



Alma Media - sustainable growth in digital

Investor slide deck, November 2019

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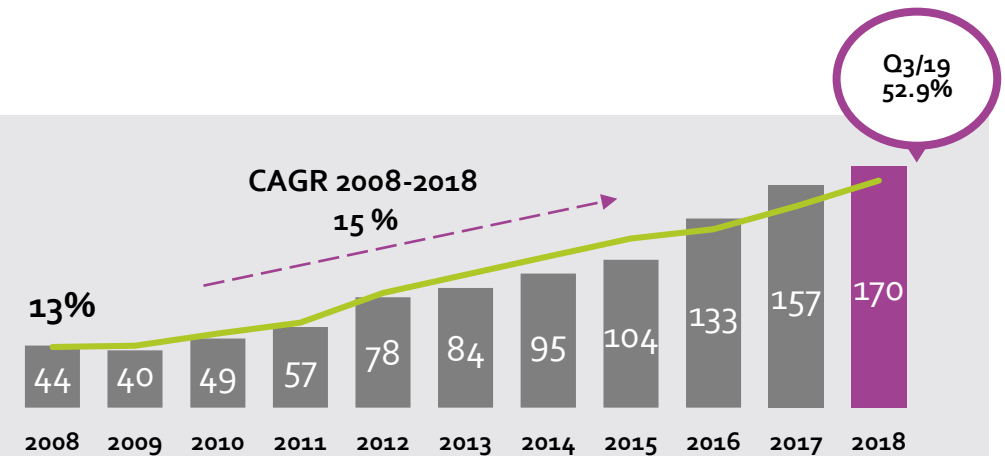


Alma Media as an investment

1

DIGITAL GROWTH STRATEGY

- Share of digital sales 1/2 of Group sales, growth 9 % in 2018
- Digital business 3/4 of Group adjusted EBIT in 2018



2

STRONG MARKET POSITIONS IN KEY AREAS

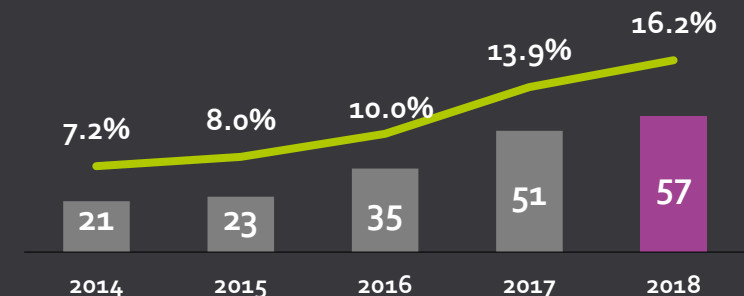
- Leading player in Central-Eastern European recruitment market
- Leader in financial and professional media & services in FIN
- Second-largest digital advertising network in FIN

#1 recruitment platform in **7** countries
30 % market share
of Finnish digital advertising (excl. globals)

3

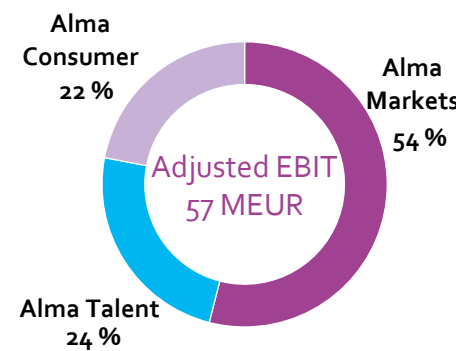
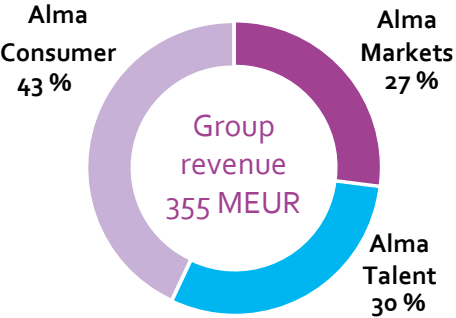
KEY FINANCIALS SUPPORT GROWTH

- Improving EBIT for four consecutive years.
- Strong cash flow enables M&A and investments in digital technology.
- ROI 22%, gearing 1.1 % w/o IFRS 16.
- Long-term target for dividend > 50 % of EPS



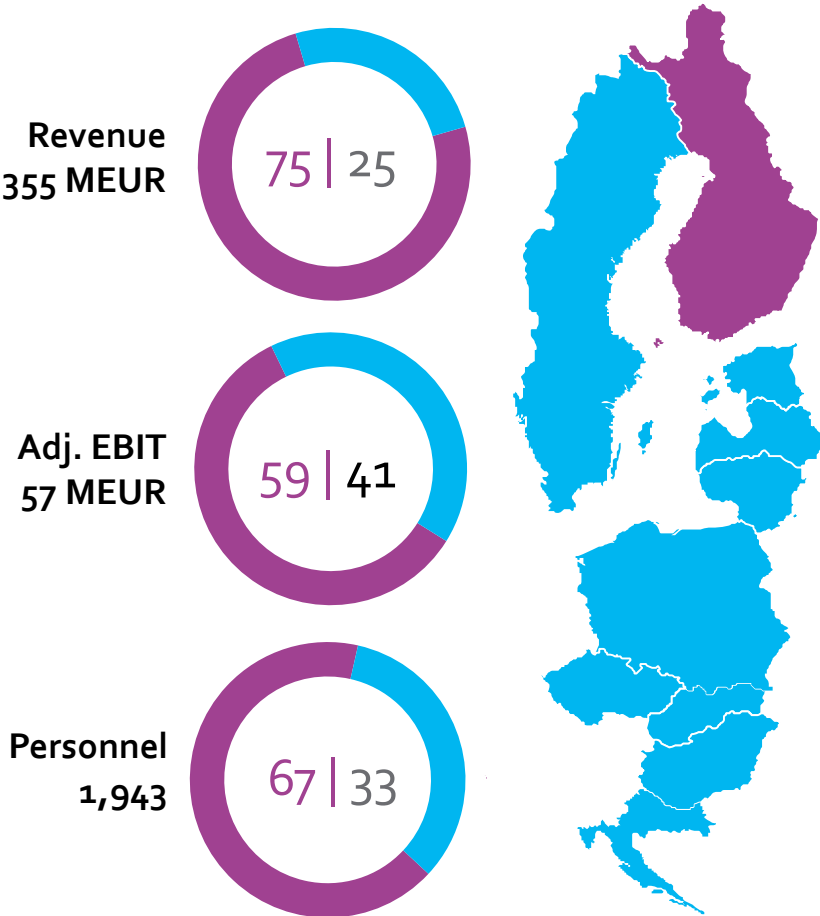
Alma Media in a nutshell

Segment splits, %



<div>ALMA</div> MARKETS	Recruitment, properties and automobile marketplaces across Europe.	REVENUE 96 MEUR DIGITAL 100 % ADJ. EBITDA 38.1 MEUR PERSONNEL 668
<div>ALMA</div> TALENT	Media and services for professionals in Finland and in Sweden.	REVENUE 109 MEUR DIGITAL 36 % ADJ. EBITDA 19.5 MEUR PERSONNEL 516
<div>ALMA</div> CONSUMER	National and regional multi-channel media and digital online services in Finland. Also printing and delivery.	REVENUE 152 MEUR DIGITAL 24 % ADJ. EBITDA 18.3 MEUR PERSONNEL 590

Geographical splits, %



All figures 1-12 / 2018

OUR PURPOSE

**To accelerate
sustainable growth
of individuals, businesses and
society.**

Through our content and services we increase people's competencies, awareness and understanding of what is happening in the world, help businesses to grow and make societies better places to live and work.

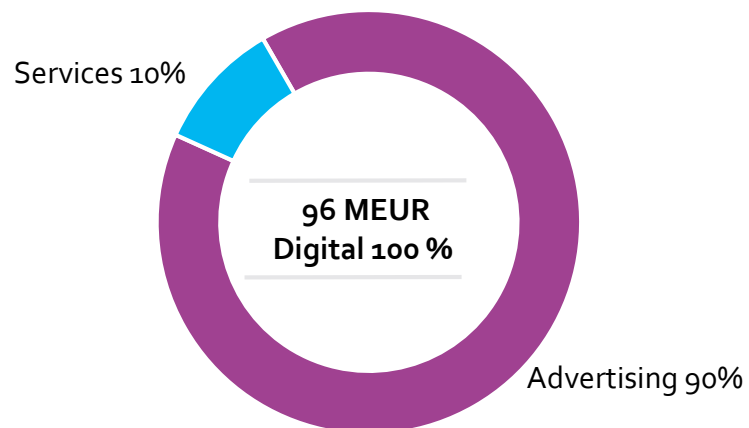
OUR VISION

**Alma Media is
the most exciting provider of
information, services and
experiences.
We aim to set the stage of the
future of media.**

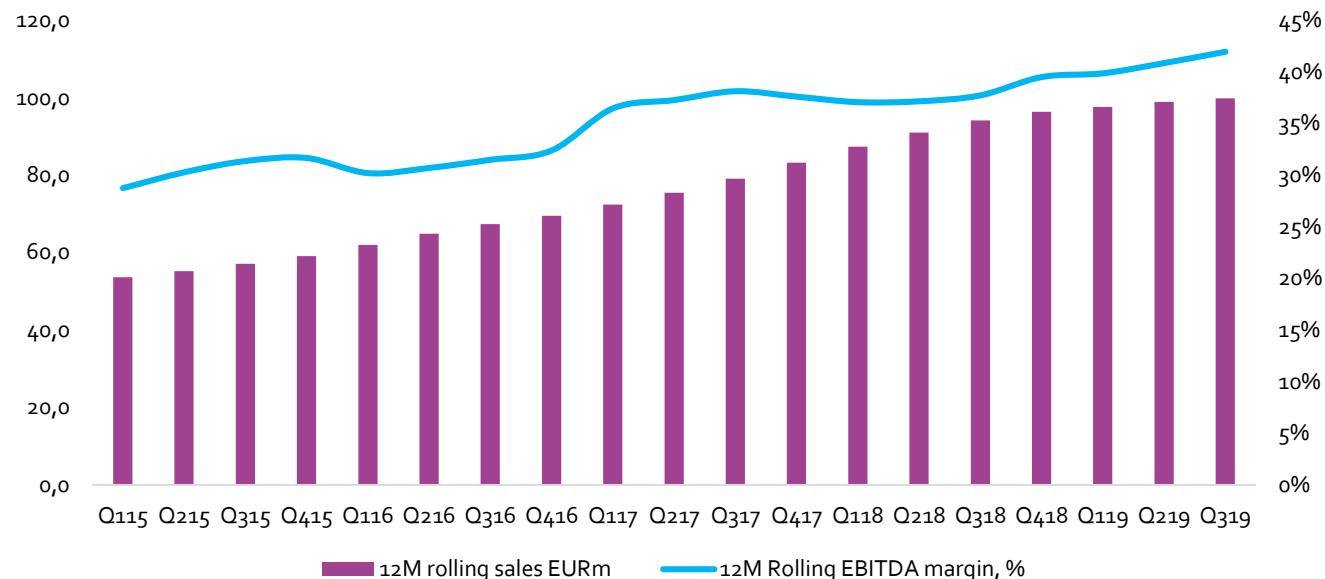
Alma Markets

- Spearhead of Alma's digital development and internationalisation since mid-1990's.
- Main drivers of growth: market dynamics/GDP growth, acquisitions, scalable and cost-efficient business model and market proximity - active development of localized and customised products and services.
- Leveraging best practices developed in different Alma Career countries.
- Extending the value chain for customers: from housing to living, from job boards to work life, from cars to mobility services.
- Continued revenue growth and EBITDA improvement. In 2019, robust GDP growth in Alma Career countries expected to level off but maintain at good level.

Distribution of revenues 2018



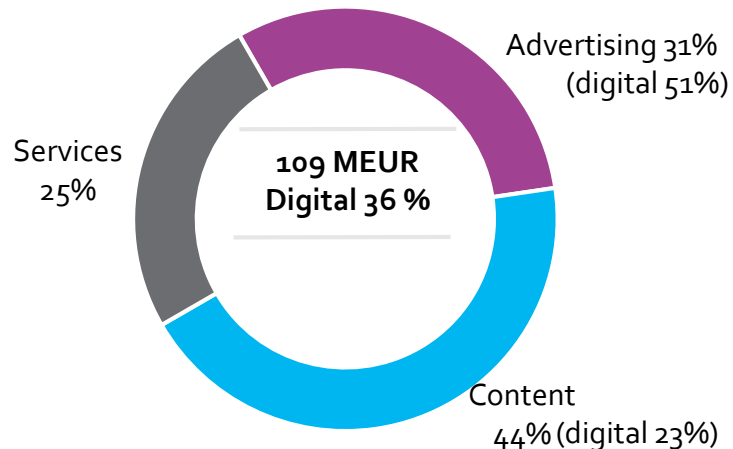
ALMA MARKETS	
Alma Career	Alma Mediapartners
Recruitment services (76% of sales) Leading recruitment services in 7 European countries: #1 in Finland, Czech, Slovakia, Estonia, Lithuania, Latvia and Croatia	Properties & Cars (24% of sales) Largest property sales and rental portal & second largest car portal in Finland.



Alma Talent

- A unique target group: segments' media channels and services reach two million influencers in Finland and Sweden. Wide and high-margin professional content and services business portfolio. Enables positive synergies and cross selling within Alma Talent.
- Aims rapidly move towards digital subscription media business model, all digital content behind paywalls by 2020. Digital content sales growing and compensating for the decline in print.
- Growth opportunities in services.
- Data driven b2b digital marketing: even more specified target groups of decision makers, entrepreneurs and experts.
- Revenue growth stable, EBITDA focus on cost.

Distribution of revenues 2018



ALMA TALENT

Financial and professional media

Online and printed media in Finland and Sweden, with leading brands and dominating market position.

Services for businesses and professionals

A leading service provider of books, business information, events and training & marketing services in Finland and in the Baltic countries.

Kauppalehti

**tekniikka
& talous**

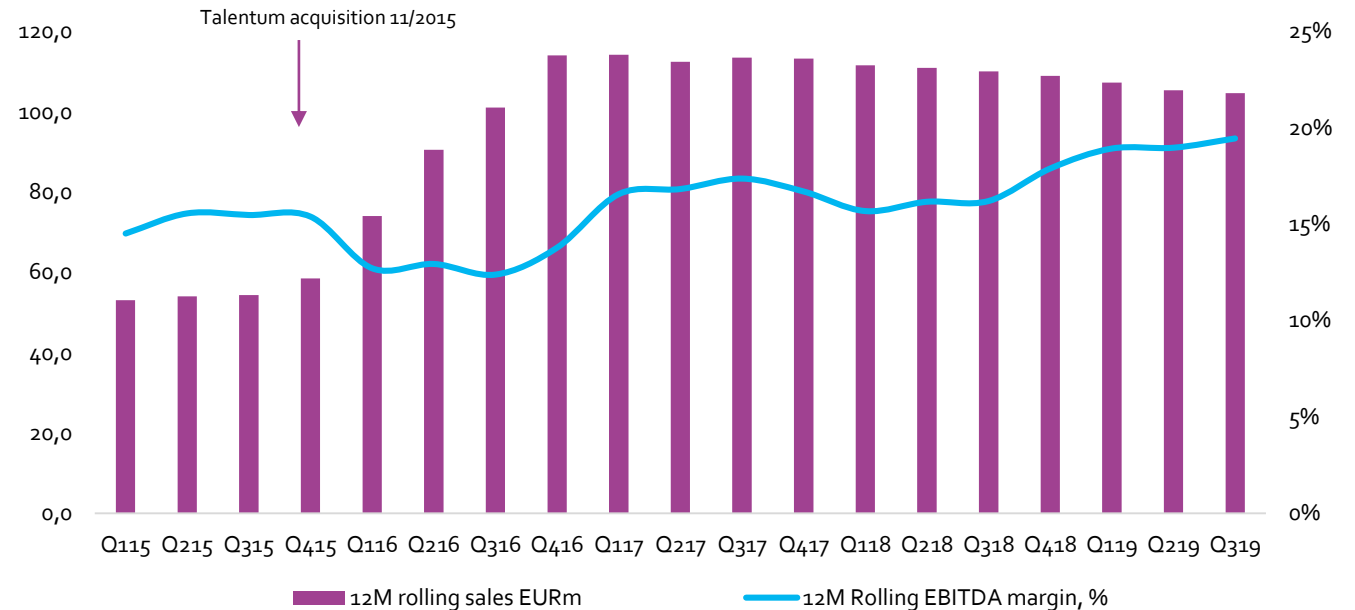
Talouselämä

ALMA TALENT

Uusi Suomi

NyTeknik

**affärs
världen**

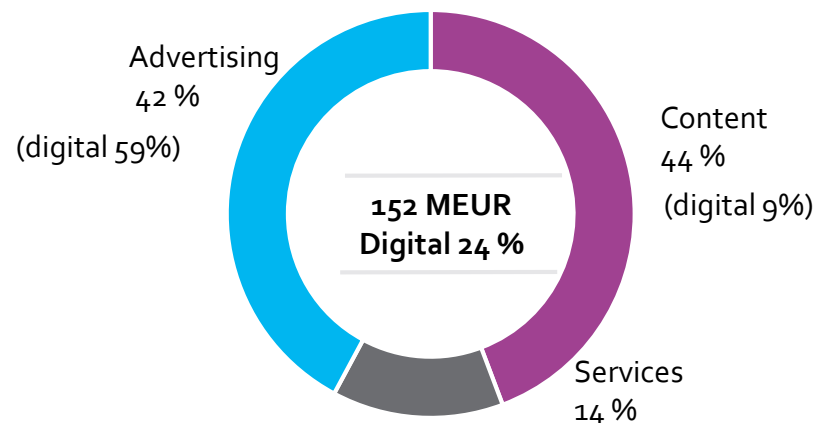


Alma Media acquired Talentum Oyj in 2015: its business operations were integrated into Kauppalehti, the leading business newspaper and information services provider.

Alma Consumer

- Segments printed and digital media and services reaches a total of 2.6 million Finns.
- Alma Consumer benefits from the digital know-how of Italehti and digital subscription business knowledge of regional media.
 - High reach enables leveraging marketing mix for advertisers: Alma digital network
 - Development in increasing digital subscription base has been positive.
- Outsourcing of early morning delivery of regional papers creates cost savings.
- Revenue trend expected to remain slightly negative but generating good cash flow. Aiming for stable margin development.

Distribution of revenues 2018



ALMA CONSUMER

National and regional media

Nation-wide multi-channel online news, lifestyle media; printed tabloid. Regional media (print + online) and local papers in Finland.

Digital consumers services

with media synergies (travel services, dating, food recipes, tv program...)

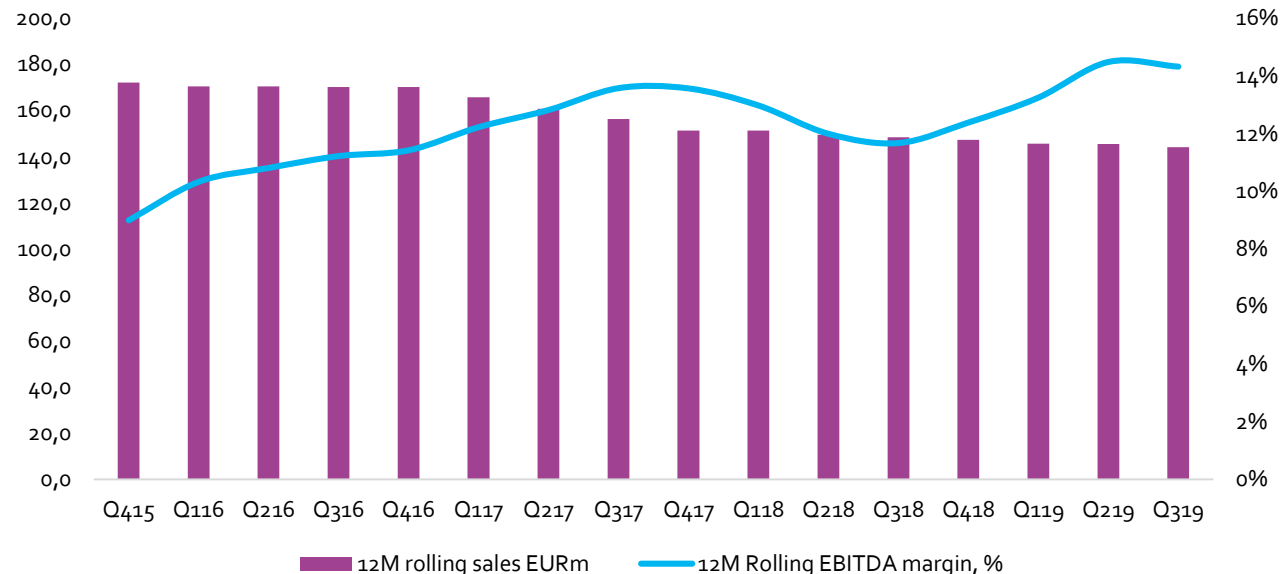
Printing and delivery

A modern printing and delivery business serving also external customers.

ILTALEHTI AAMULEHTI
SATAKUNNAN KANSA
Nokian Uutiset
Valkeakosken Sanomat

Rantapallo
telkku
kotikokki.net
E-kontakti.fi

manu

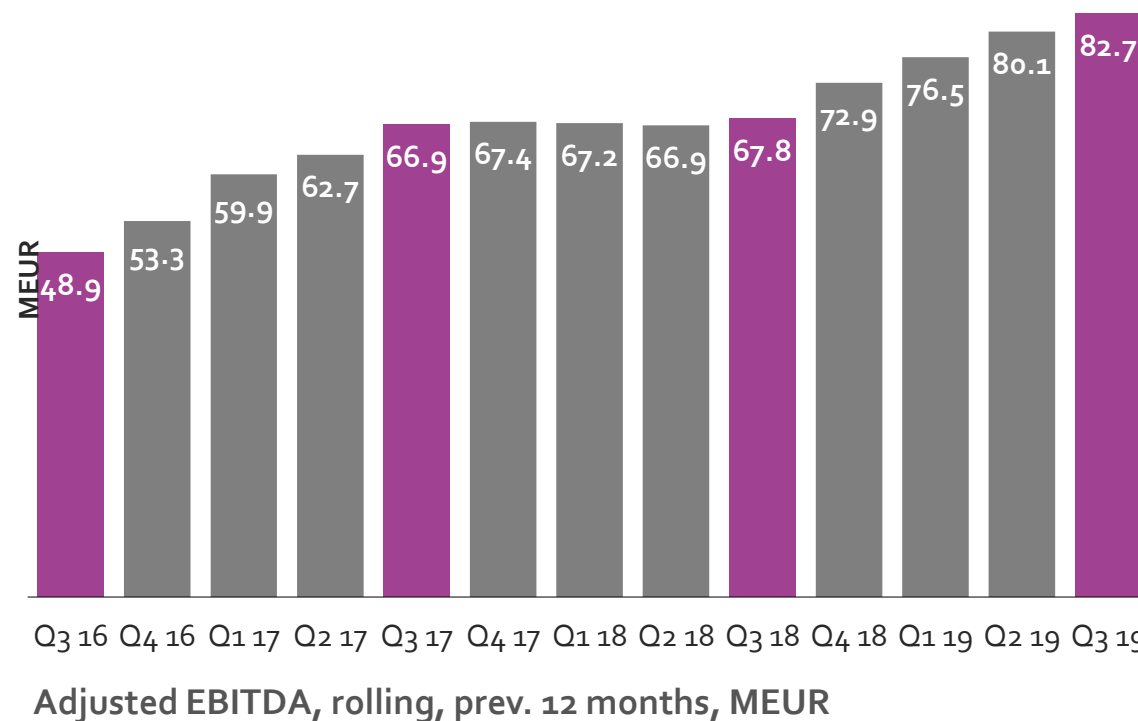
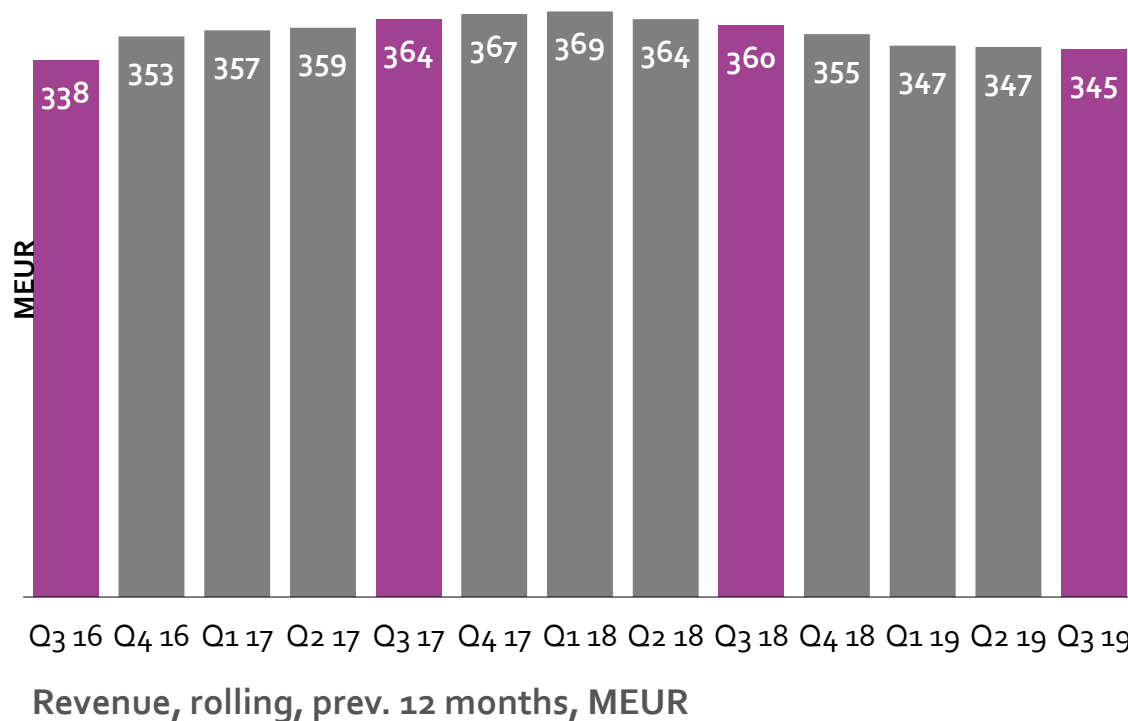




FINANCIAL PERFORMANCE HIGHLIGHTS



Digital transformation driving operational gearing and improving EBITDA*

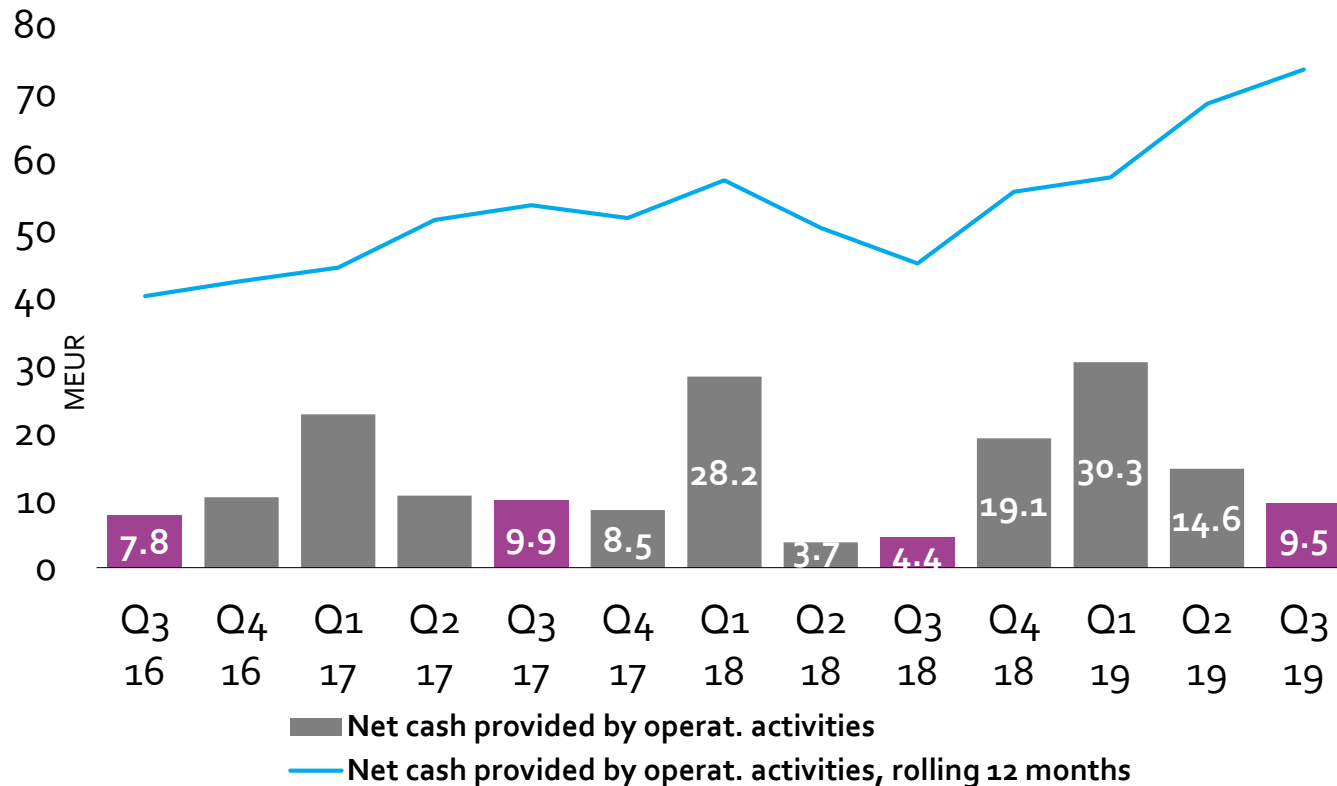


*IFRS 16 leasing standard implementation increased Q1-Q3/2019 EBITDA by MEUR 6.0

Strong cash flow

- Cash flow from operating activities in Q3/2019 was MEUR 9.5 (4.4). Improvement was due to profit improvement, lower working capital and implementation of the IFRS 16 leasing standard.
- Cash flow from investment activities was MEUR -3.2 (10.1) in Q3/2019. A 40 % stake in Etua.fi was acquired in July 2019.

Operating cash flow and capital expenditure

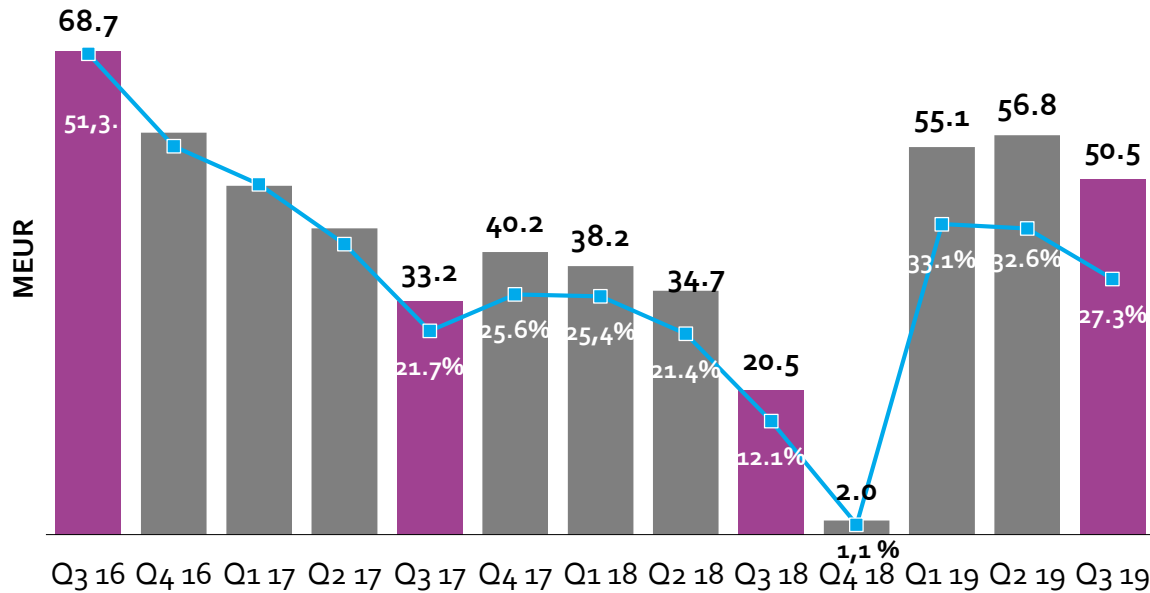


CAPITAL EXPENDITURE AND ACQUISITIONS MEUR			
	2019 1-9	2018 1-9	2018
Capex	2.1	3.5	4.8
Acquisitions	10.2	17.3	17.3
Total	12.2	20.8	22.1

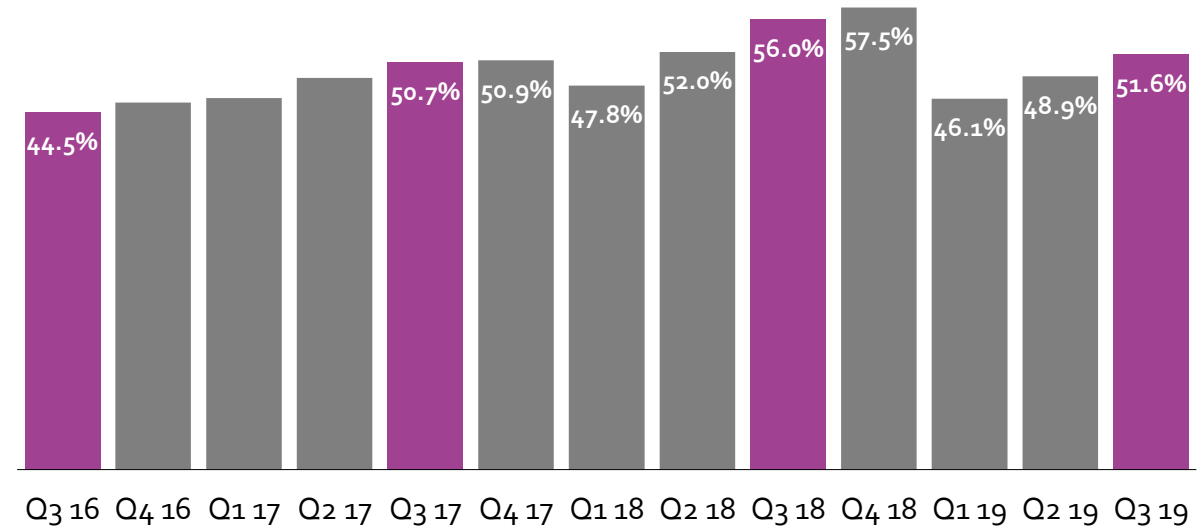
Implementation of IFRS 16 standard increased net debt by MEUR 52.5 in the beginning of the year

- At the end of September gearing ratio was 27.3 % and net debt stood at MEUR 50.5
- Interest-bearing liabilities totalled MEUR 97.0
- Equity ratio 51.6 %

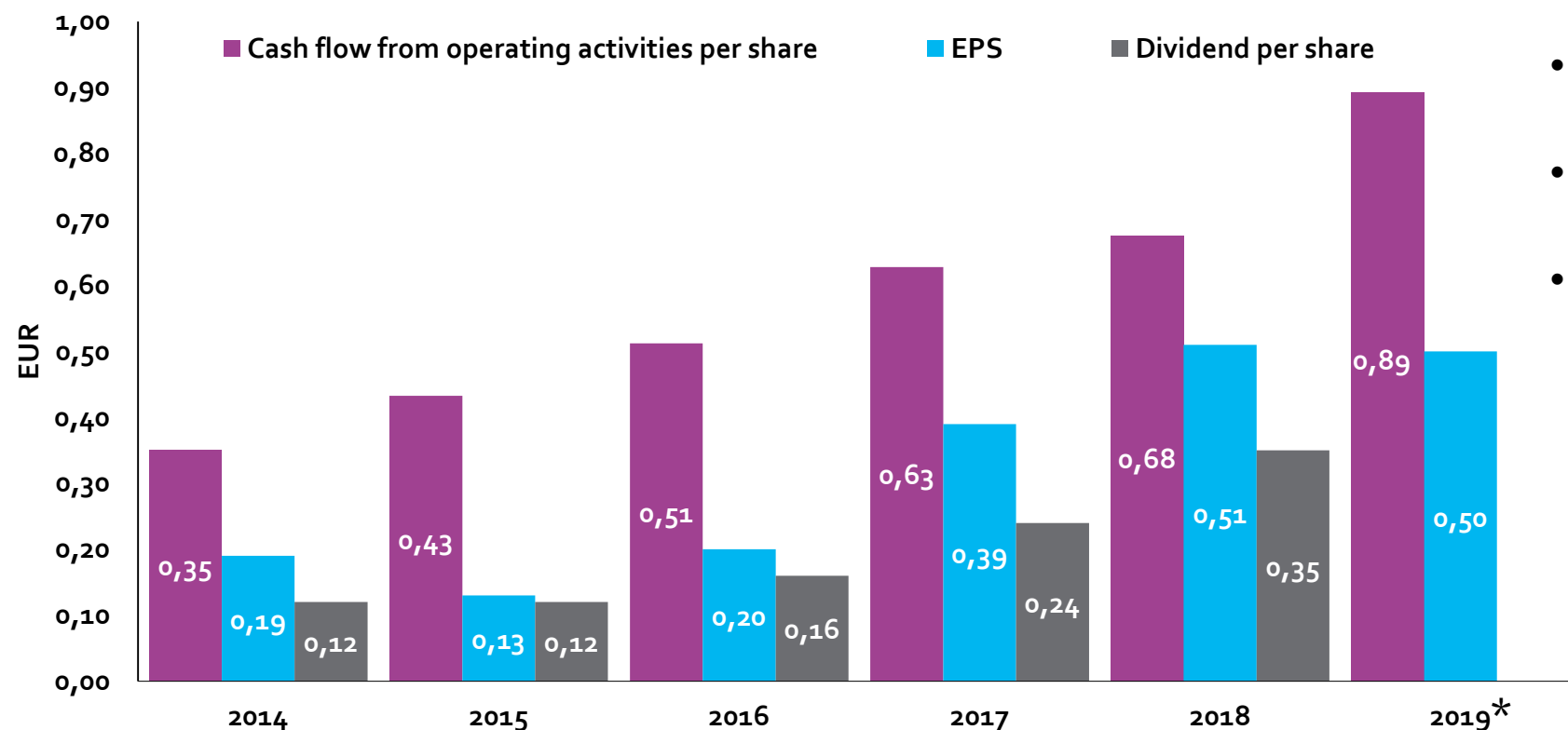
Net debt, MEUR and gearing, %
Q3/2016–Q3/2019



Equity ratio,
Q3/2016–Q3/2019



Strong capacity to invest and raise dividends



*Rolling 12 months end Q3/2019

- Business generates significant free cash flow
- Capex level on average MEUR 4–5 per year
- Head room for M&A activities MEUR 200 (2.5 X net debt/EBITDA)

IFRS 16 effects

Effect of IFRS 16 on Alma Media Corporation's consolidated financial statements

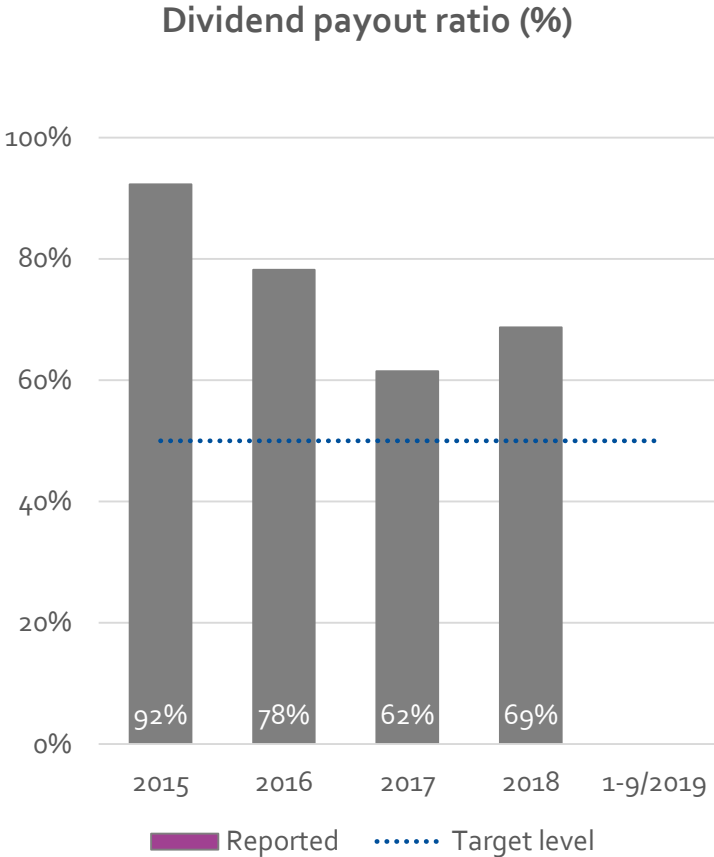
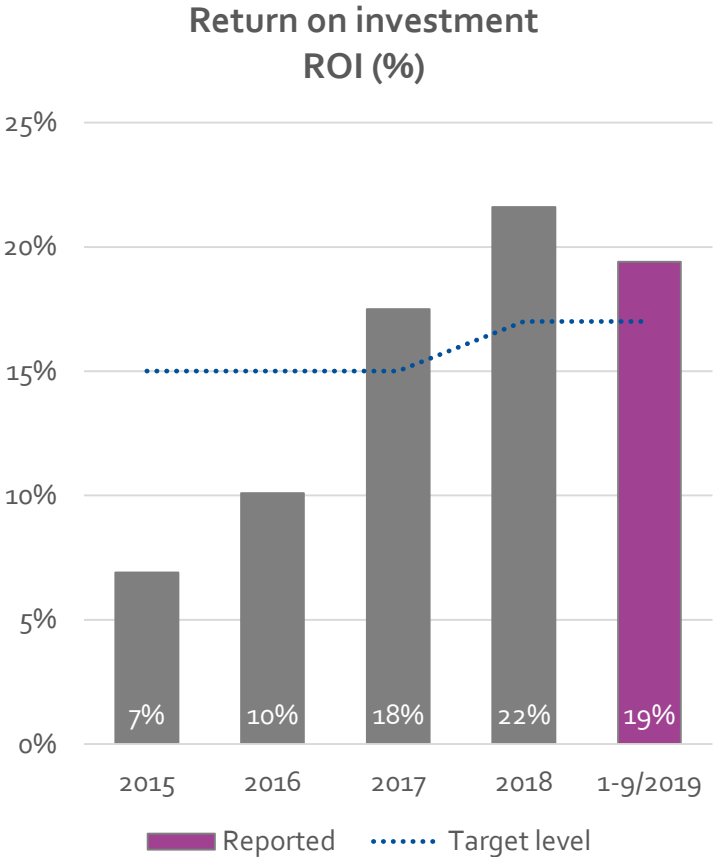
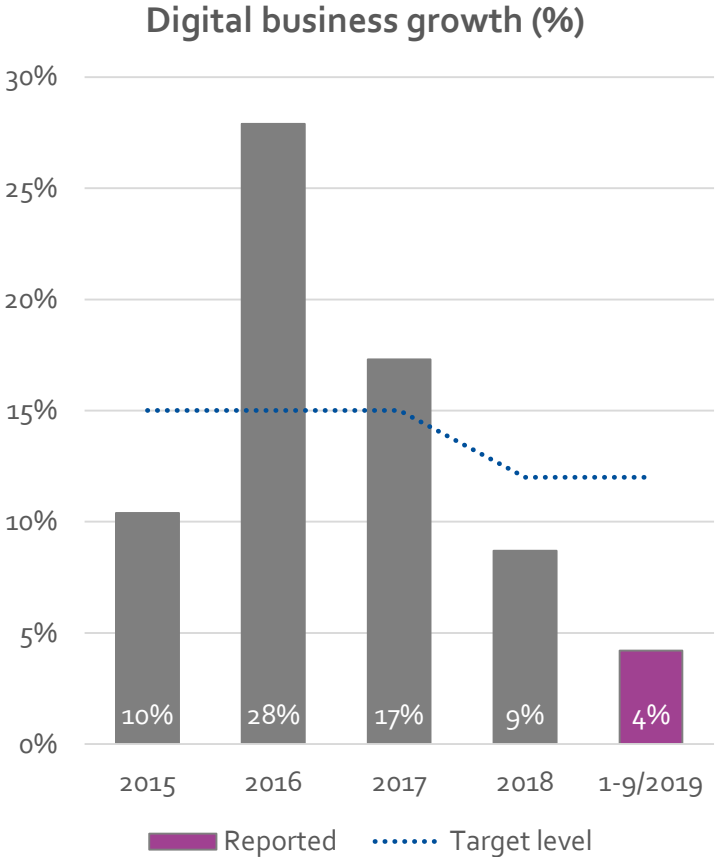
Balance sheet (MEUR)

	30 Sep 2019	30 Sep 2019	1 Jan 2019	1 Jan 2019
	Assets	Liabilities	Assets	Liabilities
Leases for business premises and operating leases	49.0	49.4	53.7	53.7
Leases for IT equipment	-1.2	-1.3	-1.2	-1.2
Total	47.8	48.1	52.5	52.5

IFRS 16 – IMPACT ON RESULT BY SEGMENT, Q1–Q3/2019 MEUR

	Alma Markets	Alma Talent	Alma Consumer	Non-allocated and eliminations	Group
Other expenses – <i>decrease</i>	1.3	0.8	0.8	3.0	6.0
EBITDA	1.3	0.8	0.8	3.0	6.0
Depreciation – <i>increase</i>	-1.3	-0.8	-0.7	-2.9	-5.7
EBIT	0.0	0.0	0.0	0.2	0.3
Interest expenses – <i>increase</i>	-0.1	0.0	0.0	-0.4	-0.6
Profit for the period	0.0	0.0	0.0	-0.3	-0.3

Long-term financial targets





OPERATING ENVIRONMENT



Forces of change in the operating environment

MEDIA CONSUMPTION

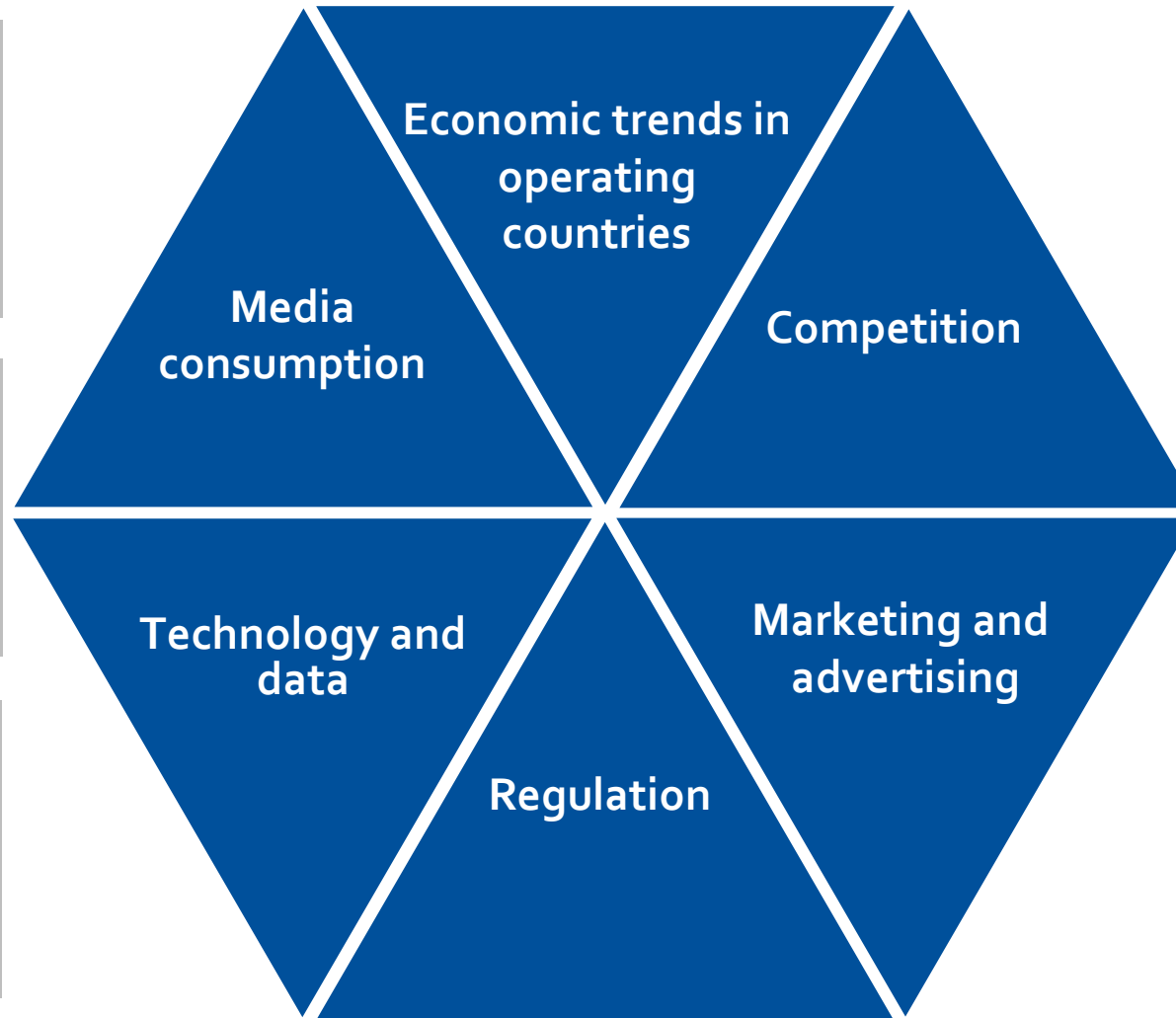
- Mobile
- Social media
- Paid digital content
- Print

TECHNOLOGY AND DATA

- Leveraging data, analytics and machine learning
- Automation and robotics
- Smart devices, many platforms
- Competition for top digital talent

REGULATION

- GDPR, ePrivacy, copyright, YLE



ECONOMIC TRENDS IN OPERATING COUNTRIES

- The domestic advertising market and Finnish GDP growth have differentiated.
- Market growth expected to level off in Eastern Central Europe
- The population is concentrated in growth centers

COMPETITION

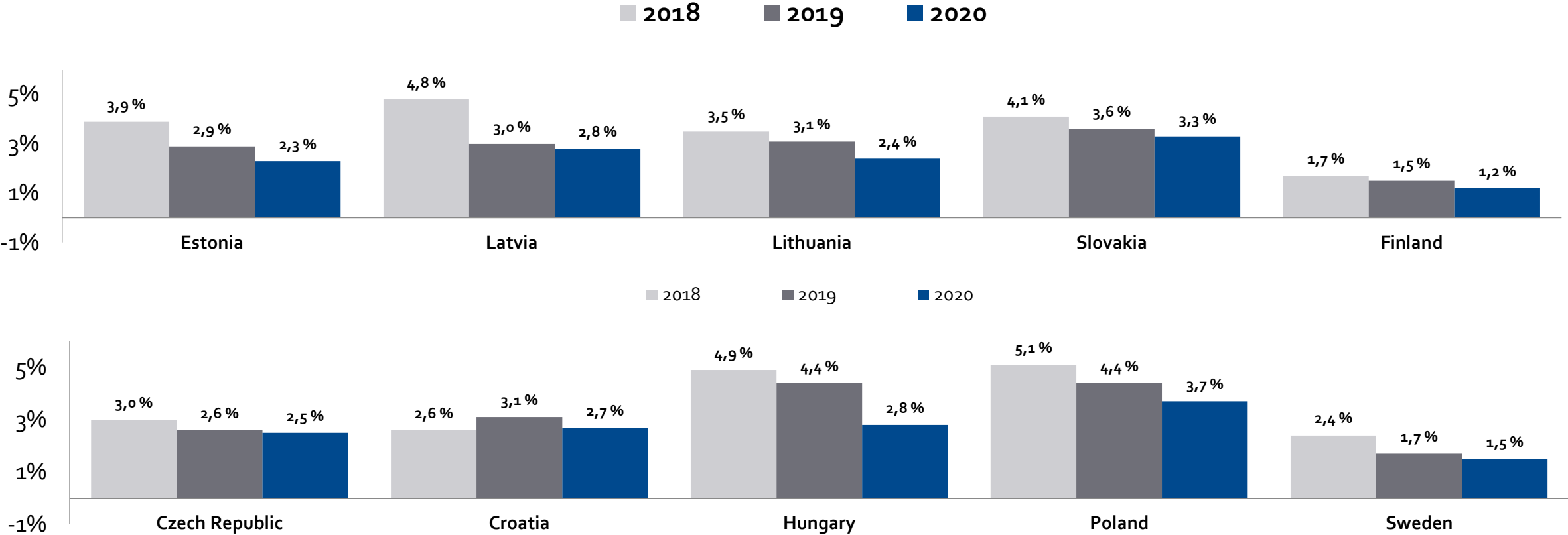
- Global technology giants expanding businesses through the convergence of industries.
- The Finnish media market polarized.

MARKETING AND ADVERTISING

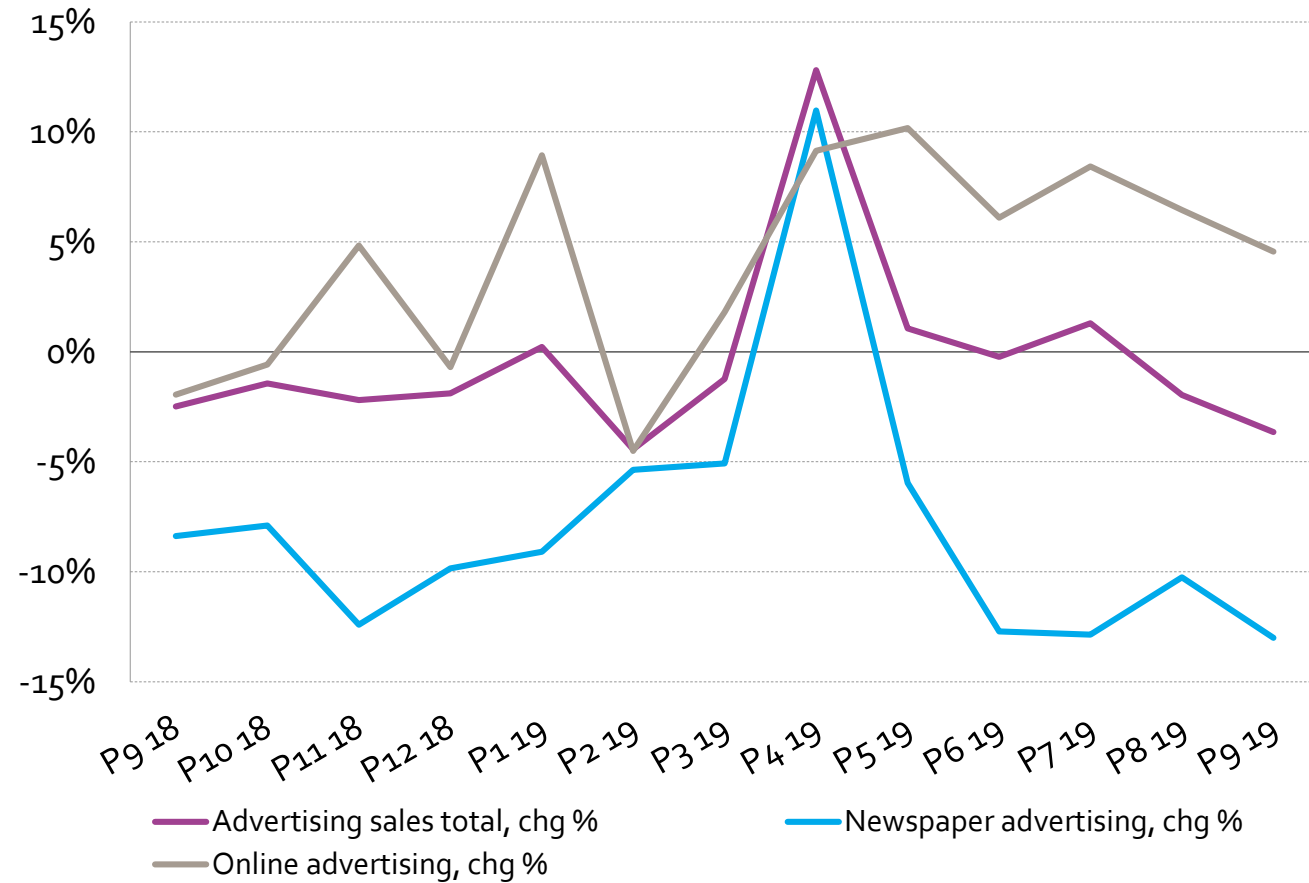
- Marketing automation requires investment in technology
- Importance of data increasing
- Digital marketing: mobile, video, native, SEM, content marketing and social media

GDP growth decelerates slightly in Eastern European countries

GDP forecasts in Alma's operating countries 2018-2020E

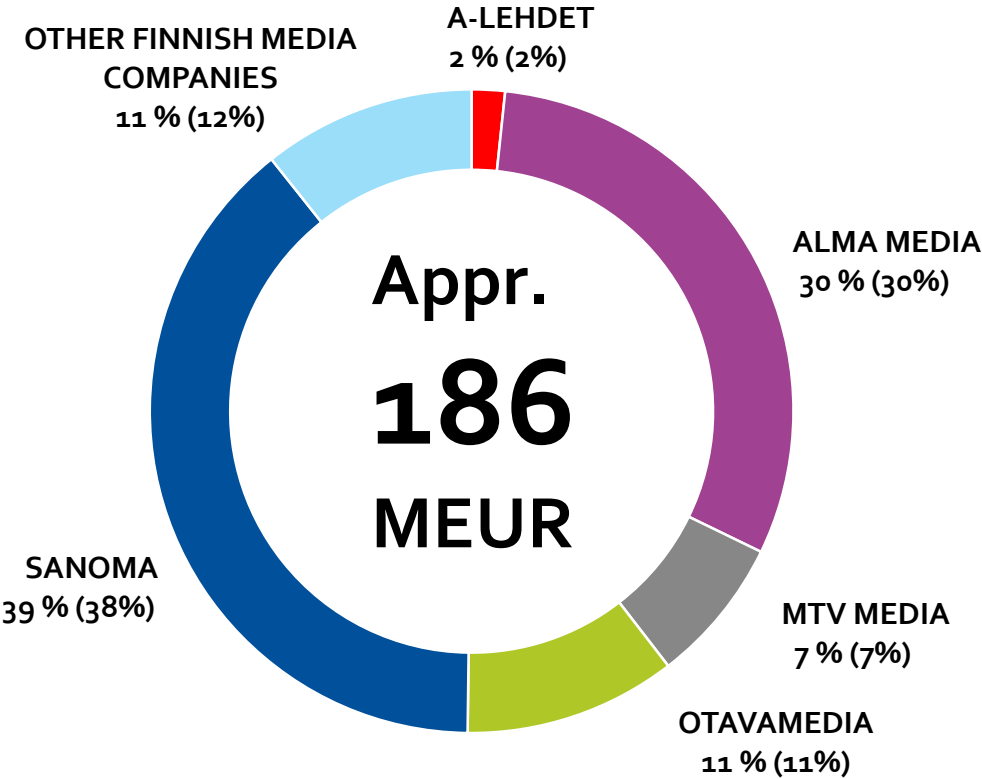


Finnish advertising market continues to be soft



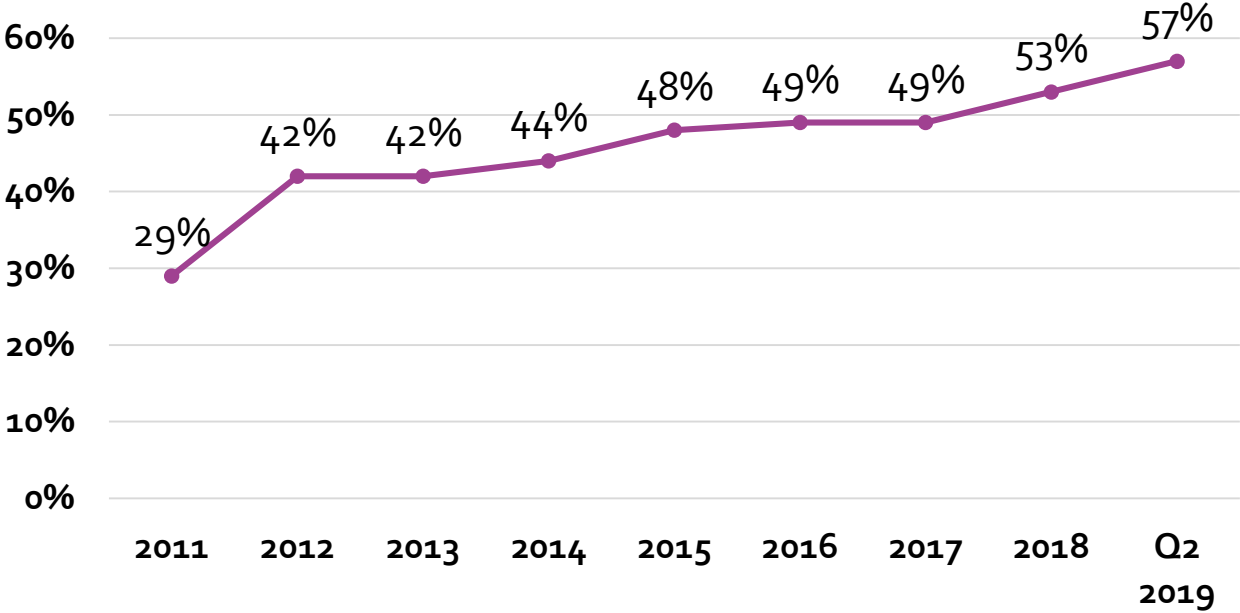
Monthly change in media advertising 9/2018–9/2019
Source: Kantar TNS

Online advertising in Finland



Online advertising by Finnish media companies
1-12/2018 (versus 1-12/2017.)

Share of international operators of Finnish digital advertising market, %



The combined advertising sales of Google, Facebook and Youtube in Finland amounted to MEUR 226 in Q1-Q4/2018.

Source: Kantar TNS, IAB Finland



MARKET POSITION HIGHLIGHTS



Strong market position

Leading brands and technology

 MARKETS

#1



in recruitment
platforms in
7
European
countries

 MARKETS

#1



Property sales &
rental portal
#2
Car portal
in Finland

 TALENT

#1



Financial and
professional
media and
services
in Finland

 CONSUMER

#2



Online news in
Finland

 CONSUMER

#2



Regional
newspaper in
Finland



#2



Digital
advertising
network in
Finland

Meeting customers' needs with local strong brands

#1 in Czech Republic (market 55 MEUR)

- prace.cz, jobs.cz, monster.cz, profesia.cz

#1 in Slovakia (market 11 MEUR)

- profesia.sk

#1 in Croatia (market 8 MEUR)

- mojposao.net

#1/2 in Finland (market 28 MEUR)

- monster.fi

#1 in Estonia, Latvia, Lithuania (market 13 MEUR)

- CV Online

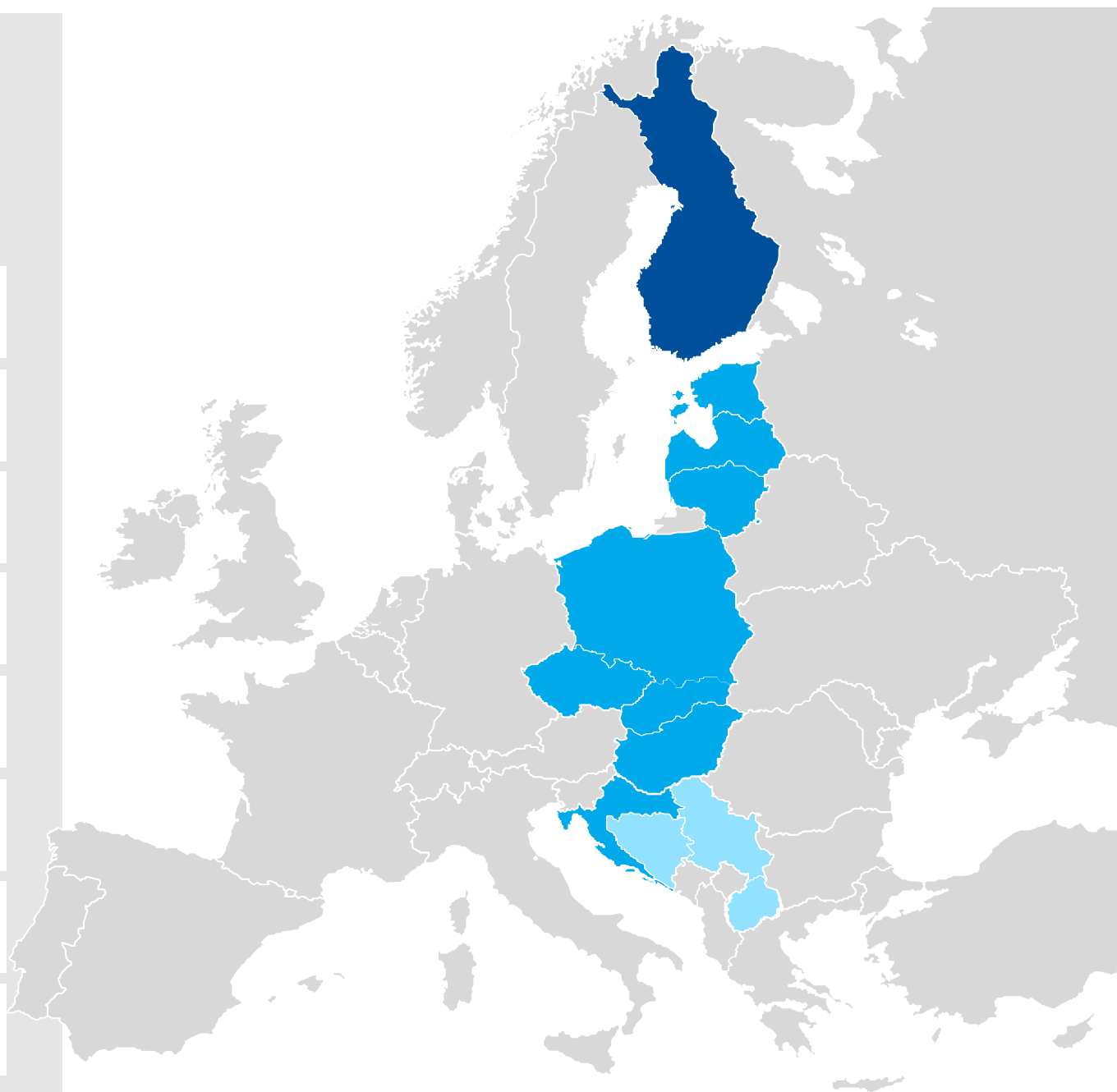
#1 in Serbia, Bosnia and Macedonia (minority interests)

#3 - #4 Hungary (market 25 MEUR)

- workania.hu

Poland (market 85 MEUR)

- Praca za Rogiem

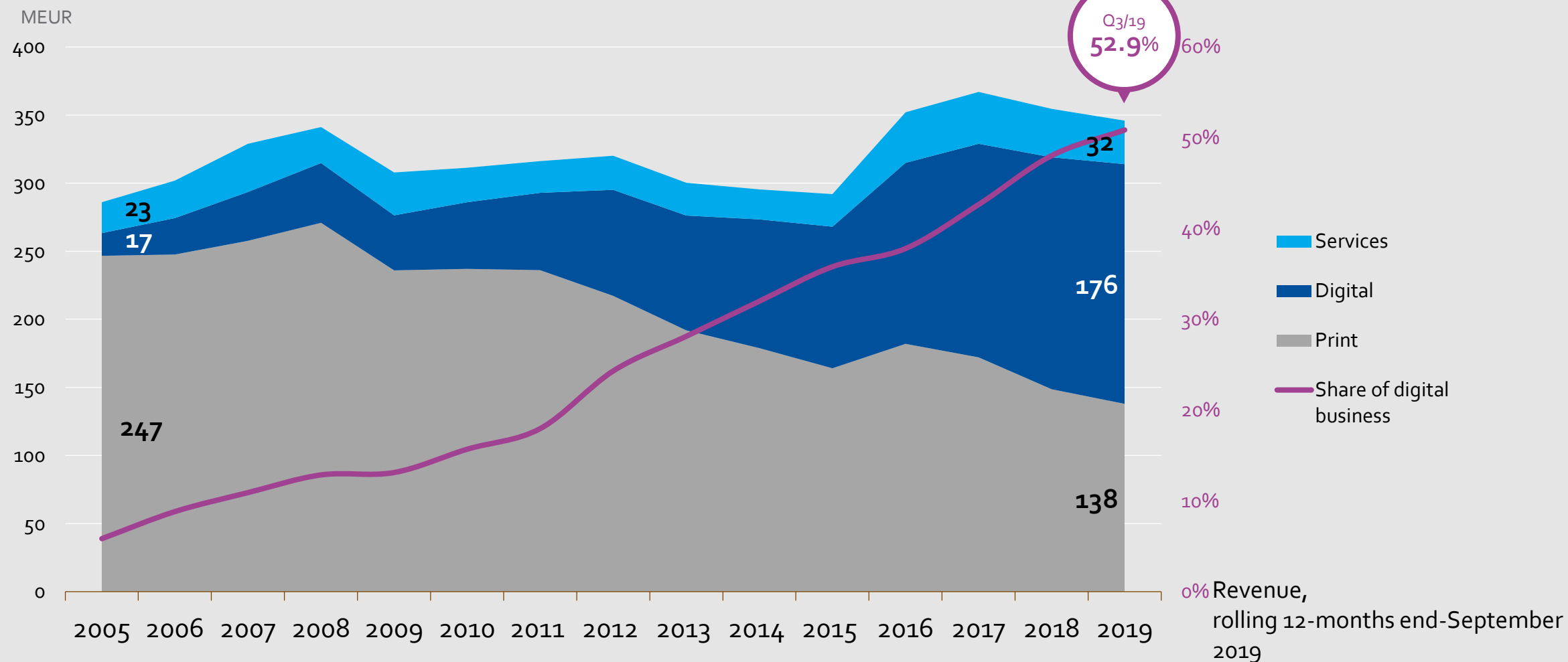




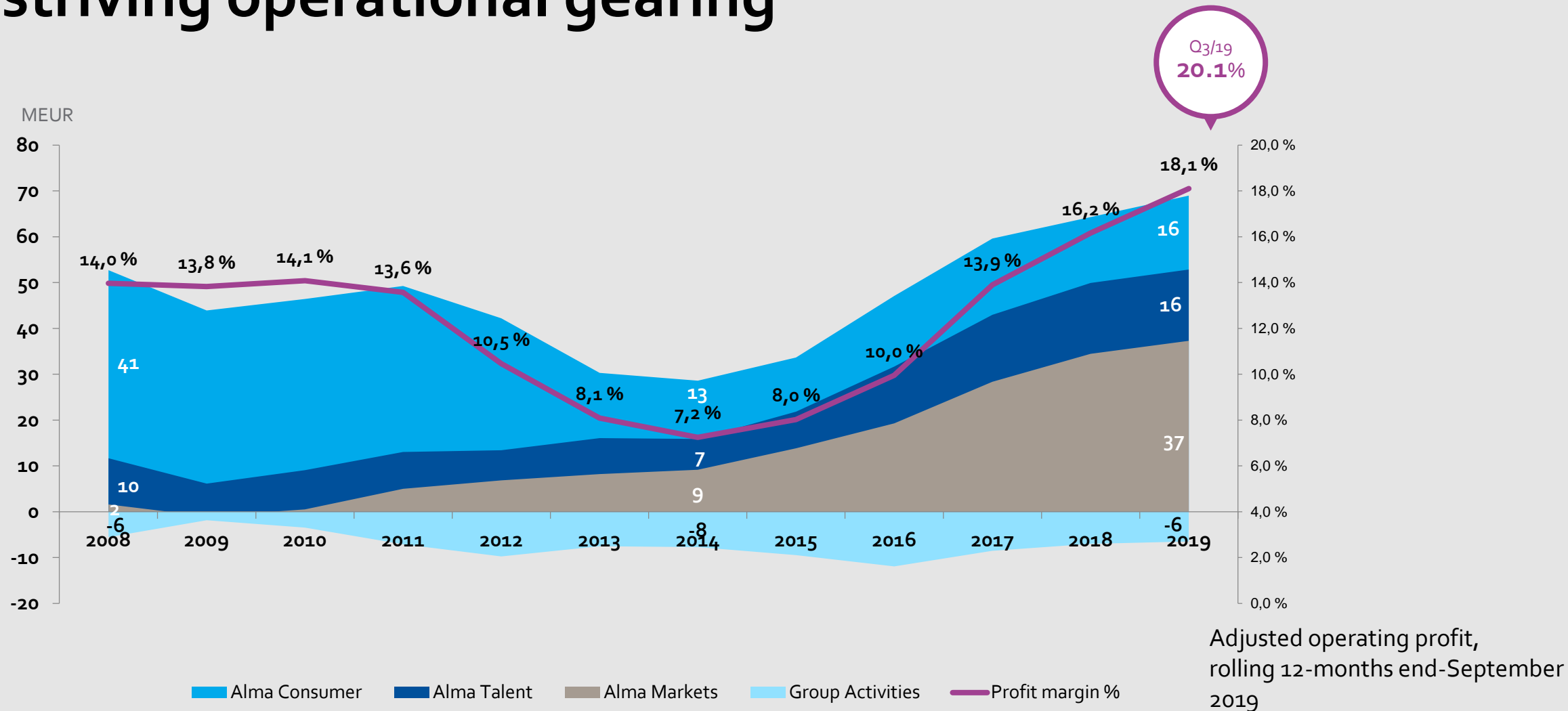
TRANSFORMATION STRATEGY HIGHLIGHTS



Well underway in digital transformation, but yet halfway



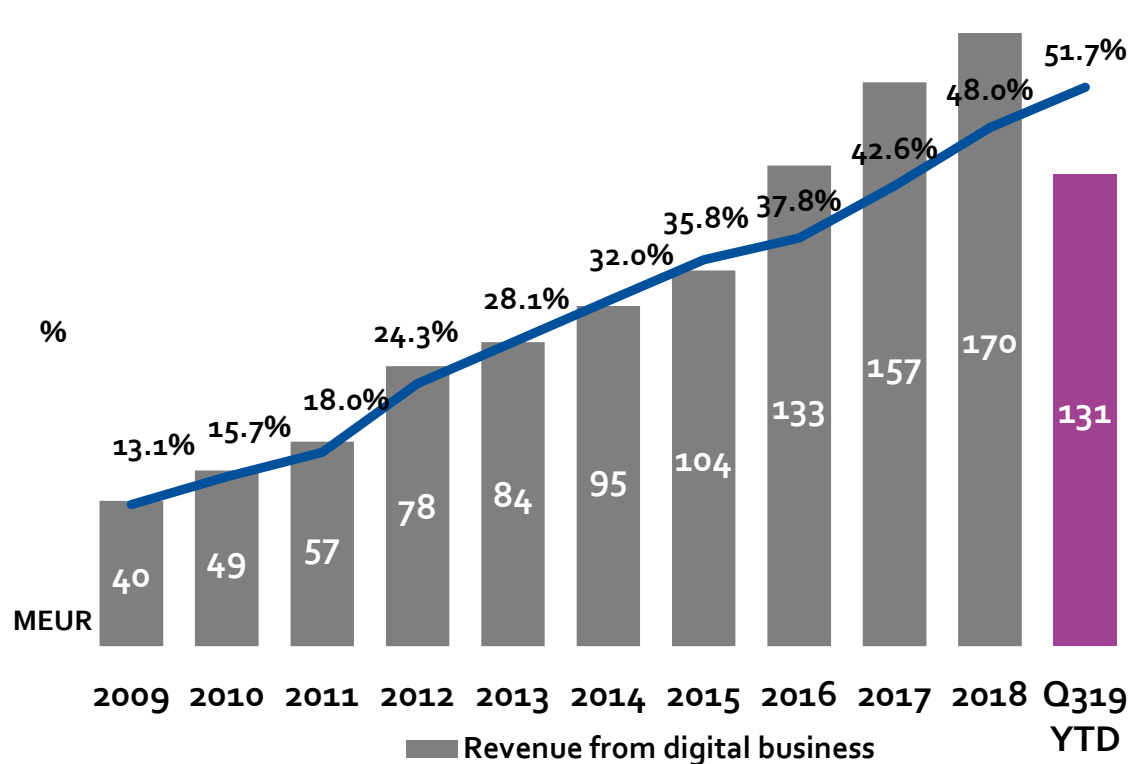
Digital transformation and change in business mix striving operational gearing



Digital business exceeds 50 % of revenue

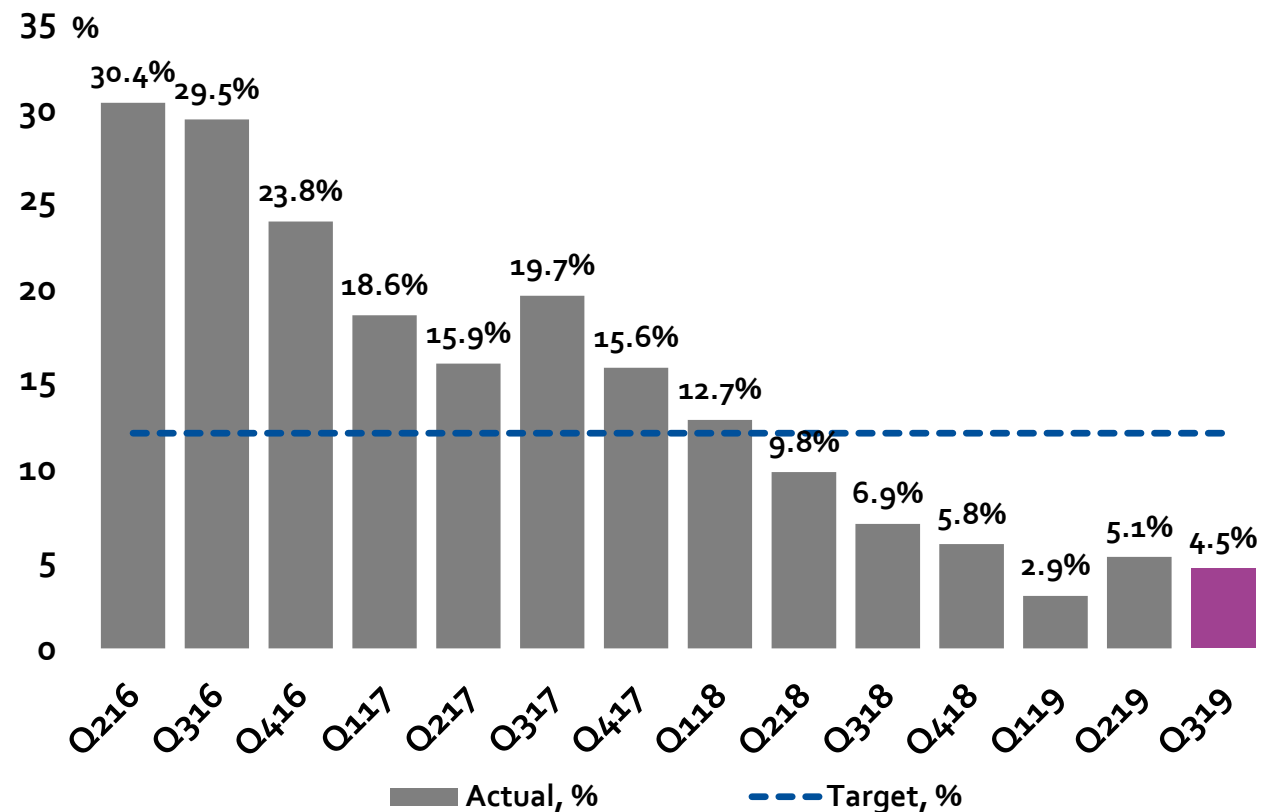
Digital revenue steadily increasing, growth stabilizing

Share of digital business of Group revenue



In Q3/2019, digital business amounted to 52.9 % of Group revenue.

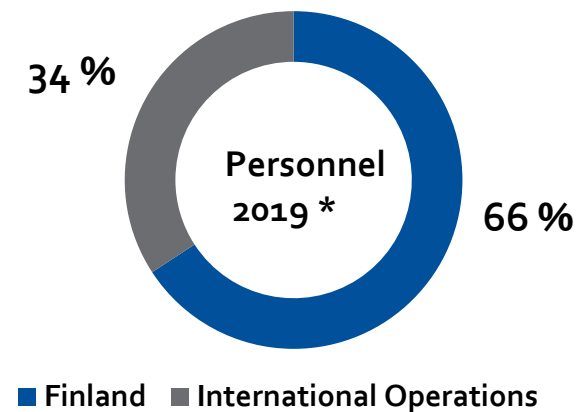
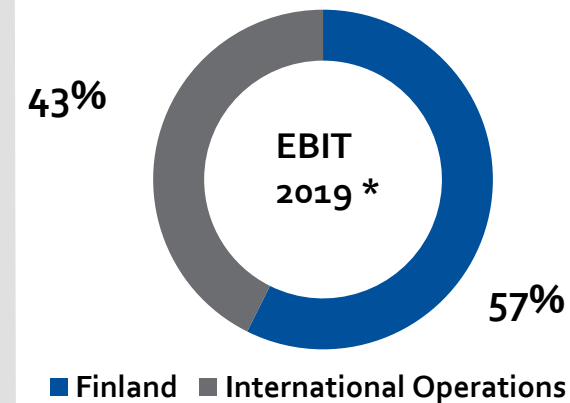
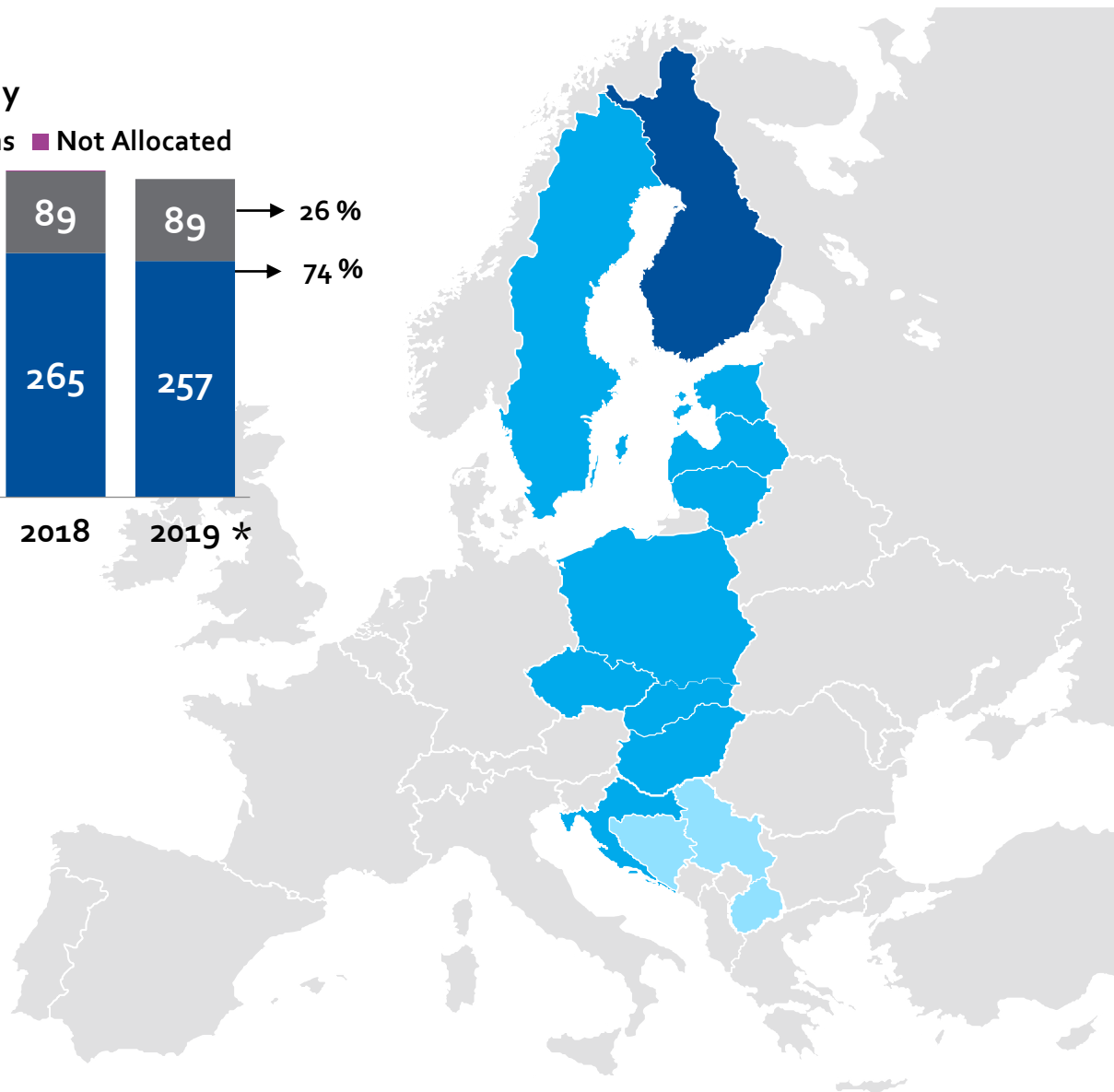
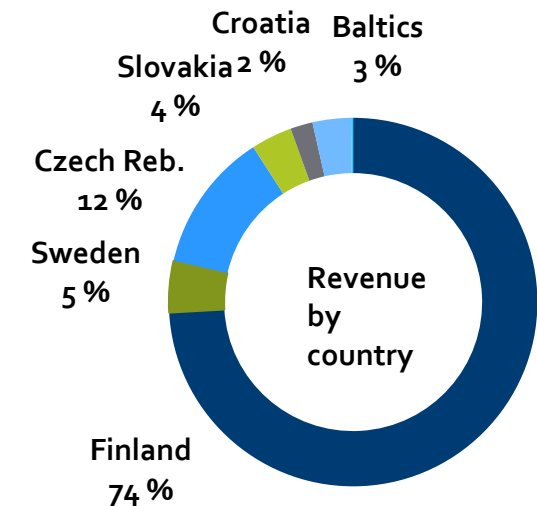
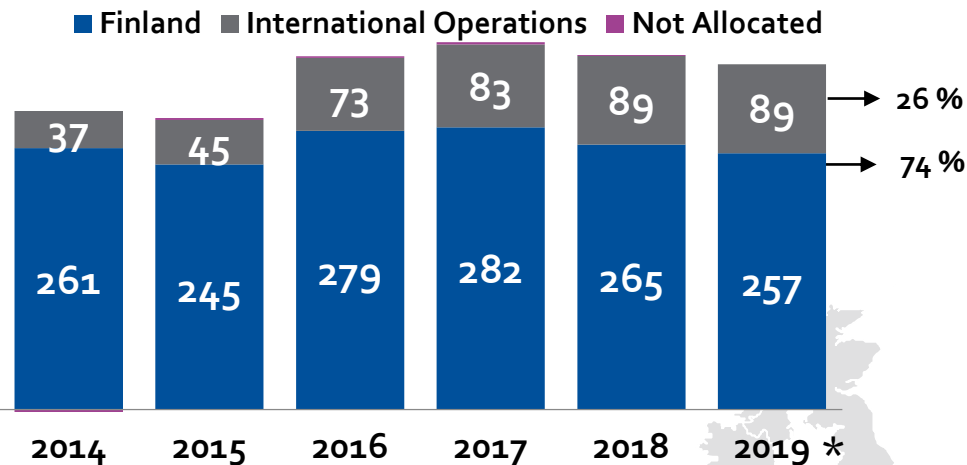
Digital business growth



Profitable expansion of international digital business

**Figures rolling 12 months end Q3/2019*

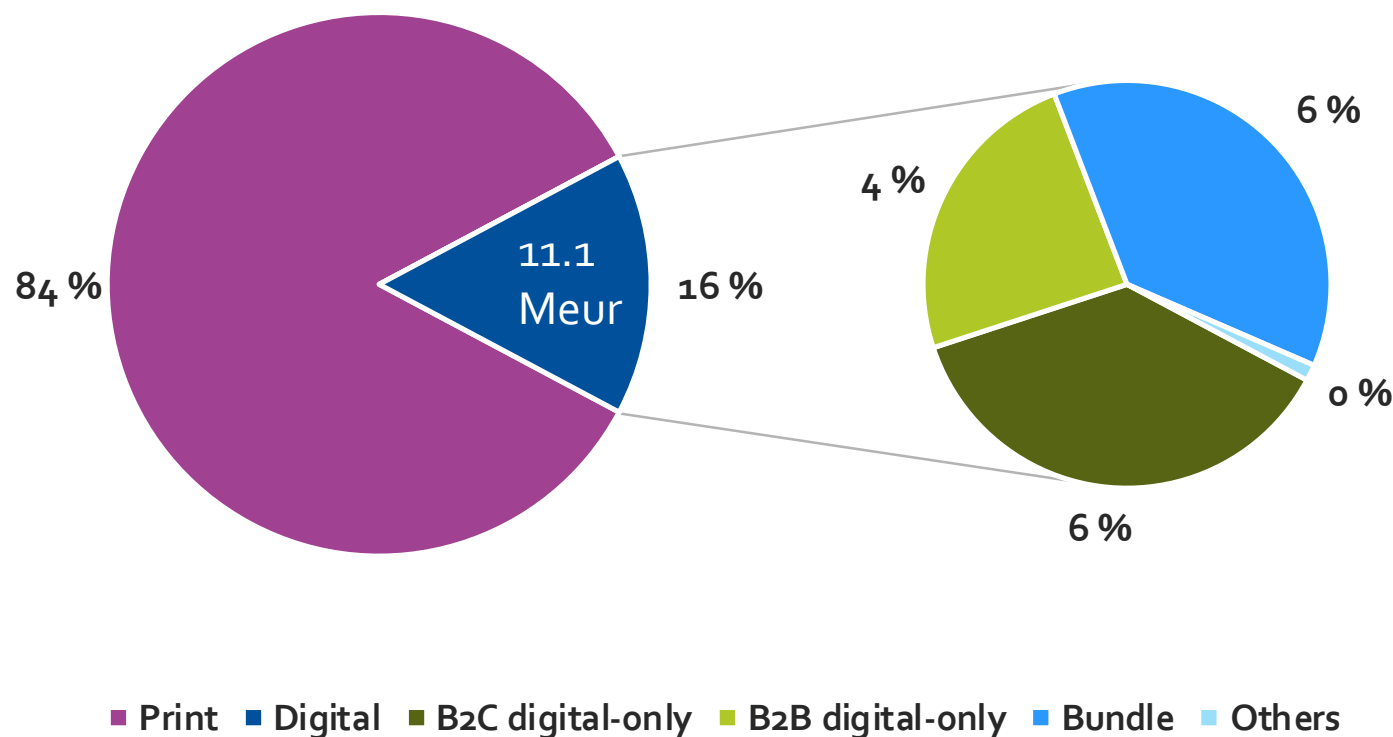
Revenue breakdown geographically



Digital content sales increase as the key success factor

Alma Media engages well over 0.5 million subscribers for print and digital

Content revenue split 1-9/2019 in Finland*



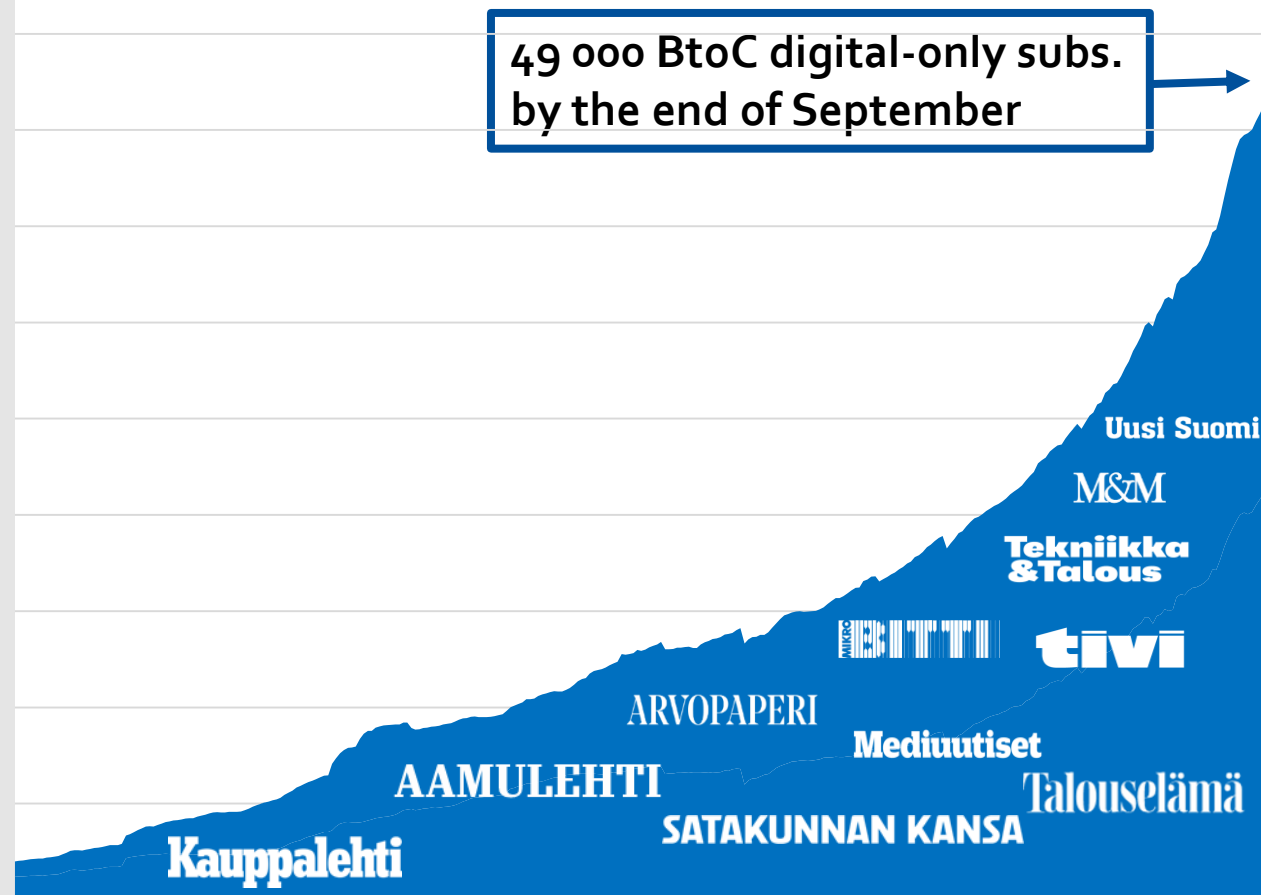
*Excluding content sales of Alma Talent Pro in Finland and media content sales in Sweden.

All subscribed Alma brands generate digital content revenue

- Last brands out of the digital product development pipeline:
 - M&M and Uusi Suomi.
 - Digital-only subscriber base growing well
Alma Talent media brands +100%,
Aamulehti +55%, Satakunnan Kansa 66%*
- Data-driven solutions create a superior customer experience as well as increase business predictability.
- AI, automation and user data analytics improve cost efficiency.

**number of digital subs., 12 months*

Alma Media Content Sales (number of BtoC digital-only subs)
2013–2019



Alma Talent has 60 000 company subscribers.
In total, Alma Media has 319 000 subscribers paying
for digital (including bundles).

STRATEGY 2019–2021






*Expanding our offering from
media to related digital services.*

*Fullfilling the needs of our users' everyday life as
consumers and as professionals in business.*



Driving more customer value as one Alma

PURPOSE	ACCELERATING SUSTAINABLE GROWTH					
KEY ELEMENTS	Transformation	Digital content worth paying	World-class marketing and communication expertise	Value -adding services	Agile local partner	Solid financial base
BUSINESS FOCUS	CROSS-BUSINESS STRATEGIC INITIATIVES					
	 TALENT		 CONSUMER		 MARKETS	
VALUE	Data-driven customer experience					

Accelerating growth with strategic initiatives

MAIN ACHIEVEMENTS:

- **AMS:** above the average growth of domestic digital market.
- **eCOM:** digital subscription growth 40%.
- **Data:** audience segments (DMP).
- **Traffic management:** increased cross-brand visits.
- **Themes:** Audience and market share growth in selected themes: cars, housing and work-life.

FUTURE AMBITION (2019-):

- **AMS:** preferred local marketing partner.
- **eCOM:** more engaged audience and digital subscription growth.
- **Data:** behavioural data-driven sales growth.
- **Traffic management:** Increasing visiting time and traffic share faster than the market.
- **Themes:** leading market position in selected themes.

Exploiting the digitalisation for future growth and for superior Alma customer experience

Business units' strategy 2019–2021

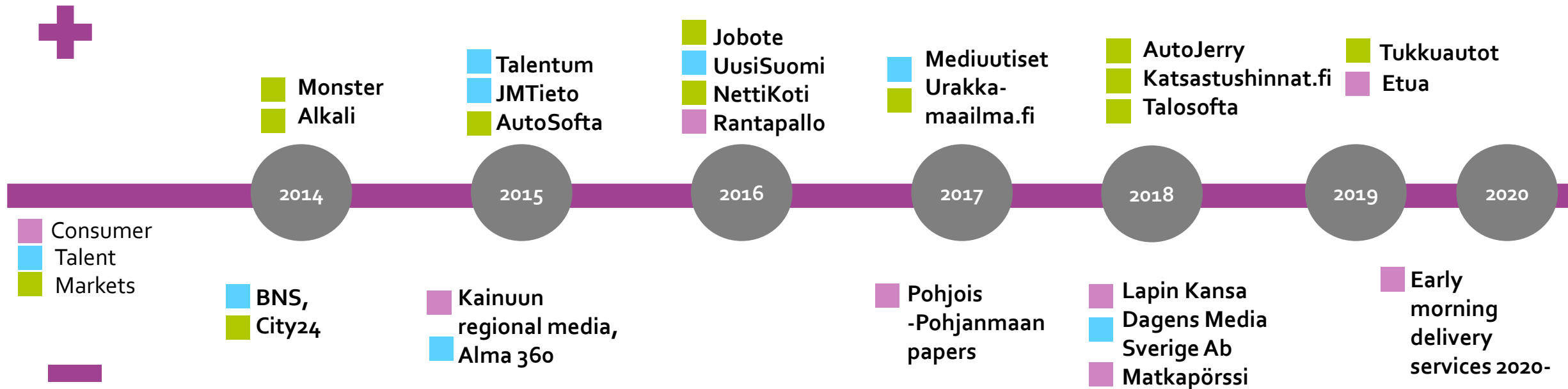
 MARKETS	 TALENT	 CONSUMER
<ul style="list-style-type: none">• Recruitment services will be expanded: geographically, organically and through M&A.• Job advertising will be developed and complemented by new HR services.• Marketplace offering extension to services: from changing homes to living, from buying a new car to mobility services.	<ul style="list-style-type: none">• Media business rapid digitalization, all digital content behind paywalls by 2020• New service products development organically and through M&A• Alma Talent synergy further increasement by cross-sales and joint products	<ul style="list-style-type: none">• Profitability ensurement and cost adjustments. Strengthening of synergetic service business both organically and through M&A.• Digital subscription growth acceleration, majority of regional and local media content behind paywall.• Printing from support service to service business

Portfolio development



M&A and divestments

In the years 2010–2018, the annual pre-tax return on investments has been 12% of the invested capital.



Capex, Meur	5.6	5.2	5.0	20.2*	4.8	
M&A spend, Meur	8.8	55.0	5.0	2.1	17.3	

* including a redemption of production property (value Meur 14.5)

Operating environment

- European economies are expected to face slower growth in 2019. Uncertainty about the economic development in Germany has increased, which has been reflected in a decline in the demand for recruitment advertising in certain sectors in the Czech Republic and Slovakia.
- Media sector's structural transformation to continue;
 - online content sales expected to grow, print media to decline
 - distribution and delivery costs as well as volume-linked costs expected to increase
 - use of data, analytics, machine learning and automation to become increasingly important and increasing technology investments
 - In digital advertising, search engine, social media, mobile and video advertising and content marketing to grow fastest.

Outlook (unchanged)

In 2019, Alma Media expects its full-year revenue to remain at the previous year's level and its adjusted operating profit to increase compared to 2018.

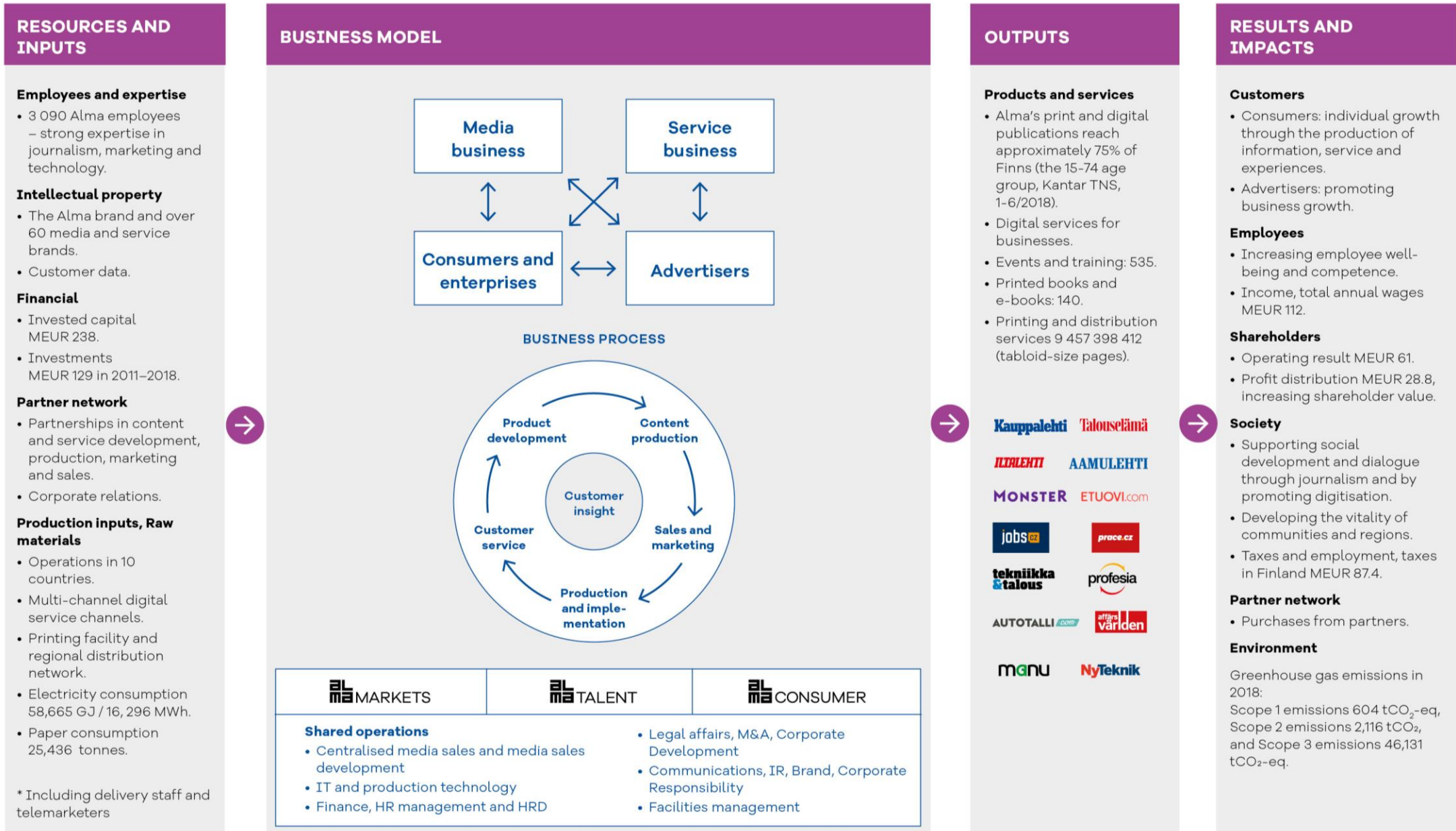
The full-year revenue for 2018 was MEUR 354.6 and the adjusted operating profit was MEUR 57.3.



CORPORATE RESPONSIBILITY



Alma Media value creation model*



Figures
FY/2018

Responsibility lies in the heart of our business

HIGH-QUALITY MEDIUM AND SERVICE PROVIDER

RESPONSIBLE JOURNALISM

Improves
engagement

Constructive, accurate, verifiable....

RESPONSIBLE MARKETING

Improves advertising
receptivity

Viewability, adfraud, brand safety...

INFORMATION SECURITY AND DATA PROTECTION

Improves relevance

*Technological capability, user education,
consumer protection...*

SOCIAL RESPONSIBILITY
ENVIRONMENTAL RESPONSIBILITY
TRANSPARENT AND ETHICAL BUSINESS

On a growth path

The aim of Alma Media's sustainability program is to accelerate the sustainable growth of individuals, businesses and society by utilizing the strengths of a digitalized media company.

SUSTAINABILITY THEMES	TARGETS	ACHIEVEMENTS IN 2018
Contributor of a sustainable society <i>Journalism</i>	Under 20 % of all condemnatory decisions issued by the Council for Mass Media.	The share of Alma Media's media outlets 17 % (4 pcs).
High-quality service provider <i>Marketing Data</i>	No published advertisements that violate the ICC Code of Advertising and Marketing Communication Practice. No serious breaches or reprimands by authorities related to information security or data protection.	No reprimands by the bodies governing ethics of marketing. The Group was not informed of any infringements.
Good employer <i>Personnel</i>	At least 90% of new employees stay with the company two years after being hired. No infringements related to employee discrimination or other inappropriate treatment of employees.	92,1 % in Finland* The Group was not informed of any infringements.
Responsible partner <i>Environment Supply chain Transparency</i>	The CO ₂ emissions caused by electricity, district heating and district cooling, and fuel consumption of the company cars are reduced by 21 % between 2016-2025. Facilities in Finland will shift to zero-emission electricity in 2020.	Progressing in schedule Progressing in schedule

**Until 2018 data available only from Finland*

Alma Media & ESG

- Alma Media is committed to developing its sustainable business practices against highest standards
- Code of Conduct implemented with a whistle-blower mechanism across all operations
- ALMA is part OMX GES Sustainability Finland index
- [CR reporting](#) since 2012 following GRI / G4.
- CDP 2018 disclosure score B (Management); shared leader position among Nordic media companies.
- At the beginning of 2019, Alma Media received a C+ in ISS-oekom's Corporate Rating.
- UN Global Compact signatory since 2011 with a supporter status.
- An active member of the European Responsible Media Forum and FiBS (Finnish Business and Society) since 2009.



PARTNERING
FOR A SUSTAINABLE
SECTOR



Thank you!

Alma Media IR contacts

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