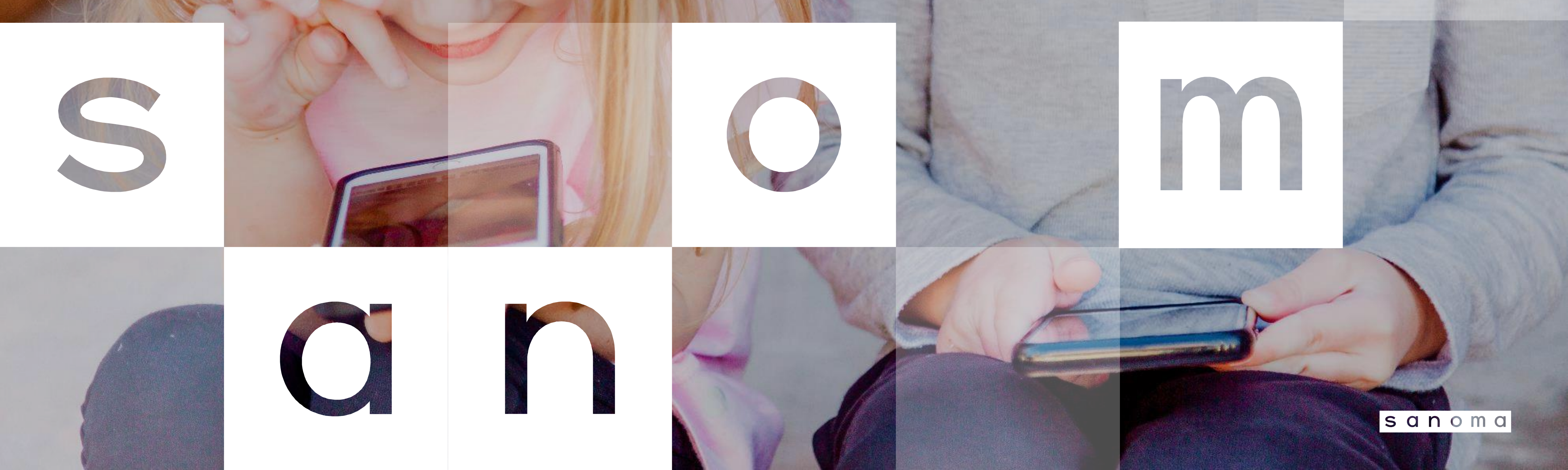
Two strong businesses, Learning and Media Finland, ready for growth

Roadshow presentation, August-September 2020



Contents

Description of key impacts related to the corona virus pandemic are presented on the next page.

Key impacts and risks of the corona virus pandemic and their mitigation (as of 24 July 2020)

- Successful shift to remote operations supported by recent IT investments, no disruptions in the business
- Partial mitigation of the impacts through diversified business portfolio with most of the earnings coming from Learning
- **In Learning**, no major impact on net sales and profitability are currently expected as no major changes in school purchasing and curriculum renewals are expected
- In **Media Finland**
  - **Subscription and other B2C sales** represents more than half of the total net sales and are not expected to be significantly affected, unless the exceptional situation intensifies
  - In **B2B advertising business** (net sales 247m€ in 2019), material impact on the net sales and profitability is expected
    - Variation between customer categories and media channels
    - Size of the impact is dependent on the duration of the crisis and the pace of the recovery, too early to make reliable and specific estimates
    - After the financial crisis in 2008, Sanoma's advertising sales declined in-line with the market by approx. 17%
  - **The events business** will be impacted, as the Finnish government decided on 22 April to prohibit all large events until the end of July 2020, and thus all Media Finland's events for the summer season 2020 were cancelled
    - Net sales and operational EBIT for Media Finland's events business estimated to be close to zero in 2020 (in 2019, net sales EUR 35 million and operational EBIT margin above the 12.0% margin of the Media Finland SBU)
- Our top priorities are the health & safety of our employees, solid support to our customers throughout the crisis and continuation of fulfilling our role in society in a responsible manner

SANOMA AS AN INVESTMENT:

Two strong businesses, focus on growth and dividends

1. **Solid net sales and profitability**
2. **Sanoma Learning**
   Growing business with strong digital footprint and benefits of scale
3. **Sanoma Media Finland**
   Leading cross-media offering with stable net sales and improving profitability
4. **M&A headroom of 400-500m€**
5. **Growing dividend**
   Supported by good profitability and solid cash flow

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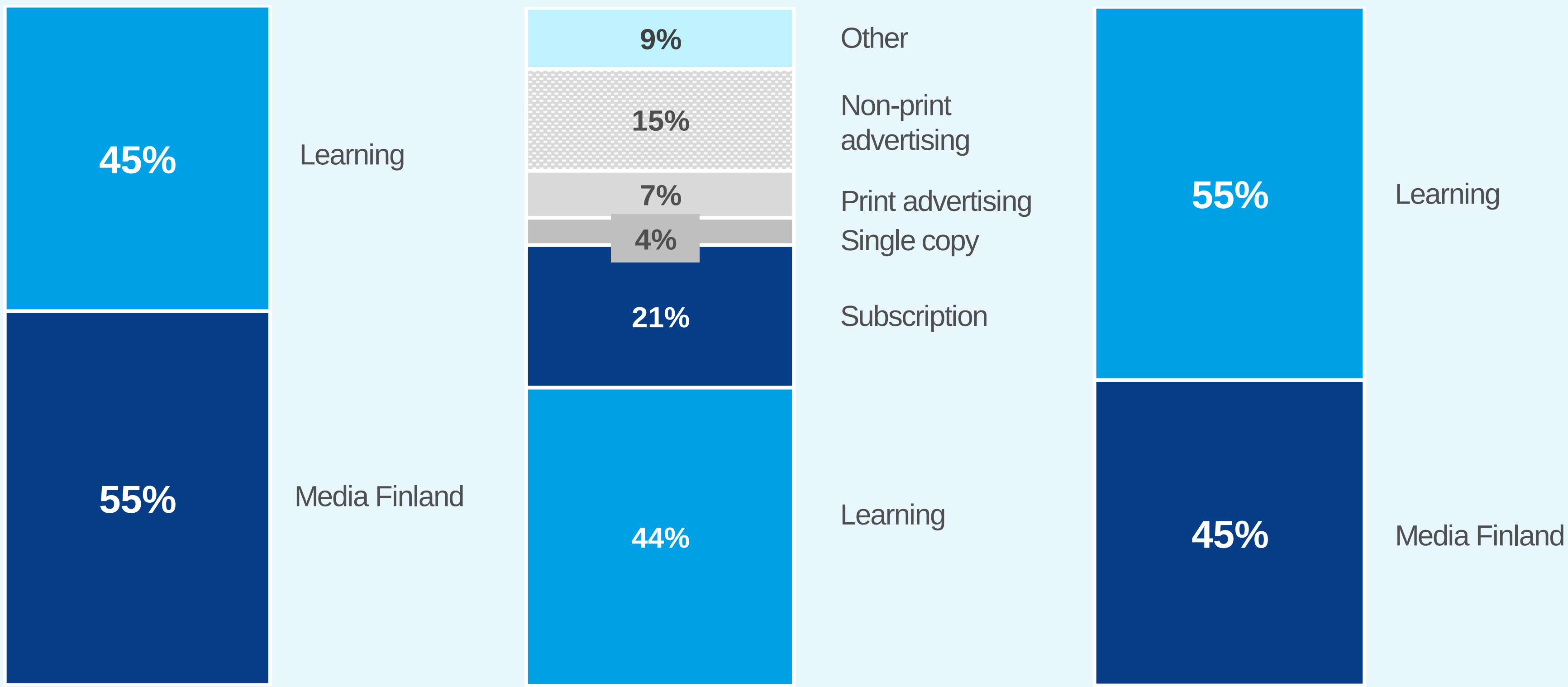
We have a well-balanced business portfolio with 55% of earnings from the learning business

Sanoma Learning
A growing European-based learning company offering blended learning solutions, platforms and educational services

Sanoma Media Finland
The leading cross-media company in Finland focusing on news & feature, entertainment and B2B marketing solutions

Net sales ≈ 1,050m€ *

Operational EBIT excl. PPA ≈ 150m€ *



* 2019, pro forma: Incl. Iddink, Essener, itslearning and regional news media business, excl. Media Netherlands and Oikotie

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Both learning and media have an important role in society

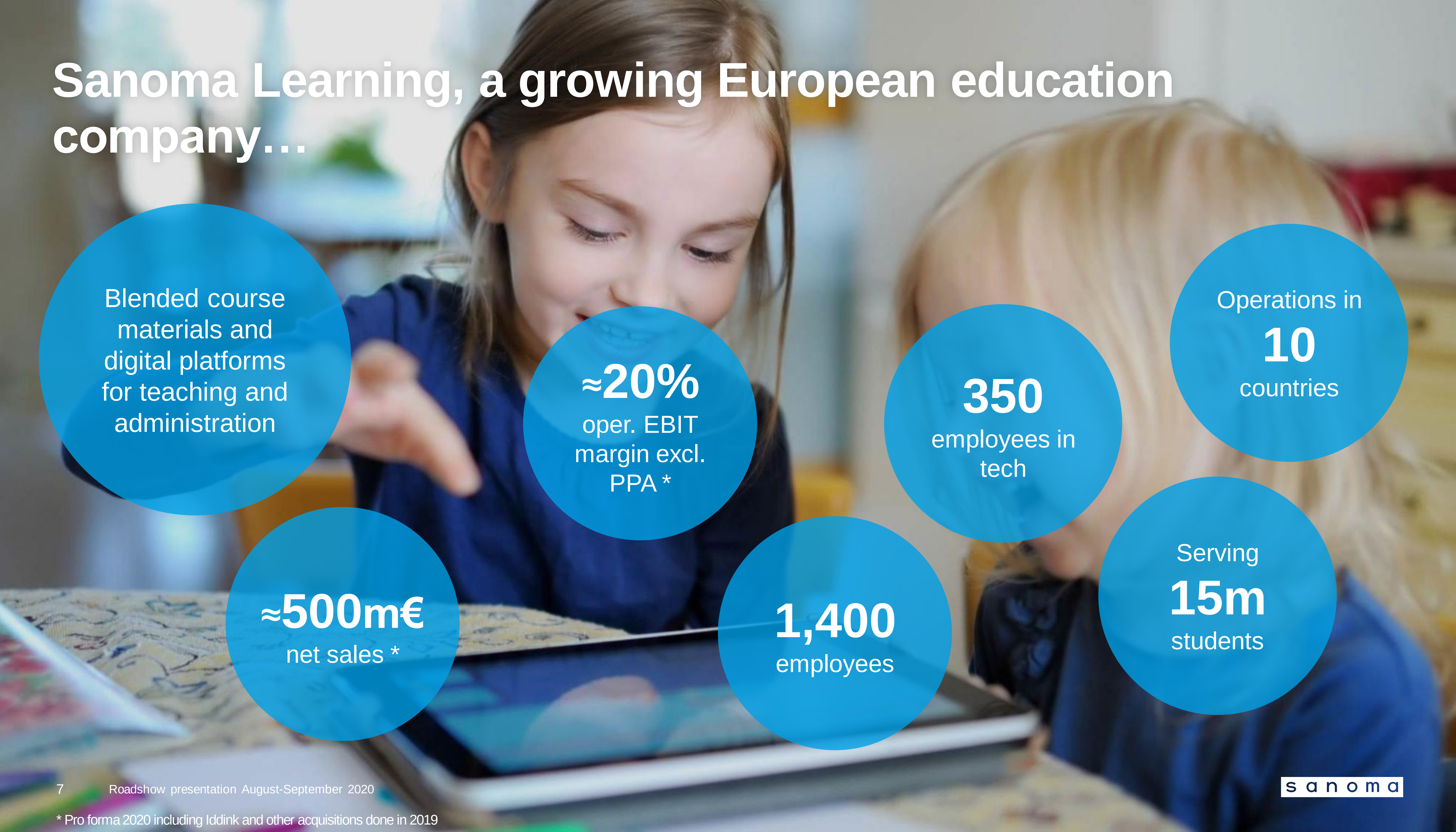
Learning

- Our modern learning methods and platforms support teachers in developing the full potential of every student
- Helps in building a strong foundation for a stable, productive and prosperous society

Media

- Journalistic content supports freedom of speech and independent information gathering
- Local entertainment contributes to shared values and experiences
- Responsible advertising supports local economic growth

Responsible business practices across the value chain



Sanoma Learning, a growing European education company…

Blended course materials and digital platforms for teaching and administration

≈20%
oper. EBIT margin excl. PPA *

350
employees in tech

Operations in
10
countries

≈500m€
net sales *

1,400
employees

Serving
15m
students

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* Pro forma 2020 including Iddink and other acquisitions done in 2019

…with strong digital footprint and benefits of scale

- **Growing net sales and solid profitability**: Net sales close to 500m€ and Operational EBIT margin excl. PPA around 20% in 2020 (est)
- **Leading market positions** in digitally advanced markets: Serving 15m students in 10 European countries
- **Excellent materials and digital platforms** supporting teachers and students
- **Readiness for further M&A growth**
- **Positive impact on society** by better learning outcomes

New long-term targets

Net sales	▪ Organic growth with curriculum changes and increasing digitalisation ▪ New geographies and expanding technology and service offering	**2-5%** **Comparable net sales growth**
Profitability	▪ Steady profitability ▪ Synergies of recent acquisitions ▪ Scale benefits to be leveraged through acquisitions	**20-22%** **Operational EBIT margin excl. PPA**

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Media Finland, the leading cross media company…

Strong, independent media for generations to come

12.0%
oper. EBIT margin excl. PPA

1,800
employees

577m€
net sales

50%
non-print

97%
weekly reach

All figures for FY 2019

… with stable net sales and improving profitability

- **Stable net sales**: 580 m€, 50% non-print (2019)
- **Aiming for long-term improvement in profitability**: Operational EBIT margin excl. PPA 12.0% (2019)
- **Solid positions in news & feature, entertainment and B2B marketing solutions**: weekly reach of 97% of all Finns
- **Simplified organization**
- **Important role in society**: independent journalism and local entertainment for generations to come

New long-term targets

Net sales	▪ Stable revenue in a transforming media market ▪ Growth esp. in news and entertainment subscriptions, radio and events	**+/- 2%** **Comparable net sales growth**
Profitability	▪ Increased profitability through digitalisation ▪ Simplification of the business and operations	**12-14%** **Operational EBIT margin excl. PPA**

Highly synergistic acquisition supporting the growth of Sanoma's digital news subscriptions in Finland

Sanoma has acquired Alma Media's regional news media business in Finland with net sales of 94m€ and adjusted EBITDA of 20m€ * (2019)

Highly synergistic bolt-on acquisition: estimated net synergies 13m€ from 2022 onwards

Agreed enterprise value 115m€, multiple 5.8 (EV / Pro forma adjusted EBITDA*) and 3.5 including also synergies

Growing our **digital subscription** base

Supporting Media Finland's **long-term profitability target** (12-14% oper. EBIT margin excl. PPA)

Sustainable future for independent domestic journalism in Finland

Efficiency in shared operations, better **financial returns** on digital investments

Strengthening Media Finland in one of its strategic core businesses, **news & feature**

* Pro forma 2019, including the impact of the delivery outsourcing agreement that came into effect on 1 January 2020.

As a Group, we have M&A headroom of 400-500 m€ with solid pipelines in both businesses

Headroom for acquisitions *

400-500 m€

400-500 m€	Learning
	Media Finland

M&A focus areas

Using our scale and capabilities in learning design, technology and services to

- Enter new geographies
- Expand offering in existing markets

Synergistic acquisitions

- News & Feature
- Entertainment
- B2B marketing solutions

Solid M&A pipelines in both businesses; expected to materialise in 12-18 months

* After the acquisition of Alma Media’s regional news media business on 30 April 2020

We are well on track with our long-term targets

Key ratios	Long-term target	30 June 2020
Net debt / adj. EBITDA	< 2.5	2.6
Equity ratio	35-45%	34.4%
Dividend payout	Increasing dividend 40-60% of free cash flow	n/a

The divestment of Oikotie (on 16 July 2020) will bring these to the long-term target levels

Growing dividend supported by good profitability and solid cash flow

- Dividend for 2019 is 0.50€ per share
  - Increase of 11% vs. 2018
  - 58% of free cash flow *
  - Dividend yield 5.3% (end of 2019)
- Paid in two parts
  - 0.25€ on 3 April
  - 0.25€ in November (record date tbc in October)

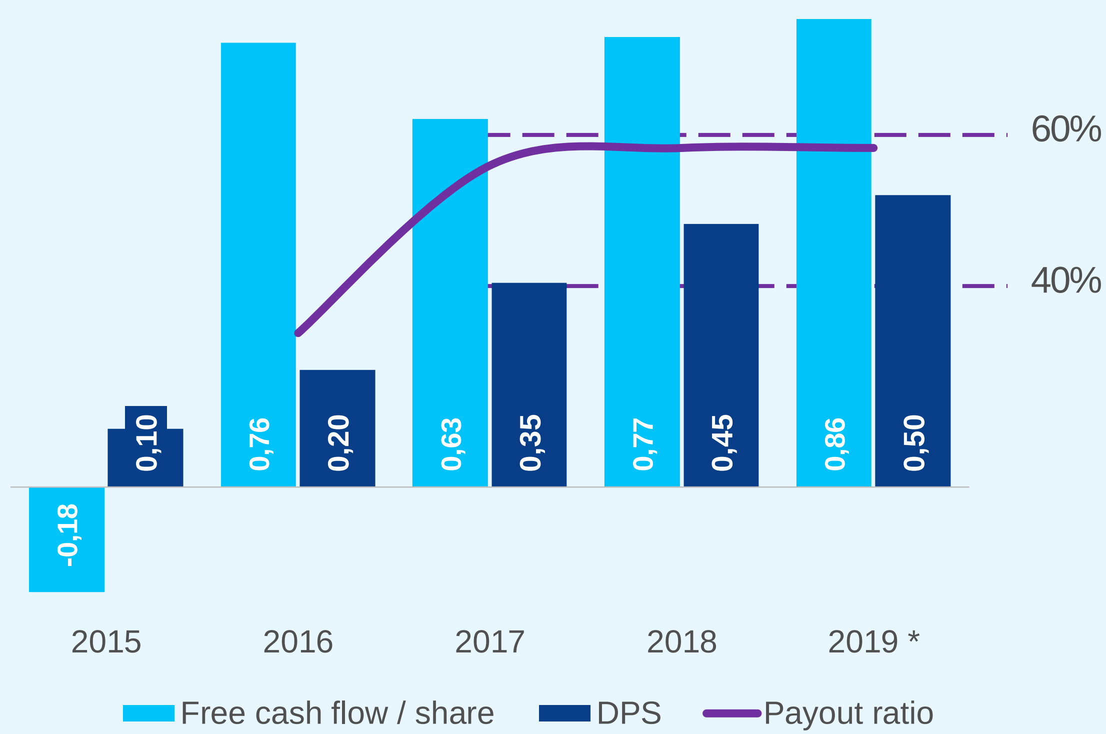
Dividend policy:

Sanoma aims to pay an increasing dividend, equal to 40–60% of annual free cash flow.

When proposing a dividend to the AGM, the Board of Directors will look at the general macro-economic environment, Sanoma's current and target capital structure, Sanoma's future business plans and investment needs as well as both previous year's cash flows and expected future cash flows affecting capital structure.

Dividend per share

€



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* FCF excl. 10m€ settlement of a rental contract related to discontinued operations divested in June 2018 in Belgium

Learning as a business

We focus on learning services for K12

Key Market Sectors	Education						
	Pre-school	K12			Higher education	Corporate learning	Life-long learning
		Primary	Secondary	Vocational			
School infrastructure ▪ ICT and other equipment ▪ Distribution & Maintenance services							
Learning services ▪ Content: blended course materials ▪ Distribution services ▪ Digital platforms		Sanoma Learning					
School management							
Additional services ▪ Supplying personnel ▪ Boot-camps ▪ Tutoring							

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We have grown from a publisher into an integrated provider of learning services…

Learning services	Net sales * 480m€		Commercial contact: Teachers	Commercial contact: Administrators
Content: blended course materials	55%	bingel, Kampus (sanoma pro)	✓	
Distribution services	30%	IDDINK GROUP, nowa era		✓
Digital teaching platforms	5%	Magister.me, itslearning, [click edu	✓	✓
Digital administration platforms	5%	Magister, Edu Arte, VULCAN, [click edu	✓	✓
Testing and analytics	5%	TEAS, QUAYN, Bureau ICE, TIG	✓	✓

* Incl. Iddink, Essener and itslearning LTM Q3 2019

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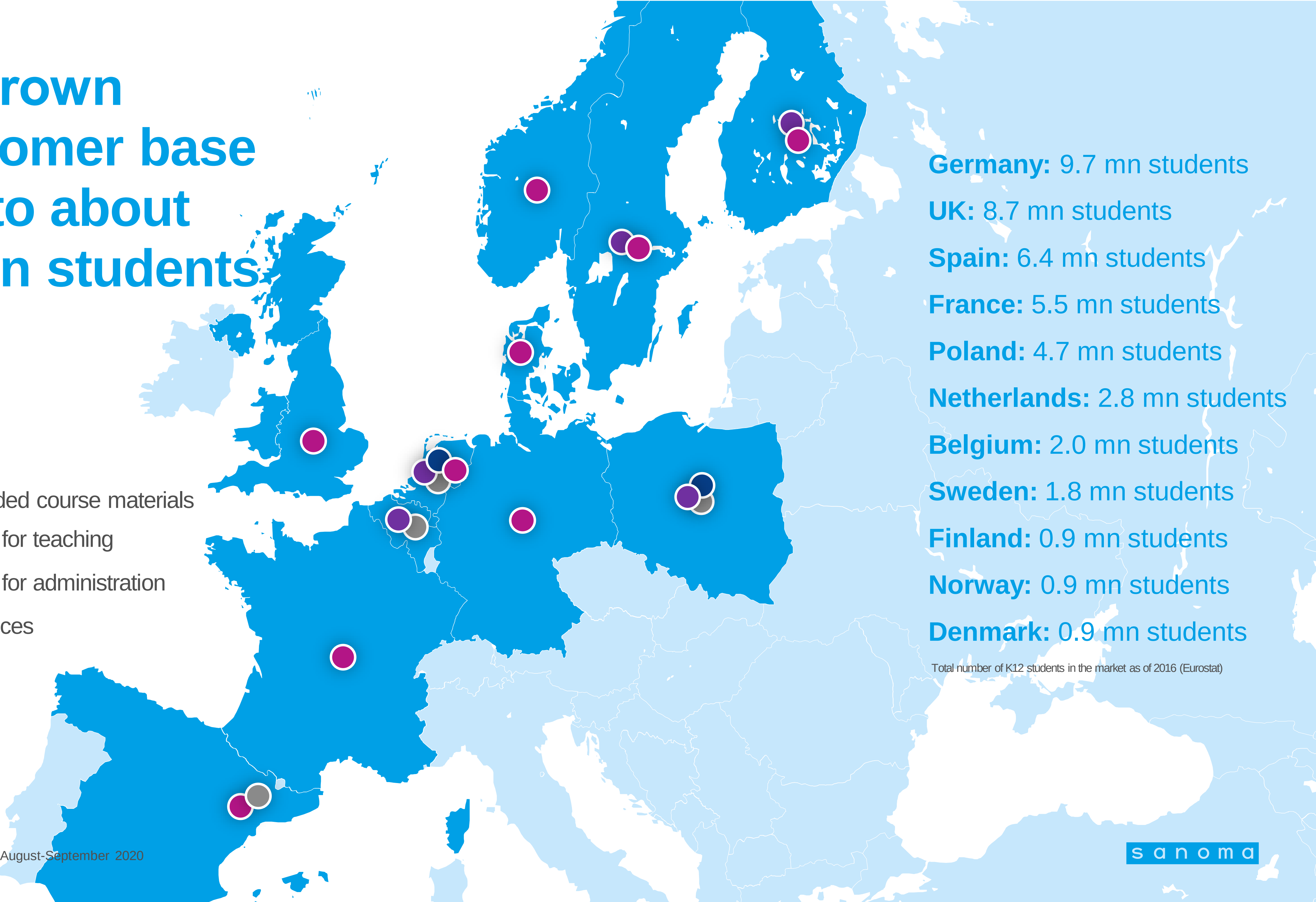
… and grown our customer base by 50% to about 15 million students



- Creation of blended course materials
- Digital platforms for teaching
- Digital platforms for administration
- Distribution services

Germany: 9.7 mn students

UK: 8.7 mn students

Spain: 6.4 mn students

France: 5.5 mn students

Poland: 4.7 mn students

Netherlands: 2.8 mn students

Belgium: 2.0 mn students

Sweden: 1.8 mn students

Finland: 0.9 mn students

Norway: 0.9 mn students

Denmark: 0.9 mn students

Total number of K12 students in the market as of 2016 (Eurostat)

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We have strengthened our positions through acquisitions in the last year

- In 2019, we have invested 300m€ and **extended our footprint significantly through acquisitions**
- As a result of the recent acquisitions, we have **direct access to school administrators**, who manage a broader budget than our traditional stronghold, materials and methods
- We aim to provide **”Classroom as a Service”** – one-stop-shop for a broader portfolio of services needed by the K12 schools
- Market for learning materials and methods is expected to be stable in the long-term, but **significant growth in the Polish and Dutch markets in 2020-2021**
  - Due to our recent market share increase (from 39.2% in 2017 to 40.5% in 2019), we will benefit even more from the market growth in the coming years
  - Expected to boost net sales and have a positive impact on profitability in 2020
- Gradual conversion from single product sales to **subscription model** increases attractiveness of K12 learning services market
  - Introduced already in the Dutch market

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Long-term learning method market stable, but significant growth in the Polish and Dutch markets in 2020-2021

The **Polish** market grows as

- In 2020 three out of the eight grades of all Primary schools will exchange their textbooks to updated methods, and in 2021 as well
- Impact of the Secondary reform continues

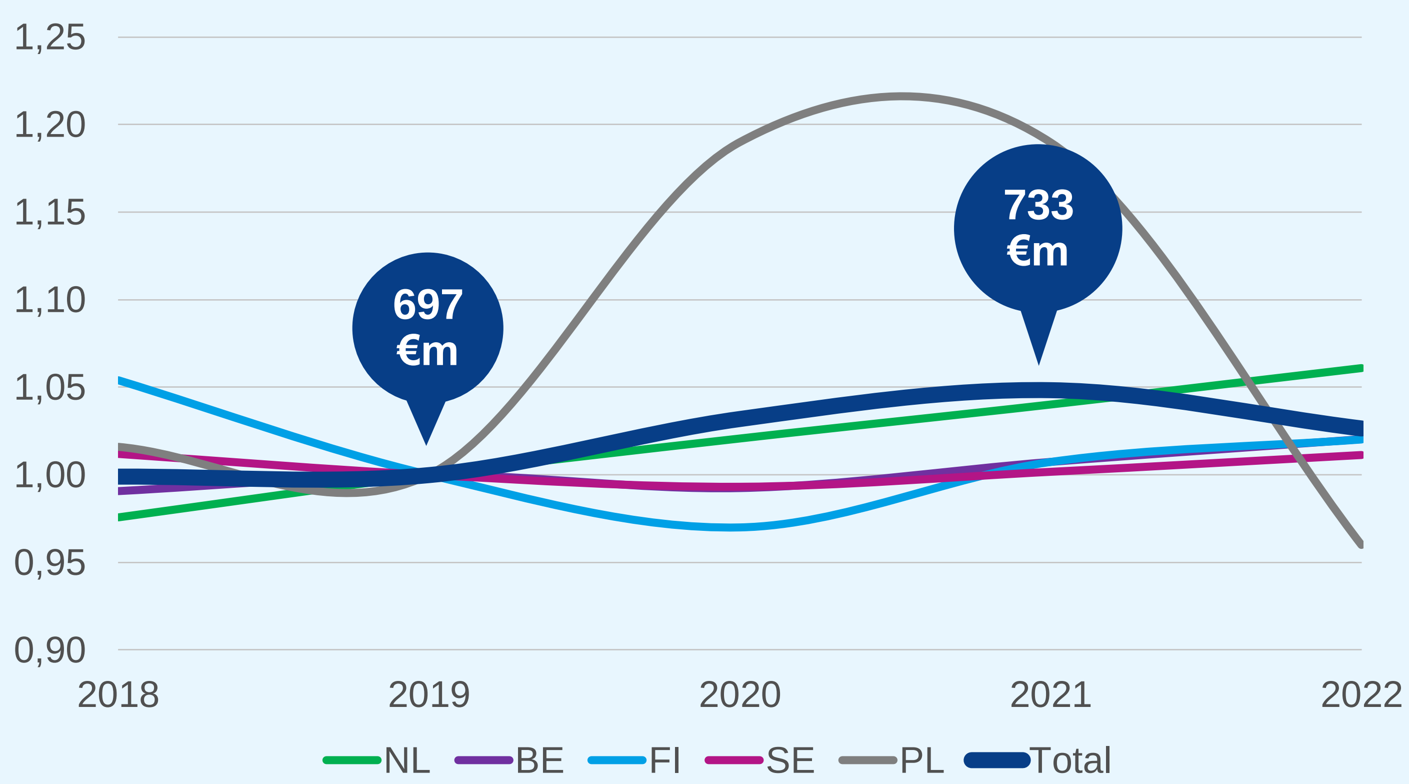
The **Dutch** market grows as

- Primary mathematics method renewal accelerating
- Additional sales related to the subscription model

Finland to rebound

- The upper Secondary reform in 2021

Market value*, indexed to 2019



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* Estimated net spend after distributor discounts. Learning material and method market, does not include spend on administrative workflow platforms a.o.

Increasing attractiveness of K12 learning services with conversion from single product to subscription model

Successfully introduced in the Dutch market

From…
the traditional model each product sold separately

- Traditional book, rental or re-use
- Digital content
- Additional tools

…to
a subscription model with annual fee per student with unlimited use of all products

- Mix of print and digital
- Up-to-date online learning materials
- Combined text/workbooks allow students to write in their books
- Teacher dashboard
- Adaptive and personalized learning
- Teacher trainings & workshops

Benefits for all

- For students, more up-to-date materials, books can be retained
- For schools, stable and predictable cost of learning materials
- For distributors, lower cost due to no return flows
- For us, the loss of sales due to excessive re-use of material and second-hand market is reduced, more even sales

Sanoma Learning has been successfully built through M&A to approximately 500m€ business…

1999
- **Sanoma WSOY** – Finland

2004
- **Van In** – Belgium
- **Malmberg** – the Netherlands

2008
- **Nowa Era** – Poland

2011
- **Tammi (Sanoma Pro)** – Finland
- **Sanoma Utbildning** – Sweden

2016
- **De Boeck** – Belgium

2019
- **Iddink** – the Netherlands, Belgium, Spain
- **Essener** – the Netherlands
- **ITS Learning** – 9 countries
- **ClickEdu** – Spain

… and we have readiness to continue to grow through M&A

- Using our scale and capabilities in learning design, technology and services
  - To enter new geographies in K12
  - To expand our offering in existing markets
- With the "High Five" business development program we have achieved scale benefits in our existing businesses, which we can leverage with recent acquisitions and future M&A

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Media Finland as a business

We have simplified our organization into three core businesses

News & feature	▪ Sustainable demand ▪ Our strong history and position ▪ Our proven track record in successful digital transformation	Leading in domestic, independent journalism
Entertainment	▪ Growing market ▪ Unique combination of strengths ▪ Important role in total advertising portfolio	Leading entertainment house with most attractive brands and stars
B2B marketing solutions	▪ Our reach has value for marketeers ▪ A unique, comprehensive portfolio and offering to further build on ▪ Growth opportunities in the markets	Marketing partner of choice

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Subscription base of Helsingin Sanomat, the largest daily newspaper in Finland, growing for third consecutive year

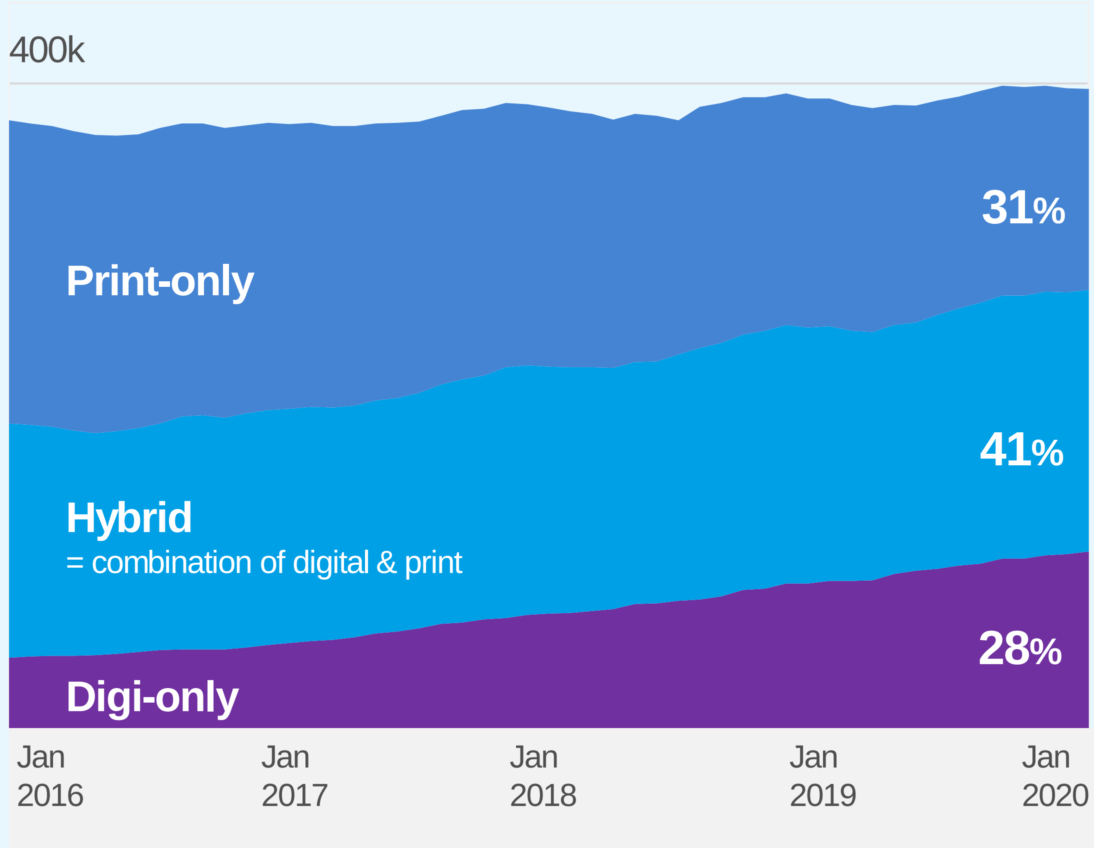
Number of digital-only subscriptions at HS now above 100k

- Appealing digital experience has attracted also younger subscribers
- Easy availability of the digital product has increased reach
- Future success in digital requires scale
- Growth in digital subscription base a key focus area

Benefit of feature content e.g. Tiede science articles

- Feature content behind the paywall improves retention and brings new subscribers
- 40% of articles behind the paywall are feature content, bringing 60% of trial subscriptions

1-2% annual growth in HS subscription base



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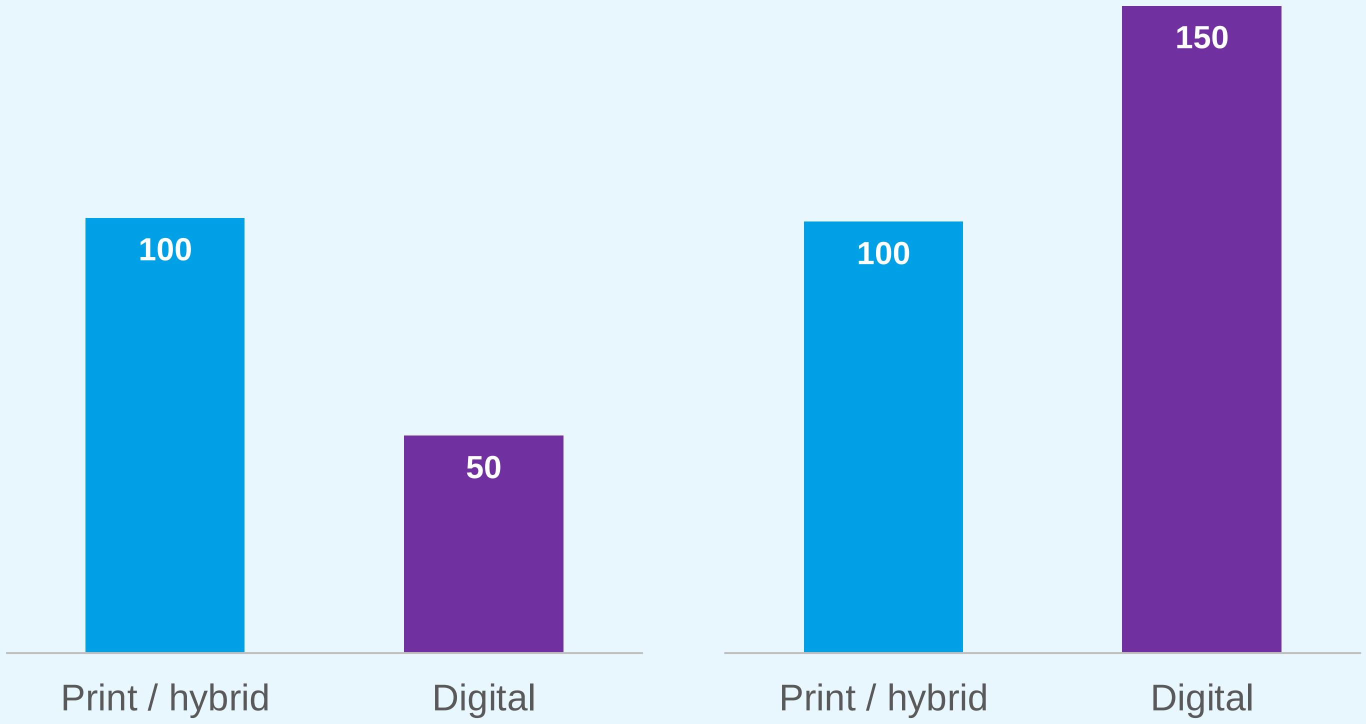
Digital transformation reduces net sales but increases contribution per incremental subscriber

- Acquiring an additional subscriber for digital instead of printed news will
  - Generate half the net incremental sales due to lower consumer prices
  - Increase contribution by 50% due to absence of print and esp. distribution costs
- Active conversion of larger number of subscribers from print to digital would be not create additional contribution due to
  - Stranded costs related to printing and distribution
  - Potential loss of advertising revenues
  - Lack of consumer readiness

Net sales per additional subscription * reduces…
Indexed

… but contribution increases *



* Excluding impact of digital transformation on advertising revenues

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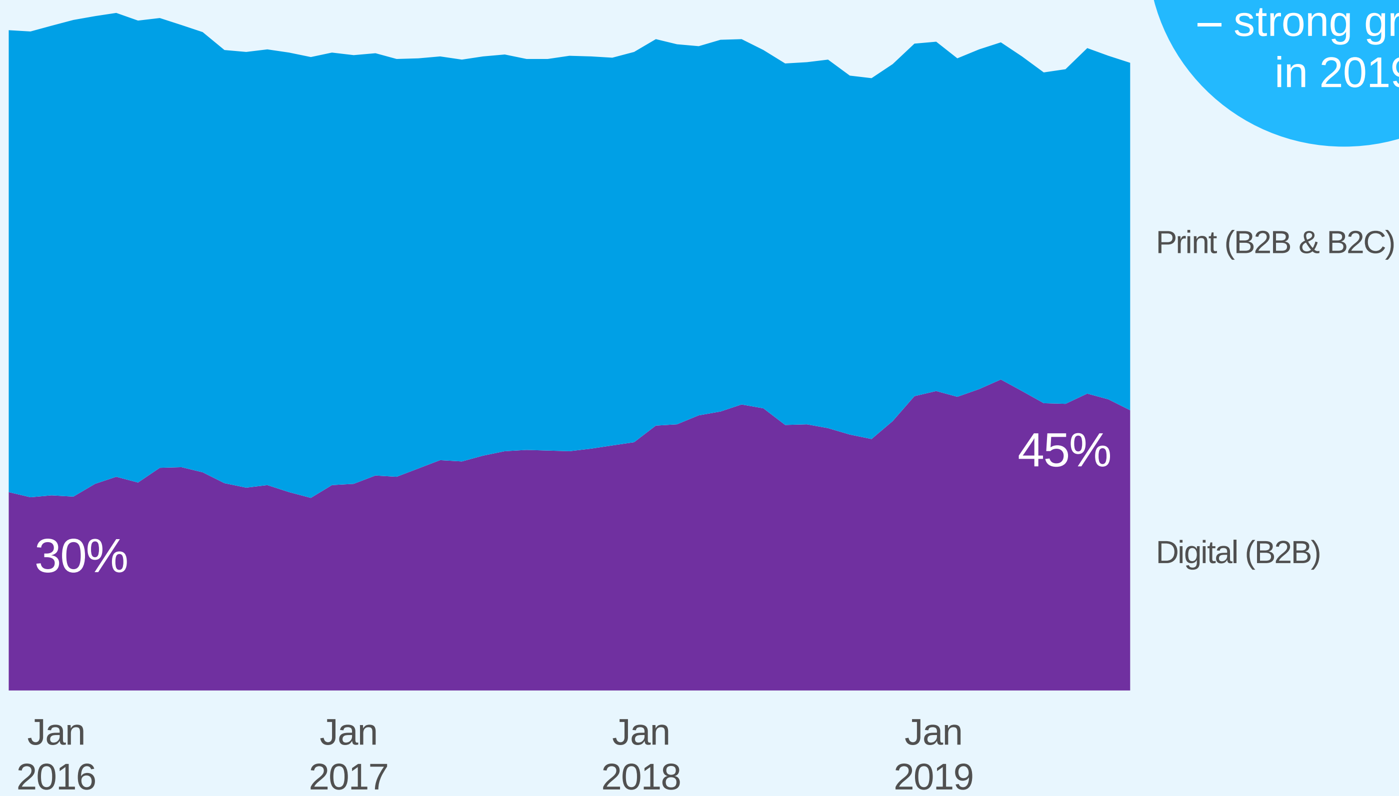
The tabloid Ilta-Sanomat has stable net sales through increasing digital advertising

- Digitalisation has increased the reach significantly
  - Reaches the whole of Finland and often audiences who don't currently subscribe to news
  - Provides easy and free access to curated news from professional journalists
- Stable net sales due to increasing digital B2B advertising income compensating lower single copy sales
- Improved profitability with an additional digital reader having nearly double the contribution compared to a print reader *

Net sales split print vs. digital



42m
site visits a week – strong growth in 2019

* Converting a reader from print to digital leaves stranded cost in printing, distribution and news stand marketing

In entertainment, we have leading positions and benefit from the full-range portfolio

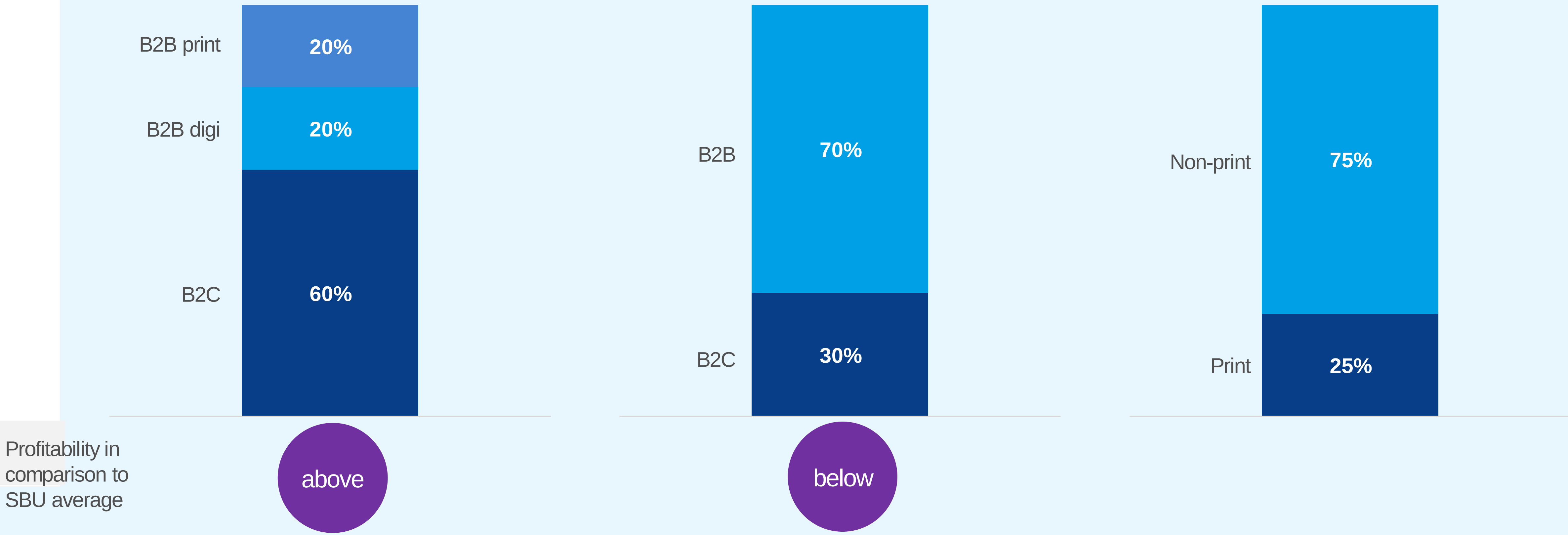
	TV & video	Radio & audio	Live events
Our market positions	#1-2	#1	#1
Examples of our brands	4, RUUTU, jim, liv	Radio SuomiPop, Radio Aalto, supla	SuomiPop FESTIVAALI, HIMOS JUHANNUS

Benefits of the full-range portfolio

- Content formats, e.g. The Voice of Finland and The Best Singers
- Appealing to the local artists
- In-house marketing power
- Generating unique consumer insight

75% of advertising sales is non-print

News & feature ≈ 290m€ | **Entertainment ≈ 170m€** | **Total advertising sales ≈ 250m€ ***



* Incl. magazines and classifieds in addition to news media and entertainment

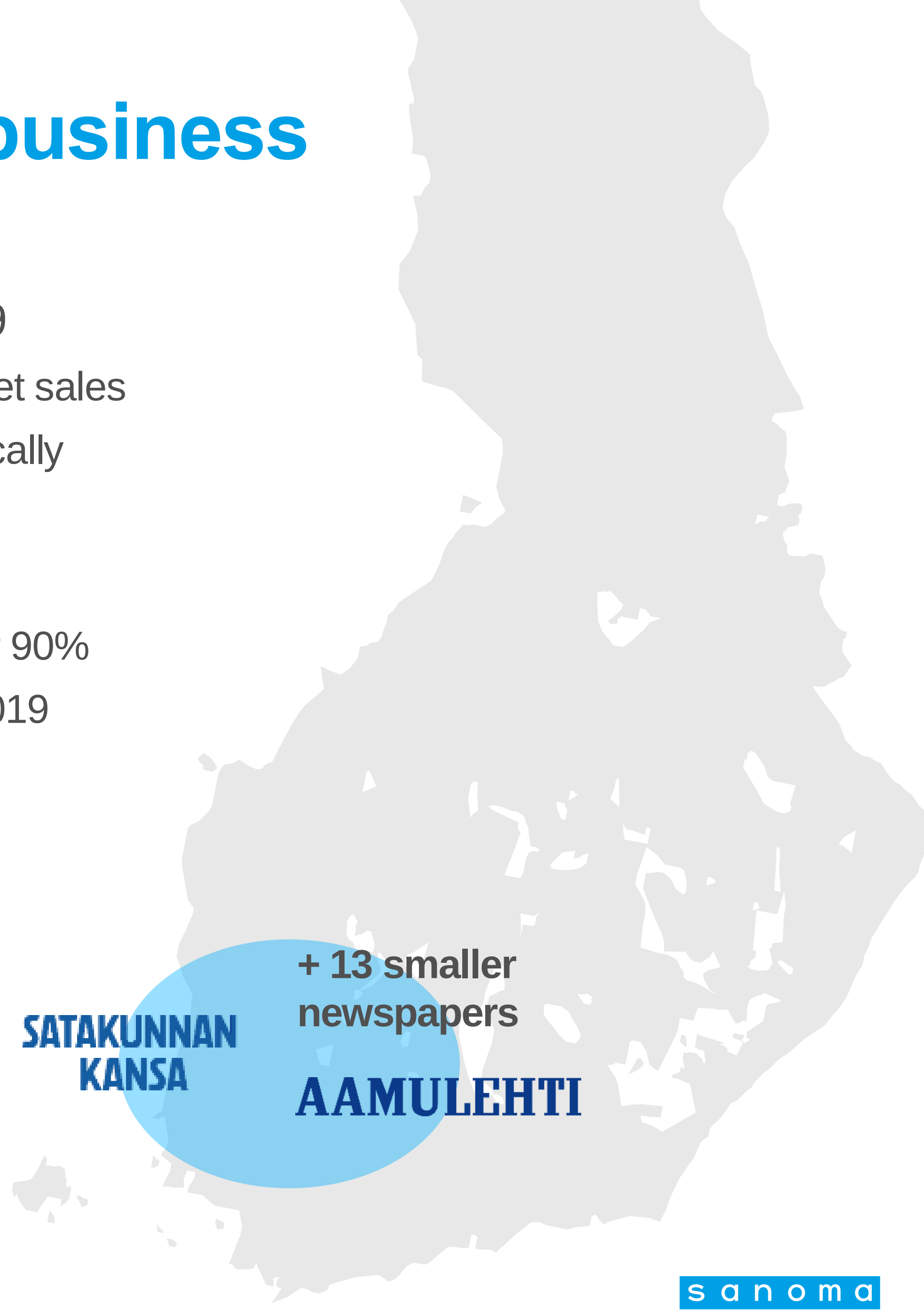
Based on 2019 before the acquisition of Alma Media’s regional news media business

Acquisition of Alma Media's regional news media business

Completed on 30 April 2020

Alma Media’s regional news media business

- Net sales of 94m€ and adjusted EBITDA of approx. 20m€ * in 2019
  - Subscriptions are approx. 60% and advertising is approx. 40% of total net sales
  - Majority of print advertising sales comes from regional advertising – typically more stable than national print advertising
- Acquired titles have a total of 185k subscriptions
  - Titles have strong position in their own regions, with a total reach of over 90%
  - Approx. 15% of subscriptions are digital-only; grew approx. by 60% in 2019
  - As a comparison: total number of subscriptions for HS is 397k, with share of digital-only being 27% (end of 2019)
- Alma Manu’s state-of-the-art printing facility in Tampere, leased with a book value of 41m€ (end of 2019)
- 365 FTE moved to Sanoma
  - Shared administrative operations staying at Alma



* Pro forma 2019, including the impact of the delivery outsourcing agreement that came into effect on 1 January 2020

Highly synergistic acquisition supporting the growth of Sanoma's digital news subscriptions in Finland

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Highly synergistic bolt-on acquisition: estimated net synergies 13m€ from 2022 onwards

Agreed enterprise value 115m€, multiple 5.8 (EV / Pro forma adjusted EBITDA*) and 3.5 including also synergies

Growing our **digital subscription** base

Supporting Media Finland's **long-term profitability target** (12-14% oper. EBIT margin excl. PPA)

Sustainable future for independent domestic journalism in Finland

Efficiency in shared operations, better **financial returns** on digital investments

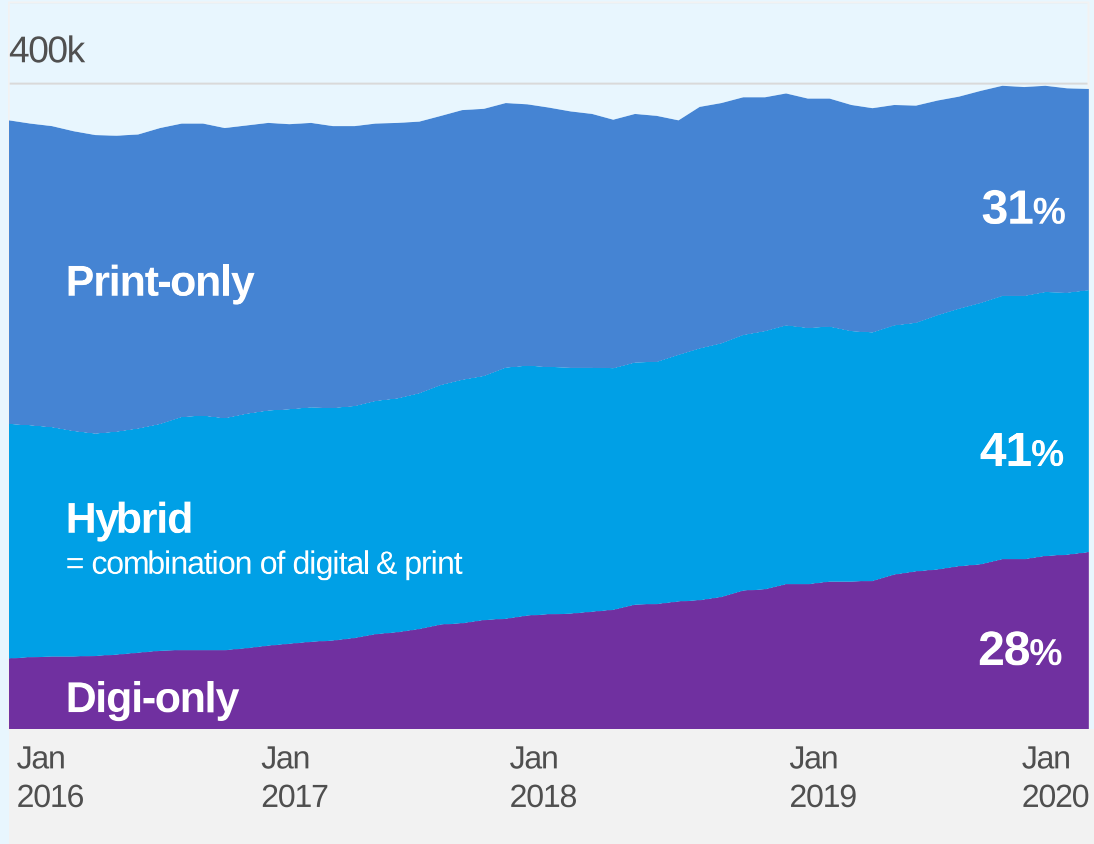
Strengthening Media Finland in one of its strategic core businesses, **news & feature**

* Pro forma 2019, including the impact of the delivery outsourcing agreement that came into effect on 1 January 2020.

Recent learnings and successes at Helsingin Sanomat supporting combined digital growth

- Number of digital-only subscriptions at HS is now above 100k, equalling around 28% of total subscription base
  - Total number of subscriptions grew for the third year in a row, with strongest growth in digital
  - Already 2/3 of all subscriptions include a digital component
  - Appealing digital experience has attracted younger audiences
- Aim to accelerate digital growth in the acquired titles
  - Share of digital-only 15% (end of March 2020); grew by approx. 60% in 2019
  - Better financial returns on increasing investments in digital development to be achieved
  - Attractive higher contribution for additional digital subscriber compared to print
- Future success in digital requires scale

1-2% annual growth in HS subscription base

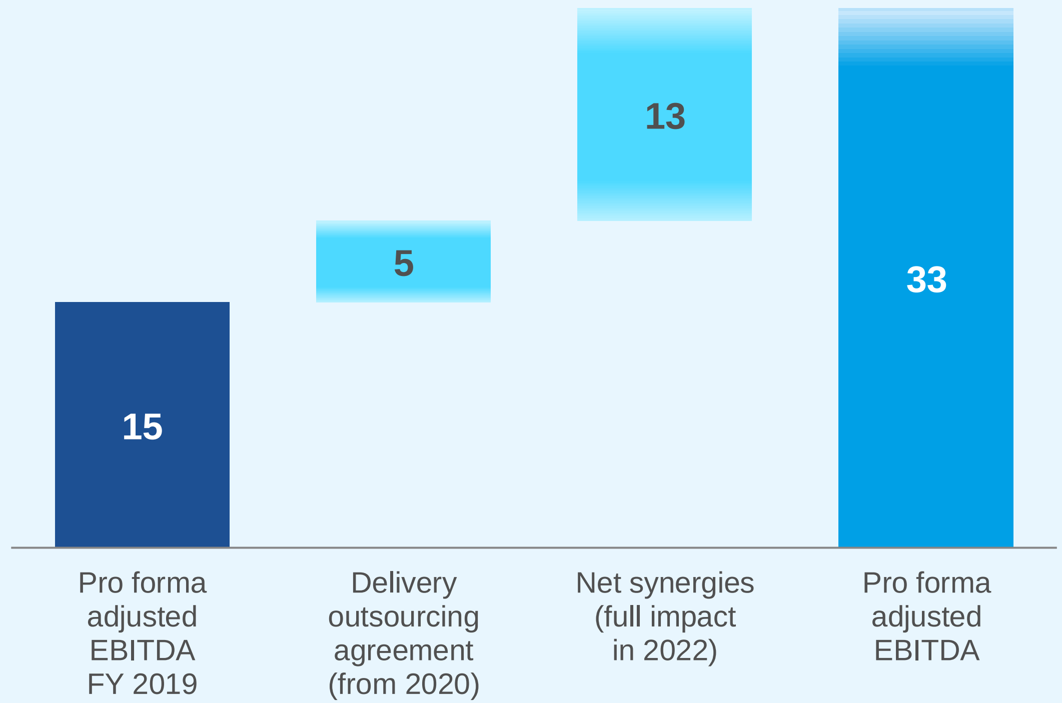


Attractive valuation for highly synergistic bolt-on acquisition

- Enterprise value of 115m€, including 37m€ of net debt and advances received at closing
- EV / Pro forma adjusted EBITDA multiples
  - 5.8 incl. impact of the delivery outsourcing agreement *
  - 3.5 incl. net synergies also
- Expected annual cost savings of approx. 5m€ related to the delivery outsourcing agreement with full impact already in 2020 *
- Annual estimated net synergies of approx. 13m€, expected to be realised in full in 2022
  - Half related to operational efficiency, procurement and IT
  - The other half to shared operations and support functions

Pro forma adjusted EBITDA

m€



* Pro forma 2019, including the impact of the delivery outsourcing agreement that came into effect on 1 January 2020.

Independence of the strong regional titles, led by dedicated Editors-in-Chiefs, will continue after the acquisition

The acquisition will include:

- Alma Media Kustannus Oy
  - Leading regional newspapers Aamulehti (founded in 1881) and Satakunnan Kansa (founded in 1873)
  - Thirteen smaller newspapers in Tampere region as well as Western and Central Finland
- Alma Manu Oy
  - A state-of-the-art printing facility in Tampere
- The acquired business become part of Media Finland's News & Feature unit, which consists of HS, IS and seven magazine titles

Janakkalan Sanomat
Jokilaakso
Jämsän Seutu
Kankaanpään Seutu
KMV-lehti
Merikarvia-lehti
Nokian Uutiset
Rannikkoseutu
Suur-Keuruu
Sydän-Satakunta
Tyrvään Sanomat
Valkeakosken Sanomat
Vekkari
alma manu

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Funding and transaction costs

- Sanoma has financed the acquisition with funds received from the divestment of Media Netherlands, which was completed on 20 April 2020.
- Transaction and integration costs of approx. 10m€ to be booked as IACs in Media Finland's 2020 result. In addition, approx. 3m€ of additional operational costs related to transitional service agreement are expected for the first 7 months after closing.
- Taking into account the operating cash flow of the acquired business and costs related to the transaction, Sanoma expects the acquisition to have a neutral impact on its free cash flow in 2020.
- After closing, the acquired business will be reported as part of Sanoma Media Finland SBU.

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H1 2020

Continued transformation and increasing focus, long-term priorities remain unchanged

Oikotie was divested to Schibsted on 16 July for an EV of 185m€ and an EV/EBITDA multiple of 19.6 [1)]

Divestment of Media Netherlands was completed on 20 April for an of EV 460m€

Acquisition of Alma Media's regional news media business was completed on 30 April

400-500m€ headroom for M&A

Focus on growing esp. the learning business

We remain committed to our long-term financial targets [2)]

[1)] Based on 2019 pro forma EBITDA [2)] Long-term targets are presented on p. 19 in the Appendix

H1 2020: Learning on track towards full year targets, advertising sales declined due to corona pandemic

Net sales	Comparable net sales growth	Operational EBIT excl. PPA	Free cash flow	Net debt / Adj. EBITDA
434m€	**-8%**	**45m€**	**-65m€**	**2.6**
(2019: 423)	(2019: -2%)	(2019: 56)	(2019: -41)	(2019: 2.2)

- Net sales grew in Learning driven by the Iddink acquisition and declined in Media Finland due to coronavirus pandemic impact on advertising and events business
- Operational EBIT excl. PPA declined due to the impact of the corona pandemic on advertising sales in Media Finland and shift in reported net sales in Learning due to the Iddink acquisition
- Free cash flow was negatively impacted by lower profitability and the divestment of Media Netherlands, partially offset by positive payment timing at Learning
- Leverage returned to its long-term target level after the divestment of Oikotie, announced and completed on 16 July

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Learning H1 2020:
Reported net sales moving towards Q3 after the Iddink acquisition…

- Net sales grew to 174m€ (2019: 137)
  - 31m€ from acquisitions, Iddink and itslearning in particular
  - Comparable net sales grew in the Netherlands during the ongoing curriculum renewal in primary education mathematics
- In Q2, part of learning material sales in the Netherlands and Belgium were now for the first time reported as Group internal sales to Iddink as distributor
  - External sales are only recognised in the income statement when Iddink delivers the materials to the external customers, i.e. schools, during the third quarter
  - Shifting approx. 12m€ of reported sales from the second to the third quarter, when the new school year starts
- The coronavirus pandemic had only a minimal impact on the net sales and operational EBIT of Learning

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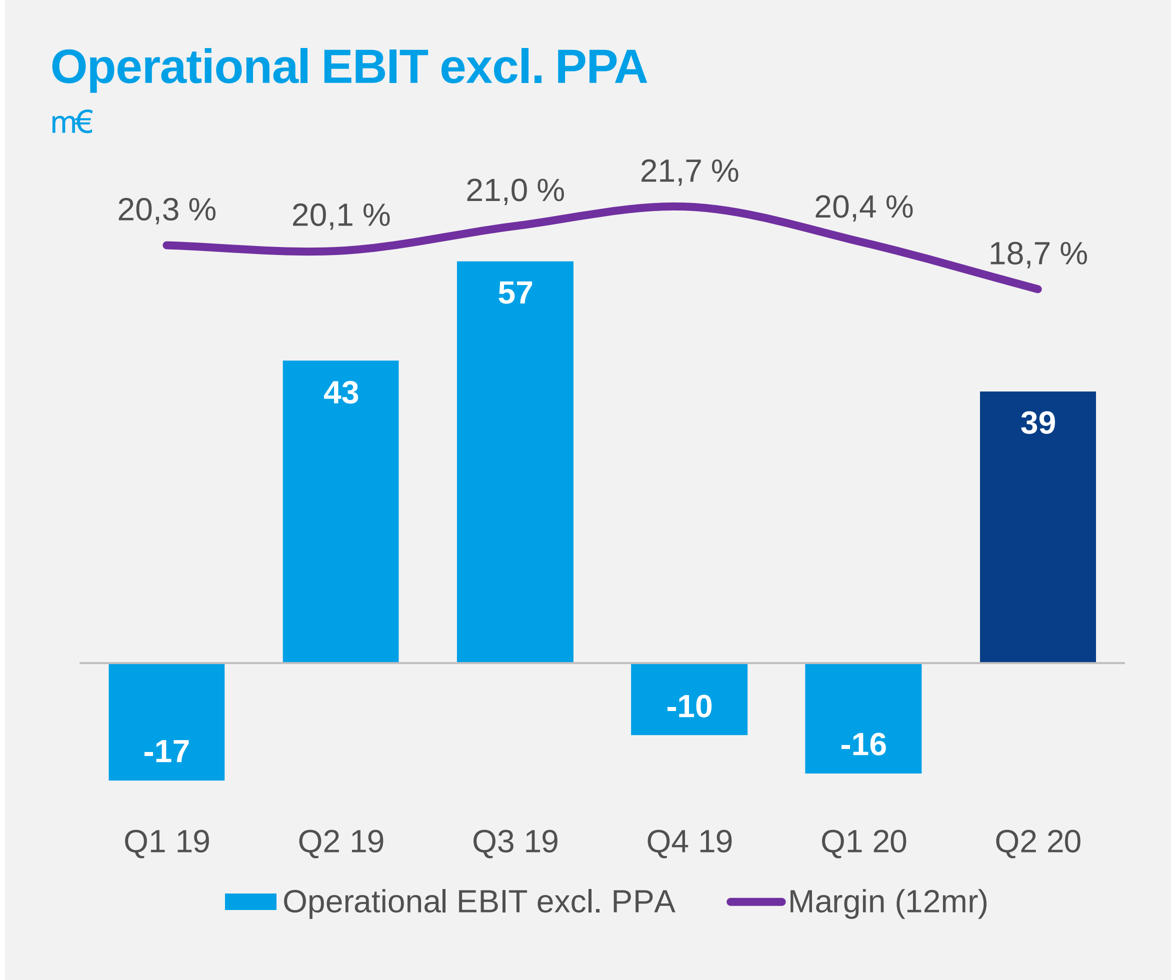
Learning H1 2020:
… we are on track towards full year targets

- Operational EBIT excl. PPA declined to 23m€ (2019: 26)
  - Shifting of reported net sales towards the third quarter had a negative earnings impact
  - Higher penetration of the subscription model led to lower share of rental books in the product mix and thus shifted earnings into Q3 at Iddink
- Well on track towards full year targets for 2020 [1)]
  - Net sales of Learning estimated to be around 500m€
  - Operational EBIT margin excl. PPA estimated to be around 20%



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1) As indicated in Sanoma's Analyst and Investor Update on 18 December 2019

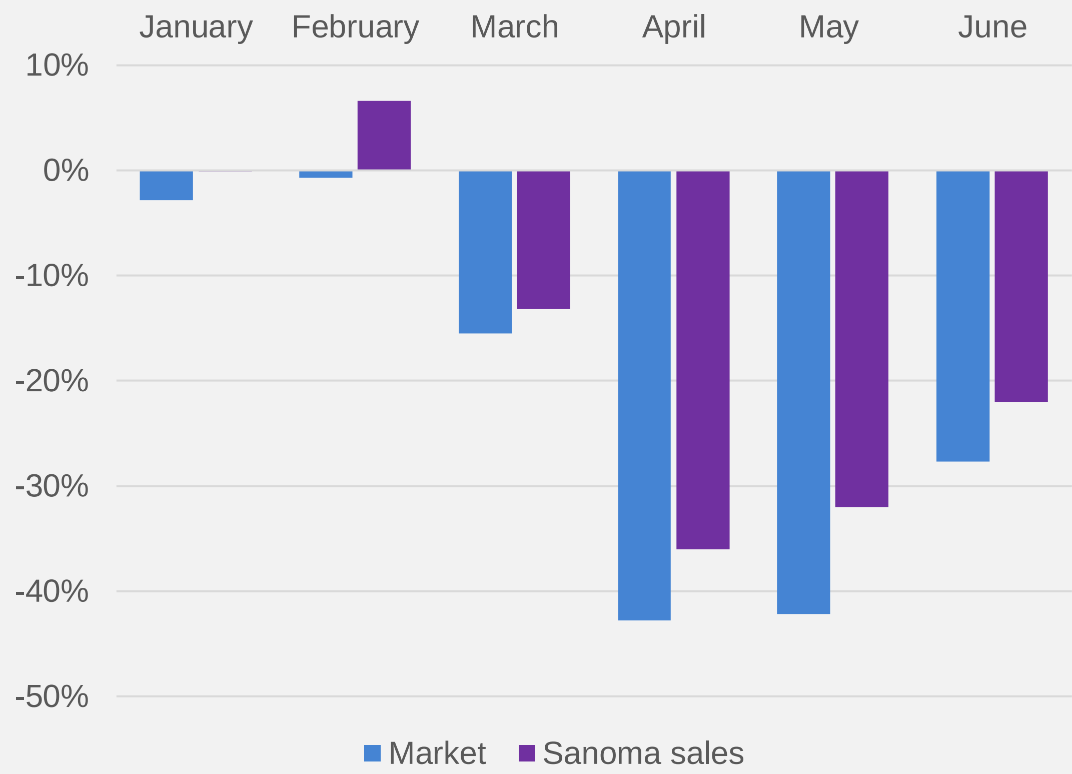
Media Finland Q2 2020:

Advertising sales declined significantly due to corona…

- Net sales declined to 131m€ (2019: 155) due to the coronavirus pandemic
  - Comparable subscription sales grew driven by strong growth in digital subscription sales
    - Number of subscriptions for Helsingin Sanomat grew by 6% y-o-y
    - HS Kids to be launched in August has started to sell well
    - Good development also in the number of users for subscription-based VOD Ruutu+ and audio services Supla+
  - Net sales of the regional news media business acquired on 30 April 2020 amounted to EUR 12 million
  - The impact of the cancellation of all festivals and events was approx. -14m€
  - Comparable advertising sales declined by 30% or 21m€
    - Slow recovery expected to continue during H2
    - Uncertainty depending on economic development and impact of possible second wave of the pandemic

Monthly advertising development

%



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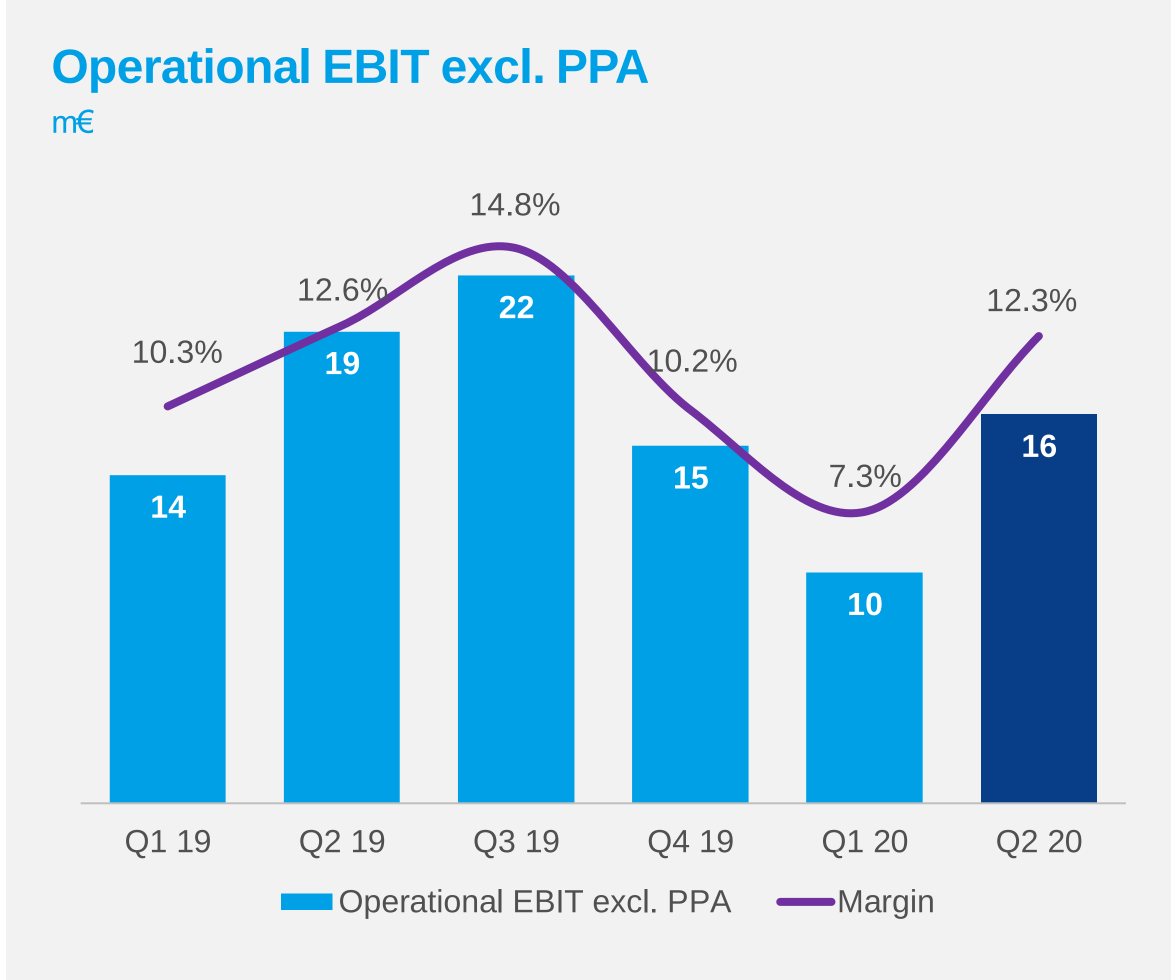
Media Finland Q2 2020:
… profitability decreased only modestly due to one-offs

- Operational EBIT excl. PPA declined to 16m€ (2019: 19)
  - Adverse impact of lower advertising sales was partially offset by one-off items
    - Lower TV programming costs, which were shifted from the second quarter into the latter part of the year as a response to declining TV advertising sales
    - Received insurance compensation related to the cancelled events was booked in full in Q2, although some fixed costs related to the events business will occur in the latter part of 2020
  - Costs related to administration, marketing and content creation decreased as a result of actions taken to mitigate the corona impact
  - Paper and printing costs declined as a result of lower unit prices and volumes



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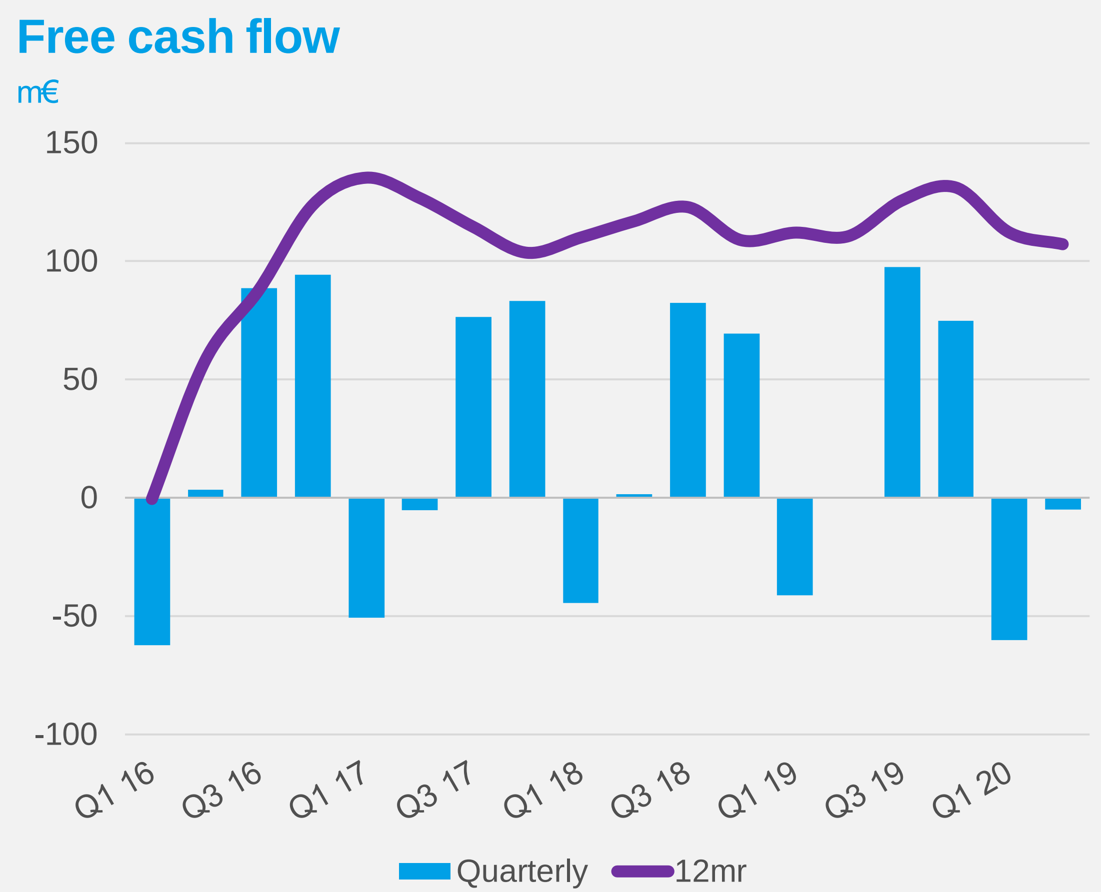
Oikotie was divested to Schibsted for an EV of 185m€

- Divestment of Oikotie, the leading online classifieds player in Finland, was announced and closed on 16 July
- EV 185m€, corresponding to EV/EBITDA multiple of 19.6 [1)]
- Evaluation of strategic options for Oikotie announced on 11 February concluded that consolidation of the market creates value for advertisers, consumers and Oikotie business
  - Experienced international player can add more innovation and share technology
- Media Finland's focus fully on news & feature, entertainment and B2B marketing solutions
- Sanoma has 400-500m€ headroom for future M&A primarily in Learning business
- Oikotie will be included in Sanoma's financial reporting until 31 July 2020
- A non-cash capital gain of approx. 163m€ including divestment-related transaction costs of approx. 3m€ to be booked as IAC in Media Finland's Q3 2020 result

1) 2019 pro forma

Free cash flow impacted by corona and Media Netherlands divestment

- Free cash flow declined to -65 m€ (2019: -41) in H1 2020
  - – Lower profitability of the continuing business due to corona
  - – Discontinued Media Netherlands operations as only the negative cash flow of the first four months was consolidated in 2020
  - – Higher capital expenditure in technology driven by recent acquisitions in Learning
  - \+ Operating cash flow in Learning, driven by the impact of organic net sales growth in the Netherlands
- For dividend calculation purposes FY 2020 free cash flow will be adjusted for the divested Media Netherlands
  - – Free cash flow of Media Netherlands was approx. -22m€ for January-April
- 2nd dividend instalment of 0.25€ will be paid in November



Free cash flow = Cash flow from operations less capital expenditure

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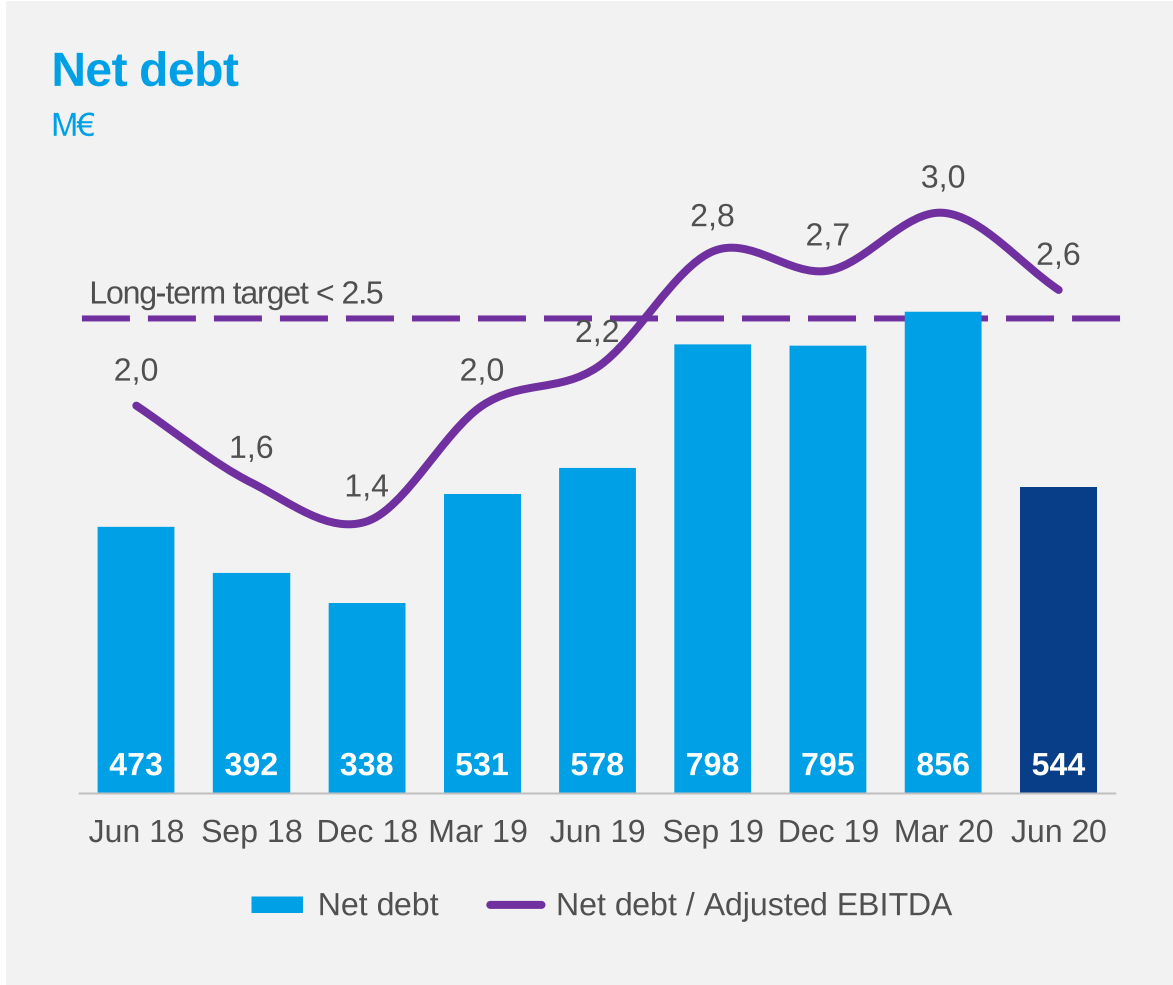
Net debt decreased during the quarter after closing of the Media Netherlands divestment

- Net debt decreased from the end of March as a result of the Media Netherlands divestment
  - Net debt / Adj. EBITDA 2.6
  - Equity ratio 34.4%
- Net financial expenses decreased to 4m€ (2019: 10) in H1 2020
  - Lower average interest rate of external loans following the repayment of the 200m€ bond in November 2019
  - Average interest rate of external loans decreased to 0.7% (2019: 2.7%)
  - Positive FX translation impact and settlement of a tax receivable in Q1
- Leverage returned to its long-term target level after the divestment of Oikotie, announced and completed on 16 July



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Outlook for 2020
(unchanged)

On 24 March 2020, Sanoma announced it had temporarily withdrawn its Outlook for 2020 (given on 7 February) and indicated significant impact on its business due to the coronavirus pandemic.

Sanoma expects to give an updated Outlook for 2020 later during the year.

Appendix

Sanoma in 2019

NET SALES
EUR 913 million

NON-PRINT SALES
51%

OPERATIONAL EBIT MARGIN
14.8%

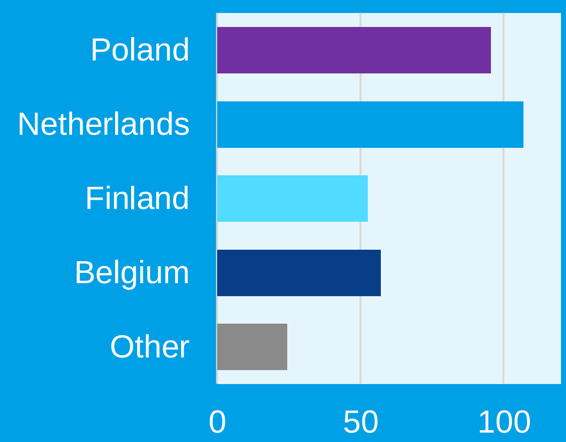
Learning

EUR 337 million

49%

21.7%

NET SALES 2019



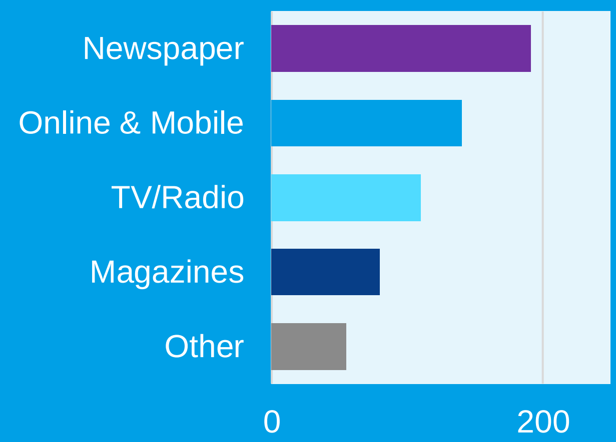
Media Finland

EUR 577 million

53%

12.0%

NET SALES 2019



Divestment of Media Netherlands

- On 10 December 2019, Sanoma announced it has signed an agreement to divest the strategic business unit Sanoma Media Netherlands
- The divestment was completed on 20 April 2020
- Media Netherlands is reported as Discontinued operations in Sanoma's 2019-2020 financial reporting
- Continuing operations include Sanoma Learning and Sanoma Media Finland SBUs
- Unless otherwise stated, all income statement related quarterly and FY figures in this presentation, including corresponding periods in 2019, cover continuing operations only
- In addition to continuing operations, figures related to balance sheet and cash flow include the discontinued operations until closing

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We are well on track with our long-term targets

Key ratios	Long-term target	31 Dec 2019	30 June 2020	
Net debt / adj. EBITDA	< 2.5	2.7	2.6	The divestment of Oikotie (on 16 July 2020) will bring these to the long-term target levels
Equity ratio	35-45%	30.5%	34.4%	
Dividend payout	Increasing dividend 40-60% of free cash flow	58%	n/a	
Learning				
Comparable net sales growth	2-5%	0%	Reported on an annual basis	
Operational EBIT margin excl. PPA	20-22%	21.7%		
Media Finland				
Comparable net sales growth	+/-2%	-2%		
Operational EBIT margin excl. PPA	12-14%	12.0%		

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Group key figures Q2 2020

EUR million	Q2 20	Q2 19
Net sales	**246.2**	259.8
Operational EBIT excl. PPA	**53.5**	60.1
margin	**21.7%**	23.1%
EBIT	**42.3**	53.9
Result for the period	**29.2**	36.1
Free cash flow	**-4.9**	0.1
Equity ratio	**34.4%**	37.2%
Net debt	**543.9**	578.0
Net debt / Adj. EBITDA	**2.6**	2.2
Operational EPS	**0.22**	0.33
EPS	**0.20**	0.31

EUR	Q2 20	Q2 19
Average number of employees (FTE)	**4,168**	3,428
Number of employees at the end of the period (FTE)	**4,475**	3,556

All income statement related figures cover Continuing operations only. Balance sheet and cash flow figures cover also Discontinued operations.

Group key figures H1 2020

EUR million	H1 20	H1 19
Net sales	**434.0**	422.8
Operational EBIT excl. PPA	**45.1**	55.6
margin	**10.4%**	13.2%
EBIT	**24.7**	43.2
Result for the period	**16.3**	24.7
Free cash flow	**-65.1**	-41.2
Equity ratio	**34.4%**	37.2%
Net debt	**543.9**	578.0
Net debt / Adj. EBITDA	**2.6**	2.2
Operational EPS	**0.23**	0.34
EPS	**0.18**	0.35

EUR	H1 20	H1 19
Average number of employees (FTE)	**4,168**	3,428
Number of employees at the end of the period (FTE)	**4,475**	3,556

All income statement related figures cover Continuing operations only. Balance sheet and cash flow figures cover also Discontinued operations.

Learning: Quarterly key figures

EUR million	Q2 20	Q1 20	Q4 19	Q3 19	Q2 19	Q1 19
Net sales	**115.5**	58.1	61.4	138.4	105.4	31.4
EBIT	**34.3**	-20.6	-19.3	52.0	41.0	-18.6
Items affecting comparability (IACs)	**-0.3**	-0.9	-5.5	-4.4	-1.1	-1.1
PPA amortisations	**-4.1**	-4.0	-3.6	-0.8	-0.8	-0.8
Operational EBIT excl. PPA	**38.7**	-15.7	-10.3	57.2	43.0	-16.7
margin	**33.5%**	-27.1%	-16.7%	41.3%	40.7%	-53.1%
Capital expenditure	**8.8**	6.6	8.3	4.7	5.2	3.8
Average number of employees (FTE)	**1,936**	1,917	1,488	1,398	1,361	1,355

Media Finland: Quarterly key figures

EUR million	Q2 20	Q1 20	Q4 19	Q3 19	Q2 19	Q1 19
Net sales	**130.9**	129.9	144.2	146.5	154.5	131.6
EBIT	**9.4**	5.3	11.9	19.0	14.7	9.3
Items affecting comparability (IACs)	**-5.1**	-3.2	-1.7	-1.5	-3.6	-3.1
PPA amortisations	**-1.6**	-1.1	-1.1	-1.1	-1.1	-1.1
Operational EBIT excl. PPA	**16.0**	9.5	14.7	21.7	19.4	13.5
margin	**12.3%**	7.3%	10.2%	14.8%	12.6%	10.3%
Capital expenditure	**1.3**	2.1	1.1	0.9	1.2	0.7
Average number of employees (FTE)	**2,001**	1,773	1,804	1,811	1,793	1,764

Finnish advertising market development Q2 2020

Finnish measured media advertising markets

	Q2 20	Q1 20	Q4 19	Q3 19	Q2 19	Q1 19	FY 19
Newspapers	**-42%**	-19%	-10%	-12%	-2%	-7%	**-9%**
Magazines	**-30%**	-10%	-11%	-8%	-2%	-5%	**-7%**
TV	**-34%**	-3%	-8%	-5%	1%	-7%	**-5%**
Radio	**-42%**	-10%	2%	6%	10%	7%	**6%**
Online *	**-23%**	2%	1%	6%	9%	2%	**4%**
Total market	**-38%**	**-7%**	**-5%**	**-2%**	**5%**	**-2%**	**-1%**

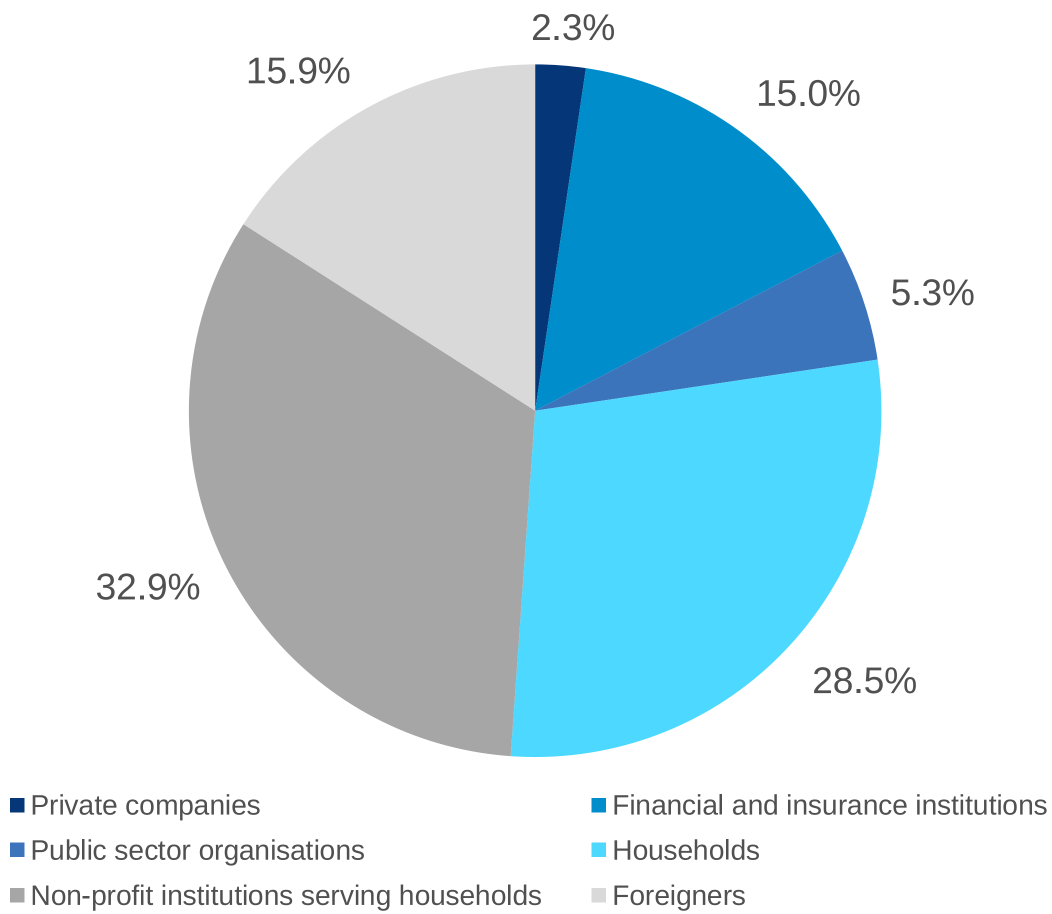
Source: Kantar TNS, Media Advertising Trends, March 2020 * Excl. search and social media

Largest shareholders
30 June 2020

Largest shareholders

	Number of shares	
1. Jane and Aatos Erkko Foundation	**39,820,286**	24.4%
2. Antti Herlin (Holding Manutas Oy: 12.03%, personal: 0.02%)	**19,716,800**	12.1%
3. Robin Langenskiöld	**12,273,371**	7.5%
4. Rafaela Seppälä	**10,273,370**	6.3%
5. Helsingin Sanomat Foundation	**5,701,570**	3.5%
6. Ilmarinen Mutual Pension Insurance Company	**4,667,597**	2.9%
7. Alex Noyer	**1,903,965**	1.2%
8. Lorna Aubouin	**1,852,470**	1.1%
8. Foundation for Actors' Old-Age Home	**1,800,000**	1.1%
10. The State Pension Fund	**1,760,000**	1.1%
10 largest shareholders total	**99,769,429**	**61.1%**
Foreign holding *	**26,066,422**	**15.9%**
Other shareholders	**37,729,812**	**23.0%**
Total number of shares	**163,565,663**	**100.0%**
Total number of shareholders	**23,043**	

Holding by category



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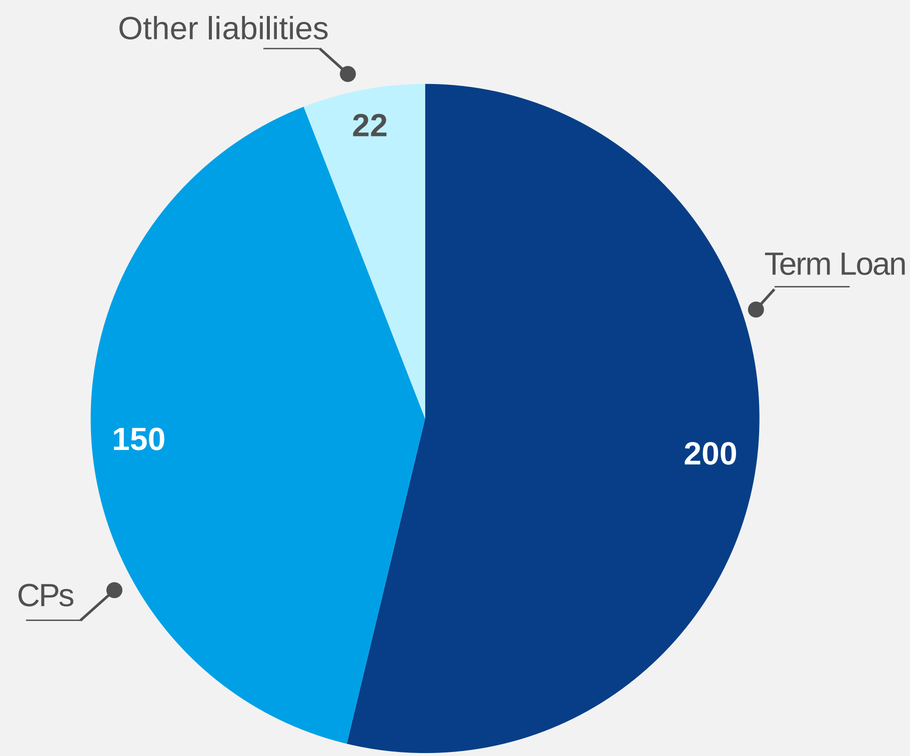
* Including nominee registered shares

Balanced debt structure at the end of June 2020

- 250m€ 4-year term loan was drawn in September 2019 to finance the acquisition of Iddink
  - 50m€ was repaid in Q2 2020
  - Another 50m€ will be repaid in Q3 2020
- Average interest rate 0.7% (2019: 2.7%)
  - Expected to continue to be below 1% during the rest of 2020
- Divestment of Media Netherlands was completed on 20 April
  - EV 460m€
- Divestment of Oikotie was completed on 16 July
  - EV 185m€

Debt structure

m€, 30 June 2020



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