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SANOMAWSOY'S INTERIM REPORT 1 JANUARY - 30 SEPTEMBER 2004

SanomaWSOY's result continued to develop well: operating profit grew in January–September by 13.3%, to EUR 143.1 (126.2) million. Result before extraordinary items rose by 30.8%, to EUR 132.3 (101.2) million. Earnings per share increased to EUR 0.48 (0.41) and EPS excluding goodwill amortisation to EUR 0.84 (0.81). In the third quarter, net sales totalled EUR 594.2 (571.6) million and operating profit EUR 57.7 (50.9) million.

KEY INDICATORS, EUR million	30.9.2004	30.9.2003	Change,%	31.12.2003
Net sales	1,765.2	1,720.2	2.6	2,395.9
Operating profit before depreciation and decrease in value	287.3	277.8	3.4	414.8
% of net sales	16.3	16.1		17.3
Operating profit before amortisation	235.5	222.9	5.6	338.4
% of net sales	13.3	13.0		14.1
Operating profit	143.1	126.2	13.3	205.2
% of net sales	8.1	7.3		8.6
Result before extraordinary items	132.3	101.2	30.8	163.1
% of net sales	7.5	5.9		6.8
Balance sheet total	2,336.5	2,467.2	-5.3	2,453.0
Gross investments	58.9	67.4	-12.6	94.8
% of net sales	3.3	3.9		4.0
Equity ratio, %	39.5	38.5		40.3
Equity ratio, % *)	46.7	47.3		47.6
Gearing, %	80.9	90.2		72.9
Gearing, % *)	53.2	54.8		46.4
Financial costs of liabilities	27.2	34.0	-20.0	47.1
Interest-bearing liabilities	782.6	915.6	-14.5	819.4
Interest-free liabilities	678.9	644.6	5.3	686.1
Securities, cash and bank	74.5	97.2	-23.3	128.8
Personnel under employment contract, average	16,092	17,833	-9.8	17,330
Personnel, average (full-time equivalents)	13,526	14,427	-6.2	14,207
Earnings/share, EUR	0.48	0.41	17.1	0.69
Cash flow/share, EUR	0.98	0.86	14.2	1.65
Equity/share, EUR	5.59	5.82	-3.9	6.08
Market capitalisation	2,402.8	1,837.3	30.8	2,554.9

*) Capital notes included in equity

OUTLOOK FOR 2004

The economy within the Euro area will grow faster in year 2004 than in the previous year. Research institutions estimate that the GDP will grow in the Netherlands by roughly 1%, in Belgium by slightly more than 2% and in Finland by over 3%. Media advertising traditionally grows more than GDP.

After adjustment for changes in Group structure, SanomaWSOY's net sales are expected to grow by some 3% in 2004. The comparable operating profit is expected to improve markedly. Also the total operating profit is expected to be on the previous year's level, even though the non-recurring gains on the sales of assets may remain below the level of 2003. In 2003, operating profit included some EUR 43 million of the non-recurring gains on the sales of assets. In addition, net financing costs will be lower than in the previous year. Result before extraordinary items is thus estimated to improve markedly. The effect of the Malmberg acquisition on the Group's result in 2004 will be minor due to the timing of the deal.

TARGETS AND KEY EVENTS

SanomaWSOY Group continued to consistently and successfully implement its strategic objectives – profitability, internationalisation, growth and development – in the review period. In July, internationalisation of educational publishing progressed considerably as WSOY agreed on acquiring Malmberg Investments, an educational publisher operating in the Netherlands and Belgium. The necessary approvals from the competitive authorities have arrived and the deal will be closed during the next few days.

International expansion of press distribution continued also. In July, Rautakirja signed a preliminary agreement on acquiring the majority share in Hiparion Distribution, a Romanian press distributor. Sanoma's new focus in growth is on free sheets, where operations were expanded.

The Group continued to focus on the core businesses as well: Måndag and Milvus Förlags were sold in April, and a minority share in Savon Mediat was sold in July. The Group's strong cash flow and reduced balance sheet will also facilitate growth and international expansion in the future. The Group continues to actively seek investment possibilities, for example in Russia, and in magazine and distribution businesses, among others.

NET SALES

SanomaWSOY's net sales grew by 2.6% in January - September, and amounted to EUR 1,765.2 (1,720.2) million. Growth was generated in Sanoma Magazines, Sanoma, SWelcom, and Rautakirja. After adjustment for changes in Group structure, net sales grew by 3.1%. Advertising sales represented 20% (20%) of the Group's total net sales.

RESULT

SanomaWSOY's result development was good: Operating profit increased by 13.3% in January - September and amounted to EUR 143.1 (126.2) million. Operating profit was 8.1% (7.3%) of net sales. It increased in all divisions. The most substantial non-recurring gains on the sales of assets totalled EUR 8.1 (19.2) million. Operating profit excluding these gains grew by 26.2%.

EBITA (operating profit before amortisation of goodwill, consolidated goodwill and immaterial rights) rose by 5.6% to EUR 235.5 (222.9) million. Result before extraordinary items improved by 30.8% to EUR 132.3 (101.2) million and earnings per share to EUR 0.48 (0.41).

The Group's net financial items amounted to EUR -10.7 (-25.0) million. Financial income totalled EUR 19.1 (18.2) million, and was mainly composed of gains on realising the share portfolio, EUR 7.0 million, and of dividends, EUR 6.3 million. Financial expenses, EUR 29.9 (43.3) million, mainly consisted of interest expenses on interest-bearing liabilities, EUR 23.7 (31.7) million. The Group's cash flow from operations was EUR 149.6 (128.2) million and cash flow per share EUR 0.98 (0.86).

BALANCE SHEET AND FINANCIAL POSITION

The consolidated balance sheet totalled EUR 2,336.5 (2,467.2) million at the end of September. The Group's financial position remained strong. The equity ratio was 39.5% (38.5%) and, including capital notes, 46.7% (47.3%). Shareholders' equity, excluding capital notes, amounted to EUR 856.7 (891.1) million. Interest-bearing liabilities, including capital notes, decreased to EUR 782.6 (915.6) million and net debt to EUR 708.0 (818.4) million.

The Group's share portfolio was realised in the first quarter. Securities and cash amounted to EUR 74.5 (97.2) million at the end of September.

The equity ratio will temporarily decrease by some 3 percentage points due to the acquisition of Malmberg Investment B.V. but will recover fast due to the Group's strong cash flow.

INVESTMENTS

SanomaWSOY invested moderately in January - September, totalling EUR 58.9 (67.4) million. R&D expenditure recorded as expenses amounted to EUR 10.8 (5.6) million.

OPERATING ENVIRONMENT

Media advertising in Finland grew in January - September by 5% according to TNS Gallup Adex. Newspaper advertising increased by 4% and job advertising by 7%. Advertising in magazines grew by 5% and on television by 9%. According to advance information, magazine advertising continued to grow in Hungary and Belgium but continued to decline in the Netherlands. According to the Finnish Food Marketing Association, retail trade in Finland was on the previous year's level in January - September.

IFRS REPORTING

SanomaWSOY will start reporting according to IFRS standards in 2005. The new accounting principles will have an impact on the Group's net sales. The most important changes relating to net sales took place at the beginning of 2004 in accordance with Finnish Accounting Standards. The most significant modifications in net sales related to press distribution, which is treated as commission sales according to the new accounting principles, and to harmonising the accounting practice regarding granted discounts and purchased services.

The comparable figures for 2003 have been adjusted according to the changes in accounting principles. According to the unaudited adjustments, SanomaWSOY's net sales decreased as a result of the changes by some EUR 38 million in 2003. Sanoma Magazines' net sales increased by approximately EUR 36 million. The changes relating to the new accounting principles within the Division are significant: net sales from magazine operations increased by some EUR 106 million whereas net sales from magazine distribution decreased by approximately EUR 115 million. Sanoma's net sales decreased by about EUR 18 million due to the changes, and Rautakirja's net sales by some EUR 116 million. The changes did not affect the net sales of WSOY and SWelcom.

The IFRS standards and their interpretations will be further clarified. Their impact on the income statement and balance sheet cannot be fully estimated at this stage. The treatment of the disability

element of the Finnish TEL pension system is still subject to changes. However, the Group's pension expenses in Finland will most likely remain on the current level. As to the other countries where the Group operates, the IFRS impact related to the pension systems will be specified later. At the Group level, this annual expense increase is expected to be minor.

According to the new and amended standards issued in March, goodwill and immaterial rights with indefinite useful lives are no longer amortised according to plan but tested for impairment. Amortisation of goodwill and consolidated goodwill amounted to EUR 81.4 million in 2003. In 2004, the amortisation is estimated to be somewhat over EUR 70 million.

When preparing the local statutory accounts for 2003, it was evaluated whether there is any indication of impairment related to the most important goodwill items. The evaluations did not indicate any need for write-downs. The goodwill related to the acquisition of the magazine operations in 2001 has already been evaluated in accordance with the accounting standards used in the Netherlands. The Dutch standards of impairment testing are mainly in line with the general IFRS principles.

According to a preliminary, unaudited estimate, IFRS reporting will improve the Group's operating profit margin by some 2.5 percentage points. SanomaWSOY will publish its comparative IFRS data for 2004 in April 2005.

ADMINISTRATION

SanomaWSOY's Annual General Meeting of 30 March 2004 elected Sirkka Hämäläinen, D.Sc. (Econ.), as a new member of the Board, and Seppo Kievari and Hannu Syrjänen were re-elected. In addition, the Board of Directors comprises Jaakko Rauramo, Chairman of the Board, Paavo Hohti, Vice Chairman, and Sari Baldauf, Robert Castrén, Jane Erkko, Robin Langenskiöld, and Sakari Tamminen as members.

Mikael Pentikäinen, President of Sanoma Corporation, and Matti Salmi, Senior Vice President, Finance and Administration, of SanomaWSOY, started in their new positions and became members of the SanomaWSOY Management Group on 1 April 2004.

DIVIDEND

In line with the decision of the AGM, SanomaWSOY distributed a dividend of EUR 1.00 (0.40) per share for 2003. The record date for dividend payment was 2 April 2004, and the dividend was paid on 13 April 2004. SanomaWSOY does not intend to distribute any additional dividend in 2004.

SHARES

During the review period, SanomaWSOY Series A shares were traded at an average price of EUR 15.52 with a low of EUR 14.01 and a high of EUR 17.90. Series B shares were traded at an average price of EUR 15.30, with a low of EUR 13.70 and a high of EUR 17.77. The turnover of shares totalled EUR 287.7 (132.1) million. Most of the shares traded, some 18.7 million, were of Series B. SanomaWSOY's market capitalisation at the end of September was EUR 2,402.8 (1,837.3) million. SanomaWSOY's fully owned subsidiary, Tiikerijakelu Oy, was merged into SanomaWSOY Corporation in accordance with the decision of the AGM and its shares (7,187,276 Series B shares equivalent to 4.48% of shares and 1.19% of votes) were invalidated on 31 July 2004. Therefore the share capital of SanomaWSOY decreased from EUR 68,928,754.04 to EUR 65,838,225.36. At the end of September, SanomaWSOY did not have any of its own shares. In August, 11,000 SanomaWSOY Series A shares were converted to Series B shares at the request of the shareholder. As a result of the invalidation and conversion, the number of Series A shares was 23,209,492 and the number of Series B shares was 129,902,660 shares at the end of September.

None of the convertible capital notes issued in 2001, the conversion period of which began on 2 January 2002, had been converted into shares by the end of the review period. The conversion price is EUR 15.91. SanomaWSOY has redeemed a total of 4,944 notes of which the 3,620 notes redeemed in 2003 notes were invalidated on 27 February 2004 and the 195 notes redeemed in April and July 2004 were invalidated on 27 August 2004. The company practice has been to invalidate the redeemed notes in every six months. The company's financial position has improved considerably since the issue of the notes and the notes can be refinanced on significantly better terms.

AUTHORISATIONS OF THE BOARD

The AGM of 30 March 2004 authorised the Board to decide, within one year of the AGM, on an increase of share capital by one or more rights issues, issuance of one or more convertible bonds loans and/or issuance of option rights. The new shares subscribed under the rights issue and/or converted against the convertible bonds, and/or the new shares subscribed under the option rights, shall be of Series B,

and their aggregate number may not exceed 30,622,430 shares. The total increase of share capital may not exceed EUR 13,167,644.90.

The AGM also authorised the Board to decide, within one year of the AGM, to acquire the company's own Series A and B shares. The acquisition will be made by using distributable funds. The aggregate book counter-value of the shares or the total votes conferred by such shares after the acquisition may not exceed 5% of the share capital or of the total votes of the company. The shares will be acquired in the existing proportion of the different share classes.

SANOMA MAGAZINES

Magazine publishing and distribution. Sanoma Magazines is among the five biggest magazine publishers in Europe. The division publishes some 230 titles and operates in nine different countries: Belgium, Bulgaria, Croatia, the Czech Republic, Finland, Hungary, the Netherlands, Romania, and Slovakia. Aldipress is the biggest magazine distributor in the Netherlands.

KEY INDICATORS, EUR million	30.9.2004	30.9.2003	Change,%	31.12.2003
Net sales	782.0	758.0	3.2	1,064.8
Operating profit before amortisation	112.4	109.5	2.7	159.1
% of net sales	14.4	14.4		14.9
Operating profit	57.0	50.3	13.3	78.8
% of net sales	7.3	6.6		7.4
Operating profit excl. associated companies	51.8	40.9	26.6	67.2
% of net sales	6.6	5.4		6.3
Balance sheet total	1,517.1	1,580.5	-4.0	1,504.7
Gross investments	11.6	12.1	-4.1	18.4
Personnel under employment contract, average	4,520	4,437	1.9	4,421
Personnel, average (full-time equivalents)	3,994	3,892	2.6	3,879

OPERATIONAL INDICATORS, 1.1 - 30.9.	2004	2003
Number of copies sold (press distribution / Aldipress), thousands	90,338	85,409
Number of magazines published	235	223
Magazine copies sold, thousands	304,973	308,378
Number of advertising pages sold	33,342	32,672

In January - September 2004, Sanoma Magazines' net sales increased to EUR 782.0 (758.0) million. Sanoma Uitgevers' net sales totalled EUR 374.9 (378.9) million. Sanoma Magazines Belgium's net sales grew to EUR 141.6 (136.0) million and Sanoma Magazines Finland's to EUR 127.0 (119.9) million. Net sales at Sanoma Magazines International increased to EUR 99.4 (90.8) million. Net sales at Aldipress increased to EUR 84.5 (79.1) million.

Sanoma Magazines' advertising sales decreased by 3% in the January - September period. In the Netherlands, the weak development of the advertising market continued to decrease the Dutch-based Sanoma Uitgevers' advertising revenue. Advertising sales grew in the other countries, mainly due to the launch of new titles in both 2003 and 2004, and the new activities in Bulgaria. Advertising sales accounted for some 20% (21%) of Sanoma Magazines' total net sales.

The Division's circulation sales grew by some 2%. Despite strong competition, Sanoma Uitgevers' circulation sales were stable, in part due to recently launched magazines. In Sanoma Magazines Belgium, circulation sales increased slightly due to increased subscriptions. In Sanoma Magazines Finland, the sales increased due to several well performing titles and new launches. Sanoma Magazines International's increase in circulation revenue came mainly from Hungary, Croatia, and Bulgaria. In total, the Division made 13 major magazine launches in January - September.

Sanoma Magazines' operating profit continued to develop well and increased to EUR 57.0 (50.3) million. Lower operational costs, mainly due to the cost-cutting programmes started last year as well as lower amortisation, contributed to the improved result. The Division's EBITA increased to EUR 112.4 (109.5) million. Sanoma Uitgevers and Sanoma Magazines Finland improved their results whereas Sanoma Magazines Belgium and Sanoma Magazines International posted slightly weakened results. Investments in new launches and increased competition in the Czech market impacted the result at Sanoma Magazines International. The result at Aldipress was above the previous year's level, mainly due to new business and cost efficiency.

The divestment of the Swedish Milvus Förlags AB in April has had a positive effect of EUR 2.4 million on Sanoma Magazines Finland's EBIT in 2004.

Sanoma Magazines' net sales in 2004 are expected to grow. EBIT is also expected to increase despite significant investments in magazine launches and growth.

SANOMA

Newspaper publishing and printing. Sanoma publishes and prints Finland's leading newspapers, Helsingin Sanomat and Ilta-Sanomat. Sanoma's newspaper titles also include the dailies Etelä-Saimaa, Kymen Sanomat and Kouvolan Sanomat among others, Taloussanomat, the sports and sport betting weekly IS Veikkaaja, the free ad publication Keltainen Pörssi and the news publication Uutislehti 100.

KEY INDICATORS, EUR million	30.9.2004	30.9.2003	Change, %	31.12.2003
Net sales	319.2	317.6	0.5	425.5
Operating profit before amortisation	53.6	44.9	19.3	77.5
% of net sales	16.8	14.1		18.2
Operating profit	48.7	39.7	22.8	69.4
% of net sales	15.3	12.5		16.3
Operating profit excl. associated companies	48.5	37.8	28.2	67.3
% of net sales	15.2	11.9		15.8
Balance sheet total	441.8	451.4	-2.1	447.7
Gross investments	19.1	20.2	-5.5	29.7
Personnel under employment contract, average	2,761	4,476	-38.3	4,027
Personnel, average (full-time equivalents)	2,414	3,280	-26.4	3,041

OPERATIONAL INDICATORS, 1.1 - 30.9.	2004	2003	2002
HELSINGIN SANOMAT			
Weekday circulation, copies *)		429,244	431,262
Sunday circulation, copies*)		500,269	500,150
Advertising volyme (column metres)	30,113	31,691	
ILTA-SANOMAT			
Circulation, copies*)		198,693	204,820
Advertising volyme (column metres)	4,989	5,178	
TALOUSSANOMAT			
Circulation, copies *)		34,784	32,513
Advertising volyme (column metres)	1,950	1,712	

*) Audited circulation figures 1.1 – 31.12.

Sanoma's net sales amounted to EUR 319.2 (317.6) million in January - September. The Helsingin Sanomat Business Unit's net sales totalled EUR 183.8 (180.5) million and those of the IS Business Unit to EUR 71.2 (70.2) million. The net sales of Kymen Lehtimedia were slightly down, to EUR 38.8 (39.2) million. The figures for 2003 include Leijonajakelu, which was sold in September 2003. After adjustment for changes in Group structure, the Division's net sales were up by 2.5%.

Advertising sales grew by 4% in the review period and accounted for 48% (47%) of Sanoma's net sales. In the third quarter, the growth was almost 10%. Advertising sales increased in all business units. Job advertising in Helsingin Sanomat increased by 6%.

Circulation sales grew by over 1% and accounted for 44% (44%) of the Division's net sales. Helsingin Sanomat increased its circulation sales by some 2% but circulation decreased slightly from the previous year. Ilta-Sanomat's circulation grew. Its market share in the quality tabloid market was 60.9% (61.4%). As for regional papers, circulation remained on the previous year's level.

Sanoma's operating profit increased to EUR 48.7 (39.7) million due to growth in advertising sales, moderate cost development and profit on sales of assets. The release of provision for Nostokonepalvelu Oy, EUR 3.0 million, is included in the operating profit. The figure in 2003 included a EUR 1.0 million share of the result of Rautakirja from January - February. Sanoma's EBITA was EUR 53.6 (44.9) million in January - September. The Helsingin Sanomat Business Unit and Kymen Lehtimedia posted improved results.

In July, Sanoma sold its holding in Savon Mediat Oy to the Ilkka Group. The selling price of the shares was EUR 7.2 million. Sanoma purchased the business operations of Kellokas free sheets as of the beginning of October and announced the establishment of a new Sanoma Free Sheets Business Unit. In 2005, Sanoma will start publishing its own free sheets in the Helsinki metropolitan area and some municipalities of the Uusimaa province.

Sanoma's net sales are expected to grow slightly in 2004. The operating profit from basic business operations is expected to improve more than net sales, due to long-term development measures and increased media sales. The Division's operating profit will fall short of the previous year's figure, as non-recurring gains on the sales of assets are expected to be smaller than in 2003.

WSOY

Publishing, printing and calendar operations. WSOY is Finland's largest book publisher and the market leader in general literature, educational materials and several special publications. WSOY is also one of the largest book printers and the leading calendar publisher in the Nordic region.

KEY INDICATORS, EUR million	30.9.2004	30.9.2003	Change,%	31.12.2003
Net sales	144.8	147.9	-2.1	212.2
Operating profit before amortisation	14.1	13.6	3.5	28.0
% of net sales	9.7	9.2		13.2
Operating profit	11.8	9.9	19.5	22.6
% of net sales	8.2	6.7		10.6
Operating profit excl. associated companies	11.8	8.5	39.7	21.0
% of net sales	8.2	5.7		9.9
Balance sheet total	207.8	203.5	2.1	203.8
Gross investments	6.5	6.4	3.0	8.7
Personnel under employment contract, average	1,996	1,951	2.3	1,933
Personnel, average (full-time equivalents)	1,866	1,874	-0.4	1,859

OPERATIONAL INDICATORS, 1.1 - 30.9.	2004	2003
NUMBER OF NEW TITLES PUBLISHED		
Books	538	522
Electronic products	54	70
NUMBER OF REPRINTS PUBLISHED		
Books	698	883
Electronic products	164	166
Books printed, millions	14.8	15.6
Paper consumption, tonnes	12,028	12,063

WSOY's net sales totalled EUR 144.8 (147.9) million in January - September. After adjustment for changes in Group structure, net sales grew by 1.0%. Net sales in publishing amounted to EUR 100.6 (104.6) million. The figure includes the net sales of Young Digital Poland as of 1 March. The net sales in the comparable period included Genimap, sold in December 2003, and Everscreen AB, sold in April 2004. After adjustment for structural changes, net sales in publishing were on the previous year's level. Net sales in printing amounted to EUR 43.4 (43.2) million and in calendar operations to EUR 15.3 (16.0) million.

The period was successful for general literature. Sales to bookstores grew by almost 13% whereas sales through book clubs were down compared to the previous year.

Operating profit from WSOY's own operations grew to EUR 11.8 (8.5) million. Total operating profit in January - September reached EUR 11.8 (9.9) million. In 2003, the figure included a EUR 1.4 million share of the result of Rautakirja from January - February. The Division's EBITA increased to EUR 14.1 (13.6) million. All businesses improved their results.

The strategically significant acquisition of Malmberg Investments B.V., educational material publisher operating in the Netherlands and Belgium, will be closed in the next few days. Educational publishing will be organised in a new unit, WSOY Educational. The effect of the acquisition on WSOY's net sales and result will be significant in 2005. Due to the timing of the deal, its effect on WSOY's result in 2004 will be minor.

WSOY's net sales in 2004 are expected to be on the previous year's level but, after adjustment for changes in Group structure, net sales will grow slightly. Comparable operating profit is expected to increase from to the previous year.

SWELCOM

Electronic media. The SWelcom-owned TV channel Nelonen is the third-largest advertising medium in Finland. HTV (Helsinki Television) is Finland's biggest cable TV company.

KEY INDICATORS, EUR million	30.9.2004	30.9.2003	Change,%	31.12.2003
Net sales	86.1	75.1	14.7	104.9
Operating profit before amortisation	27.9	20.8	34.3	29.6
% of net sales	32.4	27.6		28.3
Operating profit	5.3	1.0	424.4	1.2
% of net sales	6.1	1.3		1.1
Operating profit excl. associated companies	5.4	1.0	446.3	1.0
% of net sales	6.2	1.3		1.0
Balance sheet total	137.1	136.5	0.5	142.3
Gross investments	7.3	5.8	26.6	8.9
Personnel under employment contract, average	415	414	0.3	416
Personnel, average (full-time equivalents)	379	390	-2.9	392

OPERATIONAL INDICATORS, 1.1 - 30.9.	2004	2003
Nelonen's share of Finnish TV advertising	29.6%	27.5%
Nelonen's daily coverage	40%	41%
Nelonen's national commercial viewing share	24.7%	22.1%
Nelonen's national viewing share	12.1%	11.2%
Number of connected households, thousands (30.9)	274	249
Number of pay-TV subscriptions, thousands (30.9)	34	32
Number of broadband internet connections, thousands (30.9)	49	39

SWelcom's net sales continued their excellent growth, reaching EUR 86.1 (75.1) million. Both Nelonen and HTV continued to grow. Nelonen's advertising sales grew by over 17% in January - September and its share in TV advertising increased to almost 30%. Nelonen's net sales amounted to EUR 47.4 (40.4) million. The viewing shares, and the commercial viewing share in particular, continued to grow strongly due to investments in programmes. In September, the share of the commercial TV channels for 10- to 44-year-old viewers was 33.8% (27.8%). Thanks to the new digital broadcasting stations, Nelonen now reaches 94% of the population. HTV's growth was driven by successful sales of HTV connections and broadband internet services. Advertising sales totalled 55% (54%) of Division's net sales.

SWelcom's development in results continued to be excellent due to increased sales: the operating profit totalled EUR 5.3 (1.0) million in January - September. EBITA was EUR 27.9 (20.8) million. Both HTV and Nelonen improved their results considerably.

In 2004, SWelcom's net sales are expected to grow substantially due to the increase in Nelonen's advertising sales, sales of HTV connections and the popularity of the broadband services. Operating profit is expected to increase considerably, as so far this year.

RAUTAKIRJA

Kiosk operations, press distribution, bookstores, movie theatre operations and restaurant operations. Rautakirja operates in the Czech Republic, Estonia, Finland, Latvia, and Lithuania. The division consists of Finland's leading chain of convenience outlets (R-kiosks), the country's principal press distributor (Lehtipiste), Finland's most extensive bookstore chain (Suomalainen Kirjakauppa), and Finland's largest movie theatre chain (Finnkino).

KEY INDICATORS, EUR million	30.9.2004	30.9.2003	Change,%	31.12.2003
Net sales	474.2	468.8	1.2	653.8
Operating profit before amortisation	29.6	30.5	-2.8	45.7
% of net sales	6.2	6.5		7.0
Operating profit	22.9	22.5	1.7	35.5
% of net sales	4.8	4.8		5.4
Operating profit excl. associated companies	23.8	25.2	-5.4	41.3
% of net sales	5.0	5.4		6.3
Balance sheet total	341.4	330.7	3.2	348.6
Gross investments	13.7	22.8	-39.8	28.7
Personnel under employment contract, average	6,325	6,480	-2.4	6,458
Personnel, average (full-time equivalents)	4,800	4,915	-2.3	4,962

OPERATIONAL INDICATORS, 1.1 - 30.9. *)	2004	2003
Customer volume in kiosk operations, thousands	86,539	89,612
Customer volume in bookstore operations, thousands	4,044	4,166
Customer volume in movie theatres, thousands	2,640	2,577
Number of copies sold (press distribution), thousands	98,168	96,265

*) Units in Finland

Rautakirja's net sales grew to EUR 474.2 (468.8) million in the review period. Net sales grew in Estonia, Latvia, Lithuania and the Czech Republic but fell slightly in Finland. Finland accounts for 89% of the net sales.

Kiosk operations generated net sales of EUR 256.2 (260.3) million. Beer price competition in retail business and teleoperators' competition for market shares influenced kiosk operations in Finland. In the summer, sales of ice cream and drinks were lower than expected. Net sales from kiosk operations grew strongly in the Czech Republic. There was also growth in Estonia and Latvia. Net sales from press distribution decreased to EUR 59.5 (64.7) million as the Latvian unit outsourced the logistics for its own kiosk chains. In Estonia and Finland, net sales grew. In Finland, newsstand sales increased by 3.5%.

Net sales from bookstores grew to EUR 82.3 (77.1) million in January - September. Net sales increased in both Estonia and Finland. In Finland, sales of fiction grew in particular. Growth was also generated by the four new outlets opened in September. Net sales from movie theatre operations amounted to EUR 39.9 (36.9) million. New distribution agreements in the Baltic countries and the growth in the number of movie theatre visits in Latvia and Lithuania increased net sales. In Finland, the number of visits grew by 12% in the summer, in particular due to premieres of Finnish films. Net sales from restaurant operations were EUR 44.6 (47.4) million.

Rautakirja's operating profit amounted to EUR 22.9 (22.5) million in January - September. Operating profit was improved by the positive development in Rautakirja's subsidiaries. In bookstores, the new periodisation system for subscription sales decreased the result in January - September. However, it will not affect the annual result. Rautakirja's EBITA reached EUR 29.6 (30.5) million. The result from press the distribution increased, and the result from kiosk operations was on the previous year's level. Other businesses declined slightly. The accounting practice for rights relating to the distribution of visual recordings was revised at the beginning of 2004, and the comparable figures have been adjusted accordingly. The change increased Rautakirja's EBITA for January - September 2003 by EUR 3.7 million. The impact on the EBITA for 2003 was EUR 4.3 million. The change has no impact on the operating profit.

In July, Rautakirja signed a preliminary agreement on acquiring a 51% share in Hiparion Distribution SRL, a Romanian press distributor. The deal will become effective by the end of 2004.

2004 will be a challenging year for trade, and growth in retail business will be smaller than in previous years. Rautakirja's comparable net sales are expected to improve faster than the growth in retail business. Operating profit is expected to improve.

Helsinki, 8 November 2004

Board of Directors
SanomaWSOY Corporation

INTERIM REPORT TABLES
Figures are unaudited.

GROUP INCOME STATEMENT EUR million	1-9 2004	1-9 2003	Change,%	1-12 2003
NET SALES	1,765.2	1,720.2	2.6	2,395.9
Increase (+) / decrease (-) in inventories of finished goods and work in progress	5.8	4.1	41.1	1.5
Production for own use	0.6	0.8	-25.4	1.2
Other operating income	41.5	43.2	-4.1	83.2
Share of result of associated companies	4.3	6.4	-32.5	6.1
Materials and services	811.8	755.1	7.5	1,058.4
Personnel expenses	395.6	421.6	-6.2	562.9
Depreciation and decrease in value	144.2	151.5	-4.8	209.5
Other operating expenses	322.7	320.3	0.8	451.8
OPERATING PROFIT	143.1	126.2	13.3	205.2
Financial income	19.1	18.2	4.9	21.5
Financial expenses	29.9	43.3	-31.0	63.6
RESULT BEFORE EXTRAORDINARY ITEMS	132.3	101.2	30.8	163.1
Extraordinary items	1.4			
RESULT AFTER EXTRAORDINARY ITEMS	133.8	101.2	32.2	163.1
Direct taxes	-57.7	-38.0	51.8	-55.6
Minority interests	-1.1	-1.7	-35.9	-3.0
RESULT FOR THE PERIOD	75.0	61.5	21.9	104.5

The accounting practice of net sales has been modified and comparative data has been adjusted as explained in the chapter IFRS reporting.

The classification of materials and services as well as operating expenses has been harmonised, in particular regarding press distribution. Comparative data has been adjusted accordingly. The reclassifications have no impact on operating profit.

GROUP BALANCE SHEET, EUR million	30.9.2004	30.9.2003	Change,%	31.12.2003
ASSETS				
NON-CURRENT ASSETS				
Intangible assets	158.1	169.0	-6.5	158.0
Goodwill	1,032.9	1,102.6	-6.3	1,081.7
Tangible assets	442.5	455.7	-2.9	453.9
Investments	166.1	196.4	-15.5	177.5
NON-CURRENT ASSETS, TOTAL	1,799.6	1,923.8	-6.5	1,871.1
CURRENT ASSETS				
Inventories	101.2	103.6	-2.3	95.0
Long-term receivables	62.0	66.6	-6.9	66.0
Short-term receivables	299.2	276.0	8.4	292.2
Securities	29.4	47.8	-38.6	60.6
Cash and bank	45.2	49.4	-8.5	68.2
CURRENT ASSETS, TOTAL	537.0	543.4	-1.2	581.9
ASSETS, TOTAL	2,336.5	2,467.2	-5.3	2,453.0
SHAREHOLDERS' EQUITY AND LIABILITIES				
SHAREHOLDERS' EQUITY				
Share capital	65.8	68.9	-4.5	68.9
Premium fund	34.9	31.8	9.7	31.8
Other funds	369.4	369.4		369.4
Retained earnings	311.5	359.5	-13.3	356.7
Result for the period	75.0	61.5	21.9	104.5
Capital notes	158.1	207.4	-23.8	171.6
SHAREHOLDERS' EQUITY, TOTAL	1,014.8	1,098.6	-7.6	1,102.9
MINORITY INTEREST	18.4	15.9	15.9	16.3
STATUTORY PROVISIONS	33.6	13.5	148.6	34.1
LIABILITIES				
Deferred tax liability	34.4	34.2	0.5	36.4
Long-term liabilities	206.3	582.6	-64.6	365.3
Current liabilities	1,029.0	722.4	42.4	898.0
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL	2,336.5	2,467.2	-5.3	2,453.0

GROUP CASH FLOW STATEMENT EUR million	1-9 2004	1-9 2003	Change,%	1-12 2003
Operating profit	143.1	126.2	13.3	205.2
Adjustments to operating profit	96.3	82.8	16.3	129.5
Change in working capital	-37.1	0.6		-1.4
Cash flow from operations before financial items and taxes	202.3	209.7	-3.5	333.3
Financial items and taxes	-52.7	-81.5	-35.3	-85.2
Cash flow from operations	149.6	128.2	16.7	248.1
Cash flow from investments	-16.3	14.3		19.7
Cash flow before financing	133.3	142.5	-6.5	267.8
Cash flow from financing	-195.6	-161.1	21.4	-253.4
CHANGE TO LIQUIDITIES ACCORDING TO THE CASH FLOW STATEMENT	-62.3	-18.6	235.1	14.4
Exchange rate differences under liquidities	8.0	-6.6		-8.1
Net increase (+)/decrease (-) in liquidities	-54.2	-25.2	115.1	6.4
Liquidities according to the balance sheet at 1 Jan.	128.8	122.4	5.2	122.4
Liquidities according to the balance sheet at 30 Sept. / 31 Dec.	74.5	97.2	-23.3	128.8

CONTINGENCIES AND PLEDGED ASSETS EUR million	30.9.2004	30.9.2003	Change,%	31.12.2003
DEBTS WITH COLLATERAL CONSISTING OF REAL ESTATE AND SHARES				
Pension loans	15.2	17.5	-12.8	16.9
Loans from financial institutions	1.1	2.1	-48.7	1.9
Other loans	7.1	6.4	11.1	8.0
Mortgages, real estate, total	8.9	10.8	-17.5	9.2
Mortgages, movable property, total	18.2	2.5	627.8	18.3
Pledged securities, total	5.6	22.7	-75.4	5.6
OTHER CONTINGENCIES FOR OWN COMMITMENTS				
Mortgaged bearer bonds		0.9		
Corporate mortgages	3.0	1.0	184.4	2.8
Book value of pledged securities	2.2	1.2	89.1	2.2
Deposits	5.6	2.5	124.0	4.0
TOTAL	10.7	5.6	90.9	8.9

**CONTINGENCIES GIVEN ON BEHALF
OF ASSOCIATED COMPANIES**

Guarantees	15.7	16.6	-5.1	15.7
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**CONTINGENCIES GIVEN ON BEHALF
OF OTHER COMPANIES**

Guarantees	18.2	19.7	-7.4	18.2
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OTHER CONTINGENCIES

Leasing liabilities for premises	160.3	186.2	-13.9	179.8
Other leasing liabilities	45.0	34.8	29.6	36.8
Interest on capital notes	4.8	3.9	23.1	4.1
Other liabilities	64.3	76.1	-15.5	73.2

OTHER CONTINGENCIES, TOTAL	274.4	300.9	-8.8	293.9
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ALL LIABILITIES, TOTAL	351.7	378.7	-7.1	369.8
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NOMINAL VALUE OF THE GROUP'S OPEN DERIVATIVE CONTRACTS

EUR million	30.9.2004	30.9.2003	Change,%	31.12.2003
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INTEREST RATE DERIVATIVES

Options				
Purchased	100.0	580.0	-82.8	340.0
Written	54.8	254.8	-78.5	254.8
Interest rate swaps	210.0	380.0	-44.7	210.0
TOTAL	364.8	1,214.8	-70.0	804.8

CURRENCY DERIVATIVES

Forward contracts	5.8	25.1	-76.8	18.1
TOTAL	5.8	25.1	-76.8	18.1

SHARE DERIVATIVES

Options				
Purchased		15.2		15.2
Written		16.6		16.6
TOTAL		31.8		31.7

TOTAL	370.6	1,271.6	-70.9	854.6
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MARKET VALUE OF THE GROUP'S OPEN DERIVATIVE CONTRACTS

EUR million	30.9.2004	30.9.2003	Change,%	31.12.2003
INTEREST RATE DERIVATIVES				
Options				
Purchased	0.2	0.3	-33.0	0.6
Written	-0.5	-4.4	-87.9	-4.3
Interest rate swaps	-0.2	-2.2	-88.7	0.0
TOTAL	-0.6	-6.2	-91.1	-3.7
CURRENCY DERIVATIVES				
Forward contracts	0.1	-0.5		0.2
TOTAL	0.1	-0.5		0.2
SHARE DERIVATIVES				
Options				
Purchased		0.9		0.0
Written		-0.3		-0.8
TOTAL		0.5		-0.8
TOTAL	-0.5	-6.2	-92.0	-4.3

GROUP INCOME STATEMENT BY QUARTER

EUR million	1-3 2004	4-6 2004	7-9 2004	1-3 2003	4-6 2003	7-9 2003	10-12 2003	1-12 2003
NET SALES	569.0	602.0	594.2	554.7	593.8	571.6	675.7	2,395.9
Increase (+) / decrease (-) in inventories of finished goods and work in progress	3.7	1.6	0.4	4.4	-0.3	-0.1	-2.6	1.5
Production for own use	0.2	0.3	0.1	0.4	0.2	0.2	0.4	1.2
Other operating income	11.9	12.7	16.9	7.1	20.3	15.9	39.9	83.2
Share of result of associated companies	1.3	2.5	0.5	1.6	3.4	1.5	-0.3	6.1
Materials and services	261.9	269.1	280.7	244.5	256.1	254.4	303.3	1,058.4
Personnel expenses	134.7	136.2	124.6	143.6	144.1	133.9	141.3	562.9
Depreciation and decrease in value	49.3	48.9	46.0	51.7	49.1	50.8	58.0	209.5
Other operating expenses	113.3	106.3	103.1	113.5	107.6	99.2	131.5	451.8
OPERATING PROFIT	27.0	58.4	57.7	14.8	60.5	50.9	79.0	205.2

Financial income	9.7	7.4	2.0	4.7	6.8	6.7	3.3	21.5
Financial expenses	9.7	10.7	9.4	19.6	8.0	15.6	20.3	63.6
RESULT BEFORE EXTRA-ORDINARY ITEMS	27.0	55.1	50.2	-0.1	59.3	42.0	61.9	163.1
Extraordinary items	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RESULT AFTER EXTRA-ORDINARY ITEMS	28.4	55.1	50.2	-0.1	59.3	42.0	61.9	163.1
Direct taxes	-18.4	-18.5	-20.8	-6.1	-16.2	-15.7	-17.7	-55.6
Minority interests	-0.2	-0.7	-0.2	-1.0	-0.6	-0.1	-1.3	-3.0
RESULT FOR THE PERIOD	9.8	36.0	29.2	-7.1	42.6	26.1	42.9	104.5

NET SALES BY BUSINESS
EUR million

	1-3 2004	4-6 2004	7-9 2004	1-3 2003	4-6 2003	7-9 2003	10-12 2003	1-12 2003
SANOMA MAGAZINES								
Sanoma Uitgevers	119.3	130.3	125.3	123.3	127.6	128.0	157.7	536.6
Sanoma Magazines Belgium	47.5	49.6	44.5	44.3	48.2	43.5	52.1	188.1
Sanoma Magazines Finland	43.1	43.0	40.9	40.2	41.3	38.4	48.0	167.9
Sanoma Magazines International	31.6	36.0	31.9	28.4	33.4	29.0	36.4	127.2
Aldipress	26.2	28.7	29.6	24.8	25.5	28.8	30.2	109.3
Intracompany transactions	-14.1	-14.8	-16.4	-15.3	-14.5	-16.9	-17.7	-64.3
TOTAL	253.7	272.6	255.8	245.8	261.5	250.8	306.8	1,064.8
SANOMA								
Helsingin Sanomat	62.2	62.1	59.4	63.0	60.9	56.6	63.2	243.7
IS Business Unit	22.1	24.9	24.2	22.7	24.1	23.4	23.4	93.6
Kymen Lehtimedia	12.0	13.7	13.1	12.7	13.7	12.8	13.5	52.7
Others	32.3	33.3	32.7	50.1	50.5	42.2	33.5	176.3
Intracompany transactions	-24.5	-24.4	-23.9	-40.7	-40.4	-34.0	-25.7	-140.8
TOTAL	104.1	109.6	105.5	107.8	108.8	101.0	107.9	425.5
WSOY								
Publishing	31.6	37.8	31.2	31.3	44.2	29.2	37.9	142.6
Printing	15.2	13.6	14.6	15.1	13.4	14.7	17.0	60.2
Calendar operations	1.3	2.2	11.8	1.6	2.6	11.8	16.1	32.1
Others	1.2	1.2	1.3	1.0	1.1	1.1	1.3	4.6
Intracompany transactions	-6.5	-6.2	-5.5	-6.6	-6.7	-5.9	-7.9	-27.2
TOTAL	42.8	48.6	53.4	42.4	54.6	50.9	64.3	212.2

SWELCOM

Nelonen	15.9	18.2	13.2	13.6	15.2	11.7	16.1	56.5
Others	14.0	12.7	12.9	11.8	12.1	12.0	14.1	50.0
Intracompany transactions	-0.3	-0.3	-0.3	-0.5	-0.4	-0.4	-0.4	-1.7
TOTAL	29.6	30.6	25.8	24.9	26.9	23.3	29.8	104.9

RAUTAKIRJA

Kiosk operations	80.5	87.4	88.3	79.9	92.4	88.1	92.4	352.8
Press distribution	19.0	20.6	19.9	20.0	22.3	22.3	23.0	87.6
Bookstores	27.6	20.8	34.0	25.7	19.6	31.8	44.7	121.8
Movie theatre operations	14.5	11.6	13.9	14.6	10.6	11.8	15.9	52.8
Restaurant operations	13.6	15.3	15.8	13.4	16.6	17.4	15.2	62.6
Intracompany transactions	-2.7	-3.0	-2.6	-5.6	-6.0	-6.1	-6.2	-23.8
TOTAL	152.4	152.6	169.2	148.0	155.5	165.4	185.0	653.8

Intragroup transactions	-13.6	-12.0	-15.6	-14.1	-13.3	-19.8	-18.1	-65.3
TOTAL	569.0	602.0	594.2	554.7	593.8	571.6	675.7	2,395.9

EBITA *) BY DIVISION

EUR million	1-3 2004	4-6 2004	7-9 2004	1-3 2003	4-6 2003	7-9 2003	10-12 2003	1-12 2003
Sanoma Magazines	28.8	51.8	31.8	26.5	45.4	37.6	49.6	159.1
Sanoma **)	13.1	14.9	25.6	12.5	12.7	19.7	32.5	77.5
WSOY **)	-0.8	5.5	9.5	-0.9	7.6	6.9	14.3	28.0
SWelcom	9.9	10.5	7.5	6.7	8.2	5.9	8.9	29.6
Rautakirja	8.5	7.4	13.8	9.9	7.6	13.0	15.2	45.7
Other companies ***)	0.0	-1.1	-2.0	-2.8	8.7	0.2	-4.8	1.3
Intragroup eliminations	-0.8	0.6	1.1	-3.4	1.1	-0.3	-0.2	-2.7
TOTAL	58.7	89.5	87.3	48.5	91.4	83.0	115.5	338.4

*) Operating profit before amortisation

***) Includes a share of Rautakirja's result until 1 March 2003

****) Parent company SanomaWSOY Corporation and real estate and investment companies

OPERATING PROFIT BY DIVISION								
EUR million	1-3	4-6	7-9	1-3	4-6	7-9	10-12	1-12
	2004	2004	2004	2003	2003	2003	2003	2003
Sanoma Magazines	10.9	32.6	13.5	5.9	26.1	18.3	28.5	78.8
Sanoma *)	11.4	13.3	24.0	10.7	11.0	17.9	29.7	69.4
WSOY *)	-1.5	4.6	8.8	-1.6	6.9	4.7	12.7	22.6
SWelcom	0.8	3.3	1.2	-1.1	1.8	0.3	0.2	1.2
Rautakirja	6.3	5.3	11.3	7.3	5.2	10.0	13.0	35.5
Other companies **)	0.0	-1.1	-2.0	-4.5	5.4	-1.2	-5.8	-6.1
Intragroup eliminations	-0.8	0.5	0.9	-1.9	4.2	0.9	0.7	3.9
TOTAL	27.0	58.4	57.7	14.8	60.5	50.9	79.0	205.2

*) Includes a share of Rautakirja's result until 1 March 2003

**) Parent company SanomaWSOY Corporation and real estate and investment companies

SANOMAWSOY CORPORATION

Raija Kariola

Vice President

Investor Relations and Group Communications

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