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# Group

## Key indicators (FAS\*)

<b>FIM million</b>	<b>31.12.2000</b>	31.12.1999	31.12.1998	31.12.1997	31.12.1996
Net sales	<b>8 608.5</b>	7 851.7	7 442.6	7 077.0	6 812.0
Operating profit	<b>507.0</b>	426.2	423.5	590.0	570.0
% of net sales	<b>5.9 %</b>	5.4 %	5.7 %	8.3 %	8.4 %
Profit before extraordinary items	<b>822.0</b>	656.4	580.9	770.0	634.0
% of net sales	<b>9.5 %</b>	8.4 %	7.8 %	10.9 %	9.3 %
Balance sheet total	<b>8 557.7</b>	7 866.9	7 370.4	6 473.0	6 005.0
Gross investments	<b>1 001.0</b>	1 663.1	883.9	935.0	312.0
% of net sales	<b>11.6 %</b>	21.2 %	11.9 %	13.2 %	4.6 %
Return on equity, % (ROE)	<b>10.6 %</b>	9.2 %	9.2 %	16.1 %	13.6 %
Return on investment, % (ROI)	<b>13.8 %</b>	12.5 %	12.3 %	18.5 %	17.4 %
Equity ratio, %	<b>67.9 %</b>	71.0 %	69.6 %	63.9 %	60.0 %
Gearing, %	<b>-16.6 %</b>	-24.0 %	-40.3 %	-19.0 %	-13.0 %
Earnings/share, FIM	<b>4.00</b>	3.17	2.80	3.93	2.62
Cash flow/share, FIM	<b>7.38</b>	5.32	–	–	–
Equity/share, FIM	<b>35.36</b>	33.79	31.63	25.27	20.23
Dividend/share, FIM **)	<b>2.79</b>	2.69	–	–	–
Market capitalisation	<b>11 680.7</b>	10 508.2	–	–	–
Personnel under employment contract	<b>13 364</b>	12 629	11 900	11 494	11 249
Personnel, average	<b>10 350</b>	9 816	9 329	9 786	9 503
Financial cost of liabilities	<b>43.9</b>	49.7	38.6	40.2	59.3
Interest-bearing liabilities	<b>952.4</b>	619.7	596.5	665.5	753.6
Interest-free liabilities	<b>2 000.0</b>	1 863.1	1 863.0	1 872.5	1 856.4
Financial securities, cash and bank	<b>1 884.5</b>	1 909.8	2 574.9	1 413.0	1 179.0

<b>€ million</b>	<b>31.12.2000</b>	31.12.1999	31.12.1998	31.12.1997	31.12.1996
Net sales	<b>1 447.8</b>	1 320.6	1 251.7	1 190.3	1 145.7
Operating profit	<b>85.3</b>	71.7	71.2	99.2	95.9
% of net sales	<b>5.9 %</b>	5.4 %	5.7 %	8.3 %	8.4 %
Profit before extraordinary items	<b>138.3</b>	110.4	97.7	129.5	106.6
% of net sales	<b>9.5 %</b>	8.4 %	7.8 %	10.9 %	9.3 %
Balance sheet total	<b>1 439.3</b>	1 323.1	1 239.6	1 088.7	1 010.0
Gross investments	<b>168.4</b>	279.7	148.7	157.3	52.5
% of net sales	<b>11.6 %</b>	21.2 %	11.9 %	13.2 %	4.6 %
Return on equity, % (ROE)	<b>10.6 %</b>	9.2 %	9.2 %	16.1 %	13.6 %
Return on investment, % (ROI)	<b>13.8 %</b>	12.5 %	12.3 %	18.5 %	17.4 %
Equity ratio, %	<b>67.9 %</b>	71.0 %	69.6 %	63.9 %	60.0 %
Gearing, %	<b>-16.6 %</b>	-24.0 %	-40.3 %	-19.0 %	-13.0 %
Earnings/share, €	<b>0.67</b>	0.53	0.47	0.66	0.44
Cash flow/share, €	<b>1.24</b>	0.89	–	–	–
Equity/share, €	<b>5.95</b>	5.68	5.32	4.25	3.40
Dividend/share, € **)	<b>0.47</b>	0.45	–	–	–
Market capitalisation	<b>1 964.6</b>	1 767.4	–	–	–
Personnel under employment contract	<b>13 364</b>	12 629	11 900	11 494	11 249
Personnel, average	<b>10 350</b>	9 816	9 329	9 786	9 503
Financial cost of liabilities	<b>7.4</b>	8.4	6.5	6.8	10.0
Interest-bearing liabilities	<b>160.2</b>	104.2	100.3	111.9	126.7
Interest-free liabilities	<b>336.4</b>	313.3	313.3	314.9	312.2
Financial securities, cash and bank	<b>316.9</b>	321.2	433.1	237.6	198.3

\*) FAS= Finnish Accounting Standard \*\*) Proposal of the Board of Directors  
 Figures for 1996-1999 are pro forma.

# Sectors

## Net sales by business area

FIM million	1-3/ 2000	4-6/ 2000	7-9/ 2000	10-12/ 2000	1-12/ 2000	1-3/ 1999	4-6/ 1999	7-9/ 1999	10-12/ 1999	1-12/ 1999
<b>Helsinki Media</b>										
Magazine publishing	234.6	233.8	212.7	269.4	950.4	202.7	212.6	206.5	258.3	880.2
<b>Total</b>	234.6	233.8	212.7	269.4	950.4	202.7	212.6	206.5	258.3	880.2
<b>Sanoma</b>										
Newspaper publishing and printing	647.9	666.2	631.2	688.8	2 634.1	636.0	630.7	596.7	648.1	2 511.5
Financial & new media products	24.9	28.7	28.1	30.6	112.3	10.6	17.9	18.3	24.4	71.2
Intracompany transactions	-5.2	-5.4	-5.3	-6.3	-22.1	-4.8	-4.8	-4.7	-4.8	-19.1
<b>Total</b>	667.6	689.5	654.0	713.1	2 724.2	641.8	643.8	610.3	667.7	2 563.6
<b>SWelcom</b>										
Electronic media	111.1	122.8	90.4	142.4	466.7	72.4	81.7	73.8	106.1	334.0
<b>Total</b>	111.1	122.8	90.4	142.4	466.7	72.4	81.7	73.8	106.1	334.0
<b>WSOY</b>										
Publishing	165.6	208.8	172.0	211.4	757.8	153.5	194.0	158.0	166.9	672.4
Printing	92.6	86.3	91.2	95.3	365.3	92.8	80.5	92.8	91.3	357.4
Calendar operations	11.6	19.4	74.0	113.2	218.1	11.2	16.8	72.7	128.7	229.4
Others	4.6	5.9	4.3	7.6	22.4	4.4	2.9	3.0	4.0	14.3
Intracompany transactions	-40.2	-38.1	-36.7	-39.2	-154.2	-25.7	-31.9	-36.0	-28.2	-121.7
<b>Total</b>	234.0	282.2	304.8	388.4	1 209.4	236.3	262.2	290.5	362.7	1 151.7
<b>Rautakirja</b>										
Kiosk operations	475.8	493.9	505.3	527.6	2 002.6	394.2	425.3	431.6	504.5	1 755.5
Press distribution	208.8	241.7	238.4	227.7	916.6	193.8	200.7	225.7	226.9	847.0
Bookstores	179.0	95.2	137.0	226.3	637.4	163.9	95.2	128.6	214.8	602.5
Movie theatre operations	76.4	46.5	59.8	76.8	259.5	65.3	39.5	67.4	76.3	248.5
Restaurant operations	48.0	58.5	66.8	55.0	228.4	46.6	55.8	60.1	50.1	212.6
Others	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Intracompany transactions	-49.7	-59.5	-52.9	-49.6	-211.7	-43.6	-43.1	-49.6	-51.6	-187.9
<b>Total</b>	938.3	876.3	954.4	1 063.9	3 832.9	820.2	773.3	863.8	1 021.0	3 478.3
<b>Intragroup transactions</b>	-128.7	-129.8	-162.1	-154.7	-575.2	-128.8	-126.1	-151.0	-150.2	-556.1
<b>Total</b>	2 056.9	2 075.0	2 054.1	2 422.5	8 608.5	1 844.7	1 847.5	1 893.9	2 265.5	7 851.7
<b>€ million</b>										
<b>Helsinki Media</b>										
Magazine publishing	39.5	39.3	35.8	45.3	159.8	34.1	35.8	34.7	43.5	148.0
<b>Total</b>	39.5	39.3	35.8	45.3	159.8	34.1	35.8	34.7	43.5	148.0
<b>Sanoma</b>										
Newspaper publishing and printing	109.0	112.1	106.2	115.9	443.0	107.0	106.1	100.4	109.0	422.4
Financial & new media products	4.2	4.8	4.7	5.1	18.9	1.8	3.0	3.1	4.1	12.0
Intracompany transactions	-0.9	-0.9	-0.9	-1.1	-3.7	-0.8	-0.8	-0.8	-0.8	-3.2
<b>Total</b>	112.3	116.0	110.0	119.9	458.2	107.9	108.3	102.6	112.3	431.2
<b>SWelcom</b>										
Electronic media	18.7	20.7	15.2	24.0	78.5	12.2	13.7	12.4	17.8	56.2
<b>Total</b>	18.7	20.7	15.2	24.0	78.5	12.2	13.7	12.4	17.8	56.2
<b>WSOY</b>										
Publishing	27.8	35.1	28.9	35.5	127.4	25.8	32.6	26.6	28.1	113.1
Printing	15.6	14.5	15.3	16.0	61.4	15.6	13.5	15.6	15.4	60.1
Calendar operations	1.9	3.3	12.4	19.0	36.7	1.9	2.8	12.2	21.6	38.6
Others	0.8	1.0	0.7	1.3	3.8	0.7	0.5	0.5	0.7	2.4
Intracompany transactions	-6.8	-6.4	-6.2	-6.6	-25.9	-4.3	-5.4	-6.1	-4.7	-20.5
<b>Total</b>	39.4	47.5	51.3	65.3	203.4	39.7	44.1	48.9	61.0	193.7
<b>Rautakirja</b>										
Kiosk operations	80.0	83.1	85.0	88.7	336.8	66.3	71.5	72.6	84.8	295.3
Press distribution	35.1	40.7	40.1	38.3	154.2	32.6	33.7	38.0	38.2	142.5
Bookstores	30.1	16.0	23.0	38.1	107.2	27.6	16.0	21.6	36.1	101.3
Movie theatre operations	12.8	7.8	10.1	12.9	43.6	11.0	6.6	11.3	12.8	41.8
Restaurant operations	8.1	9.8	11.2	9.3	38.4	7.8	9.4	10.1	8.4	35.8
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Intracompany transactions	-8.4	-10.0	-8.9	-8.3	-35.6	-7.3	-7.2	-8.3	-8.7	-31.6
<b>Total</b>	157.8	147.4	160.5	178.9	644.6	137.9	130.1	145.3	171.7	585.0
<b>Intragroup transactions</b>	-21.7	-21.8	-27.3	-26.0	-96.7	-21.7	-21.2	-25.4	-25.3	-93.5
<b>Total</b>	345.9	349.0	345.5	407.4	1 447.8	310.3	310.7	318.5	381.0	1 320.6

# Sectors

## Operating profit by business area

FIM million	1-3/ 2000	4-6/ 2000	7-9/ 2000	10-12/ 2000	1-12/ 2000	1-3/ 1999	4-6/ 1999	7-9/ 1999	10-12/ 1999	1-12/ 1999
<b>Helsinki Media</b>										
Magazine publishing	3.5	21.1	5.9	30.4	60.9	4.2	2.2	9.1	15.4	30.9
<b>Total</b>	3.5	21.1	5.9	30.4	60.9	4.2	2.2	9.1	15.4	30.9
<b>Sanoma</b>										
Newspaper publishing and printing *)	89.2	106.6	99.3	106.4	401.5	91.7	90.4	86.5	73.5	342.2
Financial & new media products	-15.7	-13.3	-12.4	-28.8	-70.2	-16.1	-14.7	-15.4	-10.1	-56.4
Intracompany eliminations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	73.5	93.3	86.9	77.7	331.3	75.6	75.7	71.1	63.4	285.8
<b>SWelcom</b>										
Electronic media	-21.4	-13.6	-26.3	-38.1	-99.3	-29.5	-30.5	-26.3	-24.4	-110.7
<b>Total</b>	-21.4	-13.6	-26.3	-38.1	-99.3	-29.5	-30.5	-26.3	-24.4	-110.7
<b>WSOY</b>										
Publishing	4.3	38.2	23.4	-16.8	49.1	15.9	37.9	26.8	-7.9	72.7
Printing	18.4	10.2	15.3	11.2	55.2	5.6	12.9	12.1	9.6	40.1
Calendar operations	-24.5	-23.5	18.4	18.9	-10.7	-22.5	-23.7	10.5	19.1	-16.6
Others *)	8.8	-2.6	0.1	11.9	18.3	7.7	16.6	15.3	21.3	61.0
Intracompany eliminations	-6.5	5.2	-2.1	0.4	-2.9	-1.7	-19.3	-10.5	2.6	-28.8
<b>Total</b>	0.5	27.6	55.1	25.8	108.9	5.1	24.4	54.1	44.7	128.3
<b>Rautakirja</b>										
Kiosk operations	20.0	19.3	32.7	25.3	97.3	12.7	16.3	23.6	20.7	73.3
Press distribution	12.0	17.7	16.3	10.7	56.7	10.2	12.3	17.9	12.7	53.1
Bookstores	4.3	-11.6	2.6	40.6	36.0	3.4	-9.3	1.2	32.5	27.8
Movie theatre operations	9.0	-4.6	2.1	8.5	15.0	3.5	-5.9	5.8	8.1	11.4
Restaurant operations	-4.8	-0.9	3.9	-11.5	-13.3	-2.2	3.1	4.7	-1.0	4.5
Others	7.4	8.5	7.7	7.4	30.9	7.2	6.2	7.4	7.6	28.4
Intracompany eliminations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	47.9	28.5	65.2	81.0	222.6	34.8	22.6	60.6	80.6	198.5
Other companies **)	-12.7	-29.5	-5.9	-46.9	-95.0	0.0	-4.3	-12.3	-21.6	-38.2
<b>Intragroup eliminations</b>	-12.6	-2.3	-21.9	14.5	-22.4	-12.4	-13.7	-28.2	-14.1	-68.4
<b>Total</b>	78.7	125.0	159.0	144.3	507.0	77.8	76.4	128.1	143.9	426.2
<b>€ million</b>										
<b>Helsinki Media</b>										
Magazine publishing	0.6	3.5	1.0	5.1	10.2	0.7	0.4	1.5	2.6	5.2
<b>Total</b>	0.6	3.5	1.0	5.1	10.2	0.7	0.4	1.5	2.6	5.2
<b>Sanoma</b>										
Newspaper publishing and printing *)	15.0	17.9	16.7	17.9	67.5	15.4	15.2	14.6	12.4	57.6
Financial & new media products	-2.6	-2.2	-2.1	-4.8	-11.8	-2.7	-2.5	-2.6	-1.7	-9.5
Intracompany eliminations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	12.4	15.7	14.6	13.1	55.7	12.7	12.7	12.0	10.7	48.1
<b>SWelcom</b>										
Electronic media	-3.6	-2.3	-4.4	-6.4	-16.7	-5.0	-5.1	-4.4	-4.1	-18.6
<b>Total</b>	-3.6	-2.3	-4.4	-6.4	-16.7	-5.0	-5.1	-4.4	-4.1	-18.6
<b>WSOY</b>										
Publishing	0.7	6.4	3.9	-2.8	8.3	2.7	6.4	4.5	-1.3	12.2
Printing	3.1	1.7	2.6	1.9	9.3	0.9	2.2	2.0	1.6	6.7
Calendar operations	-4.1	-3.9	3.1	3.2	-1.8	-3.8	-4.0	1.8	3.2	-2.8
Others *)	1.5	-0.4	0.0	2.0	3.1	1.3	2.8	2.6	3.6	10.3
Intracompany eliminations	-1.1	0.9	-0.3	0.1	-0.5	-0.3	-3.2	-1.8	0.4	-4.9
<b>Total</b>	0.1	4.6	9.3	4.3	18.3	0.9	4.1	9.1	7.5	21.6
<b>Rautakirja</b>										
Kiosk operations	3.4	3.2	5.5	4.3	16.4	2.1	2.7	4.0	3.5	12.3
Press distribution	2.0	3.0	2.7	1.8	9.5	1.7	2.1	3.0	2.1	8.9
Bookstores	0.7	-2.0	0.4	6.8	6.0	0.6	-1.6	0.2	5.5	4.7
Movie theatre operations	1.5	-0.8	0.3	1.4	2.5	0.6	-1.0	1.0	1.4	1.9
Restaurant operations	-0.8	-0.1	0.7	-1.9	-2.2	-0.4	0.5	0.8	-0.2	0.8
Others	1.2	1.4	1.3	1.2	5.2	1.2	1.0	1.2	1.3	4.8
Intracompany eliminations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	8.1	4.8	11.0	13.6	37.4	5.8	3.8	10.2	13.6	33.4
Other companies **)	-2.1	-5.0	-1.0	-7.9	-16.0	0.0	-0.7	-2.1	-3.6	-6.4
<b>Intragroup eliminations</b>	-2.1	-0.4	-3.7	2.4	-3.8	-2.1	-2.3	-4.7	-2.4	-11.5
<b>Total</b>	13.2	21.0	26.7	24.3	85.3	13.1	12.8	21.5	24.2	71.7

\*) Includes a share of Rautakirja's results

\*\*\*) Parent Company (SanomaWSOY Corporation) Swwap Oy (until 30.9.2000), and real estate and investment companies.

### **SanomaWSOY**

The SanomaWSOY Group consists of four wholly owned sub-groups or sectors - Helsinki Media, Sanoma, SWelcom, and WSOY - and Rautakirja, a company listed on the Helsinki Exchanges, in which Sanoma WSOY has a 55.06% holding.

### **Business environment**

Economic growth continued to be brisk in Finland during 2000. Gross output rose in line with expectations by 5.7% and the employment situation also improved, although more slowly than projected. Average unemployment during the year stood at 9.8% (10.2%). Consumer prices rose faster than in 1999, increasing by an average of 3.4%. True household purchasing power rose by 4.5%.

The level of media advertising, a major contributor to SanomaWSOY's income, increased somewhat faster than during 1999, by 7.7% (5.6%) according to Gallup Ad Facts, to FIM 6.6 billion. Newspapers accounted for by far the largest share of this, 52%. Television advertising accounted for 19% and magazines 17%. The largest growth, 89%, was seen in Internet advertising, although its overall share of the market continued to be very small, at around 1%.

The role of newspapers as Finland's key advertising media was reinforced during 2000, and newspaper advertising revenue increased by 9%. Magazine advertising grew similarly, by 8%.

Television advertising continued to grow at a modest rate, some 4%. The same increase was seen in TV viewing, which totalled an average of 2 hours 48 minutes a day. The bulk of this growth was generated by increased viewing figures at Channel Four Finland.

Home Internet use grew significantly. Figures from Suomen Gallup Web show that around 1 million Finns logged on daily from home in October and November, an increase of 24% on 1999. The number of users logging on weekly rose by over 40%. The volume of Internet retailing also increased significantly. Over 600,000 Finns bought products or services over the Web during 2000, up 38%. Books were the single largest product.

The year was a good one for books overall. Preliminary data from the Finnish Book Publishers Association indicates that sales to bookshops and other retailers increased by a little under 9%, book clubs sales by 8%, and sales of educational materials by 5%.

Printing industry exports rose by over 20%, or over FIM 300 million between January and October. Exports for the year as a whole are expected to total over FIM 1.9 billion. Sales to Russia rose to some FIM 530 million (397 million).

Increased pressure on newsprint and paper prices was evident towards the end of the year, and price increases were duly announced at the beginning of 2001.

### **Net sales**

SanomaWSOY's net sales for 2000 rose in line with projections by some 10% to FIM 8,608.5 million (1999: 7,851.7 million). All of the Group's sectors contributed to this growth, with the largest growth coming from SWelcom's Channel Four. The Group's comparable year-on-year growth, taking account of acquisitions and divestments, rose by over 7%.

### **Consolidated result**

SanomaWSOY's profit before extraordinary items totalled FIM 822.0 million (656.4 million). This over 25% increase on 1999 was driven by the improved profit performance of the Group's business units and a good asset management result. Net financial income rose to FIM 322.6 million (233.6 million), primarily as a result of capital gains on sales of shares.

The Group's operating profit totalled FIM 507.0 million (426.2 million), up 19%. Depreciation

totalled FIM 510.4 million (427.3 million), of which goodwill-related depreciation accounted for FIM 61.3 million (36.4 million). Research and development costs, booked as expenses, virtually doubled to FIM 140 million.

The Group's return on investment was 13.8% (12.5%), and its return on equity 10.6% (9.2%). Earnings per share rose to FIM 4.00 (3.17).

### **Balance sheet**

The Group's balance sheet increased by FIM 690.8 million and totalled FIM 8,557.7 million (7,866.9 million) at the end of the year. The Group's shareholders' equity totalled FIM 4,891.1 million (4,674.1 million), or FIM 35.36 (33.79) a share. The Group's equity ratio was 67.9% (71.1%), and gearing was -16.6% (24.0%).

### **Financing**

SanomaWSOY's financing position remains good. The book value of financial assets in the form of securities, cash, and bank totalled FIM 1,884.5 million (1,909.8 million), and their market value totalled FIM 2,335.5 million (2,750.1 million). Interest-bearing liabilities increased to FIM 952.4 million (619.7 million).

### **Investments**

SanomaWSOY's gross investments during 2000 totalled FIM 1,001.0 million (1,663.1 million). Just under half of this total was accounted for by Sanoma projects, including printing press investments, the purchase of Kymen Lehtimedia production premises, and purchases of media company shares.

Other major investments included WSOY's acquisition of Docendo Läromedel, Rautakirja's multi-plex cinema project in Tallinn and purchase of additional shares in Jokerit HC Oyj, and SWelcom's purchase of additional shares in Oy Ruutunelonen Ab.

### **Administration**

SanomaWSOY's Board of Directors comprises Aatos Erkko (Chairman), Esko Koivusalo (Vice Chairman), Jane Erkko, Marjukka af Heurlin, Paavo Hohti, L.J. Jouhki, Kyösti Järvinen, Robin Langenskiöld, Jaakko Rauramo, Rafaela Seppälä, and Antero Siljola (until July 18, 2000).

President & CEO Jaakko Rauramo serves as Chairman of SanomaWSOY's Management Group, the other members of which are Eija Ailasmaa (as of July 1, 2000), Aarno Heinonen, Nils Ittonen, Tapio Kallioja, Jorma Kaimio (as of September 12, 2000), Seppo Kievari, Kerstin Rinne, and Hannu Syrjänen. Antero Siljola served as Deputy President & CEO of SanomaWSOY and Vice Chairman of the Management Group until July 18, 2000, when he resigned as President of WSOY and from the Boards of SanomaWSOY, Rautakirja, and their subsidiaries.

The Company's auditors are Pekka Nikula, APA and SVH Pricewaterhouse Coopers Oy, where Tauno Haataja serves as the Group's lead auditor.

### **Personnel**

The number of personnel in salaried employment in Group companies totalled an average of 13,364 (12,629). Translated into full-time equivalent positions, the average number of personnel totalled 10,350 (9,816). Salaries and wages paid totalled FIM 1,761.6 million (1,604.4 million), including bonuses. Profit sharing sums totalling FIM 35.3 million (31.7 million) were paid to Sanoma's and Helsinki Media's Personnel Funds.

### **Shares and shareholdings**

SanomaWSOY's Annual General Meeting held on April 18, 2000 decided on a four-for-one share split, which came into force on May 10, quadrupling the number of Company shares.

Following the split, the number of SanomaWSOY Series A shares totals 23,220,492 and the number of Series B shares, 122,301,104. The Group owns 7,187,276 Series B shares through Tiikerijakelu Oy, equivalent to 4.94% of shares and 1.23% of voting rights.

A total of 263,549 (413,056) Series A shares were traded in 2000, and 6,209,129 (6,439,504) Series B shares. Adjusted for the split, the highest price paid for Series A shares was Euro 24.37 or FIM 144.91 and the lowest price, Euro 13.00 or FIM 77.29. The highest price paid for Series B shares was Euro 23.75 or FIM 141.21 and the lowest price, Euro 12.28 or FIM 73.03. SanomaWSOY's market capitalisation as of the end of the year, excluding Company shares held by the Group, totalled Euro 1,964.5 million (1,767.4 million) or FIM 11,680.7 million (10,508.3 million).

### **Dividend policy**

SanomaWSOY pursues an active dividend policy, based on the principle of distributing one third of the consolidated profit for the financial year in the form of a dividend.

The dividend payable between 1999 and 2001 is linked to the shareholder agreement made at the time of the merger, under which dividends will be at least FIM 5.25 per share (FIM 1.31 after the split), which corresponds to the dividend level offered by WSOY in 1997, increased by 10% annually. In addition, an average of FIM 5 per share (FIM 1.25 after the split) will be added to this during the years concerned.

The Board proposes that a dividend of Euro 0.47 or FIM 2.79 should be paid for 2000.

### **Key developments**

In May, SanomaWSOY decided to form two new sub-groups or sectors, dedicated to electronic media and magazine publishing. Helsinki Media's television operations and other electronic media activities were transferred to SWelcom, together with the Parent Company's electronic media projects. SWelcom and the new Helsinki Media began operations at the beginning of July and as separate legal entities as of October 1.

SanomaWSOY increased its holding in A-pressen ASA, one of Norway's leading media companies, to 29.6% during the year. Listed on the Oslo Stock Exchange, A-pressen had a market value of some FIM 1.14 billion as of the end of the year.

In February, Sanoma decided to invest in two new printing presses for its Sanomala facility. The investment, valued at a total of FIM 456 million, forms part of a larger project to modernise all of the plant's production process. As part of this, Sanoma announced in the autumn that it had decided to acquire a new-generation printing press from Man Roland Druckmaschine AG. The investment is valued at FIM 225 million and will significantly enhance quality and the plant's four-colour printing capability and overall production flexibility. The new production process is due to be commissioned in 2003.

SWelcom increased its holding in Oy Ruutunelonen Ab to 90.55%. Under a share swap and related transaction at the end of the year, Oy Suomen Medianelonen Ab, previously owned by SWelcom and TS-Yhtymä, became a wholly owned subsidiary of Ruutunelonen.

Swwap Oy launched its 2ndhead mobile portal in June, offering a range of news and factual and entertainment content from SanomaWSOY units and outside providers.

In December, Helsinki Television launched Finland's first broadband portal, Welho, for its cable modem customers. Welho is an open platform and currently offers services designed to take advantage of the high speed made possible by broadband technology, including on-demand news clips and



weather animations.

In the spring, WSOY acquired Sweden's leading publisher of IT books and e-learning solutions, Docendo Läromedel AB. Docendo and WSOY's subsidiary Teknolit Oy were merged into a single unit known as the Docendo Group at the end of the year. In September, WSOY acquired 80.1% of Finland's leading map company, Karttakeskus Oy, which was subsequently merged with WSOY's own map company, Geodata Oy, at the end of the year. The combined company was named Genimap Oy and will become a separate legal entity as of April 1, 2001.

In May, Rautakirja subsidiary Eurostrada and Neste signed an agreement under which the Motorest chain of highway service stations will be transferred to Eurostrada on a phased basis by the end of July 2003. As of the end of 2000, four Motorest units had been transferred to Foodstop Oy, a 99%-owned Rautakirja subsidiary.

In August, Rautakirja acquired the remaining 20% of the shares of Veikkausrasti Oy, and the company became a wholly owned subsidiary. Also in August, Rautakirja's Estonian subsidiary, Lehti-Maja Eesti, acquired 90% of AS Megapanus, licensed to operate variable odds betting activities in Estonia.

In October, Suomalainen Kirjakauppa acquired 60% of Estonian-based book retailer, Astro Raamatud. Rautakirja's associate company, Narvesen Baltija SIA, signed a letter of intent the same month to acquire 85% of Preses Apvieniba, the leading chain of kiosks in Latvia with 450 outlets. The outlets were transferred to Narvesen Baltija on January 1, 2001.

Three senior executive appointments were made during the year. Eija Ailasmaa was appointed President of Helsinki Media and Tapio Kallioja, President of SWelcom, as of July 1. Jorma Kaimio was appointed President of WSOY as of September 12.

### **Helsinki Media**

Helsinki Media's pro forma net sales totalled FIM 950.4 million (880.2 million), up 8% on 1999. The increased level of net sales was primarily driven by higher advertising revenue at the company's magazines, which increased by 18% or more than double the increase recorded by magazine publishing in Finland as a whole. Helsinki Media's magazines also increased their subscription revenue, and news stand sales similarly developed positively. New titles accounted for around 3% of the increase in net sales, which was mainly driven by established products.

Helsinki Media's pro forma operating profit nearly doubled to FIM 60.9 million (30.9 million), reflecting improved profitability and, above all, stronger performance by the sector's associated companies.

Helsinki Media's investments totalled FIM 25.1 million (95.2 million) and were largely focused on information technology (IT) projects. In December, Helsinki Media increased its holding in the licensing specialist, Pro Licensing Nordic Ab, from 20% to 50%.

### **Sanoma**

Sanoma's net sales rose to FIM 2,724.2 million (2,563.6 million) during 2000, driven in particular by an increase in Helsingin Sanomat's advertising sales. The paper's advertising sales rose faster than the market average, and the paper emerged as Finland's leading advertising media. Taloussanomat, the Startel News Agency, and Esmerk also contributed to higher net sales.

The growth in advertising revenue was also reflected in Sanoma's overall operating profit, which rose 16% to FIM 331.3 million (285.8 million). The sector's own operations generated FIM 296.6 million (249.5 million). One-time writedowns totalling FIM 12.3 million made on the assets and goodwill of Startel subsidiary, Onbusiness Oy, negatively impacted Sanoma's operating profit. Sanoma's holding in Rautakirja generated a profit of FIM 36.6 million (35.5 million).

Sanoma's investments totalled FIM 416.5 million (844.4 million) and included investments in

enhancing four-colour printing capabilities, online services, the purchase of Kymen Lehtimedia production premises, and acquisitions of media company shares. Sanoma acquired 10.4% of the votes in Top Press, the owner of Esan Kirjapaino Oy; and Kymen Lehtimedia acquired a majority holding in Uutisvuoksi, a local paper in South-East Finland. Startel acquired Oy Radiolinja Ab's 40% holding in the companies' new media joint venture, Onbusiness Oy, in December, making the company a wholly owned Startel subsidiary. A proportion of investments also went on modernising the production process at Sanoma's main printing plant in Greater Helsinki.

### **SWelcom**

SWelcom's pro forma net sales for 2000 include the electronic media operations transferred from Helsinki Media for the whole year and those of Swwap Oy for the last quarter.

SWelcom's net sales totalled FIM 466.7 million (334.0 million). The largest contribution to this, FIM 107.2 million, was made by Channel Four. The latter's advertising revenue increased by 53%, and Channel Four's share of the TV advertising market rose from 16.5% to 24.5%, the largest such increase seen in the Finnish media industry in 2000. Channel Four's profit performance improved significantly, although it still recorded a loss, as a result of investments in programming.

Channel Four's improved performance was also reflected in SWelcom's overall pro forma operating profit, which totalled FIM -99.3 million (-110.7 million).

SWelcom's investments totalled FIM 200.3 million (124.3 million) and were largely focused on purchases of shares in the sector's subsidiaries. In August, SWelcom acquired Egmont Holding Oy's 25.01% holding in Ruutunelonen, and TS-Yhtymä's 5.02% holding in December, bringing SWelcom's holding as of the end of the year to 90.55%. In a share swap in December, Oy Suomen Medianelonen Ab became a wholly owned Ruutunelonen subsidiary. The sector's largest other investments covered the upgrading of Helsinki Television's cable system and the company's cable modem service.

### **WSOY**

WSOY's net sales totalled FIM 1,209.4 million (1,151.7 million), up 5% on 1999. Adjusted for acquisitions and divestments, comparable net sales rose by a little under 3%.

WSOY's operating profit totalled FIM 108.9 million (128.3 million). WSOY's own operations accounted for FIM 62.6 million (81.5 million), and WSOY's holding in Rautakirja for FIM 48.3 million (46.8 million). The performance of WSOY's traditional book publishing and printing business improved, but investments in electronic publishing had a negative impact. The calendar business turned in a loss, despite rationalisation measures.

In the publishing area, bookshop sales recorded the largest increase, 19%. Book club sales increased by 11%, and sales of educational materials by 4%.

WSOY's investments totalled FIM 151.8 million (125.0 million). The largest single investments were the acquisition of the Swedish IT publisher and e-learning solutions provider, Docendo Läromedel, and the acquisition of 80.1% of map company, Karttakeskus.

### **Rautakirja**

Pre-tax sales at the Rautakirja Group increased by over 14% to more than FIM 6.7 billion. The sector's net sales, including only the commission component of commission-based sales, rose by 10% to FIM 3,832.9 million (3,478.3 million). Allowing for the impact of acquisitions, the sector's comparable growth on 1999 was 6.5%. Net sales developed positively in all of Rautakirja's core businesses.

Operating profit rose by 12% to FIM 222.6 million (198.5 million). Profit performance improved in all divisions, with the exception of the restaurant business, which recorded a loss as a result of the poor profitability of Pizza Hut's restaurants. Rautakirja's profit before extraordinary items rose by 3%

to FIM 227.8 million (221.1 million).

Rautakirja's investments totalled FIM 170.1 million (428.6 million). The largest single projects were the purchase of additional shares in Jokerit HC Oyj and the multiplex cinema in Tallinn, due to be completed in March 2001. Rautakirja also increased its kiosk and bookshop operations in Estonia through acquisitions.

Rautakirja published its own financial statements for 2000 on February 26, 2001.

### **Board authorisations**

As of the end of the year, SanomaWSOY's Board of Directors was not authorised to acquire or convey Company shares, arrange share issues, or issue convertible bonds or bonds with warrants.

### **Developments in 2001**

In January 2001, Sanoma increased its holding in the Infosto Group from 65% to 100% by acquiring the company's Finnish and Estonian operations under a letter of intent signed in November.

Rautakirja and Stockmann signed a letter of intent with a Latvian construction company in January covering the transfer of a site in the centre of Riga to a company jointly owned by Rautakirja and Stockmann. The two companies plan to build a Stockmann department store and a 15-screen multiplex to be operated by Rautakirja's Latvian subsidiary, Baltic Cinema SIA. If the project proceeds as planned, the building should be completed in late autumn 2002.

Rautakirja sold its shares in Norwegian-based Reitan Narvesen ASA in January in a transaction valued at NOK 285 million, or some FIM 203 million. The sales generated capital gains of FIM 45 million. Rautakirja had a 10% holding in Narvesen prior to its merger with Reitan, which was reduced to 4.8% after the merger.

WSOY increased its holding in the Polish e-learning solutions provider, Young Digital Poland S.A. in February from 29.07% to 49%, equivalent to 44.6% of voting rights. The parties also agreed an option for WSOY to acquire a majority holding at the beginning of 2004.

Suomen Nettirahastot Oy, owned by Startel, the HEX Group, and three mutual funds companies, was merged with Sonera Plaza Rahastopalvelut Oy in February. Startel's holding in the new company is approximately 5%.

### **Outlook for 2001**

The growth in Finland's gross domestic product is projected to slow by around 1% compared to 2000. General economic trends such as this tend to have a delayed impact on the media industry.

Advertising volumes are expected to continue to grow in 2001, although at a slightly slower pace than during 2000. A poll of advertising sentiment published in January 2001 indicated that advertisers will focus most on direct mail, event marketing, retail marketing, and Web advertising. Newspapers and magazines are also expected to win a share of the projected growth. Television advertising, in contrast, is expected to see only modest growth, with the service industry being the only one likely to increase TV advertising.

Net sales at Helsinki Media are projected to grow by some 5% in 2001. A large part of this will come from advertising sales. Helsinki Media also expects to record an improved profit. Helsinki Media is committed to further strengthening its position as Finland's leading magazine publisher, and aims to increase its share of the business-to-business market. Helsinki Media will also target expanding its international operations in selected areas.

Net sales at Sanoma are expected to rise by 7% to some FIM 3 billion. Additional net sales will be generated by Infosto, for example, which was acquired in January 2001. The sector's operating profit is expected to be somewhat below that recorded in 2000, as a result of planned development projects

and increased level of depreciation covering goodwill and investments in the Sanomala printing plant. The significant increase in newsprint prices and falling print exports will also have a downward impact on profit performance. Sanoma will continue to develop its online activities during 2001 and enhance its customer relationship management.

Net sales at SWelcom are projected to rise by some 30%, particularly as a result of Channel Four. SWelcom's operating loss is projected to be in excess of FIM 100 million. SWelcom does not expect to record an operating profit during the next few years, as a result of its investments in digital-TV, the 2ndhead mobile portal, and new Internet services.

Net sales at WSOY are forecast to increase by around 8%. The group's profit from its own operations is expected to exceed that recorded in 2000, despite a projected growth in development-related investments. WSOY plans to invest in its electronic media operations, particular in location information and its learning portal project, as well as corporate e-learning. Book clubs and calendar operations will also be the focus of development activities during 2001.

Net sales at Rautakirja are projected to increase by over 7% to more than FIM 4 billion. The operating profit generated by its various businesses is expected to remain at the 2000 level, as a result of investments and acquisitions. Taking into account capital gains already booked against operating profit in 2001, Rautakirja's overall profit is projected to be an improvement on that for 2000.

SanomaWSOY's growth and profitability targets are challenging. A number of important development projects and investments have been initiated to achieve these targets that will have a downward impact on the Group's profit performance. The expected financial benefit of these projects will be achieved in future years.

SanomaWSOY's net sales for 2001 are projected to grow at a faster rate than growth in the media industry generally, to well over FIM 9 billion. Planned business development-related investments will be higher than in 2000, and will be booked directly as expenses, in line with Group practice. Despite major development-related investments and goodwill depreciation already booked against acquisitions, the Group's operating profit is projected to be at least equivalent to that for 2000.

The Group is committed to developing and expanding its current business through selected acquisitions and alliances. SanomaWSOY's aim is to increase net sales and market share by drawing on the Group's strengths. Acquisitions will be focused on those areas of SanomaWSOY where it is strong and on markets in which it is possible to achieve a significant market share over a reasonable time-frame. The Group will grow its businesses systematically and in line with its commitment to shareholders to pursue an active dividend policy.

Board of Directors  
SanomaWSOY Corporation

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### **Patricia Seppälä in memoriam**

Patricia Seppälä, née Erkko, passed away on January 3, 2001 after a short illness, at the age of 76.

Patricia Seppälä was a member of Sanoma Corporation's Board of Directors between 1951 and 1994, and served for many years with Lehtikuva Oy, between 1953 and 1989, as a member of the company's Board of Directors, Chairman of the Board, and Managing Director.

Patricia Seppälä also had a long international career, and took part in arranging the photography of a total of 14 Olympic Games, either as a representative of Lehtikuva or of joint European picture agency organisations.

# Proposal for application of profits

SanomaWSOY

The Group's distributable funds for 2000 total EUR 650,300,081.21 (FIM 3,866,508,701.87).

The Parent Company's distributable funds as of December 31, 2000 total EUR 627,766,306.40 (FIM 3,732,528,960.94), of which the profit for the year accounts for EUR 37,986,601.72 (FIM 225,858,077.45).

The Board of Directors will propose to the Annual General Meeting that:

- a dividend of EUR 0.47 (FIM 2.79) a share shall be paid EUR 68,395,150.12  
(FIM 406,659,095.92)
- the following sum shall be transferred to the donation reserve and used at the Board's discretion EUR 300,000.00  
(FIM 1,783,719.00)
- shareholders' equity shall be set at EUR 559,071,156.28  
(FIM 3,324,086,146.02)

The dividend will be paid to shareholders registered with the register of shareholders maintained by the Finnish Central Securities Depository on the record state set by the Board for payment of the dividend: April 3. The Board will propose to the Annual General Meeting that the dividend shall be paid on April 10, 2001.

Helsinki, February 28, 2001

Aatos Erkko  
Chairman

Esko Koivusalo  
Vice Chairman

Marjukka af Heurlin

Paavo Hohti

Kyösti Järvinen

Robin Langenskiöld

Rafaela Seppälä

Jane Erkko

L.J. Jouhki

Jaakko Rauramo  
President & CEO

# Group

## Income statement

	1.1–31.12.2000 FIM million	1.1–31.12.1999 FIM million	1.1–31.12.2000 € million	1.1–31.12.1999 € million
<b>NET SALES 1)</b>	<b>8 608.5</b>	7 851.7	<b>1 447.8</b>	1 320.6
Increase (+) / decrease (-) in inventories of finished goods and work in progress	<b>3.9</b>	12.2	<b>0.7</b>	2.0
Production for internal use	<b>0.1</b>	0.5	<b>0.0</b>	0.1
Other operational income 2)	<b>216.7</b>	148.2	<b>36.4</b>	24.9
Share of result of associated companies	<b>45.3</b>	6.8	<b>7.6</b>	1.2
Materials and services 3)	<b>3 853.3</b>	3 559.6	<b>648.1</b>	598.7
Personnel expenses 4)	<b>2 201.1</b>	2 026.3	<b>370.2</b>	340.8
Depreciation 5)	<b>510.4</b>	427.3	<b>85.8</b>	71.9
Other operational expenses 6)	<b>1 802.8</b>	1 579.9	<b>303.2</b>	265.7
<b>OPERATING PROFIT (LOSS)</b>	<b>507.0</b>	426.2	<b>85.3</b>	71.7
Share of result of associated companies	<b>-7.5</b>	-3.4	<b>-1.3</b>	-0.6
Financial income and expenses 7)	<b>322.6</b>	233.6	<b>54.3</b>	39.3
<b>PROFIT (LOSS) BEFORE EXTRAORDINARY ITEMS</b>	<b>822.0</b>	656.4	<b>138.3</b>	110.4
Extraordinary items 8)	<b>12.1</b>	1.8	<b>2.0</b>	0.3
<b>PROFIT (LOSS) AFTER EXTRAORDINARY ITEMS</b>	<b>834.1</b>	658.2	<b>140.3</b>	110.7
Direct taxes 9)	<b>-233.8</b>	-187.7	<b>-39.3</b>	-31.6
Minority interest of the result for the year	<b>-40.3</b>	-30.3	<b>-6.8</b>	-5.1
<b>PROFIT (LOSS) FOR THE YEAR</b>	<b>560.0</b>	440.2	<b>94.2</b>	74.0

# Group

## Balance sheet

	31.12.2000 FIM million	31.12.1999 FIM million	31.12.2000 € million	31.12.1999 € million
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS 10)</b>				
Intangible assets	335.9	374.8	56.5	63.0
Consolidated goodwill	488.4	303.0	82.1	51.0
Tangible assets	2 467.8	2 227.6	415.1	374.7
Investments	1 627.4	1 521.1	273.7	255.8
<b>NON-CURRENT ASSETS, TOTAL</b>	<b>4 919.5</b>	<b>4 426.5</b>	<b>827.4</b>	<b>744.5</b>
<b>CURRENT ASSETS</b>				
Inventories 11)	607.5	562.7	102.2	94.6
Receivables, long-term 12)	257.1	198.8	43.2	33.4
Receivables, short-term 13)	889.1	769.0	149.5	129.3
Financial securities 14)	1 595.5	1 673.7	268.3	281.5
Cash and bank	289.0	236.0	48.6	39.7
<b>CURRENT ASSETS, TOTAL</b>	<b>3 638.2</b>	<b>3 440.3</b>	<b>611.9</b>	<b>578.6</b>
<b>ASSETS, TOTAL</b>	<b>8 557.7</b>	<b>7 866.9</b>	<b>1 439.3</b>	<b>1 323.1</b>
<b>LIABILITIES</b>				
<b>SHAREHOLDERS' EQUITY 15)</b>				
Share capital	372.0	363.8	62.6	61.2
Premium fund	95.7	95.7	16.1	16.1
Other funds	2 164.6	2 174.1	364.1	365.7
Retained earnings	1 698.7	1 600.3	285.7	269.1
Profit (loss) for the year	560.0	440.2	94.2	74.0
<b>SHAREHOLDERS' EQUITY, TOTAL</b>	<b>4 891.1</b>	<b>4 674.1</b>	<b>822.6</b>	<b>786.1</b>
<b>MINORITY INTEREST</b>	<b>714.1</b>	<b>710.0</b>	<b>120.1</b>	<b>119.4</b>
<b>STATUTORY PROVISIONS 16)</b>	<b>13.9</b>	<b>9.8</b>	<b>2.3</b>	<b>1.7</b>
<b>LIABILITIES</b>				
Deferred tax liability 17)	223.6	246.7	37.6	41.5
Long-term liabilities 18)	510.5	555.8	85.9	93.5
Current liabilities 19)	2 204.4	1 670.4	370.7	280.9
<b>LIABILITIES, TOTAL</b>	<b>8 557.7</b>	<b>7 866.9</b>	<b>1 439.3</b>	<b>1 323.1</b>

# Group

## Cash flow statement

	1.1–31.12.2000 FIM million	1.1–31.12.1999 FIM million	1.1–31.12.2000 € million	1.1–31.12.1999 € million
<b>Operations</b>				
Operating profit	507.0	426.2	85.3	71.7
Adjustments to operating profit 1)	405.7	392.4	68.2	66.0
Change in working capital 2)	-58.6	-43.9	-9.9	-7.4
<b>Cash flow from operations before financial items and taxes</b>	<b>854.1</b>	<b>774.7</b>	<b>143.7</b>	<b>130.3</b>
Interest received from operations	49.3	77.2	8.3	13.0
Interest paid on operations	-41.7	-35.6	-7.0	-6.0
Dividend received from operations	62.0	9.0	10.4	1.5
Other financial items	326.0	204.4	54.8	34.4
Tax paid on operations	-229.0	-293.8	-38.5	-49.4
<b>Cash flow from operations</b>	<b>1 020.8</b>	<b>735.9</b>	<b>171.7</b>	<b>123.8</b>
<b>Investments</b>				
Acquisition of tangible and intangible assets	-705.2	-676.1	-118.6	-113.7
Acquired group companies 3)	-137.4	-288.9	-23.1	-48.6
Acquired associated companies	-68.2	-395.1	-11.5	-66.4
Acquisition of other holdings	-54.5	-215.5	-9.2	-36.3
Sales of tangible and intangible assets	116.9	64.6	19.7	10.9
Group companies sold 4)	5.3	0.0	0.9	0.0
Associated companies sold	21.4	4.9	3.6	0.8
Sales of other companies	22.8	43.3	3.8	7.3
Long-term loans granted	0.0	7.0	0.0	1.2
Repayments of long-term loan receivables	0.0	-6.7	0.0	-1.1
Increase (-)/decrease (+) in current loan receivables	-13.3	195.2	-2.2	32.8
Investments in other assets	-0.6	-5.3	-0.1	-0.9
Sales of other investments	1.5	18.4	0.2	3.1
Interest received from investments	1.5	12.8	0.3	2.1
Dividend received from investments	9.8	20.0	1.6	3.4
Tax paid on investments	0.0	-45.1	0.0	-7.6
<b>Cash flow from operations</b>	<b>-800.1</b>	<b>-1 266.6</b>	<b>-134.6</b>	<b>-213.0</b>
<b>Cash flow before financing</b>	<b>220.6</b>	<b>-530.7</b>	<b>37.1</b>	<b>-89.3</b>
<b>Financing</b>				
Minority capital investment / repayments of equity loans	-89.7	51.9	-15.1	8.7
Sale of own shares	0.0	109.5	0.0	18.4
Drawings on short-term loans	383.1	197.6	64.4	33.2
Repayments of short-term loans	-66.7	-239.3	-11.2	-40.2
Drawings on long-term loans	50.6	108.3	8.5	18.2
Repayments of long-term loans	-63.4	-56.6	-10.7	-9.5
Dividends paid	-403.7	-277.2	-67.9	-46.6
Donations	-1.7	-1.0	-0.3	-0.2
Other distribution of profits	0.0	-0.3	0.0	-0.1
HTV subscription fees	5.7	4.6	1.0	0.8
<b>Cash flow from financing</b>	<b>-185.7</b>	<b>-102.5</b>	<b>-31.2</b>	<b>-17.2</b>
<b>Change in liquidities according to the cash flow statement</b>	<b>34.9</b>	<b>-633.2</b>	<b>5.9</b>	<b>-106.5</b>
Exchange rate differences under liquidities	-60.2	-32.0	-10.1	-5.4
<b>Net increase (+)/decrease (-) in liquidities</b>	<b>-25.3</b>	<b>-665.2</b>	<b>-4.3</b>	<b>-111.9</b>
Liquidities according to the balance sheet at Jan. 1	1 909.8	2 574.9	321.2	433.1
<b>Liquidities according to the balance sheet at Dec. 31</b>	<b>1 884.5</b>	<b>1 909.8</b>	<b>316.9</b>	<b>321.2</b>



	1.1–31.12.2000 FIM million	1.1–31.12.1999 FIM million	1.1–31.12.2000 € million	1.1–31.12.1999 € million
<b>1) Adjustments to operating profit</b>				
Depreciation	510.4	427.3	85.8	71.9
Profit (-) and loss (+) on sales of non-current assets	-64.2	-26.0	-10.8	-4.4
Interest in the results of associated companies, in profit (-) and loss (+)	-45.3	-6.8	-7.6	-1.2
Change in statutory reserves	4.1	-2.1	0.7	-0.3
Other adjustment items	0.8	0.0	0.1	0.0
	<b>405.7</b>	<b>392.4</b>	<b>68.2</b>	<b>66.0</b>
<b>2) Change in working capital</b>				
Increase (-) / decrease (+) in current assets	-32.5	-55.2	-5.5	-9.3
Increase (-) / decrease (+) in interest-free short-term receivables	-89.7	-10.2	-15.1	-1.7
Increase (+) / decrease (-) in interest-free short-term debts	63.6	21.5	10.7	3.6
	<b>-58.6</b>	<b>-43.9</b>	<b>-9.9</b>	<b>-7.4</b>
<b>3) Supplementary information on acquired Group companies</b>				
Impact of acquired companies on the Group's assets and liabilities				
Non-current assets	-162.5	-385.0	-27.3	-64.8
Current assets	-52.4	-121.5	-8.8	-20.4
Long-term liabilities	31.4	75.5	5.3	12.7
Current liabilities	30.0	93.0	5.0	15.6
Other items	-3.9	8.2	-0.7	1.4
Cash flow	<b>-157.4</b>	<b>-329.9</b>	<b>-26.5</b>	<b>-55.5</b>
Liquidities of acquired companies	20.0	40.9	3.4	6.9
<b>Investments in Group companies</b>	<b>-137.4</b>	<b>-288.9</b>	<b>-23.1</b>	<b>-48.6</b>
<b>4) Supplementary information on divested Group companies</b>				
Impact of divested companies on the Group's assets and liabilities				
Non-current assets	4.1	0.0	0.7	0.0
Other items	1.2	0.0	0.2	0.0
Cash flow	<b>5.3</b>	<b>0.0</b>	<b>0.9</b>	<b>0.0</b>
Liquidities of divested companies	0.0	0.0	0.0	0.0
<b>Income on the sale of Group companies</b>	<b>5.3</b>	<b>0.0</b>	<b>0.9</b>	<b>0.0</b>

	1.1–31.12.2000 FIM million	1.1–31.12.1999 FIM million	1.1–31.12.2000 € million	1.1–31.12.1999 € million
<b>1) NET SALES</b>				
<b>Net sales by business area</b>				
<b>Helsinki Media</b>				
Magazine publishing	950.4	880.2	159.8	148.0
<b>Total</b>	<b>950.4</b>	<b>880.2</b>	<b>159.8</b>	<b>148.0</b>
<b>Sanoma</b>				
Newspaper publishing and printing	2 634.1	2 511.5	443.0	422.4
Financial & new media products	112.3	71.2	18.9	12.0
Intracompany transactions	-22.1	-19.1	-3.7	-3.2
<b>Total</b>	<b>2 724.2</b>	<b>2 563.6</b>	<b>458.2</b>	<b>431.2</b>
<b>SWelcom</b>				
Electronic media	466.7	334.0	78.5	56.2
<b>Total</b>	<b>466.7</b>	<b>334.0</b>	<b>78.5</b>	<b>56.2</b>
<b>WSOY</b>				
Publishing	757.8	672.4	127.4	113.1
Printing	365.3	357.4	61.4	60.1
Calendar operations	218.1	229.4	36.7	38.6
Others	22.4	14.3	3.8	2.4
Intracompany transactions	-154.2	-121.7	-25.9	-20.5
<b>Total</b>	<b>1 209.4</b>	<b>1 151.7</b>	<b>203.4</b>	<b>193.7</b>
<b>Rautakirja</b>				
Kiosk operations	2 002.6	1 755.5	336.8	295.3
Press distribution	916.6	847.0	154.2	142.5
Bookstores	637.4	602.5	107.2	101.3
Movie theatre operations	259.5	248.5	43.6	41.8
Restaurant operations	228.4	212.6	38.4	35.8
Others	0.1	0.0	0.0	0.0
Intracompany transactions	-211.7	-187.9	-35.6	-31.6
<b>Total</b>	<b>3 832.9</b>	<b>3 478.3</b>	<b>644.6</b>	<b>585.0</b>
Intragroup transactions	-575.2	-556.1	-96.7	-93.5
<b>Total</b>	<b>8 608.5</b>	<b>7 851.7</b>	<b>1 447.8</b>	<b>1 320.6</b>
<b>Net sales by market area</b>				
Finland	7 901.0	7 204.2	1 328.8	1 211.7
Other EU countries	354.8	325.2	59.7	54.7
Other countries	352.7	322.3	59.3	54.2
<b>Total</b>	<b>8 608.5</b>	<b>7 851.7</b>	<b>1 447.8</b>	<b>1 320.6</b>

	1.1–31.12.2000 FIM million	1.1–31.12.1999 FIM million	1.1–31.12.2000 € million	1.1–31.12.1999 € million
<b>2) OTHER OPERATIONAL INCOME</b>				
<b>Rental income</b>	<b>115.4</b>	97.6	<b>19.4</b>	16.4
Profit on sales of assets	<b>49.4</b>	12.7	<b>8.3</b>	2.1
Profit on sales of machinery & equipment	<b>16.4</b>	15.9	<b>2.8</b>	2.7
Other operational income	<b>35.5</b>	22.0	<b>6.0</b>	3.7
<b>Total</b>	<b>216.7</b>	148.2	<b>36.4</b>	24.9
<b>3) MATERIAL AND SERVICES</b>				
<b>Materials and supplies</b>				
Purchases during the year	<b>3 242.2</b>	3 015.7	<b>545.3</b>	507.2
Change in inventories	<b>-27.1</b>	-47.4	<b>-4.6</b>	-8.0
<b>Total</b>	<b>3 215.0</b>	2 968.3	<b>540.7</b>	499.2
<b>Purchased services</b>				
Purchased transport and distribution services	<b>336.5</b>	328.5	<b>56.6</b>	55.2
Other purchased services	<b>301.7</b>	262.8	<b>50.7</b>	44.2
<b>Total</b>	<b>638.2</b>	591.3	<b>107.3</b>	99.5
<b>Total</b>	<b>3 853.3</b>	3 559.6	<b>648.1</b>	598.7
<b>4) PERSONNEL EXPENSES</b>				
Wages, salaries & fees	<b>1 761.6</b>	1 604.4	<b>296.3</b>	269.8
Bonuses	<b>35.3</b>	31.7	<b>5.9</b>	5.3
Pension expenses	<b>237.4</b>	235.7	<b>39.9</b>	39.6
Other social expenses	<b>166.8</b>	154.4	<b>28.0</b>	26.0
<b>Total</b>	<b>2 201.1</b>	2 026.3	<b>370.2</b>	340.8
<b>REMUNERATION TO MANAGEMENT</b>				
Presidents, Deputies and Board members				
<b>Total</b>	<b>31.0</b>	31.5	<b>5.2</b>	5.3
<b>PERSONNEL, AVERAGE *)</b>				
Helsinki Media	<b>779</b>	719		
Sanoma	<b>3 396</b>	3 437		
SWelcom	<b>310</b>	234		
WSOY	<b>1 803</b>	1 754		
Rautakirja	<b>3 977</b>	3 631		
Other companies **)	<b>85</b>	42		
<b>Total</b>	<b>10 350</b>	9 816		

\*) stated as average number of full-time salaried personnel.

\*\*\*) Parent Company (SanomaWSOY Corporation), Swwap Oy (until 30.9.2000), and real estate and investment companies.

	1.1–31.12.2000 FIM million	1.1–31.12.1999 FIM million	1.1–31.12.2000 € million	1.1–31.12.1999 € million
<b>5) DEPRECIATION</b>				
Depreciation according to plan	445.1	388.7	74.9	65.4
Depreciation in the value of non-current assets	4.0	2.2	0.7	0.4
Depreciation on consolidated goodwill	61.3	36.4	10.3	6.1
<b>Total</b>	<b>510.4</b>	<b>427.3</b>	<b>85.8</b>	<b>71.9</b>
<b>6) OTHER OPERATIONAL EXPENSES</b>				
Rents	273.8	251.0	46.0	42.2
Voluntary social expenses	57.2	53.9	9.6	9.1
Advertising and marketing	427.2	424.4	71.8	71.4
Commissions	230.7	186.5	38.8	31.4
Office and IT expenses	266.6	228.4	44.8	38.4
Travel expenses	101.6	79.2	17.1	13.3
Other expenses	445.7	356.4	75.0	59.9
<b>Total</b>	<b>1 802.8</b>	<b>1 579.9</b>	<b>303.2</b>	<b>265.7</b>
<b>7) FINANCIAL INCOME AND EXPENSES</b>				
<b>Dividend income (incl. avoiv fiscal)</b>				
From associated companies	9.1	1.5	1.5	0.3
From other companies	54.3	22.4	9.1	3.8
<b>Total</b>	<b>63.4</b>	<b>23.9</b>	<b>10.7</b>	<b>4.0</b>
<b>Interest income, long-term:</b>				
From other companies	23.9	21.9	4.0	3.7
<b>Total</b>	<b>23.9</b>	<b>21.9</b>	<b>4.0</b>	<b>3.7</b>
<b>Other interest and financial income</b>				
From associated companies	0.6	0.4	0.1	0.1
From other companies	406.0	240.7	68.3	40.5
Exchange rate gains	17.8	17.4	3.0	2.9
<b>Total</b>	<b>424.4</b>	<b>258.5</b>	<b>71.4</b>	<b>43.5</b>
<b>Value decreases</b>				
Investments under non-current assets	0.1	-4.2	0.0	-0.7
Papers under current assets	0.2	6.2	0.0	1.1
<b>Total</b>	<b>0.3</b>	<b>2.0</b>	<b>0.0</b>	<b>0.3</b>
<b>Interest and other financial expenses</b>				
To associated companies	0.0	0.1	0.0	0.0
To other companies	177.5	68.6	29.9	11.5
Exchange rate losses	11.3	0.0	1.9	0.0
<b>Total</b>	<b>188.9</b>	<b>68.6</b>	<b>31.8</b>	<b>11.5</b>
<b>Total</b>	<b>322.6</b>	<b>233.6</b>	<b>54.3</b>	<b>39.3</b>

	1.1–31.12.2000 FIM million	1.1–31.12.1999 FIM million	1.1–31.12.2000 € million	1.1–31.12.1999 € million
<b>8) EXTRAORDINARY ITEMS</b>				
<b>Extraordinary income</b>				
Other extraordinary income	12.1	12.9	2.0	2.2
<b>Extraordinary expenses</b>				
Sales losses	0.0	11.1	0.0	1.9
<b>Total</b>	<b>12.1</b>	<b>1.8</b>	<b>2.0</b>	<b>0.3</b>

Other extraordinary income includes deferred taxes relating to previous financial years.

#### 9) DIRECT TAXES

Tax on operational income	-287.0	-250.6	-48.3	-42.1
Change in deferred tax liability/accrued tax receivable *)	53.2	62.9	9.0	10.6
<b>Total</b>	<b>-233.8</b>	<b>-187.7</b>	<b>-39.3</b>	<b>-31.6</b>

\*) Change in deferred tax liability/accrued tax receivable

From activation differences	26.9	42.4	4.5	7.1
From provisions	21.7	15.1	3.6	2.5
From consolidation measures	4.7	12.5	0.8	2.1
Due to change in tax rate	0.0	-7.1	0.0	-1.2
<b>Total</b>	<b>53.2</b>	<b>62.9</b>	<b>9.0</b>	<b>10.6</b>

	Acquisition cost at Jan. 1, 2000 a)	Differences in rates and transfers between balance sheet items	Increases b)	Decreases c)
<b>10) NON-CURRENT ASSETS, FIM million</b>				
<b>Intangible assets</b>				
Immaterial rights	388.6	-205.7	33.7	-57.4
Goodwill	249.0	18.0	3.8	-11.8
Other long-term investments	305.8	187.2	74.3	-38.9
Advance payments and work in progress	0.3	0.5	3.0	-0.6
	943.8	0.0	114.7	-108.6
<b>Consolidated goodwill</b>				
Consolidated goodwill	400.4	-14.3	260.7	-6.1
Consolidation difference	-3.1	0.0	0.3	1.0
	397.3	-14.3	261.0	-5.1
<b>Tangible assets</b>				
Land and water	294.2	0.3	3.9	-8.8
Revaluations	46.8	0.0	0.0	0.0
Total land and water	341.0	0.3	3.9	-8.8
Buildings and structures	1 193.8	4.7	72.9	-13.6
Revaluations	54.6	0.0	0.0	0.0
Total buildings and structures	1 248.4	4.7	72.9	-13.6
Machinery and equipment	2 824.4	11.1	339.6	-135.9
Other tangible assets	60.6	-1.0	4.2	-0.6
Advance payments and work in progress	40.0	-2.9	167.8	0.0
	4 514.3	12.1	588.4	-159.0
<b>Investments</b>				
Interest in associated companies e)	842.5	-4.3	75.6	-16.5
Receivables from associated companies	13.7	0.0	0.6	-0.1
Other shares and holdings	683.2	-1.8	56.2	-18.0
Other receivables	9.8	0.0	1.1	-1.0
Advance payments and work in progress	1.1	0.0	0.0	0.0
	1 550.3	-6.1	133.6	-35.6
<b>TOTAL NON-CURRENT ASSETS</b>	<b>7 405.8</b>	<b>-8.3</b>	<b>1 097.7</b>	<b>-308.3</b>

Book value of production machinery at December 31, 2000: FIM 417.2 million

- a) Acquisition costs include fixed assets entailing costs that have not been fully booked as planned depreciation and/or with a financial lifetime with time still left to run.
- b) Includes fixed asset acquisition costs current at the time of the acquisition of companies and businesses.
- c) Includes the acquisition costs of fixed assets that were eliminated, sold, or scrapped by the end of the year, and the purchase price current at the time of the sale of fixed assets of divested companies and businesses.
- d) Includes the accumulated depreciation of acquired companies and businesses at the time of acquisition.
- e) Acquisition costs include original purchase prices, but exclude Group-level associated company transfers.
- f) Value decreases of shares.

Acquisition cost at Dec. 31, 2000	Differences in rates and bookings relating to the value of shares in associated companies	Accumulated depreciation and value decreases at Jan. 1, 2000	Accumulated depreciation and value decreases of decreases and transfers d)	Planned depreciation for the period	Book value at Dec. 31, 2000
159.2	1.3	-242.6	148.6	-20.6	46.0
259.0	0.0	-155.6	5.8	-52.3	56.9
528.5	0.0	-170.8	-58.9	-69.0	229.9
3.2	0.0	0.0	0.0	0.0	3.2
949.9	1.3	-569.0	95.6	-141.9	335.9
640.7	0.0	-96.5	6.1	-61.2	489.1
-1.8	0.0	2.2	-1.0	0.0	-0.7
638.9	0.0	-94.3	5.1	-61.3	488.4
289.6	0.0	0.0	0.0	0.0	289.6
46.8	0.0	0.0	0.0	0.0	46.8
336.4	0.0	0.0	0.0	0.0	336.4
1 257.7	-0.3	-254.4	5.7	-41.1	967.7
54.6	0.0	0.0	0.0	0.0	54.6
1 312.3	-0.3	-254.4	5.7	-41.1	1 022.3
3 039.1	1.0	-1 984.9	94.1	-259.5	889.8
63.2	0.0	-47.4	1.3	-2.6	14.5
204.9	0.0	0.0	0.0	0.0	204.9
4 955.9	0.7	-2 286.7	101.1	-303.2	2 467.8
897.3	6.7	0.0	0.0	0.0	903.9
14.3	0.0	0.0	0.0	0.0	14.3
719.6	0.0	-21.4	4.0	-4.1 f)	698.1
9.9	0.0	0.0	0.0	0.0	9.9
1.1	0.0	0.0	0.0	0.0	1.1
1 642.2	6.7	-21.4	4.0	-4.1	1 627.4
8 186.9	8.7	-2 971.5	205.9	-510.4	4 919.5

# Shares booked under non-current assets

	Participation of the Parent Company, %	Participation of the sub-group's parent company, %	Participation of the Group, %	Shares owned by the Parent Company Number	Par value FIM 1 000	Book value FIM 1 000
<b>GROUP COMPANIES</b>						
<b>Helsinki Media</b>						
Helsinki Media Oy, Helsinki *)	100.0		100.0	427 090	30 472	217 833
Liiketieto-Business Information Oy, Helsinki		100.0	100.0			
Milvus Förlags AB, Sweden		100.0	100.0			
Suomalainen Yritystiedosto Oy, Helsinki		100.0	100.0			
<b>Sanoma</b>						
Sanoma Corporation, Helsinki *)	100.0		100.0	3 000 000	178 372	646 567
Arnedo Oy, Helsinki		60.0	60.0			
Baltic Media Oy, Anjalankoski		7.3	89.0			
Bilton Capital Oy, Kouvola		100.0	100.0			
Digital Future Finland Oy, Kouvola			100.0			
Esmerk Americas Inc, USA			90.0			
Esmerk Argentina S.A., Argentina			90.0			
Esmerk Brasil LTDA, Brazil			90.0			
Esmerk GmbH, Germany			90.0			
Esmerk Information (HK) Limited, Hong Kong			90.0			
Esmerk Information AB, Sweden			90.0			
Esmerk Information S.L., Spain			89.5			
Esmerk Information SARL, France			90.0			
Esmerk Information Services Pte Ltd, Singapore			90.0			
Esmerk Information Services Sdn. Bhd., Malaysia			90.0			
Esmerk Informatsioon OÜ, Estonia			90.0			
Esmerk Limited, UK			90.0			
Esmerk Oy, Helsinki			90.0			
Esmerk ZAO, Russia			90.0			
Etelä-Karjalan Jakelu Oy, Lappeenranta			100.0			
Etelä-Saimaan Sanomalehti Oy, Lappeenranta			100.0			
Helsingin Päivälehti Oy, Helsinki		100.0	100.0			
Keskiaukeama Oy, Helsinki		100.0	100.0			
Kiinteistö Oy Myllymäentie, Vantaa	22.8	77.2	100.0	7 815	15 075	15 075
Kiinteistö Oy Tommolankatu, Kouvola			100.0			
Kiinteistö Oy Virojoen Mäkitie 3, Virolahti			100.0			
Kymen Lehtimedia Oy, Anjalankoski		86.1	100.0			
Kymen Sanomalehti Oy, Kotka			100.0			
Kymen Viestintä Oy, Kouvola			100.0			
Lehtikanta Oy, Kouvola			100.0			
Lehtikuva Oy, Helsinki		100.0	100.0			
Leijonajakelu Oy, Vantaa		100.0	100.0			
Nytnet Oy, Helsinki		80.0	80.0			
Onbusiness Oy, Helsinki			54.0			
Päiväverkko Oy, Vantaa		100.0	100.0			
Saimaan Lehtipaino Oy, Lappeenranta			100.0			
Startel Oy, Helsinki		90.0	90.0			
Tampereen Sanomain Oy, Helsinki		100.0	100.0			
Uutisvuoksi Oy, Imatra			75.0			
<b>SWelcom</b>						
SWelcom Oy, Helsinki *)	100.0		100.0	436 185	31 121	25 269
Helsinki Televisio Oy, Helsinki		100.0	100.0			
Oy Måndag Ab, Helsinki			100.0			
Oy Ruutunelonen Ab, Helsinki		90.6	90.6			
Oy Suomen Medianelonen Ab, Helsinki			90.6			
SW Television Oy, Helsinki		100.0	100.0			
Swwap Oy		100.0	100.0			
Tuotantotalo Werne Oy, Helsinki		75.8	100.0			



	Participation of the Parent Company, %	Participation of the sub-group's parent company, %	Participation of the Group, %	Shares owned by the Parent Company		
				Number	Par value FIM 1 000	Book value FIM 1 000
<b>WSOY</b>						
Werner Söderström Corporation, Helsinki *)	100.0		100.0	2 000 000	118 915	467 444
AB Förlagsinkasso, Sweden			100.0			
Ajasto Osakeyhtiö, Vantaa		100.0	100.0			
Almanacksförlaget, Sweden			100.0			
Bertmark A/S Danmark, Denmark			100.0			
Bertmark Media AB, Sweden			100.0			
Bertmark Norge AS, Norway			100.0			
Bertmarks Förlag AB, Sweden			100.0			
Docendo Finland Oy, Jyväskylä		100.0	100.0			
Docendo Norge AS, Norway			100.0			
Docendo Produktion Aktiebolag, Sweden			100.0			
Docendo Sverige AB, Sweden		100.0	100.0			
Emil Moestue AS, Norway			100.0			
Geodata Oy, Helsinki		100.0	100.0			
Karinkorpi I Oy, Vihti			100.0			
Karttakeskus Oy, Vantaa		80.1	80.1			
Kiinteistö Oy Bulevardi 12, Helsinki		100.0	100.0			
Kiinteistö Oy Bulevardi 14, Helsinki		78.8	78.8			
Kustannusperintä Oy, Espoo			100.0			
Lönnerberg Painot Oy, Helsinki		100.0	100.0			
Nummi-Plast Oy, Helsinki			100.0			
Simultan Interaktiv Svenska AB, Sweden			100.0			
Tummaavuoren Kirjapaino Oy, Vantaa		80.0	80.0			
Weilin+Göös Oy, Helsinki		100.0	100.0			
Werner Söderström GmbH, Germany		100.0	100.0			
Werner Söderström Lakitieto Oy, Helsinki		100.0	100.0			
WS Bookwell Oy, Porvoo		100.0	100.0			
WSOY - Hyvä-Kirja Oy, Helsinki		100.0	100.0			
WSOY Koulukanava Oy, Helsinki		100.0	100.0			
<b>Rautakirja</b>						
Rautakirja Oyj, Vantaa *) **)	0.4		55.1	26 050	521	7 665
AS Megapanus, Estonia			90.0			
AS MPDE, Estonia			90.0			
Astro Raamatud OÜ, Estonia			60.0			
Asunto Oy Imatran Sassinkulma, Imatra		60.6	74.7			
Baltic Cinema SIA, Latvia			90.0			
Eurostrada Oy, Vantaa		100.0	100.0			
Ferete Oy, Vantaa		100.0	100.0			
Finnkino Oy, Vantaa		100.0	100.0			
Foodstop Oy, Vantaa			99.0			
Interprint Oy, Helsinki			100.0			
Kiinteistö Oy Hallahepe, Toijala		100.0	100.0			
Kiinteistö Oy Jokela City 1, Tuusula		57.0	100.0			
Kiinteistö Oy Keravan Toripaviljonki, Kerava		50.8	50.8			
Kiinteistö Oy Kuusankosken Kioski, Kuusankoski		58.9	58.9			
Kiinteistö Oy Porin Liisankatu 6, Pori		100.0	100.0			
Kiinteistö Oy Porin Promenadikeskus, Pori		73.2	73.2			
Kiinteistö Oy Salon Torikioski, Salo		55.6	55.6			
Kirjasoppi Oy, Vantaa			90.0			
Lehtijakelu Driva-Rack Oy, Vantaa			90.0			
Lehti-Maja Eesti AS, Estonia		100.0	100.0			
Lehti-Maja Oy, Vantaa		98.9	100.0			
Lehtipiste Oy Pressco, Vantaa		100.0	100.0			
O.Y. Lelutaide A.B., Helsinki		100.0	100.0			
P.M. Drockila Oy, Vantaa		100.0	100.0			
Pro Kirja Oy, Helsinki		50.0	50.0			
Suomalainen Kirjakauppa Oy, Helsinki		99.5	100.0			

	Participation of the Parent Company, %	Participation of the sub-group's parent company, %	Participation of the Group, %	Shares owned by the Parent Company		
				Number	Par value FIM 1 000	Book value FIM 1 000
Stailus OÜ, Estonia			100.0			
Veikkausrasti Oy, Helsinki		100.0	100.0			
VIP Enterprises Finland Oy, Helsinki		100.0	100.0			
<b>Real estate and investment companies</b>						
ECI Communications AG, Switzerland			100.0			
Helsingin Oikotie Oy, Helsinki	100.0		100.0	850	51	51
Kiinteistö Oy Myllymäenpolku, Helsinki	100.0		100.0	46 500	29 574	15 074
Kiinteistö Oy Porvoon Mannerheiminkatu 20, Porvoo			100.0			
Kiinteistö Oy Postikuja 2, Helsinki	100.0		100.0	4 200	24 972	24 972
Kiinteistö Oy Vantaan Valtatie 3, Helsinki	100.0		100.0	68 500	42 402	35 002
Kiinteistö Oy Vantaankosken Isotammi, Helsinki	100.0		100.0	47 000	4 700	4 700
Kiinteistö Oy Vantaankosken Kuningastie, Helsinki	100.0		100.0	30 000	3 000	3 000
Kiinteistöosakeyhtiö Erottajankatu 9–11, Helsinki	89.4		89.4	3 289	329	52 219
Kiinteistöosakeyhtiö Miekkakala, Helsinki	97.8		97.8	15 866	63 464	74 570
Kiinteistöosakeyhtiö Sanomalan Keskusalue, Helsinki	100.0		100.0	69 940	159 002	103 002
Kirjatuki Oy, Helsinki	100.0		100.0	414 000	12 420	14 734
Lastannet Holding B.V., Netherlands	100.0		100.0	140 000	NLG 140	80 401
Lastannet Oy, Hyvinkää	100.0		100.0	15	15	15
Monsaksenpolun Kiinteistö Oy, Helsinki	100.0		100.0	41 000	41 000	41 000
Sanoma Finance AG, Switzerland	100.0		100.0	1 090 000	CHF 109 000	417 156
Sanoma Inc., USA	100.0		100.0	100	USD 10	4 854
Sanoma WSOY AS, Norway	100.0		100.0	500	NOK 50	10 000
Sanomain Huoneisto ja Kiinteistöholding Oy, Helsinki	100.0		100.0	62 000	62 000	62 213
Tiikerijakelu Oy, Helsinki	100.0		100.0	100 000	5 946	5 950

**2 328 767**

\*) Parent company of the sub-group

\*\*) Group holding: Sanoma Corporation 22.94%, Werner Söderström Corporation 31.73%, and SanomaWSOY Corporation 0.4%.

## ASSOCIATED COMPANIES

### Helsinki Media Company Oy

Egmont Kustannus Oy Ab, Tampere	50.0	50.0
Hansaprint Oy, Turku	40.0	40.0
Oy Kirjalito Ab, Vantaa	50.0	50.0
Oy Pro Licensing Nordic Ab	50.0	50.0

### Sanoma Corporation

Anjalankosken Painotalo Oy, Anjalankoski		48.2
Ecovision AB, Sweden		30.1
Hämeen Sanomat Oy		41.5
Ilkka-Yhtymä Oyj, Seinäjoki	35.0	20.5
Infosto Oy, Tampere	21.4	35.0
Janton Oyj, Helsinki		21.4
Lappeenrannan Kirjapaino Oy, Lappeenranta	3.0	40.0
Maakuntien Viestintä Oy, Jyväskylä	20.1	46.0
Netwheels Oy, Helsinki		20.1
Savon Mediat Oy, Jyväskylä	21.7	21.7
Suomen Nettirahastot Oy, Helsinki		19.0
Suomen Tietotoimisto Oy, Helsinki	20.8	22.1

### SWelcom Oy

Maxisat Oy	40.6	46.2
Suomen Urheilutelevisio Oy	35.0	35.0
Vantaan Yhteisverkko Oy		24.0

	Participation of the Parent Company, %	Participation of the sub-group's parent company, %	Participation of the Group, %	Shares owned by the Parent Company		
				Number	Par value FIM 1 000	Book value FIM 1 000
<b>Werner Söderström Corporation</b>						
Asunto Oy Uudenmaankatu 13		26.7	26.7			
Everscreen Mediateam Oy		25.0	25.0			
Taskukirja Loiste Oy, Helsinki		25.0	25.0			
Young Digital Poland, Poland		29.0	29.0			
<b>Rautakirja Oyj</b>						
AB Districo International		25.0	25.0			
AS Lehepunkt, Estonia		50.0	50.0			
Asunto Oy Kuopion Suomuurain, Kuopio			26.0			
Asunto Oy Maaherrank. 26, Mikkeli		36.1	36.1			
Asunto Oy Oulunkylänt. 7, Helsinki		30.0	30.0			
Asunto Oy Tikkurilan Asematie 6, Vantaa		38.0	38.0			
Asunto Oy Veljeskulma, Virkkala		23.7	23.7			
Asunto Oy Vihdin Yhdystalo, Vihti		25.8	25.8			
Baltlab OÜ, Estonia			33.3			
JHC Arena Holding, Helsinki		30.0	30.0			
Jokerit HC Oyj, Helsinki		28.3	34.5			
Kiint. Oy Haminan Puistokatu 4, Hamina		22.0	22.0			
Kiint. Oy Haukiputaan Revontie 1, Haukipudas		48.2	48.2			
Kiint. Oy Hämeenkatu 12, Hyvinkää		46.0	46.0			
Kiint. Oy Joutsenon Torirakennus, Joutseno		28.4	28.4			
Kiint. Oy Kaukajärven Liiketalo, Tampere		22.9	28.2			
Kiint. Oy Kiuruveden Toritalo, Kiuruvesi		23.0	23.0			
Kiint. Oy Kuopion Tullinportink. 33, Kuopio		22.2	32.7			
Kiint. Oy Köpmansgatan 2 i Karis, Karjaa		14.8	39.0			
Kiint. Oy Loimaan Torikioski, Loimaa		38.6	38.6			
Kiint. Oy Mikkelin Torikioski, Mikkeli		36.6	36.6			
Kiint. Oy Nastolan Nappi, Nastola			29.5			
Kiint. Oy Nokian Liikekeskus, Nokia		34.4	34.4			
Kiint. Oy Palosaarentie 31, Vaasa		21.5	21.5			
Kiint. Oy Puistolank. Pankkitalo, Helsinki		3.9	41.8			
Kiint. Oy Ristiniäri, Pieksämäki		33.4	33.4			
Kiint. Oy Ruukintori, Ruukki		23.7	23.7			
Kiint. Oy Sampotalo, Pori		48.0	48.0			
Kiint. Oy Taulumäen Toripaviljonki		47.6	47.6			
Kiint. Oy Vaasan Teollisuustalo, Vaasa			34.3			
Kiint. Oy Välikero, Rovaniemi			39.5			
Kirjavälitys Oy, Vantaa		17.4	20.1			
Koivulan Säästökulma, Pori		20.5	20.5			
Kokkolan Linja-autoas.kiint. Oy, Kokkola		20.4	20.4			
Nakkilan Liikekeskus Oy, Nakkila		24.5	24.5			
Narvesen Baltija SIA, Latvia		35.1	35.1			
Valkeakosken Yhteistalo Oy, Valkeakoski		39.1	39.1			
<b>SanomaWSOY Corporation and other companies</b>						
A-pressen ASA, Norway			29.6			
Asunto Oy Laajavuorenuja 3, Vantaa	41.0		41.0	4 184	8 577	8 577
				<b>8 577</b>		
*) Consolidated on a line-by-line basis in accordance with the size of the holding.						
<b>OTHER SHARES OWNED BY THE PARENT COMPANY</b>						
Shares in housing corporations						28 063
Other shares						8 920
						<b>36 983</b>

	31.12.2000 FIM million	31.12.1999 FIM million	31.12.2000 € million	31.12.1999 € million
<b>10) NON-CURRENT ASSETS</b>				
<b>Intangible assets</b>				
Immaterial rights	46.0	146.1	7.7	24.6
Goodwill	56.9	93.4	9.6	15.7
Other long-term investments	229.9	135.1	38.7	22.7
Advance payments and work in progress	3.2	0.3	0.5	0.1
	<b>335.9</b>	<b>374.8</b>	<b>56.5</b>	<b>63.0</b>
<b>Consolidated goodwill</b>	<b>488.4</b>	<b>303.0</b>	<b>82.1</b>	<b>51.0</b>
<b>Tangible assets</b>				
Land and water	336.4	341.0	56.6	57.4
Buildings and structures	1 022.3	993.9	171.9	167.2
Machinery and equipment	889.8	839.4	149.7	141.2
Other tangible assets	14.5	13.2	2.4	2.2
Advance payments and work in progress	204.9	40.0	34.5	6.7
	<b>2 467.8</b>	<b>2 227.6</b>	<b>415.1</b>	<b>374.7</b>
<b>Investments</b>				
Interest in associated companies	903.9	834.7	152.0	140.4
Receivables from associated companies	14.3	13.7	2.4	2.3
Other shares and holdings	698.1	661.7	117.4	111.3
Other receivables	9.9	9.8	1.7	1.7
Advance payments and work in progress	1.1	1.1	0.2	0.2
	<b>1 627.4</b>	<b>1 521.1</b>	<b>273.7</b>	<b>255.8</b>
<b>Total</b>	<b>4 919.5</b>	<b>4 426.5</b>	<b>827.4</b>	<b>744.5</b>
<b>11) INVENTORIES</b>				
Materials and supplies	35.0	38.5	5.9	6.5
Work in progress	37.5	34.2	6.3	5.7
Finished products/goods	365.5	434.6	61.5	73.1
Other current assets	102.0	0.7	17.2	0.1
Advance payments	67.4	54.7	11.3	9.2
<b>Total</b>	<b>607.5</b>	<b>562.7</b>	<b>102.2</b>	<b>94.6</b>

	31.12.2000 FIM million	31.12.1999 FIM million	31.12.2000 € million	31.12.1999 € million
<b>12) RECEIVABLES, LONG-TERM</b>				
Trade receivables	20.7	21.8	3.5	3.7
Prepaid expenses and accrued income *)	30.8	25.4	5.2	4.3
Other receivables	18.9	17.5	3.2	2.9
Deferred tax receivables	186.7	134.1	31.4	22.5
<b>Total</b>	<b>257.1</b>	<b>198.8</b>	<b>43.2</b>	<b>33.4</b>

### 13) RECEIVABLES, SHORT-TERM

Trade receivables	592.2	526.8	99.6	88.6
Prepaid expenses and accrued income *)	180.4	157.0	30.3	26.4
Loan receivables	19.7	5.9	3.3	1.0
Other receivables	90.4	62.1	15.2	10.4
Deferred tax receivables	6.4	17.3	1.1	2.9
<b>Total</b>	<b>889.1</b>	<b>769.0</b>	<b>149.5</b>	<b>129.3</b>

#### Receivables from associated companies

Trade receivables	7.7	7.2	1.3	1.2
Prepaid expenses and accrued income	0.1	0.2	0.0	0.0
Loan receivables	15.0	4.4	2.5	0.7
<b>Total</b>	<b>22.9</b>	<b>11.9</b>	<b>3.8</b>	<b>2.0</b>

#### \*) Prepaid expenses and accrued income, short-term

Activated personnel expenses	22.9	31.6	3.8	5.3
Activated interest income	9.2	14.6	1.5	2.5
Activated income tax	16.3	6.5	2.7	1.1
Other prepaid expenses and accrued income	132.0	104.2	22.2	17.5
<b>Total</b>	<b>180.4</b>	<b>157.0</b>	<b>30.3</b>	<b>26.4</b>

Other prepaid expenses and accrued income include activated agency commissions, Rautakirja's estimate for returned magazines, and receivables related to sold bonds.

### 14) DIFFERENCE BETWEEN THE REACQUISITION COST AND THE BOOK VALUE OF PUBLICLY TRADED SECURITIES

#### Other shares under non-current assets

Reacquisition cost	611.9	446.1	102.9	75.0
Book value	479.1	378.9	80.6	63.7
<b>Difference</b>	<b>132.8</b>	<b>67.2</b>	<b>22.3</b>	<b>11.3</b>

#### Financial securities

Reacquisition cost	2 046.5	2 514.1	344.2	422.8
Book value	1 595.5	1 673.7	268.3	281.5
<b>Difference</b>	<b>451.0</b>	<b>840.4</b>	<b>75.9</b>	<b>141.3</b>

	31.12.2000 FIM million	31.12.1999 FIM million	31.12.2000 € million	31.12.1999 € million
<b>15) SHAREHOLDERS' EQUITY</b>				
Share capital at Jan. 1	363.8	363.8	61.2	61.2
Share issue	8.2	0.0	1.4	0.0
<b>Share capital</b>	<b>372.0</b>	<b>363.8</b>	<b>62.6</b>	<b>61.2</b>
Premium fund at Jan. 1	95.7	0.0	16.1	0.0
Selling price of company shares	0.0	109.5	0.0	18.4
Purchase premium on shares sold	0.0	-13.8	0.0	-2.3
<b>Share premium account</b>	<b>95.7</b>	<b>95.7</b>	<b>16.1</b>	<b>16.1</b>
Contingency fund at Jan. 1	6.7	4.1	1.1	0.7
Transfer of profits	-6.7	2.6	-1.1	0.4
<b>Contingency fund</b>	<b>0.0</b>	<b>6.7</b>	<b>0.0</b>	<b>1.1</b>
Other funds at Jan. 1	2 167.4	2 241.7	364.5	377.0
Change	-2.8	-74.3	-0.5	-12.5
<b>Other funds</b>	<b>2 164.6</b>	<b>2 167.4</b>	<b>364.1</b>	<b>364.5</b>
Profit (loss) brought forward at Jan. 1	2 040.5	1 716.4	343.2	288.7
Dividend distribution	-371.8	-231.7	-62.5	-39.0
Change in translation difference	24.8	26.9	4.2	4.5
Purchase premium on shares sold	0.0	13.8	0.0	2.3
Donations	-1.7	-1.0	-0.3	-0.2
HTV subscription fees	5.7	4.6	1.0	0.8
Transfer from restricted equity	1.3	71.7	0.2	12.1
Other changes	-0.1	-0.3	0.0	-0.1
<b>Profit (loss) brought forward at Dec. 31</b>	<b>1 698.7</b>	<b>1 600.3</b>	<b>285.7</b>	<b>269.1</b>
<b>Profit (loss) for the year</b>	<b>560.0</b>	<b>440.2</b>	<b>94.2</b>	<b>74.0</b>
<b>Total shareholders' equity</b>	<b>4 891.1</b>	<b>4 674.1</b>	<b>822.6</b>	<b>786.1</b>
<b>Distributable assets at Dec. 31</b>				
Other distributable funds	2 115.3	2 128.1	355.8	357.9
Profit brought forward	1 698.7	1 600.3	285.7	269.1
Profit for the year	560.0	440.2	94.2	74.0
Depreciation difference booked in equity	-498.0	-547.7	-83.7	-92.1
Interest or other reimbursement payable on equity loan	-9.5	-14.0	-1.6	-2.4
<b>Assets distributable from equity</b>	<b>3 866.5</b>	<b>3 606.9</b>	<b>650.3</b>	<b>606.6</b>

#### Composition of the Parent Company's share capital by share class:

##### NUMBER OF SHARES

Series A shares (20 votes / share)	23 220 492
Series B shares (1 vote / share)	122 301 104

##### NOMINAL VALUES

	FIM	€
Series A shares (20 votes / share)	59 366 993.64	9 984 811.56
Series B shares (1 vote / share)	312 682 817.52	52 589 474.72

Tiikerijakelu Oy holds 7,178,276 Series B shares in the Parent Company, representing a nominal value of FIM 18,352,439.11. The Group's acquisition cost associated with these shares totalled FIM 63,215,619.83.

	31.12.2000 FIM million	31.12.1999 FIM million	31.12.2000 € million	31.12.1999 € million
<b>16) STATUTORY PROVISIONS</b>				
Pension liability reserve	13.9	9.8	2.3	1.7
<b>Total</b>	<b>13.9</b>	<b>9.8</b>	<b>2.3</b>	<b>1.7</b>
<b>17) DEFERRED TAX LIABILITIES/RECEIVABLES</b>				
<b>DEFERRED TAX RECEIVABLES</b>				
From activation differences	178.2	133.9	30.0	22.5
From consolidation measures	14.9	17.5	2.5	2.9
<b>Total</b>	<b>193.1</b>	<b>151.4</b>	<b>32.5</b>	<b>25.5</b>
<b>DEFERRED TAX LIABILITIES</b>				
From activation differences	5.5	0.0	0.9	0.0
From provisions	214.9	242.2	36.2	40.7
From consolidation measures	3.1	4.5	0.5	0.8
<b>Total</b>	<b>223.6</b>	<b>246.7</b>	<b>37.6</b>	<b>41.5</b>
<b>DEFERRED TAXES IN CONSOLIDATED BALANCE SHEET</b>				
Receivables, long-term	186.7	134.1	31.4	22.5
Receivables, short-term	6.4	17.3	1.1	2.9
Liabilities, long-term	223.6	246.7	37.6	41.5
<b>Total deferred tax liabilities (-) / receivables (+)</b>	<b>-30.6</b>	<b>-95.3</b>	<b>-5.1</b>	<b>-16.0</b>

The estimated income tax on the value appreciation of land and buildings totals FIM 29.4 million.

#### 18) LONG-TERM LIABILITIES

Loans from financial institutions	124.6	90.0	21.0	15.1
Pension loans	377.2	437.5	63.4	73.6
Other debts	8.7	28.3	1.5	4.8
<b>Total</b>	<b>510.5</b>	<b>555.8</b>	<b>85.9</b>	<b>93.5</b>

	31.12.2000 FIM million	31.12.1999 FIM million	31.12.2000 € million	31.12.1999 € million
<b>19) CURRENT LIABILITIES</b>				
Loans from financial institutions	12.9	12.9	2.2	2.2
Pension loans	38.7	36.2	6.5	6.1
Trade bills	377.7	0.0	63.5	0.0
Trade payables	520.6	485.0	87.6	81.6
Accrued expenses and prepaid income *)	817.1	724.4	137.4	121.8
Advances received	302.2	283.3	50.8	47.6
Other debts	135.0	128.6	22.7	21.6
<b>Total</b>	<b>2 204.4</b>	<b>1 670.4</b>	<b>370.7</b>	<b>280.9</b>

### Owing to associated companies

Trade payables	11.9	16.2	2.0	2.7
Accrued expenses and prepaid income	0.8	0.8	0.1	0.1
Advances received	1.0	0.0	0.2	0.0
Other debts	1.8	2.0	0.3	0.3
<b>Total</b>	<b>15.5</b>	<b>19.0</b>	<b>2.6</b>	<b>3.2</b>

### \*) Accrued expenses and deferred income

Activated personnel expenses	398.5	349.0	67.0	58.7
Activated interest expenses	5.3	6.5	0.9	1.1
Activated income tax	88.8	47.7	14.9	8.0
Other accrued expenses and deferred income	324.5	321.2	54.6	54.0
<b>Total</b>	<b>817.1</b>	<b>724.4</b>	<b>137.4</b>	<b>121.8</b>

Other accrued expenses and deferred income include activated royalties and Rautakirja Group's income on magazine sales from its consignment stock.

### Debts maturing in five years or later

Loans from financial institutions	18.2	22.0	3.1	3.7
Pension loans	79.0	110.5	13.3	18.6
Other debts	3.9	55.1	0.7	9.3
<b>Total</b>	<b>101.0</b>	<b>187.7</b>	<b>17.0</b>	<b>31.6</b>

## 20) CONTINGENCIES AND PLEDGED ASSETS

### Debts with collateral consisting of property and shares

Pension loans	150.2	191.2	25.3	32.2
Loans from financial institutions	46.9	54.7	7.9	9.2
Other loans	89.7	109.5	15.1	18.4
<b>Mortgages, real property, total</b>	<b>130.2</b>	<b>123.5</b>	<b>21.9</b>	<b>20.8</b>
<b>Mortgages, movable property, total</b>	<b>19.0</b>	<b>29.1</b>	<b>3.2</b>	<b>4.9</b>
<b>Pledged securities, total</b>	<b>322.8</b>	<b>322.8</b>	<b>54.3</b>	<b>54.3</b>

### Other assets pledged for own debt

Mortgaged bearer bonds	5.5	28.7	0.9	4.8
Industrial mortgages	29.4	18.3	4.9	3.1
Book value of pledged securities	115.7	78.0	19.5	13.1
Deposits	1.1	0.2	0.2	0.0
Guarantees	15.1	14.6	2.5	2.5
<b>Total</b>	<b>166.8</b>	<b>139.8</b>	<b>28.1</b>	<b>23.5</b>

Assets pledged as security for derivative instruments included LEX share lendings with a total book value of FIM 16.5 million. Of this total, UPM-Kymmene Corporation shares (345,000 shares) accounted for a book value of FIM 12.9 million and Nokia Corporation shares (35,200 shares) for FIM 3.6 million.



	31.12.2000 FIM million	31.12.1999 FIM million	31.12.2000 € million	31.12.1999 € million
<b>Assets pledged for associated companies</b>				
Guarantees	6.1	6.2	1.0	1.0
<b>Assets pledged for others</b>				
Guarantees	4.7	5.0	0.8	0.8
<b>Other contingencies</b>				
<b>Leasing liabilities</b>				
Leasing liabilities for 2001	13.5	6.5	2.3	1.1
Leasing liabilities beyond 2001	14.3	9.8	2.4	1.6
<b>Total</b>	<b>27.8</b>	<b>16.3</b>	<b>4.7</b>	<b>2.7</b>
<b>Interest on equity loans</b>	<b>9.5</b>	<b>14.0</b>	<b>1.6</b>	<b>2.4</b>
<b>Pension liabilities</b>				
Current pensions	3.7	0.5	0.6	0.1
<b>Total</b>	<b>3.7</b>	<b>0.5</b>	<b>0.6</b>	<b>0.1</b>
<b>Repurchase liabilities</b>	<b>19.6</b>	<b>19.6</b>	<b>3.3</b>	<b>3.3</b>
<b>Other liabilities</b>	<b>78.7</b>	<b>114.5</b>	<b>13.2</b>	<b>19.3</b>
<b>Other contingencies, total</b>	<b>139.3</b>	<b>165.0</b>	<b>23.4</b>	<b>27.7</b>
<b>All liabilities, total</b>	<b>788.9</b>	<b>791.4</b>	<b>132.7</b>	<b>133.1</b>

#### PAR VALUE AND CURRENT VALUE OF THE GROUP'S OPEN DERIVATIVE CONTRACTS

	Nominal value 31.12.2000 FIM million	Nominal value 31.12.1999 FIM million	Market value 31.12.2000 FIM million	Market value 31.12.1999 FIM million
<b>FIM million</b>				
<b>Currency derivatives</b>				
Forward contracts	282.4	136.9	23.3	-0.9
<b>Total</b>	<b>282.4</b>	<b>136.9</b>	<b>23.3</b>	<b>-0.9</b>
<b>Share derivatives</b>				
Forward contracts	131.4	267.8	-4.7	-18.1
Option contracts				
Put	0.0	18.9	0.0	-4.0
<b>Total</b>	<b>131.5</b>	<b>286.7</b>	<b>-4.7</b>	<b>-22.0</b>
<b>Total</b>	<b>413.9</b>	<b>423.6</b>	<b>18.6</b>	<b>-22.9</b>
<b>€ million</b>				
<b>Currency derivatives</b>				
Forward contracts	47.5	23.0	3.9	-0.1
<b>Total</b>	<b>47.5</b>	<b>23.0</b>	<b>3.9</b>	<b>-0.1</b>
<b>Share derivatives</b>				
Forward contracts	22.1	45.0	-0.8	-3.0
Option contracts				
Put	0.0	3.2	0.0	-0.7
<b>Total</b>	<b>22.1</b>	<b>48.2</b>	<b>-0.8</b>	<b>-3.7</b>
<b>Total</b>	<b>69.6</b>	<b>71.2</b>	<b>3.1</b>	<b>-3.9</b>

Derivative contracts are mainly used for regulating the risk profile of the investment portfolio.

# SanomaWSOY Corporation

## Income statement

	1.1–31.12.2000 FIM million	1.5–31.12.1999 FIM million
<b>NET SALES</b>	<b>0.0</b>	0.0
Other operational income 1)	31.8	20.9
Personnel expenses 2)	33.1	18.5
Depreciation 3)	5.0	2.8
Other operational expenses 4)	63.1	41.0
<b>OPERATING PROFIT (LOSS)</b>	<b>-69.4</b>	-41.5
Financial income and expenses 5)	246.7	785.6
<b>PROFIT (LOSS) BEFORE EXTRAORDINARY ITEMS</b>	<b>177.3</b>	744.0
Extraordinary items 6)	100.1	0.0
<b>PROFIT (LOSS) AFTER EXTRAORDINARY ITEMS</b>	<b>277.4</b>	744.0
Provisions	-0.8	0.0
Direct taxes	-50.8	-10.4
<b>PROFIT (LOSS) FOR THE YEAR</b>	<b>225.9</b>	733.7

# SanomaWSOY Corporation

## Balance sheet

	1.1–31.12.2000 FIM million	1.5–31.12.1999 FIM million
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS 7)</b>		
Intangible assets	15.1	8.2
Tangible assets	92.3	91.4
Investments	4 148.4	4 016.5
<b>NON-CURRENT ASSETS, TOTAL</b>	<b>4 255.9</b>	<b>4 116.1</b>
<b>CURRENT ASSETS</b>		
Receivables, short-term 8)	345.3	112.3
Financial securities 9)	509.4	654.1
Cash and bank	36.9	17.7
<b>CURRENT ASSETS, TOTAL</b>	<b>891.6</b>	<b>784.1</b>
<b>ASSETS, TOTAL</b>	<b>5 147.5</b>	<b>4 900.3</b>
<b>LIABILITIES</b>		
<b>SHAREHOLDERS' EQUITY 10)</b>		
Share capital	372.0	363.8
Other funds	2 114.6	2 122.9
Retained earnings	1 392.1	1 051.0
Profit (loss) for the year	225.9	733.7
<b>SHAREHOLDERS' EQUITY, TOTAL</b>	<b>4 104.6</b>	<b>4 271.3</b>
<b>ACCUMULATED PROVISIONS 11)</b>	<b>7.5</b>	<b>6.7</b>
<b>STATUTORY PROVISIONS</b>	<b>0.0</b>	<b>0.0</b>
<b>LIABILITIES</b>		
Current liabilities 13)	1 035.5	622.3
<b>LIABILITIES, TOTAL</b>	<b>5 147.5</b>	<b>4 900.3</b>

# SanomaWSOY Corporation

## Cash flow statement and notes

	1.1–31.12.2000 FIM million	1.5–31.12.1999 FIM million
<b>OPERATIONS</b>		
Operating profit (loss)	-69.4	-41.5
Adjustments to operating profit 1)	-2.2	1.3
Change in working capital 2)	16.9	-12.0
<b>Cash flow from operations before financial items and taxes</b>	<b>-54.7</b>	<b>-52.2</b>
Interest received from operations	77.9	26.4
Interest paid on operations	-28.0	-9.8
Dividend received from operations	37.5	711.1
Other financial items	166.7	57.9
Tax paid on operations	-26.4	6.9
<b>CASH FLOW FROM OPERATIONS</b>	<b>173.0</b>	<b>740.2</b>
<b>INVESTMENTS</b>		
Acquisition of tangible and intangible assets	-11.1	-2.5
Group companies acquired	-32.9	-25.0
Other holdings acquired	-0.1	0.0
Sales of tangible and intangible assets	1.3	2.8
Group companies sold	5.3	0.0
Associated companies sold	7.4	0.3
Sales of other companies	4.2	4.0
Increase (-)/decrease (+) in current loan receivables	-56.6	-62.5
Investments in other assets	-384.5	-281.2
Sales of other investments	261.0	289.1
Dividend received from investments	0.0	0.5
Value added tax on structural arrangements	0.0	-75.0
<b>CASH FLOW FROM INVESTMENTS</b>	<b>-206.1</b>	<b>-149.5</b>
<b>CASH FLOW BEFORE FINANCING</b>	<b>-33.1</b>	<b>590.7</b>
<b>FINANCING</b>		
Drawings on short-term loans	377.7	377.4
Repayments of short-term loans	-77.6	-706.6
Dividends paid	-390.6	0.0
Donations	-1.5	0.0
<b>FINANCING TOTAL</b>	<b>-92.0</b>	<b>-329.2</b>
Change in liquidities according to the cash flow statement	-125.1	261.5
Exchange rate differences under liquidities	-0.4	-19.1
<b>Net increase (+)/decrease (-) in liquidities</b>	<b>-125.5</b>	<b>242.4</b>
Liquidities according to the balance sheet at Jan. 1	671.8	429.4
<b>Liquidities according to the balance sheet at Dec. 31</b>	<b>546.3</b>	<b>671.8</b>

<b>NOTES TO THE CASH FLOW STATEMENT</b>	<b>1.1. - 31.12.2000 FIM million</b>	<b>1.5. - 31.12.1999 FIM million</b>
<b>1) Adjustments to operating profit</b>		
Depreciation	5.0	2.8
Profit(-) and loss(+) on sales of non-current assets	-7.2	-1.5
	<b>-2.2</b>	<b>1.3</b>
<b>2) Change in working capital</b>		
Increase (-)/decrease (+) in interest-free short-term receivables	-5.2	-5.9
Increase (+)/decrease (-) in interest-free short-term debts	22.1	-6.1
	<b>16.9</b>	<b>-12.0</b>

# SanomaWSOY Corporation

## Notes to the income statement

	1.1–31.12.2000 FIM million	1.5–31.12.1999 FIM million
<b>1) OTHER OPERATIONAL INCOME</b>		
Rental income	12.3	5.6
Rental income, internal	11.4	13.2
Profit on sales of assets	1.4	0.0
Profit on sales of machinery & equipment	0.3	0.0
Other operational income	6.5	2.0
<b>Total</b>	<b>31.8</b>	<b>20.9</b>
<b>2) PERSONNEL EXPENSES</b>		
Wages, salaries & fees	26.3	14.2
Bonuses	0.0	0.3
Pension expenses	5.2	2.8
Other social expenses	1.6	1.2
<b>Total</b>	<b>33.1</b>	<b>18.5</b>
<b>REMUNERATION TO MANAGEMENT</b>		
President, Deputy and Board members		
<b>Palkat ja palkkiot yhteensä</b>	<b>4.6</b>	<b>2.8</b>
PERSONNEL, AVERAGE *)	77	63
*) stated as average number of full-time salaried personnel.		
<b>3) DEPRECIATION</b>		
Depreciation according to plan	5.0	2.8
<b>Total</b>	<b>5.0</b>	<b>2.8</b>
<b>4) OTHER OPERATIONAL EXPENSES</b>		
Rents	27.6	16.2
Voluntary social expenses	1.5	1.6
Advertising and marketing	4.0	2.5
Office and IT expenses	6.4	3.8
Travel expenses	2.0	1.1
Other expenses	21.6	15.7
<b>Total</b>	<b>63.1</b>	<b>41.0</b>
<b>5) FINANCIAL INCOME AND EXPENSES</b>		
<b>Dividend income (incl. avoiv fiscal)</b>		
From subsidiaries	10.5	711.1
From other companies	39.9	0.7
<b>Total</b>	<b>50.4</b>	<b>711.7</b>
<b>Interest income, long-term:</b>		
From subsidiaries	47.4	28.3
<b>Total</b>	<b>47.4</b>	<b>28.3</b>
<b>Other interest and financial income</b>		
From subsidiaries	6.7	3.1
From other companies	178.2	47.4
Exchange rate gains	4.8	7.8
<b>Total</b>	<b>189.7</b>	<b>58.3</b>
<b>Value decreases</b>		
Papers under current assets	0.4	2.1
<b>Total</b>	<b>0.4</b>	<b>2.1</b>
<b>Interest and other financial expenses</b>		
To subsidiaries	22.9	10.1
To other companies	7.1	0.4
Exchange rate losses	10.3	0.2
<b>Total</b>	<b>40.3</b>	<b>10.7</b>
<b>Total</b>	<b>246.7</b>	<b>785.6</b>
<b>6) EXTRAORDINARY ITEMS</b>		
<b>Extraordinary income</b>		
Group contributions received	174.0	0.0
<b>Extraordinary expenses</b>		
Group contributions given	33.0	0.0
Income tax on extraordinary items	40.9	0.0
<b>Total</b>	<b>100.1</b>	<b>0.0</b>

# SanomaWSOY Corporation

## Notes to the balance sheet

	Acquisition cost at Jan. 1, 2000 a)	Transfers between balance sheet items	Increases	Decreases b)
<b>7) NON-CURRENT ASSETS, FIM million</b>				
<b>Intangible assets</b>				
Immaterial rights	0.4	0.0	1.1	0.0
Other long-term investments	22.5	-0.6	6.1	-0.4
Advance payments and work in progress	0.0	0.6	2.6	-0.6
	23.0	0.0	9.8	-1.0
<b>Tangible assets</b>				
Land and water	41.3	0.0	0.0	0.0
Revaluations	28.4	0.0	0.0	0.0
Total land and water	69.7	0.0	0.0	0.0
Buildings and structures	14.1	0.0	0.0	0.0
Machinery and equipment	57.8	0.0	3.6	-1.9
Advance payments and work in progress	0.0	0.0	0.5	0.0
	141.6	0.0	4.1	-1.9
<b>Investments</b>				
Interest in group companies	2 284.7	0.0	32.9	-3.9
Receivables from group companies	1 648.1	0.0	383.4	-260.9
Interest in associated companies *)	27.8	0.0	0.0	-4.2
Receivables from associated companies	0.7	0.0	0.0	0.0
Other shares and holdings	38.6	0.0	0.1	-1.7
Other receivables	9.9	0.0	1.1	-0.1
	4 009.8	0.0	417.5	-270.9
<b>TOTAL NON-CURRENT ASSETS</b>	<b>4 174.4</b>	<b>0.0</b>	<b>431.4</b>	<b>-273.7</b>

a) Acquisition costs include fixed assets entailing costs that have not been fully booked as planned depreciation and/or with a financial lifetime with time still left to run.

b) Includes the acquisition costs of fixed assets that were eliminated, sold, or scrapped by the end of the year.

	31.12.2000 FIM million	31.12.1999 FIM million
<b>7) NON-CURRENT ASSETS</b>		
<b>Intangible assets</b>		
Immaterial rights	1.3	0.3
Other long-term investments	11.3	7.9
Advance payments and work in progress	2.6	0.0
	15.1	8.2
<b>Tangible assets</b>		
Land and water	69.7	69.7
Buildings and structures	7.8	8.2
Machinery and equipment	14.5	13.5
Advance payments and work in progress	0.5	0.0
	92.3	91.4
<b>Investments</b>		
Interest in Group companies	2 313.7	2 284.7
Receivables from Group companies	1 762.5	1 654.7
Interest in associated companies	23.7	27.8
Receivables from associated companies	0.7	0.7
Other shares and holdings	37.0	38.6
Other receivables	10.9	9.9
	4 148.4	4 016.5
<b>Total</b>	<b>4 255.9</b>	<b>4 116.1</b>

Acquisition cost at Dec. 31, 2000	Differences in rates	Accumulated depreciation and value decreases at Jan. 1, 2000	Accumulated depreciation and value decreases of decreases and transfers	Planned depreciation for the period	Book value at Dec. 31, 2000
1.5	0.0	-0.1	0.0	-0.1	1.3
27.7	0.0	-14.6	0.4	-2.2	11.3
2.6	0.0	0.0	0.0	0.0	2.6
31.7	0.0	-14.7	0.4	-2.3	15.1
41.3	0.0	0.0	0.0	0.0	41.3
28.4	0.0	0.0	0.0	0.0	28.4
69.7	0.0	0.0	0.0	0.0	69.7
14.1	0.0	-5.9	0.0	-0.5	7.8
59.5	0.0	-44.3	1.4	-2.2	14.5
0.5	0.0	0.0	0.0	0.0	0.5
143.8	0.0	-50.2	1.4	-2.7	92.3
2 313.7	0.0	0.0	0.0	0.0	2 313.7
1 770.6	-8.1	0.0	0.0	0.0	1 762.5
23.7	0.0	0.0	0.0	0.0	23.7
0.7	0.0	0.0	0.0	0.0	0.7
37.0	0.0	0.0	0.0	0.0	37.0
10.9	0.0	0.0	0.0	0.0	10.9
4 156.5	-8.1	0.0	0.0	0.0	4 148.4
4 332.0	-8.1	-64.9	1.8	-5.0	4 255.9

**31.12.2000**  
FIM million

31.12.1999  
FIM million

#### 8) RECEIVABLES, SHORT-TERM

Trade receivables	<b>0.7</b>	2.4
Prepaid expenses and accrued income *)	<b>276.3</b>	38.1
Loan receivables	<b>53.7</b>	63.8
Other receivables	<b>14.6</b>	8.0
<b>Total</b>	<b>345.3</b>	112.3

#### Receivables from group companies

Trade receivables	<b>0.6</b>	2.3
Prepaid expenses and accrued income	<b>264.5</b>	22.8
Loan receivables	<b>53.7</b>	63.7
<b>Total</b>	<b>318.8</b>	88.8

#### \*) Prepaid expenses and accrued income, short-term

Activated interest income	<b>8.1</b>	13.0
Activated interest income, consolidated	<b>9.4</b>	8.6
Other prepaid expenses and accrued income	<b>258.8</b>	16.4
<b>Total</b>	<b>276.3</b>	38.1

#### 9) DIFFERENCE BETWEEN THE REACQUISITION COST AND THE BOOK VALUE OF PUBLICLY TRADED SECURITIES

##### Financial securities

Reacquisition cost	<b>763.4</b>	1 074.3
Book value	<b>509.4</b>	654.1
<b>Difference</b>	<b>254.0</b>	420.1

31.12.2000  
FIM million

31.12.1999  
FIM million

## 10) SHAREHOLDERS' EQUITY

Share capital at Jan. 1 /May 1	363.8	363.8
Share issue	8.2	0.0
<b>Share capital</b>	<b>372.0</b>	<b>363.8</b>
Other funds at Jan. 1 /May 1	2 122.9	2 122.9
Change	-8.2	0.0
<b>Other funds</b>	<b>2 114.6</b>	<b>2 122.9</b>
Profit (loss) brought forward at Jan. 1 /May 1	1 784.7	1 051.3
Dividend distribution	-391.1	0.0
Donations	-1.5	0.0
Other changes	0.0	-0.3
<b>Profit (loss) brought forward at Dec. 31</b>	<b>1 392.1</b>	<b>1 051.0</b>
<b>Profit (loss) for the year</b>	<b>225.9</b>	<b>733.7</b>
<b>Total shareholders' equity</b>	<b>4 104.6</b>	<b>4 271.3</b>
<b>Distributable assets at Dec. 31</b>		
Other distributable funds	2 114.6	2 122.9
Profit brought forward	1 392.1	1 051.0
Profit for the year	225.9	733.7
<b>Assets distributable from equity</b>	<b>3 732.5</b>	<b>3 907.5</b>

## 11) ACCUMULATED PROVISIONS

Accumulated provisions consist of cumulative depreciation differences.

## 12) DEFERRED TAX LIABILITIES/RECEIVABLES

Deferred tax liabilities and accrued tax receivables of the Parent Company are not recorded in the balance sheet. Accrued tax receivables consisting of activation differences total FIM 844,000. Deferred tax liabilities corresponding to provisions total FIM 2,174,000. Anticipated income tax relating to the value appreciation of land is FIM 8,229,000.

## 13) CURRENT LIABILITIES

Trade bills	377.7	0.0
Trade payables	17.1	5.0
Accrued expenses and prepaid income *)	117.7	17.4
Advances received	0.0	0.2
Other debts	523.0	599.8
<b>Total</b>	<b>1 035.5</b>	<b>622.3</b>

### Owing to group companies

Trade payables	2.9	2.7
Accrued expenses and prepaid income	34.8	1.5
Other debts	520.9	598.0
<b>Total</b>	<b>558.6</b>	<b>602.1</b>

### \*) Accrued expenses and deferred income

Activated personnel expenses	6.3	5.0
Activated interest expenses	1.1	0.0
Activated interest expenses, consolidated	1.8	1.4
Activated income tax	62.8	10.2
Other accrued expenses and deferred income	45.8	0.8
<b>Total</b>	<b>117.7</b>	<b>17.4</b>



# SanomaWSOY Corporation

## Other notes

	31.12.2000 FIM million	31.12.1999 FIM million
<b>14) CONTINGENCIES AND PLEDGED ASSETS</b>		
<b>Other assets pledged for own debt</b>		
Book value of pledged securities	26.1	20.1
<b>Total</b>	<b>26.1</b>	<b>20.1</b>
<b>Assets pledged for others</b>		
<b>Guarantees</b>	<b>2.2</b>	<b>2.0</b>
<b>Other contingencies</b>		
Other liabilities	0.3	7.4
<b>Other contingencies, total</b>	<b>0.3</b>	<b>7.4</b>
<b>All liabilities, total</b>	<b>28.7</b>	<b>29.6</b>

PAR VALUE AND CURRENT VALUE OF OPEN DERIVATIVE CONTRACTS	Nominal value 31.12.2000 FIM million	Nominal value 31.12.1999 FIM million	Market value 31.12.2000 FIM million	Market value 31.12.1999 FIM million
	<b>Currency derivatives</b>			
Forward contracts	39.6	13.0	2.9	-0.4
<b>Total</b>	<b>39.6</b>	<b>13.0</b>	<b>2.9</b>	<b>-0.4</b>
<b>Share derivatives</b>				
Forward contracts	104.7	187.4	-5.0	-5.4
<b>Total</b>	<b>104.7</b>	<b>187.4</b>	<b>-5.0</b>	<b>-5.4</b>
<b>Total</b>	<b>144.3</b>	<b>200.4</b>	<b>-2.1</b>	<b>-5.8</b>

Derivatives contracts are mainly used for regulating the risk profile of the investment portfolio.

# Shares and shareholders

## SanomaWSOY Corporation

	2000		1999	
	€	FIM	€	FIM
Earnings/share *	0.67	4.00	0.53	3.17
Cash flow/share *	1.24	7.38	0.89	5.32
Equity/share *	5.95	35.36	5.68	33.79
Dividend/share (Board proposal) *	0.47	2.79	0.45	2.69
Dividend/result, %	69.87 %		84.80 %	
Effective dividend yield, %, Series A	3.09 %		3.50 %	
Effective dividend yield, %, Series B	3.36 %		3.55 %	
P/E ratio, Series A	22.60		24.20	
P/E ratio, Series B	20.81		23.92	

\* To aid comparison, the 1999 figures have been converted to take account of the four-for-one split that took place on May 10, 2000.

### Share capital and share series

Share capital as of December 31, 2000	€	FIM
Series A	9 984 812	59 366 994
Series B	52 589 475	312 682 818
Total	62 574 286	372 049 811

Under SanomaWSOY's Articles of Association, the Company's minimum share capital is set at Euro 50.000.000 and its maximum at Euro 200.000.000. Within these limits, the share capital can be increased or reduced without amending the Article of Association.

The Company's shares are divided into two series, Series A (20 votes) and Series B (1 vote). All shares entitle holders to the same dividend.

### Share listing and share codes

SanomaWSOY's shares are quoted on the Main List of the Helsinki Exchanges, and are identified in the latter's trading system as SWSAV and SWSBV. The following codes are also used:

	Series A	Series B
Bloomberg	SWSAV FH	SWSBV FH
Reuters	SWSAV.HE	SWSBV.HE
Startel	SWSAV	SWSBV
Bridge	FI;SWS.A	FI;SWS.B

The Company's shares are included in the book-entry system operated by the Finnish Central Securities Depository. As of the end of 2000, the Company had 6,267 shareholders.

### Shareholder agreement

The main shareholders of the companies involved in the merger (Oy Devarda Ab, Helsinki Media Company Oy, Sanoma Corporation, and Werner Söderström Corporation - WSOY) signed a shareholder agreement giving them the right of first refusal on SanomaWSOY Series A shares offered for sale to third parties by other signatories to the agreement. The shareholder agreement is in force for five years from May 14, 1998.

The signatories to the agreement are the Alfred Kordelin Fund, the Alfred Kordelin Society, the Kalevala Society, the

Finnish Literature Society, the Finnish Cultural Foundation, the Werner Söderström Literature Foundation, Aatos Erkko, Jane Erkko, Patricia Seppälä, Rafaela Seppälä, Robin Langenskiöld, Oy Asipex Ab, and Lastannet Holding B.V. The following became parties to the agreement subsequently: Tiikerijakelu Oy (replacing Lastannet Holding B.V. on April 29, 1999), and Patricia Seppälä's grandchildren, Christoffer Langenskiöld, Sebastian Langenskiöld, Pamela Langenskiöld, Lorna Noyer, and Alex Noyer (as the result of a bequest made by Patricia Seppälä on April 16, 1999). The Board of Directors is unaware of any other agreements associated with ownership of Company shares or use of voting rights.

### Share conversion

Under the terms of the Company's Articles of Association, Series A shares can be converted into Series B shares. The signatories to the shareholder agreement agreed at the time of the merger to reduce the voting rights of the traditional owners of Sanoma Corporation. In accordance with this, Oy Asipex Ab (owned by Aatos Erkko), Rafaela Seppälä, and Robin Langenskiöld converted a number of Series A shares into Series B shares in spring 2000 as follows: Oy Asipex Ab, 150,701 shares; Robin Langenskiöld, 23,035 shares; and Rafaela Seppälä, 23,036 shares.

Following the conversion, the total number of Series A shares stood at 5,805,123 and the total number of Series B shares at 30,575,276 shares. The transaction was registered on April 4, 2000.

In March 2000, Patricia Seppälä donated 63,437 Series A shares and 4 Series B shares to a foundation that she established but which she does not control.

### Share split

SanomaWSOY's Annual General Meeting held on April 18, 2000 decided on a four-for-one share split, which came into force on May 10, quadrupling the number of Company shares. The number of shares increased, as a result, from 36,380,399 to 145,521,596, and the nominal value of each share dropped from FIM 10 to FIM 2.50. Following the split and the share conversion detailed above, the number of SanomaWSOY Series A shares totals 23,220,492, and the number of Series B shares 122,301,104.

In connection with the split, the AGM decided to denominate the Company's share capital in Euros, end the use of nominal values for shares, and increase the Company's share capital through a EUR 1,386,847.56 bonus issue to EUR 62,574,286.28. A sum equivalent to the latter increase was transferred to the Company's share capital from the premium fund. No new shares were issued. Following the above changes, the book counter-value of the Company's share is EUR 0.43.

The share split, the end of the use of a nominal value for shares, and the bonus issues were registered with the Trade Register on May 9, 2000.

Number of shares	Series A	Series B	Total
Number as of Jan. 1	6 001 895	30 378 504	36 380 399
Number as of Dec. 31	23 220 492	122 301 104	145 521 596
Average issue-adjusted number of shares	23 220 492	122 301 104	145 521 596
Average issue-adjusted number of shares on the market	23 220 492	115 113 828	138 334 320

### Share price and trading

The figures for 2000 take account of the four-for-one split effected on May 10, 2000. Share totals prior to the split have been multiplied by four, and share prices divided by four. To simplify comparison, the figures for 1999 have been converted similarly.

A total of 263,549 (413,056) Series A shares and 6,209,129 (6,439,504) Series B shares were traded in 2000. Trading in Series A shares accounted for 1.13% (1.7%) of the total number of shares in the series, and that in Series B shares for 5.3% of Series B shares. The split-adjusted average price for Series A shares was Euro 17.95 and that for Series B shares, Euro 16.46.

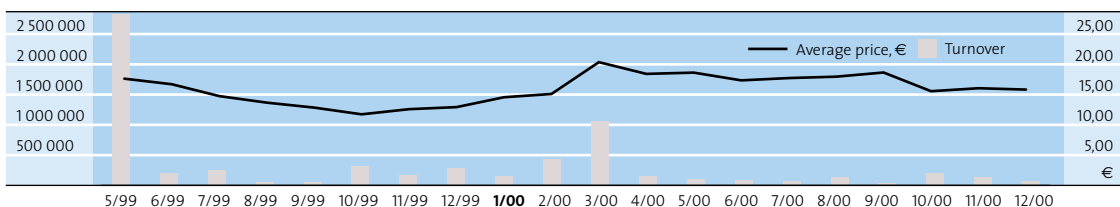
The split-adjusted annual high for Series A shares was Euro 24.37, and the annual low, Euro 13.00. The split-adjusted annual high for Series B shares was Euro 23.75, and the annual low, Euro 12.28. Series A shares were quoted at Euro 15.20, and Series B shares at Euro 14.00, as of December 31, 2000.

Share trading	Series A	Series B
Split-adjusted turnover in 2000	263 549	6 209 129
% of share capital	1.13 %	5.08 %
Split-adjusted turnover in 1999	413 056	6 439 504
% of share capital	1.7 %	5.3 %
Actual turnover in 1999	103 264	1 609 876
% of share capital	1.7 %	5.3 %

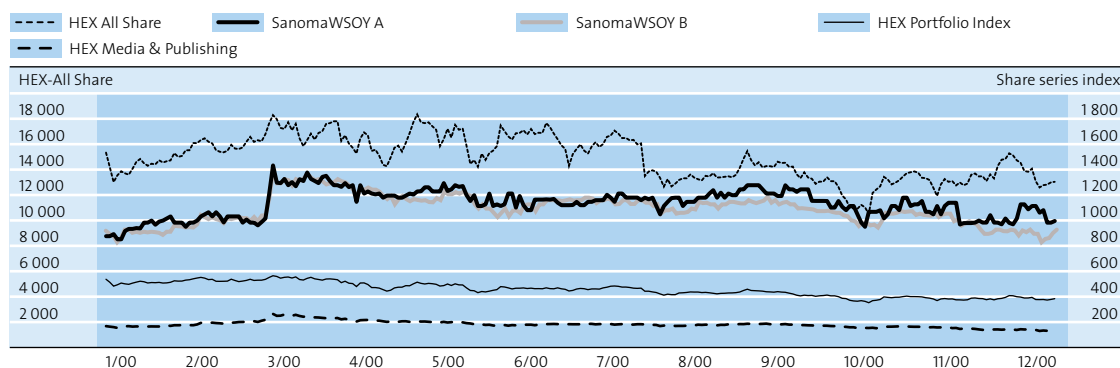
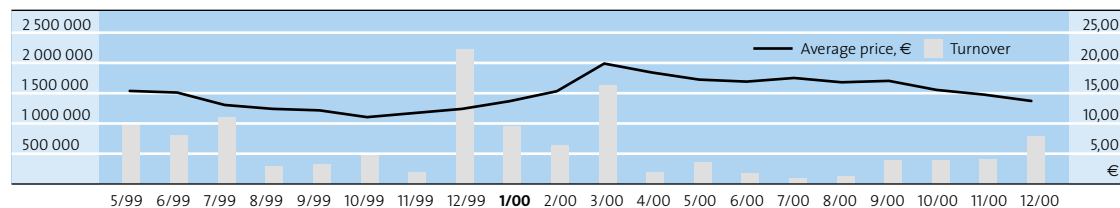
Share price	2000		1999		Series B	2000		1999		
	Series A	€	FIM	€		FIM	€	FIM	€	FIM
Annual low		13.00	77.29	11.25	66.89		12.28	73.03	10.50	62.43
Annual high		24.37	144.91	18.50	110.00		23.75	141.21	17.25	102.57
Average for the year		17.95	106.74	16.32	97.02		16.46	97.86	13.15	78.19
As of the end of the year		15.20	90.38	12.90	76.70		14.00	83.24	12.75	75.81

## Share price development and stock indices

### Series A



### Series B



Share value as of Dec. 31 (FIM)	Series A	Series B	Total
Market value of all shares	2 098 554 194	10 180 370 803	12 278 924 997
Market value of shares on the market	2 098 554 194	9 582 100 368	11 680 654 562
Book counter-value	2.56	2.56	
Taxable value	62.43	56.19	

Share value as of Dec. 31 (€)	Series A	Series B	Total
Market value of all shares	352 951 478	1 712 215 456	2 065 166 934
Market value of shares on the market	352 951 478	1 611 593 592	1 964 545 070
Book counter-value	0.43		0.43
Taxable value	10.50		9.45

### Company holdings of SanomaWSOY shares and shares owned by management

The Group owned 7,187,276 Series B shares through Tiikerijakelu Oy, equivalent to 4.94% of shares and 1.23% of voting rights, as of December 31, 2000. The total number of Series A and B shares on the market stood at 138,334,320.

SanomaWSOY's market capitalisation as of the end of the year, excluding Company shares held by the Group, totalled Euro 1,964.5 million (1,767.4 million) or FIM 11,680.7 million (10,508.2 million).

The combined holding of Company shares held by the Board of Directors, the President & CEO, and by bodies that they controlled as understood under the terms of Sub-Section 5 of Section 1 of the Finnish Securities Act as of December 31, totalled 50.02% (50.08%) of the share total and 44.80% (46.36%) of votes.

### Board authorisations

As of the end of the year, SanomaWSOY's Board of Directors was not authorised to acquire or convey Company shares, arrange share issues, or issue convertible bonds or bonds with warrants.

### Insider trading restrictions

A SanomaWSOY insider is not allowed to commission sales, purchases, or other transactions involving SanomaWSOY securities\*) if he or she has access to insider information. Insiders are not allowed to trade in SanomaWSOY securities for 14 days before the publication of an interim report or the Group's year-end statement.

SanomaWSOY recommends that insiders commission sales, purchases, or other transactions involving SanomaWSOY securities only within a two-week period after publication of the Company's statutory financial information (year-end statement and interim reports). SanomaWSOY also recommends that insiders do not buy or sell the same SanomaWSOY securities within a period of six months. A list of SanomaWSOY insiders, updated monthly, can be found at [www.sanomawsoy.fi](http://www.sanomawsoy.fi).

### Dividend policy

SanomaWSOY pursues an active dividend policy, based on the principle of distributing at least one-third of the Group's annual profit in the form of a dividend.

The dividend payable between 1999 and 2001 is linked to the shareholder agreement made at the time of the merger, under which dividends will be at least FIM 5.25 per share (FIM 1.31 after the split), which corresponds to the dividend level offered by WSOY in 1997, increased by 10% annually. In addition, an average of FIM 5 per share (FIM 1.25 after the split) will be added to this during the years concerned.

\*) SanomaWSOY securities refer to Company shares and securities entitling holders to Company shares under the Companies Act (debentures, warrants, bonds with warrants, and subscriptions rights), or standardised options and forward contracts as defined under legislation on such instruments, or comparable derivative contracts, other derivatives employing the aforementioned security as their underlying instrument, and depository receipts associated with the aforementioned security.

# Principal shareholders

## SanomaWSOY Corporation

SHAREHOLDER	Number of shares		Total	%	votes	%
	Series A	Series B				
<b>1 Erkko, Aatos</b>	<b>6 480 816</b>	<b>36 354 720</b>	<b>42 835 536</b>	<b>29.44</b>	<b>165 971 040</b>	<b>28.29</b>
Erkko, Aatos	5 125 832	26 041 660	31 167 492	21.42	128 558 300	21.91
Oy Asipex Ab	1 354 984	10 313 060	11 668 044	8.02	37 412 740	6.38
<b>2 Seppälä, Patricia*)</b>	<b>2 317 876</b>	<b>10 378 524</b>	<b>12 696 400</b>	<b>8.72</b>	<b>56 736 044</b>	<b>9.67</b>
<b>3 Langenskiöld, Robin</b>	<b>1 119 604</b>	<b>6 577 712</b>	<b>7 697 316</b>	<b>5.29</b>	<b>28 969 792</b>	<b>4.94</b>
<b>4 Seppälä, Rafaela</b>	<b>1 119 600</b>	<b>6 577 716</b>	<b>7 697 316</b>	<b>5.29</b>	<b>28 969 716</b>	<b>4.94</b>
<b>5 Tiikerijakelu Oy (SanomaWSOY subsidiary)</b>		<b>7 187 276</b>	<b>7 187 276</b>	<b>4.94</b>	<b>7 187 276</b>	<b>1.23</b>
<b>6 Alfred Kordelinin yleinen edistys- ja sivistysrahasto</b>	<b>1 801 332</b>	<b>3 214 084</b>	<b>5 015 416</b>	<b>3.45</b>	<b>39 240 724</b>	<b>6.69</b>
<b>7 Helsingin Sanoma Centennial Fund</b>	<b>915 932</b>	<b>4 086 796</b>	<b>5 002 728</b>	<b>3.44</b>	<b>22 405 436</b>	<b>3.82</b>
<b>8 Ilmarinen Mutual Pension Insurance Company</b>	<b>720 544</b>	<b>3 941 042</b>	<b>4 661 586</b>	<b>3.20</b>	<b>18 351 922</b>	<b>3.13</b>
<b>9 Pohjola Group</b>	<b>326 100</b>	<b>3 761 976</b>	<b>4 088 076</b>	<b>2.82</b>	<b>10 283 976</b>	<b>1.76</b>
Pohjola Non-Life Insurance Company Ltd.	326 100	1 486 896	1 812 996	1.25	8 008 896	1.37
Pohjola Group Insurance Corporation		1 275 080	1 275 080	0.88	1 275 080	0.22
Pohjola Life Assurance Company Ltd.		1 000 000	1 000 000	0.69	1 000 000	0.17
<b>10 Sampo-Leonia Group</b>	<b>435 976</b>	<b>2 875 576</b>	<b>3 311 552</b>	<b>2.27</b>	<b>11 595 096</b>	<b>1.98</b>
Sampo Life Assurance Company Limited	310 664	1 600 000	1 910 664	1.31	7 813 280	1.33
Sampo Enterprise Insurance Company Limited	125 312	566 416	691 728	0.48	3 072 656	0.52
Industrial Insurance Company Ltd.		393 760	393 760	0.27	393 760	0.07
Sampo-Leonia Corporation		224 000	224 000	0.15	224 000	0.04
Leonia Pension Fund		91 400	91 400	0.06	91 400	0.02
<b>11 Finnish Cultural Foundation</b>	<b>1 848 956</b>	<b>622 480</b>	<b>2 471 436</b>	<b>1.70</b>	<b>37 601 600</b>	<b>6.41</b>
<b>12 Foundation for Actors' Old-Age Home</b>	<b>386 248</b>	<b>1 824 484</b>	<b>2 210 732</b>	<b>1.52</b>	<b>9 549 444</b>	<b>1.63</b>
<b>13 WSOY Literature Foundation</b>	<b>1 338 300</b>	<b>633 780</b>	<b>1 972 080</b>	<b>1.36</b>	<b>27 399 780</b>	<b>4.67</b>
<b>14 Finnish Literature Society</b>	<b>264 000</b>	<b>1 133 800</b>	<b>1 397 800</b>	<b>0.96</b>	<b>6 413 800</b>	<b>1.09</b>
<b>15 Sanoma Pension Fund</b>	<b>40 424</b>	<b>1 075 960</b>	<b>1 116 384</b>	<b>0.77</b>	<b>1 884 440</b>	<b>0.32</b>
<b>16 Päivälehti Archives Foundation</b>	<b>345 992</b>	<b>676 656</b>	<b>1 022 648</b>	<b>0.70</b>	<b>7 596 496</b>	<b>1.29</b>
<b>17 Noyer, Lorna</b>	<b>87 056</b>	<b>873 208</b>	<b>960 264</b>	<b>0.66</b>	<b>2 614 328</b>	<b>0.45</b>
<b>18 Noyer, Alex</b>	<b>87 044</b>	<b>873 216</b>	<b>960 260</b>	<b>0.66</b>	<b>2 614 096</b>	<b>0.45</b>
<b>19 Pension Fund Polaris</b>		<b>812 000</b>	<b>812 000</b>	<b>0.56</b>	<b>812 000</b>	<b>0.14</b>
<b>20 Graphic Industry Research Foundation</b>	<b>178 788</b>	<b>604 080</b>	<b>782 868</b>	<b>0.54</b>	<b>4 179 840</b>	<b>0.71</b>
<b>Total</b>	<b>19 814 588</b>	<b>94 085 086</b>	<b>113 899 674</b>	<b>78.27</b>	<b>490 376 846</b>	<b>83.58</b>

### Nominee registrations, total

\*) as of January 3, 2001, the estate of Patricia Seppälä.

The principal shareholders are grouped according to the direct holdings of individual shareholders and the shares held by their investment companies, and stated as aggregate amounts and separately. The shareholdings of companies belonging to the same group are stated both as aggregate amounts and separately.

A list of principal shareholders, updated monthly, can be found at [www.sanomawsoy.fi](http://www.sanomawsoy.fi).

Shareholder categories as of December 31.12.2001	Number of shareholders		Number of shares		Number of votes	
		%		%		%
Publicly listed companies	4	0.06	49 690	0.03	49 690	0.01
Private companies *)	324	5.17	21 920 460	15.08	52 375 009	8.94
Financial and insurance institutions *)	59	0.94	11 344 665	7.80	27 051 015	4.62
Public corporations	47	0.75	10 558 799	7.26	30 359 991	5.17
Non-profit organisations	183	2.92	23 098 556	15.87	170 391 838	29.04
Households	5 601	89.47	75 856 900	52.13	301 332 484	51.36
Foreign shareholders (registered)	42	0.67	258 376	0.18	843 272	0.14
Nominee registrations	7	0.11	2 232 542	1.53	3 547 893	0.60
Total	6267	100.00	145 319 988	99.86	585 951 192	99.87
On joint account			201 608	0.14	759 752	0.13
Number of shares on the market			145 521 596	100.00	586 710 944	100.00

### Number of shares per shareholder as December 31, 2001

Number of shares	Number of shareholders		Number of shares		Number of votes	
		%		%		%
1-100	1 010	16.12	59 519	0.04	359 776	0.06
101-1 000	3 180	50.74	1 305 720	0.90	4 220 149	0.72
1 001-10 000	1 699	27.11	5 070 303	3.48	13 807 282	2.35
10 001-100 000	301	4.80	8 259 534	5.68	27 433 384	4.68
100 001-1 000 000	58	0.93	20 489 560	14.08	61 669 286	10.51
1 000 001-999 999 999 999	19	0.30	110 135 352	75.68	478 461 315	81.55
Total	6 267	100.00	145 319 988	99.86	585 951 192	99.87
On joint account			201 608	0.14	759 752	0.13
Number of shares on the market			145 521 596	100.00	586 710 944	100.00

# Accounting principles

SanomaWSOY's consolidated financial statements have been prepared in accordance with Finnish regulations. SanomaWSOY Corporation was created by a combination merger on May 1, 1999, and the comparative data used in the financial statements for 2000 is based on the official financial statements prepared for the Company's first accounting year, from May 1, 1999 to December 31, 1999, together with pro forma financial statements for the entire financial year, from January 1 to December 31, 1999. In practice, the Group's companies have operated on a common basis since the start of 1999.

## **Consolidated financial statements**

The consolidated financial statements have been prepared by consolidating the Parent Company's income statements, balance sheets, and notes to the financial statements, and those of its subsidiaries. The separate financial statements of Group companies have been adjusted in accordance with the Group's standard accounting practices prior to consolidation.

In addition to SanomaWSOY Corporation, the consolidated financial statements cover those companies in which the Parent Company, either directly or indirectly, held over 50% of voting rights at the end of the accounting year. Intra-Group shareholdings have been eliminated using the acquisition cost method. Companies acquired during the period under review have been included in the consolidated statements from the date of acquisition or another date based on the agreement in question, while divested companies have been included up until the time of their sale. Elimination differences between the acquisition cost of shares in subsidiaries and the shareholders' equity of subsidiaries at the time of acquisition generated during the elimination of share ownership have been booked primarily to the relevant asset and liability items in the Group's balance sheet. The remainder of elimination differences have been presented as goodwill, which is depreciated according to the plan over the relevant economic lifetime.

Associated companies are consolidated in accordance with the equity method. A portion of companies' profits or losses have been booked to income prior to the operating profit in cases where companies' operations are linked to those of the Group. In other cases, such as investment-type holdings, a portion of the company's profits or losses have been booked to financial income and expenditure. Goodwill and reserves generated in the consolidation of associated companies are generally entered as revenue within five to 10 years. The depreciation period used for A-pressen ASA and Hansaprint Oy is 15 years. Figures for associated real estate and housing companies have been entered under other shareholdings, rather than under associated companies.

Joint companies, in which the Group is responsible for management together with the other owner, have been consolidated on a line-by-line basis in proportion to SanomaWSOY's holding.

Minority shareholdings have been separated from the Group's shareholders' equity, reserves, and result, and are presented as a separate entry in the income statement and balance sheet.

Group companies' internal income and expenses, mutual receivables and liabilities, together with significant internal margins and internal distribution of profits, have been eliminated in the consolidated figures.

## **Items denominated in foreign currencies**

Items associated with the Group's Finnish companies denominated in foreign currencies are booked at the rates of exchange prevailing on the dates of the transactions in question. Receivables, debts, and liabilities on the balance sheet date have been translated into Finnish markka at the rate quoted on that date. Exchange rate differences of trade receivables and trade payables are booked either as sale or purchase adjustment items. Exchange rate differences generated when assessing other receivables and liabilities are booked under financial income and expenses.

The income statements of foreign subsidiaries have been translated into Finnish markka using the average exchange rate for the accounting year, and their balance sheets using the exchange rate quoted on the balance sheet date. Translation differences between different rates have been booked to the Group's shareholders' equity. The following exchange rates have been used when consolidating the financial statements of Group companies:

	Year-end rates	Average rates		Year-end rates	Average rates
USD	6.3898	6.4376	EEK	0.3800	0.3800
GBP	9.5269	9.7554	SGD	3.6870	3.6870
CHF	3.9034	3.8165	HKD	0.8192	0.8192
SEK	0.6733	0.7040	ARS	6.3435	6.3435
NOK	0.7221	0.7329	BRL	3.2478	3.2478
DKK	0.7967	0.7977	MYR	1.6666	1.6666
JPY	0.0556	0.0598	RUB	0.2218	0.2218
LVL	10.3153	10.6160	EUR	5.94573	5.94573
PLN	1.5444	1.4834			

Translation differences arising from translating the balance sheets of foreign subsidiaries and associated companies have generally been booked to consolidated shareholders' equity. The booking practice covering changes in translation differences used with foreign investment subsidiaries was changed during the year under review. Changes are now booked directly to shareholders' equity if the investments of the subsidiaries concerned are long-term in nature. Translation differences related to the Group's internal long-term loans have been treated in the same way as those associated with shareholders' equity.

Currency derivative instruments have been valued at their market value on the balance sheet date. Unrealised derivative losses have been booked to the income statement.

#### Non-current assets

Fixed assets have been booked to the balance sheet at the original acquisition cost minus depreciation according to the plan. Balance sheet values include revaluations totalling FIM 101.4 million covering land and buildings. Depreciation on fixed assets according to the plan is based on the original acquisition cost and the following estimated economic lifetimes: Intangible rights, 3–10 years; Buildings and structures, 10–40 years; Consolidated goodwill, 5–15 years; Machinery and equipment, 3–15 years; Other long-term expenditure, 5–10 years. Booking practice covering software was changed during the period under review. Software purchased from outside suppliers is now booked primarily to intangibles in respect of licences, and to other long-term expenditure otherwise.

#### Inventories

Inventories are presented in accordance with the average acquisition cost method, as acquisition costs or lower replacement costs, or as anticipated sale prices. The value of inventories includes only the variable costs associated with acquisition and manufacture.

#### Cash, bank, and financial securities

The balance sheet item covering cash and bank contains cash, bank accounts, and cash equivalents. The balance sheet item covering financial securities contains bonds, convertible bonds, commercial papers, mutual fund holdings, and listed shares.

Financial securities have been valued at acquisition cost or the lower market cost. Unrealised exchange rate losses of interest rate instruments resulting from changes in market interest rates, together with unrealised exchange rate losses associated with foreign securities on the balance sheet date, have been used to adjust financial income in the income statement. The valuation of financial securities switched largely to the average acquisition cost method during the period under review.

#### Deferred tax liabilities and receivables

In respect of booking deferred tax liabilities and receivables, SanomaWSOY follows the requirements of the Finnish Accounting Act, under which items are booked only on those periodisation differences affecting the income statement and on consolidation-related measures and year-end provisions with an impact on the Group's result. Revaluation-related deferred tax liability is presented in the notes to the financial statements.



### **Derivatives**

Derivatives are generally used by SanomaWSOY for hedging purposes, in accordance with the Group's approved asset management policy, to anticipate future market developments in financing instruments. Unrealised derivative losses are booked as financial expenses, while unrealised profits are ignored. Changes in the value of contracts made for hedging purposes are taken into account as adjustment items in respect of the equivalent changes in the hedges booked for the hedged positions.

### **Net sales and other expenses**

When calculating net sales, sales income has been adjusted for discounts given, indirect taxes, and sales-related exchange rate differences. Net sales on commission sales include commissions. Advertising agency fees related to magazines and newspapers are booked as other expenses.

### **Research and development expenses**

Research and development expenses are booked as annual expenses. Items of this type refer to expenses incurred in developing new products and services intended for commercial sale or significantly enhancing the properties of existing products, or expanding business activities. From a chronological perspective, research and development expenses are typically incurred primarily before a company is able to begin benefiting financially. In respect of development projects, the Group generally uses project schedules of a maximum of two years. The costs associated with launching a new magazine title, for example, are only booked as research and development expenses for the first two years of its existence.

### **Pension cover**

The statutory pension cover of personnel employed by SanomaWSOY Corporation and its Finnish subsidiaries, with the exception of Werner Söderström Corporation and WS Bookwell Oy, is handled through insurance policies taken out with pension institutions. The statutory pension cover of personnel employed by Werner Söderström Corporation and WS Bookwell is handled through Section B of WSOY's pension fund. Section A of the latter fund is for voluntary pension cover, and was closed on December 31, 1980. The fund has no uncovered liability and its assets exceed its liabilities by FIM 56.0 million.

Additional pension cover for SanomaWSOY Corporation and 22 subsidiaries has been arranged through Sanoma Corporation's pension fund. The fund has no uncovered liability and its assets at current values exceed its liabilities by FIM 71.7 million. The fund was closed on August 31, 1981.

Voluntary pensions for personnel employed by Rautakirja Oy, Finnkino Oy, Eurostrada Oy, and P.M. Drockila Oy are covered by Rautakirja's pension fund. The total liability of the latter as of the end of the year was FIM 111.2 million, of which FIM 10.3 million was unfunded. The latter item has been booked in previous years mainly as expenses and compulsory reserves. The fund was closed on June 30, 1974.

The retirement age of the members of the Management Group of SanomaWSOY's Parent Company, the presidents and deputy presidents of subsidiaries, and the editors-in-chief of the Group's largest newspapers has been agreed at 60 to 65 years.

### **Level of accuracy**

The pro forma income statements, balance sheets, and key indicators for 1996 - 1998 presented for comparative purposes were prepared on the essential relevance principle for the merger plan. The accuracy of these figures does not match that of the figures for 1999 and 2000 in every respect.

All figures are presented in line with mathematical rules for rounding figures up or down.

# Auditors' report

## To the shareholders of SanomaWSOY Corporation

We have audited the accounting, the financial statements, and the corporate governance of SanomaWSOY Corporation for the period from January 1, 2000 to December 31, 2000. The financial statements, which include the Report of the Board of Directors, consolidated and parent company income statements, balance sheets, and notes to the financial statements have been prepared by the Board of Directors and the President. Based on our audit, we express an opinion on these financial statements and on corporate governance.

We have conducted our audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. The purpose of the audit of corporate governance is to examine that the members of the Board of Directors and the President have legally complied with the rules of the Companies Act.

In our opinion, the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and Parent Company's result of operations as well as of the financial position. The financial statements, together with the consolidated financial statements, can be adopted, and the members of the Board of Directors and the President of the Parent Company can be discharged from liability for the period audited by us. The proposal by the Board of Directors concerning the distributable assets is in compliance with the Companies Act.

Helsinki, March 5, 2001

SVH Pricewaterhouse Coopers Oy  
Authorised Public Accountants

Tauno Haataja  
Authorised Public Accountant

Pekka Nikula  
Authorised Public Accountant

# Definitions of key indicators

Return on investments (ROI), %	=	$\frac{\text{Result before extraordinary items + interest and other financial expenses}}{\text{Balance sheet total – non – interest-bearing liabilities (average of monthly balances)}} \times 100$
Return on equity (ROE), %	=	$\frac{\text{Result before extraordinary items -taxes}}{\text{Shareholders' equity +minority interest (average of monthly balances)}} \times 100$
Equity ratio, %	=	$\frac{\text{Shareholders' equity + minority interest}}{\text{Balance sheet total – advances received}} \times 100$
Gearing, %	=	$\frac{\text{Interest-bearing liabilities – cash and bank, and financial securities}}{\text{Shareholders' equity + minority interest}} \times 100$
Earnings / share (EPS)	=	$\frac{\text{Result before extraordinary items -taxes +/-minority interest}}{\text{Average issue-adjusted number of shares}}$ The effect of extraordinary items on minority interest has been adjusted when calculating the result.
Cash flow / share	=	$\frac{\text{Cash flow from operations}}{\text{Average number of issue-adjusted shares on the market}}$ Cash flow from operations includes cash flow from the Group's main operations according to the cash flow statement.
Shareholders' equity	=	$\frac{\text{Shareholders' equity at the end of the year}}{\text{Issue-adjusted number of shares on the balance sheet date}}$
Dividend / share	=	$\frac{\text{Dividend distribution}}{\text{Issue-adjusted number of shares on the balance sheet date}}$
Dividend ratio	=	$\frac{\text{Dividend / share}}{\text{Result / share}} \times 100$
Dividend yield / share	=	$\frac{\text{Dividend / share}}{\text{Last issue-adjusted share price on the balance sheet date}} \times 100$
P/E ratio	=	$\frac{\text{Last issue-adjusted share price on the balance sheet date}}{\text{Result / share}}$
Market capitalisation	=	Number of shares at the end of the year x share price by series on the balance sheet date  The 7,187,276 SanomaWSOY Series B shares held by Group subsidiary Tiikerijakelu Oy on the balance sheet date have been subtracted from the total number of shares.
Operating profit / loss, excl. associated companies	=	Operating profit / loss +/- share in associated companies' results (above operating profit)