

Helsingin Sanomat – Determined in digital transformation



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Sanoma in a Nutshell

Last 12 months* – Non-print sales: EUR 610 million in Media Finland and Media BeNe

	Three Strategic Business Units		
	Media Finland	Media BeNe	Learning
TV & Radio Net sales EUR 350 million			
Magazines Net sales EUR 480 million	Q4/2015-Q3/2016 Net sales EUR 580 million	Q4/2015-Q3/2016 Net sales EUR 790 million	Q4/2015-Q3/2016 Net sales EUR 280 million
Online & Mobile Net sales EUR 200 million	Non-print 41% (240 million) of sales	Non-print 47% (370 million) of sales	Digital/hybrid/services 57% (160 million) of sales
Newspapers Net sales EUR 240 million	Operational EBIT margin Around 10%	Operational EBIT margin Around 9%	Operational EBIT margin Around 20%
Other Net sales EUR 110 million			

* Figures rounded to closest EUR 10 million.

In addition, 'Other' sales totalled EUR 10 million, not including Parent company, other centralised Group costs and eliminations



HS

Total weekly
readers:
2,050,000

Daily readers:
707,000

(print + digital
look-a-like)

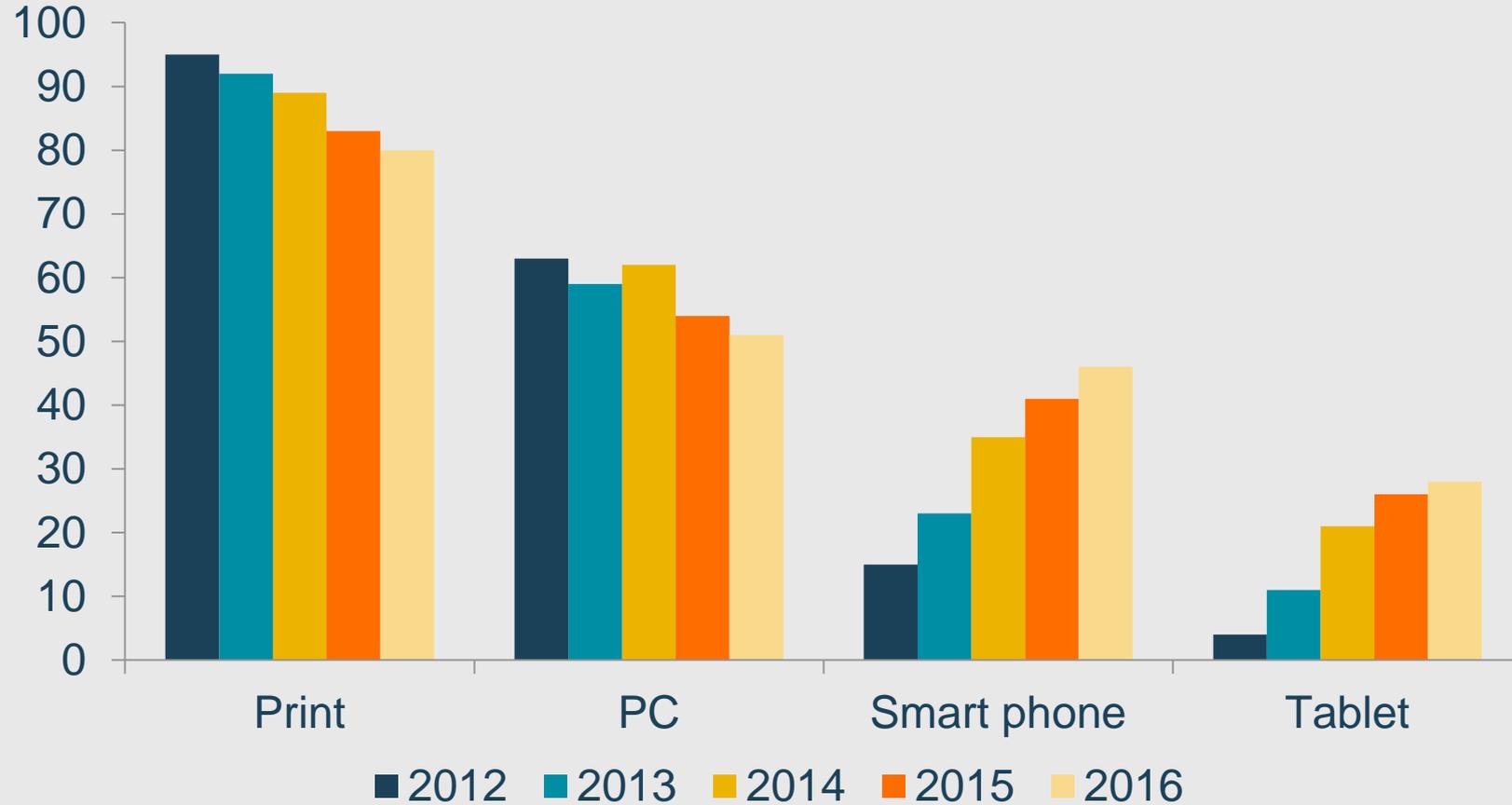
Subscriptions:
373,000

Over 50%
of subscribers
paying also for
the digital
content

Kuukausiite
the largest
magazine in
Finland

Various Ways to Read News

Weekly Reading of Newspapers and Magazines in Finland



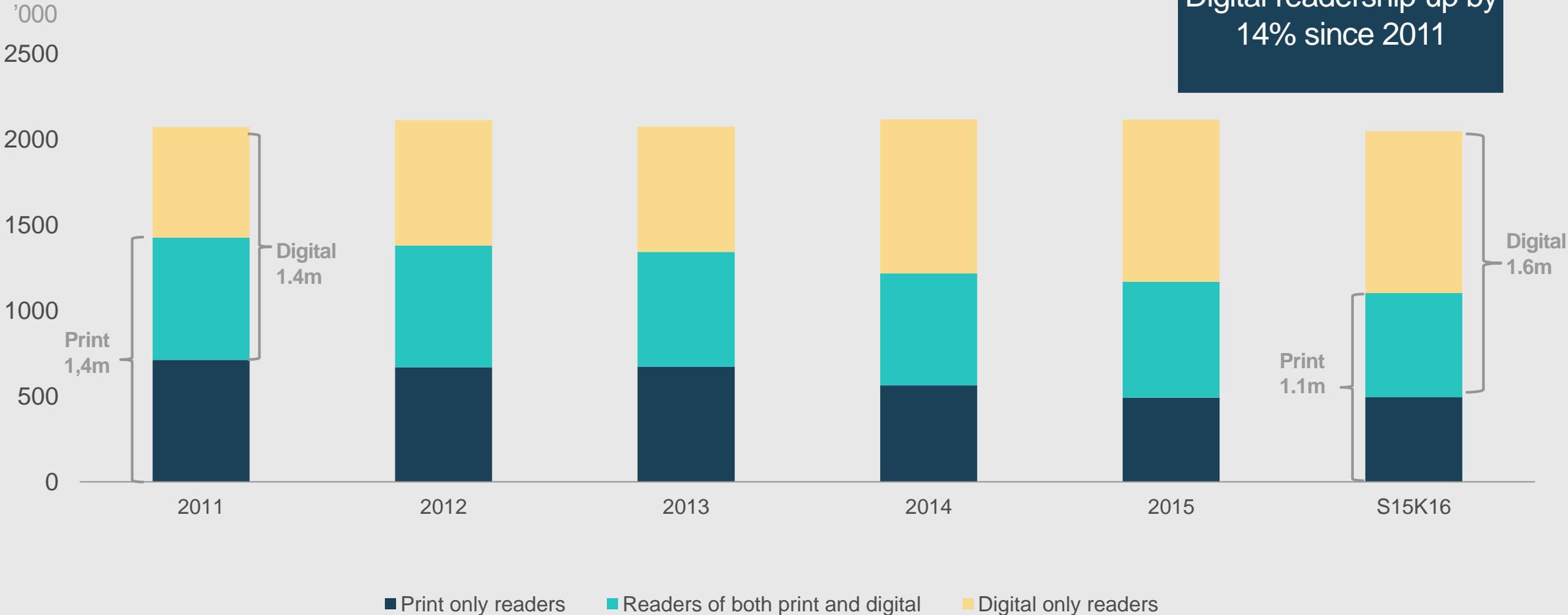
Digital offering is growing in Finland , print is still the most popular method to read news

Source: KMT, Spring results of each year

Share of Digital Readers Growing

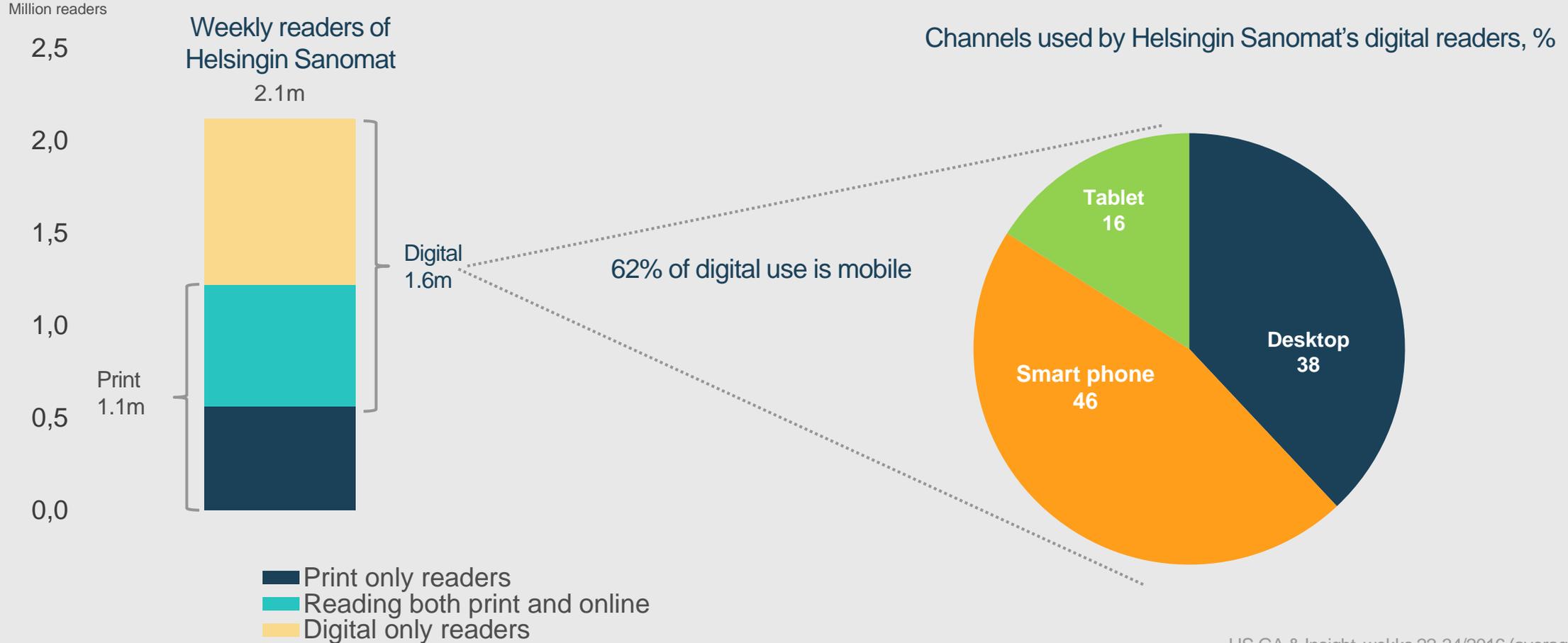
Helsingin Sanomat Weekly Readers

Digital readership up by 14% since 2011



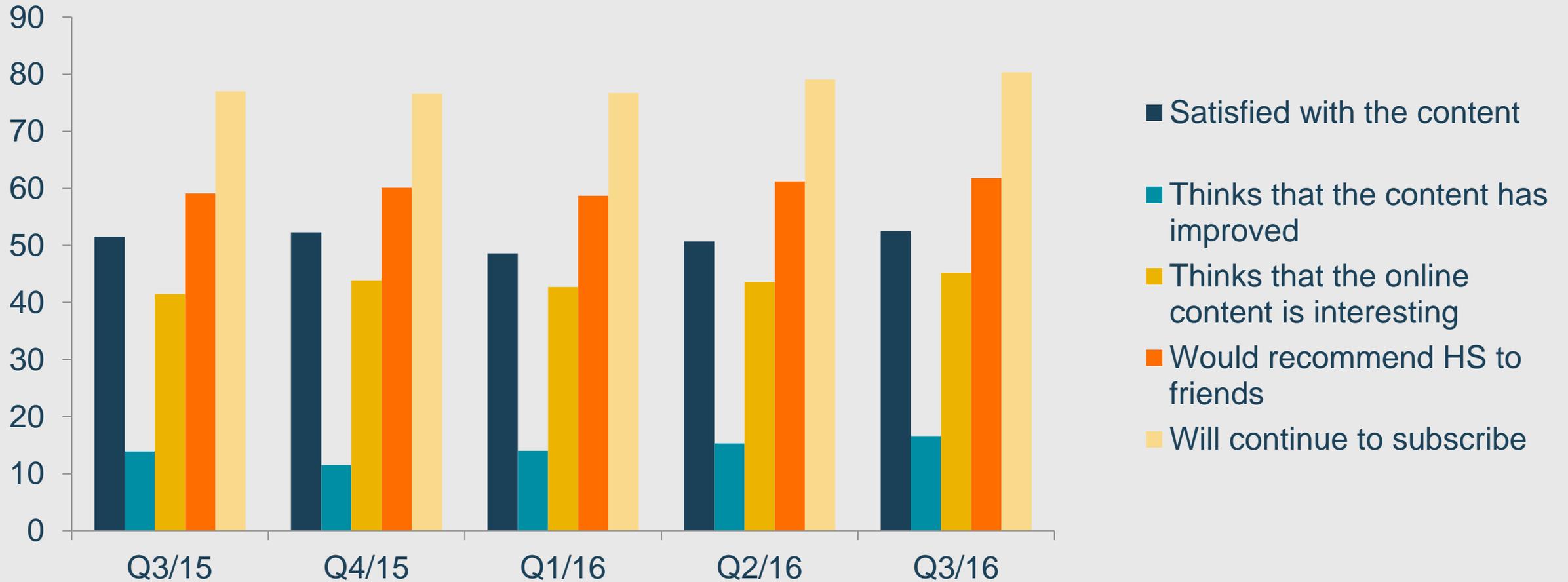
From Print to Digital, from Desktop to Mobile

Product Portfolio that Fits Readers' Daily Rhythm



HS GA & Insight, weeks 22-34/2016 (average monthly use)

Customer Satisfaction Increasing



Source: KMT, Spring results of each year

Targetting Significant Reach also Online

National Weekly Visitors

	Media	Number of users October 2016
1	Ilta-Sanomat	1,998,250
2	Ilta-lehti	1,780,000
3	YLE	1,607,750
4	Helsingin Sanomat	1,544,750
5	MTV	1,474,750

Source: TNS Metrix, weekly reach

Media Advertising Markets in Finland

Finland	FY/15	Q1/16	Q2/16	Q3/16	1-9/16
Newspapers	-8%	-6%	-5%	-3%	-5%
Magazines	-15%	-11%	-10%	-4%	-9%
TV	-4%	-2%	-4%	+2%	-2%
Radio	+3%	+15%	+3%	+2%	+6%
Online*	+7%	+5%	+18%	+17%	+13%
Total market*	-3%	-1%	-1%	+1%	-0%

* Source: TNS Gallup, excl. online search. Total market in includes other smaller categories such as cinema and outdoor advertising.

In B2B Focus is in the Capital Region

Sanoma Leading in Weekly Visitors in the Capital Region

	Media	Number of users in the Capital Region	Reach, %
1	HS.fi (Helsingin Sanomat)	474,000	64
2	Iltasanomat.fi	440,000	59
3	Iltalehti.fi	385,000	52
4	Yle.fi	366,000	49
5	MTV	316,000	43
6	Taloussanomat.fi	210,000	28
7	Nyt.fi	187,000	25

Source: TNS Metrix, weekly reach

New HS Metro launched on 17 November

Digital media	Number of users	Reach, %
HS.fi (Helsingin Sanomat)	474,000	64
Iltasanomat.fi	440,000	59
Iltalehti.fi	385,000	52
Yle.fi	366,000	49
MTV	316,000	43
Taloussanomat.fi	210,000	28
Nyt.fi	187,000	25
Print media	Readers	Reach, %
Helsingin Sanomat	323,000	39
Helsingin Sanomat + HS Metro	427,000	51
'Tehotorstai' package on Thursdays	507,000	61

JUURESMAAN HERKKUJEN MAKU TIIVISTYTY UUNISSA
Mausta juurekset lakritsilla. sivut 8-10

HS metro
ESPOO | HELSINKI | VANTAA • Torstai 13. lokakuuta 2016

Minitaloista luvassa apua asuntopulaan
Pääkaupunkiseudun kovat asuntojen hinnat ovat saaneet sekä ostajat että asuntorakentajat kääntämään katseensa pienempiin ja muutenkin edullisempiin asuntoihin. sivu 4

Hammashoitola kulkee matkalaukussa
Vantaan Luonen Espoon ohjelmaa...
Uusi Opel Astra on pihidiiesel
Michael Monroe tekee Roosa nauhan

NEUVOLAAN AAMUIN ILLOIN

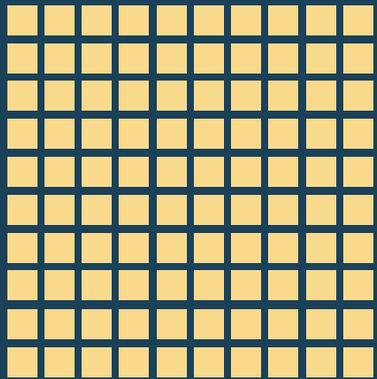
**Fully digital future
is possible.**



Case: Suunta in Media Finland

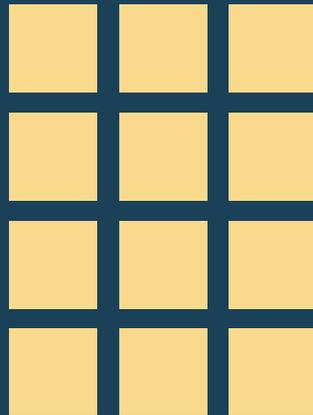
100

initiatives



12

projects



3

themes

B2C
excellence in
consumer
experience

B2B
Customer
Focus

Cost innovation
and culture
change

1

'suunta'
initiative

Suunta initiative in Helsingin Sanomat

- **Co-operation in printing and distribution with Kaleva:** In Northern Finland, Helsingin Sanomat will be printed by Kaleva and part of their early morning distribution. This improves the service level on the area as well as provides new sales opportunities.
- **Early morning distribution** in Mäntsälä and Nummi-Pusula to freelancers: In three areas in Southern Finland, Helsingin Sanomat's early morning distribution is done by freelancers instead of Finnish Post.
- **Capital region ad leadership** HS Metro development and relaunch
- **Joint deliveries** of single copies of Helsingin Sanomat and HS metro
- **Content co-operation** e.g. in sports content with other Sanoma brands

Sanoma Media
Finland reaches
97%
of Finns every
week



Helsingin Sanomat

Helsingin Sanomat is Finland's largest newspaper and the largest daily in the Nordic region. It provides world class journalism in print, online and mobile channels. Helsingin Sanomat was founded in 1904, following the footsteps of its predecessor, Päivälehti, which was published between 1889 and 1904.

Helsingin Sanomat reaches 2.2 million Finns through different channels every week. In addition to the daily paper, Helsingin Sanomat includes online services HS.fi and Nyt.fi, the Kuukausiliite monthly supplement, the HS Teema magazine, HSTV and the weekly paper HS Viikko. The free sheet HS Metro is also part of the Helsingin Sanomat product family.



Ilta-Sanomat

Established in 1932, Ilta-Sanomat is the largest quality tabloid in Finland and the second largest newspaper after Helsingin Sanomat. Ilta-Sanomat is the market leader in mobile services and the website iltasanomat.fi is the most popular in Finland.

The products in the Ilta-Sanomat media family reach a total of nearly 3 million Finns weekly, and include also the Ilta-Sanomat TV Magazine as well as Urheilusanomat, the most widespread sports and betting weekly in Finland, as well as special magazines.

The Ilta-Sanomat business unit also contains Taloussanomat, Finland's leading digital financial medium.



Kids Media

Kids Media is Finland's leading publisher of content for children and young people. The varied and multichannel media range provides our young readers with fun moments, unforgettable experiences, educational activities and high-quality reading materials.

Kids Media's product range serves children, young people, and Finnish families. It includes magazines, books, four book clubs and digital services all linked by safe content and high-quality Finnish language. Kids Media cooperates closely with its international principals, such as Disney, Egmont and Guinness World Records



Sanoma Lifestyle

Sanoma Lifestyle is about shared experiences, moments and feelings. The business is based on touching, addictive and experience-inducing content, which are productised and sold in a way that speaks to focus group.

Sanoma Lifestyle serves Finnish women and families by providing them with content around beauty, fashion, parenting, well-being, food and current topics. Sanoma Lifestyle reaches 2 million Finns in different stages of their lives.



Nelonen Media

Nelonen Media is a developing and growing digital multimedia house which offers varied entertainment contents to Finns through television, radio and online.

Nelonen Media operates four nationwide free-to-air TV channels and five pay TV channels. Its six radio channels make it the leader in radio.

The VOD service Ruutu gathers together the contents of Nelonen Media's channels and provides viewers with an opportunity to watch them on almost any terminal device, regardless of time or place.

