Sanoma's Year-End Statement 2009:
Solid Result in Difficult Environment

- The Sanoma Group's net sales in 2009 totalled EUR 2,767.9 (3,030.1) million, 8.7% less than in the comparable year.
- Operating profit excluding non-recurring items was EUR 229.5 (295.7) million in 2009. Non-recurring items totalled EUR -34.1 (-59.3) million.
- In the fourth quarter, the Group net sales were EUR 733.6 (798.7) million. Operating profit excluding non-recurring items improved to EUR 49.3 (49.0) million.
- Fourth quarter earnings per share were EUR 0.04 (-0.39). Earnings per share for 2009 were EUR 0.66 (0.72).
- Cash flow from operations in 2009 totalled EUR 241.8 (250.3) million. Cash flow per share was EUR 1.50 (1.56)
- The proposed dividend is EUR 0.80 per share.

KEY INDICATORS EUR million	**10-12/ 2009**	**10-12/ 2008**	**Change %**	**1-12/ 2009**	**1-12/ 2008**	**Change %**
Net sales	**733.6**	798.7	-8.2	**2,767.9**	3,030.1	-8.7
Operating profit excluding non-recurring items	**49.3**	49.0	0.5	**229.5**	295.7	-22.4
% of net sales	**6.7**	6.1		**8.3**	9.8	
Operating profit	**32.3**	-28.8	212.0	**195.4**	236.3	-17.3
Result for the period	**8.6**	-59.9	114.3	**107.1**	120.8	-11.4
Capital expenditure				**83.4**	109.9	-24.2
% of net sales				**3.0**	3.6	
Return on investment (ROI), %				**8.9**	10.7	
Equity ratio, %				**41.4**	40.0	
Net gearing, %				**79.4**	78.5	
Number of employees at the end of the period (FTE)				**16,723**	18,453	-9.4
Average number of employees (FTE)				**17,343**	18,168	-4.5
Earnings/share, EUR	**0.04**	-0.39	110.2	**0.66**	0.72	-8.8
Cash flow from operations/share, EUR	**0.76**	0.59	28.3	**1.50**	1.56	-3.5
Equity/share, EUR				**7.36**	7.59	-3.1
Dividend/share, EUR *				**0.80**	0.90	-11.1
Dividend/result, % *				**122.0**	125.1	-2.5
Market capitalisation				**2,536.5**	1,479.7	71.4

* Year 2009 proposal of the Board of directors

Hannu Syrjänen, President and CEO

"Considering the difficult business environment in 2009, we delivered a solid operational result. Our EBIT excluding non-recurring items amounted to EUR 229.5 million. When the market decline started at the end of 2008, we reacted quickly and focused on improving the efficiency of our operations. During the year, our operating expenses excluding non-recurring costs came down 7.9%. In personnel costs, we achieved savings of 4.5%. The efficiency improvements were clearly visible in our fourth quarter result which improved from the comparable period and many of the effects of the structural changes we made during the year will first show in the 2010 figures. I am very pleased with the good level of our cash flow and continuously solid financial position.

Even though we have seen some positive signals from the advertising in our main markets, no fast recovery is yet in sight. Efficiency continues to be in Sanoma's focus in 2010. At the same time, we are investing in future growth by renewing our products and services, developing our concepts and creating new initiatives. Online operations, one of our key areas, are expected to grow significantly in the next few years. Transactional services, gaming platforms and verticals are being developed both through our own innovations as well as acquisitions. Our new innovation management system will provide further focus to the Group's efforts in this area and provide the right tools and incentive systems to foster more ambitious organic growth.

Our strategic goal is to be one of the leading media companies in Europe, with a focus on sustainable growth and profitability. We continue to aim at being the market leader in our chosen businesses and markets. Our focus areas are magazines, news, learning solutions and online business."

Outlook for 2010

In 2010, Sanoma's net sales are expected to grow. The operating profit excluding non-recurring items is estimated to improve slightly. In the comparable year 2009, operating profit excluding non-recurring items was EUR 229.5 million.

The outlook of Sanoma's net sales and operating profit in 2010 is affected by the development of advertising and private consumption in the Group's countries of operation. The current outlook is based on the assumption that the advertising markets in the Group's operating countries are stable. The efficiency improvements executed in 2009 will continue to have effects on Group's results in 2010.

Net sales

In 2009, Sanoma's net sales amounted to EUR 2,767.9 (2008: 3,030.1; 2007: 2,926.3) million, 8.7% less than in the comparable year. Excluding the effect of exchange rate changes, net sales would have been 7.0% lower than in the comparable year. Adjusted for changes in the Group structure, net sales in 2009 decreased by 9.1%. Net sales were at the comparable year's level in Sanoma Entertainment. Net sales were down in other divisions, with advertising sales in particular being affected by the general economic situation.

Advertising sales decreased clearly and accounted for 21% (25%) of the Group's total net sales. Online advertising sales, however, remained stable in Sanoma Magazines and Sanoma News with Sanoma Entertainment even reporting growth. The Group's subscription sales grew slightly. Single copy sales across the Group fell somewhat, mostly in magazines in Russia and CEE countries. In geographical terms, Finland accounted for 51% (49%) of net sales, with other EU countries accounting for 46% (46%) and non-EU countries for 3% (5%).

Result

Sanoma's operating profit excluding non-recurring items in 2009 was EUR 229.5 (295.7) million or 8.3% (9.8%) of net sales. The operating profit excluding non-recurring items in 2009 was 22.4% less than in the comparable year. The operating profit included a total of EUR -34.1 (-59.3) million in non-recurring items. These non-recurring expenses are related to restructuring of operations in several divisions. In the comparable year, non-recurring items consisted of capital gains from divestments, as well as write-downs of goodwill, immaterial rights and inventories as well as costs associated with the restructuring of the multi-volume book publishing business.

NON-RECURRING ITEMS EUR million	10-12/ 2009	10-12/ 2008	1-12/ 2009	1-12/ 2008
Magazines				
Restructuring expenses (Magazines Belgium)	**-10.9**		**-12.4**	
Restructuring expenses (Magazines Netherlands)	**-0.1**		**-4.7**	
A gain on sale of R.C.V. Entertainment				23.5
A gain on sale of Payback Kft		7.0		7.0
Expenses on closing down a youth site and related impairment loss		-5.1		-5.1
Impairment loss of immaterial rights and goodwill		-78.6		-78.6
News				
Expenses related to the efficiency programme			**-8.4**	
Learning & Literature				
Restructuring expenses	**-2.4**		**-3.9**	
Expense related to the sale of children's magazines			**-1.1**	
Inventory write-downs and restructuring expenses		-1.1		-7.6
Trade				
Restucturing expenses	**-3.6**		**-3.6**	
Other companies				
A gain on sale of a land area				1.5
NON-RECURRING ITEMS IN OPERATING PROFIT	**-17.0**	-77.8	**-34.1**	-59.3
Impairment losses on loans and other receivables and available-for-sale investments	**-3.7**		**-8.7**	
NON-RECURRING ITEMS IN FINANCIAL ITEMS	**-3.7**		**-8.7**	

The Group's operating profit was EUR 195.4 (2008: 236.3; 2007: 343.8) million or 7.1 (2008: 7.8%; 2007: 11.7%) of net sales. Operating profit grew in Sanoma Entertainment, where all business units developed favourably. In other divisions, operating profit decreased mainly as a result of lower sales and restructuring expenses.

Sanoma's net financial items totalled EUR -30.1 (-51.0) million. Financial income amounted to EUR 22.5 (18.9) million, of which exchange rate gains were EUR 15.0 (6.0) million. Financial expenses amounted to EUR 52.6 (69.9) million. Interest expenses amounted to EUR 25.3 (56.3) million and exchange rate losses to EUR 16.2 (12.0) million. The refined financing structure and lower reference rates clearly decreased the Group's interest expenses in 2009. Financial expenses also included a write-down of the shares in the e-commerce company Fruugo, amounting to EUR 5.0 million and a write-down of loan receivables totalling EUR 3.5 million connected with a divestment in 2005.

The result before taxes was EUR 161.4 (190.3) million. Sanoma's effective tax rate was clearly lower than in the comparable year. Earnings per share in 2009 were EUR 0.66 (0.72). The result for the period totalled EUR 107.1 (120.8) million.

Efficiency improvements

In 2009, Sanoma completed a large number of efficiency improvement programmes to strengthen its competitive position as well as safeguard profitability and cash flows. The non-recurring costs of the restructuring measures in 2009 amount to EUR 34.1 (91.3) million.

Sanoma News redesigned its editorial and marketing processes to increase co-operation between print and online operations. Sanoma Magazines Belgium decided to focus more on its key titles and strengthening relationships with its readers. Sanoma Magazines Netherlands has gathered all its print operations under Sanoma Uitgevers and all online operations under Sanoma Digital The Netherlands. The Dutch direct marketing organisation was closed down since direct marketing has become less important as a marketing channel. In Estonia, Sanoma Trade is reorganising its businesses. This reorganisation aims to ensure its competitiveness in the future, improve the efficiency of operations, and more importantly, enhance co-operation in marketing and business development. In Sanoma Learning & Literature, restructuring in multi-volume book publishing was finalised. The integration of operations in language services continues.

In addition to these larger programmes, Sanoma also reduced personnel and carried out short-term cost-saving programmes in several other business units either as a result of the weakened economic outlook or related to restructuring initiated by changing business needs in, for example, Russia, the Czech Republic and Finland. In 2009, the Group reduced its total expenses excluding non-recurring items by 7.9% with both cost of sales and other operating expenses decreasing more than the net sales. At the end of December, Sanoma had over 1,700 employees (FTE) less than at the year-end 2008, corresponding to a reduction of 9.4% in work force. Personnel costs, excluding the non-recurring items, were down by 4.5% from the 2008 level. The effects of personnel reductions of Sanoma News and Sanoma Magazines Belgium, for example, will become more visible during the first half of 2010.

Balance sheet and financial position

At the end of the year, the consolidated balance sheet totalled EUR 3,106.3 (3,278.7) million. Sanoma successfully maintained a good cash flow and the Group's cash flow from operations in 2009 totalled EUR 241.8 (250.3) million. Cash flow per share was EUR 1.50 (1.56). The weaker operational result was offset by effective working capital management and clearly lower financial items and taxes paid.

There were no significant changes in the Group's financial position during the year. At the end of December, Sanoma's equity ratio was 41.4% (40.0%). Net gearing increased to 79.4% (78.5%). Equity totalled EUR 1,206.6 (1,237.1) million. Return on equity (ROE) was 9.2% (2008: 9.1%; 2007: 18.6%), and the return on investment (ROI) was 8.9% (10.7%). Interest-bearing liabilities decreased to EUR 1,017.7 (1,082.6) million and interest-bearing net debt to EUR 958.1 (971.6) million. At the end of December, the Group's cash and cash equivalents totalled EUR 59.7 (110.9) million. Sanoma's net debt/EBITDA ratio was 2.6 at the end of 2009, in line with the Group's target to keep the ratio below 3.5.

Sanoma's financial position is stable. The existing credit facilities, such as the syndicated, long-term credit facility of EUR 802 million, cover all Sanoma's financing needs and Sanoma has no need for material refinance in the near future. Sanoma Corporation does not have any other significant agreements covered by the statutory obligation to disclose. The Group has, within the scope of normal business operations, agreements or agreements as a whole containing a standard change-of-control clause.

Investments, acquisitions and divestments

Investments in tangible and intangible assets totalled EUR 83.4 (109.9) million in 2009, and consisted mainly of ICT systems as well as replacement investments and renovations. Sanoma has a policy to keep the annual capital expenditure, excluding M&A, below EUR 100 million. Sanoma's business acquisitions in 2009 totalled EUR 6.7 (190.7) million. R&D expenditure was recorded at EUR 1.5 (4.1) million or 0.1% (0.1%) of net sales. R&D expenditure does not include costs related to launches of new products and services or renewal of existing ones, which are considered normal portfolio management and incurred as costs.

There were no significant transactions during the year. In the comparable year, Sanoma Magazines divested the Dutch movie distribution company R.C.V. Entertainment and a capital gain of EUR 23.5 million was recorded for the transaction. On 11 March 2008, Sanoma Learning & Literature completed its acquisition of the Polish educational publisher Nowa Era.

SANOMA MAGAZINES

Sanoma Magazines, operating in 13 European countries, is a leading publisher of magazines and has a strong presence in digital media. The company actively reaches out to an audience of 290 million consumers at every life stage, and aims to strengthen its market leader positions in each of the markets it operates in.

- Sanoma Magazines' strong brands were able to outperform market development in its key markets.
- Sanoma Magazines improved its result in the fourth quarter with EBIT excluding non-recurring items being 6.4% higher than in the comparable period.
- The full-year result was strongly affected by the decreasing advertising sales, in particular in Sanoma Magazines International.

Key indicators EUR million	**10-12/ 2009**	**10-12/ 2008**	**Change %**	**1-12/ 2009**	**1-12/ 2008**	**Change %**
Net sales	**307.1**	338.9	-9.4	**1,111.2**	1,246.8	-10.9
Operating profit excluding non-recurring items *	**38.4**	36.1	6.4	**113.4**	138.9	-18.4
% of net sales	**12.5**	10.6		**10.2**	11.1	
Operating profit	**27.4**	-40.6	167.4	**96.3**	85.7	12.4
Capital expenditure				**24.4**	26.8	-9.1
Return on investment (ROI), %				**7.9**	7.2	
Number of employees at the end of the period (FTE)				**5,191**	5,900	-12.0
Average number of employees (FTE)				**5,452**	5,731	-4.9

* In 2009, the non-recurring items included in the second quarter EUR 1.3 million, in the third quarter EUR 0.2 million and in the fourth quarter EUR 10,9 million Sanoma Magazines Belgium's restructuring expenses and in the third quarter EUR 4.6 million and in the fouth quarter EUR 0,1 million Sanoma Magazines Netherlands' restructuring expenses. In 2008, the non-recurring items included EUR 23.5 million capital gain from the divestment of movie distributor R.C.V. Entertainment in the first quarter as well as EUR 7.0 million capital gain from sales of online assets and EUR 83.7 million impairment loss on goodwill and immaterial rights in the fourth quarter.

Operational indicators *	**1-12/ 2009**	**1-12/ 2008**
Number of magazines published	**295**	344
Magazine copies sold, thousands	**372,995**	404,750
Advertising pages sold	**54,108**	70,367

* Including joint ventures

Sanoma Magazines' net sales in 2009 amounted to EUR 1,111.2 (1,246.8) million, 10.9% less than in the comparable year. The general economic situation affected sales in all operating countries with Sanoma Magazines International's net sales being impacted the most. The Division's net sales adjusted for changes in the Group structure were down by 11.3%. Of the Division's net sales, 18% (16%) came from Finland. In October–December, the Division's net sales decreased by 9.4% to EUR 307.1 (338.9) million with advertising sales in the Netherlands, Belgium and Finland showing slight improvement during the last months of the year.

The Division's advertising sales decreased by 23% in 2009 and represented 29% (33%) of net sales. The economic downturn hit advertising revenues in all markets, in particular Sanoma Magazines International's advertising sales. The Division's online advertising sales were at the comparable year's level.

Sanoma Magazines' circulation sales decreased by 3% and represented 60% (55%) of the Division's net sales. Subscription sales increased slightly in 2009 due to good development in the Netherlands, Belgium and Finland. Single copy sales declined, mostly in the CEE countries.

Sanoma Magazines Netherlands' net sales amounted to EUR 493.2 (515.7) million, due to weaker print advertising sales than in 2008. According to Nielsen Media Research, the consumer magazine advertising market in the Netherlands decreased by 16% in 2009. However, with its strong brands Sanoma Magazines Netherlands was able to outperform the market development both in print and online advertising and increase its market share. New assets, acquired in the second half of 2008, contributed to Sanoma Magazines Netherlands' online advertising growth of 6%. In total, advertising sales represented 27% (29%) of Sanoma Magazines Netherlands' net sales. Sanoma Magazines Netherlands also improved its market position in the readers' market. Its circulation revenues were at the comparable year's level, even though some titles were discontinued during the year. Subscription sales in particular developed positively with increased sales of core brands offsetting the changes in the portfolio. During the year, Sanoma Magazines Netherlands closed down or sold 11 magazines, and launched two magazines as well as nine online services.

Sanoma Magazines International's net sales were EUR 211.3 (306.7) million. The economic downturn affected sales strongly in all countries. The reported net sales were also substantially impacted by negative translation effects, especially of the Russian rouble and Hungarian forint. Advertising sales, representing 49% (56%) of Sanoma Magazines International's net sales, decreased especially in Russia, Hungary and Ukraine. Sanoma Magazines International reacted quickly to changing market conditions at the beginning of the year and discontinued 21 unprofitable magazine titles, which also lowered advertising sales, in particular in the Czech Republic. Circulation sales were clearly below the comparable year. This is also partly attributable to the reduced number of magazines published and, in some cases, the number of issues. The publication frequency of various titles has been adjusted in order to save costs. Sanoma Magazines International launched one magazine in 2009 and strengthened its leading position in the Hungarian online market through the acquisition of the comparison site *Olcsobbat.hu*. Sanoma Magazines International also improved its market share in Romania and is now the leading magazine publisher in the country.

Net sales at Sanoma Magazines Belgium totalled EUR 212.3 (223.2) million. In the readers' market, Sanoma Magazines Belgium outperformed the market development. Its circulation sales grew slightly due to increased subscription sales. In line with the market development, advertising sales were below the comparable period and represented 25% (27%) of net sales. During the year, Sanoma Magazines Belgium renewed its strategy and started to redesign its organisation to better use the opportunities of the changing media environment.

Sanoma Magazines Finland's net sales amounted to EUR 198.8 (205.6) million. Circulation sales in Finland held up well but advertising sales were down from the comparable year. According to TNS Gallup Adex, advertising in consumer magazines in Finland decreased by 21% in 2009 and the volume of the single copy market for magazines by 7%. Advertising sales represented 13% (15%) of Sanoma Magazines Finland's net sales. Sanoma Magazines Finland outperformed the market development both in advertising and the readers' market and has increased its market shares. In particular the key titles, such as the women's weekly *Me Naiset* and the glossy *Gloria* together with its brand extensions increased their readership.

Sanoma Magazines' investments in tangible and intangible assets totalled EUR 24.4 (26.8) million and consisted mainly of ICT investments. The most significant acquisition in 2009 was that of Hungarian SELKO kft, which operates the comparison site *Olcsobbat.hu*. In the comparable year, the major acquisitions were the majority shareholding in magazine publisher Mood for Magazines and the acquisitions of Netinfo and European Autotrader.

Sanoma Magazines' operating profit excluding non-recurring items in 2009 was EUR 113.4 (138.9) million, a decrease of 18.4% from the comparable year. Decreasing advertising sales affected results in all businesses, in particular in Sanoma Magazines International and also in Sanoma Magazines Netherlands. Operating profit improved slightly in Finland. Non-recurring items totalled EUR -17.1 (-53.2) million and were related to restructuring in Sanoma Magazines Belgium and the direct marketing organisation in the Netherlands. In the comparable year, the non-recurring items consisted of a recognition of impairment and write-downs totalling EUR 83.7 million and capital gains of EUR 30.5 million related to the divestments of R.C.V. Entertainment and some online assets. Operating profit in 2009 amounted to EUR 96.3 (85.7) million. The Division initiated several programmes to improve the profitability of its business units and in October–December, Sanoma Magazines improved its operating profit excluding non-recurring items by 6.4% to EUR 38.4 (36.1) million.

Sanoma Magazines continues to develop its magazine portfolio with a special focus on its key titles in each operating country. Sanoma Magazines is investing in strengthening its market positions, and wants to become stronger in digital media. The growth in digital operations can be done by leveraging existing assets and will be speeded up by organisational changes made in 2009. At the same time Sanoma Magazines continues to strongly focus on improving efficiency and saving costs.

In 2010, Sanoma Magazines' net sales are expected to grow slightly and it is estimated that operating profit excluding non-recurring items will be at the previous year's level.

SANOMA NEWS

Sanoma News is the leading newspaper publisher in Finland and its printed and digital products have a strong presence in the lives of Finns. In addition to Helsingin Sanomat, the largest daily in the Nordic region, Sanoma News publishes other national and regional newspapers and it is also one of the most significant digital media players in Finland.

- Sanoma News improved its result in the fourth quarter and posted 14.5% higher EBIT than in the comparable period. Total savings of over EUR 30 million were achieved during 2009.
- In 2009, the tabloid *Ilta-Sanomat* was able to reverse its market share development. Online visitors and advertising sales continued to grow significantly.
- The total reach of *Helsingin Sanomat* is at an all-time-high due to increasing print readership and growing online audience.
- After the review period, Sanoma News focused its operations by divesting picture agency Lehtikuva.

Key indicators EUR million	**10-12 / 2009**	**10-12 / 2008**	**Change %**	**1-12 / 2009**	**1-12 / 2008**	**Change %**
Net sales	**112.9**	119.2	-5.4	**428.9**	474.7	-9.7
Operating profit excluding non-recurring items *	**10.8**	9.4	14.5	**40.6**	57.3	-29.2
% of net sales	**9.6**	7.9		**9.5**	12.1	
Operating profit	**10.8**	9.4	14.5	**32.2**	57.3	-43.9
Capital expenditure				**10.6**	19.6	-46.0
Return on investment (ROI), %				**12.1**	19.2	
Number of employees at the end of the period (FTE)				**2,306**	2,449	-5.8
Average number of employees (FTE)				**2,399**	2,491	-3.7

* In 2009, the non-recurring items included in the first quarter EUR 2.3 million and in the second quarter EUR 6.1 million expenses related to the efficiency programme.

Operational indicators	**1-12 / 2009**	**1-12 / 2008**
Distribution of free sheets, millions	**74.8**	92.4

Audited circulation	**1-12 / 2009**	**1-12 / 2008**
Helsingin Sanomat	**397,838**	412,421
Ilta-Sanomat	**153,051**	161,615

Online services, unique visitors, weekly	**10-12 / 2009**	**10-12 / 2008**
Iltasanomat.fi	**1,827,379**	1,548,421
HS.fi	**1,280,225**	1,096,222
Huuto.net	**462,347**	452,712
Oikotie.fi	**374,397**	288,133
Taloussanomat.fi	**508,089**	418,740
Keltainenporssi.fi	**169,441**	175,199

Sanoma News' net sales in 2009 totalled EUR 428.9 (474.7) million, a decrease of 9.7% from the comparable year. Most of the decrease came from the Helsingin Sanomat business unit, where advertising sales declined significantly. Adjusted for changes in the Group structure, net sales decreased by 10.1%. In October–December, some improvement was seen in advertising and single copy sales. The Division's net sales were down by 5.4%, clearly less than in the previous quarters, and amounted to EUR 112.9 (119.2) million.

The advertising market in Finland in 2009 was significantly below the comparable year. The last months of the year showed small positive signs, but according to TNS Gallup Adex, newspaper advertising in Finland decreased by 22% in January–December. Job advertising in Finland decreased by 51% and real estate advertising by 35%. Advertising in free sheets was down by 19%. Online advertising included in the statistics also decreased by 4%.

Sanoma News' advertising sales followed the general advertising environment, and decreased by 22% during the year, with print classified advertising in particular affecting sales. However, November and December sales showed clear progress. The Division's online advertising sales performed clearly better than the market and were almost at the comparable year's level. Advertising sales represented 45% (53%) of the Division's net sales in 2009.

The Finnish tabloid market has been affected by structural migration to online and declined by 6% in 2009. However, the decrease in circulation of *Ilta-Sanomat* has slowed down markedly with the fourth quarter showing a level close to the comparable year. With the amount of online visitors increasing constantly, the total reach of Sanoma News improved during the year. The Division's circulation sales grew by 3% with both subscription and single copy sales increasing. Circulation sales accounted for 44% (38%) of the Division's net sales.

The Helsingin Sanomat business unit's net sales totalled EUR 240.3 (279.5) million. Circulation sales increased from the comparable year due to new hybrid subscription models combining print and digital products and increases in subscription prices. In November, the renewed daily newspaper was launched and the renewed product and promotional measures offset the circulation decrease. This positive development is expected to continue in 2010. The number of readers of the *Helsingin Sanomat* daily newspaper increased according to the latest National Readership Survey. Together with its growing online audience, the total reach of *Helsingin Sanomat* is at an all-time high. Advertising sales of the business unit were strongly affected by the overall economic situation. Job advertising in the daily print edition of *Helsingin Sanomat* was 52% lower than in 2008 and real estate advertising 53%. In total, advertising sales represented 53% (62%) of the business unit's net sales.

Net sales of the Ilta-Sanomat business unit were almost at the comparable year's level and amounted to EUR 78.2 (80.4) million. *Ilta-Sanomat* had a 57.1% (57.1%) share of the tabloid market. The development of the newsstand market in the last quarter of 2009 was considerably better than in January–September. The positive signs in circulation development together with the content revamp in 2008, and successful marketing efforts in 2009 enabled *Ilta-Sanomat* to reverse its market share development. Online advertising sales of the business unit were 28% above the comparable year. However, the print advertising sales declined and in total, advertising sales represented 24% (31%) of the business unit's net sales in 2009.

Net sales from other publishing decreased to EUR 91.8 (100.9) million due to lower advertising revenues in regional papers in particular. However, the circulation sales of regional papers grew and the number of readers of *Etelä-Saimaa* increased markedly. In the Sanoma Kaupunkilehdet business unit for free sheets net sales decreased due to the merging of the *Metro* and *Uutislehti 100* titles in autumn 2008. In 2009, Sanoma Kaupunkilehdet gained market share. The Sanoma Digital Finland business unit's net sales were at the comparable year's level and its advertising sales outperformed the market, in particular in the second half of the year.

After the review period, Sanoma News decided to sell the picture agency Lehtikuva to the Finnish News Agency (STT). The purchase price will be partly paid by means of a share issue directed at Sanoma News. Following the transaction, Sanoma News' holding in STT will increase from 23.1 to 34.3%. The deal is subject to the approval by STT's Annual General Meeting and is expected to be closed at the end of February. Sanoma News will book a non-recurring gain of some millions on the sale in its 2010 results.

Net sales from other businesses, mainly comprising internal billing, were EUR 143.7 (150.1) million. Net sales decreased due to fewer internal printing jobs. External printing services developed well and grew by 17% from the comparable year.

In 2009, Sanoma News' investments in tangible and intangible assets totalled EUR 10.6 (19.6) million, and consisted mainly of investments in digital business and reader-customer management system. There were no significant acquisitions in 2009. The most significant transaction of the comparable year was the acquisition of a majority holding in Suorakanava.

In 2009, Sanoma News' operating profit excluding non-recurring items was EUR 40.6 (57.3) million, 29.2% less than in the comparable year. The non-recurring items included in the operating profit totalled EUR -8.4 (0.0) million and consisted of expenses related to the efficiency programme. Operating profit including the non-recurring items totalled EUR 32.2 (57.3) million. Efficiency improvements and cost-savings offset partly the effects of decreased advertising sales, but operating profits were below the comparable year in all reported businesses, except in the Ilta-Sanomat business unit where the result improved. The effects of the efficiency improvements became more visible towards the end of the year and in October–December Sanoma News' operating profit excluding non-recurring items increased by 14.5% to EUR 10.8 (9.4) million.

Sanoma News will continue the planned development of its printed products and digital services. The company has also decided to invest in a new reader-customer management system to support, among other actions, product development opportunities for newspapers in the multimedia environment. In 2010 the media advertising market continues to be challenging and structural changes in the market continue. Sanoma News will therefore continue its efforts to reshape its organisation, adapt its operations to the lower revenue level and find new revenue sources.

In 2010, Sanoma News' 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

Sanoma Entertainment offers entertaining experiences on television, radio and online. Sanoma Entertainment's business units include Nelonen Media, which focuses on broadcast operations, and Welho, Finland's largest cable television operator. The Division's newest business unit is Sanoma Games, which concentrates on online casual gaming.

- Sanoma Entertainment's operating profit in 2009 grew by 20% with all businesses improving their results.
- Nelonen Media's viewing and listening shares developed positively. In the fourth quarter, the TV channels' commercial viewing grew by four percentage points in its main target group.
- Welho increased the number of both its broadband and pay TV subscribers.
- Nelonen Sport Pro, Finland's most diversified sports channel was launched in February 2010.

Key indicators EUR million	**10-12/ 2009**	**10-12/ 2008**	**Change %**	**1-12/ 2009**	**1-12/ 2008**	**Change %**
Net sales	**41.1**	41.0	0.3	**157.1**	157.1	0.0
Operating profit excluding non-recurring items	**3.9**	4.1	-4.0	**20.7**	17.3	19.8
% of net sales	**9.5**	10.0		**13.2**	11.0	
Operating profit	**3.9**	4.1	-4.0	**20.7**	17.3	19.8
Capital expenditure				**9.3**	13.5	-31.3
Return on investment (ROI), %				**18.3**	15.8	
Number of employees at the end of the period (FTE)				**458**	488	-6.1
Average number of employees (FTE)				**469**	482	-2.6

Operational indicators Thousands	**1-12/ 2009**	**1-12/ 2008**
TV channels' share of Finnish TV advertising	**32.6%**	29.5%
TV channels' national commercial viewing share	**29.8%**	29.6%
TV channels' national viewing share	**14.8%**	14.1%
Number of connected households (31 Dec)	**326**	323
Number of pay TV customers (31 Dec)	**76**	68
Number of broadband internet connections (31 Dec)	**116**	105

Sanoma Entertainment's net sales in 2009 were at the comparable year's level and amounted to EUR 157.1 (157.1) million. In addition, net sales adjusted for changes in the Group structure remained stable. Advertising sales accounted for 49% (52%) of Sanoma Entertainment's net sales. In October–December, net sales were EUR 41.1 (41.0) million.

Broadcast operation's net sales totalled EUR 88.1 (88.9) million, while the Finnish TV advertising market shrank by 12% in 2009 according to TNS Gallup Adex. Nelonen Media's multichannel strategy in TV operations has resulted in the increase of its market share to 32.6% (29.5%). New targeted TV channels, national radio stations and online TV all increased their advertising sales.

Nelonen Media's lifestyle channel Liv, launched in February 2009, started broadcasts on the terrestrial network in December, which will further improve the good viewing shares the channel achieved during 2009. Other TV channels also posted good viewing shares and Nelonen Media's commercial viewing share in 2009 reached 33.7% in the target group of 10–44 year olds. In the fourth quarter, the viewing share grew by four percentage points. The online TV service *Ruutu.fi*, launched in June 2009, has rapidly become very popular. In December, Nelonen Media announced that it will launch new sports channels in February 2010. The pay TV channel Nelonen Sport Pro will be a co-operation with Viasat.

According to the Association of Finnish Broadcasters, national radio advertising decreased by 1% in 2009. Nelonen Media increased its share of national radio advertising to 14%. The repositioning of Radio Aalto in August increased the channel's weekly listeners significantly. Radio Aalto is now reaching its target group well. Radio Rock has also improved its listening share and increased its advertising sales.

Net sales from other operations were EUR 70.4 (69.4) million and include cable and broadband operator Welho and Sanoma Games, the Division's emerging online gaming business unit. Welho's fast and easy-to use broadband services together with rewarded customer service were the key to increasing the number of fixed broadband subscribers in 2009. For the fourth year in a row, Welho received the most points in the customer satisfaction survey for the Finnish broadband operators.

Welho has also actively marketed its pay TV services. This, together with the September launch of Welho Mix, a pay TV channel package offering extensive customisation, enabled Welho to grow its customer base in the fourth quarter. In December, Welho started 3DTV test distribution among the first players in the world. Sanoma Games expanded internationally by launching a fantasy sports game with the Swedish Hockey League Elitserien in October. Online gaming is one of the spear heads of the Group's online strategy.

Sanoma Entertainment's investments in tangible and intangible assets totalled EUR 9.3 (13.5) million, most of which was allocated to the development of Welho's cable network and services. There were no major acquisitions in 2009 or the comparable year.

Sanoma Entertainment's operating profit increased by 19.8% in 2009, totalling EUR 20.7 (17.3) million. The operating profit did not include non-recurring items. Operating profit improved both in broadcasting and other operations. The increase was driven by lower expenses in general and cost-saving measures. In October–December, Sanoma Entertainment invested in increasing customer base and viewing shares for the future and as a result, the operating profit amounted to EUR 3.9 (4.1) million, 4.0% less than in the comparable period.

Sanoma Entertainment focuses on developing its television and broadband services as well as its online gaming operations. In addition, Sanoma Entertainment continuously refines its processes and service offering to better meet the needs of its customers and to improve its efficiency.

In 2010, Sanoma Entertainment's net sales and operating profit excluding non-recurring items are expected to be at the previous year's level.

SANOMA LEARNING & LITERATURE

Sanoma Learning & Literature, operating in 10 countries, is a leading European provider of learning materials and solutions in print and digital format. The Division has growing international language service operations and is also the leading general literature publisher in Finland.

- Learning performed well in 2009, with market positions strengthening in Belgium and Poland.
- Sales of language services and training were clearly affected by the economic environment.
- Finnish multi-volume book publishing was restructured in December and new printing activities were combined in January 2010.
- Sanoma Learning & Literature improved its result in the fourth quarter from the comparable period's level.

Key indicators EUR million	**10-12/ 2009**	**10-12/ 2008**	**Change %**	**1-12/ 2009**	**1-12/ 2008**	**Change %**
Net sales	**64.7**	88.0	-26.5	**345.1**	390.0	-11.5
Operating profit excluding non-recurring items *	**-10.4**	-11.6	10.5	**43.5**	53.2	-18.3
% of net sales	**-16.1**	-13.2		**12.6**	13.6	
Operating profit	**-12.8**	-12.7	-0.6	**38.5**	45.6	-15.7
Capital expenditure				**13.1**	15.6	-16.2
Return on investment (ROI), %				**7.2**	9.6	
Number of employees at the end of the period (FTE)				**2,745**	2,908	-5.6
Average number of employees (FTE)				**2,780**	2,737	1.6

*In 2009, the non-recurring items included in the third quarter EUR 1.5 million and in the fourth quarter EUR 2,4 million restructuring expenses and in the third quarter EUR 1.1 million expenses related to the sale of children's magazines. In 2008, the non-recurring items included EUR 6.5 million of write-downs and restructuring costs in the multi-volume and year book publishing in the third quarter and EUR 1.1 million restructuring costs in the fourth quarter.

Operational indicators	**1-12/ 2009**	**1-12/ 2008**
Learning		
Number of new titles published, books	**1,470**	1,539
Number of new titles published, digital products	**346**	411
Literature and other businesses		
Number of new titles published, books	**400**	443
Number of new titles published, digital products	**102**	100
Books sold, millions	**35.6**	33.5

Sanoma Learning & Literature's net sales in 2009 amounted to EUR 345.1 (390.0) million, a decrease of 11.5% from the comparable year, coming mainly from the negative translation effect of the Polish zloty and the Hungarian forint and the effect of incidental government tenders in Young Digital Planet's (YDP) e-learning sales in 2008. Net sales adjusted for changes in the Group structure decreased by 13.7%. A total of 62% (62%) of the Division's net sales came from outside Finland. In October–December, the Division's net sales were EUR 64.7 (88.0) million, a decrease of 26.5% mainly due to decreasing sales of language services and a decrease in the number of projects through government tenders in the sales of YDP compared to 2008.

Net sales in learning totalled EUR 239.1 (273.3) million. In the Netherlands net sales were somewhat below the comparable year's level due to the divestment of the consumer business and the effects of the downturn in the economy on adjacent business. Net sales in Finland decreased due to the economic situation affecting the sales of business training and books. The sales of learning materials and solutions grew in 2009, although upper secondary sales were under pressure because of increasing re-use of textbooks. Net sales grew clearly in Belgium, where Van In's learning materials and solutions were successful in all segments, in particular new products in primary education sold well. Nowa Era in Poland was very successful in the material reform and has improved its market share significantly in secondary education and posted increased net sales. In Hungary, the sales of learning materials and solutions were at the comparable year's level, but total net sales were impacted by a severe decrease of sales in the business training segment. YDP's sales in 2008 were characterized by incidental government tenders. In 2009 YDP sales were lower but consisted mostly of export sales of own products.

Net sales in language services were EUR 27.5 (28.8) million. Sales of language services have been strongly affected by the general economic situation. The decrease in net sales was partly offset by the new operations acquired in 2008. The language service business unit has reviewed its processes in 2009 and is now focusing on integrating its country organisations in order to build an efficient and distinctive language service provider in the Nordic market.

Net sales in literature and other businesses were EUR 88.9 (101.2) million. In Finland, the general literature market in 2009 continued to slow down, but WSOY performed relatively well in the market. Net sales in multi-volume and year-book publishing are markedly lower than in the comparable year. The Division downscaled its Nordic multi-volume operations in 2008 and the Finnish organisation in 2009. Sales were down in book printing, where the market has had considerable overcapacity. WS Bookwell reinforced its position by acquiring the assets and business of Gummerus Printing in December, consolidating its operations and downscaling personnel at the beginning of 2010.

Sanoma Learning & Literature's investments in tangible and intangible assets totalled EUR 13.1 (15.6) million. They comprised ICT investments, among others. The most significant transactions were the acquisition of the Belgian Wees Wegwijs, specialised in publishing road safety books, and the acquisition of the Finnish book printer Gummerus Printing. In the comparable period, the most significant acquisitions included that of the Polish educational publisher Nowa Era and the Swedish language service provider Interverbum.

The Division's operating profit excluding non-recurring items in 2009 amounted to EUR 43.5 (53.2) million, 18.3% less than in the comparable year. Currency fluctuations and the result decrease in language service operations, where the economic downturn has affected sales considerably, explain most of the decrease in the Division's result. In addition to negative exchange rate developments, operating profit in learning was affected by the negative impact of the consolidation of Nowa Era's seasonal losses in the first quarter. The operational result of learning was up in most countries. The result in literature and other businesses improved. Cost-savings partly offset the effect that lower sales have had on profits. The non-recurring items totalled EUR -5.0 (-7.6) million and were related to the restructuring of unprofitable units both in 2009 and in 2008. Operating profit including non-recurring items totalled EUR 38.5 (45.6) million. In October–December, the Division's operating loss excluding non-recurring items was EUR 10.4 (11.6) million, 10.5% less than in the comparable period. The improvement came from increased efficiency in learning as well as in literature and other businesses.

Sanoma Learning & Literature continues to focus on further internationalising its learning business, expanding language services and maintaining market leadership in Finnish general literature publishing. At the same time, the Division will continue to restructure its operations. Customers are increasingly looking at customised solutions both in learning and language services. Sanoma Learning & Literature is well positioned to offer these and can gain efficiency from developing platforms to be used in several markets.

In 2010, it is estimated that the net sales and operating profit excluding non-recurring items of Sanoma Learning & Literature will increase somewhat from the previous year's level.

SANOMA TRADE

Retail specialist Sanoma Trade's strengths are a thorough understanding of customers' needs and solid concepts. Sanoma Trade serves its customers in 230 million annual sales contacts at kiosks, bookstores and movie theatres. Operating in eight countries, trade services (previously press distribution) is a strong link between publishers and retailers.

- Movie operations had another record breaking year in Finland: movie admissions increased by 4.3% to over 5 million visits and box-office revenues reached an all-time high.
- The results in business in Finland and in the Netherlands were at the comparable year's level despite difficult market conditions.
- The Baltic as well as the Russian and Romanian businesses were strongly affected by the recession.

Key indicators EUR million	**10-12 / 2009**	**10-12 / 2008**	**Change %**	**1-12 / 2009**	**1-12 / 2008**	**Change %**
Net sales	**235.3**	239.3	-1.7	**827.8**	866.6	-4.5
Operating profit excluding non-recurring items*	**10.3**	14.7	-30.3	**27.6**	45.1	-38.8
% of net sales	**4.4**	6.2		**3.3**	5.2	
Operating profit	**6.7**	14.7	-54.7	**24.0**	45.1	-46.8
Capital expenditure				**25.5**	33.8	-24.5
Return on investment (ROI), %				**8.2**	16.5	
Number of employees at the end of the period (FTE)				**5,943**	6,626	-10.3
Average number of employees (FTE)				**6,164**	6,633	-7.1

* In 2009, the non-recurring items included in the fourth quarter EUR 3,6 million restructuring expenses.

Operational indicators Thousands	**1-12 / 2009**	**1-12 / 2008**
Customer volume in kiosk operations	**194,692**	212,171
Customer volume in bookstores	**7,239**	7,484
Customer volume in movie theatres	**9,501**	10,192
Number of copies sold (press distribution)	**350,186**	383,289

Sanoma Trade's net sales in 2009 totalled EUR 827.8 (866.6) million, 4.5% less than in the comparable year. Net sales of kiosk operations were at the comparable year's level. Most of the decrease in the Division's net sales came from trade services and bookstores. Net sales adjusted for changes in the Group structure decreased by 4.3%. Of Sanoma Trade's net sales, 32% (33%) came from outside Finland. In October–December, the Division's net sales were down by only 1.7% and totalled EUR 235.3 (239.3) million, with kiosk sales growing from the comparable period.

Net sales from kiosk operations amounted to EUR 410.9 (409.4) million. Kiosk sales in Finland were in line with the 2008 level. Net sales increased by 16% in Lithuania. Sales in the new operations in Romania also grew. In Estonia, Latvia and Russia, kiosk sales were down. During the year, Sanoma Trade closed down over 100 loss-making kiosks, mostly in Latvia and Lithuania. In Finland, the first pilot stores testing a number of new R-kiosk concepts were launched in November. In Russia, Sanoma Trade has decided to focus its kiosk operations to the Moscow region.

Net sales from trade services were EUR 222.2 (241.5) million. With all European markets faced with declines in press distribution volumes, net sales in the Division's trade services developed satisfactorily and outperformed the markets in many countries. In Finland, the sales of tabloids showed some positive signs at the end of the year. In the Netherlands, newsstand sales began to grow in the second half of 2009. Cumulatively, however, press distribution volumes and net sales were down. In the Baltic markets, cover prices rose due to VAT increases, which also affected volumes negatively. In the fourth quarter, contracts for distributing new products were signed in Finland and Lithuania.

Net sales from bookstores were EUR 123.3 (139.2) million. Net sales of the comparable year included the subscription business divested in May 2008. In Finland, Christmas book sales developed positively and sales of fiction, paperbacks in particular, grew during the year. However, the total book market was sluggish and net sales from bookstores decreased both in Finland and Estonia. In Estonia, two new bookstores were opened in the fourth quarter.

Net sales from movie operations totalled EUR 88.0 (94.3) million. In Finland, 2009 was the second record year in row with over 5 million movie admissions and net sales increased. Alternative content, 3D movies, easy-to-use online ticket service and the multiplex theatre concept clearly attract customers. The constant supply of interesting movies has evened out differences between quarters. The economic downturn and lower private consumption affected movie sales in the Baltic countries and net sales decreased in Latvia in particular.

Sanoma Trade's investments in tangible and intangible assets totalled EUR 25.5 (33.8) million, and focused mainly on ICT projects, 3D digital equipment as well as on the expansion of the dispatch centre. There were no major acquisitions in 2009. In the comparable year, the most important acquisitions included minority shares in the Latvian movie theatre operator Forum Cinemas and Lithuanian press distributor Impress Teva, and the acquisition of the Russian kiosk chain KP Rosnitza.

Sanoma Trade's operating profit excluding non-recurring items in 2009 amounted to EUR 27.6 (45.1) million, a decrease of 38.8% coming from the foreign operations. The non-recurring items included in the operating profit totalled EUR -3.6 (0.0) million and consisted of restructuring costs in Russia, Latvia and Lithuania. The operating profit decreased in all businesses due to lower sales and earlier investments in new markets. The results in businesses in Finland and the Netherlands were at the previous year's level. Operating profit including non-recurring items totalled EUR 24.0 (45.1) million. In October–December, the Division's operating profit excluding non-recurring items was down by 30.3% and totalled EUR 10.3 (14.7) million. The fourth quarter's development is the result of Sanoma Trade's intensive cost-saving programmes in all businesses and the improved sales in Finnish kiosk operations and bookstores.

Sanoma Trade continues to develop its concepts, particularly its kiosk and bookstore concepts. Efficient chain management as well as a product and service offering that caters to the needs of customers are key success factors in all markets and will ensure the competitiveness of Sanoma Trade. With its 230 million annual customer contacts, Sanoma Trade gains valuable consumer insight and has good possibilities to develop its product and service offering.

In 2010, Sanoma Trade's net sales are expected to increase slightly and operating profit excluding non-recurring items to improve clearly from the previous year's level.

THE GROUP

Personnel

In 2009, the average number of persons employed by the Sanoma Group was 20,637 (2008: 21,329; 2007: 19,587). In full-time equivalents, the number of Group employees at the end of the year was 16,723 (2008: 18,453; 2007: 16,730). The number of employees decreased due to restructuring measures in different divisions. Some of the arrangements will continue to have an impact on personnel numbers in 2010. In full-time equivalents, Sanoma Magazines had 5,191 (5,900) employees at the end of 2009, Sanoma News 2,306 (2,449), Sanoma Entertainment 458 (488), Sanoma Learning & Literature 2,745 (2,908) and Sanoma Trade 5,943 (6,626). The number of employees in the Parent Company was 79 (81).

The total employee benefits to Sanoma employees in 2009, including the expense recognition of options granted, amounted to EUR 563.0 (2008: 575.5; 2007: 533.0) million.

Dividend

On 31 December 2009, Sanoma Corporation's distributable funds were EUR 668.8 million, of which profit for the year made up EUR 145.0 million.

The Board of Directors proposes to the Annual General Meeting that:
– A dividend of EUR 0.80 per share, or in total an estimated EUR 129.5 million, shall be paid
– A sum of EUR 0.5 million shall be transferred to the donation reserve and used at the Board's discretion
– The amount left in equity shall be EUR 538.9 million

In accordance with the Annual General Meeting's decision, Sanoma paid out a per-share dividend of EUR 0.90 for 2008. Sanoma conducts an active dividend policy and primarily distributes over half of the Group result after taxes in dividends.

AGM, Financial Statements and Annual Report

Sanoma Corporation AGM will be held on 8 April 2010 at 2 pm at the Congress Wing of the Helsinki Exhibition & Convention Centre, Finland. The agenda of the meeting is available on the Group's website. Sanoma's Annual Report, Financial Statements and Board of Directors' Report for 2009 will be published in digital format during week 10 (the week beginning 8 March). A printed copy of the Annual Report will be available during week 11 (the week beginning 15 March).

Shares and holdings

In 2009, the number of Sanoma shares traded totalled 72,078,344 (100,271,123). Traded shares accounted for 45% (62%) of the average number of shares for the year. Sanoma's total stock exchange turnover was EUR 821.6 (1,500.2) million.

The volume-weighted average price of a Sanoma share in 2009 was EUR 11.45, with a low of EUR 8.02 and a high of EUR 15.80. At the end of the year, Sanoma's market capitalisation was EUR 2,536.5 (1,479.7) million, with Sanoma's share closing at EUR 15.76 (9.21). On 31 December 2009, the Company had 21,045 shareholders, with foreign holdings accounting for 10.4% (10.9%) of all shares and votes. There were no major changes in share ownership in 2009, and Sanoma did not issue any flagging announcements.

During the year, the Board did not use its authorisation to repurchase the Company's shares. The Company shares acquired in 2008 were cancelled in February 2009. During the first quarter of 2009, the number of shares also changed because of shares registered with stock options. At the end of December, Sanoma had 161,816,894 shares, including the interim shares related to the conversion and registered on 7 January 2010. The registered share capital totalled EUR 71,258,986.82.

Board of Directors, auditors and management

The AGM of 1 April 2009 confirmed the number of Sanoma's Board members at ten. Board members Jaakko Rauramo and Sakari Tamminen were re-elected, and Annet Aris was elected to the Board as a new member. The Board of Directors of Sanoma consists of the following: Jaakko Rauramo, Chairman; Sakari Tamminen, Vice Chairman; and Annet Aris, Robert Castrén, Jane Erkko, Paavo Hohti, Sirkka Hämäläinen-Lindfors, Seppo Kievari, Rafaela Seppälä and Hannu Syrjänen as members.

The AGM re-appointed Pekka Pajamo, APA, and Sixten Nyman, APA, as his deputy, and chartered accountants KPMG Oy Ab, with Kai Salli, APA, acting as the Auditor in Charge, as the auditors of the Company.

During the year, two new members joined Sanoma's Executive Management Group (EMG). Timo Mänty was appointed President and CEO of the Sanoma Trade division and a member of the EMG as of 1 January 2009 and Chief Strategy Officer Sven Heistermann was appointed a member of the EMG as of 1 October 2009. At the end of 2009, the EMG comprised Hannu Syrjänen (Chairman), Eija Ailasmaa, Jacques Eijkens, Sven Heistermann, Kim Ignatius, Timo Mänty, Anu Nissinen and Mikael Pentikäinen.

Board authorisations

The AGM held on 1 April 2009 authorised the Board of Sanoma to decide on the repurchase of a maximum 16,000,000 of the Company's own shares with the Company's unrestricted shareholders' equity. The authorisation is effective until 30 June 2010. The Board did not use this authorisation in 2009.

In addition, the Board has a valid authorisation until the AGM of 2010 to increase the share capital with a maximum of 82,000,000 new shares and the transfer of a maximum of 5,000,000 treasury shares. Under this authorisation, the Board decided on 18 December 2009 on the issuance of Stock Option Scheme 2009.

During the review period, the authorisation by the AGM of 1 April 2008 for repurchasing the Company's own shares was in force. The authorisation was not used during the review period and its validity ended on 1 April 2009.

Seasonal fluctuation

The net sales and result of Sanoma Magazines, Sanoma News and Sanoma Entertainment are particularly affected by the development of advertising. Advertising sales are influenced, for example, by the number of newspaper and magazine issues published during each quarter, which varies annually. Television advertising in Finland is usually strongest in the second and fourth quarters.

Learning accrues most of its net sales and results during the second and third quarters.

A major portion of the net sales and results in retail are, on the other hand, generated in the last quarter, particularly from Christmas sales. Of course, the number of shopping days and, for example, the distribution of holidays over different quarters impacts the retail sales between quarters.

Seasonal business fluctuations influence the Group’s net sales and operating profit, with the first quarter traditionally being clearly the smallest.

Significant risks and uncertainty factors

While executing strategy, Sanoma and its divisions and subsidiaries are exposed to numerous risks and risk taking opportunities. Managing business risks and the opportunities associated with them is a core element in the daily responsibilities of Sanoma's management.

The most significant risks and uncertainty factors Sanoma is facing are described in the Financial Statements, together with the main principles of risk management. Many of the identified risks relate to changes in customer preferences. Ongoing digitisation has been the driving force behind these changes for some time, and Sanoma has identified action plans in all its divisions on how to respond to this challenge.

Normal business risks associated with the industry relate to developments in media advertising and consumer spending. Media advertising is sensitive to economic fluctuations. Therefore, the general economic conditions of the countries in which the Group operates and the economic trends of the industry influence Sanoma’s business activities and operational performance.

Sanoma

GROUP FINANCIAL STATEMENTS (FULL-YEAR FIGURES AUDITED)

Accounting policies

The Sanoma Group has prepared its Financial Statements in accordance with IAS 34 'Interim Financial Reporting' while adhering to related IFRS standards and interpretations applicable within the EU on 31 December 2009.

The Group has applied the following new or revised standards as of January 2009: IAS 1 'Presentation of Financial Statements' and IFRS 8 'Operating Segments'. The adoption of IAS 1 'Presentation of Financial Statements' affected the terminology in the Interim Report and the presentation of some financial statements. The adoption of IFRS 8 had no material effect on Sanoma's Interim Report.

Sanoma Learning & Literature has started to capitalize prepublication costs of learning materials and solutions to intangible assets as of 1 January 2009. Previously, the principle was to include prepublication expenses in acquisition cost of inventory. The change in accounting policy does not have any material impact on Sanoma's income statement or balance sheet.

The accounting policies of the Financial Statements and the definitions of key indicators are presented on the Sanoma website at Sanoma.com. All figures have been rounded and consequently the sum of individual figures can deviate from the presented sum figure. Key figures have been calculated using exact figures.

CONSOLIDATED INCOME STATEMENT EUR million	**1-12/ 2009**	**1-12/ 2008**
NET SALES	**2,767.9**	3,030.1
Other operating income	**64.6**	97.1
Materials and services	**1,238.5**	1,367.4
Employee benefit expenses	**695.5**	702.8
Other operating expenses	**536.2**	588.8
Depreciation, amortisation and impairment losses	**167.0**	231.9
OPERATING PROFIT	**195.4**	236.3
Share of results in associated companies	**-3.9**	4.9
Financial income	**22.5**	18.9
Financial expenses	**52.6**	69.9
RESULT BEFORE TAXES	**161.4**	190.3
Income taxes	**-54.3**	-69.4
RESULT FOR THE PERIOD	**107.1**	120.8
Result attributable to:		
Equity holders of the Parent Company	**105.6**	115.7
Non-controlling interests	**1.6**	5.1
Earnings per share for result attributable to the equity holders of the Parent company		
Earnings per share, EUR	**0.66**	0.72
Diluted earnings per share, EUR	**0.66**	0.72

STATEMENT OF COMPREHENSIVE INCOME EUR million	**1-12/ 2009**	**1-12/ 2008**
Result for the period	**107.1**	120.8
Other comprehensive income:		
Change in translation differences	**-5.0**	-39.1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**102.1**	81.7
Total comprehensive income attributable to:		
Equity holders of the Parent Company	**100.5**	77.5
Non-controlling interests	**1.6**	4.2

CONSOLIDATED BALANCE SHEET

EUR million	31.12.2009	31.12.2008
ASSETS		
NON-CURRENT ASSETS		
Tangible assets	**484.2**	510.4
Investment property	**9.4**	10.2
Goodwill	**1,488.9**	1,491.6
Other intangible assets	**399.3**	379.7
Interests in associated companies	**63.5**	69.9
Available-for-sale financial assets	**15.7**	20.6
Deferred tax receivables	**30.1**	36.6
Trade and other receivables	**31.4**	41.0
NON-CURRENT ASSETS, TOTAL	**2,522.3**	2,560.0
CURRENT ASSETS		
Inventories	**141.6**	173.2
Income tax receivables	**19.3**	24.9
Trade and other receivables	**362.9**	409.1
Available-for-sale financial assets	**0.5**	0.5
Cash and cash equivalents	**59.7**	110.9
CURRENT ASSETS, TOTAL	**584.0**	718.7
ASSETS, TOTAL	**3,106.3**	3,278.7
EQUITY AND LIABILITIES		
EQUITY		
Equity attributable to the equity holders of the Parent Company		
Share capital	**71.3**	71.3
Treasury shares		-37.5
Fund for invested unrestricted equity	**188.8**	192.7
Other equity	**931.1**	993.7
	1,191.2	1,220.1
Non-controlling interests	**15.4**	17.0
EQUITY, TOTAL	**1,206.6**	1,237.1
NON-CURRENT LIABILITIES		
Deferred tax liabilities	**101.2**	106.2
Pension obligations	**29.9**	37.9
Provisions	**10.7**	6.0
Interest-bearing liabilities	**541.6**	449.0
Trade and other payables	**28.2**	34.6
CURRENT LIABILITIES		
Provisions	**23.8**	10.9
Interest-bearing liabilities	**476.1**	633.6
Income tax liabilities	**16.9**	11.7
Trade and other payables	**671.3**	751.7
LIABILITIES, TOTAL	**1,899.7**	2,041.6
EQUITY AND LIABILITIES, TOTAL	**3,106.3**	3,278.7

CHANGES IN CONSOLIDATED EQUITY
EUR million

	Equity attributable to the equity holders of the Parent Company							
	Share capi-tal	**Share pre-mium fund**	**Trea-sury shares**	**Fund for inves-ted unre-stric-ted equity**	**Other equity**	**Total**	**Non-cont-rol-ling inte-rests**	**Equi-ty, total**
Equity at 1 Jan 2008	**71.3**	**187.6**	**-51.6**		**1,138.6**	**1,345.9**	**18.3**	**1,364.2**
Share subscription with options	0.0	0.0		5.1		5.1		5.1
Acquisition of treasury shares			-47.6			-47.6		-47.6
Cancellation of treasury shares			61.6		-61.6			
Expense recognition of options granted					5.0	5.0		5.0
Dividends paid					-160.8	-160.8	-3.5	-164.3
Change in non-controlling interests					-3.1	-3.1	-2.1	-5.2
Donations					-1.7	-1.7		-1.7
Transfer of premium fund		-187.6		187.6				
Comprehensive income for the period					77.5	77.5	4.2	81.7
Equity at 31 Dec 2008	**71.3**		**-37.5**	**192.7**	**993.7**	**1,220.1**	**17.0**	**1,237.1**
Equity at 1 Jan 2009	**71.3**		**-37.5**	**192.7**	**993.7**	**1,220.1**	**17.0**	**1,237.1**
Share subscription with options				12.3		12.3		12.3
Cancellation of treasury shares			37.5		-37.5			
Expense recognition of options granted					3.8	3.8		3.8
Dividends paid					-144.9	-144.9	-1.2	-146.2
Change in non-controlling interests							-2.0	-2.0
Donations					-0.5	-0.5		-0.5
Transfer from fund				-16.1	16.1			
Comprehensive income for the period					100.5	100.5	1.6	102.1
Equity at 31 Dec 2009	**71.3**			**188.8**	**931.1**	**1,191.2**	**15.4**	**1,206.6**

INCOME STATEMENT BY QUARTER

EUR million	1-3/ 2009	4-6/ 2009	7-9/ 2009	10-12/ 2009	1-3/ 2008	4-6/ 2008	7-9/ 2008	10-12/ 2008
NET SALES	636.0	697.2	701.1	**733.6**	683.1	769.8	778.6	798.7
Other operating income	14.1	19.4	13.3	**17.9**	38.1	17.7	14.8	26.5
Materials and services	286.4	304.8	315.0	**332.2**	309.4	333.4	352.0	372.6
Employee benefit expenses	176.2	174.8	160.5	**184.0**	172.2	177.5	167.8	185.2
Other operating expenses	128.2	129.0	122.1	**156.8**	131.1	141.5	141.9	174.3
Depreciation, amortisation and impairment losses	38.4	42.8	39.8	**46.0**	35.8	36.6	37.7	121.9
OPERATING PROFIT	20.9	65.1	77.1	**32.3**	72.7	98.5	94.0	-28.8
Share of results in associated companies	0.3	-0.6	-2.0	**-1.6**	3.0	1.6	0.4	-0.1
Financial income	6.7	8.8	4.1	**2.8**	3.5	3.1	6.1	6.2
Financial expenses	17.0	12.3	12.0	**11.3**	12.7	14.5	15.3	27.4
RESULT BEFORE TAXES	10.9	61.1	67.2	**22.3**	66.5	88.7	85.2	-50.1
Income taxes	-3.2	-17.4	-20.0	**-13.7**	-12.2	-23.4	-24.1	-9.8
RESULT FOR THE PERIOD	7.7	43.7	47.2	**8.6**	54.4	65.3	61.1	-59.9
Result attributable to:								
Equity holders of the Parent Company	8.3	43.3	47.6	**6.4**	54.5	64.4	59.0	-62.2
Non-controlling interests	-0.6	0.3	-0.3	**2.2**	-0.2	0.9	2.1	2.3
Earnings per share for result attributable								
to the equity holders of the Parent company								
Earnings per share, EUR	0.05	0.27	0.30	**0.04**	0.34	0.40	0.37	-0.39
Diluted earnings per share, EUR	0.05	0.27	0.30	**0.04**	0.34	0.40	0.37	-0.39

INCOME STATEMENT BY QUARTER

EUR million	1-12/ 2009	1-12/ 2008
NET SALES	**2,767.9**	3,030.1
Other operating income	**64.6**	97.1
Materials and services	**1,238.5**	1,367.4
Employee benefit expenses	**695.5**	702.8
Other operating expenses	**536.2**	588.8
Depreciation, amortisation and impairment losses	**167.0**	231.9
OPERATING PROFIT	**195.4**	236.3
Share of results in associated companies	**-3.9**	4.9
Financial income	**22.5**	18.9
Financial expenses	**52.6**	69.9
RESULT BEFORE TAXES	**161.4**	190.3
Income taxes	**-54.3**	-69.4
RESULT FOR THE PERIOD	**107.1**	120.8
Result attributable to:		
Equity holders of the Parent Company	**105.6**	115.7
Non-controlling interests	**1.6**	5.1
Earnings per share for result attributable		
to the equity holders of the Parent company		
Earnings per share, EUR	**0.66**	0.72
Diluted earnings per share, EUR	**0.66**	0.72

CONSOLIDATED CASH FLOW STATEMENT EUR million	1-12 / 2009	1-12 / 2008
OPERATIONS		
Result for the period	**107.1**	120.8
Adjustments		
Income taxes	**54.3**	69.4
Financial expenses	**52.6**	69.9
Financial income	**-22.5**	-18.9
Share of results in associated companies	**3.9**	-4.9
Depreciation and impairment losses	**167.0**	231.9
Gains/losses on sales of non-current assets	**-2.4**	-34.2
Other adjustments	**-56.4**	-40.1
Change in working capital		
Change in trade and other receivables	**47.4**	-18.5
Change in inventories	**5.6**	-0.5
Change in trade and other payables, and provisions	**-36.9**	3.6
Interest paid	**-34.6**	-53.4
Other financial items	**-2.0**	-4.5
Taxes paid	**-41.4**	-70.2
CASH FLOW FROM OPERATIONS	**241.8**	250.3
INVESTMENTS		
Acquisition of tangible and intangible assets	**-80.2**	-113.3
Operations acquired	**-27.1**	-162.3
Sales of tangible and intangible assets	**5.4**	12.7
Operations sold	**0.5**	49.2
Loans granted	**-0.9**	-19.8
Repayments of loan receivables	**3.3**	8.8
Sales of short-term investments	**0.0**	0.5
Interest received	**4.8**	7.4
Dividends received	**4.3**	7.5
CASH FLOW FROM INVESTMENTS	**-89.9**	-209.3
CASH FLOW BEFORE FINANCING	**151.9**	41.1
FINANCING		
Proceeds from share subscriptions	**12.3**	5.1
Minority capital investment/repayment of equity		1.0
Purchase of treasury shares		-48.2
Change in loans with short maturity	**-42.6**	-53.8
Drawings of other loans	**399.7**	525.1
Repayments of other loans	**-460.0**	-264.6
Payment of finance lease liabilities	**-3.5**	-2.8
Dividends paid	**-146.2**	-164.3
Donations/other profit sharing	**-0.5**	-0.5
CASH FLOW FROM FINANCING	**-240.8**	-3.1
CHANGE IN CASH AND CASH EQUIVALENTS ACCORDING TO CASH FLOW STATEMENT	**-88.9**	38.0
Effect of exchange rate differences on cash and cash equivalents	**0.0**	0.1
NET CHANGE IN CASH AND CASH EQUIVALENTS	**-88.9**	38.1
Cash and cash equivalents at the beginning of the period	**110.5**	72.4
Cash and cash equivalents at the end of the period	**21.6**	110.5

Cash and cash equivalents in cash flow statement include cash and cash equivalents less bank overdrafts.

NET SALES BY BUSINESS

EUR million	**1-3 / 2009**	**4-6 / 2009**	**7-9 / 2009**	**10-12 / 2009**	**1-3 / 2008**	**4-6 / 2008**	**7-9 / 2008**	**10-12 / 2008**
SANOMA MAGAZINES								
Sanoma Magazines Netherlands	110.6	123.2	120.7	**138.6**	111.7	135.2	124.8	143.9
Sanoma Magazines International	50.9	53.2	48.8	**58.5**	70.1	76.8	77.4	82.4
Sanoma Magazines Belgium	51.3	52.6	50.8	**57.5**	54.2	55.5	53.7	59.8
Sanoma Magazines Finland	50.3	48.0	46.9	**53.5**	50.7	51.9	49.1	53.9
Eliminations	-1.0	-1.2	-1.2	**-1.0**	-1.3	-0.9	-1.0	-1.1
TOTAL	262.1	275.9	266.1	**307.1**	285.5	318.5	304.0	338.9
SANOMA NEWS								
Helsingin Sanomat	61.7	58.3	56.2	**64.1**	74.1	71.2	65.6	68.6
Ilta-Sanomat	18.4	19.8	19.6	**20.3**	19.7	21.2	19.9	19.6
Other publishing	22.9	23.8	21.3	**23.8**	24.7	25.6	24.2	26.4
Other businesses	36.2	35.9	34.9	**36.6**	37.9	37.5	36.5	38.2
Eliminations	-31.7	-30.8	-30.8	**-31.9**	-35.5	-34.5	-32.7	-33.5
TOTAL	107.7	107.1	101.2	**112.9**	120.8	121.1	113.5	119.2
SANOMA ENTERTAINMENT								
TV and radio	23.5	23.6	17.4	**23.6**	22.6	24.5	18.0	23.8
Other businesses	17.3	17.4	17.8	**18.0**	18.0	16.7	16.8	17.9
Eliminations	-0.5	-0.3	-0.2	**-0.4**	-0.1	-0.3	-0.1	-0.6
TOTAL	40.3	40.6	35.0	**41.1**	40.5	40.9	34.7	41.0
SANOMA LEARNING & LITERATURE								
Learning	30.6	81.6	94.3	**32.7**	27.8	87.5	105.9	52.2
Language services	8.3	6.2	6.7	**6.3**	6.2	5.8	7.5	9.3
Literature and other businesses	24.6	17.0	19.3	**28.0**	27.8	20.4	23.3	29.7
Eliminations	-2.6	-2.8	-2.7	**-2.3**	-3.4	-3.2	-3.5	-3.2
TOTAL	60.8	101.9	117.6	**64.7**	58.3	110.5	133.2	88.0
SANOMA TRADE								
Kiosk operations	91.1	106.6	100.7	**112.6**	94.6	102.5	103.8	108.6
Trade services	49.6	55.5	58.1	**59.1**	58.2	60.2	61.8	61.3
Bookstores	27.3	19.7	31.8	**44.5**	31.0	24.0	36.9	47.3
Movie operations	23.6	18.0	22.7	**23.6**	24.4	19.4	23.8	26.7
Eliminations	-3.8	-4.0	-4.1	**-4.6**	-5.5	-3.0	-4.8	-4.5
TOTAL	187.7	195.7	209.2	**235.3**	202.7	203.2	221.4	239.3
Other companies and eliminations	-22.7	-24.1	-28.0	**-27.5**	-24.8	-24.4	-28.2	-27.9
TOTAL	636.0	697.2	701.1	**733.6**	683.1	769.8	778.6	798.7

NET SALES BY BUSINESS **EUR million**	**1-12 / 2009**	**1-12 / 2008**
SANOMA MAGAZINES		
Sanoma Magazines Netherlands	**493.2**	515.7
Sanoma Magazines International	**211.3**	306.7
Sanoma Magazines Belgium	**212.3**	223.2
Sanoma Magazines Finland	**198.8**	205.6
Eliminations	**-4.3**	-4.3
TOTAL	**1,111.2**	1,246.8
SANOMA NEWS		
Helsingin Sanomat	**240.3**	279.5
Ilta-Sanomat	**78.2**	80.4
Other publishing	**91.8**	100.9
Other businesses	**143.7**	150.1
Eliminations	**-125.2**	-136.2
TOTAL	**428.9**	474.7
SANOMA ENTERTAINMENT		
TV and radio	**88.1**	88.9
Other businesses	**70.4**	69.4
Eliminations	**-1.4**	-1.1
TOTAL	**157.1**	157.1
SANOMA LEARNING & LITERATURE		
Learning	**239.1**	273.3
Language services	**27.5**	28.8
Literature and other businesses	**88.9**	101.2
Eliminations	**-10.4**	-13.3
TOTAL	**345.1**	390.0
SANOMA TRADE		
Kiosk operations	**410.9**	409.4
Trade services	**222.2**	241.5
Bookstores	**123.3**	139.2
Movie operations	**88.0**	94.3
Eliminations	**-16.6**	-17.8
TOTAL	**827.8**	866.6
Other companies and eliminations	**-102.3**	-105.2
TOTAL	**2,767.9**	3,030.1

OPERATING PROFIT BY DIVISION

EUR million	1-3 / 2009	4-6 / 2009	7-9 / 2009	10-12 / 2009	1-3 / 2008	4-6 / 2008	7-9 / 2008	10-12 / 2008
Sanoma Magazines	15.5	30.2	23.1	**27.4**	48.2	46.6	31.6	-40.6
Sanoma News	6.0	3.5	11.8	**10.8**	17.9	14.7	15.2	9.4
Sanoma Entertainment	6.1	6.9	3.8	**3.9**	4.0	6.3	2.8	4.1
Sanoma Learning & Literature	-6.9	25.1	33.1	**-12.8**	-4.3	26.4	36.3	-12.7
Sanoma Trade	3.8	3.8	9.7	**6.7**	9.9	7.4	13.0	14.7
Other companies and eliminations	-3.7	-4.3	-4.4	**-3.7**	-3.0	-2.9	-5.0	-3.7
TOTAL	20.9	65.1	77.1	**32.3**	72.7	98.5	94.0	-28.8

OPERATING PROFIT BY DIVISION

EUR million	1-12 / 2009	1-12 / 2008
Sanoma Magazines	**96.3**	85.7
Sanoma News	**32.2**	57.3
Sanoma Entertainment	**20.7**	17.3
Sanoma Learning & Literature	**38.5**	45.6
Sanoma Trade	**24.0**	45.1
Other companies and eliminations	**-16.2**	-14.6
TOTAL	**195.4**	236.3

SEGMENT INFORMATION

The operating segments of the Sanoma Group comprise the Group's five divisions: Sanoma Magazines, Sanoma News, Sanoma Entertainment, Sanoma Learning & Literature and Sanoma Trade. The segmentation is based on business model and product differences. The media business, based on advertising and circulation sales, is divided into three segments: Sanoma Magazines is responsible for magazines, Sanoma News for newspapers and Sanoma Entertainment for TV and broadband business. Sanoma Learning & Literature business is mainly b-2-b business. Sanoma Trade, on the other hand, operates on a retail business model. In addition to the Group eliminations column, unallocated/eliminations includes Sanoma Corporation and real estate companies as well as items not allocated to segments.

The adoption of IFRS 8 has not changed reportable segments because also the segment information the Group has presented earlier has been based on internal management reporting.

The accounting policies for segment reporting do not differ from the Group's accounting policies and have not changed due to the adoption of IFRS 8. The decisions concerning assessing the performance of operating segments and allocating resources to the segments are based on segments' operating profit. The Group's Executive Management Group acts as the chief operating decision maker. The Group has not aggregated operating segments to form the above mentioned reportable segments. Segment assets do not include cash and cash equivalents, interest-bearing receivables and tax receivables. Transactions between segments are based on market prices.

Sanoma Divisions 1.1–31.12.2009

EUR million	Magazines	News	Entertainment	Learning & Literature	Trade	Unallocated / eliminations	Consolidated
External net sales	1,108.8	420.5	155.5	329.9	753.3	-0.2	2,767.9
Internal net sales	2.4	8.4	1.6	15.3	74.5	-102.1	
NET SALES, TOTAL	1,111.2	428.9	157.1	345.1	827.8	-102.3	2,767.9
OPERATING PROFIT	96.3	32.2	20.7	38.5	24.0	-16.2	195.4
Share of results in associated companies	-4.4	0.2		-0.1	0.4		-3.9
Financial income						22.5	22.5
Financial expense						52.6	52.6
RESULT BEFORE TAXES							161.4
SEGMENT ASSETS	1,519.1	345.4	125.0	550.4	439.1	3.8	2,982.7

Sanoma Divisions 1.1–31.12.2008

EUR million	Magazines	News	Entertainment	Learning & Literature	Trade	Unallocated / eliminations	Consolidated
External net sales	1,243.8	467.2	155.5	372.8	790.9	0.0	3,030.1
Internal net sales	3.1	7.5	1.6	17.2	75.8	-105.2	
NET SALES, TOTAL	1,246.8	474.7	157.1	390.0	866.6	-105.2	3,030.1
OPERATING PROFIT	85.7	57.3	17.3	45.6	45.1	-14.6	236.3
Share of results in associated companies	4.5	0.2	0.0	0.0	0.4	-0.1	4.9
Financial income						18.9	18.9
Financial expense						69.9	69.9
RESULT BEFORE TAXES							190.3
SEGMENT ASSETS	1,576.8	373.6	135.2	552.4	449.3	3.1	3,090.5

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	31.12.2009	31.12.2008
Carrying amount at the beginning of the period	**510.4**	498.7
Increases	**46.0**	81.2
Acquisition of operations	**1.0**	7.3
Decreases	**-2.9**	-7.0
Disposals of operations	**0.0**	-0.2
Depreciation for the period	**-68.5**	-66.4
Impairment losses for the period	**-1.6**	-0.7
Exchange rate differences and other changes	**0.0**	-2.6
Carrying amount at the end of the period	**484.2**	510.4

The Group had no commitments for acquisition of tangible assets at the end of the reporting period or in the comparative period.

EFFECT OF ACQUISITIONS ON THE CONSOLIDATED BALANCE SHEET

EUR million	1-12/2009
Acquisition costs	**6.7**
Fair value of acquired net assets	**2.8**
Goodwill	**3.9**
Negative goodwill in income statement	**-0.9**
Change in goodwill	**4.8**

	1-12/2008	1-12/2008
	Nowa Era	Muut
Acquisition costs	62.5	128.2
Fair value of acquired net assets	7.8	39.4
Goodwill	54.6	88.8

CONTINGENT LIABILITIES

EUR million	31.12.2009	31.12.2008
Contingencies for own commitments		
Mortgages	**22.8**	23.7
Pledges	**6.8**	6.0
Other items	**0.4**	0.4
TOTAL	**30.0**	30.1
Contingencies incurred on behalf of associated companies		
Guarantees	**10.5**	10.5
TOTAL	**10.5**	10.5
Contingencies incurred on behalf of other companies		
Guarantees	**0.1**	0.2
TOTAL	**0.1**	0.2
Other contingencies		
Operating lease liabilities	**255.4**	263.8
Royalties	**18.9**	23.6
Other items	**27.7**	38.1
TOTAL	**302.0**	325.5
TOTAL	**342.5**	366.2

The Sanoma Group had no derivative contracts during the reporting period or during the previous year.

KEY EXCHANGE RATES

Average rate	1-12/ 2009	1-12/ 2008
EUR/CZK (Czech Koruna)	26.52	25.16
EUR/HUF (Hungarian Forint)	280.30	251.25
EUR/PLN (Polish Zloty)	4.33	3.53
EUR/RUB (Russian Rouble)	44.07	36.69
EUR/SEK (Swedish Crown)	10.61	9.66

Closing rate	31.12.2009	31.12.2008
EUR/CZK (Czech Koruna)	26.47	26.88
EUR/HUF (Hungarian Forint)	270.42	266.70
EUR/PLN (Polish Zloty)	4.10	4.15
EUR/RUB (Russian Rouble)	43.15	41.28
EUR/SEK (Swedish Crown)	10.25	10.87

Helsinki

Board of Directors
Sanoma Corporation

Press Conference

Press and analyst meeting in Finnish will be held by Mr Hannu Syrjänen, President and CEO of Sanoma at 1:30 pm (Finnish time) at Sanomatalo, Töölönlahdenkatu 2, Helsinki.

A conference call in English for analysts and investors will be arranged at 4:30 pm (Finnish time). Mr Hannu Syrjänen, President and CEO of Sanoma, will present the result. To join the conference, please dial +44 (0)20 3003 2666 (Europe) or +1 866 966 5335 (US). The event can also be listened at Sanoma.com either live or later as on demand.

The presentation material of the press and analyst meeting as well as the slides used in the conference call will be available on Sanoma's website after the press and analyst meeting has started.

Sanoma will publish its Interim Report for January–March 2010 on Wednesday, 5 May 2010 at approximately 11 am (Finnish time).

Sanoma Corporation

Kim Ignatius
Chief Financial Officer

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Sanoma.com

Sanoma inspires, informs and connects. As a diversified media group, we bring information, experiences, education and entertainment to millions of people every day. We make sure that quality content and interesting products and services are easily available and meet the demands of our readers, viewers and listeners. We offer a challenging and interesting working environment for 20,000 people in over 20 countries throughout Europe. In 2009, the Group's net sales totalled EUR 2.8 billion.