



SanomaWSOY

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ABN Amro Seminar
8 November 2007

Agenda

- SanomaWSOY in brief
- 3Q07 result
 - Key figures
 - Market environment
 - 1–9/2007: key events and divisions
 - Outlook 2007
- Advertising markets in 2008

The SanomaWSOY Group

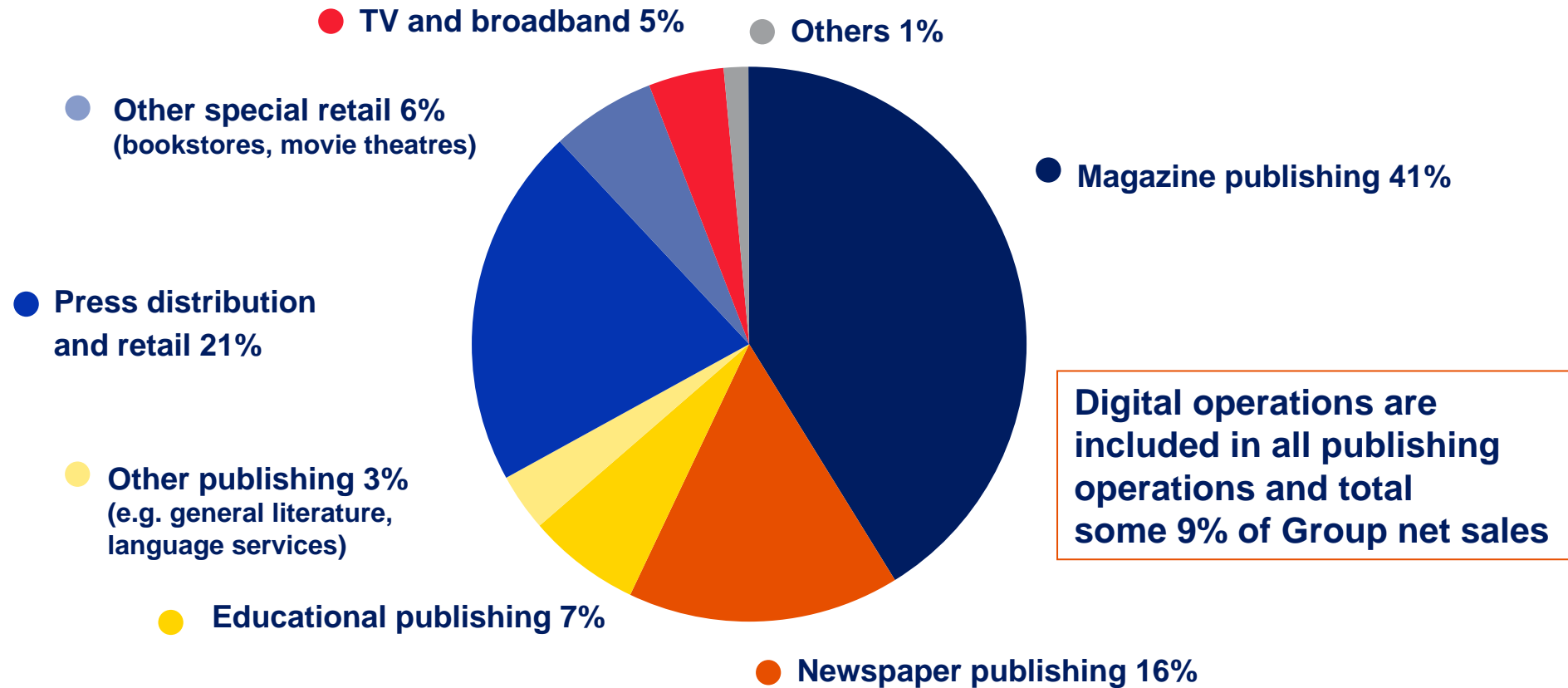
Profitable Growth, Focus on Market Leadership

- 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

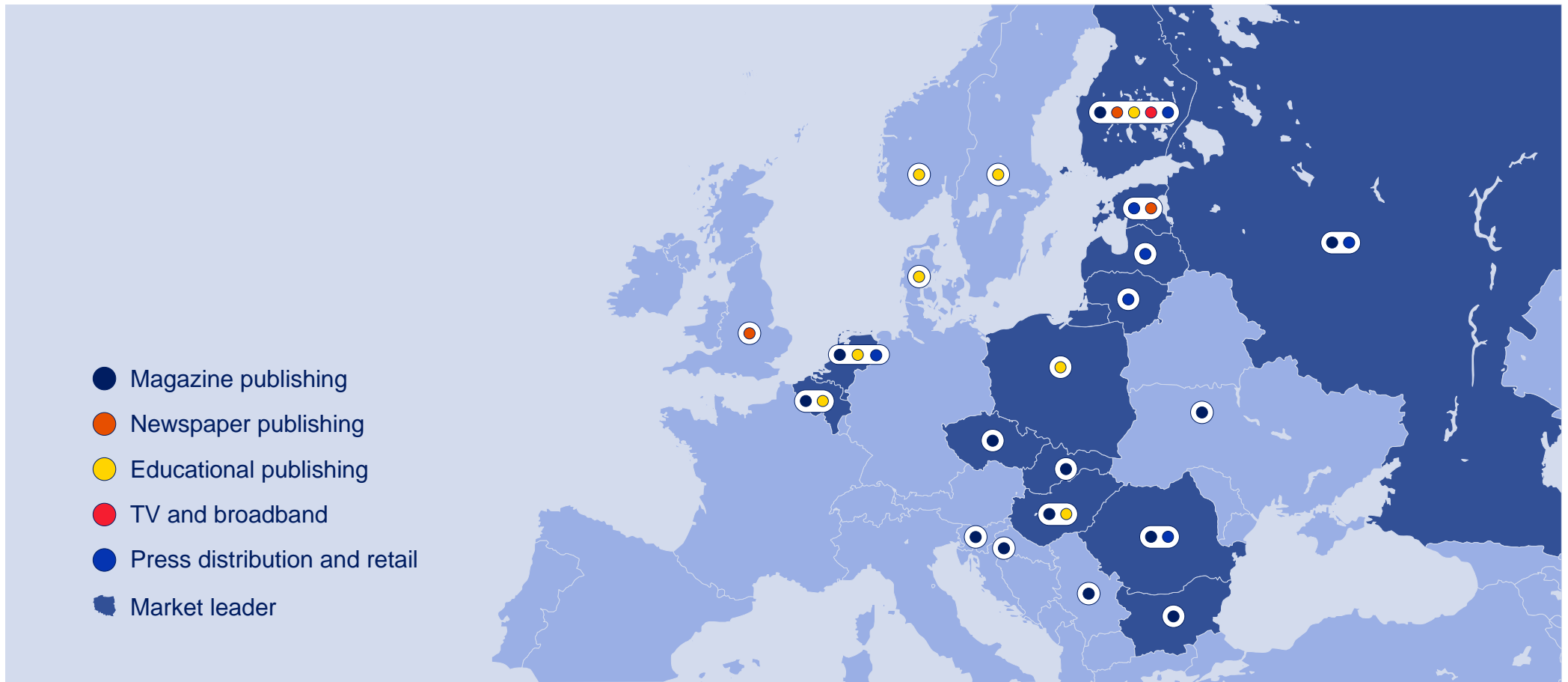
Group Net Sales M€ 2,742 • Group EBIT M€ 292 • Group Personnel 18,434



Market Leading Position in Mature Markets

Investing in Fast Growing Areas

20% of net sales from CEE countries, Russia and Ukraine



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

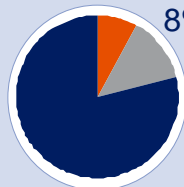
Digital media



9%

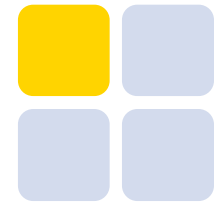
- Controlled transition from print to digital (optimal time, optimal pace)
- Consumer defines what content and where he/she wants to use it
- Includes TV and radio, online access, digital content, online advertising and eCommerce (some 4% without broadcasting)

Press distribution and retail

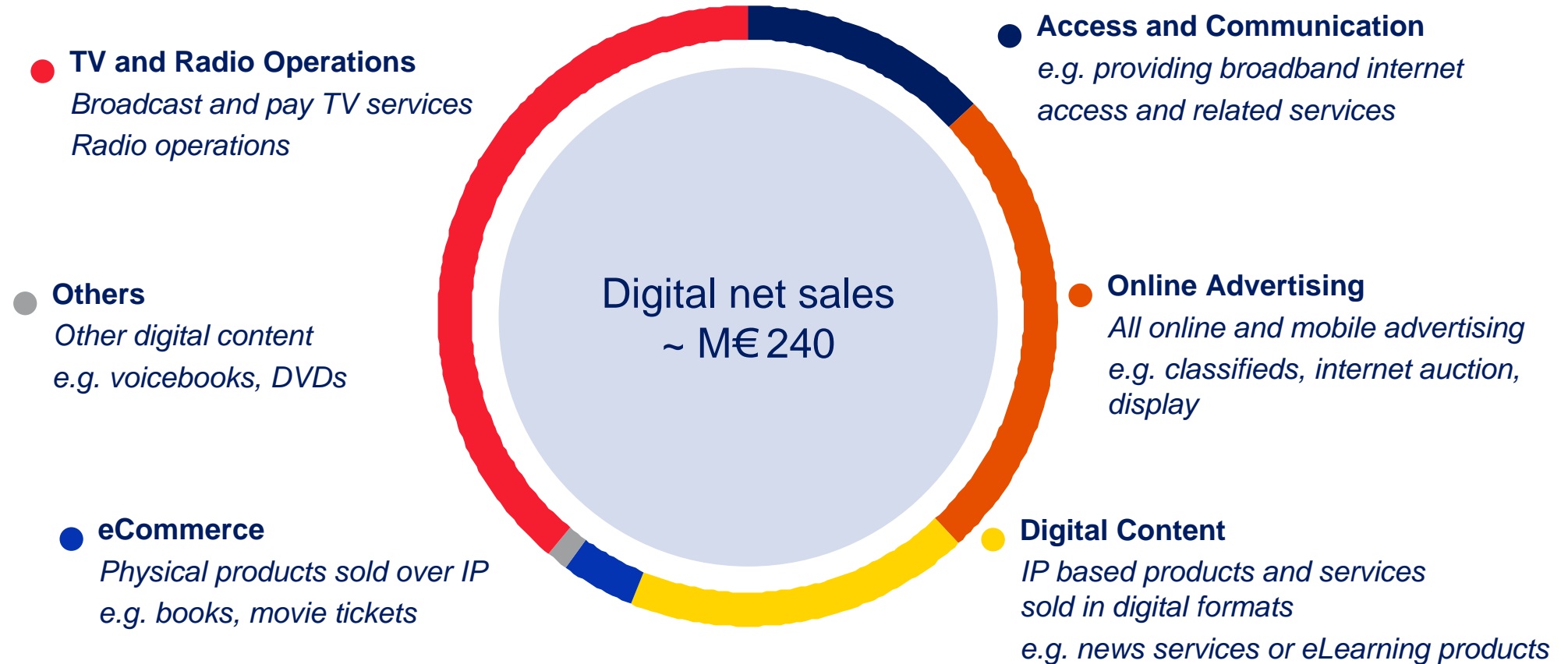


8%
13%*

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



Digital Business in SanomaWSOY



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)

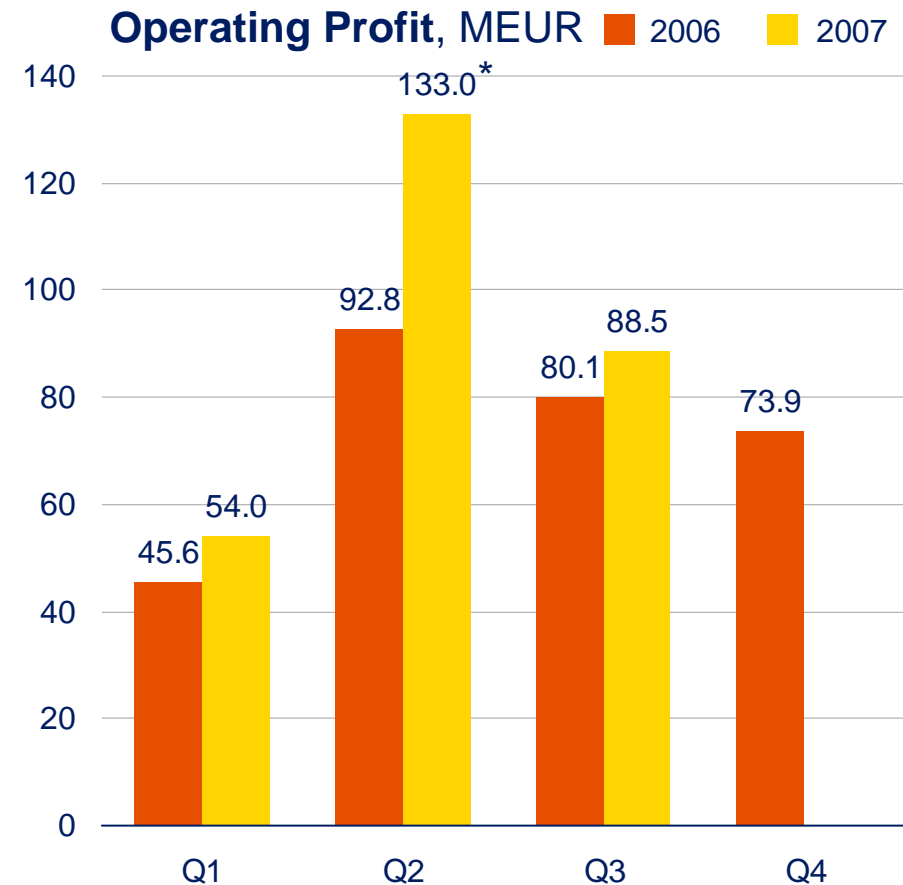
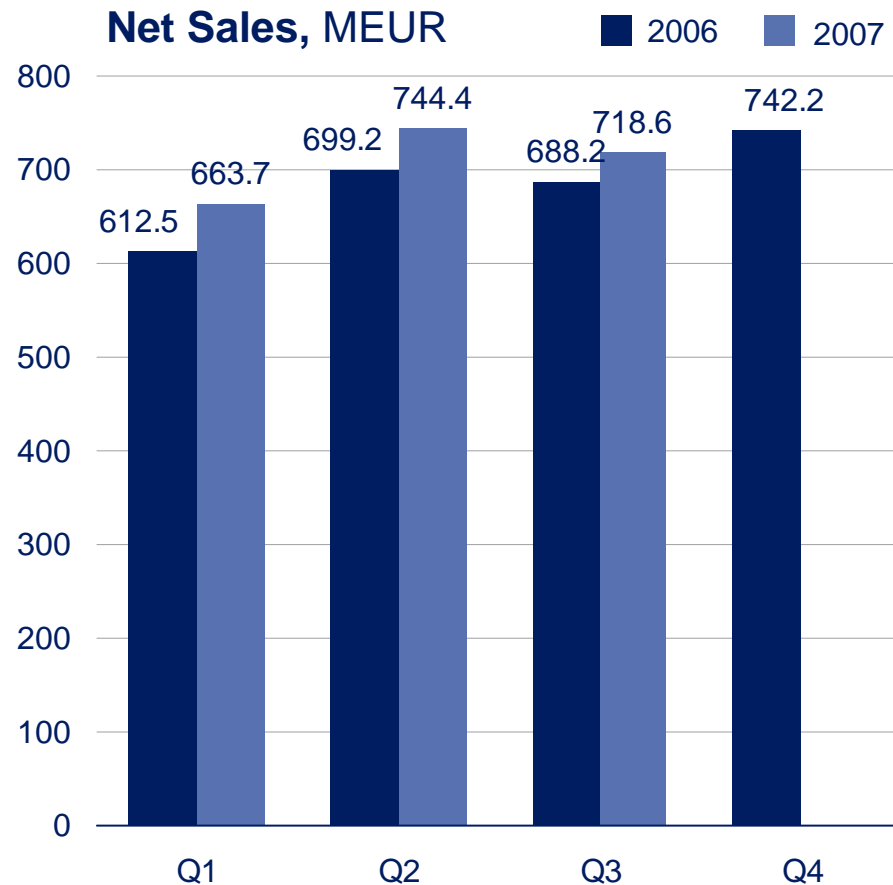
11,30	62,80	19,00	Postb. hoog div aandf
64,11	63,95	8,30	Postb. hoog div obl f
67,93	67,80	4,05	Postb. internet fd
31,45	43,78	31,30	Postb. japan o.f.
56,93	56,95	39,40	Postb. multimedia fd
43,10	42,00	22,00	Postb. ned. fonds
56,75	60,00	21,00	Postb. opk. landf.
17,60	27,65	26,00	Postb. wereldmf.
16,65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

Key Figures 1-9/2007

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

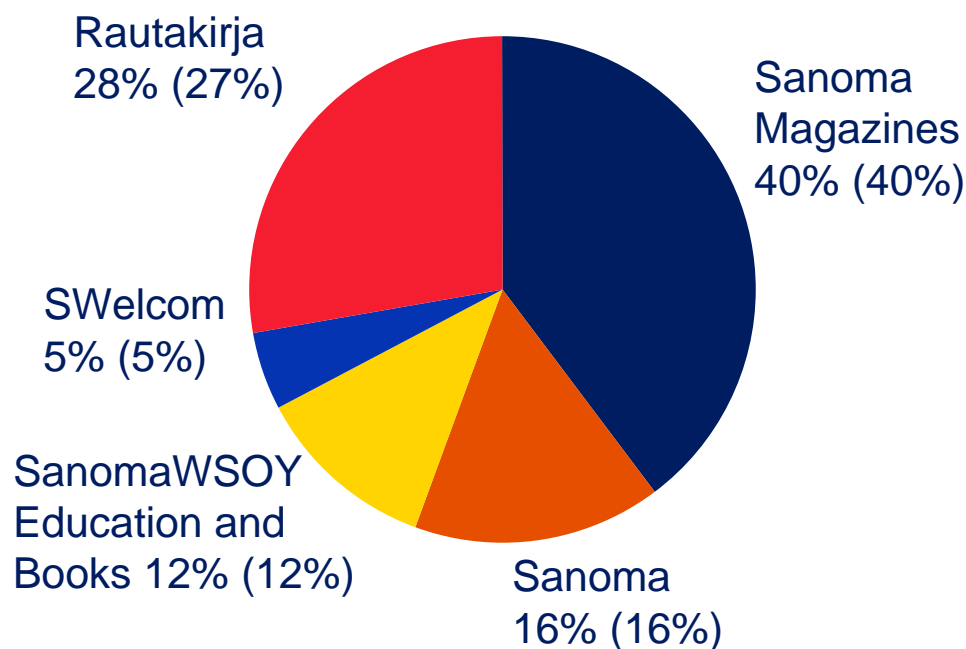


Net Sales by Division and Geographic Area

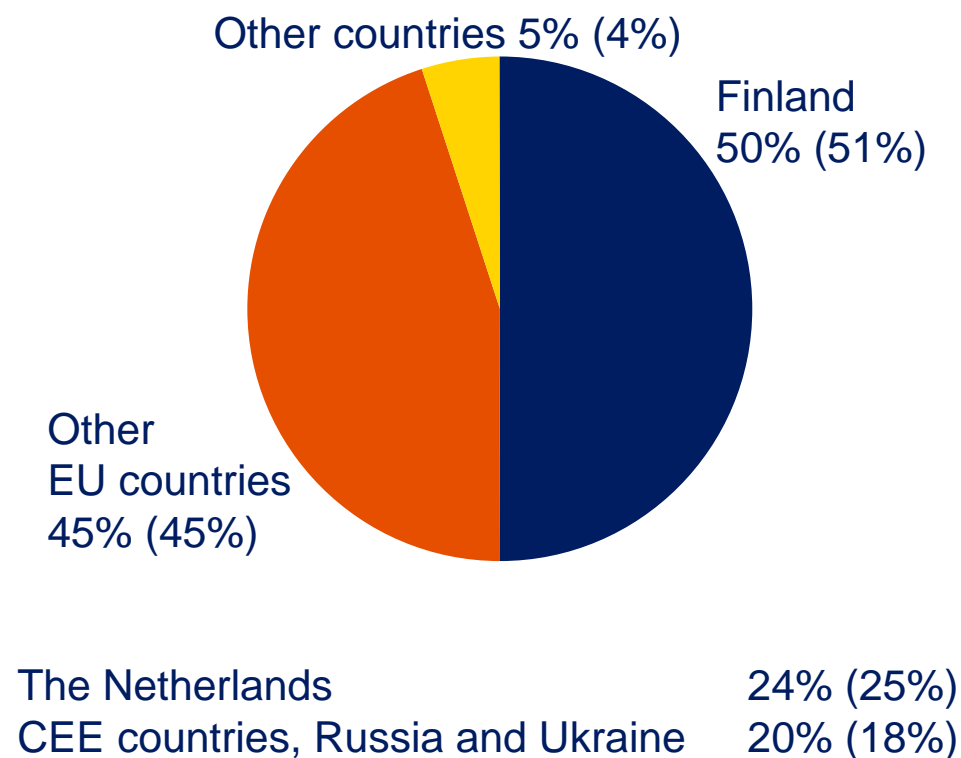
1-9/2007 (1-9/2006)

Net sales EUR 2,126.7 million

By division



By geographic area



Advertising Sales

% of net sales

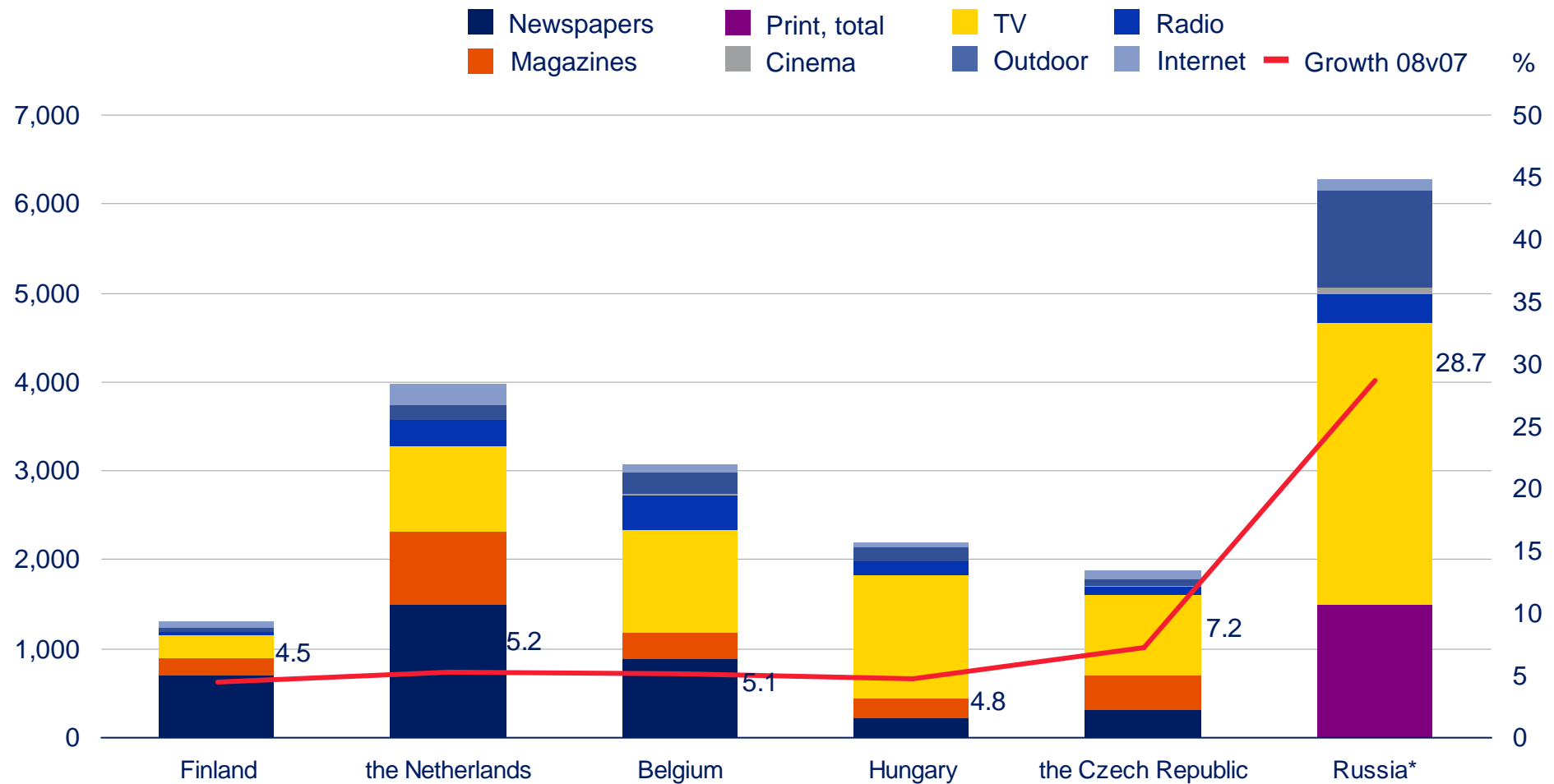
	1–9/2007	1–9/2006
Sanoma Magazines	29%	27%
Sanoma	53%	51%
SWelcom	53%	57%
The Group	23%	22%



Market Environment 2007

Advertising Market in Europe

2007, EUR million



Advertising Sales in Finland

EUR 1,000	9/2007	Ch %	1–9/2007	Ch %
NEWSPAPERS	58,402	4.4	471,656	5.5
MAGAZINES	25,590	18.5	181,578	7.7
TELEVISION	15,358	0.5	112,504	2.6
ONLINE	4,884	31.2	36,478	22.6
OUTDOOR	3,587	17.5	30,343	12.8
RADIO	3,194	3.0	31,875	3.6
CINEMA	328	216.1	1,438	75.2
Total	111,344	8.2	865,872	6.3

Advertising Sales in the NL

EUR 1,000	1-8/2007	Ch %
TELEVISION	1,769,727	9.6
NEWSPAPERS	554,184	15.5
MAGAZINES	325,964	4.6
UNSOLICITED ADV. MATERIAL	319,422	0.4
RADIO	311,203	12.7
OUTDOOR	163,400	10.6
INTERNET	123,078	0.9
CINEMA	10,212	-1.0
TELETEKST	3,946	-81.0
Total	3,581,137	8.5



1-9/2007

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

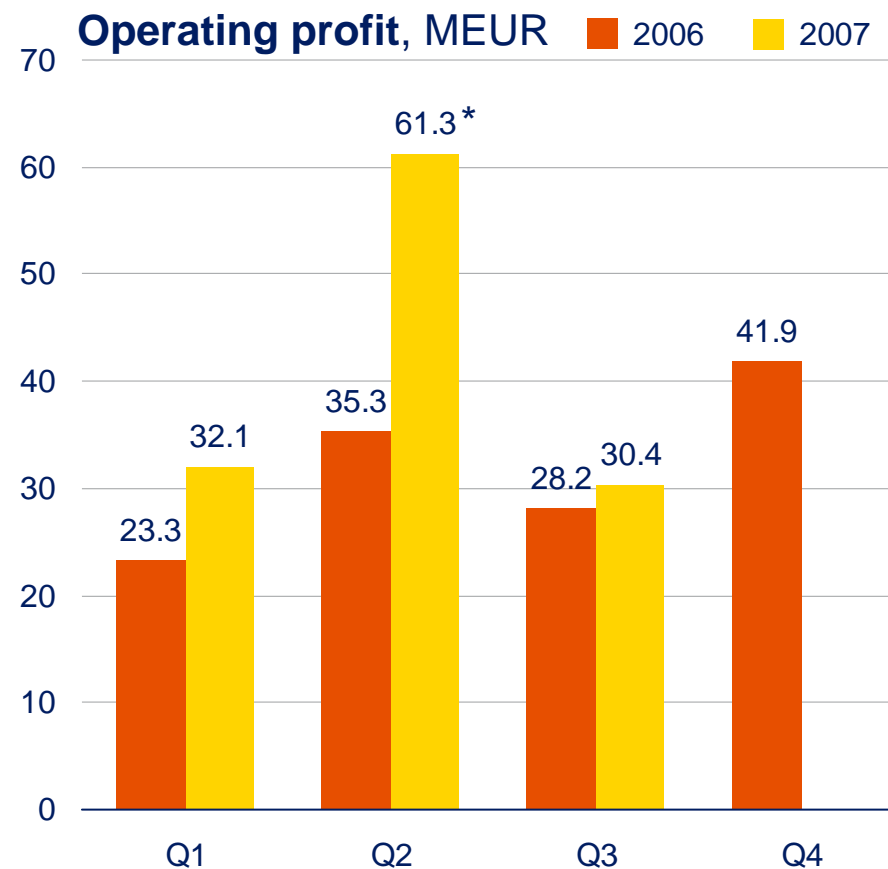
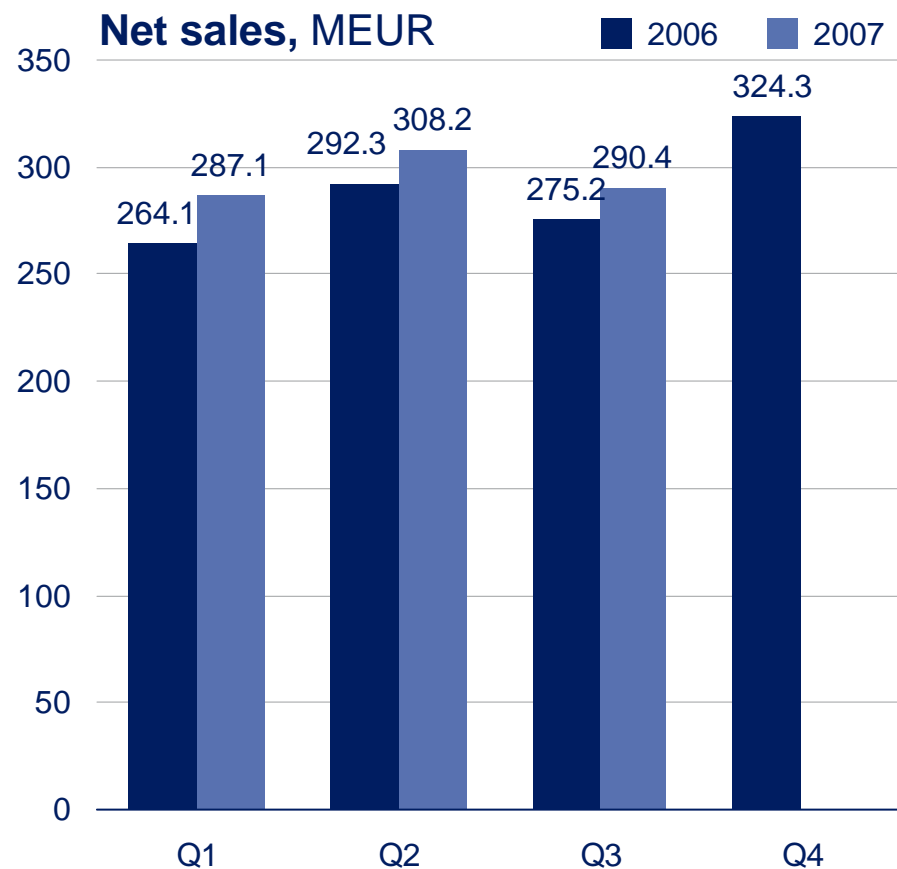


Key Developments 3Q2007 (2/2)

- 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

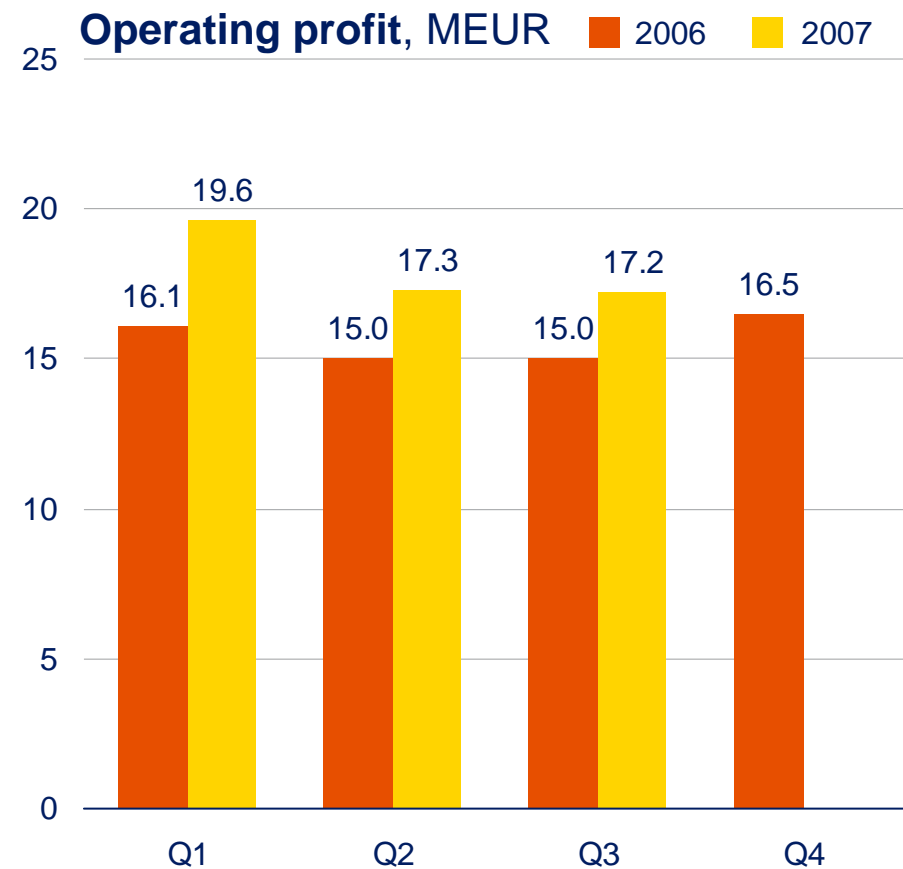
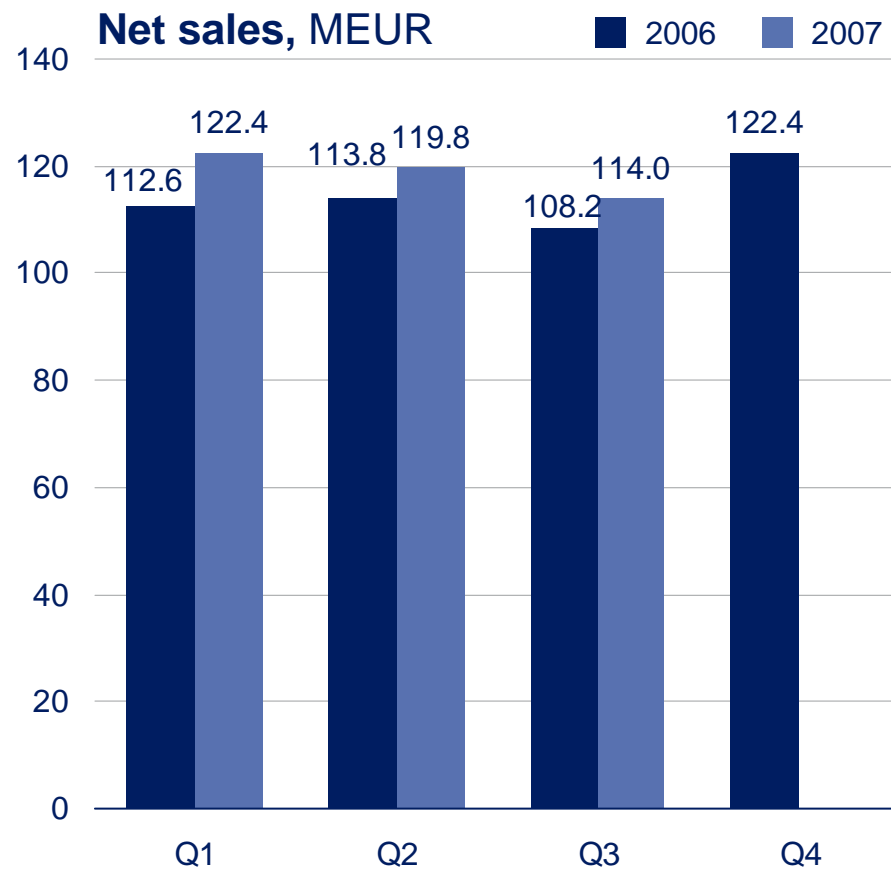


* 2Q07 incl. non-recurring gains worth of EUR 20.0 million

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

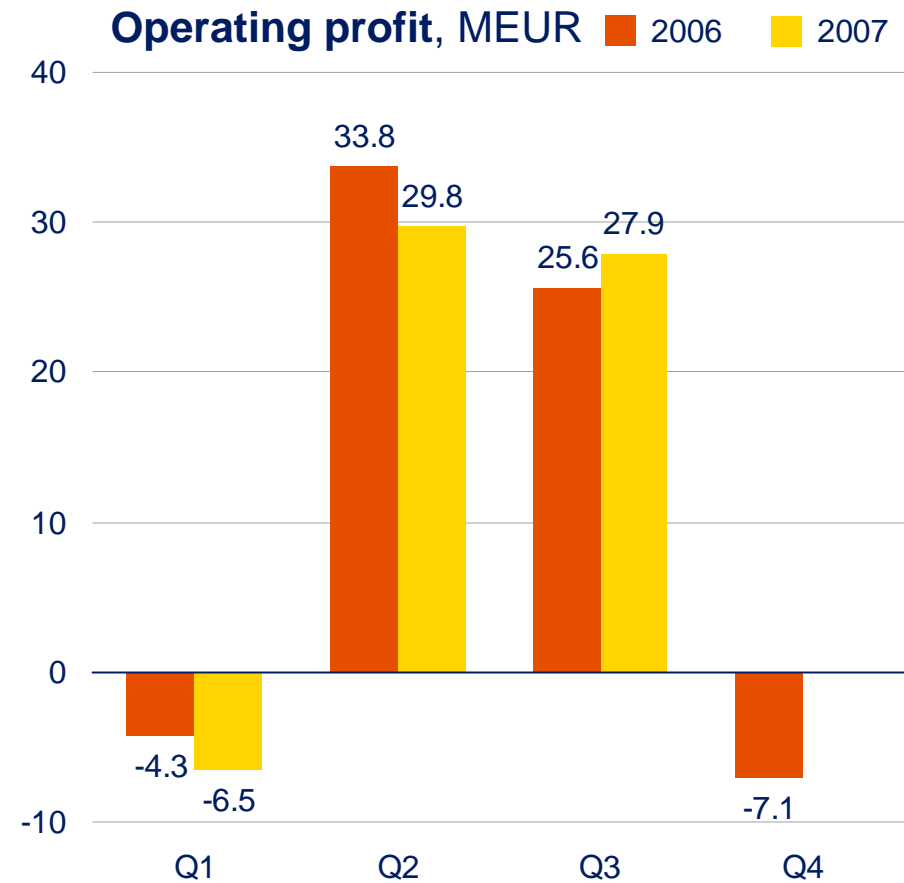
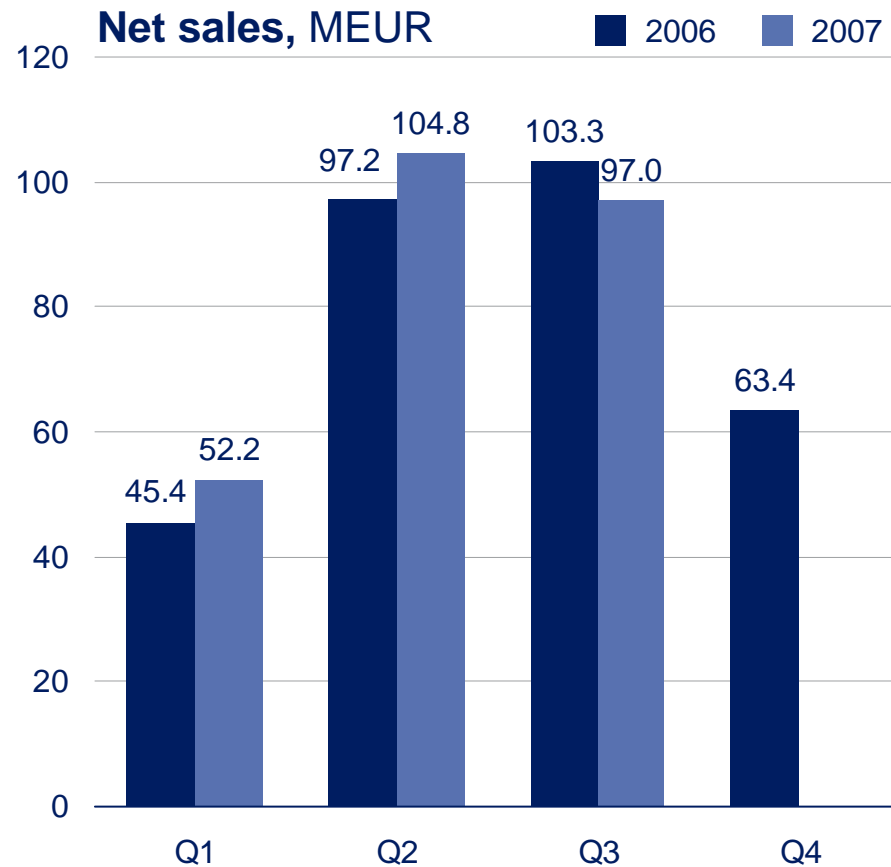
Sanoma



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

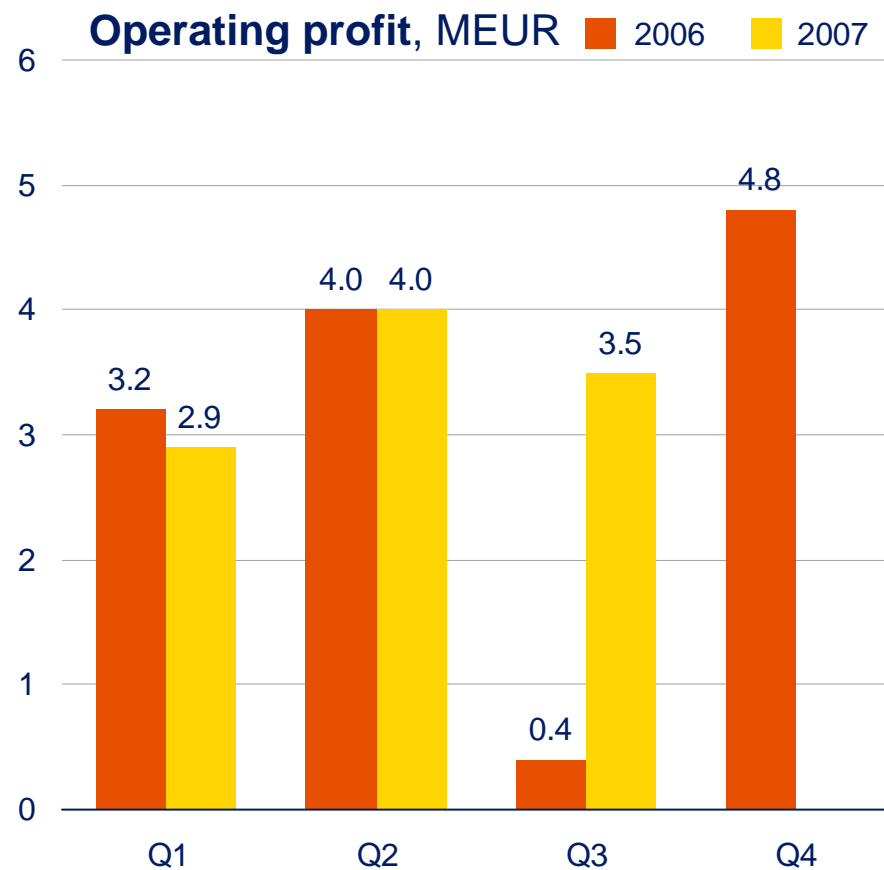
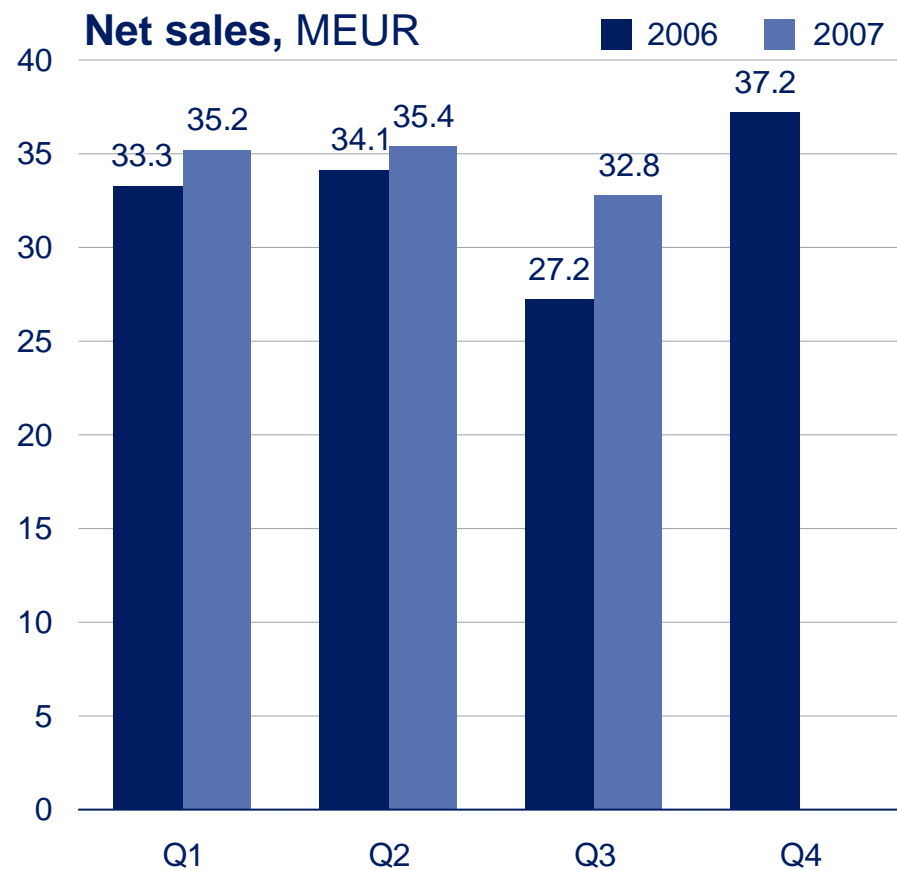


SanomaWSOY Education and Books

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

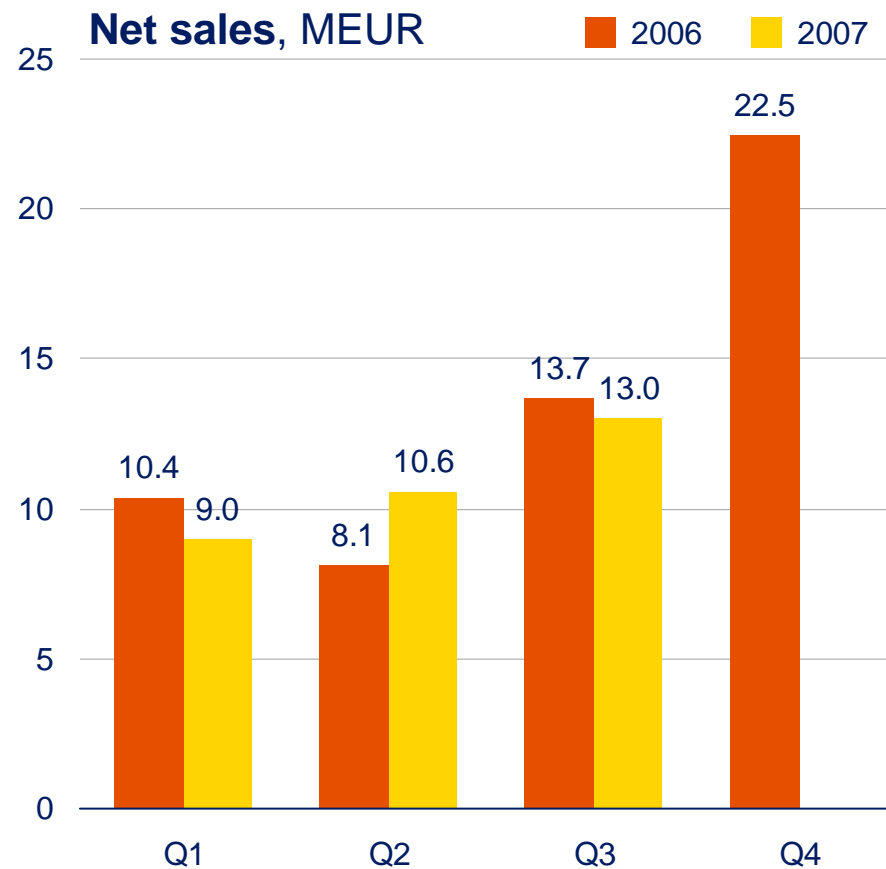
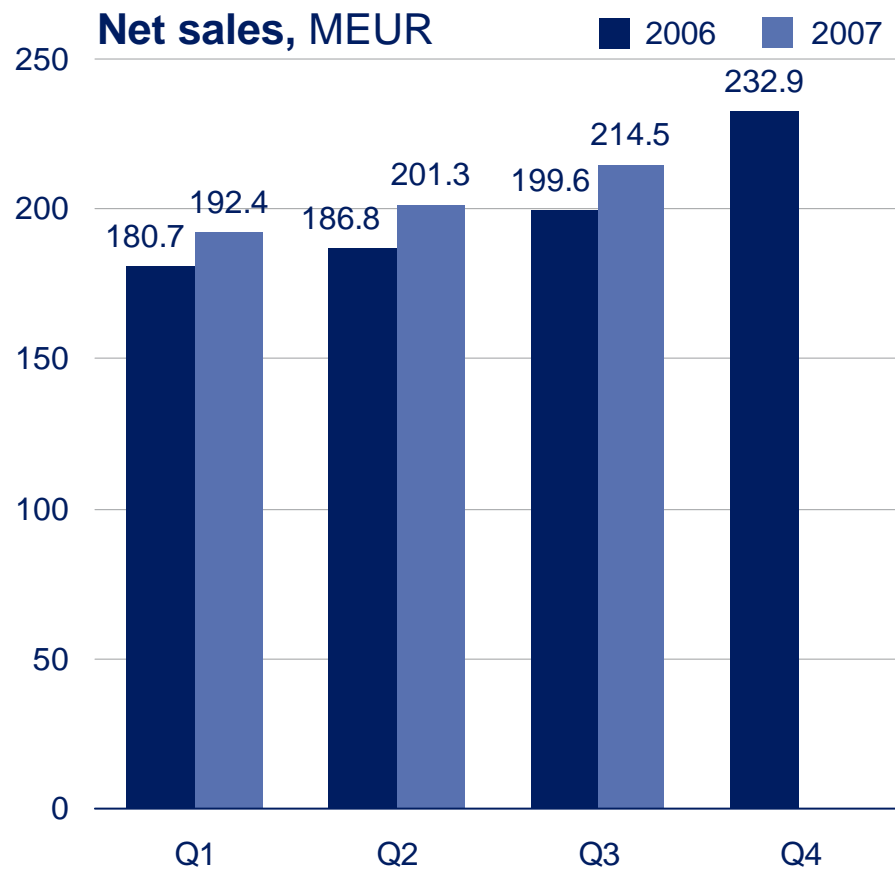
SWelcom



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



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



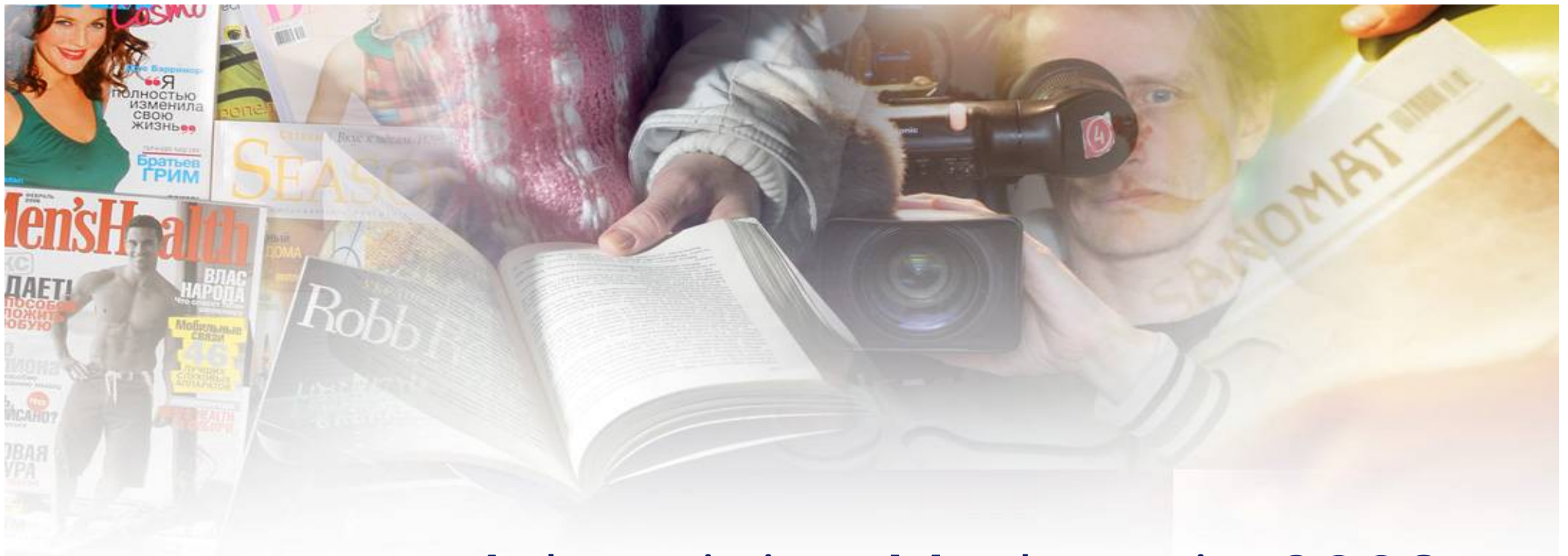
Outlook for 2007

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 these capital gains totalled EUR 288.2 million and net sales grew by 4.6%



Advertising Markets in 2008

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



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