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SANOMAWSOY'S YEAR 2004 CONTINUED SUCCESSFULLY

The operations of the SanomaWSOY Group developed very well in the first half of the year. – Result improved despite the non-recurring gains on the sales of assets being less than in the previous year. We implemented consistently both economic and strategic targets, comments Hannu Syrjänen, President & COO of SanomaWSOY.

SanomaWSOY's result development was good and the Group's operating profit grew by 13.4% in the January - June period. The operating profit increased in Sanoma Magazines, Sanoma and SWelcom. Result before extraordinary items rose by 38.6%.

Consistent implementation of plans

– The Group's strong development is due to businesses' consistent work on implementing the plans, Syrjänen says. – The good development of media advertising helps, though advertising has not yet picked up in all SanomaWSOY's markets.

In the January - June period the businesses developed well: Sanoma Magazines for example launched 16 new titles and Sanoma made a strategic investment in the news publication Uutislehti 100.

In July, Rautakirja gained a foothold in Romania with the Hiparion deal. Also in July, WSOY agreed on acquiring Malmberg Investments, an educational publisher operating in the Netherlands and Belgium. The acquisition continues the internationalisation of educational material publishing that started in the spring when WSOY acquired a majority share in Young Digital Poland (YDP).

– Malmberg will be carefully integrated into SanomaWSOY. We can benefit from our previous experience. New projects to grow the business are planned as well, Syrjänen says.

Internationalisation continues

– We will continuously develop the Group. Operations will be expanded and internationalised. On the other hand, we will continue to focus on core businesses, says Syrjänen.

– From our chosen spearheads, magazines are growing further. For example, the Russian market is interesting. The international development in educational materials has started well and will continue. The internationalisation of our press distribution will continue step by step. Preconditions for future international expansion are being built also in other divisions.

SanomaWSOY's profitability is expected to develop positively. – The Group is now in good shape. We still have development projects going on in several businesses. Our key strategic areas are clear and our operations are extremely logical. Naturally, the positive development in the media advertising market also helps, Syrjänen concludes.

SANOMAWSOY CORPORATION

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