



Alma Media Corporation Q4 and FY 2014

February 13, 2015



Alma Media's Financial Statement Release 2014:

DIGITAL BUSINESS GREW SIGNIFICANTLY IN 2014. REVENUE NEARLY ON LAST YEAR'S LEVEL, OPERATING PROFIT DECREASED AS EXPECTED.**Financial performance October–December 2014:**

- Revenue was MEUR 76.6 (77.3), down 0.9%.
- Online sales were MEUR 24.7 (21.9), up 13.0%.
- EBITDA (Earnings before interest, taxes, depreciation and amortisation) excluding non-recurring items was MEUR 8.9 (10.1), down 11.7%.
- EBITDA was MEUR 10.1 (9.9), up 1.9%.
- Operating profit excluding non-recurring items was MEUR 5.6 (6.4), or 7.3% (8.2%) of revenue, down 11.6%.
- Operating profit was MEUR 4.8 (4.3), or 6.3% (5.6%) of revenue, up 12.1%.
- The operating profit for October–December includes non-recurring items of MEUR -0.8 (-2.0).
- Profit for the period was MEUR 4.0 (-2.0), up 306.8%.
- Earnings per share were EUR 0.05 (-0.03).

Financial performance full year 2014:

- Revenue was MEUR 295.4 (300.2), down 1.6%.
- Online sales were MEUR 94.5 (84.5), up 11.9%.
- EBITDA excluding non-recurring items was MEUR 35.1 (37.5), down 6.4%.
- EBITDA was MEUR 36.4 (45.3), down 19.7%.
- Operating profit excluding non-recurring items was MEUR 21.4 (24.2), or 7.2% (8.0%) of revenue, down 11.5%.
- Operating profit was MEUR 20.7 (27.0), or 7.0% (9.0%) of revenue, down 23.5%.
- The operating profit for January–December includes non-recurring items of MEUR -0.7 (2.8).
- Profit for the period was MEUR 15.7 (16.0), down 1.7%.
- Earnings per share were EUR 0.19 (0.20).

KEY FIGURES	2014	2013	Change		2014	2013	Change	
MEUR	Q4	Q4		%	Q1–Q4	Q1–Q4		%
Revenue	76.6	77.3	-0.7	-0.9	295.4	300.2	-4.8	-1.6
Content revenue	27.7	28.7	-1.0	-3.5	110.1	115.3	-5.1	-4.5
Content revenue, print	26.2	27.7	-1.5	-5.6	104.6	111.2	-6.7	-6.0
Content revenue, online	1.5	1.1	0.4	40.2	5.6	3.8	1.7	45.8
Advertising revenue	38.6	38.4	0.2	0.6	146.4	147.3	-0.9	-0.6
Advertising revenue, print	19.8	21.1	-1.3	-6.0	73.7	80.0	-6.3	-7.8
Advertising revenue, online	19.0	17.1	1.9	11.3	72.7	66.5	6.2	9.4
Service revenue	10.2	10.2	0.1	0.8	38.8	37.6	1.2	3.2
Total expenses excluding non-recurring items	71.2	71.1	0.2	0.2	274.6	276.7	-2.1	-0.8
EBITDA excluding non-recurring items	8.9	10.1	-1.2	-11.7	35.1	37.5	-2.4	-6.4
EBITDA	10.1	9.9	0.2	1.9	36.4	45.3	-8.9	-19.7
Operating profit excluding non-recurring items	5.6	6.4	-0.7	-11.6	21.4	24.2	-2.8	-11.5
% of revenue	7.3	8.2			7.2	8.0		
Operating profit (loss)	4.8	4.3	0.5	12.1	20.7	27.0	-6.3	-23.5
% of revenue	6.3	5.6			7.0	9.0		
Profit for the period	4.0	-2.0	6.0	306.8	15.7	16.0	-0.3	-1.7
Earnings per share, EUR (basic)	0.05	-0.03	0.08	297.9	0.19	0.20	-0.01	-5.6
Earnings per share, EUR (diluted)	0.05	-0.03	0.08	297.9	0.19	0.20	-0.01	-5.6
Online sales	24.7	21.9	2.8	13.0	94.5	84.5	10.0	11.9
Online sales, % of revenue	32.3	28.3			32.0	28.1		

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).

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.

Kai Telanne, President and CEO:

In 2014, media companies had another challenging year. Print media continued to decline, as media users increasingly switched to digital channels, mobile services in particular. With increasing unemployment rates and the declining trade between Finland and Russia, the long-awaited upswing in the Finnish national economy did not take place. According to TNS Media Intelligence, media advertising volume, which is linked to GDP growth, decreased in Finland in 2014 by 3.5% year-on-year. According to a recent advertising barometer, this trend will continue in the beginning of 2015.

Alma Media's revenue remained almost on last year's level. Operating profit excluding non-recurring items decreased to MEUR 21.4. As the economy in Finland continued to be weak, the development of the company's business in Finland in 2014 was also weak in print media. 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 over 25%.

Alma Media's investment in digital development paid off in 2014. The Group's revenue from digital products and services increased by 12%. Digital advertising sales nearly reached the level of print media advertising sales. Digital products and services accounted for 32.0% (28.4%) of Group revenue.

Towards the end of 2014, Alma Media decided to divest City24, a housing portal in the Baltic countries. Outside Finland, Alma Media will now focus on strengthening its digital recruitment services.

Regardless of economic cycles, Alma Media has a solid position in the diversifying media field, due to its digital expertise and strong brands. The company is making investments in developing multichannel content, creating new mobile solutions, increasing digital services, using data in multiple ways and developing successful advertising solutions.

Alma Media's financing standing strengthened significantly during last year and the gearing ratio increased to over 42%. The company continues to invest in growth and internationalisation, whenever opportunities that are in line with the company strategy arise.

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ALMA MEDIA GROUP FINANCIAL STATEMENT RELEASE 1 JANUARY–31 DECEMBER 2014

The descriptive part of this review focuses on the financial statements for 2014. The figures are compared in accordance with the International Financial Reporting Standards (IFRS) with those of the corresponding period in 2013, unless otherwise stated. The figures in the tables are independently rounded.

KEY FIGURES MEUR	2014 Q4	2013 Q4	Change %	2014 Q1–Q4	2013 Q1–Q4	Change %
Revenue	76.6	77.3	-0.9	295.4	300.2	-1.6
Total expenses excluding non-recurring items	71.2	71.1	0.2	274.6	276.7	-0.8
EBITDA excluding non-recurring items	8.9	10.1	-11.7	35.1	37.5	-6.4
EBITDA	10.1	9.9	1.9	36.4	45.3	-19.7
Operating profit excluding non-recurring items	5.6	6.4	-11.6	21.4	24.2	-11.5
% of revenue	7.3	8.2		7.2	8.0	
Operating profit (loss)	4.8	4.3	12.1	20.7	27.0	-23.5
% of revenue	6.3	5.6		7.0	9.0	
Profit before tax	5.4	-0.3	2,216.7	19.7	22.4	-12.1
Profit for the period	4.0	-2.0	306.8	15.7	16.0	-1.7
Return on Equity/ROE (Annual)*	16.9	-8.3	302.0	16.4	18.6	-11.7
Return on Investment/ROI (Annual)*	10.2	-3.0	442.7	9.7	10.0	-3.0
Net financial expenses	0.6	0.2	-185.1	2.7	0.5	-485.4
Net financial expenses, % of revenue	0.8	0.3		0.9	0.2	
Balance sheet total				256.1	270.7	-5.4
Capital expenditure	0.5	2.8	-81.6	14.4	62.8	-77.1
Capital expenditure, % of revenue	0.7	3.7		4.9	20.9	
Equity ratio, %				42.6	34.4	24.0
Gearing, %				68.5	110.5	-38.0
Interest-bearing net debt				71.1	97.6	-27.2
Interest-bearing liabilities				83.0	109.9	-24.5
Non-interest-bearing liabilities				69.4	72.4	-4.1
Average no. of employees, calculated as full-time employees, excl. delivery staff	1,723	1,910	-9.8	1,828	1,969	-7.1
Average no. of delivery staff	918	960	-4.4	985	998	-1.4
Share indicators						
Earnings per share, EUR (basic)	0.05	-0.03	-297.9	0.19	0.20	-5.6
Earnings per share, EUR (diluted)	0.05	-0.03	-297.9	0.19	0.20	-5.6
Cash flow from operating activities/share, EUR	0.08	0.12	-29.2	0.35	0.32	8.4
Shareholders' equity per share, EUR				1.17	1.14	2.9
Dividend per share, EUR **)				0.12	0.10	20.0
Effective dividend yield, %				4.4	3.3	
P/E Ratio				14.6	15.0	
Market capitalisation				207.6	225.7	-8.0
Average no. of shares (1,000 shares)						
– basic	75,487	75,487		75,487	75,487	
– diluted	75,487	75,487		75,487	75,487	
No. of shares at end of period (1,000 shares)						
				75,487	75,487	

*) See Accounting Principles of the Financial Statement Release.

***) Proposal of the Board, capital repayment EUR 0.12 per share

Strategy and related activities during the review period

The cornerstones of the strategy are multi-channel content, marketing and advertising solutions, digital services and improving resources and competencies.

Multi-channel content was developed in the fourth quarter by Alma Regional Media that publishes Alma Media's regional, local and city newspapers. Alma Regional Media appointed a new director of digital business. In addition, Alma Regional Media launched the Etukeno project, in which employees participate in the planning of digital business. The duration of the project is approximately 18 months.

Kauppalehti finalised the reformation of its online service in the fourth quarter. The new online service with refreshed content, visual design and technologies was launched in January 2015. New arrivals on the site include the continuously updated news flow KL Nyt ('KL Now'), which allows the reader to keep up with financial and stock market news using a mobile device. In addition, the site includes the articles of the day's Kauppalehti and Kauppalehti Optio. The editors also monitor new thematic areas more extensively, such as the digital economy.

IL-Media, strongly focusing on digital media, reinforced its lifestyle expertise by appointing a new publications manager for content related to health, living, cars and travel. IL-Media also reshaped its visual design production organisation. The company completed statutory employee negotiations in October 2014. As a result of the negotiations, it was decided to combine the photo and layout departments of IL-Media into a single visual design department.

In the fourth quarter, Alma Media decided to divest City24, a housing portal in the Baltic countries. The service was sold to Oü 24m2, owned by the Estonian investment company Koha Capital Oü. After the divestment of City24, Alma Media's focus outside Finland is on strengthening its digital recruitment services.

The Lännen Media newsroom officially started operations at the beginning of October. The joint project of 12 newspapers employs an editorial team of 40 people. As a result of the collaboration, regional papers benefit from a significant amount of new content to be utilised in both the print newspaper and paid online services.

In the fourth quarter, major Finnish newspaper publishers decided to investigate the possibility of establishing a joint venture to develop the co-operation between early morning delivery service providers and their logistics and 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 that it could take on more material to deliver, while ensuring the continued high standard and cost-efficiency of delivery.

Domestic market conditions

According to TNS Media Intelligence, total advertising volume decreased by 4.9% (decreased by 6.7%) in the last quarter of the year. Advertising in city papers and newspapers declined by 7.0% (declined by 14.8%) but increased in online media by 1.7% (increased by 7.6%) from the comparison period. In terms of volume, the total market for afternoon papers declined by 8.5% (declined by 9.5%) in the fourth quarter of 2014.

According to TNS Media Intelligence, total advertising volume decreased by 3.5% (decreased by 8.5%) in 2014. Advertising in city papers and newspapers declined by 8.3% (declined by 15.7%) but increased in online media by 12.3% (increased by 5.8%) from the comparison period.

Changes in Group structure in 2014

On 28 November 2014, Alma Media sold City24, a housing portal in the Baltic countries. The service was sold to Oü 24m2, owned by the Estonian investment company Koha Capital Oü.

The parties agreed not to disclose the selling price. Alma Media records sales proceeds of MEUR 1.7 in its fourth-quarter 2014 result from the transaction.

On 2 June 2014, Alma Media Partners Oy, a subsidiary of Alma Media Group, acquired the entire share capital of Alkali Oy. Alma Media Group previously held a 24.3% stake in the company. The acquisition is treated in Alma Media's consolidated financial statements as a business combination achieved in stages. The arrangement did not have a significant effect on Alma Media's profit or loss at the time of its implementation. The company will be consolidated with Alma Media Group in accordance with the Group's holding of 65%.

Alma Media Corporation and Monster Worldwide Inc. agreed to strengthen their co-operation to cover Eastern Central Europe and the Baltic countries. 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 business will be run by Alma Career Oy (previously Monster Oy), and it will be reported under Alma Media's Digital Consumer Services segment.

Monster Worldwide Inc. became Alma Career Oy's minority shareholder with a 15% holding. Against its holding, Monster Worldwide Inc. transferred its recruitment service business in Poland, Hungary and Czech Republic to the company and purchased shares in the company for MEUR 4.7. Alma Media owns 85% of the company's shares. Monster has an option to increase its holding to 20% by 2017. The arrangement was carried out on 3 January 2014, and it did not have any effects on Alma Media's profit or loss at the time of its implementation. The arrangement had a positive cash flow impact of MEUR 4.7 million in the first quarter of 2014. More information on the arrangement is provided in the tables section of the interim report.

Baltic News Service, reported in Alma Media's Financial Media and Business Services segment, was sold in February 2014. The buyer is OÜ Uudisvoog, a company owned by the Estonian investment company Koha Capital OÜ. Alma Media recorded sales proceeds of MEUR 0.7 in its first-quarter 2014 result from the transaction.

Group revenue and result for October–December 2014

The Group's fourth-quarter revenue decreased by 0.9% to MEUR 76.6 (77.3).

Content revenue declined by 3.5% to MEUR 27.7 (28.7). The decline in content revenue from the comparison period was due to the decrease of print media circulations. The increase in content revenue from digital distribution channels was not sufficient to cover the decline in print media content revenue.

Revenue from advertising sales increased by 0.6% to MEUR 38.6 (38.4). Advertising sales for print media decreased by 6.0% from the comparison period to MEUR 19.8 (21.1). Online advertising sales increased by 11.3% to MEUR 19.0 (17.1).

Service revenue remained unchanged from the comparison period, totalling MEUR 10.2 (10.2). 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.

Total expenses increased in the last quarter of 2014 by MEUR 0.5, or 0.7%, to MEUR 73.8 (73.3). Depreciation and impairment included in the total expenses amounted to MEUR 5.3 (5.6).

Operating profit excluding non-recurring items was MEUR 5.6 (6.4), or 7.3 (8.2)% of revenue. Operating profit was MEUR 4.8 (4.3), or 6.3 (5.6)% of revenue. The operating profit includes net non-recurring items in the amount of MEUR -0.8 (-2.0).

The financial result for October–December 2014 was MEUR 4.0 (-2.0), and the result excluding non-recurring items was MEUR 4.8 (5.1).

Group revenue and result full year 2014

Revenue declined by 1.6% to MEUR 295.4 (300.2) in 2014.

Content revenue decreased by 4.5% to MEUR 110.1 (115.3). The year-on-year decline was due to the decrease in print media circulations.

Revenue from advertising sales decreased by 0.6% to MEUR 146.4 (147.3). Advertising sales for print media decreased by 7.8% from the comparison period to MEUR 73.7 (80.0). Online advertising sales increased by 9.4% to MEUR 72.7 (66.5).

Service revenue totalled 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. The increased revenues of Kauppalehti Information Services and Alma Manu were major contributors to the increase in service revenue.

Total expenses decreased in 2014 by MEUR 4.5, or 1.6%, to MEUR 277.9 (282.4). Depreciation and impairment included in the total expenses amounted to MEUR 15.7 (18.3).

Operating profit excluding non-recurring items was MEUR 21.4 (24.2), or 7.2% (8.0%) of revenue. Operating profit was MEUR 20.7 (27.0), or 7.0 (9.0) % of revenue. The operating profit includes net non-recurring items in the amount of MEUR -0.7 (2.8).

The financial result for 2014 was MEUR 15.7 (16.0), and the result for the period excluding non-recurring items was MEUR 16.5 (18.1).

Business segments

Alma Media Group's reporting structure was changed at the beginning of 2014. From the beginning of 2014, Alma Media's reportable segments are Digital Consumer Services, Financial Media and Business Services, National Consumer Media and Regional Media. Centralised services produced by the Group's parent company and centralised digital support services for the entire Group are reported outside segment reporting.

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 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.

<u>REPORTABLE SEGMENT:</u>	<u>OPERATING SEGMENT:</u>
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 tables presented in the notes section of the Financial Statement Release.

REVENUE AND OPERATING PROFIT/LOSS BY SEGMENT

REVENUE MEUR	2014 Q4	2013 Q4	Change %	2014 Q1-Q4	2013 Q1-Q4	Change %
Digital Consumer Services						
External	14.2	12.5		54.4	52.0	
Inter-segments	0.4	0.3		1.4	0.6	
Digital Consumer Services total	14.7	12.9	14.1	55.8	52.6	6.1
Financial Media and Business Services						
External	13.5	15.2		52.0	56.3	
Inter-segments	0.5	0.2		1.1	0.6	
Financial Media and Business Services total	14.0	15.4	-9.0	53.0	56.8	-6.7
National Consumer Media						
External	10.0	12.0		44.4	48.0	
Inter-segments	1.2	0.4		2.5	0.9	
National Consumer Media total	11.2	12.4	-9.6	46.9	49.0	-4.2
Regional Media						
External	36.2	36.1		137.7	139.9	
Inter-segments	2.1	2.1		7.5	7.2	
Regional Media total	38.3	38.2	0.2	145.2	147.1	-1.3
Eliminations and non-allocated	-1.6	-1.6		-5.6	-5.3	
Total	76.6	77.3	-0.9	295.4	300.2	-1.6

OPERATING PROFIT/LOSS MEUR *	2014 Q4	2013 Q4	Change %	2014 Q1-Q4	2013 Q1-Q4	Change %
Digital Consumer Services	3.5	1.4	147.5	10.7	17.7	-39.4
Financial Media and Business Services	1.4	2.6	-46.6	6.5	7.8	-17.7
National Consumer Media	-0.4	1.1	-141.1	3.1	4.7	-34.1
Regional Media	2.5	1.7	49.3	8.3	4.3	93.7
Segments total	6.9	6.7	2.2	28.6	34.5	-17.2
Non-allocated	-2.0	-2.4	15.7	-7.9	-7.5	-5.3
Total	4.8	4.3	12.1	20.7	27.0	-23.5

* Including non-recurring items.

Digital Consumer Services

The services of the Digital Consumer Services segment operating in Finland are Etuovi.com, Vuokraovi.com, Monster.fi, Autotalli.com, MyyJaOsta.com, Telkku.com, Kotikokki.net, E-kontakti.fi and Meedio.fi. The services outside Finland are Jobs.cz, Prace.cz, Topjobs.sk, CV Online, Profesia.sk, MojPosao.net, Monster.hu, Monsterpolska.pl, Monster.cz and City24.

KEY FIGURES MEUR	2014 Q4	2013 Q4	Change %	2014 Q1–Q4	2013 Q1–Q4	Change %
Revenue	14.7	12.9	14.1	55.8	52.6	6.1
Operations in Finland	5.6	5.6	-0.4	22.0	22.5	-2.4
Operations outside Finland	9.1	7.2	25.4	33.8	30.0	12.6
Total expenses excluding non-recurring items	12.9	11.5	12.2	46.8	43.4	8.0
EBITDA excluding non-recurring items	3.3	2.6	29.1	14.8	14.4	2.3
EBITDA	5.1	2.8	0.0	16.5	23.0	-28.3
Operating profit excluding non-recurring items	1.9	1.5	30.3	9.2	9.4	-2.3
% of revenue	12.9	11.3		16.4	17.8	
Operating profit	3.5	1.4	147.5	10.7	17.7	-39.4
% of revenue	23.5	10.9		19.2	33.6	
Average no. of employees, calculated as full-time employees	491	473	3.8	491	469	4.7
Online sales	14.7	12.9	14.1	55.8	52.6	6.1
Online sales, % of revenue	100.0	100.0		100.0	100.0	

OPERATIONAL KEY FIGURES	2014 Q4	2013 Q4	Change %	2014 Q1–Q4	2013 Q1–Q4	Change %
Online services, unique browsers, weekly, on average (thousands)						
Etuovi.com	518.6	429.3	20.8	533.8	459.6	16.1
Autotalli.com	111.3	118.3	-5.9	111.8	125.0	-10.5
Monster.fi	152.7	102.8	48.5	127.2	102.6	23.9
MyyjaOsta.com	10.3	20.6	-49.9	13.7	22.6	-39.3
Telkku.com	741.3	753.8	-1.7	735.5	692.3	6.2
Kotikokki.net	476.0	396.0	20.2	408.7	328.2	24.5
Meedio.fi	42.4	60.8	-30.2	58.6	62.7	-6.6

October–December 2014

In the last quarter of 2014, revenue for the Digital Consumer Services segment increased by 14.1% to MEUR 14.7 (12.9). Revenue from the recruitment business increased by 23.4% during the review period and accounted for 69.5 (64.3)% of the segment's revenue in the last quarter of 2014. Revenue from operations in Finland did not increase.

Total expenses during the review period excluding non-recurring items were MEUR 12.9 (11.5).

The Digital Consumer Services segment's operating profit excluding non-recurring items was MEUR 1.9 (1.5) in the fourth quarter. Operating profit excluding non-recurring items accounted for 12.9 (11.3)% of revenue. The segment's operating profit was MEUR 3.5 (1.4). The non-recurring items were related to sales gains from the divestment of the City24 housing portal and impairment of assets.

Full year 2014

In 2014, the Digital Consumer Services segment's revenue was MEUR 55.8 (52.6), up 6.1%. Recruitment-related business accounted for 67.5 (62.0)% of the segment's revenue in 2014. The revenue for the comparison period includes MEUR 2.2 in revenue from the Mascus business sold in April 2013. The devaluation of the Czech koruna in November 2013 decreased the segment's euro revenue by a total of MEUR 1.1 year-on-year. Revenue was increased by MEUR 1.8 by new recruitment service companies in Hungary, the Czech Republic and Poland.

Total expenses during the review period amounted to MEUR 46.8 (43.4).

The Digital Consumer Services segment's operating profit excluding non-recurring items was MEUR 9.2 (9.4). The segment's operating profit was MEUR 10.7 (17.7). Investments were made in the new recruitment services acquired in January 2014, causing a negative effect of MEUR 1.2 on the result. The operating profit for 2014 includes non-recurring items of MEUR 1.5 (8.5). The non-recurring items for 2014 were related to sales gains from the divestment of the City24 housing portal and impairment of assets. The operating profit for the comparison period includes non-recurring proceeds from the divestment of the Mascus business.

Financial Media and Business Services

The Financial Media and Business Services segment specialises in the production of financial information as well as providing information and marketing solutions for businesses. 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.

KEY FIGURES	2014	2013	Change	2014	2013	Change
MEUR	Q4	Q4	%	Q1-Q4	Q1-Q4	%
Revenue	14.0	15.4	-9.0	53.0	56.8	-6.7
Content revenue	4.4	4.4	-0.1	16.2	16.8	-3.5
Advertising revenue	4.1	4.7	-12.7	15.6	16.2	-4.1
Service revenue	5.6	6.3	-12.4	21.2	23.8	-10.8
Total expenses excluding non-recurring items	12.2	12.8	-4.9	46.4	49.1	-5.4
EBITDA excluding non-recurring items	1.9	2.7	-30.5	7.1	8.5	-16.8
EBITDA	1.9	2.7	-30.5	7.3	8.5	-14.2
Operating profit excluding non-recurring items	1.8	2.6	-28.2	6.7	7.8	-14.5
% of revenue	13.2	16.7		12.6	13.8	
Operating profit	1.4	2.6	-46.6	6.5	7.8	-17.7
% of revenue	9.8	16.7		12.2	13.8	
Average no. of employees, calculated as full-time employees	215	401	-46.4	259	402	-35.6
Online sales	6.0	5.2	13.8	22.8	19.0	20.2
Online sales, % of revenue	42.5	34.0		43.0	33.4	
OPERATIONAL KEY FIGURES	2014	2013	Change	2014	2013	Change
	Q4	Q4	%	Q1-Q4	Q1-Q4	%
Online services, unique browsers, weekly, on average (thousands)						
Kauppalehti.fi	791.0	769.8	2.8	772.9	649.8	19.0
Audited circulation (thousands)					Q1-Q4	
Kauppalehti					57.4	

October–December 2014

Revenue for the Financial Media and Business Services segment declined by 9.0% to MEUR 14.0 (15.4). The divestment of the BNS business operations in February had an effect of MEUR 1.1 on the decline in revenue. Online business accounted for 42.5 (34.0)% of the segment's revenue.

Content revenue for Financial Media and Business Services was MEUR 4.4 (4.4), unchanged year-on-year. Digital content revenue grew by 20.8%, compensating for the decline in content revenue for print media. The decline in content revenue from print media was partly due to the termination of unprofitable subscriptions.

Advertising sales in the fourth quarter of 2014 amounted to MEUR 4.1 (4.7). The decrease in total advertising sales was due to decreased print media advertising sales. Online advertising sales increased by 11.9% from the comparison period.

The segment's total expenses excluding non-recurring items were MEUR 12.2 (12.8). Marketing investments increased the costs in the fourth quarter. As a result of the divestment of the BNS business early in the year, expenses decreased by MEUR 1.0

Operating profit excluding non-recurring items for the Financial Media and Business Services segment was MEUR 1.8 (2.6) and operating profit MEUR 1.4 (2.6). Operating profit excluding non-recurring items accounted for 13.2 (16.7)% of revenue. In the fourth quarter of 2014, the non-recurring expenses of MEUR 0.5 were due to impairment loss recognised on the goodwill of custom media business.

Full year 2014

Revenue for the Financial Media and Business Services segment declined by 6.7% to MEUR 53.0 (56.8). The divestment of the BNS business operations in February had an effect of MEUR 2.1 on the decline in revenue. Online business accounted for 43.0 (33.4)% of the segment's revenue.

Content revenue for the Financial Media and Business Services segment declined by 3.5% to MEUR 16.2 (16.8). The increase in digital content revenue partly covered the decline in content revenue for print media.

In 2014, advertising sales declined by 4.1% to MEUR 15.6 (16.2). Online advertising sales increased by 14.4% from the comparison period.

The segment's total expenses excluding non-recurring items were MEUR 46.4 (49.1). The decrease in total expenses is due to the divestment of the BNS business operations.

Operating profit excluding non-recurring items for the Financial Media and Business Services segment was MEUR 6.7 (7.8) and operating profit MEUR 6.5 (7.8). Operating profit excluding non-recurring items accounted for 12.6 (13.8)% of revenue. The operating profit includes non-recurring income in the amount of MEUR 0.7 (0.0) and non-recurring expenses in the amount of MEUR 0.5 (0.0). Operating profit was weighed down by the weakened profitability of custom media business operations. The non-recurring items affecting operating profit were related to sales gains from the divestment of the BNS business, the restructuring of Alma360's operations and impairment loss.

National Consumer Media

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

KEY FIGURES MEUR	2014 Q4	2013 Q4	Change %	2014 Q1-Q4	2013 Q1-Q4	Change %
Revenue	11.2	12.4	-9.6	46.9	49.0	-4.2
Content revenue	7.0	7.4	-6.3	28.5	30.9	-7.8
Advertising revenue	4.2	4.6	-8.2	18.4	17.5	4.8
Service revenue	0.0	0.3	-100.8	0.0	0.5	-96.0
Total expenses excluding non-recurring items	11.1	11.3	-2.1	43.2	44.3	-2.3
EBITDA excluding non-recurring items	0.1	1.1	-89.0	3.8	4.8	-22.3
EBITDA	-0.4	1.1	-140.2	3.2	4.8	-34.1
Operating profit excluding non-recurring items	0.1	1.1	-88.8	3.7	4.7	-22.0
% of revenue	1.1	8.8		7.8	9.6	
Operating profit	-0.4	1.1	-141.1	3.1	4.7	-34.1
% of revenue	-4.0	8.8		6.6	9.6	
Average no. of employees, calculated as full-time employees	146	149	-2.1	160	160	0.3
Online sales	3.0	3.0	-1.9	12.7	10.5	20.6
Online sales, % of revenue	26.6	24.5		27.0	21.5	
OPERATIONAL KEY FIGURES	2014 Q4	2013 Q4		2014 Q1-Q4	2013 Q1-Q4	
Online services, unique browsers, weekly, on average (thousands)						
Iltalehti.fi	4,383.5	4,065.0	7.8	4,225.3	3,530.1	19.7
Audited circulation (thousands)						
Iltalehti					77.3	

October–December 2014

Revenue for the National Consumer Media segment declined by 9.6% to MEUR 11.2 (12.4) in October–December. Online business accounted for 26.6 (24.5)% of the segment's revenue.

The segment's content revenue declined by 6.3% to MEUR 7.0 (7.4) in October–December, mainly due to the decrease in Iltalehti's circulation. Iltalehti's market share in the fourth quarter of 2014 was 38.9% (39.8%).

The segment's advertising sales declined by 8.2% to MEUR 4.2 (4.6). Advertising sales for print media decreased by 18.5% Digital advertising sales declined by 1.8% to MEUR 2.9 (3.0).

The segment's total expenses excluding non-recurring items were MEUR 11.1 (11.3). The decrease in total expenses was particularly affected by the decrease in printing and distribution costs due to lower single-copy sales. Expenses were increased by investments in IL-TV and digital services.

The segment's operating profit excluding non-recurring items was MEUR 0.1 (1.1), or 1.1 (8.8)% of revenue. The non-recurring items in the review period were mainly related to operational restructuring.

Full year 2014

Revenue for the National Consumer Media segment declined by 4.2% to MEUR 46.9 (49.0) in 2014. Online business accounted for 27.0% (21.5%) of the segment's revenue.

The segment's content revenue declined by 7.8% to MEUR 28.5 (30.9) in January–December. Iltalehti's market share was 39.4 (39.8)% in 2014.

The segment's advertising sales increased by 4.8% to MEUR 18.4 (17.5). Advertising sales for print media decreased by 17.4% Online advertising sales increased by 20.8% to MEUR 12.5 (10.4).

The segment's operating profit excluding non-recurring items was MEUR 3.7 (4.7) and operating profit MEUR 3.1 (4.7). Operating profit excluding non-recurring items accounted for 7.8 (9.6)% of revenue. The non-recurring expenses of MEUR 0.6 recorded in 2014 were related to the restructuring of operations. No non-recurring expenses were reported for the comparison period.

Regional Media

The Regional Media segment reports the publishing activities of 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.

KEY FIGURES	2014	2013	Change	2014	2013	Change
MEUR	Q4	Q4	%	Q1–Q4	Q1–Q4	%
Revenue	38.3	38.2	0.2	145.2	147.1	-1.3
Content revenue	16.4	16.9	-2.8	65.5	67.6	-3.1
Advertising revenue	17.1	17.7	-3.6	62.5	66.5	-6.1
Service revenue	4.8	3.6	32.3	17.2	13.0	32.7
Total expenses excluding non-recurring items	34.6	34.6	0.1	135.8	137.4	-1.2
EBITDA excluding non-recurring items	4.6	5.5	-16.7	14.7	15.3	-4.4
EBITDA	4.6	5.1	-10.1	14.7	14.5	1.1
Operating profit excluding non-recurring items	3.8	3.6	3.7	9.6	9.8	-1.7
% of revenue	9.9	9.5		6.6	6.6	
Operating profit	2.5	1.7	49.3	8.3	4.3	93.7
% of revenue	6.5	4.4		5.7	2.9	
Average no. of employees, calculated as full-time employees, excl. delivery staff	708	734	-3.6	758	786	-3.6
Average no. of delivery staff	918	960	-4.4	985	998	-1.4
Online sales	1.1	0.8	28.4	3.7	2.6	43.2
Online sales, % of revenue	2.8	2.2		2.6	1.8	

OPERATIONAL KEY FIGURES	2014 Q4	2013 Q4	2014 Q1–Q4	2013 Q1–Q4
Online services, unique browsers, weekly, on average (thousands)				
Aamulehti.fi	470.4	423.9	11.0	433.8
Audited circulation (thousands)				
Aamulehti				113.1
Printing volume (in thousands)	68,460	52,795	256,034	194,978
Paper usage (tonnes)	5,974	6,092	23,956	23,489

October–December 2014

Revenue for the Regional Media segment in October–December amounted to MEUR 38.3 (38.2). Online business accounted for 2.8% (2.2%) of the segment's revenue.

The segment's content revenue declined by 2.8% to MEUR 16.4 (16.9) in October–December, which was due to circulation decreases for printed newspapers.

The segment's advertising sales declined by 3.6% to MEUR 17.1 (17.7). Advertising sales for print media decreased by 3.6%. The segment's online advertising sales remained unchanged from the comparison period, totalling MEUR 0.6 (0.6).

The segment's service revenue increased by 32.3% to MEUR 4.8 (3.6). The increase in service revenue is attributable to the growth in printing revenue from external customers.

The segment's total expenses excluding non-recurring items were MEUR 34.6 (34.6) and total expenses MEUR 36.0 (36.6). Increased delivery costs in Kainuu, Pohjanmaa and Varsinais-Suomi were compensated by efficiency improvement measures for newspapers and printing operations.

In 2013, the procurement cost of the new printing press was increased by MEUR 3.4 in value-added tax related to a partial delivery. In 2013, the leasing company that financed the printing press received a preliminary decision from the Finnish Central Tax Board, stating that the value-added tax related to the printing press delivery was nondeductible insofar as the value-added tax concerned advance payments to the now bankrupt supplier manroland AG. On 23 December 2014, the Finnish Supreme Administrative Court gave its decision on the tax appeal filed by the leasing company. The court decided in favour of the leasing company and repealed the decision of the Finnish Central Tax Board. On the basis of this, Alma Media removed the provision shown in Tangible Assets and Provisions.

The segment's operating profit excluding non-recurring items was MEUR 3.8 (3.6) and operating profit MEUR 2.5 (1.7). Operating profit excluding non-recurring items accounted for 9.9% (9.5%) of revenue. The segment's non-recurring expenses of MEUR 1.3 are related to impairment loss on goodwill.

Full year 2014

The Regional Media segment's revenue declined by 1.3% to MEUR 145.2 (147.1) in January–December. Online business operations accounted for 2.6% (1.8%) of the segment's revenue.

The segment's content revenue decreased by 3.1% to MEUR 65.5 (67.6) in January–December, mainly due to the decrease in print media circulation.

The segment's advertising sales declined by 6.1% to MEUR 62.5 (66.5). Advertising sales for print media decreased by 6.7%. The segment's online advertising sales increased by 10.8% to MEUR 2.1 (1.9).

The segment's service revenue increased by 32.7% to MEUR 17.2 (13.0). The increase in service revenue is attributable to the growth in printing revenue from external customers.

The segment's total expenses excluding non-recurring items were MEUR 135.8 (137.4) and total expenses MEUR 137.2 (142.9). Total expenses were reduced by the efficiency improvement measures for newspapers and printing operations. Non-recurring items totalled MEUR -1.3 (-5.5). The non-recurring items for 2014 were related to impairment loss on goodwill. The non-recurring items in the comparison period were mainly related to the restructuring of printing operations.

Operational reliability at the new printing facility in Tampere is back to normal, and paper losses in connection with production changes have been successfully reduced. Printing operations in Rovaniemi were discontinued on 31 March 2014, and the printing of Pohjolan Sanomat and Lapin Kansa was transferred to a printing house outside the Group.

The segment's operating profit excluding non-recurring items was MEUR 9.6 (9.8) and operating profit MEUR 8.3 (4.3). Operating profit excluding non-recurring items accounted for 6.6% (6.6%) of revenue.

Associated companies

SHARE OF PROFIT OF ASSOCIATED COMPANIES MEUR	2014 Q4	2013 Q4	2014 Q1-Q4	2013 Q1-Q4
Digital Consumer Services	0.1	0.1	0.0	0.1
Financial Media and Business Services				
Talentum Oyj	0.8	-3.0	1.0	-3.1
National Consumer Media	0.0	0.0	0.0	0.0
Regional Media	0.0	-1.4	0.0	-1.4
Other associated companies	0.2	0.0	0.7	0.3
Total	1.1	-4.4	1.7	-4.1

Alma Media Group holds a 32.14% stake in Talentum Oyj, which is reported under the Financial Media and Business Services segment. The company's own shares in the possession of Talentum are included in the total number of shares. In Alma Media's interim report, the own shares held by Talentum itself are not included in the total number of shares. Alma Media's shareholding in Talentum is stated as 32.38% in this financial statement.

Alma Media acquired 35% of the share capital of the leading online travel service Rantapallo Oy in February. Starting from the first quarter of 2014, Rantapallo is reported as an associated company of Alma Media under the Digital Consumer Services segment.

Non-recurring items

A non-recurring item is a comprehensive income or expense arising from non-recurring or rare events. Gains or losses from the sale or discontinuation of business operations or assets, gains or losses from restructuring business operations as well as impairment losses of goodwill and other assets are recognised as non-recurring items. Non-recurring items are recognised in the profit and loss statement within the corresponding income or expense group.

NON-RECURRING ITEMS MEUR	2014 Q4	2013 Q4	2014 Q1-Q4	2013 Q1-Q4
Digital Consumer Services				
Impairment losses	-0.2	-0.2	-0.2	-0.2
Restructuring	0.0	0.0	0.0	0.0
Gains on the sale of assets	1.7	0.2	1.7	8.5
Financial Media and Business Services				
Impairment losses	-0.5	0.0	-0.5	0.0
Restructuring	0.0	0.0	-0.5	0.0
Gains (losses) on the sale of assets	0.0	0.0	0.7	0.0
National Consumer Media				
Restructuring	-0.6	0.0	-0.6	0.0
Gains (losses) on the sale of assets	0.0	0.0	0.0	0.0
Regional Media				
Impairment losses	-1.3	-1.6	-1.3	-4.7
Restructuring	-0.1	-0.4	-0.1	-0.8
Gains (losses) on the sale of assets	0.1	0.0	0.1	0.0
Non-allocated				
Restructuring	0.0	0.0	-0.2	0.0
Gains (losses) on the sale of assets	0.0	0.0	0.0	0.0

NON-RECURRING ITEMS IN OPERATING PROFIT	-0.8	-2.0	-0.7	2.8
Impairment losses of associated companies	0.0	-5.0	0.0	-5.0
NON-RECURRING ITEMS IN PROFIT BEFORE TAX	-0.8	-7.0	-0.7	-2.1

Balance sheet and financial position

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%) 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 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 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.

Capital expenditure

Alma Media Group's capital expenditure in January–December 2014 totalled MEUR 14.4 (62.8). The capital expenditure during the review period comprised the acquisitions of new recruitment service companies in Hungary, Poland and Czech Republic, increasing the shareholding in Alma Career Oy in Finland, buying shares in the associated company Alkali Oy to make it a subsidiary, as well as normal operating and maintenance investments.

Research and development costs

The Group's research and development costs in 2014 totalled MEUR 5.5 (MEUR 5.3 in 2013). Of this total, MEUR 4.0 (MEUR 4.2 in 2013) was recognised in the income statement and MEUR 1.5 (MEUR 1.1 in 2013) was capitalised to the balance sheet in 2014. On 31 December 2014, capitalised research and development costs on the balance sheet totalled MEUR 1.3.

Administration

Alma Media Corporation's Annual General Meeting (AGM) held on 20 March 2014 elected Niklas Herlin, Esa Lager, Petri Niemisvirta, Perttu Rinta, Erkki Solja, Catharina Stackelberg-Hammarén and Harri Suutari as members of the company's Board of Directors. In its constitutive meeting held after the AGM, the Board of Directors elected Harri Suutari as its Chairman.

The Board of Directors appointed the members of its permanent committees. Perttu Rinta and Catharina Stackelberg-Hammarén were elected as members of the Audit Committee and Esa Lager as Chairman of the Committee. Esa Lager, Niklas Herlin and Erkki Solja were elected as members of the Nomination and Compensation Committee and Petri Niemisvirta as Chairman of the Committee.

The Board of Directors of Alma Media Corporation has evaluated that with the exception of Perttu Rinta, Esa Lager and Niklas Herlin, the elected members of the Board of Directors are independent of the

company and its significant shareholders. The members named above are evaluated to be independent of the company but dependent on its significant shareholders.

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

The AGM appointed PricewaterhouseCoopers Oy as the company's auditors, with Markku Launis, APA, as the principal auditor.

Alma Media Corporation applies the Finnish Corporate Governance Code for listed companies, issued by the Securities Market Association on 15 June 2010 and in effect since 1 October 2010, in its unamended form. The details of salaries and bonuses for 2014 is published on the company's website on 13 February 2015 at www.almamedia.com/investors. The Corporate Governance Statement will be published on the company's website at www.almamedia.com/investors on 24 February 2015.

Dividends

In accordance with the proposal of the Board of Directors, the AGM resolved that no dividend be paid for the financial year 2013. The company has no retained earnings.

Use of the invested non-restricted equity fund

In accordance with the proposal of the Board of Directors, the AGM resolved that EUR 76,100,000 be used from the invested non-restricted equity fund, complying with the company's balance sheet of 31 December 2013, to cover losses. The covering of losses improves the preconditions for the distribution of profit in future financial periods.

Capital repayment

In accordance with the proposal of the Board of Directors, the AGM resolved to distribute EUR 0.10 per share as capital repayments from the invested non-restricted equity. At the time of the AGM, the company had 75,486,853 shares, translating into a repayment amount of EUR 7,548,685. Capital repayments were paid to shareholders registered in Alma Media Corporation's shareholder register, maintained by Euroclear Finland Ltd, on the record date, 25 March 2014. The capital repayments were paid on 1 April 2014 as proposed by the Board of Directors.

Authorisation to the Board of Directors to resolve capital repayment

The AGM authorised, in accordance with the proposal by the Board of Directors, the Board, at its discretion, to resolve the distribution of funds to shareholders as capital repayments from the invested non-restricted equity fund. The maximum amount of capital repayment on the basis of the authorisation is EUR 0.10 per share. At the time of the AGM, the company had 75,486,853 shares, translating into a maximum repayment amount of EUR 7,548,685. The authorisation remains valid until the start of the subsequent AGM, yet not past 30 June 2015.

Other decisions by the Annual General Meeting

As proposed by the Board of Directors, the AGM resolved to reduce the share premium fund shown on the balance sheet on 31 December 2013, EUR 319,295,759, by a total of EUR 200,000,000, which will be transferred to the company's invested non-restricted equity fund. The equity of the company consists almost entirely of restricted equity, and it is expedient for the equity structure and distribution of profits to change the structure in a way that reduces the proportion of restricted equity in total equity. The share premium fund constitutes part of the company's restricted equity, which is why reducing the fund requires a public notice to creditors in accordance with the Limited Liability Companies Act. All practicalities of reducing the share premium fund are decided by the Board of Directors.

The AGM authorised the Board of Directors to decide on a share issue. The authorisation entitles the Board to issue a maximum of 15,000,000 shares. This maximum amount of shares corresponds to approximately 20% of the total number of shares of the company. The share issue may be implemented by issuing new shares or transferring shares now in possession of the company. The authorisation entitles the Board to decide on a directed share issue, which entails deviating from the pre-emption rights of shareholders. The Board can use the authorisation in one or more parts.

The Board may use the authorisation for developing the capital structure of the company, widening the ownership base, financing or realising acquisitions or other arrangements, or for other purposes decided upon by the Board. The authorisation may not, however, be used to implement incentive programmes for the management or key employees of the company. The authorisation is valid until the following ordinary AGM, however no longer than until 30 June 2015.

The Alma Media share

In October–December, altogether 1,463,169 Alma Media shares were traded at the NASDAQ OMX Helsinki Stock Exchange, representing 1.9% of the total number of shares. The lowest quotation during the review period was EUR 2.65 and the highest EUR 3.16.

In January–December, altogether 5,977,028 Alma Media shares were traded at the NASDAQ OMX Helsinki Stock Exchange, representing 7.9% of the total number of shares. The closing price of the Alma Media share at the end of the last trading day of the reporting period, 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.

Option programme and share-based incentive plan

Alma Media has the option programme 2009 in effect. The programme is an incentive and commitment system for Group management. If all the subscription rights are exercised, the programme 2009 will dilute the holdings of the earlier shareholders by a maximum of 2.0%. Further details about the programme are given in the notes to this Interim Report.

The Board of Directors of Alma Media Corporation decided in 2012 on a new share-based incentive plan for the Group's key employees. The new Performance Share Plan consists of three performance periods, the 2012, 2013 and 2014 calendar years. The Board of Directors will decide on the plan's performance criteria and the achievement targets at the beginning of each performance period. No rewards were paid for the performance periods 2012 and 2013. The potential reward from the plan for the performance period 2014 will be based on Alma Media Group's profitability, and it will be paid partly in the company's shares and partly in cash in 2015. For the members of the Group Executive Team, the plan additionally includes one three-year performance period, the calendar years 2012–2014, based on the profitable growth of the Group. No reward is expected to be paid for these performance periods. The Performance Share Plan includes approximately 20 persons.

Other authorisations of the Board of Directors

The Board of Directors has no other current authorisations.

Market liquidity guarantee

The Alma Media share has no market liquidity guarantee in effect.

Flagging notices

In 2014, Alma Media received notices of changes in shareholdings pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act as follows:

On 18 September 2014, Mariatorp Oy announced that it had purchased 200,000 Alma Media Corporation shares. After the transaction, Mariatorp Oy holds approximately 15.2% of Alma Media's share capital and votes.

Risks and risk management

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

The risk management process identifies and controls the risks, develops appropriate risk management methods and regularly reports on risk issues to the risk management organisation. Risk management is part of Alma Media's internal control function and thereby part of good corporate governance. Alma Media

specifies limits to and procedures for quantitative and qualitative risks in writing in its risk management system.

The most critical strategic risks for Alma Media are a significant drop in its print newspaper readership, a permanent decline in advertising sales and a significant increase in distribution and delivery costs. The media industry is undergoing changes following the transformation in media consumption and technological development. Alma Media's strategic objective is to meet this challenge through renewal and the development of new business in digital consumer and business services.

Fluctuating economic cycles are reflected in the development of advertising sales. Advertising sales account for approximately half of the Group's revenue. Business operations outside Finland, such as in the Eastern and Central European countries, include country-specific risks relating to market development and economic growth. The expansion of business outside Finland has reduced the risks inherent in operating in one market area.

The most important operational risks are disturbances in information technology and data transfer, as well as an interruption of the printing operations.

Sustainable development

With its Code of Ethics, Alma Media is committed to supporting the universally accepted principles in the areas of human rights, labour, environment and anti-corruption laid out in the United Nations Global Compact initiative. 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 addition, the Alma Media share is included in the OMX GES Sustainability Finland index. Alma Media is a member of the corporate responsibility networks Nordic Media CR Forum and Finnish Business & Society.

The most significant environmental impacts of Alma Media's business operations are related to purchases, printing and delivery operations and real estate. In 2014, the company's printing facilities used approximately 23,956 (23,489) tonnes of newsprint. Alma Media used 13,298 (16,333) MWh of electric power in 2014. Electricity consumption decreased by 18.6% year-on-year. Additional information on the company's Sustainable Media programme is available on the Alma Media website.

Events after the review period

Alma Media acquired the entire stock of JM Tieto Oy, implemented as a business combination achieved in states. Prior to this, Alma Media already held a 20 per cent stake in the company. JM Tieto Oy is a company specialising in efficient B2B sales. It focuses on marketing information and its use. In spring 2015, JM Tieto will be reorganised to constitute part of the Kauppalehti Information Services business operations.

Alma Media Kustannus Oy, a subsidiary of Alma Media Group, has initiated negotiations with Suomalainen Lehtipaino Oy concerning the divestment of Alma Media's newspaper business in Kainuu. If the divestment is realised, the regional newspaper Kainuun Sanomat, the town paper Koti-Kajaani and three subscribable local papers will be transferred to the buyer approximately by the middle of March. In Kainuu, Alma Media Kustannus Oy is currently publishing the daily newspaper Kainuun Sanomat and the twice-weekly newspapers Koti-Kajaani, Ylä-Kainuu, Kuhmolainen and Sotkamo, with a total turnover of approximately EUR 11.5 million in 2014.

ALMA MEDIA CORPORATION
Board of Directors

Alma Media's financial calendar 2015

- Interim report for January–March 2015 on Thursday, 30 April 2015 at approximately 9:00 EET
- Interim report for January–June 2015 on Tuesday, 21 July 2015 at approximately 9:00 EET
- Interim Report for January–September 2015 on Friday, 23 October 2015 at approximately 9:00 EET

Alma Media's Annual Review 2014, including corporate responsibility reporting, is scheduled to be published in calendar week 11, 2015, at the latest.

The Annual General Meeting is planned to be held on Tuesday, 17 March 2015. Financial Statements, Report by the Board of Directors, Auditor's Report and Corporate Governance Statement will be published no later than on Tuesday, 24 February 2015.

SUMMARY OF FINANCIAL STATEMENT RELEASE AND NOTES

COMPREHENSIVE INCOME STATEMENT MEUR	2014 Q4	2013 Q4	Change %	2014 Q1–Q4	2013 Q1–Q4	Change %
REVENUE	76.6	77.3	-0.9	295.4	300.2	-1.6
Other operating income	2.1	0.3	544.9	3.2	9.2	-65.2
Materials and services	20.2	19.8	1.9	77.5	79.5	-2.6
Employee benefits expense	30.5	30.2	0.7	120.8	119.4	1.1
Depreciation, amortisation and impairment	5.3	5.6	-6.0	15.7	18.3	-14.1
Other operating expenses	17.9	17.6	1.6	64.0	65.2	-1.9
OPERATING PROFIT	4.8	4.3	12.1	20.7	27.0	-23.5
Finance income	0.1	0.5	-84.6	0.4	1.9	-79.8
Finance expenses	0.7	0.7	-3.6	3.1	2.4	29.3
Share of profit of associated companies	1.1	-4.4	126.0	1.7	-4.1	142.2
PROFIT BEFORE TAX	5.4	-0.3	2,216.7	19.7	22.4	-12.1
Income tax	1.3	1.7	-21.1	4.0	6.4	-38.1
PROFIT FOR THE PERIOD	4.0	-2.0	306.8	15.7	16.0	-1.7

OTHER COMPREHENSIVE INCOME:

Items that are not later transferred to be recognised through profit or loss						
Items arising due to the redefinition of net defined benefit liability (or asset item)	0.0	0.0		-0.4	0.0	
Tax on items that are not later transferred to be recognised through profit or loss	0.0	0.0		0.0	0.0	
Items that may later be transferred to be recognised through profit or loss						
Translation differences	-0.1	0.0		0.2	-2.9	
Share of other comprehensive income of associated companies	-0.1	-0.2		-0.4	-0.4	
Actuarial gains and losses	0.0	0.0		0.0	-0.2	
Income tax relating to components of other comprehensive income	0.0	0.0		0.0	0.0	
Other comprehensive income for the year, net of tax	-0.2	-0.2		-0.6	-3.4	
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3.8	-2.2		15.1	12.6	

Profit for the period attributable to:

– Owners of the parent	3.9	-2.0		14.2	15.0	
– Non-controlling interest	0.1	0.0		1.5	0.9	

Total comprehensive income for the period attributable to:

– Owners of the parent	3.7	-2.2		13.6	11.6	
– Non-controlling interest	0.1	0.0		1.5	0.9	

Earnings per share calculated from the profit for the period attributable to the parent company shareholders:

– Earnings per share (basic), EUR	0.05	-0.03		0.19	0.20	
– Earnings per share (diluted), EUR	0.05	-0.03		0.19	0.20	

BALANCE SHEET		
MEUR	31 Dec 2014	31 Dec 2013
ASSETS		
NON-CURRENT ASSETS		
Goodwill	69.7	69.5
Other intangible assets	38.2	41.3
Tangible assets	76.2	86.3
Investments in associated companies	25.7	25.5
Other non-current financial assets	3.9	3.8
Deferred tax assets	1.3	1.5
CURRENT ASSETS		
Inventories	1.3	1.4
Current tax assets	1.2	0.0
Trade receivables and other receivables	26.6	27.0
Other current financial assets	0.0	2.0
Cash and cash equivalents	12.0	12.3
TOTAL ASSETS	256.1	270.7
MEUR		
	31 Dec 2014	31 Dec 2013
EQUITY AND LIABILITIES		
Share capital	45.3	45.3
Share premium reserve	7.7	7.7
Translation differences	-2.5	-2.7
Retained earnings	38.0	35.6
Equity attributable to owners of the parent	88.5	86.0
Non-controlling interest	15.2	2.3
TOTAL EQUITY	103.7	88.3
LIABILITIES		
NON-CURRENT LIABILITIES		
Non-current interest-bearing liabilities	70.9	69.7
Deferred tax liabilities	6.9	7.0
Pension liabilities	2.7	2.6
Other non-current liabilities	0.3	0.4
CURRENT LIABILITIES		
Current financial liabilities	12.8	40.8
Advances received	12.9	13.7
Income tax liability	0.0	1.5
Provisions	0.4	4.2
Trade payables and other payables	45.5	42.4
TOTAL LIABILITIES	152.5	182.3
TOTAL EQUITY AND LIABILITIES	256.1	270.7

* Comparison figures for 2013 have been adjusted due to the effect of exchange rate changes on goodwill. As a result of the adjustment, goodwill and intangible assets decreased by MEUR 2.1.

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

Column headings:

A = Share capital

B = Share premium reserve

C = Translation differences

D = Retained earnings

E = Total

F = Non-controlling interest

G = Equity total

MEUR	Equity attributable to owners of the parent				E	F	G
	A	B	C	D			
Equity on 1 Jan 2014	45.3	7.7	-2.7	35.6	86.0	2.3	88.3
Profit for the period				14.2	14.2	1.5	15.7
Other comprehensive income			0.2	-0.8	-0.6		-0.6
Transactions with equity holders							
Dividends paid by parent				-7.5	-7.5		-7.5
Dividends paid by subsidiaries						-0.8	-0.8
Share-based payment transactions and exercised share options				0.1	0.1		0.1
Business combinations				-3.7	-3.7	12.2	8.5
Share of items recognised in the equity of associated companies				0.1	0.1		0.1
Equity 31 Dec 2014	45.3	7.7	-2.5	38.0	88.5	15.2	103.7
MEUR							
Equity on 1 Jan 2013	45.3	7.7	0.2	28.1	81.3	2.8	84.1
Profit for the period				15.0	15.0	0.9	16.0
Other comprehensive income			-2.9	-0.4	-3.3		-3.3
Transactions with equity holders							
Dividends paid by parent				-7.5	-7.5		-7.5
Dividends paid by subsidiaries						-1.2	-1.2
Share-based payment transactions and exercised share options				0.5	0.5		0.5
Change in ownership in subsidiaries						-0.1	-0.1
Equity 31 Dec 2013	45.3	7.7	-2.7	35.6	86.0	2.3	88.3

* Comparison figures for 2013 have been adjusted due to the effect of exchange rate changes on goodwill. As a result of the adjustment, goodwill and intangible assets decreased by MEUR 2.1.

CASH FLOW STATEMENT MEUR	2014 Q4	2013 Q4	2014 Q1-Q4	2013 Q1-Q4
OPERATING ACTIVITIES				
Profit for the period	4.0	-2.0	15.7	16.0
Adjustments	2.4	12.2	15.7	25.4
Change in working capital	0.1	-4.2	2.8	-11.8
Dividends received	0.1	0.6	1.2	1.3
Interest received	0.0	0.1	0.2	0.1
Interest paid and other finance expenses	-0.6	-0.2	-2.5	-1.8
Taxes paid	0.1	2.3	-6.6	-4.7
Net cash flow from operating activities	6.2	8.7	26.5	24.4
INVESTING ACTIVITIES				
Acquisitions of tangible and intangible assets	-0.9	-1.2	-3.5	-6.2
Proceeds from sale of tangible and intangible assets	0.8	0.0	1.0	0.0
Other investments	0.0	0.0	-0.1	0.0
Proceeds from sale of other investments	0.0	0.0	0.0	0.1
Acquisition of subsidiaries	0.0	0.0	-0.2	-2.6
Acquisition of associated companies	0.0	0.0	-0.7	0.0
Proceeds from sale of subsidiaries and recovered acquisition cost	2.6	0.0	12.0	10.5
Proceeds from sale and repayment of capital of associated companies	0.0	0.0	0.0	0.4
Net cash flows from/(used in) investing activities	2.5	-1.2	8.4	2.3
Cash flow before financing activities	8.7	7.5	34.9	26.7
FINANCING ACTIVITIES				
Non-current loans taken	6.5	0.0	6.5	0.0
Current loans taken	6.5	60.0	152.5	143.5
Repayment of current loans	-20.1	-64.8	-185.9	-166.0
Change in interest-bearing receivables	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	-8.3	-8.7
Net cash flows from/(used in) financing activities	-7.1	-4.8	-35.2	-31.2
Change in cash and cash equivalent funds (increase +/decrease -)	1.5	2.7	-0.3	-4.5
Cash and cash equivalents at beginning of period	10.5	9.8	12.3	17.1
Effect of change in foreign exchange rates	0.0	-0.2	0.0	-0.3
Cash and cash equivalents at end of period	12.0	12.3	12.0	12.3

Acquired businesses in 2014

Alma Media has acquired the following business operations during 2014:

	Business	Acquisition date	Group share
<u>Digital Consumer Services segment</u>			
Monster HU	Online service	3 Jan 2014	85%
Monster PL	Online service	3 Jan 2014	85%
Monster CZ	Online service	3 Jan 2014	85%
Alma Career Oy (formerly Monster Oy)	Online service	3 Jan 2014	10%
Alkali Oy	Online service	2 Jun 2014	65%

In connection with the Monster arrangement, the name of Monster Oy, an Alma Media associated company, changes to Alma Career Oy, with Monster Worldwide, Inc. becoming its minority shareholder with a 15% stake. For this share of the company, Monster Worldwide, Inc. transferred its recruitment service operations in Poland, Hungary and Czech Republic to the new company, as well as purchased shares in the company for MEUR 4.7. Alma Media transferred a 15% share of its recruitment operations, including LMC in Czech Republic, CVOnline in the Baltics, Profesia in Slovakia and Czech Republic, and TauOnline in Slovakia. After the transaction, Alma Media Group's ownership of the new companies is 85%. Monster Worldwide, Inc. has an option to increase its ownership to 20% by 2017. Monster Worldwide, Inc. previously owned 25% of the Monster business in Finland, with Alma Media owning the remaining 75%.

In its financial statements, Alma Media presented a preliminary acquisition cost calculation for the arrangement, according to which the value of the minority shares transferred was based on Alma Media Group's book values. In the final recognition of the arrangement, the value of the minority share was determined based on fair values. The tables below show how the arrangement affected the balance sheet of Alma Media Group.

<u>MEUR</u>	
Fair value share of disposed businesses (increase of non-controlling interest)	12.2
Consideration, settled in cash	-4.7
Consideration total	7.5

	<u>Book values before integration</u>	<u>Fair values at consolidation</u>
<u>Monster HU, Monster PL and Monster CZ</u>		
<u>MEUR</u>		
Property, plant and equipment	0.3	0.3
Intangible assets	0.0	0.8
Trade receivables and other receivables	0.5	0.5
Cash and cash equivalents	0.3	0.3
Total	1.1	1.9
Deferred tax liabilities	0.0	0.2
Trade payables and other payables	0.7	0.7
Total	0.7	0.8
Total identifiable net assets at fair value 100%	0.5	1.1
Total identifiable net assets at fair value 85%	0.4	1.0
Cash and cash equivalents of acquired subsidiary		0.3
Goodwill arising on acquisition		3.2
Goodwill*) arising on acquisition of Alma Career Oy (10%) is recorded as adjustment of retained earnings		3.1

*) the amount recognised directly in equity of controlling interest is the amount by which the adjustment to non-controlling interest differs from the fair value of the consideration received.

On 2 June 2014, Alma Media Partners Oy, a subsidiary of Alma Media Group, acquired the entire share capital of Alkali Oy. Alma Media Group previously held a 24.3% stake in the company. The acquisition is treated in Alma Media's consolidated financial statements as a business combination achieved in stages. The arrangement did not have a significant effect on Alma Media's profit or loss at the time of its implementation. The company will be consolidated with Alma Media Group in accordance with the 65% share held by the owners of Alma Media Group's parent company in Alma Mediapartners Oy, which became the parent company of Alkali Oy as a result of the acquisition.

MEUR

Acquisition cost 100%		1.5
Acquisition cost 65%		1.2
	Book values before integration	Fair values at consolidation
Alkali Oy		
MEUR		
Property, plant and equipment	0.0	0.0
Intangible assets	0.0	0.7
Trade receivables and other receivables	0.1	0.1
Cash and cash equivalents	0.3	0.3
Total	0.4	1.2
Deferred tax liabilities	0.0	0.1
Trade payables and other payables	0.2	0.2
Total	0.2	0.3
Total identifiable net assets at fair value 100%	0.3	0.9
Total identifiable net assets at fair value 65%		0.6
Cash and cash equivalents of acquired subsidiary		0.3
Goodwill arising on acquisition		0.7
Proceeds on sale recognised through profit or loss from the incremental acquisition		0.0

The fair values entered on intangible assets in consolidation relate primarily to acquired IT applications and customer agreements. Factors contributory to goodwill were the expected synergies related to these businesses.

Contingent considerations

The Group did not have contingent consideration assets or liabilities on its balance sheet on 31 December 2014.

CONTINGENT CONSIDERATION ASSETS MEUR

Initial recognition of the assets	8.4
Change in fair value during previous financial periods	-0.5
Considerations, settled in cash	-7.9
Change in fair value during the financial period	0.1
Fair value of the contingent consideration assets at the end of the period	0.0

CONTINGENT CONSIDERATION
LIABILITY
MEUR

Initial recognition of the liability	6.7
Change in fair value during previous financial periods	-4.3
Considerations, settled in cash	-2.4
Change in fair value during the financial period	0.0
Fair value of the contingent consideration liability at the end of the period	0.0

REVENUE BY GEOGRAPHICAL AREA MEUR	2014 Q4	2013 Q4	2014 Q1-Q4	2013 Q1-Q4
Finland	65.6	67.3	254.4	259.2
Other EU countries	10.7	9.8	40.1	39.7
Other countries	0.2	0.2	0.9	1.3
Total	76.6	77.3	295.4	300.2

Information by segment

The business segments of Alma Media are Digital Consumer Services, Financial Media and Business Services, National Consumer Media and Regional Media. The descriptive section of the interim report presents the revenue and operating profits of the segments and the allocation of the associated companies' results to the reporting segments.

The following table presents the assets and liabilities by segment, as well as the non-allocated asset and liability items.

ASSETS BY SEGMENT MEUR	31 Dec 2014	31 Dec 2013
Digital Consumer Services	89.5	88.5
Financial Media and Business Services	35.0	36.7
National Consumer Media	3.6	5.1
Regional Media	67.8	79.5
Segments total	196.0	209.8
Non-allocated assets and eliminations	60.2	60.9
Total	256.1	270.7

LIABILITIES BY SEGMENT MEUR	31 Dec 2014	31 Dec 2013
Digital Consumer Services	16.6	15.1
Financial Media and Business Services	9.6	9.9
National Consumer Media	5.1	5.2
Regional Media	67.3	77.0
Segments total	98.7	107.1
Non-allocated liabilities and eliminations	53.8	75.2
Total	152.5	182.3

CAPITAL EXPENDITURE BY SEGMENT MEUR	2014 Q4	2013 Q4	2014 Q1-Q4	2013 Q1-Q4
Digital Consumer Services	0.3	1.3	10.5	2.0
Financial Media and Business Services	0.2	0.3	1.2	0.8
National Consumer Media	0.0	0.0	0.3	0.2
Regional Media	0.1	0.3	1.1	52.0
Segments total	0.7	2.0	13.0	55.0
Non-allocated	-0.2	0.8	1.4	7.9
Total	0.5	2.8	14.4	62.8

Provisions

The company's provisions totalled MEUR 0.4 (4.2) on 31 December 2014. It has not been necessary to change the estimates made when the provisions were entered.

Commitments and contingencies

COMMITMENTS AND CONTINGENCIES		
MEUR	31 Dec 2014	31 Dec 2013
Collateral for others		
Guarantees	1.3	1.3
Other commitments and contingencies	1.9	0.0
Minimum lease payments on other lease agreements:		
Within one year	9.2	8.8
Within 1–5 years	26.7	27.4
After 5 years	32.5	37.6
Total	68.3	73.7
In addition, the Group has purchase agreements that, based on IFRIC 4, include a lease component as per IAS 17. Minimum payments based on these agreements:	0.2	0.8

DERIVATIVE CONTRACTS		
MEUR	31 Dec 2014	31 Dec 2013
Commodity derivative contracts, electricity derivatives		
Fair value*	-0.1	-0.1
Nominal value	0.4	0.6
Interest rate derivatives		
Fair value*	-0.7	-0.2
Nominal value	19.7	15.8
Foreign currency derivatives		
Fair value*	0.0	0.0
Nominal value	1.5	0.0

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

Related party transactions

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

RELATED PARTY TRANSACTIONS MEUR	2014 Q4	2013 Q4	2014 Q1–Q4	2013 Q1–Q4
Sales of goods and services	0.2	0.1	0.8	0.4
Associated companies	0.1	0.0	0.7	0.0
Principal shareholders	0.0	0.0	0.0	0.0
Corporations where management exercises influence	0.0	0.0	0.0	0.0
Purchases of goods and services	0.7	0.9	3.1	3.2
Associated companies	0.7	0.9	3.1	3.2
Principal shareholders	0.0	0.0	0.0	0.0
Corporations where management exercises influence	0.0	0.0	0.0	0.0
Trade receivables, loan and other receivables at the end of the reporting period	0.1	0.0	0.1	0.0
Associated companies	0.1	0.0	0.1	0.0
Trade payables at the reporting date	0.0	0.0	0.0	0.0
Associated companies	0.0	0.0	0.0	0.0

Option programme

Alma Media has the option programme 2009 in effect. The programme is an incentive and commitment system for Group management.

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

The option programme 2009A has ended.

A total of 610,000 options were issued under the 2009B programme. The share subscription period for 2009B is 1 April 2013–31 March 2015. The management has 505,000 options 2009B in its possession. The share subscription price has been reduced annually by the dividend per share, and was EUR 6.03 in December 2014. As of 31 December 2014, no share subscriptions were made through 2009B option rights.

A total of 640,000 options were issued under the 2009C programme. The share subscription period for 2009C is 1 April 2014–31 March 2016. The management has 535,000 options 2009C in its possession. The share subscription price was EUR 7.35 in December 2014.

If all the subscription rights are exercised, the option programme 2009 will dilute the holdings of the earlier shareholders by a maximum of 2.0%.

Share-based incentive plan

In February 2012, the Board of Directors of Alma Media Corporation approved a Performance Share Plan for the key employees of Alma Media Group. The plan includes three one-year performance periods, the calendar years 2012, 2013 and 2014, based on the Group's return. In addition, the plan includes one three-year performance period based on the profitable growth of the Group, the calendar years 2012–2014, for the members of the Group Executive Team.

The reward from the plan will be paid to the key employees in a combination of shares and cash after the end of each performance period by the end of April in 2013, 2014 and 2015. The reward from the performance period 2012–2014 will be confirmed by the end of April 2015, and it will be paid in two equal lots in a combination of shares and cash, one year and two years from the end of the performance period.

Shares paid as reward on the basis of the plan from the one-year performance periods may not be assigned, pledged or otherwise exercised (transfer restriction/s) during the restriction period established for the shares (restriction period/s). The restriction period will begin from the reward payment and end on 31 December 2014 for the shares earned from the performance period 2012, on 31 December 2015 for the shares earned from the performance period 2013, and on 31 December 2016 for the shares earned from the performance period 2014.

No reward will be paid to a key employee if a Group company or the key employee give notice of termination or terminate an employment contract or a service contract of the key employee before the

payment of the reward. The key employee must return the shares received as reward and under transfer restrictions immediately without consideration to the company or another party assigned by the company if a Group company or the key employee give notice of termination or terminate an employment contract or a service contract of the key employee before the end of the restriction period. Shares earned from the performance period 2012–2014 do not involve a restriction period.

A maximum total of 600,000 shares will be given as reward on the basis of the entire plan, and a cash payment needed for taxes and tax-related costs arising from the reward to the key employees on the book-entry registration date of the shares.

A total of 20–25 persons were included in the Performance Share Plan during the 2012, 2013 and 2014 performance periods. The value of the plan for the performance period 2012 corresponded to the value of 120,000 shares, for the performance period 2013 the value of 117,000 shares, and a cash payment covering the taxes and tax-related costs arising from the reward to the key employees if the performance objectives set by the Board of Directors are reached. The performance objectives were not reached for the performance periods 2012 and 2013.

The value of the plan during the performance period 2014 corresponds to the value of 383,000 shares and a cash amount covering the taxes and tax-related costs arising from the reward to the key employees if the performance objectives set by the Board of Directors are reached.

In addition, for the members of the Group Executive Team, the plan includes one three-year performance period, the calendar years 2012–2014, based on the profitable growth of the Group. The potential reward for the performance period 2012–2014 will be paid partly in the company's shares and partly in cash one year (performance period 2012–2014) and two years (performance period 2012–2014 II) from the end of the performance period. The value of the plan during the performance periods 2012–2014 and 2012–2014 II corresponds to the value of 212,000 shares and a cash amount needed for taxes and tax-related costs arising from the reward to the key employees if the performance objectives set by the Board of Directors are reached.

The fair value of the reward is expensed until the target group is entitled to the reward and the shares are freely transferable. The fair value of the share is the share price reduced by the estimated dividends. The fair value is determined on the date at which the target group has agreed to the conditions of the plan. The fair value of the cash proportion is remeasured at each reporting date based on the share price on the reporting date. No expenses were recorded from the Performance Share Plan during the financial period 2014 as the arrangement is not expected to be realised.

QUARTERLY INFORMATION MEUR	2014 Q4	2014 Q3	2014 Q2	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4
REVENUE	76.6	70.5	75.7	72.7	77.3	71.7	76.3	74.9	82.7
Digital Consumer Services	14.7	13.5	14.0	13.6	12.9	12.3	13.4	14.1	13.1
Financial Media and Business Services	14.0	12.2	13.1	13.7	15.4	13.1	14.4	14.0	16.1
National Consumer Media	11.2	11.5	12.7	11.5	12.4	12.2	12.4	12.0	13.4
Regional Media	38.3	34.6	37.2	35.1	38.2	35.1	37.2	36.6	42.4
Eliminations and non-allocated	-1.6	-1.3	-1.4	-1.3	-1.6	-1.0	-1.0	-1.8	-2.2
TOTAL EXPENSES EXCLUDING NON-RECURRING ITEMS	71.2	63.5	69.5	70.2	71.1	64.1	71.9	69.6	74.4
Digital Consumer Services	12.9	10.9	11.5	11.5	11.5	10.1	10.5	11.3	12.0
Financial Media and Business Services	12.2	10.0	11.7	12.4	12.8	10.9	12.7	12.7	13.8
National Consumer Media	11.1	10.7	11.1	10.4	11.3	10.4	11.4	11.2	11.7
Regional Media	34.6	32.0	34.3	35.0	34.6	32.4	35.9	34.5	35.5
Eliminations and non-allocated	0.5	-0.1	0.9	0.9	0.9	0.3	1.4	-0.1	1.3
EBITDA EXCLUDING NON- RECURRING ITEMS	8.9	10.4	9.7	6.1	10.1	11.4	8.0	8.0	10.6
Digital Consumer Services	3.3	4.1	3.9	3.5	2.6	3.6	4.2	4.1	2.3
Financial Media and Business Services	1.9	2.3	1.4	1.5	2.7	2.4	1.9	1.5	2.5
National Consumer Media	0.1	0.8	1.7	1.2	1.1	1.9	0.9	0.9	1.7
Regional Media	4.6	4.0	4.4	1.8	5.5	4.3	2.7	2.8	7.4
Eliminations and non-allocated	-1.0	-0.6	-1.6	-1.9	-1.8	-0.7	-1.7	-1.3	-3.3
OPERATING PROFIT/LOSS EXCLUDING NON-RECURRING ITEMS	5.6	7.0	6.3	2.6	6.4	7.8	4.6	5.5	8.5
Digital Consumer Services	1.9	2.6	2.5	2.2	1.5	2.2	2.9	2.8	1.1
Financial Media and Business Services	1.8	2.2	1.3	1.4	2.6	2.2	1.7	1.3	2.3
National Consumer Media	0.1	0.8	1.7	1.1	1.1	1.8	0.9	0.9	1.7
Regional Media	3.8	2.6	3.0	0.2	3.6	2.7	1.3	2.1	6.9
Eliminations and non-allocated	-2.0	-1.2	-2.2	-2.3	-2.4	-1.3	-2.2	-1.6	-3.5
% OF REVENUE	7.3	9.9	8.3	3.5	8.2	10.8	6.0	7.3	10.3
Digital Consumer Services	12.9	19.2	17.9	15.9	11.3	18.2	21.6	19.9	8.6
Financial Media and Business Services	13.2	17.7	10.2	10.0	16.7	16.9	12.0	9.6	14.2
National Consumer Media	1.1	6.6	13.1	9.8	8.8	15.1	7.4	7.2	12.7
Regional Media	9.9	7.7	8.0	0.6	9.5	7.8	3.5	5.7	16.3
Non-allocated	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NON-RECURRING ITEMS	-0.8	-0.5	-0.2	0.5	-2.0	0.0	4.9	0.0	-0.9
Digital Consumer Services	1.6	0.0	0.0	0.0	-0.1	0.0	8.4	0.0	-0.1
Financial Media and Business Services	-0.5	-0.5	0.0	0.7	0.0	0.0	0.0	0.0	-0.9
National Consumer Media	-0.6	0.0	0.0	0.0	0.0	-0.3	0.0	0.0	0.0
Regional Media	-1.3	0.0	0.0	0.0	-2.0	0.3	-3.5	0.0	0.3
Non-allocated	0.0	0.0	-0.2	-0.2	0.0	0.0	0.0	0.0	-0.1
OPERATING PROFIT/LOSS	4.8	6.5	6.1	3.2	4.3	7.8	9.5	5.4	7.6
Digital Consumer Services	3.5	2.6	2.5	2.2	1.4	2.2	11.3	2.8	1.0
Financial Media and Business Services	1.4	1.6	1.3	2.1	2.6	2.2	1.7	1.3	1.4
National Consumer Media	-0.4	0.8	1.7	1.1	1.1	1.8	0.9	0.9	1.7
Regional Media	2.5	2.6	3.0	0.2	1.7	2.7	-2.2	2.0	7.2
Non-allocated	-2.0	-1.2	-2.3	-2.4	-2.4	-1.3	-2.2	-1.6	-3.7
Finance income	0.1	0.0	0.2	0.1	0.5	0.9	0.5	0.4	1.0
Finance expenses	0.7	0.8	0.9	0.8	0.7	0.8	0.5	0.6	0.9
Share of profit of associated companies	1.1	0.2	0.3	0.1	-4.4	-0.2	0.2	0.2	-3.9
PROFIT BEFORE TAX	5.4	5.9	5.8	2.7	-0.3	7.7	9.5	5.4	3.8
Income tax	-1.3	-1.1	-1.0	-0.5	-1.7	-1.8	-1.6	-1.4	-1.7
PROFIT FOR THE PERIOD	4.0	4.8	4.8	2.2	-2.0	5.9	7.9	4.1	2.1

Main accounting principles (IFRS)

This interim report has been prepared according to IFRS standards (IAS 34). The interim report applies the same accounting principles and calculation methods as the annual accounts dated 31 December 2013. The interim report does not, however, contain all the information or notes to the accounts included in the annual financial statements. This report should therefore be read in conjunction with the company's financial statements for 2013. The accounting principles of the financial years 2013 and 2014 are comparable. The company has no discontinued operations to report in the 2013–2014 financial periods.

The key indicators are calculated using the same formulae as applied in the previous annual financial statements. The quarterly percentages of Return on Investment (ROI) and Return on Equity (ROE) have been annualised using the formula $((1 + \text{quarterly return})^4 - 1)$. The percentage of online business of revenue is calculated as $\text{online business/revenue} * 100$. The figures in this interim report are independently rounded.

The Group has adopted the following new standards as of 1 January 2014:

IFRS 10 Consolidated Financial Statements

IFRS 11 Joint Arrangements

IFRS 12 Disclosure of Interests in Other Entities

IAS 28 (revised in 2011) Investments in Associates and Joint Ventures

IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities

IAS 36 Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets, amended

IAS 39 Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting

The figures in this interim report are unaudited.

Seasonality

The Group recognises its content revenue from publishing activities as paid. For this reason, content revenues accrue in the income statement fairly evenly during the four quarters of the year. The bulk of newspaper subscription invoicing takes place at the beginning of the year and, therefore, the cash flow from operating activities is the strongest early in the year. This also affects the company's balance sheet position in different quarters.

General statement

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

ALMA MEDIA CORPORATION

Board of Directors

Alma Media's financial calendar 2015

- Interim report for January–March 2015 on Thursday, 30 April 2015 at approximately 9:00 EET.
- Interim report for January–June 2015 on Tuesday, 21 July 2015 at approximately 9:00 EET
- Interim Report for January–September 2015 on Friday, 23 October 2015 at approximately 9:00 EET

Alma Media's Annual Review 2014, including corporate responsibility reporting, is scheduled to be published in calendar week 11, 2015, at the latest.

The Annual General Meeting is planned to be held on Tuesday, 17 March 2015. Financial Statements, Report by the Board of Directors, Auditor's Report and Corporate Governance Statement will be published no later than on Tuesday, 24 February 2015.

REVENUE AND OPERATING PROFIT BY SEGMENT IN THE NEW SEGMENT STRUCTURE

REVENUE BY SEGMENT 2013 MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Digital Consumer Services					
External	14.0	13.3	12.2	12.5	52.0
Inter-segments	0.1	0.1	0.1	0.3	0.6
Digital Consumer Services total	14.1	13.4	12.3	12.9	52.6
Financial Media and Business Services					
External	13.8	14.2	13.0	15.2	56.3
Inter-segments	0.2	0.1	0.1	0.2	0.6
Financial Media and Business Services total	14.0	14.4	13.1	15.4	56.8
National Consumer Media					
External	11.9	12.2	12.0	12.0	48.0
Inter-segments	0.1	0.2	0.2	0.4	0.9
National Consumer Media total	12.0	12.4	12.2	12.4	49.0
Regional Media					
External	34.4	35.7	33.7	36.1	139.9
Inter-segments	2.1	1.5	1.5	2.1	7.2
Regional Media total	36.6	37.2	35.1	38.2	147.1
Eliminations and non-allocated	-1.8	-1.0	-1.0	-1.6	-5.3
Total	74.9	76.3	71.7	77.3	300.2

OPERATING PROFIT/LOSS BY SEGMENT 2013* MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Digital Consumer Services	2.8	11.3	2.2	1.4	17.7
Financial Media and Business Services	1.3	1.7	2.2	2.6	7.8
National Consumer Media	0.9	0.9	1.8	1.1	4.7
Regional Media	2.0	-2.2	2.7	1.7	4.3
Segments total	7.1	11.7	9.0	6.7	34.5
Non-allocated	-1.6	-2.2	-1.3	-2.4	-7.5
Total	5.4	9.5	7.8	4.3	27.0

* Including non-recurring items.

REVENUE AND OPERATING PROFIT BY SEGMENT IN THE OLD SEGMENT STRUCTURE

REVENUE BY SEGMENT 2013 MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Newspapers					
External	45.1	46.7	44.5	46.9	183.1
Inter-segments	0.5	0.6	0.6	0.8	2.5
Newspapers total	45.6	47.3	45.1	47.7	185.6
Kauppalehti Group					
External	13.8	14.2	13.0	15.2	56.3
Inter-segments	0.2	0.1	0.1	0.2	0.6
Kauppalehti Group total	14.0	14.4	13.1	15.4	56.8
Digital Consumer Services					
External	14.3	13.6	12.6	13.3	53.8
Inter-segments	0.6	0.6	0.3	0.5	2.1
Digital Consumer Services total	14.9	14.2	13.0	13.8	55.9
Other Operations					
External	1.7	1.8	1.7	1.9	7.1
Inter-segments	20.0	19.4	19.2	19.7	78.4
Other Operations total	21.7	21.2	20.9	21.6	85.4
Eliminations	-21.3	-20.7	-20.3	-21.2	-83.5
Total	74.9	76.3	71.7	77.3	300.2

OPERATING PROFIT/LOSS BY SEGMENT 2013* MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Newspapers	2.0	3.1	4.3	2.1	11.5
Kauppalehti Group	1.3	1.7	2.2	2.6	7.8
Digital Consumer Services	2.7	10.9	1.9	0.7	16.2
Other Operations	-0.5	-6.2	-0.6	-1.2	-8.5
Total	5.4	9.5	7.8	4.3	27.0

* Including non-recurring items.

KEY FIGURES BY SEGMENT IN THE NEW SEGMENT STRUCTURE 2013

Digital Consumer Services MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Revenue	14.1	13.4	12.3	12.9	52.6
Operations in Finland	5.9	5.8	5.2	5.6	22.5
Operations outside Finland	8.2	7.5	7.1	7.2	30.0
Operating profit excluding non-recurring items	2.8	2.9	2.2	1.5	9.4
% of revenue	19.9	21.6	18.2	11.3	17.8
Operating profit	2.8	11.3	2.2	1.4	17.7
% of revenue	19.9	84.2	18.2	10.9	33.6
Average no. of employees, calculated as full-time employees	482	526	504	492	492
Financial Media and Business Services MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Revenue	14.0	14.4	13.1	15.4	56.8
Content revenue	4.2	4.1	4.2	4.4	16.8
Advertising revenue	3.9	4.1	3.6	4.7	16.2
Other revenue	6.0	6.2	5.3	6.3	23.8
Operating profit excluding non-recurring items	1.3	1.7	2.2	2.6	7.8
% of revenue	9.6	12.0	16.9	16.7	13.8
Operating profit	1.3	1.7	2.2	2.6	7.8
% of revenue	9.6	12.0	16.9	16.7	13.8
Average no. of employees, calculated as full-time employees	403	406	400	398	402
National Consumer Media MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Revenue	12.0	12.4	12.2	12.4	49.0
Operating profit excluding non-recurring items	0.9	0.9	1.8	1.1	4.7
% of revenue	7.2	7.4	15.1	8.8	9.6
Operating profit	0.9	0.9	1.8	1.1	4.7
% of revenue	7.2	7.4	15.1	8.8	9.6
Average no. of employees, calculated as full-time employees	153	160	163	160	160
Regional Media MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Revenue	36.6	37.2	35.1	38.2	147.1
Content revenue	17.0	16.6	17.1	16.9	67.6
Advertising revenue	16.0	17.7	15.1	17.7	66.5
Other revenue	3.6	2.9	2.9	3.6	13.0
Operating profit excluding non-recurring items	2.1	1.3	2.7	3.6	9.8
% of revenue	5.7	3.5	7.8	9.5	6.6
Operating profit	2.0	-2.2	2.7	1.7	4.3
% of revenue	5.6	-5.9	7.8	4.4	2.9
Average no. of employees, calculated as full-time employees, excl. delivery staff	814	804	803	786	786
Average no. of delivery staff	985	974	1,011	998	998

KEY FIGURES BY SEGMENT IN THE OLD SEGMENT STRUCTURE 2013

Newspapers MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Revenue	45.6	47.3	45.1	47.7	185.6
Content revenue	25.0	24.2	25.0	24.3	98.5
Advertising revenue	19.9	22.3	19.4	22.2	83.9
Other revenue	0.6	0.8	0.7	1.1	3.2
Operating profit excluding non-recurring items	2.0	3.1	4.3	4.0	13.5
% of revenue	4.4	6.5	9.6	8.5	7.2
Operating profit	2.0	3.1	4.3	2.1	11.5
% of revenue	4.4	6.5	9.6	4.4	6.2
Average no. of employees, calculated as full-time employees, excl. delivery staff	758	819	839	752	792
Average no. of delivery staff	99	96	92	80	84
Kauppalehti Group MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Revenue	14.0	14.4	13.1	15.4	56.8
Content revenue	4.2	4.1	4.2	4.4	16.8
Advertising revenue	3.9	4.1	3.6	4.7	16.2
Other revenue	6.0	6.2	5.3	6.3	23.8
Operating profit excluding non-recurring items	1.3	1.7	2.2	2.6	7.8
% of revenue	9.6	12.0	16.9	16.7	13.8
Operating profit	1.3	1.7	2.2	2.6	7.8
% of revenue	9.6	12.0	16.9	16.7	13.8
Average no. of employees, calculated as full-time employees	403	406	400	398	402
Digital Consumer Services MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Revenue	14.9	14.2	13.0	13.8	55.9
Operations in Finland	6.8	6.7	5.9	6.5	25.9
Operations outside Finland	8.2	7.5	7.1	7.2	30.0
Operating profit excluding non-recurring items	2.7	2.6	1.9	0.8	7.9
% of revenue	18.1	18.0	14.5	5.4	14.1
Operating profit	2.7	10.9	1.9	0.7	16.2
% of revenue	18.1	76.8	14.5	5.0	29.0
Average no. of employees, calculated as full-time employees	328	490	491	495	497
Other Operations MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Revenue	21.7	21.2	20.9	21.6	85.4
Operating profit excluding non-recurring items	-0.5	-2.7	-0.6	-1.2	-5.0
% of revenue	-2.4	-12.7	-3.0	-5.5	-5.9
Operating profit	-0.5	-6.2	-0.6	-1.2	-8.5
% of revenue	-2.4	-29.0	-3.0	-5.7	-10.0
Average no. of employees, calculated as full-time employees	331	264	255	249	275

ASSETS, LIABILITIES AND CAPITAL EXPENDITURE BY SEGMENT IN THE NEW SEGMENT STRUCTURE 2013

ASSETS BY SEGMENT MEUR	2013 31 Mar	2013 30 Jun	2013 30 Sep	2013 31 Dec	
Digital Consumer Services	83.1	80.0	78.7	90.6	
Financial Media and Business Services	37.8	37.0	37.1	36.7	
National Consumer Media	5.7	5.1	4.4	5.1	
Regional Media	110.0	110.9	110.1	102.4	
Segments total	236.7	232.9	230.3	234.8	
Non-allocated	52.4	53.3	51.4	38.0	
Total	289.0	286.2	281.8	272.8	

LIABILITIES BY SEGMENT MEUR	2013 31 Mar	2013 30 Jun	2013 30 Sep	2013 31 Dec	
Digital Consumer Services	13.7	13.3	13.1	13.2	
Financial Media and Business Services	13.0	12.3	11.3	9.9	
National Consumer Media	6.0	5.0	4.2	5.2	
Regional Media	113.4	110.4	104.8	100.6	
Segments total	146.2	141.1	133.4	128.8	
Non-allocated	63.0	58.3	55.4	53.5	
Total	209.3	199.4	188.8	182.3	

CAPITAL EXPENDITURE BY SEGMENT MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Digital Consumer Services	0.0	0.3	0.3	1.3	2.0
Financial Media and Business Services	0.1	0.2	0.2	0.3	0.8
National Consumer Media	0.1	0.1	0.0	0.0	0.2
Regional Media	45.5	5.6	0.6	0.3	52.0
Segments total	45.6	6.2	1.2	2.0	55.0
Non-allocated	1.3	4.2	1.5	0.8	7.9
Total	46.9	10.4	2.6	2.8	62.8

ASSETS, LIABILITIES AND CAPITAL EXPENDITURE BY SEGMENT IN THE OLD SEGMENT STRUCTURE 2013

ASSETS BY SEGMENT MEUR	2013 31 Mar	2013 30 Jun	2013 30 Sep	2013 31 Dec	
Newspapers	39.1	39.0	38.6	32.4	
Kauppalehti Group	37.8	37.0	37.1	36.7	
Digital Consumer Services	83.3	80.4	79.1	91.2	
Other Operations	96.1	100.6	100.7	98.8	
Non-allocated assets	32.7	29.2	26.2	13.7	
Total	289.0	286.2	281.8	272.8	

LIABILITIES BY SEGMENT MEUR	2013 31 Mar	2013 30 Jun	2013 30 Sep	2013 31 Dec	
Newspapers	39.6	32.7	26.9	24.8	
Kauppalehti Group	12.8	12.1	11.1	9.7	
Digital Consumer Services	15.6	15.3	15.0	14.9	
Other Operations	85.7	86.3	84.9	84.5	
Non-allocated liabilities	55.5	53.0	50.9	48.4	
Total	209.3	199.4	188.8	182.3	

CAPITAL EXPENDITURE BY SEGMENT MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Newspapers	0.2	1.8	0.2	0.3	2.6
Kauppalehti Group	0.1	0.2	0.2	0.3	0.8
Digital Consumer Services	0.0	0.3	0.3	1.3	2.0
Other Operations	46.6	8.1	1.9	0.8	57.4
Total	46.9	10.4	2.6	2.8	62.8