

Alma Media

January 1 – September 30, 2004

ALMA | MEDIA





Operational Highlights Q304

- Group profitability has improved in line with chosen strategy
 - balance sheet, cash flow and profitability
 - present status enables next steps for growth strategy
 - the best third quarter in Alma Media's history
- Group's comparable net sales grew over 10 %
- 1.6 MEUR write down from VC investments
 - preparing to exit
- Trading in Alma Media's shares was livelier than one year earlier
 - share price rose faster than industry index and HEX general index



Division Highlights Q304

- Alpress´ s strong performance boosted by Iltalehti
- Broadcasting division´ s best third quarter since 1998
- Development of Presso. BIG´ s operating profit up
- Strong sales growth made classified advertising services broke even. Acta Print has failed to meet expectations

Market





Media Advertising Alma Media vs. Market

Change, %	Market Q304	Alma Media Q304	Market Q1-Q304	Alma Media Q1-Q304
Newspapers*)	7.3	6.0	3.2	2.6
Business Newspapers	-7.0	9.3*)	1.0	3.9*)
Magazines	11.4	-	5.0	-
Television	10.1	10.2	8.7	6.6
Radio	13.2	19.8	-0,2	3.7
Internet	41.9	97.9	36.7	65.1
TOTAL	8.9	10.9	5.1	6.4

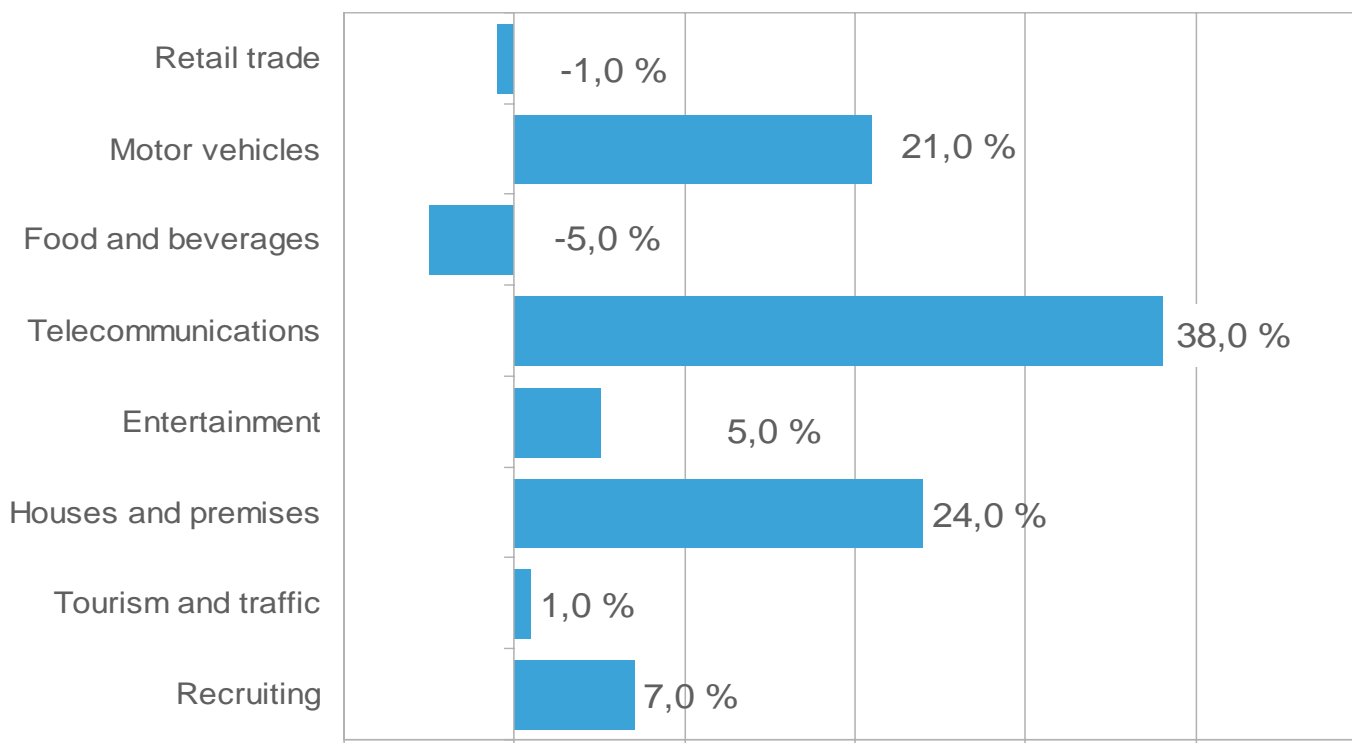
*) without business newspapers

*) includes bimonthly Kauppalehti Optio

Source: TNS Gallup Oy Adex / Cognos-database / Alma Media



Most Advertised Branches Q1-Q304



Adv. volumes Q1-Q304	MEUR
Retail trade	172
Motor vehicles	77
Food and beverages	63
Telecommunications	46
Entertainment	35
Houses and premises	34
Tourism and traffic	32
Recruiting	28
Others	242
TOTAL	729

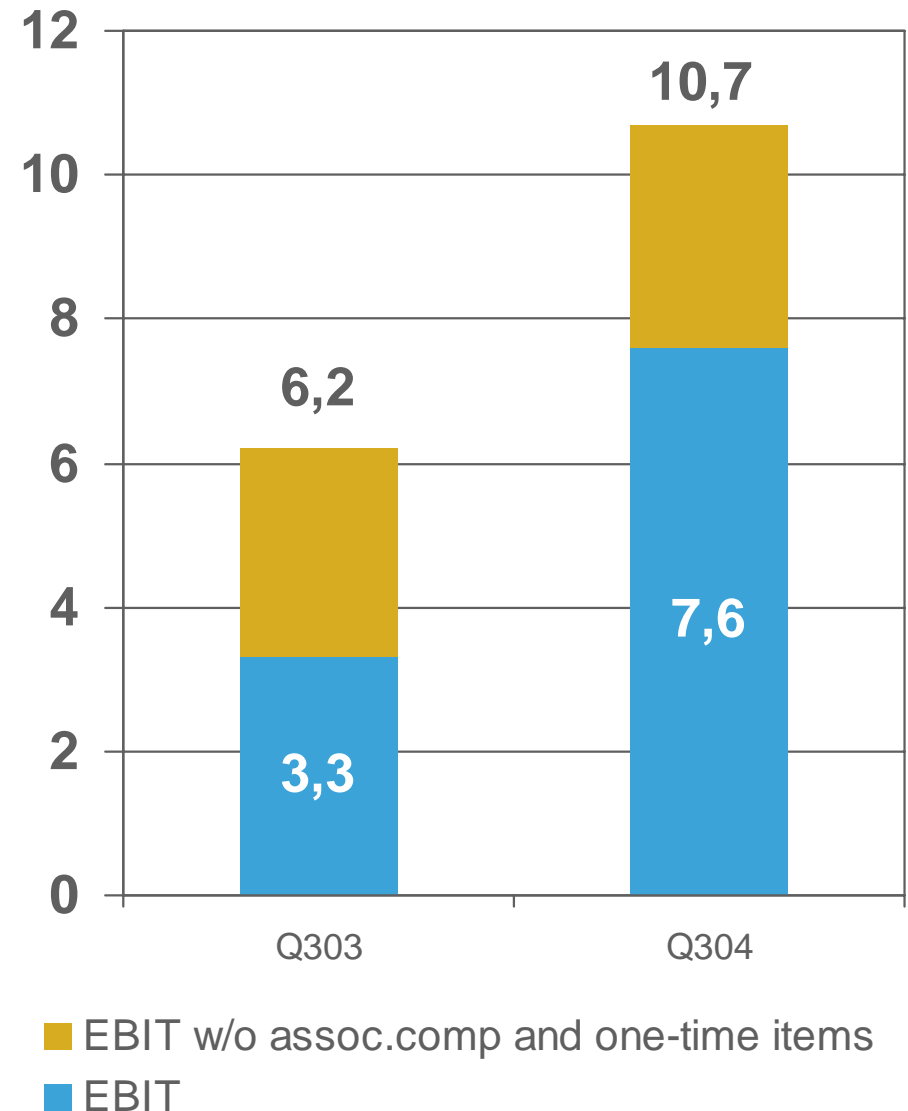
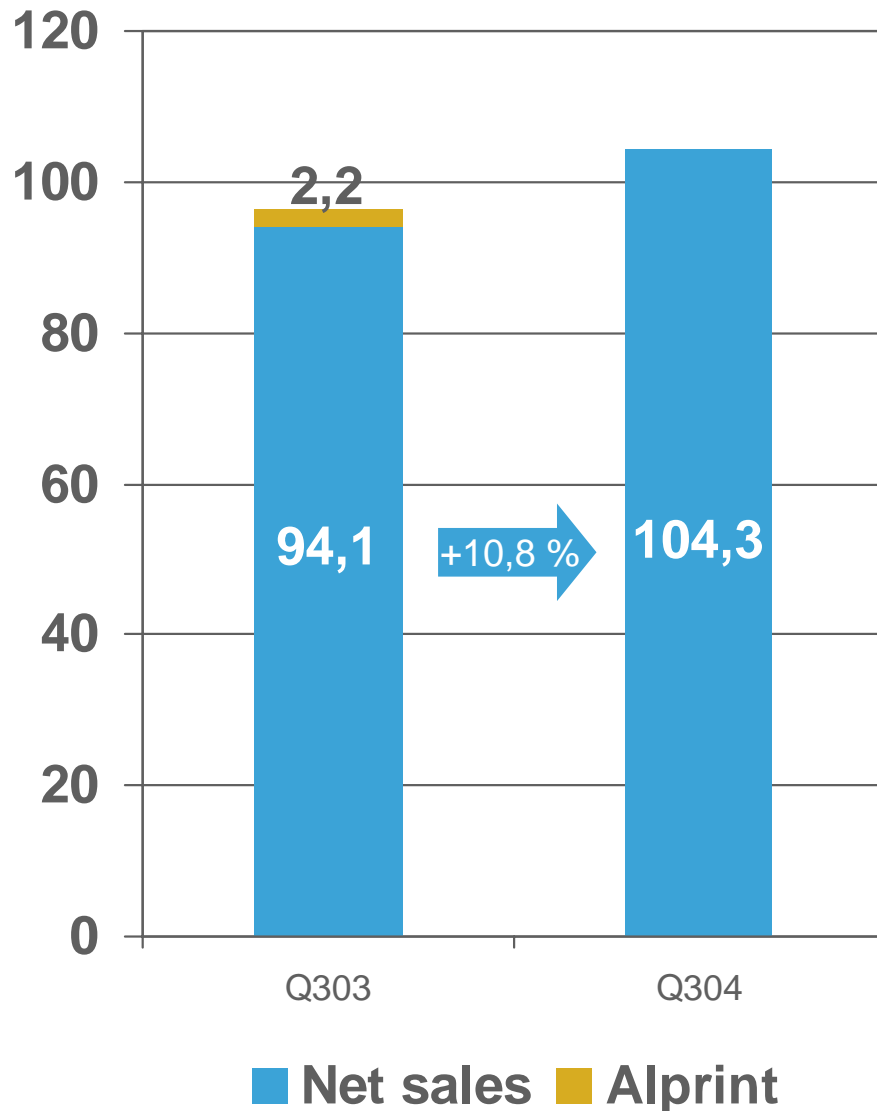
Source: TNS Gallup Oy Adex

Alma Media Q304





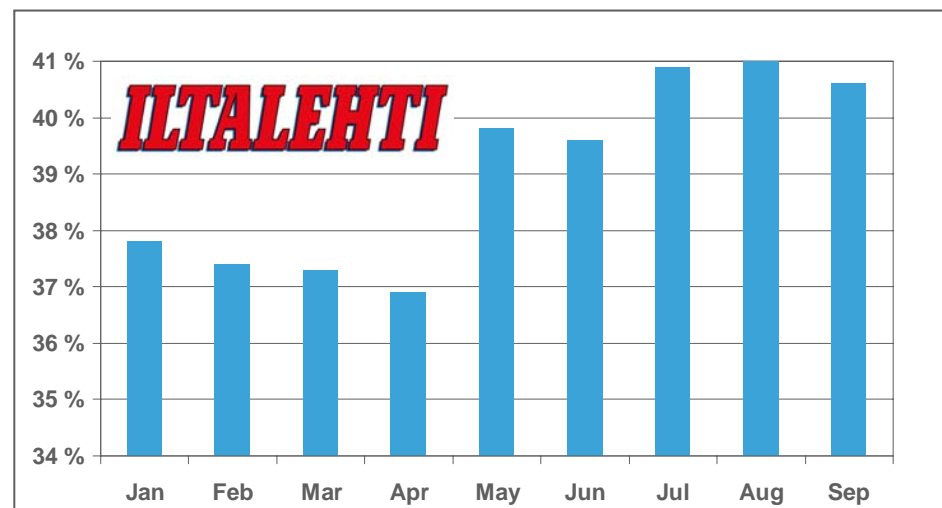
Alma Media Corporation Q304, MEUR





Alpress Highlights Q304

- Ittalehti's updated growth strategy
 - successful product developments H1
 - strengthening of managerial and editorial resources
 - circulation and market share at all time high level in Q3
 - target to be market leader in 2009
- Net sales up 6.3 % to 50.7 (47.7) MEUR
 - circulation sales up 5.0 %
 - media advertising up 6.0 %
 - H1 printing problems solved
- EBIT up 6.4 % to 8.3 (7.8) MEUR
 - EBIT % 16.4 (16.4) %



Ittalehti's circulation market share up to 40 % in Q304



Alpress's success is based on chain strategy and utilizing best practises. A special one year training programme for Groups journalists was started in September.



Broadcasting Highlights Q304

- MTV3 and Subtv advertising sales up 9.9 %
 - Subtv advertising sales up 80.6 %
 - Radio Nova sales up 19.6 %
 - other sales up 36.6 %
- MTV3 and Subtv viewing share 42.4 (45.1) % (prime time, 10-44 yrs)
- Net sales 40.4 (35.4) MEUR
- EBIT 0.1 (-3.3) MEUR
 - TV4 impact -1.0 (-1.4) MEUR
 - costs up 4.1 % due to new businesses
- 431.000 set-top-boxes in Aug. 2004
 - 9 mo concession fee -1.3 MEUR
 - 2004: network rent increase ~ concession fee decrease



Subtv continued to gain viewers.

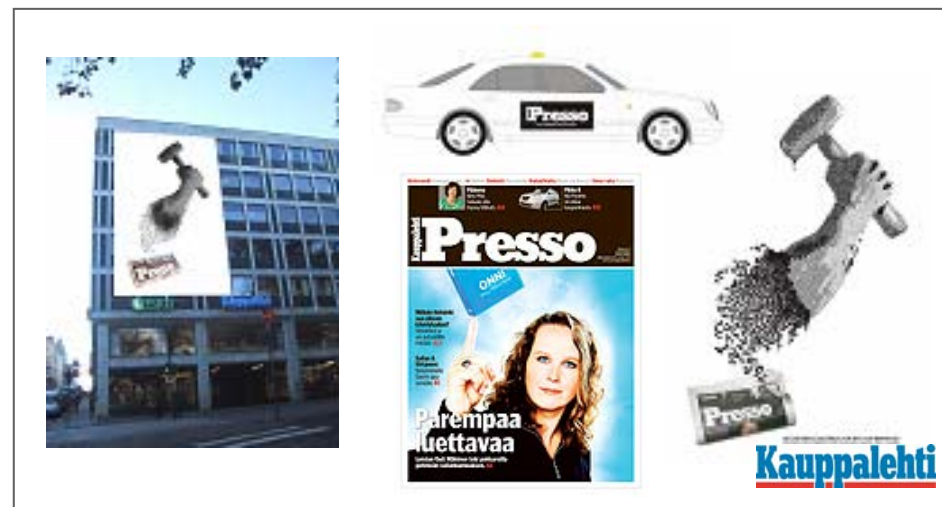


MTV3 mobile services attract viewers who want to be seen, to participate, to win or to play.

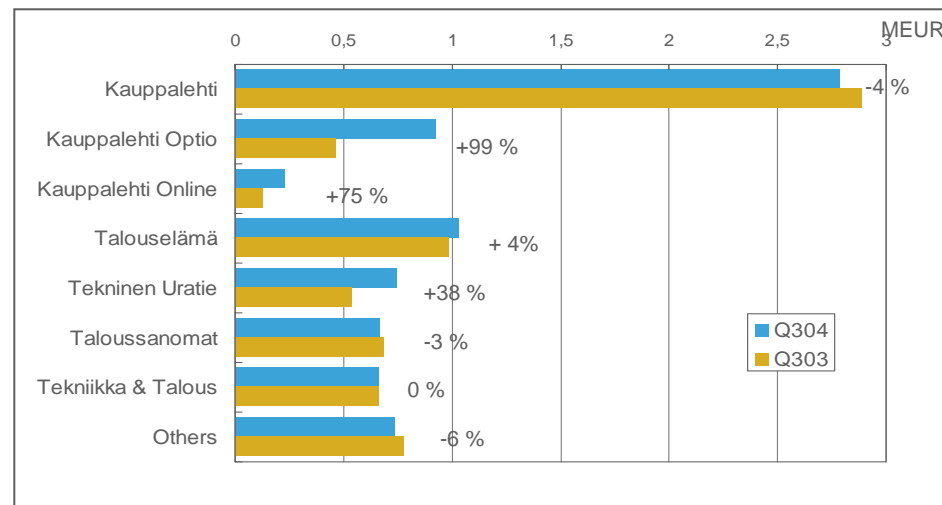


BIG Highlights Q304

- B-to-B advertising slightly up
 - BIG media sales up 9.3 % due Optio and Kauppalehti Online
- Net sales up 10.5 % to 10.6 (9.6) MEUR
- EBIT 1.0 (0.2) MEUR
 - Talentum impact after good will depreciation -0.4 (-0.5) MEUR
- Presso launched Oct 30th
 - 15 persons recruited, Q3 extra loss 0.2 MEUR
 - circulation target 50.000 copies in the 3rd year
 - excellent feedback from readers and advertisers



Presso was launched with visible marketing campaign on Oct 30th, 2004



Business newspapers Q304. Source: TNS Gallup Adex



Media Services Highlights

- Alma Media #1 in classified online services, sales up 49 %
 - Autotalli.com +86 %, Monster.fi +77 %, Etuovi +22 %, Mascus +28 %
- Classified online services in break-even, despite of investments in Mascus
 - Q304 EBIT +0.1 MEUR
- Division EBIT -0.1 (-1.4) MEUR
 - Acta Print's/Alprint's impact -0.3 (-1.4) MEUR
- Corporate co-operation
 - weekly classified supplement to Helsinki metropolitan area together with Presso
 - cross promotion



Jobline to benefit from global #1 online recruitment brand monster.com. Since Nov 1st Jobline is Monster.fi.

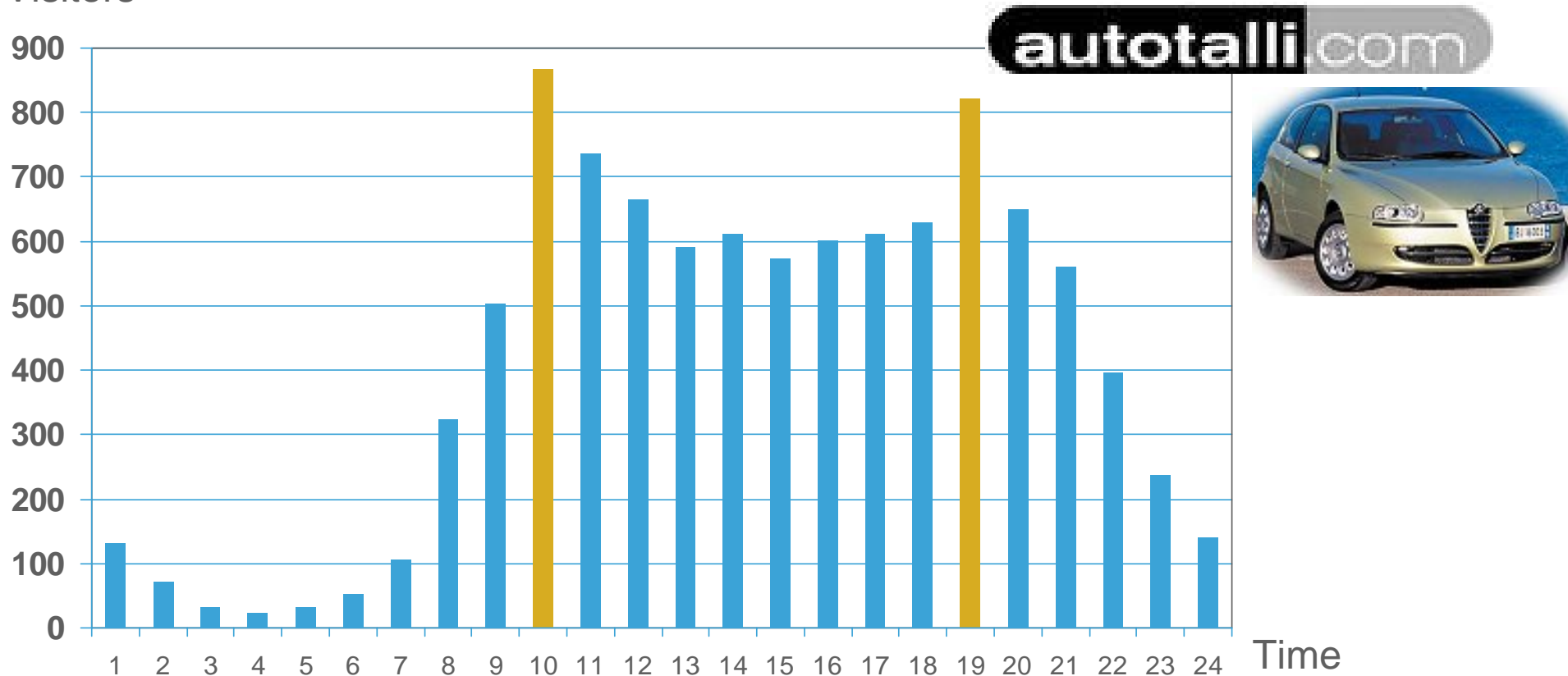


Mascus strengthened its market position by acquiring Swedish forklift truck market place Byttruck.com.



TV advertising activates visitors to web sites

Visitors



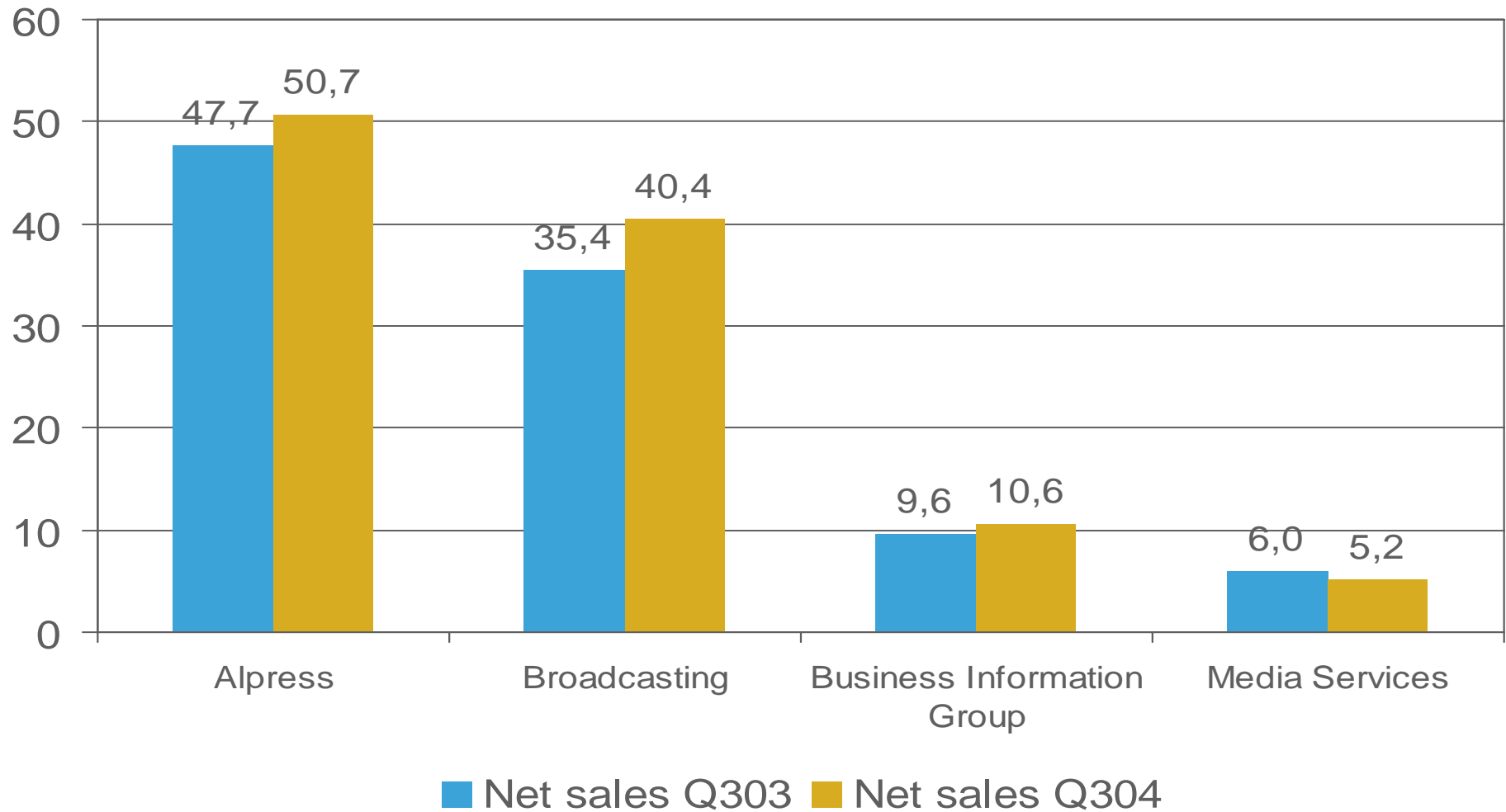
September 25th two Autotali advertisements on MTV3 channel, the first one in F1 qualifying session at 9-10 am and the second one in main news cast 7 pm

Financials Q304





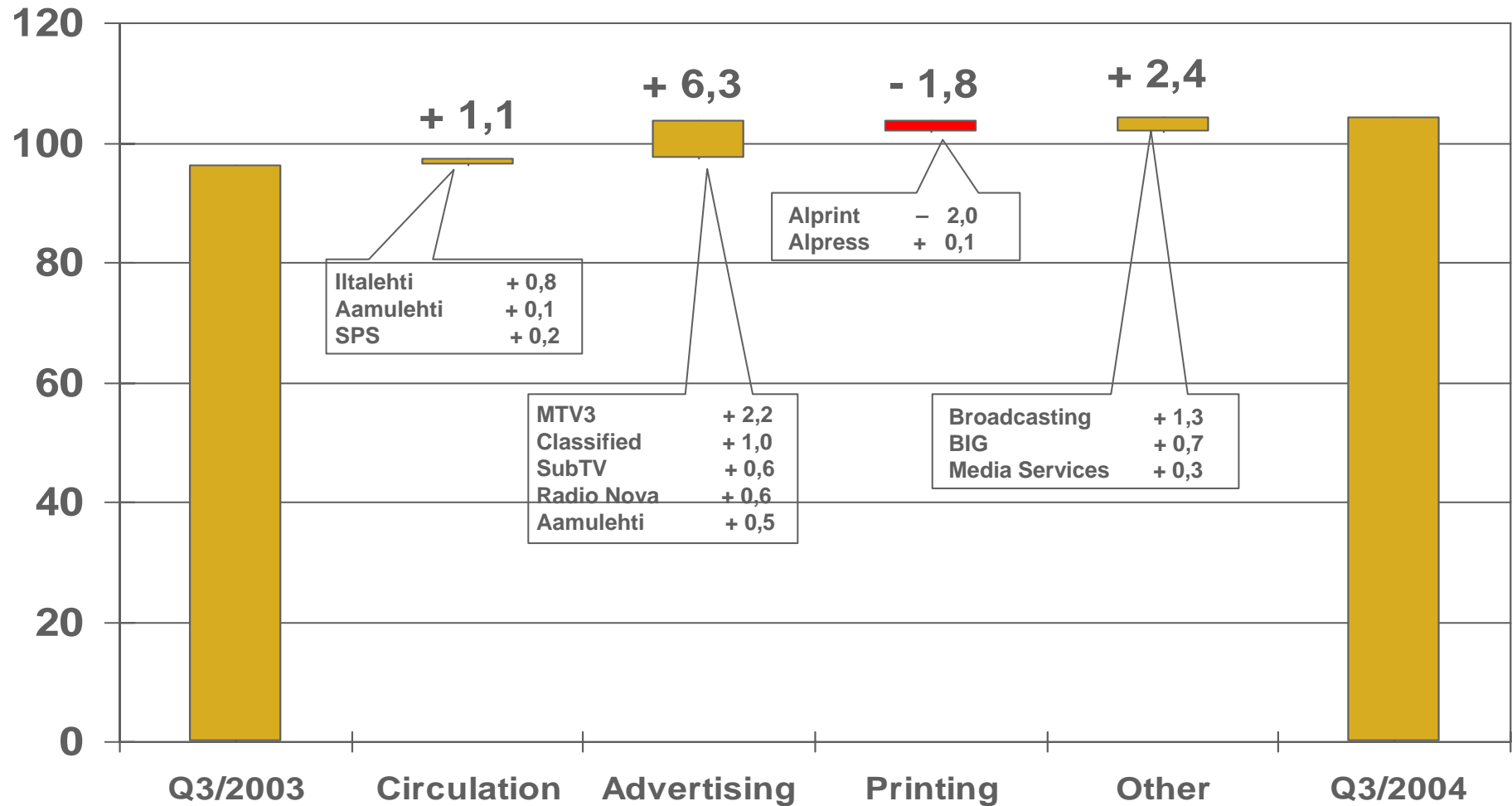
Net Sales Q3 by Division, MEUR





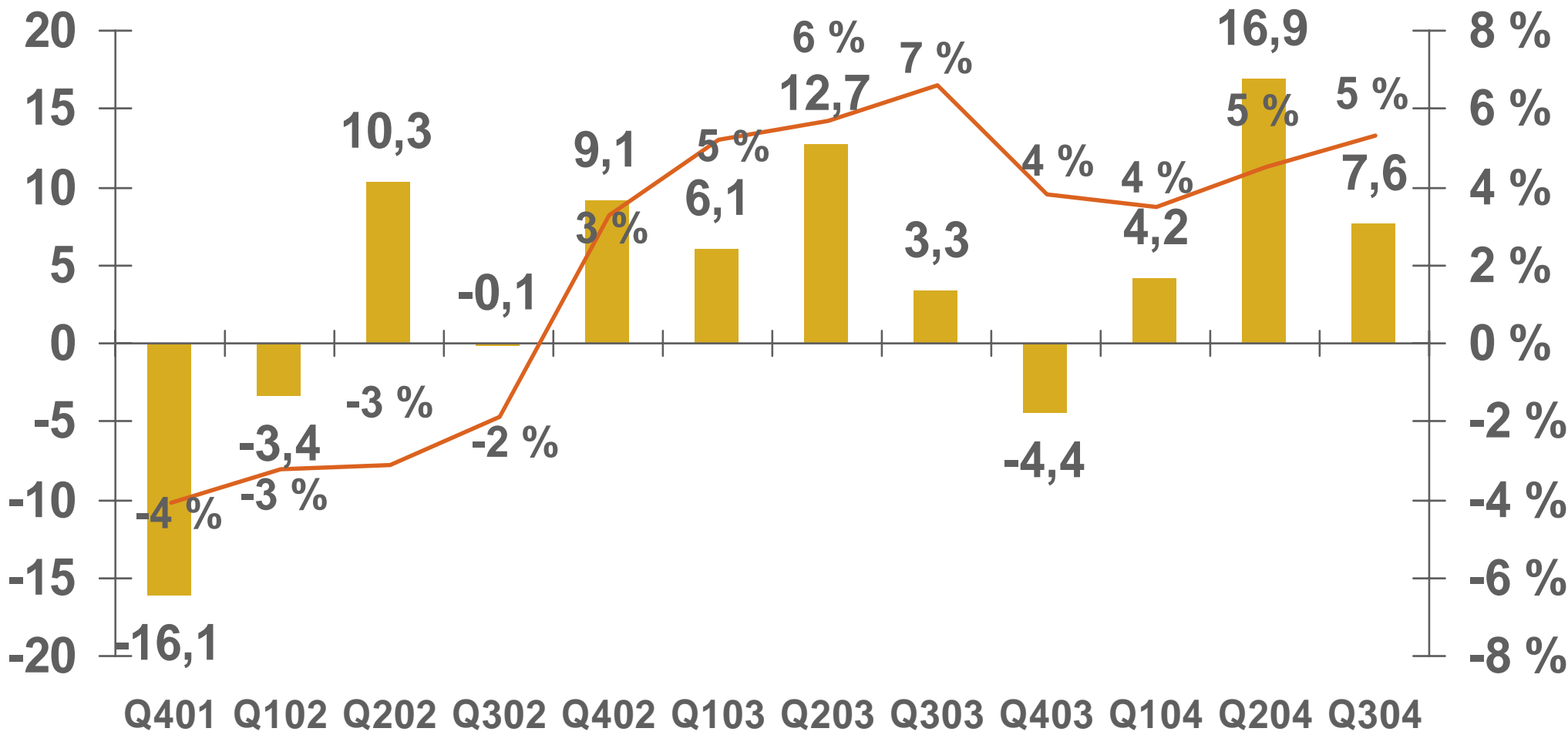
Net sales change, MEUR

Q3/2003 vs. Q3/2004





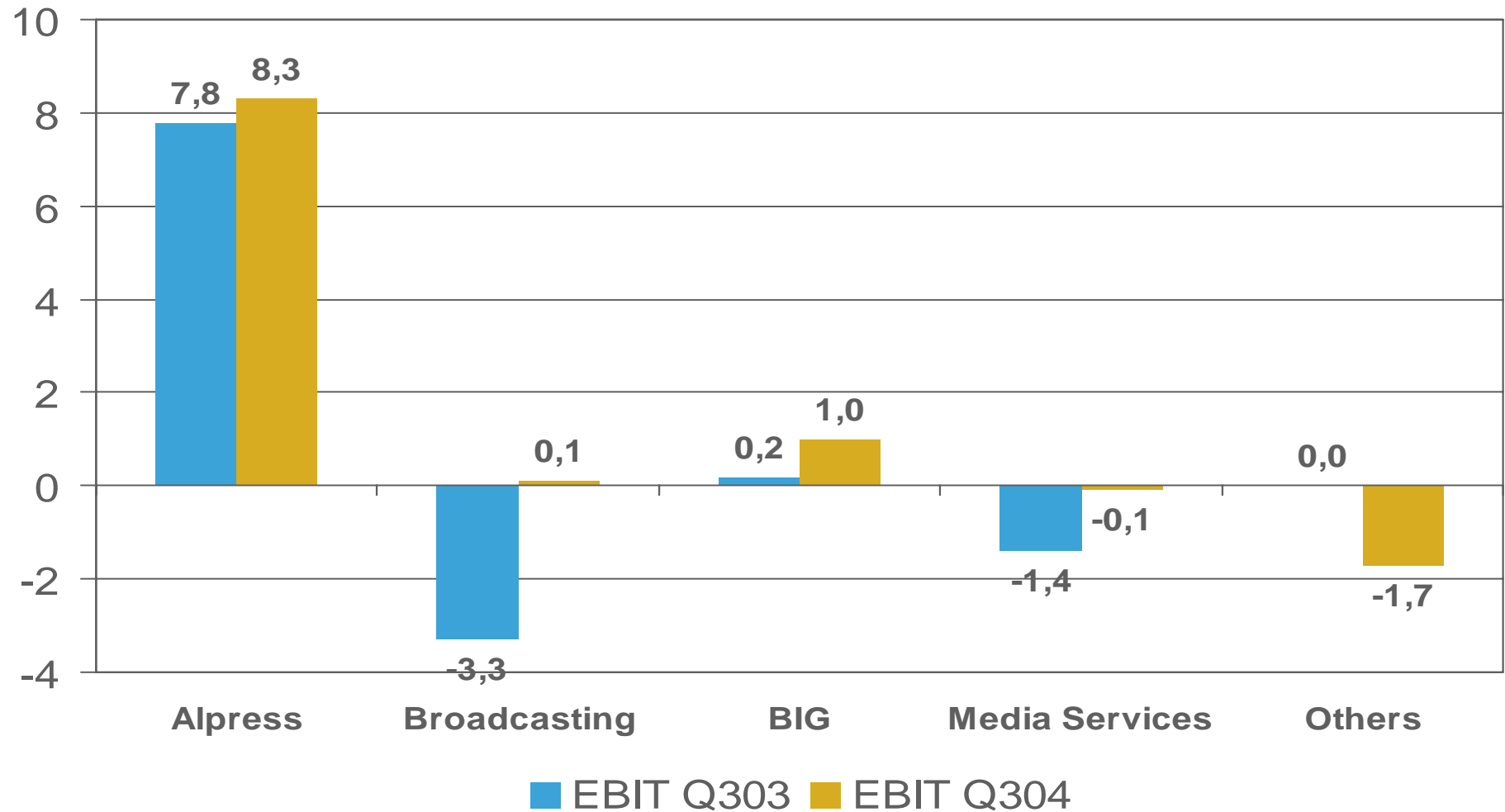
EBIT Q401– Q304, MEUR



■ EBIT, MEUR — Rolling 4Q % of Net Sales

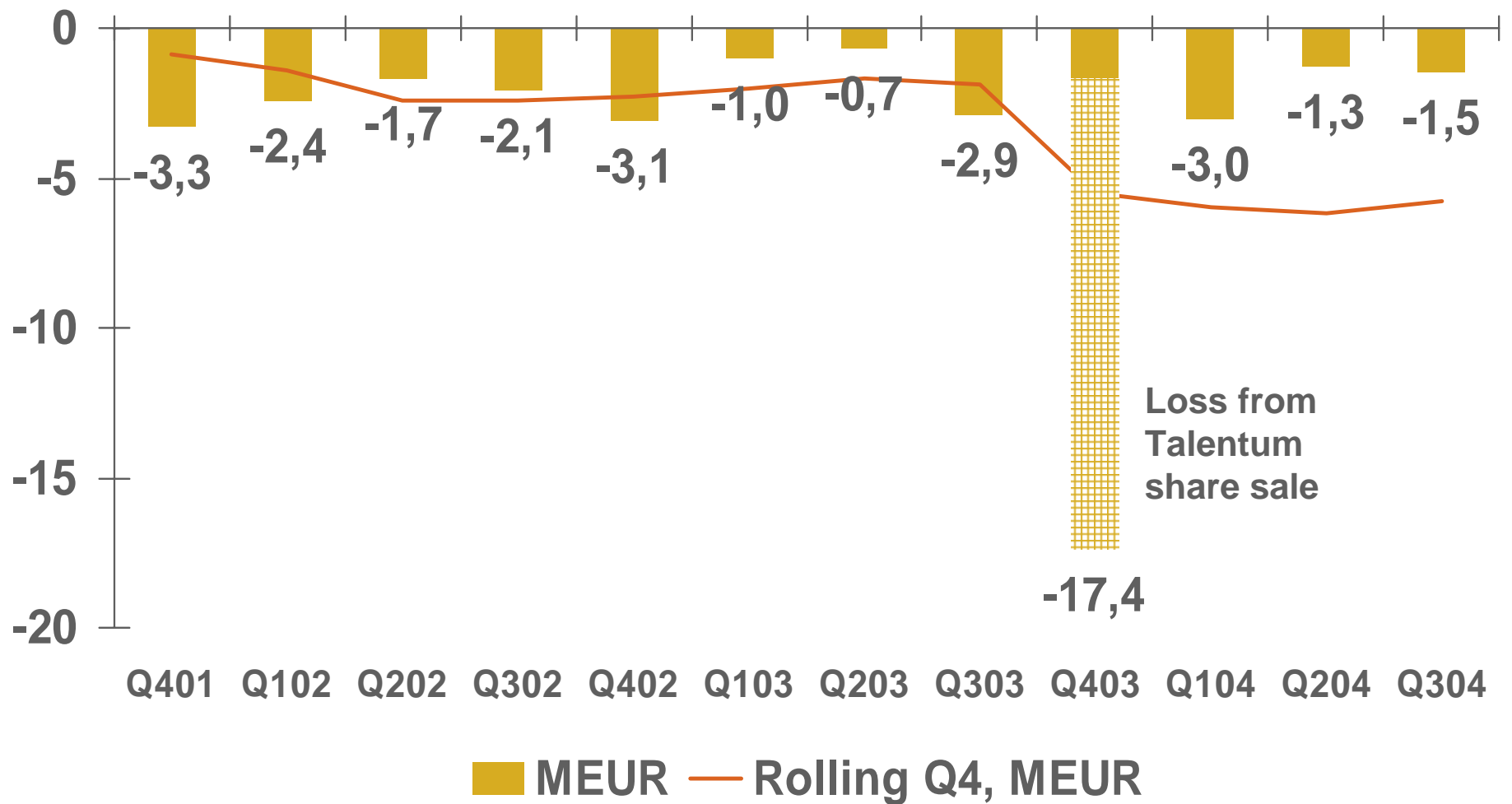


EBIT: Q3 by Division, MEUR



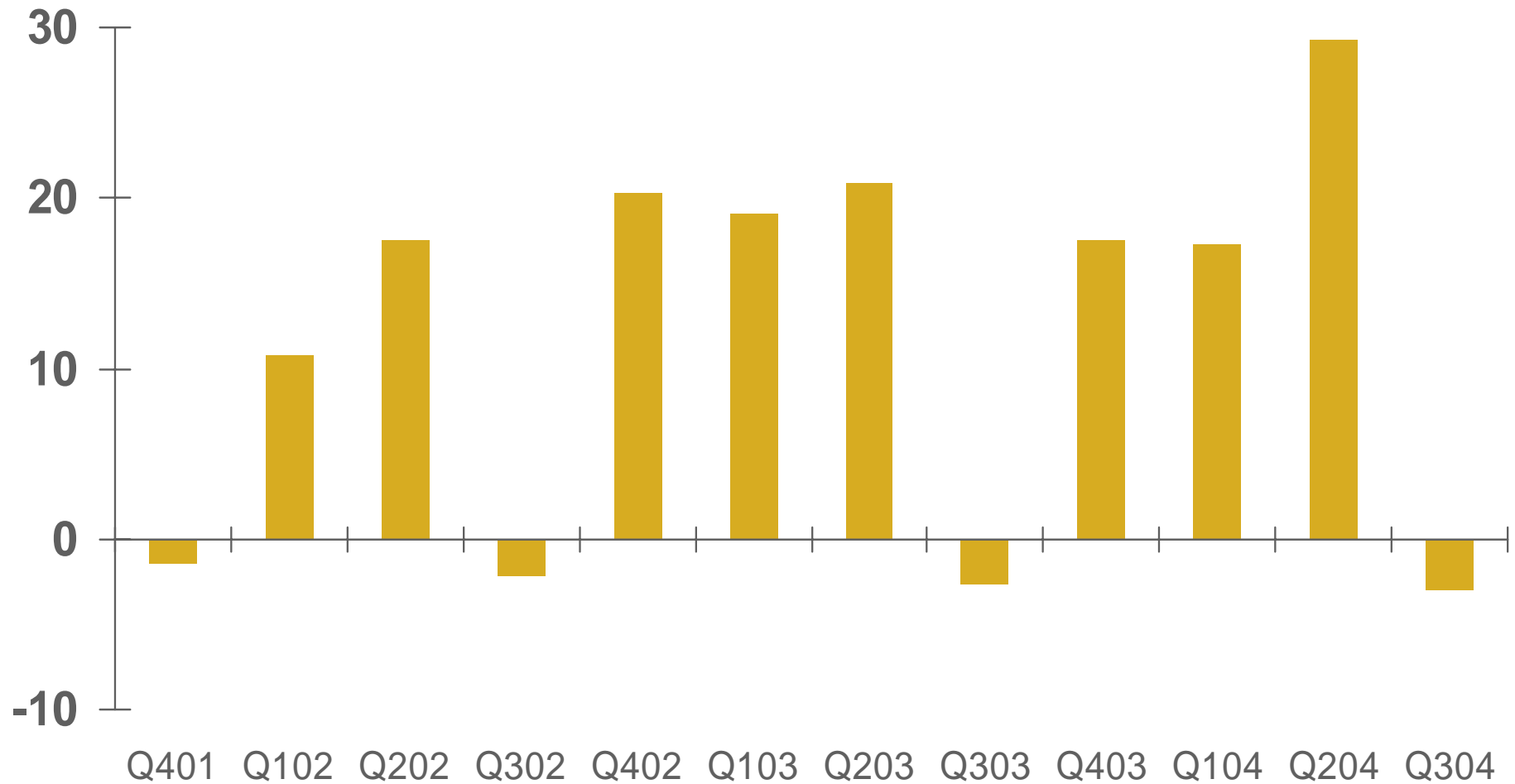


Associated companies Talentum, TV4 AB, Acta Print, Sports Channel, etc.



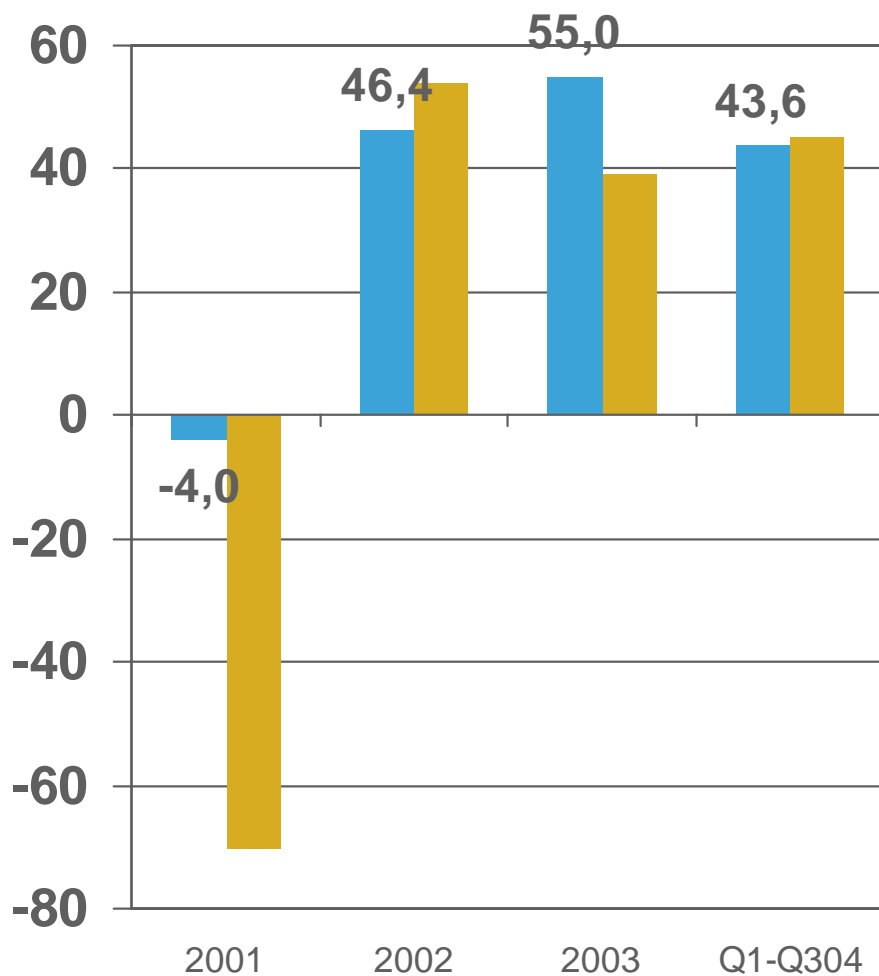


Cash flow from operating activities Q401-Q304, MEUR

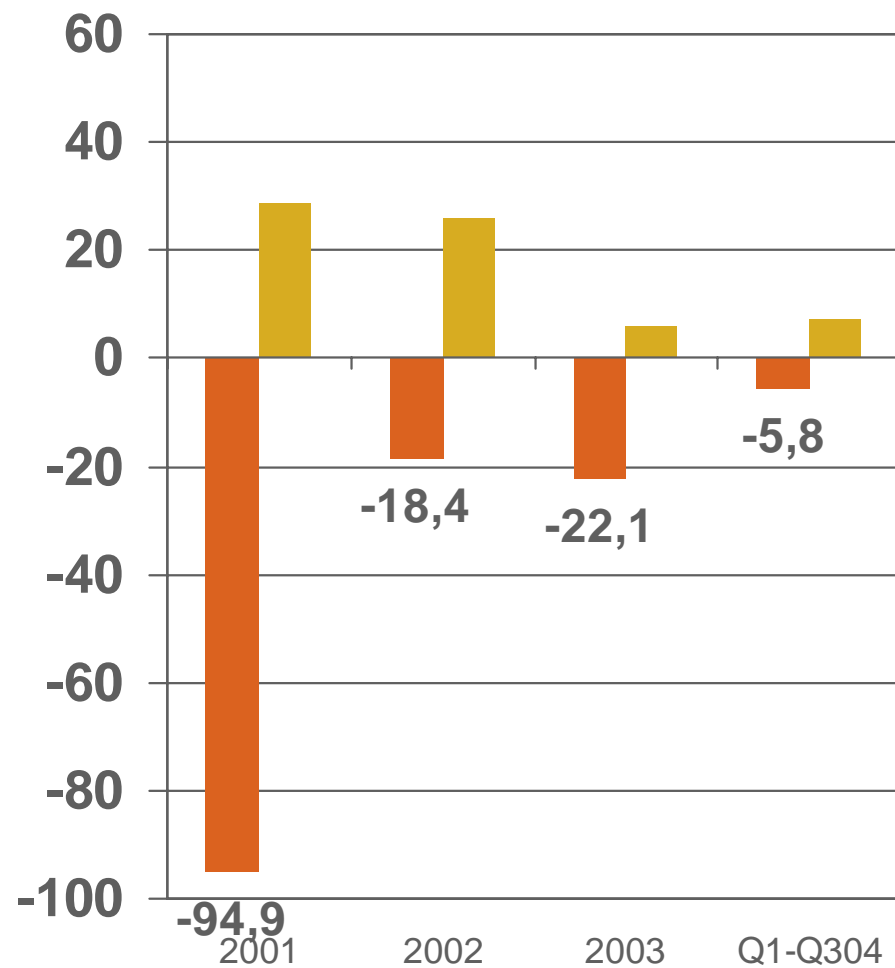




Cash flow and investments, MEUR



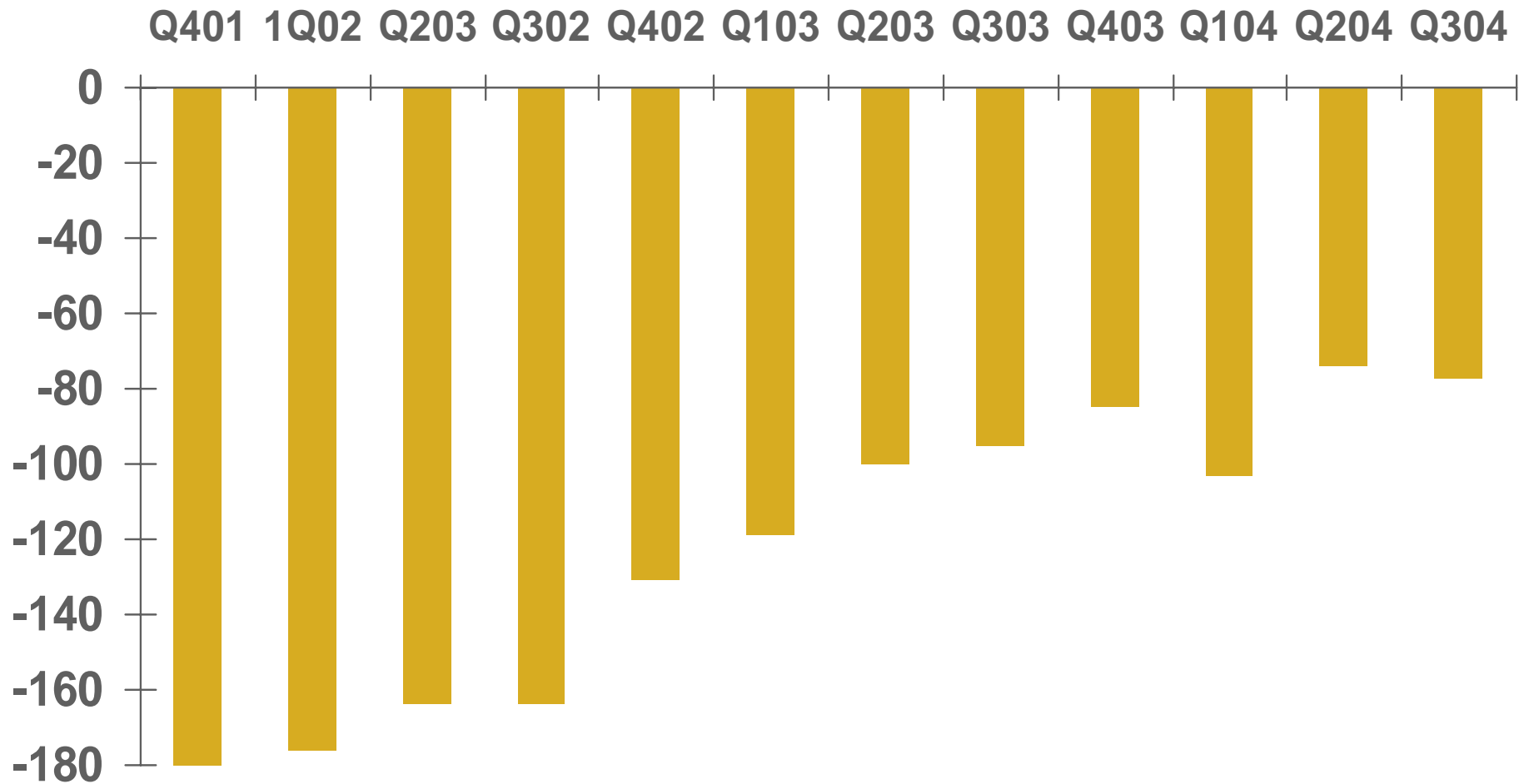
■ from operating activities
■ before financing activities



■ gross investments
■ proceeds from sales of assets

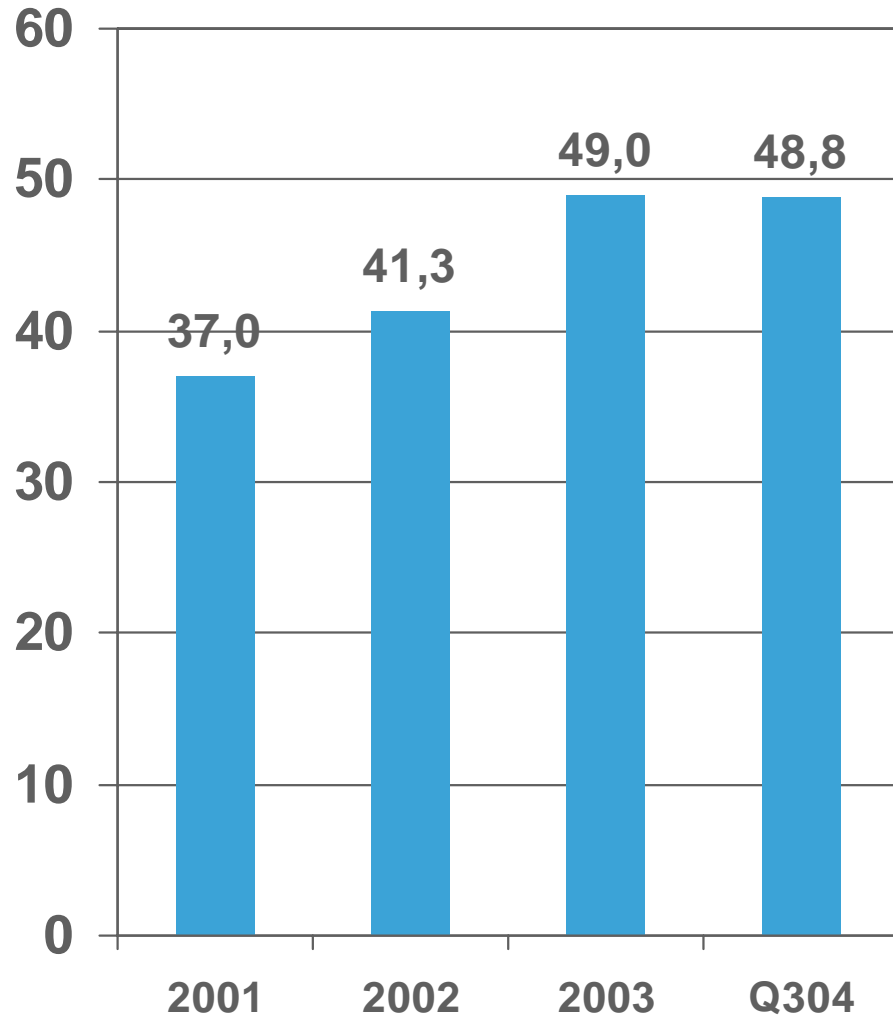


Net debt Q401 – Q304, MEUR

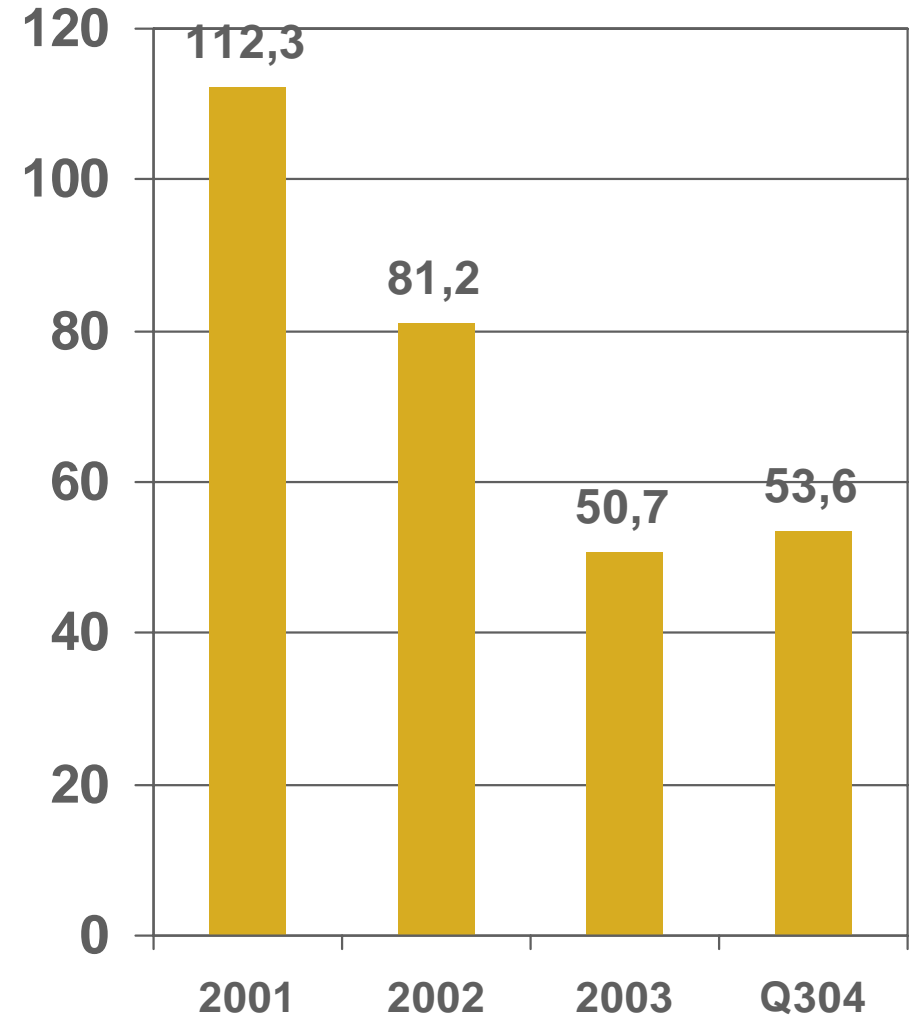




Equity Ratio and Gearing



■ Equity ratio %



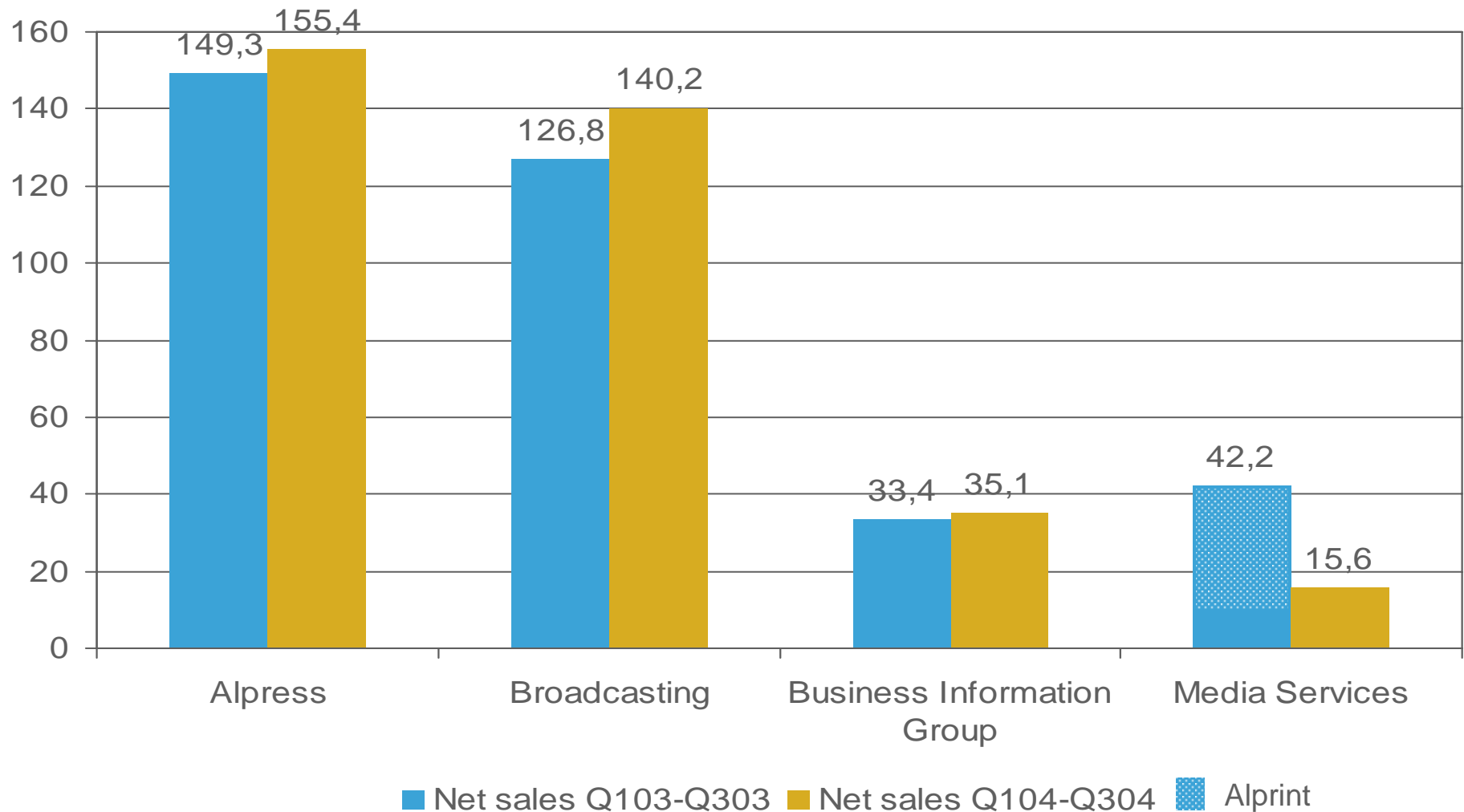
■ Gearing %

Summary Q104-Q304



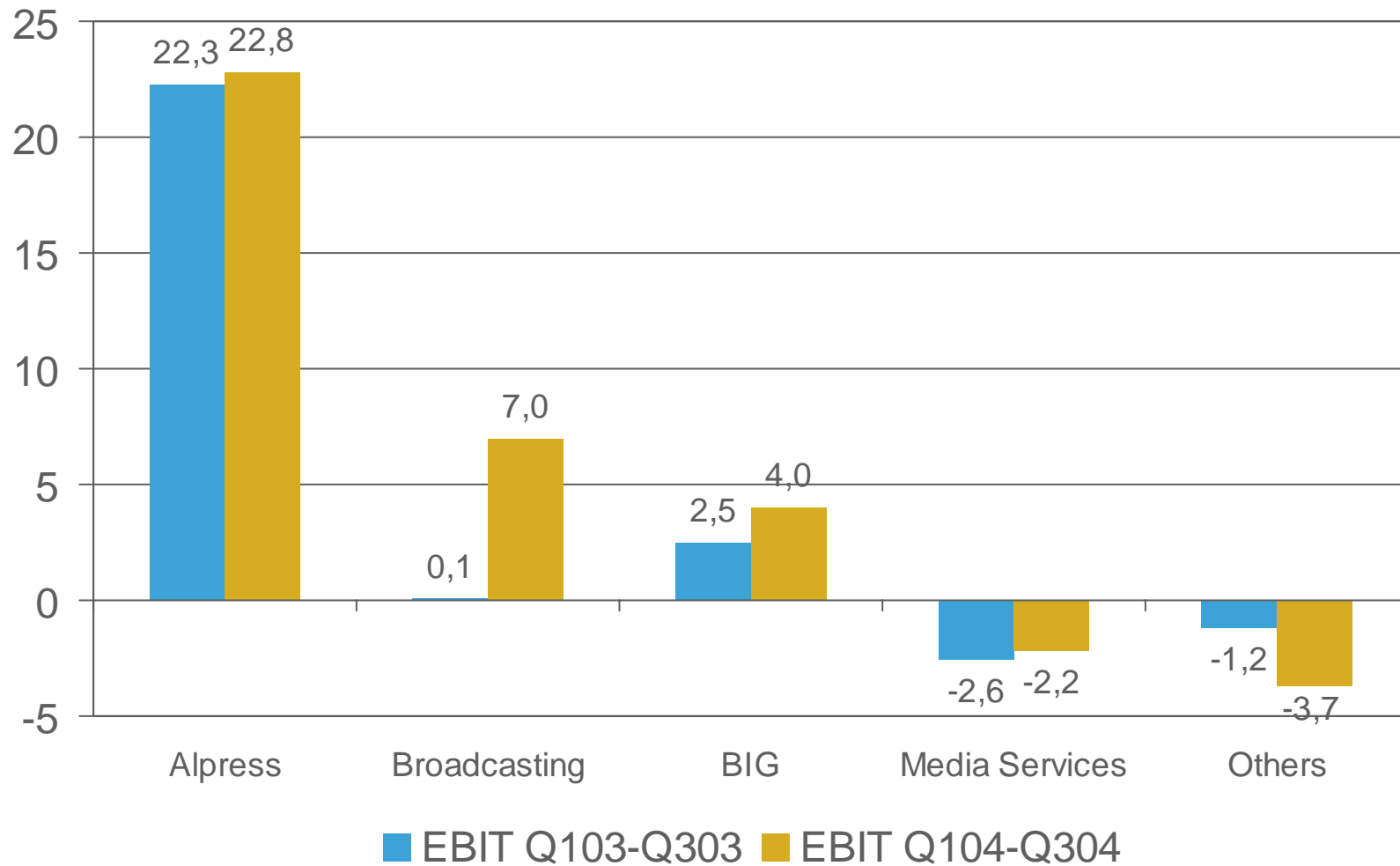


Net Sales Q104-Q304 by Division, MEUR





EBIT Q104-Q304 by Division, MEUR



Outlook Q404 and 2005





Prospects to the year end 2004 and market outlook for 2005

- Favourable development of own operations will continue also during Q4, FY net sales higher than 2003, despite of printing divestments
- H2 operational profitability at least on H1 level
- Group FY EBIT 2004 clearly higher than 2003
 - Alpress EBIT reaches good 2003 level boosted by elections and Iltalehti on Q404
 - Strong improvement in Broadcasting, Q4 challenging
 - BIG´s sales up in Q4, FY profitability better than 2003, despite of Presso investments
 - Media Services break-even still possible, excluding Acta Print
- No major negative threat to Finland´s positive GNP outlook in 2005
 - Y-to-Y growth in media spending expected to continue



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