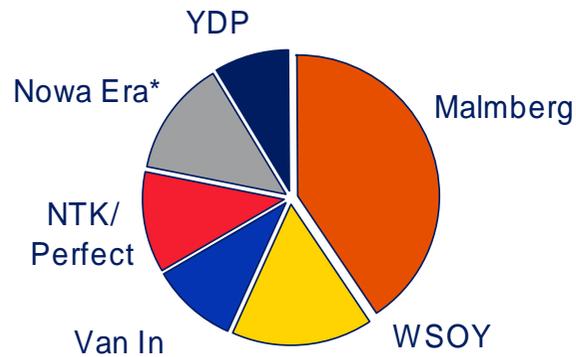




# SanomaWSOY Education Executing Growth Strategy

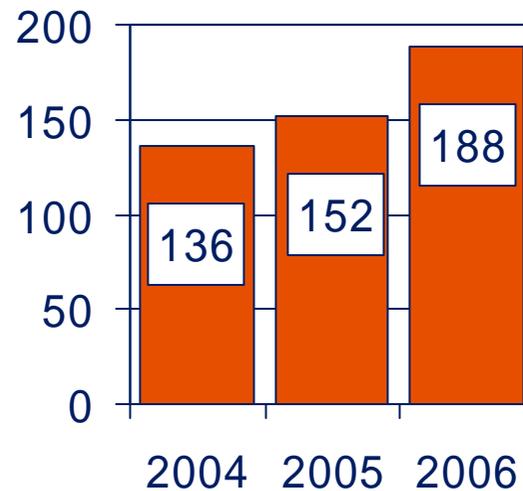
## European presence:

- Leading positions in
  - Finland
  - The Netherlands
  - Belgium
  - Hungary
  - Poland
  - International (eLearning)



## Performance:

- Solid organic growth
- Sound acquisitions and new initiatives



## Strategy:

- To secure geographical expansion, with focus on CEE
- To anticipate adjacent market opportunities strengthening our core market positions
- To achieve synergies in platform standardisation, purchasing & procurement consolidation and sharing of new business initiatives and concepts

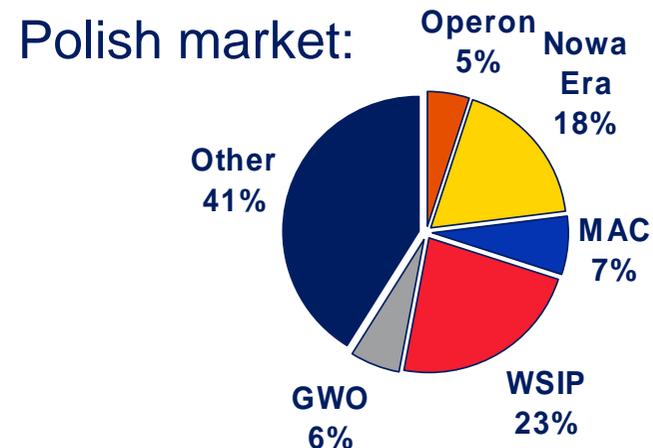
# Nowa Era

## Our Latest Acquisition



High quality player in the Polish educational market:

- Strong no 2 player in large CEE market
- Proven growth track record
- Market challenger and innovation capacity
- Excellent financial performance
- Strong management team



Key positions in:

- All levels of primary and secondary education
- Outstanding positions in integrated subjects, sciences, history and humanistic
- ICT has been strong driver behind market share gains



# In Our Today's Portfolio: Many Digital Initiatives

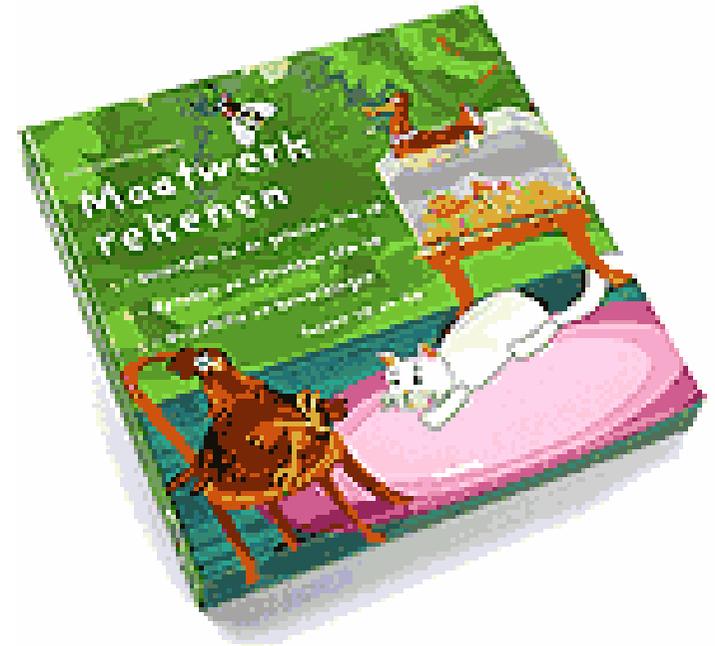
- **Maatwerk rekenen**: successful digital arithmetics for Dutch Primary Education
- **Scholaris**: leading Polish educational portal
- **Webquests**: winning language concept in Dutch Secondary Education
- **Pienter**: powerful Belgian mathematics exercise database
- **OPIT**: the leading Finnish virtual learning environment in all educational areas



## Maatwerk rekenen:

# Digital Remedial Teaching for Differentiated Levels

- Unique proposition: digital remedial teaching for pupils with different learning difficulties in arithmetics
- Funding: additional budgets for remedial teaching
- Strengthening our core position: additional support to the learning systems
- Market share: 50%



Scholaris:

# Countrywide Educational Multi-purpose Portal

- Unique proposition: one portal for all educational markets, for teachers and school management
- Funding: by Ministry of Education of Poland
- Strengthening our core position: public-private partnership to develop and create markets and market demand
- 250,000 unique visitors per month, 6,000 lessons available for direct use



# Webquests: Online Language Learning Dutch Innovation Nomination 2007



- Unique proposition: online learning application, covering key parts of the curriculum, very structured didactical methodology
- Funding: additional school budgets for innovation initiatives
- Strengthening our core position: natural auxiliary on top of textbook's use
- 100,000 users

Pi enter:

# Powerful Offline Database of Mathematics Exercises

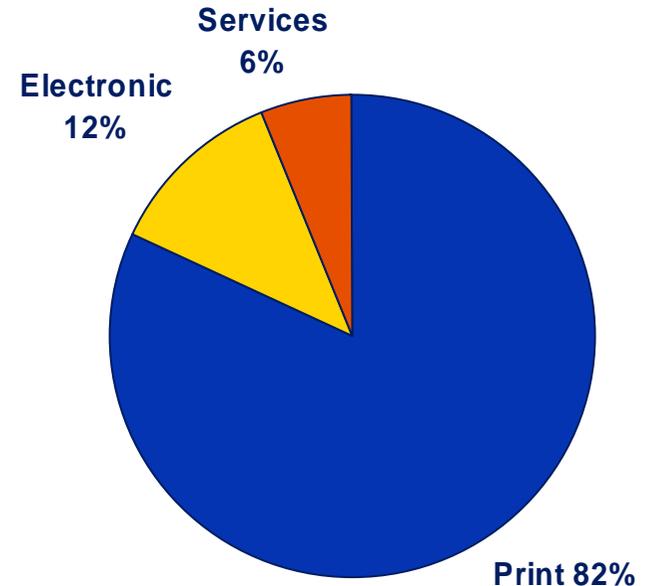
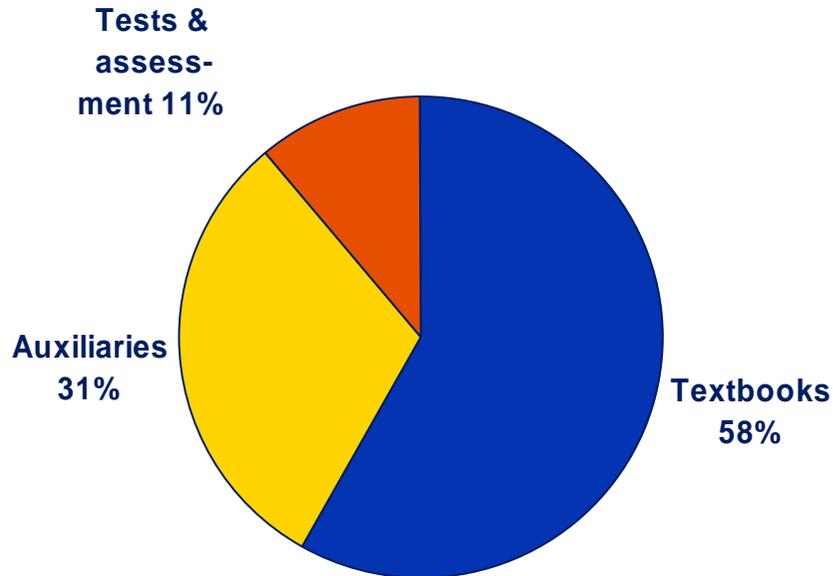
- Unique proposition: the first Belgian fully integrated digital application in the learning systems
- Funding: package prices being stretched, value based pricing model
- Strengthening our core position: innovative concept has been driver behind the growth
- 17% market share since 2004; 65,000 of sold CD rom packages



# Our Market Environment

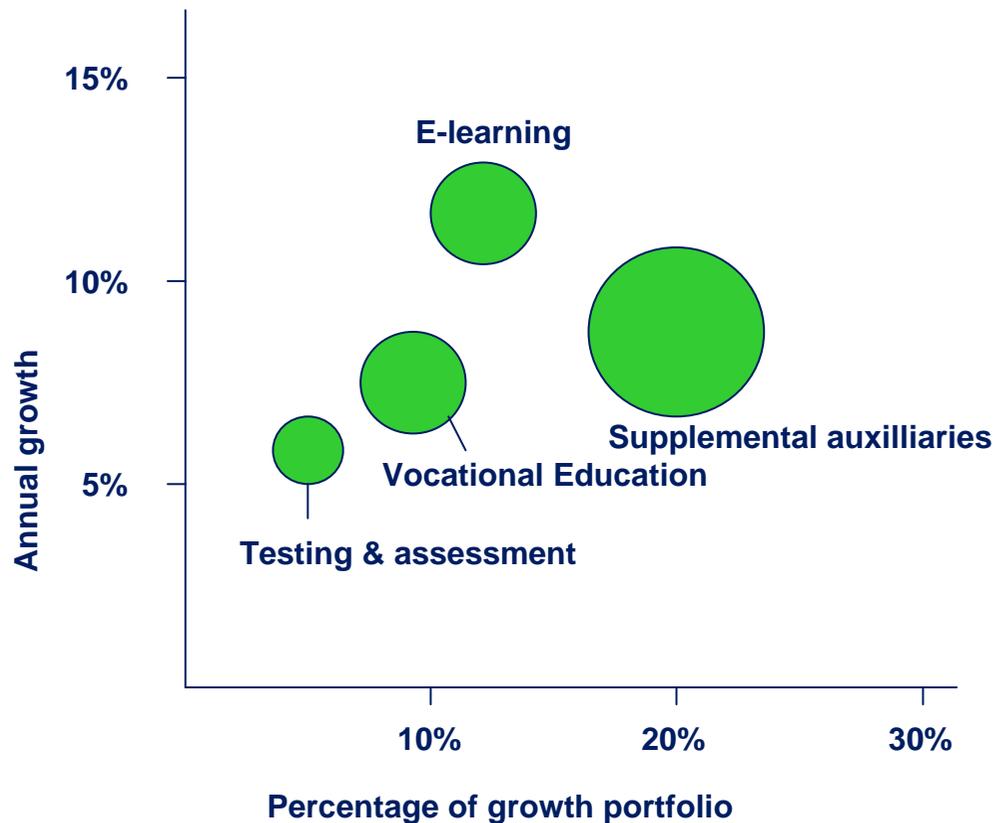
## Educational Market Still Dominated by Print

Total market EUR 5.7 billion



# Our Market Environment

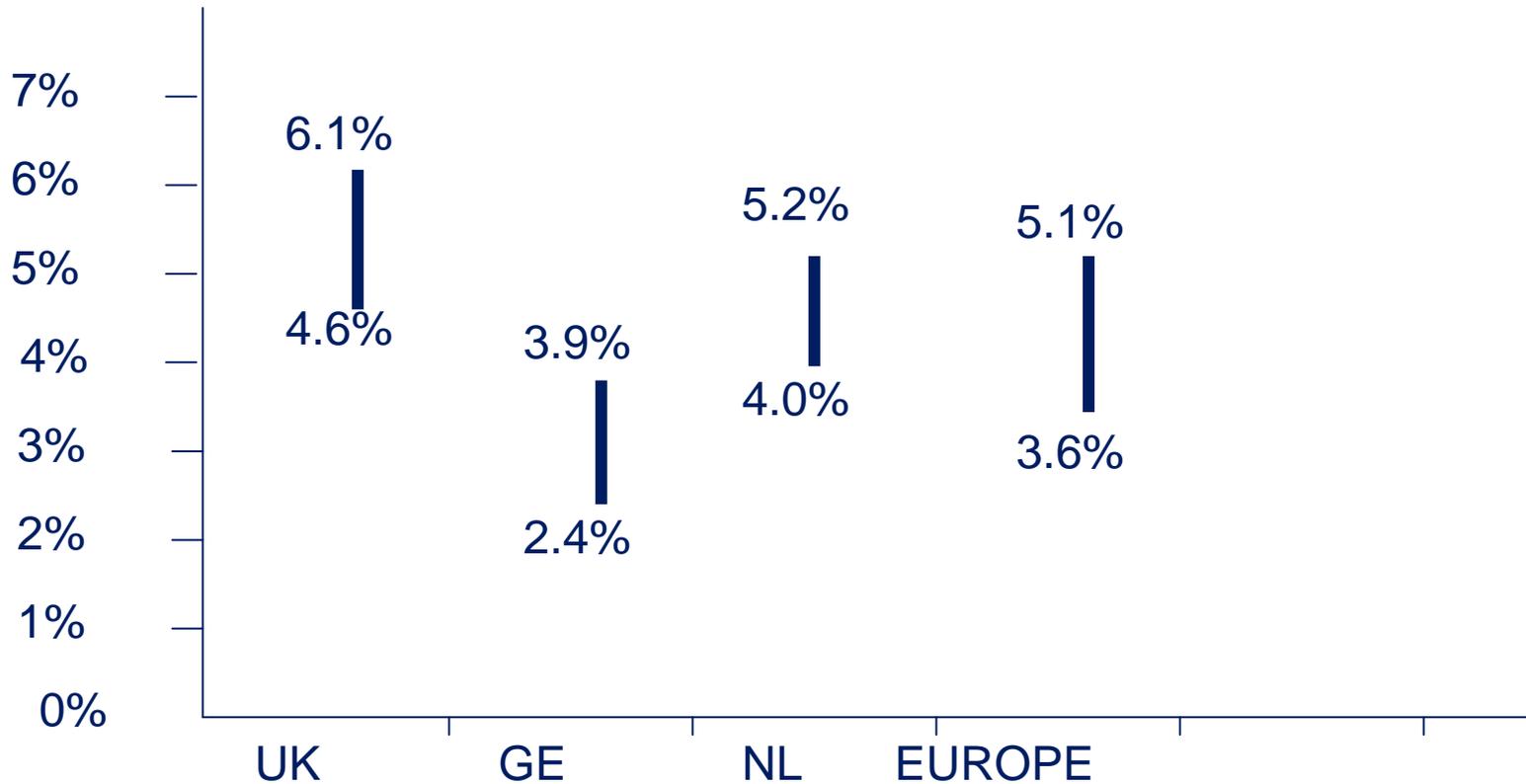
## Key Growth Opportunities



- **eLearning:** near or above double digit growth, emphasis on teacher training materials, self guided learning options for students and integration tools
- **Vocational Education:** high single-digit growth, with increasing enrolment and subject areas
- **Standards of Education:** moderate single-digit growth, with moderate growth in classroom assessments and testing, as well as stronger growth for supplemental products for remediation and/or personal extension.

# Our Market Environment

## Projected Growth PE/SE Markets



# Our 'Digital' Strategy

## A Differentiation Strategy

### Changing markets

- School management
- Teachers
- Pupils

### Differentiated demand

- Traditional 'book plus'
- Integrated blended learning systems
- Customised products and services

### Publishers anticipation and answers

- eConcepts
- eMarketing
- ePlatforms



# Changing Markets

## In Different Pace, Quality and Priority

- **School management**
  - Independency
  - Flexibility
  - Measurability
- **Teachers**
  - Huge generation shift coming
  - Different roles: ‘Lecturers’ and ‘Guides’
- **Pupils**
  - Boosting online use, mobile use, etc.



# Differentiated Demand

## No 'One Size Fits All' Approach Anymore

- **Traditional 'book plus'**
  - Curriculum focus
  - Classical proven approach
- **Integrated blended learning systems**
  - Top notch solutions
  - Access to richness of the Web
- **Customised products and services**
  - Basics, basic content packages
  - 'Non-method' concepts



# Publishers' Anticipation and Answers

## Along Three Lines

- eConcepts
  - Online testing
  - Smart board content
  - Web 2.0 enabler to be enriched by pupils, teachers, others
- eMarketing
  - Web communications, sales and delivery
  - Consultancy, management information
  - Online business models
- ePlatforms
  - eLearning technology (Virtual Learning Environment, Testing tool, etc)
  - ePublishing tools (Content Management Systems, Asset Banks, etc)

# SanomaWSOY Education Competitive Edge

## Very Well Positioned in Leveraging Differentiated Demand in the Group

- **Our principle publishing role doesn't change:**
  - Based on market trends and needs, enable the pupil and support the teacher, offering arrangements
- **Our publishing challenge is:**
  - Different learning solutions for different learning environments
- **Our SanomaWSOY Education competitive edge is:**
  - Ability of leveraging the know-how and the (digital) platforms throughout the group

## SanomaWSOY Education

# Our 'Digital' Efforts and Ambitions

### **Establish standard use of technology:**

- ePublishing tools
- eLearning technology

### **Support and facilitate innovation in our businesses:**

- Sharing know-how (publishers days), concepts (product libraries) and business initiatives (seminars)

### **Enable profitable growth:**

- Adding 'digital' value, enlarging market volumes (bearing in mind cannibalism)
- Anticipating new 'digital' market opportunities

# SanomaWSOY Education

## So Far, Lessons Learned

- Customer and market understanding is the key
- Innovation is an important driver for the future success
- Strategy and execution is equally important, make it happen

**Being a marketing organisation,  
where growth is driven by innovation!!**

Thank you!