

Focus on our strongholds

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Capital Markets Day 2017

Sanoma Nowadays

(pro forma 2016
excluding SBS)

Net sales
EUR 1,407 million

Non-print sales
38% (EUR 540 million)

Operational EBIT margin
Above **10%**

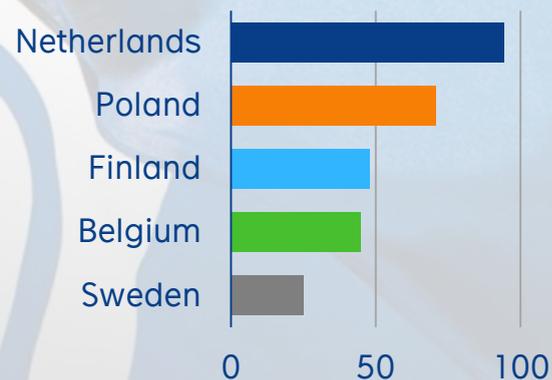
Three Strategic Business Units

Learning

EUR 280 million

54% (EUR 150 million)

Around **20%**

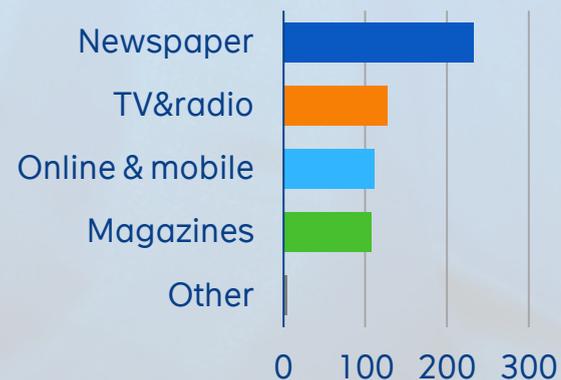


Media Finland

EUR 580 million

42% (EUR 240 million)

Around **9%**

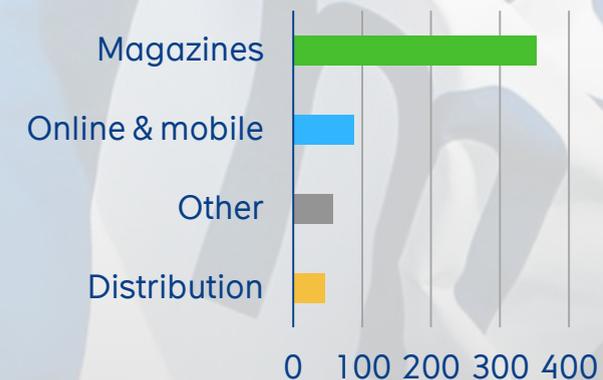


Media BeNe

EUR 540 million

27% (EUR 140 million)

Around **13%**



Sanoma: back on track

Key figures, reported

EUR million	2016	2015
Net sales	1,639	1,717
Organic growth	0.1%	-3.4%
Operational EBIT	168	84
Operational EBIT-%	10.2%	4.9%

Operational EBIT



Announcement April 10:

Sanoma Divests SBS to Talpa

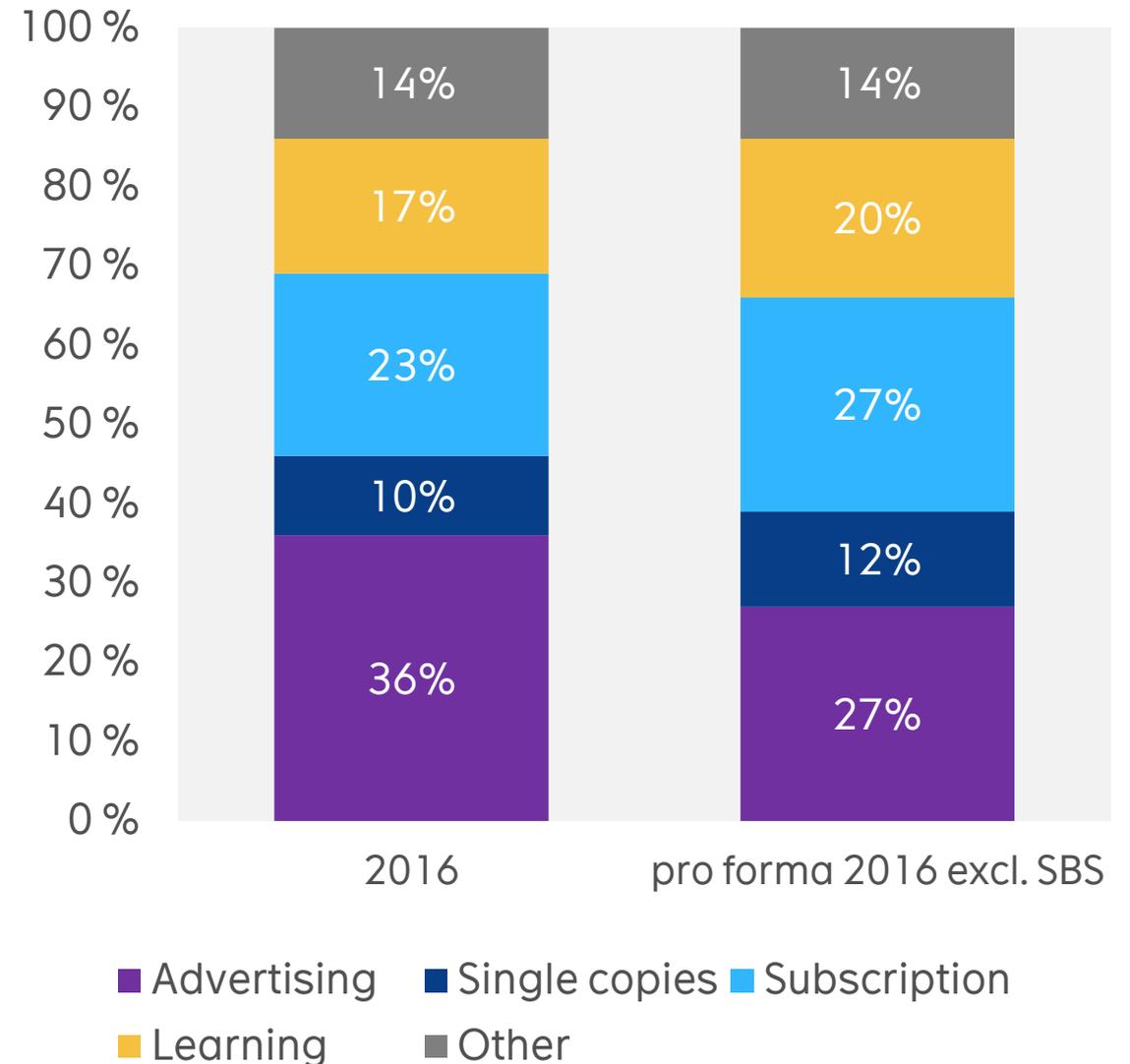
- SBS is #3 free-to-air TV business in the Dutch market with four TV channels (SBS 6, NET 5, SBS 9 and Veronica)
- Sanoma to receive a net cash consideration of EUR 237 million for its 67% stake and 100% ownership of the TV guide business Veronica Uitgeverij
 - Implies a 12.6x 2016 EV/EBITDA multiple for SBS
- Talpa Holding, the media business owned by John de Mol, controls the leading radio business in the Netherlands and already has a 33% stake in SBS
- Transaction subject to closing conditions, including customary regulatory approvals with closing expected in Q3 - 2017
- SBS is 'held for sale' already in our Q1 accounts

Sanoma post SBS transaction

- Improved financial and strategic flexibility to grow and create value in stronghold businesses
 - Reduced leverage with Net debt / adj. EBITDA to decrease from 3.2 to 2.5x (pro forma 2016)
 - Full ownership of all remaining businesses increases transparency and agility
- Full control of Veronica Uitgeverij to drive attractive synergy with existing portfolio
- More balanced composition of net sales reducing exposure to more volatile advertising revenue

More balanced composition of net sales

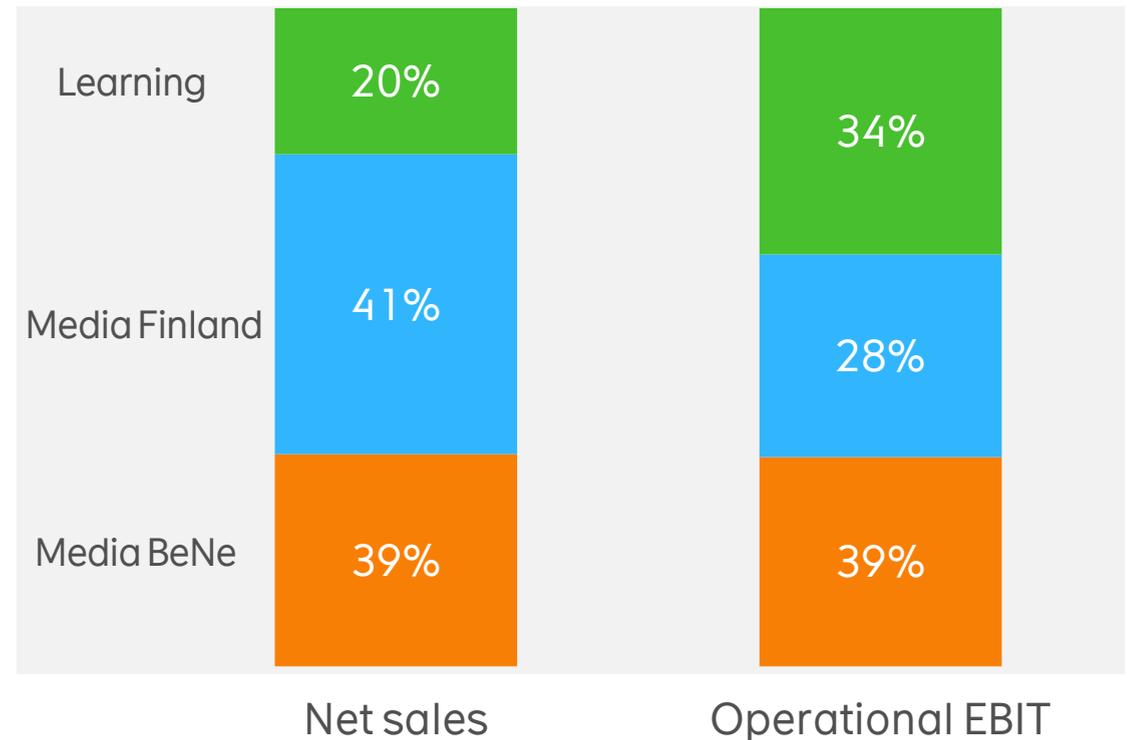
Group net sales 2016, pro forma excl. SBS



Focus on our Stronghold Businesses

- We focus on businesses where we have – or can reach – a leading market position
- Leading brands give us the opportunity to
 - offer our customers a unique and winning combination of both reach and targeting
 - allow us the benefit of scale of our operations

Sanoma pro forma 2016 excl. SBS



Sanoma Learning

Profitability and growth opportunities

What we are

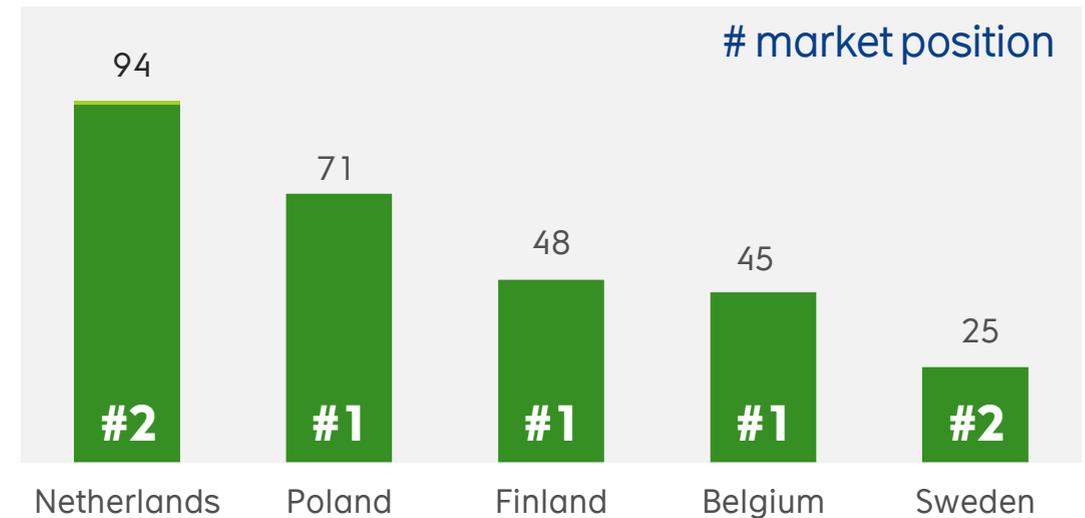
- **Forerunning digital** learning company (54% of sales non-print)
- **A leading player** in each of our footprint markets
- Focus on technologies, the best talents and local relationships

What we focus on

- Create top line **growth** in existing and adjacent markets
- Further process improvements driving **profitability** and **cash flow increase**
- Potential for **highly synergetic** bolt-on acquisitions

Sanoma Learning in 5 countries

Net sales 2016, EUR million

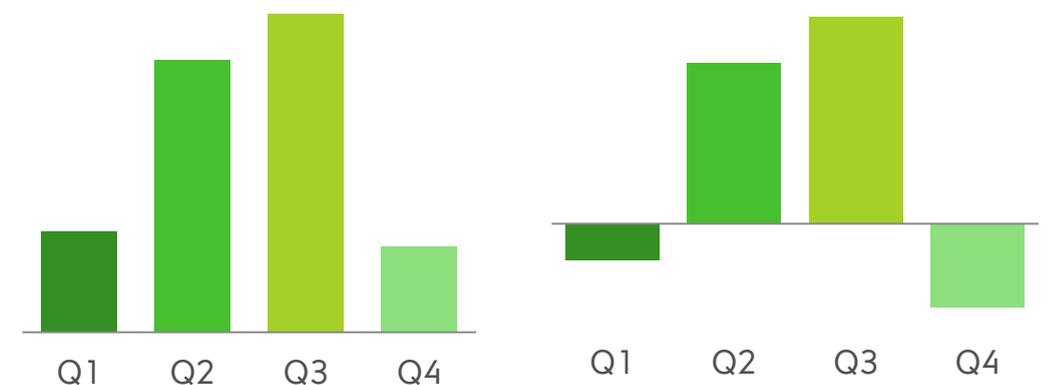


Seasonality of the Learning business

2012-2016

Net sales

Operational EBIT



Sanoma Media Finland

Leading media company in Finland

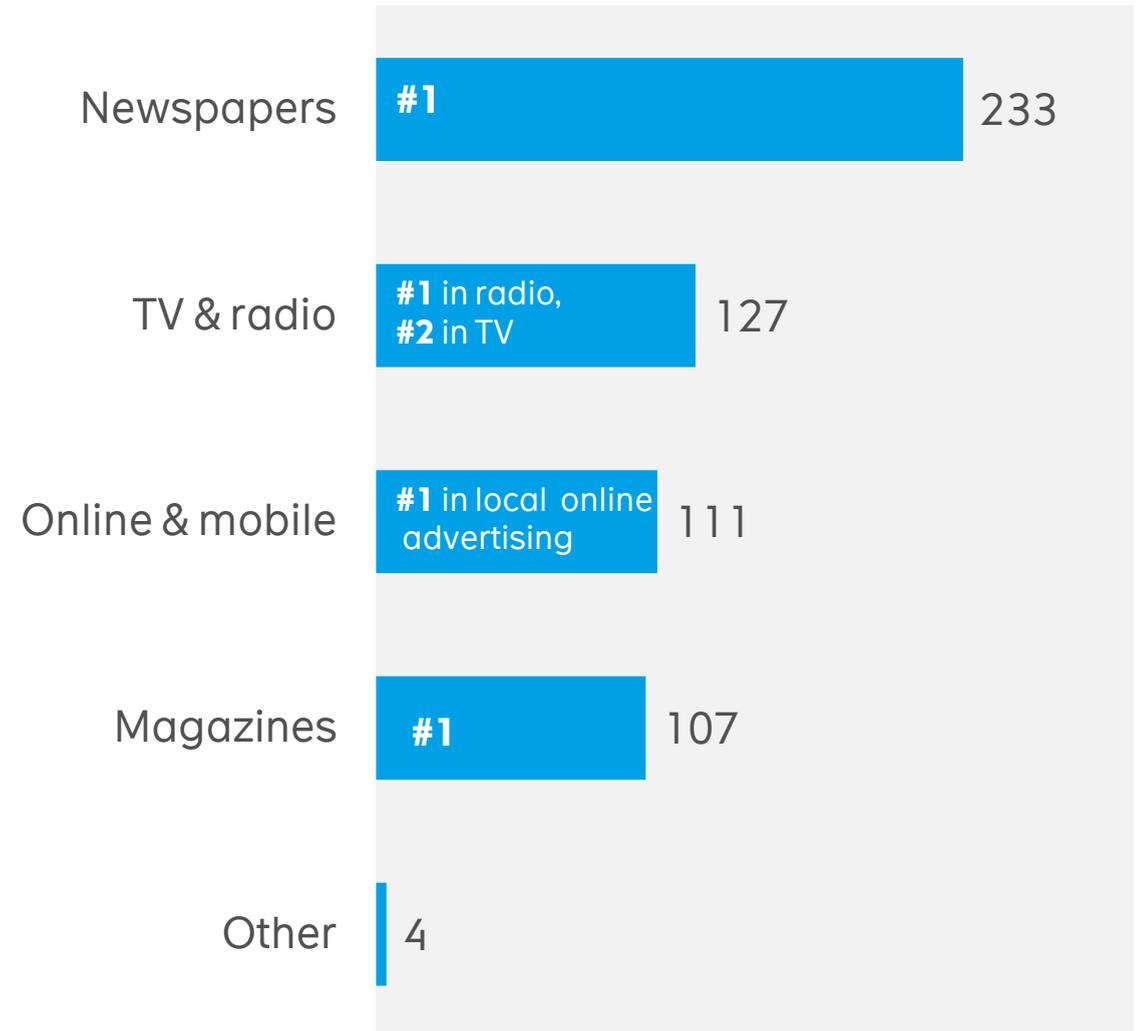
What we are

- **Leading position** throughout our media offering
- Fully **integrated TV business** with a leading position and growing viewership
- **Leading news player** in print and online

What we focus on

- Developing our cross media operations offering **unique reach** and targeting opportunities to our customers
- Continuing building the digital offering
- Improving processes and systems driving efficiencies and **increases in profitability**

Net sales by media type, 2016



Sanoma Media BeNe

Profitable market leader in NL & BE

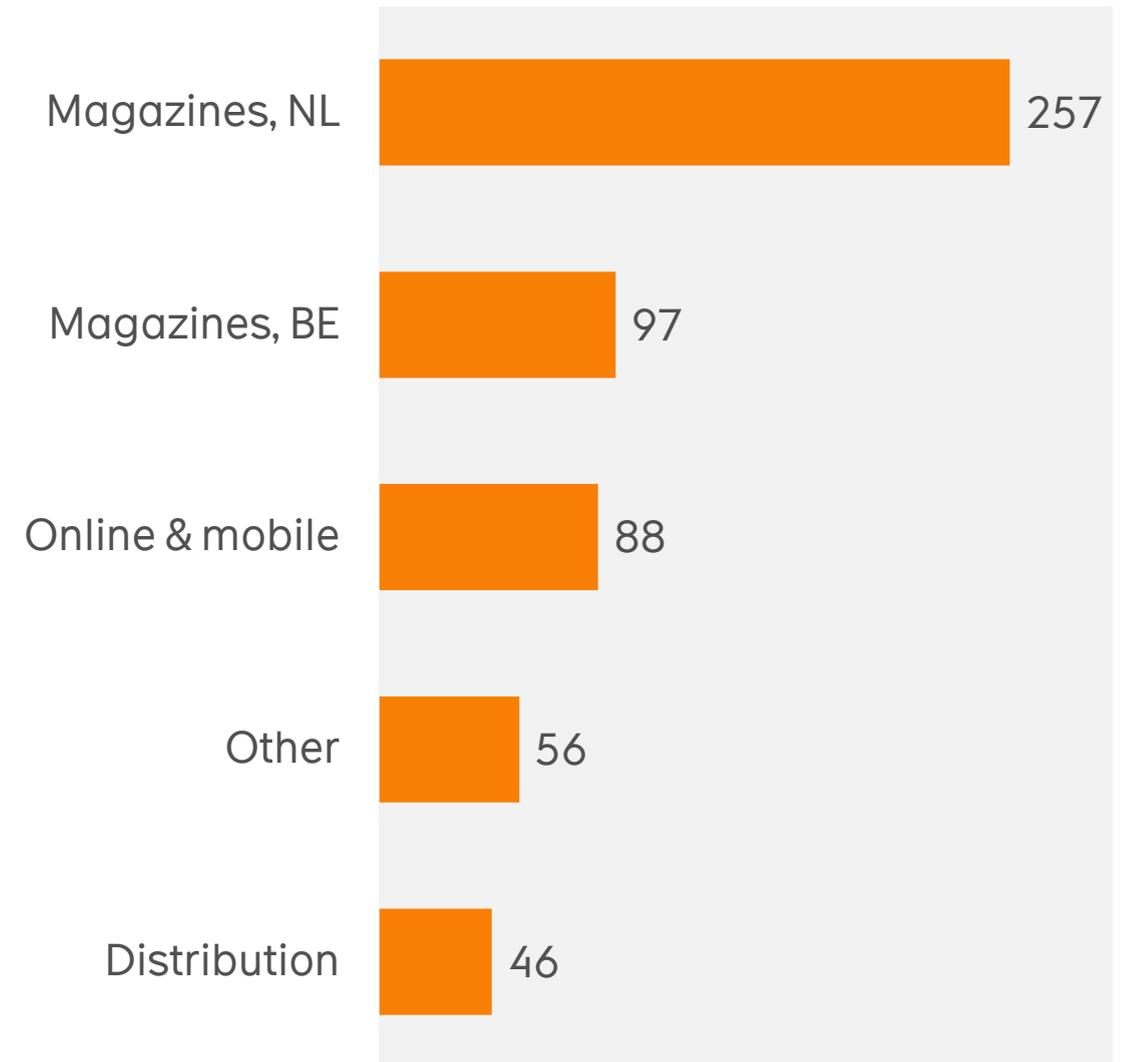
What we are

- #1 **local** online player in reach in NL market
- Market leader in magazine print and online domain, with 10 strong cross-media brands in Women, HomeDeco and Kids&Teens domains
- Strong position in B2B marketing data solutions

What we focus on

- Expanding the large media brands across media segments into events, digital video and e-commerce
- Continue **improving profitability** through cost innovations
- Attractive cash flow generation

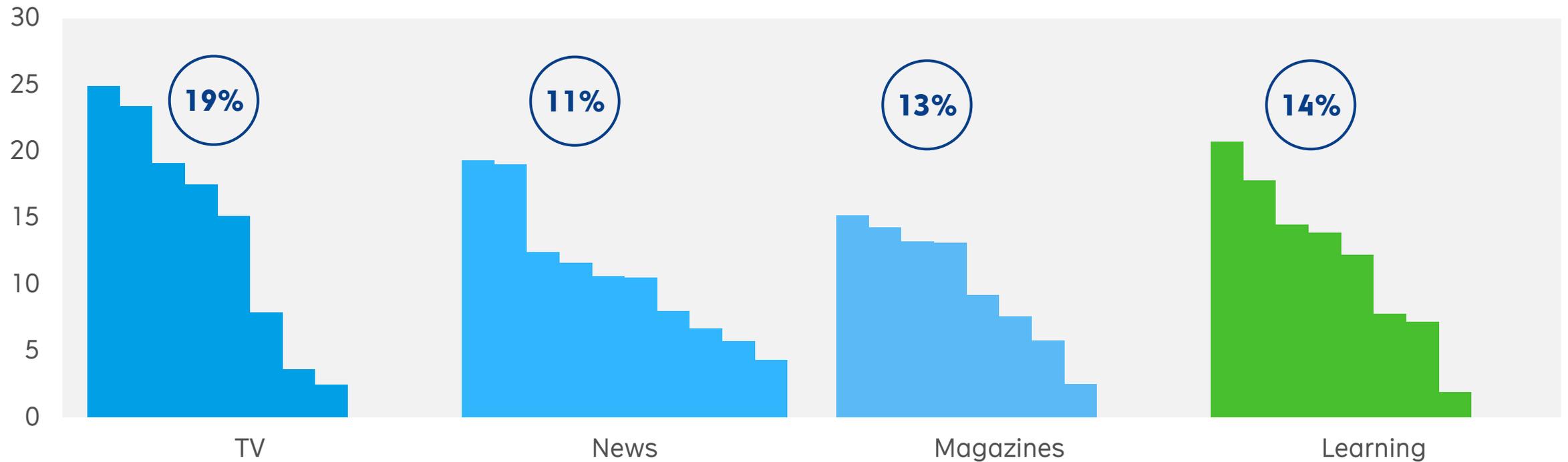
Net sales by media type, 2016



Market performance in Media and Learning in Europe

Sanoma Group's composition is unique and hard to benchmark.
Top tertile company with Sanoma's composition could have 13% EBIT margin

Peer group EBIT margins, ^{xx%} Top tertile average %



Source: Peer group public financial reports, Orbis

What you can expect Sanoma to be going forward



Continued customer focus :

three distinct businesses with lean Group-office

Increase in Profitability and Cash Flow increase through operational improvement and cost innovations

Growth by highly synergetic bolt-on acquisitions in our stronghold businesses

Resulting in:

- Improved profitability
- Increasing cash flow and dividend
- Equity ratio and leverage on long term target

Continued Performance Improvement

Outlook for 2017:

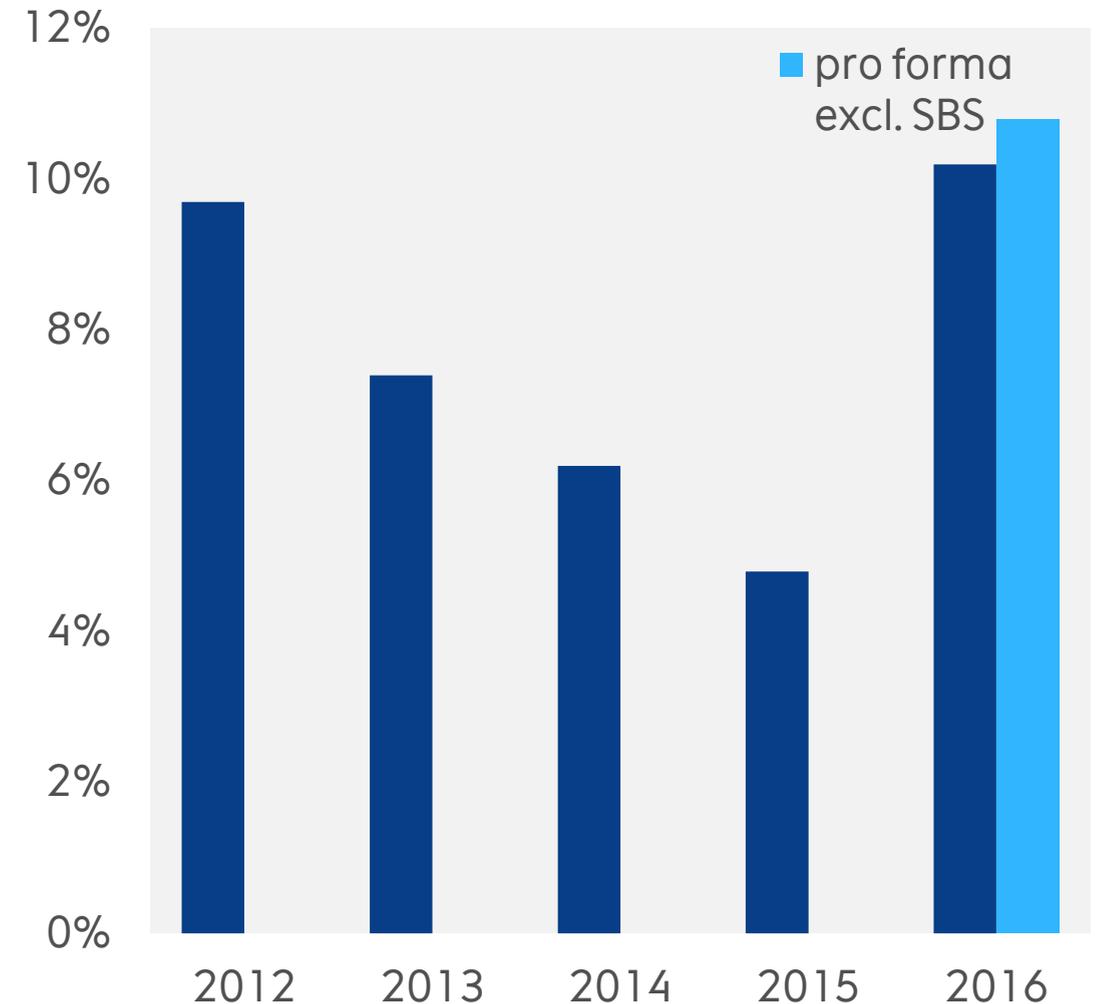
Net sales, adjusted for structural changes including SBS divestment, will be stable

Operational EBIT margin will be above 10%

In long term, we aim at:

- Improved profitability and cash flow
- Increasing dividend
- Equity ratio 35%–45%
- Leverage (net debt / adj. EBITDA) below 2.5

Operational EBIT margin development, %



Sanoma as an investment:

Strongholds – leading market positions

Ensures competitiveness even in changing markets

Stable net sales

'Build and Buy' incl. highly synergetic bolt-on acquisitions

Improved profitability

Process and business improvements

Strong cash flow

Financial and strategic flexibility

Growing dividend

40–60% of annual cash flow from operations less capital expenditure

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