Driving transformation in media

Alma Media roadshow in London

Kai Telanne, President & CEO
6th May 2014

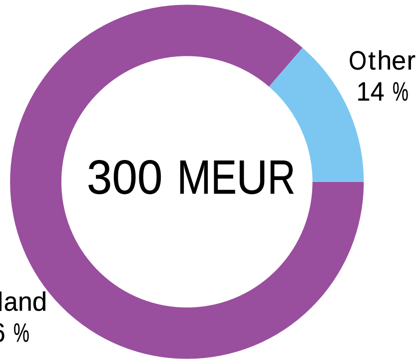
A traditional media company?

Alma Media is investing in fast-growing and profitable digital media and services, with a European focus.

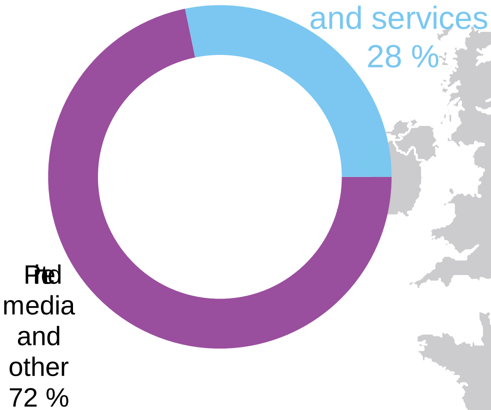
At the same time the company is boosting the multi-channel user experience and improving the cost efficiency of its traditional printed newspaper business based in Finland.

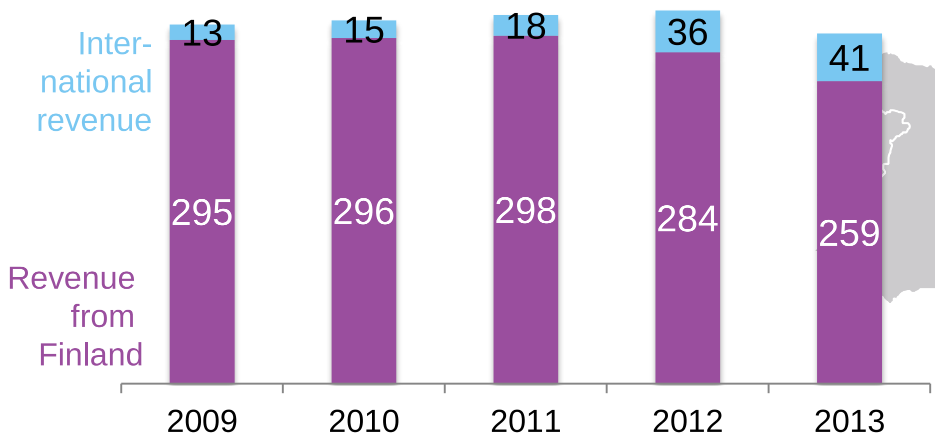
Increasingly digital,
internationally growing media company

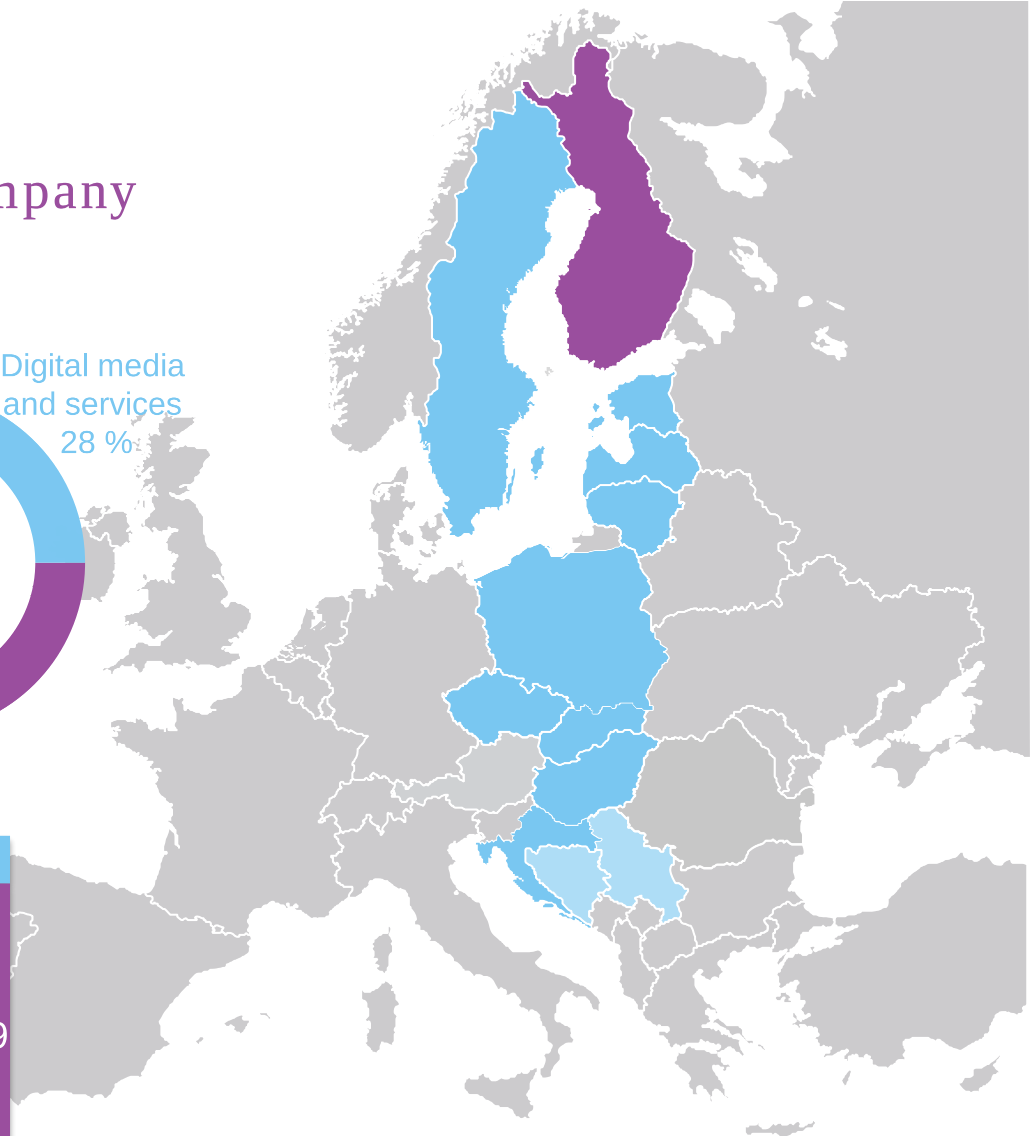
Revenue 2013 by geography



Revenue 2013 by source







LIVING INFORMATION

Alma Media's businesses

300 meur
Group revenue 2013

9.0 %
EBIT margin 2013

1965
Personnel in 2013

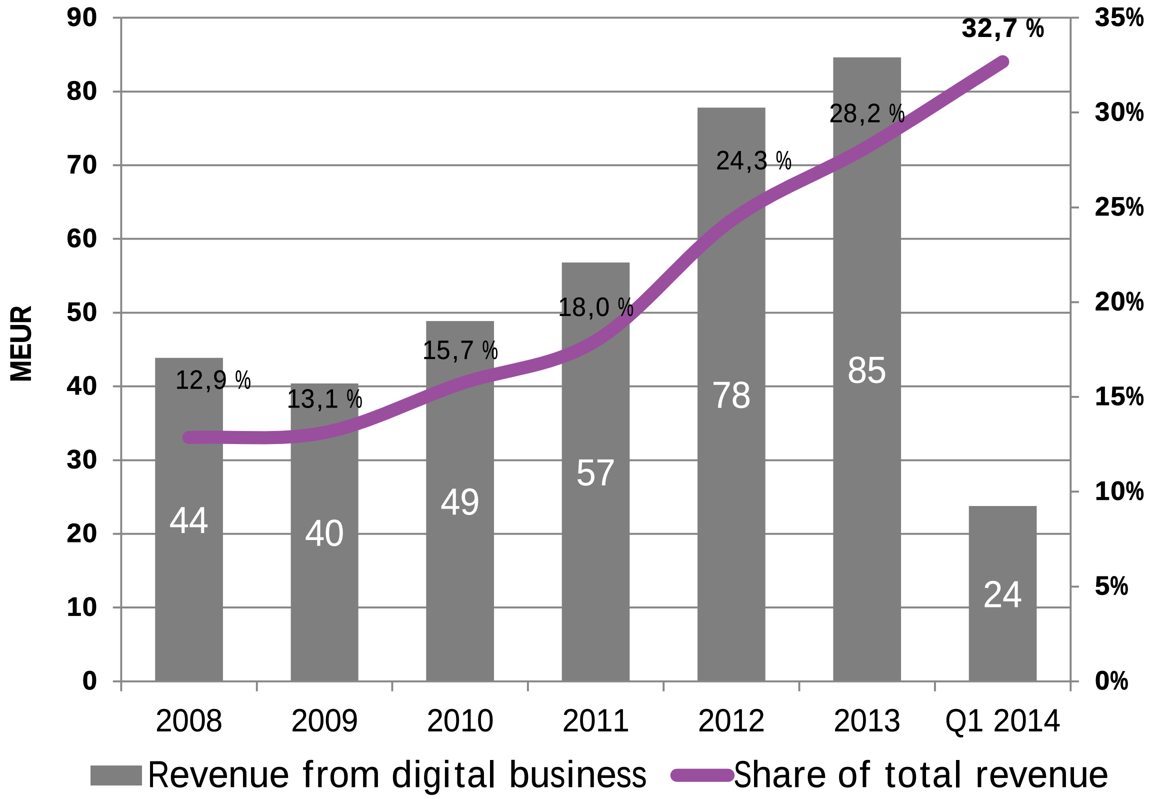
REGIONAL MEDIA
Local and regional news media

DIGITAL CONSUMER SERVICE
Career services
Housing and car marketplaces
Lifestyle services

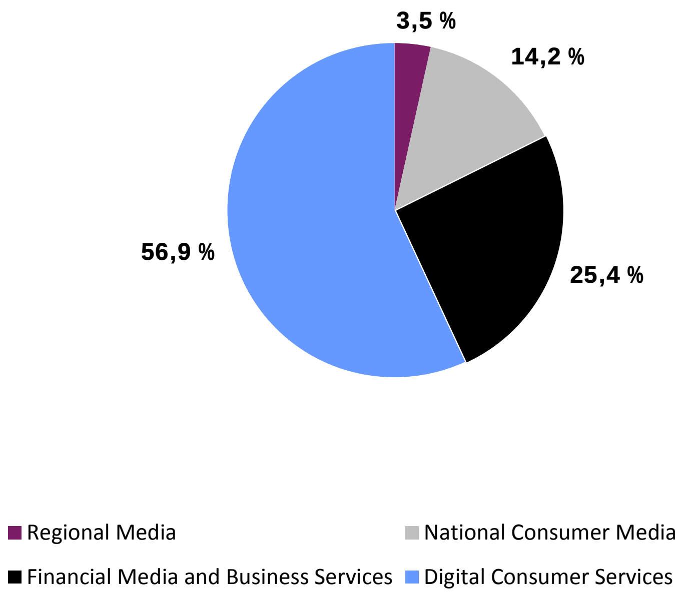
FINANCIAL MEDIA AND BUSINESS SERVICE
Financial news media
Business information services
Content marketing services

NATIONAL CONSUMER MEDIA
News and lifestyle media

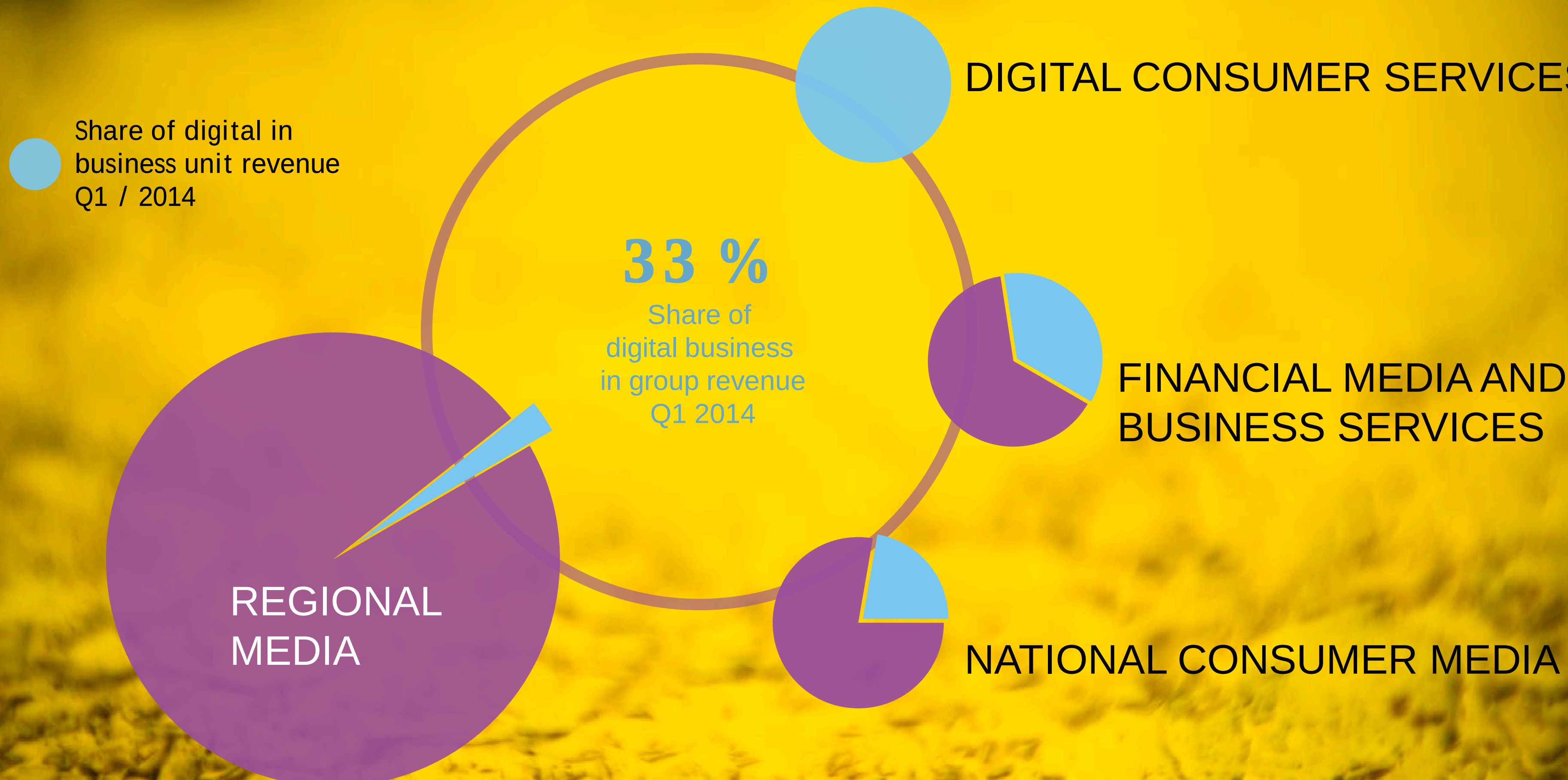
Digital business is growing



Digital business by segments Q1 2014



4 businesses in transition to digital



Ownership and share facts

Shareholders by sector

Largest shareholders 30.4.2014

1.	Ilkka-Yhtymä Oyj	29.79 %
2.	Mariatorp Oy	14.44 %
3.	Kaleva Kustannus Oy	7.95 %
4.	Varma (pension fund)	7.06 %
5.	C.V.Åkerlund foundation	4.53 %
6.	Elo (pension fund)	2.45 %
7	Herttaässä Oy Ab	2.16 %
8.	Kaleva (pension fund)	2.08 %
9.	Ilmarinen (pension fund)	1.46 %
10.	Veljesten Viestintä Oy	1.13 %

See www.almamedia.fi/investors for updated information.

Share facts

- **Nasdaq OMX Helsinki (Nordic Mid-Cap) ALN1V; ALN1V FH (Bloomberg); ALN1V.HE (Reuters)**
- **ISIN code FI0009013114**
- **Number of shares: 75 486 853**
- **Share capital EUR 45 292 111,80**

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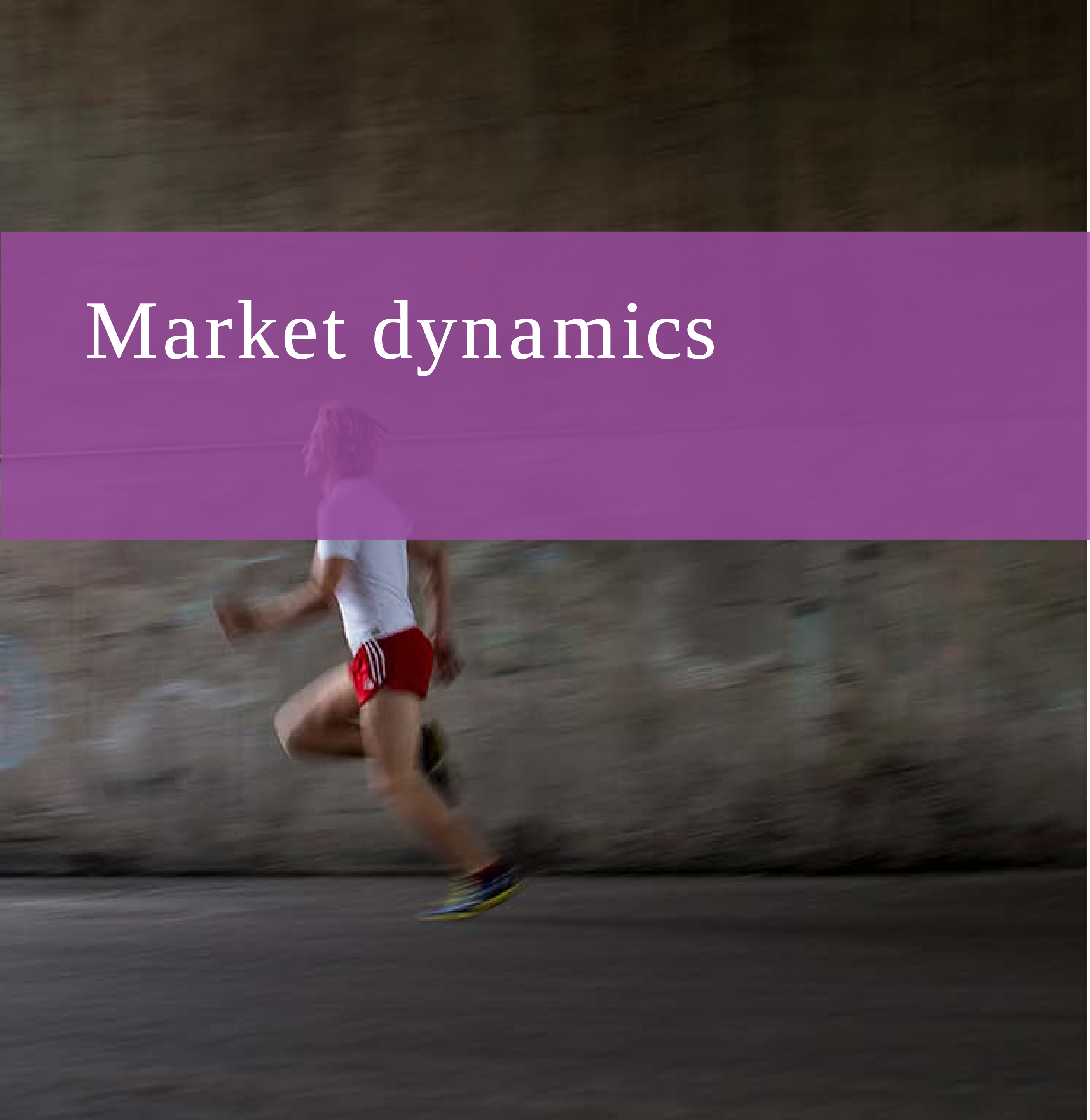
Market dynamics



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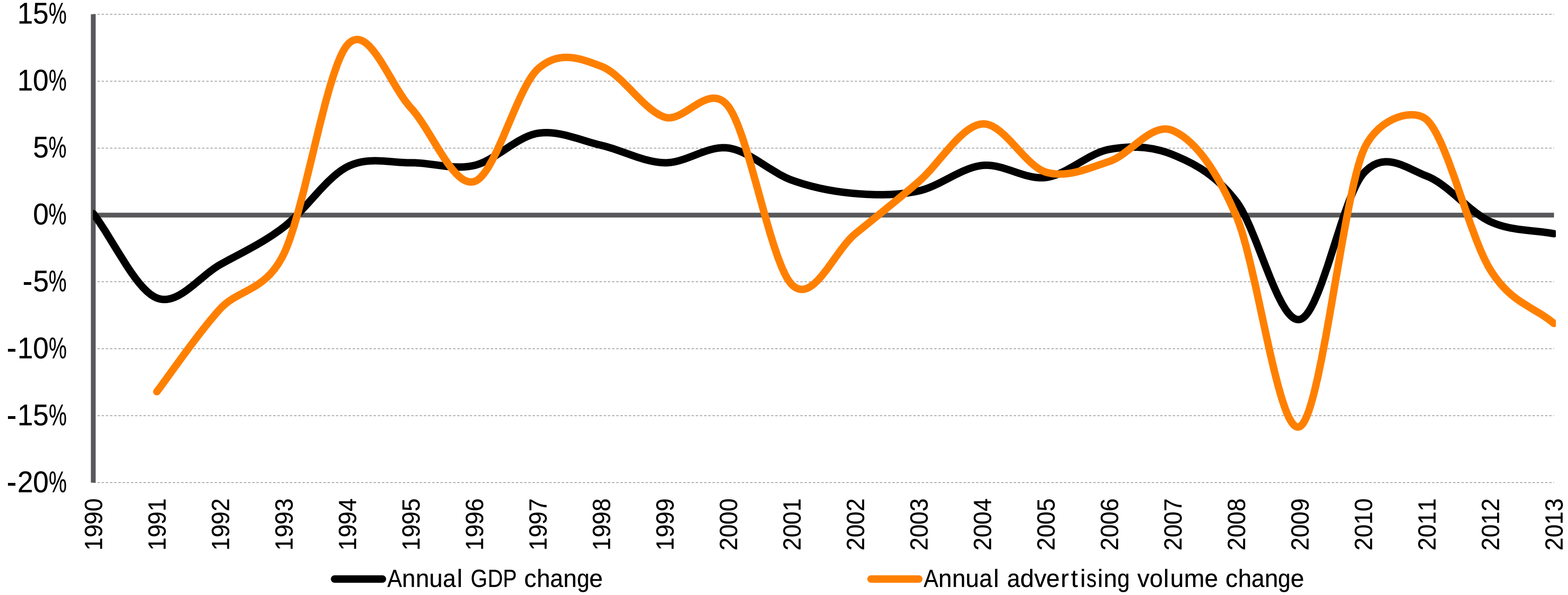
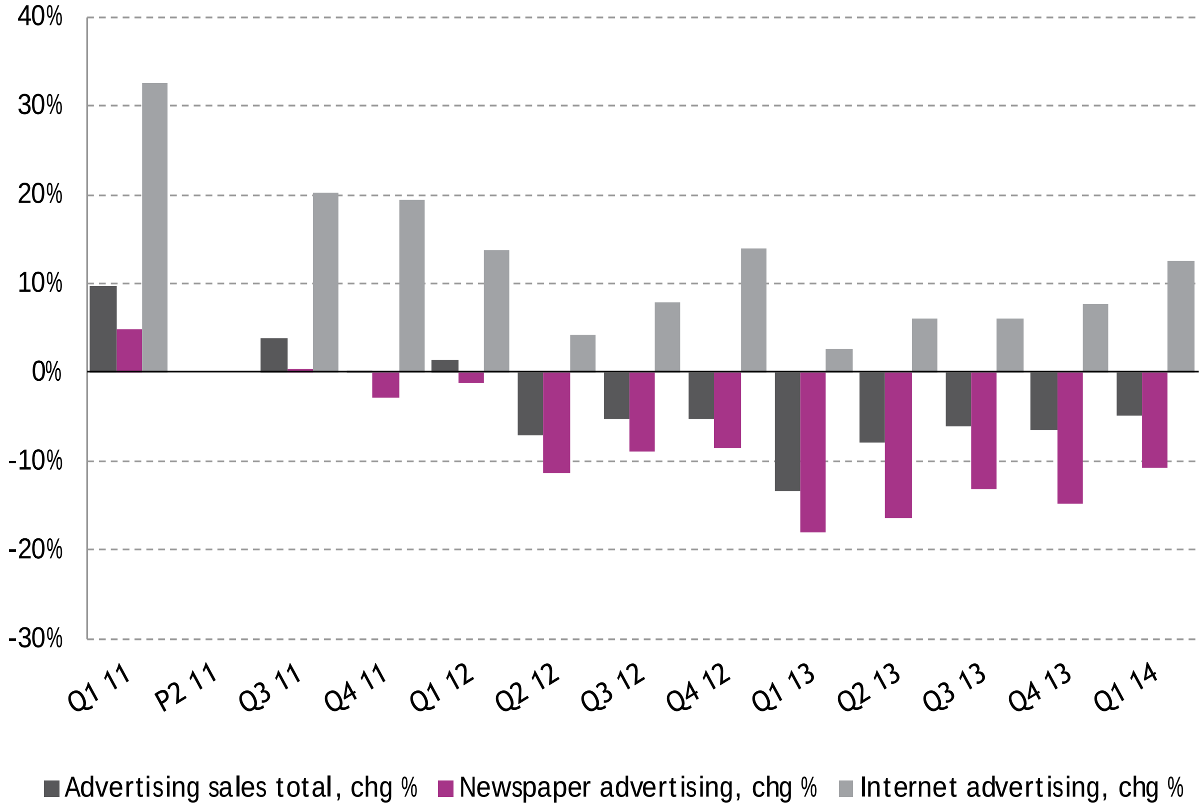
Advertising volumes in Finland follow GDP



Sources: Statistics Finland, Finnish Advertising Council, TNS

Change in media advertising Q1/2011–Q1/2014



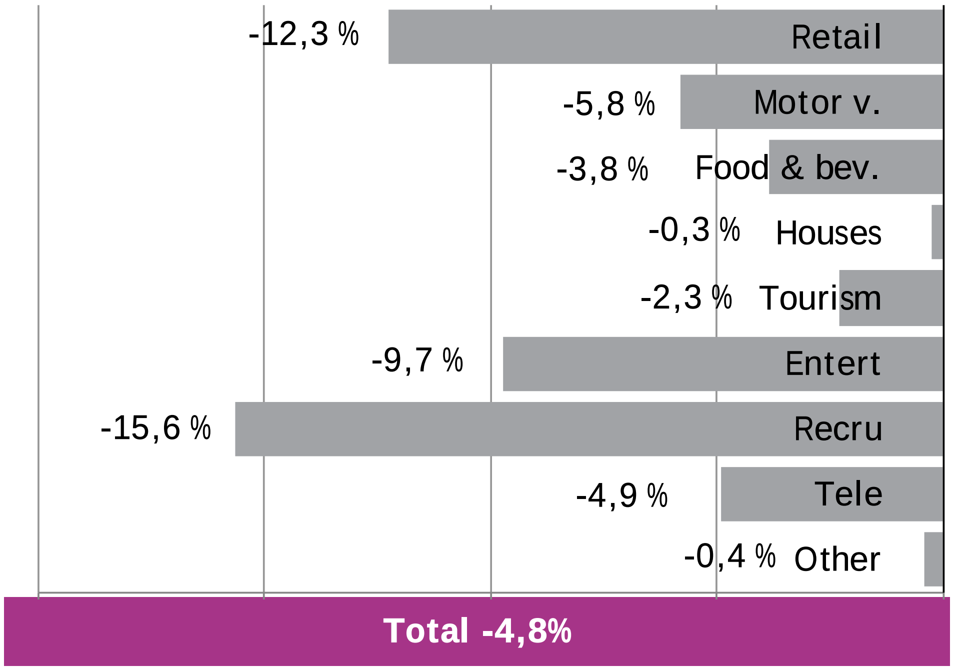
Change-% Q1/14 vs. Q1/13	
News-papers	-10,8
Magazines	-18,0
TV	-3,8
Radio	+12,0
Internet	+12,5
Total	-4,8

Source: TNS Media Intelligence

Almost all industries cut down on advertising

Advertising by branch Q1 / 2014

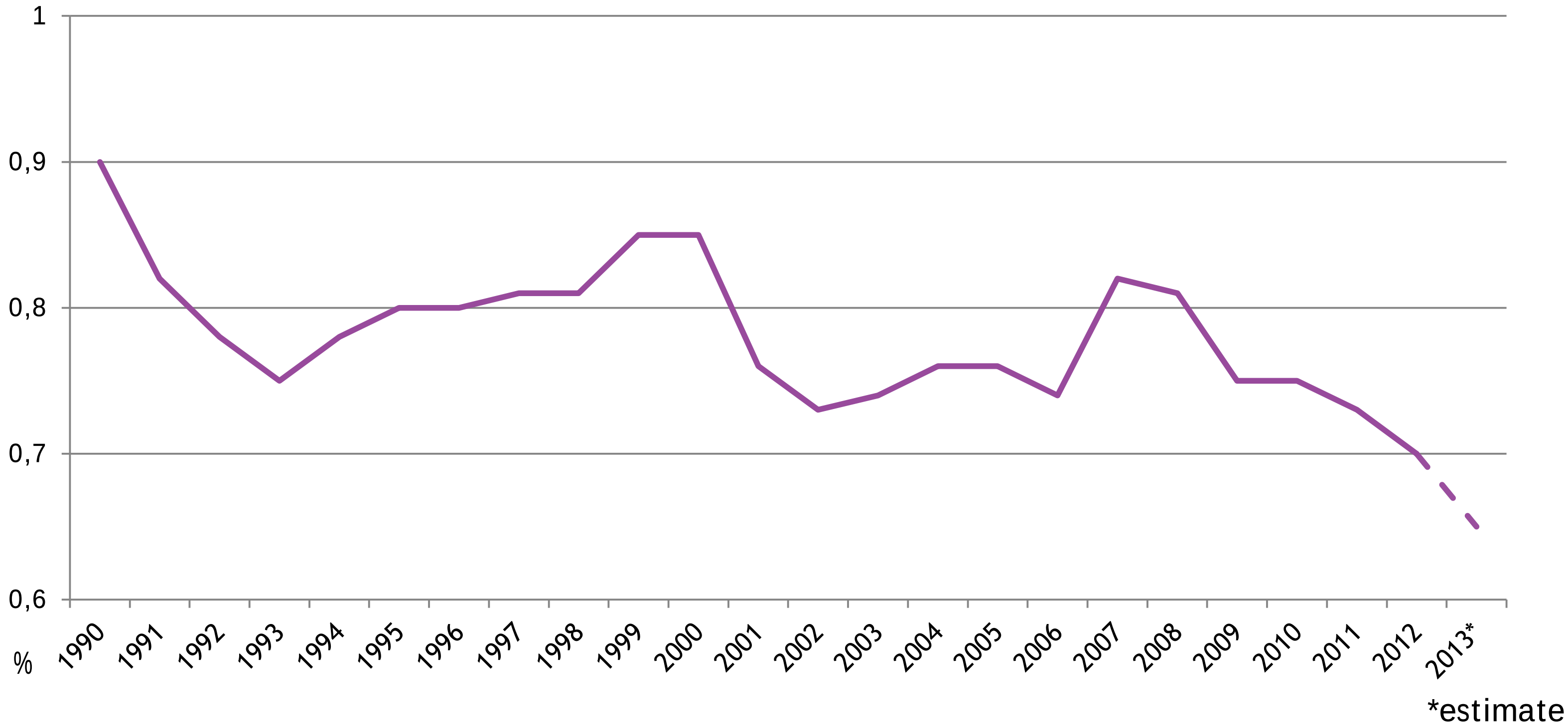
Total market, change from Q1 2013



Advertising in Q1 14	MEUR
Retail	48
Motor vehicles	25
Food & beverages	21
Houses and premises	12
Tourism and traffic	11
Entertainment	9
Recruiting	9
Telecommunications	5
Other	93
Total	**233**

Source: TNS Media Intelligence

Advertising share of GDP at record low



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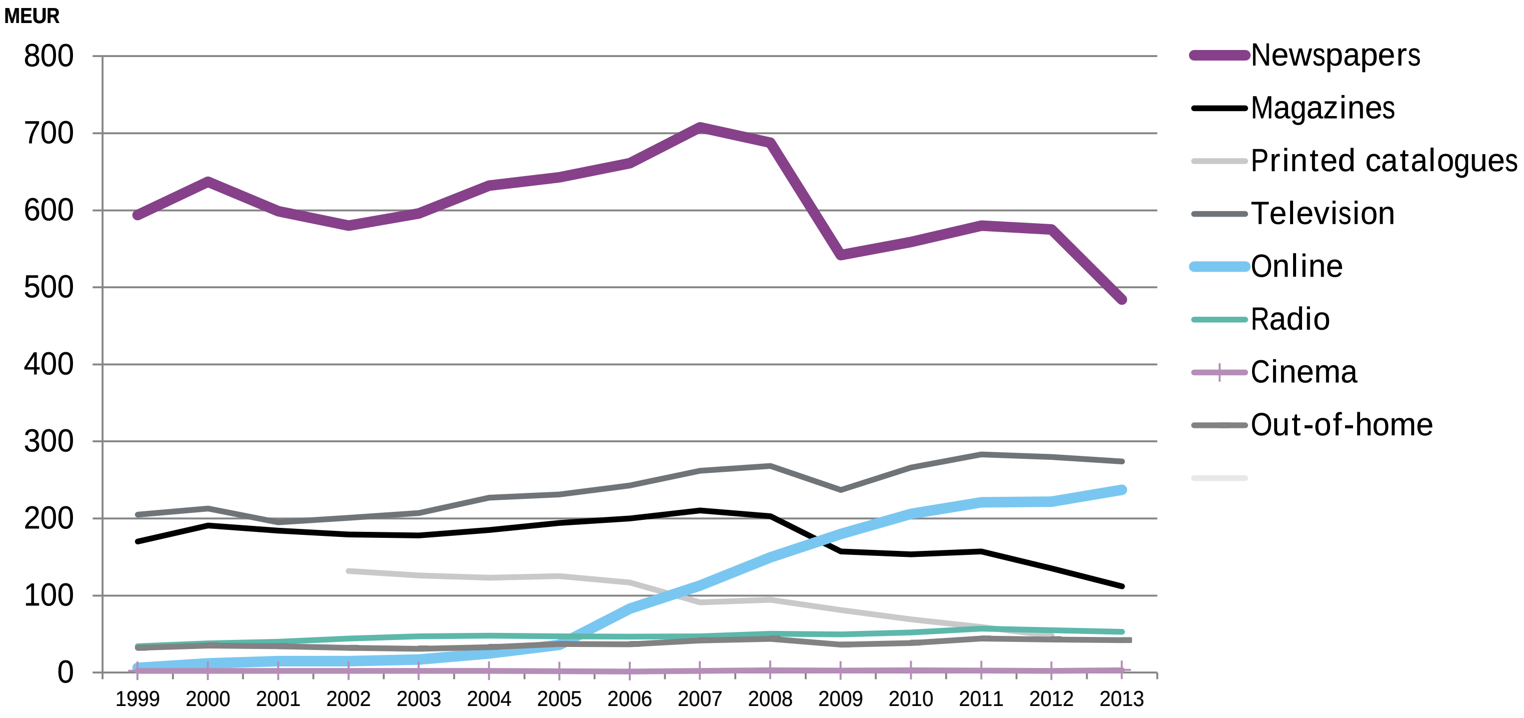
Structural change in media advertising



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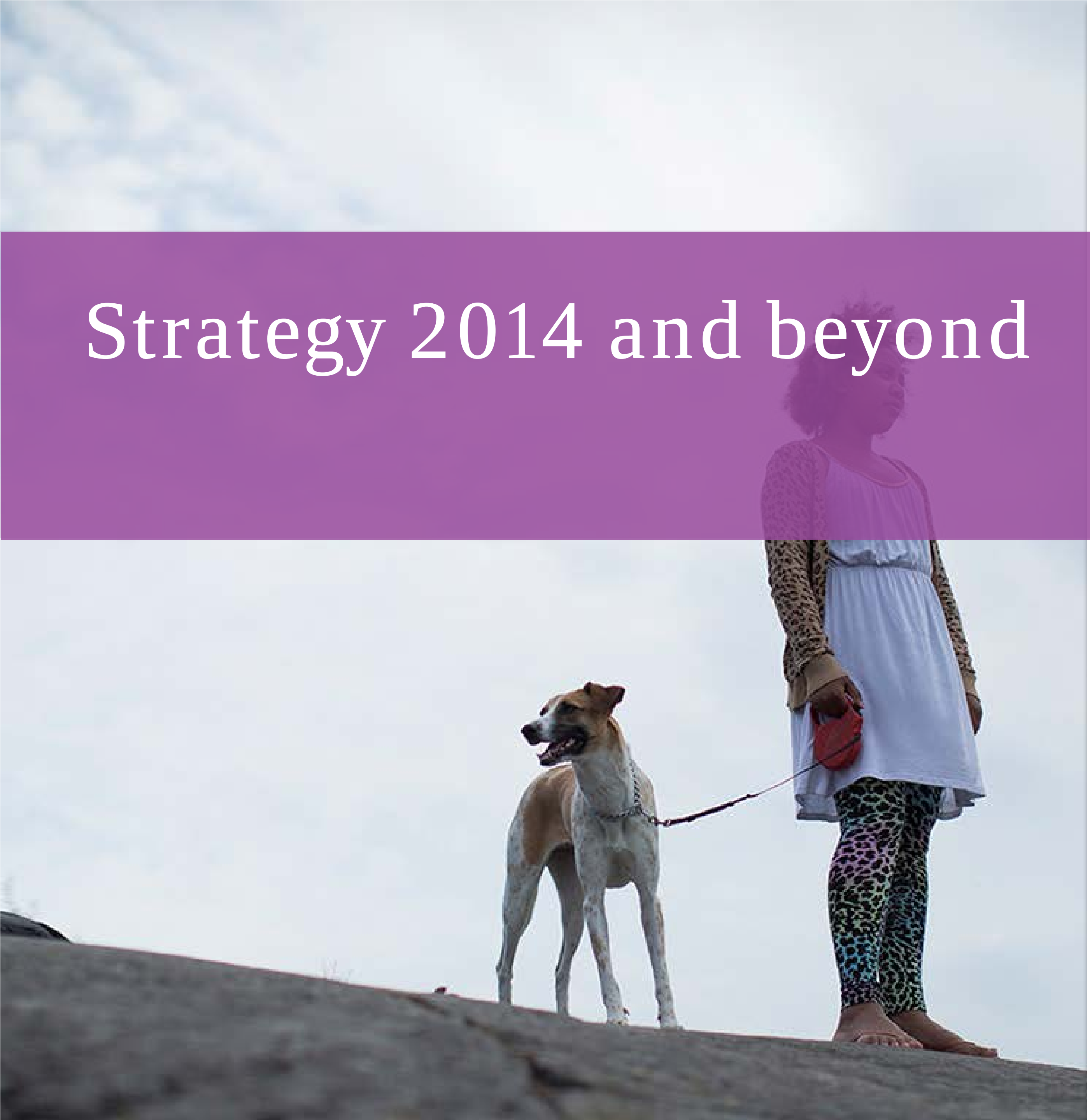
Strategy 2014 and beyond



LIVING INFORMATION ALMA

Key elements of Alma Media's strategy

Increase digital advertising and content revenue.

Generate growth from digital services.

1/3

2/3

Improve the user experience and cost efficiency of the printed newspaper business.

Evolution may not be enough.

Rapid changes in technology and consumer behaviour require reallocation of resources and focus on new products and services. We also need the courage to relinquish some things we have done before.

Key strategy elements 1/3

Growth from digital services

- Develop international recruitment services network
- Market leadership for domestic marketplaces
- Develop business information services

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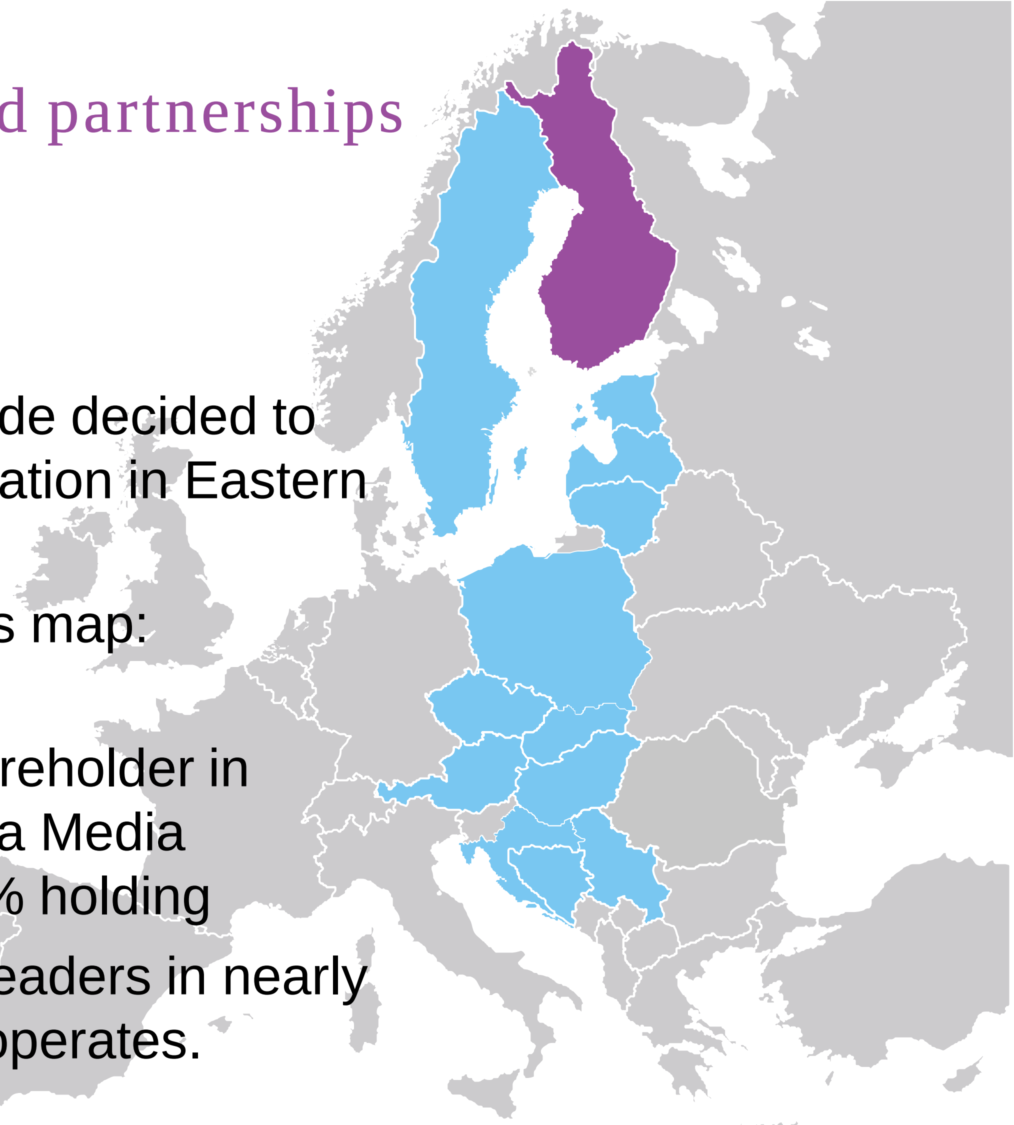
International investment and partnerships for digital growth



2013:
Alma Media and Monster Worldwide decided to intensify their recruitment collaboration in Eastern Central Europe.

- New countries on Alma Media’s map: Poland and Hungary
- Monster becomes minority shareholder in Alma Career (manages all Alma Media recruitment portals) with a 15-% holding

Alma Media services are market leaders in nearly all countries where the company operates.

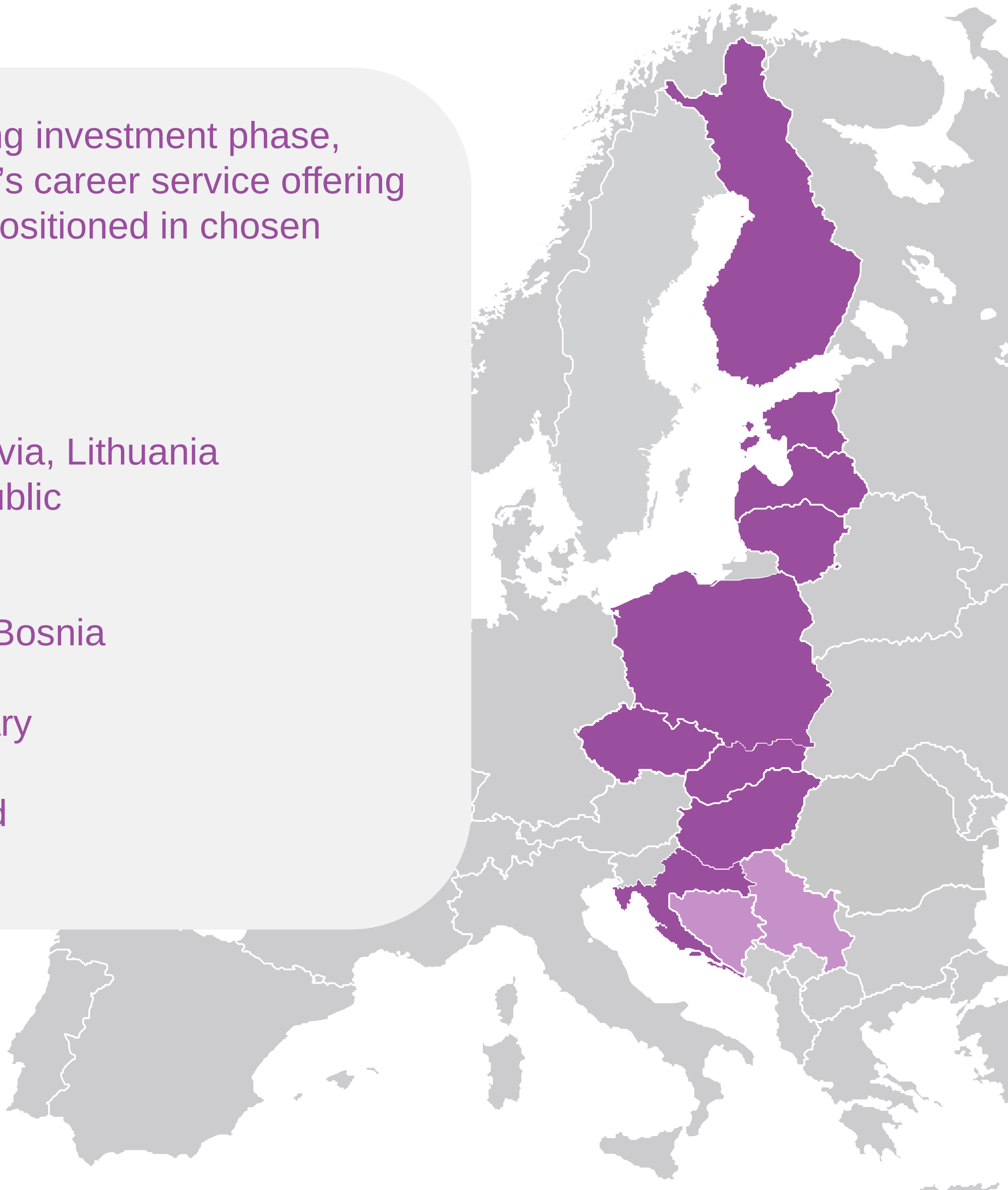
Strong player in recruitment markets

After a strong investment phase, Alma Media's career service offering is strongly positioned in chosen markets:

#1 in
Finland
Estonia, Latvia, Lithuania
Czech Republic
Slovenia
Croatia
Serbia and Bosnia

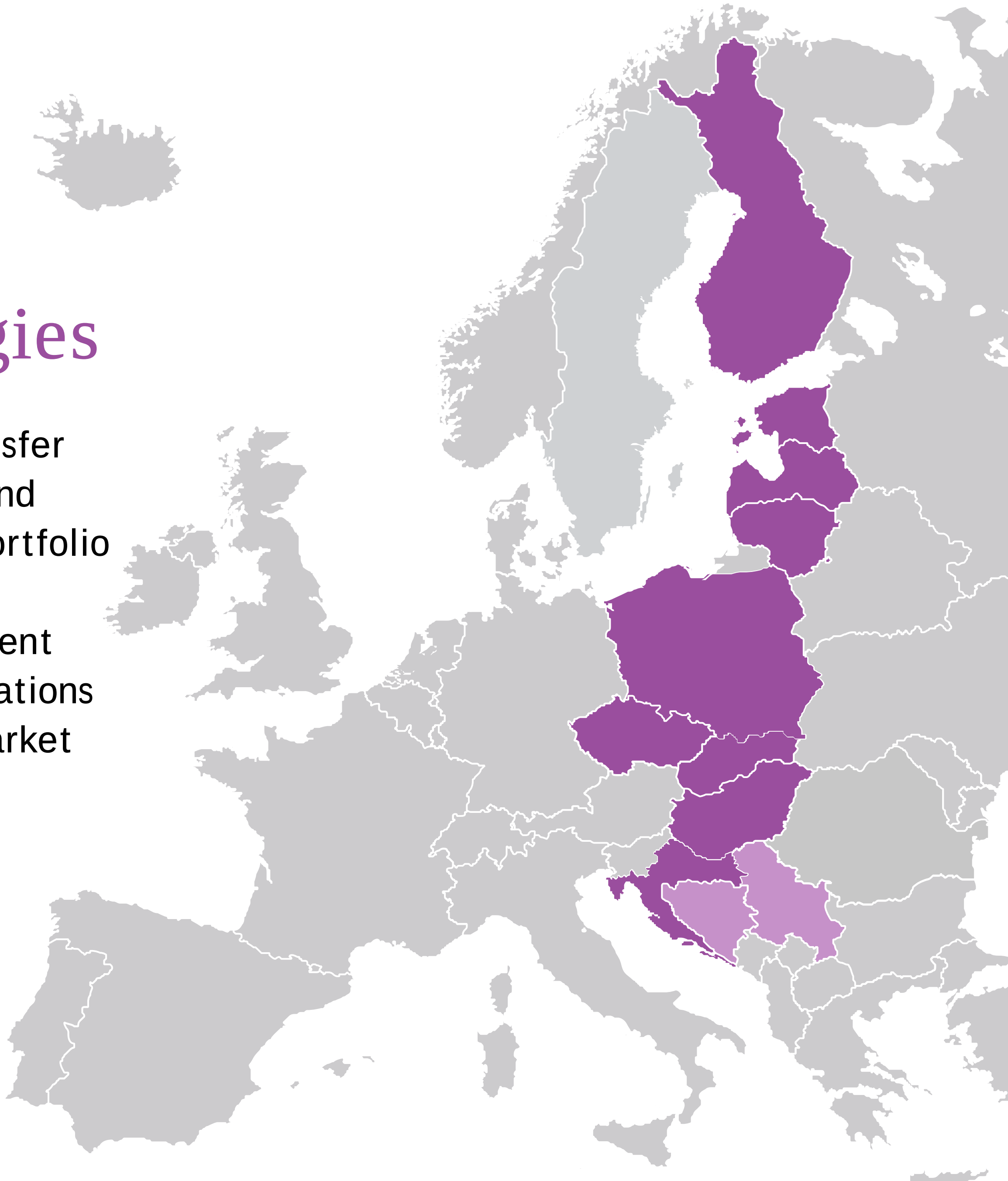
#3 in Hungary

#4 in Poland



Synergies

- Skills transfer
- Product and service portfolio
- Software development
- Client relations
- Strong market presence



Strong player in recruitment markets

Key strategy elements 2/3

Increase digital advertising and content revenue

- Increase digital content revenue through new subscription models
- Increase online and mobile advertising through expanding the offering
- Develop web television

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ALMA

Continuous effort to increase domestic digital growth

2013 success highlights:

- Mobile apps for Kauppalehti, Iltalehti and Aamulehti
- Mobile apps for Telkku.com and Etuovi.com
- Kotikokki.net modernisations
- Launch of Fiidi.fi service
- Regional online content paywall experiments
- Audience-targeted advertising service Almascope

Key strategy elements 3/3

Secure vitality of print newspaper business

- Improve quality and efficiencies in regional media through editorial office collaboration
- New printing facility in use, external print jobs
- Distribution optimisation and reorganisation

Renewal to improve

newspaper competitiveness

Major renewal projects at Aamulehti

- New mobile service and Premium subscription model at turn of the year 2013–2014
- Tabloid format from April 1, 2014, at the same time renewed Aamulehti.fi expands online news offering and opens an extended news package for subscribers

Lännen Media (Western media) starts

- 12 regional papers start editorial collaboration for new power and quality in nationwide news

Pohjolan Sanomat starts to appear 5 days a week

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ALMA

Necessary replacement investment in

printing competitiveness

New printing facility in Tampere

- After ramp-up, the facility is well up to speed, with 5 million copies printed per week.
- In addition to Alma Media newspapers, the facility prints Hämeen Sanomat and several Talentum publications, among others.
- Payback time of the approx €70m investment is 10 years.
- Alma Media closes down its Rovaniemi printing facility on March 31, 2014.

We are building a round-the-clock media consumption experience

based on extensive analysis of our customers' preferences and media usage.

Nobody has a certain prediction for the future. Renewal requires plenty of experimenting.

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Strategy implementation focus

Multi-channel content

Marketing solutions

Digital services

Resources and competencies

We will build new competencies, seek efficiencies and accelerate growth in digital services and media.

5 spearheads for Alma Media's digital growth

#1 Europe-wide services for recruiters.

#2 Digital newspaper content sales.

#3 Online television for millions.

#4 Digital advertising w/ audience targeting.

#5 Digital information and services for businesses

Long-term financial targets

Alma Media's financial targets	2011	2012	2013	Target level
Growth in digital business	16.3%	36.8%	8.4%	**> 15%**
Return on investment ROI, %	26.1%	13.8%	10.1%	**> 15%**
Dividend payout ratio*	103%	45%	50%	**> 50%**

- Including capital repayment to shareholders.

By the year 2020, 50% of Alma Media's revenue comes from digital.

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Growth and income value

Alma Media aims to allocate investments, repayment of debt and distribution of profit optimally from the company's and investors' point of view.

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Key figures 2013 and Q1 2014

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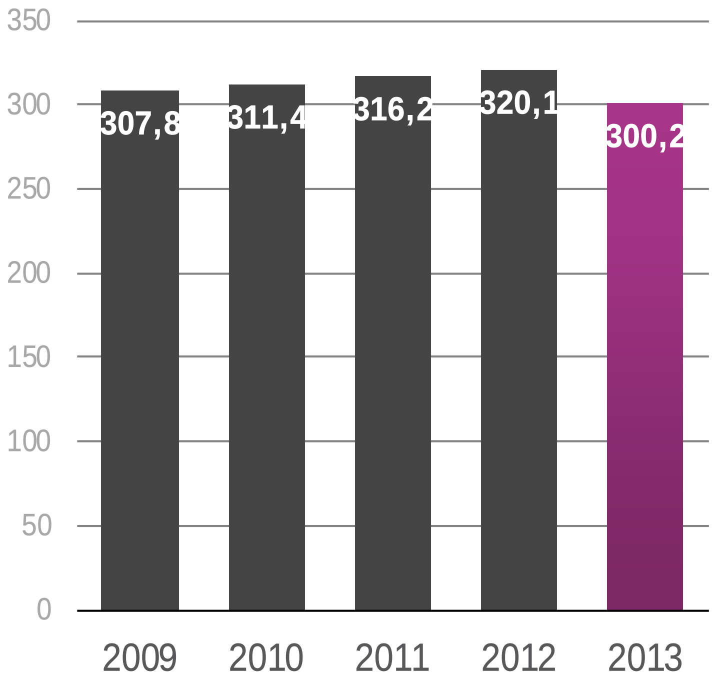
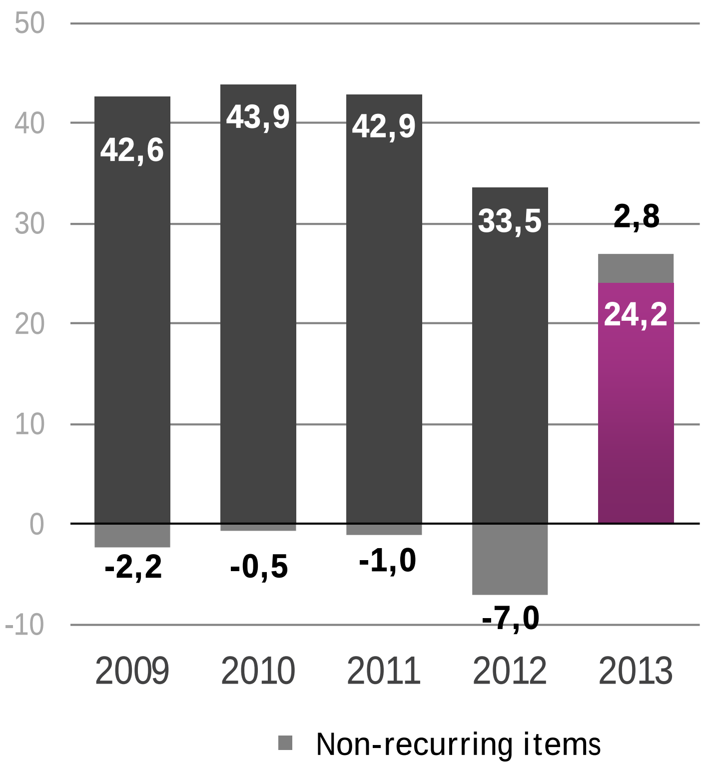
Revenue and operating profit 2009–2013

Revenue, MEUR
IFRS



Operating profit, MEUR
IFRS



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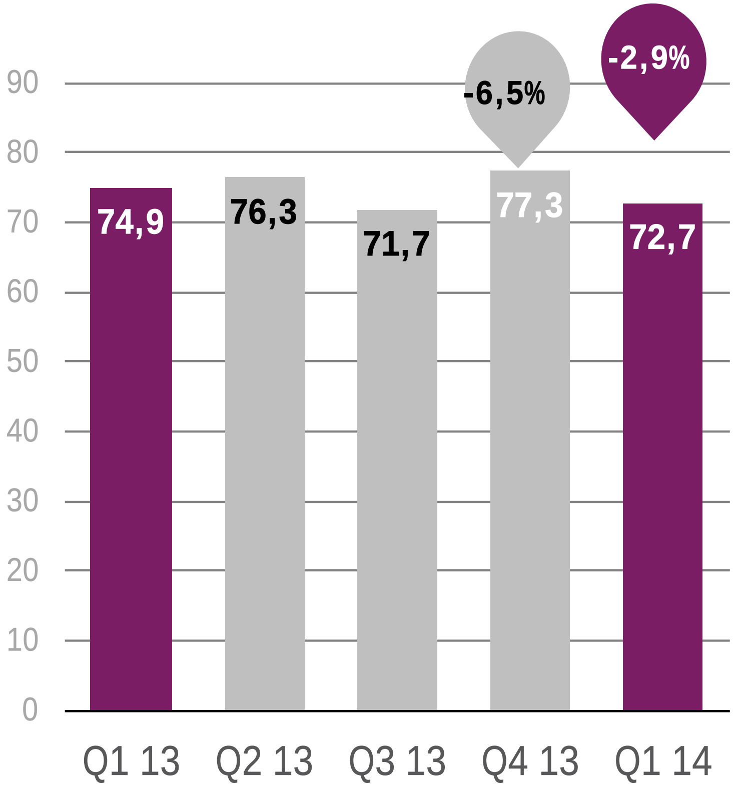
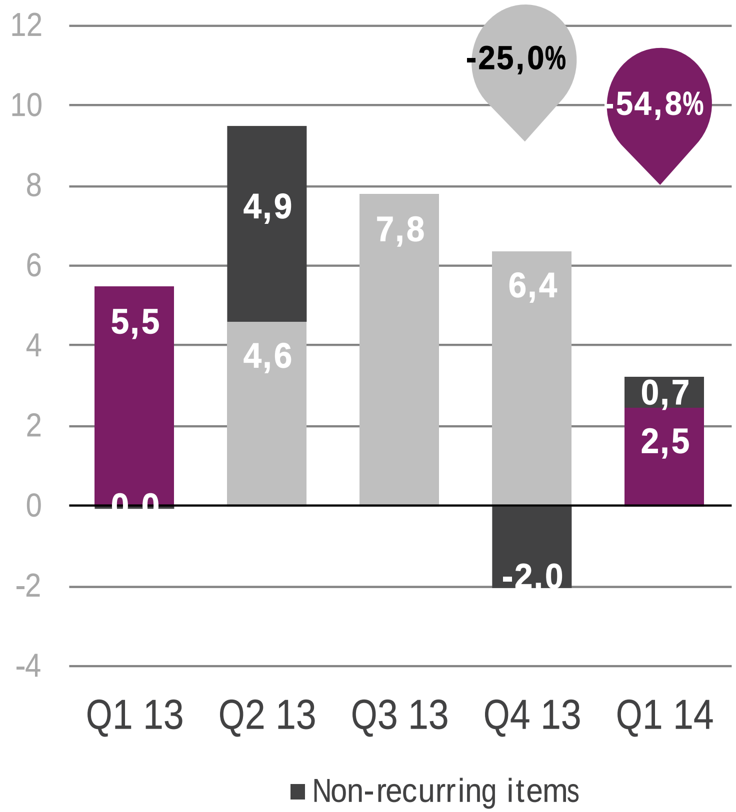
Revenue decline continued in first quarter 2014

Revenue, MEUR
IFRS



Operating profit, MEUR
IFRS



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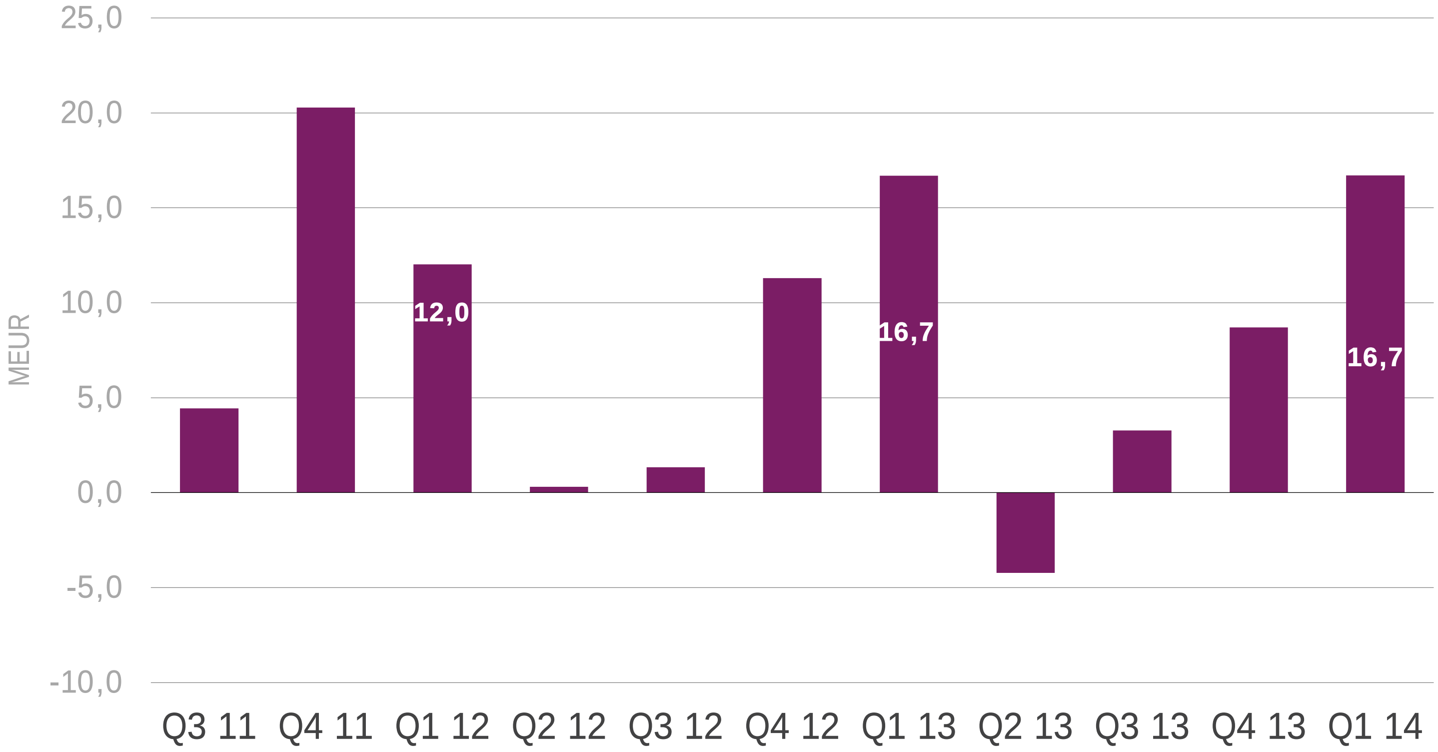
Long-term financial objectives

Alma Media's financial targets	2011	2012	2013	Q1/ 2014	Target level
Growth in digital business	16.3%	36.8%	8.4%	11,0 %	**> 15%**
Return on investment ROI, %	26.1%	13.8%	10.1%	5,8 %	**> 15%**
Dividend payout ratio*	103%	45%	50%	n/a	**> 50%**

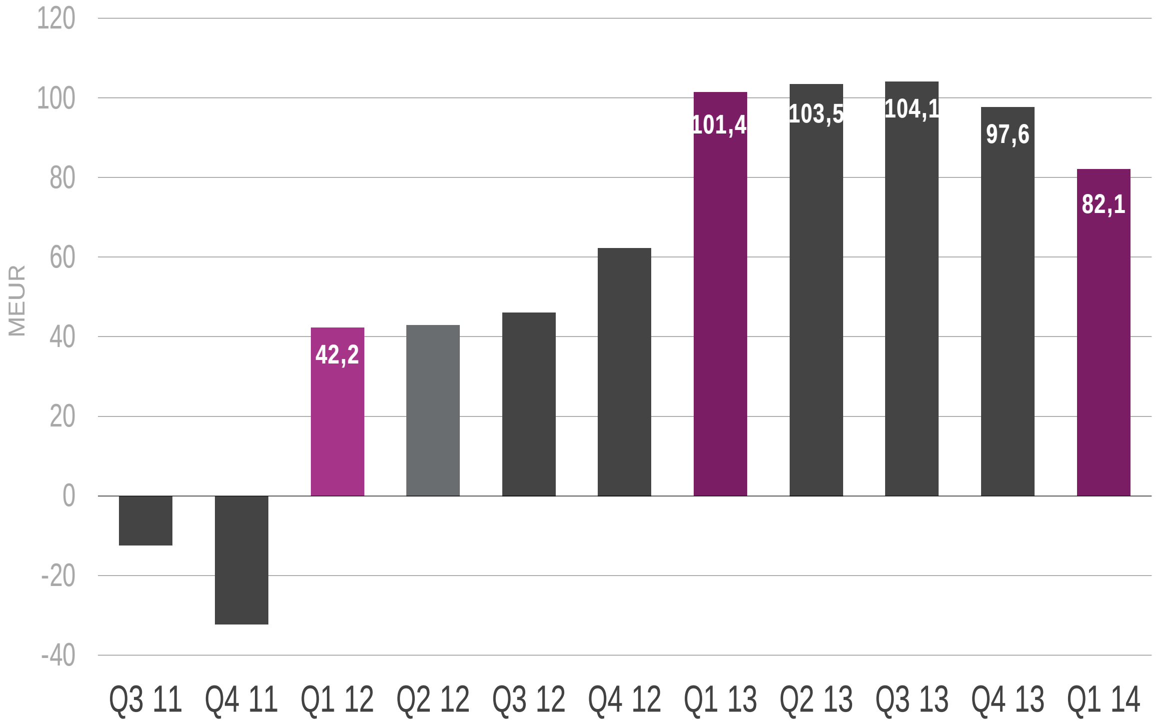
* Including capital repayment to shareholders.

Cash flow from operations



Interest-bearing debt

Net debt Q2/2011-Q4/2013



Breakdown of net debt

	Q1/2014
Financial leasing	74.0
Financing loans	10,0
Commercial papers	12.0
Cash and cash equivalents	-13.9
Total	82.1

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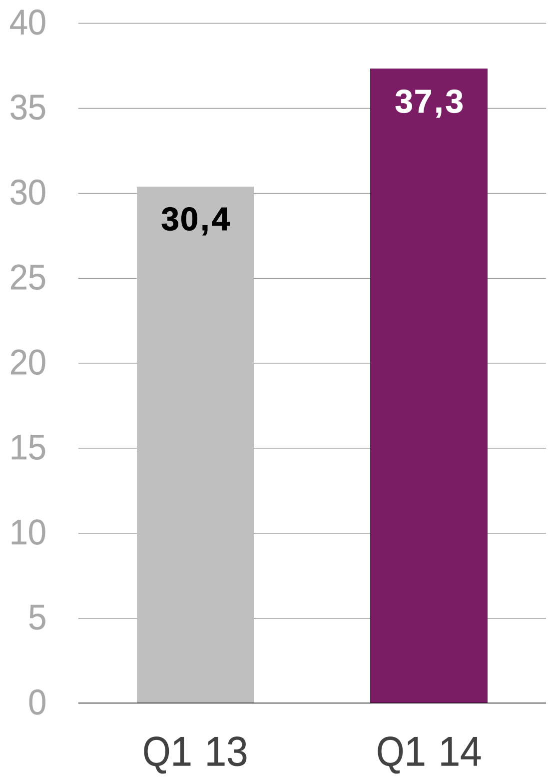
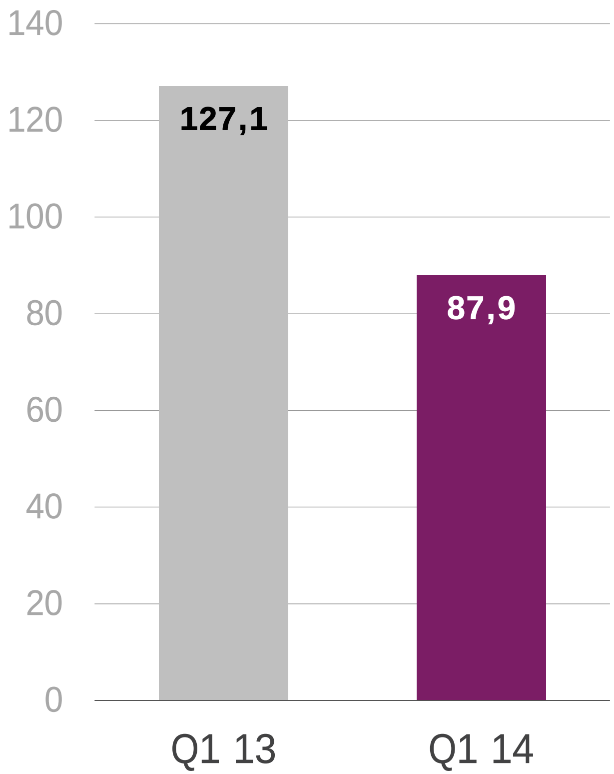
Key figures

IFRS

Equity ratio, %



Net gearing, %



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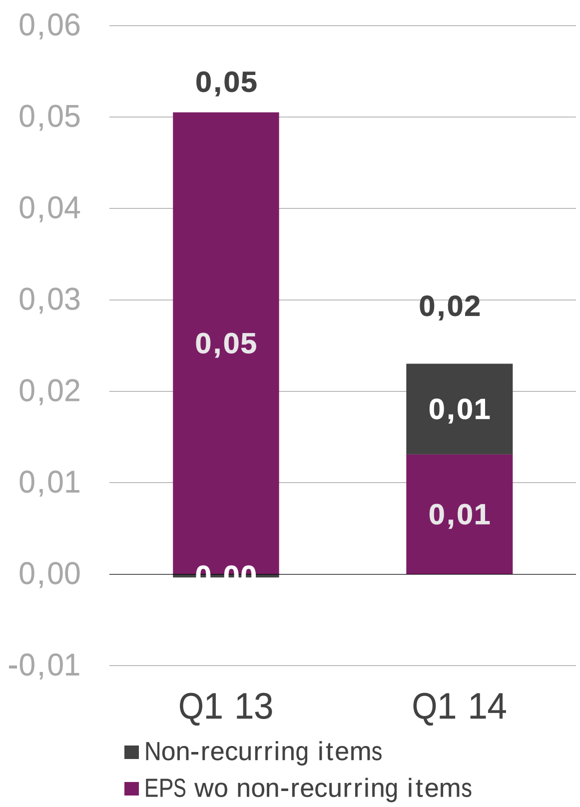
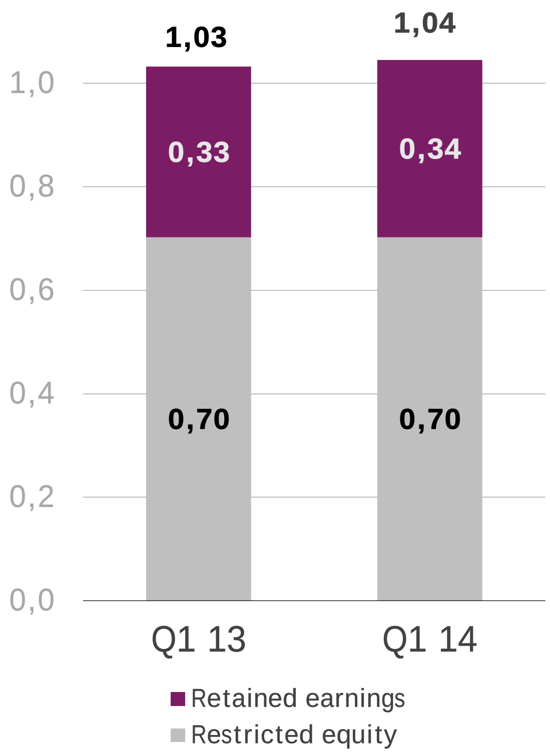
Earnings per share and equity per share





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Balance sheet

MEUR	Q1 2014	Q1 2013
Intangibles and goodwill	114,9	118,0
Tangibles	84,8	85,6
Associated companies	25,5	31,7
Inventory	1,2	0,9
Receivables	34,5	37,2
Cash	13,9	15,7
Assets	**274,7**	**289,0**
Equity	93,3	79,8
Reserves-obligatory	4,1	0,4
Pension liabilities	2,6	2,8
Ib debt	95,9	117,0
Non-Ib debt	54,1	62,5
Advances received	24,6	26,6
Equity and liabilities	**274,7**	**289,0**

Thank you!

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