Alma Media Interim Report

1 Jan- 30 Sept 2011

28 October 2011

Photo: Vilja Pursiainen

Alma Media Corporation Interim Report October 28, 2011 at 9:00am EEST

Alma Media's Interim Report for January–September 2011:
THIRD-QUARTER REVENUE AT COMPARISON PERIOD LEVEL, INCREASING COSTS WEAKENED OPERATING PROFIT

Financial performance July–September 2011:

- Revenue was MEUR 75.1 (75.2), down 0.2%.
- Circulation revenue was MEUR 32.5 (32.1), up 1.2%, advertising revenue MEUR 34.3 (33.8), up 1.5% and content and service revenue MEUR 8.3 (9.3), down 10.7%.
- Operating profit excluding non-recurring items was MEUR 12.0 (13.4), 16.0% (17.8%) of revenue, down 10.3%.
- Operating profit was MEUR 12.4 (13.6), 16.5% (18.0%) of revenue, down 8.5%.
- Profit for the period was MEUR 12.2 (9.8), up 24.2%.
- Earnings per share were EUR 0.16 (0.13), up 21.7%.

Financial performance January–September 2011:

- Revenue was MEUR 234.9 (228.3), up 2.9%.
- Circulation revenue was MEUR 93.4 (93.5), down 0.0%, advertising revenue MEUR 114.7 (107.2), up 7.0% and content and service revenue MEUR 26.8 (27.7), down 3.2%.
- Operating profit excluding non-recurring items was MEUR 32.9 (33.0), 14.0% (14.4%) of revenue, down 0.3%.
- Operating profit was MEUR 32.4 (32.7), 13.8 % (14.3 %) of revenue, down 0.8%.
- Profit for the period was MEUR 28.0 (23.9), up 16.8%.
- Earnings per share were EUR 0.36 (0.32), up 12.7%.

Key figures	2011	2010	Change		2011	2010	Change		2010
MEUR	Q3	Q3		%	Q1-Q3	Q1-Q3		%	Q1-Q4
Revenue	75.1	75.2	-0.1	-0.2	234.9	228.3	6.6	2.9	311.4
Circulation revenue	32.5	32.1	0.4	1.2	93.4	93.5	0.0	0.0	125.3
Advertising revenue	34.3	33.8	0.5	1.5	114.7	107.2	7.5	7.0	148.2
Content and service revenue *)	8.3	9.3	-1.0	-10.7	26.8	27.7	-0.9	-3.2	37.8
Total expenses excluding non-recurring items	63.1	61.9	1.3	2.0	202.2	195.7	6.5	3.3	267.6
Operating profit excluding non-recurring items	12.0	13.4	-1.4	-10.3	32.9	33.0	-0.1	-0.3	43.9
% of revenue	16.0	17.8			14.0	14.4	0.0		14.1
Operating profit	12.4	13.6	-1.2	-8.5	32.4	32.7	-0.2	-0.8	43.4
% of revenue	16.5	18.0			13.8	14.3	0.0		13.9
Profit for the period	12.2	9.8	2.4	24.2	28.0	23.9	4.0	16.8	33.2
Earnings per share, EUR (basic)	0.16	0.13	0.03	21.7	0.36	0.32	0.04	12.7	0.44
Earnings per share, EUR (diluted)	0.16	0.13	0.03	21.2	0.35	0.32	0.04	12.2	0.44

*) Content and service revenue includes the Group's digital service and custom media revenue as well as the external rental, distribution and printing revenue.

Outlook for 2011:

Alma Media's guidance for its financial performance in 2011 remains unchanged from the financial statement release of February 16, 2011.

Alma Media repeats its estimate that the full-year revenue and operating profit excluding non-recurring items is expected to increase from the 2010 level. Revenue in 2010 was MEUR 311.4, operating profit excluding non-recurring items MEUR 43.9 and operating profit MEUR 43.4.

Kai Telanne, President and CEO:

Increasing worries about the development of European economy slowed down the growth of the Finnish media advertising market to 3.7% in the third quarter. Newspaper advertising grew by 0.5% (7.2%) and online advertising by 20.3% (38.1%) from the comparison period. The printed newspaper is still Finland's largest advertising medium in terms of euros.

Alma Media's advertising sales grew by 1.5%, amounting to MEUR 34.3 (33.8). Advertising sales for printed newspapers declined by 4.9%, whereas online advertising sales grew by 20.6% from the comparison period. Among Alma Media newspapers, online advertising sales enjoyed favourable development particularly for Iltalehti and Aamulehti.

Alma Media's circulation revenue increased by 1.2%, totalling MEUR 32.5 (32.1). Alma Media is planning to add the 9-per cent value added tax proposed by the Finnish government on subscription-based newspapers directly to the subscription prices starting from the beginning of 2012. The price increases are expected to decrease the circulations of Alma Media's subscription-based newspapers.

Operating profit was weighed down by increases in printing and distribution costs as well as IT-related costs.

The development of digital products and services proceeded according to plan in the third quarter. During the quarter, Alma Media introduced, among other things, Iltalehti's iPad and iPhone applications as well as the Nytmatkaan.fi online travel service. In the Marketplaces business, Autotalli.com was opened also for consumers' advertisements.

The share of digital products and services in Alma Media Group's revenue grew to 17.7% (15.1%) in the third quarter. Alma Media intends, according to its strategy, further increase the share of digital services in its revenue by product and services development and by acquisitions in Finland and abroad.

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ALMA MEDIA GROUP INTERIM REPORT JANUARY 1–SEPTEMBER 30, 2011

The descriptive part of this review focuses on the result of January–September 2011. The figures are compared in accordance with the International Financial Reporting Standards (IFRS) with those of the corresponding period in 2010, unless otherwise stated. The figures in the tables are independently rounded.

KEY FIGURES MEUR	2011 Q3	2010 Q3	Change %	2011 Q1-Q3	2010 Q1-Q3	Change %	2010 Q1-Q4
Revenue	75.1	75.2	-0.2	234.9	228.3	2.9	311.4
Total expenses excluding non-recurring items	63.1	61.9	2.0	202.2	195.7	3.3	267.6
Operating profit excluding non-recurring items	12.0	13.4	-10.3	32.9	33.0	-0.3	43.9
% of revenue	16.0	17.8		14.0	14.4		14.1
Operating profit	12.4	13.6	-8.5	32.4	32.7	-0.8	43.4
% of revenue	16.5	18.0		13.8	14.3		13.9
Profit before tax	15.6	13.4	17.1	36.7	32.9	11.6	45.0
Profit for the period	12.2	9.8	24.2	28.0	23.9	16.8	33.2
Return on Equity/ROE (Annual), %*	69.3	49.2	40.8	37.4	33.1	12.9	31.6 %
Return on Invests/ROI (Annual), %*	61.1	47.6	28.4	36.3	32.4	12.0	31.1 %
Net financial expenses	-0.9	0.1	795.6	-1.1	0.1	1410.1	-0.9
Net financial expenses, % of revenue	-1.2	0.2		-0.5	0.0		-0.3
Balance sheet total				163.8	170.7	-4.0	184.5
Capital expenditure	1.6	4.1	-60.4	3.0	10.1	-70.0	12.9
Capital expenditure, % of revenue	2.1	5.4		1.3	4.4		4.1
Equity ratio				64.6	69.4	-6.9	67.1
Gearing, %				-13.3	-20.7	-35.6	-28.2
Interest-bearing net debt				-12.4	-21.7	-42.9	-32.4
Interest-bearing liabilities				8.5	4.1	109.8	4.0
Non-interest-bearing liabilities				62.2	61.7	1.0	65.7
Average no. of personnel, calculated as full-time employees, excl. delivery staff	1 867	1 861	0.3	1839	1810	1.6	1 806
Average no. of delivery staff	1 027	1 019	0.8	968	987	-1.9	962
Share indicators							
Earnings per share, EUR (basic)	0.16	0.13	21.7	0.36	0.32	12.7	0.44
Earnings per share, EUR (diluted)	0.16	0.13	21.2	0.35	0.32	12.2	0.44
Cash flow from operating activities/share, EUR	0.06	0.07	-10.6	0.40	0.45	-10.5	0.61
Shareholders' equity per share, EUR				1.20	1.37	-12.7	1.50
Dividend per share							0.70
Effective dividend yield							8.5
P/E Ratio							18.9
Market capitalization				457.5	516.4	-11.4	621.4
Average no. of shares (1,000 shares)							
- basic	75487	75053		75290	74841		74894
- diluted	75884	75135		76478	75023		75086
No. of shares at end of period (1,000 shares)	75 487	75 053		75 487	75 053		75 053

*) see Main Accounting Principles of the Interim Report

Market conditions

The GDP of Finland is expected to grow by 2.5–3% in 2011.

According to TNS Gallup, the growth of the total advertising market slowed down to 3.7% (10.9%) in July–September. Advertising in newspapers increased by 0.5% to MEUR 115.3 (114.6). Advertising in online media continued its strong growth in July–September with advertising spend increasing by 20.3% (38.1%). The printed newspaper remains the most significant advertising medium in terms of euros.

The total market for afternoon papers decreased by 2.9% (1.8%) during the third quarter of 2011.

Changes in Group structure 2011

In February 2011, Alma Media acquired the majority (51%) of Mascus A/S. The company is reported as a subsidiary company in the Marketplaces segment in Alma Media's consolidated financial statements. Further details of acquired businesses are given in the notes to this interim report.

Group revenue and result July–September 2011

The Group's revenue declined in the third quarter by 0.2% (up 3.0%) and totalled MEUR 75.1 (75.2). The revenue from printed media was MEUR 56.7 (57.6), representing 75.5% (76.5%) of the Group's total revenue. The revenue generated by digital products and services grew by 17.1% and amounted to MEUR 13.3 (11.3). The share of the digital products and services in the Group's revenue was 17.7% (15.1%).

Revenue from advertising sales increased by 1.5% to MEUR 34.3 (33.8). The share of advertising sales in the Group's total revenue was 45.7% (45.0%). Advertising sales for printed media declined by 4.9% to MEUR 24.2 (25.5). Online advertising sales increased by 20.6% to MEUR 9.9 (8.2).

The circulation revenue increased by 1.2% to MEUR 32.5 (32.1) due to increased subscription prices.
The content and service revenue was MEUR 8.3 (9.3).

Total expenses excluding non-recurring items grew by 2.0% and totalled MEUR 63.1 (61.9). Total expenses grew by 2.3% to MEUR 63.1 (61.7). The growth in total expenses was mainly attributable to an increase in printing and distribution expenses as well as IT-related expenses.

The operating profit excluding non-recurring items decreased by 10.3% (increased 14.5%) and amounted to MEUR 12.0 (13.4). The operating profit excluding non-recurring items was 16.0% (17.8%) of revenue. The operating profit was MEUR 12.4 (13.6) with the operating margin being 16.5% (18.0%).

The operating profit includes MEUR +0.4 (-0.3) in net non-recurring items. The details of the non-recurring items are explained under Non-recurring items on page 10 of this interim report.

Profit for July–September 2011 was MEUR 12.2 (9.8). Profit for the period excluding non-recurring items was MEUR 11.8 (9.8).

Group revenue and result January–September 2011

The January–September 2011 revenue for the Group increased by 2.9% (decreased 0.2%), amounting to MEUR 234.9 (228.3). The revenue from printed media was MEUR 175.5 (174.2), representing 74.7% (76.3%) of the Group's total revenue. The revenue generated by digital products and services grew by 18.3% and amounted to MEUR 41.9 (35.4). The share of the digital products and services in the Group's revenue was 17.9% (15.5%).

The Group's revenue from advertising sales grew by 7.0% to MEUR 114.7 (107.2), representing 48.8% (46.9%) of the total revenue. Advertising sales for printed media increased by 1.6% to MEUR 82.1 (80.8). Online advertising sales grew by 23.7% to MEUR 32.0 (25.8). The circulation revenue amounted to MEUR 93.4 (93.5). The content and service revenue was MEUR 26.8 (27.7).

Total expenses excluding non-recurring items grew by 3.3% and totalled MEUR 202.2 (195.7). Total expenses grew by 3.7% to MEUR 203.2 (196.0). The growth in total expenses was mainly attributable to increases in personnel, printing and distribution expenses as well as IT-related expenses.

The operating profit excluding non-recurring items decreased by 0.3% (up 5.0%) and amounted to MEUR 32.9 (33.0). The operating margin excluding non-recurring items was 14.0% (14.4%). The operating profit was MEUR 32.4 (32.7). The operating margin decreased from the comparison period, being 13.8% (14.3%).

The operating profit includes MEUR -0.4 (-0.3) in net non-recurring items. The details of the non-recurring items are explained under Non-recurring items on page 10 of this interim report.

Profit for January–September 2011 was MEUR 28.0 (23.9). Profit for the period excluding non-recurring items was MEUR 28.3 (24.4).

REVENUE AND OPERATING PROFIT/LOSS BY SEGMENT

REVENUE BY SEGMENT, MEUR	2011 Q3	2010 Q3	Change %	2011 Q1-Q3	2010 Q1-Q3	Change %	2010 Q1-Q4
Newspapers							
External	52.1	52.4		161.8	158.0		215.1
Inter-segments	1.0	1.1		3.1	3.2		4.1
Newspapers total	53.1	53.5	-0.7	164.9	161.2	2.3	219.3
Kauppalehti Group							
External	12.4	13.2		40.9	41.3		57.2
Inter-segments	0.2	0.1		0.6	0.5		0.7
Kauppalehti Group total	12.6	13.3	-5.4	41.5	41.8	-0.7	57.9
Marketplaces							
External	9.2	7.9		28.1	23.8		32.3
Inter-segments	-0.1	0.0		-0.4	-0.2		-0.3
Marketplace total	9.0	7.9	15.0	27.7	23.7	17.0	32.1
Other operations							
External	1.4	1.7		4.1	5.2		6.7
Inter-segments	19.3	17.8		56.8	52.9		71.9
Other operations total	20.6	19.6	5.6	60.9	58.2	4.7	78.5
Elimination	-20.3	-19.0		-60.1	-56.5		-76.4
Total	75.1	75.2	-0.2	234.9	228.3	2.9	311.4

OPERATING PROFIT/LOSS BY SEGMENT, MEUR *)	2011 Q3	2010 Q3	Change %	2011 Q1-Q3	2010 Q1-Q3	Change %	2010 Q1-Q4
Newspapers	7.0	8.3	-15.8	22.4	24.3	-8.1	32.9
Kauppalehti Group	2.0	2.4	-16.8	5.2	6.5	-20.0	8.2
Marketplaces	1.7	1.1	49.3	4.9	0.4	1070.6	0.4
Other operations	1.9	1.7	9.6	0.2	1.5	-86.2	1.9
Total	12.4	13.6	-8.5	32.4	32.7	-0.8	43.4

*) including non-recurring items

Newspapers

The Newspapers segment reports the publishing activities of 34 newspapers. The largest titles are Aamulehti and Iltalehti.

Newspapers Key figures, MEUR	2011 Q3	2010 Q3	Change %	2011 Q1-Q3	2010 Q1-Q3	Change %	2010 Q1-Q4
Revenue	53.1	53.5	-0.7	164.9	161.2	2.3	219.3
Circulation revenue	28.7	28.4	1.2	82.4	82.4	0.0	110.3
Advertising revenue	23.6	23.9	-1.1	79.6	76.0	4.9	104.9
Content and service revenue	0.8	1.3	-37.2	2.9	2.8	1.6	4.1
Total expenses excluding non-recurring items	46.2	45.4	1.8	142.1	137.1	3.6	186.3
Operating profit excluding non-recurring items	7.0	8.2	-15.1	22.8	24.3	-6.1	33.1
Operating profit excluding non-recurring items, %	13.1	15.3		13.8	15.1		15.1
Operating profit	7.0	8.3	-15.8	22.4	24.3	-8.1	32.9
Operating profit, %	13.1	15.5		13.6	15.1		15.0
Average no. of personnel, calculated as full-time employees excl. delivery staff	1.001	1.021	-2	984	976	1	972
Average no. of delivery staff	128	101	27	115	99	16	99

Operational key figures	2011 Q3	2010 Q3	2011 Q1-Q3	2010 Q1-Q3	2010 Q1-Q4
Audited circulation					
Iltalehti					107.052
Aamulehti					131.539
Online services, unique browsers, weekly					
Iltalehti.fi	2,696,276	2,223,618	2,883,106	2,183,382	2,276,375
Telkku.com	584,493	590,364	650,503	609,612	616,325
Aamulehti.fi	305,903	308,970	330,157	283,655	299,467

July–September 2011

The Newspapers segment's revenue decreased by 0.7% to MEUR 53.1 (53.5). Advertising sales in the segment were down 1.1% (up 7.9%) and totalled MEUR 23.6 (23.9). Advertising sales for printed media decreased by 3.6% (increased by 5.5%). The segment's online advertising sales grew by 23.5% (39.9%). The growth of online advertising sales particularly for Iltalehti and Aamulehti did not fully cover the effect of the deceleration in printed media advertising sales.

The segment's circulation revenue increased by 1.2% to MEUR 28.7 (28.4).

The segment's total expenses excluding non-recurring items increased by 1.8% to MEUR 46.2 (45.4). The total expenses amounted to MEUR 46.2 (45.3). The total expenses grew mainly due to increases in printing and distribution expenses.

The segment's operating profit excluding non-recurring items was MEUR 7.0 (8.2) and operating margin excluding non-recurring items 13.1% (15.3%). Operating profit amounted to MEUR 7.0 (8.3) and the operating margin was 13.1% (15.5%).

January–September 2011

The Newspapers segment's revenue increased to MEUR 164.9 (161.2). Advertising sales in the segment totalled MEUR 79.6 (76.0), up 4.9% (2.8%). Advertising sales for printed media increased by 2.6% (0.0%). The segment's online advertising sales grew by 25.7% (39.9%).

The segment's circulation revenue remained at the previous year's level of MEUR 82.4 (82.4).

The segment's total expenses excluding non-recurring items were MEUR 142.1 (137.4). Total expenses were MEUR 142.6 (137.1).

The segment's operating profit excluding non-recurring items was MEUR 22.8 (24.3) and the operating margin excluding non-recurring items 13.8% (15.1%). The segment's operating profit was MEUR 22.4 (24.3) and the operating margin 13.6% (15.1%).

Kauppalehti Group

The Kauppalehti Group specialises in the production of business and financial information as well as in the provision of marketing solutions. Its best known title is Finland's leading business paper, Kauppalehti. The Group also includes the custom media house Alma 360 Custom Media (former Alma Media Lehdentekijät, Suomen Businessviestintä and TTNK Helsinki), and the news agency and media monitoring unit BNS Group that operates in the Baltic countries.

Kauppalehti Group Key figures, MEUR	2011 Q3	2010 Q3	Change %	2011 Q1-Q3	2010 Q1-Q3	Change %	2010 Q1-Q4
Revenue	12.6	13.3	-5.4	41.5	41.8	-0.7	57.9
Circulation revenue	3.8	3.7	0.9	11.1	11.0	0.0	15.0
Advertising revenue	3.2	3.6	-12.9	12.0	12.3	-2.6	17.7
Content and service revenue	5.7	6.0	-4.8	18.4	18.4	0.0	25.2
Total expenses excluding non-recurring items	10.6	10.9	-2.9	36.3	35.3	2.8	49.7
Operating profit excluding non-recurring items	2.0	2.4	-16.8	5.2	6.5	-20.0	8.2
Operating margin excluding non-recurring items, %	16.0	18.2		12.5	15.5	-19.4	14.2
Operating profit	2.0	2.4	-16.8	5.2	6.5	-20.0	8.2
Operating profit, %	16.0	18.2		12.5	15.5	-19.4	14.2
Average no. of personnel, calculated as full-time employees	431	441	-2	433	436	-0.7	437

Operational key figures	2011 Q3	2010 Q3	2011 Q1-Q3	2010 Q1-Q3	2010 Q1-Q4
Audited circulation					
Kauppalehti					70.118
Online services, unique browsers, weekly					
Kauppalehti.fi	638,716	584,989	737,687	591,091	615,354

July–September 2011

The revenue of the Kauppalehti Group in the third quarter amounted to MEUR 12.6 (13.3). The revenue of the review period decreased by 5.4% (decreased by 8.6%). Online business accounted for 26.6% (24.4%) of the segment's revenue.

The segment's advertising sales decreased by 12.9% (increased by 18.8%), amounting to MEUR 3.2 (3.6). Advertising sales for printed media was down by 15.0% (up 14.0%). Online advertising sales decreased by 10.7% (increased by 46.7%) from the comparison period.

The segment's circulation revenue grew from the comparison period and was MEUR 3.8 (3.7). The content and service revenue decreased to MEUR 5.7 (6.0).

The segment's total expenses amounted to MEUR 10.6 (10.9).

The operating profit of the Kauppalehti Group was MEUR 2.0 (2.4) and operating margin 16.0% (18.2%). No non-recurring items were recognised during the review period.

January–September 2011

The January–September revenue for the Kauppalehti Group was MEUR 41.5 (41.8). The revenue during the review period was down 0.7% (down 11.0%). Online business accounted for 24.8% (23.9%) of the segment's revenue.

The segment's advertising sales decreased by 2.6% (increased by 8.3%), amounting to MEUR 12.0 (12.3). Advertising sales for printed media decreased by 3.9% (increased by 5.9%). Online advertising sales decreased by 0.5% (increased by 34.5%) from the comparison period.

The segment's circulation revenue increased to MEUR 11.1 (11.0). The content and service revenue remained at the previous year's level at MEUR 18.4 (18.4). Alma 360 Custom Media won new customers in a challenging market situation.

The segment's total expenses were MEUR 36.3 (35.3). No non-recurring items were recognised during the review period.

The operating profit of the Kauppalehti Group was MEUR 5.2 (6.5) and operating margin 12.5% (15.5%). No non-recurring items were recognised during the review period.

Marketplaces

The Marketplaces segment reports classified services produced on the internet and supported by printed products. The services in Finland are Etuovi.com, Vuokraovi.com, Monster.fi, Autotalli.com, Mascus.fi and Mikko.fi. The services outside Finland are Mascus, Bovision, Objektvision and City24.

Marketplaces Key figures, MEUR	2011 Q3	2010 Q3	Change %	2011 Q1-Q3	2010 Q1-Q3	Change %	2010 Q1-Q4
Revenue	9.0	7.9	15.0	27.7	23.7	17.0	32.1
Operations in Finland	7.7	6.7	14.3	23.8	20.3	17.3	27.5
Operations outside Finland	1.4	1.2	19.4	4.2	3.6	15.6	4.9
Total expenses excluding non-recurring items	7.4	7.0	5.2	23.0	22.9	0.3	31.3
Operating profit excluding non-recurring items	1.7	0.9	95.7	4.7	0.8	471.0	0.8
Operating margin excluding non-recurring items, %	18.5	10.9		17.0	3.5	389.5	2.6
Operating profit	1.7	1.1	49.3	4.9	0.4	1070.6	0.4
Operating margin, %	18.5	14.2		17.6	1.8	900.7	1.2
Average no. of personnel, calculated as full-time employees	184	179	3	181	181	0	180

Operational key figures	2011 Q3	2010 Q3	2011 Q1-Q3	2010 Q1-Q3	2010 Q1-Q4
Online services, unique browsers, weekly					
Etuovi.com	424,284	420,896	462,335	414,797	413,044
Autotalli.com	86,030	92,882	100,033	94,420	91,182
Monster.fi	77,063	78,443	90,380	86,000	85,911
Mikko.fi	41,779	52,975	44,611	64,421	59,349
Mascus.com (Finland)	235,035	226,643	270,728	233,082	190,320
City24	144,760	146,522	144,820	190,842	190,842
Bovision	59,415	70,906	69,840	99,464	96,706

July–September 2011

In the third quarter of 2011, the revenue of the Marketplaces segment increased to MEUR 9.0 (7.9). The segment's advertising sales were MEUR 8.1 (7.0). The positive revenue development is mainly attributable to new growth in recruitment and home sales advertising.

The total expenses for the review period excluding non-recurring items increased to MEUR 7.4 (7.0). The total expenses were MEUR 7.4 (6.7). The total expense level of the Marketplaces segment increased due to planned marketing outlays and increases in personnel expenses.

The operating profit of the Marketplaces segment grew to MEUR 1.7 (1.1) in the third quarter. The operating profit excluding non-recurring items was MEUR 1.7 (0.9). The non-recurring item in the amount of MEUR 0.3 during the review period was due to reorganisation.

January–September 2011

In January–September 2011, the revenue for the Marketplaces segment increased by 17.0% (15.6%), amounting to MEUR 27.7 (23.7). The segment's advertising sales were MEUR 25.0 (21.0). The positive revenue development is mainly attributable to new growth in recruitment and home sales advertising.

The total expenses for the review period excluding non-recurring items were MEUR 23.0 (22.9). Total expenses amounted to MEUR 23.0 (23.3).

The operating profit for the Marketplaces segment excluding non-recurring items increased to MEUR 4.7 (0.8). The operating profit was MEUR 4.9 (0.4). The non-recurring income during the review period was generated by mergers and acquisitions. The non-recurring items in the amount of MEUR –0.4 during the review period were due to reorganisation measures.

The Supreme Court did not grant a leave of appeal to either of the parties to the dispute over the ETUOVI.COM trademark, which meant that the decision by the Helsinki Court of Appeal in December 2010 remained in force and the long trademark dispute was brought to a satisfactory end for Alma Media. According to the Helsinki Court of Appeal, there are no obstacles for Alma Media to use the ETUOVI.COM trademark to identify its internet services. In contrast, Alma Media cannot use the ETUOVI.COM trademark as a trademark for a newspaper.

Other operations

The Other operations segment reports the operations of the Group's printing and distribution unit as well as parent company. The financial characteristics of both are similar as they primarily provide services for the other business segments.

Other operations Key figures, MEUR	2011 Q3	2010 Q3	Change %	2011 Q1-Q3	2010 Q1-Q3	Change %	2010 Q1-Q4
Revenue	20.6	19.6	5.6	60.9	58.2	4.7	78.5
External	1.4	1.7	-20.8	4.1	5.2	-21.0	6.7
Inter-segments	19.3	17.8	8.1	56.8	52.9	7.3	71.9
Total expenses excluding non-recurring items	19.2	17.7	8.6	60.6	56.8	6.9	76.7
Operating profit excluding non-recurring items	1.5	1.9	-20.9	0.3	1.4	-76.4	1.8
Operating profit excluding non-recurring items, %	7.3	9.7		0.5	2.3	-77.4	2.3
Operating profit	1.9	1.7	9.6	0.2	1.5	-86.2	1.9
Operating profit, %	9.3	8.9		0.3	2.5	-86.9	2.5
Average no. of personnel, calculated as full-time employees	251	221	14	240	217	10	217
Average no. of delivery staff	899	919	-2	853	888	-4	863

Operational key figures	2011 Q3	2010 Q3	2011 Q1-Q3	2010 Q1-Q3	2010 Q1-Q4
Printing volume (thousand units)	59,191	58,906	178,381	179,410	237,532
Paper usage (tons)	7,752	7,879	23,501	23,378	32,000

In January 2011, Alma Media entered a financing agreement with Pohjola Bank Plc concerning the financing of the machinery and movable property for its new printing facility in the maximum amount of MEUR 50. A decision has been made to purchase the printing press from Manroland AG and the finishing equipment from Ferag AG. The investment is progressing according to plan, and the facility will be taken into production use in early 2013.

The personnel cooperation negotiations related to the development and rationalisation programme of Alma Media's printing and distribution company Alma Manu Oy were completed in June. As a result of the negotiations, the number of staff will be decreased by 54 full-time work years and printing operations in Pori will be discontinued. The printing facility in Pori will be closed down by the end of January 2012. As a result of the personnel negotiations, non-recurring reorganisation expenses in the amount of MEUR 0.5 were recognised.

Alma Manu will expand its distribution operations in the province of Lapland. The distribution of Lapin Kansa and Koillis-Lappi, both Alma Media newspapers, will be transferred from Itella to Alma Manu in January 2012.

Associated companies

Share of profit of associated companies MEUR	2011 Q3	2010 Q3	2011 Q1-Q3	2010 Q1-Q3	2010 Q1-Q4
Newspapers	-0.1	0.0	-0.0	0.1	0.1
Kauppalehti Group					
Talentum Oyj	2.1	-0.3	2.5	-0.1	0.0
Marketplaces	-0.0	-0.0	-0.1	-0.0	-0.1
Other operations					
Other associated companies	0.3	0.3	0.7	0.4	0.6
Total	2.3	-0.1	3.2	0.3	0.7

The share of Talentum Plc's result for the third quarter of 2011 includes the profit from the sale of shares announced by Talentum on August 9, 2011.

Alma Media Group holds a 32.14-% stake in Talentum Oyj, which is reported under the Kauppalehti Group. The company's own shares in the possession of Talentum are here included in the total number of shares. In the consolidated financial statements of Alma Media the own shares held by Talentum itself are not included in the total number of shares. Alma Media's shareholding in Talentum is stated as 32.64% in its consolidated financial statements of December 31, 2010 and in this interim report.

Non-recurring items

Non-recurring item is an income or expense arising from non-recurring or rare events. Gains or losses from the sale of business operations or assets, gains or losses from discontinuing or restructuring business operations as well as impairment losses of goodwill and other assets are recognised as non-recurring items. Non-recurring items are recognised within the corresponding income or expense group.

NON-RECURRING ITEMS MEUR	2011 Q3	2010 Q3	2011 Q1-Q3	2010 Q1-Q3	2010 Q1-Q4
Newspapers					
Restructuring		0.1	-0.5		-0.4
Gains on sales of assets					0.2
Marketplaces					
Restructuring		0.3		-0.4	-0.5
Gains on sales of assets			0.2		
Other operations					
Restructuring		-0.2	-0.5	0.1	0.1
Gains on sales of assets	0.4		0.4		0.0
NON-RECURRING ITEMS IN OPERATING PROFIT	0.4	0.2	-0.4	-0.3	-0.5
Translation differences		-0.1	0.1	-0.1	-0.1
NON-RECURRING ITEMS IN FINANCIAL ITEMS		-0.1	0.1	-0.1	-0.1

Balance sheet and financial position

The consolidated balance sheet stood at MEUR 163.8 (170.7) at the end of September 2011. Alma Media's equity ratio at the end of September was 64.6% (69.4%) and equity per share was EUR 1.20 (1.37).

The Group's interest-bearing net debt at the end of September was MEUR –12.4 (–21.7). The fair value of financial assets recognised at fair value through profit or loss on September 30, 2011 was MEUR 7.9, and that of the liabilities MEUR 2.0.

The consolidated cash flow from operations in January–September 2011 was MEUR 30.4 (33.8). Cash flow before financing was MEUR 30.6 (33.0). During the comparison period, cash flow from investing activities was affected primarily by mergers and acquisitions.

The Group currently has a MEUR 100.0 commercial paper programme in Finland under which it is permitted to issue papers to a total amount of MEUR 0–100. The unused part of the programme was MEUR 95.0 on September 30, 2011. In addition, the Group has a credit limit in the amount of MEUR 30.0 valid until October 10, 2013, which on September 30, 2011 was totally unused.

Capital expenditure

Alma Media Group's capital expenditure in January–September 2011 totalled MEUR 4.1 (10.1), consisting mainly of development projects related with digital services. Other expenditure was related with normal operational and replacement investments.

The investment in the printing facility in Tampere is proceeding according to plan. The new printing facility will be operational in early 2013.

Administration

Alma Media Corporation's Annual General Meeting (AGM) held on March 17, 2011 elected Timo Aukia, Petri Niemisvirta, Seppo Paatelainen, Kai Seikku, Erkki Solja, Catharina Stackelberg-Hammarén and Harri Suutari members of the company's Board of Directors. In its constitutive meeting held after the AGM, the Board of Directors elected Seppo Paatelainen its Chairman.

The Board also elected the members of its committees. Timo Aukia, Kai Seikku, Catharina Stackelberg-Hammarén and Harri Suutari as chairman were elected members of the Audit Committee. Petri Niemisvirta and Erkki Solja, as well as Seppo Paatelainen as Chairman, were elected members of the Nomination and Compensation Committee.

The Board of Directors of Alma Media Corporation has evaluated that Timo Aukia, Petri Niemisvirta and Seppo Paatelainen are independent of the company but dependent on its significant shareholders. The other members of the Board of Directors are evaluated to be independent of the company and its significant shareholders.

Mikko Korttila, General Counsel of Alma Media Corporation, was appointed secretary to the Board of Directors.

The AGM appointed Ernst & Young Oy as the company's auditors.

The Regional State Administrative Agency for Southern Finland in August approved an application by Oy Herttaässä Ab, an Alma Media Corporation shareholder, for a special audit on Alma Media to the extent that the application concerned the actions of the Nomination and Compensation Committee and its predecessor, the Election Committee, and how the principle of equality has been taken into account in the operations of the Committees. Alma Media has decided to appeal against the decision to the Hämeenlinna Administrative Court. In addition to revoking the decision by the Regional State Administrative Agency, Alma Media will apply for a suspension of the enforcement until the matter has been resolved.

Mr Pekka Heinänen, Master of Arts (Education), age 51, started as Alma Media's Vice President, Human Resources and as a member of the Group's Executive team on August 15, 2011.

Alma Media Corporation applies the Finnish Corporate Governance Code for listed companies, issued by the Securities Market Association on June 15, 2010, in its unaltered form. The Corporate Governance Statement for 2010 is published separately at www.almamedia.fi/corporate_governance.

Dividends

The Annual General Meeting resolved to distribute a dividend of EUR 0.70 per share for the financial year 2010 in accordance with the proposal of the Board of Directors. The dividend was paid on March 29, 2011 to shareholders who were registered in Alma Media Corporation's shareholder register maintained by Euroclear Finland Oy on the record date, March 22, 2011. The company paid a total of MEUR 52.5 (29.8) in dividends to its shareholders in March.

The Alma Media share

In July–September, altogether 9,005,064 Alma Media shares were traded at NASDAQ OMX Helsinki Stock Exchange, representing 11.9% of the total number of shares. The closing price of the Alma Media share at the end of the last trading day of the reporting period, September 30, 2011, was EUR 6.06. The lowest quotation during the reporting period was EUR 5.40 and the highest EUR 7.01. Alma Media Corporation's market capitalisation at the end of the review period was MEUR 457.5.

The Annual General Meeting on March 17, 2011 authorised the Board of Directors to decide on a share issue. The authorisation would entitle the Board to issue a maximum of 7,500,000 shares. This maximum amount of shares corresponds to approximately 10% of the total number of shares of the company. The share issue can be implemented by issuing new shares or transferring shares presently in possession of the company. The authorisation entitles the Board to decide on a directed share issue, which would entail deviating from the pre-emption rights of shareholders. The Board may use the authorisation in one or more parts.

The Board may use the authorisation for developing the capital structure of the company, widening the ownership base, financing or realising acquisitions or other similar arrangements, or for other purposes decided upon by the Board. The authorisation, however, may not be used for the incentive and commitment systems for the company's management. The authorisation is in effect until March 17, 2013.

By April 30, 2011, a total of 434,330 shares were subscribed by using the option rights granted under the option programme 2006B. Due to the subscriptions, the share capital of the company increased to EUR 45,292,111.80. After the issuance, the total number of shares of Alma Media Corporation is 75,486,853.

Option rights

Alma Media has the option programmes 2006 and 2009. The programmes are incentive and commitment systems for the company's management. If all the subscription rights are exercised, the programmes 2006 and 2009 will dilute the holdings of the earlier shareholders by a maximum of 3.33%. Further details about the programmes are given in the notes of this interim report.

A total of 640,000 2009C options were granted during the review period. The subscription price is EUR 7.95.

Market liquidity guarantee

There is no market liquidity guarantee in effect for the Alma Media share.

Flagging notices

In January-June 2011, Alma Media did not receive notices of changes in shareholdings pursuant to Chapter 2, Section 9 of the Securities Markets Act.

Risks and risk management

The purpose of Alma Media Group's risk management activities is to continuously evaluate and manage all opportunities, threats and risks in conjunction with the company's operations to enable the company to reach its set objectives and to secure business continuity.

The risk management process identifies the risks, develops appropriate risk management methods and regularly reports on risk issues to the risk management organisation. Risk management is part of Alma Media's internal audit function and thereby part of good corporate governance. Limits and processing methods are set for quantitative and qualitative risk methods by the corporate risk management system.

The most critical strategic risks for Alma Media are a significant drop in the subscriptions, numbers of visitors or in the readership of its publications, a decline in advertising sales and a significant increase in distribution and delivery costs. Fluctuating economic cycles are reflected on the development of advertising sales, which accounts for approximately half of the Group's revenue. Developing businesses outside Finland such as in the Baltic countries and other East European countries include country-specific risks relating to market development and economic growth.

In the long term, the media business will undergo changes along with the transformation in media consumption and technological developments. The Group's strategic objective is to meet this challenge through renewal and the development of new business operations in online media. The most important operational risks are disturbances in information technology systems and telecommunication, and an interruption of printing operations.

Outlook for 2011

Alma Media expects newspaper and online advertising to grow in 2011 compared with the previous year. Alma Media estimates the single-copy sales of afternoon papers to decline further. The circulation revenue of regional and local papers as well as Kauppalehti is expected to remain at the comparison period's level. The material and delivery costs of the Group are anticipated to increase from the level of the comparison period.

Alma Media estimates that its full-year revenue and operating profit excluding non-recurring items will grow from the 2010 levels. Revenue in 2010 totalled MEUR 311.4, operating profit excluding non-recurring items MEUR 43.9 and operating profit was MEUR 43.4.

Events after the review period

Alma Media Corporation has signed a two-year credit facility for EUR 30 million with Pohjola Bank. The credit facility, valid until October 10, 2013, further strengthens the financing structure and liquidity of Alma Media Group and diversifies the range of available financial instruments.

The next interim report

Alma Media will publish its fourth quarter and full-year 2011 result on Wednesday, February 15, 2012.

ALMA MEDIA CORPORATION
Board of Directors

COMPREHENSIVE INCOME STATEMENT, MEUR	2011 Q3	2010 Q3	Change %	2011 Q1-Q3	2010 Q1-Q3	Change %	2010 Q1-Q4
REVENUE	75.1	75.2	-0.2	234.9	228.3	2.9	311.4
Other operating income	0.5	0.0	861.0	0.7	0.3	116.1	0.4
Materials and services	21.8	21.5	1.1	66.7	66.6	0.2	89.4
Employee benefits expense	26.8	26.5	0.9	88.3	84.6	4.4	117.2
Depreciation, amortization and impairment	2.2	2.3	-4.2	6.8	7.1	-4.8	9.5
Other operating expenses	12.4	11.3	9.2	41.4	37.7	9.8	52.4
OPERATING PROFIT	12.4	13.6		32.4	32.7	-0.8	43.4
Finance income	1.2	0.1	721.9	2.0	0.5	285.0	1.5
Finance expenses	0.2	0.3	-17.9	0.9	0.7	29.5	0.6
Share of profit of associated companies	2.3	-0.1	3053.0	3.2	0.3	923.3	0.7
PROFIT BEFORE TAX	15.6	13.4	17.1	36.7	32.9	11.6	45.0
Income tax	3.4	3.5	-2.8	8.7	9.0	-2.4	11.8
PROFIT FOR THE PERIOD	12.2	9.8	24.2	28.0	23.9	16.8	33.2
OTHER COMPREHENSIVE INCOME							
Change in translation differences	-0.1	0.3	-118.3	-0.3	0.4	-167.6	0.6
Share of other comprehensive income of associated companies	-0.2	0.3	-183.1	-0.4	0.7	-151.6	0.9
Income tax relating to components of other comprehensive income							
Other comprehensive income for the period, net of tax	-0.3	0.6	-148.4	-0.7	1.2	-157.6	1.5
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	12.0	10.4	15.5	27.3	25.1	8.6	34.7
Profit for the period attributable to							
Owners of the parent	11.9	9.7		26.8	23.7		32.8
Non-controlling interest	0.4	0.1		1.1	0.3		0.3
Total comprehensive income for the period attributable to							
Owners of the parent	11.7	10.3		26.2	24.9		34.4
Non-controlling interest	0.4	0.1		1.1	0.3		0.3
Earnings per share calculated from the profit for the period attributable to the parent company shareholders							
Earnings per share (basic), EUR	0.16	0.13		0.36	0.32		0.44
Earnings per share (diluted), EUR	0.16	0.13		0.35	0.32		0.44

BALANCE SHEET, MEUR	Sep 31 2011	Sep 31 2010	31 Dec 2010
ASSETS			
NON-CURRENT ASSETS			
Goodwill	30.4	29.5	30.4
Other intangible assets	10.1	10.3	10.5
Tangible assets	24.1	29.0	27.8
Investments in associated companies	35.4	33.1	33.6
Other non-current financial assets	8.5	12.7	11.8
Deferred tax assets	0.3	0.8	0.2
CURRENT ASSETS			
Inventories	1.1	0.9	1.0
Current tax assets	2.1	0.0	3.5
Trade receivable and other receivables	27.6	26.3	27.0
Other current financial assets	3.4	2.4	2.3
Cash and cash equivalents	20.9	25.8	36.3
TOTAL ASSETS	163.8	170.7	184.5

BALANCE SHEET, MEUR	Sep 31 2011	Sep 31 2010	31 Dec 2010
EQUITY AND LIABILITIES			
Share capital	45.3	45.0	45.0
Share premium reserve	7.7	4.7	4.7
Foreign currency translation reserve	0.0	0.1	0.4
Retained earnings	37.4	53.1	62.7
Equity attributable to owners of the parent	90.4	103.0	112.8
Non-controlling interest	2.6	2.0	2.0
TOTAL EQUITY	93.1	105.0	114.8
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	2.1	2.5	2.4
Deferred tax liabilities	2.3	2.9	2.4
Pension obligations	2.6	2.8	2.8
Provisions	0.1	0.1	0.1
Other financial liabilities	0.8	2.8	2.5
Other non-current liabilities	0.3	0.0	0.4
CURRENT LIABILITIES			
Current interest-bearing liabilities	6.5	1.6	1.6
Advances received	19.7	19.4	13.4
Income tax liability	0.0	0.4	3.6
Provisions	0.9	0.2	0.6
Trade and other payables	35.4	33.1	39.9
TOTAL LIABILITIES	70.8	65.7	69.7
TOTAL EQUITY AND LIABILITIES	163.8	170.7	184.5

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

MEUR	Attributable to equity holders of the Parent Company						
	A	B	C	D	E	F	G
Equity Jan 1 2011	45.0	4.7	0.4	62.7	112.8	2.0	114.8
Profit for the period				26.8	26.8	1.1	28.0
Other comprehensive income			-0.3	-0.4	-0.7		-0.7
Transactions with equity holders of the parent and non-controlling interest							
Dividends paid by parent				-52.4	-52.4		-52.4
Dividends paid by subsidiaries						-0.7	-0.7
Share-based payments				0.7	0.7		0.7
Excercised share options	0.3	3.0			3.3		3.3
Business combinations						0.1	0.1
Equity Sep 31 2011	45.3	7.7	0.0	37.4	90.4	2.6	93.1

MEUR	Attributable to equity holders of the Parent Company						
	A	B	C	D	E	F	G
Equity Jan 1 2010	44.8	2.8	-0.3	47.4	94.7	0.2	94.9
Profit for the period				23.7	23.7	0.3	23.9
Other comprehensive income			0.4	0.7	1.2		1.2
Transactions with equity holders of the parent and non-controlling interest							
Dividends paid by parent				-29.8	-29.8		-29.8
Dividends paid by subsidiaries						-0.2	-0.2
Share-based payments				0.5	0.5		0.5
Share of items recognized directly in associated company's equity							
Equity Sep 31 2010	45.0	4.7	0.1	53.1	103.0	2.0	105.0

Column headings on Consolidated Statement of Change in Equity

A=Share capital
B=Share premium reserve
C=Translation difference
D=Retained earnings
E=Total
F=Non-controlling interest
G=Equity total

CASH FLOW STATEMENT, MEUR	2011 Q3	2010 Q3	2011 Q1-Q3	2010 Q1-Q3	2010 Q1-Q4
Operating activities					
Profit for the period	12.2	9.8	28.0	23.9	33.2
Adjustments	3.2	5.9	12.3	15.0	20.3
Change in working capital	-8.2	-8.0	0.2	4.1	5.3
Dividends received	0.6	0.0	1.0	0.9	1.0
Interest received	0.3	0.1	0.8	0.2	0.3
Interest paid and other finance expenses	-0.2	-0.1	-0.8	-0.5	-0.7
Income taxes paid	-3.5	-2.8	-11.0	-9.9	-13.2
Net cash flows from operating activities	4.4	4.9	30.4	33.8	46.1
Investing activities					
Acquisitions of tangible and intangible assets	-0.4	-1.0	-1.9	-2.3	-3.3
Proceeds from sale of other investments	0.0	0.0	0.1	0.0	0.0
Change in loan receivables	0.0	0.1	0.0	0.0	0.1
Acquisition of subsidiaries	-0.1	0.0	0.0	-1.7	-2.3
Acquisition of associated companies	-0.1	-0.4	-0.3	-0.7	-0.8
Proceeds from sale of subsidiaries	0.0	3.9	2.1	3.9	3.9
Proceeds from sale of associated companies	0.0	0.0	0.3	0.0	0.0
Net cash flows from / (used in) investing activities	-0.5	2.6	0.2	-0.7	-2.4
Cash flow before financing activities	3.9	7.4	30.6	33.0	43.7
Financing activities					
Proceeds from exercise of share options	0.0	0.0	3.3	2.1	2.1
Current loans taken	0.0	0.0	15.0	0.0	0.0
Repayment of current loans	-6.3	-0.4	-11.0	-1.2	-1.6
Change in interest-bearing receivables	0.1	-0.1	0.2	0.6	0.8
Dividends paid	0.0	0.0	-53.2	-30.0	-30.0
Net cash flows from / (used in) financing activities	-6.2	-0.5	-45.8	-28.5	-28.6
Change in cash and cash equivalent funds (increase + / decrease -)	-2.3	6.9	-15.1	4.5	15.1
Cash and cash equivalents at beginning of period	23.2	18.8	36.3	21.1	21.1
Effect of change in foreign exchange rates	0.0	0.1	-0.3	0.2	0.2
Cash and cash equivalents at end of period	20.9	25.8	20.9	25.8	36.3

Acquired businesses in 2011

In February 2011 Alma Media acquired the majority (51%) of Mascus A/S in Denmark.
The goodwill from the business combinations is mainly from the expected synergies. No change in the fair values of the assets was recognised at the acquisition. The acquisition had no major impact on the consolidated financial statements.

Contingent considerations

Contingent considerations are classified as financial assets and liabilities recognised at fair value through profit or loss. The amount of the contingent considerations due to the acquisitions and business arrangements in 2010 is based on the revenue and operating profits of the acquired business during 2010–2013. The fair values are the estimated final considerations discounted to the balance sheet date. The minimum realisable value of the contingent considerations is 0.2 MEUR.

CONTINGENT CONSIDERATION ASSETS	
Initial recognition of the assets	8.4
Change in fair value during previous financial years	0.8
Considerations, settled in cash	-2.1
Change in fair value during the financial year	0.7
Fair value of the contingent consideration assets in the end of the period	7.9

CONTINGENT CONSIDERATION LIABILITY	
Intial recognition of the liability	2.9
Change in fair value during previous financial years	-0.1
Considerations, settled in cash	-0.4
Change in fair value during the financial year	-0.4
Fair value of the contingent consideration liability in the end of the period	2.0

REVENUE BY GEOGRAPHICAL AREA, MEUR	2011 Q3	2010 Q3	2011 Q1-Q3	2010 Q1-Q3	2010 Q1-Q4
Finland	71.4	71.9	224.2	218.8	298.4
Other EU countries	3.5	3.2	9.9	8.9	12.1
Other countries	0.2	0.1	0.8	0.6	0.8
Total	75.1	75.2	234.9	228.3	311.4

Information by segment

The business segments of Alma Media are Newspapers, Kauppalehti Group, Marketplaces and Other operations. The descriptive section of the financial statements presents the revenue and operating profits of the segments and the allocation of the associated companies' results to the reporting segments.
The following table presents the assets and liabilities by segment as well as the non-allocated asset and liability items.

ASSETS BY SEGMENT, MEUR	Sep 31 2011	Sep 31 2010	31 Dec 2010
Newspapers	45.2	45.0	46.3
Kauppalehti Group	43.9	43.9	41.3
Marketplaces	24.5	13.6	21.7
Other operations	20.6	35.2	28.5
Non-allocated assets and eliminations	29.5	33.1	46.7
Total	163.8	170.7	184.5

LIABILITIES BY SEGMENT, MEUR	Sep 31 2011	Sep 31 2010	31 Dec 2010
Newspapers	30.1	29.3	27.4
Kauppalehti Group	10.2	10.5	10.4
Marketplaces	7.4	4.4	7.4
Other operations	11.1	14.2	14.3
Non-allocated liabilities and eliminations	12.1	7.3	10.2
Total	70.8	65.7	69.7

CAPITAL EXPENDITURE, MEUR	2011 Q3	2010 Q3	2011 Q1-Q3	2010 Q1-Q3	2010 Q1-Q4
Newspapers	0.4	0.5	1.4	3.0	4.0
Kauppalehti Group	0.1	0.2	0.5	0.6	1.4
Marketplaces	0.3	2.8	1.5	5.0	5.6
Others	0.3	0.7	0.7	1.4	1.8
Total	1.2	4.2	4.1	10.1	12.9

Provisions

The company's provisions totalled MEUR 1.0 (0.1) on September 30, 2011. The major part of the provisions consists of restructuring provisions. It has not been necessary to change the estimates made when the provisions were entered.

COMMITMENTS AND CONTINGENCIES, MEUR	Sep 31 2011	Sep 31 2010	31 Dec 2010
Collateral for others			
Guarantees	0.0	0.0	0.0
Other commitments			
Commitments based on agreements	0.0	0.1	0.1
Minimum lease payments on other lease agreements:			
Within one year	6.9	6.5	6.6
Within 1-5 years	22.9	20.1	21.1
After 5 years	44.9	51.2	48.2
Total	74.7	77.7	75.9
The Group also has purchase agreements that based on IFRIC 4			
include a lease component as per IAS 17. Minimum payments based on these agreements:	1.7	1.4	1.2

Changes in commitments and contingencies are mainly due to the new and extended lease contracts made during 2010 for the real estates.

Additionally, the company has signed a lease contract for the real estate of the printing facility. According to the IAS 17 standard, the contract will be recognised as a finance lease contract when the printing facility will be operational. The printing facility is estimated to be operational in early 2013. The balance sheet values recognised in financial year 2013 are expected to be maximum MEUR 70.

DERIVATIVE CONTRACTS, MEUR	Sep 31 2011	Sep 31 2010	31 Dec 2010
Commodity derivate contracts. electricity derivatives			
Fair value *	0.0	0.1	0.3
Nominal value	1.2	1.1	1.0

* The fair-value represents the return that would have arisen if the derivative had been cleared on the balance sheet date.

Related parties

Alma Media Group's related parties are the major shareholders of the parent company, associated companies and companies owned by them. Related parties also include the company's senior management and their related parties (members of the Board of Directors, presidents and the Group Executive Team). The following table summarises the business operations undertaken between Alma Media and its related parties and the status of their receivables and liabilities:

RELATED PARTY TRANSACTIONS, MEUR	2011 Q3	2010 Q3	2011 Q1-Q3	2010 Q1-Q3	2010 Q1-Q4
Sales of goods and services	0.1	0.1	0.2	0.2	0.2
Purchases of goods and services	0.9	0.9	3.0	2.7	3.6
Trade receivable, loan and other receivables at the end of reporting period	0.0		0.0		0.0
Trade payable at the reporting date	0.1		0.1		0.1

Option rights

Alma Media has option programmes 2006 and 2009. The programmes are incentive and commitment systems for the company's management.

The option programmes 2006A and 2006B have expired.

A total of 520,000 options have been issued under the 2006C programme. The share subscription period for 2006C is April 1, 2010–April 30, 2012. The management has 470,000 options in its possession. The share subscription price has been reduced annually by the dividend per share, and was EUR 7.66 in September 2011. No shares have been subscribed by September 30, 2011 under the programme 2006C.

If all subscription rights are exercised, the programme 2006 will dilute the holdings of the earlier shareholders by 0.62%.

Under option programme 2009 a total of 2,130,000 stock options may be granted during 2009-2011, and these may be exercised to subscribe to a maximum of 2,130,000 Alma Media shares. Of the total number of options, 710,000 were marked 2009A, 710,000 were marked 2009B and 710,000 were marked 2009C.

A total of 640,000 options have been issued under the 2009A programme. Share subscription period for 2009A is April 1, 2012–March 31, 2014. The management has 610,000 options in its possession. The share subscription price has been reduced annually by the dividend per share, and was EUR 4.11 in September 2011.

A total of 610,000 options have been issued under the 2009B programme. Share subscription period for 2009B is April 1, 2013–March 31, 2015. The management has 610,000 options in its possession. The share subscription price has been reduced annually by the dividend per share, and was EUR 6.63 in September 2011.

A total of 640,000 options have been issued under the 2009C programme. Share subscription period for 2009C is April 1, 2014–March 31, 2016. The management has 640,000 options in its possession. The share subscription price was EUR 7.95 in September 2011.

If all the subscription rights are exercised, the programmes 2006 and 2009 will dilute the holdings of the earlier shareholders by 3.33% maximum.

QUARTERLY INFORMATION

MEUR	2011 Q3	2011 Q2	2011 Q1	2010 Q4	2010 Q3	2010 Q2	2010 Q1	2009 Q4	2009 Q3
Revenue									
Newspapers	53.1	57.9	53.8	58.1	53.5	55.4	52.2	55.9	51.7
Kauppalehti Group	12.6	15.0	13.9	16.1	13.3	14.4	14.1	15.8	14.4
Marketplaces	9.0	9.5	9.1	8.4	7.9	8.2	7.6	6.5	6.2
Other operations	20.6	20.7	19.6	20.4	19.6	19.3	19.3	18.3	17.7
Eliminations	-20.3	-20.4	-19.3	-19.9	-19.0	-18.7	-18.8	-17.6	-17.1
REVENUE	75.1	82.7	77.1	83.0	75.2	78.7	74.4	79.0	72.9
Total expenses excluding non-recurring items									
Newspapers	46.2	48.8	47.2	49.2	45.4	46.5	45.3	47.3	44.8
Kauppalehti Group	10.6	13.0	12.7	14.4	10.9	11.9	12.5	13.9	12.3
Marketplaces	7.4	8.0	7.7	8.4	7.0	8.3	7.6	6.8	6.1
Other operations	19.2	21.9	19.6	19.9	17.7	19.6	19.5	17.4	15.4
TOTAL EXPENSES EXCLUDING NON-RECURRING ITEMS	63.1	71.2	67.8	72.0	61.9	67.7	66.1	67.8	61.3
Operating profit excluding non-recurring items									
Newspapers	7.0	9.2	6.7	8.7	8.2	9.2	6.9	8.6	6.9
Kauppalehti Group	2.0	2.0	1.2	1.7	2.4	2.5	1.5	2.0	2.3
Marketplaces	1.7	1.6	1.5	0.0	0.9	-0.1	0.1	-0.3	0.2
Other operations	1.5	-1.1	-0.1	0.5	1.9	-0.3	-0.3	1.0	2.4
OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS	12.0	11.5	9.3	11.0	13.4	11.3	8.3	11.3	11.7
% of revenue									
Newspapers	13.1	15.8	12.4	15.0	15.3	16.5	13.3	15.4	13.4
Kauppalehti Group	16.0	13.1	8.6	10.8	18.2	17.3	11.0	12.5	15.7
Marketplaces	18.5	16.3	16.2	0.2	10.9	-1.5	1.2	-4.5	2.4
Other operations	7.3	-5.5	-0.3	2.3	9.7	-1.5	-1.4	5.2	13.4
% OF REVENUE	16.0	14.0	12.1	13.2	17.8	14.3	11.2	14.3	16.0
Non-recurring items									
Newspapers	0.0	0.0	-0.5	-0.2	0.1	0.0	-0.1	0.2	-0.4
Kauppalehti Group	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0
Marketplaces	0.0	0.0	0.2	-0.1	0.3	-0.5	-0.1	-1.0	-0.1
Other operations	0.4	-0.5	0.0	0.0	-0.2	0.2	0.1	0.0	0.0
NON-RECURRING ITEMS	0.4	-0.5	-0.3	-0.3	0.2	-0.4	-0.1	-0.5	-0.5
Operating profit									
Newspapers	7.0	9.2	6.2	8.5	8.3	9.2	6.9	8.8	6.5
Kauppalehti Group	2.0	2.0	1.2	1.7	2.4	2.5	1.5	2.3	2.3
Marketplaces	1.7	1.6	1.6	0.0	1.1	-0.7	0.0	-1.3	0.0
Other operations	1.9	-1.7	-0.1	0.5	1.7	-0.1	-0.1	1.0	2.4
OPERATING PROFIT	12.4	11.0	9.0	10.7	13.6	10.9	8.2	10.8	11.1
Finance income	1.2	1.0	0.5	1.0	0.1	0.2	0.2	0.1	0.1
Finance expenses	0.2	0.8	0.6	0.0	0.3	0.2	0.2	0.3	0.2
Share of profit of associated companies	2.3	0.4	0.4	0.4	-0.1	0.1	0.3	0.1	-0.1
PROFIT BEFORE TAX	15.6	11.8	9.3	12.1	13.4	11.0	8.6	10.8	10.9
Income tax	-3.4	-3.0	-2.4	-2.9	-3.5	-3.1	-2.3	-3.1	-3.2
PROFIT FOR THE PERIOD	12.2	8.8	6.9	9.2	9.8	7.8	6.3	7.7	7.7

Main accounting principles (IFRS)

This interim report has been prepared according to IFRS standards (IAS 34). The release applies the same accounting principles and calculation methods as the annual accounts dated December 31, 2010, with the exception of the standards and interpretations applied from January 2011 as listed below. The interim report does not, however, contain all the information or notes to the accounts included in the annual financial statements. This interim report should therefore be read in conjunction with the company's financial statements for 2010. The accounting principles of the financial years 2011 and 2010 are comparable. The company has no discontinued operations to report in the 2010–2011 financial periods.

The key indicators are calculated using the same formulae as applied in the previous annual financial statements. The quarterly percentages of Return on Investment (ROI) and Return on Equity (ROE) have been annualised using the formula ((1+quarterly return)4)-1). The figures in this financial statement release are independently rounded.

The Group has applied the following standards and interpretations from January 1, 2011:

IAS 24 Related Party Disclosures (revised)
IAS 32 Financial Instruments: Presentation: Classification of Right Issues
IFRIC 14 IAS 19 The Limit of a Defined Benefit Assets, Minimum Funding Requirements and their Interaction
IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

The impact of the above new standards and IFRIC interpretations on the Group has been marginal.

The figures in this interim report are unaudited.

Seasonality

The Group recognises its circulation revenues as paid. Therefore, circulation revenues accrue in the income statement fairly evenly during the four quarters of the year. The bulk of circulation invoicing takes place at the beginning of the year and therefore the cash flow from operating activities is strongest in the first and second quarters. This also affects the company's balance sheet position in different quarters.

General statement

This report contains certain statements that are estimates based on the management's best knowledge at the time they were made. For this reason they contain a certain amount of risk and uncertainty. The estimates may change in the event of significant changes in the general economic conditions.