

SanomaWSOY Corp. Stock Exchange Release Feb. 20, 2003 at 11:30

SANOMAWSOY'S YEAR-END STATEMENT 2002

SanomaWSOY's operating profit increased to EUR 134.4 (96.5) million in 2002. Cash flow per share totalled EUR 1.33 (1.24) and earnings per share EUR 0.22 (0.35). In last quarter net sales were EUR 661.0 (656.9) million and operating profit EUR 58.6 (50.9) million. Proposed dividend is EUR 0.40 per share.

| KEY INDICATORS, EUR million | 31.12.2002 | 31.12.2001 | Change,% |
|--|-------------------|------------|----------|
| Net sales | 2,357.8 | 1,734.3 | 36.0 |
| Operating profit before depreciation and decrease in value | 346.4 | 235.0 | 47.4 |
| % of net sales | 14.7 | 13.6 | |
| Operating profit before amortisation | 269.2 | 161.4 | 66.8 |
| % of net sales | 11.4 | 9.3 | |
| Operating profit | 134.4 | 96.5 | 39.3 |
| % of net sales | 5.7 | 5.6 | |
| Profit before extraordinary items | 106.7 | 92.5 | 15.3 |
| % of net sales | 4.5 | 5.3 | |
| Profit after extraordinary items | 112.7 | 92.5 | 21.8 |
| % of net sales | 4.8 | 5.3 | |
| Profit for the year | 37.2 | 47.8 | -22.3 |
| % of net sales | 1.6 | 2.8 | |
| Balance sheet total | 2,592.5 | 3,053.1 | -15.1 |
| Gross investments | 113.5 | 1,473.9 | -92.3 |
| % of net sales | 4.8 | 85.0 | |
| Return on equity, % (ROE) | 4.7 | 6.7 | |
| Return on investment, % (ROI) | 7.9 | 8.5 | |
| Equity ratio, % | 36.9 | 31.6 | |
| Equity ratio, % *) | 45.2 | 38.6 | |
| Gearing, % | 96.1 | 115.0 | |
| Gearing, % *) | 60.0 | 76.0 | |
| Financial cost of liabilities | 64.3 | 31.3 | 105.3 |
| Interest-bearing liabilities | 1,006.2 | 1,439.7 | -30.1 |
| Interest-free liabilities | 666.8 | 678.7 | -1.8 |
| Securities, cash and bank | 122.4 | 365.0 | -66.5 |
| Personnel under employment contract, average | 18,657 | 15,129 | 23.3 |
| Personnel, average (full-time equivalents) | 15,210 | 12,077 | 25.9 |

SHARE-RELATED INDICATORS AND SHARE CAPITAL

| EUR million | 31.12.2002 | 31.12.2001 | Change,% |
|---|--------------------|-------------------|-----------------|
| Earnings/share, EUR | 0.22 | 0.35 | -35.0 |
| Cash flow/share, EUR | 1.33 | 1.24 | 7.2 |
| Equity/share, EUR | 5.70 | 5.87 | -2.9 |
| Dividend/share, EUR **) | 0.40 | 0.51 | -21.6 |
| Dividend/result, % **) | 178.0 | 147.5 | |
| Market capitalisation, Series A | 232.4 | 278.6 | -16.6 |
| Market capitalisation, Series B | 1,086.7 | 1,231.7 | -11.8 |
| Market capitalisation, total | 1,319.1 | 1,510.4 | -12.7 |
| Effective dividend yield, %, Series A | 4.0 | 4.3 | |
| Effective dividend yield, %, Series B | 4.2 | 4.8 | |
| P/E ratio, Series A | 44.5 | 34.7 | |
| P/E ratio, Series B | 42.0 | 31.0 | |
| Number of shares at Dec. 31, Series A | 23,220,492 | 23,220,492 | |
| Number of shares at Dec. 31, Series B | 122,301,104 | 122,301,104 | |
| Number of shares at Dec. 31, with diluting effect, Series B | 136,606,414 | 134,871,814 | |
| Average number of shares, Series A | 23,220,492 | 23,220,492 | |
| Average number of shares, Series B | 122,301,104 | 122,301,104 | |
| Average number of shares with diluting effect, Series B | 135,544,281 | 126,502,821 | |
| Lowest share price, Series A | 9.70 | 10.00 | |
| Lowest share price, Series B | 8.66 | 9.60 | |
| Highest share price, Series A | 13.40 | 16.50 | |
| Highest share price, Series B | 13.63 | 15.00 | |
| Average share price, Series A | 10.99 | 12.48 | |
| Average share price, Series B | 11.29 | 12.02 | |
| Share price, Dec. 31, Series A | 10.01 | 12.00 | |
| Share price, Dec. 31, Series B | 9.44 | 10.70 | |
| Trading volumes, Series A | 204,728 | 108,832 | |
| % of share capital | 0.9 | 0.5 | |
| Trading volumes, Series B | 6,207,842 | 3,625,765 | |
| % of share capital | 5.1 | 3.0 | |

*) Capital notes included in equity

***) Proposal of the Board of Directors

Outlook for 2003

The economy within the euro area is expected to grow slowly also in 2003. In December, The Research Institute of the Finnish Economy estimated that the GDP in the euro area will grow by 1.5% and in Finland by 2.7%. This means that growth in the advertising market will also be slow in SanomaWSOY's most important markets, Finland and the Netherlands. No obvious upswing in media advertising can be detected.

In 2003, SanomaWSOY's net sales are expected to grow faster than the GDP. The growth will be significantly affected by the development in newspaper, magazine and television advertising, which make up a quarter of the Group's net sales. Operating profit will grow more than net sales due to cost-saving measures.

In 2002 SanomaWSOY defined its average economic targets for 2002 - 2005, which were based on estimated growth in the advertising market in 2002. SanomaWSOY aims to achieve an operating profit of 9% on average. The advertising market did not, however, develop as was expected, so more time is needed for achieving the targets. Furthermore, targets for the Group's divisions will change due to the changes in the Group structure. The Group's equity ratio will be raised to 50% in the next few years.

Operating environment

Economic growth continued to be slow in 2002, both in Finland and in the rest of the euro area. According to an estimate by The Research Institute of the Finnish Economy, GDP grew in the euro area by 0.8% and in Finland by 1.7% in 2002. Private consumption was up in Finland by 2.5% during the year, and consumers continued to have strong confidence especially in their own economy. According to Statistics Finland, the unemployment rate was on a par with the previous year and was 8.1% in December 2002. The average inflation rate for the year was 1.6%.

According to Gallup Adex, media advertising declined in Finland by 1.4%. EUR 1,052.8 million was spent on media advertising, of which newspapers and free distributed papers accounted for 55%, television for 19% and magazines for 17%. The amount of money spent on newspaper advertising declined by 4% and job advertisements shrank by 26%. Television advertising grew by 3%. Magazine advertising declined in Finland by 3%, but advertising in consumer magazines grew by 4% and that of customer magazines by 5%. Advertising in professional publications declined, on the other hand. According to advance information from Zenith Media, magazine advertising declined by 3% in the

Netherlands. However, according to advance information, magazine advertising was up in Belgium (3%), Hungary (7%) and the Czech Republic (9%).

According to advance information from the Finnish Book Publishers Association, growth in sales of books slowed in 2002 and publishers' retail sales to bookshops and other retail outlets grew by 2%. Book clubs' sales grew by roughly 1%. Sales of educational materials grew by 5%, and sales of multi-volume works also picked up by 2%.

According to advance information from the Federation of Finnish Commerce and Trade, sales by the retail trade were up by 4% in January - November 2002.

Net sales

SanomaWSOY's net sales grew by 36% and amounted to EUR 2,357.8 (1,734.3) million in 2002. This growth was largely due to the integration of magazine operations with the Group at the beginning of October 2001; these include the present Sanoma Uitgevers, Sanoma Magazines Belgium, Sanoma Magazines International and Aldipress. SWelcom, WSOY and Rautakirja also increased their net sales. Comparable net sales rose by slightly more than 1%.

Result

The Group's operating profit improved more than net sales; by 39%, reaching EUR 134.4 (96.5) million. This increase was due to the integration of new magazine operations, improved cost efficiency, and the sale of non-core assets. Major gains on the sales of assets were EUR 34.9 (11.5) million. Non-recurring expenses related to the restructuring of Sanoma Uitgevers amounted to EUR 13.1 million.

EBITA (operating profit before amortisation of goodwill, consolidated goodwill and immaterial rights) was EUR 269.2 (161.4) million. The accounting practice of recording film rights and television broadcasting rights has been harmonised within the Group during the financial year. The changes improved EBITA by EUR 38.1 (28.2) million. The changes do not affect the operating profit.

SanomaWSOY's profit before extraordinary items was EUR 106.7 (92.5) million. The direct taxes for the financial year were EUR 64.2 (31.0) million. In most of the countries where the Group operates, amortisation of goodwill is not tax-deductible. Profit after taxes amounted to EUR 48.5 (61.5) million and earnings per share were EUR 0.22 (0.35).

The Group's cash flow from operations was EUR 184,2 (171.9) million. Cash flow per share was EUR 1.33 (1.24).

Investments and R&D

SanomaWSOY's investments totalled EUR 113.5 (1,473.9) million. The biggest investments were related to the Sanomala printing plant. The figure for 2001 includes the acquisition of VNU's consumer magazine business. R&D expenditure recorded as expenses totalled EUR 17.8 (17.7) million.

Balance sheet and financial position

The Group's financial position improved considerably during 2002 and was good at the end of the year. The equity ratio including capital notes increased to 45.2% (38.6%). Capital notes have a positive impact of 8.3 percentage points on the equity ratio. The consolidated balance sheet decreased to EUR 2,592.5 (3,053.1) million. Shareholders' equity excluding capital notes was EUR 788.9 (812.4) million.

The Group's interest-bearing liabilities decreased as a result of positive cash flow, sales of non-core assets and improved cash management. At the year-end interest-bearing liabilities, including capital notes, amounted to EUR 1,006.2 (1,439.7) million. The book value of securities and cash totalled EUR 122.4 (365.0) and their market value was EUR 123.2 (418.9) million. The book value of the remaining shares at the end of the year was EUR 42.7 (125.8) and their market value was EUR 43.3 (178.6) million. Net debt, including capital notes, was EUR 883.8 (1,074.7) million.

The Group's net financial expenses amounted to EUR 27.7 (4.0) million in 2002. Financial income totalled EUR 70.8 (42.9) million and financial expenses EUR 98.5 (46.9). Most of the financial income, EUR 41.3 (16.5) million, was generated from gains on the sales of shares. The Group's share portfolio was realised as planned during the year, and approximately two thirds of the shares were sold. Financial expenses mainly comprised interest expenses on interest-bearing liabilities, EUR 62.2 (29.7) million, and decreases in the value of securities, EUR 20.6 (12.8) million.

Rautakirja merger

In September 2002 SanomaWSOY's and Rautakirja's Extraordinary General Meetings approved the merger plan approved by the Boards of Directors of SanomaWSOY and Rautakirja, according to which Rautakirja will merge into SanomaWSOY. The intended time for the registration of the implementation of the merger is 1 March 2003.

According to the merger plan, Rautakirja's shareholders will receive a merger consideration of 5.3 new SanomaWSOY B-shares for each Rautakirja A- or B-share held by them. The merger will enable full usage of the Group's resources in international expansion projects and simplify the ownership structure. It will give more flexibility in prospective internal reorganisation of the business and restructuring of the Group while enhancing efficiency in financing and capital planning.

In connection with the merger, Rautakirja's operations will be incorporated into a new Rautakirja Oy that will continue operations on the present basis. In the merger, SanomaWSOY will issue not more than 33,551,120 SanomaWSOY B-shares, of which not more than 18,773,018 shares will be issued to SanomaWSOY subsidiaries Sanoma Corporation and Werner Söderström Corporation as merger consideration. Those of Rautakirja's existing shareholders that are external to SanomaWSOY Group will receive a merger consideration of not more than 14,778,101 shares that after the merger will represent about 8.25% of the total number of SanomaWSOY A- and B-shares. The new shares of SanomaWSOY to be received by the shareholders as merger consideration entitle their holders to a full dividend from the financial year of 2002. SanomaWSOY Corporation will receive no merger consideration in the merger for those Rautakirja shares that it owns directly. SanomaWSOY Group's consolidated goodwill will not increase as a result of the merger. SanomaWSOY's Board of Directors will propose to the Annual General Meeting to pass a resolution on the invalidation of the SanomaWSOY shares coming into the ownership of Sanoma Corporation and Werner Söderström Corporation.

Other key events

SanomaWSOY continued its strategy of selling its non-core assets in 2002. In March Sanoma Magazines Finland sold its directory-publishing unit Blue Book to the Danish company TDC Forlag A/S. The value of the deal was EUR 11.8 million. In April Sanoma Magazines sold its shares in the British business unit BEAP, a crossword puzzle magazine publisher, to an investor group that also included the management of BEAP. The value of the deal was somewhat over EUR 50 million. In June Sanoma's subsidiary Startel sold its 33.4% holding in Ecovision AB to the French company Fininfo S.A: it also sold its StarDesk and StarWeb operations to Ecovision. Sanoma's subsidiary Arnedo Oy sold in several lots a total of 12.0% of the share capital of Ilkka-Yhtymä Oyj, after which its holding in the company decreased to 22.2% and that of Sanoma to 13.3%. SanomaWSOY Corporation also sold financial securities and some of its real estate holdings during the year.

SanomaWSOY acquired VNU's magazine operations in 2001, and the purchase price adjustments related to the sale and purchase agreement were finally settled in October 2002. Under the terms of the agreement the acquisition cost, including consulting fees, decreased to EUR 1,206 million. The corresponding acquisition cost in SanomaWSOY's financial statements for 2001 was EUR 1,251 million. The goodwill on the transaction decreased to EUR 1,142 (1,181) million and will be amortised over 20 years. As a result of the final settlement the annual goodwill amortisation will decrease by some EUR 2 million.

Administration

The term of the Board of Directors elected at the time of the SanomaWSOY merger ended, in accordance with the articles of association, at the closing of the Annual General Meeting held in April 2002. The AGM confirmed the number of the Board's members again as 11, and the members re-elected to SanomaWSOY Corporation's Board of Directors were Robert Castrén, Aatos Erkko, Jane Erkko, Marjukka af Heurlin, Paavo Hohti, Kyösti Järvinen, Esko Koivusalo, Robin Langenskiöld, Jaakko Rauramo, Rafaela Seppälä and SanomaWSOY's President and COO Hannu Syrjänen. Jaakko Rauramo was elected Chairman and Paavo Hohti Vice Chairman of the Board. All the above have declared their intention to vacate their seats on the Board at the AGM in spring 2003.

Theo Bouwman, President of Sanoma Magazines B.V. and a member of SanomaWSOY's Management Group, announced his resignation in June. Eija Ailasmaa, Sanoma Magazines Finland's President and Sanoma Magazines B.V.'s Executive Vice President, was appointed to perform the duties of President of Sanoma Magazines B.V. for the time being and as of 1 August.

The Group's Management Group in 2002 was comprised of Hannu Syrjänen as chairman and Eija Ailasmaa, Theo Bouwman (until 1 August), Aarno Heinonen, Nils Ittonen, Erkki Järvinen, Jorma Kaimio, Tapio Kallioja, Seppo Kievari, Kerstin Rinne and Pim de Wit (as of 1 August) as members.

The company's auditors were Pekka Nikula, Authorised Public Accountant, and PricewaterhouseCoopers Oy, with Johanna Perälä, Authorised Public Accountant as the auditor in charge.

Personnel

The average number of persons under employment contract totalled 18,657 (15,129) in 2002. Translated into full-time positions, the average number of personnel totalled 15,210 (12,077). Sanoma

employed an average of 4,944 (4,929) people, Sanoma Magazines 4,835 (1,828), SWelcom 413 (441), WSOY 1,937 (1,971) and Rautakirja 6,453 (5,877). The Group's parent company employed an average of 75 (83) people.

Shares and shareholdings

The total number of Series A shares on the market stood at 23,220,492, and that of Series B shares at 115,113,828, at 31 December 2002. SanomaWSOY owned 7,187,276 Series B shares through its subsidiary Tiikerijakelu Oy, equivalent to 4.94% of shares and 1.23% of voting rights.

In 2002, a total of 204,728 (108,832) Series A shares and 6,207,842 (3,625,765) Series B shares were traded. Trading in Series A shares accounted for 0.88 (0.47)% of shares and that in Series B for 5.08 (2.96)%. The average price of Series A shares was EUR 10.99 and that for Series B shares EUR 11.29. The annual high for Series A shares was EUR 13.40 and the annual low EUR 9.70. The annual high for Series B shares was EUR 13.63 and the annual low EUR 8.66.

SanomaWSOY's market capitalisation as of the end of the year 2002, less shares held by the Group, was EUR 1,319.1 (1,510.4) million. At the end of the year, series A shares were quoted at EUR 10.01 (12.00) and Series B shares at EUR 9.44 (10.70).

SanomaWSOY was not informed of any statutory notices of changes in ownership during 2002, and no significant changes in share ownership took place during the year.

Warrants for management

On 31 January 2002, SanomaWSOY's Board of Directors exercised its authorisation received from the Extraordinary General Meeting held on 21 August 2001 to take into use the Warrant Scheme 2001 and to issue warrants to the management. The issue comprises a maximum of 4,500,000 warrants, each entitling the holder to one SanomaWSOY Corporation Series B share. The warrants will be distributed in three stages at the turn of 2001/2002, 2002/2003, and 2003/2004 (identified as warrants 2001A, 2001B, and 2001C), and in each warrant category a maximum of 1,500,000 warrants will be issued. The undistributed warrants (from Series 2001A and 2001B) were transferred to SanomaWSOY's wholly owned subsidiary, Tiikerijakelu Oy, which will be entitled to distribute them in the future by decision of the SanomaWSOY Board.

The number of 2001A warrants distributed at the beginning of 2002 to 91 SanomaWSOY senior managers totalled around 633,000 at the end of the year. The second set of warrants, a total of 1,102,000, identified as 2001B warrants, was distributed to 174 persons on 10 December 2002. The warrant scheme comprises all SanomaWSOY divisions including Rautakirja that will merge into SanomaWSOY in 2003. The imputed share price of 2001A warrants was EUR 12.23 and that of 2001B warrants EUR 11.50 at the end of 2002.

The number of shares covered by the above warrants is equivalent to a total of a maximum of 3.0% of the Company's shares and 0.8% of votes after the conversion. Warrants issued during 2002 represented approximately 1.2% of the Company's shares and around 0.3% of votes.

Authorisation of the Board of Directors

SanomaWSOY's Board of Directors does not have a valid authorisation to issue shares, increase the share capital, to acquire or transfer the Company's own shares, or to issue convertible bonds or bonds with warrants.

Dividend and dividend policy

SanomaWSOY's AGM decided to distribute a dividend of EUR 0.51 per share. The record date for the dividend payment was 12 April 2002, and the dividend was paid on 19 April 2002.

SanomaWSOY pursues an active dividend policy, based on a principle of distributing at least one-third of the Group's cash flow from operations in the form of a dividend. The Board of Directors proposes a dividend of EUR 0.40 (0.51) per share for 2002.

The signatories of SanomaWSOY's shareholders' agreement, who together hold more than 50% of all shares and votes in SanomaWSOY, agreed in June 2002 to vote for and also otherwise operate in a way that SanomaWSOY will distribute a dividend of at least EUR 0.26 per share for 2002.

SANOMA

Newspaper publishing and printing

Sanoma's net sales were EUR 438.1 (459.3) million in 2002. The decrease in net sales was mainly due to the prolonged decline in media advertising and decreasing export of printing products.

Comparable net sales declined by 4%. Advertising revenue decreased by 5%, and its share of Sanoma's total net sales was 49%. Circulation revenue increased by somewhat over one per cent despite the decrease in circulation.

Operating profit decreased to EUR 41.9 (43.3) million. Operating profit includes EUR 6.2 (7.3) million of the share in the associated company Rautakirja's result. The operating profit of Sanoma's own operations improved to EUR 36.2 (35.1) million. Profitability was improved by operational streamlining: Sanoma's expenses were cut by EUR 22 million through savings and lower paper costs. Profits were reduced, however, by a downturn in gains on sales of assets and a decrease in shares of associated companies' profits. EBITA was EUR 49.0 (49.9) million. EUR 2.5 million was recorded as pension fund support payments. In addition, pension liabilities have been covered by internal fund transfers totalling EUR 0.7 (3.7) million. Transfers to personnel's profit-sharing fund amounted to EUR 3.2 (1.4) million. The 2001 operating profit includes EUR 3 million in damages, which was recorded as an expense for Helsingin Sanomat.

Sanoma's total investments amounted to EUR 48.6 (76.5) million. Most of this related to the Sanomala printing plant project.

Helsingin Sanomat's net sales fell to EUR 254.4 (266.4) million. Advertising net sales were down by 7%. Circulation net sales were on a par with the previous year. The newspaper's total circulation declined by 1% to 441,325 copies. Operating profit improved markedly due to savings and streamlining programmes.

The planning of a revamp of the newspaper to be carried out in autumn 2003 was continued at Helsingin Sanomat. An updated Oikotie internet-based service came online in the beginning of 2002. The service involves seven leading newspapers from southern Finland and the Kymenlaakso region.

Collaboration between Sanoma's newspapers was also intensified: it was decided to amalgamate much of Taloussanomat's marketing and technical operations with those of Helsingin Sanomat, and the incoming advertising and advertisement production functions of Helsingin Sanomat, Ilta-Sanomat, Taloussanomat and Veikkaaja magazine were consolidated.

The net sales of Helsingin Sanomat's Printing Unit declined to EUR 105.4 (115.5) million. The Sanomala printing plant investment project made progress according to plan: the investment, totalling EUR 120 million, will be completed in May 2003, and the new production methods will be introduced in autumn 2003.

The net sales of Leijonajakelu were EUR 69.7 (66.7) million. The year's challenges included reorganising the distribution operations in Greater Helsinki, the introduction of a new pricing system, and the difficulty of recruiting labour.

Lehtikuva's net sales were EUR 6.7 (7.2) million. Traditional photographic laboratory operations were wound up and Compad Oy was integrated with Lehtikuva's business interests.

The net sales of Ilta-Sanomat in its 70th anniversary year were EUR 74.1 (75.6) million. In spite of the recession in the advertising market, the paper's advertising net sales were up by 6%. Newsstand sales of quality tabloids declined by 6% from the exceptional year for news in 2001, and Ilta-Sanomat's circulation fell correspondingly to 204,820 copies. Circulation net sales fell by 4%. Ilta-Sanomat's share of quality tabloids' newsstand sales was 61.5 (61.7)%. The paper's operating profit improved further on from the record level of 2001.

Sanoma acquired the publishing rights of Veikkaaja magazine, and Veikkaaja's functions were integrated with those of Ilta-Sanomat starting in September 2002. The transaction was valued at EUR 5 million. Veikkaaja's net sales for four months were EUR 1.9 million.

Infosto's net sales decreased to EUR 16.1 (16.9) million but the unit's operating profit grew almost threefold. The decline in net sales and the improvement in operating profit were the result of concentrating on developing consumer-to-consumer products and services. Advertising and circulation net sales were boosted by the acquisition of free ad publication Palsta at the end of 2001, and Keltainen Pörssi also improved its net sales. The circulation of Keltainen Pörssi declined slightly.

From the beginning of 2003, Ilta-Sanomat, Veikkaaja, Keltainen Pörssi, and Palsta formed the IS business unit.

Kymen Lehtimedia's net sales were down to EUR 51.7 (57.6) million due to a reduction in exports of printed products to Russia. New print jobs cannot be expected from Russia owing to the lower prices of local presses, and exports to Russia will decline further in the years ahead. Circulation net sales grew and the newspapers' readership held steady, although the circulations of dailies again declined slightly. Advertising net sales held steady at the 2001 level, partly due to the acquisition of a free distributed paper, Kaupunkilehti Seiska, in February. Due to savings, operating profit improved slightly from the previous year.

Startel's net sales were EUR 10.8 (13.2) million. Its operating loss was reduced by cost saving measures and by profits on the sale of the holding in Ecovision AB. As part of the transaction, also the StarDesk and StarWeb businesses were sold to Ecovision. Taloussanomat's advertising net sales declined by a quarter in a difficult market, but the circulation net sales were up. The circulation of Taloussanomat took a favourable trend: Total circulation was up by 4% to 32,513 copies. Saturday circulation increased by 25%, mainly due to a membership subscription from the Association of Finnish Engineers.

Startel launched a development and profitability programme which is forecast to boost Sanoma's profits by some EUR 1.5 million, starting in 2004. As a result of consultative procedures and the termination of fixed-term jobs, Startel's personnel will decline by almost 20 in 2003.

Esmerk's net sales grew to EUR 6.8 (6.4) million. The costs of improvements in content and reinforcements for the sales organisation increased the operating loss.

In 2003, Sanoma's net sales are expected to grow at least as much as the general trend in the media market. Growth is reckoned to come from the acquired Veikkaaja magazine, among other factors, but the most critical factor for growth is development of newspaper advertising. Operating profit is forecast to improve by more than net sales due to long-term development plan. Sanoma's associated company Rautakirja will merge into SanomaWSOY Corporation, and the share of Rautakirja's result will no longer be included in Sanoma's operating profit after 1 March 2003.

SANOMA MAGAZINES

Magazine publishing and press distribution

The year 2002 was the first full year in business for Sanoma Magazines, which was formed by combining the consumer magazines operations acquired from VNU and Helsinki Media (now Sanoma Magazines Finland). The division went into business on 1 October 2001. The integration of the new operations and the start of Sanoma Magazines succeeded well. In 2001, the acquired businesses were consolidated only from the fourth quarter onwards, and the official figures for the first three quarters of 2001 include data for Sanoma Magazines Finland only. The pro forma figures for 2001 include both Sanoma Magazines Finland and the acquired businesses.

In 2002, Sanoma Magazines' net sales amounted to EUR 1,008.1 (398.6, pro forma: 1,003.5) million despite decreasing advertising revenue and divestments of operations. Advertising revenue

decreased by 4% and totalled some 24% of Sanoma Magazines' net sales. Circulation revenue decreased by 1% due to the sale of BEAP, the British crossword puzzle publishing unit.

Operating profit amounted to EUR 58.2 (41.7) million and was in line with the estimate. The amortisation of goodwill, consolidated goodwill and immaterial rights totalled EUR 89.5 (22.1) million. EBITA more than doubled and amounted to EUR 147.7 (63.8) million. The result was boosted by the divestment of Sanoma Magazines Finland's Blue Book business unit in March and the sale of BEAP in April. Cost saving programmes and lower paper prices, as well as rationalisation of the magazine portfolio, also contributed to the result. The result was weakened by non-recurring costs of Sanoma Uitgevers' reorganisation project, totalling EUR 13.1 million. The accounting practice of recording film rights has been harmonised within the Group during the financial year. The change increased EBITA by EUR 14.0 (2.9) million. The change does not affect the operating profit.

Investments totalled EUR 18.7 (1,314.8) million and were mostly related to Sanoma Uitgevers' projects (SAP) and Aldipress. Investments for the comparison period included the acquisition of new operations.

The Dutch-based Sanoma Uitgevers' business was affected by the stagnant economic situation. Net sales amounted to EUR 491.1 (143.9, pro forma: 502.5) million. Circulation revenue grew by 1% but advertising revenue declined by 9% compared to 2001.

The main women's weeklies performed better than expected, but men's and home interest titles fell short of the forecasts. The highly successful launch of Sanoma Magazines Belgium's title Flair expanded the Dutch market for women's weeklies. Weekly tabloid Prensza and monthly magazine Avenue were discontinued. The internet operations of Ilse Media became profitable.

Sanoma Uitgevers started the implementation of a reorganisation project in December. The aim is to make the organisation more effective and reduce the company's fixed costs by EUR 15 million per year, but the result for 2002 is weakened by the non-recurring costs of the restructuring. It is estimated that the reorganisation will decrease personnel by approximately 150. The new organisational structure will create a better platform to concentrate on the core of publishing: content, brands, and relationships with advertisers.

The net sales at Aldipress, the Netherlands' leading magazine wholesale and distribution company for single copy sales, totalled EUR 215.0 (52.8, pro forma: 206.5) million. The distribution market in the

Netherlands became more competitive. Municipal rulings on mandatory delivery hours increased Aldipress' distribution costs. A new distribution centre was opened in Duiven.

Net sales of Sanoma Magazines Finland remained at the 2001 level and totalled EUR 164.8 (165.4) million despite the divestment of Blue Book directory operations. Circulation revenue rose by 7% with a positive trend in both subscription and single copy sales. Although advertising revenue decreased by 4%, Sanoma Magazines Finland maintained its leading position in the magazine market.

Sanoma Magazines Finland's strong consumer magazine brands took a positive track. Comics, especially Aku Ankka (Donald Duck Weekly), continued their excellent performance. The women's weekly Me Naiset was revamped successfully and the bi-weekly Kodin Kuvalehti strengthened its position in the magazine advertising market as the leading women's title. ET-lehti (50 + magazine) recorded an all time high in circulation. Sport, a new title for active women, was launched in April. The Swedish women's magazine Sköna Dagar was discontinued.

Net sales at Sanoma Magazines Belgium amounted to EUR 152.2 (39.4, pro forma: 148.2). Circulation revenue grew by 1% and advertising revenue remained at the 2001 level.

Sanoma Magazines Belgium's market share in the Flemish-speaking part of Belgium held steady, mainly as a result of high sales for the general interest weekly HUMO, TeVe-Blad, the star magazine Story, the monthly magazine Feeling, and a major recovery of the women's weekly magazines Libelle and Flair. In the more depressed French-speaking market, the company's market share stabilised, supported by the continued renewal of Femmes d'Aujourd'hui and Télé Moustique.

Sanoma Magazines International, which operates in Croatia, the Czech Republic, Hungary, Romania and Slovakia, generated net sales of EUR 95.9 (28.9, pro forma: 102.3) million. Sales were affected by the divestment of the British crossword magazine publishing unit BEAP. Excluding the sale of BEAP, both circulation revenue and advertising revenue increased by 14%. Net sales increased in Hungary, Romania and Slovakia but decreased in the Czech Republic, which suffered from floods in August 2002. In Croatia, operations started at the beginning of 2002.

In Hungary, Sanoma Budapest closed its best-ever financial year. The company successfully launched two new titles, Wellness and Best, and the women's weekly Nök Lapja maintained its leading position. In the Czech Republic, Sanoma Magazines Praha acquired a 9% share in the leading press distribution company. TV special Sérial was closed, whereas the Czech edition of National Geographic was launched successfully. Strategie na Slovensku, which is in the process of being renamed Sanoma

Magazines Slovakia, concentrated on its core competence, business-to-business magazines. The consumer magazine Prekvapenie was discontinued, while the new magazine Sestra for nurses was launched. Sanoma Hearst Romania launched two mass-market titles, Story and TV Story. During its first year, Sanoma Magazines Zagreb launched the weekly star magazine Story and the women's magazine Elle in Croatia.

In 2003, the net sales of Sanoma Magazines are expected to grow slightly. EBITA is expected to be on the 2002 level despite gains on the sales of assets in 2002. EBIT is expected to be roughly 6% of net sales.

SWELCOM

Electronic media

SWelcom's net sales increased to EUR 86.1 (84.9) million in 2002. The success of HTV's (Helsinki Televisio) broadband internet service enhanced net sales. Nelonen's advertising sales decreased slightly compared to the previous year. Advertising revenue represented some 55% of SWelcom's net sales.

Operating loss decreased markedly and amounted to EUR 18.0 (24.5) million. The main reason for the decrease was the growth in HTV's broadband internet services, cost savings from refocusing 2ndhead's operations, and the halving of Nelonen's licence fee as of 1 July 2002. The result was weakened by the share of the operating loss of the associated company Suomen Urheilutelevisio Oy (a digital sports channel). SWelcom's EBITA was EUR 9.0 (3.7) million. The accounting practice of recording television broadcasting rights was harmonised during the financial year in accordance with Group policy. Due to the change EBITA increased by EUR 24.1 (25.3) million. The change has no impact on the operating loss.

SWelcom's total investments amounted to EUR 8.1 (12.5) million. Investments were mainly focused on the development of HTV's cable network and broadband internet operations.

After five years in business in summer 2002, Nelonen's net sales amounted to EUR 49.3 (51.1) million. Operating loss decreased to EUR 12.6 (15.3) million. Advertising sales totalled EUR 47.3 (48.3) million. Nelonen's share of television advertising decreased slightly to 24.7 (26.5)%. Nelonen reached 43 (42)% of Finns daily and 74 (73)% weekly. The channel's share of national TV viewing remained unchanged:

its share of the total population was 11.6% and of the age group 10 - 44 years 16.7%. Its share of commercial viewing rose to 23.4 (22.6)%. Nelonen's licence fee was EUR 7.7 (10.7) million.

Nelonen's all-time viewer record was reached in March 2002 with the number of viewers of the Finnish movie *Levottomat* (the Restless) amounting to 905,000. Nelonen's programmes were awarded six out of ten Finnish television awards (Venla) in 2002. In November Nelonen signed a contract on advertising sales and programme cooperation with Music Television.

HTV's net sales rose to EUR 28.1 (22.4) million. Also the operating profit improved markedly thanks to growth in sales of broadband internet services. By the end of the year nearly 237,000 households were connected to HTV's cable network. Over 20,000 of these were new subscribers that were connected in 2002. The growth in the number of connections was an all-time record in HTV's history. Welho broadband internet connections increased by 55% during the year, and by the end of the year more than 30,000 customers had broadband internet connection. An increasing proportion of pay-TV services was digital. At year's end HTV had five digital channels on offer, providing a total of 41 digital offerings.

The focus of 2ndhead's operations was switched from consumer products to digital services in media in 2002. The mobile portal 2ndhead.com for consumers was closed down in the summer. As a result of reorganising operations, both costs and the operational loss decreased significantly.

Due to the delay in the market for digital consumer equipment, SWelcom decided not to start a terrestrial digital movie channel and the licence became void in January. SWelcom did not obtain the television operating licence for terrestrial digital TV broadcasting for which it had applied.

SWelcom decreased its holding in Suomen Urheilutelevisio Oy from 35% to 19.9% in February 2003, after the closing of the financial period.

SWelcom's net sales are projected to grow markedly in 2003 thanks to the increase of Nelonen's advertising sales, the trend in HTV connections, and the popularity of broadband internet. The most critical factor for growth is the development of television advertising, which is expected to increase more than that of other large media. Operating loss is expected to continue to decline significantly. In 2003 SWelcom will focus on digital programmes on Nelonen as well as on HTV's digital programmes and services.

WSOY

Publishing, printing and calendar operations

WSOY's net sales grew to EUR 215.9 (211.0) million in 2002. Most growth was generated by publishing, with a clearly strengthened market share. Records were broken again this Christmas season in book sales, much as they were the year before. However, business books were affected by the economic slowdown.

Operating profit was EUR 20.5 (18.1) million. This includes the share of Rautakirja's result, which declined to EUR 8.4 (9.7) million. Operating profit from WSOY's own operations increased to EUR 12.4 (9.5) million. Traditional business, i.e. book publishing and printing, was successful. Profitability was also enhanced by cost reductions and streamlining, especially in new electronic business operations. An additional goodwill amortisation of EUR 1.5 million on Docendo Sverige AB was recorded in view of the weaker market prospects for IT publishing. WSOY's EBITA was EUR 26.4 (22.1) million.

WSOY's investments totalled EUR 8.6 (14.7) million. The biggest investments in printing were the replacement investment of offset printing machines for Ajasto and WS Bookwell. The group increased its holding in subsidiaries by acquiring a 10% minority interest in Genimap Oy and increasing its holding in the digital printer Dark Oy by 10%, to 90%.

Publishing increased its net sales to EUR 143.5 (134.1) million and operating profit to EUR 11.7 (6.3) million. General literature increased its sales to EUR 41.9 (35.7) million and expanded its market share. Part of the increase in sales was due to the fact that Weilin+Göös multi-volume books were consolidated in the hands of the nonfiction book department under general literature. Children's books and juvenile books continued to be successful, and the range of fiction books was especially strong. The Finlandia literature award winner Juoksuhaudantie by Kari Hotakainen broke an all-time record for Finlandia winners by selling 75,000 copies. The new publishing unit Johnny Kniga, which started operations in April, was well received. Book club sales and book club membership, 200,000, remained at the same level as the previous year. The associated company Loisto sold over 600,000 paperbacks.

The sales of WSOY's educational books increased to EUR 36.7 (35.6) million, and the market share remained strong. The biggest sales increase was seen in books aimed at adult and vocational education. Sales grew for lower secondary school books and declined for upper secondary school books.

Weilin+Göös' net sales were EUR 12.8 (13.2) million and outstanding orders increased significantly. The sales of Bertmark Media operating in Scandinavia grew to EUR 22.7 (19.6) million.

The Business Information unit suffered from the economic slowdown, and sales remained at last year's level, at EUR 28.4 (28.4) million. The weak market situation in Sweden affected Docendo Group, which specialises in IT books, and Everscreen, which provides e-learning solutions. The operations and organisation of the companies were adapted to suit market conditions. The map and location-based service provider Genimap increased its net sales, and the development and cooperation projects in mobile and internet location services made progress as planned.

eWSOY, which provides e-learning solutions, developed according to plans. The sales of the unit declined to EUR 0.6 (1.2) million because consumer multimedia operations were discontinued. The number of users of the Opit service, operating on the internet and aimed at all-round education, grew to more than 30,000. The net sales of Young Digital Poland, an associated company that markets similar products in Central Europe, grew to EUR 5.7 (3.5) million.

Printing operations generated net sales of EUR 62.7 (62.2) million and operating profit of EUR 6.6 (7.4) million. Traditional book printing survived well the slowdown of the graphic industry. The net sales of WS Bookwell were EUR 37.7 (37.2) million, and 21.9 (21.0) million copies of books were printed. The net sales of Lönnberg Painot amounted to EUR 20.3 (20.6) million and those of the digital printer Dark to EUR 4.6 (4.4) million.

Calendar operations generated net sales of EUR 34.5 (35.8) million and an operating profit of EUR 0.5 (0.3) million. The sales of consumer calendars progressed well, but company and organisation calendars suffered from price competition and falling demand. Ajasto kept its leading market position in Finland. Its market share declined somewhat in Sweden but grew in Norway.

WSOY's net sales are projected to increase faster in 2003 than in the previous year. Operating profit from WSOY's own operations will continue to improve, but the total operating profit will be diminished as the share of the result of Rautakirja, which will merge into SanomaWSOY's parent company, will not be included in the operating profit from March onwards. The result will be enhanced especially by the increased profitability of electronic publishing, printing and calendar operations.

RAUTAKIRJA

Kiosk operations, press distribution, bookstores, movie theatre operations and restaurant operations

Rautakirja's net sales increased to EUR 726.5 (696.5) million in 2002. Net sales grew in all operations. Comparable net sales grew by 2%. Of the group net sales, 91.8% was generated in Finland, 5.2% in Estonia, 2.9% in Latvia, and 0.2% in Lithuania.

Operating profit declined to EUR 38.0 (42.6) million. Comparable operating profit grew by 9%, however, as the figure for 2001 includes a profit of EUR 7.8 million on the sale of shares in the Norwegian company Narvesen. Operating profit improved in all lines of business except for press distribution. Rautakirja's EBITA was EUR 42.4 (46.5) million. Profit before extraordinary items was EUR 39.0 (45.7) million and earnings per share were EUR 4.18 (4.90).

Investments totalled EUR 27.8 (35.9) million. The largest investments included the construction of a multiplex movie theatre in Vilnius, starting kiosk operations in the Czech Republic, establishing an associated company for press distribution in Latvia, acquiring the remaining 50% shareholding in an Estonian magazine distribution company, and expanding the Motocest and Eurostrada chains in Finland.

Net sales from kiosk operations totalled EUR 373.6 (359.8) million in 2002. Net sales grew in Finland, Estonia, and Latvia. The introduction of the euro provided a challenge for Finnish kiosk operations, as the number of customers' impulse purchases and especially sales of betting products decreased at the beginning of the year. Operating profit from kiosk operations was EUR 15.4 (14.8) million.

In September, Rautakirja acquired the Jemma kiosk chain operating in Greater Helsinki, and the ten units in the chain were turned into R-kiosks during 2002. The purchased kiosks generate some EUR 4 million per year. In November, Rautakirja made an agreement with the French Hachette Distribution Services to start cooperation in the Czech Republic. CZ Retail a.s., owned on a 50-50 basis, had 109 kiosks when the partnership began.

Press distribution increased its net sales to EUR 177.3 (165.1) million. In Finland the net sales of Lehtipiste declined, as there were no highly popular collector's items on the market as there had been in previous years. Sales of domestic newspapers and magazines also dropped in terms of both circulation and consumer price. In Estonia, the net sales of Lehepunkt continued to grow, and the company stabilised its leading position in the Estonian press distribution market. Operating profit for press distribution was EUR 9.5 (10.3) million.

Rautakirja expanded its press distribution operations during the review period both in Estonia and Latvia. In Latvia, SIA NB Logistika, the new subsidiary of Narvesen Baltija, which in turn is jointly owned by Rautakirja and the Norwegian company Reitan HandelN, started operating in the beginning of May. In June, Rautakirja acquired the remaining 50% of the share capital of the Estonian AS Lehepunkt, which was previously equally owned by Rautakirja and Ekspress Grupp.

Bookstores generated net sales of EUR 115.2 (113.9) million and operating profit of EUR 7.1 (6.7) million. Net sales grew both for Suomalainen kirjakauppa in Finland and Astro Raamatud in Estonia. The share of book sales of the total sales grew, and especially paperbacks sold more than in previous years.

Net sales from movie theatre operations grew to EUR 49.6 (47.6) million. Operating profit was EUR 2.6 (2.0) million. The movie year offered the Finnish audiences many domestic and foreign hit movies, and the number of tickets sold grew to 7.6 million. The multiplex movie theatre opened in Estonia sold close to a million tickets in its first financial year. The construction of new cinemas in the Baltic countries progressed as planned, and the foundation stones of future multiplex theatres in Vilnius and Riga were laid during the period under review.

Net sales from restaurant operations amounted to EUR 50.2 (42.4) million. The growth was mainly derived from newly integrated Motorest units. The operations of Pizza Hut were focused to Greater Helsinki, and the number of units was reduced. Operating loss from restaurant operations was EUR 0.3 (1.1) million.

Net sales from eBusiness totalled EUR 0.8 million and operating loss EUR 1.6 million. eBusiness operations were broken up in September 2002 and some of its activities were transferred to other businesses because its projects did not generate business as planned. In September Rautakirja sold Dose, a business unit that specialises in entertainment games, with all its auxiliary activities. The transaction included two game stores operating in Helsinki and an online outlet.

In 2003, Rautakirja's net sales are estimated to grow faster than wholesale and retail business in general. It is estimated that about half of the growth will be generated in Finland and half abroad. As Rautakirja is to be merged into SanomaWSOY, the structure of Rautakirja will see changes mainly in real estate and financing operations, which will affect Rautakirja's result in 2003. The operating result from basic business operations will remain largely unchanged from 2002.

Helsinki, 20 February 2003

Board of Directors
SanomaWSOY Corporation

GROUP INCOME STATEMENT

| EUR million | 1.1-31.12. 2002 | 1.1-31.12. 2001 | Change,% |
|---|----------------------------|----------------------------|-----------------|
| NET SALES | 2,357.8 | 1,734.3 | 36.0 |
| Increase (+) / decrease (-) in inventories of finished goods and work in progress | 1.0 | 0.7 | 39.2 |
| Production for own use | | 0.0 | |
| Other operating income | 69.8 | 44.5 | 56.8 |
| Share of result of associated companies | 13.1 | 5.5 | 139.6 |
| Materials and services | 1,026.0 | 758.1 | 35.3 |
| Personnel expenses | 585.0 | 433.5 | 35.0 |
| Depreciation and decrease in value | 212.0 | 138.5 | 53.0 |
| Other operating expenses | 484.3 | 358.4 | 35.1 |
| OPERATING PROFIT | 134.4 | 96.5 | 39.3 |
| Financial income and expenses | -27.7 | -4.0 | 601.4 |
| PROFIT BEFORE EXTRAORDINARY ITEMS | 106.7 | 92.5 | 15.3 |
| Extraordinary items | 6.1 | | |
| PROFIT AFTER EXTRAORDINARY ITEMS | 112.7 | 92.5 | 21.8 |
| Direct taxes | -64.2 | -31.0 | 107.1 |
| Minority interests | -11.4 | -13.7 | -17.0 |
| PROFIT FOR THE YEAR | 37.2 | 47.8 | -22.3 |

GROUP BALANCE SHEET

| EUR million | 31.12.2002 | 31.12.2001 | Change,% |
|--|-------------------|-------------------|-----------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Intangible assets | 187.7 | 182.7 | 2.7 |
| Consolidated goodwill | 1,135.4 | 1,299.5 | -12.6 |
| Tangible assets | 459.4 | 471.5 | -2.6 |
| Investments | 254.6 | 266.3 | -4.4 |
| NON-CURRENT ASSETS, TOTAL | 2,037.0 | 2,220.0 | -8.2 |
| CURRENT ASSETS | | | |
| Inventories | 94.8 | 90.8 | 4.5 |
| Long-term receivables | 72.0 | 66.2 | 8.8 |
| Short-term receivables | 266.2 | 311.0 | -14.4 |
| Securities | 63.1 | 279.7 | -77.4 |
| Cash and bank | 59.3 | 85.4 | -30.5 |
| CURRENT ASSETS, TOTAL | 555.5 | 833.0 | -33.3 |
| ASSETS, TOTAL | 2,592.5 | 3,053.1 | -15.1 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS' EQUITY | | | |
| Share capital | 62.6 | 62.6 | 0.0 |
| Premium fund | 16.1 | 16.1 | 0.0 |
| Other funds | 364.4 | 364.4 | 0.0 |
| Retained earnings | 308.7 | 321.5 | -4.0 |
| Profit for the year | 37.2 | 47.8 | -22.3 |
| Capital notes | 207.4 | 207.3 | 0.1 |
| SHAREHOLDERS' EQUITY, TOTAL | 996.3 | 1,019.7 | -2.3 |
| MINORITY INTEREST | 130.6 | 122.3 | 6.8 |
| STATUTORY PROVISIONS | 15.9 | 8.1 | 95.7 |
| LIABILITIES | | | |
| Deferred tax liability | 37.1 | 36.6 | 1.5 |
| Long-term liabilities | 695.1 | 922.7 | -24.7 |
| Current liabilities | 717.5 | 943.7 | -24.0 |
| SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL | 2,592.5 | 3,053.1 | -15.1 |

CONTINGENCIES AND PLEDGED ASSETS

| EUR million | 31.12.2002 | 31.12.2001 | Change,% |
|---|-------------------|-------------------|-----------------|
| DEBTS WITH COLLATERAL CONSISTING OF REAL ESTATE AND SHARES | | | |
| Pension loans | 17.8 | 21.7 | -18.0 |
| Loans from financial institutions | 5.5 | 6.7 | -18.3 |
| Other loans | 1.6 | 13.3 | -88.3 |
| Mortgages, real estate, total | 15.4 | 21.9 | -29.7 |
| Mortgages, movable property, total | 2.7 | 2.9 | -8.0 |
| Pledged securities, total | 27.6 | 54.3 | -49.2 |
| OTHER CONTINGENCIES FOR OWN COMMITMENTS | | | |
| Mortgaged bearer bonds | 0.9 | 0.9 | 0.0 |
| Corporate mortgages | 4.9 | 4.7 | 5.0 |
| Book value of pledged securities | 3.5 | 10.7 | -67.0 |
| Deposits | 1.1 | 1.1 | 1.5 |
| TOTAL | 10.5 | 17.5 | -39.8 |
| CONTINGENCIES GIVEN ON BEHALF OF ASSOCIATED COMPANIES | | | |
| Guarantees | 8.9 | 8.9 | 0.0 |
| TOTAL | 8.9 | 8.9 | 0.0 |
| CONTINGENCIES GIVEN ON BEHALF OF OTHER COMPANIES | | | |
| Guarantees | 20.7 | 24.5 | -15.7 |
| TOTAL | 20.7 | 24.5 | -15.7 |
| OTHER CONTINGENCIES | | | |
| LEASING LIABILITIES | | | |
| Leasing liabilities for 2003 | 4.4 | 4.4 | 0.2 |
| Leasing liabilities beyond 2003 | 5.8 | 8.5 | -31.4 |
| TOTAL | 10.2 | 12.9 | -20.7 |
| INTEREST ON CAPITAL NOTES | 3.2 | 2.4 | 34.0 |
| REPURCHASE LIABILITIES | 1.3 | 1.3 | 0.3 |
| OTHER LIABILITIES | 131.6 | 107.4 | 22.5 |
| OTHER CONTINGENCIES, TOTAL | 146.3 | 124.0 | 18.0 |
| ALL LIABILITIES, TOTAL | 232.1 | 254.0 | -8.6 |

NOMINAL VALUE OF OPEN DERIVATIVE CONTRACTS

| EUR million | 31.12.2002 | 31.12.2001 | Change, % |
|----------------------------------|----------------|----------------|--------------|
| INTEREST RATE DERIVATIVES | | | |
| Forward contracts | | 200.0 | |
| Options | | | |
| Purchased | 480.0 | 480.0 | 0.0 |
| Written | 200.0 | 480.0 | -58.3 |
| Interest rate swaps | 380.0 | 400.0 | -5.0 |
| TOTAL | 1,060.0 | 1,560.0 | -32.1 |
| CURRENCY DERIVATIVES | | | |
| Forward contracts | 45.1 | 36.2 | 24.7 |
| TOTAL | 45.1 | 36.2 | 24.7 |
| SHARE DERIVATIVES | | | |
| Forward contracts | | 32.9 | |
| TOTAL | | 32.9 | |
| TOTAL | 1,105.1 | 1,629.1 | -32.2 |

MARKET VALUE OF OPEN DERIVATIVE CONTRACTS

| EUR million | 31.12.2002 | 31.12.2001 | Change, % |
|----------------------------------|-------------|-------------|---------------|
| INTEREST RATE DERIVATIVES | | | |
| Forward contracts | | -0.1 | |
| Options | | | |
| Purchased | 0.0 | 1.5 | -98.3 |
| Written | -2.9 | -1.1 | 171.9 |
| Interest rate swaps | -4.8 | 1.1 | -544.2 |
| TOTAL | -7.7 | 1.4 | -648.4 |
| CURRENCY DERIVATIVES | | | |
| Forward contracts | -0.8 | -0.2 | 212.0 |
| TOTAL | -0.8 | -0.2 | 212.0 |
| SHARE DERIVATIVES | | | |
| Forward contracts | | 0.2 | |
| TOTAL | | 0.2 | |
| TOTAL | -8.5 | 1.4 | -718.2 |

INCOME STATEMENT BY QUARTER

| EUR million | 1-3 2002 | 4-6 2002 | 7-9 2002 | 10-12 2002 | 1-3 2001 | 4-6 2001 | 7-9 2001 | 10-12 2001 |
|--|-------------|-------------|-------------|---------------|-------------|-------------|-------------|---------------|
| NET SALES | 559.0 | 584.5 | 553.4 | 661.0 | 361.4 | 362.2 | 353.8 | 656.9 |
| Increase (+) / decrease (-) in inventories of finished goods and work in progress | 4.7 | -0.7 | 0.0 | -3.1 | 5.4 | 0.8 | 0.3 | -5.8 |
| Production for own use | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other operating income | 25.2 | 16.5 | 8.4 | 19.6 | 15.8 | 9.4 | 7.2 | 12.0 |
| Share of result of associated companies | 1.0 | 5.1 | 3.1 | 3.9 | -0.6 | 4.8 | -0.2 | 1.5 |
| Materials and services | 250.6 | 251.8 | 246.2 | 277.5 | 161.5 | 156.2 | 158.1 | 282.3 |
| Personnel expenses | 143.4 | 143.0 | 135.0 | 163.6 | 99.8 | 96.6 | 93.0 | 144.0 |
| Depreciation and decrease in value | 56.6 | 51.2 | 49.8 | 54.4 | 29.0 | 27.4 | 27.6 | 54.5 |
| Other operating expenses | 125.4 | 116.7 | 114.9 | 127.2 | 79.0 | 79.5 | 67.0 | 133.0 |
| OPERATING PROFIT | 14.0 | 42.7 | 19.1 | 58.6 | 12.7 | 17.5 | 15.4 | 50.9 |
| Financial income and expenses | 9.8 | -12.7 | -24.2 | -0.6 | 5.4 | 10.1 | -16.1 | -3.3 |
| PROFIT BEFORE EXTRAORDINARY ITEMS | 23.9 | 30.0 | -5.1 | 57.9 | 18.1 | 27.6 | -0.8 | 47.6 |
| Extraordinary items | 0.0 | 0.0 | 0.0 | 6.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROFIT AFTER EXTRAORDINARY ITEMS | 23.9 | 30.0 | -5.1 | 64.0 | 18.1 | 27.6 | -0.8 | 47.6 |
| Direct taxes | -12.8 | -17.8 | -11.5 | -22.1 | -6.6 | -6.3 | -2.2 | -16.0 |
| Minority interests | -1.1 | -2.0 | -3.0 | -5.3 | -4.4 | -1.5 | -2.2 | -5.6 |
| PROFIT FOR THE YEAR | 9.9 | 10.3 | -19.6 | 36.6 | 7.1 | 19.8 | -5.1 | 26.0 |

NET SALES BY BUSINESS AREA; WHOLE YEAR

| EUR million | 1-12/2002 | 1-12/2001 |
|-----------------------------------|----------------|----------------|
| SANOMA | | |
| Newspaper publishing and printing | 438.1 | 459.3 |
| TOTAL | 438.1 | 459.3 |
| SANOMA MAGAZINES | | |
| Magazine publishing | 904.0 | 377.6 |
| Press distribution | 215.0 | 52.8 |
| Intracompany transactions | -110.9 | -31.7 |
| TOTAL | 1,008.1 | 398.6 |
| SWELCOM | | |
| Electronic media | 86.1 | 84.9 |
| TOTAL | 86.1 | 84.9 |
| WSOY | | |
| Publishing | 143.5 | 134.1 |
| Printing | 62.7 | 62.2 |
| Calendar operations | 34.5 | 35.8 |
| Others | 3.7 | 3.9 |
| Intracompany transactions | -28.6 | -25.0 |
| TOTAL | 215.9 | 211.0 |
| RAUTAKIRJA | | |
| Kiosk operations | 373.6 | 359.8 |
| Press distribution | 177.3 | 165.1 |
| Bookstores | 115.2 | 113.9 |
| Movie theatre operations | 49.6 | 47.6 |
| Restaurant operations | 50.2 | 42.4 |
| E-business | 0.8 | 0.4 |
| Others | 0.0 | 0.0 |
| Intracompany transactions | -40.2 | -32.7 |
| TOTAL | 726.5 | 696.5 |
| Intragroup transactions | -117.0 | -115.9 |
| TOTAL | 2,357.8 | 1,734.3 |

NET SALES BY BUSINESS AREA BY QUARTER

| EUR million | 1-3 2002 | 4-6 2002 | 7-9 2002 | 10-12 2002 | 1-3 2001 | 4-6 2001 | 7-9 2001 | 10-12 2001 |
|-----------------------------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|---------------|
| SANOMA | | | | | | | | |
| Newspaper publishing and printing | 110.3 | 113.2 | 102.8 | 111.9 | 119.9 | 118.3 | 108.5 | 112.6 |
| TOTAL | 110.3 | 113.2 | 102.8 | 111.9 | 119.9 | 118.3 | 108.5 | 112.6 |

SANOMA MAGAZINES

| | | | | | | | | |
|---------------------------|--------------|--------------|--------------|--------------|-------------|-------------|-------------|--------------|
| Magazine publishing | 212.0 | 229.3 | 204.6 | 258.1 | 39.2 | 41.7 | 37.7 | 258.9 |
| Press distribution | 50.1 | 53.9 | 55.3 | 55.7 | 0.0 | 0.0 | 0.0 | 52.8 |
| Intracompany transactions | -25.9 | -27.2 | -28.6 | -29.2 | 0.0 | 0.0 | 0.0 | -31.7 |
| TOTAL | 236.2 | 256.0 | 231.3 | 284.6 | 39.2 | 41.7 | 37.7 | 279.9 |

SWELCOM

| | | | | | | | | |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Electronic media | 21.5 | 21.1 | 19.2 | 24.4 | 20.8 | 21.6 | 18.0 | 24.5 |
| TOTAL | 21.5 | 21.1 | 19.2 | 24.4 | 20.8 | 21.6 | 18.0 | 24.5 |

WSOY

| | | | | | | | | |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Publishing | 30.3 | 42.5 | 30.7 | 40.0 | 30.4 | 38.9 | 29.7 | 35.0 |
| Printing | 15.9 | 15.6 | 15.3 | 15.9 | 15.6 | 14.9 | 15.6 | 16.1 |
| Calendar operations | 1.7 | 3.3 | 12.2 | 17.4 | 1.9 | 2.9 | 12.5 | 18.4 |
| Others | 0.9 | 0.9 | 1.0 | 1.0 | 1.0 | 1.0 | 0.9 | 1.1 |
| Intracompany transactions | -6.6 | -6.4 | -6.9 | -8.7 | -6.8 | -5.7 | -6.8 | -5.6 |
| TOTAL | 42.2 | 55.8 | 52.2 | 65.6 | 42.1 | 52.0 | 51.9 | 65.0 |

RAUTAKIRJA

| | | | | | | | | |
|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Kiosk operations | 88.1 | 92.5 | 93.2 | 99.8 | 80.7 | 87.8 | 88.2 | 103.1 |
| Press distribution | 38.7 | 42.9 | 46.2 | 49.4 | 39.3 | 41.6 | 41.5 | 42.7 |
| Bookstores | 30.8 | 17.3 | 26.0 | 41.1 | 32.1 | 16.6 | 25.1 | 40.2 |
| Movie theatre operations | 14.6 | 9.1 | 11.1 | 14.7 | 11.8 | 8.4 | 11.3 | 16.0 |
| Restaurant operations | 10.7 | 12.5 | 13.3 | 13.7 | 8.3 | 11.0 | 12.3 | 10.8 |
| E-business | 0.3 | 0.3 | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.3 |
| Others | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Intracompany transactions | -7.2 | -9.7 | -11.1 | -12.2 | -7.7 | -8.6 | -7.9 | -8.6 |
| TOTAL | 176.0 | 164.9 | 179.0 | 206.6 | 164.6 | 156.9 | 170.4 | 204.6 |

| | | | | | | | | |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Intragroup transactions | -27.1 | -26.6 | -31.1 | -32.1 | -25.2 | -28.3 | -32.7 | -29.8 |
| TOTAL | 559.0 | 584.5 | 553.4 | 661.0 | 361.4 | 362.2 | 353.8 | 656.9 |

OPERATING PROFIT BY BUSINESS AREA; WHOLE YEAR

| EUR million | 1-12/2002 | 1-12/2001 |
|--------------------------------------|--------------|--------------|
| SANOMA | | |
| Newspaper publishing and printing *) | 41.9 | 43.3 |
| TOTAL | 41.9 | 43.3 |
| SANOMA MAGAZINES | | |
| Magazine publishing | 62.8 | 41.3 |
| Press distribution | -4.6 | 0.4 |
| Intracompany eliminations | 0.0 | 0.0 |
| TOTAL | 58.2 | 41.7 |
| SWELCOM | | |
| Electronic media | -18.0 | -24.5 |
| TOTAL | -18.0 | -24.5 |
| WSOY | | |
| Publishing | 11.7 | 6.3 |
| Printing | 6.6 | 7.4 |
| Calendar operations | 0.5 | 0.3 |
| Others *) | 6.9 | 6.4 |
| Intracompany eliminations | -5.2 | -2.3 |
| TOTAL | 20.5 | 18.1 |
| RAUTAKIRJA | | |
| Kiosk operations | 15.4 | 14.8 |
| Press distribution | 9.5 | 10.3 |
| Bookstores | 7.1 | 6.7 |
| Movie theatre operations | 2.6 | 2.0 |
| Restaurant operations | -0.3 | -1.1 |
| E-business | -1.6 | -1.7 |
| Others | 5.3 | 11.5 |
| Intracompany eliminations | 0.0 | 0.0 |
| TOTAL | 38.0 | 42.6 |
| Other companies **) | -6.3 | -15.8 |
| Intragroup eliminations | 0.1 | -8.9 |
| TOTAL | 134.4 | 96.5 |

*) Includes a share of Rautakirja's results

***) Parent company SanomaWSOY Corporation and real estate and investment companies

OPERATING PROFIT BY BUSINESS AREA BY QUARTER

| EUR million | 1-3 2002 | 4-6 2002 | 7-9 2002 | 10-12 2002 | 1-3 2001 | 4-6 2001 | 7-9 2001 | 10-12 2001 |
|--------------------------------------|-------------|-------------|-------------|---------------|-------------|-------------|-------------|---------------|
| SANOMA | | | | | | | | |
| Newspaper publishing and printing *) | 7.9 | 13.0 | 9.8 | 11.3 | 14.2 | 7.3 | 8.9 | 12.9 |
| TOTAL | 7.9 | 13.0 | 9.8 | 11.3 | 14.2 | 7.3 | 8.9 | 12.9 |
| SANOMA MAGAZINES | | | | | | | | |
| Magazine publishing | 9.0 | 28.4 | 4.0 | 21.4 | 1.0 | 6.2 | 3.5 | 30.5 |
| Press distribution | -1.3 | -0.6 | -2.0 | -0.7 | 0.0 | 0.0 | 0.0 | 0.4 |
| Intracompany eliminations | 0.0 | -1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | 7.7 | 26.9 | 2.9 | 20.6 | 1.0 | 6.2 | 3.5 | 30.9 |
| SWELCOM | | | | | | | | |
| Electronic media | -6.7 | -4.8 | -2.6 | -4.0 | -7.0 | -5.8 | -6.0 | -5.6 |
| TOTAL | -6.7 | -4.8 | -2.6 | -4.0 | -7.0 | -5.8 | -6.0 | -5.6 |
| WSOY | | | | | | | | |
| Publishing | -0.6 | 7.8 | 1.3 | 3.2 | -1.0 | 7.1 | 0.8 | -0.5 |
| Printing | 2.1 | 1.5 | 1.8 | 1.1 | 2.2 | 1.6 | 1.7 | 2.0 |
| Calendar operations | -3.7 | -2.9 | 3.3 | 3.8 | -4.1 | -3.5 | 4.1 | 3.8 |
| Others *) | 1.4 | 0.8 | 2.4 | 2.4 | 2.6 | -0.1 | 1.8 | 2.0 |
| Intracompany eliminations | -1.2 | -0.4 | -1.8 | -1.8 | -0.7 | 0.9 | -1.0 | -1.5 |
| TOTAL | -2.1 | 6.8 | 7.0 | 8.8 | -1.0 | 6.0 | 7.3 | 5.7 |
| RAUTAKIRJA | | | | | | | | |
| Kiosk operations | 3.0 | 3.2 | 4.9 | 4.3 | 3.1 | 3.2 | 5.0 | 3.5 |
| Press distribution | 2.1 | 1.9 | 2.4 | 3.1 | 2.5 | 2.8 | 2.8 | 2.2 |
| Bookstores | 0.5 | -2.1 | 0.4 | 8.3 | 0.8 | -1.9 | 0.2 | 7.6 |
| Movie theatre operations | 2.0 | -0.6 | 0.3 | 0.9 | 0.8 | -0.5 | 0.0 | 1.8 |
| Restaurant operations | -0.6 | -0.2 | 0.7 | -0.2 | -0.7 | -0.2 | 0.6 | -0.8 |
| E-business | -0.5 | -0.4 | -0.6 | -0.2 | -0.3 | -0.4 | -0.4 | -0.6 |
| Others | 1.0 | 1.9 | 1.3 | 1.2 | 8.5 | 0.9 | 0.9 | 1.3 |
| Intracompany eliminations | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | 7.5 | 3.7 | 9.4 | 17.4 | 14.6 | 3.9 | 9.1 | 15.1 |

| | | | | | | | | |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Other companies **) | -3.8 | -1.9 | -4.4 | 3.9 | -4.7 | -1.1 | -4.8 | -5.1 |
| Intragroup eliminations | 3.5 | -1.0 | -3.0 | 0.6 | -4.4 | 1.0 | -2.6 | -3.0 |
| TOTAL | 14.0 | 42.7 | 19.1 | 58.6 | 12.7 | 17.5 | 15.4 | 50.9 |

*) Includes a share of Rautakirja's results

**) Parent company SanomaWSOY Corporation and real estate and investment companies

SANOMAWSOY CORPORATION

Raija Kariola
Vice President
Investor Relations and Group Communications

DISTRIBUTION

Helsinki Exchanges
Principal media