

SanomaWSOY 1-3/2001

Hannu Syrjänen, President & COO
May 14, 2001



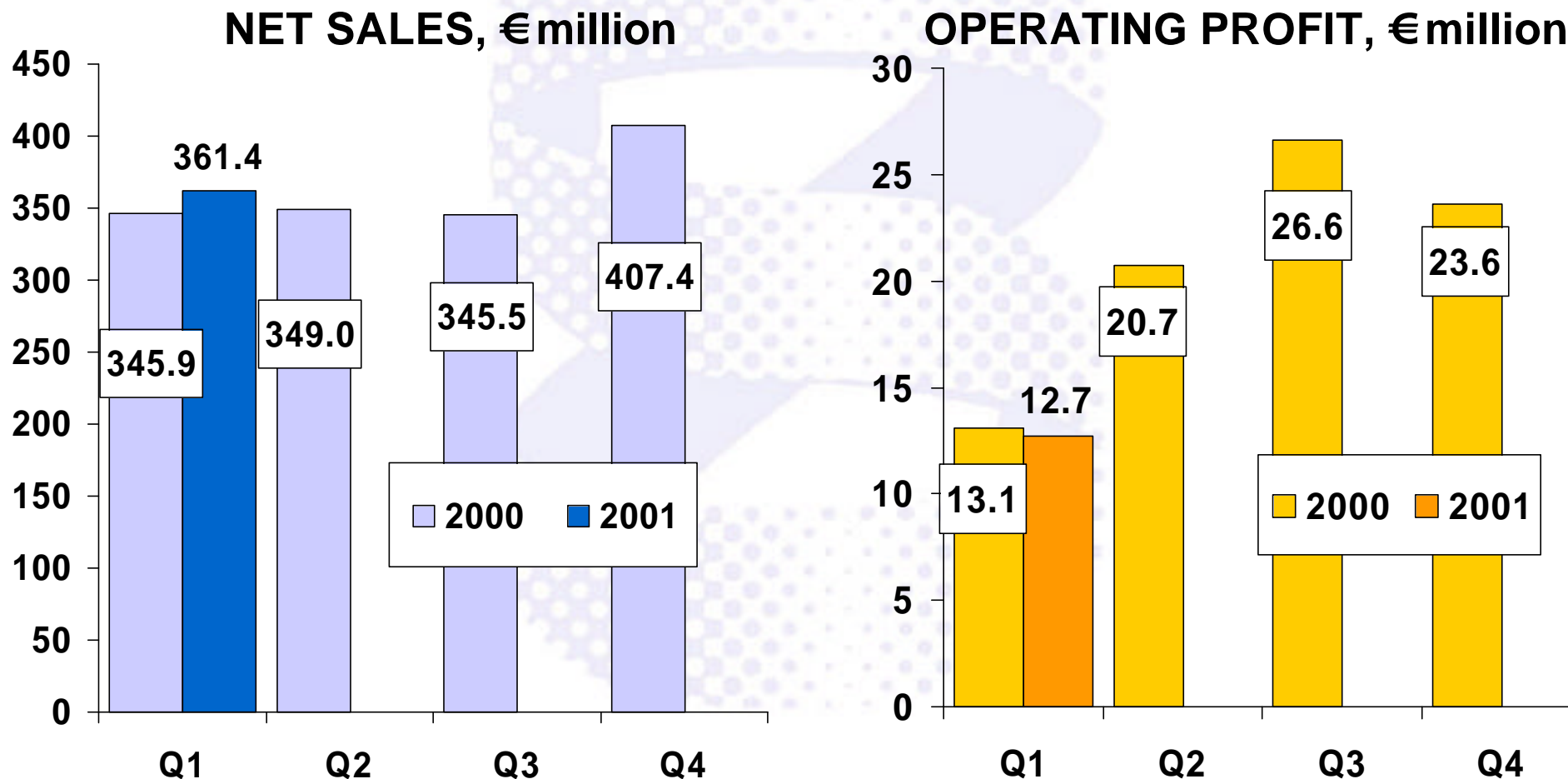
Key developments 1-3/2001

- **Increased economic uncertainty**
- **Both our classic and electronic media increased their share of the advertising market**
- **Exceptionally high financial income during Q1/2000**
- **Development expenditure up approx. €2 million on 2000**
- **Dividend payment made during Q1. Last year, payment was made in Q2**
- **Impact on SanomaWSOY of loss at A-pressen**
- **Profit on sale of shares in Narvesen**
- **Changes in senior management**



SanomaWSOY Group

(quarterly)



Key indicators

€ million	31.3.2001	31.3.2000	Change,%	31.12.2000
Net sales	361.4	345.9	4.5	1,447.8
Operating profit	12.7	13.1	-3.2	84.0
% of net sales	3.5	3.8		5.8
Operating profit before depreciation *)	15.9	14.9	6.6	94.3
% of net sales	4.4	4.3		6.5
Balance sheet total	1,486.2	1,390.4	6.9	1,439.3
Gross investments	67.7	25.8	162.4	168.4
Equity ratio, %	62.9	72.0		67.9
Earnings/share	0.05	0.26	-80.4	0.67
Market capitalisation	1,704.1	2,717.7	-37.3	1,964.6
Personnel under employment contract	13,585	12,834	5.9	13,364
Personnel, average	10,810	10,132	6.7	10,350

*) Depreciation on consolidated goodwill



Group income statement

€ million	31.3.2001	31.3.2000	Change,%	31.12.2000
Net sales	361.4	345.9	4.5	1,447.8
Other operational income and change in inventories	21.2	12.2	73.8	37.1
Share of result of associated companies	-0.6	1.1	-154.5	6.4
Operational expenses	369.3	346.0	6.7	1,407.3
Operating profit	12.7	13.1	-3.2	84.0
Financial income and expenses	5.4	38.3	-85.9	54.3
Profit before extraordinary items	18.1	51.4	-64.8	138.3
Extraordinary items	0.0	0.0	0.0	2.0
Profit after extraordinary items	18.1	51.4	-64.8	140.3
Direct taxes (profit-related)	-6.6	-13.5	-51.4	-39.3
Minority interest of the result for the period	-4.4	-1.5	184.5	-6.8
Profit for the period	7.1	36.4	-80.4	94.2

Group balance sheet

€million	31.3.2001	31.3.2000	Change,%	31.12.2000
Non-current assets, total	837.0	751.4	11.4	827.4
Current assets, total	649.1	639.0	1.6	611.9
Shareholders' equity, total	766.7	823.1	-6.9	822.6
Minority interest	119.1	125.2	-4.9	120.1
Statutory provisions	2.3	1.7	38.7	2.3
Liabilities, total	598.1	440.4	35.8	494.2
Balance sheet, total	1,486.2	1,390.4	6.9	1,439.3

Advertising sales revenue in Finland

	1-3/2001 EUR 1,000	Change, % (Comp. to equiv. period last year)
NEWSPAPERS	137,379	-0.3
Aamulehti	9,989	2
Helsingin Sanomat	42,686	0
Ilta-Sanomat	2,803	7
Iltalehti	2,353	1
Kauppalehti	5,808	14
Taloussanomat	1,572	65
Turun Sanomat	9,059	-2
KÄRKIMEDIA *	24,220	11.5



Sources: Gallup-Mainostieto
*) Kärkimedia

Advertising sales revenue in Finland

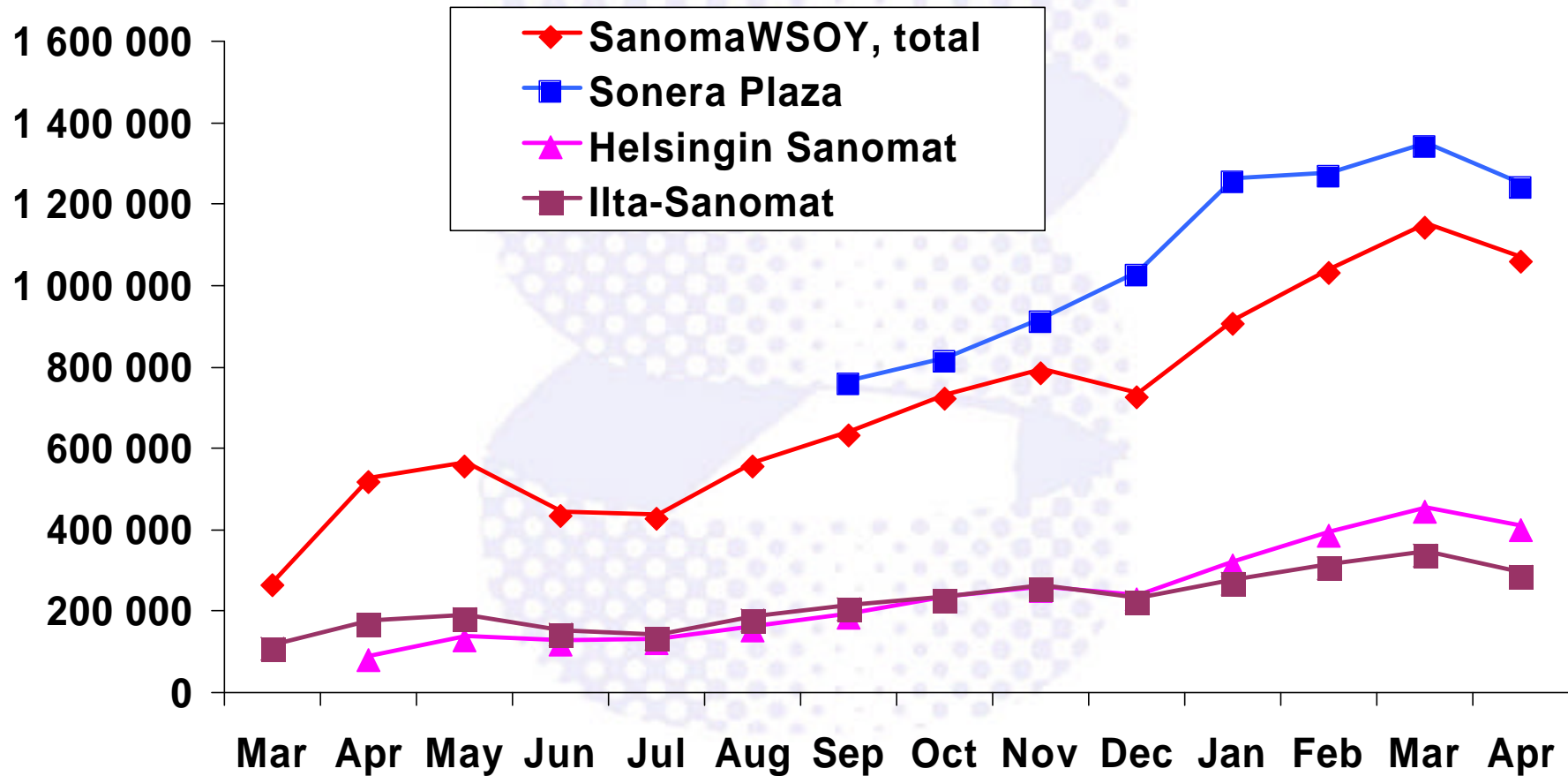
	1-3/2001 EUR 1,000	Change, % (Comp. to equiv. period last year)
MAGAZINES	36,121	4.7
TELEVISION	48,328	-9.8
OUTDOOR ADVERTISING	6,752	0.7
RADIO ADVERTISING	8,342	3.5
INTERNET	2,169	27.4
MOVIE ADVERTISING	611	64.2



Sources: Gallup-Mainostieto
*Channel Four

WWW site visitors

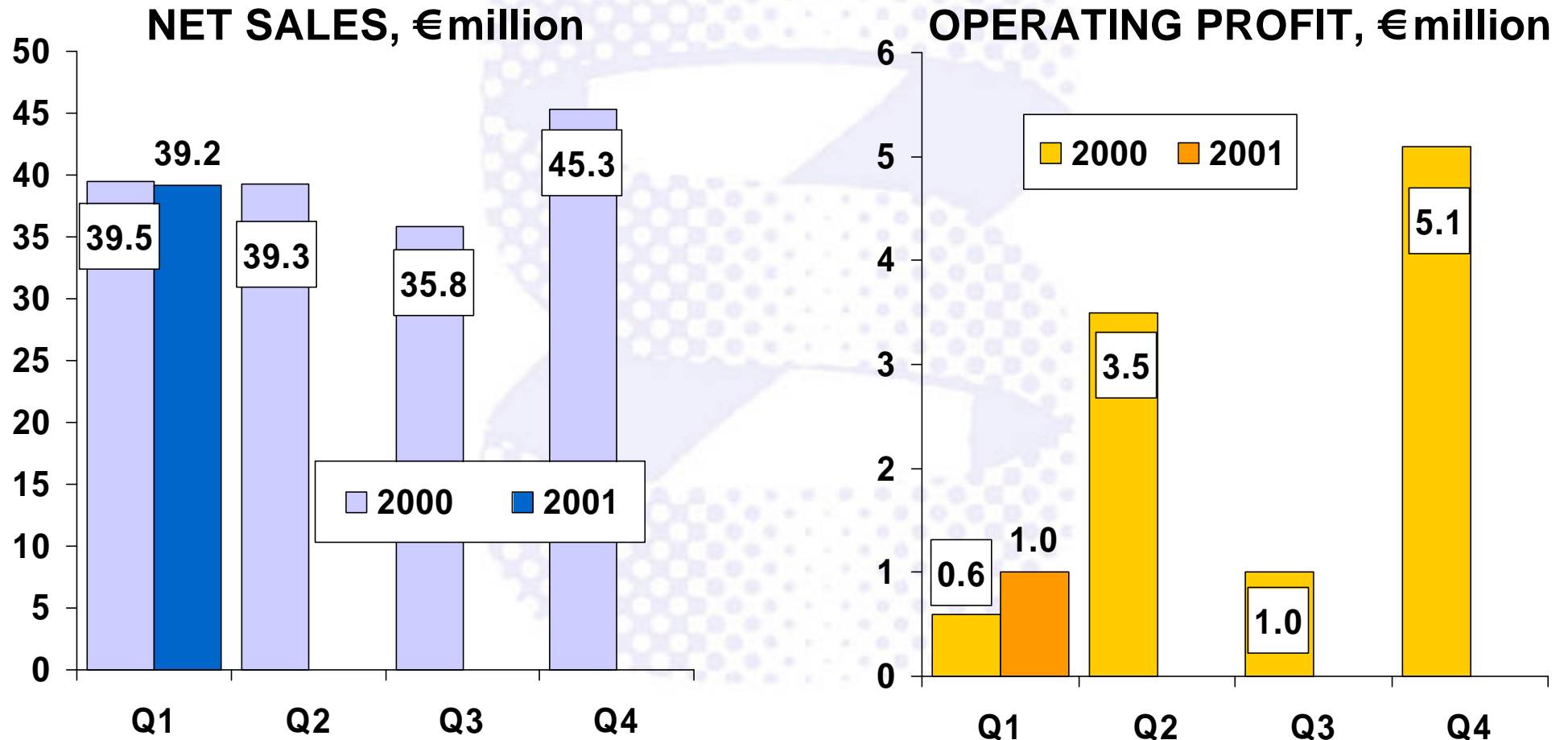
Unique visitors, average per month



Source: Gallup Web



Helsinki Media



Helsinki Media 1-3/2001

€million	NET SALES		OPERATING PROFIT	
	1-3/2001	1-3/2000	1-3/2001	1-3/2000
Magazine publishing	39.2	39.5	1.0	0.6
Total	39.2	39.5	1.0	0.6
	<u>Mar 2001</u>	<u>Mar 2000</u>		
Gross investments, EUR million	1.0	0.4		
Personnel, average	804	737		

Pro forma outlook for 2001:

- Net sales are projected to increase by around 4%
- Profitability is also expected to improve



Key developments in Q1 / Helsinki Media

- **Acquisition of Stellatum's directory business**
- **Members of the Lego Club transferred to the Lasten Oma Kirjakerho Club**
- **Positive development at Hansaprint**



Helsinki Media

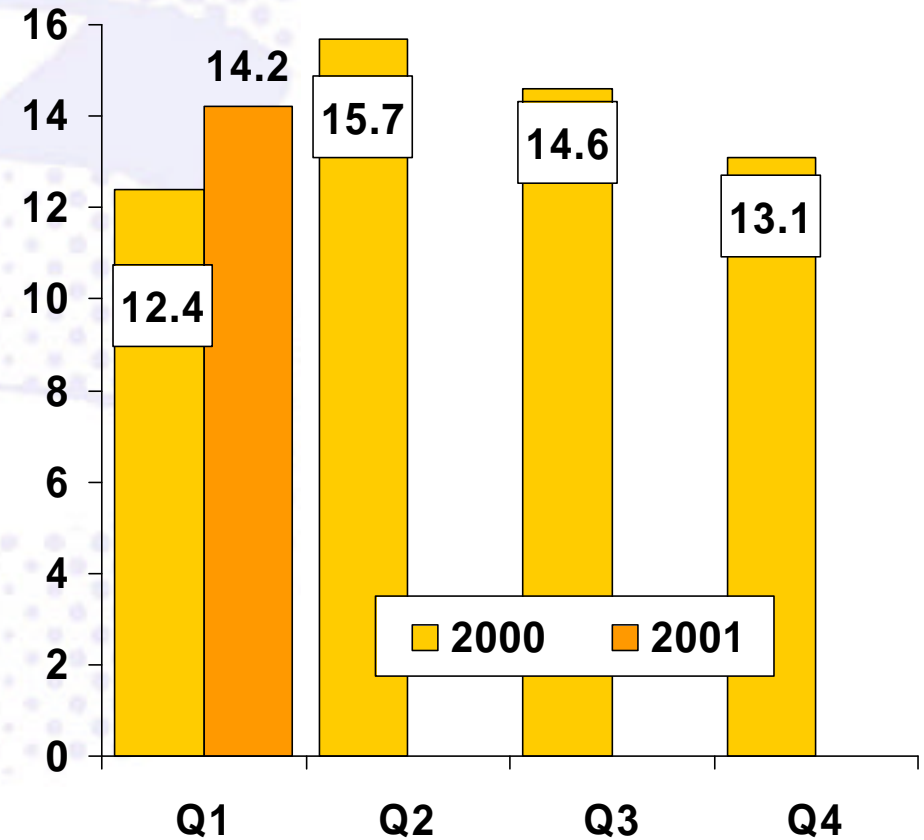
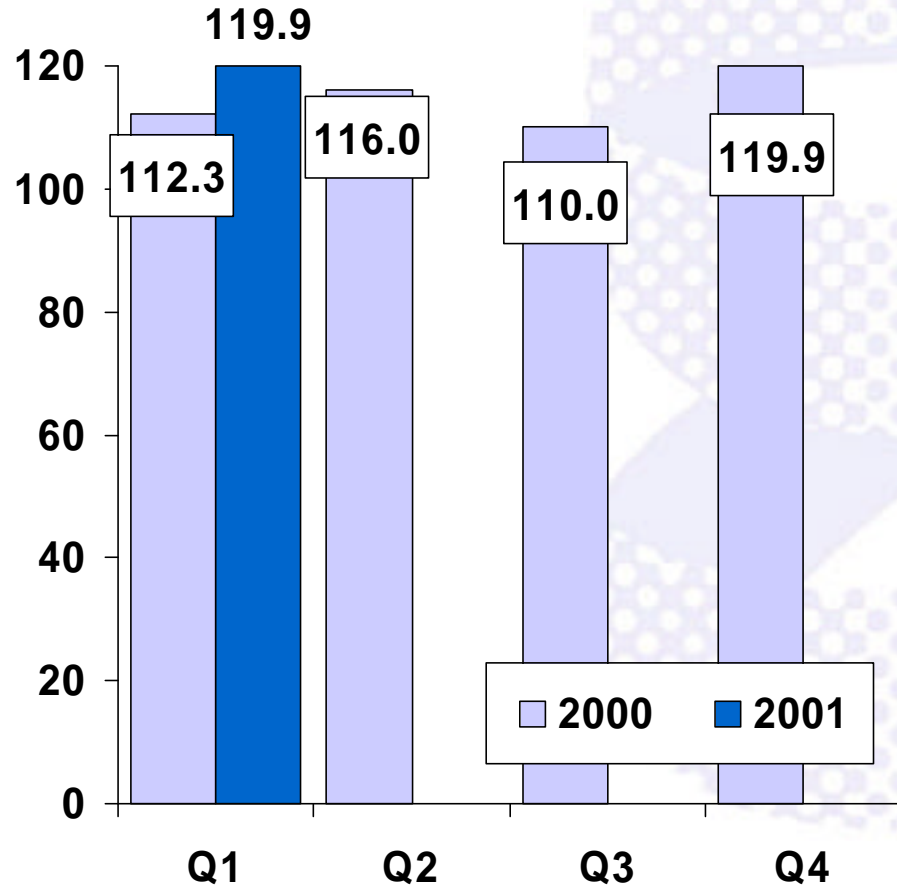
operational indicators, 1.1.-31.3.

	2001	2000	1999
Share of Finnish magazine advertising market	19.1%	17.8%	
Audited magazine circulation, thousands		1,909	1,803
Number of books published	38	64	

Sanoma

NET SALES, €million

OPERATING PROFIT, €million



Sanoma Group 1-3/2001

€ million	NET SALES		OPERATING PROFIT	
	1-3/2001	1-3/2000	1-3/2001	1-3/2000
Newspaper publishing and printing	115.9	109.0	15.7	15.0
Financial & new media products	5.2	4.2	-1.5	-2.6
Intracompany transactions	-1.2	-0.9		
Total	119.9	112.3	14.2	12.4

	<u>Mar 2001</u>	<u>Mar 2000</u>
Gross investments, EUR million	37.4	6.0
Personnel, average	3,478	3,271

Outlook for 2001

- Net sales are projected to increase by over 5%
- Operating profit is projected to remain below that recorded in 2000

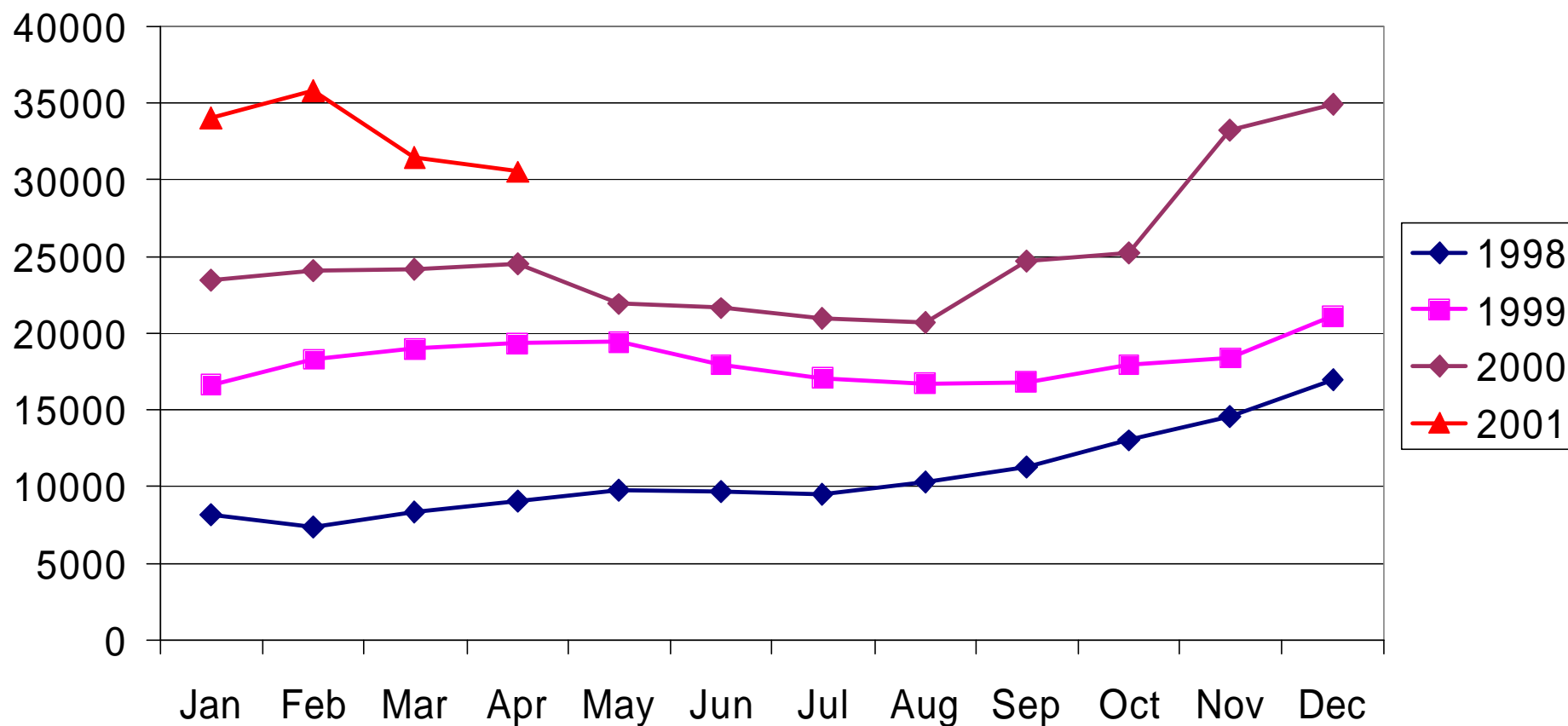


Key developments in Q1 / Sanoma

- Acquisition of Infosto's Finnish and Estonian businesses
- Suomen Nettirahastot Oy was merged with Sonera Plaza Rahastopalvelut Oy in February. Startel owns approx. 5% of the new company
- 19% stake acquired in ZAO Smena, publisher of the St. Petersburg-based paper, Smena
- 60% holding acquired in picture agency, Compad Oy
- Factors such as lower growth expectations in media advertising and higher paper prices mean a less optimistic outlook



Taloussanomatt subscriber volume, 1998-2001



Monthly average



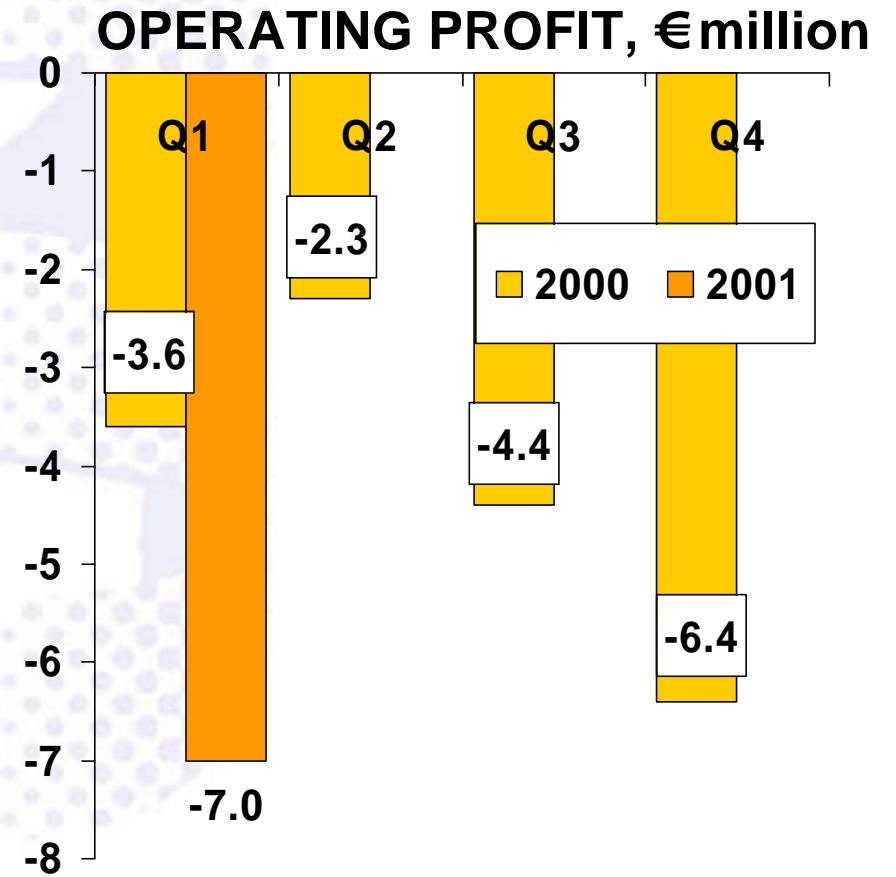
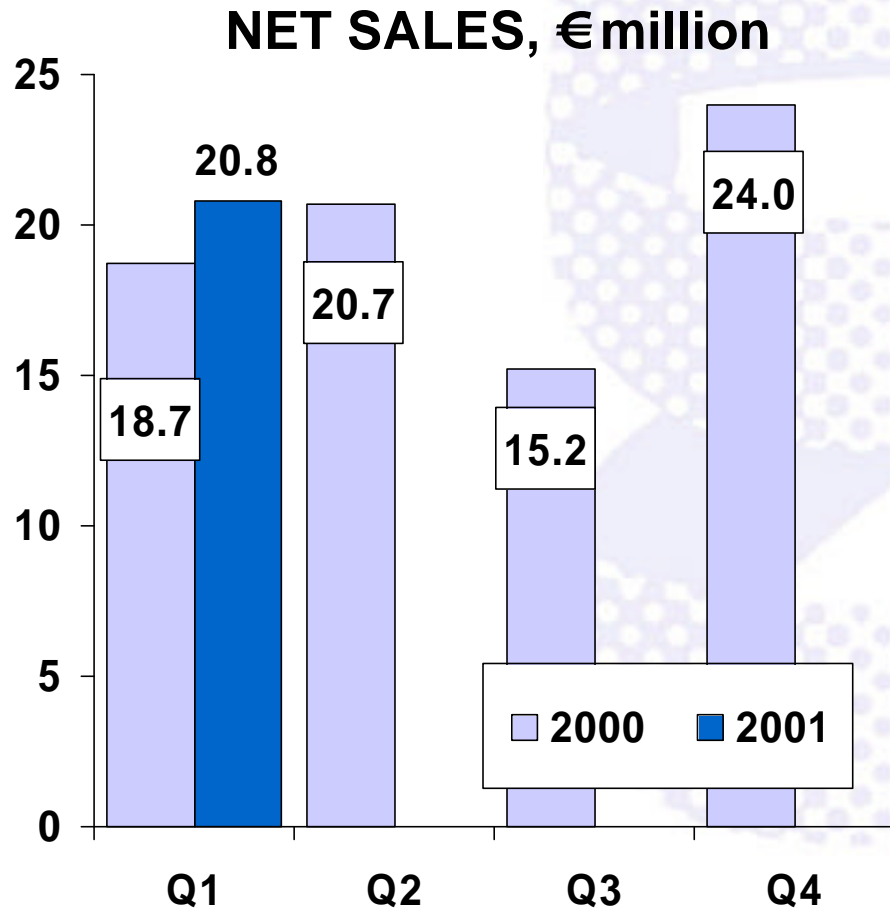
Sanoma

operational indicators, 1.1.-31.3.

	2001	2000	1999
Helsingin Sanomat			
Weekday circulation, copies *)		446,972	454,833
Sunday circulation, copies *)		517,860	529,007
Advertising volume (column metres)	12,631	12,462	
Ilta-Sanomat:			
Circulation, copies *)		214,610	218,931
Advertising volume (column metres)	1,503	1,307	
Taloussanomat:			
Circulation, copies *)		25,162	18,119
Advertising volume (column metres)	1,242	791	

*) Audited circulation figures

Swelcom



SWelcom 1-3/2001

€ million	NET SALES		OPERATING PROFIT	
	1-3/2001	1-3/2000	1-3/2001	1-3/2000
Electronic media	20.8	18.7	-7.0	-3.6
Total	20.8	18.7	-7.0	-3.6
	<u>Mar 2001</u>	<u>Mar 2000</u>		
Gross investments, EUR million	2.7	1.3		
Personnel, average	380	284		

Outlook for 2001

- Net sales are projected to rise to some €100 million
- Operating loss is expected to be in the order of €20 million

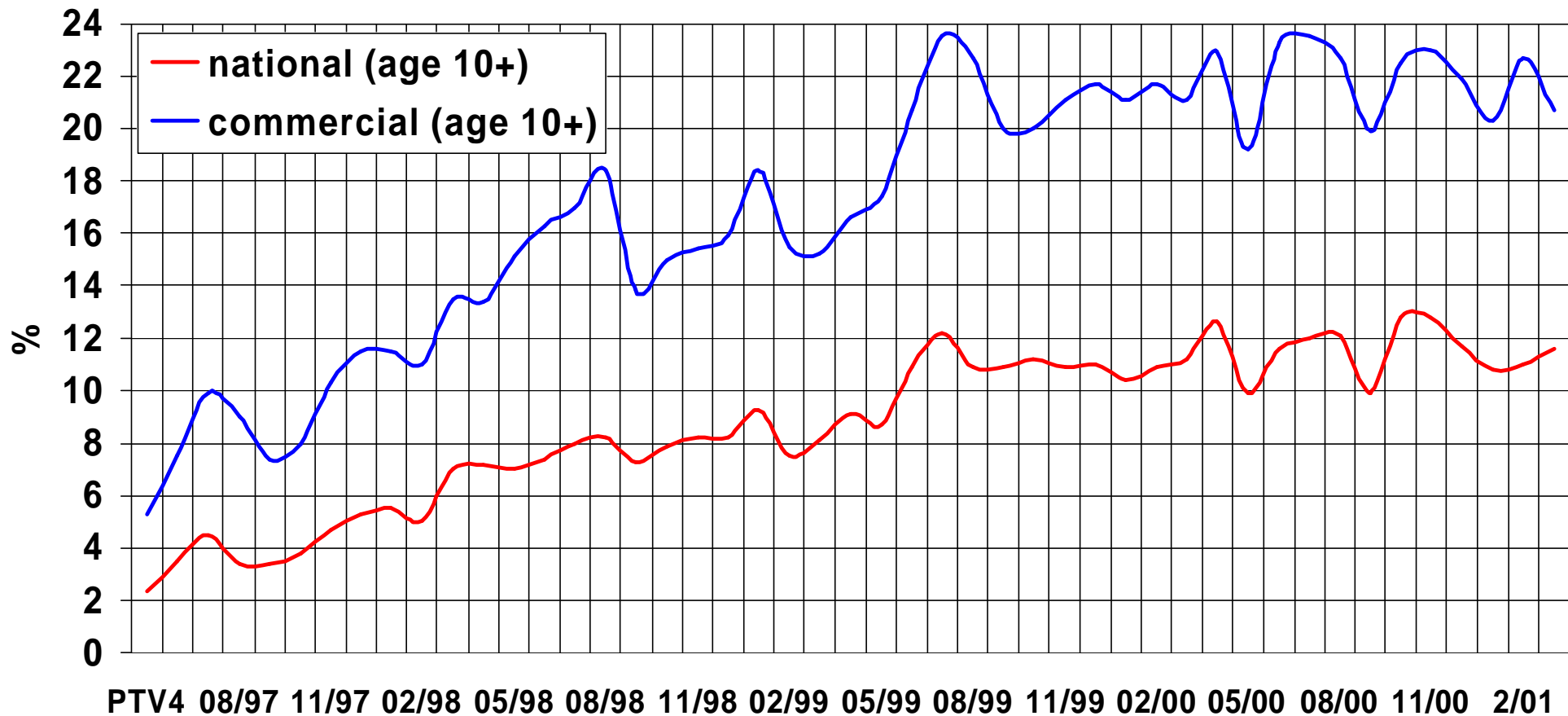


Key developments in Q1 /SWelcom

- **Channel Four has emerged as Finland's third-largest advertising media.**
- **Helsinki Television's Welho service has become Finland's leader in the broadband market, with over 10,000 subscribers.**
- **A joint platform provider company, Platco Oy, formed with the Finnish Broadcasting Company and MTV.**
- **Channel Four's news and current affairs programmes to be spun off as a separate subsidiary. This will enable content to be more widely distributed via SWelcom's digital routes and SanomaWSOY's other electronic media.**
- **The Internet development businesses, Verkkovoima and the Virtual Portal project, are to be merged with the mobile portal business to create a single unit for Internet, broadband, and mobile services, and for developing interactive digital-TV services.**

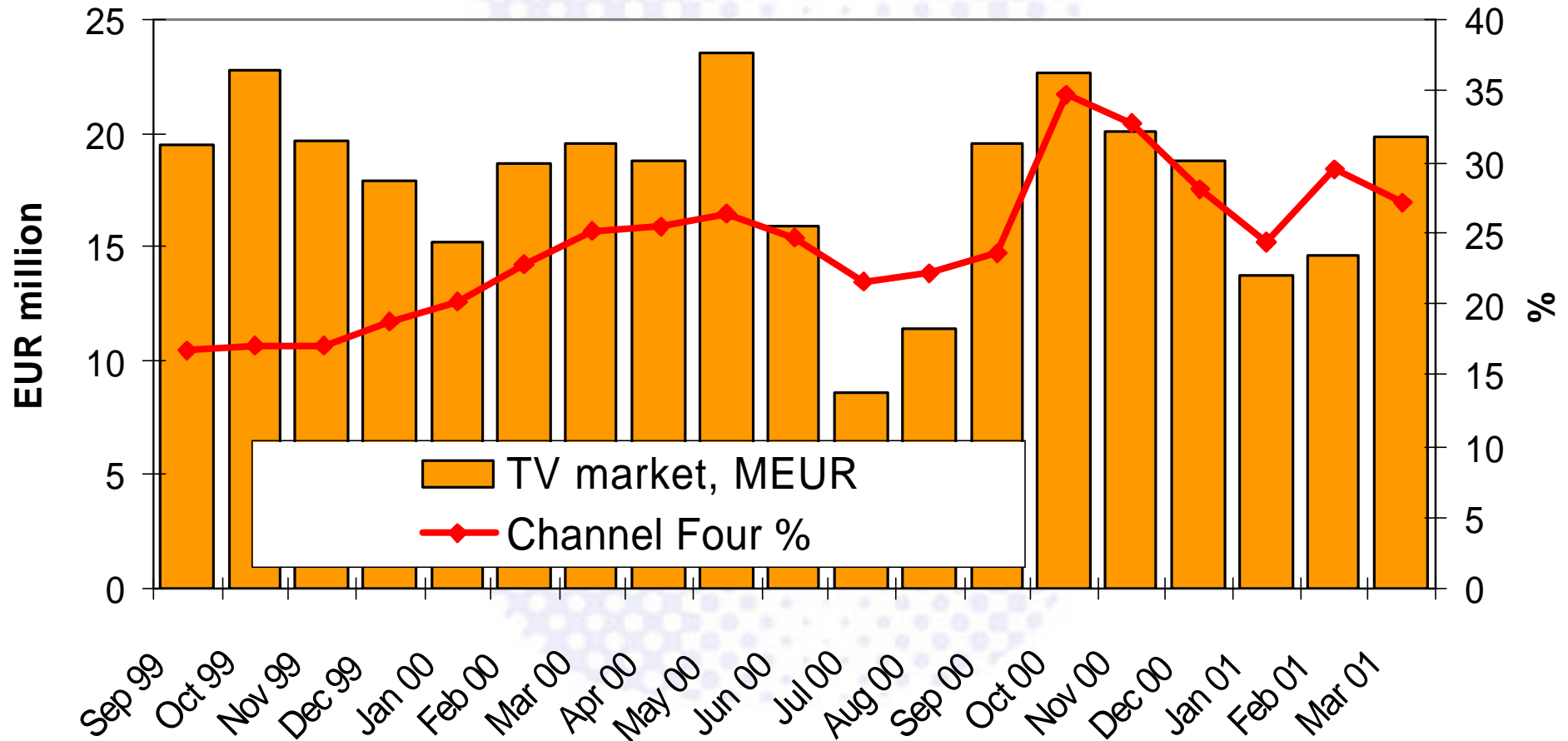


Audience figures for Channel Four Finland



Source: Finnpanel Oy

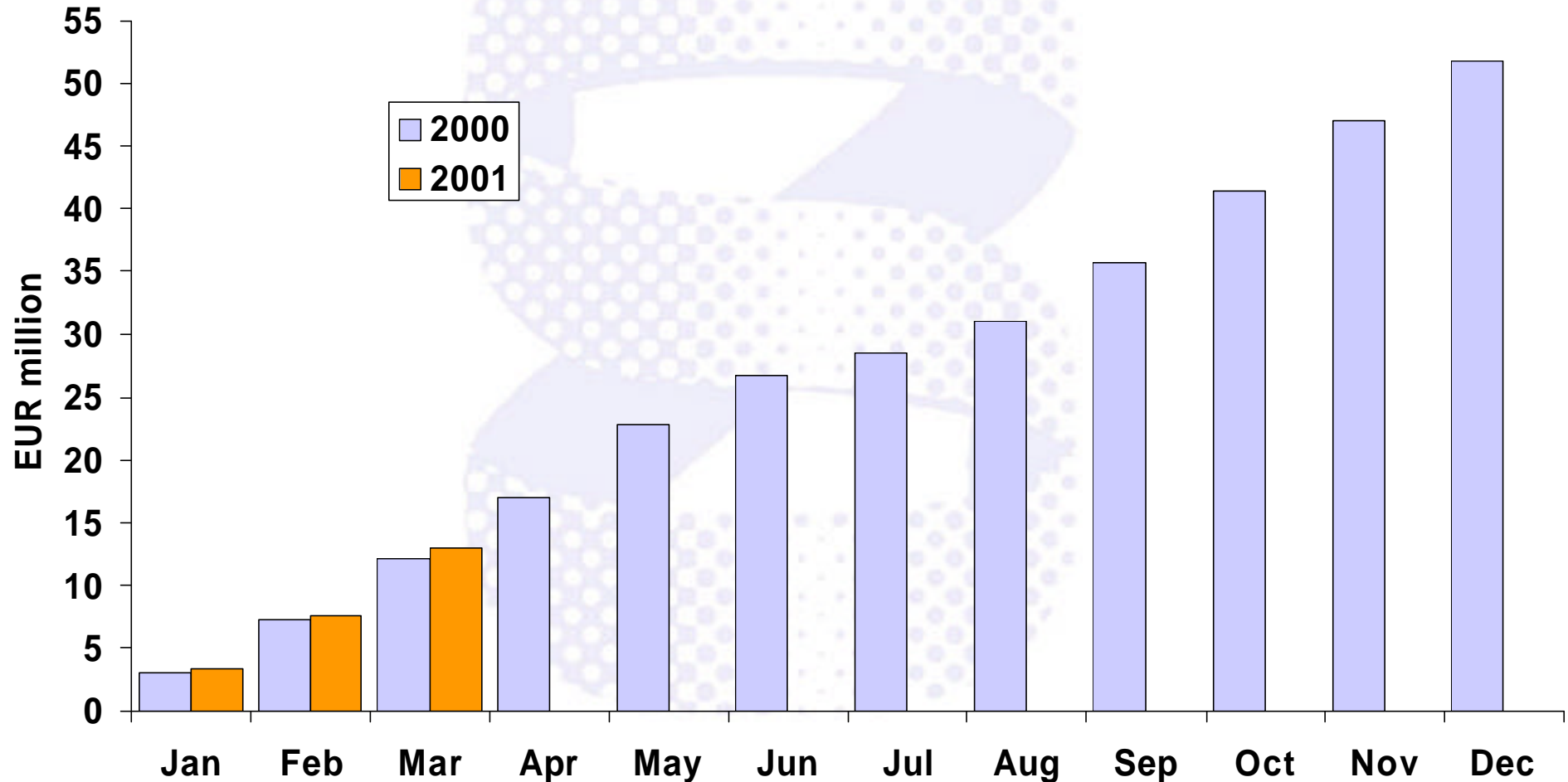
TV advertising market and Channel Four



Source: Gallup-Mainostieto

Channel Four sales revenue

cumulative



Swelcom

operational indicators

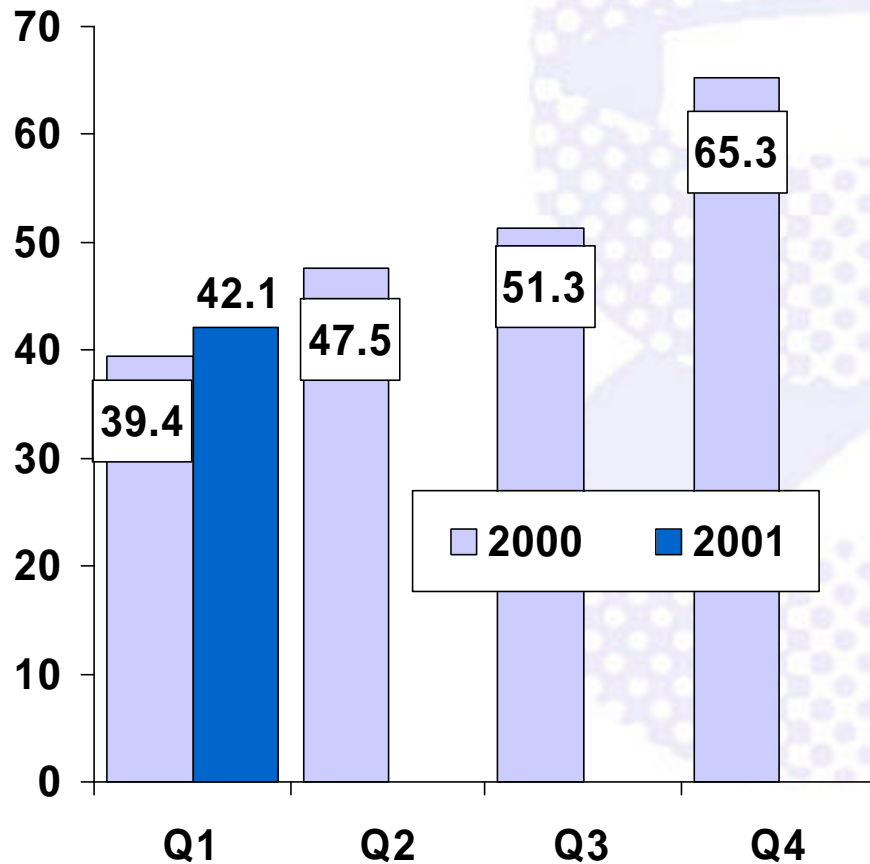
31.3.2001

31.3.2000

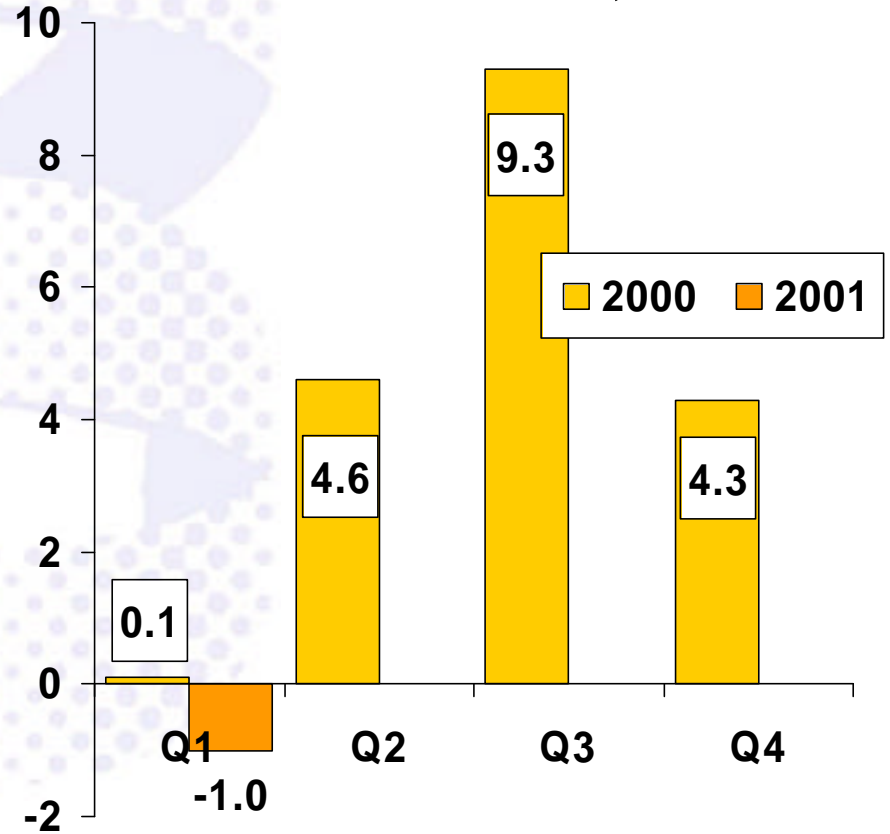
Channel Four's share of Finnish TV advertising, January-March	26.9%	23.0%
Number of cable-TV-connected households, thousands	212	204
Number of pay-TV subscriptions, thousands	43	47

WSOY

NET SALES, €million



OPERATING PROFIT, €million



WSOY Group 1-3/2001

€ million	NET SALES		OPERATING PROFIT	
	1-3/2001	1-3/2000	1-3/2001	1-3/2000
Publishing	29.9	27.8	-1.0	0.7
Printing	15.6	15.6	2.2	3.1
Calendar operations	1.9	1.9	-4.1	-4.1
Others	1.0	0.8	2.6	1.5
Intracompany transactions	-6.3	-6.8	-0.7	-1.1
Total	42.1	39.4	-1.0	0.1

	<u>Mar 2001</u>	<u>Mar 2000</u>
Gross investments, EUR million	4.2	13.2
Personnel, average	1,834	1,704

Outlook for 2001

- Net sales are projected to rise by around 8%
- Operating profit is expected to improve on 2000



Key developments in Q1 / WSOY

- **Holding in Young Digital Poland increased to 49%**
- **New Uppo Nalle children's book club launched**
- **25% stake in new paperback publisher, Taskukirja Loisto**
- **Agreement signed with Nordea to make Docendo's Simultan Open eTraining package available to the bank's personnel for IT training**
- **Bookmark Internet book club merged with the Uudet Kirjat book club**



WSOY

operational indicators

1.1.-31.3.2001 1.1.-31.3.2000

Number of new titles published

Books	144	137
Electronic products	25	22

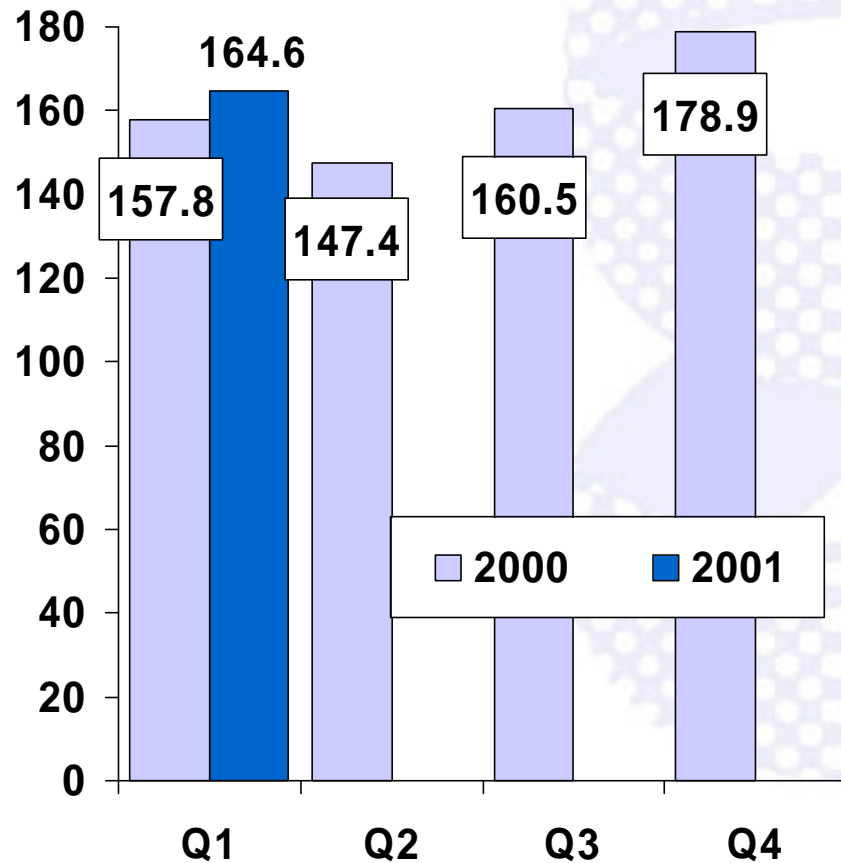
Number of reprints published

Books	403	315
Electronic products	51	56

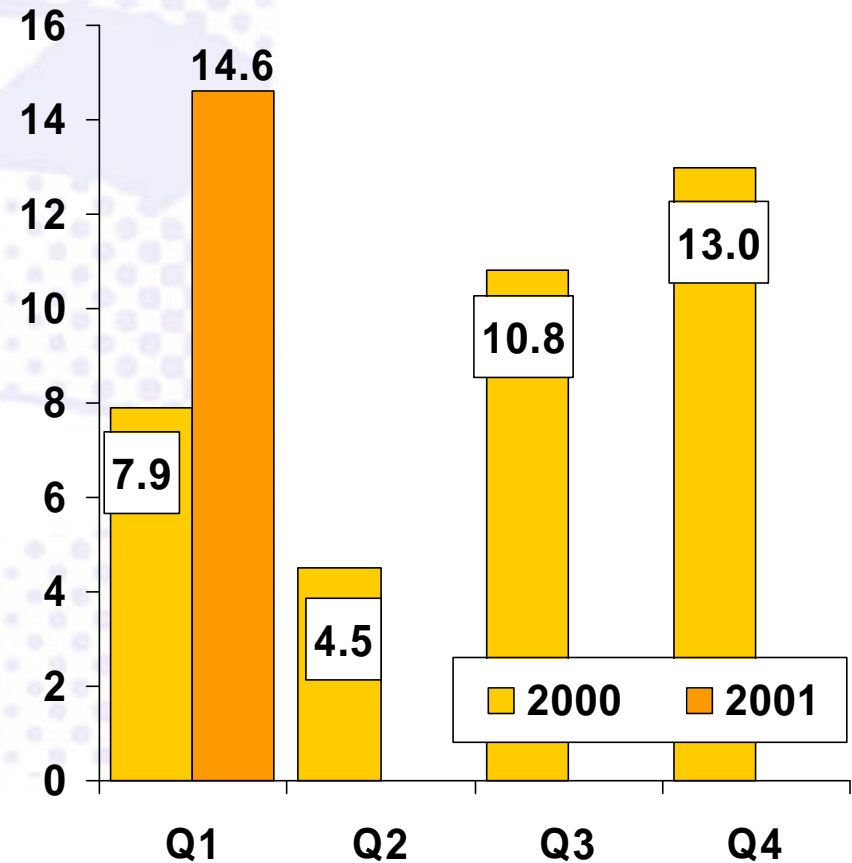
Printed books, million copies	5.6	6.1
Paper consumption, tonnes	3,112	2,810

Rautakirja

NET SALES, €million



OPERATING PROFIT, €million



Rautakirja Group 1-3/2001

€ million	NET SALES		OPERATING PROFIT	
	1-3/2001	1-3/2000	1-3/2001	1-3/2000
Kiosk operations	80.7	80.0	3.1	3.2
Press distribution	39.3	35.1	2.5	2.0
Bookstores	32.1	30.1	0.8	0.8
Movie theatre operations	11.8	12.8	0.8	1.5
Restaurant operations	8.3	8.1	-0.7	-0.8
E-business			-0.3	
Others			8.5	1.2
Intracompany transactions	-7.7	-8.4		
Total	164.6	157.8	14.6	7.9
	<u>Mar 2001</u>	<u>Mar 2000</u>		
Gross investments, EUR million	8.9	4.9		
Personnel, average	4,233	4,066		

Outlook for 2001

- Net sales are projected to increase to €670 million
- Rautakirja's overall result is expected to be better than last year's

Key developments in Q1 / Rautakirja

- **11-screen multiplex cinema opened in Tallinn. Attracted approx. 80,000 visitors during its first month of operation**
- **Neste Markkinointi's retail outlets in Estonia and Latvia transferred to Rautakirja management**
- **Letter of intent signed on a site in Riga for a 15-screen multiplex**
- **Sale of shares in Reitan Narvesen**



Rautakirja

operational indicators

1.1.-31.3.2001

1.1.-31.3.2000

Customer volume in kiosk operations, thousands *)	20,222	21,032
Customer volume in bookstore operations, thousands	1,565	1,552
Customer volume in movie theatres, thousands	1,036	1,240
Number of magazines sold, thousands	33,692	32,634

*) Own kiosks in Finland

Year 2001 / SanomaWSOY

- **A challenging year**
 - **cost control**
 - **investment-critical**
- **We believe in our market position, competitiveness, and strong brands**
- **Our new businesses will generate a profit in 2 to 3 years' time**
- **We remain committed to our profit targets**
- **We remain committed to our strategic targets**
 - **profitability**
 - **growth**
 - **international expansion**
 - **training**



Outlook for the Group in 2001

- **Net sales are projected to increase by around 6% to well over €1.5 billion**
- **The Group's operating profit is expected to be at the same level as in 2000**

