

SanomaWSOY Corp. Release Feb. 10, 2005 at 12:00

SANOMAWSOY - OUTSTANDING RESULT

In 2004, SanomaWSOY Group continued to consistently and successfully implement its strategic objectives - profitability, internationalisation, growth and development. - The development of our result was excellent. The growth was boosted by strategic operations such as acquisitions and successful operational activities. The positive development in advertising sales also supported this favourable development, Hannu Syrjänen, President & COO of SanomaWSOY, comments on the Group's result in 2004.

In 2004, SanomaWSOY's operating profit grew by almost 17%. The operating profit improved in all Divisions. Result before extraordinary items rose by 30% and earnings per share by some 26%.

Sanoma Magazines, WSOY and Rautakirja continued strong international growth

- During 2004 and the beginning of 2005 all our three international businesses - magazines, educational materials, and press distribution - executed their strategies successfully, Syrjänen emphasises.

Magazine business was expanded significantly. In December, Sanoma Magazines announced the introduction of operations in Serbia and Montenegro. After the review period, in January 2005, SanomaWSOY announced its entry into an agreement to acquire Independent Media Holding operating in Russia and Ukraine. As a result of this acquisition SanomaWSOY will become the leading magazine publisher in Russia.

In July, SanomaWSOY acquired Malmberg Investments, an educational publisher operating in the Netherlands and Belgium. This was an important step in the internationalisation of WSOY's educational materials. With this acquisition, educational materials established their position as the third international business of SanomaWSOY, in addition to magazines and press distribution.

During the year, Rautakirja's press distribution was internationalised by expanding the business to two new countries - Romania and Lithuania. The acquisition in Lithuania further strengthened SanomaWSOY's leading position in press distribution in the Baltic countries.

Historically good results for Sanoma and SWelcom

In 2004, newspaper publisher and printer Sanoma, and SWelcom, a central player in the field of electronic communications, achieved their best results ever.

- Sanoma's operating profit grew to about EUR 71 million, even though the non-recurring gains on the sales of assets were smaller than in the previous year. SWelcom's operating profit grew almost eightfold to EUR 9 million and TV channel Nelonen posted a positive result for the first time in its history, Syrjänen states, satisfied.

Strong development continues

- We have learned how to achieve good results in changing economic trends and in different markets. I believe that the best result will be achieved in the future by focusing on our most essential issues - customer-driven products and services, Syrjänen says.

- SanomaWSOY is in good shape to meet new challenges. Our focus on strong growth and development will continue consistently in 2005, Syrjänen summarises.

SANOMAWSOY CORPORATION

Matti Salmi
Senior Vice President
Finance and Administration

DISTRIBUTION
Helsinki Exchanges
Principal media