

ALMA
AHLSTROM

ALMA

From the President and CEO

Kai Telanne

Annual General Meeting of Alma Media Corporation

17 March 2015



ALMA
3.5

Agenda

- Alma Media's business operations in 2014
- A review of the Finnish media market
- Alma Media's financial performance in 2014
- Alma Media's strategy and outlook

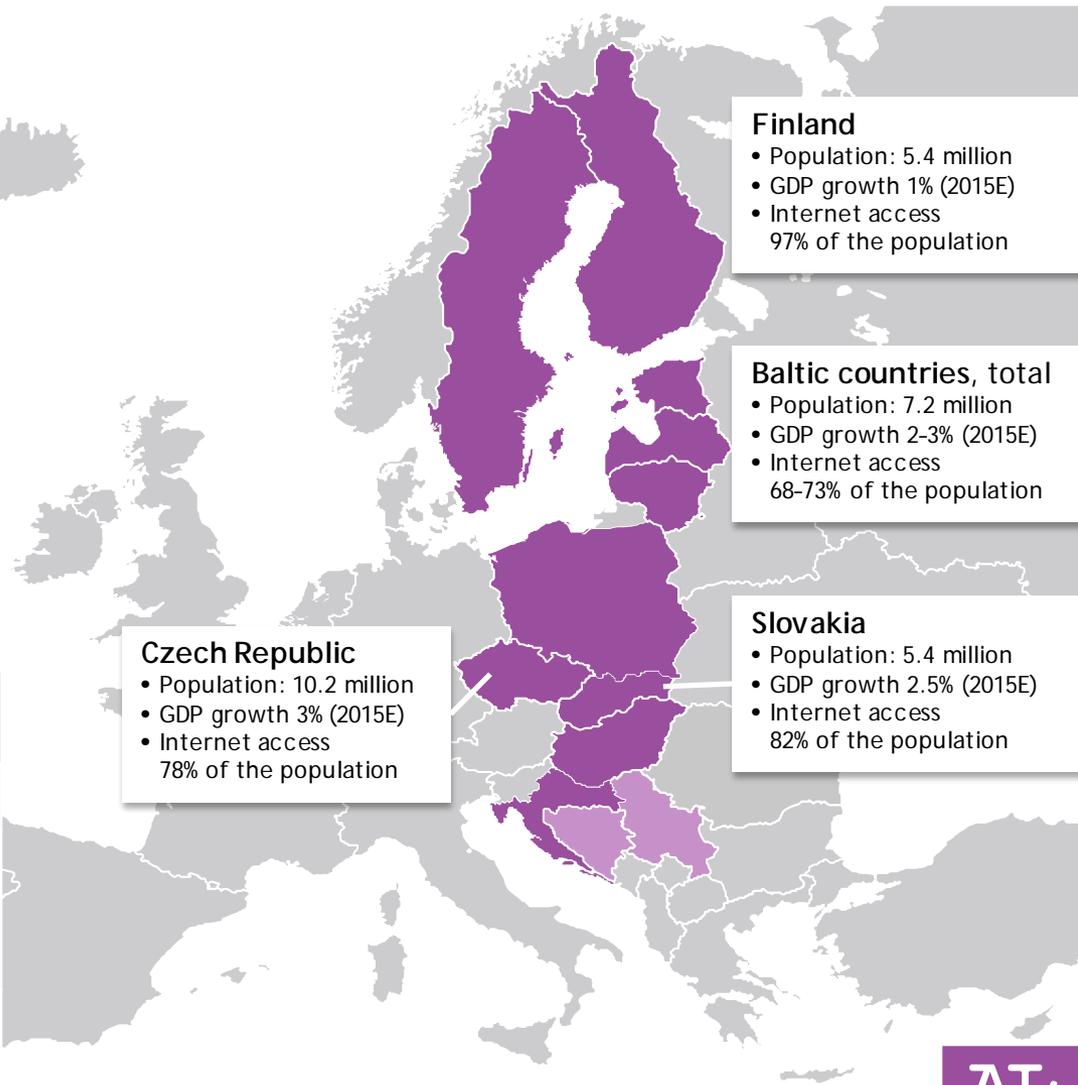
Alma Media's business operations in 2014

<p>REGIONAL MEDIA Revenue MEUR 145, 3% digital EBIT MEUR 10 (7%) 758 employees</p>	<p>DIGITAL CONSUMER SERVICES Revenue MEUR 56, 100% digital EBIT MEUR 9 (16%) 491 employees</p>
<p>AAMULEHTI SATAKUNNAN KANSA     </p>	<p>   MONSTER MojPosao AUTOTALLI .COM      </p>
<p>NATIONAL CONSUMER MEDIA Revenue MEUR 47, 27% digital EBIT MEUR 4 (9%) 160 employees</p>	<p>FINANCIAL MEDIA AND BUSINESS SERVICES Revenue MEUR 53, 43% digital EBIT MEUR 7 (13%) 259 employees</p>
<p>ILTALEHTI ILTALEHTI.fi   fiidi.fi</p>	<p>Kauppalehti Tietopalvelut Kauppalehti  objektvision.se</p>

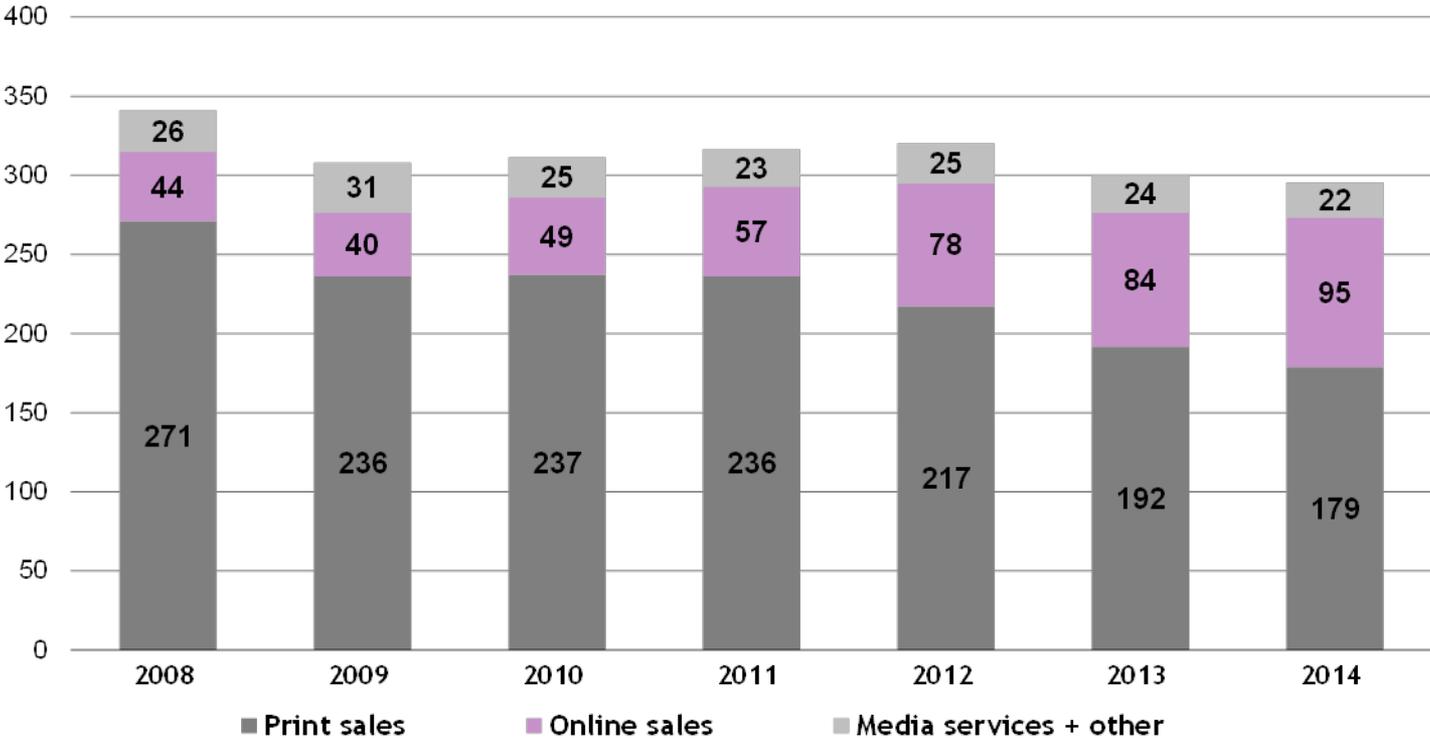
Geographical operating area 2014

- Alma Media operates in 12 countries in Northern Europe and Eastern Central Europe.
- International business operations are focused on the recruitment business and marketplaces for business premises.
- The news agency and media monitoring company BNS and the residential marketplace business City 24, both of which operate in the Baltic countries, were divested in 2014.
- Slightly over one fifth of all employees work at the Group's offices outside Finland.

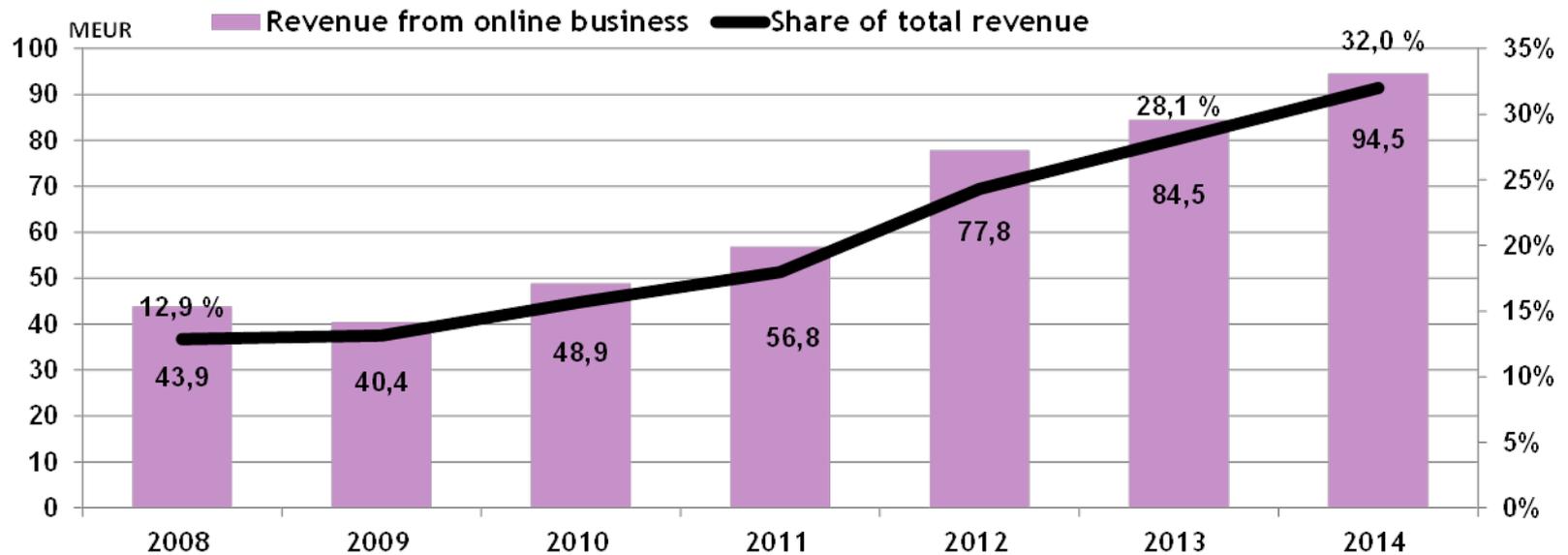
	Finland	Other countries
Revenue 2014, MEUR	254	41
% of revenue	86%	14%
Operating profit 2014, MEUR	15	6
% of operating profit	75%	25%



Development and distribution of Alma Media's revenue 2008–2014



Share of digital business in Alma Media's revenue 2008–2014



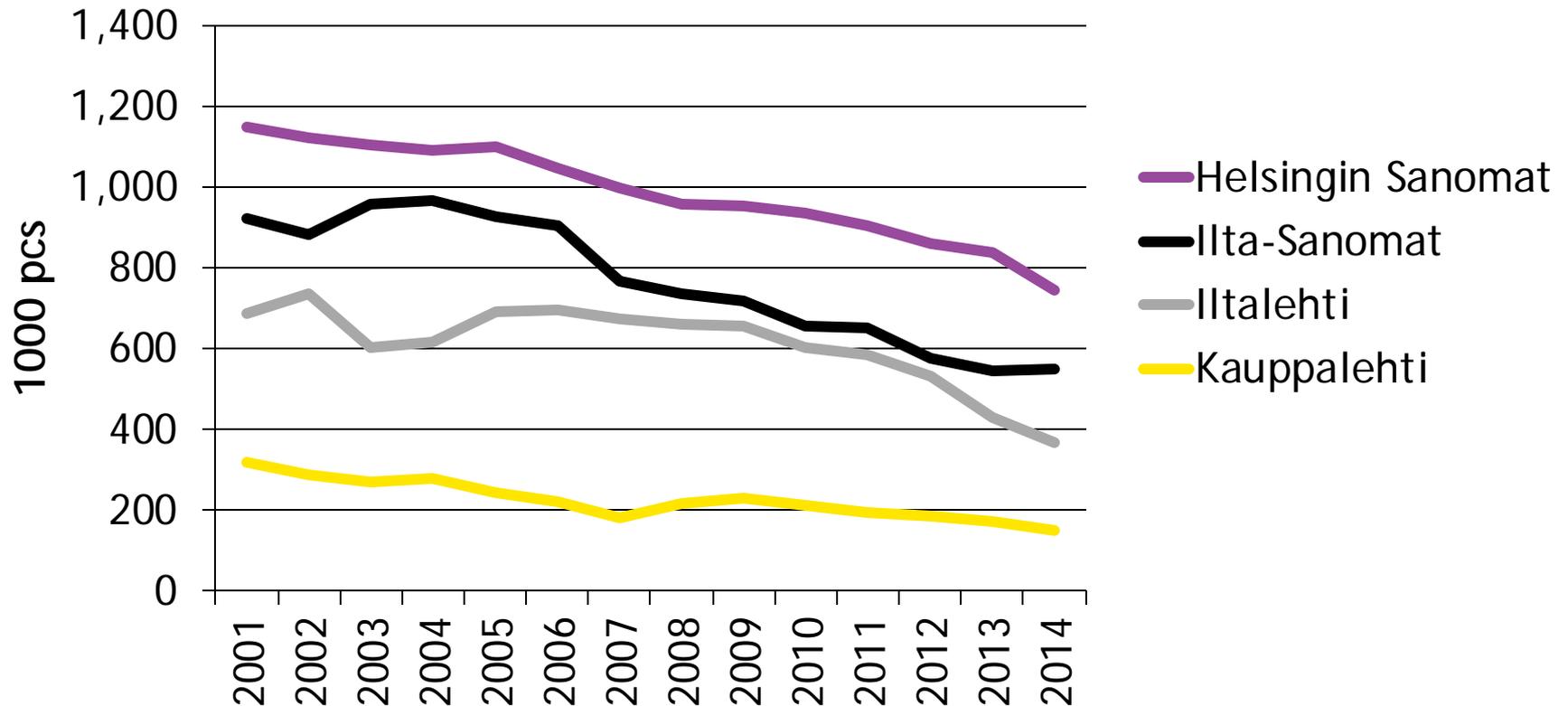
A review of the Finnish media market



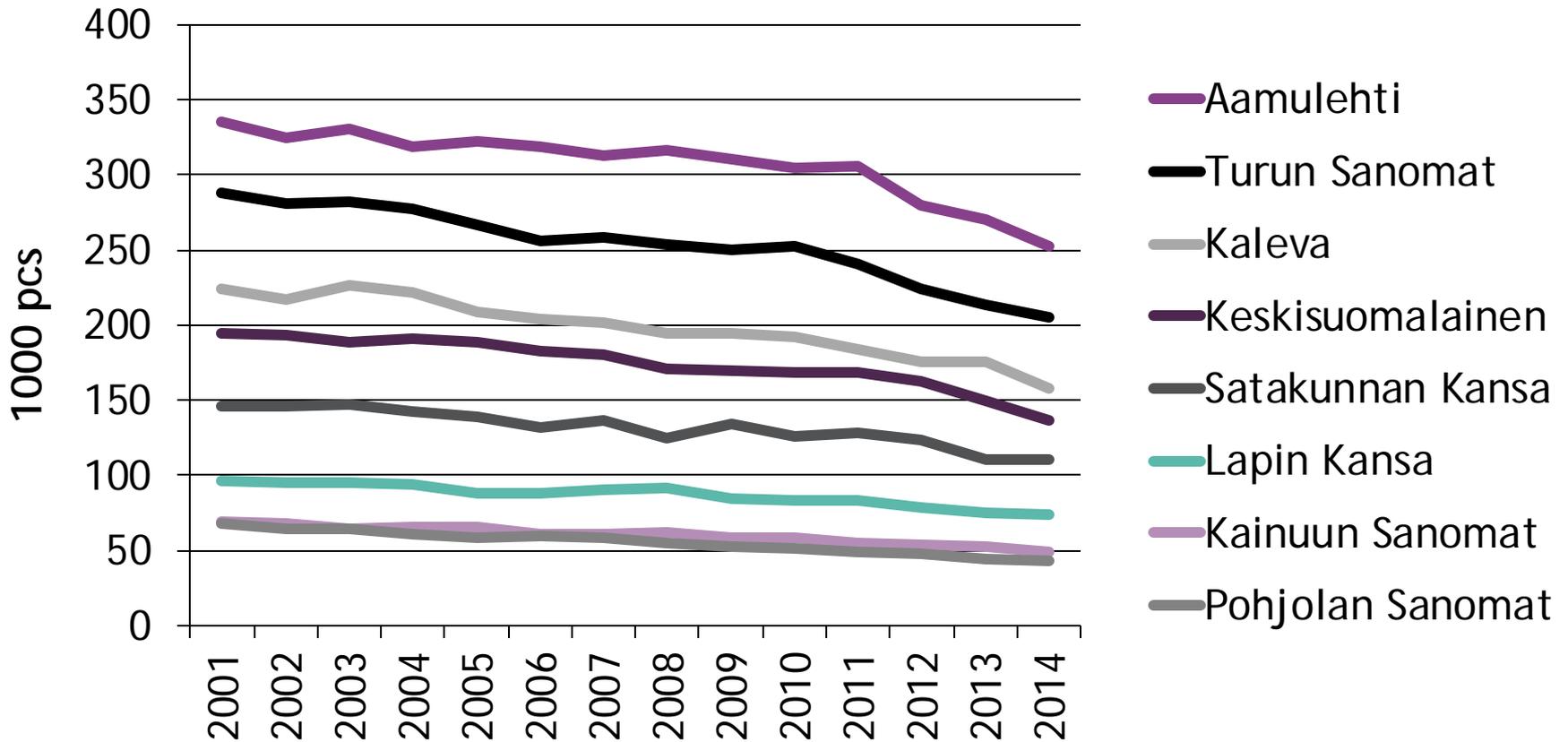
LIVING INFORMATION



Readership of national newspapers 2001–2014



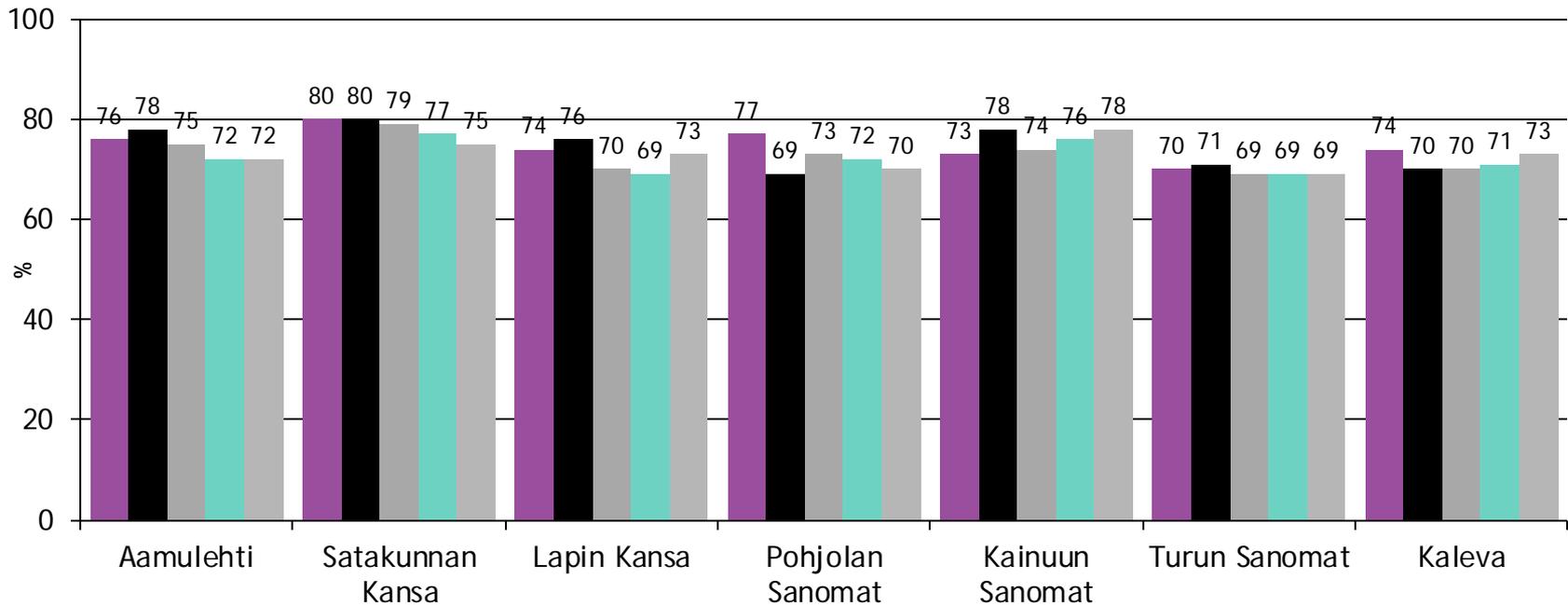
Readership of regional newspapers 2009–2014



Combined reach still at a good level

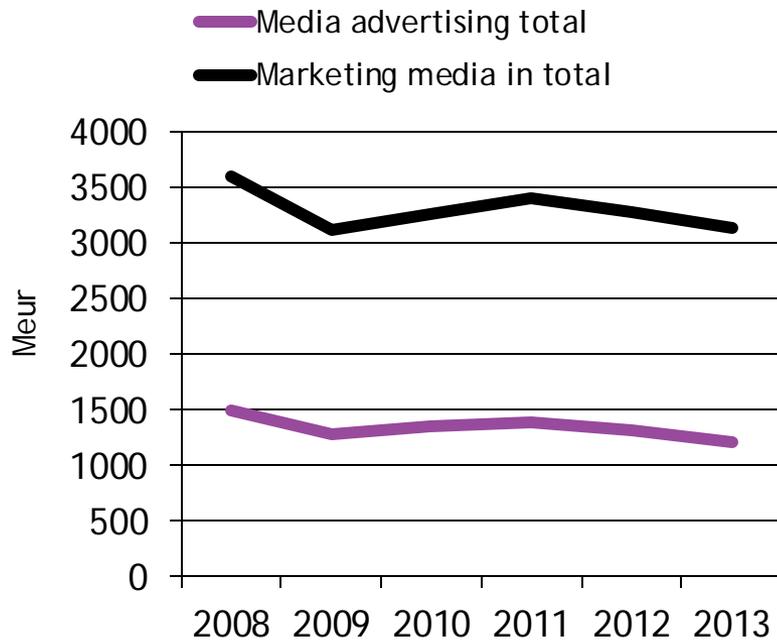
Combined reach for newspaper and website (%) in its own market area

■ 2010 ■ 2011 ■ 2012 ■ 2013 ■ s13k14

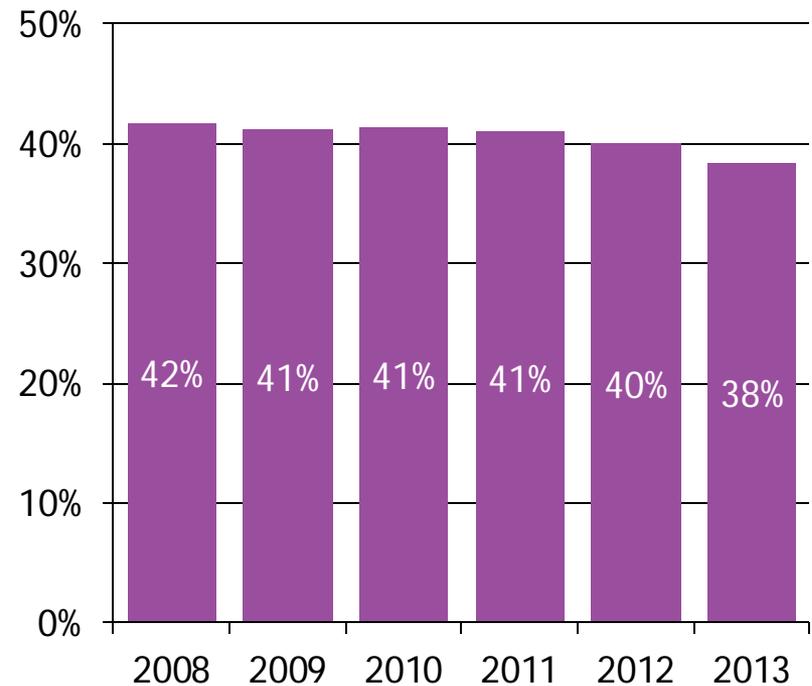


Development of marketing communications 2008–2013

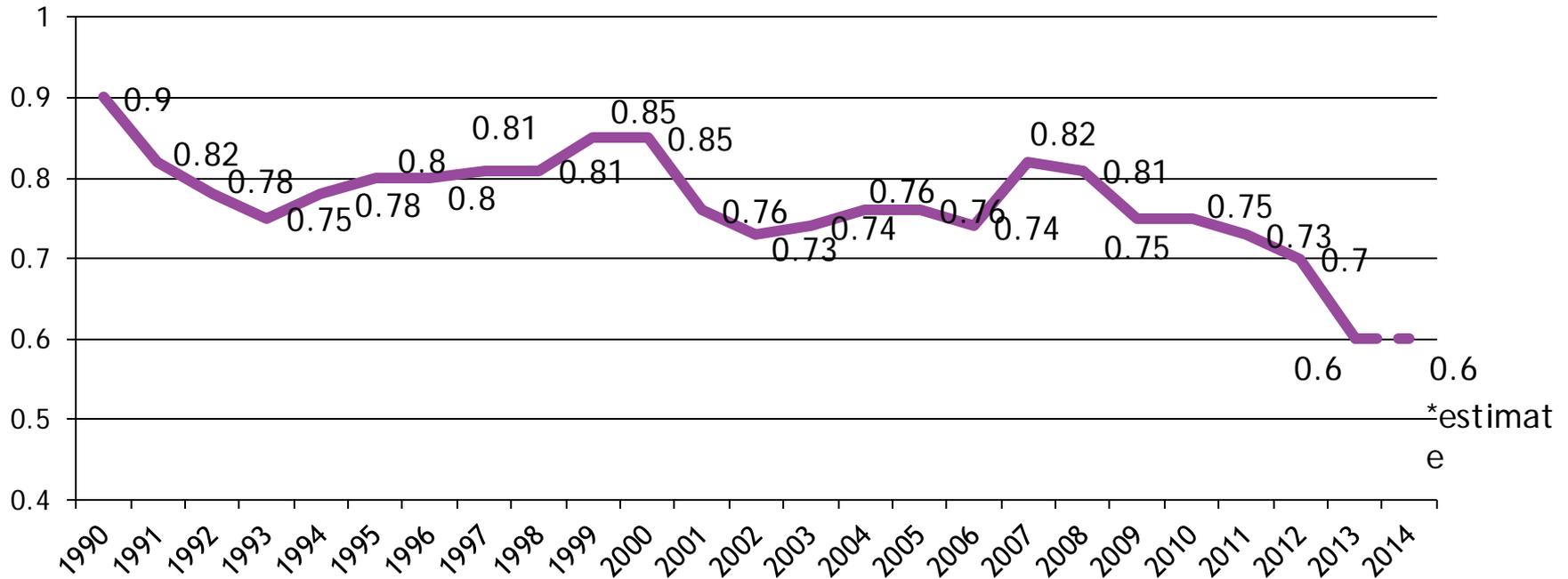
Development of marketing communications and media advertising



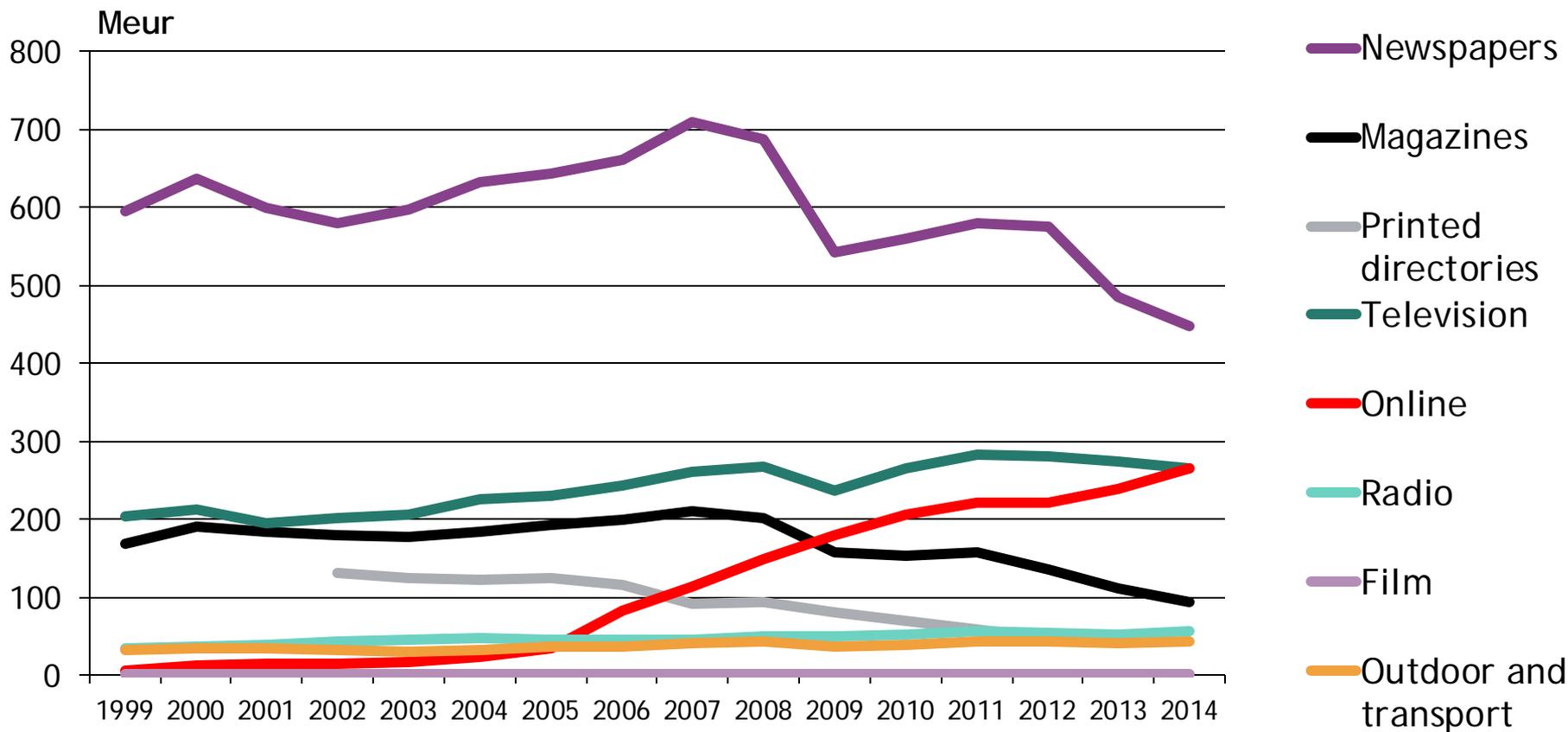
Media advertising accounted for marketing communications



Media advertising, share of GDP



Development of media advertising by media, 1999–2014



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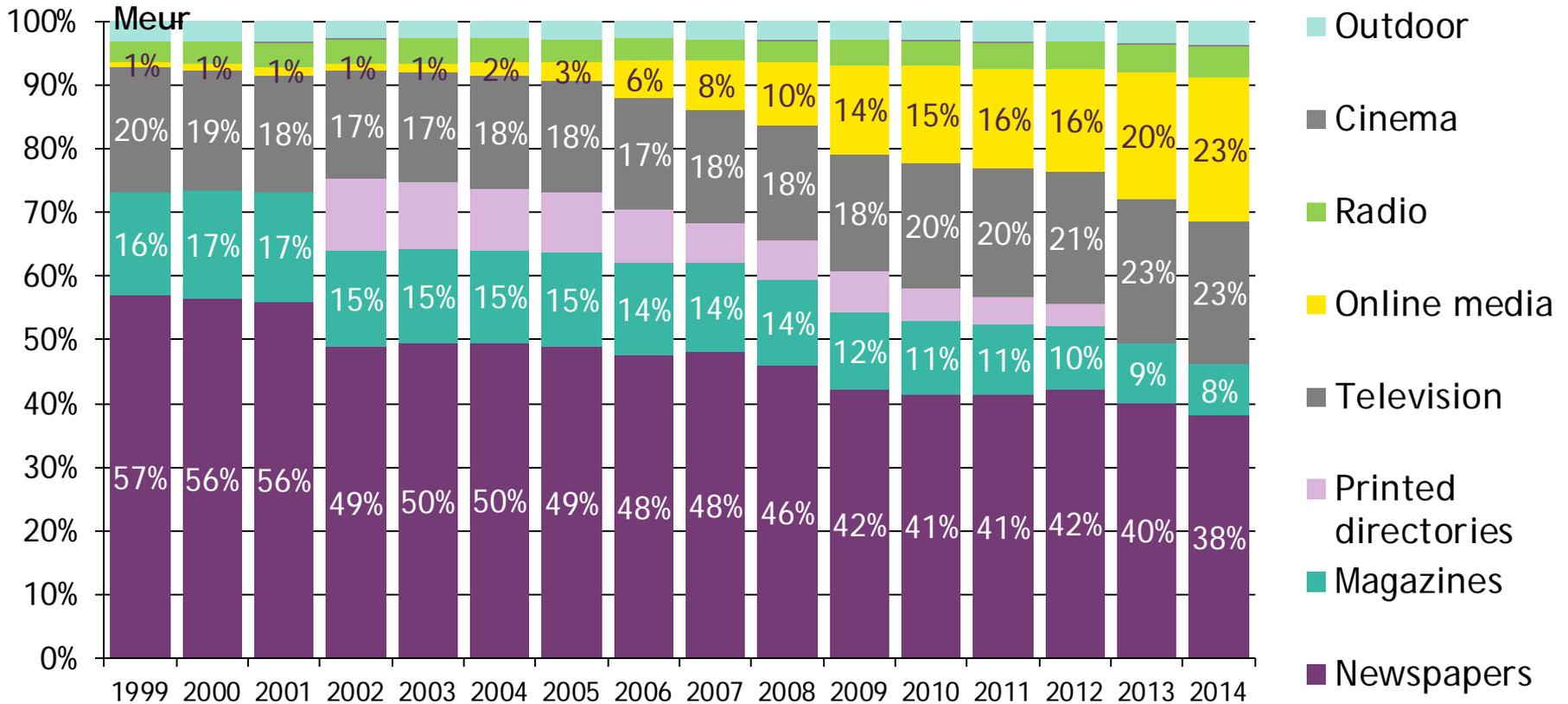
- Printed directories have been excluded from monitoring.
- The monitoring of online advertising has become more accurate over the years as the market has developed.

LIVING INFORMATION



Finnish Advertising Council

Media advertising by channel, 1999–2014



Alma Media's financial performance in 2014

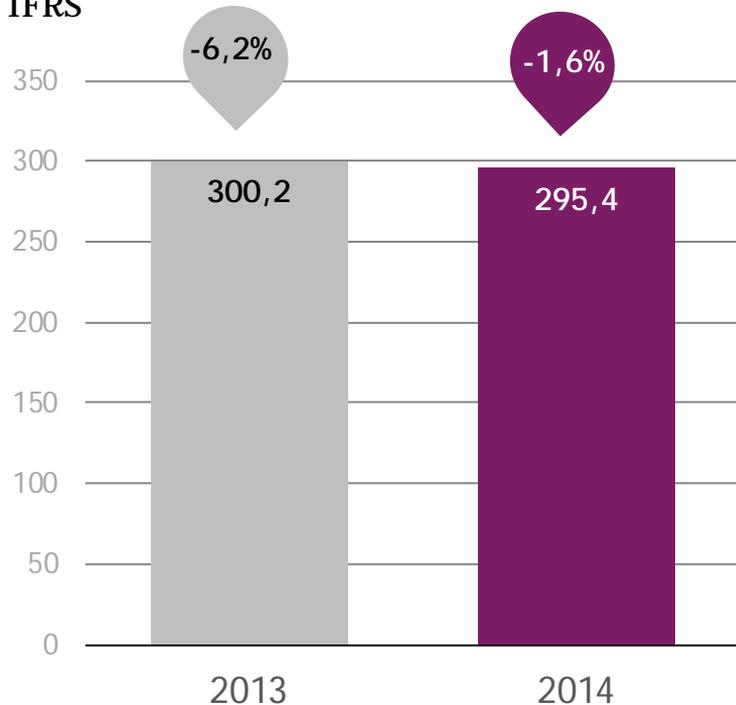
LIVING INFORMATION



Alma Media's revenue and operating profit 2013–2014

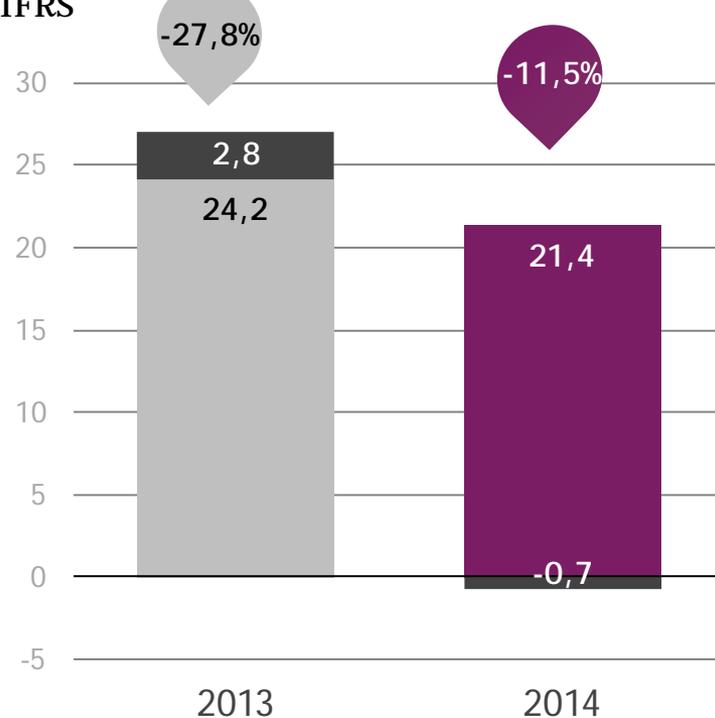
Revenue, MEUR

IFRS



Operating profit, MEUR

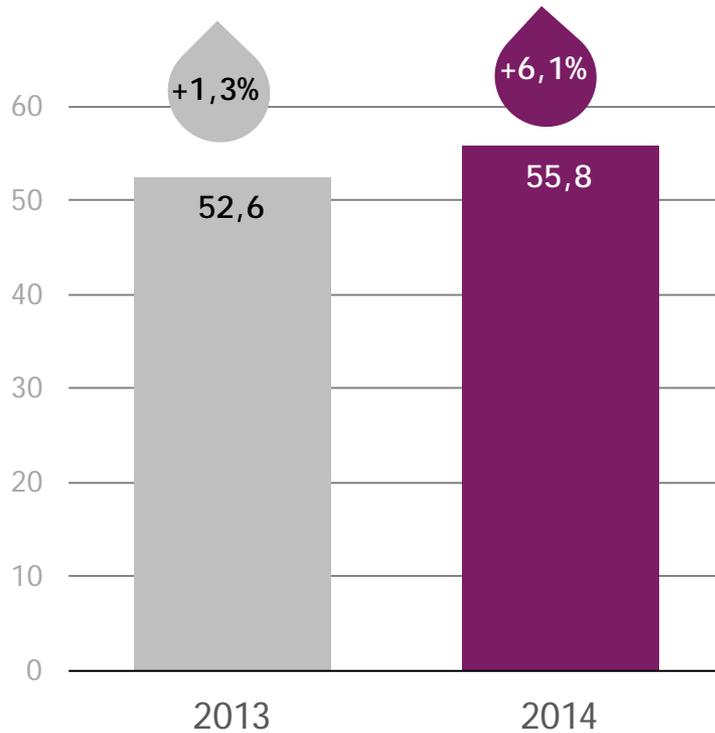
IFRS



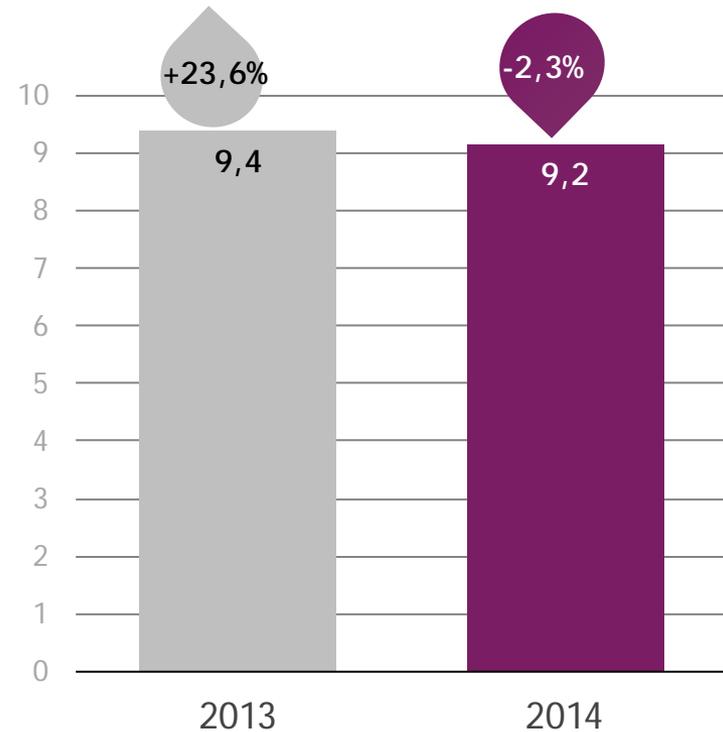
■ Non-recurring items

Digital Consumer Services segment 2013–2014

Revenue, MEUR
Non-recurring items

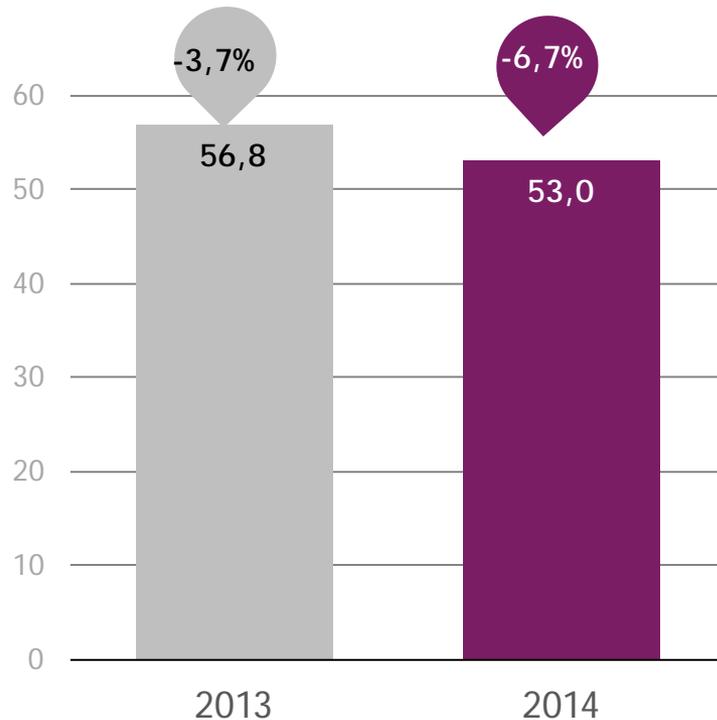


Operating profit, MEUR
Non-recurring items

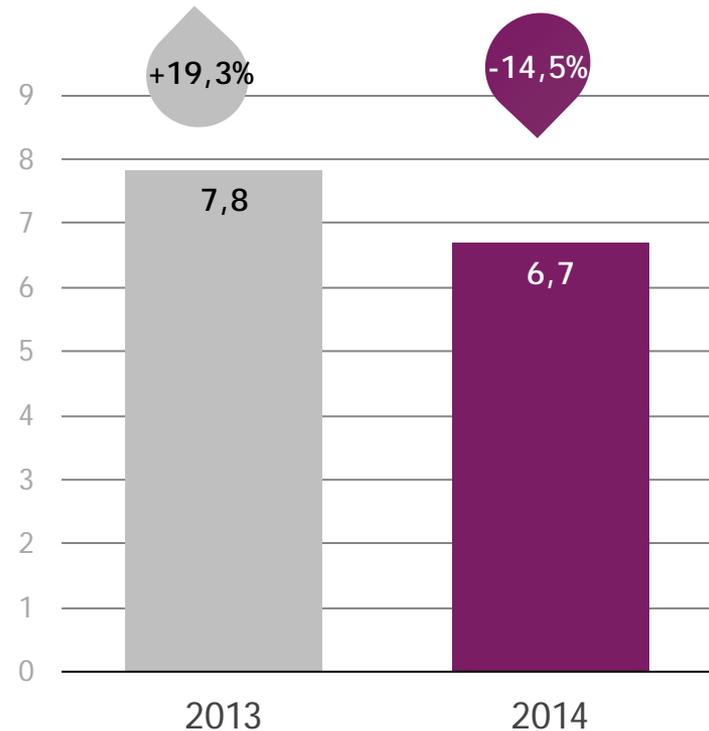


Financial Media and Business Services segment 2013–2014

Revenue, MEUR
Non-recurring items

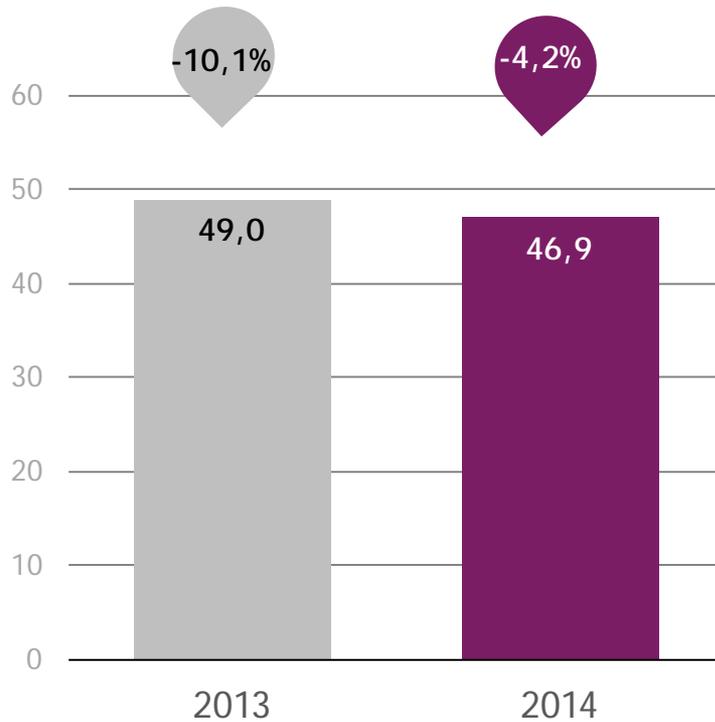


Operating profit, MEUR
Non-recurring items

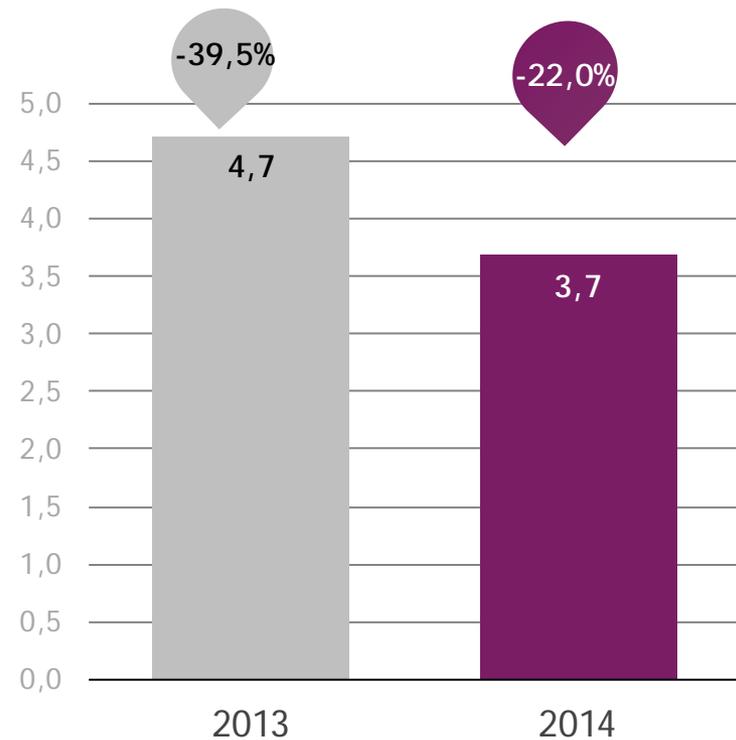


National Consumer Media segment 2013–2014

Revenue, MEUR
Non-recurring items

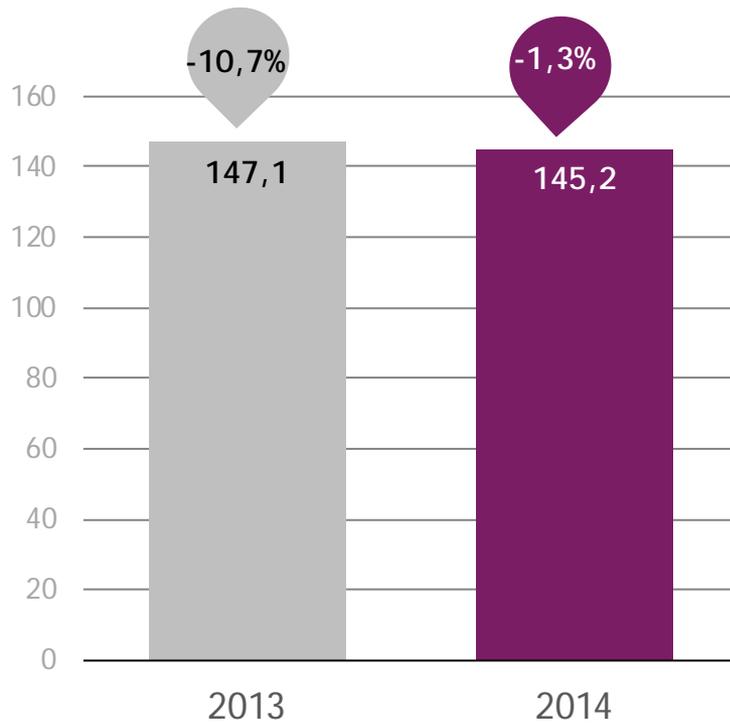


Operating profit, MEUR
Non-recurring items



Regional Media segment 2013–2014

Revenue, MEUR
Non-recurring items

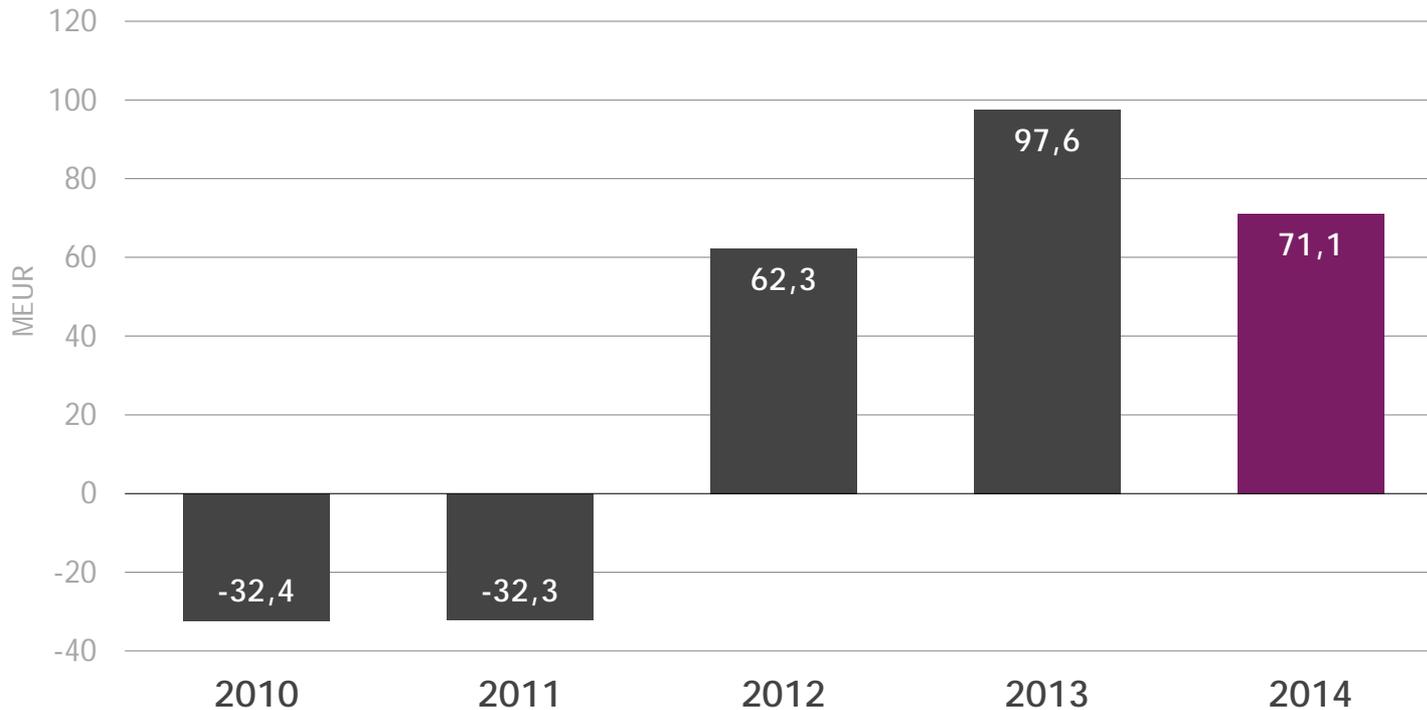


Operating profit, MEUR
Non-recurring items

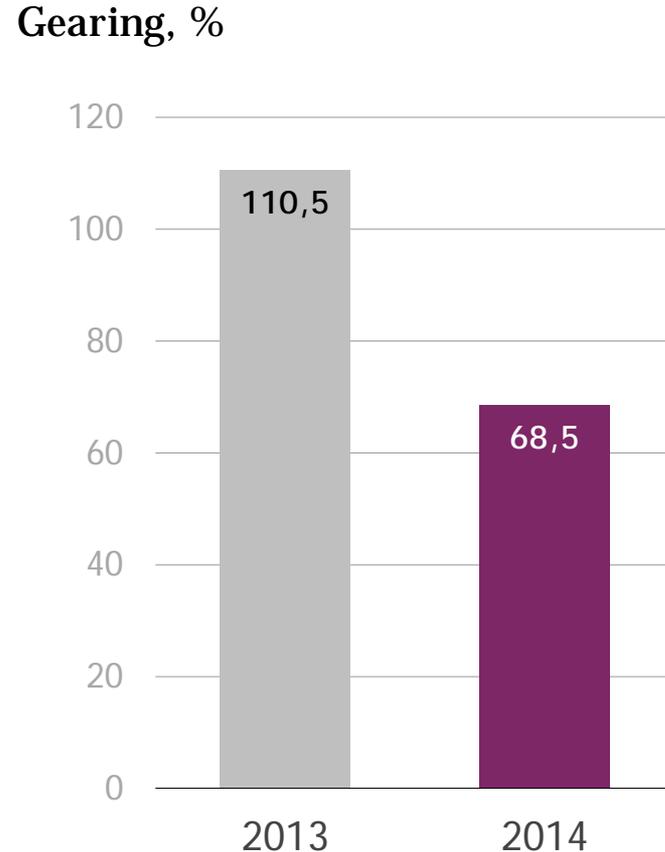
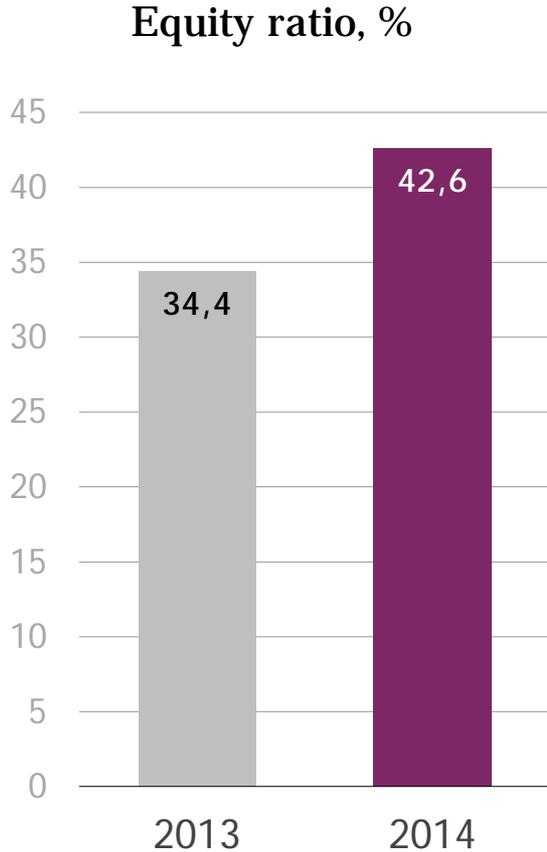


Investment stage debt has been paid off to a significant extent

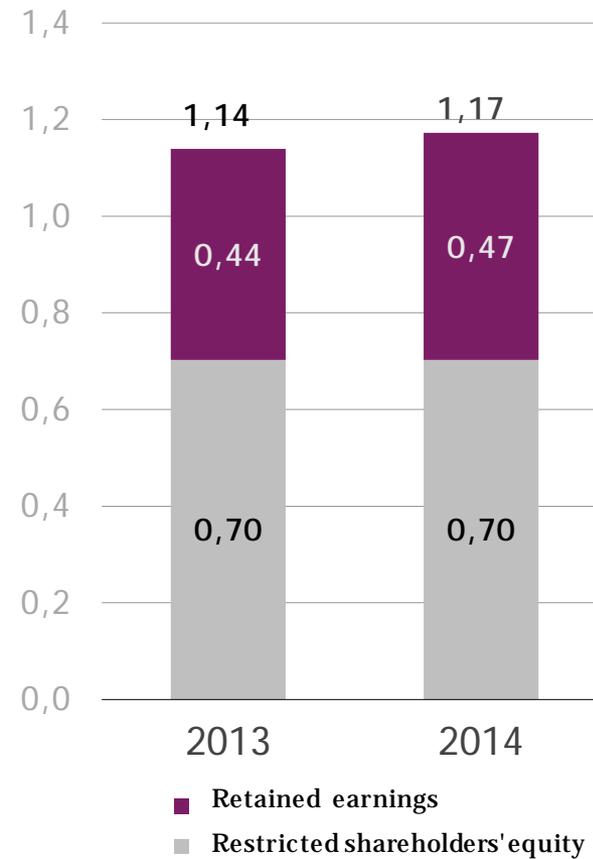
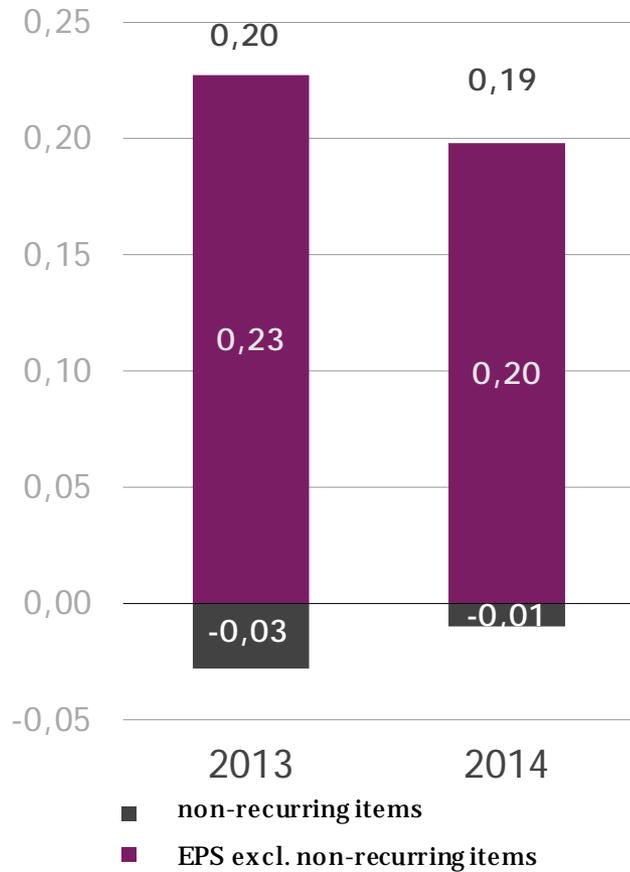
Net debt 2010–2014



The equity ratio has improved considerably



Earnings per share at the previous year's level



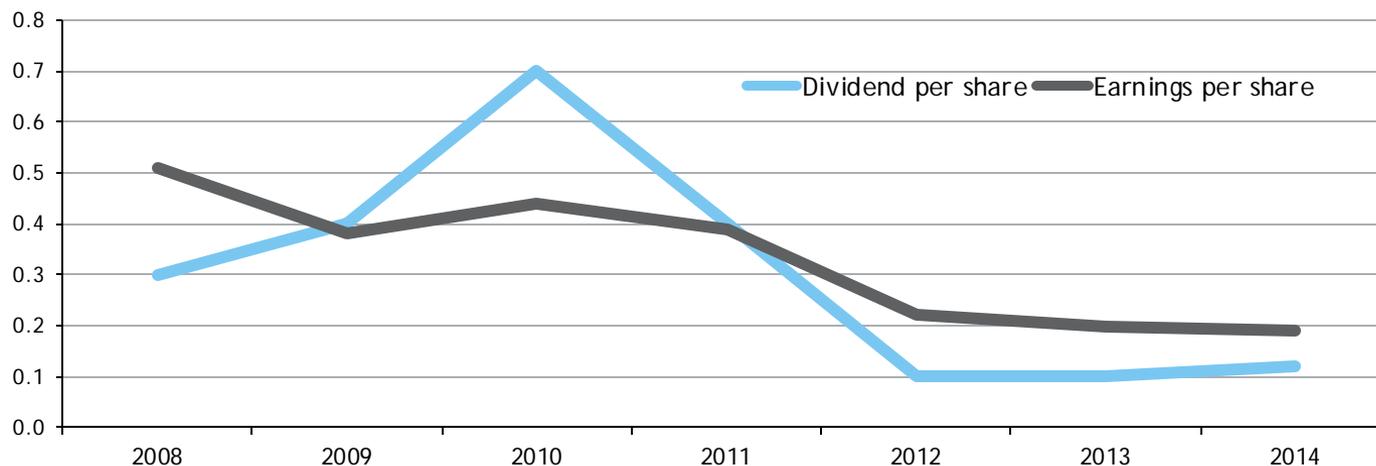
Dividend proposal takes debt servicing and investments into account

Dividend* and effective dividend yield

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Dividend*, EUR	0.65	0.90	0.30	0.40	0.70	0.40	0.10	0.10	0.12
Effective dividend yield	7.7%	6.1%	5.3%	5.3%	8.5%	6.5%	2.2%	3.3%	4.4%

*dividend and capital repayment, total

Dividend proposal 2014: EUR 0.12 per share, effective dividend yield 4.4%
(share price on 31 December 2014, EUR 2.75/share)



Alma Media's strategy and outlook

LIVING INFORMATION



Alma Media's long-term financial targets

Alma Media's financial targets	2011	2012	2013	2014	Target level
Digital business growth	16.3%	36.8%	8.4%	11.9%	> 15%
Return on Investment (ROI), %	26.1%	13.8%	10.0%	9.7%	> 15%
Dividend payout ratio*	103%	45%	50%	63%**	> 50%

* Includes capital repayment to shareholders.

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

Alma Media's strategic themes



MULTI-CHANNEL CONTENT

- Paid content on all channels selected by the consumer
- Development of mobile content
- Closer co-operation in content production



MARKETING SOLUTIONS

- Increasing the digital offering, including mobile and instream
- Growing content marketing solutions
- Leveraging data in advertising solutions



DIGITAL SERVICES

- Growing digital consumer services in Finland
- International growth in the recruitment business
- Growing the printing and distribution business



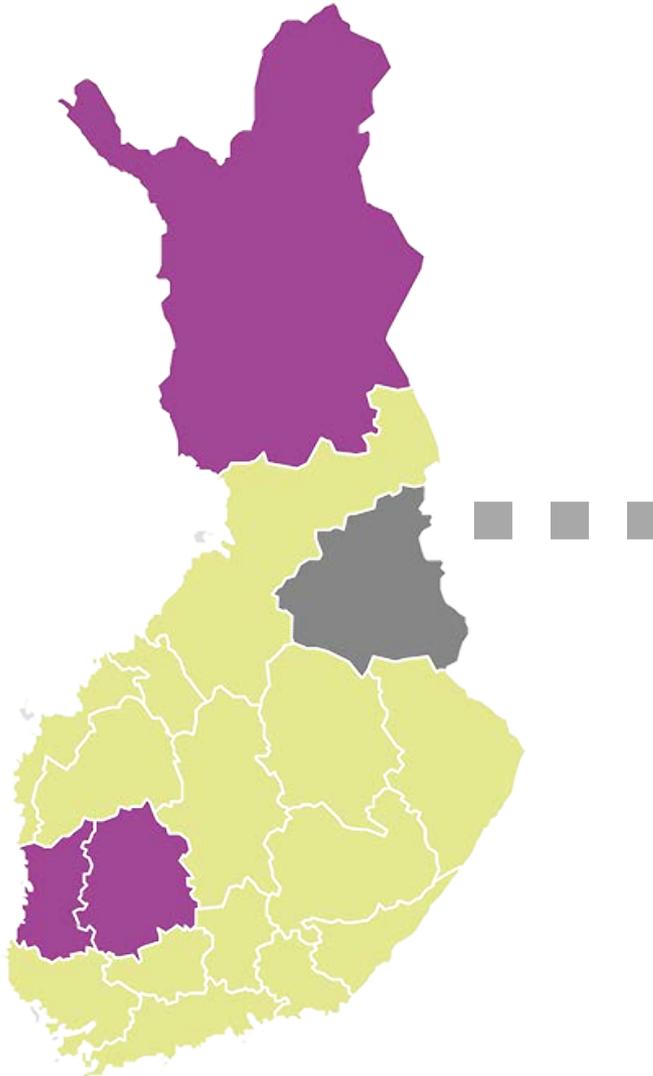
RESOURCES AND EXPERTISE

- Increasing digital competencies throughout the organisation
- Leveraging Alma Media's marketing resources
- Information system renewal to support multimedia business

Robust Regional Media

Businesses to be continued:

- The regional newspapers Aamulehti, Satakunnan Kansa, Pohjolan Sanomat and Lapin Kansa
- 21 town papers and local papers
- Printing and distribution company Alma Manu Oy
- Annual revenue EUR 134 million
- 630 employees



Businesses to be divested:

- Regional newspaper Kainuun Sanomat
- Local papers Sotkamolehti, Ylä-Kainuu and Kuhmolainen
- Town paper Koti-Kajaani
- Total annual revenue MEUR 11.5
- 74 employees

On the way to becoming a Europe-wide provider of recruitment services

2012-2013

GROWING THE
RECRUITMENT BUSINESS

MEUR 72
ACQUISITIONS



2014

ALMA CAREER OY



MONSTER

85%

15%

The market leader in almost all of its markets

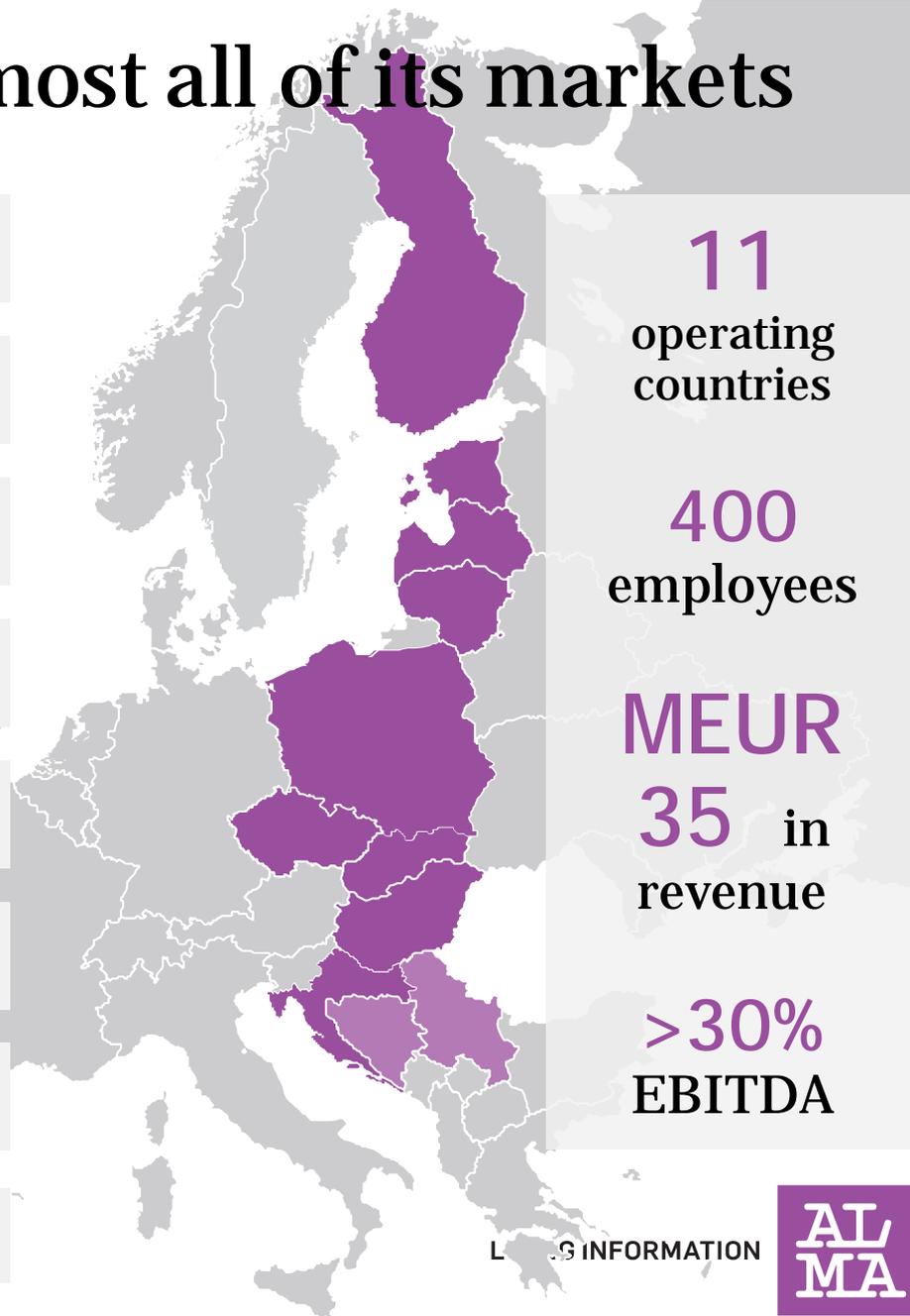
FINLAND	MONSTER
ESTONIA, LATVIA AND LITHUANIA	
POLAND	MONSTER
CZECH REPUBLIC	
SLOVAKIA	
HUNGARY	MONSTER
CROATIA	MojPosao
SERBIA AND BOSNIA (MINORITY INTERESTS)	

11
operating
countries

400
employees

MEUR
35 in
revenue

>30%
EBITDA

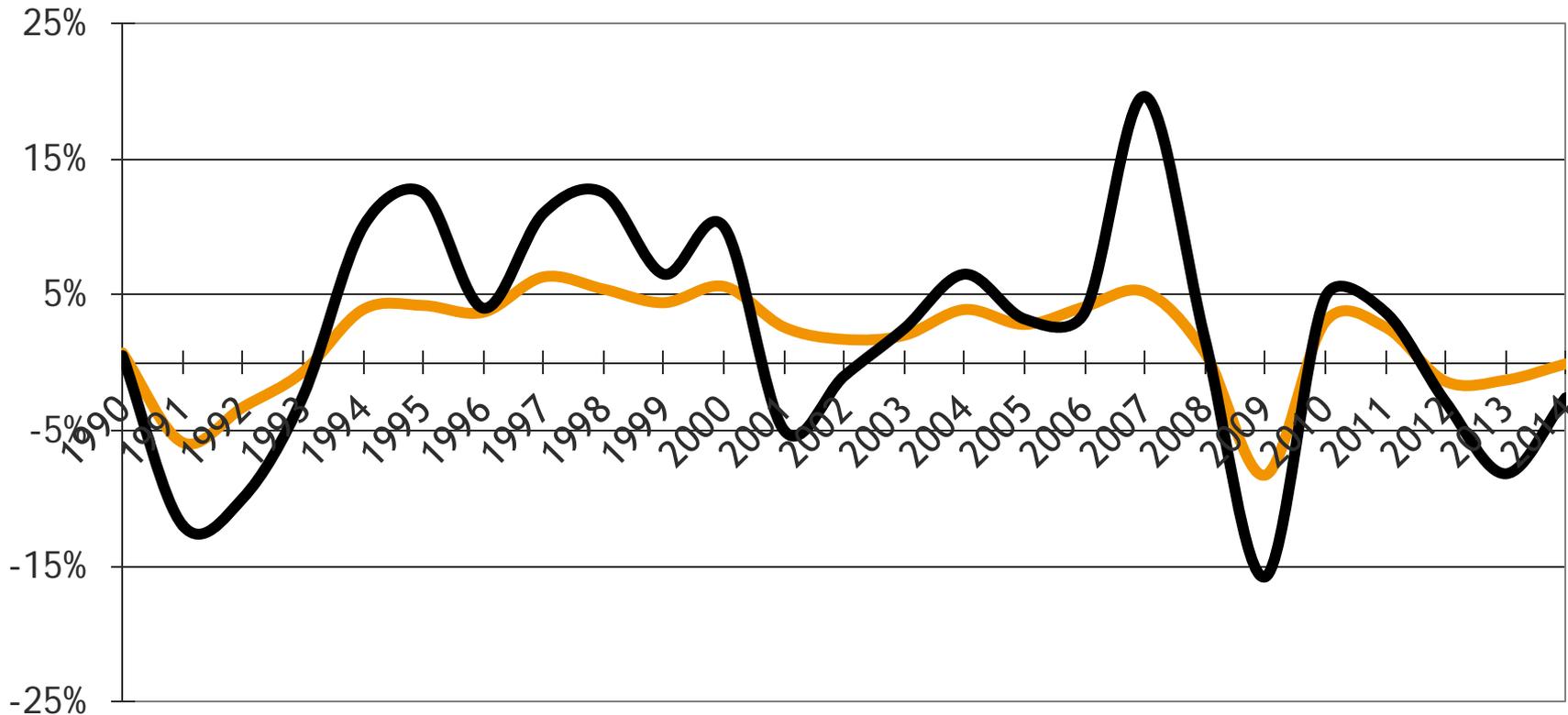


LEGAL INFORMATION



Development of GDP and media advertising

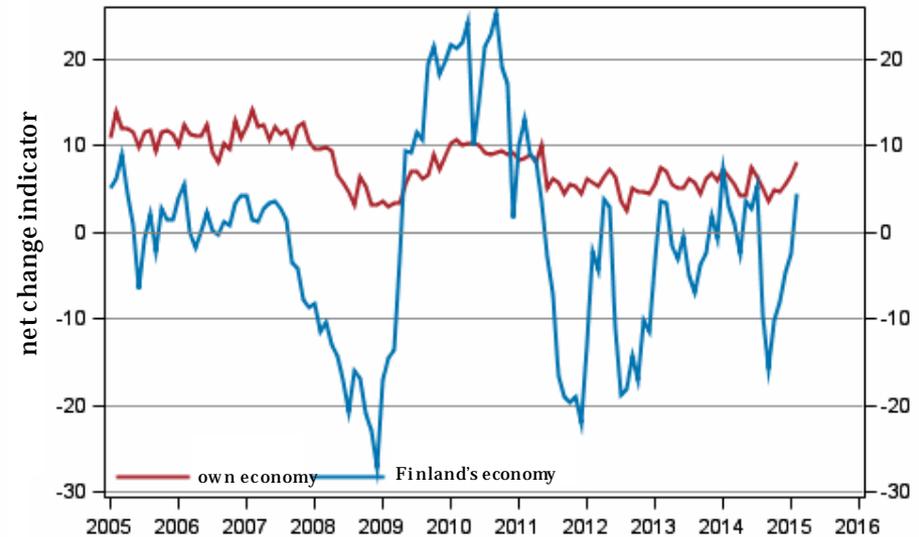
— GDP — Advertising



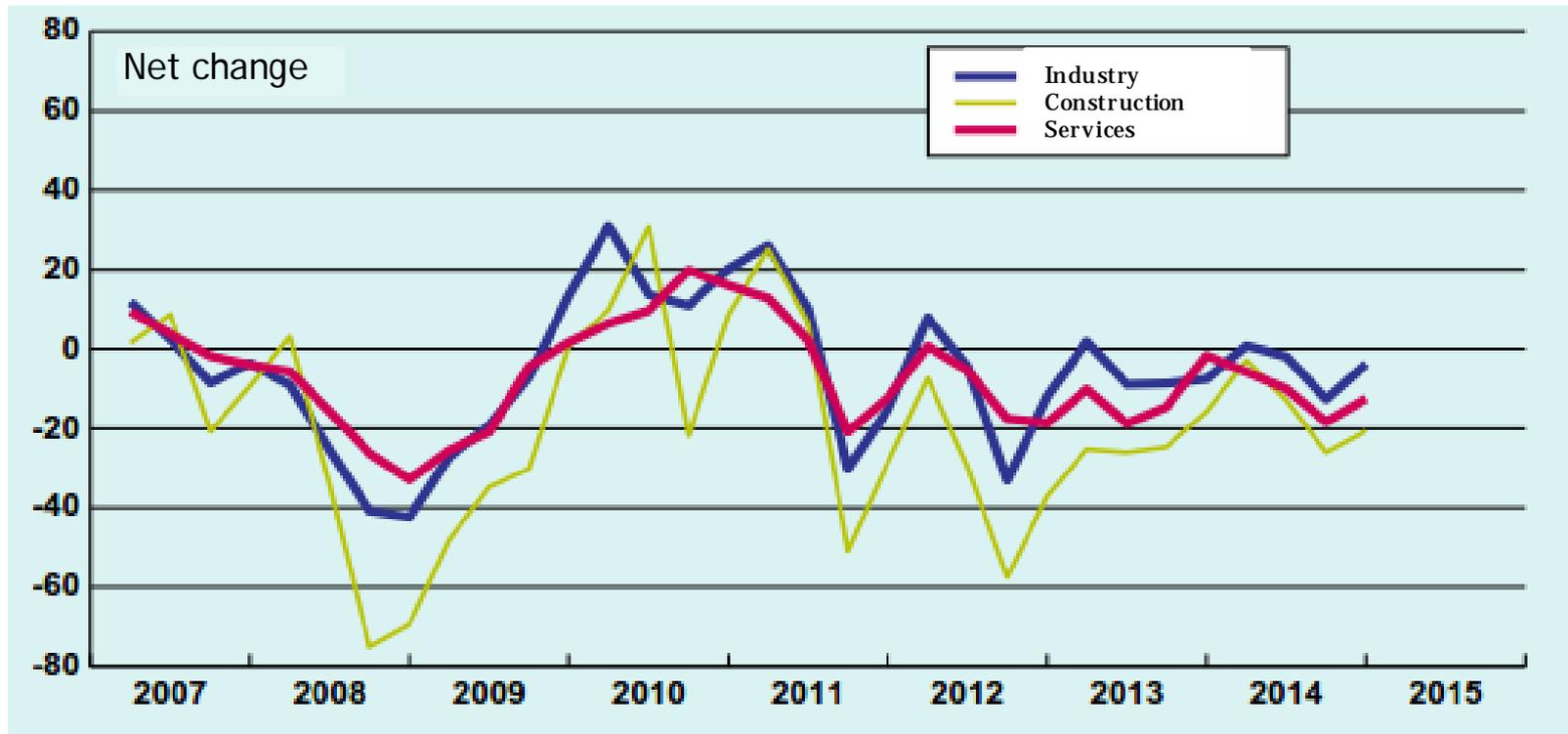
Consumer confidence indicator in February below the long-term average



1) average 10/1995 – 02/2015

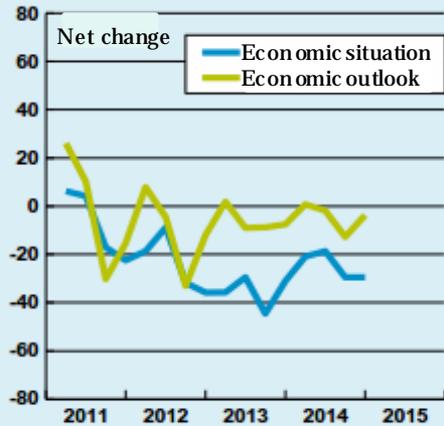


The economic barometer published by the Federation of the Confederation of Finnish Industries (EK) indicates a subdued outlook in February

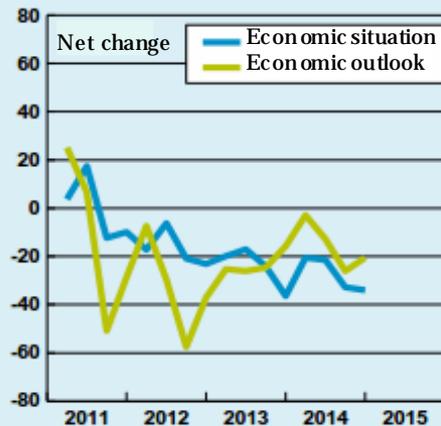


The economic situation and outlook in commerce remain exceptionally weak

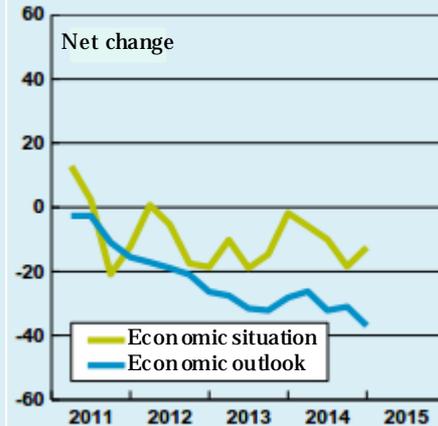
Industry



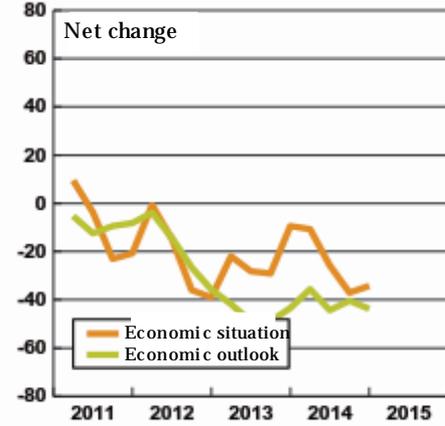
Construction



Services



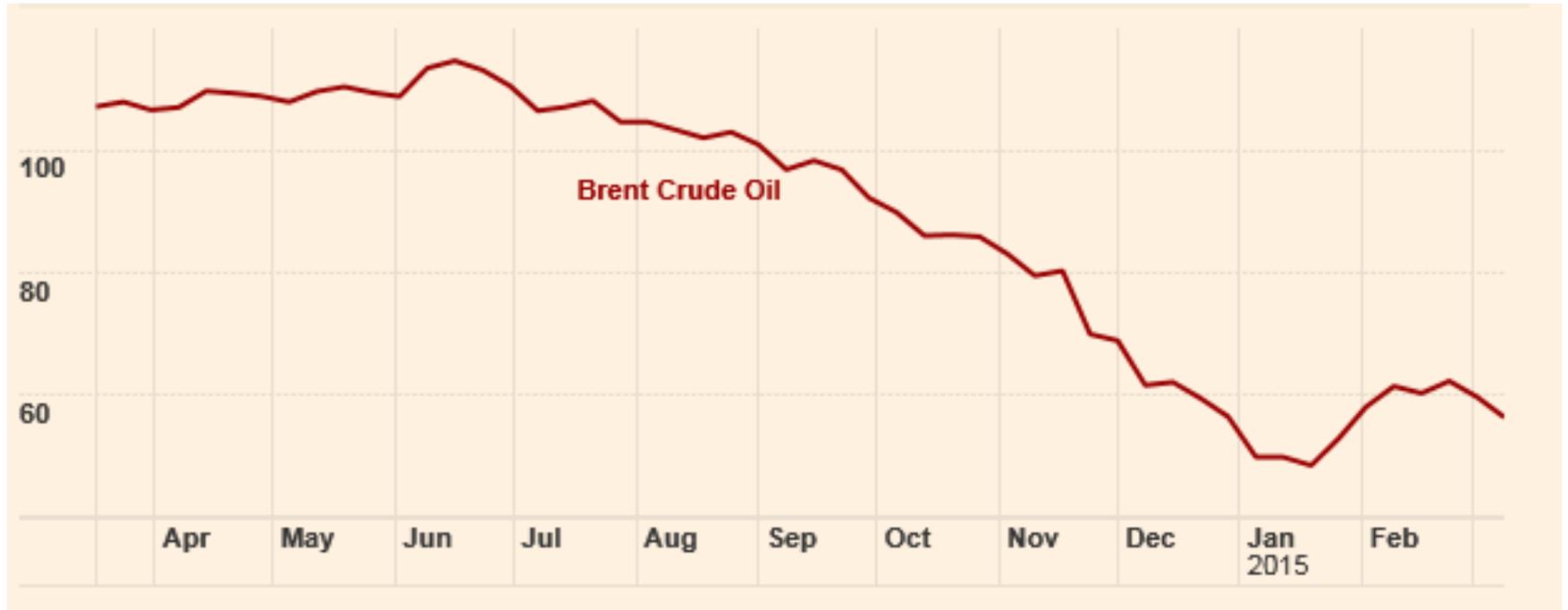
Commerce



EUR-USD exchange rate



Oil price development



Outlook

13 February 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.

