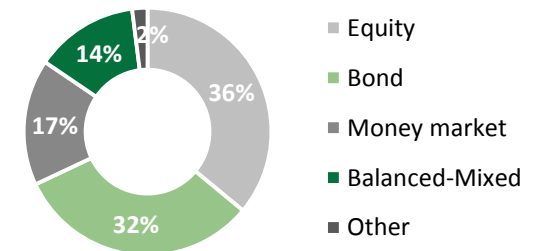
Asset allocation per Q1/2013



Asset allocation per Q1/2013



Asset allocation per Q1/2013



Source: European Fund and Asset Management Association (EFAMA) – statistics release Q1/2013 (UCITS)

Source: European Fund and Asset Management Association (EFAMA) – statistics release Q1/2013 (UCITS)

Source: Finanssialan Keskusliitto ry – Rahastoraportti monthly reports 2007 - 2013

Low market penetration in Finland

... and continued growth is expected

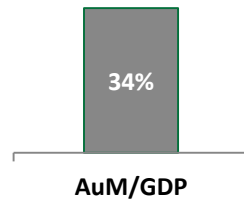
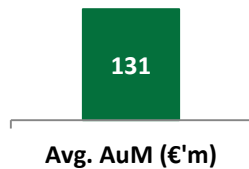
Private Equity
Corporate Finance
Asset Management



Finland

507 funds

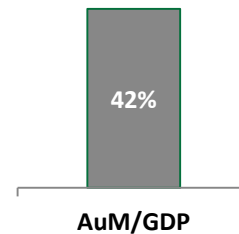
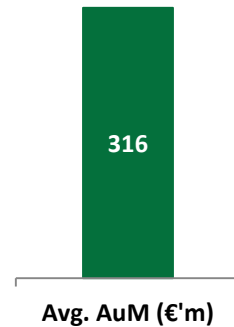
2012 AuM: €66bn
2012 GDP: €194bn



Sweden

546 funds

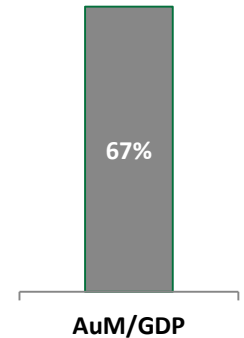
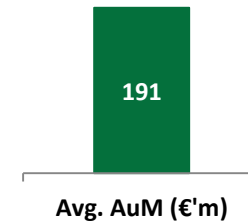
2012 AuM: €172bn
2012 GDP: €408bn



Denmark

859 funds

2012 AuM: €164bn
2012 GDP: €244bn



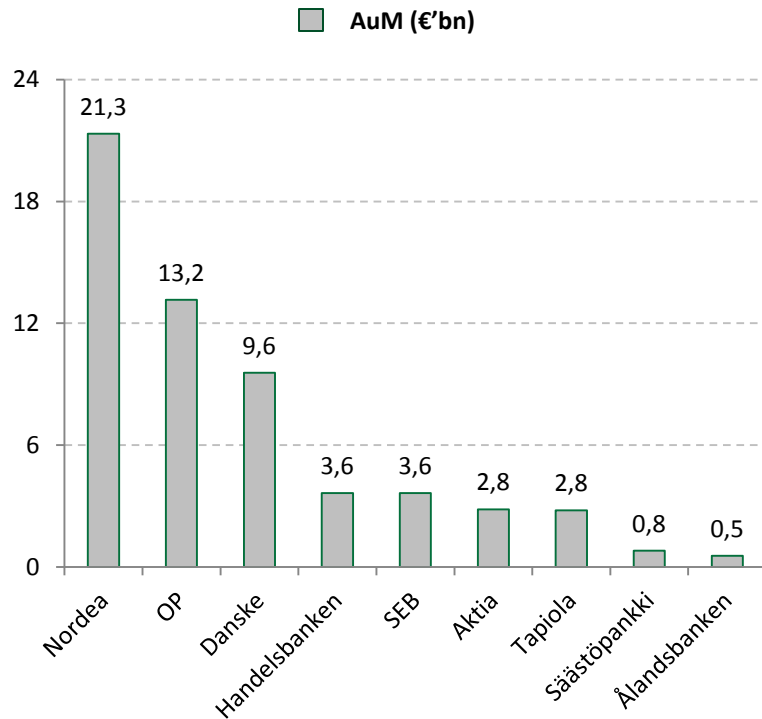
- Finnish asset management AuM at 34 % of GDP – far lower than the Nordic peers Sweden and Denmark
 - Sweden's corresponding ratio at 42 %, Denmark's at 67 %
- In relation to total AuM, Finnish mutual funds are considerably smaller than Nordic peers
 - Finland's avg. AuM €130m, Denmark's €191m and Sweden's €315m

Source: European Fund and Asset Management Association (EFAMA) – statistics release Q4/2012. GDP per 2012 in nominal euros, obtained from EUROSTAT

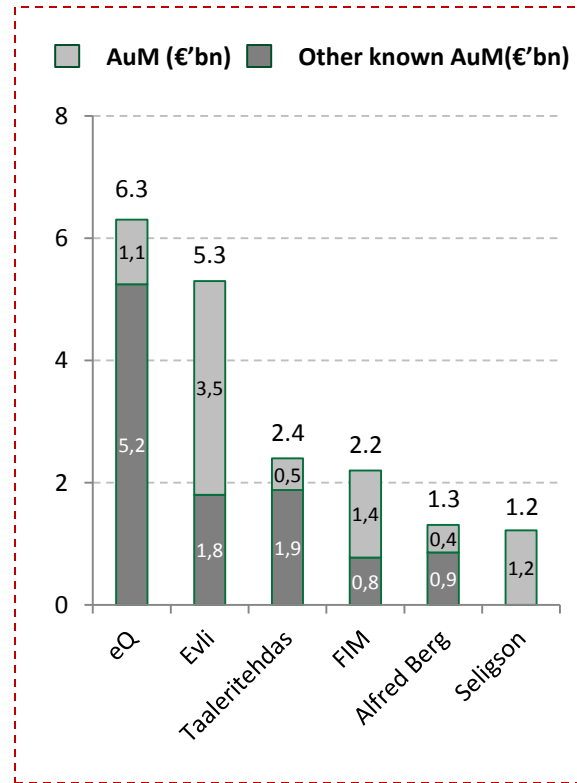
Market participants

Overview of the largest Finnish asset management companies

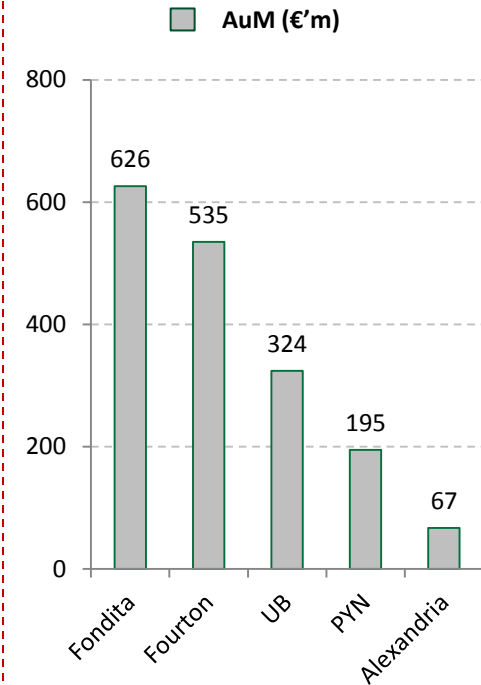
Commercial banks*



Independent



Independent*



- eQ by a good margin Finland's largest independent asset management company, with AuM exceeding €6.3bn

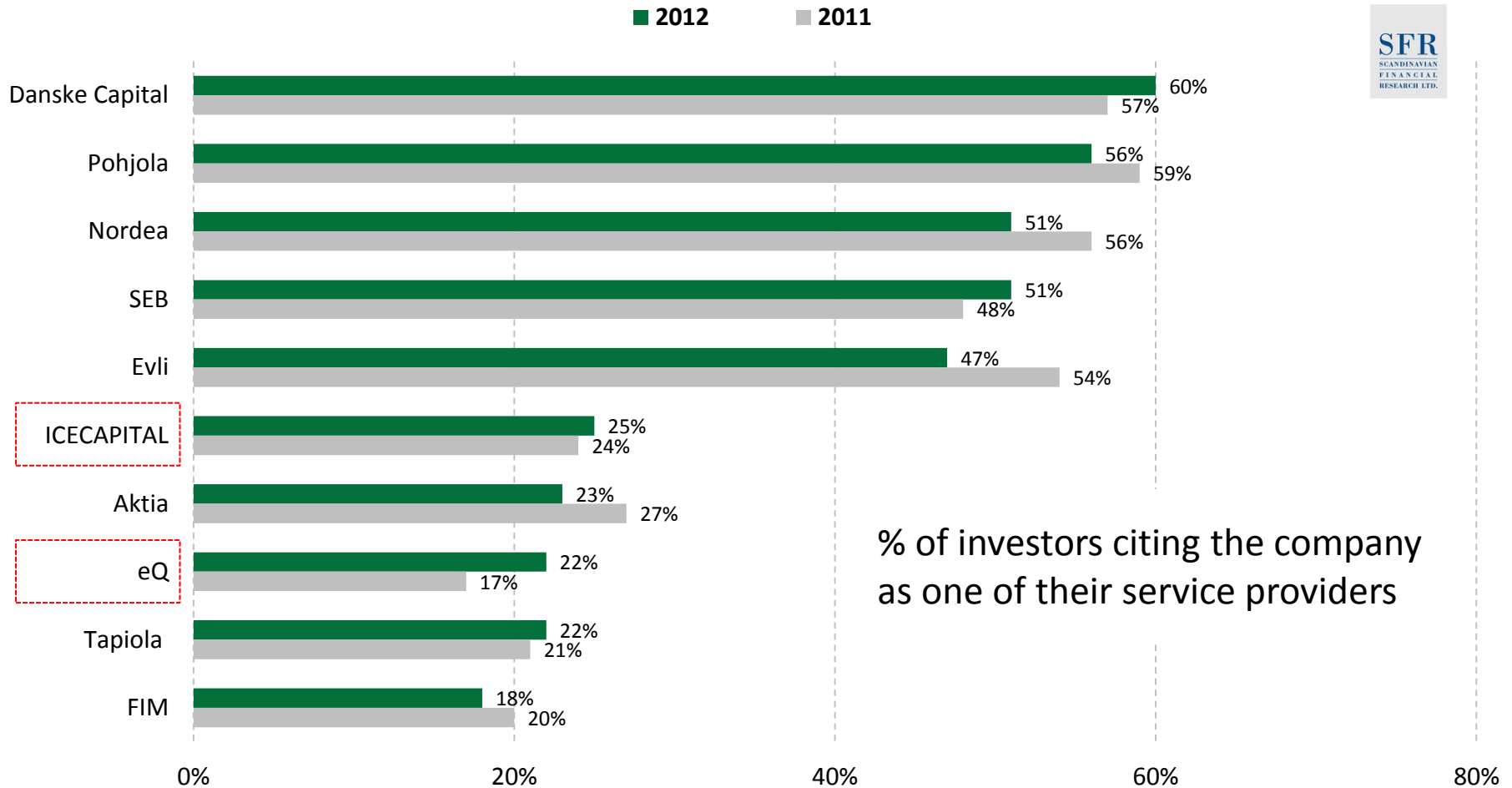
eQ Asset Management...

... a leading Finnish financial services company

Private Equity
Corporate Finance
Asset Management



Top investment services companies



Source: Scandinavian Financial Research Ltd

Important aspects of a successful asset management business

Reputation

- Always in the best interest of the clients
- Delivering good client outcome
- Having a good relationship with the regulators
- Working with integrity
- Highest code of ethical standards

Product portfolio

- Complete offering
- Standard products falling in profitability
- New and innovative products required
- Open architecture
- Excellence in client experience, including advice and reporting

Operational efficiency

- IT
- Back office
- Cost / income ratio

Personnel

- CRM
- Attract new talent, keep the current talent
- Regulation / remuneration

Consolidation of Finnish asset management

Too many players on too small a playing ground

Reasons why Finnish asset management companies continue to consolidate?

- **Institutions want less asset managers**
- **Asset managers will need an increasingly wide product palette**
- **Economies of scale business – to get cooperation agreements with 3rd party asset managers**
- **Relative fixed cost base must be kept to a minimum**
- **FIVA compliance**
- **Increased competition for competent and experienced personnel**
- **During 1995 – 2010, the total amount of brokerage companies decreased substantially**
 - **Similar development is expected for the Finnish asset management companies**

Recent market development

Strong sector consolidation within the asset management business

Private Equity
Corporate Finance
Asset Management



Significant transactions 2012 – 2013

2012



acquires the asset management business of



2012



takes ownership of



AURATOR ASSET
MANAGEMENT LTD

2012

ELITE.

merges with



2013

S-Pankki

merges with



2012



acquires the asset management business of



2012



TAALERITEHDAS

acquires speciality asset management company



2013

S-Pankki

acquires a majority stake in



eQ service offering

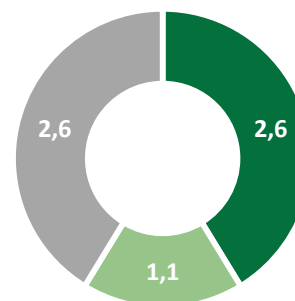
A full-service asset management company

Private Equity
Corporate Finance
Asset Management



Assets under management EUR 6.3 billion

- Main focus on institutional clients and wealthy individuals
- Superior fund performance during the last 24 months



- Private equity 2.6bn
- eQ mutual funds 1.1bn
- 3rd party mutual funds 2.6bn

Equity funds

Finland and Nordic countries:

eQ Finland
eQ Nordic Small Cap

Europe:

eQ Europe Dividend
eQ Europe Stock Index
eQ Europe Property

Global:

eQ Global Sectors
eQ Japan Stock Index
eQ US Stock Index
Emerging markets:
eQ Africa
eQ Emerging Asia
eQ Emerging Markets Stock Index
eQ Emerging Dividend
eQ Frontier Markets
eQ Russia

East Capital Funds

East Capital Russian Fund
East Capital Turkish Fund

Sector funds:

eQ Global Consumer
eQ Global Financials
eQ Global Healthcare
eQ Global Industrials
eQ Global Materials
eQ Global Technology
eQ Global Telecom
eQ Global Utilities & Energy

AS Trigon Funds

eQ Emerging Agri
eQ Emerging Financial
eQ CEE Small Cap
eQ CEE
eQ Russian Top Picks

Fixed income funds

Money market:

eQ Money Market
eQ Short-Term Money Market

Government Bonds:

eQ Euro Government Bond
eQ Euro Government Bond Index

Corporate Bonds:

eQ Euro Investment Grade
eQ High Yield
eQ Euro Floating Rate
eQ Euro Investment Grade Bond Index

Emerging markets:

eQ EM Corporate Bond HC
eQ EM Corporate Bond LC

Alternative investments

eQ Hedge
eQ Care
eQ Commodity

Private equity funds

The First European Fund Inv. UK L.P. (EFI I)
European Fund Investments L.P. (EFI II)
Mandatum PE Fund I L.P.
Mandatum PE Fund II L.P.
Amanda III Eastern PE L.P.
Amanda IV West L.P.
Amanda V East L.P.

A closer look...

Innovative investment solutions to maintain eQ's momentum

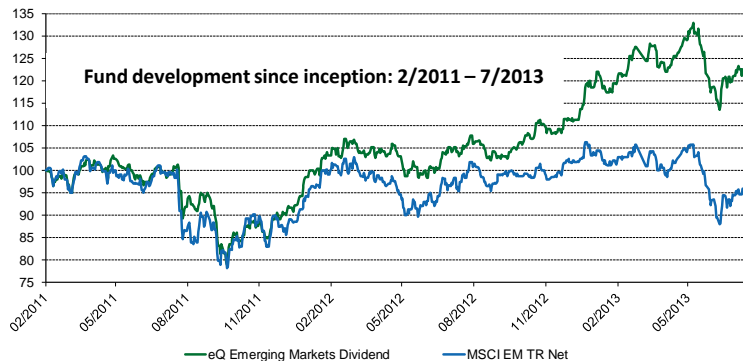
Private Equity
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eQ Emerging Dividend

**"20.4 % outperformance since inception
18.4 % outperformance in 12 months"**

- Invests in publicly traded companies with high dividend yield
- Avg. market exposure and avg. fixed-income investment duration not limited. Fund may use derivatives for hedging purposes
- Fund manager: Jukka-Pekka Leppä
- Net subscriptions 1 – 6/2013: €53.9m



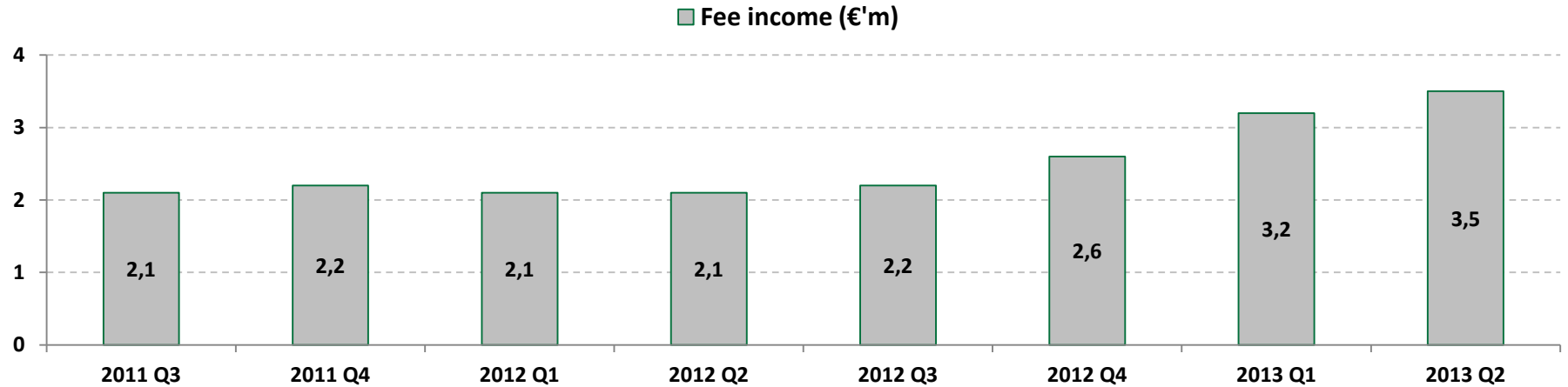
eQ Care

**"Finland's first mutual fund investing
directly in care real estate assets"**

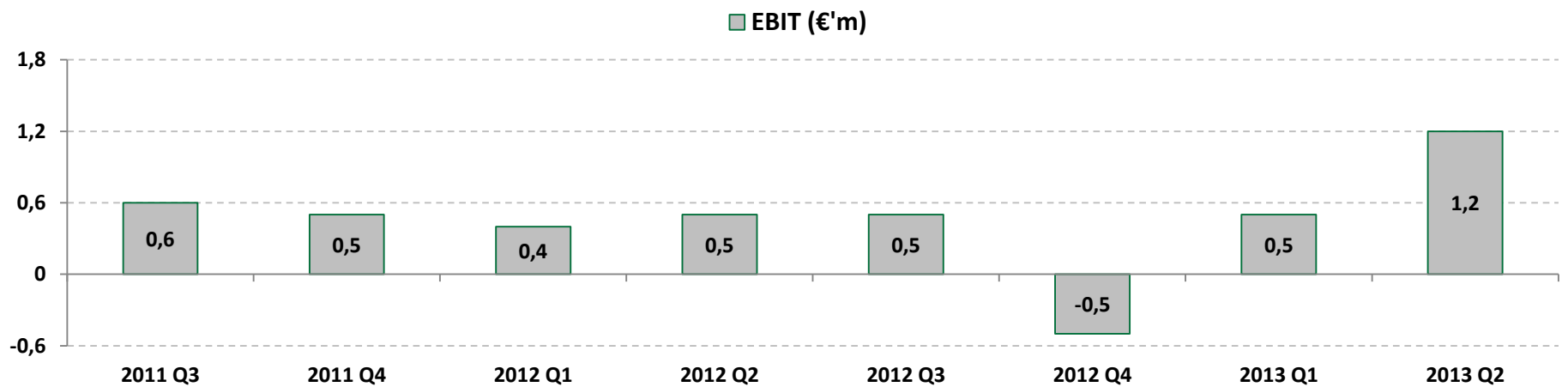
- Invests in Finnish high quality care properties, forming a diversified portfolio for the fund
- Moderate leverage and long rental agreements to yield stable and predictable returns, targeted at over 8 % annually
- Fund manager: Finnreit Rahastoyhtiö Oy
- €31m in equity, €62m investment capacity
- 12 month return 9 %*
- Net subscriptions 1-6/2013: €22.8m

*Source: Investment research Finland – Mutual fund reports 6/2013

Quarterly fee income



Quarterly EBIT



Advium Corporate Finance

Leading corporate finance advisor in Finland

Private Equity
Corporate Finance
Asset Management



- Advium Corporate Finance Ltd. is a leading Finnish corporate finance advisor having advised in more than 100 transactions with a deal value in excess of 9 billion euro

Mergers & Acquisitions

*"The leading advisor in Finland 2009-2012"
(Mergermarket)*

Real Estate Transactions

*"The market leader in large real estate transactions"
(Transactions over €50 million)*

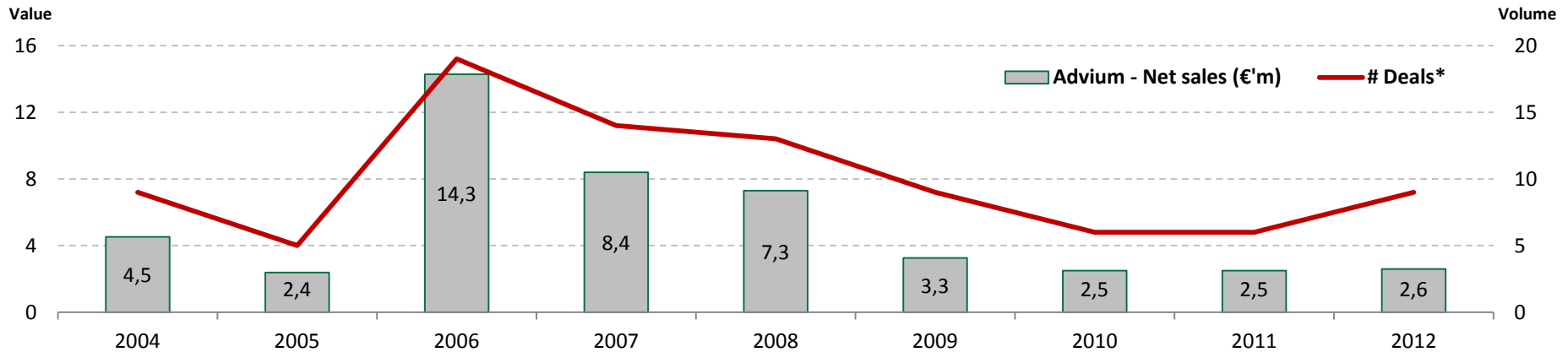
Equity Capital Markets

"Extensive experience in planning and arranging equity capital market transactions such as private placements, IPOs and new issues"

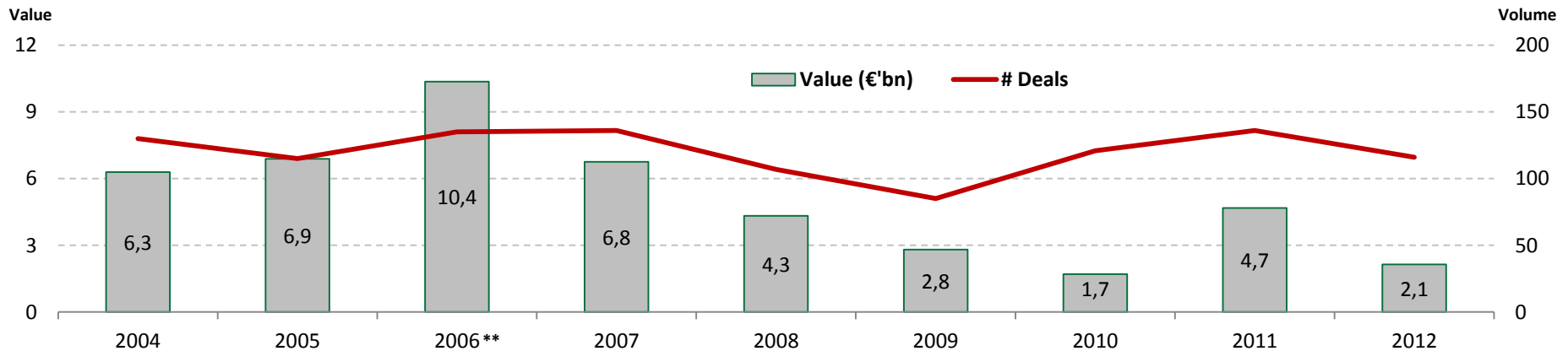
- Clients are typically companies based in or seeking exposure to the Finnish market
- Advium's personnel consists of 12 professionals with significant experience from Corporate Finance, Private Equity and Real Estate Finance

Advium net sales vs. Finnish deal volume

Advium Corporate Finance – net sales and deal volume



Finnish M&A data – deal value and volume



Source: Mergermarket *Including real estate transactions **Excludes NSN -deal

Advium Corporate Finance

Examples of completed transactions

Private Equity
Corporate Finance
Asset Management



Mergers & Acquisitions

<p>10/2012</p> <p>MIDINVEST sold</p> <p>PRODUAL</p> <p>to</p> <p>VAAKA PARTNERS</p> <p>Advisor to the sellers</p>	<p>5/2011</p> <p>Pääkaupunkiseudun Partiosäätiö and Hämeen Partiosäätiö sold</p> <p>PARTIOAITTA</p> <p>to</p> <p>FENIX OUTDOOR</p> <p>Advisors to the Seller</p>	<p>8/2010</p> <p>RETTIG</p> <p>increased its ownership from 49% to 100%</p> <p>in</p> <p>Nordkalk</p> <p>Advisors to the Seller</p>	<p>7/2010</p> <p>STAPLES acquired</p> <p>LINDELL - TEHOKAS TOIMISTO</p> <p>Advisors to the Seller</p>	<p>10/2009</p> <p>RAISIO sold its Margarine business</p> <p>for €80 million to</p> <p>BUNGE</p> <p>Advisors to the Seller</p>	<p>1/2009</p> <p>CLOETTA FAZER demerged into two separate companies</p> <p>Advisors to Fazer</p>	<p>4/2008</p> <p>FORCIT sold</p> <p>FINDISP POLYMER DISPERSIONS</p> <p>for €60 million to</p> <p>ROHMIHAAS</p> <p>Advisors to the Seller</p>
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Real Estate Transactions

<p>5/2013</p> <p>DEXTRA sold a medical centre property in Helsinki for app. €14m to</p> <p>Fennia</p> <p>Advisor to the Seller</p>	<p>12/2012</p> <p>NOKIA sold its Head office property for € 170 million to</p> <p>exilion</p> <p>Advisor to the Seller</p>	<p>4/2011</p> <p>SPONDA acquired the Fennia Quarter for €122m from</p> <p>SUOMI-YHTIÖ</p> <p>Advisor to the Buyer</p>	<p>3/2010</p> <p>Holiday Club sold Holiday Club Saimaa Project for € 64 million to</p> <p>VARMA</p> <p>Advisor to the Seller</p>	<p>12/2009</p> <p>KESKO sold a portfolio of 13 retail properties for € 156 million to</p> <p>VARMA</p> <p>Advisor to the Seller</p>	<p>3/2008</p> <p>NORTHERN EUROPEAN PROPERTIES sold a portfolio of 39 hotels for € 805 million to a fund managed by</p> <p>CapMan</p> <p>Advisor to the Seller</p>	<p>10/2006</p> <p>MINISTRY OF FINANCE Finland sold</p> <p>KAPITEELI</p> <p>for € 1.3 billion to</p> <p>SPONDA</p> <p>Advisor to the Seller</p>
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Equity Capital Markets

<p>4/2013</p> <p>STX Finland Assisting in financial arrangement</p> <p>Advisor to the Ministry of Employment and the Economy</p>	<p>4/2012</p> <p>VAAHTO GROUP Raised capital by issuing shares</p> <p>Advisor to Vaahato Group</p>	<p>12/2010</p> <p>VAAHTO GROUP Accepted a combination of share properties</p> <p>Advisor to Vaahato Group</p>	<p>8/2009</p> <p>SEB sold 16% in ALMA to KALEVA</p> <p>Advisor to the Seller</p>	<p>7/2009</p> <p>FISKARS Accepted the combination of share series and the merger of Agrofin Oy Ab into Fiskars</p> <p>Advisor to Virala Oy Ab</p>	<p>3/2008</p> <p>FISKARS Accepted the combination of share series in</p> <p>WÄRTSILÄ</p> <p>Advisor to Fiskars</p>	<p>3/2005</p> <p>EVOK RIFA Raised financing by issuing a € 5.6 m convertible loan listed on OMX</p> <p>Advisor to Evok Rifa</p>
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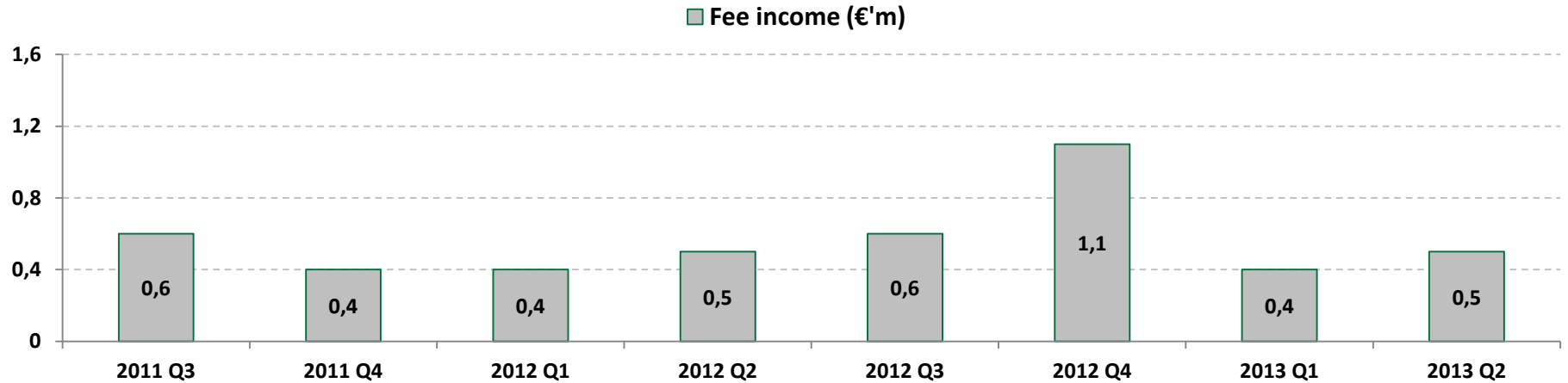
Advium Corporate Finance

Financial development 2011 - 2013

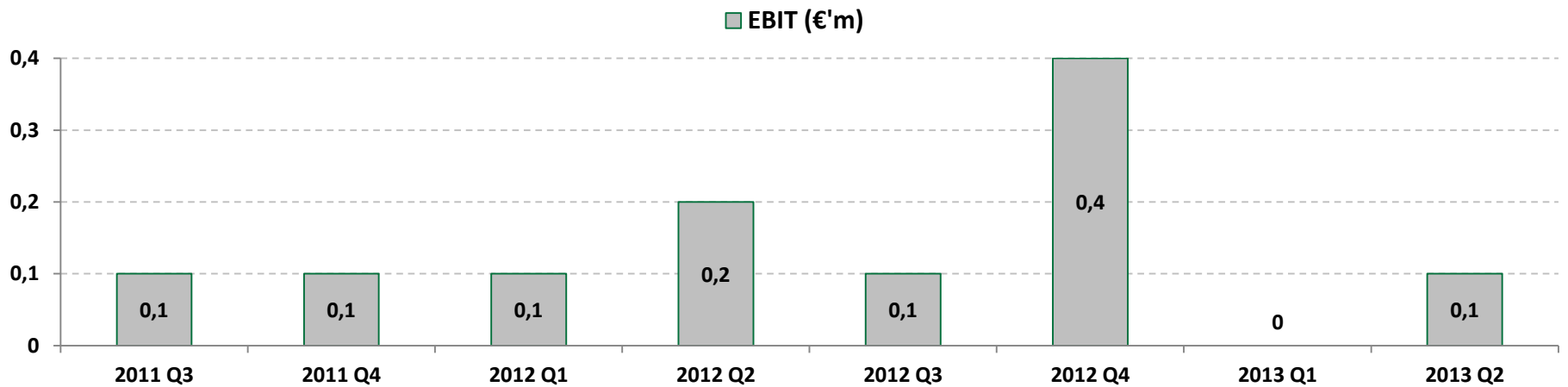
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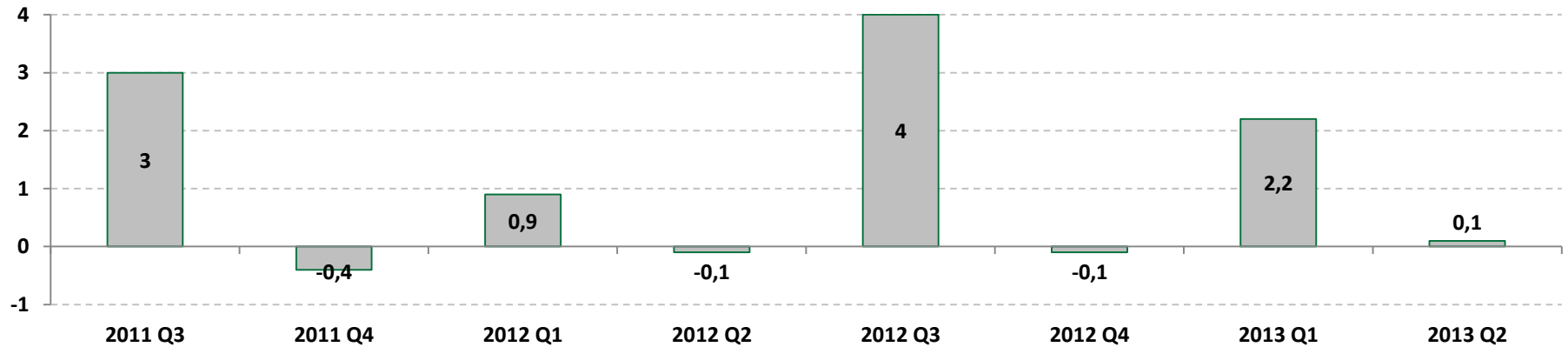
Quarterly fee income



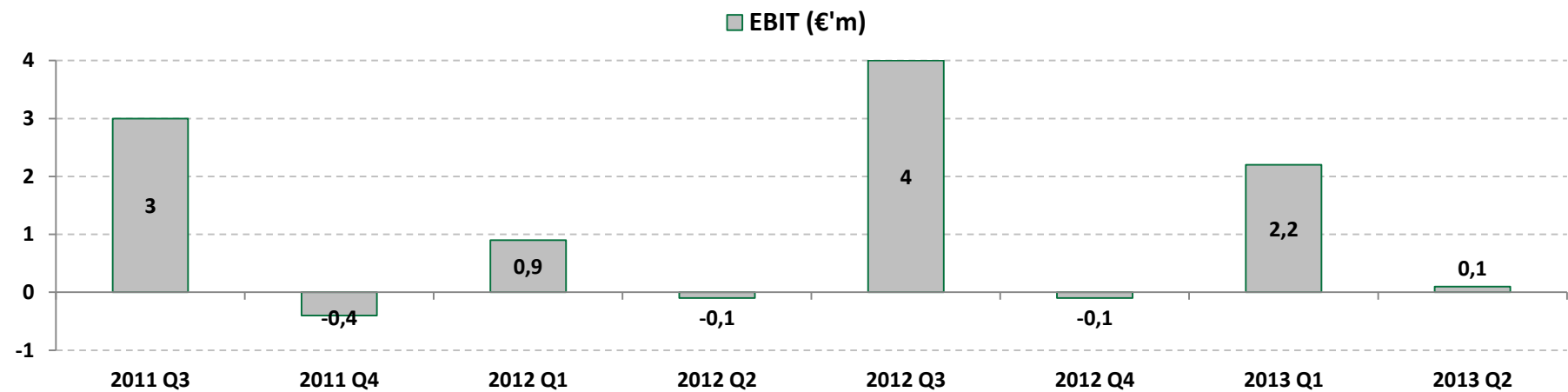
Quarterly EBIT



Quarterly net investment income



Quarterly EBIT























Investments from balance sheet

Long history of private equity investments

Private Equity
Corporate Finance
Asset Management



eQ has investments in 20 private equity funds

 EQT V L.P. 2006	 Gresham Fund IV L.P. 2006	 Permira Europe IV L.P. 2006	 Triton Fund II L.P. 2006	 EQT IV (No. 1) L.P. 2004	 Montagu III L.P. 2005	 PAI Europe IV 2005
 Gresham Fund III L.P. 2003	 Permira Europe III L.P. 2003	 Charterhouse Capital Partners VII L.P. 2002	 Atlas Venture VI L.P. 2001	 Balderton Capital L.P. 2000	 Merlin Biosciences Fund L.P. 2000	 Innovacom 4 FCPR 2000
 Nexit Infomcom 2000 Fund L.P. 2000	 Permira Europe II L.P. 2000	 Finnventure Rahasto V Ky 1999	 Industri Kapital 1997 L.P. 1997	 Fenno Rahasto Ky 1997	 MB Equity Fund II L.P. 1997	

eQ Group today

Full-service asset manager and leading corporate finance advisor

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EUR millions	1-6/2013	1-6/2012	2012
Net revenue	9.8	6.0	16.3
Operating profit	3.2	1.3	4.7
Profit for the period	2.2	1.0	3.4
Earnings per share	0.06	0.03	0.10
Shareholders' equity	71.1	68.5	73.6
Total balance sheet	76.2	72	84.3
Net receivables	-5.9	-6.0	-6.7
Equity ratio	93.3 %	95.1 %	87.3 %
Investments in private equity funds	35.8	45.1	38.7
Remaining commitments	10.3	12.8	10.8

- Strong balance sheet with an equity ratio of 93 % (30.6.2013)
- ICECAPITAL Asset Management acquired in November 2012, net sales of € 7.3m in 2011 and operating profit of €1.3m
- ICECAPITAL Asset Management consolidated since 20.11.2012

eQ ownership and share price development

33 % of shares held by key personnel

Private Equity
Corporate Finance
Asset Management



#	Shareholders 31.7.2013	Shares	%
1	Fennogens Investments S.A.	5,794,307	15.9 %
2	Chilla Capital	4,271,637	11.7 %
3	Ulkomarkkinat Oy	3,690,466	10.1 %
4	Veikko Laine Oy	3,665,302	10.1 %
5	Oy Hermitage Ab	2,295,693	6.3 %
6	Mandatum Henkivakuutusosakeyhtiö	2,053,296	5.6 %
7	Oy Cevante Ab	1,419,063	3.9 %
8	Teamet Oy	1,200,000	3.3 %
9	Fazer Jan Peter	1,064,815	2.9 %
10	Linnalex Ab	881,652	2.4 %
11	Louko Antti Jaakko	747,918	2.1 %
12	Vh-Holding 3 Oy	550,000	1.5 %
13	Pinomonte Ab	529,981	1.5 %
14	Rettig Asset Management Oy Ab	524,931	1.4 %
15	Viskari Jyri	450,000	1.2 %
16	Ab Kelonia Oy	405,500	1.1 %
17	Leenos Oy	400,000	1.1 %
18	Änkilä Petteri Juha Väinämö	346,500	1.0 %
19	Liikesivistysrahaston kannatusyhdistys	276,800	0.8 %
20	Piela Ventures Oy	228,430	0.6 %
	Top 20 total	30,796,291	84.5 %
	Total shares outstanding	36,442,198	100.0 %

