

Alma Media Corporation

Interim Report Q2

21 July 2017



Alma Media's Interim Report January–June 2017:

GOOD DEVELOPMENT OF PROFITABILITY IN THE SECOND QUARTER DRIVEN BY THE RECRUITMENT BUSINESS

Financial performance April–June 2017:

- Revenue MEUR 93.7 (92.0), up 1.9%.
- Adjusted operating profit MEUR 13.2 (9.9), or 14.1% (10.8%) of revenue, up 33.8%.
- Operating profit MEUR 15.0 (9.1), or 16.0% (9.9%) of revenue, up 64.9%.
- Earnings per share EUR 0.13 (0.07).
- Alma Markets: Strong and profitable growth in the Czech Republic lifted the segment's profit to a new record.
- Alma Talent: Profitability was on a par with the previous year.
- Alma News & Life: The share of digital business grew to exceed 50% of revenue.
- Alma Regions: Profitability was weighed down by the decline of print media advertising.

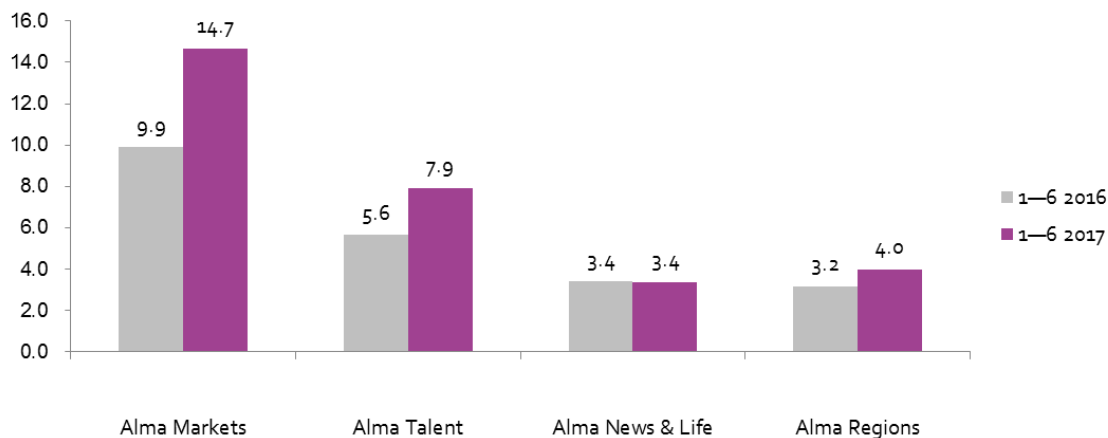
Business segments' adjusted operating profit, April–June, MEUR (excludes non-allocated functions)



Financial performance January–June 2017:

- Revenue MEUR 184.2 (178.7), up 3.1%.
- Adjusted operating profit MEUR 25.8 (15.4), or 14.0% (8.6%) of revenue, up 67.6%.
- Operating profit MEUR 26.4 (11.6), or 14.3% (6.5%) of revenue, up 127.7%.
- Earnings per share EUR 0.23 (0.08).

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



KEY FIGURES MEUR	2017 Q2	2016 Q2	Change %	2017 Q1-Q2	2016 Q1-Q2	Change %	2016 Q1-Q4
Revenue	93.7	92.0	1.9	184.2	178.7	3.1	353.2
Content revenue	31.3	32.6	-3.7	63.4	65.0	-2.4	128.3
Content revenue, print	27.3	28.9	-5.6	55.3	57.9	-4.6	113.5
Content revenue, online	4.1	3.7	10.9	8.2	7.0	15.8	14.8
Advertising revenue *)	48.0	45.3	6.0	91.8	85.7	7.2	169.7
Advertising revenue, print	17.0	19.3	-12.2	32.7	35.8	-8.6	68.5
Advertising revenue, online	30.5	26.0	17.4	58.4	50.0	16.9	101.3
Service revenue *)	14.4	14.1	1.8	29.0	28.0	3.3	55.2
Adjusted total expenses	80.5	82.2	-2.1	158.5	163.6	-3.1	318.9
Adjusted EBITDA	17.2	14.4	19.0	33.8	24.3	38.7	53.3
EBITDA	19.0	13.6	39.2	34.4	20.5	67.3	47.9
Adjusted operating profit	13.2	9.9	33.8	25.8	15.4	67.6	35.2
% of revenue	14.1	10.8		14.0	8.6		10.0
Operating profit/loss	15.0	9.1	64.9	26.4	11.6	127.7	26.8
% of revenue	16.0	9.9		14.3	6.5		7.6
Profit for the period	12.2	6.9	77.1	21.1	8.5	148.0	19.9
Earnings per share, EUR (undiluted and basic)	0.13	0.07	89.7	0.23	0.08	189.1	0.20
Online sales	39.2	34.0	15.4	76.3	65.3	16.7	133.5
Online sales, % of revenue	41.9	37.0		41.4	36.6		37.8

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

Outlook for 2017 (revised on 13 July 2017)

On 13 July 2017, Alma Media revised its guidance and outlook for 2017. Contrary to its previous guidance, the company expects its adjusted operating profit to increase clearly from the 2016 level. The company expects its revenue to remain unchanged from the previous year. In its previous guidance, issued on 28 April 2017, the company expected its revenue to remain unchanged and its adjusted operating profit to increase from the 2016 level.

The revised outlook and expected improvement in operating profit are the result of the continued strong sales in the Alma Markets business segment, especially in the international recruitment business. Thanks to the restructuring and efficiency improvement measures, the profitability of the Group's Finnish operations has also improved.

Outlook for 2017:

The Finnish economy is expected to grow by 1–3% in 2017. Alma Media's significant operating countries in Eastern Central Europe, such as the Czech Republic and Slovakia, are expected to see economic growth of 2–4%. Macroeconomic development affects both consumer demand and advertising volume. The structural transformation of advertising will continue in 2017; online advertising will grow, while print media advertising will decline.

In 2017, Alma Media expects its full-year revenue to remain at the previous year's level and its adjusted operating profit to clearly increase from the 2016 level. The full-year revenue for 2016 was MEUR 353.2, and the adjusted operating profit was MEUR 35.2.

Kai Telanne, President and CEO:

Alma Media achieved a strong financial result in the second quarter. The Group's adjusted operating profit grew by 34 per cent to MEUR 13.2. Profitability was improved by the continued excellent development of sales in the Alma Markets segment as well as cost savings generated by previously implemented restructuring measures in Alma Talent, Alma Regions and shared operations. Alma Media's revenue grew by 2 per cent in April–June and amounted to MEUR 93.7.

The economic climate in Finland is the brightest it has been for several years and consumer confidence in economic development is the highest it has been since its measurement began. Nevertheless, the advertising market mostly developed in the opposite direction in the first half of the year. According to Kantar TNS, media advertising volume declined by 7.1 per cent in April–June. One of the bright spots in the subdued advertising market has been online advertising, which grew by 1.3 per cent over the same period. Alma Media's growth in digital advertising sales has outpaced the market.

In the Alma Markets segment, the adjusted operating profit grew by 45 per cent to reach the record-high level of MEUR 7.3. Our business in the Czech Republic was particularly successful. The growth of our marketplaces in Finland was attributable to active marketing efforts and online service development as well as the favourable economic cycle. The segment's result was also improved by lower depreciation.

Alma Talent's adjusted operating profit remained almost on a par with the comparison period, at MEUR 3.3, thanks to cost savings achieved in the segment. Revenue was reduced by discontinued operations in the service business as well as the decline of print media subscription revenue and book sales. The new entity created by the integration of Talentum has a comprehensive reach among decision-makers, investors, entrepreneurs and other professionals in Finland and Sweden and it provides opportunities for the development of new multi-channel services.

The digital transformation of Alma News & Life has progressed rapidly and digital revenue, which increased by 30 per cent year-on-year in the second quarter, now accounts for more than 50 per cent of the segment's total revenue. Adjusted operating profit grew by 32 per cent to MEUR 2.4. The strong profit performance was particularly attributable to programmatic ad buying and mobile advertising. The single copy sales of afternoon papers continued to decline.

The second quarter was a challenging one for Alma Regions. The segment's advertising revenue declined in spite of advertising related to the municipal elections in April. The retail sector, in particular, has reduced its spending on print media advertising. Content revenue, on the other hand, grew thanks to the good sales of online content. Service revenue was increased by growth in the external revenue of printing operations. The segment's adjusted operating profit declined by 11 per cent to MEUR 2.0.

Alma Media's strong cash flow improved the Group's financial position further. The equity ratio stood at 48.7 per cent at the end of June, while gearing was 31.0 per cent. The strong balance sheet provides us with a solid foundation for accelerating our growth and building an even more competitive media and service company.

It is unfortunate that the meeting of the EU's finance ministers in June did not yet reach a unanimous decision on lowering the value added tax rate of digital publications to match that of print publications. The Finnish government has confirmed it is prepared to make the corresponding decision in its autumn budget session, provided that permission from the EU is obtained before that time. The change, which could potentially enter into force at the beginning of 2018, would be a step towards appropriate taxation that would support the development of Finnish media companies, which are important for democracy, as well as the creation of multi-channel media consumption experiences for customers. The government's supplementary budget decision on a narrowly targeted news subsidy, on the other hand, is problematic. In practice, the subsidy would only be directed at one media outlet.

For more information, please contact:

Kai Telanne, President and CEO, telephone +358 10 665 3500

Juha Nuutinen, CFO, telephone +358 10 665 3873

ALMA MEDIA GROUP INTERIM REPORT 1 JANUARY–30 JUNE 2017

The figures are compared in accordance with the International Financial Reporting Standards (IFRS) with those of the corresponding period in 2016, unless otherwise stated. The figures in the tables are independently rounded.

KEY FIGURES

INCOME STATEMENT	2017	2016	Change	2017	2016	Change	2016
MEUR	Q2	Q2	%	Q1–Q2	Q1–Q2	%	Q1–Q4
Revenue	93.7	92.0	1.9	184.2	178.7	3.1	353.2
Operations in Finland	72.8	72.7	0.2	143.2	141.4	1.3	280.2
Operations outside Finland	20.9	19.2	8.4	41.0	37.3	9.9	73.0
Adjusted total expenses	80.5	82.2	-2.1	158.5	163.6	-3.1	318.9
Adjusted EBITDA	17.2	14.4	19.0	33.8	24.3	38.7	53.3
EBITDA	19.0	13.6	39.2	34.4	20.5	67.3	47.9
Adjusted operating profit	13.2	9.9	33.8	25.8	15.4	67.6	35.2
% of revenue	14.1	10.8		14.0	8.6		10.0
Operating profit (loss)	15.0	9.1	64.9	26.4	11.6	127.7	26.8
% of revenue	16.0	9.9		14.3	6.5		7.6
Profit before tax	14.9	9.0	66.2	26.1	11.1	136.5	25.4
Profit for the period	12.2	6.9	77.1	21.1	8.5	148.0	19.9
BALANCE SHEET	2017	2016	Change	2017	2016	Change	2016
MEUR	Q2	Q2	%	Q1–Q2	Q1–Q2	%	Q1–Q4
Balance sheet total				323.7	329.5	-1.8	327.0
Interest-bearing net debt				44.1	70.0	-36.9	57.4
Interest-bearing liabilities				68.6	88.1	-22.2	80.7
Non-interest-bearing liabilities				112.6	115.7	-2.7	108.2
Capital expenditure	2.2	4.2	-47.0	4.1	6.7	-38.7	10.0
Equity ratio, %				48.7	41.9	16.2	45.7
Gearing, %				31.0	55.7	-44.3	41.6
EMPLOYEES	2017	2016	Change	2017	2016	Change	2016
MEUR	Q2	Q2	%	Q1–Q2	Q1–Q2	%	Q1–Q4
Average no. of employees, calculated as full-time employees, excl. delivery staff	2,312	2,351	-1.7	2,276	2,405	-5.4	2,287
Average no. of delivery staff	896	864	3.7	880	847	3.9	845
KEY FIGURES	2017	2016	Change	2017	2016	Change	2016
MEUR	Q2	Q2	%	Q1–Q2	Q1–Q2	%	Q1–Q4
Return on Equity/ROE (Annual)*	40.5	24.3	66.4	32.3	13.8	134.3	14.9
Return on Investment/ROI (Annual)*	26.7	14.8	80.1	21.4	9.3	130.5	10.1
Earnings per share, EUR **)	0.13	0.07	89.7	0.23	0.08	189.1	0.20
Cash flow from operating activities/share, EUR	0.13	0.04	227.1	0.40	0.29	39.4	0.51
Shareholders' equity per share, EUR	1.50			1.50	1.31	14.3	1.44
Dividend per share, EUR							0.16
Effective dividend yield, %							3.2
P/E Ratio							24.6
Market capitalisation				491.8	310.6	58.4	414.4
Average no. of shares **)							
(1,000 shares ***)	82,383	82,383		82,383	82,383		82,383
No. of shares at the end of the period (1,000 shares ***)	82,383	82,383		82,383	82,383		82,383

*) See Accounting Principles of the Interim Report. **) undiluted and basic ***) having repurchased 227,272 of its own shares and disposed of 67,272 shares during 2017, the company's net amount of repurchased shares at the end of the review period stood at 160,000 shares.

Strategy and related activities during the review period

The main directions of Alma Media's strategic development include developing and expanding existing business operations as well as growth in new business areas and markets through both organic growth and acquisitions. During the review period, the implementation of strategy was focused on developing the existing business operations.

Alma Talent's business focuses on the professionals and decision-makers of different fields, offering them information, tools and training. To further broaden its target groups, Alma Talent acquired full ownership of Mediutiset from Bonnier Business Press, which is part of the Bonnier Group. Prior to the acquisition, Alma Talent held a 50% stake in Mediutiset. Mediutiset is an independent health care news media company for physicians, medical professionals and decision-makers in public health care and companies. Mediutiset also arranges events and seminars in health care.

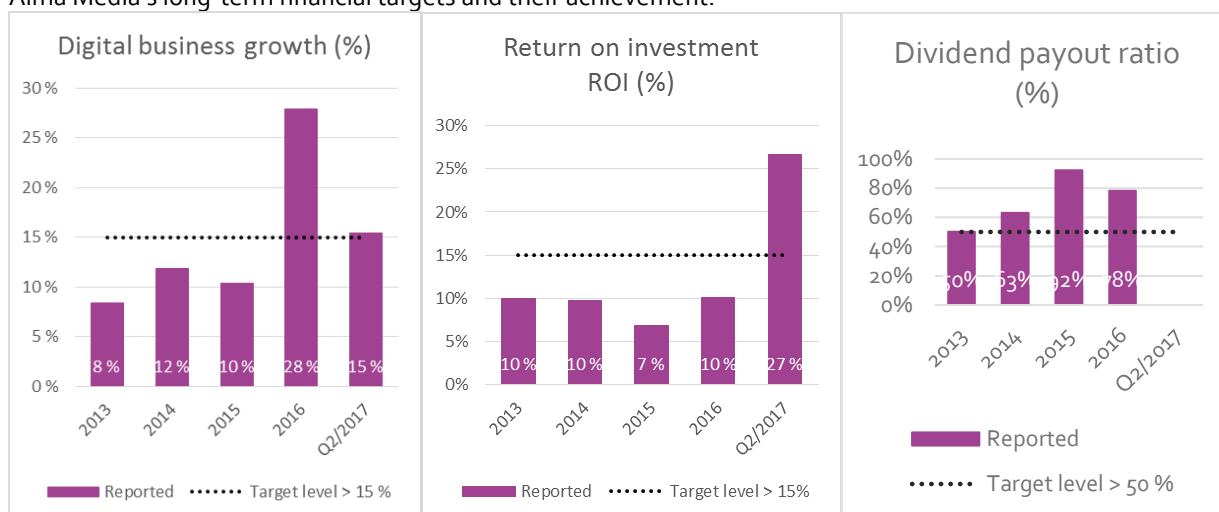
Alma News & Life has invested in video production and the development of multimedia solutions in order to increase the size of its digital media audience. May saw the launch of Sensuroimaton Päivärinta (*Päivärinta Uncensored*), a new web TV talk show. At its peak, the audience of journalist Susanne Päivärinta's weekly live IL-TV talk show has exceeded 400,000 video starts, boosting the growth of Iltalehti's video advertising. Iltalehti also began making live broadcasts with smartphones in the spring.

During the summer, Alma Media piloted a geolocation-based service at the Särkänniemi amusement park in Tampere to provide free access to the Aamulehti news application for customers visiting the park. In the future, geolocation can also be used in the delivery of other content services, such as news and tips on nearby events and attractions as well as various product and service offers that are of interest to customers. The geolocation service is part of Alma Regions' Reviiri project.

Private leasing, car sharing and other alternatives to car ownership are an emerging automotive megatrend. During the review period, the Alma Markets online service Autotalli.com launched a new mobility service that presents information on the various ways to gain access to a car and the costs associated with them. The aim of the new service is to make it convenient for consumers to find the right solution for gaining access to a car. The service brings together the offerings of various service providers on a single platform.

In the Czech Republic, LMC has successfully developed online training services to complement its recruitment services. Aimed at employee skills development, the Seduo training portal and learning platform works in cooperation with instructors, several universities and training companies to provide more than 100 online courses in different fields. More than 180,000 students of various ages have already participated in training on Seduo.

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



Market situation in the main markets

According to Kantar TNS, the total advertising volume in Finland decreased by 7.1% (1.3%) in the second quarter, while advertising in online media increased in Finland by 1.3% (16.0%) in April–June. Advertising in city papers and newspapers declined by 15.1% (4.7%) in Finland. Among the different industries, the retail sector saw a particularly significant decrease in advertising spending. Advertising in Finnish magazines decreased in January–June by 7.5% (10.2%). In terms of volume, the total market for afternoon papers in Finland declined by 10.2% (18.3%) in the second quarter of 2017.

According to Sveriges Mediebyråer, the total advertising volume in Sweden increased by 3.6% (3.3%) in January–May 2017. Advertising in online media grew by 10.8% in Sweden. Advertising in trade magazines in Sweden decreased by 9.0% (19.2%).

Alma Media's main markets in Eastern Central Europe are the Czech Republic and Slovakia. According to the European Commission's forecast, the Czech gross domestic product (GDP) will grow by 2.6% (2.4%) in 2017. The Czech National Bank estimates that the GDP will grow by 2.9% in 2017. In Slovakia, GDP growth in 2016 was 3.3% according to the European Commission, and the Commission's forecast for GDP growth in 2017 is 3.0%. The National Bank of Slovakia estimates GDP growth in 2017 to be 3.2%.

Changes in Group structure in 2017

Alma Mediapartners, a subsidiary of Alma Media, acquired the remaining share capital to become the full owner of Urakkamaailma.fi in February 2017. Urakkamaailma.fi was previously consolidated into the Group's financial statements. Alma Media Group owns 65 per cent of the Alma Mediapartners group.

Alma Talent Oy, a part of Alma Media, acquired full ownership of Oy Mediutiset Ab in June 2017. Prior to the acquisition, Alma Talent held a 50% stake in Mediutiset. The seller was Bonnier Business Press Ab, which is part of the Bonnier Group.

Group revenue and result for April–June 2017

The Group's second quarter revenue increased by 1.9% to MEUR 93.7 (92.0).

Content revenue declined by 3.7% to MEUR 31.3 (32.6). 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 6.0% to MEUR 48.0 (45.3). Advertising sales for print media decreased by 12.2% from the comparison period to MEUR 17.0 (19.3). Online advertising sales increased by 17.4% to MEUR 30.5 (26.0).

Service revenue totalled MEUR 14.4 (14.1). 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.

Total expenses decreased in the second quarter by MEUR 3.4, or 4.1%, to MEUR 80.5 (83.9). Depreciation and impairment included in the total expenses amounted to MEUR 3.9 (4.5).

Adjusted operating profit was MEUR 13.2 (9.9), or 14.1% (10.8%) of revenue. Operating profit was MEUR 15.0 (9.1), or 16.0% (9.9%) of revenue. The operating profit includes net adjusted items in the amount of MEUR 1.8 (-0.8) related to restructuring and gains on the sale of assets. The non-recurring items in the comparison period were mainly related to gains on the sale of assets and restructuring costs.

The result for April–June 2017 was MEUR 12.2 (6.9), and the adjusted result was MEUR 10.4 (7.7).

Group revenue and result for January–June 2017

In the first half of the year, revenue grew by 3.1% to MEUR 184.2 (178.7).

Content revenue declined by 2.4% to MEUR 63.4 (65.0). Content revenue declined due to the decline of print subscriptions and single-copy 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 7.2% to MEUR 91.8 (85.7). Advertising sales for print media decreased by 8.6% from the comparison period, to MEUR 32.7 (35.8). Online advertising sales increased by 16.9% to MEUR 58.4 (50.0).

Service revenue totalled MEUR 29.0 (28.0). Service revenue was increased by growth in the external sales of printing services.

Total expenses declined in the first half of the year by MEUR 8.7, or 5.2%, to MEUR 159.7 (168.4). Depreciation and impairment included in the total expenses amounted to MEUR 7.9 (8.9).

Adjusted operating profit was MEUR 25.8 (15.4), or 14.0% (8.6%) of revenue. Operating profit was MEUR 26.4 (11.6), or 14.3% (6.5%) of revenue. The operating profit includes net adjusted items in the amount of MEUR 0.6 (-3.8).

The result for January–June 2017 was MEUR 21.1 (8.5), and the adjusted result was MEUR 20.5 (12.3).

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. Operations that produce similar products and services are combined into operating segments due to their uniform profitability and other uniform characteristics.

The revenue of the E-kontakti business was transferred from Group advertising revenue to Group service revenue.

REVENUE MEUR	2017 Q2	2016 Q2	Change %	2017 Q1–Q2	2016 Q1–Q2	Change %	2016 Q1–Q4
Alma Markets	20.6	17.6	17.3	40.2	34.2	17.6	69.4
Alma Talent	28.7	30.5	-6.1	58.2	59.8	-2.7	114.0
Alma News & Life	13.0	12.1	6.9	24.0	23.0	4.6	46.1
Alma Regions	32.6	33.0	-1.2	63.9	63.7	0.2	127.7
Segments total	94.8	93.1	1.8	186.4	180.8	3.1	357.1
Non-allocated	-1.1	-1.2	-7.6	-2.1	-2.1	3.8	-3.9
Total	93.7	92.0	1.9	184.2	178.7	3.1	353.2

ADJUSTED OPERATING PROFIT/LOSS MEUR	2017 Q2	2016 Q2	Change %	2017 Q1–Q2	2016 Q1–Q2	Change %	2016 Q1–Q4
Alma Markets	7.3	5.1	45.1	14.7	9.9	48.2	19.3
Alma Talent	3.3	3.4	-2.8	7.9	5.6	40.1	12.4
Alma News & Life	2.4	1.9	32.5	3.4	3.4	0.5	7.0
Alma Regions	2.0	2.2	-10.5	4.0	3.2	26.7	8.5
Segments total	15.1	12.5	20.5	29.9	22.1	35.8	47.1
Non-allocated	-1.8	-2.6	30.2	-4.1	-6.6	38.0	-11.9
Total	13.2	9.9	33.8	25.8	15.4	67.6	35.2

ADJUSTED ITEMS MEUR	2017 Q2	2016 Q2	Change %	2017 Q1–Q2	2016 Q1–Q2	Change %	2016 Q1–Q4
Alma Markets		0.0			0.0		0.0
Alma Talent	0.7	-1.5	-144.6	0.7	-3.0	-123.2	-3.6
Alma News & Life		0.9			0.9		0.9

Alma Regions		-0.2		-0.8	-1.3	-35.2	-3.0
Segments total	0.7	-0.8	-188.2	-0.2	-3.3	-95.4	-5.7
Non-allocated	1.1	0.0		0.7	-0.5	-256.9	-2.7
Total	1.8	-0.8	-327.6	0.6	-3.8	-115.5	-8.4

OPERATING PROFIT/LOSS MEUR	2017 Q2	2016 Q2	Change %	2017 Q1-Q2	2016 Q1-Q2	Change %	2016 Q1-Q4
Alma Markets	7.3	5.1	44.2	14.7	10.0	47.2	19.3
Alma Talent	4.0	1.9	113.8	8.6	2.7	221.8	8.8
Alma News & Life	2.4	2.8	-11.7	3.4	4.3	-20.9	7.9
Alma Regions	2.0	2.0	-2.8	3.1	1.9	70.2	5.5
Segments total	15.8	11.7	34.4	29.8	18.7	59.3	41.4
Non-allocated	-0.7	-2.6	72.0	-3.4	-7.1	52.6	-14.6
Total	15.0	9.1	64.9	26.4	11.6	127.7	26.8

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 and Alkali. Also reported in this segment are Nettikoti, which specialises in software for ERP systems in new construction and renovation, Kivi, a real estate agency system, and Urakkamaailma.fi, a marketplace for renovation and construction work.

KEY FIGURES MEUR	2017 Q2	2016 Q2	Change %	2017 Q1-Q2	2016 Q1-Q2	Change %	2016 Q1-Q4
Revenue	20.6	17.6	17.3	40.2	34.2	17.6	69.4
Advertising revenue	19.2	16.3	17.8	37.3	31.7	17.6	64.3
Service revenue	1.4	1.2	11.4	2.9	2.5	17.3	5.1
Adjusted total expenses	13.3	12.5	6.0	25.6	24.4	5.1	50.2
Adjusted EBITDA	8.1	6.4	27.0	16.1	12.5	28.8	24.5
EBITDA	8.1	6.4	26.3	16.1	12.5	28.5	24.5
Adjusted operating profit	7.3	5.1	45.1	14.7	9.9	48.2	19.3
% of revenue	35.7	29.0		36.4	29.0		27.8
Operating profit	7.3	5.1	44.2	14.7	10.0	47.2	19.3
% of revenue	35.7	29.2		36.4	29.1		27.8
Average no. of employees, calculated as full-time employees	578	536	7.9	572	527	8.5	543
Online sales	20.6	17.6	17.3	40.2	34.2	17.6	69.4
Online sales, % of revenue	100.0	100.0		100.0	100.0		100.0

OPERATIONAL KEY FIGURES	2017 Q2	2016 Q2	Change %	2017 Q1-Q2	2016 Q1-Q2	Change %	2016 Q1-Q4
Online services, unique browsers, weekly, on average (thousands*)							
Etuovi.com	876.2	818.5	7.0	878.2	795.9	10.3	809.4
Autotalli.com	148.2	122.7	20.8	158.8	124.7	27.3	133.8

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

April–June 2017

The Alma Markets segment's revenue increased by 17.3% to MEUR 20.6 (17.6). Revenue growth continued to be supported by the market development in the Eastern Central European countries. Growth was particularly strong in the Czech Republic and Croatia. In Finland, revenue growth was boosted by the stronger housing market and good sales. Etuovi.com increased its market share relative to print media during the first half of the year. In total, the revenue from the recruitment business increased by 19.6% during the review period and accounted for 77.5% (76.0%) of the segment's revenue in the second quarter of 2017.

The adjusted total expenses in the review period amounted to MEUR 13.3 (12.5). The increase in total expenses was attributable to investments in sales and marketing as well as the development of online services. The change in total expenses includes MEUR 0.5 associated with discontinued IFRS 3 fair value depreciation allocated to the LMC business.

The Alma Markets segment's adjusted operating profit was MEUR 7.3 (5.1) in the second quarter. The adjusted operating profit was 35.7% (29.0%) of revenue. The segment's operating profit was MEUR 7.3 (5.1). No adjusted items were reported during the review period. The adjusted expense in the comparison period was related to proceeds on sale connected to an incremental acquisition.

January–June 2017

In the first half of 2017, the Alma Markets segment's revenue increased in both domestic and international operations and amounted to MEUR 40.2 (34.2). Revenue from the recruitment business increased by 19.3% during the review period and accounted for 77.5% (76.3%) of the segment's revenue in the first half of 2017.

Total expenses during the review period amounted to MEUR 25.6 (24.4). The increase in total expenses was attributable to investments in the development of online services and marketing. The change in total expenses includes MEUR 1.0 associated with discontinued IFRS 3 fair value depreciation allocated to the LMC business.

The Alma Markets segment's adjusted operating profit was MEUR 14.7 (9.9) in the first half of 2017. The adjusted operating profit was 36.4% (29.0%) of revenue. The segment's operating profit was MEUR 14.7 (10.0). No adjusted items were reported during the review period. The adjusted item in the comparison period was related to proceeds on sale connected to an incremental acquisition.

Alma Talent

The Alma Talent business segment publishes 20 trade and financial magazines and newspapers as well as a variety of business 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 Mediutiset. In Sweden, Alma Talent's publications include Affärsvärlden, Ny Teknik and Dagens Media.

KEY FIGURES MEUR	2017 Q2	2016 Q2	Change %	2017 Q1–Q2	2016 Q1–Q2	Change %	2016 Q1–Q4
Revenue	28.7	30.5	-6.1	58.2	59.8	-2.7	114.0
Content revenue	12.1	13.1	-7.7	24.7	25.9	-4.7	49.6
Advertising revenue	8.7	8.6	1.1	17.1	16.0	7.3	30.8
Service revenue	8.0	8.9	-10.7	16.4	17.9	-8.7	33.6
Adjusted total expenses	25.3	27.2	-7.2	50.2	54.4	-7.7	101.8
Adjusted EBITDA	4.4	4.4	-1.3	10.0	7.6	31.9	16.4
EBITDA	5.1	2.9	75.6	10.7	4.6	131.5	13.8
Adjusted operating profit	3.3	3.4	-2.8	7.9	5.6	40.1	12.4
% of revenue	11.6	11.2		13.6	9.4		10.9
Operating profit	4.0	1.9	113.8	8.6	2.7	221.8	8.8
% of revenue	14.0	6.1		14.8	4.4		7.7
Average no. of employees, calculated as full-time employees	853	867	-1.7	841	903	-6.8	875

Online sales	9.5	9.3	1.6	18.9	17.7	6.6	35.7
Online sales, % of revenue	33.0	30.5		32.4	29.6		31.3
OPERATIONAL KEY FIGURES							
	2017	2016	Change	2017	2016	Change	2016
	Q2	Q2	%	Q1-Q2	Q1-Q2	%	Q1-Q4
Online services, unique browsers, weekly, on average (thousands)*							
Kauppalehti.fi	1,143.1	1,010.6	13.1	1,155.6	1,074.9	7.5	1,025.1
Talouselama.fi	267.0	280.1	-4.7	285.5	295.1	-3.3	272.8

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

April-June 2017

The Alma Talent segment's revenue decreased by 6.1% to MEUR 28.7 (30.5). Online business accounted for 33.0% (30.5%) of the segment's revenue.

The content revenue of the Alma Talent segment decreased by 7.7% to MEUR 12.1 (13.1). The decline in content revenue was attributable to lower print media content sales and a decrease in the Pro unit's book sales.

Advertising sales in the second quarter remained on a par with the previous year, at MEUR 8.7 (8.6). Online advertising revenue increased by 1.3% year-on-year.

Service revenue totalled MEUR 8.0 (8.9), with the decrease being mainly attributable to the effect of discontinued businesses.

The segment's adjusted total expenses were MEUR 25.3 (27.2) and total expenses MEUR 25.3 (29.6). The decrease in expenses was largely attributable to discontinued businesses as well as the restructuring measures implemented last year.

In June, the Group acquired the business operations of Mediutiset, which had previously been reported as an associated company. Going forward, the unit will be reported as part of the Alma Talent segment.

The Alma Talent segment's adjusted operating profit was MEUR 3.3 (3.4) and operating profit MEUR 4.0 (1.9). The adjusted operating profit was 11.6% (11.2%) of revenue. The adjusted items in the review period were related to a sales gain on the Mediutiset acquisition achieved in stages, while the adjusted expenses in the comparison period were related to restructuring.

January-June 2017

The Alma Talent segment's revenue amounted to MEUR 58.2 (59.8). Online business accounted for 32.4% (29.6%) of the segment's revenue.

The content revenue of the Alma Talent segment decreased by 4.7% to MEUR 24.7 (25.9). The decline in content revenue was attributable to lower print media content sales and a decrease in the Pro unit's book sales.

Advertising sales in the first half of 2017 amounted to MEUR 17.1 (16.0) thanks to a strong start to the year. Online advertising revenue increased by 7.0% year-on-year, mainly boosted by content marketing and mobile sales.

Service revenue decreased by 8.7% to MEUR 16.4 (17.9), largely due to the effect of discontinued businesses.

The segment's adjusted total expenses were MEUR 50.2 (54.4) and total expenses MEUR 50.2 (57.4). The total expenses were reduced by restructuring measures implemented last year, integration-related employee expense savings in Media Finland, Media Sweden and Information Services as well as discontinued businesses.

The Alma Talent segment's adjusted operating profit was MEUR 7.9 (5.6) and operating profit MEUR 8.6 (2.7). The adjusted operating profit was 13.6% (9.4%) of revenue. The adjusted items in the review period were related to a sales gain on an acquisition achieved in stages, while the adjusted expenses in the comparison period were related to restructuring.

Alma News & Life

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

KEY FIGURES MEUR	2017 Q2	2016 Q2	Change %	2017 Q1-Q2	2016 Q1-Q2	Change %	2016 Q1-Q4
Revenue	13.0	12.1	6.9	24.0	23.0	4.6	46.1
Content revenue	5.0	5.4	-7.9	9.9	10.9	-9.4	21.6
Advertising revenue **)	7.0	6.2	14.0	12.4	11.2	11.5	22.3
Service revenue **)	0.9	0.5	78.7	1.7	0.9	90.8	2.2
Adjusted total expenses	10.5	10.3	2.3	20.7	19.6	5.2	39.1
Adjusted EBITDA	2.6	2.0	30.1	3.7	3.5	4.0	7.4
EBITDA	2.6	2.9	-10.6	3.7	4.4	-17.2	8.4
Adjusted operating profit	2.4	1.9	31.5	3.4	3.4	0.5	7.0
% of revenue	18.8	15.3		14.0	14.6	-3.5	15.1
Operating profit	2.4	2.8	-11.7	3.4	4.3	-20.9	7.9
% of revenue	18.8	22.8		14.0	18.6	-24.0	17.1
Average no. of employees, calculated as full-time employees	158	142	10.8	153	147	4.1	149
Online sales	6.5	5.0	29.8	11.8	9.3	27.4	19.6
Online sales, % of revenue	50.2	41.3		49.3	40.5		42.5

OPERATIONAL KEY FIGURES	2017 Q2	2016 Q2		2017 Q1-Q2	2016 Q1-Q2		2016 Q1-Q4
Online services, unique browsers, weekly, on average (thousands*)							
Ilta-lehti.fi	5,234.9	5,278.4	-0.8	5,459.5	5,341.8	2.2	5,320.4
Telkku.com	499.0	538.2	-7.3	588.5	609.6	-3.5	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.

April-June 2017

The Alma News & Life segment's revenue increased by 6.9% to MEUR 13.0 (12.1) in April-June as a result of growth in Ilta-lehti's online advertising. The share of online business of the segment's revenue grew to 50.2% (41.3%).

The segment's content revenue declined by 7.9% to MEUR 5.0 (5.4) in April-June, mainly due to a decrease in Ilta-lehti's print circulation. The segment's advertising revenue increased by 14% to MEUR 7.0 (6.2). The segment's online advertising revenue increased by 28.5% to MEUR 5.8 (4.5) on the strength of mobile advertising and programmatic buying. Advertising sales for print media decreased by 25%.

Service revenue was MEUR 0.9 (0.5), with the increase being attributable to the revenue of the Rantapallo business acquired in spring 2016.

The segment's adjusted total expenses amounted to MEUR 10.5 (10.3). The total expenses were increased by the Rantapallo acquisition.

The segment's adjusted operating profit was MEUR 2.4 (1.9), or 18.8% (15.3%) of revenue. No adjusted items were reported during the review period. The comparison period's adjusted items, MEUR 0.9, were related to a sales gain on the Rantapallo acquisition achieved in stages. The segment's operating profit was MEUR 2.4 (2.8).

January–June 2017

The Alma News & Life segment's revenue increased by 4.6% to MEUR 24.0 (23.0) in January–June as a result of growth in online advertising. Online business accounted for 49.3% (40.5%) of the segment's revenue.

The segment's content revenue declined by 9.4% to MEUR 9.9 (10.9) in January–June due to the decrease of Iltalehti's circulation.

The segment's advertising revenue increased by 11.5% to MEUR 12.4 (11.2). The segment's online advertising revenue increased by 20.4% to MEUR 10.2 (8.5) on the strength of mobile advertising and programmatic buying.

Service revenue was MEUR 1.7 (0.9), with the increase being attributable to the revenue of the Rantapallo business acquired in spring 2016.

The segment's total expenses were MEUR 20.7 (19.6). The increase in expenses was mainly due to the Rantapallo acquisition.

The segment's adjusted operating profit was MEUR 3.4 (3.4), or 14% (14.6%) of revenue.

No adjusted items were reported during the review period. The comparison period's adjusted items, MEUR 0.9, were related to a sales gain on the Rantapallo acquisition achieved in stages.

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	2017 Q2	2016 Q2	Change %	2017 Q1–Q2	2016 Q1–Q2	Change %	2016 Q1–Q4
Revenue	32.6	33.0	-1.2	63.9	63.7	0.2	127.7
Content revenue	14.3	14.1	1.3	28.8	28.2	2.3	57.2
Advertising revenue	13.1	14.2	-7.9	25.0	26.9	-6.8	52.4
Service revenue	5.2	4.6	12.2	10.0	8.7	15.4	18.2
Adjusted total expenses	30.7	30.8	-0.4	60.0	60.6	-1.1	119.7
Adjusted EBITDA	2.9	3.1	-6.5	5.8	4.9	18.4	12.0
EBITDA	2.9	2.9	-0.8	4.9	3.6	37.8	11.0
Adjusted operating profit	2.0	2.2	-10.5	4.0	3.2	26.7	8.5
% of revenue	6.0	6.6		6.2	4.9		6.6
Operating profit	2.0	2.0	-2.8	3.1	1.9	70.2	5.5
% of revenue	6.0	6.1		4.9	2.9		4.3
Average no. of employees, calculated as full-time employees, excl. delivery staff	560	563	-0.7	551	590	-6.6	561
Average no. of delivery staff	879	864	1.7	879	847	3.8	845
Online sales	2.6	2.2	18.9	5.1	4.2	21.4	8.9
Online sales, % of revenue	8.1	6.8		8.0	6.6		7.0
OPERATIONAL KEY FIGURES	2017 Q2	2016 Q2		2017 Q1–Q2	2016 Q1–Q2		2016 Q1–Q4
Online services, unique browsers, weekly, on average (thousands*)							
Aamulehti.fi	825.9	611.6	35.0	838.0	625.3	34.0	622.9
Printing volume (in thousands)	85,692	74,492	15.0	168,548	141,527	19.1	290,226
Paper usage (tonnes)	7,157	6,835	4.7	13,865	12,805	8.3	24,831

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

April–June 2017

The Alma Regions segment's revenue amounted to MEUR 32.6 (33.0) in April–June. Online business accounted for 8.1% (6.8%) of the segment's revenue.

The segment's content revenue increased by 1.3% to MEUR 14.3 (14.1) in April–June. The increase in content revenue was attributable to online content sales, which compensated for the lower print content revenue.

The segment's advertising revenue declined by 7.9% to MEUR 13.1 (14.2) in spite of the boost provided by the municipal elections. The decline is attributable to reduced advertising spending in the retail sector. Print media advertising sales declined by 9.2% to MEUR 12.1 (13.3). The segment's online advertising revenue increased by 10.3% to MEUR 1.0 (0.9).

The segment's service revenue increased by 12.2% to MEUR 5.2 (4.6) due to the external sales of printing and delivery services.

The segment's adjusted total expenses were MEUR 30.7 (30.8) and total expenses MEUR 30.7 (31.0). The factors contributing to the decline in total expenses included efficiency improvement measures for newspapers as well as printing operations.

The segment's adjusted operating profit was MEUR 2.0 (2.2) and operating profit MEUR 2.0 (2.0). The adjusted operating profit was 6.0% (6.6%) of revenue. No adjusted items were reported during the review period. The non-recurring items in the comparison period were related to the restructuring of operations.

January–June 2017

The Alma Regions segment's revenue amounted to MEUR 63.9 (63.7) in January–June. Online business accounted for 8.0% (6.6%) of the segment's revenue.

The segment's content revenue grew by 2.3% to MEUR 28.8 (28.2) in January–June due to the larger number of publication dates as well as an increase in digital content revenue.

The segment's advertising sales declined by 6.8% to MEUR 25.0 (26.9). Advertising sales for print media decreased by 8.0% in spite of the boost provided by the municipal elections. The decline is attributable to reduced advertising spending in the retail sector. The segment's online advertising revenue increased by 9.5% to MEUR 2.0 (1.8).

The segment's service revenue increased by 15.4% to MEUR 10.0 (8.7). The Group's external sales of printing services increased in low-margin high-volume printed products.

The segment's adjusted total expenses were MEUR 60.0 (60.6) and total expenses MEUR 60.9 (61.9).

The segment's adjusted operating profit was MEUR 4.0 (3.2) and operating profit MEUR 3.1 (1.9). The adjusted operating profit was 6.2% (4.9%) of revenue. The adjusted restructuring costs recognised in the review period, MEUR 0.8, were associated with the statutory personnel negotiations completed in March. The adjusted items in the comparison period were related to corresponding restructuring costs.

Associated companies

Alma Media sold its share of ownership of Tampereen Tietoverkko (TTV) Oy to Elisa Corporation in June 2017. Alma Media owned 35.14% of the company.

Alma Talent Oy, which is part of Alma Media, acquired full ownership of Mediutiset Oy in June 2017. Alma Talent previously held a 50% stake in Mediutiset Oy.

SHARE OF PROFIT OF ASSOCIATED COMPANIES MEUR	2017 Q2	2016 Q2	2017 Q1-Q2	2016 Q1-Q2	2016 Q1-Q4
Alma Markets	0.1	0.1	0.2	0.1	0.0
Alma Talent	0.0	0.1	0.1	0.3	0.5
Alma News & Life				0.0	0.0
Alma Regions			0.0		0.0
Other associated companies	0.0	0.0	0.0	0.2	0.4
Total	0.2	0.2	0.3	0.6	0.9

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	2017 Q2	2016 Q2	2017 Q1-Q2	2016 Q1-Q2	2016 Q1-Q4
Alma Markets					
Gains (losses) on the sale of assets		0.0		0.0	0.0
Alma Talent					
Impairment losses					-1.0
Restructuring		-1.5		-3.0	-3.0
Gains (losses) on the sale of assets	0.7		0.7		0.4
Alma News & Life					
Gains (losses) on the sale of assets		0.9		0.9	0.9
Alma Regions					
Impairment losses					-2.0
Restructuring		-0.2	-0.8	-1.3	-0.8
Gains (losses) on the sale of assets					-0.2
Non-allocated					
Restructuring			-0.4	-0.5	
Costs related to the Talentum acquisition					-2.8
Gains (losses) on the sale of assets	1.1		1.1		0.1
ADJUSTED ITEMS IN OPERATING PROFIT	1.8	-0.8	0.6	-3.8	-8.4
ADJUSTED ITEMS IN PROFIT BEFORE TAX	1.8	-0.8	0.6	-3.8	-8.4

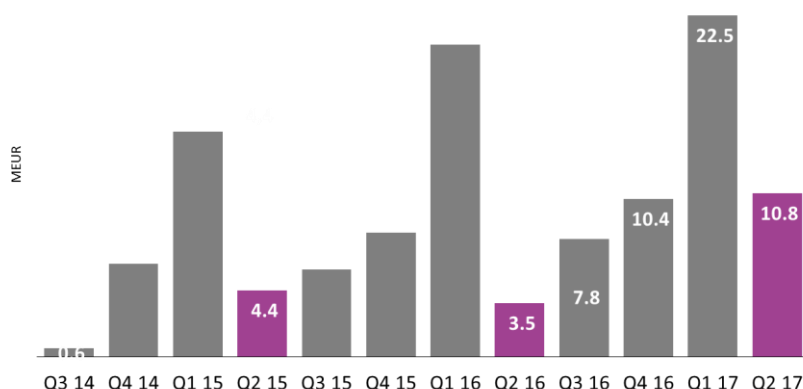
Balance sheet and financial position

At the end of June 2017, the consolidated balance sheet stood at MEUR 323.7 (329.5). The Group's equity ratio at the end of June was 48.7% (41.9%) and equity per share was EUR 1.50 (1.31).

Consolidated cash flow from operations in April–June was MEUR 10.8 (3.5). Cash flow before financing was MEUR 9.6 (-0.8). Consolidated cash flow from operations in January–June was MEUR 33.3 (24.2). Cash flow before financing was MEUR 30.5 (17.9).

Cash flow from operating activities

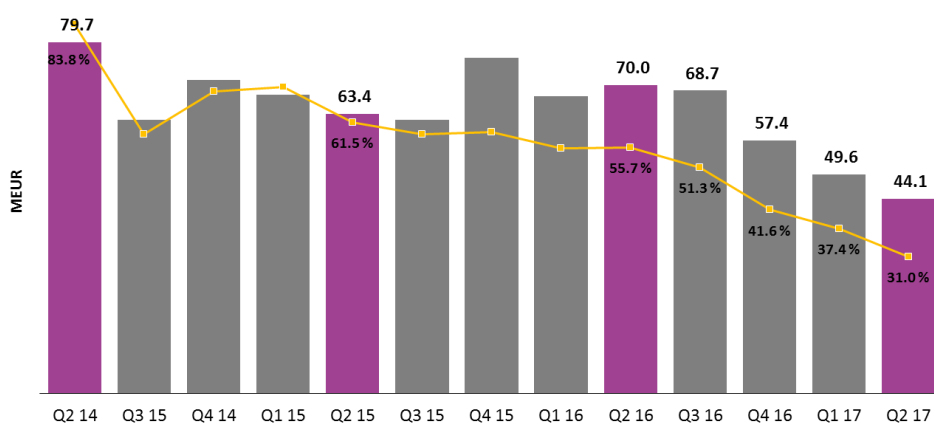
(IFRS)



At the end of June, the Group's interest-bearing debt amounted to MEUR 68.6 (88.1). The total interest-bearing debt at the end of June comprised MEUR 58.6 in finance leasing debt and MEUR 10.0 in loans from financial institutions. The Group's interest-bearing net debt at the end of June stood at MEUR 44.1 (70.0).

Net debt and gearing

(IFRS)



Alma Media has two MEUR 15.0 committed financing limits at its disposal, which were entirely unused on 30 June 2017. In addition, the company has a commercial paper programme of MEUR 100 in Finland. The commercial paper programme was entirely unused on 30 June 2017.

Alma Media did not have financial assets or liabilities created in conjunction with business combinations measured at fair value and recognised through profit or loss on 30 June 2017.

Capital expenditure

Alma Media Group's capital expenditure in January–June 2017 totalled MEUR 4.1 (6.7). The capital expenditure mainly consisted of the acquisitions of Urakkamaailma.fi and Ab Mediutiset Oy as well as normal operating and maintenance investments.

CAPITAL EXPENDITURE BY SEGMENT MEUR	2017 Q2	2016 Q2	2017 Q1–Q2	2016 Q1–Q2	2016 Q1–Q4
Alma Markets	0.1	0.1	1.0	1.2	1.7
Alma Talent	1.4	0.1	1.4	0.5	1.6
Alma News & Life		3.2		3.3	3.2
Alma Regions	0.2	0.4	0.7	0.8	1.3
Segments total	1.8	3.8	3.1	5.8	7.9
Non-allocated	0.5	0.4	1.0	0.9	2.2
Total	2.2	4.2	4.1	6.7	10.0

The Alma Media share

In April–June, altogether 2,500,038 Alma Media shares were traded on the Nasdaq Helsinki stock exchange, representing 3.0% 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, 30 June 2017, was EUR 5.97. The lowest quotation during the review period was EUR 4.88 and the highest EUR 6.49. Alma Media Corporation's market capitalisation at the end of the review period was MEUR 491.8.

Purchase and disposal of own shares

The company began purchasing its own shares on 22 February 2017. By 30 June 2017, the company had acquired 227,272 shares, representing approximately 0.3% of all Alma Media shares. The shares were acquired for the purpose of implementing the company's share-based incentive programme.

The company's own shares were acquired using the company's non-restricted shareholders' equity at the market price valid at the time of purchase of the shares through trading in a regulated market arranged by Nasdaq Helsinki Ltd, and the shares are purchased otherwise than in proportion to shareholders' current holdings. The shares were acquired and paid for according to the rules and instructions of Nasdaq Helsinki Ltd and Euroclear Finland Ltd.

Alma Media Corporation conveyed a total of 67,272 treasury shares without consideration and according to the plan terms to the key management participating in the Fixed Matching Share Plan LTI 2015 I of the company's Long-Term Incentive Programme launched in 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 160,000 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 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 first matching share plan, which commenced in 2015 (LTI 2015 I), 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 first performance matching plan, which commenced in 2015 (2015 LTI I), 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 duration of the plans, until March 2017, 2018, 2019, 2020 and 2021. 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 schemes started in 2016 and 2017

On 18 March 2016, the Board of Directors of Alma Media Corporation decided on a share-based incentive scheme to be launched in 2016 based on the LTI 2015 scheme (LTI 2015 II) and, on 23 March 2017, the Board made a corresponding decision on a share-based incentive scheme to be launched in 2017 (LTI 2015 III). The main terms of the incentive schemes correspond to those of the share-based incentive scheme that was launched in 2015.

Share-based incentive scheme	Based on share investment (shares max)	Performance matching (shares max)	Maximum number of people entitled to participate
LTI 2015			
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

Other authorisations of the Board of Directors

The Board of Directors also has a share issue authorisation granted by the Annual General Meeting held on 22 March 2017. A maximum of 16,500,000 shares can be issued based on the authorisation. The maximum number of shares corresponds to approximately 20 per cent of the total number of shares in the company.

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 second quarter of 2017.

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, 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 through renewal and the development of new business in digital consumer and business services.

Fluctuating economic cycles are reflected in the development of advertising sales. Advertising sales account for approximately half of the Group's revenue. Business operations outside Finland, such as in 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

Rauno Heinonen, Alma Media's SVP Corporate Communications, IR and CSR, will pursue his career in the service of another company from September 2017 on. Heinonen has been working in Alma Media as SVP, Communications and as secretary to the Group Executive Team since 2007.

In July, Alma Media's subsidiary Alma Mediapartners Oy acquired 25 per cent of the share capital of Muuttomaailma Oy, which offers competitive tender services for moving houses.

ALMA MEDIA CORPORATION Board of Directors

SUMMARY OF INTERIM REPORT AND NOTES

COMPREHENSIVE INCOME STATEMENT							
MEUR	2017 Q2	2016 Q2	Change %	2017 Q1-Q2	2016 Q1-Q2	Change %	2016 Q1-Q4
REVENUE	93.7	92.0	1.9	184.2	178.7	3.1	353.2
Other operating income	1.8	1.1	68.3	1.9	1.3	44.1	2.2
Materials and services	19.3	19.5	-1.0	37.8	37.8	0.1	74.1
Employee benefits expense	37.9	39.6	-4.4	75.4	80.7	-6.7	149.6
Depreciation, amortisation and impairment	3.9	4.5	-13.2	7.9	8.9	-10.9	21.1
Other operating expenses	19.4	20.3	-4.4	38.6	40.9	-5.6	83.8
OPERATING PROFIT	15.0	9.1	64.9	26.4	11.6	127.7	26.8
Finance income	0.2	0.3	-27.1	0.2	0.3	-28.4	0.4
Finance expenses	0.5	0.7	-27.5	0.8	1.5	-44.0	2.8
Share of profit of associated companies	0.2	0.2	-35.2	0.3	0.6	-44.7	0.9
PROFIT BEFORE TAX	14.9	9.0	66.2	26.1	11.1	136.5	25.4
Income tax	2.7	2.1	29.8	5.1	2.6	95.0	5.5
PROFIT FOR THE PERIOD	12.2	6.9	77.1	21.1	8.5	148.0	19.9
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		0.0	0.0		0.1
Tax on items that are not later transferred to be recognised through profit or loss	0.0	0.0		0.0	0.0		0.0
Items that may later be transferred to be recognised through profit or loss							
Translation differences	0.6	-0.3		0.6	-0.4		-0.1
Share of other comprehensive income of associated companies	0.0	0.0		0.0	0.0		
Income tax relating to components of other comprehensive income							
Other comprehensive income for the year, net of tax	-0.1	-0.3		0.6	-0.4		0.0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	12.1	6.6		21.7	8.1		19.9
Profit for the period attributable to:							
– Owners of the parent	11.1	5.8		18.8	6.6		16.9
– Non-controlling interest	1.1	1.1		2.2	1.9		3.0
Total comprehensive income for the period attributable to:							
– Owners of the parent	11.0	5.5		19.5	6.2		16.9
– Non-controlling interest	1.1	1.1		2.2	1.9		3.0
Earnings per share calculated from the profit for the period attributable to the parent company shareholders:							
- Earnings per share (basic and diluted), EUR	0.13	0.07		0.23	0.08		0.20

BALANCE SHEET			
MEUR	30 June 2017	30 June 2016	31 Dec 2016
ASSETS			
NON-CURRENT ASSETS			
Goodwill	122.0	122.5	120.3
Other intangible assets	65.9	71.5	67.8
Tangible assets	62.4	67.5	64.8
Investments in associated companies	4.2	5.9	5.1
Pension receivables, defined benefit plans			0.2
Other non-current financial assets	4.3	4.5	4.4
Deferred tax assets	1.5	1.5	1.5
CURRENT ASSETS			
Inventories	2.6	2.3	2.3
Current tax assets	0.0	0.8	0.2
Trade receivables and other receivables	36.4	34.8	37.1
Cash and cash equivalents	24.5	18.2	23.3
TOTAL ASSETS	323.7	329.5	327.0
EQUITY AND LIABILITIES			
Share capital	45.3	45.3	45.3
Share premium reserve	7.7	7.7	7.7
Translation differences	-1.1	-2.0	-1.7
Invested non-restricted equity fund	19.1	19.1	19.1
Retained earnings	52.3	38.0	48.3
Equity attributable to owners of the parent	123.4	108.2	118.7
Non-controlling interest	19.1	17.5	19.3
TOTAL EQUITY	142.5	125.7	138.0
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	63.1	67.5	65.3
Deferred tax liabilities	13.2	13.9	13.3
Pension liabilities	1.2	1.5	1.2
Provisions	0.3	0.3	0.3
Other non-current liabilities	0.2	0.2	0.2
CURRENT LIABILITIES			
Current financial liabilities	5.4	21.7	15.9
Advances received	31.3	29.9	24.7
Income tax liability	2.8	0.0	1.7
Provisions	0.8	0.7	0.9
Trade payables and other payables	62.9	68.1	65.4
TOTAL LIABILITIES	181.2	203.8	189.0
TOTAL EQUITY AND LIABILITIES	323.7	329.5	327.0

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

MEUR	Equity attributable to owners of the parent							
	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					18.8	18.8	2.2	21.1
Other comprehensive income			0.6			0.6		0.6
Transactions with equity holders								
Dividends paid by parent					-13.2	-13.2		-13.2
Dividends paid by subsidiaries							-2.3	-2.3
Acquisition of own shares					-1.2	-1.2		-1.2
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 30 June 2017	45.3	7.7	-1.1	19.1	52.3	123.4	19.1	142.5

Equity on 1 Jan 2016	45.3	7.7	-1.6	19.1	41.0	111.5	17.2	128.7
Profit for the period					6.6	6.6	1.9	8.5
Other comprehensive income			-0.4		0.0	-0.4	0.0	-0.4
Transactions with equity holders								
Dividends paid by parent					-9.7	-9.7		-9.7
Dividends paid by subsidiaries							-1.8	-1.8
Share-based payment transactions and exercised share options					0.2	0.2		0.2
Equity on 30 June 2016	45.3	7.7	-2.0	19.1	38.0	108.2	17.5	125.7

CASH FLOW STATEMENT MEUR	2017 Q2	2016 Q2	2017 Q1-Q2	2016 Q1-Q2	2016 Q1-Q4
OPERATING ACTIVITIES					
Profit for the period	12.2	6.9	21.1	8.5	19.9
Adjustments	5.1	5.7	11.7	11.2	27.5
Change in working capital	-5.8	-6.3	3.3	8.8	1.3
Dividends received	0.9	0.2	0.9	0.6	1.4
Interest received	0.0	0.0	0.0	0.1	0.2
Interest paid and other finance expenses	-0.6	-0.5	-1.1	-1.0	-2.5
Taxes paid	-1.0	-2.5	-2.7	-4.0	-5.5
Net cash flow from operating activities	10.8	3.5	33.3	24.1	42.3
INVESTING ACTIVITIES					
Acquisitions of tangible assets	-0.2	-1.1	-0.6	-2.5	-4.0
Acquisitions of intangible assets	-0.9		-1.5		
Proceeds from sale of tangible and intangible assets					0.0
Other investments				0.0	0.0
Proceeds from sale of available-for-sale financial assets	0.0		0.0	0.0	0.1
Business acquisitions less cash and cash equivalents at the time of acquisition	-1.3	-3.1	-1.9	-3.8	-7.9
Acquisition of associated companies				0.0	0.0
Proceeds from sale of associated companies	1.2		1.2		0.9
Net cash flows from/(used in) investing activities	-1.2	-4.3	-2.8	-6.2	-10.9
Cash flow before financing activities	9.6	-0.8	30.5	17.9	31.4
Acquisition of own shares	-0.8		-1.2		
Loans taken		23.0	3.0	56.0	96.0
Repayment of loans		-26.0	-13.1	-58.5	-101.5
Payments of finance lease liabilities	-1.2		-2.4		-5.3
Dividends paid	-2.8	-1.8	-15.5	-11.7	-11.7
Net cash flows from/(used in) financing activities	-4.7	-4.8	-29.3	-14.2	-22.5
Change in cash and cash equivalent funds (increase +/decrease -)	4.8	-5.6	1.1	3.7	8.8
Cash and cash equivalents at beginning of period	19.7	23.8	23.3	14.4	14.4
Effect of change in foreign exchange rates	0.0	0.0	0.0	0.0	-0.1
Cash and cash equivalents at end of period	24.5	18.2	24.5	18.2	23.3

Acquired businesses in 2017

Alma Media has acquired the following business operations during 2017:

	<u>Business</u>	<u>Acquisition date</u>	<u>Acquired share</u>	<u>Group share</u>
<u>Alma Markets segment</u>				
Urakkamaailma.fi	Online service	28 Feb 2017	31.9%	65%
<u>Alma Talent segment</u>				
Mediuutiset	Publishing	30 June 2017	50.0%	100%

The acquisition of Urakkamaailma.fi was treated as a change in ownership in a subsidiary, an acquisition of non-controlling interest, which did not lead to a change in control. As a result, a reduction of MEUR 0.6 was recognised in equity. The acquisition had no material impact on Alma Media Group's balance sheet. There were no allocable items or goodwill created in connection with the acquisition.

The assets and liabilities recorded as a result of the Mediuutiset acquisition were as follows:

MEUR	Fair values entered in integration
Intangible assets	1, 3
Trade receivables and other receivables	0.7
Cash and cash equivalents	0.0
Total	1.9
Deferred tax liabilities	0.3
Trade payables and other payables	0.3
Total	0.5
Total identifiable net assets at fair value 100%	1.4
Group's share of net assets	1.4
IFRS acquisition cost	2.4
Goodwill	1.0

The fair values entered on intangible assets in integration relate primarily to acquired customer relationships, IT applications and a trademark. Factors contributory to goodwill were the expected synergies related to these businesses.

Contingent considerations

Contingent considerations arising from business acquisitions are classified as financial liabilities recognised at fair value through profit or loss. The Group does not have contingent consideration assets or liabilities on its balance sheet on 30 June 2017.

CONTINGENT CONSIDERATION LIABILITY MEUR

Initial recognition of the liability	0.6
Change in fair value during previous financial periods	0.0
Considerations, settled in cash	-0.6
Change in fair value during the financial period	0.0
Fair value of the contingent consideration liability at the end of the period	0.0

REVENUE BY GEOGRAPHICAL AREA MEUR	2017 Q2	2016 Q2	2017 Q1-Q2	2016 Q1-Q2	2016 Q1-Q4
Segments, Finland	72.3	72.5	142.2	140.8	278.7
Segments, other countries	20.9	19.2	41.0	37.3	73.0
Segments total	93.1	91.8	183.2	178.1	351.7
Non-allocated	0.6	0.2	1.0	0.6	1.5
Group, total	93.7	92.0	184.2	178.7	353.2

OPERATING PROFIT BY GEOGRAPHICAL AREA MEUR	2017 Q2	2016 Q2	2017 Q1-Q2	2016 Q1-Q2	2016 Q1-Q4
Segments, Finland	9.5	9.1	17.6	12.7	28.8
Segments, other countries	6.2	2.6	12.2	6.0	12.6
Segments total	15.8	11.7	29.8	18.7	41.4
Non-allocated	-0.7	-2.6	-3.4	-7.1	-14.6
Group, total	15.0	9.1	26.4	11.6	26.8

EMPLOYEES BY GEOGRAPHICAL AREA	2017 Q2	2016 Q2	2017 Q1-Q2	2016 Q1-Q2	2016 Q1-Q4
Employees, Finland	1,560	1,519	1,536	1,593	1,548
Employees, other countries	752	832	740	812	740
Employees, total	2,312	2,351	2,276	2,405	2,288

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

Information by segment

Alma Media's segments are Alma Markets, Alma Talent, Alma News & Life and Alma Regions. The descriptive section of the interim report presents the revenue and operating profits of the segments and the allocation of the associated companies' results to the reporting segments.

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

ASSETS BY SEGMENT MEUR	30 June 2017	30 June 2016	31 Dec 2016
Alma Markets	80.7	77.1	79.2
Alma Talent	109.1	111.6	110.0
Alma News & Life	15.8	15.8	16.1
Alma Regions	53.7	61.0	57.0
Segments total	259.3	265.6	262.3
Non-allocated assets and eliminations	64.4	64.0	64.7
Total	323.7	329.5	327.0
LIABILITIES BY SEGMENT MEUR	30 June 2017	30 June 2016	31 Dec 2016
Alma Markets	24.3	19.6	21.0
Alma Talent	30.6	34.8	31.1
Alma News & Life	5.2	1.6	0.1
Alma Regions	64.3	68.4	61.0
Segments total	117.5	124.4	113.0
Non-allocated liabilities and eliminations	63.7	79.4	76.0
Total	181.2	203.8	189.0

Provisions

The company's provisions totalled MEUR 1.2 (1.0) on 30 June 2017. It has not been necessary to change the estimates made when the provisions were entered.

Commitments and contingencies

COMMITMENTS AND CONTINGENCIES			
MEUR	30 June 2017	30 June 2016	31 Dec 2016
Collateral for others			
Guarantees	0.9	1.2	0.9
Other commitments and contingencies	1.4	2.2	1.8
Minimum lease payments on other lease agreements:			
Within one year	9.0	10.7	9.3
Within 1–5 years	26.4	35.0	27.6
After 5 years	20.3	25.9	22.5
Total	55.7	71.6	59.2
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

Purchase obligation

Alma Media has a currently effective lease agreement with DNB Bank ASA on the office and production facility at Patamäenkatu 7 in Tampere. On 24 October 2016, Alma Media announced it will exercise the interruption option included in the agreement and redeem the property. The property transaction, its financing and recognition in Alma Media's balance sheet will take place in October 2017 and its value will be MEUR 14.5. The rental commitment related to the lease agreement is presented in Alma Media's liabilities.

DERIVATIVE CONTRACTS			
MEUR	30 June 2017	30 June 2016	31 Dec 2016
Commodity derivative contracts, electricity derivatives			
Fair value*	0.0	-0.1	
Nominal value	0.2	0.3	0.3
Interest rate derivatives			
Fair value*	-0.5	-0.8	-0.7
Value of underlying instruments	19.4	19.4	19.4
Foreign currency derivatives			
Fair value*	0.0		
Nominal value	3.1	2.4	3.1

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

Related party transactions

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

RELATED PARTY TRANSACTIONS MEUR	2017 Q2	2016 Q2	2017 Q1-Q2	2016 Q1-Q2	2016 Q1-Q4
Sales of goods and services	0.2	0.1	0.5	0.1	0.8
Associated companies	0.2	0.0	0.4	0.1	0.5
Principal shareholders	0.0	0.0	0.1	0.1	0.2
Corporations where management exercises influence	0.0	0.0	0.0	0.0	0.1
Purchases of goods and services	1.1	0.5	1.9	1.0	5.5
Associated companies	1.1	0.5	1.9	1.0	5.4
Principal shareholders	0.0	0.0	0.0	0.0	0.0
Corporations where management exercises influence		0.0	0.0	0.0	0.1
Trade receivables, loan and other receivables at the end of the reporting period	0.0	0.0	0.0	0.0	0.2
Associated companies	0.0	0.0	0.0	0.0	0.2
Principal shareholders	0.0	0.0	0.0	0.0	0.0
Corporations where management exercises influence	0.0	0.0	0.0	0.0	0.0
Trade payables at the reporting date	0.0	0.0	0.0	0.0	0.4
Associated companies	0.0	0.0	0.0	0.0	0.4
Principal shareholders	0.0		0.0	0.0	0.0
Acquired businesses					1.0
Principal shareholders					1.0

QUARTERLY INFORMATION MEUR	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3	2015 Q2
REVENUE	93.7	90.5	93.5	80.9	92.0	86.7	78.6	68.0	73.0
Alma Markets	20.6	19.6	18.0	17.2	17.6	16.7	15.9	14.7	14.7
Alma Talent	28.7	29.5	31.2	23.0	30.5	29.3	18.2	12.5	14.0
Alma News & Life	13.0	11.1	12.0	11.1	12.1	10.9	11.8	10.4	11.4
Alma Regions	32.6	31.3	33.5	30.5	33.0	30.8	33.9	31.6	34.1
Eliminations and non-allocated	-1.1	-1.0	-1.1	-0.9	-1.2	-0.9	-1.1	-1.2	-1.1
ADJUSTED TOTAL EXPENSES	80.5	78.0	82.8	72.0	82.2	81.5	71.7	60.6	66.4
Alma Markets	13.3	12.4	14.1	11.8	12.5	11.9	13.3	10.6	10.6
Alma Talent	25.3	25.0	26.4	21.0	27.2	27.2	16.3	10.4	12.2
Alma News & Life	10.5	10.2	10.2	9.3	10.3	9.4	10.2	9.8	10.5
Alma Regions	30.7	29.3	30.4	28.6	30.8	29.8	30.6	29.1	31.7
Eliminations and non-allocated	0.7	1.2	1.7	1.3	1.4	3.1	1.3	0.7	1.4
ADJUSTED EBITDA	17.2	16.6	15.6	13.6	14.4	9.9	10.8	11.0	10.2
Alma Markets	8.1	8.0	5.4	6.6	6.4	6.1	3.9	5.4	5.3
Alma Talent	4.4	5.7	5.8	3.1	4.4	3.2	2.5	2.3	2.1
Alma News & Life	2.6	1.1	2.0	1.9	2.0	1.6	1.6	0.7	0.9
Alma Regions	2.9	2.9	4.1	2.9	3.1	1.8	4.2	3.4	3.3
Eliminations and non-allocated	-0.7	-1.1	-1.7	-0.9	-1.4	-2.8	-1.3	-0.8	-1.4
ADJUSTED OPERATING PROFIT/LOSS	13.2	12.6	10.9	9.1	9.9	5.5	7.1	7.6	6.8
Alma Markets	7.3	7.3	4.0	5.3	5.1	4.8	2.6	4.2	4.1
Alma Talent	3.3	4.6	4.7	2.1	3.4	2.2	2.1	2.1	1.9
Alma News & Life	2.4	0.9	1.8	1.8	1.9	1.5	1.6	0.6	0.9
Alma Regions	2.0	2.0	3.3	2.0	2.2	1.0	3.3	2.6	2.5
Eliminations and non-allocated	-1.8	-2.3	-2.9	-2.2	-2.6	-4.0	-2.5	-1.9	-2.5
% OF REVENUE	14.1	13.9	11.7	11.2	10.8	6.4	9.0	11.1	9.3
Alma Markets	35.7	37.2	22.0	31.2	29.0	28.9	16.5	28.3	27.7
Alma Talent	11.6	15.5	15.3	9.0	11.2	7.6	11.3	17.1	13.3
Alma News & Life	18.8	8.5	15.1	16.2	15.3	13.9	13.6	6.0	7.8
Alma Regions	6.0	6.5	9.8	6.7	6.6	3.1	9.7	8.2	7.2
Non-allocated	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ADJUSTED ITEMS	1.8	-1.2	-4.3	-0.2	-0.8	-3.0	-6.2	-1.6	1.3
Alma Markets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Alma Talent	0.7	0.0	-0.4	-0.2	-1.5	-1.4	-0.2	-1.4	0.0
Alma News & Life	0.0	0.0	0.0	0.0	0.9	0.0	-0.8	0.0	0.0
Alma Regions	0.0	-0.8	-1.6	0.0	-0.2	-1.1	-3.1	-0.2	-0.4
Non-allocated	1.1	-0.4	-2.3	0.0	0.0	-0.5	-2.0	0.0	1.7
OPERATING PROFIT/LOSS	15.0	11.4	6.7	8.9	9.1	2.5	0.9	6.0	8.1
Alma Markets	7.3	7.3	4.0	5.3	5.1	4.8	2.6	4.2	4.1
Alma Talent	4.0	4.6	4.3	1.8	1.9	0.8	1.8	0.7	1.9
Alma News & Life	2.4	0.9	1.8	1.8	2.8	1.5	0.7	0.6	0.9
Alma Regions	2.0	1.2	1.7	2.0	2.0	-0.2	0.1	2.4	2.0
Non-allocated	-0.7	-2.6	-5.1	-2.2	-2.6	-4.5	-4.4	-1.9	-0.7
Finance income	0.2	0.0	0.4	0.0	0.3	0.1	0.0	0.0	0.3
Finance expenses	0.5	0.4	0.7	1.0	0.7	0.8	1.2	1.2	0.7

Share of profit of associated companies	0.2	0.2	0.1	0.3	0.2	0.3	0.8	0.3	0.2
PROFIT BEFORE TAX	14.9	11.3	6.5	8.2	9.0	2.1	1.4	5.1	8.0
Income tax	-2.7	-2.3	-1.4	-1.7	-2.1	-0.5	-1.1	-1.4	-1.6
PROFIT FOR THE PERIOD	12.2	8.9	5.1	6.5	6.9	1.6	0.3	3.7	6.3

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 2016 and the new and revised IFRS standards described in the 2016 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 2016. The accounting principles of the financial years 2016 and 2017 are comparable. The company has no discontinued operations to report in the 2016–2017 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 $((1 + \text{quarterly return})^4 - 1)$. The percentage of online business of revenue is calculated as $\text{online business} / \text{revenue} * 100$. The figures in this interim report are independently rounded.

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

Alma Media's financial calendar 2017

Alma Media will publish financial reports in 2017 as follows:

– Interim report for January–September 2017 on Friday, 27 October at approximately 9:00 EEST