Improved financial flexibility

Markus Holm,
CFO and COO of Sanoma

Capital Markets Day 2017

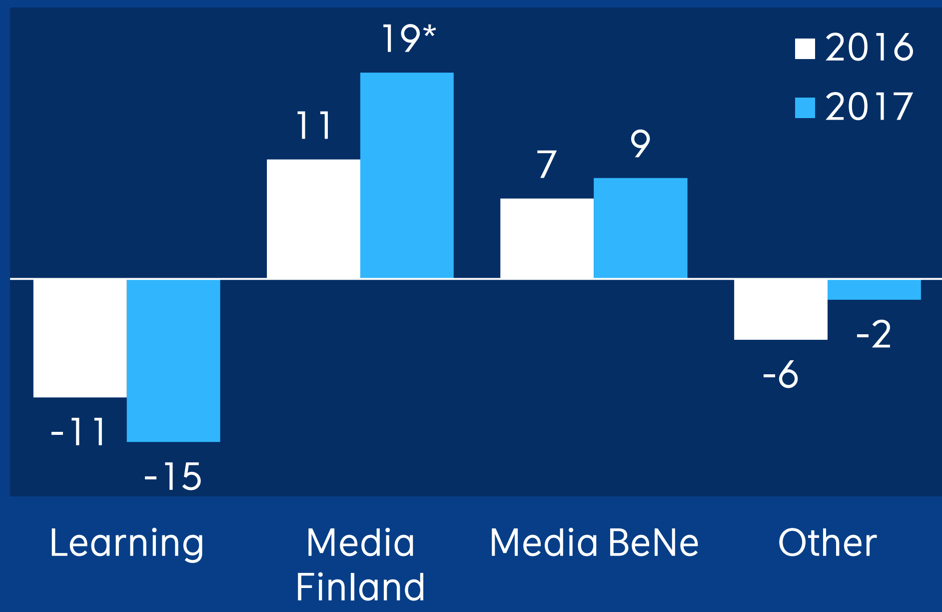
Sanoma Q1 2017:

Continuous performance improvement

EUR million	Q1/2017	Q1/2016
Net sales	**344**	353
Organic growth	**-2.4%**	-0.1%
Operational EBITDA**	**82**	73
%	**24.0%**	20.8%
Operational EBIT	**11**	2
%	**3.3%**	0.5%
Operational EPS (EUR)	**0.02**	-0.04
Employees (FTE)	**5,188**	5,379

Q1 Operational EBIT

EUR million

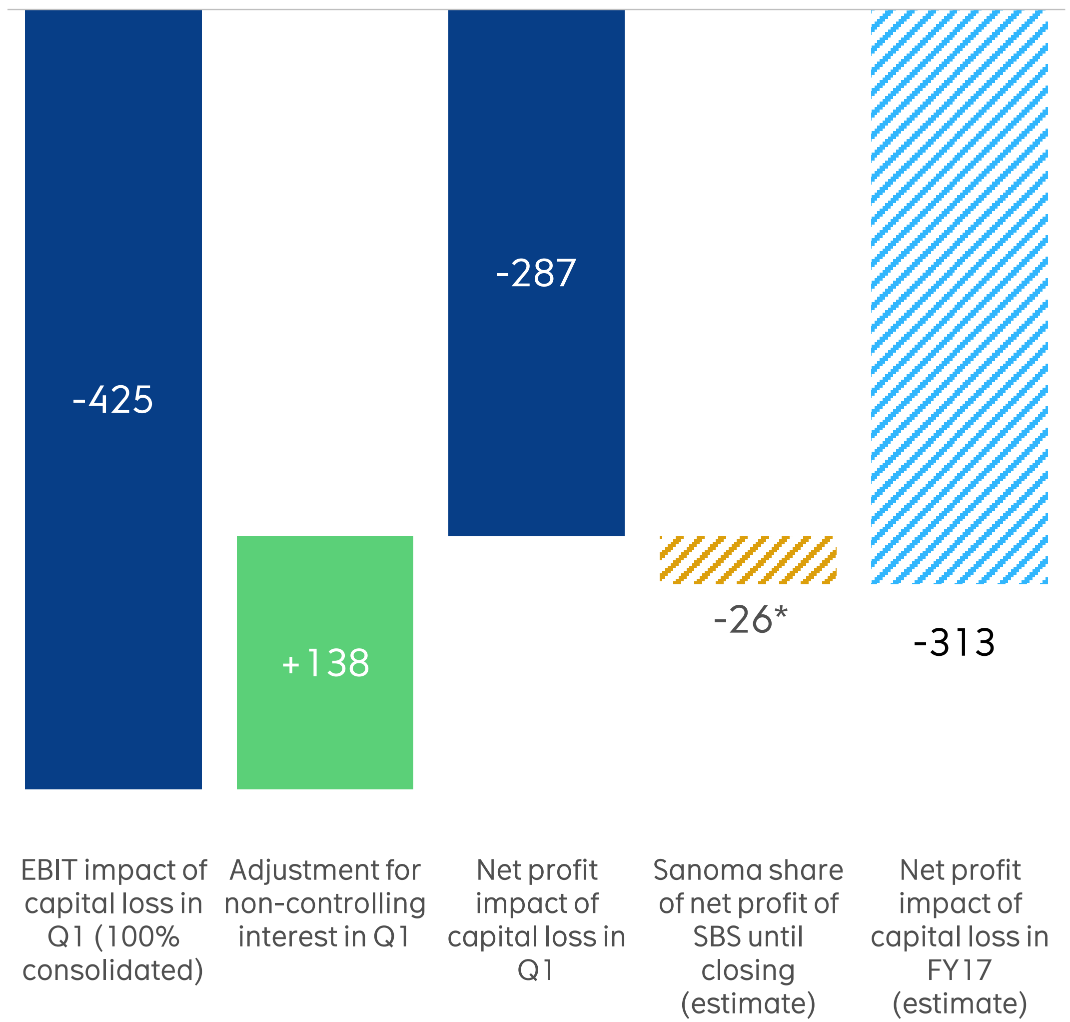


* Includes one-off corrections totalling EUR 4.4 million
** TV programme and prepublication costs are booked as amortisations below EBITDA

Financial impacts of SBS divestment

- Following the announcement, all assets and liabilities relating to SBS are classified as held for sale in accordance with IFRS5 resulting in a non-cash capital loss for Sanoma
  – Goodwill decreases to EUR 947 million (from EUR 1,663 million)
- The net impact on Sanoma's Q1 reported net profit amounts to EUR -287 million.
- The full year impact to Sanoma's reported 2017 net result is estimated at EUR -313 million as previously indicated
  – The further projected increase is explained by net profit generation of SBS from announcement to closing, which increases the book equity value of SBS and therefore the total capital loss at completion

Capital loss related to SBS, Q1 and FY estimate



* Sanoma share of profits is improved by the discontinuation of depreciation and amortisation for an asset held for sale classification and subsequently written-off to fair value according to IFRS 5

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Opportunities for growth in all SBUs

Learning

- Growth in line with curriculum development
- Leveraging advanced digital assets through hybrid solutions
- Synergetic bolt-on acquisitions
- Expansion into adjacent markets

Media Finland

- Leveraging unique cross-media position for growth
- Successful implementation of hybrid strategy on news
- Growing SME ad sales
- Synergetic bolt-on acquisitions

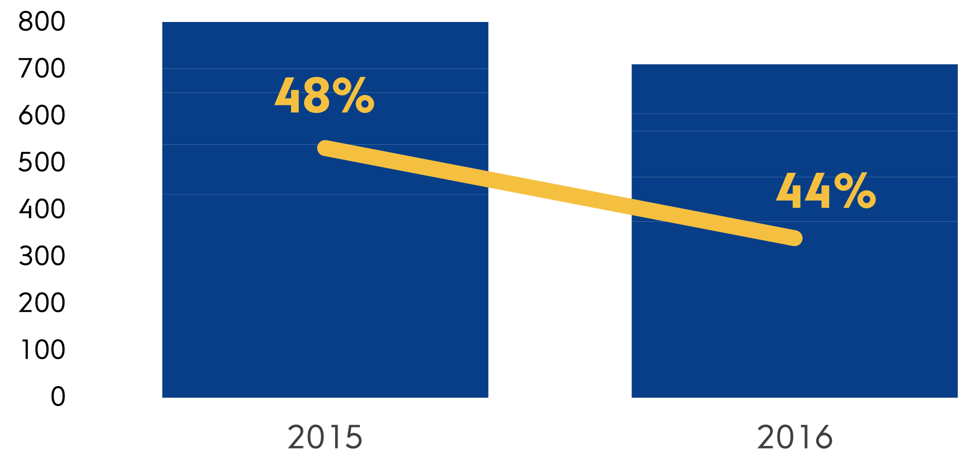
Media BeNe

- Growing profitability of top 10 print & online brands
- Improved offering to advertisers through use of data
- Active brand portfolio management

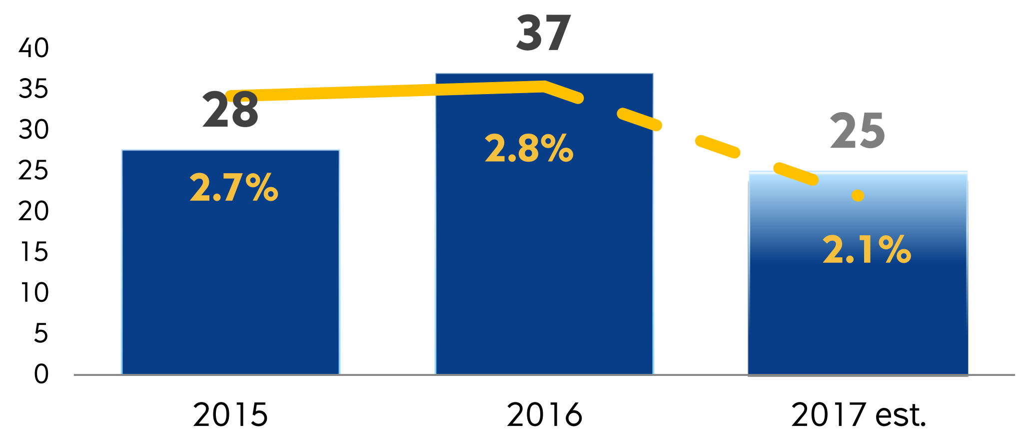
Continuous profitability improvement through cost innovation

- Harmonizing, improving processes and saving costs in businesses and functions, for example in:
  - Sales
  - Distribution
  - Procurement
  - Finance
  - HQ and support functions
- Discontinuing unprofitable businesses and activities
- Further reducing financing costs

Reported operational fixed costs, EUR million
% of net sales



Net financial expenses, EUR million
Average interest rate*, %



* Average interest of interest-bearing net liabilities including derivatives at the year end.

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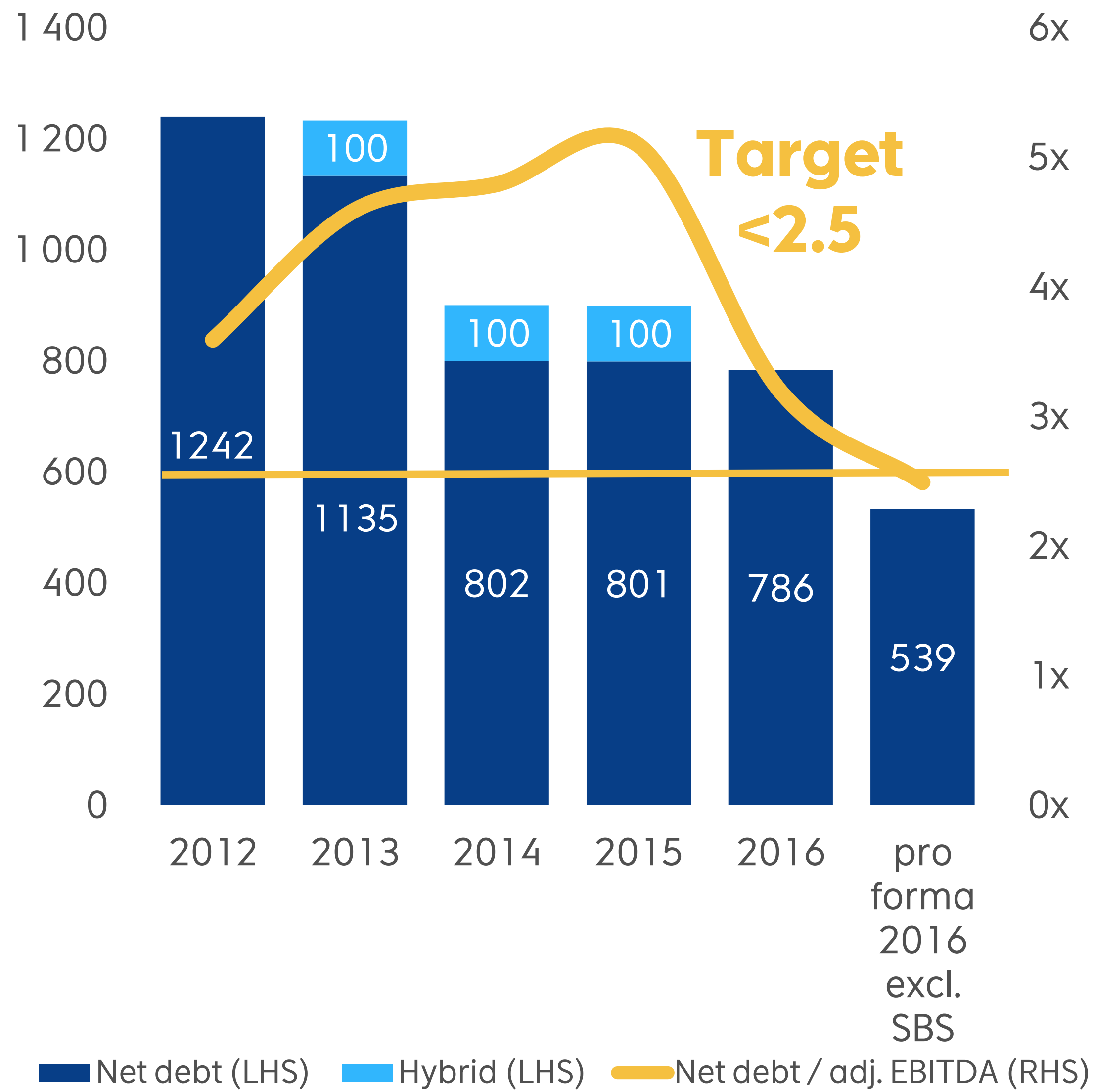
Significant debt reduction in recent years

- The divestment of SBS will improve the leverage ratio going forward
- Net debt / adj. EBITDA in 2016 would have been 2.5x (reported 3.2x), **equal to long term target level**
- Equity ratio: 27.4% (39.3%) at the end of March due to the write off related to SBS asset held for sale classification
- Equity ratio only temporarily low – cash flow generation will bring this back to target range 35 - 45% by end of 2018

Net debt, EUR million



* Adjusted EBITDA: 12-month rolling operational EBITDA, where acquired operations are included and divested operations excluded, and where programming rights and prepublication rights have been raised above EBITDA on cash-flow basis

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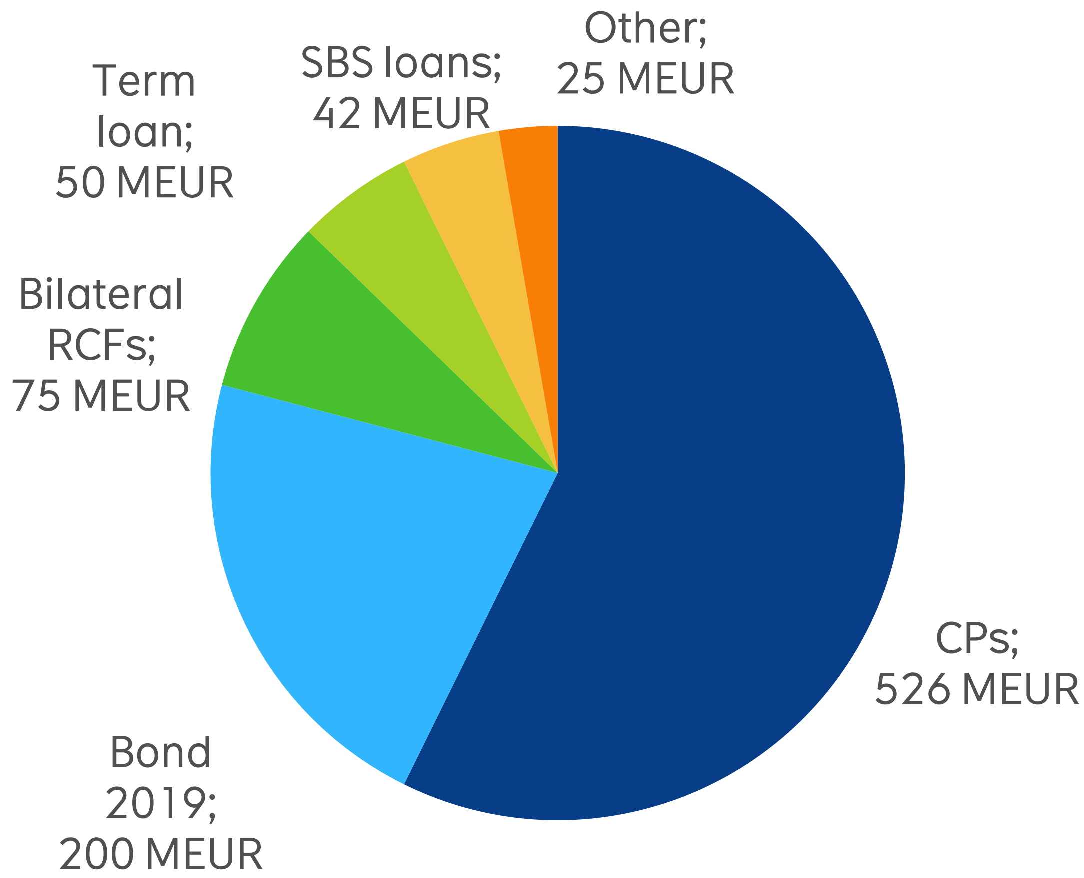
Increasingly efficient funding structure

- The main funding sources are commercial papers, bank facilities and the bond
- The proceeds of the SBS divestment of EUR 237 million will be used to repay bank loans and commercial papers
- The syndicated RCF will be reduced from EUR 500 to EUR 400 million at SBS closing
- Commercial papers remain a cost efficient funding tool ; financing costs estimated to decrease significantly
- The committed undrawn facilities will be used for general corporate purposes and for possible small bolt-on acquisitions

Debt structure as of 31 March 2017, EUR million
(Including SBS loans)



Sanoma had EUR 530 million undrawn committed back up facilities available at the end of March

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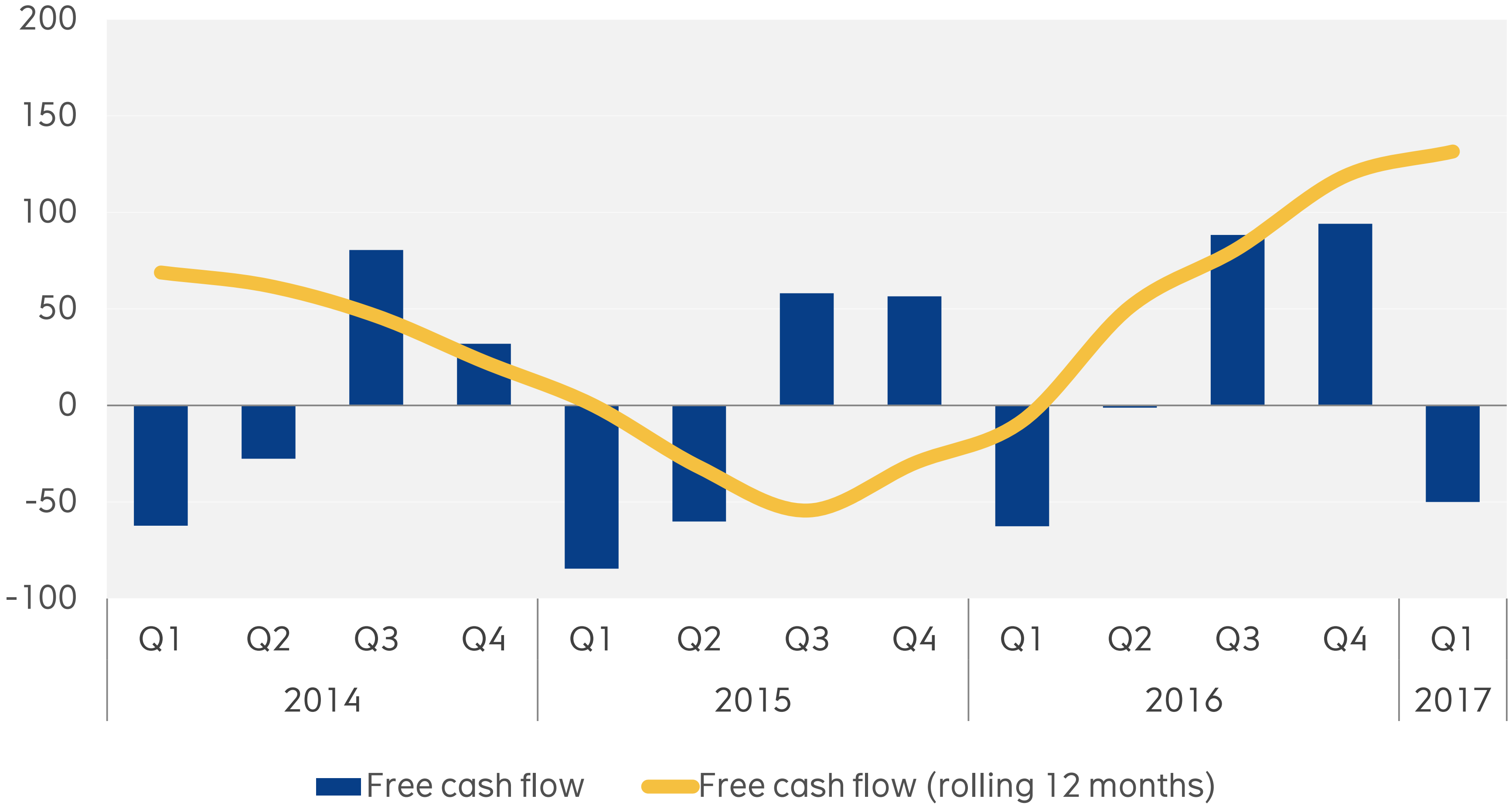
Improving Free Cash Flow and Dividends

New dividend policy as of February 2016: an increasing dividend, equal to 40-60% of FCF



What to expect in 2017:

- Net financial items around EUR 25 million (2016: 37)
- Cash capex around EUR 40 million (2016: 34)
- Change in working capital slightly negative (change in 2016 +27 MEUR)

Free cash flow = Cash flow from operations less cash capex

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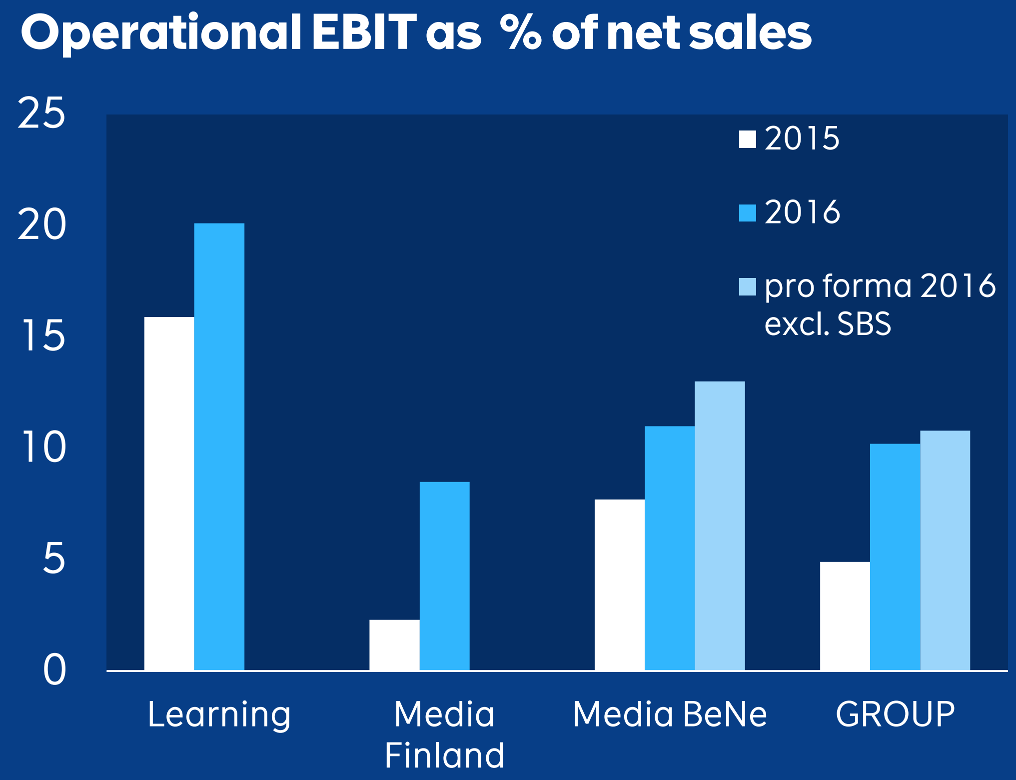
Increasing profitability of Sanoma Group

- Continuous profitability improvement through process and cost innovation
- Discontinuing unprofitable businesses and activities
- Highly synergetic bolt-on acquisitions
- Continued deleveraging will have positive effect on operational EPS going forward



Outlook 2017 (unchanged):

Sanoma expects that

- Group’s consolidated net sales adjusted for structural changes, including the divestment of SBS, will be stable and
- Operational EBIT margin will be above 10%.

The outlook is based on the assumption of the advertising markets development in the Netherlands and Finland being in line with that of 2016.

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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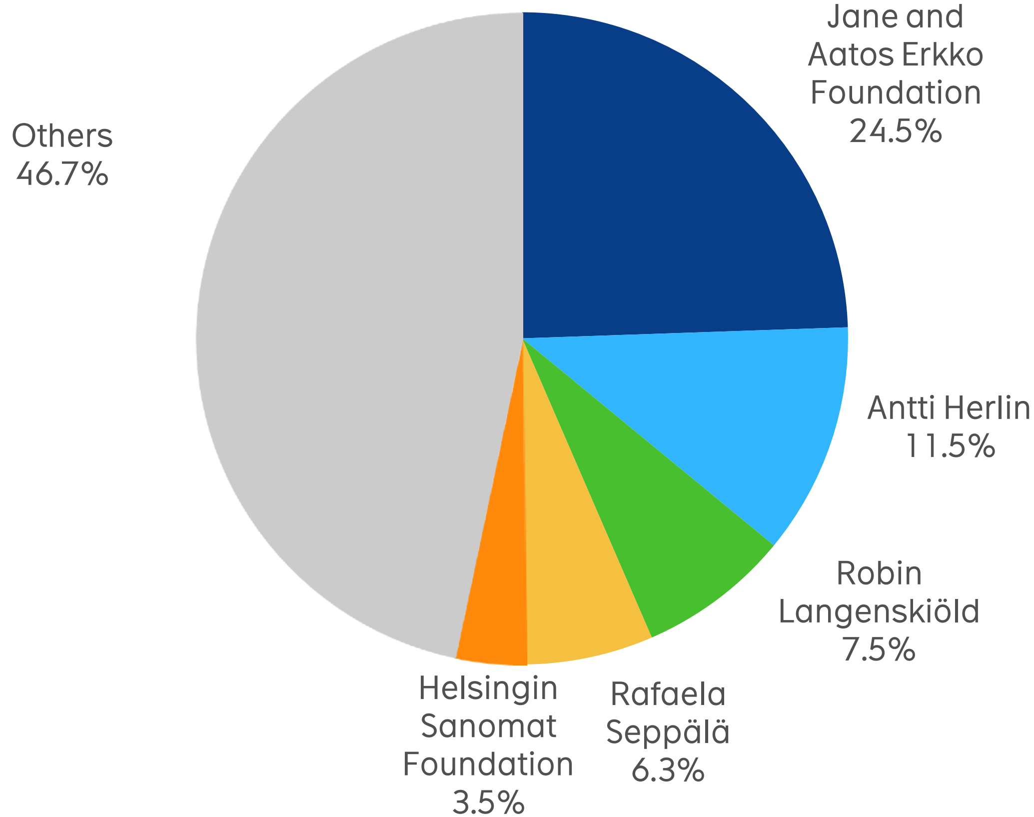
Sanoma – Largest Shareholders

30 April 2017	% of shares and votes
1. Jane and Aatos Erkko Foundation	24.46
2. Antti Herlin (Holding Manutas Oy: 11.47%, personal: 0.02%)	11.49
3. Robin Langenskiöld	7.54
4. Rafaela Seppälä	6.31
5. Helsingin Sanomat Foundation	3.50
6. Ilmarinen Mutual Pension Insurance Company	2.19
7. Foundation for Actors' Old-Age Home	1.23
8. Alex Noyer	1.22
9. The State Pension Fund	1.17
10. Lorna Auboin	1.14
Foreign ownership in total*	**17.3%**
Total number of shares	**162,812,093**
Total number of shareholders	**21,780**

Institutional investors: around 70% of shares
Private investors: around 30% of shares

*Including nominee registered shareholders



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