



The Next 110 Years

Seppo Kievari, President
Sanoma Corporation

Capital Markets Day, September 7, 2000



***'Newspapers are still going strong
- very strong -
in Finland'***

Newspaper sales per capita (1,000)

HIGHEST

- Norway 589
- Japan 574
- Finland 452
- Sweden 420
- Switzerland 376
- Austria 355
- Iceland 341
- Singapore 333
- USA 202

LOWEST

- Cameroon 0.5
- Peru 4.0
- Kenya 8.2
- Kyrgyzstan 8.6
- Azerbaijan 10.1
- Mongolia 17.3
- Colombia 26.3
- India 27.7
- South Africa 29.3
- Sri Lanka 28.6
- China 40.1

Source: WAN, 1999

Type of newspaper sales

Single copy sales, postal or home delivery

Sales by subscription

- Norway 75%
- Japan 93%
- Finland 87%

Single copy sales

- Greece 95%
- Portugal 96%

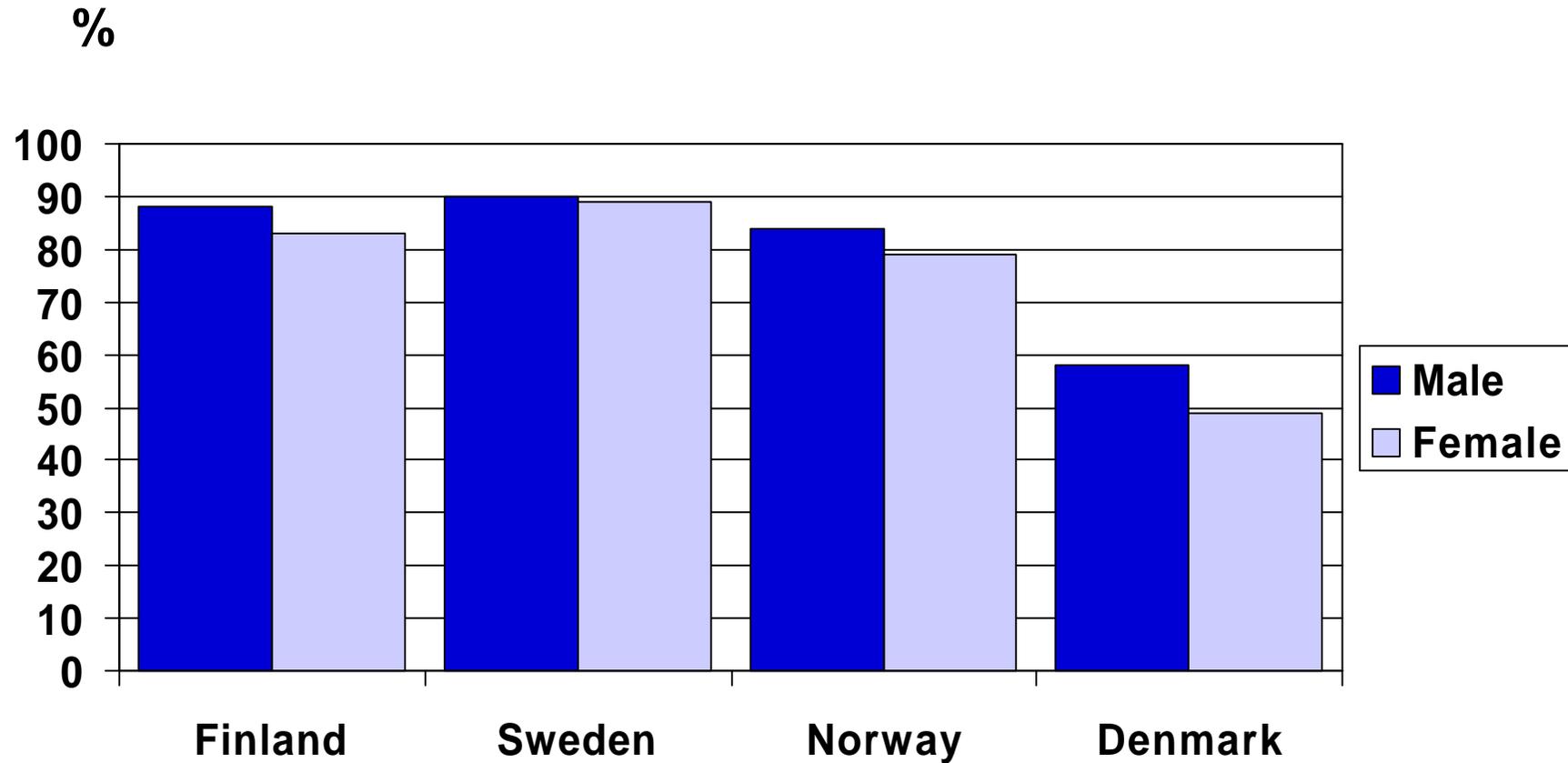
Source: WAN, 1999

Daily newspaper reach

Finland	91%
Sweden	88%
Switzerland	84%
Norway	81%
Japan	80%
Germany	78%
Estonia	75%
Latvia	75%
Slovakia	73%
Denmark	73%
Luxemburg	69%
The Netherlands	67%
Turkey	67%

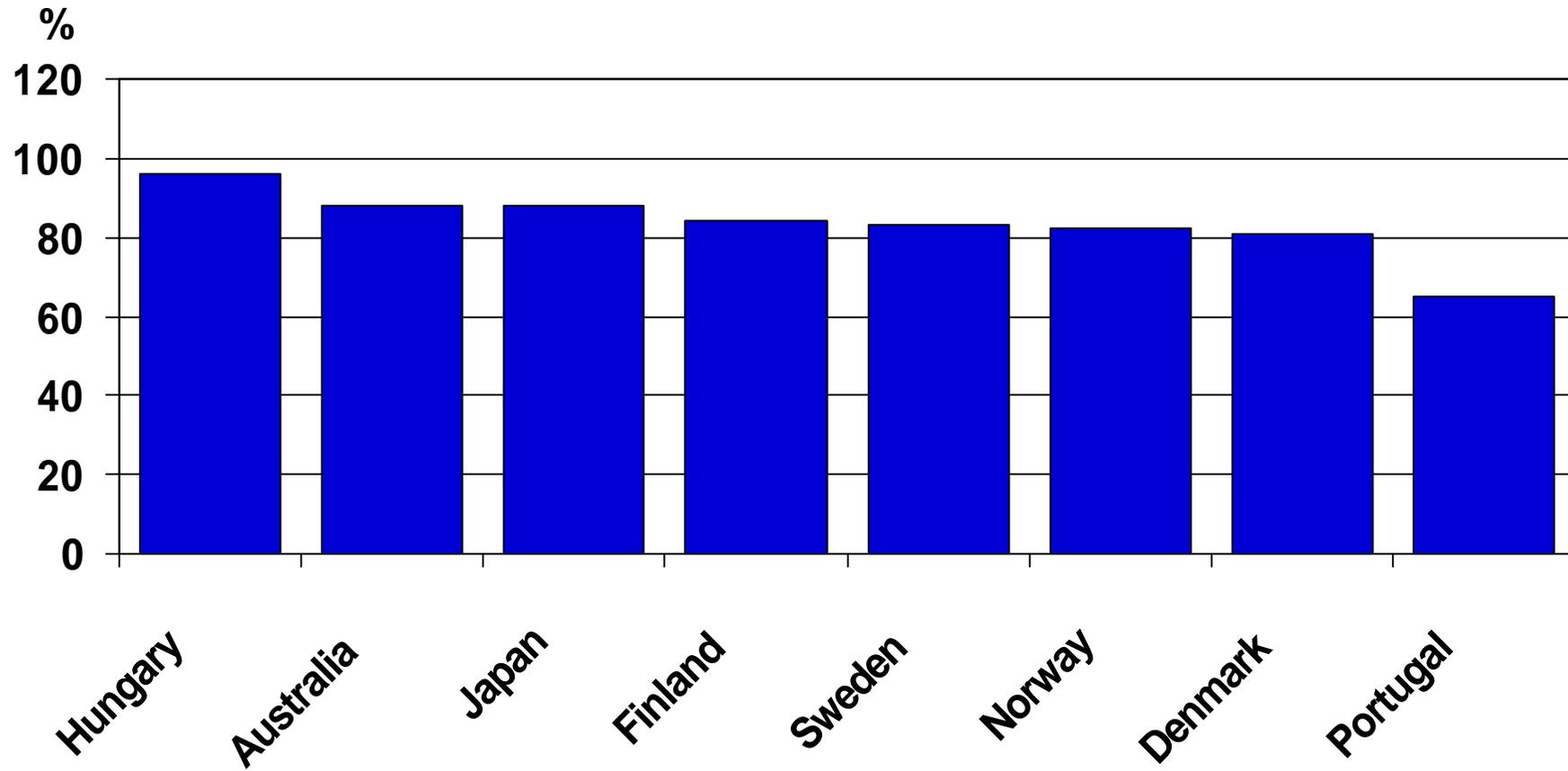
Source: WAN, 1999

High female readership



Source: WAN 1999

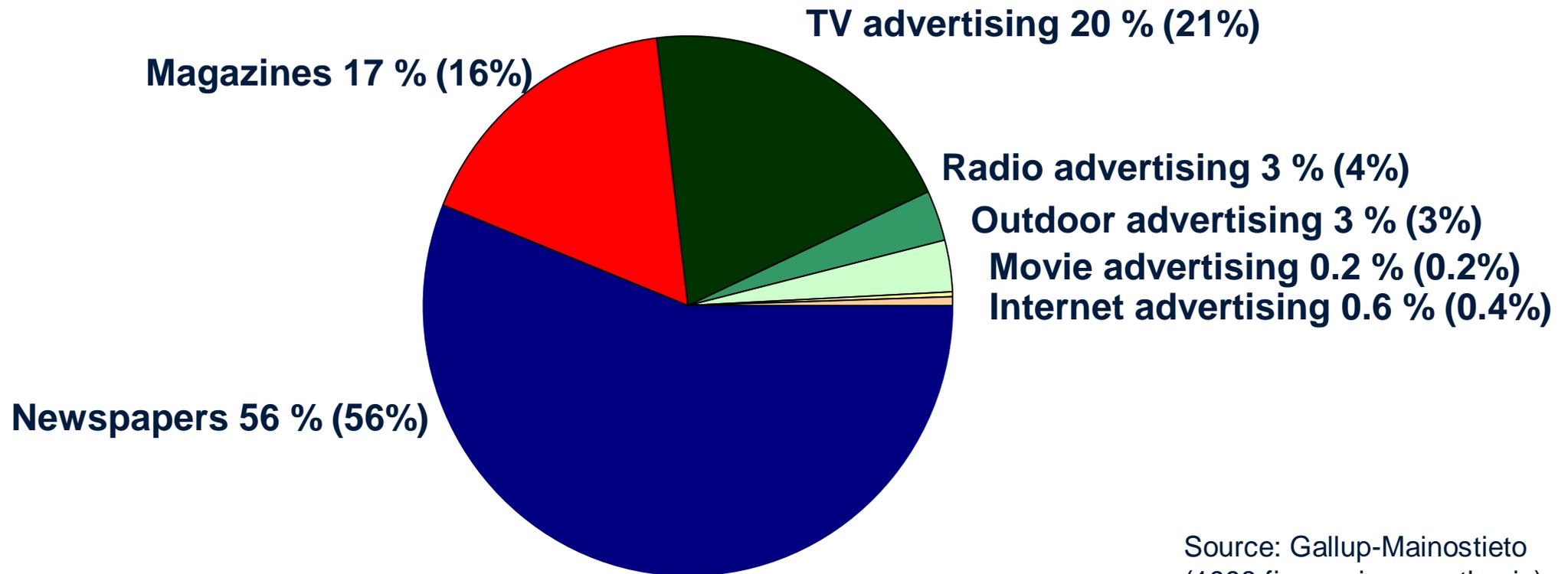
Young readers



Source: WAN 1999

Total advertising expenditure in Finland

1999: EUR 1 026 million



Source: Gallup-Mainostieto
(1998 figures in parenthesis)

Media Advertising Expenditure (Net)

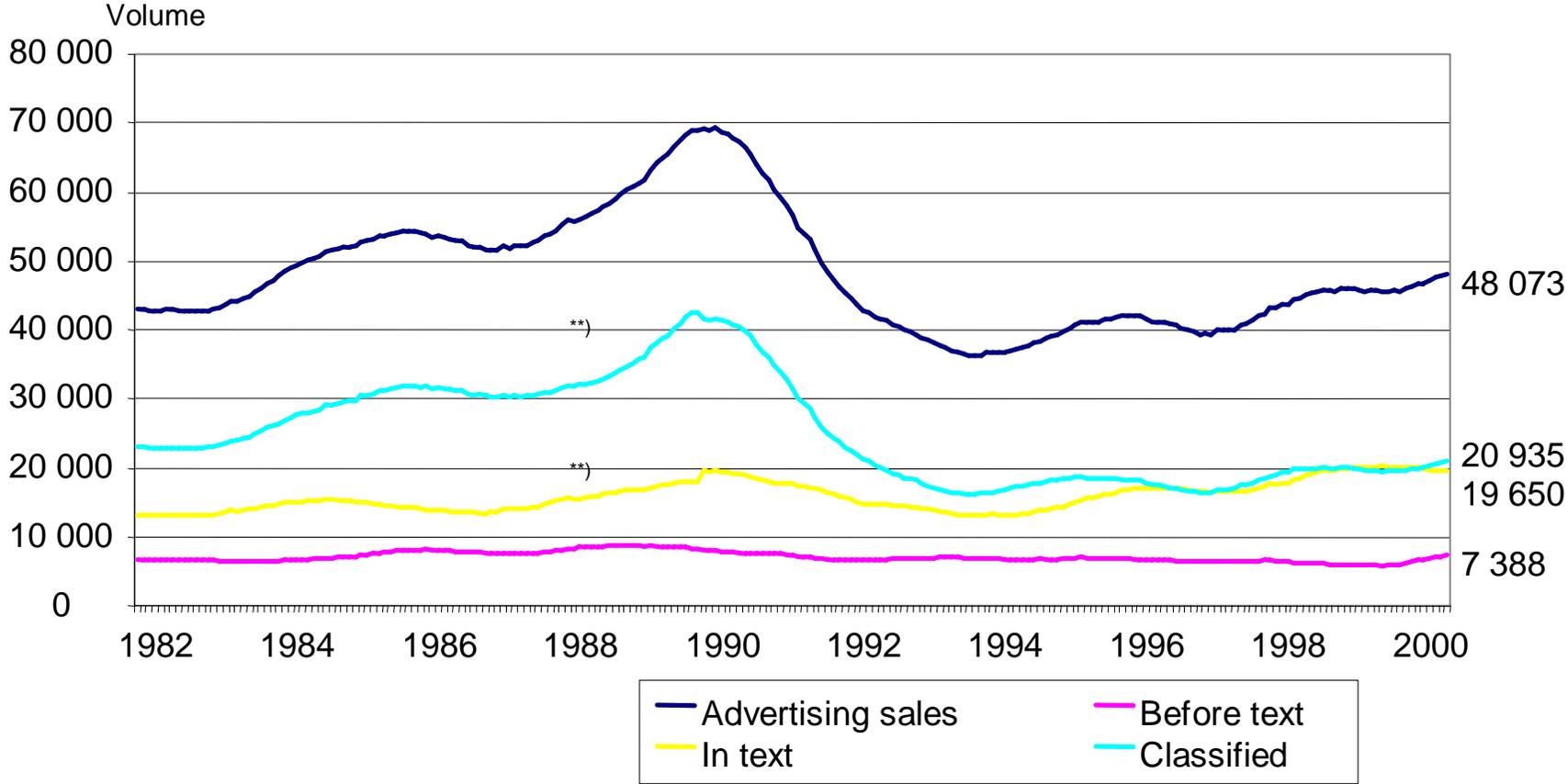
(excl. public appointments, public announcements, and linage)

1-7/2000

	Volume	Change, %	FIM 1,000	Change,% Excl. political parties	Change, %
Newspapers (108)	295,005	+4.1	1,942,975	+8.5	+6.2
Magazines (191)	24,199	+0.8	462,472	+6.2	+10.3
TV(3)	122,463	-0.1	705,559	+3.9	+5.2
Radio advertising (28)			109,340	+7.9	+9.2
Outdoor advertising (6)			115,946	+14.0	+15.4
Movie advertising (1)			4,939	-4.8	-4.2
Internet advertising (46)			31,322	+56.8	+58.0
Total			3,372,554	+7.6	+8.9

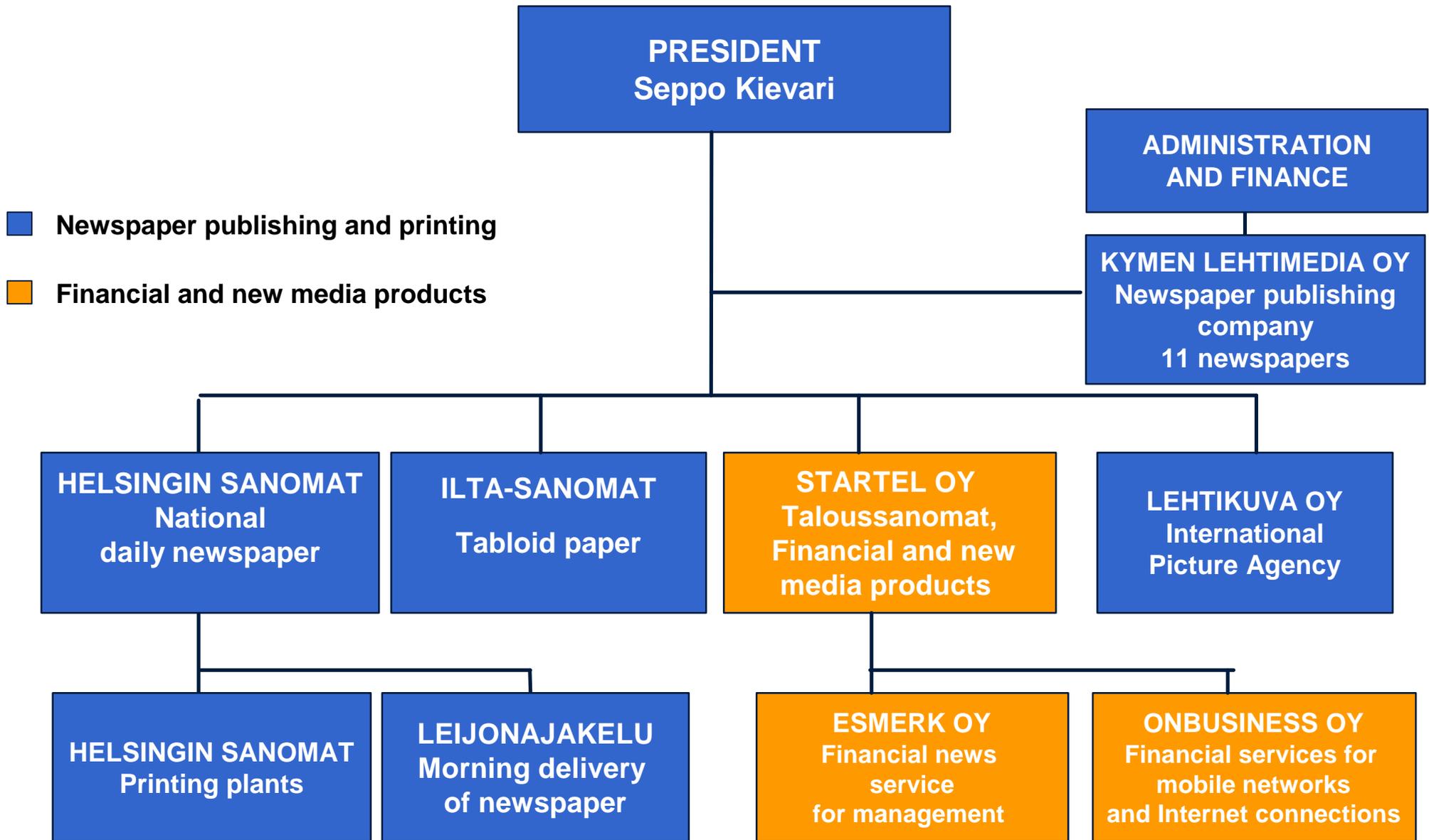
Helsingin Sanomat

Advertising sales over rolling 12 months, 1982-7/2000



Sanoma Corporation today





Key indicators for 1999

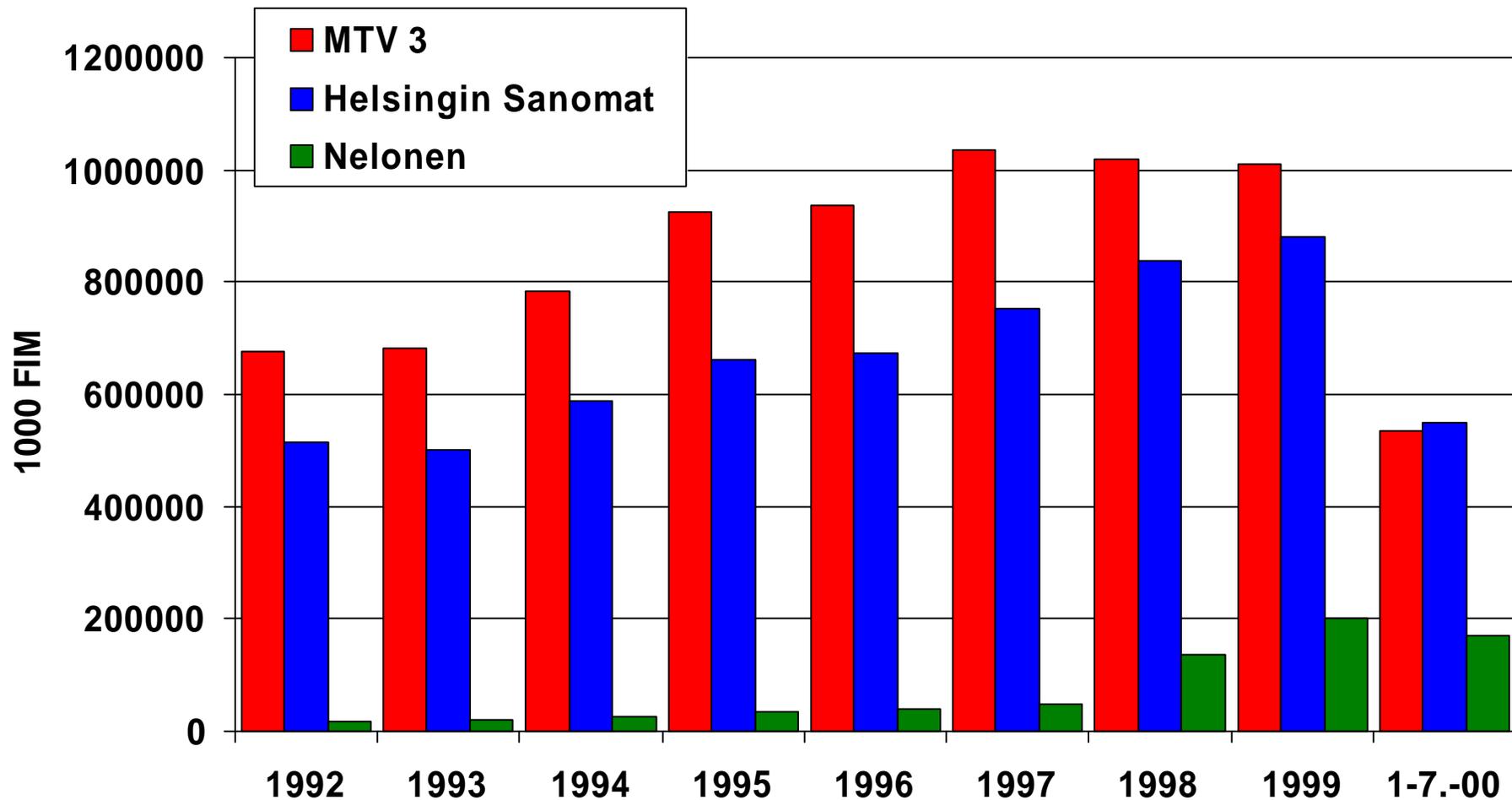
(EUR million)	1999	1998
Net sales	431	349
Profit on operations	48	40
% of net sales	11	11
Personnel, average	3,437	2,730

Sanoma Corporation newspapers (1999)

	Circulation (copies)	Ad.revenue/net (EUR million)	Net sales (EUR million)
Helsingin Sanomat	454,833	156.1	265.5
Ilta-Sanomat	218,010	13.0	67.7
Taloussanomat	18,331	2.9	5.4
Etelä-Saimaa	35,191	9.4	14.9
Kouvolan Sanomat	30,322	7.3	12.2
Kymen Sanomat	27,879	6.0	10.5
Others (8: approx. figures)	62,802	2.8	4.2

Sanoma's papers have: approx. 26% of circulation in Finland
 approx. 39% of net advertising revenue
 approx. 36% of net sales

Helsingin Sanomat versus TV (media advertising expenditure)



Source: Gallup Mainostieto

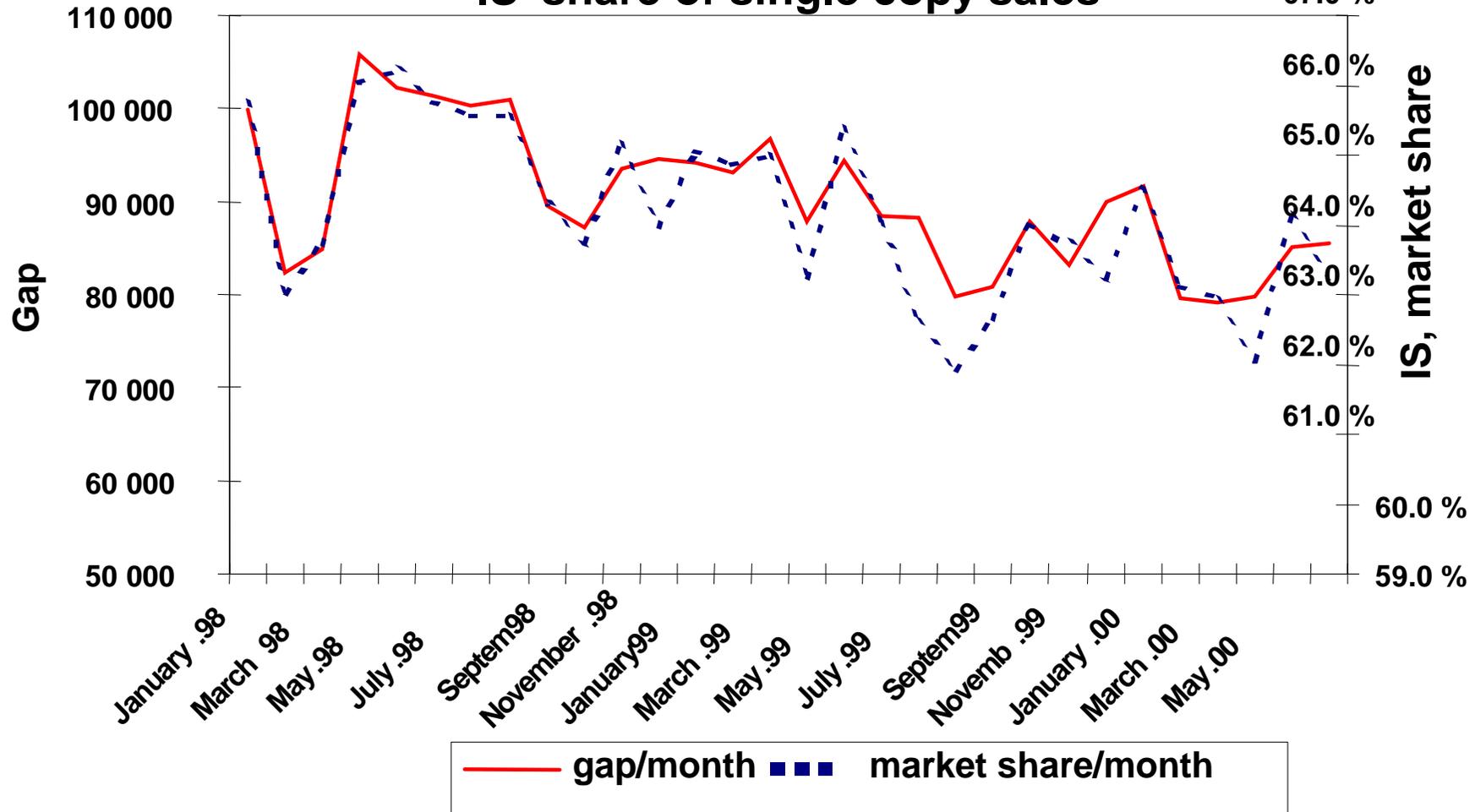


Sanoma

The Gap between Ilta-Sanomat and Italehti

IS' share of single copy sales

67.0 %



SanomaWSOY

Sanoma

Business Information for the Twenty-First Century

Sanoma Business Information Group

Antti Kivimaa, Managing Director, Startel

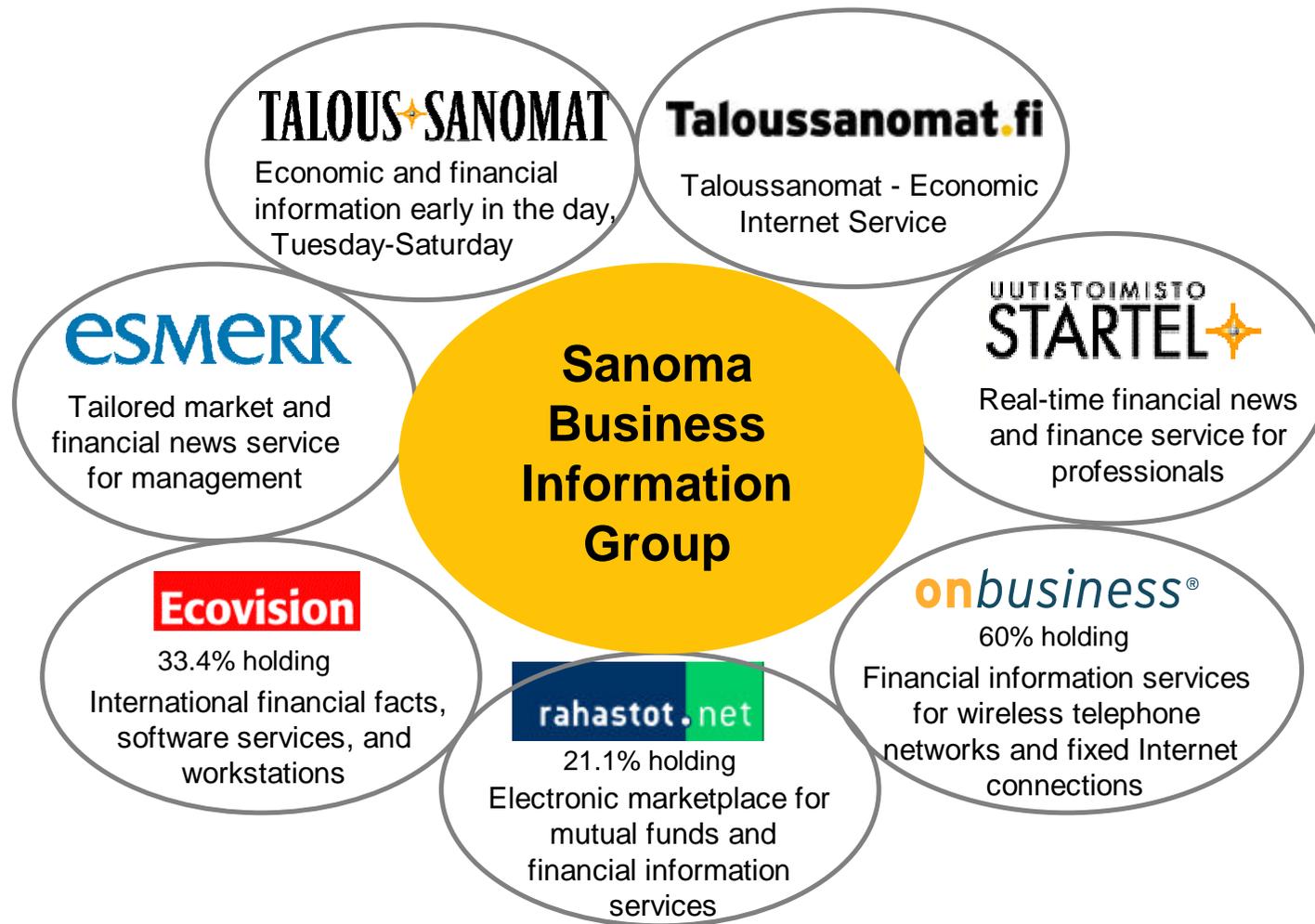
Capital Markets Day, September 7, 2000





- **Provider of comprehensive economic and financial information**
- **Started in Sanoma at the end of 1997**
- **Owners: Sanoma 90%, TS Group 10%**
- **Net sales: 1999: MFIM 71.2 6/2000: MFIM 53.6**
- **Investment phase**
- **Rapid growth**





TALOUS ✨ SANOMAT

- **Financial daily**
- **First issue on 17.11.1997**
- **Circulation 1-6/2000**
 - **Five-day circulation 23,454**
 - **Saturday circulation 30,390**
- **Delivered Tuesday - Saturday mornings**
- **80 journalists**

Taloussanomat.fi

- Started 17.11.1997
- On-line services and information

As of 8/2000:

- Registered users: 46,483
- Hits per week: 303,100
- Visits per week: 32,300
- Visitors per week: 13,300

The screenshot shows the Taloussanomat.fi website interface. At the top, there are navigation tabs for 'EURO-OPAS', 'YRITYSIEDOTTEET', 'TAUSTATIEDOTTEET', and 'SUOITAJAN ARV'. The main headline reads 'Fortum suunnittelee hallintoneuvostonsa lakkauttamista'. Below this, there is a photo of a man and a table of stock market data. The table includes columns for 'NOKIA', 'FI RYHÄ', and 'EUROZON'. The data shows Nokia at 45.4, FI Ryhä at 8517, and Eurozone at 5.53. A 'THK NET' logo is visible in the bottom right corner. The page also features a 'DILBERT' cartoon strip on the left side and a 'TASTA ERIKOISHINTAAN' button.



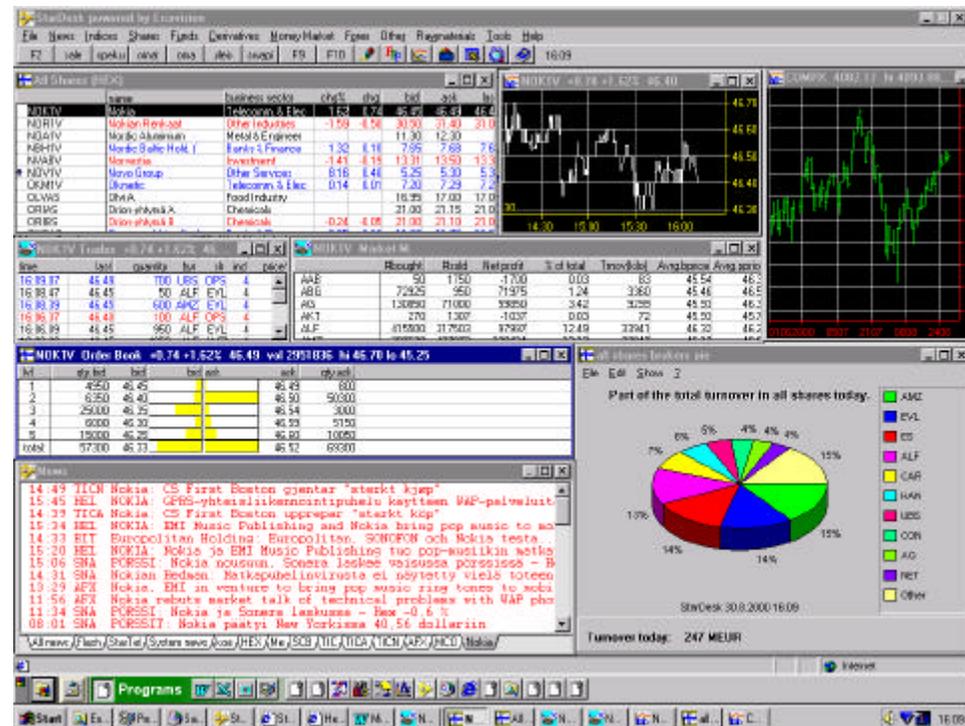
- **Started in 1989**
- **Finnish business news agency**
- **The only one in Finnish**
- **Real-time news**
- **Tailored financial information**

Professional Startel products



Digiport

Taloussanomat.fi



Sanoma

onbusiness®

- **Established at the end of 1999**
- **Joint venture**
 - **Startel, 60%**
 - **Elisa Communications, 40%**
- **Media-based convergence**
- **News and services on air and on the net**
- **Bringing context and the mobile platform together**
- **Looking for international partners**

Associated companies

The logo for Ecovision, featuring the word "Ecovision" in white, bold, sans-serif font on a red rectangular background.

- **33.4% holding**
(market capitalisation: SEK 91.2 million)
- **Swedish software service and workstation company**
- **Ticker news agency**

The logo for rahastot.net, featuring the text "rahastot.net" in white, sans-serif font on a dark blue background, with a green square to the right of the text.

- **21.1% holding**
- **New technology and electronic marketplace**
- **Mutual funds specialist**



Sanoma

esMERK

We keep you ahead

- **Established in 1965**
- **Joined Sanoma in 1999**
- **Monitors the business environment**
- **Offices: Finland, Sweden, Russia, Estonia, UK, France, Germany, Spain, USA, Brasil, Argentina, Hong Kong, Malesia, and Singapore**
- **90 analysts monitoring news from over 80 countries**



esMERK production

We keep you ahead



Consultation



Customer profiling



News analysis



Abstracting and coding



Computerised matching



Individual reports

esMERK

We keep you ahead

- **Esmerk is the solution for information overflow**
- **Internet is a data graveyard**
- **Esmerk service also covers EXformation**
- **Search engines give overflow, not necessity**
- **Globalisation means new customers**
- **Time is money, we save your time**



**”The scarce item in the world is not
information but
attention.”**

*R. McDonald
Professor of Strategy*

The Next 110 Years for Sanoma Corporation

The Future of Sanoma

Classic newspaper business can grow and is growing

- **Greater Helsinki is our home base and Finland's main growth centre - here we are number one**
- **In South-East Finland, we are the number-one newspaper publisher through Kymen Lehtimedia**
- **Nationally:**
 - **we are number one in terms of high demographic penetration (HS)**
 - **and number one in terms of the active population (IS)**
- **In business financial information, Startel is moving ahead**

New Media is Booming

- **We can orchestrate our (classic) content skills for electronic media**
 - **Oikotie classified service**
- **We can create new content ideas/formats on the basis of our diverse content resources**

Challenges

- **How best to use mass media 'know how' in the sectorised and tailored information market?**
- **How to move ahead at the same pace as our readers (more than 2 million readers a day)**

How Are We Going to Meet Those Challenges? (1/2)

- **We already know our customers-readers and advertisers quite well, and are upgrading our systems in this area.**
- **We are also building on our knowledge about customer expectations. This involves special training for multimedia journalists and producers, and a new focus for our classic training systems.**
- **We have strong brands - some of them can be easily orchestrated for new channels.**

How Are We Going to Meet Those Challenges? (2/2)

- **SanomaWSOY's new Electronic Media Sector is creating these channels and giving us access to their specialist expertise.**
- **This is our approach:**
 - **First we think of our customer, then a tool to create the best content for them, then we ask for the best available technology to implement it, 24 hours a day.**
- **This is content-driven thinking and doing. The vast majority of new media activities are driven by technology, not by content. And content is Sanoma's special strength.**