

Sanoma's Year 2008, Objectives and Outlook for 2009

President and CEO Hannu Syrjänen
AGM, 1 April 2009



Sanoma in Brief



Growing European Media Company

- One of the leading media companies in Europe, with a focus on sustainable growth and profitability
- Balanced portfolio of B2C and B2B products and services
- Market leader in chosen businesses and segments
- Strong cash generation, investing in growth areas of media

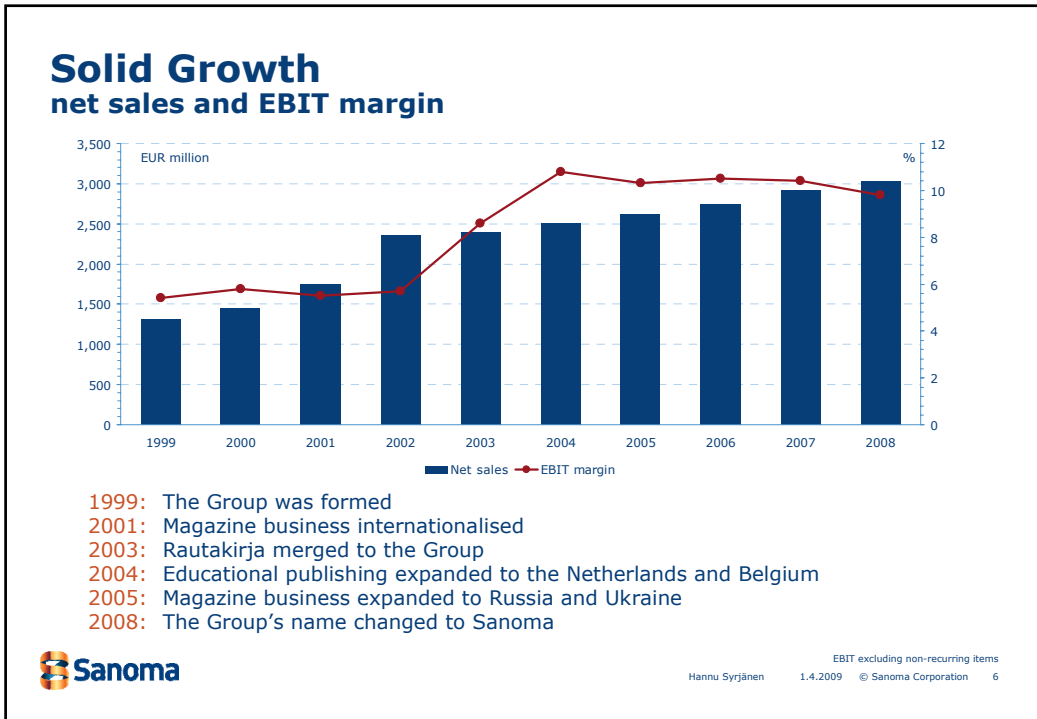


Balanced Business Portfolio

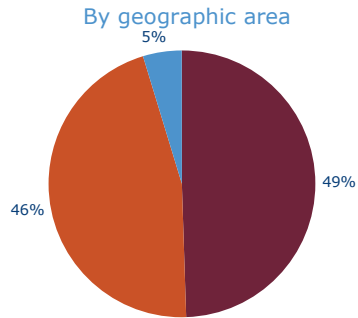


Hundreds of product and service brands

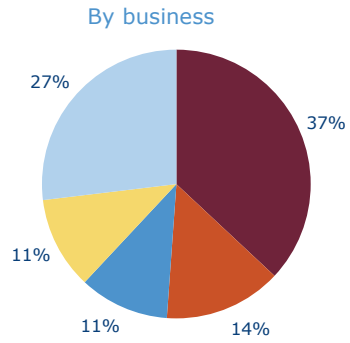
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Balanced Entity net sales distribution



■ Finland ■ Other EU countries ■ Other countries
The Netherlands 22%
CEE + Russia and Ukraine 20%



■ Magazines
■ Newspapers
■ Printed educational material and books
■ Digital media
■ Retail



Year 2008



Net Sales at Previous Year's Record Level

- Advertising market reacted at the end of the year strongly to general economic uncertainty
- Impairment in magazine operations in CEE countries and Russia
- Forecasting advertising in 2009 difficult
- Divisions' measures to improve cost-effectiveness



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Solid Performance

EUR million	1-12/2008	1-12/2007	Ch, %
Net sales	3,030.1	2,926.3	3.5
Operating profit excluding non-recurring items	295.7	305.2	-3.1
% of net sales	9.8	10.4	
Operating profit	236.3	343.8	-31.2
% of net sales	7.8	11.7	
Balance sheet total	3,278.7	3,192.3	2.7
Capital expenditure	109.9	90.5	21.4
Return on equity (ROE), %	9.1	18.6	
Return on investment (ROI), %	10.7	15.9	
Equity ratio, %	40.0	45.4	
Net gearing, %	78.5	58.2	
Interest-bearing liabilities	1,082.6	881.4	22.8
Interest-bearing net debt	971.6	793.3	22.5
Earnings/share, EUR	0.72	1.47	-51.2
Cash flow from operations/share, EUR	1.56	1.38	12.5
Dividend/share, EUR *	0.90	1.00	-10.0
Market capitalisation, EUR million	1,479.7	3,196.2	-53.7
Average number of employees	21,329	19,587	8.9



* Proposal for the AGM
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Consolidated Income Statement

EUR million	1-12/2008	1-12/2007	Ch, %
NET SALES	3,030.1	2,926.3	3.5
Other operating income	97.1	95.2	1.9
Materials and services	1,367.4	1,308.9	4.5
Personnel expenses	702.8	646.5	8.7
Other operating expenses	588.8	572.7	2.8
Depreciation and impairment losses	231.9	149.7	54.9
OPERATING PROFIT	236.3	343.8	-31.2
Share in result of associated companies	4.9	12.4	-60.1
Financial income	18.9	9.2	105.1
Financial expenses	69.9	44.9	55.7
RESULT BEFORE TAXES	190.3	320.4	-40.6
Income taxes	-69.4	-74.4	-6.6
RESULT FOR THE PERIOD	120.8	246.1	-50.9
Attributable to:			
Equity holders of the Parent Company	115.7	242.8	-52.3
Minority interest	5.1	3.2	57.2



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Consolidated Balance Sheet

EUR million	31.12.2008	31.12.2007	Ch, %
ASSETS			
Non-current assets, total	2,560.0	2,492.1	2.7
Current assets, total	718.7	700.2	2.6
ASSETS, TOTAL	3,278.7	3,192.3	2.7
EQUITY AND LIABILITIES			
Equity, total	1,237.1	1,364.2	-9.3
Non-current liabilities	633.7	514.3	17.1
Current liabilities	1,407.6	1,313.9	7.1
LIABILITIES, TOTAL	2,041.6	1,828.1	11.7
EQUITY AND LIABILITIES, TOTAL	3,278.7	3,192.3	2.7



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Key Events

- Launched or acquired over 20 sites and some 40 print titles

Acquisitions, e.g.

- Kiosk company KP Roznitsa, Russia
- Educational publisher Nowa Era, closing, Poland
- Publishing company Lux Media, Russia
- Online services provider Net Info, Bulgaria
- Publishing house specialised in road safety books Wees Wegwijs, Belgium
- Language services company Interverbum, Sweden
- Publishing company European Auto Trader, the NL

Divestments

- Movie distribution company R.C.V. Entertainment, the NL
- Digital communication solutions provider 2ndhead's operations, Finland
- Year book operations, Finland



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Divisions



International Operator Sanoma Magazines

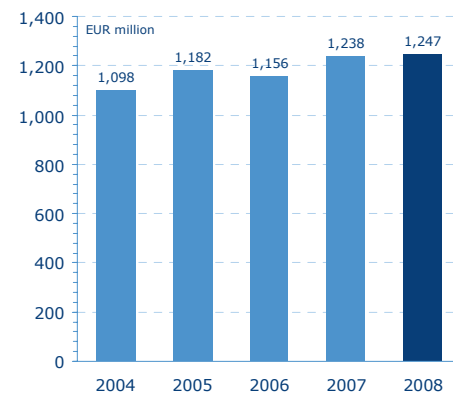
- Net sales EUR 1,247 million, EBIT EUR 139 million*, personnel 6,280
- One of Europe's leading magazine publishers
- Publishes over 300 magazines in 13 countries
 - Leading in Belgium, the NL, Finland, Czech, Slovakia, Bulgaria, Hungary and Russia
 - Strong own brands:
 - Libelle, Margriet (the NL)
 - Kodin Kuvalehti, ET, Me Naiset (Finland)
 - Humo, Libelle (Belgium)
 - Story (in 10 countries)
 - Preferred license partner
 - Cosmopolitan (in 11 countries), Elle (in 4 countries), Donald Duck (in 2 countries), National Geographic (in 6 countries)
- Strong in online business
 - Leading in the NL, Finland, Hungary and Bulgaria
 - Popular sites: Nu.nl, Startpagina.nl, Ilse.nl, Cosmopolitan.ru, Nlcafe.hu, Vauva.fi



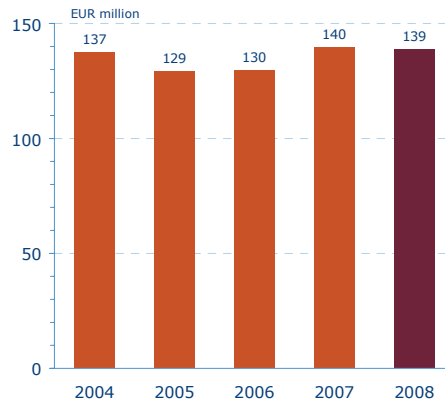
* EBIT excluding non-recurring items
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Growth Continues Sanoma Magazines' Key Figures

Net sales



EBIT excluding non-recurring items



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Finland's Leading Newspaper Publisher

Sanoma News

- Net sales EUR 475 million, EBIT EUR 57 million*, personnel 2,808
- Leading newspaper publisher in Finland
 - Helsingin Sanomat (largest morning paper in the Nordic countries), Ilta-Sanomat (largest tabloid in Finland), Metro and Vartti (Finland's two most read free sheets), Etelä-Saimaa, Kouvolan Sanomat and Kymen Sanomat (leading regional papers in their market)
- Strong in digital media:
 - Market leader in online classified ad services in Finland (Huuto.net, Keltainen Pörssi and Oikotie) – significant in the Baltic countries
 - Iltasanomat.fi, the largest online newspaper in Finland
 - Taloussanomat.fi, a financial site
- Printing plants at five locations

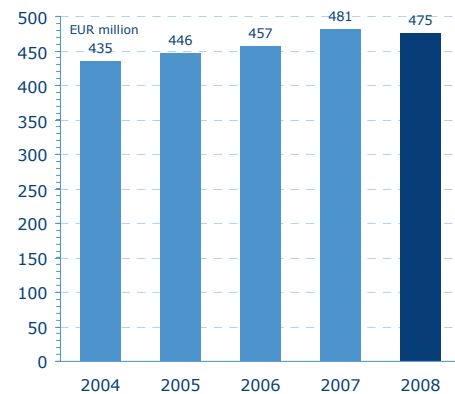


* EBIT excluding non-recurring items
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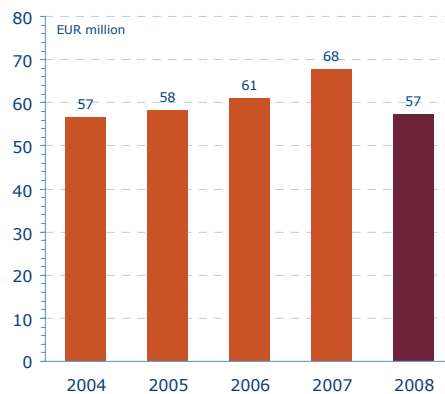
Profitable Publisher

Sanoma News' Key Figures

Net sales



EBIT excluding non-recurring items



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Electronic Media Expert

Sanoma Entertainment

- Net sales EUR 157 million, EBIT EUR 17 million*, personnel 526
- Six TV channels: Nelonen, Jim, Liv, Urheilukanava, Urheilu+kanava, KinoTV
- Two radio channels: Radio Aalto, Radio Rock
- Third-largest advertising media in Finland – Nelonen Media’s share of TV advertising about 30%
- Welho: Finland's largest cable TV company and a major provider of broadband services
 - TV, broadband and VoIP services
 - 323t connected households, 106t pay TV customers and 105t broadband customers
- Start-ups in online casual gaming

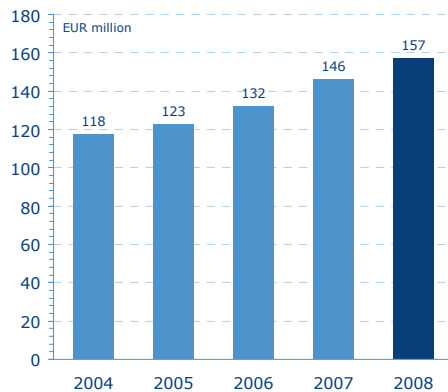


* EBIT excluding non-recurring items
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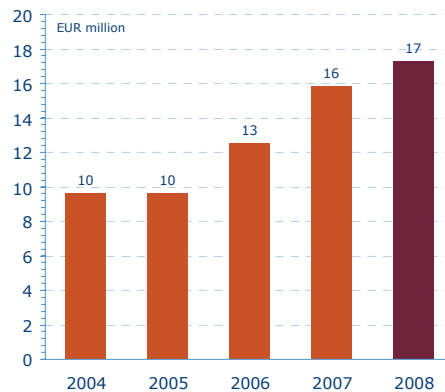
Improving Profitability

Sanoma Entertainment’s Key Figures

Net sales



EBIT excluding non-recurring items



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Major Educational Publisher

Sanoma Learning & Literature

- Net sales EUR 390 million, EBIT EUR 53 million*, personnel 3,221
- One of Europe’s largest educational publishers – leading in the NL, Finland, Hungary, Belgium and Poland
- Leading provider of multilingual communication services in the Nordic markets
- Market leader in general literature in Finland
 - published 512 new titles in 2008



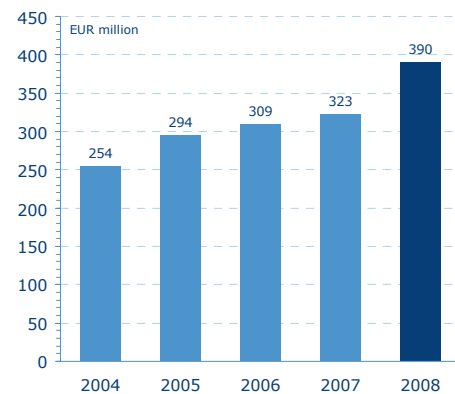
* EBIT excluding non-recurring items

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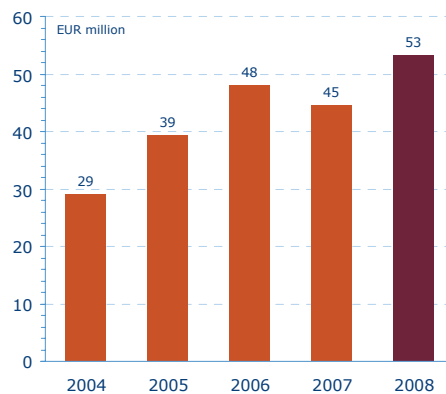
Sustainable Growth

Sanoma Learning & Literature’s Key Figures

Net sales



EBIT excluding non-recurring items



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International Chain Expert

Sanoma Trade

- Net sales EUR 867 million, EBIT EUR 45 million*, personnel 8,396
- Leading kiosk operator in Finland and the Baltic countries
 - Around 120 million visits annually in R-kiosk's more than 700 kiosks in Finland
 - Operates also in Romania and Russia
- Leading press distributor in Finland, the Netherlands and the Baltic countries
 - Operates also in Romania and Russia
 - Supplies newspapers and magazines to more than 8,000 outlets in Finland
- Suomalainen Kirjakauppa the largest bookstore chain in Finland and Apollo Raamatud in Estonia
- Leading movie theatre chain in Finland and the Baltic countries

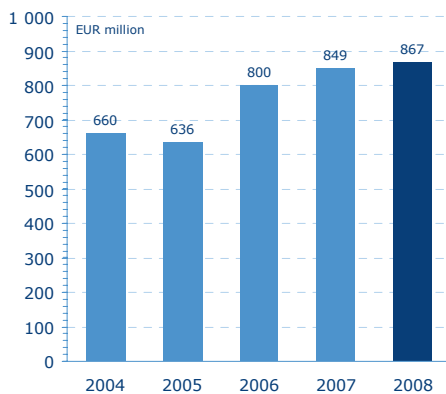


* EBIT excluding non-recurring items
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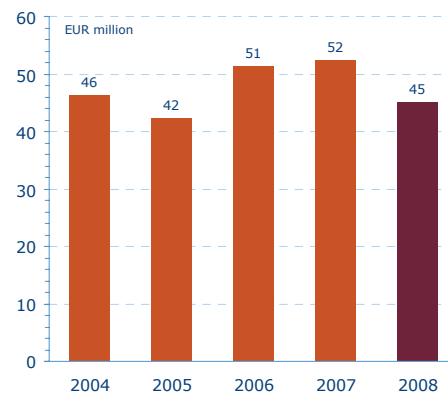
Successful Retailer

Sanoma Trade's Key Figures

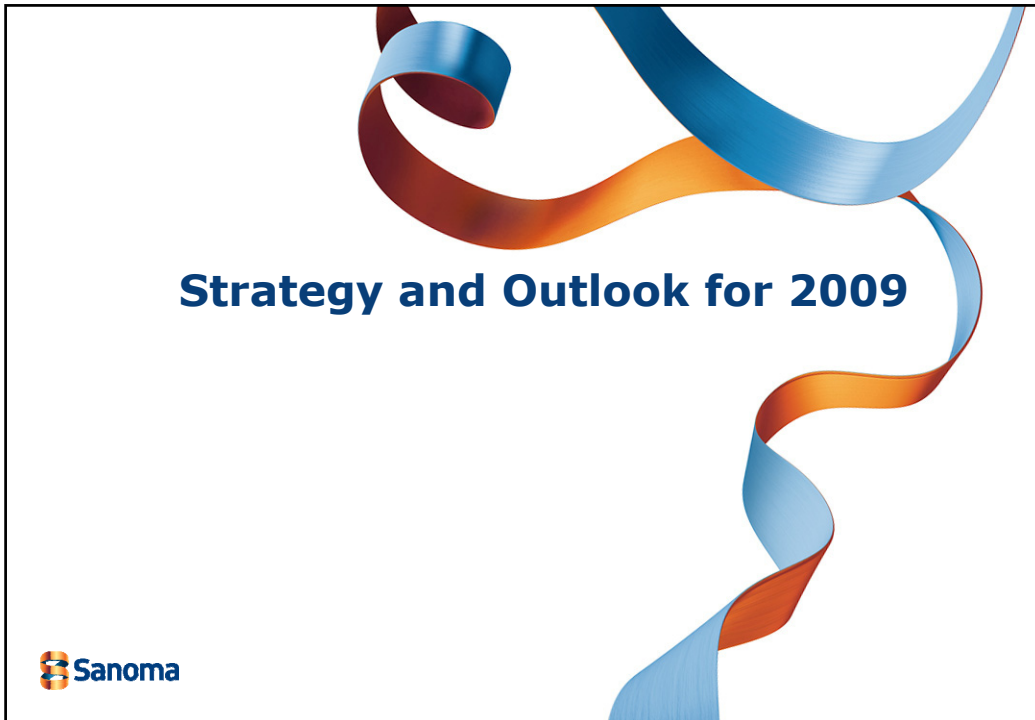
Net sales



EBIT excluding non-recurring items



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Creativity, Reliability, Dynamism

Our Values

- Creative work is the essence of communications
- Creativity and reliability form the basis of all our activities
- Dynamic people are essential to our success



Sanoma's Strategy

Our goal is

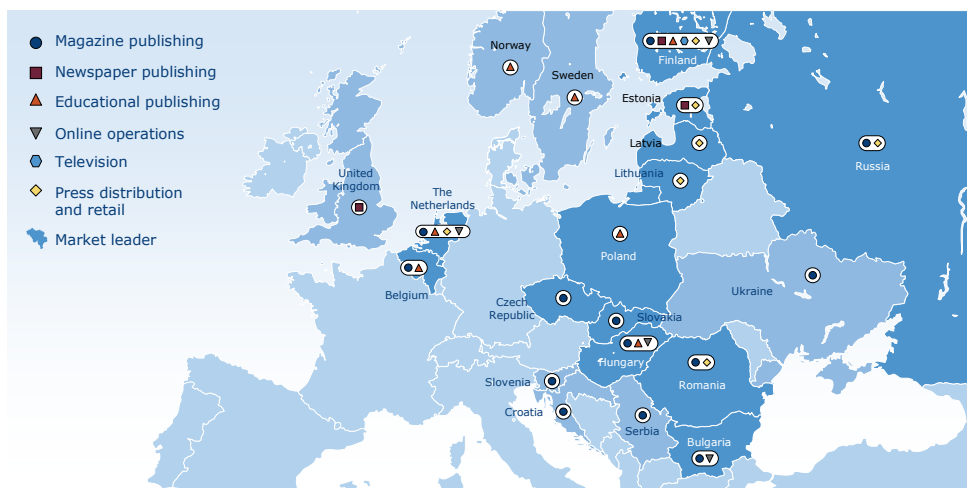
- To be one of the leading media companies in Europe, with a focus on sustainable growth and profitability

Our Strategic Objectives are

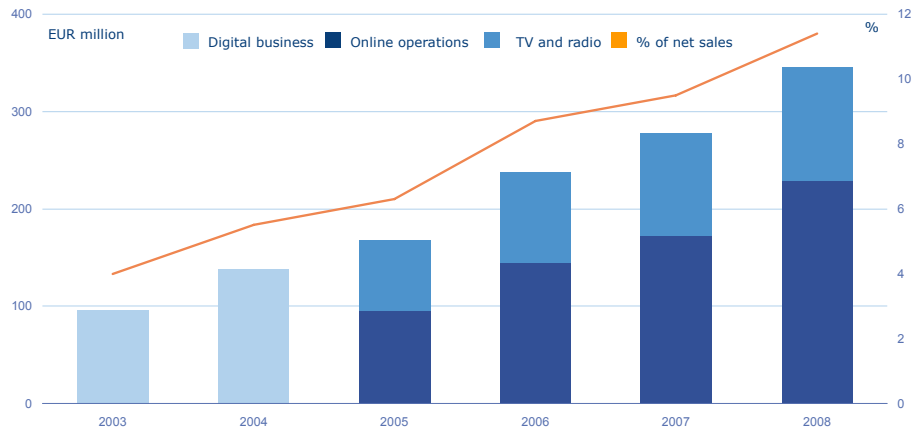
- To be the market leader in chosen businesses and markets
- To maintain a balanced business portfolio of B2C and B2B products and services – Focus areas being:
 - **Magazines:** We will continue to grow in print and digital media
 - **Newspapers:** We will actively develop our business to maintain our profitability and to ensure controlled migration to online
 - **Learning and Language services:** We will grow via further internationalisation and entering new segments
 - **Online:** We will strongly develop and expand our online assets
- To investigate opportunities to internationalise our TV operations
- To maximise our strategic position in retail



Market Leader In chosen segments



Online Business, One of the Focus Areas



Online operations includes also internet access
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Challenging Times Advertising expenditure in Finland

EUR 1,000	2/2009	Ch, %	1-2/2009	Ch, %
Newspapers	38,083	-24.5	78,331	-23.6
TV	18,223	-20.5	37,788	-15.9
Magazines	10,792	-21.6	18,963	-19.4
Internet	4,640	-18.0	9,904	-8.9
Radio	3,118	2.6	5,957	0.3
Outdoor	2,715	-22.9	5,479	-17.1
Movie	244	-17.8	400	-8.5
Total	77,815	-21.9	156,823	-19.5



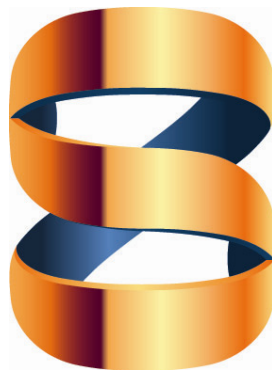
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Outlook for 2009

- Net sales expected to decrease somewhat
- Operating profit excluding non-recurring items estimated to decline from the previous year
 - In 2008, operating profit excluding non-recurring items was EUR 295.7 million. The Group's financial expenses are expected to decrease, and, as a result, Sanoma's net result for 2009 is expected to decrease less than its operating profit.
- In the first quarter of 2009, development is expected to be significantly weaker than during the full-year due especially to decreasing newspaper advertising affecting the Sanoma News division and currency exchange rate fluctuations and the growth of seasonal educational publishing business impacting the Sanoma Learning & Literature division.



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