Agenda

Main points
Market development
Financial development
Strategy and outlook
Q & A
Q2/2014 highlights

- The Group’s revenue in the second quarter declined slightly, but digital revenue increased by more than 13% year-on-year. Digital products and services accounted for 31.4% (27.5%) of Group revenue.

- Operating profit excluding non-recurring items increased by 37.3% to MEUR 6.3. Total expenses excluding non-recurring items decreased by 2.4%.

- Alma Media continued to develop mobile media and video content solutions. New mobile applications and tablet publications played a key role in mobile development, with new products launched by Ilta-lehti and Kauppalehti, among others.

- Digital advertising sales showed very strong development in IL-Media. Online advertising revenue increased by 46.6% to account for more than 64% of total advertising revenue.

- Kauppalehti’s digital content revenue increased by 30.2%, partially covering the decline in content revenue for print media.

- Alma Media expects its full-year revenue 2014 to remain at the 2013 level. The operating profit excluding non-recurring items for 2014 is expected to be lower than in 2013. The full-year revenue 2013 was MEUR 300.2 and operating profit excluding non-recurring items was MEUR 24.2.
Revenue Q2/2014

- Revenue for the quarter decreased by 0.9% to MEUR 75.7.
- Online business revenue increased by 13.4%.
- Digital products and services accounted for 31.4% (27.5%) of Group revenue in the second quarter.
- Content revenue decreased by 4.1%.
  - Content revenue from digital channels does not completely cover the decline in print content revenue.
- Revenue from advertising sales increased by 2.1%.
  - Online advertising sales increased by 11.4%.
  - Advertising sales for print media decreased by 4.3%.
Operating profit Q2/2014

- Operating profit excluding non-recurring items increased by 37.3% to MEUR 6.3.
- Operating profit was MEUR 6.1, or 8.1% of revenue.
  - The operating profit includes net non-recurring items of MEUR -0.2. The non-recurring items were related to operational restructuring in the Group’s parent company.
- Total expenses excluding non-recurring items decreased by 3.3% year-on-year to MEUR 69.5.
Growth in digital business

Segment’s share of the Group’s digital revenue

- Regional Media: 3.8%
- National Consumer Media: 15.3%
- Financial Media and Business Services: 23.2%
- Digital Consumer Services: 57.7%


Market development in Finland
Change in media advertising 6/2013–6/2014

Change (%)
YTD 6/14 vs. 6/13

<table>
<thead>
<tr>
<th>Media Type</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newspapers</td>
<td>-8.3</td>
</tr>
<tr>
<td>Magazines</td>
<td>-14.8</td>
</tr>
<tr>
<td>TV</td>
<td>-5.2</td>
</tr>
<tr>
<td>Radio</td>
<td>+10.5</td>
</tr>
<tr>
<td>Internet</td>
<td>+13.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>-3.6</strong></td>
</tr>
</tbody>
</table>

Source: TNS Media Intelligence
Growth in digital advertising

YTD change from previous year, %

Source: TNS Media Intelligence

2013  2014
Advertising volume in printed newspapers* remains low

YTD change from previous year, %

Source: TNS Media Intelligence
* Newspapers, local and free issue papers
Advertising declined across all industries

Advertising by branch Q1-Q2 / 2014

Total market, change from Q1-Q2 2013

<table>
<thead>
<tr>
<th>Branch</th>
<th>MEUR</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>109</td>
<td>-7.1%</td>
</tr>
<tr>
<td>Food &amp; bev.</td>
<td>51</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Motor v.</td>
<td>47</td>
<td>-5.3%</td>
</tr>
<tr>
<td>Houses</td>
<td>24</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Tourism</td>
<td>22</td>
<td>-4.3%</td>
</tr>
<tr>
<td>Entertainment</td>
<td>21</td>
<td>-7.9%</td>
</tr>
<tr>
<td>Recruiting</td>
<td>17</td>
<td>-13.1%</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>10</td>
<td>-16.8%</td>
</tr>
<tr>
<td>Other</td>
<td>198</td>
<td>0.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>500</td>
<td>-3.6%</td>
</tr>
</tbody>
</table>

Source: TNS Media Intelligence
The decline is sustained

Advertising change by branch

Total market, change from previous year

P4 2014 vs 2013
- Retail: -0.1%
- Food & bev.: -3.8%
- Motor v.: -7.5%
- Tourism: -7.9%
- Entert: 1.1%
- Houses: -7.2%
- Recru: -12.4%
- Tele: -26.4%
- Other: -3.7%

Total: -4.3%

Source: TNS Media Intelligence

P5 2014 vs 2013
- Retail: -1.9%
- Food & bev.: 8.1%
- Motor v.: -10.6%
- Tourism: -12.5%
- Entert: -19.1%
- Houses: 7.7%
- Recru: -17.1%
- Tele: -38.0%
- Other: 3.4%

Total: -1.7%

P6 2014 vs 2013
- Retail: -4.8%
- Food & bev.: 2.0%
- Motor v.: 6.6%
- Tourism: 3.3%
- Entert: 0.7%
- Houses: -5.8%
- Recru: 4.1%
- Tele: -5.1%
- Other: -1.0%

Total: -0.8%
Financial review

Juha Nuutinen, CFO
## Long-term financial targets

<table>
<thead>
<tr>
<th>Alma Media’s financial targets</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014 YTD</th>
<th>2014 Q2</th>
<th>Target level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital business growth</td>
<td>16.3%</td>
<td>36.8%</td>
<td>8.4%</td>
<td>12.2%</td>
<td>13.4%</td>
<td>&gt; 15%</td>
</tr>
<tr>
<td>Return on Investment (ROI), %</td>
<td>26.1%</td>
<td>13.8%</td>
<td>10.1%</td>
<td>8.6%</td>
<td>12.0%</td>
<td>&gt; 15%</td>
</tr>
<tr>
<td>Dividend payout ratio*</td>
<td>103%</td>
<td>45%</td>
<td>50%</td>
<td>n/a</td>
<td>n/a</td>
<td>&gt; 50%</td>
</tr>
</tbody>
</table>

*Includes capital repayment to shareholders.
Operating profit increased in the second quarter

Revenue, MEUR
IFRS

Operating profit, MEUR
IFRS

Non-recurring items
Content revenue fell due to a declining trend in print media. Advertising revenue increased in Q2.
• Revenue increased by 4.9% to MEUR 14.0.
  • The revenue in the comparison period included MEUR 0.7 in revenue from the Mascus business that was sold in April 2013.
  • Revenue was increased by MEUR 0.4 by new recruitment service companies in Hungary, Czech Republic and Poland.
• Recruitment service revenue increased by 14.9% and accounted for 66.2% of the segment’s revenue. Sales also developed favourably for housing-related services.
• Total expenses increased by 9.8% to MEUR 11.5.
• Operating profit excluding non-recurring items decreased by 12.4% to MEUR 2.5.
  • The divestment of Mascus had an effect of MEUR -0.2 on the decrease in operating profit.
  • No non-recurring items were reported in the review period.
Financial Media and Business Services Q2/2014

- Revenue declined by 9.1% to MEUR 13.1.
  - Digital business accounted for 42.6% of revenue.
  - The divestment of the BNS business had an effect of MEUR 1.1 on the decrease.
- Content revenue decreased by 6.0%.
  - Kauppalehti’s digital content revenue increased by 30.2%, partially covering the decline in print media content revenue.
  - Content revenue from print media declined partly due to the termination of unprofitable subscriptions.
- Advertising sales were unchanged from the previous year at MEUR 4.1
  - Online advertising sales increased by 18.2%.
- Total expenses were MEUR 11.7 (12.7) and the operating profit excluding non-recurring items was MEUR 1.3.
National Consumer Media Q2/2014

- Content revenue grew by 3.2% to MEUR 12.7.
  - Online business accounted for 28.8% of the segment’s revenue.
- Content revenue decreased by 6.0% due to a decline in Iltalehti’s circulation.
- Advertising sales increased by 21.2%.
  - Digital advertising sales increased by 46.6%. Online advertising revenue accounted for more than 64% of total advertising revenue.
  - Advertising sales for print media declined by 6.2%.
- Total expenses decreased to MEUR 11.1 (11.4).
  - A decrease in printing and distribution costs contributed to the decline in total expenses.
- Operating profit increased to MEUR 1.7, or 13.1% of revenue.
  - No non-recurring income or expenses were reported in the review period.
Regional Media Q2/2014

- Revenue was on a par with the comparison period at MEUR 37.2.
  - Digital business accounted for 2.5% of revenue.
- Content revenue decreased by 2.9% due to declining circulations.
- Advertising sales decreased by 3.8%.
  - Digital advertising sales increased by 16.3%.
  - Advertising sales for print media decreased by 4.4%. The decline slowed due to strong sales in May.
- Service revenue increased by 40.1% due to an increase in Alma Manu’s external printing service revenue.
- Total expenses excluding non-recurring items were MEUR 34.3 (35.9).
- Operating profit excluding non-recurring items was MEUR 3.0, or 8.0% of revenue.
Cash flow from operating activities

MEUR

Q4 11  Q1 12  Q2 12  Q3 12  Q4 12  Q1 13  Q2 13  Q3 13  Q4 13  Q1 14  Q2 14
Cash flow and capital expenditure

IFRS

From operating activities
Before financing activities

Gross investments
Proceeds from sales of assets
Interest-bearing liabilities

Net debt Q4/2011–Q2/2014

Net debt distribution

<table>
<thead>
<tr>
<th></th>
<th>Q2/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial leasing</td>
<td>71.8</td>
</tr>
<tr>
<td>Financial loans</td>
<td>9.5</td>
</tr>
<tr>
<td>Commercial papers</td>
<td>12.0</td>
</tr>
<tr>
<td>Cash and cash</td>
<td>-13.6</td>
</tr>
<tr>
<td>equivalents</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>79.7</td>
</tr>
</tbody>
</table>
Key indicators

IFRS

Equity ratio, %

<table>
<thead>
<tr>
<th></th>
<th>Q2 13</th>
<th>Q2 14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>32.9</td>
<td>38.9</td>
</tr>
</tbody>
</table>

Gearing, %

<table>
<thead>
<tr>
<th></th>
<th>Q2 13</th>
<th>Q2 14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>119.3</td>
<td>82.1</td>
</tr>
</tbody>
</table>
Earnings per share and equity per share

Q2 2013 Q2 2014

Non-recurring items
EPS wo non-recurring items

Q2 2013 Q2 2014
Retained earnings Restricted equity
Balance sheet

<table>
<thead>
<tr>
<th>MEUR</th>
<th>Q2 2014</th>
<th>Q2 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangibles and goodwill</td>
<td>114.8</td>
<td>116.4</td>
</tr>
<tr>
<td>Tangibles</td>
<td>83.2</td>
<td>87.9</td>
</tr>
<tr>
<td>Associated companies</td>
<td>24.9</td>
<td>31.0</td>
</tr>
<tr>
<td>Inventory</td>
<td>1.1</td>
<td>0.7</td>
</tr>
<tr>
<td>Receivables</td>
<td>33.8</td>
<td>37.8</td>
</tr>
<tr>
<td>Cash</td>
<td>13.6</td>
<td>12.4</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td><strong>271.3</strong></td>
<td><strong>286.2</strong></td>
</tr>
<tr>
<td>Equity</td>
<td>97.1</td>
<td>86.8</td>
</tr>
<tr>
<td>Reserves-obligatory</td>
<td>3.9</td>
<td>3.9</td>
</tr>
<tr>
<td>Pension liabilities</td>
<td>2.9</td>
<td>2.8</td>
</tr>
<tr>
<td>Ib debt</td>
<td>93.3</td>
<td>116.0</td>
</tr>
<tr>
<td>Non-Ib debt</td>
<td>52.7</td>
<td>54.1</td>
</tr>
<tr>
<td>Advances received</td>
<td>21.4</td>
<td>22.7</td>
</tr>
<tr>
<td><strong>Equity and liabilities</strong></td>
<td><strong>271.3</strong></td>
<td><strong>286.2</strong></td>
</tr>
</tbody>
</table>
Strategy and outlook

Kai Telanne
The focal points of the implementation of the strategy in 2014

We will build new capacities, seek efficiency and accelerate growth in digital services and media.
Multi-channel content
IL-TV launches new content concepts
- IL-Doc documentary series

- Iltalehti IL-Doc is an IL-TV concept, with the themes of the episodes also covered in reports in the newspaper.
- The topics of the documentary series will be touching or surprising.
- Examples:
  - Area 51: a location in Nevada that the United States has long denied exists at all.
  - Barbiella Manson: a mother who wants to look like a Barbie doll.
Development in multi-channel content concepts

- Ilta-lehti will have a strong multi-channel focus on the topical theme of the Finnish Continuation War (jatkosota).
- The IL Jatkosota 1944 coverage includes:
  - A special paper
  - A daily series of articles in Ilta-lehti and at iltalehti.fi
  - A weekly IL-TV documentary film
  - A photo exhibition in Joensuu, Kotka and Oulu
Lifestyle content moves ahead in digital media

- The IL-Lifestyle content selection is growing in digital media.
- Digital Ilona to be launched in the second week of August.
Marketing solutions
New content marketing solutions – Kauppalehti Studio

- Kauppalehti Studio is a turnkey solution for content marketing. The service is handled on the customer’s behalf in cooperation between Kauppalehti and Alma 360.
- News-style content produced by Alma 360 or the client is collected on the client’s own Studio site.
- Studio articles will be featured on Kauppalehti’s other sections and services to increase visibility.
New content marketing solutions - Iltalehti Ilab

- Ilab is a turnkey approach to planning and implementing content cooperation campaigns according to customer needs.
- The advertiser receives support to ensure the optimal utilisation of purchased, owned and earned media.
- Multi-channel implementation on Iltalehti media including print, online, mobile and IL-TV.
- Examples of recent implementations:
  - Case Pajulahti
  - Fiidi.fi campaign for the Slot Machine Association
Digital services
Alma Mediapartners strengthened its software expertise in the automotive retail industry

- Alma Media’s subsidiary Alma Mediapartners Oy purchased all of the shares in Alma Media’s associated company Alkali Oy.
- Through Alkali, a comprehensive selection of applications will be added to the offering for customers in the automotive retail industry.
- Alkali develops software applications for various automotive industry needs such as retail, rental and leasing.
Resources and expertise
Alma Manu applies for a licence for postal operations

- Alma Manu, the printing and distribution company of Alma Media, has submitted an application to the government for a licence for postal operations.
- The licence is being applied for to provide a distribution service for addressed mail to contract customers, or companies and organisations, in the Pirkanmaa and Satakunta regions.
- Alma Manu already has a reliable distribution network that operates seven days per week. Every day, Alma Manu delivers an average of 175,000 items in the Pirkanmaa and Satakunta regions.
Progress in Lännen Media collaboration

- The Lännen Media collaboration agreement was finalised.
- The Lännen Media joint editorial team will produce national content on domestic and international news, background articles on current events, weekend materials, daily theme pages and national online news.
- Content will be produced for printed newspapers as well as their digital, online and mobile channels.
- The Lännen Media editorial team will be formed by 40 journalists from the participating newspapers.
- Full-scale operations will start by the beginning of 2015.

Appointed personnel:
- Editor-in-Chief: Matti Posio
- Head of Newsroom: Veikko Valtonen
- Producer for weekend and supplement pages: Marjo Oikarinen
- Theme content producer: Annukka Latvala
Outlook

18 July 2014

Economic growth in Europe, and in particular Finland, is expected to remain weak also in the second half of 2014. In this market situation, Alma Media’s strong growth in digital service revenue does not yet fully offset the decline in the sales of print media.

Alma Media expects its full-year revenue 2014 to remain at the 2013 level. The operating profit excluding non-recurring items for 2014 is expected to be lower than in 2013. The full-year revenue 2013 was MEUR 300.2 and operating profit excluding non-recurring items was MEUR 24.2.
Thank you! Questions?

Upcoming events in the investor calendar:
- Q3 result 24 October 2014