Alma Media Corporation Q1 2014

29 April 2014

Photo: Jenni Gästgivar

Alma Media Corporation Interim Report 29 April 2014 at 9:00am (EEST)

Alma Media's interim report January–March 2014:
THE DECLINE IN PRINT MEDIA REVENUE REDUCED OPERATING PROFIT, MEASURES TO ADJUST COST STRUCTURE ARE IN PROGRESS

Financial performance January–March 2014:

- Revenue MEUR 72.7 (74.9), down 2.9%.
- Online sales increased by 11.0% to MEUR 23.8 (21.4).
- EBITDA (Earnings before interest, taxes, depreciation and amortisation) excluding non-recurring items MEUR 6.1 (8.0), down 24.3%.
- EBITDA MEUR 6.8 (8.0), down 14.7%.
- Operating profit excluding non-recurring items MEUR 2.5 (5.5) or 3.4% (7.3%) of revenue, down 54.8%.
- Operating profit MEUR 3.2 (5.4) or 4.4% (7.2%) of revenue, down 40.7%.
- Profit for the period MEUR 2.2 (4.1), down 47.3%.
- The result for the review period includes a non-recurring item, proceeds of MEUR 0.7 from the sale of the BNS business.
- Earnings per share EUR 0.02 (0.05).

KEY FIGURES MEUR	2014 Q1	2013 Q1	Change	%	2013 Q1-Q4
Revenue	72.7	74.9	-2.2	-2.9	300.2
Contents revenue	27.4	29.2	-1.8	-6.3	115.3
Contents revenue, print	26.1	28.2	-2.1	-7.5	111.2
Contents revenue, online	1.3	0.8	0.4	50.2	3.8
Advertising revenue	35.1	36.4	-1.3	-3.5	147.3
Advertising revenue, print	16.9	19.1	-2.1	-11.1	80.0
Advertising revenue, online	18.1	17.1	1.1	6.2	66.5
Service revenue	10.2	9.3	0.9	10.2	37.6
Total expenses excluding non-recurring items	70.4	69.6	0.8	1.1	276.7
EBITDA excluding non-recurring items	6.1	8.0	-1.9	-24.3	37.5
EBITDA	6.8	8.0	-1.2	-14.7	45.3
Operating profit excluding non-recurring items	2.5	5.5	-3.0	-54.8	24.2
% of revenue	3.4	7.3			8.0
Operating profit	3.2	5.4	-2.2	-40.7	27.0
% of revenue	4.4	7.2			9.0
Profit for the period	2.2	4.1	-1.9	-47.3	16.0
Earnings per share, EUR (basic)	0.02	0.05	-0.03	-54.1	0.20
Earnings per share, EUR (diluted)	0.02	0.05	-0.03	-54.1	0.20
Online sales	23.8	21.4	2.4	11.0	84.5
Online sales, % of net sales	32.7	28.6	4.1		28.1

Outlook for 2014:

The revenue and operating profit of Alma Media's print newspaper business, especially regional media, did not develop as expected during the first quarter of the year. Therefore, the company lowered its estimate on 15 April 2014 of the development of both revenue and operating profit during the first half of the year, as announced in the Financial Statements Release on 13 February 2014.

The economic operating environment in Finland has remained weaker than expected in the beginning of 2014. The advertising market for print media has declined more than anticipated. In the current economic situation, forecasting the operating environment and especially advertising sales is exceptionally difficult.

In its Financial Statements Release on 13 February 2014, Alma Media expected the revenue of the first half of 2014 to be on a par with, or slightly lower than the corresponding period in 2013. Operating profit excluding non-recurring items was estimated to be MEUR 9.0-10.5.

According to the company's new estimate, the revenue for the first half of the year will be lower than the corresponding period in 2013 and operating profit excluding non-recurring items will be below the level estimated in the Financial Statements Release on 13 February 2014.

Revenue for the first half of 2013 was MEUR 151.2 and operating profit excluding non-recurring items MEUR 10.1.

Kai Telanne, President& CEO:

The advertising and content revenue from Alma Media's online and mobile channels and the sales of different types of digital services, such as recruitment services, developed favourably in the first quarter of 2014. We introduced several mobile applications for news and lifestyle content. The volume of video publishing and viewing in IL-TV grew by 30% and also advertising in this new channel increased. The video service sales of Alma360 for its clients' own channels developed well.

Alma Career, a holding company managing Alma Media's recruitment business operations in all the different countries, started its operation in the beginning of the year 2014. The company, owned jointly with Monster Worldwide, Inc., integrates recruitment services in all of Alma Media's nine operating countries more closely and enables international sales growth through Monster's global network.

Good sales figures for digital advertising and digital content were not enough to offset the weak development of print media in the first quarter. The plummeting of newspaper advertising has its roots primarily in the recession of Finnish national economy. Retail and specialist trade's sales and marketing investments, which are especially important for newspaper advertising, have decreased strongly due to the weak consumer demand, stemming from the declining consumer purchasing power. Also the digitalisation of communication has an impact on advertising as businesses are increasingly shifting their investments to e-commerce and digital marketing communications channels.

Owing to the market conditions, the revenue and profit of Alma Media's print newspaper business, in particular the regional media, did not develop as expected in the first quarter. The company had to lower its revenue and operating profit estimates for the first half-year from the Financial Statements release of 13 February 2014.

Due to the performance being weaker than expected, Alma Media will launch streamlining measures in Alma Regional Media, with the objective of achieving annual savings of MEUR 1.5. In addition, the Group's financial administration will be reorganised to increase operational efficiencies.

To ensure the profitability of regional publishing operations and the quality of its content, Alma Media and five other Finnish newspaper publishers signed a letter of intent in the beginning of 2014 aiming at significantly wider journalistic cooperation between the newspapers and the establishment of a joint company, Lännen Media, during the year 2014.

The declining print media has further accelerated Alma Media's business development efforts and investments in future digital business. The share of digital products and services of Group total revenue in the first quarter was 32.7% (28.6%). Online sales increased by 11.0% during the first quarter.

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The descriptive part of this review focuses on the result of January–March 2014. The figures are compared in accordance with the International Financial Reporting Standards (IFRS) with those of the corresponding period in 2013, unless otherwise stated. The figures in the tables are independently rounded.

KEY FIGURES MEUR	2014 Q1	2013 Q1	Change %	2013 Q1-Q4
Revenue	72.7	74.9	-2.9	300.2
Total expenses excluding non-recurring items	70.4	69.6	1.1	276.7
EBITDA excluding non-recurring items	6.1	8.0	-24.3	37.5
EBITDA	6.8	8.0	-14.7	45.3
Operating profit excluding non-recurring items	2.5	5.5	-54.8	24.2
% of revenue	3.4	7.3		8.0
Operating profit	3.2	5.4	-40.7	27.0
% of revenue	4.4	7.2		9.0
Profit before tax	2.7	5.4	-50.8	22.4
Profit for the period	2.2	4.1	-47.3	16.0
Return on Equity/ROE (Annual)*	9.7	21.5	-54.8	18.3
Return on Invets/ROI (Annual)*	5.8	10.7	-45.5	10.0
Net financial expenses	0.7	0.2	-240.0	0.5
Net financial expenses, % of revenue	0.9	0.3		0.2
Balance sheet total	274.7	289.0	-5.0	272.8
Capital expenditure	9.4	46.9	-79.9	62.8
Capital expenditure, % of revenue	13.0	62.7		20.9
Equity ratio, %	37.3	30.4	22.8	34.9
Gearing, %	87.9	127.1	-30.8	108.0
Interest-bearing net debt	82.1	101.4	-19.1	97.6
Interest-bearing liabilities	95.9	117.0	-18.0	109.9
Non-interest-bearing liabilities	85.4	92.2	-7.4	72.4
Average no. of personnel. calculated as full-time employees. excl. delivery staff	1 863	2 002	-7.0	1 993
Average no. of delivery staff	968	985	-1.8	998
Share indicators				
Earnings per share, EUR (basic)	0.02	0.05	-54.1	0.20
Earnings per share, EUR (diluted)	0.02	0.05	-54.1	0.20
Cash flow from operating activities/share, EUR	0.22	0.22	0.1	0.32
Shareholders' equity per share, EUR	1.04	1.03	1.2	1.17
Dividend per share				0.10
Effective dividend yield				3.3
P/E Ratio				15.0
Market capitalization	209.9	279.3	-24.9	225.7
Average no. of shares (1.000 shares)				
- basic	75 487	75 487		75 487
- diluted	75 487	75 576		75 487
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 the review period

The cornerstones of the strategy are multi-channel content, marketing and advertising solutions, digital services and improving digital competencies.

During the first quarter, Alma Media implemented changes improving the competitiveness of its publishing operations. Alma Media and five other Finnish newspaper publishers signed a letter of intent aiming at significantly wider journalistic cooperation between the newspapers and the establishment of a joint company, Lännen Media, during the year 2014. Mr Matti Posio from Aamulehti was appointed project manager for the cooperation project between Aamulehti, Satakunnan Kansa, Lapin Kansa, Pohjolan Sanomat, Kainuun Sanomat, Turun Sanomat, Kaleva, Ilkka, Pohjalainen, Keskipohjanmaa, Hämeen Sanomat and Forssan Lehti.

Aamulehti renewed its content, structure, supplements and appearance, with the first Aamulehti in tabloid format being delivered on 1 April 2014. Also other Alma Media regional papers were redesigned. In addition, Kainuun Sanomat completed its online renewal project, with part of the paper's content being changed into paid premium content.

The development of multi-channel content was continued, among other publications, at Kauppalehti, which launched new mobile news services for iPhone and Android smartphone users. In addition, Kauppalehti Optio was made available in as a digital edition. Kauppalehti also published its new blog pages built using new social media elements.

The use and development of moving image is picking up speed at several Alma Media business units. In the first quarter of 2014, IL-TV deployed a new distribution platform that improves video delivery in applications. IL-TV also introduced a new programme: the Pelipäivä studio focusing on the NHL ice-hockey league.

In January 2014, Alma Media complemented its marketing and advertising solutions by a new marketing service aimed at self-service buying, Alma Meedio. It collects all Finnish companies on one website and offers a self-service tool for companies to manage their marketing efforts.

Alma Media strengthened its position in digital consumer services by acquiring 35% of the stock of Rantapallo Oy, Finland's leading online travel service. The holding in Rantapallo supports Alma Media's strategy of seeking growth through expanding the portfolio of digital services in particular.

Market conditions

According to TNS Media Intelligence, the total advertising volume in the first quarter declined by 4.8% (declined by 13.3%). Advertising in city papers and newspapers declined by 10.8% (declined by 18.1%) but increased in online media by 12.5% (increased by 2.6%) from the comparison period. The total market of afternoon papers in terms of volume declined by 10.8% (declined by 12.4%) in the first quarter of 2014.

Changes in Group structure in 2014

Alma Media Corporation and Monster Worldwide, Inc. agreed to strengthen their joint operations across Eastern Central Europe and the Baltics. In expanding their joint offering, Monster's career services are now combined with Alma Media's similar services to create a comprehensive offering in Finland, Estonia, Latvia, Lithuania, Poland, Czech Republic, Slovakia, Hungary and Croatia. The companies are managed under Alma Career Oy (formerly Monster Oy) and will be reported as part of Alma Media's Digital Consumer Services segment.

Monster Worldwide, Inc. became a 15% minority owner of Alma Career Oy by contributing its Poland, Hungary and Czech Republic operations and by acquiring from Alma Media shares in the holding company with a purchase price of MEUR 4.7, with Alma Media owning the other 85 %. Monster has an option to increase its ownership to 20% by 2017.The arrangement was finalised on 3 January 2014. The arrangement does not create profit or loss entries at the moment of implementation. The arrangement created a positive cash flow effect of MEUR 4.7 for the first quarter 2014. More information on the arrangement is given in the tables of this interim report.

Baltic News Service, reported in the Financial Media and Business Services segment, was sold in March 2014. The buyer is OÜ Uudisvoog, a company owned by the Estonian investment company Koha Capital OÜ. Alma Media recorded sales proceeds in the amount of MEUR 0.7 in its first-quarter 2014 results from the deal.

Group revenue and result January–March 2014

Revenue declined by 2.9% to MEUR 72.7 (74.9) in the first quarter.

Content revenue declined by 6.3% to MEUR 27.4 (29.2). The decline in content revenue from the comparison period was due to the decrease of print media circulations. The increase of content income from digital distribution channels is not sufficient to cover the decline in print media content income.

Revenue from advertising sales decreased by 3.5% to MEUR 35.1 (36.4). Advertising sales in printed papers declined by 11.1% from the comparison period to MEUR 16.9 (19.1). Online advertising sales increased by 6.2% to MEUR 18.1 (17.1). Online advertising sales in the comparison period included revenue from the Mascus business, sold in April 2013, in the amount of MEUR 1.1.

Service revenue totalled MEUR 10.2 (9.3). Service revenue includes items such as Kauppalehti Information Services, the operations of the custom publishing house Alma 360 and E-kontakti, as well as printing and distribution services sold to customers outside the Group by Alma Manu. The increase in the revenue of Kauppalehti Information Services and Alma Manu were major contributors to the increase in service revenue.

Total expenses increased in the first quarter by MEUR 0.8 or 1.1% to MEUR 70.4 (69.6). Depreciation and impairment included in the total expenses amounted to MEUR 3.6 (2.6). The increase in depreciation is affected particularly by the new printing facility in Tampere, taken into use in April 2013. The old printing facility was completely depreciated at the end of 2012. No non-recurring items were reported during the review period.

Operating profit excluding non-recurring items was MEUR 2.5 (5.5) or 3.4% (7.3%) of revenue. Operating profit was MEUR 3.2 (5.4) or 4.4% (7.2%) of revenue. The operating profit includes net non-recurring items in the amount of MEUR 0.7 (-0.1). The non-recurring items affecting the operating profit during the review period were related to sales proceeds from Baltic News Service. The non-recurring items in the comparison period were related to reorganisation costs.

The financial result for January–March 2014 was MEUR 2.2 (4.1), and financial result excluding non-recurring items was MEUR 1.4 (4.1). The review period's 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 -0.1 (0.0).

Business segments

Alma Media Group's reporting structure was changed at the beginning of 2014. From the beginning of 2014, Alma Media's reportable segments are Digital Consumer Services, Financial Media and Business Services, National Consumer Media and Regional Media. Centralised services provided by the Group's parent company and centralised digital support services for the entire Group will be reported outside segment reporting.

The Group has five operating segments as shown in the table below. The operating segments that produce similar products and services are combined into reportable segments due to their uniform profitability and other characteristics. The change in the segment structure is due to the transformation of the business environment in the media industry, with media consumption increasingly shifting to digital channels.

REPORTABLE SEGMENT:	OPERATING SEGMENT:
Digital Consumer Services	Alma Diverso
	Marketplaces
Financial Media and Business Services	Financial Media and Business Services
National Consumer Media	National Consumer Media
Regional Media	Regional Media

Changes in segment reporting:

- In the Digital Consumer Services segment, the centralised digital support services for the entire Group have been moved to non-allocated items outside segment reporting.
- The name of Kauppalehti Group was changed to Financial Media and Business Services.

- The new National Consumer Media segment consists of the IL-Media operating segment, previously reported under the Newspapers segment.
- The new Regional Media segment includes the Alma Regional Media operating segment, previously reported under the Newspapers segment, as well as the Group's printing and distribution company Alma Manu, previously reported under the Other Operations segment.
- Other Operations no longer constitutes a separate segment. Instead, the operations of the Group's parent company are reported as non-allocated items.

As the structure and composition of the reportable segments have changed, Alma Media has, in accordance with the IFRS 8 Operating Segments standard, adjusted the corresponding items in segment information for the 2013 comparison period. The effect of the change, as well as segment revenue and operating profit under the previous and newly adopted segment structures is summarised in the tables presented in the notes section of this interim report.

REVENUE AND OPERATING PROFIT/LOSS BY SEGMENT

REVENUE MEUR	2014 Q1	2013 Q1	Change %	2013 Q1-Q4
Digital Consumer Services				
External	13.3	14.0		52.0
Inter-segments	0.3	0.1		0.6
Digital Consumer Services total	13.6	14.1	-3.4	52.6
Financial Media and Business Services				
External	13.6	13.8		56.3
Inter-segments	0.2	0.2		0.6
Financial Media and Business Services total	13.7	14.0	-1.7	56.8
National Consumer Media				
External	11.2	11.9		48.0
Inter-segments	0.3	0.1		0.9
National Consumer Media total	11.5	12.0	-4.4	49.0
Regional Media				
External	33.4	34.4		139.9
Inter-segments	1.7	2.1		7.2
Regional Media total	35.1	36.6	-3.9	147.1
Non-allocated and eliminations	-1.3	-1.8		-5.3
Total	72.7	74.9	-2.9	300.2

OPERATING PROFIT/LOSS MEUR *	2014 Q1	2013 Q1	Change %	2013 Q1-Q4
Digital Consumer Services	2.2	2.8	-21.6	17.7
Financial Media and Business Services	2.1	1.3	57.3	7.8
National Consumer Media	1.1	0.9	29.9	4.7
Regional Media	0.2	2.0	-90.3	4.3
Segments total	5.6	7.1	-20.2	34.5
Non-allocated	-2.4	-1.6	-48.1	-7.5
Total	3.2	5.4	-40.7	27.0

* *Including non-recurring items.*

Digital Consumer Services

The services of the Digital Consumer Services operating in Finland are Etuovi.com, Vuokraovi.com, Monster.fi, Autotalli.com, MyyJaOsta.com, Telkku.com, Kotikokki.net, E-kontakti.fi and Meedio.fi. The services outside Finland are Jobs.cz, Prace.cz, Topjobs.sk, CV Online, Profesia.sk, MojPosao.net, Monster.hu, Monsterpolska.pl, Monster.cz and City 24.

KEY FIGURES MEUR	2014 Q1	2013 Q1	Change %	2013 Q1-Q4
Revenue	13.6	14.1	-3.4	52.6
Operations in Finland	5.5	5.9	-6.6	22.5
Operations outside Finland	8.1	8.2	-1.1	30.0
Total expenses excluding non-recurring items	11.5	11.3	1.5	43.4
EBITDA excluding non-recurring items	3.5	4.1	-15.0	14.4
EBITDA	3.5	4.1	0.0	23.0
Operating profit excluding non-recurring items	2.2	2.8	-21.6	9.4
Operating margin excluding non-recurring items, %	16.2	19.9	0.0	17.8
Operating profit	2.2	2.8	-21.6	17.7
Operating margin, %	16.2	19.9	0.0	33.6
Average no. of personnel. calculated as full-time employees	488	482	1.1	492
Online sales	13.6	14.1	-3.4	52.6
Online sales, % Of net sales	100.0	100.0		100.0

OPERATIONAL KEY FIGURES	2014 Q1	2013 Q1	Change %	2013 Q1-Q4
Online services. unique browsers. weekly. on average (thousands)				
Etuovi.com	532.4	458.1	16.2	459.6
Autotalli.com	126.4	126.6	-0.2	125.0
Monster.fi	131.5	116.6	12.8	102.6
MyyjaOsta.com	20.2	25.4	-20.6	22.6
Telkku.com	790.2	704.2	12.2	692.3
Kotikokki.net	391.3	312.7	25.1	328.2
Meedio.fi	67.2	65.0	3.3	62.7

January–March 2014

In the first quarter of 2014, revenue for the Digital Consumer Services segment declined by 3.4% to MEUR 13.6 (14.1). Revenue for the comparison period included revenue from the Mascus business sold in April 2013 in the amount of MEUR 1.1, which explains the decline in revenue in both Finland and other countries. The devaluation of the Czech currency, the koruna, in November 2013 decreased the euro revenue by a total of MEUR 0.3 in the first quarter 2014. Revenue increased by MEUR 0.4 through the new recruitment companies in Hungary, Czech Republic and Poland. The share of recruitment business in the segment's revenue was 68.2% (59.6%) in the first quarter.

Total expenses in the review period were MEUR 11.5 (11.3). Operating profit for the Digital Consumer Services segment in the first quarter was MEUR 2.2 (2.8). The sold Mascus business had an effect of MEUR 0.2 on the decline in operating profit. The devaluation of the koruna had an effect of MEUR -0.1 on the operating profit. In the first months of the year, investments were made in the new business operations acquired in January 2014, causing a negative effect of MEUR 0.3 on the operating result. No non-recurring income or expenses were reported during the review period.

Financial Media and Business Services

The Financial Media and Business Services segment 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 segment also includes the custom media house Alma 360.

KEY FIGURES MEUR	2014 Q1	2013 Q1	Change %	2013 Q1-Q4
Revenue	13.7	14.0	-1.7	56.8
Content revenue	4.0	4.2	-4.2	16.8
Advertising revenue	3.9	3.9	0.3	16.2
Service revenue	5.9	6.0	-1.2	23.8
Total expenses excluding non-recurring items	12.4	12.7	-2.0	49.1
EBITDA excluding non-recurring items	1.5	1.5	-0.7	8.5
EBITDA	2.3	1.5	48.5	8.5
Operating profit excluding non-recurring items	1.4	1.3	1.6	7.8
Operating margin excluding non-recurring items, %	9.9	9.6		13.8
Operating profit	2.1	1.3	57.3	7.8
Operating profit, %	15.4	9.6		13.8
Average no. of personnel. calculated as full-time employees	339	403	-15.9	402
Online sales	6.0	4.5	33.3	19.0
Online sales, % of net sales	43.8	32.3		33.4

OPERATIONAL KEY FIGURES	2014 Q1	2013 Q1	Change %	2013 Q1-Q4
Online services. unique browsers. weekly. on average (thousands)				
Kauppalehti.fi	799.9	605.2	32.2	649.8
Audited circulation (thousands)				
Kauppalehti				57.4

January–March 2014

Revenue for the Financial Media and Business Services segment declined by 1.7% to MEUR 13.7 (14.0). Online business accounted for 43.8% (32.3%) of the segment's revenue. The divestment of the BNS business operations in February had an effect of MEUR 0.4 on the decline in revenue.

Content revenue for the Financial Media and Business Services segment declined by 4.2% to MEUR 4.0 (4.2). Kauppalehti succeeded in increasing its digital content income and the increase partly covered the decline of content income from print media. Content income from print media declined by 11.5%, partly due to the termination of unprofitable subscriptions.

Advertising sales in the first quarter remained at the level of the previous year, at MEUR 3.9 (3.9). Online advertising sales increased by 14.4% from the comparison period.

The segment's total expenses were MEUR 12.4 (12.7). The decrease in total expenses is due to the divestment of the BNS business operations. No non-recurring expenses were reported during the review period.

Operating profit excluding non-recurring items for the Financial Media and Business Services segment was MEUR 1.4 (1.3) and operating profit MEUR 2.1 (1.3). Operating profit excluding non-recurring items was 9.9% (9.6%) of revenue. The operating profit includes non-recurring income in the amount of MEUR 0.7 (0.0). The non-recurring items that affected the operating profit during the review period were related to the sales gains from the divestment of the BNS business.

National Consumer Media

The National Consumer Media segment reports the various publishing services of IL-Media.

KEY FIGURES MEUR	2014 Q1	2013 Q1	Change %	2013 Q1-Q4
Revenue	11.5	12.0	-4.4	49.0
Content revenue	6.9	8.1	-15.0	30.9
Advertising revenue	4.6	4.0	17.0	17.5
Service revenue	0.0	0.0	67.3	0.5
Total expenses excluding non-recurring items	10.4	11.2	-7.3	44.3
EBITDA excluding non-recurring items	1.2	0.9	27.6	4.8
EBITDA	1.2	0.9	27.6	4.8
Operating profit excluding non-recurring items	1.1	0.9	29.9	4.7
Operating margin excluding non-recurring items, %	9.8	7.2		9.6
Operating profit	1.1	0.9	29.9	4.7
Operating profit, %	9.8	7.2		9.6
Average no. of personnel. calculated as full-time employees	150	153	-1.5	160
Online sales	3.4	2.4	42.4	10.5
Online sales, % of net sales	29.2	19.6		21.5

OPERATIONAL KEY FIGURES	2014 Q1	2013 Q1		2013 Q1-Q4
Online services, unique browsers, weekly, on average (thousands)				
Iltalehti.fi	4 233.6	3 149.4	34.4	3 530.1
Audited circulation (thousands)				
Iltalehti				

January–March 2014

Revenue for the National Consumer Media segment declined by 4.4% to MEUR 11.5 (12.0) in January–March. Online business accounted for 29.2% (19.6%) of the segment's revenue.

The segment's content revenue declined by 15.0% to MEUR 6.9 (8.1) in January–March, mainly due to the decrease of Iltalehti's circulation. Iltalehti's market share during the review period was 39.4% (40.4%).

The segment's advertising sales increased by 17.0% to MEUR 4.6 (4.0). Advertising sales for print media declined by 18.1%. The segment's online advertising sales increased by 42.7% to MEUR 3.3 (2.3).

The segment's total expenses amounted to MEUR 10.4 (11.2). In particular, the decrease in total expenses was affected by the decrease of printing and distribution costs due to lower print media sales.

The segment's operating profit was MEUR 1.1 (0.9). Operating profit was 9.8% (7.2%) of revenue. No non-recurring income or expenses were reported during the review period.

Regional Media

The Regional Media segment reports the publishing activities of more than 30 newspapers of Alma Regional Media and the Group's printing and distribution company Alma Manu. The segment's best-known title is Aamulehti.

KEY FIGURES MEUR	2014 Q1	2013 Q1	Change %	2013 Q1-Q4
Revenue	35.1	36.6	-3.9	147.1
Content revenue	16.5	17.0	-2.7	67.6
Advertising revenue	14.5	16.0	-9.6	66.5
Service revenue	4.1	3.6	15.8	13.0
Total expenses excluding non-recurring items	35.0	34.5	1.4	137.4
EBITDA excluding non-recurring items	1.8	2.8	-37.1	15.3
EBITDA	1.8	2.8	-36.5	14.5
Operating profit excluding non-recurring items	0.2	2.1	-90.5	9.8
Operating profit excluding non-recurring items, %	0.6	5.7		6.6
Operating profit	0.2	2.0	-90.3	4.3
Operating profit, %	0.6	5.6		2.9
Average no. of personnel. calculated as full-time employees excl. delivery staff	730	814	-10.3	786
Average no. of delivery staff *	968	985	-1.8	998
Online sales	0.8	0.6	46.3	2.6
Online sales, % of net sales	2.3	1.5		1.8

OPERATIONAL KEY FIGURES	2014 Q1	2013 Q1		2013 Q1-Q4
Online services, unique browsers, weekly, on average (thousands)				
Aamulehti.fi	421.0	390.7	7.8	396.3
Audited circulation (thousands)				
Aamulehti				113.1
Printing volume (in thousands)	62 661	47 860		194 978
Paper usage (tons)	6 669	6 371		23 489

January–March 2014

Revenue for the Regional Media segment declined by 3.9% to MEUR 35.1 (36.6) in January–March. Online business accounted for 2.3% (1.5%) of the segment's revenue.

The segment's content revenue declined by 2.7% to MEUR 16.5 (17.0) in January–March, mainly due to circulation decreases.

The segment's advertising sales declined by 9.6% to MEUR 14.5 (16.0). Advertising sales for print media declined by 10.6%. Nationwide advertising sales in particular decreased from the comparison period. The segment's online advertising sales increased by 19.2% to MEUR 0.5 (0.4).

The segment's service revenue increased by 15.8% to MEUR 4.1 (3.6). The revenue increase is contributable to the increase in Alma Manu's printing revenue from external customers.

The segment's total expenses excluding non-recurring items amounted to MEUR 35.0 (34.5), and total expenses MEUR 35.0 (34.5). The total expenses increased because of depreciation increasing by MEUR 0.9. The increase in depreciation was particularly affected by the new printing facility in Tampere that was taken into use in April 2013. The old printing facility was completely depreciated at the end of 2012.

A renewal project was carried out in all of Alma Media's regional papers and Aamulehti shifted to a tabloid format on 1 April 2014. A letter of intent was signed for journalistic cooperation in the form of Lännen Media. The objective of the cooperation is to offer better journalistic quality in an efficient manner.

Operational reliability at the new printing facility in Tampere continued to improve, and paper losses in connection with production changes has been successfully reduced. Printing operations in Rovaniemi were discontinued on 31 March 2014, and the printing of Pohjolan Sanomat and Lapin Kansa were transferred to a printing house outside the Group.

The segment's operating profit excluding non-recurring items was MEUR 0.2 (2.1), and operating profit MEUR 0.2 (2.0). The operating profit excluding non-recurring items was 0.6% (5.7%) of revenue.

Associated companies

SHARE OF PROFIT OF ASSOCIATED COMPANIES MEUR	2014 Q1	2013 Q1	2013 Q1-Q4
Digital Consumer Services	-0.1	0.0	0.1
Financial Media and Business Services			
Talentum Oyj	0.1	0.1	-3.1
National Consumer Media			
Regional Media	0.0	0.0	-1.4
Other associated companies	0.1	0.1	0.3
Total	-0.1	0.2	-4.1

Alma Media Group holds a 32.14% stake in Talentum Oyj, which is reported under the Financial Media and Business Services segment.

Alma Media acquired 35% of the share capital of the leading online travel service Rantapallo Oy. Starting from the first quarter of 2014, Rantapallo will be reported as an associated company of Alma Media under the Digital Consumer Services segment.

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	2014 Q1	2013 Q1	2013 Q1-Q4
Digital Consumer Services			
Impairment losses of intangible and tangible assets			-0.2
Gains on sales of assets			8.5
			8.3
Financial Media and Business Services			
Gains on sales of assets	0.7		
	0.7		
National Consumer Media			
Restructuring			
Gains on sales of assets			
Regional Media			
Restructuring		-0.0	-3.8
Impairment losses of intangible and tangible assets			-1.6
			-5.4
NON-RECURRING ITEMS IN OPERATING PROFIT	0.7	-0.0	2.8
Impairment losses of associated companies			-5.0
NON-RECURRING ITEMS IN PROFIT BEFORE TAX	0.7	-0.0	-2.1

The non-recurring items in January–March 2014 comprised the sales gains from the divestment of Baltic News Service.

Balance sheet and financial position

At the end of March 2014, the consolidated balance sheet stood at MEUR 274.7 (289.0). The Group's equity ratio at the end of March was 37.3% (30.4%) and equity per share rose to EUR 1.04 (1.03).

The consolidated cash flow from operations in January–March was MEUR 16.7 (16.7). Cash flow before financing was MEUR 24.3 (14.9).

The Group's interest-bearing debt at the end of March amounted to MEUR 95.9 (117.0). The total interest-bearing debt at the end of March comprised MEUR 73.9 in finance leasing debt, MEUR 10.0 in loans from financial institutions and MEUR 12.0 in commercial papers.

The Group's interest-bearing net debt at the end of March stood at MEUR 82.1 (101.4). The decrease in net debt was due to cash flows from business reorganisation and cash flow from operations, seasonally strongest early in the year.

Alma Media has one MEUR 25 and two MEUR 20 financing limits at its disposal, of which MEUR 65 million were unused on 31 March 2014. In addition, the company had a commercial paper programme of MEUR 100 in Finland. Of the commercial paper programme, MEUR 88 were unused on 31 March 2014.

The value of the financial assets recognised at fair value through profit or loss resulting from business reorganisation was MEUR 0.0 (1.2) on 31 March 2014, and the fair value of debt MEUR 0.3 (1.7).

Capital expenditure

Alma Media Group's capital expenditure in January–March 2014 totalled MEUR 9.4 (46.9). The capital expenditure during the review period comprised the acquisitions of new recruitment service companies in Hungary, Poland and Czech Republic, increasing the shareholding in Alma Career Oy in Finland and normal operating and maintenance investments.

Administration

Alma Media Corporation's Annual General Meeting (AGM) held on 20 March 2014 elected Niklas Herlin, Esa Lager, Petri Niemisvirta, Perttu Rinta, 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 of Directors appointed the members of its permanent committees. Perttu Rinta and Catharina Stackelberg-Hammarén were elected as members of the Audit Committee and Esa Lager as Chairman of the Committee. Esa Lager, Niklas Herlin and Erkki Solja were elected as members of the Nomination and Compensation Committee and Petri Niemisvirta as Chairman of the Committee.

The Board of Directors of Alma Media Corporation has evaluated that with the exception of Perttu Rinta, Esa Lager 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 PricewaterhouseCoopers Oy as the company's auditors, with Markku Launis, APA, as principal auditor.

Alma Media Corporation applies the Finnish Corporate Governance Code for listed companies, issued by the Securities Market Association on 15 June 2010 and in effect since 1 October 2010, in its unaltered form. The Corporate Governance Statement as well as the details of salaries and bonuses for 2013 is available on the company's website at www.almamedia.com/investors.

Dividends

In accordance with the proposal by the Board of Directors, the AGM resolved that no dividend be paid for the financial year 2013. The company has no retained earnings.

Use of the invested non-restricted equity fund

In accordance with the proposal of the Board of Directors, the AGM resolved that EUR 76,100,000 be used from the invested non-restricted equity fund, complying with the company's balance sheet of 31 December 2013, to cover losses. The covering of losses improves the preconditions for distribution of profit during future financial periods.

Capital repayment

In accordance with the proposal of the Board of Directors, the AGM resolved to distribute EUR 0.10 per share as capital repayments from the invested non-restricted equity fund. At the moment of the AGM, the company has 75,486,853 shares, translating into a repayment amount of EUR 7,548,685. Capital repayments were paid to shareholders registered in Alma Media Corporation's shareholder register, maintained by Euroclear Finland Ltd, on the record date, 25 March 2014. The capital repayments were paid on 1 April 2014 as proposed by the Board of Directors.

Authorisation to the Board of Directors to resolve capital repayment

The AGM authorised, in accordance with the proposal by the Board of Directors, the Board, at its discretion, to resolve the distribution of funds to shareholders as capital repayments from the invested non-restricted equity fund. The maximum amount of capital repayment on the basis of the authorisation is EUR 0.10 per share. At the moment of the AGM, the company has 75,486,853 shares, translating into a maximum repayment amount of EUR 7,548,685. The authorisation remains valid until the start of the subsequent AGM, yet not past 30 June 2015.

Other decisions by the Annual General Meeting

As proposed by the Board of Directors, the AGM resolved to reduce the share premium fund shown on the balance sheet 31 December 2013, EUR 319,295,759, by a total of EUR 200,000,000, which will be transferred to the company's invested non-restricted equity fund. The equity of the company consists nearly totally 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. All practicalities of reducing the share premium fund are decided by the Board of Directors.

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 employees of the company. The authorisation is valid until the following ordinary AGM, however no longer than until 30 June 2015.

The Alma Media share

In January–March, altogether 1,655,230 Alma Media shares were traded on the NASDAQ OMX Helsinki Stock Exchange, representing 2.2% 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, 31 March 2014, was EUR 2.78. The lowest quotation during the review period was EUR 2.60 and the highest EUR 3.15. Alma Media Corporation's market capitalisation at the end of the review period was MEUR 209.9.

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 2.0%. Further details about the programmes are given in the notes to this Interim Report.

The Board of Directors of Alma Media Corporation in 2012 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 periods 2012 and 2013. The potential reward from the plan for the performance period 2014 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 2015. 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. No reward is expected to be paid for this 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.

Market liquidity guarantee

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

Flagging notices

In the first quarter of 2014, Alma Media did not receive notices of changes in shareholdings pursuant to Chapter 9, Section 5 of the Finnish 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 in the development of advertising sales. Advertising sales account 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

With its Code of Ethics, 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 Carbon Disclosure Project (CDP) climate reporting directed at investors, and was the only media company to make it to the Nordic Climate

Disclosure Leadership index in October 2013. In addition, 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.

The most significant environmental impacts of Alma Media's business operations are related to purchases, printing and delivery operations and real estate. In 2013, the company's printing facilities used approximately 24,900 (26,400) tonnes of newsprint. Alma Media used 16,333 (16,696) MWh of electric power in 2013. Additional information on the company's Sustainable Media programme is available on the Alma Media website.

Events after the review period

Due to the performance being weaker than expected, Alma Media launched streamlining measures in Alma Regional Media in April. The statutory employee negotiations concern a plan to seek cost savings. The negotiations aim to achieve annual savings of MEUR 1.5. The negotiations will not concern terminations of employment.

In addition, Alma Media commenced statutory employee negotiations in the Group's financial administration in April. The negotiations aim to centralise financial administration services in Tampere. The negotiations concern the whole personnel of financial administration, and as a result of the restructuring, the number of personnel may decrease by a maximum of 11 persons.

Next interim report

Alma Media will publish its financial results for the second quarter 2014 on Friday, 18 July 2014 at 9:00am (EEST).

ALMA MEDIA CORPORATION
Board of Directors

SUMMARY OF INTERIM REPORT AND NOTES

COMPREHENSIVE INCOME STATEMENT MEUR	2014 Q1	2013 Q1	Change %	2013 Q1-Q4
REVENUE	72.7	74.9	-2.9	300.2
Other operating income	0.9	0.1	558.3	9.2
Materials and services	18.7	20.1	-7.0	79.6
Employee benefits expense	31.5	30.4	3.7	119.4
Depreciation, amortization and impairment	3.6	2.6	40.8	18.3
Other operating expenses	16.5	16.5	0.1	65.1
OPERATING PROFIT	3.2	5.4	-40.7	27.0
Finance income	0.1	0.4	-74.0	1.9
Finance expenses	0.8	0.6	26.8	2.4
Share of profit of associated companies	0.1	0.2	-34.8	-4.1
PROFIT BEFORE TAX	2.7	5.4	-50.8	22.4
Income tax	0.5	1.4	-61.5	6.4
PROFIT FOR THE PERIOD	2.2	4.1	-47.3	16.0
OTHER COMPREHENSIVE INCOME:				
Items that are not later be transferred to be recognised through profit or loss				
Items arising due to the redefinition of net defined benefit liability (or asset item)	0.0	0.0		-0.0
Tax on items that not later transferred to be recognised through profit and loss	0.0	0.0		0.0
Items that may later be transferred to be recognised through profit or loss				
Translation differences	0.1	0.0		-0.8
Share of other comprehensive income of associated companies	-0.1	0.3		-0.4
Income tax relating to components of other comprehensive income	0.0	0.0		0.0
Other comprehensive income for the year. net of tax	0.0	0.3		-1.2
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2.1	4.4		14.8
Profit for the period attributable to:				
- Owners of the parent	1.7	3.8		15.0
- Non-controlling interest	0.4	0.3		0.9
Total comprehensive income for the period attributable to:				
- Owners of the parent	1.7	4.1		13.9
- Non-controlling interest	0.4	0.3		0.9
Earnings per share calculated from the profit for the period attributable to the parent company shareholders				
- Earnings per share (basic). EUR	0.02	0.05		0.20
- Earnings per share (diluted). EUR	0.02	0.05		0.20

BALANCE SHEET MEUR	31 Mar 2014	31 Mar 2013	31 Dec 2013
ASSETS			
NON-CURRENT ASSETS			
Goodwill	72.8	74.4	70.7
Other intangible assets	42.1	43.6	42.2
Tangible assets	84.8	85.6	86.3
Investments in associated companies	25.5	31.7	25.5
Other non-current financial assets	3.8	5.0	3.8
Deferred tax assets	1.5	0.9	1.5
CURRENT ASSETS			
Inventories	1.2	0.9	1.4
Current tax assets	0.0	2.1	0.0
Trade receivable and other receivables	29.1	29.2	27.0
Other current financial assets	0.0	0.0	2.0
Cash and cash equivalents	13.9	15.7	12.3
TOTAL ASSETS	274.7	289.0	272.8

MEUR	31 Mar 2014	31 Mar 2013	31 Dec 2013
EQUITY AND LIABILITIES			
Share capital	45.3	45.3	45.3
Share premium reserve	7.7	7.7	7.7
Foreign currency translation reserve	-0.5	0.2	-0.6
Retained earnings	26.4	24.6	35.6
Equity attributable to owners of the parent	78.9	77.9	88.1
Non-controlling interest	14.4	1.9	2.3
TOTAL EQUITY	93.3	79.8	90.4
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	77.2	70.6	69.7
Deferred tax liabilities	6.8	7.5	7.0
Pension obligations	2.6	2.8	2.6
Provisions	0.0	0.1	0.0
Other financial liabilities	0.0	0.4	0.0
Other non-current liabilities	0.4	0.4	0.4
CURRENT LIABILITIES			
Current financial liabilities	19.5	48.2	40.8
Advances received	24.6	26.6	13.7
Income tax liability	0.8	0.0	1.5
Provisions	4.1	0.3	4.2
Trade and other payables	45.4	52.4	42.4
TOTAL LIABILITIES	181.3	209.3	182.3
TOTAL EQUITY AND LIABILITIES	274.7	289.0	272.8

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

Column headings:
A = Share capital
B = Share premium reserve
C = Translation differences
D = Retained earnings
E = Total
F = Non-controlling interest
G = Equity total

	Attributable to equity holders of the Parent Company						
MEUR	A	B	C	D	E	F	G
Equity on 1 Jan 2014	45.3	7.7	-0.6	35.6	88.1	2.3	90.4
Profit for the period				1.7	1.7	0.4	2.2
Other comprehensive income			0.1	-0.1	0.0	0.0	0.0
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						-0.5	-0.5
Share-based payments				0.1	0.1	0.0	0.1
Excercised share options							
Business combinations				-3.5	-3.5	12.1	8.6
Equity on 31 Mar 2014	45.3	7.7	-0.5	26.4	78.9	14.4	93.3

MEUR	A	B	C	D	E	F	G
Equity on 1 Jan 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
Equity on 31 Mar 2013	45.3	7.7	0.2	24.6	77.9	1.9	79.8

CASH FLOW STATEMENT MEUR	2014 Q1	2013 Q1	2013 Q1-Q4
OPERATING ACTIVITIES			
Profit for the period	2.2	4.1	16.0
Adjustments	3.7	4.3	25.4
Change in working capital	12.9	10.9	-11.8
Dividends received	0.0	0.2	1.3
Interest received	0.0	0.0	0.1
Interest paid and other finance expenses	-0.6	-0.5	-1.8
Income taxes paid	-1.5	-2.3	-4.7
Net cash flow from operating activities	16.7	16.7	24.4
INVESTING ACTIVITIES			
Acquisitions of tangible and intangible assets	-1.1	-1.9	-6.2
Proceeds from sale of tangible and intangible assets	0.0	0.0	0.0
Other investments	0.0	0.0	0.0
Proceeds from sale of other investments	0.0	0.1	0.1
Acquisition of subsidiaries	0.4	0.0	-2.6
Acquisition of associated companies	-0.5	0.0	0.0
Proceeds from sale of subsidiaries	8.8	0.0	10.5
Proceeds from sale and repayment of capital of associated companies	0.0	0.0	0.4
Net cash flows from / (used in) investing activities	7.6	-1.8	2.3
Cash flow before financing activities	24.3	14.9	26.7
FINANCING ACTIVITIES			
Proceeds from exercise of share options	0.0	0.0	0.0
Current loans taken	69.0	0.0	143.5
Repayment of current loans	-83.7	-7.6	-166.0
Change in interest-bearing receivables	0.0	0.0	0.0
Dividends paid	-8.1	-8.7	-8.7
Net cash flows from / (used in) financing activities	-22.7	-16.3	-31.2
Change in cash and cash equivalent funds (increase + / decrease -)	1.6	-1.4	-4.5
Cash and cash equivalents at beginning of period	12.3	17.1	17.1
Effect of change in foreign exchange rates	0.0	-0.1	-0.3
Cash and cash equivalents at end of period	13.9	15.7	12.3

Acquired businesses in 2014

Alma Media has acquired the following business operations during 2014:

	Business	Acquisition date	Group share
Digital Consumer Services segment			
Monster HU	Online service	3 Jan, 2014	85%
Monster PL	Online service	3 Jan, 2014	85%
Monster CZ	Online service	3 Jan, 2014	85%
Alma Career Oy (formerly Monster Oy)	Online service	3 Jan, 2014	10%

In connection with the arrangement, the name of Monster Oy, an Alma Media associated company, changes into Alma Career Oy, with Monster Worldwide, Inc. becoming its minority shareholder with a 15-per cent stake. For this share of the company, Monster Worldwide, Inc. transferred its recruitment service operations in Poland, Hungary and Czech Republic to the new company, as well as purchased shares in the company for MEUR 4.7. Alma Media transferred a 15-per cent share of its recruitment operations, including LMC in Czech Republic, CVOnline in the Baltics, Profesia in Slovakia and Czech Republic, and TauOnline in Slovakia. After the transaction, Alma Media Group's ownership of the new companies is 85%. Monster Worldwide, Inc. has an option to increase its ownership to 20% by 2017. Monster Worldwide, Inc. used to own 25% of the Monster business in Finland, and Alma Media 75%.

In its Financial Statements, Alma Media presented a preliminary acquisition cost calculation for the arrangement, according to which the value of the minority shares transferred was based on Alma Media Group's book values. In the final recognition of the arrangement, the value of the minority share was determined based on fair values. The tables below show how the arrangement affected the balance sheet of Alma Media Group.

MEUR	
Fair value share of disposed businesses (Increase of Non-Controlling interest)	12.2
Consideration, settled in cash	-4.7
Consideration total	7.5

Monster Hu. Monster PL and Monster CZ

MEUR	Book values before consolidation	Fair values at the consolidation
Property, plant and equipment	0.3	0.3
Intangible assets	0.0	1.0
Trade and other receivables	0.5	0.5
Cash and cash equivalents	0.3	0.3
Assets, total	1.1	2.1
Deferred tax liabilities	0.0	0.2
Trade and other payables	0.7	0.7
Liabilities. total	0.7	0.8
Total identifiable net assets at fair value 100 %	0.5	1.3
Total identifiable net assets at fair value 85 %	0.4	1.1
Cash and cash equivalents of acquired subsidiaries or businesses		0.3
Goodwill arising on acquisition		3.2
Goodwill*) arising on Acquisition of Alma Career Oy (10 %) is booked to adjustment of retained earnings		3.1

**) amount recognized directly in equity of controlling interest which the non-controlling interests adjustment differs from the fair value of the consideration received.*

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 2010–2013. The fair values are the estimated final considerations discounted to the present date.

CONTINGENT CONSIDERATION ASSETS MEUR	
Initial recognition of the assets	8.4
Change in fair value during previous financial periods	-0.5
Considerations. settled in cash	-7.9
Change in fair value during the financial period	0.1
Fair value of the contingent consideration assets at the end of the period	0.0

CONTINGENT CONSIDERATION LIABILITY MEUR	
Initial recognition of the liability	6.7
Change in fair value during previous financial periods	-4.3
Considerations. settled in cash	-2.2
Change in fair value during the financial period	0.0
Fair value of the contingent consideration liability at the end of the period	0.3

Information by segment

REVENYE BY GEOGRAPHICAL AREA MEUR	2014 Q1	2013 Q1	2013 Q1-Q4
Finland	61.9	63.9	259.2
Other EU countries	10.6	10.4	39.7
Other countries	0.2	0.6	1.3
Total	72.7	74.9	300.2

The business segments of Alma Media are Digital Consumer Services, Financial Media and Business Services, National Consumer Media and Regional Media. 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 shows the assets and liabilities by segment, as well as the non-allocated asset and liability items.

ASSETS BY SEGMENT MEUR	31 Mar 2014	31 Mar 2013	31 Dec 2013
Digital Consumer Services	95.1	83.1	90.6
Financial Media and Business Services	37.0	37.8	36.7
National Consumer Media	4.9	5.7	5.1
Regional Media	99.4	110.0	102.4
Segments total	236.3	236.7	234.8
Non-allocated assets and eliminations	38.3	52.4	38.0
Total	274.7	289.0	272.8

LIABILITIES BY SEGMENT MEUR	31 Mar 2014	31 Mar 2013	31 Dec 2013
Digital Consumer Services	15.3	13.7	13.2
Financial Media and Business Services	11.0	13.0	9.9
National Consumer Media	4.7	6.0	5.2
Regional Media	110.7	113.4	100.6
Segments total	141.7	146.2	128.8
Non-allocated liabilities and eliminations	39.7	63.0	53.5
Total	181.3	209.3	182.3

CAPITAL EXPENDITURE BY SEGMENT MEUR	2014 Q1	2013 Q1	2013 Q1-Q4
Digital Consumer Services	8.4	0.0	2.0
Financial Media and Business Services	0.3	0.1	0.8
National Consumer Media	0.1	0.1	0.2
Regional Media	0.3	45.5	52.0
Segments total	9.1	45.6	55.0
Non-allocated liabilities and eliminations	0.3	1.3	7.9
Total	9.4	46.9	62.8

Provisions

The company's provisions totalled MEUR 4.1 (0.4) on 31 March 2014. It has not been necessary to change the estimates made when the provisions were entered.

COMMITMENTS AND CONTINGENCIES MEUR	31 Mar 2014	31 Mar 2013	31 Dec 2013
Collateral for others			
Guarantees	1.3	1.3	1.3
Minimum lease payments on other lease agreements:			
Within one year	8.6	8.4	8.8
Within 1-5 years	26.9	25.0	27.4
After 5 years	36.1	33.0	37.6
Total	71.6	66.4	73.7
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:	0.4	1.3	0.8

DERIVATIVE CONTRACTS MEUR	31 Mar 2014	31 Mar 2013	31 Dec 2013
Commodity derivate contracts, electricity derivatives			
Fair value*	-0.1	-0.1	-0.1
Nominal value	0.6	0.7	0.6
Interest rate derivatives			
Fair value*	-0.3	-0.4	-0.2
Nominal value	15.8	24.0	15.9

* *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	2014 Q1	2013 Q1	2013 Q1-Q4
Sales of goods and services	0.2	0.1	0.4
Associated companies	0.1	0.0	0.1
Principal shareholders	0.0	0.0	0.2
Corporations where management exercises influence	0.0	0.0	0.1
Purchases of goods and services	0.7	0.7	3.2
Associated companies	0.6	0.7	3.0
Principal shareholders	0.0	0.0	0.1
Corporations where management exercises influence	0.0	0.0	0.1
Trade receivable. loan and other receivables at the end of reporting period	0.1	0.0	0.0
Associated companies	0.1	0.0	0.0
Trade payable at the reporting date	0.1	0.0	0.0
Associated companies	0.1	0.0	0.0

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 were issued under the 2009A programme. The share subscription period for 2009A is 1 April 2012–31 March 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 2014. Until 31 March 2014, 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 1 April 2013–31 March 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 2014. Until 31 March 2014, no share subscriptions were made through 2009B option rights.

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

If all the subscription rights are exercised, the option programme 2009 will dilute the holdings of the earlier shareholders by 2.0% maximum.

Share-based incentive plan

In February 2012, the Board of Directors of Alma Media Corporation approved 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 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 31

December 2014 for the shares earned from the performance period 2012; on 31 December 2015 for the shares earned from the performance period 2013; and on 31 December 2016 for the shares earned from the performance period 2014.

No reward will be paid to a key employee if a Group company or the key employee give notice of termination or terminate an employment contract or a service contract of the key employee before the payment of the reward. The key employee must return the shares received as reward and under transfer restrictions immediately without consideration to the company or another party assigned by the company if a Group company or the key employee give notice of termination or terminate an employment contract or a service contract of the key employee before the end of the restriction period. Shares earned from the performance period 2012–2014 do not involve a restriction period.

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.

During the first performance period, 2012, approximately 20 persons were included in the Performance Share Plan, and during the next performance period, 2013, approximately 24 persons. The value of the plan during the performance period 2012 corresponded to the value of 120,000 shares and a cash amount needed for taxes and tax-related costs arising from the reward to the key employees if the performance objectives set by the Board of Directors are reached. The performance objectives were not reached for the performance period 2012. The value of the plan during the performance period 2013 corresponded to the value of 117,000 shares and a cash amount needed for taxes and tax-related costs arising from the reward to the key employees if the performance objectives set by the Board of Directors are reached. In addition, for the members of the Group Executive Team, the plan 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 (performance period 2012–2014) and two years (performance period 2012–2014 II) from the end of the performance period. The value of the plan during the performance periods 2012–2014 and 2012–2014 II corresponds to the value of 212,000 shares and a cash amount needed for taxes and tax-related costs arising from the reward to the key employees if the performance objectives set by the Board of Directors are reached.

The fair value of the reward is expensed until the target group is entitled to the reward and the shares are freely transferable. The fair value of the share is the share price reduced by the estimated dividends. The fair value is determined on the date at which the target group has agreed to the conditions of the plan. The fair value of the cash proportion is remeasured at each reporting date based on the share price on the reporting date. No expenses were recorded from the Performance Share Plan during the financial period 2013 as the arrangement is not expected to realise.

QUARTERLY INFORMATION MEUR	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1
Revenue									
Digital Consumer Services	13.6	12.9	12.3	13.4	14.1	13.1	12.2	12.6	14.0
Financial Media and Business Services	13.7	15.4	13.1	14.4	14.0	16.1	13.2	14.9	14.8
National Consumer Media	11.5	12.4	12.2	12.4	12.0	13.4	13.3	14.5	13.3
Regional Media	35.1	38.2	35.1	37.2	36.6	42.4	38.7	41.9	41.8
Eliminations and non-allocated	-1.3	-1.6	-1.0	-1.0	-1.8	-2.2	-2.2	-2.8	-2.8
REVENUE	72.7	77.3	71.7	76.3	74.9	82.7	75.2	81.0	81.1
Total expenses excluding non-recurring items									
Digital Consumer Services	11.5	11.5	10.1	10.5	11.3	12.0	10.0	11.3	11.1
Financial Media and Business Services	12.4	12.8	10.9	12.7	12.7	13.8	11.5	13.8	13.3
National Consumer Media	10.4	11.3	10.4	11.4	11.2	11.7	11.4	11.8	11.8
Regional Media	35.0	34.6	32.4	35.9	34.5	35.5	34.5	37.1	36.6
Eliminations and non-allocated	1.2	0.7	0.3	1.4	-0.1	1.3	-1.0	-0.6	-0.1
TOTAL EXPENSES EXCLUDING NON-RECURRING ITEMS	70.4	70.9	64.1	71.9	69.6	74.4	66.4	73.4	72.8
Operating profit excluding non-recurring items									
Digital Consumer Services	2.2	1.5	2.2	2.9	2.8	1.1	2.2	1.4	2.9
Financial Media and Business Services	1.4	2.6	2.2	1.7	1.3	2.3	1.7	1.1	1.5
National Consumer Media	1.1	1.1	1.8	0.9	0.9	1.7	1.9	2.7	1.5
Regional Media	0.2	3.6	2.7	1.3	2.1	6.9	4.3	4.8	5.3
Eliminations and non-allocated	-2.4	-2.3	-1.3	-2.2	-1.6	-3.5	-1.2	-2.3	-2.8
OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS	2.5	6.5	7.8	4.6	5.5	8.5	8.9	7.7	8.5
% of revenue									
Digital Consumer Services	16.2	11.3	18.2	21.6	19.9	8.6	17.8	11.0	20.7
Financial Media and Business Services	9.9	16.7	16.9	12.0	9.6	14.2	12.9	7.1	10.2
National Consumer Media	9.8	8.8	15.1	7.4	7.2	12.7	14.2	18.6	11.5
Regional Media	0.6	9.5	7.8	3.5	5.7	16.3	11.0	11.5	12.6
Non-allocated	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
% OF REVENUE	3.4	8.4	10.8	6.0	7.3	10.3	11.8	9.5	10.4
Non-recurring items									
Digital Consumer Services	0.0	-0.1	0.0	8.4	0.0	-0.1	-0.5	-0.3	-1.6
Financial Media and Business Services	0.7	0.0	0.0	0.0	0.0	-0.9	-0.1	0.0	0.0
National Consumer Media	0.0	0.0	0.0	-0.3	0.0	0.0	0.0	0.0	0.0
Regional Media	0.0	-2.0	0.0	-3.1	-0.0	0.3	-0.1	-2.6	-0.5
Non-allocated	0.0	-0.2	0.0	0.0	0.0	-0.1	0.0	0.0	-0.3
NON-RECURRING ITEMS	0.7	-2.2	0.0	4.9	0.0	-0.9	-0.7	-2.9	-2.5
Operating profit									
Digital Consumer Services	2.2	1.4	2.2	11.3	2.8	1.0	1.7	1.1	1.3
Financial Media and Business Services	2.1	2.6	2.2	1.7	1.3	1.4	1.6	1.1	1.5
National Consumer Media	1.1	1.1	1.8	0.9	0.9	1.7	1.9	2.7	1.5
Regional Media	0.2	1.7	2.7	-2.2	2.0	7.2	4.2	2.2	4.7
Non-allocated	-2.4	-2.4	-1.3	-2.2	-1.6	-3.7	-1.2	-2.3	-3.1
OPERATING PROFIT	3.2	4.3	7.8	9.5	5.4	7.6	8.1	4.8	6.0
Finance income	0.1	0.5	0.9	0.5	0.4	1.0	3.1	0.7	0.0
Finance expenses	0.8	0.7	0.8	0.5	0.6	0.9	0.6	0.3	1.7
Share of profit of associated companies	0.1	-4.4	-0.2	0.2	0.2	-3.9	-0.2	0.3	-0.5
PROFIT BEFORE TAX	2.7	-0.3	7.7	9.5	5.4	3.8	10.5	5.6	3.8
Income tax	-0.5	-1.7	-1.8	-1.6	-1.4	-1.7	-2.4	-1.1	-1.1
PROFIT FOR THE PERIOD	2.2	-2.0	5.9	7.9	4.1	2.1	8.1	4.5	2.7

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 31 December 2013. 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 2013. The accounting principles of the financial years 2013 and 2014 are comparable. The company has no discontinued operations to report in the 2013–2014 financial periods.

The key indicators are calculated using the same formula 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 percentage of online business of revenue is calculated online business/revenue * 100. The figures in this interim report are independently rounded.

The Group has adopted the following new standards as of 1 January 2014:

IFRS 10 Consolidated Financial Statements
IFRS 11 Joint Arrangements
IFRS 12 Disclosure of Interests in Other Entities
IAS 28 (revised in 2011) Investments in Associates and Joint Ventures
IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities, amended
IAS 36 Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets, amended
IAS 39 Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting, amended

The figures in this interim report are unaudited.

Seasonality

The Group recognises its content revenue from publishing activities as paid. For this reason, circulation 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 operations is strongest early in the year. 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.

ALMA MEDIA CORPORATION
Board of Directors

Alma Media's financial calendar 2014

- Interim report January–June 2014 on Friday, 18 July 2014 at approximately 9:00am (EEST)
- Interim report January–September 2014 on Friday, 24 October 2014 at approximately 9:00am (EEST)

REVENUE AND OPERATING PROFIT BY SEGMENT IN THE NEW SEGMENT STRUCTURE

REVENUE BY SEGMENT 2013 MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Digital Consumer Services					
External	14.0	13.3	12.2	12.5	52.0
Inter-segments	0.1	0.1	0.1	0.3	0.6
Digital Consumer Services total	14.1	13.4	12.3	12.9	52.6
Financial Media and Business Services					
External	13.8	14.2	13.0	15.2	56.3
Inter-segments	0.2	0.1	0.1	0.2	0.6
Financial Media and Business Services total	14.0	14.4	13.1	15.4	56.8
National Consumer Media					
External	11.9	12.2	12.0	12.0	48.0
Inter-segments	0.1	0.2	0.2	0.4	0.9
National Consumer Media total	12.0	12.4	12.2	12.4	49.0
Regional Media					
External	34.4	35.7	33.7	36.1	139.9
Inter-segments	2.1	1.5	1.5	2.1	7.2
Regional Media total	36.6	37.2	35.1	38.2	147.1
Non-allocated and eliminations	-1.8	-1.0	-1.0	-1.6	-5.3
Total	74.9	76.3	71.7	77.3	300.2

OPERATING PROFIT/LOSS BY SEGMENT 2013* MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Digital Consumer Services	2.8	11.3	2.2	1.4	17.7
Financial Media and Business Services	1.3	1.7	2.2	2.6	7.8
National Consumer Media	0.9	0.9	1.8	1.1	4.7
Regional Media	2.0	-2.2	2.7	1.7	4.3
Segments total	7.1	11.7	9.0	6.7	34.5
Non-allocated	-1.6	-2.2	-1.3	-2.4	-7.5
Total	5.4	9.5	7.8	4.3	27.0

* *Including non-recurring items.*

REVENUE AND OPERATING PROFIT BY SEGMENT IN THE OLD SEGMENT STRUCTURE

REVENUE BY SEGMENT 2013 MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Newspapers					
External	45.1	46.7	44.5	46.9	183.1
Inter-segments	0.5	0.6	0.6	0.8	2.5
Newspapers total	45.6	47.3	45.1	47.7	185.6
Kauppalehti Group					
External	13.8	14.2	13.0	15.2	56.3
Inter-segments	0.2	0.1	0.1	0.2	0.6
Kauppalehti Group total	14.0	14.4	13.1	15.4	56.8
Digital consumer services					
External	14.3	13.6	12.6	13.3	53.8
Inter-segments	0.6	0.6	0.3	0.5	2.1
Digital consumer services total	14.9	14.2	13.0	13.8	55.9

Other operations					
External	1.7	1.8	1.7	1.9	7.1
Inter-segments	20.0	19.4	19.2	19.7	78.4
Other operations total	21.7	21.2	20.9	21.6	85.4
Elimination	-21.3	-20.7	-20.3	-21.2	-83.5
Total	74.9	76.3	71.7	77.3	300.2

OPERATING PROFIT/LOSS BY SEGMENT 2013*	2013	2013	2013	2013	2013
MEUR	Q1	Q2	Q3	Q4	Q1-Q4
Newspapers	2.0	3.1	4.3	2.1	11.5
Kauppalehti Group	1.3	1.7	2.2	2.6	7.8
Digital consumer services	2.7	10.9	1.9	0.7	16.2
Other operations	-0.5	-6.2	-0.6	-1.2	-8.5
Total	5.4	9.5	7.8	4.3	27.0

* *Including non-recurring items.*

KEY FIGURES BY SEGMENT IN THE NEW SEGMENT STRUCTURE

Digital Consumer Services	2013	2013	2013	2013	2013
MEUR	Q1	Q2	Q3	Q4	Q1-Q4
Revenue	14.1	13.4	12.3	12.9	52.6
Operations in Finland	5.9	5.8	5.2	5.6	22.5
Operations outside Finland	8.2	7.5	7.1	7.2	30.0
Operating profit excluding non-recurring items	2.8	2.9	2.2	1.5	9.4
Operating margin excluding non-recurring items, %	19.9	21.6	18.2	11.3	17.8
Operating profit	2.8	11.3	2.2	1.4	17.7
Operating margin, %	19.9	84.2	18.2	10.9	33.6
Average no. of personnel. calculated as full-time employees	592	526	504	492	492

Financial Media and Business Services	2014	2013	2014	2013	2013
MEUR	Q1	Q2	Q3	Q4	Q1-Q4
Revenue	14.0	14.4	13.1	15.4	56.8
Content revenue	4.2	4.1	4.2	4.4	16.8
Advertising revenue	3.9	4.1	3.6	4.7	16.2
Service revenue	6.0	6.2	5.3	6.3	23.8
Operating profit excluding non-recurring items	1.3	1.7	2.2	2.6	7.8
Operating margin excluding non-recurring items, %	9.6	12.0	16.9	16.7	13.8
Operating profit	1.3	1.7	2.2	2.6	7.8
Operating profit, %	9.6	12.0	16.9	16.7	13.8
Average no. of personnel, calculated as full-time employees	403	406	400	398	402

National Consumer Media MEUR	2014 Q1	2013 Q2	2014 Q3	2013 Q4	2013 Q1-Q4
Revenue	12.0	12.4	12.2	12.4	49.0
Operating profit excluding non-recurring items	0.9	0.9	1.8	1.1	4.7
Operating margin excluding non-recurring items, %	7.2	7.4	15.1	8.8	9.6
Operating profit	0.9	0.9	1.8	1.1	4.7
Operating profit, %	7.2	7.4	15.1	8.8	9.6
Average no. of personnel. calculated as full-time employees	153	160	163	160	160

Regional Media MEUR	2014 Q1	2013 Q2	2014 Q3	2013 Q4	2013 Q1-Q4
Revenue	36.6	37.2	35.1	38.2	147.1
Content revenue	17.0	16.6	17.1	16.9	67.6
Advertising revenue	16.0	17.7	15.1	17.7	66.5
Service revenue	3.6	2.9	2.9	3.6	13.0
Operating profit excluding non-recurring items	2.1	1.3	2.7	3.6	9.8
Operating profit excluding non-recurring items, %	5.7	3.5	7.8	9.5	6.6
Operating profit	2.0	-2.2	2.7	1.7	4.3
Operating profit, %	5.6	-5.9	7.8	4.4	2.9
Average no. of personnel. calculated as full-time employees excl. delivery staff	814	804	803	786	786
Average no. of delivery staff *	985	974	1011	998	998

KEY FIGURES BY SEGMENT IN THE OLD SEGMENT STRUCTURE

Newspapers MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Revenue	45.6	47.3	45.1	47.7	185.6
Content revenue	25.0	24.2	25.0	24.3	98.5
Advertising revenue	19.9	22.3	19.4	22.2	83.9
Service revenue	0.6	0.8	0.7	1.1	3.2
Operating profit excluding non-recurring items	2.0	3.1	4.3	4.0	13.5
Operating profit excluding non-recurring items, %	4.4	6.5	9.6	8.5	7.2
Operating profit	2.0	3.1	4.3	2.1	11.5
Operating profit, %	4.4	6.5	9.6	4.4	6.2
Average no. of personnel. calculated as full-time employees excl. delivery staff	758	819	839	752	792
Average no. of delivery staff *	99	96	92	80	84

Kauppalehti Group MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Revenue	14.0	14.4	13.1	15.4	56.8
Content revenue	4.2	4.1	4.2	4.4	16.8
Advertising revenue	3.9	4.1	3.6	4.7	16.2
Service revenue	6.0	6.2	5.3	6.3	23.8
Operating profit excluding non-recurring items	1.3	1.7	2.2	2.6	7.8
Operating margin excluding non-recurring items, %	9.6	12.0	16.9	16.7	13.8
Operating profit	1.3	1.7	2.2	2.6	7.8
Operating profit, %	9.6	12.0	16.9	16.7	13.8
Average no. of personnel. calculated as full-time employees	403	406	400	398	402

Digital Consumer Services MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Revenue	14.9	14.2	13.0	13.8	55.9
Operations in Finland	6.8	6.7	5.9	6.5	25.9
Operations outside Finland	8.2	7.5	7.1	7.2	30.0
Operating profit excluding non-recurring items	2.7	2.6	1.9	0.8	7.9
Operating margin excluding non-recurring items, %	18.1	18.0	14.5	5.4	14.1
Operating profit	2.7	10.9	1.9	0.7	16.2
Operating profit, %	18.1	76.8	14.5	5.0	29.0
Average no. of personnel. calculated as full-time employees	511	490	491	495	497

Other operations MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Revenue	21.7	21.2	20.9	21.6	85.4
Operating profit excluding non-recurring items	-0.5	-2.7	-0.6	-1.2	-5.0
Operating margin excluding non-recurring items, %	-2.4	-12.7	-3.0	-5.5	-5.9
Operating profit	-0.5	-6.2	-0.6	-1.2	-8.5
Operating profit, %	-2.4	-29.0	-3.0	-5.7	-10.0
Average no. of personnel. calculated as full-time employees	331	264	255	249	275

ASSETS. LIABILITIES AND CAPITAL EXPENDITURE BY SEGMENT IN THE NEW SEGMENT STRUCTURE

ASSETS BY SEGMENT MEUR	31 Mar 2013	30 Jun 2013	30 Sep 2013	31 Dec 2013
Digital Consumer Services	83.1	80.0	78.7	90.6
Financial Media and Business Services	37.8	37.0	37.1	36.7
National Consumer Media	5.7	5.1	4.4	5.1
Regional Media	110.0	110.9	110.1	102.4
Segments total	236.7	232.9	230.3	234.8
Non-allocated assets	52.4	53.3	51.4	38.0
Total	289.0	286.2	281.8	272.8

LIABILITIES BY SEGMENT MEUR	31 Mar 2013	30 Jun 2013	30 Sep 2013	31 Dec 2013
Digital Consumer Services	13.7	13.3	13.1	13.2
Financial Media and Business Services	13.0	12.3	11.3	9.9
National Consumer Media	6.0	5.0	4.2	5.2
Regional Media	113.4	110.4	104.8	100.6
Segments total	146.2	141.1	133.4	128.8
Non-allocated liabilities and eliminations	63.0	58.3	55.4	53.5
Total	209.3	199.4	188.8	182.3

CAPITAL EXPENDITURE BY SEGMENT MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Digital Consumer Services	0.0	0.3	0.3	1.3	2.0
Financial Media and Business Services	0.1	0.2	0.2	0.3	0.8
National Consumer Media	0.1	0.1	0.0	0.0	0.2
Regional Media	45.5	5.6	0.6	0.3	52.0
Segments total	45.6	6.2	1.2	2.0	55.0
Non-allocated	1.3	4.2	1.5	0.8	7.9
Total	46.9	10.4	2.6	2.8	62.8

ASSETS. LIABILITIES AND CAPITAL EXPENDITURE BY SEGMENT IN THE OLD SEGMENT STRUCTURE

ASSETS BY SEGMENT MEUR	31 Mar 2013	30 Jun 2013	30 Sep 2013	31 Dec 2013
Newspapers	39.1	39.0	38.6	32.4
Kauppalehti Group	37.8	37.0	37.1	36.7
Digital consumer services	83.3	80.4	79.1	91.2
Other operations	96.1	100.6	100.7	98.8
Non-allocated assets	32.7	29.2	26.2	13.7
Total	289.0	286.2	281.8	272.8

LIABILITIES BY SEGMENT MEUR	31 Mar 2013	30 Jun 2013	30 Sep 2013	31 Dec 2013
Newspapers	39.6	32.7	26.9	24.8
Kauppalehti Group	12.8	12.1	11.1	9.7
Digital consumer services	15.6	15.3	15.0	14.9
Other operations	85.7	86.3	84.9	84.5
Non-allocated liabilities and eliminations	55.5	53.0	50.9	48.4
Total	209.3	199.4	188.8	182.3

CAPITAL EXPENDITURE BY SEGMENT MEUR	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2013 Q1-Q4
Newspapers	0.2	1.8	0.2	0.3	2.6
Kauppalehti Group	0.1	0.2	0.2	0.3	0.8
Digital consumer services	0.0	0.3	0.3	1.3	2.0
Other operations	46.6	8.1	1.9	0.8	57.4
Total	46.9	10.4	2.6	2.8	62.8