



# FY 2007 Result

**President and CEO Hannu Syrjänen**

7 February 2008

Opt new energy f	8,2	19,00	Postb. hong div aandf	8,40
Opt new energy f	4,2	6,39	Postb. it fonds	4,65
Opt enr. goed	31,8	31,80	Postb. internet fd	31,30
Opt spaartiv f	39,00	39,00	Postb. japan c.f.	39,40
Opt totaalf.	22,19	22,00	Postb. multimedia fd	22,00
Opt biotech fd	20,80	21,00	Postb. ned. fonds	21,00
Opt europe fd D	26,00	26,00	Postb. obl. f.	26,00
Opt income fd C	61,60	61,40	Postb. opk. landf.	36,30
Opt mix fd E	36,35	36,30	Postb. vastgoedf.	24,20
Opt techn. fd A	24,15	8,37	Rente plus f. 1	29,30
Orange deelnd fd	8,45	7,30	Rob amerika	11,35
Orange eur comp fd	29,30	12,20	Rob balanced mix	19,90
Orange eur mc f	7,30	5,55	Rob dynamic mix	5,45
Orange eur prop fd	11,45	12,20	Rob econ recovery	19,90
Orange eur smc f	10,60	5,55	Rob euroland aand	5,45
Orange fund	11,9	5,45	Rob europe	88,35
Orange eur. largecapf	19,1	28,60	Rob eur. obl div.	28,60
Orange largecapf	5,1	43,30	Rob growth mix	23,69
Orange sense fd	1,70	16,25	Rob high yield o.	23,70
Orange wine fund	1,70	16,30	Rob holl bezit	16,30
Pacific r.c.f.	28,80	32,80	Rob holl t-0	32,80
Pan glob conv f.	28,40	16,25	Rob holl t-20	12,55
Postb. aandf	42,82	7,90	Rob holl t-50	16,00
Postb. aex clicker	23,70	19,40	Rob hypotheek	19,40
Postb. amerit	16,30	16,85	Rob milieu techn	16,85
Postb. com tech f	32,80		Rob private eq	
Postb. duurz aandf	12,50		Rob safe mix	
Postb. easy bluefd	8,02		Rob solid mix	
Postb. eur aandf	15,90		Rob young d	
	19,60		Rob zell's comm	
	16,60			

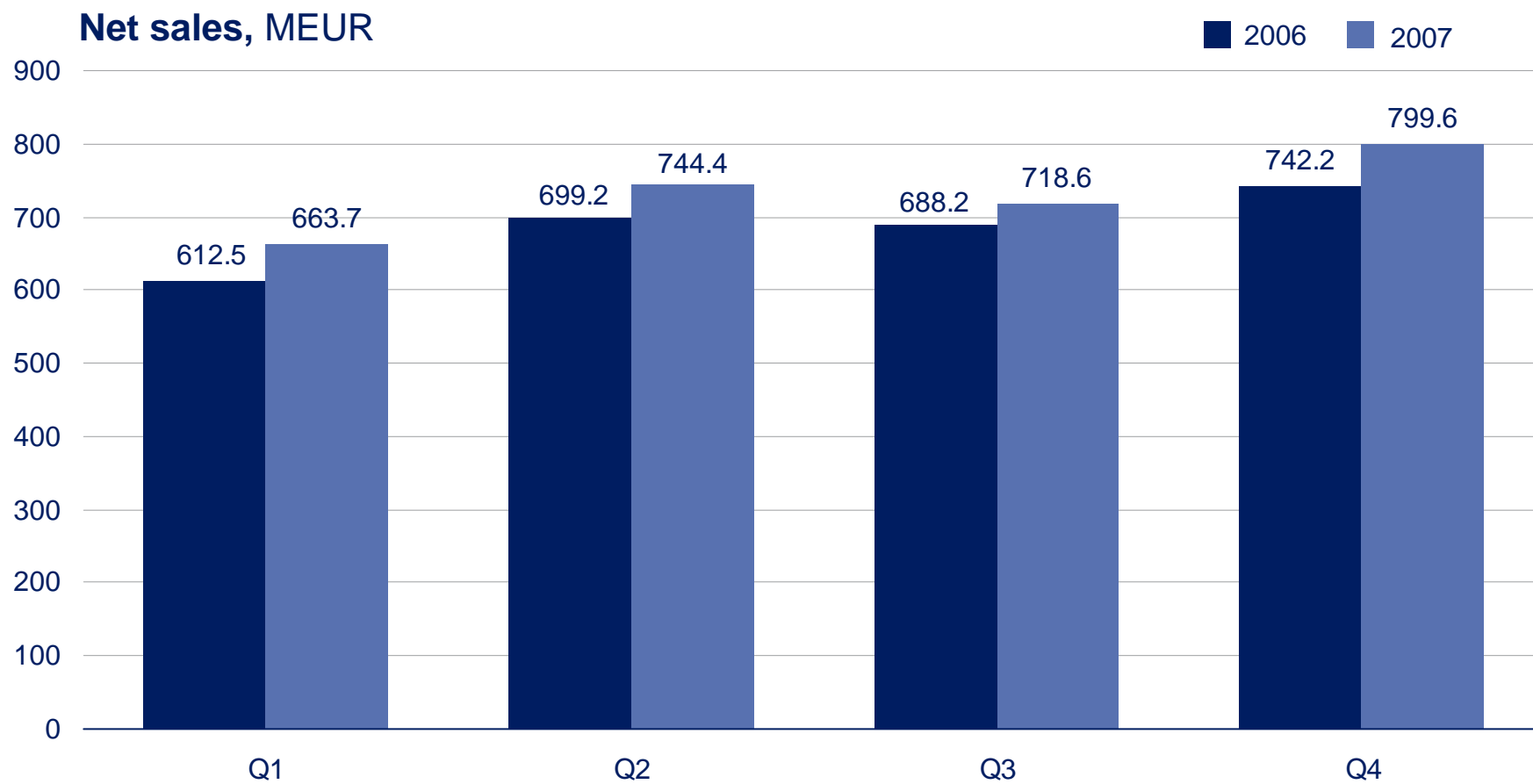


# Key Figures

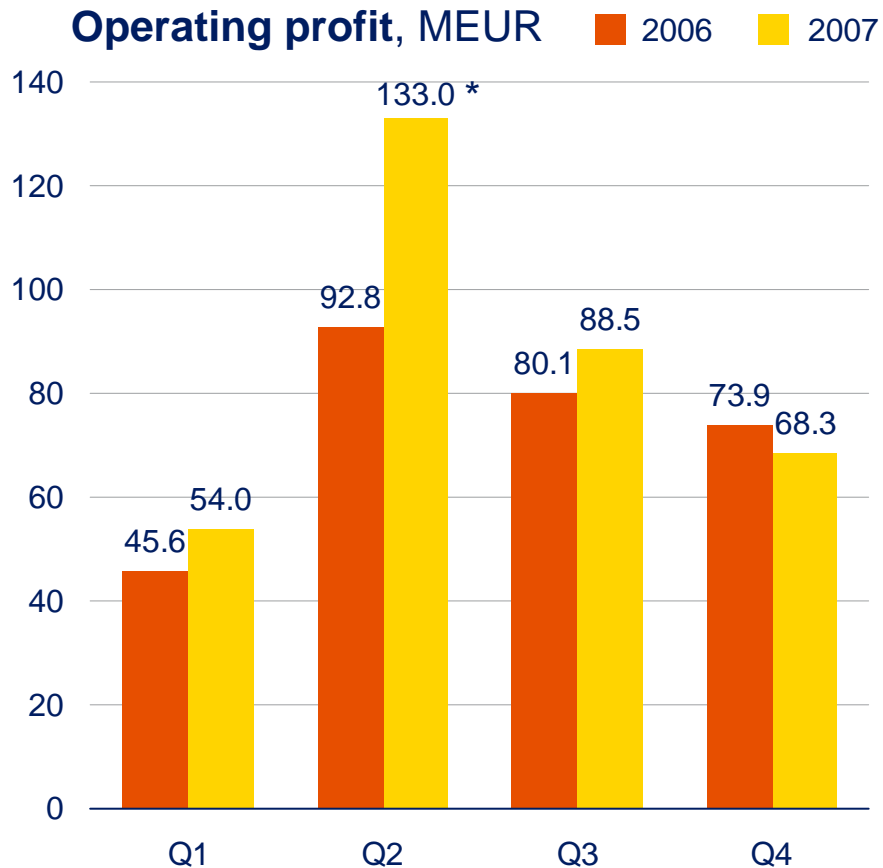
# Key Figures

<b>EUR million</b>	<b>1–12/2007</b>	<b>1–12/2006</b>	<b>Ch %</b>
Net sales	<b>2,926.3</b>	2,742.1	6.7
Operating profit	<b>343.8</b>	292.5	17.5
% net sales	<b>11.7</b>	10.7	
Operating profit excluding major non-recurring capital gains	<b>303.5</b>	288.2	5.3
% net sales	<b>10.4</b>	10.5	
Balance sheet total	<b>3,192.3</b>	3,132.2	1.9
Capital expenditure	<b>90.5</b>	81.9	10.5
Return on equity (ROE), %	<b>18.6</b>	17.7	
Return on investment (ROI), %	<b>15.9</b>	14.3	
Equity ratio, %	<b>45.4</b>	45.0	
Gearing, %	<b>58.2</b>	59.2	
Interest-bearing liabilities	<b>881.4</b>	863.9	2.0
Net debt	<b>793.3</b>	782.4	1.4
Earnings/share, EUR	<b>1.47</b>	1.32	11.9
Cash flow from operations/share, EUR	<b>1.38</b>	1.63	-15.3
Dividend/share, EUR *	<b>1.00</b>	0.95	5.3
Market capitalisation	<b>3,196.2</b>	3,521.8	-9.2
Average number of employees	<b>19,587</b>	18,434	6.3

# Net Sales



# Operating Profit



4Q07 result affected by:

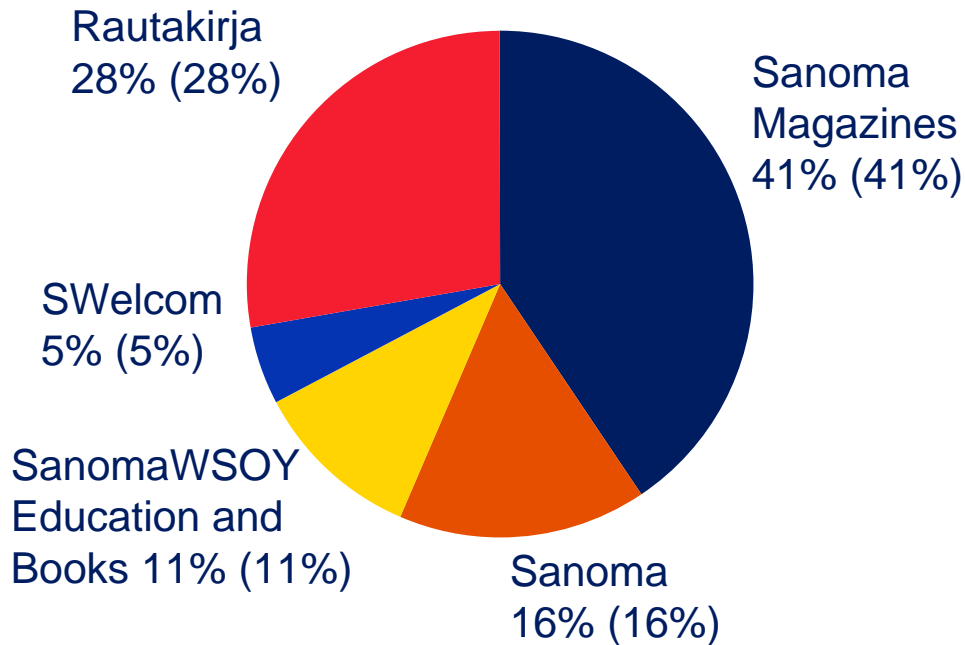
- Sanoma Magazines' heavy investments in marketing and launches
- Sanoma's restructuring
- General literature's weak sales
- Bookstore chain Suomalainen Kirjakauppa's Christmas sales and reorganisation of Aldipress

# Net Sales by Division and Geographic Area

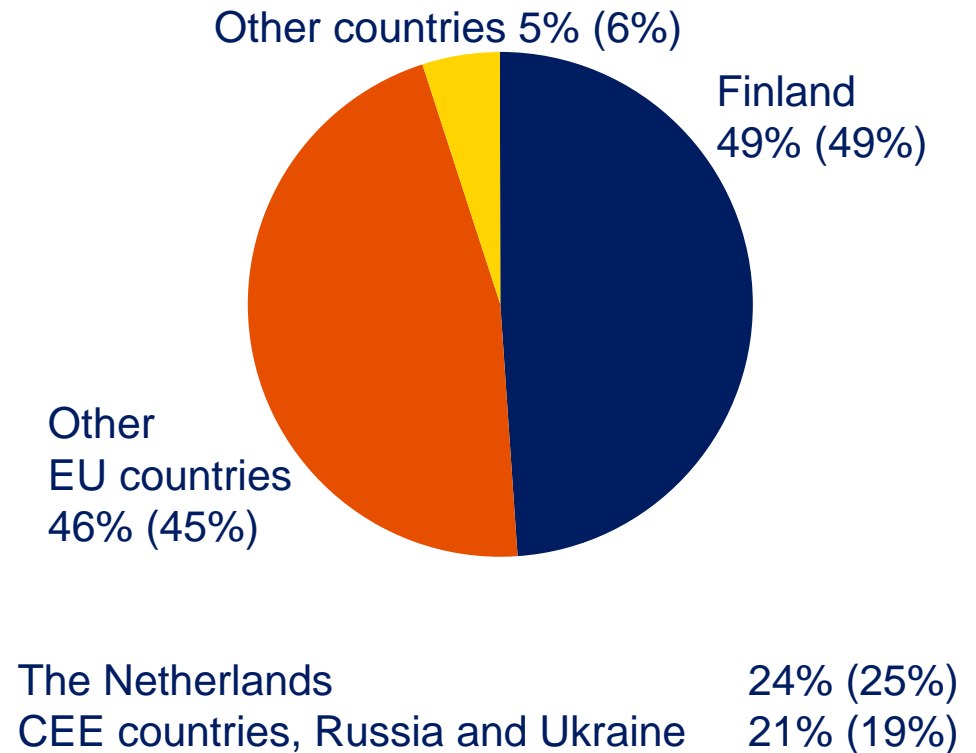
1-12/2007 (1-12/2006)

Net sales EUR 2,926.3 million

## By division



## By geographic area

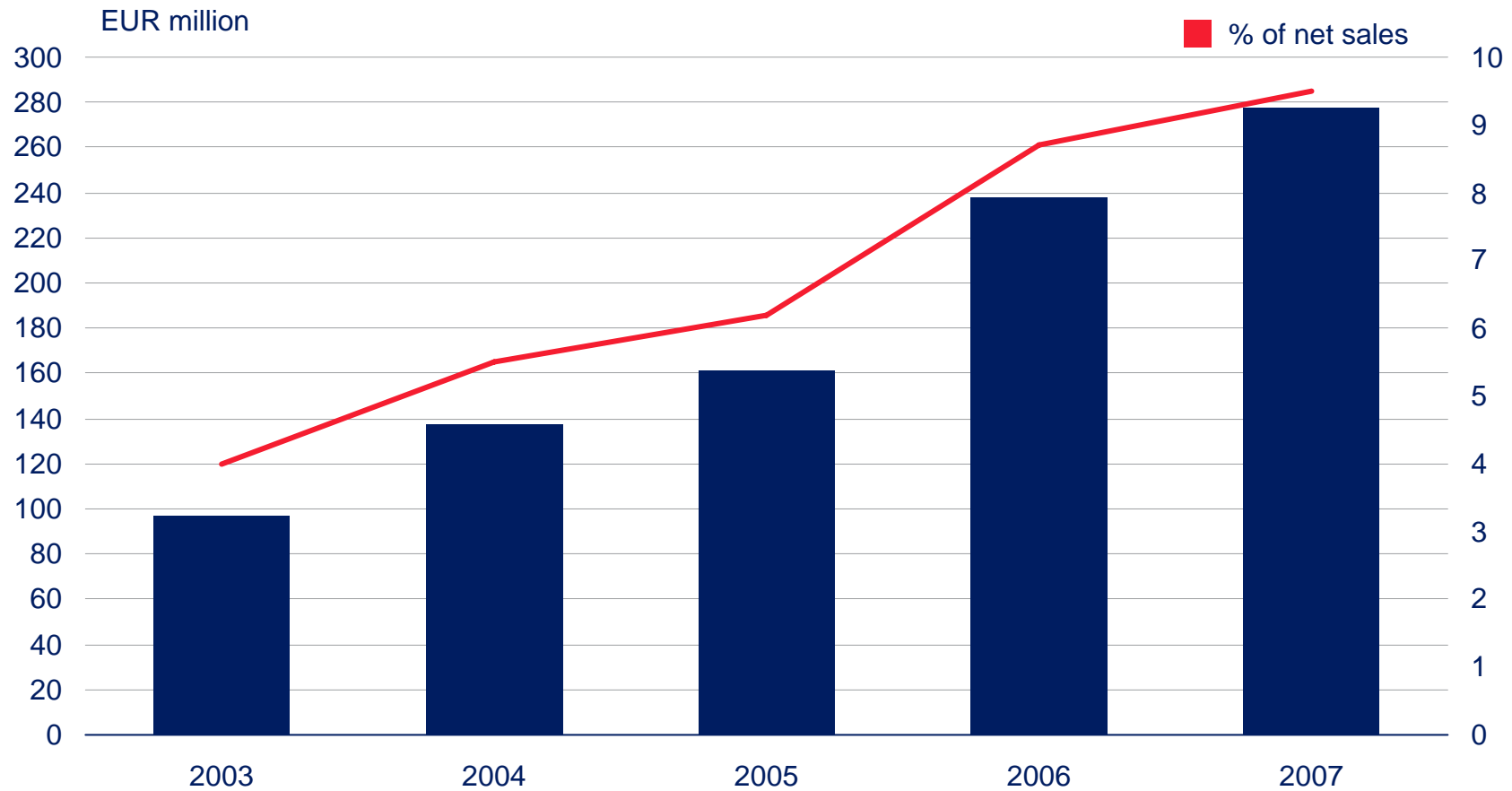


# Advertising Sales

% of net sales

	1–12/2007	1–12/2006
<b>Sanoma Magazines</b>	<b>30%</b>	<b>28%</b>
<b>Sanoma</b>	<b>53%</b>	<b>52%</b>
<b>SWelcom</b>	<b>54%</b>	<b>58%</b>
<b>The Group</b>	<b>24%</b>	<b>23%</b>

# Digital Media Sales



2003–2005 figures are not fully comparable to 2006 and 2007

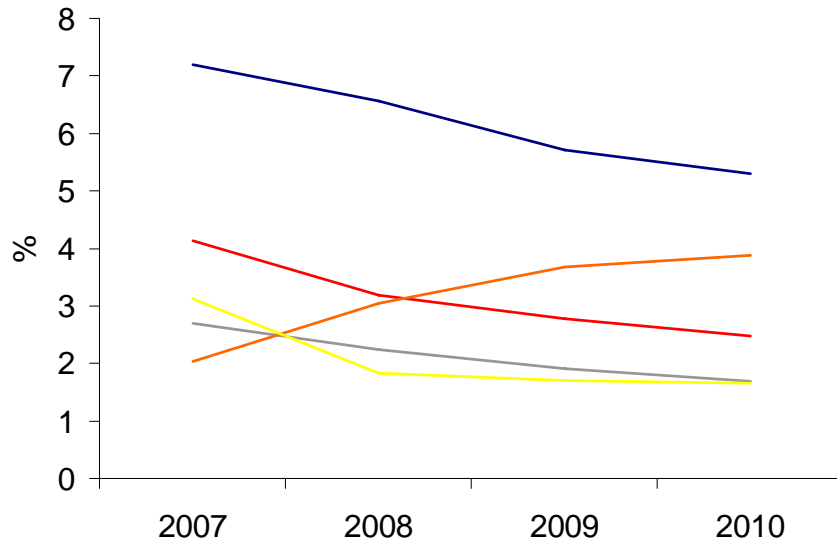




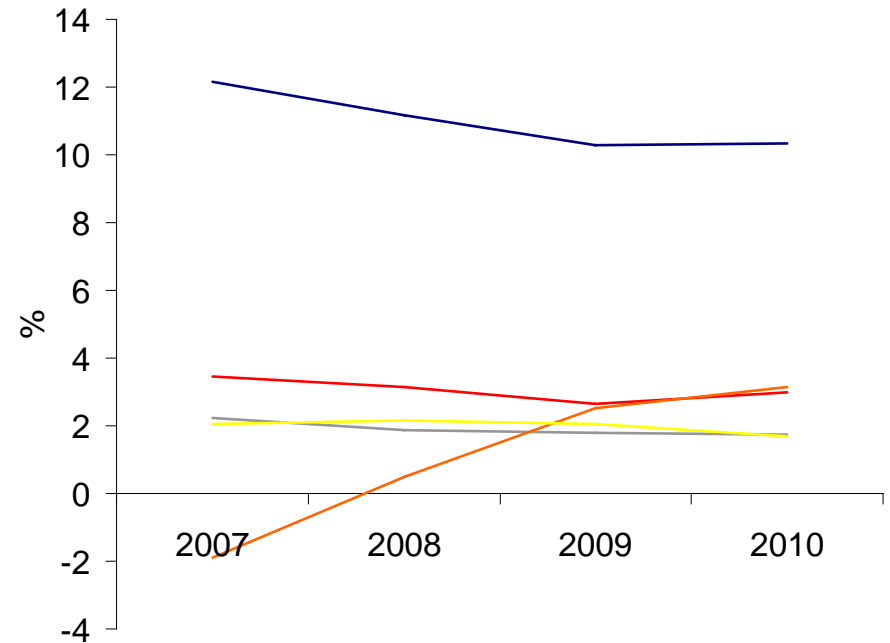
## Market Environment

# GDP and Private Consumption, Change

## GDP, change



## Private consumption, change



— Belgium — Finland — Hungary — Holland — Russia

# Advertising Sales in Finland

€1,000	12/2007	Ch %	1–12/2007	Ch %
NEWSPAPERS	55,889	-1.0	640,297	4.2
TELEVISION	22,922	10.3	260,967	7.9
MAGAZINES	9,597	-9.2	157,868	4.1
ONLINE	4,468	38.2	51,059	24.0
RADIO	2,600	-8.2	41,447	3.0
OUTDOOR	3,391	21.2	40,779	13.9
CINEMA	294	17.7	2,303	68.8
<b>Total</b>	<b>99,161</b>	<b>2.1</b>	<b>1,194,721</b>	<b>6.0</b>

\* Not comparable with previous year because number of sheets has increased  
 Net figures, Change-% to previous year.  
 Source: TNS Gallup

# Advertising Sales in the NL

€1,000	1–11/2007	Ch %
TELEVISION	2,776,119	11.4
NEWSPAPERS	792,725	15.5
RADIO	486,143	14.1
MAGAZINES	485,457	3.2
UNSOLICITED ADV. MATERIAL	459,900	0.2
OUTDOOR	226,756	10.9
INTERNET*	179,195	12.6
CINEMA	14,668	0.2
<b>Total</b>	<b>5,420,963</b>	<b>10.4</b>



## Key Events 1-12/2007

# Magazine Launches in 2007

- Health magazine Nők Lapja Egészség, Hungary
- Weekly magazine Story, Ukraine
- National Geographic Traveler, Russia
- Fashion magazine Grazia, Russia
- Women's magazine Milo, Belgium
- Women's magazine TYA!, Bulgaria
- Women's magazine Marie Claire, Hungary
- Food and lifestyle magazine Delicious, NL
- Psychological magazine Mind Magazine, NL
- Food magazine Prekvapeni v Kuchyni, Czech
- Health magazine Diabetik, Slovenia
- Lifestyle magazine Gala Style, Croatia
- Fashion magazine Grazia, NL
- Fashion and beauty magazine Harper's Bazaar, Romania
- Men's magazine Esquire, Romania
- Women's magazine Sensa, Croatia
- Architecture and design magazine Interni, Russia
- Fashion magazine Try!, Russia
- Lifestyle magazine Gala Style, Serbia
- Health magazine Get in Shape, NL
- Women's magazine Good Housekeeping, Ukraine

# Digital Media Launches and Acquisitions in 2007

- Sanoma Digital unit, Finland
- Radio Rock and Radio Aalto, Finland
- Commercial TV channel JIM, Finland
- Women's site Rozali.com, Bulgaria
- Celebrity portal StoryOnline.hu, Hungary
- Business site Belegger.nl, NL
- TV production company Jok Foe (50%), Belgium
- Ticket service Mr Ticket.nl (40%), NL
- Food site Foody.fi, Finland
- Car site Autotaivas.fi, Finland
- Fashion site Tyylitaivas.fi, Finland
- Cosmetic site Glossy.fi, Finland
- Pay TV channel KinoTV, Finland
- Price comparison site PDAMania.hu, Hungary
- Game portal Älypää, Finland
- Hot from the US, Disney's top series on Nelonen Web TV
- Croportal.net, Croatia
- Game site Pelikone.fi, Finland
- Mobile service for women, Belgium
- News site Newsreport.ro, Romania
- Blog site Blogilista.fi, Finland
- Food site Ruokala.tv, Finland
- Bridal community Miresici.ro, Romania
- Blog site NuJij.nl, NL
- Fashion and beauty site Styletoday.nl, NL
- Consumer site Kirakat.hu, Hungary
- Free sheet Vartti's online service (relaunch), Finland
- User-generated content platform, Maakjezo.nl, NL
- Schoolmate community Schoolbank.nl, NL
- Travel site Vakantie.nl, NL
- TV channels Urheilukanava and Urheilu+kanava, Finland
- Online publisher CE Media Online, Czech
- Women's site Ameno.ru, Russia

# Acquisitions and Other Key Events

in 2007

## Acquisitions

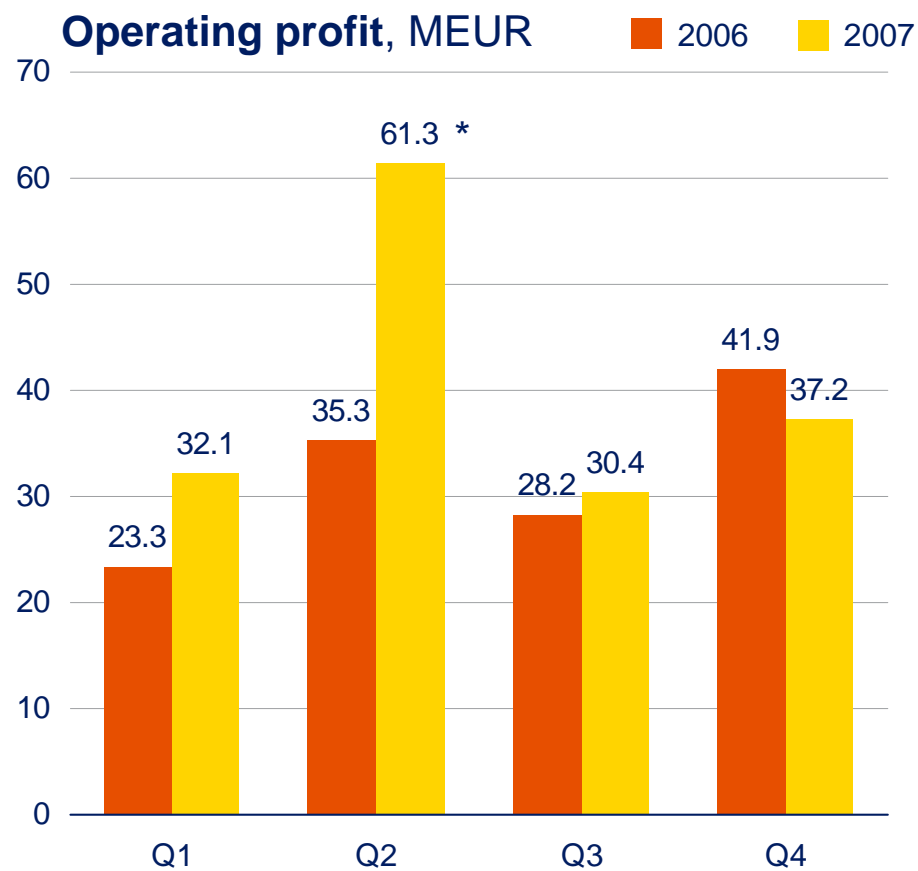
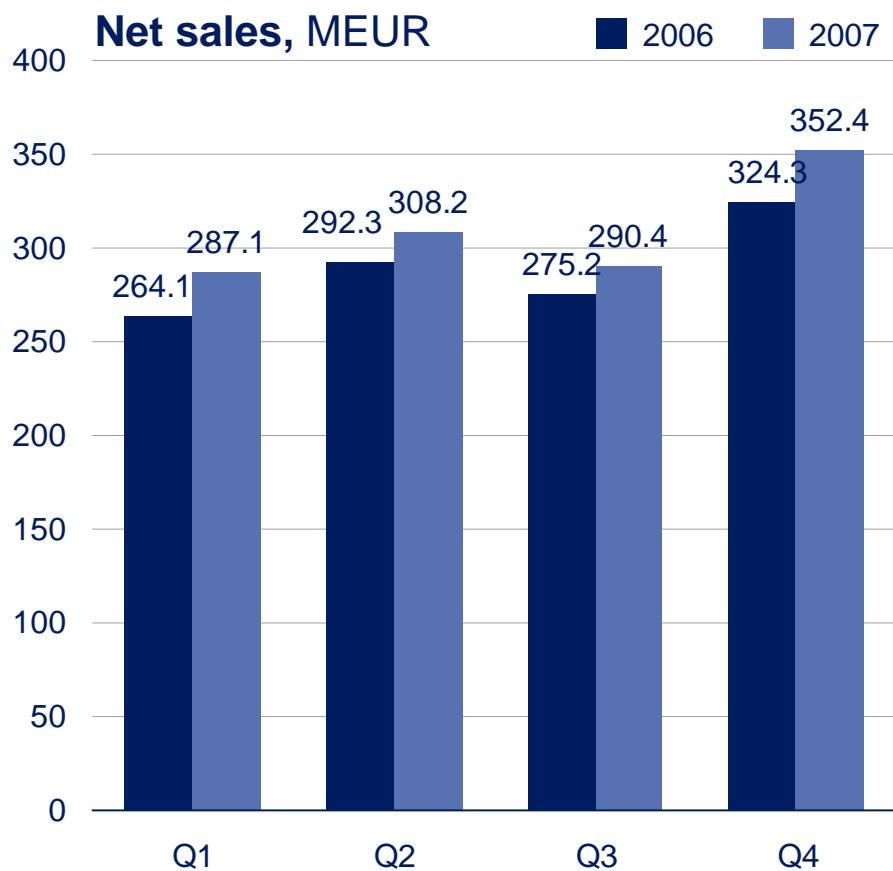
- Educational publisher Nowa Era, Poland (estimated closing during 1Q08)
- Press distributor Press Point International and kiosk company HDS CIS, Russia
- Translation agency Noodi, Finland
- Language service company The Works, Sweden
- Educational consultancy company TSM Consultants, NL
- Classified ads market place Auto24, Estonia
- Point-of-sale marketing services and products company Printcenter, Finland
  
- Kiosk operations expanded to Russia, establishment of R-Kiosk OOO
- Dutch press distribution company Aldipress transferred to Rautakirja
- Divestment of crossword magazines in the NL
- Divestment of multipurpose arena in Hamburg Germany
- Hungarian educational publisher Láng fully owned by SanomaWSOY Education
- New movie theatre centre in Lithuania and new multiplex in Lahti, Finland
- R-kioski developed new services: ÄrräPaketti pick-up service for parcels, Finland





# Divisional Overview

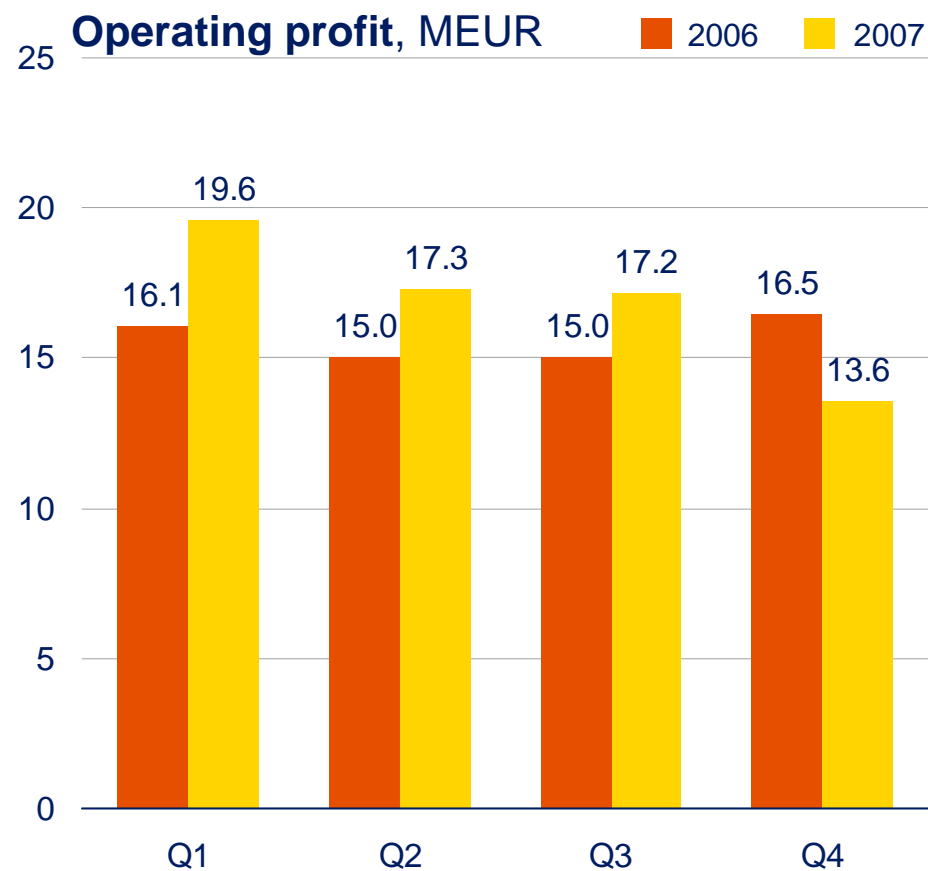
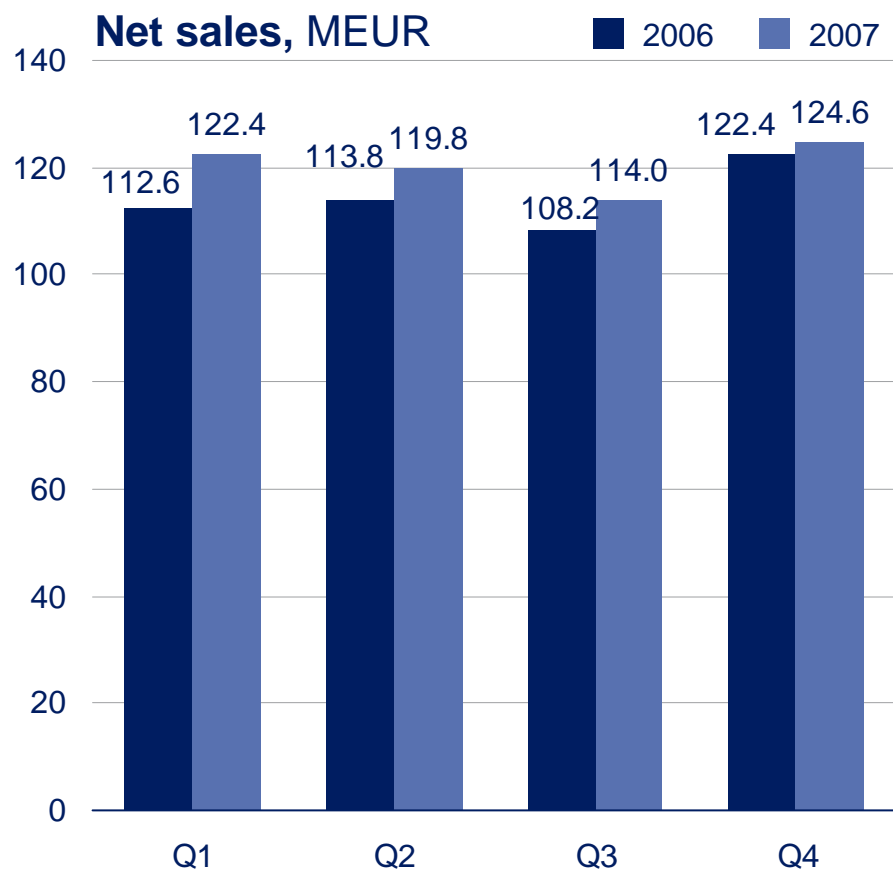
# Sanoma Magazines



# Sanoma Magazines 1-12/2007

EUR million	1-12/2007	1-12/2006	Ch-%
Net sales	1,238.1	1,155.9	7.1
Sanoma Magazines Netherlands	539.8	531.2	1.6
Sanoma Magazines International	283.4	247.6	14.5
Sanoma Magazines Belgium	216.6	188.6	14.8
Sanoma Magazines Finland	202.8	193.2	4.9
Eliminations	-4.6	-4.7	-2.1
Operating profit	160.9	128.8	25.0
% of net sales	13.0	11.1	
Operating profit excluding major non-recurring capital gains	139.7	126.2	10.7
% of net sales	11.3	10.9	
Balance sheet total	1,937.5	1,910.0	1.4
Capital expenditure	20.6	16.5	24.9
Return on investment (ROI), %	12.4	10.8	
Average number of employees	5,623	5,302	6.1

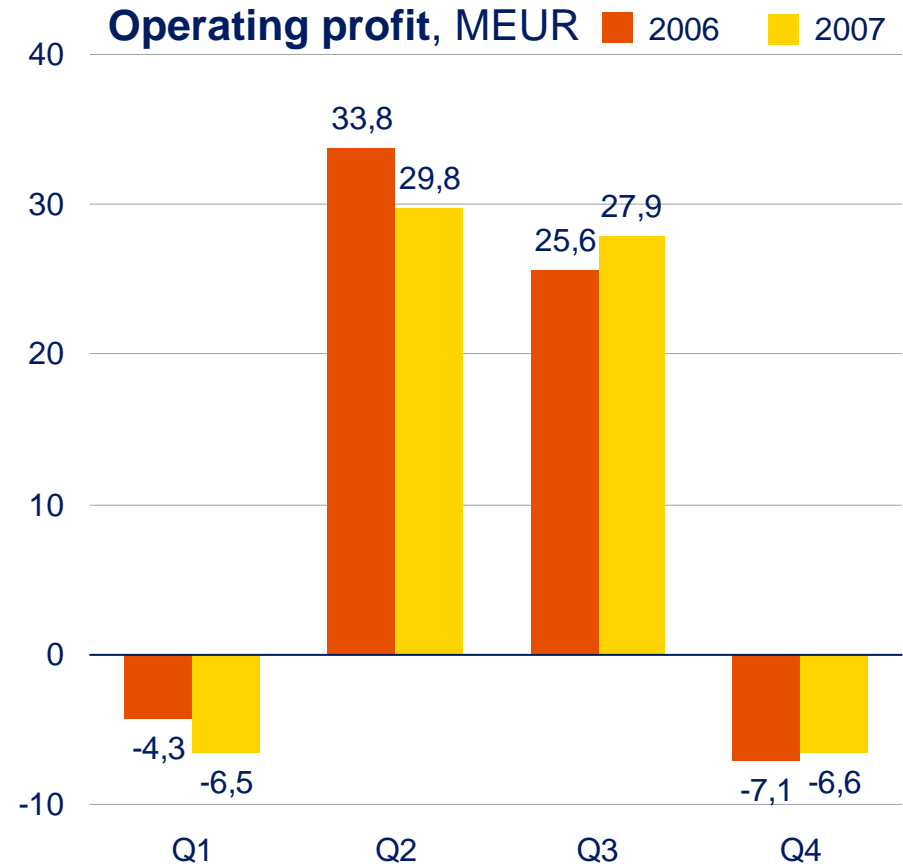
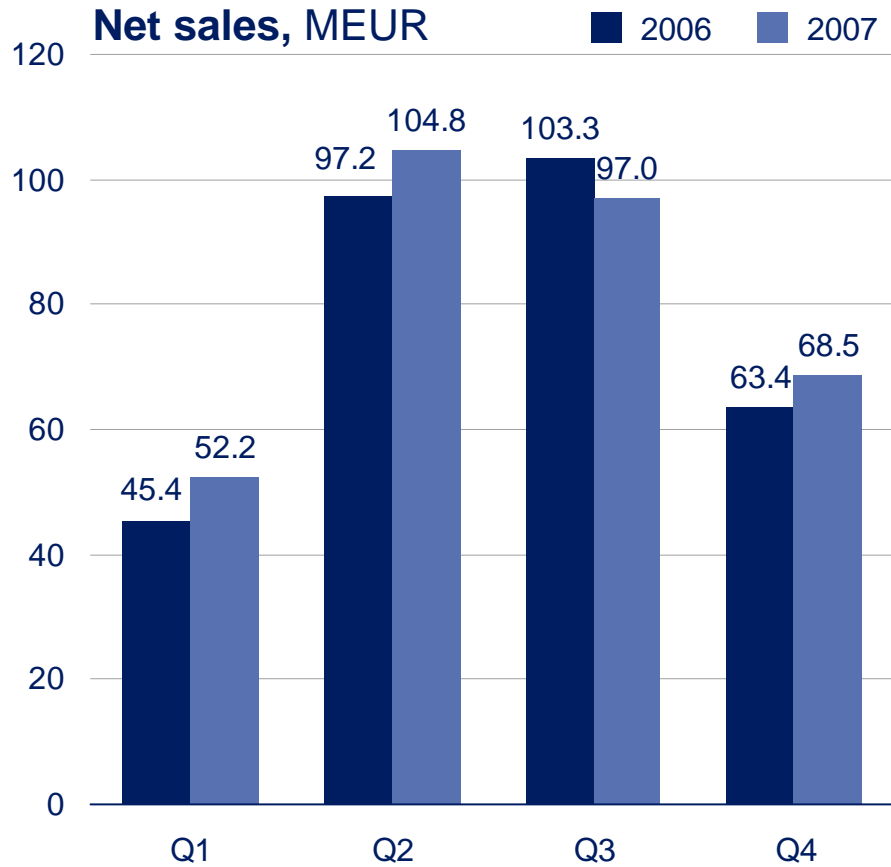
# Sanoma



# Sanoma 1-12/2007

EUR million	1-12/2007	1-12/2006	Ch-%
Net sales	480.8	457.1	5.2
Helsingin Sanomat	278.9	267.3	4.3
Ilta-Sanomat	94.8	92.2	2.8
Other publishing	97.5	87.6	11.4
Other	152.6	145.6	4.8
Eliminations	-143.0	-135.6	5.5
Operating profit	67.6	62.7	8.0
% of net sales	14.1	13.7	
Operating profit excluding major non-recurring capital gains	67.6	61.0	10.9
% of net sales	14.1	13.3	
Balance sheet total	445.0	526.6	-15.5
Capital expenditure	17.7	16.5	7.2
Return on investment (ROI), %	19.7	17.9	
Average number of employees	2,716	2,672	1.6

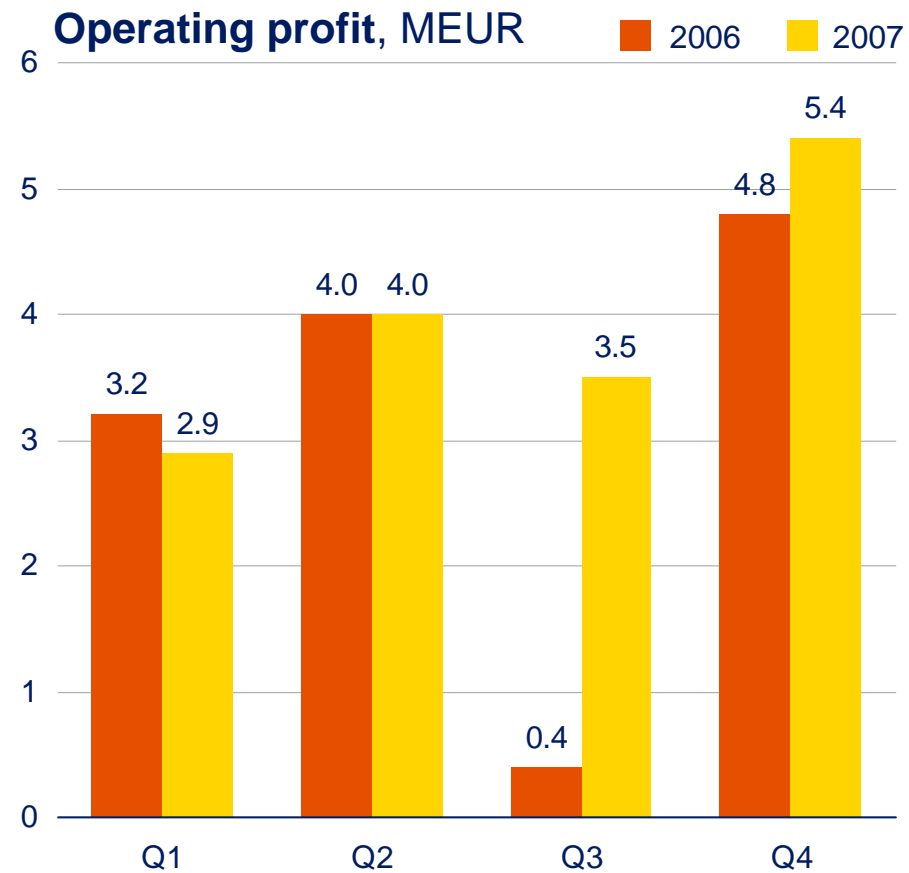
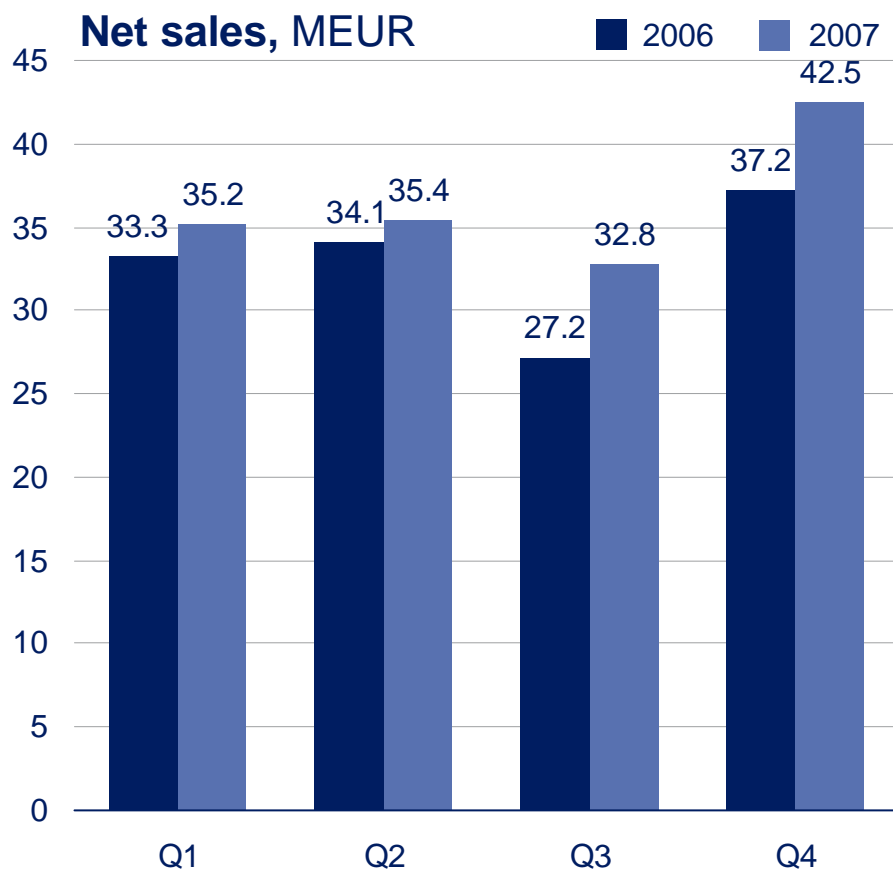
# SanomaWSOY Education and Books



# SanomaWSOY Education and Books 1-12/2007

EUR million	1-12/2007	1-12/2006	Ch-%
Net sales	<b>322.5</b>	309.2	4.3
Educational publishing	197.7	187.7	5.3
Publishing	97.3	96.0	1.4
Other	51.1	43.3	18.1
Eliminations	-23.7	-17.8	32.9
Operating profit	<b>44.5</b>	48.0	-7.3
% of net sales	<b>13.8</b>	15.5	
Operating profit excluding major non-recurring capital gains	<b>44.5</b>	48.0	-7.3
% of net sales	<b>13.8</b>	15.5	
Balance sheet total	<b>585.0</b>	598.2	-2.2
Capital expenditure	<b>7.7</b>	8.9	-13.5
Return on investment (ROI), %	<b>10.4</b>	12.7	
Average number of employees	<b>2 769</b>	2 455	12.8

# SWelcom

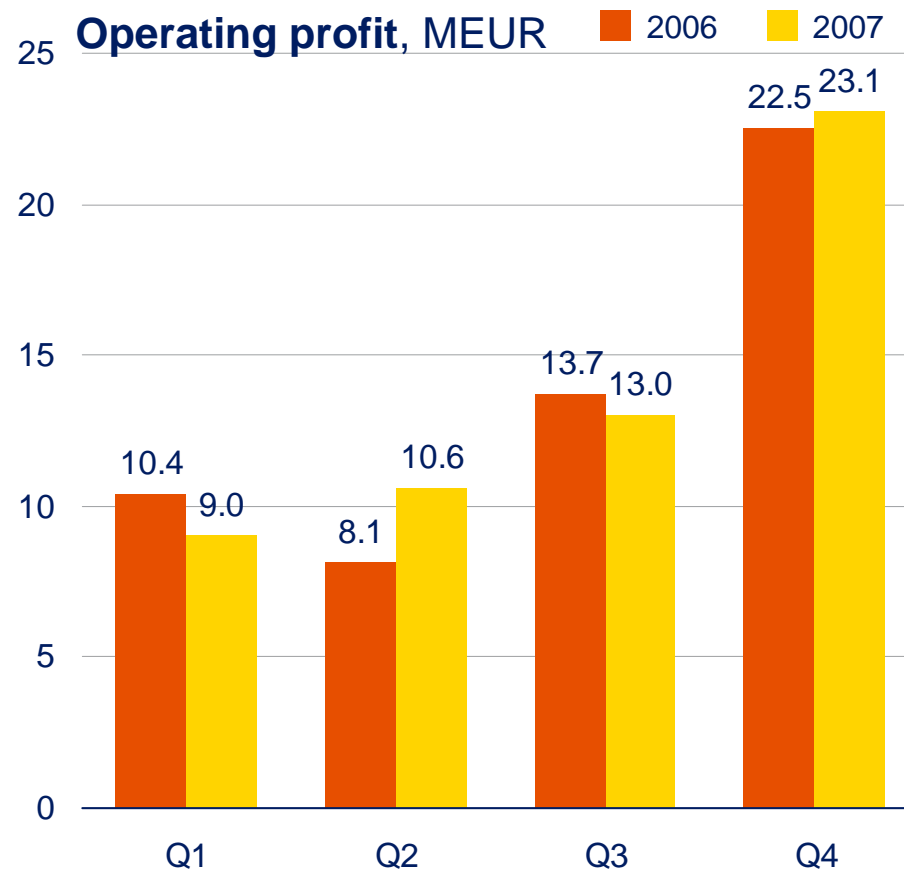
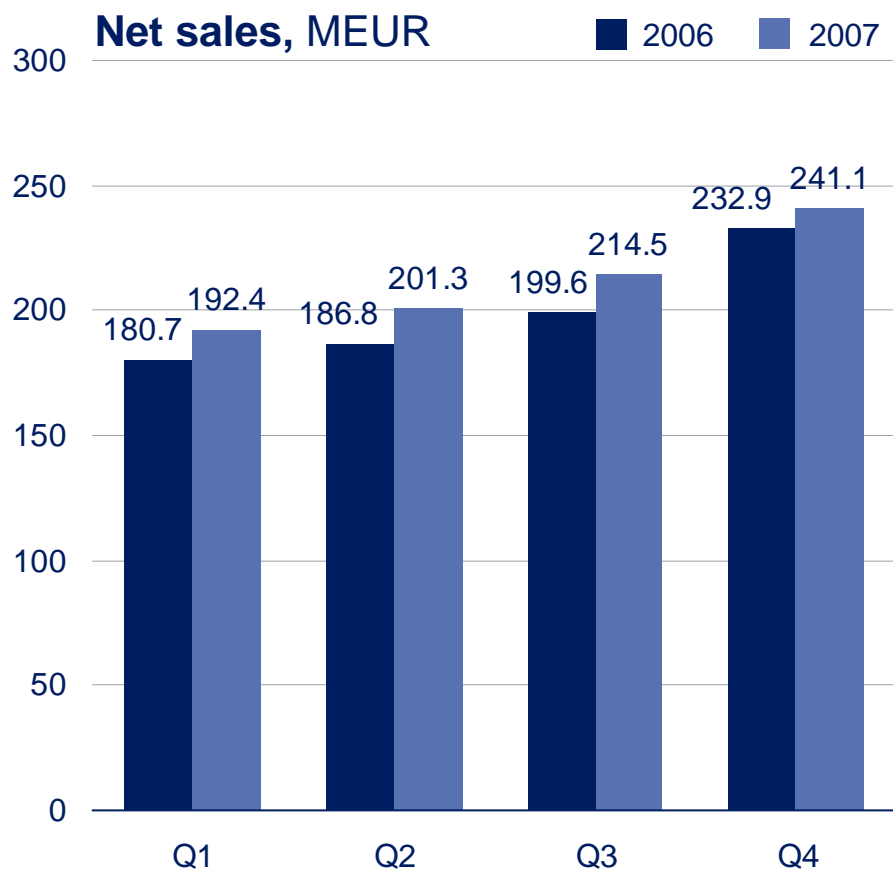




# SWelcom 1-12/2007

EUR million	1-12/2007	1-12/2006	Ch-%
Net sales	<b>146.0</b>	131.8	10.7
TV and radio	83.2	76.5	8.8
Other	63.6	56.0	13.5
Eliminations	-0.8	-0.6	27.9
Operating profit	<b>15.8</b>	12.5	26.6
% of net sales	<b>10.8</b>	9.5	
Operating profit excluding major non-recurring capital gains	<b>15.8</b>	12.5	26.6
% of net sales	<b>10.8</b>	9.5	
Balance sheet total	<b>168.2</b>	158.6	6.0
Capital expenditure	<b>14.8</b>	15.2	-2.4
Return on investment (ROI), %	<b>14.2</b>	12.3	
Average number of employees	<b>501</b>	437	14.6

# Rautakirja



# Rautakirja 1–12/2007

EUR million	1–12/2007	1–12/2006	Ch-%
Net sales	849.3	799.9	6.2
Kiosk operations	385.5	369.1	4.5
Press distribution	245.5	223.6	9.8
Bookstores	140.3	138.9	1.0
Entertainment	95.9	81.7	17.4
Eliminations	-18.0	-13.4	34.5
Operating profit	55.6	54.7	1.6
% of net sales	6.5	6.8	
Operating profit excluding major non-recurring capital gains	50.7	54.7	-7.3
% of net sales	6.0	6.8	
Balance sheet total	565.0	586.9	-3.7
Capital expenditure	28.4	23.1	22.7
Return on investment (ROI), %	20.9	20.1	
Average number of employees	7 886	7 496	5.2

68	1	2	3	4	5
Ришард Котелар				Бва Кохгорис	
12	13	14	15	16	17/2
БГ	Канн Савол		NGM	Френскије	
24	25	26	27	28	29
Мана на Машинери			Док Daniel's	Мого Tom 10	Journal
36	37	38	39	40	41

6	7	8	9	10	11
Славиде - Ралери и Ирина				Бв Р	
18	19	20	21	22	
акиси в		Холберг			
30	31	32	33		
Мого Грег Харел		A	Аидена Андра Проана		
		V			
		C			
		430			



# Strategic Objectives and Outlook

## Our Strategic Objectives

# A Leading European Media Portfolio

- **One of the leading media companies, with focus on sustainable growth and profitability**
  - Multimedia in Finland
  - Four international growth areas
    - Magazine publishing
    - Educational publishing
    - Digital media
    - Press distribution/kiosks
- **Value adding market leadership in chosen businesses**



## Our Strategic Focus Areas

# Sustainable Growth

### Creating opportunities for growth by

- Organising for growth and innovation
- Building competitive edge on local customer know-how
- Expanding core businesses and driving synergies
- Driving strong expansion in defined growth markets (digital media, RUS, CEE and other CIS countries)
- Acting on value-adding consolidation opportunities



# Our Strategic Focus Areas

## Sustainable Profitability

### Ensuring operational excellence by

- Leveraging scale and scope
- New, often ICT enabled, ways of doing
- Value-adding process development initiatives
- Utilising profitable opportunities in digital business

# Group's Outlook for 2008

## Outlook

- Net sales to grow in line with the previous year
- Operating profit excluding major non-recurring capital gains continues to improve
- In 2007, operating profit excluding capital gains totalled EUR 303.5 million and net sales grew by 6.7%





After the Review Period

# Development of Product and Service Portfolio Continues

## Magazine launches

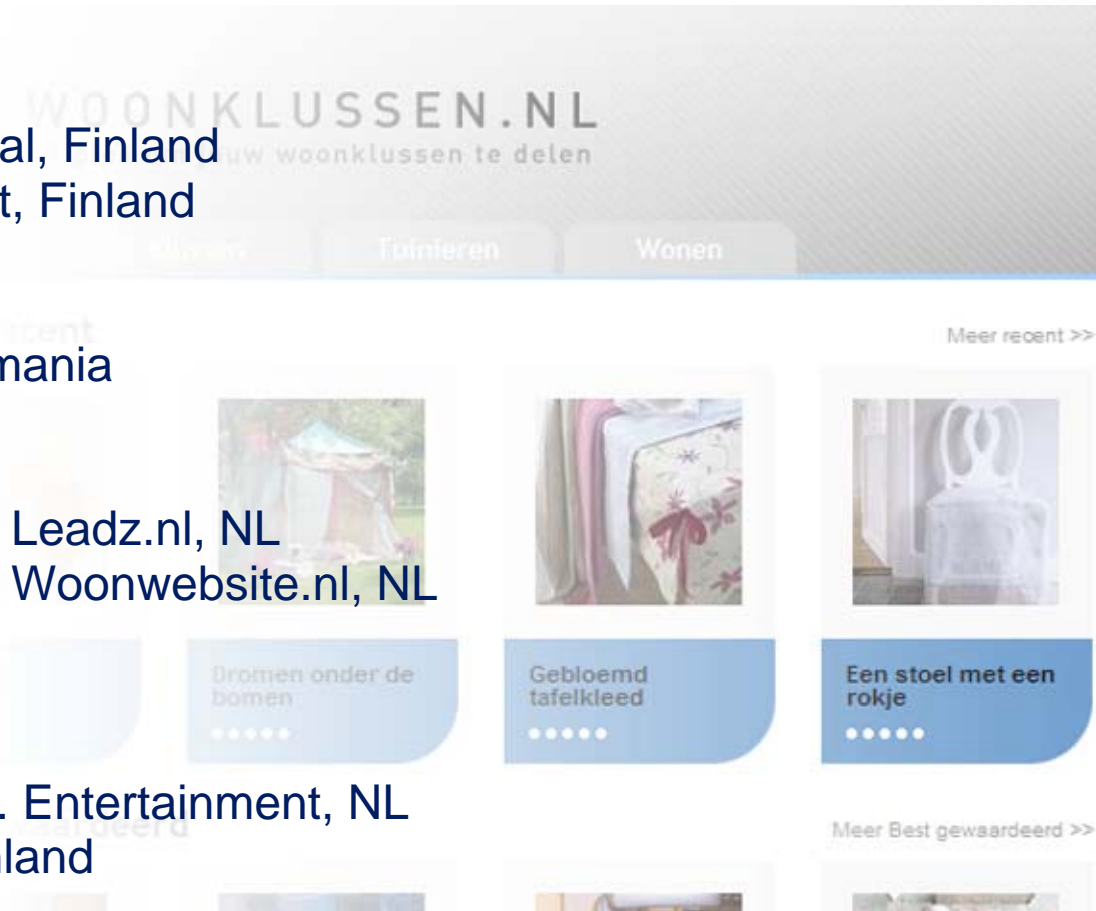
- Reportage magazine GEO, Finland
- Magazine for youth High School Musical, Finland
- LukuNaiset, book in a magazine format, Finland

## Digital media launches and acquisitions

- Parenting Community Parinti.com, Romania
- Decoration site Woonklussen.nl, NL
- Motor cycle site Motomania.fi, Finland
- Home decoration and construction site Leadz.nl, NL
- Home decoration and construction site Woonwebsite.nl, NL
- Blog site Webpark.ru, Russia

## Divestments

- Filmed entertainment distributor R.C.V. Entertainment, NL
- Digital services company 2ndhead, Finland





Content for your life