



European Mid Cap Seminar

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November 17, 2006

SanomaWSOY

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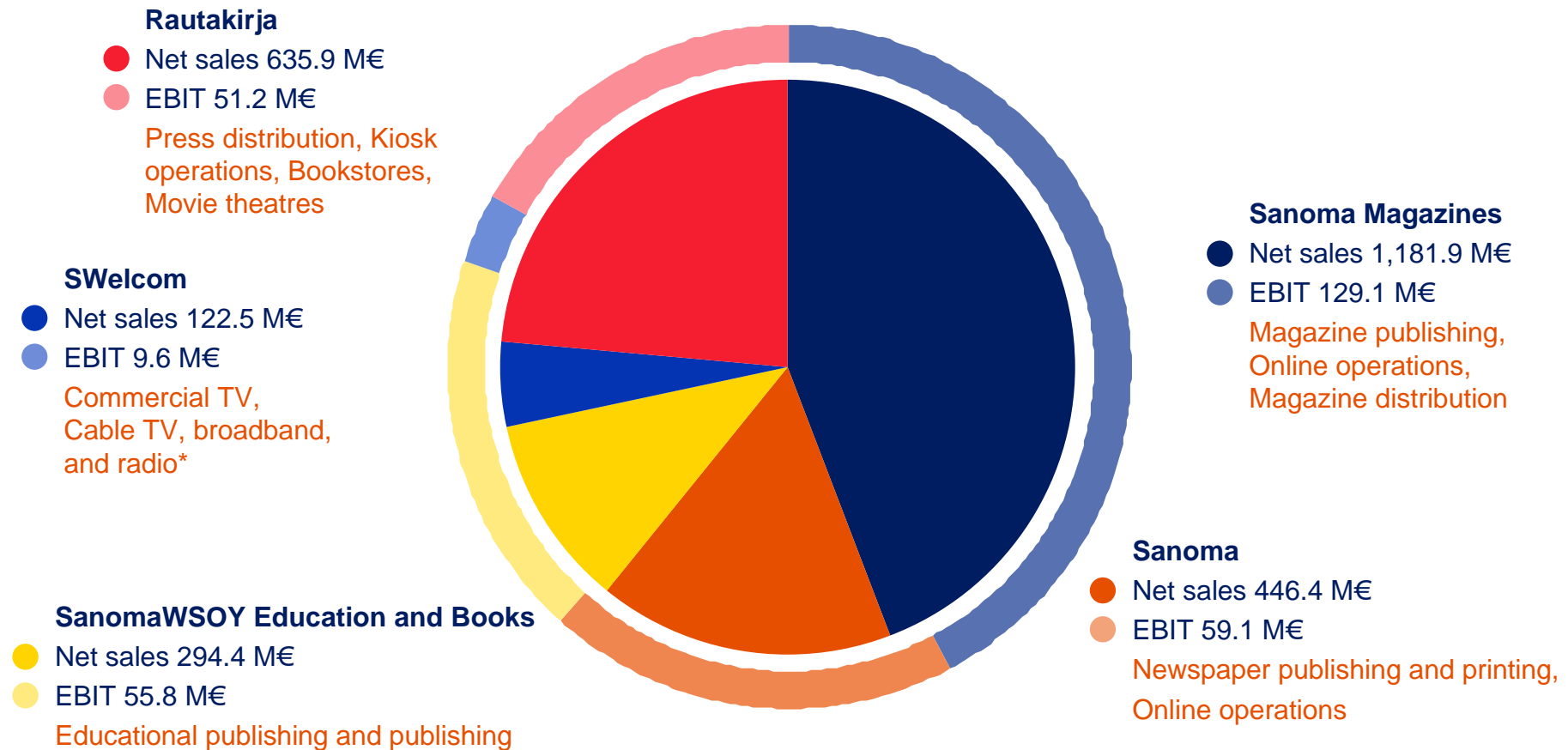
SanomaWSOY

- Finnish newspaper publisher Sanoma and book publisher WSOY merged in 1999 and listed in the Helsinki Stock Exchange
- The leading Nordic media group
 - net sales EUR 2,622 million in 2005
 - personnel 16,885
- 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 fast growing digital businesses
- Excellent position in the attractive Central Eastern European (CEE) countries and Russia

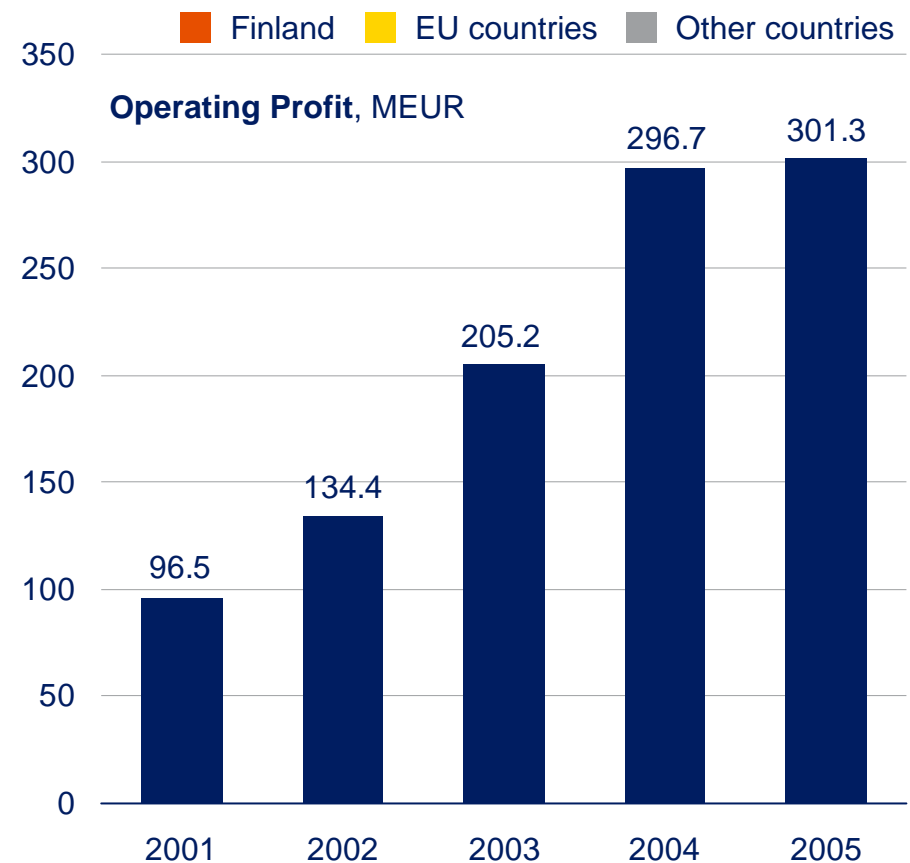
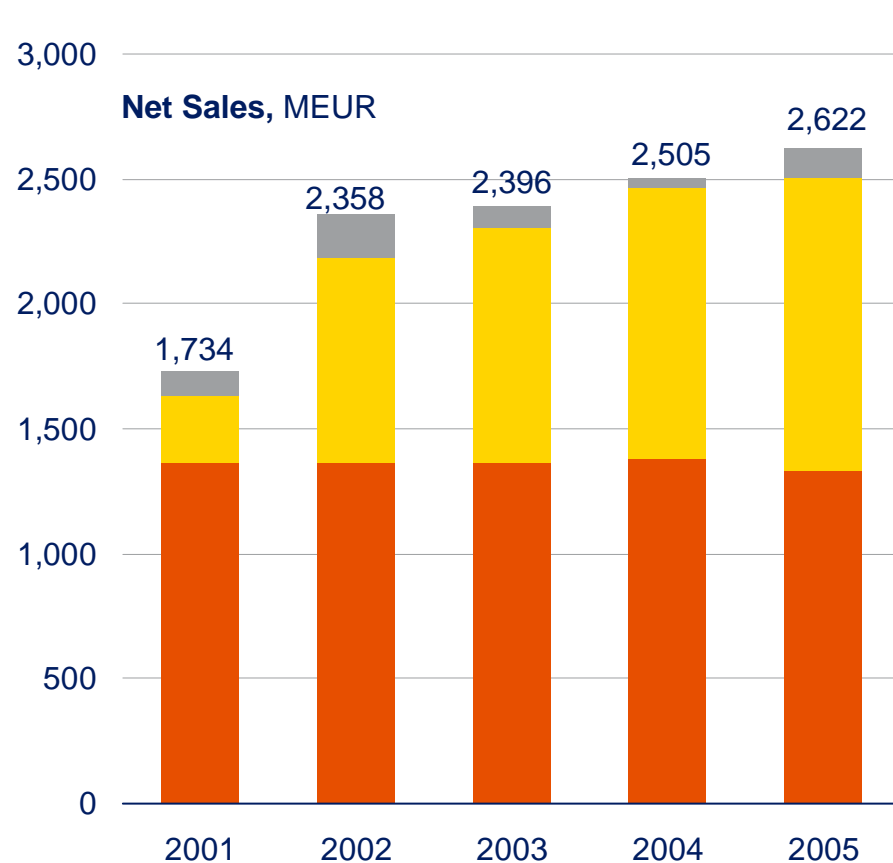


The SanomaWSOY Group

Group Net Sales M€ 2,622 • Group EBIT M€ 301.1 • Group Personnel 16,885

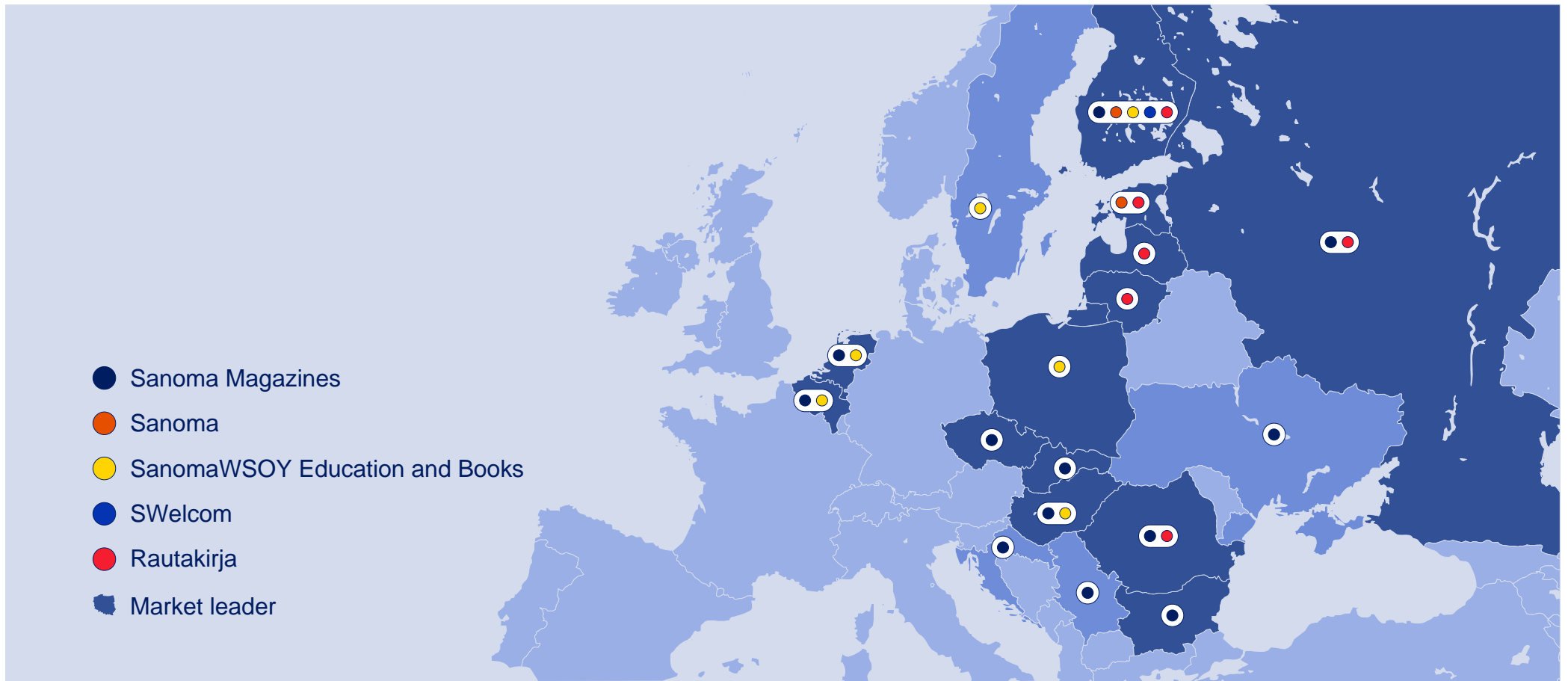


Sustained Growth and Profitability



NOTE: The number of EU countries has increased. Figures 2000–2003 according to FAS. Since 2004 according to IFRS. Net sales of 2003 are not comparable with the earlier years due to changes in accounting practices.

Truly European Media Group



Financial targets

Growth and
profitability



Way of doing

Market leadership

Strategy



Strategic Focus Areas

Growth and profitability

- Expansion in growth markets (digital media, CEE, Russia and other CIS countries)
- Efficiency efforts in all businesses (shared services and more efficient ICT-enabled processes, well targeted cost cutting in low growth businesses)
- Value-adding consolidation
- Controlled increase of investments in digital media at optimal pace and to optimal extent

Market leadership

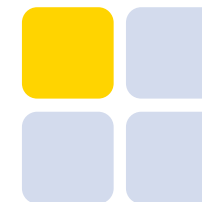
- Value-adding market leadership in chosen businesses and markets
- One of the leading European magazine and educational publishers

Way of doing

- Respect for local cultures
- Customer-driven product and service development
- Result-oriented, talented, and cooperative people
- Fast and flexible processes
- Group-wide cooperation, optimal use of the Group's scale and scope

Our International Businesses

Share of revenues, 2005



Magazines



43%

- Leading in consumer magazines in the Netherlands, Belgium, Finland, the Czech Republic, Hungary, Slovakia, Bulgaria, and Russia
- **Interesting new markets: CIS countries**

Educational publishing



6%

- Strong position in Finland, the Netherlands, Belgium, Hungary, and Poland
- **Interesting new markets: CEE countries**

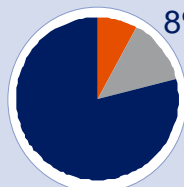
Digital media



6%

- Includes online, mobile, and TV operations
- Strong position in the Netherlands, Finland, and Hungary

Press distribution



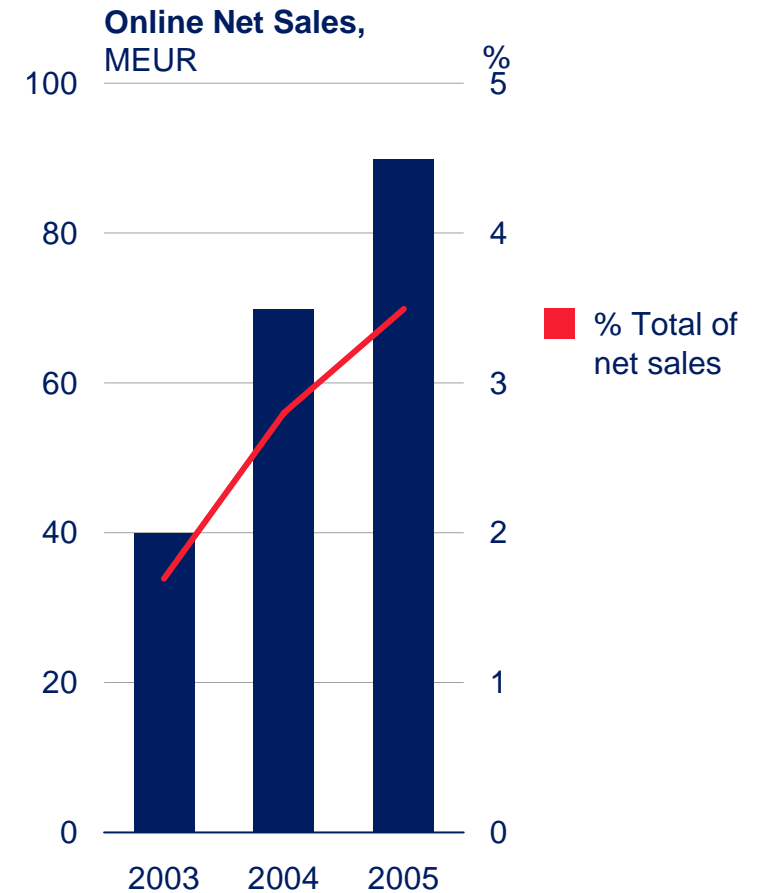
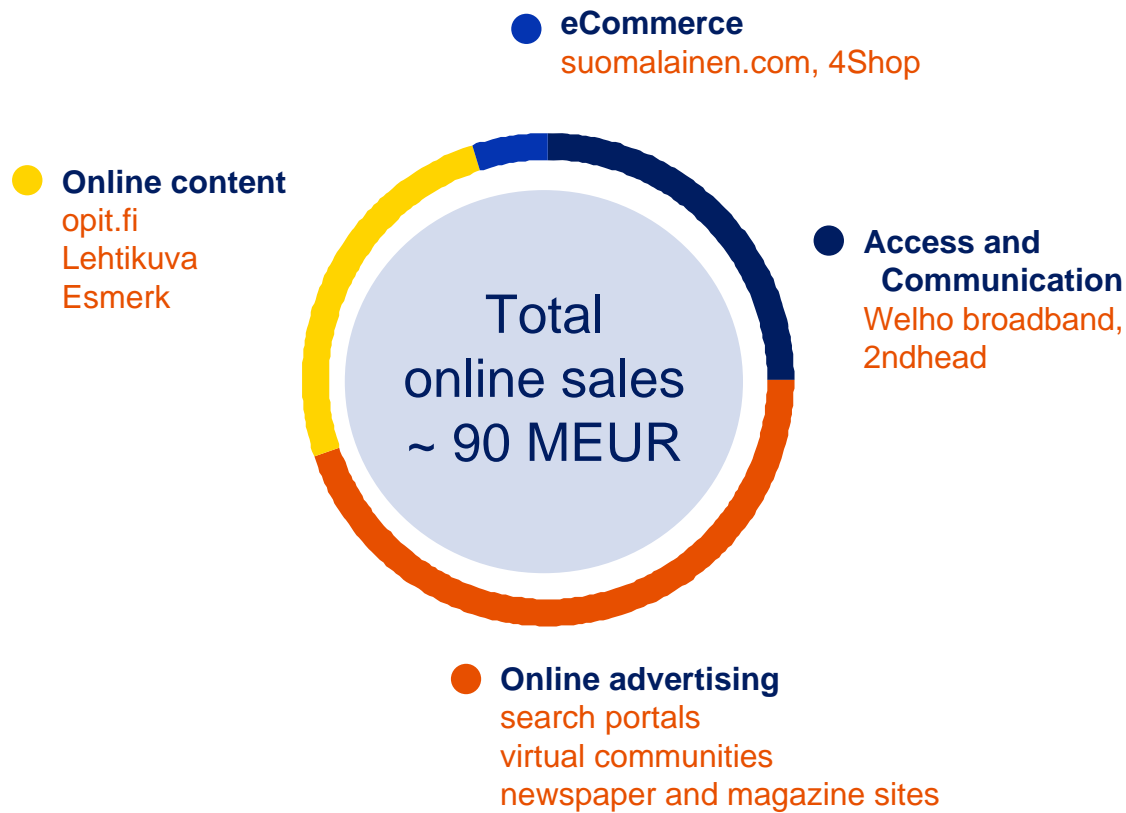
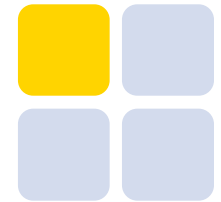
8%

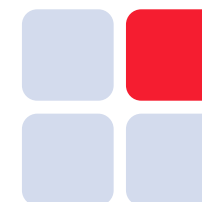
13%*

- Leading in Finland, Estonia, Latvia, Lithuania, and the Netherlands
- Expanding in Romania and Russia
- **Interesting new markets: CEE countries**

Online Business

Some Examples





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%

Other key ratios

- Annual capital expenditure < EUR 100 million (93.8 in 2005)
- Equity ratio 30–50% (41.3% in 2005)
- Gearing < 100% (72.8% in 2005)
- Net debt/EBITDA < 3.5 (2.0 in 2005)

| EBIT margin development (%) | 2005 | 2005* | 2004* |
|------------------------------------|-------------|--------------|--------------|
| Sanoma Magazines | 10.9 | 10.9 | 12.5 |
| Sanoma | 13.2 | 13.0 | 13.7 |
| WSOY | 19.0 | 13.4 | 11.5 |
| SWelcom | 7.8 | 7.8 | 8.2 |
| Rautakirja | 8.0 | 6.6 | 7.0 |
| SanomaWSOY | 11.5 | 10.3 | 10.8 |



Group Financials 1-9/06

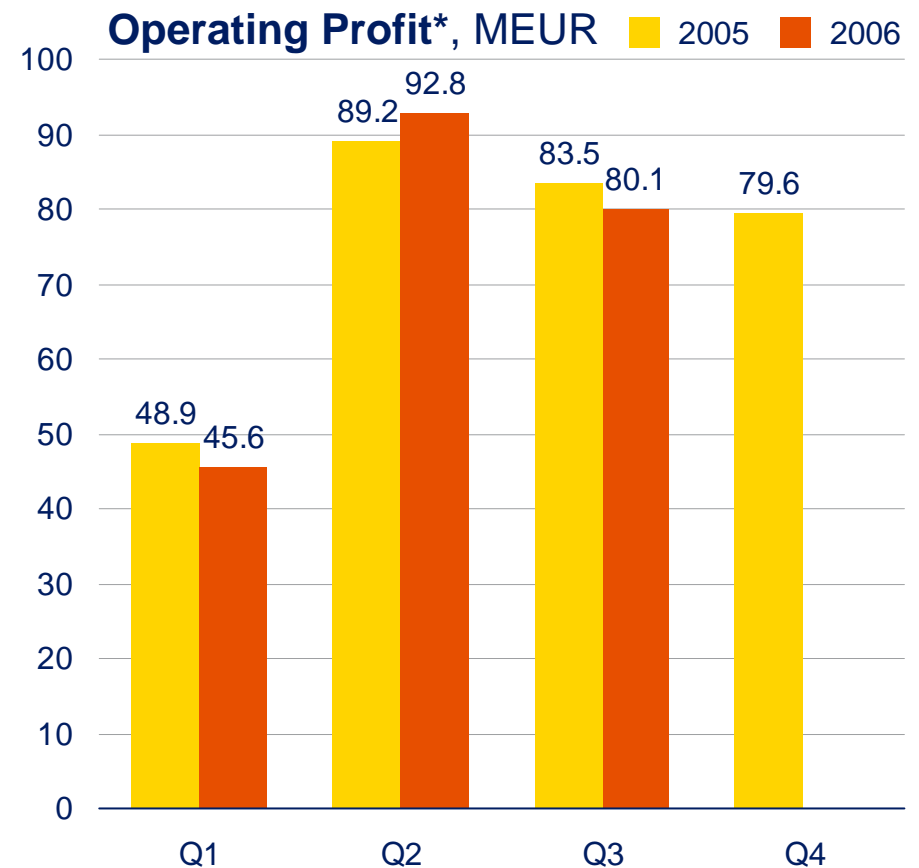
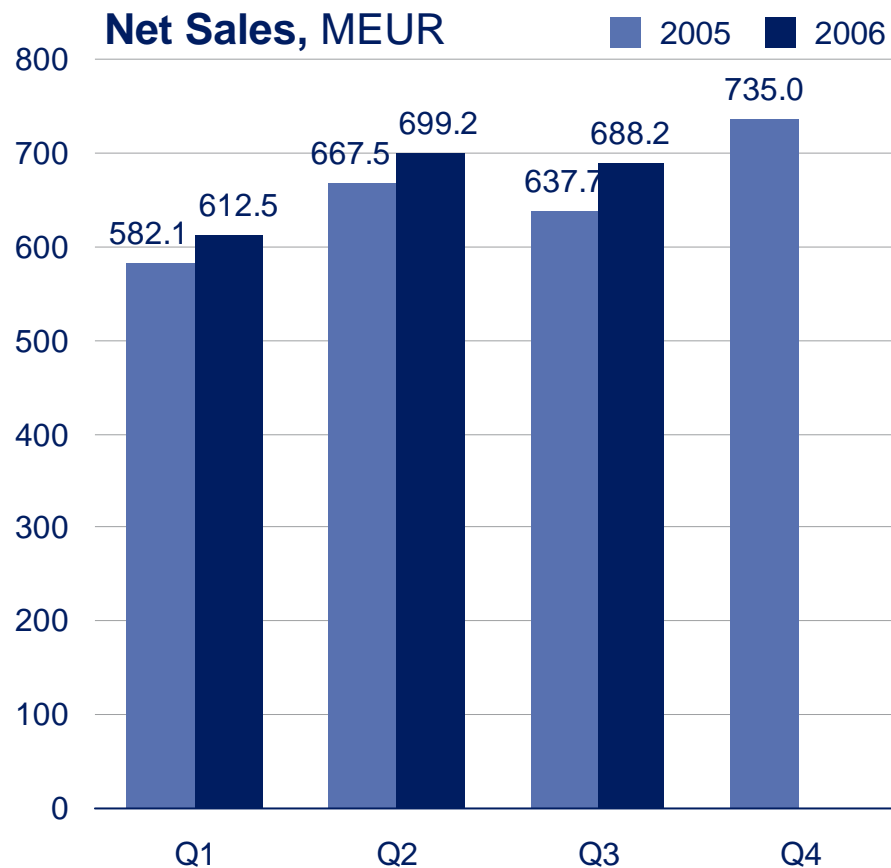
The SanomaWSOY Group

Key Figures

| EUR million | 1-9/2006 | 1-9/2005 | Ch % | 1-12/2005 |
|---|----------------|----------|-------|-----------|
| Net sales | 1,999.8 | 1,887.3 | 6.0 | 2,622.3 |
| Operating profit | 218.5 | 221.6 | -1.4 | 301.3 |
| % of net sales | 10.9 | 11.7 | | 11.5 |
| Operating profit excluding major non-recurring capital gains | 214.3 | 200.2 | 7.0 | 269.1 |
| % of net sales | 10.7 | 10.6 | | 12.3 |
| Balance sheet total | 3,181.3 | 2,919.8 | 9.0 | 2,972.0 |
| Capital expenditure | 51.4 | 51.5 | -0.3 | 93.8 |
| % of net sales | 2.6 | 2.7 | | 3.6 |
| Equity ratio, % | 39.9 | 38.5 | | 41.3 |
| Gearing, % | 79.5 | 90.1 | | 72.8 |
| Interest-bearing liabilities | 1,066.9 | 1,013.2 | 5.3 | 928.7 |
| Net debt | 947.5 | 953.1 | -0.6 | 843.8 |
| Earning/share, EUR | 0.96 | 1.00 | -3.6 | 1.45 |
| Cash flow from operations/share, EUR | 0.78 | 0.89 | -12.0 | 1.69 |
| Equity/share, EUR* | 7.34 | 6.73 | 9.0 | 7.28 |
| Market capitalisation | 3,243.7 | 3,303.4 | -1.8 | 3,121.5 |
| Personnel** | 18,277 | 16,773 | 9.0 | 16,885 |

The SanomaWSOY Group

Net Sales and Operating Profit by Quarters



The SanomaWSOY Group

Divisional Net Sales, 1-9/2006

| EUR million | Net Sales | | | EBIT including capital gains* | | |
|-------------------------------------|----------------|----------|------|-------------------------------|----------|------|
| | 1-9/2006 | 1-9/2005 | Ch % | 1-9/2006 | 1-9/2005 | Ch % |
| Sanoma Magazines | 878.9 | 830.3 | 5.8 | 89.9 | 89.7 | 0.2 |
| Sanoma | 334.7 | 330.8 | 1.2 | 46.1 | 46.9 | -1.7 |
| SanomaWSOY Education and Books | 245.8 | 229.1 | 7.3 | 55.1 | 51.1 | 7.8 |
| SWelcom | 94.6 | 87.2 | 8.5 | 7.7 | 5.8 | 32.4 |
| Rautakirja | 480.9 | 451.5 | 6.5 | 29.1 | 28.2 | 3.4 |
| Eliminations and other companies | -35.0 | -41.7 | | -9.4 | -0.1 | |
| Total | 1,999.8 | 1,887.3 | 6.0 | 218.5 | 221.6 | -1.4 |

Group's Outlook for 2006

Published on November 1:

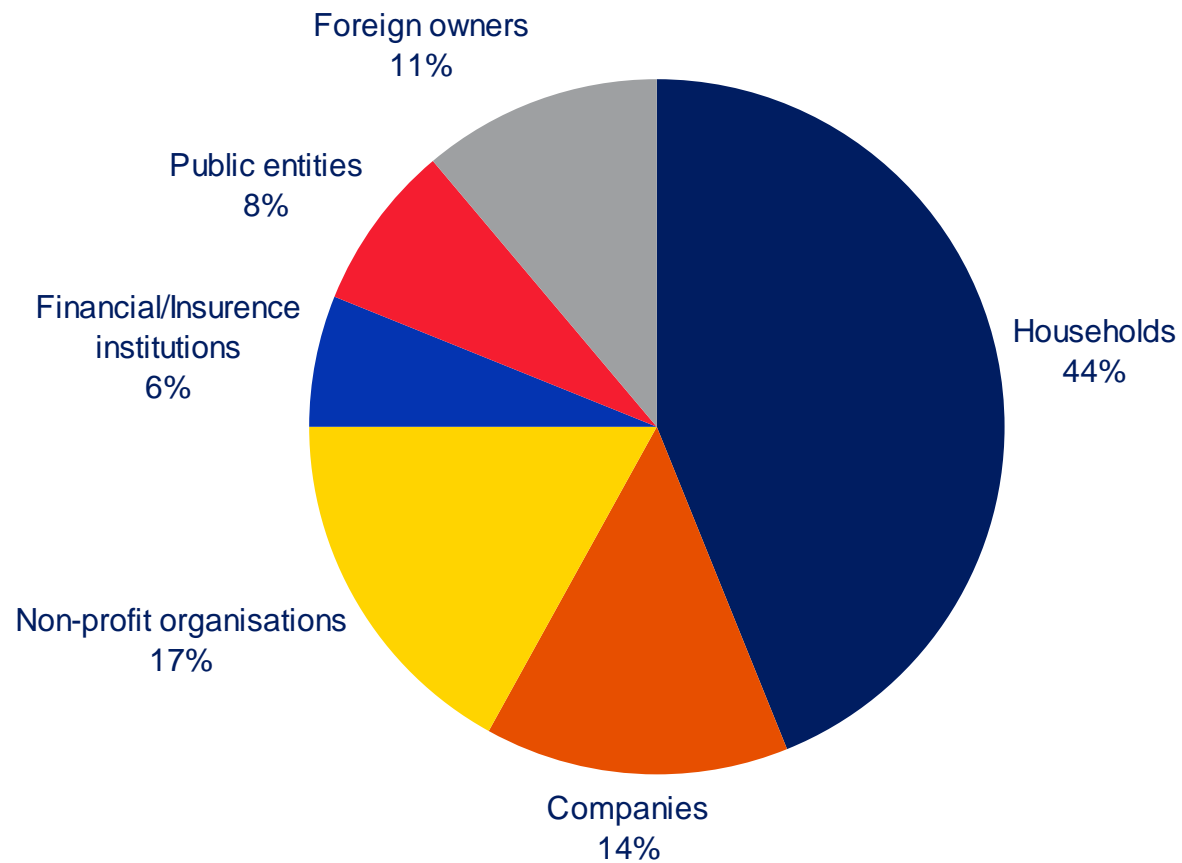
- Net sales to increase by around 4%
- Operating profit, excluding the major non-recurring capital gains, to improve
- In 2005, operating profit, excluding these capital gains, totalled EUR 269.1 million

| | | | |
|-------|-------|-------|-----------------------|
| 11,30 | 62,80 | 19,00 | Postb. hoog div aandf |
| 64,11 | 63,95 | 8,30 | Postb. hoog div obl f |
| 67,93 | 67,80 | 4,05 | Postb. internet fd |
| 31,45 | 43,78 | 31,30 | Postb. japan o.f. |
| 56,93 | 43,78 | 39,40 | Postb. multimedia fd |
| 43,10 | 56,95 | 22,19 | Postb. ned. fonds |
| 56,75 | 42,00 | 22,00 | Postb. obl. f. |
| 17,60 | 60,00 | 21,00 | Postb. wereldmf. |
| 16,65 | 27,65 | 26,00 | Postb. opk. landf. |
| 15,71 | 16,60 | 61,40 | Postb. vastgoedf. |
| 43,50 | 15,72 | 24,20 | Rente plus f. 1 |
| 20,75 | 43,50 | 8,37 | Rob amerika |
| 22,60 | 20,70 | 29,30 | Rob balanced mix |
| 24,60 | 22,55 | 7,30 | Rob dynamic mix |
| 26,60 | 24,55 | 10,60 | Rob duurz aand |
| 27,70 | 26,55 | 11,45 | Rob econ recovery |
| 21,95 | 27,75 | 10,60 | Rob emerob. mark. |
| 21,75 | 20,60 | 11,90 | Rob euroland aand |
| 11,09 | 1,30 | 11,35 | Rob euro midcaps |
| | | 12,20 | Rob europe |
| | | 19,90 | Rob eur. obl div. |
| | | 5,55 | Rob growth mix |
| | | 5,45 | Rob high yield o. |
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| | | | Rob hypotheek |
| | | | Rob milieu techn |
| | | | Rob pacific |
| | | | Rob private eq |
| | | | Rob safe mix |
| | | | Rob solid mix |
| | | | Rob young d |
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Shareholders

Shareholders by Sectors

% of Shares and Votes



Largest Shareholders

October 31, 2006

% of shares and votes

| | |
|---|----------------------------|
| Aatos Erkko | 23.31 |
| of which through Oy Asipex Ab | 7.34 |
| Robin Langenskiöld | 7.63 |
| Rafaela Seppälä | 7.63 |
| Helsingin Sanomat Centennial Foundation | 3.17 |
| Alfred Kordelin Foundation | 2.57 |
| Ilmarinen Mutual Pension Insurance Company | 2.02 |
| Sampo Life Insurance Company Limited | 1.59 |
| Foundation for Actors' Old-age-home | 1.40 |
| The WSOY's Literature Foundation | 1.31 |
| Varma Mutual Pension Insurance Company | 1.19 |
| Foreign ownership in total | 10.7 |
| Total number of shareholders: 16,585 | shares: 160,789,343 |

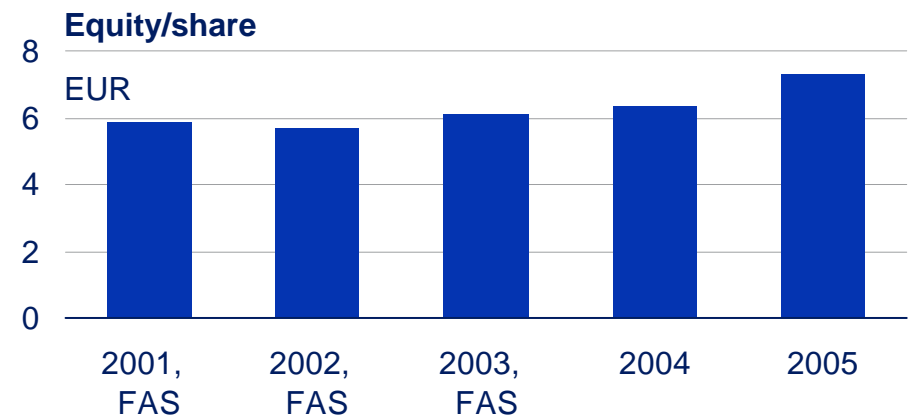
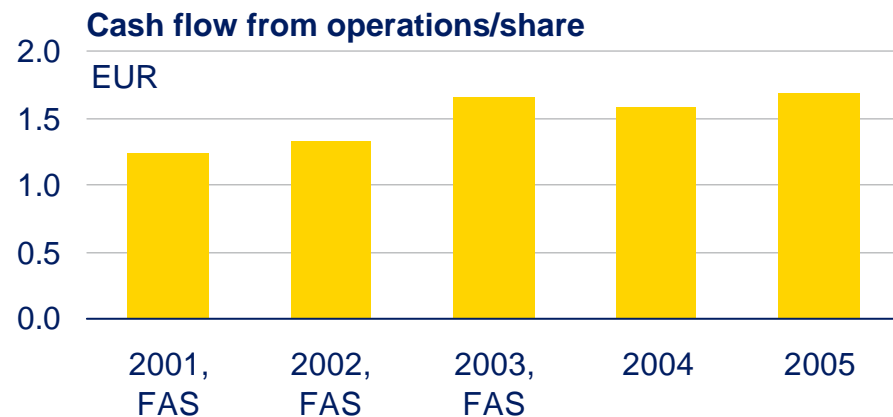
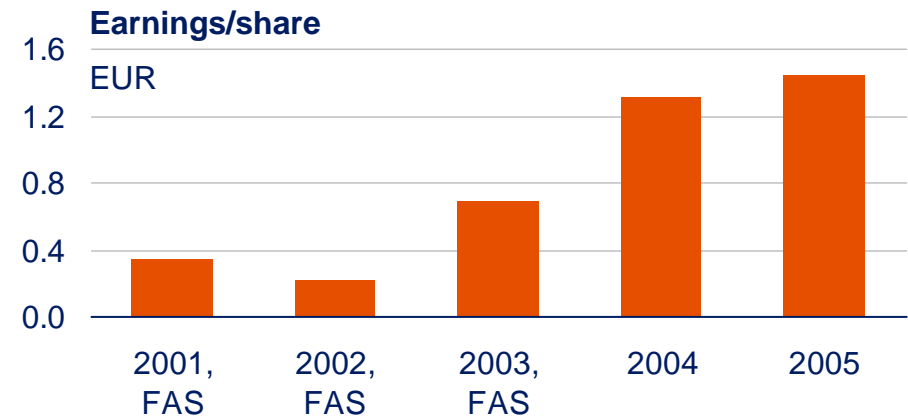
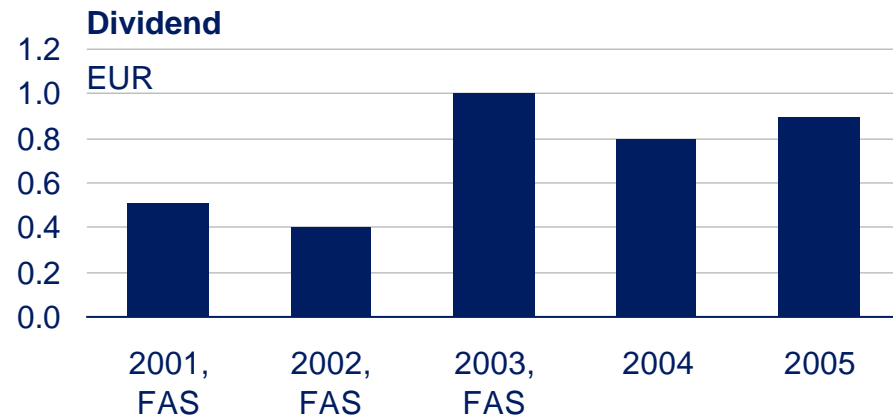
Institutional investors: 56% of shares

Private investors: 44% of shares

Active Dividend Policy

- SanomaWSOY conducts an active dividend policy and **pays out over half of Group result after taxes in dividends**
- Quoted on the Helsinki Stock Exchange, (Consumer Discretionary), since May 1, 1999
- AGM of April 3, 2006 decided on the combination of share series and on directed issue to the holders of Series A share in order to compensate the decrease in their voting rights.
 - One share series (SWS1V) as of April 7, 2006

Share-related Indicators





European Mid Cap Seminar

Matti Salmi, CFO

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