

INTERIM REPORT JANUARY - MARCH 2000

Alma Media's net sales between January-March totalled MFIM 712 (1999: MFIM 725), the operating profit was MFIM 23 (38) and the pre-tax profit was MFIM 28 (32). The Group's full-year net sales will remain similar to last year's level. The full-year's operating profit will not reach last year's level owing to increased investments made in the New Media and Broadcasting business areas.

KEY FIGURES MFIM	January-March		1-12
Net sales	712	725	2 911
Operating profit	23	38	188
-as % of net sales	3.2	5.2	6.5
Profit before extraordinary items	28	33	173
-as % of net sales	4.0	4.5	5.9
Equity ratio	51	48	52
Gearing	41	42	40
Capital expenditure on fixed assets	58	80	253
Full-time personnel on average	3 055	3 030	3 108
Earnings per share (FIM)	1.16	1.56	7.15

MEUR	January-March		1-12
Net sales	120	122	490
Operating profit	4	6	32
Profit before extraordinary items	5	5	29
Capital expenditure	10	13	43
Earnings per share (euro)	0.20	0.26	1.20

NET SALES BY BUSINESS AREA (MFIM)

	January-March			1-12
Alpress	318	313	2	1 301
Broadcasting	260	268	-3	1 064
New Media*)	17	6	183	29
Alprint	195	202	-3	786
Parent company	23	16	44	63
Intragroup net sales	-101	-80	26	-332
Total	712	725	-2	2 911

OPERATING PROFIT/LOSS BY BUSINESS AREA (MFIM)

	January-March			1-12
Alpress	29	32	-9	172
Broadcasting	3	3	0	48
New Media*)	-8	-5	-60	-28
Alprint	-2	5	-140	0
Parent company	-4	-2	-100	-9
Group entries	5	5	0	5

Total 23 38 -39 188

(* Net sales and operating profit of the New Media business area are not derived from the legal structure of the organisation. Overlaps between Alpress and New Media are eliminated in Group entries.)

Net sales and result

Consolidated net sales between January and March totalled FIM 712 million (1999: FIM 725 million). The New Media business area increased its net sales by 183 % and Alpress by 2 %. Broadcasting's net sales declined by 3 % and Alprint's by 3 %. The Group recorded an operating profit of FIM 23 (38) million.

The net sales of Alpress's major newspapers increased. Both circulation and advertising income rose 4 %. Aamulehti showed particularly strong profit growth. Alpress posted net sales of FIM 318 (313) million and an operating profit of FIM 29 (32) million.

Net sales of MTV Oy, part of the Broadcasting business area, totalled FIM 260 (268) million. Sales of advertising time declined FIM 13 million. The start-up of the TVTV! cable channel reduced MTV Oy's operating profit by FIM 7 million. MTV Oy's operating profit was FIM 3 (3) million. The associated companies contributed FIM 2 (-3) million to Broadcasting's operating profit. TV4 AB in Sweden tripled its operating profit with respect to the comparable period. MTV3 Channel's share of total viewing time during the period was 40 % (42 %).

Alma Media strengthened its position as Finland's leading Internet services provider. Its online services have more than half a million weekly visitors. The New Media business area's net sales rose 183 % on the same period last year to FIM 17 (6) million, 42 % of which was derived from sales of content and other services and 58 % from advertising revenue. The business area's operating loss was FIM -8 (-5) million.

Alprint's net sales totalled FIM 195 (202) million. The main reasons for the decline were a fall in prices arising from overcapacity and the loss of certain customers in Sweden. With the exception of newspaper products, the market situation has improved since the last quarter of 1999 but is still weaker than in the comparable period. Alprint reported an operating loss of FIM -2 (+5 operating profit) million.

The parent company's impact on the consolidated operating profit was FIM -4 (-2) million. The associated companies contributed FIM 0 (-3) million including FIM 1 (-4) million from TV4 AB in Sweden.

Operating expenses and depreciation amounted to FIM 702 (696) million. Consolidated depreciation totalled FIM 40 (42) million. Net financing expenses were FIM +5 (-5) million owing to an exceptionally large dividend received from Maakuntien Viestintä Oy and to lower interest expenses. FIM 10 (9) million in taxes were deducted according to the current tax rate. The net profit for the period was FIM 19 (24) million and earnings per share were FIM 1.16 (1.56).

Balance sheet

The balance sheet totalled FIM 2 539 at the end of March (FIM 2 521 million on 31 Dec. 1999). The equity ratio at the close of the period was 51 % (52 % on 31 Dec. 1999) and shareholders' equity per share was FIM 76.39 (FIM 79.00 on 31 Dec. 1999).

Investments and financing

Capital expenditure totalled FIM 58 (80) million and included FIM 28 million on production machinery for Alprint and FIM 9 million on shares in Lapin Kansa. The remainder comprised normal replacement and maintenance investments.

The Group had FIM 112 (148) million in cash reserves at the end of the period. Interest-bearing loans totalled FIM 611 (634) million at the close of the period. Gearing was 41 % (40 % on 31 Dec. 1999).

Personnel

The Group had 3 055 (3 030) employees on average during the period as well as an additional 1 068 (1 039) part-time newspaper delivery staff. Outsourcing reduced the number of employees in MTV Oy by 82. The number of employees in the parent company was increased by the transfer of technical service personnel from the business areas to the parent company.

Administration

Alma Media Corporation's Annual General Meeting re-elected Pekka Ala-Pietilä and Olli Reenpää, who were in turn for retirement from the Board of Directors, for the following three-year term of office. Matti Kavetvuo and Jonas Nyren were elected in place of Pirkko Alitalo and Björn Mattsson, who retired from the Board, for the remainder of their terms (one year).

The AGM decided that the Supervisory Board should have 13 members. No new members were elected in place of Mr Kavetvuo and Mr Nyren. Of the members in turn for retirement, Ari Heiniö, Paavo Pitkänen and Jarmo Raveala were re-elected. Björn Mattsson was elected a new member. The personnel representatives on the Supervisory Board are Kari Asikainen, Asko Haapaniemi and Vesa Kallionpää.

The AGM re-appointed Mauri Palvi APA and the firm of authorized public accountants KPMG Wideri Oy Ab as the company's auditors. The AGM approved the Board's dividend proposal of FIM 4.00 per share on 1999. The dividend payment date was 28 March 2000.

Convening after the AGM, the Board of Directors elected Olli Reenpää as its chairman and Bengt Braun as his deputy.

The Alma Media share

Share trading was lively during the period. Altogether 606 000 (147 000) Series I shares and 2 631 000 (1 183 000) Series II shares were traded. The highest share prices during the period were also the highest in Alma Media's history. The company's market capitalisation

at the close of the period totalled EUR 760 million (EUR 436 million).

Price (euro)	highest	lowest	31 March 2000
Series I	65.00	27.00	47.00
Series II	70.00	27.00	49.27

Alma Media's Board of Directors has no authorisations to raise the share capital.

Subsequent events

MTV Oy and Helsinki Televisio Oy (HTV) signed an agreement in April extending the coverage of the cable TV channel TVTV! to include the Helsinki Metropolitan Area from 14 July 2000, bringing it within reach of 1.7 million viewers. HTV's cable network covers altogether 200 000 households.

In April Alma Media opened an operator- and hardware-independent mobile portal called Port Alma providing access to Alma Media's news, information and entertainment services. Based on WAP and SMS services, the new portal is also designed to operate in GPRS and UMTS environments. Part of the services will be financed by advertising revenues. M-commerce services and personalised interface features will be added in September.

The mobile portal is available for use by customers of all the teleoperators in Finland and it also provides a single point of access for all Alma Media's mobile services. The portal employs the AHAA database and its patented user privacy and personalised interface features.

A wide-ranging classified ads package was launched in MTV3 Internet at the end of April. Called Punainen Tori (Red Square), the service is designed to cater for the buying and sales advertisements of individual citizens. It includes extensive search facilities and also a watchdog function to alert the user when the desired goods are being offered for sale.

Alma Media strengthened its technological capabilities with a FIM 14 million investment at the beginning of May in three new-media companies specialising in software, software platforms and services that support development of the Group's online and mobile services. The acquired holdings are 18 % of Pro Solution Oy, 17 % of Meteori Books Oy and 4 % of Salient Stills Inc.

Prospects for end of year

The business environment is expected to remain favourable for newspaper publishing during the remainder of the year. Alpress's net sales and operating profit are forecast to slightly exceed last year's figures.

MTV Oy's net sales will fall short of the target and are forecast to remain similar to last year's level. MTV Oy has decided to invest further in programming in order to safeguard its high share of total viewing time. An increase in programming costs caused by the

competitive situation and the start-up investments of TVTV! will adversely affect profitability compared to previous year. For these reasons Broadcasting's result of operations will be a clear decrease on the level in 1999.

Alma Media will further boost its investments in new media. Net sales of the New Media business area are expected to at least double and its relative profitability will improve.

Alprint's operating profit will be adversely affected during the second and third quarters by the one-time costs arising from concentration of its heat-set production line. Alprint's net sales and operating profit for the full year are expected to reach last year's levels.

The Group's full-year net sales are expected to remain similar to last year's. The operating profit will be lower than in 1999 owing to the addition investments to be made in the Broadcasting and New Media business areas.

Business environment

Business conditions remained buoyant for newspapers as both advertisement sales and circulation continued to develop positively. The afternoon paper market declined slightly but Iltalehti once again raised its market share. The competitive situation in the business dailies market remained unchanged.

Average television viewing time per day in Finland increased 10 minutes, compared to the same period last year, to 3 hours and 12 minutes. MTV3 Channel's average viewing time remained unchanged at 77 minutes per day. MTV Oy started up a new cable channel called TVTV! in February. The launch of this channel has made faster progress than expected.

Use of the Internet continued to show vigorous growth, although growth in Internet advertising was slower than expected. On the other hand a large number of e-commerce and content services have been introduced. Taloustutkimus Oy forecasts that the volume of online trading in Finland will total about FIM 1.35 billion in 2000. The number of people using Alma Media Group's online services continued to increase strongly.

No significant changes took place in demand for graphic products. Paper prices have increased 2-3 % since last spring. Demand is weakest in newspaper products, whereas demand for heatset products rose towards the end of the period. The situation in the Russian market showed no significant change.

Alpress

Business conditions remain positive for newspaper publishing although the regional differences separating southern Finland, with its growth centres, and northern Finland with high unemployment remained large. Once again newspaper advertising captured market share from the other main media, rising over 7 % on the same period last year. Growth was over 10 % if the net impact of the FIM 4 million spent on advertising

in the 1999 parliamentary elections is eliminated.

Alpress publishes 31 newspapers. Its holding in Lapin Kansa Oy increased from 62 % to 76 % during the first third. The printing operations of Kainuun Sanomain Kirjapaino Oy were sold to Alprint Oy at the turn of the year and its three local newspapers were sold to Suomen Paikallissanomat Oy. Pohjolan Sanomat Oy sold PS-Print Oy to this company's operative management in early January. Since the beginning of March Pohjolan Sanomat has been printed at Alprint's newspaper printing works in Rovaniemi.

Mr Matti Apunen was appointed Editor-in-Chief of Aamulehti in January after his predecessor took up the same position in Svenska Dagbladet in Sweden. Aamulehti's editorial and advertisement pages were extensively redesigned.

The circulations of Alpress's newspapers increased by almost 2 % on average. Iltalehti's circulation rose further and took almost two percentage points in market share from its rival. The afternoon newspaper market declined overall by almost 3 %. Kauppalehti was very successful in the market for business dailies. Alpress's circulation revenues increased 4 %.

Advertising sales by the Alpress newspapers rose 4 % but growth varied strongly among the titles. Aamulehti's advertising revenue increased 12 % whereas the advertising revenues of the northern provincial newspapers declined somewhat. Alpress's expenses were raised by marketing expenditure and an increase in printing and distribution costs.

Alpress's net sales totalled FIM 318 (313) million. Net sales last year included the printing businesses of Pohjolan Sanomat and Kainuun Sanomat. The comparable increase in net sales was 5 %. Some 52 % (51 %) of net sales came from advertising sales, 45 % (44 %) from circulation sales and 3 % (5 %) from other sales. Alpress's operating profit was FIM 29 (32) million.

Broadcasting

Television's share of media advertising has declined slightly and was 22 % (22 %). MTV Oy accounted for 76 % (84 %) of television advertising. TV viewing time began to increase during 1999 and this trend was further evident during the reporting period, when viewing time rose 10 minutes, or 6 %, on an average day compared to the same time last year. MTV3 Channel retained its high share of total viewing time, 77 minutes per average day (77 min. in 1999), or 40 % (42 %) of total viewing time. MTV3 Channel's programme time was reduced to 1337 hours (1450 hours). Domestic programming's share of airtime increased to 65 % (50 %).

MTV Oy's net sales totalled FIM 260 million, down almost 3 % on last year's period, which included FIM 10 million from election advertising. MTV's operating profit was FIM 3 (3) million. The launch of TVTV! reduced MTV's operating profit by FIM 7 million.

Net sales of TV4 AB in Sweden were 578 (499) million Swedish krona and its operating profit was 38 (9) million krona. TV4 AB's impact on

MTV Oy, after amortization of goodwill on consolidation, totalled FIM 1 (-4) million. Net sales of Radio Nova, which is 48 %-owned by Alma Media, totalled FIM 12 (12) million and its operating loss was FIM -3 (-1) million. Several new radio channels started up at the turn of the year have increased competition in radio broadcasting.

The cable TV channel TVTV! was launched on 1 February. A target of 1 % of total TV viewing time was set for its first year of operation. Its share after the first two months of operation was already 0.5 %. Once transmission to all households in the Helsinki Metropolitan Area starts on 14 July 2000, TVTV! will be available to 85 % of all households in Finland able to receive cable television.

New Media

Alma Media is Finland's leading provider of Internet services. The company offers more than 30 different online services which are used by more than half a million different visitors weekly. The most popular services are MTV3i, Iltalehti Online, Kauppalehti Online, the property trading service DIME/Asuntopörssi, the job recruitment service Jobline and the Luukku Finnish-language e-mail service. Of Alpress's online newspapers, Kauppalehti Online has grown extremely vigorously in terms of visitors. Kauppalehti Online had 82 000 (32 000) weekly visitors at the close of March.

The New Media business area comprises Alma Media Interactive Oy, Alma Media Net Ventures Oy, and the Group's online newspapers and services. Alma Media Interactive Oy is responsible for most of the Group's net media activities. Alma Media Net Ventures Oy handles the commercial exploitation, in Finland and abroad, of the business concepts, new media service applications and patents and industrial property rights developed by Alma Media in the areas of customer management, content production and e-commerce.

Alma Media Net Ventures is also responsible for strategic investments in new media. The main minority holdings are in California-based Netsage Corporation Inc.; WS Wireless Services Oy which maintains eTori; Prowellness Oy, which specialises in healthcare IT applications; and Almare Systems Oy.

The Internet surged in popularity once again. Research by Taloustutkimus Oy indicates that the number of people who have sometimes used the Internet increased 24 % to 2.1 million, compared to February 1999. The number of Finns using the Internet weekly rose 47 % to 962 000 users.

The number of visitors to Alma Media's online services has increased strongly, totalling 511 000 (196 000) at the end of March. At the same time there were 551 000 registered names in Alma Media's AHAA customer management database.

Alma Media broadened the scope of its DIME/Asuntopörssi property trading service during the period to include the Helsinki Metropolitan Area. Property trading newspapers now also appear in the Helsinki Metropolitan Area, as well as the towns of Jyväskylä, Pori and Tampere. Chargeable Plus services were added to Iltalehti Online's service portfolio in February.

Net sales by the New Media business area totalled FIM 17 (6) million. The strongest increase was registered by Kauppalehti Online, DIME/Asuntopörssi and Jobline. New Media reported an operating loss of FIM -8 (-5 operating loss) million.

Alprint

The overall situation in the graphic industry has not changed significantly. The collapse of the Russian market in the autumn of 1998 led to a sharp reduction in exports of printed products, which is still depressing this sector. Overcapacity has reduced price levels substantially. Free capacity is in plentiful supply, particularly in the newspaper and tabloid segments. Demand for newspaper products is not expected to recover rapidly despite stabilisation of the Russian economy.

The market for heatset products is distinctly better. Pricing of these magazine products was still unhealthy at the start of the year but market conditions have started to recover in the spring. The same trend is expected to continue to the end of the year. The new heatset rotation press at Alprint's Tampere Rahola facility will start up on schedule this May. This investment replaces the old presses at the Pori and Vantaa heatset units, which will be discontinued during the summer.

Paper prices and labour costs have risen 2-3 % from last year. This has reduced profitability since it has not been possible to allocate the rise in costs to printing prices owing to the prevailing market conditions.

Alprint's net sales totalled FIM 195 (202) million. Intragroup sales increased more than 10 % but exports to the western markets and deliveries to other domestic customers declined. Exports accounted for FIM 58 (67) million of Alprint's net sales, and were distributed as follows: Nordic countries 63 %, Russia 30 % and other markets 7 %. Alprint reported an operating loss of FIM -2 (+5) million.

The figures in this interim report are unaudited.

ALMA MEDIA CORPORATION
BOARD OF DIRECTORS

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Distribution:

Helsinki Exchanges
Principal media

CONSOLIDATED INCOME STATEMENT (MFIM/MEUR)

	2000		1999		1999	
	1-3	MEUR	1-3	MEUR	1-12	MEUR
NET SALES	712	120	725	122	2 911	490
Share of profits						
of associated companies	0	0	-3	-1	2	0
Other operating income	13	2	12	2	50	8
Expenses	-702	-118	-696	-117	-2 775	-467
OPERATING PROFIT	23	4	38	6	188	32
Financial income and expenses	5	1	-5	-1	-15	-3
PROFIT BEFORE EXTRAORDINARY ITEMS	28	5	33	5	173	29
Extraordinary income	0	0	0	0	2	0
Extraordinary expenses	0	0	-1	0	0	0
PROFIT BEFORE TAXES	28	5	32	5	175	29
Taxes	-9	-2	-7	-1	-57	-10
Minority interests	0	0	-1	0	-4	-1
NET PROFIT FOR THE PERIOD	19	3	24	4	114	19

CONSOLIDATED BALANCE SHEET (MFIM/MEUR)

	2000		1999		1999	
	31 March	MEUR	31 March	MEUR	31 Dec.	MEUR
ASSETS						
FIXED ASSETS						
Intangible assets	81	14	84	14	80	13
Goodwill on consolidation	105	18	108	18	104	17
Tangible assets	990	167	970	163	993	167
Investement	703	118	755	127	701	118
CURRENT ASSETS						
Inventories	250	42	224	38	235	40
Receivables	298	50	329	55	279	47
Cash and bank receivables	112	19	148	25	129	22
	2 539	427	2 618	440	2 521	424

CONSOLIDATED BALANCE SHEET (MFIM/MEUR)

	2000		1999		1999	
	31 March	MEUR	31 March	MEUR	31 Dec.	MEUR
SHAREHOLDERS' EQUITY AND LIABILITIES						
SHAREHOLDERS' EQUITY	1 202	202	1 147	193	1 243	209
MINORITY INTERESTS	16	3	25	4	24	4
PROVISIONS	14	2	5	1	14	2
LIABILITIES						
Long-term	554	93	676	114	664	112
Short-term	753	127	765	129	576	97
	2 539	427	2 618	440	2 521	424

CAPITAL EXPENDITURE (MFIM/MEUR)

	2000		1999		1999	
	1-3	MEUR	1-3	MEUR	1-12	MEUR
Gross capital expenditure on fixed assets	58	10	80	13	253	43

GROUP CONTINGENT LIABILITIES (MFIM/MEUR)

	2000		1999		1999	
	31 March	MEUR	31 March	MEUR	31 Dec.	MEUR
Against own debt						
Pledges	2	0	18	3	9	2
Mortgages on land and buildings	232	39	234	39	232	39
Chattel mortgages	142	24	159	27	146	25
Guarantees	30	5	2	0	29	5
On behalf of associated companies						
Guarantees	4	1	4	1	4	1
Other own commitments						
Leasing commitments	6	1	8	1	7	1
Buyback commitments	1	0	0	0	2	0
Total	417	70	425	71	429	72

Group leasing payments falling due (MFIM)

During					
1 April - 31 Dec. 2000	3		3		4
After 2000	3		5		3

DERIVATIVE FINANCIAL INSTRUMENTS

Foreign currency loans totalling FIM 12 million, denominated in DEM and FRF, were hedged using forward currency and swap contracts. The exchange rate differences on loans and the derivative results are entered under Other Financial Income and Expenses.

NET SALES BY BUSINESS AREA (MFIM/MEUR)

	2000		1999		1999	
	1-3	MEUR	1-3	MEUR	1-12	MEUR
Alpress	318	53	313	53	1 301	219
Broadcasting	260	44	268	45	1 064	179
New Media	17	3	6	1	29	5
Alprint	195	33	202	34	786	132
Parent company	23	4	16	3	63	11
Intragroup net sales	-101	-17	-80	-13	-332	-56
Total	712	120	725	122	2 911	490

OPERATING PROFIT BY BUSINESS AREA (MFIM/MEUR)

	2000		1999		1999	
	1-3	MEUR	1-3	MEUR	1-12	MEUR
Alpress	29	5	32	5	172	29
Broadcasting	3	1	3	1	48	8
New Media	-8	-1	-5	-1	-28	-5
Alprint	-2	0	5	1	0	0
Parent company	-4	-1	-2	0	-9	-2
Group entries	5	1	5	1	5	1
Total	23	4	38	6	188	32

AVERAGE NUMBER OF EMPLOYEES BY BUSINESS AREA

	2000	1999	1999
	1-3	1-3	1-12

Alpress	1 288	1 243	1 300
Broadcasting	629	711	702
New Media	104	83	101
Alprint	965	945	957
Parent company	69	48	48
Total	3 055	3 030	3 108
In addition part-time delivery staff	1 068	1 039	1 059

PER SHARE DATA (FIM/EUR)

	2000		1999		1999	
	1-3	EUR	1-3	EUR	1-12	EUR
Earnings per share	1,16	0,20	1,56	0,26	7,15	1,20
Shareholders' equity per share	76,39	12,85	72,93	12,27	79,00	13,29

NET SALES AND OPERATING PROFIT BY QUARTER (MFIM)

	I/1999	II/1999	III/1999	IV/1999	1999
Net sales	725	749	638	799	2 911
Operating profit	38	59	23	68	188
	I/2000	II/2000	III/2000	IV/2000	2000
Net sales	712				
Operating profit	23				

President and CEO Matti Packalén:

Alma Media is a mass communications company specialising in content production. The strategic emphasis of our businesses lies in the management of different means of distribution and relations with individual customers. Alma Media reaches almost every inhabitant of Finland weekly via its traditional media. To strengthen our position in the emerging environment of digital communications, we will be committing substantial investments to the field of new media in the next few years.

Digital television is playing a central role in this strategy because digital television, we believe, will be one of the main channels through which consumers will access Internet services in the future. For this reason it is imperative that MTV3 Channel's share of total viewing time remains high. To ensure this happens, MTV Oy will increase its investments in programming even though its performance will weaken temporarily as a result. MTV Oy started up a cable television channel called TVTV! in February as part of its preparations for the multi-channel culture in the new digital era. While this channel will enable us to reach new target groups, it will also serve as a platform for testing the distribution of new Internet content via the medium of television.

Alma Media launched its first Internet services on the public networks Iltalehti Online and MTV3i in 1995. Today, these media are the most popular online services in Finland, measured in terms of number of visitors. Our early entry into the market proved to be the correct decision since Alma Media's online services had more than half a million weekly visitors at the close of the first quarter this year. Large numbers of visitors also make media advertising and

targeted advertising a viable option on the Internet.

Online media offer entire new ways of employing knowledge about customers and Internet users to develop services and target advertising at different groups. A significant threat to the wider use of the Internet is the concern felt by users about their personal privacy. Users of Alma Media's online services are registered in our own AHAA customer management database, which underlies all our online services. The heart of the database is a method patented by Alma Media enabling personalised services to be offered to users without jeopardising their privacy. The system has been developed in close co-operation with the authorised data security office. The database currently holds information on 560 000 registered users of Alma Media's services.

Previously, only those customers using Alma Media's services via wireline networks were linked to the AHAA database. In April this year Alma Media opened a mobile portal, Port Alma, and since then all customers registered as users of this mobile portal have also been registered in the AHAA database.

The Port Alma services are based on WAP and SMS services. The number of WAP mobile phones in Finland is still very small, which is limiting the growth of this business. Phone technology and the data transfer speeds possible on mobile networks today are not yet advanced enough to allow transmission of moving pictures, for example, to mobile terminals. However, WAP services must be seen as a necessary step towards the sort of services that will be available with third-generation mobile phones and terminals. Port Alma has been designed to operate in UMTS and GPRS environments as well as they also support the transmission of moving pictures to terminals. Port Alma, and the investments we have made in new-media technology and content companies this spring, support Alma Media's new-media strategy, the core elements of which are customer management in all distribution channels, investments in companies focusing on online enabling technologies, and strategic content-producing partners. The prospects for our New Media business are bright and we expect this business to be a significant profit generator for the Group within the next two to three years.

One of our strategic priorities is to develop co-operation between our various media. We have initiated a pilot project with major advertisers to develop the tools necessary to offer total advertising solutions.

The first quarter of the year was particularly good for the Alpress newspapers and we expect this same positive trend to continue to the year end. Alpress's strong cash flow will enable the Group to boost its investments in future growth areas without affecting our equity ratio target.

Television continued to lose its share of the media market, which is surprising since television viewing is clearly rising. Advertising prices cannot be excessively high because, taken as a whole, the commercial television channels in Finland are making a loss. During the same period TV4 AB in Sweden, operating in the same business conditions, succeeded in tripling its operating profit. Alma Media's

holding in TV4 AB has paid off. Our share of TV4's result now covers the amortisation of goodwill on its consolidation and financing expenses, while at the same time the value of our investment has doubled to almost one billion markka.

Alprint has rationalised its operations and streamlined its capacity in line with prevailing demand for magazine products. The Tampere Heatset Unit, a replacement investment scheduled to come on line in May, will increase Alprint's competitive strength towards the end of the year. During the summer rationalisation of Alprint's magazine printing plants will be completed and the Vantaa and Pori magazine printing works will be closed down.

The structural changes in Alprint's organisation made necessary by the overcapacity in the newspaper printing sector are in progress.