Alma Media Corporation
Q1 2013

April 26, 2013

Photo: Nea Ilmevalta

Alma Media's Interim Report for January - March 2013:

INTERNATIONAL OPERATIONS OFFSET THE WEAKENED RESULT IN FINLAND

Financial performance January - March 2013:

- Revenue MEUR 74.9 (81.1), down 7.7%.
- Content revenue MEUR 29.2 (31.1), down 6.3%; advertising revenue MEUR 36.4 (41.1), down 11.3%; service revenue MEUR 9.3 (8.9), up 3.9%.
- EBITDA (Earnings before interests, taxes, depreciation and amortisation) excluding non-recurring items MEUR 8.0 (11.6), down 31.0%.
- EBITDA MEUR 8.0 (10.7), down 25.8%.
- Operating profit excluding non-recurring items MEUR 5.5 (8.5), 7.3% (10.4%) of revenue, down 35.5%.
- Operating profit MEUR 5.4 (6.0), 7.2% (7.4%) of revenue, down 9.5%.
- Profit for the period MEUR 4.1 (2.7), up 54.8%.
- Earnings per share EUR 0.05 (0.03).

Key figures MEUR	2013 1-3	2012 1-3	Change %	2012 1-12
Revenue	74.9	81.1	-7.7	320.1
Content revenue	29.2	31.1	-6.3	122.3
Advertising revenue	36.4	41.1	-11.3	160.8
Service revenue	9.3	8.9	3.9	37.1
Total expenses excluding non-recurring items	69.6	72.8	-4.4	287.0
EBITDA excluding non-recurring items	8.0	11.6	-31.0	45.1
EBITDA	8.0	10.7	-25.8	39.5
Operating profit excluding non-recurring items	5.5	8.5	-35.5	33.5
% of revenue	7.3	10.4		10.5
Operating profit (loss)	5.4	6.0	-9.5	26.5
% of revenue	7.2	7.4		8.3
Profit for the period	4.1	2.7	49.6	17.4
Earnings per share, EUR (basic)	0.05	0.03	54.8	0.22
Earnings per share, EUR (diluted)	0.05	0.03	55.1	0.22

Outlook for 2013:

The general economic uncertainty in the Group's main markets, as well as the shift in media consumption from print media to electronic channels, make it difficult to forecast the development of the content and advertising revenue. Digital services continue to increase their share of the media market.

European economic growth is expected to remain weak in the first part of 2013. The growth in the sales of digital services will not be enough to entirely cover the decline in print media sales. Alma Media maintains unchanged its estimate given in the financial statements release of February 15, 2013, according to which the revenue and operating profit excluding non-recurring items for the first half-year 2013 will decline from the level of the first half-year 2012. Revenue for the first half-year 2012 was MEUR 162.2 and operating profit excluding non-recurring items MEUR 16.1.

Kai Telanne, President and CEO:

The weak economic situation in Finland and Europe had a negative effect on the media industry in the first quarter. At the same time, the structural change in media consumption and advertising has accelerated, and the shift from traditional media to digital channels has become faster. Advertising spend in Finland declined by 13.3% in January - March in comparison with the year before, and the decline in newspaper advertising was 18.0%. In addition, the circulations and single-copy sales of print newspapers continued to decline.

This change in the industry and the weak economic cycle also affected Alma Media's financial development. The company's revenue decreased by 7.7% in the first quarter of 2013, being MEUR 74.9 (81.1). Operating profit excluding non-recurring items, MEUR 5.5, declined by 35.5% from the comparison period, mainly due to the falling profitability of print media. Advertising sales declined by 11.3%.

In the beginning of the year, Alma Media's financial result was supported by the acquisitions and operational effectiveness measures undertaken in 2012. The new operating model of the regional media, sought through the reorganisation of the publishing operations, has also brought significant cost savings. The success of companies acquired in other countries and focusing on recruitment services patched up the weak situation in Finland and increased Alma Media's revenue from digital business. The share of digital products and services in the Group's revenue was 28.6% (24.0%) in the first quarter.

Alma Media's strategy is to further increase the share of digital services in its revenue. During the first quarter, new digital online services were launched to both consumers and businesses, eg. Yourlapland.com service. New solutions were also introduced in the publishing business where the fee-based content in the digital channels and improving the user experience in mobile media use are in the focus of development activities.

The competitiveness of print media is bolstered through effectivity-increasing measures. Tightening up the collaboration between editorial offices to improve reader service is an ongoing process. Collaboration on content and development with the newspapers of Ilkka-Yhtymä, Kaleva and Turun Sanomat was started in the first quarter. Alma Media also started the commissioning process of the new printing facility in Tampere. After a successful start-up, the new facility will improve production efficiency as well as the quality of print media, and opens up new opportunities for product development.

In March, Alma Media introduced new cost-saving measures aimed at securing the company's profitability and competitiveness in an economically challenging environment.

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ALMA MEDIA GROUP INTERIM REPORT JANUARY 1 - MARCH 31, 2013

The descriptive part of this review focuses on the result of January - March 2013. The figures are compared in accordance with the International Financial Reporting Standards (IFRS) with those of the corresponding period in 2012, unless otherwise stated. The figures in the tables are independently rounded.

KEY FIGURES MEUR	2013 1-3	2012 1-3	Change %	2012 1-12
Revenue	74.9	81.1	-7.7	320.1
Total expenses excluding non-recurring items	69.6	72.8	-4.4	287.0
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% of revenue	7.3	10.4		10.5
Operating profit (loss)	5.4	6.0	-9.5	26.5
% of revenue	7.2	7.4		8.3
Profit before tax	5.4	3.8	43.5	23.7
Profit for the period	4.1	2.7	49.6	17.4
Return on Equity/ROE (Annual)*	21.5	13.8	56.0	19.3
Return on Investment/ROI (Annual)*	10.7	10.1	6.2	13.9
Net financial expenses	0.2	1.7	88.2	-1.5
Net financial expenses, % of revenue	0.3	2.1		-0.5
Balance sheet total	289.0	234.7	23.2	245.0
Capital expenditure	46.9	69.5	-32.5	111.3
Capital expenditure, % of revenue	62.7	85.6		34.8
Equity ratio	30.4	33.7	-9.7	36.4
Gearing, %	127.1	60.6	109.7	74.2
Interest-bearing net debt	101.4	42.2	140.0	62.3
Interest-bearing liabilities	117.0	70.7	65.6	79.4
Non-interest-bearing liabilities	92.2	94.3	-2.2	81.8
Average no. of personnel, calculated as full-time employees, excl. delivery staff	2,002	1,821	10.0	1 911
Average no. of delivery staff	886	985	-10.0	941
Share indicators				
Earnings per share, EUR (basic)	0.05	0.03	54.8	0.22
Earnings per share, EUR (diluted)	0.05	0.03	55.1	0.22
Cash flow from operating activities/share, EUR	0.22	0.16	35.4	0.34
Shareholders' equity per share, EUR	1.03	0.88	17.2	1.08
Dividend per share				0.10
Effective dividend yield				2.2
P/E Ratio				20.6
Market capitalisation	279.3	403.1	-30.7	343.5
Average no. of shares (1,000 shares)				
- basic	75,487	75,487		75,487
- diluted	75,576	75,720		75,661
No. of shares at end of period (1,000 shares)	75,487	75,487		75,487

**) see Main Accounting Principles of the Interim Report*

Strategy and related activities during review period

Alma Media responds to the quick changes in its operating environment through a flexible strategy. Its cornerstones are the development of multi-channel publishing, growing digital services and increasing the strategic agility and efficiency of the company.

During the first quarter of the year,the competitiveness of the publishing operations was supported by savings that were achieved through a new operating model introduced in 2012. The regional and local paper unit Alma Regional Media continued to increase the effectiveness of its operations and improve the service for its readers by tightening both the internal as well as external editorial collaboration. In the first quarter, Alma Regional Media started content and development cooperation with the newspapers of Ilkka-Yhtymä, Kaleva and Turun Sanomat. In addition, the commissioning of the new printing facility in Tampere was started. The new printing facility will be one of the world's most modern newspaper printing houses and its high automation level will improve print quality.

Alma Media's revenue from digital services was MEUR 21.4 in the first quarter. Of this, 39% was attributable to recruitment-related business. The share of digital revenue was 28.6% of Group total revenue.

Alma Media launched new digital services for consumers, Yourlapland.com and Sisustusovi.com. Kauppalehti Business Information Services published a procurement search service directed at businesses' sales organisations that allows the following of public procurement announcements and managing in-company tender processes. In the first quarter, digital services also saw new development in the publishing business where fee-based content in digital channels and improving the user experience in mobile media use are focal points in development. Iltalehti launched a new iOS application for Apple-manufactured devices, and Kauppalehti published a news viewer for Windows smartphones, developed together with Nokia and Microsoft.

In the Helsinki metropolitan region, Alma Media brought all its operations together in the new Alma House by the Töölönlahti Bay in the city centre, thus improving internal efficiencies and collaboration.

Changes in Group structure in 2013

There were no changes in Alma Media's group structure during the first quarter of 2013.

Group revenue and result January–March 2013

Group revenue declined by 7.7% in the first quarter to MEUR 74.9 (81.1).

Revenue from print media was MEUR 47.4 (55.2), representing 63.3% (68.0%) of Group revenue. Revenue from digital products and services amounted to MEUR 21.4 (19.5), up 9.7%. Digital products and services delivered 28.6% (24.0%) of Group revenue. This revenue growth was accelerated by the acquisitions of recruitment service companies in Slovakia and Croatia in November 2012, as well as the acquisition of the recruitment service company CV Online operating in the Baltic region in February 2012. Other revenue totalled MEUR 6.0 (6.3), a share of 8.0% (7.8%) of Group total revenue.

Content revenue declined by 6.3% and was MEUR 29.2 (31.1). Content revenue was earlier reported under the name of circulation revenue, but the term was changed from the beginning of 2013 as it better describes the publishing content revenue from consumers in both print media and digital distribution channels. The content revenue in the Newspapers segment declined from the comparison period's level due to the decreasing number of copies circulated. Content revenue from the digital distribution channels does not wholly compensate the decline in content revenue from print media.

Revenue from advertising sales decreased by 11.3% and was MEUR 36.4 (41.1), representing 48.6% (50.6%) of Group total revenue. Advertising sales for print papers declined by 23.0% from the comparison period to MEUR 19.3 (24.7). Online advertising sales grew by 7.1% to MEUR 17.1 (15.9).

Service revenue totalled MEUR 9.3 (8.9). It includes, for example, the business operations of Kauppalehti Business Information Services, the custom media house Alma 360 Group and E-kontakti.

Total expenses excluding non-recurring items decreased by MEUR 3.2 or 4.4% and amounted to MEUR 69.6 (72.8). Total expenses decreased by 7.5%, being MEUR 69.6 (75.2). The reorganisation measures undertaken in 2012 had an impact on the reduction of expenses in the first quarter of 2013.

EBITDA excluding non-recurring items declined by 31.0% to MEUR 8.0 (11.6) in the review period. EBITDA amounted to MEUR 8.0 (10.7).

Depreciations during the review period were MEUR 2.6 (4.8). Comparison period depreciations included an impairment loss of MEUR 1.6. Depreciation of the new printing press in Tampere will start from the second quarter of 2013. The old printing press was fully depreciated in the last quarter of 2012.

Operating profit excluding non-recurring items declined by 35.5% to MEUR 5.5 (8.5), representing 7.3% (10.4%) of revenue. Operating profit was MEUR 5.4 (6.9), down to 7.2% (7.4%) of revenue. The operating profit includes net non-recurring items in the amount of MEUR -0.03 (-2.5). The non-recurring items in the review period were mainly related to operational reorganisation and impairment losses of the capitalised product development costs of the Marketplaces business.

The financial result in January - March 2013 was MEUR 4.1 (2.7), and financial result excluding non-recurring items MEUR 4.1 (5.2). The comparison period's financial result included changes in the fair value of contingent considerations and debt incurred by the reorganisation of the Marketplaces business in the amount of MEUR -1.1.

Business segments

The reportable segments of Alma Media are Newspapers, Kauppalehti Group, Digital Consumer Services and Other Operations. This Interim Report reports the business segments according to the new internal organisational structure of the Group, changed in the beginning of 2013. Kauppalehti Group now includes Objektvision.se, earlier reported under Digital Consumer Services.

After the change in the structure and composition of the reportable segments, Alma Media has, in accordance with the IFRS 8 Operating Segments standard, adjusted the corresponding items in the segment information for the comparison period in 2012. The tables in the Notes to the Interim Report give a summary of the effect of the changes, as well as the segment revenues and operating profits according to the new segment composition.

REVENUE AND OPERATING PROFIT/LOSS BY SEGMENT

REVENUE BY SEGMENT MEUR	2013 1-3	2012 1-3	Change %	2012 1-12
Newspapers				
External	45.1	50.9		203.4
Inter-segment	0.5	1.1		3.2
Newspapers total	45.6	51.9	-12.3	206.6
Kauppalehti Group				
External	13.8	14.6		58.2
Inter-segment	0.2	0.2		0.8
Kauppalehti Group total	14.0	14.8	-5.7	59.0
Digital Consumer Services				
External	14.3	14.1		52.2
Inter-segment	0.6	0.3		2.3
Digital Consumer Services total	14.9	14.4	3.4	54.5
Other Operations				
External	1.7	1.6		6.3
Inter-segment	20.0	19.5		78.5
Other Operations total	21.7	21.0	3.4	84.8
Elimination	-21.3	-21.1		-84.8
Total	74.9	81.1	-7.7	320.1

OPERATING PROFIT/LOSS BY SEGMENT MEUR *)	2013 1-3	2012 1-3	Change %	2012 1-12
Newspapers	2.0	5.3	-62.8	22.1
Kauppalehti Group	1.3	1.5	-10.8	5.5
Digital Consumer Services	2.7	0.5	391.9	3.8
Other Operations	-0.5	-1.3	60.9	-4.7
Total	5.4	6.0	-9.5	26.5

**) including non-recurring items*

Newspapers

The Newspapers segment reports the Alma Regional Media and Iltalehti business units, that is, the publishing activities of a total of 35 newspapers. The best-known titles in this segment are Aamulehti and Iltalehti.

Newspapers Key figures, MEUR	2013 1-3	2012 1-3	Change %	2012 1-12
Revenue	45.6	51.9	-12.3	206.6
Content revenue	25.0	26.9	-6.8	105.3
Advertising revenue	19.9	24.2	-17.8	98.0
Service revenue	0.6	0.8	-30.8	3.2
Total expenses excluding non-recurring items	43.6	46.1	-5.5	181.1
EBITDA excluding non-recurring items	2.3	6.2	-62.9	26.9
EBITDA	2.3	5.7	-59.9	23.2
Operating profit excluding non-recurring items	2.0	5.9	-65.7	25.6
% of revenue	4.4	11.3		12.4
Operating profit	2.0	5.3	-62.8	22.1
% of revenue	4.4	10.3		10.7
Average no. of personnel, calculated as full-time employees excl. delivery staff	758	853	-11.2	838
Average no. of delivery staff *	99	97	1.7	33

Operational key figures	2013 1-3	2012 1-3	2012 1-12
Audited circulation			
Iltalehti			102,124
Aamulehti			130,081
Online services, avg. no. of unique browsers per week			
Iltalehti.fi	3,149,414	3,631,483	3,280,652
Aamulehti.fi	390,702	352,168	355,526

January - March 2013

The Newspapers segment's revenue declined to MEUR 45.6 (51.9).

The segment's content revenue in January - March decreased by 6.8% to MEUR 25.0 (26.9) due to the decline in the circulations of Iltalehti and other newspapers. Online business accounts for only a minor share of the segment's content revenue at the moment.

The segment's advertising sales were MEUR 19.9 (24.2), down 17.8%. Advertising sales in print media decreased by 20.1%. In particular, the volume of advertising of daily consumer goods, as well as recruitment and housing notices declined. The segment's online advertising sales increased by 2.0% to MEUR 2.7 (2.7).

Online business accounted for 6.3% (5.2%) of the segment's revenue. Iltalehti's online advertising sales were 59% of its total advertising sales.

The segment's total expenses excluding non-recurring items were MEUR 43.6 (46.1), and total expenses MEUR 43.6 (46.6). Savings from the reorganisation in 2012 have been realised as expected.

The segment's operating profit excluding non-recurring items was MEUR 2.0 (5.9) and operating profit MEUR 2.0 (5.3).

Kauppalehti Group

The Kauppalehti Group specialises in the production of financial information, as well as providing information and marketing solutions for businesses. Its best known product is Finland's leading business paper, Kauppalehti. The Group also includes the custom media house Alma 360 Group, and the news agency and media monitoring unit BNS Group that operates in all of the Baltic countries. Starting from the beginning of 2013, the digital service Objektvision.se is reported under the Kauppalehti Group.

Kauppalehti Group Key figures, MEUR	2013 1-3	2012 1-3	Change %	2012 1-12
Revenue	14.0	14.8	-5.7	59.0
Content revenue	4.2	4.3	-3.0	17.0
Advertising revenue	3.9	4.5	-13.5	17.3
Service revenue	6.0	6.1	-1.8	24.7
Total expenses excluding non-recurring items	12.7	13.3	-5.1	52.5
EBITDA excluding non-recurring items	1.5	1.7	-10.1	7.4
EBITDA	1.5	1.7	-10.1	6.4
Operating profit excluding non-recurring items	1.3	1.5	-10.8	6.6
% of revenue	9.6	10.2		11.1
Operating profit	1.3	1.5	-10.8	5.5
% of revenue	9.6	10.2		9.3
Average no. of personnel, calculated as full-time employees	403	407	-1.0	415

Operational key figures	2013 1-3	2012 1-3	2012 1-12
Audited circulation			
Kauppalehti		68,252	68,252
Online services, avg. no. of unique browsers per week			
Kauppalehti.fi	605,190	732,206	673,000

January - March 2013

The revenue of the Kauppalehti Group in the first quarter was MEUR 14.0 (14.8), down 5.7%.

The segment's content revenue declined from the comparison period to MEUR 4.2 (4.3). Advertising sales during the review period decreased to MEUR 3.9 (4.5), down 13.5%. Online advertising sales grew by 8.7% from the comparison period. Service revenue declined to MEUR 6.0 (6.1).

Online business accounted for 32.3% (28.3%) of the segment's revenue.

The segment's total expenses excluding non-recurring items were MEUR 12.7 (13.3) and total expenses MEUR 12.7 (13.3). The decrease in total expenses is the result of reorganisation measures that have worked as expected.

The operating profit of the Kauppalehti Group excluding non-recurring items was MEUR 1.3 (1.5) and operating profit MEUR 1.3 (1.5). The operating profit excluding non-recurring items was 9.6% (10.2%) of revenue.

Digital Consumer Services

The services of the Digital Consumer Services that operate in Finland are Etuovi.com, Vuokraovi.com, Monster.fi, Autotalli.com, Mascus.fi, MyyJaOsta.com, Telkku.com, Kotikokki.net, E-kontakti.fi, Nytmatkaan.fi and Suomenyritykset.fi. The services operating outside Finland are Jobs.cz, Prace.cz, topjobs.sk, CV Online, Profesia.sk, MojPosao.net, Mascus and City24. In addition, the segment includes the development of the technology platform for the online services of the regional and local papers.

Digital Consumer Services Key figures, MEUR	2013 1-3	2012 1-3	Change %	2012 1-12
Revenue	14.9	14.4	3.4	54.5
Operations in Finland	6.8	8.1	-16.4	29.2
Operations outside Finland	8.2	6.4	28.6	25.2
Total expenses excluding non-recurring items	12.3	12.3	-0.5	48.3
EBITDA excluding non-recurring items	4.1	3.3	25.2	10.9
EBITDA	4.1	3.3	25.2	10.0
Operating profit excluding non-recurring items	2.7	2.2	25.3	6.3
% of revenue	18.1	14.9	21.2	11.6
Operating profit	2.7	0.5	391.9	3.8
% of revenue	18.1	3.8	375.5	7.0
Average no. of personnel, calculated as full-time employees	511	290	76	392

Operational key figures	2013 1-3	2012 1-3	2012 1-12
Online services, avg. no. of unique browsers per week			
Etuovi.com	458,121	427,653	414,602
Autotalli.com	126,634	114,849	107,168
Monster.fi	116,577	112,421	101,207
MyyjaOsta.com	25,424	34,910	30,229
Telkku.com	704,152	770,506	714,154
Kotikokki.net	312,705	186,857	213,832
Suomenyritykset.fi	65,046	42,497	66,893

January - March 2013

In the first quarter of 2013, the revenue of the Digital Consumer Services segment was MEUR 14.9 (14.4), up 3.4% (44.3%).

Advertising sales for the segment's recruitment business grew and was supported by the acquisitions outside of Finland in 2012. In Finland, the weakening of the operational environment turned the advertising sales of the Monster.fi service into decline. In the first quarter of 2013, recruitment business delivered 56% of the segment's revenue. The acquired operations produce synergy benefits through a variety of value-added services in relation to recruitment, as well as through competence sharing.

Total expenses excluding non-recurring items in the review period were MEUR 12.3 (12.3) and total expenses MEUR 12.3 (13.9). EBITDA was MEUR 4.1, representing 27.5% of revenue.

The operating profit of the Digital Consumer Services unit excluding non-recurring items grew to MEUR 2.7 (2.2) in the first quarter of the year. Operating profit was MEUR 2.7 (0.5).

Other Operations

The Other Operations segment reports the operations of the Group's printing and distribution unit Alma Manu as well as those of the parent company. The financial characteristics of both are similar as they primarily provide services for the other business segments.

Other operations Key figures, MEUR	2013 1-3	2012 1-3	Change %	2012 1-12
Revenue	21.7	21.0	3.4	84.8
External	1.7	1.6	9.0	6.3
Inter-segment	20.0	19.5	3.0	78.5
Total expenses excluding non-recurring items	22.3	22.1	1.2	89.6
EBITDA excluding non-recurring items	0.1	0.4	-80.4	-0.1
EBITDA	0.1	0.1	-7.2	-0.1
Operating profit excluding non-recurring items	-0.5	-1.0	48.2	-4.7
% of revenue	-2.4	-4.8		-5.6
Operating profit	-0.5	-1.3	60.9	-4.7
% of revenue	-2.4	-6.4		-5.6
Average no. of personnel, calculated as full-time employees	331	271	22	266
Average no. of delivery staff	886	887	0	908

Operational key figures	2013 1-3	2012 1-3	2012 1-12
Printing volume (thousand units)	47,860	51,083	199,085
Paper usage (tonnes)	6,371	7,102	27,938

The new printing facility built in Tampere is reported in the balance sheet of the first quarter 2013 at an amount of MEUR 44.8. The printing facility building, MEUR 24.0, has been reported in the balance sheet already in 2012.

The construction and commissioning project for the new newspaper printing facility progressed as planned. The first commercial productions were run during February, and the entire print production was transferred to the new facility in mid-April.

The EBITDA of Other Operations is weighed down by expenses due to the preparations for the commissioning of the new printing facility. Depreciation of the new facility will start in the second quarter. The old printing facility was fully depreciated in 2012. Lower depreciations improve the first-quarter 2013 operating profit of Other operations.

Alma Media's printing and distribution company Alma Manu Oy is making plans for the future of its newspaper printing facility in Rovaniemi, Finland, and therefore started statutory personnel negotiations in January 2013. The negotiations concern the entire staff of the Rovaniemi printing facility and mailing department, a total of 23 employees. The topic of the negotiations is the planning of the future for the Rovaniemi printing facility and the various options involved, as well as the possible measures affecting staff and the reasons, effects and alternatives of these measures.

Associated companies

Alma Media Group holds a 32.14% stake in Talentum Oyj, which is reported under the Kauppalehti Group. The company's own shares in the possession of Talentum are here included in the total number of shares. In the consolidated financial statements of Alma Media the own shares held by Talentum itself are not included in the total number of shares. Alma Media's shareholding in Talentum is stated as 32.64% in Alma Media's consolidated financial statements of December 31, 2012 and in this Interim Report.

Share of profit of associated companies MEUR	2013 1-3	2012 1-3	2012 1-12
Newspapers	0.0	0.0	0.1
Kauppalehti Group			
Talentum Oyj	0.1	-0.7	-4.9
Digital Consumer Services	0.0	0.0	-0.1
Other Operations			
Other associated companies	0.1	0.2	0.6
Total	0.2	-0.5	-4.3

Non-recurring items

A non-recurring item is a comprehensive income or expense arising from non-recurring or rare events. Gains or losses from the sale or discontinuation of business operations or assets, gains or losses from restructuring business operations as well as impairment losses of goodwill and other assets are recognised as non-recurring items. Non-recurring items are recognised in the profit and loss statement within the corresponding income or expense group.

NON-RECURRING ITEMS MEUR	2013 1-3	2012 1-3	2012 1-12
Newspapers			
Restructuring	0.0	-0.5	-3.3
Gains and losses from sale of assets			-0.1
Kauppalehti Group			
Restructuring			-0.9
Gains and losses from sale of assets			-0.1
Digital Consumer Services			
Restructuring			-0.3
Gains and losses from sale of assets			-0.6
Impairment losses of intangible and tangible assets		-1.6	-1.6
Other Operations			
Restructuring		-0.3	-0.5
Gains and losses from sale of assets			0.4
NON-RECURRING ITEMS IN OPERATING PROFIT	0.0	-2.5	-7.0
Translation differences			-0.1
Impairment losses of associated companies			-4.8
Non-recurring items in profit before tax	0.0	-2.5	-11.9

The non-recurring items during the financial year 2012 comprised restructuring expenses, sales losses and writedowns of plant and equipment. In financial items, the writedown of associated company shares was reported as a non-recurring item.

Balance sheet and financial position

At the end of March 2013, the consolidated balance sheet stood at MEUR 289.0 (234.7). Alma Media's equity ratio at the end of March was 30.4% (33.7%) and the equity per share rose to EUR 1.03 (0.88).

The Group's interest-bearing net debt at the end of March was MEUR 101.4 (42.2). The increase in net debt was due to including the finance leasing debt for the new printing press in the balance sheet in the first quarter, as well as the debt taken for acquisitions and dividend payment. The fair value of the financial assets recognised at fair value through profit or loss, due to corporate restructuring, was MEUR 1.2 (0.0) on March 31, 2013, and the fair value of debt MEUR 1.7 (6.0).

The consolidated cash flow from operations in January - March 2013 was MEUR 16.7 (12.0). Cash flow before financing was MEUR 14.9 (-22.6). Owing to the change in Finnish value-added tax imposed on newspapers, part of the subscription fees for 2012 exceptionally accumulated in 2011, which significantly decreased the cash flow from operations during the comparison period.

The Group currently has a MEUR 100.0 commercial paper programme in Finland under which it is permitted to issue papers to a total amount of MEUR 0 - 100. The unused part of the programme was MEUR 85.0 on March 31, 2013.

In addition, the Group has a credit facility in the amount of MEUR 30.0 until October 9, 2013, of which on March 31, 2013, MEUR 13.0 were unused, as well as a credit facility in the amount of MEUR 50.0 until October 15, 2014, of which on March 31, 2013, MEUR 37.0 were unused.

Capital expenditure

Alma Media Group's capital expenditure in January - March 2013 totalled MEUR 46.9 (69.5), consisting mainly of the investment in the new printing facility, the share of which was MEUR 44.8.

Administration

Alma Media Corporation's Annual General Meeting (AGM) held on March 14, 2013 elected Timo Aukia, Niklas Herlin, Petri Niemisvirta, Perttu Rinta, Kai Seikku, Erkki Solja, Catharina Stackelberg-Hammarén and Harri Suutari members of the company's Board of Directors. In its constitutive meeting held after the AGM, the Board of Directors elected Harri Suutari as its Chairman.

The Board also elected the members of its committees. Catharina Stackelberg-Hammarén, Perttu Rinta and Kai Seikku as Chairman were elected members of the Audit Committee. Petri Niemisvirta and Erkki Solja, as well as Timo Aukia as Chairman, were elected members of the Nomination and Compensation Committee.

The Board of Directors of Alma Media Corporation has evaluated that with the exception of Timo Aukia, Perttu Rinta and Niklas Herlin, the elected members of the Board of Directors are independent of the company and its significant shareholders. The three members named above are evaluated to be independent of the company but dependent on its significant shareholders.

Mikko Korttila, General Counsel of Alma Media Corporation, was appointed secretary to the Board of Directors.

The AGM appointed Ernst & Young Oy as the company's auditors.

Alma Media Corporation applies the Finnish Corporate Governance Code for listed companies, issued by the Securities Market Association on June 15, 2010, in its unaltered form. The Corporate Governance Statement as well as the details of salaries and bonuses for 2012 has been published on the company's website at www.almamedia.fi/investors.

Dividends

The AGM resolved to distribute a dividend of EUR 0.10 per share, a total of MEUR 7.6 (30.2) for the financial year 2012 in accordance with the proposal of the Board of Directors. The dividend was paid on March 26, 2013 to shareholders who were registered in Alma Media Corporation's shareholder register maintained by Euroclear Finland Oy on the record date, March 19, 2013.

Other decisions by the Annual General Meeting

The AGM on March 14, 2013 resolved to reduce the share premium fund shown on the balance sheet December 31, 2012, EUR 419,295,759, by a total of EUR 100,000,000, which will be transferred to the company's invested non-restricted equity fund. The equity of the company consists only of restricted equity, and it is expedient for the equity structure and distribution of profits to change the structure in a way that reduces the proportion of restricted equity in total equity. The share premium fund constitutes part of the company's restricted equity, which is why reducing the fund requires a public notice to creditors in accordance with the Limited Liability Companies Act prior to the registration of the reduction of the share premium fund. The Board of Directors will decide upon all practicalities relating to the reduction of the share premium fund.

The AGM authorised the Board of Directors to decide on a share issue. The authorisation entitles the Board to issue a maximum of 15,000,000 shares. This maximum amount of shares corresponds to approximately 20% of the total number of shares of the company. The share issue may be implemented by issuing new shares or transferring shares now in possession of the company. The authorisation entitles the Board to decide on a directed share issue, which entails deviating from the pre-emption rights of shareholders. The Board can use the authorisation in one or more parts. The Board may use the authorisation for developing the capital structure of the company, widening the ownership base, financing or realising acquisitions or other arrangements, or for other purposes decided upon by the Board. The authorisation may not, however, be used to implement incentive programmes for the management or key personnel of the company. The authorisation is valid until the following ordinary AGM, however no longer than until June 30, 2014.

The Alma Media share

In January - March, altogether 960,905 Alma Media shares were traded at NASDAQ OMX Helsinki Stock Exchange, representing 1.3% of the total number of shares. The closing price of the Alma Media share at the end of the last trading day of the reporting period, March 28, 2013, was EUR 3.70. The lowest quotation during the reporting period was EUR 3.64 and the highest EUR 5.00. Alma Media Corporation's market capitalisation at the end of the review period was MEUR 279.3.

Option programme and share-based incentive plan

Alma Media has the option programme 2009 in effect. The programme is an incentive and commitment system for Group management. If all the subscription rights are exercised, the programme 2009 will dilute the holdings of the earlier shareholders by a maximum of 2.22%. Further details about the programmes are given in the notes to this Interim Report.

The Board of Directors of Alma Media Corporation has decided on a new share-based incentive plan for the Group's key employees. The new Performance Share Plan consists of three performance periods, the calendar years 2012, 2013 and 2014. The Board of Directors will decide on the plan's performance criteria and the achievement targets at the beginning of each performance period. No rewards were paid for the performance period 2012. The potential reward from the plan for the performance period 2013 will be based on Alma Media Group's profitability, and it will be paid partly in the company's shares and partly in cash in 2014. For the members of the Group Executive Team, the plan additionally includes one three-year performance period, the calendar years 2012–2014, based on the profitable growth of the Group. The potential reward from the performance period 2012–2014 will be paid partly in the company's shares and partly in cash one year and two years from the end of the performance period. The Performance Share Plan includes approximately 20 persons.

Other authorisations of the Board of Directors

The Board of Directors has no other current authorisations to raise convertible loans.

Market liquidity guarantee

The Alma Media share has no market liquidity guarantee in effect.

Flagging notices

In the first quarter of 2013, Alma Media did not receive notices of changes in shareholdings pursuant to Chapter 9, Section 5 of the Securities Markets Act.

Risks and risk management

The purpose of Alma Media Group's risk management activities is to continuously evaluate and manage all opportunities, threats and risks in conjunction with the company's operations to enable the company to reach its set objectives and to secure business continuity.

The risk management process identifies the risks, develops appropriate risk management methods and regularly reports on risk issues to the risk management organisation. Risk management is part of Alma Media's internal control function and thereby part of good corporate governance. Limits and processing methods are set for quantitative and qualitative risks by the corporate risk management system in writing.

The most critical strategic risks for Alma Media are a significant drop in its print newspaper readership, a permanent decline in advertising sales and a significant increase in distribution and delivery costs. The media industry is undergoing changes following the transformation in media consumption and technological development. Alma Media's strategic objective is to meet this challenge through renewal and the development of new business in digital consumer and business services.

Fluctuating economic cycles are reflected on the development of advertising sales, which accounts for approximately half of the Group's revenue. Business operations outside Finland, such as in the East and Central European countries, include country-specific risks relating to market development and economic growth. The expansion of business outside Finland has reduced the risks inherent in operating in one market area.

The most important operational risks are disturbances in information technology and data transfer, as well as an interruption of the printing operations.

Sustainable development

To meet the challenges of sustainable development and the media revolution, Alma Media develops its corporate responsibility and has introduced the theme of Sustainable Media into societal discussion. Thanks to its active participation, Alma Media has a strong position as a pioneer of corporate responsibility in the media business in the Nordic countries. Alma Media is committed to supporting the universally accepted principles in the areas of human rights, labour, environment and anti-corruption laid out in the United Nations Global Compact initiative. Alma Media participates in the annual CDP climate reporting directed at investors, and the Alma Media share is included in the OMX GES Sustainability Finland index. Alma Media is a member of the corporate responsibility networks Nordic Media CR Forum and Finnish Business & Society.

Events after the period

On April 3, 2013, Alma Media sold its Slovakian used car portal service Autovia.sk to Azet.sk. The principal shareholder of Azet.sk is Ringier Axel Springer Slovakia. The deal has only minor financial impact for Alma Media as the annual revenue of Autovia.sk is less than MEUR 0.5.

On April 9, 2013, Alma Media reached a settlement in the dispute over the trademark rights of Etuovi. The settlement resulted in Alma Media obtaining all rights to the Etuovi trademark.

Next interim report

Alma Media will publish its financial results for the second quarter 2013 on Friday, July 19, 2013 at 9:00am (EEST).

ALMA MEDIA CORPORATION
Board of Directors

SUMMARY OF FINANCIAL STATEMENTS AND NOTES

COMPREHENSIVE INCOME STATEMENT, MEUR	2013 1-3	2012 1-3	Change %	2012 1-12
REVENUE	74.9	81.1	-7.7	320.1
Other operating income	0.1	0.1	56.5	0.9
Materials and services	20.1	21.5	-6.2	84.9
Employee benefits expense	30.4	33.3	-8.8	129.3
Depreciation, amortisation and impairment	2.6	4.8	-46.3	13.0
Other operating expenses	16.5	15.7	5.3	67.2
OPERATING PROFIT	5.4	6.0	-9.5	26.5
Finance income	0.4	0.0	1,088.9	5.1
Finance expenses	0.6	1.7	-67.2	3.6
Share of profit of associated companies	0.2	-0.5	140.1	-4.3
PROFIT BEFORE TAX	5.4	3.8	43.5	23.7
Income tax	1.3	1.1	27.6	6.3
PROFIT FOR THE PERIOD	4.1	2.7	49.6	17.4
OTHER COMPREHENSIVE INCOME				
Change in translation differences	0.0	0.5	-92.6	-0.0
Share of other comprehensive income of associated companies	0.3	0.1	281.1	0.4
Actuarial gains and losses	0.0	0.0		-0.2
Income tax relating to components of other comprehensive income	0.0	0.0		0.0
Other comprehensive income for the period, net of tax	0.3	0.5		0.2
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	4.4	3.3	34.0	17.6
Profit for the period attributable to				
Owners of the parent	3.8	2.5		16.6
Non-controlling interest	0.3	0.3		0.8
Total comprehensive income for the period attributable to				
Owners of the parent	4.1	3.0		16.9
Non-controlling interest	0.3	0.3		0.8
Earnings per share calculated from the profit for the period attributable to the parent company shareholders				
Earnings per share (basic), EUR	0.05	0.03		0.22
Earnings per share (diluted), EUR	0.05	0.03		0.22

BALANCE SHEET, MEUR	Mar 31 2013	Mar 31 2012	Dec 31 2012
ASSETS			
NON-CURRENT ASSETS			
Goodwill	74.4	57.4	74.3
Other intangible assets	43.6	30.9	43.9
Tangible assets	85.6	43.3	41.3
Investments in associated companies	31.7	34.5	31.3
Other non-current financial assets	5.0	4.1	4.7
Deferred tax asset	0.9	0.7	0.9
CURRENT ASSETS			
Inventories	0.9	0.6	0.7
Current tax assets	2.1	4.1	1.3
Trade receivable and other receivables	29.2	30.6	29.0
Other current financial assets	0.0	0.0	0.0
Cash and cash equivalents	15.7	28.5	17.1
TOTAL ASSETS	289.0	234.7	245.0

BALANCE SHEET, MEUR	Mar 31 2013	Mar 31 2012	Dec 31 2012
EQUITY AND LIABILITIES			
Share capital	45.3	45.3	45.3
Share premium reserve	7.7	7.7	7.7
Foreign currency translation reserve	0.2	0.7	0.2
Retained earnings	24.6	12.8	28.0
Equity attributable to owners of the parent	77.9	66.5	81.2
Non-controlling interest	1.9	3.2	2.7
TOTAL EQUITY	79.8	69.7	83.9
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	70.6	26.6	25.8
Deferred tax liabilities	7.5	5.4	7.9
Pension obligations	2.8	3.0	3.0
Provisions	0.1	0.1	0.1
Other financial liabilities	0.4	0.8	0.4
Other non-current liabilities	0.4	0.4	0.3
CURRENT LIABILITIES			
Current interest-bearing liabilities	46.5	44.1	53.5
Advances received	26.6	27.7	14.8
Income tax liability	0.0	0.0	0.0
Provisions	0.3	0.8	0.4
Trade and other payables	54.2	56.1	54.9
TOTAL LIABILITIES	209.2	165.0	161.1
TOTAL EQUITY AND LIABILITIES	289.0	234.7	245.0

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

	Attributable to equity holders of the parent company						
MEUR	A	B	C	D	E	F	G
Equity Jan 1, 2013	45.3	7.7	0.2	28.0	81.2	2.7	83.9
Profit for the period				3.8	3.8	0.3	4.1
Other comprehensive income			0.0	0.3	0.3		0.3
Transactions with equity holders of the parent and non-controlling interest							
Dividends paid by parent				-7.5	-7.5		-7.5
Dividends paid by subsidiaries						-1.1	-1.1
Share-based payments				0.2	0.2		0.2
Excercised share options							
Business combinations				-0.1	-0.1		-0.1
Equity Mar 31, 2013	45.3	7.7	0.2	24.6	77.9	1.9	79.8

	Attributable to equity holders of the parent company						
MEUR	A	B	C	D	E	F	G
Equity Jan 1, 2012	45.3	7.7	0.2	40.6	93.9	2.9	96.7
Effect of amended standard IAS 19				-0.4	-0.4		-0.4
Adjusted equity Jan 1, 2012	45.3	7.7	0.2	40.2	93.4	2.9	96.3
Profit for the period				2.5	2.5	0.3	2.7
Other comprehensive income			0.5	0.1	0.5		0.5
Transactions with equity holders of the parent and non-controlling interest							
Dividends paid by parent				-30.2	-30.2		-30.2
Dividends paid by subsidiaries							
Share-based payments				0.3	0.3		0.3
Equity Mar 31, 2012	45.3	7.7	0.7	12.8	66.5	3.2	69.7

Column headings on Consolidated Statement of Change in Equity
A=Share capital
B=Share premium reserve
C=Translation difference
D=Retained earnings
E=Total
F=Non-controlling interest
G=Equity total

CASH FLOW STATEMENT, MEUR	2013 1-3	2012 1-3	2012 1-12
Operating activities			
Profit for the period	4.1	2.7	17.4
Adjustments	4.3	7.9	19.2
Change in working capital	10.9	4.8	-4.8
Dividends received	0.2	0.0	0.9
Interest received	0.0	0.0	0.2
Interest paid and other finance expenses	-0.5	-0.8	-2.4
Income taxes paid	-2.3	-2.8	-5.7
Net cash flows from operating activities	16.7	12.0	24.9
Investing activities			
Acquisitions of tangible and intangible assets	-1.9	-0.8	-4.1
Proceeds from sale of tangible and intangible assets	0.0	0.0	3.0
Other investments	0.0	-0.1	-0.1
Proceeds from sale of other investments	0.1	0.0	0.2
Acquisition of subsidiaries and business operations	0.0	-37.2	-64.3
Acquisition of associated companies	0.0	-0.3	-2.3
Proceeds from sale of subsidiaries	0.0	3.8	3.8
Proceeds from sale and repayment of capital of associated companies	0.0	0.0	0.9
Net cash flows from / (used in) investing activities	-1.8	-34.6	-62.7
Cash flow before financing activities	14.9	-22.6	-38.0
Financing activities			
Proceeds from exercise of share options	0.0	0.0	0.0
Current loans taken	0.0	24.0	52.0
Repayment of current loans	-7.6	-0.6	-23.4
Change in interest-bearing receivables	0.0	0.0	0.0
Dividends paid	-8.7	-30.2	-31.5
Net cash flows from / (used in) financing activities	-16.3	-6.8	-2.8
Change in cash and cash equivalent funds (increase + / decrease -)	-1.4	-29.4	-40.8
Cash and cash equivalents at beginning of period	17.1	57.8	57.8
Effect of change in foreign exchange rates	-0.1	0.1	0.1
Cash and cash equivalents at end of period	15.7	28.5	17.1

Acquired businesses 2013

Alma Media Group acquired no businesses during the first quarter of 2013.

Contingent considerations

Contingent considerations arising from business acquisitions are classified as financial liabilities recognised at fair value through profit or loss. The amount of the contingent considerations due to acquisitions and business arrangements is based on the revenue and operating profits of the acquired businesses during 2010–14. The fair values are the estimated final considerations discounted to the balance sheet date.

CONTINGENT CONSIDERATION ASSETS	
Initial recognition of the assets	8.4
Change in fair value during previous financial periods	-1.4
Considerations, settled in cash	-5.9
Change in fair value during the financial period	0.2
Fair value of the contingent consideration assets at the end of the period	1.2

CONTINGENT CONSIDERATION LIABILITY	
Initial recognition of the liability	6.7
Change in fair value during previous financial periods	-4.3
Considerations, settled in cash	-0.8
Change in fair value during the financial period	0.1
Fair value of the contingent consideration liability at the end of the period	1.7

REVENUE BY GEOGRAPHICAL AREA MEUR	2013 1-3	2012 1-3	2012 1-12
Finland	63.9	72.0	284.0
Other EU countries	10.4	8.7	34.1
Other countries	0.6	0.5	1.9
Total	74.9	81.1	320.1

Information by segment

The business segments of Alma Media are Newspapers, Kauppalehti Group, Digital Consumer Services and Other Operations. The descriptive section of the interim report presents the revenue and operating profits of the segments and the allocation of the associated companies' results to the reporting segments.

The following table presents the assets and liabilities by segment as well as the non-allocated asset and liability items.

ASSETS BY SEGMENT, MEUR	Mar 31 2013	Mar 31 2012	Dec 31 2012
Newspapers	39.1	39.4	40.0
Kauppalehti Group	37.8	41.8	36.9
Digital Consumer Services	83.3	78.9	84.2
Other Operations	96.1	33.1	50.5
Non-allocated assets and eliminations	32.7	41.5	33.5
Total	289.0	234.7	245.1

LIABILITIES BY SEGMENT, MEUR	Mar 31 2013	Mar 31 2012	Dec 31 2012
Newspapers	39.6	39.8	29.0
Kauppalehti Group	12.8	13.6	11.9
Digital Consumer Services	15.6	14.7	12.6
Other Operations	85.7	35.9	38.8
Non-allocated liabilities and eliminations	55.5	60.9	68.2
Total	209.2	165.0	161.1

CAPITAL EXPENDITURE, MEUR	2013 1-3	2012 1-3	2012 1-12
Newspapers	0.2	0.6	1.8
Kauppalehti Group	0.1	0.1	0.6
Digital Consumer Services	0.0	47.2	76.0
Other Operations	46.6	21.5	32.8
Total	46.9	69.5	111.3

Provisions

The company's provisions totalled MEUR 0.4 (1.1) on March 31, 2013. The major part of the provisions concern restructuring provisions. It has not been necessary to change the estimates made when the provisions were entered.

Commitments and contingencies

COMMITMENTS AND CONTINGENCIES, MEUR	Mar 31 2013	Mar 31 2012	Dec 31 2012
Collateral for others			
Guarantees	1.3	1.3	1.3
Minimum lease payments on other lease agreements:			
Within one year	8.4	8.4	8.6
Within 1-5 years	25.0	26.7	25.4
After 5 years	33.0	46.0	34.7
Total	66.4	81.2	68.7
The Group also has purchase agreements that based on IFRIC 4 include a lease component as per IAS 17. Minimum payments based on these agreements:	1.3	1.3	1.6

DERIVATIVE CONTRACTS, MEUR	Mar 31 2013	Mar 31 2012	Dec 31 2012
Commodity derivate contracts, electricity derivatives			
Fair value *	-0.1	-0.2	-0.1
Nominal value	0.7	1.2	0.8
Interest rate derivatives			
Fair value *	-0.4	0.0	-0.4
Nominal value	24.0	0.0	24.0

** The fair value represents the return that would have arisen if the derivative had been cleared on the balance sheet date.*

Related party transactions

Alma Media Group's related parties are the major shareholders of the parent company, associated companies and companies owned by them. Related parties also include the Group's senior management and their related parties (members of the Board of Directors, President and CEO and Managing Directors, and the Group Executive Team). The following table summarises the business operations undertaken between Alma Media and its related parties and the status of their receivables and liabilities:

RELATED PARTY TRANSACTIONS, MEUR	2013 1-3	2012 1-3	2012 1-12
Sales of goods and services	0.1	0.4	0.8
Purchases of goods and services	0.7	0.9	3.4
Trade receivable, loan and other receivables at the end of reporting period		0.1	
Trade payable at the reporting date	0.0	0.1	0.1

Option programme

Alma Media has the option programme 2009 in effect. The programme is an incentive and commitment system for Group management.

Under option programme 2009 a maximum total of 2,130,000 stock options may be granted during 2009–2011, and these may be exercised to subscribe to a maximum of 2,130,000 Alma Media shares, either new or in possession of the company. Of the total number of options, 710,000 were marked 2009A, 710,000 were marked 2009B and 710,000 were marked 2009C.

A total of 640,000 options have been issued under the 2009A programme. The share subscription period for 2009A is April 1, 2012–March 31, 2014. The management has 509,750 options 2009A in its possession. Additionally, the management has sold 85,250 2009A option rights. The share subscription price has been reduced annually by the dividend per share, and was EUR 3.61 in March 2013. Until March 31, 2013, no share subscriptions were made through 2009A option rights.

A total of 610,000 options have been issued under the 2009B programme. The share subscription period for 2009B is April 1, 2013–March 31, 2015. The management has 505,000 options 2009B in its possession. The share subscription price has been reduced annually by the dividend per share, and was EUR 6.13 in March 2013.

A total of 640,000 options have been issued under the 2009C programme. The share subscription period for 2009C is April 1, 2014–March 31, 2016. The management has 535,000 options 2009C in its possession. The share subscription price was EUR 7.45 in March 2013.

If all the subscription rights are exercised, the programmes 2006 and 2009 will dilute the holdings of the earlier shareholders by 2.22% maximum.

Share-based incentive plan 2013

The Board of Directors of Alma Media Corporation has at its meeting in February 2012 decided to implement a Performance Share Plan for the key personnel of Alma Media Group. The plan includes three one-year performance periods, the calendar years 2012, 2013 and 2014, based on the Group's return. In addition, the plan includes one three-year performance period based on the profitable growth of the Group, the calendar years 2012—2014, for the members of the Group Executive Team.

The Board of Directors will decide on the plan's performance criteria and the achievement targets at the beginning of each performance period. The potential reward from the plan for the performance period 2013 will be based on Alma Media Group's profitability, and it will be paid partly in the company's shares and partly in cash in 2014. For the members of the Group Executive Team, the plan additionally includes one three-year performance period, the calendar years 2012–2014, based on the profitable growth of the Group. The potential reward from the performance period 2012–2014 will be paid partly in the company's shares and partly in cash one year and two years from the end of the performance period. The Performance Share Plan includes approximately 20 persons.

The reward from the plan will be paid to the key employees in a combination of shares and cash after the end of each performance period by the end of April in 2013, 2014 and 2015. The reward from the performance period 2012—2014 will be confirmed by the end of April 2015, and it will be paid in two equal lots in a combination of shares and cash, one year and two years from the end of the performance period. Shares paid as reward on the basis of the plan for the one-year performance periods may not be assigned, pledged or otherwise exercised (transfer restriction/s) during the restriction period established for the shares (restriction period/s). The restriction period begins from the reward payment and ends on December 31, 2014 for the shares earned from the performance period 2012; on December 31, 2015 for the shares earned from the performance period 2013; and on December 31, 2016 for the shares earned from the performance period 2014.

A maximum total of 600,000 shares will be given as reward on the basis of the entire plan, and a cash payment needed for taxes and tax-related costs arising from the reward to the key employees on the book-entry registration date of the shares.

No rewards were paid for the performance period 2012.

QUARTERLY INFORMATION

MEUR	2013 1-3	2012 10-12	2012 7-9	2012 4-6	2012 1-3	2011 10-12	2011 7-9	2011 4-6	2011 1-3
Revenue									
Newspapers	45.6	52.6	48.9	53.2	51.9	55.8	52.5	57.1	53.0
Kauppalehti Group	14.0	16.1	13.2	14.9	14.8	15.6	13.0	15.4	14.3
Digital Consumer Services	14.9	14.0	12.8	13.3	14.4	10.2	9.9	10.5	10.0
Other Operations	21.7	21.5	21.2	21.0	21.0	20.2	20.1	20.2	19.1
Eliminations	-21.3	-21.4	-20.9	-21.4	-21.1	-20.4	-20.4	-20.4	-19.4
REVENUE	74.9	82.7	75.2	81.0	81.1	81.3	75.1	82.7	77.1
Total expenses excluding non-recurring items									
Newspapers	43.6	45.4	43.6	46.0	46.1	47.5	45.5	48.1	46.5
Kauppalehti Group	12.7	13.8	11.5	13.8	13.3	13.3	10.8	13.3	13.0
Digital Consumer Services	12.3	13.0	10.8	12.2	12.3	9.4	8.2	8.8	8.5
Other Operations	22.3	23.4	21.4	22.8	22.1	21.7	18.8	21.4	19.2
TOTAL EXPENSES EXCLUDING NON-RECURRING ITEMS	69.6	74.4	66.4	73.4	72.8	71.4	63.1	71.2	67.8
Operating profit/loss excluding non-recurring items									
Newspapers	2.0	7.2	5.4	7.2	5.9	8.3	7.0	9.0	6.5
Kauppalehti Group	1.3	2.3	1.7	1.1	1.5	2.3	2.2	2.1	1.4
Digital Consumer Services	2.7	1.0	2.0	1.2	2.2	0.8	1.7	1.7	1.5
Other Operations	-0.5	-1.9	-0.1	-1.7	-1.0	-1.5	1.3	-1.2	-0.1
OPERATING PROFIT/LOSS EXCLUDING NON-RECURRING ITEMS	5.5	8.5	8.9	7.7	8.5	10.1	12.0	11.5	9.3
% of revenue									
Newspapers	4.4	13.7	10.9	13.5	11.3	14.9	13.3	15.7	12.3
Kauppalehti Group	9.6	14.2	12.9	7.1	10.2	15.0	17.1	13.6	9.6
Digital Consumer Services	18.1	6.8	15.7	9.0	14.9	7.8	16.7	15.8	15.0
Other Operations	-2.4	-8.6	-0.6	-8.2	-4.8	-7.5	6.5	-5.8	-0.3
% OF REVENUE	7.3	10.3	11.8	9.5	10.4	12.4	16.0	14.0	12.1
Non-recurring items									
Newspapers	0.0	-0.2	-0.1	-2.6	-0.5	-0.5	0.0	0.0	-0.5
Kauppalehti Group	0.0	-0.9	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
Digital Consumer Services	-0.3	-0.1	-0.5	-0.3	-1.6	0.0	0.0	0.0	0.2
Other Operations	0.3	0.3	0.0	0.0	-0.3	0.0	0.4	-0.5	0.0
NON-RECURRING ITEMS	0.0	-0.9	-0.7	-2.9	-2.5	-0.5	0.4	-0.5	-0.3
Operating profit/loss									
Newspapers	2.0	7.0	5.2	4.6	5.3	7.8	7.0	9.0	6.0
Kauppalehti Group	1.3	1.4	1.6	1.1	1.5	2.3	2.2	2.1	1.4
Digital Consumer Services	2.7	0.8	1.5	0.9	0.5	0.8	1.7	1.7	1.7
Other Operations	-0.5	-1.5	-0.1	-1.7	-1.3	-1.5	1.7	-1.7	-0.1
OPERATING PROFIT/LOSS	5.4	7.6	8.1	4.8	6.0	9.5	12.4	11.0	9.0
Finance income	0.4	1.0	3.1	0.7	0.0	0.2	1.2	1.0	0.5
Finance expenses	0.6	0.9	0.6	0.3	1.7	3.9	0.3	0.8	0.6
Share of profit of associated companies	0.2	-3.9	-0.2	0.3	-0.5	-0.6	2.3	0.4	0.4
PROFIT BEFORE TAX	5.4	3.8	10.5	5.6	3.8	5.3	15.6	11.8	9.3
Income tax	-1.3	-1.7	-2.4	-1.1	-1.1	-2.4	-3.4	-3.0	-2.4
PROFIT FOR THE PERIOD	4.1	2.1	8.1	4.5	2.7	2.8	12.2	8.8	6.9

Main accounting principles (IFRS)

This interim report has been prepared according to IFRS standards (IAS 34). The interim report applies the same accounting principles and calculation methods as the annual accounts dated December 31, 2012. The interim report does not, however, contain all the information or notes to the accounts included in the annual financial statements. This report should therefore be read in conjunction with the company's financial statements for 2012. The accounting principles of the financial years 2012 and 2013 are comparable. The company has no discontinued operations to report in the 2012–2013 financial periods.

The key indicators are calculated using the same formulae as applied in the previous annual financial statements. The quarterly percentages of Return on Investment (ROI) and Return on Equity (ROE) have been annualised using the formula ((1+quarterly return)4)-1). The figures in this interim report are independently rounded.

The Group has adopted the following new standards as of January 1, 2013:

IAS 1: Presentation of Financial Statements – Presentation of other comprehensive income, amended
IAS 19: Employee Benefits, amended
IAS 27: Consolidated and Separate Financial Statements, amended
IAS 28: Investments in Associates and Joint Ventures, revised
IAS 32: Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities, amended
IFRS 7: Financial Instruments: Disclosures, amended
IFRS 9: Financial Instruments, new standard
IFRS 10: Consolidated Financial Statements, new standard
IFRS 11: Joint Arrangements, new standard
IFRS 12: Disclosure of Interests in Other Entities, new standard
IFRS 13: Fair Value Measurement, new standard

The impact of the new standards presented above on the Group is marginal, with the exception of IAS 19 Employee Benefits as far as the standard is amended concerning the so-called corridor approach. The effect of the amended standard on Alma Media's consolidated financial statements is presented in the table below:

Funded pension obligations:

(MEUR)	Old standard	New standard	Change
Pension assets Jan 1, 2012	0.0		
Pension liabilities Jan 1, 2012		0.5	0.6
Pension assets Dec 31, 2012	0.1		
Pension liabilities Dec 31, 2012		0.6	0.7
Change of pension liabilities for financial period 2012	0.1	-0.1	-0.2*

** Impact on financial period 2012 presented in other comprehensive income items*

The figures on this interim report are unaudited.

Seasonality

The Group recognises its content revenues from publishing activities as paid. Therefore, content revenues accrue in the income statement fairly evenly during the four quarters of the year. The bulk of newspaper subscription invoicing takes place at the beginning of the year and therefore the cash flow from operating activities is strongest in the first and second quarters. This also affects the company's balance sheet position in different quarters.

General statement

This report contains certain statements that are estimates based on the management's best knowledge at the time they were made. For this reason they contain a certain amount of risk and uncertainty. The estimates may change in the event of significant changes in the general economic conditions.

Next interim report

Alma Media will publish its interim report for the second quarter of 2013 on Friday, July 19, 2013 at 9:00am (EEST).

ALMA MEDIA CORPORATION
Board of Directors

REVENUE AND OPERATING PROFIT BY SEGMENT IN THE NEW SEGMENT STRUCTURE

2012

REVENUE BY SEGMENT, MEUR	New structure	Former structure	Change
Newspapers			
External	203,4	203,4	0,0
Inter-segments	3,2	3,2	0,0
Newspapers total	206,6	206,6	0,0
Kauppalehti Group			
External	58,2	56,1	2,1
Inter-segments	0,8	0,8	0,0
Kauppalehti Group total	59,0	56,9	2,1
Digital consumer services			
External	52,2	54,3	-2,1
Inter-segments	2,3	2,2	0,0
Digital consumer services total	54,5	56,5	-2,1
Other operations			
External	6,3	6,3	0,0
Inter-segments	78,5	78,5	0,0
Other operations total	84,8	84,8	0,0
Elimination	-84,8	-84,7	0,0
Total	320,1	320,1	0,0

OPERATING PROFIT/LOSS BY SEGMENT *), MEUR	New structure	Former structure	Change
Newspapers	22,1	22,1	0,0
Kauppalehti Group	5,5	4,6	0,9
Digital consumer services	3,8	4,7	-0,9
Other operations	-4,7	-4,7	0,0
Total	26,5	26,5	0,0

**) including non-recurring items*

REVENUE AND OPERATING PROFIT BY SEGMENT IN THE NEW SEGMENT STRUCTURE

2012

REVENUE BY SEGMENT, MEUR	2012 Q1	2012 Q2	2012 Q3	2012 Q4	2012 Q1-Q4
Newspapers					
External	50,9	52,2	48,3	52,0	203,4
Inter-segments	1,1	1,0	0,6	0,6	3,2
Newspapers total	51,9	53,2	48,9	52,6	206,6
Kauppalehti Group					
External	14,6	14,7	13,1	15,8	58,2
Inter-segments	0,2	0,2	0,1	0,2	0,8
Kauppalehti Group total	14,8	14,9	13,2	16,1	59,0
Digital consumer services					
External	14,1	12,7	12,2	13,2	52,2
Inter-segments	0,3	0,7	0,6	0,7	2,3
Digital consumer services total	14,4	13,3	12,8	14,0	54,5
Other operations					
External	1,6	1,5	1,6	1,7	6,3
Inter-segments	19,5	19,6	19,6	19,9	78,5
Other operations total	21,0	21,0	21,2	21,5	84,8
Elimination	-21,1	-21,4	-20,9	-21,4	-84,8
Total	81,1	81,0	75,2	82,7	320,1

OPERATING PROFIT/LOSS BY SEGMENT *), MEUR	2012 Q1	2012 Q2	2012 Q3	2012 Q4	2012 Q1-Q4
Newspapers	5,3	4,6	5,2	7,0	22,1
Kauppalehti Group	1,5	1,1	1,6	1,4	5,5
Digital consumer services	0,5	0,9	1,5	0,8	3,8
Other operations	-1,3	-1,7	-0,1	-1,5	-4,7
Total	6,0	4,8	8,1	7,6	26,5

**) including non-recurring items*