



SanomaWSOY 1-9/2000

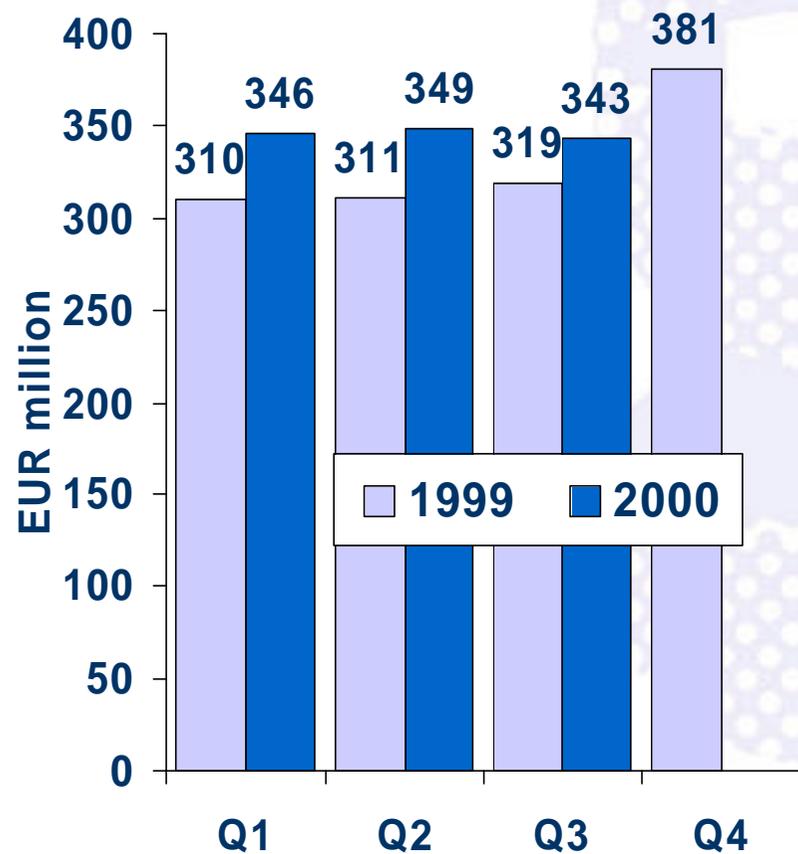
Jaakko Rauramo, President & CEO
November 15, 2000



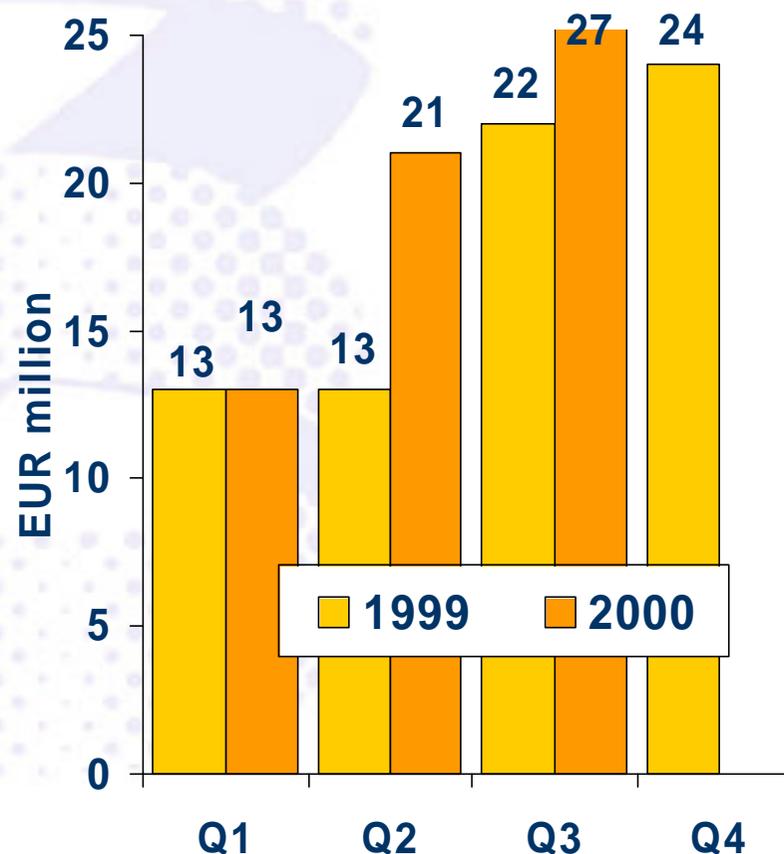
SanomaWSOY Group

(quarterly)

NET SALES



OPERATING PROFIT



Key indicators

	30.9.2000	30.9.1999	Change, %
Net sales, EUR million	1,037.7	939.5	10.5
Operating profit, EUR million	61.0	47.5	28.5
Profit before extraordinary items , EUR million	112.9	80.4	40.3
Profit after extraordinary items , EUR million	112.9	79.2	42.6
Earnings/share, EUR	0.56	0.40	40.2

Net financial income was reduced by write-downs EUR 5.97 million (FIM 35.5 million) and a change in booking practice EUR 3.65 million (FIM 21.7 million).

All 1999 key indicators have been calculated on the basis of pro forma 1999 income statements and balance sheets.



Group balance sheet

EUR million	30.9.2000	30.9.1999	Change, %
Non-current assets, total	804.0	691.4	16.3
Current assets, total	625.2	588.3	6.3
Shareholders' equity	808.7	763.5	5.9
Minority interest	116.8	102.9	13.4
Statutory provisions	1.7	2.0	-17.5
Liabilities	502.1	411.2	5.9
Liabilities, total	1,429.2	1,279.7	11.7

Comparative figures for 1999 are pro forma.



Group cash flow statement

EUR million	1.1. - 30.9.2000	1.1. - 31.12.1999
Operating profit	61.0	71.7
Adjustments to operating profit	47.9	66.0
Change in working capital	-17.2	-7.4
Cash flow from operations before financial items and taxes	91.7	130.3
Financial items and taxes	31.7	-6.5
Cash flow from operations	123.4	123.8
Cash flow from investments	-88.1	-213.0
Cash flow before financing	35.3	-89.3
Cash flow from financing	-32.9	-17.2
Change in liquidities according to the cash flow statement	2.4	-106.5
Exchange rate differences under liquidities	-4.9	-5.4
Net increase (+)/decrease (-) in liquidities	-2.5	-111.9
Liquidities according to the balance sheet at Jan. 1	321.2	433.1
Liquidities according to the balance sheet at Sept. 30 / Dec. 31	318.7	321.2

Comparative figures for 1999 are pro forma.



Advertising sales revenue in Finland

	EUR 1,000	1-9/2000 FIM 1,000	Change, % (Comp. to equiv. period last year)
NEWSPAPERS	420,350	2,499,107	7.8
Aamulehti	29,544	175,646	10
Helsingin Sanomat	122,102	725,934	13
Ilta-Sanomat	9,867	58,664	4
Iltalehti	8,659	51,482	5
Kauppalehti	15,735	93,552	10
Taloussanomat	3,487	20,734	84
Turun Sanomat	28,456	169,182	12
KÄRKIMEDIA *	63,828	379,476	13



Sources: Gallup-Mainostieto
*) Kärkimedia

Advertising sales revenue in Finland

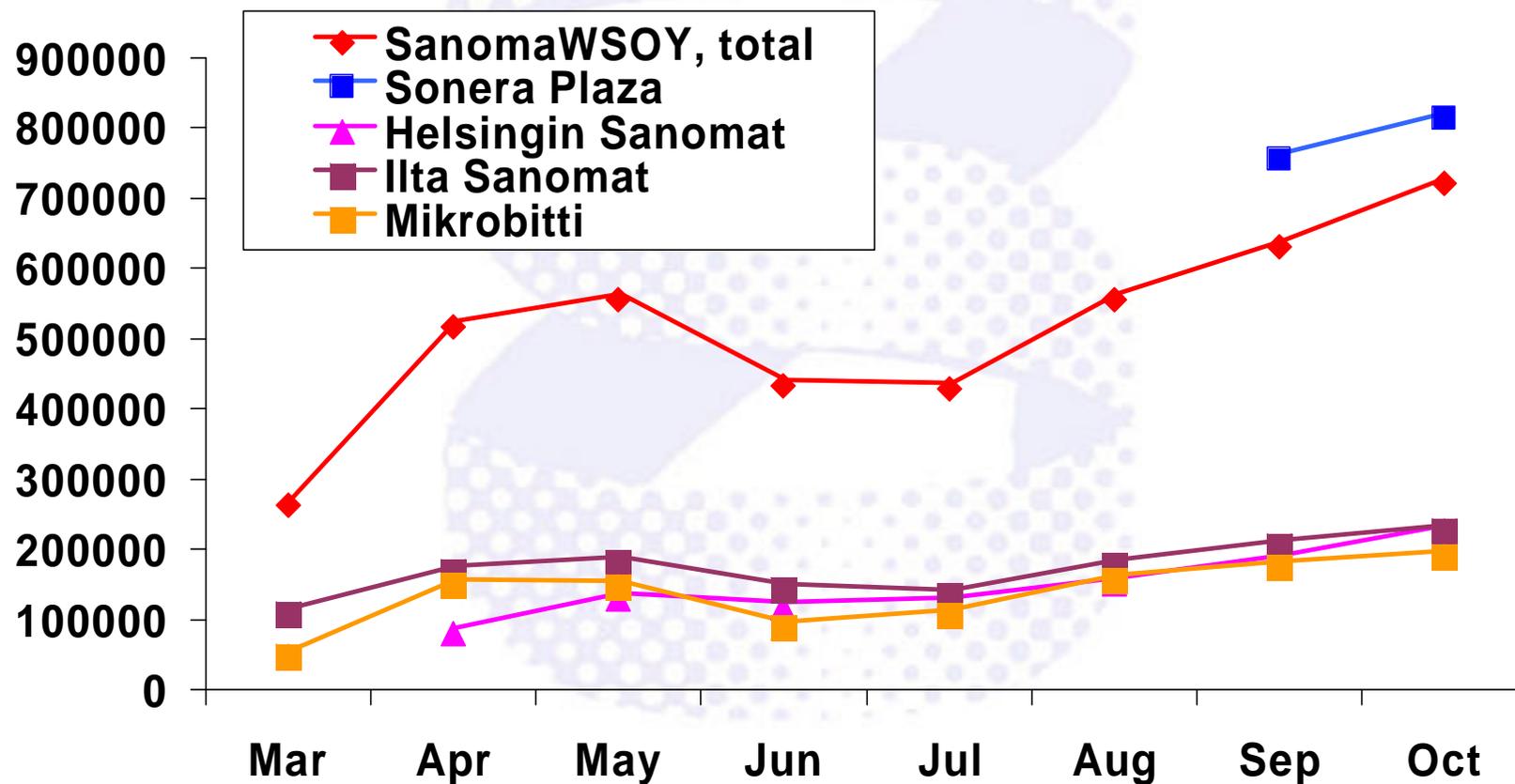
	EUR 1,000	1-9/2000 FIM 1,000	Change, % (Comp. to equiv. period last year)
MAGAZINES	101,094	601,032	7.9
TELEVISION	149,572	889,248	3.5
Channel Four *	35,696	212,221	54
OUTDOOR ADVERTISING	24,542	145,907	11.2
RADIO ADVERTISING	22,950	136,447	7.2
INTERNET	6,611	39,304	55.4
MOVIE ADVERTISING	1,077	6,403	-18.1



Sources: Gallup-Mainostieto
*Channel Four

WWW site visitors

Unique visitors, average per month



Source: Gallup Web

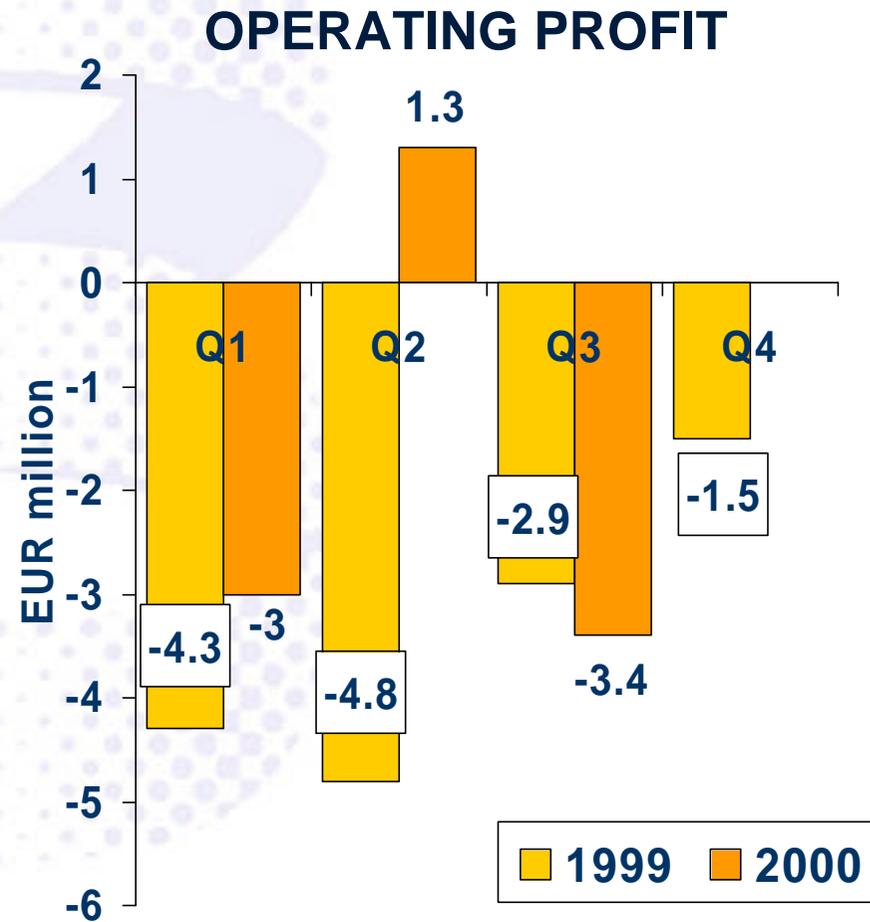
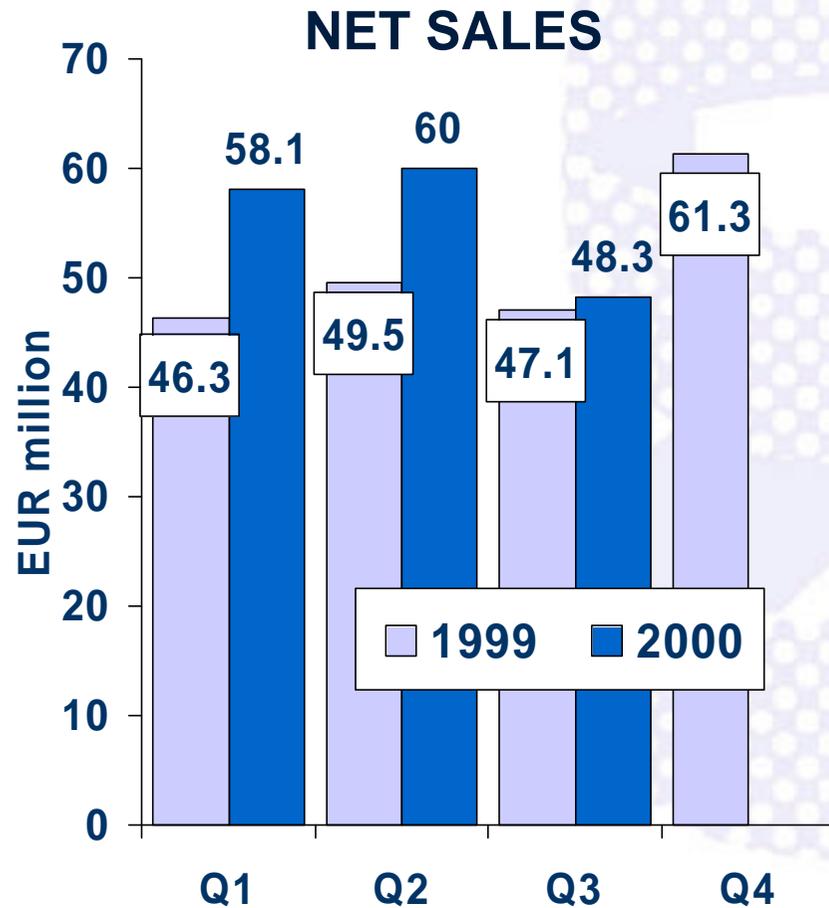


Reporting Framework Jan. 1 - Sept. 30, 2000

- **The SanomaWSOY Group consisted of four sectors during the first nine months of 2000: Helsinki Media, Sanoma, WSOY, and Rautakirja**
- **As of October 1, 2000, SWelcom and the new Helsinki Media will be reported separately**



Helsinki Media Group



Helsinki Media Group 1-9/2000

EUR million	NET SALES		OPERATING PROFIT	
	1-9/2000	1-9/1999	1-9/2000	1-9/1999
Magazine publishing	112.0	104.8	6.8	5.2
Electronic media	54.4	38.3	-10.9	-16.7
Others			-2.3	-2.3
Intracompany transactions		-0.2	1.2	1.9
Total	166.4	142.9	-5.2	-11.9

	<u>Sep 2000</u>	<u>Sep 1999</u>
Gross investments, EUR million	26.4	31.4
Personnel, average	1,070	934

Pro forma outlook for 2000 :

New Helsinki Media:

- Net sales are expected to rise by some 8% and exceed EUR 151.4 million (FIM 900 million)
- Operating profit is expected to improve

SWelcom:

- Net sales are projected to be in the order of EUR 77.4 million (FIM 460 million), and the loss for 2000 in the order of EUR 16.8 million (FIM 100 million)

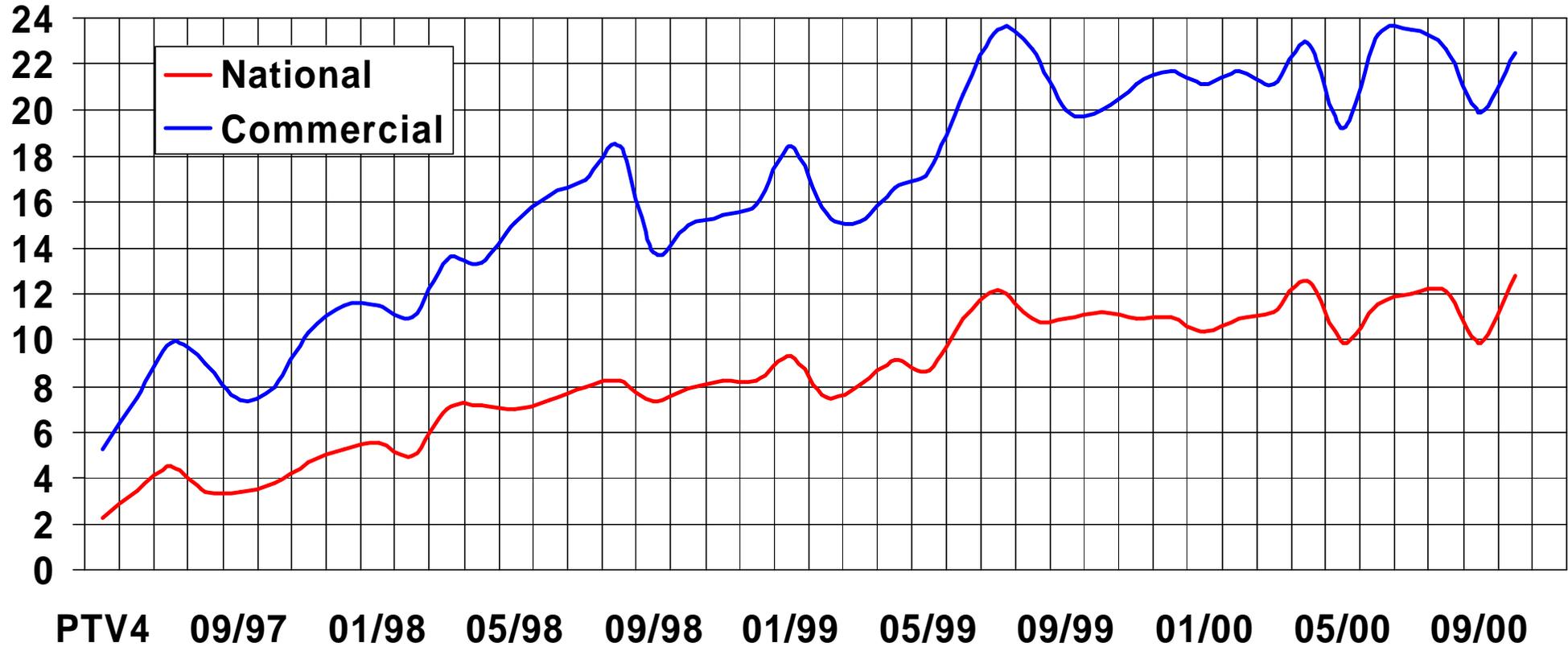
Key developments in Q3 / Helsinki Media

- **Magazine publishing**
 - Growth in advertising sales in Helsinki Media titles up nearly three times the market average
 - New titles (Cosmopolitan, ITviikko, Gloria product family) continue to develop positively
 - Virtual Portal: 'Tasku' interface launched for Helsinki Media's Sister's Club and Mercurius clubs
 - Discussions on purchase of Sweden's E+T terminated in October
- **Electronic Media**
 - Improved profitability and continued growth at Channel Four
 - Purchase of Egmont Holding's 25.01% stake in Oy Ruutunelonen Ab
 - 2ndhead: some 30,000 users by the end of October



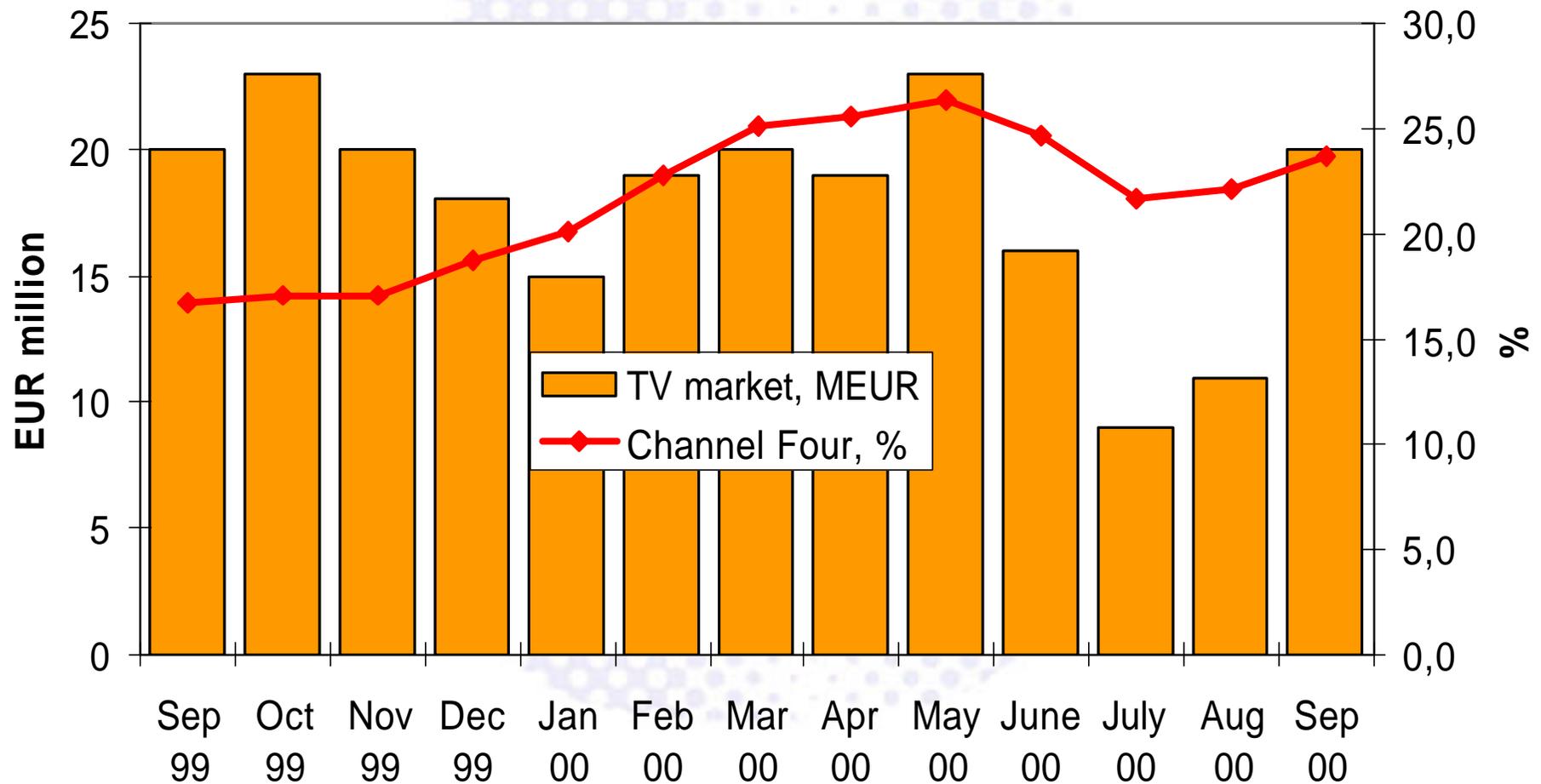
Audience figures for Channel Four Finland

%



Source: Finnpanel Oy

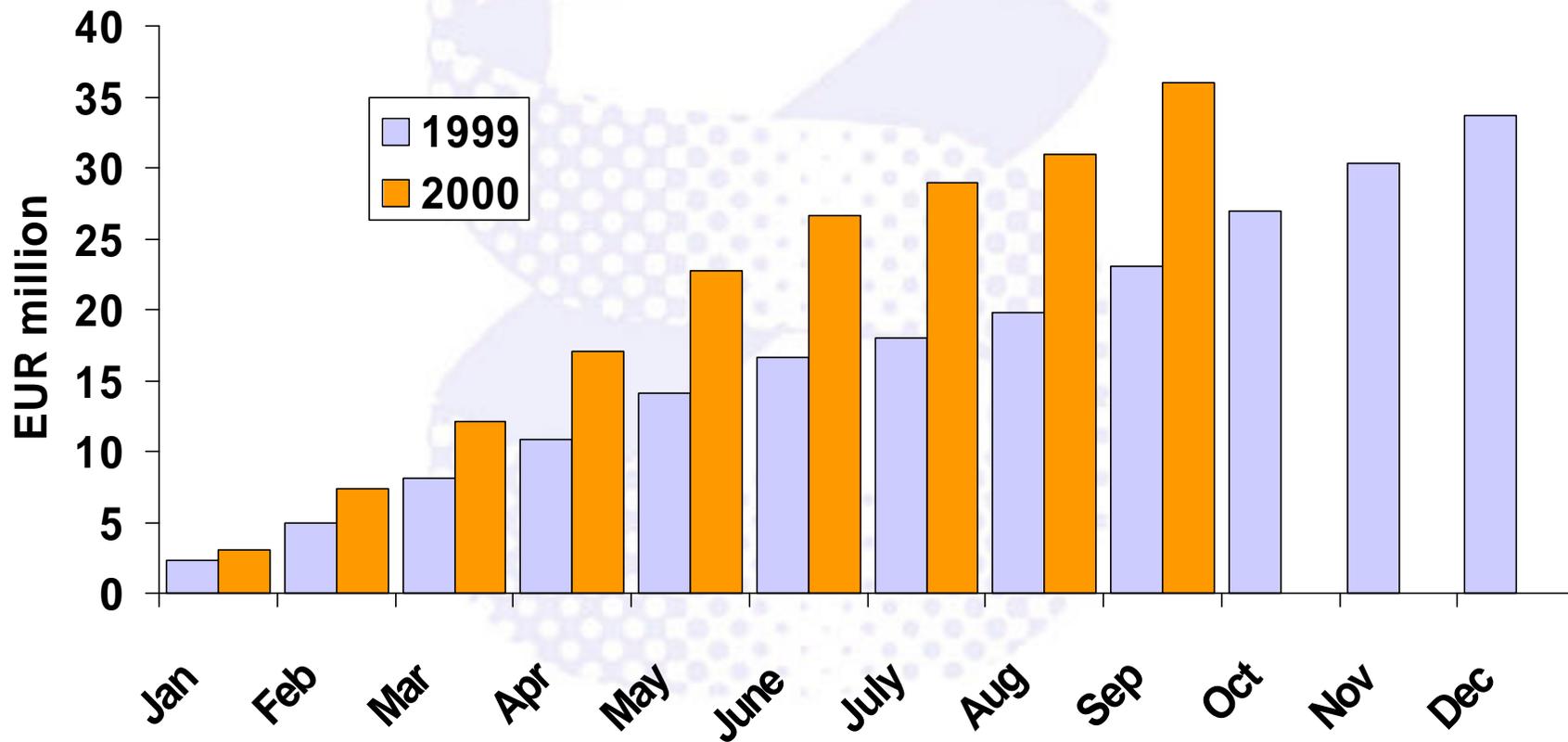
TV advertising market and Channel Four



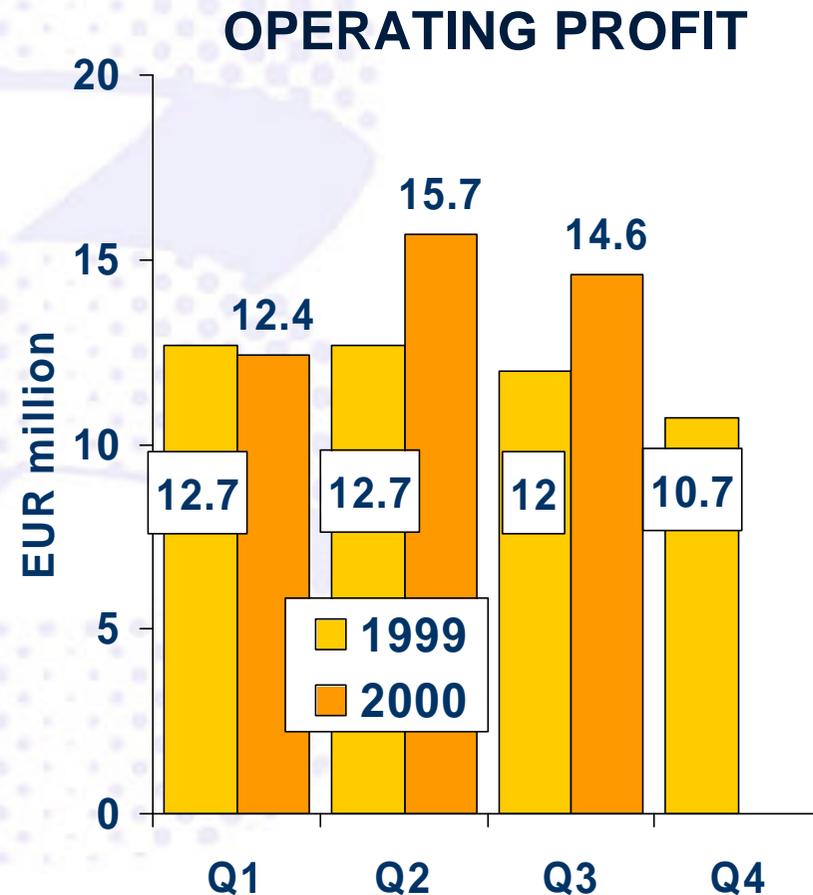
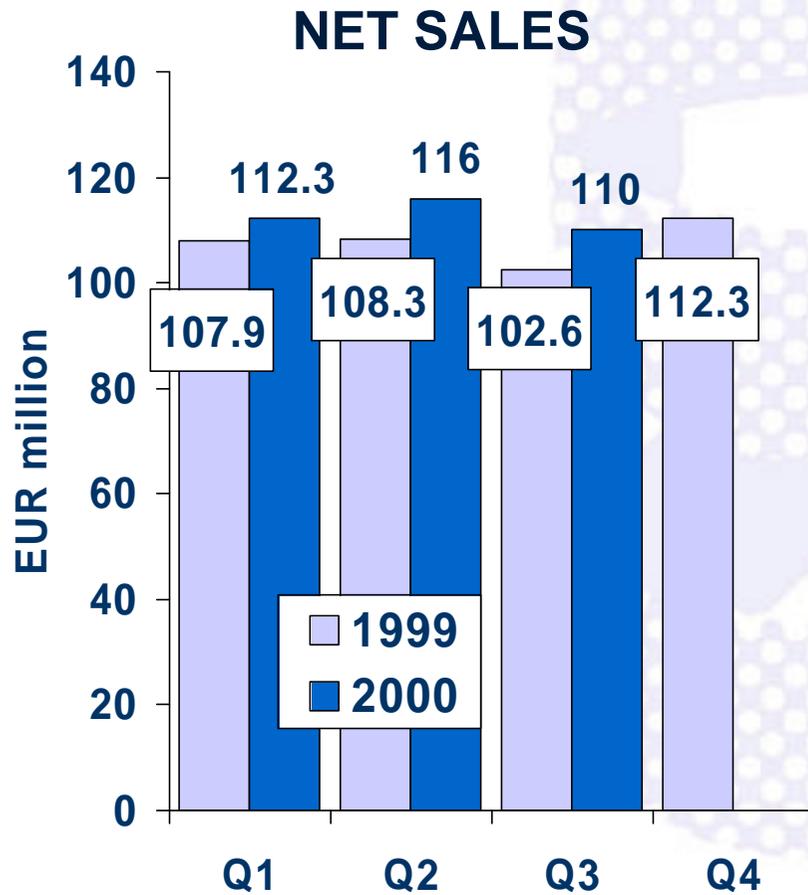
Source: Gallup-Mainostieto

Channel Four sales revenue

cumulative



Sanoma Group



Sanoma Group 1-9/2000

EUR million	NET SALES		OPERATING PROFIT	
	1-9/2000	1-9/1999	1-9/2000	1-9/1999
Newspaper publishing and printing	327.2	313.4	49.6	45.2
Financial & new media products	13.7	7.9	-7.0	-7.8
Intracompany transactions	-2.7	-2.4		
Total	338.2	318.9	42.7	37.4

	<u>Sep 2000</u>	<u>Sep 1999</u>
Gross investments, EUR million	44.2	120.8
Personnel, average	3,435	3,481

Outlook for 2000

- Net sales are expected to increase by some 6% over 1999, and the group's operating profit by considerably more



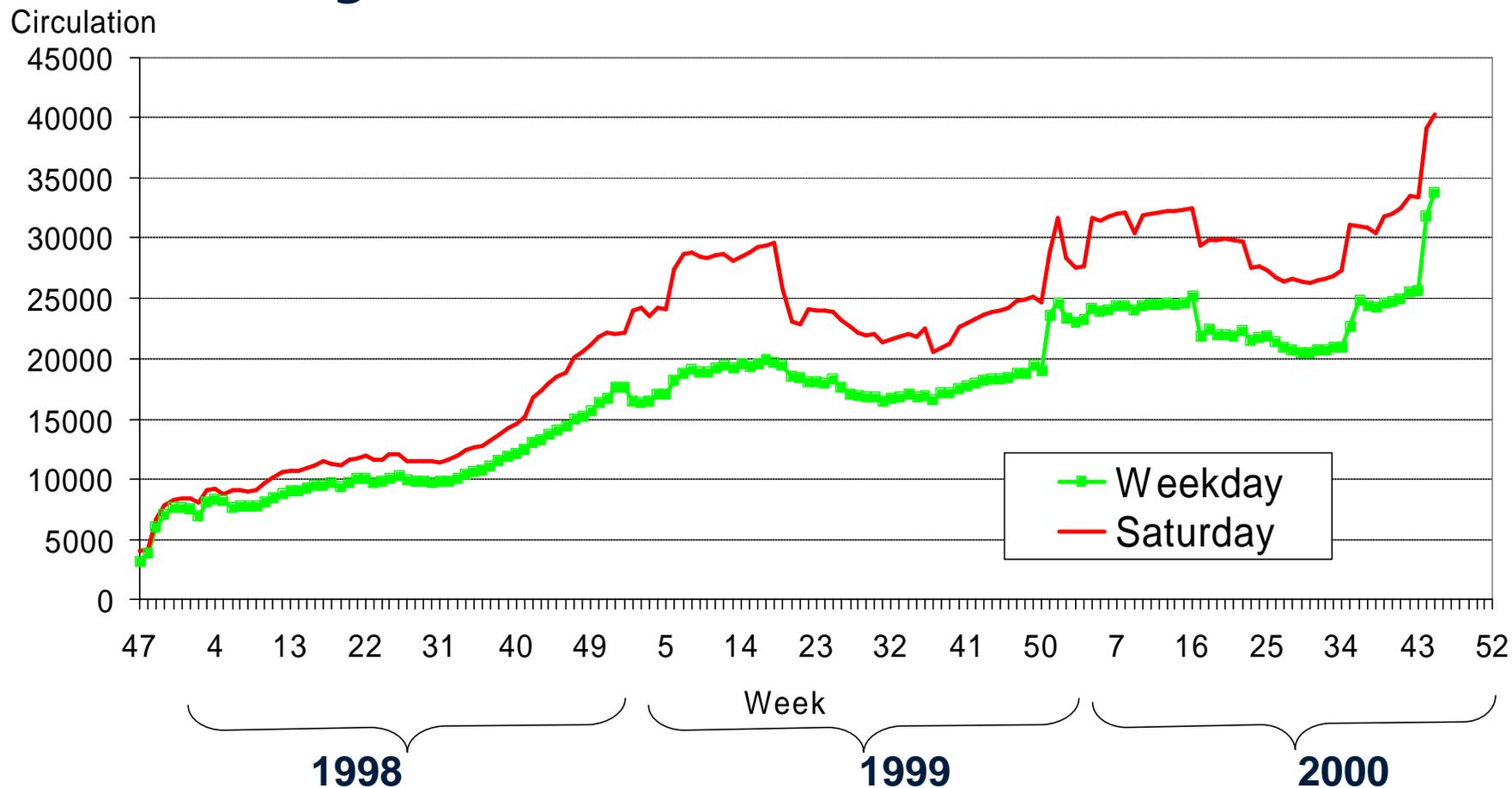
Key developments in Q3 / Sanoma

- **New-generation EUR 37.8 million (FIM 225 million) printing line investment agreed in September**
- **Good advertising sales at Helsingin Sanomat**
- **Ilta-Sanomat increased its market share, and updated its online service in September**
- **Taloussanomat circulation topped 33,000/40,000 in November following an agreement with the Finnish Shareholders' Association**
- **Esmerk expands its coverage of Norway, Central and South America, and the Moscow region**
- **20% holding acquired in car database service company, Netwheels Oy**



Taloussanomat

Weekly circulation, 1997 - 2000



Monthly circulation average



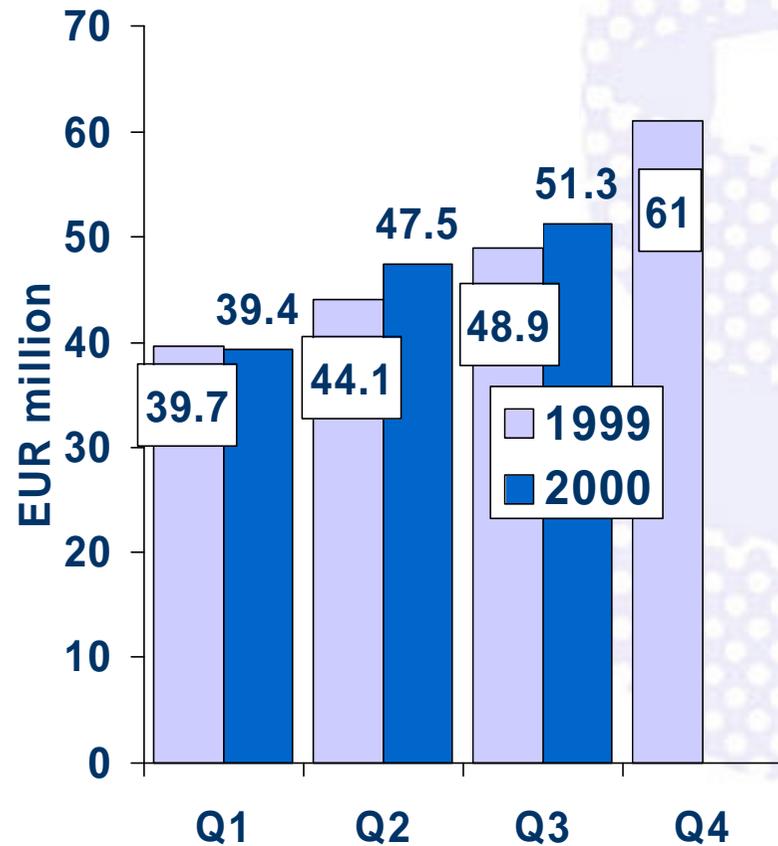
Helsingin Sanomat / HS-Tuoreet

- Latest news online, every day of the year
- Link-based access to background articles
- Target: to be Finland's most popular web site after operator portals
- Will strengthen Helsingin Sanomat's position as Finland's strongest news provider
- Service also available via mobile phones, WAP phones, and palm computers
- www.helsinginsanomat.fi

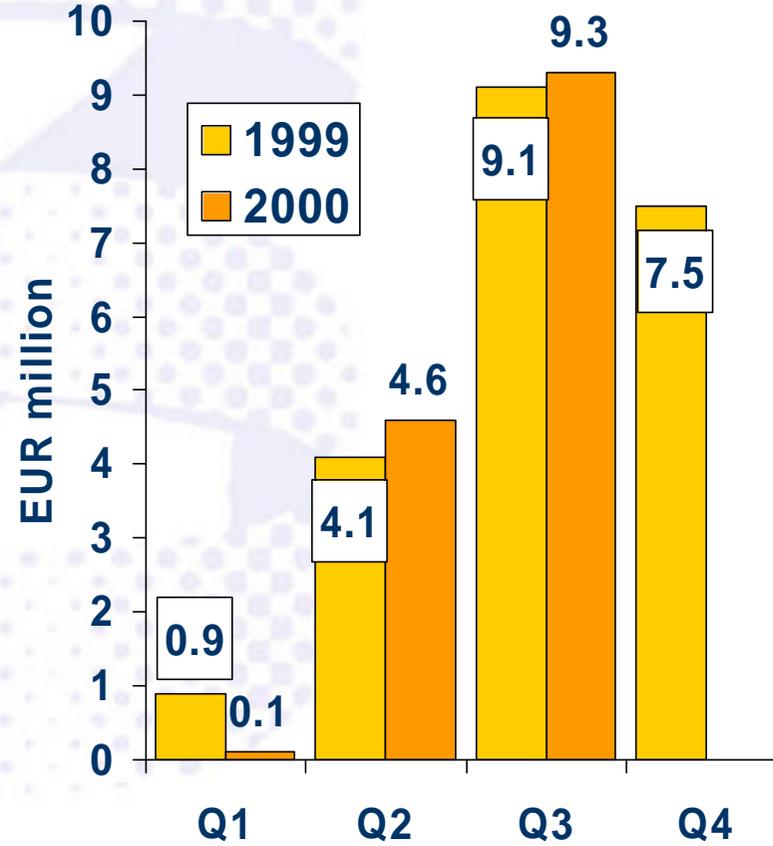


WSOY Group

NET SALES



OPERATING PROFIT



WSOY Group 1-9/2000

EUR million	NET SALES		OPERATING PROFIT	
	1-9/2000	1-9/1999	1-9/2000	1-9/1999
Publishing	91.9	85.0	11.1	13.6
Printing	45.4	44.8	7.4	5.1
Calendar operations	17.6	16.9	-5.0	-6.0
Others	2.5	1.7	1.1	6.7
Intracompany transactions	-19.3	-15.7	-0.6	-5.3
Total	138.1	132.7	14.0	14.1
	<u>Sep 2000</u>	<u>Sep 1999</u>		
Gross investments, EUR million	22.6	14.2		
Personnel, average	1,773	1,762		

Outlook for 2000

- net sales are projected to be some 10% above 1999
- operating profit is expected to remain at 1999 levels, as a result of increased development-related investments



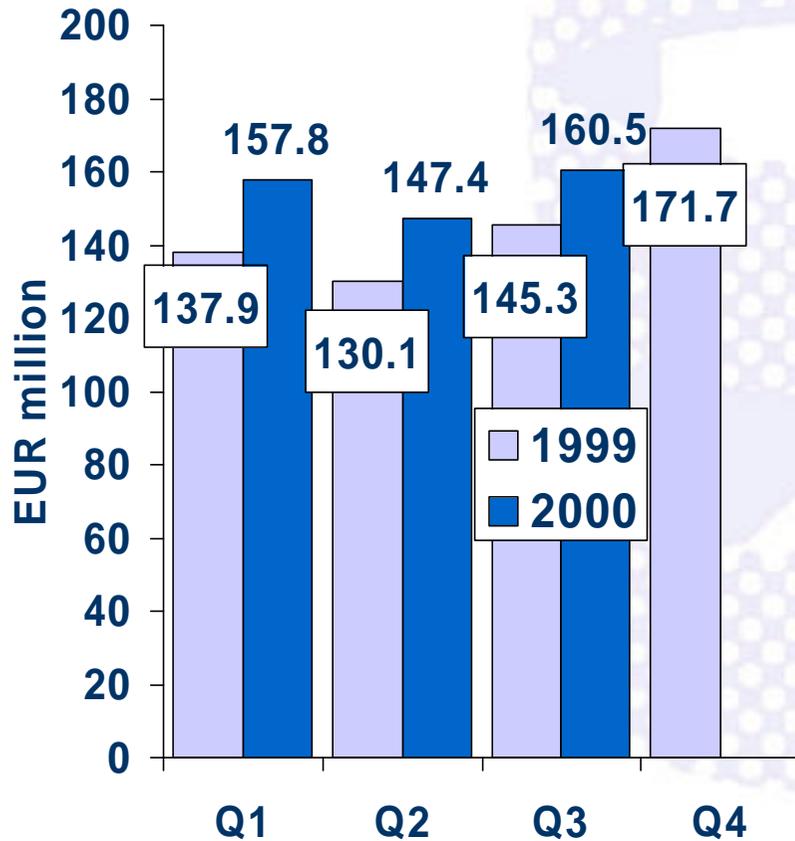
Key developments in Q3 / WSOY

- **80.01% holding acquired in Karttakeskus Oy in September; company to be merged with Geodata in 2001.**
- **New media and e-learning activities combined to create eWSOY; pilot version of open learning portal launched**
- **Docendo to launch a new Finnish version of its Simultan Open IT interactive teaching package at the end of 2000, and international versions in 2001**
- **Progress continues on improving performance at calendar companies in Norway and Sweden**
- **New paperback publisher (JV in cooperation with other Finnish publishers) to start up at the beginning of 2001**

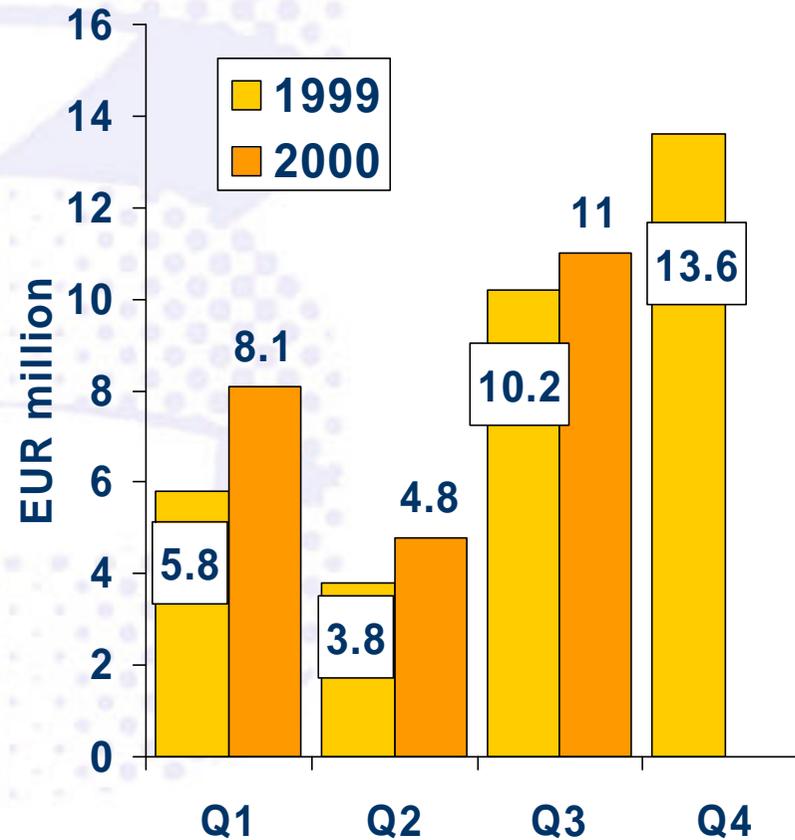


Rautakirja Group

NET SALES



OPERATING PROFIT



Rautakirja Group 1-9/2000

EUR million	NET SALES		OPERATING PROFIT	
	1-9/2000	1-9/1999	1-9/2000	1-9/1999
Kiosk operations	248.1	210.4	12.1	8.8
Press distribution	115.9	104.3	7.7	6.8
Bookstores	69.2	65.2	-0.8	-0.8
Movie theatre operations	30.7	29.0	1.1	0.6
Restaurant operations	29.2	27.3	-0.3	0.9
Others			4.0	3.5
Intracompany transactions	-27.3	-22.9		
Total	456.7	413.3	23.8	19.8
	<u>Sep 2000</u>	<u>Sep 1999</u>		
Gross investments, EUR million	19.6	27.1		
Personnel, average	3,922	3,535		

Outlook for 2000

- Net sales are projected to total EUR 639.1 million (FIM 3.8 billion), up 10% on 1999
- Rautakirja's full-year result is expected to be at 1999 levels

Key developments in Q3 / Rautakirja

- **Multiplex cinema in Tallinn topped out in October**
- **Holding in Jokerit Oyj increased to 34.5% in September, and 30% stake in JHC Arena Holding acquired in October (Hamburg)**
- **Online business activities combined into Ferete Oy in October**
- **Narvesen Baltija SIA signed letter of intent in October to acquire 85% holding in Latvian kiosk chain (450 outlets)**
- **Suomalainen Kirjakauppa acquired 60% of Astro Raamatud in Estonia in October, and Finland's Yliopistokirjakauppa**
- **Agreement signed in November to operate retail outlets at 23 Neste service stations in Estonia and Latvia**



A strong electronic media player

- **SanomaWSOY's electronic media strategy is based on four platforms:**
 - **mobile networks**
 - **fixed networks**
 - **cable-TV**
 - **digital-TV**
- **Our key goal in developing new businesses and expanding internationally is to create the appropriate infrastructure and achieve market leadership in selected business segments.**



SanomaWSOY Digital Media

WAP

2ndhead

- 30,000 users*



Cable

HTV

- 207,600 households connected, of which 165,300 digital
- 7,000 cable modems



Web

Coordination



- Virtual Portal
 - Approx. 75 Web services
- Average of 630,942 unique visitors a month

Coordination

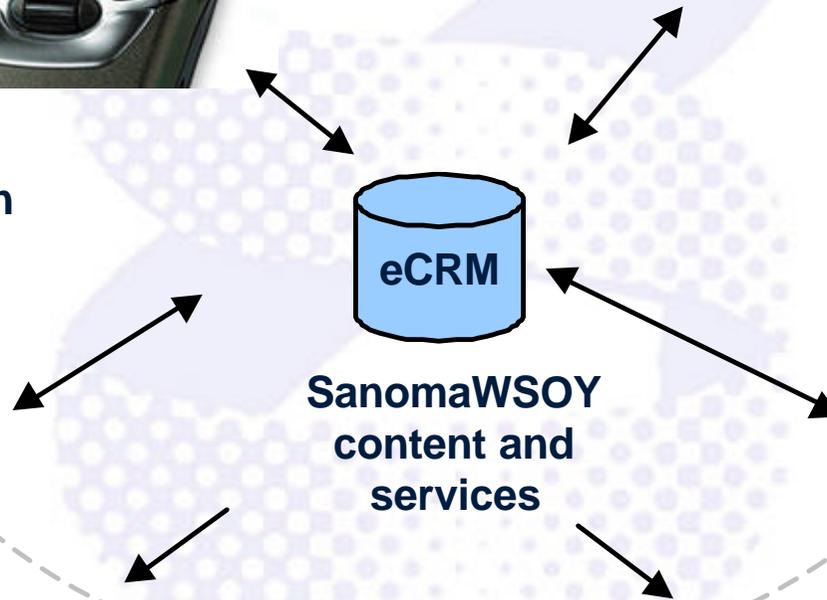
Digi TV



- Channel Four
- Movie Channel
- Suomen Urheilutelevisio**
- Broadcasts to start in 9/2001



SanomaWSOY
content and
services



*as of October 31, 2000

** associated company

other figures as of September 30, 2000



Growth and Development Targets

Group-level strategy, 2000 – 2003 – 2005

- To increase our **net sales by an average of EUR 170 million (FIM 1 billion) a year**, and thereby increase our market value, without undermining our **growing, steady dividend**.
- To double our net sales by 2005 and substantially increase our operating profit.
- To **expand internationally** and generate at least 20% of our net sales outside Finland, mainly around the Baltic Rim.
- Improve the **profitability** of our existing businesses.
- Add value by using internet to create new products and services and by improving internal operations
- **Market leadership** and **system superiority** in selected Internet markets.

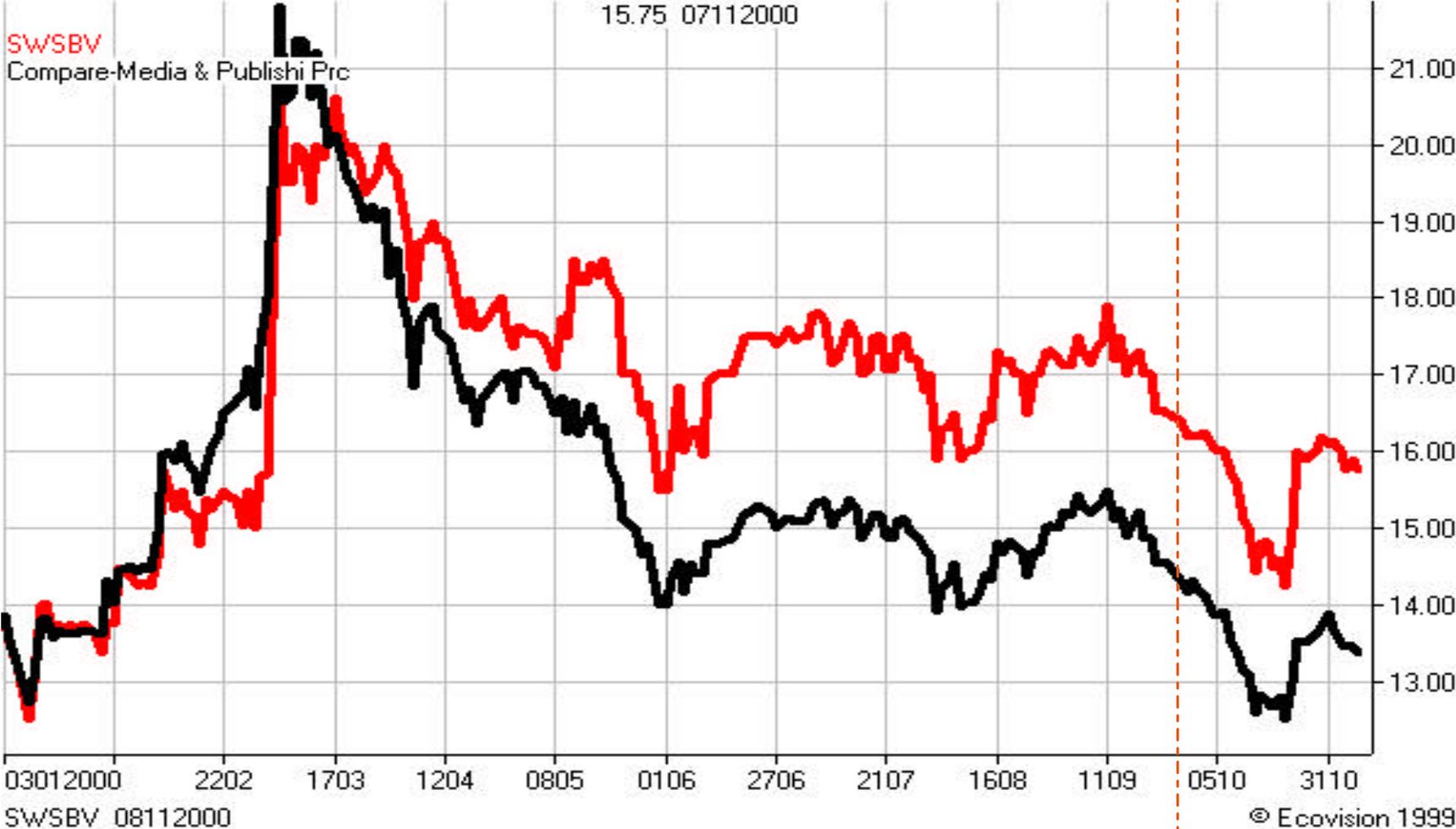


Outlook for the Group in 2000

- **Net sales are expected to increase to some EUR 1,446.4 million (FIM 8,600 million)**
- **Operating profit is expected to be clearly better than in 1999 and total some EUR 84.1 million (FIM 500 million)**
- **The Group's result before extraordinary items is also expected to be clearly better than last year**



SanomaWSOY Series B vs. Media Index



Sep 30

Source: Ecovision

- four-for-one share split on May 10, 2000

