

Sanoma 1–6/2010

Hannu Syrjänen, President and CEO

6 August 2010



Growing Sales And Operational Efficiency

Advertising markets picking up



Second quarter

- Net sales back on the growth track (+3%)
- Operating profit excluding non-recurring items continue to improve (+11%)
- Advertising markets picking up
 - online and job advertising soaring (+36% and +57% in June in Finland)
- Expenses under control
 - total expenses: +0.6%
 - personnel expenses: -1%
 - advertising and marketing: +3%
 - paper costs: -14%

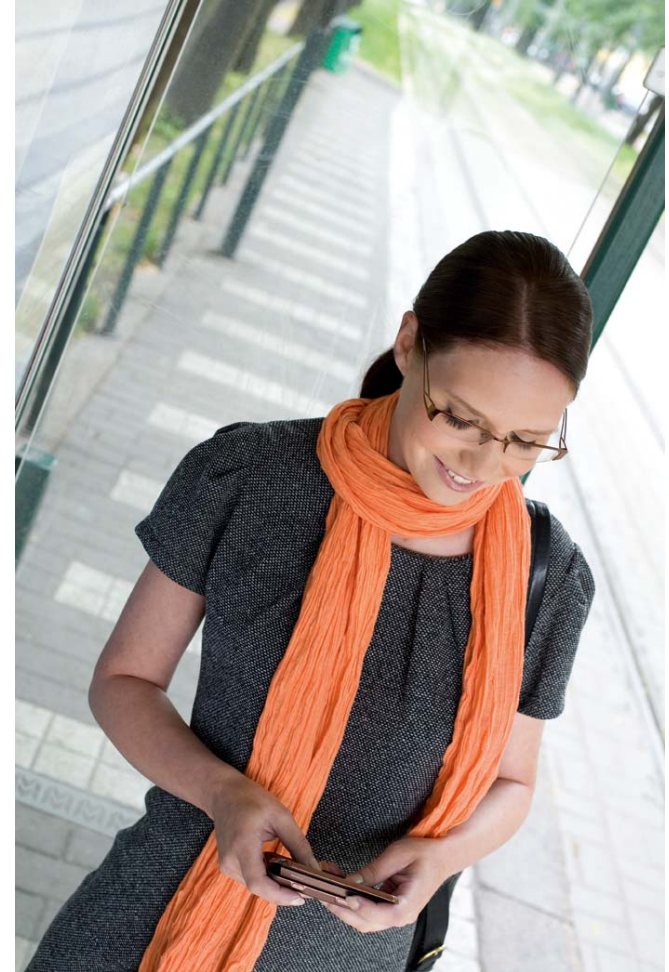
First half

- Strong development of cash flow from operations: EUR 60.0 million (EUR 7.5 million in 2009)
- Focus on maintaining good cash flow and improving efficiency also in the second half of 2010
- Group outlook unchanged despite the negative effect of Welho and Humo transactions

Key Events in Q2 (1/2)

Welho transaction

- Divestment of cable TV operator Welho to DNA
 - enterprise value EUR 200 million
 - non-recurring capital gain EUR 179.4 million
 - improves Sanoma's EPS by EUR 1.11 in 2010
- Investing EUR 200 million in DNA and becoming its second largest owner with a 21% stake
- Forming a strong national telecommunication operator with significant positions in fixed and mobile communications as well as in TV
 - #1 TV operator, #3 broadband operator, #3 mobile operator
- Long-term strategic ownership
 - convergence of media and telecommunication
 - participation in developing the industry



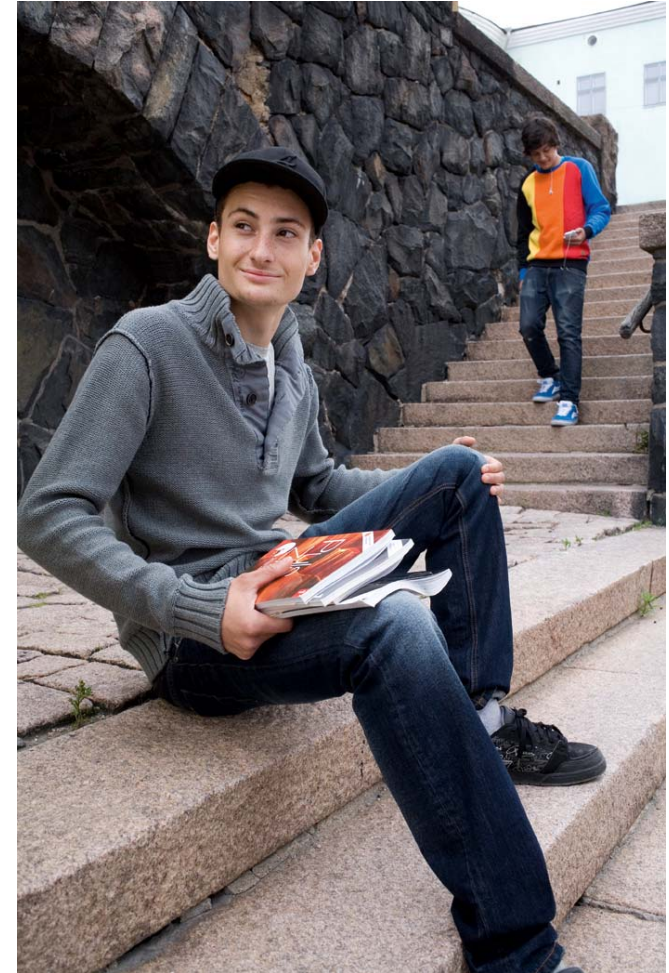
Key Events in Q2 (2/2)

Portfolio development continued

- Sanoma Magazines sold 49% of its Belgian Humo magazine and acquired 25% of Belgium's largest TV production company Woestijnvis
- Learning & Literature acquired the remaining part of Young Digital Planet
- Trade merged its Estonian operations
- Trade acquired Postituspojat

After the review period

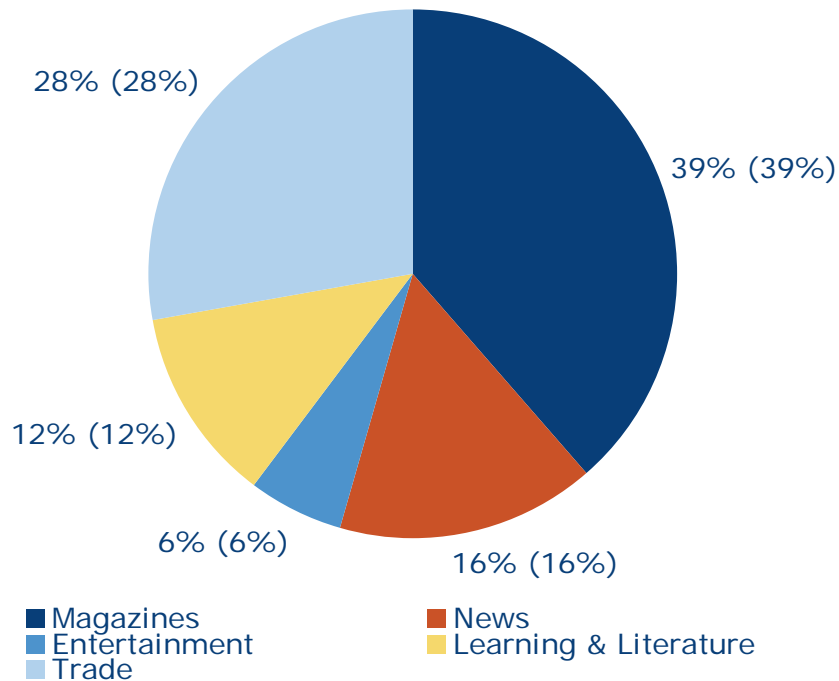
- Sanoma Magazines International divested Sanoma Magazines Slovakia



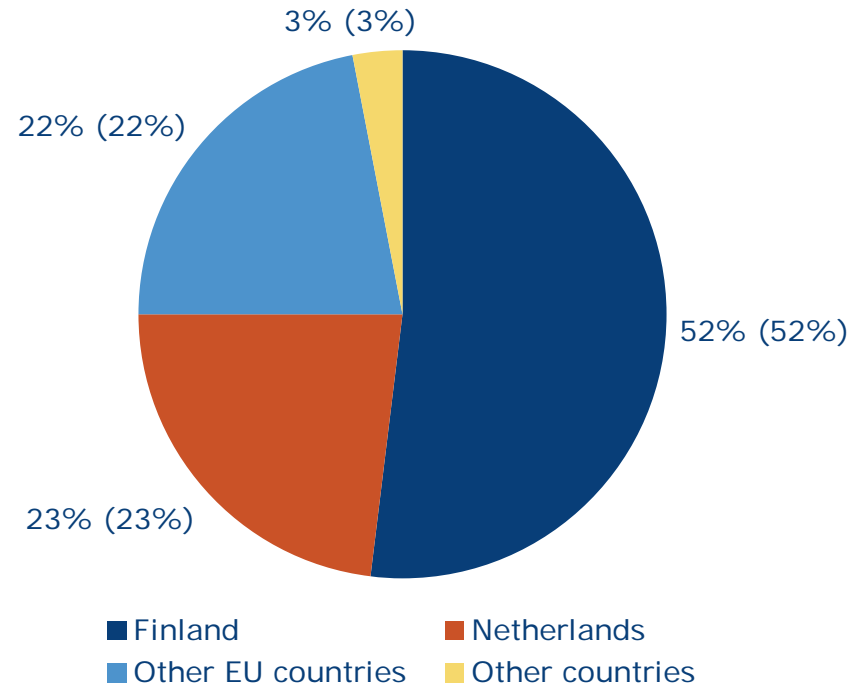
No Changes in the Revenue Split

Net sales 1–6/2010 (1–6/2009)

By division



By geographic area



- The Baltic countries 5% (5%)
- Other CEE countries + Russia and Ukraine 10% (10%)

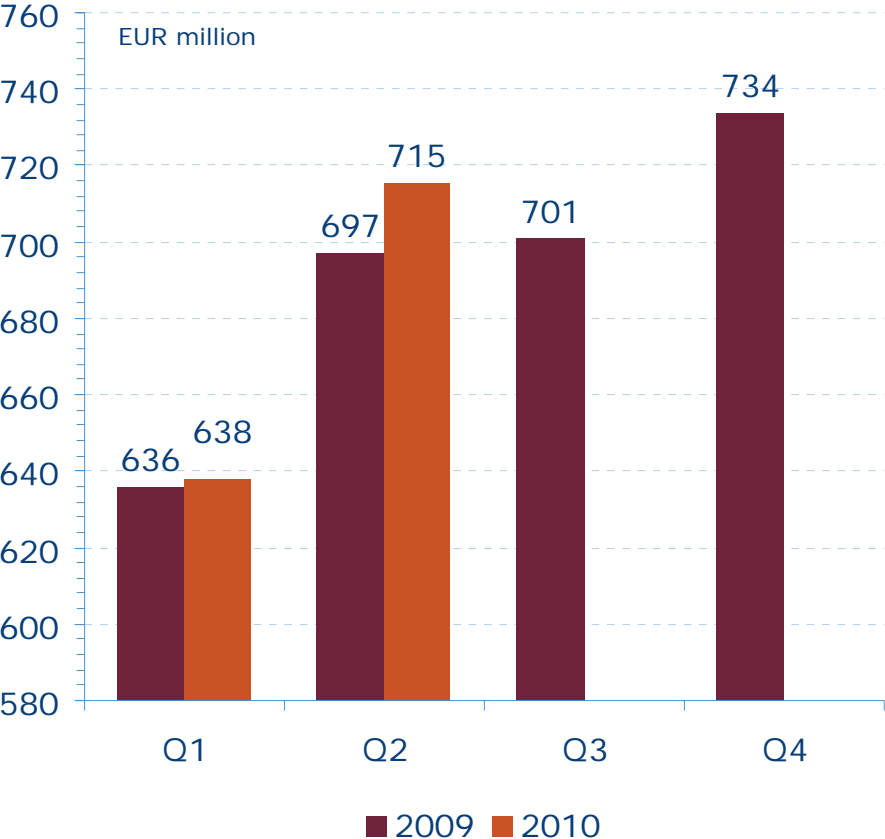
Strong Q2



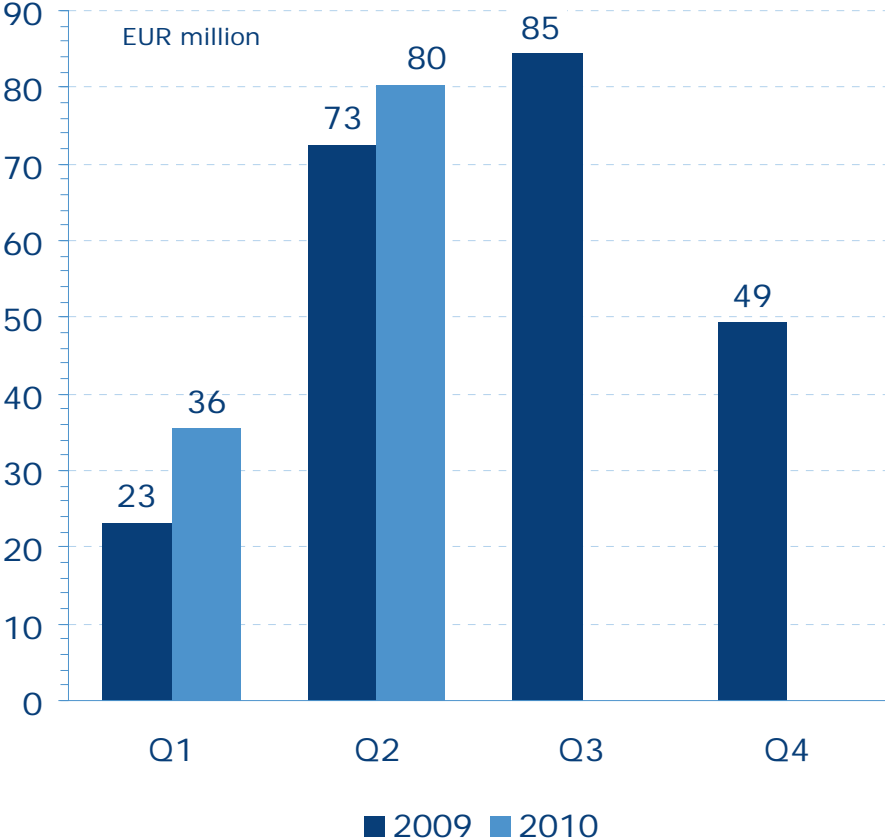
EUR million	4–6/2010	4–6/2009	Ch %	1–6/2010	1–6/2009
Net sales	715.4	697.2	2.6	1,353.3	1,333.2
EBIT excluding non-recurring items	80.3	72.5	10.7	115.9	95.8
% net sales	11.2	10.4		8.6	7.2
EBIT	261.0*	65.1	300.7	301.4*	86.1
Earnings/share, EUR	1.45	0.27	440.2	1.61	0.32
Cash flow from operations/share, EUR	0.14	0.10	36.9	0.37	0.05
Number of employees (FTE)**	16,332	17,309	-5.6		

Increasing Net Sales and EBIT

Net sales



EBIT excluding non-recurring items

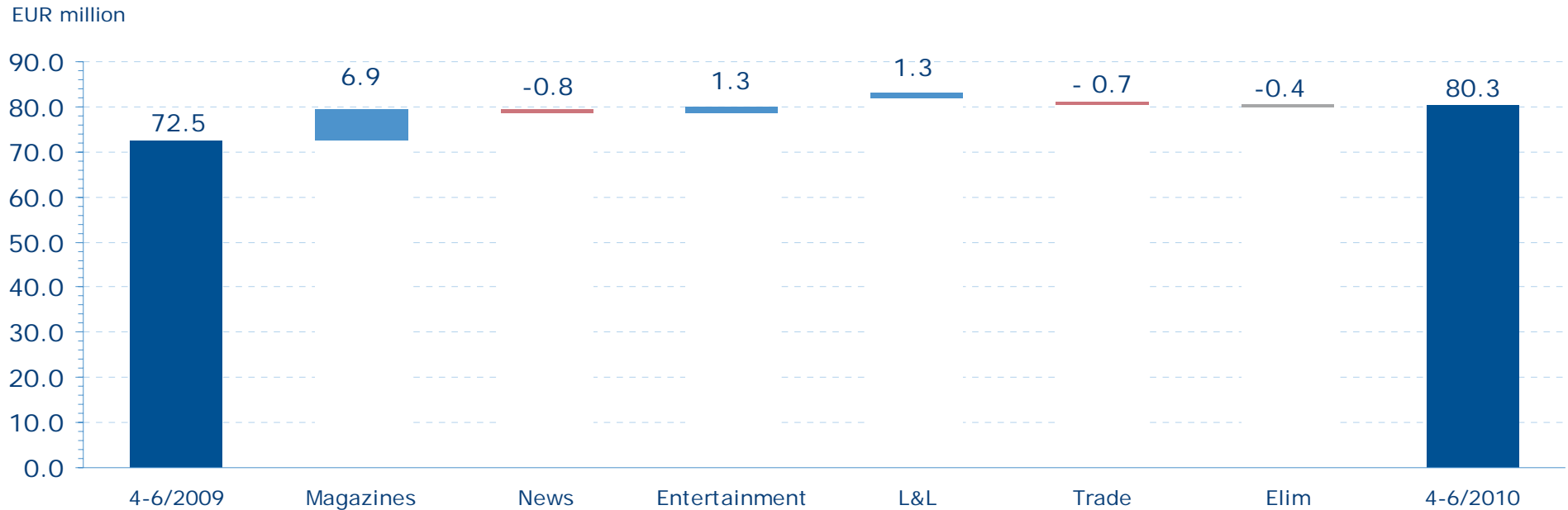


Growth in All Divisions

EUR million	Net sales 4–6/2010	Ch %*	EBIT** 4–6/2010	Ch %*
Magazines	280.6	1.7	38.4	21.9
News	108.5	1.4	8.9	-8.1
Entertainment	44.6	9.8	8.2	19.0
Learning & Literature	105.5	3.5	26.4	5.4
Trade	201.4	2.9	3.1	-17.8
Other companies + eliminations	-25.3	5.2	-4.7	8.3
Sanoma Group Total	715.4	2.6	80.3	10.7

EBIT Excl. Non-recurring Items

Sanoma Magazines Excels



- Magazines: Good sales development, decreasing paper costs and efficiency improvements.
- News: Withheld holiday pay in 2009 and extra bonus paid in 2010. Without it, growth would have been EUR 2.9 million.
- Entertainment: Good sales development especially in broadcasting.
- Learning & Literature: Good results in learning and efficiency improvements especially in language services.
- Trade: Restructuring of the Russian and Estonian operations.

Financial Position Improved Clearly

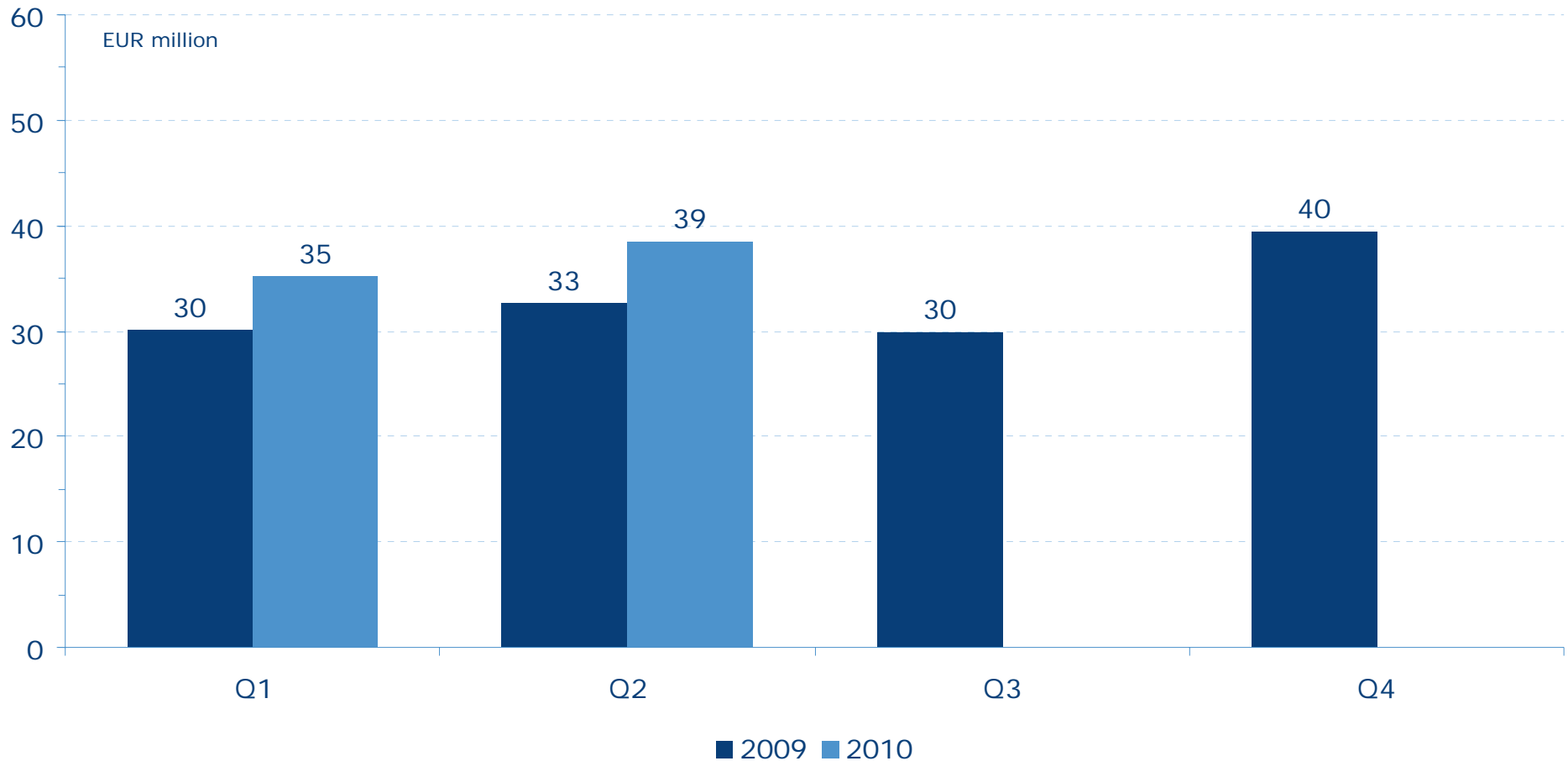
EUR million	30.6.2010	30.6.2009	31.12.2009
Balance sheet total	3,345.4	3,211.1	3,106.3
Equity ratio, %	42.3	37.3	41.4
Net gearing, %	79.1	103.0	79.4
Interest-bearing liabilities	1,136.8	1,220.3	1,017.7
Interest-bearing net debt	1,060.0	1,161.0	958.1
Cash and cash equivalents	76.8	59.3	59.7



- Favourable long-term credit facility
- Net debt/EBITDA 1.8

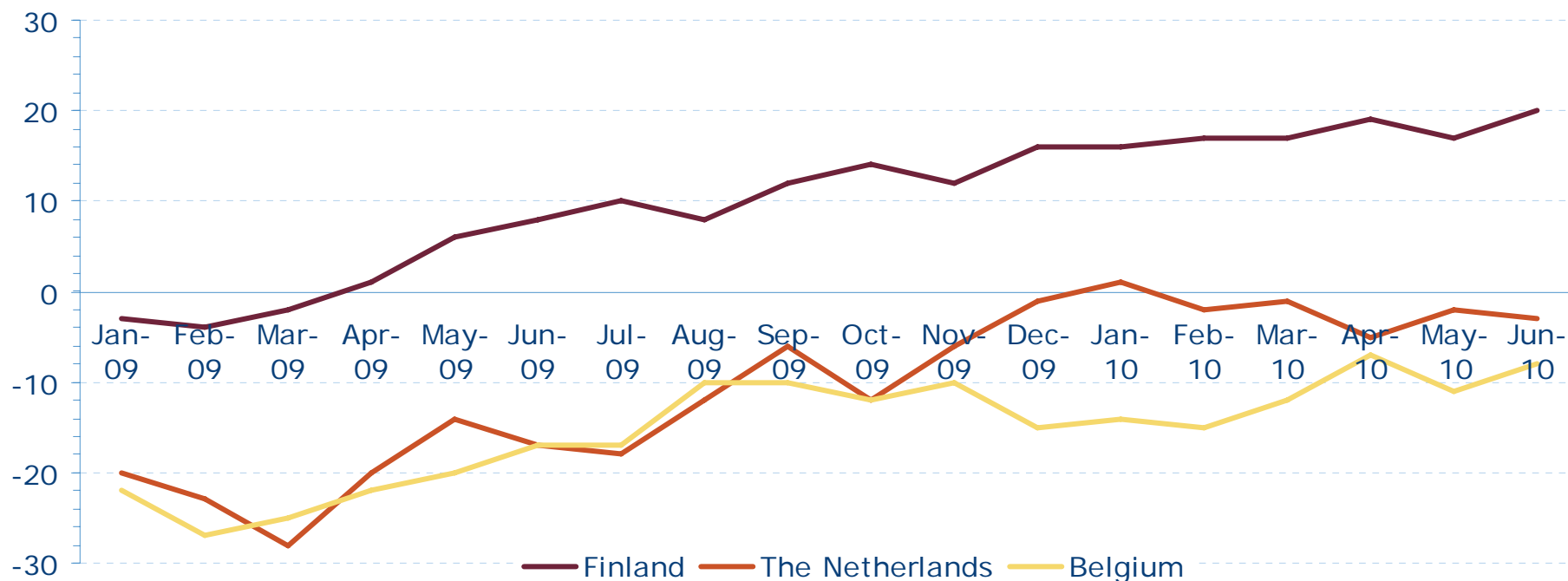
Consumer Online Sales Up by 18% in Q2

Target to reach annual revenues of EUR 240 million by 2012



In Finland, Consumer Confidence Strongest in Three Years

Unemployment rate estimates getting brighter



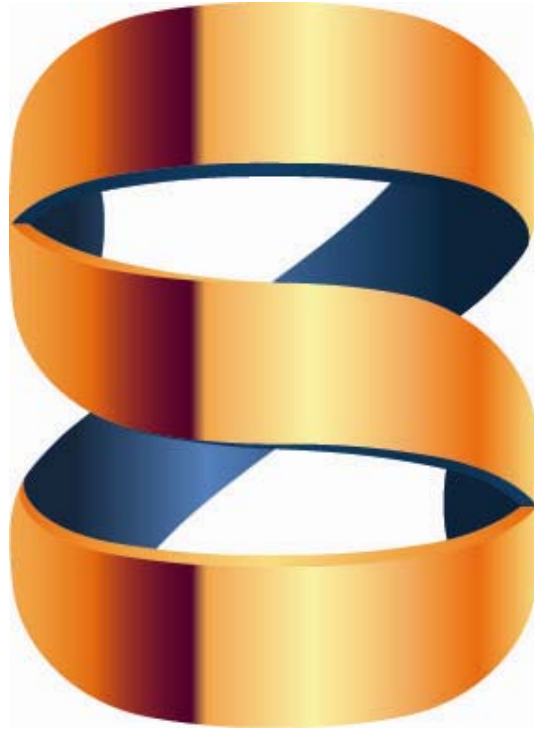
Unemployment rate estimates for 2010:

- Finland 9.5% (1Q10: 10.2%)
- The Netherlands 5.8% (6.5%)
- Belgium 8.3% (9%)

Outlook for 2010 Unchanged



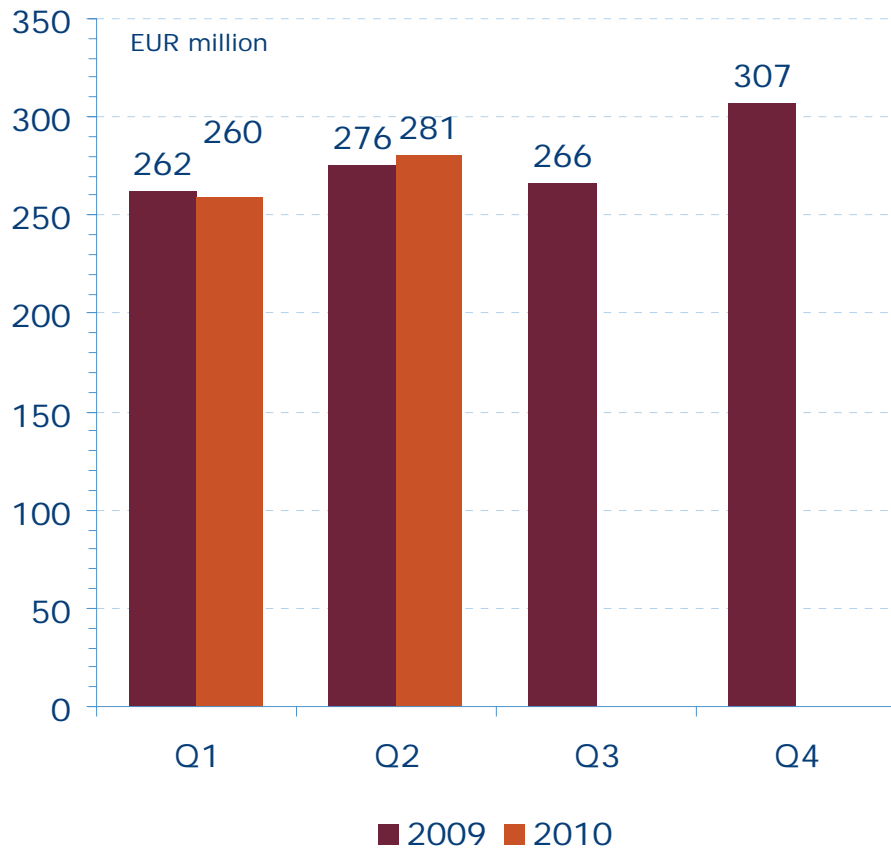
- **Net sales** are expected to **grow**
- **Operating profit** excluding non-recurring items is estimated to **improve slightly**
 - in 2009, operating profit excluding non-recurring items was EUR 229.5 million
- The outlook takes into account the effect of Humo and Welho transactions
 - estimated negative impact on 2010 EBIT excluding non-recurring items is some EUR 12 million
- The outlook is based on the assumption that the advertising markets in the Group's main operating countries grow slightly



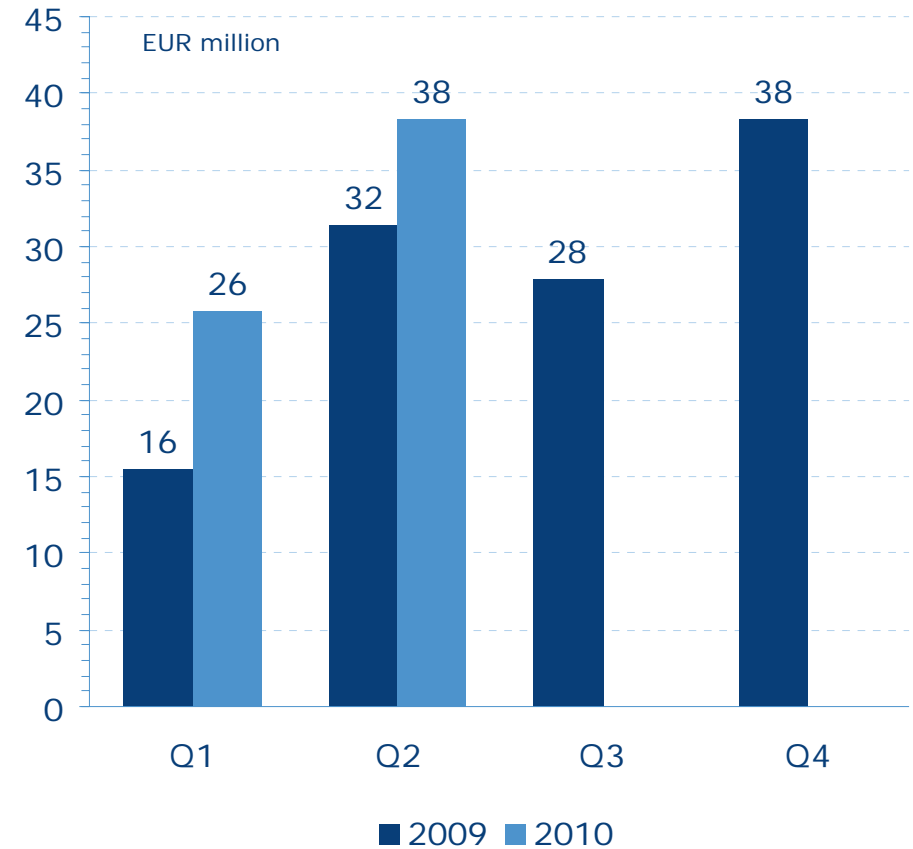
Inspires, Informs and Connects

Sanoma Magazines

Net sales



EBIT excluding non-recurring items



Sanoma Magazines

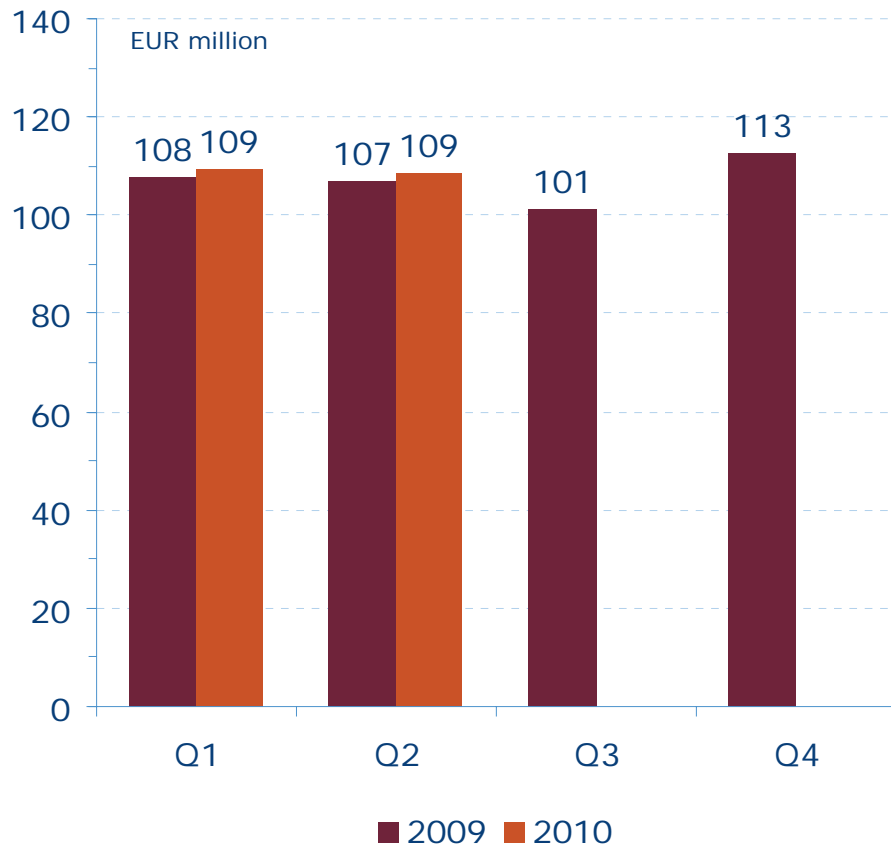
Key figures

EUR million	4-6/2010	4-6/2009	Ch %	1-6/2010	1-6/2009
Net sales	280.6	275.9	1.7	540.5	538.1
Sanoma Magazines Netherlands	128.0	123.2	3.9	235.4	233.9
Sanoma Magazines International	54.3	53.2	2.2	103.0	104.0
Sanoma Magazines Belgium	52.3	52.6	-0.6	105.9	104.0
Sanoma Magazines Finland	47.1	48.0	-2.0	98.3	98.3
Eliminations	-1.2	-1.2	-1.2	-2.1	-2.1
EBIT excluding non-recurring items	38.4	31.5	21.9	64.2	47.1
% of net sales	13.7	11.4		11.9	8.7
Number of employees (FTE)*	5,037	5,419	-7.1		

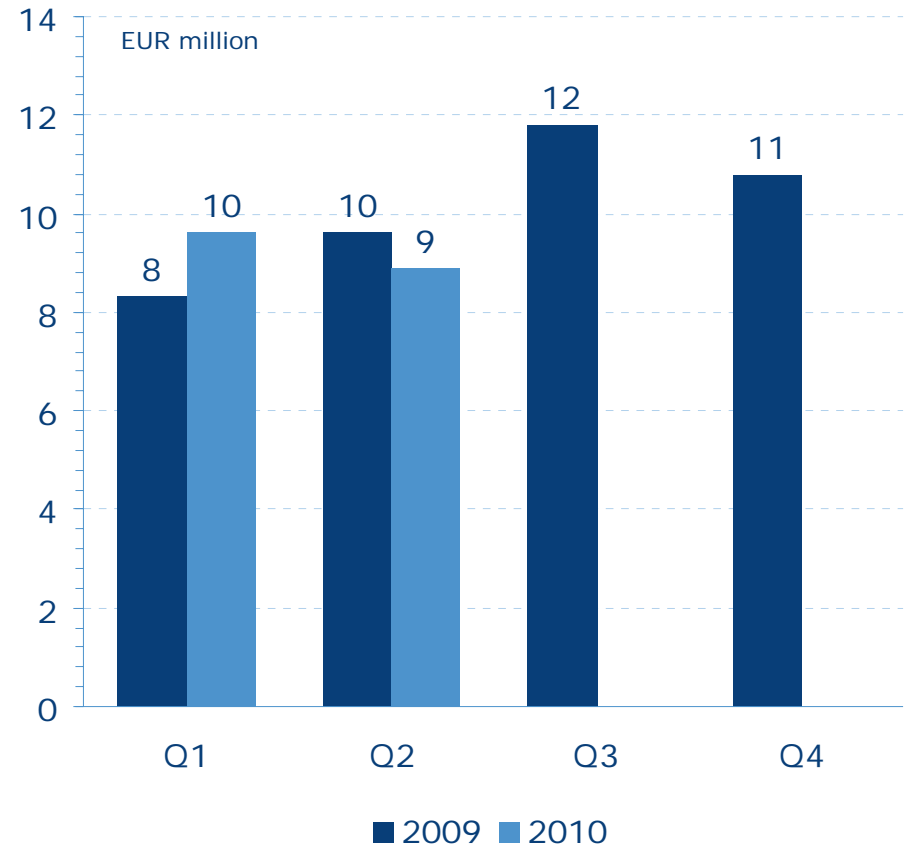
Outlook for 2010: Net sales are expected to grow slightly. It is estimated that operating profit excluding non-recurring items will improve somewhat.

Sanoma News

Net sales



EBIT excluding non-recurring items



Sanoma News

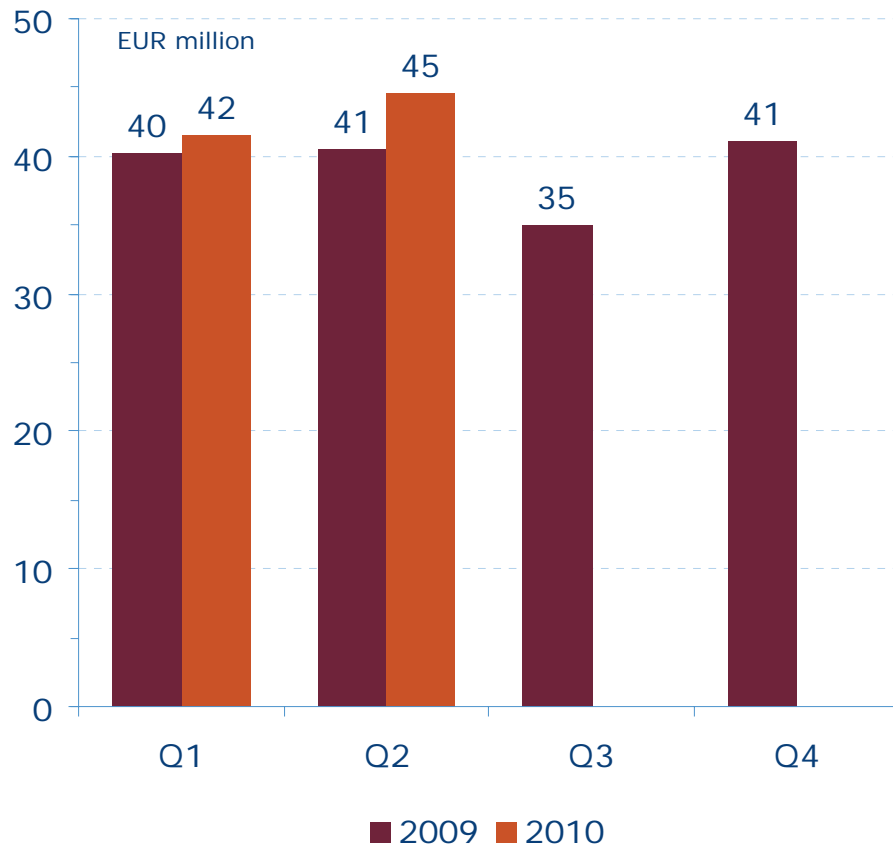
Key figures

EUR million	4-6/2010	4-6/2009	Ch %	1-6/2010	1-6/2009
Net sales	108.5	107.1	1.4	217.9	214.8
Helsingin Sanomat	56.7	55.4	2.4	115.8	114.0
Ilta-Sanomat	20.7	19.8	4.1	40.5	38.3
Other publishing	25.6	26.8	-4.4	51.0	52.7
Other businesses	33.1	35.9	-7.9	67.5	72.2
Eliminations	-27.6	-30.9	10.7	-56.9	-62.4
EBIT excluding non-recurring items	8.9	9.6	-8.1	18.5	18.0
% of net sales	8.2	9.0		8.5	8.4
Number of employees (FTE)*	2,360	2,520	-6.3		

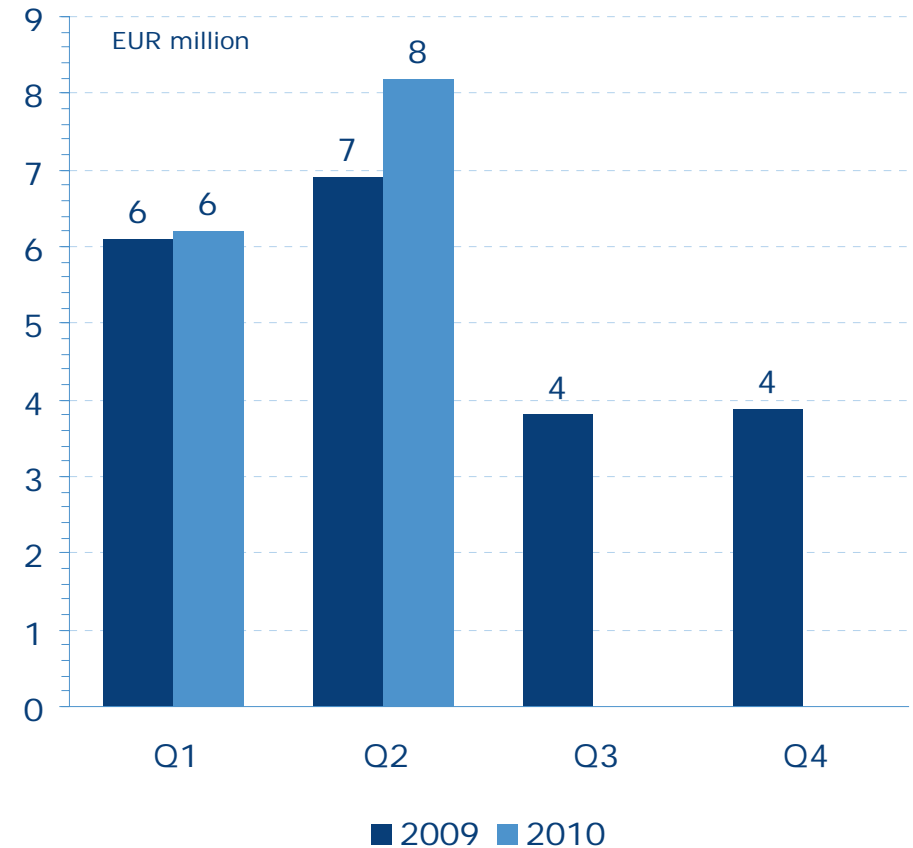
Outlook for 2010: Net sales are expected to be at the previous year's level and operating profit excluding non-recurring items is estimated to improve slightly.

Sanoma Entertainment

Net sales



EBIT excluding non-recurring items



Sanoma Entertainment

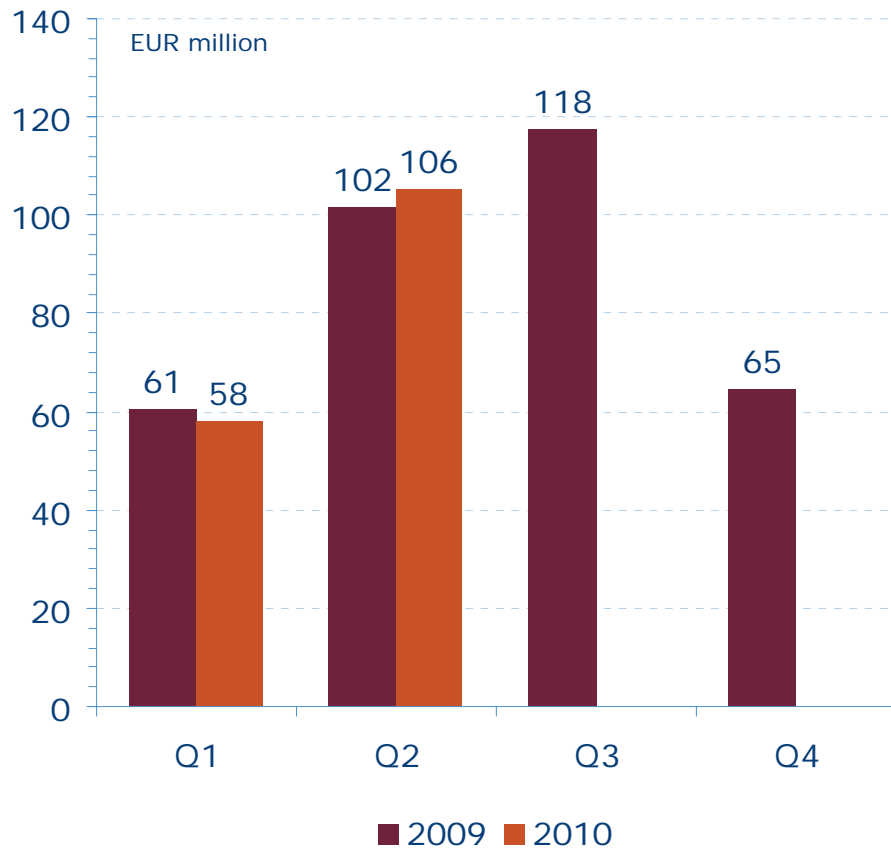
Key figures

EUR million	4-6/2010	4-6/2009	Ch %	1-6/2010	1-6/2009
Net sales	44.6	40.6	9.8	86.2	81.0
TV and radio	26.5	23.6	12.1	50.0	47.1
Other businesses	18.5	17.4	6.6	36.7	34.7
Eliminations	-0.3	-0.3	-2.7	-0.5	-0.8
EBIT excluding non-recurring items	8.2	6.9	19.0	14.4	13.0
% of net sales	18.3	16.9		16.7	16.1
Number of employees (FTE)*	447	473	-5.5		

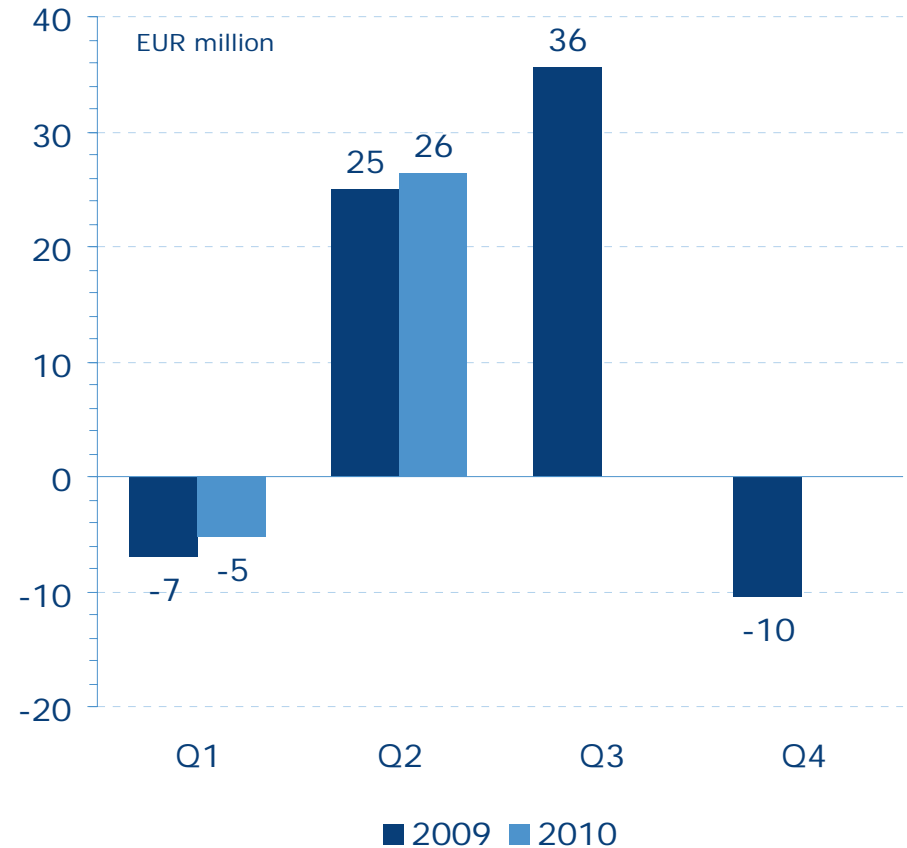
Outlook for 2010: Due to the divestment of Welho as of 30 June 2010, net sales and operating profit excluding non-recurring items are expected to decrease significantly in 2010.

Sanoma Learning & Literature

Net sales



EBIT excluding non-recurring items



Sanoma Learning & Literature

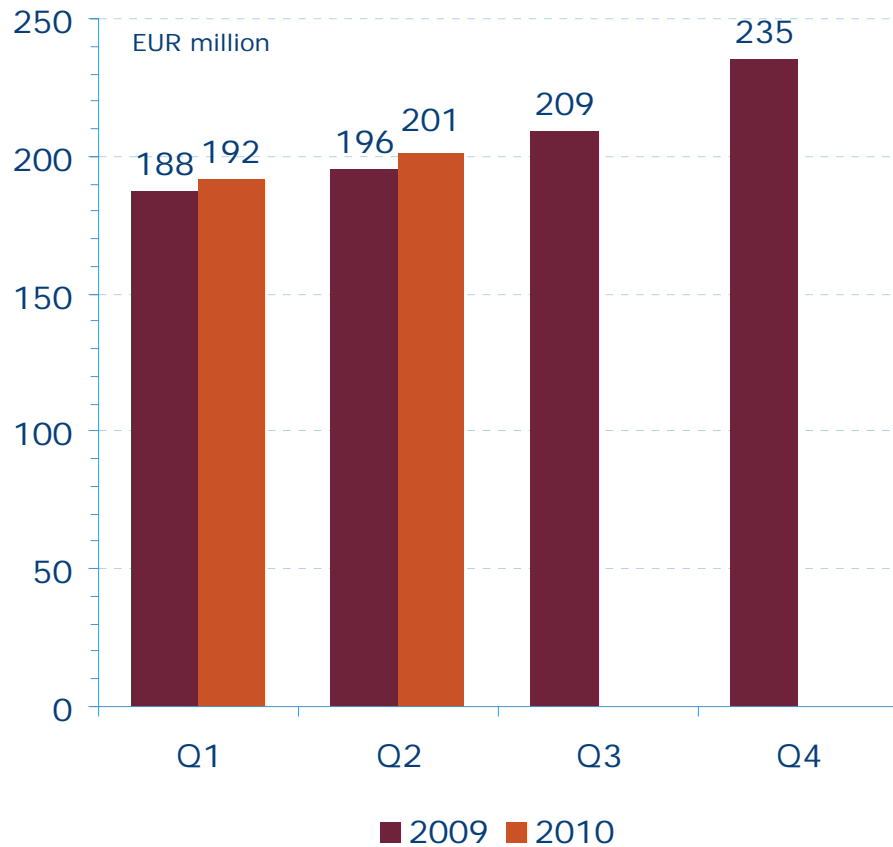
Key figures

EUR million	4–6/2010	4–6/2009	Ch %	1-6/2010	1-6/2009
Net sales	105.5	101.9	3.5	163.7	162.8
Learning	85.0	81.6	4.2	114.9	112.2
Language services	6.2	6.2	0.0	13.1	14.5
Literature and other businesses	17.2	17.0	1.4	40.8	41.6
Eliminations	-2.9	-2.8	-2.9	-5.2	-5.4
EBIT excluding non-recurring items	26.4	25.1	5.4	21.2	18.2
% of net sales	25.0	24.6		13.0	11.2
Number of employees (FTE)*	2,583	2,755	-6.2		

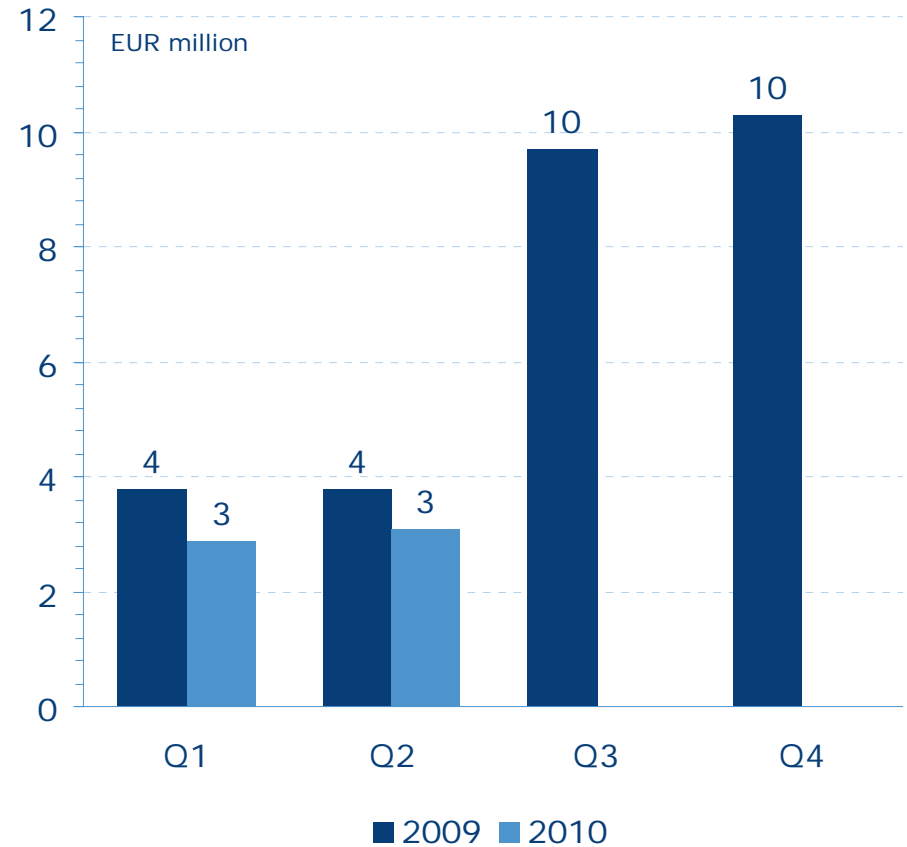
Outlook for 2010: Net sales and operating profit excluding non-recurring items are estimated to increase somewhat from the previous year's level.

Sanoma Trade

Net sales



EBIT excluding non-recurring items



Sanoma Trade

Key figures

EUR million	4-6/2010	4-6/2009	Ch %	1-6/2010	1-6/2009
Net sales	201.4	195.7	2.9	393.2	383.4
Kiosk operations	104.9	104.5	0.4	196.8	194.4
Trade services	60.8	57.4	6.0	112.7	107.9
Bookstores	19.9	19.7	1.0	45.8	46.9
Movie operations	19.9	18.0	10.2	45.3	41.7
Eliminations	-4.0	-3.9	-3.7	-7.4	-7.5
EBIT excluding non-recurring items	3.1	3.8	-17.8	6.0	7.6
% of net sales	1.5	1.9		1.5	2.0
Number of employees (FTE)*	5,754	6,062	-5.1		

Outlook for 2010: Net sales are expected to increase slightly and operating profit excluding non-recurring items to be at the previous year's level.