Sanoma's Interim Report 1 Jan–30 June 2009:
Efficiency Improvements to Continue

– Sanoma Group's net sales decreased 8.2% in the first six months, totalling EUR 1,333.2 (1,452.8) million. Net sales in the second quarter were down 9.4%, being EUR 697.2 (769.8) million.
– Operating profit excluding non-recurring items was EUR 95.8 (146.2) million. Non-recurring items totalled EUR -9.7 (25.0) million. The second quarter EBIT excluding non-recurring items was EUR 72.5 (97.0) million.
– Earnings per share were EUR 0.32 (0.74) in January–June. The second quarter EPS amounted to EUR 0.27 (0.40).
– Sanoma's outlook for 2009 is unchanged.

KEY INDICATORS EUR million	4-6/ 2009	4-6/ 2008	Change %	1-6/ 2009	1-6/ 2008	Change %	1-12/ 2008
Net sales	**697.2**	769.8	-9.4	**1,333.2**	1,452.8	-8.2	3,030.1
Operating profit excluding non-recurring items	**72.5**	97.0	-25.2	**95.8**	146.2	-34.5	295.7
% of net sales	**10.4**	12.6		**7.2**	10.1		9.8
Operating profit	**65.1**	98.5	-33.9	**86.1**	171.2	-49.7	236.3
Result for the period	**43.7**	65.3	-33.2	**51.3**	119.7	-57.1	120.8
Capital expenditure				**41.8**	49.4	-15.3	109.9
% of net sales				**3.1**	3.4		3.6
Equity ratio, %				**37.3**	40.8		40.0
Net gearing, %				**103.0**	81.6		78.5
Average number of employees (full-time equivalents)				**17,725**	17,693	0.2	18,168
Earnings/share, EUR	**0.27**	0.40	-32.8	**0.32**	0.74	-56.4	0.72
Cash flow from operations/share, EUR	**0.10**	-0.06	278.6	**0.05**	0.23	-79.9	1.56

Hannu Syrjänen, President and CEO

"Sanoma's second quarter development shows that in many areas we have been able to adjust our operations to the challenging economic environment. However, a number of efforts to maintain good profitability levels are still needed.

In 2009, Sanoma will make structural changes, discontinue loss-making operations and improve the efficiency of all its businesses. We have initiated structural changes in Sanoma News, Sanoma Magazines Belgium and our Estonian retail operations. The efficiency improvements and structural changes will improve Sanoma's long-term operating conditions in the changing media environment. In the first six months, we discontinued 26 magazine titles and closed down loss-making kiosks in Russia.

We continue to reduce our operating expenses and our target is to have them clearly below the 2008 level. This will be partly achieved through personnel reductions. During the first six months, our operating expenses decreased by over 5%.

The learning business, one of our focus areas, has proved to be fairly resilient to the general economic downturn and Sanoma Learning & Literature is performing well in its biggest educational material markets. In Finland, magazine operations and Sanoma Entertainment's TV and broadband businesses have developed very well during the first six months. Across Europe, our online advertising sales continued to increase in the second quarter. Sanoma's total digital revenues grew by 3% and represented over 12% of the Group's net sales in the first six months.

Sanoma's position as a market leader will bring us added value. We have been able to strengthen our market positions in a number of areas. We have gained market share in the magazine markets in Belgium and Finland and our TV channels' share of Finnish TV advertising has grown. Focusing strongly on our profitability, we continue, at the same time, to be on the lookout for possibilities that can further enhance our operations and strengthen our market positions."

Outlook for 2009

In 2009, Sanoma's net sales are expected to decrease. It is estimated that the Group's operating profit excluding non-recurring items will clearly decline from the previous year. In the comparable year of 2008, operating profit excluding non-recurring items was EUR 295.7 million. The Group's interest expenses are expected to decrease markedly, and as a result, Sanoma's net result for 2009 is expected to decrease less than its operating profit. The Group will strongly increase the efficiency of its operations in all markets.

The outlook of Sanoma's net sales and operating profit in 2009 is affected by the development of advertising and private consumption in the Group's countries of operation. In 2009, advertising and private consumption are expected to decrease from 2008 levels in all of Sanoma's markets.

Net sales

In January–June Sanoma's net sales were down by 8.2%, totalling EUR 1,333.2 (1,452.8) million. Excluding the effect of exchange rate changes, net sales would have been 6.6% lower than in the comparable period. Adjusted for changes in the Group structure, January–June net sales decreased by 9.1%. Net sales were at the comparable year's level in Sanoma Entertainment. Net sales decreased in other divisions, with advertising sales in particular being affected by the general economic situation.

Advertising sales decreased clearly and accounted for 22% (26%) of the Group's total net sales. Online advertising sales, however, continued to increase, Sanoma Magazines Netherlands contributing the most to the increase. The growth from the comparable period was 4%. The Group's subscription sales remained stable and single copy sales across the Group decreased only slightly. In geographical terms, Finland accounted for 52% (51%) of net sales, with other EU countries accounting for 45% (44%) and non-EU countries for 3% (5%).

Result

Sanoma's operating profit excluding non-recurring items was EUR 95.8 (146.2) million in the first six months. The operating profit included a total of EUR -9.7 (25.0) million in non-recurring items. These non-recurring expenses were related to restructuring of operations and voluntary severance packages offered to employees. In the comparable period, non-recurring capital gains were recorded from the divestment of the movie distribution company R.C.V. Entertainment and a real estate holding.

NON-RECURRING ITEMS EUR million	**4-6 / 2009**	**4-6 / 2008**	**1-6 / 2009**	**1-6 / 2008**	**1-12 / 2008**
Magazines					
Restructuring expenses	**-1.3**		**-1.3**		
A gain on sale of R.C.V. Entertainment				23.5	23.5
A gain on sale of Payback					7.0
Expenses on closing down a youth site and related impairment loss					-5.1
Impairment loss of immaterial rights and goodwill					-78.6
News					
Expenses related to the efficiency programme	**-6.1**		**-8.4**		
Learning & Literature					
Inventory write-offs and restructuring expenses					-7.6
Other companies					
A gain on sale of a land area		1.5		1.5	1.5
NON-RECURRING ITEMS TOTAL	**-7.4**	1.5	**-9.7**	25.0	-59.3

The Group's operating profit was EUR 86.1 (171.2) million or 6.5% (11.8%) of net sales. Operating profit grew in Sanoma Entertainment, where all business units developed favourably. In other divisions, operating profit decreased as a result of lower sales and changes in exchange rates.

Sanoma's net financial items totalled EUR -13.8 (-20.6) million. Financial income amounted to EUR 15.5 (6.6) million, of which exchange rate gains were EUR 10.4 (4.6) million. Financial expenses amounted to EUR 29.3 (27.2) million with interest expenses of EUR 16.9 (23.9) million being the largest item. Exchange rate losses amounted to EUR 11.2 (5.8) million. The refined financing structure and lower reference rates have clearly decreased the Group's interest expenses.

The result before taxes was EUR 72.0 (155.2) million. Sanoma's effective tax rate was higher than in the comparable period, mainly because of a non-taxable capital gain in the first quarter of 2008. Earnings per share, including the non-recurring items, were EUR 0.32 (0.74). The result for the period totalled EUR 51.3 (119.7) million.

Efficiency improvements

In 2009, Sanoma will make structural changes, discontinue loss-making operations and improve the efficiency of all its businesses. Sanoma has initiated a large number of efficiency improvement programmes to develop its operations in the long-term and to save costs. In order to obtain its savings targets, Sanoma will continue to reduce the number of personnel. For example, the Sanoma News' programme, in addition to a number of structural changes, aims to reduce personnel expenses in the Division by some 300 man-years through means such as voluntary severance packages and forgoing of holiday bonuses.

Sanoma Magazines Belgium has renewed its strategy. The new strategy can be implemented only through substantial structural changes. The renewed organisational structure will reduce annual costs by EUR 12 million from 2010 onwards. In connection, some 70 positions will be terminated. Other staff reductions are being carried out in several business units either as a result of the weakened economic outlook or related to restructuring initiated by changing business needs for example in Russia, the Czech Republic and Finland.

Sanoma Trade has initiated restructuring in its Estonian operations and completed the programme started in the Dutch press distribution unit already over a year ago. Sanoma Learning & Literature continues the restructuring in its literature and other businesses unit and is streamlining its language services according to the current market environment. Altogether, the Sanoma Group has over 1,100 employees less than at the year-end.

Balance sheet and financial position

At the end of June, the consolidated balance sheet totalled EUR 3,211.1 (3,369.2) million. Cash flow from operations was EUR 7.5 (37.3) million and cash flow per share was EUR 0.05 (0.23). Cash flow from operations decreased as a result of a weaker operational result in January–June. The development of cash flow from operations was balanced by lower financial items and taxes paid.

There were no significant changes in the Group's financial position during January–June. Sanoma's equity ratio at the end of June was 37.3% (40.8%). The changes from the comparable period and the year-end were mainly caused by the dividend payment in the second quarter. The result in 2008 was affected by the impairment write-downs made in the last quarter of the year. Net gearing increased to 103.0% (81.6%). Equity totalled EUR 1,127.6 (1,297.1) million. Interest-bearing liabilities were EUR 1,220.3 (1,148.5) million and interest-bearing net debt EUR 1,161.0 (1,058.4) million. At the end of June, the Group's cash and cash equivalents totalled EUR 59.3 (90.2) million.

Sanoma's financial position is stable. The existing credit facilities, such as the syndicated, long-term credit facility of EUR 802 million, cover all Sanoma's financing needs and Sanoma has no need for material refinance in the near future. Net debt/EBITDA ratio at the end of June was 3.0, in line with the Group's target to keep the ratio below 3.5.

Investments, acquisitions and divestments

Investments in tangible and intangible assets totalled EUR 41.8 (49.4) million in January–June, and consisted mainly of ICT systems as well as replacement investments and renovations.

There were no significant transactions during the review period. In the comparable period, Sanoma Magazines divested the Dutch movie distribution company R.C.V. Entertainment and a capital gain of EUR 23.5 million was recorded for the transaction. On 11 March 2008, Sanoma Learning & Literature completed its acquisition of the Polish educational publisher Nowa Era.

SANOMA MAGAZINES

Sanoma Magazines is a leading publisher of magazines and has a strong digital media presence in 13 European countries. The company actively reaches out to an audience of 290 million consumers at every life stage, and aims to strengthen its market leader positions in each of the markets it operates in.

- Sanoma Magazines' online advertising sales continued to grow in the second quarter.
- Sanoma Magazines Belgium and Sanoma Magazines Finland strengthened their market leading positions.
- Active portfolio management continued: four new online sites were launched and six magazines discontinued in the second quarter.

Key indicators EUR million	4-6 / 2009	4-6 / 2008	Change %	1-6 / 2009	1-6 / 2008	Change %	1-12 / 2008
Net sales	**275.9**	318.5	-13.4	**538.1**	603.9	-10.9	1,246.8
Operating profit excluding non-recurring items	**31.5**	46.6	-32.3	**47.1**	71.2	-34.0	138.9
% of net sales	**11.4**	14.6		**8.7**	11.8		11.1
Operating profit	**30.2**	46.6	-35.1	**45.8**	94.7	-51.7	85.7
Capital expenditure				**12.3**	12.2	1.5	26.8
Average number of employees (full-time equivalents)				**5,611**	5,520	1.7	5,731

* In 2009, the non-recurring items included EUR 1.3 million of Sanoma Magazines Belgium's restructuring expenses in the second quarter and in 2008 a capital gain of EUR 23.5 million from the divestment of movie distributor R.C.V. Entertainment in the first quarter.

Operational indicators *	1-6 / 2009	1-6 / 2008
Number of magazines published	**306**	323
Magazine copies sold, thousands	**187,066**	205,160
Advertising pages sold	**26,284**	33,153

* Including joint ventures.

Sanoma Magazines' net sales in January–June decreased by 10.9% to EUR 538.1 (603.9) million. The general economic situation affected advertising sales in all operating countries with Sanoma Magazines International's net sales being impacted the most. The Division's net sales adjusted for changes in the Group structure decreased by 12.0%. Of the Division's net sales, 18% (17%) came from Finland. In April–June, the Division's net sales decreased by 13.4% to EUR 275.9 (318.5) million. The decrease mostly came from Sanoma Magazines International, but sales in the Netherlands also weakened.

The Division's advertising sales decreased by 21% in the first six months and represented 29% (33%) of net sales. The economic downturn has hit Sanoma Magazines International's advertising revenues in particular. The Division's online advertising sales were up by 5%, with the growth rate slowing down in the second quarter.

Sanoma Magazines' circulation sales decreased by 4% and represented 60% (56%) of the Division's net sales. Subscription sales remained stable during the first six months and even increased in Belgium. Single copy sales declined clearly in the CEE countries and in the Netherlands.

In January–June Sanoma Magazines Netherlands' net sales amounted to EUR 233.9 (246.9) million. New online assets increased Sanoma Magazines Netherlands' online revenues, which grew by 12%. Total advertising sales decreased due to a decline in the print advertising revenues. However, Sanoma Magazines Netherlands outperformed the consumer magazine advertising market. According to Nielsen Media Research, the consumer magazine advertising market in the Netherlands decreased by 18% in January–May 2009 and magazine advertising's share of the total advertising market declined. In total, advertising sales represented 27% (27%) of Sanoma Magazines Netherlands' net sales. The readers market in the Netherlands continued to decrease. Sanoma Magazines Netherlands' subscription sales were at the comparable period's level but single copy sales were lower and the total circulation sales decreased. Sanoma Magazines Netherlands launched four online sites in the second quarter.

Sanoma Magazines International's net sales in January–June were EUR 104.0 (146.9) million. The economic downturn has affected Sanoma Magazines International's operations strongly. Advertising sales decreased in all countries, especially in Russia and Ukraine as well as in the Czech Republic, where a number of magazine titles were discontinued. The reported net sales were also clearly affected by the negative exchange rate developments, especially in Russia and Hungary. In total, advertising sales represented 49% (55%) of Sanoma Magazines International's net sales. Circulation sales were clearly below the comparable period. This is partly attributable to the reduced number of magazines published and in some cases the number of issues. The publication frequency of various titles has been adjusted in order to save costs. In the second quarter, Sanoma Magazines International discontinued six magazine titles.

Net sales at Sanoma Magazines Belgium totalled EUR 104.0 (109.7) million. Advertising sales decreased and represented 27% (29%) of Sanoma Magazines Belgium's net sales. Circulation sales remained stable with subscription sales increasing and single copy sales decreasing slightly. In Belgium, both the advertising and readers market have declined. With its strong brands, Sanoma Magazines Belgium has been able to increase its market share in the advertising market and kept its strong position in the readers market. Sanoma Magazines Belgium has renewed its strategy and initiated a restructuring programme to respond to changes in the media environment.

Sanoma Magazines Finland's net sales amounted to EUR 98.3 (102.6) million with advertising sales declining. Circulation sales remained stable. Advertising sales represented 14% (17%) of Sanoma Magazines Finland's net sales. According to TNS Gallup Adex, advertising in consumer magazines in Finland decreased by 22% in January–June and the magazine single copy market decreased in volume by 21%. Sanoma Magazines Finland outperformed the market development both in advertising and the readers market and has increased its market shares. In particular the key titles, like the women's weekly Me Naiset, have clearly strengthened their position in both markets.

In January–June, Sanoma Magazines' operating profit excluding non-recurring items decreased by 34.0% to EUR 47.1 (71.2) million. Decreasing advertising sales affected results in all businesses and the decline in operating profit was only partly offset by cost savings. Non-recurring items totalled EUR -1.3 million and were related to restructuring in Sanoma Magazines Belgium. In the comparable period, operating profit included a EUR 23.5 million non-recurring gain on the divestment of movie distributor R.C.V. Entertainment. Operating profit for the first six months amounted to EUR 45.8 (94.7) million. In April–June, the Division's operating profit excluding non-recurring items decreased 32.3% and totalled EUR 31.5 (46.6) million.

Sanoma Magazines Netherlands' operational result was affected by the lower sales and increased personnel expenses. The operating profit was down significantly since the comparable period included the non-recurring gain from the sale of R.C.V. Entertainment. The decline in advertising sales decreased Sanoma Magazines International's operating result markedly. Sanoma Magazines Belgium increased its result. Sanoma Magazines Finland reached the comparable period's operating profit levels thanks to efficient cost-saving measures.

Sanoma Magazines continues to develop its magazine portfolio and online businesses as well as invest in strengthening its market positions in all countries it operates in, with a special focus on its key titles in each operating country. At the same time Sanoma Magazines is strongly focused on improving efficiency and saving costs. The Division has initiated several programmes to improve the profitability of its business units.

In 2009, Sanoma Magazines' net sales are expected to decrease and it is estimated that operating profit excluding non-recurring items will be clearly below the previous year's level.

SANOMA NEWS

Sanoma News is the leading newspaper publisher in Finland, and its products, both in print and digital format, have a strong presence in the lives of their readers. In addition to Helsingin Sanomat, the largest daily in the Nordic region, Sanoma News publishes other national and regional newspapers and is also a significant digital player in Finland.

- In May Sanoma News expanded its programme to restructure the Division. The total annual savings goal of all programmes is now at EUR 30 million.
- The tabloid Ilta-Sanomat's circulation development showed positive signs in the second quarter. Single copy sales in May and June grew from the comparable year. Online advertising of the Ilta-Sanomat business unit increased in the second quarter by 38%.
- The financial news site Taloussanomat.fi had a record number of visitors in the second quarter and was the most visited financial news site for several weeks.

Key indicators EUR million	**4-6 / 2009**	**4-6 / 2008**	**Change %**	**1-6 / 2009**	**1-6 / 2008**	**Change %**	**1-12 / 2008**
Net sales	**107.1**	121.1	-11.6	**214.8**	242.0	-11.2	474.7
Operating profit excluding non-recurring items	**9.6**	14.7	-34.4	**18.0**	32.6	-44.9	57.3
% of net sales	**9.0**	12.1		**8.4**	13.5		12.1
Operating profit	**3.5**	14.7	-75.9	**9.6**	32.6	-70.6	57.3
Capital expenditure				**5.6**	9.7	-42.0	19.6
Average number of employees (full-time equivalents)				**2,421**	2,456	-1.4	2,491

* In 2009, the non-recurring items included in the first quarter EUR 2.3 million and in the second quarter EUR 6.1 million expenses related to the efficiency programme.

Operational indicators	**1-6 / 2009**	**1-6 / 2008**
Distribution of free sheets, millions	**37.5**	49.1

Audited circulation	**1-12 / 2008**	**1-12 / 2007**
Helsingin Sanomat	**412,421**	419,791
Ilta-Sanomat	**161,615**	176,531

Online services, unique visitors, weekly	**1-6 / 2009**	**1-6 / 2008**
Iltasanomat.fi	**1,628,730**	1,385,758
HS.fi	**1,075,308**	931,577
Huuto.net	**420,069**	416,724
Oikotie.fi	**325,617**	311,541
Taloussanomat.fi	**413,964**	280,286
Keltainenporssi.fi	**191,324**	164,407

Sanoma News' net sales in January–June decreased by 11.2%, totalling EUR 214.8 (242.0) million. Most of the decrease came from the Helsingin Sanomat business unit, where advertising sales declined significantly. Net sales in other business units were also lower than in the comparable period. Adjusted for changes in the Group structure, net sales decreased by 12.1%. In April–June, net sales decreased by 11.6% due to poor advertising sales development and totalled EUR 107.1 (121.1) million.

According to TNS Gallup Adex, newspaper advertising in Finland decreased by 24% in January–June. Job advertising in Finland decreased by 54% and real estate advertising by 38%. Advertising in free sheets was down by 17%. Following the general advertising environment, online advertising included in statistics also decreased by 9%. Sanoma News' advertising sales decreased by 26% from the comparable period, due to the decline in newspaper advertising, with the classified advertising development affecting the sales the most. Online advertising sales performed clearly better than the market and were on the comparable period's level. Advertising sales represented 46% (55%) of the Division's net sales.

The Finnish printed tabloid market showed some positive signs in the spring, but the structural migration to online continues and the printed tabloid market declined by 8% in January–June. The amount of online visitors continued to increase. Sanoma News' circulation sales grew by 2% and circulation sales accounted for 43% (37%) of the Division's net sales. Subscription sales increased. Newsstand sales remained stable, due to the increased single copy sales in May and June.

The Helsingin Sanomat business unit's net sales totalled EUR 120.1 (145.3) million. Circulation sales increased from the comparable period due to new forms of subscriptions and price increases. Advertising sales were down markedly, and Helsingin Sanomat's job and real estate print advertising, in particular, continued to be affected by the overall economic situation. Job advertising in the Helsingin Sanomat daily paper decreased by 55% and real estate advertising by 55%. Online advertising of the business unit decreased by 18%, but Oikotie.fi, the classified online site, strengthened its market position during the first six months. In total, advertising sales represented 54% (64%) of net sales. Helsingin Sanomat continued to restructure its operations and to improve the efficiency of its organisation through reorganisation of operations in, among others, its newsroom and marketing departments.

Net sales of the Ilta-Sanomat business unit amounted to EUR 38.3 (42.4) million. Ilta-Sanomat had a 57.0% (57.4%) share of the tabloid market. The circulation sales increased from the comparable period with the second quarter developing positively. The overall readership was further strengthened by the continuous growth of online readers. The unit's advertising sales decreased due to declining print advertising revenues. Online advertising sales of the Iltasanomat.fi site developed positively in the second quarter. In total, advertising sales represented 23% (26%) of the business unit's net sales in January–June.

Net sales from other publishing were at the comparable period's level at EUR 46.7 (48.9) million. Advertising sales decreased, especially in Sanoma Lehtimedia's regional newspapers. The circulation sales in the regional papers grew slightly. Sanoma Lehtimedia has streamlined its organisation in order to better serve its customers, remove overlapping functions, and increase efficiency and co-operation. Net sales in the Sanoma Kaupunkilehdet business unit for free sheets decreased slightly, mainly due to structural changes as Metro and Uutislehti 100 titles were merged last autumn. However, Sanoma Kaupunkilehdet has gained market share in the advertising market, since free sheets in general are performing better than the media market in general. The local news site Vartti.fi has become the leading local news site in Finland. Sanoma Kaupunkilehdet made several efficiency improvements in its portfolio during 2008. The organisation of the financial news site Taloussanomat.fi has been further streamlined. The Sanoma Digital business unit's net sales increased due to new operations, and its service offering has been improved. Its comparison site Hintaseuranta.fi continued to strengthen its market leading position.

Net sales from other businesses, mainly comprising internal services, were EUR 72.2 (75.4) million. Net sales decreased due to fewer internal printing jobs. External printing services developed well increasing 41% from last year.

In January–June, Sanoma News' operating profit excluding non-recurring items decreased by 44.9%, totalling EUR 18.0 (32.6) million. The non-recurring items included in the operating profit totalled EUR -8.4 (0.0) million and consisted of expenses related to the efficiency programme, including such items as voluntary severance packages to employees. Operating profit including the non-recurring items totalled EUR 9.6 (32.6) million in the first six months. Decreased advertising sales lowered operating profits in all reported businesses. In April–June, the Division's operating profit excluding non-recurring items decreased by 34.4% and was at EUR 9.6 (14.7) million. A number of cost-saving measures helped Sanoma News to improve its efficiency compared to the previous quarter. Including the non-recurring items, the Division's operating profit in the second quarter was EUR 3.5 (14.7) million.

Sanoma News will continue the planned development of its printed products and digital services. Renewal projects are ongoing in all units to develop the products so that they will meet the changing customer needs. The company has also decided to invest in a new reader-customer management system to support, among other actions, product development opportunities for newspapers in the multimedia environment. However, in 2009 the media advertising market continues to be challenging. Sanoma News has therefore started a programme to reshape its organisation and to adapt its operations to the lower revenue level.

In 2009, net sales of Sanoma News are estimated to decrease clearly and operating profit excluding non-recurring items will lessen markedly from the previous year due to the decline in the advertising market.

SANOMA ENTERTAINMENT

Sanoma Entertainment offers entertaining experiences on television, radio, online and mobile. Sanoma Entertainment's business units include Nelonen Media, which focuses on broadcast operations, and Welho, Finland's largest cable television operator. The Division's latest business area is online casual gaming.

– Sanoma Entertainment's operating profit continued to grow in the second quarter, with all businesses improving from 2008.
– Nelonen Media increased its market share of Finnish TV advertising significantly, to 33.5%.
– The number of Welho's broadband subscriptions grew.
– Nelonen Media launched Ruutu.fi, a new WebTV, in June.

Key indicators	**4-6 /**	**4-6 /**	**Change**	**1-6 /**	**1-6 /**	**Change**	**1-12 /**
EUR million	**2009**	**2008**	**%**	**2009**	**2008**	**%**	**2008**
Net sales	**40.6**	40.9	-0.7	**81.0**	81.4	-0.6	157.1
Operating profit excluding non-recurring items	**6.9**	6.3	8.1	**13.0**	10.4	25.3	17.3
% of net sales	**16.9**	15.5		**16.1**	12.8		11.0
Operating profit	**6.9**	6.3	8.1	**13.0**	10.4	25.3	17.3
Capital expenditure				**4.1**	7.5	-44.3	13.5
Average number of employees (full-time equivalents)				**481**	471	2.2	482

Operational indicators	**1-6 /**	**1-6 /**
Thousands	**2009**	**2008**
TV channels' share of Finnish TV advertising	**33.5%**	29.8%
TV channels' national commercial viewing share	**29.6%**	30.3%
TV channels' national viewing share	**14.7%**	14.6%
Number of connected households (30 June)	**324**	321
Number of pay TV customers (30 June)	**67**	68
Number of broadband internet connections (30 June)	**110**	102

Sanoma Entertainment's net sales in January–June were at the comparable period's level and amounted to EUR 81.0 (81.4) million. In addition, net sales adjusted for changes in the Group structure remained stable. Advertising sales accounted for 51% (51%) of Sanoma Entertainment's net sales. In April–June, net sales were EUR 40.6 (40.9) million.

Broadcast operations' net sales totalled EUR 47.1 (47.1) million in January–June, while the Finnish TV advertising market shrank by 13% according to TNS Gallup Adex. Nelonen Media's multichannel strategy in TV operations has resulted in the increase of its market share to 33.5% (29.8%). New targeted TV channels, national radio stations and WebTV all increased their advertising sales.

Sanoma Entertainment's WebTV services and their popularity have continued to grow and in June Nelonen Media launched a new WebTV service Ruutu.fi. Ruutu.fi offers streaming broadcasts of TV series from Nelonen Media TV channels as a free catch-up service, extra materials for popular programmes, and podcasts.

Nelonen Media's Liv, launched successfully as a free TV channel available on the cable network in February, was granted a one-year licence to broadcast the lifestyle channel on the terrestrial network as well. In June, Sanoma Entertainment acquired the remaining minority shareholding in Suomen Urheilutelevisio, which operates the two sports channels in Nelonen Media's TV channel portfolio.

Radio advertising has increased its share of the total advertising market. Nelonen Media's radio channels have been successful and during the spring, the weekly reach of Radio Rock rose to its all-time high.

Net sales from other businesses were EUR 34.7 (34.7) million. The number of Welho's broadband subscriptions continued to increase. The mobile broadband market is growing, and Welho has kept up with this development with its mobile broadband product, Wekkula, launched in January 2009. In line with the Finnish pay TV market development, Welho's pay TV operations were stable.

Sanoma Entertainment's operating profit increased by 25.3% in January–June, totalling EUR 13.0 (10.4) million. The operating profit did not include any non-recurring items. Operating profit improved both in broadcasting and other businesses. The increase was driven by lower expenses in general and cost-saving measures. The good development of both broadcasting and other operations continued in April–June, and operating profit grew by 8.1% amounting to EUR 6.9 (6.3) million.

In line with its strategy, Sanoma Entertainment focuses on its core businesses: television, broadband services and consumer entertainment services. Sanoma Entertainment continues to develop its digital content and media solutions business, invest resources in the development of its online services and in its viewing and listening shares. In addition, Sanoma Entertainment is refining its processes and service offering to better meet the needs of its customers and to improve its efficiency.

In 2009, Sanoma Entertainment's net sales and operating profit excluding non-recurring items are expected to be at the previous year's level.

SANOMA LEARNING & LITERATURE

Sanoma Learning & Literature is a leading European educational publisher offering learning materials in print and digital format. With operations in nine countries, the Division has growing international language service operations and is also the leading general literature publisher in Finland.

– The educational material market has been fairly resilient to the economic downturn; Sanoma Learning & Literature is performing well in its biggest markets.
– Language operations are clearly suffering from the current economic climate. The language business is streamlining its structure accordingly.
– Literature and other businesses unit continues its restructuring programme.

Key indicators	**4-6 /**	**4-6 /**	**Change**	**1-6 /**	**1-6 /**	**Change**	**1-12 /**
EUR million	**2009**	**2008**	**%**	**2009**	**2008**	**%**	**2008**
Net sales	**101.9**	110.5	-7.7	**162.8**	168.8	-3.6	390.0
Operating profit excluding non-recurring items	**25.1**	26.4	-4.9	**18.2**	22.0	-17.4	53.2
% of net sales	**24.6**	23.9		**11.2**	13.0		13.6
Operating profit	**25.1**	26.4	-4.9	**18.2**	22.0	-17.4	45.6
Capital expenditure				**4.4**	7.4	-40.5	15.6
Average number of employees (full-time equivalents)				**2,847**	2,618	8.8	2,737

Operational indicators	**1-6 /**	**1-6 /**
	2009	**2008**
Learning		
Number of new titles published, books	**756**	803
Number of new titles published, digital products	**228**	236
Literature and other businesses		
Number of new titles published, books	**181**	215
Number of new titles published, digital products	**42**	41
Books sold, millions	**12.9**	12.9

In January–June Sanoma Learning & Literature's net sales decreased by 3.6% and totalled EUR 162.8 (168.8) million, with especially net sales of literature and other businesses decreasing. Net sales adjusted for changes in the Group structure decreased by 7.3%. A total of 59% (57%) of the Division's net sales came from outside Finland. In April–June, the Division's net sales decreased by 7.7% to EUR 101.9 (110.5) million. This was mainly due to timing differences in the learning business.

Sanoma Learning & Literature's reporting structure has been modified to better reflect the focus of operations. The comparable figures for 2008 have been adjusted accordingly. Sanoma Learning & Literature's three reporting levels are now learning, language services, and literature and other businesses, which includes general literature, printing and logistics.

Net sales in learning totalled EUR 112.2 (115.2) million. Sales in the biggest market, the Netherlands, were ahead of the comparable period, mostly due to earlier order intake than in the comparable period. Net sales grew in Belgium.

Net sales decreased in Finland due to shifts in order time in secondary education and lower sales in the WSOYpro unit, a provider of corporate educational materials. Net sales decreased in Poland: E-learning provider YDP's sales were lower than in the comparable period, when the Polish government awarded more tenders than in the reporting period. Nowa Era's net sales were slightly below the comparable period due to a change in the Polish curricula, which has caused a delay in ordering. Exchange rate developments negatively affected net sales in Poland and Hungary.

Net sales in language services grew to EUR 14.5 (11.9) million. The increase is attributable to the new operations acquired in 2008. Sales of language services have been strongly affected by the general economic situation. The business unit's focus is now on integrating the Swedish business acquired in 2008 and on adopting the fixed cost structure to the new circumstances in the market.

Net sales in literature and other businesses were EUR 41.6 (48.3) million with most of the decrease coming from multi-volume and year-book publishing as well as decreased sales in printing. In Finland, the general literature market has slowed down considerably, but WSOY General Literature has outperformed the market.

The Division's operating profit in January–June decreased 17.4% and amounted to EUR 18.2 (22.0) million. The operating profit did not include any non-recurring items. Most of the decrease came from the language service operations, where the economic downturn has affected the sales considerably. The operating profit in learning was slightly below the comparable period due to the negative impact of the consolidation of Nowa Era's seasonal losses in the first quarter. Cost-savings have offset the effect lower sales have had on profits. Operating profit in literature and other businesses decreased. In April–June, the Division's operating profit decreased by 4.9% to EUR 25.1 (26.4) million due to weaker results in language services as well as in literature.

The Division's business is very seasonal. Profit in learning is mainly accrued in the second and third quarters. The acquisition of Nowa Era added to the size of the learning business and therefore increased seasonality in the Division.

Sanoma Learning & Literature continues to focus on further internationalising its learning business, expanding language services and maintaining market leadership in Finnish general literature publishing.

In 2009, it is estimated that the net sales and operating profit excluding non-recurring items of Sanoma Learning & Literature will decrease from the previous year's level. The development of net sales and operating profit is significantly affected by the exchange rate developments in Sanoma Learning & Literature's operating countries.

SANOMA TRADE

Retail specialist Sanoma Trade's strengths are a thorough understanding of customers' needs and solid concepts. Sanoma Trade serves its customers in over 200 million annual sales contacts at kiosks, bookstores and movie theatres. Operating in seven countries, press distribution is a strong link between publishers and retailers.

– Kiosk operations' net sales grew in Finland in the second quarter.
– Movie admissions grew by 11% in the second quarter in Finland.
– Sanoma Trade's business in Finland has performed well, but the economic situation strongly affects the Baltic and Eastern European businesses. The Russian kiosk network has been downsized.

Key indicators	**4-6 /**	**4-6 /**	**Change**	**1-6 /**	**1-6 /**	**Change**	**1-12 /**
EUR million	**2009**	**2008**	**%**	**2009**	**2008**	**%**	**2008**
Net sales	**195.7**	203.2	-3.7	**383.4**	405.8	-5.5	866.6
Operating profit excluding non-recurring items	**3.8**	7.4	-48.8	**7.6**	17.3	-56.2	45.1
% of net sales	**1.9**	3.6		**2.0**	4.3		5.2
Operating profit	**3.8**	7.4	-48.8	**7.6**	17.3	-56.2	45.1
Capital expenditure				**15.2**	12.4	22.7	33.8
Average number of employees (full-time equivalents)				**6,282**	6,527	-3.7	6,633

Operational indicators	**1-6 /**	**1-6 /**
Thousands	**2009**	**2008**
Customer volume in kiosk operations	**97,764**	104,435
Customer volume in bookstores	**3,083**	3,218
Customer volume in movie theatres	**4,515**	4,799
Number of copies sold (press distribution)	**171,302**	194,982

Sanoma Trade's net sales in January–June decreased by 5.5%, totalling EUR 383.4 (405.8) million. Net sales of kiosk operations were at the comparable period's level. Net sales decreased in press distribution and bookstores, and slightly in movie operations. Net sales adjusted for changes in the Group structure decreased by 4.9%. Of Sanoma Trade's net sales, 32% (34%) came from outside Finland. In April–June, The Division's net sales were down by 3.7% and totalled EUR 195.7 (203.2) million. Most of the decrease came from operations outside Finland. In kiosk operations, net sales grew in the second quarter.

Net sales from kiosk operations amounted to EUR 197.6 (197.1) million. Kiosk sales in Finland and Estonia remained quite stable. In Finland, customer volume began to grow in the second quarter. Net sales increased slightly in Lithuania and in the new operations of Russia and Romania. In Russia, Sanoma Trade has closed down loss-making kiosks. Kiosk sales decreased in Latvia, largely due to the strong emphasis on fast food in the kiosks' product assortment.

Net sales from press distribution were EUR 105.0 (118.4) million. Net sales decreased overall – with the exception of Russia, where sales were in line with the comparable period. Additionally, cumulative press distribution volumes decreased in all countries, although in Finland, the sales of tabloids increased clearly in May–June. In most markets, cover prices rose due to VAT increases, which also affected volumes.

The net sales of bookstores were EUR 46.9 (55.0) million. The net sales of the comparable period included the subscription business divested in May 2008. In line with the generally sluggish literature market, net sales from bookstores decreased both in Finland and Estonia. In June, the bookstore chain Suomalainen Kirjakauppa was voted by consumers the retail chain brand with the best reputation in Finland.

Net sales from movie operations totalled EUR 41.7 (43.8) million. Movie admissions in Finland have grown steadily during the first six months from the record year 2008 and net sales increased in Finland. Finnkino's e-ticket concept was voted by consumers to be the most recommendable e-store in Finland. The economic downturn and lower private consumption affected movie sales in the Baltic countries and net sales decreased in Latvia in particular, where competition has also increased.

In January–June, Sanoma Trade's operating profit decreased by 56.2%, totalling EUR 7.6 (17.3) million. The operating profit did not include any non-recurring items. The operating profit of kiosk operations was decreased by the economic slowdown and declining sales in the Baltic countries and the earlier investments in Russia and

Romania. In press distribution, the operating profit declined in all markets. The operating profit of bookstores was slightly below the comparable period. In movie operations, the result decreased due to falling sales in the Baltic countries. Sanoma Trade has intensive cost-saving programmes in place in all of its businesses. In addition to strict cost-control, structural arrangements are being executed, starting in Estonia. In April–June, the Division’s operating profit was down by 48.8% and totalled EUR 3.8 (7.4) million. Kiosk and movie theatre operations performed well in Finland, but the weak results of foreign operations in general decreased the Division’s result in the second quarter.

Sanoma Trade continues to develop chain concepts in all its businesses. Efficient chain management as well as the product and service offerings catering to the needs of customers are key success factors in all markets and will ensure the competitiveness of Sanoma Trade.

In 2009, Sanoma Trade’s net sales are expected to decrease somewhat and operating profit excluding non-recurring items to decrease clearly.

THE SANOMA GROUP

Dividend

In line with the Board’s proposal, the Annual General Meeting decided to pay out a dividend of EUR 0.90 (1.00) per share for the year 2008. The record date for distribution of dividends was 6 April 2009 and in Finland, the dividends were paid on 15 April 2009. EUR 0.5 million was transferred to the donation reserve and EUR 511.5 million was left in equity. Sanoma conducts an active dividend policy and primarily distributes over half of the Group result after taxes in dividends.

Shares and holdings

In January–June, a total of 43,578,137 (57,365,039) Sanoma shares were traded on the NASDAQ OMX Helsinki. Traded shares accounted for 27% (35%) of the average number of shares for the period. Sanoma’s total stock exchange turnover was EUR 428.2 (960.2) million.

In January–June, the volume-weighted average price of a Sanoma share was EUR 9.76, with a low of EUR 8.02 and a high of EUR 11.87. At the end of the review period, Sanoma’s market capitalisation was EUR 1,778.4 (2,260.3) million and the closing price of the share was EUR 11.05 (14.07). At the end of June 2009, Sanoma had 20,924 shareholders, with foreign holdings accounting for 9.7% (10.9%) of all shares and votes. There were no major changes in share ownership during the review period and Sanoma did not issue any flagging announcements.

During the period under review, the Board had an authorisation to repurchase the Company’s shares. No shares were repurchased in the first six months of 2009 and the Company shares acquired in 2008 were cancelled in the first quarter. During the first quarter, the number of shares also changed because of shares registered with stock options. There were no changes during the second quarter and at the end of June, Sanoma had 160,943,658 shares and the registered share capital totalled EUR 71,258,986.82.

Board of Directors and auditors

The AGM of 1 April 2009 confirmed the number of Sanoma’s Board members at ten. Board members Jaakko Rauramo and Sakari Tamminen were re-elected, and Annet Aris was elected to the Board as a new member. The Board of Directors of Sanoma consists of: Jaakko Rauramo, Chairman; Sakari Tamminen, Vice Chairman; and Annet Aris, Robert Castrén, Jane Erkko, Paavo Hohti, Sirkka Hämäläinen-Lindfors, Seppo Kievari, Rafaela Seppälä and Hannu Syrjänen as members.

The AGM re-appointed Pekka Pajamo, APA, and Sixten Nyman, APA, as his deputy, and chartered accountants KPMG Oy Ab, with Kai Salli, APA, acting as the Auditor in Charge, as the auditors of the Company.

Board authorisations

The AGM held on 1 April 2009 authorised the Board of Sanoma to decide on the repurchase of the Company’s own shares. The authorisation is effective until 30 June 2010.

A maximum of 16,000,000 of the Company’s own shares can be repurchased with the Company’s unrestricted shareholders’ equity, and the repurchases will reduce the funds available for distribution of profits. The shares will be repurchased to develop the Company's capital structure, carry out potential corporate acquisitions or other business arrangements, or to be transferred for other purposes, 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 other proportion than that of the current shareholders at the market price on the NASDAQ OMX Helsinki Ltd at the moment of repurchase.

In addition, the Board has a valid authorisation to increase the share capital. According to the authorisation issued by the AGM on 4 April 2007, the Board may decide, until the AGM of 2010, on the issue of new shares, the transfer of treasury shares and the granting of special rights entitling to shares. The authorisation does not exclude the right of the Board of Directors to decide on a directed share issue. With this authorisation, and as a result of the use of special rights, the Board is authorised to decide on the issuance of a maximum of 82,000,000 new shares and the transfer of a maximum of 5,000,000 treasury shares. In a directed share issue, a maximum of 41,000,000 shares may be issued or transferred. With this authorisation, the Board is authorised to issue a maximum of 5,000,000 stock options as part of an incentive programme within the Company. Under the authorisation, the Board decided on 19 December 2008 on the issuance of Stock Option Scheme 2008.

During the review period, the authorisation by the AGM of 1 April 2008 for repurchasing the Company's own shares was in force. The authorisation was not used during the review period and its validity ended on 1 April 2009.

Seasonal fluctuation

The net sales and result of Sanoma Magazines, Sanoma News and Sanoma Entertainment are particularly affected by the development of advertising. Advertising sales are influenced, for example, by the number of newspaper and magazine issues published during each quarter, which varies annually. Television advertising in Finland is usually strongest in the second and fourth quarters.

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

A major portion of the net sales and results in retail are, on the other hand, generated in the last quarter, particularly from Christmas sales. Of course, the number of shopping days and, for example, the distribution of holidays over different quarters also impacts the net retail sales between quarters.

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

Significant risks and uncertainty factors

Management of business risks and utilisation of the opportunities associated with them is included in the daily responsibilities of Sanoma's management. The management takes calculated risks in order to ensure that the Company develops its business as successfully as possible.

The most significant risks and uncertainty factors Sanoma is facing are described in the Financial Statements, together with the main principles of risk management. The most significant uncertainty factors of the current year are related to the development of media advertising and consumer spending, as well as the development of currency exchange rates. Due to the uncertain general economic situation, reliable estimates on, for example, the development of media advertising in the Group's various markets are not available. Sanoma expects media advertising to continue to decrease in 2009. A rapid change in media advertising and consumer confidence would affect the Group result.

Sanoma's stable business, strong balance sheet and current loan agreements ensure the Group's financial position even if the uncertainty in the financial markets continues.

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 30 June 2009. Sanoma Learning & Literature has started to capitalise prepublication costs of learning material to intangible assets as of 1 January 2009. Previously, the principle was to include prepublication expenses in acquisition cost of inventory. The change in accounting policy does not have any material impact on Sanoma's income statement or balance sheet. The accounting policies of the Interim Report 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 sum figure. Key figures have been calculated using exact figures.

CONSOLIDATED INCOME STATEMENT **EUR million**	**1-6 / 2009**	**1-6 / 2008**	**1-12 / 2008**
NET SALES	**1,333.2**	1,452.8	3,030.1
Other operating income	**33.5**	55.8	97.1
Materials and services	**591.3**	642.8	1,367.4
Employee benefit expenses	**351.0**	349.8	702.8
Other operating expenses	**257.2**	272.5	588.8
Depreciation and impairment losses	**81.2**	72.4	231.9
OPERATING PROFIT	**86.1**	171.2	236.3
Share of results in associated companies	**-0.3**	4.6	4.9
Financial income	**15.5**	6.6	18.9
Financial expenses	**29.3**	27.2	69.9
RESULT BEFORE TAXES	**72.0**	155.2	190.3
Income taxes	**-20.7**	-35.5	-69.4
RESULT FOR THE PERIOD	**51.3**	119.7	120.8
Result attributable to:			
Equity holders of the Parent Company	**51.6**	118.9	115.7
Non-controlling interests	**-0.3**	0.7	5.1
Earnings per share for result attributable to the equity holders of the Parent company			
Earnings per share, EUR	**0.32**	0.74	0.72
Diluted earnings per share, EUR	**0.32**	0.73	0.72

STATEMENT OF COMPREHENSIVE INCOME EUR million	**1–6 / 2009**	**1–6 / 2008**	**1–12 / 2008**
Result for the period	**51.3**	119.7	120.8
Other comprehensive income:			
Change in translation differences	**-14.7**	14.5	-39.1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**36.7**	134.1	81.7
Total comprehensive income attributable to:			
Equity holders of the Parent Company	**37.4**	132.8	77.5
Non-controlling interests	**-0.7**	1.4	4.2

CONSOLIDATED BALANCE SHEET			
EUR million	**30.6.2009**	**30.6.2008**	**31.12.2008**
ASSETS			
NON-CURRENT ASSETS			
Tangible assets	**500.4**	506.8	510.4
Investment property	**9.4**	9.8	10.2
Goodwill	**1,487.7**	1,504.1	1,491.6
Other intangible assets	**397.1**	380.1	379.7
Interests in associated companies	**67.3**	70.4	69.9
Available-for-sale financial assets	**20.7**	21.4	20.6
Deferred tax receivables	**39.4**	45.7	36.6
Trade and other receivables	**38.8**	42.2	41.0
NON-CURRENT ASSETS, TOTAL	**2,560.8**	2,580.5	2,560.0
CURRENT ASSETS			
Inventories	**152.7**	196.1	173.2
Income tax receivables	**28.2**	42.2	24.9
Trade and other receivables	**409.4**	459.2	409.1
Available-for-sale financial assets	**0.5**	1.1	0.5
Cash and cash equivalents	**59.3**	90.2	110.9
CURRENT ASSETS, TOTAL	**650.2**	788.7	718.7
ASSETS, TOTAL	**3,211.1**	3,369.2	3,278.7
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to the equity holders of the Parent Company			
Share capital	**71.3**	71.3	71.3
Share premium fund		187.6	
Treasury shares		-31.2	-37.5
Fund for invested unrestricted equity	**192.7**	0.0	192.7
Other equity	**850.2**	1,048.4	993.7
	1,114.1	1,276.1	1,220.1
Non-controlling interests	**13.4**	21.0	17.0
EQUITY, TOTAL	**1,127.6**	1,297.1	1,237.1
NON-CURRENT LIABILITIES			
Deferred tax liabilities	**105.0**	106.1	106.2
Pension obligations	**36.8**	43.7	37.9
Provisions	**6.2**	8.4	6.0
Interest-bearing liabilities	**713.1**	448.7	449.0
Trade and other payables	**35.9**	28.3	34.6
CURRENT LIABILITIES			
Provisions	**10.2**	9.3	10.9
Interest-bearing liabilities	**507.2**	699.8	633.6
Income tax liabilities	**19.9**	29.2	11.7
Trade and other payables	**649.0**	698.6	751.7
LIABILITIES, TOTAL	**2,083.5**	2,072.1	2,041.6
EQUITY AND LIABILITIES, TOTAL	**3,211.1**	3,369.2	3,278.7

CHANGES IN CONSOLIDATED EQUITY
EUR million

	Equity attributable to the equity holders of the Parent Company							
	Share capital	Share premium fund	Treasury shares	Fund for invested unrestricted equity	Other equity	Total	Non-controlling interests	Equity, total
Equity at 1 Jan 2008	**71.3**	**187.6**	**-51.6**		**1,138.6**	**1,345.9**	**18.3**	**1,364.2**
Unregistered usage of share options	-0.1	-2.4				-2.6		-2.6
Acquisition of treasury shares			-41.2			-41.2		-41.2
Cancellation of treasury shares			61.6		-61.6			
Registration of new shares	0.1	2.4				2.6		2.6
Expense recognition of options granted					2.6	2.6		2.6
Dividends paid					-160.8	-160.8	-2.2	-163.0
Change in non-controlling interests					-3.1	-3.1	3.5	0.4
Comprehensive income for the period					132.8	132.8	1.4	134.1
Equity at 30 June 2008	**71.3**	**187.6**	**-31.2**		**1,048.4**	**1,276.1**	**21.0**	**1,297.1**
Equity at 1 Jan 2009	**71.3**		**-37.5**	**192.7**	**993.7**	**1,220.1**	**17.0**	**1,237.1**
Unregistered usage of share options				-1.8		-1.8		-1.8
Cancellation of treasury shares			37.5		-37.5			
Registration of new shares				1.8		1.8		1.8
Expense recognition of options granted					2.0	2.0		2.0
Dividends paid					-144.9	-144.9	-0.9	-145.8
Change in non-controlling interests							-2.0	-2.0
Donations					-0.5	-0.5		-0.5
Comprehensive income for the period					37.4	37.4	-0.7	36.7
Equity at 30 June 2009	**71.3**			**192.7**	**850.2**	**1,114.1**	**13.4**	**1,127.6**

INCOME STATEMENT BY QUARTER

EUR million	1-3/ 2009	4-6/ 2009	1-3/ 2008	4-6/ 2008	7-9/ 2008	10-12/ 2008	1-12/ 2008
NET SALES	636.0	**697.2**	683.1	769.8	778.6	798.7	3,030.1
Other operating income	14.1	**19.4**	38.1	17.7	14.8	26.5	97.1
Materials and services	286.4	**304.8**	309.4	333.4	352.0	372.6	1,367.4
Employee benefit expenses	176.2	**174.8**	172.2	177.5	167.8	185.2	702.8
Other operating expenses	128.2	**129.0**	131.1	141.5	141.9	174.3	588.8
Depreciation and impairment losses	38.4	**42.8**	35.8	36.6	37.7	121.9	231.9
OPERATING PROFIT	20.9	**65.1**	72.7	98.5	94.0	-28.8	236.3
Share of results in associated companies	0.3	**-0.6**	3.0	1.6	0.4	-0.1	4.9
Financial income	6.7	**8.8**	3.5	3.1	6.1	6.2	18.9
Financial expenses	17.0	**12.3**	12.7	14.5	15.3	27.4	69.9
RESULT BEFORE TAXES	10.9	**61.1**	66.5	88.7	85.2	-50.1	190.3
Income taxes	-3.2	**-17.4**	-12.2	-23.4	-24.1	-9.8	-69.4
RESULT FOR THE PERIOD	7.7	**43.7**	54.4	65.3	61.1	-59.9	120.8
Result attributable to:							
Equity holders of the Parent Company	8.3	**43.3**	54.5	64.4	59.0	-62.2	115.7
Non-controlling interests	-0.6	**0.3**	-0.2	0.9	2.1	2.3	5.1
Earnings per share for result attributable to the equity holders of the Parent company							
Earnings per share, EUR	0.05	**0.27**	0.34	0.40	0.37	-0.39	0.72
Diluted earnings per share, EUR	0.05	**0.27**	0.34	0.40	0.37	-0.39	0.72

CONSOLIDATED CASH FLOW STATEMENT EUR million	**1-6/ 2009**	**1-6/ 2008**	**1-12/ 2008**
OPERATIONS			
Result for the period	**51.3**	119.7	120.8
Adjustments			
Income taxes	**20.7**	35.5	69.4
Financial expenses	**29.3**	27.2	69.9
Financial income	**-15.5**	-6.6	-18.9
Share of results in associated companies	**0.3**	-4.6	-4.9
Depreciation and impairment losses	**81.2**	72.4	231.9
Gains/losses on sales of non-current assets	**-1.9**	-27.8	-34.2
Other adjustments	**-28.7**	-18.5	-40.1
Change in working capital			
Change in trade and other receivables	**-0.5**	-38.6	-18.5
Change in inventories	**-6.4**	-15.5	-0.5
Change in trade and other payables, and provisions	**-78.4**	-43.7	3.6
Interest paid	**-24.6**	-27.5	-53.4
Other financial items	**-0.2**	4.4	-4.5
Taxes paid	**-19.1**	-39.2	-70.2
CASH FLOW FROM OPERATIONS	**7.5**	37.3	250.3
INVESTMENTS			
Acquisition of tangible and intangible assets	**-43.1**	-49.9	-113.3
Operations acquired	**-17.8**	-75.4	-162.3
Sales of tangible and intangible assets	**2.7**	9.7	12.7
Operations sold	**0.0**	39.6	49.2
Loans granted	**-2.1**	-20.2	-19.8
Repayments of loan receivables	**1.6**	3.3	8.8
Sales of short-term investments			0.5
Interest received	**3.6**	1.5	7.4
Dividends received	**3.1**	5.9	7.5
CASH FLOW FROM INVESTMENTS	**-51.9**	-85.5	-209.3
CASH FLOW BEFORE FINANCING	**-44.4**	-48.3	41.1
FINANCING			
Proceeds from share subscriptions		0.0	5.1
Minority capital investment/repayment of equity		0.0	1.0
Purchase of treasury shares		-40.9	-48.2
Change in loans with short maturity	**0.0**	106.9	-53.8
Drawings of other loans	**366.5**	167.9	525.1
Repayments of other loans	**-245.1**	-6.0	-264.6
Payment of finance lease liabilities	**-1.6**	-1.3	-2.8
Dividends paid	**-145.8**	-163.0	-164.3
Donations/other profit sharing	**-0.5**	-0.5	-0.5
CASH FLOW FROM FINANCING	**-26.6**	63.0	-3.1
CHANGE IN CASH AND CASH EQUIVALENTS ACCORDING TO CASH FLOW STATEMENT	**-71.0**	14.7	38.0
Effect of exchange rate differences on cash and cash equivalents	**-2.4**	-0.5	0.1
NET CHANGE IN CASH AND CASH EQUIVALENTS	**-73.4**	14.2	38.1
Cash and cash equivalents at the beginning of the period	**110.5**	72.4	72.4
Cash and cash equivalents at the end of the period	**37.0**	86.6	110.5

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

NET SALES BY BUSINESS EUR million	1-3 / 2009	4-6 / 2009	1-3 / 2008	4-6 / 2008	7-9 / 2008	10-12 / 2008	1-12 / 2008
SANOMA MAGAZINES							
Sanoma Magazines Netherlands	110.6	**123.2**	111.7	135.2	124.8	143.9	515.7
Sanoma Magazines International	50.9	**53.2**	70.1	76.8	77.4	82.4	306.7
Sanoma Magazines Belgium	51.3	**52.6**	54.2	55.5	53.7	59.8	223.2
Sanoma Magazines Finland	50.3	**48.0**	50.7	51.9	49.1	53.9	205.6
Eliminations	-1.0	**-1.2**	-1.3	-0.9	-1.0	-1.1	-4.3
TOTAL	262.1	**275.9**	285.5	318.5	304.0	338.9	1,246.8
SANOMA NEWS							
Helsingin Sanomat	61.7	**58.3**	74.1	71.2	65.6	68.6	279.5
Ilta-Sanomat	18.4	**19.8**	20.5	21.9	20.6	20.2	83.2
Other publishing	22.9	**23.8**	23.9	24.9	23.5	25.8	98.2
Other businesses	36.2	**35.9**	37.9	37.5	36.5	38.2	150.1
Eliminations	-31.7	**-30.8**	-35.5	-34.5	-32.7	-33.5	-136.2
TOTAL	107.7	**107.1**	120.8	121.1	113.5	119.2	474.7
SANOMA ENTERTAINMENT							
TV and radio	23.5	**23.6**	22.6	24.5	18.0	23.8	88.9
Other businesses	17.3	**17.4**	18.0	16.7	16.8	17.9	69.4
Eliminations	-0.5	**-0.3**	-0.1	-0.3	-0.1	-0.6	-1.1
TOTAL	40.3	**40.6**	40.5	40.9	34.7	41.0	157.1
SANOMA LEARNING & LITERATURE							
Learning	30.6	**81.6**	27.8	87.5	105.9	52.2	273.3
Language services	8.3	**6.2**	6.2	5.8	7.5	9.3	28.8
Literature and other businesses	24.6	**17.0**	27.8	20.4	23.3	29.7	101.2
Eliminations	-2.6	**-2.8**	-3.4	-3.2	-3.5	-3.2	-13.3
TOTAL	60.8	**101.9**	58.3	110.5	133.2	88.0	390.0
SANOMA TRADE							
Kiosk operations	91.1	**106.6**	94.6	102.5	103.8	108.6	409.4
Press distribution	49.6	**55.5**	58.2	60.2	61.8	61.3	241.5
Bookstores	27.3	**19.7**	31.0	24.0	36.9	47.3	139.2
Movie operations	23.6	**18.0**	24.4	19.4	23.8	26.7	94.3
Eliminations	-3.8	**-4.0**	-5.5	-3.0	-4.8	-4.5	-17.8
TOTAL	187.7	**195.7**	202.7	203.2	221.4	239.3	866.6
Other companies and eliminations	-22.7	**-24.1**	-24.8	-24.4	-28.2	-27.9	-105.2
TOTAL	636.0	**697.2**	683.1	769.8	778.6	798.7	3,030.1

OPERATING PROFIT BY DIVISION EUR million	1–3 / 2009	4–6 / 2009	1–3 / 2008	4–6 / 2008	7–9 / 2008	10–12 / 2008	1–12 / 2008
Sanoma Magazines	15.5	**30.2**	48.2	46.6	31.6	-40.6	85.7
Sanoma News	6.0	**3.5**	17.9	14.7	15.2	9.4	57.3
Sanoma Entertainment	6.1	**6.9**	4.0	6.3	2.8	4.1	17.3
Sanoma Learning & Literature	-6.9	**25.1**	-4.3	26.4	36.3	-12.7	45.6
Sanoma Trade	3.8	**3.8**	9.9	7.4	13.0	14.7	45.1
Other companies and eliminations	-3.7	**-4.3**	-3.0	-2.9	-5.0	-3.7	-14.6
TOTAL	20.9	**65.1**	72.7	98.5	94.0	-28.8	236.3

SEGMENT INFORMATION

The operating segments of the Sanoma Group comprise the Group's five divisions: Sanoma Magazines, Sanoma News, Sanoma Entertainment, Sanoma Learning & Literature and Sanoma Trade. The segmentation is based on business model and product differences. The media business, based on advertising and circulation sales, is divided into three segments: Sanoma Magazines is responsible for magazines, Sanoma News for newspapers and Sanoma Entertainment for TV and broadband business. Sanoma Learning & Literature business is mainly b-2-b business. Sanoma Trade, on the other hand, operates on a retail business model. In addition to the Group eliminations column, unallocated/eliminations includes Sanoma Corporation and real estate companies. More detailed description of operating segments can be found in note 2 in Financial Statements for 2008.

The adoption of IFRS 8 has not changed reportable segments because also the segment information the Group has presented earlier has been based on internal management reporting.

The accounting policies for segment reporting do not differ from Group's accounting policies and have not changed due to the adoption of IFRS 8. The decisions concerning assessing the performance of operating segments and allocating resources to the segments are based on segments' operating profit. The chief operating decision maker is Group's Executive Management Group. The Group has not aggregated operating segments to form the above mentioned reportable segments. Segment's total assets do not include interest-bearing receivables and tax receivables. Transactions between segments are based on market prices.

Sanoma Divisions
1.1–30.6.2009

EUR million	Maga-zines	News	Enter-tain-ment	Lear-ning & Lite-rature	Trade	Unallo-cated / elimi-nations	Con-soli-dated
External net sales	536.8	210.7	80.3	157.0	348.5	-0.2	1,333.2
Internal net sales	1.2	4.1	0.6	5.8	34.9	-46.6	
NET SALES, TOTAL	538.1	214.8	81.0	162.8	383.4	-46.7	1,333.2
OPERATING PROFIT	45.8	9.6	13.0	18.2	7.6	-8.1	86.1
Share of results in associated companies	-0.5	0.0		0.1	0.1		-0.3
Financial income							15.5
Financial expenses							29.3
RESULT BEFORE TAXES							72.0
TOTAL ASSETS	1,563.4	357.5	128.9	607.7	449.6	19.6	3,126.8

Sanoma Divisions
1.1–30.6.2008

EUR million	Maga-zines	News	Enter-tain-ment	Lear-ning & Lite-rature	Trade	Unallo-cated / elimi-nations	Con-soli-dated
External net sales	602.3	238.1	80.5	162.9	369.0	0.0	1,452.8
Internal net sales	1.6	3.9	1.0	5.9	36.8	-49.1	
NET SALES, TOTAL	603.9	242.0	81.4	168.8	405.8	-49.1	1,452.8
OPERATING PROFIT	94.7	32.6	10.4	22.0	17.3	-5.9	171.2
Share of results in associated companies	4.3	0.0	-0.3	-0.1	0.2	0.4	4.6
Financial income							6.6
Financial expenses							27.2
RESULT BEFORE TAXES							155.2
TOTAL ASSETS	1,644.1	369.9	121.0	638.7	458.6	28.3	3,260.6

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	30.6.2009	30.6.2008	31.12.2008
Carrying amount at the beginning of the period	**510.4**	498.7	498.7
Increases	**26.2**	37.9	81.2
Acquisition of operations	**0.0**	6.5	7.3
Decreases	**-1.1**	-3.7	-7.0
Disposals of operations		-0.2	-0.2
Depreciation for the period	**-34.1**	-32.0	-66.4
Impairment losses for the period	**-0.2**	-0.7	-0.7
Exchange rate differences and other changes	**-0.9**	0.3	-2.6
Carrying amount at the end of the period	**500.4**	506.8	510.4

The Group had no commitments for acquisition of tangible assets at the end of the reporting period. In the comparative period they amounted to EUR 3.1 million.

EFFECT OF ACQUISITIONS ON THE CONSOLIDATED BALANCE SHEET

EUR million	1-6/2009
Acquisition costs	**4.3**
Fair value of acquired net assets	**1.9**
Goodwill	**2.4**
Negative goodwill in income statement	**-0.9**
Change in goodwill	**3.3**

	1-12/2008 Nowa Era	1-12/2008 Other
Acquisition costs	62.5	128.2
Fair value of acquired net assets	7.8	39.4
Goodwill	54.6	88.8

CONTINGENT LIABILITIES

EUR million	30.6.2009	30.6.2008	31.12.2008
Contingencies for own commitments			
Mortgages	**26.4**	23.2	23.7
Pledges	**6.0**	5.8	6.0
Other items	**0.4**	0.4	0.4
TOTAL	**32.8**	29.4	30.1
Contingencies incurred on behalf of associated companies			
Guarantees	**10.5**	10.5	10.5
TOTAL	**10.5**	10.5	10.5
Contingencies incurred on behalf of other companies			
Guarantees	**0.1**	0.2	0.2
TOTAL	**0.1**	0.2	0.2
Other contingencies			
Operating lease liabilities	**256.0**	261.1	263.8
Royalties	**18.3**	23.4	23.6
Other items	**35.3**	38.2	38.1
TOTAL	**309.6**	322.7	325.5
TOTAL	**353.1**	362.8	366.2

The Sanoma Group had no derivative contracts during the reporting period or during the previous year.

KEY EXCHANGE RATES

Average rate	1–6 / 2009	1–6 / 2008	1–12 / 2008
EUR/CZK (Czech Koruna)	27.09	25.35	25.16
EUR/HUF (Hungarian Forint)	288.31	252.41	251.25
EUR/PLN (Polish Zloty)	4.48	3.49	3.53
EUR/RUB (Russian Rouble)	44.11	36.63	36.69
EUR/SEK (Swedish Crown)	10.86	9.41	9.66

Closing rate	30.6.2009	30.6.2008	31.12.2008
EUR/CZK (Czech Koruna)	25.88	23.89	26.88
EUR/HUF (Hungarian Forint)	271.55	235.43	266.70
EUR/PLN (Polish Zloty)	4.45	3.35	4.15
EUR/RUB (Russian Rouble)	43.88	36.95	41.28
EUR/SEK (Swedish Crown)	10.81	9.47	10.87

Helsinki

Board of Directors
Sanoma Corporation

Press Conference

Press and analyst meeting in Finnish will be held by Mr Hannu Syrjänen, President and CEO of Sanoma at 11 am (Finnish time) at Sanomatalo, Töölönlahdenkatu 2, Helsinki.

The conference call in English for analysts and investors will be arranged at 3 pm (Finnish time). Mr Hannu Syrjänen will present the result. To join the conference, please dial +44 20 3003 2666 (Europe) or +1 866 966 5335 (US). The event can also be listened to at Sanoma.com, either live or on demand at a later date.

The presentation material of the press and analyst meeting as well as the slides used in the conference call will be available on Sanoma's website after the press and analyst meeting has started.

Sanoma's third quarter 2009 results will be published on 6 November 2009 at approximately 8 am (Finnish time).

Sanoma Corporation

Kim Ignatius
Chief Financial Officer

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Sanoma.com

Sanoma inspires, informs and connects. We bring information, experiences, education and entertainment to millions of people every day. We make sure that quality content and interesting products and services are easily available and meet the demands of our readers, viewers and listeners. We offer challenging and interesting employment for over 20,000 people in 20 countries throughout Europe. In 2008, the Group's net sales totalled EUR 3.0 billion.