

A woman with glasses and an orange scarf is looking at a smartphone. The background is a light-colored wall with a grid pattern. A colorful ribbon graphic is on the right side of the image.

Sanoma 1–9/2010

Hannu Syrjänen, President and CEO

3 November 2010

Improved outlook (1/2)

Third quarter

- Net sales adjusted for changes continued to grow (+1.2%)
- Operating profit excluding non-recurring items improved further (+12%)
- Stable growth and increased visibility in advertising markets
 - online and job advertising leading the way (+41% and +60% in September in Finland)
- Expenses under control
 - total expenses: -3%
 - personnel expenses: -5%
 - advertising and marketing: +10%
 - paper costs: -15%



Improved outlook (2/2)

First nine months

- Excellent development of cash flow from operations; EUR 174.0 million (EUR 119.6 million in 2009)
- Focus on maintaining good cash flow and improving efficiency
- Group's outlook for EBIT excluding non-recurring items upgraded



How do we see the world right now? (1/2)

Western markets on a growth path, but growth rates will slow down

Finland

- Consumer confidence at all-time high
- Unemployment rate estimates looking better
- Strong advertising market growth (+11% in September)
 - newspapers +10%, TV +16%, online +41%, jobs +60%
- Most of Sanoma's businesses gaining market share
 - investments in Q4 to secure good performance also in the future
- Opening Hours Act affects customer volumes and the sales mix of kiosk products

The Netherlands

- Consumer confidence continues to improve
- Unemployment rate estimates looking better
- Advertising markets growing (+10% Jan–Aug, gross figures)
 - slight growth in consumer magazines, reported online market slightly down
 - Sanoma clearly outperforming the market development

How do we see the world right now? (2/2)

Mixed picture in the CEE countries

Russia

- Economic fundamentals improving
- Strong advertising market growth
 - still some way to go to the year 2008 level

Central Eastern Europe

- Economic fundamentals weak
- Government measures to reduce budget deficits
 - tax increases, reduction of investments and salaries and
 - very low consumer confidence
- The beginning of recovery takes time

Strong Q3

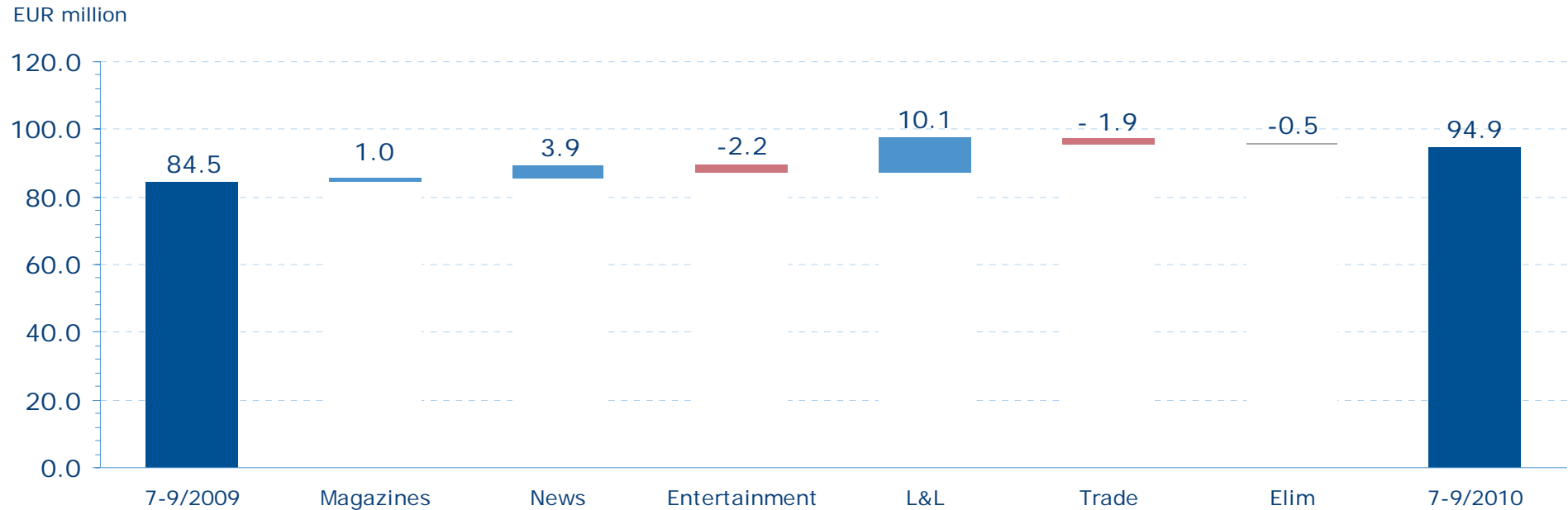


EUR million	7-9/2010	7-9/2009	Ch %	1-9/2010	1-9/2009
Net sales	690.6	701.1	-1.5	2,043.8	2,034.4
EBIT excluding non-recurring items	94.9	84.5	12.4	210.8	180.2
% net sales	13.7	12.0		10.3	8.9
EBIT	63.9	77.1	-17.0	365.3*	163.1
Earnings/share, EUR	0.24	0.30	-18.0	1.86	0.62
Cash flow from operations/share, EUR	0.71	0.70	1.2	1.08	0.74
Number of employees (FTE) **	15,863	16,998	-6.7		

* Includes the non-recurring capital gain of EUR 179.4 million from the sale of Welho
** At the end of the period

EBIT excl. non-recurring items

News and Learning – valedictorians of the class



- Magazines: Efficiency improvements and good advertising sales. Affected by the increased marketing campaigns.
- News: Efficiency improvements and good sales development, both in print and in digital.
- Entertainment: Divestment of Welho. Excellent performance of broadcasting operations.
- Learning & Literature: Excellent performance of learning business.
- Trade: Sales mix of the Finnish kiosk business and poor economic situation in the Baltic countries.

Financial position improved clearly

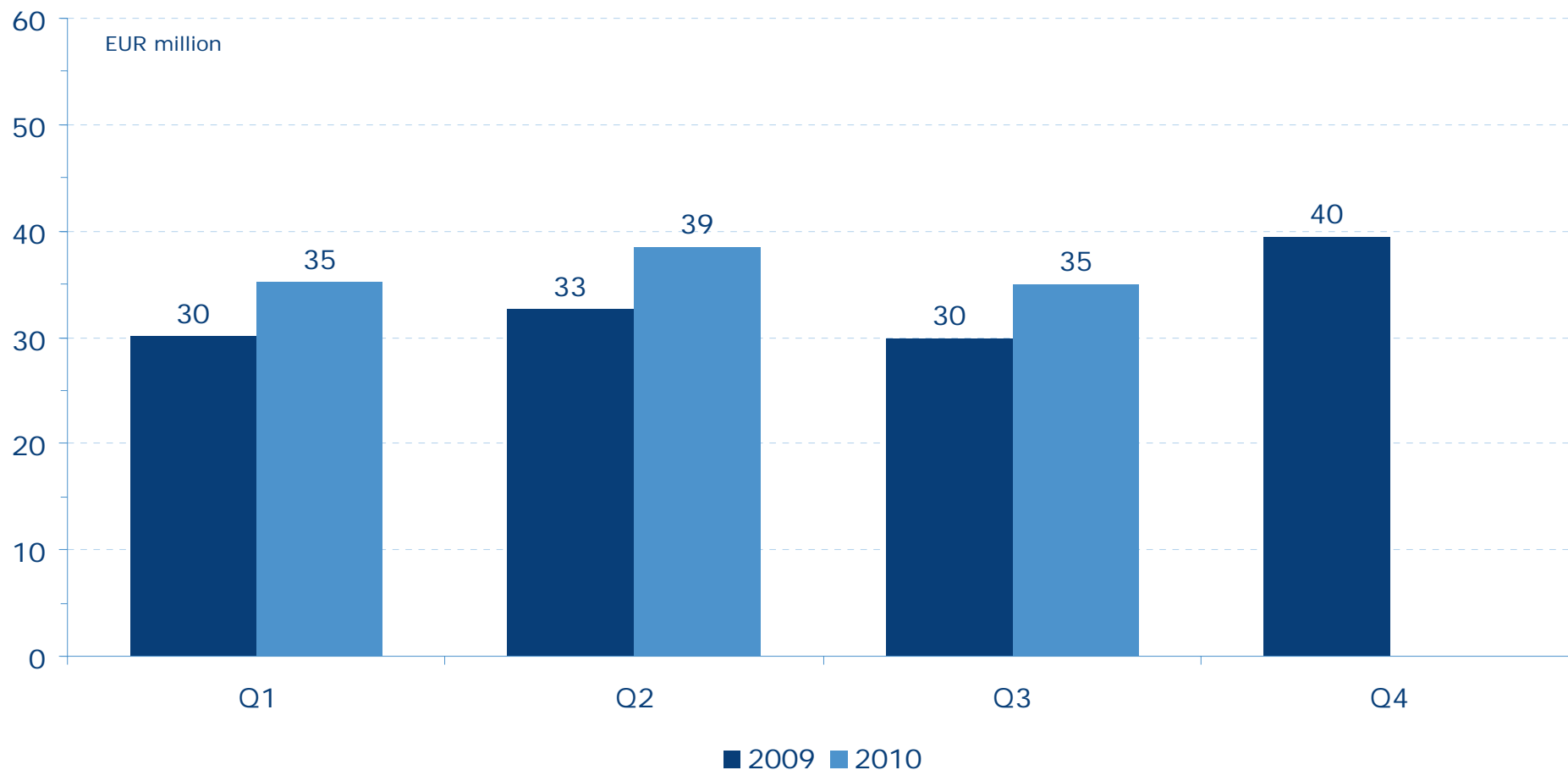
EUR million	30.9.2010	30.9.2009	31.12.2009
Balance sheet total	3,270.2	3,186.0	3,106.3
Equity ratio, %	44.3	39.4	41.4
Net gearing, %	71.4	90.3	79.4
Interest-bearing liabilities	1,024.3	1,133.4	1,017.7
Interest-bearing net debt	969.1	1,067.0	958.1
Cash and cash equivalents	55.2	66.4	59.7



- Favourable long-term credit facility
- Strong cash flow from operations
- Net debt/EBITDA 1.6

Consumer online sales up by 19% in 1-9/2010

Target to reach annual revenues of EUR 240 million by 2012



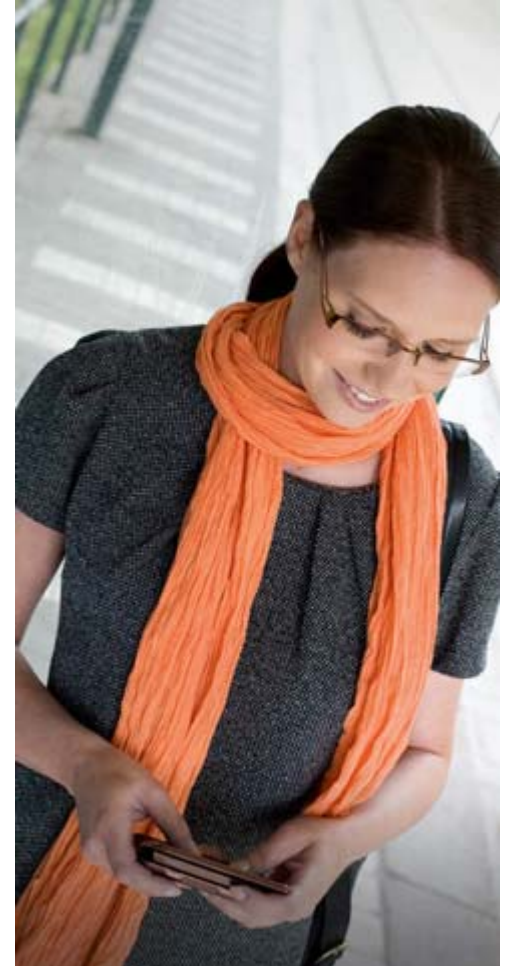
Outlook for 2010 improved

Net sales

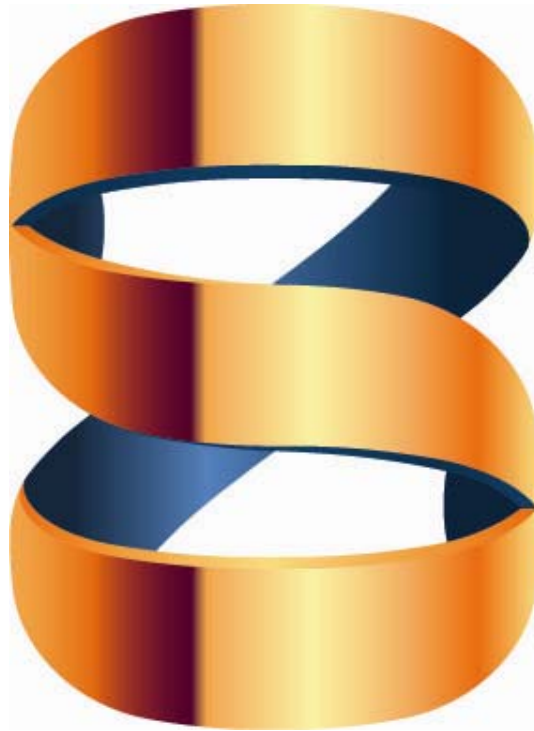
- Expected to **be at the previous year's level**

Operating profit excluding non-recurring items

- Estimated to **improve somewhat**
 - in 2009, operating profit excluding non-recurring items was EUR 229.5 million
- The outlook takes into account the effect of Humo and Welho transactions
 - estimated negative impact on 2010 EBIT excluding non-recurring items is some EUR 12 million
- The outlook is based on the assumption that the advertising markets in the Group's main operating countries **grow somewhat**



Q&A



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