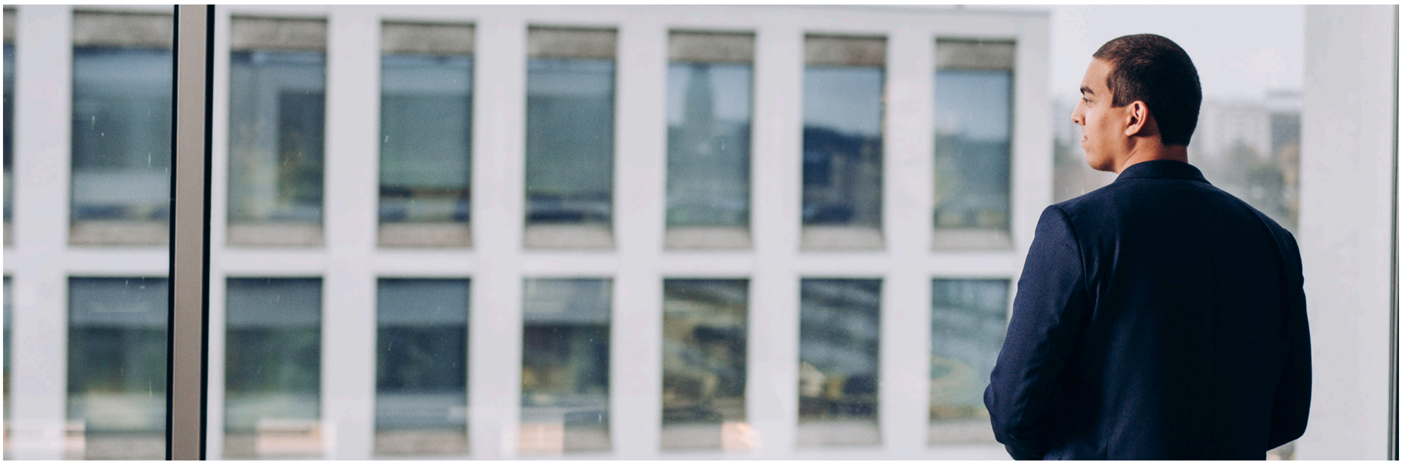


Alma Media Corporation

Q3 Interim Report

25 October 2018

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

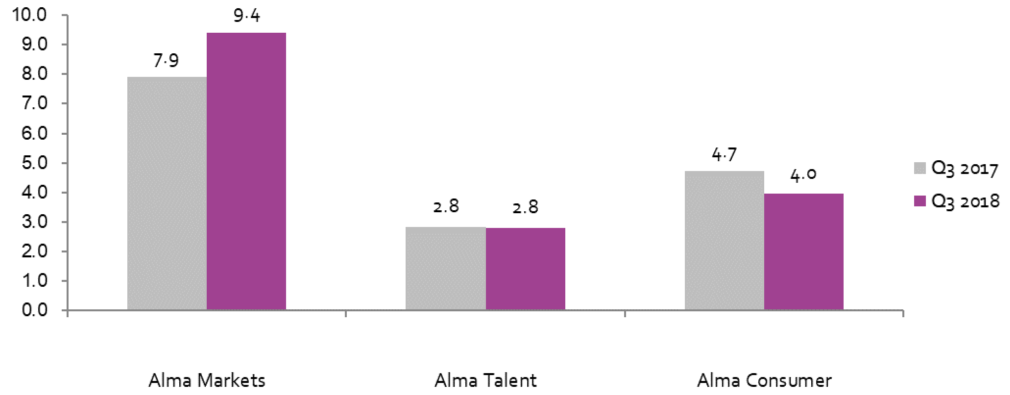
Alma Media's Interim Report January–September 2018:

Adjusted operating profit up in Q3 on the Markets segment's continued profit improvement. Revenue down as expected due to divestments.

Financial performance July–September 2018:

- Revenue MEUR 81.6 (86.0), down 5.1%.
- Adjusted operating profit MEUR 15.1 (14.0), or 18.5% (16.2%) of revenue, up 8.3%.
- Operating profit MEUR 14.6 (14.3) or 17.9% (16.6%) of revenue, up 1.9%.
- Earnings per share EUR 0.12 (0.12).
- Alma Markets: Profitable business growth continued in Finland and in international operations.
- Alma Talent: Profitability on par with the previous year, content revenue benefited from the positive development of digital subscriptions
- Alma Consumer: The decline of print media sales still reduced profitability.

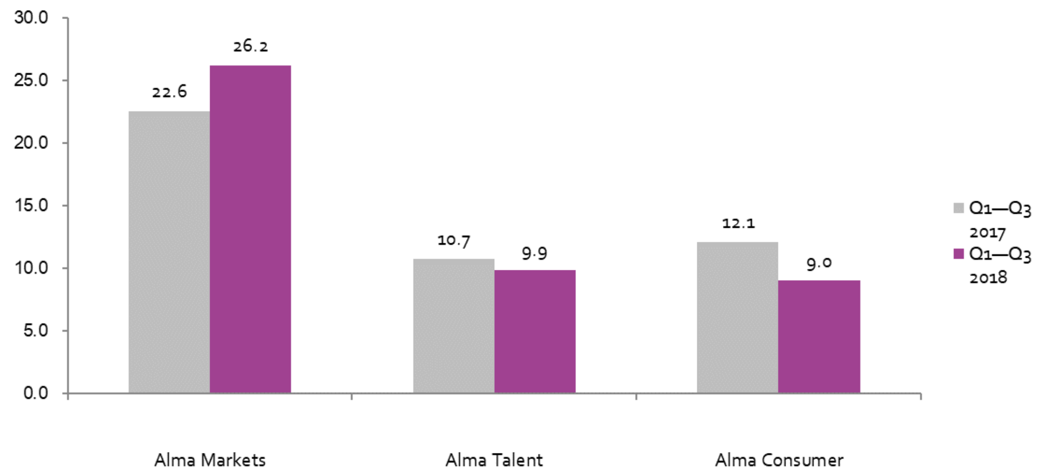
Business segments' adjusted operating profit, July–September, MEUR (excludes non-allocated functions)



Financial performance January–September 2018:

- Revenue MEUR 262.7 (270.2), down 2.8%.
- Adjusted operating profit MEUR 40.2 (39.8), or 15.3% (14.7%) of revenue, up 1.1%.
- Operating profit MEUR 44.9 (40.7) or 17.1% (15.1%) of revenue, up 10.1%.
- Earnings per share EUR 0.38 (0.35).

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



KEY FIGURES MEUR	2018 Q3	2017 Q3	Change %	2018 Q1–Q3	2017 Q1–Q3	Change %	2017 Q1–Q4
Revenue	81.6	86.0	-5.1	262.7	270.2	-2.8	367.3
Content revenue	26.6	29.9	-11.2	85.3	93.4	-8.6	125.8
Content revenue, print	22.4	25.8	-13.1	72.8	81.1	-10.3	109.3
Content revenue, digital	4.2	4.1	1.1	12.6	12.3	2.4	16.5
Advertising revenue *)	42.2	42.9	-1.6	135.3	135.6	-0.2	185.8
Advertising revenue, print	10.7	13.5	-20.9	37.5	46.2	-18.9	62.8
Advertising revenue, digital	31.2	28.9	8.0	96.2	87.6	9.8	120.5
Service revenue *)	12.8	13.1	-2.6	42.0	41.2	2.0	55.7
Adjusted total expenses	66.6	72.2	-7.7	222.9	230.7	-3.4	320.8
Adjusted EBITDA	18.9	17.9	5.3	52.1	51.7	0.8	67.4
EBITDA	18.3	18.2	0.3	56.7	52.6	7.9	66.9
Adjusted operating profit	15.1	14.0	8.3	40.2	39.8	1.1	51.1
% of revenue	18.5	16.2		15.3	14.7		13.9
Operating profit (loss)	14.6	14.3	1.9	44.9	40.7	10.1	46.6
% of revenue	17.9	16.6		17.1	15.1		12.7
Net income for period	12.2	11.2	8.9	36.4	32.3	12.7	36.7
Earnings per share, EUR (undiluted and basic)	0.12	0.12	4.0	0.38	0.35	9.8	0.39
Digital business revenue	40.5	38.0	6.6	125.4	114.6	9.4	156.6
Digital business, % of revenue	49.7	44.2		47.7	42.4		42.6

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

Operating environment in 2018

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

Outlook for 2018 (Unchanged)

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

Market situation in the main markets

According to Kantar TNS, the total advertising volume in Finland decreased by 0.6% (2.2%) in July–September 2018, while advertising in online media increased in Finland by 2.4% (10.1%) in the third quarter. Advertising in city papers and newspapers declined by 7.5% (10.9%) in Finland. Advertising in magazines in Finland decreased in July–September 2018 by 2.8% (8.9%). In terms of volume, the total market for afternoon papers in Finland declined by 10.7% (12.1%) in the third quarter of 2018.

According to Sveriges Mediebyråer, the total advertising volume in Sweden increased by 6.7% (3.6%) in July–September 2018. Advertising in online media grew by 5.2% (9.8%) in Sweden. Advertising in trade magazines in Sweden decreased by 17.5% (8.1%).

Alma Media's main markets in Eastern Central Europe are the Czech Republic and Slovakia. According to the European Commission's forecast, the Czech Republic's GDP will grow by 3.0% in 2018. The Czech National Bank estimates that the GDP will grow by 3.2% in 2018 and 3.4% in 2019. In Slovakia, GDP growth in 2018 will be 3.9% according to the European Commission. The Czech National Bank estimates that the GDP will grow by 4.3% in 2018 and 4.7% in 2019.

Kai Telanne, President and CEO:

Alma Media's profitability continued to develop favourably in the third quarter. The adjusted operating profit for July–September was MEUR 15.1 and the operating profit margin was 18.5 per cent. Alma Markets, which specialises in digital marketplaces and the recruitment business, continued its strong profit performance. Relative profitability was also improved by the divestment of businesses with negative or low profitability. Alma Media's revenue in July–September declined, as expected, due to divestments. Revenue decreased by 5.1 per cent and amounted to MEUR 81.6.

While the Finnish economy is estimated to be at the peak of its current boom period, the domestic media advertising decreased by 0.6 per cent in July–September according to Kantar TNS. The reason behind the low level of advertising investment is the ongoing shift from traditional newspaper advertising to digital advertising, advertisers investing in their own media and marketing technologies, and intensifying competition between domestic media agencies and international platforms.

Alma Markets continued to grow in the third quarter while maintaining an excellent level of profitability (operating profit margin 39.3 per cent). Revenue growth in the recruitment business slowed down slightly compared to the first half of the year, but the demand for recruitment services in Eastern Central Europe remains at a good level due to strong economic growth. Marketing investments in a new mobile recruitment service in Poland continued during the period. In Finland, favourable economic development boosted the sales of online services related to housing and cars.

Alma Talent's adjusted operating profit for July–September was on a par with the comparison period, at MEUR 2.8. Alma Talent's transformation strategy is focused on the renewal of media and pursuing growth in digital content revenue and digital subscriptions. The segment performed in line with targets in these areas during the review period, which helped compensate for the decline of print media. The measures aimed at reorganising operations in Sweden continued during the period. The focus of the segment's operations has also been sharpened by divesting unprofitable and non-synergistic businesses.

Alma Consumer's revenue was reduced by the divestment of newspapers in Lapland. The development of profitability was affected by the lower single-copy sales of Iltalehti and the decreasing print media advertising revenue of regional and local media, although the rate of decline in print advertising revenue was slower than in the market in general. In the segment's digital advertising, mobile and video advertising developed favourably and content marketing grew substantially year-on-year. The programmatic buying market has partially recovered of the entry into force of the GDPR, which affected its development in the previous quarter.

In July, we sold an office and production property in Tampere. The sale did not have a significant effect on profit, but it frees up capital for the development of the core businesses. Our equity ratio stood at 56.0 per cent at the end of September, while gearing was 12.1 per cent.

The decision of the EU Council to allow value added tax on digital publications to be lowered from 24 per cent to 10 per cent represents a positive outcome. We believe the decision will lead to increased demand and consumption of digital services and content in Finland. This, in turn, will help maintain the vitality of domestic media companies and improve their ability to perform their duty of maintaining the education and awareness of the public, which is an important role played by high-quality media.

Strategy and related activities during the review period

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

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

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

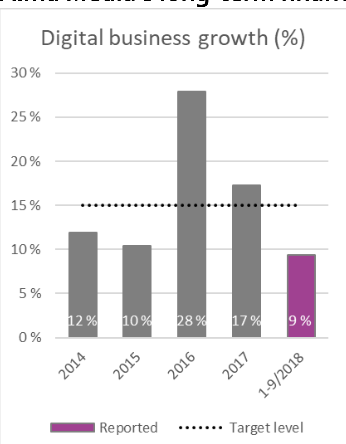
During the review period, the investments in the increased production of digital content were seen in Alma Media's editorial offices in the form of the gradual deployment of tools for producing digital content more efficiently than before. The tools also promote cooperation between editorial offices and increase the transparency of content streams. Several online service renewal initiatives were also carried out during the review period. The online service of Mikrobitti magazine was redesigned in August. The redesign saw some of the articles on the website moved behind a paywall. A special aspect of the redesign was that Mikrobitti.fi now recognises users of ad blockers and allows subscribers to use ad blocking software. The Kauppalehti, Aamulehti and Satakunnan Kansa websites were also redesigned and their mobile use, in particular, was improved.

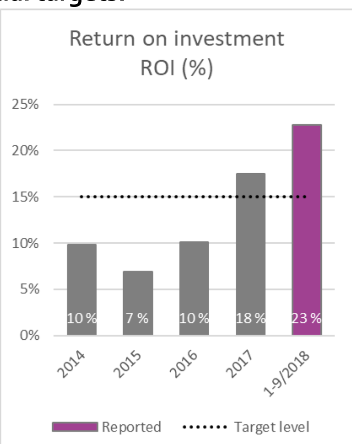
The measures aimed at increasing digital content revenue as part of the strategic eCom initiative continued. In content sales, the development areas included analytics that can be used to predict reader loyalty and subscriber potential as well as plan measures aimed at reducing subscriber churn, such as the personalisation of the website and the customer path.

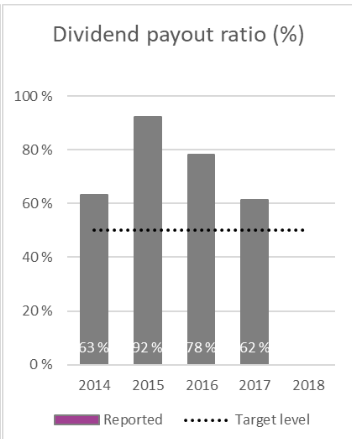
The strategic initiatives also include the centralised national media sales unit Alma Media Solutions. After being established as a pilot project in 2015, Alma Media Solutions has grown into a matrix organisation with 170 members over the course of just a few years. The goals of the initiative include increasing market share in advertising sales, promoting the programmatic buying of advertising and introducing new products and service solutions as part of the media offering. The advertising sales and related support functions of Alma Media Solutions and Alma Consumer were combined during the review period in a move that further strengthens Alma Media Solutions' regional sales and marketing efforts. As growth in the desktop display advertising market is levelling off, Alma Media Solutions is focusing on mobile marketing, content marketing and programmatic buying. In addition, the more effective use of audience data makes it possible to provide advertisers with increasingly targeted and relevant audiences as well as more accurate analytical tools for measuring the results of advertising.

To ensure profitable growth, Alma Media regularly evaluates its brand portfolio and the products and services of its businesses. Functions that are unprofitable or limited in synergies are discontinued or divested as necessary. During the review period, Alma Talent divested the media brands Dagens Media and Medievärlden by selling Dagens Media Sverige AB to Bonnier Business Media in a share transaction. In addition, Alma Career announced it will close down the Monsterpolska.pl and Monster.hu recruitment service sites and discontinue the operations of Monster Worldwide Polska SP. Z.o.o. in Poland and Monster Magyarorszag Kft in Hungary by the end of 2018. Alma Media will focus on the development and sales growth of the mobile application Praca za Rogiem in Poland and the online service Workania.hu in Hungary. Monster will continue to operate in Finland as before.

Alma Media's long-term financial targets:







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

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

KEY FIGURES

INCOME STATEMENT MEUR	2018 Q3	2017 Q3	Change %	2018 Q1–Q3	2017 Q1–Q3	Change %	2017 Q1–Q4
Revenue	81.6	86.0	-5.1	262.7	270.2	-2.8	367.3
Adjusted total expenses	66.6	72.2	-7.7	222.9	230.7	-3.4	320.8
Adjusted EBITDA	18.9	17.9	5.3	52.1	51.7	0.8	67.4
EBITDA	18.3	18.2	0.3	56.7	52.6	7.9	66.9
Adjusted operating profit	15.1	14.0	8.3	40.2	39.8	1.1	51.1
% of revenue	18.5	16.2		15.3	14.7		13.9
Operating profit (loss)	14.6	14.3	1.9	44.9	40.7	10.1	46.6
% of revenue	17.9	16.6		17.1	15.1		12.7
Income for period before tax	15.3	14.0	9.1	45.1	40.1	12.3	45.9
Net income for period	12.2	11.2	8.9	36.4	32.3	12.7	36.7
BALANCE SHEET MEUR	**2018 Q3**	**2017 Q3**	**Change %**	**2018 Q1–Q3**	**2017 Q1–Q3**	**Change %**	**2017 Q1–Q4**
Balance sheet total				336.1	332.4	1.1	333.8
Interest-bearing net debt				20.5	33.2	-38.4	40.6
Interest-bearing liabilities				52.5	67.0	-21.7	61.3
Non-interest-bearing liabilities				107.9	110.9	-2.8	114.2
Capital expenditure	0.2	1.2	-82.5	20.8	5.3	290.6	22.2
Equity ratio %				56.0	50.7	10.5	50.9
Gearing%				12.2	21.7	-43.9	25.6
PERSONNEL	**2018 Q3**	**2017 Q3**	**Change %**	**2018 Q1–Q3**	**2017 Q1–Q3**	**Change %**	**2017 Q1–Q4**
Average no. of employees, excl. delivery staff and telemarketers	1 950	2 021	-3.5	1 972	1 987	-0.7	1 975
Delivery staff and telemarketers on average	1 124	1 184	-5.0	1 160	1 186	-2.2	1 175
KEY FIGURES	**2018 Q3**	**2017 Q3**	**Change %**	**2018 Q1–Q3**	**2017 Q1–Q3**	**Change %**	**2017 Q1–Q4**
Return on Equity/ROE (Annual)*	32.3	33.9	-4.5	30.2	30.5	-1.2	24.8
Return on Investments/ROI (Annual)*	24.1	23.4	3.1	22.8	20.8	9.5	17.5
Earnings per share, EUR (undiluted and basic)	0.12	0.12	4.0	0.38	0.35	9.8	0.39
Cash flow from operating activities/share, EUR	0.05	0.12	-55.2	0.45	0.52	-14.1	0.63
Shareholders' equity per share	1.82	1.62	11.9	1.82	1.62	11.9	1.66
Dividend per share							0.24
Effective dividend yield %							3.3
P/E							18.4
Market capitalisation				524.0	533.0	-1.7	592.3
Average number of shares, basic (YTD)	82,383	82,383		82,383	82,383		82,383
No. of shares at end of period (1,000 shares)				82,383	82,383		82,383

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

REVENUE

July–September 2018

Revenue for the third quarter of 2018 declined by 5.1% to MEUR 81.6 (86.0) due to divestments.

Content revenue declined by 11.2% to MEUR 26.6 (29.9). The increase in content revenue from digital distribution channels was not sufficient to cover the decline in print media content revenue. Divested businesses had a net effect of MEUR 2.3 on the decrease in content revenue.

Revenue from advertising sales declined by 1.6% to MEUR 42.2 (42.9). Advertising revenue for print media declined by 20.9% from the comparison period to MEUR 10.7 (13.5). Digital advertising revenue increased by 8.0% to MEUR 31.2 (28.9). Divested and acquired businesses had a net effect of MEUR 2.1 on the decrease in advertising sales revenue.

Service revenue totalled MEUR 12.8 (13.1). Divested and acquired businesses had a net effect of MEUR 0.4 on the increase of service revenue. 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.

January–September 2018

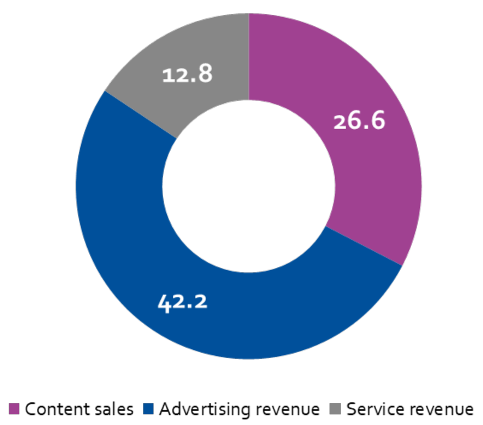
Revenue for January-September declined by 2.8% to MEUR 262.7 (270.2).

Content revenue declined by 8.6% to MEUR 85.3 (93.4). The year-on-year decline in content revenue was attributable to lower print media circulations. Divested and acquired businesses had a net effect of MEUR 4.7 on the decrease in content revenue.

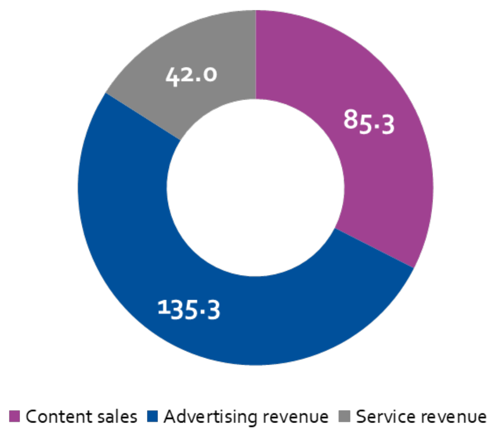
Revenue from advertising sales decreased by 0.2% to MEUR 135.3 (135.6). Advertising revenue for print media declined by 18.9% from the comparison period to MEUR 37.5 (46.2). Digital advertising revenue increased by 9.8% to MEUR 96.2 (87.6). Divested and acquired businesses had a net effect of MEUR 5.1 on advertising sales revenue.

Service revenue totalled MEUR 42.0 (41.2). Divested and acquired businesses had a net effect of MEUR 1.0 on the increase of service revenue. Service revenue includes items such as the sale of information services, the event and direct marketing business and the printing and distribution services sold to customers outside the Group by Alma Manu.

Revenue split Q3/2018, MEUR



Revenue split Q1-Q3/2018, MEUR



REVENUE BY SEGMENTS MEUR	2018 Q3	2017 Q3	Change %	2018 Q1–Q3	2017 Q1–Q3	Change %	2017 Q1–Q4
Alma Markets	23.9	20.9	14.7	71.9	61.1	17.7	83.2
Alma Talent	23.1	24.0	-3.8	79.0	82.2	-3.9	113.2
Alma Consumer	35.3	41.3	-14.6	113.3	127.6	-11.2	171.8
Segments total	82.3	86.2	-4.5	264.2	270.9	-2.5	368.2
Non-allocated operations	-0.7	-0.2	-213.8	-1.5	-0.7	121.5	-0.9
Total	81.6	86.0	-5.1	262.7	270.2	-2.8	367.3

REVENUE BY GEOGRAPHICAL AREA, MEUR	2018 Q3	2017 Q3	Change %	2018 Q1–Q3	2017 Q1–Q3	Change %	2017 Q1–Q4
Segments, Finland	60.6	65.9	-8.0	195.7	208.2	-6.0	278.7
Segments, other countries	21.0	19.5	8.0	66.3	60.5	9.6	73.0
Segments total	81.6	85.4	-4.4	262.0	268.6	-2.5	351.7
Non-allocated	0.0	0.6	-105.0	0.7	1.6	-54.5	1.5
Group total	81.6	86.0	-5.1	262.7	270.2	-2.8	353.2

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

RESULT

July–September 2018

Adjusted operating profit was MEUR 15.1 (14.0) or 18.5% (16.2%) of revenue. Operating profit was MEUR 14.6 (14.3) or 17.9% (16.6%) of revenue. The operating profit includes net adjusted items in the amount of MEUR -0.6 (0.3) related losses on sale of the assets. The adjusted items in the comparison period were related to restructuring costs and gains on the sale of assets.

Total expenses declined in the third quarter by MEUR -5.2 due to divested business operations. On the other hand the increase in expenses was attributable to investments in the development and marketing of online services. Depreciation and impairment included in the total expenses amounted to MEUR 3.7 (3.9) during the period.

The result for July–September 2018 was MEUR 12.2 (11.2), and the adjusted result MEUR 12.8 (10.9).

January–September 2018

Adjusted operating profit was MEUR 40.2 (39.8) or 15.3% (14.7%) of revenue. Operating profit was MEUR 44.9 (40.7) or 17.1% (15.1%) of revenue. The operating profit includes net adjusted items in the amount of MEUR 4.6 (0.9) related to the restructuring of operations and the sale of assets. The adjusted items in the comparison period were related to restructuring costs and gains on the sale of assets.

Total expenses declined in January–September by MEUR -8.0, or 3.4%., to MEUR 224.4 (232.3). Depreciation and impairment included in the total expenses amounted to MEUR 11.9 (11.9).

The result for January–September 2018 was MEUR 36.4 (32.3), and the adjusted result MEUR 31.8 (31.4).

ADJUSTED OPERATING PROFIT (LOSS) MEUR	2018 Q3	2017 Q3	Change %	2018 Q1–Q3	2017 Q1–Q3	Change %	2017 Q1–Q4
Alma Markets	9.4	7.9	19.3	26.2	22.6	16.2	28.3
Alma Talent	2.8	2.8	-1.3	9.9	10.7	-8.0	14.6
Alma Consumer	4.0	4.7	-16.0	9.0	12.1	-25.4	16.7
Segments total	16.2	15.4	4.8	45.1	45.4	-0.6	59.6
Non-allocated operations	-1.0	-1.5	-29.2	-4.9	-5.6	-12.5	-8.5
Total	15.1	14.0	8.3	40.2	39.8	1.1	51.1

Items adjusting operating profit

Items adjusting operating profit are income or expenses arising from non-recurring or rare events. Gains or losses from the sale or discontinuation of business operations or assets, gains or losses from restructuring business operations as well as impairment losses of goodwill and other assets are recognised by the Group as adjustments. Adjustments are recognised in the profit and loss statement within the corresponding income or expense group.

ADJUSTED ITEMS MEUR	2018 Q3	2017 Q3	2018 Q1–Q3	2017 Q1–Q3	2017 Q1–Q4
Alma Markets					
Gains (losses) on sale of the assets		0.5	0.7	0.5	0.5
Alma Talent					
Restructuring		-0.1	-0.2	-0.1	-0.1
Gains (losses) on sale of the assets	0.1		0.2	0.7	0.7
Alma Consumer					
Restructuring		-0.1	-0.5	-1.0	-2.4
Gains (losses) on sale of the assets	-0.2	0.2	4.6	0.2	0.2
Non-allocated					
Impairment losses					-4.0
Restructuring				-0.4	-0.4
Gains (losses) on sale of the assets	-0.5	-0.2	-0.2	0.9	0.9
ADJUSTED ITEMS IN OPERATING PROFIT	-0.6	0.3	4.6	0.9	-4.5
ADJUSTED ITEMS IN PROFIT BEFORE TAX	-0.6	0.3	4.6	0.9	-4.5

OPERATING PROFIT (LOSS) MEUR	2018 Q3	2017 Q3	Change %	2018 Q1–Q3	2017 Q1–Q3	Change %	2017 Q1–Q4
Alma Markets	9.4	8.4	11.7	26.9	23.1	16.6	28.9
Alma Talent	2.9	2.7	8.5	9.9	11.3	-12.5	15.2
Alma Consumer	3.8	4.8	-21.0	13.1	11.3	15.9	14.5
Segments total	16.1	15.9	1.3	49.9	45.7	9.2	58.5
Non-allocated operations	-1.6	-1.6	-3.7	-5.1	-5.0	1.6	-12.0
Total	14.6	14.3	1.9	44.9	40.7	10.1	46.6

Associated companies

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

Alma Media sold its shares in Oy Suomen Tietotoimisto in June 2018. Alma Media owned 24.1% of the company. . The transaction had no impact on the result of Alma Media Group.

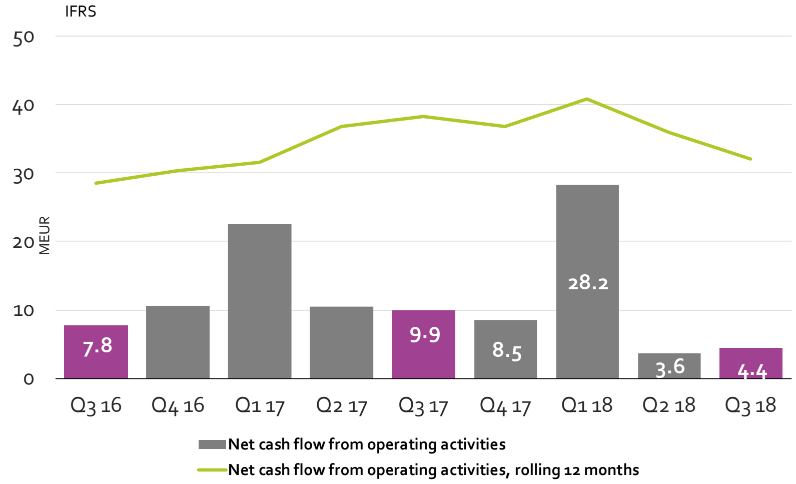
SHARE OF RESULT OF ASSOCIATED COMPANIES MEUR	2018 Q3	2017 Q3	2018 Q1–Q3	2017 Q1–Q3	2017 Q1–Q4
Alma Markets	0.2	0.2	0.4	0.4	0.5
Alma Talent	0.0	0.0	0.0	0.1	0.1
Alma Consumer	0.0	0.0	0.1	0.0	0.0
Other associated companies	0.0	0.1	-0.1	0.1	0.1
Total	0.2	0.3	0.4	0.6	0.7

BALANCE SHEET AND FINANCIAL POSITION

At the end of September 2018, the consolidated balance sheet stood at MEUR 336.1 (332.4). The Group's equity ratio at the end of September was 56.0% (50.7%) and equity per share was EUR 1.82 (1.62).

Consolidated cash flow from operations in July–September was MEUR 4.4 (9.9). Cash flow from operating activities declined year-on-year due to higher taxes paid and increased working capital. Cash flow before financing was MEUR 14.5 (10.7). Consolidated cash flow from operations in January–September was MEUR 37.1 (43.2). Cash flow before financing was MEUR 42.9 (41.2).

Operating cash flow and capital expenditure



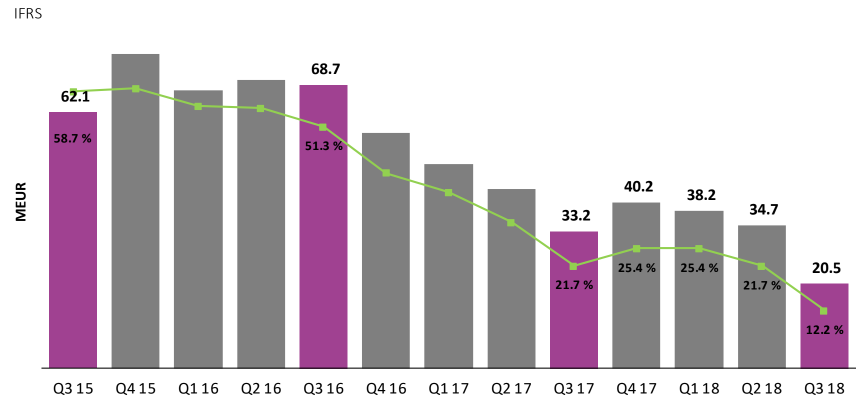
At the end of September the Group's interest-bearing debt amounted to MEUR 52.5 (67.0), consisting of finance lease liabilities. The Group's interest-bearing net debt at the end of September stood at MEUR 20.5 (33.2).

INTEREST-BEARING NET DEBT MEUR	2018 Q1–Q3	2017 Q1–Q3	2017 Q1–Q4
Interest-bearing long-term liabilities	48.1	61.9	56.0
Short-term interest-bearing liabilities	4.3	5.1	5.0
Cash and cash equivalents	32.0	33.8	20.7
Interest-bearing net debt	20.5	33.2	40.2

Alma Media has two MEUR 12.5 committed financing limits at its disposal, which were entirely unused as at 30 September 2018. In April, the company extended its financing limit agreements with its existing financing partners by three years. The company also has a commercial paper programme of MEUR 100 in Finland. The commercial paper programme was entirely unused as at 30 September 2018.

Alma Media did not have financial assets created in conjunction with business combinations measured at fair value and recognised through profit or loss at the end of the reporting period. Financial liabilities measured at fair value and recognised through profit or loss amounted to MEUR 9.1.

Net debt and Gearing, MEUR



Changes in Group structure in 2018

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

Alma Media sold its newspaper and distribution business in Lapland to Kaleva effective from in April 2018. The transaction saw a change of owners of the regional newspaper Lapin Kansa, the town papers Uusi Rovaniemi and Lounais-Lappi, as well as Alma Manu Oy's distribution business in Lapland. As a result of the transaction, Alma Media recognised a non-recurring sales gain of MEUR 4.5 in the second quarter.

Alma Talent Oy, a subsidiary of Alma Media, sold its CRM system reselling and maintenance business to CRM-service. The transaction has no impact on the result of Alma Media Group.

Alma Talent Events Ab, a subsidiary of Alma Talent specialising in the events business, discontinued its operations in Sweden.

Alma Consumer's travel media Rantapallo sold the Matkapörssi and Lentokeskus business operations to Lakeuden Matkat Oy in July. The transaction has no impact on the result.

Alma Talent Ab, a subsidiary of Alma Media sold the share capital of Dagens Media Sverige Ab to Bonnier Business Media. In the transaction, Bonnier acquired the media brands Dagens Media and Medievärlden, their media business and events as well as editorial employees. The transaction does not have a significant impact on the result of Alma Media Group.

Alma Media has sold its old office and production facility at Patamäenkatu 7, Tampere, to Ab Sagax in July. The property sold has previously housed Aamulehti's office premises and printing facilities, although in recent years Alma Media has been leasing the entire premises to external tenants. Before the sale, the property was classified as an investment property according to the IAS 40 standard on Investment Property.

Alma Media's subsidiary Alma Media Kustannus Oy divested the Luoteisväylä newspaper, published in Noormarkku in Pori, to Viestintä Vallin Oy in August.

Alma Media's subsidiary Alma Career will close down the Monsterpolska.pl and Monster.hu recruitment service sites and discontinue the operations of Monster Worldwide Polska SP. Z.o.o. in Poland and Monster Magyarorszag Kft in Hungary. The operations will be phased out by the end of 2018.

Capital expenditure

Alma Media Group's capital expenditure in January–September 2018 totalled MEUR 20.8 (5.3). The capital expenditure mainly consisted of the acquisitions of Käyttösofta Oy, Autojerry Oy and Ahorouta Oy, as well as the acquisition of shares in Etua Oy. The capital expenditure also includes normal operating and maintenance investments.

CAPITAL EXPENDITURE BY SEGMENT MEUR	2018 Q3	2017 Q3	2018 Q1–Q3	2017 Q1–Q3	2017 Q1–Q4
Alma Markets	0.1	0.6	16.3	1.6	2.3
Alma Talent	0.2	0.1	0.7	1.5	2.1
Alma Consumer	0.0	0.1	1.7	0.8	0.9
Segments total	0.2	0.8	18.7	3.9	5.3
Non-allocated	0.0	0.4	2.1	1.4	16.9
Total	0.2	1.2	20.8	5.3	22.2

BUSINESS SEGMENTS

On 21 March 2018, Alma Media announced it will combine the Alma News & Life business segment, which produces news and lifestyle services, and the Alma Regions business segment, which focuses on regional and local media business, effective from 1 April 2018.

Following the business combination, Alma Media has three business segments: Alma Markets, focusing on digital marketplaces and the recruitment business, Alma Talent, a provider of financial media and services aimed at professionals and businesses, and the new Alma Consumer unit, which focuses on the consumer media business. Centralised services produced by the Group's parent company as well as centralised support services for advertising and digital sales for the entire Group are reported outside segment reporting.

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

Alma Markets

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

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

KEY FIGURES MEUR	2018 Q3	2017 Q3	Change %	2018 Q1–Q3	2017 Q1–Q3	Change %	2017 Q1–Q4
Revenue	23.9	20.9	14.7	71.9	61.1	17.7	83.2
Advertising revenue	21.6	19.4	11.2	64.9	56.7	14.5	77.3
Service revenue	2.4	1.5	60.7	7.0	4.4	59.7	5.9
Adjusted total expenses	14.6	13.0	11.8	45.8	38.6	18.6	55.0
Adjusted EBITDA	10.3	8.6	19.5	29.0	24.8	17.0	31.3
EBITDA	10.3	9.2	12.5	29.7	25.3	17.3	31.8
Adjusted operating profit	9.4	7.9	19.3	26.2	22.6	16.2	28.3
% of revenue	39.3	37.8		36.4	36.9		34.1
Operating profit (loss)	9.4	8.4	11.7	26.9	23.1	16.6	28.9
% of revenue	39.3	40.4		36.4	37.8		34.7
Employees on average	678	593	14.0	669	579	15.4	588
Digital business revenue	23.8	20.8	17.4	71.5	60.9	17.4	83.0
Digital business, % of revenue	100.0	100.0		100.0	100.0		100.0

OPERATIONAL KEY FIGURES	2018 Q3	2017 Q3	Change %	2018 Q1–Q3	2017 Q1–Q3	Change %	2017 Q1–Q4
Online services, unique browsers, weekly, on average (thousands)*							
Etuovi.com	954.9	947.4	0.8	934.8	901.3	3.7	809.4
Autotalli.com	163.5	171.7	-4.8	161.5	163.1	-1.0	133.8

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

July–September 2018

The Alma Markets segment's revenue increased by 14.7% to MEUR 23.9 (20.9) in the third quarter of 2018. The revenue growth of the recruitment business slowed down slightly compared to the preceding quarters and was 11.8% during the review period, representing 75.8% (77.8%) of the segment's total revenue in the third quarter. The effect of exchange rate changes was MEUR 0.3 on revenue growth and MEUR 0.2 on operating profit growth in the Czech Republic. The acquisitions made by Alma Mediapartners increased the segment's revenue by MEUR 0.6 and operating profit by MEUR 0.2.

The total expenses in the review period amounted to MEUR 14.6 (13.0). The factors contributing to the higher expenses included investments in sales and marketing, online service development as well as rising wages due to strong economic growth, particularly in the Eastern Central European countries. In addition, an investment of MEUR 0.5 was made in the launch of a new business in Poland in the third quarter.

The Alma Markets segment's adjusted operating profit was MEUR 9.4 (7.9) in the second quarter. Adjusted operating profit was 39.3% (37.8%) of revenue. The segment's operating profit was MEUR 9.4 (8.4). No adjusted items were reported during the review period. The adjusted items in the comparison period were related to gains on the sale of assets.

January–September 2018

The Alma Markets segment's revenue increased by 17.7% to MEUR 71.9 (61.1) in January– September. The effect of exchange rate changes was MEUR 1.0 on revenue growth and MEUR 0.4 on operating profit growth in the Czech Republic. The acquisitions made by Alma Mediapartners increased the segment's revenue by MEUR 2.0 and operating profit by MEUR 0.7. In total, revenue from the recruitment business increased by 15.8% during the review period and accounted for 76.3% (77.6%) of the segment's revenue.

The adjusted total expenses in the review period amounted to MEUR 45.8 (38.6). The factors contributing to the higher expenses included investments in sales and marketing, online service development as well as rising wages due to strong economic growth, particularly in the Eastern Central European countries. In addition, an investment of MEUR 1.3 was made in the launch of a new business in Poland in the review period.

The Alma Markets segment's adjusted operating profit was MEUR 26.2 (22.6) in January–September. The adjusted operating profit was 36.4% (36.9%) of revenue. The segment's operating profit was MEUR 26.9 (23.1). The adjusted items recognised during the review period were related to a sales gain on acquisition achieved in stages.

Alma Talent

The Alma Talent business segment publishes 19 trade and financial publications as well as books. The business unit also offers skills development and growth services to professionals and businesses in different fields, from events and training to information services. Alma Talent has operations in Finland, Sweden and the Baltics. Alma Talent media include Kauppalehti, Talouselämä, Tekniikka & Talous, Markkinointi&Mainonta, Arvopaperi, Tivi and Mediuutiset. In Sweden, Alma Talent's publications include Affärsvärlden and Ny Teknik.

KEY FIGURES MEUR	2018 Q3	2017 Q3	Change %	2018 Q1–Q3	2017 Q1–Q3	Change %	2017 Q1–Q4
Revenue	23.1	24.0	-3.8	79.0	82.2	-3.9	113.2
Content Sales	10.1	10.2	-0.8	34.4	34.9	-1.5	48.2
Content revenue, print	7.4	7.7	-12.4	26.3	27.5	-4.4	38.2
Content revenue, digital	2.8	2.5	11.3	8.2	7.5	9.2	10.1
Advertising revenue *)	6.8	7.4	-7.7	23.8	25.4	-6.1	35.5
Advertising revenue, print	2.8	3.2	-12.4	9.9	11.0	-10.0	15.5
Advertising revenue, digital	3.7	3.7	-0.2	12.2	12.5	-2.4	17.3
Service revenue *)	6.1	6.4	-4.2	20.7	21.9	-5.3	29.5
Adjusted total expenses	20.3	21.1	-3.8	69.2	71.4	-3.1	101.8
Adjusted EBITDA	3.8	3.9	-2.7	12.9	13.9	-7.3	18.8
EBITDA	3.9	3.8	4.2	12.9	14.5	-10.9	19.4
Adjusted operating profit	2.8	2.8	-1.3	9.9	10.7	-8.0	14.6
% of revenue	12.1	11.7		12.5	13.1		12.9
Operating profit (loss)	2.9	2.7	8.5	9.9	11.3	-12.5	15.2
% of revenue	12.7	11.3		12.5	13.8		13.4
Average no. of employees, excl. telemarketers	508	546	-7.0	525	538	-2.4	545
Telemarketers on average	294	291	0.9	321	302	6.3	306
Digital business revenue	9.0	8.9	1.3	28.4	28.1	1.4	38.2
Digital business, % of revenue	39.0	37.0		36.0	34.1		33.8

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

July–September 2018

The Alma Talent segment's revenue decreased by 3.8% to MEUR 23.1 (24.0). The effect of divested and discontinued operations on the decrease in revenue was MEUR 0.8. Digital business accounted for 39.0% (37.0%) of the segment's revenue. The effect of exchange rate changes was MEUR 0.2 on revenue decrease in Sweden.

The Alma Talent segment's content revenue decreased by 0.8% to MEUR 10.1 (10.2). Digital content revenue grew by 11.3%. The increase in digital content revenue compensated for the decline in print media. Advertising revenue for the third quarter declined by 7.7% to MEUR 6.8 (7.4). Online advertising revenue remained on a par with the comparison period.

Service revenue declined by 4.2% due to divestments and amounted to MEUR 6.1 (6.4). The segment's adjusted total expenses amounted to MEUR 20.3 (21.1). Total expenses declined due to restructuring measures implemented in both Finland and Sweden with the aim of improving cost efficiency.

The Alma Talent segment's adjusted operating profit was MEUR 2.8 (2.8) and operating profit MEUR 2.9 (2.7). The adjusted operating profit was 12.1% (11.7%) of revenue. The adjusted items in the review period were related to the gains on the sale of assets.

January–September 2018

The Alma Talent segment's revenue decreased by 3.9% to MEUR 79.0 (82.2). The effect of acquired, divested and discontinued operations on the decrease in revenue was MEUR 1.1. The effect of exchange rate changes was MEUR 1.0 on revenue decrease in Sweden. Digital business accounted for 36.0% (34.1%) of the segment's revenue.

The Alma Talent segment's content revenue decreased by 1.5% to MEUR 34.4 (34.9). Digital content revenue grew by 9.2%. Advertising revenue in January–September declined by 6.1% to MEUR 23.8 (25.4). Online advertising revenue decreased by 2.4% in the review period. Service revenue totalled MEUR 20.7 (21.9). The decrease in service revenue was due to the effect of divested operations, which was MEUR 0.6.

The segment's adjusted total expenses amounted to MEUR 69.2 (71.4). Total expenses declined due to restructuring measures implemented in both Finland and Sweden with the aim of improving cost efficiency.

The Alma Talent segment's adjusted operating profit was MEUR 9.9 (10.7) and operating profit MEUR 9.9 (10.7). The adjusted operating profit was 12.5% (13.1%) of revenue. The adjusted items in the review period were related to the restructuring of operations and gains on the sale of assets.

Alma Consumer

Alma Consumer publishes the print and online editions of the national news media Iltalehti, the regional newspapers Aamulehti and Satakunnan Kansa, and local and town papers published in Pirkanmaa, western Finland and central Finland. The online services Telkku.com, Kotikokki.net, E-kontakti.fi and Rantapallo.fi are also reported in this segment. The printing and distribution unit Alma Manu is also part of the business segment.

KEY FIGURES MEUR	2018 Q3	2017 Q3	Change %	2018 Q1–Q3	2017 Q1–Q3	Change %	2017 Q1–Q4
Revenue	35.3	41.3	-14.6	113.3	127.6	-11.2	171.8
Content Sales	16.5	19.7	-16.6	50.9	58.4	-12.9	77.6
Content revenue, print	15.1	18.1	-16.7	46.5	53.7	-13.3	71.2
Content revenue, digital	1.4	1.6	-14.7	4.4	4.8	-8.3	6.4
Advertising revenue *)	13.9	16.2	-14.5	46.7	53.7	-13.0	73.2
Advertising revenue, print	8.1	10.5	-23.0	28.2	35.8	-21.3	48.1
Advertising revenue, digital	5.8	5.7	1.3	18.6	17.9	3.8	25.2
Service revenue *)	5.0	5.4	-7.8	15.6	15.4	1.3	20.9
Adjusted total expenses	31.4	36.8	-14.6	104.4	115.8	-9.8	155.4
Adjusted EBITDA	4.9	5.7	-14.5	12.0	15.2	-21.4	20.8
EBITDA	4.8	5.8	-18.7	16.1	14.5	11.1	18.6
Adjusted operating profit	4.0	4.7	-16.0	9.0	12.1	-25.4	16.7
% of revenue	11.2	11.4		8.0	9.5	-16.0	9.7
Operating profit (loss)	3.8	4.8	-21.0	13.1	11.3	15.9	14.5
% of revenue	10.7	11.6		11.6	8.9	30.5	8.4
Average no. of employees, excl. delivery staff	590	718	-17.9	608	709	-14.3	690
Average no. of delivery staff	830	892	-7.0	837	883	-5.2	869
Digital business revenue	7.8	8.3	-5.5	25.7	25.2	2.0	35.3
Digital business, % of revenue	22.2	20.0		22.7	19.8		20.6

OPERATIONAL KEY FIGURES	2018 Q3	2017 Q3	Change %	2018 Q1–Q3	2017 Q1–Q3	Change %	2017 Q1–Q4
Printing volume (thousands)	76 084	80 906	-6.0	245 863	249 454	-1.4	336 641
Paper usage (tons)	6 000	6 697	-10.4	19 629	20 562	-4.5	27 925

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

July–September 2018

The Alma Consumer segment's revenue declined by 14.6% to MEUR 35.3 (41.3) in July–September. The effect of divested business operations on the decrease in revenue was MEUR 5.5. Revenue declined particularly in the print media business. Digital business accounted for 22.2% (20.0%) of the segment's revenue.

The segment's content revenue declined by 16.6% to MEUR 16.5 (19.7) in April–June. The effect of divested operations on the decrease in content revenue was MEUR 2.3. Content revenue was also reduced by the lower single-copy sales of Iltalehti. Content revenue from regional media was on par with the comparison period.

The segment's advertising sales declined by 14.5% to MEUR 13.9 (16.2). The effect of divested business operations on the decrease in advertising revenue was MEUR 1.9. Excluding the effect of divestments, the segment's digital advertising revenue decreased by 3.9%. The programmatic buying market has partially recovered of the entry into force of the GDPR, which affected its development in the previous quarter. The decline of print media advertising sales slowed down in the third quarter compared to the first half of the year.

The segment's service revenue increased by 7.8% to MEUR 5.0 (5.4). The effect of divested business operations on the decrease in service revenue was MEUR 0.4.

The segment's adjusted total expenses amounted to MEUR 31.4 (36.8). The effect of divested operations on the decrease in expenses was MEUR 5.3. The segment's adjusted operating profit was MEUR 4.0 (4.7), or 11.2% (11.4%) of revenue. The adjusted items reported during the review period amounted to MEUR 0.2 and were related to the sale of assets.The segment's operating profit was MEUR 3.8 (4.8).

January–September 2018

The Alma Consumer segment's revenue declined by 11.2% to MEUR 113.3 (127.6) in January–September. Digital business accounted for 22.7% (19.8%) of the segment's revenue. The effect of divested operations on the decrease in revenue was MEUR 11.8.

The segment's content revenue declined by 12.9% to MEUR 50.9 (58.4) in January–September. Divested businesses had an effect of MEUR 4.7 on the decrease in content revenue. Content revenue was also reduced by the lower single-copy sales of Iltalehti.

The segment's advertising sales declined by 13.0% to MEUR 46.7 (53.7). Divested businesses had an effect of MEUR 4.6 on the decrease in advertising revenue. Advertising sales for print media decreased by 21.3%. The segment's digital advertising revenue increased by 3.8% to MEUR 18.6 (17.9). The advertising revenue for the comparison period included MEUR 1.0 in advertising related to the municipal elections.

The segment's service revenue increased by 1.3% to MEUR 15.6 (15.4) due to the external delivery services.

The segment's adjusted total expenses amounted to MEUR 104.4 (115.8). The effect of divested operations on the decrease in expenses was MEUR 11.6.The factors increasing the adjusted total expenses included higher paper prices from February onwards as well as higher volume-linked employee expenses in distribution operations.

The segment's adjusted operating profit was MEUR 9.0 (12.1), or 8.0% (9.5%) of revenue. The adjusted items reported during the period were related to the restructuring of operations and on the sale of assets. The segment's operating profit was MEUR 13.1 (11.3). The adjusted items in the comparison period were related to operational restructuring in the publishing business in Lapland.

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

ASSETS BY SEGMENT MEUR	30.9.2018	30.9.2017	31.12.2017
Alma Markets	100.9	81.4	81.9
Alma Talent	103.0	108.6	110.8
Alma Consumer	63.3	69.2	68.0
Segments total	267.2	259.2	260.7
Non-allocated assets and eliminations	68.9	73.2	73.1
Total	336.1	332.4	333.8

LIABILITIES BY SEGMENT MEUR	30.9.2018	30.9.2017	31.12.2017
Alma Markets	38.1	25.1	25.5
Alma Talent	26.2	28.4	31.1
Alma Consumer	32.0	65.0	65.3
Segments total	96.2	118.5	122.0
Non-allocated liabilities and eliminations	65.0	59.8	53.5
Total	161.2	178.2	175.5

The Alma Media share

In January–September, altogether 1,072,053 Alma Media shares were traded on the Nasdaq Helsinki stock exchange, representing 1.3% of the total number of shares. The closing price of the Alma Media share at the end of the last trading day of the review period, 28 September 2018, was EUR 6.36. The lowest quotation during the review period was EUR 5.72 and the highest EUR 7.24. Alma Media Corporation's market capitalisation at the end of the review period was MEUR 524.0.

Alma Media Corporation's Annual General Meeting decided on 14 March 2018 that the rights to the company's shares entered in the joint book-entry account and the rights attached to them be forfeited. The decision concerned the 198,658 shares of Alma Media Corporation that were entered in the joint account on the date of the Notice to the Annual General Meeting, 14 February 2018, and which were held as paper certificates by the shareholder. The shares that the shareholder would have validly requested to be registered to the book-entry account designated by the shareholder no later than at 12 noon EET on 14 March 2018 and regarding which the request for conversion after the conversion period would have been finalised by 30 September 2018 would have been deducted from the aforementioned number of shares. Alma Media received no requests for share registration by the specified deadline.

The AGM authorised the Board to take any and all measures required by such a resolution. The provisions on treasury shares shall apply to the forfeited shares in accordance with Chapter 3, Section 14 a, Subsection 3 of the Limited Liability Companies Act. The forfeited shares may be used to implement incentive programmes for the management or key employees, or the shares may be annulled.

Alma Media Corporation owns a total of 236,314 of its own shares, which represent 0.24 per cent of the total number of the company's shares and related votes.The total registered number of Alma Media's shares is 82,383,182, which entitle to 82,383,182 votes.

Share-based incentive scheme (LTI 2015)

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

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

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

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

The matching share plan

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

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

The performance matching plan

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

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

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

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

Share-based incentive scheme LTI 2015	Based on share investment (shares max) Gross amount from which taxes are deducted	Performance matching (shares max) Gross amount from which taxes are deducted	Maximum number of people entitled to participate
Launched in 2015 LTI 2015 I	159,000	318,000	35
Launched in 2016 LTI 2015 II	195,000	390,000	43
Launched in 2017 LTI 2015 III	195,000	390,000	44
Launched in 2018 LTI 2015 IV	203,000	406,000	54

Market liquidity guarantee

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

Flagging notices

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

Risks and risk management

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

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

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

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

Events after the review period

Alma Media announced 4.10.2018 that the Alma Consumer business unit is to begin statutory personnel negotiations pertaining to Aamulehti's editorial employees working at Alma Media Kustannus Oy. The scope of the negotiations is approximately 100 people. Alma Media Kustannus Oy employs approximately 300 persons. According to the preliminary plan, the number of Aamulehti employees may be reduced by a maximum of 17 person-years after the planned actions. The employees of other units of Alma Media Kustannus Oy and Alma Media Suomi Oy who are part of the Alma Consumer business unit and the employees of the printing and distribution company Alma Manu Oy are not in the scope of the negotiations.

ALMA MEDIA CORPORATION
Board of Directors

SUMMARY OF INTERIM REPORT AND NOTES

COMPREHENSIVE INCOME STATEMENT MEUR	2018 Q3	2017 Q3	Change %	2018 Q1–Q3	2017 Q1–Q3	Change %	2017 Q1–Q4
REVENUE	81.6	86.0	-5.1	262.7	270.2	-2.8	367.3
Other operating income	0.4	1.0	-59.8	6.5	2.9	127.3	3.3
Materials and services	14.5	17.4	-16.3	48.9	55.2	-11.4	74.4
Employee benefits expense	31.8	33.8	-5.9	106.0	109.1	-2.9	148.8
Depreciation and write-downs	3.7	3.9	-5.5	11.9	11.9	0.1	20.3
Other operating expenses	17.4	17.6	-1.2	57.6	56.1	2.5	80.6
OPERATING PROFIT	14.6	14.3	1.9	44.9	40.7	10.1	46.6
Finance income	0.9	0.0	3574.9	1.4	0.3	427.7	0.6
Finance expenses	0.4	0.6	-30.8	1.6	1.5	5.0	1.8
Share of result of assoc. companies	0.2	0.3	-33.2	0.4	0.6	-35.3	0.7
PROFIT BEFORE TAX	15.3	14.0	9.1	45.1	40.1	12.3	45.9
Income tax	3.1	2.8	10.0	8.7	7.8	10.3	9.2
PROFIT FOR THE PERIOD	12.2	11.2	8.9	36.4	32.3	12.7	36.7
OTHER COMPREHENSIVE INCOME:							
Items that are not later transferred to be recognised through profit or loss							
Items arising due to the redefinition of net defined benefit liability (or asset item)							-0.2
Items that may later be transferred to be recognised through profit or loss							
Myytävissä olevat rahoitusvarat	0.0			-0.2			
Translation differences	-0.4	0.4		-0.2	1.1		0.5
Other comprehensive income for the year, net of tax	-0.4	0.4		-0.4	1.1		0.3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	11.8	11.6		36.1	33.4		37.0
Profit for the period attributable to:							
– Owners of the parent	10.2	9.8		31.5	28.7		32.2
– Non-controlling interest	2.0	1.4		4.9	3.6		4.6
Total comprehensive income for the period attributable to:							
– Owners of the parent	9.8	10.2		31.1	29.7		32.5
– Non-controlling interest	2.0	1.4		4.9	3.6		4.6
Earnings per share calculated from the profit for the period attributable to the parent company shareholders:							
- Earnings per share (basic and diluted), EUR	0.12	0.12		0.38	0.35		0.39

BALANCE SHEET MEUR	30.9.2018	30.9.2017	31.12.2017
ASSETS			
NON-CURRENT ASSETS			
Goodwill	133.5	122.1	121.7
Other intangible assets	61.1	63.9	62.4
Tangible assets	55.3	61.1	59.8
Investment properties			10.2
Investments in associated companies	5.2	4.4	4.5
Pension recevables, defined benefit plans	0.0	0.2	0.0
Other non-current financial assets	4.4	4.2	4.0
Deferred tax assets	1.5	1.6	2.3
CURRENT ASSETS			
Inventories	2.8	2.7	2.4
Current tax assets	0.8	0.0	0.6
Trade receivables and other receivables	39.4	38.5	44.9
Financial assets, short-term	0.1	0.0	0.0
Cash and cash equivalents	32.0	33.8	20.7
TOTAL ASSETS	**336.1**	**332.4**	**333.8**
EQUITY AND LIABILITIES			
Share capital	45.3	45.3	45.3
Share premium reserve	7.7	7.7	7.7
Translation differences	-0.7	-0.6	-1.2
Invested non-restricted equity fund	19.1	19.1	19.1
Retained earnings	78.2	62.1	65.8
Equity attributable to owners of the parent	149.6	133.7	136.8
Non-controlling interest	25.4	20.5	21.6
TOTAL EQUITY	**174.9**	**154.2**	**158.3**
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	48.1	61.9	56.0
Deferred tax liabilities	12.9	12.9	13.0
Pension liabilities	1.1	1.2	1.1
Provisions	0.4	0.3	0.4
Other financial liabilities	0.0	0.0	0.0
Other non-current liabilities	0.2	0.2	0.2
CURRENT LIABILITIES			
Current financial liabilities	13.9	5.7	5.7
Advances received	23.9	28.3	23.0
Income tax liability	2.4	4.5	5.1
Provisions	0.7	0.9	0.9
Trade payables and other payables	57.6	62.4	70.1
TOTAL LIABILITIES	161.2	178.2	175.5
TOTAL EQUITY AND LIABILITIES	**336.1**	**332.4**	**333.8**

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

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

	Equity attributable to owners of the parent							
MEUR	A	B	C	D	E	F	G	H
Equity 1 Jan 2018	45.3	7.7	-1.2	19.1	65.8	136.8	21.6	158.3
Adoption of IFRS 9					-0.2	-0.2		-0.2
Adoption of amendment to IFRS 2					1.6	1.6		1.6
Equity 1 Jan 2018	45.3	7.7	-1.2	19.1	67.3	138.2	21.6	159.8
Profit for the period					31.5	31.5	4.9	36.4
Other comprehensive income								
Translation differences			0.5		-0.9	-0.4	0.2	-0.2
Available-for-sale financial assets					-0.2	-0.2		-0.2
Transactions with equity holders								
Dividends paid by parent					-19.7	-19.7		-19.7
Share-based payment transactions and							-3.1	-3.1
Refund of unredeemed dividends					0.1	0.1		
Share subscription								
Share-based payment transactions and exercised share options					0.0	0.0	0.1	0.1
Change in ownership in subsidiaries							1.7	1.7
Equity 30Sep 2018	45.3	7.7	-0.7	19.1	78.2	149.6	25.4	174.9

MEUR	A	B	C	D	E	F	G	H
Equity 1 Jan 2017	45.3	7.7	-1.7	19.1	48.3	118.7	19.3	138.0
Profit for the period					28.7	28.7	3.6	32.3
Other comprehensive income			1.1			1.1		1.1
Transactions with equity holders								
Dividends paid by parent					-13.2	-13.2		-13.2
Share-based payment transactions and							-2.3	-2.3
Acquisition of own shares					-1.2	-1.2		-1.2
Share-based payment transactions and exercised share options					0.2	0.2		0.2
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
Equity 30 Sep 2017	45.3	7.7	-0.6	19.1	62.2	133.7	20.5	154.2

*) The subsidiary's foreign currency-denominated equity items have been adjusted between translation differences and retained earnings.

CASH FLOW STATEMENT MEUR	2018 Q3	2017 Q3	2018 Q1–Q3	2017 Q1–Q3	2017 Q1–Q4
OPERATING ACTIVITIES					
Profit for the period	12.3	11.2	36.4	32.3	36.7
Adjustments	7.7	6.0	16.3	17.7	28.7
Change in working capital	-12.6	-5.7	-4.7	-2.4	-6.0
Dividends received	0.1	0.0	0.4	1.0	1.0
Interest received	0.0	0.0	0.1	0.1	0.1
Interest paid and other finance expenses	-0.2	-0.2	-0.9	-1.3	-1.8
Taxes paid	-2.7	-1.4	-10.5	-4.1	-7.1
Net cash flow from operating activities	4.4	9.9	37.1	43.2	51.7
INVESTING ACTIVITIES					
Acquisitions of tangible assets	0.0	-0.1	-1.2	-0.7	-1.6
Acquisitions of intangible assets	-0.4	-0.1	-1.7	-1.6	-2.1
Proceeds from sale of tangible and intangible assets	0.1	0.7	1.4	0.7	0.5
Other investments	-0.1	0.0	-0.1	0.0	-14.8
Business acquisitions less cash and cash equivalents at the time of acquisition			-5.1	-2.0	-2.0
Proceeds from sale of businesses less cash and cash equivalents at the time of sale	10.5		12.8		1.1
Acquisition of associated companies		-0.1	-1.5	-0.1	-0.3
Proceeds from sale of associated companies		0.4	1.2	1.6	1.5
Net cash flows from/(used in) investing activities	10.1	0.8	5.8	-2.1	-17.2
Cash flow before financing activities	14.5	10.7	42.9	41.2	34.5
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES					
Acquisition of own shares				-1.2	-1.2
Loans taken			14.0	3.0	3.0
Repayment of loans	-5.0		-19.0	-13.1	-18.2
Payments of finance lease liabilities	-1.8	-1.2	-3.9	-3.7	-5.0
Dividends paid			-22.9	-15.5	-15.5
Net cash flows from/(used in) financing activities	-6.8	-1.2	-31.8	-30.5	-37.0
Change in cash and cash equivalent funds (increase +/decrease -)	7.7	14.0	11.1	10.6	-2.4
Cash and cash equivalents at beginning of period	24.2	19.7	20.7	23.3	23.3
Effect of change in foreign exchange rates	0.1	0.1	0.2	0.2	0.1
Cash and cash equivalents at end of period	32.0	33.8	32.0	33.8	20.7

Acquired businesses in 2018

Alma Media has acquired the following business operations during 2018:

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

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

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

Contingent considerations

Contingent considerations arising from business acquisitions are classified as financial liabilities recognised at fair value through profit or loss. The amount of the contingent considerations due to acquisitions and business arrangements is based on the profit of the acquired businesses in 2018.

CONTINGENT CONSIDERATION LIABILITY MEUR	
Initial recognition of the liability	10.0
Change in fair value during the financial period	-0.8
Fair value of the contingent consideration liability at the end of the period	9.1

Personnel

EMPLOYEES BY GEOGRAPHICAL AREA	2018 Q3	2017 Q3	2018 Q1—Q3	2017 Q1—Q3	2017 Q1—Q4
Employees, Finland	1300	1417	1318	1398	1519
Employees, other countries	649	604	654	588	761
Employees, total	1950	2021	1972	1987	2280

Provisions

The company's provisions totalled MEUR 1.1 (1.2) on 30th of Sebtember 2018. It has not been necessary to change the estimates made when the provisions were entered.

Commitments and contingencies

COMMITMENTS AND CONTINGENCIES MEUR	Sep 31 2018	30.9.2017	31.12.2017
Collateral for others			
Guarantees	0.9	0.9	0.9
Other commitments and contingencies	1.2	1.3	1.0
Minimum lease payments on other lease agreements:			
Within one year	8.5	9.0	9.2
Within 1–5 years	22.3	25.6	25.2
After 5 years	15.8	19.2	18.2
Total	46.6	53.7	52.6
In addition, the Group has purchase agreements that, based on IFRIC 4, include a lease component as per IAS 17. Minimum payments based on these agreements:	0.1	0.1	0.1

DERIVATIVE CONTRACTS MEUR	Sep 31 2018	30.9.2017	31.12.2017
Commodity derivative contracts, electricity derivatives			
Fair value*	0.1	0.0	0.0
Nominal value	0.1	0.2	0.3
Interest rate derivatives			
Fair value*	-0.4	-0.6	-0.5
Nominal value	15.4	19.4	19.4
Foreign currency derivatives			
Fair value*	-0.1	0.0	-0.2
Nominal value	6.9	3.1	8.0

Related party transactions

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

RELATED PARTY TRANSACTIONS MEUR	2018 Q3	2017 Q3	2018 Q1–Q3	2017 Q1–Q3	2017 Q1–Q4
Sales of goods and services	0.1	0.1	0.2	0.6	0.6
Associated companies	0.1	0.1	0.1	0.4	0.4
Principal shareholders	0.0	0.0	0.1	0.1	0.2
Corporations where management exercises influence		0.0		0.0	0.0
Purchases of goods and services	0.1	0.7	0.7	2.6	2.9
Associated companies	0.1	0.7	0.7	2.6	2.9
Principal shareholders	0.0	0.0	0.0	0.0	0.0
Corporations where management exercises influence		0.0		0.0	0.0
Trade receivables, loan and other receivables at the end of the reporting period	0.0	0.0	0.0	0.0	0.0
Associated companies	0.0	0.0	0.0	0.0	0.0
Principal shareholders	0.0	0.0	0.0	0.0	0.0
Corporations where management exercises influence		0.0		0.0	0.0

QUARTERLY INFORMATION MEUR	2018 Q3	2018 4–6	2018 1–3	2017 10–12	2017 Q3	2017 4–6	2017 1–3	2016 10–12	2016 Q3
REVENUE	81.6	88.9	92.2	97.1	86.0	93.7	90.5	93.5	80.9
Alma Markets	23.9	24.2	23.8	22.1	20.9	20.6	19.6	18.0	17.2
Alma Talent	23.1	28.1	27.8	31.0	24.0	28.7	29.5	31.2	23.0
Alma Consumer	35.3	37.2	40.7	44.2	41.3	44.7	41.6	44.6	40.7
Eliminations and non-allocated	-0.7	-0.6	-0.2	-0.3	-0.2	-0.2	-0.2	-0.2	0.0
ADJUSTED TOTAL EXPENSES	66.6	76.2	80.1	90.1	72.2	80.5	78.0	82.8	72.0
Alma Markets	14.6	15.7	15.6	16.4	13.0	13.3	12.4	14.1	11.8
Alma Talent	20.3	24.3	24.6	27.3	21.1	25.3	25.0	26.4	21.0
Alma Consumer	31.4	34.6	38.4	39.7	36.8	40.4	38.6	41.7	37.0
Eliminations and non-allocated	0.3	1.7	1.5	6.7	1.3	1.6	2.1	0.6	2.3
ADJUSTED EBITDA	18.9	16.9	16.4	15.7	17.9	17.2	16.6	15.6	13.6
Alma Markets	10.3	9.5	9.1	6.5	8.6	8.1	8.0	5.4	6.6
Alma Talent	3.8	4.8	4.3	4.9	3.9	4.4	5.7	5.8	3.1
Alma Consumer	4.9	3.7	3.4	5.6	5.7	5.4	4.0	6.1	4.9
Eliminations and non-allocated	-0.2	-1.2	-0.4	-1.4	-0.4	-0.7	-1.1	-1.8	-0.9
ADJUSTED OPERATING PROFIT/LOSS	15.1	12.9	12.2	11.3	14.0	13.2	12.6	10.9	9.1
Alma Markets	9.4	8.6	8.2	5.8	7.9	7.3	7.3	4.0	5.3
Alma Talent	2.8	3.8	3.3	3.9	2.8	3.3	4.6	4.7	2.1
Alma Consumer	4.0	2.7	2.3	4.6	4.7	4.4	3.0	5.1	3.8
Eliminations and non-allocated	-1.0	-2.2	-1.6	-3.0	-1.5	-1.8	-2.3	-2.8	-2.1
% OF REVENUE	18.5	14.5	13.2	11.6	16.2	14.1	13.9	11.7	11.2
Alma Markets	39.3	35.5	34.5	26.2	37.8	35.7	37.2	22.0	31.2
Alma Talent	12.1	13.7	11.7	12.5	11.7	11.6	15.5	15.3	9.0
Alma Consumer	11.2	7.3	5.8	10.3	11.4	9.8	7.2	11.4	9.4
Non-allocated	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ADJUSTED ITEMS	-0.6	4.5	0.7	-5.4	0.3	1.8	-1.2	-4.3	-0.2
Alma Markets	0.0	0.0	0.7	0.0	0.5	0.0	0.0	0.0	0.0
Alma Talent	0.1	-0.1	0.0	0.0	-0.1	0.7	0.0	-0.4	-0.2
Alma Consumer	-0.2	4.3	0.0	-1.4	0.1	0.0	-0.8	-1.7	0.0
Non-allocated	-0.5	0.3	0.0	-4.0	-0.2	1.1	-0.4	-2.2	0.0
OPERATING PROFIT/LOSS	14.6	17.4	12.9	5.8	14.3	15.0	11.4	6.7	8.9
Alma Markets	9.4	8.6	8.9	5.8	8.4	7.3	7.3	4.0	5.3
Alma Talent	2.9	3.7	3.3	3.9	2.7	4.0	4.6	4.3	1.8
Alma Consumer	3.8	7.0	2.3	3.1	4.8	4.4	2.1	3.4	3.8
Non-allocated	-1.6	-1.9	-1.6	-7.0	-1.6	-0.7	-2.6	-5.1	-2.2
Finance income	0.9	0.2	0.0	0.0	0.0	0.2	0.0	0.4	0.0
Finance expenses	-0.4	0.8	0.1	0.1	0.6	0.5	0.3	0.7	1.0
Share of profit of associated companies	0.2	0.1	0.1	0.0	0.3	0.2	0.2	0.1	0.3
PROFIT BEFORE TAX	15.3	16.9	12.9	5.8	14.0	14.9	11.3	6.5	8.2
Income tax	-3.1	-3.1	-2.5	-1.4	-2.8	-2.7	-2.4	-1.4	-1.7
PROFIT FOR THE PERIOD	12.2	13.8	10.4	4.4	11.2	12.2	8.9	5.1	6.6

Main accounting principles (IFRS)

This interim report has been prepared according to IFRS standards (IAS 34). The interim report applies the same accounting principles and calculation methods as the annual accounts dated 31 December 2017 and the new and revised IFRS standards described in the 2017 financial statements. The interim report does not. however. contain all the information or notes to the accounts included in the annual financial statements. This report should therefore be read in conjunction with the company's financial statements for 2017. This interim report applies the same accounting principles as the consolidated financial statements, with the exception of the following new standards adopted at the start of the financial year:

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

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

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

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

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

The concepts of agreements processed as off-balance sheet liabilities and the concepts used in IFRS 16 are somewhat different from each other, which is why the number of agreements recognised on the balance sheet may differ from the number of off-balance sheet liabilities. The lease contracts recognised on the balance sheet are mainly from business premises and cars. Lease contracts for IT equipments are considered to be treated as off-balance sheet liabilities as a opposite for treatment according to current IAS 17.

Alma Media has started preparing to implement the standard and assessed the prelminary effects of the standard's implementation. The change does have an impact on the Group's financial statements. The change will also affect the key indicators based on the balance sheet, such as gearing.

IFRS 16: Estimated effect on Alma Media group financial reporting (preliminary)	31.12.2017		31.12.2018	
Balanse sheet (MEUR)	Assets	Liabilities	Assets	Liabilities
Property & other lease	60.1	60.1	52.1	52.1
Car lease	0.8	0.8	0.8	0.8
IT lease	-1.7	- 1.8	-1.7	-1.8
Total	**59.1**	**59.1**	**51.2**	**51.1**

Profit & Loss (MEUR)	FY18
Other expenses - *decrease*	7.8
Ebitda	7.8
Depreciation - *increase*	-7.2
Ebit	0.6
Interest expense - *increase*	-0.6
Result	0.0

IFRS 16: Balanse sheet and key financial ratios (preliminary)	Reported Dec 2017	Adjusted Dec 2017
Assets total, MEUR	333.8	392.9
Interest bearing debt, MEUR	61.3	120.4
Net debt, MEUR	40.2	99.3
Equity ratio, %	50.9	42.8
Net debt/EBITDA ratio	0.6	1.3
EBITDA, MEUR	66.9	74.7
EBITDA adjusted, MEUR	67.4	75.2
EBIT, MEUR	46.6	47.2
EBIT adjusted, MEUR	51.1	51.7
EPS	0.39	0.39

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

The key indicators are calculated using the same formulae as applied in the previous annual financial statements. The quarterly percentages of Return on Investment (ROI) and Return on Equity (ROE) have been annualised using the formula $((1+\text{quarterly return})^4)-1)$. The percentage of digital business of revenue is calculated as digital business/revenue * 100. The figures in this interim report are independently rounded.

Alternative Performance Measures

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

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

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

Items adjusting operating profit are income or expense arising from non-recurring or rare events. Gains or losses from the sale or discontinuation of business operations or assets. gains or losses from restructuring business operations as well as impairment losses of goodwill and other assets are recognised by the Group as adjustments. Adjustments are recognised in the profit and loss statement within the corresponding income or expense group.

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

The figures in this release are unaudited.

Seasonality

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

General statement

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

ALMA MEDIA CORPORATION
Board of Directors

More information:
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Alma Media's financial calendar 2019

Alma Media Corporation will publish its financial reports in 2019 as follows:
- Financial Statement Bulletin for financial year 2018 on Thursday, 14 February 2019 approximately at 8:00 EET.
- Interim report for January–March 2019 on Thursday, 25 April 2019, approximately at 8:00 EEST
- Interim report for January–June 2019 on Wednesday, 17 July 2019, approximately at 8:00 EEST
- Interim report for January–September 2019 on Wednesday, 23 October 2019, approximately at 8:00 EEST

Financial Statements, Report by the Board of Directors, Auditor's Report and Corporate Governance Statement will be published on Friday, 22 February 2019.

The Annual General Meeting is planned to be held on Friday, 15 March 2019. Materials related with the Annual General Meeting will be available on Alma Media's website.