

Sanoma's figures for 2013 based on IFRS 11 Joint Arrangements and new reporting structure

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Sanoma has adopted the new IFRS 11 Joint Arrangements as of 1 January 2014. The standard permits only the equity method in consolidation of joint ventures, and the proportional consolidation method is not allowed any longer. In the income statement the share of result in the joint ventures is presented as part of the operating profit and in the consolidated balance sheet as equity-accounted investees. The change primarily relates to Media Belgium and Media Russia & CEE. The first interim report for 2014 to be published on 30 April will be prepared in accordance with the new standard.

Adoption of IFRS 11 reduced 2013 consolidated net sales EUR 135.2 million. The impact on profitability is minor, 2013 operating profit excluding non-recurring items decreased EUR 0.2 million. Balance sheet total on 31 December 2013 decreased EUR 164.9 million and the total equity of the Sanoma Group reduced EUR 59.1 million. Transition from proportional consolidation method to equity method also has impact on the presentation of the cash flow statement.

In addition, as announced on 31 October 2013, Sanoma will consist of two segments: Consumer Media and Learning. Sanoma will report net sales and profitability for three strategic business units: Media Netherlands, Media Finland and Learning. Media Belgium and Media Russia & CEE will be reported in the category 'Other'. The change is effective as of 1 January 2014.

Sanoma's financial reporting for 2013 has been adjusted to account for the changes. All details are presented in the attached tables:

- Key indicators
- Income statement
- Balance sheet
- Cash flow statement
- Net sales by strategic business unit
- Operating profit by strategic business unit
- Operating profit excluding non-recurring items by strategic business unit
- Segment information

Information is also available at www.sanoma.com/investors.

KEY INDICATORS	Restated	Change	As published
EUR million	1–12/ 2013	1–12/ 2013	1–12/ 2013
Net sales	2,083.5	-135.2	2,218.7
Operating profit excluding non-recurring items	154.6	-0.2	154.9
% of net sales	7.4		7.0
Operating profit	-257.7	14.6	-272.3
Result for the period	-320.3	12.0	-332.3
Capital expenditure *	65.6	-1.8	67.3
% of net sales	3.1		3.0
Return on equity (ROE), %	-24.2		-23.9
Return on investment (ROI), %	-9.2		-9.3
Equity ratio, %	37.2		37.2
Net gearing, %	95.7		91.7
Number of employees at the end of the period (FTE)	9,035	-562	9,597
Average number of employees (FTE)	9,446	-597	10,043
Earnings/share, EUR	-1.89	0.07	-1.97
Earnings/share excl. non-recurring items, EUR	0.54	0.01	0.53
Cash flow from operations/share, EUR	0.73	-0.03	0.76
Equity, total	1,179.3	-59.1	1,238.4
Assets, total	3,349.1	-164.9	3,514.0
Equity/share, EUR	5.42	-0.36	5.78

* Including finance leases.

Additional information

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We believe in a world full of opportunities, feelings, reactions and inspiration. A world that you can reach, influence, explore and share. We want to make it yours.

Sanoma is a front running consumer media and learning company in Europe. In Finland and the Netherlands we are the market leading media company with a broad presence across multiple platforms. Our main markets in learning are Belgium, Finland, the Netherlands, Poland and Sweden. In 2013, Sanoma's net sales totalled EUR 2.1 billion. Sanoma is listed on the NASDAQ OMX Helsinki stock exchange.

KEY INDICATORS	Restated	Restated	Restated	Restated	Restated	Change	As published
EUR million	1–3/ 2013	4–6/ 2013	7–9/ 2013	10–12/ 2013	1–12/ 2013	1–12/ 2013	1–12/ 2013
Net sales	470.6	558.2	537.3	517.5	2,083.5	-135.2	2,218.7
Operating profit excluding non-recurring items	-2.5	68.1	76.9	12.3	154.6	-0.2	154.9
% of net sales	-0.5	12.2	14.3	2.4	7.4		7.0
Operating profit	-39.8	40.8	-236.0	-22.8	-257.7	14.6	-272.3
Result for the period	-51.3	23.4	-261.3	-31.2	-320.3	12.0	-332.3
Capital expenditure *	11.4	21.4	14.0	18.8	65.6	-1.8	67.3
% of net sales	2.4	3.8	2.6	3.6	3.1		3.0
Return on equity (ROE), %					-24.2		-23.9
Return on investment (ROI), %					-9.2		-9.3
Equity ratio, %	40.5	38.1	33.9	37.2	37.2		37.2
Net gearing, %	90.1	102.5	115.2	95.7	95.7		91.7
Number of employees at the end of the period (FTE)	9,679	9,524	9,284	9,035	9,035	-562	9,597
Average number of employees (FTE)	9,769	9,696	9,605	9,446	9,446	-597	10,043
Earnings/share, EUR	-0.24	0.14	-1.59	-0.20	-1.89	0.07	-1.97
Earnings/share excluding non-recurring items, EUR	-0.03	0.27	0.29	0.02	0.54	0.01	0.53
Cash flow from operations/share, EUR	-0.40	0.00	0.68	0.45	0.73	-0.03	0.76
Equity/share, EUR	7.13	6.61	5.04	5.42	5.42	-0.36	5.78

* Including finance leases.

INCOME STATEMENT	Restated	Restated	Restated	Restated	Restated	Change	As published
BY QUARTER	1–3/ 2013	4–6/ 2013	7–9/ 2013	10–12/ 2013	1–12/ 2013	1–12/ 2013	1–12/ 2013
NET SALES	470.6	558.2	537.3	517.5	2,083.5	-135.2	2,218.7
Other operating income	9.4	7.6	19.6	18.2	54.9	-0.3	55.2
Materials and services	-162.8	-182.4	-179.2	-171.1	-695.5	50.4	-745.9
Employee benefit expenses	-146.6	-147.7	-136.3	-146.9	-577.5	22.8	-600.3
Other operating expenses	-103.2	-113.1	-96.4	-170.9	-483.6	44.5	-528.1
Share of results in joint ventures	0.0	-5.5	-0.2	1.4	-4.2	-4.2	
Depreciation, amortisation and impairment losses	-107.1	-76.3	-380.9	-71.0	-635.3	36.7	-672.0
OPERATING PROFIT	-39.8	40.8	-236.0	-22.8	-257.7	14.6	-272.3
Share of results in associated companies	0.0	1.3	0.2	-0.3	1.2	0.0	1.2
Financial income	5.9	-0.8	2.0	3.9	11.0	-1.5	12.4
Financial expenses	-20.7	-11.9	-17.1	-14.2	-64.0	2.1	-66.1
RESULT BEFORE TAXES	-54.5	29.5	-251.0	-33.5	-309.5	15.2	-324.7
Income taxes	3.2	-6.1	-10.3	2.3	-10.8	-3.2	-7.6
RESULT FOR THE PERIOD	-51.3	23.4	-261.3	-31.2	-320.3	12.0	-332.3
Result attributable to:							
Equity holders of the Parent Company	-38.6	22.0	-258.7	-32.6	-307.9	11.9	-319.8
Non-controlling interests	-12.7	1.4	-2.5	1.4	-12.4	0.1	-12.5
Earnings per share for result attributable to the equity holders of the Parent Company:							
Earnings per share, EUR	-0.24	0.14	-1.59	-0.20	-1.89	0.07	-1.97
Diluted earnings per share, EUR	-0.24	0.14	-1.59	-0.20	-1.89	0.07	-1.97

CONSOLIDATED BALANCE SHEET	Restated	Restated	Restated	Restated	Change	As published
EUR million	31.3.2013	30.6.2013	30.9.2013	31.12.2013	31.12.2013	31.12.2013
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	272.1	264.8	249.7	149.0	-2.7	151.7
Investment property	12.0	12.0	11.5	12.4		12.4
Goodwill	2,108.1	2,104.9	1,805.5	1,807.6	-157.0	1,964.5
Other intangible assets	558.8	546.0	547.4	527.0	-114.6	641.6
Equity-accounted investees	196.8	177.0	173.2	173.9	168.0	5.9
Available-for-sale financial assets	8.2	8.2	8.2	4.6	0.0	4.6
Deferred tax receivables	39.7	41.1	49.5	36.7	-4.6	41.2
Trade and other receivables	14.7	13.2	21.9	25.2	7.3	17.9
NON-CURRENT ASSETS, TOTAL	3,210.3	3,167.2	2,866.8	2,736.2	-103.5	2,839.7
CURRENT ASSETS						
Inventories	66.2	71.5	58.6	50.8	-2.2	53.0
Income tax receivables	11.7	20.1	14.1	3.7	-1.2	4.9
Trade and other receivables	356.5	390.7	362.6	315.6	-37.8	353.4
Available-for-sale financial assets	0.3	0.3	0.3	0.3		0.3
Cash and cash equivalents	133.8	134.3	156.6	151.1	-20.2	171.2
CURRENT ASSETS, TOTAL	568.5	616.9	592.2	521.4	-61.4	582.8
Assets classified as held for sale				91.4		91.4
ASSETS, TOTAL	3,778.8	3,784.1	3,459.0	3,349.1	-164.9	3,514.0
EQUITY AND LIABILITIES						
EQUITY						
Equity attributable to the equity holders of the Parent Company						
Share capital	71.3	71.3	71.3	71.3		71.3
Fund for invested unrestricted equity	203.3	203.3	203.3	203.3		203.3
Other reserves	-6.4	-4.7	-3.6	-2.6		-2.6
Other equity	893.3	807.0	548.9	511.4	-58.8	570.2
Hybrid bond				99.1		99.1
	1,161.6	1,076.9	819.9	882.5	-58.8	941.3
Non-controlling interests	290.2	296.5	293.9	296.8	-0.3	297.1
EQUITY, TOTAL	1,451.8	1,373.3	1,113.9	1,179.3	-59.1	1,238.4
NON-CURRENT LIABILITIES						
Deferred tax liabilities	108.9	103.7	98.6	89.5	-19.7	109.2
Pension obligations	52.6	53.1	56.0	63.0	-0.1	63.1
Provisions	4.1	4.6	5.8	4.3		4.3
Financial liabilities	950.9	930.7	888.9	763.8	-0.3	764.0
Trade and other payables	44.0	45.7	43.5	37.1	-0.2	37.2
NON-CURRENT LIABILITIES, TOTAL	1,160.5	1,137.8	1,092.9	957.6	-20.2	977.8
CURRENT LIABILITIES						
Provisions	12.0	13.9	16.9	18.7	-0.7	19.4
Financial liabilities	491.0	611.9	550.4	516.5	-26.1	542.5
Income tax liabilities	12.9	19.6	34.0	8.0	-1.3	9.3
Trade and other payables	650.5	627.6	650.9	667.7	-57.6	725.3
CURRENT LIABILITIES, TOTAL	1,166.5	1,273.0	1,252.2	1,210.8	-85.6	1,296.5
Liabilities related to assets held for sale				1.3		1.3
LIABILITIES, TOTAL	2,327.0	2,410.8	2,345.1	2,169.7	-105.8	2,275.6
EQUITY AND LIABILITIES, TOTAL	3,778.8	3,784.1	3,459.0	3,349.1	-164.9	3,514.0

In 2013, the properties of Sanomala and Sanomatalo as well as the real estate company Ärrävaara were classified as assets held for sale.

CONSOLIDATED CASH FLOW STATEMENT	Restated	Restated	Restated	Restated	Change	As Published
EUR million	1-3/ 2013	1-6/ 2013	1-9/ 2013	1-12/ 2013	1-12/ 2013	1-12/ 2013
OPERATIONS						
Result for the period	-51.3	-27.9	-289.2	-320.3	12.0	-332.3
Adjustments						
Income taxes	-3.2	2.8	13.1	10.8	3.2	7.6
Financial income and expenses	14.8	27.5	42.7	53.0	-0.6	53.7
Share of results in associated companies and joint ventures	0.0	4.1	4.1	3.0	4.2	-1.2
Depreciation, amortisation and impairment losses	107.1	183.4	564.3	635.3	-36.7	672.0
Gains/losses on sales of non-current assets	-2.4	-1.1	-23.7	10.7	-12.0	22.7
Acquisitions of broadcasting rights and prepublication costs	-62.3	-102.5	-161.1	-217.6	16.0	-233.6
Other adjustments	0.7	1.1	1.5	1.6		1.6
Change in working capital	-37.3	-98.1	-41.0	19.8	3.2	16.6
Interest and other financial items paid	-29.8	-38.3	-45.4	-51.6	1.2	-52.7
Taxes paid	-1.9	-16.9	-20.0	-25.7	4.5	-30.2
CASH FLOW FROM OPERATIONS	-65.6	-65.9	45.3	119.1	-5.0	124.1
INVESTMENTS						
Acquisition of tangible and intangible assets	-12.6	-32.9	-48.0	-66.1	1.8	-67.8
Operations acquired	-3.3	-4.4	-9.1	-11.5	2.9	-14.5
Sales of tangible and intangible assets	3.6	5.6	17.1	19.0	-0.1	19.1
Operations sold	0.3	6.5	33.4	33.2	-0.1	33.3
Loans granted	-0.8	-1.4	-9.5	-11.8	-4.1	-7.8
Repayments of loan receivables	0.9	2.0	2.2	2.4	-3.9	6.3
Interest received	0.7	1.4	1.7	3.0	-0.5	3.5
Dividends received	0.1	4.2	4.2	4.8	3.8	1.0
CASH FLOW FROM INVESTMENTS	-11.0	-19.0	-8.0	-27.1	-0.1	-27.0
CASH FLOW BEFORE FINANCING	-76.6	-84.9	37.3	92.1	-5.1	97.1
FINANCING						
Proceeds from issue of hybrid bond				99.1		99.1
Contribution by non-controlling interests		5.0	5.0	5.8		5.8
Change in loans with short maturity	57.9	154.4	109.3	89.7		89.7
Drawings of other loans	0.1	40.0	41.8	41.7	-1.2	43.0
Repayments of other loans and finance lease liabilities	-0.4	-50.1	-90.8	-217.2	5.2	-222.4
Dividends paid	0.0	-97.8	-97.8	-97.8		-97.8
CASH FLOW FROM FINANCING	57.6	51.5	-32.5	-78.7	4.0	-82.8
CHANGE IN CASH AND CASH EQUIVALENTS						
ACCORDING TO CASH FLOW STATEMENT	-19.0	-33.4	4.9	13.3	-1.1	14.4
Effect of exchange rate differences on cash and cash equivalents	-0.3	-1.3	-1.9	-2.3	0.4	-2.6
NET CHANGE IN CASH AND CASH EQUIVALENTS	-19.3	-34.7	3.0	11.1	-0.7	11.8
Cash and cash equivalents at the beginning of the period	53.6	53.6	53.6	53.6	-19.5	73.1
Cash and cash equivalents at the end of the period	34.3	18.9	56.6	64.7	-20.2	84.8

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

Note: structure has changed as of January 2014 and therefore Sanoma has not previously published all figures for the structure presented below.

NET SALES BY STRATEGIC BUSINESS UNIT	Restated	Restated	Restated	Restated	Restated
EUR million	1–3/ 2013	4–6/ 2013	7–9/ 2013	10–12/ 2013	1–12/ 2013
MEDIA NETHERLANDS					
Digital	61.6	76.5	64.8	88.2	291.0
Online & mobile	17.4	17.7	17.4	24.3	76.9
TV	44.2	58.8	47.3	63.8	214.1
Print	88.5	96.1	90.5	94.8	369.9
Magazines	88.5	96.1	90.5	94.8	369.9
Other	2.1	7.0	4.7	11.1	24.8
TOTAL	152.2	179.6	160.0	194.1	685.8
MEDIA FINLAND					
Digital	42.2	51.7	37.5	54.5	185.9
Online & Mobile	16.7	20.5	15.8	21.7	74.7
TV & Radio	25.5	31.2	21.7	32.8	111.2
Print	124.2	117.7	118.9	123.1	483.8
Magazines	39.6	37.6	41.5	42.2	160.9
News	85.0	80.8	77.9	81.5	325.2
Eliminations	-0.5	-0.7	-0.5	-0.6	-2.2
Other	1.8	1.3	1.1	1.4	5.6
TOTAL	168.2	170.7	157.5	179.0	675.4
LEARNING					
Netherlands	26.3	36.5	25.0	7.4	95.3
Poland	6.2	18.1	46.7	12.8	83.8
Finland	5.3	28.7	13.9	5.6	53.5
Belgium	1.8	11.2	17.1	3.6	33.8
Sweden	5.2	7.8	11.9	4.4	29.3
Other companies and eliminations	0.9	1.2	8.3	-1.5	8.9
TOTAL	45.7	103.5	123.0	32.4	304.6
OTHER AND ELIMINATIONS					
Belgium	42.5	41.6	40.3	47.8	172.3
Russia & CEE	26.5	28.8	26.3	30.2	111.8
Other operations	52.5	52.4	49.0	51.0	204.8
Eliminations	-17.0	-18.4	-18.7	-17.0	-71.1
TOTAL	104.5	104.4	96.8	112.0	417.8
TOTAL	470.6	558.2	537.3	517.5	2,083.5

OPERATING PROFIT BY STRATEGIC BUSINESS UNIT	Restated	Restated	Restated	Restated	Restated
EUR million	1–3/	4–6/	7–9/	10–12/	1–12/
	2013	2013	2013	2013	2013
Media Netherlands	-35.6	17.6	-275.3	21.4	-271.9
Media Finland	5.1	4.3	10.2	5.0	24.6
Learning	-4.4	35.9	25.1	-35.9	20.6
Other companies and eliminations	-4.8	-16.9	4.0	-13.2	-31.0
TOTAL	-39.8	40.8	-236.0	-22.8	-257.7

OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS BY STRATEGIC BUSINESS UNIT	Restated	Restated	Restated	Restated	Restated
EUR million	1–3/	4–6/	7–9/	10–12/	1–12/
	2013	2013	2013	2013	2013
Media Netherlands	0.6	25.0	21.7	25.9	73.2
Media Finland	5.5	8.4	11.4	5.4	30.7
Learning	-4.4	35.9	49.6	-24.8	56.2
Other companies and eliminations	-4.3	-1.2	-5.8	5.8	-5.5
TOTAL	-2.5	68.1	76.9	12.3	154.6

SEGMENT INFORMATION

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 1.1–31.12.2013 (Restated)

EUR million	Consumer		Other	
	Media	Learning	companies/	Total
			eliminations	
External net sales	1,360.9	304.5	418.1	2,083.5
Internal net sales	0.3	0.0	-0.3	
NET SALES, TOTAL	1,361.2	304.6	417.8	2,083.5
OPERATING PROFIT	-247.3	20.6	-31.0	-257.7
OPERATING PROFIT EXCL. NRI	103.9	56.2	-5.5	154.6
Share of results in associated companies	-0.1	0.0	1.3	1.2
Financial income			11.0	11.0
Financial expenses			-64.0	-64.0
RESULT BEFORE TAXES				-309.5
SEGMENT ASSETS	2,221.0	455.9	461.7	3,138.6

Sanoma segments 1.1–30.9.2013 (Restated)

EUR million	Consumer		Other	
	Media	Learning	companies/	Total
			eliminations	
External net sales	987.8	272.2	306.0	1,566.1
Internal net sales	0.2	0.0	-0.2	
NET SALES, TOTAL	988.1	272.2	305.8	1,566.1
OPERATING PROFIT	-273.7	56.6	-17.8	-234.9
OPERATING PROFIT EXCL. NRI	72.6	81.1	-11.3	142.4
Share of results in associated companies	0.3	0.0	1.3	1.5
Financial income			7.1	7.1
Financial expenses			-49.8	-49.8
RESULT BEFORE TAXES				-276.0
SEGMENT ASSETS	2,242.9	508.8	469.4	3,221.2

Sanoma segments 1.1–30.6.2013 (Restated)

EUR million	Consumer Media	Learning	Other companies/ eliminations	Total
External net sales	670.5	149.2	209.1	1,028.8
Internal net sales	0.2	0.0	-0.2	
NET SALES, TOTAL	670.6	149.2	209.0	1,028.8
OPERATING PROFIT	-8.7	31.5	-21.7	1.0
OPERATING PROFIT EXCL. NRI	39.5	31.5	-5.5	65.5
Share of results in associated companies	0.1	0.0	1.3	1.4
Financial income			5.1	5.1
Financial expenses			-32.6	-32.6
RESULT BEFORE TAXES				-25.1
SEGMENT ASSETS	2,514.2	555.8	509.0	3,578.9

Sanoma segments 1.1–31.3.2013 (Restated)

EUR million	Consumer Media	Learning	Other companies/ eliminations	Total
External net sales	320.3	45.7	104.6	470.6
Internal net sales	0.1	0.0	-0.1	
NET SALES, TOTAL	320.4	45.7	104.5	470.6
OPERATING PROFIT	-30.6	-4.4	-4.8	-39.8
OPERATING PROFIT EXCL. NRI	6.1	-4.4	-4.3	-2.5
Share of results in associated companies	0.1	0.0		0.0
Financial income			5.9	5.9
Financial expenses			-20.7	-20.7
RESULT BEFORE TAXES				-54.5
SEGMENT ASSETS	2,542.3	508.4	532.9	3,583.6