

Sanoma's first quarter 2011

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3 May 2011

Transforming Sanoma for the future (1/2)

Focus on consumer media and learning: actions in 2011

Creation
of the Sanoma
Media division

Acquisition of the
SBS free-to-air TV assets
in the Netherlands
and Belgium

Acquisition of learning
business in Finland
and Sweden

Divestment
of movie operations

Divestment of kiosk
and press distribution
operations in Romania

Divestment
of general literature
business

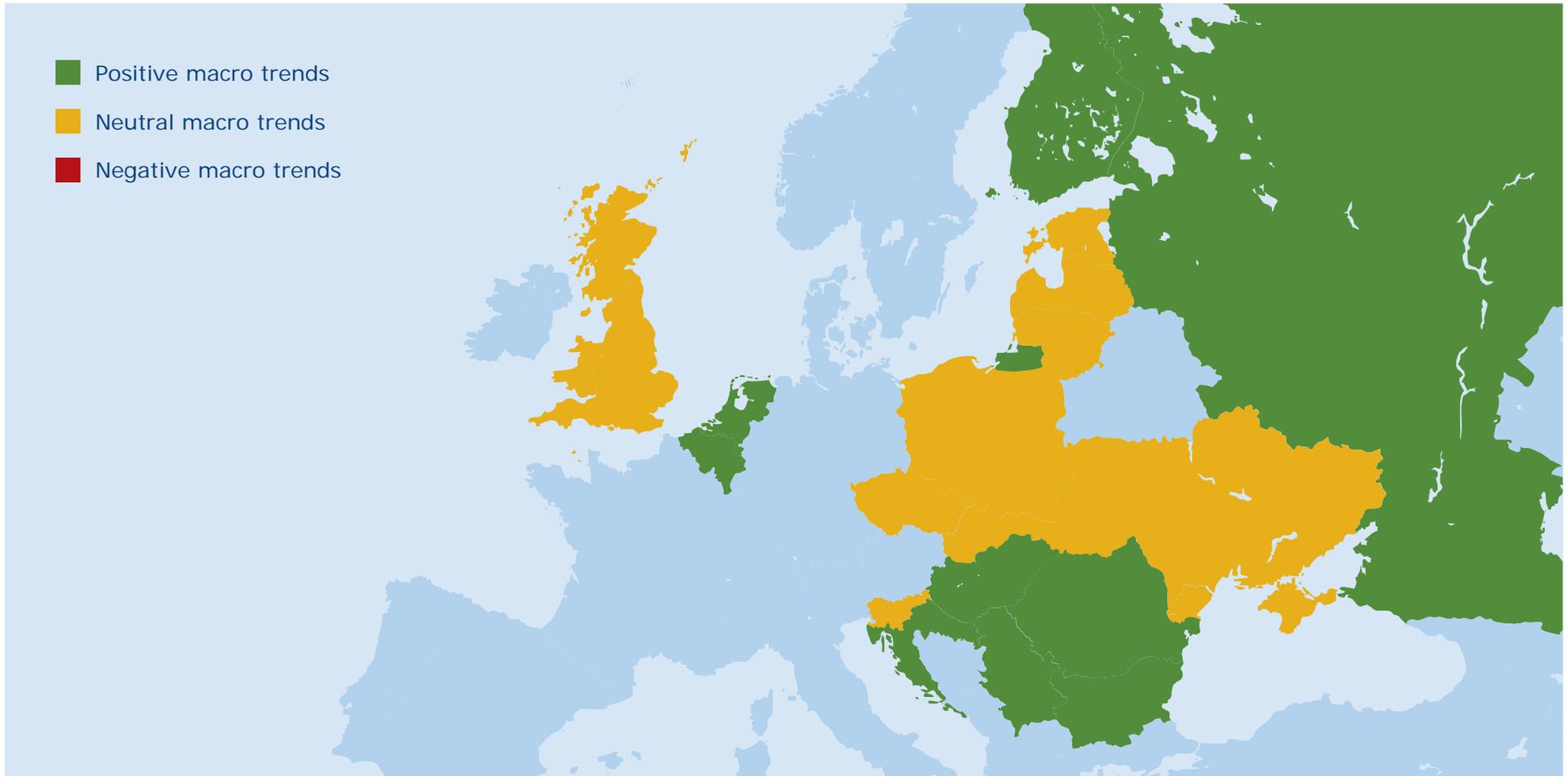
Transforming Sanoma for the future (2/2)

The effect of divestments clearly visible

- Net sales **EUR 610.2 million** (EUR 637.9 million in 2010)
 - net sales adjusted for changes at the comparable period's level
- Advertising sales **+6%**
- Circulation sales **-3%**
- Operating profit excl. non-recurring items **EUR 26.4 million** (EUR 35.6 million)
- Expenses under control



Macro trends positive...

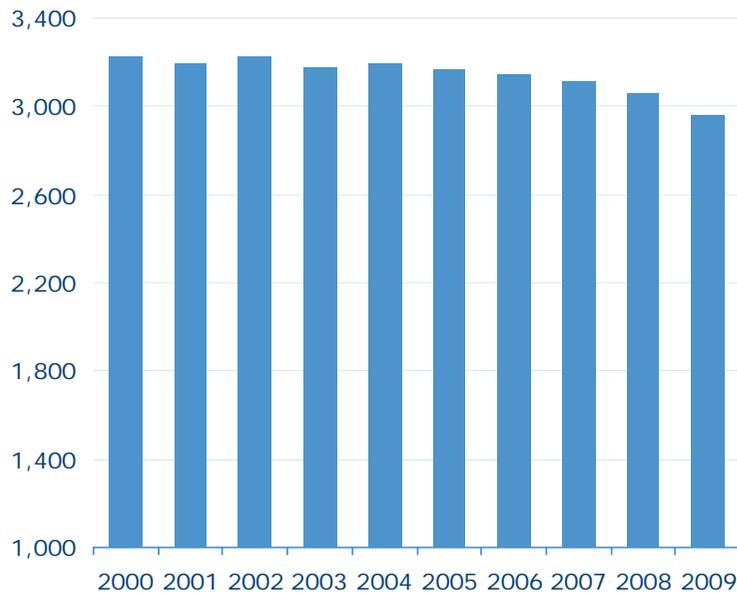


...but circulation is not growing

Newspaper circulation, Finland

Copies sold, million

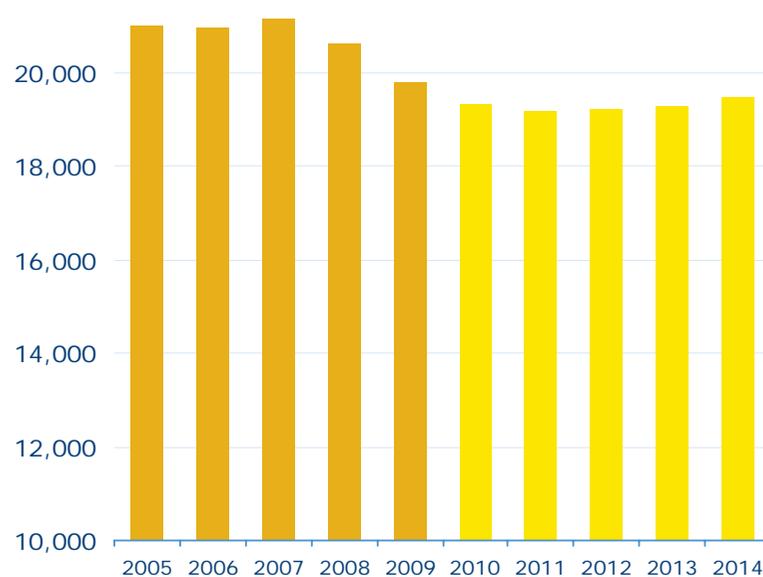
Circulation



Consumer magazine circulation spending, Western Europe, US\$ million

Circulation spending

22,000



→ Expanding our digital footprint and looking for cross-media opportunities is essential



* Sources: The Finnish Audit Bureau of Circulations, PricewaterhouseCoopers LLP, Wilkofsky Gruen Associates

Expanding Sanoma's digital footprint

Strategic rationale behind the SBS acquisition

- Transaction in line with Sanoma's strategy to focus on consumer media and learning solutions
- Strategic repositioning of Sanoma's consumer media business in the Netherlands and Belgium
 - gaining strong multimedia position: a leading media position in the Netherlands and considerably stronger position in Belgium
 - extending mass-media reach through FTA TV
 - combining TV with Sanoma's magazine and online assets provides a platform for digital growth
- Strong stand-alone value in FTA TV
 - clear rebound after financial downturn, robust outlook in the future
 - growth in non-linear channels provides additional value for advertisers
- Unique opportunity in FTA TV

Value creation

SBS TV operations + programming expertise from our partners + Sanoma's strong brands, high-class know-how from print, online and TV operations

= the next generation media offering for consumers and advertisers

- Improved FTA offering in the acquired TV channels
- Future digital business opportunities and new services and solutions across media, e.g. non-linear TV platforms and vertical themes
- Cross-promotion and cross-media concepts

The logo for Vijf TV, featuring the word "vijf" in a purple, lowercase, sans-serif font with a small "TV" in a lighter purple font to its upper right.The logo for Veronica, featuring the word "VERONICA" in a blue, serif font with a wavy underline.

Why cross-media?

Key element and enabler in successful transformation towards digital media

Short/mid term

Longer term

Establish cross-media position



Collaborate across platforms (e.g. magazines, TV, online) to develop leading capabilities in converged media

- Cross-promotion possibilities between Sanoma's businesses
- Stronger position in selected segments towards advertisers and consumers



Build position in the digital value chain

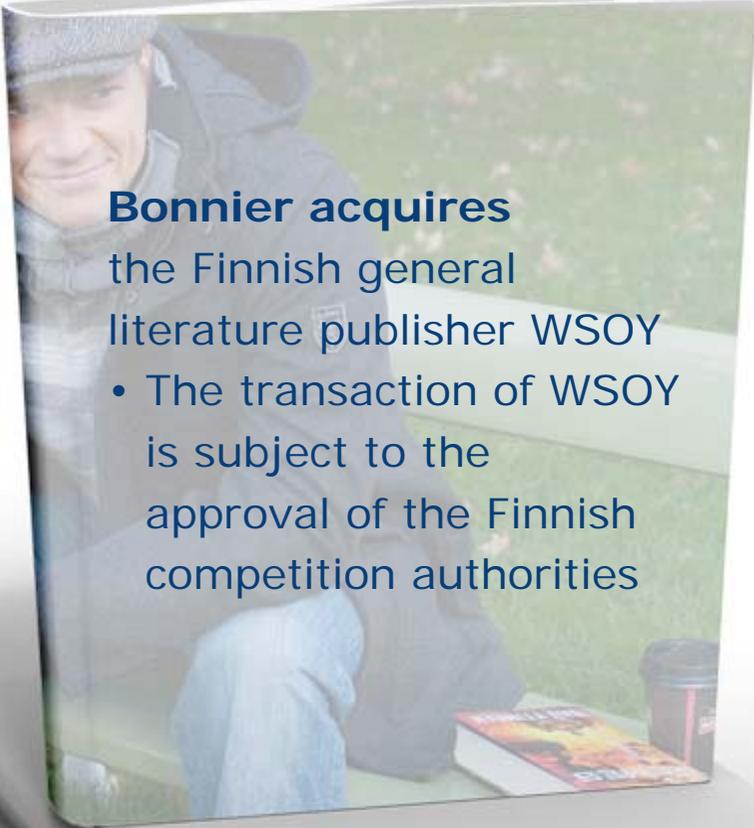
- Consumer & advertiser offering
- Sustainable pricing and distribution/retail model



... and manage the transition to the digital value chain

But its not all about consumer media

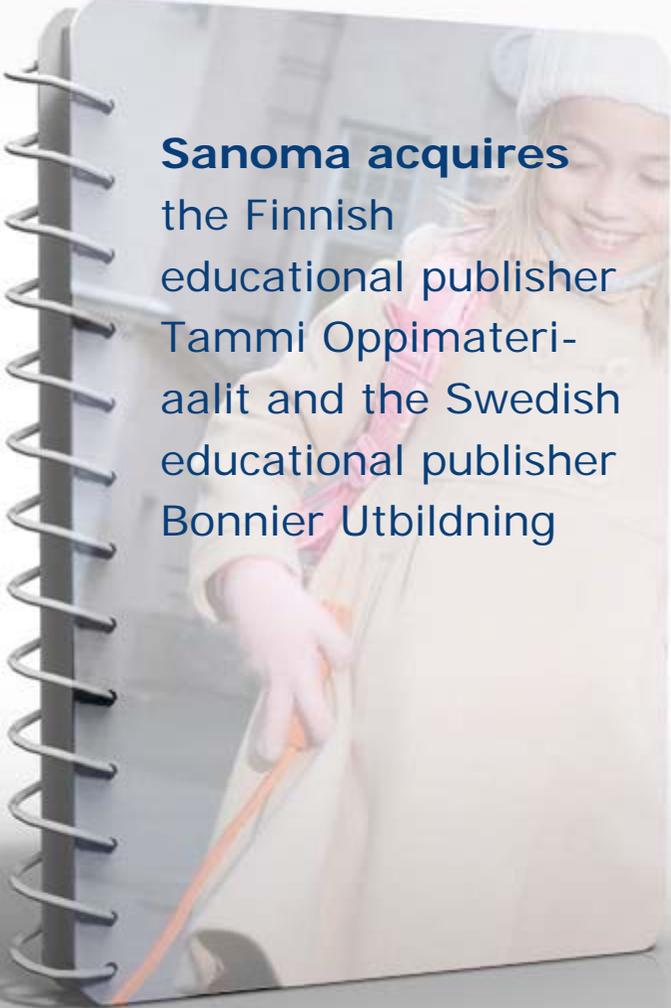
Expanding our learning business



Bonnier acquires

the Finnish general literature publisher WSOY

- The transaction of WSOY is subject to the approval of the Finnish competition authorities



Sanoma acquires

the Finnish educational publisher Tammi Oppimateriaalit and the Swedish educational publisher Bonnier Utbildning

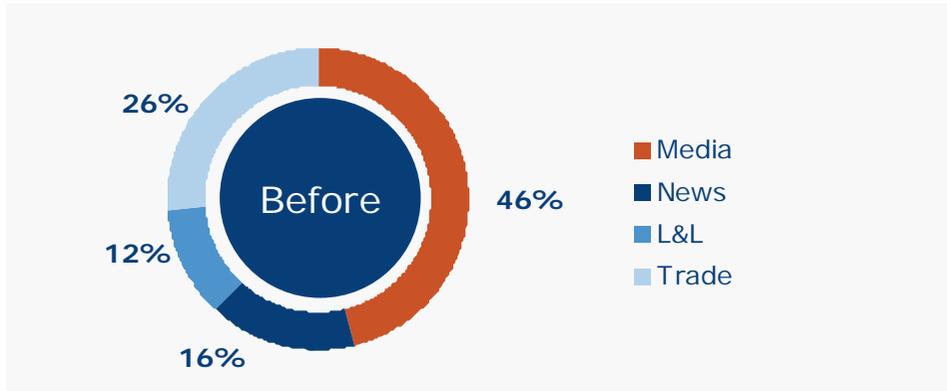
Strategic rationale for this transaction

- Learning is in the core of Sanoma's strategy
- General literature is in the core of Bonnier's strategy
- Bonnier Utbildning and Tammi Oppimateriaalit complement our operations
- With our strong know-how in learning, we can develop these assets further

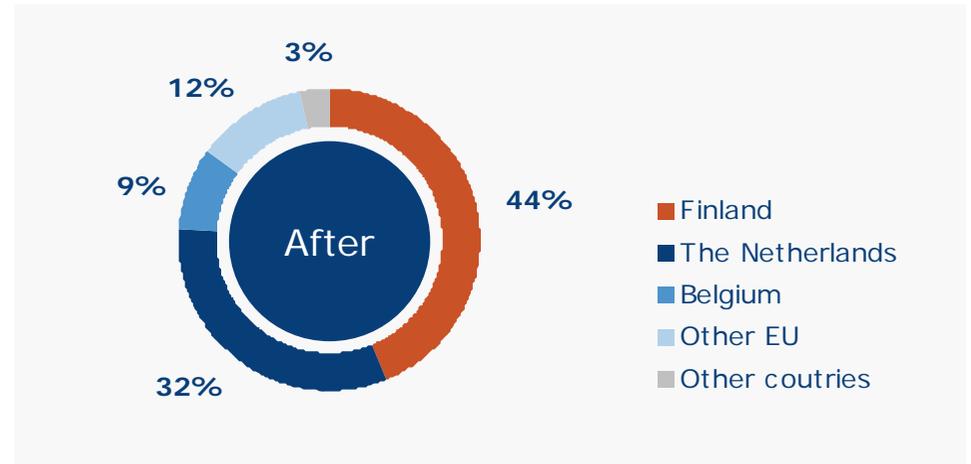
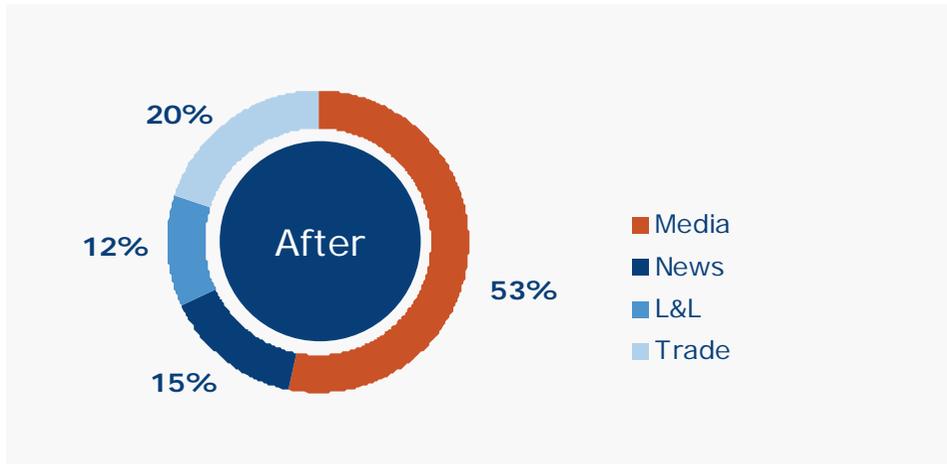
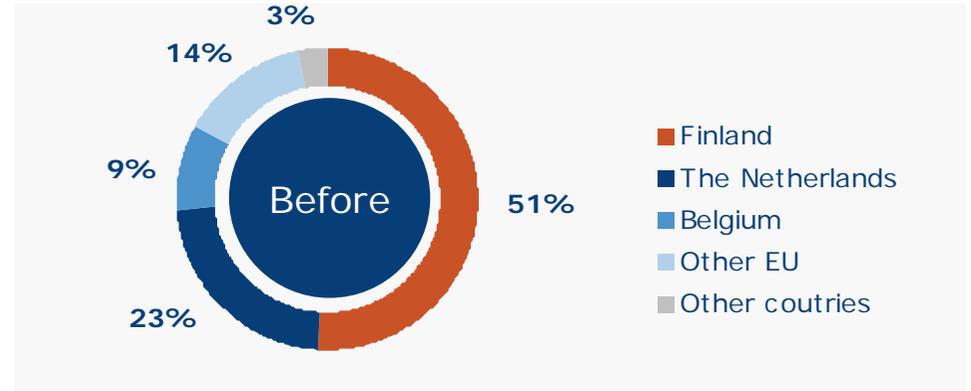
How does Sanoma look like after all this?

2010 Pro forma net sales

by division*



by geographic area*



* Net sales split after the transactions of SBS, movie operations, Trade's Romanian operations, Welho, Humo, learning in Finland and Sweden as well as general literature

Q1 financials

Kim Ignatius, CFO

Divestment of operations clearly visible

EUR million	1-3/2011	1-3/2010	Ch %	1-12/2010
Net sales	610.2	637.9	-4.3	2,761.2
EBIT excluding non-recurring items	26.4	35.6	-25.9	245.4
% net sales	4.3	5.6		8.9
EBIT	27.3	40.4	-32.5	392.7
Earnings/share, EUR	0.11	0.16	-28.8	1.85
Cash flow from operations/share, EUR	0.12	0.23	-50.9	1.69
Number of employees (FTE)*	15,277	16,293	-6.2	15,405

EBIT excl. non-recurring items

News excelled in Q1

EUR million



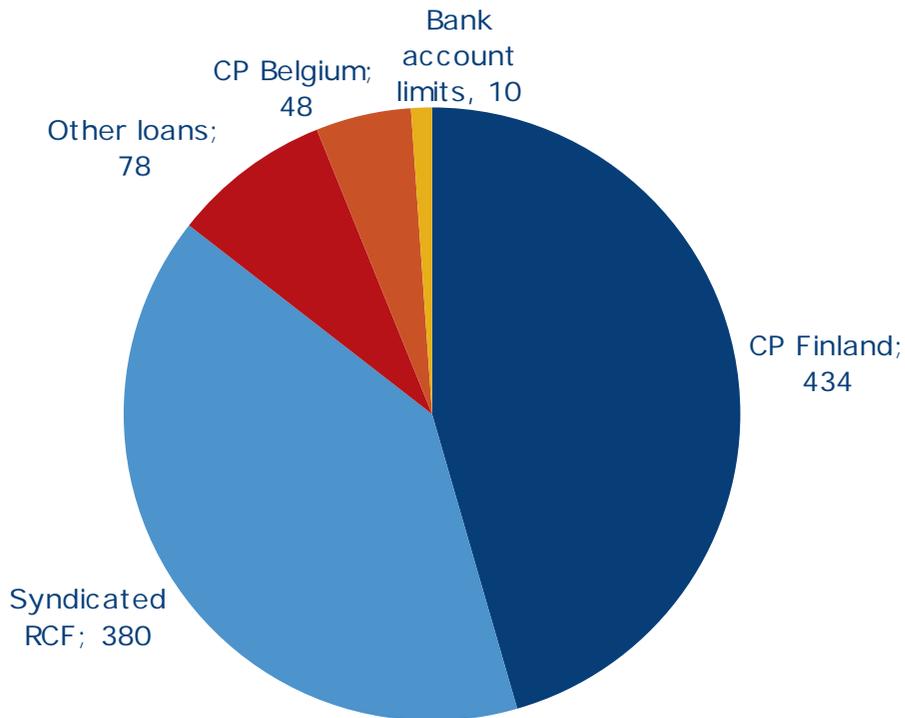
- Media: Structural changes in Belgium and Finland main reason for the decrease. Good development of TV advertising and improved result in CEE countries
- News: Increased advertising sales, good cost control
- Learning & Literature: Lower result of language services as well as literature and other businesses
- Trade: Lower sales in kiosks and bookstores, lack of blockbusters in movie operations

SBS transaction – financing and capital structure

Consolidated net debt estimated to increase by some EUR 0.9 billion to EUR 1.9 billion

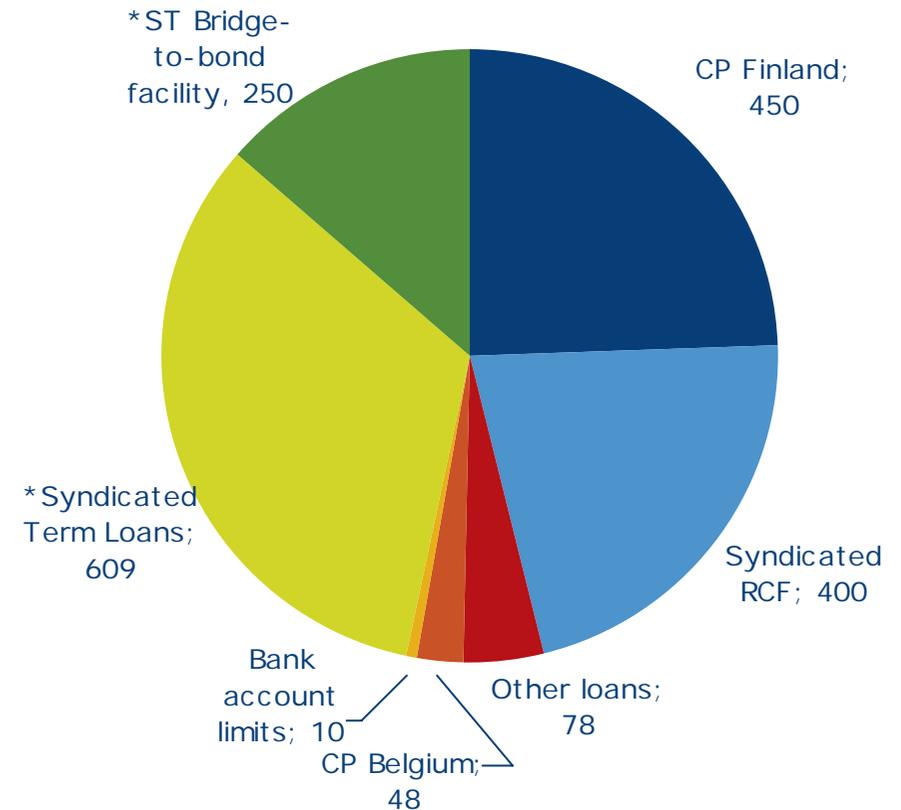
Total debt 1Q11

Break-down of EUR 950 million debt



Total debt after the acquisitions, estimated figures

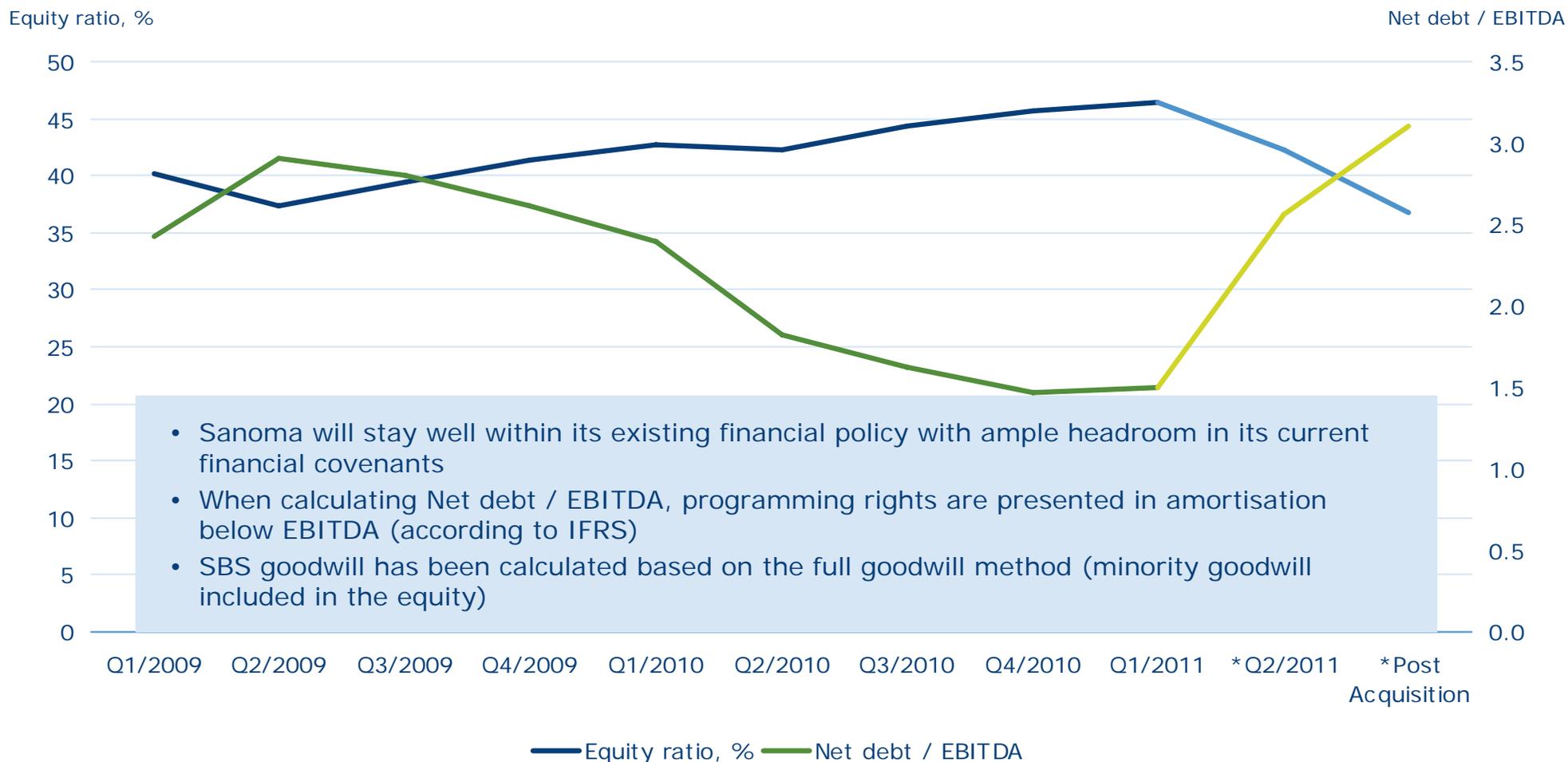
Break-down of EUR 1.9 billion debt



* New facilities

SBS transaction – financing and capital structure

Development of financial covenant ratios



What affects Sanoma's outlook for 2011? (1/2)

SBS transaction

- In 2010, net sales EUR 404 million*, EBIT EUR 110 million*
- Annual effects
 - preliminary amortisation on purchase price allocations
 - trade names EUR 7 million/year (amortised during 20 years)
 - customer and distribution relations EUR 4 million/year (amortised over 12 to 20 years)
 - yearly amortisation of capitalised finance costs EUR 2 million
- First year effects
 - transaction costs EUR 10 million
 - preliminary amortisation on purchase price allocations
 - order backlog EUR 32 million (amortised during the first six months)
- Closing estimated during the summer

What affects Sanoma's outlook for 2011? (2/2)

Learning and General Literature transaction

- In 2010, total net sales of acquired learning assets EUR 28 million, general literature EUR 33 million
- Strong cyclicity of Learning and General Literature businesses within the year
 - learning: 2nd and 3rd quarter strong ones, 1st and 4th loss making
 - general literature: 4th quarter clearly the strongest one
- Closing estimated during the autumn

Market environment

- Assumption that the advertising markets in the Group's main operating countries grow somewhat

Outlook for 2011

As a result of the acquisition of SBS TV activities, the Sanoma Group's

- Net sales are expected to **increase somewhat** and
- Operating profit excluding non-recurring items is expected to **improve slightly** in 2011
- In 2010, operating profit excluding non-recurring items was EUR 245.4 million



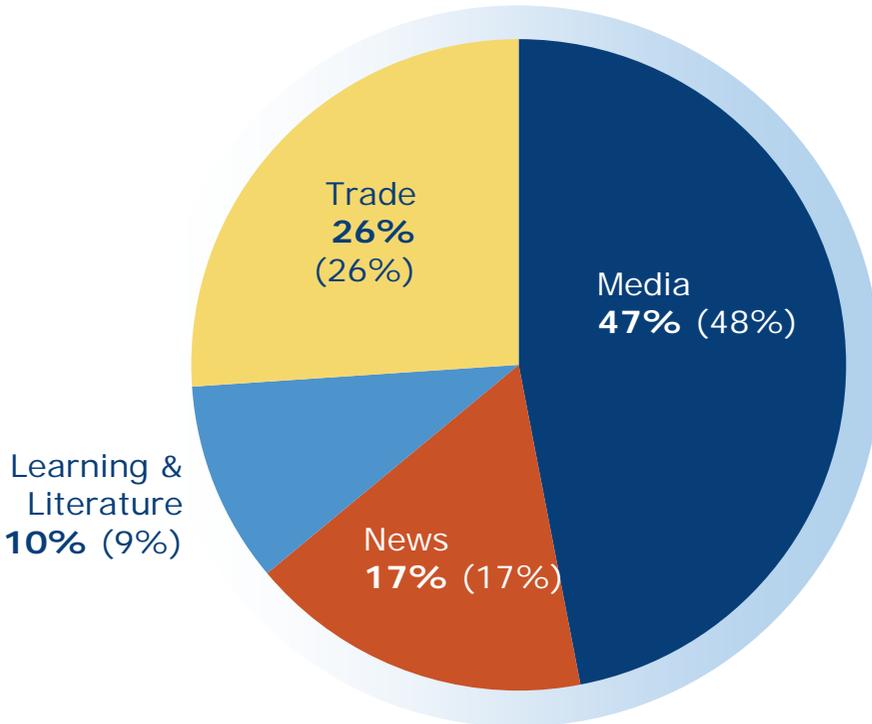


Inspires, Informs and Connects

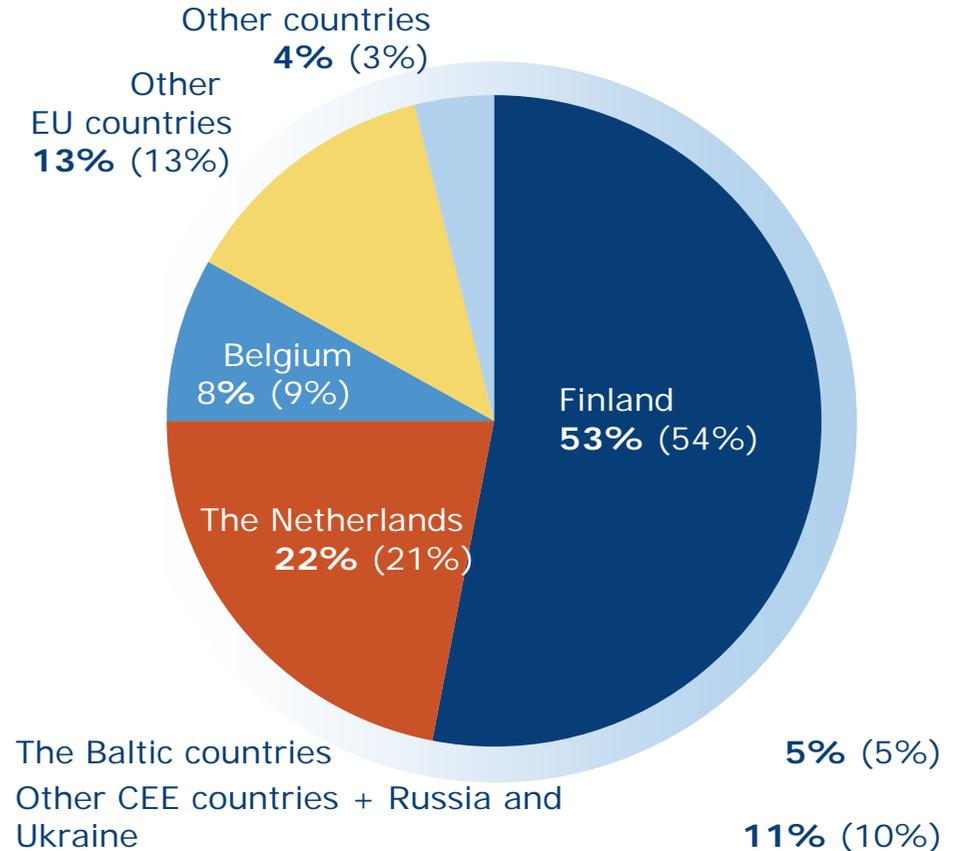
Only minor changes in the revenue split

1-3/2011 (1-3/2010)

By division



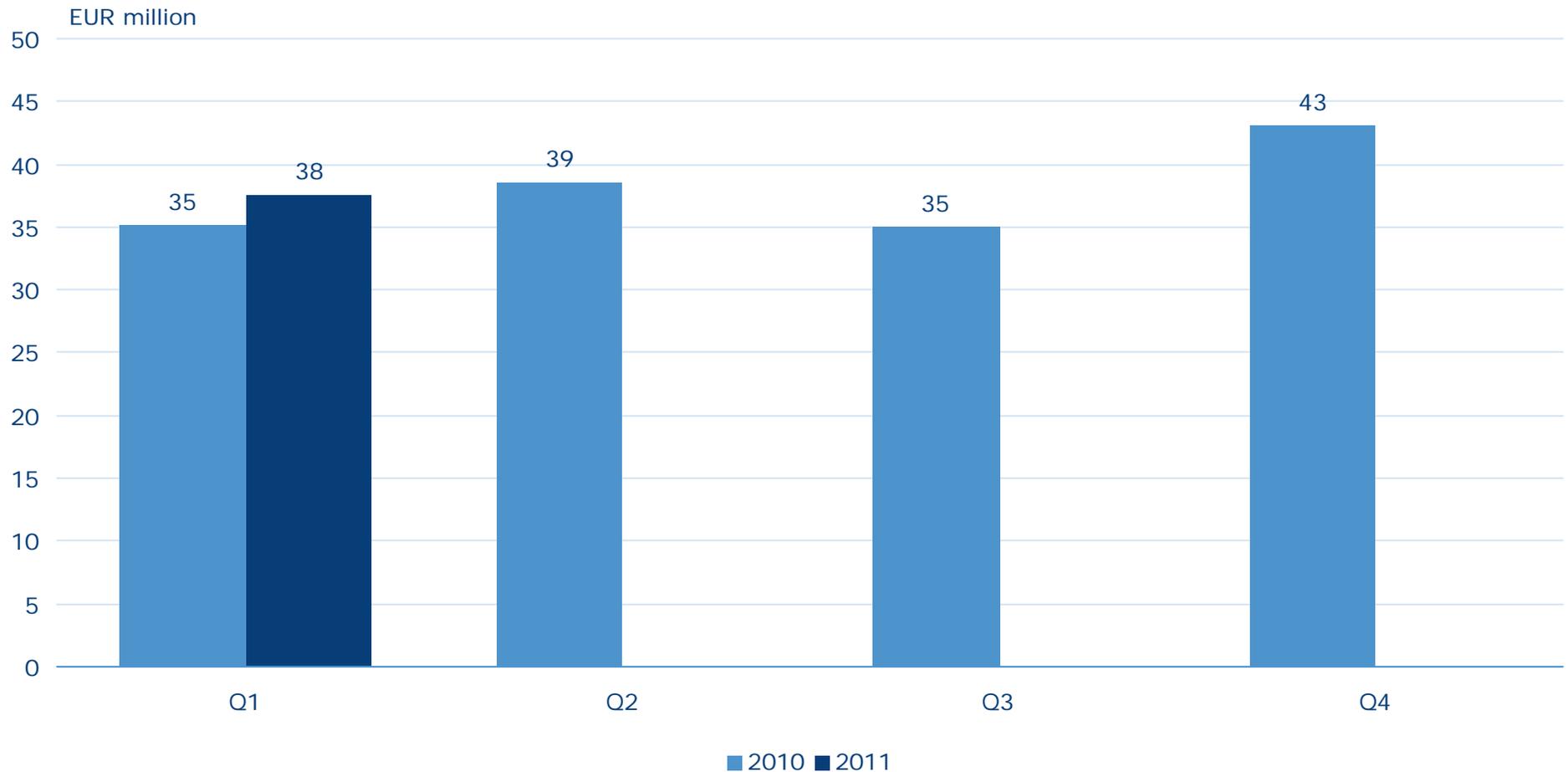
By geographic area



Net sales EUR 610.2 million

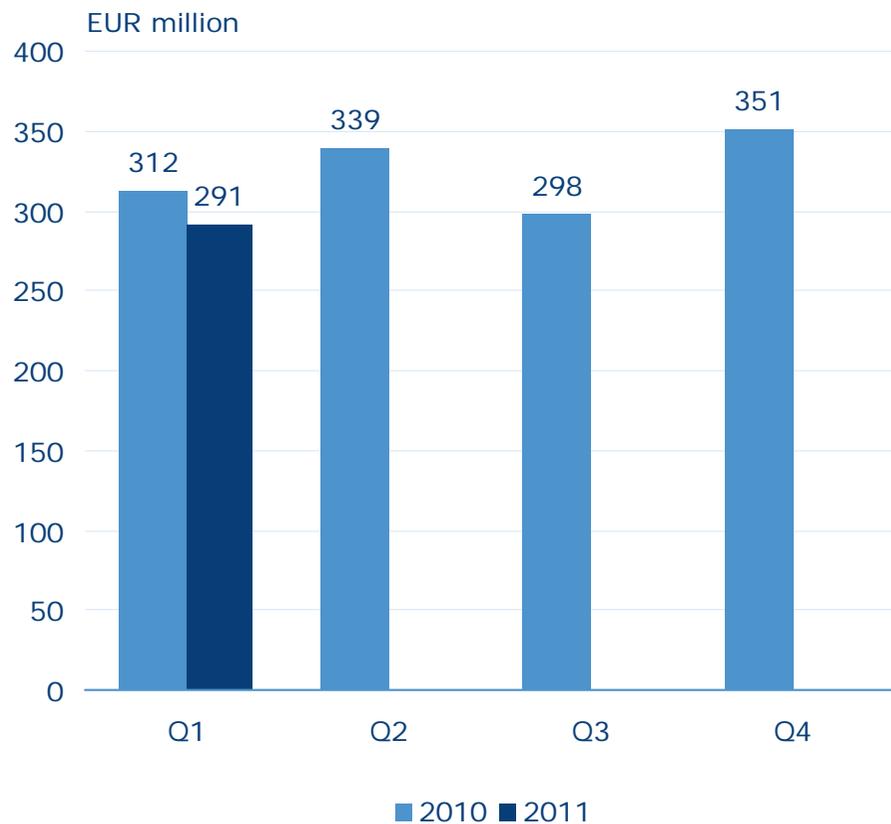
Consumer online sales up by 4% in Q1

Target to reach annual revenues of EUR 240 million by 2012

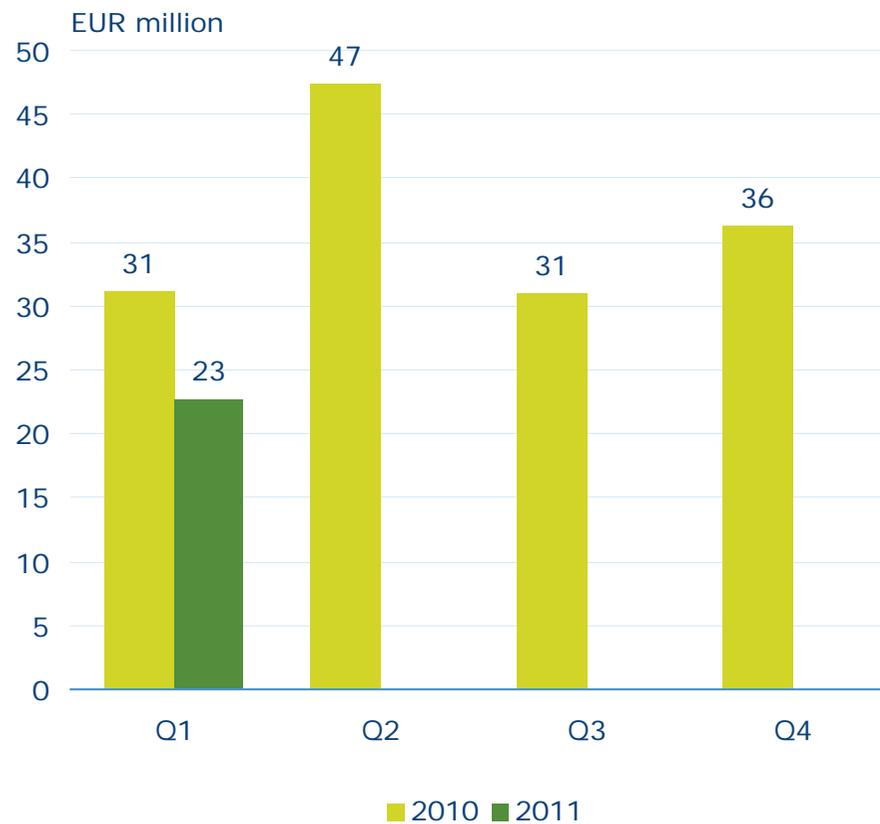


Sanoma Media

Net sales



EBIT excluding non-recurring items



Sanoma Media

Key figures

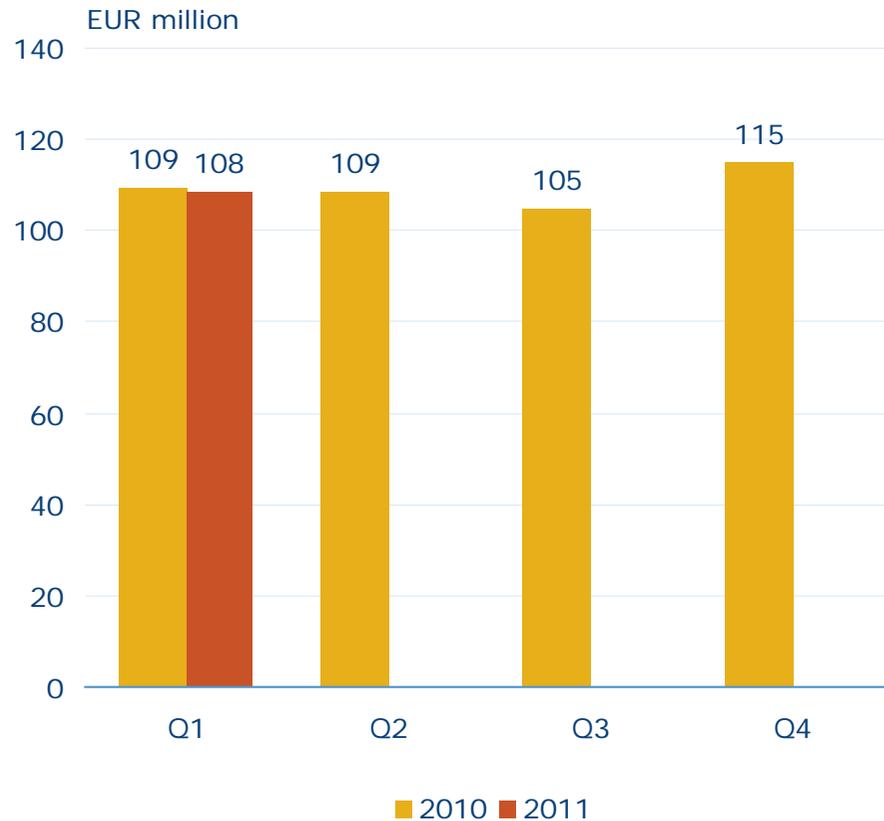
EUR million	1-3/ 2011	1-3/ 2010	Ch %	1-12/ 2010
Net sales	291.1	312.1	-6.7	1,299.6
The Netherlands	105.3	107.4	-2.0	490.4
Finland	74.2	92.6	-19.9	339.3
The CEE countries	51.4	48.7	5.5	214.9
Belgium	50.1	53.5	-6.4	208.3
Other businesses and eliminations	10.2	9.9	3.4	46.7
EBIT excluding non-recurring items	22.7	31.2	-27.1	145.8
% of net sales	7.8	10.0		11.2
Number of employees (FTE)*	5,384	5,779	-6.8	5,419

Outlook for 2011

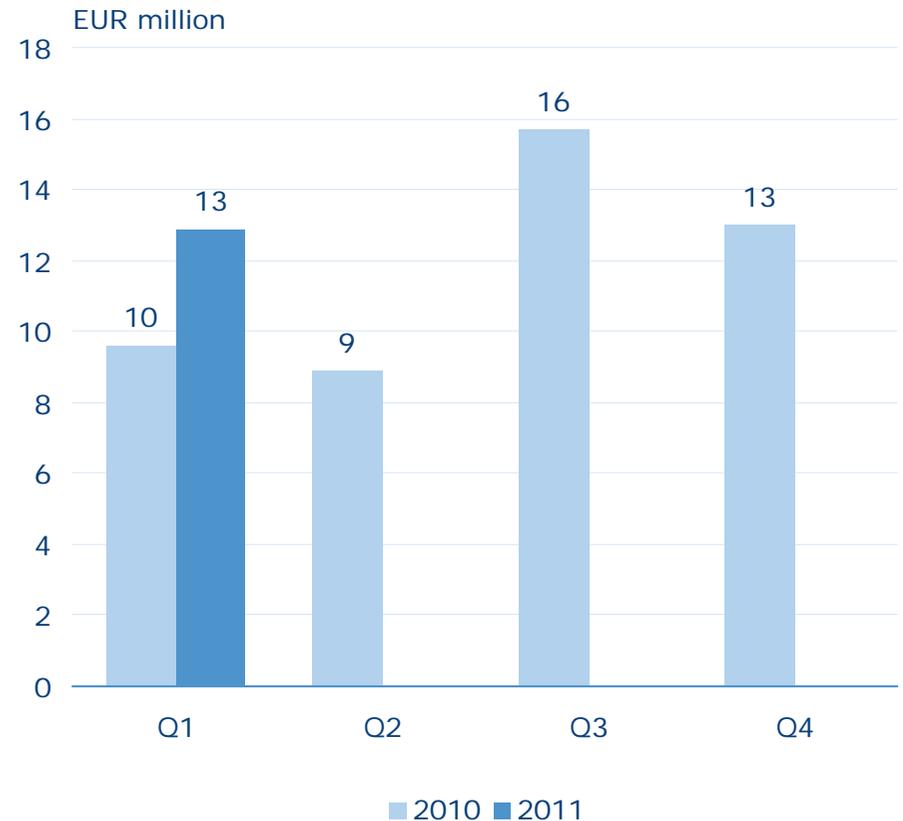
Following the SBS transaction, Sanoma Media's net sales are estimated to increase significantly and operating profit excluding non-recurring items is expected to increase slightly.

Sanoma News

Net sales



EBIT excluding non-recurring items



Sanoma News

Key figures

EUR million	1–3/ 2011	1–3/ 2010	Ch %	1–12/ 2010
Net sales	108.4	109.4	-0.9	437.6
Helsingin Sanomat	61.2	59.1	3.6	235.4
Ilta-Sanomat	19.1	19.9	-4.1	83.3
Other publishing	23.7	25.3	-6.4	99.5
Other businesses and eliminations	4.4	5.0	-13.3	19.4
EBIT excluding non-recurring items	12.9	9.6	33.8	47.2
% of net sales	11.9	8.8		10.8
Number of employees (FTE)*	2,003	2,168	-7.6	2,016

Outlook for 2011

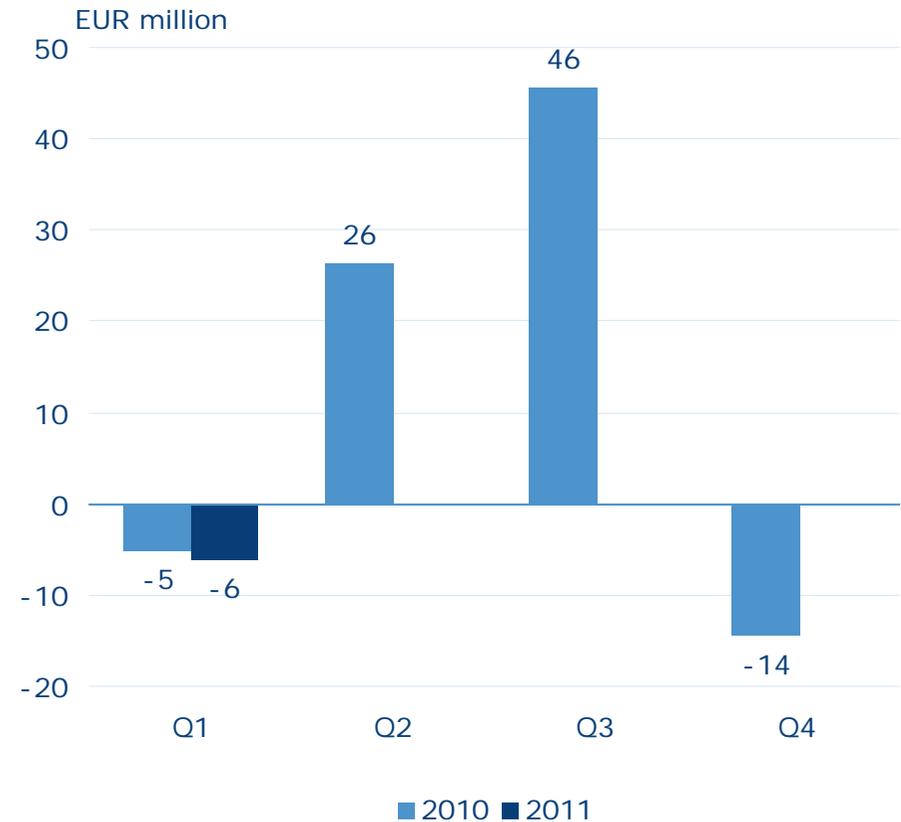
Net sales are estimated to be at the previous year's level due to the divestments made in 2010 and operating profit excluding non-recurring items is expected to improve slightly.

Sanoma Learning & Literature

Net sales



EBIT excluding non-recurring items



Sanoma Learning & Literature

Key figures

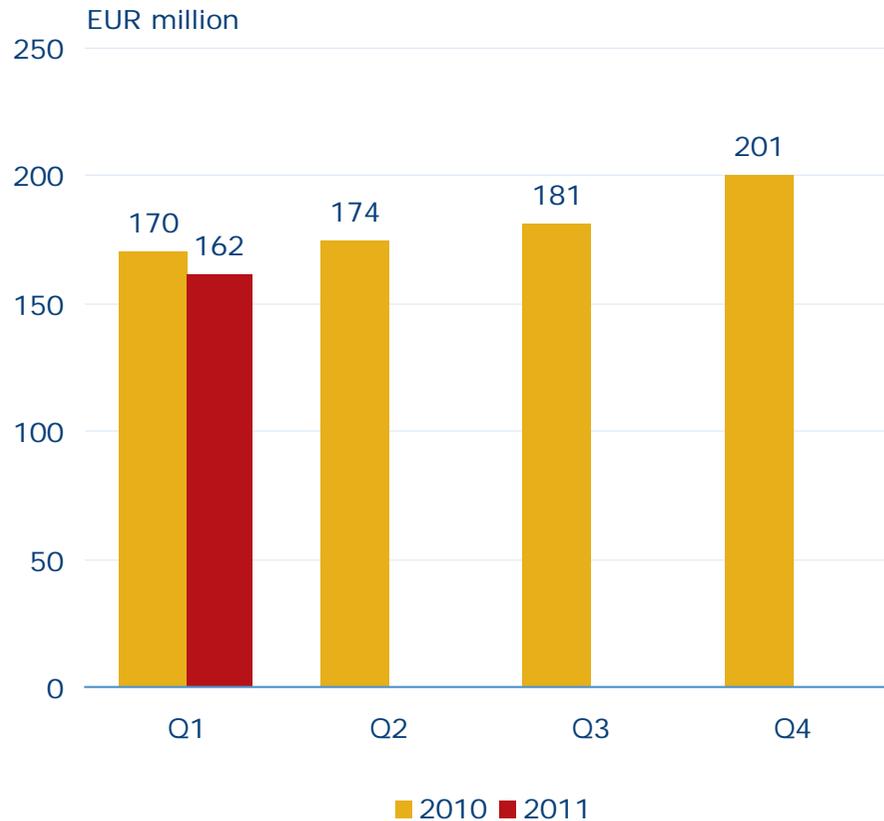
EUR million	1-3/ 2011	1-3/ 2010	Ch %	1-12/ 2010
Net sales	60.7	58.2	4.2	350.1
Learning	34.3	29.9	14.6	249.3
Language services	8.7	6.9	25.4	27.1
Literature and other businesses	20.1	23.6	-15.0	83.6
Eliminations	-2.4	-2.3	-5.8	-9.9
EBIT excluding non-recurring items	-6.1	-5.2	-16.8	52.6
% of net sales	-10.0	-9.0		15.0
Number of employees (FTE)*	2,623	2,637	-0.5	2,656

Outlook for 2011

Following the transaction with Bonnier, the net sales of Sanoma Learning & Literature in 2011 are estimated to be at the previous year's level and operating profit excluding non-recurring items is expected to decrease somewhat. Learning business has a strong seasonality within the year, the first and fourth quarter being typically loss-making. For general literature, on the other hand, the fourth quarter is typically the strongest one. Due to this seasonality, this transaction will lower Sanoma Learning & Literature's fourth quarter result in 2011.

Sanoma Trade

Net sales



EBIT excluding non-recurring items



Sanoma Trade

Key figures

EUR million	1-3/ 2011	1-3/ 2010	Ch %	1-12/ 2010
Net sales	161.8	170.2	-5.0	726.3
Kiosk operations	85.3	91.9	-7.2	398.4
Trade services	32.4	30.3	7.1	131.3
Bookstores	24.8	26.0	-4.7	120.6
Movie operations	21.9	25.4	-13.9	90.0
Eliminations	-2.6	-3.4	22.5	-14.0
EBIT excluding non-recurring items	3.3	3.7	-9.4	19.4
% of net sales	2.1	2.2		2.4
Number of employees (FTE)*	5,089	5,625	-9.5	5,149

Outlook for 2011

Following the divestment of the movie operations and the Romanian operations, Sanoma Trade's net sales in 2011 are estimated to decrease clearly but operating profit excluding non-recurring items is expected to be at the previous year's level.



* At the end of the period