



CAPTURING CONSUMERS WHERE EVER THEY ARE

EIJA AILASMAA
PRESIDENT AND CEO, SANOMA MAGAZINES

SANOMA CAPITAL MARKETS DAY
12 OCTOBER 2009



IN MAGAZINES.
IN DIGITAL MEDIA.

OPERATING COMPANIES IN 13 COUNTRIES





- Based in Helsinki, Finland
- CEO: Ms Raili Mäkinen
- Net sales 2008: €205.6 million



- Based in Brussels, Belgium
- CEO: Mr Aimé Van Hecke
- Net sales 2008: €223.2 million



- Divisional headquarters
- Based in Amsterdam, the Netherlands
- CEO: Ms Eija Ailasmaa



- Based in Hoofddorp, the Netherlands
- CEO: Mr Dick Molman
- Net sales 2008: €515.7 million



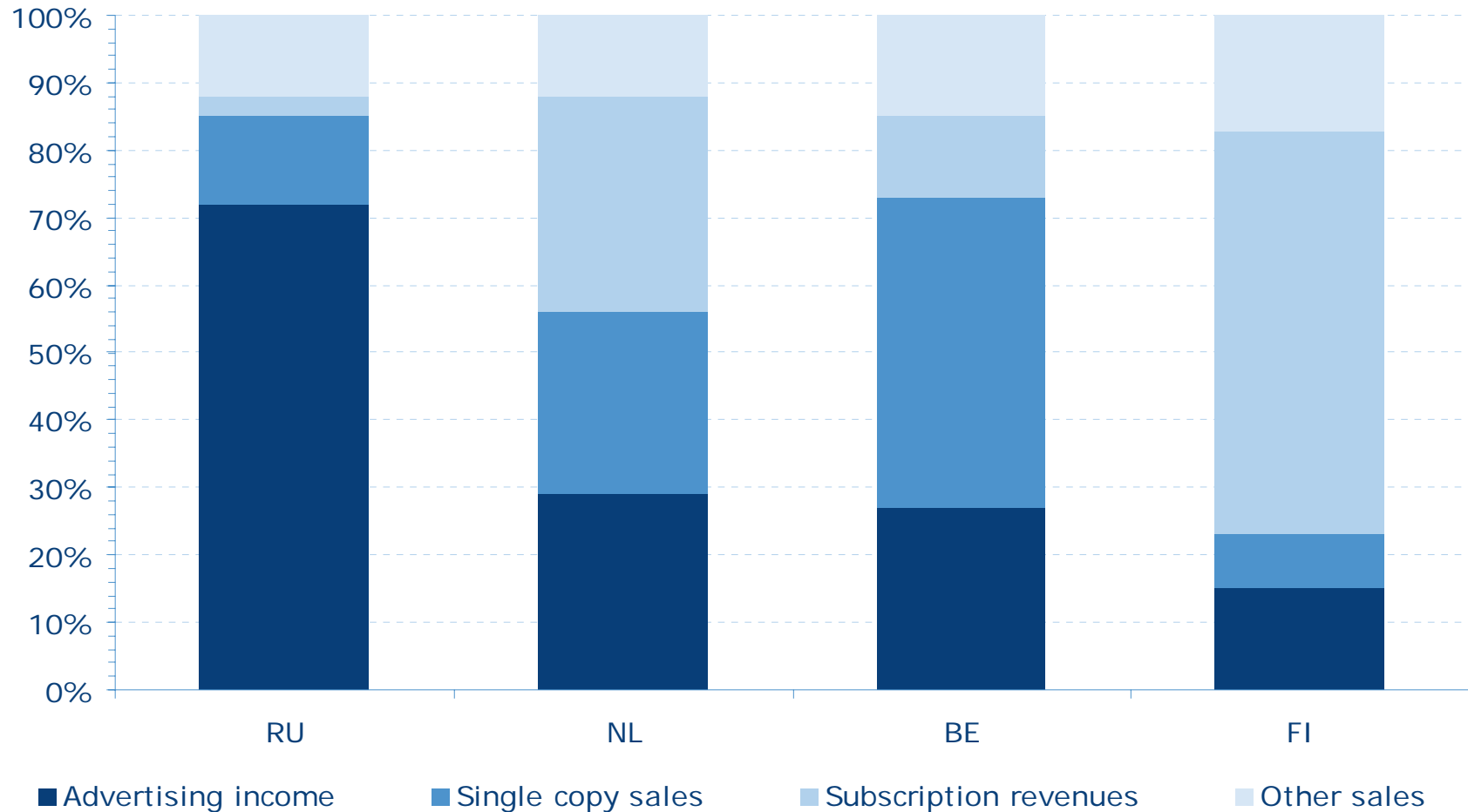
- Based in Amsterdam, the Netherlands
- CEO: Mr Koos Guis
- Net sales 2008: €306.7 million



KEY FINANCIAL INDICATORS

KEY INDICATORS (€ million)	4-6/ 2009	4-6/ 2008	change %	1-6/ 2009	1-6/ 2008	change %	1-12/ 2008
• Net sales	275.9	318.5	-13.4	538.1	603.9	-10.9	1,246.8
• Operating profit excl. major non-recurring capital gains	31.5	46.6	-32.3	47.1	71.2	-1.3	139.7
- % of net sales	11.4	14.6		8.7	11.8		11.1
• Operating profit	30.2	46.6	-35.1	45.8	94.7	-51.7	85.7
• Capital expenditure				12.3	12.2	1.5	26.8
• Average number of employees (full-time equivalents)				5,611	5,520	1.7	5,731
 OPERATIONAL INDICATORS (including Joint Ventures)				1-6/ 2009			1-6/ 2008
• Number of magazines published				306			323
• Magazine copies sold, thousands				187,066			205,160
• Advertising pages sold				26,284			33,153

A BALANCED REVENUE MIX



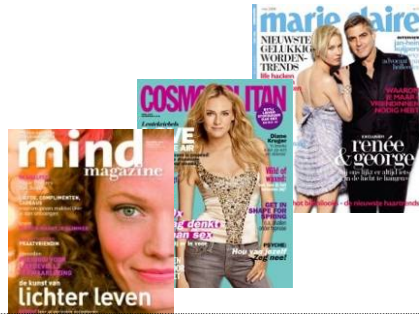
(Revenue split based on December 2008 income)



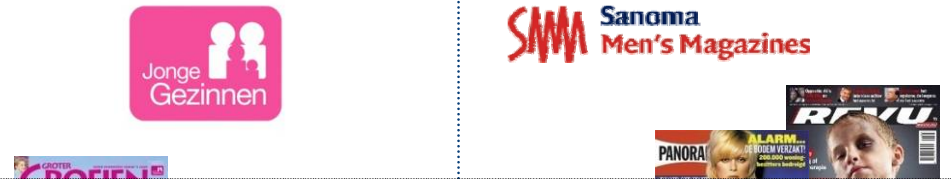
home deco



events



glossies



A BROAD DIVERSIFIED PORTFOLIO: NETHERLANDS



special interest titles



women's weeklies



MOOD formagazines



youth

Disney



custom publishing





Women's titles



Men's titles



Business titles



Custom publishing



Internet projects



Special titles



Interior titles



Local newspapers



A BROAD DIVERSIFIED PORTFOLIO: RUSSIA



GROWING MARKET LEADING POSITIONS



STRONG LOCAL BRANDS



ELLE

marie claire

BAZAAR

COSMOPOLITAN

GRAZIA

WALT DISNEY
AKU ANKKA

WALT DISNEY
Donald Duck

Katrien

NATIONAL
GEOGRAPHIC

NATIONAL GEOGRAPHIC
KIDS

PREFERRED LICENSE PARTNER GLOBAL MEDIA BRANDS

Lisa

delicious.

Домашний Очаг

ELLE
DEKOR

Harvard Business Review

PLAYBOY

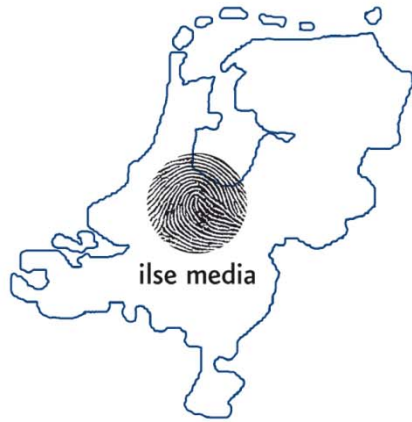
Men's Health

Esquire

Auto
Week

Auto
Bild
SUOMI

Популярная
Механика



AND DEVELOPING QUICKLY IN DIGITAL MEDIA

NewsReport

KUCHYNE.CZ
Kuchyně. Teďka.

fitfixers.be



tvůj|dům
WWW.TVUJDUM.CZ

bodi aktivna

ameno.ru

vauva

kafe.cz
POHODA PRO ZEM

HUMO
THE WILD SITE

COSMOPOLITAN
Cosmo - Three Years!



POZALI
WWW.ROZALI.COM

Miresici.ro

Startpage
noi căutam pentru tine!

kiloklubi.fi
2.1 Beta



eStránky.cz

femeia.ro

web Park

rb.ru
деловая сеть

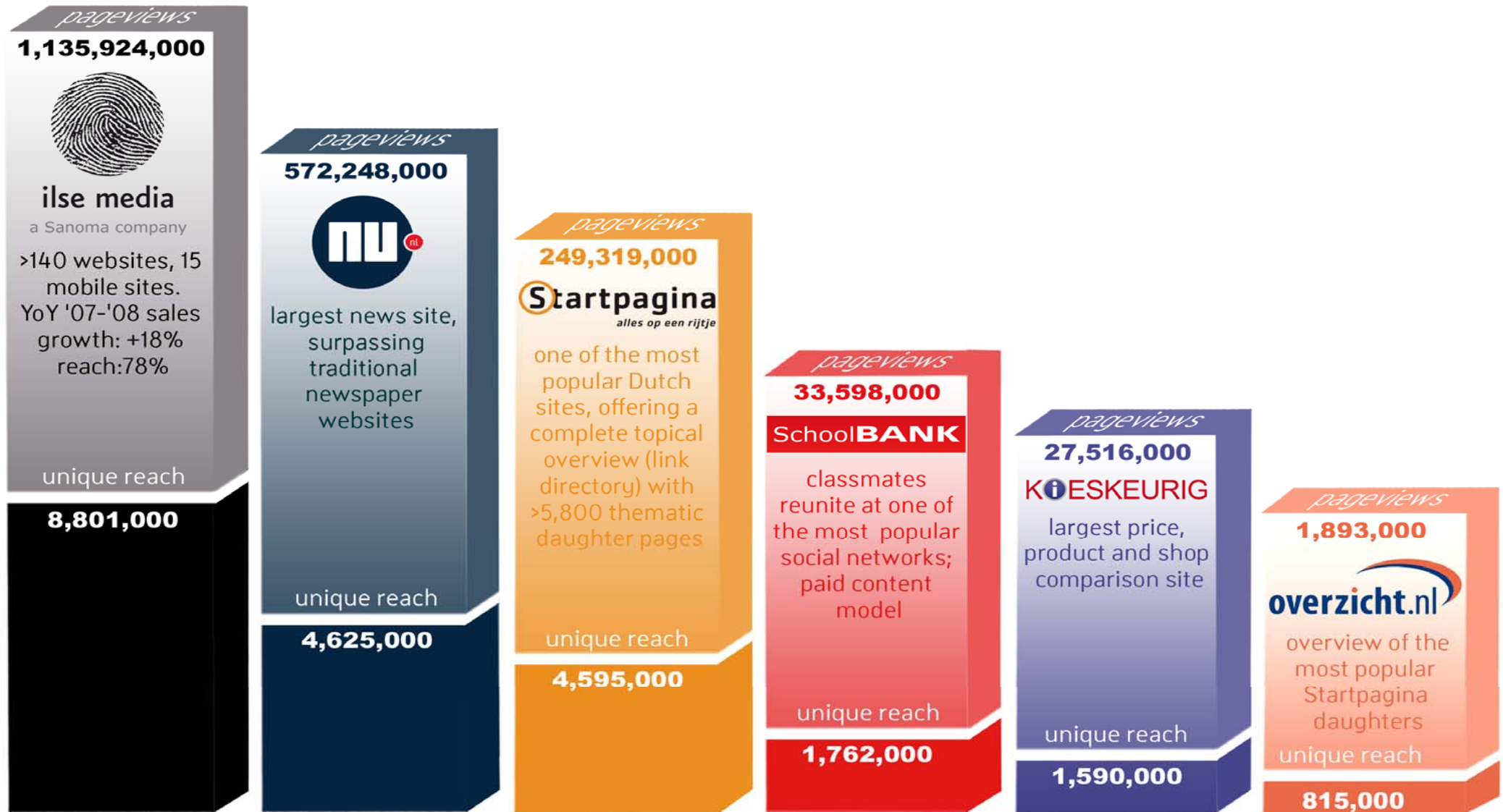
zappy baby

WWW.AFUANKKA.FI

BEURSDUIVEL.BE
Steun en toeverlaat voor beleggers

DUTCH REACH (print + online): 91%

12.4 million of all Dutch people aged 13+ (source: STIR, NOM 2009)



ONLINE REACH IN HUNGARY AND BULGARIA



- Hungarians who use the internet weekly:
4.5 million (= internet penetration of 52%)
- Combined reach Sanoma Budapest sites:
72% of all users
(source: Webaudit Stat, August 2009)



- Bulgarians who use the internet:
3,2 million (= internet presentation of 42%)
- Combined reach Netinfo sites:
75% of all users
(source: Nielsen Online, August 2009)

MAGAZINES ARE MORE THAN MAGAZINES



SCOPE OF DIGITAL MEDIA



The recession

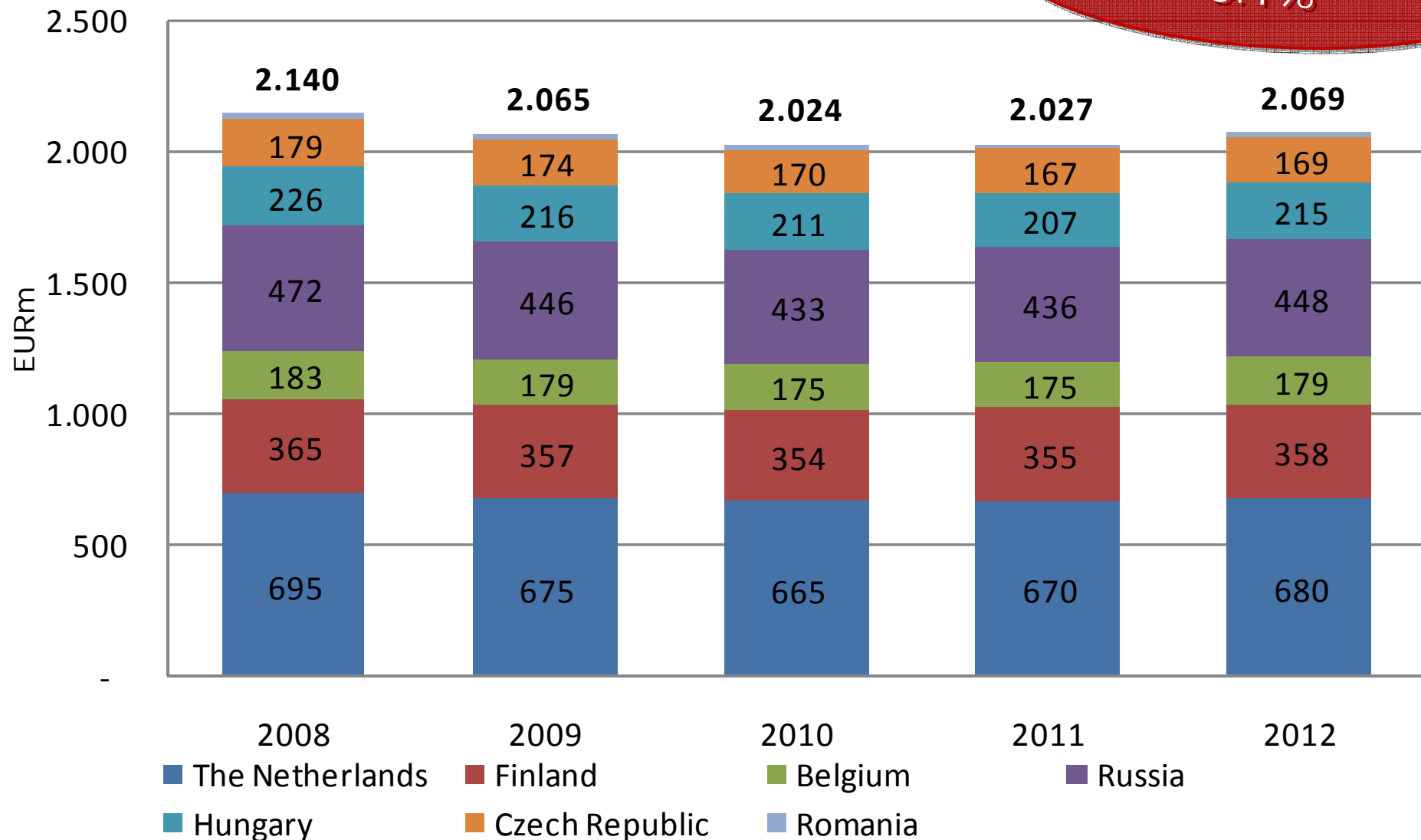
is likely to continue to have

a pressuring effect on the economic development

in the coming year(s)

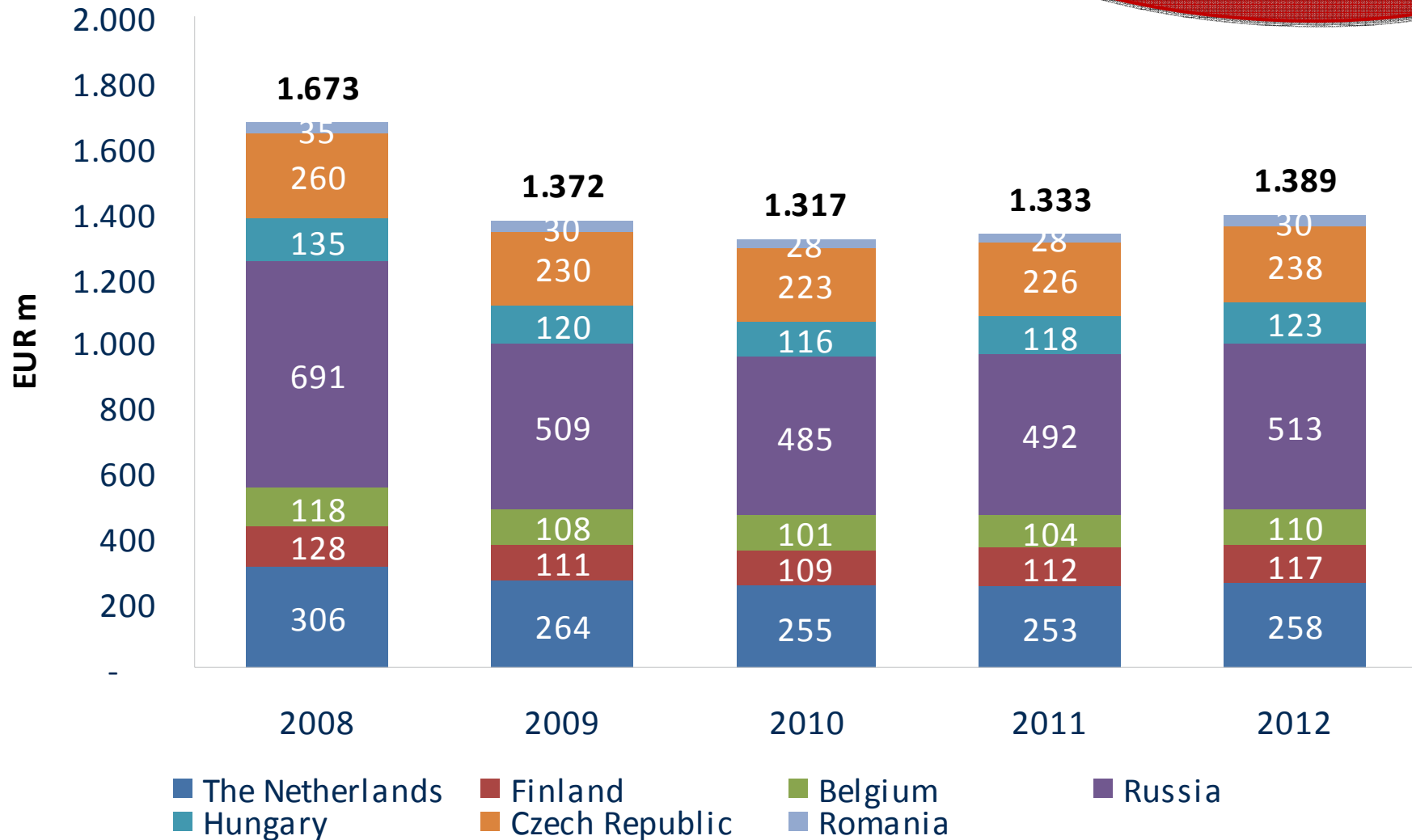
MAGAZINE CIRCULATION SALES

CAGR '10-'12:
0.1%



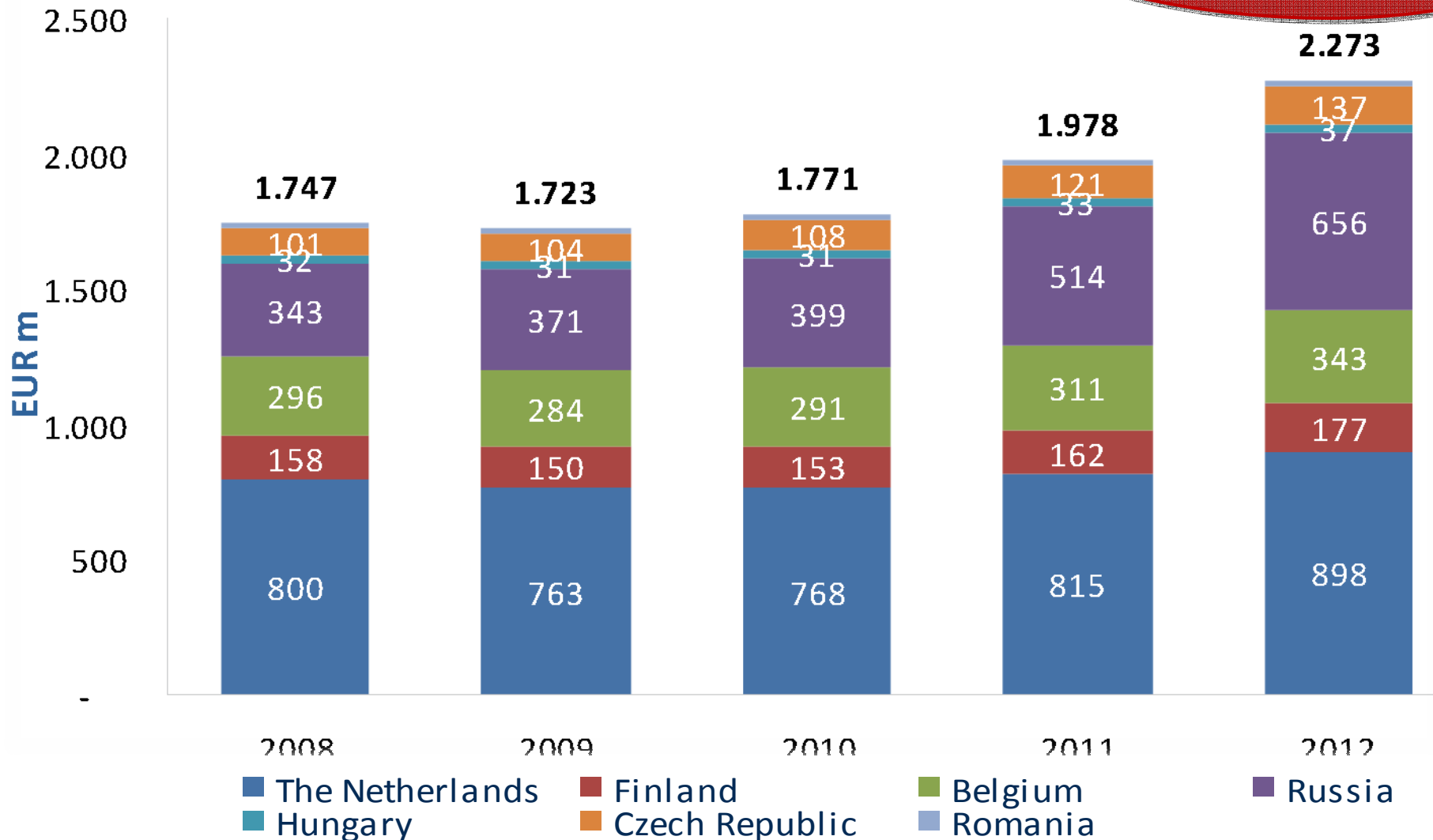
MAGAZINE ADVERTISING SALES

CAGR '10-'12:
0.4%



ONLINE ADVERTISING SALES

CAGR '10-'12:
9.7%



Source: PwC Global Entertainment & Media outlook 2009-2013 Online advertising sales forecasts include search, display, classifieds and video/other

KEY STRATEGIC THEMES

- 
1. Care for core - magazine business
- Magazines are at the core of our operations: the most important revenue stream and profit contributor
 - To protect our market positions and safeguard our profitability, we will focus on our key brands and adapt our organization to challenging market conditions
 - We will strive to increase revenues through magazines+ activities and new businesses (such as custom publishing) selectively

KEY STRATEGIC THEMES

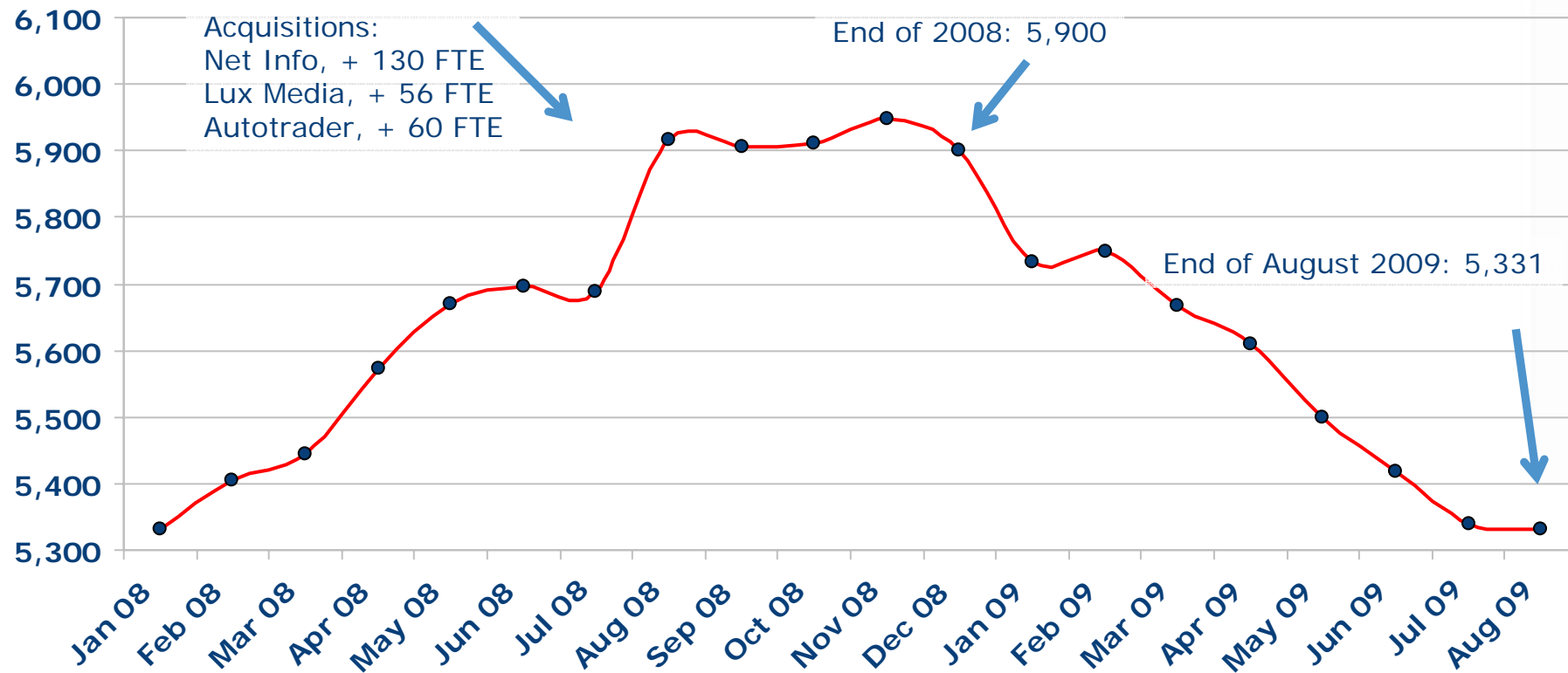
2. Become a stronger digital media player
- We will strengthen and expand our current position in digital media
 - We will primarily utilize our current capabilities and assets and increasingly leverage them on an international scale

KEY STRATEGIC THEMES

3. Strategy-supporting restructurings and ongoing organizational improvement
- We will focus on an adaptation of our magazine operations to meet structural market challenges
 - We will restructure the organization of our digital activities to speed up growth
 - Appointment of Chief Digital Media in Management Board
 - We will build up digital media, digital publishing and mobile capabilities in the years to come

DRIVING OPERATIONAL EFFICIENCY

- Closing loss-making titles without short-term turn-around potential
- Moratorium on new launches
- Total number of FTE - ultimo:



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DRIVING OPERATIONAL EFFICIENCY

- Initiating several cost savings programmes, e.g.:
 - Project Anders/Belgium:
 - Savings target €12 million, 69 employees (>10%)
 - Finland:
 - Restructuring media sales / marketing
 - Netherlands:
 - Closing FELICITAS hostess service, 163 employees
 - All print activities bundled in Sanoma Uitgevers
 - All digital activities in Sanoma Uitgevers Digital
 - Reduction of corporate brands to two



DRIVING OPERATIONAL EFFECTIVENESS



- Sanoma Magazines Advertising Resource Centre
- CANALIS: WAN between BE, CZ, FI, HU and NL
- PPG Group: collective procurement of paper/printing goods and services
- SISU: SAP integration project (FI/NL)
- Shared advertising system (FI/NL)

BUILDING BRIDGES BY BUILDING CAPABILITIES



Our strength comes from working together and learning from each other

- Strategic Leadership Programme
- Brand project
- Digital media organisation and projects

CAPTURE CONSUMERS WHERE EVER THEY ARE



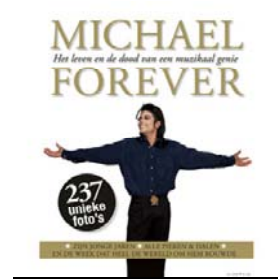
magazines online



custom media



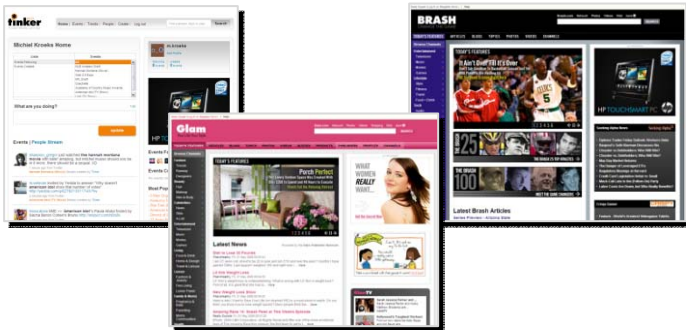
augmented reality



hype publishing



digital reading



women's portals



mobile media & advertising



iPhone apps

A close-up, low-angle shot of a thick stack of papers or documents. The papers are slightly curved, creating a sense of depth. The lighting is bright, highlighting the texture of the paper and the edges of the stack. The text 'Thank you.' is overlaid in the center in a bold, white font with a blue outline.

Thank you.