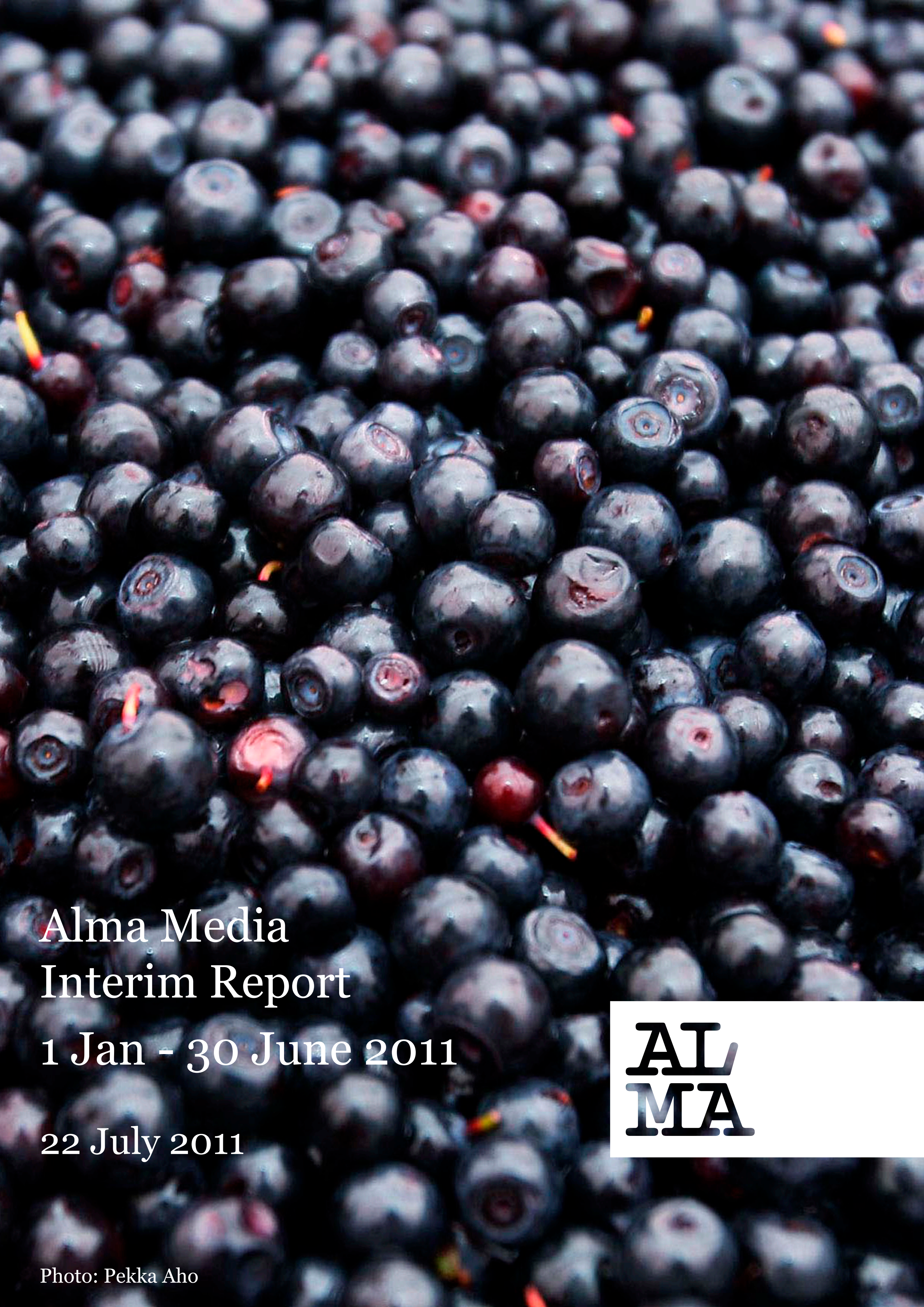

Alma Media Interim Report 1 Jan - 30 June 2011

22 July 2011

Photo: Pekka Aho

Alma Media Corporation Interim Report July 22, 2011 at 9:00am (EEST)

Alma Media's Interim Report for January–June 2011:

ADVERTISING SALES GREW FOR PRINTED PAPERS

Financial performance April–June 2011:

- Revenue was MEUR 82.7 (78.7), up 5.1%.
- Circulation revenue was MEUR 30.3 (30.7), down 1.4%, advertising revenue MEUR 42.7 (38.6), up 10.8% and content and service revenue MEUR 9.7 (9.5), up 2.6%
- Operating profit excluding non-recurring items was MEUR 11.5 (11.3), 14.0% (14.3%) of revenue, up 2.6%.
- Operating profit was MEUR 11.0 (10.9), 13.3% (13.8%) of revenue, up 1.4%.
- Profit for the period was MEUR 8.8 (7.8), up 12.5%.
- Earnings per share were EUR 0.11 (0.10), up 7.9%.

Financial performance January–June 2011:

- Revenue was MEUR 159.8 (153.1), up 4.4%.
- Circulation revenue was MEUR 61.0 (61.4), down 0.6%, advertising revenue MEUR 80.4 (73.4), up 9.6% and content and service revenue MEUR 18.5 (18.4), up 0.5%
- Operating profit excluding non-recurring items was MEUR 20.9 (19.6), 13.0% (12.8%) of revenue, up 6.6%.
- Operating profit was MEUR 20.0 (19.1), 12.5% (12.5%) of revenue, up 4.7%.
- Profit for the period was MEUR 15.7 (14.1), up 11.7%.
- Earnings per share were EUR 0.20 (0.19), up 6.5%.

Key figures MEUR	2011 Q2	2010 Q2	Change	%	2011 Q1-Q2	2010 Q1-Q2	Change	%	2010 Q1-Q4
Revenue	82.7	78.7	4.0	5.1	159.8	153.1	6.7	4.4	311.4
Circulation revenue	30.3	30.7	-0.4	-1.4	61.0	61.4	-0.4	-0.6	125.3
Advertising revenue	42.7	38.6	4.2	10.8	80.4	73.4	7.0	9.6	148.2
Contents and service revenue *)	9.7	9.5	0.2	2.6	18.5	18.4	0.1	0.5	37.8
Total expenses excluding non-recurring items	71.2	67.7	3.5	5.1	139.0	133.8	5.2	3.9	267.6
Operating profit excluding non-recurring items	11.5	11.3	0.3	2.6	20.9	19.6	1.3	6.6	43.9
% of revenue	14.0	14.3			13.0	12.8	0.0		14.1
Operating profit	11.0	10.9	0.2	1.4	20.0	19.1	0.9	4.7	43.4
% of revenue	13.3	13.8			12.5	12.5	0.0		13.9
Profit for the period	8.8	7.8	1.0	12.5	15.7	14.1	1.7	11.7	33.2
Earnings per share, EUR (basic)	0.11	0.10	0.01	7.9	0.20	0.19	0.00	6.5	0.44
Earnings per share, EUR (diluted)	0.11	0.10	0.01	7.5	0.20	0.19	0.00	6.1	0.44

*) Content and service revenue includes, among others, the digital service and custom media revenue as well as the external rental, distribution and printing revenue.

Outlook for 2011:

Alma Media expects its full-year revenue and operating profit excluding non-recurring items to increase from the 2010 level. Full-year revenue for 2010 was MEUR 311.4, operating profit excluding non-recurring items MEUR 43.9 and operating profit MEUR 43.4.

Kai Telanne, President and CEO:

According to TNS Gallup, media advertising in Finland grew by 14.0% (1.4%) in January–May. Campaigns for the parliamentary election in April caused an increase in advertising over the comparison period. Newspaper advertising spend increased by 9.9% in January–May; 7.1% excluding election advertising. Strong development also continued in online advertising, with advertisers' spending increasing by 34.3%

(23.3%) in January–May. The printed newspaper is the most significant advertising medium in terms of euros.

Revenue from Alma Media's advertising sales increased by 10.8% during the second quarter of the year and was MEUR 42.7. Advertising sales for printed newspapers grew by 8.1% and those for online services by 19.6% from the comparison period. Advertising sales for printed media were strong particularly for Aamulehti, Iltalehti and Satakunnan Kansa. The strong growth of online advertising sales for Alma Media's newspapers slowed down slightly during the second quarter, mainly because of the decelerated growth in Iltalehti.fi advertising sales.

Alma Media's circulation revenue was MEUR 30.3. Circulation revenue decreased by 1.4% due to the decline in the single-copy sales of Iltalehti.

The investment in the renewal of the Tampere printing facility is progressing according to plan. An agreement for the purchase of the finishing equipment for the new facility from Ferag AG was signed. The new printing facility will start operation in early 2013.

Alma Media's printing and distribution unit Alma Manu started a development and rationalisation programme in April. The statutory personnel negotiations related to the programme that affected approximately 1,000 employees in Pirkanmaa and Satakunta were completed in June. As a result of the negotiations, the number of staff will decrease by 54 full-time work years and the newspaper printing facility in Pori will be closed down by the end of January 2012.

The Supreme Court did not grant either of the parties to the dispute over the ETUOVI.COM trademark a leave to appeal. According to the decision, there are no obstacles for Alma Media to use its trademark ETUOVI.COM as the brand for its online services. From Alma Media's perspective, the long trademark dispute has now reached a satisfactory end.

The development of digital services continued. Kauppalehti as well as the local newspapers published by Suomen Paikallissanomat Oy started to appear on Apple's iPad in June. In addition, a new technology platform was taken into use at Autotalli.com during the review period, a holiday cottage section was launched at Vuokraovi.com and Monster.fi's BeKnown service was introduced for social media networking of the professionals.

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ALMA MEDIA GROUP INTERIM REPORT JANUARY 1–JUNE 30, 2011

The descriptive part of this review focuses on the result of January–June 2011. The figures are compared in accordance with the International Financial Reporting Standards (IFRS) with those of the corresponding period in 2010, unless otherwise stated. The figures in the tables are independently rounded.

KEY FIGURES MEUR	2011 Q2	2010 Q2	Change %	2011 Q1-Q2	2010 Q1-Q2	Change %	2010 Q1-Q4
Revenue	82.7	78.7	5.1	159.8	153.1	4.4	311.4
Total expenses excluding non-recurring items	71.2	67.7	5.1	139.0	133.8	3.9	267.6
Operating profit excluding non-recurring items	11.5	11.3	2.6	20.9	19.6	6.6	43.9
% of revenue	14.0	14.3		13.0	12.8		14.1
Operating profit	11.0	10.9	1.4	20.0	19.1	4.7	43.4
% of revenue	13.3	13.8		12.5	12.5		13.9
Profit before tax	11.8	11.0	7.3	21.1	19.5	7.8	45.0
Profit for the period	8.8	7.8	12.5	15.7	14.1	11.7	33.2
Return on Equity/ROE (Annual), %*	55.8	47.4	17.7	34.8	34.4	1.3	31.6 %
Return on Investment/ROI (Annual), %*	45.7	45.7	0.0	32.9	33.5	-2.0	31.1 %
Net financial expenses	-0.3	0.0	4431.2	-0.2	0.0	-359.8	-0.9
Net financial expenses, % of revenue	-0.4	0.0		-0.1	0.0		-0.3
Balance sheet total				166.1	150.5	10.3	184.5
Capital expenditure	1.4	2.9	-51.3	2.9	5.9	-51.8	12.9
Capital expenditure, % of revenue	1.7	3.6		1.8	3.9		4.1
Equity ratio				56.6	64.6	-12.3	67.1
Gearing, %				-10.6	-17.6	-40.1	-28.2
Interest-bearing net debt				-8.5	-14.5	-41.0	-32.4
Interest-bearing liabilities				14.7	4.3	240.5	4.0
Non-interest-bearing liabilities				70.6	64.0	10.2	65.7
Average no. of personnel, calculated as full-time employees, excl. delivery staff	1,858	1,830	1.5	1,826	1,785	1.6	1,806
Average no. of delivery staff	960	1,001	-4.1	938	970	-3.3	962
Share indicators							
Earnings per share, EUR (basic)	0.11	0.10	7.9	0.20	0.19	6.5	0.44
Earnings per share, EUR (diluted)	0.11	0.10	7.5	0.20	0.19	6.1	0.44
Cash flow from operating activities/share, EUR	-0.02	0.09	-122.6	0.35	0.39	-10.5	0.61
Shareholders' equity per share, EUR				1.04	1.09	-4.6	1.50
Dividend per share							0.70
Effective dividend yield							8.5
P/E Ratio							18.9
Market capitalisation				508.8	480.3	5.9	621.4
Average no. of shares (1,000 shares)							
- basic	75,302	74,852		75,190	74,733		74,894
- diluted	75,751	75,022		75,793	74,961		75,086
No. of shares at end of period (1,000 shares)				75,487	75,053		75,053

*) see Main Accounting Principles of the Interim Report

Market conditions

The GDP of Finland is expected to grow by 3–4% in 2011.

TNS Gallup has announced that it will publicise the January–June market information on week 30. The total advertising volume continued to grow in January–May 2011 and was up 14.0% (1.4%). Advertising in newspapers increased by 9.9% to MEUR 230.7 (MEUR 209.7) accelerated by election advertising in spring. Advertising in online media continued its strong growth in January–May with advertising spend increasing by 34.3% (23.3%). The printed newspaper is the most significant advertising medium in terms of euros.

The total market for afternoon papers decreased by 4.8% (5.0%) during the second quarter of 2011.

Changes in Group structure

In February 2011, Alma Media acquired the majority (51%) of Mascus A/S in Denmark. The company is reported as part of the Marketplaces segment in Alma Media's consolidated financial statements.

Further details of the business combinations are given in the notes of this interim report.

Group revenue and result April–June 2011

The Group's revenue grew by 5.1% (down 0.7%) and totalled MEUR 82.7 (78.7). The revenue from the printed media was MEUR 61.5 (59.6), representing 74.4% (75.7%) of the Group's total revenue. The revenue generated by digital products and services grew by 14.8% and amounted to MEUR 14.6 (12.7). The share of the digital business in the Group's revenue increased to 17.6% (16.1%).

The Group's advertising sales grew by 10.8% to MEUR 42.7 (38.6), representing 51.7% (49.0%) of the total revenue. The advertising sales for printed media increased 8.1% to MEUR 31.2 (28.9). The online advertising sales grew by 19.6% to MEUR 11.3 (9.4).

The circulation revenue amounted to MEUR 30.3 (30.7). Circulation revenue fell slightly due to the decline in the single-copy sales of Iltalehti. Circulation revenue for Kauppalehti remained at last year's level.

The content and service revenue was MEUR 9.7 (9.5).

Total expenses excluding non-recurring items grew by 5.1% and totalled MEUR 71.2 (67.7). Total expenses grew by 5.3% to MEUR 71.1 (68.1). The growth in total expenses was mainly attributable to increase in personnel, printing and distribution expenses as well as sales and marketing expenditure.

The operating profit excluding non-recurring items increased by 2.6% (down 7.5%) and amounted to MEUR 11.5 (11.3). The operating profit excluding non-recurring items was 14.0% (14.3%) of revenue. The operating profit was MEUR 11.0 (10.9) and decreased to 13.3% (13.8%) of revenue.

The operating profit includes MEUR -0.5 (-0.4) in net non-recurring items. The details of the non-recurring items are explained under Non-recurring items on page 10.

Profit for April-June 2011 was MEUR 8.8 (7.8). Profit for the period excluding non-recurring items was MEUR 9.3 (8.2).

Group revenue and result January–June 2011

In the first half of 2011, the revenue grew by 4.4% (down 1.7%) and totalled MEUR 159.8 (153.1). The revenue from printed media was MEUR 118.8 (116.6), representing 74.4% (76.2%) of the Group's total revenue. The revenue generated by digital products and services grew by 18.9% and amounted to MEUR 28.7 (24.1). The share of the digital business in the Group's revenue was 17.9% (15.7%).

The Group's advertising sales grew by 9.6% to MEUR 80.4 (73.4), representing 50.3% (47.9%) of the total revenue. The advertising sales for printed media increased by 4.6% to MEUR 57.9 (55.3). The online advertising sales grew by 25.1% to MEUR 22.1 (17.6). The circulation revenue amounted to MEUR 61.0 (61.4). The content and service revenue was MEUR 18.5 (18.4).

Total expenses excluding non-recurring items grew by 3.9% and totalled MEUR 139.0 (133.8). Total expenses grew by 4.3% to MEUR 140.0 (134.3).

The operating profit excluding non-recurring items increased by 6.6% (down 0.6%) and amounted to MEUR 20.9 (19.6). The operating profit excluding non-recurring items was 13.0% (12.8%) of revenue. The operating profit was MEUR 20.0 (19.1). The operating profit remained at the level of the comparison period, 12.5% (12.5%) of revenue.

The operating profit includes MEUR -0.8 (-0.5) in net non-recurring items. The details of the non-recurring items are explained under Non-recurring items on page 10.

Profit for January -June 2011 was MEUR 15.7 (14.1). Profit for the period excluding non-recurring items was MEUR 16.5 (14.6).

Business segments

The business segments of Alma Media are Newspapers, Kauppalehti Group, Marketplaces and Other operations. The business segments are reported in this interim report according to the Group's internal organisational structure.

REVENUE AND OPERATING PROFIT/LOSS BY SEGMENT

REVENUE BY SEGMENT, MEUR	2011 Q2	2010 Q2	Change %	2011 Q1-Q2	2010 Q1-Q2	Change %	2010 Q1-Q4
Newspapers							
External	56.9	54.4		109.7	105.6		215.1
Inter-segments	1.0	1.0		2.1	2.1		4.1
Newspapers total	57.9	55.4	4.5	111.8	107.6	3.8	219.3
Kauppalehti Group							
External	14.8	14.1		28.5	28.1		57.2
Inter-segments	0.2	0.3		0.4	0.4		0.7
Kauppalehti Group total	15.0	14.4	3.8	28.9	28.5	1.4	57.9
Marketplaces							
External	9.8	8.3		18.9	16.0		32.3
Inter-segments	-0.2	-0.1		-0.3	-0.1		-0.3
Marketplace total	9.5	8.2	16.1	18.7	15.8	18.0	32.1
Other operations							
External	1.3	1.8		2.8	3.5		6.7
Inter-segments	19.4	17.5		37.5	35.1		71.9
Other operations total	20.7	19.3	7.2	40.3	38.6	4.3	78.5
Elimination	-20.4	-18.7		-39.7	-37.4		-76.4
Total	82.7	78.7	5.1	159.8	153.1	4.4	311.4

OPERATING PROFIT/LOSS BY SEGMENT, MEUR *)	2011 Q2	2010 Q2	Change %	2011 Q1-Q2	2010 Q1-Q2	Change %	2010 Q1-Q4
Newspapers	9.2	9.2	0.0	15.4	16.0	-4.1	32.9
Kauppalehti Group	2.0	2.5	-21.5	3.1	4.0	-22.0	8.2
Marketplaces	1.6	-0.7	332.4	3.2	-0.7	554.7	0.4
Other operations	-1.7	-0.1	-1231.0	-1.7	-0.3	-543.3	1.9
Total	11.0	10.9	1.4	20.0	19.1	4.7	43.4

*) including non-recurring items

Newspapers

The Newspapers segment reports the publishing activities of 34 newspapers. The largest titles are Aamulehti and Iltalehti.

Newspapers Key figures, MEUR	2011 Q2	2010 Q2	Change %	2011 Q1-Q2	2010 Q1-Q2	Change %	2010 Q1-Q4
Revenue	57.9	55.4	4.5	111.8	107.6	3.8	219.3
Circulation revenue	26.8	27.2	-1.7	53.7	54.0	-0.6	110.3
Advertising revenue	30.0	27.4	9.5	56.0	52.0	7.6	104.9
Content and service revenue	1.2	0.8	42.0	2.1	1.6	32.8	4.1
Total expenses excluding non-recurring items	48.8	46.5	4.9	95.9	91.8	4.5	186.3
Operating profit excluding non-recurring items	9.2	9.2	0.0	15.9	16.1	-1.6	33.1
Operating profit excluding non-recurring items, %	15.8	16.5		14.2	15.0		15.1
Operating profit	9.2	9.2	0.0	15.4	16.0	-4.1	32.9
Operating profit, %	15.8	16.5		13.8	14.9		15.0
Average no. of personnel, calculated as full-time employees excl. delivery staff	994	989	0	976	953	2	972
Average no. of delivery staff *	114	98	16	108	98	11	99

Operational key figures	2011 Q2	2010 Q2	2011 Q1-Q2	2010 Q1-Q2	2010 Q1-Q4
Audited circulation					
Iltalehti					107,052
Aamulehti					131,539
Online services, unique browsers, weekly					
Iltalehti.fi	2,907,546	2,140,489	2,900,309	2,160,850	2,276,375
Telkku.com	646,887	601,926	678,840	620,390	616,325
Aamulehti.fi	343,435	263,980	336,205	269,479	299,467

April–June 2011

The Newspapers segment’s revenue increased to MEUR 57.9 (55.4). Advertising sales in the segment totalled MEUR 30.0 (27.4), up 9.5% (0.5%). Advertising sales in printed media increased by 8.8% (decreased by 3.3%). The segment’s online advertising sales grew by 15.4% (50.4%). The rapid growth of online advertising sales slowed down slightly during the second quarter mainly due to the decelerated growth in Iltalehti.fi’s advertising sales.

The segment’s circulation revenue decreased to MEUR 26.8 (27.2). The popularity of the biggest online service in Finland, Iltalehti.fi, continued to grow. During week 20, it again broke the Finnish visitor record with 3.3 million unique browsers visiting the site. The local newspapers published by Suomen Paikallissanomat Oy began to appear also in Apple’s iPad tablets.

The segment’s total expenses were MEUR 48.8 (46.5). They grew mainly due to increases in personnel expenses and printing and distribution expenses.

The segment’s operating profit was MEUR 9.2 (9.2), 15.8% (16.5%) of revenue. No non-recurring items were reported during the review period.

January–June 2011

The Newspapers segment's revenue increased to MEUR 111.8 (107.6). Advertising sales in the segment totalled MEUR 56.0 (52.0), up 7.6% (0.7%). Advertising sales in printed media increased by 5.5% (decreased by 2.4%). The segment's online advertising sales grew by 26.6% (39.9%).

The segment's circulation revenue remained at the previous year's level, being MEUR 53.7 (54.0).

The segment's total expenses excluding non-recurring items were MEUR 95.9 (91.8). Total expenses were MEUR 96.4 (91.8).

The segment's operating profit excluding non-recurring items was MEUR 15.9 (16.1) and the operating margin excluding non-recurring items MEUR 14.2 (15.0). The segment's operating profit was MEUR 15.4 (16.0) and the operating margin 13.8% (14.9%).

Kauppalehti Group

The Kauppalehti Group specialises in the production of business and financial information as well as in the provision of marketing solutions. Its best known title is Finland's leading business paper, Kauppalehti. The Group also includes the custom media house Alma 360 Custom Media (former Alma Media Lehdentekijät, Suomen Businessviestintä and TTNK Helsinki), and the news agency and media monitoring unit BNS Group that operates in the Baltic countries.

Kauppalehti Group Key figures, MEUR	2011 Q2	2010 Q2	Change %	2011 Q1-Q2	2010 Q1-Q2	Change %	2010 Q1-Q4
Revenue	15.0	14.4	3.8	28.9	28.5	1.4	57.9
Circulation revenue	3.5	3.5	1.3	7.3	7.3	-0.4	15.0
Advertising revenue	4.7	4.5	5.0	8.8	8.7	1.7	17.7
Content and service revenue	6.7	6.4	4.4	12.8	12.5	2.4	25.2
Total expenses excluding non-recurring items	13.0	11.9	9.0	25.7	24.5	5.3	49.7
Operating profit excluding non-recurring items	2.0	2.5	-21.5	3.1	4.0	-22.0	8.2
Operating margin excluding non-recurring items, %	13.1	17.3		10.9	14.2	-23.1	14.2
Operating profit	2.0	2.5	-21.5	3.1	4.0	-22.0	8.2
Operating profit, %	13.1	17.3		10.9	14.2	-23.1	14.2
Average no. of personnel, calculated as full-time employees	434	441	-1	435	434	0.1	437

Operational key figures	2011 Q2	2010 Q2	2011 Q1-Q2	2010 Q1-Q2	2010 Q1-Q4
Audited circulation					
Kauppalehti					70,118
Online services, unique browsers, weekly					
Kauppalehti.fi	713,927	561,783	781,601	594,508	615,354

April–June 2011

The revenue of the Kauppalehti Group amounted to MEUR 15.0 (14.4) in the second quarter. The revenue of the review period increased by 3.8% (decreased by 10.0%). Online business accounted for 23.2% (23.5%) of the segment's revenue.

The segment's advertising sales increased by 5.0% (increased by 12.9%) to MEUR 4.7 (4.5). Advertising sales for printed media grew by 5.4% (12.0%). Online advertising sales increased by 6.9% (29.1%) from the comparison period.
The segment's circulation revenue remained at the previous year's level, MEUR 3.5 (3.5). Content and service revenue grew to MEUR 6.7 (6.4). Alma 360 Custom Media won new customers in a challenging market situation. Kauppalehti started to appear on Apple's iPad tablets in June.

The total expenses of the segment were MEUR 13.0 (11.9). They grew mainly due to an increase in personnel costs and sales and marketing spending that exceeded those of the comparison period.

The operating profit of the Kauppalehti Group was MEUR 2.0 (2.5), representing 13.1% (17.3%) of the revenue. No non-recurring items were recognised during the review period.

January–June 2011

In the first half-year, the revenue of the Kauppalehti Group amounted to MEUR 28.9 (28.5). The revenue of the review period increased by 1.4% (decreased by 11.8%). Online business accounted for 24.0% (23.7%) of the segment's revenue.

The segment's advertising sales increased by 1.7% (4.4%) to MEUR 8.8 (8.7). Advertising sales for printed media remained at the previous year's level. Online advertising sales increased by 4.2% (29.5%) from the comparison period.

The segment's circulation revenue remained at the previous year's level, MEUR 7.3 (7.3). Content and service revenue grew to MEUR 12.8 (12.5).

The segment's total expenses amounted to MEUR 25.7 (24.5).

The operating profit of the Kauppalehti Group was MEUR 3.1 (4.0), representing 10.9% (14.2%) of the revenue. No non-recurring items were recognised during the review period.

Marketplaces

The Marketplaces segment reports classified services produced on the internet and supported by printed products. The services in Finland are Etuovi.com, Vuokraovi.com, Monster.fi, Autotalli.com, Mascus.fi and Mikko.fi. The services outside Finland are Mascus, Bovision, Objektvision and City24.

Marketplaces Key figures, MEUR	2011 Q2	2010 Q2		Change %	2011 Q1-Q2	2010 Q1-Q2	Change %	2010 Q1-Q4
Revenue	9.5	8.2		16.1	18.7	15.8	18.0	32.1
Operations in Finland	8.2	7.0		17.4	16.1	13.5	18.8	27.5
Operations outside Finland	1.4	1.3		11.0	2.8	2.4	13.7	4.9
Total expenses excluding non-recurring items	8.0	8.3		-4.4	15.6	15.9	-1.8	31.3
Operating profit excluding non-recurring items	1.6	-0.1		1364.0	3.0	0.0	10385.9	0.8
Operating margin excluding non-recurring items, %	16.3	-1.5			16.3	-0.2	8855.5	2.6
Operating profit	1.6	-0.7	*)	332.4	3.2	-0.7	554.7	0.4
Operating margin, %	16.3	-8.2	*)		17.1	-4.4	485.5	1.2
Average no. of personnel, calculated as full-time employees	181	182		0	180	182	-1	180

Operational key figures	2011 Q2	2010 Q2	2011 Q1-Q2	2010 Q1-Q2	2010 Q1-Q4
Online services, unique browsers, weekly					
Etuovi.com	456,970	412,600	471,740	411,381	413,044
Autotalli.com	98,819	90,192	108,130	95,282	91,182
Monster.fi	80,857	85,416	99,573	90,810	85,911
Mikko.fi	43,832	61,662	46,139	70,830	59,349
Mascus.com (Finland)	198,014	168,960	285,840	190,258	190,320
City24	146,522	197,489	142,113	208,516	190,842
Bovision	63,417	91,685	76,043	96,684	96,706

April–June 2011

In the second quarter of 2011, the revenue of the Marketplaces segment grew to MEUR 9.5 (8.2). The segment's advertising sales were MEUR 8.7 (7.3). The positive revenue development was mainly due to the increased online recruitment advertising and online home sales advertising.

The total expenses for the review period excluding non-recurring items decreased to MEUR 8.0 (8.3). Total expenses amounted to MEUR 8.0 (8.9). The total expenses of the Marketplaces segment were brought down by the decreased transport and distribution costs due to operational changes.

The Marketplaces segment's second-quarter operating profit grew to MEUR 1.6 (–0.7). Operating profit excluding non-recurring items was MEUR 1.6 (–0.1). The non-recurring item during the comparison period, MEUR –0.5, was due to reorganisation measures.

The development of the segment's online services continued. During the review period, a new technology platform for Autotalli.com was taken into use and the holiday cottage section of Vuokraovi.com and Monster.fi's BeKnown service for social media networking for professionals were launched.

The Supreme Court did not grant a leave of appeal to either of the parties to the dispute over the ETUOVI.COM trademark, which meant that the decision by the Helsinki Court of Appeal in December 2010 remained in force and the long trademark dispute was brought to a satisfactory end for Alma Media. According to the Helsinki Court of Appeal, there are no obstacles for Alma Media to use the ETUOVI.COM trademark to identify its internet services. In contrast, Alma Media cannot use the ETUOVI.COM trademark as a trademark for a newspaper.

January–June 2011

In the first half-year, the revenue of the Marketplaces segment increased by 18.0% (11.1%) and amounted to MEUR 18.7 (15.8). The segment's advertising sales were MEUR 16.8 (14.0). The positive revenue development was mainly due to the increased online recruitment advertising and online home sales advertising.

The total expenses for the review period excluding non-recurring items decreased to MEUR 15.6 (15.9). Total expenses amounted to MEUR 15.6 (16.5).

The Marketplaces segment's operating profit for January-June grew to MEUR 3.2 (–0.7). Operating profit excluding non-recurring items was MEUR 3.0 (0.0). The non-recurring gains of the review period were due to corporate transactions. The non-recurring items of the comparison period, MEUR –0.7, were attributable to reorganisation measures.

Other operations

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

Other operations Key figures, MEUR	2011 Q2	2010 Q2	Change %	2011 Q1-Q2	2010 Q1-Q2	Change %	2010 Q1-Q4
Revenue	20.7	19.3	7.2	40.3	38.6	4.3	78.5
External	1.3	1.8	-27.1	2.8	3.5	-21.1	6.7
Inter-segments	19.4	17.5	10.8	37.5	35.1	6.8	71.9
Total expenses excluding non-recurring items	21.9	19.6	11.5	41.5	39.1	6.1	76.7
Operating profit excluding non-recurring items	-1.1	-0.3	-301.5	-1.2	-0.6	-115.7	1.8
Operating profit excluding non-recurring items, %	-5.5	-1.5		-2.9	-1.4	-106.5	2.3
Operating profit	-1.7	-0.1	-1231.0	-1.7	-0.3	-543.3	1.9
Operating profit, %	-8.0	-0.6		-4.2	-0.7	-516.8	2.5
Average no. of personnel, calculated as full-time employees	248	219	13	235	216	9	217
Average no. of delivery staff	846	903	-6	830	872	-5	863

Operational key figures	2011 Q2	2010 Q2	2011 Q1-Q2	2010 Q1-Q2	2010 Q1-Q4
Printing volume (thousand units)	59,276	60,078	119,190	120,505	237,532
Paper usage (tonnes)	8,282	7850	15,749	15,499	32,000

In January 2011, Alma Media entered a financing agreement with Pohjola Bank Plc concerning the financing of the machinery and movable property for the new printing facility in the maximum amount of MEUR 50. A decision has been made to purchase the printing press from manroland AG and the finishing equipment from Ferag AG. The machinery will be taken into production use in early 2013.

The personnel cooperation negotiations related to the development and rationalisation programme of Alma Media's printing and distribution company Alma Manu Oy were completed in June. As a result of the negotiations, the number of staff will be decreased by 54 full-time work years and printing operations in Pori will be discontinued. The printing facility in Pori will be closed down by the end of January 2012. As a result of the personnel negotiations, non-recurring reorganisation expenses in the amount of MEUR 0.5 were recognised.

Alma Manu will expand its distribution operations in the province of Lapland. The distribution of Lapin Kansa and Koillis-Lappi, both Alma Media newspapers, will be transferred from Itella to Alma Manu in January 2012.

Associated companies

Share of profit of associated companies MEUR	2011 Q2	2010 Q2	2011 Q1-Q2	2010 Q1-Q2	2010 Q1-Q4
Newspapers	0.0	0.1	0.0	0.1	0.1
Kauppalehti Group					
Talentum Oyj	0.1	0.1	0.3	0.2	0.0
Marketplaces	-0.0	-0.0	-0.0	-0.0	-0.1
Other operations					
Other associated companies	0.4	-0.1	0.5	0.1	0.6
Total	0.4	0.1	0.8	0.4	0.7

Alma Media Group holds a 32.14-% stake in Talentum Oyj, which is reported under the Kauppalehti Group. The company's own shares in the possession of Talentum are here included in the total number of shares. In the consolidated financial statements of Alma Media the own shares held by Talentum itself are not included in the total number of shares. Alma Media's shareholding in Talentum is stated as 32.64% in its consolidated financial statements of December 31, 2010 and in this interim report.

Non-recurring items

Non-recurring item is an income or expense arising from non-recurring or rare events. Gains or losses from the sale of business operations or assets, gains or losses from discontinuing or restructuring business operations as well as impairment losses of goodwill and other assets are recognised as non-recurring items. Non-recurring items are recognised within the corresponding income or expense group.

NON-RECURRING ITEMS MEUR	2011 Q2	2010 Q2	2011 Q1-Q2	2010 Q1-Q2	2010 Q1-Q4
Newspapers					
Restructuring			-0.5	-0.1	-0.4
Gains on sales of assets					0.2
Marketplaces					
Restructuring		-0.5		-0.7	-0.5
Gains on sales of assets			0.2		
Other operations					
Restructuring	-0.5	0.2	-0.5	0.3	0.1
Gains on sales of assets					0.0
NON-RECURRING ITEMS IN OPERATING PROFIT	-0.5	-0.4	-0.8	-0.5	-0.5
Translation differences			0.1		-0.1
NON-RECURRING ITEMS IN FINANCIAL ITEMS			0.1		-0.1

Balance sheet and financial position

The consolidated balance sheet at the end of June 2011 stood at MEUR 166.1 (150.5). Alma Media's equity ratio at the end of June was 56.6% (64.9%) and equity per share was EUR 1.04 (1.09).

The Group's interest-bearing net debt at the end of June was MEUR -8.5 (-14.5). The fair value of the contingent considerations due to the acquisitions and business arrangements, i.e. financial assets recognised at fair value through profit or loss on June 30, 2011 was MEUR 7.3, and that of the liabilities MEUR 2.6.

The consolidated cash flow from operations in January–June 2011 was MEUR 26.0 (28.9). Cash flow before financing was MEUR 26.7 (25.6). Cash flow from investing activities was affected primarily by the mergers and acquisitions.

The Group currently has a MEUR 100.0 commercial paper programme in Finland under which it is permitted to issue papers to a total amount of MEUR 0–100. The unused part of the programme was MEUR 85.0 on June 30, 2011. In addition, the Group has a credit limit in the amount of MEUR 50.0 for the period August 6, 2009–August 6, 2011, which on June 30, 2011 was totally unused.

Capital expenditure

Alma Media Group's capital expenditure in January–June 2011 totalled MEUR 1.4(2.9), consisting mainly of development projects related with digital services. Other expenditure was related with normal operational and replacement investments.

The investment in the printing facility in Tampere is proceeding according to plan. The new printing facility will be operational in early 2013.

Administration

Alma Media Corporation's Annual General Meeting (AGM) held on March 17, 2011 elected Timo Aukia, Petri Niemisvirta, Seppo Paatelainen, Kai Seikku, Erkki Solja, Catharina Stackelberg-Hammarén and Harri Suutari members of the company's Board of Directors. In its constitutive meeting held after the AGM, the Board of Directors elected Seppo Paatelainen its Chairman.

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

The Board of Directors of Alma Media Corporation has evaluated that Timo Aukia, Petri Niemisvirta and Seppo Paatelainen are independent of the company but dependent on its significant shareholders. The other members of the Board of Directors are evaluated to be independent of the company and its significant shareholders.

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

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

The Helsinki District Court in May dismissed the charge against Kai Telanne, Alma Media's President and CEO, regarding discrimination at work. The prosecutor appealed against the decision on June 23, 2011.

Mr Pekka Heinänen, Master of Arts (Education), age 51, has been appointed Alma Media's new Vice President, Human Resources and member of the Group's Executive team. He will join Alma Media on August 15, 2011.

Alma Media Corporation applies the Finnish Corporate Governance Code for listed companies, issued by the Securities Market Association on June 15, 2010, in its unaltered form. The Corporate Governance Statement for 2010 is published separately at www.almamedia.fi/corporate_governance.

Dividends

The Annual General Meeting resolved to distribute a dividend of EUR 0.70 per share for the financial year 2010 in accordance with the proposal of the Board of Directors. The dividend was paid on March 29, 2011 to shareholders who were registered in Alma Media Corporation's shareholder register maintained by Euroclear Finland Oy on the record date, March 22, 2011. The company paid a total of MEUR 52.5 (29.8) in dividends to its shareholders in March.

The Alma Media share

In April - June, altogether 5,638,410 Alma Media shares were traded at NASDAQ OMX Helsinki Stock Exchange, representing 7.5% 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 was EUR 6.74. The lowest quotation during the reporting period was EUR 6.01 and the highest EUR 8.17. Alma Media Corporation's market capitalisation at the end of the review period was MEUR 508.8.

The Annual General Meeting on March 17, 2011 authorised the Board of Directors to decide on a share issue. The authorisation would entitle the Board to issue a maximum of 7,500,000 shares. This maximum amount of shares corresponds to approximately 10% of the total number of shares of the company. The share issue can be implemented by issuing new shares or transferring shares presently in possession of the company. The authorisation entitles the Board to decide on a directed share issue, which would entail deviating from the pre-emption rights of shareholders. The Board may 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 similar arrangements, or for other purposes decided upon by the Board. The authorisation, however, may not be used for the incentive and commitment systems for the company's management. The authorisation is in effect until March 17, 2013.

By April 30, 2011, a total of 434,330 shares were subscribed by using the option rights granted under the option programme 2006B. Due to the subscriptions, the share capital of the company increased to EUR 45,292,111.80. After the issuance, the total number of shares of Alma Media Corporation is 75,486,853.

Option rights

Alma Media has the option programmes 2006 and 2009. The programmes are incentive and commitment systems for the company's management. If all the subscription rights are exercised, the programmes 2006 and 2009 will dilute the holdings of the earlier shareholders by a maximum of 2.73%. Further details about the programmes are given in the notes of this interim report.

A total of 625,000 2009C options were granted during the review period. The subscription price was EUR 7.95 in June 2011.

Market liquidity guarantee

There is no market liquidity guarantee in effect for the Alma Media share.

Flagging notices

In January-June 2011, Alma Media did not receive notices of changes in shareholdings pursuant to Chapter 2, Section 9 of the Securities Markets Act.

Risks and risk management

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

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

The most critical strategic risks for Alma Media are a significant drop in the subscriptions, numbers of visitors or in the readership of its publications, a decline in advertising sales and a significant increase in distribution and delivery costs. Fluctuating economic cycles are reflected on the development of advertising sales, which accounts for approximately half of the Group's revenue. Developing businesses outside Finland such as in the Baltic countries and other East European countries include country-specific risks relating to market development and economic growth.

In the long term, the media business will undergo changes along with the transformation in media consumption and technological developments. The Group's strategic objective is to meet this challenge through renewal and the development of new business operations in online media. The most important operational risks are disturbances in information technology systems and telecommunication, and an interruption of printing operations.

Outlook for 2011

Alma Media expects newspaper and online advertising to grow in 2011 compared with the previous year. Alma Media estimates the single-copy sales of afternoon papers to decline further. The circulation revenue of regional and local papers as well as Kauppalehti is expected to remain at the comparison period's level. The material and delivery costs of the Group are anticipated to increase from the level of the comparison period.

Alma Media estimates that its full-year revenue and operating profit excluding non-recurring items will grow from the 2010 levels. Revenue in 2010 totalled MEUR 311.4, operating profit excluding non-recurring items MEUR 43.9 and operating profit was MEUR 43.4.

SUMMARY OF FINANCIAL STATEMENTS AND NOTES

COMPREHENSIVE INCOME STATEMENT, MEUR	2011 Q2	2010 Q2		Change %	2011 Q1-Q2	2010 Q1-Q2	Change %	2010 Q1-Q4
REVENUE	82.7	78.7		5.1	159.8	153.1	4.4	311.4
Other operating income	0.0	0.3		-88.5	0.2	0.3	-15.8	0.4
Materials and services	23.2	22.5		3.1	44.9	45.0	-0.2	89.4
Employee benefits expense	31.3	29.5		6.1	61.6	58.1	6.0	117.2
Depreciation, amortisation and impairment	2.2	2.6	*)	-12.2	4.5	4.8	-5.1	9.5
Other operating expenses	15.1	13.6		10.6	29.0	26.3	10.1	52.4
OPERATING PROFIT	11.0	10.9			20.0	19.1	4.7	43.4
Finance income	0.8	0.2		340.4	1.0	0.4	145.5	1.5
Finance expenses	0.5	0.2		124.8	0.8	0.4	101.3	0.6
Share of profit of associated companies	0.4	0.1		283.7	0.8	0.4	118.9	0.7
PROFIT BEFORE TAX	11.8	11.0		7.3	21.1	19.5	7.8	45.0
Income tax	3.0	3.1		-5.7	5.3	5.4	-2.2	11.8
PROFIT FOR THE PERIOD	8.8	7.8		12.5	15.7	14.1	11.7	33.2
OTHER COMPREHENSIVE INCOME								
Change in translation differences	-0.2	0.23		-204.8	-0.2	0.1	-283.3	0.6
Share of other comprehensive income of associated companies	-0.2	0.1		-255.0	-0.2	0.5	-133.2	0.9
Income tax relating to components of other comprehensive income								
Other comprehensive income for the period, net of tax	-0.4	0.4		-192.2	-0.4	0.6	-166.6	1.5
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	8.4	8.2		3.0	15.3	14.7	4.4	34.7
Profit for the period attributable to								
Owners of the parent	8.4	7.7			15.0	14.0		32.8
Non-controlling interest	0.4	0.1			0.8	0.1		0.3
Total comprehensive income for the period attributable to								
Owners of the parent	8.0	8.1			14.6	14.6		34.4
Non-controlling interest	0.4	0.1			0.8	0.1		0.3
Earnings per share calculated from the profit for the period attributable to the parent company shareholders								
Earnings per share (basic), EUR	0.11	0.10			0.20	0.19		0.44
Earnings per share (diluted), EUR	0.11	0.10			0.20	0.19		0.44

BALANCE SHEET, MEUR	Jun 31 2011	Jun 31 2010	31 Dec 2010
ASSETS			
NON-CURRENT ASSETS			
Goodwill	30.5	29.3	30.4
Other intangible assets	10.4	10.6	10.5
Tangible assets	25.2	29.9	27.8
Investments in associated companies	33.9	31.2	33.6
Other non-current financial assets	8.5	5.2	11.8
Deferred tax assets	0.4	0.7	0.2
CURRENT ASSETS			
Inventories	1.1	0.9	1.0
Current tax assets	2.0	0.3	3.5
Trade receivable and other receivables	27.7	23.0	27.0
Other current financial assets	3.1	0.6	2.3
Cash and cash equivalents	23.2	18.8	36.3
TOTAL ASSETS	166.1	150.5	184.5

BALANCE SHEET, MEUR	Jun 31 2011	Jun 31 2010	31 Dec 2010
EQUITY AND LIABILITIES			
Share capital	45.3	45.0	45.0
Share premium reserve	7.7	4.7	4.7
Foreign currency translation reserve	0.1	-0.2	0.4
Retained earnings	25.5	32.4	62.7
Equity attributable to owners of the parent	78.6	82.0	112.8
Non-controlling interest	2.2	0.2	2.0
TOTAL EQUITY	80.8	82.2	114.8
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	2.2	2.7	2.4
Deferred tax liabilities	2.4	2.9	2.4
Pension obligations	2.6	2.9	2.8
Provisions	0.1	0.2	0.1
Other financial liabilities	1.2	1.7	2.5
Other non-current liabilities	0.3	0.0	0.4
CURRENT LIABILITIES			
Current interest-bearing liabilities	12.5	1.7	1.6
Advances received	23.4	23.3	13.4
Income tax liability	0.0	0.0	3.6
Provisions	1.1	0.4	0.6
Trade and other payables	39.5	32.7	39.9
TOTAL LIABILITIES	85.3	68.4	69.7
TOTAL EQUITY AND LIABILITIES	166.1	150.5	184.5

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

	Attributable to equity holders of the Parent Company					
MEUR	A	B	C	D	E	F	G
Equity Jan 1 2011	45.0	4.7	0.4	62.7	112.8	2.0	114.8
Profit for the period				15.0	15.0	0.8	15.7
Other comprehensive income			-0.2	-0.2	-0.4		-0.4
Transactions with equity holders of the parent and non-controlling interest							
Dividends paid by parent				-52.4	-52.4		-52.4
Dividends paid by subsidiaries						-0.7	-0.7
Share-based payments				0.4	0.4		0.4
Exercised share options	0.3	3.0			3.3		3.3
Share of items recognised directly in associated company's equity							
Business combinations						0.1	0.1
Equity Jun 31 2011	45.3	7.7	0.1	25.5	78.6	2.2	80.8

	Attributable to equity holders of the Parent Company						
MEUR	A	B	C	D	E	F	G
Equity Jan 1 2010	44.8	2.8	-0.3	47.4	94.7	0.2	94.9
Profit for the period				14.0	14.0	0.1	14.1
Other comprehensive income			0.1	0.5	0.6		0.6
Transactions with equity holders of the parent and non-controlling interest							
Dividends paid by parent				-29.8	-29.8		-29.8
Dividends paid by subsidiaries						-0.2	-0.2
Share-based payments				0.3	0.3		0.3
Exercised share options	0.3	1.9			2.1		2.1
Share of items recognised directly in associated company's equity							
Business combinations						0.1	0.1
Equity Jun 31 2010	45.0	4.7	-0.2	32.4	82.0	0.2	82.2

Column headings on Consolidated Statement of Change in Equity

A=Share capital

B=Share premium reserve

C=Translation difference

D=Retained earnings

E=Total

F=Non-controlling interest

G=Equity total

CASH FLOW STATEMENT, MEUR	2011 Q2	2010 Q2	2011 Q1-Q2	2010 Q1-Q2	2010 Q1-Q4
Operating activities					
Profit for the period	8.8	7.8	15.7	14.1	33.2
Adjustments	4.9	5.0	9.0	9.1	20.3
Change in working capital	-11.4	-2.0	8.4	12.1	5.3
Dividends received	0.2	0.8	0.3	0.9	1.0
Interest received	0.3	0.0	0.5	0.1	0.3
Interest paid and other finance expenses	-0.3	-0.1	-0.5	-0.2	-0.7
Income taxes paid	-4.0	-5.0	-7.5	-7.1	-13.2
Net cash flow from operating activities	-1.5	6.5	26.0	28.9	46.1
Investing activities					
Acquisitions of tangible and intangible assets	-0.9	-0.9	-1.5	-1.3	-3.3
Proceeds from sale of other investments	0.0	0.0	0.1	0.0	0.0
Change in loan receivables	0.0	0.0	0.0	0.0	0.1
Acquisition of subsidiaries	0.0	-1.2	0.1	-1.7	-2.3
Acquisition of associated companies	0.0	-0.2	-0.3	-0.3	-0.8
Proceeds from sale of subsidiaries	0.0	0.0	2.1	0.0	3.9
Proceeds from sale of associated companies	0.3	0.0	0.3	0.0	0.0
Net cash flow from / (used in) investing activities	-0.6	-2.3	0.7	-3.3	-2.4
Cash flow before financing activities	-2.0	4.2	26.7	25.6	43.7
Financing activities					
Proceeds from exercise of share options	2.7	2.1	3.3	2.1	2.1
Current loans taken	0.0	0.0	15.0	0.0	0.0
Repayment of current loans	-4.4	-0.4	-4.7	-0.8	-1.6
Change in interest-bearing receivables	0.1	0.5	0.1	0.7	0.8
Dividends paid	0.0	0.0	-53.2	-30.0	-30.0
Net cash flow from / (used in) financing activities	-1.5	2.3	-39.5	-28.0	-28.6
Change in cash and cash equivalent funds (increase + / decrease -)	-3.6	6.4	-12.8	-2.4	15.1
Cash and cash equivalents at beginning of period	26.8	12.3	36.3	21.1	21.1
Effect of change in foreign exchange rates	0.0	0.0	-0.3	1.0	0.2
Cash and cash equivalents at end of period	23.2	18.8	23.2	18.8	36.3

Acquired businesses in 2011

In February 2011 Alma Media acquired the majority (51%) of Mascus A/S in Denmark.

The goodwill from the business combinations is mainly from the expected synergies. No change in the fair values of the assets was recognised at the acquisition. The acquisition had no major impact on the consolidated financial statements.

Contingent considerations

Contingent considerations are classified as financial assets and liabilities recognised at fair value through profit or loss. The amount of the contingent considerations due to the acquisitions and business arrangements in 2010 is based on the revenue and operating profits of the acquired business during 2010–2013. The fair values are the estimated final considerations discounted to the balance sheet date. The minimum realisable value of the contingent considerations is 0.2 MEUR.

CONTINGENT CONSIDERATION ASSETS	
Initial recognition of the assets	8.4
Change in fair value during previous financial years	0.8
Considerations, settled in cash	-2.1
Change in fair value during the financial year	0.2
Fair value of the contingent consideration assets in the end of the period	7.3

CONTINGENT CONSIDERATION LIABILITY	
Initial recognition of the liability	2.9
Change in fair value during previous financial years	-0.1
Considerations, settled in cash	-0.2
Change in fair value during the financial year	0.0
Fair value of the contingent consideration liability in the end of the period	2.6

REVENUE BY GEOGRAPHICAL AREA, MEUR	2011 Q2	2010 Q2	2011 Q1-Q2	2010 Q1-Q2	2010 Q1-Q4
Finland	79.1	75.6	152.8	146.6	298.4
Other EU countries	3.4	2.9	6.4	5.9	12.1
Other countries	0.3	0.2	0.6	0.5	0.8
Total	82.7	78.7	159.8	153.1	311.4

Information by segment

The business segments of Alma Media are Newspapers, Kauppalehti Group, Marketplaces and Other operations. The descriptive section of the financial statements presents the revenue and operating profits of the segments and the allocation of the associated companies' results to the reporting segments.

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

ASSETS BY SEGMENT, MEUR	Jun 31 2011	Jun 31 2010	31 Dec 2010
Newspapers	44.9	43.7	46.3
Kauppalehti Group	42.2	41.1	41.3
Marketplaces	24.4	13.2	21.7
Other operations	22.2	26.4	28.5
Non-allocated assets and eliminations	32.4	26.1	46.7
Total	166.1	150.5	184.5

LIABILITIES BY SEGMENT, MEUR	Jun 31 2011	Jun 31 2010	31 Dec 2010
Newspapers	34.6	33.7	27.4
Kauppalehti Group	12.3	11.0	10.4
Marketplaces	8.0	5.1	7.7
Other operations	13.3	11.4	14.3
Non-allocated liabilities and eliminations	17.0	7.2	10.0
Total	85.3	68.4	69.7

2011 2010 2011 2010 2010

CAPITAL EXPENDITURE, MEUR	Q2	Q2	Q1-Q2	Q1-Q2	Q1-Q4
Newspapers	0.3	1.5	1.0	2.1	4.0
Kauppalehti Group	0.2	0.3	0.4	0.4	1.4
Marketplaces	0.7	-1.3	1.2	0.5	5.6
Others	0.2	2.4	0.4	2.9	1.8
Total	1.4	3.0	2.9	5.9	12.9

Provisions

The company's provisions totalled MEUR 1.2 (0.5) on June 30, 2011. The major part of the provisions are restructuring provisions. It has not been necessary to change the estimates made when the provisions were entered.

Commitments and contingencies

COMMITMENTS AND CONTINGENCIES, MEUR	Jun 31 2011	Jun 31 2010	31 Dec 2010
Other commitments			
Commitments based on agreements	0.1	0.1	0.1
Minimum lease payments on other lease agreements:			
Within one year	6.9	5.9	6.6
Within 1-5 years	23.4	13.1	21.1
After 5 years	46.1	25.0	48.2
Total	76.4	44.0	75.9
The Group also has purchase agreements that based on IFRIC 4 include a lease component as per IAS 17.			
Minimum payments based on these agreements:	1.9		1.2

Changes in commitments and contingencies are mainly due to the new and extended lease contracts made during 2010 for the real estates.

Additionally, the company has signed a lease contract for the real estate of the printing facility. According to the IAS 17 standard, the contract will be recognised as a finance lease contract when the printing facility will be operational. The printing facility is estimated to be operational in early 2013. The balance sheet values recognised in financial year 2013 are expected to be maximum MEUR 70.

DERIVATIVE CONTRACTS, MEUR	Jun 31 2011	Jun 31 2010	31 Dec 2010
Commodity derivate contracts, electricity derivatives			
Fair value *	0.1	0.1	0.3
Nominal value	1.3	1.0	1.0

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

Related parties

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 company's senior management and their related parties (members of the Board of Directors, presidents 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	2011 Q2	2010 Q2	2011 Q1-Q2	2010 Q1-Q2	2010 Q1-Q4
Sales of goods and services	0.1	0.1	0.1	0.1	0.2
Purchases of goods and services	1.1	0.9	2.1	1.8	3.6
Trade receivable. loan and other receivables at the end of reporting period	0.0		0.0		0.0
Trade payable at the reporting date	0.2		0.2	0.1	0.1

Option rights

Alma Media has option programmes 2006 and 2009. The programmes are incentive and commitment systems for the company's management.

The option programme 2006A has expired.

A total of 515,000 options were issued under the 2006B scheme. The share subscription period for 2006B was April 1, 2009–April 30, 2011. A total of 434,330 shares were subscribed under the programme 2006B.

A total of 520,000 options have been issued under the 2006C programme. The share subscription period for 2006C is April 1, 2010–April 30, 2012. The management has 470,000 options in its possession. The share subscription price has been reduced annually by the dividend per share, and was EUR 7.66 in June 2011. No shares have been subscribed by June 30, 2011 under the programme 2006C.

If all subscription rights are exercised, the programme 2006 will dilute the holdings of the earlier shareholders by 0.62%.

Under option programme 2009 a 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. Of the total number of options, 710,000 were marked 2009A, 710,000 were marked 2009B and 710,000 were marked 2009C.

A total of 640,000 options have been issued under the 2009A programme. Share subscription period for 2009A is April 1, 2012–March 31, 2014. The management has 610,000 options in its possession. The share subscription price has been reduced annually by the dividend per share, and was EUR 4.11 in June 2011.

A total of 610,000 options have been issued under the 2009B programme. Share subscription period for 2009B is April 1, 2013–March 31, 2015. The management has 610,000 options in its possession. The share subscription price has been reduced annually by the dividend per share, and was EUR 6.63 in June 2011.

A total of 625,000 options have been issued under the 2009C programme. Share subscription period for 2009C is April 1, 2014–March 31, 2016. The management has 625,000 options in its possession. The share subscription price was EUR 7.95 in June 2011.

If all the subscription rights are exercised, the programmes 2006 and 2009 will dilute the holdings of the earlier shareholders by 2.73% maximum.

QUARTERLY INFORMATION

MEUR	2011 Q2	2011 1-3	2010 10-12	2010 7-9	2010 Q2	2010 1-3	2009 10-12	2009 7-9	2009 Q2
Revenue									
Newspapers	57.9	53.8	58.1	53.5	55.4	52.2	55.9	51.7	55.5
Kauppalehti Group	15.0	13.9	16.1	13.3	14.4	14.1	15.8	14.4	16.2
Marketplaces	9.5	9.1	8.4	7.9	8.2	7.6	6.5	6.2	7.0
Other operations	20.7	19.6	20.4	19.6	19.3	19.3	18.3	17.7	18.4
Eliminations	-20.4	-19.3	-19.9	-19.0	-18.7	-18.8	-17.6	-17.0	-17.9
REVENUE	82.7	77.1	83.0	75.2	78.7	74.4	79.0	73.0	79.2
Total expenses excluding non-recurring items									
Newspapers	48.8	47.2	49.2	45.4	46.5	45.3	47.3	44.8	46.2
Kauppalehti Group	13.0	12.7	14.4	10.9	11.9	12.5	13.9	12.3	14.6
Marketplaces	8.0	7.7	8.4	7.0	8.3	7.6	6.8	6.1	7.3
Other operations	21.9	19.6	19.9	17.7	19.6	19.5	17.4	15.4	16.9
TOTAL EXPENSES EXCLUDING NON-RECURRING ITEMS	71.2	67.8	72.0	61.9	67.7	66.1	67.8	61.3	67.2
Operating profit excluding non-recurring items									
Newspapers	9.2	6.7	8.7	8.2	9.2	6.9	8.6	6.9	9.4
Kauppalehti Group	2.0	1.2	1.7	2.4	2.5	1.5	2.0	2.3	1.6
Marketplaces	1.6	1.5	0.0	0.9	-0.1	0.1	-0.3	0.2	-0.2
Other operations	-1.1	-0.1	0.5	1.9	-0.3	-0.3	1.0	2.4	1.5
OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS	11.5	9.3	11.0	13.4	11.3	8.3	11.3	11.7	12.2
% of revenue									
Newspapers	15.8	12.4	15.0	15.3	16.5	13.3	15.4	13.4	16.8
Kauppalehti Group	13.1	8.6	10.8	18.2	17.3	11.0	12.5	15.7	9.6
Marketplaces	16.3	16.2	0.2	10.9	-1.5	1.2	-4.5	2.4	-3.2
Other operations	-5.5	-0.3	2.3	9.7	-1.5	-1.4	5.2	13.4	8.0
% OF REVENUE	14.0	12.1	13.2	17.8	14.3	11.2	14.3	16.0	15.3
Non-recurring items									
Newspapers	0.0	-0.5	-0.2	0.1	0.0	-0.1	0.2	-0.4	-0.1
Kauppalehti Group	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0	-0.1
Marketplaces	0.0	0.2	-0.1	0.3	-0.5	-0.1	-1.0	-0.1	0.0
Other operations	-0.5	0.0	0.0	-0.2	0.2	0.1	0.0	0.0	0.0
NON-RECURRING ITEMS	-0.5	-0.3	-0.3	0.2	-0.4	-0.1	-0.5	-0.5	-0.2
Operating profit									
Newspapers	9.2	6.2	8.5	8.3	9.2	6.9	8.8	6.5	9.2
Kauppalehti Group	2.0	1.2	1.7	2.4	2.5	1.5	2.3	2.3	1.4
Marketplaces	1.6	1.6	0.0	1.1	-0.7	0.0	-1.3	0.0	-0.2
Other operations	-1.7	-0.1	0.5	1.7	-0.1	-0.1	1.0	2.4	1.5
OPERATING PROFIT	11.0	9.0	10.7	13.6	10.9	8.2	10.8	11.0	12.0
Finance income	1.0	0.5	1.0	0.1	0.2	0.2	0.1	0.1	0.2
Finance expenses	0.8	-0.6	0.0	-0.3	-0.2	-0.2	-0.3	-0.2	-0.2
Share of profit of associated companies	0.4	0.4	0.4	-0.1	0.1	0.3	0.1	-0.1	-0.4
PROFIT BEFORE TAX	11.8	9.3	12.1	13.4	11.0	8.6	10.8	10.9	11.5
Income tax	-3.0	-2.4	-2.9	-3.5	-3.1	-2.3	-3.1	-3.2	-3.4
PROFIT FOR THE PERIOD	8.8	6.9	9.2	9.8	7.8	6.3	7.7	7.7	8.3

Main accounting principles (IFRS)

This interim report has been prepared according to IFRS standards (IAS 34). The release applies the same accounting principles and calculation methods as the annual accounts dated December 31, 2010, with the exception of the standards and interpretations applied from January 2011 as listed below. The interim report does not, however, contain all the information or notes to the accounts included in the annual financial statements. This interim report should therefore be read in conjunction with the company's financial statements for 2010. The accounting principles of the financial years 2011 and 2010 are comparable. The company has no discontinued operations to report in the 2010–2011 financial periods.

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

The Group has applied the following standards and interpretations from January 1, 2011:

IAS 24 Related Party Disclosures (revised)
IAS 32 Financial Instruments: Presentation: Classification of Right Issues
IFRIC 14 IAS 19 The Limit of a Defined Benefit Assets, Minimum Funding Requirements and their Interaction
IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

The impact of the above new standards and IFRIC interpretations on the Group has been marginal.

The figures in this interim report are unaudited.

Seasonality

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

General statement

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

Next interim report

Alma Media will publish its interim report for January–September 2011 on Friday, October 28, 2011, approximately at 9 a.m.

ALMA MEDIA CORPORATION
Board of Directors