



Alma Media Corporation
ANNUAL REVIEW 2014

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An interview with the President and CEO

In your opinion, how did Alma Media succeed in 2014?

The year was characterised by two different forces. Firstly, as the economy in Finland continued to be weak, the development of Finnish printed media business was poor. Good digital growth did not fully compensate for the decline in printed media. Secondly, our business outside Finland grew better than expected and its profitability remained excellent.

Due to the economic recession and weakened macroeconomic forecasts, in 2014 we sought cost savings by streamlining our operations, processes and organisation. The streamlining efforts and good digital development efficiently dampened the negative effect of the weak operating environment and declining demand on our performance.

To what extent did Alma Media achieve its financial targets in 2014?

Our long-term financial target of 15 per cent return on equity was not achieved in the prevailing market conditions. However, our digital business grew 12 per cent, which is rather satisfactory. Last year, digital products and services accounted for 32 per cent of Group revenue.

In your opinion, what were Alma Media's most important development steps in 2014?

We continued to develop and increase our international recruitment business by merging Alma Media's recruitment operations in different countries under one company. Alma Career started operations at the beginning of 2014. The company, which we own jointly with Monster Worldwide Inc, expanded our digital recruitment business into countries in which we were not present before, namely Hungary and Poland.

I am particularly glad that the strong growth of Alma Media's digital business continued in 2014. In the third quarter, our digital advertising sales exceeded printed media advertising sales. In the whole year 2014 advertising sales from digital and printed media were on par.

In publishing operations, one of the highlights of the year was the establishment of Lännen Media. In my opinion, the agreement signed by Alma Media and five other Finnish newspaper publishers on journalistic collaboration and the establishment of Lännen Media Oy is a significant step towards ensuring the quality of regional publishing operations and the cost-efficiency of business. The collaboration has resulted in the regional papers benefiting from a significant amount of new content to be utilised in both the print newspaper and paid online services.

How has the operating environment changed during the year?

Unfortunately, the general economic situation has not improved in Finland and the rest of Europe. In 2014, consumer demand was weak, due to consumers' declining purchasing power. This had a particularly strong impact on the sales and marketing investments of retail and specialty trade, both important for newspaper advertising sales.

As consumers' patterns of media use are increasingly characterised by digitisation, advertisers are at an accelerating rate investing in online stores and digital marketing channels. Digitisation has led to globalisation of the market, and we are now facing a new type of competitive situation: we have to compete for the attention of Finnish consumers with the largest American players in the media field, such as Google and Facebook.

However, Alma Media is well established in the new competitive field, and the company has the resources for continued success.

Many media companies invest heavily in the IT development, for purposes such as more efficient use of consumer data in business. Can this development be seen in Alma Media?

Media companies are increasingly developing their business towards the IT industry, and technical development plays a strong role in our daily work. The use of so-called intelligent data will be one of our most important areas of development in the next few years. We build consumer data by analysing our content and our services for advertisers, and we develop our advertising and content sales.

Systems for data analysis and the use of data are already in daily use at editorial offices. Minute by minute, we analyse consumers' moves in online services and modify the content to serve consumers in the best possible way. Our media sales also use technology developed for the analysis and management of advertising. With these tools, we can target advertising in accordance with customers' needs. At the same time, of course, we keep consumers' privacy protection strictly in mind.

What were the key issues in 2014 in terms of corporate responsibility?

Last year, Alma Media continued its own activities and co-operation to mitigate the environmental impacts of the media sector, develop the competence of its employees and reduce youth unemployment. Corporate responsibility activities particularly highlighted the effects of journalism on society, responsible management of consumer data and the local social responsibility of journalism.

Recently, the role of freedom of speech in society has become a strongly debated issue in Finland and around the world after the terrorist attack on the French weekly. The attempt to suppress freedom of speech with violence and terrorist activity has been widely condemned around the world.

At the same time, in Finland, we also have to consider the existence and working conditions of a pluralistic and free press from a wider perspective. The general instability of the economy has challenged Finnish media companies and will, at worst, deplete our diverse media landscape. Without a functional, wide-ranging, pluralistic high-quality media, democracy cannot exist. Alma Media wants to prevent such development by improving our media to respond to consumers' needs even better—without compromising the quality of the content. In addition, responsible collection, use and storage of consumer data is always essentially important for Alma Media's business.

What are Alma Media's sources of growth in 2015 and in the near future?

In the next few years, the majority of growth in Alma Media will come from digital media—through existing brands and new products and services, both in Finland and internationally. In addition to digital service business, in the near future we will develop our delivery and printing services. We will invest in information services and various consumer and lifestyle services, and we will continue to increase our international recruitment business. Our balance sheet position has improved according to plan. This makes it possible for us to make use of suitable investment opportunities, when the time comes.

The operating environment will continue to be very challenging. Alma Media must be alert in reading weak signals and adapt its operations accordingly. In a time of transformational changes in the media industry, Alma Media is supported by a strong strategy and a clear direction towards a digital future. All of Alma Media's business units will continue to focus their resources on digital business and invest strongly in developing their digital expertise.

I want to thank our customers, employees, investors and partners for the past year. Alma Media is in a good position to develop its operations and serve its stakeholders even better, also in the future.

Operating environment

For media companies, 2014 was a difficult year. The reasons for this were, in particular, the weak economic situation in Europe and Finland, and the accelerating changes in media consumption habits. Advertising decreased, and media consumption shifted to digital channels – especially to mobile media.

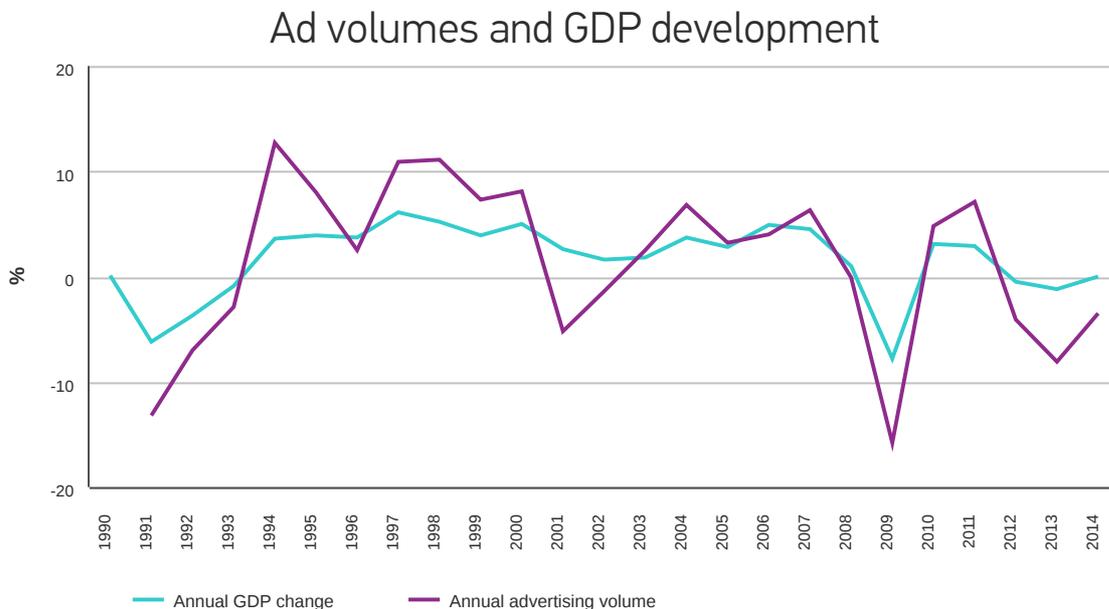
Uncertainty in the global economy continued, and the Finnish economy remained in a downward economic cycle in 2014. The weakness of the eurozone and the deterioration of the economic situation in Russia due to the Ukrainian crisis had an impact on Finland in the form of lower exports and decreased domestic demand. The productivity and competitiveness of the Finnish economy has diminished, and there are no clear signs of a turn for the better.

According to economic forecasts, Finnish GDP growth for the full year 2014 is estimated to be negative. Negative growth has now continued for three years. Both consumers' and businesses' confidence in the economy was weak through the whole year.

The economies of Eastern Central Europe have developed favorably and the GDP growth in Alma Media's main market areas there has supported the company's recruitment business. According to economic forecasts, the GDP is estimated to grow 2.5 percent in the Czech Republic and 2.4 percent in Slovakia in 2014 (European Economic Forecast 11/14).

Media advertising volume continued to decline

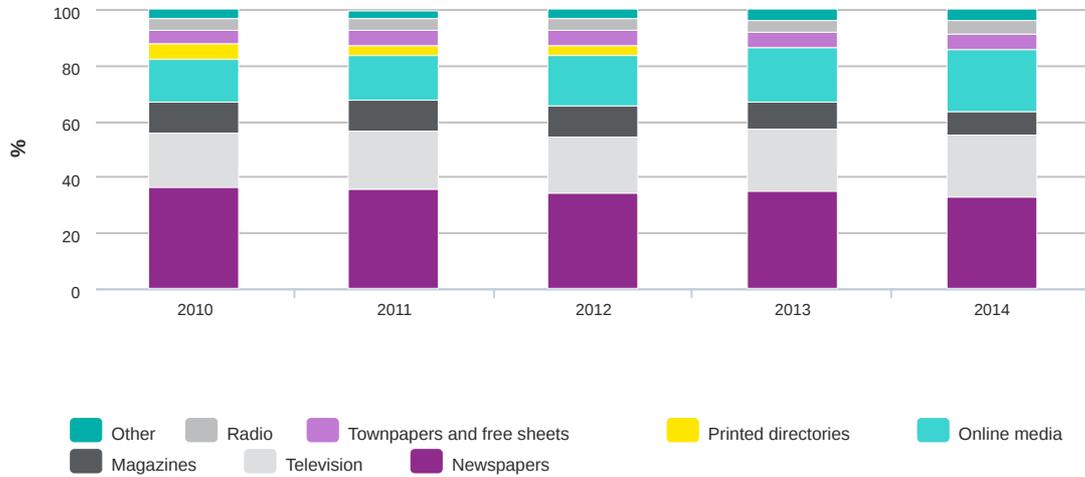
Media advertising volume, which is closely linked to GDP growth, decreased in Finland in 2014 according to TNS Media Intelligence by 3.5 percent compared to the previous year, totalling MEUR 1,175.8. The media advertising share of GDP was at a historical low.



Sources: Statistics Finland, Finnish Advertising Council, TNS

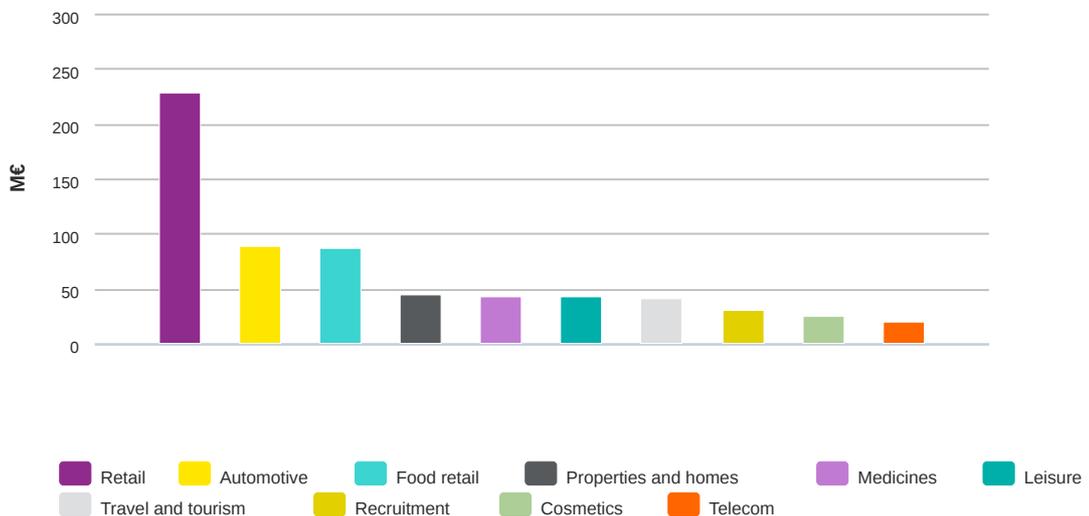
In 2014, print media represented 46.1 percent of all media advertising. The volume of city paper and newspaper advertising fell by 8.3 percent from the previous year. The contributing factors included difficult economic situation, changes in marketing and advertising and the weak situation of the retail trade, among others. Alma Media estimates that its market share is approximately 20 percent of all newspaper advertising in Finland.

Media advertising by channel



Source: Finnish Advertising Council

Largest advertising categories in 2014



Source: TNS Media Intelligence

Online advertising has been more resilient to macroeconomic changes than other media advertising. According to a forecast published by eMarketer (July 2014), global spending on digital advertising grew by 16.7 percent in 2014, and its share of total advertising spending exceeded 25 percent for the first time. Online advertising spending exceeded TV advertising spending for the first time in the United States as well as in Finland (TNS Ad Intelligence, IAB Finland).

In online advertising, growth is fastest in mobile advertising. According to eMarketer, mobile advertising grew by 84.7 percent globally, to USD 32.71 billion. Mobile advertising represented approximately 23 percent of total digital

advertising in 2014, according to eMarketer's estimate. In Finland, total spending on mobile marketing in 2014 is estimated at approximately MEUR 12.4. At Alma Media, the mobile ad views grew by 100 percent year-on-year.

Mobile advertising is forecasted to account for 58 percent of total digital advertising by 2018.

The growth in online advertising is supported by increased social media advertising and video advertising, as well as technological development, such as new tools for targeting campaigns and measuring their effectiveness.

Much untapped potential remains in digital growth. In Finland, the share of online advertising is still lower than in the other Nordic countries at 22.5 percent of all media advertising. The total volume of online advertising amounted to MEUR 264.8, up 10.8 percent from the previous year. Display advertising, which also includes Facebook advertising, grew by 15.5 percent. Classified advertising declined by 1.2 percent. Spending on search engine advertising and advertising in online directories grew by approximately 9 percent from the previous year.

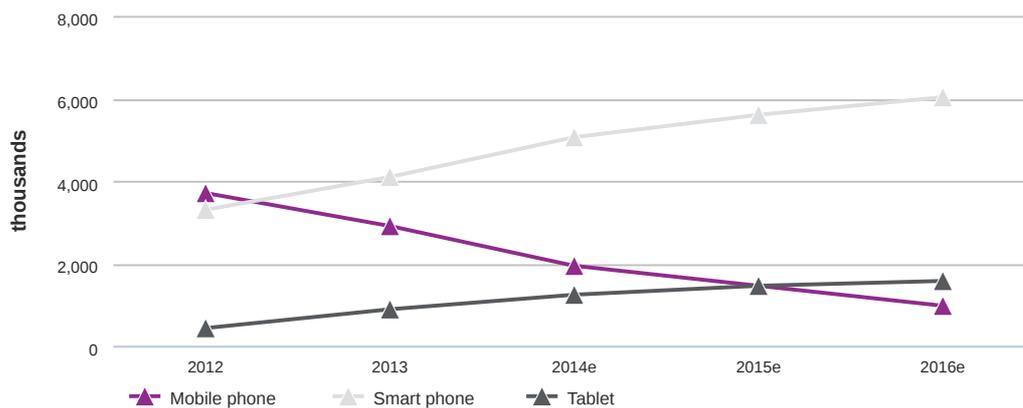
Alma Media's share of the Finnish market for classified and display advertising online is slightly below one third and its share of all online advertising (including, in addition to the aforementioned, search engine advertising and online directories) is approximately one seventh.

Consumers are shifting to mobile

The media industry is inevitably moving towards digitality due to a change in consumer habits. Media consumption is becoming increasingly fragmented between different media and the use of time, and the diversity of devices is increasing as supply grows. For media companies, this calls for building an around-the-clock media consumption experience and comprehensively analysing customer preferences and media use. Content must be flexibly created for different devices, and the consumer must be followed from screen to screen.

The operating environment of Finnish media companies in 2014 was affected by customers increasingly shifting to the Internet, and mobile content in particular. According to an international study conducted last year, online media is now the number one source of news for Finns, even exceeding TV news in reach. The same study reveals that one out of five Finns now reads the news primarily on their smartphones. The same trend can be seen in Alma Media's services, with an increase in mobile traffic of 109 percent over the past 18 months.

Mobile devices in Finland



Source: Mobile content services market in Finland 2012-2016, Idean

Improved economic situation speeds up the growth of recruitment markets in Eastern Central Europe

Recruitment services constitute the majority of Alma Media's international operations. Most of Alma Media's recruitment service companies are the leaders in online recruitment in their respective markets. At the beginning of 2014, the geographical scope of our recruitment operations expanded to Hungary and Poland after Alma Media acquired Monster Worldwide Inc.'s companies in Poland, Hungary and the Czech Republic. In conjunction with the acquisition, Alma Media sold a 15% share of all recruitment companies it owns to Monster Worldwide Inc.

In Alma Media's fastest-growing market area, Eastern Central Europe, the recruitment advertising situation in 2014 was more stable than in the company's home market in Finland. In Finland, the recruitment advertising market declined by almost 11 percent and the market value in 2014 is estimated at MEUR 30. The Czech market for recruitment advertising grew by 13 percent in 2014, reaching an estimated total value of approximately MEUR 27. There were approximately 33,000 job openings every month, of which approximately 65% were advertised on the recruitment portals owned by Alma Media.

As in Finland and the rest of the EU, high unemployment presented a challenge to the markets in Eastern Central Europe. In October 2014, the unemployment rate was 8.9 percent in Finland, 5.7 percent in the Czech Republic and 12.9 percent in Slovakia (Eurostat). The unemployment rate in the Czech Republic was the fourth-lowest in the EU after Germany (4.9 percent), Austria (5.1 percent) and Malta (5.6 percent). The average unemployment rate in the EU was 11.5 percent in October 2014.

Youth unemployment in particular has been a challenge across the EU for a long time. In October 2014, the youth unemployment rate was 20.2 percent in Finland and 14.2 percent in the Czech Republic. In Slovakia, youth unemployment is as high as 29.5 percent.

Winds of change in the world of media: big data and new pilot projects

In 2014, the major emerging topics in the media industry included data utilisation and native advertising. New pilot projects and experimentation in the industry was particularly focused on the upcoming changes to people's daily lives brought about by the Internet of Things.

Use of big data becoming an essential part of daily life for media companies

The rise of big data is a trend that has a strong impact on the media industry. According to an international study carried out in autumn 2014, in Western Europe alone, businesses intend to nearly triple their technology and service investments related to big data over the next few years. The term "big data" generally refers to massive amounts of heterogeneous and unorganised digital data created by consumers on the Internet as well as various devices connected to the Internet.

The rise of big data has also been noticed by media companies. According to a report released by the Reuters Institute at Oxford University in late 2014, the strategic leveraging of big data is the next big change in media companies. Media companies can utilise big data in areas such as product development and the targeting of content and advertising.

Growth in native advertising

Last year native advertising broke through into the mainstream of marketing. Native advertising refers to marketing that is integrated seamlessly into the environment of its publication platform, making consumers perceive it more as high-quality content than traditional advertising.

Native advertisements are often designed primarily for mobile consumption. Native advertising is expected to grow rapidly in the next few years as mobile content consumption increases.

The Internet of Things is coming

In 2014, media companies also carried out their first content pilots and experiments related to the Internet of Things. The research company Gartner estimates that, by 2020, there will be 25 billion devices or things connected to the Internet worldwide. Having many of the things in our daily environment constantly connected to the Internet will enable the production of content and advertising specifically designed for them. While developments in this area are



still in their early stages, some international media companies already began content pilots and experiments related to the Internet of Things in 2014. Media companies offered content applications for new consumer products in the area of wearable technology, such as the smartwatch launched by Samsung.

Financial development

Alma Media's revenue remained almost on par with last year's revenue. The revenue from the print media declined, as the economy in Finland continued to be weak. However, Alma Media's digital recruitment service business in Eastern Central Europe grew vigorously throughout the year, and its profitability remained excellent. In the final quarter of 2014, recruitment business outside Finland grew by 25,4 per cent.

Revenue

In 2014 Alma Media's revenue declined by 1.6% from the previous year to MEUR 295.4 (300.2). The company's investment in digital development paid off. The Group's revenue from digital products and services increased 12 per cent to MEUR 94.5. Digital advertising sales grew by 9.4 per cent in 2014 and nearly reached the level of print media advertising sales. Digital products and services accounted for 32.0 (28.1) per cent of Group revenue.

Content revenue decreased by 4.5 per cent to MEUR 110.1 (115.3). Content revenue from digital channels grew by over 40 per cent but the growth did not completely cover the revenue decline of the print subscriptions and single-copy sales.

Revenue from advertising sales decreased by 0.6 per cent to MEUR 146.4 (147.3). Advertising sales comprised of 49.5 (49.1) per cent of the Group's revenue. Advertising sales for print media decreased by 7.8 per cent from the comparison period to MEUR 73.7 (80.0). Online advertising sales increased by 9.4 per cent to MEUR 72.7 (66.5).

Service revenue increased to MEUR 38.8 (37.6). Service revenue includes items such as Kauppalehti Information Services, the operations of the custom publishing house Alma 360 and E-kontakti and the printing and distribution services sold to customers outside the Group by Alma Manu.

Operating profit and result for the fiscal year 2014

Operating profit excluding non-recurring items decreased by 11.5 per cent to MEUR 21.4, which accounted for 7.2 (8.0) per cent of the Group's revenue. Operating profit was MEUR 20.7 (27.0), which is equal to 7.0 (9.0) per cent of revenue.

Profit for the fiscal year 2014 decreased to MEUR 15.7 (16.0).

Balance sheet and financing standing

At the end of December 2014, the consolidated balance sheet stood at MEUR 256.1 (270.7). The Group's equity ratio at the end of December was 42.6 (34.4) per cent and equity per share was EUR 1.17 (1.14).

The consolidated cash flow from operations in October–December was MEUR 6.2 (8.7). Cash flow before financing was MEUR 8.7 (7.5). The consolidated cash flow from operations in January–December was MEUR 26.5 (24.4). Cash flow before financing was MEUR 34.9 (26.7).

At the end of December, the Group's interest-bearing debt amounted to MEUR 83.0 (109.9). The total interest-bearing debt comprised MEUR 69.5 in finance leasing debt, MEUR 8.5 in loans from financial institutions and MEUR 5.0 in commercial papers.

The Group's interest-bearing net debt at the end of December stood at MEUR 71.1 (97.6). The decrease in net debt was due to cash flows from business reorganisation, significantly lower investment level and cash flow from operations.

Alma Media did not have financial assets or liabilities created in conjunction with business combinations measured at fair value and recognised through profit or loss on 31 December 2014.

Alma Media has two MEUR 20.0 committed financing limits at its disposal, which were entirely unused on 31 December 2014. In addition, the company has a commercial paper programme of MEUR 100.0 in Finland. Of the commercial paper programme, MEUR 5.0 was in use on 31 December 2014.

Alma Media's share is listed in the mid cap segment of the NASDAQ OMX Helsinki. In other stock exchanges there was very little trade of Alma Media's shares in 2014.

In January–December, altogether 5,977,028 Alma Media shares were traded at the NASDAQ OMX Helsinki Stock Exchange, representing 7.9 per cent 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, 31 December 2014, was EUR 2.75. The lowest quotation in 2014 was EUR 2.55 and the highest EUR 3.16. Alma Media Corporation's market capitalisation at the end of the review period was MEUR 207.6.

See more information about the share's current performance.

Dividend proposal to the Annual General Meeting

On 31 December 2014, the Group's parent company had distributable funds totalling EUR 179,932,379 (23,905,611). No essential changes in the company's financial standing have taken place after the end of the financial year.

Alma Media's Board of Directors proposes to the Annual General Meeting that a capital repayment of EUR 0.12 (2013: EUR 0.10) per share be paid from the reserve for invested non-restricted equity for the financial year 2014. Based on the number of shares on the closing date 31 December 2014, the capital repayment totals EUR 9,058,422 (2013: EUR 7,548,685).

Long-term financial targets

Alma Media's long term financial targets are:

Alma Media's financial targets	2011	2012	2013	2014	Target level
Digital business growth	16.3%	36.8%	8.4%	11.9%	> 15%
Return on Investment (ROI), %	25.7%	13.8%	10.0%	9.8%	> 15%
Dividend payout ratio*	103%	45%	50%	63%**	> 50%

* Includes capital repayment to shareholders.

** Based on the Board of Directors' proposal to the Annual General Meeting.

Financial targets reflect the priorities of Alma Media's strategy and business development. The long-term targets are reached by developing digital media and service business and improving the quality and cost efficiency of publishing activity in an optimal manner, both from the perspective of the company and investors.

Business Segments

Alma Media Group's reporting structure was changed at the beginning of 2014. Alma Media's reportable segments are Digital Consumer Services, Financial Media and Business Services, National Consumer Media and Regional Media.

The Group has five operating segments as shown in the table below. The operating segments that produce similar products and services are combined into reportable segments due to their uniform profitability and other uniform characteristics.

The change in the segment structure is due to the transformation of the business environment in the media industry, with media consumption increasingly shifting to digital channels.

Centralised services produced by the Group's parent company and centralised digital support services for the entire Group are reported outside segment reporting.

REPORTABLE SEGMENT:	OPERATING SEGMENT:
Digital Consumer Services	Marketplaces Alma Diverso
Financial Media and Business Services	Financial Media and Business Services
National Consumer Media	National Consumer Media
Regional Media	Regional Media

Changes in segment reporting:

- In the Digital Consumer Services segment, the centralised digital support services for the entire Group have been moved to non-allocated items outside segment reporting.
- The name of Kauppalehti Group was changed to Financial Media and Business Services.
- The new National Consumer Media segment consists of the IL-Media operating segment, previously reported under the Newspapers segment.
- The new Regional Media segment includes the Alma Regional Media operating segment, previously reported under the Newspapers segment, as well as the Group's printing and distribution company Alma Manu, previously reported under the Other Operations segment.
- Other Operations no longer constitutes a separate segment. Instead, the operations of the Group's parent company are reported as non-allocated items.

As the structure and composition of the reportable segments have changed, Alma Media has, in accordance with the IFRS 8 Operating Segments standard, adjusted the corresponding items in segment information for the 2013 comparison period. The effect of the change, as well as segment revenue and operating profit under the previous and newly adopted segment structures, is summarised in the Financial Statement Release pages 30 - 34.

Alma Media’s business segments

The Marketplaces and Alma Diverso operating segments are reported as part of the **Digital Consumer Services** segment.

Marketplaces comprises Alma Media’s digital classified advertising services. Classified advertising is focused on three main sectors: housing (Etuovi.com and Vuokraovi.com), recruitment (Monster.fi, Jobs.cz, Prace.cz, Topjobs.sk, CV Online, Profesia.sk, MojPosao.net, Monster.hu, Monsterpolska.pl and Monster.cz) and cars (Autotalli.com). In 2014, Alma Media sold City24, a housing portal operating in the Baltic countries, which was previously reported under Digital Consumer Services.

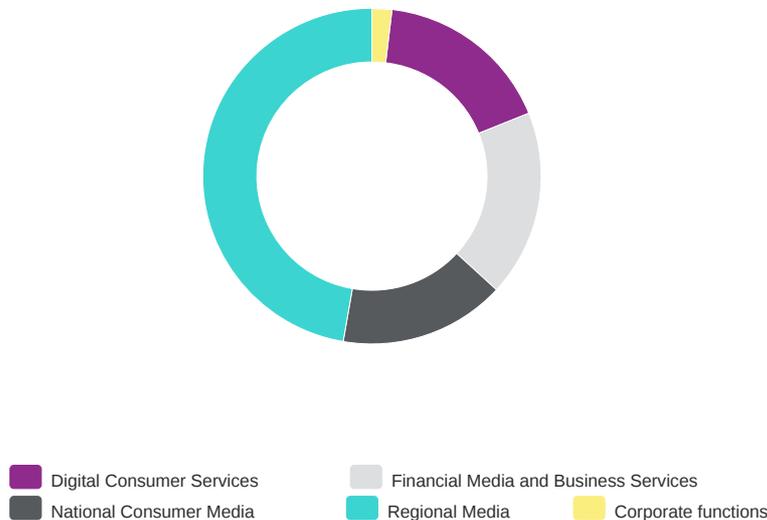
The Alma Diverso operating segment specialises in digital consumer and marketing services. The consumer services include Telkku.com, Kotikokki.net and E-kontakti.fi The marketing services aimed at businesses consist of Almascope and Meedio.

The **Financial Media and Business Services** segment is focused on the production of financial information, business information and marketing solutions. Its best-known product is Finland’s leading business paper, Kauppalehti. The segment also includes Kauppalehti Information Services, the business premises service provider Objektvision.se, and the custom media house Alma 360. In 2014, Alma Media sold BNS Group, a news agency and media monitoring unit operating in the Baltic countries, which was previously reported under Financial Media and Business Services.

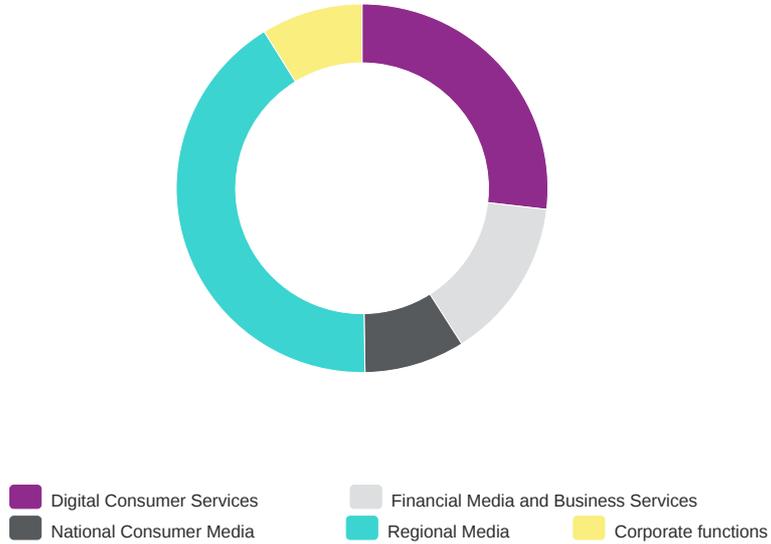
The **National Consumer Media** segment reports the various publishing services of IL-Media.

The **Regional Media** segment includes the publishing activities of the more than 30 newspapers of Alma Regional Media and the Group’s printing and distribution company Alma Manu. The segment’s best-known title is Aamulehti.

Distribution of revenue 2014 (MEUR)



Division of employees 2014* (persons)



* excluding newspaper deliverers

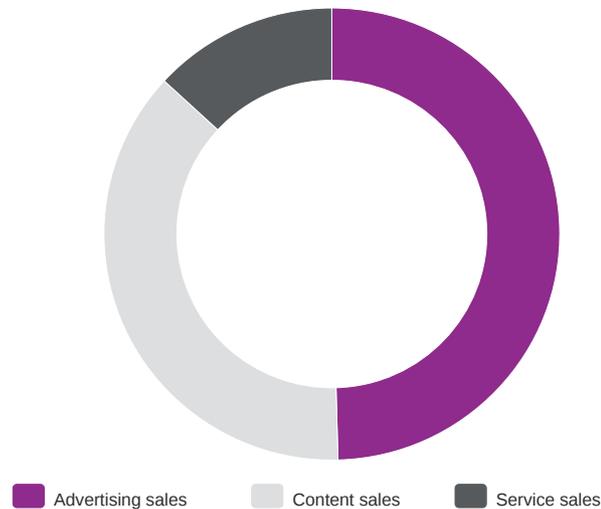
Online advertising sales and service revenue continue to grow

In 2014, revenue from advertising sales declined by 0.6 per cent to MEUR 146.4 (147.3). Advertising sales for printed papers declined by 7.8 per cent from the comparison period to MEUR 73.7 (80.0), but online advertising sales grew by 9.4 per cent to MEUR 72.7 (66.5).

Content revenue declined by 4.5 per cent to MEUR 110.1 (115.3). Content revenue declined due to the decline of print subscriptions and single-copy sales.

Service revenue increased to MEUR 38.8 (37.6).

Revenue by category 2014 (MEUR)

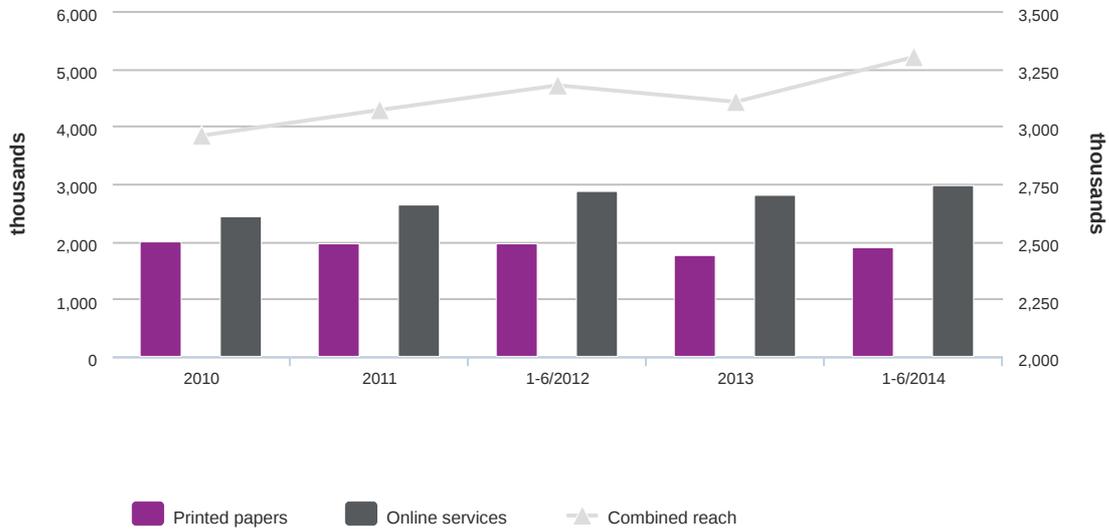


In publishing, which includes regional, local and city newspapers, the daily tabloid *Iltalehti* and the financial media *Kauppalehti* with their respective online services, business is based on a relationship with readers built through good journalistic content. As media develops, the reader relationship becomes a multidimensional customer relationship with a media brand. The strength of this relationship can vary from an occasional website visit to an ongoing newspaper subscription and the use of online services as a paid and registered user.

The reader relationship and the resulting coverage of the desired target audience are the foundation of advertising sales. The combined reach of Alma Media's brands has increased in recent years as a result of strong growth in website visitors. Alma Media reaches currently 3.3 million Finns every week. Media brand's reader relationships and their strong regional visibility also enable the extension of brands to new areas such as digital services.

In order to offer better service for readers and advertisers, it is important to measure the reader relationship. In the third quarter of 2014 Alma Media started together with Sanoma Media Finland, Yleisradio (Finland's national public service broadcasting company) and MTV a joint development project for audience measurement. The project lasts for few years and its goal is to create common methodology and terminology for measurement and to advance the design development of new media planning tools. Company called Media Metrics Finland was established to lead the project and the goal of the company is to understand the media consumption in Finland even better.

Combined reach 2010 - 2014



Figures for 7-12/2012 are not available due to calibration problems with TNS Metrix and TNS Atlas data.
 Figures include the weekly reach of all print and online products.

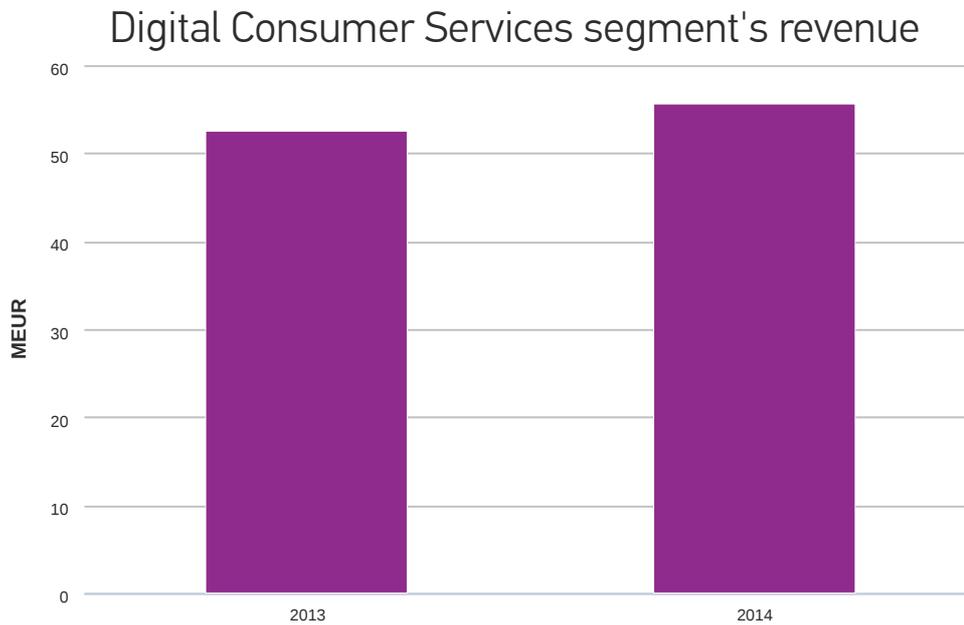
The revenue of Alma Media's digital services (such as Etuovi.com, Autotalli.com, Monster.fi, Prace.cz, Telkku.com and E-kontakti.fi) is based on fees charged for classified advertising, display advertising, service sales as well as revenue streams from service content and/or advertising targeted at the users of the service. The customers of digital services include both businesses and consumers.

In the competition for market share, brand appeal is of crucial importance. Alma Media's digital services are the best-known brands in their segments in Finland, the Baltic States, the Czech Republic, Slovakia and other countries the Group operates in. The popularity of these services among users is based on a high level of usability, unique content and, in many cases, the importance of the social or communal dimension. For an advertiser, this opens up valuable opportunities to specifically target the businesses or consumers in a particular category.

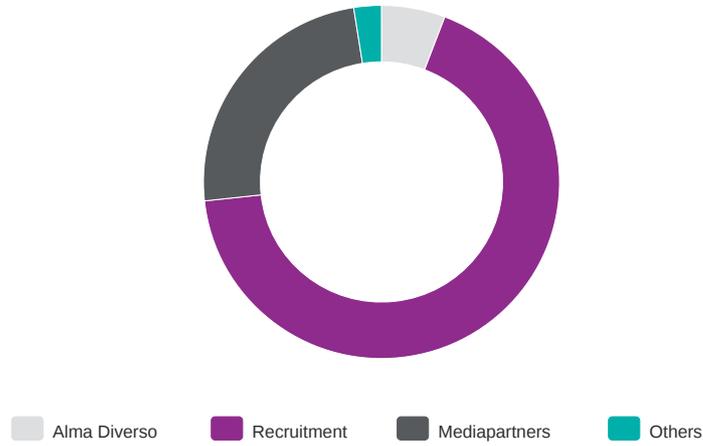
Digital Consumer Services

Alma Media's Digital Consumer Services continued to grow in 2014. The segment's revenue increased by 6.1 per cent to MEUR 55.8 (52.6).

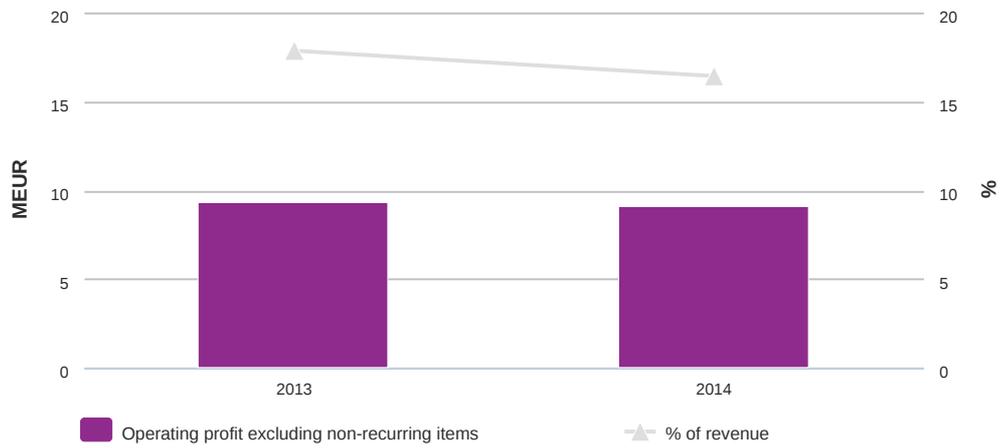
The growth is attributable to the development of recruitment business operations outside Finland. Alma Media Corporation and Monster Worldwide Inc. strengthened their cooperation at the beginning of 2014. The recruitment businesses in Poland, Hungary and the Czech Republic that were transferred to Alma Media as part of the expanded cooperation compensated for the decline in the segment's domestic business operations.



Division of Digital Consumer Services segment's revenue by business unit 2014



Digital Consumer Services segment's operating profit excluding non-recurring items



The Marketplaces improved its result due to recruitment businesses outside of Finland

The Digital Consumer Services segment's Marketplaces business unit continued to grow despite the weak economic situation in Finland and Europe.

The growth was particularly attributable to recruitment businesses outside of Finland, as they accounted for 58.4 (52.1) per cent of the segment's revenue in 2014.

The recruitment business was developed and growth was achieved by engaging in closer cooperation with Monster Worldwide Inc. The expansion of the cooperation saw Monster's services being added to Alma Media's recruitment service offering, which is available in Finland, Estonia, Latvia, Lithuania, Poland, Czech Republic, Slovakia, Hungary and Croatia. The companies are managed under Alma Career Oy, which began operations at the beginning of 2014. Alma Career Oy integrates recruitment services in all of Alma Media's nine operating countries more closely and thereby enables international sales growth through Monster's global network. Synergies are also achieved through the ability to take advantage of Monster's technologies and service concepts in selected markets.

The focus on digital recruitment services in the international market was also strengthened by the divestment of a non-core marketplace. In the fourth quarter, the Marketplaces unit sold City24, a housing portal operating in the Baltic countries. In Finland, the business unit continues with its current service offering in the areas of recruitment, housing and cars.

The housing-related online services in the Finnish market, Etuovi.com and Vuokraovi.com, completed a significant renewal of their services in 2014. The service renewals were implemented in the second quarter and were well received by both advertisers and users. The renewal of Etuovi.com included improvements to the service's usability and search engine optimisation.

Vuokraovi.com launched Elämyshaku, a service aimed at increasing awareness of the Vuokraovi.com brand as a service for renting holiday homes, as well as providing new kinds of entertaining and useful content to users.

The Marketplaces unit's services in the housing and car sectors were also strengthened through acquisitions.

In the third quarter, Alma Media's subsidiary Alma Mediapartners Oy acquired 15 per cent of the share capital of Remonttibulevardi Oy, which produces the Urakkamaailma.fi online service. Urakkamaailma.fi helps property managers and consumers arrange competitive bidding for renovations, and offers contractors opportunities to find new contracts. The acquired online service further expands the range of services provided by Alma Media's Etuovi.com service.

Alma Mediapartners Oy strengthened its automotive software expertise by purchasing all of the shares in Alma Media's associated company Alkali in the second quarter of 2014. Through Alkali, Alma Media can offer an extensive range of applications for the automotive retail industry. Alkali develops software applications for various automotive industry needs such as retail, rental and leasing.

Alma Diverso expands its service offering

The online business development and service unit Alma Diverso sought growth in 2014 through the renewal of its existing online services and the expansion of its service offering.

In early 2014, the business unit introduced a new marketing service, Meedio, which compiles all Finnish companies under one website and offers a self-service tool for companies' marketing management. Meedio responds to the growing trend of automation and self-service in the world of marketing, where the purchasing of marketing is increasingly taking place via automated online services.

Alma Media responded to the growth of online commerce in the travel industry by acquiring 35 per cent of the share capital of Finland's leading online travel service Rantapallo Oy. The shareholding in Rantapallo supports Alma Media's strategy of pursuing growth particularly by expanding the Group's digital service offering. Alma Diverso will be responsible for cooperation with Rantapallo Oy.

Development work also continued in Alma Diverso's existing services. One example was the launch of a service for mobile and tablet devices by the online dating service E-kontakti.fi in late 2014.

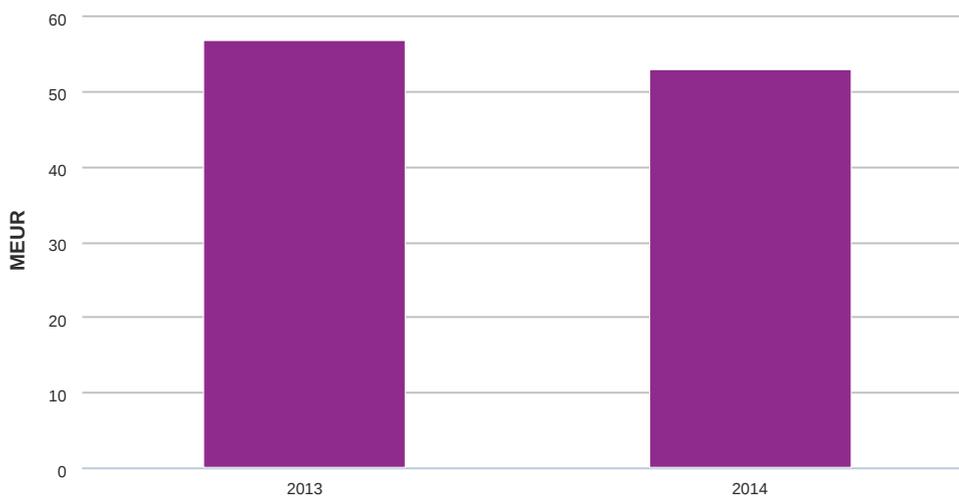
Financial Media and Business Services

The year 2014 was a time of strong growth in digital media for the Financial Media and Business Services segment.

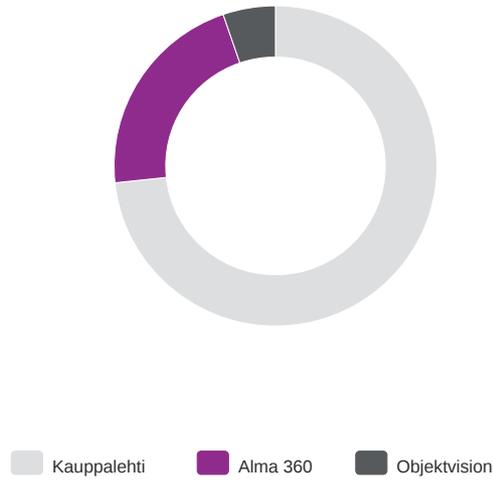
The Financial Media and Business Services segment's revenue in 2014 was MEUR 53.0 (56.8), of which online business accounted for 43.0 (33.4) per cent. Revenue decreased by 6.7 per cent year-on-year. The divestment of the BNS business operations in February 2014 had an effect on the decline in revenue.

Content revenue for the Financial Media and Business Services segment declined by 3.5 per cent to MEUR 16.2 (16.8), but digital content revenue increased by 20.2 per cent in 2014, and the increase partly covered the decline in content revenue for print media. Online advertising revenue also continued to grow. The increase from the previous year was 14.4 per cent.

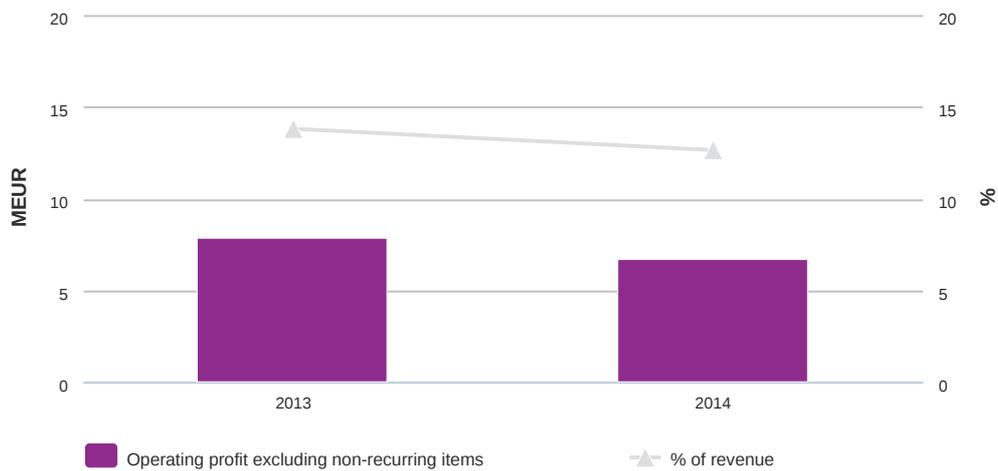
Financial Media and Business Services segment's revenue



Financial Media and Business Services segment's revenue by business unit 2014



Financial Media and Business Services segment's operating profit excluding non-recurring items



Digital development continues

During the year, the Financial Media and Business Services segment took several steps forward to provide even better service to both audiences and advertisers. Kauppalehti developed multi-channel content, including the launch of new mobile news services for iPhone and Android devices. In addition, a digital edition of Kauppalehti Optio was launched during the year. Kauppalehti also published new blogs aimed at experts in various sectors, built using new social media elements.

Kauppalehti's digital renewal project progressed to the beta stage in the second quarter, and the renewed website was launched in January 2015. The site has been entirely rebuilt to respond to the changing usage habits and needs of the audience and advertisers. The content has been designed to serve the information needs of the Finnish decision-maker in the best possible way throughout the day. For advertisers, the new site allows more specific targeting and, for instance, new solutions for the challenges posed by corporate communications. Kauppalehti will also expand its video production in conjunction with the renewal of the website.

The Business Premises service, one of Kauppalehti's digital business services, also underwent a renewal process. The service's design and visual style were renewed along with the technological platform, making it easily accessible across all devices. Kauppalehti's business information service offering was expanded in January 2015 by Alma Media's acquisition of JM Tieto, which specialises in information and expert services in B2B sales and marketing. JM Tieto will be reorganised in spring 2015 to form a part of the Kauppalehti Information Services.

Due to the recession and weak macroeconomic outlook, Alma Media initiated several measures in the third quarter to increase its cost efficiency. In relation to these measures, the content agency Alma 360, which is part of the Financial Media and Business Services segment, implemented organisational changes. As a result of statutory employee negotiations, the number of employees in Alma 360 was reduced by 12 people.

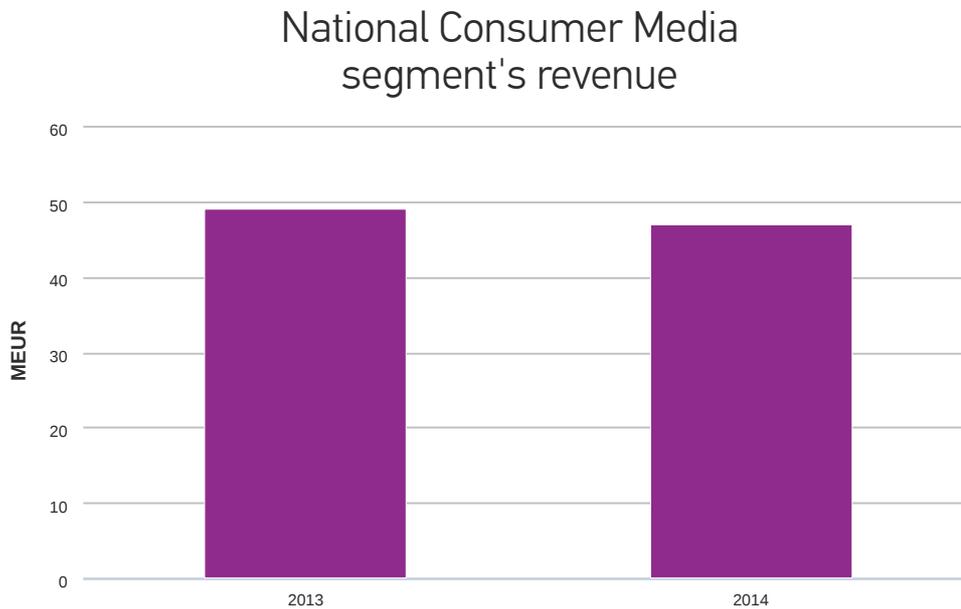
The Financial Media and Business Services segment focused its operations increasingly on financial media and digital business services by selling BNS Group, a news agency and media monitoring unit that was previously reported under Financial Media and Business Services, in March 2014.

National Consumer Media

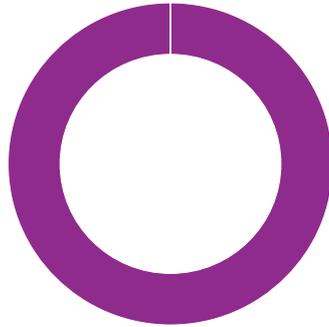
The National Consumer Media segment continued the development of its online services in 2014, with significant progress made in areas such as online TV.

Revenue for the National Consumer Media segment declined by 4.2 per cent to MEUR 46.9 (49.0) in 2014. The segment's content revenue declined by 7.8 per cent to MEUR 28.5 (30.9) in January–December.

The focus on content and native marketing online was however reflected in the segment's result. Digital advertising revenue grew by 20.8 per cent to MEUR 12.5 (10.4), and online business accounted for 27.0 (21.5) per cent of the segment's revenue.

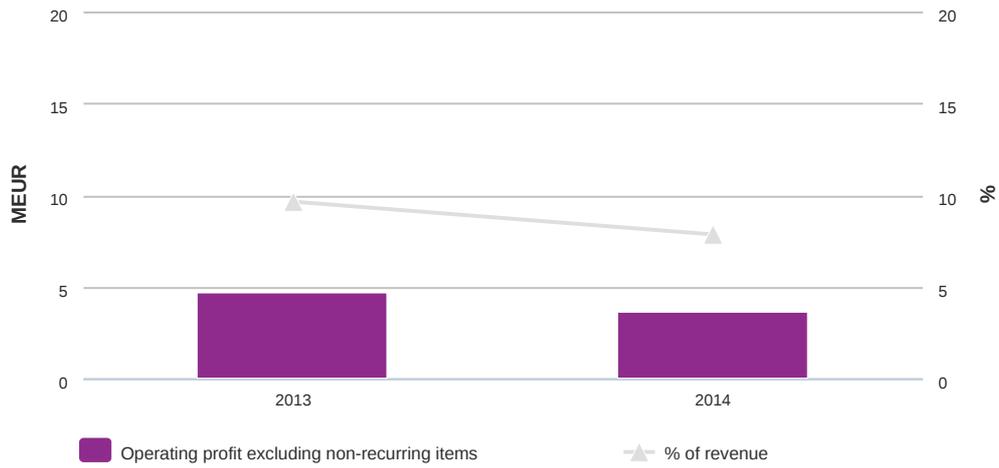


National Consumer Media segment's revenue by business unit 2014



IL-Media

National Consumer Media segment's operating profit excluding non-recurring items



IL-Media's video production and advertising solutions as the focal area of development

IL-Media had a strong focus on the development of online TV in 2014. In the first quarter of 2014, IL-TV implemented a new distribution platform that improves video functionality in applications. IL-TV also launched a number of new shows and programme formats, such as the Pelipäivä (Game Day) studio, which follows the NHL, IL-Doc, which reports on surprising and touching topics, and Kämpit (Roommates), a new action comedy series that is Finland's first fictional series written exclusively for online television.

The new and renewed services attracted new viewers and advertisers. The volume of video publishing and viewing in IL-TV grew approximately by 100 per cent in 2014, and advertising sales in this new channel developed favourably. The most-viewed videos on IL-TV in 2014 were videos related to Finnish Independence Day, with more than 1.5 million viewers.

Digital media was also developed by introducing tablet content and implementing organisational changes. IL-Media introduced new tablet content free to consumers, such as the Cars 2014 and Summer Kitchen tablet publications. Also in 2014, IL-Media established a joint lifestyle editorial team that brings together digital services in the areas of housing, health, cars, and travel. The company completed statutory personnel negotiations in the third quarter, which resulted in the combination of the photo and layout departments of IL-Media into a single visual design department to adopt an increasingly multi-channel approach and reduce overlapping work.

The content marketing solutions offering was expanded in 2014. Similarly to Kauppalehti, IL-Media launched new turn key concepts for content and native marketing to help advertisers utilise earned media.

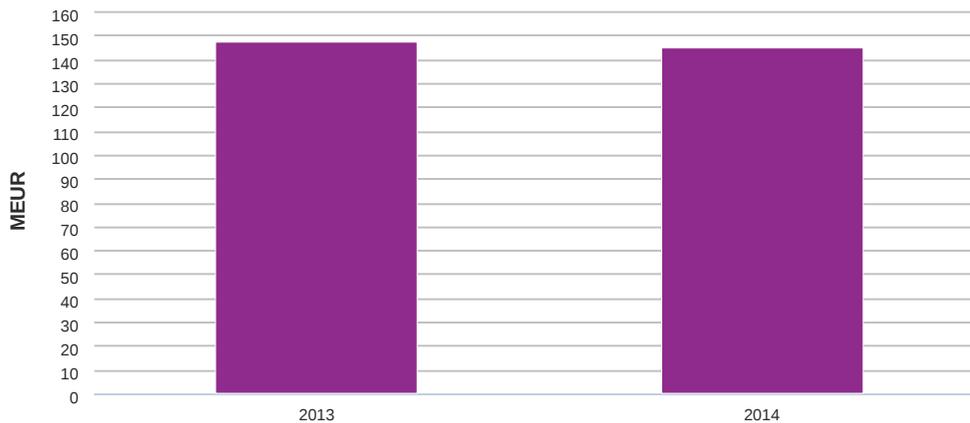
Regional Media

The decline in print media had an influence on the result of the Regional Media segment in 2014. The segment's revenue declined 1.3 per cent to MEUR 145.2 (147.1).

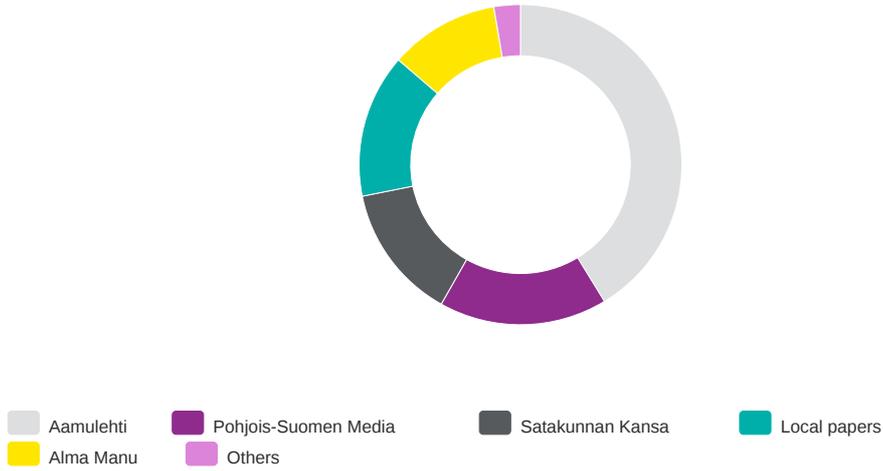
Also content revenue and advertising sales for print media declined in 2014. The Regional Media segment's advertising revenue totalled MEUR 62.5 (66.5), which represents a decrease from the previous year of 6.1 per cent. Print media advertising revenue declined by 6.7 per cent, but the segment's online advertising revenue grew by 10.8 per cent to MEUR 2.1 (1.9). The segment's content revenue was MEUR 65.5 (67.6), down 3.1 per cent, mainly due to the decrease in print media circulation.

The response to the decline in the profitability of print media involved cost savings, efficiency improvements and digital development.

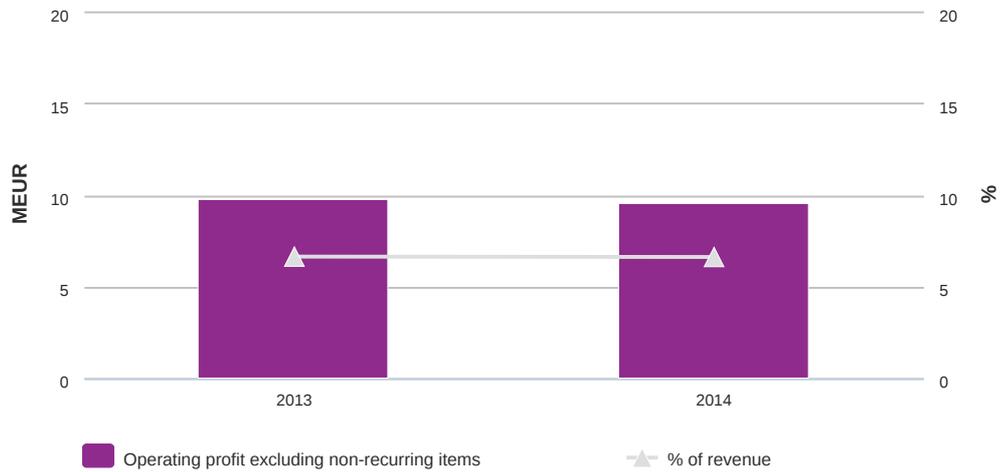
Regional Media segment's revenue



Regional Media segment's revenue by business unit 2014



Regional Media segment's operating profit excluding non-recurring items



Moving forward towards digitality

For Regional Media, 2014 was characterised by efforts to improve efficiency and strengthen digitality in both working methods and services.

Several developments were made to serve advertisers and consumers as they shift to digital channels. Alma Regional Media recruited the unit's first Director of Digital Business in the third quarter. Late in the year, the segment also launched a special project to increase its digital competence. The development project covers Alma Regional Media in its entirety and is aimed at increasing digitality in business. Personnel have a central role in this effort, as they are challenged to take part in the planning of digital business. The needs of active media consumers are the basis for the development of renewed business models, operating culture and expertise. The project will last for approximately 18 months and it has received funding from the Liideri programme of Tekes - the Finnish Funding Agency for Innovation.

The segment's response to the digital transformation and changing consumer behaviour also included the development of multi-channel content. Aamulehti began a project for launching Hetki ("Moment"), a new paid digital afternoon edition. The new digital edition was released in January 2015. Hetki complements Aamulehti's digital product offering by adding a new consumer product for the afternoon, the time of day when the news stories covered in the morning paper are due for an update. Alma Regional Media's other regional and local papers also continued to develop their paid online services. For example, Pohjolan Sanomat and Aamulehti implemented a partial paywall at the beginning of 2014, and Kainuun Sanomat followed suit in March 2014. Alma Regional Media's video production took significant leaps forward by organising video training and harmonising video platforms across the segment's various papers.

Renewal also continued on the print side, for example in the form of Aamulehti's switch from broadsheet to tabloid format. The tabloid renewal involved changes in the newspaper's content, structure, supplements and design. The renewal was carried out with extensive input from readers, and feedback was also collected after the renewed Aamulehti was launched. The first tabloid-format Aamulehti was published on 1 April 2014. Alma Regional Media's other regional papers had already previously adopted the tabloid format.

To improve the profitability of regional publishing operations and ensure the quality of content, Alma Media and five other Finnish newspaper publishers established Lännen Media. The newly established company improves journalistic cooperation between newspapers in western and northern Finland and enables shared content production for printed papers as well as the digital, online and mobile channels. The founding newspapers of Lännen Media include the Alma Media newspapers Aamulehti (Tampere), Satakunnan Kansa (Pori), Lapin Kansa (Rovaniemi), Kainuun Sanomat (Kajaani) and Pohjolan Sanomat (Kemi), the Ilkka-Yhtymä newspapers Ilkka (Seinäjoki) and Pohjalainen (Vaasa), Hämeen Sanomat (Hämeenlinna) and its affiliate Forssan Lehti (Forssa), Turun Sanomat (Turku), Kaleva (Oulu) and Keskipohjanmaa (Kokkola).

The printing and distribution company Alma Manu Oy, which was previously reported under the Other Operations segment, became part of the Regional Media segment in March 2014. The purpose of this rearrangement is to increase collaboration between Manu and its largest customer, Alma Regional Media, as well as to improve the use of resources.

There were many changes in Alma Manu's distribution operations during the year. Itella (nowadays Posti) discontinued many of its early morning delivery agreements across Finland, which led to the early morning delivery of newspapers being transferred to new service providers. Distribution in a small area in Tornio was transferred to Alma Manu in the summer. Already before that, Alma Manu had handled the early morning delivery of some newspapers, including Aamulehti, Pohjolan Sanomat and Lapin Kansa. In order to improve the profitability of distribution operations and to maintain its service level, Alma Manu applied for and received a postal licence from the Finnish government for letter deliveries in Pirkanmaa and Satakunta. The licence authorises Alma Manu Oy to provide postal services to contract customers in the geographic area covered by the licence. Alma Manu also reorganised its distribution and transport network in the third quarter and joined forces with the major Finnish newspaper publishers in the fourth quarter. In October 2014, Alma Media started to investigate together with Sanoma Media Finland, Keskiuomalainen Oyj, TS-yhtymä, Kaleva Oy, Mediatulo Esa and Länsi-Savo group the possibility of establishing a joint venture with the aim of developing the co-operation between early morning delivery service providers and their logistics as well as to manage the nationwide sales of delivery services. The aim is to create a system for the early morning delivery network of newspaper publishers so it could take on more material to deliver and to ensure high-quality and cost-efficient operations.

Due to weaker-than-expected performance, Regional Media reached an agreement in the second quarter on savings in annual personnel costs of approximately MEUR 1.5 for 2014. The savings were achieved by temporary layoffs and by exchanging bonus holiday pay for days off.

Sustainable Media

Changes in media consumption and consumer behaviour create a need for renewal in the media sector. Alma Media's response to these challenges is sustainable media that cultivates traditional journalistic values while integrating broader corporate responsibility in all operations.

Over the past few years, Alma Media has actively developed the sustainable media perspective, both in its own operations and by introducing the theme in public discussion. Thanks to its active participation, Alma Media has established a strong position as a pioneer of corporate responsibility in the media business in the Nordic countries.

Goals and achievements in 2014

In 2014, Alma Media continued its own activities and co-operation to mitigate the environmental impacts of the media sector, develop the competence of its employees and reduce youth unemployment. In addition, corporate responsibility activities in 2014 highlighted the effects of journalism on society and the local social responsibility.

A media company's most significant impact is created through the content it produces. Each of Alma Media's media outlets is responsible for its journalistic content. Alma Media's role is to promote discussion on the responsibility associated with freedom of speech and to increase awareness of the brainprint media leaves on audiences and society.

In 2014, one of the focus areas was continuing the work related to the environmental impacts of media and continued partnerships in this field. Alma Media participates in the annual Carbon Disclosure Project (CDP) climate reporting directed at investors, and was ranked as the top Nordic media company in October 2014. In recognition of its environmental efforts, Alma Media received LEED environmental certifications in the end of 2013 for its new premises, head office in Töölönlahti and printing facility in Tampere.

Preventing youth unemployment was also an area of focus for us in 2014. For the fourth consecutive year, Alma Media and its Monster online service were involved as main partners in supporting and implementing the Finnish Children and Youth Foundation's Responsible Summer Job project. The 2014 campaign attracted 176 responsible employers, who offered a total of more than 33,000 summer and seasonal jobs. Alma Media and Monster participate in the campaign again in 2015. This time the campaign is led by the Finnish Economic Information Office TAT.

In 2013–2014 Alma Media was actively involved in brainprint-related research and discussion, both in Finland and internationally. In addition to the impacts of journalism, the discussion extended to the impacts of advertising and how advertising can promote not only consumption, but also sustainable development.

The Sustainable Media programme is implemented in Alma Media's and its employees' way of working and through the choices employees make on a daily basis. Various social responsibility projects of local communities are examples of how each employee can influence matters and it is Alma Media's role to provide these opportunities for such activities. Alma Media's corporate responsibility objectives are thus incorporated in the daily work of each employee and business unit. Nevertheless, Alma Media has set certain specific corporate responsibility objectives to support responsible actions in daily work. In addition to the objectives described below, goals related to corporate responsibility are also described in the sections on the environment and employees.

The development areas and objectives of sustainability and corporate responsibility planned for year 2015 can be found in At Glance at 2015 section.

Objectives 2013–2016	Implementation in 2014	Description of activities in 2014	Description of activities in 2015–2016
Management and co-ordination of corporate responsibility			
Developing responsible supply chain management	**	The development of the supply chain continued; the responsible purchasing supplement was not yet launched.	Responsible purchasing supplement, development of supply chain reporting
Improved integration of corporate responsibility into risk management; rising from second place to top position among Nordic media companies in the CDP report	**	Comprehensive revision of risk management still ongoing; the best Nordic media company in the CDP report (78p.)	Development of risk management
Developing internal corporate responsibility communication; launching Sustainable Media theme workshops	**	Sustainable Media workshops continued	Development of digital content and active internal corporate responsibility dialogue in order to improve the efficiency of internal corporate responsibility
Developing the Sustainable Media perspective of the business strategy and launching solutions	*	Corporate responsibility included in the analysis of the operating environment	Development of the business benefits of corporate responsibility. Inclusion of corporate responsibility in the media sales palette.
Shareholder interaction			
Active media partnership at the Ratkaisun paikka corporate responsibility event.	***	The targeted number of visitors was clearly exceeded as a result of active media partnership.	Participation in the Ratkaisun paikka corporate responsibility event.
Active involvement as main partner in the Responsible Summer Job 2014 campaign and its development.	***	The fourth time as the main partner in the development of the Responsible Summer Job 2014 campaign of the Finnish Children and Youth Foundation. The number of participating companies improved from the previous year.	Active involvement as main partner in the Responsible Summer Job 2015 campaign and its development through Alma Media and Alma Career's Monster service.
Nordic Media CR Forum	***	Sustainable Media programme developed through co-operation; development of themes related to the privacy of data.	Increasing awareness of the Nordic Media CR Forum in Finland; development of Alma Media's Sustainable Media programme through co-operation.
Active participation in the City of Helsinki Climate Partnership Network	***	Provided content for the network's annual seminar. Joint seminar between climate partners and Alma Media.	Active participation in the Climate Partnership Network continues.
Developing opportunities for volunteer work for Alma Media employees	*	Some volunteer campaigns were organised, but no systematic programme.	Increasing opportunities for volunteering, linking volunteering opportunities to Alma Media's social responsibility initiative.
Local level social responsibility projects and initiatives	**	Various social responsibility projects to improve the daily life of the local community in the Tampere region and other regions.	Local social responsibility projects will be expanded to other locations and Alma Media units.
Responsible journalism			
Continuing dialogue on brainprint and the Brainprint project through Alma Media's various media.	***	Active international participation in the brainprint debate, maintaining discussion related to the Brainprint theme.	Maintaining active internal brainprint discussion.

Initiating dialogue related to responsible and free journalism	*	Highlighting the brainprint concept on Group level.	Continuing the internal brainprint discussion and extending it beyond Alma Media
Responsible advertising and marketing			
Analysing the environmental impacts of the full advertising lifecycle and communicating the findings to co-operation partners	**	Responsible marketing co-operation with Aegis Media	Development of the analysis of the environmental impact of the advertising lifecycle.
Initiating dialogue on sustainable advertising, marketing and development of business	**	Goodvertising and future sustainable business themes for advertisers at Alma Media's Creation2015 seminar in November 2014 and in own content. Co-operation with Aegis Media.	Continuation of Alma Media's "Creation 2015" seminars, the themes of which are linked to current responsible development of business and marketing.
Environmental responsibility			
Continuing broad-based communication of the environmental study and planning potential follow-up projects	***	Communication of Alma's study was continued; use of Shape Media's study results, published in 2014, in Alma Media's own environmental responsibility development.	Use of studies for further development.
Environmental matters in Alma Media's new office building in Töölönlahti	***	LEED Gold certificate granted to the new head office. Motivating employees in environmental work through everyday environmental activities enabled by the building.	Further motivation of employees in environmental activities.
Environmental matters in Alma Media's new printing facility in Tampere	**	LEED certificate granted to the new printing facility.	Preparation of the environmental certification of Alma Manu's printing facility.
Setting more detailed environmental targets as new facilities are commissioned.	*	The process of setting more detailed targets is incomplete due to the development of a calculation process.	Setting more detailed environmental targets
Developing corporate responsibility reporting			
Monitoring the development of reporting and revising company processes accordingly	**	GRI Media Sector Supplement in use, preparations for G4 have begun.	Preparation for G4 reporting
Improving data collection on environmental and human resource matters	**	For environmental data, waste and water consumption reporting for the entire Group is not yet available.	Revision of the process of collecting environmental data and verification of the collected data
New objectives 2015-2016			
Environmental certification of Alma Manu's printing facility	*	-	Preparation of the environmental certification
Implementation of Alma Media's diversity survey. Diversity network tools included as part of HR operations.	*	-	Diversity Undertaking signed in January 2015. Alma Media becomes a member of Finnish Business & Society's diversity network.
Development of Alma Media's Group level social responsibility initiative.	*	-	Preparation of the Group level social responsibility initiative.
* measures have been initiated			
** significant progress towards the objective, but further developments are planned			
*** objective has been achieved			

Employees

Collaboration and networking across organisational boundaries, the development of managerial work and the enhancement of digital competencies characterised the work of Alma Media's employees in 2014.

The Yammer conversation platform was widely implemented among employees in 2014. The platform improves internal company communication and participation across the Group. By implementing the Yammer application, Alma Media wants to enable and activate internal dialogue, facilitate internal collaboration across organisational boundaries, promote ideas and innovation and create a stronger, uniform corporate culture and identity.

In 2014, the new office premises in Helsinki and the new printing facility in Tampere further improved the working conditions and employee well-being for those working on these premises. The Töölönlahti office building, which brings Helsinki-based Alma Media employees together under one roof, has particularly facilitated collaboration, the sharing of expertise and networking between units. The employee co-operation networks established in 2013 continued to be active; they included the Young Alma Medians network for the young and young at heart, and a software developers' network.

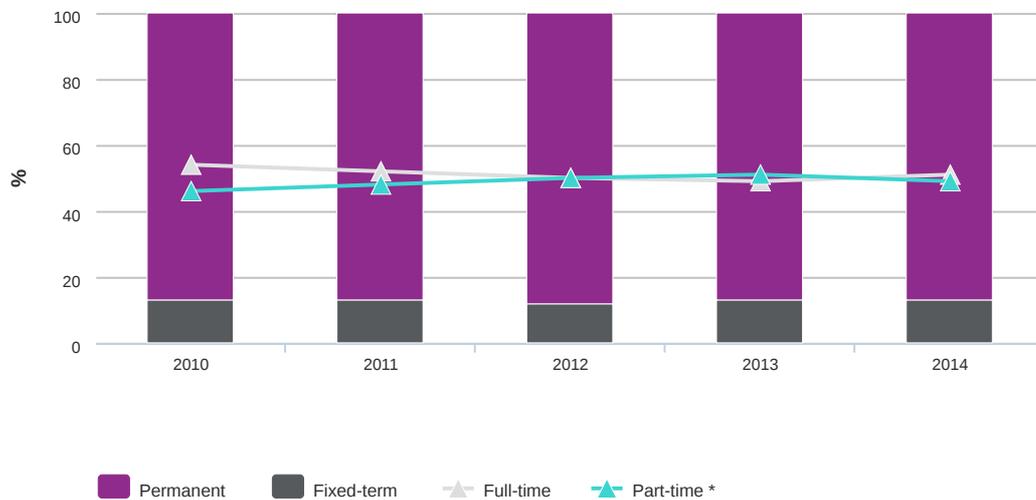
An employee survey, which is done every two years, was conducted in 2013. The respondents of the survey felt that managerial work, in particular, has improved from previous surveys. In addition to managerial work, the survey respondents appreciated the improved operating methods and greater flexibility. The responses from Alma Media employees based in Helsinki also highlighted the improvements in the working environment brought about by the new office premises. The most significant areas of improvement revealed by the survey were related to the transformation of the media sector. Respondents felt that their work is more stressful than before, and the future of the industry is perceived as uncertain. This was also reflected in ambiguity regarding common targets and objectives.

Based on the results of the employee survey, improvement of the digital competence of Alma Media employees was identified as an important area of focus across the organisation. The results of the survey were reviewed team by team in spring 2014, led by their respective managers, and these discussions were used to prepare concrete development plans with measurable targets and designated responsible persons. The next comprehensive employee survey will be conducted in autumn 2015.

Digital coaching, organisational restructuring, international acquisitions and recruitment for digital business operations brought new competence to Alma Media and improved the Group's capacity for sharing know-how. Both the proportion of employees working on digital services and the share of employees stationed outside Finland continued to increase in 2014, due to, for example, Alma Career expanding its business into new countries, namely Poland and Hungary.

In 2014, the company employed an average of 1,830 professionals, excluding deliverers. Of them approximately one quarter worked outside Finland.

Employees by contract type



* Large proportion of employees represented by newspaper deliverers explains the high share of part-timers.

Diverse competence development

The digitalization of the media field creates a need for new competence. Employee competence is developed through coaching and new, dynamic organisational models. Collaboration across organisational boundaries is seen as a starting point for operations. In 2014, training activities focused on digital competence, change management and enhancement of managerial performance.

Alma Regional Media that publishes all of Alma Media's regional, local and city newspapers started a new project called Etukeno for the development of digitality. Employees play a central role in this development project, as they are challenged to take part in the planning of digital business. The needs of active media consumers are the basis for the development of renewed business models, operating culture and expertise. This development project of Alma Regional Media will run for several years, and it has received funding from the Liideri programme of Tekes - the Finnish Funding Agency for Innovation.

Digital competence has also expanded through specific training courses, recruitment of new employees by, amongst others, the Alma Diverso unit and international acquisitions of companies in the field of digital recruitment services. The shared premises and the Yammer conversation platform that enables the internal engagement of employees provide a natural setting for bringing different skills together and enabling effective teamwork.

The Alma Flow programme was continued through 2014. Alma Flow is a managerial work development programme with the objective of supporting employee commitment and motivation through management by coaching. In 2014, the programme focused on means and methods for the promotion of employee well-being, the early intervention model and themes related to employees' own time management at the workplace, which are also related to employee well-being. In addition, the Alma Flow programme increased mentoring of managers and provided other development tools to support managerial work. In 2015, the Alma Flow programme will be further developed to respond to new challenges in the industry.

In total, Alma Media organised approximately 1,300 training days for its employees in 2014. This included internal and external training and coaching. In addition to open training days organised by the company, employees complemented their professional development through training provided by external partners. This training is included in the reported figure for total training days. In 2015, the development of digitality and projects, such as Alma Regional Media's Etukeno project, will increase the annual investment in coaching. This enables the employees to develop in the centre of digital change.

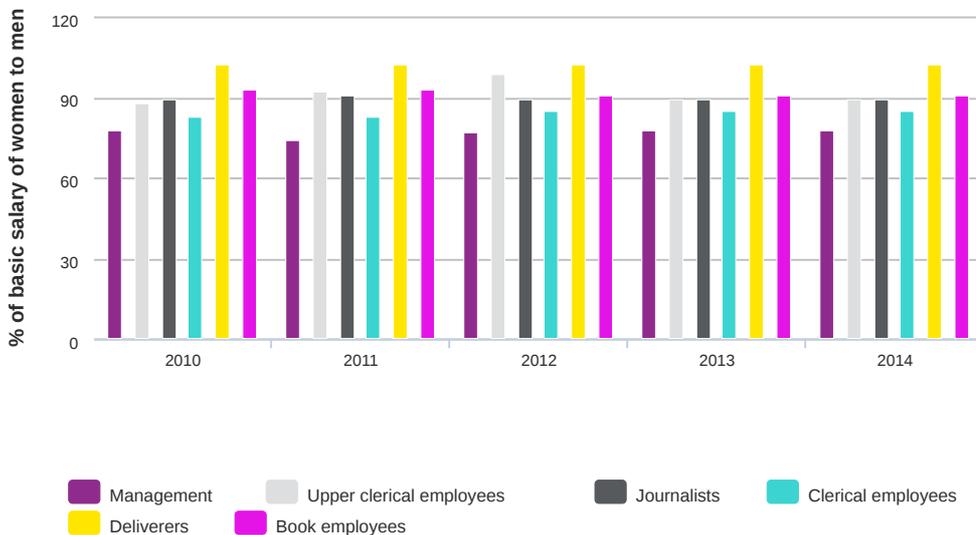
Promotion of equality and non-discrimination

Alma Media's unit-specific equality plans include practical and detailed objectives, actions, schedules, responsible persons and metrics. Equality plans are part of human resource and training planning, and they are updated annually.

Although the differences in salaries between men and women at Alma Media have been in line with the average Finnish pay structure, improving gender equality in pay has been highlighted as an important area of monitoring and development for the Group. This development has been successful in almost all employee groups, partly by allocating company-specific portions of salary increases in a manner that promotes gender equality in pay.

In 2014, due to the general economic situation, company-specific portions could not be allocated, however. Thus, equality in pay could not be promoted in this way. In 2015, close attention will be paid to the development of equality in pay, and Alma Media will strive to improve it further.

Pay structure by gender



In 2014 the share of women of all managers and the Group's management team was in par with the numbers from the previous year. At the end of December in 2014, 55 per cent of those working in supervisor positions were men and 45 per cent women. Women comprised 39 per of the senior management and 22 per cent of the Group's executive team. In the Board of Directors, 13 per cent of the members were women.

Proportion of women among supervisors and senior management



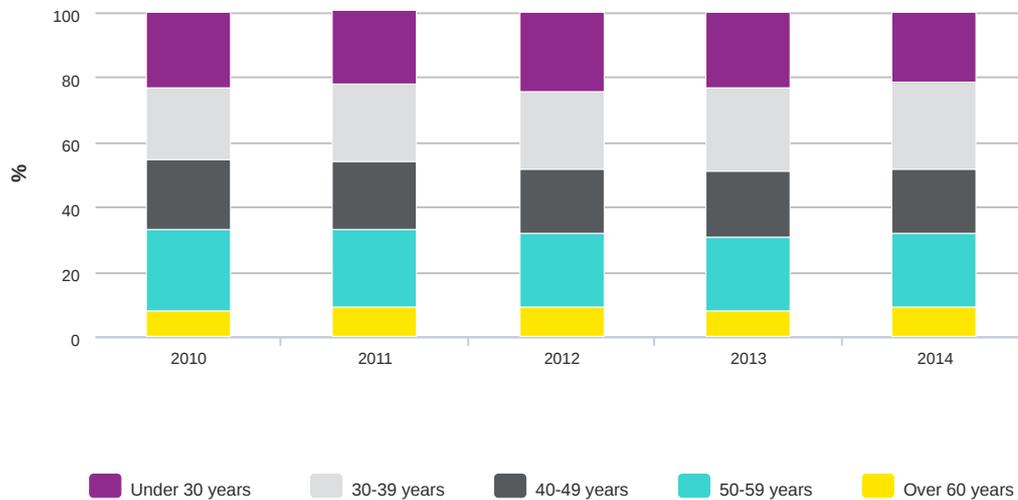
In January 2015, Alma Media signed the Diversity Undertaking and has made a commitment to draft an action plan for the development of diversity at Alma Media. Alma Media is committed to providing equal opportunities for employees, identifying and using individual skills and needs and managing its employees and customers in a fair manner.

Increasing multiculturalism at Alma Media

The diversity of employees is an asset for Alma Media when it is building the future of media. The significance of employee diversity has increased in the ageing and increasingly international society. At Alma Media, distribution operations in particular offer employment opportunities for qualified candidates who have moved to Finland from abroad. Immigrants represent slightly over 17 per cent of all distribution employees; in the Pirkanmaa region this figure is as high as approximately 26 per cent. The Group's printing and distribution unit Alma Manu focused on the challenges and opportunities presented by employee diversity in 2014: taking multiculturalism into account was specified as one of the objectives of the action plan for 2015.

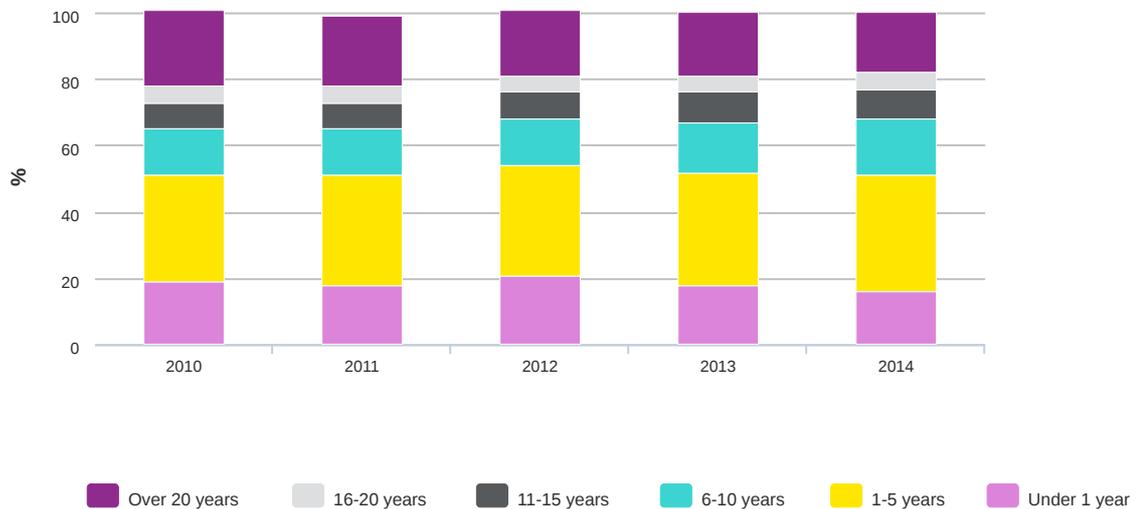
Alma Media has adopted the average retirement age as a metric for monitoring employee well-being and diversity as well as social responsibility. In 2014, the average retirement age was 63 years, unchanged from the previous year (2013: 63).

Employees by age*



* Total percentage may not be equal to 100 due to the figures being rounded separately.

Duration of employment*



* Total percentage may not be equal to 100 due to the figures being rounded separately.

As in the previous year, diversity also increased in 2014 due to international acquisitions. Alma Career Oy, which manages Alma Media’s digital recruitment services, continued to expand its business to Poland and Hungary through a collaboration with Monster Worldwide 2014. While increasing internationality will present new management challenges in the coming years, it will also provide significant opportunities in the form of diverse expertise, new working practices and fresh perspectives.

New business premises boost occupational health

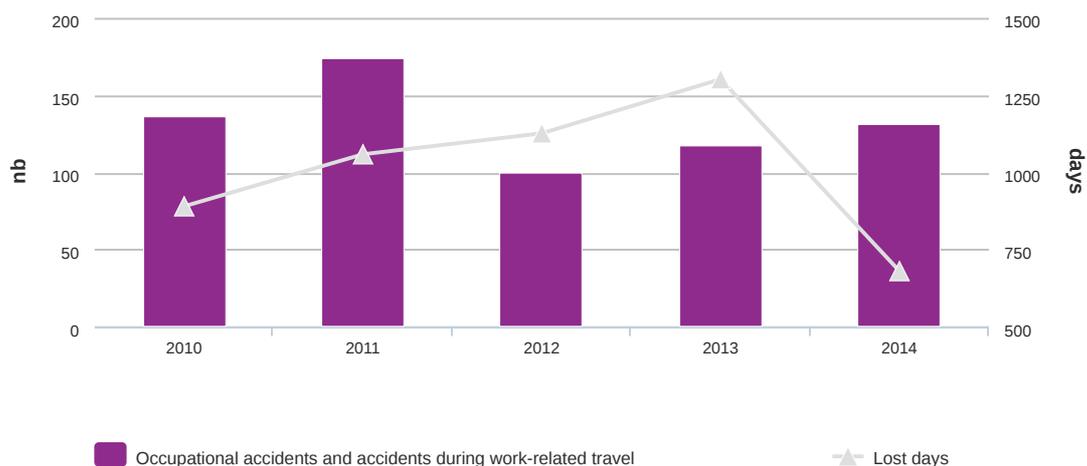
Alma Media employees in Helsinki moved under one roof at the turn of the year 2012–2013 as the Group’s new office building was completed in Töölönlahti. Employees were involved in the design of the new building from the start. In addition to participating in unit-specific working groups, employees had the opportunity to influence their new working environment through an idea team, the Helmi system for employee suggestions and initiatives, pilot projects and voting on various issues. The shared office building has contributed to progress on a variety of matters that are central to the development of corporate responsibility and operations, such as the sharing of know-how, employee well-being and collaboration across organisational boundaries.

Alma Media paid particular attention to occupational health in the design of the new office building in Töölönlahti. The many health-related aspects of the working environment that were taken into consideration include indoor air quality, ergonomic workstations and lighting. Employees are encouraged to stay physically active by means such as providing loan bicycles and supporting leisure-time physical exercise. The menu of the office building’s cafeteria promotes healthy eating. Occupational health was also a prominent element at other Alma Media offices during the year.

A total of 131 occupational accidents were reported in 2014 (2013: 117). On the other hand, the number of days absent due to occupational accidents dropped to half in 2014, totalling 670 days (2013: 1,301 days). The majority of occupational accidents and accidents during work-related travel at Alma Media occur in distribution operations, as they are affected by weather conditions. The occupational safety of delivery personnel has been highlighted as a key area of focus in distribution operations. It was specified as a particular target in the unit’s action plan for 2014. The objective of providing a foundation for continuous improvement of occupational safety was achieved in 2014.

Responsibility and occupational safety issues, such as appropriate clothing, anti-slip solutions and safe walking, continued to be integral aspects of the training provided for delivery personnel. The structure of Alma Manu’s occupational safety and health organisation was modernised in 2014. The focus is now on the identification of hazardous situations and operational prevention of accidents by improving the analysis of accidents and hazardous situations. Occupational safety and employee well-being were given a great deal of consideration in the design of Alma Media’s new printing facility in Tampere, which began operations in 2013. The aim is to minimise accidents during printing and distribution.

Occupational accidents, accidents during work-related travel and resulting lost days*



*The data from 2012 has been corrected.

Brainprint and communities

It is essential for a responsible media company to observe how the content it produces affects society and to bear responsibility for those effects.

At Alma Media, such responsible content production is called brainprint. The term was launched by the WWF in 2005. In recent years, Alma Media has worked to introduce the Finnish equivalent of the term ('ajatusjälki') in the Finnish language and in the debate on the responsibility of the media industry.

Therefore, in June 2014, for the second consecutive year, Alma Media participated in the Mirrors or Movers seminar held in London. The main themes of the seminar were questions related to measuring the brainprint of media; equality issues and the way women are portrayed in media; media's ability to influence people's environmental attitudes; and the data security of users of media content.

Alma Media as a responsible influencer in society

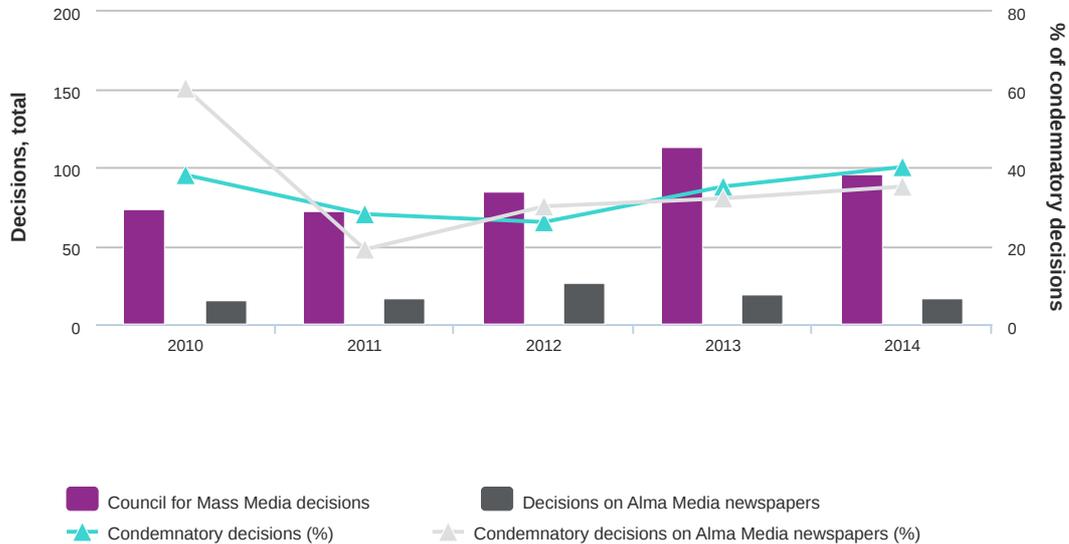
Taking the brainprint of media into account in content production and journalism each day constitutes an important part of Alma Media's responsible business. One way to evaluate the success of Alma Media's papers in this is to monitor changes in the number of Council for Mass Media (CMM) decisions concerning Alma Media. Council for Mass Media (CMM) decisions, reader feedback, reader panels and requests for corrections are all metrics for reliability and responsible journalism.

Alma Media papers discuss CMM decisions at newspaper level, led by the Editor-in-Chief, and develop their operations accordingly.

In 2014, the Council for Mass Media issued a total of 96 decisions on matters such as corrections and surreptitious advertising. Of these decisions, 17 pertained to Alma Media's various media. Of the decisions pertaining to Alma Media, 35 per cent were condemnatory, which was a lower percentage than the overall rate of condemnatory CMM decisions in 2014. The overall rate for condemnatory decisions by the Council last year was 40 per cent.

After the peak experienced in 2013, however, the total number of CMM decisions in Finland dropped in 2014 closer to the level of the previous years. However, the number of cases dealt with by the CMM remained higher than in the first years of the 2010s.

Council for mass media decisions in Finland



Read more at: [Sustainable media and brainprint](#)

Another way to evaluate how well Alma Media's newspapers succeed as creators of a responsible brainprint are recognitions granted to Alma Media by others. In 2014, journalist **Taneli Koponen** from Aamulehti received the esteemed Freedom of Speech honorary award, granted every four years for significant journalistic merits. In his articles, Mr Koponen, an investigative journalist, has revealed shortcomings in the management of finances in the Finnish Defence Forces and written about trips sponsored by pharmaceutical companies for doctors. Mr Koponen was awarded for his work also in 2010, when the Finnish Newspapers Association granted him an award for writing the socially most influential article of the year.

Communities and Alma Media

Alma Media has various direct and indirect cultural, economic and social impacts on the communities in which it operates. Communities range from small municipalities in which Alma Media publishes a local paper to online communities formed around Alma Media's services.

Alma Media's influence amongst its interest groups



Driver of change at the grass-root level

As a strong regional and local Finnish media company, Alma Media also has the unique opportunity to participate in many local grass root-level projects that implement Alma Media's objectives of responsible journalism and social development and highlight regionally important themes.

In 2014, a few of these larger projects were the Tampere car boot fair, arranged twice a year jointly by Aamulehti's Moro supplement and the local parish, and broad regional campaigns by Kainuun Sanomat and Pohjolan Sanomat, aiming to increase the vitality of their respective regions. Both the Kannata Kainuuta ('Support Kainuu') campaign launched by Kainuun Sanomat in summer 2014, and the Merilappilainen jalanjälki ('Footprint of Sea Lapland') campaign launched soon thereafter were designed and carried out in co-operation with local entrepreneurs and other actors. Their objective is to help locals to understand that they can influence the employment rate and availability of services in their region through very small changes to their consuming habits: by buying just a little more local products and services. Both newspapers have a visible role in the projects, having developed an entire product and event family around the campaigns. The campaigns continue and expand in both regions at least throughout 2015. In Kainuu, the local Centre for Economic Development, Transport and the Environment joined the campaign at the beginning of 2015. Yle Perämeri, a local radio station of the Finnish Broadcasting Company, is involved in the collaboration in the Kemi and Tornio region.

Another example of social projects is the popular car boot fair in Tampere, which promotes recycling. The event also supports local charity work: the pitch fees and income from the boot fair café are all directed to the soup kitchen that is run by the parishes of Tampere. Each year, the car boot fair produces approximately EUR 25,000 for the soup kitchen. In addition, external partners are often involved in the boot fair project, and additional aid projects are carried out with them. In the car boot sale arranged in spring 2014, a partner to the project was a company specialising in efficient recycling. With this partner, we carried out a campaign for the collection of used spectacles and sunglasses. A total of 10,000 pairs of spectacles and 2,000 pairs of sunglasses were collected during the car boot fair. The glasses were then delivered to Tanzania by an international eye specialists' humanitarian organisation.

Alma Media and the future stars

In addition to the direct and indirect impacts of its business operations, Alma Media supports economically and socially sustainable development through partnerships. One example of this is the youth employment (permanent and summer jobs) campaign organised in partnership with the Finnish Children and Youth Foundation (FCYF), carried out for the fourth time in 2014. The Responsible Summer Job 2014 campaign challenged companies to create good summer jobs for young people. The goal of the campaign is to take an action-oriented approach to youth employment. In 2014, a total of 161 employers joined the campaign to offer over 33,000 responsible summer jobs. The campaign continues in 2015, now with the Finnish Economic Information Office TAT at the helm instead of the FCYF. The objective is to have more employers participate.

For the second consecutive year, Aamulehti is involved in systematic co-operation with the Pirkanmaa Me & MyCity. A miniature enterprise that carries the name of the partner will be designed and built in the Me & MyCity learning environment. Each day, three to five sixth graders work there in jobs that simulate real-life professions. Each school year, a total of 5,000 sixth graders have visited the Pirkanmaa Me & My City to learn about the business and operations of the partner. They are future employees, consumers and citizens.

Environment

In spring 2012, the Global Reporting Initiative (GRI) published a Media Sector Supplement as guidance for the media industry. In 2013, Alma Media was the first Finnish media company to start publishing an annual corporate responsibility report in compliance with the GRI Media Sector Supplement guidelines.

Alma Media's environmental study, completed in 2013 and conducted in co-operation with VTT Technical Research Centre in Finland and the Swedish Center for Sustainable Communications, has played an important role in the development of Alma Media's environmental responsibility. The environmental study focused on the effects of printed and digital media.

In 2014, Alma Media continued its participation in the Carbon Disclosure Project (CDP), a global initiative on climate impacts, and was ranked as the top Nordic media company. Alma Media has been a signatory of the UN Global Compact initiative since 2011.

Environmental responsibility is the strength of new buildings

The most significant environmental impacts of the operations of Alma Media and its business units are related to printing and distribution, buildings, purchasing and travel. Alma Media's new Helsinki office in Töölönlahti, completed in December 2012, and the new printing facility in Tampere that started production in spring 2013 reduce the highest direct environmental impacts. Environmental impacts during construction and use were minimised in both projects. Both of the buildings received LEED environmental certification in 2013. The Töölönlahti office building achieved LEED Gold certification in recognition of excellent consideration of environmental matters. As far as is known, the Tampere printing facility is the world's first LEED-certified printing facility.

During the design process of the Töölönlahti building, including the choice of location, environmental aspects were taken into account as follows:

- energy-efficient building technology
- underground parking with charging stations for electric cars
- waste management during construction and use, with extensive recycling
- excellent public transport links.

Focus on material and energy efficiency in printing

Alma Media develops its environmental responsibility by improving its material and energy efficiency. The environmental study carried out in 2012 provided information on potential opportunities for improving efficiency. The new printing facility and office building significantly improve the energy efficiency of Alma Media's properties. For instance, the printing facility in Tampere has a heat recovery system that captures over 80 per cent of exhaust air. The production efficiency of the new printing press is higher than before, and the use of solvent-based detergents and water has decreased.

The amount of materials wasted has considerably decreased in the new printing facility; the amount of maculature decreased by 11 per cent compared with the previous year. In 2013, the first year of the new printing facility, the maculature percentage* did not decrease, as test runs and problems in the breaking-in phase produced more waste material than normal.

Another key aspect of material efficiency is the recovery of waste: almost all waste created by the printing facility is used as a raw material by other businesses. In 2014, all waste generated at the printing facility was recovered for recycling or reuse, and no waste ended up at landfill sites.

Harmful VOC emissions (volatile organic compounds) from printing operations were kept very low in 2014. However, emissions increased slightly from the previous year, amounting to 4,488 kg in 2014 (in 2013: 4,200 kg). The slight growth resulted from more detailed reporting by raw material producers relating to potential raw material component residues. The chemicals used for cleaning the printing machine have been VOC-free for some time, and since 2012 the company has also minimised the VOC content of the dampening solution used in the printing process. Alma Media's printing facility in Tampere was one of the first printing facilities internationally to begin using a dampening solution that is almost entirely free of VOC emissions.

**The maculature percentage expresses the proportion of waste material to total material used in printing operations*

Development of environmentally sustainable operating methods and purchasing

Alma Media can influence its environmental impact through its purchasing policy in particular. Environmental considerations are now particularly taken into account in newsprint purchases. Paper manufacture has wide-ranging impacts on climate change and resource depletion, as well as biodiversity. In 2014, 75 per cent of the newsprint used by Alma Media contained recycled fibre. The share of recycled fibre in all newsprint pulp used by Alma Media was 38 per cent. Environmental issues are also a key factor in purchasing chemicals and printing plates.

In addition, Alma Media can efficiently decrease its ecological footprint by changing its own operating methods. Over the past five years, the company has implemented new videoconference systems and other tools to facilitate remote work. This has reduced travelling and, consequently, the environmental footprint.

Alma Media units had a total of 23 installed videoconference systems in 2014. Furthermore, the Lync communication tool was frequently used for Alma Media's internal video conferences and telephone conferences. According to statistics, 600 internal meetings were arranged last year using the videoconference system or Lync, which equate to approximately 7,000 hours of meetings during the year. The actual figure was considerably higher, because not all meetings were included in the statistics, such as smaller Lync meetings with only two participants.

In recent years, Alma Media has also significantly reduced the number of pages printed. This, too, resulted from changed operating methods: the number of printing devices in the different units was reduced from slightly under 500 printers to 140 devices currently. At the same time, Alma Media employees have increasingly switched to documents provided in digital format only. Therefore, the number of pages printed has decreased by 40 per cent to 3.2 million pages per year currently.

The Sustainable Media corporate responsibility programme aims to increasingly integrate ecological considerations into ICT purchases. The environmental study indicated that ICT equipment and infrastructure have significant environmental impacts. Careful analysis and mitigation of these impacts is of great importance as digital media consumption increases.

The average carbon dioxide emissions of the Group's leased car fleet are also monitored on a regular basis. The target is to reduce average emissions by eight per cent from 2013 to 2016. In 2014, the average CO₂ emissions of the Group's motor vehicles were 135g of CO₂ equivalent per kilometre (2013: 141g).

Increased awareness through open communication about environmental responsibility

In 2014, the Ratkaisun paikka (The Leading CR event in Finland) corporate responsibility event was arranged for the third time, with Alma Media as the main media partner. Alma Media's role in the event was to provide greater exposure, arrange presenters and deliver a talk. The objective of Alma Media's participation in the event was to promote corporate responsibility thinking in Finland. This goal was reached: the event, with some 700 visitors and highly positive feedback, exceeded all expectations.

Alma Media is actively involved in industry-wide environmental initiatives, such as the Shape study of the Federation of the Finnish Media Industry and VTT Technical Research Centre, which investigates media consumption from the perspective of its environmental impacts. On the international stage, Alma Media promoted the handling of environmental matters related to print and digital media by commissioning research activities and communicating about them.

Since 2012, Alma Media has participated in the City of Helsinki Climate Partners network aimed at promoting co-operation to reduce climate emissions and boost the competitiveness of the participating companies. In 2014, Alma Media continued its active participation in the network by arranging an event with the Climate Partnership network in January 2014.

Climate change mitigation targets

Target	Target relative to base year	Base year	Base year figure	Target year	Elapsed time (%)	Target achievement (%)	Additional information
Reduction of CO2 emissions of electricity consumed in own operations	20%	2011	3,240t CO2	2017	50%	17%	
Reduction of CO2 emissions caused by operations in Helsinki	10%	2011	270t CO2	2017	50%	100% (emissions 93t CO2)	Target achieved
Reduction of CO2 emissions of the Tampere (and Pori) printing facility	10%	2011	2,400t CO2	2017	50%	100% (emissions 1160t CO2)	Target achieved
Reduction of the average CO2 emissions of the Group's car fleet	8% (130g CO2e/km)	2013	141g CO2e/km	2017	33%	55 % (135g CO2e/km)	

Environmental key indicators

Materials used for printing, consumption		2008	2009	2010	2011	2012	2013	2014
Material	Unit							
Paper	tonnes	35,000	31,000	32,000	32,000	26,400	24,900	23,665
Inks	tonnes	560	500	520	570	480	420	445
Printing plates	m2	120,000	107,000	120,000	119,000	120,000	97,600	135,000
Energy consumption		2008	2009	2010	2011	2012	2013	2014
Direct	Unit							
Petrol	GJ****	*	7,250	6,160	4,900	4370	5,520	3,850
	litres****		224,760	190,950	152,500	135,310	128,470	119,393
Diesel	GJ****	*	2,650	3,020	3,800	3430	3,410	2,501
	litres****		72,800	82,930	105,120	94,130	79,620	91,308
Fuels total	GJ****	*	9,900	9,180	8,700	7,800	8,930	6,351
Indirect	Electricity							
	GJ	67,080	63,010	62,670	64,040	60,100	58,800	47,870
	kWh	18,632	17,502	17,408	17,790	16,696	16,333	13,298
*Figures not available								

Emissions			2009	2010	2011	2012	2013	2014
Direct	Fuels	tCO2eq.*	720	670	640	540	610	440
Indirect	Electricity consumption	tCO2	3,200	3,960	3,240	2,150	2,700	1850
Other indirect sources	Air travel	tCO2eq.**	190	280	355	415	290	234
	Hotel stays (Finland)	tCO2eq.***	n/a	n/a	n/a	n/a	11	9
Other significant emissions			2009	2010	2011	2012	2013	2014
	VOC emissions	kg	12,750	13,300	12,350	5,500	4,200	4,488

*For fuels, total greenhouse gas emissions are reported converted to carbon dioxide

**From 2011 on, air travel emissions are reported in carbon dioxide equivalent. For 2010 and 2009, only carbon dioxide emissions are reported.

***A new reporting category in 2013: hotels stays in Finland

**** The data from 2013 has been corrected.

Carbon dioxide equivalent is a measure used to compare the total climate effect, or Global Warming Potential, of emissions from greenhouses gases produced by human activity. The carbon dioxide equivalent is calculated by converting the global warming potential of other greenhouse gases to that of carbon dioxide.

Production profile of the electricity used at Alma Media



Renewable energy
 Nuclear power
 Fossil fuels and peat

Source: Finnish Energy Industries

Business operations

In the Sustainable Media programme, responsible business operations refer to ethical choices in operations, as well as responsibility as part of Alma Media's products and services.

In 2014, the significance of privacy protection was highlighted as a key issue in business operations. Alma Media also continued its work to develop responsible marketing and advertising, both in its own organisation and in the industry as a whole.

Code of Conduct as a guideline for operations

The ethical principles that govern Alma Media's operations are described in the Code of Conduct, which contains the company's key policies and principles for responsible management. Alma Media is a signatory of the UN Global Compact initiative, and its Code of Conduct is in line with the ten Global Compact principles. The Code of Conduct describes how responsibility is reflected in the day-to-day activity of everyone at Alma Media. Alma Media's Annual Review 2014 also serves as the company's Global Compact Communication on Progress report.

Privacy protection developed as part of responsible thinking

The importance of reliability will grow as commerce moves to the online realm and fraud becomes increasingly frequent. Reliability is a common feature for Alma Media's various digital online services. The significance of privacy protection has increased in recent years, and this trend is expected to continue in the future. Regulation of the media sector is also expected to increase due to the currently pending EU Regulation on privacy protection.

Alma Media Group is committed to protecting the privacy of the users of its services, and it strives to provide a safe and secure user experience to all visitors to its online services. The use of customer registers specific to particular newspapers and services is governed by, among other regulations, the Personal Data Act and the Data Protection Act. Transparency is a high priority in operations: the Group's privacy protection process is described in detail on the Privacy Protection page. In 2013, Alma Media carried out a review of privacy protection, and in 2014 it developed certain key areas identified during the course of that review.

Demand for sustainably produced media space

Alma Media's advertisers are increasingly interested in how Alma Media supports their sustainable development measures or messages through its own responsibility. Alma Media has taken an active approach to responsibility in advertising. In 2013, it collaborated with an international media company to study the environmental effects of the advertising value chain as a whole. Particular focus was placed on new ways of integrating corporate responsibility into media sales. In 2014, this theme was developed further in internal dialogue within Alma Media. The work continues in 2015 with the assessment of the environmental impacts of the advertisement value chain.

The goal was to not only provide new information on the ecological footprint of advertising, but also to evoke discussion on responsible business and advertising. In 2014, Alma Media arranged a seminar on the development of responsible marketing and business for its largest advertiser and media agency customers and evoked active discussion on the subject on various forums. The main theme in responsible advertising in 2013–2014 was goodvertising, which refers to advertising and business operations that contain messages on sustainable development. Goodvertising is aimed at promoting sustainable development via the brainprint of advertising.

Responsibility is an integral part of product and service development

Strengthening the Sustainable Media perspective is a key consideration in business development and the creation of new business. Journalism in itself already supports this objective, but there are also interesting perspectives in the context of the development of digital services. The Sustainable Media perspective is also part of the monitoring of the operating environment, which is a key aspect of research and development.

Alma Media's digital online services in Finland and elsewhere in Europe have already integrated responsibility into their services. One example of this is the Monster.fi guide designed to support young people in seeking employment. LMC, a recruitment service provider under Alma Career Oy, has a dedicated recruitment service for people who are offering and searching for volunteer work opportunities. Monster was also active in promoting youth employment through the Vamos and Responsible Summer Job projects in 2014. In December 2014, Monster challenged employers and job seekers to join a campaign to promote employment of disabled young people. The campaign supported the VAMLAS Foundation, an organisation for children and youth with disabilities. The foundation will use the support to arrange events in which employers have the opportunity to meet disabled and partially fit-for-work young people looking for jobs.

Reliable and safe services are the cornerstone of our operations

At the moment, there are ongoing projects in the EU regarding a reform in information security and privacy protection regulations. The topic is current as, for instance, e-commerce is growing quickly and the number of online scam and abuse attempts is increasing steadily. Therefore, privacy protection and safe online services are becoming more and more important.

Alma Media, too, works continuously in order to ensure safe and reliable services for its users, customers and partners. Customer data is protected through various measures. The server rooms for all of Alma Media's services and related connections and other systems have been protected against physical and digital attacks. Etuovi.com, Vuokraovi.com and Autotalli.com, for instance, had nearly 100% availability in 2014*. On the other hand, we take care of the information security of our services with continuous monitoring and by keeping information security and software updates up-to-date.

As a Group, Alma Media has also committed to protect the privacy of the users of its services. For instance, privacy protection legislation and Alma Media's own information security policy, which was updated in 2014 to respond to the current operational methods and environment, guide the use of all of our newspaper and service-specific registers. Alma Media also aims to promote the development of the self-regulation of the industry itself. The Group participates as a publisher in the self-regulation programme of IAB Finland, an organisation promoting digital advertising. The programme develops the industry's internal rules regarding the targeting of online advertising based on consumers' browser behaviour.

Transparency is a high priority in Alma Media's operations. The Group's privacy protection process is described in detail on the Privacy Protection site.

*Service availability expresses the percentage of time a service is available to customers. Service availability is influenced by factors such as technical problems and system downtime due to maintenance operations.

Awards and recognition in 2014

Alma Media received several awards and recognition in 2014. Raahen Seutu was chosen as the best local newspaper in 2014 in its category in a local newspaper competition organised by the Finnish Newspapers Association, with Nokian Uutiset finishing third in the same category. Nokian Uutiset also won the award for best online service in the category.

Magazines and online services produced by Alma Media's content agency, Alma 360, again won awards in 2014 in Folio Magazine's Eddie&Ozzie magazine competition. Yrittäjä magazine and the Yhteishyvä Live online service designed and produced by Alma 360 won first prizes in their respective categories. Ekonomilehti.fi, Etiketti and Alma Media's own annual publication Living Information also received an honorable mention at the gala. Yhteishyvä has also received other recognition in recent times, as the magazine was rated the most valued family and general-interest magazine by Finns in the Brändien arvostus 2014 ("Brand Valuation 2014") survey.

Alma Media's printing and distribution company Alma Manu Oy was awarded an extension of its membership in the Wan-Ifra Color Quality Club for the period 2014–2016. The Tampere printing press was awarded an extension of its membership based on the Satakunnan Kansa newspaper. Previous memberships were achieved with Aamulehti (2012) and Kauppalehti (2010). Membership of the WAN-IFRA Quality Club is the internationally most prestigious acknowledgment of a newspaper printer's production quality.

Alma Media's corporate responsibility efforts were recognised in Slovakia when Via Bona Awards selected the Alma Media's Profesia.sk's social responsibility online service and development project focusing on supporting Slovakian schools and high-quality recruitment of teachers as the best CSR project in 2014.

A glance at 2015

In 2015, Alma Media will continue on the path outlined by its four strategic themes and continue to grow its digital business further. The improvement in the company's financial position in 2014 opens up opportunities for expediting growth through targeted acquisitions.

Since 2008, Alma Media has implemented a significant structural transformation that has led to the digital business growing to account for a third of revenue. At the same time, the company has become more international by acquiring recruitment businesses in Eastern Central Europe. The profitability of the new businesses is at an excellent level. At the same time, the domestic operating environment is likely to remain difficult.

Market outlook

In the turn of the year 2014–2015, there are hardly any signs of the economy turning to sustainable growth, even in the long term in Alma Media's main market, Finland. The long-term outlook is weakened by structural problems in the economy and a decline in productivity.

The predicted extended period of slow growth is likely to affect consumer demand and investments in marketing communications in Finland.

In Eastern Central European countries, economic growth is expected to continue in the coming years. Brisk economic activity supports the growth and profitability of the recruitment business.

Digitisation has resulted in a substantial increase in the amount of content and services available to consumers, while also permanently changing consumers' media behaviour. The fragmentation of media consumption is continuing with regard to media, services, the use of time, and devices. Competition for content and service provision is growing and loyalty to media brands is diminishing.

The rapid growth in the use of smartphones and tablets will continue, promoting growth in the mobile consumption of media content. Online video consumption will continue to see strong growth.

The consumer threshold for paying for digital content will remain high. Paid services must provide clear added value to the consumer compared to free and advertising-funded content.

In marketing, new forms of advertising, such as content marketing and native advertising, are growing in significance by complementing the services provided to consumers. In the digital advertising market, strong growth trends include the development of programmatic buying and self-service solutions, as well as mobile and video advertising. The role of behavioural data and analytics in business development will grow with regard to both content and advertising.

Strategic themes

In 2015, Alma Media will continue to implement its strategy under four themes - while following our values.

- Multichannel content
- Marketing solutions
- Digital services
- Resources and expertise

Our basic beliefs



A major goal announced by Alma Media in late 2013 is to increase the share of digital revenue to 50% by 2020. In 2014, the share of digital revenue was 32 per cent. The goal will be achieved provided that the long-term financial target of 15 per cent annual growth in digital revenue is realised.

Alma Media is also examining opportunities to implement its strategy through acquisitions. The acquisition opportunities being examined are related particularly to growing the recruitment business in Europe, digital business services in Finland, and various digital consumer services in Finland.

Dividend proposal

Alma Media's long-term financial targets take into account the investments required for growth, repayment of debt taken to support growth, and the distribution of profit to shareholders.

On 31 December 2014, the Group's parent company had distributable funds totalling EUR 179,932,379 (23,905,611). No essential changes in the company's financial standing have taken place after the end of the financial year. Alma Media's Board of Directors proposes to the Annual General Meeting that a capital repayment of EUR 0.12 (2013: EUR 0.10) per share be paid from the reserve for invested non-restricted equity for the financial year 2014. Based on the number of shares on the closing date 31 December 2014, the capital repayment totals EUR 9,058,422 (2013: EUR 7,548,685).

Outlook for 2015

Low interest rates, a weaker euro and lower oil price improve the chances for growth in the long run. However, in 2015, economic growth is still expected to remain weak in Europe and, in particular, in Finland. The weak overall economic growth has an impact on advertising volume, which is not expected to increase in Finland in 2015.

In the first half of 2015, Alma Media expects its revenue and operating profit excluding non-recurring items to decrease from the 2014 level. The revenue for the first half of 2014 was MEUR 148.4, and operating profit excluding non-recurring items MEUR 8.8.

Sustainable Media in 2015

The Sustainable Media corporate responsibility programme creates the framework for Alma Media's responsibility.

In 2015, the focus areas of the programme are:

1. The development of transparent corporate communications and the brand
 - Internal and external communication about the sustainability themes & development
 - Linking the Sustainable Media programme and measures under it more strongly to the Alma Media corporate brand
 - Achieving success in indices and surveys related to responsible investments, such as the Carbon Disclosure Project
2. Responsible influence
 - Continuous participation in the promotion of economic and social well-being in society, such as the Responsible Summer Job 2015 campaign, VAMOS, the Pirkanmaa Me & My City
 - Theme seminars linked to the business and marketing of sustainable development as well as digitisation & creating commitment among advertisers and media agency customers to marketing solutions and activities that are in line with the principles of sustainable business development.
 - Advancement of responsibility in the media: including the Media CR Forum, FIBS, Climate Campaign, Procom's corporate responsibility division
3. Development of environmental responsibility
 - Preparation of the environmental certification of Alma Manu's printing facility
 - Development of the monitoring process of the achievement of environmental objectives and the verification of figures
4. Responsibility as an integral part of product and service development
 - Incorporating responsibility as a central consideration in advertising and marketing, together with Alma Media's media sales, as well as the long-term development of the environmental footprint of the advertising value chain
 - Further integration of responsibility as part of ICT purchasing
 - Customer engagement in Alma Media's service development in order to guarantee the best responsible customer-driven service and product development.
5. Incorporating responsibility into the day-to-day work of all Alma Media employees
 - Increasing well-being at work through the promotion of the continuous development of managerial work and diversity
 - Improving occupational safety by developing accident prevention
 - Engaging Alma Media employees and the different units of Alma Media in the development of corporate responsibility through work community communication and CR development projects.