

Two strong businesses, Learning and Media Finland, ready for growth

Roadshow presentation, May-June 2020

d

s

o

m

a n

sanoma

Contents

- Sanoma as an investment p. 4
- Learning as a business p. 15
- Media Finland as a business p. 24
- Acquisition of Alma Media's regional news media business p. 31
- Q1 2020 financials p. 39
- Appendix p. 48

Description of key impacts related to the corona virus pandemic are presented on the next page.

Key impacts and risks of the corona virus pandemic and their mitigation (as of 29 April 2020)

- Successful shift to remote operations supported by recent IT investments, no disruptions in the business
- Partial mitigation of the impacts through diversified business portfolio with most of the earnings coming from Learning
- **In Learning**, no major impact on net sales and profitability are currently expected as no major changes in school purchasing and curriculum renewals are expected
- **In Media Finland**
 - **Subscription and other B2C sales** represents more than half of the total net sales and are not expected to be significantly affected, unless the exceptional situation prolongs or intensifies
 - **In B2B advertising business** (net sales 247m€ in 2019), material impact on the net sales and profitability is expected
 - Variation between customer categories and media channels
 - Size of the impact is dependent on the duration of the crisis and the pace of the recovery, too early to make reliable and specific estimates
 - After the financial crisis in 2008, Sanoma's advertising sales declined in-line with the market by approx. 17%
 - **The events business** will be impacted, as the Finnish government has on 22 April decided to prohibit all large events until the end of July 2020, and thus all Media Finland's events for the summer season 2020 will be cancelled
 - Net sales and operational EBIT for Media Finland's events business estimated to be close to zero in 2020 (in 2019, net sales EUR 35 million and operational EBIT margin above the 12.0% margin of the Media Finland SBU)
- Our top priorities are the health & safety of our employees, solid support to our customers throughout the crisis and continuation of fulfilling our role in society in a responsible manner

SANOMA AS AN INVESTMENT:

Two strong businesses, focus on growth and dividends

- 1. Solid net sales and profitability**
- 2. Sanoma Learning**
Growing business with strong digital footprint and benefits of scale
- 3. Sanoma Media Finland**
Leading cross-media offering with stable net sales and improving profitability
- 4. M&A headroom of 300m€**
- 5. Growing dividend**
Supported by good profitability and solid cash flow

We have a well-balanced business portfolio with 55% of earnings from the learning business

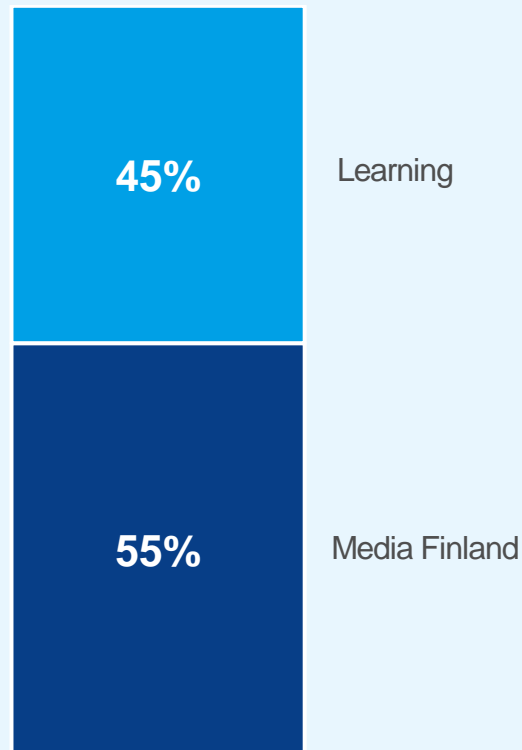
Sanoma Learning

A growing European-based learning company offering blended learning solutions, platforms and educational services

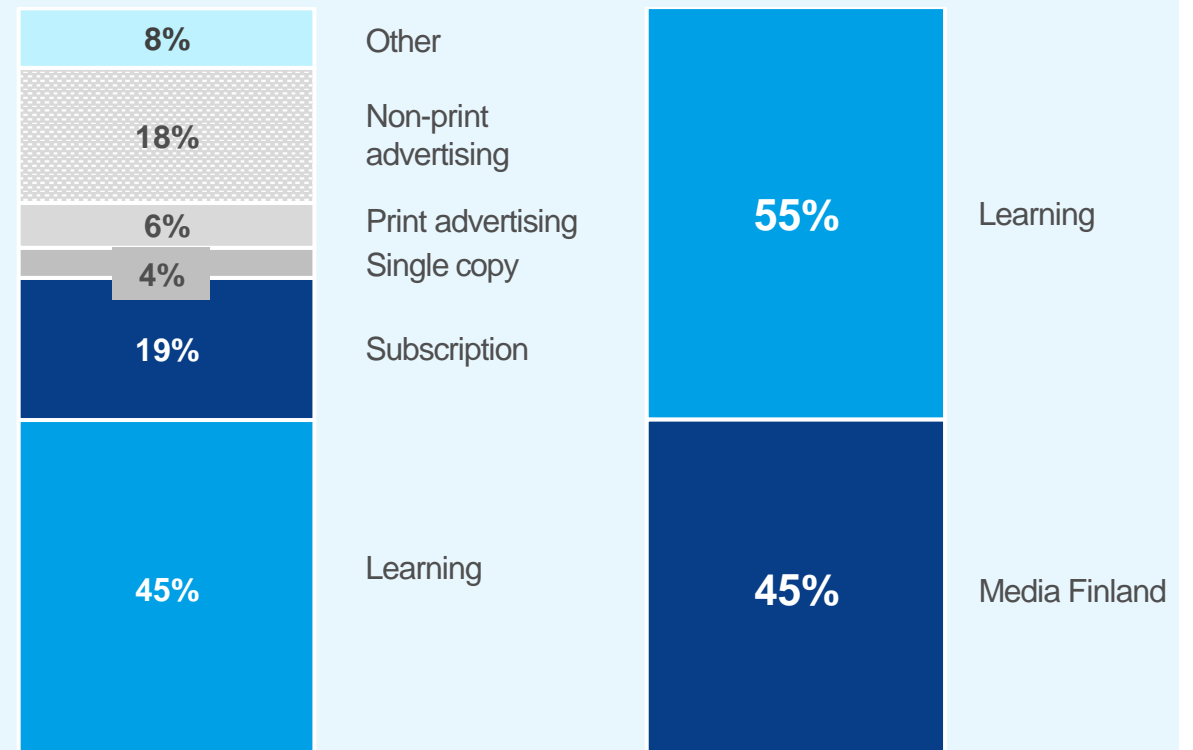
Sanoma Media Finland

The leading cross-media company in Finland focusing on news & feature, entertainment and B2B marketing solutions

Net sales ≈ 1,050m€ *



Operational EBIT excl. PPA ≈ 150m€ *



* LTM Q3 2019 incl. Iddink, Essener and itslearning, excl. Media Netherlands divestment of which was announced on 10 December 2019

Both learning and media have an important role in society



Learning

- Our modern learning methods and platforms support teachers in developing the full potential of every student
- Helps in building a strong foundation for a stable, productive and prosperous society



Media

- Journalistic content supports freedom of speech and independent information gathering
- Local entertainment contributes to shared values and experiences
- Responsible advertising supports local economic growth

Responsible business practices across the value chain

Sanoma Learning, a growing European education company...

Blended course materials and digital platforms for teaching and administration

≈**20%**
oper. EBIT
margin excl.
PPA *

350
employees in
tech

Operations in
10
countries

≈**500m€**
net sales *

1,400
employees

Serving
15m
students

...with strong digital footprint and benefits of scale

- **Growing net sales and solid profitability:** Net sales close to 500m€ and Operational EBIT margin excl. PPA around 20% in 2020 (est)
- **Leading market positions** in digitally advanced markets: Serving 15m students in 10 European countries
- **Excellent materials and digital platforms** supporting teachers and students
- **Readiness for further M&A growth**
- **Positive impact on society** by better learning outcomes

New long-term targets

Net sales

- Organic growth with curriculum changes and increasing digitalisation
- New geographies and expanding technology and service offering

2-5%
Comparable net
sales growth

Profitability

- Steady profitability
- Synergies of recent acquisitions
- Scale benefits to be leveraged through acquisitions

20-22%
Operational EBIT
margin excl. PPA

Media Finland, the leading cross media company...

**Strong,
independent
media for
generations
to come**

12.0%
oper. EBIT
margin excl.
PPA

1,800
employees

577m€
net sales

50%
non-print

97%
weekly reach

... with stable net sales and improving profitability

- **Stable net sales:** 580 m€, 50% non-print (2019)
- **Aiming for long-term improvement in profitability:** Operational EBIT margin excl. PPA 12.0% (2019)
- **Solid positions in news & feature, entertainment and B2B marketing solutions:** weekly reach of 97% of all Finns
- **Simplified organization**
- **Important role in society:** independent journalism and local entertainment for generations to come

New long-term targets

Net sales	<ul style="list-style-type: none">▪ Stable revenue in a transforming media market▪ Growth esp. in news and entertainment subscriptions, radio and events	+/- 2% Comparable net sales growth
Profitability	<ul style="list-style-type: none">▪ Increased profitability through digitalisation▪ Simplification of the business and operations	12-14% Operational EBIT margin excl. PPA

Highly synergistic acquisition supporting the growth of Sanoma's digital news subscriptions in Finland

Sanoma has acquired Alma Media's regional news media business in Finland with net sales of 94m€ and adjusted EBITDA of 20m€ * (2019)

Highly synergistic bolt-on acquisition: estimated net synergies 13m€ from 2022 onwards

Agreed enterprise value 115m€, multiple 5.8 (EV / Pro forma adjusted EBITDA*) and 3.5 including also synergies

Growing our **digital subscription** base

Supporting Media Finland's **long-term profitability target**

(12-14% oper. EBIT margin excl. PPA)

Sustainable future for independent domestic journalism in Finland

Efficiency in shared operations, better **financial returns** on digital investments

Strengthening Media Finland in one of its strategic core businesses, **news & feature**

As a Group, we have M&A headroom of 300 m€ with solid pipelines in both businesses

Headroom for acquisitions *

**300
m€**

Learning

**Media
Finland**

M&A focus areas

Using our scale and capabilities in learning design, technology and services to

- Enter new geographies
- Expand offering in existing markets

Synergistic acquisitions

- News & Feature
- Entertainment
- B2B marketing solutions

**Solid M&A
pipelines in
both
businesses;
expected to
materialise in
12-18 months**

Divestment of Media Netherlands will improve our leverage

Key ratios

Long-term target

31 March 2020

Net debt /
adj. EBITDA

< 2.5

3.0

Equity ratio

35-45%

25.2%

Dividend payout

Increasing dividend
40-60%
of free cash flow

58%
(2019)

Expected to return to the long-term target level after the Media Netherlands divestment was completed on 20 April 2020.

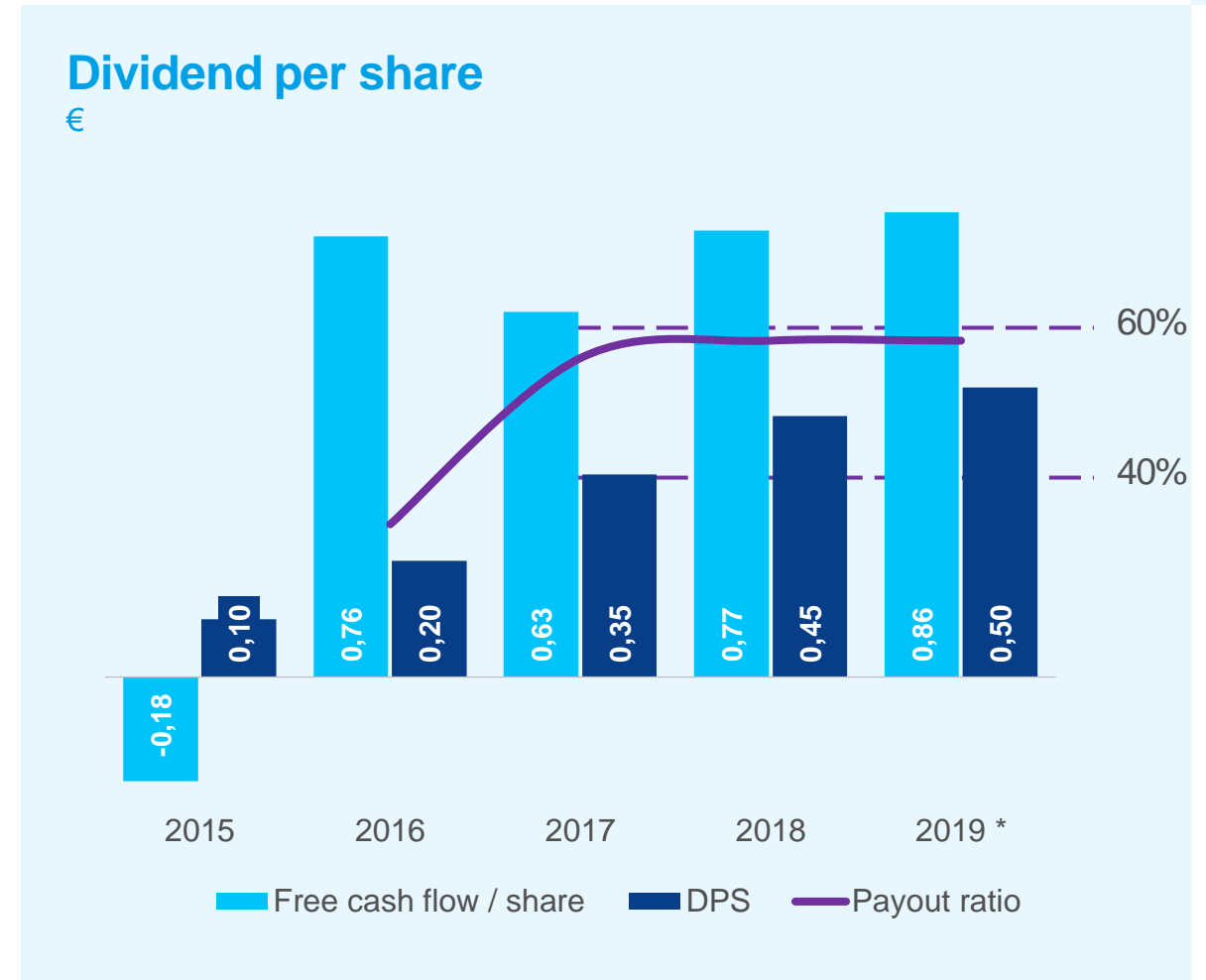
Growing dividend supported by good profitability and solid cash flow

- Dividend for 2019 is 0.50€ per share
 - Increase of 11% vs. 2018
 - 58% of free cash flow *
 - Dividend yield 5.3% (end of 2019)
- Paid in two parts
 - 0.25€ on 3 April
 - 0.25€ in November (record date tbc in October)

Dividend policy:

Sanoma aims to pay an increasing dividend, equal to 40–60% of annual free cash flow.

When proposing a dividend to the AGM, the Board of Directors will look at the general macro-economic environment, Sanoma's current and target capital structure, Sanoma's future business plans and investment needs as well as both previous year's cash flows and expected future cash flows affecting capital structure.



Learning as a business



We focus on learning services for K12

	Education						
Key Market Sectors	Pre-school	Primary	K12 Secondary	Vocational	Higher education	Corporate learning	Life-long learning
School infrastructure <ul style="list-style-type: none">▪ ICT and other equipment▪ Distribution & Maintenance services							
Learning services <ul style="list-style-type: none">▪ Content: blended course materials▪ Distribution services▪ Digital platforms		Sanoma Learning					
School management							
Additional services <ul style="list-style-type: none">▪ Supplying personnel▪ Boot-camps▪ Tutoring							

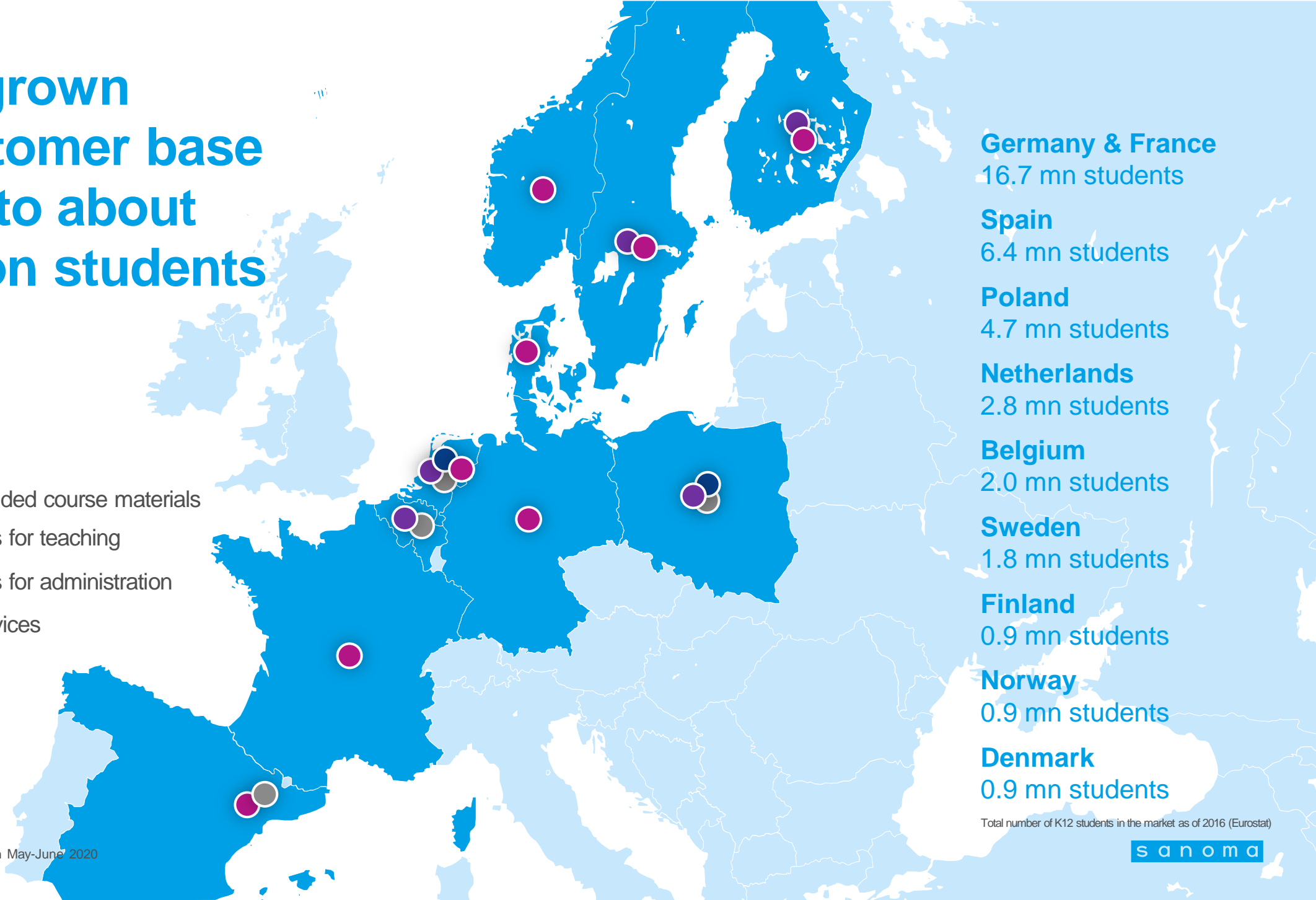
We have grown from a publisher into an integrated provider of learning services...

Learning services	Net sales *		Commercial contact	
			Teachers	Administrators
Content: blended course materials	480m€ 55%	bingel Kampus <small>sanoma pro</small>	<input checked="" type="checkbox"/>	
Distribution services	30%	IDDIINK GROUP nowa era		<input checked="" type="checkbox"/>
Digital teaching platforms	5%	Magister.me its learning [click edu »	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Digital administration platforms	5%	Magister Edu Arte VULCAN [click edu »	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Testing and analytics	5%	TEAS QUAYN Bureau ICE OTIG	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

* Incl. Iddink, Essener and itslearning LTM Q3 2019

... and grown our customer base by 50% to about 15 million students

- Creation of blended course materials
- Digital platforms for teaching
- Digital platforms for administration
- Distribution services



Total number of K12 students in the market as of 2016 (Eurostat)

We have strengthened our positions through acquisitions in the last year

- In 2019, we have invested 300m€ and **extended our footprint significantly through acquisitions**
- As a result of the recent acquisitions, we have **direct access to school administrators**, who manage a broader budget than our traditional stronghold, materials and methods
- We aim to provide **”Classroom as a Service”** – one-stop-shop for a broader portfolio of services needed by the K12 schools
- Market for learning materials and methods is expected to be stable in the long-term, but **significant growth in the Polish and Dutch markets in 2020-2021**
 - Due to our recent market share increase (from 39.2% in 2017 to 40.5% in 2019), we will benefit even more from the market growth in the coming years
 - Expected to boost net sales and have a positive impact on profitability in 2020
- Gradual conversion from single product sales to **subscription model** increases attractiveness of K12 learning services market
 - Introduced already in the Dutch market

Long-term learning method market stable, but significant growth in the Polish and Dutch markets in 2020-2021

The Polish market grows as

- In 2020 three out of the eight grades of all Primary schools will exchange their textbooks to updated methods, and in 2021 as well
- Impact of the Secondary reform continues

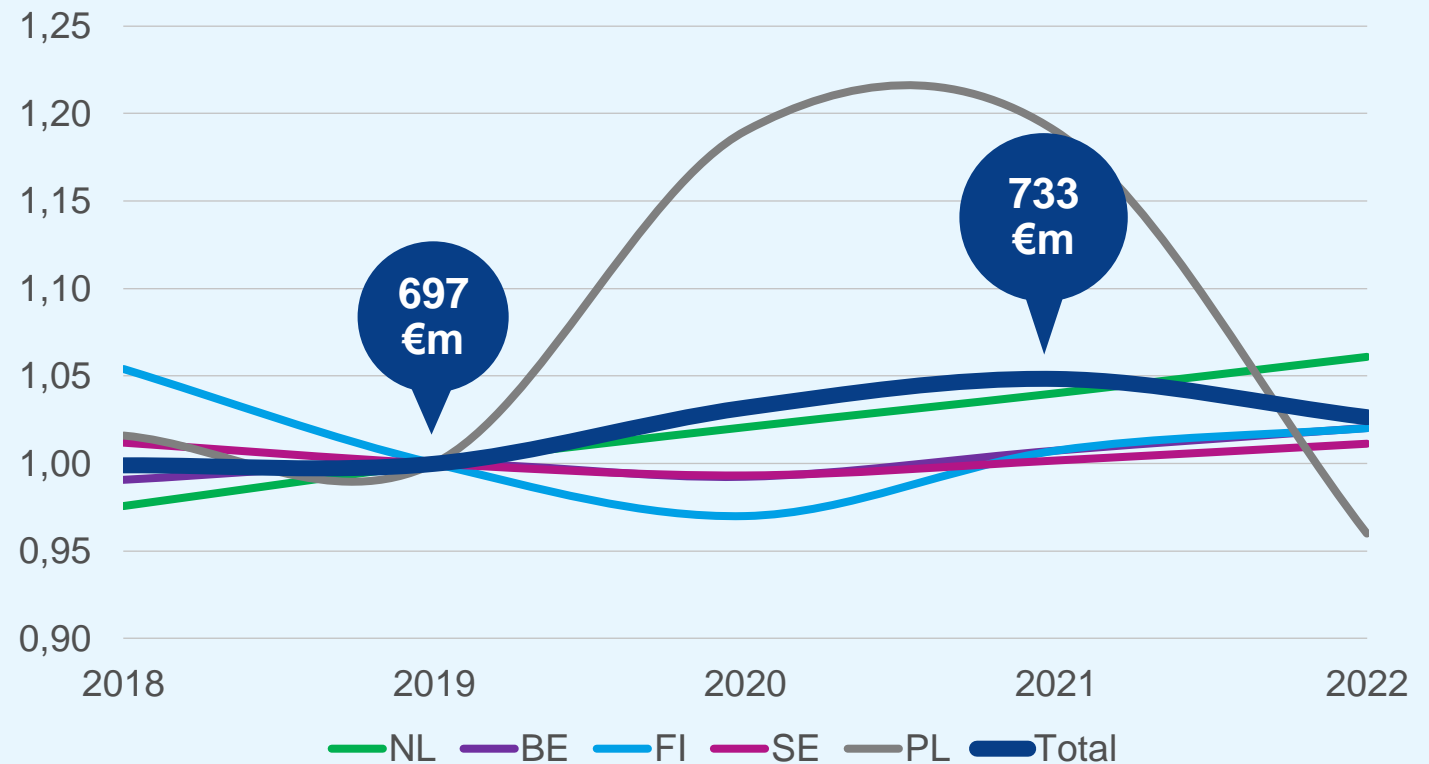
The Dutch market grows as

- Primary mathematics method renewal accelerating
- Additional sales related to the subscription model

Finland to rebound

- The upper Secondary reform in 2021

Market value*, indexed to 2019



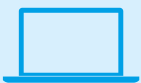
Increasing attractiveness of K12 learning services with conversion from single product to subscription model

Successfully introduced in the Dutch market

From...
the traditional model each product sold separately



Traditional book, rental or re-use



Digital content



Additional tools

...to
a subscription model with annual fee per student with unlimited use of all products

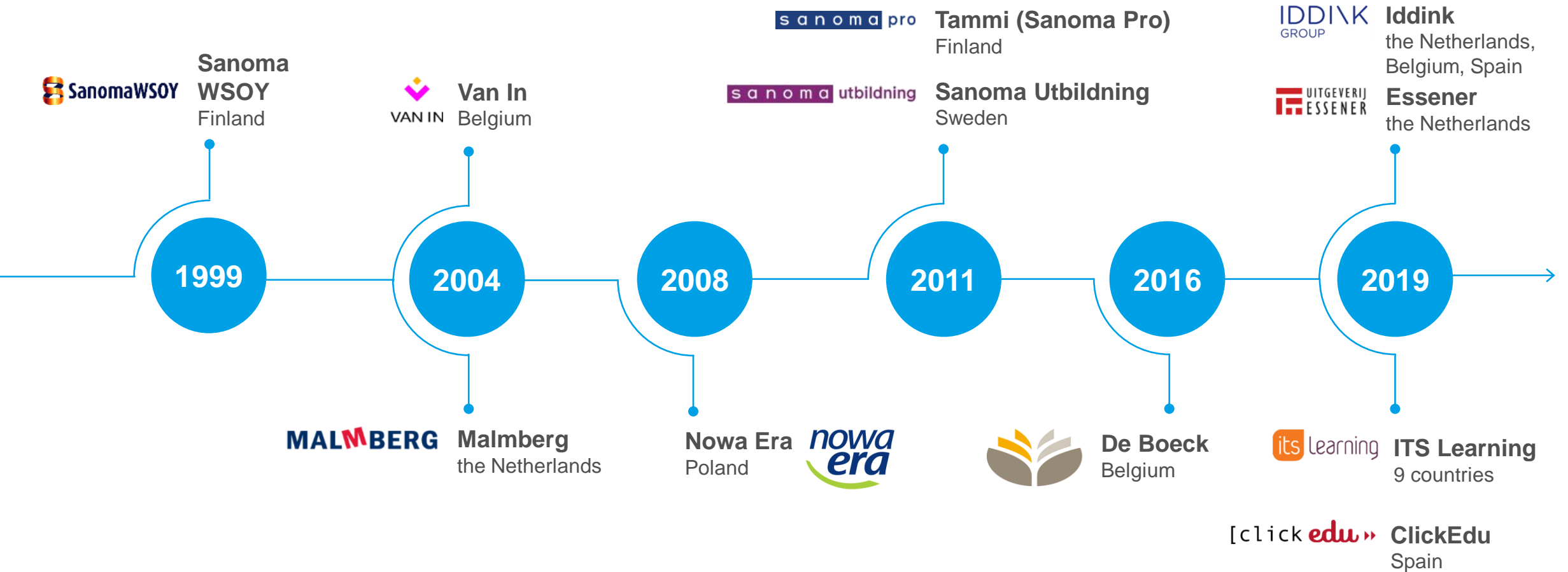


- Mix of print and digital
- Up-to-date online learning materials
- Combined text/workbooks allow students to write in their books
- Teacher dashboard
- Adaptive and personalized learning
- Teacher trainings & workshops

Benefits for all

- For students, more up-to-date materials, books can be retained
- For schools, stable and predictable cost of learning materials
- For distributors, lower cost due to no return flows
- For us, the loss of sales due to excessive re-use of material and second-hand market is reduced, more even sales

Sanoma Learning has been successfully built through M&A to approximately 500m€ business...





... and we have readiness to continue to grow through M&A

- Using our scale and capabilities in learning design, technology and services
 - To enter new geographies in K12
 - To expand our offering in existing markets
- With the “High Five” business development program we have achieved scale benefits in our existing businesses, which we can leverage with recent acquisitions and future M&A

Media Finland as a business



ILMIÖ
STRATEGIA

TEK -
TUKSEEN



We have simplified our organization into three core businesses



News & feature

- Sustainable demand
- Our strong history and position
- Our proven track record in successful digital transformation

Leading in domestic, independent journalism



Entertainment

- Growing market
- Unique combination of strengths
- Important role in total advertising portfolio

Leading entertainment house with most attractive brands and stars



B2B marketing solutions

- Our reach has value for marketers
- A unique, comprehensive portfolio and offering to further build on
- Growth opportunities in the markets

Marketing partner of choice

Subscription base of Helsingin Sanomat, the largest daily newspaper in Finland, growing for third consecutive year

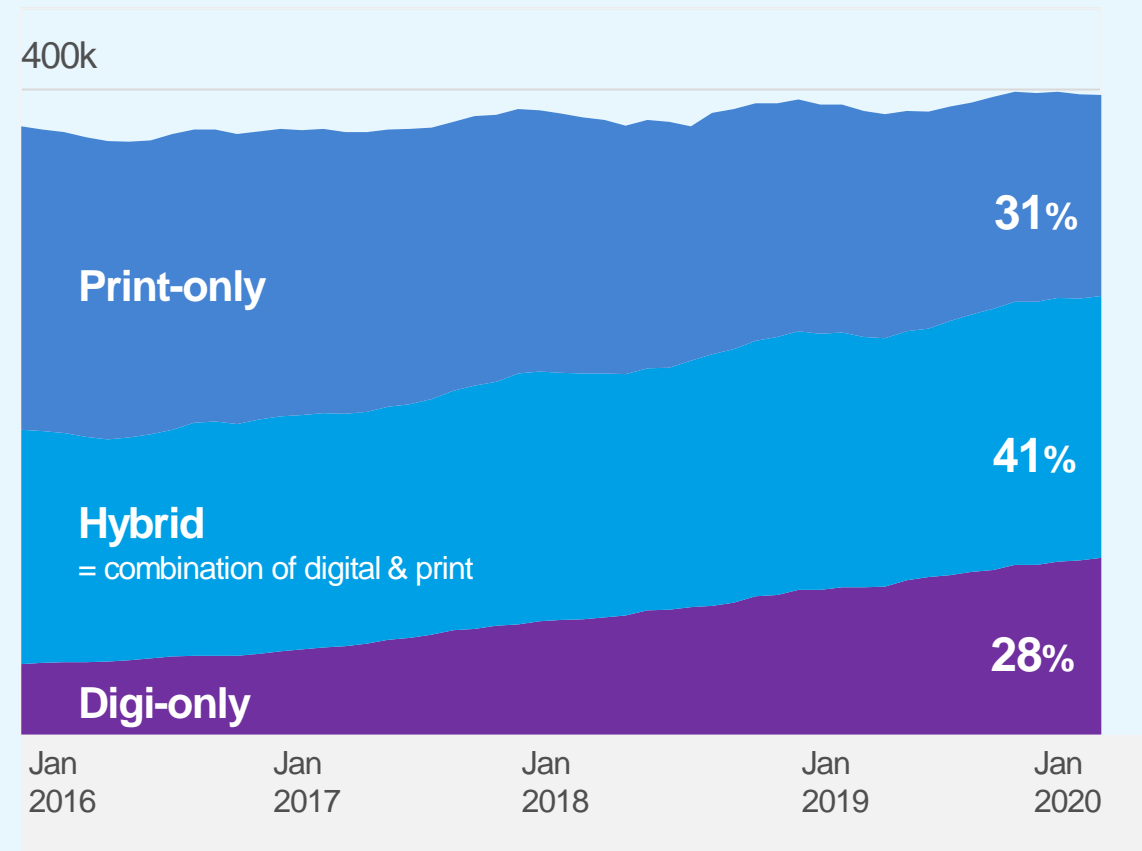
Number of digital-only subscriptions at HS now above 100k

- Appealing digital experience has attracted also younger subscribers
- Easy availability of the digital product has increased reach
- Future success in digital requires scale
- Growth in digital subscription base a key focus area

Benefit of feature content e.g. Tiede science articles

- Feature content behind the paywall improves retention and brings new subscribers
- 40% of articles behind the paywall are feature content, bringing 60% of trial subscriptions

1-2% annual growth in HS subscription base

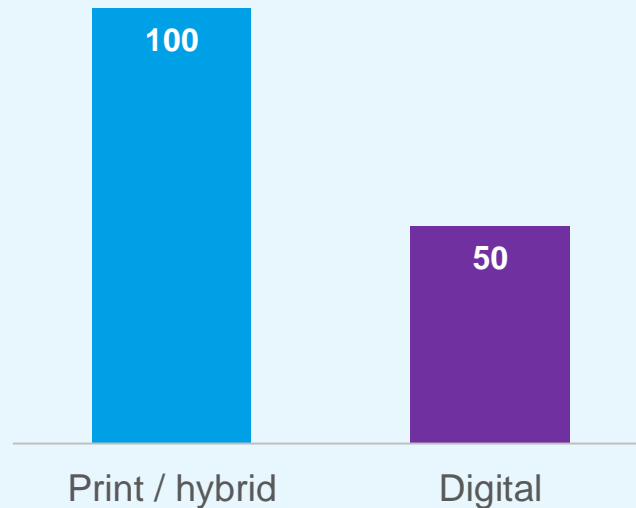


Digital transformation reduces net sales but increases contribution per incremental subscriber

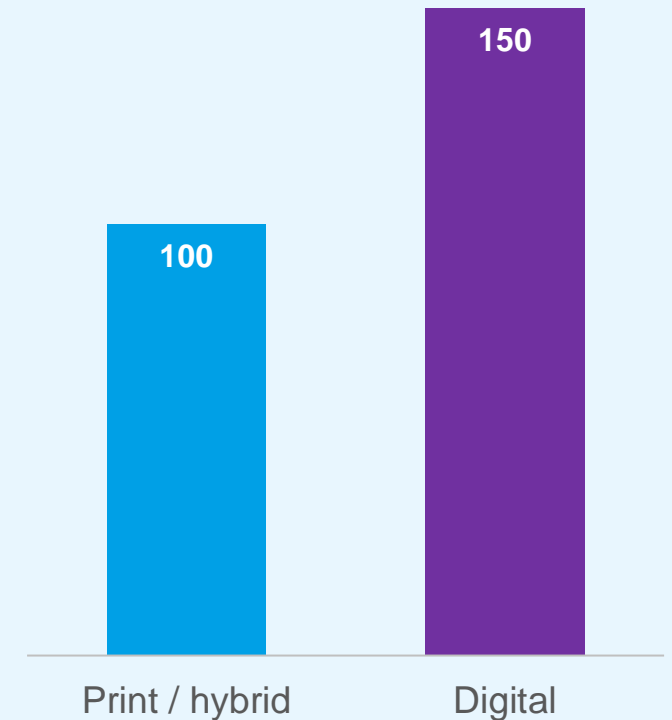
- Acquiring an additional subscriber for digital instead of printed news will
 - Generate half the net incremental sales due to lower consumer prices
 - Increase contribution by 50% due to absence of print and esp. distribution costs
- Active conversion of larger number of subscribers from print to digital would be not create additional contribution due to
 - Stranded costs related to printing and distribution
 - Potential loss of advertising revenues
 - Lack of consumer readiness

Net sales per additional subscription * reduces...

Indexed



... but contribution increases *

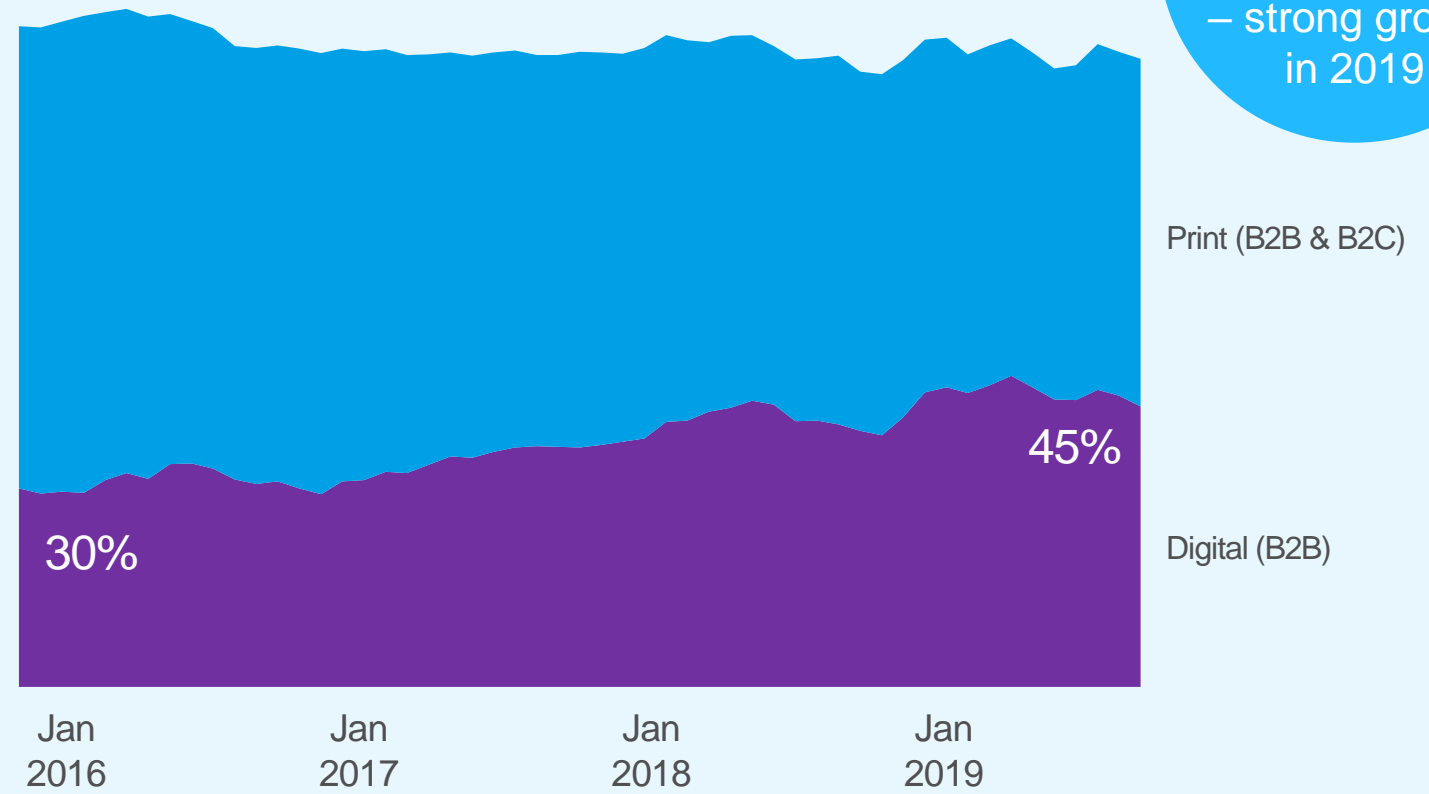


* Excluding impact of digital transformation on advertising revenues

The tabloid Iltä-Sanomat has stable net sales through increasing digital advertising

- Digitalisation has increased the reach significantly
 - Reaches the whole of Finland and often audiences who don't currently subscribe to news
 - Provides easy and free access to curated news from professional journalists
- Stable net sales due to increasing digital B2B advertising income compensating lower single copy sales
- Improved profitability with an additional digital reader having nearly double the contribution compared to a print reader *

Net sales split print vs. digital



42m

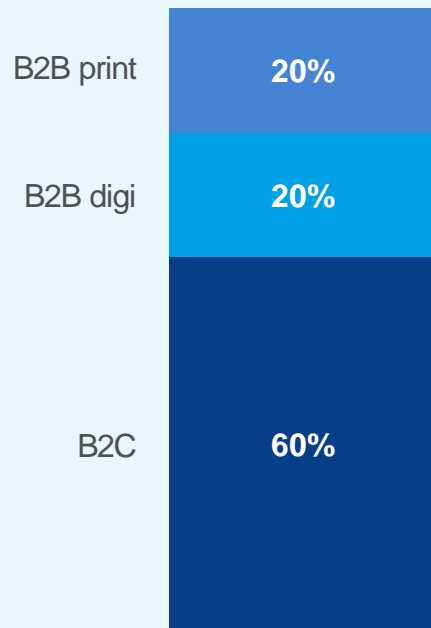
site visits a week
– strong growth
in 2019

In entertainment, we have leading positions and benefit from the full-range portfolio



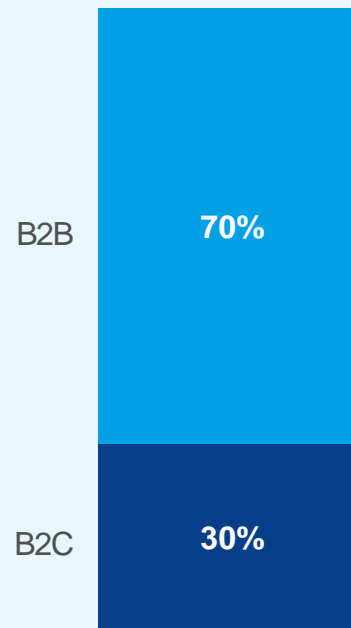
75% of advertising sales is non-print

News & feature ≈ 290m€



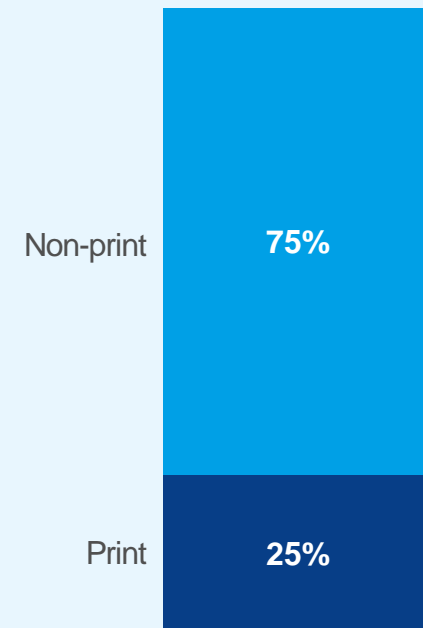
above

Entertainment ≈ 170m€



below

Total advertising sales ≈ 250m€ *



Profitability in comparison to SBU average

* Incl. magazines and classifieds in addition to news media and entertainment

Acquisition of Alma Media's regional news media business

Completed on 30 April 2020



Alma Media's regional news media business

- Net sales of 94m€ and adjusted EBITDA of approx. 20m€ * in 2019
 - Subscriptions are approx. 60% and advertising is approx. 40% of total net sales
 - Majority of print advertising sales comes from regional advertising – typically more stable than national print advertising
- Acquired titles have a total of 185k subscriptions
 - Titles have strong position in their own regions, with a total reach of over 90%
 - Approx. 15% of subscriptions are digital-only; grew approx. by 60% in 2019
 - As a comparison: total number of subscriptions for HS is 397k, with share of digital-only being 27% (end of 2019)
- Alma Manu's state-of-the-art printing facility in Tampere, leased with a book value of 41m€ (end of 2019)
- 365 FTE moved to Sanoma
 - Shared administrative operations staying at Alma



Highly synergistic acquisition supporting the growth of Sanoma's digital news subscriptions in Finland

Sanoma has acquired Alma Media's regional news media business in Finland with net sales of 94m€ and adjusted EBITDA of 20m€ * (2019)

Highly synergistic bolt-on acquisition: estimated net synergies 13m€ from 2022 onwards

Agreed enterprise value 115m€, multiple 5.8 (EV / Pro forma adjusted EBITDA*) and 3.5 including also synergies

Growing our **digital subscription** base

Supporting Media Finland's **long-term profitability target**

(12-14% oper. EBIT margin excl. PPA)

Sustainable future for independent domestic journalism in Finland

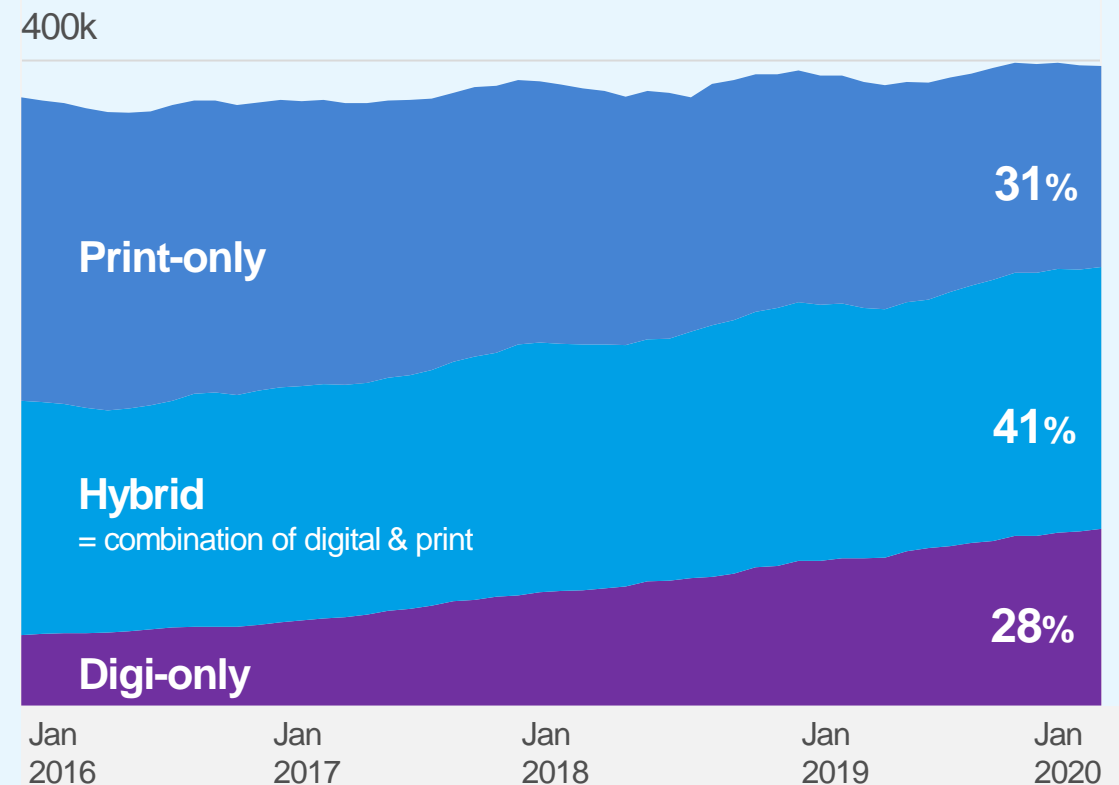
Efficiency in shared operations, better **financial returns** on digital investments

Strengthening Media Finland in one of its strategic core businesses, **news & feature**

Recent learnings and successes at Helsingin Sanomat supporting combined digital growth

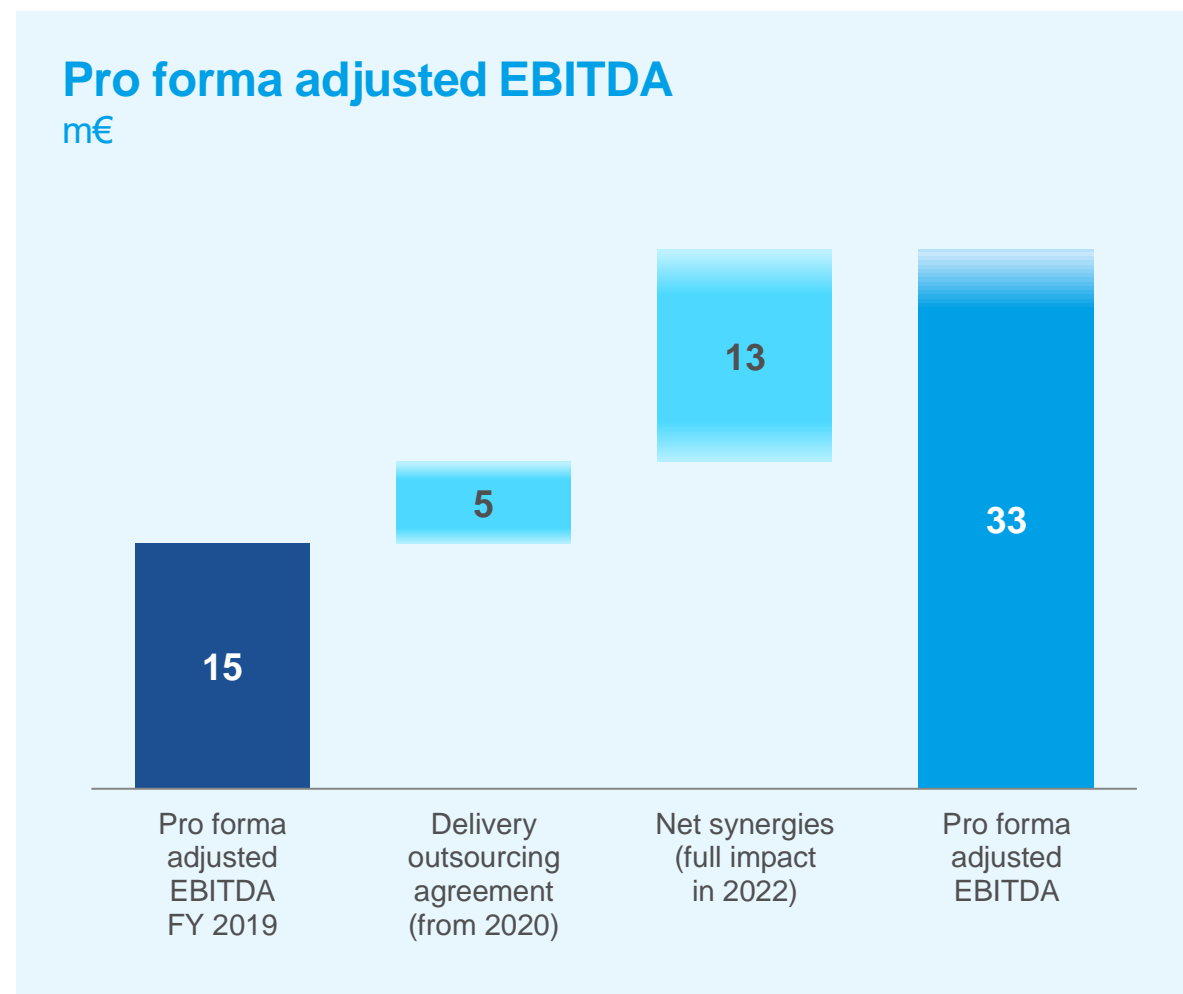
- Number of digital-only subscriptions at HS is now above 100k, equalling around 28% of total subscription base
 - Total number of subscriptions grew for the third year in a row, with strongest growth in digital
 - Already 2/3 of all subscriptions include a digital component
 - Appealing digital experience has attracted younger audiences
- Aim to accelerate digital growth in the acquired titles
 - Share of digital-only 15% (end of March 2020); grew by approx. 60% in 2019
 - Better financial returns on increasing investments in digital development to be achieved
 - Attractive higher contribution for additional digital subscriber compared to print
- Future success in digital requires scale

1-2% annual growth in HS subscription base



Attractive valuation for highly synergistic bolt-on acquisition

- Enterprise value of 115m€, including 37m€ of net debt and advances received at closing
- EV / Pro forma adjusted EBITDA multiples
 - 5.8 incl. impact of the delivery outsourcing agreement *
 - 3.5 incl. net synergies also
- Expected annual cost savings of approx. 5m€ related to the delivery outsourcing agreement with full impact already in 2020 *
- Annual estimated net synergies of approx. 13m€, expected to be realised in full in 2022
 - Half related to operational efficiency, procurement and IT
 - The other half to shared operations and support functions



Independence of the strong regional titles, led by dedicated Editors-in-Chiefs, will continue after the acquisition

The acquisition will include:

- Alma Media Kustannus Oy
 - Leading regional newspapers Aamulehti (founded in 1881) and Satakunnan Kansa (founded in 1873)
 - Thirteen smaller newspapers in Tampere region as well as Western and Central Finland
- Alma Manu Oy
 - A state-of-the-art printing facility in Tampere
- The acquired business become part of Media Finland's News & Feature unit, which consists of HS, IS and seven magazine titles



Janakkalan Sanomat
Jokilaakso
Jämsän Seutu

Kankaanpään Seutu
KMV-lehti
Merikarvia-lehti

Nokian Uutiset
Rannikkoseutu
Suur-Keuruu

Sydän-Satakunta
Tyrvään Sanomat
Valkeakosken Sanomat

Vekkari
ALMA MANU

Funding and transaction costs

- Sanoma has financed the acquisition with funds received from the divestment of Media Netherlands, which was completed on 20 April 2020.
- Transaction and integration costs of approx. 10m€ to be booked as IACs in Media Finland's 2020 result. In addition, approx. 3m€ of additional operational costs related to transitional service agreement are expected for the first 7 months after closing.
- Taking into account the operating cash flow of the acquired business and costs related to the transaction, Sanoma expects the acquisition to have a neutral impact on its free cash flow in 2020.
- After closing, the acquired business will be reported as part of Sanoma Media Finland SBU.

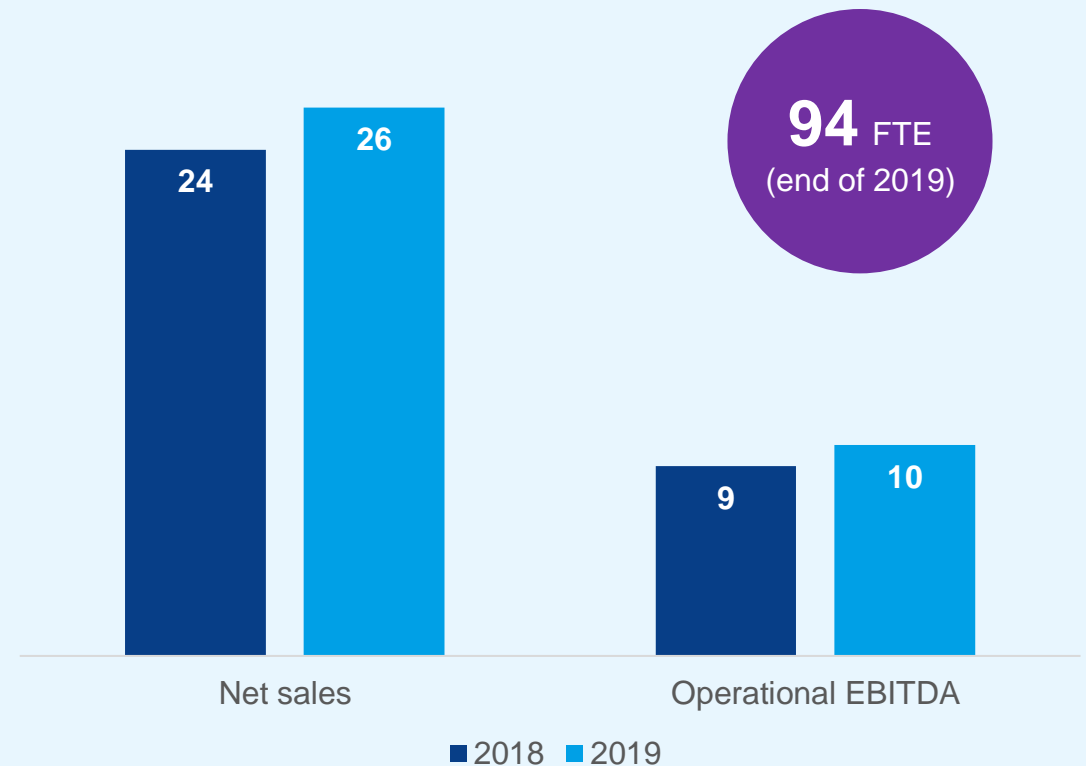


Evaluation of strategic options for Sanoma's online classifieds' business is ongoing

- Sanoma is evaluating strategic options for Oikotie Ltd., a leading online classifieds player in Finland
 - The leading Finnish online classifieds sites in recruiting and housing
 - Sites on construction and renovation (rakentaja.fi) and electricity comparison (sähkövertailu.fi)
- The evaluation is in-line with Media Finland's focus on its core strategic businesses: news & feature, entertainment and B2B marketing solutions
- Divestment of the business can be one of the potential outcomes of the evaluation

Net sales growth and profitability improvement

m€, pro forma





Q1 2020

Solid start to the year, long-term priorities unchanged

Divestment of Sanoma Media Netherlands to DPG Media was completed on 20 April

Acquisition of Alma Media's regional news media business was completed on 30 April

Evaluation of strategic options for online classifieds' business Oikotie Ltd. announced on 11 February, currently ongoing as planned

Outlook withdrawn on March 24; corona virus pandemic expected to have a significant impact on Media Finland's B2B and events business



Two strong businesses, Learning and Media Finland, ready for growth

300m€ headroom for M&A

We remain committed to our long-term financial targets

Solid first quarter without significant impact of the corona virus pandemic

Net sales

188m€

(2019: 163)

Comparable net sales growth

2%

(2019: -3%)

Operational EBIT excl. PPA

-8m€

(2019: -5)

Free cash flow

-60m€

(2019: -41)

Net debt / Adj. EBITDA

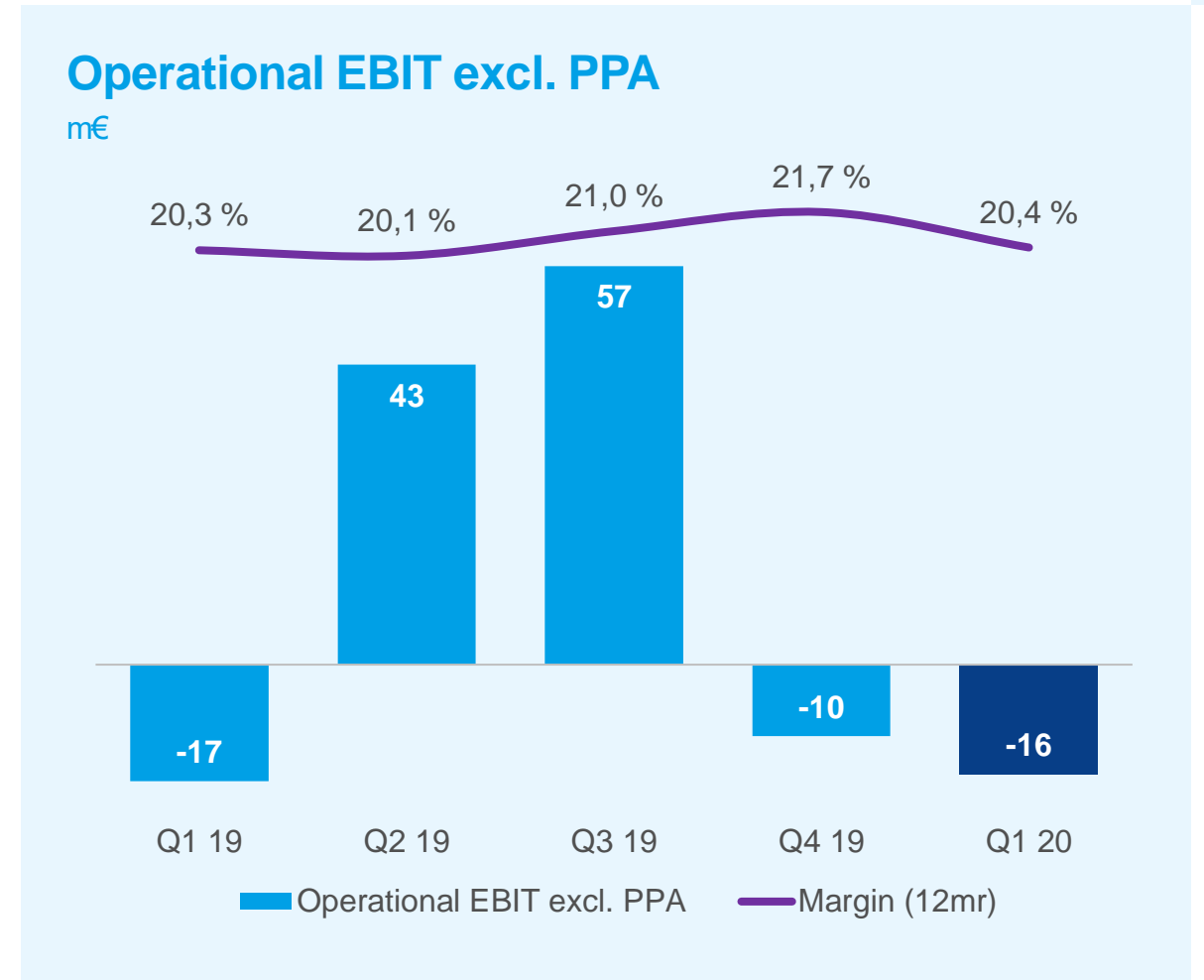
3.0

(2019: 2.0)

- Net sales grew in Learning as a result of acquisitions and were stable in Media Finland
- Operational EBIT excl. PPA declined due to planned, higher TV and marketing expenses in Media Finland
- Free cash flow impacted by higher working capital: due to recently acquired businesses in Learning and different timing between quarters compared to the previous year in Media Finland
- Leverage temporarily above and equity ratio below the long-term target level, returning to the target level after the divestment of Media Netherlands
- The AGM decided on a dividend of EUR 0.50 per share. The first instalment of 0.25€ was paid on 3 April. The second instalment of 0.25€ will be paid in November (estimated timing).

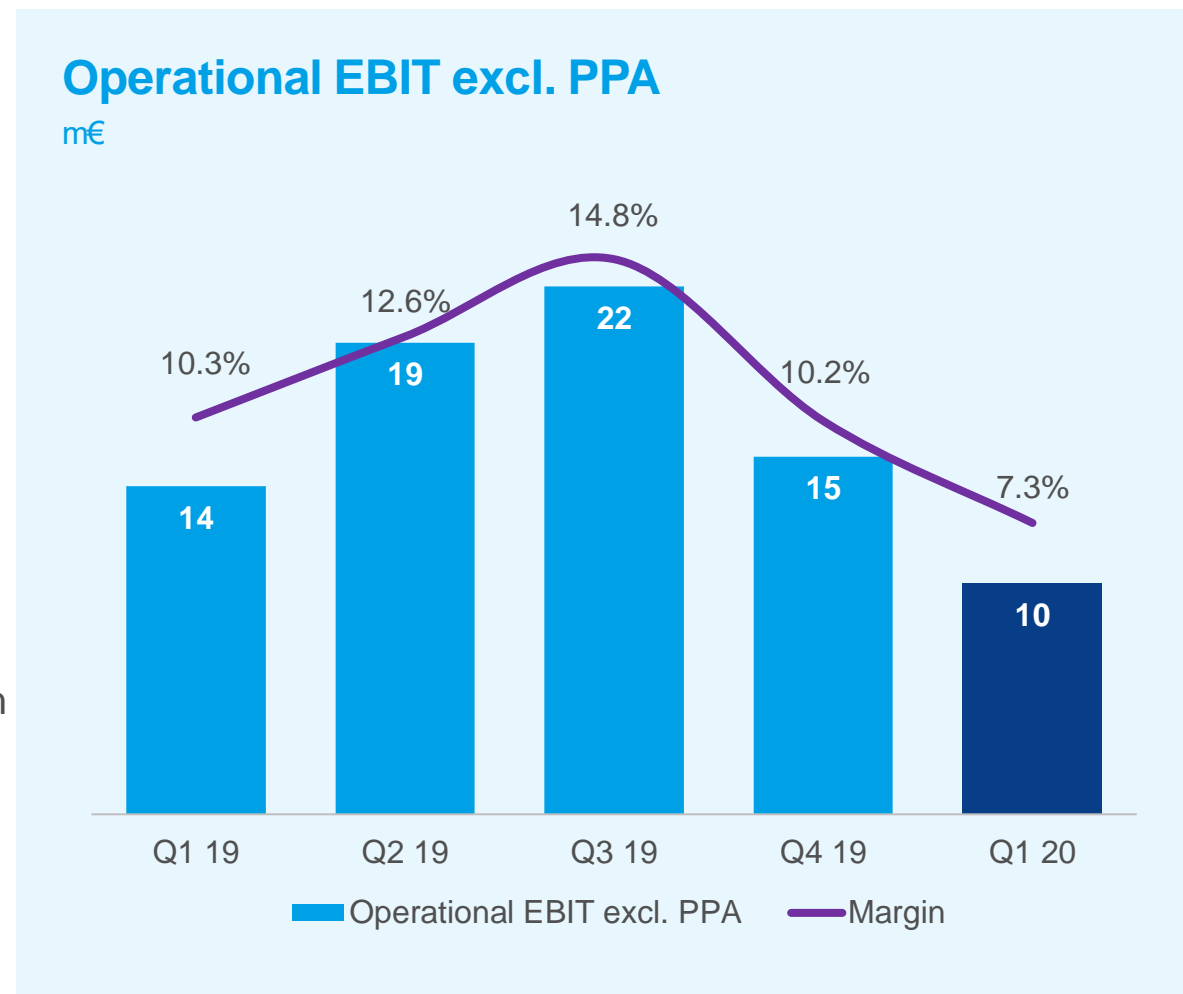
Learning: Good start to the year

- Net sales grew to 58m€ (2019: 31)
 - Majority of the growth attributable to acquisitions
 - Largest contributor Iddink, acquired in Sep 2019, performing in-line with our expectations
 - Comparable sales growth in the Netherlands due to some orders moving from the second to the first quarter
 - Strong growth in the use of digital services:
 - In March, the number of daily users of Bingel tripling vs. the average of earlier months
- Operational EBIT excl. PPA improved slightly to -16m€ (2019: -17)
 - Comparable net sales growth had a positive contribution on earnings



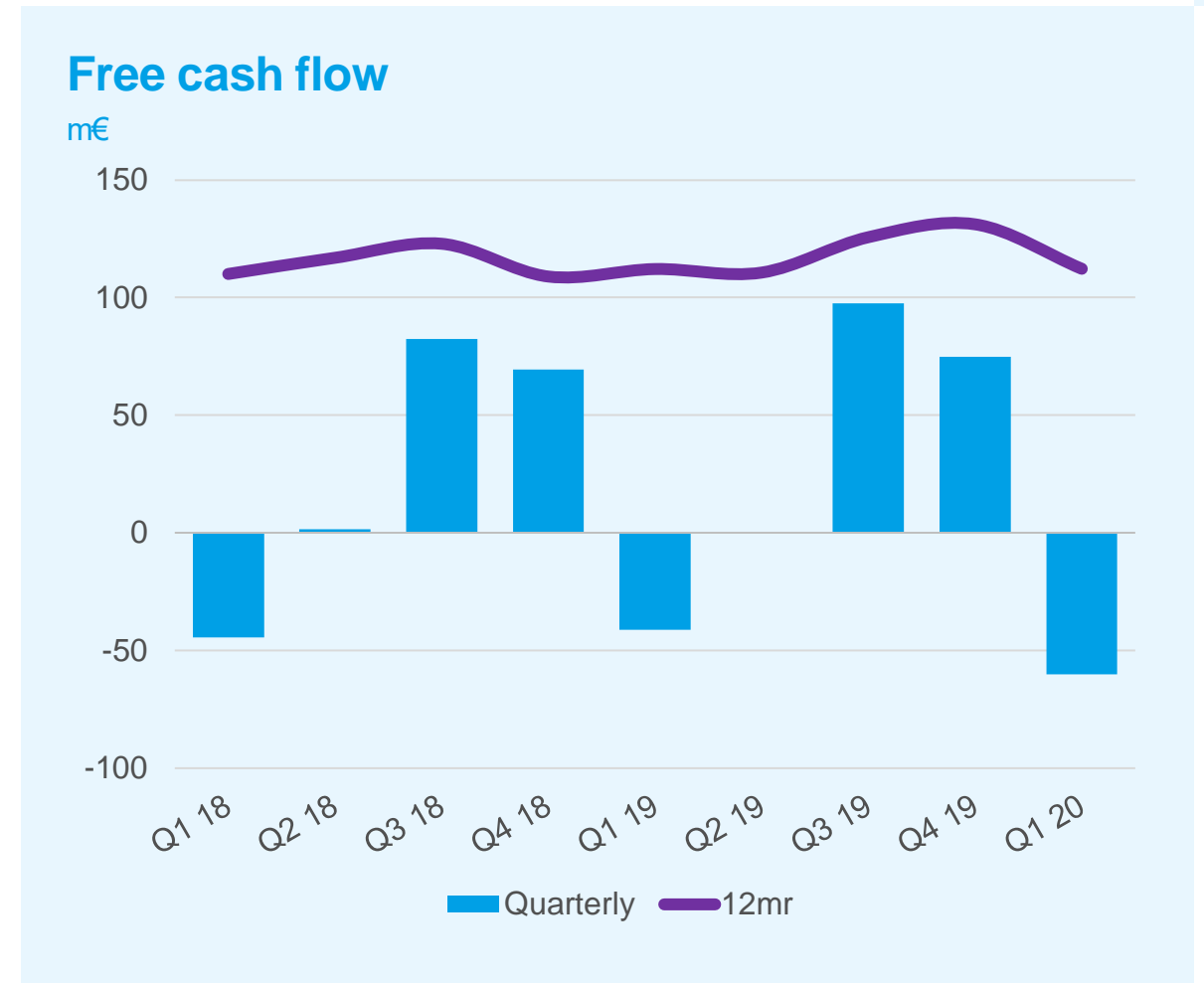
Media Finland: Stable net sales, investments in TV and marketing

- Net sales were stable at 130m€ (2019: 132)
 - Advertising sales developed favorably in Jan-Feb, but declined during the last weeks of March due to the corona virus pandemic
 - Sanoma -3% vs. market -7% in Q1 2020
 - Overall TV advertising sales grew as a result of positive market share development
 - Growth in radio advertising sales was supported by new channels and frequencies acquired in 2019
 - Continued strong growth in Helsingin Sanomat and Ruutu+ digital subscription sales
- Operational EBIT excl. PPA declined to 10m€ (2019: 14)
 - Planned higher TV and marketing costs (Supla+) together with lower advertising sales (end of March) had an adverse impact on earnings
 - Positive impact of lower paper costs
- Acquisition of Alma Media's regional news media business was completed on 30 April



Rolling free cash flow on a solid level

- Q1 2020 free cash flow declined to -60 m€ (2019: -41) due to changes in working capital
 - In Learning, impact of Iddink and itslearning acquired in 2019
 - In Media Finland, impact of the different timing between quarters compared to the previous year
- The divested Media Netherlands' business is expected to have a negative impact of approx. -25m€ on the Group's 2020 free cash flow due to seasonality and transaction-related costs
 - Majority of the impact in Q1
 - For dividend calculation purposes FY 2020 free cash flow will be adjusted



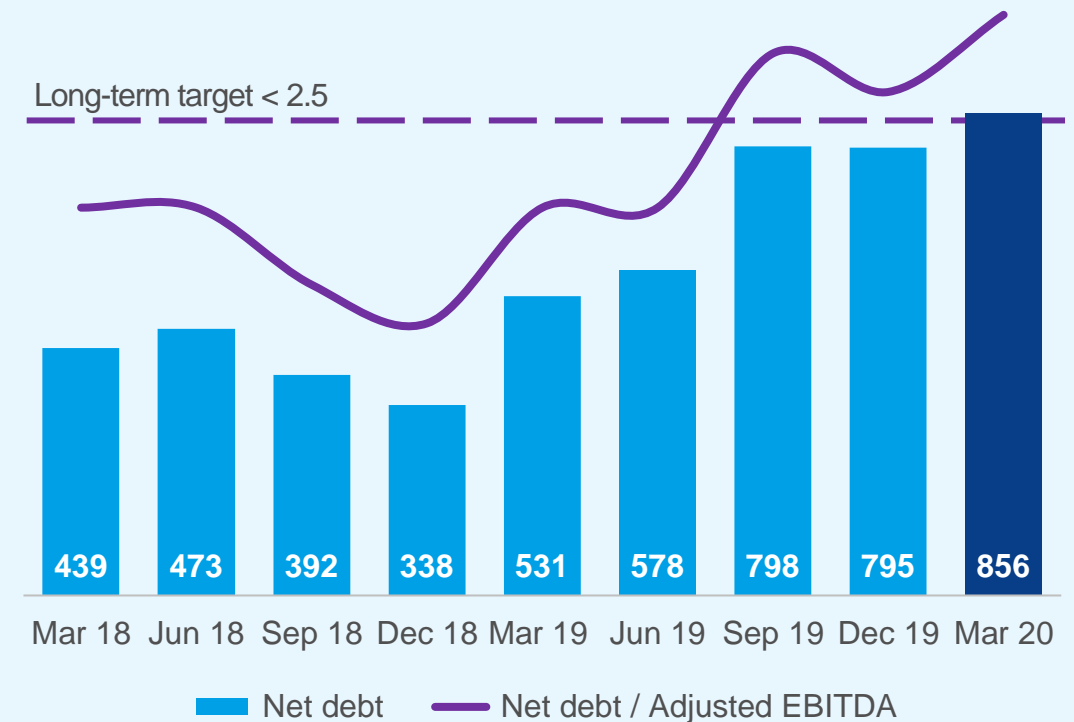
Free cash flow = Cash flow from operations less capital expenditure

After the end of March, net debt has decreased due to closing of the Media Netherlands divestment

- Leverage was temporarily above and equity ratio below its long-term target level at the end of Q1 2020
 - Net debt / Adj. EBITDA 3.0 (2019: 2.0)
 - Equity ratio 25.2% (2019: 35.3%)
- Both returning to their target levels after the divestment of Media Netherlands was completed on 20 April 2020
- Net financial expenses decreased to 1m€ (2019: 5) in Q1 2020
 - Average interest rate of external loans decreased to 0.7% (2019: 2.8%)
 - Positive foreign currency translation impact mainly from EUR/NOK at the acquired itslearning business
 - One-time interest income related to a settled tax receivable

Net debt

M€



Outlook for 2020

On 24 March 2020, Sanoma announced it had temporarily withdrawn its Outlook for 2020 (given on 7 February) and indicated significant impact on its business due to the corona virus pandemic.

Sanoma expects to give an updated Outlook for 2020 later during the year.


Key impacts of the corona virus pandemic are presented on p. 3.


Appendix



Sanoma in 2019

 NET SALES
EUR 913 million

 NON-PRINT SALES
51%

 OPERATIONAL EBIT MARGIN
14.8%

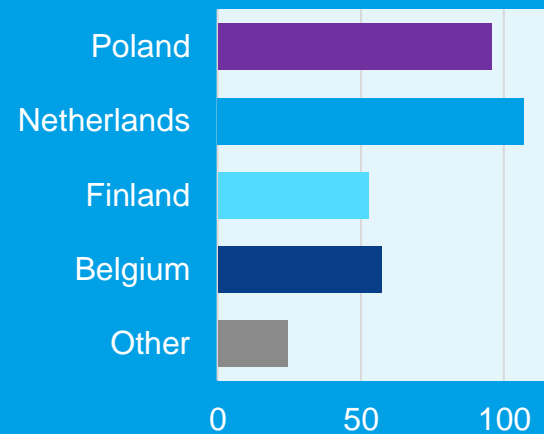
Learning

 EUR 337 million

 49%

 21.7%

NET SALES 2019



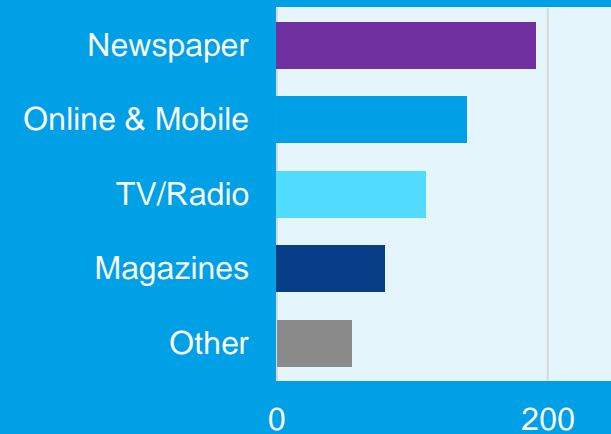
Media Finland

 EUR 577 million

 53%

 12.0%

NET SALES 2019



Divestment of Media Netherlands

- On 10 December 2019, Sanoma announced it has signed an agreement to divest the strategic business unit Sanoma Media Netherlands
- The divestment was completed on 20 April 2020
- Media Netherlands is reported as Discontinued operations in Sanoma's 2019-2020 financial reporting
- Continuing operations include Sanoma Learning and Sanoma Media Finland SBUs
- Unless otherwise stated, all income statement related quarterly and FY figures in this presentation, including corresponding periods in 2019, cover continuing operations only
- In addition to continuing operations, figures related to balance sheet and cash flow include the discontinued operations until closing



Group key figures

EUR million	Q1 20	Q1 19	2019	2018
Net sales	187.7	163.0	913.3	891.4
Operational EBIT excl. PPA	-8.4	-4.5	135.2	122.8
margin	-4.5%	-2.8%	14.8%	13.8%
EBIT	-17.6	-10.7	102.1	106.7
Result for the period	-12.9	-11.4	63.1	72.6
Free cash flow	-60.2	-41.3	131.3	108.9
Equity ratio	25.2%	35.3%	30.5%	44.7%
Net debt	856.3	531.1	794.7	337.8
Net debt / Adj. EBITDA	3.0	2.0	2.7	1.4
Operational EPS	-0.06	-0.05	0.49	0.49
EPS	-0.08	-0.07	0.38	0.44
Average number of employees (FTE)	3,959	3,391	3,567	3,404
Number of employees at the end of the period (FTE)	3,970	3,396	3,953	3,410
Dividend per share	0.50	0.45	0.50	0.45

Learning: Quarterly key figures

EUR million	Q1 20	Q4 19	Q3 19	Q2 19	Q1 19
Net sales	58.1	61.4	138.4	105.4	31.4
EBIT	-20.6	-19.3	52.0	41.0	-18.6
Items affecting comparability (IACs)	-0.9	-5.5	-4.4	-1.1	-1.1
PPA amortisations	-4.0	-3.6	-0.8	-0.8	-0.8
Operational EBIT excl. PPA	-15.7	-10.3	57.2	43.0	-16.7
margin	-27.1%	-16.7%	41.3%	40.7%	-53.1%
Capital expenditure	6.6	8.3	4.7	5.2	3.8
Average number of employees (FTE)	1,917	1,488	1,398	1,361	1,355

Media Finland: Quarterly key figures

EUR million	Q1 20	Q4 19	Q3 19	Q2 19	Q1 19
Net sales	129.9	144.2	146.5	154.5	131.6
EBIT	5.3	11.9	19.0	14.7	9.3
Items affecting comparability (IACs)	-3.2	-1.7	-1.5	-3.6	-3.1
PPA amortisations	-1.1	-1.1	-1.1	-1.1	-1.1
Operational EBIT excl. PPA	9.5	14.7	21.7	19.4	13.5
margin	7.3%	10.2%	14.8%	12.6%	10.3%
Capital expenditure	2.1	1.1	0.9	1.2	0.7
Average number of employees (FTE)	1,773	1,804	1,811	1,793	1,764

Finnish advertising market development Q1 2020

Finnish measured media advertising markets

	Q1 20	Q4 19	Q3 19	Q2 19	Q1 19	FY 19
Newspapers	-19%	-10%	-12%	-2%	-7%	-9%
Magazines	-10%	-11%	-8%	-2%	-5%	-7%
TV	-3%	-8%	-5%	1%	-7%	-5%
Radio	-10%	2%	6%	10%	7%	6%
Online *	2%	1%	6%	9%	2%	4%
Total market	-7%	-5%	-2%	5%	-2%	-1%

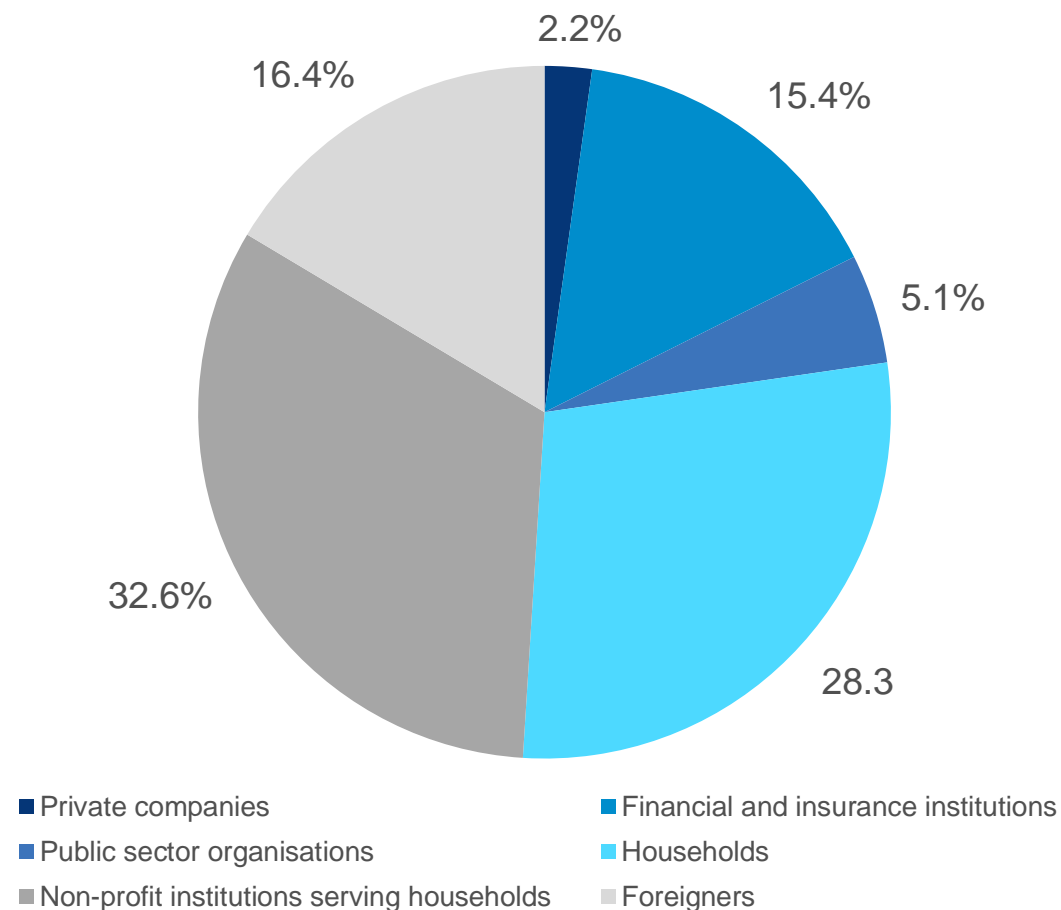
Largest shareholders

31 March 2020

Largest shareholders

	Number of shares	
1. Jane and Aatos Erkkö Foundation	39,820,286	24.4%
2. Antti Herlin (Holding Manutas Oy: 12.03%, personal: 0.02%)	19,716,800	12.1%
3. Robin Langenskiöld	12,273,371	7.5%
4. Rafaela Seppälä	10,273,370	6.3%
5. Helsingin Sanomat Foundation	5,701,570	3.5%
6. Ilmarinen Mutual Pension Insurance Company	4,667,597	2.9%
7. Alex Noyer	1,903,965	1.2%
8. Lorna Aubouin	1,852,470	1.1%
8. Foundation for Actors' Old-Age Home	1,800,000	1.1%
10. The State Pension Fund	1,760,000	1.1%
10 largest shareholders total	99,769,429	61.1%
Foreign holding *	26,856,836	16.4%
Other shareholders	36,939,398	22.5%
Total number of shares	163,565,663	100.0%
Total number of shareholders	22,333	

Holding by category

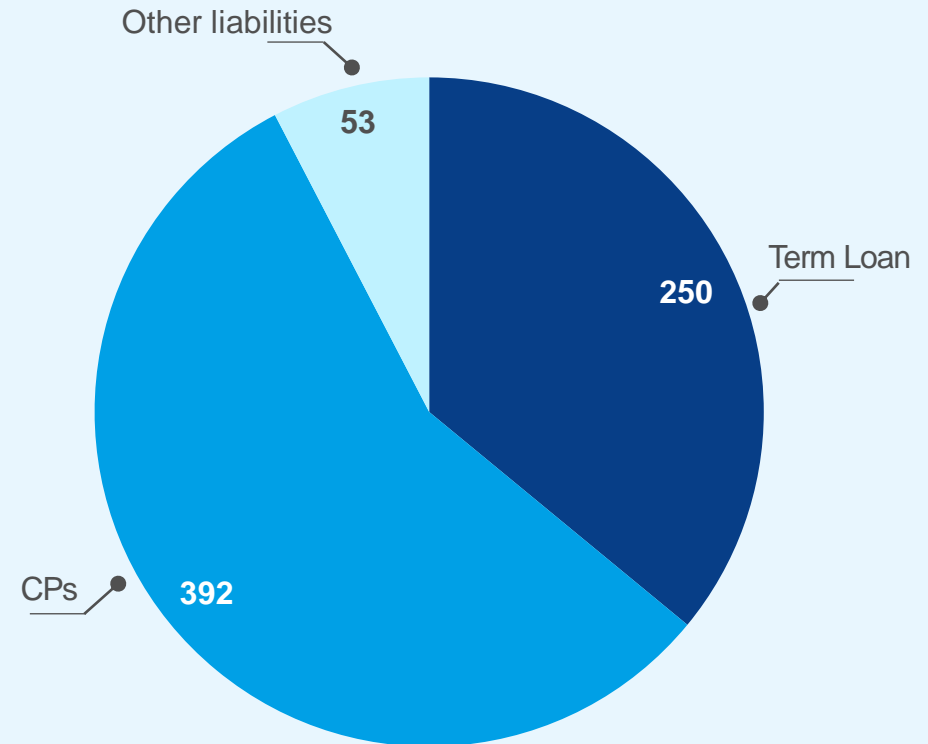


Balanced debt structure at the end of March 2020

- 250m€ 4-year term loan was drawn in September 2019 to finance the acquisition of Iddink
- Average interest rate 0.7% (2019: 2.8%)
 - Expected to continue to be below 1% in 2020
- Divestment of Media Netherlands was completed on 20 April
 - EV 460m€
 - Funds received will be used to debt reduction

Debt structure

m€, 31 March 2020



* Book value 199m€

Analyst coverage

Carnegie Investment Bank

Pia Rosqvist-Heinsalmi +358 9 6187 1232

Danske Markets Equities

Panu Laitinmäki +358 10 236 4867

Inderes

Petri Aho +358 50 340 2986

Kepler Cheuvreux

Stefan Billing +46 8 723 51 48

Nordea

Sami Sarkamies +358 9 5300 5176

Pohjola

Joonas Häyhä +358 10 252 4504

SEB Enskilda

Pete-Veikko Kujala +358 9 6162 8578



Disclaimer

The information above contains, or may be deemed to contain, forward-looking statements. These statements relate to future events or future financial performance, including, but not limited to, expectations regarding market growth and development as well growth and profitability of Sanoma. In some cases, such forward-looking statements can be identified by terminology such as “expect,” “plan,” “anticipate,” “intend,” “believe,” “estimate,” “predict,” “potential,” or “continue,” or the negative of those terms or other comparable terminology. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Future results may vary from the results expressed in, or implied by, the forward-looking statements, possibly to a material degree. All forward-looking statements included herein are based on information presently available to Sanoma and, accordingly, Sanoma assumes no obligation to update any forward-looking statements, unless obligated to do so pursuant to an applicable law or regulation.

Nothing in this presentation constitutes investment advice and this presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities of Sanoma or otherwise to engage in any investment activity.

s a n o m a

Please contact our Investor Relations:

Kaisa Uurasmaa, Head of IR & CSR

M +358 40 560 5601

E kaisa.uurasmaa@sanoma.com

ir@sanoma.com

www.sanoma.com