

Full year result 2003

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Key events in 2003

- Net sales grew by 3%, operating profit improved by 53%.
- Result before extraordinary items up by 53%.
- The most substantial non-recurring gains on the sale of assets some EUR 43.4 (34.9) million.
- Comparable EBIT improved in all divisions, cost control was successful.
- Balance sheet lightened to EUR 2,453.0 (2,592.5) million.
- Proposal to AGM: Dividend of EUR 1.00 (0.40) per share.

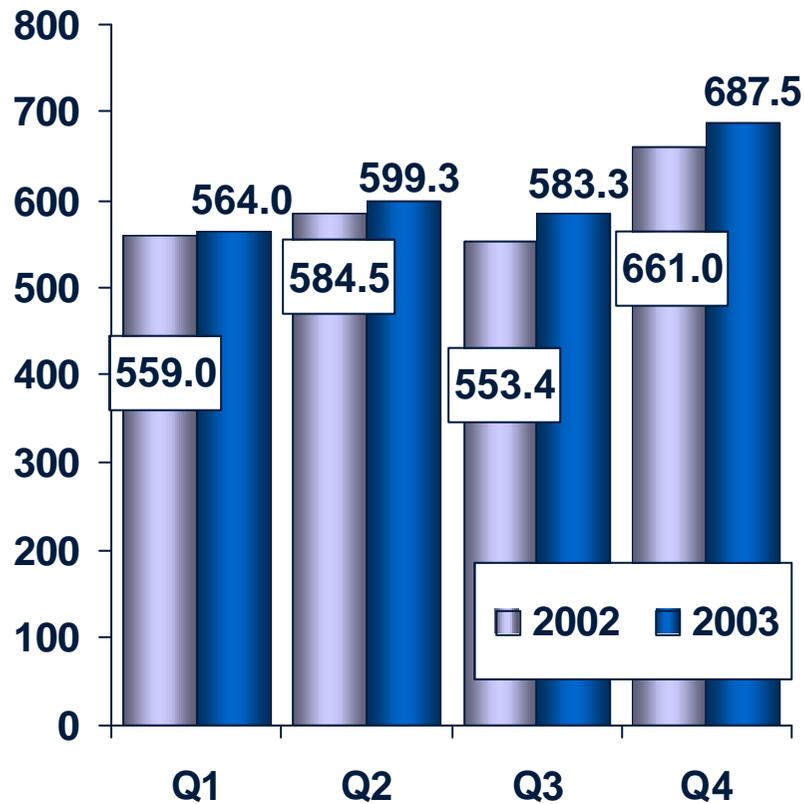
- Rautakirja merged into SanomaWSOY 3/2003.
- Holding in the Norwegian A-pressen sold 6/2003.
- Divestment of the operations of Leijonajakelu to Finland Post into effect 9/2003.
- 90% of Genimap sold 12/2003.
- Holding in Janton sold 12/2003.

Y: Kalvo_HS/HS04/result2003

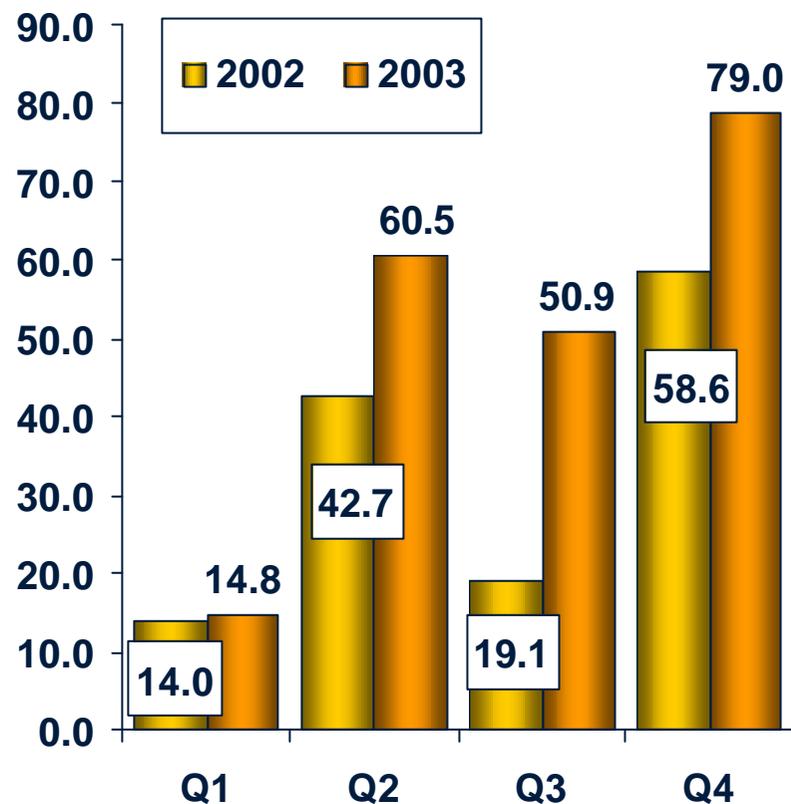
SanomaWSOY Group

By quarters 1/2

Net sales, €million



EBIT*, €million



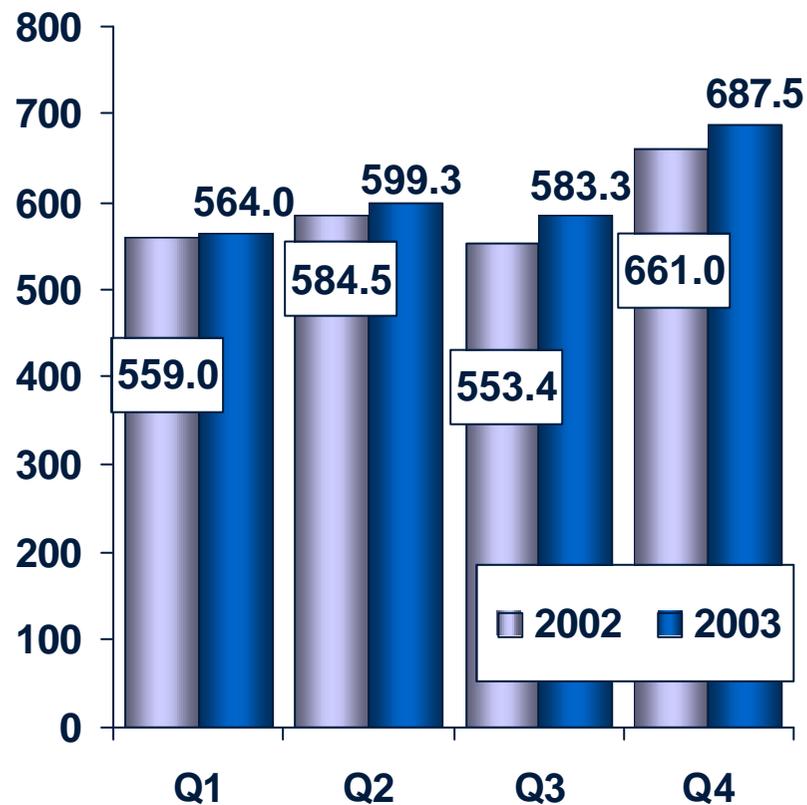
* Operating profit

Y: Kalvo_HS/HS04/result2003

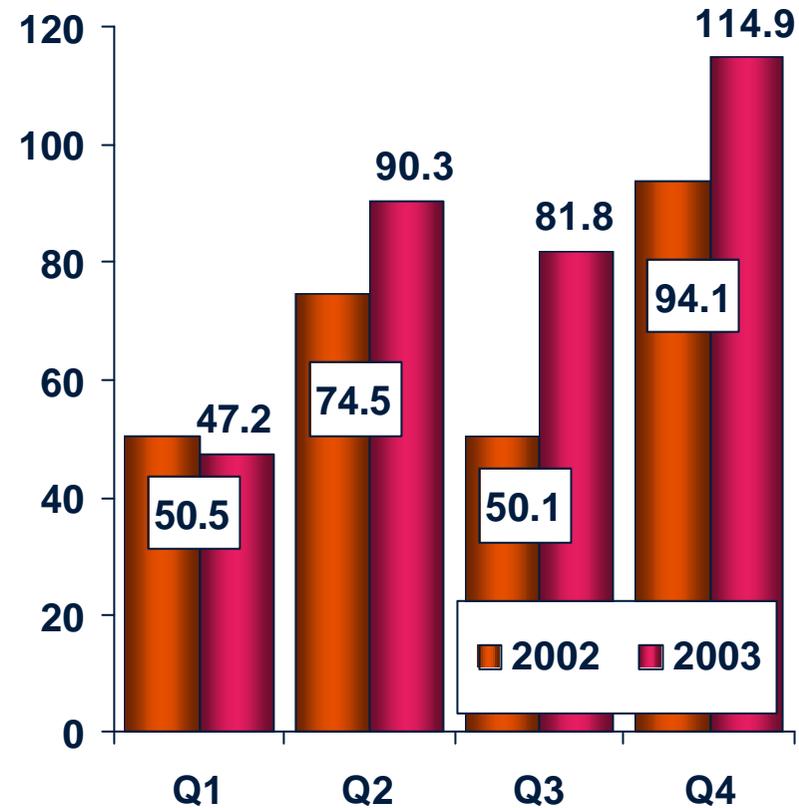
SanomaWSOY Group

By quarters 2/2

Net sales, €million



EBITA*, €million



* Operating profit before amortisation

Y: Kalvo_HS/HS04/result2003

Group income statement

€ million	2003	2002	Change,%
Net sales	2,434.1	2,357.8	3.2
Other operating income and change in inventories	85.8	71.6	19.9
Share of result of associated companies	6.1	13.1	-53.2
Operating expenses	2,320.7	2,308.1	0.5
Operating profit	205.2	134.4	52.7
Financial income and expenses	-42.1	-27.7	52.0
Result before extraordinary items	163.1	106.7	52.9
Extraordinary items		6.1	
Result after extraordinary items	163.1	112.7	44.7
Direct taxes	-55.6	-64.2	-13.3
Minority interests	-3.0	-11.4	-73.8
Result for the period	104.5	37.2	181.2

Y: Kalvo_HS/HS04/result2003

Group balance sheet

€ million	31.12.2003	31.12.2002	Change,%
Non-current assets, total	1,871.1	2,037.0	-8.1
Current assets, total	581.9	555.5	4.8
Shareholders' equity, total	1,102.9	996.3	10.7
Minority interest	16.3	130.6	-87.5
Statutory provisions	34.1	15.9	115.3
Liabilities, total	1,299.7	1,449.7	-10.3
Balance sheet, total	2,453.0	2,592.5	-5.4

Y: Kalvo_HS/HS04/result2003

Key indicators

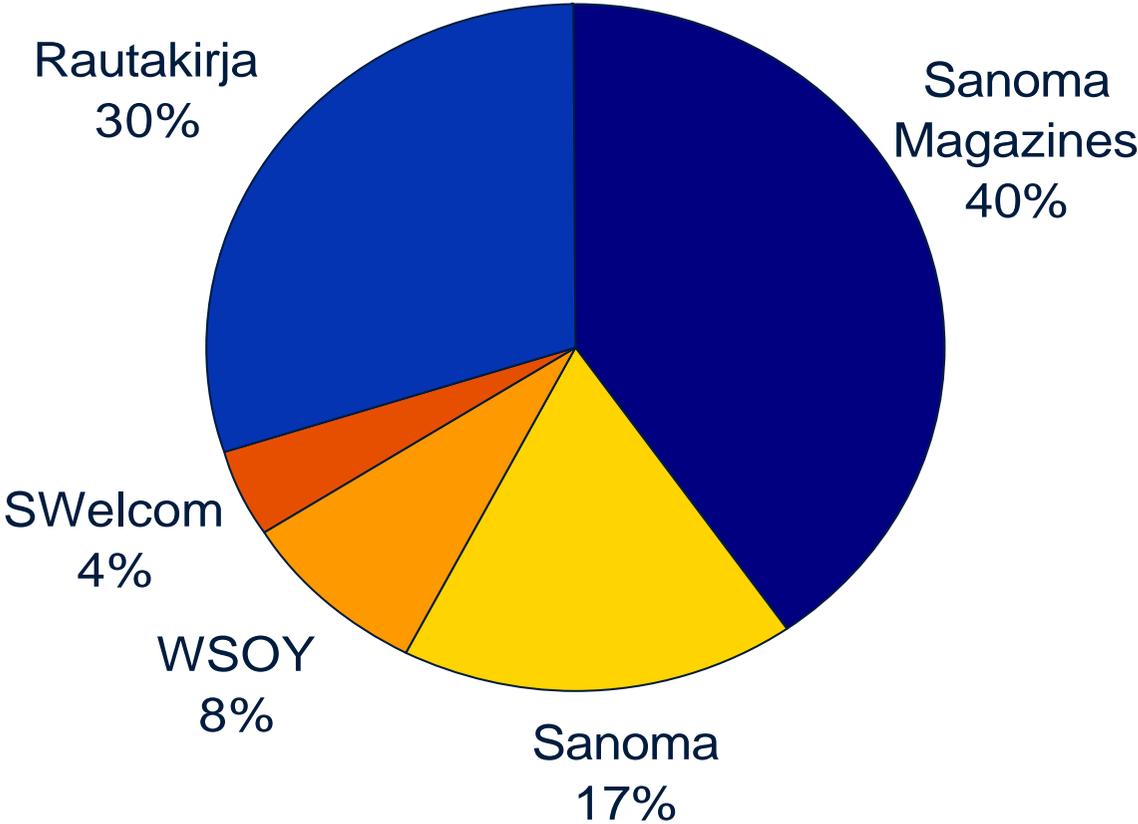
€ million	31.12.2003	31.12.2002	Change,%
Net sales	2,434.1	2,357.8	3.2
Operating profit before amortisation	334.1	269.2	24.1
% of net sales	13.7	11.4	
Operating profit	205.2	134.4	52.7
% of net sales	8.4	5.7	
Balance sheet, total	2,453.0	2,592.5	-5.4
Gross investments	94.8	113.5	-16.5
Equity ratio, % (incl. capital notes)	47.6	45.2	
Equity ratio, %	40.3	36.9	
EPS, €	0.69	0.22	208.4
Cash flow/share, €	1.65	1.33	23.8
Market capitalisation	2,554.9	1,319.1	93.7
Personnel under employment contract *	17,330	18,657	-7.1
Personnel on average **	14,207	15,210	-6.6

* Average
** Full-time
equivalents

Y: KalvoL_HS/HS04/result2003

Net sales by division

2003

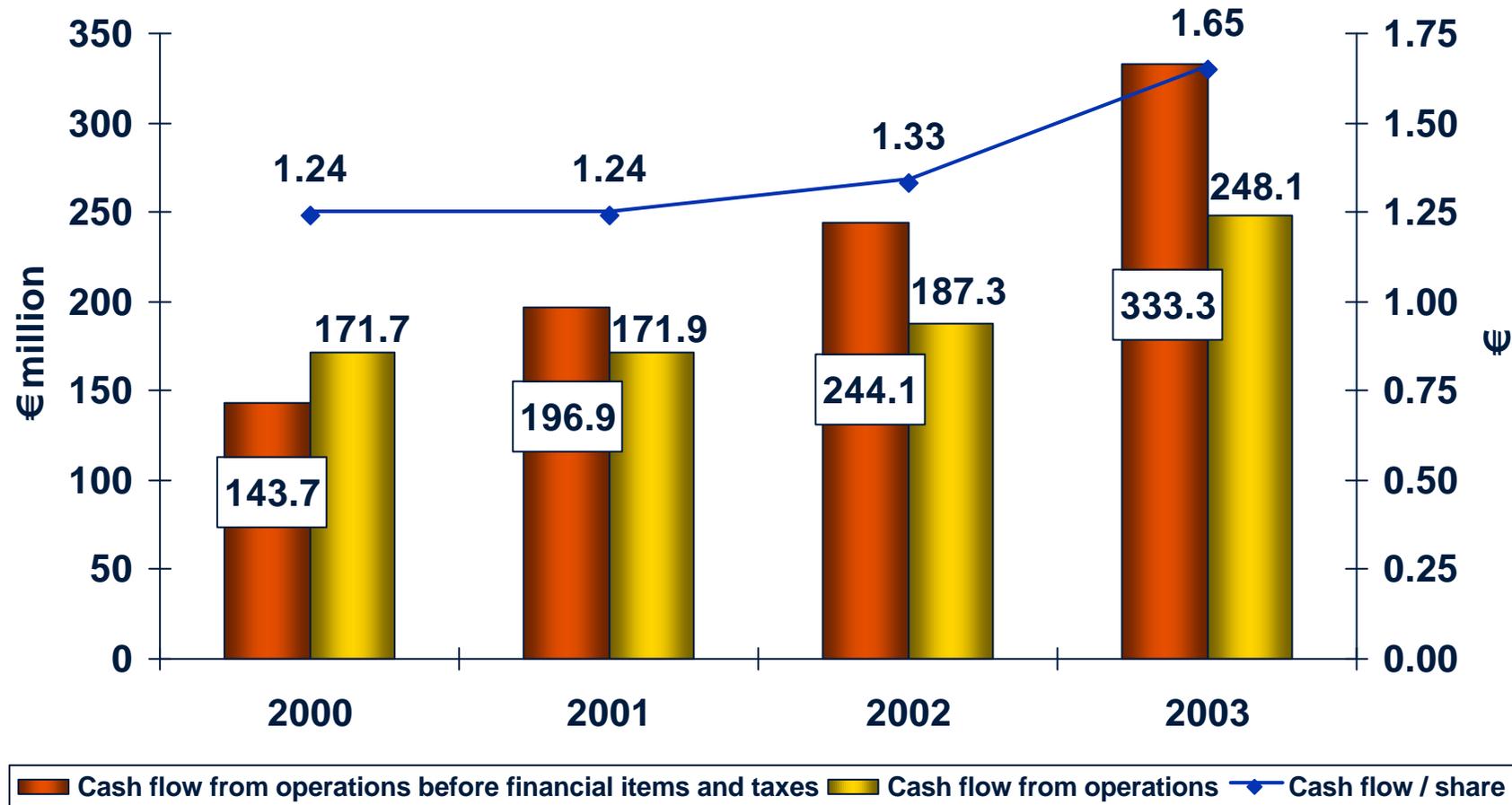


Intracompany
eliminations
excluded

Y: Kalvo_HS/HS04/result2003

Cash flow from operations

Development 2000-2003



Y: KalvoL_HS/HS04/result2003

Advertising sales in Finland

€ million	2003	Change,%	Share,%
Newspapers and free sheets	595.8	2.8	55.2
Television	207.4	3.0	19.2
Magazines	178.3	-0.3	16.5
Radio	47.5	8.3	4.4
Outdoor	30.8	-3.4	2.9
Internet	17.1	13.9	1.6
Film	2.2	-5.5	0.2
Total	1,079.0	2.5	

Source:
Mainonnan
Neuvottelukunta,
TNS Gallup Adex

Y: Kalvo_HS/HS04/result2003

Magazine advertising in Europe

	Share of advertising sales	Change in 2002–2003
Belgium	12.5%	-0.5%
the Netherlands	23.7%	-10.3%
Finland	16.6%	0.0%
the Czech Republic	19.9%	6.1%
Hungary	11.1%	9.5%

Source:
Zenith Optimedia
forecast

Y: KalvoL_HS/HS04/result2003

Advertising sales

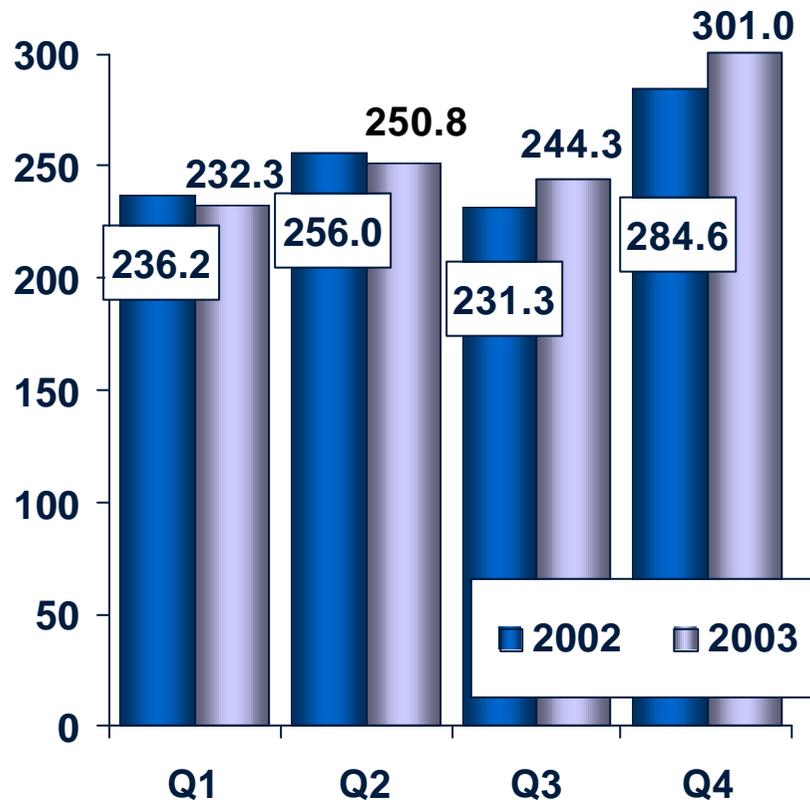
% of net sales by divisions

	2003	2002
Sanoma Magazines	23%	24%
Sanoma	50%	49%
SWelcom	54%	55%
the Group	21%	21%

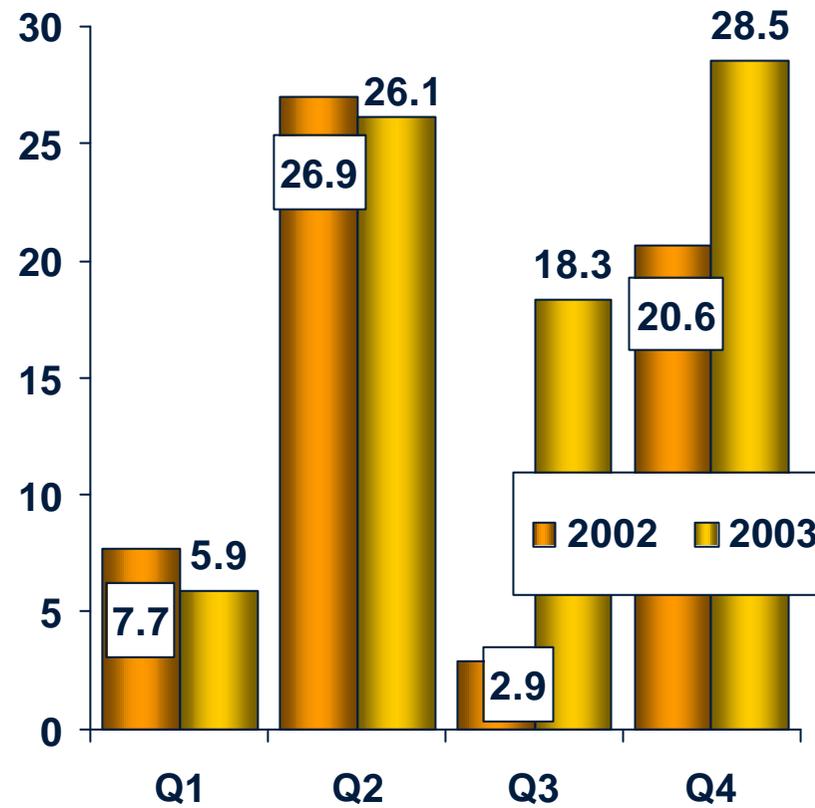
Y: Kalvo_HS/HS04/result2003

Sanoma Magazines

Net sales, €million



EBIT*, €million



* Operating profit

Y: Kalvo_HS/HS04/result2003

Sanoma Magazines

€ million	Net sales		EBITA*	
	2003	2002	2003	2002
Sanoma Uitgevers	482.2	491.1	105.1	92.1
Sanoma Magazines Finland	171.2	164.8	25.4	31.1
Sanoma Magazines Belgium	156.2	152.2	17.7	14.9
Sanoma Magazines International	103.6	95.9	13.4	13.2
Aldipress	224.6	215.0	-1.2	-3.0
Intracompany transactions	-109.5	-110.9	-1.1	-0.7
Total	1,028.4	1,008.1	159.1	147.7
Gross investments, € million	18.4	18.7		
Personnel, average **	3,879	4,228		

* Operating profit before amortisation

** Full-time equivalents

Y: Kalvo_HS/HS04/result2003

Sanoma Magazines

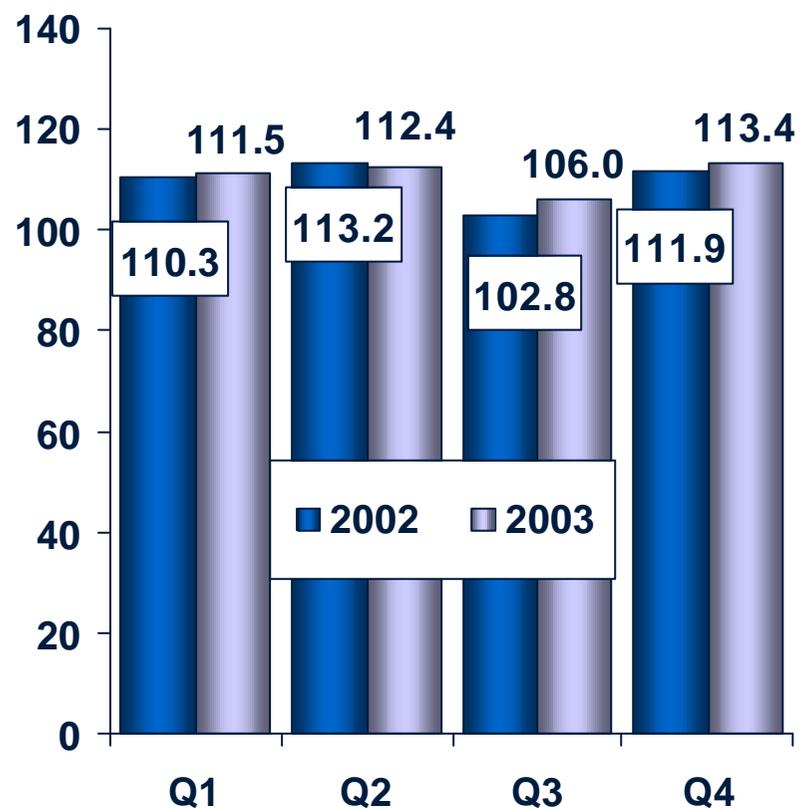
Key events

- Division's net sales grew by 2%, operating profit improved by 35%.
- Efficient cost control in all businesses.
- Sanoma Uitgevers' operations influenced by a difficult market situation in the Netherlands.
- Sanoma Magazines Finland's net sales grew due to positive development in subscription and newsstand sales. Result was also improved by efficient cost control.
- Sanoma Magazines Belgium began custom publishing and bought the Loving you guides. Circulation sales grew.
- Sanoma Magazines International's net sales grew in most of the countries and also the result improved.
- During the year, 8 magazines were launched and 3 launches in spring 2004 announced.
- Operations in Bulgaria began on 1 January 2004.

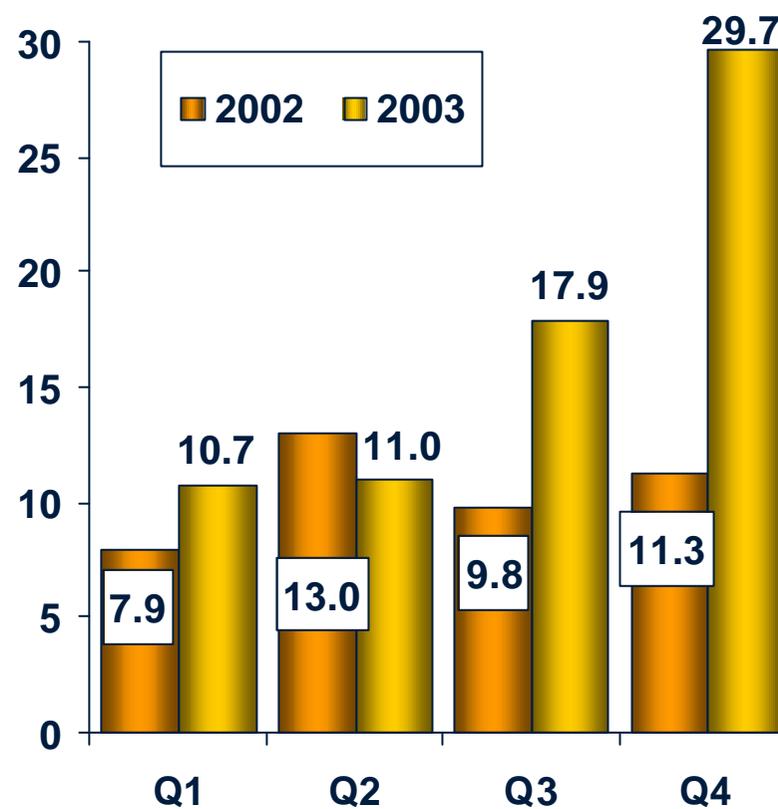
Y: Kalvo_HS/HS04/result2003

Sanoma

Net sales, €million



EBIT*, €million



* Operating profit; includes a share of Rautakirja's result until 1 March 2003

Y: KalvoL_HS/HS04/result2003

Sanoma

€ million	Net sales		EBITA*	
	2003	2002	2003	2002
Helsingin Sanomat	258.9	254.4	30.4	28.5
IS Business Unit	95.5	92.1	17.5	15.7
Kymen Lehtimedia	52.7	51.7	8.1	8.1
Others	176.7	200.7	21.4	-3.3
Intracompany transactions	-140.5	-160.8	0.0	0.0
Total	443.3	438.1	77.5	49.0
Gross investments, € million	29.7	48.6		
Personnel, average **	3,041	3,578		

* Operating profit before amortisation; includes a share of Rautakirja's result until 1 March 2003

** Full-time equivalents

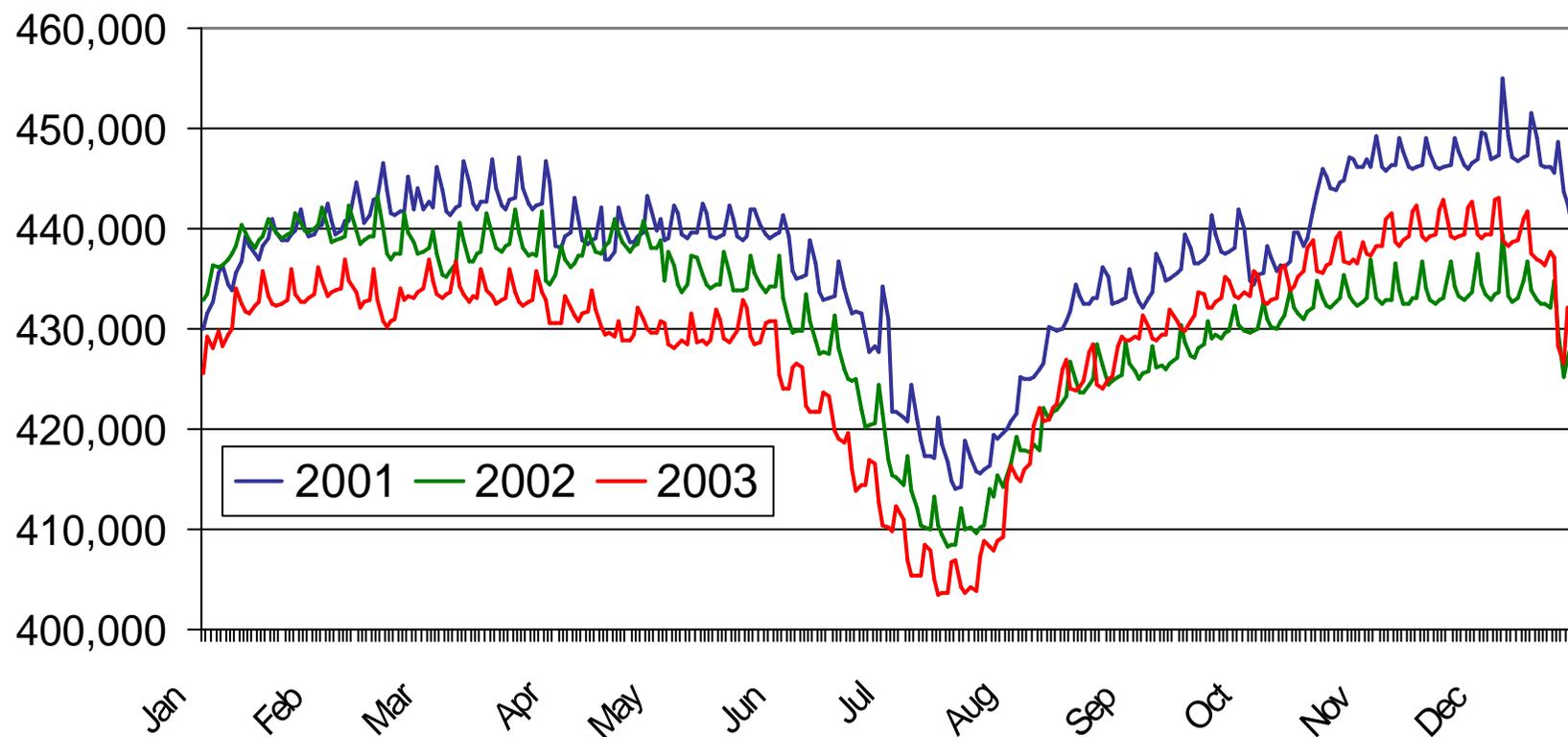
Y: Kalvo_HS/HS04/result2003

Sanoma

Key events

- Net sales grew slightly (most growth in Helsingin Sanomat and in the IS Business Unit).
- Growth in advertising sales (3%). Circulation sales rose by (2%) due to IS Veikkaaja among others.
- Operating profit grew by 66%, e.g. due to the gains on the sale of Janton and efficient cost control.
- Sanomala's new printing press fully on stream in September.
- Advertising sales in Helsingin Sanomat boosted by the new look of the newspaper.
- Sanoma reduced its holding in Ilkka, divested the operations of Leijonajakelu and sold its holding in Janton.

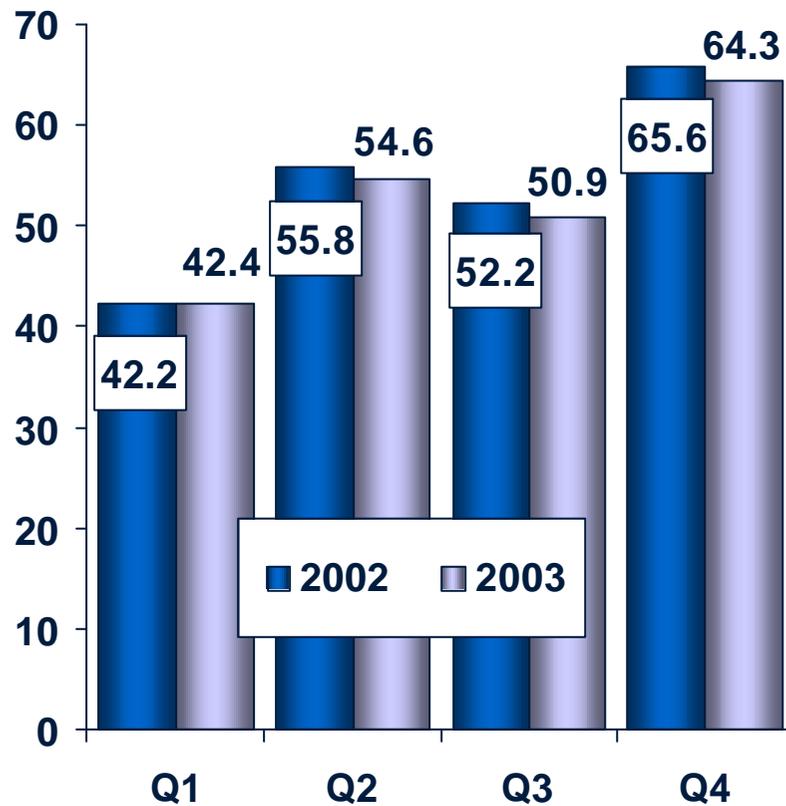
Helsingin Sanomat's net daily circulation



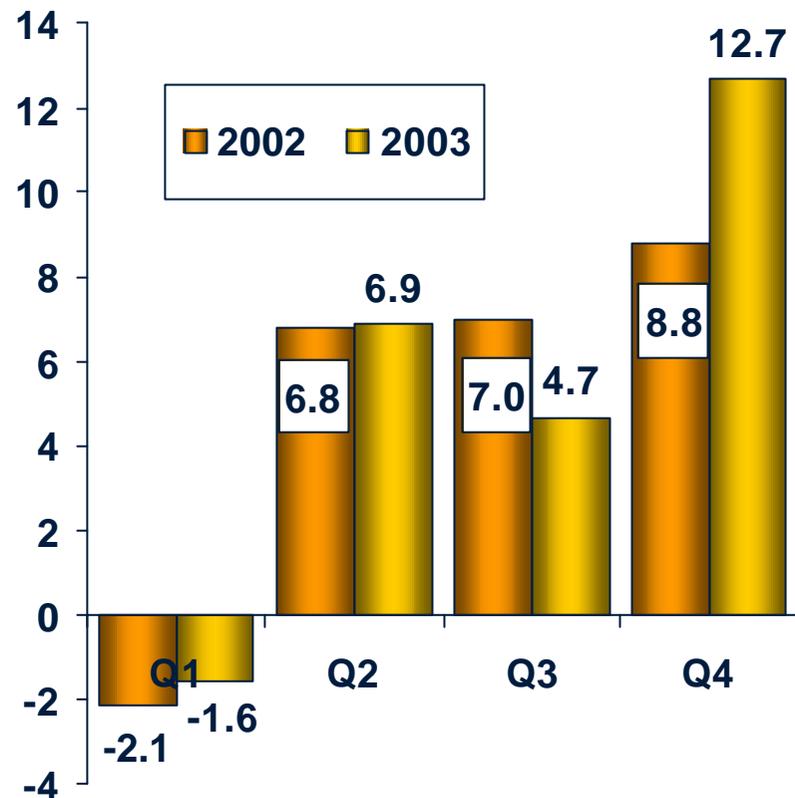
Y: Kalvo_HS/HS04/result2003

WSOY

Net sales, €million



EBIT*, €million



* Operating profit; includes a share of Rautakirja's result until 1 March 2003

Y: KalvoL_HS/HS04/result2003

WSOY

€ million	Net sales		EBITA*	
	2003	2002	2003	2002
Publishing	142.6	143.5	12.7	12.4
Printing	60.2	62.7	7.4	6.6
Calendar operations	32.1	34.5	1.4	1.6
Others	4.6	3.7	5.0	11.0
Intracompany transactions	-27.2	-28.6	1.4	-5.2
Total	212.2	215.9	28.0	26.4
Gross investments, € million	8.7	8.6		
Personnel, average **	1,859	1,836		

* Operating profit before amortisation; includes a share of Rautakirja's result until 1 March 2003

** Full-time equivalents

Y: Kalvo/HS/HS04/result2003

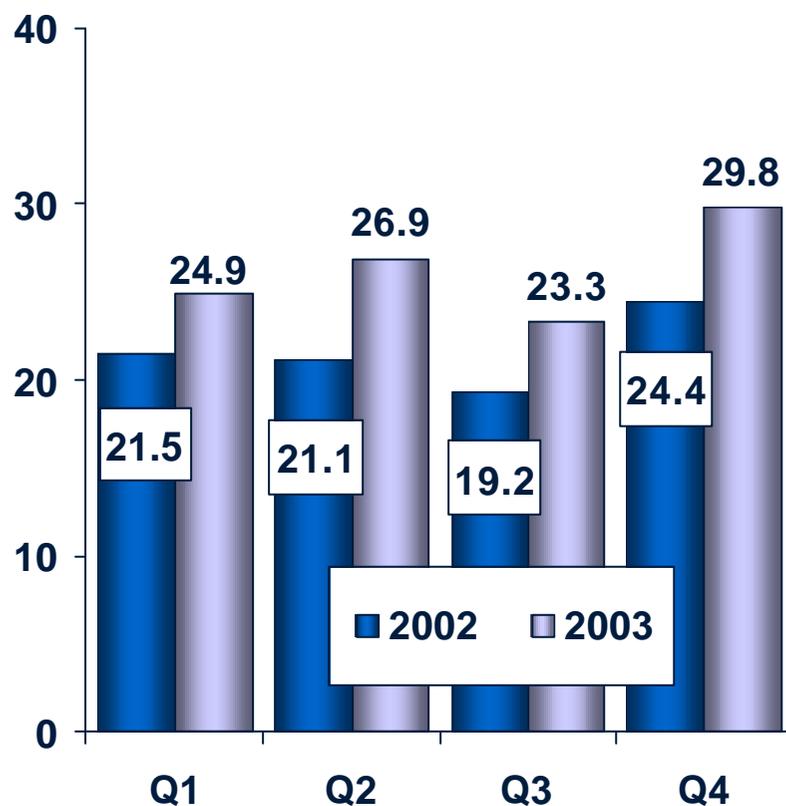
WSOY

Key events

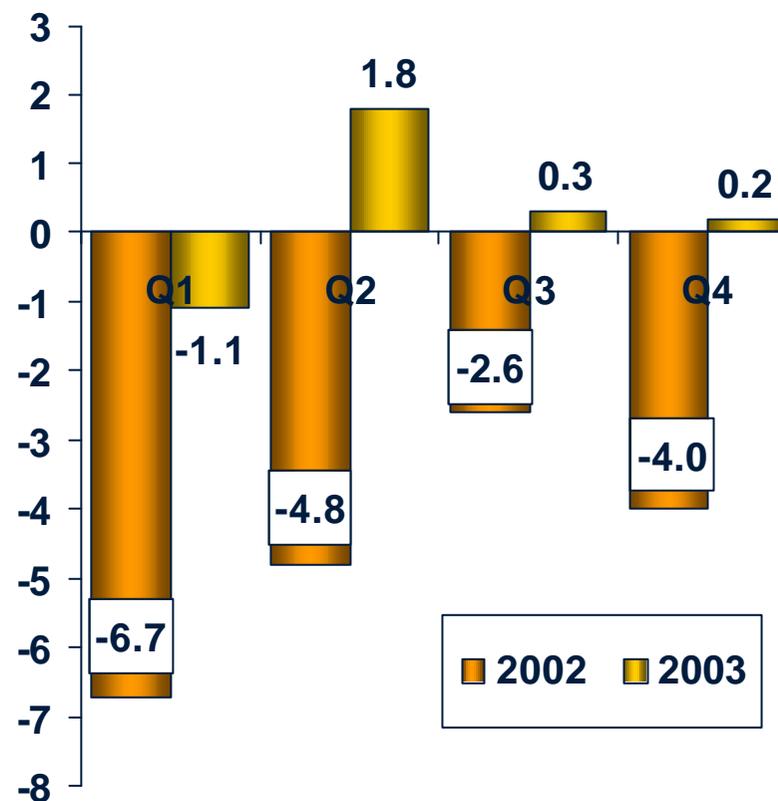
- Net sales decreased slightly since Christmas sales did not reach the record level of 2002. Also printing and calendar operations fell short of last year due to decline in b-to-b sales.
- Operating profit from own operations improved, partly due to non-recurring gains on the sale of Genimap in December.
- Sales in Finnish fiction and non-fiction grew.
- Sales to book stores and through book clubs decreased.
- Opit e-Learning portal's users doubled
- Associated company Young Digital Poland successful. WSOY to increase its holding in the company during the first half of 2004.

SWelcom

Net sales, €million



EBIT*, €million



* Operating profit

Y: Kalvo_HS/HS04/result2003

SWelcom

€ million	Net sales		EBITA*	
	2003	2002	2003	2002
Nelonen	56.5	49.3	20.2	11.6
Others	50.7	39.3	9.4	-2.5
Intracompany transactions	-2.4	-2.5	0.0	0.0
Total	104.9	86.1	29.6	9.0
Gross investments, € million	8.9	8.1		
Personnel, average **	392	384		

* Operating profit
before
amortisation

** Full-time
equivalents

Y: Kalvo_HS/HS04/result2003

SWelcom

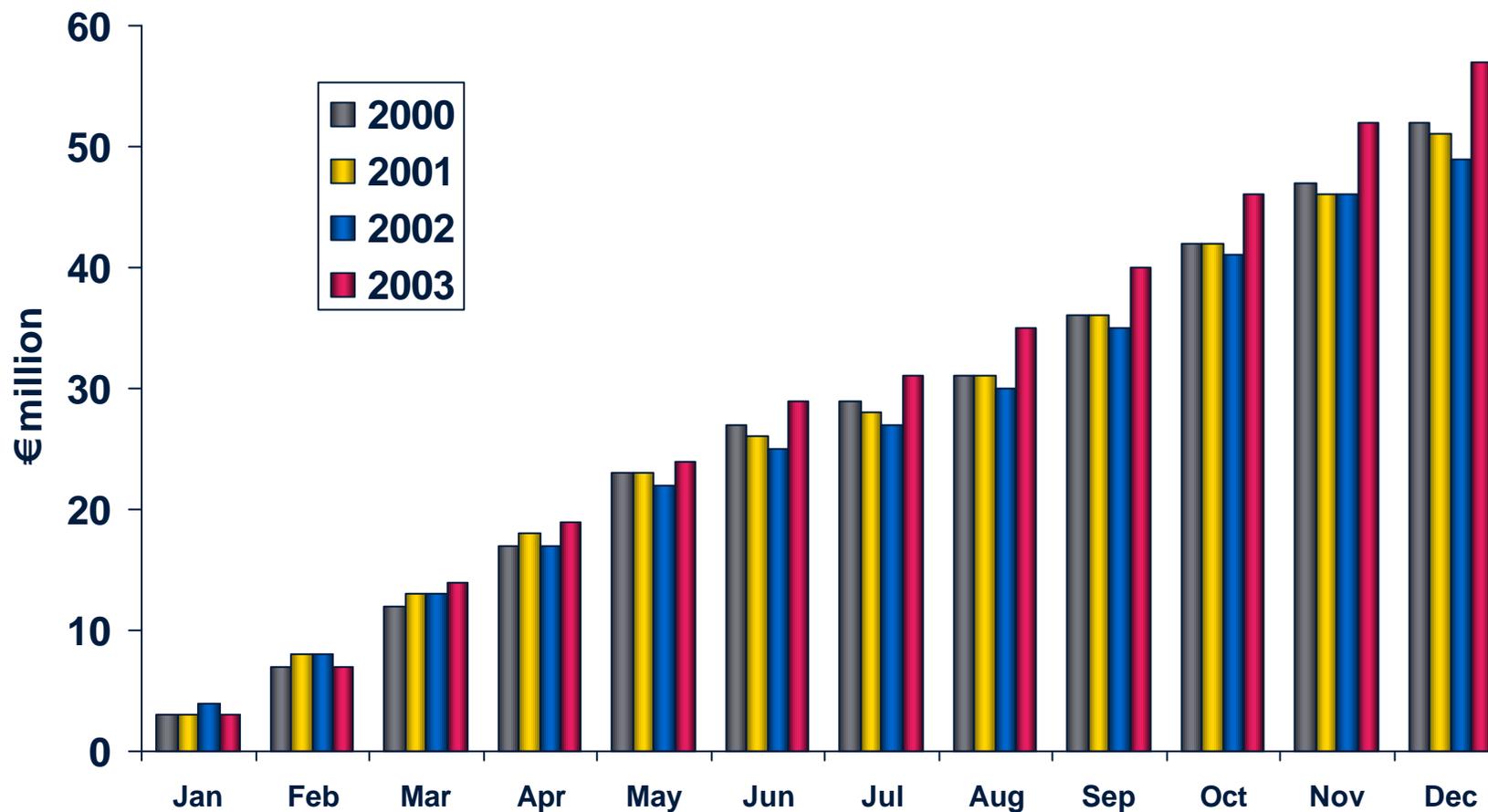
Key events

- Net sales rose by 22%, growth generated both by Nelonen and HTV.
- Operating result development excellent: results improved both in Nelonen and HTV.
- Nelonen's sales increased by nearly 15%.
- Nelonen became the second most-watched in the target group important to advertisers (aged 10–44).
- Broadband internet connections increased by 40%.
- Number of households connected to cable network continued to grow.
- Operating result also improved because of:
 - The inclusion of HTV's connection fees in the income statement.
 - Reduction in the ownership of Suomen Urheilutelevisio.
 - The halving of Nelonen's operating licence fee improved the operating result for the first half of the year.

Y: Kalvo_HS/HS04/result2003

Nelonen's sales

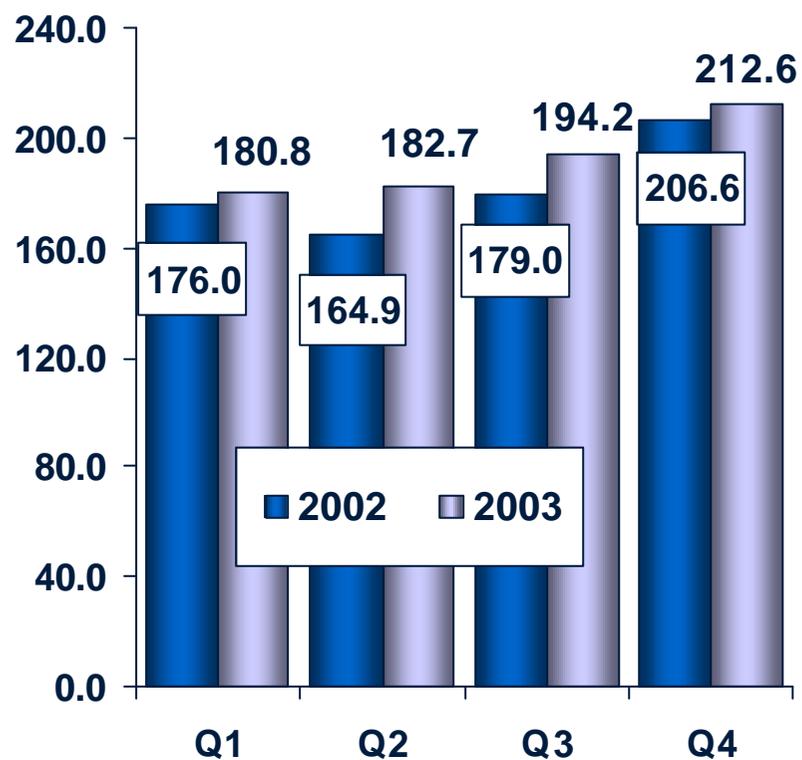
Cumulative



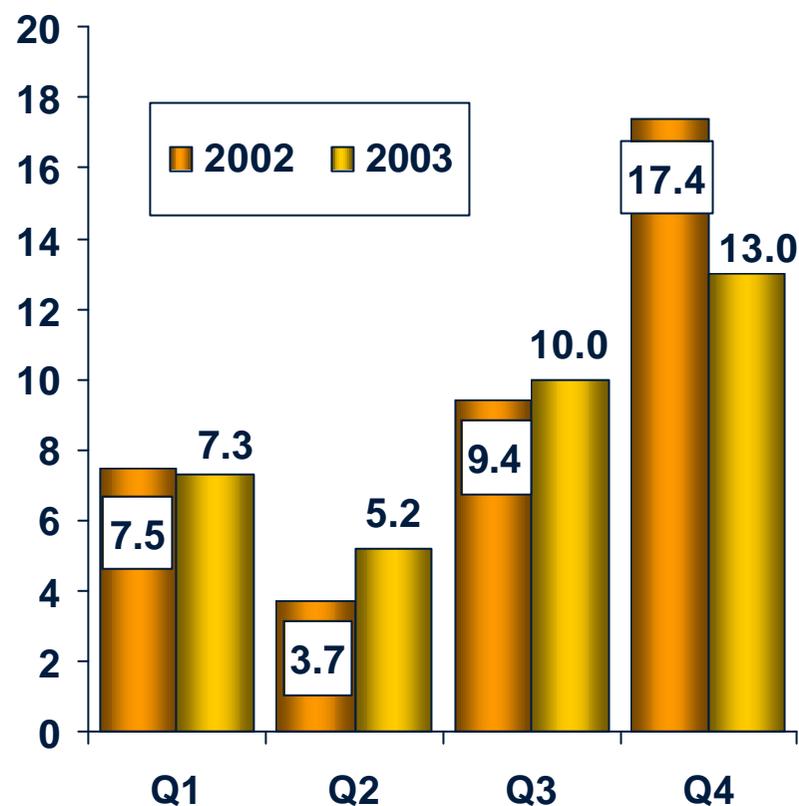
Y: Kalvo_HS/HS04/result2003

Rautakirja

Net sales, €million



EBIT*, €million



* Operating profit

Y: Kalvo_HS/HS04/result2003

Rautakirja

€ million	Net sales		EBITA*	
	2003	2002	2003	2002
Kiosk operations	387.0	373.6	20.1	17.0
Press distribution	193.0	177.3	11.9	9.8
Book stores	121.8	115.2	8.9	7.9
Movie theatre operations	52.8	49.6	3.5	3.9
Restaurant operations	62.6	50.2	-0.2	-0.1
Others	0.0	0.8	-2.9	3.8
Intracompany transactions	-47.0	-40.2	0.0	0.0
Total	770.3	726.5	41.4	42.4
Gross investments, € million	28.7	27.8		
Personnel, average **	4,962	5,110		

* Operating profit before amortisation

** Full-time equivalents

Y: Kalvo_HS/HS04/result2003

Rautakirja

Key events

- Net sales grew in all businesses, 40% of the growth outside Finland.
- Operating profit improved in kiosk operations, press distribution and book stores, but decreased in movie theatre and restaurant operations and especially in other operations since the real estate held as an investment was transferred to SanomaWSOY Corporation in conjunction with the merger.
- Kiosk operations grew in all operating countries, most in Latvia and the Czech Republic, where operations began at the beginning of 2003.
- Press distribution grew in all countries.
- Finnkino opened two new multiplexes in Vilnius, one in Riga and one in Finland.
- Suomalainen Kirjakauppa acquired Lukiolaisten Kirjakauppa and the press subscription operations of the Academic Bookstore in Finland and the rest (40%) of its subsidiary Apollo Raamatud in Estonia.

Outlook for 2004

by Division

Sanoma Magazines

- Net sales are expected to grow, partly due to the new accounting principles.
- EBIT is expected to be on the same level as in 2003 despite heavy investments in growth in all major markets.

Sanoma

- Comparable net sales are expected to grow in line with the general trend in the media market.
- The profit from basic business operations is expected to improve more than net sales, due to long-term development measures.
- Operating profit will fall short of the previous year's figure, as non-recurring gains on the sales of assets are not expected to reach the previous year's level in 2004.

WSOY

- Net sales are expected to grow from previous year in line with the improving operating environment.
- Growth in results will continue – solid market positions and profitability improvement measures will enhance the increase.

SWelcom

- Net sales are expected to grow substantially due to the increase in Nelonen's advertising sales, sales of HTV's connections and the popularity of the broadband services.
- Operating profit is expected to improve further despite growing investments.

Rautakirja

- Comparable net sales are expected to grow more than wholesale and retail business in general.
- Operating profit is expected to improve.

Group's outlook for 2004

- SanomaWSOY's net sales are expected to increase slightly compared to the previous year despite the changes in accounting principles.
- Comparable profitability continues to improve. In 2003, operating profit included some EUR 43 million of non-recurring gains on the sales of assets. In 2004, the non-recurring gains on the sales of assets may remain below that.

Emphasis in 2004

- Profitability
- Internationalisation
- Growth
- Development
 - Personnel
 - Focusing
 - Divestments
 - Critical investment approach
 - New structures



Committed to future

Appendix

Sanoma Magazines

Operational indicators, 1.1–31.12.

	2003	2002
Number of copies sold (press distribution / Aldipress), thousands	115,124	123,901
Number of magazines published	232	221
Magazine copies sold, thousands	411,421	420,762
Number of advertising pages sold	47,122	49,144

Y: Kalvo_HS/HS04/result2003

Sanoma

Operational indicators

	2003	2002
Helsingin Sanomat		
Weekday circulation, copies *	429,244	431,262
Sunday circulation, copies *	500,269	500,150
Advertising volume (column meters)	42,359	42,834
Ilta-Sanomat		
Circulation, copies	198,406	204,820
Advertising volume (column meters)	7,036	7,036
Taloussanomat		
Circulation, copies	34,784	32,513
Advertising volume (column meters)	2,393	2,747
Other daily papers		
Total circulation, copies *	88,715	89,718
Advertising volume (column metres)	21,967	21,092
Local newspapers		
Total circulation, copies *	33,100	33,407
Advertising volume (column metres)	8,179	8,501
Paper consumption, tonnes	99,724	94,993

* Audited circulation figures

Y: Kalvo_HS/HS04/result2003

WSOY

Operational indicators, 1.1–31.12.

	2003	2002
Number of new titles published		
Books, copies	714	681
Electronic products, copies	105	116
Number of reprints published		
Books, copies	1,168	1,251
Electronic products, copies	202	279
Books printed, million copies	21	22
Paper consumption, tonnes	12,828	12,952

Y: Kalvo_HS/HS04/result2003

SWelcom

Operational indicators

	2003	2002
Nelonen's share of TV advertising	27.3%	24.7%
Nelonen's daily coverage	41%	43%
Nelonen's national commercial viewing share	22.0%	23.4%
Nelonen's national viewing share	11.4%	11.6%
Number of connected households, thousands (31.12.)	257	237
Number of pay-TV subscriptions, thousands (31.12.)	33	36
Number of broadband internet connections, thousands	43	31

Y: Kalvo_HS/HS04/result2003

Rautakirja

Operational indicators, 1.1–31.12. *

	2003	2002
Customer volume in kiosk operations, thousands	119,380	122,126
Customer volume in bookstore operations, thousands	6,316	6,460
Customer volume in movie theatres, thousands	3,599	3,591
Number of copies sold (press distribution), thousands	127,562	126,017

* Units in Finland

Y: Kalvo_HS/HS04/result2003