

SanomaWSOY

Q1/2002

Hannu Syrjänen
President

May 14, 2002

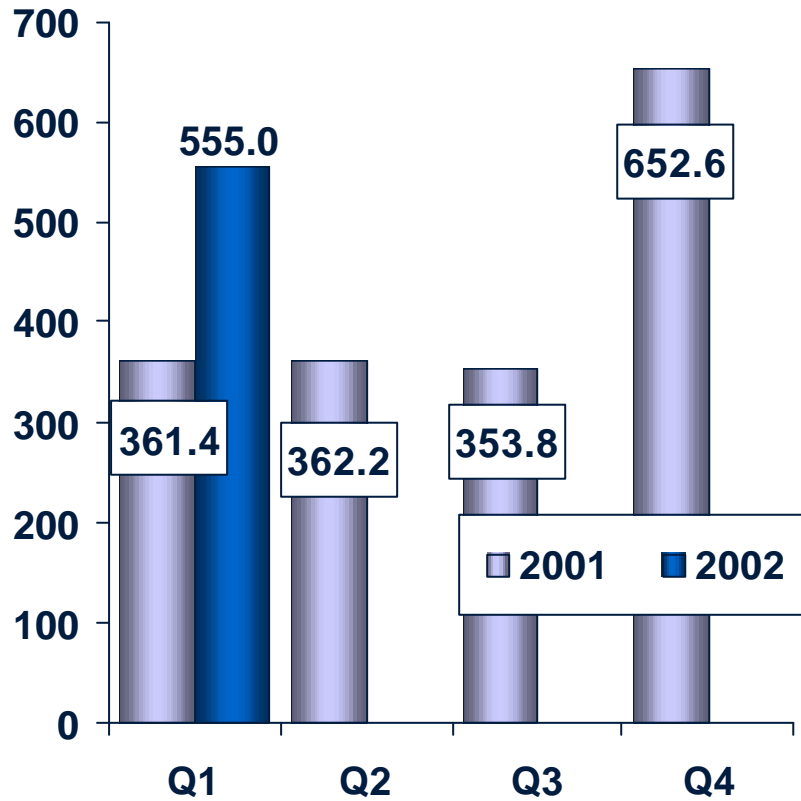
Key developments 1-3/2002

- Media advertising declined in Finland. Magazine advertising grew in Belgium and Hungary but decreased in the Netherlands.
- Net sales improved in all divisions, with the exception of Sanoma. Growth was strongest at Rautakirja.
- Comparable operating profit increased 6%.
- In accordance with Group's objectives, non-core assets were sold
 - Blue Book (€ 11.8 million)
 - the sale of real estates
 - BEAP was sold after Q1 (slightly over € 50 million)
- AGM re-elected the current Board of Directors for one year and decided to pay dividend of € 0.51 per share for 2001.
- In January, SanomaWSOY decided to issue warrants to management.

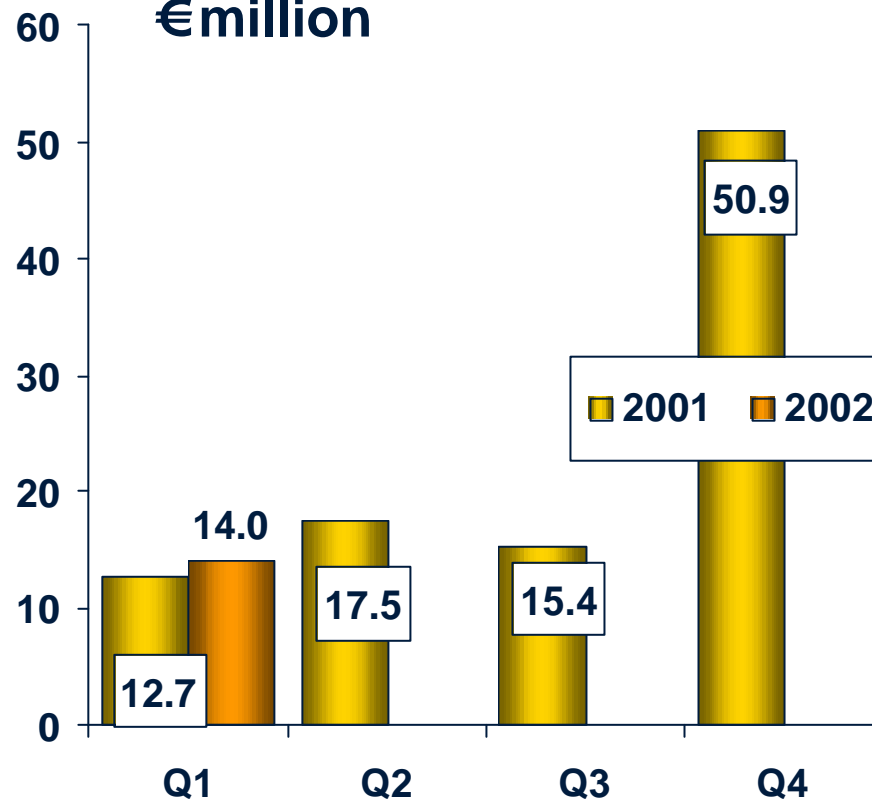
SanomaWSOY Group

By quarters

NET SALES, €million



OPERATING PROFIT (EBIT), €million

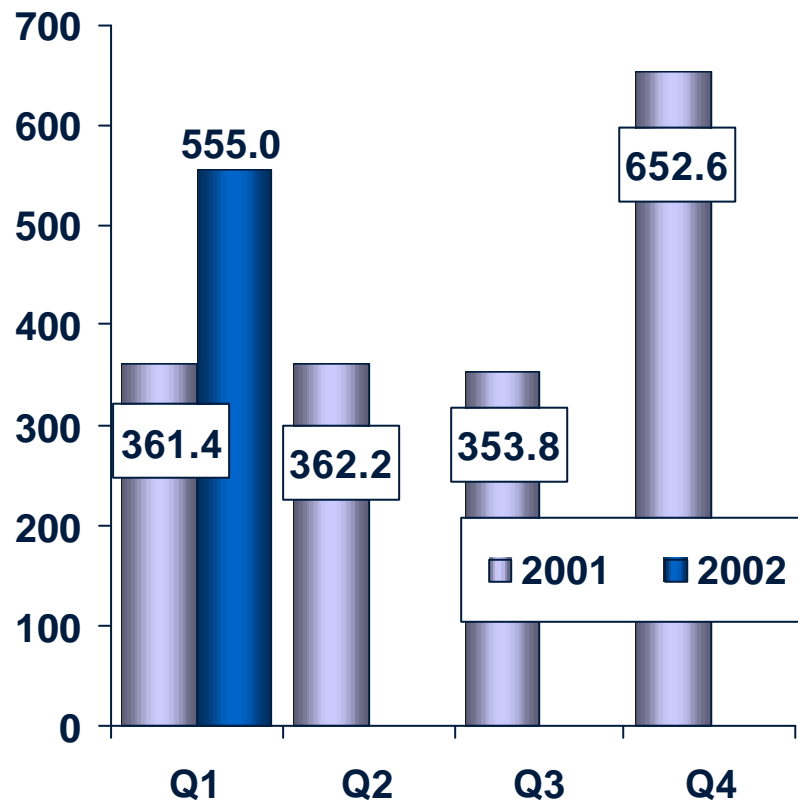


Y: Kalvol/HS02/interimreport1

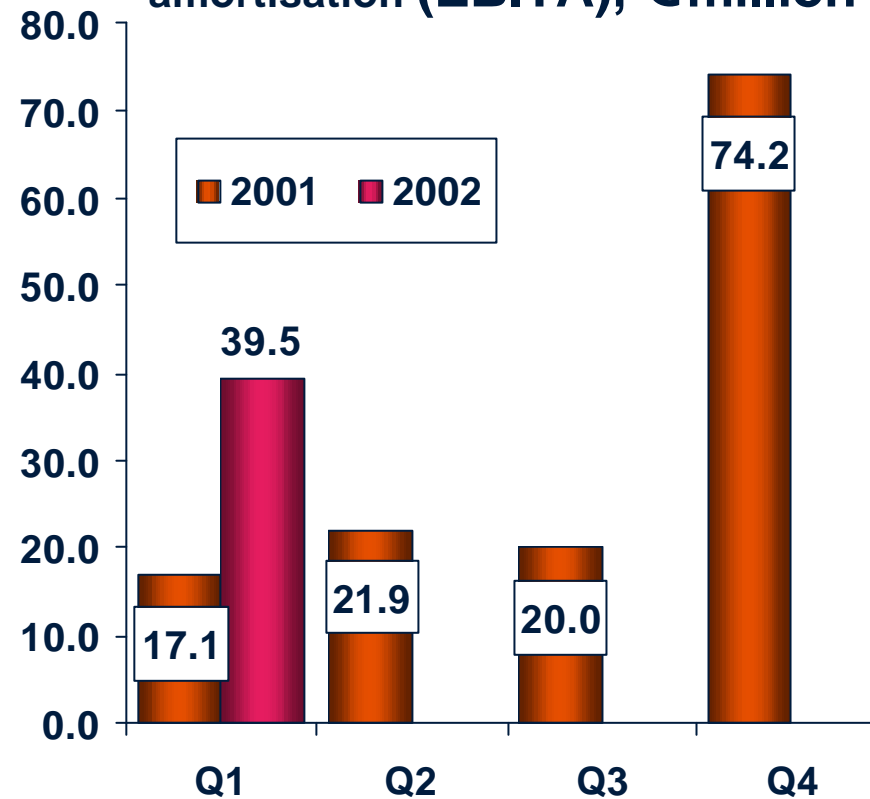
SanomaWSOY Group

By quarters

NET SALES, €million



OPERATING PROFIT before amortisation (EBITA), €million



Y: Kalvol/HS02/interimreport1

Key indicators

€ million	31.3.2002	31.3.2001	Change,%
Net sales	555.0	361.4	53.5
EBITDA	59.6	34.0	75.3
% of net sales	10.7	9.4	
EBITA	39.5	17.1	131.5
% of net sales	7.1	4.7	
Operating profit (EBIT)	14.0	12.7	10.4
% of net sales	2.5	3.5	
Balance sheet total	3,004.8	1,486.2	102.2
Gross investments	17.8	67.7	-73.8
Equity ratio, % (incl. capital notes)	40.1	62.9	
Earnings / share, €	0.07	0.05	39.0
Market capitalisation	1,823.7	1,704.1	7.0
Personnel under employment contract	18,472	13,614	35.7
Personnel, average (full-time equivalents)	15,247	10,780	41.4

Y: Kalvol/HS02/interimreport1

Group income statement

1-3/2002

€ million	31.3.2002	31.3.2001	Change,%
Net sales	555.0	361.4	53.5
Other operational income and change of inventories	29.9	21.2	41.0
Share of result of associated companies	1.0	-0.6	
Operational expenses	572.0	369.3	54.9
Operating profit	14.0	12.7	10.4
Financial income and expenses	9.9	5.4	83.3
Profit before extraordinary items	23.9	18.1	31.9
Extraordinary items			
Profit after extraordinary items	23.9	18.1	31.9
Direct taxes (profit-related)	-12.8	-6.6	95.3
Minority interest of the result for the period	-1.1	-4.4	-74.4
Profit for the period	9.9	7.1	39.0

Y: Kalvol/HS02/interimreport1

Group balance sheet

€ million	31.3.2002	31.3.2001	Change,%
Non-current assets, total	2,154.2	837.0	157.4
Current asset, total	850.6	649.1	31.0
Shareholders' equity, total	1,034.1	773.6	33.7
Minority interest	124.8	112.2	11.3
Statutory provisions	6.5	2.3	178.3
Liabilities, total	1,839.4	598.1	207.5
Balance sheet, total	3,004.8	1,486.2	102.2

Y: Kalvol/HS02/interimreport1

Advertising sales revenue in Finland 1/2

8

€1,000	1–3/2002	Change, %
NEWSPAPERS	127,399	-8.1
Aamulehti	8,859	-11
Helsingin Sanomat	36,714	-14
Ilta-Sanomat	2,890	3
Iltalehti	2,343	0
Kauppalehti	4,738	-18
Taloussanomat	1,015	-35
Turun Sanomat	8,851	-2
KÄRKIMEDIA*	22,940	-5,3

Sources: Gallup
Mainostieto and
*) Kärkimedia

Y: Kalvol/HS02/interimreport1

Advertising sales revenue in Finland 2/2

€1,000	1–3/2002	Change, %
MAGAZINES	32,520	-7.2
TELEVISION	48,838	0.4
RADIO ADVERTISING	7,513	10.5
OUTDOOR ADVERTISING	6,947	-19.2
INTERNET	2,367	-27.1
FILM ADVERTISING	542	-11.2

Source: Gallup
Mainostieto

Y: Kalvol/HS02/interimreport1

Advertising revenue

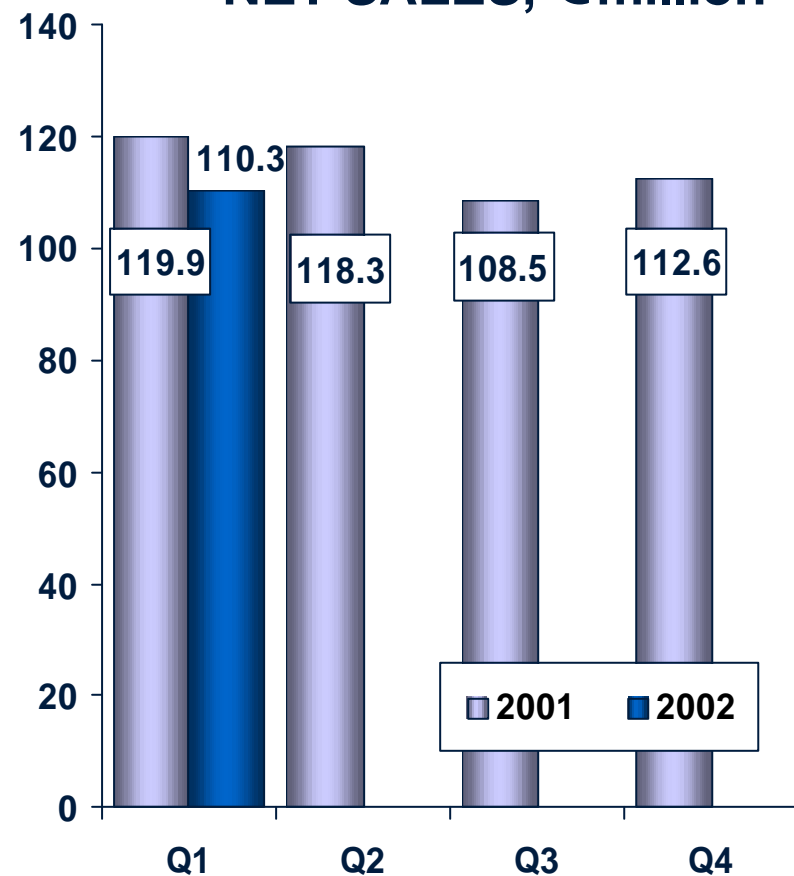
% of net sales by Division

Sanoma	49%
Sanoma Magazines	21%
SWelcom	58%
Group	21%

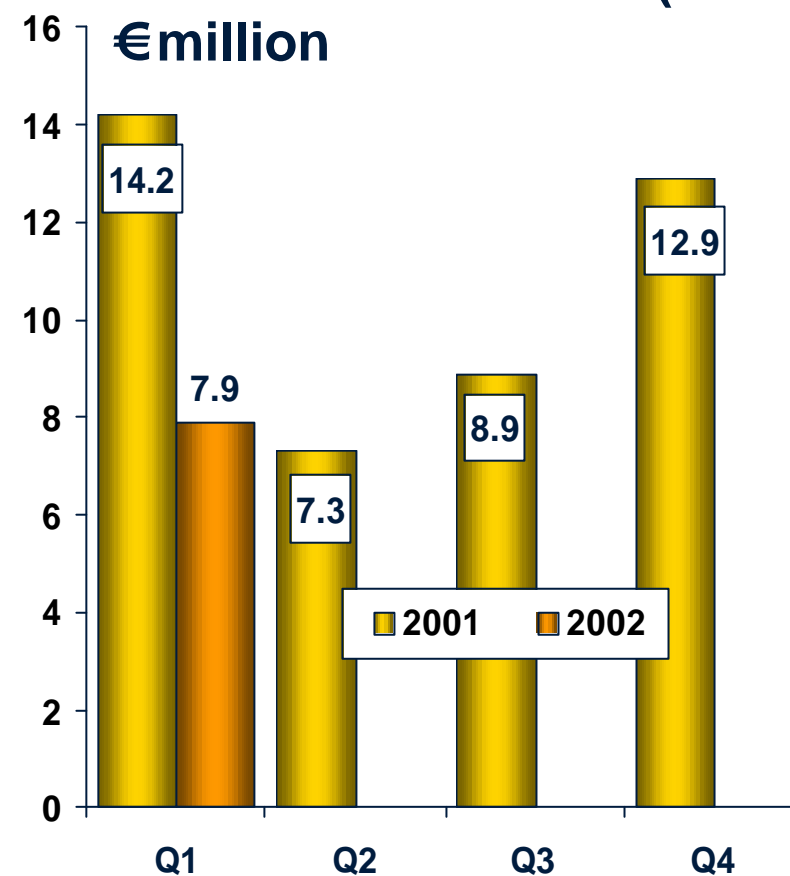
Y: Kalvol/HS02/interimreport1

Sanoma Division

NET SALES, €million



OPERATING PROFIT (EBIT), €million



Y: Kalvol/HS02/interimreport1

Sanoma 1-3/2002

€ million	NET SALES		OPERATING PROFIT	
	1-3/2002	1-3/2001	1-3/2002	1-3/2001
Newspaper publishing and printing	110.3	119.9	7.9*	14.2*
Total	110.3	119.9	7.9	14.2
	<u>3/2002</u>	<u>3/2001</u>		
Gross investments, € million	7.3	37.4		
Personnel, average	3,499	3,449		

Outlook for 2002:

- Net sales are estimated to remain at 2001 levels.
- Operating profit is expected to improve as a result of cost-cutting measures.

* Includes a share of Rautakirja's result

Y: Kalvol/HS02/interimreport1

Sanoma / Key developments

- Declining trend in media advertising continued – as expected.
- Operating profit exceeded the estimate, thanks to successful cost reduction initiatives.
- In Helsingin Sanomat, job advertising developed weaker than expected, revenues from circulation increased over the previous year.
- Advertising sales in Ilta-Sanomat improved.
- Taloussanomat's advertising revenues decreased, but readership increased.
- Lower print exports had an effect on Kymen Lehtimedia's net sales and operating profit, advertising revenues decreased also.
- Printing plant investments at Sanomala on track.

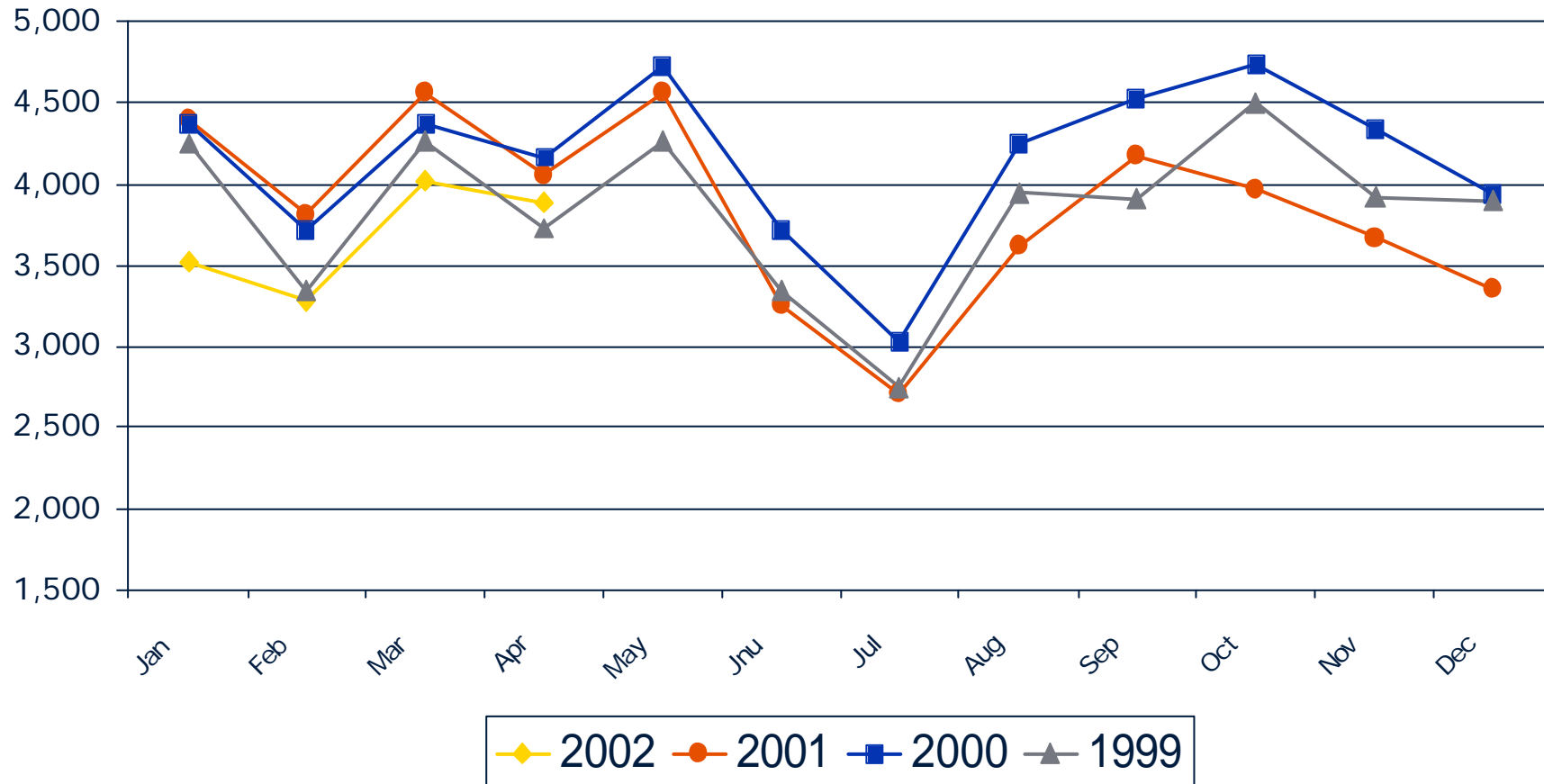
Sanoma

Operational indicators, 1.1–31.3

	2002	2001
Helsingin Sanomat:		
Advertising volume (column metres)	10,386	12,631
Ilta-Sanomat:		
Advertising volume (column metres)	1,486	1,503
Taloussanomat:		
Advertising volume (column metres)	719	1,242

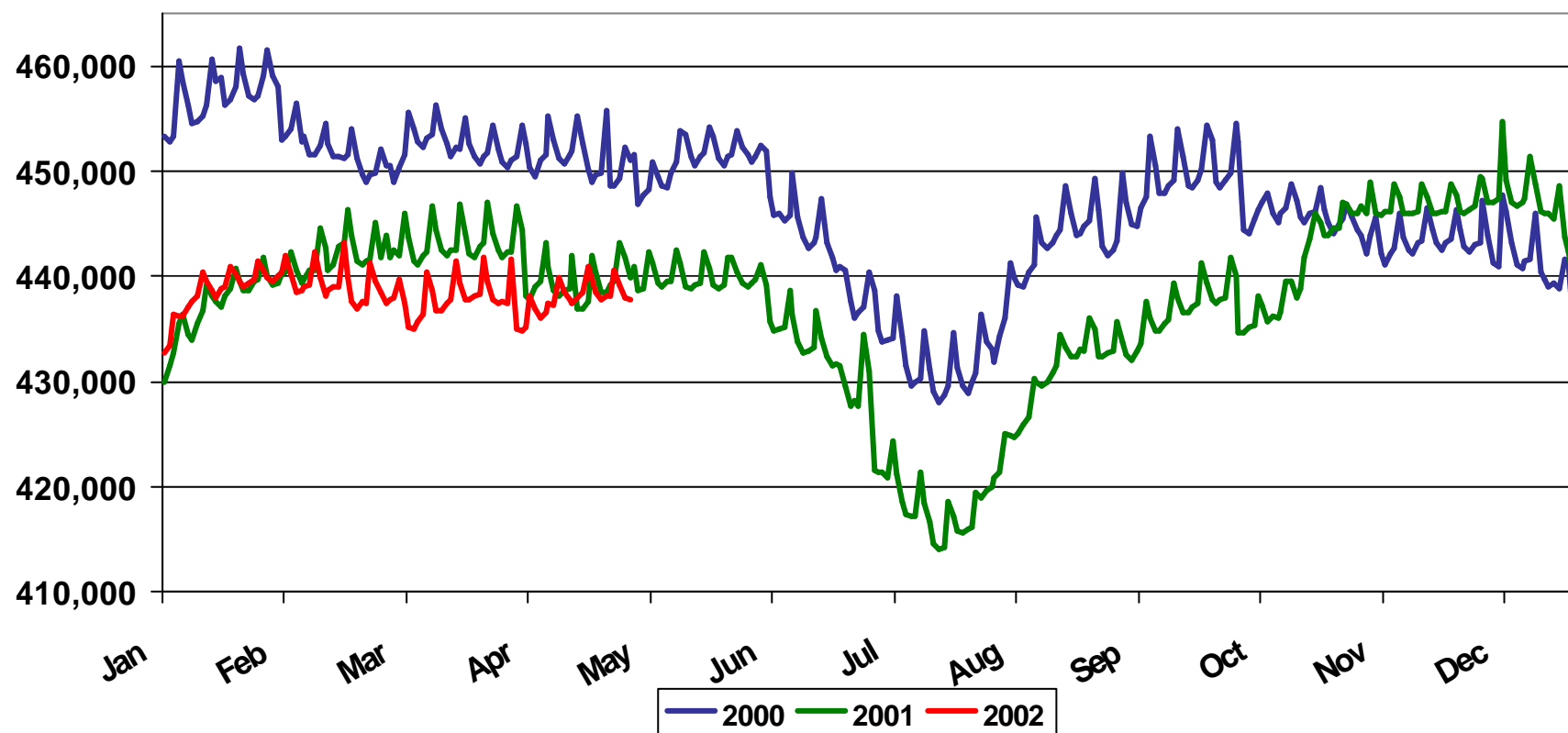
Advertising in Helsingin Sanomat

column meters



Y: Kalvol/HS02/interimreport1

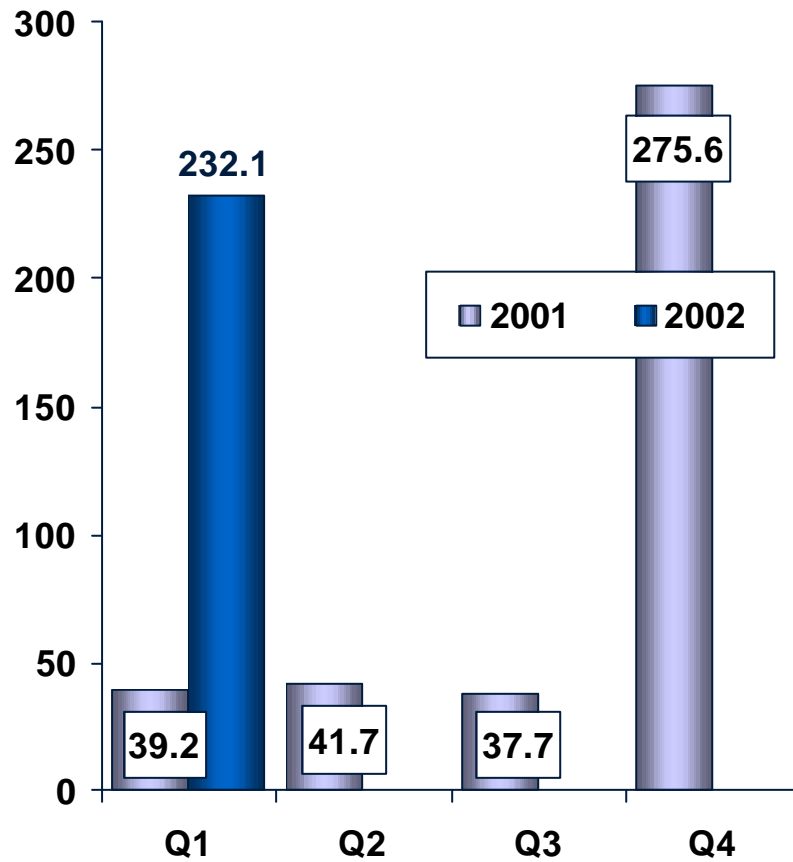
Helsingin Sanomat's net daily circulation



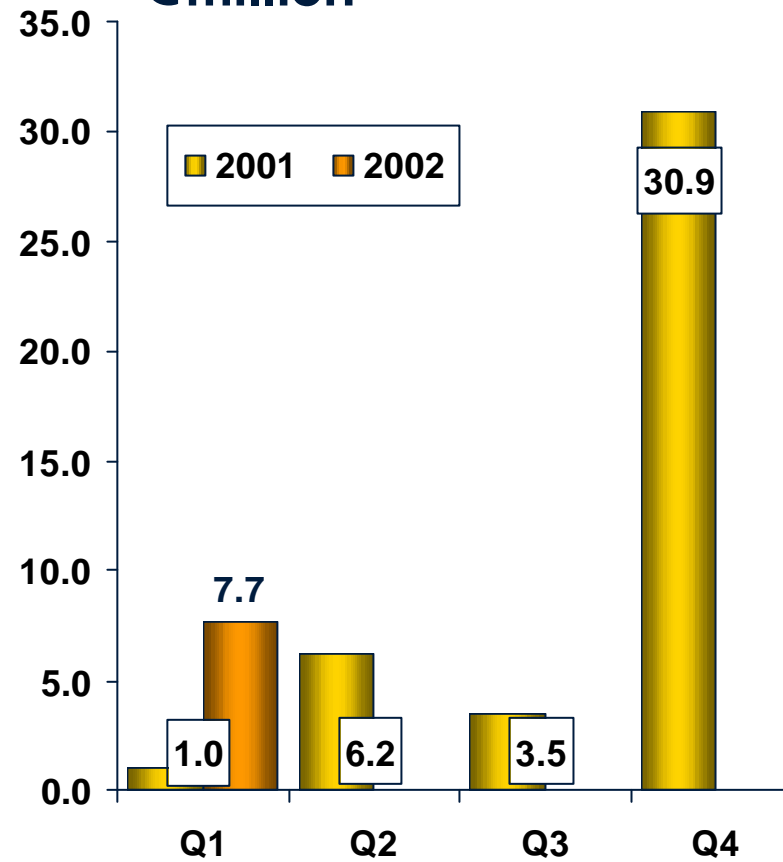
Y: Kalvol/HS02/interimreport1

Sanoma Magazines Division

NET SALES, €million



OPERATING PROFIT (EBIT), €million



Q4/2001: CIG included for the first time

Y: Kalvol/HS02/interimreport1

Sanoma Magazines 1-3/2002

€ million	NET SALES		OPERATING PROFIT	
	1-3/2002	1-3/2001 ¹	1-3/2002	1-3/2001 ¹
Magazine publishing	207.9	39.2	9.0	1.0
Press distribution (Aldipress)	50.1		-1.3	
Intracompany eliminations	-25.9			
Total	232.1	39.2	7.7	1.0
	<u>3/2002</u>	<u>3/2001¹</u>		
Gross investments, € million	3.0	1.0		
Personnel, average	4,326	804		

Outlook for 2002:

- Sanoma Magazines' net sales are estimated to reach € 1 billion.
- Operating profit percentage is estimated to be slightly below 6% (Goodwill amortisation).

1) includes only Sanoma Magazines Finland (former Helsinki Media)

Y: Kalvol/HS02/interimreport1

Sanoma Magazines / Key developments

Sanoma Uitgevers (the Netherlands)

- Development of the unit weaker than estimated due to advertisers' lower investments, harsher competition in the Dutch magazine market and price competition faced from other media.
- Women's titles were successful.
- Prenza (launched in February) was discontinued.

Sanoma Magazines Finland

- Growth in circulation revenue increased net sales, advertising revenue decreased.
- Me Naiset revamped in March, new title Sport launched in April, decision to discontinue Sköna Dagar was made in April.

Sanoma Magazines / Key developments

Sanoma Magazines Belgium

- Positive trend in advertising and circulation volumes, magazines increased their share of media advertising.
- The circulation of the top titles increased.

Sanoma Magazines International

- Development was dynamic especially in Hungary as well as in Romania and Slovakia.
- Two new titles in Hungary, one in Croatia.
- The sale of BEAP was finalized in April.

Aldipress

- Construction of the new distribution centre progresses on schedule and the centre will be opened in July.

Sanoma Magazines

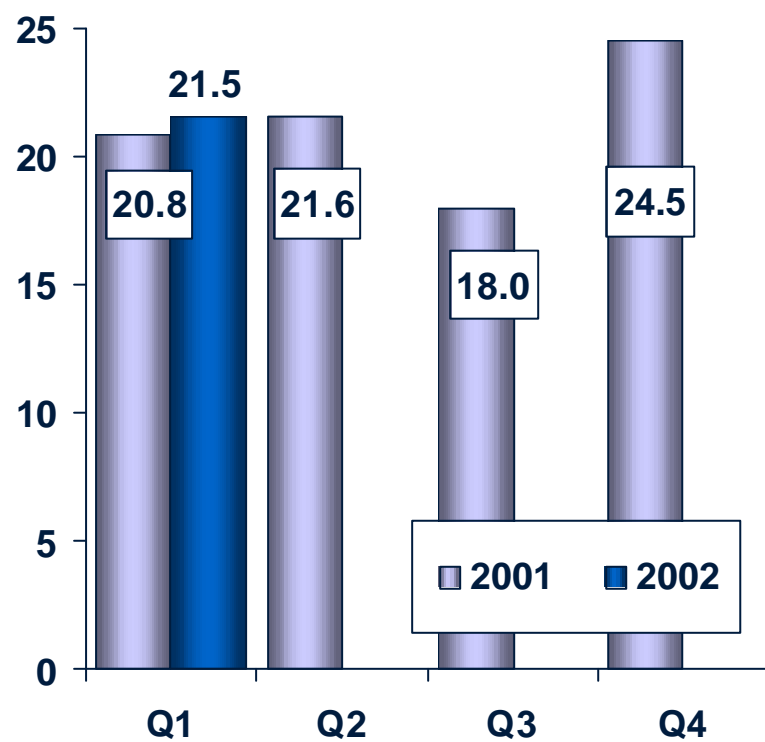
Operational indicators, 1.1–31.3

	2002	2001
Number of copies sold (Aldipress), thousands	30,254	31,521
Number of magazines published	264	270
Magazine copies sold, thousands	107,236	108,978
Number of advertising pages sold	10,244	10,791

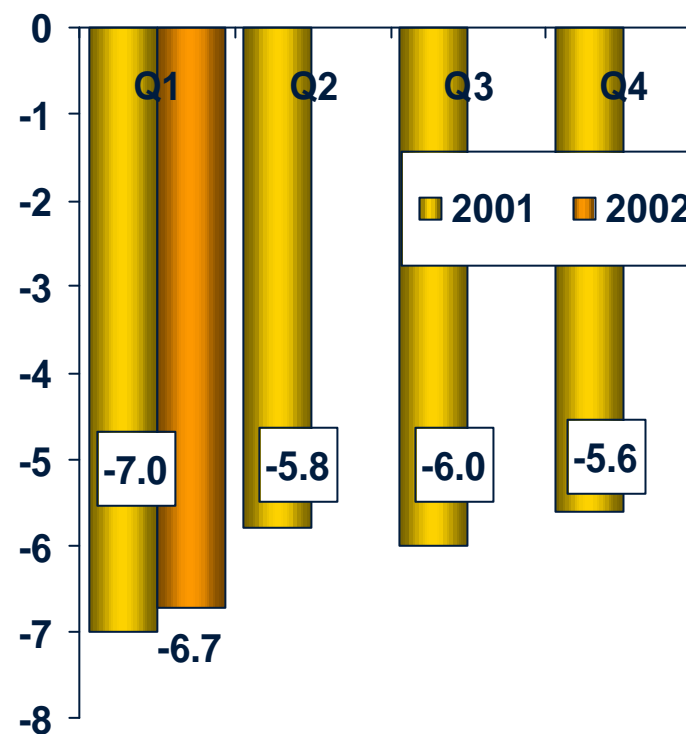
Y: Kalvol/HS02/interimreport1

SWelcom Division

NET SALES, €million



OPERATING PROFIT (EBIT), €million



Y: Kalvol/HS02/interimreport1

SWelcom 1-3/2002

€ million	NET SALES		OPERATING PROFIT	
	1-3/2002	1-3/2001	1-3/2002	1-3/2001
Electronic media	21.5	20.8	-6.7	-7.0
Total	21.5	20.8	-6.7	-7.0
	<u>3/2002</u>	<u>3/2001</u>		
Gross investments, € million	2.2	2.7		
Personnel, average	388	380		

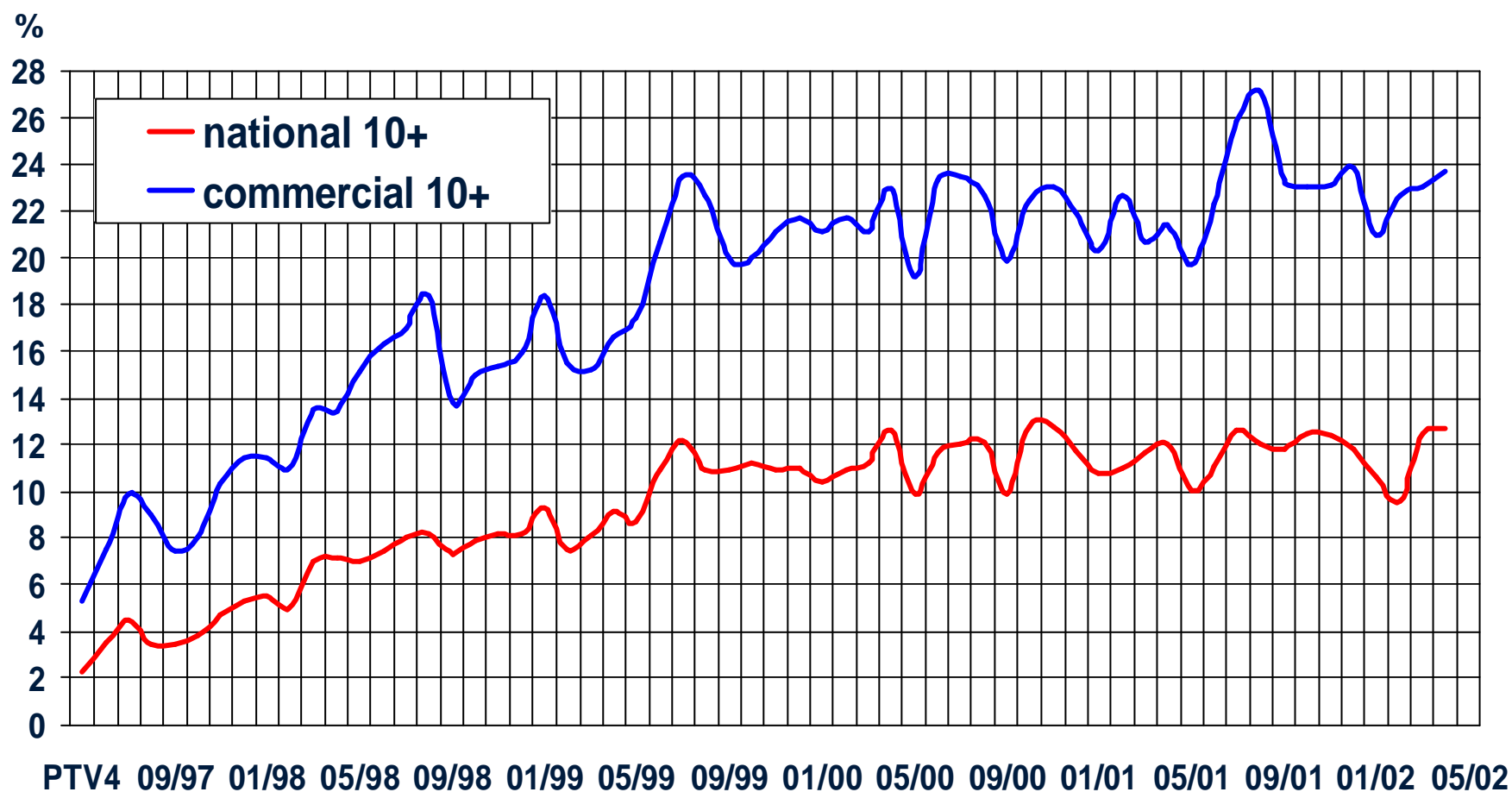
Outlook for 2002:

- Net sales are expected to increase by over 10%.
- Operating result is expected to improve clearly.

SWelcom / Key developments

- TV advertising markets in the first quarter developed weaker than anticipated.
- The growth of net sales mainly driven by the good success of HTV's broadband Internet services.
- Operating loss decreased mainly thanks to the new operative focus of 2ndhead, and the adaptation of its business to the current level of operations.
- Net sales at Nelonen fell slightly, but operating result improved by 5.5%.
- Helsinki Television's net sales increased 26%, operating profit remained at 2001 levels, due to investments in broadband operations.

Audience figures for Nelonen

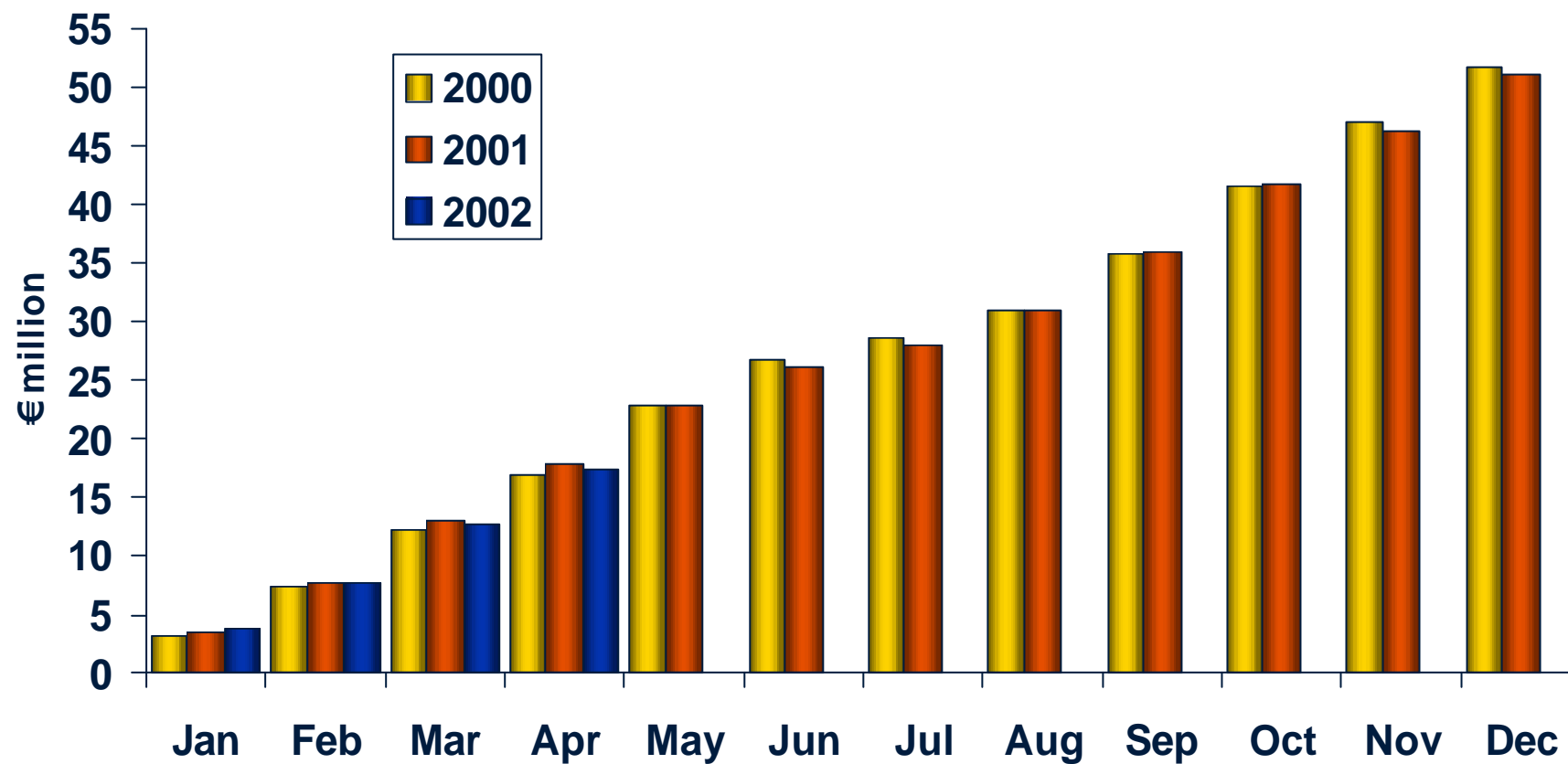


Source:
Finnpanel Oy

Y: Kalvol/HS02/interimreport1

Nelonen's sales revenue

cumulative



Y: Kalvol/HS02/interimreport1

SWelcom

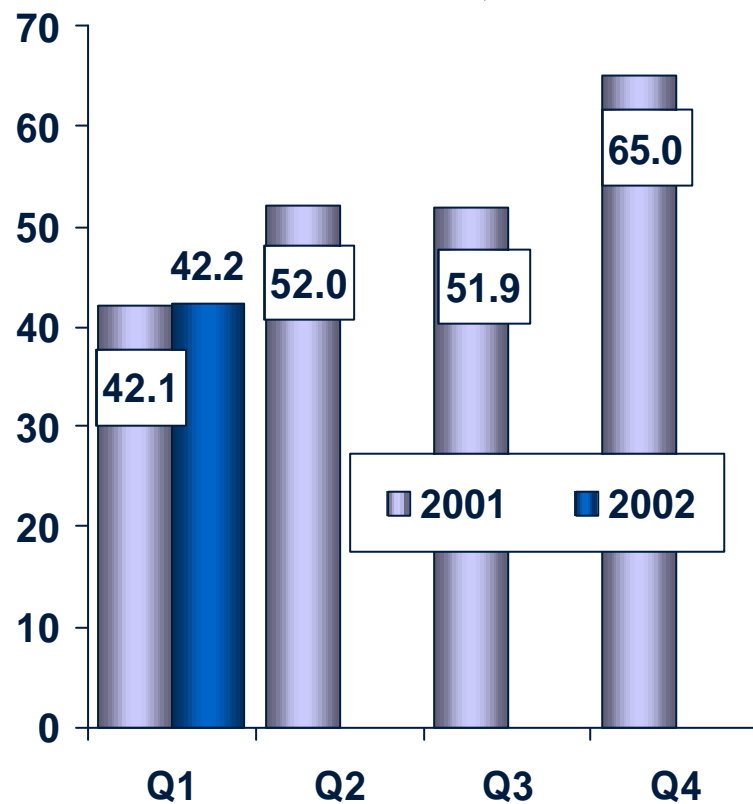
Operational indicators, 1.1–31.3

	2002	2001
Nelonen's share of Finnish TV-advertising, Jan–March	26.1%	26.9%
Number of connected households, thousands	223	212
Number of pay-TV subscriptions, thousands	39	43
Number of broadband internet connections, thousands	22	11

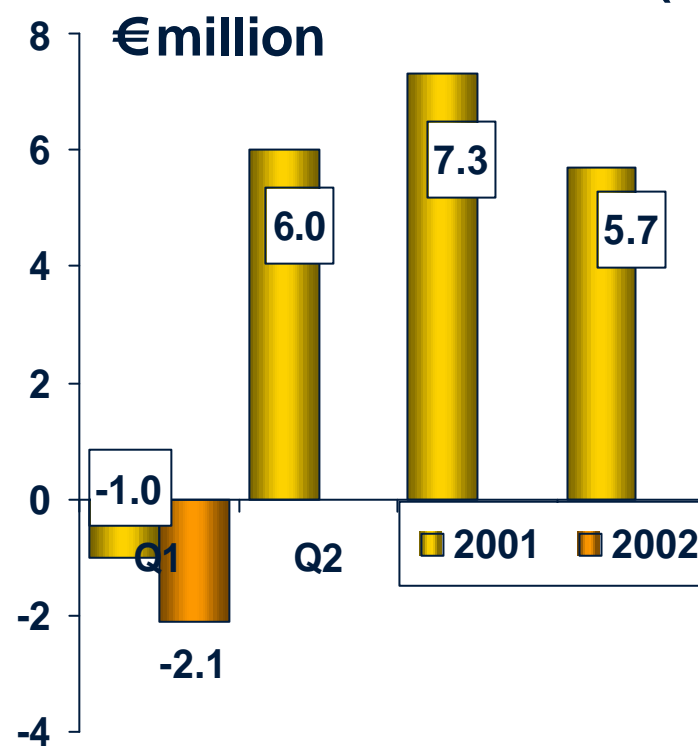
Y: Kalvol/HS02/interimreport1

WSOY Division

NET SALES, €million



OPERATING PROFIT (EBIT), €million



Y: Kalvol/HS02/interimreport1

WSOY 1-3/2002

€ million	NET SALES		OPERATING PROFIT	
	1-3/2002	1-3/2001	1-3/2002	1-3/2001
Publishing	30.3	29.9	-0.6	-1.0
Printing	15.9	15.6	2.1	2.2
Calendar operations	1.7	1.9	-3.7	-4.1
Others	0.9	1.0	1.4*	2.6*
Intracompany eliminations	-6.6	-6.3	-1.2	-0.7
Total	42.2	42.1	-2.1	-1.0
	<u>3/2002</u>	<u>3/2001</u>		
Gross investments, € million	1.9	4.2		
Personnel, average	1,814	1,834		

Outlook for 2002:

- Net sales will grow about 5%.
- Operating profit will improve from the previous year.

* Includes a share of Rautakirja's result

Y: Kalvol/HS02/interimreport1

WSOY / Key developments

- Net sales remained unchanged from the previous year: textbooks and map products successful, other book sales remained on the previous year's level.
- Traditional book publishing and printing operations developed well and structural measures introduced in 2001 especially in the new media sector had a positive impact on the result.
- Operating profit decreased due to smaller share of the result of associated company Rautakirja.
- Sales of textbooks were up, the Opit eLearning environment was well received at schools.
- Sales of IT literature still weak, sales of eLearning solutions fell clearly short of its targets.
- General Literature established a new unit, Johnny Kniga.

WSOY

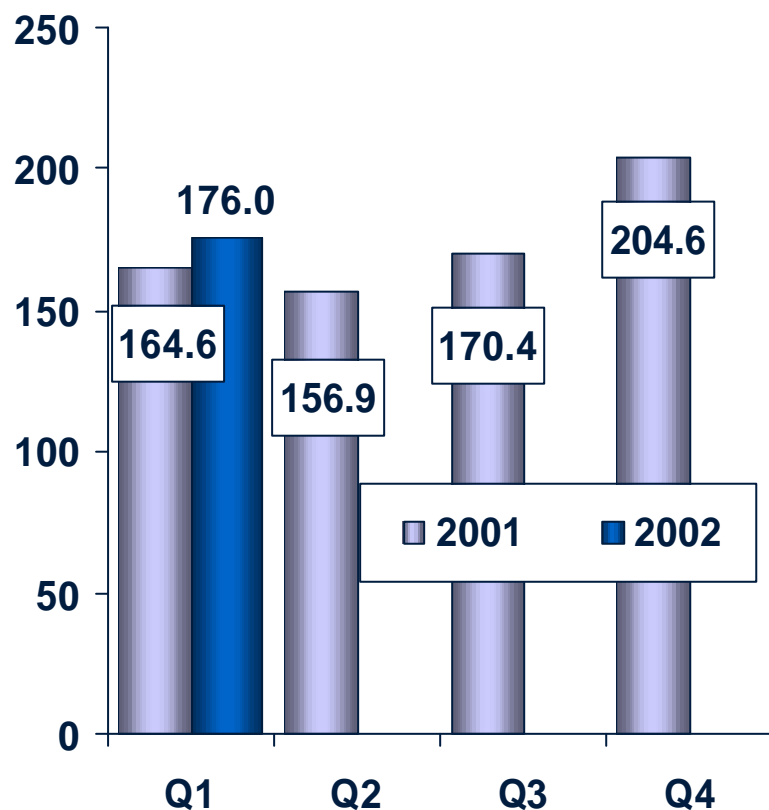
Operational indicators, 1.1–31.3

	2002	2001
Number of new titles published:		
Books	152	144
Electronic products	34	25
Number of reprints published:		
Books	349	403
Electronic products	62	51
Printed books, million copies	5.9	5.6
Paper consumption, tonnes	3,111	3,112

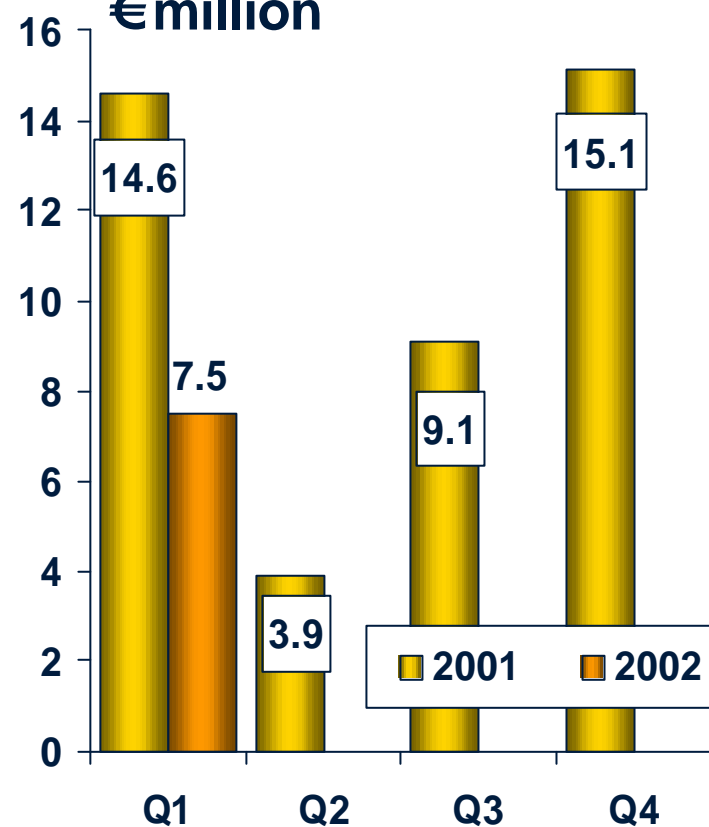
Y: Kalvol/HS02/interimreport1

Rautakirja Division

NET SALES, €million



OPERATING PROFIT (EBIT), €million



Y: Kalvol/HS02/interimreport1

Rautakirja 1-3/2002

€ million	NET SALES		OPERATING PROFIT	
	1-3/2002	1-3/2001	1-3/2002	1-3/2001
Kiosk operations	88.1	80.7	3.0	3.1
Press distribution	38.7	39.3	2.1	2.5
Bookstores	30.8	32.1	0.5	0.8
Movie theatre operations	14.6	11.8	2.0	0.8
Restauran operations	10.7	8.3	-0.6	-0.7
eBusiness	0.3	0.0	-0.5	-0.3
Others			1.0	8.5
Intracompany eliminations	-7.2	-7.7		
Total	176.0	164.6	7.5	14.6
	<u>3/2002</u>	<u>3/2001</u>		
Gross investments, € million	3.1	8.9		
Personnel, average	5,148	4,233		

Outlook for 2002:

- Net sales are estimated to grow about 5%.
- The operational result will remain largely unchanged from 2001 level.

Y: Kalvol/HS02/interimreport1

Rautakirja / Key developments

- Net sales from kiosk, movie theatre and restaurant operations increased, sales from press distribution and bookstores declined.
- Operational result improved almost 10% (sale of Narvesen shares in the comparison period).
- Press Distribution's result was burdened by investments in press distribution operations in Latvia.
- Bookstores had a feeble first quarter.
- Net sales at Movie Theatre Operations increased by 24% due to the good movie offering. Operating profit increased in Finland, Estonia, and Latvia. Construction of Vilnius multiplex began, Lol to build new multiplex complex in downtown Lahti.
- eBusiness operations will be phased out, and other business units will assume some of its activities.

Rautakirja

Operational indicators, 1.1–31.3

	2002	2001
Customer volume in kiosk operations, thousands	19,784	20,222
Customer volume in bookstore operations, thousands	1,545	1,565
Customer volume in movie theatres, thousands	1,144	1,036
Number of copies sold (press distribution), thousands	30,852	33,692

Estimates for 2002

by Division

Sanoma

- Net sales are projected to remain at 2001 levels.
- Operating profit is expected to improve as a result of cost-cutting measures.

Sanoma Magazines

- Sanoma Magazines' net sales are projected to reach €1 billion.
- Operating profit percentage is estimated to be slightly under 6% (Goodwill amortisation).

SWelcom

- Net sales are expected to grow by over 10%.
- Operating result is expected to improve clearly.

WSOY

- Net sales will grow about 5%.
- Operating profit will improve from the previous year.

Rautakirja

- Net sales are estimated to grow about 5%
- The operational result will remain largely unchanged from 2001 level.

SanomaWSOY in 2002

President's agenda

- Improve profitability
- Use tightly all growth possibilities
- Divest non-core assets
- Lighten the balance sheet
- Ensure Sanoma Magazines integration

Group's projection for 2002

- The Group's net sales are expected to increase to € 2,400 million. If no unexpected changes occur in the economic situation, operating profit is expected to improve by one third instead of the previously estimated one fourth partly as a result of divestment of operating assets and real estates.

Y: Kalvol/HS02/interimreport1