

Business Information  
**Press**



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Broadcasting  
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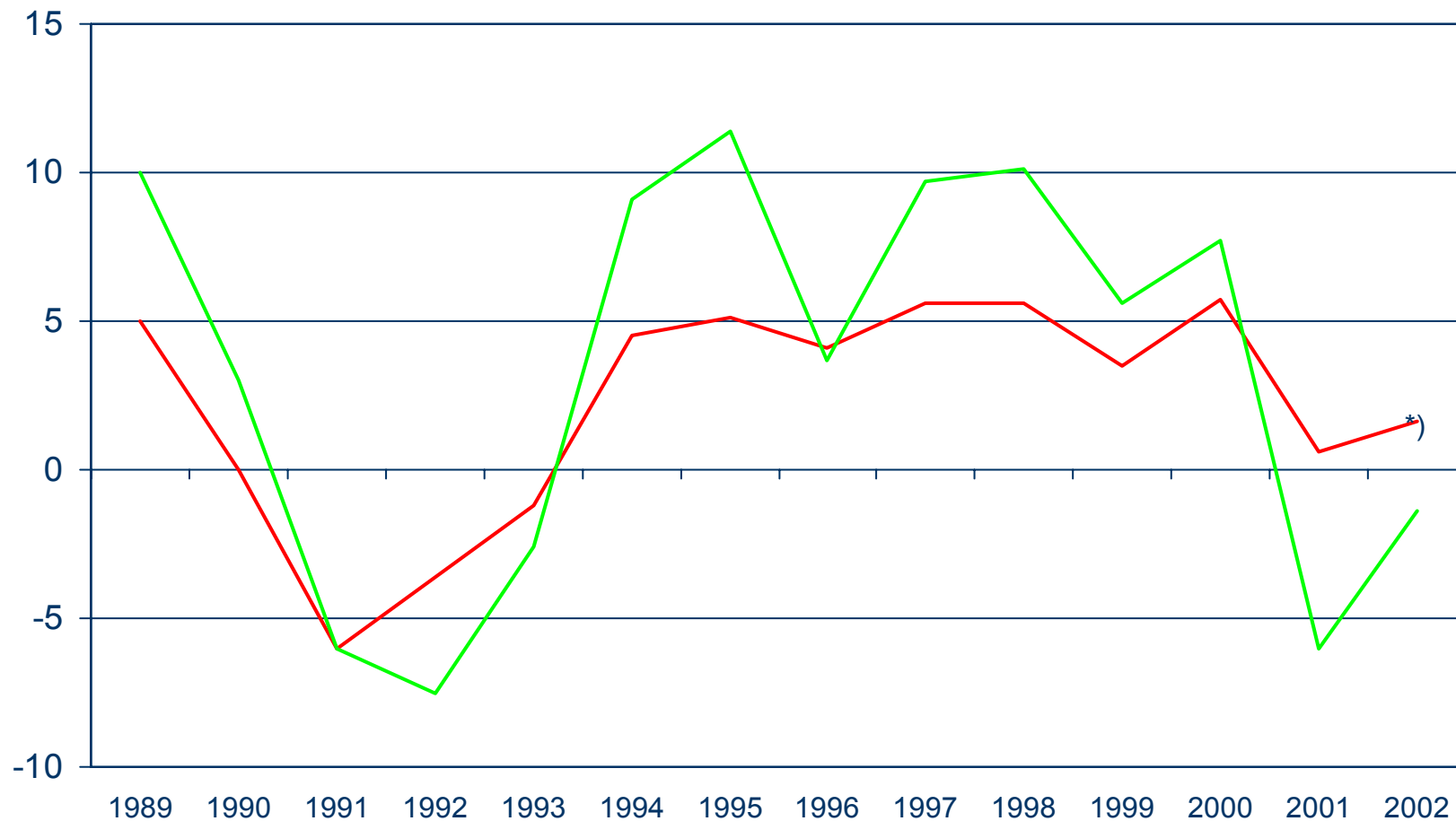
Alma Media  
January 1 – December 31, 2002

Juho Lipsanen

- Net sales slightly up
  - market share in media advertising increased to 28.7 (27.7) %
- Total cost reduction –39 MEUR
  - material costs –12 %
  - personnel costs –11 %
  - other costs –6 % (incl. television concession fee – 7 MEUR)
- EBIT 15.8 (-19.4) MEUR, improvement 35 MEUR
  - associated companies impact in 2002 –9.3 (-3.8) MEUR
- Net profit 2.4 (-24.1) MEUR
- Balance sheet strengthening
  - Net debt 131 (181) MEUR; reduced by 50 MEUR
  - Cash flow before financing 53.9 (-70.3) MEUR
  - Equity ratio improvement 41.3 (37.0) %

- Focus on core business and profitability
  - New management teams
  - Cash flow based decision making
- Implementation of 2001 cost saving programs
  - Alpress: continuous productivity improvement
  - Alprint: head count reduction and new processes
  - Broadcasting: focus on programming, sales and spirit
  - Interactive: scope reduction
- Increased market share
  - Alma Media's advertising income + 2.3 % (avg. market -1.4 %)
  - MTV3 + Subtv viewer share increased to 44.3 (42.7) %
- Difficult B-to-B market environment
  - Kauppalehti and Talentum

# Media advertising and GNP 1989 – 2002 change %



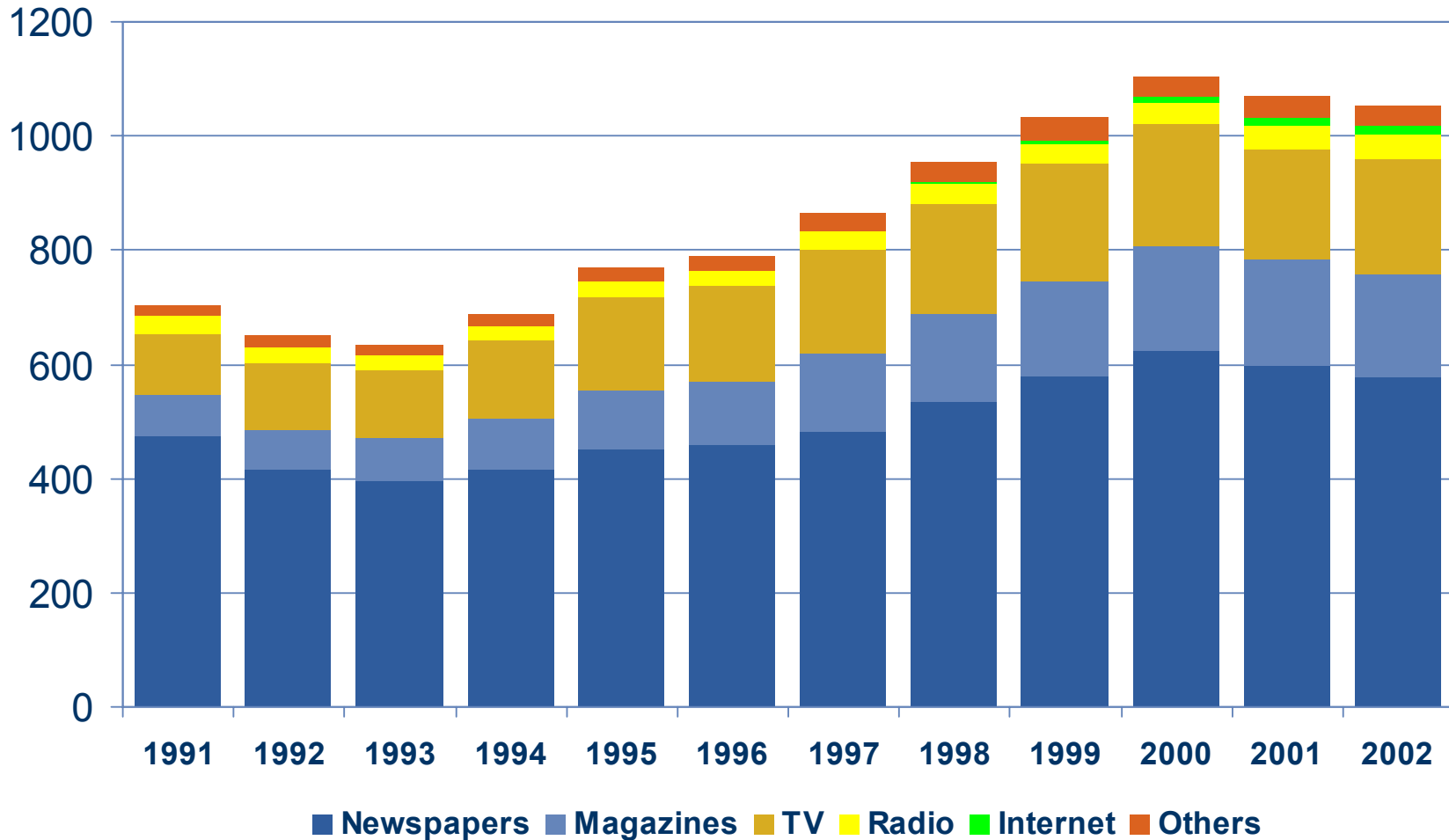
— GNP — Advertising

\*) estimate

Source: Gallup Media

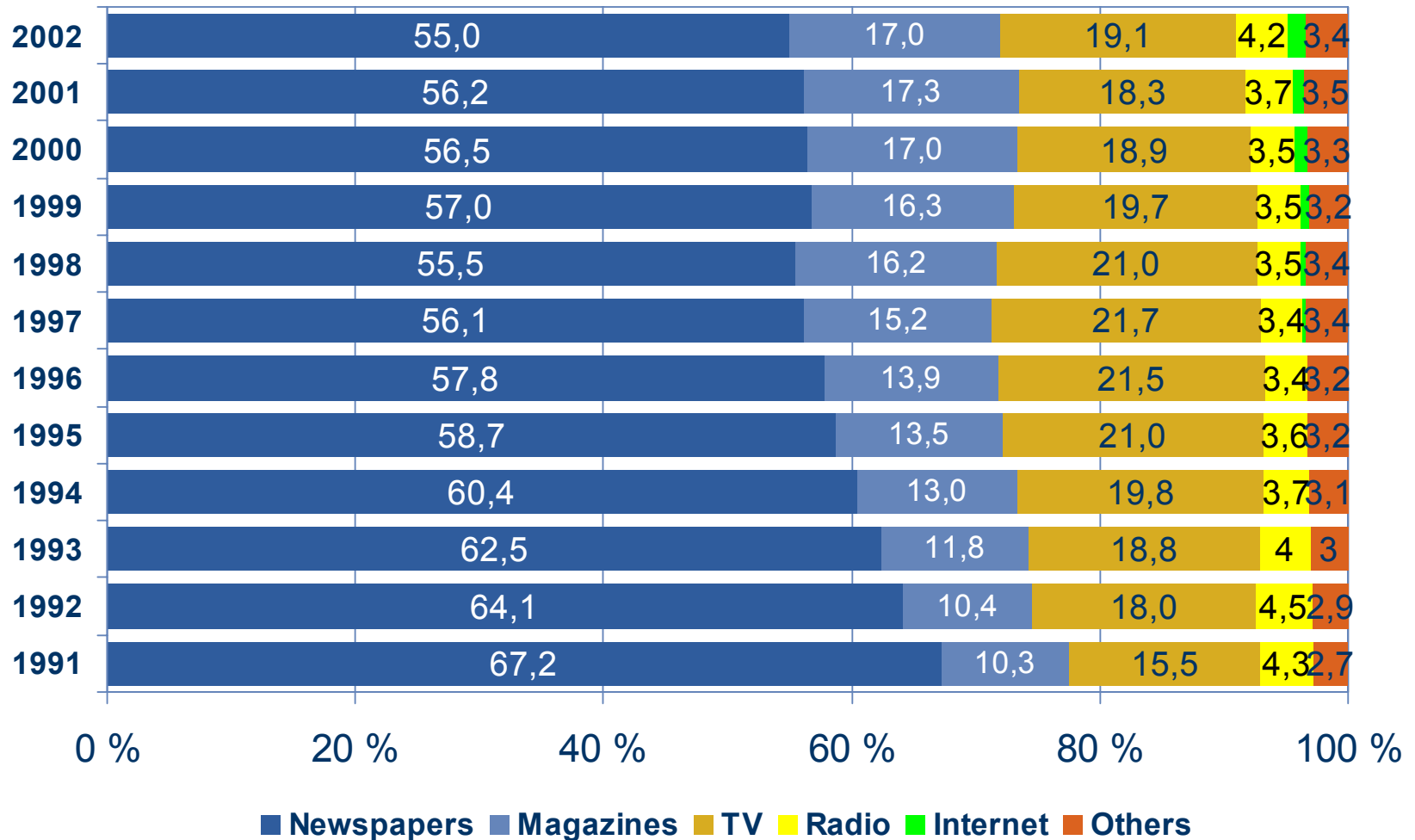
# Media advertising in Finland 1991-2002

## MEUR



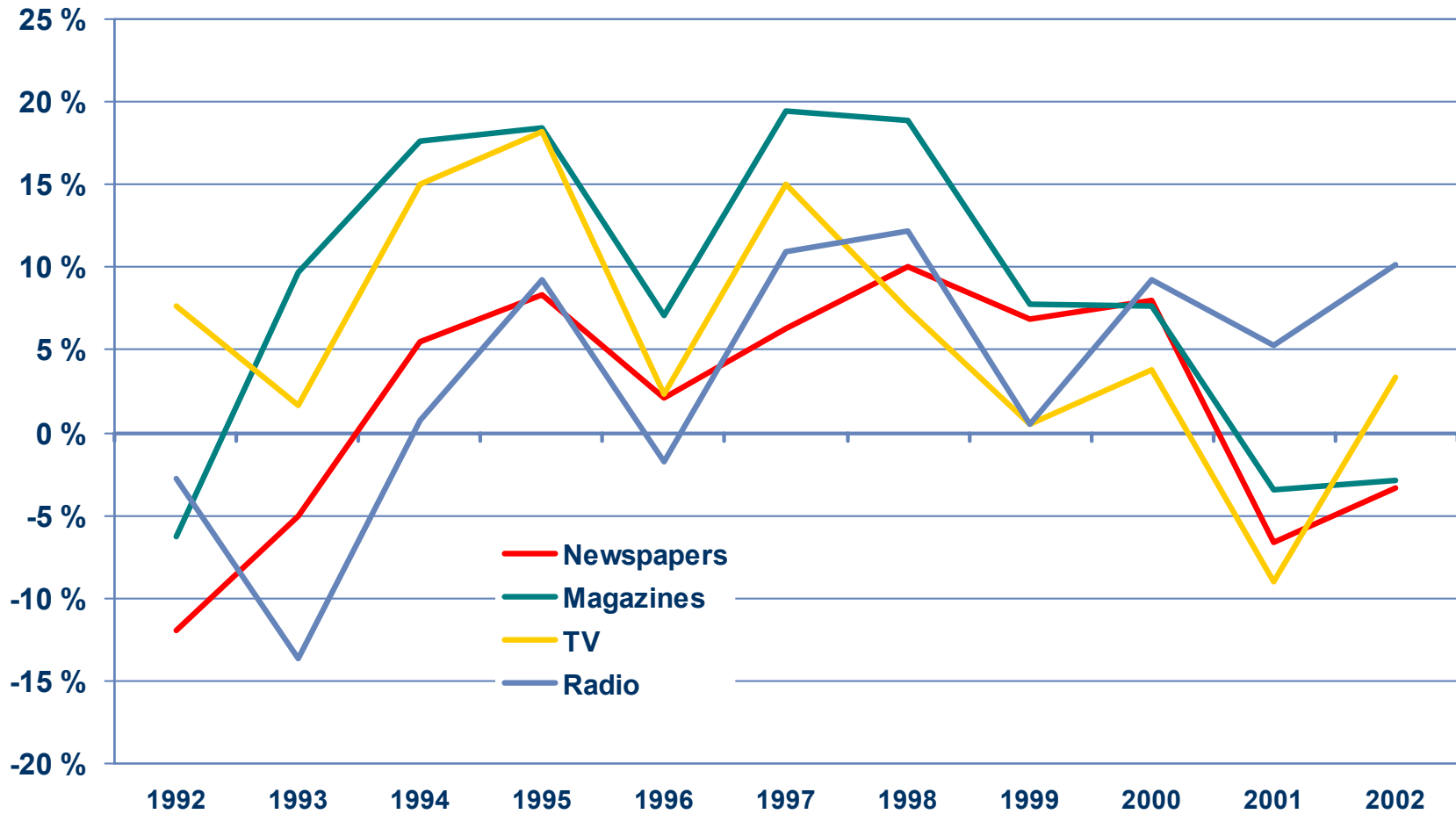
Source: Suomen Gallup Group Oy

# Media advertising in Finland 1991-2002



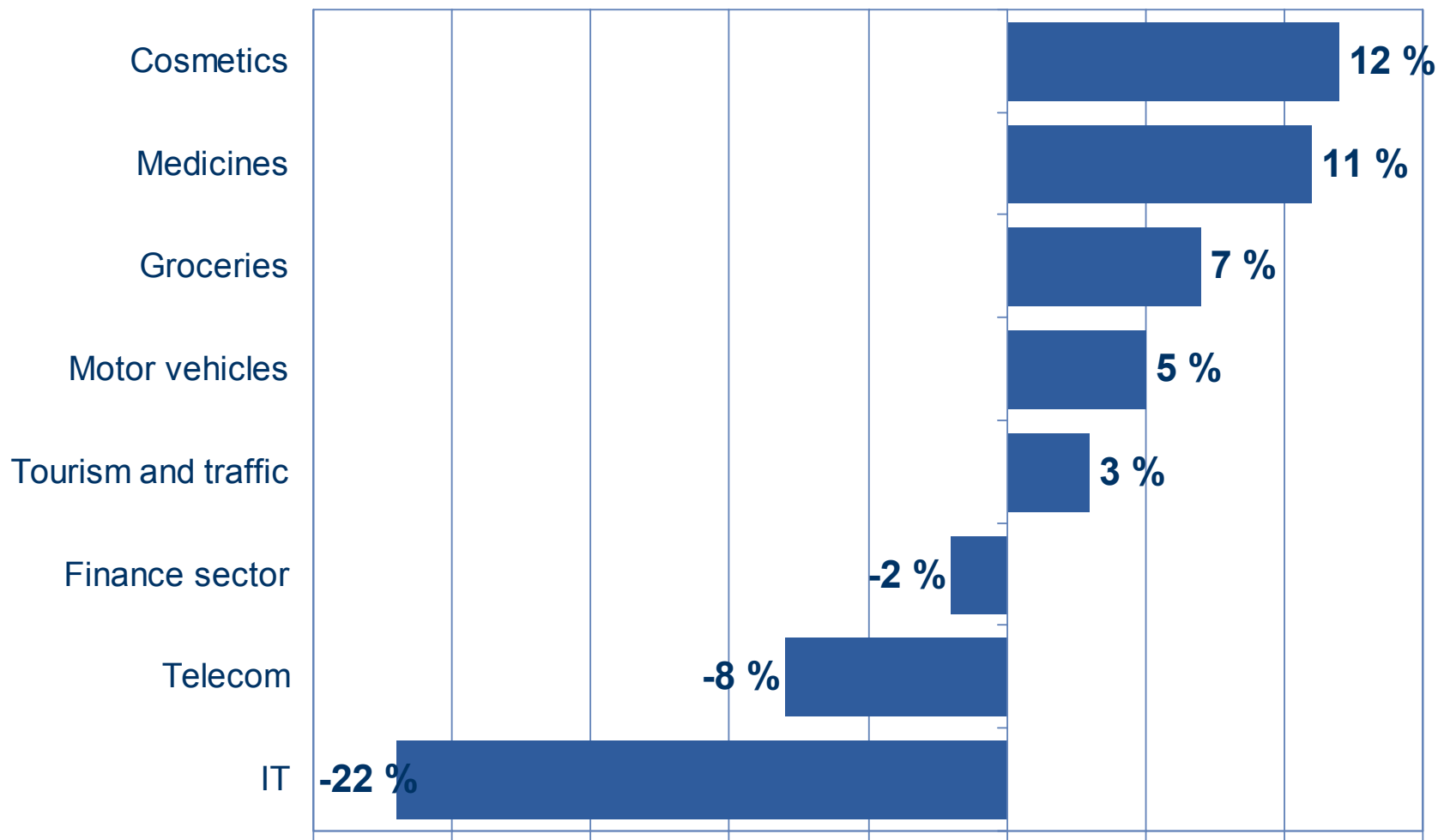
Source: Suomen Gallup Group Oy

# Radio and TV advertising is increasing



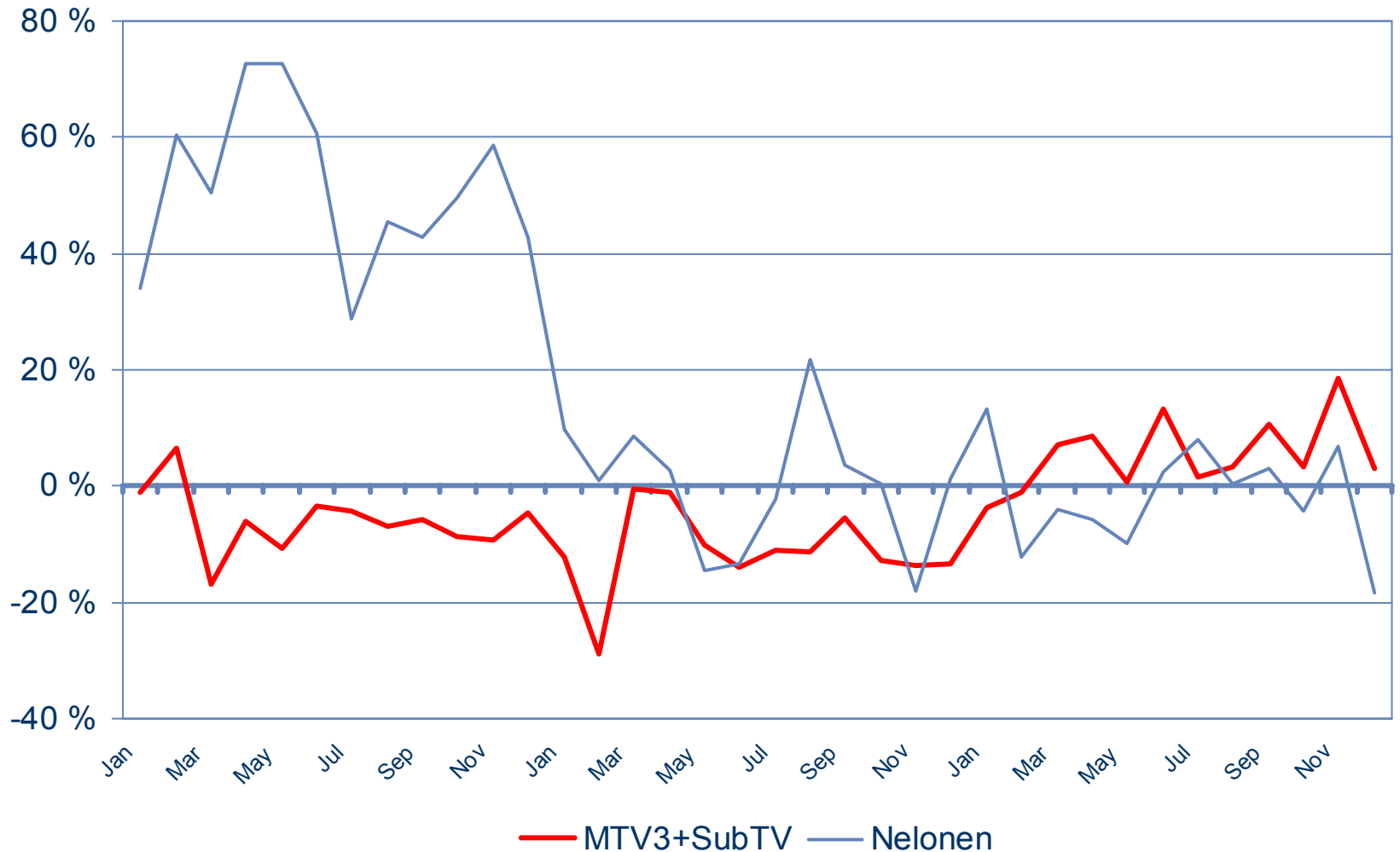
Source: Suomen Gallup Group Oy

# Most advertised branches in Finland 2002, change %



Source: Suomen Gallup Group Oy

# Monthly advertising sales, MTV3 and Nelonen, monthly change %, 1/00 - 12/02



Sources: Suomen Gallup Group Oy, Alma Media

# Media advertising Alma Media vs. market

Change, %	Market Q4	Alma Media Q4	Market 2002	Alma Media 2002
Newspapers*)	0,8 %	1,9 %	-2,5 %	- 1,5 %
Business papers	-12,2 %	- 12,2 %	- 15,3 %	- 12,8 %
Magazines	1,7 %	-	-2,9 %	-
Television	4,7 %	9,1 %	3,4 %	5,8 %
Radio	4,3 %	8,7 %	10,1 %	17,4 %
Internet	27,7 %	8,0 %	1,5 %	- 4,6 %
TOTAL	1,7 %	5,3 %	-1,4 %	2,3 %

\*) without business papers

Source: Gallup Media/ Cognos database

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Alma Media 2002

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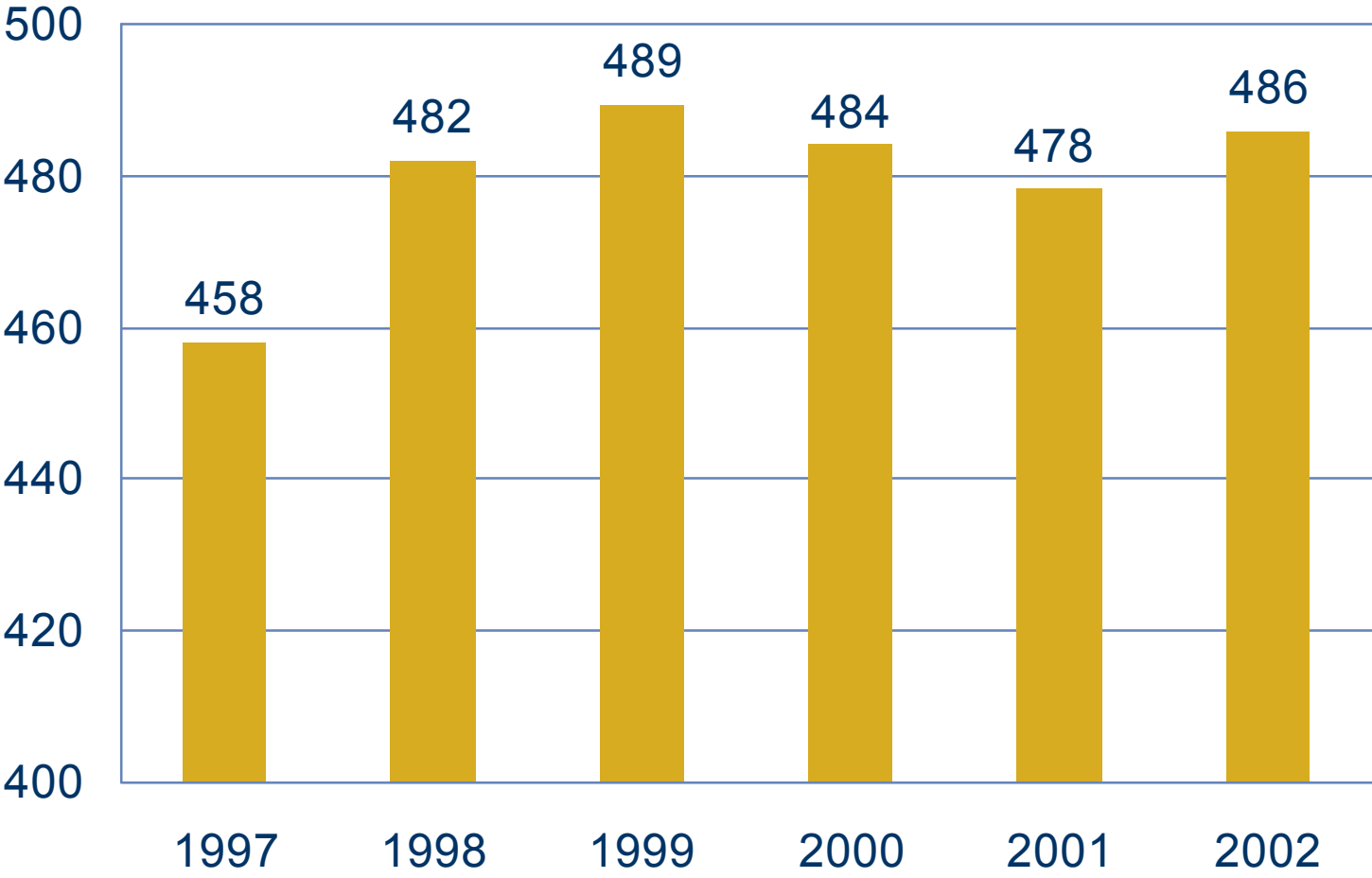
## Key figures Q402, MEUR

	<b>2002</b> 12 mo	<b>2001</b> 12 mo
<b>Net sales</b>	<b>485,9</b>	<b>478,3</b>
Share of profits in assoc. comp.	-9,3	-3,8
Other operating income	8,8	14,6
Total expenses	-469,6	-508,5
<b>Operating profit (EBIT)</b>	<b>15,8</b>	<b>-19,4</b>
%	3,3 %	-4,1 %
<b>Financial income/exp.</b>	<b><u>-7,0</u></b>	<b><u>-7,2</u></b>
<b>Profit before extraord. items</b>	<b>8,8</b>	<b>-26,6</b>
± Extraordinary items	<u>-0,1</u>	<u>-2,2</u>
<b>Profit before taxes and minority interests</b>	<b>8,7</b>	<b>-28,8</b>
<b>Net profit/loss</b>	<b>2,4</b>	<b>-24,1</b>
<b>Earnings per share, eur</b>	<b>0,16</b>	<b>-1,43</b>

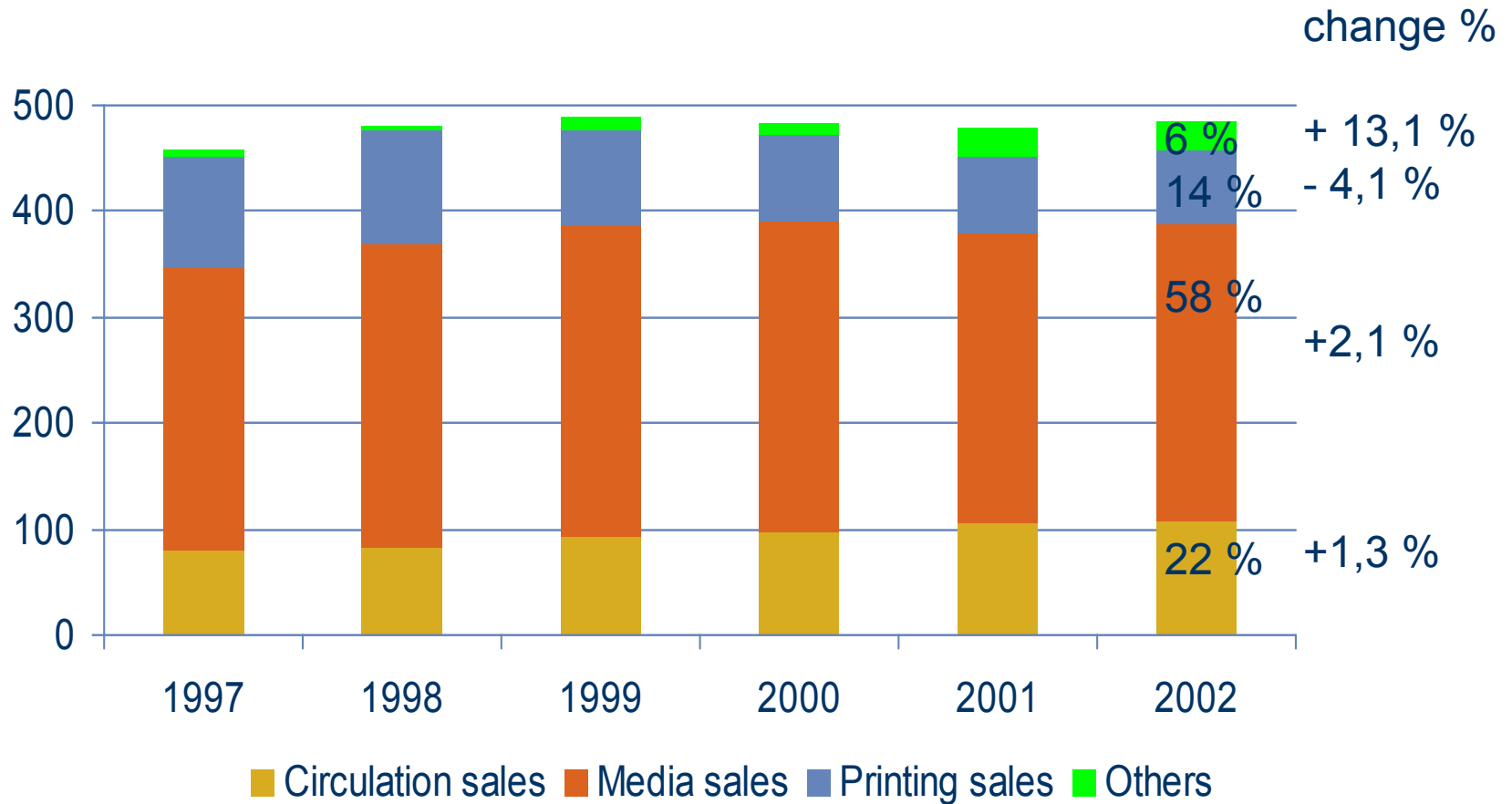
## Key figures, MEUR

	<b>2002</b>	<b>2001</b>
	<b>31.12.</b>	<b>31.12.</b>
<b>Total assets</b>	<b>403,6</b>	<b>453,4</b>
<b>Equity ratio, %</b>	<b>41,3 %</b>	<b>37,0 %</b>
<b>Shareholders' equity per share, eur</b>	<b>10,23</b>	<b>10,26</b>
<b>Interest-bearing debt</b>	<b>156,0</b>	<b>200,5</b>
<b>Interest-bearing debt (net)</b>	<b>130,6</b>	<b>181,3</b>
<b>Gearing, %</b>	<b>81,2 %</b>	<b>112,3 %</b>
<b>Investments</b>	<b>14,9</b>	<b>94,4</b>

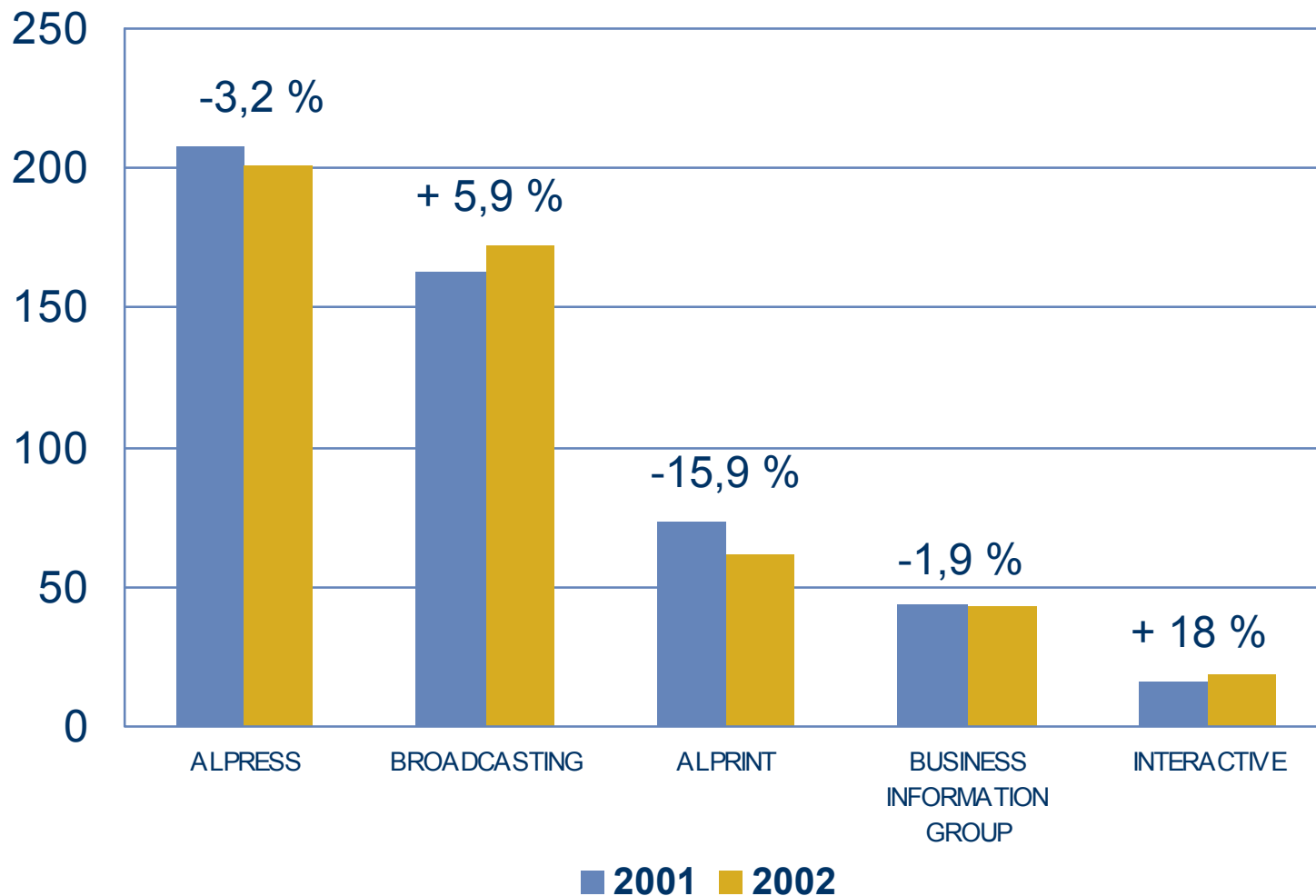
# Net sales 1997 - 2002, MEUR



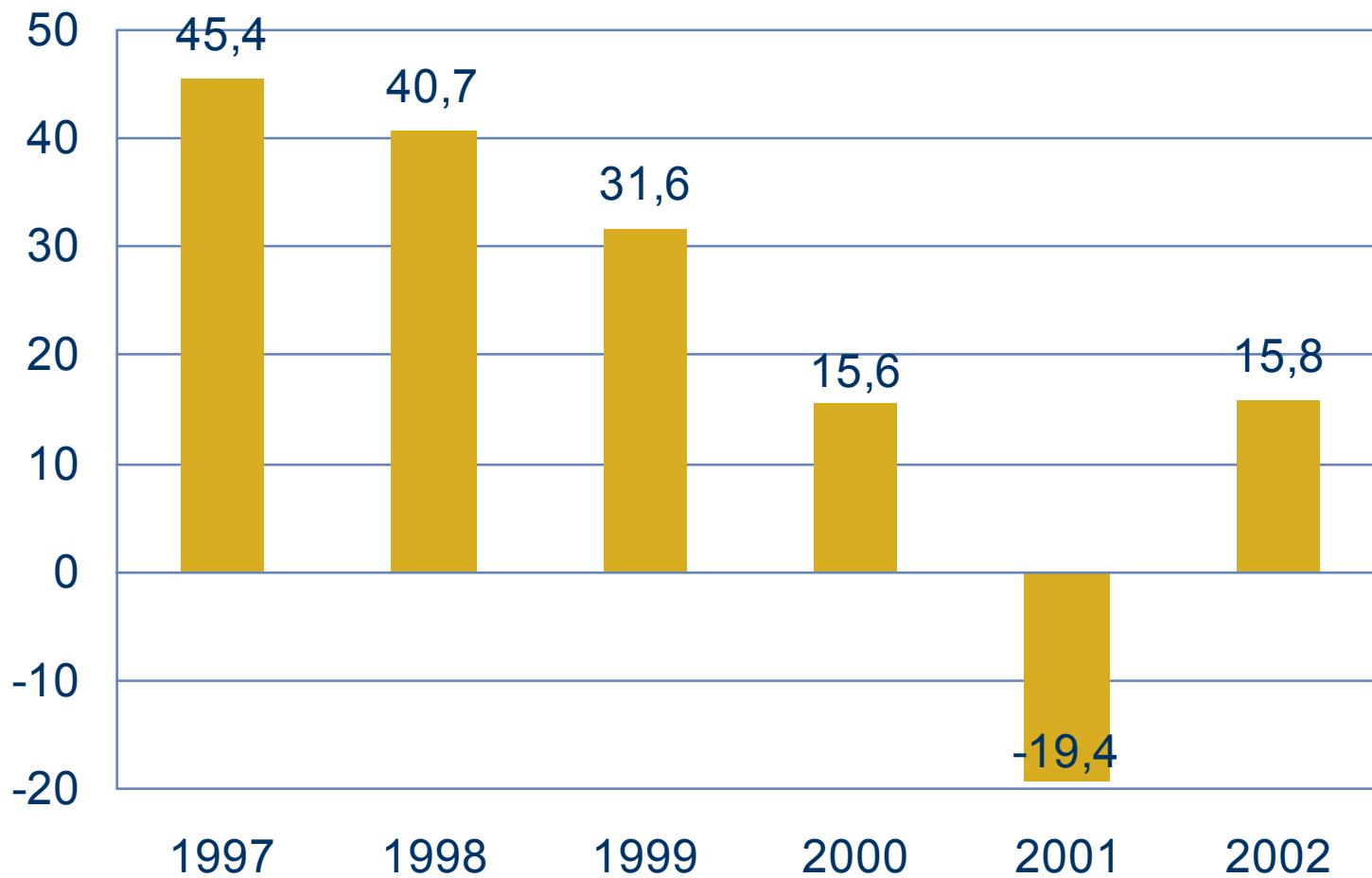
# Net sales 1997-2002, MEUR



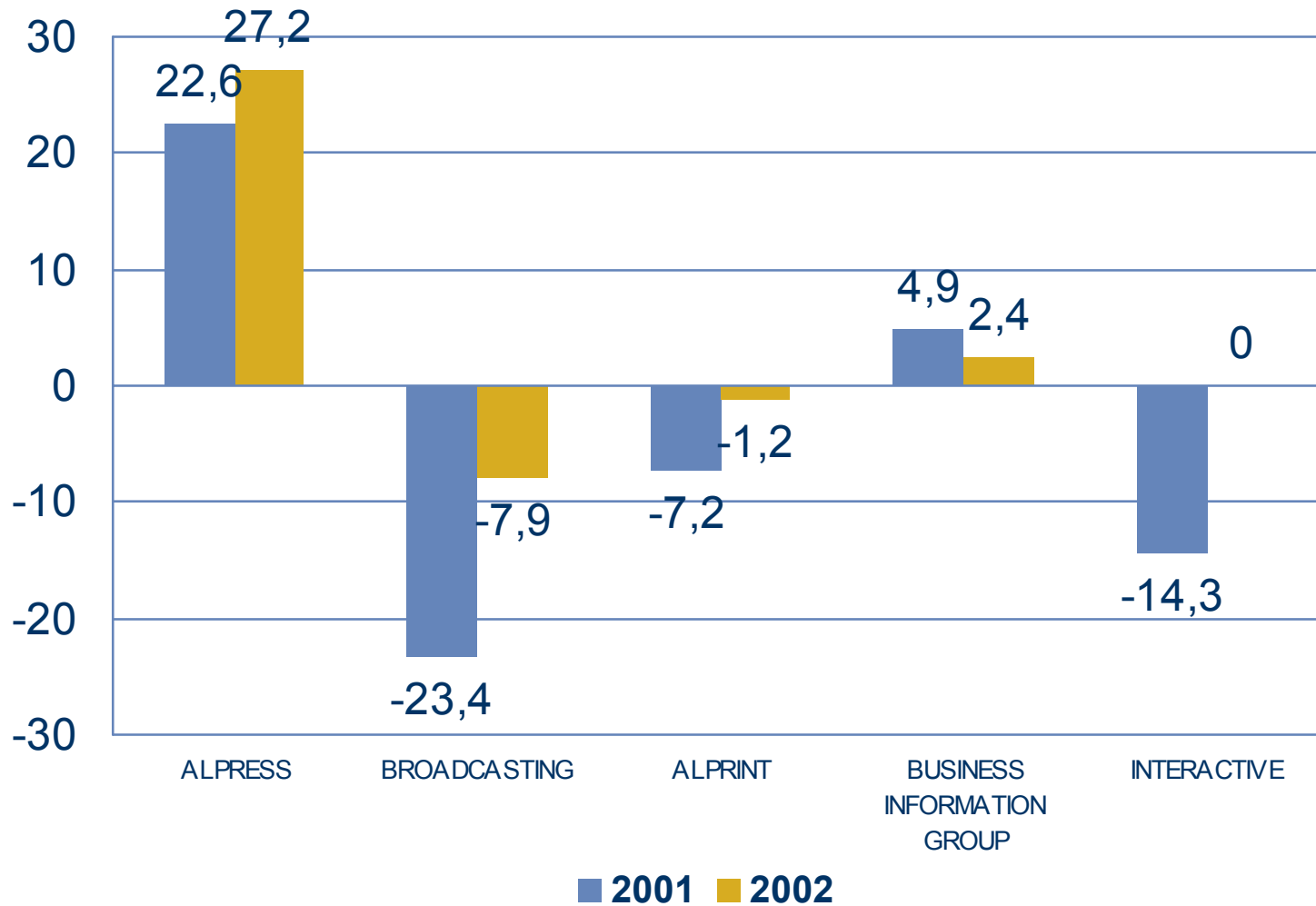
# Net sales increased in Broadcasting and Interactive, MEUR



# EBIT 1998 – 2002, MEUR



# EBIT by division, MEUR

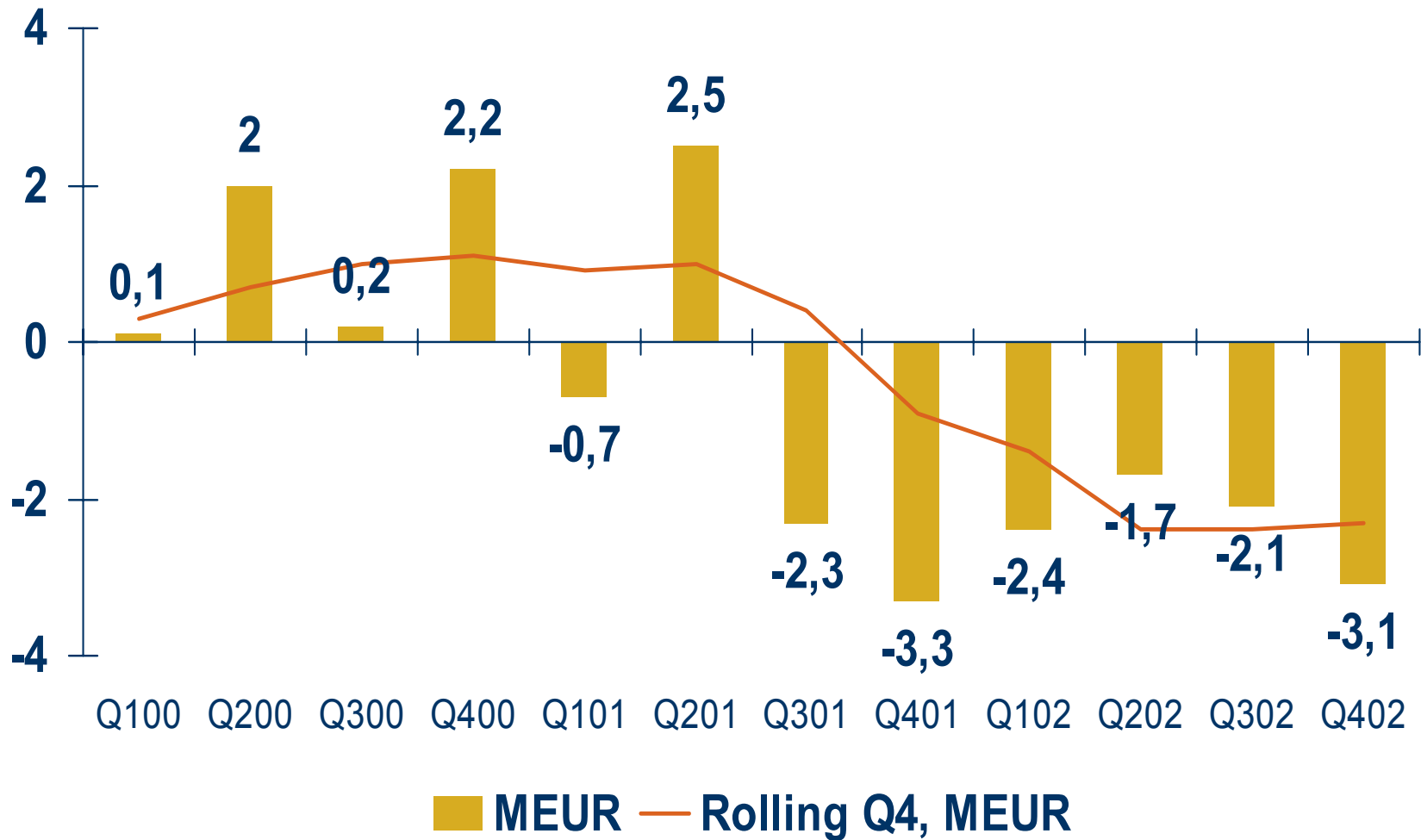


## Major strategic publicly listed share holdings



MEUR	Talentum	TV4	Total
Acquisition price	60	90	150
Book value 31.12.2002	53	76	129
Market value 31.12.2002	19	64	83

Associated companies Talentum, TV4 Ab, Sports Channel etc.



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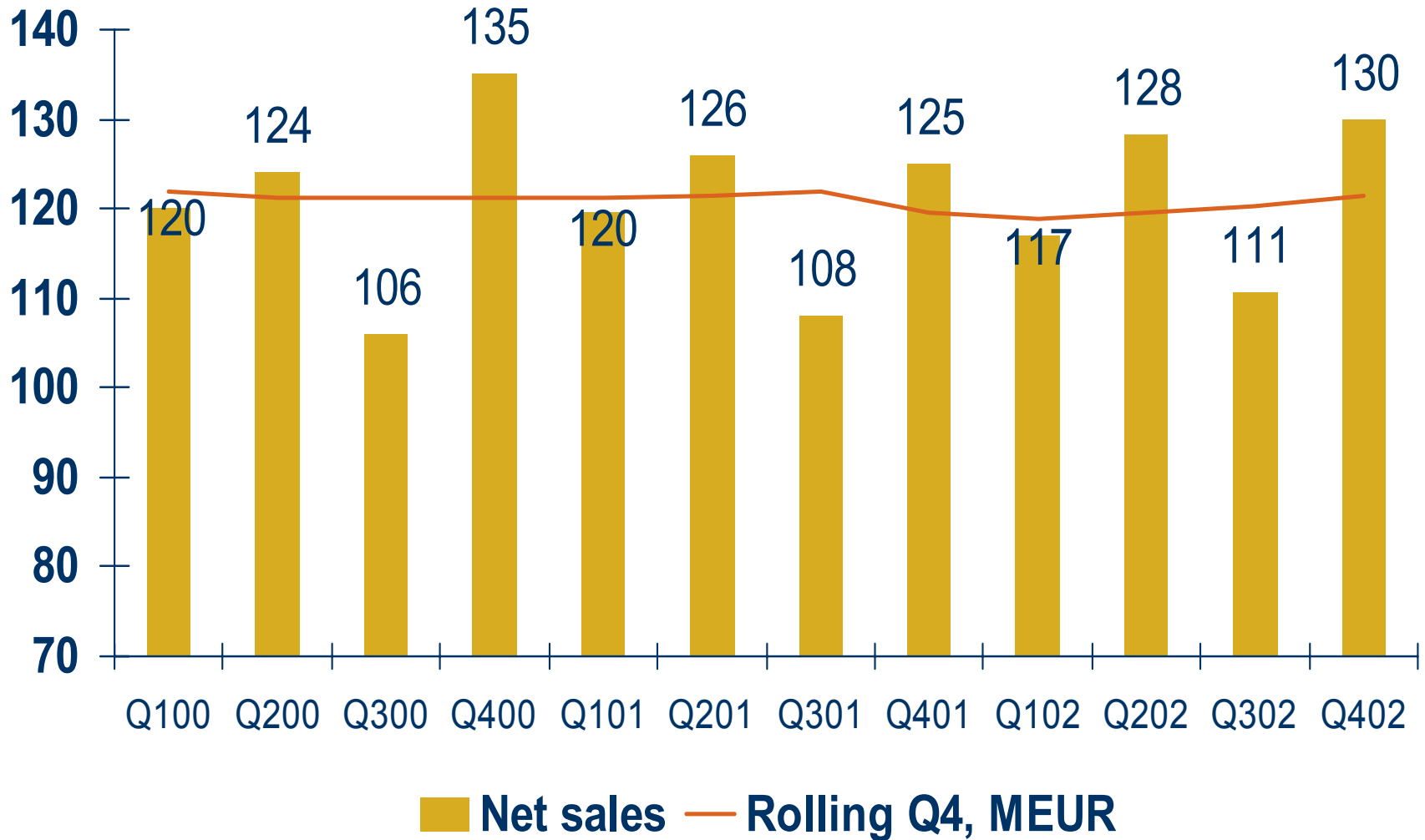
Interim Report Q402

**Print**

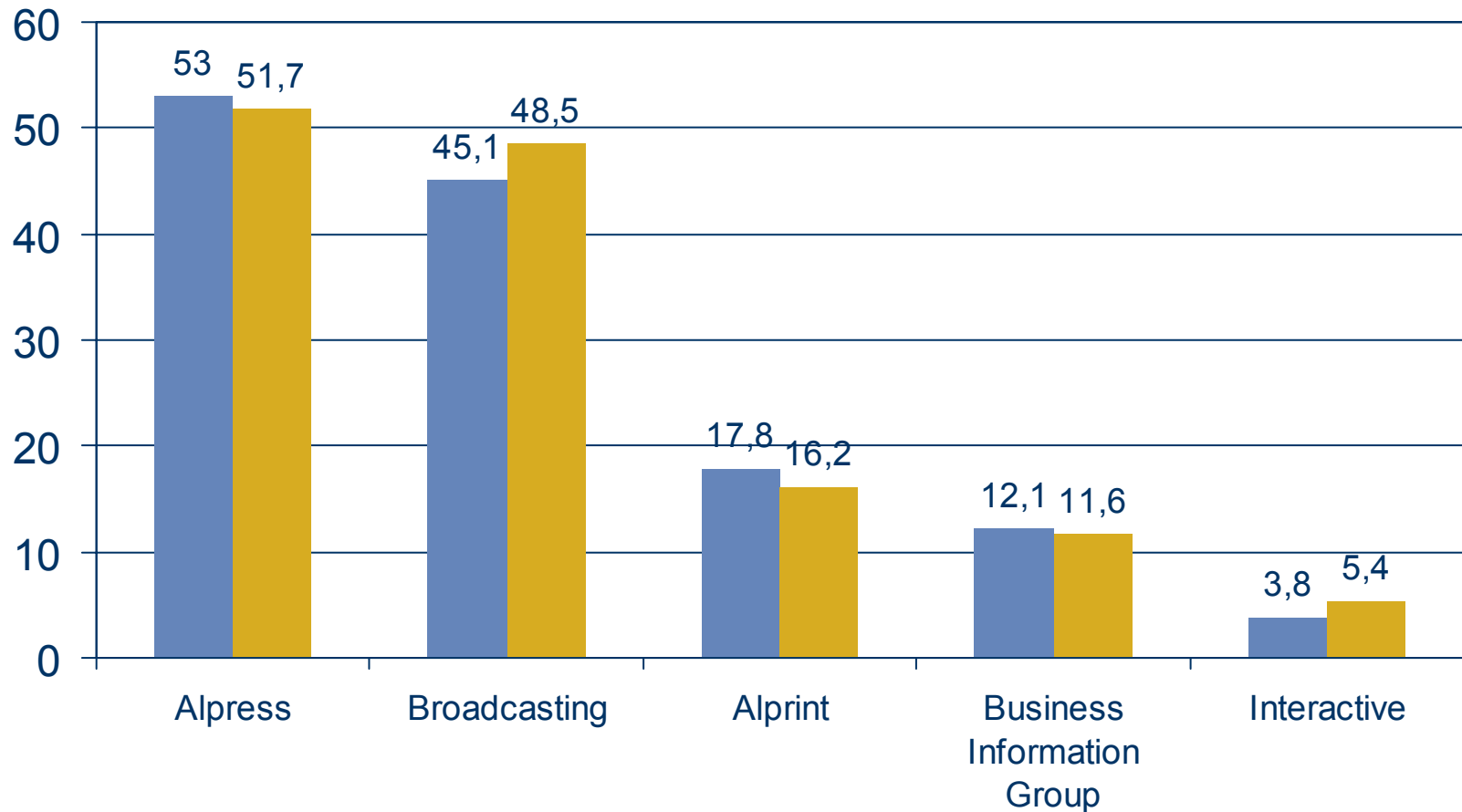
# Key figures Q402, MEUR

	<b>2002</b>	<b>2001</b>
	10-12 mo	10-12 mo
<b>Net sales</b>	<b>129,9</b>	<b>125,1</b>
Share of profits in assoc. comp.	-3,1	-3,3
Other operating income	6,8	2,1
Total expenses	124,6-	-140,1
<b>Operating profit (EBIT)</b>	<b>9,0</b>	<b>-16,2</b>
%	6,9 %	-12,9 %
<b>Financial income/exp.</b>	<b><u>-1,6</u></b>	<b><u>-2,6</u></b>
<b>Profit before extraord. items</b>	<b>7,4</b>	<b>-18,8</b>
± Extraordinary items	<u>0,0</u>	<u>-0,5</u>
<b>Profit before taxes and minority interests</b>	<b>7,4</b>	<b>-19,3</b>
<b>Earnings per share, eur</b>	<b>0,27</b>	<b>-0,85</b>

# Q4 net sales increased slightly

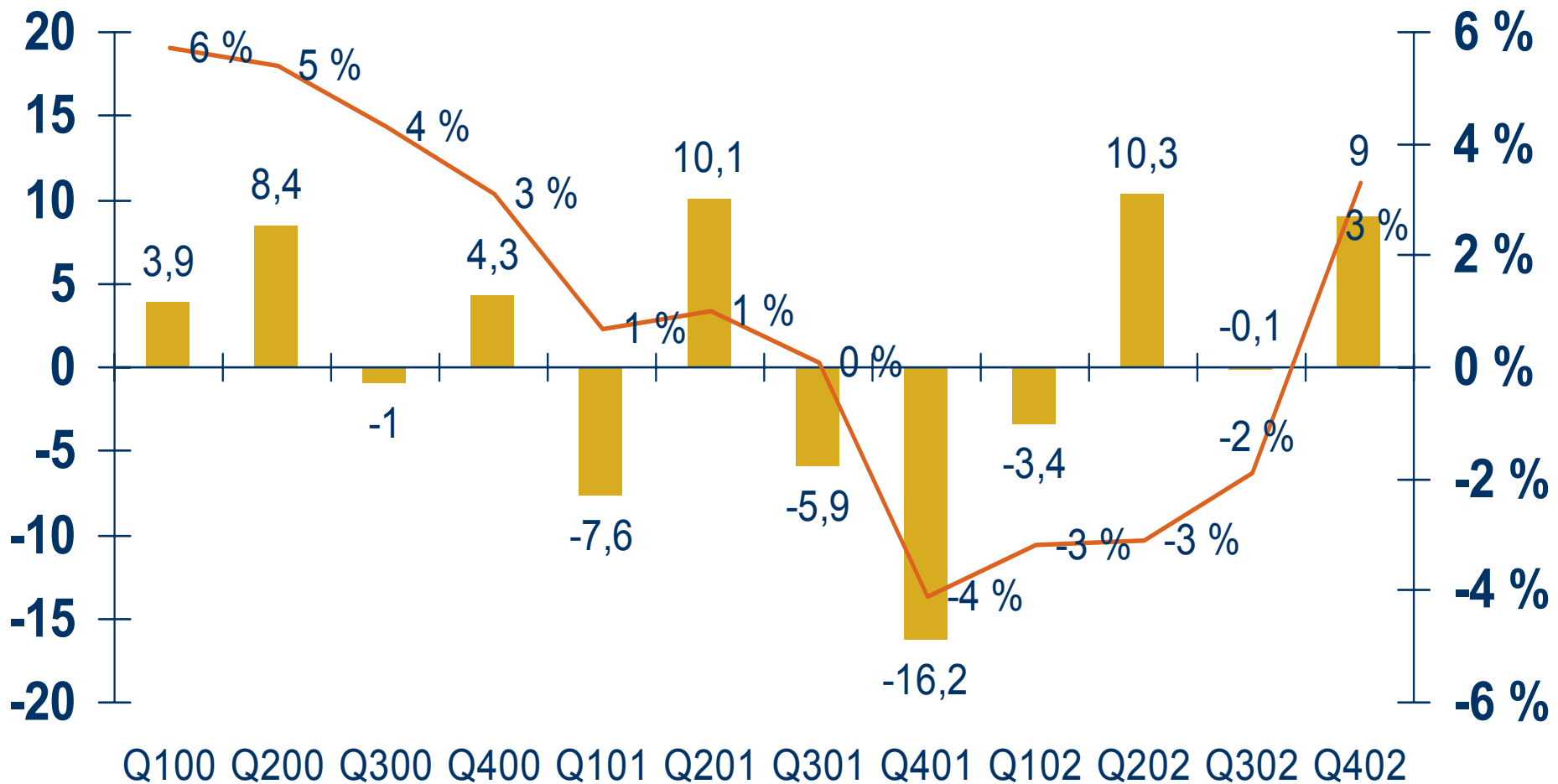


# Net sales by division, Q401 and Q402



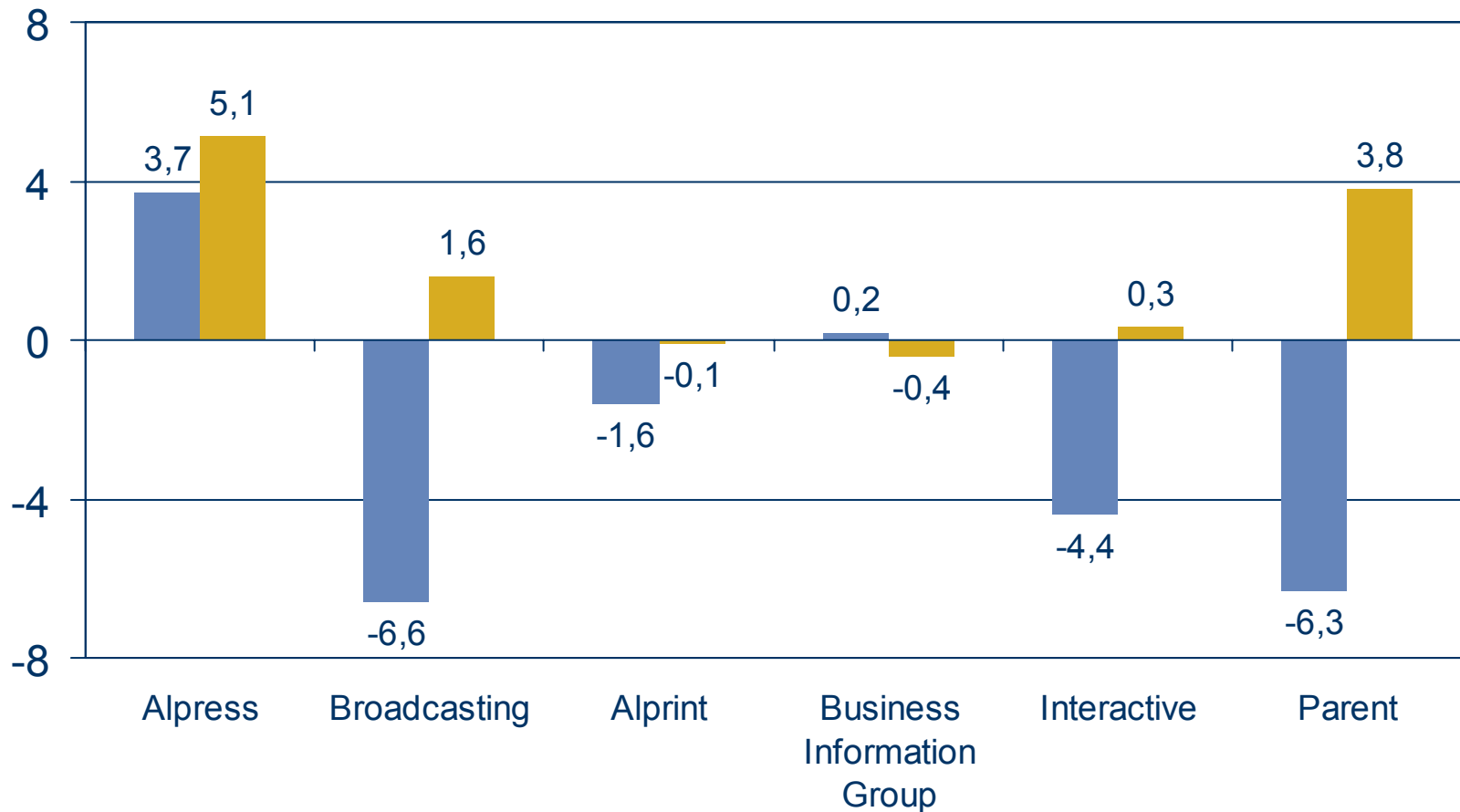
■ Net sales Q401 ■ Net sales Q402, MEUR

# EBIT 2000 - 2002



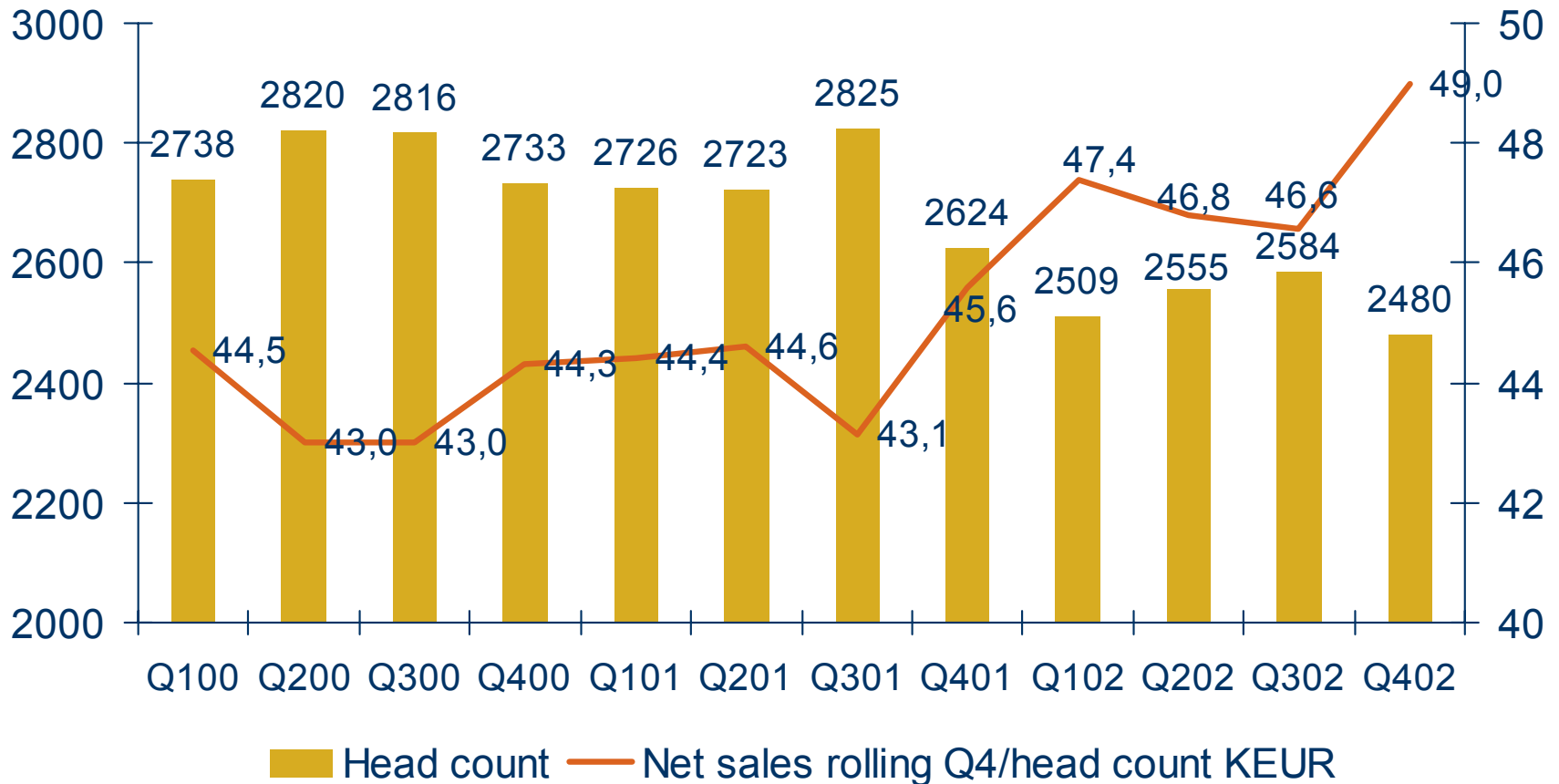
**■ EBIT, MEUR — Rolling Q4 % of net sales**

# EBIT Q401 and Q402 by division

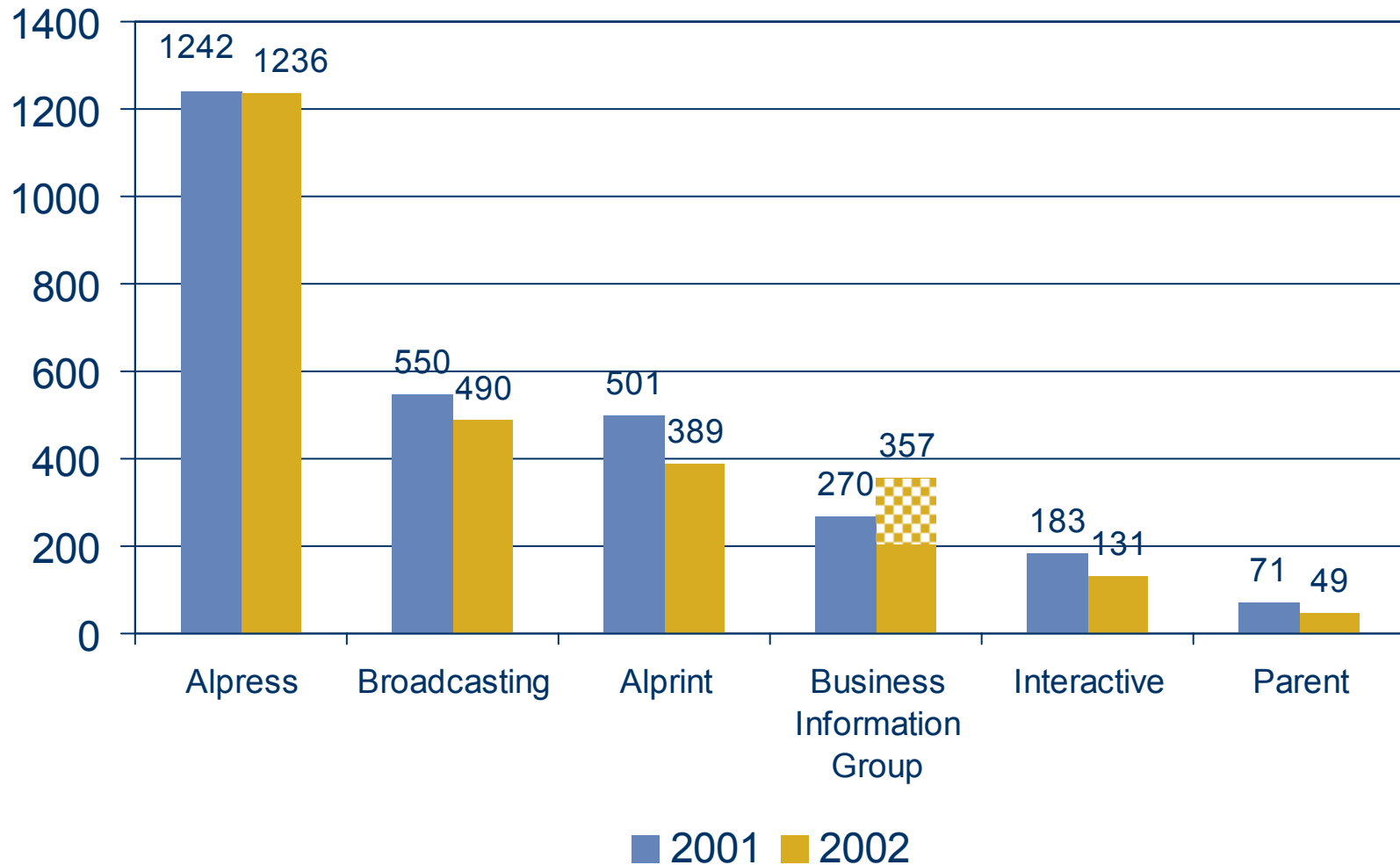


■ EBIT Q401, MEUR ■ EBIT Q402, MEUR

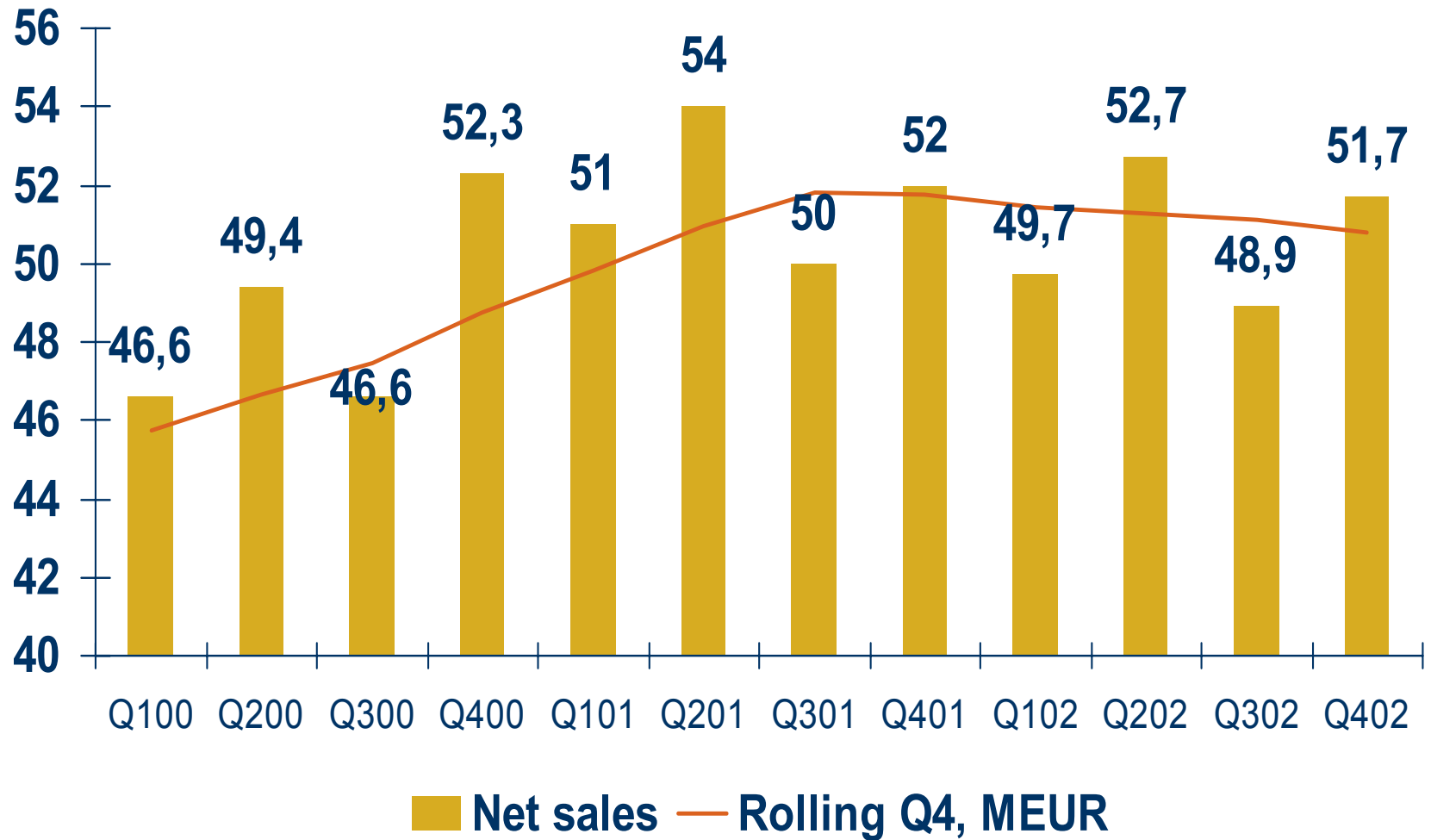
# Quarterly comparable average head count 10 % lower than Q401 and 15 % lower than Q402



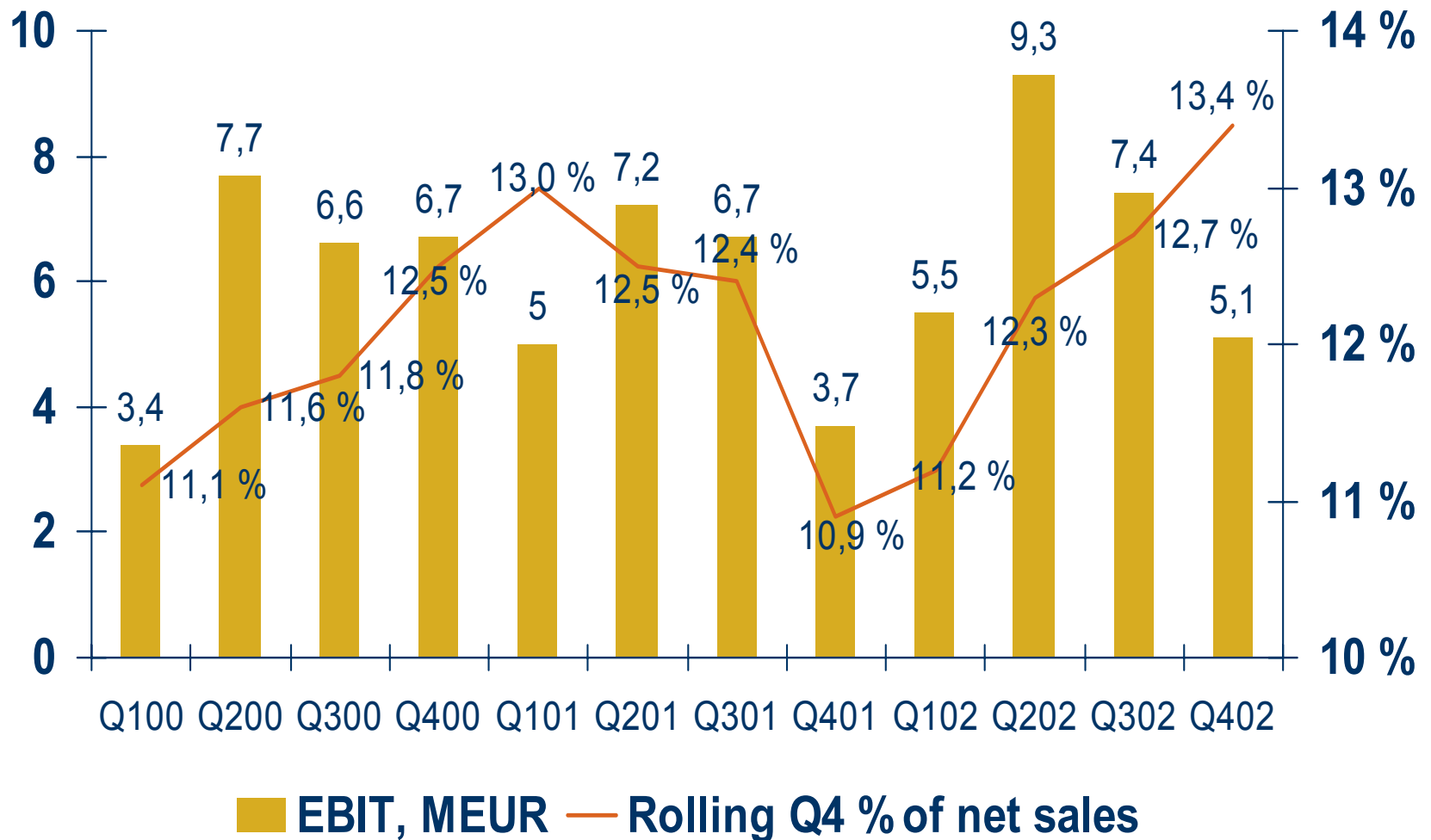
# Groups average full-time personnel decreased by 165 (comparable 300) persons



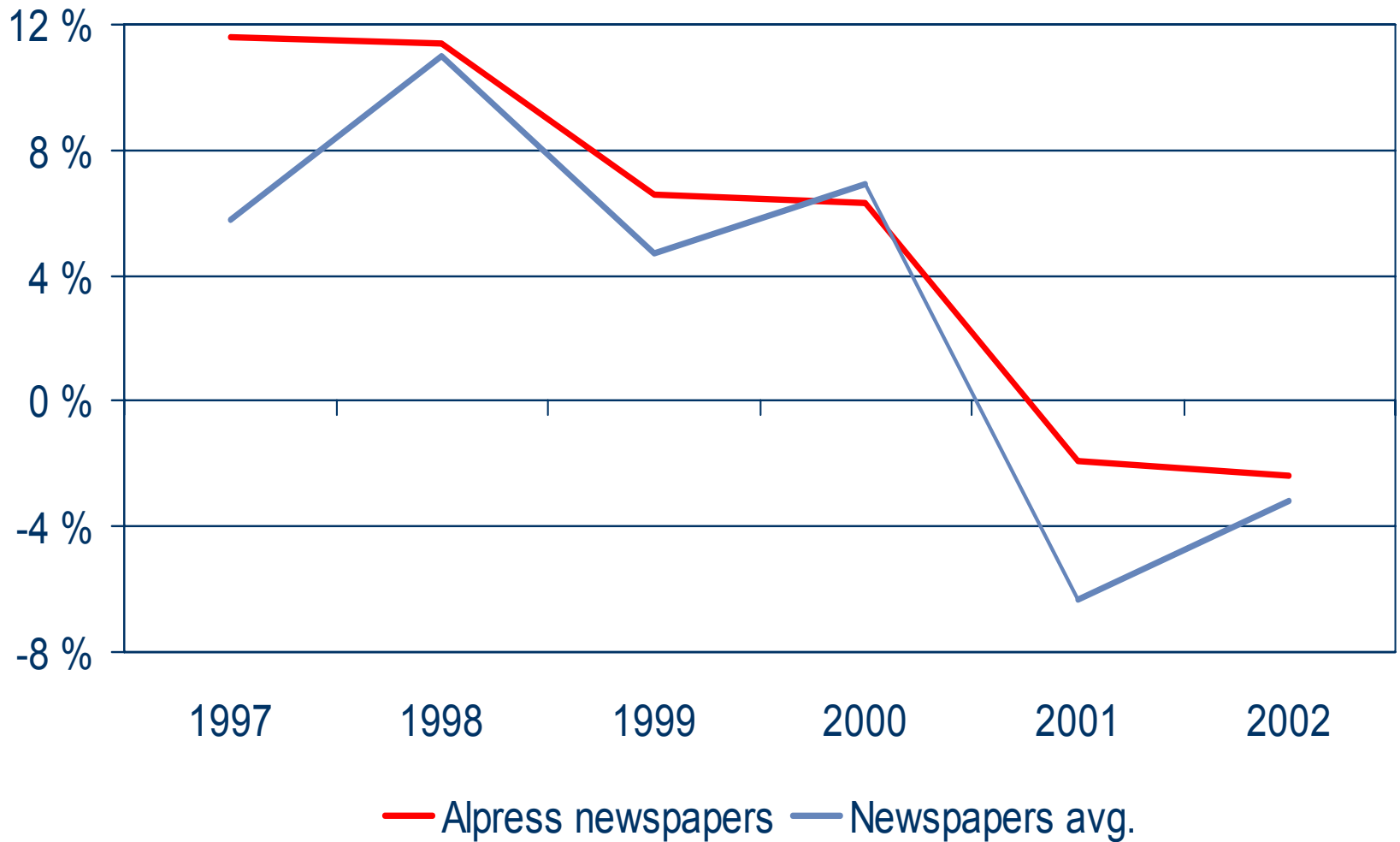
# Alpress net sales



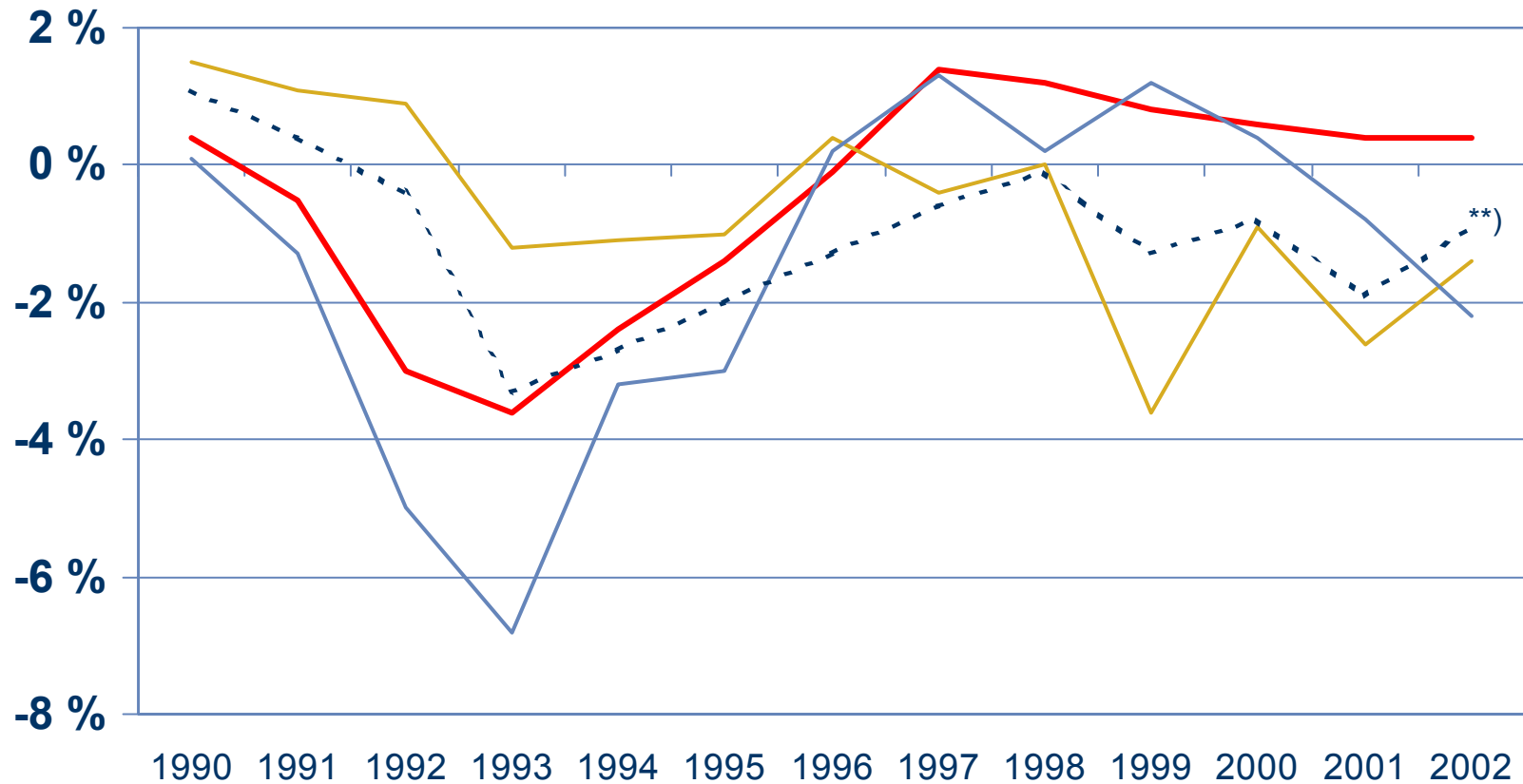
# Alpress EBIT



# Newspaper advertising, change %



# Circulation 1990-2002<sup>\*)</sup>, change %



— Aamulehti

— Helsingin Sanomat

— Turun Sanomat

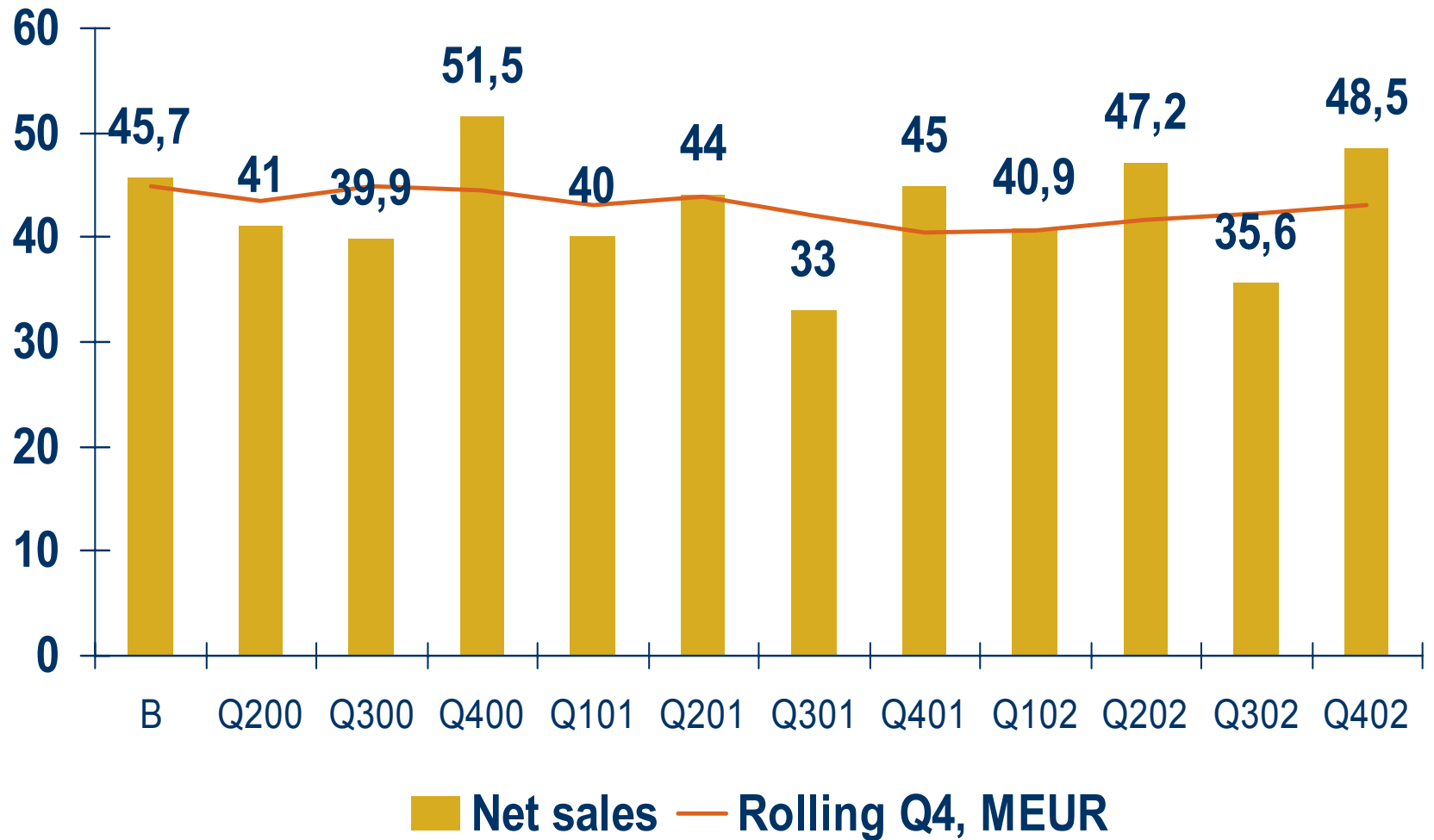
- - - Newspapers avg.

<sup>\*)</sup> 1990-2001 H1 circulation, 2001-2002 full year circulation <sup>\*\*)</sup> Estimate

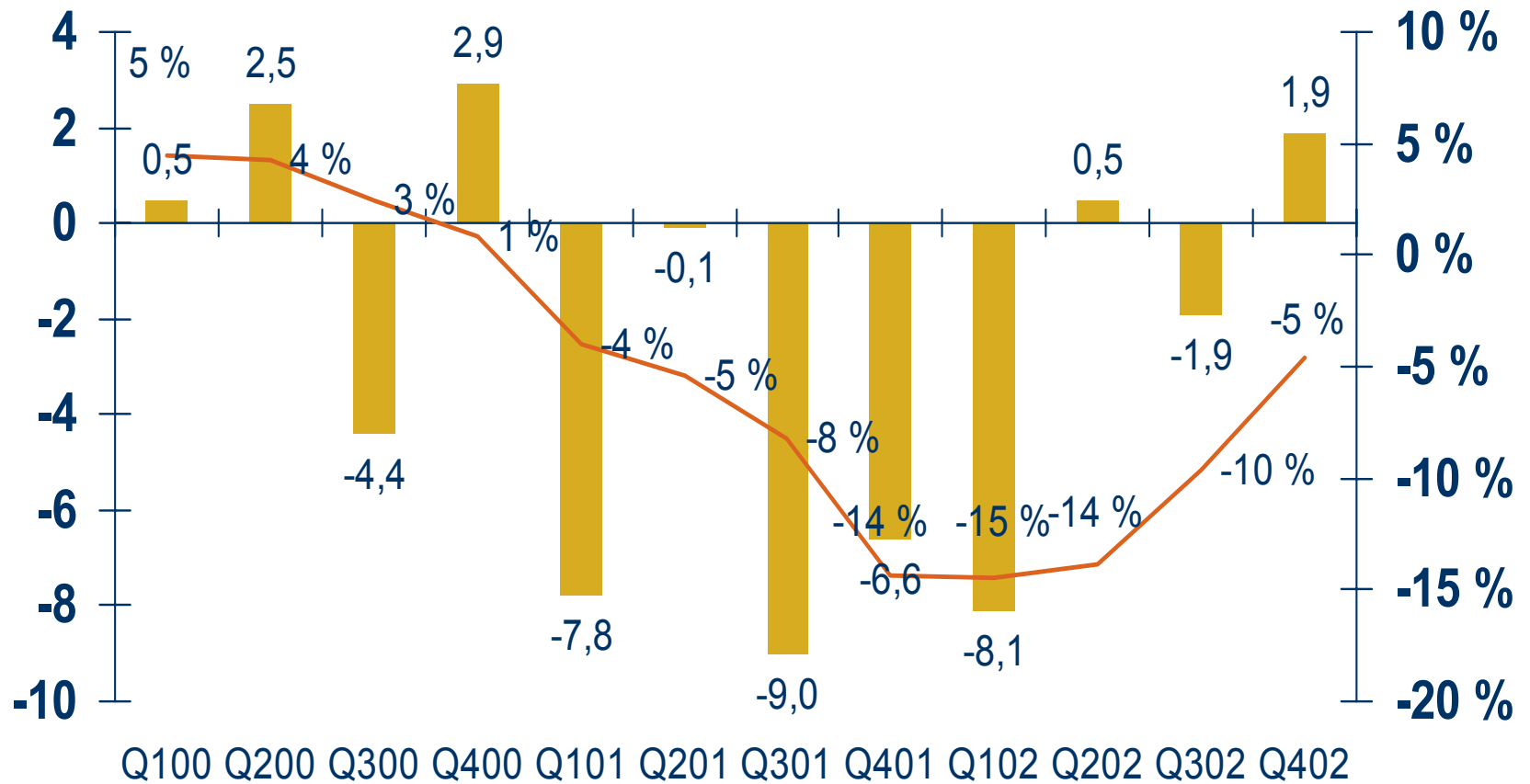
Source: Finnish Audit Bureau of Circulations

- Market
  - Newspaper advertising declined - 4.2 %
  - circulations down, circulation income up
  - tabloid circulation market -6 %
- Sales decreased 3.2 %, 201.3 (207.9) MEUR
  - advertising sales - 2.4 %
  - circulation sales + 1.9 %
- EBIT +20.4 %, 27.2 (22.6) MEUR
  - effective cost cutting programs
  - lower newsprint prices and volumes
- Key changes
  - Northern Newspapers business area started August 2002
  - chaining process
  - Hannu Olkinuora started as division head 1 March, 2002

# Broadcasting net sales increased Q402

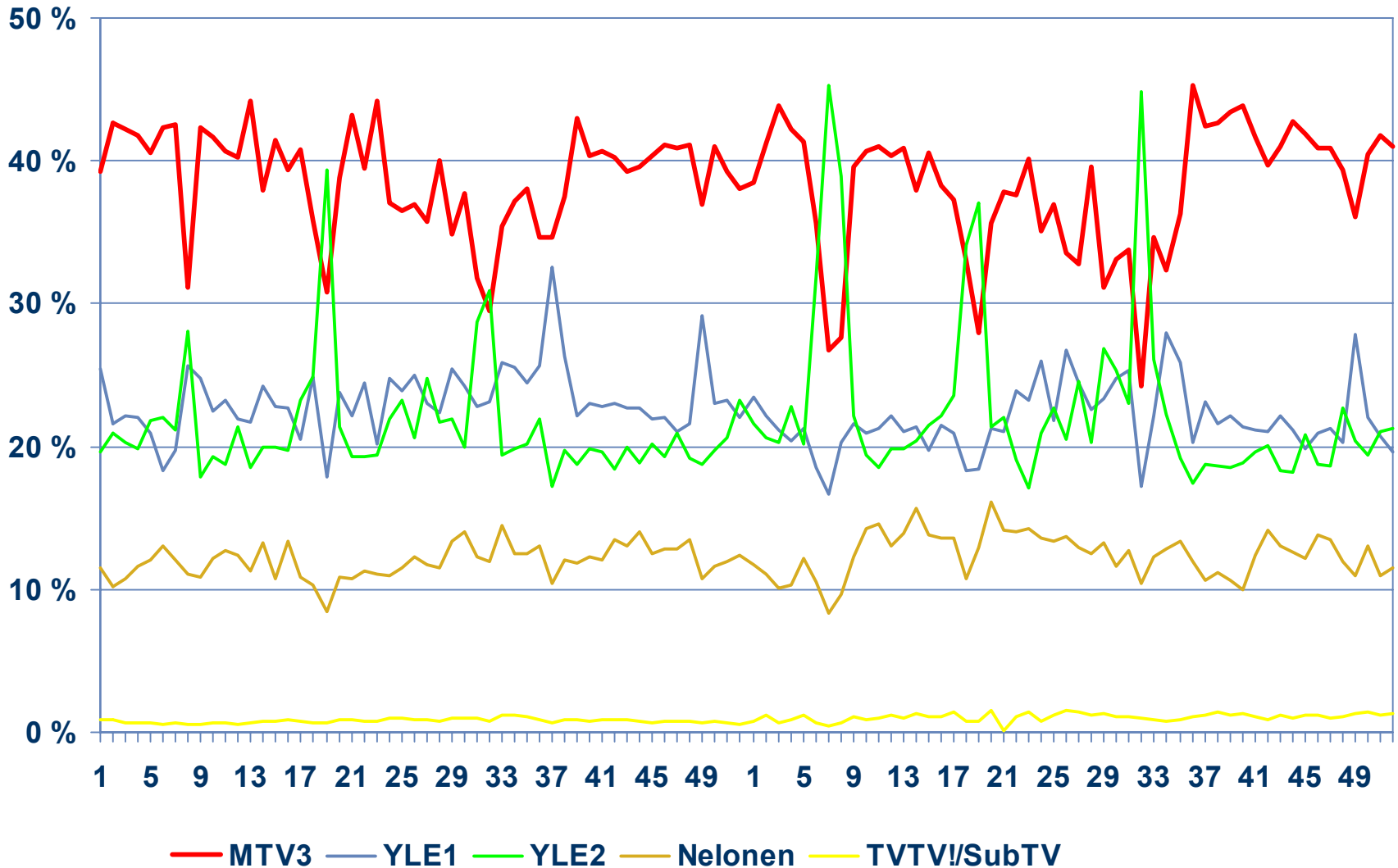


# Broadcasting EBIT



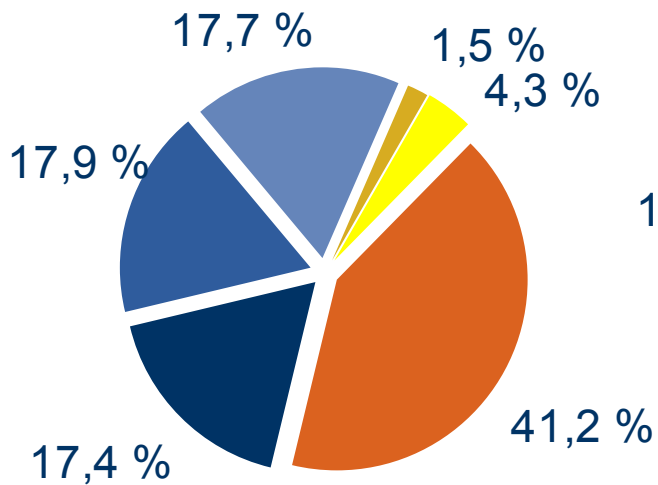
■ EBIT, MEUR — Rolling Q4 % of net sales

# Viewer share, prime time weeks 1/01 – 52/02

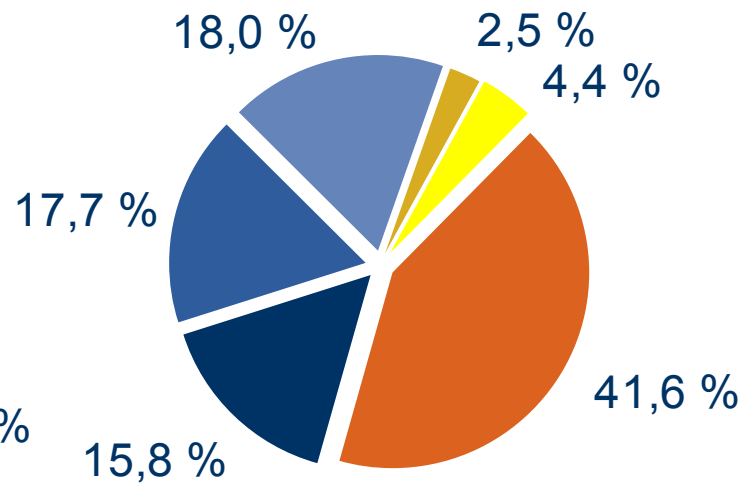


Source: Finnpanel Oy

# MTV and Subtv viewer share 44.1 (42.7) % 10 – 44 yrs, prime time



2001

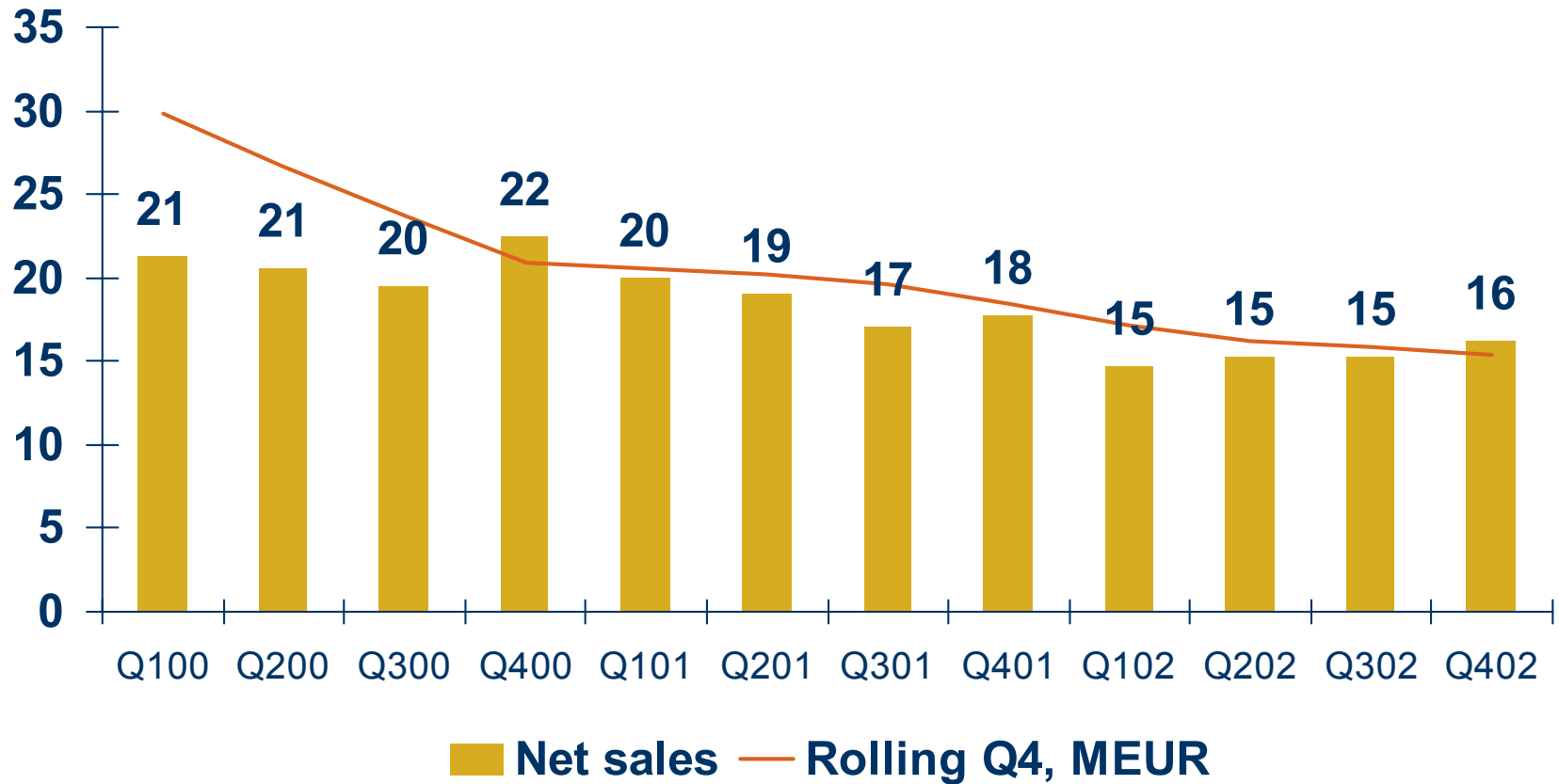


2002

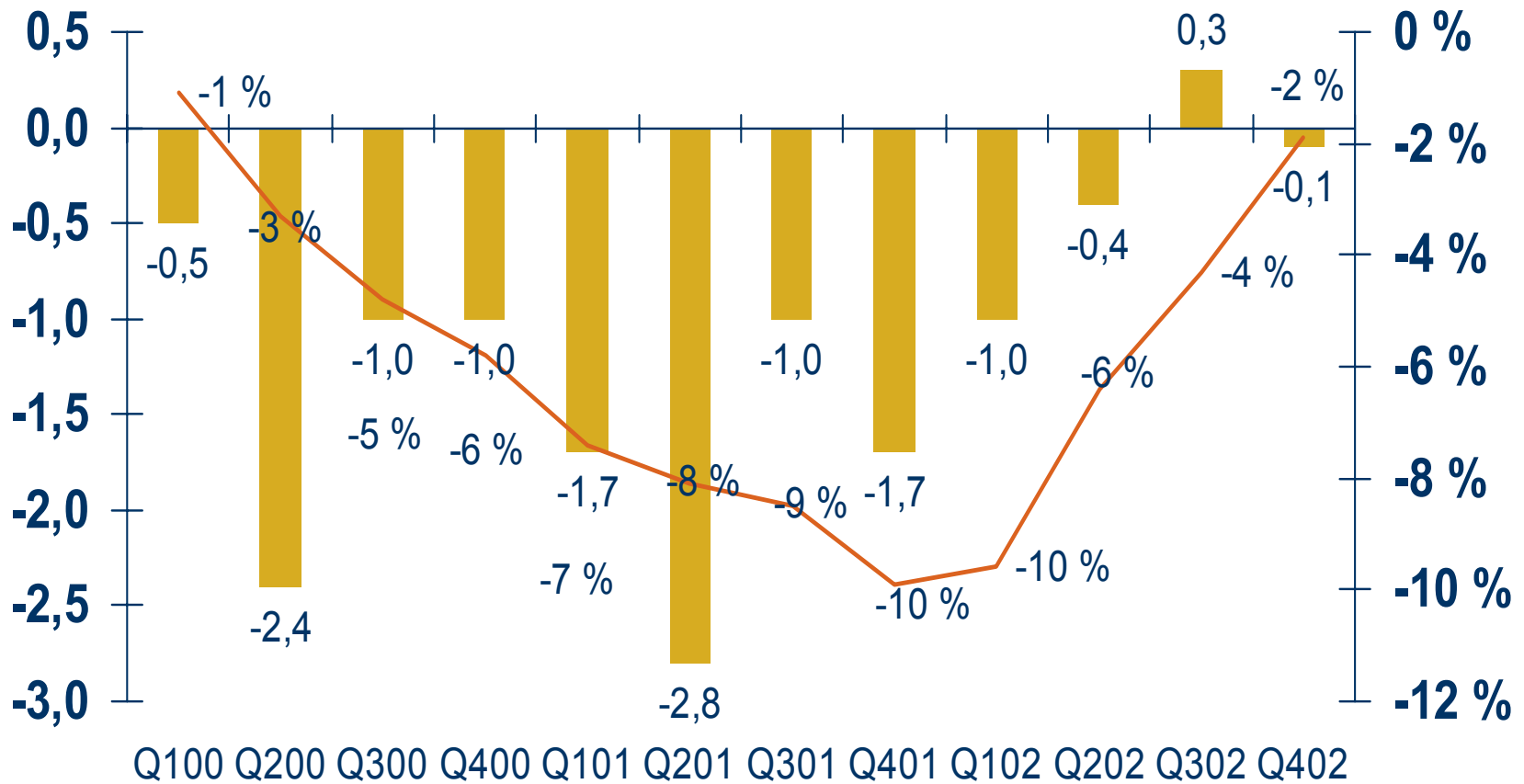
- MTV3
- TV1
- TV2
- Nelonen
- Subtv
- Others

- Market
  - TV:s market share in adverting increased to 19.1 (18.3)%
  - MTV:s (MTV3 + Subtv) market share of television advertising 75.1(73)%
  - Viewer share (MTV3 + Subtv) up to 44.3 (42.6)%
- Sales
  - Net sales up to 172.2 (162.6) MEUR mainly due to improved price level
- EBIT –7.9 (-23.4) MEUR
  - MTV3 channel 5.6 (-15.3) MEUR
  - Radio Nova 2.2 (0.6) MEUR
  - digitv development –6.8 (-3.3) MEUR
  - TV4 impacted –1.1 (0.3) MEUR and Sports Channel –3.9 (-1.5) MEUR
- Key changes
  - impact of concession fee halving + 7 MEUR

# Alprint net sales

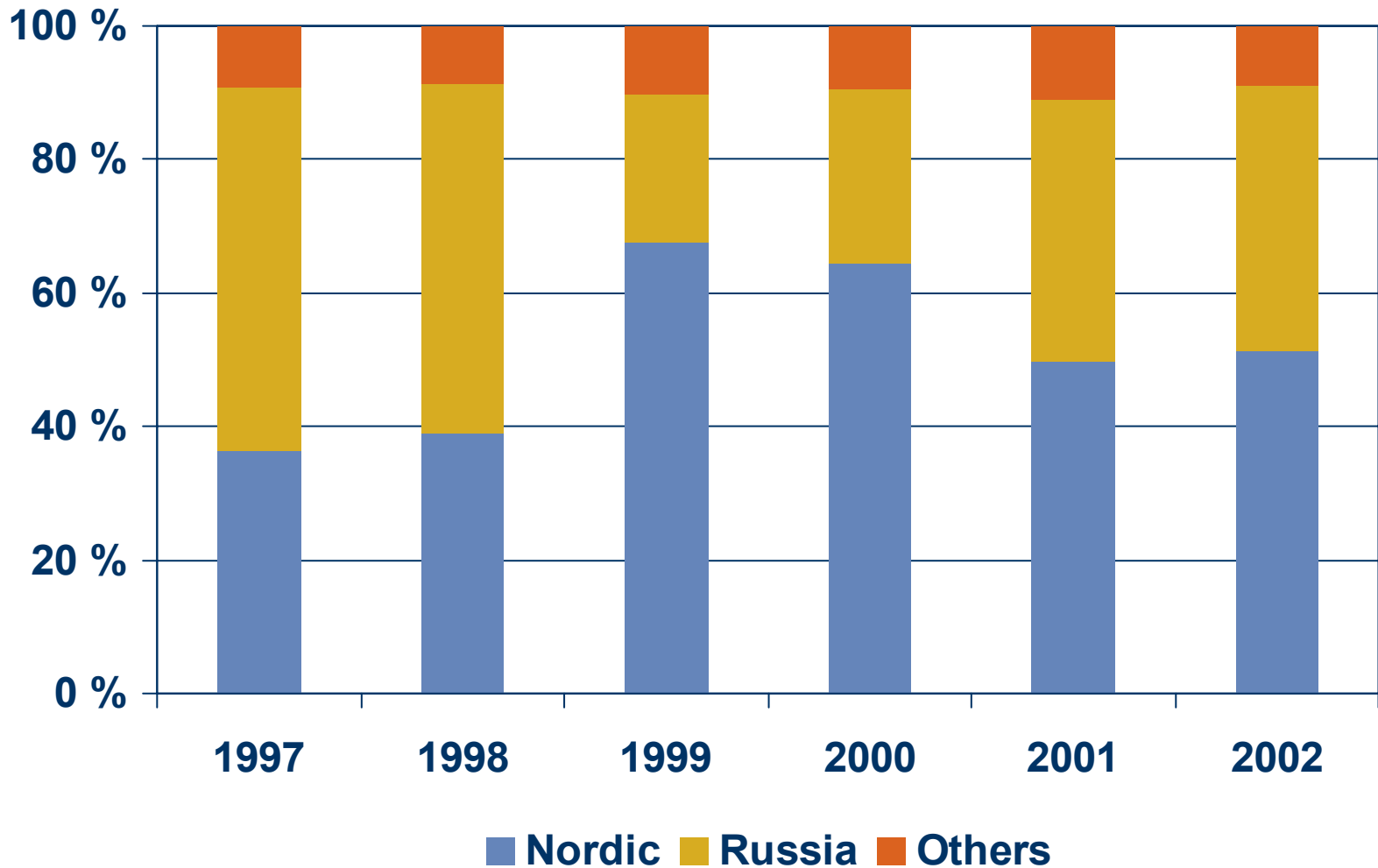


# Alprint EBIT



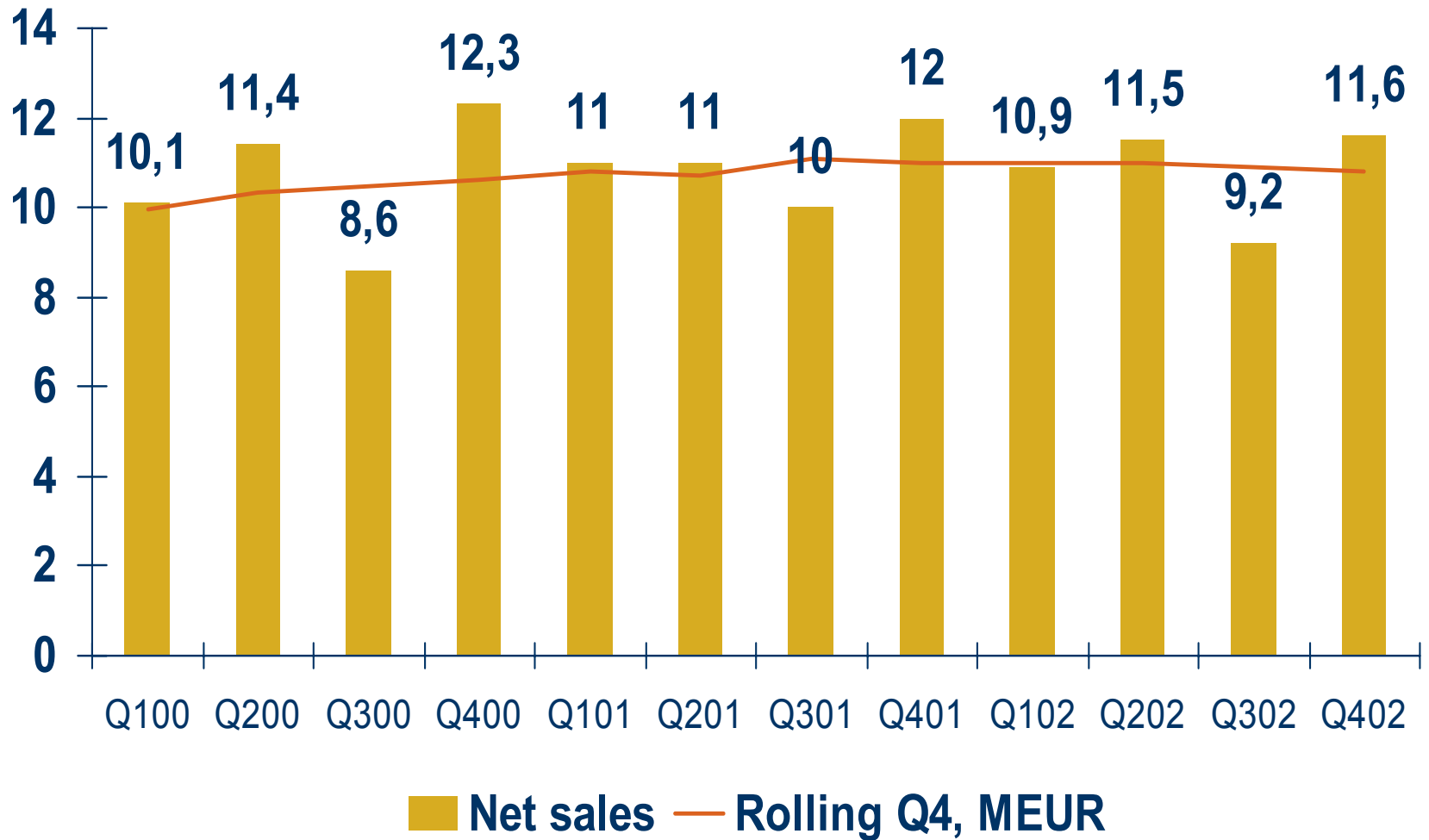
**■ EBIT, MEUR — Rolling Q4 % of net sales**

# Alprint exports 1997 – 2002, %

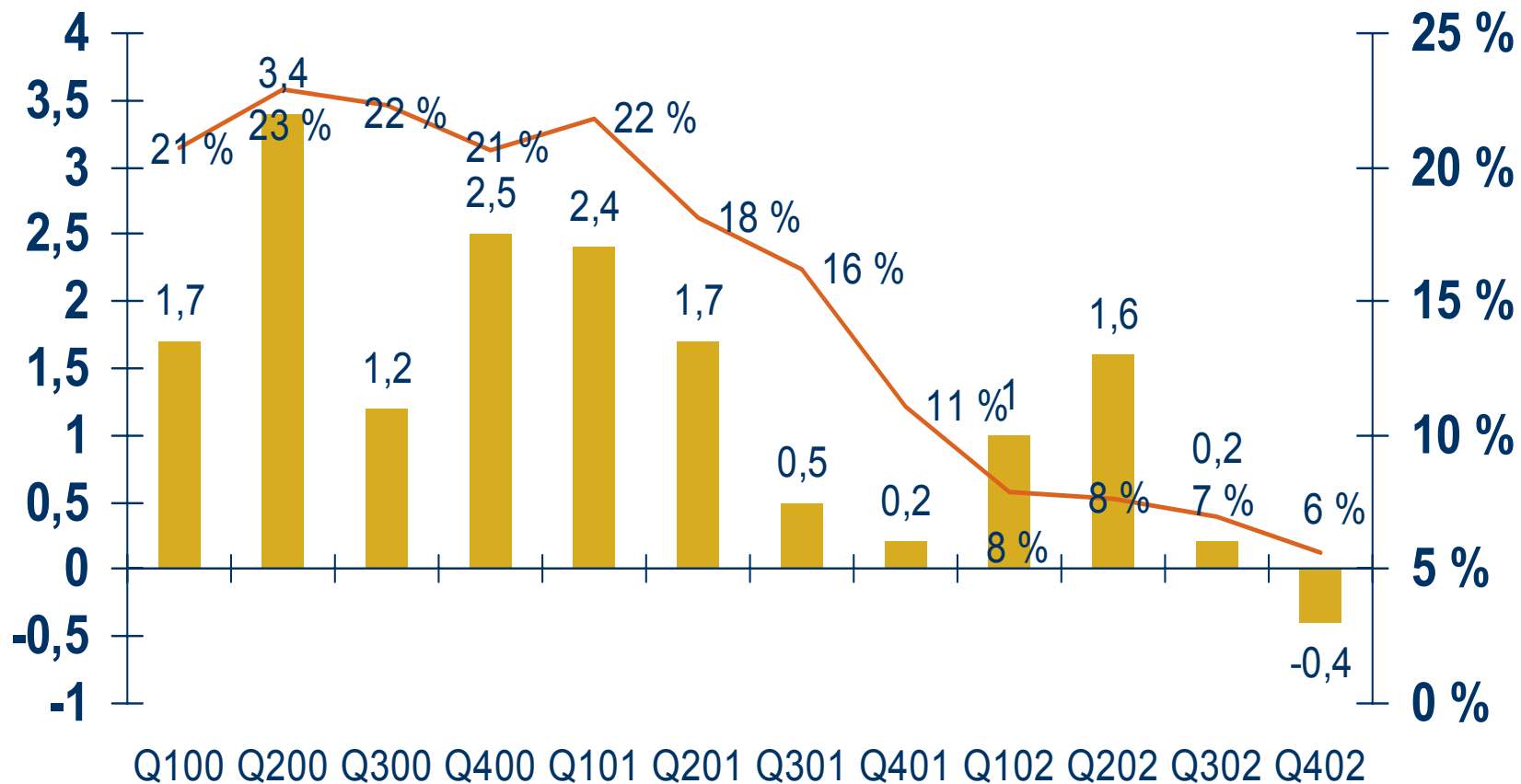


- Market
  - overcapacity and price competition in printing market
- Sales 61.5 (73.1) MEUR
  - comparable net sales + 1 %
  - exports to Russia increased 28 %, domestic sales –16 %
- EBIT –1.2 (-7.2) MEUR
  - effective cost cutting programs
  - personnel reductions
  - lower paper prices and improved material efficiency
- Key changes
  - increased efficiency and productivity
  - customer oriented strategy

# BIG net sales

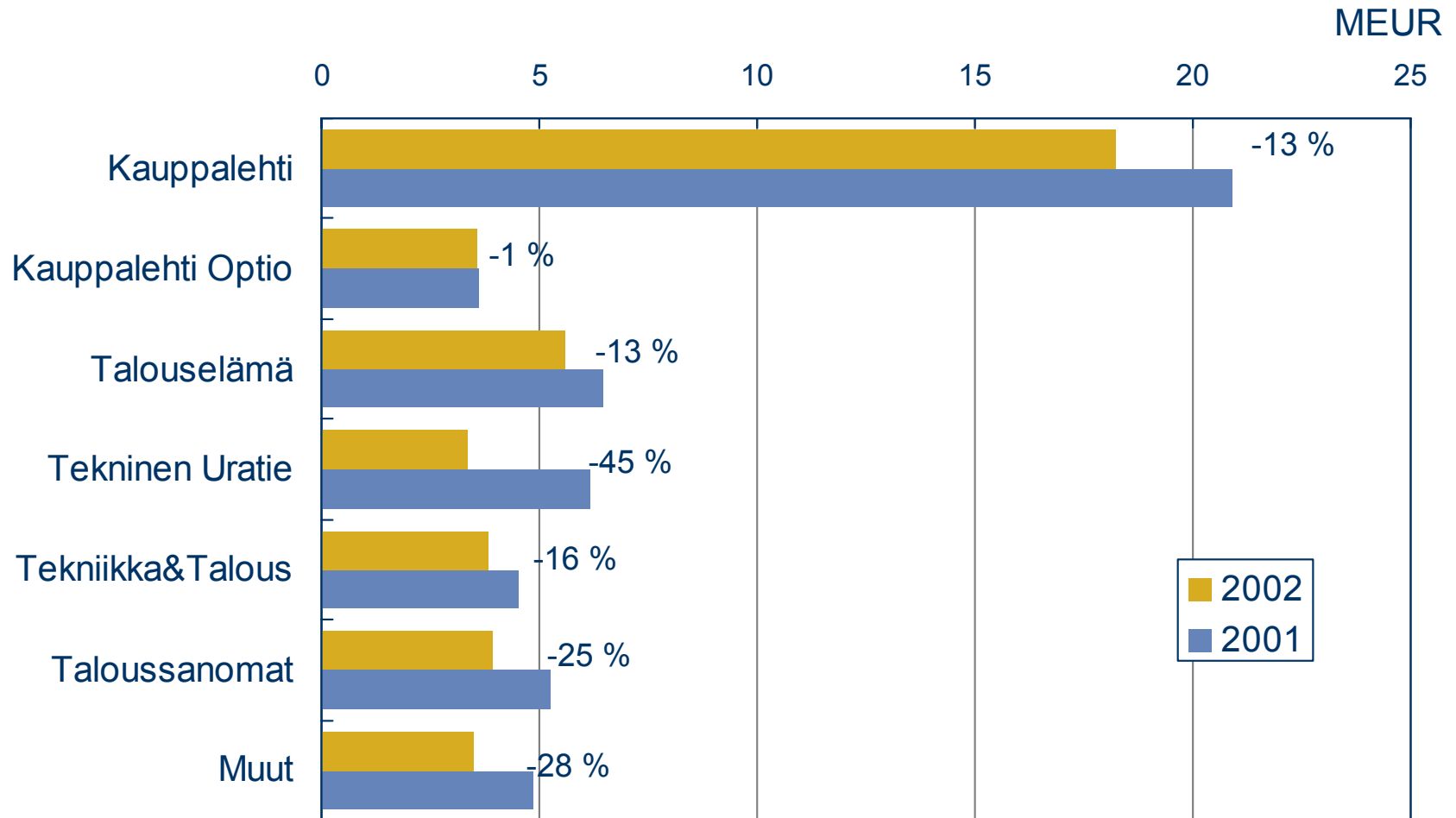


# BIG EBIT, Talentum Q4 impact – 2.4 MEUR



■ EBIT, MEUR — Rolling Q4 % of net sales

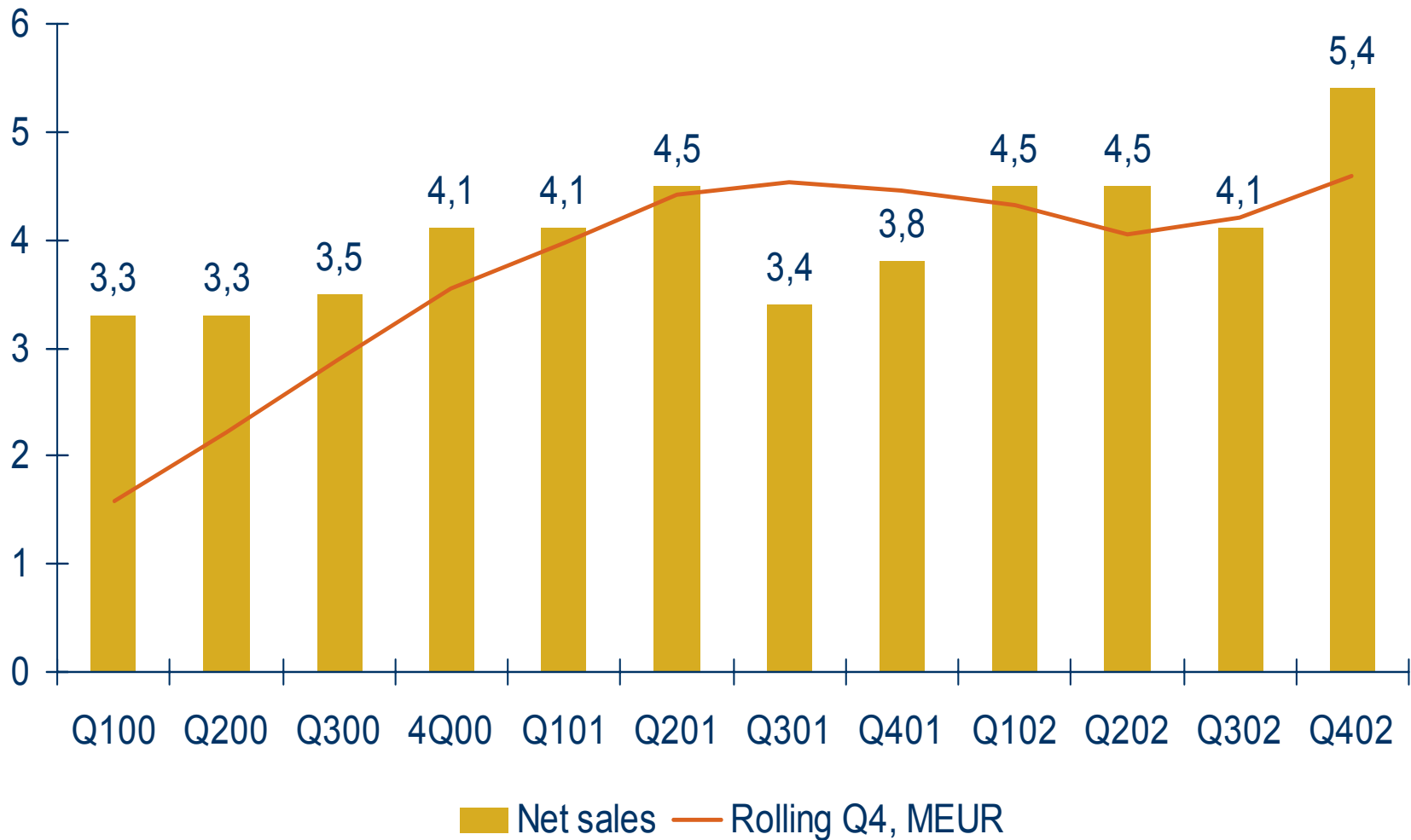
# Business papers 2002



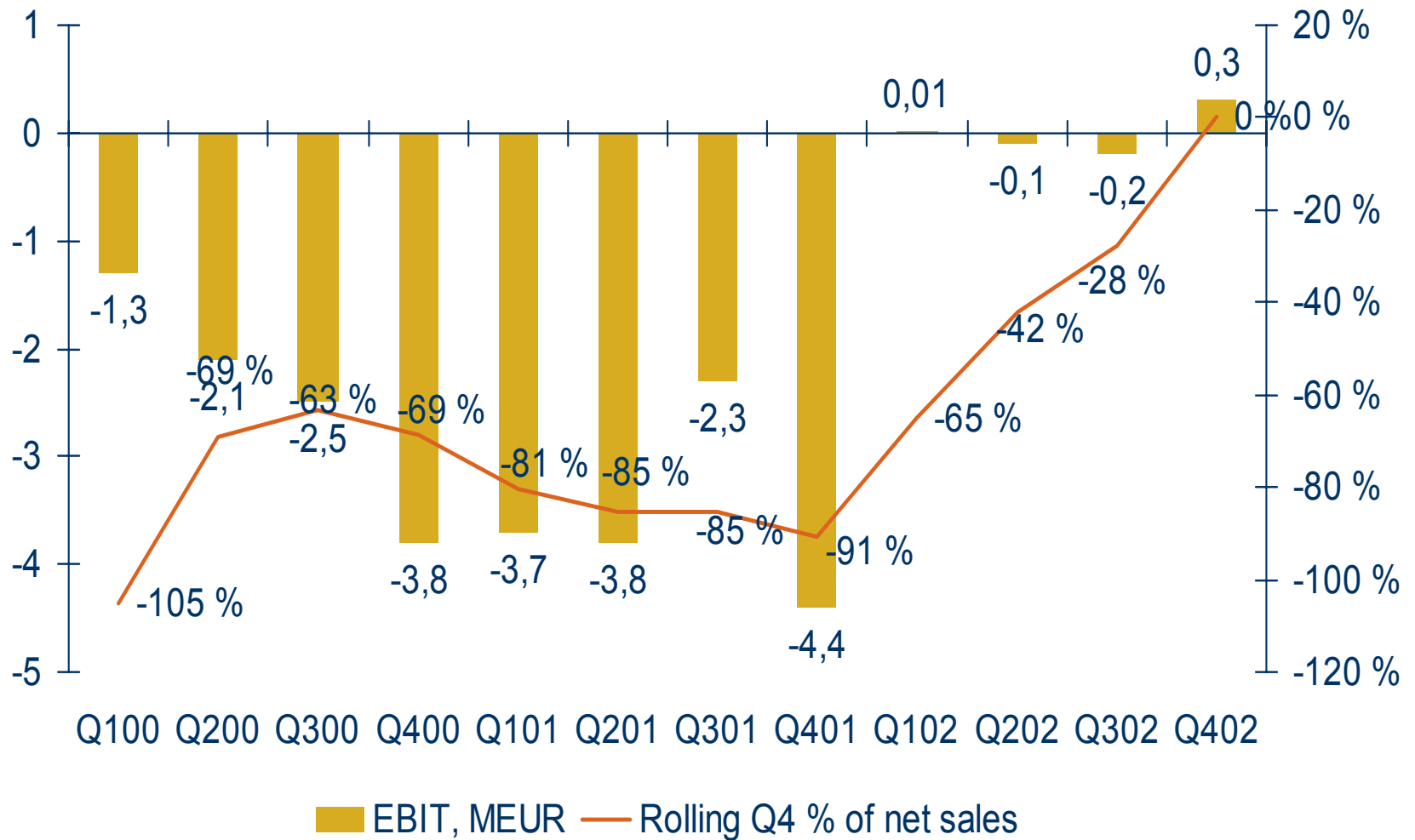
Source: Gallup Mainostieto / Cognos-database

- Market
  - difficult market in B-to-B advertising
- Sales 43.2 (44.0) MEUR
  - Kauppalehti's advertising sales –11 %
  - Kauppalehti's circulation sales – 2 %
- EBIT 2.4 (4.9) MEUR
  - BIG's operational profit on 2001 level
  - Talentum impact –4.7 (-2.6) MEUR
- Key changes
  - restructuring of production processes to implement multichannel strategy
  - business training company Efactor Oy acquired in June 2002
  - new Saldo supplement (circulation 185.000) in co-operation with Talentum
  - editorial cover page started 1.1.2003
  - Lehdentekijät customer magazine group was acquired 1.1.2003

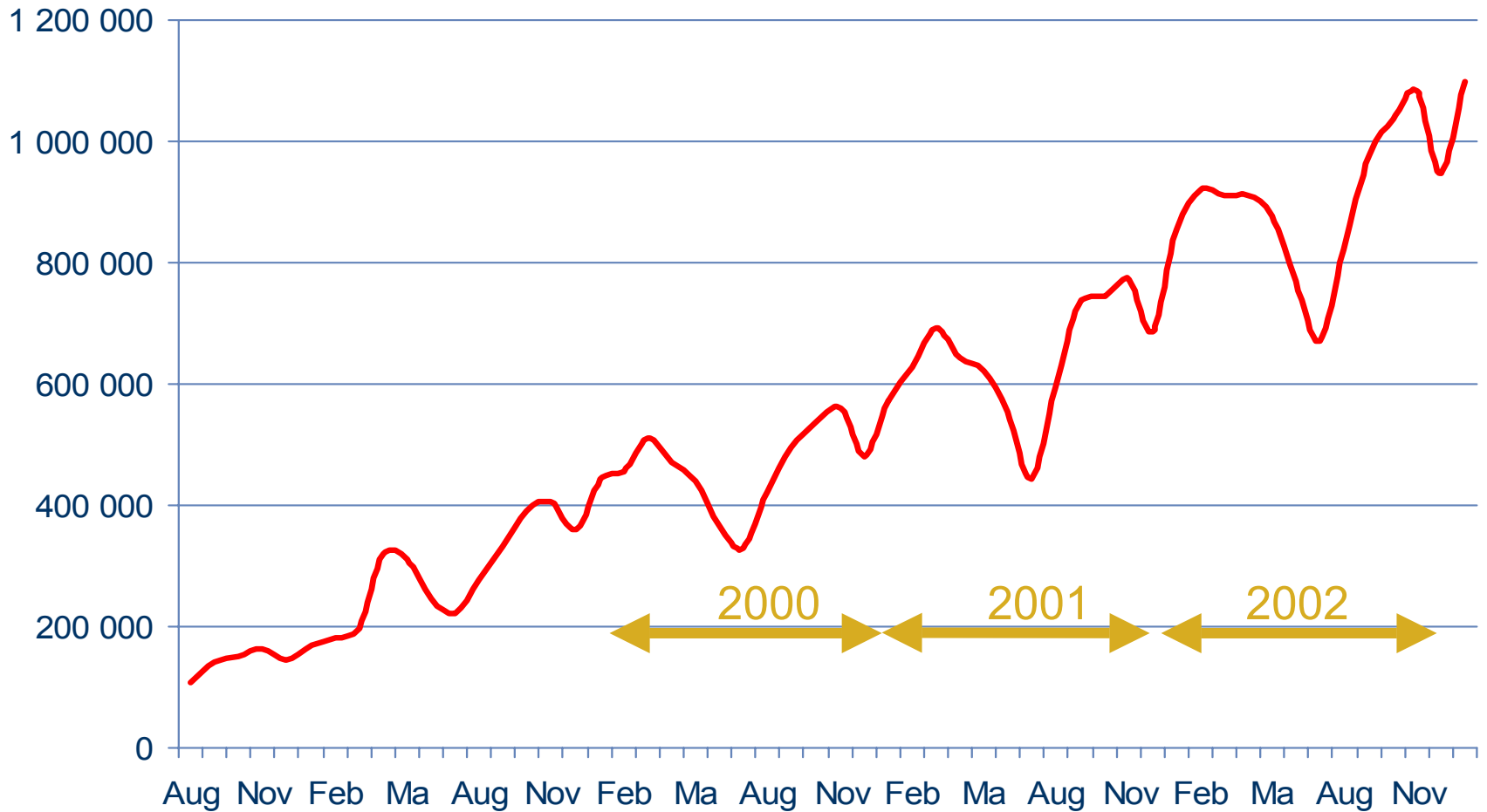
# Interactive's net sales up due to services under MTV3 brand



# Interactive EBIT



# Visitors per Week 8/1998 – 1/2003, Alma Media sites total



Source:WTM/IMR/Alma Media

- Market
  - visitors on internet sites still increasing steadily
  - number of ISP customers increased by 61 %
- Sales 18.5 (15.7) MEUR
  - online recruiting advertising (Jobline) - 43 %
  - Etuovi and Autotalli (online classifieds/real estate and cars) + 40 %
  - despite of several discontinued operations sales + 18 %
- EBIT 0.0 (-14.3) MEUR
  - targeted break even was achieved
  - cost savings – 40 %
- Key changes
  - strict cost control
  - focus on profitable and growing businesses

ALPRESS

BROADCASTING

BUSINESS INFORMATION GROUP

ALPRINT

INTERACTIVE

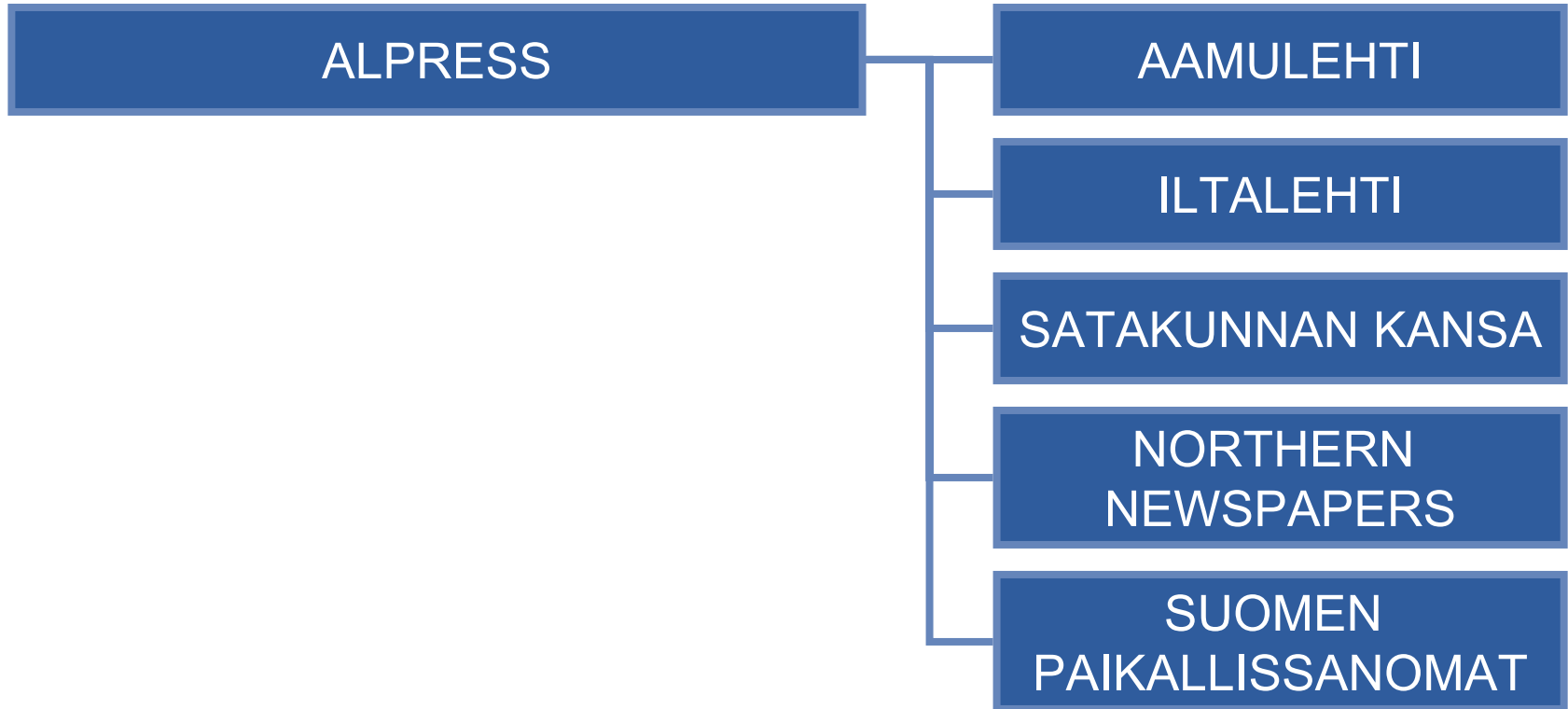
ALPRESS

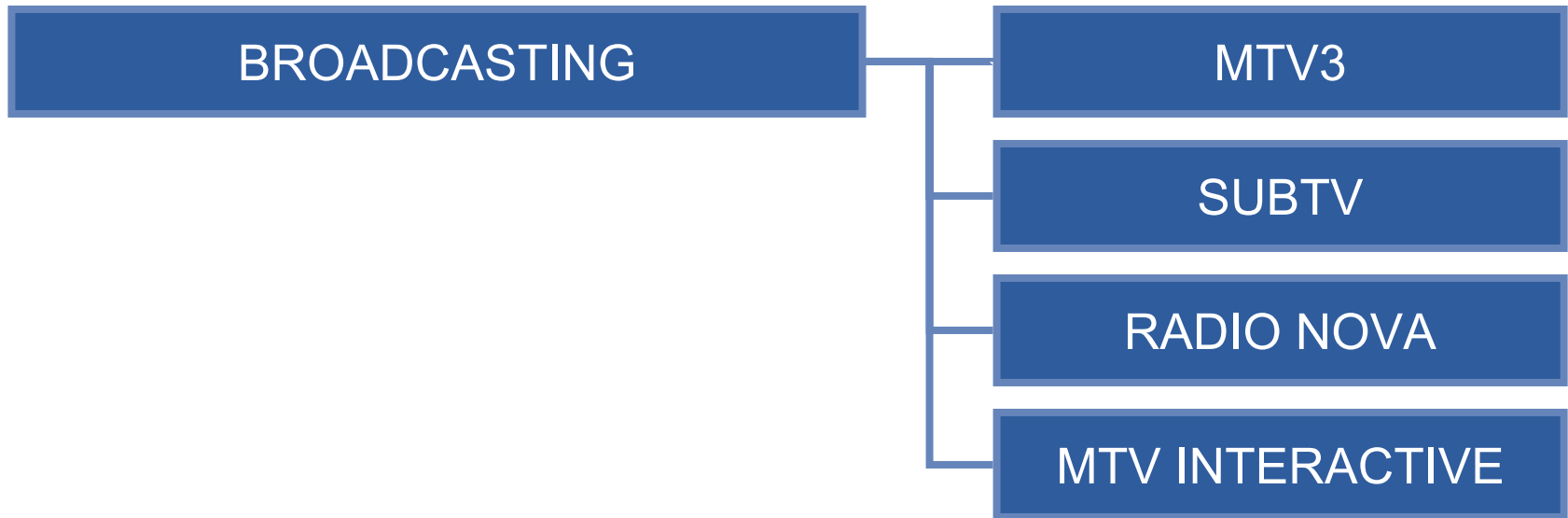
BROADCASTING

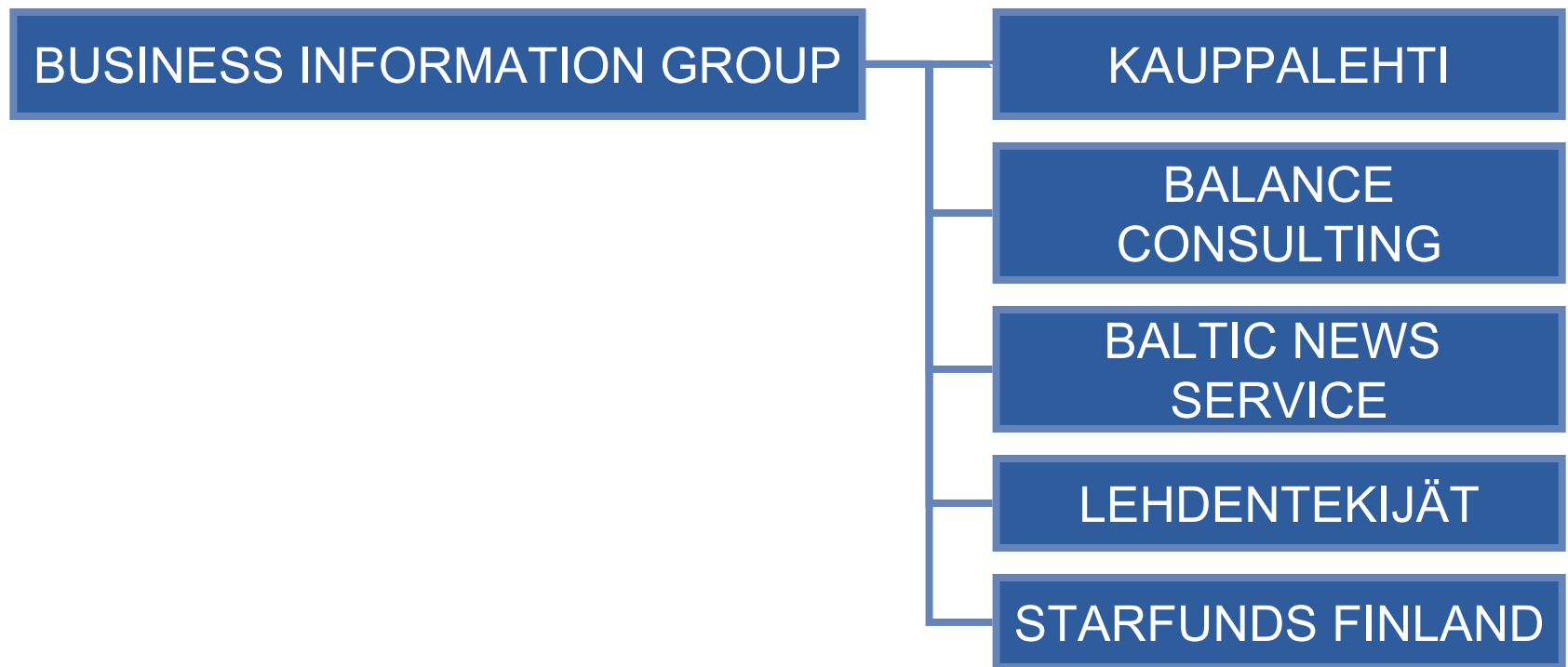
BUSINESS INFORMATION GROUP

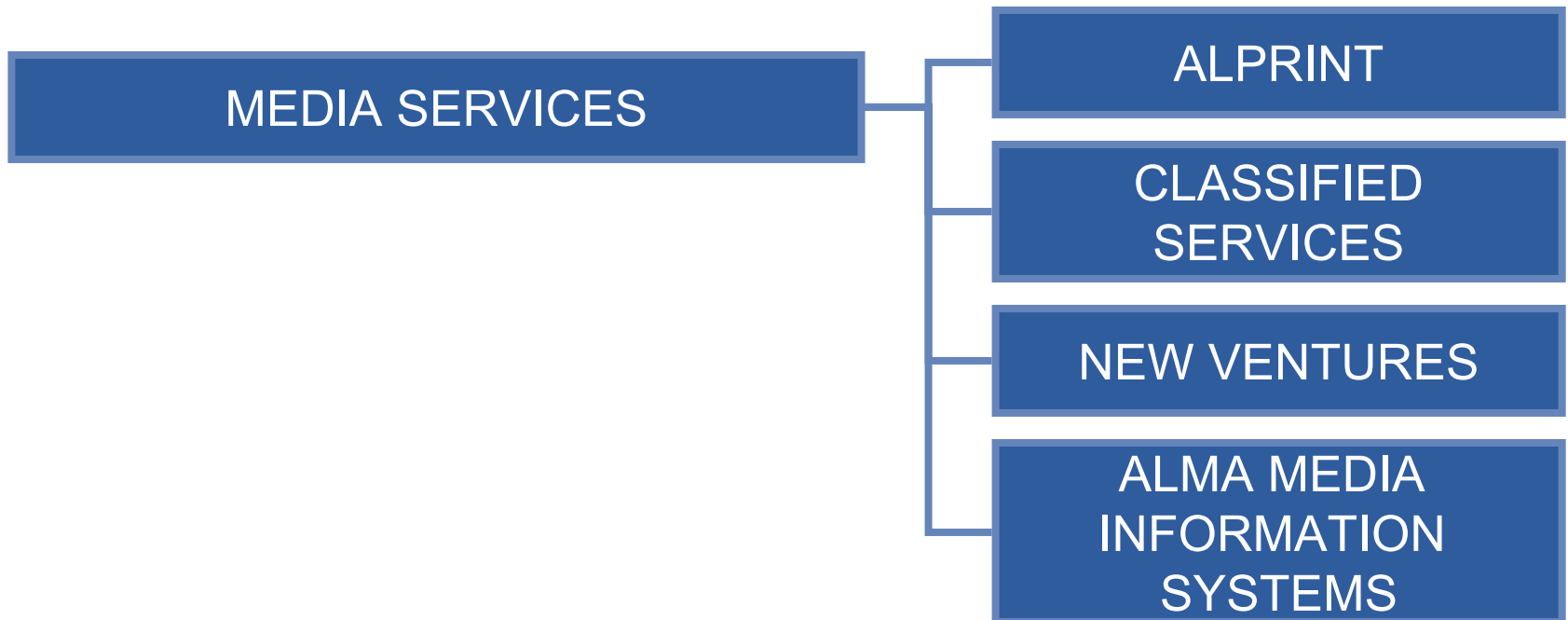
MEDIA SERVICES

{	MTV3 brand extensions to	
	Broadcasting	
	net sales	+ 8 MEUR
	personnel	+ 40 persons
{	net sales	70 MEUR
	personnel	450 persons









- Alpress
  - investments related to chain strategy
  - newsprint price reduction
  - EBIT at 2002 level
- Broadcasting
  - positive EBIT
- Business Information Group
  - target higher EBIT than 2002
- Media Services
  - target positive EBIT
- Alma Media Corporation
  - net debt reduction
  - clearly higher EBIT than 2002

- Net sales up against declined market
- Cost reduction implementation, small net profit in 2002
- Strong cash flow 53.9 MEUR (-70.3 MEUR)
- Clearly higher EBIT in 2003

Business Information  
**Press**



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WELCOME TO

Broadcasting Alma Media Capital Markets Day

May 28<sup>th</sup>, 2003

Print

Business Information  
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[www.almamedia.fi](http://www.almamedia.fi)

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