

Sanoma Entertainment

Group Meeting 4.12.2008

President Anu Nissinen



swelcom[®]



Sanoma Entertainment mission

**We provide people with the
best and most exciting electronic
entertainment services.**

Let us entertain!

Sanoma Entertainment businesses

Commercial TV and Radio



- 3 FTA channels
- 2 Pay TV channels
- 2 Radio channels

Cable TV operations



- Cable TV
- Broadband
- Set-Top-Boxes

Casual Gaming



- Casual Gaming
- Online Trivia

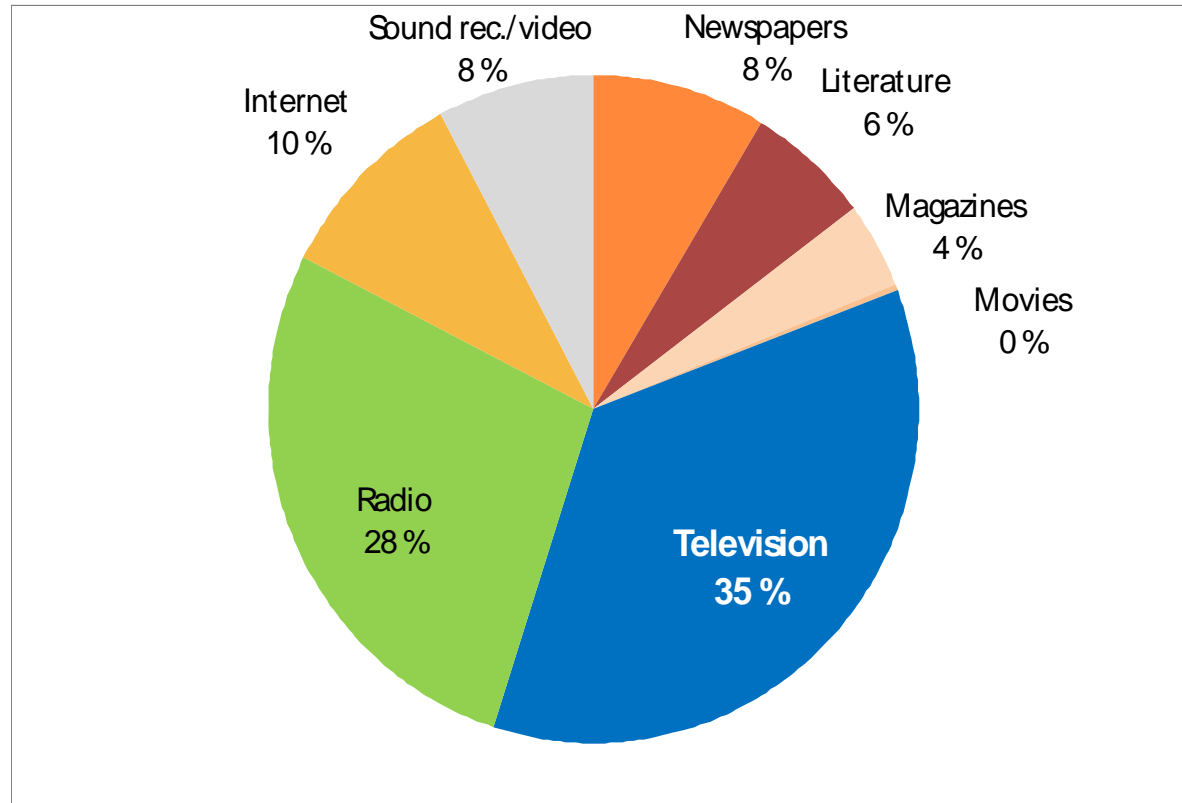
Sanoma Entertainment

Key figures

EUR million	7-9/2008	7-9/2007	1-9/2008	1-9/2007
Net sales	34.7	32.8	116.1	103.4
TV and radio	18.0	16.3	65.1	56.7
Other businesses	16.8	16.7	51.5	47.4
Eliminations	-0.1	-0.2	-0.5	-0.6
Operating profit excluding non-recurring items	2.8	3.5	13.2	10.4
% of net sales	8.2	10.7	11.4	10.1
Operating profit	2.8	3.5	13.2	10.4
% of net sales	8.2	10.7	11.4	10.1
Capital expenditure			9.4	10.0
Average number of employees *			478	448

Electronic media covers over 80% of the total consumption of media

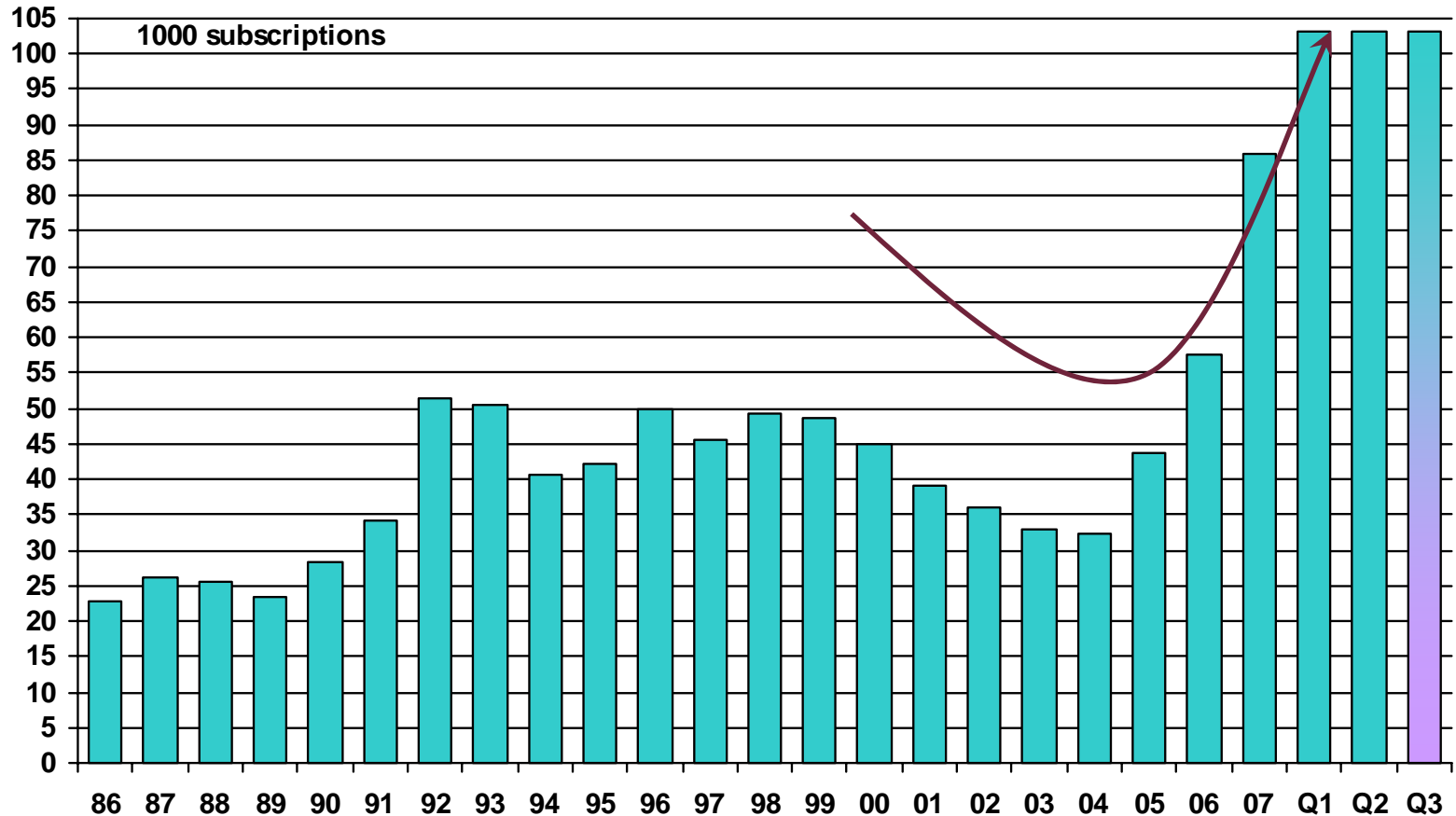
Watching TV is still the most popular hobby in Finland!



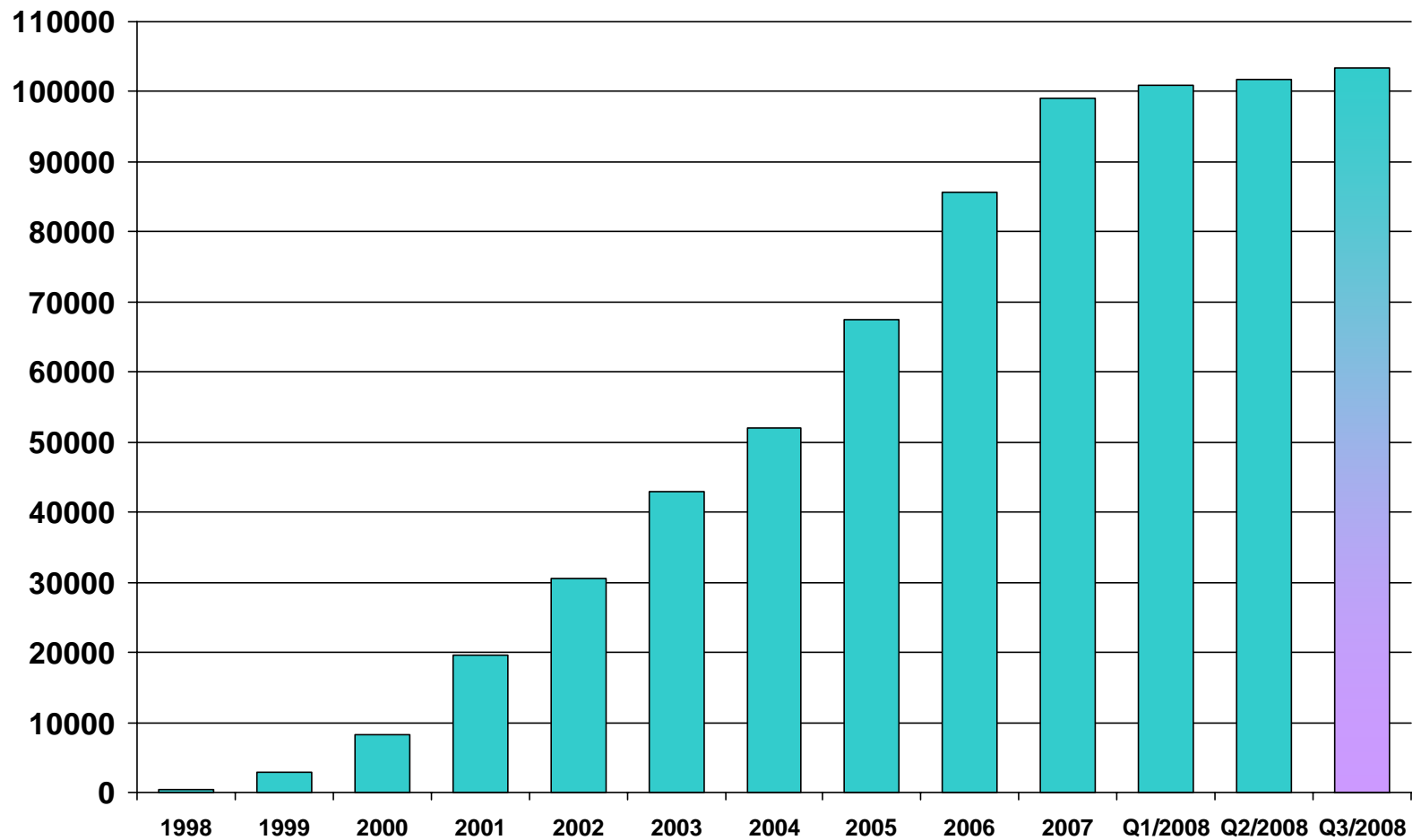
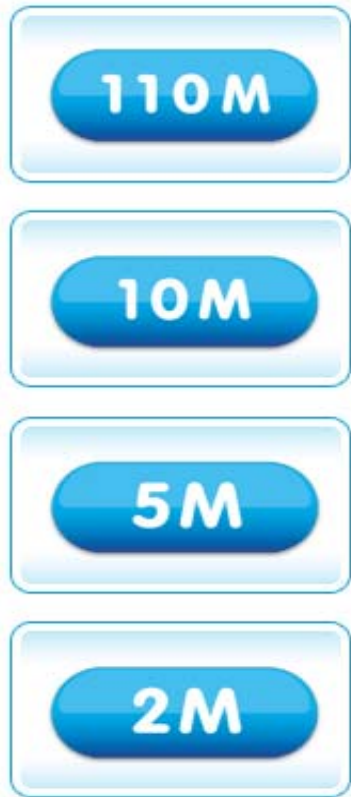
Welho offers over 120 digital TV channels – including HDTV



Welho Pay TV subscription level stabilized

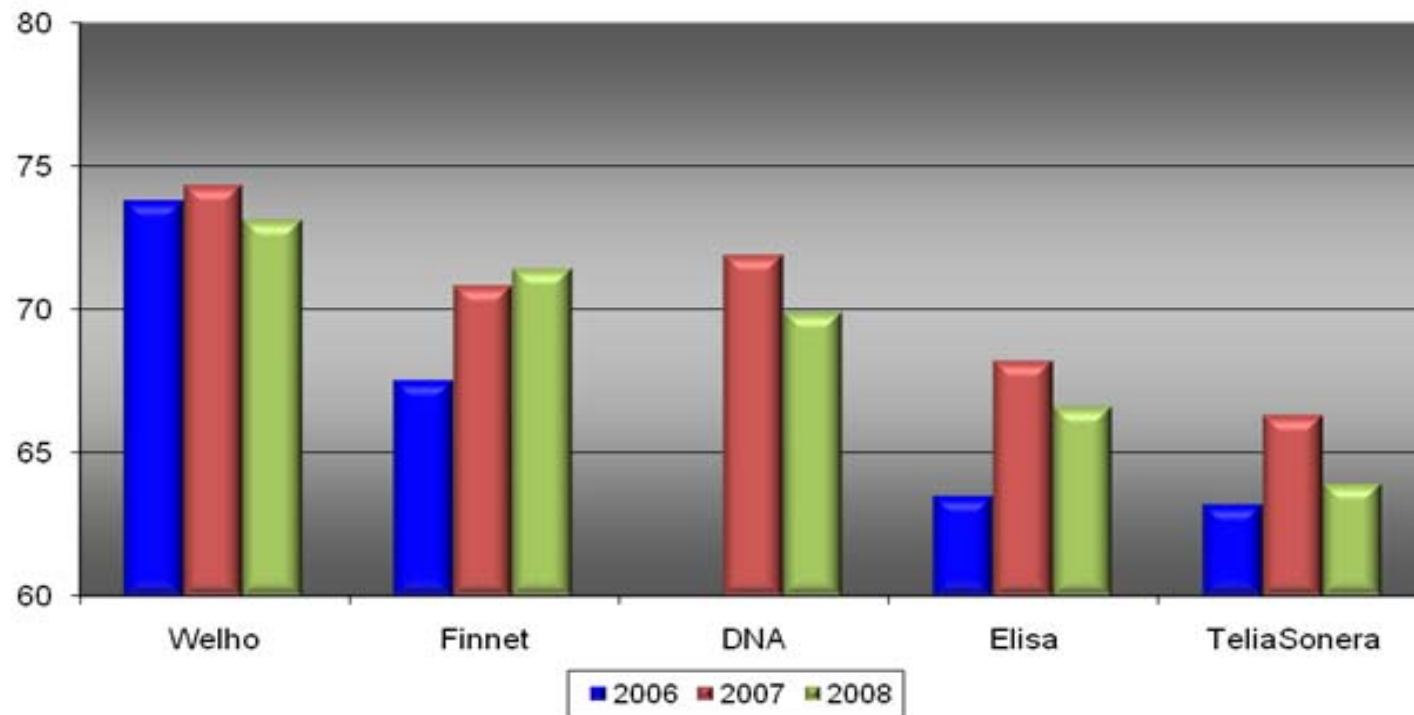


Welho broadband still slightly growing



Welho Broadband is ranked number 1 in national customer satisfaction survey

Welho kept its number one position in the national EPSI 2008 Rating customer satisfaction survey for the third year in a row. EPSI Rating measures home Internet users' satisfaction in their own operator.



The EPSI Rating is developed as a coherent measurement and analysis system for the European countries. Benchmarking is also possible with similar initiatives in USA, Africa and the Far East.

Hyper speed internet service launched first in Europe



**KORKEIMMAN
ASTEEN YHTEYS
WELHO 110M**

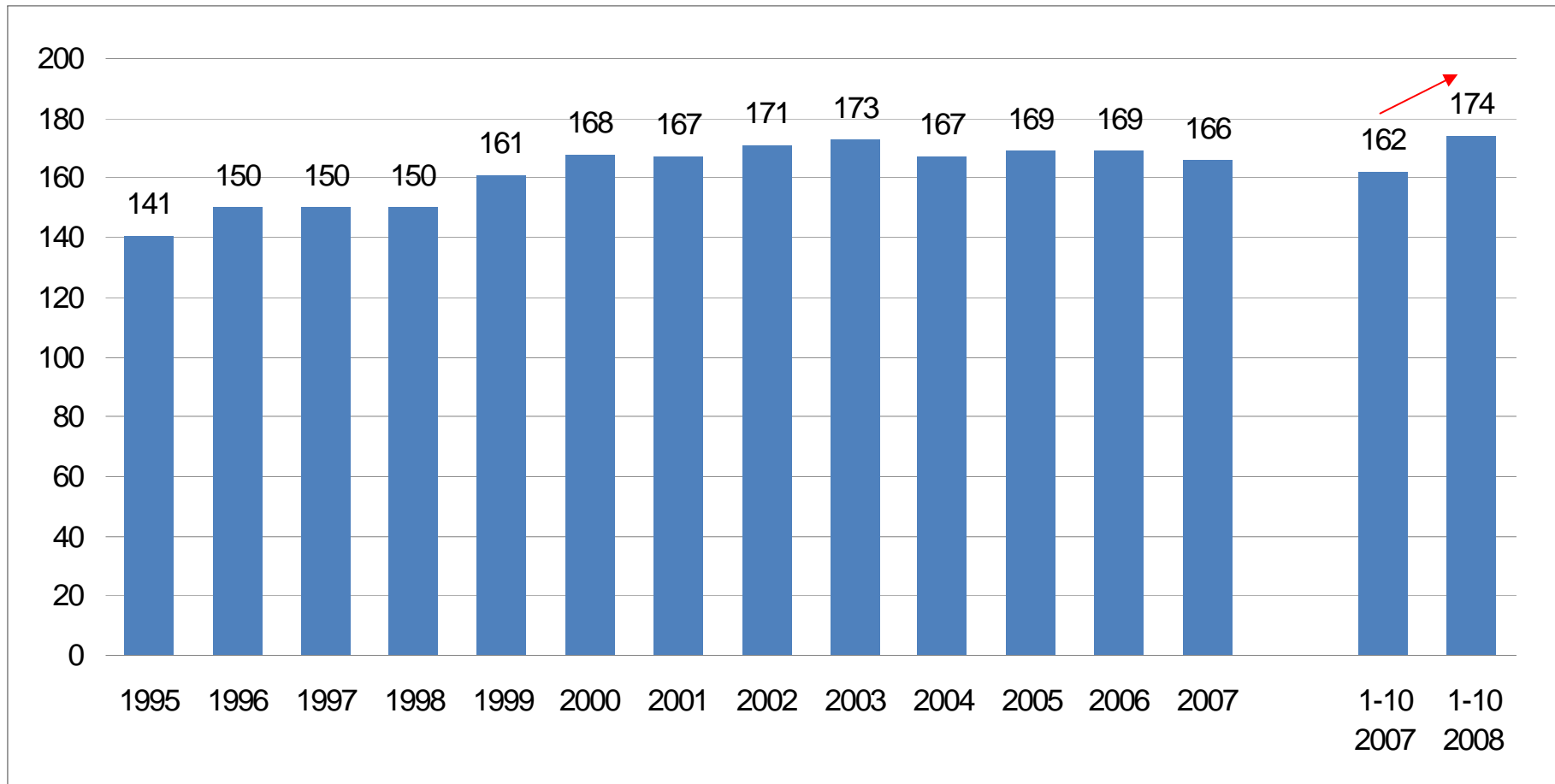
SUOMEN PARAS* LAAJAKAISTA ON NYT MYÖS MAAN NOPEIN.
700 000 SUOMALAISEN KOTIIN.

★★★★★

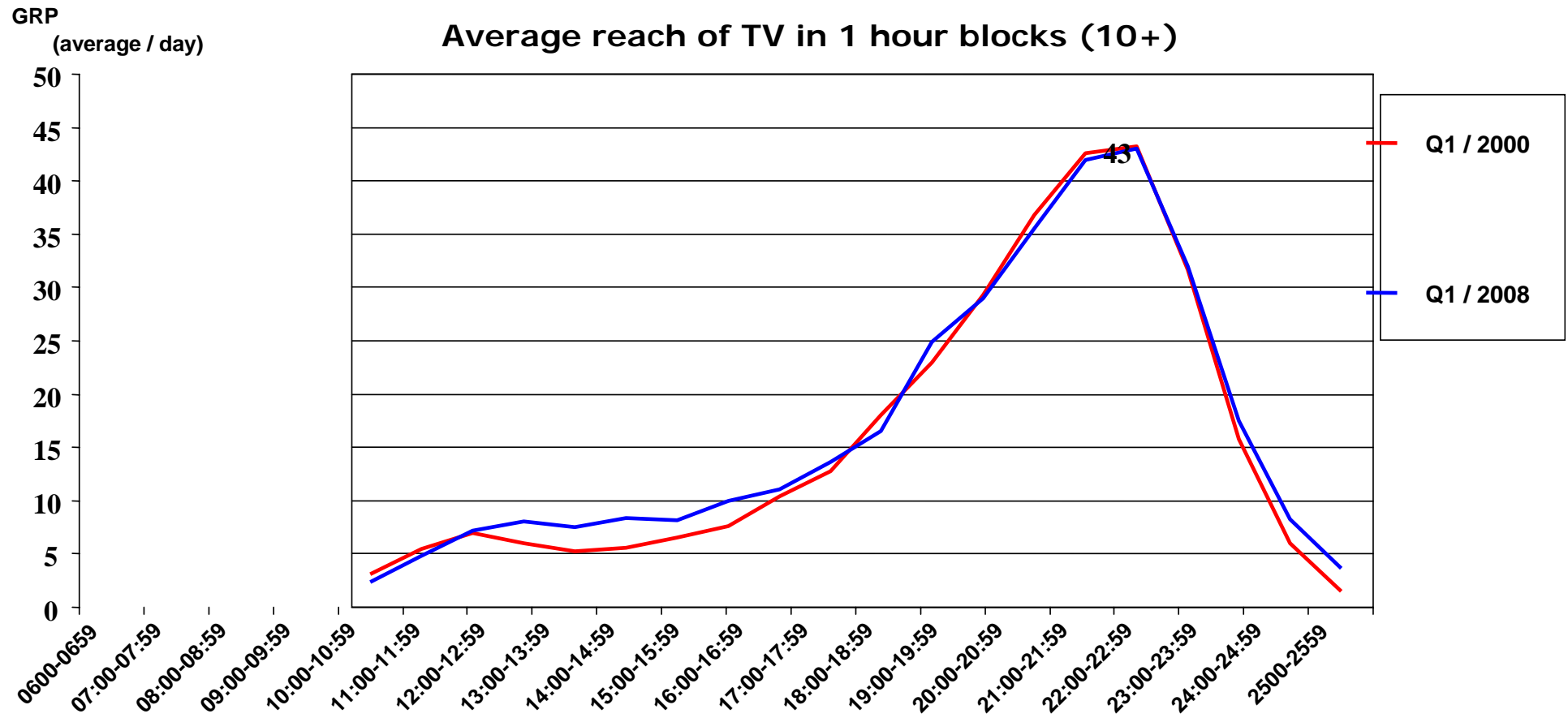
Voita 110M-laajakaista ja 110 TV-kanavaa 10 vuodeksi ilmaiseksi kotiin.
www.korkeimmanasteenyhteys.fi

TV viewing has increased after the digitalization

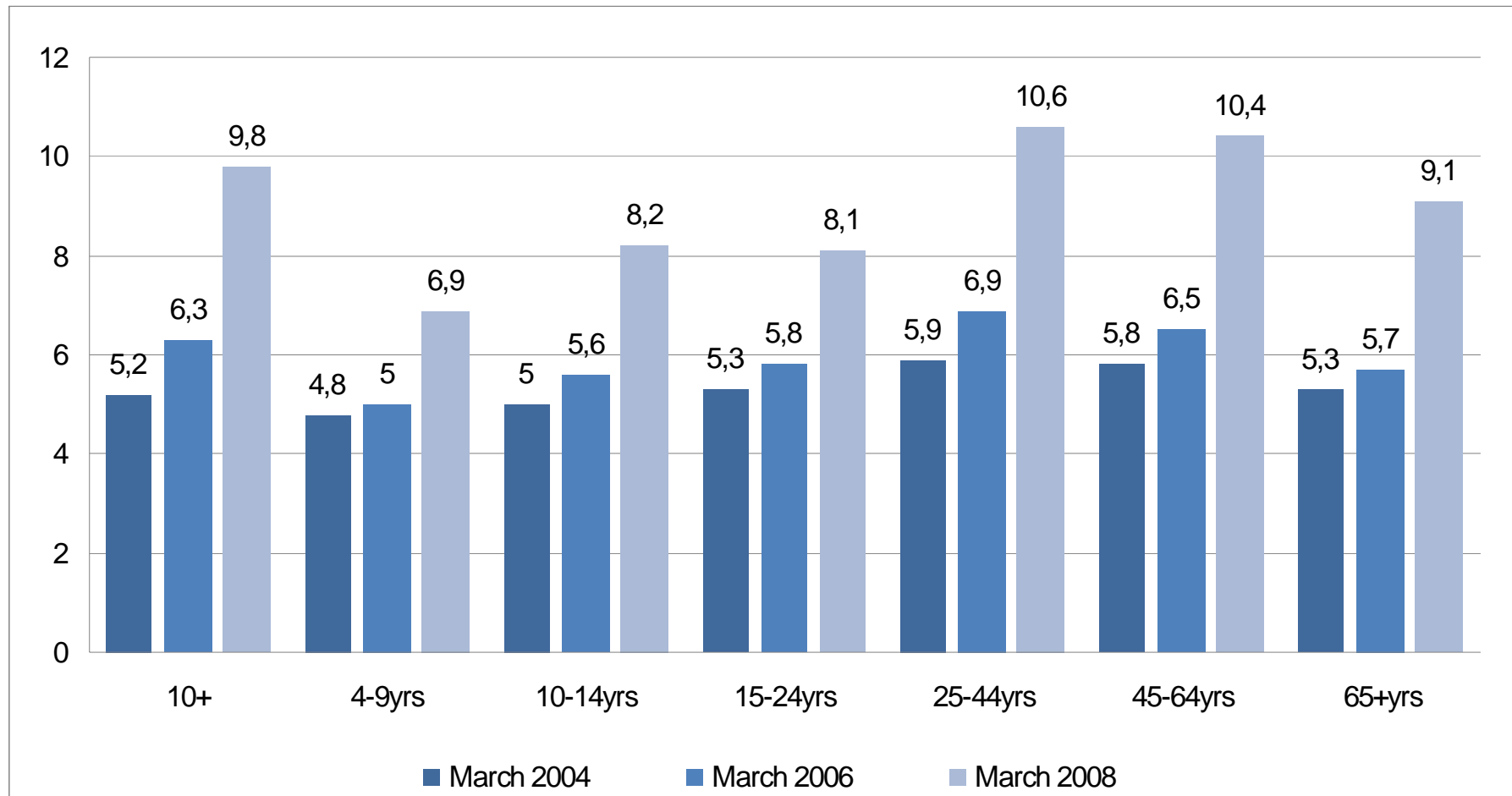
min/day



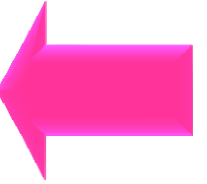
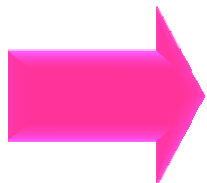
The role of TV remains the same in the daily life of the viewer



Finns watch wider variety of TV channels



TV offering is broader and more present in consumers' life



YLE

YLE TV2

YLE 24

FST

YLE Teema

4 Nelonen

JIM


 URHEILUKANAVA


 MTV3

SUBTV

THE VOICE
24T MUSIK TV

2

Multi channel offering

MAX

LEFFA

JUNIORI

FAKTA

CANAL+ FILM

CANAL+ SPORT


 DISCOVERY CHANNEL


 DIGI VIIHDE

KINO


 URHEILU+KANAVA


 EUROSPORT

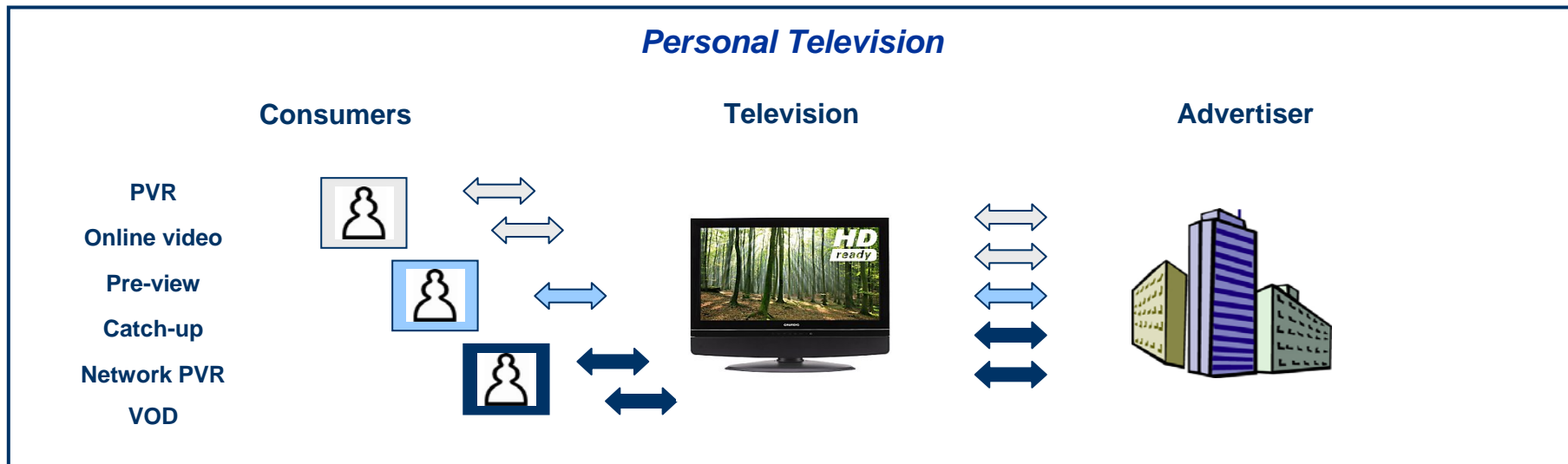

 M TV


 SVT Europa


 NICKELODEON

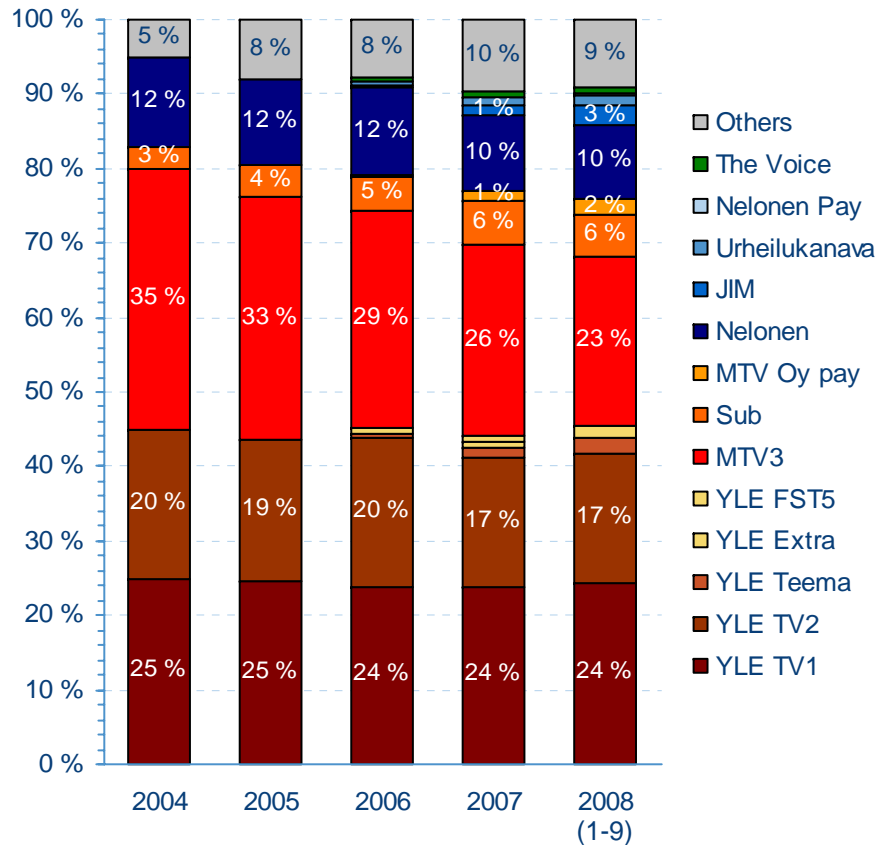

 Disney

Personal TV = Targeted TV



TV viewing shares 1/2

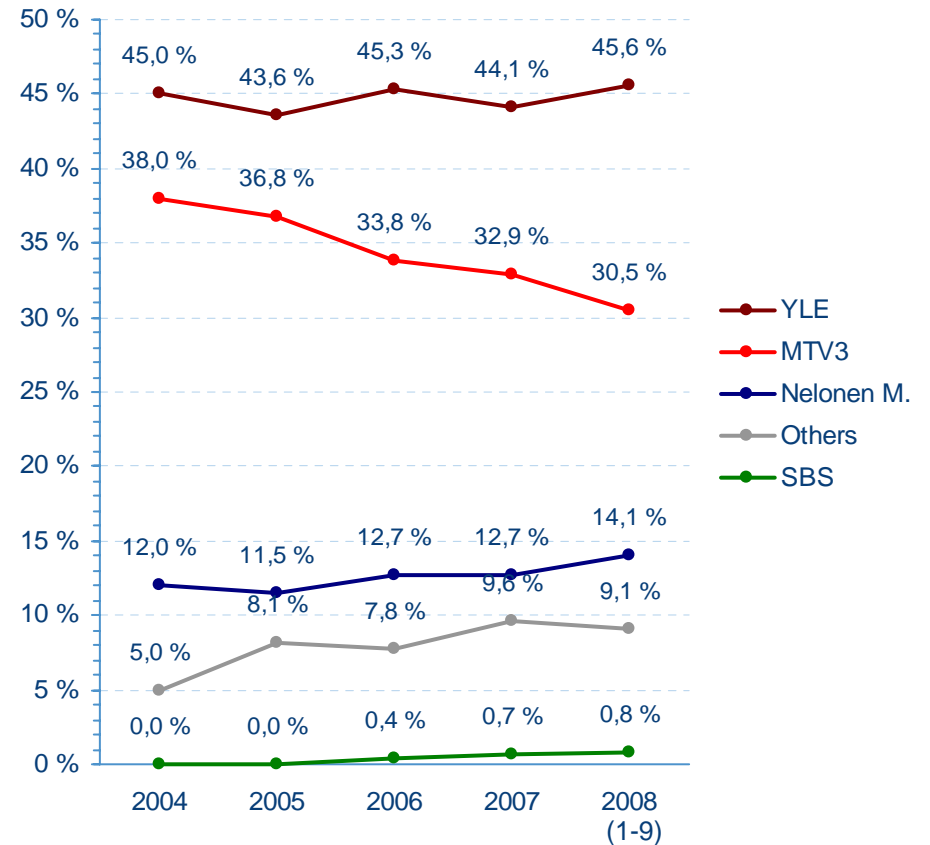
National viewing shares (10+)



Source: Finnpanel



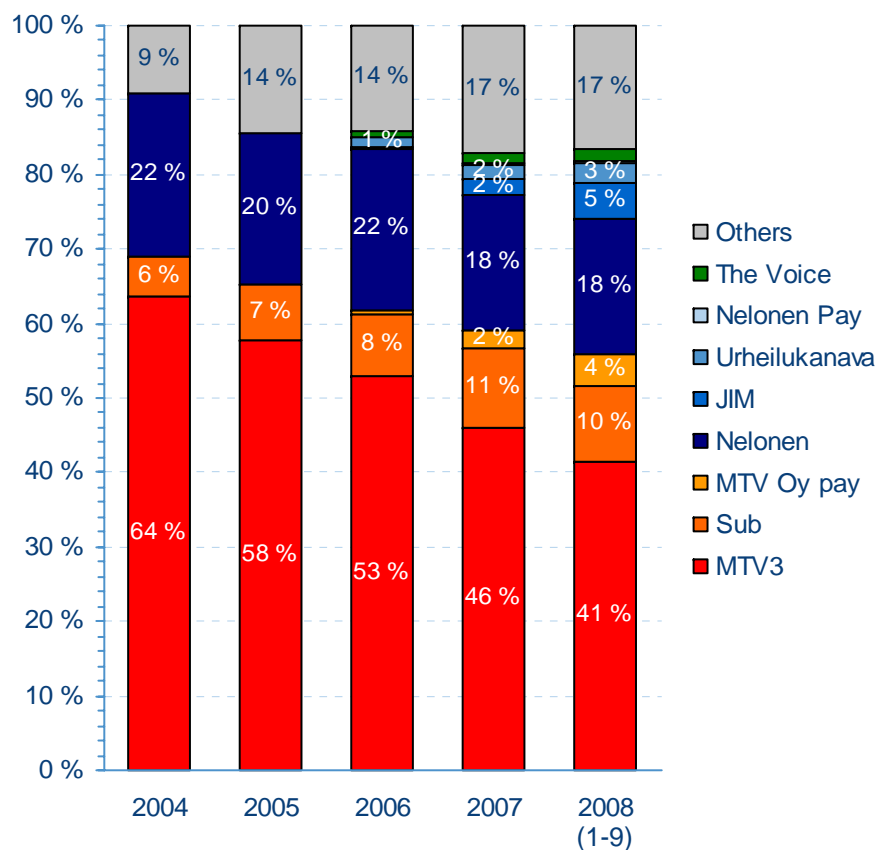
National viewing shares (10+)



Source: Finnpanel

TV viewing shares 2/2

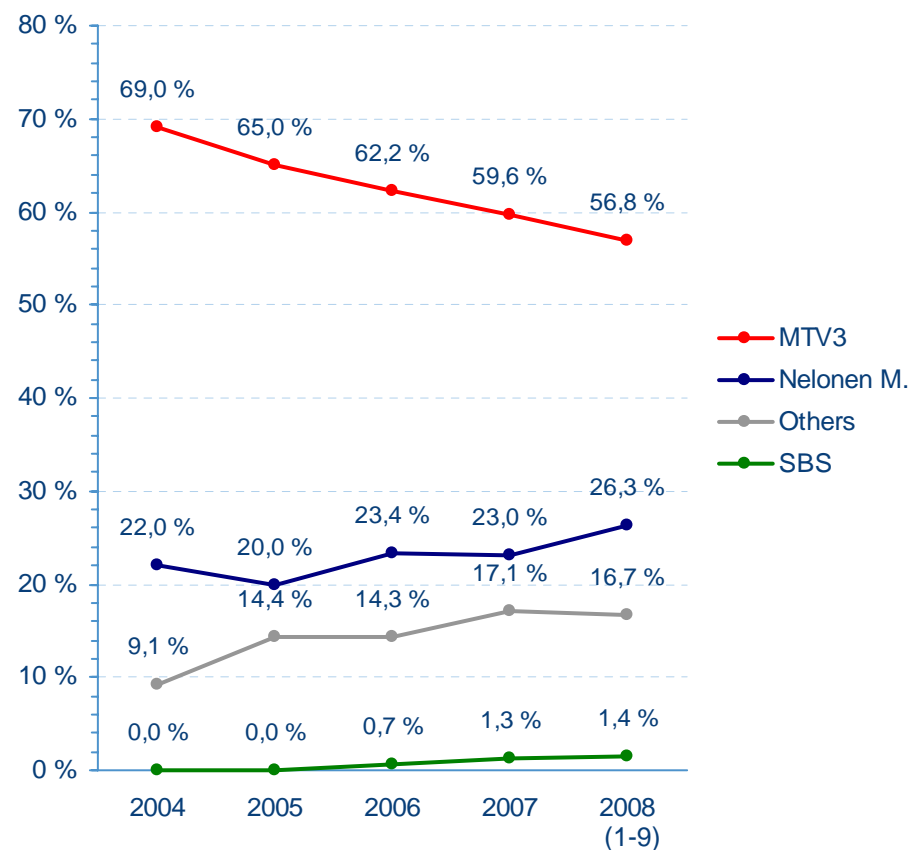
Commercial viewing shares (10+)



Source: Finnpanel

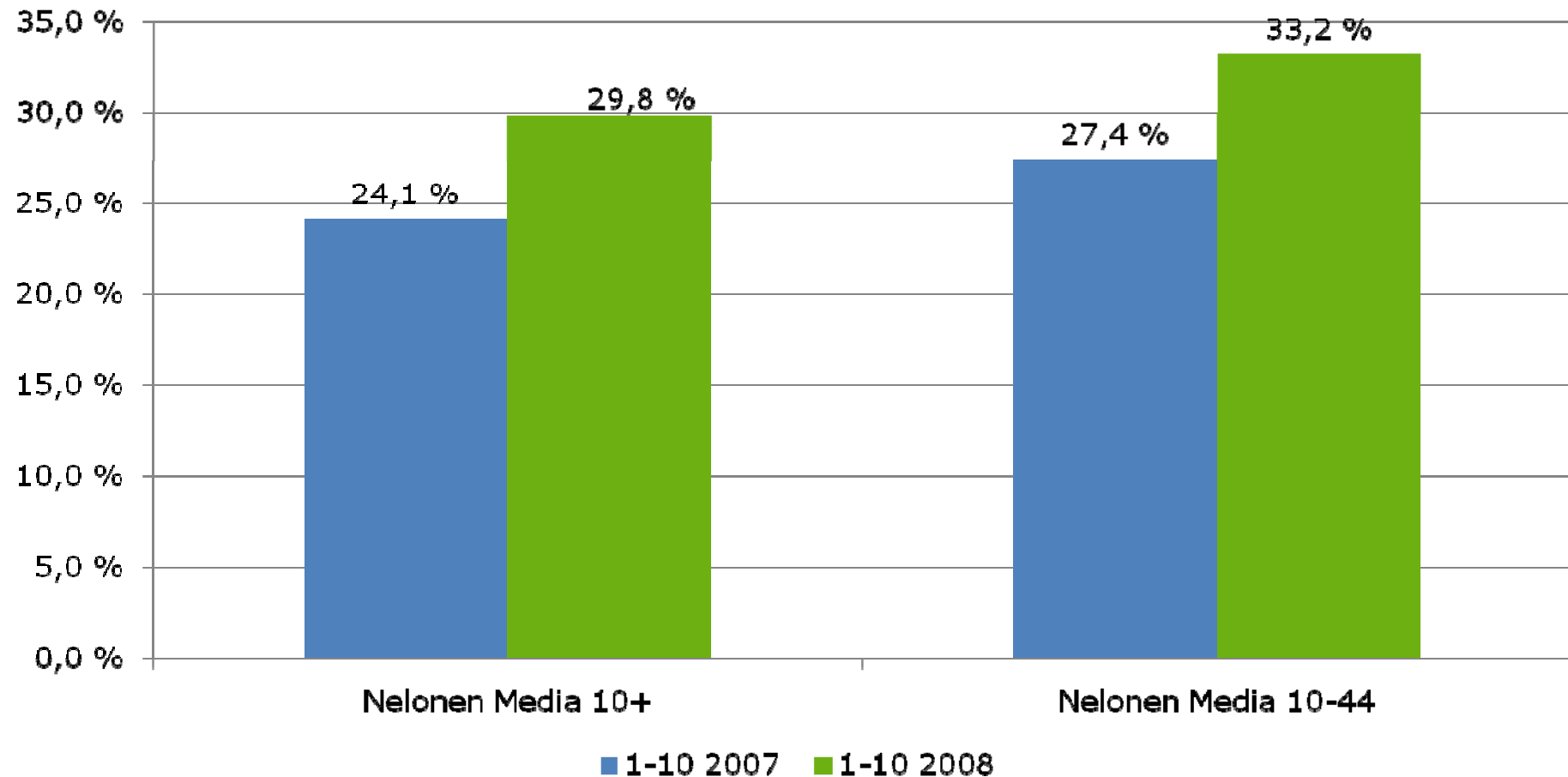


Commercial viewing shares (10+)

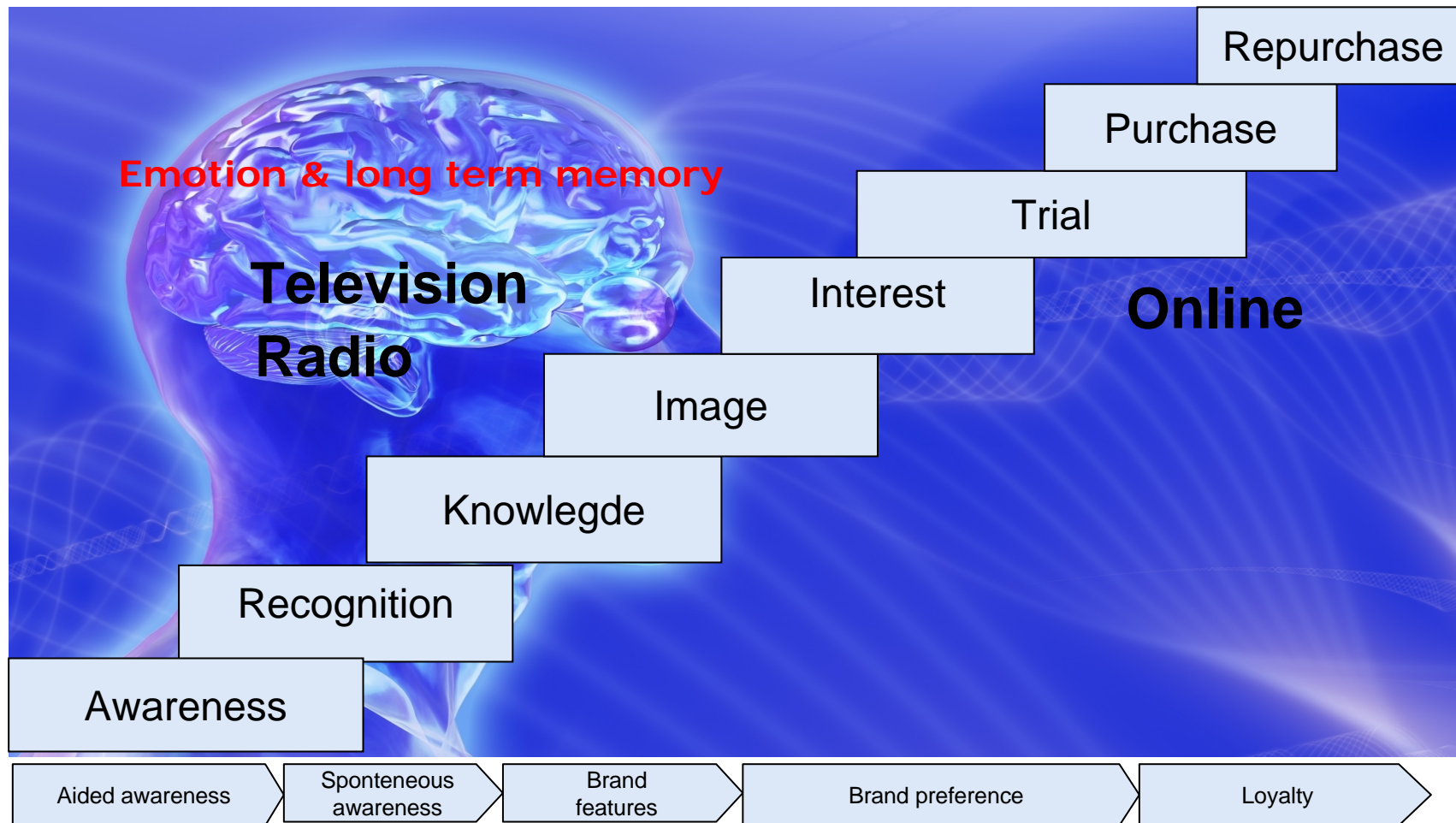


Source: Finnpanel

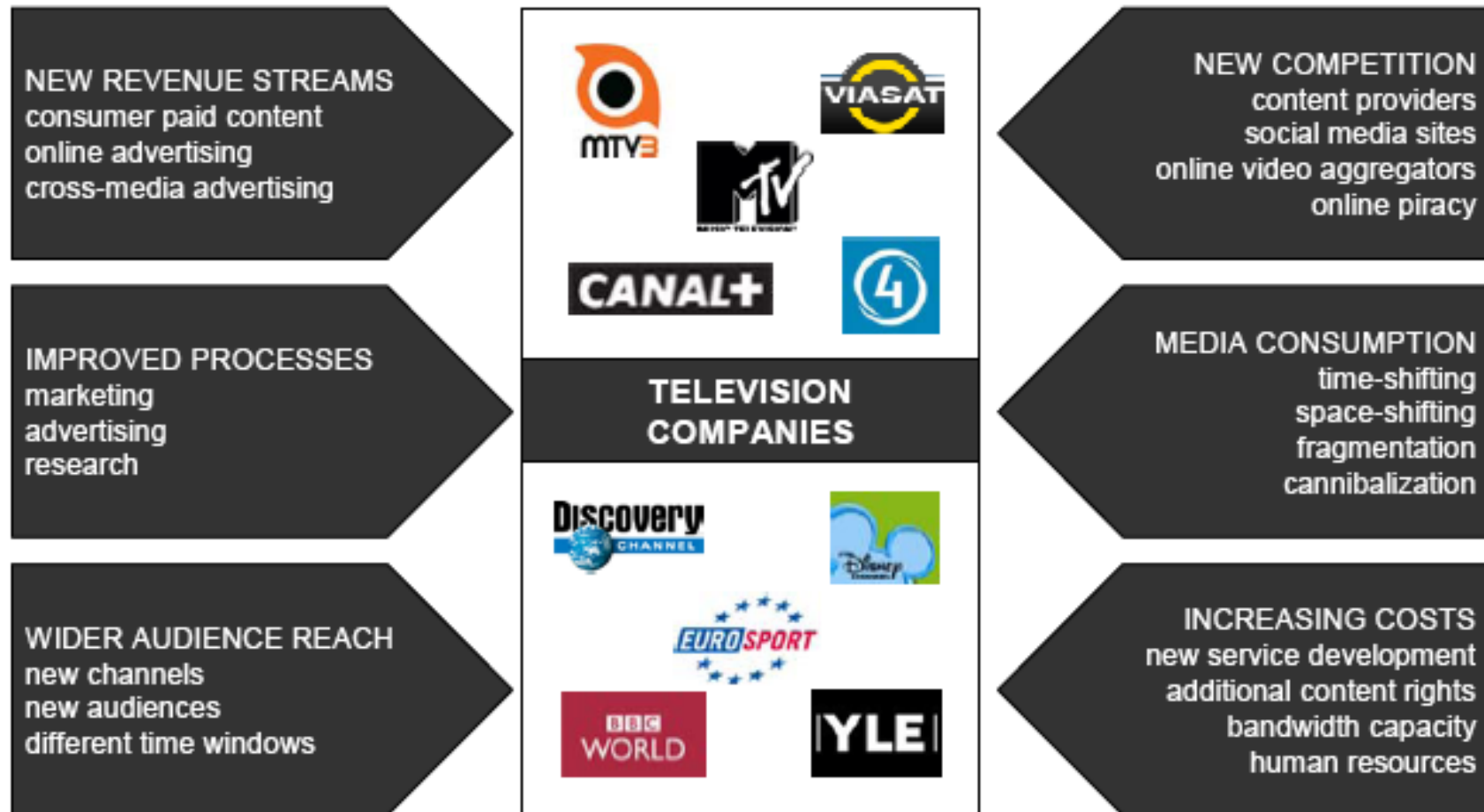
Nelonen Media commercial viewing shares 10+ and 10-44 yrs



Purchase process –the role of electronic media in communication strategy

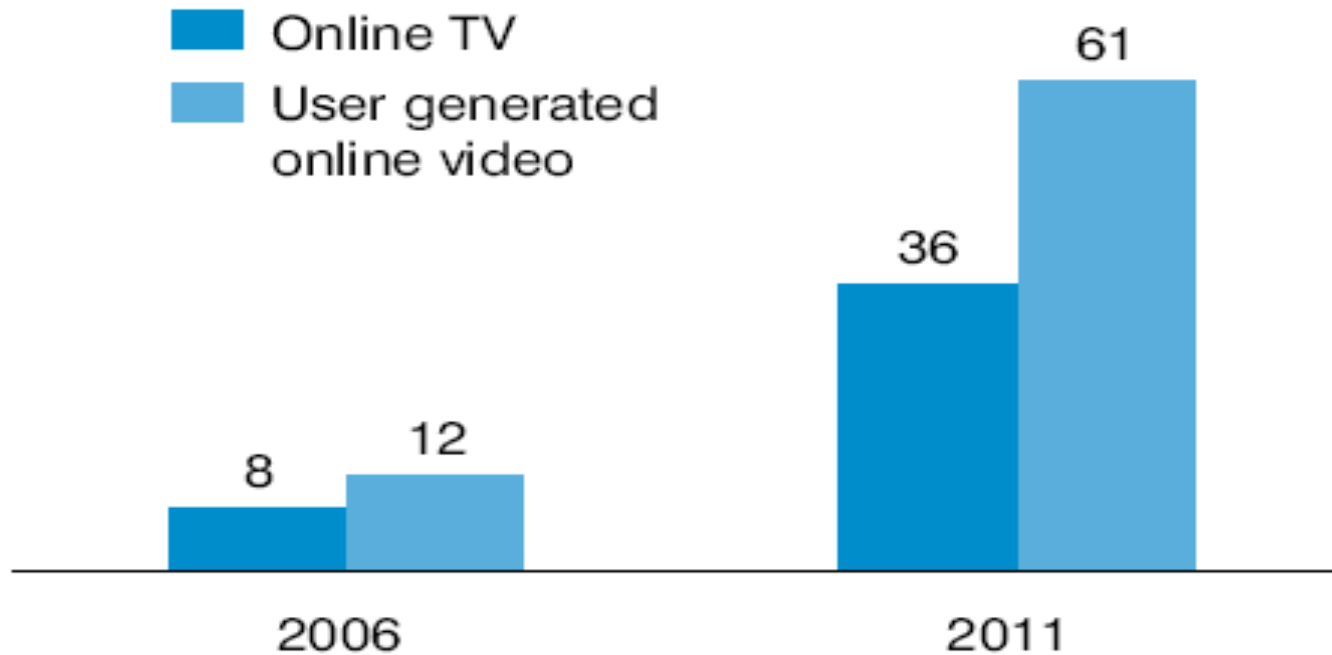


Web TV's impact on television companies and the industry



US Online Video Streams (billions)

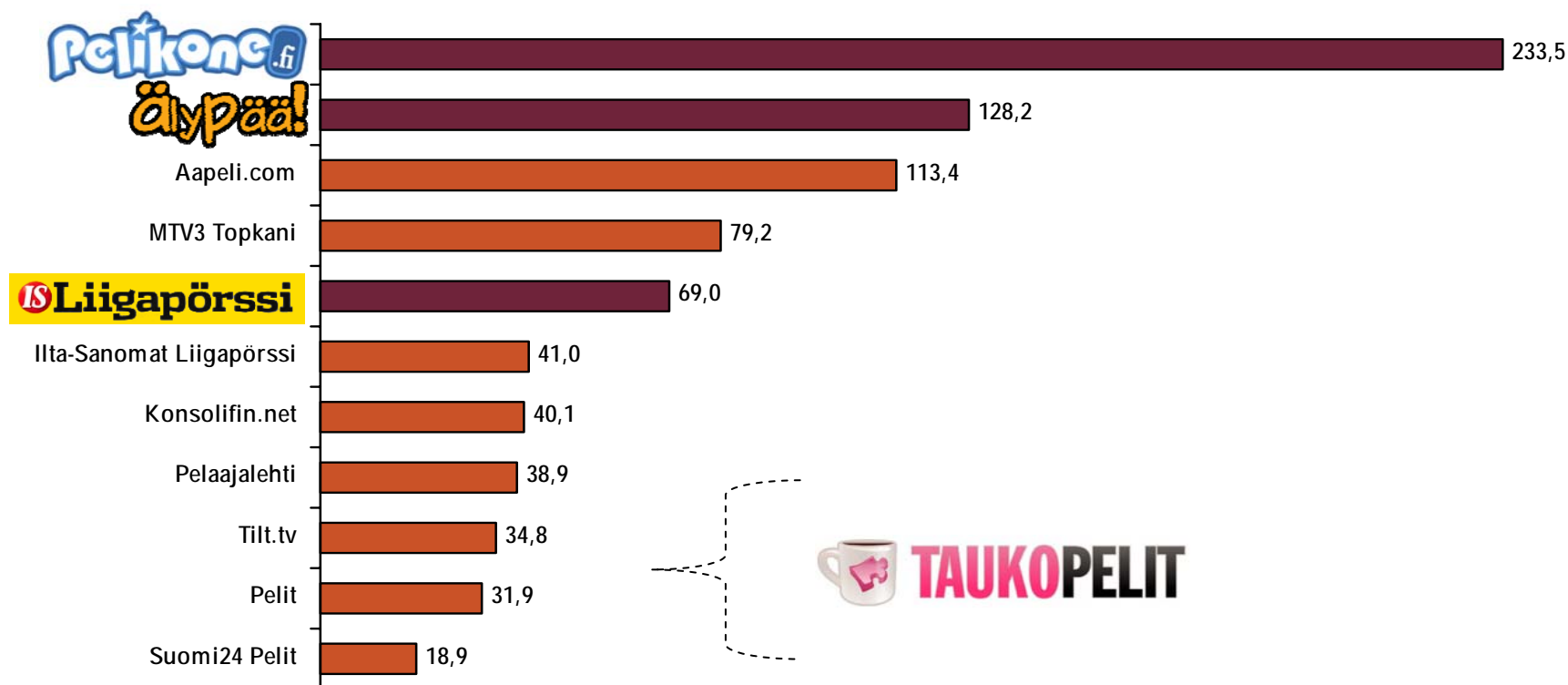
TV defines what online videos
people watch



Source: eMarketer

SE gaming network in Finland is now reaching over 400K unique weekly visitors

Weekly visitors at Finnish gaming sites (week 48, thousands)



Source: TNS Metrix, week 48

Monetization: casual gaming provides many opportunities for engaging advertising

Engage in new and better ways

Attention and reach for campaigns

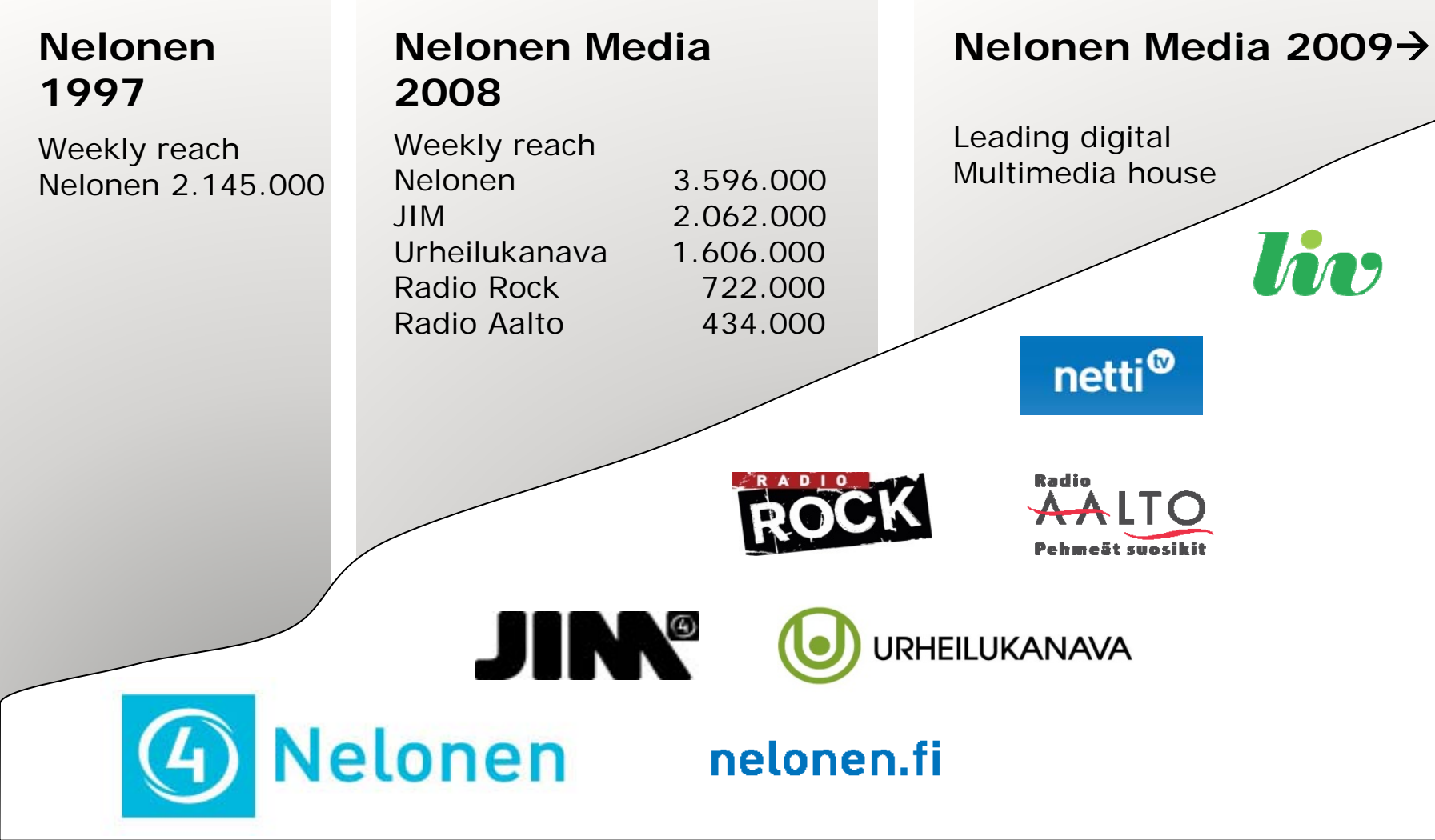
Premium positions and players for advergaming

Fun way to discover and engage with brand



Nelonen Media 2009

Nelonen Media



Nelonen

- Quality content and media environment
- Channel for consumers ready to adopt new ideas and also advertising
- Channel for urban people



JIM

- Reaches consumers via different interest areas
- Has grown fast to one the most reaching media in Finland
- Reaching well both men and women



Urheilukanava

- Offers wide range of interesting sports
 - Football during weekends
 - Live broadcast in prime time
 - Ice hockey championships together with YLE
- Reaches over 1,5 mill. Finns weekly
- Male profile



Liv – Life is Now

- The first Free-to-Air **life style TV channel** in Finland as of 14.2.2009
- New and contemporary programs
- Programs in four blocks from morning to evening
- Distribution to ca. 1,3 mill. Cable TV households
 - 7 day Web TV
 - Target group 25 – 44 yrs

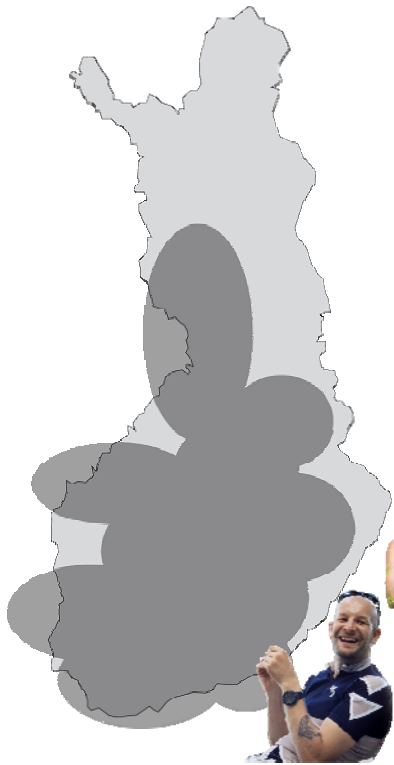


Nelonen Media Radio

Radio Rock & Radio Aalto



- Radio stations started in the beginning of 2007
- Radio Rock is the market leader in its target group
- Radio Rock ja Radio Aalto reach over 1 mill. listeners weekly



Reach potential
over 4,2 mill. people

Targeted at
urban 25 -
44 yr men



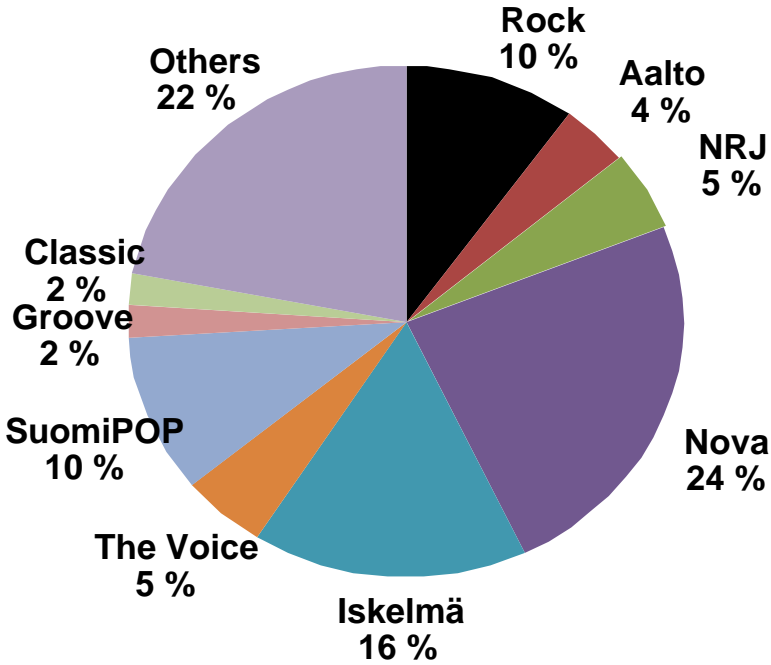
Reach potential
over 3,5 mill. people

Targeted at
urban 25 – 54 yr
women

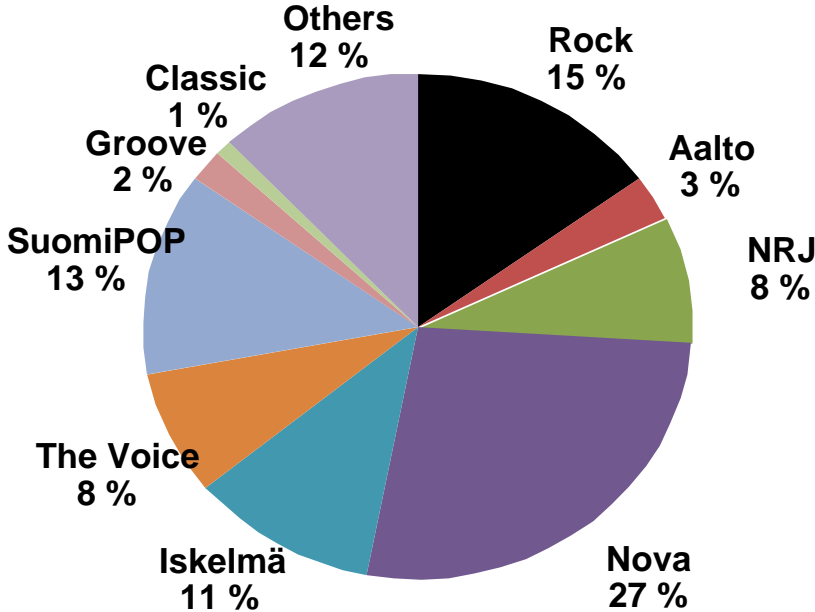


Commercial radio listening shares

9+yrs

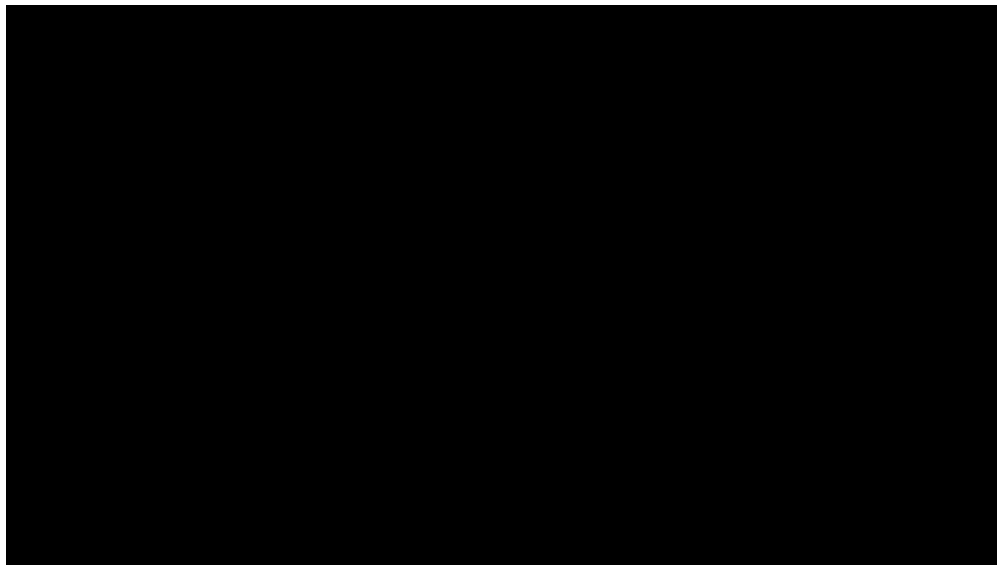


9-44yrs



Nelonen Media Online

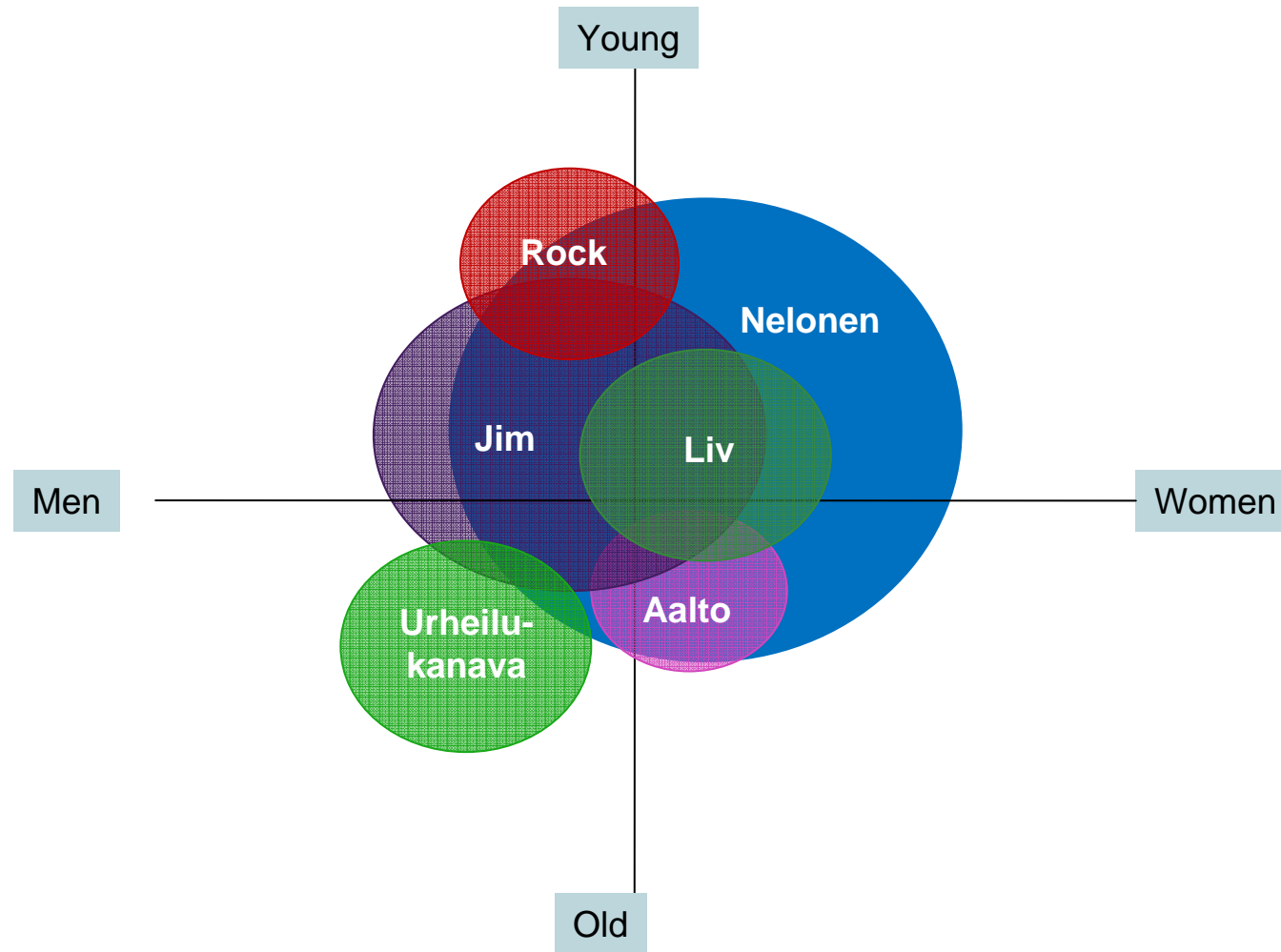
- Consumers are looking for more and more video content from Nelonen Media web TV.



Nelonen Media – Online video

- Online video is the focus in developing Nelonen Media internet services
- Online video – viewing is growing rapidly
 - Over half a million video starts in a week (Nov 2008)
 - Easy for viewers – no registration, fees or technical problems
 - Revenues from advertising, i.e. advertising breaks
- Web TV study
 - High loyalty
 - Viewer profiles very close to ones with programs

Nelonen Media portfolio covers wide audience



Älypää!

Pelikone.fi

elämä on nyt
liv



URHEILUKANAVA
RAKKAUDESTA URHEILUUN

RADIO
ROCK

-Soitetaan mitä halutaan-



JOTAIN IHAN MUUTA

JIN

Tervetuloa oman ajan pariin

Kiitos!

 **Sanoma**
ENTERTAINMENT

Radio
AAALTO
Pehmeät suosikit

WELHO



NelonenMedia
a Sanoma company