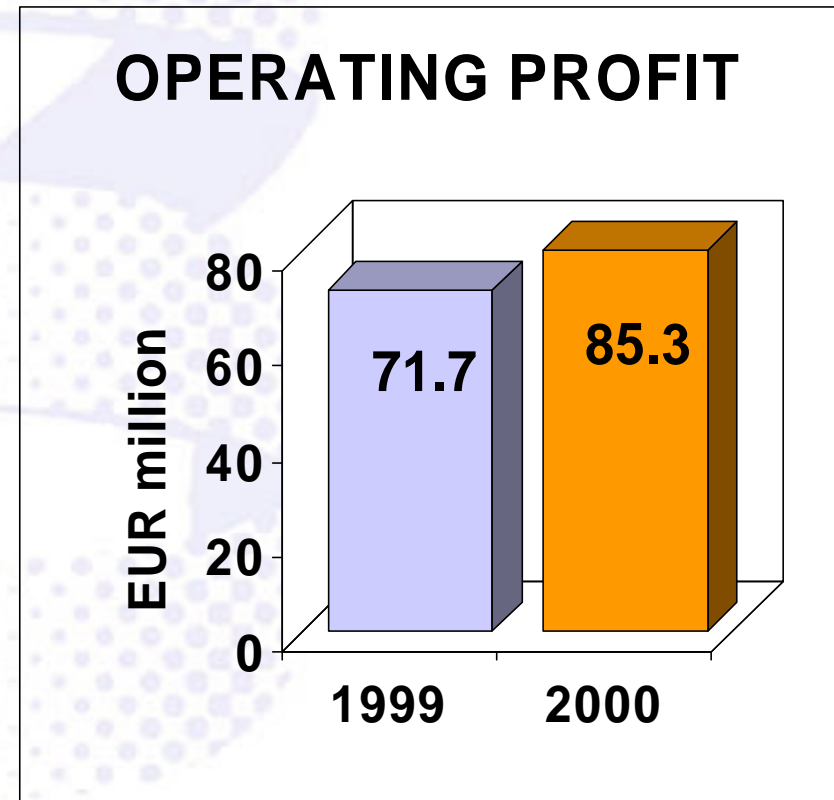
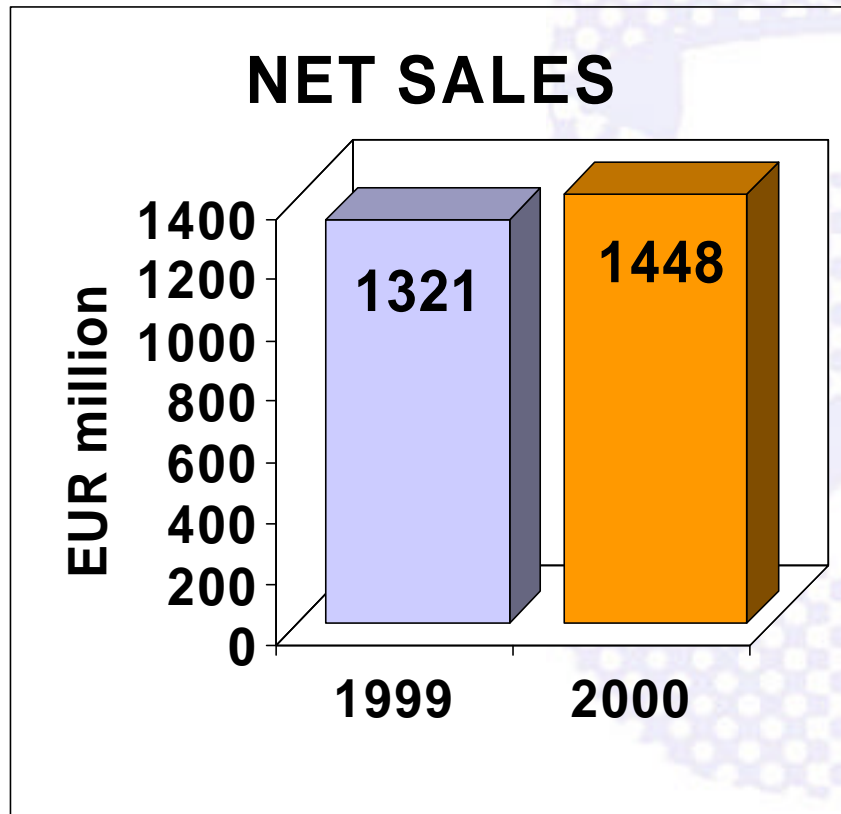


# SanomaWSOY 2000

Jaakko Rauramo, President & CEO  
February 28, 2001

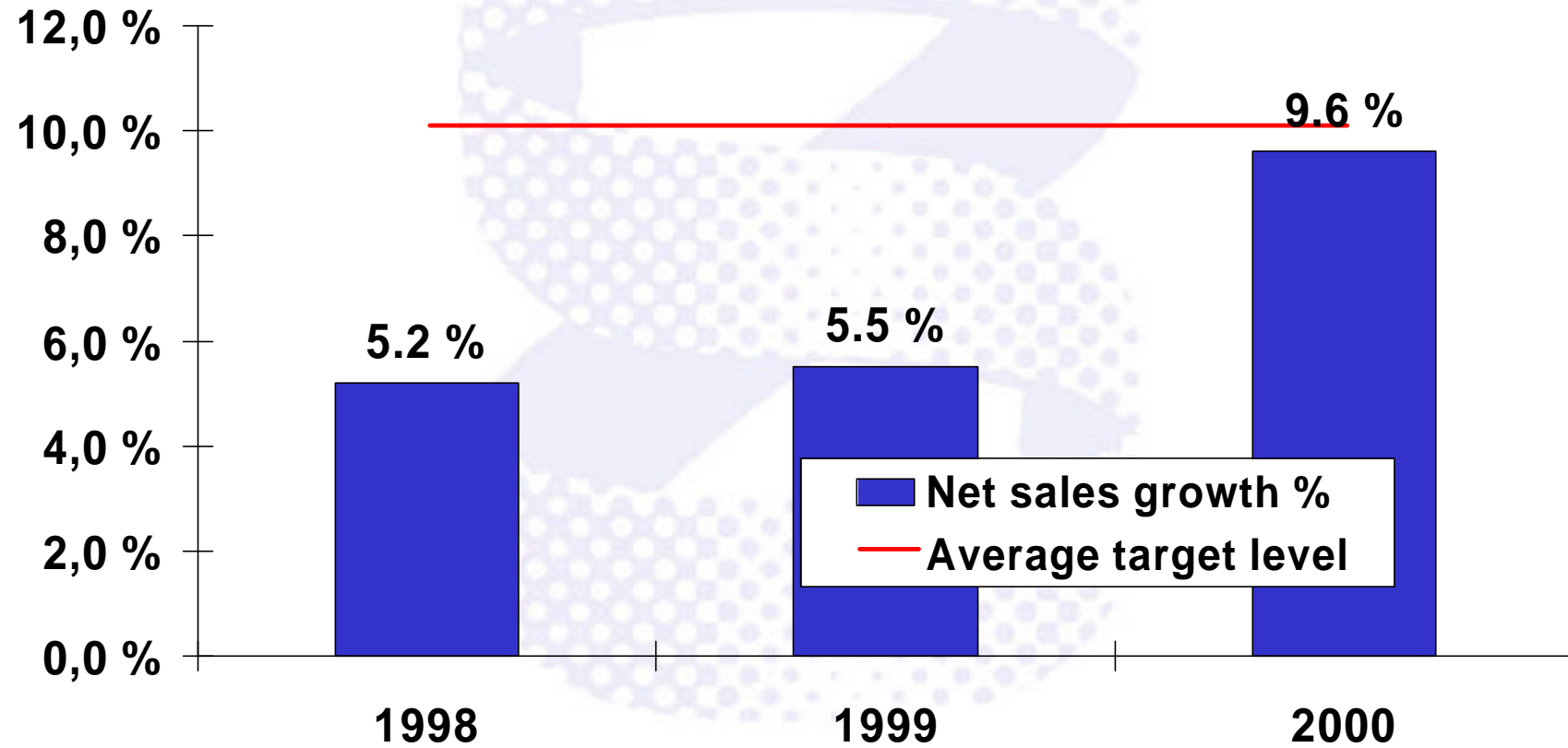


# SanomaWSOY Group



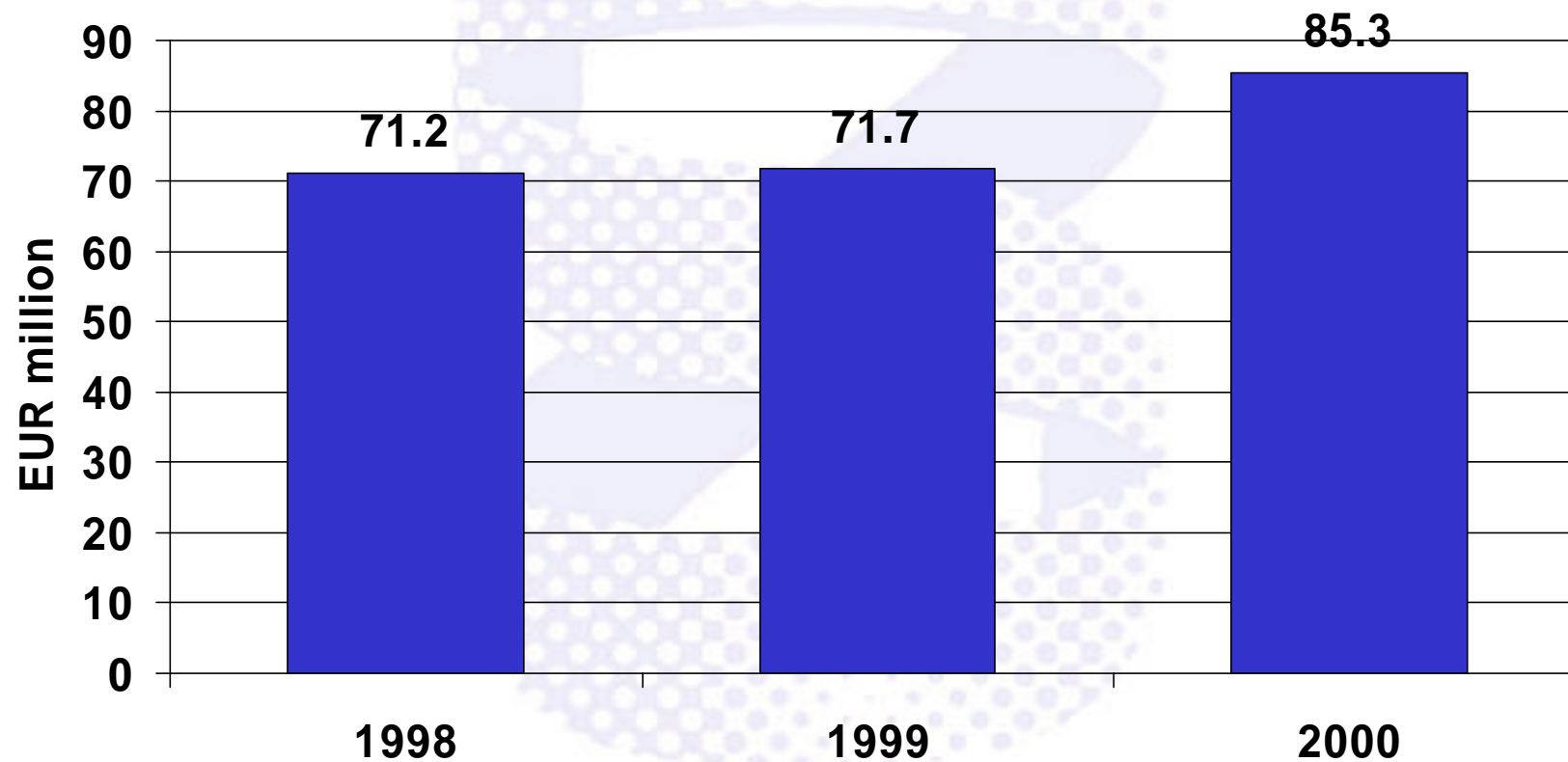
pro forma 1999

# Net sales growth, %



pro forma 1998, 1999

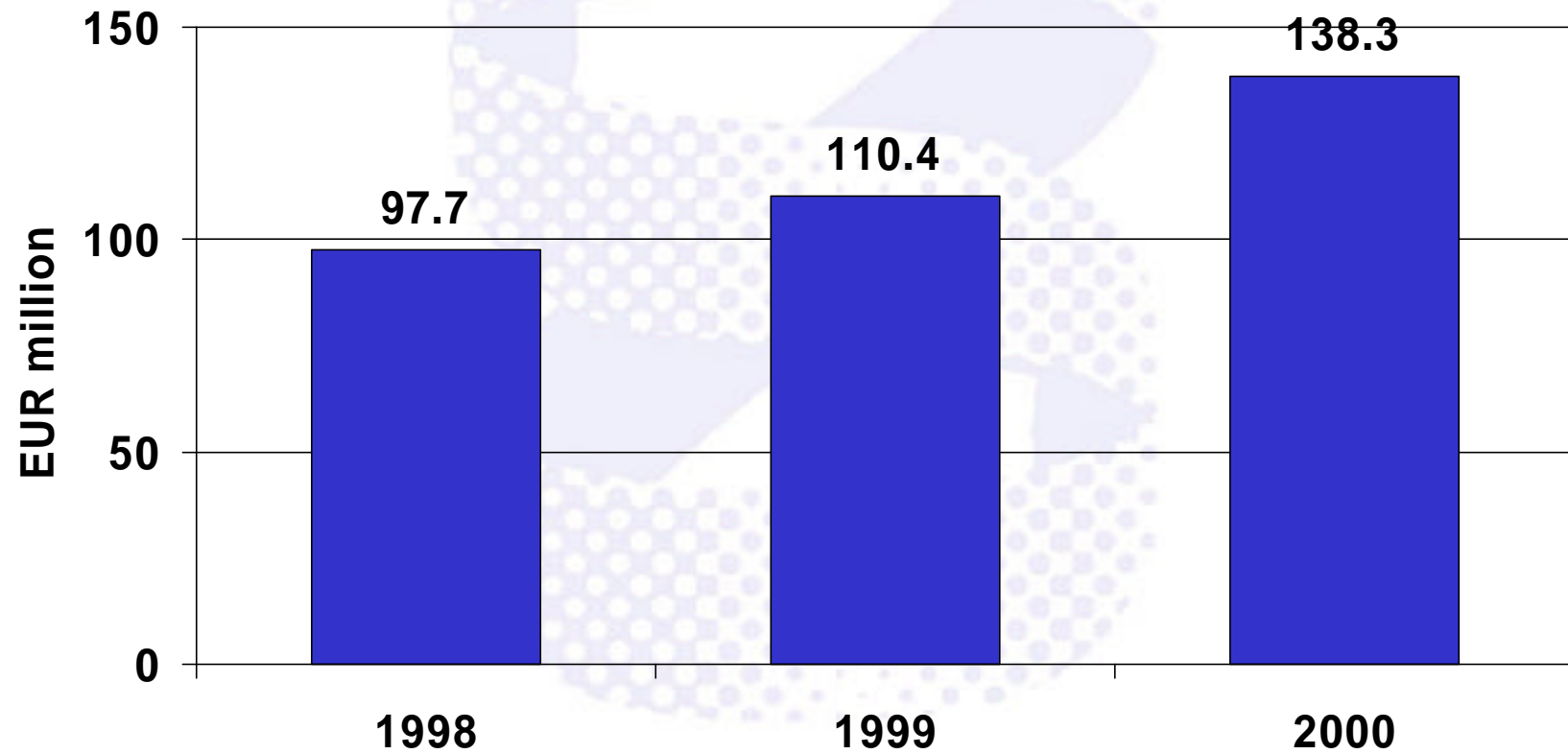
# Operating profit



pro forma 1998, 1999



# Profit before extraordinary items



pro forma 1998, 1999



# Income statement

EUR million	2000	1999	Change, %
<b>NET SALES</b>	<b>1 447.8</b>	<b>1 320.6</b>	<b>9.6</b>
Other income	44.7	28.2	58.6
Depreciation	85.8	71.9	19.4
Other expences	1 321.5	1 205.2	9.6
<b>OPERATING PROFIT</b>	<b>85.3</b>	<b>71.7</b>	<b>19.0</b>
Financial income and expenses	54.3	39.3	38.1
<b>PROFIT BEFORE EXTRAORDINARY ITEMS</b>	<b>138.3</b>	<b>110.4</b>	<b>25.2</b>
<b>PROFIT AFTER EXTRAORDINARY ITEMS</b>	<b>140.3</b>	<b>110.7</b>	<b>26.7</b>
Direct taxes	-39.3	-31.6	-24.5
Minority interest of the result for the year	-6.8	-5.1	-33.1
<b>PROFIT FOR THE YEAR</b>	<b>94.2</b>	<b>74.0</b>	<b>27.2</b>



# SanomaWSOY during 2000

- **A successful year for most businesses**
- **Helsinki Media**
  - Finland's leading magazine publisher
  - the market leader in IT magazine circulation
- **Sanoma**
  - Helsingin Sanomat became Finland's leading advertising media
  - Taloussanomat continued to build its circulation
- **SWelcom**
  - Channel Four Finland became Finland's third-largest media
  - 2ndhead mobile portal launched, and Virtual Portal project piloted
- **WSOY**
  - eWSOY projects move forward
  - a good year for fiction
- **Rautakirja**
  - an excellent year in all core businesses
- **Electronic media activities grouped under a new sector: SWelcom Oy**
- **Four-for-one share split**

# Balance sheet

EUR million	31.12.2000	31.12.1999	Change, %
<b>Non-current assets, total</b>	<b>827.4</b>	<b>744.5</b>	<b>11.1</b>
<b>Current assets, total</b>	<b>611.9</b>	<b>578.6</b>	<b>5.8</b>
<b>ASSETS, TOTAL</b>	<b>1 439.3</b>	<b>1 323.1</b>	<b>8.8</b>
<b>Shareholders' equity, total</b>	<b>822.6</b>	<b>786.1</b>	<b>4.6</b>
<b>Minority interest</b>	<b>120.1</b>	<b>119.4</b>	<b>0.6</b>
<b>Statutory provisions</b>	<b>2.3</b>	<b>1.7</b>	<b>41.5</b>
<b>Liabilities</b>	<b>494.2</b>	<b>415.9</b>	<b>18.8</b>
<b>LIABILITIES, TOTAL</b>	<b>1 439.3</b>	<b>1 323.1</b>	<b>8.8</b>





# Performance vs. Targets

Average annual target level (2000 - 2003)

	2000	1999	target
Net sales growth, %	9.6%	5.5%	10%
Return on equity, % (ROE)	10.6%	9.2%	10% *)
Return on investment, % (ROI)	13.8%	12.5%	12% **)
Equity ratio, %	67.9%	71.0%	50%
Operating profit, %	5.9%	5.4%	10% (-3%***)

\*) ROE is 4% above risk-free interest levels

\*\*\*) ROI on 6% above risk-free interest levels

\*\*\*) -3% development investments and goodwill depreciation



# Key indicators

	31.12.2000	31.12.1999	Change, %
<b>Equity/share, EUR</b>	<b>5.95</b>	<b>5.68</b>	<b>4.6</b>
<b>Cash flow/share, EUR</b>	<b>1.24</b>	<b>0.89</b>	<b>38.7</b>
<b>Earnings/share, EUR</b>	<b>0.67</b>	<b>0.53</b>	<b>26.2</b>
<b>Dividend/share, EUR</b>	<b>0.47</b>	<b>0.45</b>	<b>3.7</b>

Figures are split-adjusted

Pro forma 1999, FAS  
FAS= Finnish Accounting Standard

# Gross investments

<i>EUR million</i>	2000	1999	Change, %
Helsinki Media Group	4.2	16.0	-73.6
Sanoma Group	70.1	142.0	-50.7
WSOY Group	25.5	21.0	21.4
SWelcom Group	33.7	20.9	61.1
Rautakirja Group	28.6	72.1	-60.3
SanomaWSOY Corporation	11.1	15.3	-27.6
Eliminations	-4.8	-7.6	37.2
<b>Total</b>	<b>168.4</b>	<b>279.7</b>	<b>-39.8</b>



# Goodwill depreciation and Development-investments

EUR million	2000	1999	Change, %
<b>GOODWILL DEPRECIATION</b>	<b>10.3</b>	<b>6.1</b>	<b>68.4</b>
<b>DEVELOPMENT-INVESTMENTS (booked as expenses)</b>			
Helsinki Media	11.9	7.4	61.4
Sanoma	2.5	2.7	-6.8
SWelcom	1.1	0.0	
WSOY	3.8	0.8	402.2
Rautakirja	0.2	0.0	
SanomaWSOY Corporation	4.4	0.3	1,660.0
<b>Development Investments total</b>	<b>24.0</b>	<b>11.1</b>	<b>116.9</b>



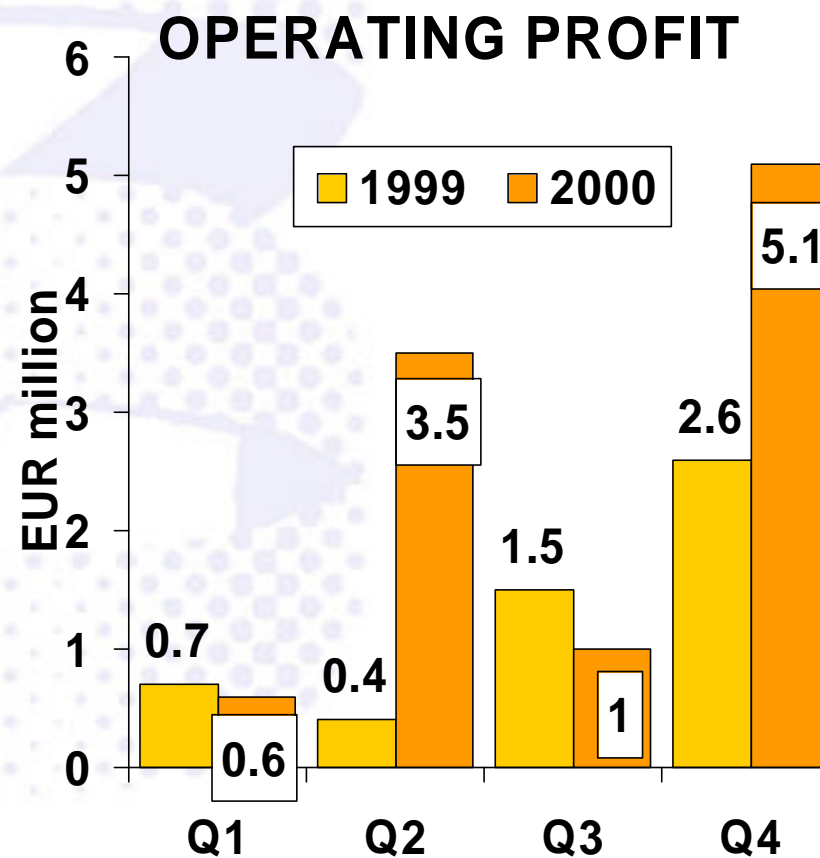
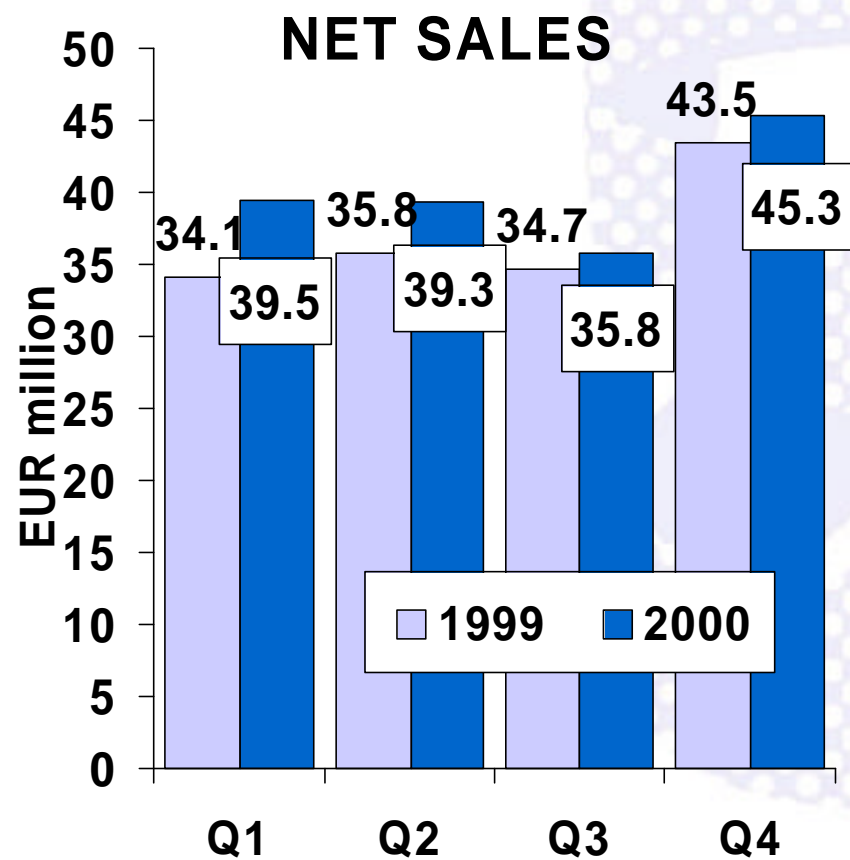
# Helsinki Media

## Key developments

- **Operating profit virtually doubled: Hansaprint, advertising revenue, IT titles**
- **Advertising revenue: up over twice market growth**
- **Share of news stand sales increased to 19%**
- **Overall circulation up 5.9%**
- **Good progress at ITviikko, Cosmopolitan, and Sisters Club**
- **Stronger market share at: Aku Ankka, Mikrobitti, Tietokone, ET, Gloria**
- **B-to-b publishing up 25%**
- **Virtual Portal piloted on children's and juvenile sites**
- **New Lego Club for young children**
- **New eHelsinki Media unit**
- **Holding in Pro Licensing Nordic increased to 50%**

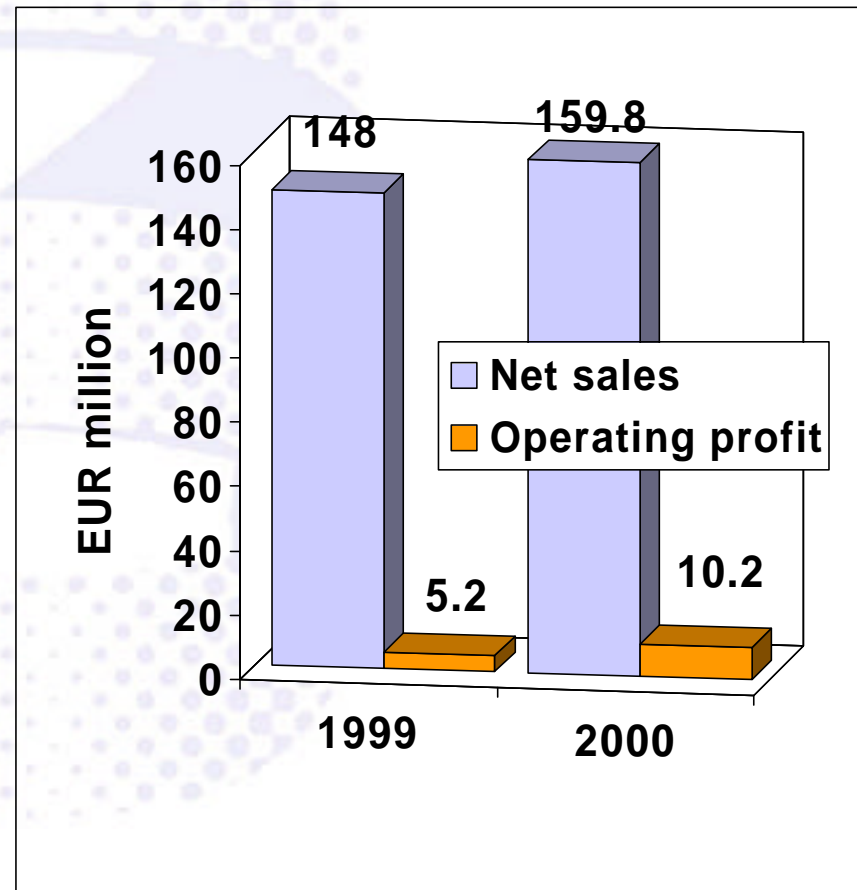


# Helsinki Media



# Helsinki Media

- Net sales up 8%
- Good advertising sales performance, and a good result by associated companies
- Outlook for 2001:
  - net sales are expected to increase by some 5%
  - operating profit is expected to improve



# Sanoma

## Key developments

- **Printing investments of EUR 76.7 million announced; includes new printing presses valued at EUR 37.8 million**
- **10.4% holding (votes) acquired in Top Press, the owner of Esan Kirjapaino Oy**
- **Kymen Lehtimedia acquired a majority holding in Uutisvuoksi Oy**
- **Partner (20%) in Netwheels**
- **Helsingin Sanomat launches 24-hour online news service**
- **Taloussanomat's weekday circulation increases to 25,200 (32,000, Saturdays)**
- **Helsingin Sanomat becomes Finland's number-one media, deposing MTV3 from the top spot**

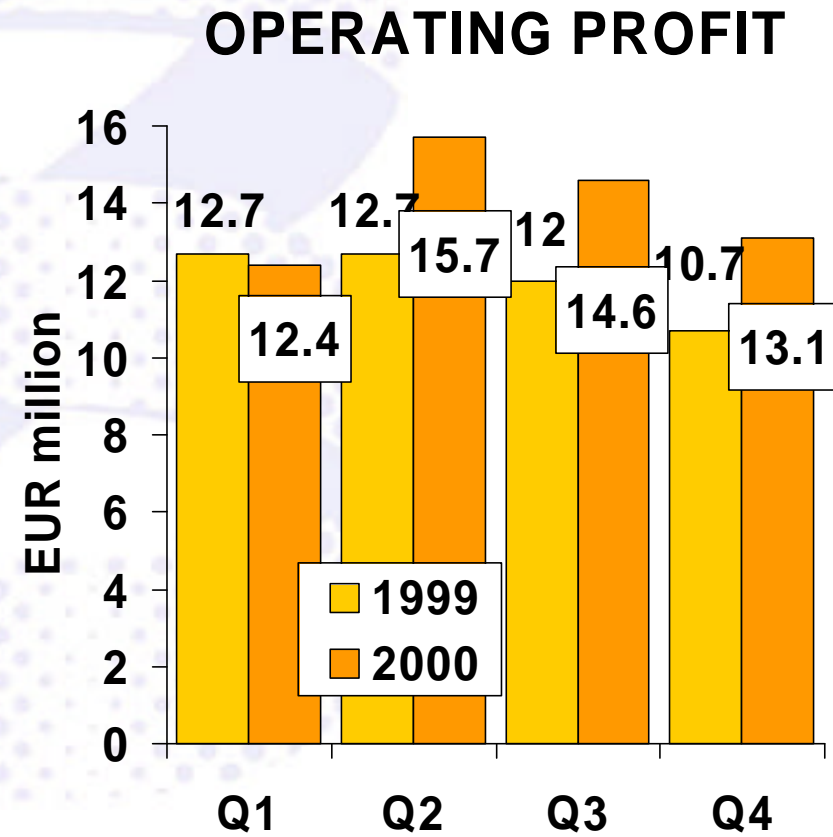
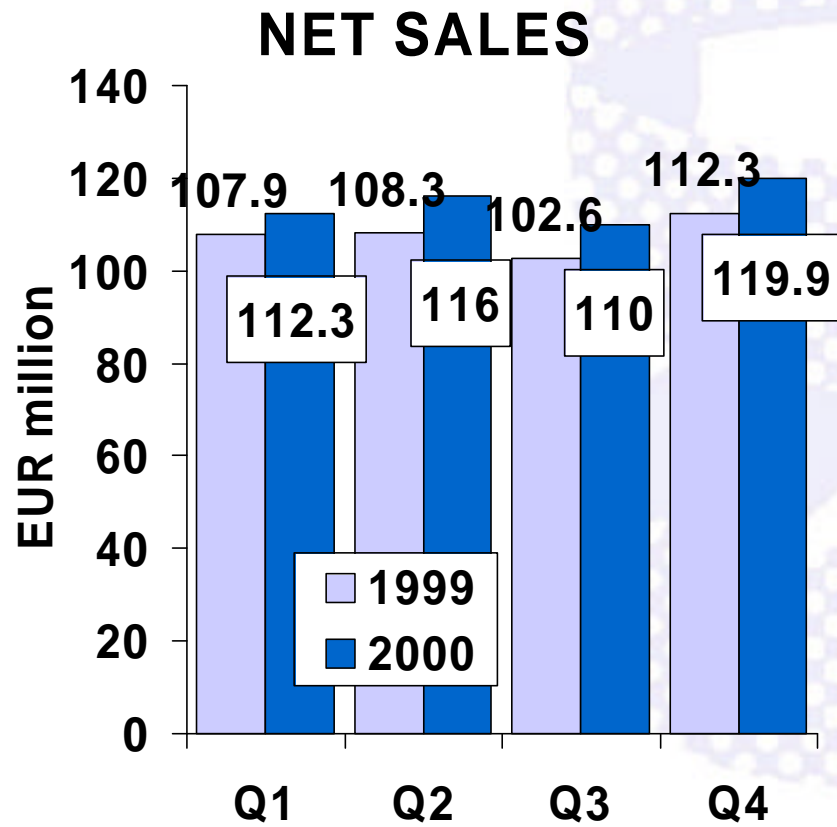
### 2001

- **Infosto acquired**
- **Startel acquires Radiolinja's holding in Onbusiness Oy**
- **Suomen Nettirahastot merged with Sonera Plaza Rahastopalvelut**



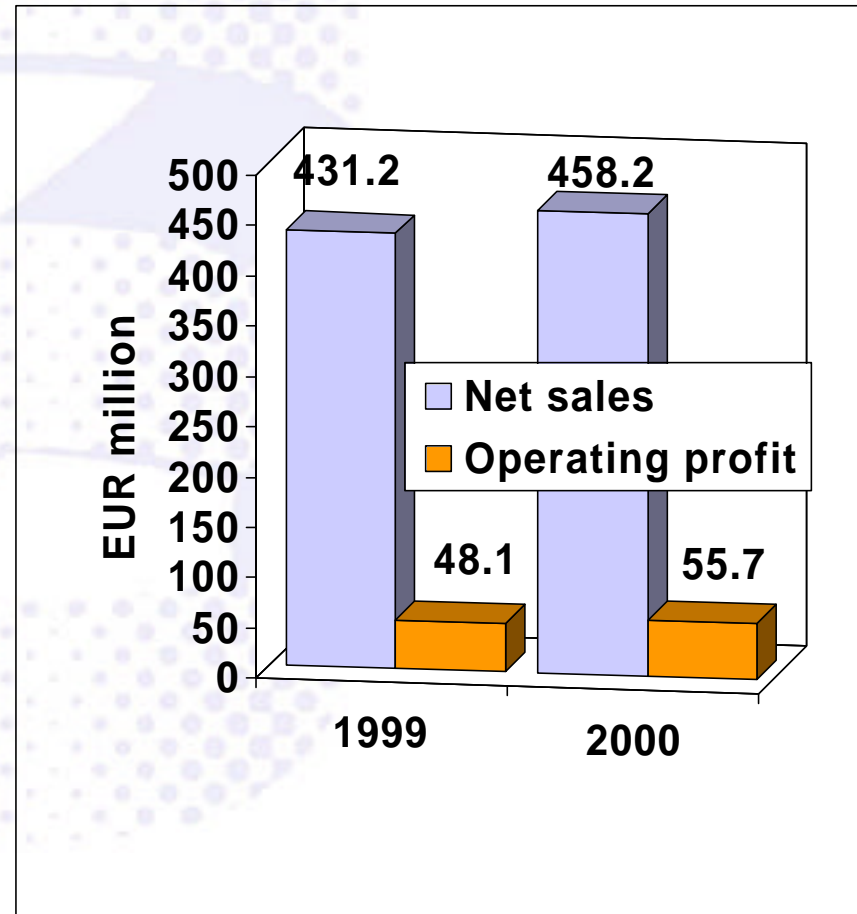


# Sanoma



# Sanoma

- Growth in net sales and operating profit mainly driven by good advertising sales at Helsingin Sanomat
- Outlook for 2001:
  - net sales are projected to increase by 7%
  - operating profit is expected to be somewhat below that for 2000



# SWelcom

## Key developments

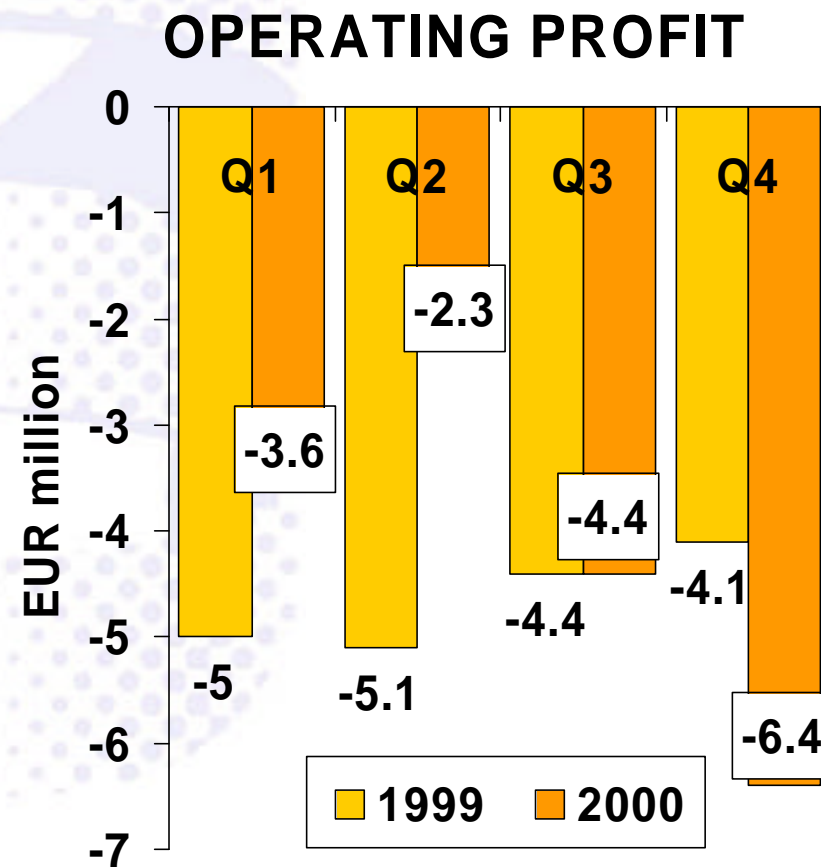
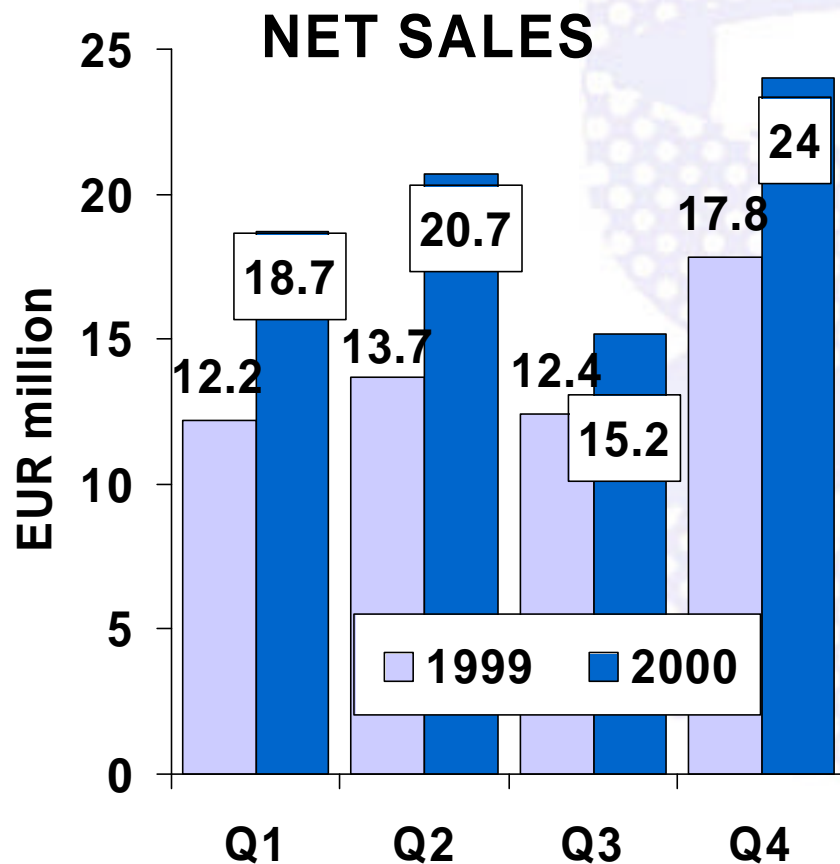
- Channel Four's advertising revenue up 53%, viewing up nearly 20%
- 2ndhead mobile portal launched
- Virtual Portal's Tasku interface launched in October
- Channel Four launched its own business news programme
- HTV launched Finland's first broadband portal, Welho, for its cable modem customers
- Holding in Ruutunelonen increased to 90.55%

### 2001

- 30% holding in Suomen Urheiluradio (Hjallis Promotion Oy, 70%); operating licence granted
- Established Platco Oy together with YLE and MTV, to offer digi-TV service platforms

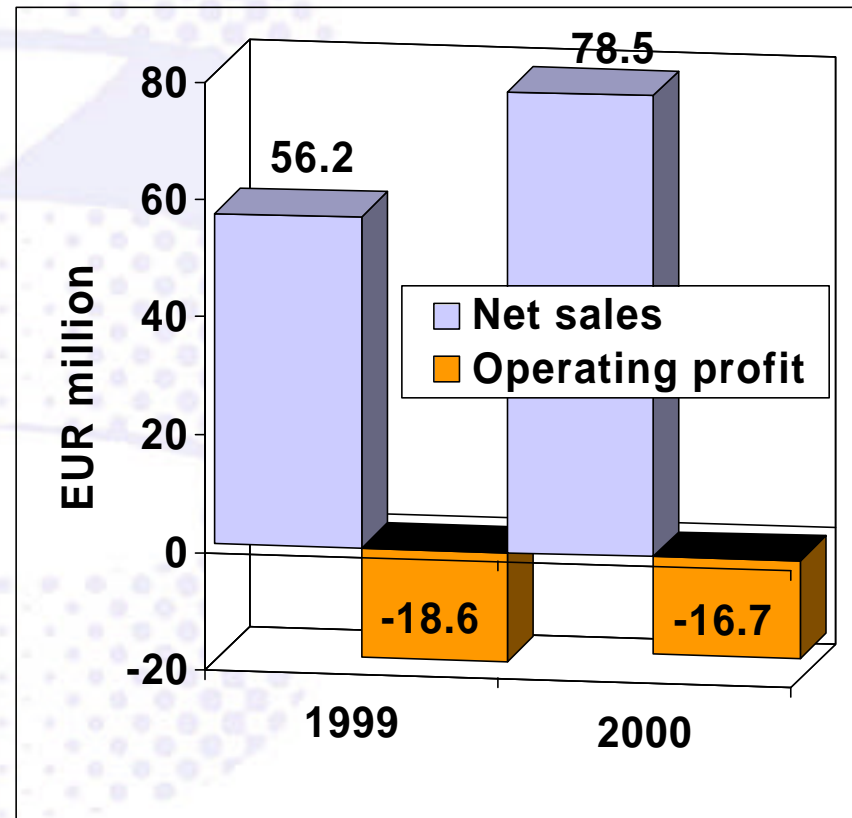


# SWelcom



# SWelcom

- Channel Four contributed largest improvement to net sales
- Channel Four also contributed positively to SWelcom's operating profit performance
- Outlook for 2001 :
  - Net sales are expected to increase by some 30%
  - Operating loss of over EUR 16.9 million expected



\* Sswap Oy included only for Q4



# WSOY

## Key developments

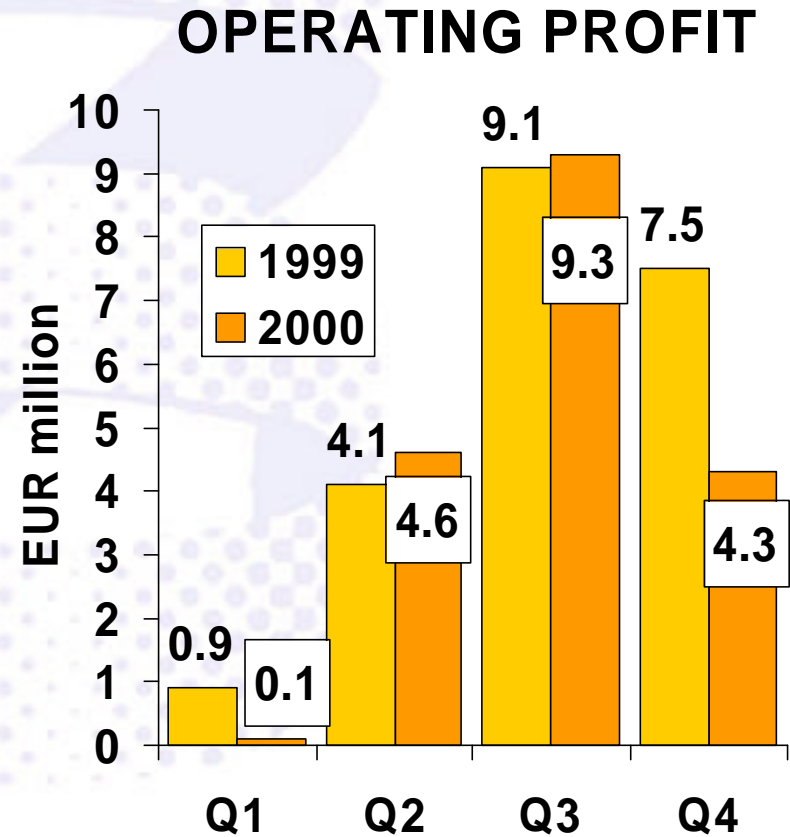
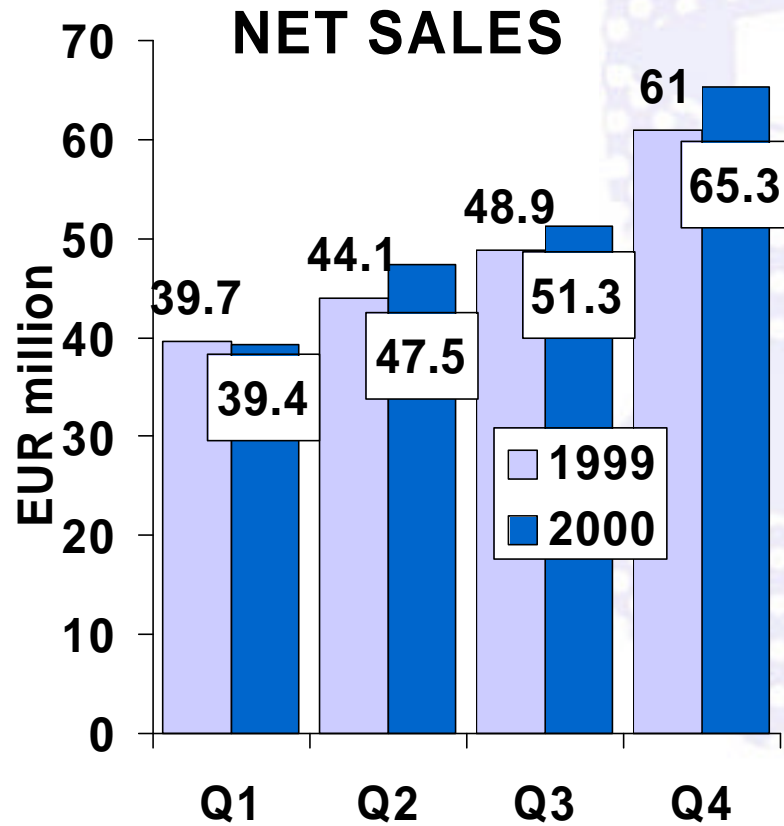
- **Good year for fiction**
- **Finland's first Internet-only book club, Bookmark**
- **Acquisition of IT publisher and e-learning specialist, Docendo Läromedel - merged with Teknolit to form the Docendo Group**
- **25% holding acquired in Everscreen Mediateam Oy**
- **WSOY to develop an open learning portal**
- **80.1% holding acquired in Karttakeskus Oy**
- **WSOY Learning Channel and New Media Unit combined into eWSOY**
- **Karttakeskus ja Geodata merged to form Genimap**
- **Genimap ja Nokia Networks cooperate on mobile-based location information services**

### 2001

- **Holding in Young Digital Poland increase to 49%**

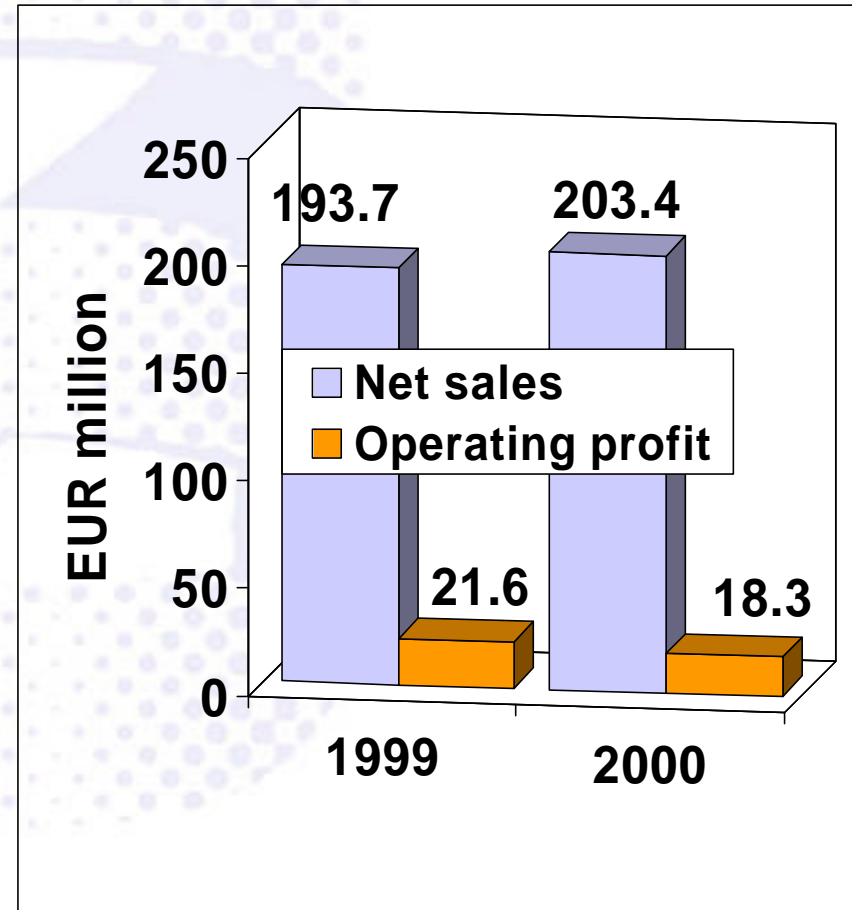


# WSOY



# WSOY

- Net sales up 5%, partly driven by acquisitions
- Investments in new electronic media had a downward impact on WSOY's result
- Outlook for 2001:
  - net sales are projected to increase by some 8%
  - WSOY's own businesses are expected to record a better result than in 2000





# Rautakirja

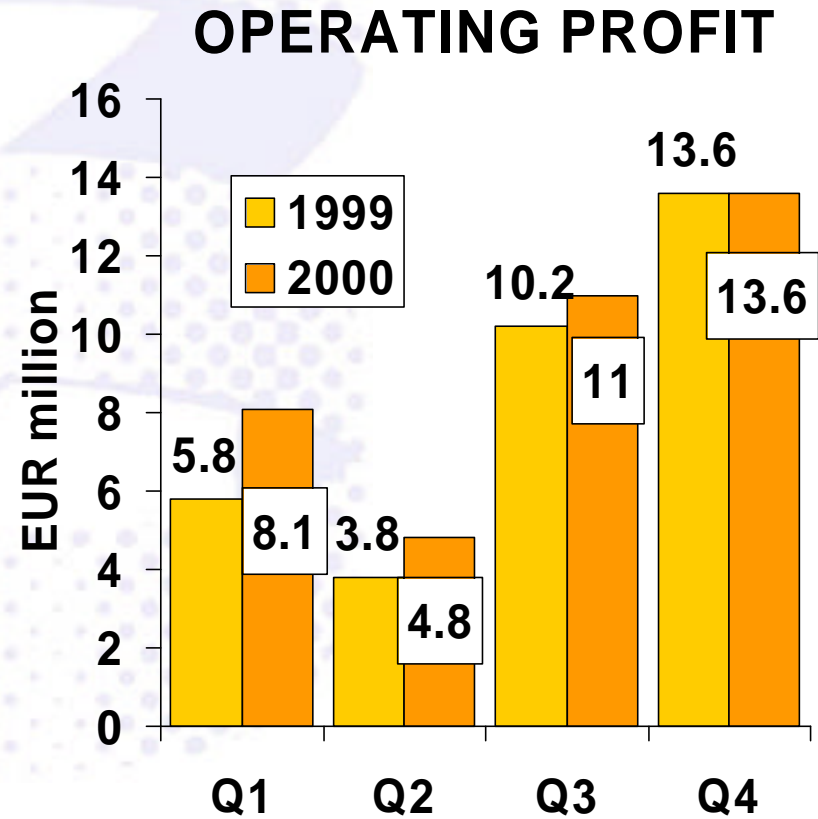
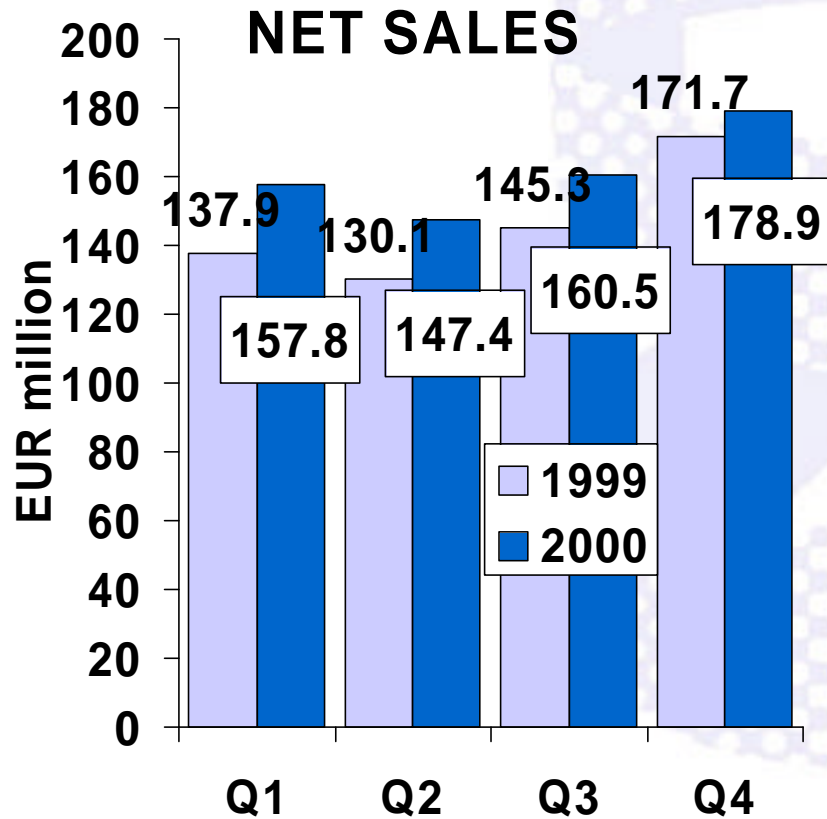
## Key developments

- Holding in Veikkausrasti increased to 100%
- Lehti-Maja Eesti acquired 90% of Estonian-based online betting company, Megapanus
- Holding in Jokerit increased to 34.5%
- Areena Hall projects progress
- Associated company, Narvesen Baltija, acquired 85% of Latvian Preses Apvieniba kiosk chain
- Suomalainen Kirjakauppa acquired 60% of Astro Raamatud
- Suomalainen Kirjakauppa acquired Yliopistokirjakauppa

### 2001

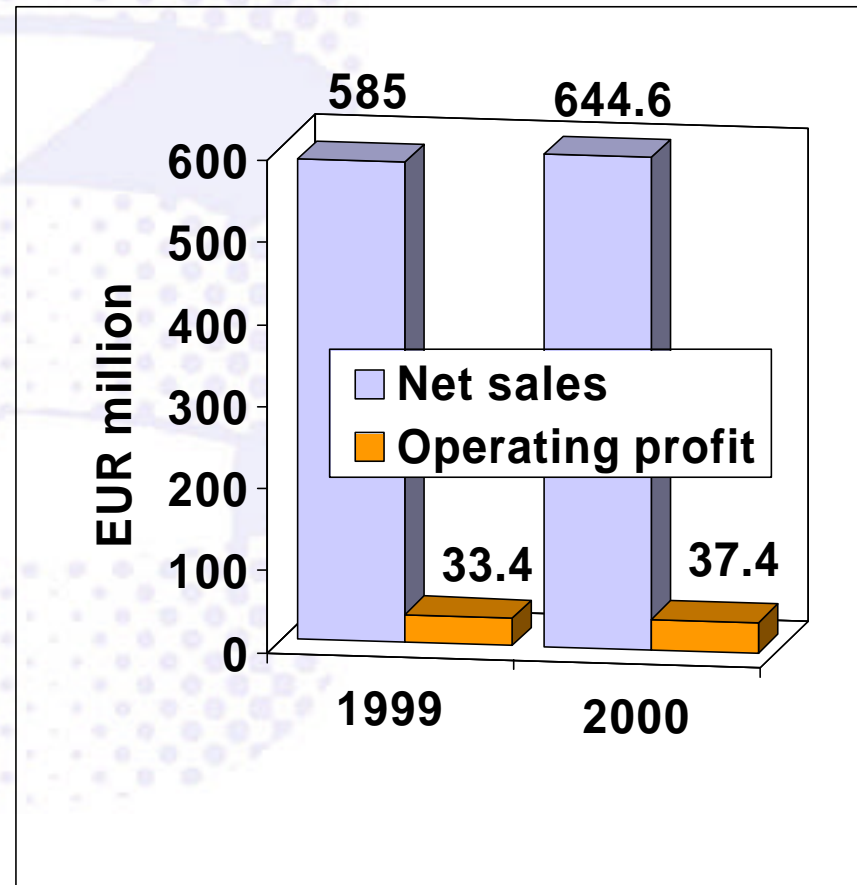
- Holding in Narvesen sold, generating a profit of EUR 7.6 million
- Rautakirja and Stockmann sign a letter of intent covering a site in Riga, intended for a Baltic Cinema 15-screen multiplex and a Stockmann department store

# Rautakirja

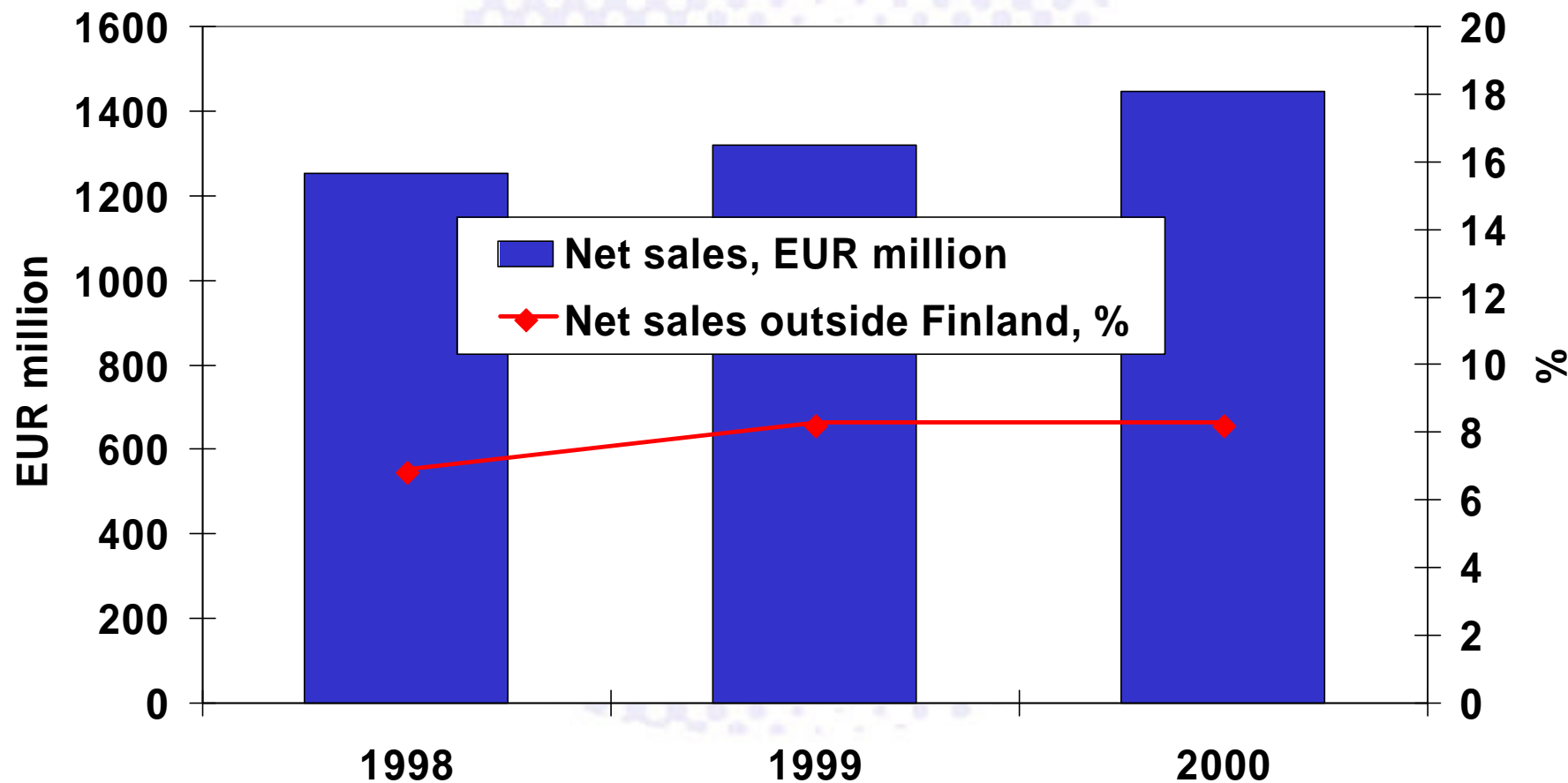


# Rautakirja

- Net sales increased by 10%, driven by positive retail developments generally and acquisitions
- Improved profit recorded by all businesses except the Restaurants Division
- Outlook for 2001:
  - net sales are projected to increase by some 7%
  - overall result expected to exceed that for 2000



# Net sales overall and net sales outside Finland, %, 1998 - 2000



pro forma 1998, 1999

# Acquisitions and divestments

## Acquired in 1999

- Pohjalainen Kirjakauppa
- Kymen Lehtimedia
- Esmerk
- Kirjavälitys
- AS MPDE
- Ecovision (25%)
- Tummavuoren Kirjapaino (80%)
- Arnedo (60%)
- Young Digital Poland (27,8%)
- Veikkausrasti (80%)
- Mikkelin Koulukanava
- Digital Future Finland

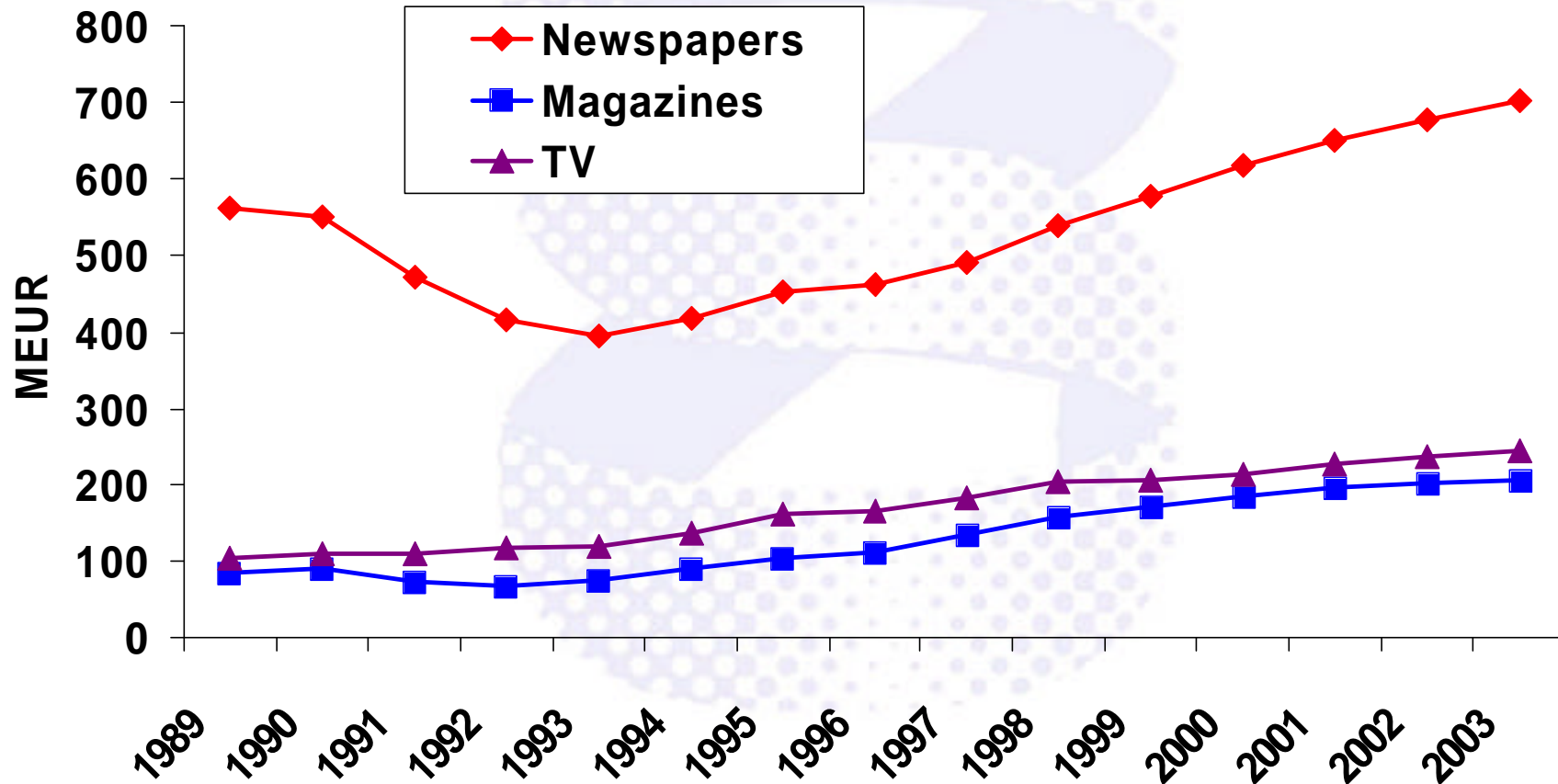
## Divested:

- Päijät-Häme
- Nastola
- Kiviranta

## Acquired in 2000

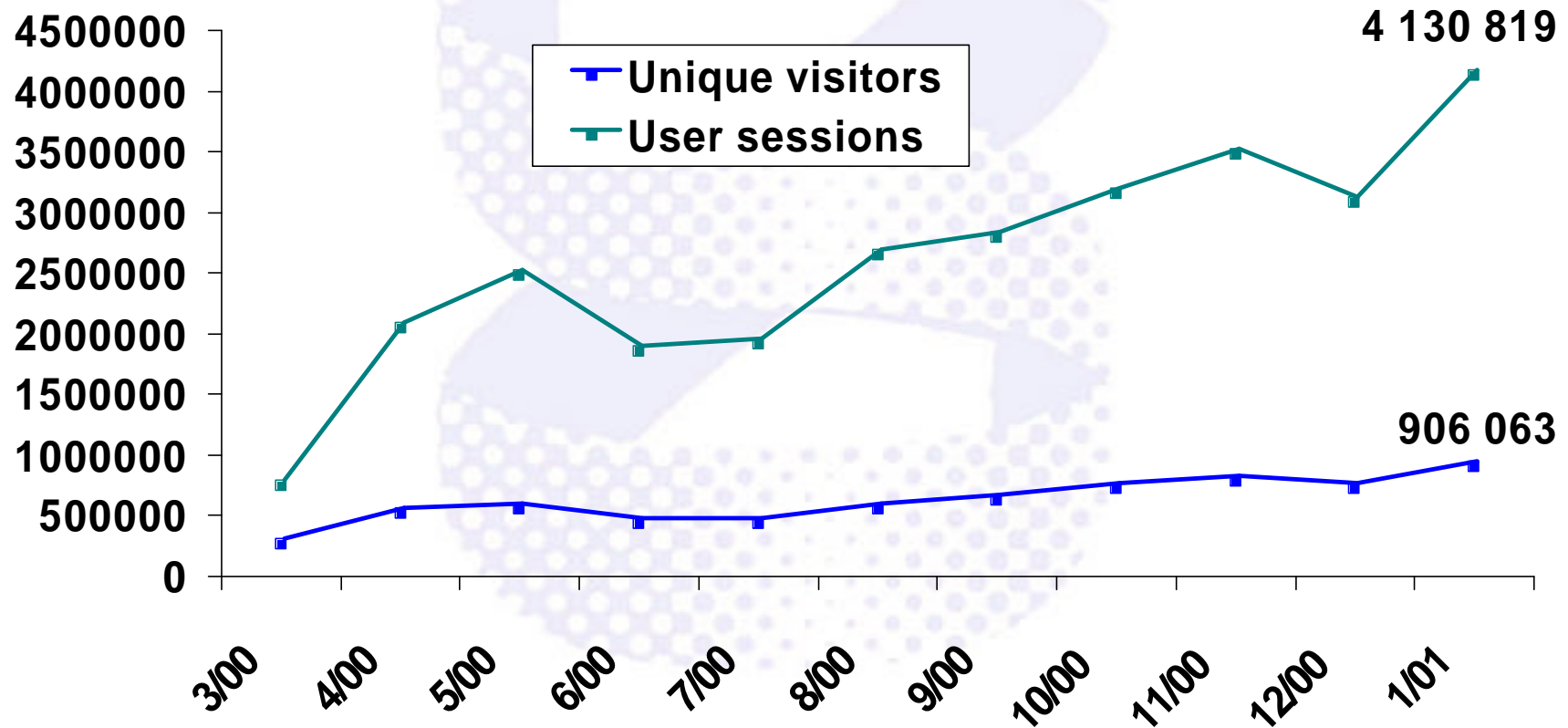
- AS Lehepunkt
- Onbusiness (60%)
- Docendo
- Everscreen Mediateam (25%)
- Uutisvuoksi (75%)
- Foodstop (Motorest)
- Megapanus (90%)
- Karttakeskus (80.1%)
- Preses Apvieniba kiosk chain (85%)
- Yliopistokirjakauppa
- Astro Raamatud (60%)
- Pro Licensing Nordic (50%)

# Advertising projections in Finland, 1989 - 2003



Source: Zenith Media 16.1.2001

# Number of visitors at SanomaWSOY's Web sites



Figures are monthly  
Source: Red Sheriff



# Projected profit performance in 2001

- **SanomaWSOY's net sales are projected to rise faster than the Finnish media industry as a whole is expected to grow, and increase to well over EUR 1.5 billion**
- **The Group's operating profit is expected to be at least as good as that for 2000**





# Board's proposal for application of profits

- **The Board will propose to the Annual General Meeting of Shareholders that:**
  - **a dividend of EUR 0.47 (FIM 2.79) per share should be paid for 2000**  
**(the 1999 dividend paid was EUR 0.45)**
- **Annual General Meeting: March 29, 2001**
- **Record date: April 3, 2001**
- **Dividend payment date: April 10, 2001**



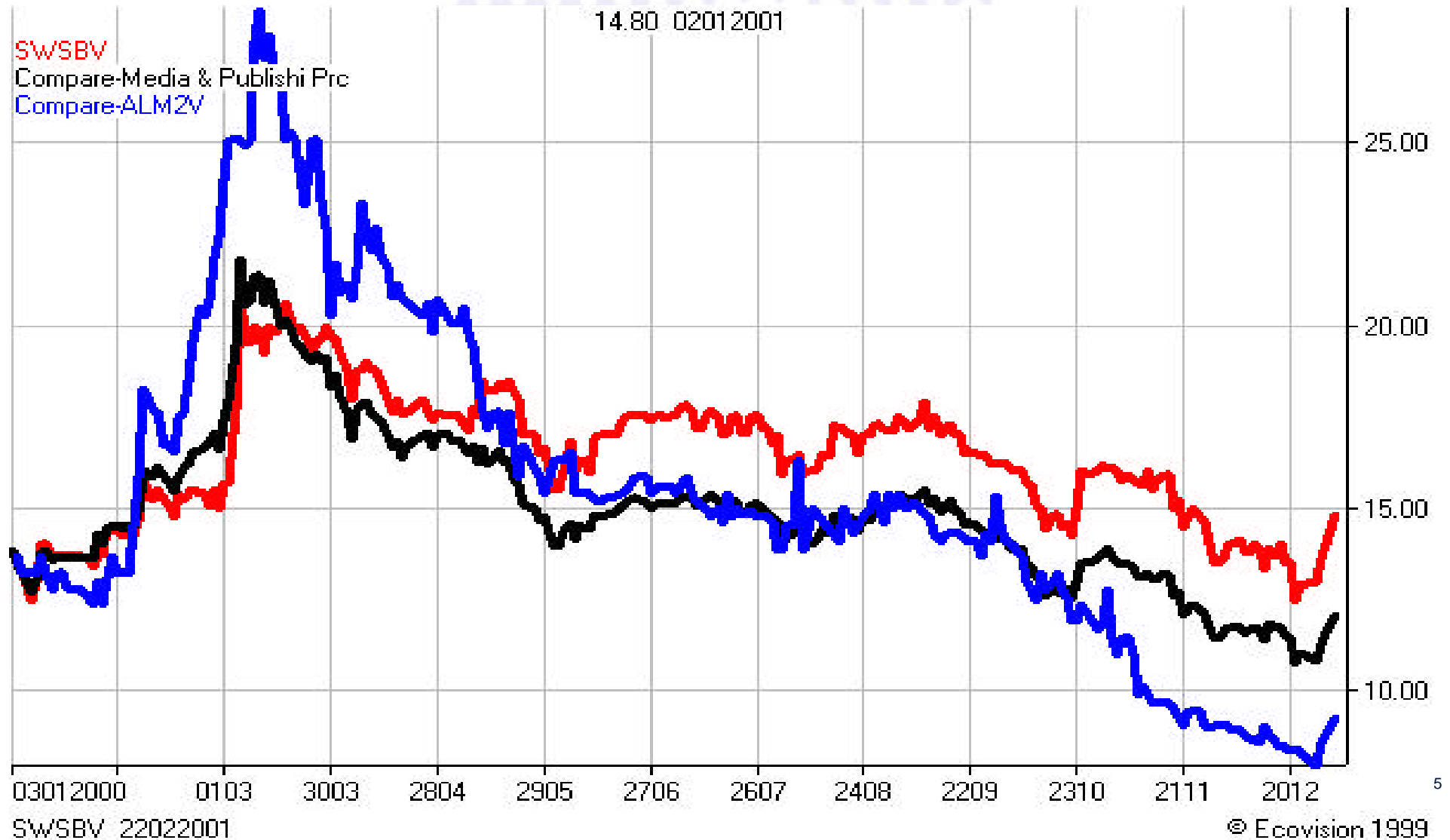
# Key strategic intentions

- **To develop our current businesses and grow through selected acquisitions and alliances.**
- **To achieve net sales of EUR 2.5 billion by 2005 and thereby strengthen the Group's market position by drawing on SanomaWSOY's broad base of knowhow and expertise**
- **To focus acquisitions on areas where the Group is strong and on markets where a significant market share can be achieved over a reasonable time-frame**
- **To generate 20% of net sales from international operations**
- **To use the Internet to drive our development**
- **To grow our businesses systematically and in line with our commitment to pursue an active dividend policy.**



# Share price development in 2000

(SanomaWSOYB - Media Index - Alma2)



# Vision

- The most dynamic media company in Northern Europe, with operations based on creativity and reliability.

