

SanomaWSOY

Investment Highlights

November 2007

The SanomaWSOY Group

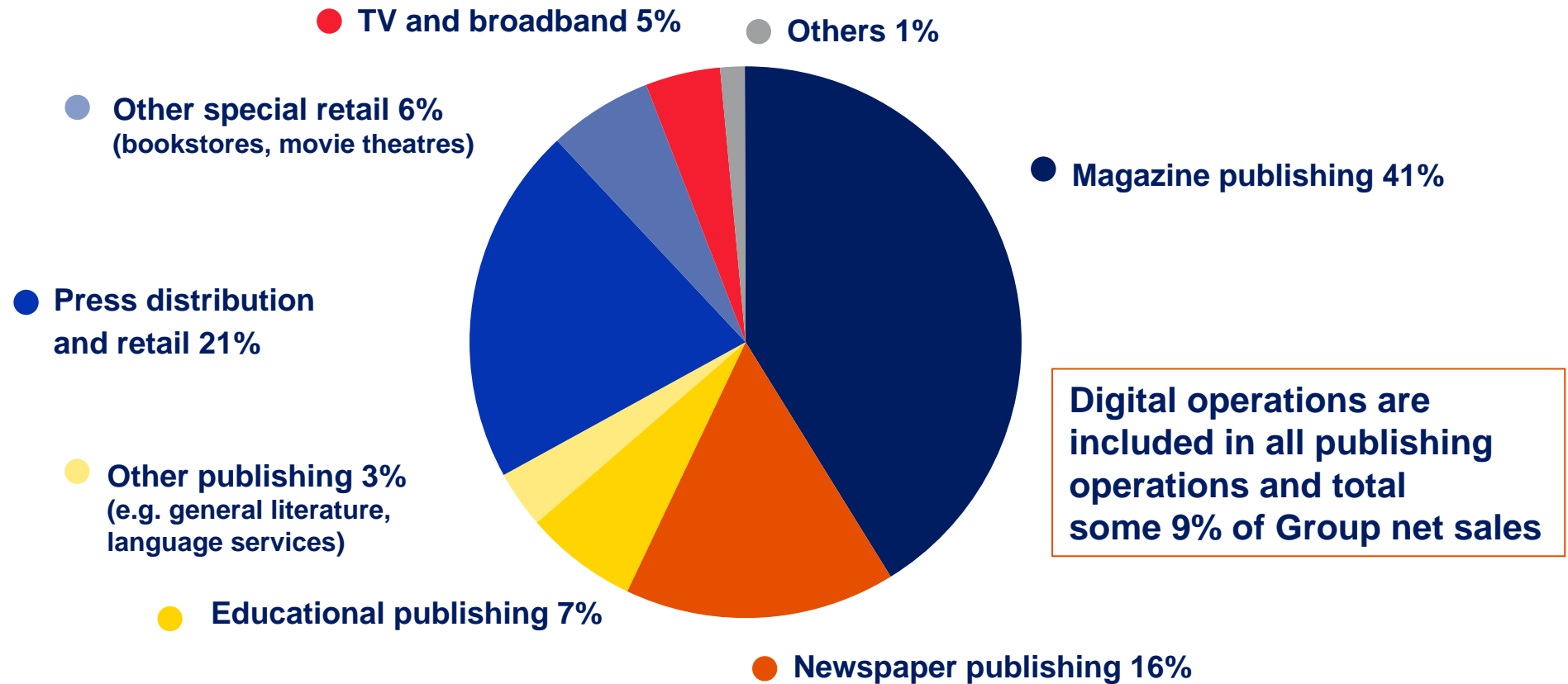
Profitable Growth, Focus on Market Leadership

- One of Europe's largest magazine and educational publishers
- Wide, extremely strong media portfolio in Finland; focused approach internationally
- Leading media assets in the chosen markets **with strong cash generation**, combined with **excellent position**
 - in the attractive CEE countries and Russia
 - in digital businesses
 - in distribution in Finland and the Baltic countries
- Good dividend payer
 - primarily over half of Group result after taxes distributed in dividends



The SanomaWSOY Group

Group Net Sales M€ 2,742 • Group EBIT M€ 292 • Group Personnel 18,434



Multimedia strategy in Finland

Four Focused International Growth Areas

Magazines



41%

- Concepts travel – magazines are not influenced by national or political issues
- Preferred international license partner + own concepts across borders
- Magazines are perfect platforms for brand extensions and community solutions

Educational publishing



7%

- Growth potential: investments in CEE and move to eLearning
- Consolidation of business – no big players in Europe
- Modularisation in production: local content, global platforms

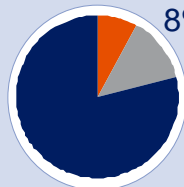
Digital media



9%

- Controlled transition from print to digital (optimal time, optimal pace)
- Consumer defines what content and where he/she wants to use it
- Includes TV and radio, online access, digital content, online advertising and eCommerce (some 4% without broadcasting)

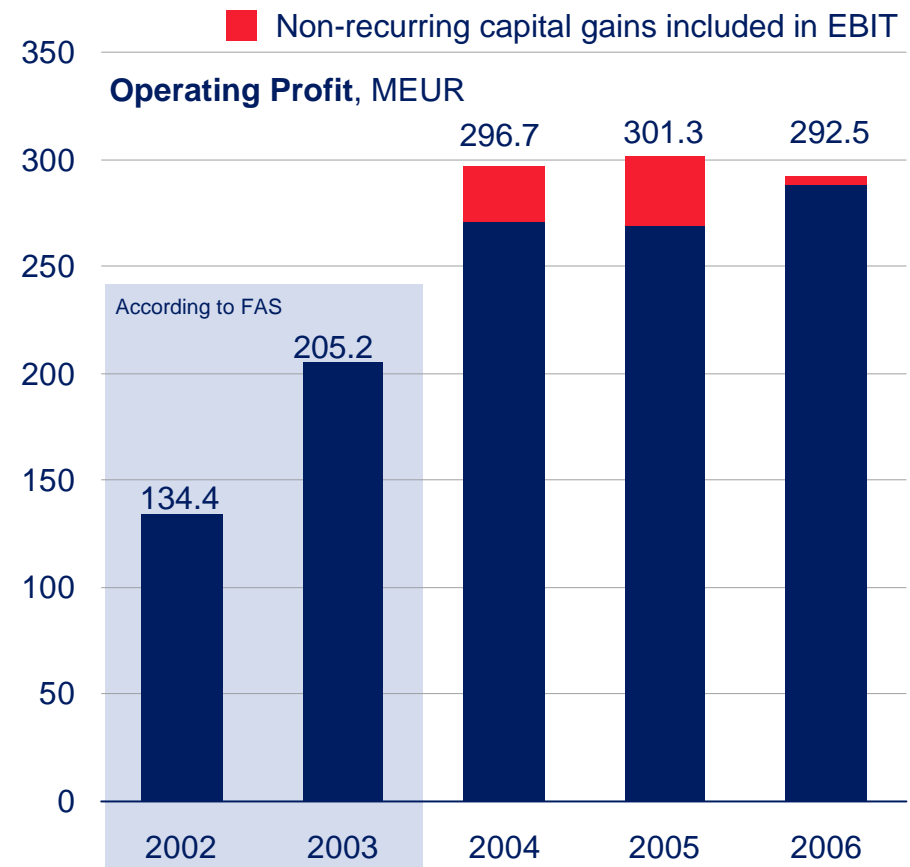
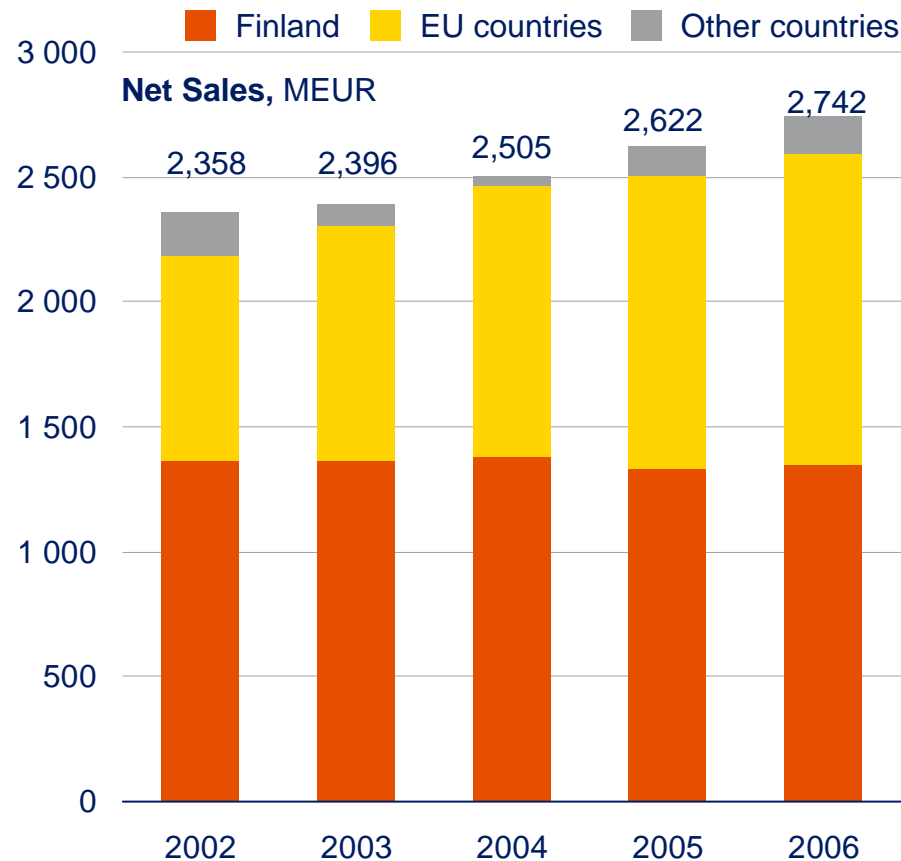
Press distribution and retail



8%
13%*

- Good, profitable business & exportable know how
- Supports magazine value chain
- Kiosk operations complement distribution in CEE countries Russia

Sustained Growth and Profitability



Key Indicators

Towards the EBIT margin of 12%

EUR million	1–12/2006	1–12/2005	Ch %
Net sales	2,742.1	2,622.3	4.6
Operating profit	292.5	301.3	-2.9
% of net sales	10.7	11.5	
Operating profit excluding major non-recurring capital gains	288.2	269.1	7.1
% of net sales	10.5	10.3	
Balance sheet total	3,132.2	2,972.5	5.4
Capital expenditure *	81.9	93.8	-12.7
Return on equity (ROE), %	17.7	22.3	-0.3
Return on investment (ROI), %	14.3	15.4	
Equity ratio, %	45.0	41.3	
Gearing, %	59.2	72.9	
Interest-bearing liabilities	863.9	928.7	-7.0
Net debt	782.4	843.8	-7.3
Earnings/share, EUR	1.32	1.45	-9.3
Cash flow from operations/share, EUR	1.63	1.69	-3.5
Dividend/share, EUR	0.95	0.90	5.6
Market capitalisation, EUR million	3,521.8	3,121.5	12.8
Personnel under employment contract, average	18,434	16,885	9.2

* Definition of capital expenditure has been changed in 2006.
Comparative data has been adjusted accordingly.

The Group's Financial Targets

To increase net sales at a rate faster than GDP growth in main operating countries

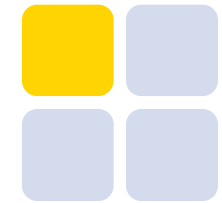
To increase digital business significantly

Group EBIT target is 12%

EBIT margin development (%)	2006	2006*	2005*	2004*
Sanoma Magazines	11.1	10.9	10.9	12.5
Sanoma (newspapers)	13.7	13.3	13.0	13.7
SanomaWSOY Education and Books	15.5	15.5	13.4	11.5
SWelcom (TV and broadband)	9.5	9.5	7.8	8.2
Rautakirja (distribution)	6.8	6.8	6.6	7.0
SanomaWSOY	10.7	10.5	10.3	10.8

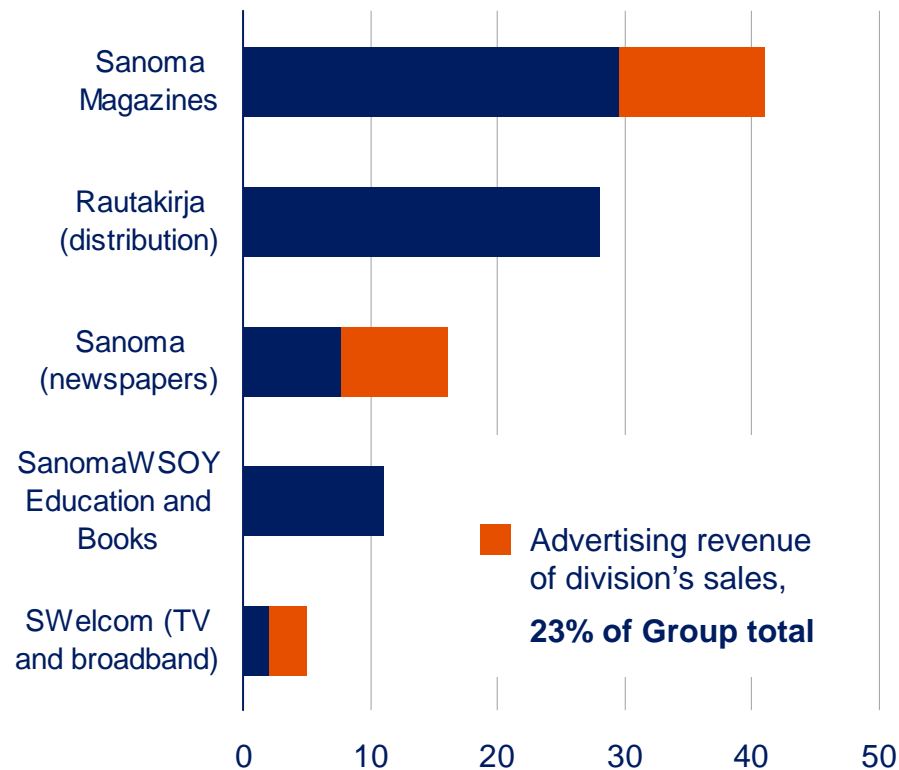
Other key ratios

- Annual capital expenditure < EUR 100 million (EUR 81.9 million in 2006)
- Equity ratio 35–45% (45.0% in 2006)
- Gearing < 100% (59.2% in 2006)
- Net debt/EBITDA < 3.5 (1.8 in 2006)

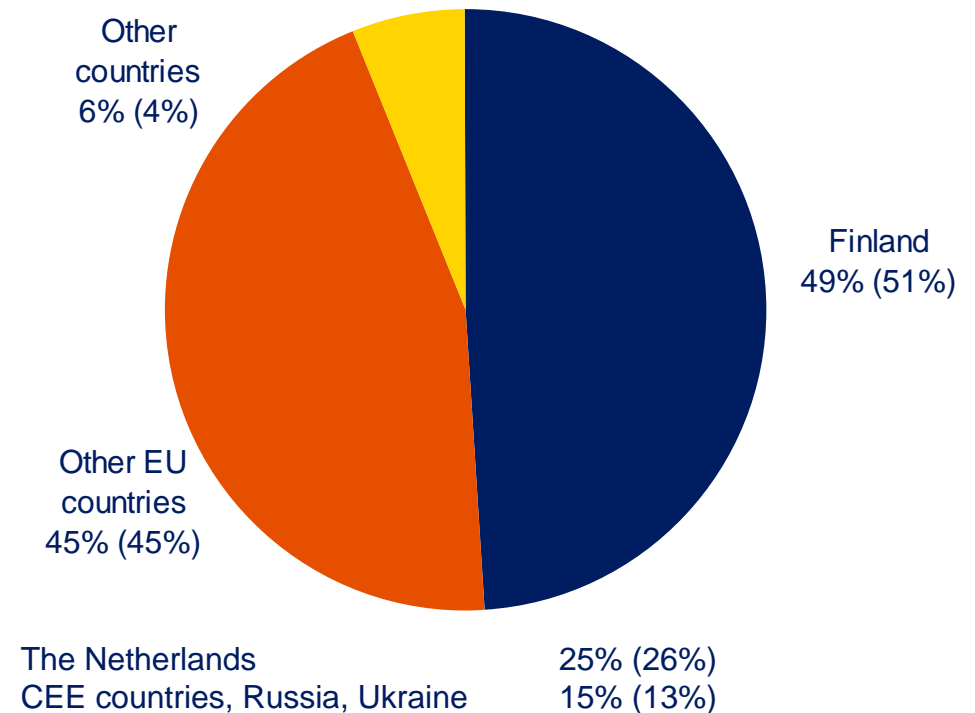


Balanced Composition of Net Sales

Divisional net sales breakdown 2006*

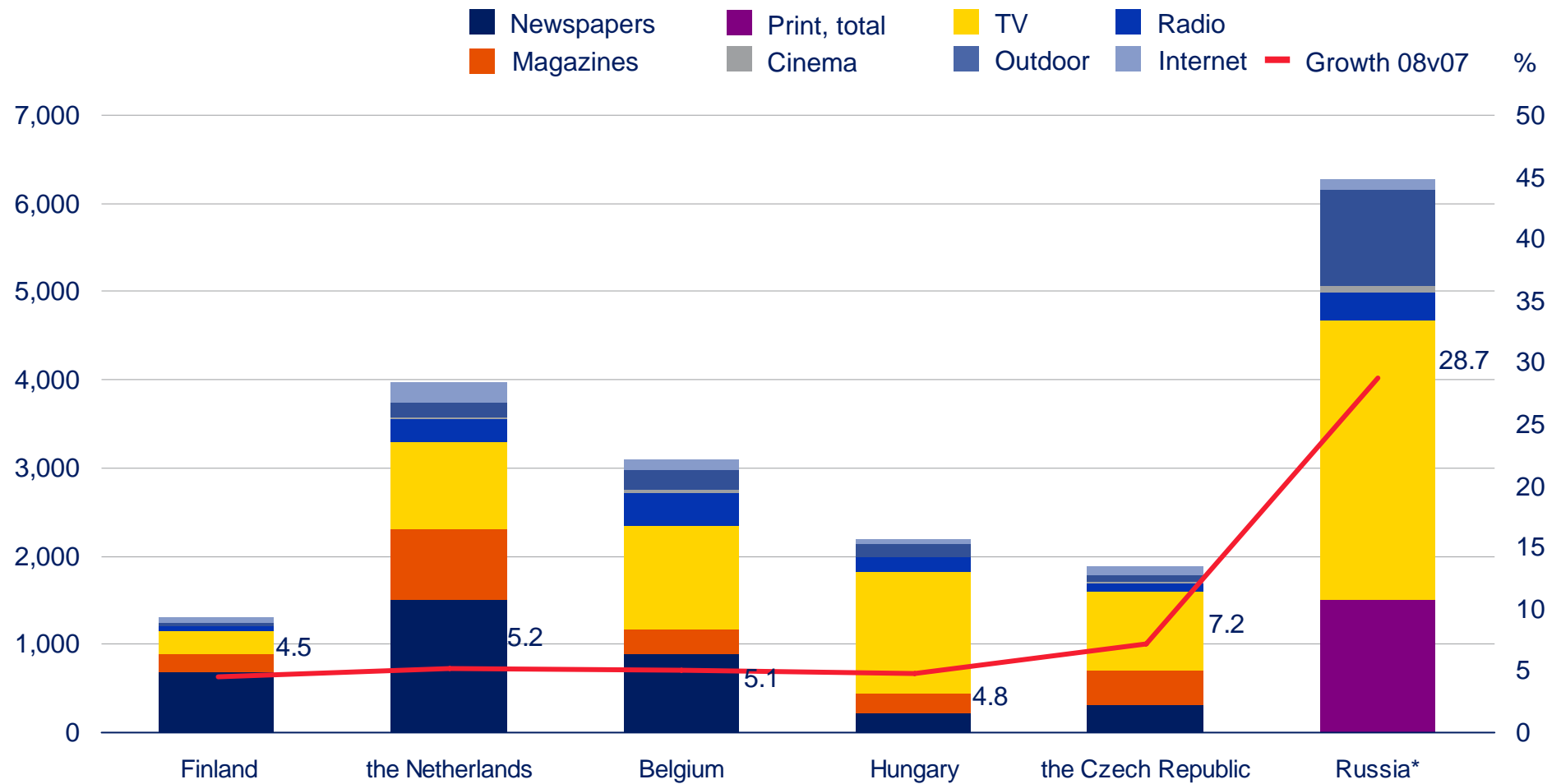


Geographic net sales breakdown 2006*



Advertising Market in Europe

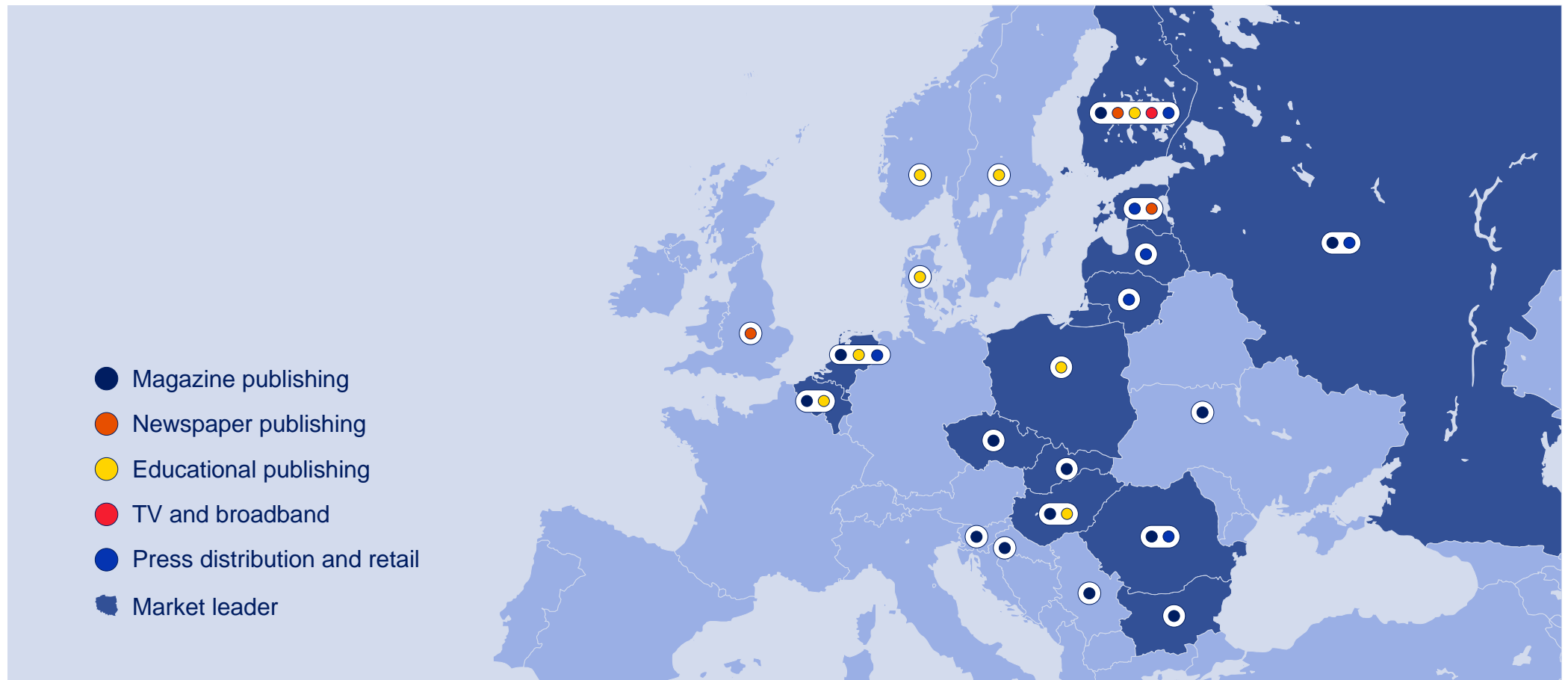
2007, EUR million



Market Leading Position in Mature Markets

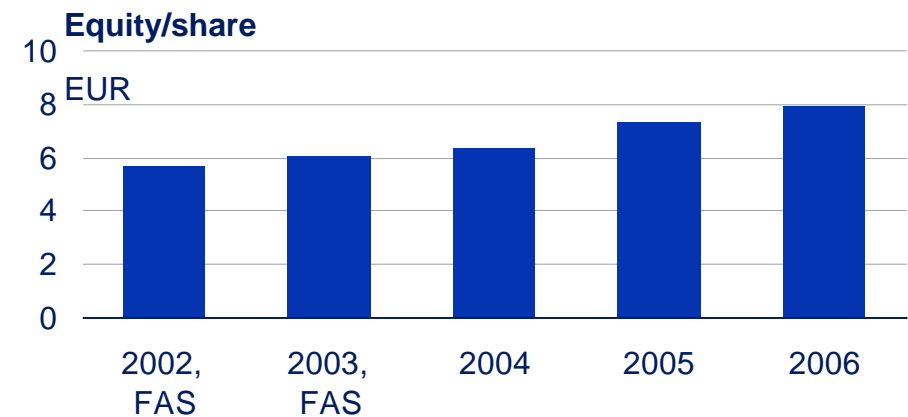
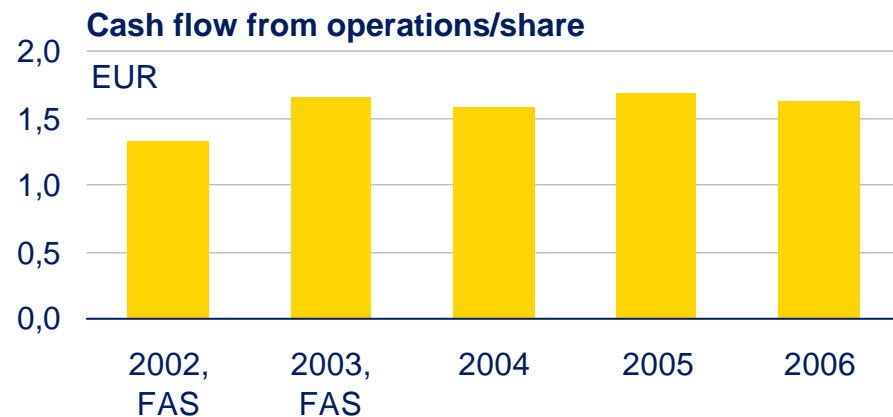
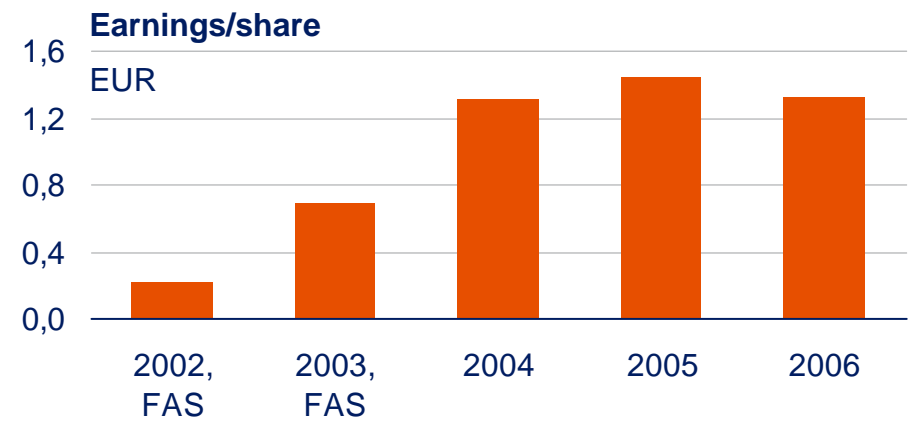
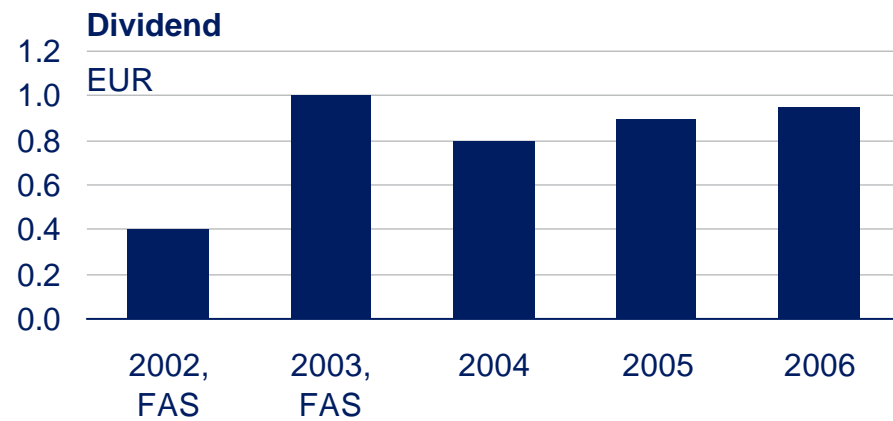
Investing in Fast Growing Areas

1-9/07: 20% of net sales from CEE countries, Russia and Ukraine



Good Dividend Payer

Over half of Group result after taxes distributed in dividends



Appendices:

Appendix 1: About Group divisions

Appendix 2: 3Q07 Result

Appendix 3: Market environment

Appendix 4: About owners and share



Appendix 1:

Five divisions
operating in versatile fields of media

The SanomaWSOY Group

Group Net Sales M€ 2,742 • Group EBIT M€ 292 • Group Personnel 18,434

Rautakirja

- Net sales M€ 799.9
- EBIT M€ 54.7 (6.8%)

**Press distribution, Kiosk operations,
Bookstores, Movie theatres**

SWelcom

- Net sales M€ 131.8
- EBIT M€ 12.5 (9.5%)

**Commercial TV, Cable TV,
Broadband, Radio**

SanomaWSOY Education and Books

- Net sales M€ 309.2
- EBIT M€ 48.0 (15.5%)

**Educational publishing, General literature,
Business information and services**

Sanoma Magazines

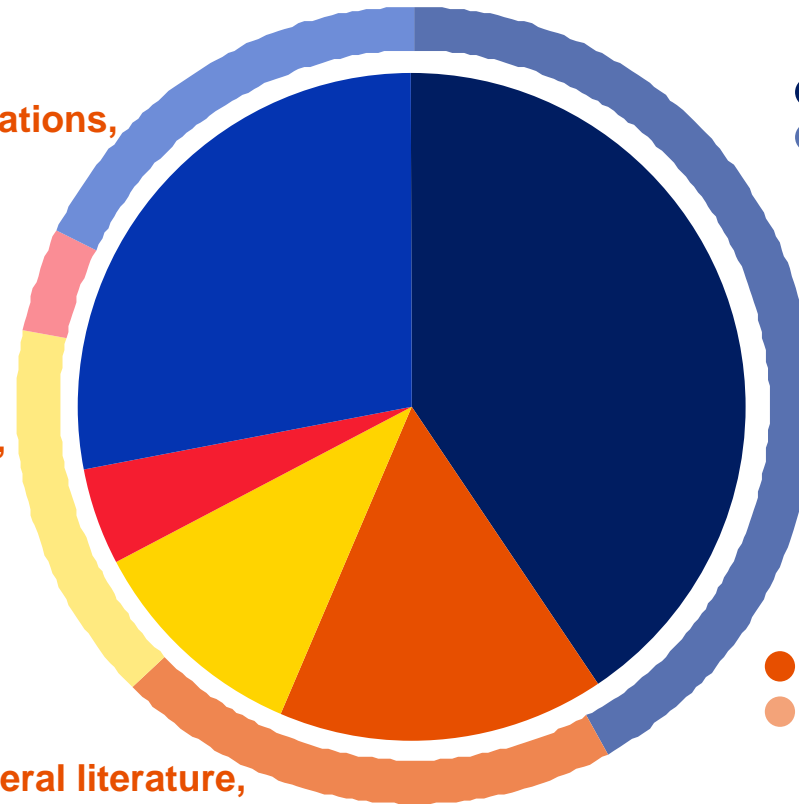
- Net sales M€ 1,155.9
- EBIT M€ 128.8 (11.1%)

**Magazine publishing,
Online operations**

Sanoma

- Net sales M€ 457.1
- EBIT M€ 62.7 (13.7%)

**Newspaper publishing,
Online operations**



European Magazine Publisher with a Strong Focus on Interactivity

Sanoma Magazines

- One of Europe's leading magazine publishers
- 313 magazine titles for all segments
- Active in 13 countries
- Strong brand developer:
 - Libelle, Margriet, (NL)
 - Kodin Kuvalehti, ET, Me Naiset (FI)
 - Humo, Libelle
 - Story (8 countries)
- Preferred license partner:
 - Cosmopolitan (11 countries), Elle (4 countries), Donald Duck (2 countries), National Geographic (6 countries)...
- Increasing digital operations (ilse media, Sanoma Budapest)
 - Search engines, web portals, virtual communities, news services, ...



Finland's Leading Newspaper Publisher

Sanoma

- Sanoma publishes 5 out of 7 Finland's most read newspapers and free sheets
 - The largest morning paper in the Nordic region and the leading ad medium in Finland (Helsingin Sanomat)
 - The leading tabloid in Finland (Ilta-Sanomat)
 - Finland's 3 most read free sheets (Metro, UL100, and Kaupunkilehti Vartti)
- Leading online services
 - The leading service entity for classified advertisements (Oikotie.fi, Keltainenporssi.fi, Huuto.Net)
 - Among the largest online services in Finland by the number of visitors (Iltasanomat.fi, HS.fi)
 - Strong financial site (Taloussanomat.fi)



Significant European Educational Publisher and Finland's Leading Book Publisher

SanomaWSOY Education and Books

- One of Europe's largest educational publishers
 - Leading positions in its present operating countries – Finland, the Netherlands, Belgium, Poland and Hungary
 - Optimizing the use of ICT to ensure growth
 - Taking advantage of curriculum changes and educational reforms
 - Expanding product portfolio with edutainment business
- Increasing offering of business information and services including language training and services
- The market leader in general literature in Finland



TV and Broadband Internet

SWelcom

- Third-largest ad medium in Finland, targeted especially on city dwellers (TV channel Nelonen)
 - 31% share of Finnish TV advertising (2006)
- Four other TV channels
- Two semi-national commercial radio stations
- Finland's largest cable TV operator and a major provider of broadband services (WELHO)
 - Triple-play operator with TV, broadband and, VoIP services
 - 318,000 connected households, 81,000 pay TV customers, and 97,000 broadband customers



Market Leading Press Distributor in Finland, the Netherlands, and the Baltic Countries

Rautakirja

- The leading kiosk operator in Finland and the Baltic countries
 - With its more than 700 kiosks, R-kioski is one of Finland's most visited retail chains (around 120 million visits annually)
 - Operations in Russia began in May 2007
- The leading press distributor in Finland, the Netherlands, and the Baltic countries
 - operations also in Romania and Russia
- The leading bookstore chain in Finland and Estonia
- The leading movie theatre chain in Finland and the Baltic countries





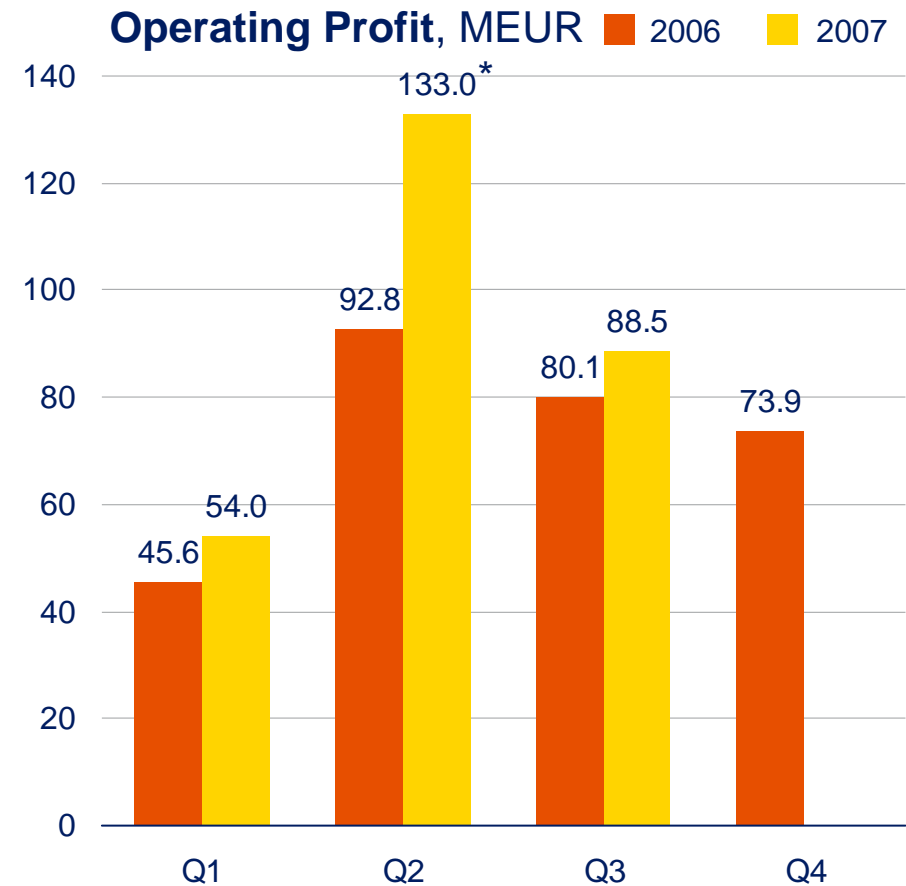
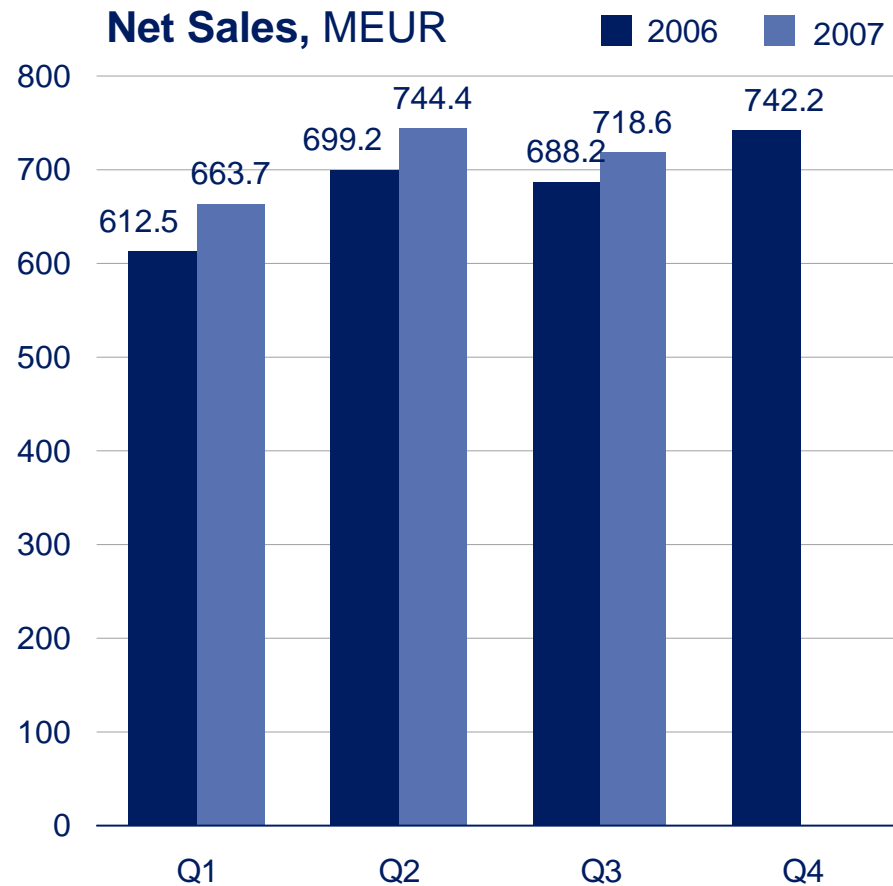
Appendix 2:

3Q07 Result

Key Figures

EUR million	1–9/2007	1–9/2006	Ch %	1–12/2006
Net sales	2,126.7	1,999.8	6.3	2,742.1
Operating profit	275.5	218.5	26.1	292.5
% net sales	13.0	10.9		10.7
Operating profit excluding major non-recurring capital gains	240.1	214.3	12.0	288.2
% net sales	11.3	10.7		10.5
Balance sheet total	3,283.0	3,181.8	3.2	3,132.2
Capital expenditure	57.6	51.4	12.2	81.9
Equity ratio, %	44.0	39.9		45.0
Gearing, %	65.0	79.6		59.2
Interest-bearing liabilities	968.6	1,066.9	-9.2	863.9
Net debt	879.8	947.5	-7.2	782.4
Earnings/share, EUR	1.16	0.96	20.6	1.32
Cash flow from operations/share, EUR	0.71	0.78	-9.1	1.63
Market capitalisation	3,599.9	3,243.7	11.0	3,521.8
Personnel *	19,470	18,277	6.5	18,434

Net Sales and Operating Profit



Key Developments 3Q2007 (1/2)

Acquisitions

- Educational publisher Nowa Era, Poland
- Press distributor Press Point International and kiosk operator HDS CIS, Russia
- Language service company The Works, Sweden

Digital media acquisitions

- TV channels Urheilukanava and Urheilu+kanava, Finland
- Ticket service Mr Ticket.nl (40%), the Netherlands
- Online publisher CE Media Online, the Czech Republic
- Online quiz portal Älypää, Finland
- Croportal.net, Croatia



Key Developments 3Q2007 (2/2)

- Magazine launches
 - Fashion magazine Grazia, the Netherlands
 - Fashion and beauty magazine Harper's Bazaar, Romania
 - NG Traveller, Russia
 - Men's magazine Esquire, Romania
 - Women's magazine Sensa, Croatia
- Digital media launches
 - Pay TV channel KinoTV, Finland
 - Consumer information portal Kirakat.hu, Hungary
 - Hot from the US (Disney's top series on Nelonen Web TV)
 - Online game portal Pelikone.fi, Finland
 - Combined online service of several free sheets Vartti.fi, Finland
 - User-generated content platform Maakjezo.nl, the Netherlands



Sanoma Magazines 1-9/2007

EUR million	1-9/2007	1-9/2006	Ch %	1-12/2006
Net sales	885.7	831.7	6.5	1,155.9
Sanoma Magazines Netherlands	385.6	382.8	0.7	531.2
Sanoma Magazines International	200.3	175.7	14.0	247.6
Sanoma Magazines Belgium	156.4	136.7	14.4	188.6
Sanoma Magazines Finland	146.8	140.1	4.7	193.2
Eliminations	-3.3	-3.7	-9.9	-4.7
Operating profit	123.8	86.8	42.5	128.8
% net sales	14.0	10.4		11.1
Operating profit excluding major non-recurring capital gains	102.6	84.2	21.8	126.2
% net sales	11.6	10.1		10.9
Balance sheet total	1,900.9	1,798.0	5.7	1,910.0
Capital expenditure	14.0	11.8	18.4	16.5
Personnel *	5,577	5,241	6.4	5,302

Sanoma 1–9/2007

EUR million	1–9/2007	1–9/2006	Ch %	1–12/2006
Net sales	356.2	334.7	6.4	457.1
Helsingin Sanomat (daily newspaper)	206.5	195.9	5.4	267.3
Ilta-Sanomat (quality tabloid)	71.2	68.4	4.0	92.2
Other publishing	71.6	62.8	14.1	87.6
Others	113.5	108.8	4.3	145.6
Eliminations	-106.6	-101.2	5.3	-135.6
Operating profit	54.1	46.1	17.2	62.7
% net sales	15.2	13.8		13.7
Operating profit excluding major non-recurring capital gains	54.1	44.5	21.6	61.0
% net sales	15.2	13.3		13.3
Balance sheet total	525.9	501.4	4.9	526.6
Capital expenditure	11.4	11.3	1.0	16.5
Personnel *	2,715	2,679	1.4	2,672

SanomaWSOY Education and Books 1-9/2007

EUR million	1-9/2007	1-9/2006	Ch %	1-12/2006
Net sales	254.0	245.8	3.3	309.2
Educational publishing	167.1	162.3	2.9	187.7
Publishing	67.7	65.3	3.8	96.0
Others	37.1	31.3	18.5	43.3
Eliminations	-17.9	-13.1	37.1	-17.8
Operating profit	51.2	55.1	-7.1	48.0
% net sales	20.1	22.4		15.5
Operating profit excluding major non-recurring capital gains	51.2	55.1	-7.1	48.0
% net sales	20.1	22.4		15.5
Balance sheet total	655.9	588.7	11.4	598.2
Capital expenditure	4.8	6.9	-30.6	8.9
Personnel *	2,754	2,353	17.0	2,455

SWeIcom 1-9/2007

EUR million	1-9/2007	1-9/2006	Ch %	1-12/2006
Net sales	103.4	94.6	9.3	131.8
TV and radio	56.7	53.6	5.7	76.5
Others	47.3	41.5	14.1	56.0
Eliminations	-0.6	-0.5	12.1	-0.6
Operating profit	10.4	7.7	35.6	12.5
% net sales	10.1	8.1		9.5
Operating profit excluding major non-recurring capital gains	10.4	7.7	35.6	12.5
% net sales	10.1	8.1		9.5
Balance sheet total	171.9	145.5	18.2	158.6
Capital expenditure	10.0	7.9	26.3	15.2
Personnel *	488	439	11.1	437

Rautakirja 1–9/2007

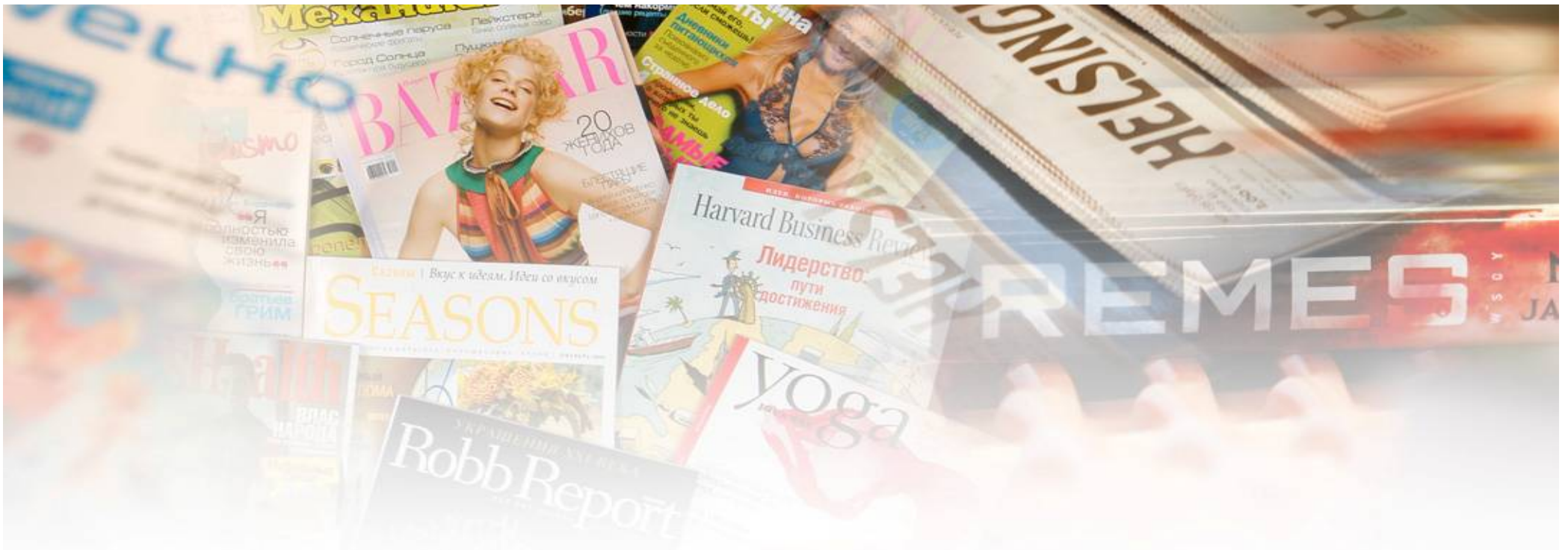
EUR million	1–9/2007	1–9/2006	Ch %	1–12/2006
Net sales	608.2	567.0	7.3	799.9
Kiosk operations	281.7	268.1	5.1	369.1
Press distribution	178.9	164.8	8.6	223.6
Bookstores	90.4	89.9	0.6	138.9
Entertainment	69.4	53.7	29.2	81.7
Eliminations	-12.2	-9.4	29.2	-13.4
Operating profit	32.5	32.2	0.8	54.7
% net sales	5.3	5.7		6.8
Operating profit excluding major non-recurring capital gains	32.5	32.2	0.8	54.7
% net sales	5.3	5.7		6.8
Balance sheet total	540.4	535.2	1.0	586.9
Capital expenditure	16.3	12.5	30.7	23.1
Personnel *	7,847	7,492	4.7	7,496

Group's Outlook for 2007

Outlook

- Net sales to increase more than in the previous year
- Operating profit excluding the major non-recurring capital gains to improve

- In 2006, operating profit excluding the major non-recurring capital gains totalled EUR 288.2 million and net sales grew by 4.6%



Appendix 3:

Market environment

Advertising Sales Estimates

In Finland, the Netherlands and Belgium

Estimates for 2007, Current Prices

	Finland		The Netherlands		Belgium	
	MEUR	Ch %	MEUR	Ch %	MEUR	Ch %
Newspapers	695	5.5	1,501	1.9	889	1.4
Magazines	205	2.5	815	1.9	293	2.1
Television	253	4.1	970	6.0	1,162	8.5
Radio	48	2.1	279	3.0	381	16.4
Outdoor	39	8.3	171	4.3	232	2.5
Internet	57	21.3	231	40.9	98	36.0
Cinema	2.0	96.0	5	0	27	-10.0
Total	1,299	5.3	3,972	4.7	3,082	6.6

Advertising Sales Estimates

In Russia, Hungary and the Czech Republic

Estimates for 2007, Current Prices

	Russia		Hungary		The Czech Republic	
	MEUR	Ch %	MEUR	Ch %	MEUR	Ch %
Newspapers			215	1.4	320	-6.5
Magazines			230	-0.2	385	8.0
<i>Total print</i>	<i>1,501</i>	<i>23.5</i>				
Television	3,167	35.0	1,384	-0.1	893	3.5
Radio	324	24.9	158	17.0	102	6.0
Outdoor	1,098	25.6	154	0.5	78	1.0
Internet	122	65.0	51	32.2	86	15.9
Cinema	66	48.3	4	-30.4	8	5.0
Total	6,278	30.4	2,196	1.7	1,870	3.0

Advertising Sales Estimates

In Finland, the Netherlands and Belgium

Estimates for 2008, Current Prices

	Finland		The Netherlands		Belgium	
	MEUR	Ch %	MEUR	Ch %	MEUR	Ch %
Newspapers	723	4.0	1,530	1.9	913	2.8
Magazines	210	2.4	829	1.7	303	3.4
Television	263	4.0	1,038	7.0	1,227	5.6
Radio	50	4.2	288	3.2	406	6.8
Outdoor	41	5.1	178	4.1	239	2.8
Internet	68	19.3	312	35.1	122	23.8
Cinema	2.4	19.9	5	0	27	1.5
Total	1,357	4.5	4,180	5.2	3,238	5.1

Advertising Sales Estimates

In Russia, Hungary and the Czech Republic

Estimates for 2008, Current Prices

	Russia		Hungary		The Czech Republic	
	MEUR	Ch %	MEUR	Ch %	MEUR	Ch %
Newspapers			222	3.4	337	5.4
Magazines			236	2.7	423	10.0
<i>Total print</i>	<i>1,801</i>	<i>23.3</i>				
Television	4,059	32.0	1,454	5.0	956	7.0
Radio	394	24.9	168	6.3	106	4.0
Outdoor	1,307	22.3	162	5.1	79	2.0
Internet	202	69.7	55	8.1	97	12.8
Cinema	92	43.1	3	-20.6	8	6.0
Total	7,854	28.7	2,300	4.8	2,006	7.2

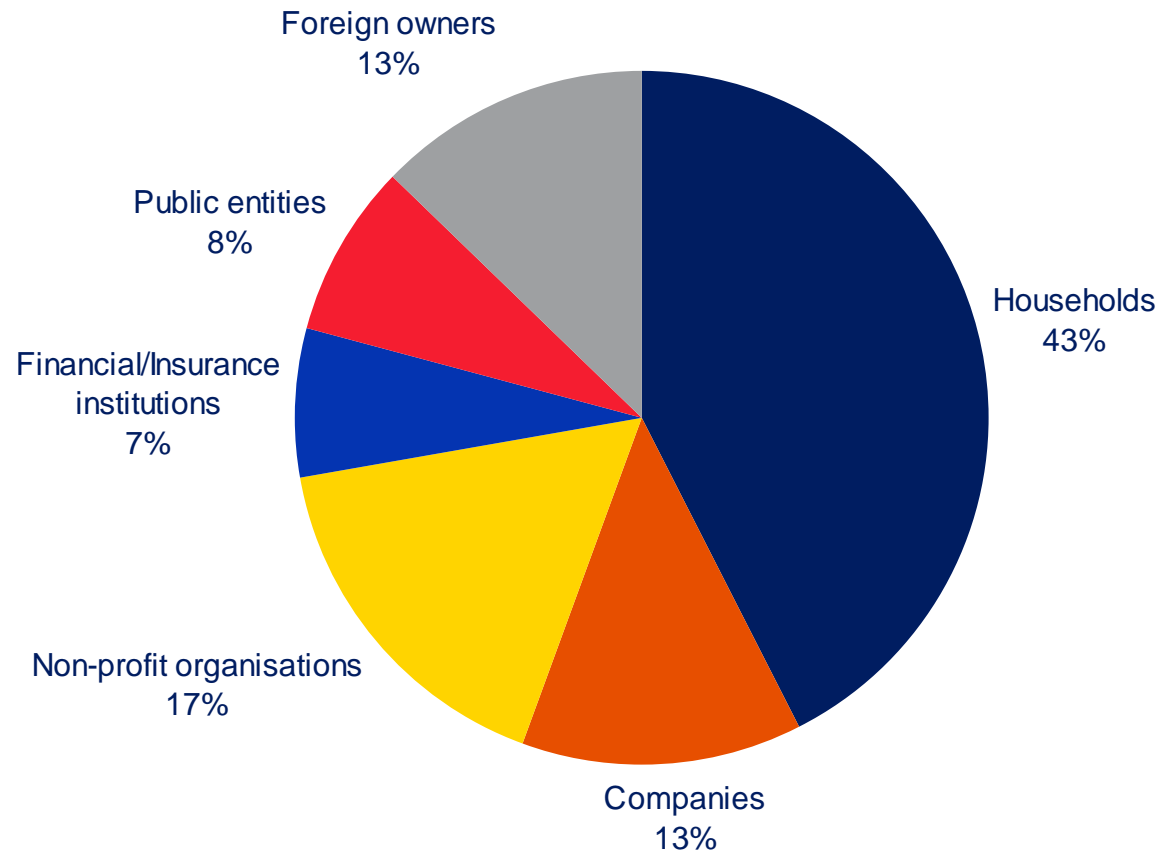


Appendix 4:

About Owners and Shares

Shareholders by Sectors

% of Shares and Votes



Largest Shareholders

31 October 2007

% of shares and votes

Aatos Erkko (of which through Oy Asipex Ab: 7.14%)	22.66
Robin Langenskiöld	7.42
Rafaela Seppälä	7.42
Helsingin Sanomat Foundation	3.63
Alfred Kordelin Foundation	2.28
Ilmarinen Mutual Pension Insurance Company	2.27
Sampo Life Insurance Company Limited	1.85
Foundation for Actors' Old-age-home	1.36
Varma Mutual Pension Insurance Company	1.30
The WSOY's Literature Foundation	1.25
Foreign ownership in total	12.9

Total number of shareholders: 16,341

165,394,292

of which on 31 October: 537,000 (0.3%) treasury shares

Analyst coverage

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