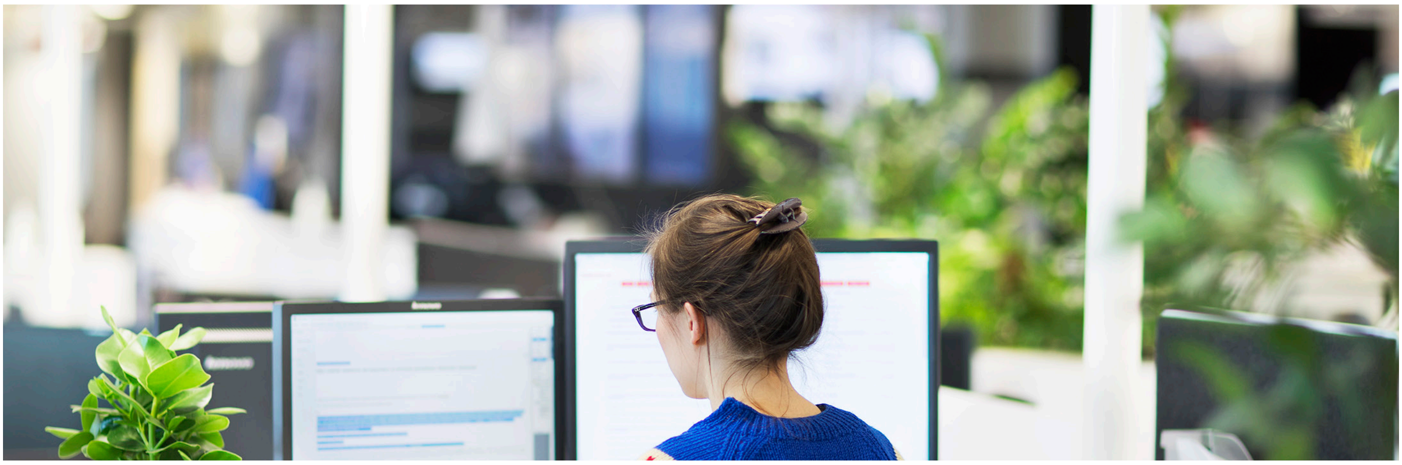


Alma Media Corporation

Q1 Interim Report

25 April 2018

Alma Media Corporation   Interim Report   25 April 2018 at 8:00 a.m. (EEST)

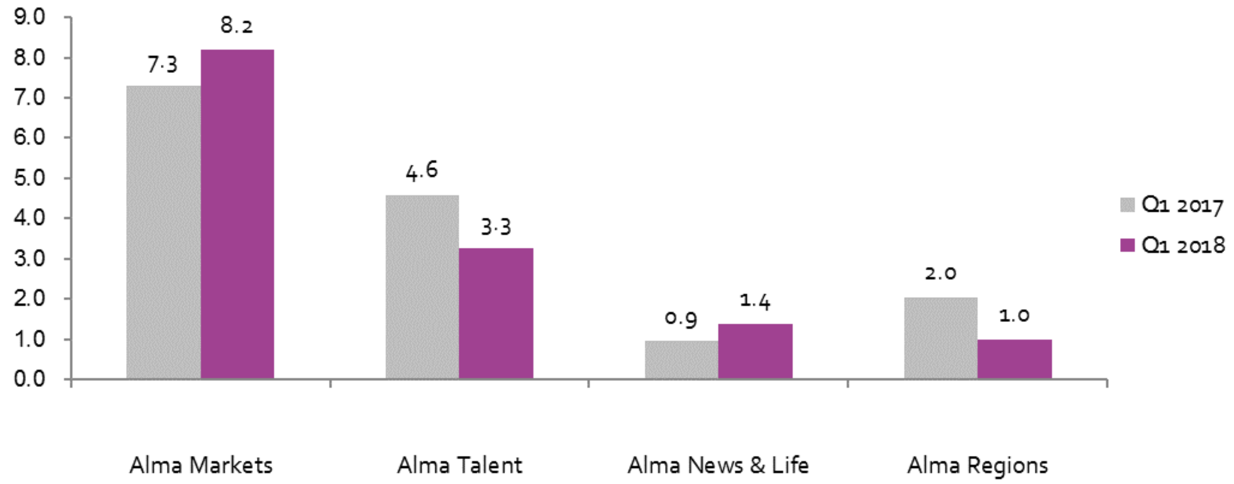
Alma Media's Interim Report January–March 2018:

Revenue and adjusted operating profit at the previous year's level in the first quarter

Financial performance January–March 2018:

- Revenue MEUR 92.2 (90.5), up 1.8 %.
- Adjusted operating profit MEUR 12.2 (12.6), or 13.2 % (13.9 %) of revenue, down 3.0 %.
- Operating profit MEUR 12.9 (11.4), or 14.0 % (12.6 %) of revenue, up 13.2 %.
- Earnings per share EUR 0.11 (0.09).
- Alma Markets: The result improved despite investments in new business areas
- Alma Talent: The result was weighed down by declining advertising revenue and the segment's Swedish business
- Alma News & Life: Digital advertising remained at a record-high level
- Alma Regions: Profitability was reduced by lower advertising revenue

Business segments' adjusted operating profit, January–March, MEUR
(excludes non-allocated functions)



KEY FIGURES MEUR	2018 Q1	2017 Q1	Change %	2017 Q1–Q4
Revenue	92.2	90.5	1.8	367.3
Content revenue	31.0	32.1	-3.4	125.8
Content revenue, print	26.7	28.0	-4.7	109.3
Content, digital	4.3	4.1	5.5	16.5
Advertising revenue*)	46.3	44.3	4.6	185.8
Advertising revenue, print	13.9	15.7	-11.3	62.8
Sales of advertising, digital	31.9	28.0	13.6	120.5
Service revenue*)	14.8	14.2	4.8	55.7
Adjusted total expenses	80.1	78.0	2.6	320.8
Adjusted EBITDA	16.4	16.6	-1.1	67.4
EBITDA	17.1	15.4	11.1	66.9
Adjusted operating profit	12.2	12.6	-3.0	51.1
% of revenue	13.2	13.9		13.9
Operating profit/loss	12.9	11.4	13.2	46.6
% of revenue	14.0	12.6		12.7
Profit for the period	10.4	8.9	17.4	36.7
Earnings per share, EUR (undiluted and basic)	0.11	0.09	16.0	0.39
Digital business revenue	41.7	37.1	12.2	156.6
Digital business, % of revenue	45.2	41.0		42.6

*) Comparison data has been adjusted between advertising revenue and service revenue

Operating environment in 2018

The Finnish economy is expected to experience strong growth in 2018. Alma Media's significant operating countries in Eastern Central Europe, such as the Czech Republic and Slovakia, are expected to see economic growth of 3–4%. The structural transformation of the media will continue in 2018; online content sales will grow, while the demand for print media will decline.

Outlook for 2018 (Unchanged)

In 2018, Alma Media expects its full-year revenue to remain at the previous year's level and its adjusted operating profit to increase from the 2017 level. The full-year revenue for 2017 was MEUR 367.3, and the adjusted operating profit was MEUR 51.1.

Market situation in the main markets

According to Kantar TNS, the total advertising volume in Finland decreased by 2.3% (4.7%) in January–March 2018, while advertising in online media increased in Finland by 6.9% (7.4%) in January–March. Advertising in city papers and newspapers declined by 11.0% (11.6%) in Finland. Advertising in magazines in Finland decreased in January–March 2018 by 7.2% (11.0%). In terms of volume, the total market for afternoon papers in Finland declined by 12.5% (13.1%) in the first quarter of 2018.

According to Sveriges Mediebyråer, the total advertising volume in Sweden increased by 4.3% (6.6%) in January–March 2018. Advertising in online media grew by 5.2% (10.2%) in Sweden. Advertising in trade magazines in Sweden decreased by 20.3% (5.0%).

Alma Media's main markets in Eastern Central Europe are the Czech Republic and Slovakia. According to the European Commission's forecast, the Czech Republic's GDP will grow by 3.2% in 2018. The Czech National Bank estimates that the GDP will grow by 3.6% in 2018. In Slovakia, GDP growth in 2018 will be 4.0% according to the European Commission. The National Bank of Slovakia estimates GDP growth in 2018 to be 4.2%.

Kai Telanne, President and CEO:

The strong growth of the Finnish economy continued during the reporting period, and consumer confidence was high. The positive general economic development in the first quarter did not, however, result in a turn to growth in the domestic advertising market. According to Kantar TNS, media advertising volume declined by 2.3 per cent in the first quarter, with newspaper advertising decreasing by 11.0 per cent. Online advertising saw continued growth at a rate of 6.9 per cent.

The fact that the market developed in two different directions was also reflected in Alma Media's business in the first quarter of 2018. The revenue and profitability of Alma Media's businesses the furthest in digital transformation continued to see growth during the review period, but the result of print media businesses declined due to the weaker advertising market. Alma Media's revenue grew by 1.8 per cent to reach MEUR 92.2, while the Group's adjusted operating profit decreased by 3.0 per cent to MEUR 12.2.

In the Alma Markets segment, growth was again driven by the favourable international operating environment, strong market position and successful sales work in Eastern Central Europe and domestic marketplaces. The segment's expenses were increased by the expansion of the Czech subsidiary LMC's business into Poland as well as investments in sales, marketing and the renewal of online services, such as the Etuovi mobile service.

The development of Alma Talent's operations in Finland was affected by a significant decrease in advertising revenue compared to the exceptionally strong reference period of January–March 2017. The decrease was due to a decline in advertising spending of a few key industries in decision-maker and financial media. The segment's financial performance in Sweden was also influenced by declining advertising revenue in trade media. In the Finnish media business, digital content revenue and digital subscriptions increased in line with expectations, which compensated for the decline in print media content revenue.

In Alma News & Life, the digital transformation is continuing swiftly, with digital business now representing 55 per cent of the segment's revenue. January–March was the segment's tenth consecutive quarter of increasing advertising revenue. The growth of the segment's advertising revenue outpaced the market and growth was achieved across all channels. The change in consumers' media consumption habits was reflected in strong growth in video advertising, among other things. As expected, the single-copy sales of print media continued to decline. Costs were increased by the development of online services as well as investments in sales and marketing.

In the Alma Regions segment, advertising revenue decreased as advertising spending in the retail sector continued to decline. Content revenue from digital customers has seen positive development, which is evidence of the successful shaping of content and services to create a digital era customer experience. Our decision to sell Lapin Kansa's media and distribution business to Kaleva is in the best interests of all of the parties concerned, and it offers improved opportunities for the further development of the newspaper business in Northern Finland.

Our plan, announced in March, to combine the Alma News & Life and Alma Regions business segments into Alma Consumer, a new unit with a strong focus on consumer media, will facilitate closer cooperation within Alma Media and, above all, improve our customer insight and capacity to serve Finnish media consumers and advertisers. We will continue to accelerate the digital transformation of our content, services and advertising at all levels: nationally, regionally and locally.

Alma Media is in a strong financial position with good cash flow. The equity ratio stood at 47.8 per cent at the end of March, while gearing fell to 25.4 per cent. The strong balance sheet provides a strong foundation for investments and Alma Media's growth.

Consumer trust in our content and services is absolutely essential for Alma Media's operations. One of our key priorities is to ensure transparency and fairness in the way we process customer information. We have taken steps to prepare for the General Data Protection Regulation (GDPR) to become applicable at the end of May. These steps include, among other things, allocating resources to and revising our data management and handling processes as well as arranging training for our employees and advertisers.

Strategy and related activities during the review period

Alma Media creates sustainable growth by taking advantage of the opportunities presented by the digital transformation. The objective is to increase shareholder value through revenue growth and improved profitability. Alma Media is developing and expanding its current business operations and seeking growth opportunities in new businesses and markets. The company will remain on the path of internationalisation. In addition to organic growth, the improvement of profitability will be accelerated by acquisitions.

Alma Media will respond to consumers' changing media consumption and build its publishing brands into multi-channel media solutions. In the media business, the shift from print to digital media will continue with the development of digital content and marketing solutions in line with customer needs, ensuring that the Group's media are valued as the leading brands in their respective regions and communities. In order to increase service revenue, Alma Media will increase its digital offering by launching new products and services, also outside publishing operations.

For the 2018–2020 strategy period, Alma Media has selected five strategic Group-level initiatives that are particularly aimed at the growth and development of digital business. Cooperation and synergies between the Group's various businesses will be leveraged in the execution of the initiatives. The strategic initiatives are: 1) centralised national media sales through Alma Media Solutions; 2) aiming for growth in digital content revenue through eCom; 3) utilising data in business while taking regulatory requirements into consideration; 4) Alma themes and services focused on special content areas and services; and 5) growth and management of visitor traffic.

In order to strengthen the development of the data-driven customer experience of the Group's content and services as well as marketing automation and the targeting of digital advertising, Alma Media announced during the review period that it will deploy a Data Management Platform in 2018. The new platform enables the use of internal and external data sources to support the personalisation of content and services as well as serve advertisers' segmentation needs. The utilisation of machine learning will further enable a more relevant and customised user experience.

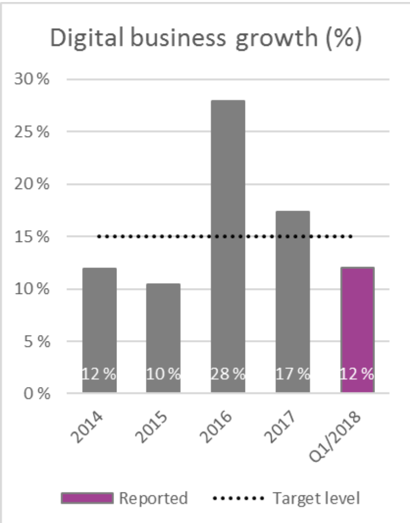
Alma Media's Czech subsidiary LMC has expanded its operations to Poland with the launch of Prace za Rohem, a mobile service that provides information on vacancies based on geographic proximity. While the service was in the launch phase during the reporting period and the users on a trial period free of charge, Prace za Rohem has been favourably received by Polish consumers: by the end of March, the application had been downloaded by 300,000 users and the system had received applications from more than 115,000 job seekers and some 4,000 job advertisements.

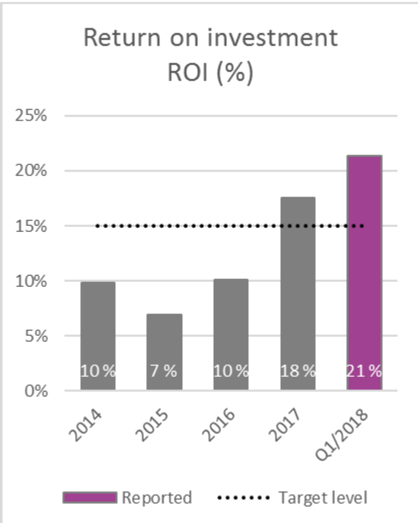
Alma Media has expanded its service business by making add-on-acquistions. One such example was Alma Mediapartners' move to strengthen its software business related to construction and housing by acquiring Käyttösofta Oy in January 2018. The service business has also been expanded recently by acquiring various competitive tender services. Examples include Alma Mediapartners' acquisition of the entire share capital of AutoJerry Oy, a provider of a competitive tendering platform for car servicing, and the acquisition in early 2018 of Katsastushinnat.fi, a marketplace for comparing vehicle inspection services. Another example of a tendering service is the loan comparison service Etua Oy, in which Alma Media acquired a 20 per cent stake in March 2018.

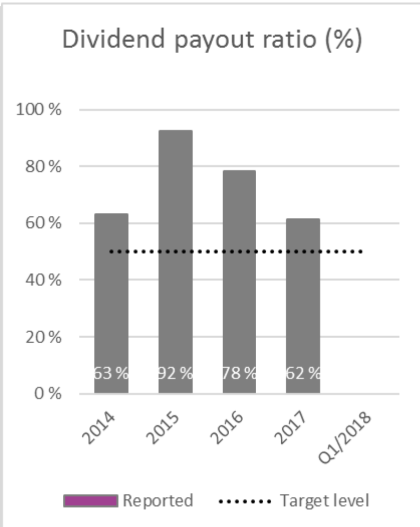
Aiming to focus on Pirkanmaa and Satakunta regions in the regional and local media business, Alma Media announced in March that it will sell its newspaper and distribution business in Lapland to Kaleva. The business was previously part of the Alma Regions business segment. The deal took effect at the beginning of April 2018. The transaction saw a change of owners of the regional newspaper Lapin Kansa, the town papers Uusi Rovaniemi and Lounais-Lappi as well as Alma Manu Oy's distribution business in Lapland. The number of employees in the newspaper business was 68 and in the distribution business the number was 88.

At the end of the review period, Alma Media announced it will combine the Alma News & Life business segment, which produces news and lifestyle services, and Alma Regions business segment, which focuses on regional and local media business, effective from the beginning of April. The new unit, Alma Consumer, focuses on the consumer media business. Its print and digital media and services reach a total of 2.6 million Finns (TNS Atlas 7–12/2017). In accordance with the Group's strategy, the aim is to utilise the latest technologies and strong expertise in developing digital products and services for consumers while ensuring the best services for advertising customers based on modern advertising technology, data and marketing automation. The new business segment has initiated a planning process related to the change. The practical measures and potential cost synergies arising from the combination will be assessed in more detail during the process. Alma Media will report according to the new segment structure starting from the second quarter of 2018.

Alma Media's long-term financial targets and their achievement:







The figures are compared in accordance with the International Financial Reporting Standards (IFRS) with those of the corresponding period in 2017, unless otherwise stated. The figures in the tables are independently rounded.

Alma Media Corporation additionally uses and presents Alternative Performance Measures to better illustrate the operative development of its business and to improve comparability between reporting periods. The Alternative Performance Measures are reported in addition to IFRS key figures.

KEY FIGURES

INCOME STATEMENT MEUR	2018 Q1	2017 Q1	Change %	2017 Q1–Q4
Revenue	92.2	90.5	1.8	367.3
Adjusted total expenses	80.1	78.0	2.6	320.8
Adjusted EBITDA	16.4	16.6	-1.1	67.4
EBITDA	17.1	15.4	11.1	66.9
Adjusted operating profit	12.2	12.6	-3.0	51.1
% of revenue	13.2	13.9		13.9
Operating profit (loss)	12.9	11.4	13.2	46.6
% of revenue	14.0	12.6		12.7
Profit before tax	12.9	11.3	14.6	45.9
Profit for the period	10.4	8.9	17.4	36.7
BALANCE SHEET MEUR	**2018 Q1**	**2017 Q1**	**Change %**	**2017 Q1–Q4**
Balance sheet total	352.3	321.5	9.6	333.8
Interest-bearing net debt	38.2	49.6	-23.0	40.2
Interest-bearing liabilities	65.1	69.3	-6.1	61.3
Non-interest-bearing liabilities	135.5	119.4	13.5	114.2
Capital expenditure	18.5	1.9	879.4	22.2
Equity ratio, %	47.8	46.2	3.3	50.9
Gearing, %	25.4	37.4	-32.0	25.4
EMPLOYEES MEUR	**2018 Q1**	**2017 Q1**	**Change %**	**2017 Q1–Q4**
Average no. of employees, calculated as full-time employees, excl. delivery staff	2 318	2 241	3.4	2 280
Average no. of delivery staff	825	864	-4.4	870
KEY FIGURES MEUR	**2018 Q1**	**2017 Q1**	**Change %**	**2017 Q1–Q4**
Return on Equity/ROE (Annual)*	29.8	29.0	2.7	24.8
Return on Investment/ROI (Annual)*	21.2	18.9	12.0	17.5
Earnings per share, EUR **)	0.11	0.09	16.0	0.39
Cash flow from operating activities/share, EUR	0.34	0.27	24.7	0.51
Shareholders' equity per share, EUR	1.54	1.37	12.9	1.66
Dividend per share, EUR ****)				0.24
Effective dividend yield, %				3.3
P/E Ratio				18.4
Market capitalisation	584.9	430.0	36.0	592.3
Average no. of shares **) (1,000 shares ***)	82 383	82 383		82 383
No. of shares at the end of the period (1,000 shares ***)	82 383	82 383		82 383

*[*)] See Accounting Principles of the Interim Report. **) undiluted and basic ***) The company acquired 198,658 and disposed of 122,344 of its own shares during the review period. At the end of the review period, the company held 236,314 of its own shares.*

REVENUE

January–March 2018

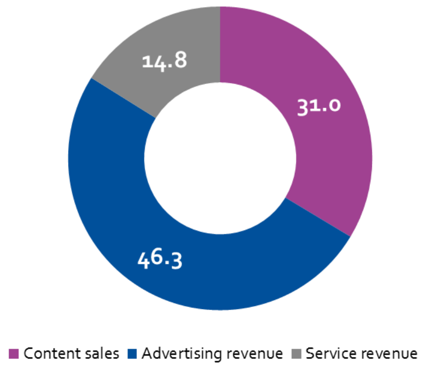
Revenue for the first quarter of 2018 showed a year-on-year increase of 1.8% to MEUR 92.2 (90.5). Divested and acquired businesses had a net effect of MEUR -0.2 on the increase in revenue.

Content revenue declined by 3.4% to MEUR 31.0 (32.1). The year-on-year decline in content revenue was attributable to lower print media circulations and book sales. The increase in content revenue from digital distribution channels was not sufficient to cover the decline in print media content revenue.

Revenue from advertising sales increased by 4.6% to MEUR 46.3 (44.3). Advertising revenue for print media decreased by 11.3% from the comparison period, to MEUR 13.9 (15.7). Digital advertising revenue increased by 13.6% to MEUR 31.9 (28.0). The advertising revenue for the comparison period included MEUR 0.5 in advertising related to the municipal elections.

Service revenue totalled MEUR 14.8 (14.2). Service revenue includes items such as the sale of information services, the event and direct marketing business and the printing and distribution services sold to customers outside the Group by Alma Manu.

Revenue split Q1/2018, MEUR



REVENUE MEUR	2018 Q1	2017 Q1	Change %	2017 Q1—Q4
Alma Markets	23.8	19.6	21.0	83.2
Alma Talent	27.8	29.5	-5.8	113.2
Alma News & Life	11.7	11.1	5.2	48.8
Alma Regions	29.8	31.3	-4.7	126.3
Segments total	93.1	91.6	1.6	371.6
Non-allocated	-0.9	-1.0	-9.8	-4.2
Group, total	92.2	90.5	1.8	367.3

REVENUE BY GEOGRAPHICAL AREA MEUR	2018 Q1	2017 Q1	Change %	2017 Q1—Q4
Segments. Finland	68.8	70.0	-1.7	278.7
Segments. other countries	22.7	20.1	12.9	73.0
Segments total	91.5	90.1	1.6	351.7
Non-allocated	0.6	0.4	47.6	1.5
Group. total	92.2	90.5	1.8	353.2

**) Revenue by geographical area is presented in accordance with the countries in which the Group's units are located.*

RESULT

January–March 2018

Adjusted operating profit was MEUR 12.2 (12.6). or 13.2% (13.9%) of revenue. Operating profit was MEUR 12.9 (11.4). or 14.0% (12.6%) of revenue. The operating profit includes net adjusted items in the amount of MEUR 0.7 (-1.2) related to gains on the sale of assets. The non-recurring items in the comparison period were mainly related to restructuring expenses.

Total expenses increased in the first quarter by MEUR 0.9. The increase in expenses was attributable to investments in the development and marketing of online services. Depreciation and impairment included in the total expenses amounted to MEUR 4.2 (4.0) during the period.

The result for January–March 2018 was MEUR 10.4 (8.9). and the adjusted result was MEUR 9.8 (10.1).

ADJUSTED OPERATING PROFIT/LOSS MEUR	2018 Q1	2017 Q1	Change %	2017 Q1—Q4
Alma Markets	8.2	7.3	12.0	28.3
Alma Talent	3.3	4.6	-28.8	14.6
Alma News & Life	1.4	0.9	45.4	7.3
Alma Regions	1.0	2.0	-51.9	9.3
Segments total	13.8	14.9	-7.2	59.6
Non-allocated	-1.6	-2.3	-30.4	-8.5
Group, total	12.2	12.6	-3.0	51.1

Items adjusting operating profit

Items adjusting operating profit are 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 by the Group as adjustments. Adjustments are recognised in the profit and loss statement within the corresponding income or expense group.

ADJUSTED ITEMS MEUR	2018 Q1	2017 Q1	2017 Q1—Q4
Alma Markets			
Gains (losses) on the sale of assets	0.7		0.5
Alma Talent			
Restructuring			-0.1
Gains (losses) on the sale of assets			0.7
Alma Regions			
Restructuring		-0.8	-2.4
Gains (losses) on the sale of assets			0.2
Non-allocated			
Impairment losses		0.0	-4.0
Restructuring		-0.4	-0.4
Gains (losses) on the sale of assets	0.0	0.0	0.9
ADJUSTED ITEMS IN OPERATING PROFIT	0.7	-1.2	-4.5
ADJUSTED ITEMS IN PROFIT BEFORE TAX	0.7	-1.2	-4.5

OPERATING PROFIT/LOSS MEUR	2018 Q1	2017 Q1	Change %	2017 Q1—Q4
Alma Markets	8.9	7.3	21.6	28.9
Alma Talent	3.3	4.6	-28.8	15.2
Alma News & Life	1.4	0.9	45.4	7.3
Alma Regions	1.0	1.2	-18.1	7.2
Segments total	14.5	14.0	3.4	58.5
Non-allocated	-1.6	-2.6	-39.1	-12.0
Group, total	12.9	11.4	13.2	46.6

Associated companies

In March 2018, Alma Media acquired 20 per cent of the share capital of Etua.fi, a provider of competitive tender services for loans and insurance, through a directed share issue. The parties have agreed not to disclose the price of the investment. Etua Oy will be reported as an associated company.

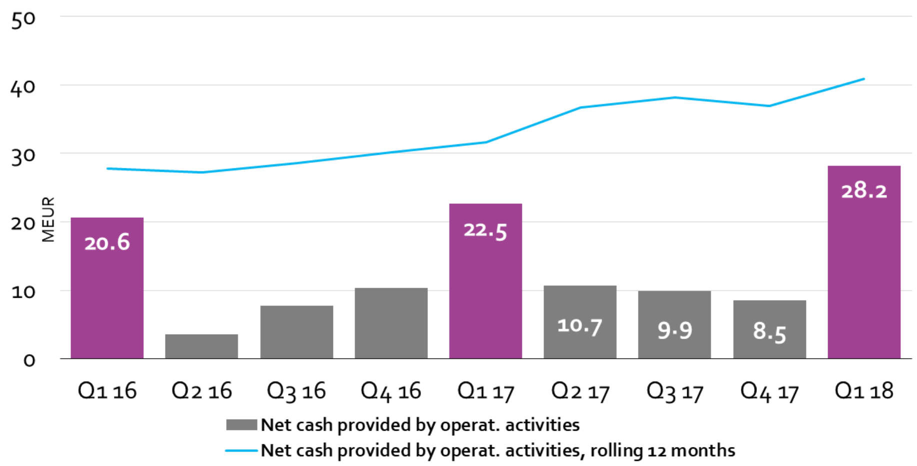
SHARE OF PROFIT OF ASSOCIATED COMPANIES MEUR	2018 Q1	2017 Q1	2017 Q1—Q4
Alma Markets	0.1	0.1	0.5
Alma Talent	0.0	0.0	0.1
Alma News & Life	0.0	0.0	0.0
Alma Regions	0.0	0.0	0.0
Other associated companies	0.0	0.0	0.1
Total	0.1	0.2	0.7

BALANCE SHEET AND FINANCIAL POSITION

At the end of March 2018, the consolidated balance sheet stood at MEUR 352.3 (321.5). The Group's equity ratio at the end of March was 47.8 % (46.2 %) and equity per share was EUR 1.54 (1.37).

Consolidated cash flow from operations in January–March was MEUR 28.2 (22.5). Cash flow before financing was MEUR 21.9 (20.9).

Operating cash flow and capital expenditure



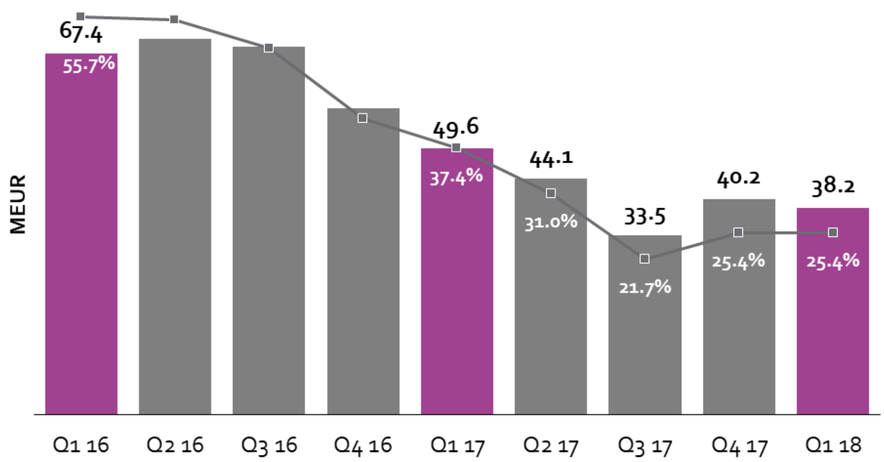
At the end of March, the Group's interest-bearing debt amounted to MEUR 65.1 (69.3). The total interest-bearing debt at the end of March comprised MEUR 54.7 in finance leasing debt and MEUR 10.0 in loans from financial institutions. The Group's interest-bearing net debt at the end of March stood at MEUR 38.2 (49.6).

INTEREST-BEARING NET DEBT MEUR	2018 Q1	2017 Q1	2017 Q1—Q4
Interest-bearing long-term debt	54.9	64.1	56.0
Interest-bearing short-term debt	9.8	5.0	5.0
Cash and cash equivalents	26.5	19.7	20.7
Interest-bearing net debt	38.2	49.6	40.2

Alma Media has two MEUR 12.5 committed financing limits at its disposal, which were entirely unused as at 31 March 2018. In April, the company extended its financing limit agreements with its existing financing partners by three years. The company also has a commercial paper programme of MEUR 100 in Finland. Of the commercial paper programme, MEUR 5.0 was in use on 31 March 2018.

Alma Media did not have financial assets created in conjunction with business combinations measured at fair value and recognised through profit or loss at the end of the reporting period. Financial liabilities measured at fair value and recognised through profit or loss amounted to MEUR 9.9.

Net debt, MEUR and gearing, %



Changes in Group structure in 2018

In January 2018, Alma Mediapartners, a subsidiary of Alma Media, acquired the remaining share capital to become the full owner of AutoJerry Oy, a previously consolidated company offering competitive tender services for car servicing. Also in January 2018, Alma Media's subsidiary Alma Mediapartners Oy strengthened its software business related to construction and housing by acquiring the entire share capital of Käyttösofta Oy from its founders. and acquired Katsastushinnat.fi, a marketplace for comparing vehicle inspection services, by purchasing the share capital of the service's owner Ahorouta Oy. Alma Media Group owns 65% of the Alma Mediapartners group.

Capital expenditure

Alma Media Group's capital expenditure in January–March 2018 totalled MEUR 18.5 (1.9). The capital expenditure mainly consisted of the acquisitions of Käyttösofta Oy, Autojerry Oy and Ahorouta Oy as well as the acquisition of shares in Etua Oy. The capital expenditure also includes normal operating and maintenance investments.

CAPITAL EXPENDITURE BY SEGMENT MEUR	2018 Q1	2017 Q1	2017 Q1—Q4
Alma Markets	16.0	0.9	2.3
Alma Talent	0.2	0.1	2.1
Alma News & Life	1.5	0.0	0.0
Alma Region	0.1	0.5	0.9
Segments total	17.8	1.4	5.3
Non-allocated	0.7	0.5	16.9
Total	18.5	1.9	22.2

BUSINESS SEGMENTS

Alma Media's reportable segments are Alma Markets, Alma Talent, Alma News & Life and Alma Regions. Centralised services produced by the Group's parent company as well as centralised support services for advertising and digital sales for the entire Group are reported outside segment reporting.

The Group's reportable segments correspond to the Group's operating segments.

Alma Markets

The recruitment services Monster.fi, Jobs.cz, Prace.cz, CV Online, Profesia.sk, MojPosao.net, Monster.hu, Monsterpolska.pl and Monster.cz are reported in the Alma Markets segment.

The segment includes several online services: the housing-related services Etuovi.com and Vuokraovi.com, the travel portal Gofinland.fi and the automotive services Autotalli.com, Autosofta, Autojerry.fi, Websales and Webrent. Also reported in this segment are Nettikoti and Talosofta, which specialise in software for ERP systems in new construction and renovation, as well as Kivi, a real estate agency system, and Urakkamaailma, a marketplace for renovation and construction work.

KEY FIGURES MEUR	2018 Q1	2017 Q1	Change %	2017 Q1—Q4
Revenue	23.8	19.6	21.0	83.2
Advertising revenue	21.4	18.1	18.3	77.3
Service revenue	2.4	1.5	52.1	5.9
Adjusted total expenses	15.6	12.4	26.4	55.0
Adjusted EBITDA	9.1	8.0	13.3	31.3
EBITDA	9.8	8.0	22.0	31.8
Adjusted operating profit	8.2	7.3	12.0	28.3
% of revenue	34.5	37.2		34.1
Operating profit	8.9	7.3	21.6	28.9
% of revenue	34.5	37.2		34.7
Average no. of employees, calculated as full-time employees	646	566	14.2	588
Digital business revenue	23.5	19.6	20.2	83.0
Digital business, % of revenue	100.0	100.0		100.0

OPERATIONAL KEY FIGURES	2018 1—3	2017 1—3	Change %	2017 1—12
Online services, unique browsers, weekly, on average (thousands) *)				
Etuovi.com	908.9	880.3	3.2	809.4
Autotalli.com	172.3	169.3	1.8	133.8

**) The average weekly browser figures for Etuovi.com and Autotalli.com are based on visitor volume monitoring produced by Google Analytics.*

January–March 2018

The Alma Markets segment's revenue increased by 21.0% to MEUR 23.8 (19.6). Revenue growth continued to be supported by the market development in the Eastern Central European countries. Growth continued to be particularly strong in the Czech Republic and Croatia. The effect of exchange rate changes was MEUR 0.6 on revenue growth and MEUR 0.2 on operating profit growth in the Czech Republic. Revenue growth was also boosted by the robust sales of the marketplaces in Finland. The acquisitions made by Alma Mediapartners increased the segment's revenue by MEUR 0.7 and operating profit by MEUR 0.2. Revenue from the recruitment business increased by 20.2% during the review period and accounted for 76.9% (77.4%) of the segment's revenue in the first quarter of 2018.

The adjusted total expenses in the review period amounted to MEUR 15.6 (12.4). The factors contributing to the higher expenses included investments in sales and marketing, online service development as well as rising wages due to strong economic growth, particularly in the Eastern Central European countries. In addition, an investment of MEUR 0.4 was made in the launch of a new business in Poland in the first quarter.

The Alma Markets segment's adjusted operating profit was MEUR 8.2 (7.3) in the first quarter. The adjusted operating profit was 34.5% (37.2%) of revenue. The segment's operating profit was MEUR 8.9 (7.3). The adjusted items recognised during the review period were related to a sales gain on acquisition achieved in stages.

Alma Talent

The Alma Talent business segment publishes 22 trade and financial publications as well as books. The business unit also offers skills development and growth services to professionals and businesses in different fields, from events and training to information services. Alma Talent has operations in Finland, Sweden and the Baltics. Alma Talent media include Kauppalehti, Talouselämä, Tekniikka & Talous, Markkinointi&Mainonta, Arvopaperi, Tivi and Mediuutiset. In Sweden, Alma Talent's publications include Affärsvärlden, Ny Teknik and Dagens Media.

KEY FIGURES MEUR	2018 Q1	2017 Q1	Change %	2017 Q1—Q4
Revenue	27.8	29.5	-5.8	113.2
Content revenue	12.4	12.7	-1.7	48.2
Content revenue, print	9.8	10.2	-3.7	38.2
Content, digital	2.7	2.5	6.2	10.1
Advertising revenue	8.0	8.9	-10.1	35.5
Advertising revenue, print	3.5	4.0	-11.8	15.5
Sales of advertising, digital	3.9	4.4	-10.0	17.3
Service revenue	7.4	8.0	-7.5	29.5
Adjusted total expenses	24.6	25.0	-1.5	101.8
Adjusted EBITDA	4.3	5.7	-24.2	18.8
EBITDA	4.3	5.7	-24.2	19.4
Adjusted operating profit	3.3	4.6	-28.8	14.6
% of revenue	11.7	15.5		12.9
Operating profit	3.3	4.6	-28.8	15.2
% of revenue	11.7	15.5		13.4
Average no. of employees, calculated as full-time employees	868	830	4.6	843
Digital business revenue	9.3	9.6	-2.8	38.2
Digital business, % of revenue	33.4	32.3		33.8

OPERATIONAL KEY FIGURES	2018 Q1	2017 Q1	Change %	2017 Q1—Q4
Online services, unique browsers, weekly, on average (thousands)*				
Kauppalehti.fi	1 062.6	1 168.0	-9.0	1 025.1
Talouselama.fi	228.6	304.0	-24.8	272.8

**) The online services' average weekly browser figures are based on Kantar TNS's monitoring data.*

January–March 2018

The Alma Talent segment's revenue amounted to MEUR 27.8 (29.5). Digital business accounted for 33.4% (32.3%) of the segment's revenue.

The content revenue of the Alma Talent segment decreased by 1.7% to MEUR 12.4 (12.7). The decline in content revenue was mainly due to lower sales in Sweden. In the Finnish media business, growth in digital content revenue compensated for lower print sales.

Advertising revenue for the first quarter declined by 10.1% to MEUR 8.0 (8.9). In Finland, the decrease was due to a decline in advertising spending of a few key industries in decision-maker and financial media. In Sweden advertising revenue decreased also.

Service revenue totalled MEUR 7.4 (8.0). The decrease in service revenue was due to the effect of divested operations, which was MEUR 0.6.

The segment's total expenses were MEUR 24.6 (25.0). The decrease in total expenses was attributable to the segment's operations in Finland.

The Alma Talent segment's adjusted operating profit was MEUR 3.3 (4.6) and operating profit MEUR 3.3 (4.6). The adjusted operating profit was 11.7% (15.5%) of revenue. No adjusted items were reported during the review period.

Alma Talent's reported number of personnel rose by 38 people due to the increase in the number of people in the direct marketing business, where the number of employees changes in proportion to the volume of business.

Alma News & Life

The Alma News & Life segment includes the various digital and print news and lifestyle content of the national Iltalehti. The online services Telkku.com, Kotikokki.net, E-kontakti.fi and Rantapallo.fi are also reported in this segment.

KEY FIGURES MEUR	2018 Q1	2017 Q1	Change %	2017 Q1—Q4
Revenue	11.7	11.1	5.2	48.8
Content revenue	4.3	4.9	-13.5	19.5
Content revenue, print	4.2	4.9	-13.9	19.4
Content, digital	0.0	0.0	65.2	0.1
Advertising revenue **)	6.7	5.4	24.0	25.8
Advertising revenue, print	1.1	1.0	8.5	4.5
Sales of advertising, digital	5.6	4.4	27.5	21.3
Service revenue **)	0.7	0.8	-8.0	3.5
Adjusted total expenses	10.3	10.2	1.4	41.5
Adjusted EBITDA	1.5	1.1	36.2	7.9
EBITDA	1.5	1.1	36.2	7.9
Adjusted operating profit	1.4	0.9	45.4	7.3
% of revenue	11.7	8.5	38.2	15.0
Operating profit	1.4	0.9	45.4	7.3
% of revenue	11.7	8.5	38.2	15.0
Average no. of employees, calculated as full-time employees	150	149	0.1	153
Digital business revenue	6.4	5.3	19.3	24.8
Digital business, % of revenue	54.7	48.2		50.8

OPERATIONAL KEY FIGURES	2018 Q1	2017 Q1	Change %	2017 Q1—Q4
Online services, unique browsers, weekly, on average (thousands)*				
Iltalehti.fi	4 389.2	5 459.5	-19.6	5 320.4
Telkku.com	493.5	588.5	-16.1	558.2

**) The online services' average weekly browser figures are based on Kantar TNS's monitoring data.*
***) Comparison data has been adjusted between advertising revenue and service revenue.*

January–March 2018

The Alma News & Life segment's revenue increased by 5.2% to MEUR 11.7 (11.1) in January–March due to growth in Iltalehti's digital advertising. Digital business accounted for 54.7% (48.2%) of the segment's revenue.

The segment's content revenue declined by 13.5% to MEUR 4.3 (4.9) in January–March, mainly due to a decrease in Iltalehti's circulation. The segment's advertising revenue increased by 24.0% to MEUR 6.7 (5.4). The segment's digital advertising revenue increased by 27.5% to MEUR 5.6 (4.4). Print media advertising revenue grew by 8.5%. Service revenue totalled MEUR 0.7 (0.8).

The segment's total expenses were MEUR 10.3 (10.2). The increase in expenses was attributable to online service development and investments in sales and marketing.

The segment's adjusted operating profit was MEUR 1.4 (0.9). or 11.7% (8.5%) of revenue. No adjusted items were reported during the review period. The segment's operating profit was MEUR 1.4 (0.9).

Alma Regions

The print and online publishing business of Aamulehti, Satakunnan Kansa, Lapin Kansa and several local and town papers is reported in the Alma Regions segment. The printing and distribution unit Alma Manu is also included in this segment.

KEY FIGURES MEUR	2018 Q1	2017 Q1	Change %	2017 Q1—Q4
Revenue	29.8	31.3	-4.7	126.3
Content revenue	14.3	14.5	-1.6	58.1
Content revenue, print	12.7	13.0	-2.2	51.7
Content, digital	1.6	1.6	3.4	6.3
Advertising revenue	10.3	11.9	-13.5	47.5
Advertising revenue, print	9.6	11.0	-12.7	43.6
Sales of advertising, digital	0.7	0.9	-22.4	3.9
Service revenue	5.2	4.9	7.4	20.7
Adjusted total expenses	28.9	29.3	-1.5	117.2
Adjusted EBITDA	1.9	2.9	-35.8	13.0
EBITDA	1.9	2.1	-9.8	10.8
Adjusted operating profit	1.0	2.0	-51.9	9.3
% of revenue	3.3	6.5		7.4
Operating profit	1.0	1.2	-18.1	7.2
% of revenue	3.3	3.8		5.7
Average no. of employees, calculated as full-time employees	490	543	-9.7	869
Average no. of delivery staff	824	862	-4.4	845
Digital business revenue	2.5	2.5	2.0	10.5
Digital business, % of revenue	8.5	7.9		8.3

OPERATIONAL KEY FIGURES	2018 Q1	2017 Q1	Change %	2017 Q1—Q4
Online services, unique browsers, weekly, on average (thousands)*				
Aamulehti.fi	650.2	622.9	4.4	838.9
Printing volume (in thousands)	87 530	82 856	5.6	336 641
Paper usage (tonnes)	6 986	6 708	4.1	27 925

**) The online services' average weekly browser figures are based on Kantar TNS's monitoring data.*

January–March 2018

The Alma Regions segment's revenue amounted to MEUR 29.8 (31.3) in January–March. Digital business accounted for 8.5% (7%) of the segment's revenue. The effect of the business operations divested in October 2017 on the decrease in revenue was MEUR 0.6.

The segment's content revenue in January–March amounted to MEUR 14.3 (14.5). The effect of divested operations on the decrease in content revenue was MEUR 0.3. Taking into account the effect of divested operations on content revenue. growth in digital revenue exceeded the decline in content revenue from print media.

The segment's advertising revenue declined by 13.5% to MEUR 10.3 (11.9). The decline was again attributable to reduced advertising spending in the retail sector. Print media advertising revenue declined by 12.7% to MEUR 9.6

(11.0). The segment's digital advertising revenue declined by 22.4% to MEUR 0.7 (0.9). The advertising revenue for the comparison period included MEUR 0.5 in advertising related to the municipal elections.

The segment's service revenue increased by 7.4% to MEUR 5.2 (4.9) due to the external sales of printing and delivery services.

The segment's adjusted total expenses amounted to MEUR 28.9 (29.3). The factors increasing the adjusted total expenses included higher paper prices from February onwards as well as higher volume-linked employee expenses in distribution operations. The effect of divested operations on the decrease in expenses was MEUR 0.6.

The segment's adjusted operating profit was MEUR 1.0 (2.0) and operating profit MEUR 1.0 (1.2). The adjusted operating profit was 3.3% (6.5%) of revenue and operating profit was 3.3% (3.8%) of revenue. No adjusted items were reported during the review period. The adjusted items in the comparison period were related to operational restructuring in the publishing business in Lapland.

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

ASSETS BY SEGMENT MEUR	31 Mar 2018	31 Mar 2017	31 Dec 2017
Alma Markets	101.4	79.8	81.9
Alma Talent	107.2	108.8	110.8
Alma News & Life	17.0	16.1	15.0
Alma Regions	51.3	55.8	53.1
Segments total	277.0	260.6	260.7
Non-allocated liabilities and eliminations	75.4	61.0	73.1
Total	352.3	321.5	333.8

LIABILITIES BY SEGMENT MEUR	31 Mar 2018	31 Mar 2017	31 Dec 2017
Alma Markets	38.4	22.9	25.7
Alma Talent	32.7	33.2	31.1
Alma News & Life	5.6	5.5	7.1
Alma Regions	68.0	68.1	58.3
Segments total	144.6	129.7	122.1
Non-allocated liabilities and eliminations	56.0	59.0	53.4
Total	200.6	188.7	175.5

GOVERNANCE

Alma Media Corporation's Annual General Meeting, held on 14 March 2018, re-elected the current Board members Esa Lager, Petri Niemisvirta, Matti Korkiatupa and Catharina Stackelberg-Hammarén, and elected Peter Immonen, Alexander Lindholm, Heike Tyler and Päivi Rekonen as new Board members, for the term ending at the close of the next Annual General Meeting. In its constitutive meeting held after the AGM, the Board of Directors elected Petri Niemisvirta as its Chairman and Catharina Stackelberg-Hammarén as its Vice Chairman.

The Board of Directors also appointed the members to its permanent committees in its constitutive meeting. Alexander Lindholm, Heike Tyler and Päivi Rekonen were elected as members of the Audit Committee and Esa Lager as Chairman of the Committee. Petri Niemisvirta, Matti Korkiatupa and Catharina Stackelberg-Hammarén were elected as members of the Nomination and Compensation Committee and Peter Immonen as Chairman of the Committee.

The Board of Directors has assessed that, with the exception of Peter Immonen, Matti Korkiatupa, Esa Lager and Alexander Lindholm, the members of the Board are independent of the company and its significant shareholders. The members mentioned hereinabove are assessed to be independent of the company, but they are not independent of its significant shareholders. Peter Immonen is a member of the Board of Mariatorp Oy, Matti Korkiatupa has been in an employment relationship with Ilkka-Yhtymä Oyj during the past three years as the company's Managing Director, Esa Lager is a member of the Board of Ilkka-Yhtymä Oyj and Alexander Lindholm is the CEO of Otava Group.

Mikko Korttila, General Counsel of Alma Media Corporation, serves as the secretary to the Board of Directors in accordance with the Board's Charter.

The AGM appointed PricewaterhouseCoopers Oy as the company's auditors, with Markku Launis, APA, as the principal auditor.

Remuneration of Board members

In accordance with the proposal of the Shareholders' Nomination Committee, the AGM of 14 March 2018 decided that the remuneration be kept unchanged, and that the following annual remuneration be paid to the members of the Board of Directors for the term of office ending at the close of the Annual General Meeting 2019: to the Chairman of the Board of Directors, EUR 40.000 per year; to the Vice Chairman, EUR 32.000 per year, and to members EUR 27.000 per year.

In addition, and in accordance with the resolution of the 2016 Annual General Meeting, the Chairmen of the Board and its Committees will be paid a fee of EUR 1.000. Vice Chairmen a fee of EUR 700 and members a fee of EUR 500 for each Board and Committee meeting they attend. The Board members' travel expenses will be compensated in accordance with the company's travel policy.

It is proposed that the above-mentioned attendance fee for each meeting be

- doubled for (i) members living outside Finland in Europe or (ii) meetings held outside Finland in Europe; and
- tripled for (i) members resident outside Europe or (ii) meetings held outside Europe.

The members of the Board shall, as decided by the Annual General Meeting, acquire a number of Alma Media Corporation shares corresponding to approximately 40% of the full amount of the annual remuneration for Board members, taking into account tax deduction at source, at the trading price on the regulated market arranged by the Helsinki Stock Exchange. Members of the Board are required to arrange the acquisition of the shares within two weeks of the release of the first quarter 2018 interim report or, if this is not possible due to insider trading regulations, as soon as possible thereafter. If it was not possible to acquire the shares by the end of 2018 for a reason such as pending insider transactions, the remuneration shall be paid in cash. Shares acquired in this way cannot be transferred until the recipient's membership of the Board has expired. The company is liable to pay any asset transfer taxes that may arise from the acquisition of shares.

Dividends

In accordance with the proposal of the Board of Directors, the AGM of 14 March 2018 resolved that a dividend of EUR 0.24 per share be paid for the financial year 2017. The dividend was to be paid to shareholders registered in

Alma Media Corporation’s shareholder register maintained by Euroclear Finland Ltd on the record date, 16 March 2018. The dividend was paid on 23 March 2018.

Other decisions by the Annual General Meeting

Authorisation to the Board of Directors to repurchase own shares

The AGM of 14 March 2018 authorised the Board of Directors to decide on the repurchase of a maximum of 824.000 shares in one or more lots. The proposed maximum authorised quantity represents approximately one (1) per cent of the company’s entire share capital. The shares shall be acquired using the company’s non-restricted shareholders’ equity through trading in a regulated market arranged by Nasdaq Helsinki Ltd and in accordance with its rules and instructions, for which reason the acquisition is directed, in other words the shares will be purchased otherwise than in proportion to shareholders’ current holdings. The price paid for the shares shall be based on the price of the company share in the regulated market, so that the minimum price of purchased shares is the lowest market price of the share quoted in the regulated market during the term of validity of the authorisation and the maximum price, correspondingly the highest market price quoted in the regulated market during the term of validity of the authorisation.

Shares can be purchased for the purpose of improving the company’s capital structure, financing or carrying out corporate acquisitions or other arrangements, implementing incentive schemes for the management or key employees, or to be otherwise transferred or cancelled. It is proposed for the authorisation to be valid until the following Annual General Meeting, but no later than 30 June 2019.

Authorisation to the Board of Directors to decide on the transfer of own shares

The AGM of 14 March 2018 authorised the Board of Directors to decide on a share issue by transferring shares in possession of the company. A maximum of 824.000 shares may be issued on the basis of this authorisation. The proposed maximum authorised quantity represents approximately one (1) per cent of the company's entire share capital. 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 of Directors can use the authorisation to implement incentive programmes for the management or key employees of the company.

It is proposed for the authorisation to be valid until the following Annual General Meeting, but no later than 30 June 2019. This authorisation would override the corresponding share issue authorisation granted at the AGM on 22 March 2017.

Authorisation to the Board of Directors to decide on a share issue

The AGM of 14 March 2018 authorised the Board of Directors to decide on a share issue. The authorisation entitles the Board to issue a maximum of 16.500.000 shares. The proposed maximum number of shares corresponds to approximately 20 per cent of the total number of shares in the company. The share issue can 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 can 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 on by the Board. The authorisation cannot, however, be used to implement incentive programmes for the management or key employees of the company.

It is proposed for the authorisation to be valid until the following Annual General Meeting, but no later than 30 June 2019. This authorisation overrides the corresponding share issue authorisation granted at the AGM of 22 March 2017.

Resolution on forfeiture

When Alma Media Corporation’s shares were incorporated into the book-entry system on 3 February 2005, the shareholders were to request that their shares be registered in their book-entry accounts no later than on the registration date referred to in Chapter 3 a, Section 2 of the previous Finnish Limited Liability Companies Act

(734/1978), i.e. 3 February 2005, In accordance with Chapter 3 a, Section 3 of the previous Limited Liability Companies Act (734/1978), the Central Securities Depository opened a joint book-entry account in the name of the company for any shareholders who failed to request that their shares be registered by the aforementioned last date of registration at the latest.

Pursuant to Section 8, Subsection 2 of the Act on the implementation of the current Limited Liability Companies Act (625/2006), the AGM may, in accordance with Chapter 3, Section 14 a, Subsection 3 of the current Limited Liability Companies Act (624/2006), decide that, with regard to shares entered in the joint book-entry account, the right to shares incorporated in the book-entry system and the rights attached to such shares are forfeited after ten years has elapsed since the expiry of the registration period and the entry into force of the current Limited Liability Companies Act. The current Limited Liability Companies Act entered into force on 1 September 2006.

The AGM resolved that the rights to the shares entered in the joint book-entry and the rights attached to such shares be forfeited. Under Chapter 3, Section 14 a, Subsection 3 of the Limited Liability Companies Act, the forfeiture of shareholder rights would concern shares that are in the joint book-entry account, with regard to which the registration of shareholder rights to the book-entry account designated by the shareholder has not been validly requested prior to the relevant resolution of the AGM by 12:00 noon EET on 14 March 2018. The proposal thus concerns no more than the 198.658 shares of Alma Media Corporation which are entered on the joint account on the date of the Notice to the Annual General Meeting and which are held as paper certificates by the shareholder. The shares which the shareholder has validly requested to be registered to the book-entry account designated by the shareholder no later than at 12 noon EET on 14 March 2018 and regarding which the request for conversion after the conversion period was finalised by 30 September 2018 shall be deducted from the aforementioned number of shares. The company received no requests for share registration by the specified deadline. The provisions on treasury shares shall apply to the forfeited shares in accordance with Chapter 3, Section 14 a, Subsection 3 of the Limited Liability Companies Act. The forfeited shares may be used to implement incentive programmes for the management or key employees, or the shares may be annulled. The AGM authorised the Board to take any and all measures required by such resolution.

Amendment to the Articles of Association

The AGM of 14 March 2018 resolved to amend the Articles of Association so that Article 7 of the Articles of Association would take into account the changes resulting from the entry into force of the new Auditing Act (1141/2015) and that Article 8 would be amended to correspond to market practice.

Under the new Auditing Act. the Auditor Oversight Unit of the Finnish Patent and Registration Office (PRH) has been responsible for the oversight of auditors as of 1 January 2016. The first paragraph of Article 7 of the Articles of Association was amended as follows:

"The company shall have at least one (1) auditor, who shall have one (1) deputy, for the purpose of auditing the company's accounts and administration. An auditing firm can also be appointed as the auditor. If an auditing firm that is entered in the register of auditors of the Finnish Patent and Registration Office (PRH) and whose key audit partner is an Authorised Public Accountant is appointed the auditor, no deputy is required."

It was resolved that Article 8 of the Articles of Association be amended so that, in accordance with market practice, the company may announce the Annual General Meeting only on its website in addition to the methods allowed by the valid Articles of Association. The first paragraph of Article 8 of the Articles of Association will be amended as follows:

"General meetings shall be announced in at least three newspapers published by the company or its subsidiary, or on the company website, or else in writing to shareholders by registered letter no earlier than three (3) months and no later than three (3) weeks prior to the meeting date. The invitation to the General Meeting shall, however, be delivered no later than nine (9) days before the record date for the meeting."

Donations

The AGM of 14 March 2018 authorised the Board of Directors to decide on donations amounting to no more than EUR 50.000 to universities in 2018–2019, with the more detailed conditions of the donations to be decided by the Board of Directors.

The Alma Media share

In January–March, altogether 3085219 Alma Media shares were traded on the Nasdaq Helsinki stock exchange, representing 3.7 % of the total number of shares. The closing price of the Alma Media share at the end of the last trading day of the review period, 29 March 2018, was EUR 7.10. The lowest quotation during the review period was EUR 7.0 and the highest EUR 8.14. Alma Media Corporation's market capitalisation at the end of the review period was MEUR 584.9.

Disposal of own shares

Alma Media Corporation conveyed a total of 122.344 treasury shares without consideration and according to the plan terms to the key management participating in the company's share-based incentive plans LTI 2015 I & LTI 2015 II, launched in 2015. The incentive scheme was announced in a stock exchange release issued on 27 February 2015.

The directed share issue was based on an authorisation given by the Annual General Meeting held on 22 March 2017. Following the disposal of shares, the company holds 236.314 treasury shares.

Share-based incentive scheme (LTI 2015)

In 2015, the Board of Directors of Alma Media Corporation approved the establishment of a long-term share-based incentive scheme for the key management of Alma Media (hereinafter referred to as "LTI 2015").

The objective of LTI 2015 is to align the interests of the participants with those of Alma Media's shareholders by creating a long-term equity interest for the participants and, thus, to increase the company value in the long term as well as to drive performance culture, to retain participants and to offer them with competitive compensation for excellent performance in the company.

LTI 2015 consists of annually commencing individual plans, each subject to separate Board approval. Each of the individual plans consists of three main elements: an investment in Alma Media shares as a precondition for participation in the scheme, matching shares based on the above share investment and the possibility of earning performance-based matching shares.

The Board of Directors of Alma Media Corporation has decided on four individual plans based on the LTI 2015 share-based incentive scheme: LTI 2015 I, LTI 2015 II, LTI 2015 III and LTI 2015 IV. The main terms of the incentive schemes correspond to those of the LTI 2015 share-based incentive scheme that was launched in 2015.

The matching share plan

In the matching share plan, the participant receives a fixed amount of matching shares against an investment in Alma Media shares.

In the LTI 2015 I matching share plan, the participant receives two matching shares for each invested share free of charge after a two-year vesting period, provided that the other conditions stipulated for the receipt of the share-based incentive by the terms of the plan are still satisfied at the time.

The performance matching plan

The performance matching plan comprises a five-year performance period in total. The potential share rewards will be delivered in tranches after three and five years if the performance targets set by the Board of Directors are attained.

The performance measures used in the performance matching plan are based on the company's profitable growth and share value. If the performance targets set by the Board of Directors are attained in full, the participant will receive in total four matching shares for each invested share free of charge, provided that the other conditions stipulated for the receipt of the share-based incentive by the terms of the plan are still satisfied at the time.

Payment of the incentive is contingent on the participant holding on to the shares invested in the plan and remaining employed by the Group for the five-year duration of the plans. The incentives are paid partly in cash and partly in shares. The cash component is intended to cover taxes incurred by the participant from the incentive.

The fair value of the reward is expensed until the matching shares are paid. The fair value of the share component is determined on the date on which the target group has agreed to the conditions of the plan. The financing cost arising from the obligation to hold shares and dividends expected during the vesting period have been deducted from the value of the share. The fair value of the plan based on the total shareholder return of the share also takes the market-based earning criteria into consideration. The cash component of the incentive is remeasured on each reporting date during the vesting period based on the price of the share on the date in question.

Share-based incentive scheme LTI 2015	Based on share investment (shares max) Gross amount from which taxes are deducted	Performance matching (shares max) Gross amount from which taxes are deducted	Maximum number of people entitled to participate
Launched in 2015 LTI 2015 I	159.000	318.000	35
Launched in 2016 LTI 2015 II	195.000	390.000	43
Launched in 2017 LTI 2015 III	195.000	390.000	44
Launched in 2018 LTI 2015 IV	203.000	406.000	54

Market liquidity guarantee

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

Flagging notices

The company did not receive any flagging notices during the first quarter of 2018.

Risks and risk management

At Alma Media Group, the task of risk management is to detect, evaluate and monitor business opportunities. threats and risks to ensure the achievement of objectives and business continuity. The risk management process identifies and controls the risks, develops appropriate risk management methods and regularly reports on risk issues to the risk management organisation and the Board of Directors. Risk management is part of Alma Media's internal control function and thereby part of good corporate governance.

The most critical strategic risks for Alma Media are a significant drop in its print newspaper readership and a decrease in the online audience of digital media, a permanent decline in advertising sales and a significant increase in distribution and delivery costs. The group subscriptions of the major financial and technology-related magazines are significant in scale. Changes to the subscription agreements could have a substantial impact on the magazines' total subscription volumes. 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 by developing its digital business for consumers and businesses.

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 Eastern 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.

Disturbances of information technology and communications as well as disruption of printing are the most important operational risks.

Events after the review period

Alma Media sold its newspaper and distribution business in Lapland to Kaleva effective from the beginning of April 2018. The transaction saw a change of owners of the regional newspaper Lapin Kansa, the town papers Uusi Rovaniemi and Lounais-Lappi as well as Alma Manu Oy's distribution business in Lapland. The parties agreed not to disclose the price of the transaction. As a result of the transaction, Alma Media will record a non-recurring sales gain of approximately EUR 4.0 million in the second quarter.

Alma Media combined the Alma News & Life business segment, which produces news and lifestyle services, and Alma Regions business segment, which focuses on regional and local media business, effective from 1 April 2018. The new business segment, Alma Consumer, focuses on the consumer media business.

In conjunction with the combination of business segments. Alma Regions' Senior Vice President and member of the Alma Media Group Executive Team Kari Juutilainen stepped down and retired. Kari Kivelä took charge of the new business segment on 1 April 2018. Kivelä was previously the Senior Vice President of the Alma News & Life segment and the publisher of Iltalehti. In connection with the reorganisation, Kari Kivelä stepped down from his position as Senior Editor-in-Chief of Iltalehti. Perttu Kauppinen. Editor-in-Chief for News, was appointed acting Editor-in-Chief of Iltalehti.

Alma Media will report according to the new segment structure starting from the second quarter of 2018 and will publish more detailed pro forma figures for the newly formed business unit in May.

ALMA MEDIA CORPORATION
Board of Directors

SUMMARY OF INTERIM REPORT AND NOTES

COMPREHENSIVE INCOME STATEMENT MEUR	2018 Q1	2017 Q1	Change %	2017 Q1—Q4
REVENUE	92.2	90.5	1.8	367.3
Other operating income	0.8	0.1	1 059.3	3.3
Materials and services	18.1	18.6	-2.2	74.4
Employee benefits expense	37.1	37.5	-1.2	148.8
Depreciation, amortisation and impairment	4.2	4.0	5.0	20.3
Other operating expenses	20.7	19.2	7.9	80.6
OPERATING PROFIT	12.9	11.4	13.2	46.6
Finance income	0.2	0.2	50.1	0.6
Finance expenses	0.3	0.4	-23.9	1.8
Share of profit of associated companies	0.1	0.2	-27.0	0.7
PROFIT BEFORE TAX	12.9	11.3	14.6	45.9
Income tax	2.5	2.4	4.2	9.2
PROFIT FOR THE PERIOD	10.4	8.9	17.4	36.7
OTHER COMPREHENSIVE INCOME:				
Items that are not later 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		-0.2
Tax on items that are not later transferred to be recognised through profit or loss	0.0	0.0		0.0
Items that may later be transferred to be recognised through profit or loss				
Translation differences	-0.6	0.1		0.5
Share of other comprehensive income of associated companies	0.0	0.0		0.0
Income tax relating to components of other comprehensive income	0.0	0.0		0.0
Other comprehensive income for the year, net of tax	-0.6	0.1		0.3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	9.8	9.0		37.0
Profit for the period attributable to:				
– Owners of the parent	9.0	7.7		32.2
– Non-controlling interest	1.5	1.2		4.6
Total comprehensive income for the period attributable to:				
– Owners of the parent	8.3	7.8		32.5
– Non-controlling interest	1.5	1.2		4.6
Earnings per share calculated from the profit for the period attributable to the parent company shareholders:				
- Earnings per share (basic and diluted), EUR	0.11	0.09		0.39

BALANCE SHEET MEUR	31 Mar 2018	31 Mar 2017	31 Dec 2017
ASSETS			
NON-CURRENT ASSETS			
Goodwill	134.8	120.3	121.7
Other intangible assets	65.5	66.1	62.4
Tangible assets	57.4	63.7	59.8
Investment properties	10.1		10.2
Investments in associated companies	6.0	5.2	4.5
Pension receivables, defined benefit plans	0.0	0.2	0.0
Other non-current financial assets	4.3	4.1	4.0
Deferred tax assets	2.3	1.5	2.3
CURRENT ASSETS			
Inventories	2.7	2.2	2.4
Current tax assets	0.8	0.0	0.6
Trade receivables and other receivables	41.6	38.5	44.9
Cash and cash equivalents	26.5	19.7	20.7
TOTAL ASSETS	**352.3**	**321.5**	**333.8**
EQUITY AND LIABILITIES			
Share capital	45.3	45.3	45.3
Share premium reserve	7.7	7.7	7.7
Translation differences	-1.8	-1.6	-1.2
Invested non-restricted equity fund	19.1	19.1	19.1
Retained earnings	56.7	41.9	65.8
Equity attributable to owners of the parent	127.0	112.4	136.8
Non-controlling interest	24.7	20.3	21.6
TOTAL EQUITY	**151.7**	**132.8**	**158.3**
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	54.9	64.1	56.0
Deferred tax liabilities	13.5	13.1	13.0
Pension liabilities	1.1	1.2	1.1
Provisions	0.4	0.3	0.4
Other non-current liabilities	0.2	0.2	0.2
CURRENT LIABILITIES			
Current financial liabilities	20.4	5.6	5.7
Advances received	34.7	34.3	23.0
Income tax liability	3.3	2.8	5.1
Provisions	0.8	0.8	0.9
Trade payables and other payables	71.1	66.5	70.1
TOTAL LIABILITIES	200.6	188.7	175.5
TOTAL EQUITY AND LIABILITIES	**352.3**	**321.5**	**333.8**

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

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

	Equity attributable to owners of the parent							
MEUR	A	B	C	D	E	F	G	H
Equity on 1 Jan 2018	45.3	7.7	-1.2	19.1	65.8	136.8	21.6	158.3
Adoption of IFRS 9					-0,2	-0,2		-0,2
Adoption of amendment to IFRS 2					1.6	1.6		1.6
Equity on 1 Jan 2018	45.3	7.7	-1.2	19.1	67.3	138.2	21.6	159.8
Profit for the period					9.0	9.0	1.5	10.4
Other comprehensive income			-0.6			-0.6	0.0	-0.6
Transactions with equity holders								
Dividends paid by parent					-19.7	-19.7		-19.7
Share-based payment transactions and exercised share options					0.2	0.2		0.2
Change in ownership in subsidiaries							1.7	1.7
Total equity on 31 Mar 2018	45.3	7.7	-1.8	19.1	56.7	127.0	24.7	151.7

	A	B	C	D	E	F	G	H
Equity on 1 Jan 2017	45.3	7.7	-1.7	19.1	48.3	118.7	19.3	138.0
Profit for the period					7.8	7.8	1.2	8.9
Other comprehensive income			0.1			0.1		0.1
Transactions with equity holders								
Dividends paid by parent					-13.2	-13.2		-13.2
Acquisition of own shares					-0.5	-0.5		-0.5
Share-based payment transactions and exercised share options					0.1	0.1		0.1
Change in ownership in subsidiaries								
Acquisitions of shares by non-controlling interests that did not lead to changes in control					-0.5	-0.5	-0.1	-0.6
Total equity on 31 Mar 2017	45.3	7.7	-1.6	19.1	41.9	112.4	20.3	132.8

CASH FLOW STATEMENT MEUR	2018 Q1	2017 Q1	2017 Q1—Q4
OPERATING ACTIVITIES			
Profit for the period	10.4	8.9	36.7
Adjustments	7.7	6.6	28.7
Change in working capital	15.4	9.2	-6.0
Dividends received	0.1	0.0	1.0
Interest received	0.0	0.0	0.1
Interest paid and other finance expenses	-0.3	-0.4	-1.8
Taxes paid	-5.1	-1.7	-7.0
Net cash flow from operating activities	28.2	22.5	51.7
INVESTING ACTIVITIES			
Acquisitions of tangible assets	-0.3	-0.5	-1.6
Acquisitions of intangible assets	-0.8	-0.6	-2.1
Proceeds from sale of tangible and intangible assets	1.2	0.0	0.5
Other investments	0.1	0.0	-14.8
Proceeds from sale of available-for-sale financial assets	0.0	0.0	0.0
Business acquisitions less cash and cash equivalents at the time of acquisition	-5.0	-0.6	-2.0
Proceeds from sale of businesses less cash and cash equivalents at the time of sale	0.0	0.0	1.1
Acquisition of associated companies	-1.5	0.0	-0.3
Proceeds from sale of associated companies	0.0	0.0	1.5
Net cash flows from/(used in) investing activities	-6.4	-1.7	-17.2
Cash flow before financing activities	21.9	20.9	-34.5
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES			
Acquisition of own shares	0.0	-0.5	-1.2
Loans taken	11.0	0.0	3.0
Repayment of loans	-6.0	-10.1	-18.2
Payments of finance lease liabilities	-1.4	-1.2	-5.0
Change in interest-bearing receivables	0.0	0.0	0.0
Dividends paid	-19.7	-12.7	-15.5
Net cash flows from/(used in) financing activities	-16.2	-24.5	-37.0
Change in cash and cash equivalent funds (increase +/decrease -)	5.7	-3.6	-2.4
Cash and cash equivalents at beginning of period	20.7	23.3	23.3
Effect of change in foreign exchange rates	-0.1	0.0	0.1
Cash and cash equivalents at end of period	26.5	19.7	20.7

Acquired businesses in 2018

Alma Media has acquired the following business operations during 2018:

	Business	Acquisition date	Acquired share	Group share
Alma Markets segment				
Ahorouta Oy	Online	3 January 2018	100.0 %	65 %
AutoJerry Oy	Online	10 January 2018	76.0 %	65 %
Käyttösofta Oy	Online	10 January 2018	100.0 %	65 %

The segment's information on acquired businesses is presented in combined form.

MEUR	Fair values entered in integration
Intangible assets	5.2
Trade receivables and other receivables	0.2
Cash and cash equivalents	0.8
Total	6.2
Deferred tax liabilities	1.0
Trade payables and other payables	0.4
Total	1.4
Total identifiable net assets at fair value 100%	4.7
Group's share of net assets	3.1
IFRS acquisition cost	16.5
Goodwill	13.4

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 profit of the acquired businesses in 2018.

CONTINGENT CONSIDERATION LIABILITY MEUR	
Initial recognition of the liability	9.9
Change in fair value during previous financial periods	0.0
Considerations, settled in cash	0.0
Change in fair value during the financial period	0.0
Fair value of the contingent consideration liability at the end of the period	9.9

Personnel

EMPLOYEES BY GEOGRAPHIAL AREA	2018 Q1	2017 Q1	2017 Q1—Q4
Employees, Finland	1491	1512	1548
Employees, other countries	826	729	740
Employees, total	2318	2241	2287

Provisions

The company's provisions totalled MEUR 1.2 (1.1) on 31 March 2018. It has not been necessary to change the estimates made when the provisions were entered.

Commitments and contingencies

COMMITMENTS AND CONTINGENCIES MEUR	31 Mar 2018	31 Mar 2017	31 Dec 2017
Collateral for others			
Guarantees	0.9	0.9	0.9
Other commitments and contingencies	1.2	1.6	1.0
Minimum lease payments on other lease agreements:			
Within one year	9.3	9.2	9.2
Within 1–5 years	25.1	27.0	25.2
After 5 years	17.4	21.4	18.2
Total	51.8	57.6	52.6
In addition, the Group has purchase agreements that, based on IFRIC 4, include a lease component as per IAS 17. Minimum payments based on these agreements:	0.1	0.1	0.1

DERIVATIVE CONTRACTS MEUR	31 Mar 2018	31 Mar 2017	31 Dec 2017
Commodity derivative contracts, electricity derivatives			
Fair value*	0.0	0.0	0.0
Nominal value	0.3	0.2	0.3
Interest rate derivatives			
Fair value*	-0.5	-0.6	-0.5
Nominal value	19.4	19.4	19.4
Foreign currency derivatives			
Fair value*	-0.2	0.0	-0.2
Nominal value	8.0	3.1	8.0

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 as well as the status of their receivables and liabilities:

RELATED PARTY TRANSACTIONS MEUR	2018 Q1	2017 Q1	2017 Q1—Q4
Sales of goods and services	0.0	0.2	0.6
Associated companies	0.0	0.2	0.4
Principal shareholders	0.0	0.1	0.2
Corporations where management exercises influence		0.0	0.0
Purchases of goods and services	0.3	0.8	2.9
Associated companies	0.3	0.8	2.9
Principal shareholders	0.0	0.0	0.0
Corporations where management exercises influence	0.0	0.0	0.0
Trade receivables, loan and other receivables at the end of the reporting period	0.0	0.0	0.0
Associated companies	0.0		0.0
Principal shareholders		0.0	0.0
Corporations where management exercises influence	0.0	0.0	0.0
Trade payables at the reporting date	0.0	0.0	0.0
Associated companies	0.0	0.0	0.0
Principal shareholders	0.0		0.0

QUARTERLY INFORMATION MEUR	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2017 Q4	2017 Q3	2017 Q2	2016 Q1
REVENUE	92.2	97.1	86.0	93.7	90.5	93.5	80.9	92.0	86.7
Alma Markets	23.8	22.1	20.9	20.6	19.6	18.0	17.2	17.6	16.7
Alma Talent	27.8	31.0	24.0	28.7	29.5	31.2	23.0	30.5	29.3
Alma News & Life	11.7	13.1	11.7	13.0	11.1	12.0	11.1	12.1	10.9
Alma Regions	29.8	31.9	30.4	32.6	31.3	33.5	30.5	33.0	30.8
Eliminations and non-allocated	-0.9	-1.0	-1.1	-1.1	-1.0	-1.1	-0.9	-1.2	-0.9
ADJUSTED TOTAL EXPENSES	80.1	90.1	72.2	80.5	78.0	82.8	72.0	82.2	81.5
Alma Markets	15.6	16.4	13.0	13.3	12.4	14.1	11.8	12.5	11.9
Alma Talent	24.6	27.3	21.2	25.3	25.0	26.4	21.0	27.2	27.2
Alma News & Life	10.3	10.8	10.0	10.5	10.2	10.2	9.3	10.3	9.4
Alma Regions	28.9	29.6	27.6	30.7	29.3	30.4	28.6	30.8	29.8
Eliminations and non-allocated	0.7	5.9	0.4	0.7	1.2	1.7	1.3	1.4	3.1
ADJUSTED EBITDA	16.4	15.7	17.9	17.2	16.6	15.6	13.6	14.4	9.9
Alma Markets	9.1	6.5	8.6	8.1	8.0	5.4	6.6	6.4	6.1
Alma Talent	4.3	4.9	3.9	4.4	5.7	5.8	3.1	4.4	3.2
Alma News & Life	1.5	2.4	1.8	2.6	1.1	2.0	1.9	2.0	1.6
Alma Regions	1.9	3.2	3.9	2.9	2.9	4.1	2.9	3.1	1.8
Eliminations and non-allocated	-0.4	-1.4	-0.4	-0.7	-1.1	-1.7	-0.9	-1.4	-2.8
ADJUSTED OPERATING PROFIT/LOSS	12.2	11.3	14.0	13.2	12.6	10.9	9.1	9.9	5.5
Alma Markets	8.2	5.8	7.9	7.3	7.3	4.0	5.3	5.1	4.8
Alma Talent	3.3	3.9	2.8	3.3	4.6	4.7	2.1	3.4	2.2
Alma News & Life	1.4	2.2	1.7	2.4	0.9	1.8	1.8	1.9	1.5
Alma Regions	1.0	2.3	3.0	2.0	2.0	3.3	2.0	2.2	1.0
Eliminations and non-allocated	-1.6	-3.0	-1.5	-1.8	-2.3	-2.9	-2.2	-2.6	-4.0
% OF REVENUE	13.2	11.6	16.2	14.1	13.9	11.7	11.2	10.8	6.4
Alma Markets	34.5	26.2	37.8	35.7	37.2	22.0	31.2	29.0	28.9
Alma Talent	11.7	12.5	11.7	11.6	15.5	15.3	9.0	11.2	7.6
Alma News & Life	11.7	17.2	14.3	18.8	8.5	15.1	16.2	15.3	13.9
Alma Regions	3.3	7.3	10.0	6.0	6.5	9.8	6.7	6.6	3.1
Non-allocated	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ADJUSTED ITEMS	0.7	-5.4	0.3	1.8	-1.2	-4.3	-0.2	-0.8	-3.0
Alma Markets	0.7	0.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Alma Talent	0.0	0.0	-0.1	0.7	0.0	-0.4	-0.2	-1.5	-1.4
Alma News & Life	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.9	0.0
Alma Regions	0.0	-1.4	0.1	0.0	-0.8	-1.6	0.0	-0.2	-1.1
Non-allocated	0.0	-4.0	-0.2	1.1	-0.4	-2.3	0.0	0.0	-0.5
OPERATING PROFIT/LOSS	12.9	5.8	14.3	15.0	11.4	6.7	8.9	9.1	2.5
Alma Markets	8.9	5.8	8.4	7.3	7.3	4.0	5.3	5.1	4.8
Alma Talent	3.3	3.9	2.7	4.0	4.6	4.3	1.8	1.9	0.8
Alma News & Life	1.4	2.2	1.7	2.4	0.9	1.8	1.8	2.8	1.5
Alma Regions	1.0	0.9	3.1	2.0	1.2	1.7	2.0	2.0	-0.2
Non-allocated	-1.6	-7.0	-1.6	-0.7	-2.6	-5.1	-2.2	-2.6	-4.5
Finance income	0.2	0.0	0.0	0.2	0.2	0.4	0.0	0.3	0.1
Finance expenses	0.3	0.1	0.6	0.5	0.4	0.7	1.0	0.7	0.8
Share of profit of associated companies	0.1	0.0	0.3	0.2	0.2	0.1	0.3	0.2	0.3
PROFIT BEFORE TAX	12.9	5.8	14.0	14.9	11.3	6.5	8.2	9.0	2.1
Income tax	-2.5	-1.4	-2.8	-2.7	-2.3	-1.4	-1.7	-2.1	-0.5
PROFIT FOR THE PERIOD	10.4	4.4	11.2	12.2	8.9	5.1	6.5	6.9	1.6

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 2017 and the new and revised IFRS standards described in the 2017 financial statements. 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 2017. This interim report applies the same accounting principles as the consolidated financial statements, with the exception of the following new standards adopted at the start of the financial year:

IFRS 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and liabilities. It also introduces changes to the rules governing hedge accounting as well as a new impairment model for financial assets. The new rules have been applied by the Group retrospectively starting from 1 January 2018 in such a way as to take advantage of the practical expedients provided by the standard. The comparison figures for 2017 are not adjusted. The most significant impacts of IFRS 9 adoption in the Group are related to the impairment of trade receivables and the classification of financial assets and liabilities, which is based on business models defined by the Group's management.

In recognising expected credit losses, the Group applies the simplified approach defined in IFRS 9, according to which lifetime expected credit losses can be recognised for all trade receivables. For the purposes of determining expected credit losses, trade receivables have been grouped on the basis of shared credit risk characteristics and delinquency in payment. The MEUR 0.2 increase in the loss allowance related to trade receivables reduces the opening balance of retained earnings on 1 January 2018.

Amendment to IFRS 2 *Share-based Payments*. The amendment concerns incentive schemes with net settlement features to cover withholding tax obligations and where the employer has an obligation to withhold tax from the received benefit on the share-based payment. The previous standard requires the entity to divide the payment into an equity-settled component and a cash-settled component. According to the new IFRS 2, compensation costs will be recognised for such payments based on the entire scheme being an equity-settled payment. Compensation costs are recognised based on the number of gross shares awarded, in spite of the employee ultimately only receiving the net shares and the Group paying the portion required to meet the withholding obligations to the tax authority in cash. The withholding paid by the Group to the tax authority is recognised directly in equity.

The Group's 2017 financial statements included a EUR 1.6 million short-term liability relating to the cash-settled component. Due to the amendment, this portion has been adjusted in the opening balance sheet from the liabilities to equity's retained earnings.

IFRS 16 Leases (effective for financial periods beginning on or after 1 January 2019). Under the new standard, all leases except short-term (less than 12-month) contracts and contracts with low value will be recognised as having the right to be used on the balance sheet. Operating leases and finance leases will no longer be differentiated between. The change will move off-balance sheet liabilities to the balance sheet, and thus increase the amount of lease property and debt. Lessor accounting will not be subject to significant changes.

The concepts of agreements processed as off-balance sheet liabilities and the concepts used in IFRS 16 are somewhat different from each other, which is why the number of agreements recognised on the balance sheet may differ from the number of off-balance sheet liabilities. The lease contracts recognised on the balance sheet are mainly from business premises and cars.

Alma Media has started preparing to implement the standard and the Group is assessing the effects of the standard's implementation. The change does have an impact on the Group's financial statements. The change will also affect the key indicators based on the balance sheet, such as gearing. The implementation of the standard does not influence the cash flow. Alma Media will report more detailed figures in the second quarter of 2018.

IFRS 15 Revenue from Contracts with Customers is a new standard governing the recognition of revenue. Alma Media has adopted the standard on 1 January 2018 using the modified retrospective approach, which means that the cumulative effects arising from the application of the standard have been recognised in retained earnings on 1 January 2018 and comparison figures are not adjusted. In the company's view, the new standard has not had a material effect on the consolidated financial statements.

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 percentage of digital business of revenue is calculated as digital business/revenue * 100. The figures in this interim report are independently rounded.

Alternative Performance Measures

Alma Media Corporation additionally uses and presents Alternative Performance Measures to better illustrate the operative development of its business and to improve comparability between reporting periods. The Alternative Performance Measures are reported in addition to IFRS key figures.

The Alternative Performance Measures used by Alma Media Corporation are the following:

Adjusted operating profit (MEUR and % of revenue)	Profit before tax and financial items excluding adjusted items
Adjusted EBITDA	Operating profit excluding depreciation, amortisation, impairment losses and adjusted items

Items adjusting operating profit are 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 by the Group as adjustments. Adjustments are recognised in the profit and loss statement within the corresponding income or expense group.

Interest-bearing net debt (MEUR)	Interest-bearing debt — cash and cash equivalents

The figures in this release are unaudited.

Seasonality

The Group recognises its content revenue from publishing activities as paid. For this reason, 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 the 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

More information:
Kai Telanne, President and CEO, telephone +358 (0)10 665 3500
Juha Nuutinen, CFO, telephone +358 (0)10 665 3873

Alma Media's financial calendar 2018
Alma Media will publish financial reports in 2018 as follows:
- Interim report for January–June 2018 on Wednesday, 18 July 2018 at approximately 8:00 EEST
- Interim report for January–September October 2018 on Thursday, 25 October 2018 at approximately 8:00 EEST