



# Alma Media Q2 2011

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Tuomas Itkonen, CFO

July 22, 2011, Helsinki



# Agenda

- Highlights Q2
- Markets
- Segment reviews
- Financials and outlook

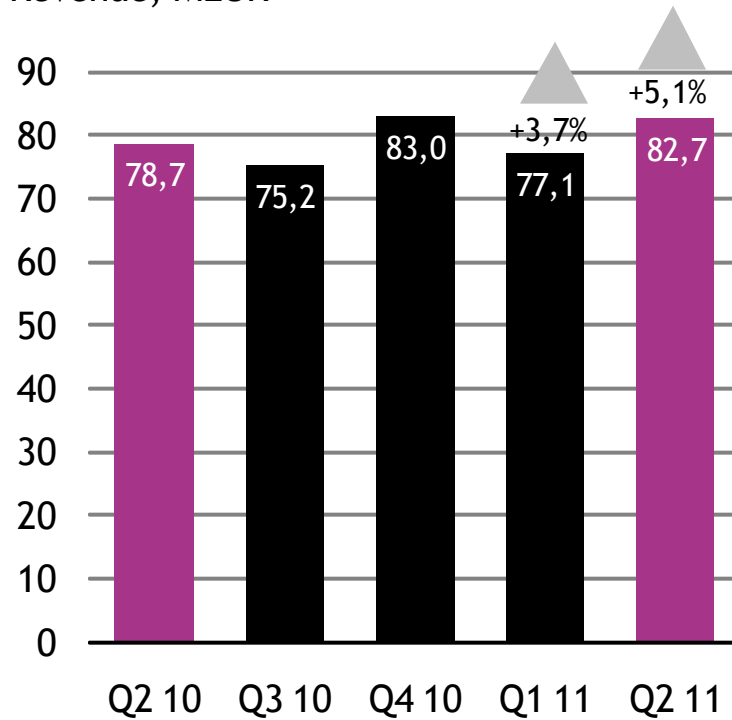
# Highlights Q2 2011

- Revenue amounted to MEUR 82.7 (78.7), up 5.1%.
  - Advertising sales grew 10.8% to MEUR 42.7 (38.6).
    - Online advertising sales increased 19.6% and amounted to MEUR 11.3 (9.4).
    - Advertising sales in the printed media increased 8.1% to MEUR 31.2 (28.9).
  - Circulation revenue declined by 1.4% while content and service revenue grew 2.6%.
- The share of digital products and services rose to MEUR 14.6 (12.7) and represented 17.6% (16.1%) of the total revenue.
- Total expenses excl. non-recurring items grew 5.1% and totalled MEUR 71.2 (67.7).
- Operating profit excl. non-recurring items was MEUR 11.5 (11.3), representing 14.0% (14.3 %) of the revenue.

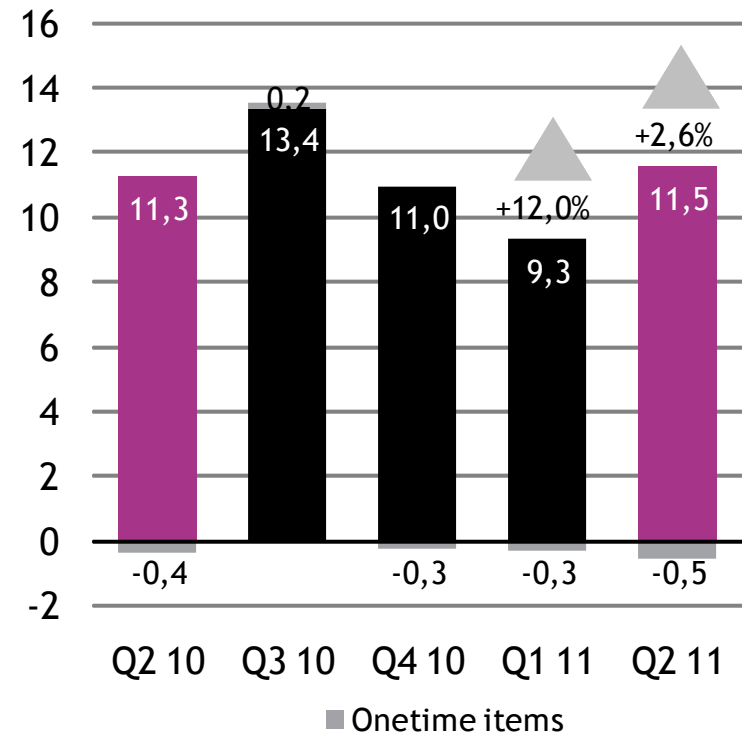
# Key figures Q2 2011, MEUR

IFRS

## Revenue, MEUR



## EBIT, MEUR





# Market January - May 2011

# Advertising sales change 1-5/2011

## Alma Media vs. market

Change, %	Market* 1-5 11	Alma Media** 1-5 11
Newspapers total	9,9	5,5 ***
Magazines	6,4	-
Television	15,5	-
Radio	30,1	-
Internet	34,3	26,2
<b>TOTAL</b>	<b>14,0</b>	<b>10,7</b>

\* Source: TNS Media Intelligence

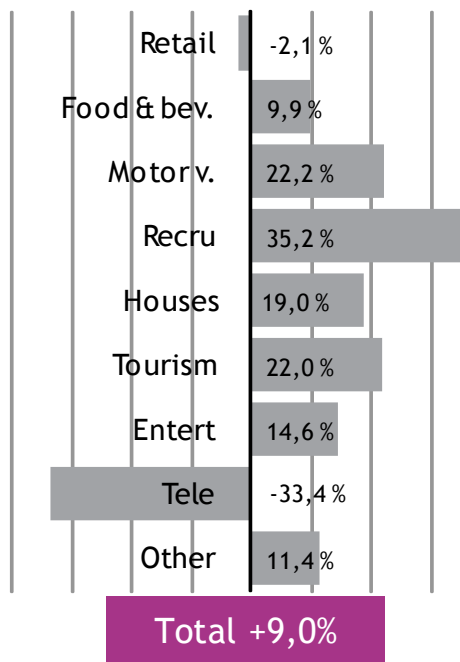
\*\* without discontinued operations

\*\*\* Newspapers segment (excl. online services), Kauppalehti and Asuntomedia

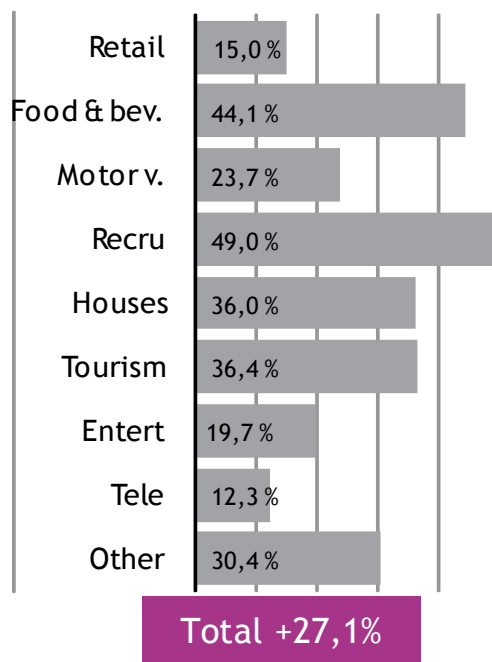
# Advertising change by branch

Total market; change from previous year

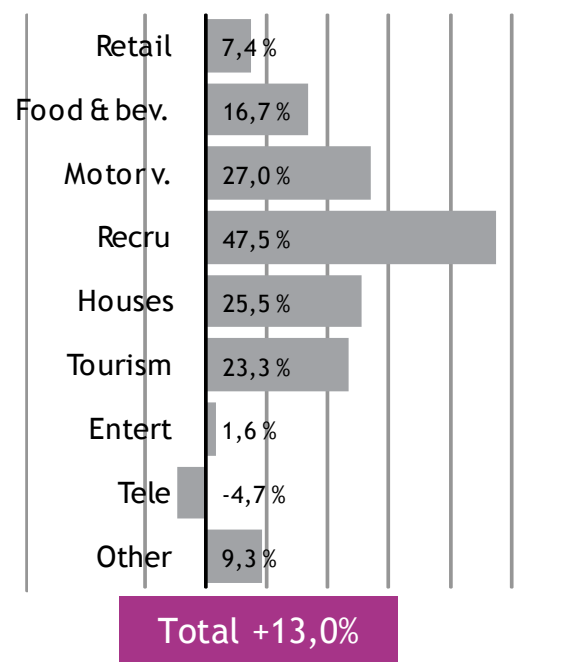
P3 2011 vs 2010



P4 2011 vs 2010



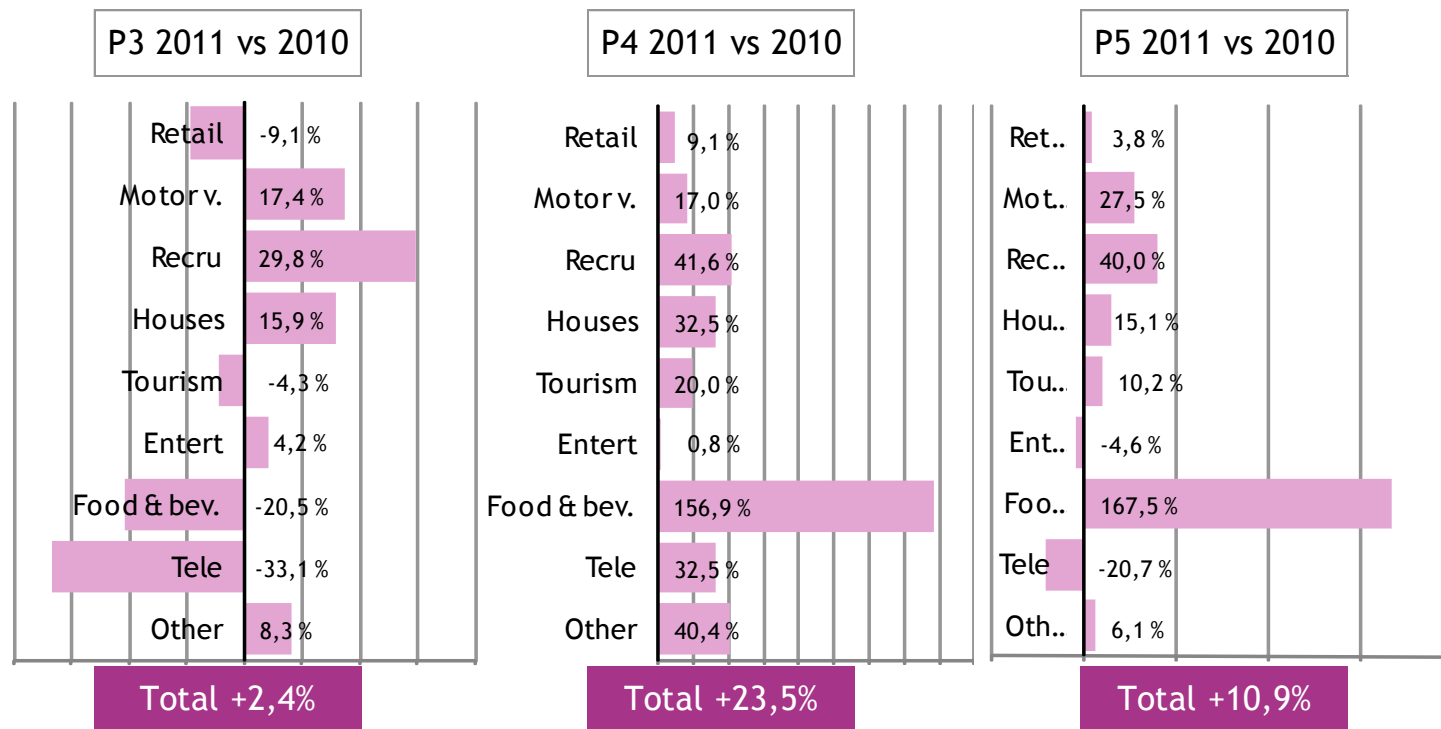
P5 2011 vs 2010



Source: TNS Media Intelligence

# Advertising change by branch

Newspapers total\*; change from previous year



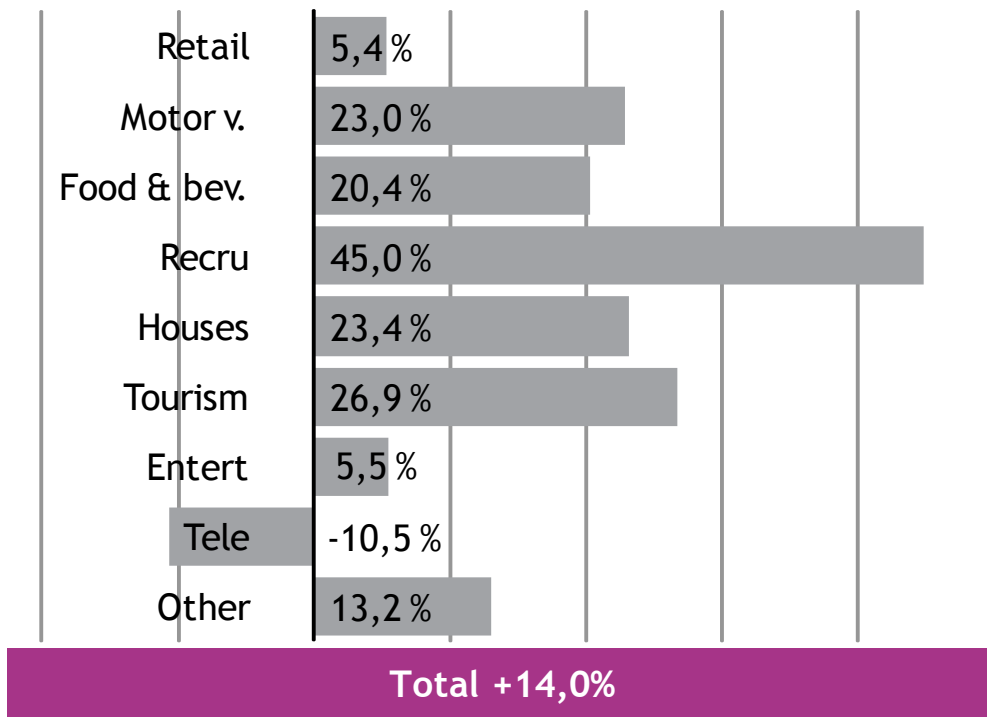
Source: TNS Media Intelligence

\* Newspapers, local and free issue papers



# Advertising by branch 1-5/2011

Total market; change from 1-5 2010

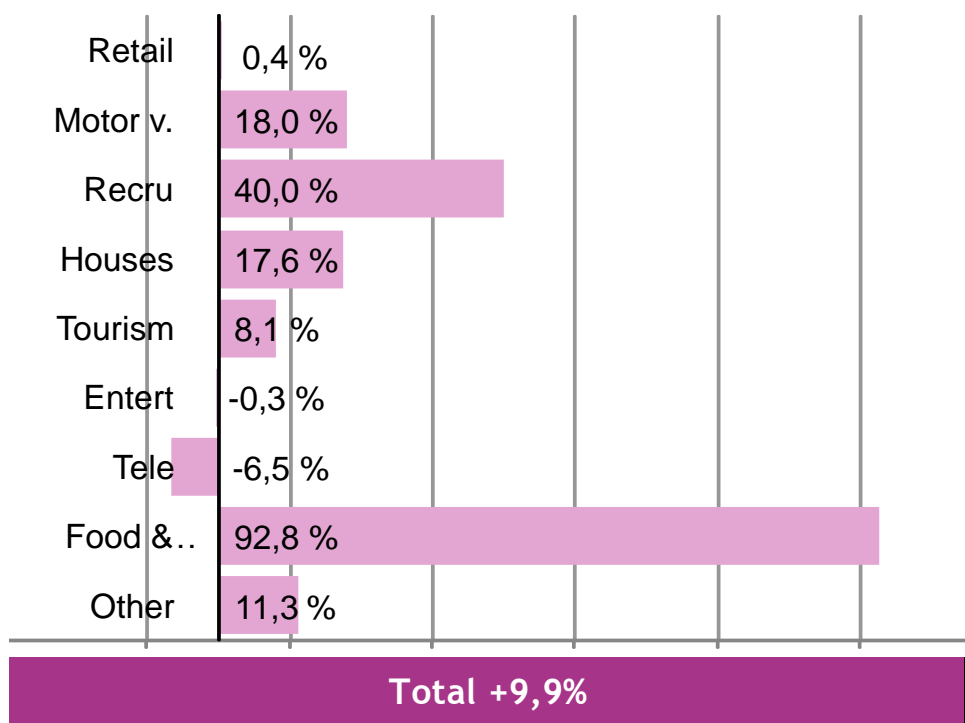


Advertising in 1-5 11	MEUR
Retail	108
Motor vehicles	51
Food & beverages	48
Recruiting	28
Houses and premises	21
Tourism and traffic	20
Entertainment	17
Telecommunications	15
Other	195
<b>Total</b>	<b>504</b>

Source: TNS Media Intelligence

# Advertising by branch 1-5/2011

Newspapers total\*, change from 1-5 2010



Advertising in 1-5 11	MEUR
Retail	78
Motor vehicles	28
Recruiting	17
Houses and premises	14
Tourism and traffic	8
Entertainment	7
Telecommunications	5
Food & beverages	4
Other	70
<b>Total</b>	<b>231</b>

Source: TNS Media Intelligence

\* Newspapers, local and free issue papers



# Segments Q2 2011

# Newspapers

- Revenue grew to MEUR 57.9 (55.4), up 4.5%.
  - Advertising revenue increased 9.5% (0.5%) to MEUR 30.0 (27.4).
    - Advertising sales in the printed media grew 8.8% (declined 3.3%).
    - Online advertising sales grew 15.4% (50.4)%.
  - Circulation revenue declined by 1.7% to MEUR 26.8 (27.2) mainly due to the decrease in the single-copy sales of Iltalehti.
- Total expenses excl. non-recurring items were MEUR 48.8 (46.5).
- Operating profit excl. non-recurring items was MEUR 9.2 (9.2), representing 15.8% (16.5%) of the revenue.
- Iltalehti.fi broke the Finnish visitor record (3.3 million unique browsers in week 20/2011).
- The local newspapers published by Suomen Paikallissanomat Oy began to appear also in Apple's iPad tablets.

# Kauppalehti Group

- Revenues grew to MEUR 15.0 (14.4), up 3.8%.
  - Circulation revenue stood at MEUR 3.5 (3.5), remaining at the level of the comparison period.
  - Advertising sales grew 5.0% (12.9%). Online advertising sales grew 6.9% (29.1%).
  - Content and service revenue grew to MEUR 6.7 (6.4).
- Total expenses amounted to MEUR 13.0 (11.9).
- Operating profit excl. non-recurring items was MEUR 2.0 (2.5), representing 13.1% (17.3%) of the revenue.
- Since June, Kauppalehti has been available also on iPad.
- Alma 360 Custom Media won new customers in the challenging market conditions.

# Marketplaces

- Revenues grew to MEUR 9.5 (8.2), up 16.1%.
  - revenue growth was driven by the strong growth in the demand for advertising for recruitment and online advertising for housing.
- Total expenses remained at the level of the comparison period and stood at MEUR 8.0 (8.3).
- Operating profit excl. non-recurring items was MEUR 1.6 (-0.1), representing 16.3% (-1.5%) of the revenue.
- During the review period, the company launched
  - a new technical platform for Autotalli.com
  - a dedicated section for holiday homes in Vuokraovi.com
  - the BeKnown service of Monster.fi, aimed for professional networking in the social media.

# Other operations

- Revenue amounted to MEUR 20.7 (19.3), of which external revenue MEUR 1.3.
- Investment to renew the Tampere printing facility proceeds as planned.
  - The finishing system to be delivered by Ferag AG (Switzerland).
- The statutory personnel negotiations related with the development and rationalising programme at the printing and distribution operations were completed in June.
  - Alma Manu will reduce its workforce by 54 full-time work years and will close down its printing operations in the city of Pori until January 2012.
- The early morning delivery of Lapin Kansa will be transferred to Alma Manu as of January 17, 2012.



# Financial review

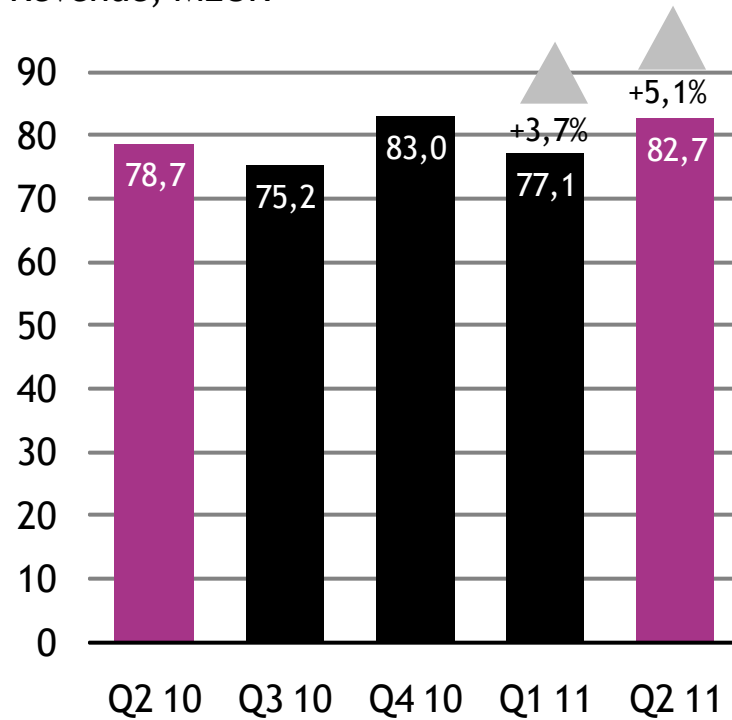
Q2 2011



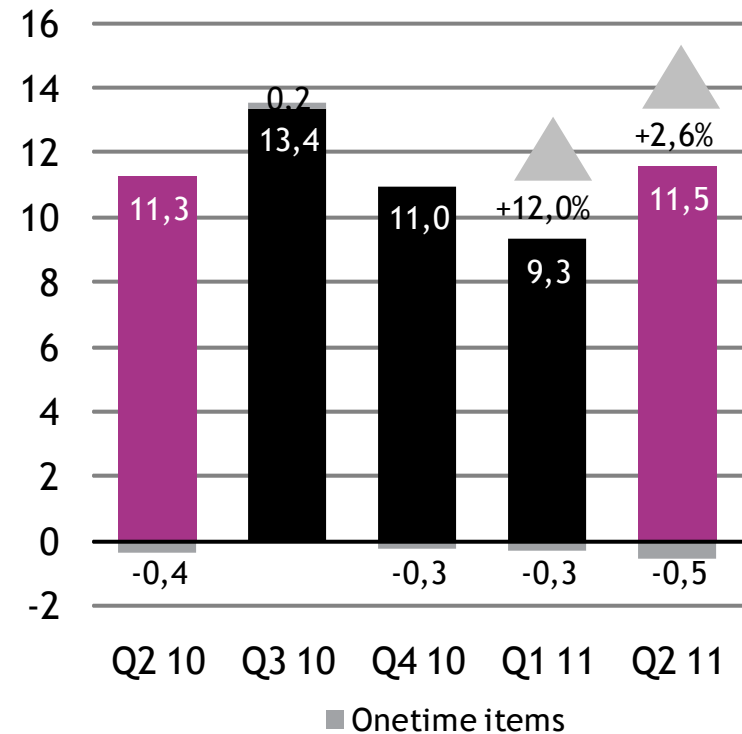
# Key figures Q2 2011, MEUR

IFRS

## Revenue, MEUR



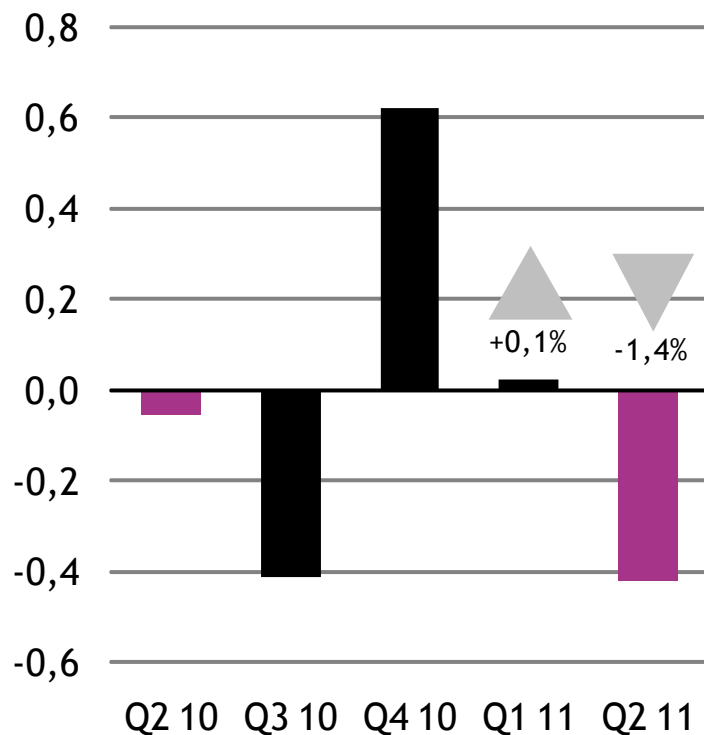
## EBIT, MEUR



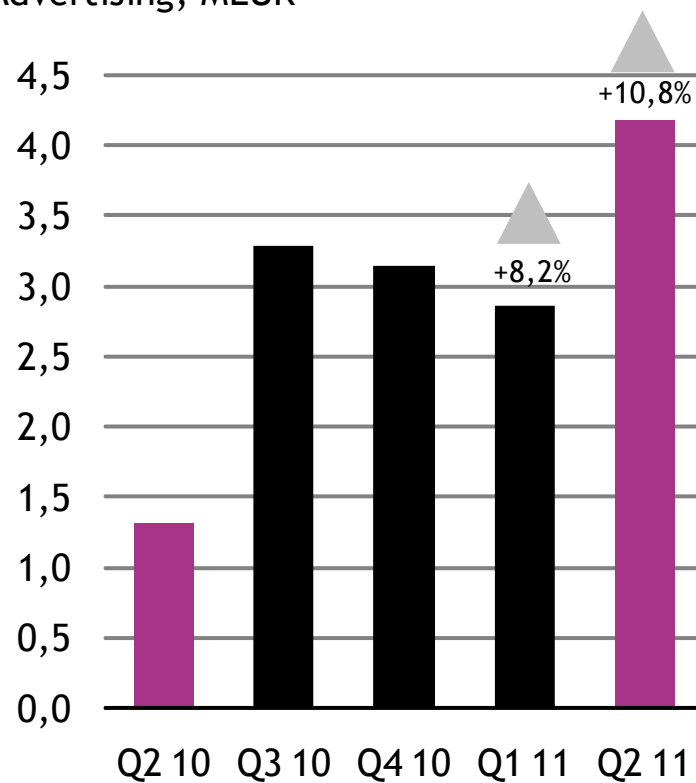
# Revenue change by type, MEUR

IFRS

## Circulation, MEUR



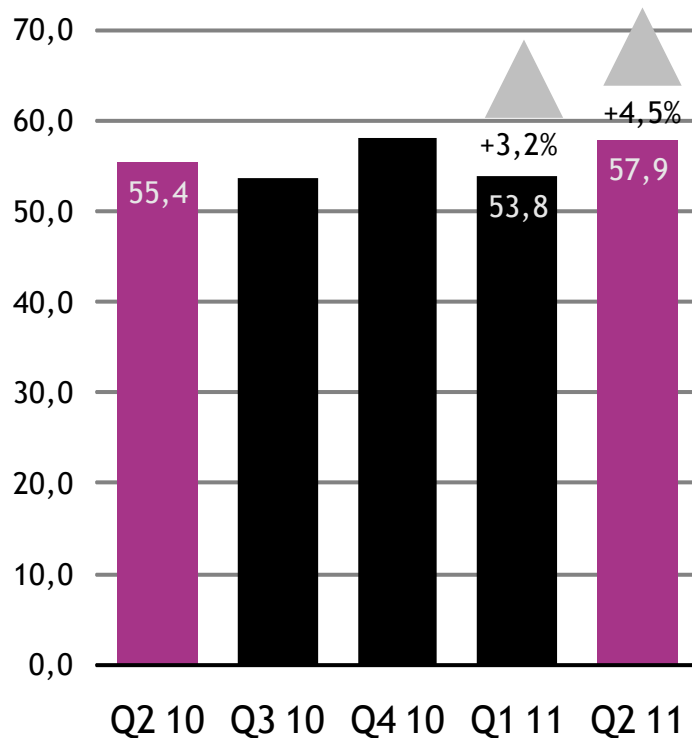
## Advertising, MEUR



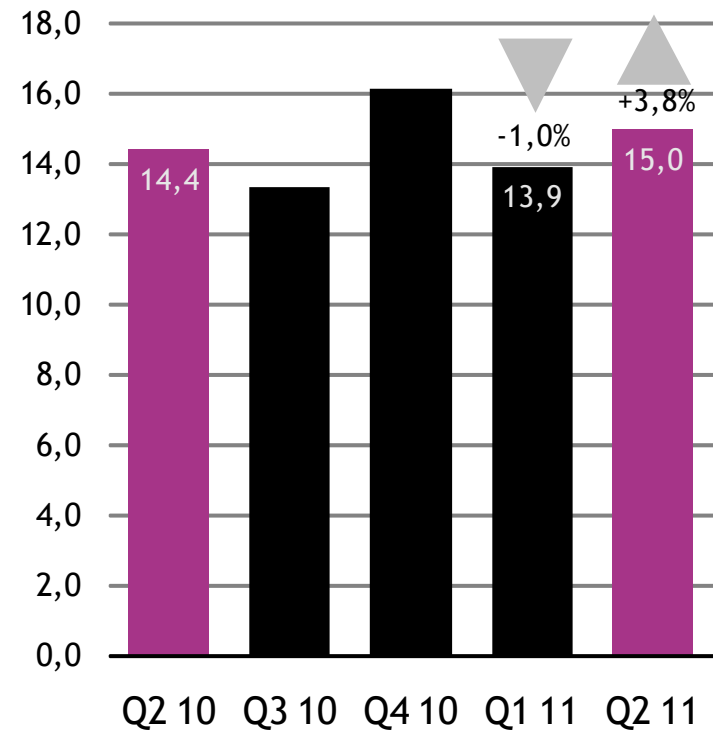
# Revenue by segment, MEUR

w/o onetime items

## Newspapers, MEUR & %



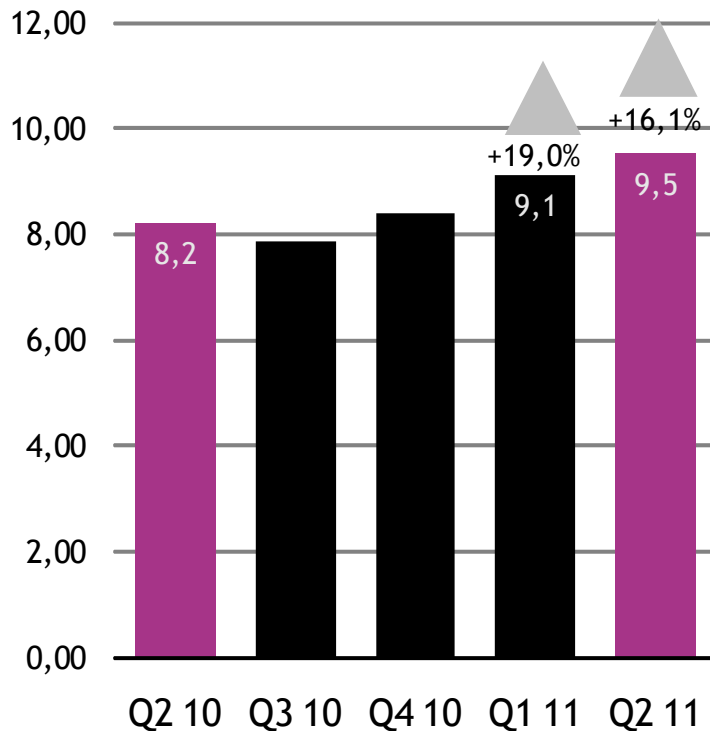
## Kauppaliehti Group, MEUR & %



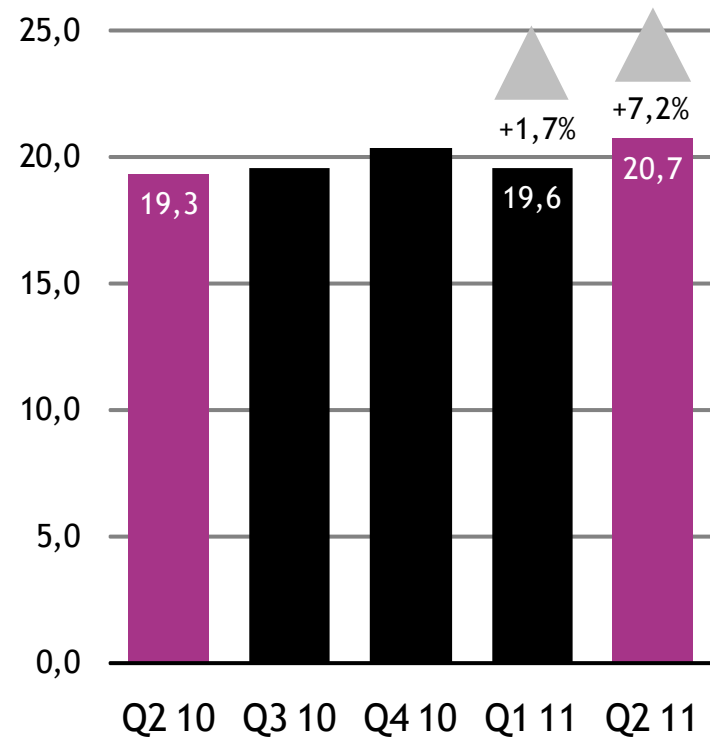
# Revenue by segment, MEUR

w/o onetime items

Marketplaces, MEUR & %



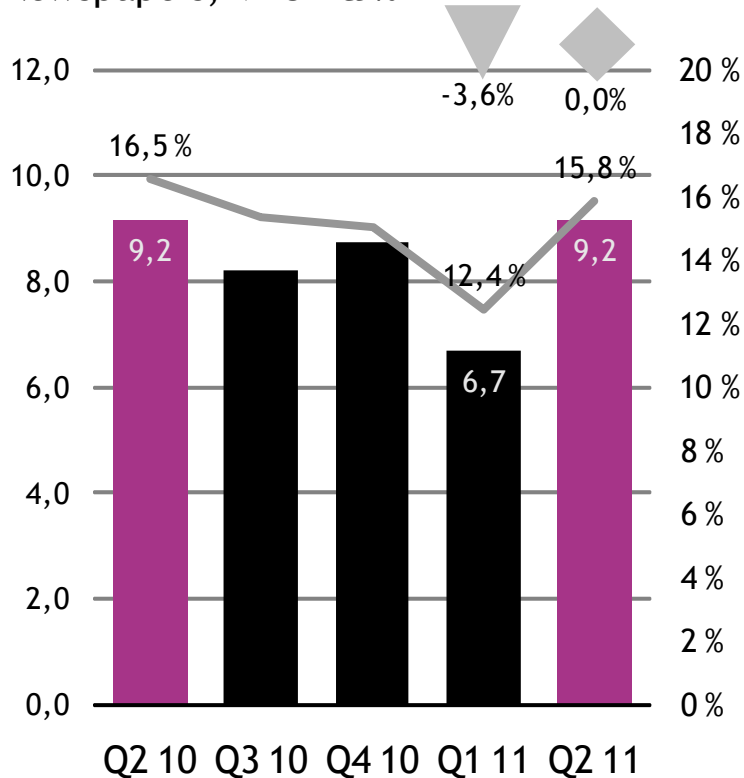
Other, MEUR



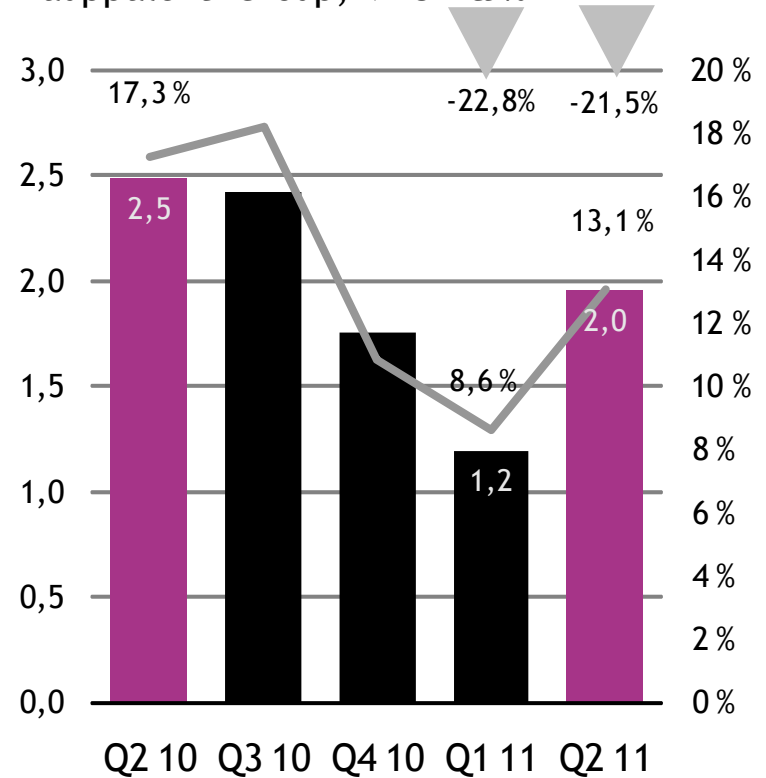
# EBIT by segment, MEUR

w/o onetime items

Newspapers, MEUR & %



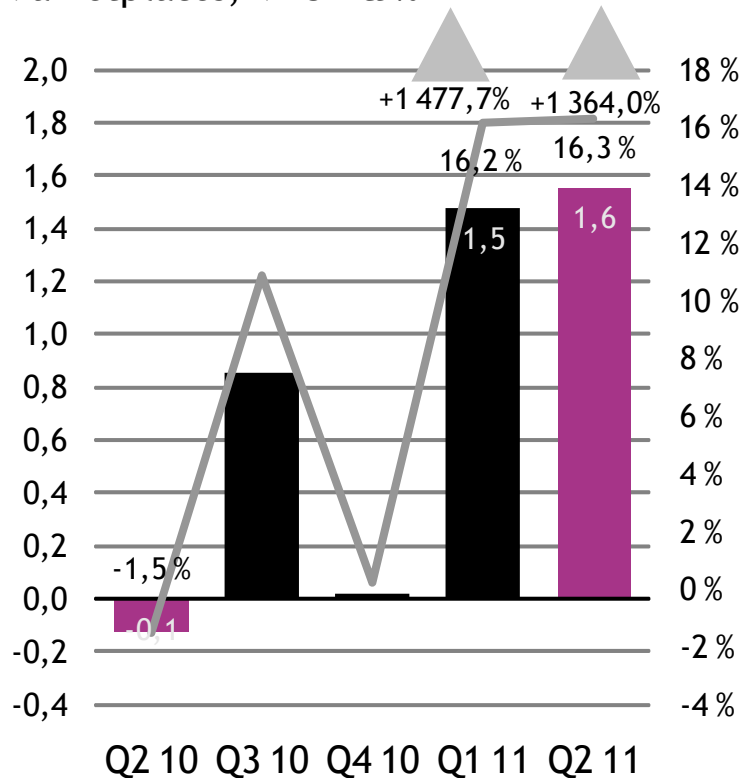
Kauppaliehti Group, MEUR & %



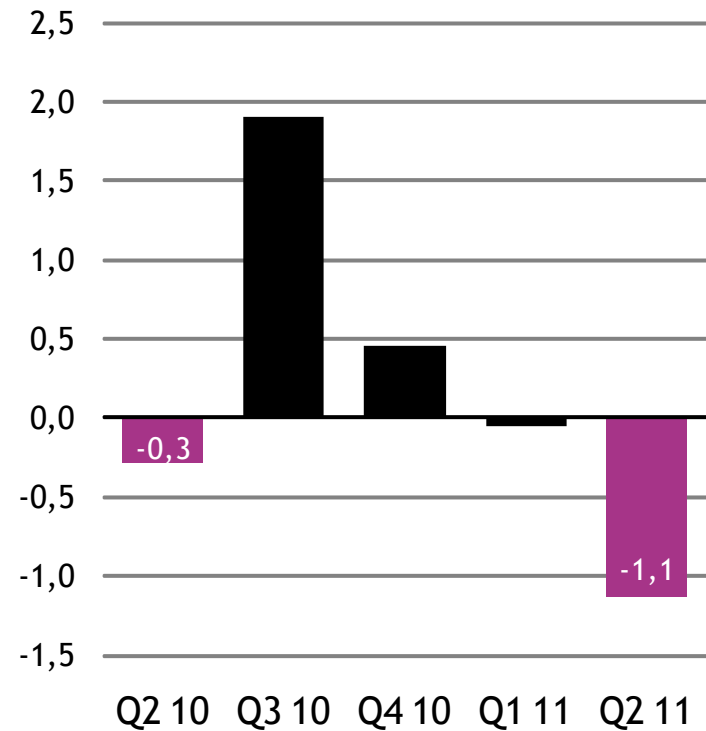
# EBIT by segment, MEUR

w/o onetime items

Marketplaces, MEUR & %

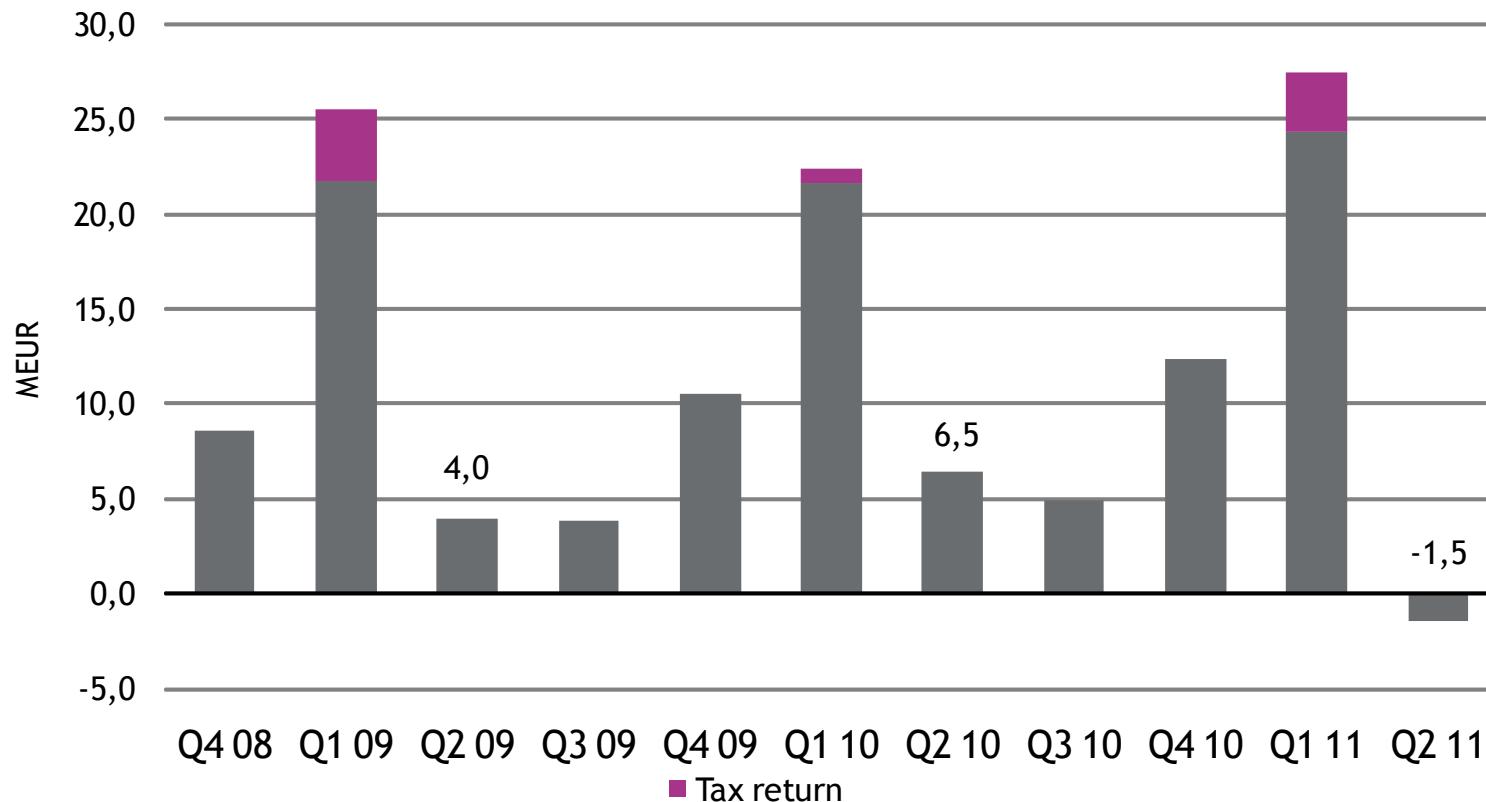


Other, MEUR



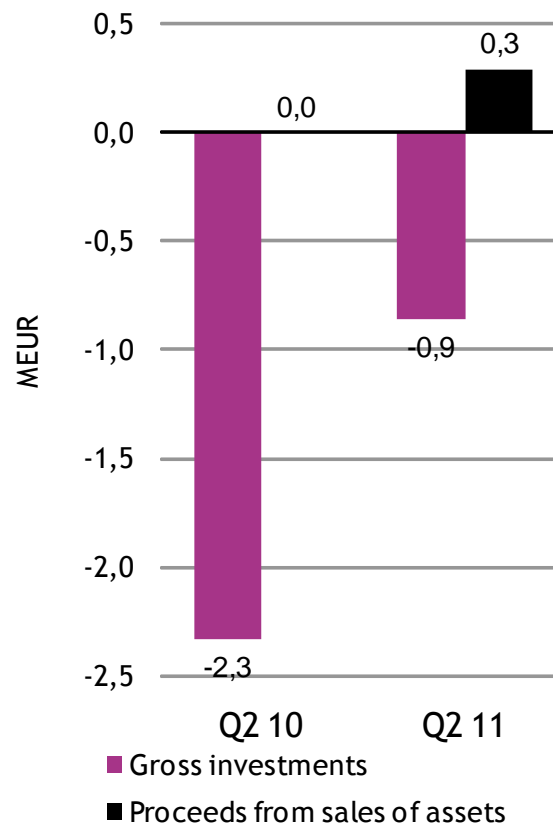
# Cash flow from operating activities, MEUR

IFRS



# Cash flow and investments, MEUR

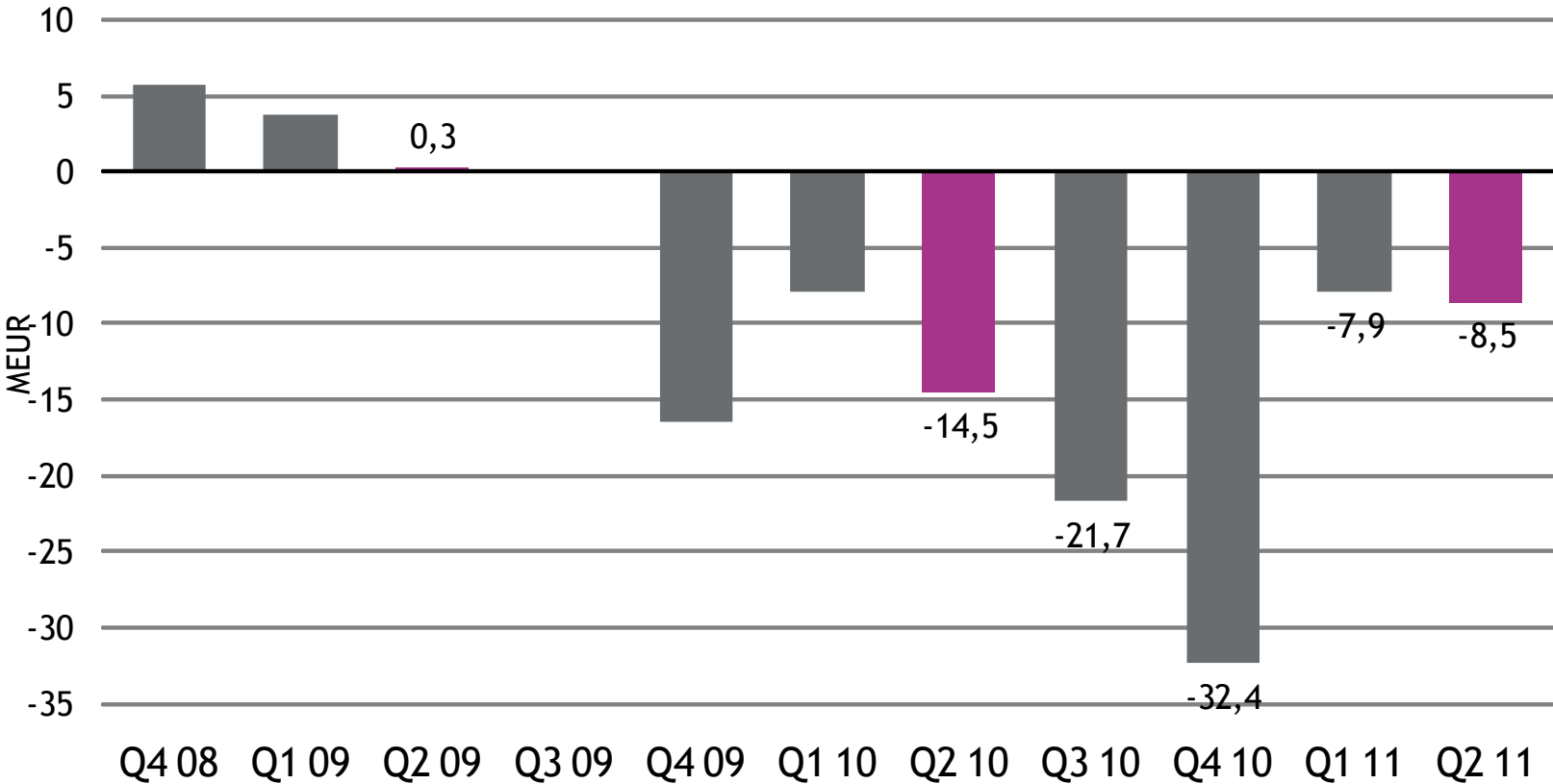
IFRS





# Net debt, MEUR

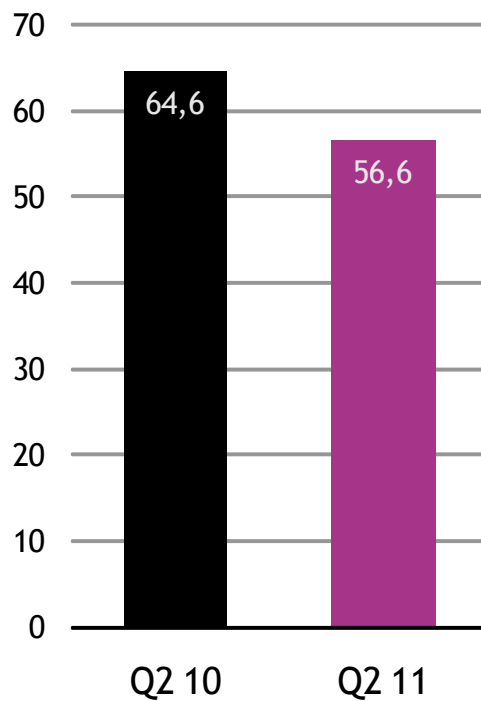
IFRS



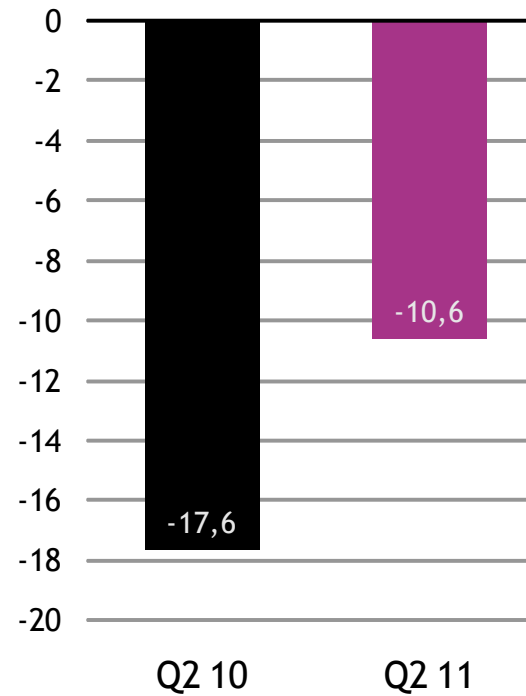
# Key ratios

IFRS

Equity ratio, %



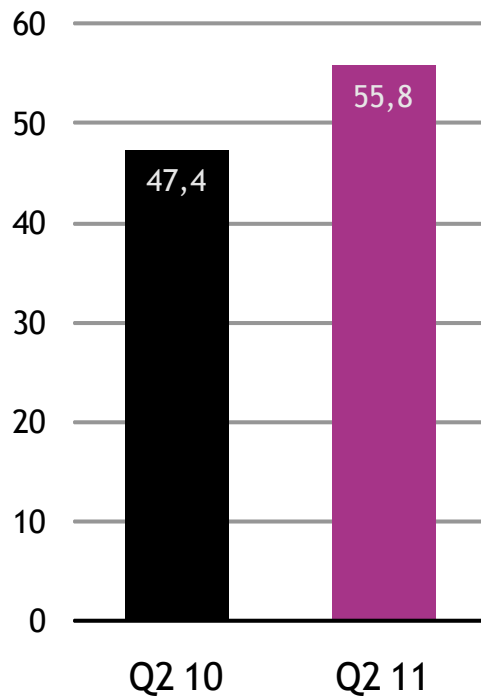
Gearing, %



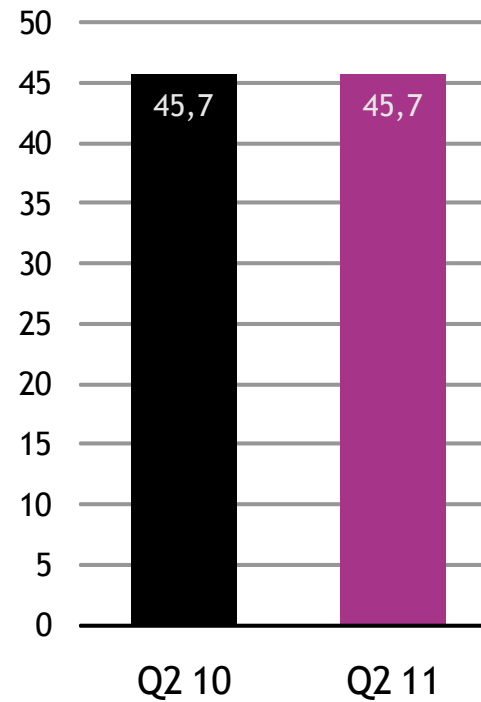
# Key ratios

IFRS

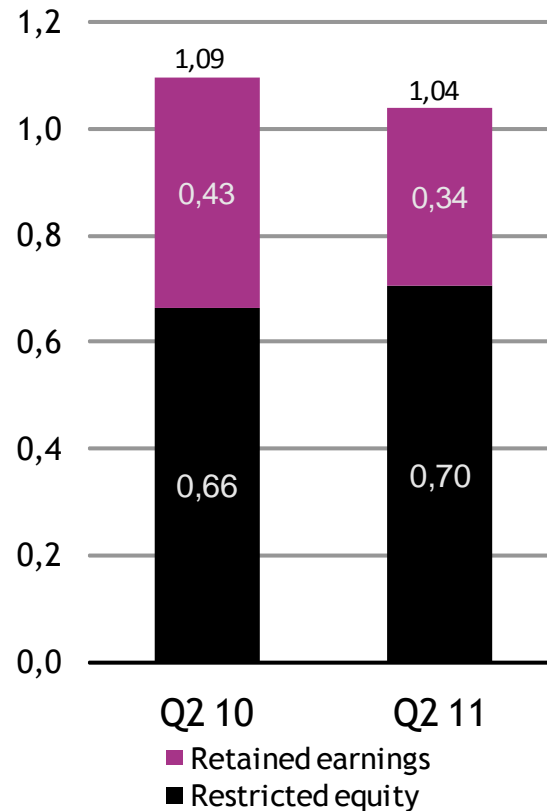
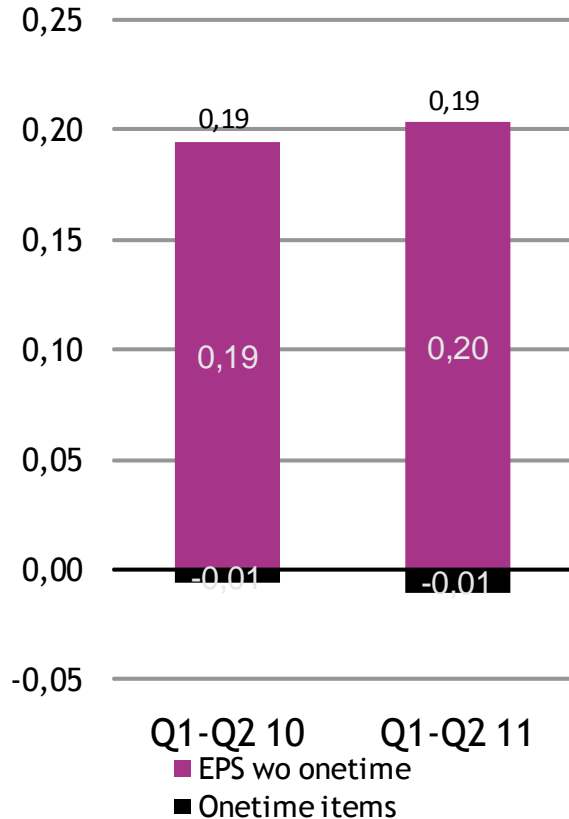
ROE%



ROI%



# EPS and shareholders' equity per share



# Balance sheet

IFRS

MEUR	Q2 2011	Q2 2010
Intangibles and goodwill	40,9	39,9
Tangibles	25,2	29,9
Associated companies	33,9	31,2
Inventory	1,1	0,9
Receivables	41,7	29,8
Cash	23,2	18,8
<b>Assets</b>	<b>166,1</b>	<b>150,5</b>
Equity	80,8	82,2
Reserves-obligatory	1,2	0,5
Pension liabilities	2,6	2,9
lb debt	14,7	4,3
Non-lb debt	43,4	37,3
Advances received	23,4	23,3
<b>Equity and liabilities</b>	<b>166,1</b>	<b>150,5</b>

# Profit and loss

w/o onetime items

MEUR	Q2 2011	Q2 2010	Chg	Chg %	Q1-Q2 2011	Q1-Q2 2010	Chg	Chg %
Circulation sales	30,3	30,7	-0,4	-1,4 %	61,0	61,4	-0,4	-0,6 %
Advertising sales	42,7	38,6	4,2	10,8 %	80,4	73,4	7,0	9,6 %
Advertising sales, print	31,2	28,9	2,3	8,1 %	57,9	55,3	2,5	4,6 %
Advertising sales, online	11,3	9,4	1,8	19,6 %	22,1	17,6	4,4	25,1 %
Other sales	9,7	9,5	0,2	2,6 %	18,5	18,4	0,1	0,5 %
<b>Revenue</b>	<b>82,7</b>	<b>78,7</b>	<b>4,0</b>	<b>5,1 %</b>	<b>159,8</b>	<b>153,1</b>	<b>6,7</b>	<b>4,4 %</b>
<b>Other operating income</b>	<b>0,0</b>	<b>0,3</b>	<b>-0,2</b>	<b>-89 %</b>	<b>0,1</b>	<b>0,3</b>	<b>-0,2</b>	<b>-76,2 %</b>
<b>Total expenses</b>	<b>71,2</b>	<b>67,7</b>	<b>3,5</b>	<b>5,1 %</b>	<b>139,0</b>	<b>133,8</b>	<b>5,2</b>	<b>3,9 %</b>
<b>EBIT</b>	<b>11,5</b>	<b>11,3</b>	<b>0,3</b>	<b>2,6 %</b>	<b>20,9</b>	<b>19,6</b>	<b>1,3</b>	<b>6,6 %</b>
<b>EBIT %</b>	<b>14,0 %</b>	<b>14,3 %</b>			<b>13,0 %</b>	<b>12,8 %</b>		

# Outlook on July 22, 2011

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



Thank you!