

Q1 2018

INTERIM REPORT





25 April 2018 at 8:00 AM

eQ PLC'S INTERIM REPORT Q1 2018 – THE STRONG GROWTH OF eQ'S REAL ESTATE AND PRIVATE EQUITY ASSET MANAGEMENT CONTINUED

January to March 2018 in brief

- During the period under review, the Group's net revenue totalled EUR 9.6 million (EUR 9.4 million from 1 Jan. to 31 March 2017).
 - The Group's net fee and commission income was EUR 8.9 million (EUR 9.2 million).
 - The Group's net investment income from own investment operations was EUR 0.7 million (EUR 0.2 million).
- The Group's operating profit grew by 4% to EUR 4.4 million (EUR 4.2 million).
- The Group's profit was EUR 3.5 million (EUR 3.4 million).
- The consolidated earnings per share were EUR 0.09 (EUR 0.09).
- The net cash flow from the Group's own private equity fund investment operations was EUR 0.7 million (EUR 0.0 million).
- The net revenue of the Asset Management segment increased by 6% to EUR 8.5 million (EUR 8.0 million) and the operating profit by 8% to EUR 4.3 million (EUR 4.0 million).
- The net revenue of the Corporate Finance segment fell to EUR 0.4 million (EUR 1.2 million). It is typical of corporate finance business that success fees have a considerable impact on invoicing, due to which the result of the segment may vary considerably.

Key ratios	1-3/18	1-3/17	Change %	1-12/17
Net revenue, Group, M€	9.6	9.4	3%	40.7
Net revenue, Asset Management, M€	8.5	8.0	6%	33.9
Net revenue, Corporate Finance, M€	0.4	1.2	-64%	5.2
Net revenue, Investments, M€	0.7	0.1	509%	1.4
Net revenue, Group administration and eliminations, M€	-0.0	0.0		0.1
Operating profit, Group, M€	4.4	4.2	4%	20.1
Operating profit, Asset Management, M€	4.3	4.0	8%	18.0
Operating profit, Corporate Finance, M€	-0.1	0.5	-132%	2.0
Operating profit, Investments, M€	0.7	0.1	509%	1.4
Operating profit, Group administration, M€	-0.5	-0.3	36%	-1.3
Profit for the period, M€	3.5	3.4	3%	15.9



Key ratios	1-3/18	1-3/17	Change %	1-12/17
Earnings per share, €	0.09	0.09	2%	0.43
Equity per share, €	1.27	1.36	-7%	1.67
Cost/income ratio, Group, %	54.2	54.5	0%	50.5
Liquid assets, M€	25.8	21.3	21%	24.7
Private equity fund investments, M€	18.8	20.1	-6%	18.8
Interest-bearing liabilities, M€	0.0	0.0	0%	0.0
Assets under management, € billion	8.6	8.9	-3%	8.4

Janne Larma, CEO

The net revenue of the Group increased to EUR 9.6 million and the operating profit grew by 4% to EUR 4.4 million. The Group's profit increased by 3% to EUR 3.5 million.

The management fees of eQ Asset Management grew by 25% from the previous year

The demand for real estate and private equity asset management continued to be very strong. Within real estate asset management, net subscriptions amounted to EUR 111 million in the first quarter, and the fund capital of our two real estate funds exceeded one billion euros at the end of March. Private equity asset management also gathered new capital. EUR 97 million has been raised to the eQ PE X North private equity fund and EUR 81 million to the eQ PE SF II fund since the beginning of the year. The final close of these funds will take place in June, and our aim is to raise about EUR 100 million of additional new capital in total. Within traditional asset management, the return of the funds managed by eQ continued to be excellent. During an investment period of three years, 86% of the funds managed by eQ have surpassed their benchmark indices.

The net revenue of eQ Asset Management increased by 6% from the previous year to EUR 8.5 million. The operating profit grew by 8% to EUR 4.3 million. The management fees of real estate and private equity asset management grew by EUR 1.4 million from the previous year, i.e. by 34%, and the management fees from traditional asset management grew by 7%. Performance based fees fell by EUR 1.0 million from the year before. It is normal that performance fees vary from quarter to quarter.

Advium's fee income at a lower level than last year

In the Corporate Finance segment Advium acted as advisor in one transaction during the first three months. Advium acted as advisor to the seller, as the real estate investment company Kojamo Plc agreed on the sale of 1 594 rental flats at market price to a real estate fund managed by Morgan Stanley. Advium's net revenue fell to EUR 0.4 million and operating profit to EUR -0.1 million from the previous year. Great variations in fees per quarter are typical of corporate finance operations. After the period under review, Advium has already acted as advisor in two transactions. Advium acted, e.g. as advisor to the seller, as Marimekko sold its head office in Herttoniemi, Helsinki to a fund managed by OP Group. The market activity in corporate and real estate transactions continues to be at a good level.

The result of the Investments segment higher than last year

The operating profit and net cash flow of the Investments segment increased considerably from the previous year. The operating profit of the segment was EUR 0.7 million (EUR 0.1 million from 1 Jan. to 31 March 2017). The net cash flow from investments was EUR 0.7 million (EUR 0.0 million). At the end of March, the balance sheet value of the private equity fund investments was EUR 18.8 million. eQ Plc made an investment commitment of EUR 1.0 million to the eQ PE X North fund in January.



eQ's interim report 1 January to 31 March 2018 is enclosed to this release and it is also available on the company website at www.eQ.fi.

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eQ Group is a group of companies that concentrates on asset management and corporate finance business. eQ Asset Management offers a wide range of asset management services (including private equity funds and real estate asset management) for institutions and private individuals. The assets managed by the Group total approximately EUR 8.6 billion. Advium Corporate Finance, which is part of the Group, offers services related to mergers and acquisitions, real estate transactions and equity capital markets.

More information about the Group is available on our website www.eQ.fi.

eQ PLC'S INTERIM REPORT 1 JAN. TO 31 MARCH 2018

Result of operations and financial position 1 January to 31 March 2018

- During the period under review, the Group's net revenue totalled EUR 9.6 million (EUR 9.4 million from 1 Jan. to 31 March 2017).
 - The Group's net fee and commission income was EUR 8.9 million (EUR 9.2 million).
 - The Group's net investment income from own investment operations was EUR 0.7 million (EUR 0.2 million).
- The Group's operating profit grew by 4% to EUR 4.4 million (EUR 4.2 million).
- The Group's profit was EUR 3.5 million (EUR 3.4 million).
- The consolidated earnings per share were EUR 0.09 (EUR 0.09).
- The net cash flow from the Group's own private equity fund investment operations was EUR 0.7 million (EUR 0.0 million).

- The net revenue of the Asset Management segment increased by 6% to EUR 8.5 million (EUR 8.0 million) and the operating profit by 8% to EUR 4.3 million (EUR 4.0 million).
- The net revenue of the Corporate Finance segment fell to EUR 0.4 million (EUR 1.2 million). It is typical of corporate finance business that success fees have a considerable impact on invoicing, due to which the result of the segment may vary considerably.

Operating environment

The year 2018 began in an atmosphere of strengthening global economic growth. In the U.S., president Trump's tax reform was approved towards the end of 2017, and in Europe, the elections held during the last months of the year had been conducted more peacefully than expected. Above all in the U.S., economic growth also led to growing inflation, which strengthened expectations on interest rate raises by the Fed and increased nervousness in the bond market. Above all in the U.S., the result period was very strong, as both net sales and profits of companies grew considerably. In Europe and Finland, the result period was not as strong as in the U.S., but still very positive. Towards the end of the quarter, president Trump's decisions regarding import duties and the fear for a global trade war rose to headlines.

The investment year 2018 began with a positive sentiment, and the market took advantage of the so called January effect – the share prices rose briskly. The fears for increasing interest rates turned the share prices down, however, towards the end of January, and as the market got over the worst fears, headlines were dominated by Trump-driven import duties and the concern for a global trade war. In the entire quarter, the return of Western share indices was negative, except for Finland. In the U.S., the return was -0.9% measured in dollars and -3.2% in euros, in Europe -4.3%, in Japan -2.2% and in emerging markets -1.1%. In Finland, the stock exchange rose by 3.2% from the year-end, however.

The return of the bond market was also negative in the first quarter of 2018 except for government bonds. The return of investment grade loans was -0.35%, the return of high yield loans -0.56% and that of emerging market euro-hedged loans -1.61%. The euro government bond index gave a 1.43% return due to the fall of long-term interest rates. The Fed continued to tighten its monetary policy and increased its rates by 0.25% at the end of March, as expected.

Major events during the period under review

eQ Plc's Annual General Meeting was held on 28 March 2018. Nicolas Berner, Georg Ehrnrooth, Carl Haglund, Timo Kokkila and Annika Poutiainen were re-elected to the Board. Georg Ehrnrooth will continue as Chairman of the Board. The decisions by the Annual General Meeting have been presented in a separate chapter below.



Group net revenue and result development

During the period under review, the Group's net revenue totalled EUR 9.6 million (EUR 9.4 million from 1 Jan. to 31 Marc 2017). The Group's net fee and commission income was EUR 8.9 million (EUR 9.2 million). The Group's net investment income from own investment operations was EUR 0.7 million (EUR 0.2 million).

The Group's expenses and depreciation totalled EUR 5.2 million (EUR 5.1 million). Personnel expenses were EUR 4.1 million (EUR 4.0 million), other administrative expenses totalled EUR 0.5 million (EUR 0.5 million), and other operating expenses were EUR 0.5 million (EUR 0.5 million). Depreciation was EUR 0.04 million (EUR 0.1 million).

The Group's operating profit was EUR 4.4 million (EUR 4.2 million) and the profit for the period was EUR 3.5 million (EUR 3.4 million).

Business areas

Asset Management

eQ Asset Management offers versatile and innovative asset management services to both institutions and individuals. The Asset Management segment consists of the investment firm eQ Asset Management Ltd and other Group companies engaged in asset management operations, the most important of which is eQ Fund Management Company Ltd.

Mutual funds and asset management

At the end of the first quarter, eQ had 26 mutual funds registered in Finland.

In the first quarter, eQ's fixed-income funds gave slightly negative returns with the exception of the eQ Euro Government Bond Fund. The best returns as compared with benchmark indices came from the eQ High Yield and eQ Investment Grade funds. Of eQ's five Morningstar rated fixed-income funds no less than four have the best rating, e.g. five stars.

The returns of equity funds were twofold during the first three months. The best returns, i.e. about 5%, came from the eQ Emerging Dividend, eQ Emerging Market Small Cap, eQ Russia and eQ Frontier Markets funds while the values of the eQ Emerging Asia, eQ Europe Stock Index and eQ Europe Dividend funds fell by about 5% during the first quarter. The best returns as compared with the benchmark indices came from the eQ Emerging Market Small Cap, eQ Emerging Dividend and eQ CO2 funds.

Of the funds managed by eQ, 60% surpassed their benchmark indices in the three-month period, and in the past three years, 86% of the funds managed by eQ have surpassed their benchmark indices. The average Morningstar rating of funds managed by eQ was 4 stars at the end of the quarter. The returns of the discretionary asset management portfolios that eQ manages varied between about -2 and +3% during the period, based on the allocation of the investment portfolio.

Private Equity

The first close of the new eQ PE X North private equity fund was held at the end of January at EUR 83 million and the second close in March at EUR 97 million. eQ PE X North makes investments in private equity funds that invest in unlisted, small and mid-sized companies in Northern Europe. eQ also established its second secondary market fund eQ PE SF II. The first close of the fund was held at EUR 65 million and the second close in March at EUR 81 million. The eQ PE SF II fund buys previously established private equity funds in Northern Europe from the secondary market. The raising of means to both funds will continue during the spring, and the final close will take place in June. The assets managed under private equity asset management grew and amounted to EUR 5 323 million at the end of the quarter (EUR 5 156 million on 31 Dec. 2017).



Real estate investments

The strong growth of the eQ Finnish Real Estate fund continued, and at the end of the quarter, new net subscriptions for EUR 51 million were made in the fund. At the end of the quarter, the size of the fund was EUR 480 million, and its real estate property exceeded EUR 600 million. The investment operations of the fund have been extremely successful, and the return since establishment is 10.2% p.a. The fund already has approximately 2 300 unit holders.

At the end of the first quarter, new net subscriptions for EUR 60 million were made in the eQ Care Fund. At the end of the quarter, the size of the fund was EUR 560 million and its real estate property exceeded EUR 730 million. The return of the fund since establishment is excellent at 9.0% p.a., and the fund already has approximately 3 000 unit holders.

Overall, eQ's real estate funds had real estate property of about EUR 1 330 million at the end of the quarter, and eQ has become a major Finnish real estate investor. Consequently, the real estate team has been expanded to eight persons.

Assets under management and clients

At the end of the quarter, the assets managed by eQ Asset Management totalled EUR 8 637 million. The assets increased by EUR 204 million from the close of the year (EUR 8 432 million on 31 Dec. 2017). At the end of the quarter, the assets managed by the mutual funds registered in Finland totalled EUR 2 339 million (EUR 2 304 million), an increase by EUR 35 million. Mutual funds managed by international partners and assets covered by other asset management operations totalled EUR 974 million (EUR 972 million). The assets managed under private equity funds and asset management totalled EUR 5 324 million (EUR 5 156 million), the share of eQ's own funds being EUR 1 231 million (EUR 1 054 million). The assets covered by the reporting service totalled EUR 3 409 million (EUR 3 412 million).

Result of the Asset Management segment

In the first quarter, the net revenue of the Asset Management segment increased by 6% and the operating profit by 8% to EUR 4.3 million (EUR 4.0 million from 1 Jan. to 31 March 2017). The fee and commission income of the real estate and private equity operations increased by 34% during the quarter. On the other hand, performance fees fell by 60% as a result of their typical strong fluctuation per quarter and the higher level than normally of the comparison period. Expenses increased mainly due to result-based salary items. The cost/income ratio fell to 49.3% from 49.7% in the comparison period. Calculated as full-time resources, the Asset Management segment had 66 employees at the end of the quarter.

Asset Management	1-3/18	1-3/17	Change %	1-12/17
Net revenue, M€	8.5	8.0	6%	33.9
Operating profit, M€	4.3	4.0	8%	18.0
Assets under management, € billion	8.6	8.9	-3%	8.4
Cost/income ratio, %	49.3	49.7	-1%	46.8
Personnel as full-time resources	66	61	8%	64

Fee and commission income, Asset Management, M€	1-3/18	1-3/17	Change %	1-12/17
Management fees from traditional asset management	2.3	2.1	7%	8.9
Real estate and private equity management fees	5.5	4.1	34%	18.4
Other fee and commission income	0.1	0.1	0%	0.6
Performance fees	0.7	1.7	-60%	6.4
Total	8.6	8.1	7%	34.3



Corporate Finance

In the Corporate Finance segment, Advium Corporate Finance acts as advisor in mergers and acquisitions, large real estate transactions and equity capital markets.

The uncertainty of world politics has continued and share prices have fluctuated more than before. Despite this, the low interest rates and good availability of financing have continued to contribute to high activity in corporate and real estate transactions.

During the period under review, Advium acted as advisor to the seller, as the real estate investment company Kojamo Plc agreed on the sale of 1 594 rental flats at market price to a real estate fund managed by Morgan Stanley. The portfolio consists of 40 objects in 15 different towns in Finland. The sales price of the portfolio was EUR 97 million.

After the period under review, Advium has already acted as advisor in two transactions. Advium acted, e.g. as advisor to the seller, as Marimekko sold its head office in Herttoniemi, Helsinki to a fund managed by OP Group at the beginning of April. The area of the property to be rented is about 11 000 square meters, and in addition to the head office, it contains the company's textile print and two retail shops.

Advium's existing order stock still corresponds to the lively activity in the market. It is typical of corporate finance business, however, that success fees have a considerable impact on invoicing, due to which the result of the segment may vary considerably from quarter to quarter.

Result of the Corporate Finance segment

Advium's net revenue during the period under review was EUR 0.4 million (EUR 1.2 million from 1 Jan. to 31 March 2017). The operating profit was EUR -0.1 million (EUR 0.5 million). The segment had 15 employees at the end of the period.

Corporate Finance	1-3/18	1-3/17	Change %	1-12/17
Net revenue, M€	0.4	1.2	-64%	5.2
Operating profit, M€	-0.1	0.5	-132%	2.0
Cost/income ratio, %	132.5	63.4	109%	61.7
Personnel as full-time resources	15	14	7%	15

Investments

The business operations of the Investments segment consist of private equity fund investments made from eQ Group's own balance sheet.

During the period under review, the net revenue of the Investments segment totalled EUR 0.7 million (EUR 0.1 million from 1 Jan. to 31 March 2017). At the end of the period, the fair value of the private equity fund investments was EUR 18.8 million (EUR 18.8 million on 31 Dec. 2017) and the amount of the remaining investment commitments was EUR 9.5 million (EUR 8.9 million). Of the market value, 77% has been invested in private equity funds managed by eQ. The breakdown of the market value and investment commitments of private equity fund investments per fund are presented in the tables section on page 21. The return of eQ's own investment operations since the beginning of operations has been 21% p.a. (IRR).

During the period, the investment objects returned capital of EUR 0.5 million (EUR 0.5 million from 1 Jan. to 31 March 2017) and distributed a profit of EUR 0.5 million (EUR 0.2 million). Capital calls totalled EUR 0.3 million (EUR 0.7 million). The net cash flow from investments during the period was EUR 0.7 million (EUR 0.0 million). The value changes of the private equity fund investments recognised through profit or loss were EUR 0.2 million during the period (- EUR million). The value changes of the investment have been recognised through profit or loss since the beginning of 2018 as a result of the new IFRS 9 standard. The Group's internal management fee expenses, which are included in the result of the Investments segment, totalled EUR 0.1 million (EUR 0.1 million).



During the period under review, eQ Plc made a EUR 1.0 million investment commitment in the eQ PE X North private equity fund. The eQ PE X North fund makes investments in private equity funds that invest in unlisted, small and mid-sized companies in Northern Europe.

The income of eQ's own investment operations is recognised due to factors independent of the company. Due to this, the segment's result may vary considerably. eQ only makes new investments in funds managed by eQ.

Investments	1-3/18	1-3/17	Change %	1-12/17
Net revenue, M€	0.7	0.1	509%	1.4
Operating profit, M€	0.7	0.1	509%	1.4
Fair value of investments, M€	18.8	20.1	-6%	18.8
Investment commitments, M€	9.5	11.3	-16%	8.9

Balance sheet and solvency

At the end of the period under review, the consolidated balance sheet total was EUR 78.6 million (EUR 76.8 million on 31 Dec. 2017) and the shareholders' equity was EUR 47.5 million (EUR 62.7 million). During the period, the shareholders' equity was influenced by the profit for the period of EUR 3.5 million, the decided dividend distribution of EUR -16.1 million, the decided repayment of equity of EUR -2.6 million from the reserve for invested unrestricted equity, and the accrued expense of EUR 0.1 million related to the option scheme and enter in the shareholders' equity. The changes are specified in detail in the tables attached to this release.

At the end of the period, liquid assets totalled EUR 15.8 million (EUR 14.6 million) and liquid investments in mutual funds EUR 10.0 million (EUR 10.0 million). In order to safeguard the availability of financing, the Group has access to a credit limit of EUR 4.0 million. At the end of the period, the Group's short-term receivables amounted to EUR 4.1 million (EUR 3.3 million). The Group had no interest-bearing liabilities at the end of the period (EUR 0.0 million). At the end of March, interest-free long-term debt, which consists of the deferred tax liability, was EUR 0.1 million (EUR 0.3 million) and interest-free short-term debt EUR 31.0 million (EUR 13.8 million), including EUR 18.8 million (EUR 0.0 million) of debt related to the dividend distribution and repayment of equity. eQ's equity to assets ratio was 60.5% (81.6).

A subsidiary called eQ Asset Management Ltd, which is engaged in investment firm operations and fully owned by eQ Plc, is part of the Group. eQ Asset Management Ltd, as investment firm, and eQ Plc as the holding company, apply the Basel III/CRD IV regulations. The Group's CET1 (Common Equity Tier 1) and solvency ratio of the own funds was 11.9% (11.9% on 31 Dec. 2017) at the end of the period. The minimum requirement for own funds is 8%. At the end of the period, the Group's own funds based on solvency calculations totalled EUR 14.6 million (EUR 14.5 million on 31 Dec. 2017), and the risk-weighted items were EUR 123.0 million (EUR 121.3 million). Detailed information on the Group's solvency can be found in the tables section.

Shares and share capital

At the end of the period on 31 March 2018, the number of eQ Plc's shares was 37 507 198 and the share capital was EUR 11 383 873. There were no changes in the number or shares or share capital during the period.

The closing price of eQ Plc's share on 31 March 2018 was EUR 8.64 (EUR 8.30 on 31 Dec. 2017). The market capitalisation of the company was thus EUR 324.0 million (EUR 311.3 million) at the end of the period. During the period, 462 902 shares were traded on Nasdaq Helsinki (763 510 shares from 1 Jan. to 31 March 2017).

Own shares

On 31 March 2018, eQ Plc held no own shares.



Shareholders

Ten major shareholders on 31 March 2018

	Shares	Share, %
1 Fennogens Investements SA	6 973 137	18.59
2 Chilla Capital S.A.	5 652 635	15.07
3 Anchor Oy Ab	3 903 677	10.41
4 Teamet Oy	3 850 000	10.26
5 Umo Capital Oy	3 786 620	10.10
6 Oy Cevante Ab	1 419 063	3.78
7 Fazer Jan Peter	1 288 306	3.43
8 Linnalex Ab	681 652	1.82
9 Lavventura Oy	550 000	1.47
10 Pinomonte Ab	529 981	1.41
10 major shareholders, total	28 635 071	76.35
Nominee registered	408 255	1.09
Other shares	8 463 872	22.57
Total	37 507 198	100.00

On 31 March 2018, eQ Plc had 5 188 shareholders (5 048 shareholders on 31 Dec. 2017).

Option schemes

At the end of the period, eQ Plc had two option schemes. The option schemes are intended as part of the commitment system of the Group's key personnel.

Option scheme 2010

At the end of the period, altogether 1 700 000 options had been allocated from option scheme 2010. Of these options, altogether 1 150 000 had been exercised by the end of the period. The number of outstanding options was 550 000 at the end of the period. No options of the option scheme 2010 can any longer be allocated. Options of the option scheme 2010 have been listed on Nasdaq Helsinki. The terms and conditions of the option scheme have been published in a stock exchange release of 18 August 2010, and they can be found in their entirety on the company website at www.eQ.fi.

Option scheme 2015

At the end of the period, altogether 1 575 000 options had been allocated from option scheme 2015. At the end of the period, there were still 425 000 options in option scheme 2015 available for allocation. The terms and conditions of the option scheme have been published in a stock exchange release of 5 November 2015, and they can be found in their entirety on the company website at www.eQ.fi.

Decisions by the Annual General Meeting

eQ Plc's Annual General Meeting (AGM), held on Wednesday 28 March 2018 in Helsinki, decided upon the following:

Confirmation of the financial statements

eQ Plc's AGM confirmed the financial statements of the company, which included the consolidated financial statements, the report by the Board of Directors, and the auditors' report for the financial year 2017.



Decision in respect of the result shown on the balance sheet and the distribution of assets from the reserve for invested unrestricted equity

The AGM confirmed the proposal by the Board of Directors that a dividend of EUR 0.43 per share and a repayment of equity of EUR 0.07 from the reserve for invested unrestricted equity be paid out. The dividend and equity repayment were paid to shareholders who, on the record date for the dividend payment, i.e. 3 April 2018, were recorded in the shareholder register held by Euroclear Finland Ltd. The payment date of the dividend and equity repayment was 10 April 2018.

Discharge from liability to the Board of Directors and the CEO

The AGM decided to grant discharge from liability to the Board of Directors and the CEO.

Number of directors, appointment of directors, and the remuneration of directors

According to the decision of the AGM, five members shall be elected to eQ Plc's Board of Directors. Nicholas Berner, Georg Ehrnrooth, Carl Haglund, Timo Kokkila and Annika Poutiainen were re-elected and for a term of office that will end at the close of the next Annual General Meeting. The AGM decided that the directors would receive remuneration as follows: the Chairman of the Board will receive EUR 3 500 and the other directors EUR 2 000 per month. The Directors will also be paid EUR 400 for each Board meeting that they attend. Travel and lodging costs will be compensated in accordance with the company's expense policy. The Board elected Georg Ehrnrooth Chairman of the Board at its meeting held immediately after the AGM.

Auditors and auditors' compensation

The AGM decided to elect the corporation of authorised public accountants KPMG Oy Ab auditor of the company. The auditor with main responsibility appointed by the company is Raija-Leena Hankonen, APA. It was decided to compensate the auditor according to an invoice approved by eQ Plc.

Authorising the Board of Directors to decide on the issuance of shares as well as the issuance of special rights entitling to shares

The AGM authorised the Board of Directors to decide on a share issue or share issues and/or the issuance of special rights entitling to shares referred to in Chapter 10 Section 1 of the Limited Liability Companies Act, in one or several transactions, comprising a maximum total of 5 000 000 new shares. The amount of the authorisation corresponded to approximately 13.33% of all shares in the company on the date of the notice of the AGM.

The authorisation can be used in order to finance or carry out potential acquisitions or other business transactions, to strengthen the balance sheet and the financial position of the company, to carry out the company's incentive schemes or for any other purposes decided by the Board. Based on the authorisation, the Board shall decide on all matters related to the issuance of shares and special rights entitling to shares referred to in Chapter 10 Section 1 of the Limited Liability Companies Act, including the recipients of the shares or the special rights entitling to shares and the amount of the consideration to be paid. Therefore, based on the authorisation, shares or special rights entitling to shares may also be issued to certain persons, i.e. in deviation of the shareholders' pre-emptive rights as described in said Act. A share issue may also be executed without payment in accordance with the preconditions set out in the Limited Liability Companies Act. The authorisation cancels all previous corresponding authorisations and is effective until the next AGM, no longer than 18 months, however.

Personnel and organisation

At the end of the period, the number of Group personnel calculated as full-time resources was 86 (84 persons on 31 Dec. 2017). Calculated as full-time resources, the Asset Management segment had 66 (64) employees and the Corporate Finance segment 15 (15) employees. Group administration had 5 (5) employees.



The overall salaries paid to the employees of eQ Group during the period totalled EUR 4.1 million (EUR 4.0 million from 1 Jan. to 31 March 2017).

Major risks and short-term uncertainties

The major single risk of the Group is the dependence of the operating income on changes in the external operating environment. The result of the Asset Management segment depends on the development of the assets under management, which is dependent of the development of the capital market. On the other hand, the management fees of private equity funds are based on long-term agreements that produce a stable cash flow. The realisation of the performance fee income that is dependent on the success of the investment operations also influences result development. The performance fees of the asset management operations may consist of performance fees paid by mutual funds and real estate funds, profit shares that private equity funds pay to management companies, and performance fees from asset management portfolios.

Success fees, which depend on the number of mergers and acquisitions and real estate transactions and the execution of transactions, have a considerable impact on the result of the Corporate Finance segment. These vary considerably within one year and are dependent on economic trends.

The risks associated with eQ Group's own private equity fund investment operations are the market risk, currency risk and liquidity risk. Among these, the market risk has the greatest impact on investments. The company's own investments are well diversified, which means that the impact of one investment in a company, made by one individual fund, on the return of the investments is often small. The income from eQ Group's own investment operations is recognised for eQ in different quarters due to factors independent of the company, depending on the exits from private equity funds. The income from investment operations and value changes may vary considerably from quarter to quarter.

Events after the period under review

After the period under review, Advium has acted as advisor in two transactions. Advium acted, e.g. as advisor to the seller, as Marimekko sold its head office in Herttoniemi, Helsinki to a fund managed by OP Group at the beginning of April.

eQ Plc
Board of Directors



TABLES

Principles for drawing up the report

The interim report has been prepared in accordance with IFRS standards and the IAS 34 Interim Reports standard, approved by the EU.

The income of eQ's own investment operations is recognised due to factors independent of the company. As a result, the net income from financial assets may vary considerably.

The interim report has not been audited.

New IFRS standards and interpretations

IFRS 9 Financial Instruments:

The new IFRS 9 standard has replaced the IAS 39 standard Financial Instruments. The standard became effective on 1 January 2018. IFRS 9 changed the classification and measurement of financial assets and includes a new expected credit loss model for calculating impairment on financial assets. The classification and measurement of financial liabilities largely correspond to former practice.

According to IFRS 9, eQ Group's own private equity fund investments are classified as financial assets at fair value through profit or loss, and their value changes are entered in the income statement. In the same manner, investments of excess liquidity in short-term fixed-income funds or in other corresponding funds are, according to IFRS 9, recognised at fair value through profit or loss. When applying the IAS 39 standard, eQ Group entered the profit distribution from private equity fund investments, permanent impairment as well as sales profits and losses among the net income from available-for-sale financial assets. When applying the IAS 39 standard, the unrealised changes in value arising from valuation at fair value were included in the shareholders' equity under the fair value reserve through other items of comprehensive income. In the same manner, the value changes of short-term fixed-income funds and other corresponding investment have been entered in the fair value reserve, when applying the IAS 39 standard.

eQ recognises credit losses from sales receivables at an amount that corresponds to the expected credit losses during the entire life cycle of the receivables. The change in the valuation method had no significant impact at transition.

eQ Group has applied the IFRS 9 standard for the first time from 1 January 2018 and taken advantage of the exemption allowing it not to restate comparative information. During the period 1 Jan. to 31 Dec. 2017, the change in value of the private equity fund investments made from eQ Group's own balance sheet was EUR -0.1 million and during the period 1 Jan. to 31 March 2017 EUR 0.7 million. The cumulative value changes related to private equity fund investments in the fair value reserve after taxes were EUR -0.2 million on 31 December 2017. During the period 1 Jan. to 31 Dec. 2017, the change in value of the private equity fund investments made from eQ Group's own balance sheet was EUR -0.1 million and during the period 1 Jan. to 31 March 2017 EUR 0.0 million. The cumulative value changes related to private equity fund investments in the fair value reserve after taxes were EUR 0.0 million on 31 December 2017. When the Group began to apply the IFRS 9 standard on 1 January 2018, the cumulative changes in value adjusted with tax were transferred within equity from the fair value reserve to retained earnings.

The introduction of the IFRS 9 standard has not changed the treatment of financial liabilities in eQ Group.



IFRS 15 Revenue from Contracts with Customers:

The new IFRS 15 standard has replaced the IAS 18 and IAS 11 standards and the interpretations related to them. The standard became effective on 1 January 2018. IFRS 15 provides a five-step model to be applied to revenue based on contracts with customers. Revenue can be recognised over time or at a specific time, the central criterion being the transfer of control.

The new standard has not changed the revenue recognition practice of eQ Group. The stages of the five-step model included in the IFRS 15 standard regarding the identification of contracts or separate performance obligations will not lead to any significant changes to the former revenue recognition practice. In its present practice, eQ Group has already taken into consideration the requirement of limiting the assessment of variable consideration when defining the consideration that it expects to be entitled to. Therefore, no changes are made in the timing of the revenue recognition of the Asset Management segment's management fees or performance fees, nor in the revenue recognition of the fees of the Corporate Finance segment. eQ Group applies the IFRS 15 standard for the first time from 1 January 2018 and will apply it retrospectively.



CONSOLIDATED INCOME STATEMENT, EUR 1 000

	1-3/18	1-3/17	1-12/17
Fee and commission income	9 003	9 257	39 292
Interest income	0	0	4
Net income from financial assets	702	162	1 738
Operating income, total	9 705	9 420	41 035
Fee and commission expenses	-105	-70	-354
Interest expenses	0	0	-1
NET REVENUE	9 600	9 350	40 680
Administrative expenses			
Personnel expenses	-4 143	-4 027	-16 075
Other administrative expenses	-528	-534	-2 269
Depreciation on tangible and intangible assets	-43	-76	-282
Other operating expenses	-491	-470	-1 928
Impairment losses of other financial assets	-	-	-5
OPERATING PROFIT (LOSS)	4 394	4 244	20 121
Income tax	-917	-882	-4 198
PROFIT (LOSS) FOR THE PERIOD	3 477	3 362	15 922

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	1-3/18	1-3/17	1-12/17
Other comprehensive income:			
Items that may be reclassified subsequently to the income statement:			
Available-for-sale financial assets, net	-	592	-132
Other comprehensive income after taxes	-	592	-132
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3 477	3 954	15 790
Profit for the period attributable to:			
Equity holders of the parent company	3 477	3 362	15 922
Non-controlling interests	-	-	-
Comprehensive income for the period attributable to:			
Equity holders of the parent company	3 477	3 954	15 790
Non-controlling interests	-	-	-
Earnings per share calculated from the profit of equity holders of the parent company			
Earnings per average share, EUR	0.09	0.09	0.43
Diluted earnings per average share, EUR	0.09	0.08	0.40



CONSOLIDATED BALANCE SHEET, EUR 1 000

	31 March 2018	31 March 2017	31 Dec. 2017
ASSETS			
Liquid assets	55	63	30
Claims on credit institutions	15 737	11 118	14 599
Financial assets			
Financial securities	10 034	10 123	10 066
Private equity fund investments	18 841	20 066	18 792
Intangible assets	29 457	29 477	29 431
Tangible assets	299	352	309
Other assets	3 352	7 145	2 673
Accruals and prepaid expenditure	687	1 125	607
Income tax receivables	76	656	33
Deferred tax assets	25	198	271
TOTAL ASSETS	78 563	80 324	76 810
LIABILITIES AND EQUITY			
LIABILITIES			
Other liabilities	25 153	24 765	3 919
Accruals and deferred income	5 698	4 116	9 108
Income tax liabilities	126	862	774
Deferred tax liabilities	72	474	348
TOTAL LIABILITIES	31 049	30 218	14 149
EQUITY			
Attributable to equity holders of the parent company:			
Share capital	11 384	11 384	11 384
Fair value reserve	-	532	-193
Reserve for invested unrestricted equity	27 012	29 315	29 638
Retained earnings	5 640	5 514	5 910
Profit (loss) for the period	3 477	3 362	15 922
TOTAL SHAREHOLDERS' EQUITY	47 514	50 106	62 661
TOTAL LIABILITIES AND EQUITY	78 563	80 324	76 810



CONSOLIDATED CASH FLOW STATEMENT, EUR 1 000

	1-3/2018	1-3/2017	1-12/2017
CASH FLOW FROM OPERATIONS			
Operating profit	4 394	4 244	20 121
Depreciation and write-downs	43	76	387
Interest income and expenses	0	0	-4
Transactions with no related payment transactions	-52	130	552
Financial assets – private equity fund investments	165	-163	176
Change in working capital			
Business receivables, increase (-) / decrease (+)	-758	1 683	6 920
Interest-free debt, increase (+) / decrease (-)	-1 698	-584	1 739
Total change in working capital	-2 456	1 100	8 659
Cash flow from operations before financial items and taxes	2 095	5 386	29 892
Interests received	0	0	4
Interests paid	0	0	-1
Taxes	-872	-749	-3 484
CASH FLOW FROM OPERATIONS	1 223	4 637	26 411
CASH FLOW FROM INVESTMENTS			
Investments in intangible and tangible assets	-60	-82	-199
Investments/redemptions in other investments – liquid mutual funds		-	-44
CASH FLOW FROM INVESTMENTS	-60	-82	-243
CASH FLOW FROM FINANCING			
Dividends paid/equity repayments	-	-	-18 489
Income from share subscription	-	-	323
CASH FLOW FROM FINANCING	0	0	-18 165
INCREASE/DECREASE IN LIQUID ASSETS	1 163	4 555	8 003
Liquid assets on 1 Jan.	14 629	6 626	6 626
Liquid assets on 31 March/31 Dec.	15 792	11 181	14 629



CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY, EUR 1 000

Equity attributable to equity holders of the parent company						
	Share capital	Reserve for invested unrestricted equity	Fair value reserve	Retained earnings	Total	Total equity
Shareholders' equity on 1 Jan. 2017	11 384	34 861	-61	18 326	64 511	64 511
Profit (loss) for the period				3 362	3 362	3 362
Other comprehensive income						
Available-for-sale financial assets			592		592	592
Total comprehensive income			592	3 362	3 954	3 954
Dividend/equity repayment		-5 547		-12 942	-18 489	-18 489
Options granted				131	131	131
Other changes				0	0	0
Shareholders' equity on 31 March 2017	11 384	29 315	532	8 876	50 106	50 106

Shareholders' equity on 1 Jan. 2018	11 384	29 638	-193	21 832	62 661	62 661
Profit (loss) for the period				3 477	3 477	3 477
Other comprehensive income			-		-	-
Total comprehensive income			0	3 477	3 477	3 477
Dividend/equity repayment		-2 626		-16 128	-18 754	-18 754
Options granted				131	131	131
IFRS 9 change			193	-193	0	0
Other changes				-1	-1	-1
Shareholders' equity on 31 March 2018	11 384	27 012	0	9 118	47 514	47 514



FEE AND COMMISSION INCOME, GROUP, EUR 1 000

	1-3/18	1-3/17	1-12/17
Asset management fees			
Management fees from traditional asset management	2 295	2 142	8 860
Real estate and private equity management fees	5 488	4 075	18 183
Other fee and commission income	77	77	587
Performance fees	696	1 719	6 430
Total	8 556	8 013	34 060
Corporate finance fees	448	1 244	5 232
Fee and commission income, total	9 003	9 257	39 292

NET INCOME FROM FINANCIAL ASSETS, GROUP, EUR 1 000

	1-3/18	1-3/17	1-12/17
Private equity fund investment operations			
Profit distribution of funds	519	162	1 694
Changes in fair value	215	-	-
Impairment (IAS 39, available for sale)	-	-	-100
Total	734	162	1 594
Other investment operations			
Changes in fair value	-32	-	-
Sales profit/loss (IAS 39, available for sale)	-	-	144
Total	-32	0	144
Net income from financial assets, total	702	162	1 738

FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES, EUR 1 000

	31 March 2018		31 March 2017		31 Dec. 2017	
	Fair value	Book value	Fair value	Book value	Fair value	Book value
Financial assets						
Investments						
Private equity fund investments	18 841	18 841	20 066	20 066	18 792	18 792
Financial securities	10 034	10 034	10 123	10 123	10 066	10 066
Accounts receivable and other receivables	676	676	920	920	852	852
Liquid assets	15 792	15 792	11 181	11 181	14 629	14 629
Total	45 343	45 343	42 290	42 290	44 339	44 339
Financial liabilities						
Accounts payable and other liabilities	444	444	1 509	1 509	355	355
Total	444	444	1 509	1 509	355	355

The table shows the fair values and book values of financial assets and liabilities per balance sheet item. The assessment principles of fair values are presented in the accounting principles. The original book value of accounts receivable and accounts payable corresponds to their fair value, as the impact of discounting is not essential taking into account the maturity of the receivables and liabilities.

Value of financial instruments across the three levels of the fair value hierarchy

	31 March 2018		31 March 2017		31 Dec. 2017	
	Level 1	Level 3	Level 1	Level 3	Level 1	Level 3
Financial assets						
Private equity fund investments	-	18 841	-	20 066	-	18 792
Financial securities	10 034	-	10 123	-	10 066	-
Total	10 034	18 841	10 123	20 066	10 066	18 792

Level 3 reconciliation:

1-3/2018	Private equity fund investments
Opening balance on 1 Jan. 2018	18 792
Calls	322
Returns	-487
Value change through profit or loss (IFRS 9)	214
Closing balance on 31 March 2018	18 841

1-3/2017	Private equity fund investments
Opening balance on 1 Jan. 2017	19 209
Calls	657
Returns	-494
Impairment loss	-
Change in fair value in fair value reserve (IAS 39)	694
Closing balance on 31 March 2017	20 066



1-12/2017	Private equity fund investments
Opening balance on 1 Jan. 2017	19 209
Calls	3 151
Returns	-3 327
Impairment loss	-100
Change in fair value in fair value reserve (IAS 39)	-141
Closing balance on 31 Dec. 2017	18 792

Level 1 comprises liquid assets the value of which is based on quotes in the liquid market. A market where the price is easily available on a regular basis is regarded as a liquid market.

The fair values of level 3 instruments are based on the value of the fund according to the management company of the fund and their use in widely used valuation models. Private equity fund investments are valued in accordance with a practice widely used in the sector, International Private Equity and Venture Capital Guidelines. During the period under review, no transfers took place between the levels of the fair value hierarchy.



PRIVATE EQUITY FUND INVESTMENTS, EUR 1 000

Market value	31 March 2018	31 Dec. 2017
Funds managed by eQ:		
Funds of funds:		
eQ PE X North LP	47	0
eQ PE IX US LP	0	0
eQ PE VIII North LP	1 018	858
eQ PE VII US LP	843	853
eQ PE VI North LP	1 233	1 186
Amanda V East LP	3 895	3 670
Amanda IV West LP	2 667	2 626
Amanda III Eastern PE LP	4 781	5 079
European Fund Investments LP (EFI II)	75	74
Total	14 559	14 346
Funds managed by others:		
Large buyout funds	1 930	2 202
Midmarket funds	1 376	1 300
Venture funds	976	944
Total	18 841	18 792

REMAINING INVESTMENT COMMITMENTS OF PRIVATE EQUITY FUND INVESTMENTS, EUR 1 000

Investment commitment	31 March 2018	31 Dec. 2017
Funds managed by eQ:		
Funds of funds:		
eQ PE X North LP	950	0
eQ PE IX US LP	894	916
eQ PE VIII North LP	1 825	2 012
eQ PE VII US LP	1 536	1 573
eQ PE VI North LP	1 408	1 407
Amanda V East LP	669	669
Amanda IV West LP	486	614
Amanda III Eastern PE LP	350	350
European Fund Investments LP (EFI II)	35	35
Total	8 153	7 576
Funds managed by others:		
Large buyout funds	234	234
Midmarket funds	1 110	1 096
Venture funds	12	11
Total	9 509	8 917



MARKET VALUE OF PRIVATE EQUITY FUND INVESTMENTS BASED ON THE YEAR OF ESTABLISHMENT, EUR 1 000

Market value		
	31 March 2018	31 Dec. 2017
-2000	420	450
2001–2005	1 262	1 194
2006–2010	10 123	10 581
2011-	7 036	6 567
Total	18 841	18 792

REMAINING INVEST COMMITMENTS OF PRIVATE EQUITY FUND INVESTMENTS BASED ON THE YEAR OF ESTABLISHMENT, EUR 1 000

Investment commitment		
	31 March 2018	31 Dec. 2017
-2000	12	12
2001–2005	742	742
2006–2010	1 473	1 585
2011-	7 282	6 578
Total	9 509	8 917



SEGMENT INFORMATION, EUR 1 000

1-3/18	Asset Man.	Corporate Finance	Invest- ments	Other	Elimin- ations	Group total
Fee and commission income	8 556	448	-	-		9 003
From other segments	50	-	-	-	-50	-
Net income from foreign exchange dealing	-	-	-	-		-
Interest income	-	-	-	0		0
Net income from financial assets	-	-	734	-32		702
Other operating income	-	-	-	-		-
From other segments	-	-	-	19	-19	-
Operating income, total	8 606	448	734	-12	-69	9 705
Fee and commission expenses	-103	0	-	-2		-105
To other segments	-	-	-50	-	50	-
Interest expenses	-	-	-	0		0
NET REVENUE	8 503	448	684	-14	-19	9 600
Administrative expenses						
Personnel expenses	-3 402	-435	-	-306		-4 143
Other administrative expenses	-418	-82	-	-47	19	-528
Depreciation on tangible and intangible assets	-35	-4	-	-5		-43
Other operating expenses	-337	-72	-	-83		-491
OPERATING PROFIT (LOSS)	4 312	-145	684	-455	0	4 394
Income tax				-917		-917
PROFIT (LOSS) FOR THE PERIOD				-1 372		3 477

1-3/17	Asset Man.	Corporate Finance	Invest- ments	Other	Elimin- ations	Group total
Fee and commission income	8 013	1 244	-	-		9 257
From other segments	50	-	-	-	-50	0
Net income from foreign exchange dealing	-	-	-	-		-
Interest income	-	-	-	0		0
Net income from financial assets	-	-	162	-		162
Other operating income	-	-	-	-		-
From other segments	-	-	-	19	-19	0
Operating income, total	8 063	1 244	162	20	-69	9 420
Fee and commission expenses	-68	-	-	-2		-70
To other segments	-	-	-50	-	50	0
Interest expenses	-	-	-	0		0
NET REVENUE	7 996	1 244	112	17	-19	9 350



1-3/17	Asset Man.	Corporate Finance	Investments	Other	Eliminations	Group total
Administrative expenses						
Personnel expenses	-3 179	-622	-	-226		-4 027
Other administrative expenses	-416	-95	-	-41	19	-534
Depreciation on tangible and intangible assets	-65	-6	-	-6		-76
Other operating expenses	-326	-65	-	-79		-470
OPERATING PROFIT (LOSS)	4 010	456	112	-335	0	4 244
Income tax				-882		-882
PROFIT (LOSS) FOR THE PERIOD				-1 217		3 362

1-12/17	Asset Man.	Corporate Finance	Investments	Other	Eliminations	Group total
Fee and commission income	34 060	5 232	-	-		39 292
From other segments	200	-	-	-	-200	-
Net income from foreign exchange dealing	-	-	-	-		-
Interest income	-	-	-	4		4
Net income from financial assets	-	-	1 594	144		1 738
Other operating income	-	-	-	-		-
From other segments	-	-	-	77	-77	-
Operating income, total	34 260	5 232	1 594	225	-277	41 035
Fee and commission expenses	-346	0	-	-8		-354
To other segments	-	-	-200	-	200	-
Interest expenses	-	-	-	-1		-1
NET REVENUE	33 914	5 232	1 394	217	-77	40 680
Administrative expenses						
Personnel expenses	-12 587	-2 526	-	-962		-16 075
Other administrative expenses	-1 744	-402	-	-200	77	-2 269
Depreciation on tangible and intangible assets	-237	-22	-	-23		-282
Other operating expenses	-1 321	-276	-	-331		-1 928
Impairment losses of other financial assets	-	-5	-	-		-5
OPERATING PROFIT (LOSS)	18 026	2 000	1 394	-1 299	0	20 121
Income tax				-4 198		-4 198
PROFIT (LOSS) FOR THE PERIOD				-5 498		15 922

The fee and commission income of the Asset Management segment from other segments comprises the management fee income from eQ Group's own investments in private equity funds. The corresponding expenses are allocated to the Investments segment. Under the item Other, income from other segments comprises the administrative services provided by Group administration to other segments and the undivided interest income and expenses. The item Other also includes the undivided personnel, administration and other expenses allocated to Group administration. The taxes not distributed to the segments are also presented under the item Other.

The highest operative decision-making body does not follow assets and liabilities at segment level, due to which the Group's assets and liabilities are not presented as divided between the segments.



PROFIT DEVELOPMENT OF SEGMENTS PER QUARTER, EUR 1 000

	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17
Asset Management					
Net revenue	8 503	10 453	7 420	8 045	7 996
Operating profit	4 312	5 644	4 189	4 182	4 010
Corporate Finance					
Net revenue	448	2 580	308	1 100	1 244
Operating profit	-145	1 258	-78	365	456
Investments					
Net revenue	684	813	278	191	112
Operating profit	684	813	278	191	112
Other segments and eliminations					
Net revenue	-34	56	-2	87	-2
Operating profit	-455	-411	-263	-291	-335
Group total					
Net revenue	9 600	13 903	8 004	9 423	9 350
Operating profit	4 394	7 304	4 127	4 447	4 244
Profit for the period	3 477	5 799	3 265	3 496	3 361



SOLVENCY, EUR 1 000

	CRR 31.3.2018 eQ Group	CRR 31.12.2017 eQ Group
Own capital	47 514	62 661
Common equity tier 1 (CET 1) before deductions	47 514	62 661
Deductions from CET 1		
Intangible assets	-29 457	-29 431
Unconfirmed profit for the period	-3 477	-15 922
Dividend proposal by the Board*	0	-2 831
Common equity tier 1 (CET1)	14 580	14 477
Additional tier 1 (AT1)	0	0
Tier 1 (T1 = CET1 + AT1)	14 580	14 477
Tier 2 (T2)	0	0
Total capital (TC = T1 + T2)	14 580	14 477
Risk-weights, total	122 986	121 253
of which credit risk	50 899	49 147
of which market risk - currency risk	5 451	5 469
of which operative risk	66 636	66 636
Common equity tier 1 (CET1) / risk-weights, %	11.9%	11.9%
Tier 1 (T1) / risk-weights, %	11.9%	11.9%
Total capital (TC) / risk-weights, %	11.9%	11.9%
Minimum solvency ratio, %	24.9%	25.7%
Excess of total capital compared with the minimum level (8% solvency ratio)	4 741	4 777
Excess of total capital compared with the target level (10% solvency ratio)	2 281	2 351

*The dividend and equity repayment proposed by the Board exceeding the profit for the period.



GROUP KEY RATIOS

	31 March 2018	31 March 2017	31 Dec. 2017
Profit (loss) for the period to the equity holders of the parent company, EUR 1 000	3 477	3 362	15 922
Earnings per average share, EUR	0.09	0.09	0.43
Diluted earnings per average share, EUR	0.09	0.08	0.40
Equity per share, EUR	1.27	1.36	1.67
Equity per average share, EUR *)	1.27	1.36	1.68
Return on investment, ROI % p.a.	25.2	23.5	25.0
Return on equity, ROE % p.a.	25.2	23.5	25.0
Equity to assets ratio, %	60.5	62.4	81.6
Cost/income ratio, Group, %	54.2	54.5	50.5
Share price at the end of the period, EUR	8.64	8.04	8.30
Market value, EUR million	324.0	297.3	311.3
Personnel calculated as full-time resources at the end of the period	86	80	84

*) Weighted average number of shares outstanding.

eQ applies the guidelines of the European Securities and Markets Authority, ESMA, on alternative performance measures. An alternative performance measure is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework (IFRS). eQ presents alternative measures in order to describe the financial development of its operations. The calculation principles and formulae of the key ratios are presented in the company's 2017 financial statements, which are available on the company website at www.eQ.fi. The key ratios presented by eQ can be directly calculated with the calculation formulae based on the information in the income statement, balance sheet and notes thereto.

REMAINING COMMITMENTS

On 31 March 2018, eQ's remaining investment commitments in private equity funds totalled EUR 9.5 million (EUR 8.9 million on 31 Dec. 2017). Other commitments at the end of the period totalled EUR 1.3 million (EUR 1.4 million on 31 Dec. 2017).