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Key indicators

SanomaWSOY

€ million	31.12.2001	31.12.2000	31.12.1999	31.12.1998	31.12.1997
Net sales	1 730.0	1 447.8	1 320.6	1 251.7	1 190.3
Operating profit	96.5	84.0	71.7	71.2	99.2
% of net sales	5.6	5.8	5.4	5.7	8.3
Operating profit before goodwill amortisation	130.2	103.1			
% of net sales	7.5	7.1			
Profit before extraordinary items	92.5	138.3	110.4	97.7	129.5
% of net sales	5.3	9.5	8.4	7.8	10.9
Profit after extraordinary items	92.5	140.3	110.7	211.2	164.5
% of net sales	5.3	9.7	8.4	16.9	13.8
Profit for the year	47.8	94.2	74.0	169.0	125.5
% of net sales	2.8	6.5	5.6	13.5	10.5
Balance sheet total	3 053.1	1 439.3	1 323.1	1 239.6	1 088.7
Gross investments	1 473.9	168.4	279.7	148.7	157.3
% of net sales	85.2	11.6	21.2	11.9	13.2
Return on equity, % (ROE)	6.7	10.7	9.3	9.2	16.1
Return on investment, % (ROI)	8.5	13.8	12.5	12.3	18.5
Equity ratio, %	31.6	67.4	70.2	69.5	63.9
Equity ratio, % *)	38.6	67.9	71.0	69.6	63.9
Gearing, %	114.7	-16.0	-23.1	-40.2	-19.0
Gearing, % *)	75.7	-16.6	-24.0	-40.3	-19.0
Financial cost of liabilities	31.3	7.4	8.4	6.5	6.8
Interest-bearing liabilities	1 439.7	167.4	114.4	102.1	111.9
Interest-free liabilities	678.7	336.4	313.3	313.3	314.9
Securities, cash and bank	367.9	316.9	321.2	433.1	237.6
Personnel under employment contract, average	15 129	13 364	12 629	11 900	11 494
Personnel, average (full-time equivalents)	12 077	10 350	9 816	9 329	9 786

SHARE-RELATED INDICATORS AND SHARE CAPITAL

Earnings/share, € **)	0.35	0.67	0.53	0.47	0.66
Cash flow/share, € **)	1.26	1.24	0.89		
Equity/share, € **)	5.87	5.95	5.68	5.32	4.25
Dividend/share, € **) ***)	0.51	0.47	0.45		
Dividend/result, % ***)	147.5	69.9	84.9		
Market capitalisation, € million	1 510.4	1 964.6	1 767.4		
Effective dividend yield, %, Series A	4.3	3.1	3.5		
Effective dividend yield, %, Series B	4.8	3.4	3.5		
P/E ratio, Series A	34.7	22.6	24.2		
P/E ratio, Series B	31.0	20.8	23.9		
Number of shares at Dec. 31, Series A	23 220 492	23 220 492	6 001 895		
Number of shares at Dec. 31, Series B	122 301 104	122 301 104	30 378 504		
Number of shares at Dec. 31, with diluting effect, Series B	134 871 814				
Average number of shares, Series A	23 220 492	23 220 492	6 001 895		
Average number of shares, Series B	122 301 104	122 301 104	30 378 504		
Average number of shares with diluting effect, Series B	126 502 821				
Lowest share price, Series A **)	10.00	13.00	11.25		
Lowest share price, Series B **)	9.60	12.28	10.50		
Highest share price, Series A **)	16.50	24.37	18.50		
Highest share price, Series B **)	15.00	23.75	17.25		
Average share price, Series A **)	12.48	17.95	16.32		
Average share price, Series B **)	12.02	16.46	13.15		
Share price, Dec. 31, Series A **)	12.00	15.20	12.90		
Share price, Dec. 31, Series B **)	10.70	14.00	12.75		
Trading volumes, Series A	108 832	263 549	413 056		
% of share capital	0.5	1.1	1.7		
Trading volumes, Series B **)	3 625 765	6 209 129	6 439 504		
% of share capital	3.0	5.1	5.3		

*) Capital notes included in equity.

**) 1997-2000 figures have been converted to take account of the four-for-one split on May 10, 2000.

***) Proposal of the Board of Directors.

Figures for 1997-1999 are pro forma.

Net sales by business area

SanomaWSOY

€ million	1-3/ 2001	4-6/ 2001	7-9/ 2001	10-12/ 2001	1-12/ 2001	1-3/ 2000	4-6/ 2000	7-9/ 2000	10-12/ 2000	1-12/ 2000
Sanoma										
Newspaper publishing and printing	119.9	118.3	108.5	112.6	459.3	112.3	116.0	110.0	119.9	458.2
Total	119.9	118.3	108.5	112.6	459.3	112.3	116.0	110.0	119.9	458.2
Sanoma Magazines										
Magazine publishing	39.2	41.7	37.7	254.6	373.3	39.5	39.3	35.8	45.3	159.8
Press distribution	0.0	0.0	0.0	52.8	52.8	0.0	0.0	0.0	0.0	0.0
Intracompany transactions	0.0	0.0	0.0	-31.7	-31.7	0.0	0.0	0.0	0.0	0.0
Total	39.2	41.7	37.7	275.6	394.3	39.5	39.3	35.8	45.3	159.8
SWelcom										
Electronic media	20.8	21.6	18.0	24.5	84.9	18.7	20.7	15.2	24.0	78.5
Total	20.8	21.6	18.0	24.5	84.9	18.7	20.7	15.2	24.0	78.5
WSOY										
Publishing	29.9	38.3	29.0	34.7	131.8	27.8	35.1	28.9	35.5	127.4
Printing	15.6	14.9	15.6	16.1	62.2	15.6	14.5	15.3	16.0	61.4
Calendar operations	1.9	2.9	12.5	18.4	35.8	1.9	3.3	12.4	19.0	36.7
Others	1.0	1.0	0.9	1.1	3.9	0.8	1.0	0.7	1.3	3.8
Intracompany transactions	-6.3	-5.1	-6.1	-5.3	-22.8	-6.8	-6.4	-6.2	-6.6	-25.9
Total	42.1	52.0	51.9	65.0	211.0	39.4	47.5	51.3	65.3	203.4
Rautakirja										
Kiosk operations	80.7	87.8	88.2	103.1	359.8	80.0	83.1	85.0	88.7	336.8
Press distribution	39.3	41.6	41.5	42.7	165.1	35.1	40.7	40.1	38.3	154.2
Bookstores	32.1	16.6	25.1	40.2	113.9	30.1	16.0	23.0	38.1	107.2
Movie theatre operations	11.8	8.4	11.3	16.0	47.6	12.8	7.8	10.1	12.9	43.6
Restaurant operations	8.3	11.0	12.3	10.8	42.4	8.1	9.8	11.2	9.3	38.4
E-business	0.0	0.0	0.0	0.3	0.4	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Intracompany transactions	-7.7	-8.6	-7.9	-8.6	-32.7	-8.4	-10.0	-8.9	-8.3	-35.6
Total	164.6	156.9	170.4	204.6	696.5	157.8	147.4	160.5	178.9	644.6
Intragroup transactions	-25.2	-28.3	-32.7	-29.8	-115.9	-21.7	-21.8	-27.3	-26.0	-96.7
Total	361.4	362.2	353.8	652.6	1 730.0	345.9	349.0	345.5	407.4	1 447.8

Operating profit by business area

SanomaWSOY

€ million	1-3/ 2001	4-6/ 2001	7-9/ 2001	10-12/ 2001	1-12/ 2001	1-3/ 2000	4-6/ 2000	7-9/ 2000	10-12/ 2000	1-12/ 2000
Sanoma										
Newspaper publishing and printing *)	14.2	7.3	8.9	12.9	43.3	12.4	15.7	14.6	13.1	55.7
Total	14.2	7.3	8.9	12.9	43.3	12.4	15.7	14.6	13.1	55.7
Sanoma Magazines										
Magazine publishing	1.0	6.2	3.5	30.5	41.3	0.6	3.5	1.0	5.1	10.2
Press distribution	0.0	0.0	0.0	0.4	0.4	0.0	0.0	0.0	0.0	0.0
Intracompany eliminations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	1.0	6.2	3.5	30.9	41.7	0.6	3.5	1.0	5.1	10.2
SWelcom										
Electronic media	-7.0	-5.8	-6.0	-5.6	-24.5	-3.6	-2.3	-4.4	-6.4	-16.7
Total	-7.0	-5.8	-6.0	-5.6	-24.5	-3.6	-2.3	-4.4	-6.4	-16.7
WSOY										
Publishing	-1.0	7.1	0.8	-0.5	6.3	0.7	6.4	3.9	-2.8	8.3
Printing	2.2	1.6	1.7	2.0	7.4	3.1	1.7	2.6	1.9	9.3
Calendar operations	-4.1	-3.5	4.1	3.8	0.3	-4.1	-3.9	3.1	3.2	-1.8
Others *)	2.6	-0.1	1.8	2.0	6.4	1.5	-0.4	0.0	2.0	3.1
Intracompany eliminations	-0.7	0.9	-1.0	-1.5	-2.3	-1.1	0.9	-0.3	0.1	-0.5
Total	-1.0	6.0	7.3	5.7	18.1	0.1	4.6	9.3	4.3	18.3
Rautakirja										
Kiosk operations	3.1	3.2	5.0	3.5	14.8	3.2	3.1	5.4	3.9	15.7
Press distribution	2.5	2.8	2.8	2.2	10.3	2.0	3.0	2.7	1.8	9.5
Bookstores	0.8	-1.9	0.2	7.6	6.7	0.8	-2.1	0.6	6.8	6.0
Movie theatre operations	0.8	-0.5	0.0	1.8	2.0	1.5	-0.8	0.3	1.5	2.5
Restaurant operations	-0.7	-0.2	0.6	-0.8	-1.1	-0.8	-0.1	0.7	-1.9	-2.2
E-business	-0.3	-0.4	-0.4	-0.6	-1.7	0.0	0.0	0.0	0.0	0.0
Others	8.5	0.9	0.9	1.3	11.5	1.2	1.4	1.1	0.9	4.6
Intracompany eliminations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	14.6	3.9	9.1	15.1	42.6	7.9	4.5	10.8	13.0	36.2
Other companies **)	-4.7	-1.1	-4.8	-5.1	-15.8	-2.1	-5.0	-1.0	-7.9	-16.0
Intragroup eliminations	-4.4	1.0	-2.6	-3.0	-8.9	-2.1	-0.4	-3.7	2.4	-3.8
Total	12.7	17.5	15.4	50.9	96.5	13.1	20.7	26.6	23.6	84.0

*) Includes a share of Rautakirja's results.

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

The structure, size, and international dimension of SanomaWSOY's operations changed significantly during 2001, following the Group's acquisition of VNU's consumer magazines business. Following the transaction, Sanoma Magazines is now SanomaWSOY's largest division. The Group's other divisions are Sanoma, SWelcom, WSOY, and Rautakirja. SanomaWSOY owns 57% of Rautakirja.

Operating environment

The year was characterised by economic uncertainty and a slow-down in economic growth. GDP is projected to have grown by 1.6% across the EU; in Finland, the slow-down in the economy was even more pronounced. Overall output rose by only 0.7% in 2001 according to a projection by the Research Institute of the Finnish Economy, a major decline compared to 2000, when growth ran at 5.6%. Overall output was weakest between May and September. Economic growth in eastern and central eastern Europe continued at a faster rate than in the rest of Europe.

Actual household purchasing power in Finland rose by 4.3% in 2001, according to estimates by the Research Institute of the Finnish Economy. Individual consumption rose, and the retail sector had record-high Christmas sales. Consumer confidence in the economy weakened during 2001, although sentiment improved towards the end of the year. The increase in consumer prices slowed and averaged 2.6%. The employment situation improved slightly and unemployment stood at 8.1% in December. Interest rates fell throughout the year.

Media advertising declined in SanomaWSOY's key markets, Finland and The Netherlands, but increased in Hungary, the Czech Republic, and Belgium. Media advertising expenditure in Finland fell by 6% to EUR 1,047 million, according to Gallup Mainostieto. Newspaper advertising fell by 7%, TV advertising by 9%, and magazine advertising by 3%. Internet advertising fell by 9%. Advertising only rose in the minor radio and film sectors, which moved up 5% and 10% respectively. Newspapers accounted for 51.1% of advertising, TV for 18.6%, and magazines for 17.7%.

Media advertising in The Netherlands declined by 5% in 2001, according to preliminary data. Magazine advertising was down 8% over 2000. In Belgium, media advertising is projected to have risen 3%, and magazine advertising 7%. Media advertising in Hungary is projected to have risen by 19% according to preliminary data, and magazine advertising by 12%. The equivalent figures for the Czech Republic are 5% and 3%.

Net sales in the Finnish publishing and printing sector rose at a slower rate than 2000 throughout the year according to Statistics Finland. Growth virtually stopped in the third quarter, at only 0.2%. Net sales in publishing rose by some 3% in the first three quarters of the year, and in printing by some 4%. According to preliminary figures from the Finnish Book Publishers Association, publishers' sales to bookshops and other retail outlets rose by 4%. Exports of print products rose by some 7% according to figures for January to October, while imports declined by 11%.

The industrial manufacturing price index for graphic industry products rose by 3%, while that for industrial products generally declined by 6%. Manufacturing prices for publications and printed products rose by 3%. Paper and board manufacturing prices rose by 5%. Paper prices are based on annual contracts and were clearly higher than in 2000.

Net sales

SanomaWSOY's net sales in 2001 rose 19.5%, to EUR 1,730.0 (EUR 1,447.8 million), mainly driven by the new magazines business that became part of the Group on October 1, 2001. Net sales during the last quarter of the businesses acquired from VNU totalled EUR 228.9 million. Comparable growth totalled

1.1%. All of the Group's divisions recorded higher net sales. The largest growth was seen in SWelcom (8.1%) and Rautakirja (8.0%). WSOY's net sales rose 3.7%, Sanoma Magazines Finland's (prev. Helsinki Media) by 3.4%, and Sanoma's by 0.2%. 79.1% of the Group's net sales originated in Finland, 15.2% in other EU countries, and 5.7% in other countries.

Performance

The Group's operating profit increased by 14.9% to EUR 96.5 million (84.0 million). The Group's comparable operating profit, excluding the businesses acquired from VNU, was 13.8% down on 2000, at EUR 72.4 million. This was influenced by lower advertising revenue at Sanoma and an increased loss at SWelcom. Rautakirja's and Sanoma Magazines Finland's operating profit both improved. WSOY's operating profit came in at 2000 levels. The Group's EBITA totalled EUR 130.2 million (EUR 103.1 million).

SanomaWSOY's profit before extraordinary items was 33.1% down on 2000, at EUR 92.5 million (138.3 million), as a result of lower net financial income. The latter was exceptionally high in 2000 as the result of the sale of a large number of technology shares held as part of the asset management portfolio at the beginning of the year. The Group's interest payments also rose significantly during 2001, as a result of loans contracted to fund the purchase of VNU's consumer magazines.

The Group's return on investment was 8.5% (13.8%) and its return on equity 6.7% (10.7%). Earnings per share declined to EUR 0.35 (0.67).

Investments and R&D

SanomaWSOY's investments totalled EUR 1,473.9 million (168.4 million) in 2001. This sharp increase resulted from the Group's acquisition of VNU's consumer magazines business. Other large investments were the increase in ownership in Infosto to 100%, printing plant investments at Sanoma, and the refurbishment of the Ludviginkatu premises in Helsinki.

R&D expenditure booked as expenses totalled EUR 17.7 million (23.8 million).

CIG acquisition and related financing

Under an agreement signed between SanomaWSOY and the Dutch media company VNU in July, SanomaWSOY agreed to acquire VNU's Consumer Information Group (CIG) for an enterprise value of EUR 1,250 million. The transaction was closed, as planned, on October 1. The purchase price generated goodwill of EUR 1,168 million.

The acquisition cost, including consulting fees, was EUR 1,251 million, which has yet to be confirmed under the terms of the sale and purchase agreement. Total goodwill was EUR 1,181 million, which will be amortised over 20 years. The acquired companies have been consolidated in SanomaWSOY's figures since the beginning of October, observing the principle of prudence. Various adjustments and balance sheet provisions (incl. write-downs on new media holdings) have been made against the results of these companies prior to the transaction date; these have not yet been accepted by the vendor in their entirety. The principle followed by SanomaWSOY means that the amount of goodwill and annual amortisation could change after the final approval of the sale and purchase agreement.

Following the acquisition, SanomaWSOY created a new magazines division known as Sanoma Magazines, bringing together CIG's businesses and those of Helsinki Media and headquartered in Amsterdam. Theo Bouwman, who had been responsible for CIG on VNU's Executive Board, was appointed President of Sanoma Magazines and Managing Director of the Dutch parent company and a member of SanomaWSOY's Management Group. Eija Ailasmaa was appointed Executive Vice President.

The CIG acquisition was financed by bank loans of some EUR 1 billion and a EUR 200 million convertible capital notes issue, which was listed on the Helsinki Exchanges' Main List on September 6, 2001. The issue price was 99% and a fixed annual interest of 5.25% is payable on the notes. The notes can be converted into a maximum of 12,570,710 SanomaWSOY Series B shares.

As of the end of the year, Sanoma Magazines operated in 10 European countries. The company is the market leader in Belgium, The Netherlands, Finland, the Czech republic, and Hungary; and is active in Britain, Romania, Sweden, Slovakia, and Croatia. A subsidiary was founded in the latter in December 2001.

Other key developments

SanomaWSOY made a number of other acquisitions and related transactions during 2001. In January, Sanoma increased its holding in Infosto, the publisher of free ad publication Keltainen Pörssi, from 35% to 100% in a transaction valued at EUR 27.8 million. In February, WSOY increased its holding in Young Digital Poland S.A. from 29% to 49%, with the option to acquire a majority holding at the beginning of 2004. In September, SanomaWSOY's wholly owned subsidiaries Kirjatuki Oy and Sanomain Huoneisto ja Kiinteistöholding Oy were merged with the Parent Company, SanomaWSOY Corporation. In November, Sanoma sold 7.27% of its holding in Savon Mediat Oy to Keski-suomalainen Oyj, reducing its holding to 14.46%.

Rautakirja sold its shares in Norwegian-based Reitan Narvesen ASA in January for NOK 285 million or approximately EUR 34 million. In September, Rautakirja increased its 35% holding in Latvian convenience store and press distributor, Narvesen Baltija SIA, to 50%. Following this, Narvesen Baltija is now jointly owned by Rautakirja and Reitan Narvesen ASA.

Rautakirja continued to develop cinema operations in Latvia and expand operations into Lithuania. In September, Rautakirja's Finnkino acquired 90% of the Lithuanian company, UAB Vingio kino teatras. The latter subsequently initiated plans for a multiplex cinema in Vilnius. Rautakirja and Stockmann launched joint plans to build a department store and 14-screen multiplex in Riga earlier in the year.

In June, the Helsinki District Court fined Sanoma Corporation a sum of some EUR 3 million in the form of damages for articles that appeared in Helsingin Sanomat in 1996 and 1997. This sum has been booked as an expense, and the ruling has been appealed.

Digital TV transmissions in Finland, including Nelonen's digital service, began on August 27. In August, SWelcom announced that its Movie Channel would begin terrestrial pay TV digital transmissions by initially presenting a selection of forthcoming programmes free of charge to viewers. This decision was taken because of the poor availability of digital set-top boxes and the uncertainty surrounding the distribution fee that could be payable to cable TV companies. At the same time, WSOY announced that the preconditions for the launch of its Koulukanava learning channel did not exist; the company's Opit Internet-based eLearning service was launched in October. In December, SWelcom announced that it intended further postponing the launch of its digital Movie Channel because of infrastructure problems, as a result of which SWelcom lost its licence for the channel in January 2002.

Administration

A number of changes took place in SanomaWSOY's management at the Annual General Meeting (AGM) in March and at the Extraordinary General Meeting in August. The Chairman of the Board, Aatos Erkkö, stepped down as Chairman at the AGM on March 29, becoming a normal Board member. SanomaWSOY's President & CEO, Jaakko Rauramo, was elected Chairman & CEO. Rautakirja's President & CEO, Hannu Syrjänen, was appointed SanomaWSOY's President & COO.

L.J. Jouhki resigned from SanomaWSOY's Board of Directors for health reasons on July 4. SanomaWSOY's Extraordinary General Meeting elected Robert Castrén to the Board on August 21 to serve for the remainder of L.J. Jouhki's period of office until the AGM in 2002.

In addition to Aatos Erkko, Jaakko Rauramo, Hannu Syrjänen, Robert Castrén, and L.J. Jouhki, the members of the Board in 2001 included Esko Koivusalo (Vice Chairman), Jane Erkko, Marjukka af Heurlin, Paavo Hohti, Kyösti Järvinen, Robin Langenskiöld, and Rafaela Seppälä.

SanomaWSOY's Management Group comprised Jaakko Rauramo (who served as Chairman until March 29), Hannu Syrjänen (who served as Chairman from March 29), Eija Ailasmaa, Theo Bouwman (from October 1), Aarno Heinonen, Nils Ittonen, Erkki Järvinen (from March 30), Jorma Kaimio, Tapio Kallioja, Seppo Kievari, Kerstin Rinne, and Hannu Syrjänen (until March 29). Erkki Järvinen was appointed President & CEO of Rautakirja and a member of SanomaWSOY's Management Group following Hannu Syrjänen's appointment as SanomaWSOY's President & COO.

The Company's auditors are Pekka Nikula, APA, and PricewaterhouseCoopers Oy, where Johanna Perälä, APA serves as the Group's lead auditor.

Balance sheet and financial position

SanomaWSOY's consolidated balance sheet increased to EUR 3,053.1 million (1,439.3 million). The Group's shareholders' equity, excluding capital notes, totalled EUR 812.4 million (822.6 million), or EUR 5.87 (5.95) a share. The Group's equity ratio was 38.6% (67.9%); capital notes had a positive impact of seven percentage points.

SanomaWSOY's financing position changed significantly following the CIG acquisition. The book value of financial assets in the form of securities, cash, and bank totalled EUR 367.9 million (316.9 million), and their market value EUR 421.8 million (392.8 million). Interest-bearing liabilities increased to EUR 1,439.7 million (167.4 million).

Net financial income in 2001 totalled EUR -4.0 million. Financial revenue totalled EUR 42.9 million, and financial expenses totalled EUR 46.9 million. Financial revenue principally derived from realised capital gains on sales of shares and dividends. Financial expenses were primarily unrealised write-downs on the value of shares (EUR 12.8 million) and increased interest expenses linked to the CIG acquisition (EUR 29.7 million).

Personnel

SanomaWSOY's personnel rose in both number and geographical distribution during 2001. The number of personnel in salaried employment totalled an average of 15,129 (13,364). As of the end of the year, the Group had operations in 15 countries and over 18,000 employees. This growth was largely the result of the CIG acquisition and the expansion of Rautakirja's activities in the Baltic countries. Over 3,700 employees joined the group as a result of the CIG acquisition. Translated into full-time positions, the average number of personnel totalled 12,077 (10,350). The new Sanoma Magazines employed an average of 1,828 people, Sanoma 4,929 (4,704), SWelcom 441 (325), WSOY 1,971 (1,899), and Rautakirja 5,877 (5,534). The Group's Parent Company employed an average of 83 people (89).

Shares and shareholdings

The number of SanomaWSOY Series A shares on the market as of the end of the year totalled 23,220,492, and that of Series B shares, 115,113,828. The group owned 7,187,276 Series B shares or 4.94% of shares and 1.23% of votes through its Tiikerijakelu Oy subsidiary.

A total of 108,832 (263,549) Series A shares were traded in 2001, and 3,625,765 (6,209,129) Series B shares. Trading in Series A shares involved 0.47% (1.13%) of the total number of shares, and that in Series B shares, 2.96% (5.08%). The average price paid for Series A shares was EUR 12.48, and that for Series B shares, EUR 12.02. The highest price paid for Series A shares was EUR 16.50 and the lowest EUR 10.00; the highest price paid for Series B shares was EUR 15.00 and the lowest, EUR 9.60.

No major changes took place in the ownership of SanomaWSOY shares during 2001 and no statutory notices covering changes in ownership were issued.

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 EUR 0.88 (0.22 following the four-for-one share split on May 10, 2000), which corresponds to the dividend level offered by WSOY in 1997 increased by 10% annually. In addition, an average of EUR 0.84 (0.21 after the split) will be added to this during the years concerned. The Board proposes that a dividend of EUR 0.51 per share, in line with the shareholder agreement, shall be paid for 2001.

Sanoma

Sanoma's net sales remained at 2001 levels, and totalled EUR 459.3 million (458.2 million). The additional net sales brought by the increased holding in Infosto, together with strong development at Iltta-Sanomat, compensated for a decline in advertising sales at Helsingin Sanomat and the reduction in print exports recorded by Kymen Lehtimedia. Comparable net sales declined by 3.4%.

Sanoma's operating profit declined to EUR 43.3 million (55.7 million), despite a number of internal cost-saving measures. In addition to lower advertising revenue, operating profit was adversely affected by the EUR 3 million booked to cover the fine imposed by the Helsinki District Court, which is being appealed, as well as significant increases in paper prices and higher depreciation. Pension liabilities have been covered by internal transfers between funds totalling EUR 3.7 million. Sanoma's operating profit included a EUR 7.3 million (6.1 million) share of Rautakirja's result. Sanoma's EBITA totalled EUR 49.4 million (61.2 million).

Investments totalled EUR 76.5 million (70.0 million). The largest single investment was accounted for by the increase of Sanoma's holding in Infosto to 100%. Other investments were linked to printing plant projects and IT systems. In February, Lehtikuva Oy acquired a 60% holding in the picture agency Compad Oy. In March and August, Sanoma acquired a 25.07% holding in ZAO Smena, the publisher of the St. Petersburg-based paper Smena. Infosto acquired Free Ad Production Oy, the publisher of Palsta, a free ad publication, in October. In November, Kymen Lehtimedia acquired the remaining 25% of Uutisuoksi Oy, after which the latter became a wholly owned subsidiary.

Sanoma Magazines

Sanoma Magazines Finland (prev. Helsinki Media) formed part of SanomaWSOY for the entire year, while the remainder of Sanoma Magazines was integrated as of October 1. The division had net sales of EUR 394.3 million and an operating profit of EUR 41.7 million, and an EBITA of EUR 59.9 million.

Sanoma Magazines Finland's net sales rose by 3.4% to EUR 165.4 million (159.8 million). Circulation revenue increased by 4% and advertising revenue by 3%. Book sales were down on 2000, and saw net sales come in below 2000. Operating profit was higher, at EUR 17.6 million (10.2 million), driven by

improved profitability in publishing, reduced depreciation, and a successful year at associated company, Hansaprint. Sanoma Magazines Finland's EBITA totalled EUR 18.1 million (13.5 million). Investments totalled EUR 6.1 million (4.2 million). The largest investments were the acquisition of public sector directories from Stellatum Oy and the acquisition of a 60% holding in Suomen Rakennuslehti Oy.

Net sales at the businesses acquired from VNU during the last quarter totalled EUR 228.9 million, and operating profit totalled EUR 24.1 million. EBITA totalled EUR 41.8 million. Operating profit was slightly below expectations because of a weaker-than-projected December.

Net sales at Sanoma Uitgevers in The Netherlands during the last quarter totalled EUR 139.6 million; the company's operating profit totalled EUR 20.4 million and its EBITA, EUR 34.2 million. Advertising revenue at Sanoma Uitgevers during the last quarter suffered somewhat from the general softening seen in IT and telecomm-related advertising.

Fourth-quarter net sales at press distributor Aldipress totalled EUR 52.8 million, while operating profit came in at EUR 0.4 million. The company's EBITA was EUR 1.0 million.

Fourth-quarter net sales at Sanoma Magazines Belgium (Mediaxis) totalled EUR 39.4 million, and its operating profit was EUR 0.4 million. The Belgian magazine market suffered from a similar general downturn in advertising to that seen elsewhere in the last quarter. Mediaxis' EBITA totalled EUR 0.4 million. This figure includes EUR 0.8 million in penalties for delayed payment of disputed lottery tax.

Fourth-quarter net sales in Sanoma Magazines' other markets – Hungary, Slovakia, the Czech republic, Britain, Romania, and Croatia (Sanoma Magazines International) – totalled EUR 28.9 million. Sanoma Magazines International's operating profit totalled EUR 6.7 million, and its EBITA, 7.0 million. A new subsidiary was set up in Croatia at the end of the year.

SWelcom

SWelcom's net sales increased to EUR 84.9 million (78.5 million), driven in particular by the success of Helsinki Television's broadband Internet services and an increase in Internet development and hosting projects for SanomaWSOY's other units.

SWelcom recorded an operating loss of EUR 24.5 million (16.7 million). Factors shaping this development included programming costs at Nelonen, amortisation linked to SWelcom's increased holding in Nelonen, and investments in digital TV. Another factor contributing to the higher loss compared to 2000 was the fact that 2ndhead's figures have been included in SWelcom's accounts since October 1, 2000. SWelcom's EBITA totalled EUR -21.7 million (-15.7 million). Nelonen recorded an operating loss of EUR 15.3 million (15.4 million).

SWelcom's investments totalled EUR 12.5 million (33.7 million). The largest single components were the continued upgrading of Helsinki Television's cable system and cable modem service. Investments during 2000 included the increased holding in Nelonen acquired that year.

WSOY

WSOY's net sales rose to EUR 211.0 million (203.4 million). Adjusted for acquisitions and divestments, comparable net sales rose by 3.6%. The economic slow-down was reflected in weaker sales towards the end of the year and weaker profitability. The Christmas season was exceptionally brisk in terms of book sales, but was shorter than normal.

WSOY's operating profit totalled EUR 18.1 million (18.3 million). Traditional book publishing and printing recorded a similar good result to that seen in 2000. In contrast, electronic publishing recorded a loss, and the weak development of IT publishing, particularly in Sweden, had an adverse impact on performance. WSOY's calendar business turned in a profit, thanks to the success of rationalisation

measures. WSOY's holding in Rautakirja contributed EUR 9.7 million (8.1 million). The group's EBITA totalled EUR 21.1 million (22.4 million).

Investments totalled EUR 14.7 million (25.5 million). The largest of these were the increase in WSOY's holding in Young Digital Poland from 29% to 49% and replacement printing machinery investments. The most important machinery investments were a hardback line at WS Bookwell Oy in Porvoo and an A0 four-colour offset machine at Lönnberg Painot in Helsinki.

Rautakirja

Rautakirja recorded net sales of EUR 696.5 million (644.6 million), an increase of 8.0% on 2000. Comparable growth totalled 5.3%. Net sales developed well in all businesses, and sales during the Christmas season were particularly successful.

The good progress seen in net sales was also reflected in improved profit performance. Rautakirja's operating profit rose by 17.7% on the back of higher net sales, and totalled EUR 42.6 million (36.2 million). Higher profit performance was recorded in press distribution, book retailing, and restaurants. Rautakirja's higher profit was also affected by the capital gain of some EUR 7.8 million made on sales of shares in Norwegian-based Reitan Narvesen ASA. Rautakirja's financial income was also higher, and its profit before extraordinary items totalled EUR 45.7 million (38.3 million). EBITA totalled EUR 45.9 million (40.7 million).

Investments totalled EUR 35.9 million (28.6 million). The largest of these were the multiplex cinema opened in March in Tallinn, the increase in Rautakirja's holding in Jokerit HC Oyj from 34.5% to 36.4%, the acquisition of a cinema company in Lithuania, and investments in new Motorest units. The booking of fixed assets as investments at Latvian-based convenience store and press distributor Narvesen Baltija SIA, which became a joint company in the autumn, was also a factor.

Board authorisations and events after December 31, 2001

The Extraordinary General Meeting in August authorised SanomaWSOY's Board, for a period of one year from the Extraordinary General Meeting, to decide to increase the Company's share capital through one or more stock issues, one or more convertible loan issues, and/or the issue of stock options, on condition that the new shares to be offered for subscription as part of any stock issue or against convertible loans or stock options shall be Series B shares, and that the combined number of such shares shall be a maximum of 29,104,319 shares, and that the Company's share capital shall be increased, as a result, by a maximum of EUR 12,514,857.17. As of the end of the year, the Board was not authorised to acquire or sell Company shares.

During the year, the Board exercised the above authority by making a EUR 200 million convertible capital notes issue entitling holders to convert notes into a maximum of 12,570,710 SanomaWSOY Series B shares. The conversion period began on January 2, 2002, at an imputed conversion price of EUR 15.91. In January 2002, the Board decided to issue warrants to management. The issue will comprise a maximum of 4,500,000 warrants, each entitling the holder to one SanomaWSOY Corporation Series B share. The warrants will be distributed in three stages, at the turn of 2001/2002, 2002/2003, and 2003/2004, and will be identified as warrants 2001A, 2001B, and 2001C respectively. A maximum of 1,500,000 warrants in each category will be issued. A total of some 700,000 warrants were distributed to 101 senior managers within the Group at the beginning of 2002; the remainder were held for later distribution at the discretion of the Board of Directors. The subscription price was the average price of SanomaWSOY's Series B share as quoted in November–December 2001 in each of the three years in question (2001, 2002, and 2003) plus 20%. The subscription period will begin three years from the issu-

ing of warrants and will continue for three years thereafter. The subscription price for 2001A warrants was set at EUR 12.74.

In February, Sanoma Magazines signed a heads of agreement to sell its British-based puzzle magazine company, British European Associated Publishers Ltd. (BEAP), to management. The intention is to close the deal in the near future.

Outlook for 2002

Economic growth in EU countries is expected to continue to be quite modest during 2002, despite the stronger consumer confidence evident at the end of 2001 and the economic improvement this points to. The December 2001 forecast issued by the Research Institute of the Finnish Economy indicates that overall output within the EU will grow by 1.4% in 2002 and overall output in Finland by 1.9%. Developments on the advertising market remain uncertain, and it is probable that the market will be weaker during the first part of the year than in 2001. An upswing in the advertising market is expected to come only in the autumn.

SanomaWSOY's operating profit and net sales are expected to improve significantly during 2002, as the net sales and operating profit generated by the businesses acquired from VNU will be included for the full year instead of only one quarter as in 2001. The Group's net sales are projected to rise to over EUR 2,400 million. If no unexpected changes take place in the economic situation, operating profit is projected to improve by around a quarter. Comparable net sales and operating profit are also expected to improve somewhat. The various cost control measures launched in a number of businesses during 2001 are expected to contribute to this improvement in profitability.

Sanoma's net sales are projected to remain at current levels, while operating profit is expected to improve as a result of cost-cutting measures. Sanoma has prioritised improving profitability.

Sanoma Magazines' net sales will probably exceed EUR 1 billion in 2002. The division is expected to record an EBITA of around 12% of net sales, while its operating profit percentage will probably be slightly under 6%, as a result of high amortisation levels.

SWelcom's net sales are projected to rise by some 15%; operating profit performance is also expected to improve clearly. The possible halving of Nelonen's licence fees on July 1, 2002 would have a significant positive impact on the channel's profitability. SWelcom will continue its cost control projects and will tailor development expenses to what the market will bear. The overall development of TV advertising will play the most critical role in how SWelcom performs.

WSOY's net sales are projected to increase by 5%. Profitability is also projected to improve, most importantly as a result of rationalisation measures launched in 2001.

Rautakirja's net sales are projected to increase by more than 5%. The division's operating profit is projected to be lower than the record figure recorded in 2001, which included an EUR 8.4 million capital gain on sales of shares, however. Rautakirja's operational result is expected to be equivalent to that for 2001.

SanomaWSOY Corporation
Board of Directors

Proposal for application of profits

SanomaWSOY

The Group's distributable funds for 2001 total EUR 644,108,369.83. The Parent Company's distributable funds as of December 31, 2001 total EUR 555,207,870.03, of which the loss for the year was EUR 3,863,167.73.

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

- a dividend of EUR 0.51 a share shall be paid EUR 74,216,013.96
- the following sum shall be transferred to the donation reserve and used at the Board's discretion EUR 300,000.00
- shareholders' equity shall be set at EUR 480,691,856.07

The dividend will be paid to shareholders registered with the register of shareholders maintained by the Finnish Central Securities Depository on the record date set by the Board for payment of the dividend, April 12, 2002. The Board will propose to the Annual General Meeting that the dividend shall be paid on April 19, 2002.

Helsinki, February 27, 2002

Jaakko Rauramo
Chairman

Esko Koivusalo
Vice Chairman

Robert Castrén

Aatos Erkko

Jane Erkko

Marjukka af Heurlin

Paavo Hohti

Kyösti Järvinen

Robin Langenskiöld

Rafaela Seppälä

Hannu Syrjänen

Income statement by quarter

SanomaWSOY

€ million	1-3/ 2001	4-6/ 2001	7-9/ 2001	10-12/ 2001	1-12/ 2001	1-3/ 2000	4-6/ 2000	7-9/ 2000	10-12/ 2000	1-12/ 2000
Net sales	361.4	362.2	353.8	652.6	1730.0	345.9	349.0	345.5	407.4	1447.8
Increase (+) / decrease (-) in inventories of finished goods and work in progress	5.4	0.8	0.3	-5.8	0.7	4.4	1.8	0.1	-5.6	0.7
Production for own use	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	15.8	9.4	7.2	12.0	44.5	7.8	9.3	6.8	12.6	36.4
Share of result of associated companies	-0.6	4.8	-0.2	1.5	5.5	1.1	1.8	4.0	-0.5	6.4
Materials and services	169.1	161.6	162.7	292.5	786.0	159.3	148.5	155.3	184.9	648.1
Personnel expenses	99.9	96.7	93.0	144.2	433.8	91.1	93.9	84.4	100.7	370.2
Depreciation and decrease in value	21.3	21.9	23.0	44.1	110.3	19.3	20.1	20.7	25.7	85.8
Other operating expenses	79.0	79.5	67.0	128.7	354.1	76.3	78.6	69.3	79.0	303.2
Operating profit	12.7	17.5	15.4	50.9	96.5	13.1	20.7	26.6	23.6	84.0
Financial income and expenses	5.4	10.1	-16.1	-3.3	-4.0	38.3	18.9	-4.7	1.8	54.3
Profit before extraordinary items	18.1	27.6	-0.8	47.6	92.5	51.4	39.6	21.9	25.4	138.3
Extraordinary items	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	2.0
Profit after extraordinary items	18.1	27.6	-0.8	47.6	92.5	51.4	39.6	21.9	27.5	140.3
Direct taxes (profit-related)	-6.6	-6.3	-2.2	-16.0	-31.0	-13.5	-10.4	-6.9	-8.5	-39.3
Minority interests	-4.4	-1.5	-2.2	-5.6	-13.7	-1.5	-1.1	-1.9	-2.3	-6.8
Profit for the year	7.1	19.8	-5.1	26.0	47.8	36.4	28.1	13.1	16.6	94.2

Income statement

SanomaWSOY

€ million	Group		Parent Company	
	1.1–31.12.2001	1.1–31.12.2000	1.1–31.12.2001	1.1–31.12.2000
NET SALES 1)	1 730.0	1 447.8		
Increase (+) / decrease (-) in inventories of finished goods and work in progress	0.7	0.7		
Production for own use	0.0	0.0		
Other operating income 2)	44.5	36.4	6.1	5.4
Share of result of associated companies	5.5	6.4		
Materials and services 3)	786.0	648.1		
Personnel expenses 4)	433.8	370.2	7.2	5.6
Depreciation and decrease in value 5)	110.3	85.8	1.5	0.8
Other operating expenses 6)	354.1	303.2	12.2	10.6
OPERATING PROFIT (LOSS)	96.5	84.0	-14.8	-11.7
Financial income and expenses 7)	-4.0	54.3	3.9	41.5
PROFIT (LOSS) BEFORE EXTRAORDINARY ITEMS	92.5	138.3	-10.9	29.8
Extraordinary items 8)		2.0	8.2	16.8
PROFIT (LOSS) AFTER EXTRAORDINARY ITEMS	92.5	140.3	-2.8	46.7
Provisions			-0.1	-0.1
Direct taxes 9)	-31.0	-39.3	-1.0	-8.5
Minority interests	-13.7	-6.8		
PROFIT (LOSS) FOR THE YEAR	47.8	94.2	-3.9	38.0

Balance sheet

SanomaWSOY

€ million	Group 31.12.2001	31.12.2000	Parent Company 31.12.2001	31.12.2000
ASSETS				
NON-CURRENT ASSETS 10)				
Intangible assets	112.8	56.5	4.4	2.5
Consolidated goodwill	1 299.5	82.1		
Tangible assets	509.6	415.1	16.2	15.5
Investments	266.3	273.7	1 963.6	697.7
NON-CURRENT ASSETS, TOTAL	2 188.2	827.4	1 984.1	715.8
CURRENT ASSETS				
Inventories 11)	122.6	102.2		
Long-term receivables 12)	63.3	43.2	10.3	
Short-term receivables 13)	311.0	149.5	88.2	58.1
Securities 14)	282.6	268.3	33.9	85.7
Cash and bank	85.4	48.6	5.6	6.2
CURRENT ASSETS, TOTAL	864.8	611.9	138.1	150.0
ASSETS, TOTAL	3 053.1	1 439.3	2 122.2	865.8
SHAREHOLDERS' EQUITY AND LIABILITIES				
SHAREHOLDERS' EQUITY 15)				
Share capital	62.6	62.6	62.6	62.6
Premium fund	16.1	16.1		
Other funds	364.4	364.1	355.7	355.7
Retained earnings	321.5	285.7	203.4	234.1
Profit (loss) for the period	47.8	94.2	-3.9	38.0
Capital notes	207.3	7.3	200.0	
SHAREHOLDERS' EQUITY, TOTAL	1 019.7	829.9	817.8	690.3
MINORITY INTEREST	122.3	112.9		
ACCUMULATED PROVISIONS 16)			1.3	1.3
STATUTORY PROVISIONS 17)	8.1	2.3		
LIABILITIES				
Deferred tax liability 18)	36.6	37.6		
Long-term liabilities 19)	922.7	85.9	810.0	
Current liabilities 20)	943.7	370.7	493.1	174.2
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL	3 053.1	1 439.3	2 122.2	865.8

Cash flow statement

SanomaWSOY

€ million	Group		Parent Company	
	1.1–31.12.2001	1.1–31.12.2000	1.1–31.12.2001	1.1–31.12.2000
OPERATIONS				
Operating profit (loss)	96.5	84.0	-14.8	-11.7
Adjustments to operating profit 1)	91.6	69.5	2.9	-0.4
Change in working capital 2)	11.4	-9.9	-3.0	2.8
Cash flow from operations before financial items and taxes	199.4	143.7	-15.0	-9.2
Interest received from operations	20.0	8.3	8.4	13.1
Interest paid on operations	-10.5	-7.0	-7.4	-4.7
Dividend received from operations	6.6	10.4	2.0	6.3
Other financial items	3.0	54.8	-4.6	28.0
Group contributions			23.7	
Tax paid on operations	-44.1	-38.5	-14.3	-4.4
CASH FLOW FROM OPERATIONS	174.4	171.7	-7.2	29.1
INVESTMENTS				
Acquisition of tangible and intangible assets	-112.7	-118.6	-3.9	-1.9
Group companies acquired 3)	-1 168.8	-23.1	-352.7	-5.5
Associated companies acquired	-6.4	-11.5		
Acquisition of other holdings	-0.8	-9.2		0.0
Sales of tangible and intangible assets	11.1	19.7	0.1	0.2
Group companies sold 4)	0.0	0.9	1.2	0.9
Associated companies sold	11.5	3.6	0.9	1.2
Sales of other companies	40.4	3.8	1.4	0.7
Long-term loans granted	-1.4			
Repayments of long-term loan receivables	4.1			
Increase (-)/decrease (+) in current loan receivables	14.7	-2.2	-9.7	-9.5
Investments in other assets	-1.2	-0.1	-945.3	-64.7
Sales of other investment	1.1	0.2	11.6	43.9
Interest received from investments	0.1	0.3	8.8	
Dividend received from investments	6.9	1.6	2.0	
CASH FLOW FROM INVESTMENTS	-1 201.3	-134.6	-1 285.5	-34.7
CASH FLOW BEFORE FINANCING	-1 027.0	37.1	-1 292.7	-5.6
FINANCING				
Minority capital investment / repayments of equity loans	2.5	-15.1		
Drawings on short-term loans	294.6	64.4	427.3	63.5
Repayments of short-term loans	-137.2	-11.2	-128.2	-13.1
Drawings on long-term loans	1 001.2	8.5	1 010.0	
Repayments of long-term loans	-3.8	-10.7		
Dividends paid	-70.7	-67.9	-68.5	-65.7
Donations	-0.3	-0.3	-0.3	-0.3
Other distribution of profits		0.0		0.0
HTV connection fees	1.4	1.0		
CASH FLOW FROM FINANCING	1 087.8	-31.2	1 240.3	-15.5
Change in liquidities according to the cash flow statement	60.8	5.9	-52.4	-21.0
Exchange rate differences under liquidities	-9.8	-10.1	0.0	-0.1
Net increase (+)/decrease (-) in liquidities	51.0	-4.3	-52.4	-21.1
Liquidities according to the balance sheet at Jan. 1	316.9	321.2	91.9	113.0
Liquidities according to the balance sheet at Dec. 31	367.9	316.9	39.5	91.9

€ million	Group		Parent Company	
	1.1–31.12.2001	1.1–31.12.2000	1.1–31.12.2001	1.1–31.12.2000
1) Adjustments to operating profit				
Depreciation and decrease in value	110.3	85.8	1.5	0.8
Profit (-) and loss (+) on sales of non-current assets	-16.1	-10.8	0.6	-1.2
Share of result of associated companies, in profit (-) and loss (+)	-5.5	-6.4		
Change in statutory provisions	4.8	0.7		
Other adjustment items	-2.0	0.1	0.7	
	91.6	69.5	2.9	-0.4
2) Change in working capital				
Increase (-) /decrease (+) in current assets	-6.2	-5.5		
Increase (-) /decrease (+) in interest-free short-term receivables	-21.2	-15.1	-1.0	-0.9
Increase (+) /decrease (-) in interest-free short-term debts	38.8	10.7	-2.0	3.7
	11.4	-9.9	-3.0	2.8
3) Supplementary information on acquired Group companies				
Impact of acquired companies on the Group's assets and liabilities				
Non-current assets	-1 397.0	-27.3		
Current assets	-252.8	-8.8		
Long-term liabilities	52.7	5.3		
Current liabilities	351.7	5.0		
Other items	1.7	-0.7		
Total purchase price	-1 243.7	-26.5		
Liquidities of acquired companies	74.9	3.4		
Investments in Group companies	-1 168.8	-23.1		
4) Supplementary information on sold Group companies				
Impact of sold companies on the Group's assets and liabilities				
Non-current assets	0.8	0.7		
Current assets	0.9			
Long-term liabilities	0.0			
Current liabilities	-1.2			
Other items	-0.3	0.2		
Sale price	0.2	0.9		
Liquidities of sold companies	-0.2			
Income on the sale of Group companies	0.0	0.9		

SanomaWSOY's consolidated financial statements have been prepared in accordance with Finnish rules and regulations. SanomaWSOY Corporation was created by a combination merger on May 1, 1999, and the comparative data for 1997, 1998, and 1999 takes the form of pro forma figures.

Information on the Consumer Information Group (CIG), acquired from VNU in 2001, is provided in the Group's official figures for the last quarter of 2001. The acquisition was completed on October 1, 2001.

Consolidated financial statements

The consolidated financial statements have been prepared by consolidating the income statements, balance sheets, and notes to the financial statements of the Parent Company and 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 contractual date, 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 has been presented as goodwill, which is depreciated according to the plan over the relevant economic lifetime.

Goodwill resulting from the companies in the Consumer Information Group (CIG) acquired from VNU has not been booked against assets. This goodwill will be depreciated over a period of 20 years. The final sum involved will be confirmed after verification of the sale and purchase agreement.

Associated companies are consolidated in accordance with the equity method. A portion of companies' profits or losses in line with the Group's holding has been booked as a separate item prior to the operating profit. This represents a change from previous practice and has been implemented from the beginning of the 2001 accounting year. In the case of investment-type holdings, a portion of the company's profits or losses has been booked before operating profit instead of to financial income and expenditure. Comparative data has been adjusted in line with current practice. Goodwill and reserves generated in the consolidation of associated companies are generally entered as revenue over a period of five to 10 years. The depreciation period used for goodwill related to 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 and result and are presented as a separate entry in the income statement and balance sheet. The practice used in booking capital notes given by minority shareholders was changed in 2001. Only the share of any possible losses related to such loans are now booked against the minority holding, while the remainder is presented in shareholders' equity as capital notes. Figures for 2000 and key indicators for the previous five years have been adjusted to aid comparison.

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 and liabilities on the balance sheet at closing have been translated into Euros using the rate quoted on that date. Exchange rate differences of trade receivables and trade payables are booked as sale and 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 Euros using the average exchange rate for the accounting year, while their balance sheets have been translated using the exchange rate quoted on the balance sheet date. Translation differences between different rates have been booked to the Group's shareholders' equity.

Translation differences arising from translating the balance sheets of foreign subsidiaries and associated companies have generally been booked to consolidated shareholders' equity. Translation differences related to the Group's long-term internal loans have been treated in the same way as those associated with shareholders' equity.

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 EUR 17.1 million covering land and buildings. Investments have been booked at acquisition cost or a permanently lower market value. 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
Goodwill	3–20 years
Consolidated goodwill	5–20 years
Other long-term expenditure	3–10 years
Buildings and structures	8–40 years
Machinery and equipment	3–16 years

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 the variable costs associated with acquisition and manufacture.

Securities

The balance sheet item related to securities primarily covers market investments and deposits, bonds, convertible bonds, listed shares, and mutual fund holdings. Securities have been valued at acquisition cost or the lower market cost.

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 to hedge the Group's risks. The Group hedges its interest rate risks, and at times its currency and equity-related risks. The hedging instruments normally used are interest rate swap agreements, forward rate agreements, interest rate options, and currency and share forward agreements.

The interest income and expenditure related to the derivative contracts used in risk management are periodised according to the duration of the relevant contract and are used to adjust the interest booked for the hedged positions. The premiums paid and received for interest rate options are booked under transfer items and are periodised under financial expenses and income according to the duration of the relevant contract.

Interest rate derivatives are used to hedge the Group's variable-rate loan portfolio, and derivative contracts are not valued at market values in the accounts. The market values of contracts are shown in the notes to the financial statements.

Currency and share forward agreements are valued at market values in the accounts. That portion of unrealised derivative losses that exceeds the positive change in value of the underlying item is booked against income. Only that portion of unrealised profit that is equivalent to the valuation loss on an underlying item is booked against income.

Convertible capital note issue

A convertible capital note issue valued at EUR 200 million was issued as part of financing for the acquisition of the CIG magazines business from VNU. Trading in the subordinated notes began on the Helsinki Exchanges on September 6, 2001. Under the Companies Act, the issue is treated as an equity loan. The interest on the notes is booked in accordance with the interest stipulated in the terms of the issue, and the loan is presented in its entirety under shareholders' equity.

The main terms of the issue are presented in the notes to the financial statements.

Net sales

When calculating net sales, sales income has been adjusted for discounts given, indirect taxes, and sales-related exchange rate differences. Commissions are included in the net sales shown on commission sales.

Other expenses

Advertising agency fees related to magazines and newspapers are booked as other expenses.

Research and development expenses

Research and development expenses are generally booked directly 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. Research and development expenses are typically incurred before a company is able to begin benefiting financially from the product or service in question.

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 the title's 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 provided through insurance policies taken out with pension institutions. Pension cover for personnel employed by units outside Finland is organised in line with the requirements of local legislation and social security provisions. A pension fund has been set up for Sanoma Magazines B.V.

The statutory pension cover of personnel employed by Werner Söderström Corporation and WS Bookwell Oy 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 EUR 5.3 million.

Additional pension cover for SanomaWSOY Corporation and its 22 subsidiaries has been arranged through Sanoma Corporation's pension fund. The latter has no uncovered liability and its assets at current values exceed its liabilities by EUR 3.4 million. The fund was closed on August 31, 1981.

Voluntary pension cover for personnel employed by Rautakirja Oyj, Finnkino Oy, and Eurostrada Oy is provided by Rautakirja's pension fund. The total liability of the latter as of the end of the year was EUR 19.4 million, of which EUR 2.8 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 member 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 key indicators for 1997 and 1998 presented for comparative purposes were prepared on the essential relevance principle for the merger plan of SanomaWSOY. The accuracy of these figures does not match that of current practice in every respect.

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

Definitions of key indicators

SanomaWSOY

Return on equity (ROE), %	=	$\frac{\text{Result before extraordinary items - taxes}}{\text{Shareholders' equity + minority interest (average of monthly balances)}} \times 100$
Return on investments (ROI), %	=	$\frac{\text{Result before extraordinary items + interest and other financial expenses}}{\text{Balance sheet total - non-interest-bearing liabilities (average of monthly balances)}} \times 100$
Equity ratio, %	=	$\frac{\text{Shareholders' equity + minority interest}}{\text{Balance sheet total - advances received}} \times 100$
Gearing, %	=	$\frac{\text{Interest-bearing liabilities - cash and bank and securities}}{\text{Shareholders' equity and minority interest}} \times 100$
Earnings / share (EPS)	=	$\frac{\text{Result before extraordinary items - taxes +/- minority interest}}{\text{Average number of shares on the market, adjusted for share issues}}$
Cash flow / share	=	$\frac{\text{Cash flow from operations}}{\text{Average number of shares on the market, adjusted for share issues}}$ Cash flow from operations includes cash flow from the Group's main operations according to the cash flow statement.
Equity / share	=	$\frac{\text{Shareholders' equity at the end of the year}}{\text{Average number of shares on the market, adjusted for share issues, on the balance sheet date}}$
Dividend / share	=	$\frac{\text{Total dividend distribution}}{\text{Average number of shares on the market, adjusted for share issues, on the balance sheet date}}$
Dividend / result, %	=	$\frac{\text{Dividend / share}}{\text{Result / share}} \times 100$
Market capitalisation	=	Number of shares on the market at the end of the year x the share price on the last trading day of the year by share class
Effective dividend yield, %	=	$\frac{\text{Dividend / share}}{\text{Share price on the last trading day of the year by share class}} \times 100$
P/E ratio	=	$\frac{\text{Share price on the balance sheet date, adjusted for share issues}}{\text{Result / share}}$

The 7,187,276 SanomaWSOY Series B shares held by subsidiary Tiikerijakelu Oy on the balance sheet date have been subtracted from the total number of shares on the market.

Notes to the income statement

SanomaWSOY

€ million	Group 1.1–31.12.2001	1.1–31.12.2000	Parent Company 1.1–31.12.2001	1.1–31.12.2000
1) NET SALES				
Net sales by business area				
Sanoma				
Newspaper publishing and printing	459.3	458.2		
Total	459.3	458.2		
Sanoma Magazines				
Magazine publishing	373.3	159.8		
Press distribution	52.8			
Intracompany transactions	-31.7			
Total	394.3	159.8		
SWelcom				
Electronic media	84.9	78.5		
Total	84.9	78.5		
WSOY				
Publishing	131.8	127.4		
Printing	62.2	61.4		
Calendar operations	35.8	36.7		
Others	3.9	3.8		
Intracompany transactions	-22.8	-25.9		
Total	211.0	203.4		
Rautakirja				
Kiosk operations	359.8	336.8		
Press distribution	165.1	154.2		
Bookstores	113.9	107.2		
Movie theatre operations	47.6	43.6		
Restaurant operations	42.4	38.4		
E-Business	0.4			
Others		0.0		
Intracompany transactions	-32.7	-35.6		
Total	696.5	644.6		
Intragroup transactions	-115.9	-96.7		
Total	1 730.0	1 447.8		
Net sales by market area				
Finland	1 368.3	1 328.8		
Other EU countries	262.6	59.7		
Other countries	99.2	59.3		
Total	1 730.0	1 447.8		
2) OTHER OPERATING INCOME				
Rental income	20.0	19.4	2.2	2.1
Rental income, internal			2.6	1.9
Profit on sales of assets	4.8	8.3		0.2
Profit on sales of machinery & equipment	3.3	2.8	0.0	0.1
Other operating income	16.4	6.0	1.2	1.1
Total	44.5	36.4	6.1	5.4

€ million	Group		Parent Company	
	1.1–31.12.2001	1.1–31.12.2000	1.1–31.12.2001	1.1–31.12.2000
3) MATERIALS AND SERVICES				
Materials and supplies				
Purchases during the year	631.9	532.0		
Change in inventories	-6.8	-4.6		
Total	625.1	527.5		
Purchased services				
Purchased transport and distribution services	70.0	56.6		
Other purchased services	90.9	64.0		
Total	160.8	120.6		
Total	786.0	648.1		
4) PERSONNEL EXPENSES				
Wages, salaries & fees	344.8	296.3	5.6	4.4
Bonuses	4.3	5.9		
Pension expenses	49.4	39.9	1.2	0.9
Other social expenses	35.4	28.0	0.4	0.3
Total	433.8	370.2	7.2	5.6
REMUNERATION TO MANAGEMENT				
Presidents, Deputies and Board members				
Total	7.0	5.2	1.2	0.8
PERSONNEL, AVERAGE *)				
Sanoma	3 563	3 396		
Sanoma Magazines	1 707	779		
SWelcom	403	310		
WSOY	1 863	1 803		
Rautakirja	4 461	3 977		
Other companies **)	80	85	80	77
Total	12 077	10 350	80	77
*) 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.				
5) DEPRECIATION AND DECREASE IN VALUE				
Depreciation according to plan				
Consolidated goodwill	30.5	10.3		
Goodwill	3.2	8.8		
Others	75.4	66.1	1.5	0.8
Decrease in value of non-current assets	1.2	0.7		
Total	110.3	85.8	1.5	0.8
6) OTHER OPERATING EXPENSES				
Rents	52.0	46.0	3.3	4.6
Voluntary social expenses	13.7	9.6	0.6	0.3
Advertising and marketing	95.1	71.8	0.5	0.7
Commissions	34.6	38.8		
Office and IT expenses	54.6	44.8	2.3	1.1
Travel expenses	19.2	17.1	0.5	0.3
Other expenses	84.9	75.0	5.1	3.6
Total	354.1	303.2	12.2	10.6

€ million	Group		Parent Company	
	1.1–31.12.2001	1.1–31.12.2000	1.1–31.12.2001	1.1–31.12.2000
7) FINANCIAL INCOME AND EXPENSES				
Dividend income (incl. avoird fiscal)				
From Group companies			2.4	1.8
From associated companies	2.0	1.5		
From other companies	6.4	9.1	2.8	6.7
Total	8.5	10.7	5.2	8.5
Interest from investments under non-current assets:				
From Group companies			20.4	8.0
From other companies	0.3	4.0	0.0	0.0
Total	0.3	4.0	20.4	8.0
Other interest and financial income				
From Group companies			1.8	1.1
From associated companies	0.3	0.1		
From other companies	33.6	68.3	16.3	30.0
Exchange rate gains	0.3	3.0	1.8	0.8
Total	34.2	71.4	19.9	31.9
Decrease in value of investments				
Investments under non-current assets	-0.3	0.0	13.0	
Securities under current assets	12.8	17.0	-0.1	0.1
Total	12.4	17.0	12.9	0.1
Interest and other financial expenses				
To Group companies			5.5	3.9
To associated companies		0.0		
To other companies	33.3	12.9	22.5	1.2
Exchange rate losses	1.1	1.9	0.7	1.7
Total	34.4	14.9	28.7	6.8
Total	-4.0	54.3	3.9	41.5
8) EXTRAORDINARY ITEMS				
Extraordinary income				
Group contributions received			37.0	29.3
Other extraordinary income		2.0		
Extraordinary expenses				
Group contributions given			25.5	5.6
Income tax on extraordinary items				
Total		2.0	8.2	16.8
9) DIRECT TAXES				
Tax on operational income	-39.8	-48.3	-1.0	-8.5
Change in deferred tax liability/accrued tax receivable *)	8.8	9.0		
Total	-31.0	-39.3	-1.0	-8.5
*) Change in deferred tax liability/accrued tax receivable				
From capitalisation differences	5.5	4.5		
From provisions	2.7	3.6		
From consolidation measures	0.6	0.8		
Total	8.8	9.0		

Notes to the balance sheet

SanomaWSOY

€ million	Acquisition cost at Jan. 1, 2001 a)	Differences in rates and transfers between balance sheet items	Increases b)	Decreases c)
10) NON-CURRENT ASSETS, GROUP				
Intangible assets				
Immaterial rights	26.8	10.4	37.9	-1.6
Goodwill	43.6	0.0	9.4	-2.4
Other long-term investments	88.9	1.4	21.5	-4.3
Advance payments	0.5	-0.5	0.7	-0.1
	159.8	11.3	69.5	-8.4
Consolidated goodwill				
Consolidated goodwill	107.8	-16.8	1 344.4	-0.7
Consolidation difference	-0.3	0.0	0.0	0.0
	107.5	-16.8	1 344.4	-0.7
Tangible assets				
Land and water	48.7	0.0	1.3	-0.1
Revaluations	7.9	0.0	0.0	0.0
Total land and water	56.6	0.0	1.3	-0.1
Buildings and structures	211.5	13.0	43.5	-1.5
Revaluations	9.2	0.0	0.0	0.0
Total buildings and structures	220.7	13.0	43.5	-1.5
Machinery and equipment	511.1	13.8	99.6	-42.1
Other tangible assets	10.6	8.1	69.3	-6.0
Advance payments and work in progress	34.5	-28.9	11.7	0.0
	833.5	6.0	225.3	-49.7
Investments				
Interest in associated companies e)	150.9	-7.2	36.2	-3.9
Receivables from associated companies	2.4	0.0	1.5	-0.9
Other shares and holdings	121.0	7.6	1.3	-30.7
Other receivables	1.7	0.3	0.1	-0.1
Advance payments	0.2	-0.3	0.2	0.0
	276.2	0.4	39.4	-35.7
TOTAL NON-CURRENT ASSETS	1 376.9	0.9	1 678.5	-94.4

Book value of production machinery at December 31, 2001: € 79.5 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 business.
- 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.

Acquisition cost at Dec. 31, 2001	Differences in rates and bookings relating to the value of shares in associated companies	Accumulated depreciation and decrease in value at Jan. 1, 2001	Accumulated depreciation and decrease in value of decreases and transfers d)	Depreciation and decrease in value for the period	Book value at Dec. 31, 2001
73.4	-0.1	-19.0	4.7	-3.4	55.7
50.6	0.0	-34.0	-1.8	-3.2	11.6
107.5	0.0	-50.2	1.6	-13.9	44.9
0.6	0.0	0.0	0.0	0.0	0.6
232.2	-0.1	-103.3	4.5	-20.5	112.8
1 434.6	0.0	-25.5	-79.0	-30.5	1 299.7
-0.3	0.0	0.2	0.0	0.0	-0.1
1 434.3	0.0	-25.3	-79.0	-30.5	1 299.5
49.9	0.0	0.0	0.0	0.0	49.9
7.9	0.0	0.0	0.0	0.0	7.9
57.8	0.0	0.0	0.0	0.0	57.8
266.5	0.0	-48.8	-7.7	-8.3	201.7
9.2	0.0	0.0	0.0	0.0	9.2
275.7	0.0	-48.8	-7.7	-8.3	210.9
582.4	-0.1	-361.5	1.8	-49.4	173.2
82.0	0.0	-8.2	-21.7	-1.6	50.5
17.3	0.0	0.0	0.0	0.0	17.3
1 015.1	-0.1	-418.5	-27.6	-59.3	509.6
176.0	-10.4	0.0	0.0	0.0	165.7
3.0	0.0	0.0	0.0	0.0	3.0
99.2	0.0	-3.6	0.0	0.0	95.6
1.8	0.0	0.0	0.0	0.0	1.8
0.2	0.0	0.0	0.0	0.0	0.2
280.3	-10.4	-3.6	0.0	0.0	266.3
2 961.9	-10.6	-550.7	-102.1	-110.3	2 188.2

€ million	Acquisition cost at Jan. 1, 2001 a)	Transfers between balance sheet items	Increases	Decreases b)
10) NON-CURRENT ASSETS, PARENT COMPANY				
Intangible assets				
Immaterial rights	0.3	0.0	0.2	0.0
Other long-term investments	4.7	0.4	2.5	-0.1
Advance payments	0.4	-0.4	0.0	0.0
	5.3	0.0	2.8	-0.1
Tangible assets				
Land and water	6.9	0.0	0.0	0.0
Revaluations	4.8	0.0	0.0	0.0
Total land and water	11.7	0.0	0.0	0.0
Buildings and structures	2.4	0.0	0.0	0.0
Machinery and equipment	10.0	-1.3	1.4	-0.1
Other tangible assets	0.0	1.4	0.0	0.0
Advance payments and work in progress	0.1	-0.1	0.0	0.0
	24.2	0.0	1.4	-0.1
Investments				
Interest in Group companies	389.1	0.0	354.4	-28.4
Receivables from Group companies	297.8	0.0	945.0	-25.7
Interest in associated companies	4.0	-0.9	9.6	-0.5
Receivables from associated companies	0.1	0.0	0.0	0.0
Other shares and holdings	6.2	0.9	11.4	-1.2
Other receivables	1.8	-0.1	0.1	0.0
Advance payments	0.0	0.1	0.2	0.0
	699.1	0.0	1 320.7	-55.8
TOTAL NON-CURRENT ASSETS	728.6	0.0	1 324.9	-56.0

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.

Acquisition cost at Dec. 31, 2001	Differences in rates	Accumulated depreciation and decrease in value at Jan. 1, 2001	Accumulated depreciation and decrease in value of decreases and transfers	Depreciation and decrease in value for the period	Book value at Dec. 31, 2001
0.5	0.0	0.0	0.0	-0.1	0.4
7.5	0.0	-2.8	0.0	-0.8	4.0
0.0	0.0	0.0	0.0	0.0	0.0
8.0	0.0	-2.8	0.0	-0.9	4.4
6.9	0.0	0.0	0.0	0.0	6.9
4.8	0.0	0.0	0.0	0.0	4.8
11.7	0.0	0.0	0.0	0.0	11.7
2.4	0.0	-1.1	0.0	-0.1	1.3
9.9	0.0	-7.6	0.0	-0.6	1.8
1.4	0.0	0.0	0.0	0.0	1.4
0.0	0.0	0.0	0.0	0.0	0.0
25.5	0.0	-8.7	0.0	-0.7	16.2
715.1	0.0	0.0	0.0	0.0	715.1
1 217.2	0.3	0.0	0.0	0.0	1 217.5
12.2	0.0	0.0	0.0	0.0	12.2
0.1	0.0	0.0	0.0	0.0	0.1
17.4	0.0	0.0	-0.7	0.0	16.7
1.7	0.0	0.0	0.0	0.0	1.7
0.3	0.0	0.0	0.0	0.0	0.3
1 964.0	0.3	0.0	-0.7	0.0	1 963.6
1 997.5	0.3	-11.4	-0.7	-1.5	1 984.1

SHARES BOOKED UNDER NON-CURRENT ASSETS	Participation of the Parent Company %	Participation of the sub-group's parent company %	Participation of the Group %	Book value in the Parent Company 1000 €
GROUP COMPANIES				
SANOMA				
Sanoma Corporation, Helsinki *)	100.0		100.0	108,745
Arnedo Oy, Helsinki		60.0	60.0	
AS Infesto, Estonia			90.0	
Baltic Media Oy, Anjalankoski		7.3	89.0	
Bilton Capital Oy, Kouvola		100.0	100.0	
Compad Oy, Helsinki			60.0	
Esmerk Americas Inc, USA			90.0	
Esmerk Argentina S.A., Argentina			90.0	
Esmerk Brasil LTDA, Brasilia			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	
Free Ad Production Oy, Tampere			100.0	
Helsingin Päivälehti Oy, Helsinki		100.0	100.0	
Infosto Oy, Tampere		100.0	100.0	
Infosto Finance Oy, Tampere			100.0	
Keskiaukeama Oy, Helsinki		100.0	100.0	
Kiinteistö Oy Myllymäentie, Vantaa	21.2	78.8	100.0	2,535
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	
Mailit Oy, Tampere			100.0	
Nytnet Oy, Helsinki		80.0	80.0	
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	
Utisvuoksi Oy, Imatra			100.0	
SANOMA MAGAZINES				
Sanoma Magazines B.V., The Netherlands *)	100.0		100.0	345,554
Lastannet Open B.V., The Netherlands			100.0	
Sanoma Magazines Nederland B.V., The Netherlands		100.0	100.0	
Sanoma Magazines Participations B.V., The Netherlands		100.0	100.0	

*) Parent company of the sub-group

SHARES BOOKED UNDER NON-CURRENT ASSETS	Participation of the Parent Company %	Participation of the sub-group's parent company %	Participation of the Group %	Book value in the Parent Company 1000 €
Aldipress				
B.V. Aldipress, The Netherlands			100.0	
De Grebbe Tijdschriftetenen Boekendistribution B.V., The Netherlands			100.0	
Hedinet Vastgoed B.V., The Netherlands			100.0	
Sanoma Verkoopgroep B.V., The Netherlands			100.0	
Sanoma Magazines Belgium B.V. (Mediaxis)				
Mediaxis N.V., Belgium		100.0	100.0	
N.V. Uitgevers Maatschappij, Belgium			100.0	
Sanoma Magazines International				
Sanoma Magazines International B.V., The Netherlands		100.0	100.0	
BEAP Holdco Ltd, United Kingdom		100.0	100.0	
British European Associated Publishers Limited, United Kingdom			100.0	
Editor-International B.V., The Netherlands			100.0	
Egyesült Reklám Kft., Hungary			100.0	
EKH Egyesült Kiadói Holding Kft., Hungary			100.0	
Erasmus Press Kiadói Kft., Hungary			100.0	
Mona Spol s.r.o., Czech Republic			100.0	
Project Constable Unlimited, United Kingdom			100.0	
Puzzle People Ltd., United Kingdom			100.0	
Puzzle Solutions Ltd., United Kingdom			100.0	
Roof s.r.o., Czech Republic			100.0	
S+N Bratislava s.r.o., Slovakia			90.0	
Sanoma Hearst Prague B.V., The Netherlands			60.0	
Sanoma Stratosfera B.V., The Netherlands			100.0	
Strategie na Slovensku, Slovakia			100.0	
Via Classiss s.r.o., Slovakia			100.0	
Vicomobil Kft., Hungary			100.0	
VNU Budabest Lapkiadó Rt, Hungary			100.0	
VNU Hearst Romania s.f.l., Romania			65.0	
Sanoma Uitgevers				
Sanoma Uitgevers, The Netherlands			100.0	
Accres Uitgevers B.V., The Netherlands			100.0	
All Service B.V., The Netherlands			100.0	
Body Trend Nederland B.V., The Netherlands			100.0	
Consultancy Marketing Ltd, United Kingdom			100.0	
Cosmos Home Entertainment B.V., The Netherlands			100.0	
De Woonbeurs B.V., The Netherlands			75.0	
Domestic Film Corporation B.V., The Netherlands			100.0	
Felicitas B.V., The Netherlands			100.0	
Felicitas Direct Promotion & Publishing B.V., The Netherlands			100.0	
Geomatic International B.V., The Netherlands			100.0	
H.P.R. Holding B.V., The Netherlands			75.0	
IBS Boeken B.V., The Netherlands			100.0	
IBS N.V., Belgium			100.0	
Ilse Media Group B.V., The Netherlands			58.7	
Lastannet Entertainment II B.V., The Netherlands			100.0	
Marie Aubain Uitgeverij B.V., The Netherlands			100.0	
MediaNet B.V., The Netherlands			58.7	
Mediastud B.V., The Netherlands			100.0	
Nordulex Kinderboekenclub B.V., The Netherlands			100.0	
OM Video 2001's -Gravenhage B.V., The Netherlands			100.0	
OPS B.V., The Netherlands			100.0	
Prolix B.V., The Netherlands			100.0	
Prommix Groep B.V., The Netherlands			100.0	

SHARES BOOKED UNDER NON-CURRENT ASSETS	Participation of the Parent Company %	Participation of the sub-group's parent company %	Participation of the Group %	Book value in the Parent Company 1000 €
Promotess & Presentatie B.V., The Netherlands			100.0	
R.C.V. 2001 Nederland B.V., The Netherlands			100.0	
R.C.V. Entertainment B.V., The Netherlands			100.0	
R.C.V. Entertainment Belgique N.V., Belgium			100.0	
R.C.V. Film Distribution B.V., The Netherlands			100.0	
Saga Hollandia B.V., The Netherlands			100.0	
Startpagina B.V., The Netherlands			58.7	
Still Visual Entertainment Investments BVBA, Belgium			100.0	
Still Visual Investments B.V., The Netherlands			100.0	
Tableau Fine Arts Magazine B.V., The Netherlands			100.0	
The Merry Christmas Fair B.V., The Netherlands			70.0	
Top Santé VOF, The Netherlands			60.0	
Uitgeverij De Kreatieve Pers B.V., The Netherlands			100.0	
Uitgeverij F.H. Cisunitas B.V., The Netherlands			100.0	
Uitgeverij Fiets B.V., The Netherlands			100.0	
Uitgerevij Nokerizon B.V., The Netherlands			100.0	
Uitgerevij Publipress B.V., The Netherlands			100.0	
Uitgeverij Veldhuis B.V., The Netherlands			100.0	
Uitgeverij Woudestein B.V., The Netherlands			100.0	
VNU Admedia International BVBA, Belgium		99.9	100.0	
VNU Anzeigenvermittlung GmbH, Germany		100.0	100.0	
VNU TG France SARL, France		90.0	100.0	
VNU Tijdschriften Digitaal B.V., The Netherlands			100.0	
VNU Tijdschriften Digitaal Ontwikkeling B.V., The Netherlands			100.0	
Sanoma Magazines Finland				
Sanoma Magazines Finland Oy, Helsinki *)	100.0		100.0	36,637
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	
Suomen Rakennuslehti Oy, Helsinki		60.0	60.0	
SWELCOM				
SWelcom Oy, Helsinki *)	100.0		100.0	4,250
2ndhead Oy, Helsinki		100.0	100.0	
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	
Tuotantotalo Werne Oy, Helsinki		75.8	100.0	
WSOY				
Werner Söderström Corporation, Helsinki *)	100.0		100.0	78,618
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	
Everscreen AB, Sweden			64.0	

	Participation of the Parent Company %	Participation of the sub-group's parent company %	Participation of the Group %	Book value in the Parent Company 1000 €
SHARES BOOKED UNDER NON-CURRENT ASSETS				
Everscreen Oy, Helsinki		64.0	64.0	
Genimap Oy, Helsinki		90.0	90.0	
Karinkorpi I Oy, Vihti			100.0	
Kiinteistö Oy Bulevardi 12, Helsinki		100.0	100.0	
Kiinteistö Oy Bulevardi 14, Helsinki		78.8	78.8	
Kustannusperintä Oy, Espoo			100.0	
Lönnberg Painot Oy, Helsinki		100.0	100.0	
Nummi-Plast Oy, Helsinki			100.0	
Tummavuoren Kirjapaino Oy, Vantaa		80.0	80.0	
Weilin+Göös Oy, Helsinki		100.0	100.0	
Werner Söderström GmbH, Germany		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	
RAUTAKIRJA				
Rautakirja Oyj, Vantaa *) **)	2.3		57.0	6,852
AS Megapanus, Estonia			90.0	
AS MPDE, Estonia			100.0	
Astro Raamatüd OÜ, Estonia			60.0	
Asunto Oy Imatran Sassinkulma, Imatra		74.7	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		100.0	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	
Lehti-Maja Eesti AS, Estonia		100.0	100.0	
Lehtipiste Oy Pressco, Vantaa		100.0	100.0	
Suomalainen Kirjakauppa Oy, Helsinki		100.0	100.0	
UAB Vingio kino teatras, Lithuania			90.0	
REAL ESTATE AND INVESTMENT COMPANIES				
ECI Communications AG, Switzerland			100.0	
Kiinteistö Oy Myllymäenpolku, Helsinki	100.0		100.0	2,535
Kiinteistö Oy Porvoon Mannerheiminkatu 20, Porvoo	100.0		100.0	1,682
Kiinteistö Oy Postikuja 2, Helsinki	100.0		100.0	4,200
Kiinteistö Oy Vantaan Valtatie 3, Helsinki	100.0		100.0	5,887
Kiinteistö Oy Vantaankosken Isotammi, Helsinki	100.0		100.0	790
Kiinteistö Oy Vantaankosken Kuningastie, Helsinki	100.0		100.0	505
Kiinteistöosakeyhtiö Erottajankatu 9–11, Helsinki	100.0		100.0	10,731
Kiinteistöosakeyhtiö Miekkakala, Helsinki	77.7		77.7	10,231
Kiinteistöosakeyhtiö Sanomalan Keskusalue, Helsinki	100.0		100.0	17,324
Lastannet Oy, Hyvinkää	100.0		100.0	3
Monsaksenpolun Kiinteistö Oy, Helsinki	100.0		100.0	6,896
Sanoma Finance AG, Switzerland	100.0		100.0	70,161
Sanoma Inc., USA	100.0		100.0	816
Sanoma WSOY AS, Norway	100.0		100.0	1,682
Tiikerijakelu Oy, Helsinki	100.0		100.0	1,001

717,634

*) Parent company of the sub-group

**) Group holding: Sanoma Corporation 22.94%, Werner Söderström Corporation 31.73% and SanomaWSOY Corporation 2.31%.

SHARES BOOKED UNDER NON-CURRENT ASSETS	Participation of the Parent Company %	Participation of the sub-group's parent company %	Participation of the Group %	Book value in the Parent Company 1000 €
ASSOCIATED COMPANIES				
SANOMA				
Anjalankosken Painotalo Oy, Anjalankoski			48.2	
Ecovision AB, Sweden			33.4	
Ilkka Oyj, Seinäjoki			34.1	
Janton Oyj, Helsinki		21.4	21.4	
Maakuntien Viestintä Oy, Jyväskylä		3.0	46.0	
Netwheels Oy, Helsinki		20.1	20.1	
Suomen Tietotoimisto Oy, Helsinki		20.8	22.1	
ZAO Smena, Russia		25.1	25.1	
SANOMA MAGAZINES				
Sanoma Magazines Belgium (Mediaxis)				
Clickx Magazine N.V., Belgium			50.0	
eSpirit N.V., Belgium			50.0	
Repropress CVBA, Belgium			36.0	
S.B.P.P. N.V., Belgium			50.0	
Sanoma Magazines International				
Euromédia Lapkiadó Bt, Hungary			49.1	
Europress Lapkiadó Kft, Hungary			49.0	
Hearst-VNU Budabest Lapkiadó Kft, Hungary			50.0	
Kiadói Lapterjesztő Kereskedelmi Kft, Hungary			34.2	
Kiadói Vagyonkezelő Kft, Hungary			20.0	
NewsCo Kft, Hungary			40.0	
Stratosféra s.r.o., Czech Republic			30.0	
Sanoma Uitgevers				
AKN CV, The Netherlands			25.0	
B.V. Programmabladen AKN, The Netherlands			25.0	
Felicitas Promotions AG, Switzerland			49.0	
Geïllustreerde Pers / Marie Clair VOF, The Netherlands			50.0	
Home & Garden B.V., The Netherlands			50.0	
Linndata Systems LLC, USA			21.0	
Medical Media B.V., The Netherlands			50.0	
Quattro Voci B.V., The Netherlands			25.0	
Reprojekt B.V., The Netherlands			50.0	
Rock Solid Investments B.V., The Netherlands			50.0	
Sportweek Media B.V., The Netherlands			50.0	
Stone Mountain Investments B.V., The Netherlands			35.0	
Sanoma Magazines Finland				
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, Helsinki		50.0	50.0	
SWELCOM				
Maxisat Oy, Helsinki			46.2	
Platco Oy, Helsinki		33.3	33.3	
Suomen Urheiluradio Oy, Helsinki		30.0	30.0	
Suomen Urheilutelevisio Oy, Helsinki		35.0	35.0	
Vantaan Yhteisverkko Oy, Vantaa			24.0	
WSOY				
Asunto Oy Uudenmaankatu 13, Helsinki		26.7	26.7	
Taskukirja Loisto Oy, Helsinki		25.0	25.0	
Young Digital Poland S.A., Poland		49.0	49.0	

SHARES BOOKED UNDER NON-CURRENT ASSETS	Participation of the Parent Company %	Participation of the sub-group's parent company %	Participation of the Group %	Book value in the Parent Company 1000 €
RAUTAKIRJA				
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		36.4	36.4	
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 Kiuruveden Toritalo, Kiuruvesi		23.0	23.0	
Kiint. Oy Kuopion Tullinportink. 33, Kuopio		32.7	32.7	
Kiint. Oy Köpmansgatan 2 i Karis, Karjaa		39.0	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		44.4	44.4	
Kiint. Oy Nokian Liikekeskus, Nokia		34.4	34.4	
Kiint. Oy Palosaarentie 31, Vaasa		21.5	21.5	
Kiint. Oy Puistolan Pankkitalo, Helsinki		41.8	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 Välikero, Rovaniemi			39.5	
Kirjavälitys Oy, Vantaa		17.6	20.3	
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		50.0	50.0	
a/s Preses Apvieniba, Latvia			42.5	
Pro Kirja Oy, Helsinki			50.0	
SIA Stockmann Centrs, Latvia		35.0	35.0	
Valkeakosken Yhteistalo Oy, Valkeakoski		39.1	39.1	
SanomaWSOY Corporation and other companies				
A-pressen ASA, Norway			29.6	
Kiint. Oy Helsingin Uudenmaankatu 16–20, Helsinki	25.1		25.1	9,620
				9,620
OTHER SHARES OWNED BY THE PARENT COMPANY				
Shares in housing corporations				10,533
Other shares				6,181
				16,714

€ million	Group 31.12.2001	31.12.2000	Parent Company 31.12.2001	31.12.2000
10) NON-CURRENT ASSETS				
Intangible assets				
Immaterial rights	55.7	7.7	0.4	0.2
Goodwill	11.6	9.6		
Other long-term investments	44.9	38.7	4.0	1.9
Advance payments	0.6	0.5		0.4
	112.8	56.5	4.4	2.5
Consolidated goodwill	1 299.5	82.1		
Tangible assets				
Land and water	57.8	56.6	11.7	11.7
Buildings and structures	210.9	171.9	1.3	1.3
Machinery and equipment	173.2	149.7	1.8	2.4
Other tangible assets	50.5	2.4	1.4	
Advance payments and work in progress	17.3	34.5		0.1
	509.6	415.1	16.2	15.5
Investments				
Interest in Group companies			715.1	389.1
Receivables from Group companies			1 217.5	296.4
Interest in associated companies	165.7	152.0	12.2	4.0
Receivables from associated companies	3.0	2.4	0.1	0.1
Other shares and holdings	95.6	117.4	16.7	6.2
Other receivables	1.8	1.7	1.7	1.8
Advance payments	0.2	0.2	0.3	
	266.3	273.7	1 963.6	697.7
Total	2 188.2	827.4	1 984.1	715.8
11) INVENTORIES				
Materials and supplies	10.7	5.9		
Work in progress	6.2	6.3		
Finished products/goods	73.6	61.5		
Other inventories	17.7	17.2		
Advance payments	14.5	11.3		
Total	122.6	102.2		
12) LONG-TERM RECEIVABLES				
Trade receivables	2.9	3.5		
Prepaid expenses and accrued income	15.0	5.2	10.3	
Loan receivables	3.1	0.0		
Other receivables	3.5	3.2		
Deferred tax receivables	38.8	31.4		
Total	63.3	43.2	10.3	
Receivables from associated companies				
Loan receivables	0.6			
Total	0.6			

€ million	Group 31.12.2001	31.12.2000	Parent Company 31.12.2001	31.12.2000
13) SHORT-TERM RECEIVABLES				
Trade receivables	228.3	99.6	0.6	0.1
Prepaid expenses and accrued income *)	49.9	30.3	71.4	46.5
Loan receivables	3.9	3.3	14.3	9.0
Other receivables	24.1	15.2	1.8	2.5
Deferred tax receivables	4.7	1.1		
Total	311.0	149.5	88.2	58.1
Receivables from Group companies				
Trade receivables			0.6	0.1
Prepaid expenses and accrued income			68.8	44.5
Loan receivables			14.3	9.0
Total			83.8	53.6
Receivables from associated companies				
Trade receivables	0.1	1.3		
Prepaid expenses and accrued income	0.0	0.0		
Loan receivables	3.2	2.5		
Total	3.4	3.8		
*) Prepaid expenses and accrued income, short-term				
Prepaid personnel expenses	3.7	3.8		
Accrued interest income	1.2	1.5	13.9	2.9
Prepaid/accrued income tax	3.8	2.7	0.4	
Other prepaid expenses and accrued income	41.3	22.2	57.1	43.5
Total	49.9	30.3	71.4	46.5

Other prepaid expenses and accrued income include prepaid agency commissions and postal charges, as well as the Rautakirja Group's estimate for returned magazines.

14) DIFFERENCE BETWEEN THE REACQUISITION COST AND THE BOOK VALUE OF SHARES AND SECURITIES

Publicly traded shares and holdings under non-current assets

Reacquisition cost	89.8	102.9		
Book value	76.7	80.6		
Difference	13.1	22.3		

Securities

Reacquisition cost	336.4	344.2	66.5	128.4
Book value	282.6	268.3	33.9	85.7
Difference	53.9	75.9	32.6	42.7

€ million	Group 31.12.2001	31.12.2000	Parent Company 31.12.2001	31.12.2000
15) SHAREHOLDERS' EQUITY				
Share capital at Jan. 1	62.6	61.2	62.6	61.2
Share issue		1.4		1.4
Share capital	62.6	62.6	62.6	62.6
Premium fund at Jan. 1	16.1	16.1		
Premium fund	16.1	16.1		
Contingency fund at Jan. 1		1.1		
Transfer of profits		-1.1		
Contingency fund		0.0		
Other funds at Jan. 1	364.1	364.5	355.7	357.0
Change	0.3	-0.5		-1.4
Other funds	364.4	364.1	355.7	355.7
Profit (loss) brought forward at Jan. 1	379.9	343.2	272.1	300.2
Dividends	-65.0	-62.5	-68.4	-65.8
Change in translation difference	5.9	4.2		
HTV connection fees	1.4	1.0		
Other changes	-0.7	-0.1	-0.3	-0.3
Profit (loss) brought forward	321.5	285.7	203.4	234.1
Profit (loss) for the year	47.8	94.2	-3.9	38.0
Capital notes at Jan. 1	7.3	10.2		
Changes	200.1	-3.0	200.0	
Capital notes	207.3	7.3	200.0	
Total shareholders' equity	1 019.7	829.9	817.8	690.3

Convertible capital note

A convertible capital note of EUR 200,000,000 was issued by the Parent Company on August 31, 2001 and trading in the subordinated notes on the Helsinki Exchanges began on September 6, 2001. In line with the terms of Section 5 of the Companies Act, the capital note has been booked under shareholders' equity.

The main terms of the notes are as follows:

1. A fixed annual interest of 5.25% is paid on the notes. Interest is payable annually in the event that the sum concerned can be used for distribution of the profits in line with the confirmed balance sheet of the Company and the Group for the latest financial year.
2. Subscribers are allowed to convert their subordinated notes into a maximum of 12,570,710 SanomaWSOY Corporation Series B shares. The Board has determined that the imputed conversion price of one share shall be EUR 15.91, representing a premium of 30% to the trading-weighted price of the Series B share on the Helsinki Exchanges between July 20, 2001 and August 20, 2001. The period for conversion began on January 2, 2002 and will end on June 20, 2007. Conversion can be effected between January 2 and November 30 annually.
3. The loan period extends to July 4, 2007, when the notes shall be repaid in total, on condition that the shareholders' equity and other non-distributable items contained in the Company's and Group's balance sheet for the last full financial period are fully covered. Under the terms of the notes, SanomaWSOY is entitled, as of September 1, 2004, to repay in advance the capital of the notes in full at a rate of 100% together with interest that has accrued by the payment date, on condition that all the relevant terms of the notes specified in the prospectus are complied with.
4. In the event of the Company being dissolved or being declared bankrupt, payment of the principal, interest, and other considerations related to the notes can only be made after other creditors have received due payment.

€ million	Group		Parent Company	
	31.12.2001	31.12.2000	31.12.2001	31.12.2000
Distributable earnings at Dec. 31				
Other distributable funds	355.7	355.8	355.7	355.7
Profit brought forward	321.5	285.7	203.4	234.1
Profit for the year	47.8	94.2	-3.9	38.0
Depreciation difference booked in equity	-78.5	-83.7		
Interest or other reimbursement payable on capital note	-2.4	-1.6		
Earnings distributable from equity	644.1	650.3	555.2	627.8

Share capital and share series (Parent Company):

NUMBER OF SHARES	
Series A shares (20 votes / share)	23 220 492
Series B shares (1 vote / share)	122 301 104
NOMINAL VALUES	
	€
Series A shares (20 votes / share)	9 984 811.56
Series B shares (1 vote / share)	52 589 474.72

Tiikerijakelu Oy holds 7,187,276 SanomaWSOY Series B shares, with a nominal value of EUR 3,090,528.68. The Group's acquisition cost associated with these shares totalled EUR 10,632,104.01.

16) ACCUMULATED PROVISIONS

Accumulated provisions in the Parent Company consist of cumulative depreciation differences.

17) STATUTORY PROVISIONS

Pension liability reserve	4.2	2.3
Other statutory reserves	3.9	
Total	8.1	2.3

18) DEFERRED TAX LIABILITIES/RECEIVABLES

DEFERRED TAX RECEIVABLES

From capitalisation differences	40.9	30.0
From provisions	0.0	
From consolidation measures	2.6	2.5
Total	43.5	32.5

DEFERRED TAX LIABILITIES

From capitalisation differences	2.7	0.9
From provisions	33.5	36.2
From consolidation measures	0.4	0.5
Total	36.6	37.6

DEFERRED TAXES IN CONSOLIDATED BALANCE SHEET

Long-term receivables	38.8	31.4
Short-term receivables	4.7	1.1
Long-term liabilities	34.5	37.6
Short-term liabilities	2.1	
Total deferred tax liabilities(-)/receivables(+)	6.9	-5.1

The estimated income tax on the value appreciation of land and buildings totals EUR 4.9 million.

€ million	Group 31.12.2001	31.12.2000	Parent Company 31.12.2001	31.12.2000
19) LONG-TERM LIABILITIES				
Loans from financial institutions	825.5	21.0	800.0	
Pension loans	53.6	63.4		
Accrued expenses and deferred income	22.8			
Other debts	20.8	1.5	10.0	
Total	922.7	85.9	810.0	
Liabilities to Group companies				
Other debts			10.0	
Total			10.0	
Debts maturing in five years or later				
Loans from financial institutions	2.6	3.1		
Pension loans	8.0	13.3		
Other debts	0.3	0.7		
Total	10.8	17.0		
20) CURRENT LIABILITIES				
Loans from financial institutions	172.4	2.2	100.0	
Pension loans	6.4	6.5		
Commercial papers	127.0	63.5	127.0	63.5
Trade payables	177.1	87.6	0.8	2.9
Accrued expenses and prepaid income *)	230.8	137.4	23.7	19.8
Advances received	95.5	50.8	0.0	
Other debts	134.6	22.7	241.6	88.0
Total	943.7	370.7	493.1	174.2
Liabilities to Group companies				
Trade payables			0.4	0.5
Accrued expenses and prepaid income			1.8	5.9
Other debts			241.1	87.6
Total			243.3	93.9
Liabilities to associated companies				
Trade payables	1.2	2.0		
Accrued expenses and prepaid income		0.1		
Advances received		0.2		
Other debts	0.3	0.3		
Total	1.5	2.6		
*) Accrued expenses and deferred income				
Accrued personnel expenses	83.4	67.0	1.6	1.1
Accrued interest expenses	26.3	0.9	17.5	0.5
Accrued/deferred income tax	12.4	14.9		10.6
Other accrued expenses and deferred income	108.7	54.6	4.6	7.7
Total	230.8	137.4	23.7	19.8

Other accrued expenses and deferred income include accrued royalties and printing expenses, as well as Rautakirja Group's income on magazine sales from its consignment stock and accrued car ticket expenses.

€ million	Group 31.12.2001	31.12.2000	Parent Company 31.12.2001	31.12.2000
21) CONTINGENCIES AND PLEDGED ASSETS				
Debts with collateral consisting of real estate and shares				
Pension loans	21.7	25.3		
Loans from financial institutions	6.7	7.9		
Other loans	13.3	15.1		
Mortgages, real estate, total	21.9	21.9		
Mortgages, movable property, total	2.9	3.2		
Pledged securities, total	54.3	54.3		
Other contingencies for own commitments				
Mortgaged bearer bonds	0.9	0.9		
Corporate mortgages	4.7	4.9		
Book value of pledged securities	10.7	19.5	2.2	4.4
Deposits	1.1	0.2		
Guarantees	27.6	2.5		
Total	45.1	28.1	2.2	4.4
Assets pledged as security for derivative instruments included LEX share lendings with a total book value of EUR 1.7 million.				
Contingencies given on behalf of Group companies				
Guarantees			95.4	
Total			95.4	
Contingencies given on behalf of associated companies				
Guarantees	8.9	1.0		
Total	8.9	1.0		
Contingencies given on behalf of other companies				
Guarantees	24.5	0.8		0.4
Total	24.5	0.8		0.4
Other contingencies				
Leasing liabilities				
Leasing liabilities for 2002	8.9	2.3		
Leasing liabilities beyond 2002	36.3	2.4		
Total	45.2	4.7		
Interests on capital notes	2.4	1.6		
Pension liabilities				
Current pensions		0.6		
Total		0.6		
Repurchase liabilities	1.3	3.3		
Other liabilities	19.3	13.2		0.1
Other contingencies, total	68.2	23.4		0.1
All liabilities, total	225.9	132.7	97.6	4.8

€ million	Group 31.12.2001	31.12.2000	Parent Company 31.12.2001	31.12.2000
NOMINAL VALUE OF OPEN DERIVATIVE CONTRACTS				
Interest rate derivatives				
Forward contracts	200.0		200.0	
Options				
Purchased	480.0		480.0	
Written	480.0		480.0	
Interest rate swaps	400.0		400.0	
Total	1 560.0		1 560.0	
Currency derivatives				
Forward contracts	36.2	47.5		6.7
Total	36.2	47.5		6.7
Share derivatives				
Forward contracts	32.9	22.1	18.1	17.6
Total	32.9	22.1	18.1	17.6
Total	1 629.1	69.6	1 578.1	24.3
MARKET VALUE OF OPEN DERIVATIVE CONTRACTS				
Interest rate derivatives				
Forward contracts	-0.1		-0.1	
Options				
Purchased	1.5		1.5	
Written	-1.1		-1.1	
Interest rate swaps	1.1		1.1	
Total	1.4		1.4	
Currency derivatives				
Forward contracts	-0.2	3.9		0.5
Total	-0.2	3.9		0.5
Share derivatives				
Forward contracts	0.2	-0.8	0.3	-0.8
Total	0.2	-0.8	0.3	-0.8
Total	1.4	3.1	1.7	-0.4

22) FINANCIAL RISK MANAGEMENT

SanomaWSOY's treasury and asset management activities are managed through the Parent Company's Group Treasury and Asset Management function, the operations of which are covered by a set of guidelines approved by the Board of Directors. In contrast to the rest of the Group's divisions, Rautakirja handles its treasury and asset management independently.

The Group's financing risks are associated with interest- and equity-related risks, currency risks, credit risks, and liquidity risks. The objective of risk management is to identify risks and hedge against them as appropriate. In practice, financial risks are linked to the loan portfolio and asset management activities.

Interest- and equity-related risks

The Group's interest-related risks are mainly linked to changes in market interest rates affecting SanomaWSOY's loan portfolio. Interest-related risks are managed using a mixture of fixed- and variable-interest instruments. Interest swap agreement, interest forward rate agreements, and options are used to hedge against interest-related risks.

As of the end of 2001, variable-rate loans, including interest rate swap agreements, accounted for around 30% of the loan portfolio. SanomaWSOY's loan portfolio is largely comprised of bank loans (six-month reference rate), commercial paper (one-month), the Group's convertible capital note issue (4.7 year duration), and other smaller loans.

The operations of the Asset Management Unit are based on an efficient diversification of risk through securities representing a range of geographical areas, industries, and interest profiles. Interest-bearing investments mainly comprise short-term deposits and money market investments. Equity investments comprise shares in listed liquid global blue chip companies. The focus is on enabling funds to be available for the needs of the Group's businesses.

Currency risks

Currency risks are mainly associated with the Group's asset management activities, as the bulk of the operational cash flow is Euro-based. The Group's business outside the Euro area currently represents under 10% of SanomaWSOY's overall net sales. Significant currency risks are hedged.

Liquidity risks

Liquidity risks are linked to debt servicing, payment of dividends, financing investments, and the need to maintain a sufficient level of working capital. SanomaWSOY aims to minimise its liquidity risks by ensuring a sufficient level of income financing, maintaining adequate credit lines and asset reserves, and by balancing repayment programmes over a number of calendar years.

As of the closing date, the Group had the following financing programmes and unused credit lines in place:

- a convertible capital notes issue of EUR 200 million (to fall due on July 7, 2007). See Note 15 for more details.
- a syndicated revolving credit facility of EUR 800 million, used in total (to fall due in total on July 20, 2006)
- a bilateral revolving credit facility of EUR 400 million, of which EUR 300 million is unused (to fall due on July 20, 2002)
- a Finnish commercial paper programme of EUR 335 million, of which EUR 207 million is unused
- Finnish credit lines of EUR 128 million, of which a portion are unused.

Credit risks

SanomaWSOY's credit risks are associated with its operational business activities and the Group's asset management activities. To minimise counterparty risks in asset management operations, the Group only selects investments and does business with counterparties and partners that are considered of a leading and reputable nature.

Shares and shareholders

SanomaWSOY

Share capital and share series

Share capital (EUR) as of Dec. 31, 2001	All shares	Shares on the market
Series A	9 984 812	9 984 812
Series B	52 589 475	49 498 946
Total	62 574 286	59 483 758

Under SanomaWSOY's Articles of Association, the Company's minimum share capital is set at EUR 50,000,000 and its maximum at EUR 200,000,000. The share capital can be increased or reduced within these limits without amending the Articles 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.

Convertible capital notes issue

In accordance with an authorisation granted by the Extraordinary General Meeting on August 21, SanomaWSOY's Board of Directors decided to make a convertible capital notes issue for subscription by investors in Finland. Trading in the subordinated notes began on the Helsinki Exchanges on September 6, 2001.

A fixed annual interest of 5.25% is payable on the notes. Holders are entitled to convert notes into a maximum of 12,570,710 SanomaWSOY Series B shares; this is equivalent to 7.95% of all shares after such a conversion and 2.10% of votes. If all notes were converted, the Company's share capital would increase by EUR 5,405,405.

The conversion period began on January 2, 2002. The imputed share price is EUR 15.91 or a 30% premium above the trading-weighted average share price of Series B shares between July 20, 2001 and August 20, 2001 on the Helsinki Exchanges (EUR 12.24).

The loan period runs between August 31, 2001 and July 4, 2007. The loan will be repaid in one sum on July 4, 2007 on condition that the terms of repayment are met. SanomaWSOY is entitled to redeem the notes from September 1, 2004 onwards in the event that SanomaWSOY's share price exceeds the imputed exchange price (EUR 15.91) by 100%, or is at least EUR 31.82, during the preceding period and on condition that the other terms of repayment are met.

Warrants for management

After the end of the year under review, on January 31, 2002, the Board exercised its authority received from the Extraordinary General Meeting held on August 21, 2001 to issue warrants to management. The issue comprises a maximum of 4,500,000 warrants, each entitling the holder to one SanomaWSOY Corporation Series B share. The warrants will be distributed in three stages, at the turn of 2001/2002, 2002/2003, and 2003/2004. The subscription period will begin three years from the issue date.

At the beginning of 2002, the Board decided to distribute some 700,000 warrants to 101 senior managers within the Group; the remainder were held for later distribution at the Board's discretion. The latter warrants were transferred to SanomaWSOY's wholly owned subsidiary, Tiikerijakelu Oy, which will be entitled to distribute them on behalf of the SanomaWSOY Board.

The number of shares covered by the above warrants is equivalent to a total of a maximum of 3.0% of the Company's shares and 0.8% of votes. Warrants issued at the beginning of 2002 represented approximately 0.5% of the Company's shares and around 0.1% of votes.

Share listing and share codes

SanomaWSOY's shares are listed 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 2001, the Company had 6,974 shareholders.

Shareholder agreement

The main shareholders of the companies involved in the 1999 merger creating SanomaWSOY (Oy Devarda Ab, Helsinki Media Company Oy, Sanoma Corporation, and Werner Söderström Corporation - WSOY) signed a shareholder agreement running from May 14, 1998 to May 14, 2003. This gives them the right of first refusal on SanomaWSOY Series A shares offered for sales to third parties by other signatories to the agreement.

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 Aubouin, 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.

The shares held by the parties to the agreement as of December 31, 2001 accounted for a total of 64.13% of all Company shares and 70.08% of votes.

Number of shares	Series A	Series B	Total
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
Issue-adjusted number of shares on the market as of Dec. 31	23 220 492	115 113 828	138 334 320
Average issue-adjusted number of shares on the market	23 220 492	115 113 828	138 334 320

Company shares

SanomaWSOY 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, 2001. The total number of Series A shares stood at 23,220,492, and that of Series B shares, 115,113,828.

Share price and trading

A total of 108,832 (263,549) Series A shares and 3,625,765 (6,209,129) Series B shares were traded in 2001. Trading in Series A shares accounted for 0.47% (1.13%) of shares, and that in Series B for 2.96% (5.08%). The average price of Series A shares was EUR 12.48 and that for Series B shares, EUR 12.02. The annual high for Series A shares was EUR 16.50 and the annual low, EUR 10.00. The annual high for Series B shares was EUR 15.00 and the annual low, EUR 9.60.

Series A shares were quoted at EUR 12.00 and Series B shares at EUR 10.70 as of December 31, 2001.

SanomaWSOY was not informed of any statutory notices of changes in ownership during 2001, and no significant changes in share ownership took place during the year.

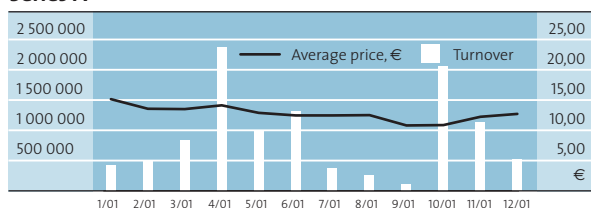
Share-related indicators are given in the table on Page 1.

SanomaWSOY's market capitalisation as of the end of the year, minus shares held by the Company, was EUR 1,510.4 million (1,964.6 million).

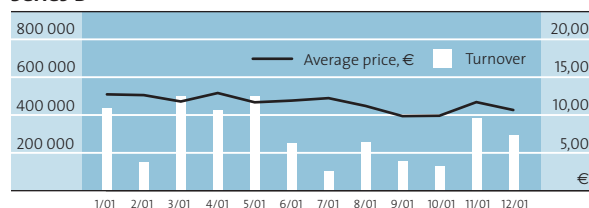
Share value as of Dec. 31 (EUR)	Series A	Series B	Total
Market value of all shares	278 645 904	1 308 621 813	1 587 267 717
Market value of shares on the market	278 645 904	1 231 717 960	1 510 363 864
Book counter-value	0.43	0.43	
Taxable value	8.40	7.49	

Share price development and stock indices

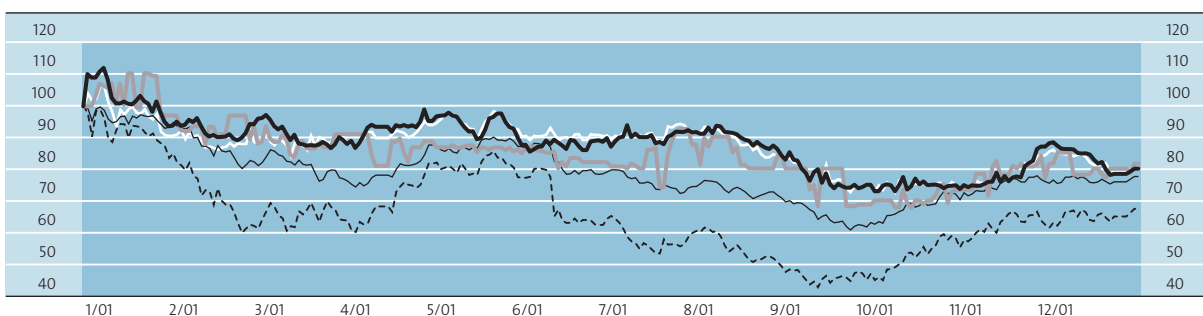
Series A



Series B



--- HEX All Share — SanomaWSOY A — SanomaWSOY B — HEX Portfolio Index
 HEX Media & Publishing



Indices have been calculated using the average price quoted on the day.

Shares owned by management

The combined holding of Company shares held by the Board of Directors, the President & COO, 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 45.35% (45.34%) and 39.83% (39.83%) of votes. In addition, Jaakko Rauramo and Hannu Syrjänen have both subscribed to five notes under the convertible capital notes issue. Under the warrant system introduced at the beginning of 2002, Hannu Syrjänen has 50,000 warrants entitling him to 50,000 SanomaWSOY Series B shares.

If all the notes under the convertible capital notes issue and the warrants covered by the first issue of warrants are subscribed to, and Hannu Syrjänen and Jaakko Rauramo use all their subscription rights, management's share of all shares after conversion would rise to 45.39% and 38.94% of votes.

Insider trade restrictions

SanomaWSOY's insiders pursuant to the law include the President & COO, the Chairman & CEO, the members of the Board, the President & COO's Deputy, the Company Auditor, the Auditor with main responsibility, and the Deputy Auditor. Under a decision by SanomaWSOY's Board of Directors, the public insider register also includes the members of the Management Group, the Secretary to the Board, and the Secretary to the Management Group. In addition, people subject to a disclosure requirement under the Financial Supervision Authority's regulation (No. 5/264/99) guidelines are also included in the insider list. SanomaWSOY's public insider register includes 118 persons.

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, except within a two-week period after publication of the Company's statutory financial information (year-end statement and interim reports). In addition, SanomaWSOY 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.

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 EUR 0.88 (EUR 0.22 after the four-for-one split on May 10, 2000), which corresponds to the dividend level offered by WSOY in 1997, increased by 10% annually. In addition, an average of EUR 0.84 (EUR 0.21 after the split) will be added to this during the years concerned. Under the shareholder agreement, the dividend payable for 2001 is EUR 0.51 per share, allowing for the impact of the four-for-one split.

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

PRINCIPAL SHAREHOLDERS

SHAREHOLDER	Number of shares			%	Votes	%
	Series A	Series B	Total			
1 Aatos Erkko	6,480,816	36,354,720	42,835,536	29.44	165,971,040	28.29
Aatos Erkko	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
2 Patricia Seppälä's estate	2,317,876	10,378,524	12,696,400	8.72	56,736,044	9.67
3 Robin Langenskiöld	1,119,604	6,577,712	7,697,316	5.29	28,969,792	4.94
4 Rafaela Seppälä	1,119,600	6,577,716	7,697,316	5.29	28,969,716	4.94
5 Tiikerijakelu Oy (treasure shares)		7,187,276	7,187,276	4.94	7,187,276	1.23
6 Alfred Kordelinin yleinen edistys- ja sivistysrahasto (Fund)	1,801,332	3,214,084	5,015,416	3.45	39,240,724	6.69
7 Helsingin Sanomat Centennial Foundation	915,932	4,086,796	5,002,728	3.44	22,405,436	3.82
8 Ilmarinen Mutual Pension Insurance Company	720,544	3,762,142	4,482,686	3.08	18,173,022	3.10
9 Sampo Group	435,976	2,880,076	3,316,052	2.28	11,599,596	1.98
Sampo Life Insurance Company Limited	310,664	1,695,900	2,006,564	1.38	7,909,180	1.35
Sampo Enterprise Insurance Company Limited	82,574	780,313	862,887	0.59	2,431,793	0.41
Industrial Insurance Company Ltd	42,738	403,863	446,601	0.31	1,258,623	0.21
10 Pohjola Group	326,100	2,761,976	3,088,076	2.12	9,283,976	1.58
Pohjola Non-life Insurance Company Ltd	326,100	1,486,896	1,812,996	1.25	8,008,896	1.37
Pohjola Group Insurance Company		1,275,080	1,275,080	0.88	1,275,080	0.22
11 Finnish Cultural Foundation	1,848,956	622,480	2,471,436	1.70	37,601,600	6.41
12 Foundation for Actors' Old-Age Home	386,248	1,824,484	2,210,732	1.52	9,549,444	1.63
13 WSOY Literature Foundation	1,338,300	633,780	1,972,080	1.36	27,399,780	4.67
14 Suomi Group		1,950,000	1,950,000	1.34	1,950,000	0.33
Suomi Mutual Life Insurance Company		950,000	950,000	0.65	950,000	0.16
Suomi Insurance Company		1,000,000	1,000,000	0.69	1,000,000	0.17
15 Finnish Literature Society	264,000	1,133,800	1,397,800	0.96	6,413,800	1.09
16 Päivälehti Archives Foundation	345,992	676,656	1,022,648	0.70	7,596,496	1.29
17 Lorna Aubouin	87,056	873,208	960,264	0.66	2,614,328	0.45
18 Alex Noyer	87,044	873,216	960,260	0.66	2,614,096	0.45
19 Pension Fund Polaris		812,000	812,000	0.56	812,000	0.14
20 Graphic Industry Research Foundation	178,788	604,080	782,868	0.54	4,179,840	0.71
Total	19,774,164	93,784,726	113,558,890	78.06	489,268,006	83.41
Nominee registrations, total			1,177,020	0.81	2,368,130	0.40

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 shareholders 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.

Shareholder categories as of December 31, 2001	Number of shareholders		Number of shares		Number of votes	
		%		%		%
Publicly listed companies	4	0.06	9,030	0.01	9,030	0.002
Private companies	355	5.09	22,129,210	15.21	53,254,212	9.08
Financial and insurance companies	62	0.89	12,212,854	8.39	28,147,204	4.80
Public corporations	46	0.66	10,396,559	7.14	30,197,751	5.15
Non-profit organisations	199	2.85	23,278,176	16.00	170,305,192	29.03
Households	6,258	89.73	75,937,125	52.18	300,949,299	51.29
Foreign shareholders (registered)	44	0.63	186,274	0.13	744,950	0.13
Nominee registrations	6	0.09	1,177,020	0.81	2,368,130	0.40
Total	6,974	100.00	145,326,248	99.87	585,975,768	99.87
On joint account			195,348	0.13	735,176	0.13
Number of shares on the market			145,521,596	100.00	586,710,944	100.00

Number of shares per shareholder as of December 31, 2001

Number of shares	Number of shareholders		Number of shares		Number of votes	
		%		%		%
1-100	1,299	18.63	77,068	0.05	451,938	0.08
101-1 000	3,599	51.61	1,491,494	1.02	4,649,218	0.79
1 001-10 000	1,700	24.38	5,104,921	3.51	13,809,486	2.35
10 001-100 000	298	4.27	8,269,774	5.68	26,651,001	4.54
100 001-1 000 000	60	0.86	22,493,720	15.46	65,091,188	11.09
1 000 001-999 999 999 999	18	0.26	107,889,271	74.14	475,322,937	81.01
Total	6,974	100.00	145,326,248	99.87	585,975,768	99.87
On joint account			195,348	0.13	735,176	0.13
Number of shares on the market			145,521,596	100.00	586,710,944	100.00

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, 2001 to December 31, 2001. 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. These standards require that we perform the audit to obtain reasonable assurance about 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 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 1, 2002

PricewaterhouseCoopers Oy
Authorised Public Accountants

Johanna Perälä
Authorised Public Accountant

Pekka Nikula
Authorised Public Accountant

