



ANNUAL REVIEW 1999

Sanoma-WSOY Oyj

Content

2	SanomaWSOY in brief
3	SanomaWSOY organisation
4	1999 in brief
6	The Year in Focus
8	Creativity
10	Reliability
12	Dynamism
14	President's Review
16	Summary of the Financial Statements
22	Helsinki Media
28	Sanoma
34	WSOY
40	Rautakirja
46	Human Resources
48	Environmental Review
50	Corporate Governance
52	Board of Directors
54	Management Group
56	Group Treasury and Asset Management
57	Investing in SanomaWSOY
58	Contact Information





SanomaWSOY's four subsidiary groups all operate in the modern communications sector, offering their customers a variety of services, from news and entertainment to culture and training, through both print and electronic media.

SanomaWSOY's vision is to be the most dynamic media company in Northern Europe, with an emphasis on creativity and reliability. Over the long term, the Group's aim is to be one of the leaders in Europe's mid-sized communications companies, as measured in terms of share value growth, and to guarantee its shareholders a solid and increasing level of dividend income. In addition to organic growth, the Group's future development will be focused mainly on expanding into new business areas and extending SanomaWSOY's international presence.

→ **Helsinki Media**

The Helsinki Media Group publishes a range of general magazines, special interest magazines, comics, and books, and is also involved in television and network communications. The company is the market leader in Finland in women's magazines and comics, home computer and professional IT magazines, and in publishing corporate publications and corporate directories. As a publisher, Helsinki Media has concentrated on children's and young people's books based on well-known story and comic characters. Helsinki Media has been a Finnish pioneer in cable and satellite television. Channel Four Finland can be seen by 80% of the Finnish population, and is particularly popular with the urban audience that interests many advertisers. Helsinki Media operates in Finland and Sweden.

→ **Sanoma**

The Sanoma Group publishes major newspapers and provides a range of financial information services, and is also involved in the new media business and commercial printing. Helsingin Sanomat is the Nordic region's largest daily newspaper, reaching over 1.3 million people daily; while Ilta-Sanomat is Finland's second-largest newspaper, and the country's largest quality tabloid. Kymen Lehtimedia publishes daily and local papers in South-East Finland. Startel Oy, a specialist in financial information services, is a rapidly growing new media group, and publishes the financial daily, Taloussanomat, available in both print and online forms, and provides news services and business electronic services. Esmerk Oy, a provider of news analysis and follow-up services, is also part of the Startel Group, and has subsidiaries in a number of EU countries, Russia, the Baltic countries, the Far East, and South America.

→ **WSOY**

The WSOY Group is Finland's largest publishing house and the market leader in general literature, educational materials, and a number of specialist publications. WSOY is also Finland's largest publisher of CD-ROMs, and the first company in Finland to operate an entirely Internet-based book club. Other WSOY products include multi-volume reference works, calendars, and digital and printed maps. WSOY is the Nordic region's largest book printer, the market leader in digital printing, and the printer of numerous specialist publications that have been selected as among the best in their field in Finland in terms of quality. WSOY operates in Finland, Sweden, Norway, Denmark, and Poland.

→ **Rautakirja**

The Rautakirja Group is an increasingly international, consumer-oriented retail and service company, focused on press distribution and retail operations and speciality retailing. Rautakirja's R-kiosks are Finland's leading chain of kiosks, while Lehtipiste is the country's leading magazine wholesaler. Suomalainen Kirjakauppa is Finland's largest chain of full-service bookshops, and the operator of a Web bookshop; and Finnkino, the Finnish market leader in movie theatre operations. Other Rautakirja businesses include Eurostrada, a chain of highway service areas, and the Finnish network of Pizza Hut restaurants. Rautakirja operates in Finland, Estonia, and Latvia.

INDUSTRIES

Magazine Publishing

Magazines
Special interest magazines
Comics
Books

Electronic Media

TV operations
Network media

Newspaper Publishing and Printing

Helsingin Sanomat
(Daily newspaper)
Ilta-Sanomat (Tabloid)
Local and regional newspapers
Printing plants

Financial and New Media Products
Taloussanomat (Financial daily)
News agency services
News analysis and follow-up services

Publishing

Books
Maps
Educational material
Electronic publications
Other electronic products

Printing

Printing plant
Digital printing plant
Special printed products

Calendar Operations

Calendars

Kiosk Operations

Press Distribution

Bookstores

Movie Theatre Operations

Restaurant Operations

SUBSIDIARY GROUPS

Helsinki Media

President
Tapio Kallioja
Deputy Eija Ailasmaa

Sanoma

President
Seppo Kievari
Deputy Martti Ojares

WSOY

President
Antero Siljola
Deputy Jorma Kaimio

Rautakirja

President and CEO
Hannu Syrjänen

CORPORATE FUNCTIONS

Administration and Finance

Aarno Heinonen

Legal Affairs and Corporate Planning

Kerstin Rinne

Group Treasury and Asset Management

Nils Ittonen

Development

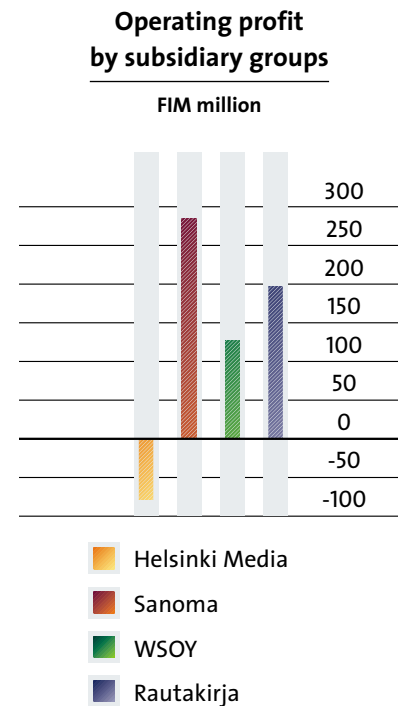
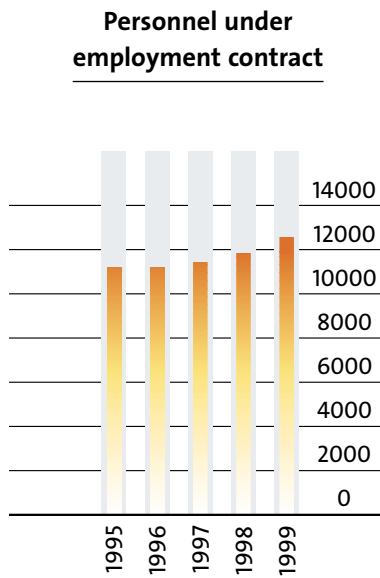
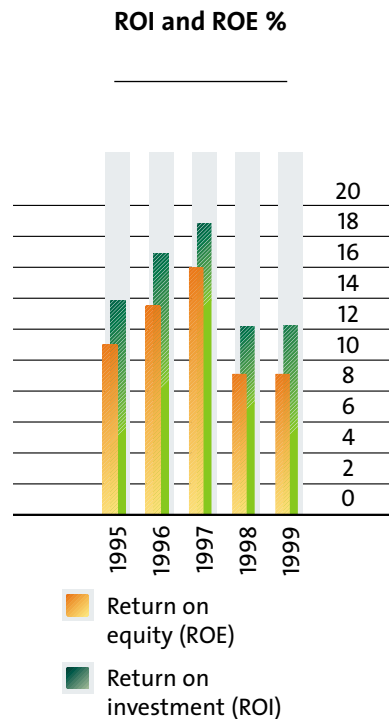
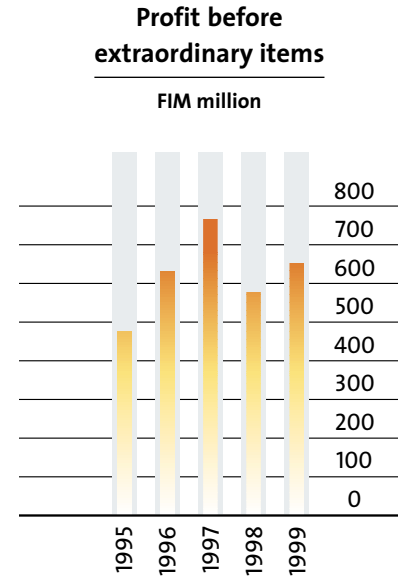
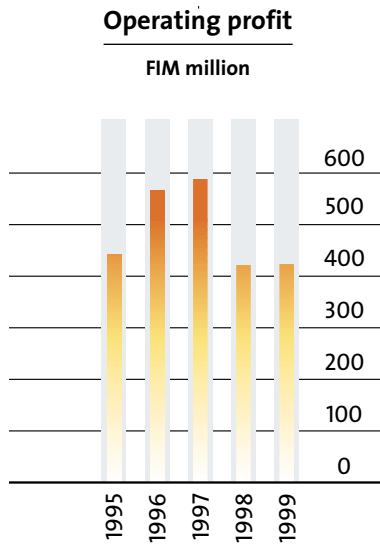
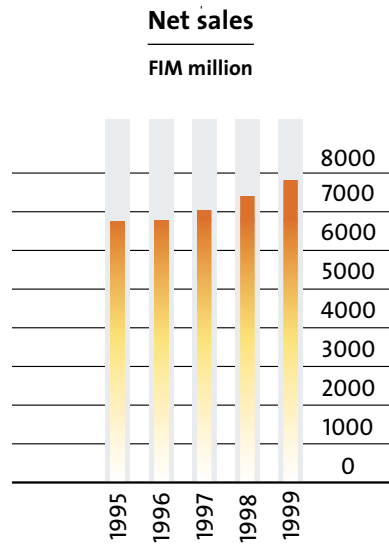
Pekka Jaakola

Investor Relations and Communications

Raija Kariola

PRESIDENT AND CEO

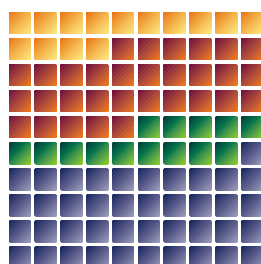
Jaakko Rauramo



SanomaWSOY's financial statements for 1999 are in Finnish markka.

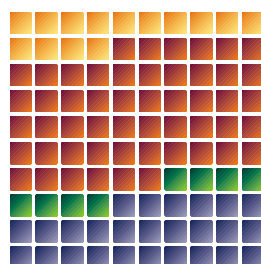
Net sales by subsidiary groups

%



Investments by subsidiary groups

%



Group's financial targets (2000–2003)

Average annual
target level

Net sales, growth, %	10.0
Return on equity, % (ROE) *	10.0
Return on investment, % (ROI) **	12.0
Earnings/share, growth, %	10.0
Equity ratio, %	50.0

*) The (ROE) target is 4 % above minimum-risk interest rate levels.

**) The (ROI) target is 6 % above minimum-risk interest rate levels.

KEY INDICATORS (FAS*), PRO FORMA	1999	1998	1997	1996	1995	1999	1998	1997	1996	1995
	MFIM	MFIM	MFIM	MFIM	MFIM	M€	M€	M€	M€	M€
Net sales	7 851.7	7 442.6	7 077.0	6 812.0	6 783.0	1 320.6	1 251.7	1 190.3	1 145.7	1 140.8
Operating profit	426.2	423.5	590.0	570.0	445.0	71.7	71.2	99.2	95.9	74.8
% of net sales	5.4%	5.7%	8.3%	8.4%	6.6%					
Profit before extraordinary items	656.4	580.9	770.0	634.0	480.0	110.4	97.7	129.5	106.6	80.7
% of net sales	8.4%	7.8%	10.9%	9.3%	7.1%					
Balance sheet total	7 866.9	7 370.4	6 473.0	6 005.0	5 877.0	1 323.1	1 239.6	1 088.7	1 010.0	988.4
Gross investments	1 663.1	883.9	935.0	312.0	589.0	279.7	148.7	157.3	52.5	99.1
% of net sales	21.2%	11.9%	13.2%	4.6%	8.7%					
Return on equity, % (ROE)	9.3%	9.2%	16.1%	13.6%	11.1%					
Return on investment, % (ROI)	12.4%	12.3%	18.5%	17.4%	14.4%					
Equity ratio, %	71.0%	69.6%	63.9%	60.0%	53.0%					
Gearing, %	-24.0%	-40.3%	-19.0%	-13.0%	-1.3%					
Earnings/share, FIM/EUR	12.68	11.19	15.71	10.49	7.21	2.13	1.88	2.64	1.76	1.21
Cash flow/share, FIM/EUR	21.28	–	–	–	–	3.58	–	–	–	–
Equity/share, FIM/EUR	135.15	126.53	101.06	80.90	68.94	22.73	21.28	17.00	13.61	11.59
Dividend/share, FIM/EUR **)	10.75	–	–	–	–	1.81	–	–	–	–
Market capitalisation	10 508.2	–	–	–	–	1 767.4	–	–	–	–
Personnel under employment contract	12 629	11 900	11 494	11 249	11 266					
Personnel, average	9 816	9 329	9 786	9 503	9 465					
Financial cost of liabilities	49.7	38.6	40.2	59.3	72.6	8.4	6.5	6.8	10.0	12.2
Interest-bearing liabilities	619.7	596.4	665.5	753.6	885.0	104.2	100.3	111.9	126.7	148.8
Interest-free liabilities	1 863.1	1 863.1	1 872.5	1 856.4	2 039.0	313.3	313.4	314.9	312.2	342.9
Financial securities, cash and bank	1 909.8	2 574.9	1 413.0	1 179.0	921.0	321.2	433.1	237.6	198.3	154.9

*) FAS = Finnish Accounting Standard.

**) Proposal of the Board of Directors

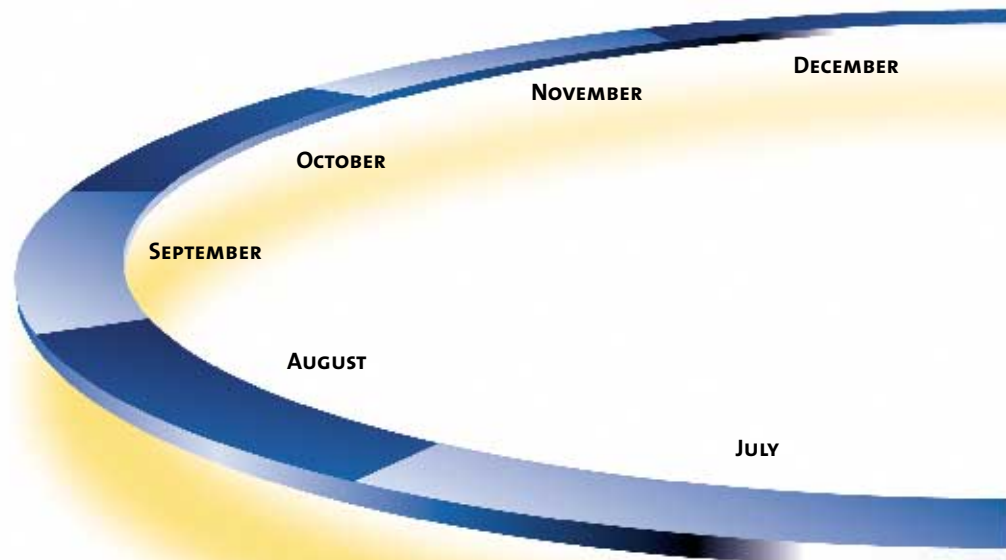


The Year in Focus



Sanoma Corporation's new head office, Sanoma House, was officially opened on November 16. President Martti Ahtisaari (left) and the Chairman of SanomaWSOY's Board of Directors, Dr Aatos Erkko, at the opening ceremony.

- 1.1 Hansaprint Oy, 40%-owned by Helsinki Media, began operations following the start of printing cooperation between Helsinki Media and TS-Yhtymä Oy.
- 11.1 Helsinki Media increased its holding in Norway's A-pressen ASA to 20%.
- 18.1 Sanoma Corporation acquired 14.9% of the new media company, Tietovalta Oy.
- 10.3 Rautakirja acquired 21% of Jokerit HC Oyj (entertainment & sports).
- 10.3 Kymen Lehtimedia Oy became a wholly owned Sanoma subsidiary.
- 22.3 Startel acquired 100% of Esmerk Oy, a provider of news analysis and follow-up services.
- 3.5 The merger of Helsinki Media, Sanoma Corporation, and WSOY was completed, and SanomaWSOY started operations.
- 3.5 Finnkino Oy acquired 90% of Estonia's leading film distributor and cinema operator, AS MPDE.



- 5.10 WSOY acquired a 27.8% holding in the Polish multimedia company, Young Digital Poland.
- 12.10 Helsinki Media became a 20% shareholder in Pro Licensing Nordic.
- 28.10 Rautakirja acquired 80% of the Veikkausrasti chain of 52 betting shops.
- 29.10 Rautakirja expanded its Estonian operations by acquiring the Plusspunkt chain of 75 kiosks and 23 kiosks from TRC Tubaka AS. Rautakirja also established a newspaper and magazine distribution company with Estonia's largest publisher, AS Ekspress Grupp, to handle nationwide distribution in Estonia.
- 11.11 SanomaWSOY increased its holding in Tietovalta Oy to 20.3%.
- 15.11 SanomaWSOY swapped its holding in Tietovalta Oy to a holding in the quoted company, TJ Group Oyj, following the latter's acquisition of Tietovalta.
- 18.11 WSOY acquired Mikkelin koulukanava, a provider of digital education material.
- 24.11 WSOY announced that it would spin off its book printing operations into a separate company, WS Bookwell Oy, as of April 1, 2000, and create a separate division out of its printing units.

- 6.5 The Finnish Cultural Foundation increased its holding in SanomaWSOY, as measured in terms of voting rights, from 1.03% to 6.25%, and from 0.62% to 1.7%, in terms of share capital.
- 26.5 Startel acquired 25.5% of the Swedish financial news provider and software house Ecovision AB.
- 31.5 Tummavuoren Kirjapaino Oy, a specialist in digital printing, became an 80%-owned WSOY subsidiary.

- 4.6 Arnedo Oy, a holding company subsidiary of Sanoma Corporation, became the largest owner of Ilkka-Yhtymä Oyj (60%).
- 23.6 SanomaWSOY was awarded four digital-TV operating licences, for a Helsinki Media movie channel; for a WSOY education channel; for Helsinki Media's associated company, Suomen Urheilutelevisio Oy; and for digital TV operations by Channel Four Finland.
- 1.7 SanomaWSOY increased its holding in A-pressen to 27.5%.
- 5.8 WSOY sold its reproduction house, Kiviranta Oy.

JANUARY

FEBRUARY

MARCH

APRIL

MAY

JUNE

- 15.12 Startel and Oy Radiolinja Ab, a subsidiary of Helsinki Telephone Corporation (now known as Elisa Communications), established Onbusiness Oy, a provider of financial information services for mobile telephones and fixed line Internet subscribers.
- 17.12 Helsinki Media sold part of its holding in Suomen Urheilutelevisio Oy to the national lottery, Veikkaus, the Finnish Sports Federation, and Suomen Hippos ry, reducing its holding to 35%. This expansion of the ownership base followed on from a shareholder agreement made by the company's original owners.

- 20.12 Rautakirja acquired 10% of the Norwegian quoted company Narvesen ASA, an operator of a chain of specialist retail outlets and a newspaper and magazine wholesaler.
- 22.12 Helsinki Media acquired VBH Television Oy's shares in Oy Ruutunelonen AB, increasing its holding in Channel Four Finland to 61.01%.
- 28.12 Startel established Online Funds Oy, an electronic marketplace for equity fund investments, in collaboration with Evli Asset Management Ltd, Gyllenberg Funds Ltd., and Alfred Berg Rahastoyhtiö Oy.



Special events for Sanoma's various interest groups, such as pensioners, personnel and their families, and business partners, were arranged as part of the celebrations surrounding the opening of Sanoma House. Sanoma's President, Seppo Kievari, can be seen here welcoming Marketing Manager Teija Haapanen-Auer and her family to the personnel day.

Creativity

“Authors create the text, publishing editors create the process.”



“I’m greeted in the morning by my desk. Today, it was decorated by a witch’s hat left by my son. My notes are scattered on the corners of newspapers and the backs of envelopes, buried under my coffee cup. On top of my computer, I’ve got a ship in a bottle. I switch on the machine.

The first pages are always difficult, every word I type seems wrong. It’s my voice coming through, rather than that of the character in the story I’m writing. He’s still silent. I know the plot and as I write I wait for him to begin to speak. Sometimes it takes a day, sometimes a month. The witch’s hat changes to a fire engine, and the fire engine to a wooden giraffe.

Then all of a sudden my character comes alive. And he’s not quiet about it either, but it’s no good trying to shut him up. Sometimes, he disagrees with everything I’ve written so far. That’s when I take a break, he won’t go away. I open up my ship in a bottle, and let the ship sail free.”

“Am I creative? I’d say I’m more the deputy on the creative team. My job as a publishing editor is to question, guess, edit, suggest, and comment. I try and tap into the world conjured forth by the writer’s text. If there’s something of the creative in this, then I would say I’m often pretty creative too in what I do.

Working with writers is all about the different approaches you need to use to make it a good working relationship. Sometimes you have to shout, sometimes a whisper is better, while with others you have to let them ‘get it’ before you do. It’s about creating the right sense of trust. When you’ve got that, it’s easier to get a handle on the text and organise your scattered ideas into conversations, letters, telephone calls, arguments, new ideas, and correcting previous drafts, to end up with a book that we can all be proud of, if everything works out.”

Jari Järvelä, author, and Irina Björkman-Vaittinen, publishing editor, WSOY

“Using creativity to manage technology.”

“Some 25 experts are responsible for handling technical production at Channel Four Finland News. For me, being creative in my work means that all of us on the team are truly ‘multi-skilled’. Each and every one of us must know all of our equipment and how it works, and be able to cover for somebody else if we have to.

In fact, it’s by being more creative in the way we work that Channel Four aims to distinguish itself from the news provided by other channels. Creativity is an important part of the work of our journalists, of course, while we on the technical team try to be creative on the visual side and make use of all the opportunities in terms of visual narration and graphics offered by today’s technology.

You can’t afford to get stuck in a rut in this work, you’ve got to be a little bit crazy – creatively that is! A good recent example of this was our much-praised ‘Election Bonfire’ program, which took our coverage of the issues surrounding this year’s presidential election outside, around a bonfire.

The audio and visual special effects we incorporate into our regular news coverage are also a good example of our innovative way of presenting news material. I used to be a professional musician and I still compose sound effects in my studio at home, which we try and use imaginatively in our news programmes. Some of the theme music used in Channel Four’s current affairs programmes has also come from my home studio.

Being willing to take an idea, even one casually thrown up in discussion during a coffee break, and run with it is important. That’s what being open to new ideas is all about.”

Production Manager Jaakko Ristilä, Channel Four Finland News

Reliability

“Readers who get their paper on time in the morning are satisfied readers.”



“The best yardstick I’ve got for measuring reliability is ensuring that readers get their paper when they want it and where they want it, and that they get a clean copy. I’ve got a lot of personal feedback on this from my own customers. Readers who get their paper on time in the morning are satisfied readers. For customers who use our delivery services, it’s important that their product, whether it’s a paper or a flyer, reaches the customer as reliably as our own product, the daily Helsingin Sanomat.

A study on newspaper distribution produced by the Media Group of the Business Research and Development Centre at the Turku School of Economics was recently published at the national delivery competition organised by the Finnish Newspapers Association. This showed that distribution people in the field took error-free distribution even more seriously than the distribution companies they work for. A fifth of respondents in the study were only satisfied with completely faultless distribution, and under half accepted one error a month.

We started measuring the quality of our distribution service, and our reliability, at Leijonajakelu from the beginning of 2000 with a new quality system. Quality is, after all, the only factor that a company like ours can compete on. Reliable distribution is guaranteed by professional, reliable, and well-motivated people. I believe that we at Leijonajakelu are strong here, and we’re ready to go that extra yard to help ensure the quality and reliability of the service we provide.

The man in the field is the final and most important link in the distribution chain. My experience has been that my customers have learnt to rely on me, and I’m committed to continuing to earn the confidence they put in me.”

Distribution operative Matti Tuhkanen, Leijonajakelu Oy

“Getting it right doesn’t come cheap, but getting it wrong is even more expensive.”

“I’ve worked as a business affairs journalist for over 10 years. It would be nice if I could say that none of my stories have ever contained a mistake. Of course, I can’t. To err is human, as they say, and even the best journalist sometimes makes a mistake.

Even so, the reader must be able to rely on what he reads, that it’s accurate. Every mistake undermines the credibility of the paper in question. That’s no small thing in the world of business journalism. If you lose your reputation for accuracy and reliability, you’ve lost virtually everything.

Getting it right comes from hard work and courage on the part of the journalist. Hard work is called for when you need to check the basis of a story yet again, or make sure that all the details are correct. Courage is called for when you have to own up to a mistake if you’ve made one and print a retraction if it’s called for.

Producing good work takes an effort, in journalism as anywhere else. Even the best journalist can make a mistake, and even the most rushed news story needs to be checked, so leaving enough time for a story is important. Luckily, no one has to produce a paper alone. I, for one, am grateful to my colleagues for ensuring that only some of my mistakes have ever made it into the actual paper.”

News coordinator Helena Ranta-aho, Taloussanomat

Dynamism

“Dynamic customer service lies at the heart of Web business as well.”



“I tend to shy away from words like trendy, virtual, and new media, all of which are often associated with being dynamic and cutting-edge. For me, being dynamic is all about giving people the best in terms of customer service.

Web-based services have been developed to meet very day-to-day needs. Time is often the factor that's in shortest supply today, and those Web-based service providers capable of most effectively meeting the time challenge, with the most human face, will be the ones that succeed.

The job of a Web-based service, in our case a Web-based shop, is to tell the consumer in as simple, accurate, and reliable a way as possible about the things and products that he or she is specifically interested in and which they need. There's no glamour to buying through the Internet per se. What the Internet does offer, at its best, are wide product ranges, competitive prices, simple ordering procedures, and accurate and rapid delivery. When you take away the interface, the technical wizardry, and the snazzy graphics, you're left with the essential: service. And you're measured on how dynamic and efficient that is. That's what being dynamic means in my job - ensuring that the service we give our customers is efficient and successful. The Web is a new medium, but the relationship between the customer and the retailer is just as real as in a traditional shop, if not realer.

Our Web service is an integral part of our bookshop business – it supports and extends our offering and helps us to better meet our customers' needs. Customer service and a dynamic approach to doing business lie at the heart of our Web business.”

Manager of e-commerce Riitta Junninen, Suomalainen Kirjakauppa

“Teamwork is the biggest factor in our dynamism.”

“Being dynamic isn't just about keeping up with the latest this or that. I'm part of Helsinki Media's Gloria team, and our magazine is about a mixture of familiarity from issue to issue and our ability to reinvent ourselves every now and again. The basic concept developed at the end of the '80s is still going strong. At the same time, we've developed and expanded on this foundation, and today we have five magazines in the Gloria family.

From an AD's point of view, Gloria's dynamism lies in its structure. The core product has largely stayed the same, but we've regularly updated parts of it when they've begun to show their age. The secret is getting the balance right between continuity and novelty.

The Gloria logo has survived the various trends that have come and gone since it was first designed, and continues to sum up the strength that we want to communicate to our readers. Our content-rich images and clear-cut layout makes Gloria a unique magazine that always excites our readers, we hope, and sometimes makes them angry as well – year in, year out. We've got the courage, the dynamism if you will, to take a chance sometimes. Although sometimes we may blow our own trumpet a bit too hard, we try and not take ourselves too seriously.

Our layouts derive their dynamism from the magazine's content, which we're all involved in. Teamwork is the biggest factor in our dynamism. That and laughter. They help us get through the day and improve what we produce from issue to issue.”

AD Jaliisa Weckroth, Helsinki Media Magazines, Gloria

Growth

from international expansion and new media



Recent developments in the media world have only strengthened and supported the strategy and philosophy underpinning the merger that created SanomaWSOY. Technological progress and the increasing trend towards more international activities have been even faster than projected.

SanomaWSOY officially began operations on May 1, 1999. Before this, however, a lot of preparatory work had been done to develop the Group's structure and operational potential. The approach we have adopted is based on independent subsidiary groups – monitored, coordinated, developed, and inspired by a central corporate team. Certain key functions, such as treasury and asset management, and real estate, have been centralised, together with the management of major development projects that impact the Group as a whole. Projects coming under the latter umbrella include SanomaWSOY's broad-based Internet project – virtual portal, the coordination of the Group's customer relationship management, as well as mobile Internet and digital-TV-related development work.

The world of communications is going through a period of major change as a result of developments in the technology underlying it, such as the Internet, digital-TV, and WAP. It is particularly important for the future of the Group that we understand the nature of these changes, and that we are able to react to them in the right way and make the right choices. I do not believe that the fundamentals underlying the communications business have ultimately changed, however: customers need and want quality content. And advertisers continue to pay to reach consumers, particularly the right audience for their products or services.

SanomaWSOY is Finland's largest media group. We have the best authors and journalists. And being by far the largest content provider, we also have the broadest and most loyal customer base of anyone in the business. Our operations are built on these strengths, and we are committed to using all the opportunities offered by new technology to serve our customers



better, more efficiently, and more cost-effectively in the future. This is where our important Internet, mobile portal, customer relationship management, and digital-TV projects come in. These projects will give us a unique, high-quality skill and resource base with a global market potential.

The most important region for us as we move ahead with our international expansion will be the Baltic Rim. The opportunities in magazines, the Internet, and mobile Internet, however, extend further afield, to Europe and the global stage. Our strategy will be first to acquire sufficient presence and expertise in our key markets, and then to focus our activities on the basis of best practices and spearhead products. Growth and focus will run hand in hand.

Our goal is to double our net sales over the next five years. To achieve this level of growth and development, we are able to call on what is, even by European standards, extensive financial resources and strong cash flow. The nearly FIM 500 million investment, decided in 2000, for modernising the printing facilities at our Sanomala unit, will be implemented between 2001 and 2003 – otherwise, we will devote virtually all our resources to growing and developing the Group.

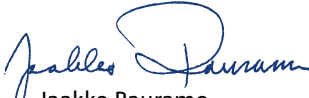
The structure and management of the Group provide a good foundation for our future development. Skilled people across the Group will be our most important resource – the growth and international expansion that we foresee for SanomaWSOY will require substantial new skills. A number of major human resource development and training programmes have been launched to meet this need.

Our net sales in 1999 totalled FIM 7.9 billion. This makes SanomaWSOY the Nordic region's second-largest media company immediately after Bonnier, and a middle-ranking company on the European scene. Our operating profit totalled FIM 426 million, and our profit before taxes and extraordinary items was significantly higher at FIM 656 million, thanks to our successful asset management operations. In the future, we expect our operating profit to grow, while our income from investments will decline as a result of the capital investments we plan to make.

Technological developments are seeing communications become increasingly global in nature, with countries finding it more and more difficult to maintain locally specific regulations. It is difficult to see that it will be possible for countries to continue to levy licence fees on television operations in the future when similar charges are not levied on satellite, Internet, mobile phone, or WAP services. It does not make sense to put terrestrial television in a weaker position compared to other modes of communication as the digital revolution gets under way. To put this issue in perspective, Channel Four Finland paid over FIM 40 million in licence fees during 1999.

I believe that communications in the future will be based less on generating added value through the simple transmission of information, but rather that competition will be based on price – and that added value will be leveraged through infrastructure, systems, customer base and, above all, by quality content.

Last year was an important and inspiring year for us. I would like to thank all of our people for the enthusiasm, positive attitude, and entrepreneurship that they have shown in building SanomaWSOY. Their contribution has been the single most positive factor for the Group over the past year, and the single factor that I personally have valued most. I have also been happy to note that our customers and other important partners have seen the creation of the Group as a positive development and believe, like us, that our ability to serve them will only improve in the future.


Jaakko Rauramo
President and CEO

Summary

of the Financial Statements

Combination merger

Sanoma-WSOY Oyj was created on May 1, 1999 through the combination merger of Werner Söderström Corporation - WSOY, Helsinki Media Company Oy, Sanoma Corporation, and Oy Devarða Ab, which is a shareholder in the latter two companies. Three new subsidiary groups were created, largely reflecting previous business activities: Helsinki Media Company Oy (Helsinki Media), Sanoma Corporation (Sanoma), and Werner Söderström Corporation (WSOY). Rautakirja Oyj is an associate company of Sanoma and WSOY. Following the merger, Rautakirja Oyj became a 54.7%-owned subsidiary of the SanomaWSOY Group, and continues as an independent publicly quoted company.

The Year in perspective

This summary refers to SanomaWSOY's 12-month pro forma financial statements for 1999. The Group's official accounting year runs from May 1 to December 31, 1999.

A number of structural changes took place in SanomaWSOY Group companies during the year, complicating comparability between the figures for 1999 and 1998. A major part of the Group's real estate and investment portfolio remained a Parent Company asset as part of the merger, thereby changing the balance sheet structure and income of Group subsidiaries.

SanomaWSOY's net sales during 1999 rose by more than 5% to stand at FIM 7,851.7 million (FIM 7,442.6 million). Acquisitions and divestments had a net impact on the growth of net sales of FIM 116.9 million, which translates into a comparable year-on-year growth of net sales of some 4%.

Sanoma Corporation's new subsidiary, Kymen Lehtimedia Oy, with net sales of FIM 389.2 million, contributed the largest increase to the Group's net sales. Divestments reduced consolidated net sales by FIM 347.5 million compared to 1998.

SanomaWSOY's profit before extraordinary items rose by 13% over 1998, largely as a result of positive developments in asset management and totalled FIM 656.4 million (FIM 580.9 million). The Group's operating profit remained at the 1998 level, totalling FIM 426.2 million (FIM 423.5 million). The Group's restructuring had a positive impact of FIM 9 million on operating profit. Operating- and product-related development costs booked as expenses reduced the Group's operating profit by FIM 72.3 million.

	1999	1998	1999	1998
Earnings/share	FIM 12.68	FIM 11.19	€ 2.13	€ 1.88
Return on investment, %	12.4	12.3		
Return on equity, %	9.3	9.2		
Equity ratio, %	71.0	69.6		
Gearing, %	-24.0	-40.3		

The Group's balance sheet increased by slightly under FIM 500 million to FIM 7,866.9 million (FIM 7,370.4 million) at year-end. The Group's shareholders' equity totalled FIM 4,674.1 million (FIM 4,326 million), or FIM 135.15 per share (FIM 126.53).

SanomaWSOY's financing position remains good. The book value of financial assets in the form of securities, cash and bank totalled FIM 1,909.8 million (FIM 2,574.9 million),



and their market value FIM 2,750.1 million (FIM 2,880.0 million). Interest-bearing liabilities totalled FIM 619.7 million (FIM 596.4 million) as of the end of the year. Favourable developments in the financial market and a growth in reinvested assets from business divestments contributed to an increase in financial income.

SanomaWSOY's gross investments during 1999 totalled FIM 1,663.1 million (FIM 883.9 million). Over half of these were associated with Sanoma projects, such as the new Sanoma House in Helsinki completed in the autumn, and purchases of shares in Kymen Lehtimedia and other companies in Sanoma's field of business. Sanoma also invested in modernising mailing equipment at the Sanomala and Varkaus printing plants, and extending four-colour printing capabilities at the Forssa unit. Modernised equipment at Varkaus was commissioned in autumn 1999. Modernisation work at Forssa will be completed in autumn 2000, and at Sanomala in 2001.

The Group also focused on acquiring shares in companies in its various areas of businesses and on normal replacement investments related to fixed assets. In July, SanomaWSOY increased its holding in A-pressen ASA of Norway to 27.5%. A total of FIM 58.7 million was generated by sales of fixed assets.

Development projects

SanomaWSOY operates in virtually all areas of modern communications. In addition to being a provider of traditional, established media products and services, SanomaWSOY is also Finland's leading developer of new media. Development activities are an integral part of all the Group's businesses, while the Parent Company's Development Unit coordinates major, Group-wide development projects, including the virtual portal (Lumeveräjä) Internet project, projects related to a mobile portal (WAP), and digital cable-TV and Internet activities, as well as integrating customer relationship management systems.

The virtual portal Internet project, announced in October 1999, is designed to standardise all the technical environments of the Group's Internet services in terms of systems for content production, customer management advertising, and marketplace management. This will enable SanomaWSOY to serve its advertising and consumer customers more efficiently. As of the end of 1999, the Group's 20 publicly measurable Internet sites received over 600,000 hits a week.

The Group's Internet projects also include Onbusiness Oy, a company set up by Startel and Radiolinja to provide business information services for mobile telephone network users, including WAP-based phones, and fixed-line Internet network users. Online Funds Oy, set up by Startel and three finance companies, offers an electronic marketplace for trading mutual funds on the Internet.

The Council of State awarded Channel Four Finland a digital-TV operating license on June 23, 1999, and digital licenses for a film channel to Helsinki Media and an educational channel to WSOY. A similar license was also awarded to Helsinki Media's associated company, Suomen Urheilutelevisio Oy. The holders of the licenses, which are valid for 10 years, have agreed to start full digital services on August 27, 2001.

A significant input in the Group's joint customer relationship management system project was made in 1999, and the first part of the project is due to be completed in autumn 2000. The goal of the project is to create an extensive integrated system over the next couple of years. After individual customer relationship systems have been integrated into a single,

joint database, it will be possible to update address and contact information on a centralised basis, thereby offering advertising customers a significant measure of added value.

After the financial period, in March, SanomaWSOY announced that it is widening the distribution of its services developed for Internet applications to mobile networks. A new company has been established to create an open mobile portal, and is due to submit an operating notification to the Ministry of Transport and Communications in March. The first version of the portal is expected to be ready for trial operation in summer 2000.

Outlook for 2000

SanomaWSOY's Group-level development projects will see some major investments in 2000. Given the extent of these projects, they are expected to be reflected positively in the Group's result only in two to three year's time. The first part of the Group's virtual portal Internet project, for children and young people, will be opened in autumn 2000, and will contain content and services based around products specifically tailored to a young audience. The project plan calls for the full virtual portal service to be in operation in spring 2001.

The Group's consolidated net sales are projected to clearly exceed FIM 8 billion in 2000, while the Group's operating profit is expected to improve over 1999. SanomaWSOY's profit before extraordinary items is projected to remain at the 1999 level. In addition to organic growth, growth will also be sought through acquisitions and partnerships.

Dividend policy

SanomaWSOY pursues an active dividend policy, based on the principle of distributing at least one-third of the Group's profit for the year in the form of a dividend.

Under the shareholder agreement made at the time of the merger, the Company's main shareholders have agreed to propose and support a policy under which a dividend at least equal to WSOY's dividend for 1997, FIM 5.25, increased by 10% annually, and in addition to that an average of FIM 5 per share, will be distributed for the first three years of the Company's existence (1999 – 2001). In practice, this will mean a dividend of at least FIM 10 – 11 (EUR 1.68 – 1.86) per share for each of the years in question.

Shares and shareholders

	€	FIM
Share capital, as of Dec. 31	61,187,439	363,803,990
Series A shares	10,094,463	60,018,950
Series B shares	51,092,976	303,785,040
Minimum share capital	50,456,378	300,000,000
Maximum share capital	201,825,512	1,200,000,000
Dividend/share (Board proposal)	1.81	10.75

The Company's shares are divided into two series, Series A (20 votes) and Series B (1 vote). All shares entitle holders to the same dividend. A clause in the Articles of Association permits the Company to convert Series A shares into Series B shares.

Number of shares as of Dec. 31	36,380,399
Series A shares	6,001,895
Series B shares	30,378,504



Number of shares on average	36,380,399
Series A shares	6,001,895
Series B shares	30,378,504
Average issue-adjusted number of shares on the market	34,583,580
Series A shares	6,001,895
Series B shares	28,581,685

Sanoma-WSOY Oyj's shares have been quoted on the Main List of the Helsinki Exchanges since May 3, 1999. Trading in WSOY shares ended on April 30, 1999. Following the merger, the shareholders of the companies concerned became Sanoma-WSOY Oyj shareholders. WSOY shares in both series were exchanged on a one-for-one basis for Sanoma-WSOY Oyj shares.

A total of 103,264 Sanoma-WSOY Oyj Series A shares (1.7%) were traded at an average price of EUR 65.27 (FIM 388.08) and 1,609,876 Series B shares (5.3%) at an average price of EUR 52.60 (FIM 312.75).

Series A share price	€	FIM
Annual low	45.00	267.56
Annual high	74.0	439.98
Series B share price	€	FIM
Annual low	42.00	249.72
Annual high	69.00	410.26
Share value	€	FIM
Nominal value as of Dec. 31	1.68	10.00
Market capitalisation as of Dec. 31	1,859,001,486	11,053,120,905
Series A	309,697,782	1,841,379,393
Series B	1,549,303,704	9,211,741,512
Market value of shares on the market as of Dec. 31	1,767,363,717	10,508,267,473
Series A	309,697,782	1,841,379,393
Series B	1,457,665,935	8,666,888,080

As of the end of 1999, the Company had 4,824 shareholders.

Sanoma-WSOY Oyj shares' news agency codes are as follows:

	Series A	Series B
Bloomberg	SWSAV FH	SWSBV FH
Reuters	SWSAV.HE	SWSBV.HE
Startel	SWSAV	SWSBV
Bridge	FI;SWS.A	FI;SWS.B

Ownership of Company shares

SanomaWSOY owned 1,796,819 Series B Company shares, or 4.94% of the total and 1.19% of votes, as of December 31, 1999 through its subsidiary Tiikerijakelu Oy.

Shares owned by management

The combined holding of Company shares held by the Board of Directors, the President & CEO, his Deputy, and by bodies that they controlled as understood under the terms of Sub-Section 5 of Section 1 of the Finnish Securities Act as of December 31, totalled 50.08 % of the share total and 46.36 % of votes.

Board authorisations

The SanomaWSOY Board of Directors was not authorised as of the end of the year to acquire or convey Company shares, make share issues, or issue convertible bonds or bonds with warrants.

Shareholder agreement

The main shareholders of the companies involved in the merger, Oy Devarda Ab, Helsinki Media Company Oy, Sanoma Corporation, and Werner Söderström Corporation - WSOY, signed a shareholder agreement giving them the right of first refusal on Sanoma-WSOY Oyj Series A shares offered for sale to third parties by other signatories to the agreement. The Board of Directors is not aware of any other agreements in force associated with ownership of Company shares or use of voting rights.

Internal restrictions on trading in SanomaWSOY securities (March 1, 2000)

Insiders are not allowed to trade in SanomaWSOY securities for 14 days before the publication of an interim report or year-end statement.

SanomaWSOY recommends that insiders commission sales, purchases, or other transactions involving SanomaWSOY securities only within the two-weeks period after publication of the Company's regular financial information (year-end statement and interim reports). In addition, SanomaWSOY recommends that insiders do not buy or sell the same SanomaWSOY securities within a period of six months. A list of SanomaWSOY insiders, updated monthly, can be found at www.sanomawsoy.fi.

Statement from the auditors

The financial review of Sanoma-WSOY Oyj for its first accounting period that ended 31 December, 1999 presented on Pages 16 – 21 is a summary of the information contained in the Sanoma-WSOY Oyj's official Financial Statements, and is in our opinion consistent with the official statements.

Helsinki, March 23, 2000

SVH Pricewaterhouse Coopers Oy
Authorized Public Accountants

Tauno Haataja Pekka Nikula
APA APA

SanomaWSOY's Financial Statements have been printed separately. Copies can be ordered from SanomaWSOY Group Communications (konserniviestinta@sanomawsoy.fi, tel. +358 105 19 5062). The Financial Statements can also be found at www.sanomawsoy.fi.

SanomaWSOY's principal shareholders as of December 30, 1999

Shareholder	% of shares	% of votes
1 Erkkö, Aatos	29.44	29.49
Erkkö, Aatos	21.42	21.37
Oy Asipex Ab	8.02	8.12
2 Seppälä, Patricia	8.90	10.27
3 Langenskiöld, Robin	5.29	5.11
4 Seppälä, Rafaela	5.29	5.11
5 Tiikerijakelu Oy (SanomaWSOY's subsidiary)	4.94	1.19
6 Ilmarinen Mutual Pension Insurance Company	3.64	3.16
7 Alfred Kordelinin yleinen edistys- ja sivistysrahasto (Fund)	3.57	6.55
8 Helsingin Sanomat Centennial Foundation	3.44	3.72
9 Pohjola Group	2.88	1.73
Pohjola Non-Life Insurance Company Limited	1.31	1.35
Pohjola Group Insurance Corporation	0.88	0.21
Pohjola Life Assurance Company Limited	0.69	0.17
10 Sampo Group	2.39	1.94
Sampo Life Insurance Company Limited	1.49	1.33
Sampo Enterprise Insurance Company Limited	0.48	0.51
Industrial Insurance Company Ltd	0.27	0.07
Otso Loss of Profits Insurance Company Ltd	0.12	0.03
Sampo Insurance Company plc	0.04	0.01
11 Finnish Cultural Foundation	1.70	6.25
12 Foundation for Actors' Old-Age Home	1.52	1.59
13 WSOY's Literature Foundation	1.36	4.55
14 Finnish Literature Society	0.96	1.07
15 Sanoma Pension Fund	0.77	0.31
16 Graphic Industry Research Foundation	0.70	0.73
17 Päivälehti Archives Foundation	0.70	1.26
18 Noyer, Lorna	0.66	0.43
19 Noyer, Alex	0.66	0.43
20 Pension Fund Polaris	0.56	0.13
Total	84.64	88.72
Nominee registrations, total	1.72	0.65

A list of principal shareholders, updated monthly, can be found at www.sanomawsoy.fi.



A person wearing a bright yellow jumpsuit, a black helmet with goggles, and black gloves is floating in space. The background is a deep blue with a few small white stars. The person is looking towards the camera with a slight smile.

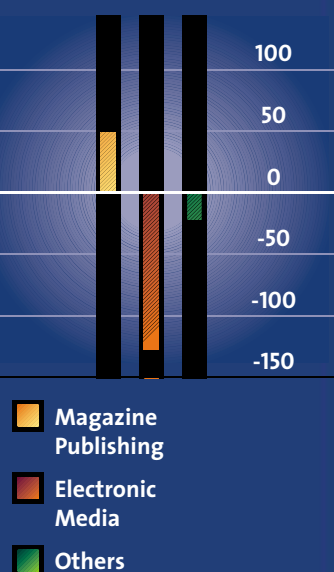
Providing **new perspectives**, every day

Helsinki Media Company Oy

Helsinki Media Company Oy

Magazine publishing, electronic media

Operating profit
by industry
FIM million



Helsinki Media

Helsinki Media is active in print and electronic media, publishing general and special interest magazines, comics, and books, as well as television and network communications. The company's goal is to be Finland's leading targeted-market publisher and Internet services provider in selected categories, and the leading television player in the Finnish digital-TV revolution. Extending the company's international presence is also a key goal.

The year in perspective

The pro forma net sales of the Helsinki Media Group totalled FIM 1,214.2 million (FIM 1,226.8 million). This represented only a small drop compared to 1998, despite the fact that restructuring reduced net sales by FIM 181.9 million, through the switch of Helsinki Media's printing operations at the beginning of the year to a new associated company, Hansaprint. The group's operating profit totalled FIM -79.8 million (FIM -63.8 million). The comparable operating profit improved slightly.

Helsinki Media's profit performance was impacted by a major investment in new publications and Channel Four Finland. Net sales at the latter rose faster than market growth, and the station increased its market share as expected. TV advertising growth was slower than expected and the operating licence fee rose significantly.

Investments totalled FIM 219,4 million, of which FIM 201.7 million went on shares in subsidiaries and associated companies. Helsinki Media increased its holding in Oy Ruutu-nelonen Ab (Channel Four Finland) for example, and Pro Licensing Nordic Oy became an associated company. Other major individual investments covered the digitalisation of HTV's cable network, and production and decoder equipment.

Outlook for the future

Helsinki Media will continue to develop its magazine portfolio, prepare for the start of digital-TV transmissions, and grow Channel Four Finland's market share.

Net sales are expected to grow by something over 10%, with the largest part of this coming from Channel Four operations. Profit is expected to considerably improve during 2000 as Channel Four continues to grow and Helsinki Media's new magazines establish themselves on the market.

MAGAZINE PUBLISHING

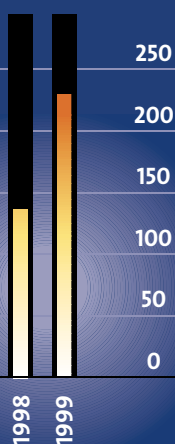
Net sales FIM 881.3 million (FIM 998.1 million); operating profit FIM 50.1 million (FIM 73.0 million). Circulation of Helsinki Media's Finnish magazines in 1999 totalled 1.8 million copies, an increase of over 148,000 copies compared to 1998.

Magazines

The Magazines Unit publishes a variety of women's and family magazines and magazine products, many of which are market leaders in specific market segments.

These include Me Naiset, Kodin Kuvalehti, ET-lehti, Gloria, Glorian Koti, Glorian Antiikki, Glorian ruoka&viini, MG, Hyvä Terveys, Suuri Käsityölehti, Vauva, Cosmopolitan in Finland, and Sköna Dagar in Sweden. New launches for 1999 included MG, a men's lifestyle magazine within the Gloria product family; Cosmopolitan, Finland's first international women's maga-

Investments
FIM million



KEY INDICATORS	1999	1998	1999	1998
	MFIM	MFIM	M€	M€
Net sales	1 214.2	1 226.8	204.2	206.3
Operating profit	-79.8	-63.8	-13.4	-10.7
% of net sales	-6.6%	-5.2%		
Balance sheet total	806.0	1 003.4	135.6	168.8
Gross investments	219.4	137.5	36.9	23.1
Return on investment, % (ROI)	-13.3%	-10.0%		
Personnel under employment contract	994	1 253		
Personnel, average	953	1 123		

Key indicators have been calculated on the basis of official 1998 and pro forma 1999 income statements and balance sheets.

OPERATIONAL INDICATORS	1999	1998
Magazine publishing		
Number of magazines published	48	42
Audited circulation of magazines, thousands	1 803	1 654
Number of advertising pages sold	7 790	7 530
Number of books published	180	170
Number of book club members, thousands	101	84
Electronic Media		
Channel Four's share of TV advertising market, %	16.5%	11.2%
Daily coverage of Channel Four, %	35.0%	27.0%
Average audience for the top 10 programs on Channel Four	554 300	418 600
Channel Four's national viewing share, %	10.0%	7.2%
Number of connected cable-TV households, thousands	203	199
Number of pay-TV subscriptions, thousands	49	49

zine, published in association with Hearst Magazines International; and a gourmet magazine, Glorian ruoka&viini. Finland's largest health and fitness magazine, Hyvä Terveys, extended its collaboration with the Finnish Medical Society Duodecim.

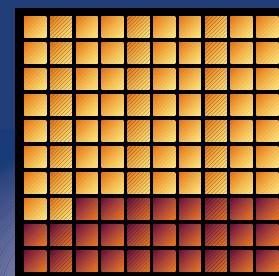
Helsinki Media increased its total market share in women's magazines during 1999, both in media and single copy sales. Its media market share rose to over 46%, driven by new product launches, the good result turned in by the Gloria product family, and the very positive development of Me Naiset and Vauva. Cosmopolitan succeeded in rapidly building a readership base among young Finnish women, and its circulation rose to 46,000 copies an issue towards the end of the year. Single copy sales of Me Naiset and Kodin Kuvalehti also did well. Helsinki Media's share of single copy sales of women's magazines is close to 50%.

The trend towards focusing on target audiences in the magazine market will continue to strengthen, opening up new opportunities for media sales but slowing the growth of large-volume titles. The Magazines Unit's net sales are expected to grow at a satisfactory level in 2000.

Special Interest Magazines

The Special Interest Magazines Unit publishes a selection of trade and general magazines, particularly aimed at the male hobbyist audience, as well as business publications and information services. Tecnopress publishes 10 technology-related magazines, and their associated

Net sales by industry %





Helsinki Media launched the Finnish edition of Cosmopolitan in spring 1999 in collaboration with Hearst Magazines International. From left to right Executive Vice President Eija Ailasmaa, Finnish Editor-in-Chief Tina Tötterman, and Editor-in-Chief Helen Gurley Brown from the U.S.

Helsinki Media's operating subsidiaries

- Helsinki Television Ltd
- Tuotantotalo Werne Oy
- Måndag Oy
- Oy Ruutunelonen Ab
- Oy Suomen Medianeilonen Ab
- Milvus Förlags AB

Helsinki Media's associated companies

- Egmont Kustannus Oy Ab (50%)
- Hansaprint Oy (40%)
- Kirjalito Oy (50%)
- Maxisat Oy (46.21%)
- Pro Licensing Nordic Oy (20%)
- Suomen Urheilutelevisio Oy (35%)

Channel Four's most popular programs in 1999

- | | |
|---|---------|
| 1. Mission Impossible
(Oct. 3) | 691,000 |
| 2. Mr Bean
(Dec. 5) | 658,000 |
| 3. Kaverille ei jätetä
(You don't leave a mate)
(Oct. 3) | 624,000 |
| 4. Haluatko miljonääriksi?
(Do you want to be a millionaire?)
(Dec. 26) | 594,000 |

The latest data on the circulation of all Helsinki Media magazines can be found at www.helsinkimedia.fi.

Web sites. Hobby Magazines Unit publishes three hobby magazines in Finland, and since the beginning of 2000 an animal and nature magazine and crossword magazines. Milvus Förlags AB, based in Sweden, publishes two outdoor magazines. Business Publications Unit is a contract publisher and also produces an annual Business Finland publication. Blue Book publishes directories and buyers' guides, as well as corporate address finders and systems.

A new weekly IT news magazine, ITviikko, launched in 1999, has been selected by the Finnish Information Processing Association as its members' magazine. As of January 2000, the magazine had an auditable circulation of 32,000 copies. Matkaopas, a new consumer travel magazine, succeeded in building a circulation of over 20,000 during its first year of operation. The magazine is part of a wider SanomaWSOY project, in which travel-related material generated by different Group units will be combined into an electronic forum.

Net sales during 2000 are expected to increase, largely as a result of increased subscription income generated by ITviikko, Matkaopas, and Tietokone. As launch costs are written off on these new magazines, operating profitability will improve.

Helsinki Media is now not only the market leader in home computer magazines but also in IT trade publications as well as in corporate publications and traditional company directories.

Comics and Books

The Comics and Books Unit is the Finnish market leader in story and comic character-based print media for children and young people. The unit is also expanding its activities into electronic media. It has two joint ventures, Egmont Kustannus and Kirjalito, and an associated company specialising in licensing activities, Pro Licensing Nordic.

Adult non-fiction literature was transferred to WSOY during 1999, and Eläinmaailma (Animal World), Koirat (Dogs), and crossword magazines to the Special Interest Magazines Unit. Book-related logistics and bookshop sales services have been subcontracted to WSOY. The acquisition of a holding in Pro Licensing Nordic strengthened Helsinki Media's position on the licensing market.

Prinsessa magazine, a new Disney title aimed at young girls, exceeded its target growth, as did two other new titles for children, TK Taikaviitta and Kuukauden sarjakuvaekstra, a supplement created for subscribers to Aku Ankka (Donald Duck). The new multi-product concept incorporated into the Sisters Club book club for young girls proved a great success, and the club attracted some 13,000 members. Weilin+Göös' children's book club activities were transferred to Helsinki Media at the beginning of 2000.

The volume of comic sales is expected to drop slightly during 2000, but this will be partly compensated for by new line extension products. Profitability in comparable terms is projected to remain at 1999 levels.

ELECTRONIC MEDIA

Net sales FIM 334.3 million (FIM 233.0 million); operating profit FIM -127.6 million (FIM -131.0 million).

Network Media

The Network Media Unit comprises four units: Finland's largest cable-TV operator, Helsinki Television Ltd (HTV); Pay-TV; HTVi, a provider of high-speed IT network services; and Tuotantotalo Werne Oy and its subsidiaries, a provider of audio and video services.

Vice President Eero Sauri cruising the information highway at the launch of the new IT news weekly, ITviikko.



HTV offers its customers a selection of entertainment, information, and digital interactive services. The duplexing of HTV's network progressed well during 1999, and marketing of high-speed cable modems started. Duplexing will be completed during 2000. Increasing consumer use of networked services will boost HTV's net sales and strengthen its market position. Cable-TV networks will represent an important distribution channel in building customer coverage during the roll-out of digital-TV.

The Internet & Online Media Unit (HTVi) began providing high-speed commercial Internet connections in duplexed cable network areas at the beginning of 1999. In addition to connection services, the unit's offering also includes Internet content service, e-mail, and server space for customers' home pages.

The Pay-TV Unit operates in seven other cable-TV networks, of which the largest is Tampere-based Tampereen Tietoverkko Oy. Developments linked to Finland's emergent digital-TV system were important for the unit in 1999. Helsinki Media was awarded a license for a terrestrial digital pay film channel, and is a partner in developing and operating a terrestrial digital sports channel. The initial phase of digital-TV will call for investments.

Channel Four Finland

Channel Four Finland's operations are divided between Oy Ruutunelonen Ab and Oy Suomen Medianeilonen Ab, which sells advertising time on the channel. Channel Four's programming, which is targeted primarily at the active urban population, consists of films, Finnish-produced series, talk shows, quality documentaries, sports, and news. Channel Four has built its audience figures rapidly, attracting a larger share of young viewers than competing channels.

Channel Four's operating license has been extended to 2006 and to digital-TV operations. The channel initiated a greater focus on Finnish-produced programming from the autumn onwards. It also signed a number of long-term sports contracts, covering the UEFA Champions League, 1999–2003; Wimbledon Tennis, 1999–2001; the Golden League, 1999–2001; and Major Golf Tournaments, 1999–2002. An agreement was also signed with Columbia Tristar International Television for films and features.

Channel Four Finland's net sales totalled FIM 200 million, up 49% on 1998. Its share of TV advertising also rose, to 16.5%, up from 11.6%.

Channel Four has signed a number of major collaborative agreements with the Helsinki City of Culture Foundation covering the 1999–2001 period. It is also one of the main sponsors of the Kiasma Museum of Contemporary Art in Helsinki between 2000 and 2002. Regional advertising sales across the entire Channel Four network were launched in January 2000, reflecting the focus that will be put on advertising sales during 2000, and which is projected to see Channel Four's sales increase significantly above the market average.

Helsinki Media's Management Group

- **TAPIO KALLIOJA,**
President
- **EIJA AILASMAA,**
Executive Vice President,
MAGAZINES
- **PERTTI HUHTALA,**
Senior Vice President,
FINANCE AND
ADMINISTRATION
- **PIRKKO HUOTILAINEN,**
Senior Vice President and
General Manager,
COMICS AND BOOKS
- **JUHA-PEKKA LOUHELAINEN,**
President,
CHANNEL FOUR FINLAND
- **EERO SAURI,**
Senior Vice President and
General Manager,
SPECIAL INTEREST MAGAZINES
- Secretary to the
Management Group
MARJA-LEENA TUOMOLA,
CORPORATE COUNSEL



An aerial photograph of a lush green field, possibly a golf course or park, with a concrete curb running horizontally across the upper portion. In the lower-left corner, there are two plaid blankets or towels spread out on the grass. The overall scene is bright and natural.

Making the news come alive, for everyone

Sanoma Corporation

Sanoma Corporation

Newspaper publishing and printing, financial, and new media products



The Sanoma Group publishes newspapers and business information in both traditional and new media formats, and operates commercial printing activities. The Group's business is based on meeting readers' daily news needs, building customer loyalty, and achieving a good level of profitability. Its target is to be a leading high-quality content producer and provider, in Finland and internationally.

The year in perspective

Sanoma Group's net sales rose by 23.5% over 1998 to FIM 2,563.6 million (FIM 2,075.9 million). The acquisition of Kymen Lehtimedia made an important contribution to this growth, as did increased advertising and circulation revenue. Restructuring accounted for FIM 403.5 million of the growth in net sales and FIM 31.2 in operating profit. Operating profit totalled FIM 285.8 million (FIM 234.2 million).

Investments totalled FIM 844.4 million. In addition to Kymen Lehtimedia, Sanoma also acquired Esmerk Oy, which is now a wholly owned subsidiary; while Sanoma's subsidiary, Arnedo Oy, acquired an approximately 34% holding in Ilkka-Yhtymä Oyj. The new Sanoma House, which has housed Sanoma's administrative functions, Helsingin Sanomat, Ilta-Sanomat, and Taloussanommat since autumn 1999, also represented a major investment.

Outlook for the future

Areas such as network services and customer relationship management will be the focus of particular development during 2000. Net sales are projected to grow by around 5%, and operating profit by a slightly higher figure.

NEWSPAPER PUBLISHING AND PRINTING

Net sales FIM 2,511.5 million (FIM 2,058.7 million); operating profit FIM 342.2 million (FIM 297.2 million). Net sales' growth was largely driven by the acquisition of Kymen Lehtimedia and the positive development of Helsingin Sanomat and Ilta-Sanomat.

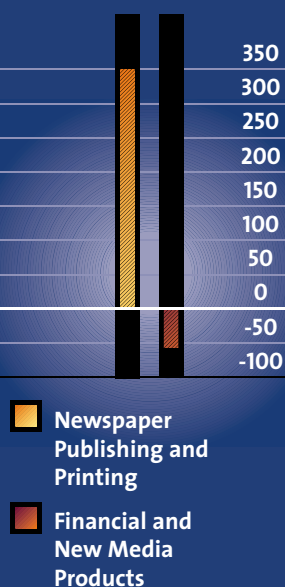
Helsingin Sanomat

Helsingin Sanomat is the largest daily newspaper in the Nordic region, and reaches over 1.3 million readers every day. Net sales at the Helsingin Sanomat business unit, which also includes the Helsingin Sanomat Printing Plant, rose 2% to FIM 1,751.3 million. The fall-off in printing-related exports to Russia was the main factor behind the small size of this growth.

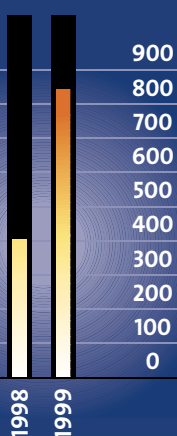
Helsingin Sanomat continued to increase its media market share, and boosted its advertising sales by 7%. The number of short-term subscription offers was heavily reduced and the focus put on strengthening customer loyalty. Overall circulation dropped as a result, although circulation revenue remained at 1998 levels. Broad-ranging total management projects covering circulation and media customer relationships were launched. A classified on-line service, Oikotie, was launched in February. In April, the paper switched over to a completely digital production process.

Helsingin Sanomat's goal during 2000 will be to maintain steady and controlled growth of the paper's circulation, focused on Greater Helsinki and other major population centres. Continued efforts will be made to grow the paper's share of the media market. The paper's aim is to achieve a leading position for Oikotie on the on-line classified market. A visual redesign of the paper was launched in January 2000. During the course of 2000, a modernisation of the paper's editorial system will be started and a fully on-line capability created.

Operating profit by industry
FIM million



Investments
FIM million



KEY INDICATORS	1999	1998	1999	1998
	MFIM	MFIM	M€	M€
Net sales	2 563.6	2 075.9	431.2	349.1
Operating profit	285.8	234.2	48.1	39.4
% of net sales	11.1%	11.3%		
Balance sheet total	2 491.5	3 967.5	419.0	667.3
Gross investments	844.4	409.2	142.0	68.8
Return on investment, % (ROI)	15.3%	12.2%		
Personnel under employment contract	4 758	3 853		
Personnel, average	3 437	2 730		

Key indicators have been calculated on the basis of official 1998 and pro forma 1999 income statements and balance sheets.

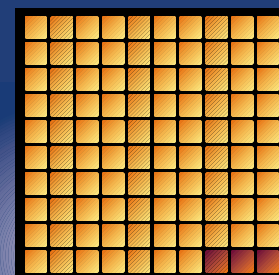
OPERATIONAL INDICATORS	1999	1998
Helsingin Sanomat		
Weekday circulation, copies	454 833	466 236
Sunday circulation, copies	529 007	540 827
Volume of advertising (column metres)	46 103	45 562
Total pages	22 328	21 944
Ilta-Sanomat		
Circulation, copies	218 931	219 634
Volume of advertising (column metres)	6 624	6 201
Total pages	18 436	17 968
Taloussanomat		
Circulation, copies	18 119	10 601
Volume of advertising (column metres)	4 054	2 217
Total pages	9 008	7 388
Other daily papers		
Total circulation of all newspapers, copies	93 392	92 632
Volume of advertising (column metres)	23 373	21 507
Total pages	26 184	24 598
Local newspapers		
Total circulation of all newspapers, copies	33 351	34 620
Volume of advertising (column metres)	3 620	3 944
Total pages	8 722	9 020
Paper consumption, tonnes	115 709	132 943

Circulation figures are audited.

The Helsingin Sanomat Printing Plant comprises the Sanomala printing plant in Vantaa, and two other printing facilities at Varkaus and Forssa. Sales and marketing of free capacity at these facilities are handled by SanomaPrint. The Printing Plant started marketing newspaper-type educational material to the Chinese and Russian markets in 1999. Sanoma Corporation decided to modernise mailing facilities at the Sanomala unit and in Varkaus, and extend four-colour capacity at Forssa. Following the collapse of exports of newspaper products to Russia at the end of 1998, price competition on the domestic market became tougher. To counter this, the unit prioritised exports and new products as the source of new growth.

Leijonajakelu Oy is responsible for the national morning distribution of Helsingin Sanomat and Taloussanomat. Net sales during 1999 were at 1998 levels and totalled FIM 368.6 million. Leijonajakelu's target during 1999 was to maintain and improve the quality of its distribution operations, which it did successfully. A new quality system was introduced at the beginning of 2000.

Net sales by industry %



- Newspaper Publishing and Printing
- Financial and New Media Products

The Sanomala investment in new printing technology (FIM 456 million) will be implemented in 2001–2003.



High-school students Hanna Isomäki, Lotta Kortteinen, Laura Putkonen, and Jouni Westling were among the first people in October to visit Sanoma House's own educational centre, Piste, designed to give people a taste of what working for a real paper is really like. The multimedia software incorporated in Piste has provided surprises for a number of visitors. Sami Pekkola of Tietovalta Oy can be seen here on the right watching the system in action.

Sanoma's operating subsidiaries

- Baltic Media Oy (69%)
- Digital Future Finland Oy (81.10%)
- Esmerk Group (90%)
- Etelä-Karjalan Jakelu Oy
- Etelä-Saimaan Sanomalehti Oy
- Keski-Suomi Oy
- Kymen Lehtimedia Oy
- Kymen Sanomalehti Oy
- Kymen Viestintä Oy
- Lehtikanta Oy
- Lehtikuva Oy
- Leijonajakelu Oy
- Onbusiness Oy (54%)
- Saimaan Lehtipaino Oy
- Startel Oy (90%)

Sanoma's associated companies

- Anjalankosken Painotalo Oy (48.22%)
- Ecovision AB (22.91%)
- Infosto Oy (34.96%)
- Janton Oy (21.37%)
- Maakuntien Viestintä Oy (45.97%)
- Lappeenranta Kirjapaino Oy (40%)
- Online Funds Oy (22.50%)
- Rautakirja Oy (22.94%)
- Savon Mediat Oy (21.73%)
- Suomen Tietotoimisto Oy (22.14%)

Lehtikuva Oy provides quality news picture material, together with general, topical, and specialty picture material to a range of customers, particularly those serving the mass media. Lehtikuva also provides laboratory and other ancillary services. Competition on the market for topical and other commercial imagery during 1999 continued to get tougher, which was reflected in lower sales than the record figures recorded during 1998. The company's net sales were 5% lower, at FIM 39.9 million. Lehtikuva enhanced its digital imaging capability significantly during the year through a major equipment purchase. Comprehensive use of the Internet was introduced in network access to the company's digital picture archive.

Ilta-Sanomat

Ilta-Sanomat is Finland's largest quality tabloid and the country's second-largest paper. Its journalistic focus is on printing breaking news, providing an individual twist on the news, and regularly offering its readers something new.

Despite raising the price of its weekend edition, Ilta-Sanomat maintained its circulation at virtually 1999 levels. Circulation revenue rose by 8%, and the paper's share of the single copy tabloid market also rose. Advertising sales increased faster than the general trend. Net sales rose 8% to FIM 402.7 million.

Changes to the content of the paper were mainly concentrated on the sports and entertainment pages, and on the weekend supplement. The structure of the Saturday edition was changed. The number of weekly visitors to the paper's Web site broke the 70,000 barrier in December.

Since the beginning of 2000, Ilta-Sanomat has been printed out of house, for the first time in the paper's history, by Kaleva Kustannus Oy in Oulu. This has enabled sales to be brought forward earlier in the day for readers in northern Finland, which should have a positive impact on circulation. Distribution has been switched to Lehtipiste, part of Rautakirja, and the paper's own personnel will now concentrate on producing and marketing.

Ilta-Sanomat's market position is expected to continue to remain strong during 2000. Profitability is projected to continue to improve as a result of the printing and distribution changes described above. Further development work on the Web edition is expected to see the number of visitors reach close to 100,000 a week.

Kymen Lehtimedia Group

Kymen Lehtimedia publishes, prints, and distributes daily and local papers in South-East Finland and provides printing services to customers in Russia. The group publishes three daily newspapers, seven local papers and one free paper, and operates rotary printing operations at three locations. In March 1999, Kymen Lehtimedia became a 100%-owned subsidiary of Sanoma Corporation. Baltic Media Oy, which markets printing capacity to customers in Russia, established a representative office in Moscow in the autumn in collaboration with Hansaprint. Kymen Lehtimedia's net sales dropped to FIM 389.2 million (FIM 489.1 million), following the major fall-off seen in exports to Russia resulting from the latter's economic difficulties.

The company's position on the circulation, advertising, and printing markets will continue to be solid in 2000. The printing contract with the Moscow-based Extra-M paper was extended in the form of a framework agreement until the end of 2001. The company's net sales and operating profit are projected to remain at close to 1999 levels in 2000. Exports to Russia are expected to account for a similar share of activities as in 1999.

Sanoma House is a high-tech structure, in terms of its architecture, internal structure, exterior, and building services. The retail space on the ground and first floors, together with the Media Piazza, offer visitors a new and exciting place to shop and spend time.



FINANCIAL AND NEW MEDIA PRODUCTS

Net sales FIM 71.2 million (FIM 38.9 million); operating profit of FIM -56.4 million (FIM -63.1 million). Net sales were driven by growth at Taloussanomat and the impact of acquisitions. Much of the industry's activities are in the investment stage.

Startel Group

Startel is a broad-based new media company in the financial information field, providing news agency services and news analysis and follow-up services, as well as publishing a financial news paper and its on-line edition. The year was Startel's second full year of operations. Startel further developed its electronic business information services and strengthened its position to become Finland's leading producer and distributor of a complete range of business information.

The Startel News Agency produces a range of analytical financial information and business news tailored to customer needs, both in on-line and in regularly updated formats. Information acquisition and software development activities were reinforced during the year in collaboration with Ecovision AB of Sweden, in which Startel acquired a 25.5% stake.

Startel acquired Esmerk Oy and its 12 subsidiaries in Europe, Asia, and South America in March. Esmerk produces news analysis and summaries in seven languages, and monitors over 1,100 news sources in 25 language areas.

Taloussanomat increased its share of the financial paper market despite tough price competition. Active development of the paper's content and the extension of its early morning distribution coverage both helped to make the paper more attractive to readers. The paper's certified average circulation rose 71% during 1999, while circulation of its Saturday edition rose 90%. This growth in circulation was strongly focused on the latter part of the year, and was reflected in a slower-than-projected increase in circulation revenue.

Following over two years of intensive development work on the on-line version of Taloussanomat, Startel spun off its Internet-based services by setting up a new media company known as Onbusiness Oy, in collaboration with Oy Radiolinja Ab, a subsidiary of Helsinki Telephone Corporation (now known as Elisa Communications). The new company edits and packages business information for the Web reader and produces its own financial information services. The company will launch services for mobile network users in 2000.

To establish an electronic marketplace on the Internet, Startel set up Online Funds Oy in December, together with Evli Asset Management Ltd, Alfred Berg Rahastoyhtiö Oy, and Gyllenberg Funds Ltd. Online Funds markets and sells shares in mutual funds and provides related electronic business information services.

Startel's net sales in 2000 are projected to rise, particularly as a result of growth generated by its electronic services and advertising revenue from Taloussanomat. Profitability is expected to improve, although an overall operating loss for the year is expected as a result of the continued high level of new investments.

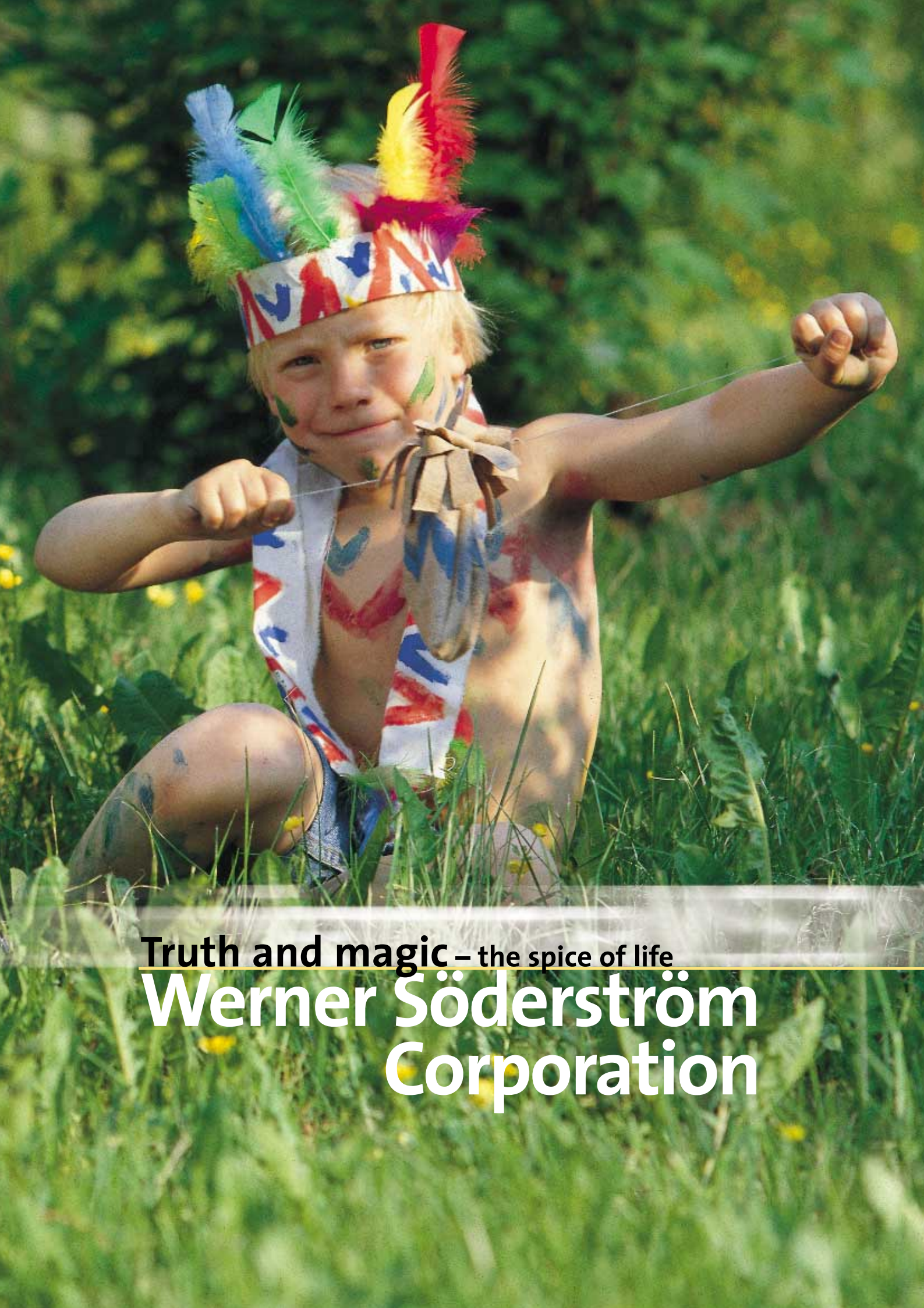
Päivälehti – Helsingin Sanomat: Celebrating 110 years in journalism

Päivälehti first appeared on November 16, 1889, and was suppressed by the Russian administration in Finland on July 3, 1904. The first trial issue of its successor, Helsingin Sanomat was published on July 7, 1904, and the paper began to appear as a regular six-day-a-week newspaper in October the same year. Sanoma Corporation was founded in November 1904 as the paper's publisher.

Sanoma Corporation's Management Group

- SEPPÖ KIEVARI,
President
- MARTTI OJARES,
Executive
Vice President
- VELI-PEKKA ELONEN,
Senior Counsel
- PEKKA HARJU,
Vice President,
Marketing,
ILTA-SANOMAT
- ANTTI-PEKKA PIETILÄ,
Publisher and
Managing Director,
STARTEL OY
- EIJA RINTA,
CFO
- PEKKA SOINI,
Vice President,
Marketing,
HELSINGIN SANOMAT





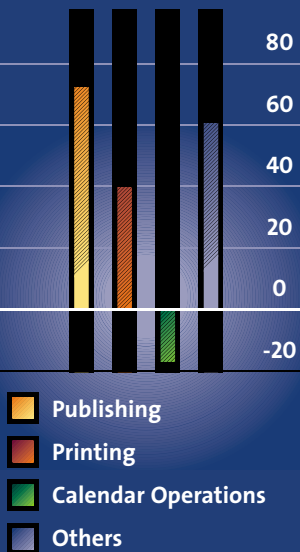
Truth and magic – the spice of life

**Werner Söderström
Corporation**

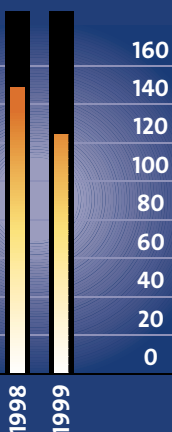
Werner Söderström Corporation

Publishing, printing, calendar operations

Operating profit
by industry
FIM million



Investments
FIM million



The WSOY Group publishes and produces a variety of products, including books, electronic products, maps, and calendars designed both to inform and entertain. WSOY's goal is either to maintain or achieve a leading position in its chosen businesses. The group is also a profitable and internationally competitive printer, a business that brings additional competitive advantage and added value to the group's portfolio.

The year in perspective

Net sales of the WSOY Group in 1999 totalled FIM 1,151.7 million (FIM 1,248.7 million), and its operating profit FIM 128.3 million (FIM 210.0 million). The drop in both figures resulted from factors such as restructuring, which eliminated FIM 95.2 million of net sales and FIM 77.6 million of operating profit.

Investments totalled FIM 125.0 million, of which FIM 45.7 million was channelled to acquiring subsidiaries and associated companies. WSOY acquired Mikkelin koulukanava, a producer of digital educational material, and holdings in the digital printer Tummavuoren Kirjapaino Oy and the Polish multimedia company Young Digital Poland.

Outlook for the future

WSOY will expand its publishing activities internationally during 2000 through acquisitions. The group will also focus on growing its book club activities and developing digital learning environments. Special publishing will be an important area of development. WSOY will extend its presence into new markets by developing its electronic content capabilities, and reinforce the group's core traditional book business.

Net sales are projected to grow by around 6% and operating profit at a slightly higher relative rate, despite the major investments planned for publishing operations. The group's printing operations, which are developing well, are expected to contribute to improving performance, as are the measures initiated to enhance the profitability of calendar operations.

PUBLISHING

Net sales FIM 672.4 million (FIM 662.9 million); operating profit FIM 72.7 million (FIM 72.6 million). WSOY retained its strong market position in publishing.

WSOY General Literature

WSOY's General Literature Unit has a leading position in promoting and publishing literature in Finland, and publishes translations of quality works from world literature, and communicates the latest developments in a variety of fields to readers through both printed books and electronic publications designed for the general audience.

The unit's title list in 1999 was exceptionally broad and well-received by readers. The publication of electronic products and CD-ROMs was expanded during the year, and a new unit, Special Publishing, created to handle these products. Investments were also made in the group's book clubs. Together, these moves served to negatively impact the unit's performance, which was nevertheless better than that recorded in 1998, however. Comparable sales increased and totalled FIM 208.6 million.

WSOY is the Finnish market leader in general publications, and in a number of specialty areas, as well as in CD-ROMs.

KEY INDICATORS	1999	1998	1999	1998
	MFIM	MFIM	M€	M€
Net sales	1 151.7	1 248.7	193.7	210.0
Operating profit	128.3	210.0	21.6	35.3
% of net sales	11.1%	16.8%		
Balance sheet total	1 603.7	2 239.1	269.7	376.6
Gross investments	125.0	149.3	21.0	25.1
Return on investment, % (ROI)	10.4%	13.8%		
Personnel under employment contract	1 827	1 824		
Personnel, average	1 754	1 824		

Key indicators have been calculated on the basis of official 1998 and pro forma 1999 income statements and balance sheets.

OPERATIONAL INDICATORS	1999	1998
Number of new titles published		
Books	542	546
Electronic products	124	98
Number of reprints published		
Books	1 197	1 083
Electronic products	278	287
Printed books, million copies	21	21
Paper consumption, tonnes, WSOY	11 247	10 954

WSOY Educational Material

The WSOY Educational Material Unit publishes and markets a variety of educationally oriented products. During 1999, the unit strengthened its leading position in material designed for the major subjects studied in Finland's comprehensive schools, and sales exceeded 1998 levels. The focus in materials intended for high school students was placed on retaining the unit's strong market share, and sales remained at 1998 levels. The unit failed to achieve its targets in respect of vocational adult educational materials, however. Sales of educational materials totalled FIM 195.7 million and total sales of textbooks rose by some 2%.

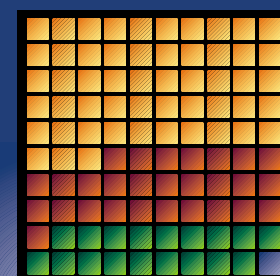
A number of electronic on-line products were launched to support other types of educational materials, which saw the share of new products accounted for by network and audio-visual products increase. WSOY Koulukanava Oy offers a range of TV- and Web-based learning services to new user groups across Finland. Mikkelin koulukanava's operations in the digital educational materials area are closely linked to the WSOY Koulukanava offering.

WSOY Special Publishing

The WSOY Special Publishing Unit provides information to selected target audiences, such as the business and professional worlds and vocational students. Net sales during 1999 totalled FIM 78.3 million.

WSOY Business Publishing had a very successful year. Net sales and operating profit generated by book products rose rapidly. In addition to electronic off-line products, the unit also launched its first on-line product. The unit also launched business training. Legal materials specialist Werner Söderström Lakitieto Oy had a poor year, however, despite making some progress. In December, its operations were reorganised and linked closely to those of Business Publishing.

Net sales by industry %





The merger of WSOY's printing operations into a separate industry strengthened the group's resources and capabilities in both the traditional and digital printing areas.

WSOY's operational subsidiaries

- WSOY Koulukanava Oy
- Teknolit Oy
- Geodata Oy
- Werner Söderström Lakitieto Oy (90%)
- Weilin+Göös Oy
- Kustannusperintä Oy
- Bertmark Media AB
- Bertmarks Förlag AB
- Bertmark A/S Danmark
- Bertmark Norge AS
- AB Förlagsinkasso
- WS Bookwell Oy
- Lönnberg Painot Oy
- Tummaavuoren Kirjapaino Oy (80%)
- Ajasto Osakeyhtiö
- Nummi-Plast Oy
- Chrono AB
- Emil Moestue as

WSOY's associated companies

- Rautakirja Oyj (31.7%)
- Young Digital Poland (27.8%)

Operations at the IT publisher Teknolit Oy did not completely match expectations, but the company nevertheless retained its market share and strengthened its market position.

Geodata Oy, a company in the map and location information business, rapidly achieved a significant market share for its print-based map publications activities started in 1998. The major investment required to do this saw the company record a loss, however. Location information consulting and project services had a very good year, in contrast. Geodata launched an important new map server project aimed at creating the most extensive digital map database in Europe designed especially for Internet and mobile communications needs.

During 2000, WSOY Special Publishing will focus particularly on making use of new technologies in content production and distribution, and on expanding its activities through acquisitions in Finland and the Nordic region.

Weilin+Göös Group

The Weilin+Göös Group is made up of Weilin+Göös Oy and two subsidiaries, Kustannusperintä Oy in Finland and Bertmark Media AB in Sweden, and the latter's subsidiaries in Sweden, Norway, and Denmark. The group develops and markets quality non-fiction and multi-volume reference works for direct sale to the public.

Net sales in 1999 totalled FIM 194.4 million (FIM 204.9 million). Net sales fell in Finland, but increased elsewhere in the Nordic region by 3%, or FIM 3.1 million. The group's operating profit was lower than in 1998, but still good.

Weilin+Göös' children's book club operations were sold to Helsinki Media at the beginning of 2000. As net sales of this business totalled FIM 6.1 million in 1999, Weilin+Göös' overall net sales are not expected to rise in 2000. As a result of continuing marketing investments, the group's result in 2000 is expected to be somewhat lower than that for 1999. The positive benefit of actions currently under way is expected to be seen clearly only after 2000.

PRINTING

Net sales FIM 357.4 million (FIM 426.2 million); operating profit FIM 40.1 million (FIM 51.9 million). The 1998 figures include magazine printing operations, divested on May 1, 1998. The WSOY Printing Unit (known as WS Bookwell Oy since April 1, 2000), Lönnberg Painot Oy, and Tummaavuoren Kirjapaino Oy were combined into a separate industry at the end of 1999.

The unit's order-book as of the beginning of 2000 was larger than that a year earlier. The demand for printed advertising material and books appears to be reasonably good, while that for digital printing services is growing rapidly.

WS Bookwell Oy

WS Bookwell Oy (known as WSOY Printing Unit until March 31, 2000) produces and markets quality book printing services to customers across northern Europe.

The unit's profitability in 1999 was among the best in the field internationally, and the unit achieved all its targets. A total of some 20.8 million books were printed, yielding sales of FIM 202.5 million (FIM 197.2 million). Exports totalled FIM 88.6 million, with most sales going to Sweden and Britain. Exports grew and the added value and volume of books increased.



Geodata Oy has launched a European-wide map service designed specially for mobile terminals.



Lönnberg Painot Oy

Lönnberg Painot Oy operates as three independent units: F.G. Lönnberg, Sävyypaino, and Mainos ja Etiketti. The company is a specialist in printing high-quality advertising material, annual reports, and point of sale advertising material and gift packaging. A customer satisfaction study carried out in 1999 again saw Lönnberg Painot given the number-one spot as Finland's leading printer.

The company recorded a good result for the year, with all its units turning in a profit. Production was steady throughout the year. Net sales totalled FIM 123.2 million (FIM 114.6 million), an increase of 7.5%. The ISO 9002 quality systems at F.G. Lönnberg and Sävyypaino were further developed, while Mainos ja Etiketti completed a quality system for its silk screen operations. The company renewed its right to use the Nordic environmental label on its products.

Given that the financial position of Lönnberg Painot is better than the industry average, the company is well-placed to face 2000.

Tummavuoren Kirjapaino Oy

Tummavuoren Kirjapaino Oy, Finland's leading digital printer, recorded net sales since being acquired on June 1, 1999 of FIM 13.8 million. The company's cost efficiency and market leadership will be further strengthened in 2000 with additional new equipment.

CALENDAR OPERATIONS

Net sales FIM 229.4 million (FIM 254.0 million); operating profit FIM -16.6 million (FIM 5.3 million).

The Calendar Operations Unit includes Finland's leading calendar publisher, Ajasto Osakeyhtiö, and its subsidiaries: Nummi-Plast Oy, a Finnish-based producer of calendar covers; Chrono AB, Sweden's leading calendar publisher; and Norway's leading calendar publisher, Emil Moestue as. Ajasto also imports Casio calculators and Zebra pens.

The Ajasto Group's losses derived from units acquired in Sweden and Norway in 1998, which performed poorly, as a result of reduced profitability resulting from lower prices. Chrono AB's sales operations were restructured, and the senior management at Emil Moestue was replaced. These measures did not have time to effect the 1999 result, however.

Sales and market share of standard calendars remained at 1998 levels, while sales of customised calendars fell back by 5%. Sales in Sweden dropped a couple of percentage points on 1998, and by 18.5% in Norway. The group sold 10.8 million calendars in Finland, 6.7 million in Norway, and 5.8 million in Sweden.

The overall market for calendars was somewhat smaller in 1999. Thanks to their strong brands and market positions, the group's companies are well-placed, however, to record a good result in 2000, and the most important target set for 2000 is to improve performance.

Literary awards in 1999

Matti Hannus' Kultaiset kentät (Golden Fields) was named Sports Book of the Year; Eeva Kilpi was awarded the Alfred Kordelin Foundation Prize; Ilkka Remes was awarded the Olvi Prize for his thriller Pedon syleily (Deadly Embrace); Pentti Saaritsa was awarded a special commendation for his work by the Finnish Cultural Foundation; Tuula-Liina Varis was awarded the Runeberg Prize for her novel Maan päällä paikka yksi on (There's One Place on Earth); JEE JEE JEE – suomalaisen rockin historia (JEE JEE JEE – a History of Finnish Rock) was awarded the State Non-Fiction Award; and Marita Liulia was awarded the Suomi Prize for her works, including the Ambitious Bitch and SOB CD-ROMs.

WSOY's Management Group

- **ANTERO SILJOLA,**
President
- **JORMA KAIMIO,**
Deputy President,
Senior Vice President,
Literature,
WSOY GENERAL LITERATURE
- **MAGNUS HÄSTÖ,**
President,
WEILIN+GÖÖS OY
- **OLLE KOSKINEN,**
President,
AJASTO OSAKEYHTIÖ
- **JORMA MIKKONEN,**
Senior Vice President,
FINANCE AND
CORPORATE SERVICES
- **PEKKA PÄTYNEN,**
Senior Vice President,
PRINTING OPERATIONS
- **TUOMO RÄSÄNEN,**
Senior Vice President,
WSOY SPECIAL PUBLISHING
- **LAURI TENHUNEN,**
Senior Vice President,
WSOY EDUCATIONAL MATERIALS
- **Secretary to
the Management Group**
RIITTA NUMMINEN,
GROUP COUNSEL



A photograph of a person swinging on a swing set in a park. The swing is in motion, and the background is a blurred green lawn and trees. The text is overlaid on the image.

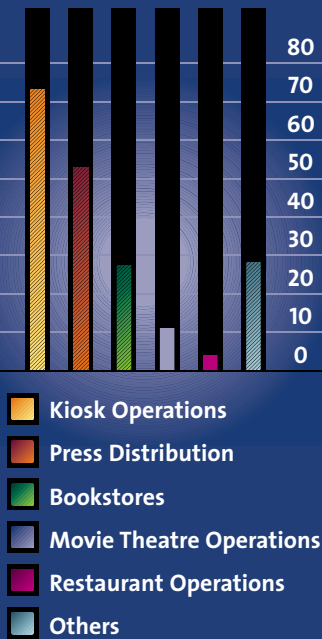
Enjoying the good things in life,
whatever your age

Rautakirja Oyj

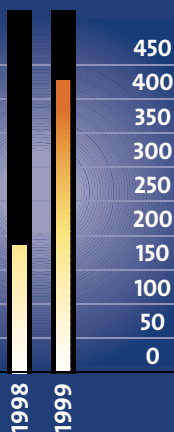
Rautakirja Oyj

Kiosks, press distribution, bookstores, movie theatre operations, restaurants

Operating profit by industry
FIM million



Investments
FIM million



RAUTAKIRJA

The Rautakirja Group specialises in magazine wholesaling and retailing and specialist retailing, based on nationwide coverage, solid brand identity, centralised management, and a strong market position. Rautakirja's goals are good profitability and strong growth. In its core areas, the group aims to expand in the Baltic Rim region and northern Europe. Drawing on its logistics expertise, Rautakirja is committed to developing and managing the best distribution channels in its chosen markets. The Internet and other new information technologies offer a number of new opportunities to help the group achieve these goals.

Rautakirja is listed on the Helsinki Exchanges and is an associated company of Sanoma Corporation and WSOY. SanomaWSOY owns 54.7% of the company's shares.

The year in perspective

Total pre-tax sales of the Rautakirja Group were FIM 5.9 billion (FIM 5.8 billion). The group's net sales totalled FIM 3,478.3 million (FIM 3,422.9 million) while operating profit totalled FIM 198.5 million (FIM 182.8 million). Net sales include only the commission component of commission sales. Restructuring had a net impact on net sales of FIM -23.2 million. The 8.6% growth seen in operating profit was largely driven by higher sales towards the end of the year and cost-saving measures introduced early in the year. The group's profit before extraordinary items, FIM 221.1 million, was the best in Rautakirja's history.

Investments totalled FIM 428.6 million and covered numerous acquisitions and investments in cinema activities. Operations were extended to the Baltic region in 1999 and into new areas in Finland complementary to existing core businesses. Rautakirja also acquired holdings in Jokerit HC Oyj (sports and entertainment), and the Norwegian retailer, Narvesen ASA.

Outlook for the future

The Rautakirja Group's strong financial and asset base will underpin further major investments. In addition to profitability, a key focus will be put on growth, both in the group's core businesses and in new areas. A particular area of interest will be leisure businesses that complement the group's cinema and restaurant operations. The focus of international expansion will be on the kiosk and press distribution businesses, as well as movie theatre operations. Net sales in 2000 are projected to grow by more than 6% to FIM 3.7 billion. Profit performance is projected to be at 1999 levels.

PRESS DISTRIBUTION

Net sales FIM 847.0 million (FIM 805.1 million); operating profit FIM 53.1 million (FIM 49.4 million).

Press distribution operations are concentrated in Finland and Estonia. Lehtipiste's marketing and distribution organisation is open to all publishers, and distributes papers and magazines to nearly 8,400 outlets in Finland. AS Lehepunkt, a joint venture set up by Rautakirja and Estonia's leading newspaper and magazine publisher, AS Ekspress Grupp, in autumn 1999, supplies publications to some 800 sales outlets across Estonia.

Single copy sales of all titles in Finland grew by 4%, those of newspapers by 6.5% and those of magazines by 1.8%. Traditional magazines, women's magazines, and general interest magazines developed well, while the good growth of newspaper sales was driven by the positive upswing in tabloid sales.

KEY INDICATORS	1999	1998	1999	1998
	MFIM	MFIM	M€	M€
Net sales	3 478.3	3 422.9	585.0	575.7
Operating profit	198.5	182.8	33.4	30.7
% of net sales	5.7%	5.3%		
Balance sheet total	2 029.5	1 888.1	341.3	317.6
Gross investments	428.6	188.0	72.1	31.6
Return on investment, % (ROI)	18.0%	17.5%		
Personnel under employment contract	5 006	4 970		
Personnel, average	3 631	3 652		
OPERATIONAL INDICATORS	1999	1998		
Customer volumes in kiosk trade, thousands (excl. franchise kiosks)	84 472	84 803		
Customer volumes in bookstore operations, thousands	6 288	6 179		
Customer volumes in movie theatres, thousands	3 758	3 468		
Number of magazines sold, thousands	133 956	134 172		

Lehepunkt's goal in Estonia is to develop into a national distribution company and extend its distribution to food retailers. As of the beginning of 2000, the company accounted for around 70% of Estonia's newspaper and magazine distribution.

KIOSK OPERATIONS

Net sales FIM 1,755.5 million (FIM 1,717.5 million); operating profit FIM 73.3 million (FIM 70.4 million).

Rautakirja operates the R-kiosk chain in Finland and Estonia. R-kiosk is a nationwide, centrally managed and profitable multi-outlet chain offering its customers entertainment and leisure products, together with a range of foods and beverages and related services, open from early in the morning to late in the evening. As of the end of 1999, there were 729 R-kiosks in Finland, while Lehti-Maja Eesti AS operates 189 R-kiosks in Estonia.

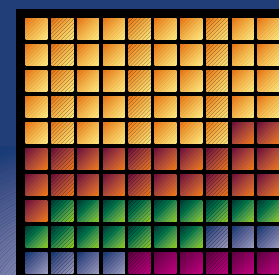
Some 120 million customers visited R-kiosks in Finland in 1999, which was roughly the same number as in 1998; average purchases and sales were also similar. According to a study entitled Finland today, R-kiosks attracted the most customers of any retail chain in Finland in 1999 and were rated the second-best chain in terms of customer perception.

The R-kiosk chain in Finland launched development of a new set of point-of-delivery services in 1999 for products ordered through a variety of channels. In the autumn, Rautakirja and Leonia Bank started a six-month trial to establish the feasibility of incorporating banking services into the R-kiosk offering. An Internet trial was started at outlets in Greater Helsinki.

R-kiosks are clearly larger, both in terms of customer volumes and average purchases, than their competitors among the over 2,500 kiosks in Finland. Competition is getting tougher, however, as retail shops extend their opening hours and service stations further develop their retail services. Thanks to their nationwide coverage, R-kiosks are ideally placed to take over basic services that might be cut back elsewhere, however. The chain closely monitors developments in retail legislation, and is committed to continually developing its business concepts and customer offering to adapt to its changing business environment.

The R-kiosk chain in Estonia was expanded into a nationwide operation in 1999 with the acquisition by Lehti-Maja Eesti AS of two major kiosk chains, Plusspunkt and TRC. As part of this expansion, Lehti-Maja Eesti's magazine wholesaling operations were transferred to Lehepunkt.

Net sales
by industry
%



- Kiosk Operations
- Press Distribution
- Bookstores
- Movie Theatre Operations
- Restaurant Operations



R-kiosks has launched development of a new set of point-of-delivery services for products ordered through a variety of channels, and has started a trial with Leonia Bank to establish the feasibility of incorporating banking services into the R-kiosk offering. Maarit Näkyvä of Leonia Bank and Rautakirja's Erkki Järvinen can be seen here launching the banking services trial.

Rautakirja's operational subsidiaries

- AS Lehepunkt (50%)
- Lehti-Maja Eesti AS
- Suomalainen Kirjakauppa Oy
- Finnkino Oy
- Interprint Oy
- AS MPDE (Motion Picture Distribution of Estonia)
- Baltic Cinema SIA
- Eurostrada Oy
- Veikkausrasti Oy

Rautakirja's associated companies

- Jokerit HC Oyj (21.14%)
- Kirjavälitys Oy (20.09%)
- Narvesen Baltija SIA (35.08%)
- Oü Baltlab (33.33%)

Despite a sluggish economy, sales at R-kiosks in Estonia developed well and the chain became a major retail player during the course of the year, and the country's leading kiosk chain according to a consumer study. The chain has no direct nationwide competitor, but there are a large number of privately operated outlets.

Rautakirja acquired 80% of the Veikkausrasti chain of betting shops at the end of October, thereby increasing its share of sales of lottery and betting products offered by the national lottery, Veikkaus, to some 43%. The annual cash flow of the Veikkausrasti chain of 52 outlets is close to FIM 400 million and net sales in the order of FIM 70 million. The chain will be developed as a provider of a comprehensive range of betting and related products.

BOOKSTORES

Net sales FIM 602.5 million (FIM 568.7 million); operating profit FIM 27.8 million (FIM 23.9 million).

Suomalainen Kirjakauppa operates a nationwide, centrally managed chain of bookshops in Finland, numbering 60 bookshops and one Dose multimedia shop as of the end of 1999. The success of the chain is based on providing an extensive selection of books and a high level of service at central locations, and a strong brand identity.

The purchase of Pohjalainen Kirjakauppa Oy in Oulu further strengthened the chain's nationwide coverage, as did the launch of an Internet bookshop (www.suomalainen.com) offering a complete range of Finnish fiction and non-fiction. Despite the slow-down in the bookshop business that began in 1998, Suomalainen Kirjakauppa successfully secured new growth and had a very good Christmas season.

Competition on the bookshop market is expected to get considerable tougher with a further increase in direct marketing and price competition. Suomalainen Kirjakauppa will develop its bookshops and Internet bookshop as complementary offerings to address this challenge.

MOVIE THEATRE OPERATIONS

Net sales FIM 248.5 million (FIM 243.9 million); operating profit FIM 11.4 million (FIM 8.2 million).

Finnkino operates cinemas in Finland, Estonia, and Latvia, and is involved in film distribution, video sales, and subtitling. The company also imports special interest films into Finland, primarily for its own cinemas, as well as films for video sales and rental. Finnkino subsidiary, Interprint Oy, offers film subtitling services.

Three new multiplex cinemas were opened in Finland in 1999, a 14-screen cinema complex in Helsinki, a 10-screen complex in Tampere, and a five-screen complex in Pori. These units offer films and other services, such as cafés and restaurants. An Internet shop was enhanced in 1999, and the company's reservation system updated. As of the end of the year, Finnkino operated 19 cinemas with 78 screens in Finland.

Finnkino expanded its operations into Estonia by purchasing 90% of the Estonian distribution and cinema company AS MPDE. The latter distributes the majority of films produced by American studios in Estonia, and has an approximately 70% share of the local market. The company operates cinemas in Tallinn and Tartu, and accounts for over 60% of the Estonian cinema market. As of the end of the year, the company operated two duplex cinemas. The company also owns 33% of a film subtitling company, Oü Baltlab.

Finnkino opened three new multiplex cinemas in 1999: in Helsinki in February, in Tampere in April, and in Pori in November.



The overall film market in Finland in 1999 was good. Some 7 million cinema tickets were sold, well up on the 6.3 million sold in 1998. This growth was driven by new multiplex cinemas and the popularity of Finnish films released during the year. Ticket sales increased in Helsinki and Tampere in particular, where new multiplexes were opened; elsewhere, sales were largely at 1998 levels. Developments on the video market were also positive.

The Latvian film market developed well, and ticket sales at Baltic Cinema rose. Some 90% of the Latvian cinema market is concentrated in the capital, Riga, where the company operates two duplex theatres. The company plans to open a third cinema in the near future and identify a site for a future new multiplex.

Finnkino is the market leader in the cinema field in Finland. Given the lower number of cinema tickets purchased per capita in Finland compared to other European countries, there is still good potential for future growth. Finnkino is committed to developing its chain of cinemas by building new multiplexes and enhancing existing units. The company's new multiplex in the centre of Helsinki attracted over a million visitors in less than a year, and became the largest cinema complex in the Nordic region.

Finnkino will develop its Estonian cinema and film business in close cooperation with its local partner. A new 11-screen multiplex is scheduled to open in Tallinn in early spring 2001.

RESTAURANT OPERATIONS

Net sales FIM 212.6 million (FIM 214.5 million); operating profit FIM 4.5 million (FIM 2.9 million).

Eurostrada's operations are divided between Eurostrada highway service areas and the Pizza Hut chain of restaurants. There are currently eight Eurostrada outlets offering a full range of services; the chain also includes one fuel distribution outlet in Helsinki. Eurostrada facilities are operated in collaboration with oil companies.

The Eurostrada concept and brand identity were further developed in 1999. Sales of traffic fuels were down on 1998. Tough price competition in various parts of the country affected regional and outlet-specific sales during the early part of the year. Other sales were up on 1998.

Gasoline consumption is expected to slightly drop in 2000, while diesel fuel consumption is expected to rise. Given the continued growth of competition in the business and consumers' growing price sensitivity, Eurostrada will focus on further developing all its operations.

The Pizza Hut chain comprises a mix of full-service restaurants, Express units, and Take Away Shops, totalling 19 outlets as of the end of the year.

The chain's strategy was re-evaluated during the course of the year to address profitability problems and the tough competition affecting the fast food sector as whole. As a result, the Pizza Hut chain will be developed to provide a more competitive offering in 2000, and one better tailored to the Finnish environment. Pizza Hut currently has around 5% of the Finnish pizza market. Studies have shown that the chain's strengths include good outlets, good services, and good products, all of which indicates that Pizza Hut is well-placed to become more profitable and competitive in the future.

Rautakirja's financial reporting

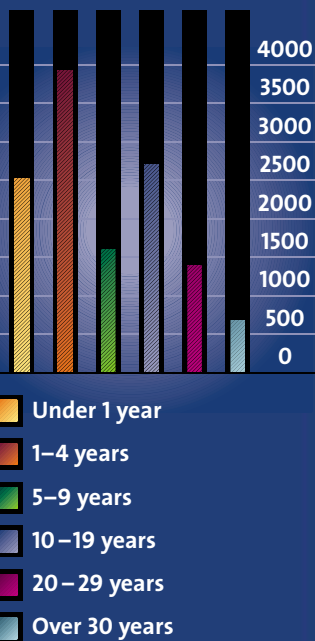
Rautakirja published its own financial statements on March 3, 2000 and its own annual report on March 31, 2000. Both of these can be found at www.rautakirja.fi. Copies of the annual report can be ordered via the Internet or from Rautakirja Oyj/Communications, P.O.Box 1, FIN-01641 Vantaa, Finland. Rautakirja will publish its interim reports for 2000 on May 8, August 8, and November 6. The company's Annual General Meeting will be held on April 13, 2000.

Rautakirja's Group Executive Board

- **HANNU SYRJÄNEN,**
President & CEO
- **ERKKI JÄRVINEN,**
Senior Vice President,
KIOSK OPERATIONS
- **RAIMO KURRI,**
Senior Vice President,
BOOKSTORES
- **MARKUS MIETTINEN,**
Senior Vice President,
PRESS DISTRIBUTION
- **TIMO MÄNTY,**
Senior Vice President,
MOVIE THEATRE AND
RESTAURANT OPERATIONS
- **MATTI SALMI,**
Senior Vice President,
Corporate Finance
and Administration

Human Resources

Years of service
1999



The role of SanomaWSOY's Parent Company and its human resources function is to coordinate the Group's human resources policy and develop the skill base of the Group's personnel. Individual SanomaWSOY subsidiaries are responsible for their own human resources policy, employee health care, efforts designed to maintain and enhance employees' ability to do their job, and salary administration.

As a media group, SanomaWSOY's success is ultimately based on the creativity and expertise of its personnel, and on its people being strongly motivated to achieve their targets. The Group's human resources policy is designed to ensure that personnel are empowered to succeed, and defines the key principles to be followed within SanomaWSOY in respect of remuneration, and motivating, managing, and developing employees.

The focus during the Group's first year of operations was on identifying new ways of cooperation across organisational boundaries, both in the human resources area and in internal communications. A set of common success factors and principles, strategies, and goals for the Group as a whole were established at various meetings, including six SanomaWSOY seminars attended by some 300 experts, managers, and senior executives. Feedback from participants at the events was very positive, and similar seminars will continue in 2000. Internal debate on the Group's success factor values – creativity, reliability, and dynamism – and how they relate to the values of each of the Group's subsidiaries will continue across SanomaWSOY.

Development projects

Personnel development work within SanomaWSOY is designed to ensure that employees across the Group are equipped with the right number and quality of skills to turn its business strategies into reality. A skill development project started in autumn 1999 will define SanomaWSOY's strategic competencies and the skills that the Group needs, and review the existing skill base. A study to be completed in 2000 will help define skill needs and launch a program to provide them.

This development program will help make the way the Group works more efficient, motivate people by putting their best skills to work, and enhance the Group's attractiveness as an employer.

Media Trainee Program

A Media Trainee Program was launched in autumn 1999, aimed at identifying the best young talents for growth and development projects and training these people to become true multi-skilled media professionals through a systematic on-the-job training program.

The program will recruit talented young people interested in the media and draw up an 18-month program for them. During this, they will work in three or four Group units, with at least two components related to growth and development projects and at least one related to electronic media. As of the beginning of 2000, four young people had been recruited.

Remuneration

All subsidiary groups operate remuneration systems incorporating performance-related incentives. Everyone employed by Helsinki Media and Sanoma Corporation belongs to a Personnel Fund. In the case of the latter, employees' annual profit sharing sum is 20% of the profit exceeding a previously determined threshold result, and 15% in the former. WSOY operates a bonus system linked to the performance of individual units or departments, while Rautakirja sets unit- or team-specific performance targets, where bonuses are equivalent to 20% of profits that exceed these targets. For information on the performance-related bonus systems used for senior managers, see Page 51.

The year in figures

SanomaWSOY employed 12,629 people (11,900) on average in 1999. The increase on 1998 was largely the result of acquisitions. During the year, Helsinki Media employed 994 people (1,253), Sanoma Corporation 4,758 people (3,853), WSOY 1,827 people (1,824), Rautakirja 5,006 people (4,970), and the Parent Company 44 people on average. Converted into full-time positions, this is equivalent to 9,816 people (9,329).

85% of personnel were employed on a full-time basis, and 15%, on a part-time basis. These figures do not include Rautakirja personnel. The average age of personnel was 39. Women made up 64% of employees in 1999, and men 36%. Women accounted for 44% of senior and middle management positions, and men 56%.

A total of 1,050 people, or 8% of the total workforce, worked for the Group outside Finland. Rautakirja employed the largest number of these, 608. WSOY employed 336, Sanoma 91, and Helsinki Media 15.

Performance-based salaries paid in 1999 totalled FIM 1,604 million (FIM 1,510 million). Voluntary social expenses totalled FIM 45.9 million; and the purchase of external training totalled FIM 22.9 (FIM 17.7 million).

A total of 86 people retired from the Group in 1999. During 2000, 43 people will reach statutory retirement age, and 1,323 people between 2000 and 2009.

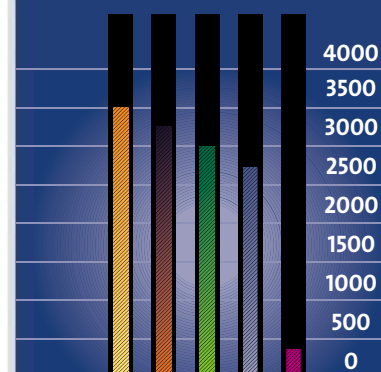
Targets for SanomaWSOY success factor values

Creativity: SanomaWSOY offers its personnel a modern and exciting place to work, with very much a human face, where people are encouraged to stretch and develop themselves.

Reliability: SanomaWSOY is a financially solid and fair employer committed to well-planned, profitable operations, benefiting employees in terms of continuity of employment, job rotation, and remuneration.

Dynamism: Vision, a willingness to change and adapt, growth, and development are essential in SanomaWSOY's operations.

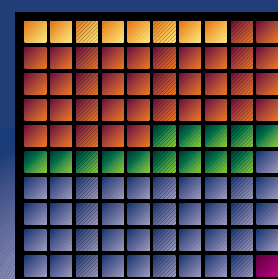
Personnel by age
1999



- Under 30
- 30-39
- 40-49
- 50-59
- Over 60

Group personnel
by subsidiary group
as of December 31, 1999

%



- Helsinki Media
- Sanoma
- WSOY
- Rautakirja
- Parent Company

Environmental Review

Environmental Facts

- Thinnings from managed forests and small amounts of recycled fibre are used in producing newsprint.
- Newsprint used in newspapers is a light-grade paper (40 or 42.5 g/m²), thereby reducing fibre, energy, and transport needs.
- Printing one newspaper uses around 4 g of ink. The base oils used in inks are lowsulphur mineral oils and renewable vegetable oils.



Continual development of printing processes

Sanoma Corporation carries out printing at its newspaper printing plants in Vantaa, Forssa, and Varkaus. WSOY Group's printing operations are split between its three subsidiaries. WS Bookwell Oy's book printing units are located in Porvoo and Juva; Lönnberg Painot Oy's sheet offset printing activities and silk screen printing activities are located in Helsinki, and offset printing works are located in Espoo. Tummavuoren Kirjapaino's digital printing unit is located in Vantaa. Ajasto Osakeyhtiö's calendar printing unit is located in Vantaa, and the printing facilities of its Norwegian subsidiary, Emil Moestue, in Oslo. Helsinki Media's magazines are printed by an associated company, Hansaprint, which took over Helsinki Media's printing business at the beginning of 1999.

Emissions released by printing production are relatively easy to control, and the total amount of energy used is reasonable. A major part of the paper used as the main raw material is sourced from Finnish forests and is based on a renewable natural resource, trees.

Production and distribution methods are continually developed at SanomaWSOY's printing plants, aimed at reducing the need for natural resources, raw materials, and energy by improving systems, in line with the principles of sustainable development.

Hazardous waste produced by the Group's printing plants include waste ink, cleaning solvents and cleaning wipes, oil, and fixing and developing materials. All waste is sorted, and ways of reusing waste, wherever possible, are being actively developed. The Group's printing plants also maintain data on the environmental impact of in-house processes and those of outside suppliers linked to these processes, and uses this information in collaboration with partners, such as paper mills and printing ink manufacturers, to continually improve operations.

The Group's printing plants require raw material and other suppliers to make use of production methods that impose the minimum impact on the environment.

The continuous development of printing methods is seeing the industry's dependence on light-sensitive materials and associated chemicals steadily drop, and the amount of silver and chemical waste fall significantly. New technologies have already made completely film-free printing possible, for example, with text and graphics transferred directly to the printing plate (CTP).

The bulk of page production at Sanoma units is already carried out digitally, and units will switch over to digital technology completely during 2000. A large proportion of page production at WS Bookwell's Porvoo printing plant is also carried out digitally, and film-free production was adopted for all new printing projects during 1999. Preliminary preparation of printing plates at F.G.Lönnberg is carried out digitally, and the system will be introduced at Sävyypaino in the first half of 2000.

Cutting distribution mileage

SanomaWSOY pays particular attention to managing transport logistics, for both cost and environmental reasons.

Sanoma Corporation has built new printing plants closer to its readers, in Varkaus and Forssa. Printing of Ilta-Sanomat started in Oulu in January 2000, and this will reduce newspaper transportation distances in northern Finland substantially.

Deliveries of WSOY books to dealers and bookshops have been handled as joint deliveries with other publishers since 1994. This approach is also used by Rautakirja's Lehtipiste in distributing single copies of papers and magazines. Lehtipiste began nationwide joint distribution of tabloids in autumn 1999, and has been able to cut its distribution routes from 600 to 450 a day. Route planning is designed to minimise the number of total kilometres travelled.

Recycling unsold copies

As a specialist retailer and press distributor, Rautakirja's main waste streams are made up of office waste and product packaging and similar handled by its retail outlets, which number some 1,000.

Unsold returned copies from Rautakirja's Lehtipiste business generated 14,400 tonnes of waste paper in 1999. This is collected from outlets when fresh copies are delivered and passed to 22 centralised collection points across Finland, from where it is sent on to normal paper recycling.

Collecting office waste efficiently

The majority of work carried out by SanomaWSOY's personnel is carried out in offices, and this generates recyclable office-grade waste. This waste is collected systematically across the Group, and employees are encouraged and assisted in sorting it into separate streams. Hazardous waste, such as computers, diskettes, magnetic tapes, toner, fluorescent tubes, batteries, and overheads, are sent for separate waste treatment.

A solvent glue-based lamination line at WS Bookwell's book printing plant at Porvoo was replaced with a unit using water-based glue in 1999. This has reduced airborne emissions of volatile organic hydrocarbons by 33 t/a.

Work started on modernising production technology at Sanoma's Vantaa printing plant in 1999. The new machinery and equipment to be installed will reduce the site's environmental impact.

Separate collection of energy waste was started at WS Bookwell's book printing plant at Porvoo and WSOY's book centre in January 2000 as part of efforts to significantly reduce the amount of waste sent to landfills.

The amount of landfill waste generated by Sanoma operations will be further reduced in 2000 by sorting waste suitable for energy generation from mixed waste streams.

Environmental Facts

- Ajasto's calendars are produced from environmentally compatible materials. Ajasto developed its Swan paper, a 52 g/m² thin paper specially designed for calendar production, in collaboration with a Finnish paper producer.
- Tummavuoren Kirjapaino, Sävyypaino, and F.G.Lönnberg are authorised to use the Nordic Swan environmental label on their products.
- Emil Moestue has received ISO 14 001 environmental certification; Ajasto, Sävyypaino, and F.G.Lönnberg have ISO 9002 quality systems; and WSOY's book printing plants operate an ISO 9001 quality system.

Corporate Governance

SanomaWSOY follows the recommendations issued in 1997 by the Finnish Central Chamber of Commerce and the Confederation of Finnish Industry and Employers covering the governance of public companies. The Group's insider register is updated on a monthly basis and can be consulted at www.sanomawsoy.fi.

SanomaWSOY's corporate structure

SanomaWSOY comprises four subsidiary groups, Helsinki Media Company Oy, Sanoma Corporation, Werner Söderström Corporation, and Rautakirja Oyj, together with a parent company, Sanoma-WSOY Oyj, which is responsible for administering the Group and for its real estate, development, legal, treasury and asset management, and investor relations and group communications functions. The Parent Company fully owns its subsidiaries, with the exception of Rautakirja, in which the Group has a 55% holding.

Responsibilities of the Board of Directors and the President & CEO

The Group's senior administrative duties are the responsibility of the **Board of Directors** and the **President & CEO**, whose duties reflect those laid down by the Finnish Companies Act and other relevant legislation. Matters to be presented to the Board are prepared, in accordance with the Articles of Association, by the **Management Group**. This consists of the Chairman of the Board of Directors, Aatos Erkko, the Vice Chairman of the Board, Esko Koivusalo, and the President & CEO, Jaakko Rauramo. The Board is empowered to establish other committees if it so wishes annually following the Annual General Meeting of Shareholders (AGM). In 1999, the Board established an **Audit Committee**, consisting of Kyösti Järvinen (chairman), Jane Erkko, Paavo Hohti, and L.J. Jouhki; and a **Compensation Committee**, consisting of Aatos Erkko (chairman), Esko Koivusalo (vice chairman), Marjukka af Heurlin, L.J. Jouhki, and Robin Langenskiöld.

Board member Jaakko Rauramo serves as President & CEO, and his Board colleague Antero Siljola as his Deputy and as President of Werner Söderström Corporation. Rafaela Seppälä serves as Project Manager at Helsinki Media.

Selection procedure for Board members and the President & CEO

Members of the Board, the Chairman of the Board, and his Deputy are elected by the AGM. The number of Board members can be between five and 11; in 1999, the Board had 11 members.

At least one and no more than two personnel representatives, together with their individual deputies, can be elected to the Board if an agreement covering the implementation of such representation and the appointment of the relevant representatives has been made, in accordance with the Finnish Co-Determination Act, between the Company and personnel at a joint meeting or consultative committee session, or if legislation on personnel representation in corporate management so requires. Personnel were represented on the Boards of Directors of Helsinki Media and Sanoma Corporation in 1999, and in the management groups of WSOY and Rautakirja.

Board members' terms of office begin at the conclusion of the AGM and end at the end of the following third AGM. If a member's seat falls vacant before the end of this three-year period, a new member is elected for the remainder of the period in question. The AGM can decide that one-third of Board members should resign annually in accordance with the length of their term of office. If appropriate, the AGM can decide the names of those to resign when new members are elected.

The Board is responsible for electing SanomaWSOY's President & CEO and his Deputy, and for electing the presidents and deputies of Helsinki Media, Sanoma Corporation, and WSOY. The Board selects the Senior Editors-in-Chief of Helsingin Sanomat and Ilta-Sanomat, and the Parent Company executives who sit on SanomaWSOY's Management Group.

Qualifications, independence, and disqualification of Board members and the President & CEO

The Articles of Association stipulate that no person aged 75, or who would reach the age of 75 during his period in office, can be elected to the Board.

Background information on Board members and their affiliations are published on Pages 52 and 53, and on Management Group members on Pages 54 and 55.

Remuneration and other privileges of the Board and Management

The Board is responsible for confirming the terms and conditions of employment of the President & CEO and other members of senior management. The AGM is responsible for confirming the compensation paid to the Board.

The members of the Board of Directors were paid the following monthly compensation in 1999: FIM 20,000 per month to the Chairman, FIM 15,000 to the Vice Chairman, and FIM 10,000 to Board members. A sum of FIM 1,000 per meeting was also paid to all those who attended. Auditors' fees were paid in accordance with their invoices. The remuneration and other benefits paid to SanomaWSOY's President & CEO in 1999 totalled FIM 2,329,212.

SanomaWSOY has a senior management incentive system linked to the Group's financial performance on an annual and extended basis, and partially to the development of the Group's market capitalisation.

Senior management does not hold any warrants entitling them to purchase Company shares, and the Company has not granted the members of the Board or Management Group any loans or given any pledges on their behalf.

The retirement age of senior managers appointed by SanomaWSOY's Board of Directors is 60 years, and their pension is 60% of their salary. The period of notice for senior managers is six months and payment in the case of termination of employment is equivalent to 12 month's salary.

System of control

The Board selects an Audit Committee from among its members annually, responsible for improving the Company's financial reporting and the reliability of internal control procedures. The Audit Committee consists of four members, but all Board members are entitled to attend its meetings if they wish. Meetings are also attended, where appropriate, by the Company's external auditors, the President & CEO, his Deputy, and the Chief Financial Officer, and other persons considered relevant to the matters under discussion.

The Audit Committee is responsible for reviewing the Company's year-end statement of accounts and one of its interim reports in respect of their underlying assumptions and other key issues presented in them for the Board's final consideration, and for ensuring the functioning of the Group's operating guidelines and authorities, monitoring systems, and internal auditing. The Audit Committee is also responsible for monitoring the bases of the Group's treasury and asset management activities, reviewing the reports of external auditors, and for proposing possible actions to be decided on by the Board, as well as for handling any other duties that it may be assigned by the Board.

SanomaWSOY's internal auditing, with the exception of Rautakirja, is handled by the Parent Company's Internal Auditing Unit.

Board of Directors



The members of SanomaWSOY's Board of Directors, from left to right: Antero Siljola, Robin Langenskiöld, Marjukka af Heurlin, L.J. Jouhki, Esko Koivusalo (Vice Chairman), Aatos Erkko (Chairman), Jaakko Rauramo, Jane Erkko, Paavo Hohti, Rafaela Seppälä, and Kyösti Järvinen.

AATOS J. ERKKO, born 1932, Minister, Doctor of Social Sciences h.c., Chairman of the Board.

Editor-in-Chief of Viikkosanomat between 1953 and 1961; Editor-in-Chief of Helsingin Sanomat between 1961 and 1970; CEO of Sanoma Corporation between 1961 and 1970, and a member of the Board since 1957, Vice Chairman between 1965 and 1972, and Chairman between 1972 and 1999.

Sits on the boards of

The News Corporation Limited, Päivälehti Archives Foundation (chairman), the Helsinki Sanomat Centennial Foundation (chairman), Sanoma, Inc. (chairman), Sanoma Finance AG (chairman), Lastannet Holding B.V. (chairman), and Oy Asipex Ab.

- Owns 1,281,458 SanomaWSOY Series A shares and 6,510,415 Series B shares.

ESKO KOIVUSALO, born 1936, M.A., Doctor in Medicine and Surgery h.c., Vice Chairman of the Board.

Serves as Secretary General of the Alfred Kordelinin yleinen edistys- ja sivistysrahasto (Fund). Served as a member of the Supervisory Board of WSOY between 1983 and 1991 and as its Chairman between 1991 and 1999.

Sits on the boards of

Taluttaja Oy and the Arvo and Lea Ylppö Foundation.

- Owns five SanomaWSOY Series A shares and one Series B share.

JANE ERKKO, born 1936.

Served on the Board of Sanoma Corporation between 1990 and 1999 and on that of Helsinki Media (Vice Chairman) between 1995 and 1999.

- Owns 10,952 SanomaWSOY Series A shares and 50,006 Series B shares.



MARJUKKA AF HEURLIN, born 1943, M.A. (Agric. & Forestry).
Serves as a nutritionist at the Social Insurance Institution's Rehabilitation Services Unit. Served as a member of WSOY's Supervisory Board between 1980 and 1999.

Sits on the boards of

Heurlin Invest Oy (chairman) and
Marjukka af Heurlin Oy (chairman).

- Owns 13,440 SanomaWSOY Series A shares and 7,305 Series B shares.

PAAVO HOHTI, born 1944, Ph.D.

Serves as Secretary General of the Finnish Cultural Foundation. Served as a member WSOY's Supervisory Board between 1991 and 1994 and as its Vice Chairman between 1994 and 1999.

Sits on the boards of

Huhtamäki Van Leer Oyj (vice chairman), Werner Söderström Corporation's Literature Foundation (chairman), The Finnish Institute in Athens, and The Finnish Institute in Rome.

- Owns six SanomaWSOY Series B shares.

L.J. JOUHKI, born 1944, M.Sc. (Econ).

Serves as the Managing Partner of the Thomesto Group (Thominvest Oy, Thomproperties Oy, Thomesto Oy). Served as a member of the Sanoma Corporation Board between 1990 and 1999.

Sits on the boards of

Finnlines Plc (chairman), Fortum Corporation, UPM-Kymmene Corporation, and Oyj Hartwall Abp. L.J. Jouhki is also a member of the Supervisory Board of Merita Bank Plc, the Chairman of the Commission of the Finnish-Russian Chamber of Commerce, and the Chairman of the Board of National Voluntary Defence Association.

KYÖSTI JÄRVINEN, born 1933, B.Sc. (Econ).

Served in various positions in Kansallis Banking Group's and Merita Bank Plc's domestic and international operations between 1956 and 1996.

Sits on the boards of

the Finno-Ugrian Society and the Kalevala Society.

ROBIN LANGENSKIÖLD, born 1946, B.Sc. (Econ).

Served as a member of the Board of Sanoma Corporation between 1990 and 1999 and that of Helsinki Media between 1995 and 1999.

Sits on the board of

Oy Lorcás Ab.

- Owns 302,936 SanomaWSOY Series A shares and 1,621,393 Series B shares.

JAAKKO RAURAMO, born 1941, M.Sc. (Eng).

Serves as the President & CEO of SanomaWSOY and the Chairman of the Boards of Helsinki Media, Sanoma Corporation, WSOY, and Rautakirja. Served as a member of the Board of Sanoma Corporation since 1979 and of WSOY's Supervisory Board between 1996 and 1999. Rauramo has also served as a member of the Rautakirja Board since 1977 and as its Chairman since 1988. See Page 54 for further details.

- Owns 613 SanomaWSOY Series A shares and 8,641 Series B shares.

RAFAELA SEPPÄLÄ, born 1954, M.Sc. (Journalism).

Serves as Project Manager at Helsinki Media Company. Served as a member of Sanoma Corporation's Board between 1994 and 1999.

Sits on the board of

Lehtikuva Oy.

- Owns 302,936 SanomaWSOY Series A shares and 1,621,393 Series B shares.

ANTERO SILJOLA, born 1942, M.Sc. (Econ).

Serves as the President of Werner Söderström Corporation and the Deputy President & CEO of SanomaWSOY, the Vice Chairman of the Board of Helsinki Media Company, and as a member of the Boards of Sanoma Corporation and WSOY. Served as Chairman of the WSOY Board between 1987 and 1999. See Page 54 for further details.

- Owns 2,490 SanomaWSOY Series B shares.

A complete register of SanomaWSOY's insiders' holdings can be found at www.sanomawsoy.fi. Information is updated monthly. Share ownership information on Pages 52 – 55 refers to December 31, 1999.

Management Group



JAAKKO RAURAMO, born 1941, M.Sc.(Eng). *President & CEO of SanomaWSOY.*

Served as President of Sanoma Corporation between 1984 and the merger. Joined Sanoma in 1966, elected to the Board in 1979, and served as General Manager at Sanomaprint, General Manager of the Newspaper Division, and Executive Vice President of Sanoma.

Sits on the boards of Sanoma-WSOY Oyj, Sanoma Corporation (chairman), Werner Söderström Corporation (chairman), Helsinki Media Company Oy (chairman), Rautakirja Oyj (chairman), Metso Oyj, Svenska Dagbladets AB, A-pressen ASA, the Scandinavian International Management Institute, the European Publishers Council, and the Reuters Founders Share Company Limited (trustee). In addition, Jaakko Rauramo is a member of the Advisory Board of the Finnish Medical Foundation, the Advisory Board of the Helsinki School of Economics, the Delegation of the Central Chamber of Commerce, the Helsinki Chamber of Commerce, and the Honorary Delegation of the Student's Union of Helsinki University of Technology.

- Owns 613 SanomaWSOY Series A shares and 8,641 Series B shares.



ANTERO SILJOLA, born 1942, M.Sc.(Econ). *President of Werner Söderström Corporation and Deputy President & CEO of SanomaWSOY.* Served as President & CEO of Rautakirja between 1978 and 1987 and President of WSOY since 1987.

Sits on the boards of Sanoma-WSOY Oyj, Werner Söderström Corporation, Sanoma Corporation, Helsinki Media Company Oy (vice chairman), Ajasto Osakeyhtiö (chairman), Lönnberg Painot Oy (chairman), Weilin+Göös Oy (chairman), Rautakirja Oyj (vice chairman), Ilmarinen Mutual Pension Insurance Company (chairman of the Supervisory Board), the Finnish Fair Corporation, SKY-Palvelu Oy (chairman), the Finnish Book Publishers Association (chairman), Finnish Employers' Management Development Institute (chairman), the Federation of European Publishers (vice president), the International Publishers Association, and the Valamo Foundation (chairman). Antero Siljola is also a member of the Delegations of the Central Chamber of Commerce in Finland and the Helsinki Chamber of Commerce.

- Owns 2,490 SanomaWSOY Series B shares.



AARNO HEINONEN, born 1944, M.Sc.(Econ). *Senior Vice President, Administration and Finance at SanomaWSOY.* Served as a member of the Board, CFO, and Vice President of Werner Söderström Corporation between 1987 and 1999. Previously served as CFO of Veitsiluoto Oy and as Auditing Manager and CFO at the Huhtamäki Group.

Sits on the boards of Werner Söderström Corporation, Sanoma Corporation, Helsinki Media Company Oy, Tuotantotalo Werne Oy, Kirjatuki Oy (chairman), the Federation of the Printing Industry, Vapo Oy, and the Economic Research Foundation of the Communication Industry.

- Owns 50 SanomaWSOY Series A shares and 510 Series shares.



NILS ITTONEN, born 1954, B.Sc.(Econ). *Senior Vice President, Group Treasury and Asset Management at SanomaWSOY.* Served in various positions in Sanoma Corporation since 1977, including as the CFO of Crafton Graphic Co. and Sanoma, Inc. (USA), and Vice President, Asset Management at Sanoma Corporation.

- Owns 8,000 SanomaWSOY Series B shares.

TAPIO KALLIOJA, born 1948, M.Sc.(Eng). *President of Helsinki Media Company Oy.*

Served as Vice President of Sanoma's Eurocable Group and New Media Group and President of Helsinki Telset Oy and Helsinki Television Ltd., the President of Helsinki Media, and a member of the company's Board since 1993

Sits on the boards of Helsinki Media Company Oy, Helsinki Television Ltd (chairman), Oy Ruutunelonen Ab (chairman), Oy Suomen Medianeelon Ab (vice chairman), Milvus Förlags AB (chairman), Tuotantotalo Werne Oy (chairman), Måndag Oy, Oy Kirjalito Ab (chairman), Egmont Kustannus Oy Ab (chairman), Hansaprint Oy (vice chairman), Maxisat Oy, the Finnish Audit Bureau of Media, Aikakausmedia Oy (chairman), Suomen Urheilutelevisio Oy (vice chairman), the Federation of the Printing Industry, the Finnish Periodical Publishers' Association (chairman), and the Association of Commercial Television of Finland (chairman).

- Owns 300 SanomaWSOY Series B shares.

SEPPÖ KIEVARI, born 1943, *President of Sanoma Corporation, Publisher of Helsingin Sanomat.*

Joined Sanoma Corporation in 1966 and served as Editor-in-Chief of Helsingin Sanomat, Executive Vice President of Sanoma Corporation, and the Publisher of Helsingin Sanomat. Member of Sanoma's Board of Directors since 1995.

Sits on the boards of Sanoma Corporation, Lehtikuva Oy (chairman), Startel Oy (chairman), the Finnish News Agency (chairman), the Finnish Newspapers Association (chairman), the Graphic Industry Research Foundation, IFRA, The World Editors Forum, and Foundation Journalistes en Europe (Supervisory Board).

KERSTIN RINNE, born 1950, LL.B, *Master of Laws. Senior Vice President, Legal Affairs and Corporate Planning at SanomaWSOY.* Previously served as Vice President, Legal Affairs and Information Services at Sanoma Corporation since 1994, and responsible for corporate planning, information services, and administration at various points. Joined Sanoma as a legal counsel in 1980 after working for law offices Silkkö & Ståhlberg, H. Hedman, and Rinne & Talikka.

Sits on the boards of Sanoma Corporation, Werner Söderström Corporation, Helsinki Media Company Oy, and HYY Group. Kerstin Rinne is also a member of the Advisory Board of the International Economic Justice Institute, the Management Board of The English School, and the Corporate Affairs Group of the European Publishers' Council.

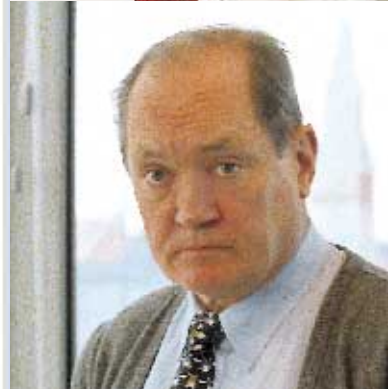
- Owns 200 SanomaWSOY Series B shares.

HANNU SYRJÄNEN, born 1951, B.Sc.(Econ), LL.B. *President & CEO of Rautakirja Oyj.*

Joined Rautakirja in 1989 and served as a Vice President, Executive Vice President & CEO, and since 1998 as President and CEO. Previously served as Vice President at TS-Yhtymä, Managing Director at Wihuri Oy, and as Managing Director of Finnish Lawyers' Publishing.

Sits on the boards of Rautakirja Oyj, Suomalainen Kirjakauppa Oy (chairman), Finnino Oy (chairman), Veikkausrasti Oy, Lehti-Maja Eesti AS (chairman), AS Lehepunkt (chairman), Baltic Cinema SIA Latvia (chairman), Districo Int AB (chairman), Jokerit HC Oyj, Finnlab Oy, Asko Furniture Ltd., Employers' Confederation of Service Industries, the Helsinki Chamber of Commerce (Vantaa Section), and the International Book and Press Retailers Association (IBA).

- Owns 1,000 SanomaWSOY Series B shares.



Group Treasury and Asset Management

SanomaWSOY's treasury and asset management activities are centralised and managed by the Parent Company. In contrast to other subsidiary groups, Rautakirja handles its treasury and financial operations independently.

The Group Treasury is primarily a service function, and operates as an internal bank, and handles relationships with the Group's banks, Group-level financial risk management, and secures the Group's financing needs.

Generating a good return with reasonable risk

The objective of the Asset Management Unit is to achieve a good return on the asset portfolio while incurring only a reasonable level of risk. Operations are based on taking a long-term view and pursuing a prudent and disciplined investment policy. The focus is on North American and European equities. Investments are concentrated in liquid stocks of global blue chip companies, thereby enabling funds to be readily available for the Group's expansion and development projects. Derivatives are used actively, both to adjust the portfolio's risk profile and in trading activities.

The 1999 operating environment was volatile. Long-term interest rates increased and the performance of equities varied widely from industry to industry. Against this background, SanomaWSOY's allocations and trading activities were very successful. The duration of the fixed-income portfolio was exceptionally low. The return on the equity portfolio was very good due to a focus on technology and cyclical stocks.

Financing revenue has an important impact on the Group's result in the current corporate structure.

Net book revenue from treasury and asset management activities totalled FIM 233.7 million in 1999. The market value of the Unit's portfolio as of the end of the year stood at FIM 2,320 million and its book value at FIM 1,500 million. Equities accounted for 62% of the portfolio and fixed-income instruments for 38%.

Operating policy

Investments in financial securities always involves risks. Virtually all of the Group's material currency risks are linked to asset management operations.

SanomaWSOY's Board of Directors has approved a set of operational guidelines covering the activities of the Group Treasury and Asset Management. Activities are managed and monitored using state-of-the-art, on-line reporting systems. The portfolio is generally not hedged against market risks. Risks are primarily managed through an efficient and broad diversification of assets. Illiquid, high-risk investments are avoided. The Group only does business with counterparties and partners that are considered of a leading and reputable nature.



Investing in SanomaWSOY

SanomaWSOY's Annual General Meeting of Shareholders will be held on

April 18, 2000 at 10 a.m. at the Congress Wing of Finlandia Hall, Mannerheimintie 13, Helsinki.

Attendance

Inform Kirsi Tani (tel. +358 105 19 5055, fax +358 105 19 5058, e-mail: kirsi.tani@sanomawsoy.fi) by 4.00 p.m. at the latest on Friday, April 14.

Record date

April 25, 2000

Dividend payment date

May 3, 2000 (Board proposal)

Dividend

1.81 €/share (FIM 10.75) (Board proposal)

SanomaWSOY's financial reviews in 2000

Year-end statement of accounts	March 15, 2000
Annual Report	April 7, 2000
Interim Report, January – March	May 17, 2000
Interim Report, January – June	August 16, 2000
Interim Report, January – September	November 15, 2000

The Annual Report is published in Finnish, Swedish, and English, and other material in Finnish and English. Publications can be consulted at www.sanomawsoy.fi, and can be ordered from konserniviestinta@sanomawsoy.fi, by phone on +358 105 19 5062, or by fax on +358 105 19 5068.

List of shares and shareholders

The Finnish Central Securities Depository (APK) keeps a list of Company shares and holders of Company shares. Shareholders are requested to make changes to their personal and address information by contacting APK directly.

The following companies have published analyses of SanomaWSOY

ABN AMRO Equities (UK) Ltd

Alfred Berg
250 Bishopsgate
London EC2M 4AA
Tel. +44 207 678 8000
Fax +44 207 678 5834
www.alfredberg.se

Danske Securities

Biblioteksgatan 29
S-114 35 Stockholm
Tel. +46 8 5688 1546
Fax +46 8 5688 1509
www.danskecurities.com

Handelsbanken Markets

POB 315 (Eteläranta 8)
FIN-00131 Helsinki
Tel. +358 10 444 2425
Fax +358 10 444 24578
www.handelsbanken.fi

Opstock Securities

POB 362 (Teollisuuskatu 1 B)
FIN-00101 Helsinki
Tel. +358 9 404 739
Fax +358 9 404 2703
www.opstock.fi

Conventum Securities Limited

POB 359
(Aleksanterinkatu 44)
FIN-00101 Helsinki
Tel. +358 9 549 930
Fax +358 9 5499 3333
www.conventum.fi

D. Carnegie AB Finland

POB 36 (Eteläesplanadi 12)
FIN-00131 Helsinki
Tel. +358 9 6187 1230
Fax +358 9 6187 1239
www.carnegie.fi

Mandatum Bank Plc

POB 117 (Bulevardi 10 A)
FIN-00121 Helsinki
Tel. +358 9 166 721
Fax +358 9 175 156
www.mandatum.fi

Evli Securities Ltd

POB 1081
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FIN-00101 Helsinki
Tel. +358 9 476 690
Fax +358 9 661 387
www.evli.net

Enskilda Securities AB

POB 599 (Eteläesplanadi 12)
FIN-00101 Helsinki
Tel. +358 9 6162 8900
Fax +358 9 6162 8769
www.enskilda.se

Merita Securitas Ltd

Fabianinkatu 29 B
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Tel. +358 9 12 341
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www.merita.fi

Addresses

SANOMA-WSOY OYJ

**Management,
Administration and Finance,
Legal Affairs and Corporate
Planning, Group Treasury and
Asset Management,
Development, Investor
Relations and Corporate
Communications, Real Estate**

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Office of the Chairman

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HELSINKI MEDIA COMPANY OY

**Management,
Administration and Finance,
Legal Affairs,
Communications**

POB 100
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www.helsinkimedia.fi

MAGAZINE PUBLISHING

Magazines

Advertising Sales, Fulfillment
POB 100
FIN-00040 Helsinki Media
Tel. +358 9 1201
Fax +358 9 120 5354

Comics and books

POB 100
FIN-00040 Helsinki Media
Tel. +358 9 1201
Fax +358 9 120 5569

Special interest magazines

POB 2
FIN-00040 Helsinki Media
Tel. +358 9 1201
Fax +358 9 120 5959

Helsinki Media Company Oy, Stockholm

Box 731
S-10134 Stockholm, Sverige
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Milvus Förlags AB

Produktuset, Box 164
S-83013 Åre, Sverige
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Egmont Kustannus Oy

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Oy Kirjalito Ab

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Fax +358 9 686 62760

ELECTRONIC MEDIA

Helsinki Television Ltd

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Tel. +358 9 15 651
Fax +358 9 149 6920

Helsinki Media

Cable-TV
POB 6
FIN-00040 Helsinki Media
Tel. +358 9 15 651
Fax +358 9 156 5317

Helsinki Media

Network Media
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Tel. +358 9 15 651
Fax +358 9 156 5242

Oy Ruutunelonen Ab

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FIN-00521 Helsinki
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Fax +358 9 148 2323

Channel Four Finland, News

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Fax +358 9 623 1623

Oy Suomen Medianeelon Ab

POB 40
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Tuotantotalo Werne Oy

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Fax +358 9 412 2314

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Fax +358 9 549 59 419

MÅNDAG Oy

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NEWSPAPER PUBLISHING AND PRINTING

Helsingin Sanomat

Editorial offices
POB 71
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Fax +358 9 605 709

Marketing

POB 56
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Fax +358 9 122 3259



Helsingin Sanomat Printing Plant

Sanomala printing plant,
Vantaa
POB 240
FIN-00101 Helsinki
Tel. +358 9 1221
Fax +358 9 122 3919

Forssa printing plant

POB 48
FIN-30101 Forssa
Tel. +358 3 41 221
Fax +358 3 4122 6989

Varkaus printing plant

Taipaleentie 17
FIN-78250 Varkaus
Tel. +358-17 570 621
Fax +358 17 570 6849

SanomaPrint

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FIN-00101 Helsinki
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Leijonajakelu Oy

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Ilta-Sanomat

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Lehtikuva Oy

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FINANCIAL AND NEW MEDIA PRODUCTS**Startel Oy**

Taloussanomat
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Newsagency Startel

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Tel. +358 9 1221
Fax +358 9 122 4180

Marketing

POB 35
FIN-00089 SANOMAT
Tel. +358 9 1221
Fax +358 9 612 3979

Esmerk Oy

POB 31
FIN-00089 SANOMAT
Tel. +358 9 1221
Fax +358 9 122 4325

WSOY**Werner Söderström Corporation**

General Literature,
Educational Material,
Special Publishing
POB 222
FIN-00120 Helsinki
Tel. +358 9 616 81
Fax +358 9 6168 3560
www.wsoy.fi

Uudet Kirjat book club

Johanna book club
POB 215
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Fax +358 9 6168 3375

Bookmark

www.bookmark.fi

WSOY Porvoo Customer Services

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Fax +358 19 576 2471

Porvoo Book House

Teollisuustie 4
FIN-06150 Porvoo
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Fax +358 19 576 2493

PUBLISHING**WSOY Koulukanava Oy**

Bulevardi 14
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Fax +358 9 6168 3560
www.koulukanava.fi

Werner Söderström Lakitiety Oy

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Weilin+Göös Oy

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AB Förlagsinkasso

POB 50203
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Bertmarks Förlag AB

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Fax +46 40 932957

Bertmark Media AB

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Fax +46 40 932957

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Fax +45 38 341 085



Bertmark Norge AS

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Fax +47 64 950990

Kustannusperintä Oy

See Weilin+Göös
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Fax +358 9 437 7260

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Teknolit Oy

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PRINTING**WS Bookwell Oy****Tarmola production plant**

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Fax +358 19 576 2385

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Fax +358 15 775 4335

F.G. Lönnberg

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Tel. +358 9 751 1813
Fax +358 9 7511 8300

Mainos ja Etiketti

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Fax +358 9 7511 8466

Sävypaino

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Fax +358 9 7511 8200

Tummavuoren Kirjapaino Oy

POB 50
FIN-01661 Vantaa
Tel. +358 9 852 4020
Fax +358 9 852 40210

CALENDAR OPERATIONS**Ajasto Osakeyhtiö**

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FIN-01510 Vantaa
Tel. +358 9 870 621
Fax +358 9 8706 2522

Chrono AB

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FIN-01641 Vantaa
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KIOSK OPERATIONS**R-Kiosks**

Rautakirja Oyj
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Fax +358 9 852 8353,
852 8500

Veikkausrasti Oy

Munkkiniemen puistotie 24
FIN-00330 Helsinki
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R-kiosks, Estonia

Lehti-Maja Eesti AS
Katusepapi 4
EE-0014 Tallinn
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Glossary

cable-TV network	Broadband network for communicating information and entertainment, capable of transmitting TV images, radio signals, and data. A broadband system offers the type of high transmission capacity necessary for transmitting TV programmes.
digital-TV, digi-TV	Television system based on converting images into bytes that extends transmission capacity and increases the number of channels that can be provided.
e-commerce, e-business, electronic commerce, net business, etc.	Commerce, trading, and other business transactions carried out via an information network.
Internet	Worldwide electronic information network.
interactive cable-TV network	Duplexed networks enable the two-way transmission of information between a TV operator and the consumer.
mobile communications	Communications based on wireless applications, such as mobile phones or other wireless networks.
mobile portal	A portal developed for mobile equipment, such as mobile phones.
pay-TV operator	Offers consumers access to encoded pay-TV channels, either as separate products or product packages, and provides subscribers with the necessary equipment for decoding them.
virtual portal	An extensive set of Internet services accessible through various net services.
WAP	Wireless Application Protocol. A standard for information transmission using wireless connections.

