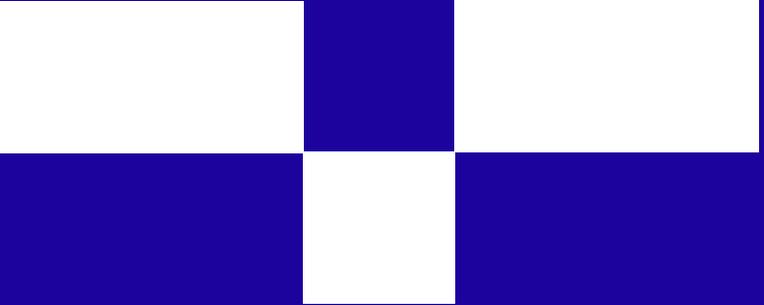
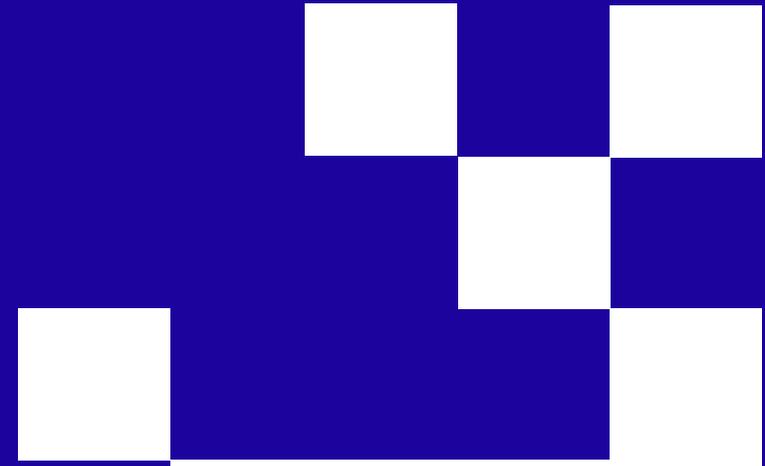


Sanoma

Harri-Pekka Kaukonen
President and CEO, Sanoma
Annual General Meeting
9 April 2014



Market environment

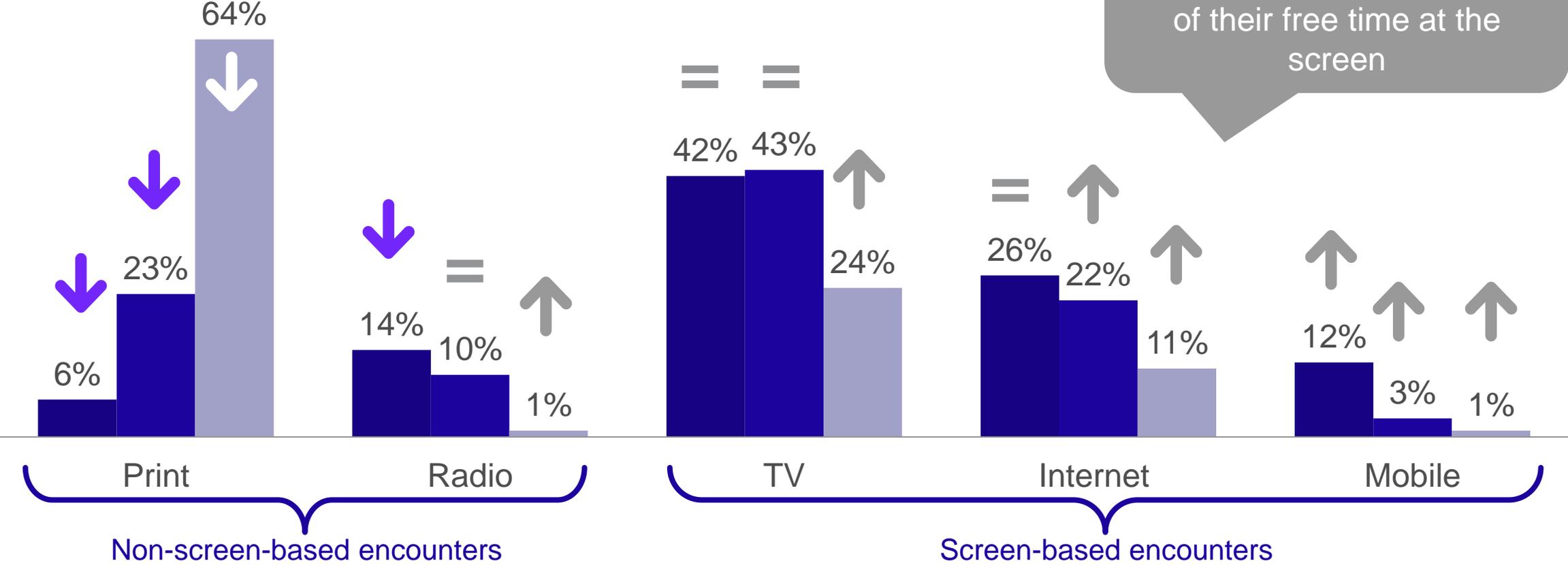


“Thunderstorm”

1. Digital transformation
2. Weak macroeconomy

Consumer and advertiser behaviour is changing – and affecting us

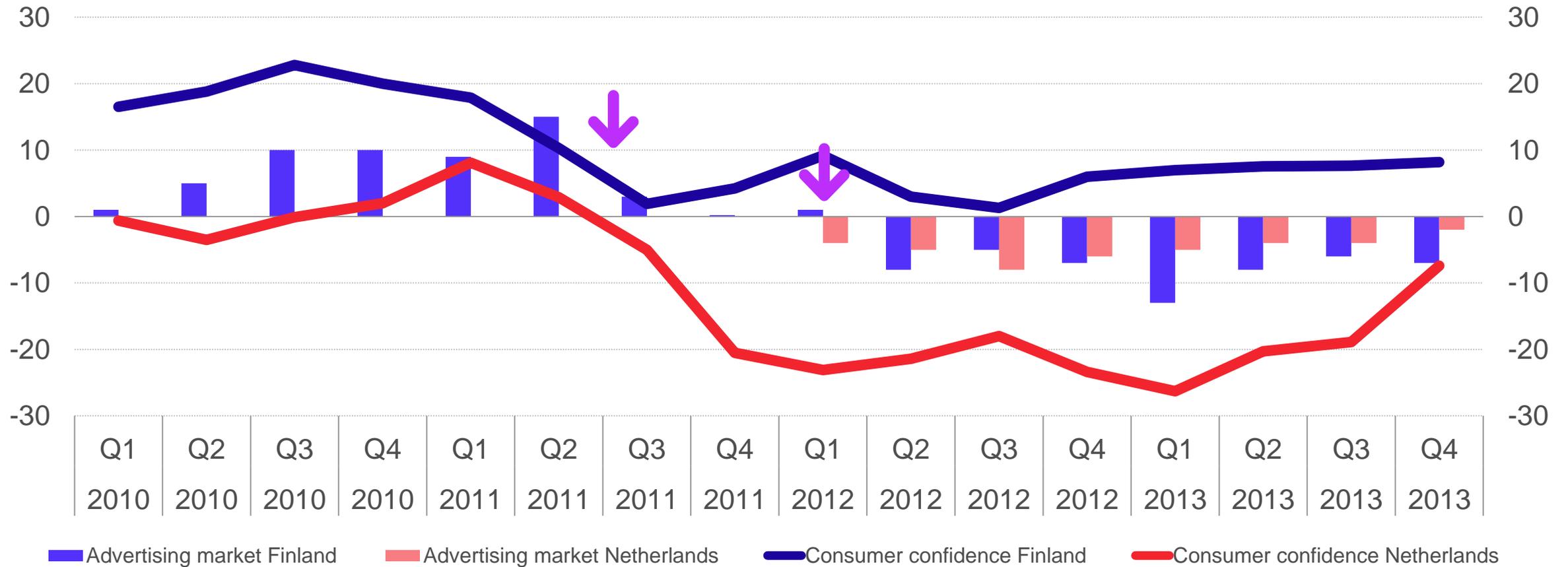
People spend a daily average of around 4.4 hours of their free time at the screen



■ Time spent (USA 2012) ■ Advertising expenditure (USA 2012) ■ % of Sanoma's net sales in 2013 (Finland and the Netherlands)

Source: IAB, eMarketer, Mary Meeker and Sanoma

Change in the market environment



Source: European Commission (consumer confidence), TNS Gallup and Sanoma (advertising market)

Advertising market development

Advertising market* Change (%), compared to the previous year

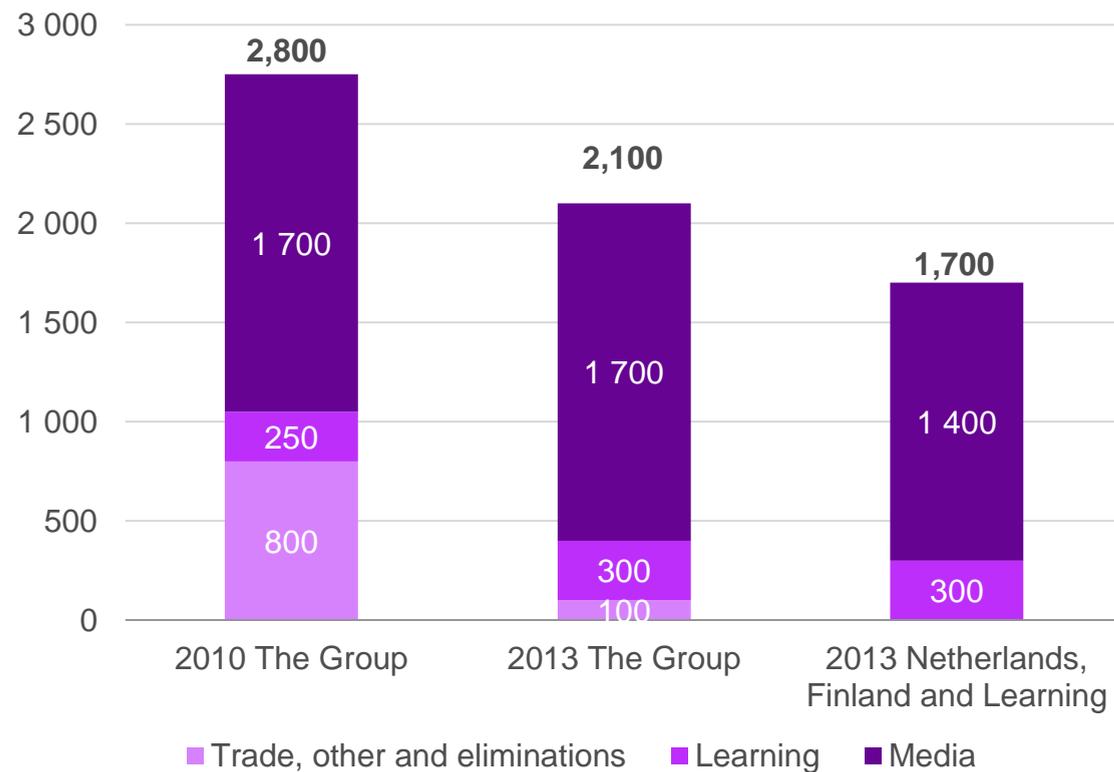
Netherlands	FY/2010	FY/2011	Q1/2012	Q2/2012	Q3/2012	Q4/2012	Q1/2013	Q2/2013	Q3/2013	Q4/2013
Magazines	+3	-4	-1	-11	-13	-14	-17	-16	-15	-18
TV	+10	+4	-3	-5	-7	-7	-5	-4	-1	+3
Online	+28	+9	+7	+7	-9	-2	-1	-2	-5	-5
Entire market	+13	+5	-4	-5	-8	-6	-5	-4	-4	-2

Finland	FY/2010	FY/2011	Q1/2012	Q2/2012	Q3/2012	Q4/2012	Q1/2013	Q2/2013	Q3/2013	Q4/2013
Newspapers	+2	+3	-2	-13	-9	-13	-18	-17	-13	-15
Magazines	-3	+2	-2	-6	-9	-14	-16	-15	-7	-10
TV	+12	+7	+5	-4	-2	-3	-10	+3	+1	-1
Online	+33	+25	+14	+1	+8	+14	+3	+6	+7	+6
Entire market	+7	+7	+1	-8	-5	-7	-13	-8	-6	-7

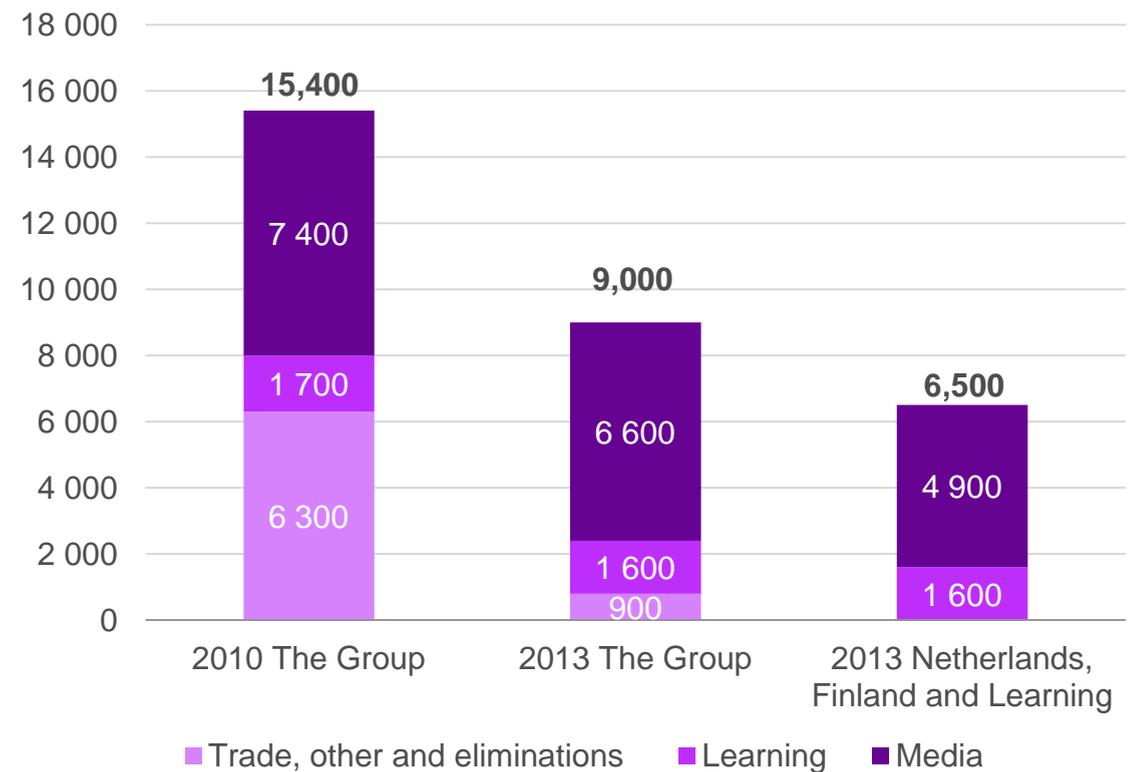
Sources: Sanoma (Netherlands), TNS Gallup (Finland)

Strong measures

Net sales (EUR million)



Personnel (FTE)



EUR

2013

2012

Net sales

2.1 billion

2.4 billion

Operating profit before non-recurring items

155 million

231 million

Earnings/share before non-recurring items

0.54

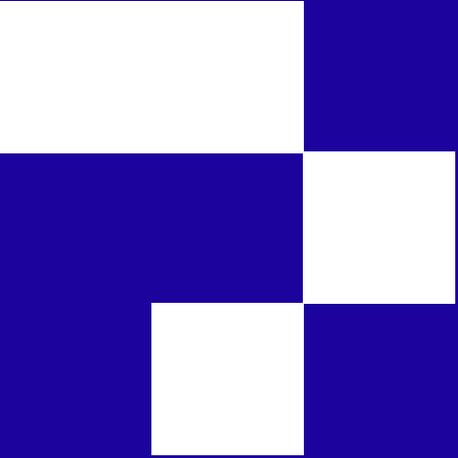
0.77

Dividend/share

0.10*

0.60

* The Board's proposal to the AGM. The Board also proposes that it be authorised to decide on an extra dividend of EUR 0.20 per share at the maximum.



Sanoma's strategy

Sanoma's strategy

Mission: Get the world – Sanoma helps people access and understand the world

Our strategic aspiration

Market leader in consumer media and learning in our countries of operation

Our strategic goals

Growth

Renewal of products and services
Growth 2016

Profitability & balance sheet

Cost-saving programme and divestments
Healthy balance sheet

Organisation

New organisation
Corporate culture

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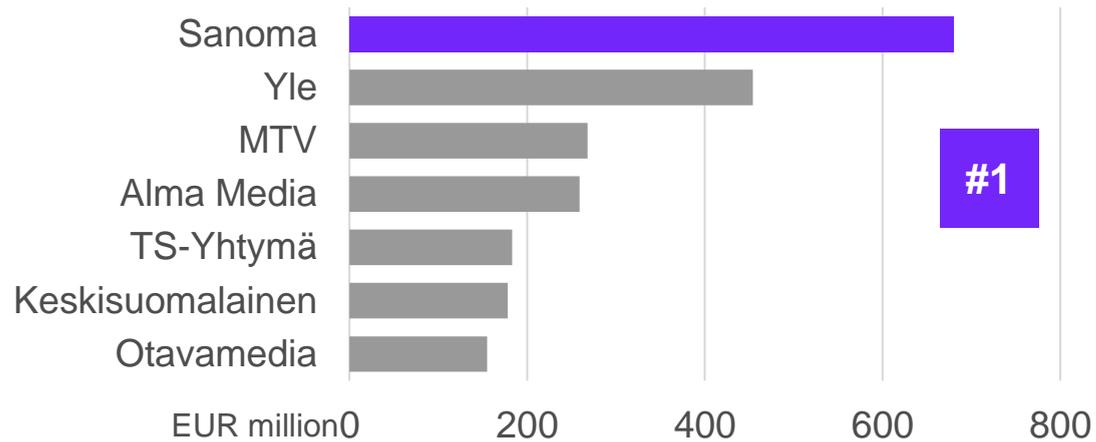
Organisation

Focus areas: consumer media and learning



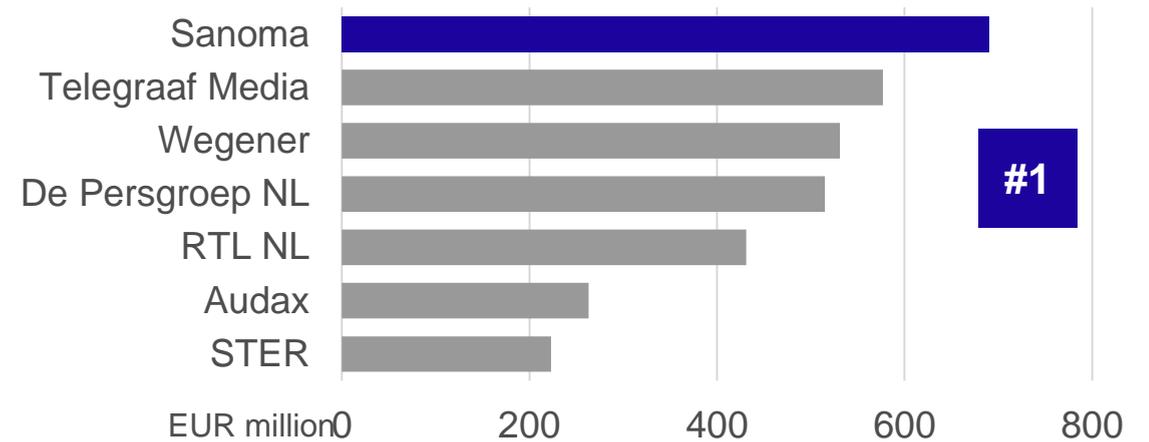
Market leader in consumer media

Finland



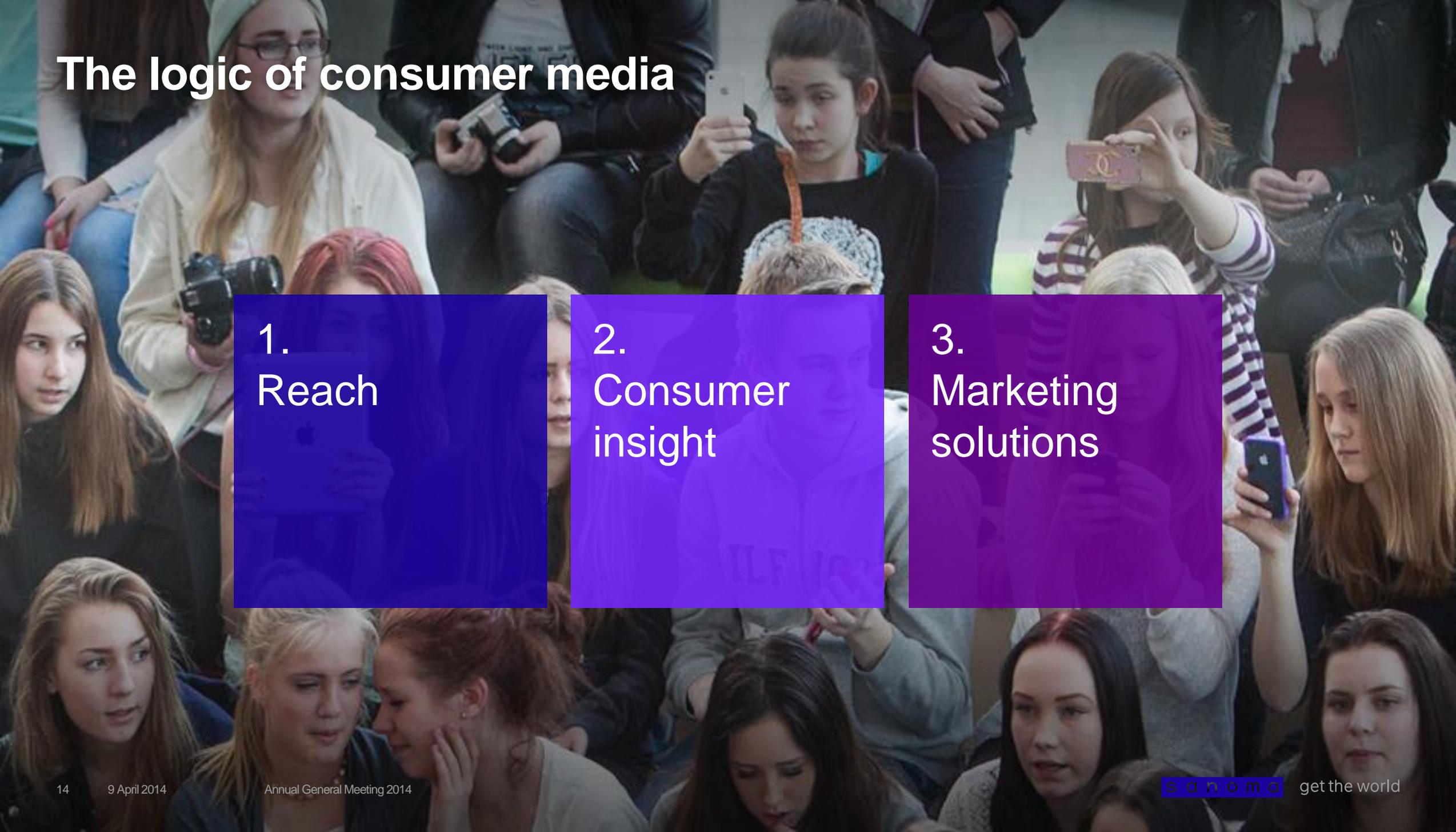
- #1 in newspapers
- #1 in magazines
- #1 in online advertising
- #2 in commercial television
- #1 in commercial radio

Netherlands



- #1 in consumer magazines
- #1 in online advertising
- #2 in commercial television
- #1 in digital news services

The logic of consumer media



1.
Reach

2.
Consumer
insight

3.
Marketing
solutions

1. Increasing reach: examples



- 2.2 million readers weekly in different channels
- Growth in digital subscriptions: 115% in 2013



- The largest radio channel in Finland
- Weekly reach: more than 1.1 million, growth 32%



- The most popular magazine in Finland: 880,000 readers
- Launched in the autumn of 2013, its digital service has more than 20,000 subscribers



- Nearly 8 million video starts monthly
- Reach increased by more than 25% in 2013



- 3.0 million readers in different channels
- Mobile reach increased by 153%



- The largest news service in the Netherlands
- 900 million page views monthly



- A news service for women
- Its reformed version multiplied the number of monthly visitors to 2.2 million



- A news service based on videos
- 152 million video starts in 2013, growth 40%



- A leading television channel in the Netherlands
- *Utopia*, a new format, attracted an average of 1.0 million viewers in 2014

2. Customer insight – Big Data offers new business opportunities

Consumer experience

Consumer insight

Targeted offering

Effective marketing

Targeted advertising

Behavioural segmentation

Interesting target groups

Mobile and location targeting

Digital content

Personalised content

Digital product development

Product innovations

Examples:

- Sanoma account: concerns around 1 million Finns
- Advertising campaigns targeted based on age, gender and interests
- Startpagina Search: customised content for consumers

3. Marketing solutions

- Sanoma is the media company with the widest reach in Finland and the Netherlands, with target groups such as:
 - Sports
 - Science and technology
 - Fitness and well-being
- Customised marketing solutions
 - The entire value chain, from offline and online advertising solutions to the management of materials and printing services
 - One-stop-shop principle
- Continuous marketing programmes based on Sanoma's Big Data

Market leader in learning

Finland

Market position: #1
Net sales:
~ EUR 55 million

s a n o m a p r o

Sweden

Market position: #2
Net sales:
~ EUR 30 million

s a n o m a u t b i l d n i n g

Netherlands

Market position: #2
Net sales:
~ EUR 95 million

MALMBERG

Belgium

Market position: #1
Net sales:
~ EUR 35 million


VAN IN

Poland

Market position: #1
Net sales:
~ EUR 70 million


nowa era

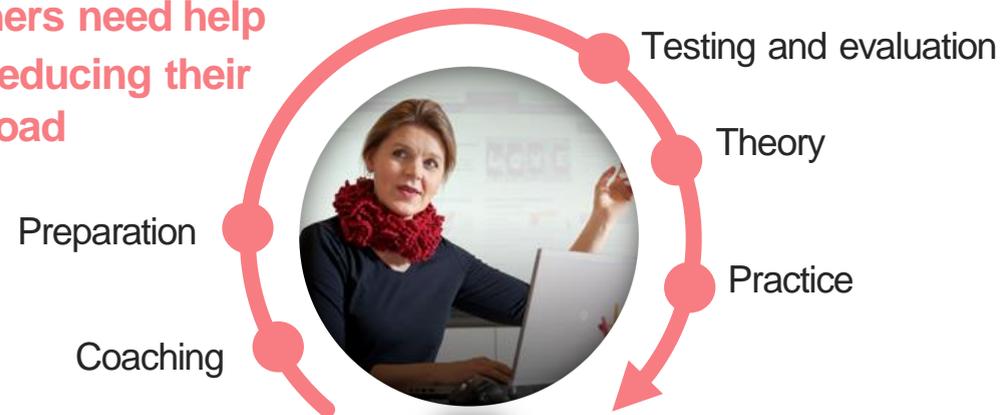
Global market

Market position: a
leading player in
online learning
Net sales:
~ EUR 10 million

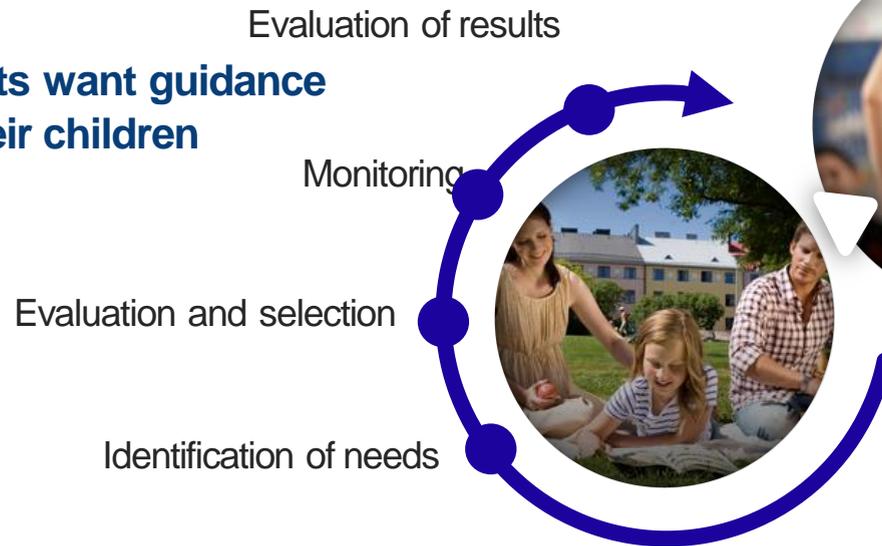

Young
Digital
Planet

We create added value by being close to the learning process

Teachers need help
with reducing their
workload



Parents want guidance
for their children



Learning
results

Principals need
management tools



Digitised learning: examples

1,000,000 exercises were completed on the Bingel digital service in a week

bingel.be

The number of exercises completed grew tenfold during the last **12** weeks of 2013

 StudySteps

More than **1,000,000** students use Malmberg's learning application

MALMBERG

More than **800** e-textbooks were published on the YDP digital bookshelf

 Young Digital Planet

The Sanoma Pro working environment for teachers reached a penetration rate of **90%**

s a n o m a pro

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Renewal of products and services
Growth 2016

Profitability & balance sheet

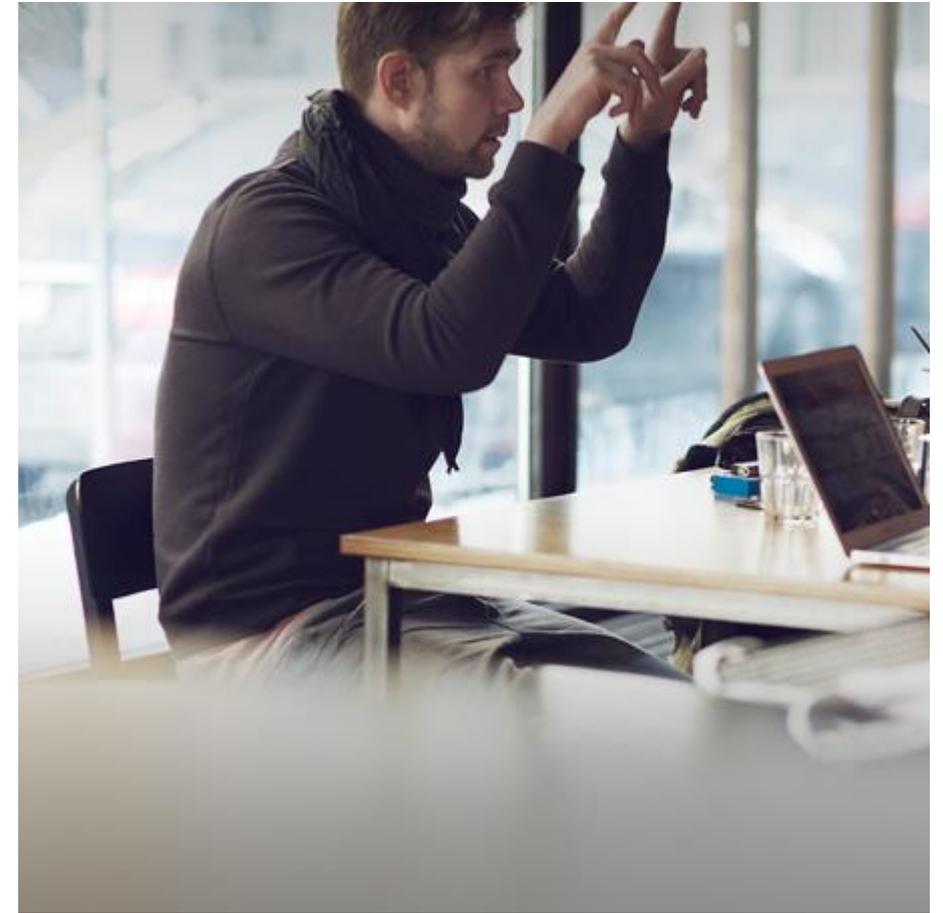
Cost-saving programme and divestments
Healthy balance sheet

Organisation

A cost-saving programme of EUR 100 million

Measures include:

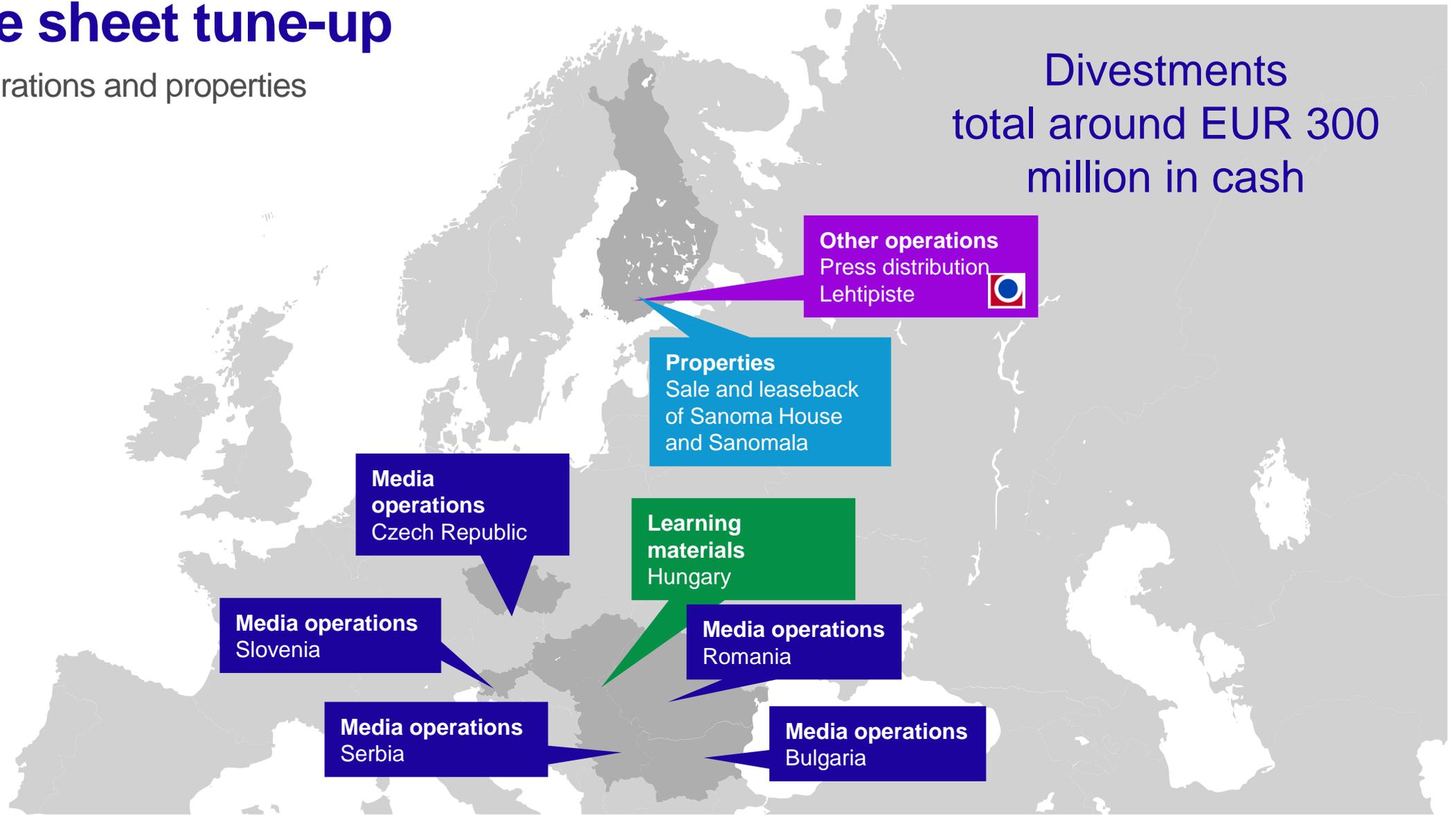
- Sales – harmonisation
- Magazines in Finland – *3T*, *liris* and *Kodinrakentaja*
- *Helsingin Sanomat* – further development of editorial processes
- IT – improvement of operational efficiency
- Financial Shared Services Centre – adjustment to the changing operating environment
- Printing operations – capacity optimisation
- Magazines in the Netherlands – portfolio optimisation



Balance sheet tune-up

Divested operations and properties

Divestments
total around EUR 300
million in cash



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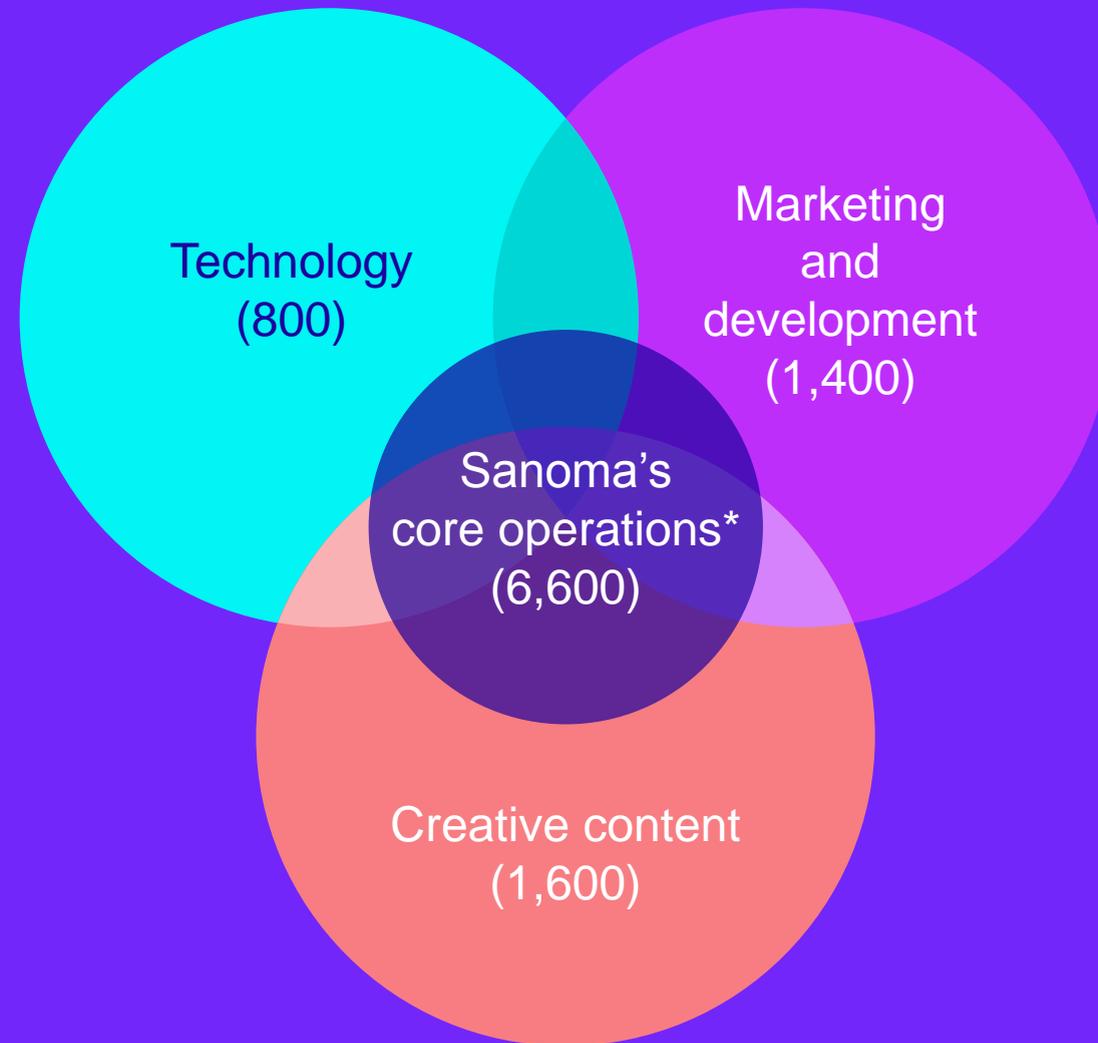
Cost-saving programme and divestments
Healthy balance sheet

Organisation

New organisation
Corporate culture

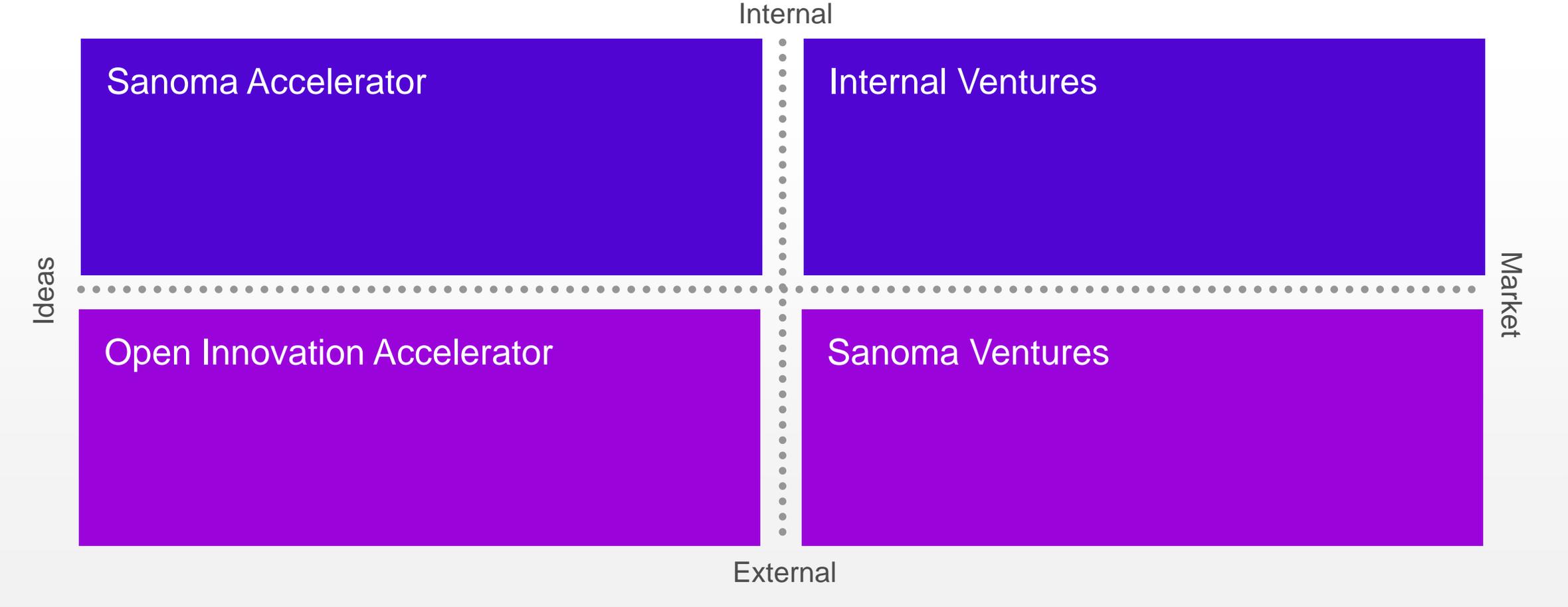
Media company as a source of innovation

Personnel number in parentheses

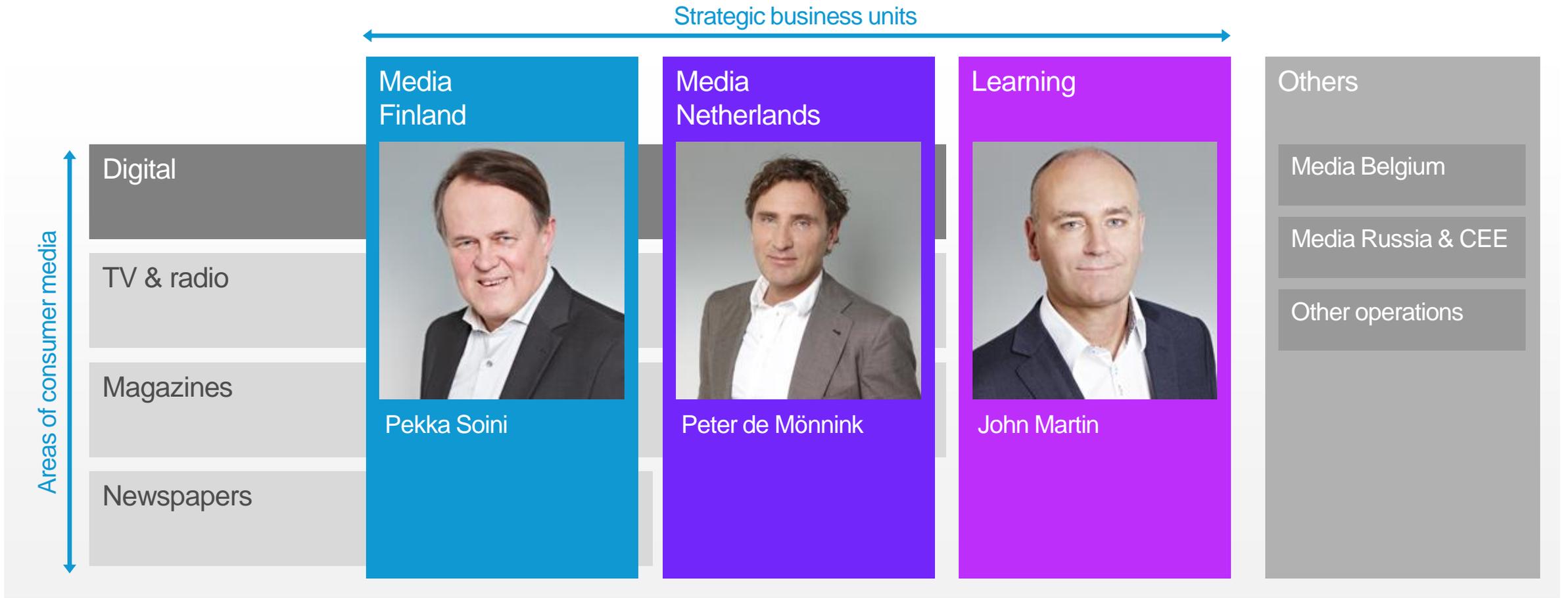


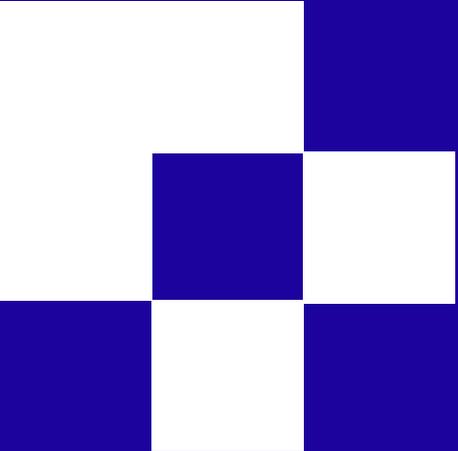
* Media Finland, Media Netherlands, Learning

New approaches to innovation



Changes in management





Strategy implementation



Strategy implementation at Sanoma

Growth

Renewal of products and services
Growth 2016



Profitability & balance sheet

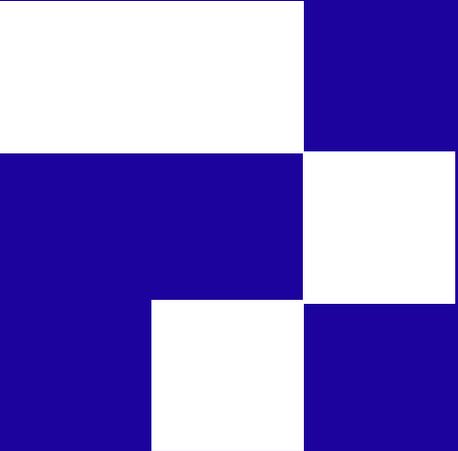
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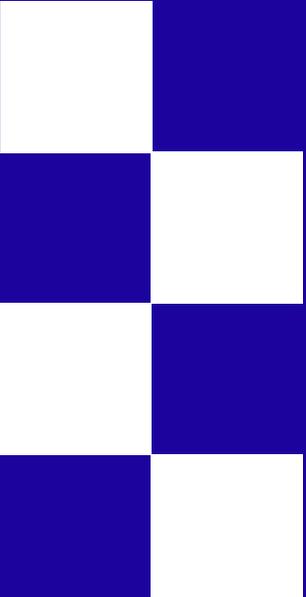
Organisation

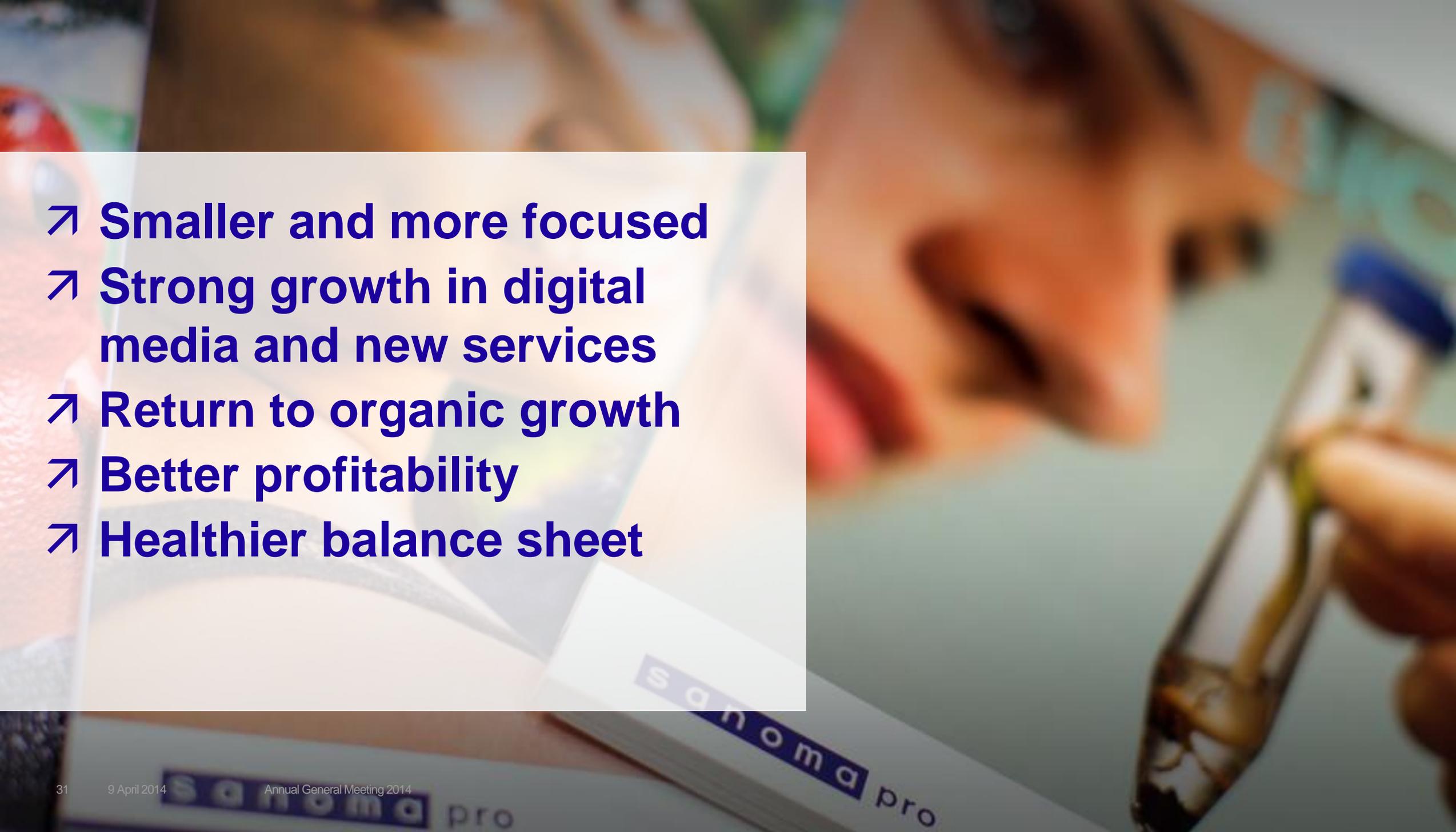
New organisation
Corporate culture





Sanoma 2016



- 
- **Smaller and more focused**
 - **Strong growth in digital media and new services**
 - **Return to organic growth**
 - **Better profitability**
 - **Healthier balance sheet**

s a n o m a

Thank you!