

# Rautakirja

**Erkki Järvinen**  
President

Capital Markets Day  
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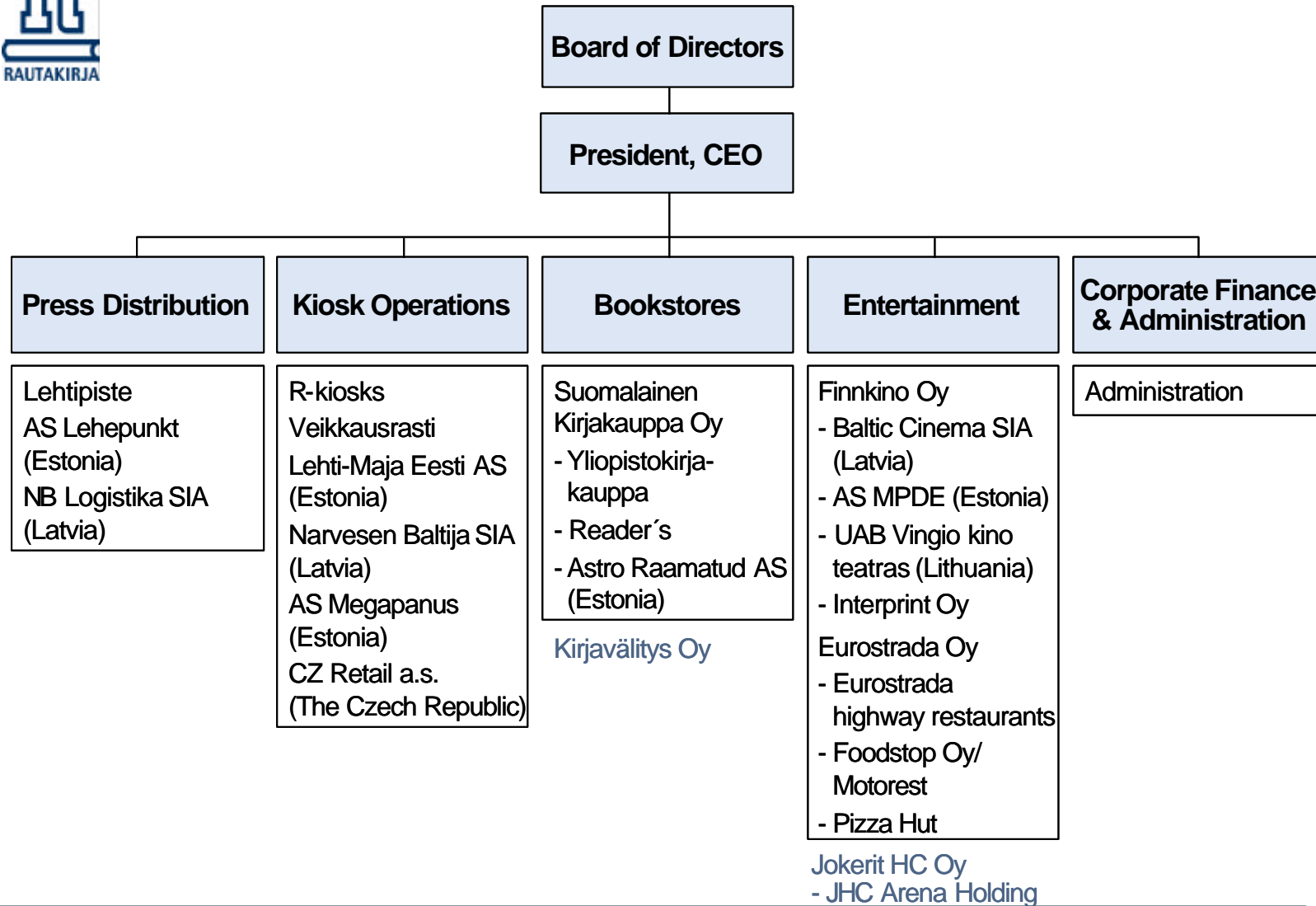
# Objective/Vision

- **Rautakirja's role, as a part of the most dynamic media Group in northern Europe, is to manage and develop the best distribution channels for media and publishing products in selected business areas, and act as a catalyst for developing international opportunities.**

# Basic operating strategy

The Rautakirja Group is a Finnish trade and service company with an increasing interest in international operations. The basis for all the Group's operations lies in the consumer's needs. The Rautakirja Group specialises in the following key areas:

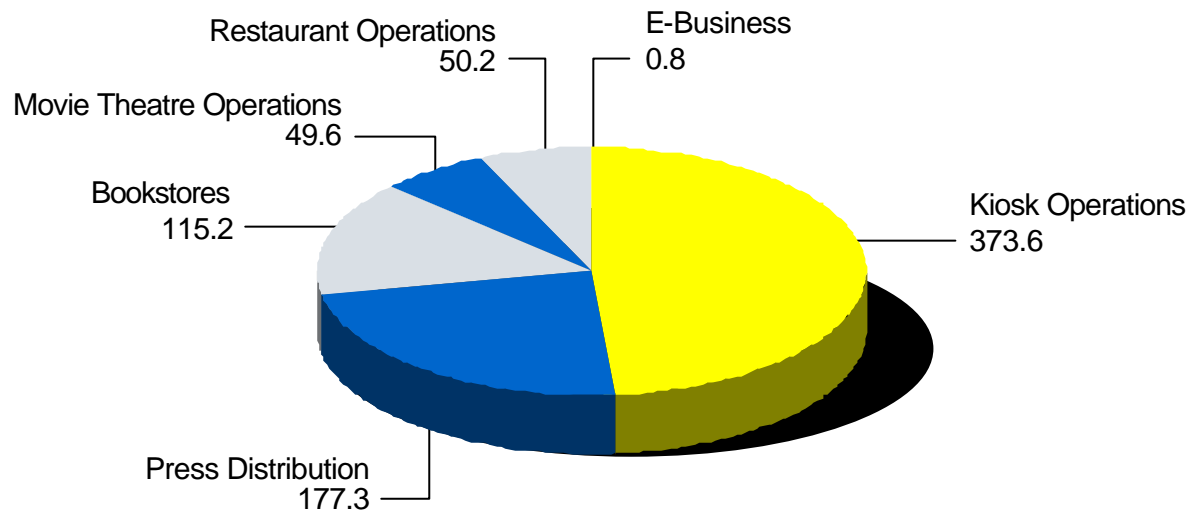
- wholesale and retail trade of newspapers and magazines
- specialized retail trade based on a firm foundation of:
  - nationwide coverage
  - chain operations
  - centralised chain management
  - a strong market position
  - good coverage of existing and new distribution channels





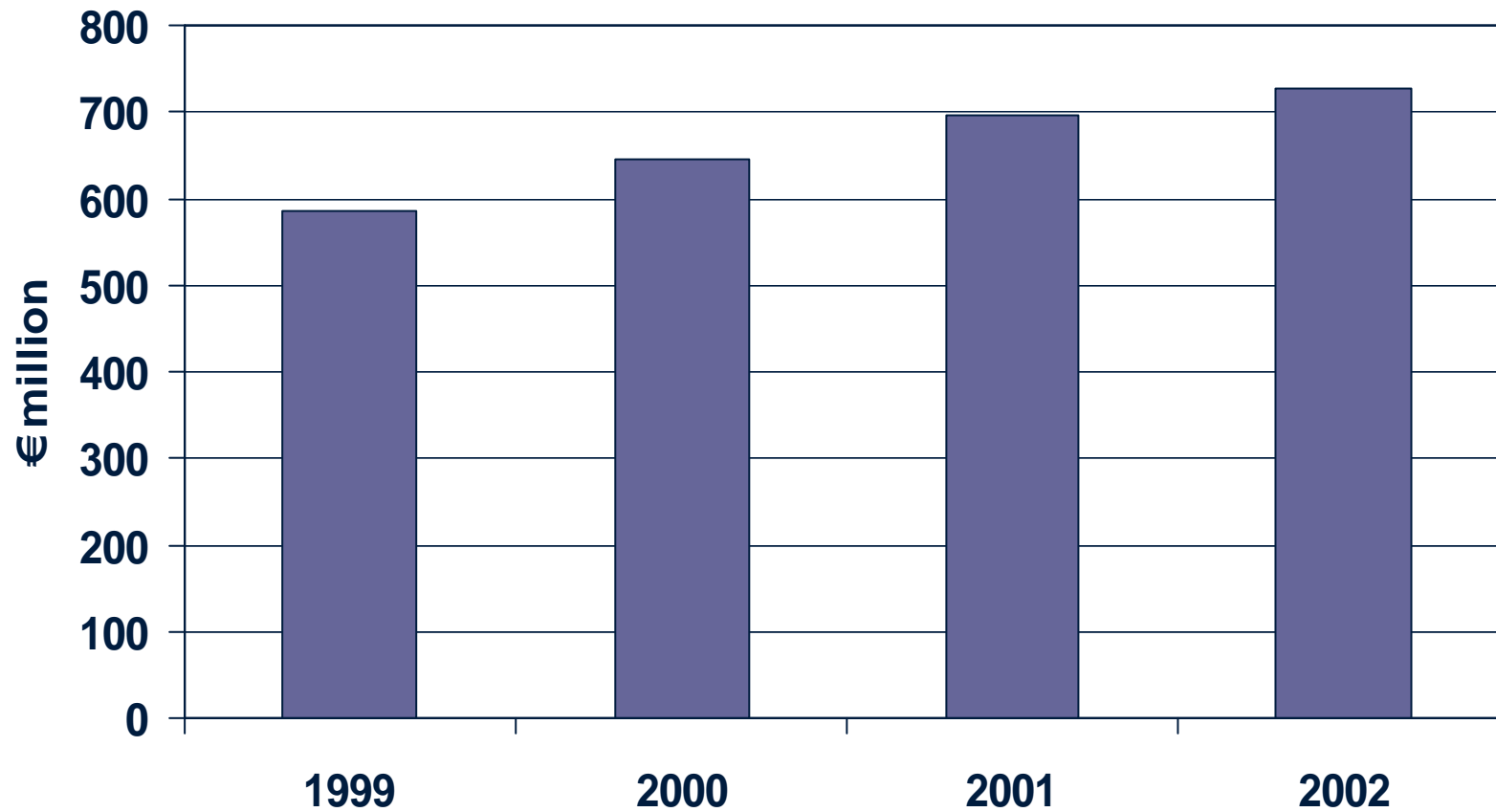
# Net sales by trading sector 2002

EUR million



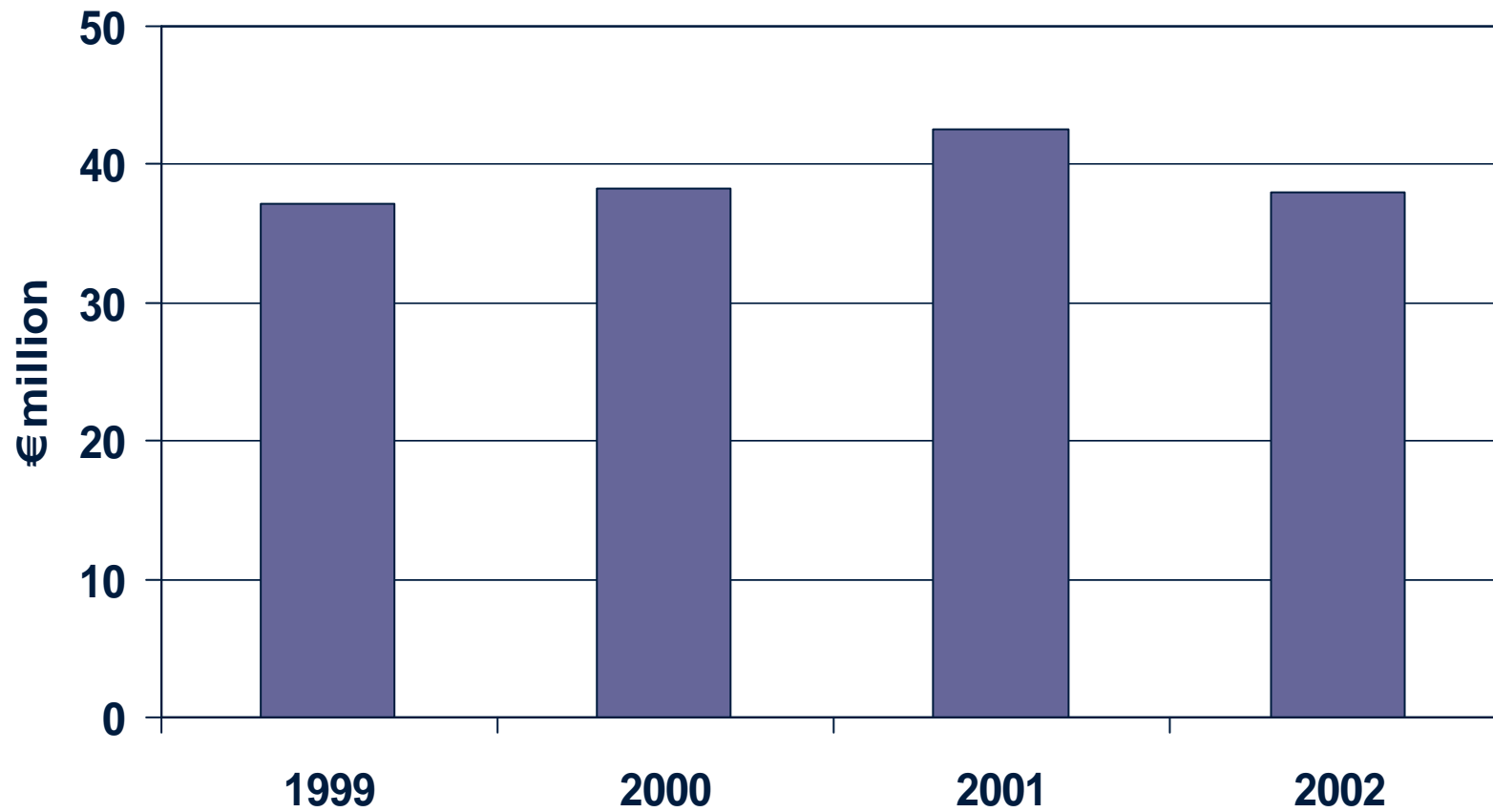


# Net sales





# EBIT



# Strategic objectives 1/2

**To safeguard the existing profitability of the Group's core businesses, through**

- maintaining the strong domestic market position by
  - constant concept development, taking account of changes in consumer behaviour and the competitive situation
  - consistent market follow-up and an active programme of solutions to consumers' changing needs making efficient use of
    - new products and services
    - new distribution channels, partnership models



# Strategic objectives 2/2

- To create strong growth, through
  - a determined, consistent realization of the plan of international expansion
  - acquisitions
    - on the foreign market, with an emphasis on kiosk trade, press wholesale and distribution, and movie theatre operations
      - the Baltic Countries
      - central and eastern Central Europe
      - Russia



# Kiosk Operations

- Finland
  - conversion of the kiosk concept more distinctly into a convenience store concept
  - active product policy; new products and services making use of the extremely strong distribution channel
- International Markets
  - improvement of profitability
  - customizing the operational concept market-by market
  - resource optimization
  - penetration to new countries



# Press Distribution

- Fine-tuning of domestic and Baltic operations, maintaining good profitability
- Deepening the cooperation with the publishers and the chains
- Entry to new markets, in close cooperation with Kiosk Operations and Sanoma Magazines

# Bookstores

- Expansion and development of the new concept
- Maintaining the lucrativeness of the present distribution channel, safeguarding the best locations
- E-commerce supporting the traditional physical distribution channel

# Movie Theatre Operations

- Finalizing the Baltic multiplex theatre projects
- New projects
  - 2 - 3 movie centres on the domestic market during the next two years
- Russia a big potential
- Marketing the movie centres as a chain

# Restaurant Operations

- New Motorest rest stops/highway service areas
- Making use of the new chain in marketing, developing the concept

# Rautakirja tomorrow

- International; Finland and the Baltic Countries creating the home market; an increasing interest in Central Europe and Russia
- Highly profitable and strongly expanding
- Consumer-oriented concepts are the leading brands in their business areas
- Controlled use of new distribution channels based on traditional distribution know-how; e-commerce is a part of the existing distribution channels
- An open, innovative and dynamic organizational atmosphere, sensitive to change