Sanoma's Interim Report 1 January - 31 March 2013:

Solid performance in Learning - investments and efficiency improvements in media to address challenging environment

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- Net sales in the first quarter amounted to EUR 505.2 million (2012: 543.6).
- Adjusted for changes in the Group structure, Sanoma's net sales decreased by 7.5%.
- Operating profit excluding non-recurring items was EUR -3.0 million (2012: 15.6).
- Non-recurring items included in the operating profit in the first quarter amounted to EUR -37.2 million (2012: 0.0) and consisted mainly of non-cash impairment charges.
- Earnings per share were EUR -0.24 (2012: -0.11).
- Earnings per share excluding non-recurring items were EUR -0.03 (2012: 0.00).
- Cash flow from operations was EUR -62.7 million (2012: -21.9).
- In 2013, Sanoma expects that the Group's consolidated net sales will decline by 2-4% compared to 2012 and operating profit excluding non-recurring items is estimated to be EUR 180-205 million.

KEY INDICATORS * EUR million	**1-3/ 2013**	**Restated 1-3/ 2012**	**Change %**	**Restated 1-12/ 2012**
Net sales	**505.2**	543.6	-7.1	2,376.3
Operating profit excluding non-recurring items	**-3.0**	15.6		231.0
% of net sales	**-0.6**	2.9		9.7
Operating profit	**-40.2**	15.6		181.0
Result for the period from continuing operations	**-51.8**	-18.0		69.9
Result for the period ****	**-51.8**	-16.8		149.0
Capital expenditure **	**11.7**	12.4	-6.2	59.5
% of net sales	**2.3**	2.3		2.5
Return on equity (ROE), % *** / ****	**7.4**	3.4		9.7
Return on investment (ROI), % *** / ****	**7.1**	5.5		8.3
Equity ratio, % ****	**40.4**	38.5		41.3
Net gearing, % ****	**86.5**	97.3		78.7
Number of employees at the end of the period (FTE)	**10,290**	11,114	-7.4	10,381
Average number of employees (FTE)	**10,375**	11,090	-6.5	10,804
Earnings/share, EUR, continuing operations	**-0.24**	-0.12		0.39
Earnings/share, EUR ****	**-0.24**	-0.11		0.88
Cash flow from operations/share, EUR ****	**-0.39**	-0.13		1.18
Equity/share, EUR ****	**7.58**	7.62	-0.6	7.82

* Comparable figures have been restated due to a change in IAS19 'Employee benefits'. The revised standard eliminates the possibility of using the corridor approach in recognising the actuarial gains and losses from defined benefit plans. The revised IAS 19 standard requires the actuarial gains and losses to be recognised immediately in the statement of other comprehensive income. For 2012, the restated total equity has decreased by EUR 52.0 million to EUR 1,576.6 million and the restated operating profit excluding non-recurring items has decreased by EUR 1.3 million to EUR 231.0 million.
** Including finance leases.
*** Rolling 12-month period.
**** Includes continuing and discontinued operations.

Harri-Pekka Kaukonen, President and CEO

”Learning’s performance was solid in the first quarter, supported by earlier than expected sales recognition in the Netherlands.

The development of the advertising market, however, was significantly worse than expected. In addition, circulation sales continued to be under pressure and also impacted our consumer media revenues and profitability.

The underlying shift in consumer behaviour and advertising spend is driving growth in online media. Growth in online is, however, not fully compensating for the significant decline in print, and coupled with our investments in service and product portfolio has negatively impacted our profitability in the first quarter.

We continue to address our cost structures. The ongoing EUR 60 million gross savings programme is proceeding according to plan. However, the programme and additional actions initiated because of the changed environment are not able to compensate for the estimated decline in net sales. Therefore we took a more cautious view for the year and revised our outlook for 2013 on 22 March.”

Group outlook for 2013 (unchanged from the revised outlook published on 22 March 2013)

In 2013, Sanoma expects that the Group’s consolidated net sales will decline by 2-4% compared to 2012 and operating profit excluding non-recurring items is estimated to be EUR 180-205 million.

Sanoma’s outlook is based on the assumptions that the European economic environment remains subdued and advertising markets remain depressed in Sanoma’s main operating countries.

Cost savings programme

As a part of streamlining operations and ensuring competitive cost levels, in 2012 Sanoma commenced a three-year Group-wide cost savings programme. Sanoma’s target is to reduce its cost base by EUR 60 million gross by the end of 2015 compared to the cost level of 2012. The targeted EUR 60 million in gross savings consists of EUR 30 million cost savings in support functions and EUR 30 million related to operational efficiency.

The programme is proceeding according to plan. The decisions that have been made so far are estimated to generate around half of the targeted EUR 60 million gross savings by the end of 2015. Related to these decisions, around EUR 9 million of non-recurring restructuring expenses have been recognised by the end of March 2013, of which some EUR 3 million was recognised in the first quarter. The impact of the realised gross cost savings of the programme was around EUR 3 million in the first quarter.

Net sales

First quarter

In January–March, Sanoma’s net sales decreased by 7.1% and amounted to EUR 505.2 million (2012: 543.6). The decrease is mainly due to the continued deterioration in advertising markets and circulation. Currency translations did not have a material effect on the first quarter net sales. When adjusted for changes in the Group structure, net sales decreased by 7.5%.

Circulation sales decreased by 5.2% to EUR 194.8 million (2012: 205.5). Subscription sales decreased by 2.6%, while single copy sales decreased by 9.1% due to cautious consumer spending. Advertising sales decreased by 13.1% to EUR 182.1 million (2012: 209.6).

By country, Finland accounted for 38.7% (2012: 39.7%), the Netherlands for 38.2% (2012: 35.9%) and Belgium for 11.1% (2012: 10.8%) of the Group’s first quarter net sales. Net sales from other EU countries totalled 7.6% (2012: 9.3%) and non-EU countries accounted for 4.3% (2012: 4.3%).

By type of sales, advertising sales accounted for 36.0% (2012: 38.6%), subscription sales for 23.9% (2012: 22.8%), single copy sales for 14.7% (2012: 15.0%), learning for 9.0% (2012: 6.3%) and other sales for 16.3% (2012: 17.4%) of the Group's first quarter net sales. Other sales mainly include press distribution and marketing services, language and translation services, custom publishing, event marketing, books and printing services sales.

Result

First quarter

In January–March, Sanoma's operating profit excluding non-recurring items totalled EUR -3.0 million (2012: 15.6). Weaker advertising and circulation sales as well as increased amortisation of TV programming rights and higher spending on digital business were partly off-set by lower fixed expenses and cost of sales. The operating profit margin excluding non-recurring items was -0.6% (2012: 2.9%) of net sales. Currency translations did not have a material effect on the first quarter result.

In the first quarter, the Group's total expenses, excluding non-recurring items, decreased by 6.8%. The cost of sales decreased by 7.2% and fixed expenses by 5.1%. Paper costs decreased by 15.6% and employee benefit expenses decreased by 2.2%. The Group had 10,290 employees (FTE) at the end of March corresponding to a decrease of 91 employees compared to the end of 2012. The decrease in the number of personnel is mostly attributable to streamlining of operations and efficiency measures.

In January–March, operating profit included EUR -37.2 million (2012: 0.0) of non-recurring items consisting mainly of restructuring expenses and a non-cash impairment charge related to the Sanoma Media Netherlands strategic business unit totalling EUR 34.8 million, of which EUR 22.8 million is non-tax-deductible impairment of goodwill and EUR 12.0 million tax-deductible impairment of other intangible assets. In the comparable period there were no non-recurring items.

NON-RECURRING ITEMS EUR million	**1–3/ 2013**	**1–3/ 2012**	**1–12/ 2012**
Media			
Impairment of goodwill and intangible assets (The Netherlands)	**-34.8**		
Impairment of goodwill and intangible assets (Russia & CEE)			-6.0
Restructuring expenses	**-3.5**		-14.2
Loss on sale (Adria Media Ljubljana)			-1.1
News			
Write down of intangible assets			-9.9
Restructuring expenses	**-0.4**		-2.0
Learning			
Restructuring expenses (Learning in Poland)			-4.4
Gain on sale (Esmerk)			5.7
Restructuring expenses			-1.6
Other companies			
Gain on sale of building area in Ärrävaara	**1.5**		
Income related to Keimola Area			4.5
Impairment of goodwill			-11.6
Restructuring expenses			-2.0
Impairments and write downs			-7.5
NON-RECURRING ITEMS IN OPERATING PROFIT	**-37.2**		-50.0
Loss on sale (DNA)		-17.3	-19.3
Impairment of share in Hungarian associated company			-1.2
Gain on sale (Hansaprint)			3.0
NON-RECURRING ITEMS IN RESULTS IN ASSOCIATED COMPANIES		-17.3	-17.5
Gain on sales (Kiosk operations and Baltic bookstores and press distribution)			77.4
NON-RECURRING ITEMS IN DISCONTINUED OPERATIONS			77.4

Sanoma's first quarter result included EUR 0.0 million (2012: -16.4) profit from associated companies. In the comparable period, the profit from associated companies included EUR -17.3 million related to a non-recurring capital loss from the sale of DNA.

Sanoma's net financial items totalled EUR -15.1 million (2012: -13.7). Financial income amounted to EUR 6.8 million (2012: 7.0), of which EUR 5.1 million were exchange rate gains (2012: 6.0). Financial expenses amounted to EUR -21.8 million (2012: -20.7), of which EUR -6.3 million were exchange rate losses (2012: EUR -7.4 million). Interest expenses amounted to EUR -13.5 million (2012: -11.8).

Profit before taxes amounted to EUR -55.2 million (2012: -14.4) in the first quarter. Earnings per share were EUR -0.24 (2012: -0.11). Earnings per share excluding non-recurring items were EUR -0.03 (2012: 0.00).

Balance sheet and financial position

At the end of March 2013, Sanoma's consolidated balance sheet totalled EUR 3,977.0 million (2012: 4,134.3). In January–March, the Group's cash flow from operations was EUR -62.7 million (2012: -21.9) due to the timing of interest paid, increased acquisition of TV programming rights and negative change in working capital. Cash flow from operations per share was EUR -0.39 (2012: -0.13).

Sanoma's equity ratio was 40.4% (2012: 38.5%) at the end of March 2013. The return on equity (ROE) for the rolling 12-month period was 7.4% (2012: 3.4%) and the return on investment (ROI) was 7.1% (2012: 5.5%). Equity totalled EUR 1,523.8 million (2012: 1,511.9). The equity per share was EUR 7.58 (2012: 7.62). Interest-bearing liabilities at the end of March 2013 totalled EUR 1,471.1 million (2012: 1,586.1). Interest-bearing net debt was EUR 1,318.1 million (2012: 1,471.4).

Investments, acquisitions and divestments

In January–March, investments in tangible and intangible assets, including finance leases, amounted to EUR 11.7 million (2012: 12.4). Investments were mainly related to ICT systems as well as replacements and renovations.

In January–March, Sanoma's business acquisitions totalled EUR 6.8 million (2012: 3.0).

Events after the end of the first quarter 2013

On 22 April, Sanoma announced a divestment of its ownership in Netinfo in Bulgaria. The closing of the deal is subject to the approval of competition authorities.

MEDIA

The Media segment includes magazine, TV, radio and online businesses in 11 European countries and comprises four strategic business units: Sanoma Media Netherlands, Sanoma Media Finland, Sanoma Media Belgium and Sanoma Media Russia & CEE.

- Advertising markets have been under severe pressure in Sanoma's main operating countries.
- Cautious consumer spending is visible in circulation, especially in single copy sales.
- The TV viewing share of SBS Netherlands was at around 21% in the first quarter of 2013.
- Sanoma's share of the TV advertising market strengthened in Belgium.

- In May 2012, Sanoma acquired the online retail group Read & View in the Netherlands to support reselling subscriptions online. The result of the new company has been consolidated to Sanoma from the beginning of May 2012.
- In July 2012, Sanoma acquired three radio stations in Finland to gain a market leadership position. The result of the acquired operations has been consolidated to Sanoma from the beginning of the third quarter of 2012.
- In July 2012, Sanoma acquired HeadOffice in Belgium to strengthen its market position in custom media. The result of the new company has been consolidated to Sanoma from the beginning of the third quarter of 2012.

Key indicators		**Restated**		**Restated**
EUR million	**1–3/ 2013**	**1–3/ 2012**	**Change %**	**1–12/ 2012**
Net sales	**323.5**	354.1	-8.6	1,487.1
The Netherlands	**157.2**	171.6	-8.4	760.4
Finland	**69.6**	77.4	-10.0	301.7
Russia & CEE	**42.8**	49.0	-12.6	199.5
Belgium	**54.3**	56.8	-4.5	228.3
Other businesses and eliminations	**-0.5**	-0.7	30.7	-2.7
Operating profit excluding non-recurring items *	**-1.3**	27.0		151.5
% of net sales	**-0.4**	7.6		10.2
Operating profit	**-39.6**	27.0		130.2
Capital expenditure	**5.9**	5.8	1.7	30.7
Number of employees at the end of the period (FTE)	**5,536**	5,785	-4.3	5,718
Average number of employees (FTE)	**5,584**	5,769	-3.2	5,772

* In 2013, non-recurring items in the first quarter included a EUR -34.8 million impairment of goodwill and intangible assets in the Netherlands and EUR -3.5 million in restructuring expenses. In 2012, the non-recurring items in the second quarter included EUR -2.6 million in restructuring expenses, in the third quarter EUR -2.7 million in restructuring expenses and in the fourth quarter EUR -8.9 million in restructuring expenses, a EUR -1.1 million loss on the sale of Adria Media Ljubljana and a EUR -6.0 million impairment of goodwill and intangible assets in Russia & CEE.

	1–3/2013 vs. 1–3/2012			**1–12/2012 vs. 1–12/2011**		
Circulation sales growth	**Subscription**	**Single copy**	**Total circulation**	**Subscription**	**Single copy**	**Total circulation**
Media Netherlands	-6%	-11%	-8%	+8%	-5%	+3%
Media Finland	-4%	-8%	-4%	-6%	-4%	-6%
Media Belgium	+3%	-4%	-2%	+5%	-4%	-2%
Media Russia & CEE	0%	-17%	-13%	-5%	-15%	-13%
Total Media segment	**-4%**	**-10%**	**-7%**	**+3%**	**-7%**	**-2%**

Advertising sales growth	1–3/2013 vs. 1–3/2012 Print	Online	TV & Radio	Total advertising	1–12/2012 vs. 1–12/2011 Print	Online	TV & Radio	Total advertising
Media Netherlands	-24%	-10%	-13%	-14%	-9%	+2%	+86%	+34%
Media Finland	-17%	+35%	-9%	-9%	-8%	+5%	+5%	+2%
Media Belgium	-20%	-31%	-1%	-14%	-8%	+85%	+155%	+24%
Media Russia & CEE	-12%	-4%	-19%	-8%	-1%	-1%	-26%	-1%
Total Media segment	**-17%**	**-7%**	**-11%**	**-12%**	**-6%**	**+3%**	**+53%**	**+19%**

Operational indicators *	1–3/	1–3/
Magazines	**2013**	**2012**
Number of magazines published	**264**	275
Magazine copies sold, thousands	**75,649**	87,143
Advertising pages sold	**9,107**	11,167
Finnish TV operations		
TV channels' share of TV advertising	**33.5%**	34.2%
TV channels' national commercial viewing share (10-44 years)	**32.8%**	34.8%
TV channels' national viewing share	**14.8%**	15.3%
Dutch TV operations		
TV channels' share of TV advertising	**24.3%**	27.7%
TV channels' national viewing share (20-49 years)	**20.9%**	20.2%

* Including joint ventures

First quarter

In January–March, net sales in the Media segment decreased by 8.6 % to EUR 323.5 million (2012: 354.1). Adjusted for structural changes, net sales declined by 10.8%.

The segment’s advertising sales represented 42.4% (2012: 43.9%) and circulation sales represented 46.0% (2012: 45.0%) of the first quarter net sales.

In Media Netherlands, net sales decreased by 8.4% in the first three months. Advertising sales represented 41.8% (2012: 44.5%) and circulation sales 47.0% (2012: 46.7%) of Dutch net sales. Sanoma estimates that the advertising market in the Netherlands decreased on a net basis in TV by around 5%, in consumer magazines by around 17% and in online excluding search by some 10% in January–March.

In Media Finland, net sales decreased by 10.0% in the first quarter. In total, the advertising sales of the Finnish operations represented 44.8% (2012: 44.2%) and circulation 45.8% (2012: 43.0%) of net sales in the first quarter. According to TNS Gallup Adex, the advertising market in Finland decreased on a net basis in TV by around 10% and in magazines by 16%, whereas advertising in online excluding search increased by 3% in the first quarter.

Net sales in Media Belgium decreased by 4.5%. Advertising sales represented 30.3% (2012: 33.7%) and circulation sales 51.2% (2012: 50.1%) of net sales in Media Belgium. Sanoma estimates that the advertising market in Belgium in TV decreased by around 10% on a net basis, and in magazines by some 20% in the first three months. Online advertising excluding search was at the comparable period’s level.

In Media Russia and the CEE countries, net sales decreased by 12.6%. In total, advertising sales represented 55.2% (2012: 52.6%) and circulation sales 35.6% (2012: 36.0%) of net sales in the Russia and CEE strategic business unit. Service and product portfolios are continuously optimised according to their future development potential as well as to reflect changes in the market environment.

Operating profit excluding non-recurring items in the Media segment in January–March decreased to EUR -1.3 million (2012: 27.0). In the Netherlands, the operating profit excluding non-recurring items decreased mainly as a result of lower advertising sales and higher amortisation of TV programming rights. In Finland, the operating profit excluding non-recurring items decreased as cost efficiency did not off-set the decline in print and TV advertising sales as well as higher amortisation of TV programming rights. In Belgium, the operating profit excluding non-recurring items decreased mainly due to poor development in print advertising and higher fixed expenses. In Russia and CEE countries the operating profit excluding non-recurring items improved despite lower net sales as a result of cost control and divestment of Adria Media Ljubljana in Slovenia.

Non-recurring items included in the operating profit totalled EUR -38.3 (2012: 0.0) consisting of restructuring expenses and a non-cash impairment charge related to the Sanoma Media Netherlands strategic business unit totalling EUR 34.8 million, of which EUR 22.8 million is non-tax-deductible impairment of goodwill and EUR 12.0 million tax-deductible impairment of other intangible assets.

Media’s investments in tangible and intangible assets totalled EUR 5.9 million (2012: 5.8) and consisted mainly of ICT investments.

NEWS

The News segment includes the Sanoma News strategic business unit, Finland's leading player in newspaper publishing and online media.

- The weak advertising market development adversely affects the News segment.
- The substantial renewal of Helsingin Sanomat led to a slower decline in subscription sales compared to the average decline in 2012.
- Ilta-Sanomat was able to compensate for the decline in print advertising sales by growth in online advertising.
- The effects of the on-going efficiency improvements do not fully offset the negative impact from lower advertising sales.

Key indicators		**Restated**		**Restated**
EUR million	**1–3/ 2013**	**1–3/ 2012**	**Change %**	**1–12/ 2012**
Net sales	**101.0**	110.0	-8.2	422.8
Helsingin Sanomat	**56.3**	59.3	-5.2	224.9
Ilta-Sanomat	**20.0**	21.2	-5.7	84.3
Other businesses and eliminations	**24.8**	29.5	-16.0	113.5
Operating profit excluding non-recurring items *	**5.9**	8.8	-33.1	32.2
% of net sales	**5.8**	8.0		7.6
Operating profit	**5.5**	8.8	-38.0	20.3
Capital expenditure	**2.7**	2.5	9.3	11.0
Number of employees at the end of the period (FTE)	**2,026**	2,033	-0.3	1,928
Average number of employees (FTE)	**1,992**	2,027	-1.7	2,055

* In 2013, the non-recurring items included in the first quarter EUR -0.4 million restructuring expenses. In 2012, the non-recurring items included in the third quarter a EUR -9.9 million write down of intangible assets and EUR -2.0 million restructuring expenses.

		1-3/2013 vs. 1-3/2012			**1-12/2012 vs. 1-12/2011**	
Circulation sales growth	**Subscription**	**Single copy**	**Total circulation**	**Subscription**	**Single copy**	**Total circulation**
Total News segment	-1%	-5%	-2%	-3%	-3%	-3%

		1-3/2013 vs. 1-3/2012			**1-12/2012 vs. 1-12/2011**	
Advertising sales growth	**Print**	**Online**	**Total advertising**	**Print**	**Online**	**Total advertising**
Total News segment	-19%	+7%	-14%	-9%	+7%	-6%

Operational indicators	**1–3/**	**1–3/**
Online services, unique visitors, weekly *	**2013**	**2012**
Iltasanomat.fi	**2,521,976**	2,384,026
HS.fi	**1,384,854**	1,523,565
Huuto.net	**440,327**	504,776
Oikotie.fi	**561,459**	557,388
Taloussanomat.fi	**748,850**	683,887
	1–12/	**1–12/**
Audited circulation	**2012**	**2011**
Helsingin Sanomat	**337,962**	365,994
Ilta-Sanomat	**132,253**	143,321

* Unique visitors for 2013 are not comparable with 2012 figures.

First quarter

In January–March, net sales in the News segment decreased by 8.2% to EUR 101.0 million (2012: 110.0) due to poor advertising market development. Structural changes did not impact net sales.

Circulation sales accounted for 45.4% (2012: 41.7%) and advertising sales represented 45.3% (2012: 49.8%) of the net sales in News in the first quarter.

According to TNS Gallup Adex, the net newspaper advertising market in Finland decreased by some 18% in the first quarter compared to the comparable quarter. Online advertising (net) included in the statistics was up by some 3%.

The net sales of the Helsingin Sanomat business unit decreased by 5.2%. After the renewal of the format and content of Helsingin Sanomat, subscription sales declined less than the average decline in 2012. Advertising sales represented 50.4% (2012: 53.8%) of the business unit's net sales.

The Ilta-Sanomat business unit's net sales decreased by 5.7% driven by a decline in circulation. Advertising sales represented 32.0% (2012: 30.3%) of the business unit's net sales. The total volume of the Finnish print tabloid market decreased by around 13% during the first quarter of 2013. Ilta-Sanomat continued to strengthen its market leadership and its market share is 59.3% (2012: 58.5%) of the tabloid newsstand market for the rolling 12-month period.

Net sales from other businesses in the News segment decreased by 16.0% mainly due to weak advertising market development.

In January–March, News' operating profit excluding non-recurring items decreased by one-third to EUR 5.9 million (2012: 8.8). The effects of the on-going efficiency improvements did not fully off-set lower net sales. News' operating profit included EUR -0.4 million (2012: 0.0) of non-recurring items related to restructuring expenses.

News' investments in tangible and intangible assets totalled EUR 2.7 million (2012: 2.5), and consisted mainly of investments in digital business, ICT and replacement investment in printing.

LEARNING

The Learning segment includes the Sanoma Learning strategic business unit. Sanoma Learning is a leading European provider of learning materials and solutions in print and digital format.

- The first quarter improved compared to the previous year due to a shift in timing at Malmberg in the Netherlands.
- Market conditions remained stable in most of our operating countries.

- In June 2012, Sanoma acquired the testing and examination company Bureau ICE to expand its learning solutions portfolio. The result of the company has been consolidated to Sanoma from the beginning of the third quarter of 2012.
- Language services and book printing operations have been transferred to the Group line item 'Other companies and eliminations'. Therefore there will be no sales recorded in the 'Other businesses' unit as of the third quarter 2012.

Key indicators **EUR million**	**1–3/ 2013**	**Restated 1–3/ 2012**	**Change %**	**Restated 1–12/ 2012**
Net sales	**45.7**	38.4	19.1	312.4
Learning	**45.7**	34.2	33.8	306.4
Other businesses		4.6		6.5
Eliminations		-0.4		-0.5
Operating profit excluding non-recurring items *	**-4.4**	-15.0	70.7	59.2
% of net sales	**-9.6**	-39.0		19.0
Operating profit	**-4.4**	-15.0	70.7	58.9
Capital expenditure	**2.1**	2.2	-7.8	7.3
Number of employees at the end of the period (FTE)	**1,750**	2,011	-12.9	1,735
Average number of employees (FTE)	**1,754**	2,027	-13.5	1,832

* In 2013, the operating profit did not include any non-recurring items. In 2012, the non-recurring items in the third quarter included EUR -4.4 million restructuring expenses of the Polish Learning operations, and in the second quarter a EUR 5.7 million gain on the sale of Esmerk, and EUR -1.6 million in restructuring expenses.

First quarter

In January–March, net sales in the Learning segment increased by 19.1% to EUR 45.7 million (2012: 38.4) due to a shift in timing between quarters. Adjusted for structural changes, net sales increased by 31.6%. In most of Sanoma's operating countries market conditions remained stable. In Hungary, political uncertainty may impact public spending.

The learning business has, by nature, an annual cycle and strong seasonality. It accrues most of its net sales and results during the second and third quarters, whereas the first and fourth quarters are typically loss-making.

The book logistics company Porvoon Kirjakeskus Oy was divested in April 2012 and is no longer included in Learning's figures from the beginning of April 2012.

The business information service provider Esmerk was divested in June 2012 and is no longer included in Learning's figures from the beginning of June 2012.

Operating profit excluding non-recurring items in the Learning segment improved to EUR -4.4 million (2012: -15.0). The increase is related to the shift in timing between quarters. There were no non-recurring items included in the operating profit (2012: 0.0).

Learning's investments in tangible and intangible assets totalled EUR 2.1 million (2012: 2.2). They were mainly related to investments in digital platforms and ICT.

THE GROUP

Personnel

In January–March, the average number of personnel (FTE) employed by the Sanoma Group was 10,375 (2012: 11,090). In full-time equivalents, the number of Group employees at the end of March 2013 was 10,290 (2012: 11,114). Divestments and restructuring decreased the number of personnel. In full-time equivalents, the Media segment had 5,536 (2012: 5,785) employees at the end of March, the News segment 2,026 (2012: 2,033), the Learning segment 1,750 (2012: 2,011) and other operations 977 (2012: 1,286).

The total employee benefits to Sanoma employees in the first quarter of 2013, including the expense recognition of share based payments, amounted to EUR 153.0 million (2012: 156.5).

Dividend

The Annual General Meeting on 3 April 2013 decided to pay a dividend of EUR 0.60 (2012: 0.60) per share. The dividends were paid on 16 April 2013.

Shares and holdings

In January–March, 18,003,267 (2012: 27,506,324) Sanoma shares were traded on the NASDAQ OMX Helsinki and traded shares accounted for some 11% (2012: 17%) of the average number of shares. Sanoma's NASDAQ OMX Helsinki stock exchange turnover was EUR 140.7 million (2012: 282.3). Sanoma's shares traded on the NASDAQ OMX Helsinki corresponded to around 63% of the total traded share volume on stock exchanges.

During the first three months, the volume-weighted average price of a Sanoma share on the NASDAQ OMX Helsinki was EUR 7.81, with a low of EUR 7.01 and a high of EUR 8.95. At the end of March 2013, Sanoma's market capitalisation was EUR 1.2 billion (2012: 1.6), with Sanoma's share closing at EUR 7.16 (2012: 9.60). At the end of March 2013, Sanoma's registered share capital was EUR 71,258,986.82 and the number of shares was 162,812,093.

Board of Directors, auditors and management

The AGM held on 3 April 2013 confirmed the number of Sanoma's Board members as ten. Board member Antti Herlin was re-elected and Anne Brunila, Mika Ihamuotila and Robin Langenskiöld were elected as new Board Members. Antti Herlin was elected as Chairman of the Board and Sakari Tamminen as Vice Chairman. The Board of Directors of Sanoma consists of Antti Herlin (Chairman), Sakari Tamminen (Vice Chairman), and Annet Aris, Anne Brunila, Jane Erkko, Mika Ihamuotila, Robin Langenskiöld, Nancy McKinstry, Rafaela Seppälä and Kai Öistämö as members.

The AGM appointed chartered accountants KPMG Oy Ab as the auditor of the company, with Virpi Halonen, Authorised Public Accountant, as Auditor in Charge.

From the end of March 2013, the Executive Management Group (EMG) comprises: Harri-Pekka Kaukonen (President and CEO of the Sanoma Group, chairman of the EMG), Jacqueline Cuthbert (CHRO), Jacques Eijkens (CEO, Sanoma Learning), Kim Ignatius (CFO), John Martin (Chief Strategy and Digital Officer, CSDO), Dick Molman (CEO, Sanoma Media Netherlands), Anu Nissinen (CEO, Sanoma Media Finland), Heike Rosener (CEO, Sanoma Media Russia & CEE), Pekka Soini (CEO, Sanoma News) and Aimé Van Hecke (CEO, Sanoma Media Belgium).

Board authorisations

The AGM held on 3 April 2013 authorised the Board of Directors to decide on an issuance of a maximum of 82,000,000 new shares and a transfer of a maximum of 5,000,000 treasury shares. The authorisation will be valid until 30 June 2016. The Board of Directors is authorised to grant a maximum of 5,000,000 stock options as part of the Company's incentive programme. In a directed share issue, a maximum of 41,000,000 shares can be issued or transferred.

The AGM held on 3 April 2013 authorised the Board to decide on the repurchase of maximum of 16,000,000 Company's own shares. The authorisation is effective until 30 June 2014 and terminates the corresponding authorisation granted by the AGM on 3 April 2012. These shares can be purchased with the Company's unrestricted shareholders' equity, and the repurchases will reduce the funds available for distribution of profits. The shares can be repurchased to develop the Company's capital structure, carry out or finance potential corporate acquisitions or other business arrangements, to be used as a part of the Company’s incentive programme or to be otherwise conveyed further, retained as treasury shares, or cancelled. The shares can be repurchased either through a tender offer made to all shareholders on equal terms or in a proportion other than that of the current shareholders at the market price of the repurchase moment on the NASDAQ OMX Helsinki Ltd.

Seasonal fluctuation

The net sales and results of media businesses are particularly affected by the development of advertising. Advertising sales are influenced, for example, by the number of newspaper and magazine issues published each quarter, which varies annually. Television advertising in the Netherlands, Finland and Belgium is usually strongest in the second and fourth quarters.

Learning accrues most of its net sales and results during the second and third quarters.

Seasonal business fluctuations influence the Group’s net sales and operating profit, with the first quarter traditionally being clearly the smallest one for both.

Significant risks and uncertainty factors (unchanged)

The most significant risks and uncertainty factors Sanoma currently faces are described in the Financial Statements and on the Group’s website at Sanoma.com, together with the Group’s main principles of risk management. Many of the identified risks relate to changes in customer preferences. The driving force behind these changes is the on-going digitisation process. Sanoma takes actions in all its strategic business units to respond to this challenge.

With regard to changing customer preferences and digitisation, new entrants might be able to better utilise these changes and therefore gain market share from Sanoma’s established businesses.

Normal business risks associated with the industry relate to developments in media advertising and consumer spending. Media advertising is sensitive to economic fluctuations. Therefore, general economic conditions and economic trends in the industry influence Sanoma’s business activities and operational performance.

Sanoma’s financial risks include interest rate and currency risks, liquidity risk and credit risk. Other risks include risks related to equity, impairment and the availability of capital. At the Group level, the most significant risks relate to liquidity risk and changes in exchange rates and interest rates.

As a result of the SBS acquisition, Sanoma’s consolidated balance sheet includes about EUR 3.0 billion in goodwill, publishing rights and other intangible assets. Most of this is related to magazine and TV operations. In accordance with IFRS, instead of goodwill being amortised regularly, it is tested for impairment on an annual basis, or whenever there is any indication of impairment. Major changes in business fundamentals could lead to impairment.

INTERIM REPORT (UNAUDITED)

Accounting policies

The Sanoma Group has prepared its Interim Report in accordance with IAS 34 'Interim Financial Reporting' while adhering to related IFRS standards and interpretations applicable within the EU on 31 March 2013. The accounting policies of the Interim Report, excluding the changed accounting principles explained below, and the definitions of key indicators are presented on the Sanoma website at Sanoma.com. All figures have been rounded and consequently the sum of individual figures can deviate from the presented total figure. Key figures have been calculated using exact figures. This Interim Report is unaudited.

Changed accounting policies

Sanoma has adopted the revised IAS 19 Employee Benefits standard as of 1 January 2013. The revised standard eliminates the possibility of using the corridor approach in recognising the actuarial gains and losses from defined benefit plans. The revised IAS 19 standard requires the actuarial gains and losses to be recognised immediately in the statement of other comprehensive income. This change in accounting principles leads to faster recognition of actuarial gains and losses and higher volatility of equity than the corridor approach. As a result of the change the Group now determines the net interest expense on the net defined benefit plan by applying the discount rate used to measure the defined benefit.

The change in accounting principles has been applied retrospectively as of 1 January 2012. The impact on comparison figures presented in the comprehensive income statement, balance sheet and cash flow statement of this interim report are shown in the tables on the next page.

CONSOLIDATED INCOME STATEMENT
EUR million

CONTINUING OPERATIONS	1–3/ 2012	1–6/ 2012	1–9/ 2012	1–12/ 2012
Employee benefit expenses	-0.3	-0.7	-1.0	-1.3
OPERATING PROFIT	-0.3	-0.7	-1.0	-1.3
Income taxes	0.1	0.2	0.2	0.3
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	-0.2	-0.5	-0.7	-1.0
RESULT FOR THE PERIOD	-0.2	-0.5	-0.7	-1.0

STATEMENT OF COMPREHENSIVE INCOME
EUR million

Result for the period	-0.2	-0.5	-0.7	-1.0
Other comprehensive income:				
Items that will not to be reclassified to profit or loss				
Defined benefit plans	-15.3	-30.6	-46.0	-61.0
Income tax related to defined benefit plans	3.9	7.8	11.8	15.6
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-11.6	-23.3	-34.9	-46.4

CONSOLIDATED BALANCE SHEET

EUR million	**31.3.2012**	**30.6.2012**	**30.9.2012**	**31.12.2012**	**1.1.2012**
ASSETS					
Pension assets	-19.6	-23.0	-24.2	-33.0	-16.2
Deferred tax receivables	1.1	5.0	7.6	11.2	-2.8
ASSETS, TOTAL	-18.5	-18.0	-16.6	-21.8	-19.0
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to the equity holders of the Parent Company					
Other reserves	-11.4	-22.8	-34.2	-45.4	
Other equity	-5.6	-5.9	-6.1	-6.4	-5.4
Non-controlling interests				-0.2	
EQUITY, TOTAL	-17.0	-28.7	-40.3	-52.0	-5.4
Deferred tax liabilities	-4.1	-4.2	-5.7	-6.1	-4.1
Pension obligations	2.7	14.9	29.4	36.3	-9.5
LIABILITIES, TOTAL	-1.4	10.7	23.7	30.2	-13.6
EQUITY AND LIABILITIES, TOTAL	-18.5	-18.0	-16.6	-21.8	-19.0

CONSOLIDATED CASH FLOW STATEMENT **EUR million**	**1–3/ 2012**	**1–6/ 2012**	**1–9/ 2012**	**1–12/ 2012**
Cash flow before the change in working capital	-0.3	-0.7	-1.0	-1.3
Change in working capital	0.3	0.7	1.0	1.3
CASH FLOW FROM OPERATIONS	0.0	0.0	0.0	0.0

CONSOLIDATED INCOME STATEMENT

EUR million CONTINUING OPERATIONS	1–3/ 2013	Restated 1–3/ 2012	Restated 1–12/ 2012
NET SALES	**505.2**	543.6	2,376.3
Other operating income	**9.4**	8.6	52.5
Materials and services	**-176.3**	-190.0	-816.3
Employee benefit expenses	**-153.0**	-156.5	-614.9
Other operating expenses	**-111.7**	-122.4	-491.5
Depreciation, amortisation and impairment losses	**-113.8**	-67.6	-325.2
OPERATING PROFIT	**-40.2**	15.6	181.0
Share of results in associated companies	**0.0**	-16.4	-17.7
Financial income	**6.8**	7.0	18.2
Financial expenses	**-21.8**	-20.7	-75.6
RESULT BEFORE TAXES	**-55.2**	-14.4	105.9
Income taxes	**3.4**	-3.6	-36.0
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	**-51.8**	-18.0	69.9
DISCONTINUED OPERATIONS			
Result for the period from discontinued operations		1.2	79.0
RESULT FOR THE PERIOD	**-51.8**	-16.8	149.0
Result from continuing operations attributable to:			
Equity holders of the Parent Company	**-39.1**	-19.2	63.7
Non-controlling interests	**-12.7**	1.2	6.2
Result attributable to:			
Equity holders of the Parent Company	**-39.1**	-18.0	142.8
Non-controlling interests	**-12.7**	1.2	6.2
Earnings per share for result attributable to the equity holders of the Parent company:			
Earnings per share, EUR, continuing operations	**-0.24**	-0.12	0.39
Diluted earnings per share, EUR, continuing operations	**-0.24**	-0.12	0.39
Earnings per share, EUR, discontinued operations		0.01	0.49
Diluted earnings per share, EUR, discontinued operations		0.01	0.49
Earnings per share, EUR	**-0.24**	-0.11	0.88
Diluted earnings per share, EUR	**-0.24**	-0.11	0.88

STATEMENT OF COMPREHENSIVE INCOME

EUR million	1–3/ 2013	Restated 1–3/ 2012	Restated 1–12/ 2012
Result for the period	**-51.8**	-16.8	149.0
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Change in translation differences	**-3.5**	22.5	23.4
Cash flow hedges	**2.2**	-1.2	0.9
Income tax related to cash flow hedges	**-0.5**	0.3	-0.2
Items that will not be reclassified to profit or loss			
Defined benefit plans		-15.3	-61.0
Income tax related to defined benefit plans		3.9	15.6
Other comprehensive income for the period, net of tax	**-1.9**	10.2	-21.3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-53.7**	-6.6	127.7
Total comprehensive income attributable to:			
Equity holders of the Parent Company	**-40.9**	-7.8	121.4
Non-controlling interests	**-12.7**	1.2	6.2

CONSOLIDATED BALANCE SHEET EUR million	31.3.2013	Restated 31.3.2012	Restated 31.12.2012	Restated 1.1.2012
ASSETS				
NON-CURRENT ASSETS				
Tangible assets	**275.0**	293.5	283.4	343.6
Investment property	**12.0**	4.8	12.0	5.8
Goodwill	**2,285.8**	2,308.5	2,307.6	2,316.2
Other intangible assets	**695.8**	725.1	700.2	709.8
Interests in associated companies	**8.2**	21.2	8.1	219.3
Available-for-sale financial assets	**8.2**	15.6	8.0	15.4
Deferred tax receivables	**44.1**	33.3	40.0	27.1
Trade and other receivables	**14.4**	28.4	15.4	28.1
NON-CURRENT ASSETS, TOTAL	**3,343.6**	3,430.3	3,374.8	3,665.3
CURRENT ASSETS				
Inventories	**69.1**	79.9	66.2	96.8
Income tax receivables	**13.0**	26.9	27.1	12.5
Trade and other receivables	**398.0**	372.0	384.1	418.4
Available-for-sale financial assets	**0.3**	0.4	0.3	0.3
Cash and cash equivalents	**153.0**	98.5	167.2	116.0
CURRENT ASSETS, TOTAL	**633.4**	577.7	645.0	644.0
Assets classified as held for sale		126.2		
ASSETS, TOTAL	**3,977.0**	4,134.3	4,019.8	4,309.3
EQUITY AND LIABILITIES				
EQUITY				
Equity attributable to the equity holders of the Parent Company				
Share capital	**71.3**	71.3	71.3	71.3
Fund for invested unrestricted equity	**203.3**	203.3	203.3	203.3
Other reserves	**-51.8**	-21.0	-53.4	-8.7
Other equity	**1,010.5**	987.0	1,052.2	982.7
	1,233.3	1,240.6	1,273.4	1,248.5
Non-controlling interests	**290.5**	271.3	303.2	270.3
EQUITY, TOTAL	**1,523.8**	1,511.9	1,576.6	1,518.8
NON-CURRENT LIABILITIES				
Deferred tax liabilities	**135.2**	142.2	137.5	142.1
Pension obligations	**52.6**	19.6	50.4	7.6
Provisions	**4.2**	6.6	4.1	6.3
Financial debt	**950.9**	1,269.9	942.2	1,101.2
Trade and other payables	**44.2**	39.6	44.9	38.9
NON-CURRENT LIABILITIES, TOTAL	**1,187.1**	1,478.0	1,179.1	1,296.1
CURRENT LIABILITIES				
Provisions	**13.3**	13.7	13.0	15.3
Financial debt	**520.1**	316.2	466.5	626.0
Income tax liabilities	**15.3**	17.5	27.4	27.4
Trade and other payables	**717.4**	728.7	757.1	825.8
CURRENT LIABILITIES, TOTAL	**1,266.0**	1,076.0	1,264.1	1,494.5
Liabilities related to assets held for sale		68.5		
LIABILITIES, TOTAL	**2,453.1**	2,622.5	2,443.2	2,790.5
EQUITY AND LIABILITIES, TOTAL	**3,977.0**	4,134.3	4,019.8	4,309.3

CHANGES IN CONSOLIDATED EQUITY
EUR million

	Equity attributable to the equity holders of the Parent Company						
	Share capital	Fund for invested unrestricted equity	Other reserves	Other equity	Total	Non-controlling interests	Equity, total
Equity at 31 Dec 2011	**71.3**	**203.3**	**-8.7**	**988.0**	**1,253.9**	**270.3**	**1,524.2**
Effect of IAS 19 on 1 Jan 2012				-5.4	-5.4		-5.4
Equity at 1 Jan 2012	**71.3**	**203.3**	**-8.7**	**982.7**	**1,248.5**	**270.3**	**1,518.8**
Share-based compensation				0.8	0.8		0.8
Dividends paid						0.0	0.0
Change in non-controlling interests				-0.9	-0.9	-0.2	-1.1
Comprehensive income for the period			-12.3	4.5	-7.8	1.2	-6.6
Equity at 31 March 2012	**71.3**	**203.3**	**-21.0**	**987.0**	**1,240.6**	**271.3**	**1,511.9**
Equity at 1 Jan 2013	**71.3**	**203.3**	**-53.4**	**1052.2**	**1273.4**	**303.2**	**1,576.6**
Share-based compensation				0.6	0.6		0.6
Dividends paid				-0.1	-0.1	0.0	-0.1
Change in non-controlling interests				0.4	0.4	0.0	0.4
Comprehensive income for the period			1.6	-42.6	-40.9	-12.7	-53.7
Equity at 31 March 2013	**71.3**	**203.3**	**-51.8**	**1010.5**	**1,233.3**	**290.5**	**1,523.8**

INCOME STATEMENT BY QUARTER

EUR million		Restated	Restated	Restated	Restated	Restated
CONTINUING OPERATIONS	**1–3/ 2013**	**1–3/ 2012**	**4–6/ 2012**	**7–9/ 2012**	**10–12/ 2012**	**1–12/ 2012**
NET SALES	505.2	543.6	646.5	599.5	586.7	2,376.3
Other operating income	9.4	8.6	19.4	8.7	15.7	52.5
Materials and services	-176.3	-190.0	-212.2	-214.6	-199.6	-816.3
Employee benefit expenses	-153.0	-156.5	-156.8	-145.9	-155.7	-614.9
Other operating expenses	-111.7	-122.4	-118.2	-109.1	-141.8	-491.5
Depreciation, amortisation and impairment losses	-113.8	-67.6	-80.6	-77.2	-99.7	-325.2
OPERATING PROFIT	-40.2	15.6	98.1	61.5	5.7	181.0
Share of results in associated companies	0.0	-16.4	-3.4	2.3	-0.2	-17.7
Financial income	6.8	7.0	4.9	3.3	3.0	18.2
Financial expenses	-21.8	-20.7	-19.1	-17.8	-18.0	-75.6
RESULT BEFORE TAXES	-55.2	-14.4	80.5	49.4	-9.4	105.9
Income taxes	3.4	-3.6	-21.7	-10.6	-0.2	-36.0
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	-51.8	-18.0	58.8	38.8	-9.6	69.9
DISCONTINUED OPERATIONS						
Result for the period from discontinued operations		1.2	78.6	-0.7	0.0	79.0
RESULT FOR THE PERIOD	-51.8	-16.8	137.3	38.1	-9.6	149.0
Result from continuing operations attributable to:						
Equity holders of the Parent Company	-39.1	-19.2	56.1	37.8	-11.0	63.7
Non-controlling interests	-12.7	1.2	2.7	0.9	1.4	6.2
Result attributable to:						
Equity holders of the Parent Company	-39.1	-18.0	134.7	37.1	-11.0	142.8
Non-controlling interests	-12.7	1.2	2.6	0.9	1.4	6.2
Earnings per share for result attributable to the equity holders of the Parent company:						
Earnings per share, EUR, continuing operations	-0.24	-0.12	0.34	0.23	-0.07	0.39
Diluted earnings per share, EUR, continuing operations	-0.24	-0.12	0.34	0.23	-0.07	0.39
Earnings per share, EUR, discontinued operations		0.01	0.48	0.00	0.00	0.49
Diluted earnings per share, EUR, discontinued operations		0.01	0.48	0.00	0.00	0.49
Earnings per share, EUR	-0.24	-0.11	0.83	0.23	-0.07	0.88
Diluted earnings per share, EUR	-0.24	-0.11	0.83	0.23	-0.07	0.88

CONSOLIDATED CASH FLOW STATEMENT		**Restated**	**Restated**
EUR million	**1–3/ 2013**	**1–3/ 2012**	**1–12/ 2012**
OPERATIONS			
Result for the period	**-51.8**	-16.8	149.0
Adjustments			
Income taxes	**-3.4**	4.0	36.7
Financial expenses	**21.8**	20.7	75.6
Financial income	**-6.8**	-7.0	-18.2
Share of results in associated companies	**0.0**	16.4	17.7
Depreciation, amortisation and impairment losses	**113.8**	69.6	327.8
Gains/losses on sales of non-current assets	**-2.4**	0.0	-79.6
Acquisitions of broadcasting rights and prepublication costs	**-66.6**	-54.9	-207.4
Other adjustments	**0.7**	0.8	-3.9
Change in working capital			
Change in trade and other receivables	**-10.6**	25.0	1.1
Change in inventories	**-2.6**	-7.7	5.4
Change in trade and other payables, and provisions	**-22.1**	-37.6	-18.0
Interest paid	**-27.1**	-7.7	-35.7
Other financial items	**-2.5**	-3.4	-9.2
Taxes paid	**-3.0**	-23.2	-49.2
CASH FLOW FROM OPERATIONS	**-62.7**	-21.9	192.0
INVESTMENTS			
Acquisition of tangible and intangible assets	**-12.8**	-16.3	-63.5
Operations acquired	**-5.8**	-2.7	-25.7
Sales of tangible and intangible assets	**3.6**	4.9	16.4
Operations sold	**0.3**	181.8	317.2
Loans granted	**-0.5**	-1.3	-9.2
Repayments of loan receivables	**1.0**	1.1	8.1
Interest received	**0.8**	0.9	3.7
Dividends received	**0.1**	0.4	5.5
CASH FLOW FROM INVESTMENTS	**-13.4**	168.6	252.4
CASH FLOW BEFORE FINANCING	**-76.1**	146.7	444.4
FINANCING			
Minority capital investment/repayment of equity	**0.0**	0.0	26.6
Change in loans with short maturity	**57.9**	-81.2	-32.3
Drawings of other loans	**0.3**	416.4	1,103.0
Repayments of other loans	**-1.6**	-476.0	-1,465.1
Payment of finance lease liabilities	**-0.2**	-0.2	-0.9
Dividends paid	**0.0**	0.0	-98.1
CASH FLOW FROM FINANCING	**56.4**	-141.0	-466.9
CHANGE IN CASH AND CASH EQUIVALENTS			
ACCORDING TO CASH FLOW STATEMENT	**-19.7**	5.7	-22.5
Effect of exchange rate differences on cash and cash equivalents	**0.1**	1.1	2.0
NET CHANGE IN CASH AND CASH EQUIVALENTS	**-19.6**	6.9	-20.5
Cash and cash equivalents at the beginning of the period	**73.1**	93.5	93.5
Cash and cash equivalents at the end of the period	**53.5**	100.4	73.1

Cash and cash equivalents in cash flow statement include cash and cash equivalents less bank overdrafts.

NET SALES BY BUSINESS UNIT

EUR million	1–3/ 2013	1–3/ 2012	4–6/ 2012	7–9/ 2012	10–12/ 2012	1–12/ 2012
MEDIA						
The Netherlands	**157.2**	171.6	208.1	173.5	207.2	760.4
Finland	**69.6**	77.4	76.7	65.4	82.2	301.7
Russia & CEE	**42.8**	49.0	50.1	46.9	53.5	199.5
Belgium	**54.3**	56.8	54.6	52.9	64.1	228.3
Other businesses and eliminations	**-0.5**	-0.7	-0.8	-0.6	-0.7	-2.7
TOTAL	**323.5**	354.1	388.6	338.1	406.3	1,487.1
NEWS						
Helsingin Sanomat	**56.3**	59.3	56.2	52.2	57.1	224.9
Ilta-Sanomat	**20.0**	21.2	22.0	20.0	21.1	84.3
Other businesses and eliminations	**24.8**	29.5	28.6	26.1	29.4	113.5
TOTAL	**101.0**	110.0	106.8	98.3	107.6	422.8
LEARNING						
Learning	**45.7**	34.2	109.3	127.4	35.5	306.4
Other businesses		4.6	1.8	0.0	0.0	6.5
Eliminations		-0.4	0.0	0.0	0.0	-0.5
TOTAL	**45.7**	38.4	111.1	127.4	35.5	312.4
Other companies and eliminations	**34.9**	41.1	40.0	35.6	37.3	154.0
CONTINUING OPERATIONS	**505.2**	543.6	646.5	599.5	586.7	2,376.3

OPERATING PROFIT BY SEGMENT

EUR million	1–3/ 2013	Restated 1–3/ 2012	Restated 4–6/ 2012	Restated 7–9/ 2012	Restated 10–12/ 2012	Restated 1–12/ 2012
Media	**-39.6**	27.0	51.9	20.3	31.0	130.2
News	**5.5**	8.8	5.0	-1.6	8.0	20.3
Learning	**-4.4**	-15.0	51.0	45.0	-22.1	58.9
Other companies and eliminations	**-1.7**	-5.2	-9.8	-2.2	-11.2	-28.5
CONTINUING OPERATIONS	**-40.2**	15.6	98.1	61.5	5.7	181.0

OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS BY SEGMENT

EUR million	1–3/ 2013	Restated 1–3/ 2012	Restated 4–6/ 2012	Restated 7–9/ 2012	Restated 10–12/ 2012	Restated 1–12/ 2012
Media	**-1.3**	27.0	54.5	23.0	46.9	151.5
News	**5.9**	8.8	5.0	8.3	10.0	32.2
Learning	**-4.4**	-15.0	46.9	49.4	-22.1	59.2
Other companies and eliminations	**-3.2**	-5.2	-2.6	-0.9	-3.1	-11.9
CONTINUING OPERATIONS	**-3.0**	15.6	103.8	79.8	31.8	231.0

SEGMENT INFORMATION

The Group includes three reportable segments: Media, News and Learning. The segmentation is based on business model and product differences. Media, operating in 11 countries, is responsible for magazines and TV operations. Sanoma News is responsible for newspapers in Finland. Both segments also have a great variety of online and mobile services. Learning's business is mainly B2B business. In addition to the Group eliminations column, unallocated/eliminations includes non-core operations, head office functions, real estate companies as well as items not allocated to segments.

Segment assets do not include cash and cash equivalents, interest-bearing receivables, tax receivables and deferred tax receivables. Transactions between segments are based on market prices.

Sanoma segments 1.1–31.3.2013

EUR million	Media	News	Lear-ning	Other companies/ elimi-nations	Continuing operations	Discontinued operations	Total
External net sales	322.8	100.8	45.7	35.8	505.2		505.2
Internal net sales	0.7	0.2	0.0	-0.9			
NET SALES, TOTAL	323.5	101.0	45.7	34.9	505.2		505.2
OPERATING PROFIT	-39.6	5.5	-4.4	-1.7	-40.2		-40.2
Share of results in associated companies		0.1	0.0		0.0		0.0
Financial income				6.8	6.8		6.8
Financial expenses				-21.8	-21.8		-21.8
RESULT BEFORE TAXES					-55.2		-55.2
SEGMENT ASSETS	2,768.4	298.9	508.4	171.8	3,747.6		3,747.6

Sanoma segments 1.1–31.3.2012 (Restated)

EUR million	Media	News	Lear-ning	Other companies/ elimi-nations	Continuing operations	Discontinued operations	Total
External net sales	353.4	109.6	37.7	42.5	543.1	84.9	628.0
Internal net sales	0.7	0.5	0.7	-1.4	0.4	1.1	
NET SALES, TOTAL	354.1	110.0	38.4	41.1	543.6	86.0	628.0
OPERATING PROFIT	27.0	8.8	-15.0	-5.2	15.6	1.6	17.3
Share of results in associated companies	-17.2	0.1	-0.1	0.8	-16.4		-16.4
Financial income				7.0	7.0	0.1	7.0
Financial expenses				-20.7	-20.7	-0.1	-20.7
RESULT BEFORE TAXES					-14.4	1.6	-12.8
SEGMENT ASSETS	2,805.9	325.8	497.3	310.8			3,939.8

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	31.3.2013	31.3.2012	31.12.2012
Carrying amount at the beginning of the period	**283.4**	343.6	343.6
Increases	**5.3**	7.7	29.0
Acquisition of operations	**0.1**	0.1	2.3
Decreases	**-3.8**	-3.4	-5.2
Disposal of operations		0.0	-45.0
Depreciation for the period	**-9.1**	-11.5	-40.7
Impairment losses for the period	**-0.2**	0.0	-1.3
Exchange rate differences and other changes	**-0.5**	0.9	0.6
Carrying amount at the end of the period	**275.0**	337.4	283.4

The Group had no commitments for acquisition of tangible assets at the end of the reporting period or in the comparative period.

Changes in property, plant and equipment include continued and discontinued operations.

At the end of the reporting period, the commitments for acquisition of intangible assets (film and TV broadcasting rights included) were EUR 223.2 million (2012: 153.3).

EFFECT OF ACQUISITIONS ON THE CONSOLIDATED BALANCE SHEET

EUR million	1–3/ 2013	1–12/ 2012
Acquisition costs	**6.8**	27.3
Fair value of acquired net assets	**5.2**	4.1
Goodwill	**1.5**	23.2

CONTINGENT LIABILITIES

EUR million	31.3.2013	31.3.2012	31.12.2012
Contingencies for own commitments			
Mortgages	**8.3**	9.7	9.7
Pledges	**2.4**	2.5	2.4
Other items	**45.6**	45.7	45.8
TOTAL	**56.2**	57.9	57.9
Other contingencies			
Operating lease liabilities	**210.0**	187.7	199.4
Royalties	**14.8**	20.5	17.5
Other items	**49.6**	50.7	46.0
TOTAL	**274.4**	258.9	262.9
TOTAL	**330.6**	316.8	320.8

DERIVATIVE INSTRUMENTS
EUR million

Fair values	31.3.2013	31.3.2012	31.12.2012
Interest rate derivatives			
Interest rate swaps	**-13.5**	-16.3	-16.1
Currency derivatives			
Forward contracts	**1.1**	-0.8	-1.1

Nominal values	31.3.2013	31.3.2012	31.12.2012
Interest rate derivatives			
Interest rate swaps	**740.0**	640.0	740.0
Currency derivatives			
Forward contracts	**89.6**	55.9	102.5

The fair value of the foreign currency forward contracts is determined using forward exchange market rates on the balance sheet date. The fair value of the interest rate swaps is calculated as the present value of the estimated future cash flows.

KEY EXCHANGE RATES

Average rate	1–3/ 2013	1–3/ 2012	1–12/ 2012
EUR/CZK (Czech Koruna)	25.66	25.14	25.19
EUR/HUF (Hungarian Forint)	303.01	298.03	290.24
EUR/PLN (Polish Zloty)	4.16	4.24	4.19
EUR/RUB (Russian Rouble)	39.93	39.97	40.24
EUR/SEK (Swedish Crown)	8.35	8.87	8.70
EUR/USD (US Dollar)	1.30	1.32	1.29

Closing rate	31.3.2013	31.3.2012	31.12.2012
EUR/CZK (Czech Koruna)	25.74	24.73	25.15
EUR/HUF (Hungarian Forint)	304.42	294.92	292.30
EUR/PLN (Polish Zloty)	4.18	4.15	4.07
EUR/RUB (Russian Rouble)	39.76	39.30	40.33
EUR/SEK (Swedish Crown)	8.36	8.85	8.58
EUR/USD (US Dollar)	1.28	1.34	1.32

January–March 2013 Interim Report webcast

The event for investors and analysts will be held in English by President and CEO Harri-Pekka Kaukonen and CFO Kim Ignatius today at 13:30 Finnish time (11:30 UK time) at Nelonen studio, Sanomatalo, Töölönlahdenkatu 2, Helsinki. The webcast can be viewed on Sanoma's website at www.sanoma.com/en/investors.

Please join by dialing

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Sanoma will publish its Interim Reports in 2013 on a quarterly basis:

- Interim Report January–June 2013 on 1 August, at approximately 8:30 CET+1
- Interim Report January–September 2013 on 31 October, at approximately 8:30 CET+1

Additional information

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