Sanoma -
Transforming Sanoma

May 2011

Sanoma

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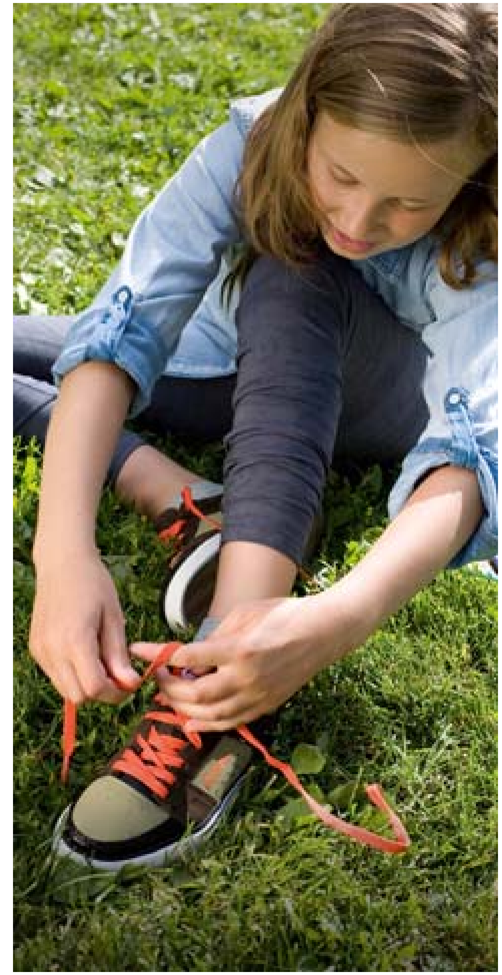

Sanoma in brief

- One of the leading media companies in Europe
- Focusing on consumer media and learning
- Market leader in chosen businesses and markets
- Organic growth through innovation
- Restructuring business operations according to changing customer needs
- Strong cash generator
- Good dividend payer

Balanced portfolio

Net sales EUR 2,761 million • EBIT EUR 245 million* • Personnel 15,405**

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Sanoma Media	Sanoma News	Sanoma Learning & Literature	Sanoma Trade
Magazines Online business TV and radio Casual gaming	Newspapers Online business	Learning Language services Literature & other***	Kiosks Trade services Bookstores

* Excluding non-recurring items
** At the end of 2010, full-time equivalents
***Divestment expected to be closed during the autumn 2011

Transforming Sanoma for the future

Focus on consumer media and learning: actions in 2011

Creation
of the Sanoma
Media division

Acquisition of the
SBS free-to-air TV assets
in the Netherlands
and Belgium

Acquisition of learning
business in Finland
and Sweden

Divestment
of movie operations

Divestment of kiosk
and press distribution
operations in Romania

Divestment
of general literature
business

Sanoma

Expanding Sanoma's digital footprint

Strategic rationale behind the SBS acquisition

- Transaction in line with Sanoma's strategy to focus on consumer media and learning solutions
- Strategic repositioning of Sanoma's consumer media business in the Netherlands and Belgium
  - gaining strong multimedia position: a leading media position in the Netherlands and considerably stronger position in Belgium
  - extending mass-media reach through FTA TV
  - combining TV with Sanoma's magazine and online assets provides a platform for digital growth
- Strong stand-alone value in FTA TV
  - clear rebound after financial downturn, robust outlook in the future
  - growth in non-linear channels provides additional value for advertisers
- Unique opportunity in FTA TV

Sanoma

Value creation

SBS TV operations + programming expertise from our partners + Sanoma's strong brands, high-class know-how from print, online and TV operations

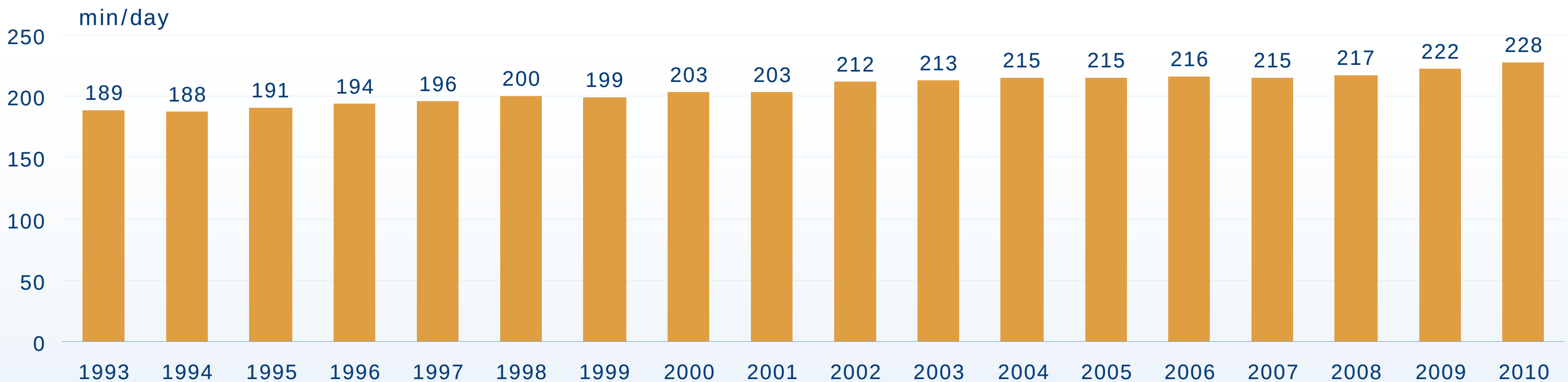
= the next generation media offering for consumers and advertisers

- Improved FTA offering in the acquired TV channels
- Future digital business opportunities and new services and solutions across media, e.g. non-linear TV platforms and vertical themes
- Cross-promotion and cross-media concepts

Sanoma

TV viewing stronger than ever…

Average daily viewing time per individual in Western Europe



Average daily viewing time in Finland

	2008	2009	2010
4+	190	190	192
15-24		122	135

Average daily viewing time in the Netherlands

	2008	2009	2010
6+	184	184	191
15-24		159	166

Average daily viewing time in Belgium

	2008	2009	2010
4+	164	160	174
15-24		65	74

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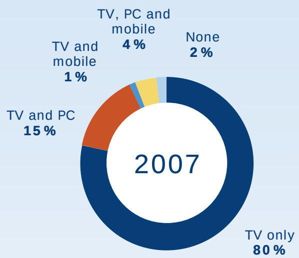
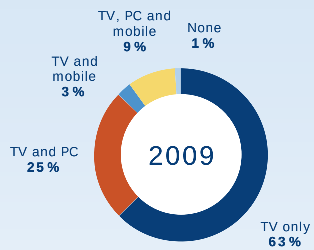
Source: Eurodata TV Worldwide

...at the same time TV viewing is changing

Multiscreen TV audience is growing fast

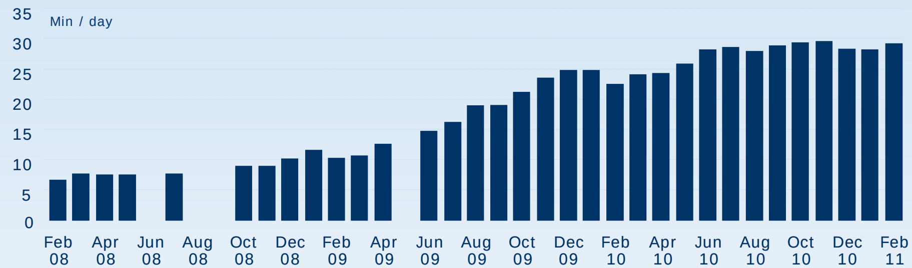
European TV use by screen type (% of viewers)





Time spent viewing online videos keeps on growing

Time spent viewing online video by average viewer in the US



Connected TVs bring online and linear television together

SONY

SAMSUNG

LG

PANASONIC

PHILIPS

New converged services in the value chain

Sanoma

Tablets will change the way we perceive media

- The first Sanoma iPad magazine
- The first Cosmo on iPad in the world

NU.nl: advertising-funded

COSMO Russia: free app, in-app purchase single issue: $2.99

- 50+ Sanoma apps launched as of today…

  … on all key platforms: iOS (iPhone + dedicated iPad apps), Android, Symbian, …

  … available in app stores worldwide…

  … catering to consumers in local languages…

  … and carefully selected to match with consumer habits and preferences
- Extremely successful launches:
  - >500,000 downloads of Nu app alone
  - Many apps immediately at no. 1 position in App Store
- A lot of other apps already in our pipeline today…

The emerging value chain offers lots of opportunities for us

1. Content and Content Packaging
2. Publishing Platform
3. Production Warehouse
4. Store
5. Billing and Revenue Sharing
6. Reading Interface
7. Hardware
8. Connectivity
9. CRM

10. Advertising Platform
- Ad network and storage
- Business rules

But its not all about consumer media

Expanding our learning business

Bonnier acquires the Finnish general literature publisher WSOY

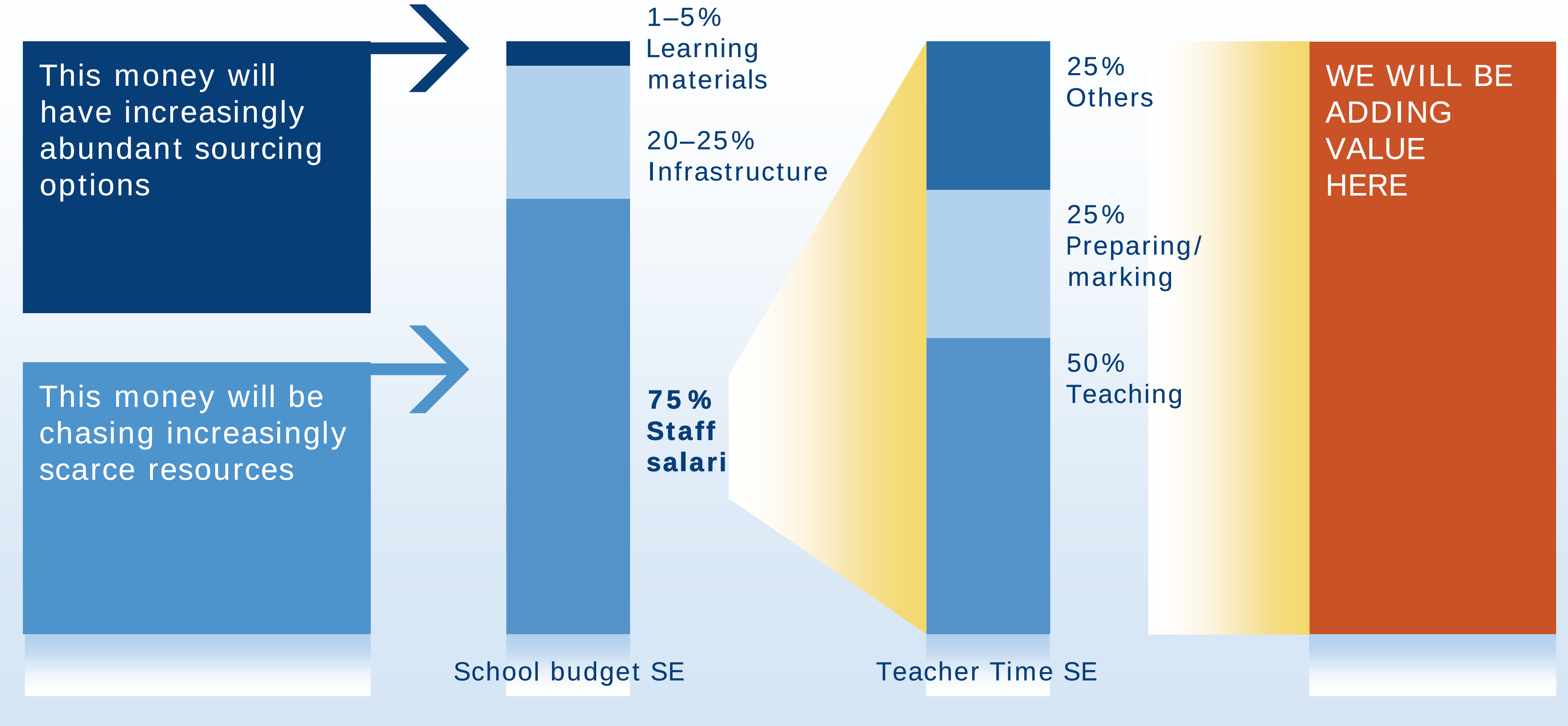
- The transaction of WSOY is subject to the approval of the Finnish competition authorities

Sanoma acquires the Finnish educational publisher Tammi Oppimateri-aalit and the Swedish educational publisher Bonnier Utbildning

Strategic rationale for this transaction

- Learning is in the core of Sanoma's strategy
- General literature is in the core of Bonnier's strategy
- Bonnier Utbildning and Tammi Oppimateriaalit complement our operations
- With our strong know-how in learning, we can develop these assets further

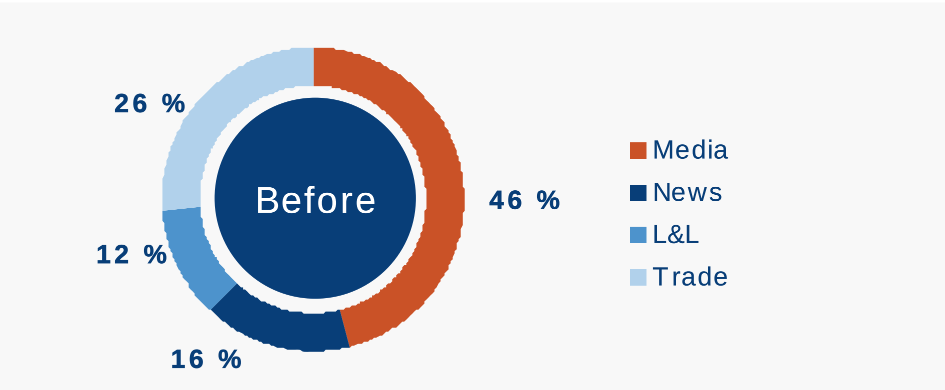
Helping teachers to manage their workflow

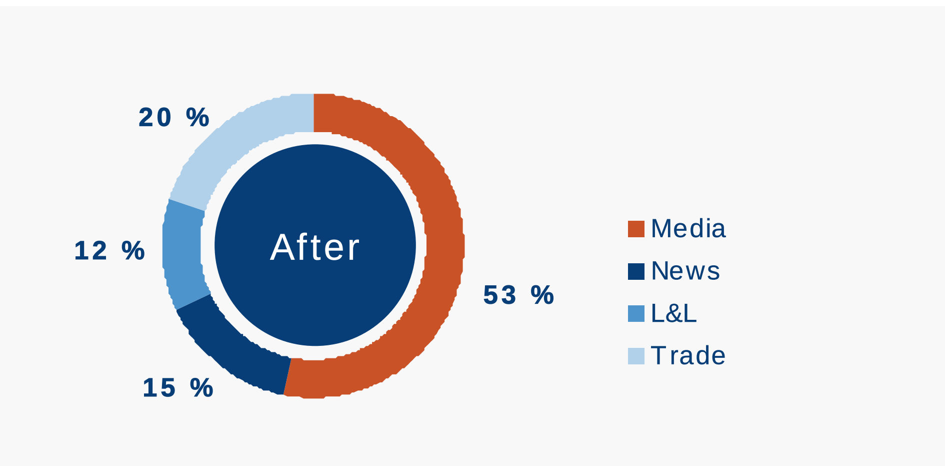


How does Sanoma look like after all this?

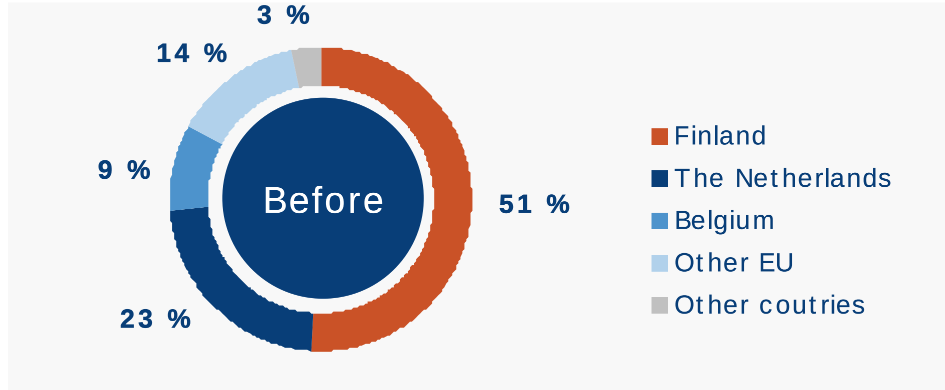
2010 Pro forma net sales

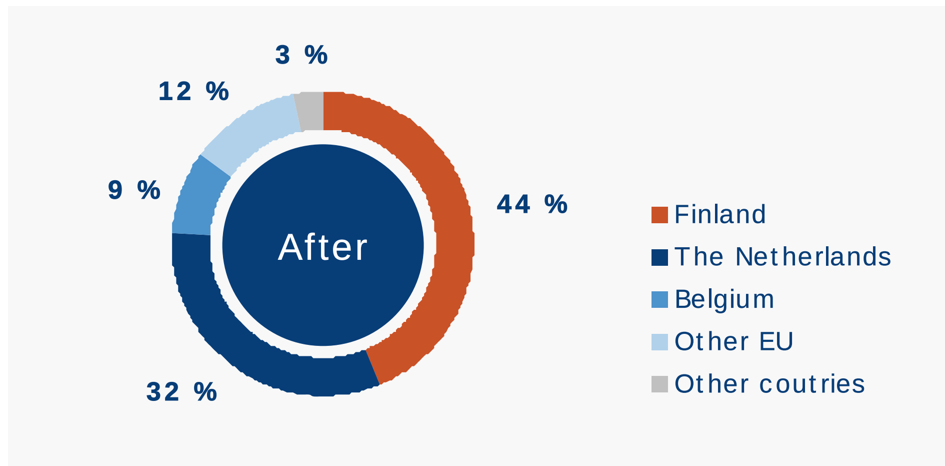
by division*





by geographic area*

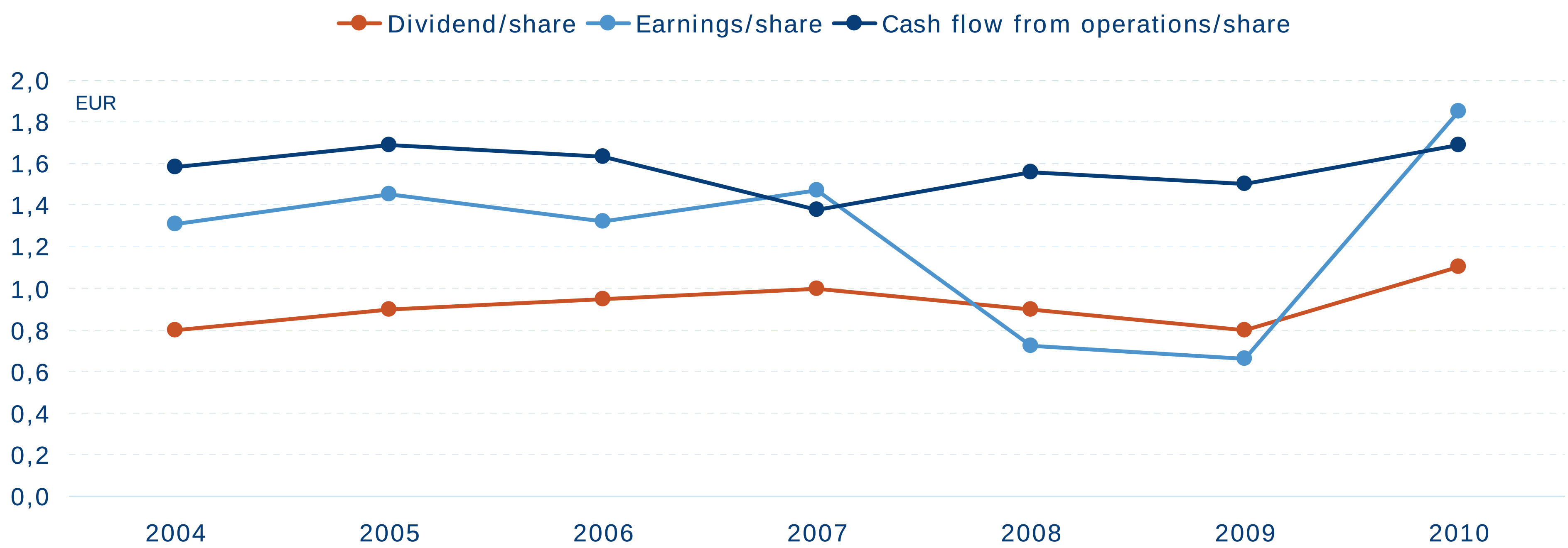




* Net sales split after the transactions of SBS, movie operations, Trade's Romanian operations, Welho, Humo, learning in Finland and Sweden as well as general literature

Dividend yield of 6.8% in 2010

Over half of Group result for the period distributed in dividends



- Cash flow from operations very stable over the years
- Dividend payout impacted by both earnings/share and cash flow from operations/share

Investment highlights

- One of the leading media companies in Europe
- Focusing on consumer media and learning
- Market leader in chosen businesses and markets
- Organic growth through innovation
- Restructuring business operations according to changing customer needs
- Strong cash generator
- Good dividend payer

Appendix 1

1Q11 Result

Sanoma

Divestment of operations clearly visible

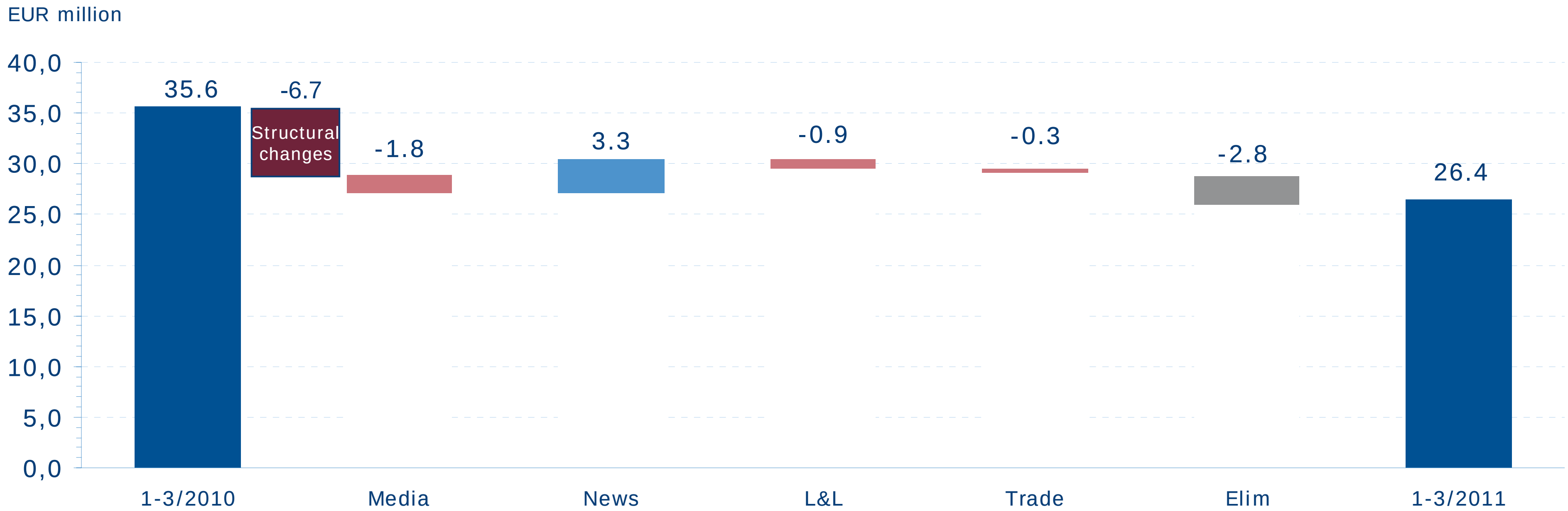
EUR million	**1-3/2011**	1-3/2010	Ch %	**1–12/2010**
Net sales	**610.2**	637.9	-4.3	2,761.2
EBIT excluding non-recurring items	**26.4**	35.6	-25.9	245.4
% net sales	**4.3**	5.6		8.9
EBIT	**27.3**	40.4	-32.5	392.7
Earnings/share, EUR	**0.11**	0.16	-28.8	1.85
Cash flow from operations/share, EUR	**0.12**	0.23	-50.9	1.69
Number of employees (FTE)*	**15,277**	16,293	-6.2	15,405

Sanoma

* At the end of the period

EBIT excl. non-recurring items

News excelled in Q1



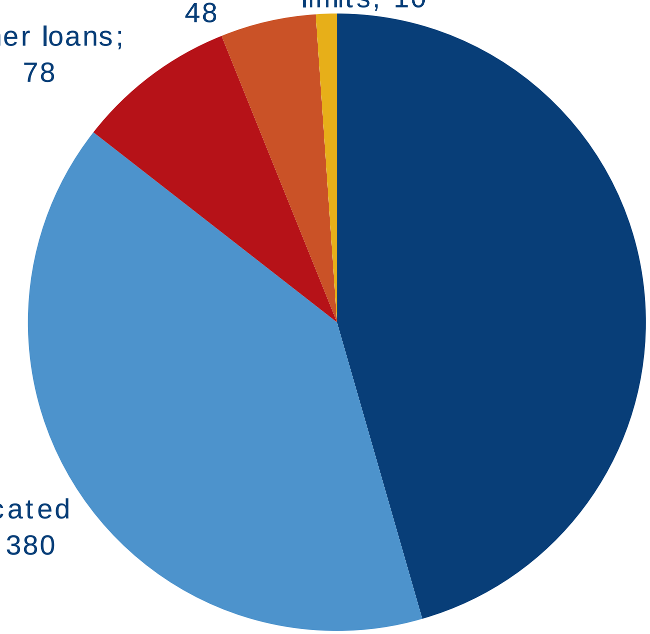
- Media: Structural changes in Belgium and Finland main reason for the decrease. Good development of TV advertising and improved result in CEE countries
- News: Increased advertising sales, good cost control
- Learning & Literature: Lower result of language services as well as literature and other businesses
- Trade: Lower sales in kiosks and bookstores, lack of blockbusters in movie operations

SBS transaction – financing and capital structure

Consolidated net debt estimated to increase by some EUR 0.9 billion to EUR 1.9 billion

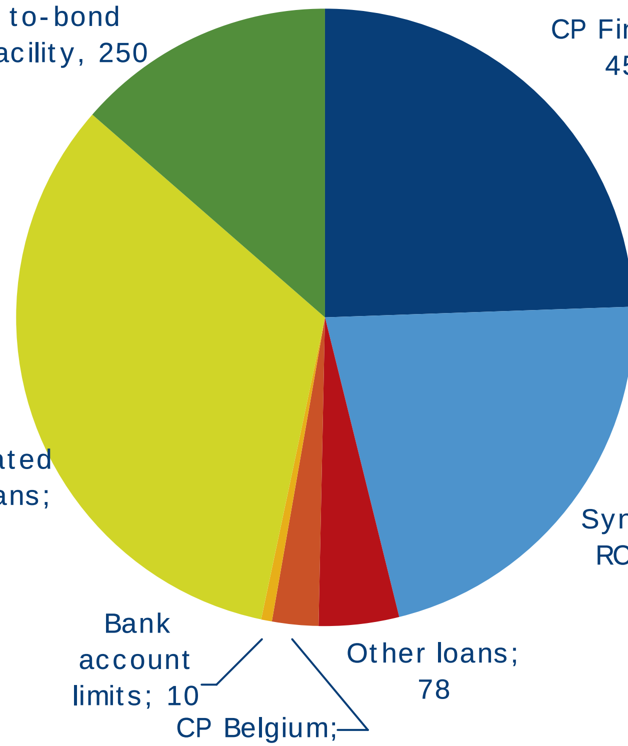
Total debt 1Q11

Break-down of EUR 950 million debt



Total debt after the acquisitions, estimated figures

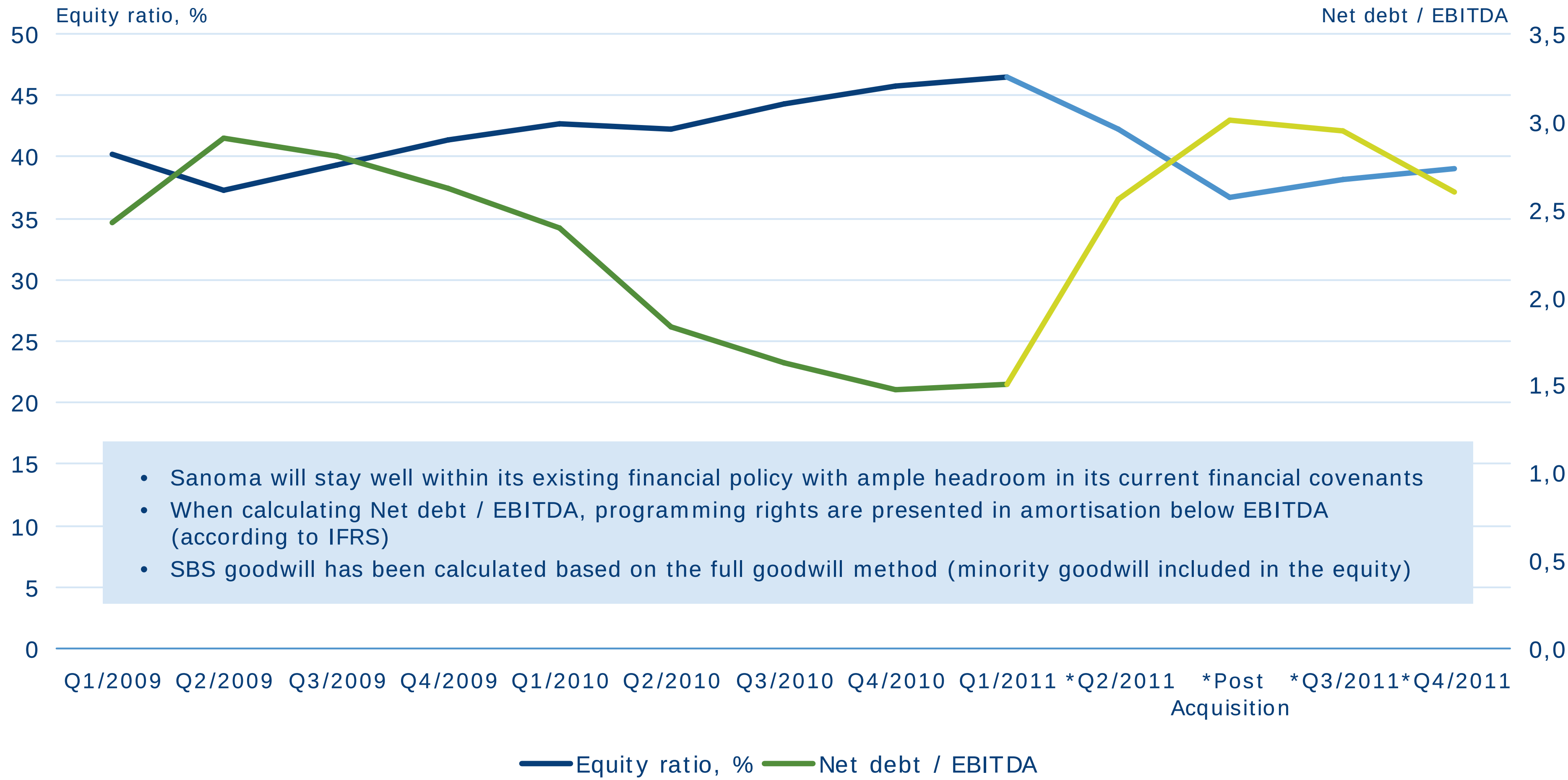
Break-down of EUR 1.9 billion debt



* New facilities

SBS transaction – financing and capital structure

Development of financial covenant ratios



- Sanoma will stay well within its existing financial policy with ample headroom in its current financial covenants
- When calculating Net debt / EBITDA, programming rights are presented in amortisation below EBITDA (according to IFRS)
- SBS goodwill has been calculated based on the full goodwill method (minority goodwill included in the equity)

* Estimated figures

What affects Sanoma's outlook for 2011? (1/2)

SBS transaction

- In 2010, net sales EUR 404 million*, EBIT EUR 110 million*
- Annual effects
  - preliminary amortisation on purchase price allocations
    - trade names EUR 7 million/year (amortised during 20 years)
    - customer and distribution relations EUR 4 million/year (amortised over 12 to 20 years)
  - yearly amortisation of capitalised finance costs EUR 2 million
- First year effects
  - transaction costs EUR 10 million
  - preliminary amortisation on purchase price allocations
    - order backlog EUR 32 million (amortised during the first six months)
- Closing estimated during the summer

* Pro forma, unaudited

What affects Sanoma's outlook for 2011? (2/2)

Learning and General Literature transaction

- In 2010, total net sales of acquired learning assets EUR 28 million, general literature EUR 33 million
- Strong cyclicality of Learning and General Literature businesses within the year
  - learning: 2nd and 3rd quarter strong ones, 1st and 4th loss making
  - general literature: 4th quarter clearly the strongest one
- Closing estimated during the autumn

Market environment

- Assumption that the advertising markets in the Group's main operating countries grow somewhat

Sanoma

Outlook for 2011

As a result of the acquisition of SBS TV activities, the Sanoma Group's

- → Net sales are expected to **increase somewhat** and
- → Operating profit excluding non-recurring items is expected to **improve slightly** in 2011
- → In 2010, operating profit excluding non-recurring items was EUR 245.4 million

Appendix 2

Four divisions operating in different fields of media

Sanoma

Successful Integration

Steps to a leading media company

1999: Sanoma and WSOY merged
and listed on the Helsinki Stock Exchange

2001: CIG acquisition
Magazine division with operations in 9 countries

2003: Rautakirja merged into Sanoma

2004: Malmberg and Van In acquisition
Leading educational publishers in the Netherlands and Belgium

2005: Independent Media acquisition
Leading magazine publisher in Russia

2010: Acquisition of a 21% share of DNA
Finnish telecommunications company

2011: SBS acquisition
Leading commercial TV player in the Netherlands (67% share) and Belgium (33.3% share)

Sanoma

Market leader in most of the operating countries

In addition, Esmerk operates in Finland, UK, Sweden, Germany, France, Russia and Malaysia. AAC operates in Finland, Sweden, Denmark, Norway, UK, Russia and China.

Sanoma

Balanced portfolio

Net sales EUR 2,761 million • EBIT EUR 245 million* • Personnel 15,405**

Sanoma

Sanoma MEDIA

Magazines
Online business
TV and radio
Casual gaming

Sanoma NEWS

Newspapers
Online business

Sanoma LEARNING & LITERATURE

Learning
Language services
Literature & other***

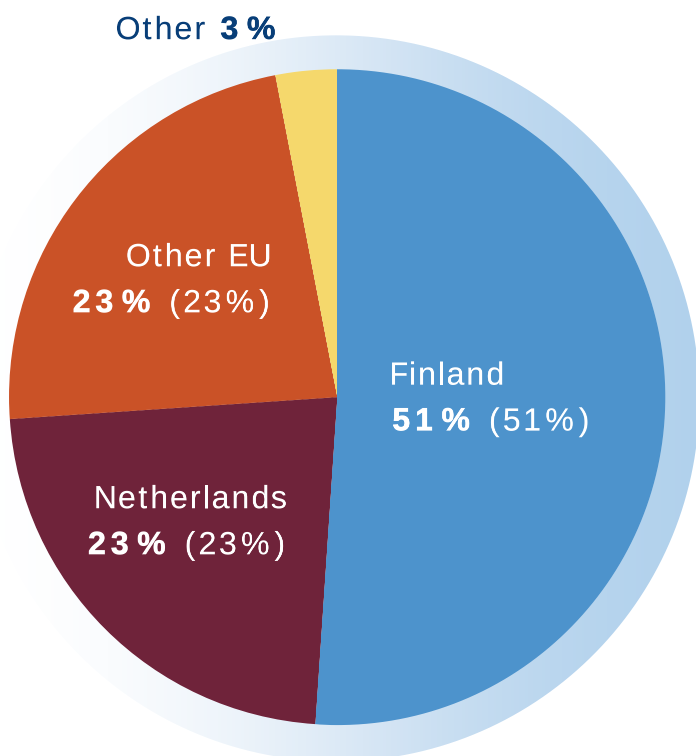
Sanoma TRADE

Kiosks
Trade services
Bookstores
Movie operations

* Excluding non-recurring items
** At the end of 2010, full-time equivalents
***Divestment expected to be closed during the autumn 2011

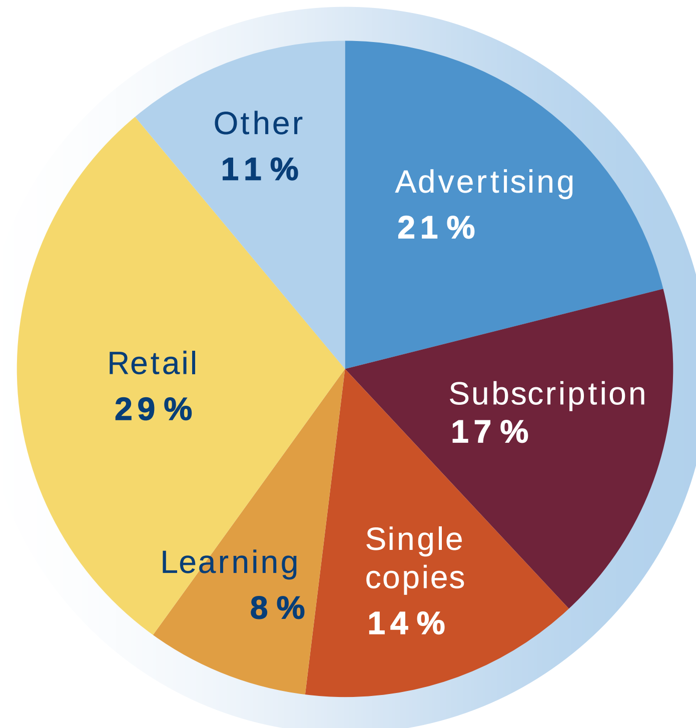
Balanced geographically and by business

Net sales by geographic area



The Baltic countries 5% (5%)
Other CEE countries + Russia and Ukraine 12% (12%)

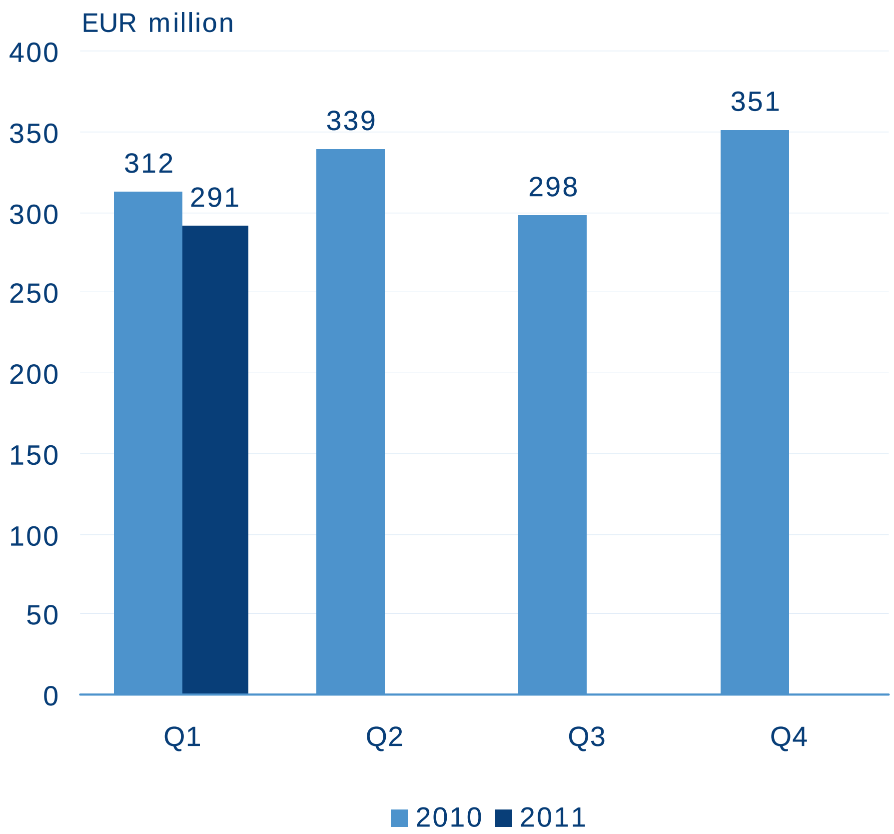
Net Sales by type of revenue source



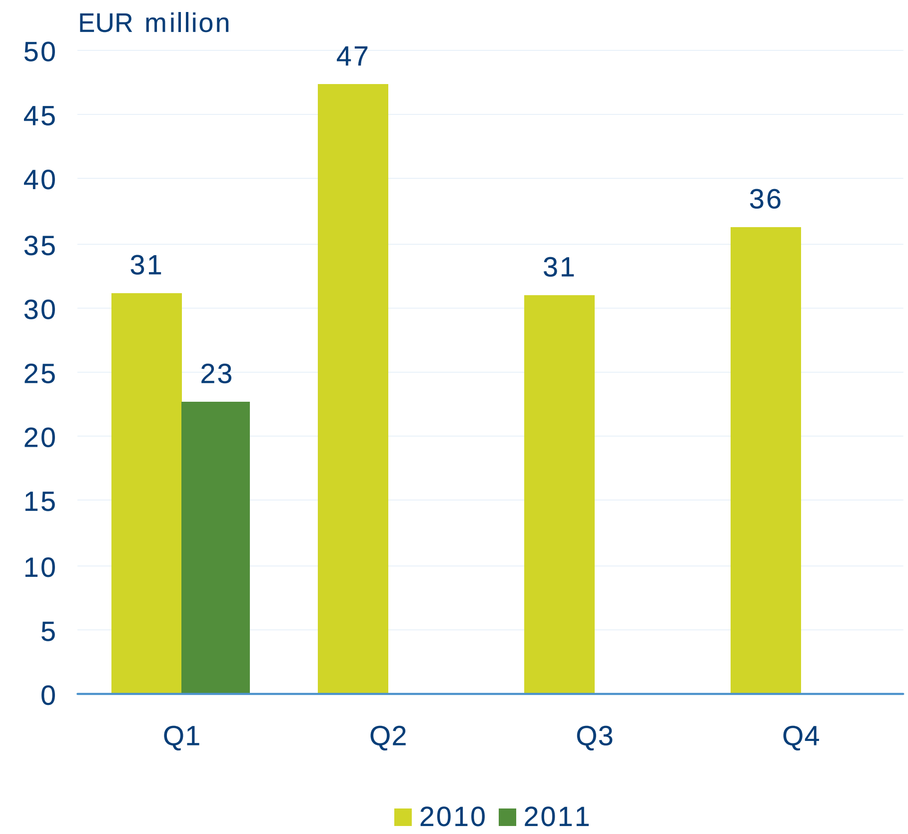
Intra group eliminations excluded. Due to rounding, the sum of percentages of pies' slides is not always 100%

Sanoma Media

Net sales



EBIT excluding non-recurring items



Sanoma Media

Key figures

EUR million	1–3/ 2011	1–3/ 2010	Ch %	1–12/ 2010
Net sales	**291.1**	312.1	-6.7	1,299.6
The Netherlands	**105.3**	107.4	-2.0	490.4
Finland	**74.2**	92.6	-19.9	339.3
The CEE countries	**51.4**	48.7	5.5	214.9
Belgium	**50.1**	53.5	-6.4	208.3
Other businesses and eliminations	**10.2**	9.9	3.4	46.7
EBIT excluding non-recurring items	**22.7**	31.2	-27.1	145.8
% of net sales	**7.8**	10.0		11.2
Number of employees (FTE)*	**5,384**	5,779	-6.8	5,419

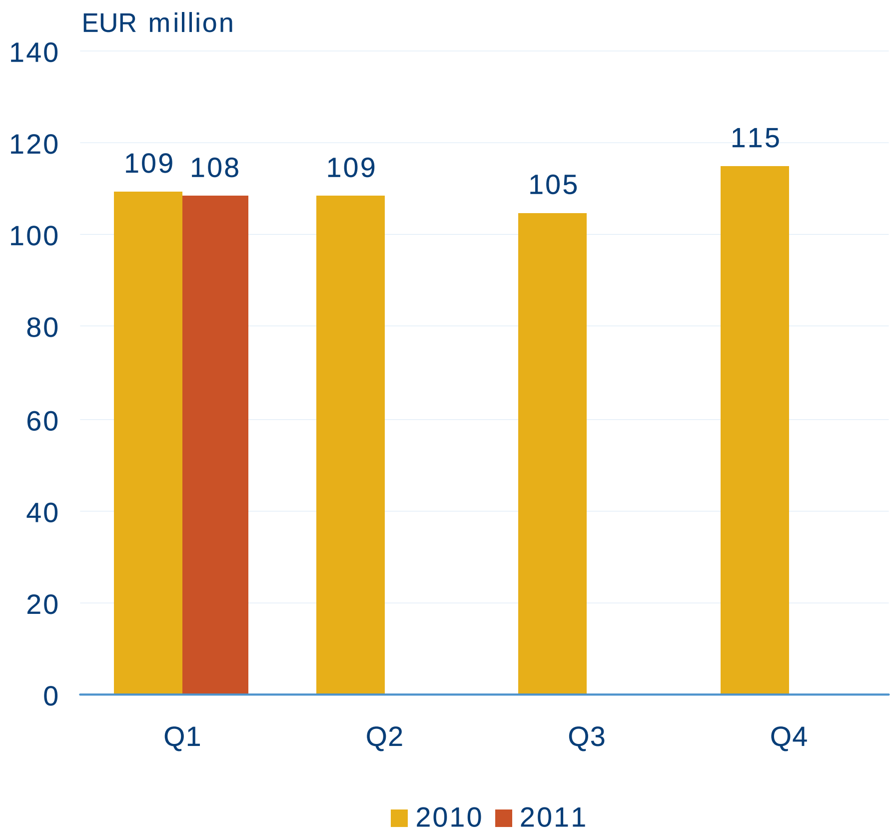
Outlook for 2011

Following the SBS transaction, Sanoma Media's net sales are estimated to increase significantly and operating profit excluding non-recurring items is expected to increase slightly.

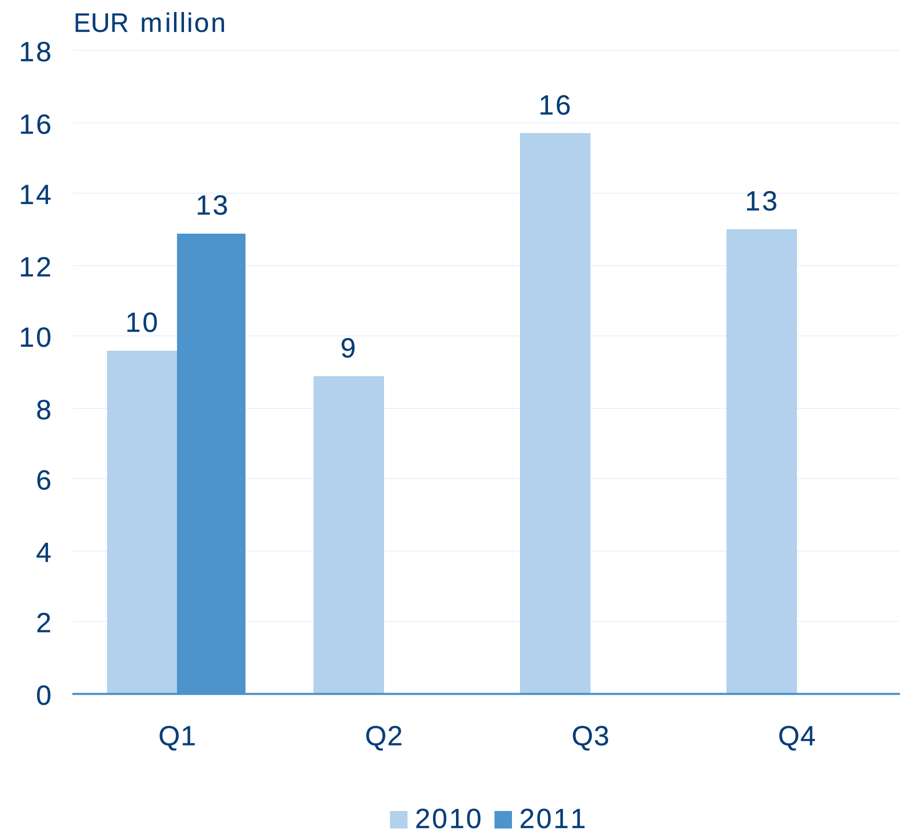
* At the end of the period

Sanoma News

Net sales



EBIT excluding non-recurring items



Sanoma News
Key figures

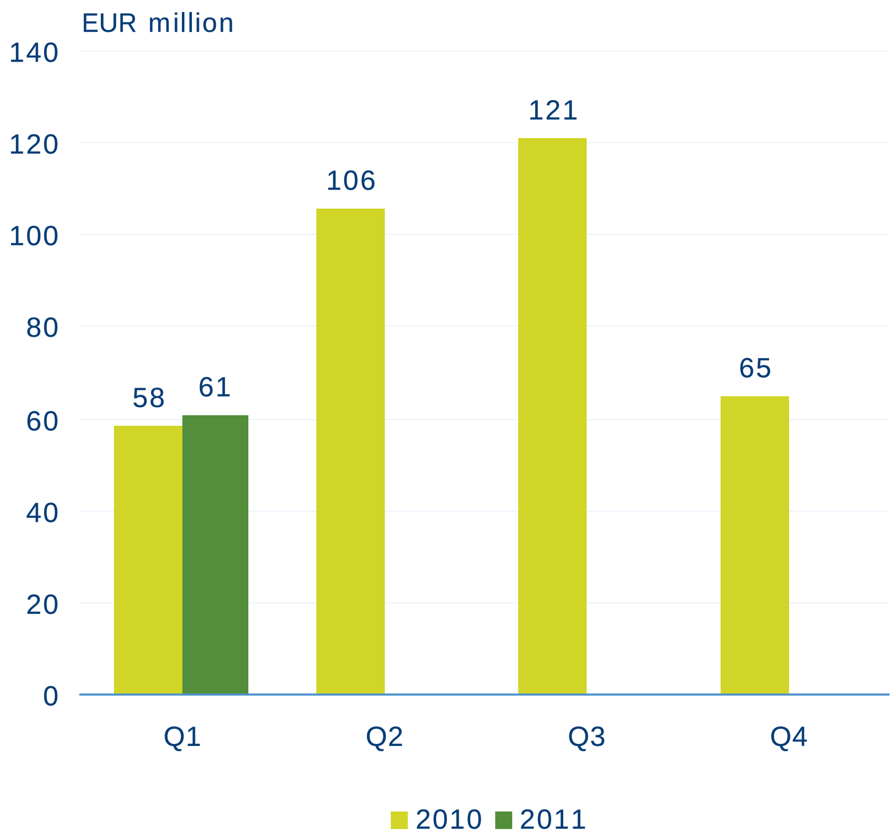
EUR million	1–3 / 2011	1–3/ 2010	Ch %	1–12 / 2010
Net sales	**108.4**	109.4	-0.9	437.6
Helsingin Sanomat	**61.2**	59.1	3.6	235.4
Ilta-Sanomat	**19.1**	19.9	-4.1	83.3
Other publishing	**23.7**	25.3	-6.4	99.5
Other businesses and eliminations	**4.4**	5.0	-13.3	19.4
EBIT excluding non-recurring items	**12.9**	9.6	33.8	47.2
% of net sales	**11.9**	8.8		10.8
Number of employees (FTE)*	**2,003**	2,168	-7.6	2,016

Outlook for 2011
Net sales are estimated to be at the previous year’s level due to the divestments made in 2010 and operating profit excluding non-recurring items is expected to improve slightly.

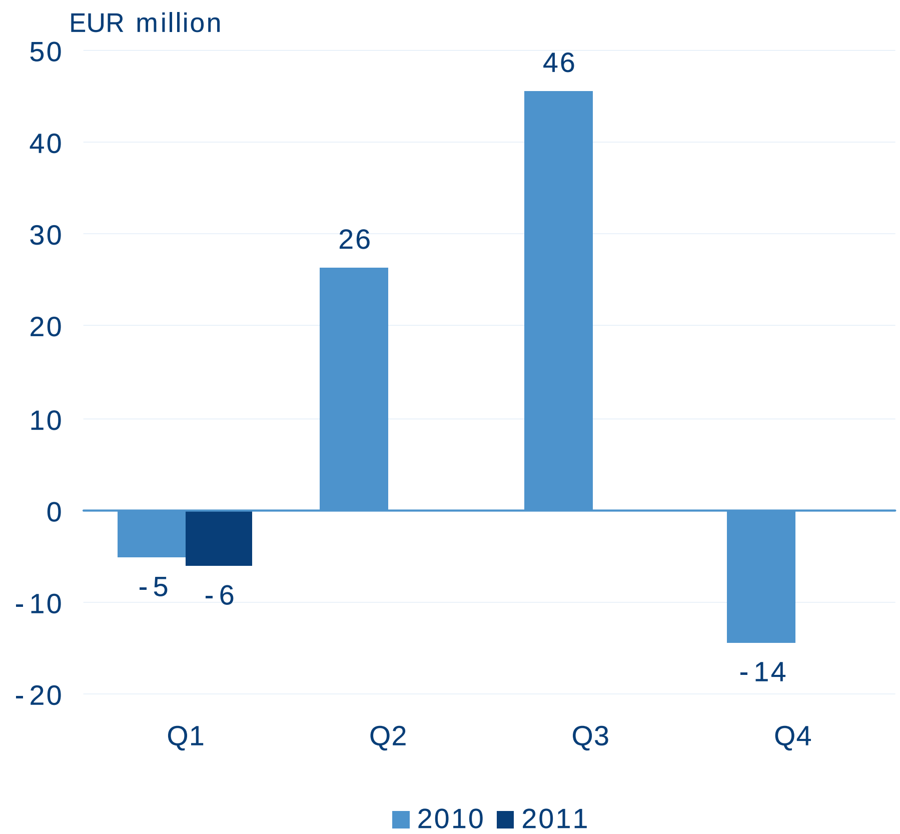
* At the end of the period

Sanoma Learning & Literature

Net sales



EBIT excluding non-recurring items



Sanoma Learning & Literature

Key figures

EUR million	1–3 / 2011	1–3/ 2010	Ch %	1–12 / 2010
Net sales	**60.7**	58.2	4.2	350.1
Learning	**34.3**	29.9	14.6	249.3
Language services	**8.7**	6.9	25.4	27.1
Literature and other businesses	**20.1**	23.6	-15.0	83.6
Eliminations	**-2.4**	-2.3	-5.8	-9.9
EBIT excluding non-recurring items	**-6.1**	-5.2	-16.8	52.6
% of net sales	**-10.0**	-9.0		15.0
Number of employees (FTE)*	**2,623**	2,637	-0.5	2,656

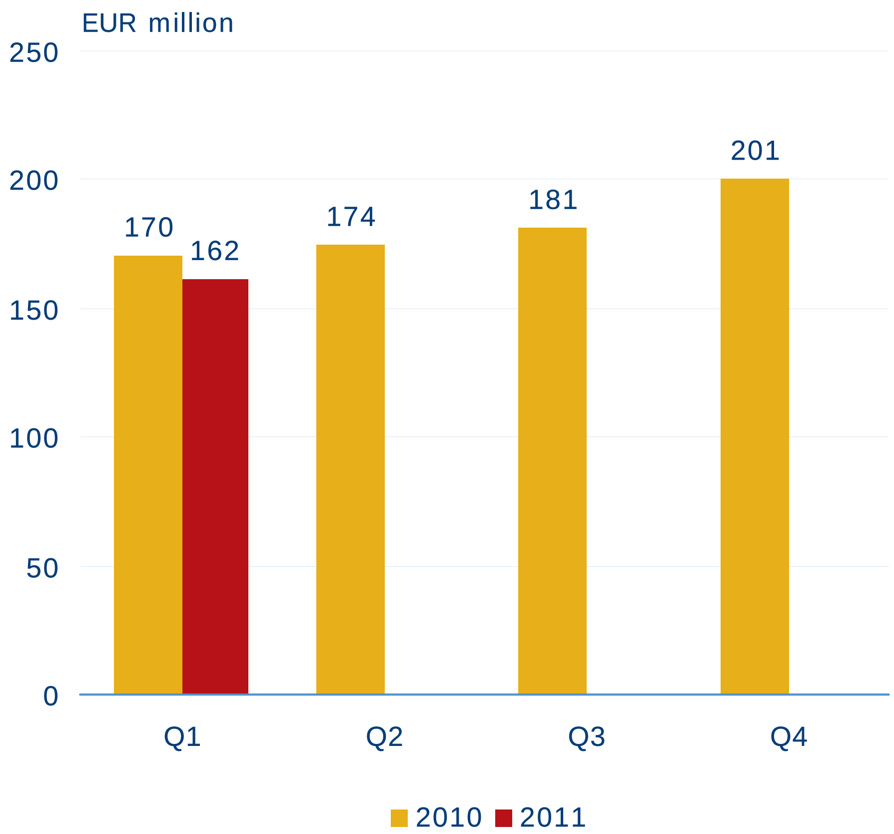
Outlook for 2011

Following the transaction with Bonnier, the net sales of Sanoma Learning & Literature in 2011 are estimated to be at the previous year's level and operating profit excluding non-recurring items is expected to decrease somewhat. Learning business has a strong seasonality within the year, the first and fourth quarter being typically loss-making. For general literature, on the other hand, the fourth quarter is typically the strongest one. Due to this seasonality, this transaction will lower Sanoma Learning & Literature's fourth quarter result in 2011.

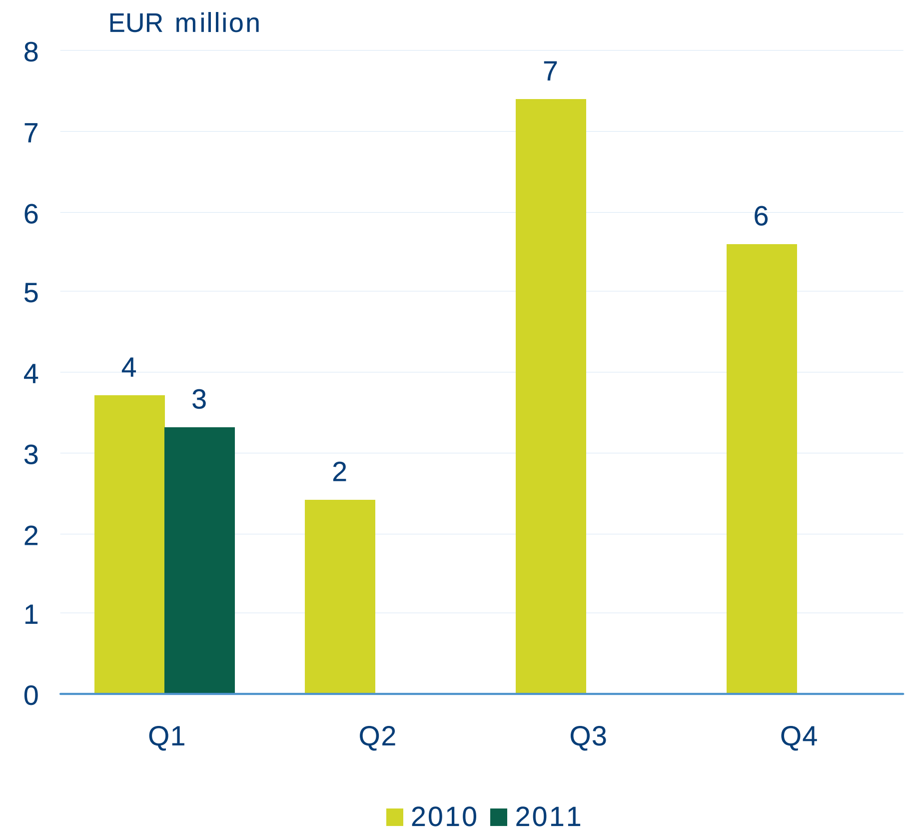
* At the end of the period

Sanoma Trade

Net sales



EBIT excluding non-recurring items



Sanoma Trade

Key figures

EUR million	1–3/ 2011	1–3/ 2010	Ch %	1–12/ 2010
Net sales	**161.8**	170.2	-5.0	726.3
Kiosk operations	**85.3**	91.9	-7.2	398.4
Trade services	**32.4**	30.3	7.1	131.3
Bookstores	**24.8**	26.0	-4.7	120.6
Movie operations	**21.9**	25.4	-13.9	90.0
Eliminations	**-2.6**	-3.4	22.5	-14.0
EBIT excluding non-recurring items	**3.3**	3.7	-9.4	19.4
% of net sales	**2.1**	2.2		2.4
Number of employees (FTE)*	**5,089**	5,625	-9.5	5,149

Outlook for 2011

Following the divestment of the movie operations and the Romanian operations, Sanoma Trade's net sales in 2011 are estimated to decrease clearly but operating profit excluding non-recurring items is expected to be at the previous year's level.

* At the end of the period

Appendix 3

About owners and coverage

Sanoma

Largest shareholders

30 April 2011	% of shares and votes
Aatos Erkko (of which through Oy Asipex Ab: 7.25%)	23.02
Robin Langenskiöld	7.54
Rafaela Seppälä	7.17
Antti Herlin (Holding Manutas Oy: 3.27%, Security Trading 0.51%)	3.79
Helsingin Sanomat Foundation	3.50
Ilmarinen Mutual Pension Insurance Company	2.12
Alfred Kordelin Foundation	1.94
Varma Mutual Insurance Company	1.55
Foundation for Actors' Old-age-home	1.38
Svenska litteratursällskapet i Finland r.f.	1.35

Foreign ownership in total	**8.3**
Total number of shares	**162,810,593**
Total number of shareholders	**27,280**

Institutional investors: 53% of shares

Private investors: 47% of shares

Analyst coverage

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Inspires, Informs and Connects