

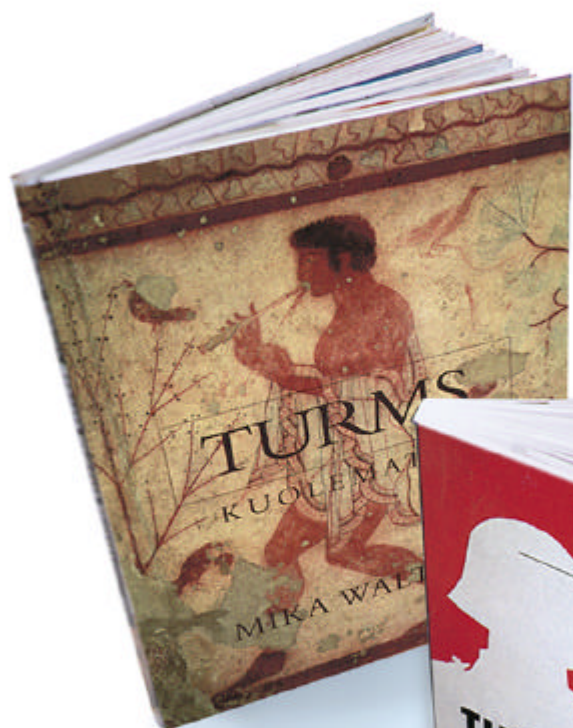


A Publisher for Tomorrow

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Capital Markets Day, September 7, 2000





Two 'Truisms' For Book Publishing

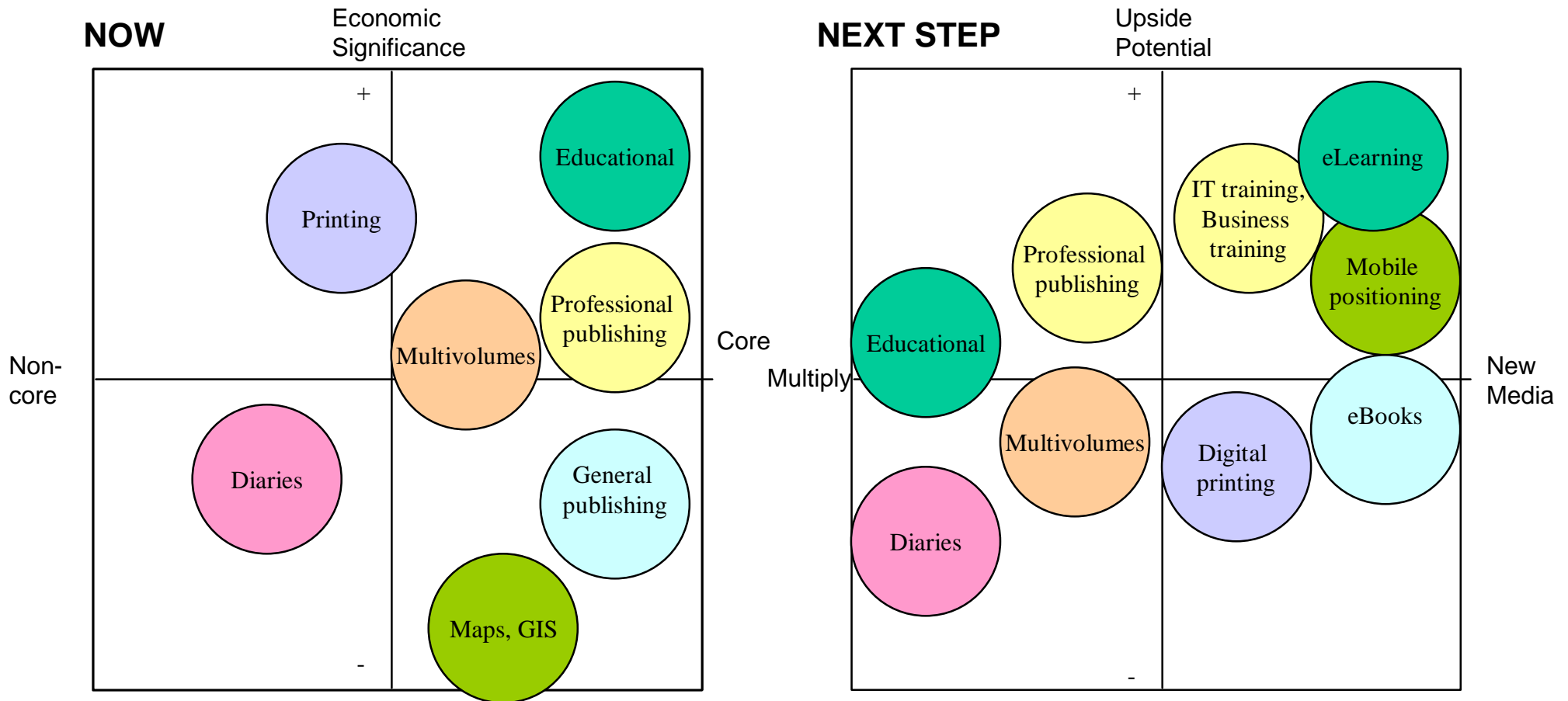
1. "I don't know any major publisher who's made a success out of printing books."
2. "Almost every traditional book publisher so far has failed in e-business startups."

WSOY's Strategy of Balanced Growth

1. Retain high earning level of our core business to enable us to take on new risks more effectively.
2. Develop traditional business areas:
 - by utilizing new technologies:
 - general publishing → e-books
 - educational → e-learning
 - professional → web applications
 - printing → digital print
 - by extending concepts internationally
 - multivolume works & yearbooks
 - diaries
3. Launch new media startups
 - prune, focus, and invest strongly when a promising market has been identified.



The Next Phase of Development



eLearning

- **“Education over the Internet is going to be so big it is going to make e-mail look like a rounding error.”**
 - **John Chambers, President and CEO of Cisco -**

The Information Society Needs eLearning to Prosper

- **Education is a huge business:**
 - spending is projected to be approx. USD 815 billion in 2000 in the US alone, and over USD 2 trillion worldwide.
- **eLearning means leveraging new Internet technologies to:**
 - create, distribute, manage, influence, monitor, or enable learning at all levels.
- **Products and services include:**
 - the creation, aggregation, and distribution of content; application services; online communities/portals; e-tailing of educational products; monitoring learning outcomes and achievement; and infrastructure/administration products and services.



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WSOY

Uniquely Positioned to Gain from eLearning

Content

- backlist of printed and digital products
 - best authors
- best pedagogical experts

Market position

- market leader in Finland
- existing customer base
 - strong international network

Corporate strategy

- commitment to learning as a key growth area
- adequate financial resources

Solid initial platform

International

- YDP in Poland
- Docendo in Sweden
- both have ambitious expansion plans

Technology

- eCRM from virtual portal
 - mobile portal
 - digital tv
- broadband cable

Assets

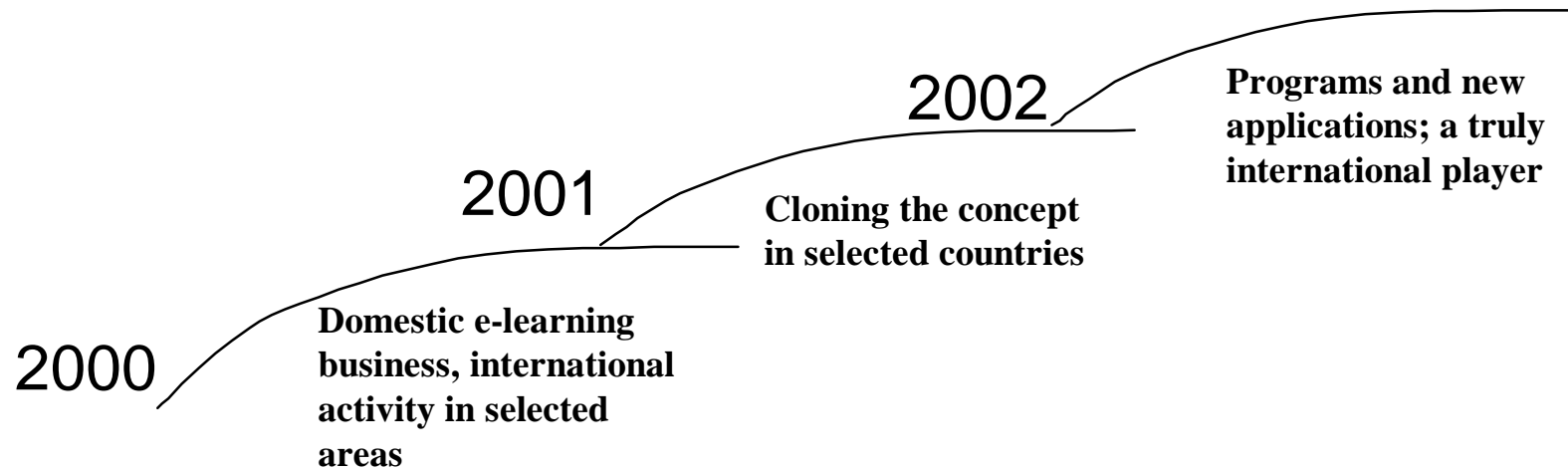
- over 150 highly-skilled people
- Learning Channel



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The Road Ahead



Business potential	FIM 400-700 million in 2005	< USD 5 billion in 2005	USD 40 billion in 2005
Risks / uncertainties	Small	Manageable, when the concept is successful	Great uncertainties Unexpected risks
Key initiatives	Learning Portal/Channel YDP, Docendo	YDP and Docendo expansion Licensing the portal concept Building partnerships	Learn fast and act quickly



WSOY's Key Figures

	1999	2000e
Net sales, FIM million	1,152	1,300
Net sales outside Finland	25%	29%
Personnel	1,754	1,858
New media people	70	150

Today, WSOY's market share in Finland ranges between 25% (general publishing) and 85% (multivolumes)

Key Dimensions of the WSOY Business Portfolio

- Strong corporate image supports all operations
- Customer relations management: BtC, BtB, Business to retailers
- Lines of vertical integration:
content – editorial – production – marketing – sales
- Clusters of expertise over company borders
 - IPR
 - International operations
 - New media

Synergies with the Rest of the Group

- **Content and IPR**
- **CRM and cross promotion**
- **New media**
- **International operations**
- **Increased vertical integration**
- **Resources**
- **Corporate image**

Paradoxes Of A Modern Publisher

- **Big – Intimate**
- **Cultural – Business-minded**
- **Strong traditions – New technology**
- **Be creative – Manage your processes**
- **Diversify – Focus**
- **Preserve – Grow**