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SANOMAWSOY'S YEAR-END STATEMENT 2006

In 2006, the SanomaWSOY Group's net sales increased by 4.6%, totalling EUR 2,742.1 (2,622.3) million. Operating profit was EUR 292.5 (301.3) million. Operating profit excluding major non-recurring capital gains was all-time high, EUR 288.2 (269.1) million. Earnings per share were EUR 1.32 (1.45).

The proposed dividend is EUR 0.95 (0.90) per share. In 2007, SanomaWSOY's net sales are estimated to increase more than in the previous year and operating profit excluding major non-recurring capital gains is expected to improve.

KEY INDICATORS	10-12/ 2006	10-12/ 2005	Change %	1-12/ 2006	1-12/ 2005	Change %
EUR million						
Net sales	742.2	735.0	1.0	2,742.1	2,622.3	4.6
Operating profit before depreciation and impairment losses	111.2	119.0	-6.6	428.2	431.9	-0.8
% of net sales	15.0	16.2		15.6	16.5	
Operating profit	73.9	79.6	-7.2	292.5	301.3	-2.9
% of net sales	10.0	10.8		10.7	11.5	
Operating profit excluding major non-recurring capital gains	73.9	68.8	7.4	288.2	269.1	7.1
% of net sales	10.0	9.4		10.5	10.3	
Result before taxes	70.1	74.7	-6.2	276.3	286.0	-3.4
% of net sales	9.4	10.2		10.1	10.9	
Result for the period	58.0	73.6	-21.2	208.4	228.4	-8.8
% of net sales	7.8	10.0		7.6	8.7	
Balance sheet total				3,132.2	2,972.5	5.4
Capital expenditure *				81.9	93.8	-12.7
% of net sales				3.0	3.6	
Return on equity (ROE), %				17.7	22.3	
Return on investment (ROI), %				14.3	15.4	
Equity ratio, %				45.0	41.3	
Gearing, %				59.2	72.9	
Interest-bearing liabilities				863.9	928.7	-7.0
Interest-free liabilities				945.5	886.1	6.7
Net debt				782.4	843.8	-7.3
Personnel under employment contract, average				18,434	16,885	9.2
Personnel, average (full-time equivalents)				15,732	14,256	10.4
Earnings/share, EUR	0.36	0.46	-21.6	1.32	1.45	-9.3
Earnings/share, diluted, EUR	0.35	0.44	-20.2	1.31	1.42	-8.0

Cash flow from operations/share, EUR	0.84	0.80	5.7	1.63	1.69	-3.5
Equity/share, EUR				7.92	7.27	8.8
Dividend/share, EUR **				0.95	0.90	5.6
Dividend/result, % **				72.2	62.0	
Market capitalisation, EUR million				3,521.8	3,121.5	12.8

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

** Year 2006 proposal of the Board of Directors

HANNU SYRJÄNEN, PRESIDENT AND CEO:

"I am very pleased with SanomaWSOY's performance in 2006. Our operating profit excluding major non-recurring capital gains increased in all divisions and reached an all-time high of EUR 288.2 million.

"We completed several acquisitions during the year, the most significant of which was the acquisition of a majority share in the Hungarian educational publishing and training company Láng Kiadó és Holding. This transaction was an important step in our strategy to become a leading educational publisher in Europe.

"The past year has confirmed that our strategy of focusing primarily on fast growing Central Eastern European markets has been right. The share of Central Eastern Europe and Russia of the Group's total net sales increased to 15%.

"We have also invested heavily in digital media. In the Netherlands, we acquired Kieskeurig.nl, a major product and price comparison website, and in Finland we formed a new company called Sanoma Digital, the task of which is to develop online consumer products and services in Finland and the Baltic countries. Television channel Nelonen further strengthened its market share and Welho's broadband and pay TV services did well. Our electronic media operations in Finland will be augmented over the course of spring 2007, as our two new commercial radio stations took to the air in January and our new commercial TV channel JIM launches in February.

"Year 2006 was a good one for Rautakirja as well. Kiosk operations, press distribution, bookstores, and movie theatres all performed well.

“In 2007, we will continue expanding our magazine, educational publishing, and press distribution operations, particularly in Russia and Central Eastern Europe. We will also actively seek growth in digital media, where we have already established a strong position in Finland, Hungary, and the Netherlands.

“We strive to be the market leader in the areas in which we operate, and our financial target is to increase our net sales at a rate faster than GDP growth in our primary market areas. We will also work to increase the profitability of our current businesses. The Group’s strategic target for the operating profit margin is 12%.”

OPERATING ENVIRONMENT

According to research institute estimates, the Finnish GDP increased by 5.9% in 2006, the Dutch GDP by 2.9%, and Belgian GDP by 2.6%. Growth was faster in CEE countries with the estimated GDP growth in Hungary at 3.9%, in the Czech Republic 6.2%, and in Russia 6.6%.

According to research institute estimates, private consumption increased by 4.0% in Finland and by 2.4% in Belgium in 2006. In the Netherlands and Hungary the growth rate was 1.9% and in the Czech Republic 3.7%. In Russia, private consumption surged by 14%.

In 2006, media advertising in Finland grew by about 3% according to TNS Gallup Adex. Advertising in newspapers increased by 2.5% and in free sheets by 2%. Job advertising increased by almost 18%, while magazine advertising grew by 3% and television advertising by 5%. According to ZenithOptimedia estimates, magazine advertising in the Netherlands by 3% and Belgium increased by 2% in 2006. In Hungary, the growth rate was 9% and in the Czech Republic 10%. Expenditure on print media advertising in Russia is estimated to have increased by 18%. The share of magazine advertising of all advertising declined somewhat in the Netherlands and Belgium.

According to preliminary information from the Finnish Book Publishers Association, the sales of books in 2006 grew by 1% and educational materials by 2%. The educational books market is also estimated to have grown slightly in the Netherlands and Belgium.

According to the Finnish Food Marketing Association, Finnish sales of daily consumer goods were up by 4% in 2006.

NET SALES

In 2006, SanomaWSOY's net sales increased by 4.6%, totalling EUR 2,742.1 (2,622.3) million. Net sales increased in all divisions with particularly strong growth in the Russian magazine operations and educational publishing business. Net sales adjusted for changes in the Group structure increased by 2.8%.

Advertising sales accounted for 23% (22%) of the Group's total net sales. In geographical terms, Finland accounted for 49% (51%) of net sales with the other EU countries accounting for 45% (45%), and other countries for 6% (4%).

RESULT

In 2006, the Group's operating profit was EUR 292.5 (301.3) million or 10.7% (11.5%) of net sales. The operating profit included major non-recurring capital gains of EUR 4.3 (32.2) million. Operating profit excluding the non-recurring capital gains was an all-time high, EUR 288.2 (269.1) million. The growth from the previous year was 7%. The greatest result improvements were recorded by SanomaWSOY Education and Books, Rautakirja, and SWelcom.

SanomaWSOY's result for 2006 was affected by the realisation of real estate investments in 2005. The result for the comparable period included a total of EUR 5.8 million in major non-recurring capital gains from the sale of real estate. Divesting the real estate investments has decreased the Parent Company's other earnings due to the loss of rental revenue.

SanomaWSOY's net financial items totalled EUR -24.5 (-25.1) million. Financial income amounted to EUR 12.5 (10.6) million. Financial expenses amounted to EUR 37.0 (35.7) million and comprised primarily interest costs of EUR 32.3 (30.3) million on interest-bearing liabilities.

The result before taxes was EUR 276.3 (286.0) million and earnings per share were EUR 1.32 (1.45).

BALANCE SHEET AND FINANCIAL POSITION

Acquisitions strengthened the consolidated balance sheet, which amounted to EUR 3,132.2 (2,972.5) million on December 31, 2006. Cash flow from operations was EUR 259.9 (260.9) million. Cash flow from operations per share was EUR 1.63 (1.69).

SanomaWSOY's equity ratio improved during the review period, rising to 45.0% (41.3%), while gearing was reduced to 59.2% (72.9%). Equity increased to EUR 1,322.7 (1,157.7) million. Return on equity (ROE) was 17.7% (22.3%) and return on investment (ROI) 14.3% (15.4%). The conversion of stock options and convertible capital notes into shares, for example, has served to increase shareholders' equity and the equity ratio. Interest-bearing liabilities decreased to EUR 863.9 (928.7) million and net debt to EUR 782.4 (843.8) million. Net debt to EBITDA ratio was 1.8 (2.0). On December 31, 2006, the Group's cash and cash equivalents totalled EUR 81.5 (84.9) million.

INVESTMENTS AND ACQUISITIONS

In 2006, investments in tangible and intangible assets amounted to EUR 81.9 (93.8) million, and were focused on, e.g. website development, IT systems, and the replacement of existing assets. R&D expenditure was recorded at EUR 11.3 (16.2) million.

The most significant acquisition in 2006 was the purchase of the Hungarian Láng Kiadó és Holding. The most significant acquisition in the comparable year was Independent Media, a magazine publisher operating in Russia and the Ukraine.

ADMINISTRATION

The AGM of April 3, 2006 confirmed the number of SanomaWSOY's Board members at ten. Those who had reached the end of their term of office were re-elected, and the Board of Directors of SanomaWSOY consists of: Jaakko Rauramo (Chairman), Sari Baldauf (Vice Chairman), and Robert Castrén, Jane Erkkö, Paavo Hohti, Sirkka Hämäläinen-Lindfors, Seppo Kievari, Robin Langenskiöld, Hannu Syrjänen, and Sakari Tamminen.

The Executive Management Group in 2006 comprised Hannu Syrjänen (Chairman), Eija Ailasmaa, Jacques Eijkens (from October 1, 2006), Nils Ittonen, Erkki Järvinen, Jorma Kaimio (until September 30, 2006), Tapio Kallioja, Mikael Pentikäinen, Kerstin Rinne, and Matti Salmi.

Prior to the AGM of April 3, 2006, SanomaWSOY was audited by chartered accountants PricewaterhouseCoopers Oy with Johanna Perälä, Authorised Public Accountant, as the Auditor in Charge, and Pekka Nikula, Authorised Public Accountant. The Annual General Meeting elected Pekka Pajamo, Authorised Public Accountant, and Sixten Nyman, Authorised Public Accountant, as his

deputy and KPMG Oy Ab with Kai Salli, Authorised Public Accountant, as Auditor in Charge as the auditors of the Company.

PERSONNEL

In 2006, the average number of personnel in the SanomaWSOY Group was 18,434 (16,885) employees. In full-time equivalents, the number of Group employees averaged 15,732 (14,256). Sanoma Magazines had an average of 5,584 (5,275) employees, Sanoma 2,672 (2,782), SanomaWSOY Education and Books 2,455 (2,311), SWelcom 437 (425), and Rautakirja 7,214 (6,023). The average number of employees in the Parent Company was 72 (70). Sanoma Magazines, SanomaWSOY Education and Books, and Rautakirja reported an increase in the number of employees as a result of acquisitions.

The total wages, salaries, and fees paid to SanomaWSOY employees in 2006, including expenses related to granted options, amounted to EUR 482.9 (461.8) million.

BOARD AUTHORISATIONS

The AGM of April 3, 2006 authorised the Board to decide, within one year of the AGM, on an increase in share capital by one or more rights issues, issuance of one or more convertible capital notes and/or option rights. The new shares issued shall be Series B or similar, and their aggregate number may not exceed 31,397,736 shares. The total increase in SanomaWSOY's share capital may not exceed EUR 13,501,026.48. According to the Board's proposal, this authorisation excludes the employee incentives.

Authorisation was not exercised in 2006.

COMBINATION OF SHARE SERIES AND DIRECTED ISSUE OF SHARES

The AGM of April 3, 2006 decided on the combination of SanomaWSOY's share series, on a related directed issue to the holders of Series A shares, and on amendments to the Articles of Association.

The combination of share series was facilitated through amending the Articles of Association to remove i.e. the differences between share classes. The new Articles of Association were entered into the Trade Register on April 7, 2006, with SanomaWSOY's Series A and B shares being combined into

one share series in the book-entry securities system on April 7, 2006, and trading with the new share began on the Helsinki Stock Exchange on April 10, 2006.

In order to compensate for the decrease in the voting rights of Series A shareholders, the AGM decided to increase the Company's share capital by directing a share issue at holders of Series A shares. A holder of Series A shares could subscribe for one new share for each ten Series A shares held. A total of 2,311,461 new shares were issued at a book counter-value of EUR 0.43 per share. As a result, the Company's share capital increased by EUR 993,928.23.

The new shares were combined with ordinary shares in the book-entry securities system on May 17, 2006 and trading with the combined share began on the Helsinki Stock Exchange on May 18, 2006 under the code SWS1V.

SHARES AND HOLDINGS

Trading in SanomaWSOY's shares was active in 2006. SanomaWSOY's total stock exchange turnover was EUR 1,474.5 (1,591.7) million. The volume for the comparable period includes the stock exchange turnover of the old Series A and B shares. The 2006 volume includes the stock exchange turnover of the interim shares subscribed for in the share issue, old Series A and B shares, as well as the turnover of the new combined SanomaWSOY share that replaced them on April 10, 2006.

On December 31, 2006, SanomaWSOY's market capitalisation was EUR 3,521.8 (3,121.5) million. The year-end closing price was EUR 21.35 (19.67) per share. The share price averaged EUR 20.19 over the year with a low of EUR 17.80 and a high of EUR 22.45. On December 31, 2006, the Company had a total of 16,782 shareholders. At the same time, foreign holdings accounted for 10.89% (8.97%) of the shares and votes. The Company did not hold any of its own shares (treasury shares) at the end of 2006.

In 2006, 8,792 convertible capital notes were converted into 5,525,988 shares. On December 31, 2006, the outstanding loan capital totalled EUR 2.4 million. In 2007, the conversion period of the notes ends on June 20, 2007. The conversion price is EUR 15.91. A fixed annual interest of 5.25% is payable on the notes and the last interest payment will be made on the maturity date, i.e. July 4, 2007. The new shares issued upon conversion of convertible capital notes entitle their holders to dividend as of the beginning of the financial year in which the conversion is effected. Other shareholder rights shall commence when the increase in share capital has been entered into the Trade Register.

At the end of 2006, SanomaWSOY's registered share capital was EUR 70,931,532.79 and the number of shares on the market was 164,957,053.

During the review period, one of SanomaWSOY's largest shareholders, the estate of Patricia Seppälä, was dissolved. The estate's shareholdings were equally distributed between the parties to the estate, Robin Langenskiöld and Rafaela Seppälä, resulting in their shares of the Company's share capital and votes exceeding one twentieth (1/20). SanomaWSOY also issued a flagging announcement with regard to changes in the proportional holdings of Aatos Erkko and the companies he controls, as well as the Alfred Kordelin Foundation, and the Finnish Cultural Foundation due to the combination of share series and the directed issue of shares. Aatos Erkko's combined share of SanomaWSOY's votes decreased below one fourth (1/4), and his personal share of votes decreased below one fifth (1/5). The Alfred Kordelin Foundation's and the Finnish Cultural Foundation's share of the Company votes decreased below one twentieth (1/20).

STOCK OPTIONS

SanomaWSOY has two stock option plans in place covering all of its divisions. On December 31, 2006, a total of 2,531,028 stock options were outstanding under Warrant Scheme 2001. 163 senior managers in the Group held these options. A total of 3,491,400 stock options were outstanding under Stock Option Scheme 2004. 277 senior managers in the Group held these options.

All three tranches of Warrant Scheme 2001 are listed on the Helsinki Stock Exchange. In 2006, a total of 192,022 shares were subscribed with 122,046 2001A stock options and 69,976 2001B stock options. New shares subscribed with stock options entitle their subscribers to all shareholder rights from the date the increase in share capital has been entered into the Trade Register.

On December 31, 2006, the shares to be subscribed on the basis of issued and unissued stock options and convertible capital notes would account for 4.2% of SanomaWSOY shares and votes after the conversion.

DIVIDEND

In accordance with the AGM's decision, SanomaWSOY paid out a per-share dividend of EUR 0.90 (0.80) for 2005. The record date for dividend payment was April 6, 2006 and the dividend payment

date was April 19, 2006. The Board of Directors propose a dividend of EUR 0.95 (0.90) per share for 2006.

SanomaWSOY conducts an active dividend policy and primarily distributes over half of the Group result after taxes in dividends.

RISKS AND RISK MANAGEMENT

The Group is prepared to take controlled risks in order to take full advantage of business opportunities.

Normal business risks associated with the media industry relate to developments in media advertising and private consumption. Media advertising is sensitive to economic fluctuations. However, only about one-fifth of SanomaWSOY's net sales come from media advertising. In addition, SanomaWSOY's extensive operations in versatile fields of media in over 20 European countries balance the effects of market fluctuations. SanomaWSOY's international business areas (magazine publishing, educational publishing, digital media, and press distribution) are not primarily exposed to any political risk.

Fast technological development and changes in consumer preferences have an impact on the development of media sector. SanomaWSOY actively monitors technological development and changes in consumer preferences and develops new products and services to meet these changes for both its consumer and advertising customers. The Group's extensive product and service range diminishes the risks arising from technological development and changes in consumer preferences.

In recent years, SanomaWSOY has grown vigorously through acquisitions. As a result of acquisitions, the consolidated balance sheet on December 31, 2006 includes about EUR 1.7 billion in goodwill, publishing rights, and other intangible assets related to acquired businesses most of which is related to magazine operations. In accordance with the International Financial Reporting Standards (IFRS), instead of regularly amortising goodwill, it is tested for impairment on an annual basis, or whenever there is any indication of impairment. Impairment losses for 2006 totalled EUR 0.1 (1.8) million and there was no indication of other impairment losses.

With regard to SanomaWSOY's business operations, the functioning and reliability of several different information systems are essential. SanomaWSOY has carried out an assessment on

the risks related to information systems and determined the protection levels for the systems. It has also drawn up separate continuity plans for the systems critical to the Group.

SanomaWSOY's business is based on work performed primarily in an office setting with no known significant environmental hazards. As is typical in the graphics industry, SanomaWSOY's environmental impact is low with no known significant environmental risks.

SEASONAL FLUCTUATION

Developments in media advertising have an impact on the net sales and results of Sanoma Magazines, Sanoma, and SWelcom. Advertising sales are influenced, e.g., by the number of newspaper and magazine issues published during each quarter, which varies yearly. Television advertising in Finland is usually strongest in the second and fourth quarters.

A major portion of the net sales and results in publishing and retail, for example, is generated in the last quarter, particularly from Christmas sales, while educational publishing accrues most of its net sales and results during the second and third quarters.

Seasonal fluctuations in the Group businesses influence net sales and operating profit with the first quarter traditionally showing the weakest and the second and fourth quarter the strongest performance.

OUTLOOK FOR 2007

In 2007, SanomaWSOY's net sales are estimated to increase more than in the previous year, and operating profit excluding major non-recurring capital gains is expected to improve. In 2006, operating profit excluding major non-recurring capital gains totalled EUR 288.2 million.

The forecast of the development of SanomaWSOY's net sales and operating profit in 2007 is based on both organic growth and growth based on minor acquisitions. During 2007, SanomaWSOY will continue to invest strongly in digital media and strengthening its market positions. In addition to the Group's own business activities and development projects, the growth of net sales and operating profit are also affected e.g. by growth in media markets and private consumption in the Group's operating countries.

European economies are estimated to grow in 2007, albeit at a slower rate than in 2006. Research firms predict that GDP will grow by 2.6% in the Netherlands, 2.2% in Belgium and 3.0% in Finland. The growth rate is expected to be 2.6% in Hungary, 5.0% in the Czech Republic and 5.9% in Russia. According to ZenithOptimedia estimates, media advertising in SanomaWSOY's primary market areas in 2007 will grow at a rate faster than that of GDP. In 2007, private consumption is estimated to increase by 3.3% in Finland, 2.3% in the Netherlands, 2.2% in Belgium, 3.9% in the Czech Republic and 13.6% in Russia. In Hungary, private consumption is expected to decrease by 0.5%.

SANOMA MAGAZINES

Sanoma Magazines is one of Europe's largest consumer magazine publishers, operating in 13 countries. In addition to publishing its strong portfolio of magazine brands for various reader communities, Sanoma Magazines is expanding its business to other media platforms, with a strong focus on interactivity.

- Net sales grew by 3.1% mainly due to the success of Russian and Finnish operations as well as the fast growing online operations in the Netherlands
- Sanoma Magazines' online advertising grew in the Netherlands by 55% in 2006
- Significant investments were made in magazine launches, restyling of existing magazines, and developing online operations.

KEY INDICATORS EUR million	10-12/ 2006	10-12/ 2005	Change %	1-12/ 2006	1-12/ 2005	Change %
Net sales	340.1	351.6	-3.3	1,218.9	1,181.9	3.1
Operating profit	42.3	39.4	7.2	132.2	129.1	2.4
% of net sales	12.4	11.2		10.8	10.9	
Operating profit excluding major non-recurring capital gains	42.3	39.4	7.2	129.6	129.1	0.4
% of net sales	12.4	11.2		10.6	10.9	
Balance sheet total				1,984.8	1,752.9	13.2
Capital expenditure				17.5	36.6	-52.1
Return on investment (ROI), %				10.9	11.8	
Personnel under employment contract, average				5,584	5,275	5.9
Personnel, average (full-time equivalents)				5,095	4,716	8.0

OPERATIONAL INDICATORS *	1-12/2006	1-12/2005
Number of copies sold (press distribution / Aldipress), thousands	101,683	116,106
Number of magazines published **	307	236
Magazine copies sold, thousands	433,526	442,632
Number of advertising pages sold	57,700	53,474

* Including joint ventures.

** Method of calculating number of magazines published has changed after beginning of 2006. Comparative data has been adjusted accordingly.

In 2006, Sanoma Magazines' net sales increased to EUR 1,218.9 (1,181.9) million mainly due to growth in Russia, Finland, and online operations. The Division's net sales grew by 0.8%, when adjusted for changes in the Group structure. Of the Division's net sales, 16% (15%) came from Finland.

Advertising sales, representing 26% (24%) of Sanoma Magazines' net sales, increased by 11% compared to the previous year, mainly due to new operations in Russia as well as the increased online sales in the Netherlands.

Circulation sales increased by 1%, despite the challenging single copy market in the Netherlands, and accounted for 55% (56%) of the Division's total net sales.

Net sales in Sanoma Magazines Netherlands decreased to EUR 531.2 (541.2) million mainly due to a trend in declining single copy sales and discontinuation of some titles. Subscription sales decreased slightly, and thus the total circulation sales in Sanoma Magazines Netherlands decreased, even though the restyling of e.g. women's weekly magazines Libelle and Margriet were well received on the readers market. Advertising sales, representing 22% (20%) of the Business' net sales, increased due to the strong growth of online advertising. In 2006, online advertising grew by 55%, and represents almost one third of Sanoma Magazines Netherlands' advertising sales.

Net sales at Sanoma Magazines International grew in all operating countries and increased to EUR 247.6 (212.4) million, mainly as a result of new operations in Russia and the Ukraine: the net sales of Independent Media grew by some 20% in 2006 and totalled EUR 90.2 million. Advertising sales increased significantly and totalled 48% (45%) of Sanoma Magazines International's net sales. Most growth came from the Russian operations, which were consolidated with the Group as of March 2005. Advertising sales also developed well in Bulgaria, Hungary, the Ukraine, and the Adriatic region (Croatia, Serbia, and Slovenia), where the joint venture between Sanoma Magazines International, Gruner + Jahr, and Styria began in August. Circulation sales also increased, mainly due to the positive development in Russia, Bulgaria, Romania, and the Adriatic region. Sanoma Magazines International launched a total of five major magazines during the year, the most important being the launch of the Russian women's weekly Gloria in May.

Sanoma Magazines Belgium's net sales increased to EUR 188.6 (184.4) million due to growth in niche publishing, partly attributable to the acquisition of EPN International, focusing on home and decoration titles, in September. In Belgium, the advertising market continues to experience pressure, but the advertising sales of Sanoma Magazines Belgium, representing 30% (29%) of net sales, increased due to growth in the niche publishing segment. Circulation sales increased due to the acquisition of EPN. Single copy sales remained stable and subscription sales increased. The distribution problems at the beginning of 2006 are now solved.

Sanoma Magazines Finland's net sales grew to EUR 193.2 (184.3) million, due to increased circulation and advertising sales. Especially women's and juvenile magazines developed strongly and the weekly *Aku Ankka* (Donald Duck) reached a record circulation. Single copy sales decreased slightly, but subscription sales continued their strong performance. Advertising sales totalled 15% (16%) of the Business' net sales. Sanoma Magazines Finland launched one major magazine in 2006; *Sara*, a new 40+ magazine was introduced to the market in October.

Net sales at Aldipress amounted to EUR 115.6 (118.6) million following the continuous challenging situation in the Dutch single copy market. As part of centralising the press distribution operations in SanomaWSOY, Aldipress was transferred to Rautakirja as of January 1, 2007.

Sanoma Magazines' operating profit was EUR 132.2 (129.1) million. An adjustment of EUR 2.4 million related to the acquisition in 2001 and the terms and conditions of the agreement improved the result. Operating profit also includes major non-recurring capital gains of EUR 2.6 million from Sanoma Magazines Finland's divestment of the shares in Suomen Asiakastieto.

Sanoma Magazines Netherlands' operating profit decreased mainly due to pressure in single copy sales. Sanoma Magazines International's results decreased due to heavy investments in new magazine launches. In 2006, the effect of new launches on Sanoma Magazines International's result was over EUR 6 million. Sanoma Magazines Finland's operating profit increased as a result of good sales development and the capital gain. Distribution problems at the beginning of the year and the pressure on the advertising market decreased Sanoma Magazines Belgium's results. Sanoma Magazines Belgium has changed distribution partner, and both Sanoma Magazines Belgium and the ex-distributor have filed a claim related to the partner change to the court of arbitration. The potential indemnifications are not estimated to have a material effect on SanomaWSOY's result. Aldipress' results improved.

Sanoma Magazines' investments in tangible and intangible assets totalled EUR 17.5 (36.6) million in 2006, and were mainly related to ICT systems and replacement investments. The most significant acquisitions in 2006 were the acquisitions of Kieskeurig.nl, EPN International, and Wegener Golf. The most significant acquisition in 2005 was the acquisition of Russian Independent Media.

In 2006, Sanoma Magazines continued to invest in online businesses: ilse media acquired a leading Dutch product and price comparison website Kieskeurig.nl and other acquisitions were made e.g. in the Czech Republic. Other activities of the Division included e.g. the launch of websites dedicated to health and well-being in Finland, Belgium, and Hungary.

Sanoma Magazines continues to develop its online businesses and invest in growth, which is expected to be fastest in Russia and CEE countries. Intense competition both in advertising and readers markets in the Netherlands is expected to continue, with growth being strongest in the online market, where Sanoma Magazines already has a strong position.

In 2007, Sanoma Magazines' net sales are estimated to grow, and operating profit excluding major non-recurring capital gains is expected to improve.

SANOMA

Sanoma is the leading newspaper publisher in Finland. In addition to Helsingin Sanomat, the largest subscription-based daily in the Nordic region, the Division publishes national and regional daily newspapers, local papers, and free sheets, and provides digital services.

- Sanoma's net sales increased by 2.4% due to growth in the advertising sales of Sanoma Kaupunkilehdet and Helsingin Sanomat, and the positive development of the online business
- Online advertising sales increased by 42% in 2006
- Operating profit improved by 6% from previous year with Helsingin Sanomat improving its performance significantly.

KEY INDICATORS	10-12/ 2006	10-12/ 2005	Change %	1-12/ 2006	1-12/ 2005	Change %
EUR million						
Net sales	122.4	115.6	5.9	457.1	446.4	2.4
Operating profit	16.5	12.2	35.1	62.7	59.1	6.0
% of net sales	13.5	10.6		13.7	13.2	
Operating profit excluding major non-recurring capital gains	16.5	12.2	35.1	61.0	58.1	4.9
% of net sales	13.5	10.6		13.3	13.0	
Balance sheet total				526.6	471.6	11.7
Capital expenditure				16.5	21.9	-24.7
Return on investment (ROI), %				17.9	17.8	
Personnel under employment contract, average				2,672	2,782	-4.0
Personnel, average (full-time equivalents)				2,378	2,388	-0.4

OPERATIONAL INDICATORS	1-12/2006	1-12/2005
Circulation of papers, copies		
Helsingin Sanomat *	426,117	430,785
Ilta-Sanomat	186,516	195,673
Taloussanomat	35,857	38,505
Other daily papers *	86,884	88,450
Local newspapers	31,769	32,518
Distribution total, million copies		
Free sheets	101.8	52.7
Advertising volume (column km)		
Helsingin Sanomat	42.5	41.5
Ilta-Sanomat	6.8	7.1
Taloussanomat	2.6	2.3
Other daily papers	22.0	22.2

Local newspapers	8.4	9.2
Free sheets	35.6	16.6

* Audited circulation figures.

In 2006, Sanoma's net sales increased to EUR 457.1 (446.4) million. The net sales were particularly strengthened by the increase in the advertising sales of Sanoma Kaupunkilehdet and Helsingin Sanomat, and the good development of the online business.

Sanoma's advertising sales increased by 5% during the year, and accounted for 52% (51%) of net sales. The main sources of growth were the Sanoma Kaupunkilehdet and Helsingin Sanomat business units. Online advertising sales increased significantly during the year, with a total growth of 42%.

The Division's circulation sales decreased by 1.5%, and accounted for 41% (42%) of net sales. Subscription sales were slightly up, but the weak demand for quality tabloids and the declining circulation of Ilta-Sanomat affected newsstand sales. Despite a slight decrease in circulation, the readership of Sanoma's newspapers remained at the previous year's level. However, strong growth in the number of online users has substantially increased the overall readership of the papers.

The Helsingin Sanomat business unit increased its net sales to EUR 267.3 (261.1) million, resulting from growth in both advertising and circulation sales. Online advertising sales growth was particularly strong. Job advertising increased by 14%. Despite a slight decrease in circulation, the circulation sales of Helsingin Sanomat increased slightly.

The Ilta-Sanomat business unit posted net sales of EUR 92.2 (93.7) million. Advertising sales have grown considerably. The decline of newsstand sales decreased circulation sales, although the cover price increase in October boosted the circulation sales in the fourth quarter from the comparable period. The Finnish quality tabloid market declined by 2%. Ilta-Sanomat commanded a 58.6% (60.3%) share of the tabloid market.

Sanoma Lehtimedia's net sales decreased to EUR 45.9 (48.0) million with the divestment of the business operations of Etelä-Karjalan Jakelu to Finland Post on September 1, 2005, and the transfer of the Kaupunkilehti Seiska and Lappeenrantalainen free sheets to the Sanoma Kaupunkilehdet business unit at the beginning of 2006. The transfer of the sheets decreased the advertising sales of the business unit. Circulation sales increased.

Sanoma's operating profit was EUR 62.7 (59.1) million. Major non-recurring capital gains amounted to EUR 1.7 (1.0) million, comprising the gain from the sale of Aina Group Oyj shares divested by Sanoma Lehtimedia in February 2006. Both Helsingin Sanomat and Sanoma Lehtimedia significantly improved their operating profits, while the earnings of Ilta-Sanomat were eroded by a decline in newsstand sales. Sanoma's other business units, Sanoma Business Services and the Sanomapaino printing plant, developed positively. The Division invested substantially in the development of free sheets.

In 2006, Sanoma's investments in tangible and intangible assets totalled EUR 16.5 (21.9) million, and consisted mainly of replacement investments and investments on website development. The year's most important acquisition was the purchase of the Finnish operations of the Metro free sheet. The most significant acquisition in 2005 had been the purchase of the Huuto.Net online auction site.

During the year, Sanoma invested heavily in the development of its online business, and strengthened its market position. In November, the Division announced the launch of a new company, Sanoma Digital, as of January 1, 2007. The company will focus on online business in Finland and the Baltic countries. The company is jointly owned by Sanoma, Sanoma Magazines Finland, and SWelcom. The majority of the shares are owned by Sanoma. Meanwhile, the financial daily Taloussanomat re-designed its online services in October, and managed to increase its visitor numbers significantly. Taloussanomat also increased its share of the media markets of financial dailies.

Sanoma also continued to develop its free sheet portfolio with the acquisition of the Finnish business of the Metro newspaper in September. In addition, several free sheets were revamped during the year.

Sanoma looks for growth e.g. from new businesses. Also the favourable development of media advertising is expected to continue and the single copy sales are expected to increase.

In 2007, Sanoma's net sales are estimated to increase, and operating profit excluding major non-recurring capital gains is expected to improve.

SANOMAWSOY EDUCATION AND BOOKS

SanomaWSOY Education and Books is a significant European educational publisher with operations in the Netherlands, Finland, Hungary, Belgium, and Poland. The Division is also Finland's leading book publisher and is active in business information and services.

- Net sales grew by 5.0 % and operating profit excluding major non-recurring capital gains increased markedly, mainly due to the good performance of educational publishing as well as acquisitions in Hungary, the Netherlands, and Finland
- Career and study orientation and consultancy services as well as language services were added as new businesses.

KEY INDICATORS	10-12/ 2006	10-12/ 2005	Change %	1-12/ 2006	1-12/ 2005	Change %
EUR million						
Net sales	63.4	65.2	-2.8	309.2	294.4	5.0
Operating profit	-7.1	4.7		48.0	55.8	-13.9
% of net sales	-11.2	7.2		15.5	19.0	
Operating profit excluding major non-recurring capital gains	-7.1	-1.2	477.6	48.0	39.3	22.2
% of net sales	-11.2	-1.9		15.5	13.4	
Balance sheet total				598.2	485.1	23.3
Capital expenditure				8.9	8.1	9.4
Return on investment (ROI), %				12.7	15.1	
Personnel under employment contract, average				2,455	2,311	6.2
Personnel, average (full-time equivalents)				2,106	2,123	-0.8

OPERATIONAL INDICATORS	1-12/2006	1-12/2005
Educational		
Number of new titles published, books	1,162	1,214
Number of new titles published, electronic products	202	357
Publishing		
Number of new titles published, books	565	577
Number of new titles published, electronic products	93	77
Number of copies sold, published books	24.2	14.7

In 2006, SanomaWSOY Education and Books (formerly WSOY) recorded net sales of EUR 309.2 (294.4) million. The growth came from increased sales of educational publishing and acquisitions in Hungary, the Netherlands, and Finland. In late 2005, the calendar business and part of printing

operations were divested. Net sales adjusted for changes in the Group structure increased by 3.8%. 62% (55%) of the Division's net sales came from outside Finland.

Educational publishing performed well in 2006. Net sales grew in all operating countries and increased to EUR 187.7 (151.2) million. In June, the Hungarian competition authorities approved the acquisition of educational publisher Láng Kiadó és Holding. In the Netherlands, sales increased, most notably in primary education. Malmberg expanded into career and study orientation and consultancy through the acquisitions of Aromedia Educatief in August and LDC Publicaties in September, and became the leading operator in this field in the Netherlands. Net sales of Van In in Belgium grew in both the Flemish and Walloon markets. In Finland, sales of upper secondary school materials grew, boosted by the curricula reforms. Net sales of Young Digital Planet (YDP), focusing on eLearning products, increased.

In publishing, net sales grew to EUR 95.9 (87.2) million. The main contributor to growth was the acquisition of language services provider AAC Global in February, which increased the net sales WSOYpro, focusing on business information and services. Although Finnish fiction sold well in 2006, the Christmas sales important to publishers did not reach the previous year's figures, and sales to bookstores and other retail outlets decreased by 5%. Sales through WSOY book clubs decreased slightly.

Net sales from other operations were EUR 43.4 (73.0) million and derived mainly from book printing, which developed favourably. The net sales of 2005 include the divested printing operations and the calendar business.

The Division's operating profit for 2006 was EUR 48.0 (55.8) million. Operating profit excluding major non-recurring capital gains developed well and increased by 22%, due to the good performance of educational publishing as well as to acquisitions in Hungary, the Netherlands, and Finland. In 2005, the operating profit included major non-recurring capital gains of EUR 16.5 million.

The Division's investments in tangible and intangible assets in 2006 totalled EUR 8.9 (8.1) million and consisted of replacement investments, the renovation of the office building in Helsinki, and ICT investments. The most significant acquisitions in 2006 included publisher Láng Kiadó és Holding and AAC Global. There were no significant acquisitions in 2005.

The Division's structure was refined in September. SanomaWSOY Education and Books now comprises three main businesses: educational publishing, general literature publishing, as well as

business information and services. As of October 1, 2006, the Division is headed by Jacques Eijkens with Veli-Pekka Elonen as his deputy. Eijkens is a member of SanomaWSOY's Executive Management Group and also continues as CEO of the educational publishing business, SanomaWSOY Education. As President of WSOY since October 1, 2006, Elonen is responsible for publishing and other operations. Jorma Kaimio, the former head of the Division, retired on September 30, 2006.

In 2007, net sales of SanomaWSOY Education and Books are estimated to increase, and operating profit excluding major non-recurring capital gains is expected to improve.

SWELCOM

The television channel Nelonen is Finland's third largest medium in terms of advertising sales, while Welho is the country's largest cable TV company and a major provider of broadband services. In addition, SWelcom has entered the radio business with two commercial radio channels.

- Net sales increased by 7.6% due to the strong growth of TV channel Nelonen as well as cable TV and broadband operator Welho
- Operating profit improved significantly given strong growth in sales
- Investments in the radio channels and a new commercial television channel due to launch in early 2007.

KEY INDICATORS EUR million	10-12/ 2006	10-12/ 2005	Change %	1-12/ 2006	1-12/ 2005	Change %
Net sales	37.2	35.3	5.5	131.8	122.5	7.6
Operating profit	4.8	3.8	26.8	12.5	9.6	30.2
% of net sales	12.9	10.7		9.5	7.8	
Operating profit excluding major non-recurring capital gains	4.8	3.8	26.8	12.5	9.6	30.2
% of net sales	12.9	10.7		9.5	7.8	
Balance sheet total				158.6	143.5	10.5
Capital expenditure				15.2	10.1	50.9
Return on investment (ROI), %				12.3	9.7	
Personnel under employment contract, average				437	425	3.0
Personnel, average (full-time equivalents)				398	385	3.6

OPERATIONAL INDICATORS	1-12/2006	1-12/2005
Nelonen's share of Finnish TV advertising	31.4%	31.0%
Nelonen's daily coverage	42%	41%
Nelonen's commercial viewing share	25.0%	23.8%
Nelonen's national viewing share	12.1%	11.5%
Number of connected households, thousands (31.12)	305	293
Number of pay TV subscriptions, thousands (31.12)	58	44
Number of broadband internet connections, thousands (31.12)	86	67

In 2006, SWelcom's net sales increased substantially to EUR 131.8 (122.5) million due to the growth of Nelonen and Welho. SWelcom divested Werne, a company specialised in providing technical production services for TV and audio content delivery, in September 2006. Net sales adjusted for changes in the Group structure increased by 9.3%. Advertising sales represented 58% (58%) of SWelcom's net sales.

Nelonen's net sales increased significantly to EUR 76.5 (71.5) million. The channel's share of the television advertising market increased to 31.4% (31.0%). In 2006, Nelonen focused particularly on high-quality foreign series. The channel's commercial viewing share increased in all age groups.

Nelonen expanded its Web TV services by being the first TV channel in Finland to offer its viewers the opportunity to watch episodes in advance. Nelonen also offered its viewers the opportunity to participate in content production: viewer-produced video clips were featured in Web TV, and also an entertainment programme shown on regular television.

Welho's net sales increased given strong growth in pay TV, broadband subscriptions, and the sale of digital set-top boxes. In 2006, Welho's broadband and pay TV subscriptions increased by about 30%, and the number of households connected to the cable network passed the 300,000 mark. In the second half of the year, the number of digital television channels available on the Welho network exceeded 100, and Welho was the first service provider in Finland to launch a High-Definition Television or HDTV service.

Welho opened the first ten wireless LAN access points, or Welho HotSpots, in the Helsinki city centre, and in 2007, the number of Welho HotSpots in the Helsinki metropolitan area is expected to reach 100. HotSpots enable wireless broadband internet access within the coverage area. Welho also launched a PCTV service, which will assist companies and public authorities in the transition to digital television.

SWelcom's operating profit improved significantly to EUR 12.5 (9.6) million due to strong growth in sales. Both Nelonen and Welho improved their operating profits.

In 2006, SWelcom's investments in tangible and intangible assets totalled EUR 15.2 (10.1) million, most of which was allocated to the development of Welho's cable network and services. There were no major acquisitions in 2006 or 2005.

After the review period, in January 2007, SWelcom entered the radio business. Radio Aalto is a channel targeting early adopters in larger cities, while Radio Rock focuses on rock music and its associated phenomena. The coverage areas of the two new radio channels include most of Finland. Meanwhile, the new commercial television channel JIM is due to launch in February 2007.

SWelcom will increasingly focus on providing a wider variety of programming. The Finnish Government granted SWelcom a license for a nationwide digital pay TV channel that would focus on television series and movies. This channel will be launched in autumn 2007.

SWelcom's net sales are estimated to increase further in 2007, and its operating profit excluding major non-recurring capital gains is expected to increase slightly despite substantial development investments.

RAUTAKIRJA

Rautakirja is the market leader in kiosk operations, press distribution, and movie theatres in Finland and the Baltic countries. Additionally, it leads the Finnish and Estonian markets for bookstores, and, from the beginning of 2007, also the Dutch market for press distribution. The press distribution business has also expanded into the Russian and Romanian markets.

- Net sales increased by 7.6%, with all businesses improving their net sales
- Operating profit excluding major non-recurring capital gains increased by 21.3%, with all businesses improving their earnings
- For movie theatres, 2006 was the best year to date.

KEY INDICATORS EUR million	10-12/ 2006	10-12/ 2005	Change %	1-12/ 2006	1-12/ 2005	Change %
Net sales	203.4	184.4	10.3	684.3	635.9	7.6
Operating profit	22.2	23.0	-3.6	51.3	51.2	0.2
% of net sales	10.9	12.5		7.5	8.0	
Operating profit excluding major non-recurring capital gains	22.2	18.1	22.5	51.3	42.3	21.3
% of net sales	10.9	9.8		7.5	6.6	
Balance sheet total				474.4	397.0	19.5
Capital expenditure				22.1	16.6	33.4
Return on investment (ROI), %				20.7	20.9	
Personnel under employment contract, average				7,214	6,023	19.8
Personnel, average (full-time equivalents)				5,684	4,577	24.2

OPERATIONAL INDICATORS	1-12/2006	1-12/2005
Number of customers in kiosks, thousands*	111,492	110,492
Number of customers in bookstores, thousands *	6,678	6,400
Number of customers in movie theatres, thousands	8,163	6,195
Number of copies sold (press distribution), thousands	273,155	244,377

* Units in Finland

Rautakirja's net sales grew to EUR 684.3 (635.9) million in 2006, with all businesses improving their net sales. Net sales increased in all countries of operation. About 23% (18%) of Rautakirja's net sales came from outside Finland. Net sales adjusted for changes in the Group structure increased by 5.7%.

The net sales of kiosk operations increased in all countries of operation, rising to EUR 369.1 (345.8) million. The net sales in the comparable period included kiosk operations in the Czech Republic, which were divested in late 2005. Lietuvos Spauda's chain of over 500 kiosks was consolidated with

Rautakirja's kiosk operations at the beginning of 2006, and the Pizza Hut restaurant chain was divested in June. The sales of traditional kiosk products in particular have grown. In 2006, customer volume increased in all countries of operation with the exception of Lithuania. The introduction of a new point-of-sale system to the Finnish R-kiosks has enabled them to add new kinds of products, such as the sale and collection of various transportation and event tickets, to their inventory.

The net sales of press distribution rose to EUR 108.0 (98.5) million. Net sales increased in the Baltic countries, Romania and Russia, but decreased slightly in Finland. The Finnish quality tabloid cover price increase in October-November had a positive impact on press distribution. In spring 2006, Rautakirja restructured its operations in the Baltic countries by transferring the kiosk chain's Lithuanian press distribution customers to its Lithuanian press distribution subsidiary, and by transferring the wholesale operations and logistics of its Estonian bookstore chain to a press distributor. The Dutch press distribution company Aldipress, formerly part of the Sanoma Magazines division, was transferred to Rautakirja's press distribution business on January 1, 2007.

In 2006, bookstore net sales increased to EUR 138.9 (135.3) million. Net sales grew in both Estonia and Finland. Both Finnish Suomalainen Kirjakauppa and the Estonian Apollo Raamatud chain opened two new outlets. In Finland, particularly the sales of educational books and consumer stationery products have grown well. The increase in net sales was also due to, e.g. the increased number of outlets and successful marketing initiatives that increased the company's market share in both of its operating countries. Sales during the Christmas season sales, always an important time for bookstores, increased both in Finland and Estonia. The online bookstore increased its sales substantially.

The entertainment business comprises movie theatres in Finland and the Baltic countries, and a multi-purpose arena in Hamburg. The Business' net sales increased in all countries of operation, rising to EUR 81.7 (65.0) million. For movie theatres, 2006 was the best year to date. Blockbuster films attracted record audiences and customer volumes were up significantly. Movie theatre operations expanded in Finland: Finnkino acquired the movie theatres of Sandrew Metronome Finland, opened two new multiplexes, and signed a distribution agreement with United International Pictures for the theatrical distribution rights of UIP films. In Estonia, a new movie theatre was opened in Narva.

In 2006, Rautakirja's investments in tangible and intangible assets totalled EUR 22.1 (16.6) million, and focused mainly on business ICT projects, as well as the acquisition of new retail premises, and the renovation of existing ones. There were no major acquisitions during the review period. The most important acquisitions in 2005 were the purchases of press distribution companies in Romania and Russia, and the purchase of a kiosk chain in Lithuania.

Rautakirja's operating profit was EUR 51.3 (51.2) million. Operating profit excluding major non-recurring capital gains increased significantly as profits of the comparable year included EUR 8.9 million in capital gains from the divestment of restaurant operations and the Czech kiosk operations. Net sales grew across all businesses. The operating profit of kiosk operations was improved due to increased sales and customer numbers. Good results reported by Baltic press distributors bolstered the operating profit in press distribution. Bookstores also improved their earnings. The strong growth of movie audiences in all countries of operation substantially improved the result of the entertainment business.

Rautakirja will continue to ensure its expansion and success through continuous development, internationalisation, and acquisitions, with Russia and the emerging CEE economies serving as the target countries for expansion. The transfer of the Dutch press distribution company Aldipress to Rautakirja will clearly increase the importance of international business within Rautakirja, and enable more effective dissemination of best practices.

In 2007, Rautakirja's net sales are estimated to grow, and operating profit excluding major non-recurring capital gains is expected to be at the previous year's level. These estimates incorporate the effect of Aldipress transferred from Sanoma Magazines to Rautakirja on January 1, 2007.

Helsinki

Board of Directors
SanomaWSOY Corporation

CONSOLIDATED INCOME STATEMENT			
EUR million	1-12/2006	1-12/2005	Change, %
NET SALES	2,742.1	2,622.3	4.6
Other operating income	57.2	80.7	-29.1
Materials and services	1,243.3	1,177.8	5.6
Personnel expenses	595.5	574.7	3.6
Other operating expenses	532.2	518.6	2.6
Depreciation and impairment losses	135.8	130.6	3.9
OPERATING PROFIT	292.5	301.3	-2.9
Share of result of associated companies	8.4	9.8	-14.5
Financial income	12.5	10.6	17.5
Financial expenses	37.0	35.7	3.7
RESULT BEFORE TAXES	276.3	286.0	-3.4
Income taxes	-68.0	-57.6	17.9
RESULT FOR THE PERIOD	208.4	228.4	-8.8
Attributable to:			
Equity holders of the Parent company	209.5	224.0	-6.5
Minority interest	-1.1	4.4	
Earnings per share for result attributable to the equity holders of the Parent company:			
Earnings per share, EUR	1.32	1.45	-9.3
Diluted earnings per share, EUR	1.31	1.42	-8.0

CONSOLIDATED BALANCE SHEET			
EUR million	31.12.2006	31.12.2005	Change, %
ASSETS			
NON-CURRENT ASSETS			
Tangible assets	572.3	566.5	1.0
Investment property	10.0	12.1	-17.4
Goodwill	1,392.7	1,329.3	4.8
Other intangible assets	368.1	313.0	17.6
Interest in associated companies	68.2	61.0	11.8
Available-for-sale financial assets	16.4	22.8	-27.8
Deferred tax receivables	45.2	53.8	-15.9
Other receivables	38.4	37.7	1.8
NON-CURRENT ASSETS, TOTAL	2,511.3	2,396.1	4.8
CURRENT ASSETS			
Inventories	150.1	144.0	4.3
Income tax receivables	20.1	16.8	19.4

Trade and other receivables	369.2	330.2	11.8
Available-for-sale financial assets		0.5	-100.0
Cash and cash equivalents	81.5	84.9	-4.0
CURRENT ASSETS, TOTAL	620.9	576.4	7.7
ASSETS, TOTAL	3,132.2	2,972.5	5.4
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to the equity holders of the Parent Company			
Share capital	70.9	67.5	5.1
Premium fund	181.0	93.7	93.0
Other reserves	6.9	363.8	-98.1
Translation differences	17.6	15.9	10.8
Retained earnings	1,029.3	600.5	71.4
	1,305.7	1,141.5	14.4
Minority interest	17.0	16.3	4.2
EQUITY, TOTAL	1,322.7	1,157.7	14.3
NON-CURRENT LIABILITIES			
Deferred taxes	96.2	90.4	6.4
Pension obligations	57.6	64.8	-11.1
Provisions	7.8	12.3	-36.8
Interest-bearing liabilities	44.2	132.0	-66.5
Trade and other payables	36.0	26.0	38.4
CURRENT LIABILITIES			
Provisions	7.9	9.9	-19.7
Interest-bearing liabilities	819.7	796.8	2.9
Income tax liabilities	28.8	37.5	-23.2
Trade and other payables	711.2	645.2	10.2
LIABILITIES, TOTAL	1,809.5	1,814.8	-0.3
EQUITY AND LIABILITIES, TOTAL	3,132.2	2,972.5	5.4

CHANGES IN CONSOLIDATED EQUITY									
EUR million	Equity attributable to the equity holders of the Parent Company						Total	Minority interest	Equity total
	Share capital	Premium fund	Other reserves	Translation differences	Retained earnings				
Equity at Dec. 31, 2004	65.8	34.9	369.4	5.8	494.8	970.7	15.3	986.0	
Impact of implementing IAS 32 and 39, derivatives					-1.2	-1.2		-1.2	
Impact of implementing IAS 32 and 39, convertible capital note			10.1		-11.0	-0.9		-0.9	
Jubilee provisions *					-1.3	-1.3		-1.3	
Equity at Jan. 1, 2005, adjusted	65.8	34.9	379.5	5.8	481.4	967.3	15.3	982.6	
Translation differences recognised in income statement on disposal of operations				-1.3		-1.3		-1.3	
Change in translation differences				11.4		11.4	0.3	11.7	
Other items					-0.6	-0.6		-0.6	
Items recognised directly in equity, total				10.1	-0.6	9.5	0.3	9.7	
Result for the period					224.0	224.0	4.4	228.4	
Total recognised income and expenses				10.1	223.3	233.4	4.7	238.1	
Conversion of capital notes	1.6	58.6	-2.0			58.3		58.3	
Usage of share options	0.0	0.3				0.3		0.3	
Expense recognition of granted options					4.6	4.6		4.6	
Dividends paid					-122.5	-122.5	-0.2	-122.7	
Change in minority interests							-3.4	-3.4	

Other changes			-13.7		13.7				
Equity at Dec. 31, 2005	67.5	93.7	363.8	15.9	600.5	1,141.5	16.3	1,157.7	
Equity at Jan. 1, 2006	67.5	93.7	363.8	15.9	600.5	1,141.5	16.3	1,157.7	
Translation differences recognised in income statement on disposal of operations									
Change in translation differences				1.7		1.7	0.3	2.0	
Other items					-0.5	-0.5		-0.5	
Items recognised directly in equity, total				1.7	-0.5	1.2	0.3	1.5	
Result for the period					209.5	209.5	-1.1	208.4	
Total recognised income and expenses				1.7	209.0	210.7	-0.8	209.9	
Directed issue of shares	1.0					1.0		1.0	
Conversion of capital notes	2.4	85.5	-1.2			86.7		86.7	
Usage of share options	0.1	1.7				1.8		1.8	
Expense recognition of granted options					5.4	5.4		5.4	
Dividends paid					-141.3	-141.3	-1.4	-142.7	
Change in minority interests							3.0	3.0	
Other changes			-355.6		355.6				
Equity at Dec. 31, 2006	70.9	181.0	6.9	17.6	1,029.3	1,305.7	17.0	1,322.7	

* Accounting practice related to jubilee provisions has been specified in two operating countries.

CONSOLIDATED CASH FLOW STATEMENT			
EUR million	1-12/2006	1-12/2005	Change, %
OPERATIONS			
Result for the period	208.4	228.4	-8.8
Adjustments			
Income taxes	68.0	57.6	17.9
Financial expenses	37.0	35.7	3.7
Financial income	-12.5	-10.6	17.5
Share of result of associated companies	-8.4	-9.8	-14.5
Depreciation and impairment losses	135.8	130.6	3.9
Profit on sales of non-current assets	-8.2	-37.6	-78.2
Other adjustments	-53.6	-44.7	19.8
Change in working capital			
Change in trade and other receivables	-27.9	-13.2	111.9
Change in inventories	2.3	-7.4	
Change in trade and other payables, and provisions	30.5	22.5	35.5
Interest paid	-34.9	-30.3	15.1
Other financial items	1.3	-1.0	
Taxes paid	-77.9	-59.3	31.4
CASH FLOW FROM OPERATIONS	259.9	260.9	-0.4
INVESTMENTS			
Acquisition of tangible and intangible assets	-81.2	-90.0	-9.8
Operations acquired	-88.5	-154.8	-42.8
Associated companies acquired	-2.5	-1.3	84.7
Acquisition of other holdings	-0.2	-1.1	-84.4
Sales of tangible and intangible assets	11.9	29.3	-59.4
Operations sold	11.5	37.6	-69.4
Associated companies sold	0.3	0.0	
Sales of other companies	11.9	0.7	
Loans granted	-9.5	-11.0	-13.3
Repayments of loan receivables	3.4	19.3	-82.1
Sales of short-term investments	0.5	0.0	
Interest received	4.8	3.6	33.0
Dividends received	4.6	3.0	53.9
CASH FLOW FROM INVESTMENTS	-132.9	-164.7	-19.3
CASH FLOW BEFORE FINANCING	127.0	96.2	32.1
FINANCING			
Proceeds from share subscriptions	2.8	0.3	895.2
Minority capital investment/repayment of equity	0.2	-8.5	
Change in loans with short maturity	7.1	135.4	-94.7

Drawings of other loans	328.3	367.3	-10.6
Repayments of other loans	-329.1	-463.7	-29.0
Payment of finance lease liabilities	-2.2	-1.5	47.9
Dividends paid	-142.7	-122.7	16.3
Donations/other profit sharing	-0.4	-0.4	7.1
CASH FLOW FROM FINANCING	-136.0	-93.8	45.0
Change in cash and cash equivalents according to the cash flow statement	-8.9	2.4	
Exchange rate differences under cash and cash equivalents	1.1	-1.1	
Net increase(+)/decrease(-) in cash and cash equivalents	-7.8	1.3	
Cash and cash equivalents at Jan. 1	84.9	83.6	1.6
Cash and cash equivalents at Dec. 31	77.1	84.9	-9.2

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

NET SALES BY BUSINESS								
EUR million	1-3/ 2006	4-6/ 2006	7-9/ 2006	10-12/ 2006	1-3/ 2005	4-6/ 2005	7-9/ 2005	10-12/ 2005
Sanoma Magazines								
Sanoma Magazines Netherlands	116.7	138.7	127.4	148.3	117.8	134.7	123.4	165.4
Sanoma Magazines International	58.1	59.7	57.9	71.9	39.7	53.1	50.8	68.8
Sanoma Magazines Belgium	44.7	48.2	43.8	51.9	47.3	46.0	43.1	48.0
Sanoma Magazines Finland	45.8	47.1	47.3	53.1	41.4	46.5	43.9	52.6
Aldipress	26.4	29.8	30.0	29.4	28.0	29.8	29.0	31.7
Eliminations	-13.4	-14.2	-15.1	-14.6	-14.7	-14.3	-15.2	-14.9
Total	278.2	309.2	291.4	340.1	259.5	295.8	275.0	351.6
Sanoma								
Helsingin Sanomat	66.8	66.2	62.9	71.4	64.6	66.2	61.6	68.6
Ilta-Sanomat	22.3	23.4	22.8	23.7	22.1	24.2	24.5	22.9
Sanoma Lehtimedia	11.0	11.6	10.9	12.3	11.7	12.7	11.3	12.3
Others	47.4	46.4	44.2	49.4	42.2	44.1	42.0	47.0
Eliminations	-34.9	-33.7	-32.6	-34.3	-32.0	-32.8	-31.6	-35.2
Total	112.6	113.8	108.2	122.4	108.6	114.4	107.8	115.6
SanomaWSOY								
Education and Books								
Educational publishing	15.3	69.7	77.3	25.4	12.8	61.3	47.8	29.3
Publishing	24.1	22.0	19.0	30.7	23.4	19.9	16.2	27.7
Others	10.3	9.7	11.3	12.1	16.0	17.4	27.4	12.3
Eliminations	-4.4	-4.3	-4.3	-4.8	-3.9	-4.7	-4.3	-4.1
Total	45.4	97.2	103.3	63.4	48.3	93.9	87.0	65.2

SWelcom								
Nelonen	19.2	21.0	13.4	22.8	17.2	18.9	13.9	21.6
Others	14.3	13.2	14.0	14.6	13.0	12.6	12.9	14.2
Eliminations	-0.2	-0.1	-0.2	-0.1	-0.4	-0.3	-0.4	-0.5
Total	33.3	34.1	27.2	37.2	29.8	31.1	26.3	35.3
Rautakirja								
Kiosk operations	82.3	94.4	91.4	101.0	81.9	86.7	85.6	91.7
Press distribution	24.4	27.7	26.6	29.3	22.7	24.4	25.6	25.8
Bookstores	30.2	22.5	37.2	49.0	27.9	22.6	35.8	49.1
Entertainment	20.1	15.7	18.0	28.0	16.2	13.7	14.1	21.1
Others	0.0	0.0	0.0	0.0	2.5	0.0	0.0	0.0
Eliminations	-2.6	-3.2	-3.6	-3.9	-2.6	-2.9	-2.5	-3.3
Total	154.3	157.0	169.6	203.4	148.6	144.5	158.5	184.4
Other companies and eliminations	-11.3	-12.2	-11.5	-24.3	-12.5	-12.2	-17.0	-17.1
Total	612.5	699.2	688.2	742.2	582.1	667.5	637.7	735.0

NET SALES BY BUSINESS

EUR million	1-12/ 2006	1-12/ 2005
Sanoma Magazines		
Sanoma Magazines Netherlands	531.2	541.2
Sanoma Magazines International	247.6	212.4
Sanoma Magazines Belgium	188.6	184.4
Sanoma Magazines Finland	193.2	184.3
Aldipress	115.6	118.6
Eliminations	-57.3	-59.0
Total	1,218.9	1,181.9
Sanoma		
Helsingin Sanomat	267.3	261.1
Ilta-Sanomat	92.2	93.7
Sanoma Lehtimedia	45.9	48.0
Others	187.3	175.2
Eliminations	-135.6	-131.6
Total	457.1	446.4
SanomaWSOY Education and Books		
Educational publishing	187.7	151.2
Publishing	95.9	87.2
Others	43.4	73.0
Eliminations	-17.8	-17.1
Total	309.2	294.4

SWelcom		
Nelonen	76.5	71.5
Others	56.0	52.6
Eliminations	-0.6	-1.6
Total	131.8	122.5
Rautakirja		
Kiosk operations	369.1	345.8
Press distribution	108.0	98.5
Bookstores	138.9	135.3
Entertainment	81.7	65.0
Others	0.0	2.6
Eliminations	-13.4	-11.3
Total	684.3	635.9
Other companies and eliminations	-59.3	-58.8
Total	2,742.1	2,622.3

OPERATING PROFIT BY DIVISION								
EUR million	1-3/ 2006	4-6/ 2006	7-9/ 2006	10-12/ 2006	1-3/ 2005	4-6/ 2005	7-9/ 2005	10-12/ 2005
Sanoma Magazines	23.5	37.1	29.3	42.3	25.5	40.3	23.9	39.4
Sanoma	16.1	15.0	15.0	16.5	13.9	16.6	16.4	12.2
SanomaWSOY Education and Books	-4.3	33.8	25.6	-7.1	-7.1	28.1	30.1	4.7
SWelcom	3.2	4.0	0.4	4.8	2.7	2.1	1.0	3.8
Rautakirja	10.1	6.3	12.6	22.2	13.8	4.0	10.3	23.0
Other companies and eliminations	-3.1	-3.4	-2.9	-4.7	0.0	-1.9	1.8	-3.5
Total	45.6	92.8	80.1	73.9	48.9	89.2	83.5	79.6

OPERATING PROFIT BY DIVISION		
EUR million	1-12/ 2006	1-12/ 2005
Sanoma Magazines	132.2	129.1
Sanoma	62.7	59.1
SanomaWSOY Education and Books	48.0	55.8
SWelcom	12.5	9.6
Rautakirja	51.3	51.2
Other companies and eliminations	-14.1	-3.5
Total	292.5	301.3

CHANGES IN PROPERTY, PLANT AND EQUIPMENT			
EUR million	31.12.2006	31.12.2005	Change, %
Carrying amount at Jan. 1	566.5	496.7	14.1
Increases	59.4	67.6	-12.1
Acquisition of operations	15.5	81.7	-81.0
Decreases	-5.3	-4.5	18.0
Disposals of operations	-2.3	-18.6	-87.6
Depreciation for the period	-62.9	-62.2	1.1
Impairment losses for the period	-0.2	-0.1	134.5
Exchange rate differences and other changes	1.6	5.9	-73.5
Carrying amount at Dec. 31	572.3	566.5	1.0

In the end of the financial period the commitments for acquisitions of tangible assets were EUR 6.3 million (2005: EUR 7.8 million).

CONTINGENT LIABILITIES			
EUR million	31.12.2006	31.12.2005	Change, %
Contingencies for own commitments			
Mortgages	10.5	7.3	43.4
Pledges	18.4	10.8	70.0
Other items	0.4	1.6	-72.7
Total	29.4	19.8	48.6
Contingencies given on behalf of associated companies			
Guarantees	7.9	7.9	
Total	7.9	7.9	
Contingencies given on behalf of other companies			
Guarantees	0.1	0.2	-15.5
Total	0.1	0.2	-15.5
Other commitments			
Operating lease liabilities	249.1	225.6	10.4
Royalties	15.9	19.2	-17.1
Other items	47.2	49.6	-4.9
Total	312.2	294.4	6.1
Total	349.6	322.2	8.5

DERIVATIVE INSTRUMENTS			
Nominal values, EUR million	31.12.2006	31.12.2005	Change, %
Interest rate derivatives			
Options			
Purchased		100.0	-100.0
Written		54.8	-100.0
Total		154.8	-100.0
Total		154.8	-100.0

Fair values, EUR million	31.12.2006	31.12.2005	Change, %
Interest rate derivatives			
Options			
Purchased		0.0	-100.0
Written		-0.2	-100.0
Total		-0.2	-100.0
Total		-0.2	-100.0

Fair values of derivative contracts are recorded to balance sheet. The SanomaWSOY Group had no open derivative contracts at the end of the financial year.

CONSOLIDATED INCOME STATEMENT BY QUARTER								
EUR million	1-3/ 2006	4-6/ 2006	7-9/ 2006	10-12/ 2006	1-3/ 2005	4-6/ 2005	7-9/ 2005	10-12/ 2005
NET SALES	612.5	699.2	688.2	742.2	582.1	667.5	637.7	735.0
Other operating income	15.4	12.8	13.8	15.2	14.5	12.5	28.1	25.6
Materials and services	280.9	306.6	322.0	333.8	263.6	284.7	292.2	337.4
Personnel expenses	145.6	148.7	142.0	159.1	143.0	147.3	137.2	147.2
Other operating expenses	124.8	129.8	124.3	153.3	111.7	125.8	124.1	157.0
Depreciation and impairment losses	30.9	34.0	33.5	37.3	29.4	33.0	28.8	39.4
OPERATING PROFIT	45.6	92.8	80.1	73.9	48.9	89.2	83.5	79.6
Share of result of associated companies	1.9	2.3	3.4	0.8	3.3	2.5	3.2	0.8
Financial items	-6.2	-7.5	-6.1	-4.7	-6.1	-8.6	-4.6	-5.8
RESULT BEFORE TAXES	41.3	87.6	77.4	70.1	46.0	83.1	82.2	74.7
Income taxes	-12.4	-25.3	-18.2	-12.1	-12.0	-28.7	-15.8	-1.1
RESULT FOR THE PERIOD	28.9	62.3	59.2	58.0	34.0	54.4	66.4	73.6

Attributable to:								
Equity holders of the Parent Company	32.5	62.2	57.2	57.6	34.4	52.2	66.3	71.1
Minority interest	-3.6	0.1	2.0	0.4	-0.4	2.2	0.1	2.5

PRESS AND ANALYST MEETING

Press and analyst meeting in Finnish will be held by Mr Hannu Syrjänen, President and CEO of SanomaWSOY on Thursday, February 8, 2007 at 1:30 pm (Finnish time) at Sanomatalo, Töölönlahdenkatu 2, Helsinki. Webcast of the event can be watched on the Group's website at www.sanomawsoy.fi either live or after the event as on demand.

The conference call in English for analysts and investors will be arranged at 4 pm (Finnish time). Mr Hannu Syrjänen will present the result. To join the conference, please dial +44 20 3003 2666 (UK) or +1 866 966 5335 (US). The code for the call is Sanoma. Audiocast of the event can be listened on the Group's website at www.sanomawsoy.fi either live or after the event as on demand.

The presentation material of the press and analyst meeting as well as the slides used in the conference call will be available at SanomaWSOY's website after the press and analyst meeting has started.

Additional information: SanomaWSOY's Group Communications, tel. +385 105 19 5062 or ir@sanomawsoy.fi

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