

SanomaWSOY Roadshow

March 2004

SanomaWSOY

Agenda

- Business highlights
- Strategic highlights
- Financial highlights
- Appendix: Divisional highlights

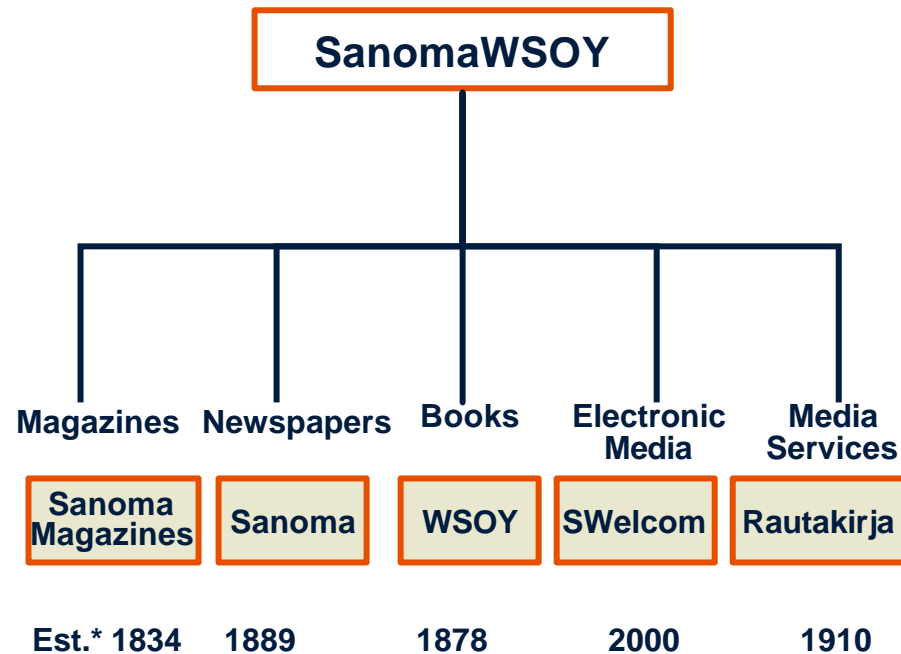
Business highlights

A growing European media company

with a market leading media portfolio in Finland

4

Organisational structure



Key SanomaWSOY facts

- Leading Nordic media group
 - # 1 in Finland in all businesses except TV
- Among Europe's five largest magazine publishers – in leading position in the Netherlands, Belgium, the Czech Republic, Finland and Hungary
- Growing media presence in 15 European countries
- Net sales (2003) of €2.4 billion
- Operating profit (2003) of €205 million

* Sanoma Magazines International's oldest magazine in the Czech Republic, Kvety, established in 1834 and is still in portfolio.

Y:Kalvo_HS/HS04/Roadshow Feb 2004

Combining strong and defensible market positions with growth potential

Dominant domestic multimedia franchise

Newspapers

- #1 national daily
- #1 national tabloid
- #1 regional publisher south-east Finland
- #2 financial daily

Book publishing

- #1 Finnish book publisher

Consumer magazines

- #1 in terms of total circulation in the segment of women, family, IT and youth

TV

- #1 cable-tv operator
- #2 “challenger” domestic commercial TV

Media Services

- #1 press distributor & kiosk operator
- #1 bookstores
- #1 multiplex operator

Market leading international growth platform

Magazines

- Netherlands
 - #1 magazine publisher in terms of circulation and advertising share
- Belgium
 - #1 magazine publisher in terms of circulation and advertising share
- Central/Eastern Europe
 - #1 Hungarian publisher
 - #1 Czech publisher
 - Growing operations in Slovakia, Croatia, Romania and Bulgaria

Calendars

#1 Nordic calendar publisher

Media Services

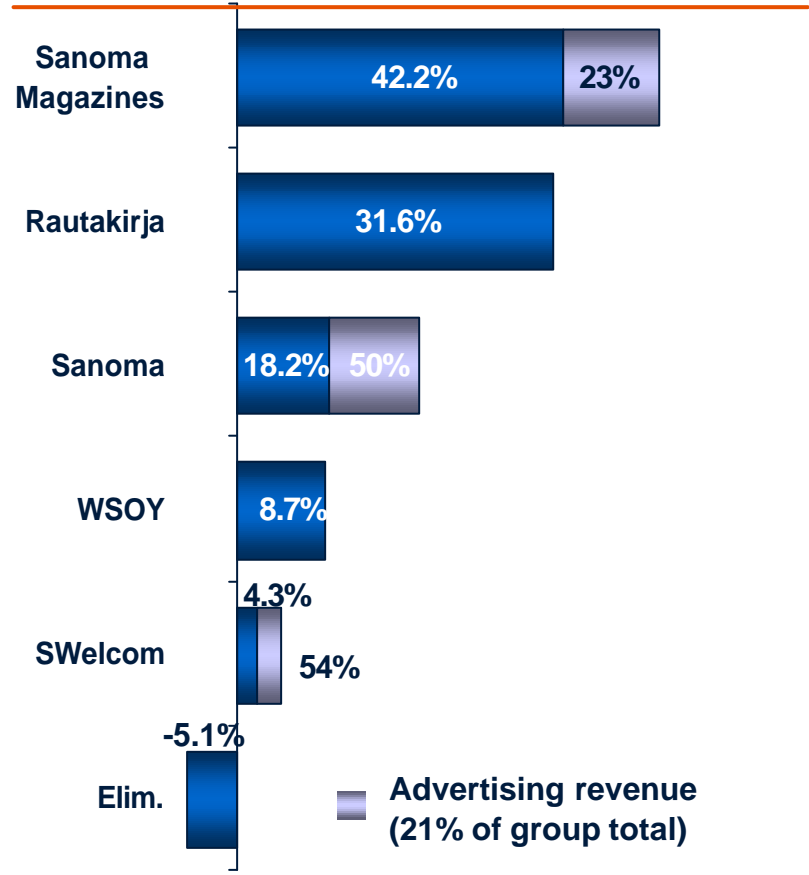
- #1 Baltic multiplex operator
- #1 Baltic kiosk operator
- #1 Baltic press distributor
- #1 press distributor in the Netherlands

Focus on being #1

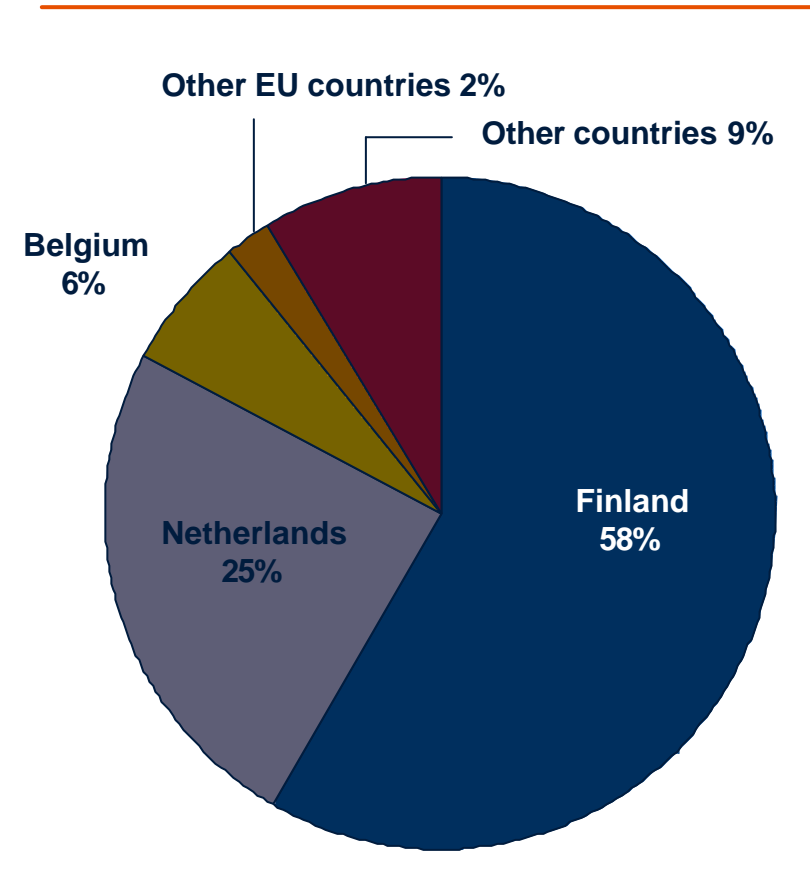
Balanced composition of net sales

Advertising revenue 21% of group net sales

Divisional 2003A net sales breakdown



Geographic 2003A net sales breakdown

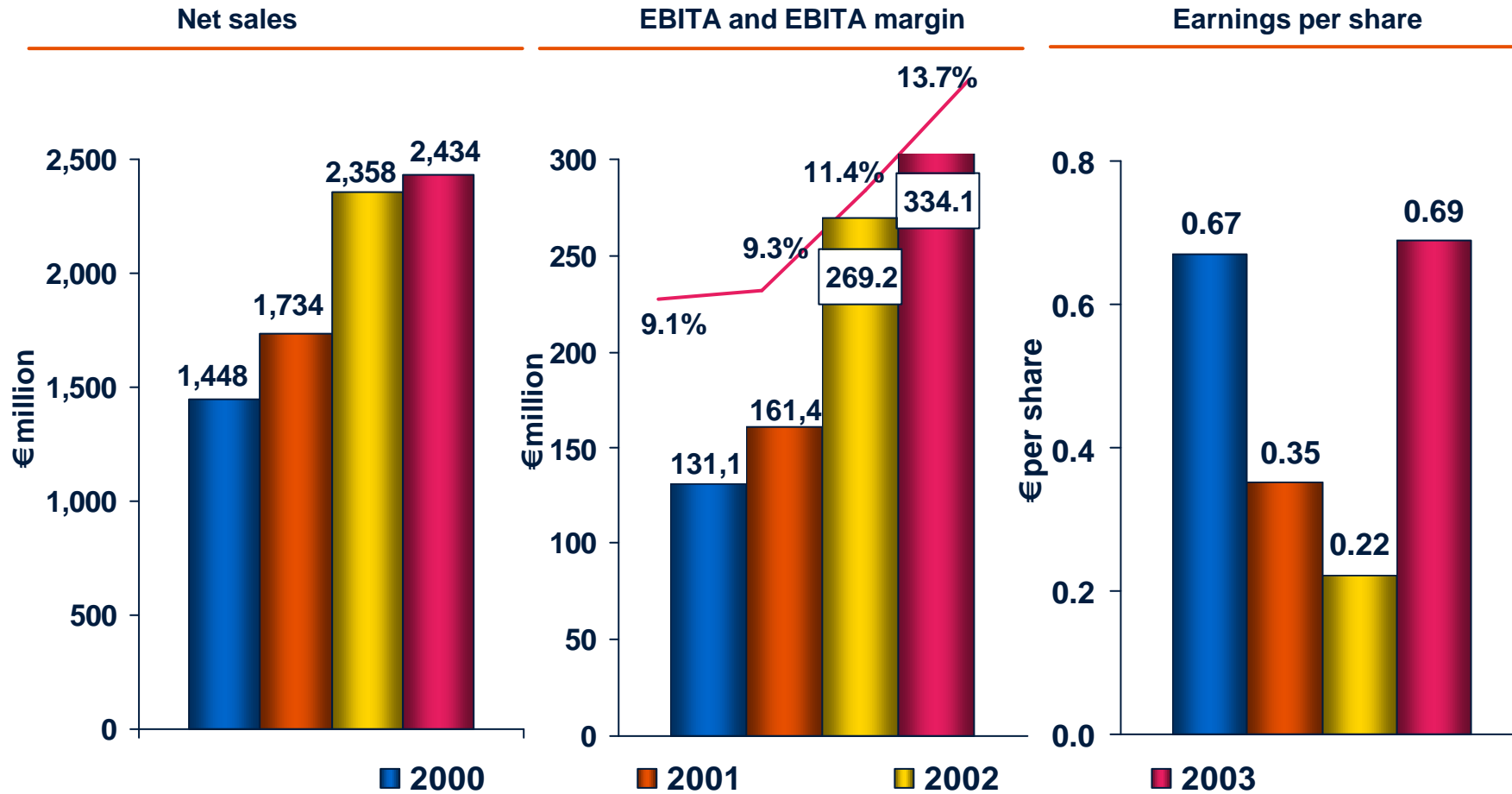


Y:Kalvot_HS/HS04/Roadshow Feb 2004



Operational excellence

Dynamic and profitable growth



Y:KalvoI_HS/HS04/Roadshow Feb 2004

Strategic highlights

Key events in 2003

Strong execution of communicated strategy

- Net sales grew by 3%, operating profit improved by 53%.
- Result before extraordinary items up by 53%.
- The most substantial non-recurring gains on the sale of assets some EUR 43.4 (34.9) million.
- Comparable EBIT improved in all divisions, cost control was successful.
- Balance sheet lightened to EUR 2,453.0 (2,592.5) million.
- Proposal to AGM: Dividend of EUR 1.00 (0.40) per share.

- Rautakirja merged into SanomaWSOY 3/2003.
- Holding in the Norwegian A-pressen sold 6/2003.
- Divestment of the operations of Leijonajakelu into effect 9/2003.
- 90% of Genimap sold 12/2003.
- Holding in Janton sold 12/2003.

Emphasis in 2004

- Profitability
- Internationalisation
- Growth
- Development
 - Personnel
 - Focusing
 - Divestments
 - Critical investment approach
 - New structures

Delivering on our promises...

Promise	→	Achieved
<ul style="list-style-type: none"> • 2003: Continued deleveraging process 	→	<ul style="list-style-type: none"> • Net debt of €690.6m (€883.8m in 2002) in 31.12.2003*
<ul style="list-style-type: none"> • 2002: Cost effectiveness and discipline 	→	<ul style="list-style-type: none"> • EBIT growth of 53% in 2003 (39% in 2002)
<ul style="list-style-type: none"> • 1999: €2.5bn in net sales by 2005 	→	<ul style="list-style-type: none"> • 2003 sales of €2.4bn
<ul style="list-style-type: none"> • 1999: Achieve at least 20% of net sales from international operations by 2003 	→	<ul style="list-style-type: none"> • 2003 international sales of 42% of total
<ul style="list-style-type: none"> • 1999: Growth to leverage expertise 	→	<ul style="list-style-type: none"> • CIG acquisition, selective Eastern European expansion (new EU members)

* Including convertible capital notes

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Successful cost cutting and financial discipline during 2003

Set to continue...

- Restructuring and cost efficiency continuous project in all divisions
- Continued synergies in Sanoma Magazines
- Some examples of cost saving in 2003 :
 - Synergies in paper purchasing
 - Closing of Sköna Dagar magazine
 - Decrease of the share in Urheilutelevisio
 - Taloussanomat restructuring
 - Actions in e-Learning
 - Ronaldo projects

Shareholder returns

2003 stronger than ever

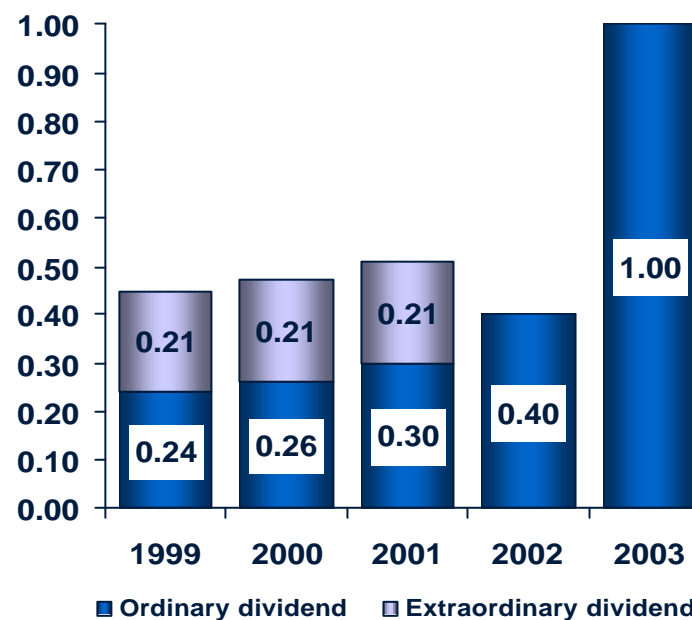
SanomaWSOY share price*

	'93	'94	'95	'96	'97	'98	'99	'00	'01	'02	'03
Return %	29	21	-11	81	80	63	-3	13	-21	-8	85



Dividend per share (€)**

Yield (%) 5.9%****



Dividend/ result, %	84.9	69.9	147.5	178.0	144.3
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* SanomaWSOY since 1 May 1999, WSOY before

** 1999 figures are pro forma for Sanoma and WSOY merger

*** Calculated as share price appreciation and dividend, CAGR since end of listing year in 1976 until 31-Dec-2002

****Based on the SanomaWSOY closing price on 12.2.2004

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Strategic objectives

Focus on growth, cash generation and being #1

Growth

- To build a balanced business and market portfolio, that ensures sustainable growth and profitability
- To internationalise 1–2 additional businesses step by step
- To develop profitable new products and services; including those that can be successfully expanded cross-media or internationally

Business practises

- To continuously promote best management practices

Market leadership

- To be a market leader and successfully leverage that leadership in our chosen businesses and markets
- To be a leading European magazine publisher

Costs

- To increase the profitability of our present businesses and improve efficiency
- To divest non-core assets and businesses

Why SanomaWSOY?

- Market leader in the Finnish market and selected international markets
 - Strong footprint in the rapidly growing CEE markets
- Balanced net sales
- Strategy combining cash flows and profitable growth
- Continuous improvements and operational excellence
 - Margin expansion, financial prudence and cash flow growth
- Management strength, depth and experience
- Delivering on promises
- Shareholder friendly policy

Financial highlights

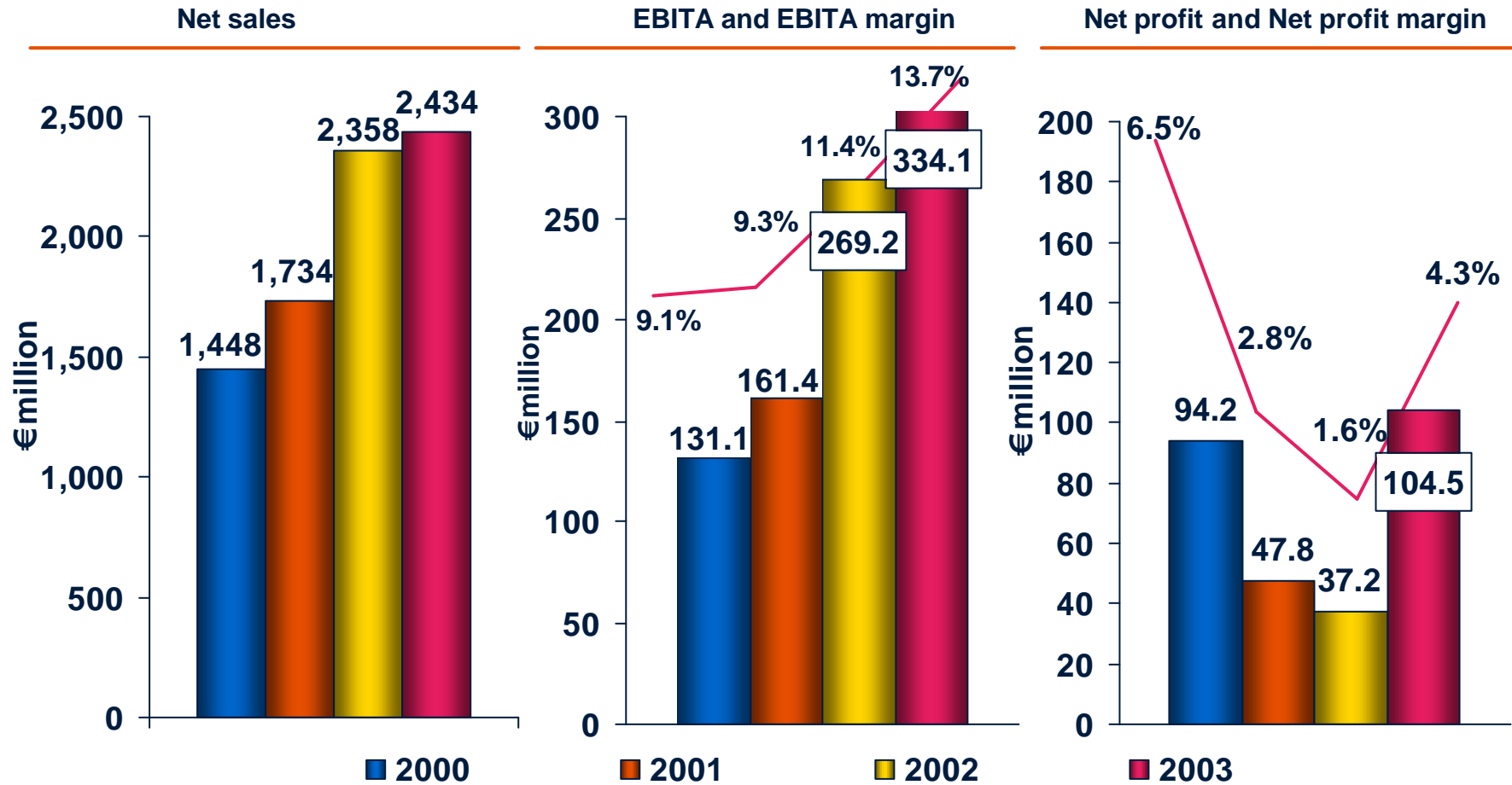
Financial highlights in 2003

Focus on cash flow generation and core business

- Net sales up by 3% to €2.4 billion
- EBITDA increased by 18.5%
- EPS increased by 208% to €0.69
- Net debt decreased substantially to €690.6 million due to strong cash flow generation and asset disposals: the most substantial gains on the sales of assets totalled €43.4 million
- Increase in profitability in divisions excluding Rautakirja
- Proposal for dividend: €1.00 (0.40)

Operational excellence

Dynamic and profitable growth

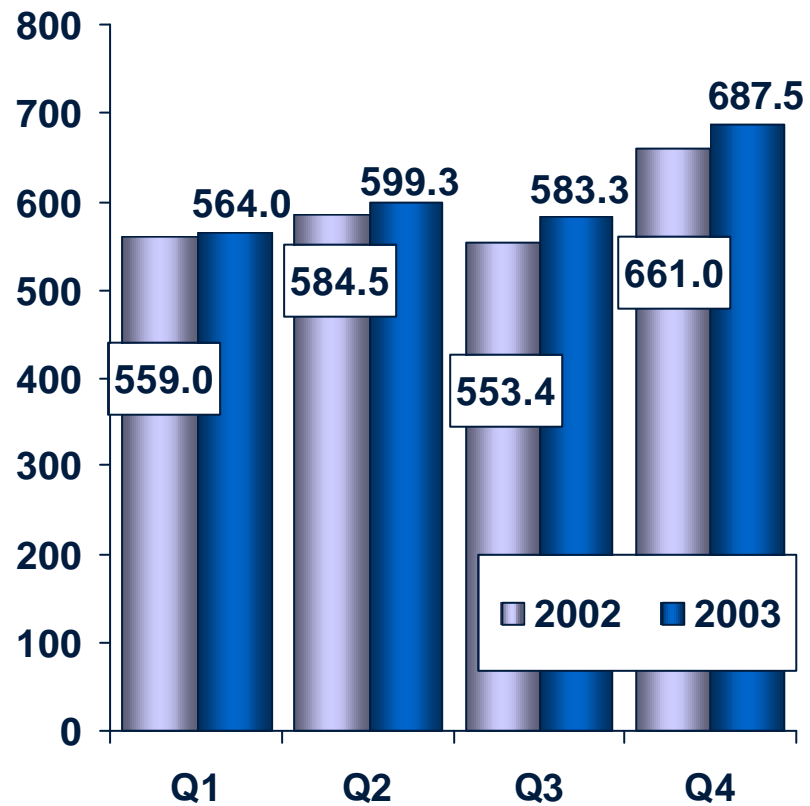


Y:KalvoI_HS/HS04/Roadshow Feb 2004

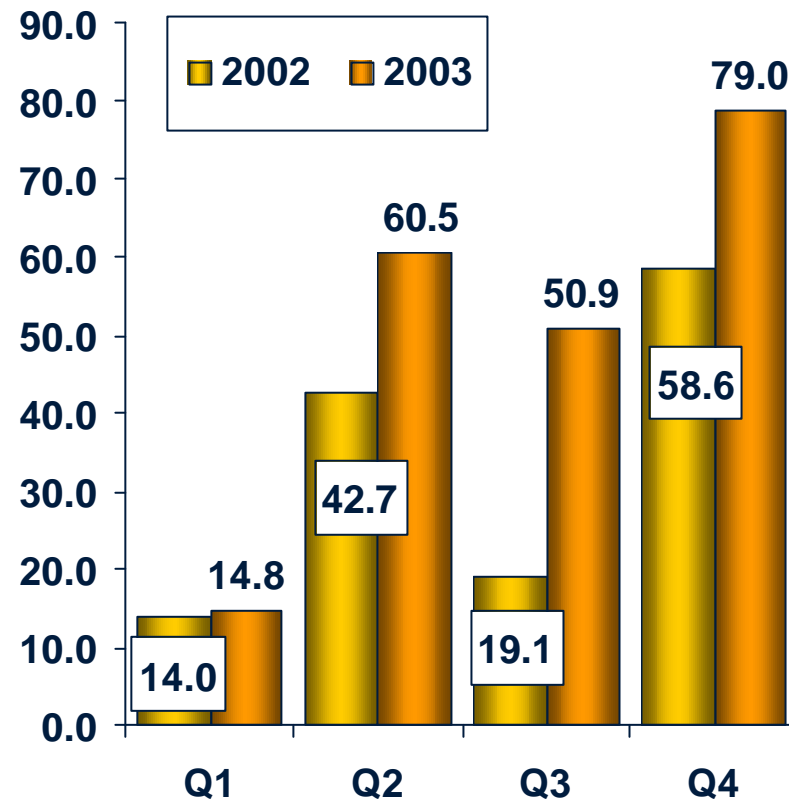
SanomaWSOY Group

By quarters

Net sales, €million



EBIT*, €million



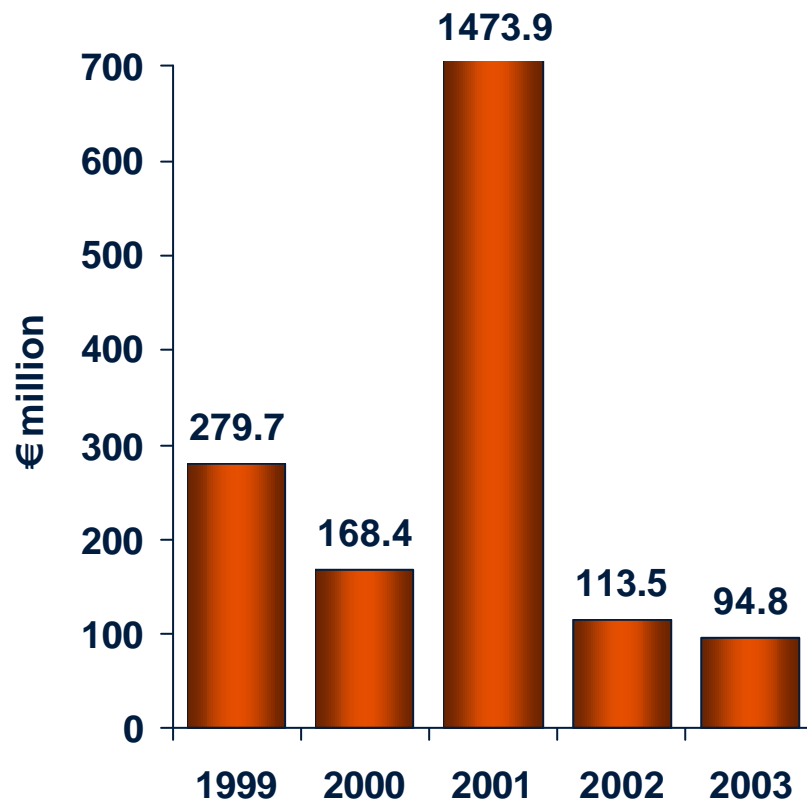
* Operating profit

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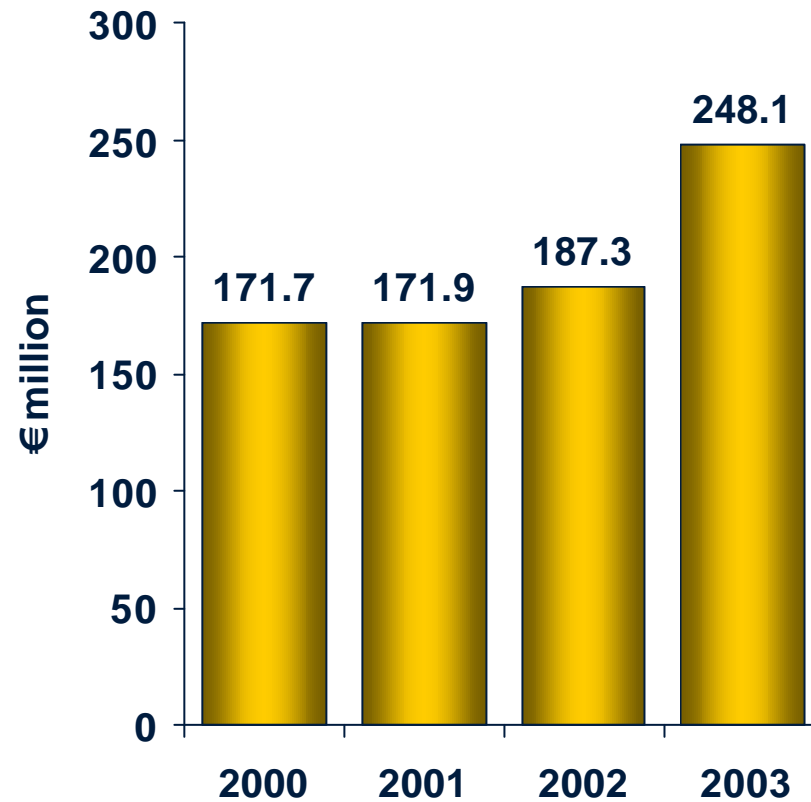
Capex and cashflows

Strong cash flow growth, moderate investments

Capex (€million)



Cash flow from operations (€million)

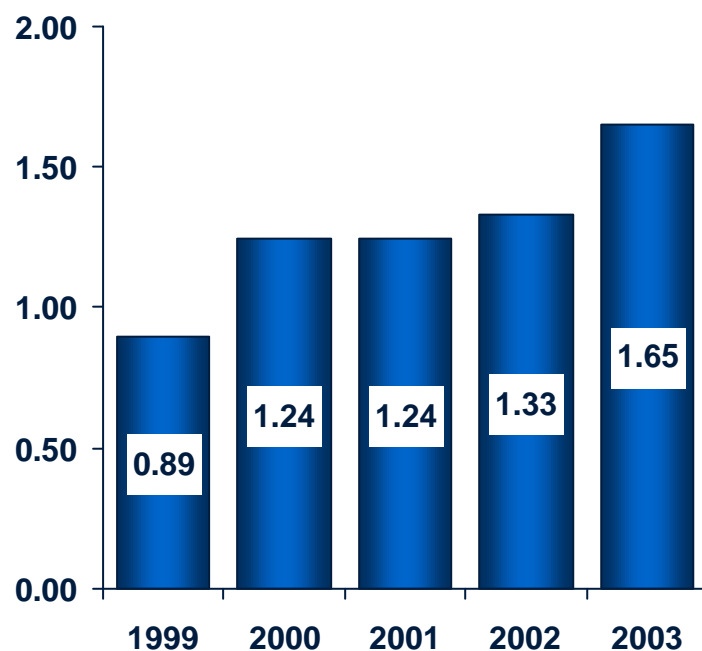


Y:Kalvot_HS/HS04/Roadshow Feb 2004

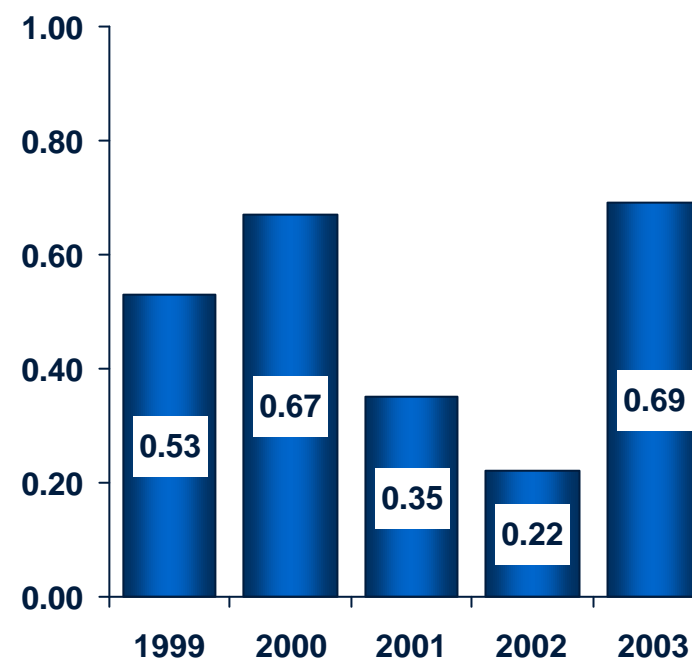
EPS and cash flow per share

Record EPS in 2003

Cash flow per share (€)



Earnings per share (€)



- Dividend policy: To distribute at least 1/3 of the Group's cash flow from operations

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Improved result in all divisions

	<u>Net sales (€million)</u>		<u>EBITA (€million)</u>	
	2003	2002	2003	2002
Sanoma Magazines	1,028.4	1,008.1	159.1	147.7
Sanoma	443.3	438.1	77.5	49.0
WSOY	212.2	215.9	28.0	26.4
SWelcom	104.9	86.1	29.6	9.0
Rautakirja	770.3	726.5	41.4	42.4
Intragroup eliminations	-124.9	-117.0	-2.7	-11.4
Total	2,434.1	2,357.8	334.1	269.2

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Advertising revenue

Advertising revenue providing significant leverage in market recovery

23

% net sales	2003	2002
Sanoma Magazines	23%	24%
Sanoma	50%	49%
SWelcom	54%	55%
the Group	21%	21%

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Financial targets

Heading for better profitability

Operating profit (EBIT) margin, %

	1999	2000	2001	2002	2003	Target
Sanoma Magazines	3.5*	6.4*	10.5	5.8	7.7	9.0
Sanoma	11.1	12.2	9.4	9.6	15.6	12.5
WSOY	11.1	9.0	8.6	9.5	10.6	12.0
SWelcom	-33.1	-21.3	-28.8	-20.9	1.1	7.5
Rautakirja	5.7	5.6	6.1	5.2	4.6	6.0
SanomaWSOY	5.4	5.8	5.6	5.7	8.4	9.0

- Net sales are expected to grow slightly, comparable EBIT is expected to grow.
- Capex yearly basic level < €100 million

* Includes only
Sanoma
Magazines
Finland

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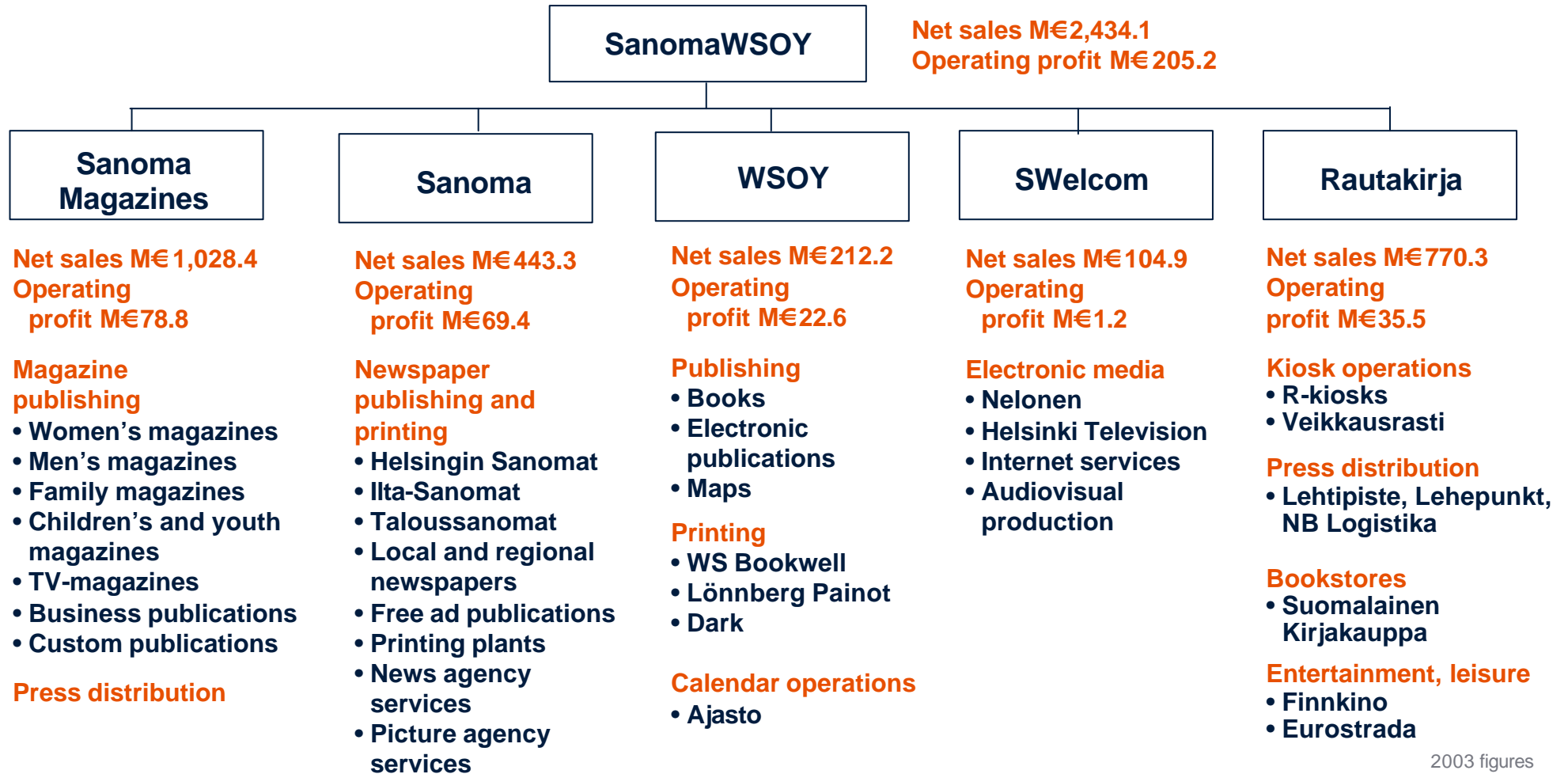


Committed to the Future

www.sanomawsoy.fi

Appendix: Business highlights

Five Divisions

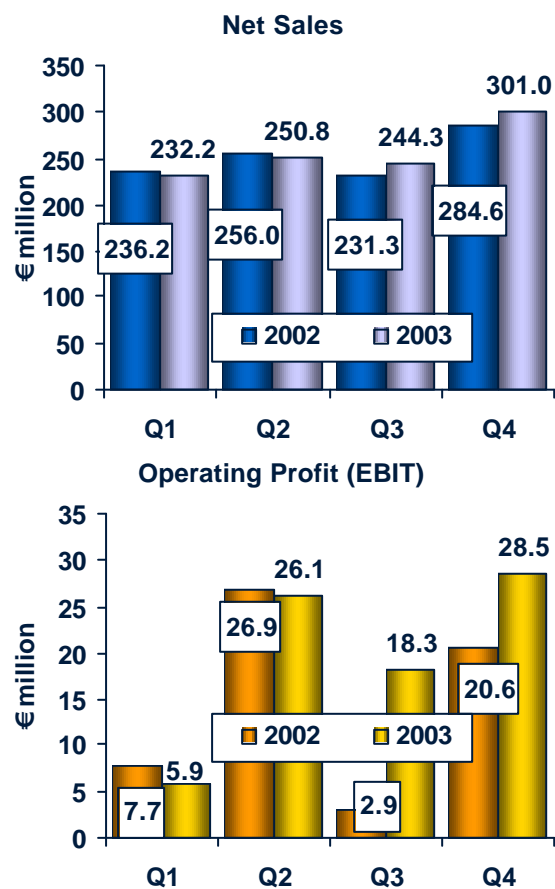


2003 figures

International magazine publishing

Clear leadership in chosen markets

Key financials



Key markets/products

#1 in Finland in Chosen Segments



Women

50+

Youth

#1 in Holland in Chosen Segments

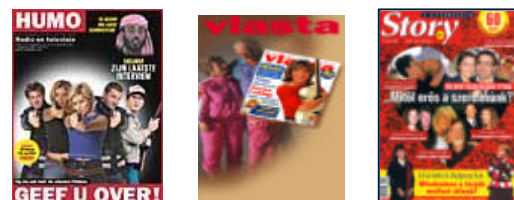


Women

Young Women

Youth

Leading International Titles



Belgium

Czech Rep

Hungary

Highlights

- Dramatic growth and margin improvement due to the acquisition of VNU-CIG in 2001
- Integration is on track and division is performing well
- Operational improvement measures being implemented
- Operates in 10 countries: Belgium, Bulgaria, Croatia, the Czech Republic, Finland, Hungary, the Netherlands, Romania, Slovakia and Sweden
- Outlook for 2004
 - Net sales are expected to grow, partly due to the new accounting principles.
 - EBIT is expected to be on the same level as in 2003 despite heavy investments in growth in all major markets.

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Sanoma Magazines

Key events

- Division's net sales grew by 2%, operating profit improved by 35%.
- Efficient cost control in all businesses.
- Sanoma Uitgevers' operations influenced by a difficult market situation in the Netherlands.
- Sanoma Magazines Finland's net sales grew due to positive development in subscription and newsstand sales. Result was also improved by efficient cost control.
- Sanoma Magazines Belgium began custom publishing and bought the Loving you guides. Circulation sales grew.
- Sanoma Magazines International's net sales grew in most of the countries and also the result improved.
- During the year, 8 magazines were launched and 3 launches in spring 2004 announced.
- Operations in Bulgaria began on 1 January 2004.

Sanoma Magazines

Operational indicators, 1.1–31.12.

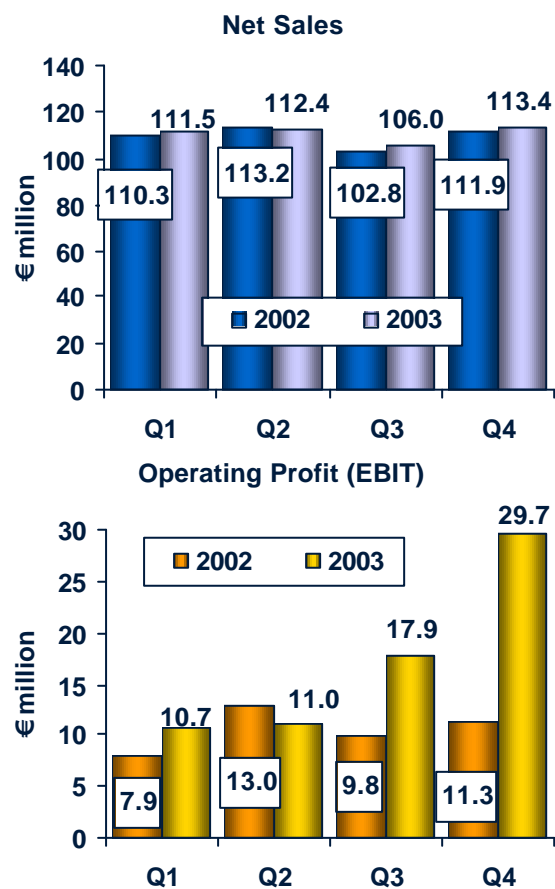
	2003	2002
Number of copies sold (press distribution / Aldipress), thousands	115,124	123,901
Number of magazines published	232	221
Magazine copies sold, thousands	411,421	420,762
Number of advertising pages sold	47,122	49,144

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Finland's largest news publisher

Still going very strong...

Key financials



Key markets/products



#1 Daily newspaper
circulation: 431k



#1 National tabloid
circulation: 204k



#2 Financial newspaper
circulation: 32k



#1 Regional newspapers publisher
in south-east Finland

Highlights

- Strong market position although advertising net sales are down
- Newspapers account for some 50% of Finnish advertising expenditure
- Sanoma has approx. 36% market share:
 - Over 25% of total newspaper circulation
 - Over 38% of newspaper advertising net sales
- Operates in Finland
- Outlook for 2004:
 - Comparable net sales are expected to grow in line with the general trend in the media market.
 - The profit from basic business operations is expected to improve more than net sales, due to long-term development measures.
 - Operating profit will fall short of the previous year's figure, as non-recurring gains on the sales of assets are not expected to reach the previous year's level in 2004.

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Sanoma

Key events

- Net sales grew slightly (most growth in Helsingin Sanomat and in the IS Business Unit).
- Growth in advertising sales (3%). Circulation sales rose by (2%) due to IS Veikkaaja among others.
- Operating profit grew by 66%, e.g. due to the gains on the sale of Janton and efficient cost control.
- Sanomala's new printing press fully on stream in September.
- Advertising sales in Helsingin Sanomat boosted by the new look of the newspaper.
- Sanoma reduced its holding in Ilkka, divested the operations of Leijonajakelu and sold its holding in Janton.

Sanoma

Operational indicators

	2003	2002
Helsingin Sanomat		
Weekday circulation, copies *	429,244	431,262
Sunday circulation, copies *	500,269	500,150
Advertising volume (column meters)	42,359	42,834
Ilta-Sanomat		
Circulation, copies	198,406	204,820
Advertising volume (column meters)	7,036	7,036
Taloussanomat		
Circulation, copies	34,784	32,513
Advertising volume (column meters)	2,393	2,747
Other daily papers		
Total circulation, copies *	88,715	89,718
Advertising volume (column metres)	21,967	21,092
Local newspapers		
Total circulation, copies *	33,100	33,407
Advertising volume (column metres)	8,179	8,501
Paper consumption, tonnes	99,724	94,993

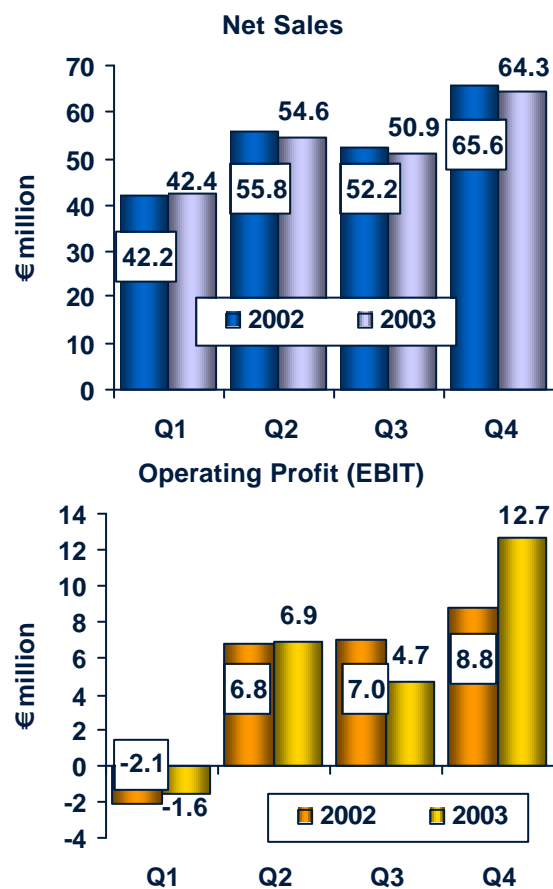
* Audited
circulation figures

Y:Kalvot_HS/HS04/Roadshow Feb 2004

Leading Finnish book publisher

Committed to publishing the best literature

Key financials



Key markets/products

#1 book publisher in Finland



#1 calendar publisher in the Nordic region



#1 educational publisher in Finland



Highlights

- In the overall stable book market, focus is on maintenance of market position and cost control
- WSOY is also one of the largest and most profitable book printers – including digital printing – in the Nordic region
- Operates in the Nordic countries and Poland
- Outlook for 2004:
 - Net sales are expected to grow from previous year in line with the improving operating environment.
 - Growth in results will continue – solid market positions and profitability improvement measures will enhance the increase.

WSOY

Key events

- Net sales decreased slightly since Christmas sales did not reach the record level of 2002. Also printing and calendar operations fell short of last year due to decline in b-to-b sales.
- Operating profit from own operations improved, partly due to non-recurring gains on the sale of Genimap in December.
- Sales in Finnish fiction and non-fiction grew.
- Sales to book stores and through book clubs decreased.
- Opit e-Learning portal's users doubled
- Associated company Young Digital Poland successful. WSOY to increase its holding in the company during the first half of 2004.

WSOY

Operational indicators, 1.1–31.12.

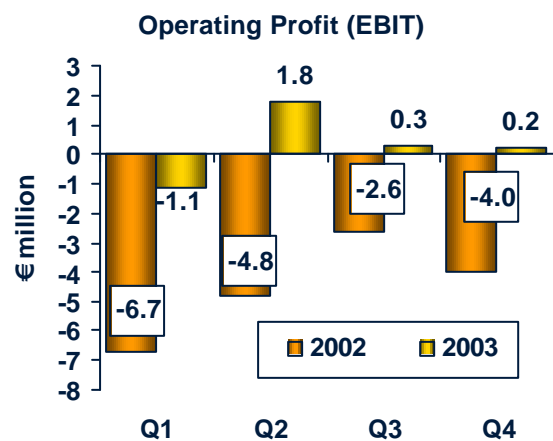
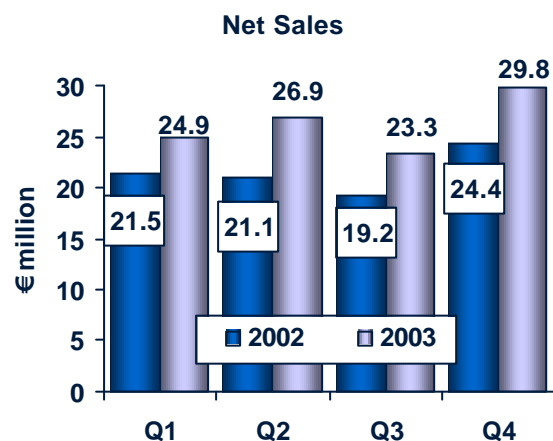
	2003	2002
Number of new titles published		
Books, copies	714	681
Electronic products, copies	105	116
Number of reprints published		
Books, copies	1,168	1,251
Electronic products, copies	202	279
Books printed, million copies	21	22
Paper consumption, tonnes	12,828	12,952

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Commercial television challenger

Growing viewership and ad-share

Key financials



Key markets/products

“Challenger” commercial television station



Largest domestic cable TV operator & broadband Internet service provider



Highlights

- *Nelonen's* market share is developing according to plan (currently 27.3%)
- Light cost structure of *Nelonen* will enable profitable growth as market develops
- *HTV* broadband internet service offering rapidly increasing sales
- *HTV* cable-TV connection sales continue to grow
- Operates in Finland
- Outlook for 2004:
 - Net sales are expected to grow substantially due to the increase in *Nelonen's* advertising sales, sales of *HTV's* connections and the popularity of the broadband services.
 - Operating profit is expected to improve further despite growing investments.

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SWelcom

Key events

- Net sales rose by 22%, growth generated both by Nelonen and HTV.
- Operating result development excellent: results improved both in Nelonen and HTV.
- Nelonen's sales increased by nearly 15%.
- Nelonen became the second most-watched in the target group important to advertisers (aged 10–44).
- Broadband internet connections increased by 40%.
- Number of households connected to cable network continued to grow.
- Operating result also improved because of:
 - The inclusion of HTV's connection fees in the income statement.
 - Reduction in the ownership of Suomen Urheilutelevisio.
 - The halving of Nelonen's operating licence fee improved the operating result for the first half of the year.

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SWeIcom

Operational indicators

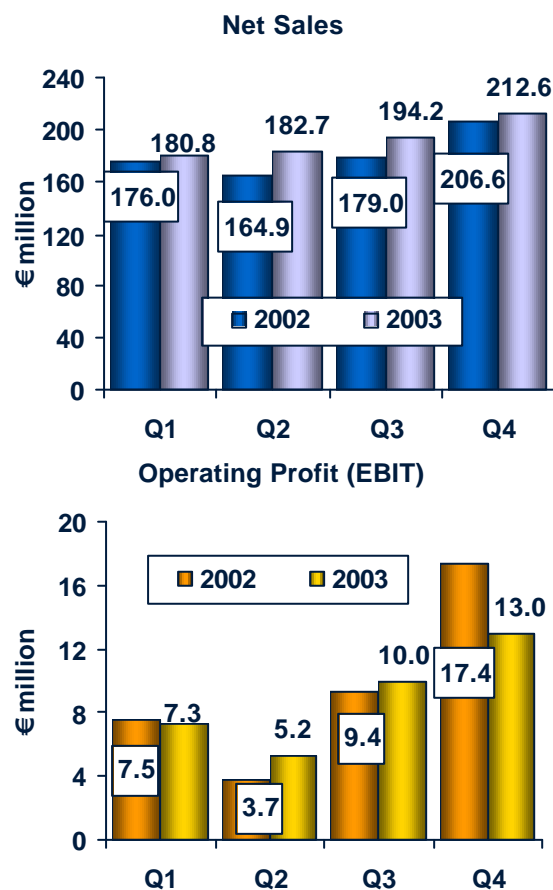
	2003	2002
Nelonen's share of TV advertising	27.3%	24.7%
Nelonen's daily coverage	41%	43%
Nelonen's national commercial viewing share	22.0%	23.4%
Nelonen's national viewing share	11.4%	11.6%
Number of connected households, thousands (31.12.)	257	237
Number of pay-TV subscriptions, thousands (31.12.)	33	36
Number of broadband internet connections, thousands	43	31

Y:\Kalvo\HS\HS04/Roadshow Feb 2004

Leading Finnish media distributor

Entertainment to the people

Key financials



Key markets/products

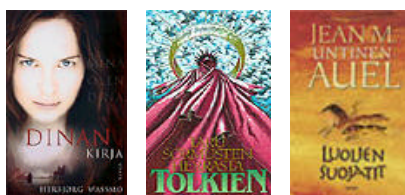
#1 kiosk chain in Finland with over 700 kiosks nationwide



#1 press distributor in Finland



#1 chain of book stores in Finland



#1 movie theatre in Finland with 16 cinemas (73 screens) in 9 cities



Highlights

- *R-Kioski* is one of a Finland's most visited retail chain with around 120 million customer visits annually
- *Lehtipiste* delivers some 1,500 titles to over 8,400 outlets
- Growing presence in the Baltic countries both in kiosks and press distribution as well as in movie theatres.
- Operates in Finland, the Baltic countries and the Czech Republic
- Outlook for 2004:
 - Comparable net sales are expected to grow more than wholesale and retail business in general.
 - Operating profit is expected to improve.

Y:Kalvol_HS/HS04/Roadshow Feb 2004

Rautakirja

Key events

- Net sales grew in all businesses, 40% of the growth outside Finland.
- Operating profit improved in kiosk operations, press distribution and book stores, but decreased in movie theatre and restaurant operations and especially in other operations since the real estate held as an investment was transferred to SanomaWSOY Corporation in conjunction with the merger.
- Kiosk operations grew in all operating countries, most in Latvia and the Czech Republic, where operations began at the beginning of 2003.
- Press distribution grew in all countries.
- Finnkino opened two new multiplexes in Vilnius, one in Riga and one in Finland.
- Suomalainen Kirjakauppa acquired Lukiolaisten Kirjakauppa and the press subscription operations of the Academic Bookstore in Finland and the rest (40%) of its subsidiary Apollo Raamatud in Estonia.

Rautakirja

Operational indicators, 1.1–31.12. *

	2003	2002
Customer volume in kiosk operations, thousands	119,380	122,126
Customer volume in bookstore operations, thousands	6,316	6,460
Customer volume in movie theatres, thousands	3,599	3,591
Number of copies sold (press distribution), thousands	127,562	126,017

* Units in Finland

Y:Kalvo_HS/HS04/Roadshow Feb 2004