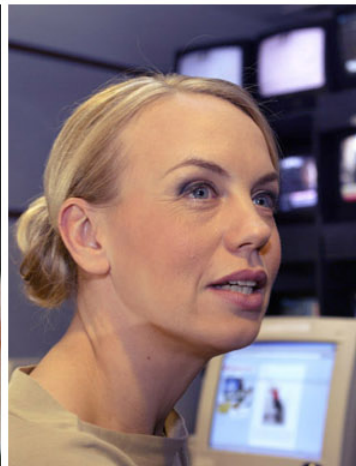


SanomaWSOY



Matti Salmi
CFO

CMD, 7 June 2004

Group income statement

€ million	1–3/2004	1–3/2003	Change,%	1–12/2003
Net sales	569.0	554.7	2.6	2,395.9
Other operating income and change in inventories	15.8	11.5	-37.9	85.8
Share of result of associated companies	1.3	1.6	-17.3	6.1
Operating expenses	559.2	553.0	1.1	2,282.6
Operating profit	27.0	14.8	82.5	205.2
Financial income and expenses	0.0	-14.9		-42.1
Result before extraordinary items	27.0	-0.1		163.1
Extraordinary items	1.4			
Result after extraordinary items	28.4	-0.1		163.1
Direct taxes	-18.4	-6.1	203.8	-55.6
Minority interests	-0.2	-1.0	-79.6	-3.0
Result for the period	9.8	-7.1		104.5

Y: SWViestintä/CMD2004/Salmi070604

Key indicators

€ million	31.3.2004	31.3.2003	Change,%
Balance sheet total	2,369.2	2,529.8	-6.3
Gross investments	21.3	17.5	22.0
Equity ratio, % (incl. capital notes)	43.9	46.3	
Equity ratio, %	36.2	37.7	
EPS, €	0.05	-0.05	
EPS excl. goodwill amortisation, €	0.18	0.10	71.3
Cash flow/share, €	0.28	0.50	-43.0
Personnel under employment contract *	15,653	17,761	-11.9
Personnel on average **	13,260	14,375	-7.8

* average
 ** full-time
 equivalents

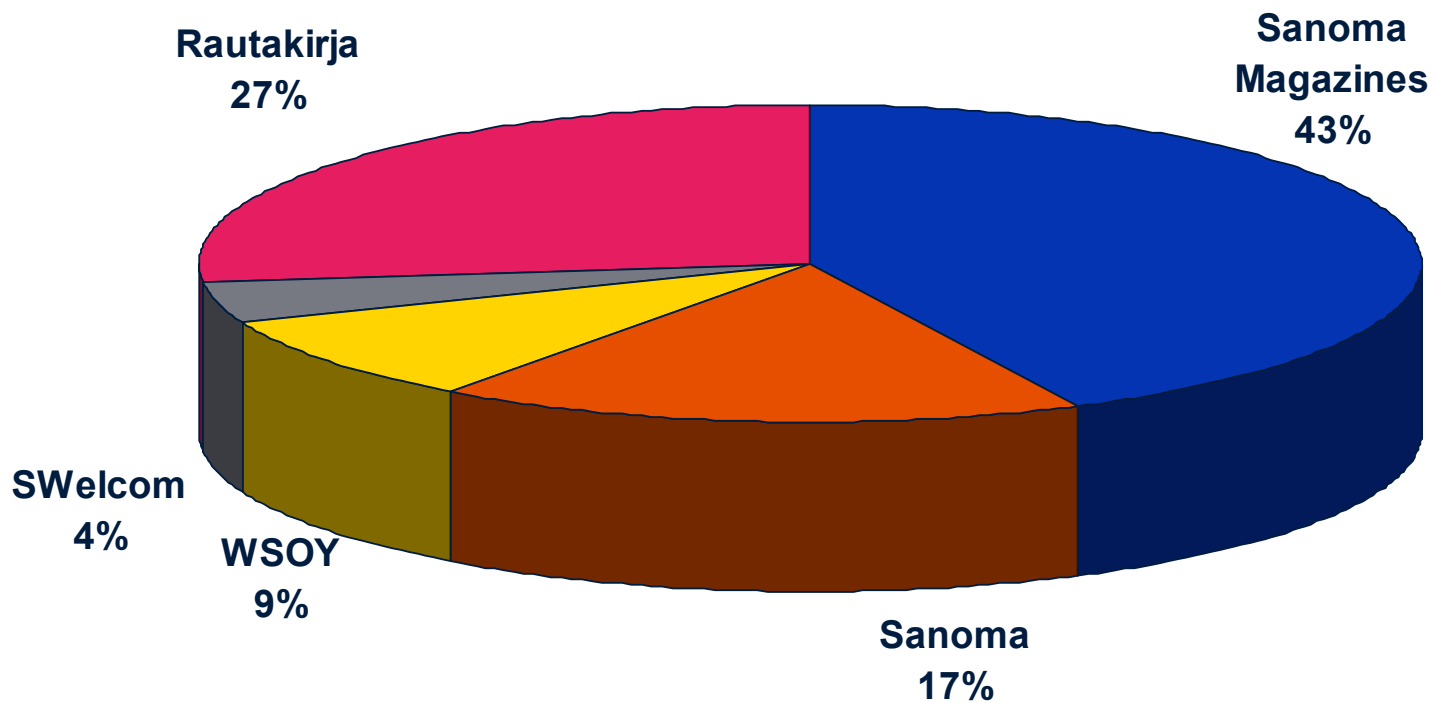
Y: SWViestintä/CMD2004/Salmi070604

SanomaWSOY

Net sales by divisions, 2003

	€ million
Sanoma Magazines	1,065
Sanoma	426
WSOY	212
SWelcom	105
Rautakirja	654
Total	2,396

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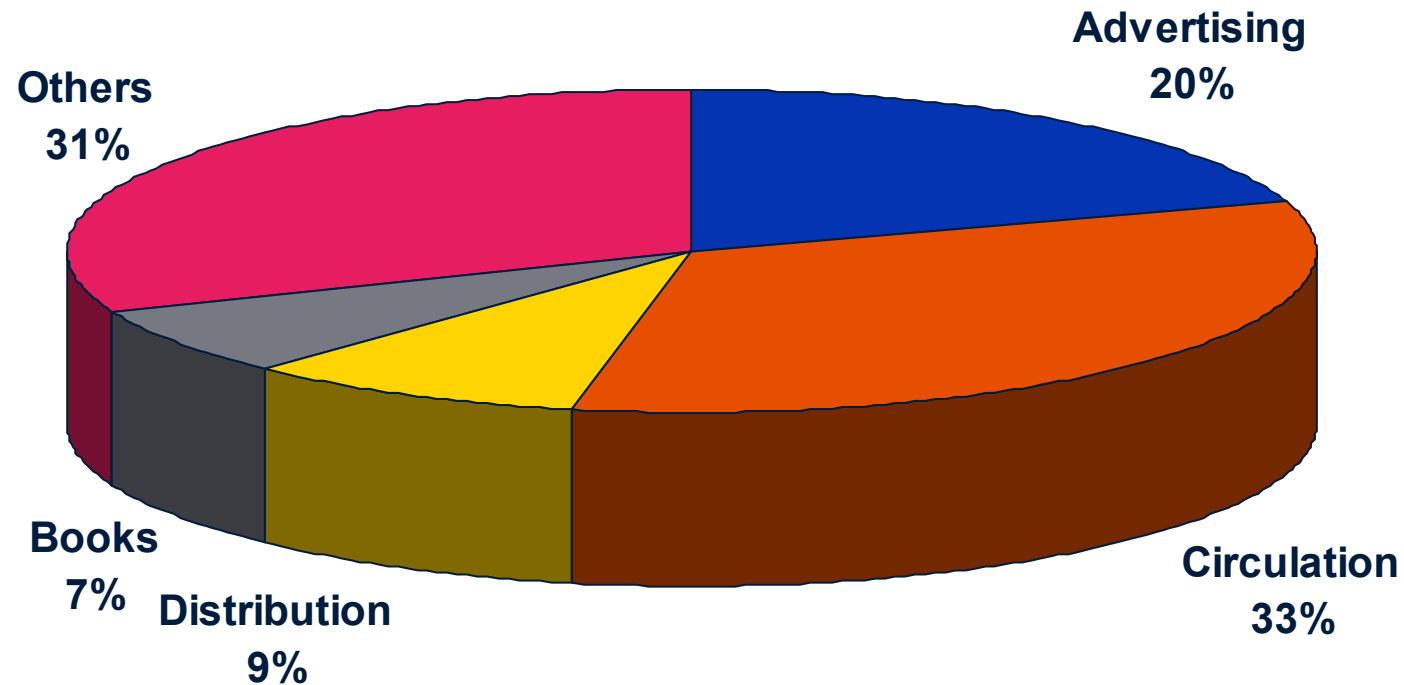
Y: SWViestintä/CMD2004/Salmi070604

SanomaWSOY

Net sales breakdown, 2003

	€ million
Advertising	482
Circulation	788
Distribution	217
Books	170
Others	739
Total	2,396

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Approximately half of the circulation sales is derived from subscription sales and half from single copy sales.

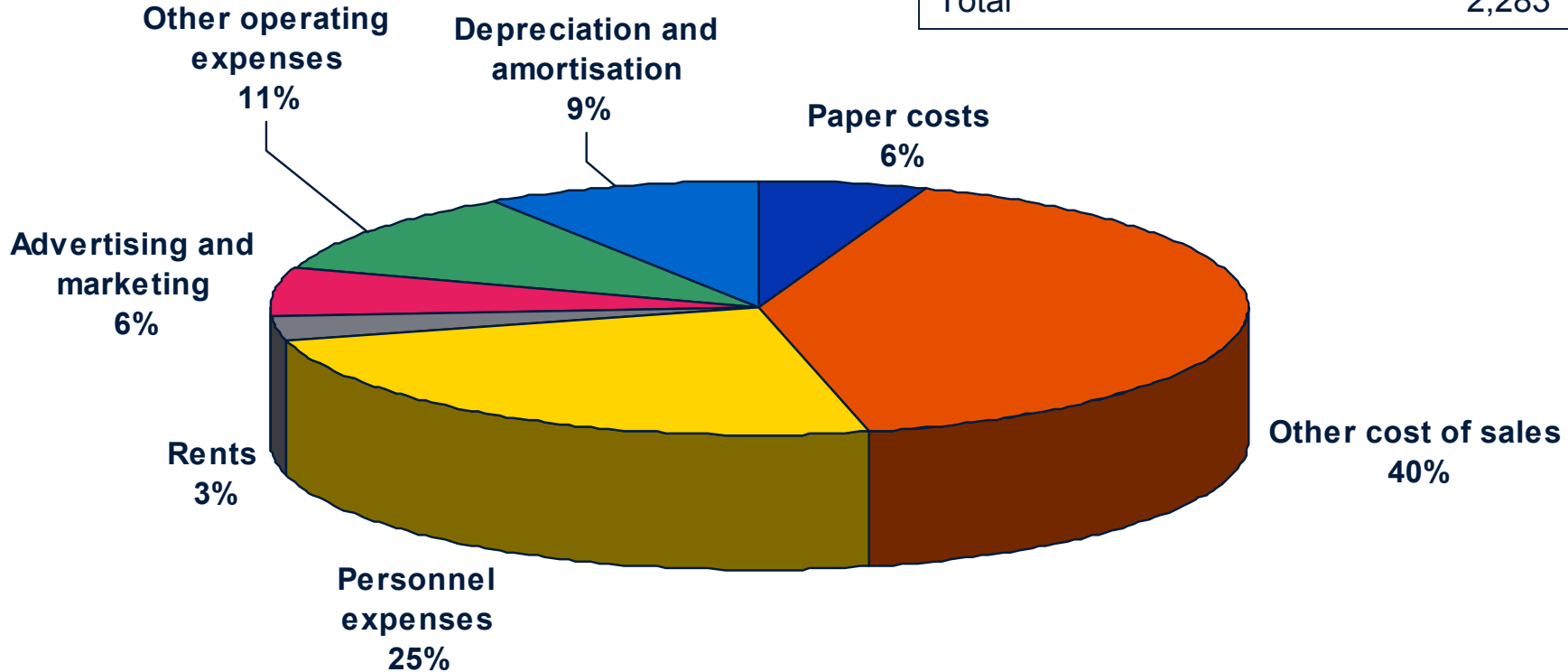
Y: SWViestintä/CMD2004/Salmi070604

SanomaWSOY

Total operating expenses, 2003

	€ million
Paper costs	128
Other cost of sales	930
Personnel expenses	563
Rents	66
Advertising and marketing	146
Other operating expenses	240
Depreciation and amortisation	210
Total	2,283

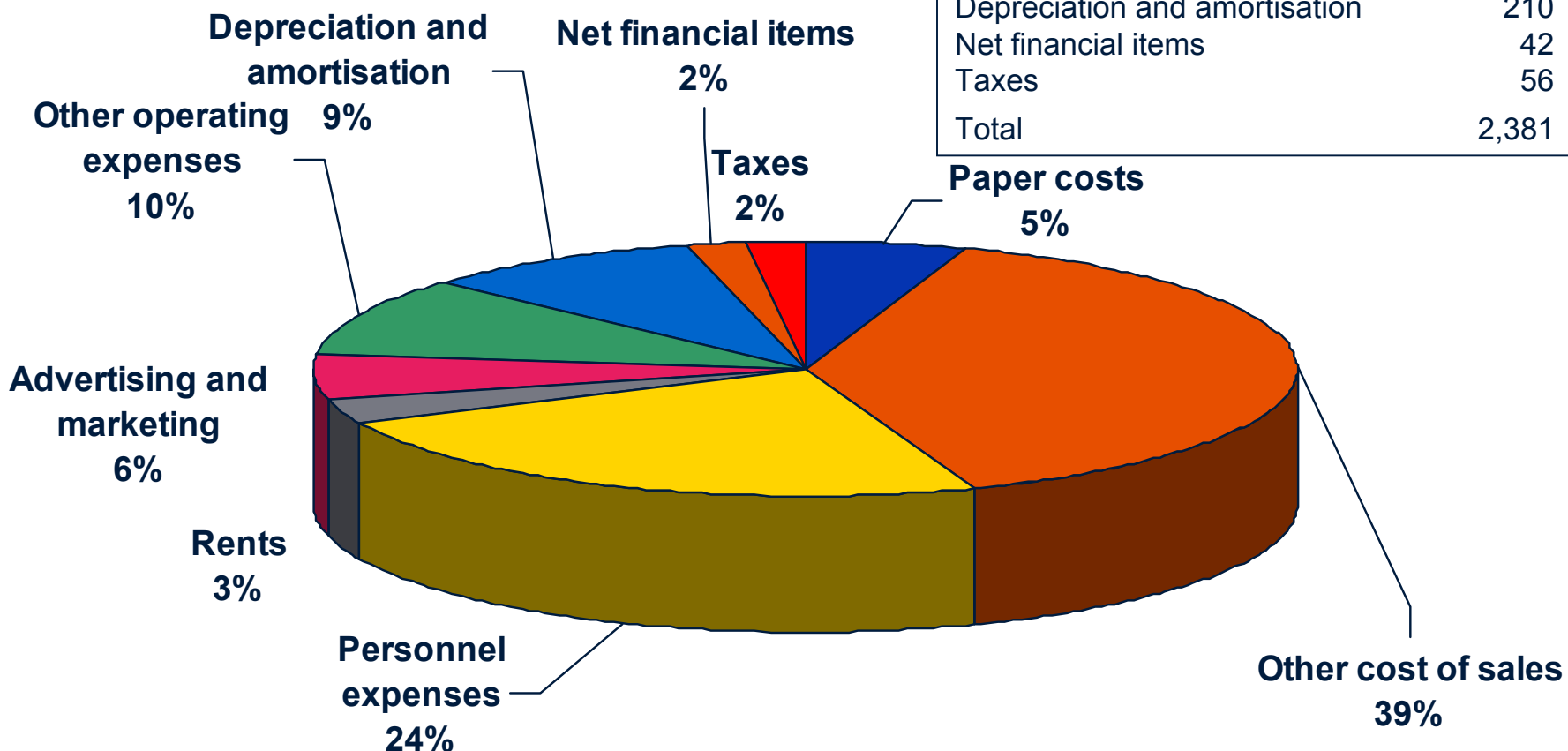
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Y: SWViestintä/CMD2004/Salmi070604

SanomaWSOY

Total costs, 2003



	€ million
Paper costs	128
Other cost of sales	930
Personnel expenses	563
Rents	66
Advertising and marketing	146
Other operational expenses	240
Depreciation and amortisation	210
Net financial items	42
Taxes	56
Total	2,381

SanomaWSOY

EBIT margin by division, 2003

	%
Sanoma Magazines	7.4
Sanoma	16.3
WSOY	10.6
SWelcom	1.1
Rautakirja	5.4
SanomaWSOY	8.6
SanomaWSOY excluding non-recurring gains	6.8

SanomaWSOY

ROI % by division, 2003

	%
Sanoma Magazines	6.9
Sanoma	23.5
WSOY	17.8
SWelcom	1.5
Rautakirja	18.1
SanomaWSOY	11.4

SanomaWSOY

IFRS reporting

- SanomaWSOY will start reporting according to IFRS standards in 2005
- Most important changes in accounting principles relating to net sales were implemented in the beginning of 2004 in accordance with Finnish Accounting Standards
- The most significant modifications were related to press distribution (now treated as commission sales) and to harmonising the treatment of granted discounts and purchased services

SanomaWSOY

Net sales adjustments to P/L 2003

Already implemented:

Net sales by division, change	€ million
Sanoma Magazines	+38
Sanoma	-18
WSOY	-
SWelcom	-
Rautakirja	-116
(Eliminations	+59)
SanomaWSOY	-38

Other effects:

The classification of materials and services as well as operating expenses has been harmonized, in particular regarding press distribution. The reclassifications have no impact on operating profit.

Y: SWViestintä/CMD2004/Salmi070604

SanomaWSOY

Goodwill amortisation 2003

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€ million

Sanoma Magazines	61.3
Sanoma	6.6
WSOY	5.0
SWelcom	2.4
Rautakirja	5.2
Other companies	0.7
SanomaWSOY	81.4

Y: SWViestintä/CMD2004/Salmi070604

SanomaWSOY

Other IFRS effects to EBIT

- Pension liabilities will increase and also the annual pension expenses are estimated to increase
- IFRS 2 (share-based payments) treatment of SanomaWSOY warrants to the management will increase personnel expenses
- Rough P&L impact currently estimated to be a one-digit number, still subject to changes

**Grow or save is history
Grow and save is future**