

Sanoma's Financial Statement Release 2010:

Strong base, focus on new business opportunities

Fourth quarter

- Net sales amounted to EUR 717.3 million (2009: EUR 733.6 million). Adjusted for changes in the Group structure, Sanoma's net sales grew by 1.0%.
- Operating profit excluding non-recurring items was EUR 34.5 million (2009: EUR 49.3 million). The decrease was due to divestment of operations as well as increased marketing efforts and development projects.
- Non-recurring items totalled EUR -7.2 million (2009: EUR -17.0 million) and were related to restructurings and write-downs.
- Earnings per share were EUR -0.01 (2009: EUR 0.04).

2010

- Sanoma Group's net sales were stable at EUR 2,761.2 million (2009: EUR 2,767.9 million).
- Operating profit excluding non-recurring items improved by 7% and totalled EUR 245.4 million (2009: EUR 229.5 million).
- Cash flow from operations amounted to EUR 273.8 million (2009: EUR 241.8 million).
- Earnings per share were EUR 1.85 (2009: EUR 0.66).
- The proposed dividend is EUR 1.10 per share
- In 2011, Sanoma expects its net sales and operating profit excluding the non-recurring items to be at the previous year's level.

KEY INDICATORS EUR million	10-12/ 2010	10-12/ 2009	Change %	1-12/ 2010	1-12/ 2009	Change %
Net sales	717.3	733.6	-2.2	2,761.2	2,767.9	-0.2
Operating profit excluding non-recurring items	34.5	49.3	-29.9	245.4	229.5	6.9
% of net sales	4.8	6.7		8.9	8.3	
Operating profit	27.4	32.3	-15.3	392.7	195.4	101.0
Result for the period	-1.0	8.6	-111.5	297.3	107.1	177.6
Capital expenditure				85.7	83.4	2.8
% of net sales				3.1	3.0	
Return on investment (ROI), %				16.2	8.9	
Equity ratio, %				45.7	41.4	
Net gearing, %				63.8	79.4	
Number of employees at the end of the period (FTE)				15,405	16,723	-7.9
Average number of employees (FTE)				16,016	17,343	-7.6
Earnings/share, EUR	-0.01	0.04	-113.7	1.85	0.66	182.3
Cash flow from operations/share, EUR	0.62	0.76	-18.8	1.69	1.50	12.6
Equity/share, EUR				8.42	7.36	14.4
Dividend/share, EUR *				1.10	0.80	37.5
Dividend/result, % *				59.4	122.0	
Market capitalisation				2,628.0	2,536.5	3.6

* Year 2010 proposal of the Board of Directors

Harri-Pekka Kaukonen, President and CEO

"In 2010, Sanoma made a good operational result, thanks to efficiency measures initiated in 2009 as well as the market recovery in Western Europe and Russia. In 2011, we want to improve our strong market positions further. Therefore we increased marketing efforts in the fourth quarter.

The good operational result in 2010, our strong cash flow and balance sheet are good starting points in developing our businesses further. Convergence in the media industry proceeds at an increasing pace and Sanoma is ready to exploit the opportunities arising from the new media world. Supporting and encouraging innovation will play an essential role in developing our businesses.

We start the year with a new business structure: the Sanoma Media division was formed to enable us to better leverage our television know-how and assets in Finland also internationally, as well as further strengthen Sanoma's market positions in Europe. This arrangement is aligned with Sanoma's strategy to restructure its business operations according to changing customer needs, develop synergies across the Group and strengthen its digital operations.

In 2011, the focus in developing our operations will be in new structures enabling better co-operation, emphasising innovation and scaling up our digital efforts. These are examples of ways we use to look for organic growth. I'm looking forward to involving our customers, key partners and employees in building an even stronger Sanoma."

Outlook for 2011

In 2011, Sanoma's net sales and operating profit excluding non-recurring items are expected to be at the previous year's level. In 2010, operating profit excluding non-recurring items was EUR 245.4 million.

This outlook is impacted by the several divestments made in 2010. The operating profit excluding non-recurring items accumulated from the divested businesses in 2010 amounted to some EUR 10 million. The most significant divestments were those of Welho and Humo.

Sanoma's net sales and operating profit in 2011 are affected by the development of advertising and private consumption in the Group's countries of operation. The current outlook is based on the assumption that the advertising markets in the Group's main operating countries will grow somewhat in 2011.

Net sales

Fourth quarter

In the fourth quarter of 2010, Sanoma's net sales decreased by 2% and amounted to EUR 717.3 million (2009: EUR 733.6 million). Net sales were at the comparable quarter's level in Magazines, News and Learning & Literature but decreased in Trade. In Entertainment, cable TV and broadband operations were divested earlier in the year, which affected the net sales. Currency translations did not have material effect on the fourth quarter sales. Adjusted for changes in the Group structure, net sales grew by 1.0% in the fourth quarter.

The growth of advertising sales continued: Sanoma's advertising sales grew by 11% in the fourth quarter and accounted for 26% (2009: 23%) of the total net sales. Online advertising sales increased significantly, by 19%, with the biggest contributors being Sanoma Magazines Netherlands and Sanoma News.

The circulation sales were slightly below the comparable quarter. The Group's subscription sales remained stable, but single copy sales decreased slightly in most of the operating countries.

2010

In January–December, Sanoma's net sales were stable and amounted to EUR 2,761.2 million (2009: EUR 2,767.9 million; 2008: EUR 3,030.1 million). Net sales increased in News. Entertainment's net sales were affected by the Welho divestment. Net sales were stable in other divisions. Currency translations did not have a material effect on the 2010 net sales.

Advertising sales developed strongly during the year and grew by 8%. However, the advertising sales were still not at the peak levels of 2008. Advertising sales represented 23% (2009: 21%) of the Group's net sales.

Sanoma has a target to double its consumer online sales, consisting mostly of online advertising, by 2012 from 2008. In 2010, such sales grew by 14% to EUR 151.0 million (2009: EUR 132.2 million). Total digital sales, which also

include items such as e-learning and the access services, were at the comparable year's level despite the divestment of broadband operations in June, and amounted to 12% (2009: 12%) of net sales.

The Group's circulation sales were slightly below the comparable year. Subscription sales remained stable, but single copy sales decreased slightly in most of the operating countries.

By country, Finland accounted for 51% (2009: 51%) of the cumulative net sales and the Netherlands 23% (2009: 23%). Net sales from other EU countries totalled 23% (2009: 23%) and non-EU countries accounted for 3% (2009: 3%).

Result

Fourth quarter

Sanoma's operating profit excluding non-recurring items in October–December decreased by 30% and totalled EUR 34.5 million (2009: EUR 49.3 million). The result improved significantly in the Sanoma News division. Sanoma Trade's result was significantly lower mainly due to the decreased customer volumes and lower margin of the kiosk operations. The divestments of operations as well as investments in, notably, marketing decreased the result in other divisions. The solid development during the year enabled increased investments in developing new operations as well as increased marketing efforts in order to improve market positions. In the fourth quarter, the marketing expenses were increased by 23% from the exceptionally low level of the comparable quarter. Operating profit excluding non-recurring items was 4.8% (2009: 6.7%) of net sales. Currency translations did not have a material effect on the fourth quarter result.

NON-RECURRING ITEMS	10-12/ 2010	10-12/ 2009	1-12/ 2010	1-12/ 2009
EUR million				
Magazines				
Restructuring expenses (Magazines Netherlands)	-3.3	-0.1	-3.3	-4.7
Impairment of intangible assets (Magazines Netherlands)			-6.3	
Impairment of intangible assets (Magazines International)	-1.0		-1.0	
Gain on sales of Humo			2.6	
Restructuring expenses (Magazines Belgium)		-10.9		-12.4
News				
Gain on sale of Lehtikuva			6.0	
Gain on sales of Sanoma Lehtimedia's local papers	2.9		2.9	
Expenses related to the efficiency programme				-8.4
Entertainment				
Gain on sale of Welho	-0.4		179.0	
Learning & Literature				
Loss on sale of Bertmark Norge	0.1		-1.1	
Restructuring expenses	-0.8	-2.4	-2.3	-3.9
Impairment of a Dutch non-core entity	-2.1		-2.1	
Expense related to the sale of children's magazines				-1.1
Trade				
Loss on sale of Russian operations	-2.6	-3.6	-3.6	-3.6
Impairment of goodwill in the Dutch press distribution			-28.9	
Sanoma Corporation				
Gains on the sales of real estates			5.4	
NON-RECURRING ITEMS IN OPERATING PROFIT	-7.2	-17.0	147.3	-34.1
Impairment of share in associated company Hansaprint	-22.1		-22.1	
NON-RECURRING ITEMS IN RESULTS IN ASSOCIATED COMPANIES	-22.1		-22.1	
Impairment losses on loans and other receivables and available-for-sale investments		-3.7		-8.7
NON-RECURRING ITEMS IN FINANCIAL ITEMS		-3.7		-8.7

Sanoma continued to see the effects of the efficiency improvement measures and structural changes mostly carried out in 2009. In the fourth quarter, the Group's total expenses came down by 1%. Paper costs in particular were significantly below the comparable period. Employee benefit expenses decreased by 5%. The Group had some 1,300 employees less than at the year-end 2009, corresponding to a decrease of 8%. From the comparable quarter, the number of personnel decreased by 7%. A decrease of some 200 employees is due to the Welho divestment.

In October–December, the operating profit included a total of EUR -7.2 million (2009: EUR -17.0 million) in non-recurring items, consisting of both capital gains and non-recurring costs. The non-recurring costs were related to restructuring of operations in the Netherlands and Russia as well as an impairment of publishing rights in some Russian titles and an impairment of a Dutch non-core entity operating in consultancy. In the comparable period, the non-recurring items consisted of restructuring costs.

2010

In January–December, Sanoma's operating profit excluding non-recurring items improved by 7% and totalled EUR 245.4 million (2009: EUR 229.5 million). Operating profit excluding non-recurring items improved in Magazines, News and Learning & Literature. The result also improved clearly in the Finnish broadcasting business. Currency translations did not have a material effect on the 2010 result.

The non-recurring items included in the operating profit amounted to EUR 147.3 million (2009: EUR -34.1 million) and were related to capital gains from divestments of businesses and real estate, impairment write-downs in several businesses as well as restructuring costs. Some EUR 135 million of the net amount of total capital gains and write-downs was non-taxable. In the comparable year, non-recurring items consisted of expenses related to restructuring of operations in all divisions.

The clearly improved operational result as well as significant non-recurring capital gains increased the Group's operating profit in 2010 to EUR 392.7 million (2009: EUR 195.4 million; 2008: EUR 236.3 million) or 14.2% (2009: 7.1%; 2008: 7.8%) of net sales.

Following the divestment of Welho and the related acquisition of 21% in the Finnish telecommunication group DNA, Sanoma now reports its share of DNA's result in the associated companies. The most significant associated companies, in addition to DNA, include Hansaprint, Stratosféra, Jokerit HC and Desert Fishes. In the fourth quarter, Sanoma made a EUR 22.1 million impairment of the Hansaprint asset due to significantly deteriorated future prospects of the printing business. Therefore the profits from associated companies totalled EUR -23.9 million (2009: EUR -3.9 million). DNA's net sales and result in 2010 developed according to expectations. At the end of the year, DNA had about a quarter of the Finnish telecommunications market and over 40% of the cable TV market.

In January–December, Sanoma's net financial items totalled EUR -12.8 million (2009: EUR -30.1 million). Lower reference rates than in the comparable year decreased the Group's interest expenses significantly. The positive effects of lower interest rates started to even out in the latter half of the year, since the reference rates came down in the second quarter of 2009. Financial income amounted to EUR 11.1 million (2009: EUR 22.5 million), of which exchange rate gains were EUR 7.0 million (2009: EUR 15.0 million). Financial expenses amounted to EUR 23.8 million (2009: EUR 52.6 million). Interest expenses amounted to EUR 13.3 million (2009: EUR 25.3 million) and exchange rate losses to EUR 8.0 million (2009: EUR 16.2 million).

The result before taxes amounted to EUR 356.0 million (EUR 161.4 million). The Group's result and the effective tax rate were significantly affected by the divestment of Welho in June 2010. The effective tax rate in 2010 was 16.5% (2009: 33.6%). Earnings per share in 2010 were EUR 1.85 (2009: EUR 0.66). The result for the period totalled EUR 297.3 million (2009: EUR 107.1 million).

Balance sheet and financial position

At the end of December, Sanoma's consolidated balance sheet totalled EUR 3,203.0 million (2009: EUR 3,106.3 million). Efficient cash flow management was one of the management focus areas, and during the year, the Group's cash flow from operations amounted to EUR 273.8 million (2009: EUR 241.8 million). Cash flow from operations per share was EUR 1.69 (2009: EUR 1.50). In addition to a significantly better operational result, lower interest costs also improved the cash flow from the comparable year.

Sanoma's financial position was strong and financial flexibility improved during the year. The equity ratio strengthened and was 45.7% (2009: 41.4%; 2008: 40.0%) at the end of December. The divestment of Welho improved key ratios: Return on equity (ROE) was 23.0% (2009: 9.2%; 2008: 9.1%) and the return on investment

(ROI) was 16.2% (2009: 8.9%). Equity totalled EUR 1,376.0 million (2009: EUR 1,206.6 million). Interest-bearing liabilities continued to decrease and totalled EUR 941.9 million (2009: EUR 1,017.7 million) and interest-bearing net debt was EUR 877.9 million (2009: EUR 958.1 million). Sanoma's net debt/EBITDA ratio was 1.5 at the end of December.

Sanoma's existing credit facilities, such as the syndicated, long-term credit facility of EUR 802 million, cover all Sanoma's financing needs and Sanoma has no need for material refinance in the near future. Sanoma Corporation does not have any other significant agreements covered by the statutory obligation to disclose. The Group has, within the scope of normal business operations, agreements or agreements as a whole containing a standard change-of-control clause.

Investments, acquisitions and divestments

Investments in tangible and intangible assets amounted to EUR 85.7 million (2009: EUR 83.4 million) in 2010. Investments were mainly related to ICT systems as well as replacements and renovations. Sanoma has a policy to keep annual capital expenditure, excluding M&A, below EUR 100 million. Sanoma's business acquisitions in 2010 totalled EUR 37.1 million (2009: EUR 6.7 million).

R&D expenditure was recorded at EUR 0.9 million (2009: EUR 1.5 million) or 0.0% (2009: 0.1%) of net sales. R&D expenditure does not include costs related to launches of new products and services or renewal of existing ones, which are considered normal portfolio management and incurred as costs. Sanoma leads and co-ordinates the Finnish Next Media research programme, which develops future concepts and business models for media. The aim of the research programme is to enhance digital media R&D activity in Finland as well as to create significant business internationally. The Next Media research programme includes ten different projects and is set to end in 2015. The programme is partly financed by the government and partly by the participating media companies.

In May, Sanoma Magazines Belgium sold 49% of its Humo magazine to Belgian De Vijver. As part of the transaction, Sanoma Magazines Belgium acquired 25% of Desert Fishes, which owns Belgium's largest TV production company Woestijnvis. In June, Sanoma Entertainment divested its cable TV operator Welho to the DNA telecommunication group, invested the total enterprise value of Welho into DNA and became DNA's second largest owner with an ownership share of 21%. There were no significant transactions during the comparable year.

Events after the review period

In order to respond more effectively to the needs of consumers and advertisers in the converging media world, the Group integrated two of its divisions Sanoma Entertainment and Sanoma Magazines to form the new division Sanoma Media as of 1 January 2011. This integration enables Sanoma to leverage its television know-how and assets in Finland also internationally, as well as further strengthen Sanoma's market positions in Europe.

At the same time, Aldipress was moved from Sanoma Trade's trade services to Sanoma Media in order to facilitate the execution of its new strategy: to focus on single copy press distribution and strengthen its service to Dutch publishers.

Sanoma now has four divisions: Sanoma Media, Sanoma News, Sanoma Learning & Literature and Sanoma Trade. Sanoma's Executive Management Group comprises the Group CEO, the heads of the divisions, the Group CFO and the Group CSO. Sanoma will publish comparable figures for these new segments before its first quarter results.

SANOMA MAGAZINES

Sanoma Magazines, operating in 12 European countries, is a leading publisher of magazines and has a strong presence in digital media. The company actively reaches out to an audience of 290 million consumers at every life stage, and aims to strengthen its market leader positions in each of the markets it operates in.

- Advertising sales continued to develop positively in the fourth quarter, both in print and online.
- Sanoma Magazines' tablet know-how was recognised when its applications were chosen as the second and third best applications out of over 1,000 magazine and newspaper apps around the world. Active exploration of mobile business opportunities continues.
- After the review period, broadcasts of Story 5, the second TV channel of Sanoma Budapest started in Hungary
- As of 1 January 2011, Sanoma Magazines is part of a new division, Sanoma Media.

Key indicators	10–12/ 2010	10–12/ 2009	Change %	1–12/ 2010	1–12/ 2009	Change %
EUR million						
Net sales	306.0	307.1	-0.4	1,110.9	1,111.2	0.0
Sanoma Magazines Netherlands	136.1	138.6	-1.8	490.4	493.2	-0.6
Sanoma Magazines International	60.9	58.5	4.2	214.9	211.3	1.7
Sanoma Magazines Belgium	53.8	57.5	-6.5	208.3	212.3	-1.9
Sanoma Magazines Finland	56.2	53.5	5.0	201.4	198.8	1.3
Eliminations	-1.0	-1.0	-2.3	-4.2	-4.3	3.6
Operating profit excluding non-recurring items *	35.5	38.4	-7.6	128.6	113.4	13.5
% of net sales	11.6	12.5		11.6	10.2	
Operating profit	31.2	27.4	13.9	120.6	96.3	25.3
Capital expenditure				19.4	24.4	-20.3
Return on investment (ROI), %				7.2	7.9	
Number of employees at the end of the period (FTE)				4,980	5,191	-4.1
Average number of employees (FTE)				5,040	5,452	-7.5

* In 2010, the non-recurring items included in the second quarter a EUR 2.6 million gain from selling 49% of the Humo magazine, in the third quarter a EUR 6.3 million impairment of intangible assets in Sanoma Magazines Netherlands and in the fourth quarter EUR 3.3 million Sanoma Magazines Netherlands' restructuring expenses and a EUR 1.0 million impairment of intangible assets in Sanoma Magazines International. In 2009, the non-recurring items included in the second quarter EUR 1.3 million, in the third quarter EUR 0.2 million and in the fourth quarter EUR 10.9 million of Sanoma Magazines Belgium's restructuring expenses and in the third quarter EUR 4.6 million and in the fourth quarter EUR 0.1 million of Sanoma Magazines Netherlands' restructuring expenses.

Operational indicators *	1–12/ 2010	1–12/ 2009
Number of magazines published	279	295
Magazine copies sold, thousands	342,316	372,995
Advertising pages sold	50,549	54,108

* Including joint ventures

Fourth quarter

Sanoma Magazines' net sales in October–December were at the comparable quarter's level. Adjusted for changes in the Division structure, sales grew by 1.3%.

The Division's advertising sales grew by 6% and represented 33% (2009: 30%) of the fourth quarter net sales. Advertising sales grew in all four businesses. Sanoma Magazines' online advertising sales grew clearly, in particular due to the good development in the Netherlands and Sanoma Magazines International.

Sanoma Magazines' circulation sales decreased slightly and represented 54% (2009: 56%) of the Division's net sales. Subscription sales were at the comparable quarter's level but single copy sales decreased somewhat.

Sanoma Magazines Netherlands' net sales were at the comparable quarter's level. Advertising sales grew somewhat with online advertising sales increasing clearly. Advertising sales represented 32% (2009: 30%) of Sanoma Magazines Netherlands' net sales. Its circulation revenues were slightly down with subscription sales at the comparable quarter's level and single copy sales declining slightly, due to one issue less of the women's weekly

magazines. There were several mobile launches but no other major changes in Sanoma Magazines Netherlands' portfolio in the fourth quarter.

Sanoma Magazines International's net sales grew by 4% due to increased advertising sales in Russia and the favourable currency translation effect. The advertising market continued to improve also in Hungary and Ukraine, the general economic environment and the outlook for advertising sales is weak in other CEE countries. Advertising sales represented 55% (2009: 52%) of Sanoma Magazines International's net sales in the fourth quarter. Circulation sales decreased, with both single copy sales and subscription sales falling. Sanoma Magazines International made one magazine and several online and mobile launches.

Net sales from Sanoma Magazines Belgium decreased by 7%, due to divestment of 49% of the weekly *Humo*, one of Sanoma Magazines Belgium's key titles, in May. Adjusted for this divestment, net sales improved clearly. Advertising sales increased, thanks to other titles' good performance. Circulation sales decreased with both subscription and single copy sales being clearly lower than in the comparable period. Advertising sales represented 27% (2009: 25%) of Sanoma Magazines Belgium's net sales.

Sanoma Magazines Finland's net sales grew by 5%. Advertising sales improved clearly and represented 14% (2009: 14%) of net sales. With both subscription and single copy sales increasing, circulation sales grew somewhat.

Sanoma Magazines' operating profit excluding non-recurring items in October–December decreased by 8%. The result declined in Belgium due to structural changes and in the Netherlands, where marketing costs were significantly higher than in the comparable period. At the end of 2009, marketing was at a very low level. Result improved in Sanoma Magazines International and in Sanoma Magazines Finland. The non-recurring costs included in the operating profit totalled EUR 4.3 million (2009: EUR 11.0 million) and related to restructuring of the Dutch operations and an impairment in two Russian magazines.

2010

In January–December, Sanoma Magazines' net sales were at the comparable year's level. Adjusted for changes in the Division structure, the growth was 1.4%. Digital revenues, consisting mostly of online advertising, amounted to 9% (2009: 8%) of the Division's net sales.

Operating profit excluding non-recurring items increased by 14%. Growing advertising sales improved the result significantly in Sanoma Magazines Netherlands and International. The non-recurring items included in the operating profit totalled EUR -8.0 million (2009: EUR -17.1 million) and included gains on the sale of assets, impairments of intangible assets and goodwill as well as restructuring costs. In the comparable year, the non-recurring costs were related to restructuring of operations.

Sanoma Magazines' investments in tangible and intangible assets totalled EUR 19.4 million (2009: EUR 24.4 million) and consisted mainly of ICT investments. The most significant acquisition in 2010 was that of HaziPatika.com Group, which operates, among other sites, Hungary's most visited healthcare website. In the comparable year, the major acquisition was Hungarian SELKO kft, which operates the comparison site Olcsobbat.hu.

According to Nielsen Media Research, the consumer magazine advertising market in the Netherlands improved slightly in January–November 2010. Sanoma Magazines Netherlands' sales clearly outperformed the market development. According to TNS Gallup Adex, advertising in consumer magazines in Finland decreased by 3% in 2010, but Sanoma Magazines Finland outperformed the market development.

Sanoma Magazines continuously develops its magazine portfolio with a special focus on its key titles in each operating country. Sanoma Magazines is investing in strengthening its market positions, and wants to become stronger in digital media, both online and mobile. To support this, the Group decided to combine Sanoma Entertainment's multimedia know-how together with Sanoma Magazines strong brand portfolio. The new Sanoma Media division became operational as of 1 January 2011. The Division continues to look for possibilities to expand in different TV markets.

In 2011, Sanoma Media's net sales are expected to be at the previous year's level and operating profit excluding non-recurring items is estimated to decrease clearly due to the divestments made in 2010. The effects of the Aldipress transfer to Sanoma Media have been included both for the current and comparable year.

SANOMA NEWS

Sanoma News is the leading newspaper publisher in Finland and its printed and digital products have a strong presence in the lives of Finns. In addition to Helsingin Sanomat, the largest daily in the Nordic region, Sanoma News publishes other national and regional newspapers and it is also one of the most significant digital media players in Finland.

- Advertising sales improved further with print recruitment advertising in particular performing well. Oikotie.fi became the leading online recruitment site in Finland.
- Thanks to increased advertising sales the fourth quarter result also improved significantly.
- Ilta-Sanomats market share of the tabloid market continued to increase also in the last quarter and the circulation of the weekend edition is above that of 2009.
- Sanoma News continued to focus its operations by divesting its local papers in south eastern Finland in December.

Key indicators	10–12/ 2010	10–12/ 2009	Change %	1–12/ 2010	1–12/ 2009	Change %
EUR million						
Net sales	114.9	112.9	1.8	437.6	428.9	2.0
Helsingin Sanomat	64.1	61.1	4.9	235.4	228.4	3.1
Ilta-Sanomat	21.6	20.3	6.6	83.3	78.2	6.5
Other publishing	25.0	26.9	-7.2	99.5	103.8	-4.2
Other businesses	33.4	36.6	-8.8	132.9	143.7	-7.5
Eliminations	-29.2	-32.0	8.8	-113.5	-125.2	9.4
Operating profit excluding non-recurring items *	13.0	10.8	20.5	47.2	40.6	16.4
% of net sales	11.3	9.6		10.8	9.5	
Operating profit	15.9	10.8	47.5	56.1	32.2	74.5
Capital expenditure				14.0	10.6	32.2
Return on investment (ROI), %				22.0	12.1	
Number of employees at the end of the period (FTE)				2,016	2,306	-12.6
Average number of employees (FTE)				2,176	2,399	-9.3

* In 2010, the non-recurring items included in the first quarter a EUR 6.0 million gain on the sale of Lehtikuva and in the fourth quarter a EUR 2.9 gain on the sale of Sanoma Lehtimedia's local papers. In 2009, the non-recurring items included in the first quarter EUR 2.3 million and in the second quarter EUR 6.1 million of expenses related to the efficiency programme.

Operational indicators	1–12/ 2010	1–12/ 2009
Distribution of free sheets, millions	74.3	74.8
Circulation	1–12/ 2010	1–12/ 2009
Helsingin Sanomat	383,361	397,838
Ilta-Sanomat	149,838	152,948
Online services, unique visitors, weekly	10–12/ 2010	10–12/ 2009
Iltaasanomat.fi	1,726,762	1,827,379
HS.fi	1,266,968	1,280,225
Huuto.net	460,005	462,347
Oikotie.fi	460,622	374,397
Taloussanomat.fi	547,513	508,089

Fourth quarter

Sanoma News' net sales in October–December increased by 2%. Adjusted for changes in the Division structure, sales grew by 5%.

Sanoma News continued to strengthen its market share in the Finnish media market. The Division's advertising sales grew by 11%, with both online and print advertising sales developing positively and increasing by 27% and 9% respectively. Advertising sales represented 52% (2009: 48%) of the Division's net sales in the fourth quarter.

The Division's circulation sales were at the comparable period's level. Single copy sales performed well and subscription sales remained stable. Circulation sales accounted for 42% (2009: 42%) of the Division's net sales.

The net sales of the Helsingin Sanomat business unit grew by 5%. Advertising sales continued to improve, with recruitment advertising in the daily print edition of Helsingin Sanomat showing impressive growth of 46% in the fourth quarter. Advertising sales represented 57% (2009: 54%) of the business unit's net sales. The online news site HS.fi had record audiences in the fourth quarter and strengthened its position as one of the most visited sites in Finland, especially in mobile. In December, Helsingin Sanomat launched a tablet version of the daily paper in connection with the Finnish iPad launch.

The Ilta-Sanomat business unit's net sales grew by 7%. The tabloid's weekday price was increased from EUR 1.20 to EUR 1.30 in mid-August and the circulation of the weekend edition grew, which increased circulation sales. Advertising sales, representing 30% (2009: 28%) of the business unit's net sales, also grew significantly. A renewed Iltasanomat.fi was successfully launched in November.

Net sales from other publishing operations decreased by 7% due to the divestment of picture agency Lehtikuva and the transfer of business information provider Esmerk. Five local papers were also divested in December. Sanoma News is focusing a significant amount of resources to its digital operations. Online advertising sales in Sanoma Digital Finland continued their strong performance also in the fourth quarter, particularly in recruitment. In regional papers, advertising sales grew somewhat and circulation sales were at the comparable quarter's level. Advertising sales in free sheets were at the comparable quarter's level.

In October–December, Sanoma News' operating profit excluding non-recurring items increased by 20%. Operating profit improved significantly in the Helsingin Sanomat business unit but Ilta-Sanomat's operating profit decreased due to Iltasanomat.fi renewal. Despite the structural changes, the result improved significantly in other publishing, thanks to Sanoma Digital Finland's increased online advertising sales. The operating profit included EUR 2.9 million (2009: EUR 0.0 million) non-recurring capital gain on the divestment of local papers in south-eastern Finland.

2010

In January–December, Sanoma News' net sales grew by 2%. Adjusted for changes in the Division structure, the growth was 4%. Digital revenues, consisting mostly of online advertising, amounted to 11% (2009: 11%) of the Division's net sales.

Sanoma News's operating profit excluding non-recurring items grew by 16%, mainly due to improved advertising sales and lower paper costs. The non-recurring items included in the operating profit totalled EUR 8.9 million (2009: EUR -8.4 million) and consisted of capital gains on the divestment of Lehtikuva and local papers. In the comparable year, the non-recurring items were related to the Division's efficiency programme. The withheld holiday pay in 2009 and the equal-size bonus paid in May 2010 had impacts on the operating profit in the second quarter in particular. Excluding the effects of the holiday pay, the increase in the full-year result would have been some 50%.

Sanoma News' investments in tangible and intangible assets totalled EUR 14.0 million (2009: EUR 10.6 million), and consisted mainly of investments in digital business and a reader-customer management system. There were no significant acquisitions in 2010 or the comparable year.

According to TNS Gallup Adex, newspaper advertising in Finland grew by 2% in 2010. Recruitment advertising in Finland increased by 32%, and real estate advertising by 1%. Job advertising in the daily print edition of Helsingin Sanomat was 28% above the comparable year and real estate advertising 4%. Online, Oikotie recruitment advertising outperformed the market and doubled. Advertising in free sheet market was up by 8%, partly due to changes in reporting. Online advertising included in the statistics grew by 33% during the year, much faster than other media segments.

The total volume of the Finnish tabloid market decreased by 3% in 2010. However, Ilta-Sanomat was able to improve its market position further in the tabloid newsstand market and now has a market share of 58.1% (2009: 57.1%).

Sanoma News aims to strengthen its multichannel approach both when creating journalistic content as well as when serving its advertisers. The Division will increase its share of digital operations and create new sources of revenues through development of the product and service portfolio. Strengthening market share both in the media market and in the readers' market remains a key priority for Sanoma News.

In 2011, Sanoma News' net sales and operating profit excluding non-recurring items are estimated to be at the previous year's level due to the divestments made in 2010.

SANOMA ENTERTAINMENT

Sanoma Entertainment offers entertaining experiences on television, radio and online. Sanoma Entertainment consists of Nelonen Media, which focuses on broadcast operations as well as online TV, and Sanoma Games, provider of online casual gaming.

- Nelonen Media's commercial viewing shares continued to improve in the fourth quarter.
- Excellent performance in TV and radio continued and the Division's advertising sales grew by 26% in the fourth quarter.
- As of 1 January 2011, Sanoma Entertainment is part of a new division, Sanoma Media.

Key indicators	10–12/ 2010	10–12/ 2009	Change %	1–12/ 2010	1–12/ 2009	Change %
Net sales	31.3	41.1	-23.9	138.2	157.1	-12.0
Operating profit excluding non-recurring items *	0.8	3.9	-80.2	16.8	20.7	-19.0
% of net sales	2.5	9.5		12.1	13.2	
Operating profit	0.4	3.9	-90.4	195.8	20.7	845.1
Capital expenditure				5.3	9.3	-42.9
Return on investment (ROI), %				95.1	18.3	
Number of employees at the end of the period (FTE)				218	458	-52.4
Average number of employees (FTE)				337	469	-28.1

* In 2010, the non-recurring items included in the second quarter a EUR 179.0 million gain on the sale of the cable TV operator Welho. In 2009, the operating profit did not include any non-recurring items.

Operational indicators	1–12/ 2010	1–12/ 2009
TV channels' share of Finnish TV advertising	32.8%	32.6%
TV channels' national commercial viewing share	35.5%	29.8%
TV channels' national viewing share	15.1%	14.8%

Fourth quarter

Sanoma Entertainment's net sales in October–December decreased by 24%, following the divestment of cable TV and broadband operator Welho at the end of the second quarter. Adjusted for changes in the Division structure, sales grew by 30%, due to marked improvement in TV advertising sales. In addition, online sales showed excellent development, with Ruutu.fi growing 76% and Sanoma Games 28%. Following the Welho transaction, advertising sales are 85% of the Division's net sales (2009: 51%). In December, Sanoma Games launched a fantasy sports game in Germany based on a successful concept already in place in Finland and Sweden. Online casual gaming is one of the focus areas of the Group's consumer online strategy.

Sanoma Entertainment's operating profit excluding non-recurring items in October–December declined by 80%. However, the profitability of broadcasting operations improved significantly due to improved advertising sales. The operating profit did not include any non-recurring items in the fourth quarter.

2010

In January–December, Sanoma Entertainment's net sales decreased by 12% due to the divestment of Welho. Adjusted for changes in the Division structure, net sales grew by 12%.

Sanoma Entertainment's operating profit excluding non-recurring items in 2010 declined by 19%. However, the profitability of broadcasting operations improved significantly due to improved advertising sales. The operating profit included a EUR 179.0 million (2009: EUR 0.0 million) non-recurring capital gain from the divestment of Welho.

Sanoma Entertainment's investments in tangible and intangible assets totalled EUR 5.3 million (2009: EUR 9.3 million), most of which was allocated to the development of Welho's cable network and services. The most significant

acquisition, with an enterprise value of EUR 200 million, was a 21% share in the Finnish telecommunication group DNA in connection with the Welho transaction. There were no major transactions in the comparable year.

The Finnish TV advertising market grew by 12% in 2010 according to TNS Gallup Adex. Nelonen Media outperformed the market growth and was able to increase its market share to 32.8%, thanks to its improved viewing share and the successful execution of the multichannel strategy in broadcast operations combining TV, radio and online TV. Nelonen Media actively introduced new types of advertising products. In addition, Nelonen Media's radio channels outperformed the market growth of 9% in 2010.

Nelonen Media's commercial viewing share also improved to 35.5% (2009: 33.7%) in its main target group, viewers between 10 and 44 years of age. The viewing shares were boosted by the programming investments as well as the continued success of the targeted theme channels, Liv and Jim. The viewing of these channels has continuously improved. In 2011, Nelonen Media will expand its pay TV offering in Finland: the existing series and movie channel Nelonen Kino will be renewed and two new ones, family-oriented Nelonen Perhe and Nelonen Maailma focusing on documentaries, travel and nature, will be launched. The sports channel offering has already grown to two channels: Nelonen Pro 1 and Nelonen Pro 2.

With the growing convergence of media, TV and videos are becoming a natural part of all online content. Sanoma Entertainment's multimedia know-how offers interesting opportunities in combining media assets across Sanoma's markets. To further exploit these possibilities, Sanoma Entertainment became a part of the new Sanoma Media division as of 1 January 2011. The Division continues to look for possibilities to expand in different TV markets.

SANOMA LEARNING & LITERATURE

Sanoma Learning & Literature, operating in 14 countries, is a leading European provider of learning materials and solutions in print and digital format. The Division has growing international business information and language service operations and is also the leading general literature publisher in Finland.

- Nowa Era sales continued to increase in the fourth quarter, thanks to their success in the Polish educational reform and the full-year net sales of learning developed well in all operating countries.

- The Division's full-year result improved significantly. In the fourth quarter, increased cost of sales and depreciation contributed to the operating loss increase.

Key indicators	10–12/ 2010	10–12/ 2009	Change %	1–12/ 2010	1–12/ 2009	Change %
EUR million						
Net sales	65.1	64.7	0.6	350.1	345.1	1.4
Learning	33.7	32.7	3.2	249.3	239.1	4.2
Language services	8.9	6.3	40.7	27.1	27.5	-1.3
Literature and other businesses	24.8	28.0	-11.5	83.6	88.9	-6.0
Eliminations	-2.2	-2.3	1.6	-9.9	-10.4	4.4
Operating profit excluding non-recurring items *	-14.4	-10.4	-38.2	52.6	43.5	21.1
% of net sales	-22.0	-16.1		15.0	12.6	
Operating profit	-17.2	-12.8	-34.1	47.1	38.5	22.5
Capital expenditure				14.9	13.1	13.4
Return on investment (ROI), %				8.9	7.2	
Number of employees at the end of the period (FTE)				2,656	2,745	-3.3
Average number of employees (FTE)				2,629	2,780	-5.4

* In 2010, the non-recurring items included in the first quarter a EUR 1.1 million loss on the sale of Bertmark Norge and in the second quarter EUR 1.3 million, in the third quarter EUR 0.2 million and in the fourth quarter EUR 0.8 million restructuring expenses and in the fourth quarter a EUR 2.1 million impairment of a Dutch non-core entity. In 2009, the non-recurring items included in the third quarter EUR 1.5 million and in the fourth quarter EUR 2.4 million restructuring expenses and in the third quarter EUR 1.1 million of expenses related to the sale of children's magazines.

Operational indicators	1–12/ 2010	1–12/ 2009
Learning		
Number of new titles published, books	1,238	1,470
Number of new titles published, digital products	282	346
Literature and other businesses		
Number of new titles published, books	377	400
Number of new titles published, digital products	120	102
Books sold, millions	32.5	35.6

Fourth quarter

Sanoma Learning & Literature's net sales in October–December were at the comparable quarter's level. Adjusted for changes in the Division structure, net sales decreased by 5%.

Learning business has by nature an annual cycle and strong seasonality. It accrues most of its net sales and results during the second and third quarters. Changes between quarters can be significant and often explain most of the changes from the comparable period.

Net sales in learning were slightly higher than in the comparable period. In Poland, Nowa Era's sales continued to increase clearly. In other operating countries, the timing of the sales was different from the comparable period with some countries accruing net sales later than in 2009 and some already in earlier quarters. The e-learning provider YDP's net sales were significantly lower than in the comparable period because of reduced government spending in 2010.

Net sales in language services increased significantly due to new operations: the business information and media monitoring service provider Esmerk was transferred from Sanoma News in September in order to consolidate the

Group's B2B service offering. The sales of translation services and language training grew in Finland but remained challenging in the other Nordic countries.

Net sales in literature and other businesses decreased by 12%. The effects of the restructuring in multi-volume business are starting to be visible in sales. WSOY's sales of general literature were boosted by active marketing in the fourth quarter.

The Division's operating result excluding non-recurring items in October–December was 38% weaker than in the comparable period, due to increased cost of sales and depreciation related to for example ICT in the learning business. Efficiency measures improved results in language services and in literature and other businesses. The result was positively impacted by a EUR 3 million release in pension bookings. The non-recurring costs included in the operating profit totalled EUR 2.8 million (2009: EUR 2.4 million) and were related to restructuring in literature and an impairment of a Dutch non-core entity operating in consultancy.

2010

In January–December, Sanoma Learning & Literature's net sales were at the comparable year's level, also when adjusted for changes in the Division structure.

Operating profit excluding non-recurring items grew by 21%. The non-recurring items included in the operating profit totalled EUR -5.5 million (2009: EUR -5.0 million) and were related to restructuring and divestment of non-core operations both in 2010 and the previous year.

Sanoma Learning & Literature's investments in tangible and intangible assets totalled EUR 14.9 million (2009: 13.1 million). They comprised ICT investments, among others. The most significant acquisition was the remaining shares of the e-learning provider YDP in Poland. The most significant transactions in the comparable year were the acquisition of the Belgian Wees Wegwijs, specialised in publishing road safety books, and the merger of the Finnish book printer Gummerus Printing into Bookwell.

Sanoma Learning & Literature's customers are increasingly looking for comprehensive solutions both in learning and language services. The Division will continue its transformation in order to offer the most appealing solutions, create value for the customer by applying new technologies and gain efficiency through developing concepts and platforms to be used in several markets. At the same time, the Division is looking for growth through further internationalisation of its learning and language services businesses.

In 2011, the net sales of Sanoma Learning & Literature are estimated to increase slightly and operating profit excluding non-recurring items is expected to be at the previous year's level.

SANOMA TRADE

Operating in five countries, retail specialist Sanoma Trade's strengths lie in a thorough understanding of customers' needs and solid concepts. Sanoma Trade serves its customers in 200 million annual sales contacts at kiosks, bookstores and movie theatres. Sanoma Trade's trade services business unit is a strong link between publishers and retailers.

- The movie operations continued to perform well in the fourth quarter.
- The roll-out of the new kiosk concept continued and the first bookstore with the new concept was opened in Finland.
- Sanoma Trade divested its Russian operations in the fourth quarter.

Key indicators	10–12/ 2010	10–12/ 2009	Change %	1–12/ 2010	1–12/ 2009	Change %
EUR million						
Net sales	226.1	235.3	-3.9	825.4	827.8	-0.3
Kiosk operations	102.4	110.5	-7.4	398.4	404.2	-1.4
Trade services	60.1	60.6	-0.9	230.4	227.9	1.1
Bookstores	43.2	44.5	-3.1	120.6	123.3	-2.2
Movie operations	23.9	23.6	1.4	90.0	88.0	2.2
Eliminations	-3.5	-4.0	14.3	-14.0	-15.6	10.3
Operating profit excluding non-recurring items *	5.6	10.3	-45.1	19.4	27.6	-29.6
% of net sales	2.5	4.4		2.4	3.3	
Operating profit	3.0	6.7	-54.4	-13.1	24.0	-154.4
Capital expenditure				30.2	25.5	18.5
Return on investment (ROI), %				-4.0	8.2	
Number of employees at the end of the period (FTE)				5,370	5,943	-9.7
Average number of employees (FTE)				5,710	6,164	-7.4

* In 2010, the non-recurring items included in the third quarter a EUR 28.9 million impairment of goodwill in the Dutch press distribution and in the third quarter EUR 1.0 million and in the fourth quarter a EUR 2.6 million loss on sale of Russian operations. In 2009, the non-recurring items included in the fourth quarter EUR 3.6 million of restructuring expenses.

Operational indicators	1–12/ 2010	1–12/ 2009
Thousands		
Customer volume in kiosk operations	181,328	194,692
Customer volume in bookstores	7,214	7,239
Customer volume in movie theatres	9,877	9,501
Number of copies sold (press distribution)	336,753	350,186

Fourth quarter

Sanoma Trade's net sales in October–December decreased by 4%. Net sales adjusted for changes in the Group structure decreased by 3%.

Net sales from kiosk operations were down by 7%. Net sales grew in Latvia and Romania, but decreased in other countries. The sluggish economic environment had an impact on sales in Lithuania and Estonia. In Finland, the changes in sales mix continued to affect net sales also in the fourth quarter. Sanoma Trade is focusing its resources in developing its concepts and the roll-out of the new kiosk concept continued. The results from the 36 new kiosks show increased sales in high-traffic areas. Numerous new services, such as safe payment instruments and wider postal services, were introduced to a great number of Finnish kiosks.

Net sales from trade services were at the comparable period's level. Of the operating countries, net sales were stable in Finland, but decreased in other countries. As of 1 January 2011, Aldipress has been part of Sanoma Media in order to increase the focus on local markets and strengthen its relationship with the Dutch publishers.

Net sales from bookstores decreased by 3%. In Finland, especially the sales of educational material developed well, but the lack of interesting titles clearly lowered the sales of fiction. The bookstore concept is being developed and stores with the new concept were opened both in Finland and Estonia in the fourth quarter.

Net sales from movie operations were at the comparable quarter's level. Net sales increased clearly in Finland, boosted by the popularity of domestic and 3D movies. In the Baltic countries, sales continued to be below the comparable period.

Sanoma Trade's operating profit excluding non-recurring items in October–December decreased by 45%. The result improved in trade services, but was below the comparable period in other businesses. In the Finnish kiosks, the new Opening Hours Act influenced the customer volume and sales mix, which affected the sales margin negatively. The poor economic situation in the Baltic countries continued to have an effect on the results in all businesses. In the fourth quarter, the operating profit included EUR -2.6 million (2009: EUR -3.6 million) of non-recurring costs related to the discontinuation of the Russian kiosk operations.

2010

In January–December, Sanoma Trade's net sales were at the comparable year's level. Also adjusted for changes in the Division structure, net sales were stable.

Operating profit excluding non-recurring items decreased by 30% mainly due to the lower sales margin and customer volume in the Finnish kiosks. The result improved in trade services and movie operations. Bookstores posted a clearly lower result than in the comparable year. The non-recurring items included in the operating profit totalled EUR -32.5 million (2009: EUR -3.6 million) and consisted of an impairment of goodwill in the Dutch press distribution operations as well as restructuring in the Estonian and Russian operations. In the comparable year, the non-recurring items were related to restructuring in Russia, Latvia and Lithuania.

Sanoma Trade's investments in tangible and intangible assets totalled EUR 30.2 million (2009: EUR 25.5 million), and focused mainly on concept development in kiosks and bookstores, ICT projects and 3D digital equipment. In May, the marketing logistics company Postituspojat was acquired to strengthen trade services' growth strategy. There were no major acquisitions in the comparable year.

Continuous development of its product and service offering, based on the consumer insight gained from its 200 million annual customer contacts, is a key success factor for Sanoma Trade. Sanoma Trade continues to focus its resources to improve its concepts and better cater for the needs of its customers. The new kiosk and bookstore concepts continue to be rolled out in 2011, and the service offering of trade services and movie operations will be expanded.

In 2011, Sanoma Trade's net sales are estimated to grow slightly and operating profit excluding non-recurring items is estimated to improve clearly. The effects of the Aldipress transfer to Sanoma Media have been included both for the current and comparable year.

THE GROUP

Personnel

In 2010, the average number of persons employed by the Sanoma Group was 19,463 (2009: 20,625; 2008: 21,329). In full-time equivalents, the number of Group employees at the end of the year was 15,405 (2009: 16,723; 2008: 18,453). Divestments and restructuring decreased the number of personnel in 2010. In addition, some of the restructuring measures initiated in 2009 affected the number of employees also in 2010. In full-time equivalents, Sanoma Magazines had 4,980 (5,191) employees at the end of 2010, Sanoma News 2,016 (2,306), Sanoma Entertainment 218 (458), Sanoma Learning & Literature 2,656 (2,745) and Sanoma Trade 5,370 (5,943). During the year, a Financial Shared Service Centre was established at headquarters and the number of employees in the Parent Company rose to 165 (79).

The total employee benefits to Sanoma employees in 2010, including the expense recognition of options granted, amounted to EUR 545.9 million (2009: EUR 563.0 million; 2008: EUR 575.5 million).

Dividend

On 31 December 2010, Sanoma Corporation's distributable funds were EUR 641.3 million, of which profit for the year made up EUR 87.9 million.

The Board of Directors proposes to the Annual General Meeting that:

- A dividend of EUR 1.10 per share, or in total an estimated EUR 179.1 million, shall be paid.
- A sum of EUR 0.55 million shall be transferred to the donation reserve and used at the Board's discretion.
- The amount left in equity shall be EUR 461.7 million.

In accordance with the Annual General Meeting's decision, Sanoma paid out a per-share dividend of EUR 0.80 for 2009. Sanoma conducts an active dividend policy and primarily distributes over half of the Group result for the period in dividends.

AGM, Financial Statements and Annual Report

Sanoma Corporation AGM will be held on 5 April 2011 at 2 pm at the Congress Wing of the Helsinki Exhibition & Convention Centre, Finland. The agenda of the meeting will be available on the Group's website at Sanoma.com at a later date.

Sanoma's Annual Report, Financial Statements, Board of Directors' Report and Corporate Governance Statement for 2010 will be published in digital format on the Materials section of the Group website during week 10 (the week beginning 7 March). A printed copy of the Annual Report will be available during week 11 (the week beginning 14 March) and can be ordered from the Group website.

Shares and holdings

In January–December, 63,477,720 (2009: 72,078,344) Sanoma shares were traded on the NASDAQ OMX Helsinki. Traded shares accounted for 39% (2009: 45%) of the average number of shares. Sanoma's total stock exchange turnover was EUR 987.9 million (2009: EUR 821.6 million).

During the year, the volume-weighted average price of a Sanoma share was EUR 15.57, with a low of EUR 13.41 and a high of EUR 17.07. At the end of December, Sanoma's market capitalisation was EUR 2.6 billion (2009: EUR 2.5 billion), with Sanoma's share closing at EUR 16.22 (2009: EUR 15.76). The Company had 23,079 shareholders at the year-end, with foreign holdings accounting for 9.8% (2009: 10.4%) of all shares and votes. There were no major changes in share ownership during 2010 and Sanoma did not issue any flagging announcements. At the end of December, Sanoma had 162,810,593 shares.

Board of Directors, auditors and management

The AGM held on 8 April 2010 confirmed the number of Sanoma's Board members at ten. Board members Sirkka Hämäläinen-Lindfors and Seppo Kievari were re-elected and Antti Herlin was elected as a new member to the Board. The Board of Directors of Sanoma consists of Jaakko Rauramo (Chairman), Sakari Tamminen (Vice Chairman), and Annet Aris, Robert Castrén, Jane Erkko, Antti Herlin, Paavo Hohti, Sirkka Hämäläinen-Lindfors, Seppo Kievari and Rafaela Seppälä as members.

The AGM re-appointed Pekka Pajamo, APA, and Sixten Nyman, APA, as his deputy, and Authorised Public Accountants KPMG Oy Ab, with Kai Salli, APA, acting as the Auditor in Charge, as the auditors of the Company.

There were changes in the Group management during the year: Pekka Soini was appointed President of Sanoma News and member of Sanoma's Executive Management Group as of 24 September 2010. Previously he was the acting president of the Sanoma News division. Harri-Pekka Kaukonen was appointed President and CEO of the Sanoma Group as of 1 January 2011. Hannu Syrjänen will retire as originally agreed in his contract at the age of 60 in the autumn of 2011. In November, it was announced that Timo Mänty, head of the Sanoma Trade division, will resign his current duties. Mänty continues in his position until 31 March 2011, after which he will transfer outside the Sanoma Group.

As of 1 January 2011, when the new Sanoma Media division was formed, the EMG comprised Harri-Pekka Kaukonen (chairman), Eija Aillasmaa, Jacques Eijkens, Sven Heistermann, Kim Ignatius, Timo Mänty and Pekka Soini.

Board authorisations

The AGM held on 8 April 2010 authorised the Board of Directors to decide on an issuance of a maximum of 82,000,000 new shares and a transfer of a maximum of 5,000,000 treasury shares, together accounting for 35.5% of total voting rights that the maximum number of own shares covered by the authorisation would provide entitlement to. The authorisation will be valid until 30 June 2013. Under this authorisation, the Board decided on 22 December 2010 on the issuance of Stock Option Scheme 2010. The AGM also authorised the Board to decide on the repurchase of a maximum of 16,000,000 of the Company's own shares, accounting for 9.8% of total voting rights that the maximum number of own shares covered by the authorisation would provide entitlement to. This authorisation is effective until 30 June 2011 and terminates the corresponding authorisation granted by the AGM on 1 April 2009. The Board of Directors did not exercise its right under this authorisation during 2010.

Seasonal fluctuation

The net sales and result of media businesses are particularly affected by the development of advertising. Advertising sales are influenced, for example, by the number of newspaper and magazine issues published each quarter, which varies annually. Television advertising in Finland is usually strongest in the second and fourth quarters.

Learning accrues most of its net sales and results during the second and third quarters.

A major portion of the net sales and results in retail are, on the other hand, generated in the last quarter, particularly from Christmas sales. Of course, the number of shopping days and, for example, the distribution of holidays over different quarters impacts the retail sales between quarters.

Seasonal business fluctuations influence the Group's net sales and operating profit, with the first quarter traditionally being clearly the smallest one for both.

Significant risks and uncertainty factors

The most significant risks and uncertainty factors Sanoma currently faces are described in the Financial Statements and on the Group's website at Sanoma.com, together with the Group's main principles of risk management. Many of the identified risks relate to changes in customer preferences. The driving force behind these changes is the ongoing digitisation. Sanoma has identified action plans in all its divisions on how to respond to this challenge.

Normal business risks associated with the industry relate to developments in media advertising and consumer spending. Media advertising is sensitive to economic fluctuations. Therefore, the general economic conditions of the countries in which the Group operates and the economic trends of the industry influence Sanoma's business activities and operational performance.

GROUP FINANCIAL STATEMENTS (FULL-YEAR FIGURES AUDITED)

Accounting policies

The Sanoma Group has prepared its Interim Report in accordance with IAS 34 'Interim Financial Reporting' while adhering to related IFRS standards and interpretations applicable within the EU on 31 December 2010.

The Group has applied the following revised and amended standards as of 1 January 2010: IFRS 3 (Revised 2008) Business Combinations and IAS 27 (Amended 2008) Consolidated and Separate Financial Statements.

The adoption of the revised IFRS 3 'Business Combinations' will have an impact on the amount of goodwill from acquisitions and results on disposing businesses. The standard is also estimated to have an impact on profit and loss in those periods in which new business is acquired, the deferred purchase price is paid or additional shares are acquired. According to the transitional provisions of the standard, business combinations for which the acquisition date is before the adoption of the standard are not adjusted.

The amended IAS 27 'Consolidated and Separate Financial Statements' requires the effects of all transactions with a non-controlling interest to be recorded in equity if the control remains with the parent company. The amendment also specifies that a share of the loss for a period can also be allocated to non-controlling interest when the losses exceed the amount of invested capital by the non-controlling parties.

The accounting policies of the Interim Report and the definitions of key indicators are presented on the Sanoma website at Sanoma.com. All figures have been rounded and consequently the sum of individual figures can deviate from the presented sum figure. Key figures have been calculated using exact figures.

CONSOLIDATED INCOME STATEMENT

EUR million	10–12/ 2010	10–12/ 2009	1–12/ 2010	1–12/ 2009
NET SALES	717.3	733.6	2,761.2	2,767.9
Other operating income	20.3	17.9	258.8	64.6
Materials and services	320.4	332.2	1,207.4	1,238.5
Employee benefit expenses	175.3	184.0	668.6	695.5
Other operating expenses	168.7	156.8	554.2	536.2
Depreciation, amortisation and impairment losses	45.9	46.0	197.1	167.0
OPERATING PROFIT	27.4	32.3	392.7	195.4
Share of results in associated companies	-24.0	-1.6	-23.9	-3.9
Financial income	2.4	2.8	11.1	22.5
Financial expenses	6.6	11.3	23.8	52.6
RESULT BEFORE TAXES	-0.8	22.3	356.0	161.4
Income taxes	-0.2	-13.7	-58.6	-54.3
RESULT FOR THE PERIOD	-1.0	8.6	297.3	107.1
Result attributable to:				
Equity holders of the Parent Company	-0.9	6.4	299.6	105.6
Non-controlling interests	-0.1	2.2	-2.3	1.6
Earnings per share for result attributable to the equity holders of the Parent company:				
Earnings per share, EUR	-0.01	0.04	1.85	0.66
Diluted earnings per share, EUR	-0.01	0.04	1.85	0.66

STATEMENT OF COMPREHENSIVE INCOME

EUR million	10–12/ 2010	10–12/ 2009	1–12/ 2010	1–12/ 2009
Result for the period	-1.0	8.6	297.3	107.1
Other comprehensive income:				
Change in translation differences	1.2	3.7	9.8	-5.0
Cash flow hedges	0.2		0.2	
Other comprehensive income for the period, net of tax	1.3	3.7	10.0	-5.0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	0.3	12.3	307.3	102.1
Total comprehensive income attributable to:				
Equity holders of the Parent Company	0.4	9.8	309.6	100.5
Non-controlling interests	-0.1	2.4	-2.3	1.6

CONSOLIDATED BALANCE SHEET

EUR million

31.12.2010

31.12.2009

ASSETS
NON-CURRENT ASSETS

Tangible assets	429.3	484.2
Investment property	8.7	9.4
Goodwill	1,447.5	1,488.9
Other intangible assets	403.2	399.3
Interests in associated companies	248.7	63.5
Available-for-sale financial assets	15.8	15.7
Deferred tax receivables	34.8	30.1
Trade and other receivables	28.3	31.4
NON-CURRENT ASSETS, TOTAL	2,616.3	2,522.3

CURRENT ASSETS

Inventories	122.8	141.6
Income tax receivables	8.6	19.3
Trade and other receivables	391.0	362.9
Available-for-sale financial assets	0.3	0.5
Cash and cash equivalents	64.0	59.7
CURRENT ASSETS, TOTAL	586.8	584.0

ASSETS, TOTAL
3,203.0
3,106.3
EQUITY AND LIABILITIES
EQUITY
Equity attributable to the equity holders of the Parent Company

Share capital	71.3	71.3
Fund for invested unrestricted equity	203.3	188.8
Other equity	1,096.7	931.1
	1,371.2	1,191.2
Non-controlling interests	4.8	15.4
EQUITY, TOTAL	1,376.0	1,206.6

NON-CURRENT LIABILITIES

Deferred tax liabilities	94.2	101.2
Pension obligations	26.7	29.9
Provisions	7.3	10.7
Interest-bearing liabilities	472.5	541.6
Trade and other payables	19.9	28.2

CURRENT LIABILITIES

Provisions	15.6	23.8
Interest-bearing liabilities	469.4	476.1
Income tax liabilities	22.1	16.9
Trade and other payables	699.4	671.3

LIABILITIES, TOTAL
1,827.0
1,899.7
EQUITY AND LIABILITIES, TOTAL
3,203.0
3,106.3

CHANGES IN CONSOLIDATED EQUITY

EUR million

Equity attributable to the equity holders of the Parent Company

	Share capital	Treasury shares	Fund for invested unrestricted equity	Other reserves	Other equity	Total	Non-controlling interests	Equity, total
Equity at 1 Jan 2009	71.3	-37.5	192.7		993.7	1,220.1	17.0	1,237.1
Share subscription with options			12.3			12.3		12.3
Cancellation of treasury shares		37.5			-37.5			
Expense recognition of options granted					3.8	3.8		3.8
Dividends paid					-144.9	-144.9	-1.2	-146.2
Change in non-controlling interests							-2.0	-2.0
Donations					-0.5	-0.5		-0.5
Transfer from fund			-16.1		16.1			
Comprehensive income for the period					100.5	100.5	1.6	102.1
Equity at 31 Dec 2009	71.3		188.8		931.1	1,191.2	15.4	1,206.6
Equity at 1 Jan 2010	71.3		188.8		931.1	1,191.2	15.4	1,206.6
Share subscription with options			14.5			14.5		14.5
Expense recognition of options granted					3.6	3.6		3.6
Dividends paid					-129.5	-129.5	-1.9	-131.3
Change in non-controlling interests					-17.8	-17.8	-6.5	-24.3
Donations					-0.5	-0.5		-0.5
Comprehensive income for the period				0.2	309.4	309.6	-2.3	307.3
Equity at 31 Dec 2010	71.3		203.3	0.2	1,096.5	1,371.2	4.8	1,376.0

INCOME STATEMENT BY QUARTER

EUR million	1–3/ 2010	4–6/ 2010	7–9/ 2010	10–12/ 2010	1–3/ 2009	4–6/ 2009	7–9/ 2009	10–12/ 2009
NET SALES	637.9	715.4	690.6	717.3	636.0	697.2	701.1	733.6
Other operating income	20.4	197.3	20.9	20.3	14.1	19.4	13.3	17.9
Materials and services	279.0	307.3	300.7	320.4	286.4	304.8	315.0	332.2
Employee benefit expenses	169.1	172.3	151.9	175.3	176.2	174.8	160.5	184.0
Other operating expenses	128.9	132.4	124.2	168.7	128.2	129.0	122.1	156.8
Depreciation, amortisation and impairment losses	40.8	39.6	70.7	45.9	38.4	42.8	39.8	46.0
OPERATING PROFIT	40.4	261.0	63.9	27.4	20.9	65.1	77.1	32.3
Share of results in associated companies	-2.4	1.7	0.8	-24.0	0.3	-0.6	-2.0	-1.6
Financial income	2.2	2.5	4.0	2.4	6.7	8.8	4.1	2.8
Financial expenses	6.0	6.2	5.0	6.6	17.0	12.3	12.0	11.3
RESULT BEFORE TAXES	34.1	259.0	63.7	-0.8	10.9	61.1	67.2	22.3
Income taxes	-10.0	-23.8	-24.6	-0.2	-3.2	-17.4	-20.0	-13.7
RESULT FOR THE PERIOD	24.1	235.1	39.1	-1.0	7.7	43.7	47.2	8.6
Result attributable to:								
Equity holders of the Parent Company	25.9	235.4	39.2	-0.9	8.3	43.3	47.6	6.4
Non-controlling interests	-1.8	-0.2	-0.1	-0.1	-0.6	0.3	-0.3	2.2
Earnings per share for result attributable to the equity holders of the Parent company:								
Earnings per share, EUR	0.16	1.45	0.24	-0.01	0.05	0.27	0.30	0.04
Diluted earnings per share, EUR	0.16	1.45	0.24	-0.01	0.05	0.27	0.30	0.04

INCOME STATEMENT BY YEAR

EUR million	1–12/ 2010	1–12/ 2009
NET SALES	2,761.2	2,767.9
Other operating income	258.8	64.6
Materials and services	1,207.4	1,238.5
Employee benefit expenses	668.6	695.5
Other operating expenses	554.2	536.2
Depreciation, amortisation and impairment losses	197.1	167.0
OPERATING PROFIT	392.7	195.4
Share of results in associated companies	-23.9	-3.9
Financial income	11.1	22.5
Financial expenses	23.8	52.6
RESULT BEFORE TAXES	356.0	161.4
Income taxes	-58.6	-54.3
RESULT FOR THE PERIOD	297.3	107.1
Result attributable to:		
Equity holders of the Parent Company	299.6	105.6
Non-controlling interests	-2.3	1.6
Earnings per share, EUR	1.85	0.66
Diluted earnings per share, EUR	1.85	0.66

CONSOLIDATED CASH FLOW STATEMENT	1–12/ 2010	1–12/ 2009
EUR million		
OPERATIONS		
Result for the period	297.3	107.1
Adjustments		
Income taxes	58.6	54.3
Financial expenses	23.8	52.6
Financial income	-11.1	-22.5
Share of results in associated companies	23.9	3.9
Depreciation, amortisation and impairment losses	197.1	167.0
Gains/losses on sales of non-current assets	-195.2	-2.4
Other adjustments	-55.1	-56.4
Change in working capital		
Change in trade and other receivables	-41.1	47.4
Change in inventories	9.5	5.6
Change in trade and other payables, and provisions	36.8	-36.9
Interest paid	-13.7	-34.6
Other financial items	-3.2	-2.0
Taxes paid	-53.9	-41.4
CASH FLOW FROM OPERATIONS	273.8	241.8
INVESTMENTS		
Acquisition of tangible and intangible assets	-81.8	-80.2
Operations acquired	-49.5	-27.1
Sales of tangible and intangible assets	17.8	5.4
Operations sold	30.8	0.5
Loans granted	-0.8	-0.9
Repayments of loan receivables	3.5	3.3
Sales of short-term investments	0.2	0.0
Interest received	2.7	4.8
Dividends received	3.9	4.3
CASH FLOW FROM INVESTMENTS	-73.1	-89.9
CASH FLOW BEFORE FINANCING	200.8	151.9
FINANCING		
Proceeds from share subscriptions	14.5	12.3
Minority capital investment/repayment of equity	1.6	
Change in loans with short maturity	4.2	-42.6
Drawings of other loans	287.7	399.7
Repayments of other loans	-355.8	-460.0
Payment of finance lease liabilities	-3.7	-3.5
Dividends paid	-131.3	-146.2
Donations/other profit sharing	-0.5	-0.5
CASH FLOW FROM FINANCING	-183.3	-240.8
CHANGE IN CASH AND CASH EQUIVALENTS		
ACCORDING TO CASH FLOW STATEMENT	17.5	-88.9
Effect of exchange rate differences on cash and cash equivalents	2.1	0.0
NET CHANGE IN CASH AND CASH EQUIVALENTS	19.5	-88.9
Cash and cash equivalents at the beginning of the period	21.6	110.5
Cash and cash equivalents at the end of the period	41.1	21.6

Cash and cash equivalents in cash flow statement include cash and cash equivalents less bank overdrafts.

NET SALES BY BUSINESS

EUR million	1–3/ 2010	4–6/ 2010	7–9/ 2010	10–12/ 2010	1–3/ 2009	4–6/ 2009	7–9/ 2009	10–12/ 2009
SANOMA MAGAZINES								
Sanoma Magazines Netherlands	107.4	128.0	118.8	136.1	110.6	123.2	120.7	138.6
Sanoma Magazines International	48.7	54.3	51.0	60.9	50.9	53.2	48.8	58.5
Sanoma Magazines Belgium	53.5	52.3	48.7	53.8	51.3	52.6	50.8	57.5
Sanoma Magazines Finland	51.2	47.1	46.9	56.2	50.3	48.0	46.9	53.5
Eliminations	-1.0	-1.2	-1.0	-1.0	-1.0	-1.2	-1.2	-1.0
TOTAL	259.9	280.6	264.4	306.0	262.1	275.9	266.1	307.1
SANOMA NEWS								
Helsingin Sanomat	59.1	56.7	55.5	64.1	58.7	55.4	53.3	61.1
Ilta-Sanomat	19.9	20.7	21.1	21.6	18.4	19.8	19.6	20.3
Other publishing	25.3	25.6	23.5	25.0	25.9	26.8	24.2	26.9
Other businesses	34.4	33.1	32.0	33.4	36.2	35.9	34.9	36.6
Eliminations	-29.3	-27.6	-27.4	-29.2	-31.6	-30.9	-30.8	-32.0
TOTAL	109.4	108.5	104.8	114.9	107.7	107.1	101.2	112.9
SANOMA ENTERTAINMENT	41.5	44.6	20.8	31.3	40.3	40.6	35.0	41.1
SANOMA LEARNING & LITERATURE								
Learning	29.9	85.0	100.6	33.7	30.6	81.6	94.3	32.7
Language services	6.9	6.2	5.2	8.9	8.3	6.2	6.7	6.3
Literature and other businesses	23.6	17.2	18.0	24.8	24.6	17.0	19.3	28.0
Eliminations	-2.3	-2.9	-2.5	-2.2	-2.6	-2.8	-2.7	-2.3
TOTAL	58.2	105.5	121.2	65.1	60.8	101.9	117.6	64.7
SANOMA TRADE								
Kiosk operations	91.9	104.9	99.2	102.4	89.9	104.5	99.3	110.5
Trade services	51.9	60.8	57.6	60.1	50.5	57.4	59.4	60.6
Bookstores	26.0	19.9	31.6	43.2	27.3	19.7	31.8	44.5
Movie operations	25.4	19.9	20.7	23.9	23.6	18.0	22.7	23.6
Eliminations	-3.4	-4.0	-3.1	-3.5	-3.6	-3.9	-4.1	-4.0
TOTAL	191.8	201.4	206.0	226.1	187.7	195.7	209.2	235.3
Other companies and eliminations	-23.0	-25.3	-26.7	-26.0	-22.7	-24.1	-28.0	-27.5
TOTAL	637.9	715.4	690.6	717.3	636.0	697.2	701.1	733.6

NET SALES BY BUSINESS

EUR million	1–12/ 2010	1–12/ 2009
SANOMA MAGAZINES		
Sanoma Magazines Netherlands	490.4	493.2
Sanoma Magazines International	214.9	211.3
Sanoma Magazines Belgium	208.3	212.3
Sanoma Magazines Finland	201.4	198.8
Eliminations	-4.2	-4.3
TOTAL	1,110.9	1,111.2
SANOMA NEWS		
Helsingin Sanomat	235.4	228.4
Ilta-Sanomat	83.3	78.2
Other publishing	99.5	103.8
Other businesses	132.9	143.7
Eliminations	-113.5	-125.2
TOTAL	437.6	428.9
SANOMA ENTERTAINMENT	138.2	157.1
SANOMA LEARNING & LITERATURE		
Learning	249.3	239.1
Language services	27.1	27.5
Literature and other businesses	83.6	88.9
Eliminations	-9.9	-10.4
TOTAL	350.1	345.1
SANOMA TRADE		
Kiosk operations	398.4	404.2
Trade services	230.4	227.9
Bookstores	120.6	123.3
Movie operations	90.0	88.0
Eliminations	-14.0	-15.6
TOTAL	825.4	827.8
Other companies and eliminations	-101.0	-102.3
TOTAL	2,761.2	2,767.9

OPERATING PROFIT BY DIVISION (BY QUARTER)

EUR million	1-3/ 2010	4-6/ 2010	7-9/ 2010	10-12/ 2010	1-3/ 2009	4-6/ 2009	7-9/ 2009	10-12/ 2009
Sanoma Magazines	25.8	41.0	22.6	31.2	15.5	30.2	23.1	27.4
Sanoma News	15.6	8.9	15.7	15.9	6.0	3.5	11.8	10.8
Sanoma Entertainment	6.2	187.6	1.6	0.4	6.1	6.9	3.8	3.9
Sanoma Learning & Literature	-6.4	25.1	45.5	-17.2	-6.9	25.1	33.1	-12.8
Sanoma Trade	2.9	3.1	-22.1	3.0	3.8	3.8	9.7	6.7
Other companies and eliminations	-3.7	-4.7	0.5	-6.1	-3.7	-4.3	-4.4	-3.7
TOTAL	40.4	261.0	63.9	27.4	20.9	65.1	77.1	32.3

OPERATING PROFIT BY DIVISION (BY YEAR)

EUR million	1-12/ 2010	1-12/ 2009
Sanoma Magazines	120.6	96.3
Sanoma News	56.1	32.2
Sanoma Entertainment	195.8	20.7
Sanoma Learning & Literature	47.1	38.5
Sanoma Trade	-13.1	24.0
Other companies and eliminations	-13.9	-16.2
TOTAL	392.7	195.4

SEGMENT INFORMATION

The operating segments of the Sanoma Group in 2010 comprised five divisions: Sanoma Magazines, Sanoma News, Sanoma Entertainment, Sanoma Learning & Literature and Sanoma Trade. The segmentation is based on business model and product differences. The media business, based on advertising and circulation sales, is divided into three segments: Sanoma Magazines is responsible for magazines, Sanoma News for newspapers and Sanoma Entertainment for TV business. Sanoma Learning & Literature's business is mainly B2B business. Sanoma Trade, on the other hand, operates on a retail business model. In addition to the Group eliminations column unallocated/eliminations includes Sanoma Corporation and real estate companies as well as items not allocated to segments.

Segment assets do not include cash and cash equivalents, interest-bearing receivables and tax receivables.

Transactions between segments are based on market prices.

Sanoma Divisions 1.1-31.12.2010

EUR million	Maga- zines	News	Enter- tain- ment	Lear- ning & Lite- rature	Trade	Unallo- cated/ elimi- nations	Con- soli- dated
External net sales	1,107.9	431.7	135.8	334.8	751.5	-0.5	2,761.2
Internal net sales	3.0	5.9	2.5	15.2	73.9	-100.5	
NET SALES, TOTAL	1,110.9	437.6	138.2	350.1	825.4	-101.0	2,761.2
OPERATING PROFIT	120.6	56.1	195.8	47.1	-13.1	-13.9	392.7
Share of results in associated companies	-27.6	0.3	3.1	0.0	0.3		-23.9
Financial income						11.1	11.1
Financial expenses						23.8	23.8
RESULT BEFORE TAXES							356.0
SEGMENT ASSETS	1,509.3	324.9	281.8	551.8	410.3	4.8	3,082.8

Sanoma Divisions 1.1–31.12.2009

EUR million	Maga- zines	News	Enter- tain- ment	Lear- ning & Lite- rature	Trade	Unallo- cated/ elimi- nations	Con- soli- dated
External net sales	1,108.8	420.5	155.5	329.9	753.3	-0.2	2,767.9
Internal net sales	2.4	8.4	1.6	15.3	74.5	-102.1	
NET SALES, TOTAL	1,111.2	428.9	157.1	345.1	827.8	-102.3	2,767.9
OPERATING PROFIT	96.3	32.2	20.7	38.5	24.0	-16.2	195.4
Share of results in associated companies	-4.4	0.2		-0.1	0.4		-3.9
Financial income						22.5	22.5
Financial expenses						52.6	52.6
RESULT BEFORE TAXES							161.4
SEGMENT ASSETS	1,519.1	345.4	125.0	550.4	439.1	3.8	2,982.7

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	31.12.2010	31.12.2009
Carrying amount at the beginning of the period	484.2	510.4
Increases	50.7	46.0
Acquisition of operations	0.4	1.0
Decreases	-5.4	-2.9
Disposal of operations	-31.8	0.0
Depreciation for the period	-61.8	-68.5
Impairment losses for the period	-1.0	-1.6
Exchange rate differences and other changes	-6.1	0.0
Carrying amount at the end of the period	429.3	484.2

At the end of the reporting period the commitments for acquisitions of tangible assets were EUR 4,0 million (2009: EUR 0.0 million).

EFFECT OF ACQUISITIONS ON THE CONSOLIDATED BALANCE SHEET

EUR million	1–12/ 2010	1–12/ 2009
Acquisition costs	37.1	6.7
Fair value of acquired net assets	14.5	2.8
Recognised in equity	-18.7	
Recognised in income statement	-0.5	
Goodwill	3.5	3.9
Negative goodwill in income statement		-0.9
Change in goodwill	3.5	4.8

CONTINGENT LIABILITIES
EUR million
Contingencies for own commitments

	31.12.2010	31.12.2009
Mortgages	20.6	22.8
Pledges	6.7	6.8
Other items	0.6	0.4
TOTAL	27.8	30.0

Contingencies incurred on behalf of associated companies

Guarantees	10.5	10.5
TOTAL	10.5	10.5

Contingencies incurred on behalf of other companies

Guarantees	0.0	0.1
TOTAL	0.0	0.1

Other contingencies

Operating lease liabilities	249.1	255.4
Royalties	23.5	18.9
Other items	26.9	27.7
TOTAL	299.5	302.0

TOTAL	337.8	342.5
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DERIVATIVE INSTRUMENTS
EUR million
Fair values
Interest rate derivatives

Interest rate swaps	0.1	31.12.2009
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KEY EXCHANGE RATES
Average rate

	1-12/ 2010	1-12/ 2009
EUR/CZK (Czech Koruna)	25.36	26.52
EUR/HUF (Hungarian Forint)	276.04	280.30
EUR/PLN (Polish Zloty)	4.01	4.33
EUR/RUB (Russian Rouble)	40.45	44.07
EUR/SEK (Swedish Crown)	9.55	10.61

Closing rate

	31.12.2010	31.12.2009
EUR/CZK (Czech Koruna)	25.06	26.47
EUR/HUF (Hungarian Forint)	277.95	270.42
EUR/PLN (Polish Zloty)	3.98	4.10
EUR/RUB (Russian Rouble)	40.82	43.15
EUR/SEK (Swedish Crown)	8.97	10.25

Press Conference

Press and analyst meeting will be held in English by President and CEO Harri-Pekka Kaukonen and CFO Kim Ignatius, at 11:00 am at Sanomatalo, Töölönlahdenkatu 2, Helsinki. Webcast of the event can be viewed at Sanoma.com either live or later on as on demand. Questions to the presenters can be asked also by phone during the meeting.

The presentation material of the press and analyst meeting will be available on Sanoma's website when the press and analyst meeting has started.

Sanoma's 1Q11 Interim Report will be published on 3 May 2011 at approximately 11 am Finnish time.

Sanoma Corporation

Kim Ignatius
Chief Financial Officer

Additional information: Sanoma's Group Communications, tel +358 105 19 5062 or communications@sanoma.com

Sanoma.com

Sanoma inspires, informs and connects. As a diversified media group, we bring information, experiences, education and entertainment to millions of people every day. We make sure that quality content and interesting products and services are easily available and meet the demands of our readers, viewers and listeners. We offer a challenging and interesting working environment for nearly 20,000 people in over 20 countries throughout Europe. In 2009, the Group's net sales totalled EUR 2.8 billion.