Alma Media Corporation

Corporate ID code: 1944757-4

Report by the Board of Directors and Financial Statements 31 December 2006

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REPORT BY THE BOARD OF DIRECTORS

Alma Media Group's full-year net sales totalled MEUR 301.9 (MEUR 285.9), representing growth of 5.6 %. The operating profit rose to MEUR 49.1 (MEUR 42.3), up 16 %. The Newspapers and Marketplaces businesses were very successful. Media sales for the Kauppalehti group's Kauppalehti business daily were weak. Market conditions are expected to remain similar to 2006. In 2007 net sales are expected to continue growing and operating profit excluding one-time items to reach at least the same level as in 2006.

- The Group's operating profit includes two one-time items entered in the fourth quarter: a capital gain, totalling MEUR 4.2, on the sale of properties in Kemi and Tampere, and cost provisions totalling MEUR 1.5 to cover the restructuring of the Kainuun Sanomat printing works and structural reorganization within Kauppalehti. One-time income in 2005 totalled MEUR 3.2 and one-time costs MEUR 2.9.

The Group's full-year profit before taxes amounted to MEUR 49.9 (MEUR 49.5). The same figure in the comparison year, 2005, includes two one-time items reported below the operating profit: a capital gain of MEUR 3.3 recognized by Alma Media on the associated company Talentum Oyj's sale of Satama Interactive Oyj, which increased Alma Media's share of this associated company's result, and a net total of MEUR 4.3 in financial income related to the Group's restructuring in 2005.

- Newspaper media sales picked up towards the end of the year. Aamulehti registered record media sales in euro terms in December. Iltalehti reached a circulation market share of 43.1 % between October and December. The full-year operating profit of the Newspapers unit was MEUR 38.4 (MEUR 38.9). The operating profit was depressed by the city paper Tori. A one-time provision of MEUR 0.4 was entered in the Newspapers segments' accounts on the restructuring of the Kainuun Sanomat printing works.

- The full-year operating profit of the Kauppalehti group decreased to MEUR 4.8 (MEUR 7.1) owing to weak media sales in the Kauppalehti newspaper. Personnel negotiations have been started in Kauppalehti Oy concerning the restructuring of operations and restoring the cost structure to a level corresponding to income. The Kauppalehti group recorded a one-time cost provision of MEUR 1.1 on the Kauppalehti restructuring. The previous year's operating profit included a MEUR 0.8 capital gain resulting from the dilution of the company's shareholding in Talentum Oyj following an acquisition by Talentum paid for partly in shares.

- The full-year operating profit recorded by Marketplaces more than doubled to MEUR 2.8 (MEUR 1.1). Net sales from continuing operations in Finland rose 23 % and from operations outside Finland 121 %.

Changes in Group structure compared to 2005

On 1 July 2006 Kauppalehti raised its holding in TietoEnator 121 Oy from 49 % to 100 %. The company was renamed Kauppalehti 121 Oy and has annual net sales of around MEUR 9.

Alma Media Lehdentekijät, part of the Kauppalehti group, acquired Finnish Business Communications Ltd on 1 July 2006. The company has annual net sales of about MEUR 2.5.

Bovision AB and Objektvision AB were acquired for the Marketplaces segment on 1 July 2006. The aggregate net sales of the two companies is approximately MEUR 1.7.

Consolidated net sales and result 2006

The Group’s net sales for the full year 2006 amounted to MEUR 301.9 (MEUR 285.9) and the operating profit was MEUR 49.1 (MEUR 42.3).

The Group’s circulation sales rose 4.2 % to MEUR 125.5 (MEUR 120.4) and media sales grew 5.4 % to MEUR 146.3 (MEUR 138.8). The volume of printing contracts declined once again. Other sales increased 22.5 % to MEUR 27.6 (MEUR 22.6).

The full-year operating profit was increased by the capital gain of MEUR 4.2 on the sale of the Kemi and Tampere properties. The operating profit was reduced by restructuring costs, MEUR 1.5 in all, arising from restructuring of the Kainuun Sanomat printing works and within Kauppalehti Oy.

In the comparison year the operating profit was increased by one-time income comprising a MEUR 0.8 capital gain on the dilution of the Talentum Oyj holding, a capital gain of MEUR 1.2 on the sale of the NWS unit, and compensation totalling MEUR 1.2 awarded to Alma Media and paid by Edita Oyj in arbitration proceedings related to Acta Print Oy.

Restructuring costs in the Group reduced the comparison year’s operating profit by MEUR 2.9.

In the comparison year, Alma Media's result from associated companies was boosted by a capital gain of MEUR 3.3 recorded by Talentum Oyj on the sale of Satama Interactive Oyj, and its financial income was increased by MEUR 5.9 in receivables from the Broadcasting divestment.

A signing fee of MEUR 1.6 increased financial expenses in the comparison year.

Prospects in 2007

Market conditions are expected to remain similar to 2006. Hence net sales are expected to show further growth and the operating profit excluding one-time items to reach at least the same level as in 2006.

Market conditions

Overall, conditions in the Finnish economy continued to be good. The consumer confidence index was clearly higher in December than on average. Media advertising rose 3.7 % according to TNS Gallup. Compared to the previous year, newspaper advertising grew 2.5 %, whereas advertising in business papers declined by 2 %. Online media advertising rose 25.7 %.

Of the major advertising businesses, advertising expenditure was increased by the classified advertising sectors recruiting (+ 17.6 %), vehicles (+ 8.4 %) and homes (+ 9.3 %). Within the homes and living segment, furniture advertising was given priority, showing growth of 41.3 %. The major businesses that reduced advertising expenditure were travel (- 1.8 %) and teleservices. Advertising of teleservices fell 23.3 % for the whole year but increased by 6.8 % in newspapers between October and December.

Within the circulation areas of Alma Media's newspapers, media sales were boosted by the opening of new shopping complexes: Ideapark in Pirkanmaa, and a shopping mall in Haaparanta where the major advertiser is Ikea.

The daily tabloid circulation market declined in 2006 by almost 3 %, principally in the Helsinki metropolitan area.

NEWSPAPERS

The publishing activities of 35 newspapers are reported in the Newspapers segment. The largest are the regional paper Aamulehti and the daily tabloid Iltalehti.

The segment's net sales were MEUR 217.9 (MEUR 211.6) and the operating profit was MEUR 38.4 (MEUR 38.9).

Media sales in the Newspapers segment were more buoyant than in the Finnish newspaper sector on average, up 4.1 % compared to the industry average of 2.5 %. Aamulehti reached an all-time high in media sales in December, this growth being largely attributable to the opening of the Ideapark shopping centre on 1 December 2006 and to its spin-off effects. Iltalehti's media sales were boosted by the success of the online website Iltalehti.fi. The Northern Papers increased their media sales at the end of the year, helped in part by the opening of a new shopping mall and Ikea in the town of Haaparanta.

The segment's operating profit was depressed by the town paper Tori, Aamulehti's Sunday supplements, and the costs of Aamulehti's 125th anniversary celebrations. Aamulehti discontinued its book publishing unit during the autumn.

Personnel negotiations concerning the entire workforce of the Kainuun Sanomat printing works (about 40 employees) were started on 7 December 2006. A MEUR 0.4 one-time cost provision was entered in December.

Iltalehti increased the price of its weekday issue on 6 November 2006 from 1.0 to 1.20 euros. Iltalehti's market share in December was record-high. The paper's good circulation development was supported by the Iltalehti Ilona supplement launched in March. The market share for the full year was 41.4 %, (40.0 %).

Kokkolan Sanomat was added to the Local Newspapers chain on 1 September 2006.

Jouko Jokinen began as publisher of Satakunnan Kansa on 1 June 2006.

KAUPPALEHTI GROUP

The Kauppalehti group specializes in producing business and financial information. Its best known title is Finland's leading business daily Kauppalehti. The group also includes Alma Media Lehdentekijät (contract publishing) and the direct marketing company Kauppalehti 121.

Net sales of the Kauppalehti group totalled MEUR 62.6 (MEUR 53.8) and its operating profit was MEUR 4.8 (MEUR 7.1).

Kauppalehti group's net sales were increased compared to the previous year by the new units Kauppalehti 121 and Finnish Business Communications Ltd from 1 July 2006, and also by increased sales in the ePortti, Lehdentekijät and BNS units.

The decrease in Kauppalehti group's operating profit was attributable to weak media sales in the Kauppalehti paper, down 7.3 % on the previous year. The Presso paper's media sales improved towards the end of the year. Kauppalehti's circulation volume and income developed positively.

Kauppalehti Oy announced the start of personnel negotiations concerning all its employees on 27 December 2006. These are expected to lead to a reduction of 35- 40 employees. Restructuring costs of MEUR 1.1 were recorded in the fourthquarter accounts.

The previous year's operating profit included a MEUR 0.8 capital gain related to the dilution of the Talentum Oyj holding.

Juha-Petri Loimovuori has headed Kauppalehti group since 1 November 2006.

MARKETPLACES

The Marketplaces unit reports Alma Media's classified services, which are produced on the internet and supported by printed products.

Net sales from Marketplaces amounted to MEUR 23.1 (MEUR 22.7) and the operating profit was MEUR 2.8 (MEUR 1.1).

Net sales from continuing operations in Finland rose 23 % and from foreign operations 121 %. In the latter case, sales were boosted by the inclusion of the Bovision companies from 1 July 2006, as well as growth in the City24 units in Estonia and Lithuania. In Finland, the highest growth was shown by Monster.fi, which raised its market share, and by the online service Etuovi.com.

In monetary terms the operating profit was boosted most of all by the Etuovi.com printed papers, and the Mascus and Monster services.

ASSOCIATED COMPANIES

The Group's holding in Talentum Oyj, reported under the Kauppalehti group, is 29.9 %. and in Acta Print Oy, reported under Other operations, 36.0 %.

Balance sheet and financial position

Almanova's purchase of Alma Media shares was treated as a reverse acquisition by the Financial Supervision Authority in its decision released on 26 January 2006. This means that the carrying values in the consolidated financial statements are the same as those for the old Alma Media and carried through to the new company after the merger. Hence the balance sheet total for the new Alma Media on 7 November 2005 is MEUR 247.

The balance sheet on 31 December 2006 totalled MEUR 199.7 (31 December 2005: MEUR 243.6). The total was reduced by the maturity and repayment on 4 October 2006 of the company's MEUR 30 medium-term notes, a dividend payment of EUR 0.12 per share on 20 March 2006, and a capital repayment to shareholders on 23 August 2006 amounting to EUR 0.53 per share. The company's equity ratio rose to 61.3 % (31 December 2005: 54.5 %).

Operating capital increased during the fourth quarter by MEUR 5.1 owing to later than usual invoicing of December media sales which fell due in January this year.

The Group's interest-bearing is denominated in euros and therefore does not require hedging against exchange rate differences.

Capital expenditure

Gross capital expenditure for the full year totalled MEUR 19.6 (19.7). Acquisitions accounted for over half of this total, the largest being a 51 % holding in TietoEnator 121 Oy for an acquisition price of MEUR 3.4 (49% of the company acquired in 2005), and the acquisition of the Bovision companies in Sweden.

Research and development costs

Research and development costs in 2006 amounted to MEUR 1.7 (3.1). Of this total, MEUR 1.2 was capitalized and MEUR 0.5 expensed.

Risks and risk management

The most important strategic risks contingent on Alma Media's business operations are a significant drop in the readerships of its newspapers and a critical decline in retail advertising. The major operational risks are disturbances in information technology systems and telecommunication, and an interruption of printing operations. The company's financial risks are detailed in the notes to the financial statements.

Alma Media's risk management process identifies the risks, develops appropriate risk management methods and regularly reports on risk issues to the risk management function.

Administration

Alma Media's annual general meeting, held on 8 March 2006 elected the following to the Board of Directors: Lauri Helve, Matti Häkkinen, Matti Kavetvuo, Kai Seikku, Kari Stadigh and Harri Suutari. The Board elected Kari Stadigh as its chairman and Matti Kavetvuo as its deputy chairman.

The meeting appointed KPMG Oy Ab as the company's auditors.

The company applies the recommendations (entry into force on 1 July 2004) prepared by HEX Plc, the Central Chamber of Commerce of Finland and the Confederation of Finnish Industries EK concerning the corporate governance of listed companies, subject to the following derogations:

- Nomination committee (Recommendation 31) Within the Alma Media Group, this committee is known as the Election Committee. The Board of Directors does not appoint members to the committee; the committee's members are appointed from the company's principal shareholders.

- Compensation committee (Recommendations 25 and 34) The Board of Directors does not appoint members to the Compensation Committee; under the Board of Directors' rules of procedure, the members of the committee are the chairman and deputy chairman of the Board of Directors.

Information on the company's corporate governance are given in full and regularly updated on the company's website http://www.almamedia.fi/corporate_governance_st.

The company also applies the Helsinki Exchange's insider guidelines which came into force on 1 January 2006.

Personnel

The average number of employees, excluding newspaper distribution staff and calculated as full-time employees, increased to 1,901 (1,808). The average number of distribution staff totalled 857 (900). Salaries and bonuses paid amounted to altogether MEUR 86.2 (85.7).

The Alma Media share

Trading in Alma Media's shares has been lively. Altogether 47.6 million shares were traded on the Helsinki Stock Exchange during the year, representing 63.8 % of the total number of shares. The lowest quotation in the year was EUR 6.90, the highest was EUR 9.95 and the closing price was EUR 9.25. The highest quotation was reached on 21 December 2006 after the company announced that it was engaged in merger talks with Keskisuomalainen Oyj. The company subsequently issued a release on 22 December 2006 that these talks had been terminated after no conclusion was reached.

The Helsinki Exchanges ended trading in trading lots in October 2006. The Alma Media share is now traded on the Nordic Mid Cap List of the OMX Helsinki stock exchange, introduced in October 2006.

The company's market capitalization on 29 December 2006 was MEUR 690.2 (MEUR 573.0).

The company had 4,404 registered shareholders on the balance sheet date. There were 11,154,585 nominee-registered shares, or 15.0 % of the total number of shares.

The company does not own its own shares and it has no authorization to purchase its own shares in public trading.

Option rights

The annual general meeting on 8 March 2006 approved a three-stage option programme (option rights 2006A, 2006B and 2006C), disapplying the pre-emptive subscription right of the shareholders, under which stock options would be granted to the managements of Alma Media Corporation and its subsidiaries as a scheme for ensuring personnel's motivation and long-term commitment to the company. Altogether 1,920,000 stock options may be granted in three lots of 640,000 each, and these may be exercised to subscribe for at most 1,920,000 Alma Media shares.

So far 515,000 of the 2006A options have been issued to Group management. A further 65,000 options have been issued to the Group's subsidiaries for granting to new personnel by the Board of Directors. If all the subscription rights were exercised, this programme would dilute the holdings of the earlier shareholders by 2.5 %.

The share subscription periods and prices under the scheme are:
2006A: 1 April 2008-30 April 2010, average trade-weighted price 1 April-31 May 2006
2006B: 1 April 2009-30 April 2011, average trade-weighted price 1 April-31 May 2007
2006C: 1 April 2010-30 April 2012, average trade-weighted price 1 April-31 May 2008

The subscription price of shares that may be subscribed under these stock option rights will be reduced by the amount of dividends and capital repayments decided after the start of the period determining the subscription price and before the subscription of shares, on the settlement date for each dividend payment or capital repayment. The current subscription price of the 2006A option after the capital repayment in 2006 is EUR 7.13 per share.

The Board of Directors is authorized until 8 March 2007 to decide on raising one or more convertible bond loans, and/or on raising the share capital with one or more rights issues provided that, when converting the convertible bonds, and/or when issuing new shares, at most 14,922,000 shares may be issued and the share capital may be raised by at most 8,953,200 euros.

This authorization includes the right to disapply the pre-emptive right of the shareholders provided that the company has weighty financial grounds for so doing, such as the need to finance or execute acquisitions or other corporate arrangements or to motivate the personnel.

Liquidity providing

Alma Media Corporation and eQ Pankki Oy have made a liquidity providing contract under which eQ Pankki Oy guarantees bid and ask prices for the shares with a maximum spread of 3% during 85% of the exchange's trading hours. The contract applies to a minimum of 2,000 shares.

Environmental impacts

Alma Media's operations have a small direct impact on the environment. However, the company is committed to continuously making its production and transport processes more environmentally sound and energy-efficient. Paper waste in the printing plants is minimized.

The company's main environmental impacts relate to its newspaper printing operations. These generate waste, which is recycled or taken to hazardous waste treatment plants. The company's operations comply with the permits granted by the relevant environmental centres.

Dividend proposal

Alma Media Corporation's Board of Directors will propose to the annual general meeting on 8 March 2007 that a dividend of 0.65 euros per share be distributed on the financial year 2006. The payment date is 20 March 2007.

Subsequent events

The company sold the property in Rovaniemi used by the Lapin Kansa newspaper on 1 February 2007, recording a capital gain of MEUR 1.9 on the sale.

Use of estimates

This bulletin contains certain statements that are estimates based on management's best knowledge at the time they were made. For this reason they contain risks and uncertainty. The estimates could change in the event of significant changes in business conditions.

ALMA MEDIA CORPORATION
Board of Directors

Consolidated income statement (IFRS)

M€

	Note	1.1. - 31.12.2006	1.1. - 31.12.2005
Continuing operations:			
Net sales	1,3	301.9	285.9
Other operating income	4	5.5	5.2
Change in inventories of finished goods and work in progress	19		
Materials and services	5	-92.0	-88.2
Expenses arising from employee benefits	7	-105.7	-104.7
Depreciation, amortization and impairment charges	14,15,16	-10.1	-10.5
Other operating expenses	8	-50.4	-45.3
Operating income	1	49.1	42.3
Financial income	9	2.1	9.1
Financial expenses	9	-2.6	-6.3
Share of results in associated companies	16	1.2	4.5
Income before tax		49.9	49.6
Income tax	10	-12.5	-10.5
Net income from continuing operations		37.3	39.0
Income from discontinued operations	11		1.4
Capital gain on discontinued operations	11		324.5
Net income for the period		37.3	365.0
Distribution:			
To the parent company shareholders		37.0	364.6
Minority interest		0.3	0.4
EPS (EUR) calculated from net income belonging to the parent company shareholders			
EPS, continuing operations, basic	13	0.50	0.52
EPS, continuing operations, diluted	13	0.50	0.52
EPS, discontinued operations, basic	13		4.37
EPS, discontinued operations, diluted	13		4.37

Consolidated balance sheet (IFRS)
M€

	Note	31.12.2006	31.12.2005
Assets			
Non-current assets			
Goodwill	14	30.2	18.9
Intangible assets	14	9.7	7.4
Property, plant and equipment	15	51.7	60.6
Investment properties	16	0.0	2.6
Investments in associated companies	18	32.1	40.4
Other long-term investments	19	3.9	4.0
Deferred tax assets	27	4.1	4.8
Other receivables	20	4.8	5.3
		136.5	143.8
Current assets			
Inventories	21	1.8	1.6
Tax receivables		0.7	1.3
Accounts receivable and other receivables	22	28.8	25.4
Other short-term investments	23	2.4	1.8
Cash and cash equivalents	24	28.2	69.6
		61.9	99.8
Non-current assets available for sale	12	1.2	
Assets, total		199.7	243.6

	Note	31.12.2006	31.12.2005
Shareholders' equity and liabilities			
Share capital		44.8	44.8
Share premium fund		2.8	42.4
Cumulative translation adjustment		0.1	
Retained earnings		67.2	39.0
Parent company shareholders's equity	25	114.9	126.2
Minority interest		0.4	0.6
Shareholders' equity, total		115.3	126.7
Long-term liabilities			
Interest-bearing liabilities	31	19.1	20.2
Deferred tax liabilities	27	1.8	1.5
Pension liabilities	28	3.6	3.8
Provisions	29	0.1	0.2
Other long-term liabilities		7.2	7.2
		31.8	32.9
Current liabilities			
Interest-bearing liabilities	31	2.6	36.2
Advances received		11.6	11.1
Tax liabilities		2.2	1.0
Provisions	29	2.3	0.9
Accounts payable and other liabilities	32	33.9	34.8
		52.6	84.0
Shareholders' equity and liabilities, total		199.7	243.6

Consolidated cash flow statement (IFRS)

M€

	1.1. - 31.12.2006	1.1. - 31.12.2005
Continuing operations		
Cash flow from operating activities		
Net income for the period	37.3	39.0
Adjustments:		
Depreciation, amortization and impairment charges	10.1	10.5
Share of results in associated companies	-1.2	-4.5
Capital gains (losses) on sale of fixed assets and other investmer	-4.9	-3.7
Financial income and expenses	0.5	2.7
Taxes	12.5	10.5
Change in provisions	1.3	-0.5
Other adjustments	-0.1	-6.3
Change in working capital:		
Change in accounts receivable	-3.3	-6.4
Change in inventories	-0.2	0.1
Change in accounts payable	-0.3	7.6
Dividend income received	6.4	2.4
Interest income received	1.9	2.9
Interest expenses paid	-3.1	-5.5
Taxes paid	-10.3	-15.2
Net cash provided by operating activities	**46.7**	**33.7**
Cash flow from investing activities		
Investments in tangible and intangible assets	-5.4	-4.9
Proceeds from disposal of tangible and intangible assets	3.8	1.4
Other investments		-3.7
Proceeds from disposal of other investments	9.1	0.4
Subsidiary shares purchased	-9.0	-1.9
Associated company shares purchased and sold		-3.4
Net cash used in investing activities	**-1.5**	**-12.0**
Cash flow before financing activities	**45.2**	**21.7**
Cash flow from financing activities		
Paid share issue	0.0	9.7
Long-term loan repayments	-33.6	-35.3
Short-term loans raised	0.0	51.2
Short-term loans, repayments	-3.5	-69.2
Increase (-) or decrease (+) in interest-bearing receivables	-0.6	0.1
Group contributions received and paid	0.0	0.8
Acquisition of shares of Alma Media shares (ID 1449580-9)	0.0	-395.4
Dividends paid and capital repayment	-48.8	0.0
Net cash used in financing activities	**-86.5**	**-438.1**
	-41.4	**-416.4**
Discontinued operations		
Cash flow from operating activities		-1.3
Cash flow used in investing activities		383.2
Cash flow used in financing activities		81.6
Change (increase + / decrease -) in cash funds	**-41.4**	**47.1**
Cash and cash equivalents at start of period	69.6	22.5
Impact of changes in foreign exchange rates	0.0	0.0
Cash and cash equivalents at close of period	28.2	69.6
Further details:		
Investments financed through finance leases	-3.8	-6.0
Gross capital expenditure, payment-based *)	-14.4	-13.8
Investments, total	-18.2	-19.8

*) Investments in tangible and intangible assets, investments in securities, subsidiary shares purchased, associated company shares purchased

Statement of changes in Group's shareholders' equity
M€

	Share of equity belonging to parent company owners								
	Share capital	Share premium fund	Share issue	Other funds	Trans- lation ifference	Retained earnings	Total	Minority interest	Equity total
Shareholders' equity 31.12.2004 (IFRS)	26.5	50.8	1.8	0.0	0.0	66.8	145.8	2.1	147.9
Registration of shares subscribed with warrants	0.9	9.7	-1.8				8.8		8.8
Registration of establishment of Almanova Corp	0.1	0.9					1.0		1.0
Almanova Corp. rights issue 28.4.	5.3	47.4					52.7		52.7
Measurement at fair value of Alma Media									0.0
shares acquired by Almanova Corp.				5.7			5.7		5.7
Almanova Corp. rights issue 7.11.	39.4	405.6					445.0		445.0
Merger of Alma Media and Almanova on 7.11.									
and impact of reverse acquisition	-27.3	-470.4		-5.7		-393.2	-896.6		-896.6
Share exchange and listing expenses		-1.6					-1.6		-1.6
	18.3	-8.4	-1.8	0.0	0.0	-393.2	-385.1	0.0	-385.1
Share of items recognized directly in									
associated company's equity						0.8	0.8		0.8
Income/expenses recognized directly in equity	0.0	0.0	0.0	0.0	0.0	0.8	0.8	0.0	0.8
Net income for the period						364.6	364.6	0.4	365.0
Income and expenses for the period, total	0.0	0.0	0.0	0.0	0.0	365.4	365.4	0.4	365.8
Minority interest in sold companies								-1.8	-1.8
Dividend paid by Group company								-0.1	-0.1
Other change						0.1	0.1		0.1
Other changes affecting equity	0.0	0.0	0.0	0.0	0.0	0.1	0.1	-1.9	-1.8
Shareholders' equity 31.12.2005 (IFRS)	44.8	42.4	0.0	0.0	0.0	39.0	126.2	0.6	126.7
Change in translation differences					0.1		0.1		0.1
Share of items recognized directly in									
associated company's equity						-0.1	-0.1		-0.1
Income/expenses recognized directly in equity					0.1	-0.1	0.0		0.0
Net income for the period						37.0	37.0	0.3	37.3
Income and expenses for the period, total					0.1	36.9	37.0	0.3	37.4
Share-based payments						0.3	0.3		0.3
Dividend payment by parent company						-9.0	-9.0		-9.0
Capital repayment by parent company		-39.5					-39.5		-39.5
Dividend payment by Group company								-0.3	-0.3
Dissolution of subsidiary								-0.3	-0.3
Other changes affecting equity		-39.5				-8.7	-48.2	-0.6	-48.8
Shareholders' equity 31.12.2006 (IFRS)	44.8	2.8	0.0	0.0	0.1	67.2	114.9	0.3	115.3

Accounting principles used in the IFRS consolidated financial statements

Alma Media Group publishes newspapers, distributes business information and maintains online (internet) marketplaces. The parent company, Alma Media Corporation, is a Finnish public limited company incorporated under Finnish law. Its registered office is in Helsinki, address: Eteläesplanadi 20, P.O. Box 140, 00101 Helsinki, Finland. The Board of Directors has approved the consolidated financial statements for publication on 9 February 2007. A copy of the financial statements is available on the company's website www.almamedia.fi or from the head office of the parent company.

Consolidated financial statements

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards, IFRS, applying the IAS and IFRS standards and the SIC and IFRIC interpretations in force at 31 December 2006. International Financial Reporting Standards refer to the standards, and their interpretations, approved for application in the EU in accordance with the procedure stipulated in the EU's regulation (EC) No. 1606/2002 and embodied in Finnish accounting legislation and the statutes enacted under it. The notes to the consolidated financial statements also comply with Finnish accounting standards and the provisions of the Companies Act.

The Group adopted IFRS accounting principles during 2005 and in this connection has applied IFRS 1 (First-Time Adoption), the transition date being 1 January 2004.

The consolidated financial statements are based on the purchase method of accounting unless otherwise specified in the accounting principles described below.

The Group's parent company, Alma Media Corporation (corporate ID code1944757-4, and called Almanova Corporation until 7 November 2005), was established on 27 January 2005. The company acquired the shares of the previous Alma Media Corporation (corporate ID code 1449580-9) during 2005. The acquisition proceeded in stages with Almanova Corporation first acquiring a 12.5% holding as a result of an exchange and purchase offer. The privileged share issue to shareholders of the old Alma Media, pursuant to this offer, was recorded in the Trade Register on 28 April 2005. Almanova Corporation then acquired a 40.2% holding on 2 November 2005 from Bonnier & Bonnier AB and Proventus Industrier AB. Almanova acquired the remaining 47.3% of the shares of the old Alma Media in a privileged share issue on 7 November 2005.

The acquisition has been treated in the consolidated accounts as a reverse acquisition based on IFRS 3. This means that the acquiring company is the old Alma Media Corporation and the company being acquired is the Group's current legal parent company Almanova Corporation. The Finnish Financial Supervision Authority published its position on this matter on 26 January 2006. In the consolidated financial statements the acquisition date is the situation before the exchange and purchase offer that started on 28 April 2005, in which Almanova offered new shares in exchange for shares in the old Alma Media. Before the start of the exchange and purchase offer Almanova had no other significant assets than the funds, one million euros, received when it was established. The net fair value of the assets, liabilities and contingent liabilities at the acquisition date do not differ from their carrying values in the company's accounts. The acquisition cost is equivalent to the net fair value of the assets, liabilities and contingent liabilities and therefore no goodwill has arisen.

The accounting principles adopted for the reverse acquisition apply only to the consolidated financial statements.

Impacts of standards adopted during 2006

The Group has applied the following standards and interpretations from 1 January 2006:

IAS 19 Employee Benefits – amendment to the standard
IAS 21 Effects of Changes in Foreign Exchange Rates – amendment to the standard
IAS 39 Financial Instruments, Recognition and Measurement (amendments made in 2005)
IFRIC 4 Determining Whether an Agreement Contains a Lease

The new standards and interpretation have resulted in changes mainly in the notes to the consolidated financial statements.

Comparability of consolidated financial statements

The Group divested its Broadcasting business during 2005. The capital gain recorded on this divestment, and the business transactions of the divested business, are shown as a discontinued operation in the income statement and cash flow statement.

Subsidiary companies

All subsidiaries are consolidated in the Group's financial statements. Subsidiaries are companies in which the Group has a controlling interest. A controlling interest arises when the Group holds more than half of the voting power or over which the Group otherwise exercises the right of control. The right of control means the right to control the company's business and financial principles in order to extract benefit from its operations. The accounting principles applied in the subsidiaries have been brought into line with the IFRS principles applied in the consolidated financial statements. Mutual holdings are eliminating using the purchase method. Subsidiaries acquired are consolidated from the time when the Group gains the right of control, and divested subsidiaries until the Group ceases to exercise the right of control. As permitted by IFRS 1, acquisitions taking place prior to the transition date are not IFRS-adjusted but are left at their previous FAS values. All intragroup transactions, receivables, liabilities and profits are eliminated in the consolidated financial statements. The distribution of the net profit for the year between the parent company owners and minority interest shareholders is shown in the income statement. The amount of shareholders' equity attributable to minority interests is shown as a separate items in the balance sheet under shareholders' equity. The amount of accumulated losses attributable to minority interests is recognized in the consolidated accounts only up to the amount of their investment.

Associated companies

Associated companies are those in which the Group has a significant controlling interest. A significant controlling interest arises when the Group holds 20% or more of the company's voting power or over which the Group otherwise is able to exercise significant control. Associated companies are consolidated using the equity method. Investments in associated companies include any goodwill arising from their acquisition. If the Group's share of the associated company's losses exceeds the book value of the investment, this investment is entered at zero value in the balance sheet and any losses in excess of this value are not recognized unless the Group has obligations with respect to the associated company. The Group's share of the results of its associated companies is shown as a separate item under operating profit.

Joint venture entities

Joint venture entities are companies in which the Group exercises joint control with one or more other parties. In Alma Media, jointly controlled assets are shares in mutually owned property companies and housing companies. Joint venture entities are consolidated in accordance with the proportionate consolidation method permitted under IAS 31 (Interests in Joint Ventures).

Translation of items denominated in foreign currencies

Figures in the consolidated financial statements are shown in thousands of euros, which is the functional and presentation currency of the parent company. Foreign currency items are entered in euros at the rates prevailing at the transaction date. Monetary foreign currency items are translated into euros using the rates prevailing at the balance sheet date. Non-monetary foreign currency items are measured at their fair value and translated into euros using the rates prevailing at the measurement date. In other respects non-monetary items are measured at the rates prevailing at the transaction date. Exchange rate differences arising from sales and purchases are treated as additions or subtractions respectively in the income statement. Exchange rate differences related to loans and loan receivables are taken to other financial income and expenses in the income statement.

The income statements of foreign Group subsidiaries are translated into euros using the weighted average rates during the period, and their balance sheets at the rates prevailing on the balance sheet date. Translation differences arising from the consolidation of foreign subsidiaries and associated companies are entered under shareholders' equity. Goodwill arising from the acquisition of foreign companies is treated as assets and liabilities of the foreign units in question and translated into euros at the rates prevailing on the balance sheet date.

Assets available for sale and discontinued operations

Assets available for sale, and the assets related to the discontinued operation that are classified as available for sale, are measured at the lower of their book value or their fair value less the costs arising from their sale. The Broadcasting operation was treated as a discontinued operation in the 2005 financial period and further details are provided in the notes as required by IFRS 5. The property used by Lapin Kansa in Rovaniemi and sold by the Group at the beginning of 2007 is treated as an asset available for sale in the 2006 accounts.

Recognition principles

Income from the sale of goods is recognized when the material risks and rewards incidental to ownership of the goods have been transferred to the buyer. Rental income is recognized in equal instalments over the rental period. Income from services is recognized in accordance with their percentage of completion at the balance sheet date. Licence and royalty income is recognized in accordance with the actual content of the agreement.

Employee benefits

Employee benefits cover short-term employee benefits, other long-term benefits, termination benefits, and post-employment benefits.

Short-term employee benefits include salaries and benefits in kind, annual holidays and bonuses. Other long-term benefits include, for example, a celebration, holiday or remuneration (e.g. bonuses for years of service) based on a long period of service. Termination benefits are benefits that are paid due to termination of an employees' contract and not from service in the company.

Post-employment benefits comprise pension and benefits to be paid after termination of the employee's contract, such as life insurance and healthcare. These benefits are classified as either defined contribution or defined benefit plans. The Group has both forms of benefit plan.

Payments made under defined contribution plans are entered in the income statement in the period which the payment applies to. The disability pension component of the Finnish Employees' Pension System (TEL) handled by insurance companies was reclassified under IFRS as a defined contribution plan from the beginning of 2006. Accordingly, this is treated as a defined contribution plan in the Group's opening balance sheet, the comparison figures and the figures for 2005.

Defined benefit plans are all those that do not meet the criteria for a defined contribution plan. In Alma Media Group, supplementary pension obligations arising from voluntary plans are treated as defined benefit plans. In a defined benefit pension plan, the company is left with additional obligations also after the payment for the period is made. Actuarial calculations are acquired annually for plans classified as defined benefit plans as a basis for entering the expense, debt or asset item. Debt entered in the balance sheet is the difference between the present value of the pension obligation and the fair value of the plan assets, on the one hand, and the unrecognized actuarial profits and losses on the other.

Obligations arising from defined benefit plans are calculated using actuarial assumptions. These are divided into demographic and economic assumptions. Demographic assumptions are mortality rates, termination rates and the commencement of disability. Economic assumptions are the discount rate, future salary levels, the expected yield from the plan's assets, and estimated rate of inflation.

Alma Media applies the corridor method in the treatment of actuarial gains and losses, under which actuarial gains and losses are entered in the balance sheet. The accumulated unrecognized actuarial gains and losses, net, are entered in the income statement if at the end of the previous period they exceed the greater of the following: 10% of the present value of the defined benefit obligation on the day in question (before deduction of plan assets), or 10% of the fair value of the plan assets on the day in question. These limits are calculated for, and applied to, each defined benefit plan separately. The portion of the actuarial gains and losses entered in the income statement for each defined benefit plan is the excess divided by the expected average remaining service lives of the participating employees, i.e. the portion for only one year.

Share-based payments

Stock option schemes under which options have been granted after 7 November 2002 but which did not give their holders rights before 1 January 2005 (the vesting period) are measured at their fair value at the time of issue and entered as an expense in the income statement during the vesting period. Option schemes predating this date are not entered as an expense. The company's previous share bonus scheme for key employees, launched in 1999, ended during the 2005 financial year. No expenses have been entered for this scheme. At the balance sheet date, 31 December 2006, Alma Media had a current stock option scheme for senior management launched in spring 2006. The 2006 stock options are measured at fair value at the date of issue and expensed during the vesting period. The expense determined at the time of issue is based on the Group's estimate of the number of stock options that are expected to generate rights at the end of the vesting period. Their fair value is determined using the Forward Start Option Rubinstein (1990) model based on the Black & Scholes option pricing model. When the stock options are exercised, the cash payments received from the subscription of shares, adjusted for transaction costs, is entered in shareholders' equity. The 2006 stock option scheme and its impacts on the income statement and balance sheet are described in the notes to the financial statements.

In the comparison period, 2005, the Group operated a share bonus scheme for key employees. This was a share-based scheme under which the employees in question were paid a bonus in cash. The debt arising from the employee's service was entered in the balance sheet and measured on the balance sheet date 31 December 2005 and on the day of payment at its fair value. Changes in fair value were entered under personnel expenses in the income statement in the period to which they relate. The company also made hedges with respect to this share bonus scheme. The option instrument in question was measured at its fair value on the balance sheet date 31 December 2005 and changes in the fair value were charged to the 2005 income statement.

Leasing agreements

Leases applying to tangible assets and in which the Group holds a significant share of the risks and rewards incremental to their ownership are classified as finance leases. These are recognized in the balance sheet as assets and liabilities at the lower of their fair value or the present value of the required minimum lease payments at inception of the lease. Assets acquired through finance leases are depreciated over their useful life, or over the lease term if shorter. Lease obligations are included under interest-bearing liabilities.

Other leases are those in which the risks and rewards incremental to ownership remain with the lessor. When the Group is the lessee, lease payments related to other leases are allocated as expenses on a straight-line basis over the lease term. When the Group is the lessor, lease income is entered in the income statement on a straight-line basis over the lease term.

The Group has made purchasing agreements that include a lease component. Any such arrangements in force are treated according to the IFRIC 4 interpretation and the arrangements are accounted for based on their actual content. The Group's current purchasing agreements that include a lease component are treated as other leases in accordance with IAS 17.

Income taxes

The tax expense in the income statement comprises the tax based on the company's taxable income for the period together with deferred taxes. The tax based on taxable income for the period is the taxable income calculated on the applicable tax rate in each country of operation. Tax is adjusted for any tax related to previous periods.

Deferred tax assets and liabilities are recognized on all temporary differences between their book and actual tax values. Deferred tax is not calculated if the difference is not expected to be reversed in the foreseeable future. Deferred taxes are calculated using the tax rates enacted by the balance sheet date. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. A deferred tax liability is recognized on non-distributed retail earnings of subsidiaries when it is likely that the tax will be paid in the foreseeable future.

Deferred tax assets and liabilities are netted by company when they relate to income tax levied by the same tax authority and when the tax authority permits the company to pay or receive a single net tax payment.

Property, plant and equipment

Property, plant and equipment are measured at cost less depreciation, amortization and impairment losses. Straight-line depreciation is entered on the assets over their estimated useful lives. Depreciation is not entered on land. The estimated useful lives are:

Buildings	30-40 years
Structures	5 years
Machinery and equipment	3-10 years
Large rotation printing presses	20 years

When an item of property, plant and equipment is replaced, the costs related to this new item are capitalized. The same procedure is applied in the case of major inspection or service operations. Other costs arising later are capitalized only when they give the company added economic benefit from the asset. All other expenses, such as normal service and repair procedures, are entered as an expense in the income statement as they arise.

Intangible assets

Goodwill represents the excess of the acquisition cost over the Group's share of the net fair values of the acquired company's assets at the time of acquisition. Goodwill is applied to cash-generating units and tested at the transition date and thereafter annually for impairment. Goodwill is measured at original acquisition cost less impairment losses.

Research and development (R&D) costs are entered as an expense in the period in which they arise. R&D costs are capitalized when it is expected that the intangible asset will generate corresponding economic added value and the costs arising from this can be reliably determined.

Patents, copyright and software licences with a finite useful life are shown in the balance sheet and expensed on a straight-line basis in the income statement during their useful lives. No depreciation is entered on intangible assets with an indefinite useful life; instead, these are tested annually for impairment. In Alma Media, intangible assets with an indefinite useful life are trademarks measured at fair value at the time of acquisition.

The useful lives of intangible assets are 5–10 years.

Investment properties

Investment properties are properties held by the Group for the purpose of obtaining rental income or capital appreciation. The Group applies the cost model in which investment properties are valued at their acquisition cost less straight-line depreciation and impairment losses. The fair values of the investment properties are shown in the notes to the financial statements. When estimating the fair value the company endeavours to use the most up-to-date market information possible. Measurements are made for the most part by the company itself. The company divested its investment properties in 2006

Inventories

Inventories are materials and supplies, work in progress and finished goods. Fixed overhead costs are capitalized to inventories in manufacturing. Inventories are measured at the lower of their acquisition cost or net realizable value. The net realizable value is the sales price expected to be received on them in the normal course of business less the estimated costs necessary to bring the product to completion and the costs of selling them. The acquisition cost is defined by the FIFO (first-in-first-out) method. Within Alma Media, inventories mainly comprise the production materials used for newspaper printing.

Financial assets, derivative contracts and hedge accounting

The Group's financial assets have been classified into the following categories from 1 January 2004 as required by IAS 39: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables, and available-for-sale financial assets. Financial assets are classified according to their purpose when acquired and at the time of acquisition.

Financial assets at fair value through profit or loss are entered in the income statement in the period during which they arise. The derivative financial instruments used by the Group also fall into this category. The company does not apply hedge accounting.

The company employs derivative instruments to hedge against changes in paper prices. For this purpose the company has entered into commodity derivative contracts. These are measured at their fair value at the balance sheet date and changes in fair value are entered under material purchases in the income statement.

With respect to the company's share-based bonus scheme for key employees in 2005, the company acquired option derivatives that were measured at their fair value at the balance sheet date. Changes in fair value were entered under personnel expenses in the income statement.

Financial assets belonging under Loans and Other Receivables are valued at their amortized cost. In Alma Media, this group consists of accounts receivable, other receivables, accounts payable, interest-bearing liabilities and unlisted share investments. The amount of uncertain receivables is estimated based on the risks associated with individual items. Credit losses are entered as an expense in the income statement.

Investments held to maturity are financial assets that mature on a given date and which the Group intends and is able to keep until this date. These are measured at amortized cost.

Financial assets available for sale are measured at their fair value and the change in fair value is entered in the revaluation fund under shareholders' equity. This category comprises financial assets that are not classified in any of the other categories. There were no items in this category in 2005 or 2006.

Cash funds consist of cash, demand and time deposits, and other short-term highly liquid investments.

The transaction date is generally used when recognizing financial instruments. Cash and cash equivalents are removed from the balance sheet when the Group has lost the contractual right to the cash flows or when the Group has transferred a substantial portion of the risks and income to an external party.

Interest-bearing debt and liabilities and borrowing costs

Interest-bearing debt comprises the loans issued by the company and other debt, and is measured at amortized cost. Costs arising from interest-bearing liabilities are expensed in the period in which they arise. The Group has not capitalized its borrowing costs because the Group does not incur borrowing costs on the purchase, building or manufacturing of an asset in the manner specified in IAS 23.

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, and when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the present value of the costs required to fulfil the obligation. The provision is discounted if the time-value of the money is significant with respect to the size of the provision. Examples of provisions entered by Alma Media are rental expenses on vacant office premises (loss-making agreements), provisions to cover restructuring costs, and pension obligation provisions on unemployment pension insurance.

A provision is entered on loss-making agreements when the immediate costs required to fulfil the obligation exceed the benefits available from the agreement. A restructuring provision is entered when the Group has prepared and started to put into effect a detailed restructuring plan and has informed employees about this.

Impairments

Alma Media reviews the carrying amounts at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is whether there are indications of impairment or not: goodwill and intangible assets with an indefinite useful life, and capitalized development costs for projects in progress. The recoverable amounts of intangible and tangible assets are determined as the greater of the net selling price (fair value less estimated. Furthermore, the recoverable amount is estimated annually for the following assets, costs to sell) or value in use. An impairment loss is entered if the carrying amount of the asset or cash-generating unit exceeds the recoverable amount. Impairment losses are entered in the income statement. An impairment loss may be reversed if circumstances regarding the intangible or tangible assets in question change. Impairment losses recognized on goodwill cannot be reversed under any circumstances.

Operating profit

The operating profit is the net amount formed when other operating income is added to net sales, and the following items are then substracted from the total: material and service procurement costs adjusted for the change in inventories of finished and unfinished products; the costs arising from employee benefits; depreciation, amortization and impairment costs; and other operating expenses. All other items in the income statement not mentioned above are shown under operating profit. Exchange rate differences and changes in the fair value of derivative instruments are included in operating profit if they arise on items related to the company's normal business operations; otherwise they are recognized in financial items.

Segment reporting and its accounting principles

As its primary business segments Alma Media Group reports the Newspapers group, Kauppalehti group, Marketplaces, and Other Operations. The Broadcasting segment was sold at the end of April 2005.

Alma Media Group's geographical segments cannot be distinguished and therefore segment reporting is restricted to the primary business segments listed above.

Accounting principles requiring management discretion and main uncertainty factors underlying estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions which may differ from actual results in the future. Management is also required to use its discretion as to the application of the accounting principles used to prepare the statements. The estimates are based on management's best understanding at the balance sheet date. Any changes to these estimates and assumptions are entered in the accounts for the period in which the estimates or assumptions are adjusted and for all periods thereafter.

The Group tests goodwill and intangible assets with an indefinite useful life for impairment annually and reviews any indications of impairment in the manner described above. The amounts recoverable from cash-generating units are recognized based on calculations of their fair value. The preparation of these calculations requires the use of estimates. The estimates and assumptions used to test major goodwill items for impairment, and the sensitivity of changes in these factors with respect to goodwill testing is described in more detail in Note 12, which specifies goodwill.

Estimating useful lives used to calculate depreciation and amortization also requires management to estimate the useful lives of these assets.

Other management estimates relate mainly to other assets, such as the current nature of receivables, to tax risks, to determining pension obligations, to the utilization of tax assets against future taxable income, and to the fair value adjustment of assets received in conjunction with acquisitions.

Events subsequent to the closing of the accounts

The period during which matters affecting the financial statements are taken into account is the period from the closing of the accounts to the release of the statements. The release date is the day on which the Board of Directors reviews and signs the statements. Events occurring during the period referred to above are examined to determine whether they do or do not make it necessary to correct the information in the financial statements.

Information in the financial statements is corrected in the case of events that provide additional insight into the situation prevailing at the balance sheet date. Events of this nature include, for example, information received after the closing of the accounts indicating that the value of an asset had been reduced on the balance sheet date.

Application of new but not yet adopted standards

The following new standards and interpretations will be applied in the Group in future periods:

IFRS 7	Financial Instruments: Disclosures (published 2005, effective from 1 January 2007).
IFRS 8	Operating Segments: (published 2006, effective from 1 January 2009)
IAS 1	Presentation of Financial Statements: Amendment – Capital Disclosures (effective from 1 January 2007)
IFRIC 8	Scope of IFRS 2 (effective from 1 January 2007)
IFRIC 9	Re-assessment of Embedded Derivatives (effective from 1 January 2007)
IFRIC 10	Interim Financial Reporting and Impairment (effective from 1 January 2007)

The impact of the aforementioned new interpretation on the Group is initially estimated to be minor. The effect of the application of the new standards is initially estimated to apply mainly to the notes to the financial statements.

Notes to the consolidated financial statements
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1. SEGMENT INFORMATION

Alma Media Group reports as its primary segments the Newspapers group, the Kauppalehti group, Marketplaces, and Other Operations. The Broadcasting segment was sold at the end of April 2005 and is no longer included in continuing operations.

The publishing activities of 36 newspapers are reported in the Newspapers group. The largest are the regional paper Aamulehti and the daily tabloid Iltalehti. The Kauppalehti group is specialized in producing business information. Its best known product is Finland's leading business daily, the Kauppalehti paper. The Kauppalehti group also includes a contract publishing company, Alma Media Leh and a direct marketing company called Kauppalehti 121. The Marketplaces segment reports the company's online and printed classified servi This segment's best known products are Etuovi.com, Monster.fi and Autotalli.com. Other Operations are Group administration and the financi administration service centre, which serves the entire Group. Inter-segment transfer prices are based on market prices.

Alma Media Group's geographical segments cannot be distinguished (Alma Media operates mainly in one geographical segment), and therefore segment reporting is restricted to the primary business segments listed above. The following table shows net sales for 2006 ja 2005 by geographical area:

	2006	2005
Finland	294.5	281.2
Baltic countries	5.4	3.8
Sweden	1.7	0.7
Rest of Europe	0.3	0.2
	301.9	285.9

NET SALES

Financial year 2006

	News-papers	Kauppalehti group	Market-places	Other	Elimin-ations	Continuing operations	Discont'd operations	Elimin-ations	Group
NET SALES:									
External net sales	212.8	62.5	22.5	4.1		301.9	0.0	0.0	301.9
Inter-segment net sales	5.1	0.1	0.5	10.5	-16.2	0.0	0.0	0.0	0.0
Net sales, total	217.9	62.6	23.1	14.6	-16.2	301.9	0.0	0.0	301.9

Financial year 2005

	News-papers	Kauppalehti group	Market-places	Other	Elimin-ations	Continuing operations	Discont'd operations	Elimin-ations	Group
NET SALES:									
External net sales	207.2	53.6	19.3	5.8		285.9	67.2	-4.6	348.5
Inter-segment net sales	4.4	0.2	3.4	7.4	-15.3	0.0	0.0	0.0	0.0
Net sales, total	211.6	53.8	22.7	13.2	-15.3	285.9	67.2	-4.6	348.5

NET INCOME IN PERIOD

Financial year 2006

	News-papers	Kauppalehti group	Market-places	Other	Elimin-ations	Continuing operations	Discont'd operations	Broadcasting capital gain	Group
Operating income	38.4	4.8	2.8	3.1	0.0	49.1	0.0	0.0	49.1
Share of results in assoc. companies		0.9		0.3		1.2			1.2
Non-allocated items:									
Net financial expenses						-0.5			-0.5
Income tax						-12.5			-12.5
Net income for the period	38.4	5.7	2.8	3.4	0.0	37.3	0.0	0.0	37.3

Financial year 2005

	News-papers	Kauppalehti group	Market-places	Other	Elimin-ations	Continuing operations	Discont'd operations	Broadcasting capital gain	Group
Operating income	38.9	7.1	1.1	-4.8	0.0	42.3	3.7	324.5	370.5
Share of results in assoc. companies		5.5		-1.0		4.5	0.1		4.6
Non-allocated items:									
Net financial expenses						2.7	-1.3		1.4
Income tax						-10.5	-1.1		-11.7
Net income for the period	38.9	12.6	1.1	-5.8	0.0	39.0	1.4	324.5	365.0

ASSETS AND LIABILITIES

Financial year 2006

	News-papers	Kauppalehti group	Market-places	Other	Elimin-ations	Group
Segment assets	66.6	27.5	13.9	26.5	-0.6	133.9
Investments in assoc. compai	0.1	28.6	0.0	3.4		32.1
Non-allocated assets				33.8		33.8
	66.7	56.1	13.9	63.7	-0.6	199.7
Segment liabilities	29.9	12.2	3.5	9.9	-0.5	55.0
Non-allocated liabilities				29.4		29.4
	29.9	12.2	3.5	39.3	-0.5	84.4
Total	36.8	43.9	10.4	24.4	-0.1	115.3

Financial year 2005

	News-papers	Kauppalehti group	Market-places	Other	Elimin-ations	Group
Segment assets	72.5	18.1	8.0	34.2	-0.5	132.4
Investments in assoc. compai	0.1	35.4	0.0	4.8		40.2
Non-allocated assets				70.8		70.8
	72.6	53.5	8.0	109.8	-0.5	243.6
Segment liabilities	35.7	9.7	2.4	10.5	-0.4	57.9
Non-allocated liabilities				58.9		58.9
	35.7	9.7	2.4	69.4	-0.4	116.8
Total	36.9	43.8	5.6	40.4	-0.1	126.7

OTHER INFORMATION

Financial year 2006

	News-papers	Kauppalehti group	Market-places	Other	Elimin-ations	Continuing operations	Discontinued operations	Group
Investments	4.1	6.4	7.3	1.8		19.6		19.6
Depreciation	5.2	1.1	1.2	2.4	0.0	9.9	0.0	10.0
Other expenses not requiring transaction, e.g. depreciation	0.2	1.1		0.4		1.7		1.8
Writedowns	0.3					0.3		0.3

Financial year 2005

	News-papers	Kauppalehti group	Market-places	Other	Elimin-ations	Continuing operations	Discontinued operations	Group
Investments	7.3	8.1	3.5	0.8	0.0	19.7	2.7	22.4
Depreciation	5.6	1.1	1.6	2.1	0.0	10.3	21.5	30.8
Other expenses not requiring transaction, e.g. depreciation	0.1			1.9	0.0	2.1	0.0	2.1
Writedowns			0.2			0.2		0.2

2. ACQUIRED BUSINESSES

The Group acquired seven companies during 2006. These are listed by segment as follows:

	Business	Acquisition date	% acquired
Kauppalehti group			
Mediaskopas UAB	Media monitoring services	1.2.2006	100 %
Kauppalehti 121 Oy (51 % holding)	Direct marketing services	1.7.2006	51 %
Suomen Business Viestintä SBV Oy	Advertisement marketing, corporate publications	1.7.2006	100 %
Marketplaces			
Bovision AB	Classified marketplaces, homes	1.7.2006	100 %
Objektvision AB	Classified marketplaces, business premises	1.7.2006	100 %
Kiinteistöalan Tietopalvelut R.E.I Oy	Customer management systems for property rentals	1.11.2006	90 %
Newspapers			
Kokkolan Sanomat	Publishing rights for town paper Kokkolan Sanomat	1.9.2006	100 %

The following table presents the opening balance sheets of the acquired operations in the Group, the total acquisition price and impact on cash flow:

Kauppalehti group	Book values before integration	Fair values entered in integration
Property, plant and equipment	0.2	0.2
Intangible assets	0.0	0.1
Intangible assets, trademarks		0.6
Intangible assets, customer agreements		1.0
Accounts receivable and other receivables	1.6	1.6
Cash and cash equivalents	0.5	0.5
Assets, total	2.3	3.9
Deferred tax liabilities		0.4
Accounts payable and other payables	1.4	1.4
Liabilities, total	1.4	1.8
Net assets	0.8	2.1
Goodwill arising from acquisition		3.1
Acquisition price (paid in cash)		5.2
Cash and cash equivalents of acquired subsidiaries or businesses		0.5
Impact on cash flow		4.6

The fair values entered on intangible assets in the integration relate primarily to trademarks and customer agreements. The goodwill arising from these acquisitions totalled M€ 3.1. Contributory factors were the synergies related to these businesses expected to be realized especially with Alma Media Lehdentekijät Oy, which already belongs to the Group, and the possibility to broader the service offering in corporate services. The year's operating profit of the operations acquired for the segment was M€ 0.4 from the acquisition date.

Newspapers and Marketplaces	Book values before integration	Fair values entered in integration
Property, plant and equipment	0.0	0.0
Intangible assets, IT software	0.0	0.1
Intangible assets, trademarks		0.8
Accounts receivable and other receivables	0.4	0.4
Cash and cash equivalents	0.3	0.3
Assets, total	0.7	1.6
Deferred tax liabilities		0.2
Interest-bearing liabilities	0.0	0.0
Accounts payable and other payables	0.4	0.4
Liabilities, total	0.4	0.6
Net assets	0.3	1.0
Group's share of net assets of acquired companies		1.0
Goodwill arising from acquisition		5.0
Acquisition price (paid in cash)		5.9
Cash and cash equivalents of acquired subsidiaries or businesses		0.3
Impact on cash flow		5.6

The fair values entered on intangible assets in the integration relate primarily to trademarks and customer agreements.
The goodwill arising from these acquisitions totalled M€ 5.0. Contributory factors were the synergies related to these businesses expected to be realized, and the possibility to expand business operations into new markets.
The year's operating profit of the operations acquired for the segment was M€ 0.3 from the acquisition date.

In the case of the customer agreements, the fair values are based on the estimated duration of the customer relationships and the discounted net cash flows generated by existing customers. The fair value of the trademarks is based on the estimated discounted royalty payments avoided by virtue of owning these trademarks. In determining the fair value, an estimated reasonable royalty percent has been used based on market factors and which an external party would be willing to pay for a licence agreement.
The year's operating profit of all the acquired businesses from the date of acquisition was M€ 0.7.
Net sales of continuing operations would have been an estimated M€ 308.3 and the operating profit M€ 49.8, assuming the acquisitions had taken place at the beginning of 2006.

3. NET SALES

	2006	2005
Distribution of net sales between goods and services		
Sales of goods	127.5	121.1
Sales of services	174.4	164.8
Ne sales (continuing operations), total	301.9	285.9

In this specification, sales of goods comprises newspaper circulation sales, printing contract sales and book sales. Sales of services comprises advertisement sales and distribution services as well as sales of Marketplaces in its entirety.

4. OTHER OPERATING INCOME

	2006	2005
Gains on sale of property, plant and equipment	4.6	0.7
Gains on sale of intangible assets	0.2	1.1
Other	0.6	3.4
other operating income, total	5.4	5.2
Specification of other major operating income items:		
Gain on disposal of properties in Tampere and Kemi	4.2	
Compensation paid by Edita Oyj on Acta Print dispute as ordered by court of arbitration		1.2
Gain recognized on sale of NWS business		1.2
Impact on privileged share issue in associated company Talentum		0.8

5. MATERIALS AND SERVICES

	2006	2005
Purchases during period	21.0	19.8
Change in inventories	-0.2	0.1
Materials, goods and supplies	20.8	19.9
External services	71.1	68.3
Total	92.0	88.2

6. RESEARCH AND DEVELOPMENT COSTS

The Group's research and development costs in 2006 totalled M€ 1.7 (M€ 3.1 in 2005). Of this total, M€ 0.5 (M€ 3.1) was charged to the income statement and M€ 1.2 was capitalized to the balance sheet in 2006. There were no capitalized research and development costs in the balance sheet of the comparison year 2005.

7. EXPENSES ARISING FROM EMPLOYEE BENEFITS

	2006	2005
Salaries and fees	85.9	85.2
Pension costs - defined contribution plans	13.9	13.3
Pension costs - defined benefit plans	0.2	0.2
Approved stock options to be settled in shares	0.3	
Approved share schemes to be settled in cash		0.5
Other personnel expenses	5.4	5.6
Total	105.7	104.7
Average total workforce, calculated as full-time employees, excl. distribution staff:		
Newspapers	1 220	1 203
Kauppalehti group	496	418
Marketplaces	111	108
Other	74	78
Continuing operations, total	1 901	1 807
Additionally, Group's own distribution staff (number of employees)	857	900
Discontinued operations, average number of employees		432

Salaries and fees to management:

Parent company presidents:
(in 2006 Kai Telanne, in 2005 Kai Telanne and Juho Lipsanen)

	2006	2005
Salaries and other short-term employee benefits	0.4	0.8
Termination benefits		0.6
Post-employment benefits	0.0	0.0
Benefit generated by exercise of options (options to personnel)		1.1
Approved stock options to be settled in shares	0.0	
Approved share schemes to be settled in cash		0.0
	0.5	2.6

The figures in the table are actual payments. In 2006 the salary and benefits paid to the President and CEO totalled € 446,014.

Other members of the Group Executive Team:

	2006	2005
Salaries and other short-term employee benefits	1.6	1.5
Termination benefits		
Post-employment benefits	0.1	0.1
Benefit generated by exercise of options (options to personnel)		1.3
Approved stock options to be settled in shares	0.1	
Approved share schemes to be settled in cash		0.1
	1.8	3.0

The figures in the table are actual payments. In 2006 the salary and benefits paid to the other members of the Group Executive Team totalled € 1,721,629.

Other Group presidents (not in Group Executive Team)

	2006	2005
Salaries and other short-term employee benefits	1.5	1.9
Termination benefits		0.4
Post-employment benefits	0.0	0.0
Benefit generated by exercise of options (options to personnel)		0.3
Approved stock options to be settled in shares	0.1	
Approved share schemes to be settled in cash		0.1
	1.6	2.8

The figures in the table are actual payments. In 2006 the salary and benefits paid to other Group presidents totalled € 1,556,044.

Board of Directors of Alma Media Corporation and fees paid to its members:
(2005 figures also include fees paid during existence of Almanova Corporation), figures in thousands of euros

Kari Stadigh	Chairman (Alma Media and Almanova)	47	34
Matti Kavetvuo	Deputy chairman (Alma Media and Almanova)	37	27
Lauri Helve	Member (Alma Media and Almanova)	28	23
Matti Häkkinen	Member (Alma Media and Almanova)	29	23
Kari Seikku	Member (Alma Media)	26	
Harri Suutari	Member (Alma Media and Almanova)	31	23
Bengt Braun	Chairman (former Alma Media)		20
Daniel Sachs	Member (former Alma Media)		20
		196	170

The figures in the table are actual payments.

Salaries and fees to management, total, M€	4.1	8.5

The president of the parent company has the right to retire on reaching 60 years of age. His pension is 60 % of his salary
The period of notice salary is 6 months, and additional 12-month basic salary if the employer terminates his contract without the President being in breach of contract. The latter is not paid if the President himself resigns.

The members of the Board of Directors, the president of the parent company and the other members of the Group Execu Team together held 1,494,755 of the company's shares on 31 December 2006, representing 2.0 % of the total number of shares and votes. The members of the Board of Directors, the president of the parent company and the other members of the Group Executive Team held altogether 260,000 options under the 2006 option A plan on 31 December 2006. These option rights entitle their holders to subscribe for at most 260,000 new shares in the company. The option rights and shares owned by the members of the Board of Directors, the president of the parent company and the members of the Group Executive Team represent 2.3 % of the total number of shares and votes.

The individual holdings of Alma Media shares and option rights are as follows *:

		Shares	Options
Kari Stadigh	Chairman	10 260	0
Lauri Helve	Member	60 240	0
Matti Häkkinen	Member	1 260 420	0
Matti Kavetvuo	Member	8 480	0
Kari Seikku	Member	0	0
Harri Suutari	Member	81 188	0
Kai Telanne	President	20 339	80 000
Matti Apunen	Group Executive Team	4 339	25 000
Teemu Kangas-Kärki	Group Executive Team	20 000	40 000
Kari Kivelä	Group Executive Team	0	40 000
Juha-Petri Loimovuori	Group Executive Team	150	10 000
Raimo Mäkilä	Group Executive Team	25 000	40 000
Minna Nissinen	Group Executive Team	4 339	25 000
		1 494 755	260 000

* Figures include holdings of entities under their control as well as holdings of related parties.

8. OTHER OPERATING EXPENSES

Specification of other operating expenses by business:	2006	2005
Information technology and telecommunication	10.2	8.1
Business premises	9.3	10.4
Other costs	30.8	26.7
Total	50.4	45.3

9. FINANCIAL INCOME AND EXPENSES

	2006	2005
Financial income		
Interest income on investments held to maturity	1.9	8.8
Dividend income on other non-current investments	0.2	0.2
Total	2.1	9.1
Financial expenses		
Interest costs		
Interest costs from finance leases	-1.1	-1.1
Interest costs from other interest-bearing debt	-1.4	-3.2
Foreign exchange gains and losses		
Other financial costs	0.0	-1.9
Total	-2.6	-6.3
Financial income and expenses, total	-0.5	2.7

10. INCOME TAX

	2006	2005
Tax based on taxable income for the period	12.2	12.4
Tax from previous periods	0.1	-0.1
Deferred taxes	0.3	-1.8
Total	12.5	10.5

Reconciliation of tax expense in income statement and tax calculated on Finnish tax rate:
The Finnish corporate tax rate in 2006 and 2005 was 26 %.

	2006	2005
Income before tax	49.9	49.6
-Share of associated companies' result	-1.2	-4.5
	48.6	45.1
Tax calculated on the parent company's tax rate	12.6	11.7
Impact of varying tax rates of foreign subsidiaries	-0.1	-0.1
Tax-free income		-0.3
Non-tax-deductable expenses	0.2	0.2
Items from previous periods	0.1	-0.1
Use of previously non-entered deferred tax assets	-0.5	-0.2
Recognition in balance sheet of previously non-entered deferred tax assets *	0.2	-0.7
Other items		0.1
Tax shown in the income statement	12.5	10.5

* based on re-evaluation of usability of deferred tax assets

The M€ 324.5 capital gain on the Broadcasting disposal included in "Income from discontinued operations" in the 2005 income statement is treated as tax-free income for taxation purposes.

11. DISCONTINUED OPERATIONS

The Group sold its Broadcasting business segment in spring 2005. The table below shows the divested segment's share of the Group's net sales, result and cash flows:

	1.1. - 30.4.2005
Net sales	67.2
Operating expenses	-63.5
Operating income	3.7
Net financial items	-1.3
Share of result in associated company	0.1
Income before tax	2.5
Tax	-1.1
Income after tax	1.4

The Group entered a capital gain of M€ 324.5 on the divestment of its Broadcasting business

Cash flow from operating activities	-1.3
Cash flow from investing activities *	383.2
Cash flow from financing activities *	81.6
Cash flow, total	463.5

* also includes cash flow, M€ 460, received on divestment of the Broadcasting business

12. NON-CURRENT ASSETS AVAILABLE FOR SALE

The sale, at the beginning of 2007, of the property used by Lapin Kansa in Rovaniemi is treated as a non-current asset for sale in the 2006 annual accounts.

13. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing income for the period belonging to the parent company's owners by the weighted average number of shares in the period. Diluted earnings per share is calculated by dividing the income for the period belonging to the parent company's owners by the weighted average number of diluted shares during the peri

When calculating the number of shares in the comparison period, 2005, and when applying the reverse acquisition method to Almanova and Alma Media Group, the number of shares outstanding has been determined from the beginning of the period to the acquisition date using the number of shares that Almanova Corporation had offered to the shareholders of the old Alma Media. The number of shares after the acquisition is the true number of shares outstanding in Almanova. Furthermore, these share amounts are adjusted to take account of the changes in the number of shares of the old Alma Media during 2005.

Parent company owners' income in the period, continuing operations	37.0	38.9
Parent company owners' income in the period, discontinued operations	0.0	325.7
Number of shares (x 1000)		
Weighted average number of outstanding shares	74 613	74 474
Impact of issued share options calculated as number of shares	0	0
Diluted weighted average number of outstanding shares	74 613	74 474
EPS, continuing operations, basic	0.50	0.52
EPS, continuing operations, diluted	0.50	0.52
EPS, discontinued operations, basic	0.00	0.00
EPS, discontinued operations, diluted	0.00	0.00

14. INTANGIBLE ASSETS AND GOODWILL

Financial year 2005	Intangible rights	Other intangible assets	Advance payments	Goodwill	Total
Acquisition cost 1.1.	110.3	2.7	0.9	18.7	132.7
Increases	16.6	1.1	0.2	3.8	21.7
Decreases	-113.3	-0.4	-0.1	-3.5	-117.2
Transfers between items	0.8		-0.8		0.0
Acquisition cost 31.12.	14.4	3.4	0.2	19.0	37.2
Acc. depreciation, amortization and impairm	52.1	0.7			52.8
Acc. depreciation in decreases and transfer	-64.3	-0.4			-64.7
Depreciation in period	21.8	0.8			22.6
Writedowns				0.2	0.2
Accumulated depreciation 31.12.	9.6	1.1	0.0	0.2	10.9
Book value 1.1.	58.2	2.0	0.9	18.7	79.9
Book value 31.12.	4.9	2.3	0.2	18.9	26.3

Financial year 2006	Intangible rights	Other intangible assets	Advance payments	Goodwill	Total
Acquisition cost 1.1.	14.5	3.4	0.2	19.0	37.2
New companies	0.1				0.1
Increases	3.8	0.7	0.3	11.2	16.0
Decreases	-1.2	-0.2	-0.1		-1.4
Exchange rate differences				0.1	0.1
Transfers between items	0.1				0.1
Acquisition cost 31.12.	17.3	3.9	0.5	30.4	52.1
Acc. depreciation, amortization and impairm	9.6	1.1		0.2	10.9
Acc. depreciation in decreases and transfer	-0.9	-0.2			-1.1
Depreciation in period	2.0	0.4			2.4
Writedowns					0.0
Accumulated depreciation 31.12.	10.8	1.3	0.0	0.2	12.2
Book value 1.1.	4.9	2.3	0.2	18.9	26.3
Book value 31.12.	6.5	2.7	0.5	30.2	39.9

Intangible assets include assets purchased through finance leases as follows:

Financial year 2005	Intangible rights	Advance payments	Total
Acquisition cost	1.5	0.8	2.3
Acc. depreciation 1.1.	-0.5		-0.5
Increases/Decreases	0.1	-0.8	-0.7
Depreciation in period	-0.4		-0.4
Book value	0.7	0.0	0.7

Financial year 2006	Intangible rights	Advance payments	Total
Acquisition cost	1.6		1.6
Acc. depreciation 1.1.	-0.9		-0.9
Increases/Decreases	0.0		0.0
Depreciation in period	-0.2		-0.2
Book value	0.5	0.0	0.5

The book value of intangible assets includes intangible rights totalling M€ 1.3 which are not depreciated; instead these rights are tested annually for impairment. These assets, which have an indefinite economic impact, are trademarks recognized at fair value by the Group at the time of acquisition. These non-depreciated intangible rights are allocated to the cash-generating units as follows:

	31.12.2006	31.12.2005
Kauppalehti 121	0.4	
Alma Media Lehdentekijät	0.1	
Kauppalehti group, total	0.5	0.0
Homes and business premises	0.8	
Marketplaces, total	0.8	0.0
Group, total	1.3	0.0

Allocation of goodwill to cash-generating units

A significant amount of goodwill has been allocated to the following cash-generating units:	31.12.2006	31.12.2005
Aamulehti	0.0	0.0
Kainuun Sanomat	2.3	2.3
Lapin Kansa	2.5	2.5
Northern Newspapers	1.0	1.0
Satakunnan Kansa	4.1	4.1
Local Newspapers group	1.3	1.1
Newspapers group, total	11.2	11.0
Baltic News Service	0.8	0.8
Kauppalehti	3.3	3.3
Kauppalehti 121	5.2	
Alma Media Lehdentekijät	3.1	2.0
Kauppalehti group, total	12.4	6.1
Homes and business premises	6.2	1.3
Vehicles and heavy machinery	0.3	0.3
Marketplaces, total	6.5	1.6
Units allocated an insignificant amount of goodwill	0.1	0.1
Goodwill, total	30.2	18.9

No impairment losses were recorded in the financial year 2006. In 2005 a goodwill impairment loss of M€ 0.2 was entered in the Marketplaces segment.

In testing for impairment of goodwill and intangible rights, the recoverable amount is the value in use. Estimated cash flows determined in the test are based on the Group's strategic forecasts for the following three years confirmed by the company's management and Board of Directors. The years following this period are estimated by extrapolation, taking into account the business cycle. In addition to general economic factors, the main assumptions and variables used when determining cash flows are the forecast growth of media sales in different market segments and estimated growth of newspaper circulations. Goodwill allocated to new business areas, and goodwill arising from recent acquisitions, are more sensitive to impairment testing and therefore more likely to be subject to an impairment loss when the aforementioned main assumptions change. Based on a sensitivity analysis, the tested goodwill and intangible rights were not critical. A discount rate of 8.5 % (interest rate before taxes) has been used. The interest rate is based on the weighted average yield set for shareholders' equity and liabilities.

15. PROPERTY, PLANT AND EQUIPMENT

Financial year 2005	Land and water areas	Buildings and structures	Machinery and equip.	Other tangible assets	Advance payments and purchases in progress	Total
Acquisition cost 1.1.	3.5	65.9	132.8	15.4	0.7	218.3
Increases		0.2	5.4	0.3	1.0	6.9
Decreases	-0.3	-14.5	-66.5	-11.7	-0.6	-93.6
Transfers between items			0.1		-0.1	0.0
Acquisition cost 31.12.	3.2	51.6	71.8	4.0	1.0	131.6
Acc. depreciation, amortization and impairments 1.1.		24.6	95.3	11.3		131.2
Depreciation in period		2.0	6.6	0.4		9.0
Decreases		-4.2	-55.1	-10.0		-69.2
Acc. depreciation, amortization and impairr	0.0	22.4	46.8	1.8	0.0	71.0
Book value 1.1.	3.5	41.4	37.5	4.1	0.7	87.1
Book value 31.12.	3.2	29.2	25.0	2.2	1.0	60.6
Book value of machinery and equipment			24.2			

Financial year 2006	Land and water areas	Buildings and structures	Machinery and equip.	Other tangible assets	Advance payments and purchases in progress	Total
Acquisition cost 1.1.	3.2	51.6	71.8	4.0	1.0	131.6
New companies			0.3			0.3
Increases		0.1	3.3	0.9	0.3	4.6
Decreases	-0.8	-6.3	-8.8	-0.3	-0.1	-16.3
Transfers between items	0.0	-1.2	1.0		-1.0	-1.2
Acquisition cost 31.12.	2.4	44.2	67.6	4.6	0.2	119.0
Acc. depreciation, amortization and impairments 1.1.		22.4	46.8	1.8		71.0
New companies		0.0	0.1	0.1		0.2
Accumulated depreciation in decreases and transfers		-3.0	-8.5			-11.5
Depreciation in period		1.7	5.3	0.4		7.4
Writedowns		0.0	0.1			0.1
Acc. depreciation, amortization and impairr	0.0	21.2	43.8	2.3	0.0	67.2
Book value 1.1.	3.2	29.2	25.0	2.2	1.0	60.6
Book value 31.12.	2.4	23.0	23.7	2.4	0.2	51.7
Book value of machinery and equipment			23.0			

Property, plant and equipment includes assets purchased through finance leases as follows:

Financial year 2005	Land and water areas	Buildings and structures	Machinery and equip.	Other tangible assets	Advance payments and purchases in progress	Total
Acquisition cost		17.4	8.0		0.1	25.5
Accumulated depreciation 1.1.		-3.4	-1.6			-5.0
Increases/Decreases			0.9		-0.1	0.8
Depreciation in period		-1.0	-1.2			-2.1
Book value	0.0	13.0	6.2	0.0	0.0	19.2

Financial year 2006	Land and water areas	Buildings and structures	Machinery and equip.	Other tangible assets	Advance payments and purchases in progress	Total
Acquisition cost		17.4	8.9			26.3
Accumulated depreciation 1.1.		-4.3	-2.7			-7.0
Increases/Decreases		0.0	1.4			1.4
Depreciation in period		-1.0	-1.6			-2.6
Book value	0.0	12.1	6.0	0.0	0.0	18.0

16. INVESTMENT PROPERTIES

	31.12.2006	**31.12.2005**
Acquisition cost 1.1.	6.2	6.2
Increases	0.0	0.0
Decreases	-6.2	0.0
Acquisition cost 31.12.	0.0	6.2
Accumulated depreciation, amortization and impairments 1.1.	3.7	3.5
Accumulated depreciation in decreases and transfers	-3.8	0.0
Depreciation in period	0.1	0.1
Accumulated depreciation, amortization and impairments 31.12.	0.0	3.7
Book value 1.1.	2.6	2.7
Book value 31.12.	0.0	2.6

	2006	**2005**
Rental income from investment properties	0.4	0.5
Maintenance expenses of investment properties	0.1	0.3
Fair values of investment properties	0.0	6.3

17. SUBSIDIARY COMPANIES

Company	Registered office	Holding %	Share of votes %
Aamujakelu Oy	Tampere, Finland, Finland	100.00	100.00
Agentura BNS SIA	Riga, Latvia	100.00	100.00
Alma Media Interactive Oy	Helsinki, Finland	100.00	100.00
Alma Media Interactive Russia Oy	Helsinki, Finland	77.00	77.00
Alma Media Lehdentekijät Oy	Helsinki, Finland	100.00	100.00
Alma Media Palvelut Oy	Helsinki, Finland	100.00	100.00
Alpress Oy	Tampere, Finland	100.00	100.00
Arctic Press Oy	Rovaniemi, Finland	100.00	100.00
@Apartament SP.z.o.o	Warsaw, Poland	70.00	70.00
AS Autoinfo.ee	Tallinn, Estonia	90.00	90.00
AS Kinnisvaraportaal	Tallinn, Estonia	100.00	100.00
Balti Uudistetalituse AS	Tallinn, Estonia	100.00	100.00
BNS Eesti OÜ	Tallinn, Estonia	100.00	100.00
BNS Latvija SIA	Riga, Latvia	99.97	99.97
BNS UAB	Vilnius, Lithuania	99.93	99.93
Bovision AB	Stockholm, Sweden	100.00	100.00
ETA Uudistetalituse OÜ	Tallinn, Estonia	100.00	100.00
Etuovi Oy	Helsinki, Finland	100.00	100.00
Kainuun Sanomat Oy	Kajaani, Finland	100.00	100.00
Karenstock Oy	Helsinki, Finland	100.00	100.00
Kauppalehti Oy	Helsinki, Finland	100.00	100.00
Kauppalehti 121 Oy	Espoo, Finland	100.00	100.00
Kiint. Oy Liike- ja Autokulma	Rovaniemi, Finland	79.20	79.20
Kiinteistöalan Tietopalvelut R.E.I Oy	Espoo, Finland	90.00	90.00
Kustannus Oy Aamulehti	Tampere, Finland	100.00	100.00
Kustannus Oy Otsikko	Tampere, Finland	100.00	100.00
Kustannusosakeyhtiö Iltalehti	Helsinki, Finland	100.00	100.00
Kustannusosakeyhtiö Uusi Suomi	Vantaa, Finland	100.00	100.00
Lapin Kansa Oy	Rovaniemi, Finland	100.00	100.00
Marcenter Oy	Tampere, Finland	100.00	100.00
Mediaskopas	Tallinn, Estonia	100.00	100.00
Monster Oy	Helsinki, Finland	75.00	75.00
Motors24.lv SIA	Riga, Latvia	90.00	90.00
Objektvision AB	Stockholm, Sweden	100.00	100.00
Osakeyhtiö Harjavallan Kustannus	Harjavalta, Finland	100.00	100.00
Pohjolan Sanomat Oy	Kemi, Finland	100.00	100.00
Porin Sanomat Oy	Pori, Finland	100.00	100.00
Satakunnan Kirjateollisuus Oy	Pori, Finland	100.00	100.00
SIA City24	Riga, Latvia	95.08	95.08
Suomalainen Lehtipaino Oy	Helsinki, Finland	100.00	100.00
Suomen Business Viestintä SBV Oy	Helsinki, Finland	100.00	100.00
Suomen Paikallissanomat Oy	Tampere, Finland	100.00	100.00
TOB Citi 24	Kiev, Ukraine	70.00	70.00
UAB City24	Vilnius, Lithuania	99.88	99.88

18. HOLDINGS IN ASSOCIATED AND JOINT VENTURE COMPANIES

Holdings in associated companies	**31.12.2006**	**31.12.2005**
At start of period	40.4	102.3
Increases		3.4
Decreases		-71.0
Share of results	1.2	4.6
Share of items recognized directly in associated company's equity	-0.1	0.8
Impact of privileged share issue by associated company Talentum		0.9
Dividends received	-6.1	-2.2
Transfers between items	-3.3	1.7
At end of period	32.1	40.4

Further information on associated companies
The Group entered a writedown on the associated company Acta Print totalling M€ 0.4 (M€ 1.6) in the 2006 accounts, which is allocated in its entirety to receivables from associated companies.

The Group's share of associated company results in 2005 includes the impact of discontinued operations on their results, M€ 3.5, which the companies themselves have determined. This figure comprises Satama Interactive Oyj, divested by Talentum Oyj.
Talentum Oyj, included in the book value of associated companies at 31 December 2006, is a public listed company.
The carrying value of the Talentum Oyj shares in Alma Media's consolidated financial statements at 31 December 2006 is M€ 28.5 and its market capitalization was M€ 19.7 (M€ 22.8).

During 2006 the Group acquired the outstanding 51 % of Kauppalehti 121 Oy, which thus became a wholly owned subsidiary.
Goodwill arising from associated companies totalled M€ 19.7 (M€ 22.8) at 31 December 2006.

	31.12.2006	**31.12.2005**
Book value of shares, total	32.1	40.4
Receivables from associated companies	4.6	5.1
Liabilities to associated companies	0.1	
Summary (100%) of associated company totals		
Aggregate assets of associated companies *	136.0	136.9
Aggregate liabilities of associated companies *	79.5	74.2
Aggregate net sales of associated companies *	209.5	300.1
Aggregate profit/loss of associated companies *	4.2	15.5

* the figures for the associated companies in 2005 apply to continuing operations in the period 1.1 - 31.12.2005 and to discontinued operations in the period 1.1 - 30.4.2005.

Associated companies	Holding %	Share of votes %
Acta Print Oy	36.00	36.00
Ahaa Sivunvalmistus Oy	20.00	20.00
Holding Oy Visio	24.74	24.74
Oy Suomen Tietotoimisto - Finska Notisbyrån Ab	28.20	28.20
Talentum Oyj	29.85	29.85
Tampereen Tietoverkko Oy	35.14	35.14
Jämsänjokilaakson Paikallisviestintä Oy	49.00	49.00
Kytöpirtti Oy	43.20	43.20
Nokian Uutistalo Oy	36.90	36.90

Joint venture companies
The Group treats as joint venture companies its mutual property and housing companies. The joint venture companies are consolidated using the proportionate consolidation method in accordance with IAS 31.

Group's share of balance sheets and results of joint venture companies:

Non-current assets	4.3	5.1

19. OTHER LONG-TERM INVESTMENTS	**31.12.2006**	**31.12.2005**
Non-listed shares	3.9	4.0

Other long-term investments are recognized at acquisition cost.

20. OTHER RECEIVABLES - NON-CURRENT ASSETS

	Book values 31.12.2006	Fair values 31.12.2006	Book values 31.12.2005	Fair values 31.12.2005
Receivables from associated companies				
Loan receivables	4.6	4.6	5.0	5.0
Other receivables			-	-
	4.6	4.6	5.0	5.0
Receivables from others				
Loan receivables	0.1	0.1	0.2	0.2
Other long-term receivables	0.1	0.1	-	-
	0.2	0.2	0.2	0.2
Other receivables, total	4.8	4.8	5.3	5.3

21. INVENTORIES

	31.12.2006	31.12.2005
Materials and supplies	1.6	1.4
Finished goods	0.1	0.2
Total	1.8	1.6

A M€ 0.1 writedown on inventories was entered in the 2006 accounts and allocated under book inventories (finished goods)

22. ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	31.12.2006	31.12.2005
Accounts receivable	26.0	20.1
Receivables from associated companies		
Accounts receivable	0.0	0.0
Loan receivables		
Prepaid expenses and accrued income		
Other income	0.0	
Total	0.0	0.0
Receivables from others		
Loan receivables	0.1	0.2
Prepaid expenses and accrued income	2.5	3.5
Other receivables	0.2	1.6
	2.8	5.3
Receivables, total	28.8	25.4

The book values of accounts receivable, other receivables (both current and non-current) and other short-term investments specified in the next note are estimated to correspond with their fair values. The effect of discounting is not material.

23. OTHER SHORT-TERM INVESTMENTS

	31.12.2006	31.12.2005
Investments held to maturity	2.4	1.8
Total	2.4	1.8

24. CASH AND CASH EQUIVALENTS	31.12.2006	31.12.2005
Cash and bank accounts	6.4	26.6
Investment certificates (1-3 months)	21.8	43.0
Total	28.2	69.6

The book values of cash reserves are estimated to correspond with their fair values.

25. INFORMATION ON SHAREHOLDERS' EQUITY

The following describes information of Alma Media shares and changes in 2006.

	Total number of shares	Share capital M€	Share premium fund M€
31.12.2005	74 612 523	44.8	42.4
Capital repayment 23.8.2006			- 39.5
31.12.2006	74 612 523	44.8	2.8

The company has one share series and all shares confer the same voting rights, one vote per share.
The shares have no par value.
The company's share capital is minimum € 80,000 and maximum € 700,000,000,
within which limits the share capital may be raised or lowered without amending the articles of association.

Book-entry securities system
The company's shares belong to the book-entry system. Only such shareholders shall have the right to receive distributable funds from the company, and to subscribe for shares in conjunction with an increase in the share capital, 1) who are listed on the record date as shareholders in the shareholders' register; or 2) whose right to receive payment is recorded on the record date in the book-entry account of a shareholder listed in the shareholders' register, and this right is entered in the shareholders' register; or 3) whose shares, in the case of nominee-registered shares, are registered in their book-entry account on the record date and, as required by §28 of the Book-Entry Securities Act, the respective manager of the shares is listed on the record date in the shareholders' register as the manager of the said shares. Shareholders whose ownership is registered in the waiting list on the record date shall have the right to receive distributable funds from the company, and the right to subscribe for shares in conjunction with an increase in the share capital, who are able to furnish evidence of ownership on the record date.

Own shares
The Group did not hold any of the company's own shares in 2006 or 2005.

Translation differences
The translation differences fund comprises the exchange rate differences arising from the translation into euros of the financial statements of the independent foreign units.

Revaluation fund
The revaluation fund comprises the changes in fair values of the investments available for sale.

Retained earnings
The retained earnings of the Group's parent company on 31 December 2006 totalled € 69,461,629.

26. SHARE-BASED PAYMENTS

The bond with warrants scheme launched at the Annual General Meeting in 1999 for company employees ended in summer 2005.

The Annual General Meeting held on 8 March 2006 decided on a new stock option scheme under which at most 1,920,000 options would be granted and these may be exercised to subscribe for at most 1,920,000 Alma Media shares with a book counter-value of 0.60 euros per share. This scheme forms part of the company's plan for motivating its senior management and ensuring their long-term commitment to the company. Of the total number of options, 640,000 were marked 2006A, 640,000 were marked 2006B and 640,000 were marked 2006C. Should all the options be exercised, the scheme would dilute the holdings of the previous shareholders by 2.5 %.
Share subscription periods:
for stock options 2006A 1.4.2008 - 30.4.2010,
for stock options 2006B 1 April 2009 - 30 April 2011, and
for stock options 2006C 1 April 2010 - 30 April 2012.

As authorized by the AGM, the Board of Directors has so far granted 515,000 of the 2006A options to a total of 18 executives. The share subscription price under the A options, 7.66 euros per share, was determined by the trade weighted average share price in public trading between 1 April and 31 May 2006. The subscription price of the 2006A options was reduced by the amount of capital repayment in 2006, i.e. by 0.53 euros per share, to 7.13 per share. The vesting period for the options ends and the share subscription period begins on 1 May 2008. The remaining A options, as well as all the B and C options have been issued to the Group's subsidiary, Marcenter Oy, which can grant them later at the time and in the manner decided by the Board of Directors.

The stock option plan is entered in the accounts as required by IFRS 2 - Share-Based Payments.
The option rights granted are measured at their fair value at the grant date using the Forward Start Option Rubinstein (1990) model based on the Black & Scholes pricing model and expensed in the income statement under personnel expenses over the vesting period. An expense of M€ 0.3 was entered in the 2006 accounts. The expected volatility has been determined by calculating the historical volatility of the company's share price, which includes the volatility of the shares of the previous Alma Media Corporation.

Specification of option rights

			Share subscription period		Period determining subscription price		
Options	Number	Free	begins	ends	trade volume weighted average share price)		
2006A	640 000	190 000	01.04.2008	30.04.2010	1.4.2006	-	31.5.2006
2006B	640 000	640 000	01.04.2009	30.04.2011	1.4.2007	-	31.5.2007
2006C	640 000	640 000	01.04.2010	30.04.2012	1.4.2008	-	31.5.2008

The share subscription prices will be reduced by the amount of dividend per share and capital payment per share decided after the period for determination of the share subscription price but before share subscription.

Principal terms and conditions (A options):

Grant date	26 April 2006
Number of options granted	515,000 options
Subscription price	7.13 euros
(reduced by capital repayment of 0.53 euros per share after the grant date)	
Share subscription price at grant date	7.66 euros
Total duration of option scheme	1,496 days
Expected volatility	30 %
Vesting period	736 days
Risk-free interest rate	3.50 %
Payment method	as shares
Expected personnel reductions	0 %
Expected dividend yield	0 %
Value of option at grant date	1.526 euros/share, total M€ 1.0 (A scheme, 640,000 options)
Value pricing model	Black & Scholes (Forward Start Option, 1990 Rubinstein)

The option rights are granted on condition that the person receiving the options pledges to subscribe for shares corresponding to at least 25 % of the gross value of the options granted to him/her when the options are sold and to refrain from selling the subscribed shares for at least one year from the end of the share subscription period for each option right in question.

Should the option holder's work or employment contract with Alma Media end for reasons other than the death or retirement, as determined by the company, or permanent work disability of the option holder, or for another reason determined by the Board of Directors and independent of the option holder, the option holder shall return to the company without consideration such option certificates for whic the share subscription period has not begun on the date on which his/her work or employment contract ended. Altogether 65,000 options were returned to the company during 2006 as a result of the termination of employment contracts.

The option rights may be freely transferred when the share subscription period that applies to them has commenced. Before the share subscription period for the options in question has commenced, option rights may only be transferred with the consent of the Board of Directors.

Changes during option period

	2006	**2005**
Number of options		
At start of financial year	0	599 900
Number of new options granted	515 000	0
Number of options forfeited	-65 000	0
Number of options exercised	0	-511 024
Cancelled / nullified options	0	-88 876
At end of financial year	450 000	0

The share and option holdings of the company's senior management are detailed in Note 7, Expenses Arising from Employee Benefits.

27. DEFERRED TAX ASSETS AND LIABILITIES

Changes in deferred taxes during 2005:

	31.12.2004	Entered in income statement	Entered under equity	Acquired / sold subsidiaries	31.12.2005
Deferred tax assets:					
Provisions	0.9	0.4		-0.2	1.1
Pension benefits	0.2	0.0		0.0	0.1
Deferred depreciation	1.4	0.4		-0.8	1.0
Sale and lease-back agreement	2.6	0.0		0.0	2.6
Other items	0.4	0.0		0.0	0.4
Total	5.5	0.8	0.0	-1.0	5.2
Taxes, net	-0.5				-0.5
Deferred tax assets in balance sheet	5.0				4.8
Deferred tax liabilities:					
Accumulated depreciation differences	2.8	-0.5		-1.4	0.9
Fair value measurement of property, plant and equipment and intangible assets in business combinations	0.3	0.0			0.3
Other items	1.0	-0.2		0.0	0.8
Total	4.1	-0.7	0.0	-1.4	2.0
Taxes, net	-0.5				-0.5
Deferred tax liabilities in balance sheet	3.5				1.5
Deferred tax, net	1.4	1.5		0.4	3.3

Changes in deferred taxes during 2006:

	31.12.2005	Entered in income statement	Entered under equity	Acquired / sold subsidiaries	31.12.2006
Deferred tax assets:					
Provisions	1.2	-0.6			0.6
Pension benefits	0.1	0.0			0.1
Deferred depreciation	1.0	0.2			1.2
Sale and lease-back agreement	2.6	0.0			2.6
Other items	0.4	0.2			0.6
Total	5.2	-0.2	0.0	0.0	5.0
Taxes, net	-0.5				-0.9
Deferred tax assets in balance sheet	4.8				4.1
Deferred tax liabilities:					
Accumulated depreciation differences	0.9	-0.5			0.4
Fair value measurement of property, plant and equipment and intangible assets in business combinations	0.3	-0.1		0.7	0.9
Retained earnings of subsidiary companies	0.0	0.7			0.7
Other items	0.8	-0.1			0.7
Total	2.0	0.0	0.0	0.7	2.7
Taxes, net	-0.5				-0.9
Deferred tax liabilities in balance sheet	1.5				1.8
Deferred tax, net	3.3	-0.3		-0.7	2.3

No deferred tax asset has been calculated on the confirmed tax losses (M€ 0.6) of Group companies in 2006. Utilization of this tax asset requires that the normal operations of such companies would generate taxable income. The losses expire beween the years 2011 and 2015.

28. PENSION OBLIGATIONS

The Group has defined benefit pension plans, most of which consist of supplementary pension insurance plans for company executives. In addition the Group has defined benefit pension obligations based on the pension fund of the former Aamulehti Oy.

The defined benefit pension obligation in the balance sheet is determined as follows:	**31.12.2006**	**31.12.2005**
Present value of unfunded obligations at start of period	7.2	9.0
Service cost during period	0.2	0.4
Interest cost	0.3	0.4
Actuarial gains and losses		-1.0
Payments of defined benefit obligations	-0.5	-0.5
Adjustments		-0.4
Curtailments, sales of subsidiaries		-0.8
Present value of funded obligations at end of period	7.2	7.2
Fair value of plan assets at start of period	6.8	8.3
Expected return on plan assets	0.3	0.4
Actuarial gains and losses		-1.0
Incentive payments	0.2	0.4
Payments of defined benefit obligations	-0.5	-0.5
Adjustments		-0.2
Curtailments, sales of subsidiaries		-0.7
Present value of plan assets at end of period	6.8	6.8
Deficit / surplus	0.4	0.4
Unrecognized actuarial gains (-) and losses (+)	0.0	0.0
Unrecognized costs based on retroactive service	0.0	0.0
Defined benefit pension liabilities in the balance sheet	0.4	0.4

Time series of present value of obligations and fair value of plan assets	**31.12.2006**	**31.12.2005**	**31.12.2004**
Present value of funded obligations	7.2	7.2	9.0
Fair value of assets	-6.8	-6.8	-8.3
Deficit / surplus	0.4	0.4	0.7

The time series is shown exceptionally for three years only because the company adopted IFRS practice from 1 January 2004.
The plan assets are invested primarily in interest- and share-based instruments and they have an aggregate expected annual return of 4.5 %. A more detailed specification of the plan assets is not available.

The defined benefit pension expense in the income statement is determined as follows:	**1.1. - 31.12.2006**	**1.1. - 31.12.2005**
Service cost during period	0.2	0.4
Interest cost	0.3	0.4
Expected return on plan assets	-0.3	-0.4
Actuarial gains and losses	0.0	0.0
Losses /gains from plan curtailments	0.0	-0.2
	0.2	0.3 *

* Includes M€ 0.07 share from discontinued operations in 2005.

Changes in liabilities shown in balance sheet:	**31.12.2006**	**31.12.2005**
Start of period	0.4	0.6
Incentive payments paid	-0.2	-0.4
Pension expense in income statement	0.2	0.3
Divestments of subsidiaries	0.0	0.0
Defined benefit pension obligation in balance sheet	0.4	0.4

A similar investment is expected to be made in the plan in 2007 as in 2006.

Actuarial assumptions used:	**1.1. - 31.12.2006**	**1.1. - 31.12.2005**
Discount rate	4.5 %	4.5 %
Expected return on plan assets	4.5 %	4.5 %
Future salary increase assumption	3.5 %	3.5 %
Inflation assumption	2.0 %	2.0 %

Pension obligation in balance sheet	**31.12.2006**	**31.12.2005**
Defined benefit pension obligation in balance sheet	0.4	0.4
Other pension obligation in balance sheet	3.3	3.4
Pension obligation in balance sheet, total	3.6	3.8

29. PROVISIONS

	Restructuring provision	Loss-making contracts	Other provisions	Total
1.1.2006	0.7	0.2	0.2	1.0
Increase in provisions	1.4	0.1	0.3	1.8
Provisions employed	-0.2	-0.1	-0.2	-0.5
Reversals of unemployed provisions				
Impact of changes in discount rate				
31.12.2006	1.9	0.2	0.3	2.3
Current	1.8	0.1	0.3	2.2
Non-current	0.1	0.0	0.0	0.1

Restructuring provision: this provision has been made to cover implemented or possible personnel reductions in different companies and the costs arising from the divestment of the Broadcasting operation. The provision is expected to be realized in 2007 and 2008.

Loss-making agreements: mainly consists of rental commitments for unoccupied business premises. The provision will be realized in 2007 and 2008.

Other provisions: mainly for tax costs that might arise as a result of a tax inspection on the Group.

30. CONTINGENT ASSETS AND LIABILITIES

Ehdolliset velat

The Group has contingent liabliities totalling M€ 7.8. The tax authorities have issued a claim to correct the company's income tax for 2003
The tax authorities consider that the loss arising from Alma Media's disposal of the shares of its associated company Talentum to Kauppalehti Oy at the market price should not have been tax-deductable. At the end of 2006 (20 December 2006) the company was informed of a ruling by the Adjustments Board of the Corporate Taxation Centre to the effect that the Adjustments Board rejected the clai
by the tax authorities. The company did not know at the balance sheet date whether the tax authorities would appeal the ruling.
The company continues to believe that it is improbable that the claim will lead to additional tax consequences since the transaction was carried out at market prices for commercial reasons.

31. INTEREST-BEARING LIABILITIES

	Book values 31.12.2006	Fair values 31.12.2006	Book values 31.12.2005	Fair values 31.12.2005
Non-current:				
Finance lease liabilities	19.1	19.1	20.2	20.2
	19.1	19.1	20.2	20.2
Current:				
Loans from financial institutions			3.6	3.6
Medium-term notes			30.0	30.6
Other current interest-bearing debt	0.2	0.2	0.2	0.2
Finance lease liabilities	2.4	2.4	2.3	2.3
	2.6	2.6	36.2	36.8

The fair values in the table are based on discounted cash flows.

Non-current debt matures as follows:	31.12.2006	31.12.2005
2007		2.1
2008	2.1	1.6
2009	1.6	1.3
2010	1.3	1.1
2011	1.2	1.2
Later	12.9	12.9
	19.1	20.2

Interest-bearing non-current debt is divided by currency as follows:	31.12.2006	31.12.2005
€	19.1	20.2

Weighted averages of the effective tax rates for the interest-bearing non-current debt at 31 Dec. 2006 and 31 Dec. 2005:	1.1. - 31.12.2006	1.1. - 31.12.2005
Finance lease liabilities	5.5 %	4.5 %

Interest-bearing current debt is divided by currency as follows:	31.12.2006	31.12.2005
€	2.6	36.2

Weighted averages of the effective tax rates for the interest-bearing current debt at 31 Dec. 2006 and 31 Dec. 2005:	1.1. - 31.12.2006	1.1. - 31.12.2005
Loans to financial institutions		2.8 %
Medium-term notes		5.8 %
Finance lease liabilities	5.5 %	4.5 %

Maturity of finance leases

	31.12.2006	31.12.2005
Finance lease liabilities - total minimum lease payments:		
2006		4.1
2007	3.4	3.8
2008	3.5	2.9
2009	3.5	2.4
2010	3.5	2.1
2011	1.9	1.9
Later	14.9	16.7
	30.7	33.9
Finance lease liabilities - present value of minimum lease payments:		
2006		2.3
2007	2.4	2.1
2008	2.1	1.6
2009	1.6	1.2
2010	1.3	1.1
2011	1.2	1.2
Later	13.0	12.9
	21.5	22.6
Financial expenses accruing in the future	9.2	11.2

Financial risk management

Alma Media Corporation's risk management policy requires that the risk management strategy and plan, the control limits imposed and the course of action are reviewed annually. Risk management takes place through the risk management organization and process based on the company's risk management policy. The risk management process identifies the risks threatening the company's business, assesses and updates them, develops the necessary risk management methods, and regularly reports on the risks to the risk management organization. Risk management employs an online reporting system. Financial risk management is part of the Group's risk management policy. Alma Media categorizes its financial risks as follows:

Interest rate risk:
The interest rate risk describes how changes in interest rates and maturities related to various interest-bearing business transactions and balance sheet items could affect the Group's financial position, investment portfolio and net profit.
The impact of the interest rate risk on net profit can be reduced using interest rate swaps, interest forwards and futures, and interest and foreign exchange options. The Group had no open interest rate derivatives on the balance sheet date.

The Group's interest-bearing debt totalled M€ 21.7 at 31 December 2006, all of which carried a fixed coupon.
A one percentage point increase in the interest rate would increase the Group's financial expenses by M€ 0.2.

Foreign exchange risks:
Transaction risk:
The transaction risk describes the impact of changes in foreign exchange rates on sales, purchases and balance sheet items denominated in foreign currencies. The impact of changes in exchange rates on net profit in the currencies of most importance to the Group can be reduced by taking the following measures:
* Cash flows in the same currency are netted through a common foreign exchange account whenever the cost or benefit is significant
* Larger one-time payments (min. book countervalue of M€ 1), are always 100 % hedged over the following rolling 18-month period,
* At least 50 % of known continuous foreign currency cash flow (min. book countervalue of M€ 1) is always hedged over the following 18-month period.
The Group had no open foreign currency derivatives on the balance sheet date.

Translation risk:
A foreign exchange risk that arises when on the translation of foreign investments into the functional currency of the parent company. The risk associated with translating long-term net investments in foreign currencies is not hedged. However, should there be a clear risk of a currency falling in value, Group management can decide to hedge the company's foreign currency exposure. The foreign exchange risk arising from the translation of foreign investments is generally reduced by arranging financing in the same currency in which the investment was made, assuming that this is possible and economically viable.

Commodity risk:
The commodity risk refers to the impact of changes in the prices of commodities, e.g. raw materials, on the Group's net profit.
The Group regularly assesses its commodity risk exposure and hedges this risk employing generally used commodity derivatives whenever this is possible and economically viable.
A 1 % change in the price of paper would reduce the Group's operating profit by an estimated M€ 0.2. The Group had not open paper derivatives on the balance sheet date.
The values of these open derivatives are described in more detail in Note 34 to the consolidated financial statements.

Capital management risks
Liquidity management:
To secure its liquidity, Alma Media issues its own commercial papers if required via brokers, and hedges over-liquidity according to the plan laid down in its treasury policy. Liquidity is assessed daily and liquidity forecasts are drawn up at weekly, monthly and 12-month rolling intervals.

Financing of working capital:
To finance its working capital, Alma Media uses financial programmes (syndicated credit facilities, medium-term notes), as well as direct credit lines, bonds, and various products offered by financial companies (leases etc.).
The company had a M€100 commercial paper programme in Finland on the balance sheet date that allows the company to issue papers between M€ 0 and M€ 100.

Long-term capital funding:
To secure its long-term financing needs, Alma Media uses either capital market facilities or other especially long-term facilities. Examples are share issues, convertible bonds, notes and especially long direct credit lines.

Credit risk:
The following table details the maturities of the company's accounts receivable at 31 December 2006

Non-matured receivables and receivables maturing in 1-4 days	22.7
Maturing in 5-30 days	2.4
Maturing in 31-120 days	0.6
Maturing after 120 days	0.3
Accounts receivable, total	26.0

Company has not done any specific write downs for accounts receivable at 31 December 2006. There has not been realized any major bad debts during the years 2005 and 2006. Company evaluates regularly invoicing and credit risks for major customers.

32. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	31.12.2006	31.12.2005
Accounts payable	7.4	6.6
Owed to associated companies		
Accounts payable	0.1	0.0
Accrued expenses and prepaid income		
Accrued expenses and prepaid income	20.3	22.1
Other liabilities	6.1	6.1
Total	33.9	34.8

The book values of accounts payable and other liabilities are estimated to correspond with their fair values. The effect of discounting is not significant.

The main items in accrued expenses and prepaid income are allocated wages, salaries and other personnel expenses.

33. OTHER LEASES

	31.12.2006	31.12.2005
The Group as lessee:		
Minimum lease payments payable based on other non-cancellable leases:		
Within one year	6.1	4.7
Within 1-5 years	14.6	13.3
After 5 years	13.0	13.2
	33.8	31.3

The Group's companies largely operate in leased premises. Rental agreements vary in length from 6 months to 15 years.

	31.12.2006	31.12.2005
Purchase agreements under IFRIC 4 that contain another lease component, as described in IAS 17. Minimum payments payable based on these purchase agreements.	7.7	9.6
The Group as lessor:		
Minimum rental payments receivable based on other non-cancellable leases:		
Within one year	1.6	0.3
Within 1-5 years	3.0	
After 5 years		
	4.6	0.3

34. DERIVATIVE CONTRACTS

	31.12.2006	31.12.2005
Raw material derivatives (Paper Swap)		
Fair value *		0
Amount, tonnes		5 000
Value of underlying instrument		2.6
Share options		
Fair value *		0.8
Value of underlying instrument		2.2

* The fair value represents the return that would have arisen if the derivative positions had been cleared on the balance sheet dat
The fair values of foreign exchange forward contracts and raw material derivatives have been calculated using market values on the balance sheet date. Fair values of share options have been calculated using the option price model.

The company had no open derivative positions on the balance sheet date 31 December 2006.

35. COMMITMENTS AND CONTINGENCIES

	31.12.2006	31.12.2005
Collateral for others:		
Guarantees	0.0	2.2
Other commitments:		
Commitments based on agreements	0.1	0.2
	0.1	2.4

Alma Media has agreed with its financiers on covenants related to collateral for the Group's financial loans. The most important of these are an equity ratio pledge and a negative pledge.

36. RELATED PARTIES

Alma Media Group's related parties are its associated companies (see Note 18) and the companies that own them.

Related parties also include the company's management (Board of Directors, the Presidents and Group Executive Team). The employee benefits of management and other related party transactions between management and the company are detailed in Note 7.
In the 2005 financial period, related parties also included the following major owners of Alma Media Corporation (Almanova Corporation before 7 November 2005): Sampo Group for the period 27 January - 28 April 2005, the major owners of the old Alma Media - Bonnier & Bonnier AB (until 2 November 2005) - and Proventus Industrier AB (until 2 November 2005).

Sales of goods and services with inner circle members are based on the Group's prices in force at the time of transaction:

	1.1. - 31.12.2006	1.1. - 31.12.2005
Related party transactions with shareholders		
a) Sales of goods and services		0.2
b) Purchases of goods and services		0.6
c) Accounts receivable		
d) Accounts payable		

On 26 April 2005 the company sold its Broadcasting business for an enterprise value of MEUR 460 to a company jointly owned by Bonnier & Bonnier AB and Proventus Industrier AB.

On 2 November 2005 Almanova Corporation acquired the Alma Media shares owned by Bonnier & Bonnier AB and Proventus Industrier AB for M€ 339.7.

Related party transactions with associated companies:

a) Sales of goods and services	0.4	1.5
b) Purchases of goods and services	4.4	7.2
c) Accounts receivable	4.6	5.1
d) Accounts payable	0.1	0.0

37. EVENTS AFTER THE END OF THE FINANCIAL PERIOD

On 1 February 2007 the company sold the property in Rovaniemi occupied by the Lapin Kansa newspaper and recorded a capital gain on this divestment of M€ 1.9.

38. SHAREHOLDINGS

20 principal shareholders at 31 December 2006

	No.	% of total shares	% of total votes
1. Varma Mutual Pension Insurance Company	7 202 994	9.7 %	9.7 %
2. Sampo Life Insurance Company Ltd	6 665 912	8.9 %	8.9 %
3. Oy Herttaässä Ab	4 352 145	5.8 %	5.8 %
4. Kaleva Mutual Insurance Company	4 189 281	5.6 %	5.6 %
5. Ilkka -Yhtymä Oyj	3 418 791	4.6 %	4.6 %
6. Ilmarinen Mutual Pension Insurance Company	3 009 562	4.0 %	4.0 %
7. C.V. Åkerlund Fund	2 984 501	4.0 %	4.0 %
8. Nordea Pankki Suomi Oyj	2 525 012	3.4 %	3.4 %
9. Evli Pankki Oyj	1 964 483	2.6 %	2.6 %
10. Tapiola Mutual Pension Insurance Company	1 852 800	2.5 %	2.5 %
11. FIM Pankkiiriliike Oy	1 388 100	1.9 %	1.9 %
12. Keskisuomalainen Oyj	1 086 000	1.5 %	1.5 %
13. Sampo Suomi Osake Investment Fund	916 750	1.2 %	1.2 %
14. Nordea Nordic Small Cap Investment Fund	831 400	1.1 %	1.1 %
15. Nordea Life Assurance Finland Ltd	825 450	1.1 %	1.1 %
16. Neste Oil Pension Fund	694 275	0.9 %	0.9 %
17. Federation of Finnish Textile and Clothing Industrie:	643 444	0.9 %	0.9 %
18. The Finnish Cultural Foundation	576 000	0.8 %	0.8 %
19. OP-Delta Investment Fund	553 562	0.7 %	0.7 %
20. Häkkinen Heikki estate	517 332	0.7 %	0.7 %
Total	46 197 794	61.9 %	61.9 %
Nominee-registered	11 154 585	15.0 %	15.0 %
Other	17 260 144	23.1 %	23.1 %
Grand total	74 612 523	100.0 %	100.0 %

The holdings of the Board of Directors, the President and the members of the Group Executive Team are shown in Note 7.

Ownership structure at 31 December 2006

	Number of owners	% of total	Number of shares	% of shares
Private corporations	286	6.5 %	11 974 580	16.0 %
Financial and insurance institutions	29	0.7 %	21 258 068	28.5 %
Public entities	24	0.5 %	13 957 409	18.7 %
Households	3 904	88.6 %	9 791 551	13.1 %
Non-profit associations	138	3.1 %	6 224 513	8.3 %
Foreign owners	16	0.4 %	47 768	0.1 %
Nominee-registered shares	7	0.2 %	11 154 585	15.0 %
In general account			204 049	0.3 %
Total	4 404	100 %	74 612 523	100.0 %

Distribution of ownership

Number of shares	Number of owners	% of total	Number of shares	% of shares
1 - 100	797	18.1 %	40 759	0.1 %
101 - 1 000	2 140	48.6 %	1 075 462	1.4 %
1 001 - 10 000	1 220	27.7 %	3 723 691	5.0 %
10 001 - 100 000	197	4.5 %	5 476 288	7.3 %
100 001 - 1 000 000	36	0.8 %	13 121 924	17.6 %
1 000 001 -	14	0.3 %	50 970 350	68.3 %
In general account			204 049	0.3 %
Total	4 404	100 %	74 612 523	100 %

KEY FIGURES

Key figures for 2004-2006 calculated applying IFRS recognition and measurement principles
Key figures for 2002-2003 calculated applying FAS recognition and measurement principles

		IFRS 2006	%	IFRS 2005	%	IFRS 2004	%	FAS 2003	%	FAS 2002	%
Key figures											
Net sales	M€	302		349		466		460		486	
Net sales, continuing operations	M€	302		286		283					
Operating income	M€	49	16.3	371	106.3	52	11.2	18	3.8	16	3.3
Operating income, continuing operations	M€	49	16.3	42	14.8	37	13.1				
Operating. income before extraordinary items	M€	50	16.5	376	108.0	44	9.4	14	3.0	9	1.8
Income before tax	M€	50	16.5	376	108.0	44	9.4	14	3.0	9	1.8
Net income for the period	M€	37	12.4	365	104.7	30	6.5	11	2.3	2	0.5
Net income, continuing operations	M€	37	12.4	39	13.6	21	7.6				
Return on shareholders' equity (ROE)	%	30.9		265.8		19.8		6.9		2.0	
ROE, continuing operations	%	30.9		28.4		14.1					
Return on investment (ROI)	%	32.8		177.7		20.4		6.3		4.9	
ROI, continuing operations	%	32.8		26.1		15.7					
Equity ratio	%	61.3		54.5		43.1		49.0		41.3	
Gross capital expenditure	M€	20	6.5	22	6.4	14	3.0	21	4.6	15	3.1
Research and development costs	M€	2	0.6	3	0.9	3	0.6	3	0.7	4	0.7
Average personnel, excl. delivery staff		1 901		2 239		2 312		2 459		2 641	
Average personnel, excl. delivery staff, continuing operations		1 901		1 807		1 796					
Delivery staff, total number		857		900		947		1 045		1 151	
Per share data											
Earnings per share	€	0.50		4.89		0.41		0.15		0.04	
Earnings per share, continuing operations	€	0.50		0.52		0.30					
Shareholders' equity per share	€	1.54		1.69		1.96		2.32		2.24	
Dividend per share	€	0.65		0.65 **		0		0.54		0.05	
Payout ratio	%	131.1		13.3 **		0		362.3		156.3	
Effective dividend yield	%	7.0		8.5 **							
P/E ratio		18.8		1.6							
P/E ratio, continuing operations		18.8		14.8							
Share prices											
Highest **	€	9.95		7.75							
Lowest **	€	6.90		6.55							
On 31.12.	€	9.25		7.68							
Market capitalization	M€	690.2		573.0		715.5		442.6		299.1	
Turnover of shares, total **	1 000	47 600		10 100							
Relative turnover of shares, total **	%	63.8		13.5		32.9		21.4		12.7	
Adjusted average no. of shares, total	1 000	74 613		74 474		71 876		71 876		71 876	
Adjusted number of shares on 31.12., total.	1 000	74 613		74 613		74 446		74 446		74 446	

The consolidated financial statements and key figures are calculated in the name of the current legal parent company, the new Alma Media Corporation (Almanova Corporation) but continuity in the consolidated financial statements and key figures applies to the financial statements of the old Alma Media. The financial period is the 12-month calendar year and the comparative figures are the comparative figures for the old Alma Media.

The per share figures are adjusted to correspond with the amounts of shares of the new Alma Media Corporation (Almanova Corporation The share numbers for 2002-2004 have been changed to reflect the share numbers following the Groiup's restructuring in 2005 in order to achieve comparability. The share prices in the years 2002-2004 have not been changed and are not shown for the comparative periods since comparability cannot be achieved.

The separation of continuing operations from the overall result has been done only for the comparative year 2004 and 2005.

* When calculating return on investment (ROI) for continuing operations, the capital employed in the opening balance sheet for 2005 includes the computed share of continuing operations in the whole company's capital employed.
** The proposal of the Board of Directors to the Annual General Meeting includes the capital repayment (€ 0.53 per share) from the share premium fund.
*** Applies to the period 7.11- 31.12.2005, during which time the company's share was quoted on the Main List of the OMX Helsinki Stock Exchange.

CALCULATION OF KEY FIGURES

Return on shareholders' equity, % (ROE)	$\frac{\text{Net income for the period}}{\text{Shareholders' equity + minority interest (Average during the year)}} \times 100$
Return on investment, % (ROI)	$\frac{\text{Income before tax + interest and other financial expense}}{\text{Balance sheet total - non-interest-bearing debt (Average during the year)}} \times 100$
Equity ratio, %	$\frac{\text{Shareholders' equity + minority interest}}{\text{Balance sheet total - advances received}} \times 100$
Operating income	Income before tax and financial items
Basic earnings per share, EUR	$\frac{\text{Share of net income belonging to parent company owners}}{\text{Average number of shares adjusted for share issues}}$
Diluted adjusted earnings per share, EUR	$\frac{\text{Share of net income belonging to parent company owners}}{\text{Diluted average number of shares adjusted for share issues}}$
Gearing, %	$\frac{\text{Interest-bearing debt - cash and bank receivable}}{\text{Shareholders' equity + minority interest}} \times 100$
Dividend per share	Dividend per share approved by annual general meeting. With respect to the most recent year, Board's proposal to the AGM
Payout ratio, %	$\frac{\text{Dividend / share}}{\text{Share of EPS belonging to parent company shareholders}} \times 100$
Effective dividend yield, %	$\frac{\text{Dividend / share adjusted for share issues}}{\text{Final quotation at close of period adjusted for share issues}} \times 100$
Price/earnings (P/E) ratio	$\frac{\text{Closing price at end of period adjusted for share issues}}{\text{Share of EPS belonging to parent company owners}}$
Shareholders' equity per share	$\frac{\text{Shareholders' equity belonging to parent company owners}}{\text{Number of shares at end of period adjusted for share issues}}$
Market capitalization of share stock	Number of shares x closing price at end of period

Parent company income statement (FAS)

M€

	Note	1.1. - 31.12.2006	27.1. - 31.12.2005
Net sales	1	10.3	1.3
Other operating income	2	1.4	0.2
Personnel expenses	3	-1.6	-0.5
Depreciation and writedowns	4	-0.4	-0.6
Other operating expenses		-10.3	-1.9
Operating income		-0.7	-1.6
Financial income and expenses	6	39.6	11.5
Income before extraordinary items		38.9	9.9
Extraordinary items	7	39.2	0.0
Income before appropriations and tax		78.1	9.9
Appropriations	8	0.0	0.0
Income tax	9	-9.7	
Net income for the year		68.5	10.0

Parent company balance sheet (FAS)
M€

	Note	31.12.2006	31.12.2005
Assets			
Fixed assets			
Intangible assets	10	0.6	0.2
Tangible assets	11	3.2	6.1
Investments			
Holdings in Group companies	12	423.5	423.5
Other investments	12	2.6	8.5
Fixed assets, total		429.9	438.3
Current assets			
Short-term receivables	13	102.0	106.8
Cash and bank		25.7	67.8
Current assets, total		127.7	174.6
Assets, total		557.7	613.0

	Note	31.12.2006	31.12.2005
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital		44.8	44.8
Share premium fund		414.4	454.0
Other funds		5.4	5.4
Retained earnings (loss)		1.0	0.0
Net income for the period (loss)		68.5	10.0
Shareholders' equity, total	14	534.0	514.2
Accumulated appropriations	15	0.0	0.0
Provisions	16	0.8	0.6
Liabilities			
Long-term liabilities	17	2.1	2.1
Short-term liabilities	18	20.8	96.2
Liabilities, total		22.9	98.3
Shareholders' equity and liabilities, total		557.7	613.0

Parent company cash flow statement (FAS) M€	1.1. - 31.12.2006	27.1. - 31.12.2005
Operating cash flow		
Income before extraordinary items, appropriations and tax	38.9	9.9
Depreciation and writedowns	0.4	0.6
Financial income and expenses	-39.6	-11.5
Other adjustments	-1.2	1.1
Change in working capital:		
Total increase (-) / decrease (+) in current non-interest-bearing rece	0.9	-0.6
Increase (+) / decrease (-) in current non-interest-bearing liabilities	-2.0	-0.7
Dividend income received	34.2	
Interest income received	5.9	1.0
Interest expenses paid	-3.0	-3.9
Taxes paid	-10.3	10.6
Net cash from operating activities	**24.2**	**6.5**
Investments:		
Investments in tangible and intangible assets	-0.7	-0.2
Proceeds from disposal of tangible and intangible assets	3.5	0.0
Investments in other securities	0.0	0.0
Proceeds from disposal of other investments	1.5	0.4
Associated company shares acquired	0.0	
Subsidiary shares acquired *		-281.2
Subsidiary shares sold		345.5
Net cash from investing activities	**4.2**	**64.6**
Cash flow before financing activities	**28.4**	**71.2**
Financing:		
Paid share issue		1.0
Long-term loans, repayments	-33.6	
Short-term loans raised		51.2
Short-term loans, repayments	-39.1	-50.6
Group contributions received	39.2	
Increase (-) or decrease (+) in interest-bearing receivables	11.4	-4.9
Dividends paid and capital repayment	-48.5	
Net cash used in financing activities	**-70.6**	**-3.3**
Change (increase + / decrease -) in cash reserves	**-42.2**	**67.8**
Cash reserves at start of period	**67.8**	**0.0**
Cash reserves at end of period	**25.7**	**67.8**

* includes the cash reserves, M€112.3, received on 7 November 2005 from Alma Media Corporation (ID 1449580-9) in the merger.

Accounting principles used in the parent company's FAS financial statements

Alma Media Corporation is a Finnish public limited company incorporated under Finnish law. Its registered office is in Helsinki, address: Eteläesplanadi 20, P.O. Box 140, 00101 Helsinki, Finland.

Parent company financial statements and comparison figures

The financial statements of the parent company are prepared according to Finnish Accounting Standards (FAS).

The parent company was established on 27 January 2005. On 7 November 2005 the old Alma Media Corporation was merged with Almanova Corporation, which adopted the new name of Alma Media Corporation. The merger difference arising in conjunction with the merger has been capitalized to the Group's shares.

Fixed assets

Tangible and intangible assets are capitalized at direct acquisition cost less planned depreciation and writedowns. Planned depreciation is calculated from the original acquisition cost based on the estimated economic life of the asset. Depreciation is not entered on land. The economic lifetimes used are as follows:

Buildings	30–40 years
Structures	5 years
Machinery and equipment	3–10 years
Other long-term expenses	5–10 years

Research and development costs are expensed in the financial period during which they are incurred.

Inventories

The balance sheet value of inventories is the lower of direct acquisition cost or the probable market value. Inventories are amortized on a FIFO (first-in-first-out) basis.

Taxes

Taxes in the income statement are the taxes corresponding to the results of the Group's companies during the financial year as well as adjustments to taxes in previous years. No deferred tax assets are entered in the parent company's accounts.

Foreign exchange items

Foreign currency items are entered at the rates prevailing on the transaction date. Receivables and payables on the balance sheet date are valued at the average rate on the balance sheet date. Exchange rate differences arising from sales and purchases are treated as additions or subtractions respectively in the income statement. Realized and unrealized exchange rate differences related to loans and loan receivables are taken to other financial income and expenses in the income statement. The parent company does not have significant foreign currency loans.

Pension commitments

Statutory and voluntary employee pension benefits are arranged mainly through pension insurance companies.

Other employee benefits

The parent company launched a stock option scheme in spring 2006 under which options will be issued to the company's senior management. In compliance with Finnish Accounting Standards (FAS) the option benefit is not measured at fair value, nor is the calculated employee benefit expensed in the income statement.

1. NET SALES BY MARKET AREA

	1.1. - 31.12.2006	27.1. - 31.12.2005
Finland	10.3	1.3
Total	10.3	1.3

2. OTHER OPERATING INCOME

	1.1. - 31.12.2006	27.1. - 31.12.2005
Gains on sale of fixed assets	1.6	0.2
Other income	0.1	
	1.7	0.2

3. PERSONNEL EXPENSES

	1.1. - 31.12.2006	27.1. - 31.12.2005
Wages, salaries and fees	1.1	0.6
Pension expenses *	0.6	-0.1
Other social expenses	-0.1	0.0
Total	1.6	0.5

* Pension expenses were affected by an employee pension (TEL) reimbursement for 2005 estimated at the end of th financial period.

Average number of employees	24	26

Salaries and fees to management	1.1. - 31.12.2006	27.1. - 31.12.2005
President	0.4	0.0
Board of Directors	0.2	0.0
Total	0.6	0.0

The benefits to which the president of the parent company is entitled are described in more detail in Note 7 to the consolidated financial statements.

4. DEPRECIATION AND WRITEDOWNS

	1.1. - 31.12.2006	27.1. - 31.12.2005
Depreciation on tangible and intangible assets	0.4	0.1
Writedowns on fixed assets and other long-term investments		0.5
Total	0.4	0.6

5. RESEARCH AND DEVELOPMENT EXPENSES

The company's research and development expenses in 2006 totalled M€ 0.3 (M€ 0 in 2005).
M€ 0.2 of R&D expenses were capitalized to the balance sheet.

6. FINANCIAL INCOME AND EXPENSES

	1.1. - 31.12.2006	27.1. - 31.12.2005
Dividend income:		
From Group companies *	34.1	13.9
From associated companies	2.2	
From others	0.0	
	36.2	13.9
Other interest and financial income:		
From Group companies	4.2	0.7
From others	1.7	0.2
Total	5.9	1.0
Interest expenses and other financial expenses:		
To Group companies	-1.1	-0.2
To others	-1.4	-3.2
Total	-2.5	-3.4
Financial income and expenses, total	39.6	11.5
Interest and other financial income includes translation difference	0.0	0.0

* An advance decision was taken in Alma Media Corporation at the end of the year concerning dividends in respect o certain subsidiaries, based on which Alma Media Corporation entered dividend income and dividend receivables fror subsidiaries in the 2005 balance sheet. In doing so, the company has applied the procedure stipulated in Decision 1998/1542 of the Finnish Accounting Board. On this basis dividend income totalling M€ 2 (€ 13,891,880 in) was recognized in the parent company in 2006.

7. EXTRAORDINARY ITEMS

	1.1. - 31.12.2006	27.1. - 31.12.2005
Group contribution received	39.2	0.0

8. APPROPRIATIONS

	1.1. - 31.12.2006	27.1. - 31.12.2005
Difference between planned depreciation and depreciation made for tax purposes	0.0	0.0

9. INCOME TAX

	1.1. - 31.12.2006	27.1. - 31.12.2005
Income tax payable on extraordinary items	-10.2	0
Income tax from regular business operations	0.5	0
	-9.7	0

The company did not generate income tax in 2005 because most of its result was derived from tax-exempt dividends paid by its subsidiaries.

On the balance sheet date the parent company had M€ 1.9 in confirmed but unused tax losses from 2005. The unrecognized tax asset calculated on this amount totals M€ 0.5.

10. INTANGIBLE ASSETS

	Intangible rights	Other long-term expenditure	Advance payments	Total
Acquisition cost 27.1.2005				
Merger	0.5	0.4	0.0	0.9
Increases				
Decreases				
Transfers between items				
Acquisition cost 31.12. 2005.	0.5	0.4	0.0	0.9
Accumulated depreciation and writedowns 27.1. 2005				
Merger	0.4	0.2	0.0	0.6
Accumulated depreciation in decreases				
Depreciation in period	0.0	0.0		0.0
Writedowns				
Accumulated depreciation and writedowns 31.12	0.4	0.2	0.0	0.7
Book value 31.12.2005	0.1	0.2	0.0	0.2

	Intangible rights	Other long-term expenditure	Advance payments	Total
Acquisition cost 1.1.2006	0.5	0.4	0.0	0.9
Increases	0.0	0.3	0.2	0.5
Decreases	0.0	-0.1		-0.1
Transfers between items		0.0		0.0
Acquisition cost 31.12.2006	0.5	0.6	0.2	1.3
Accumulated depreciation and writedowns 1.1.2	0.5	0.2		0.7
Accumulated depreciation in decreases	0.0	-0.1		-0.1
Depreciation in period	0.0	0.1		0.1
Writedowns				
Accumulated depreciation and writedowns 31.12	0.5	0.2	0.0	0.7
Book value 31.12.2006	0.0	0.4	0.2	0.6

11. TANGIBLE ASSETS

	Land and water	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and unfinished purchases	Total
Acquisition cost 27.1.2005						
Merger	1.0	8.7	1.7	0.5		11.9
Increases					0.0	0.0
Decreases			0.0	0.0		0.0
Acquisition cost 31.12. 2005.	1.0	8.7	1.7	0.5	0.0	11.9
Accumulated depreciation 27.1. 2005						
Merger		4.1	1.6	0.1		5.8
Accumulated depreciation in decreases			0.0			0.0
Depreciation in period		0.0	0.0	0.0		0.0
Accumulated depreciation 31.12.2005	0.0	4.1	1.6	0.1	0.0	5.8
Book value 31.12.2005	1.0	4.6	0.1	0.4	0.0	6.1
Balance sheet value of machinery and equipment 31.12.2005			0			

	Land and water	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and unfinished purchases	Total
Acquisition cost 1.1.2006	1.0	8.7	1.7	0.5	0.0	11.9
Increases		0.0	0.1	0.0	0.1	0.2
Decreases	-0.5	-4.4	-0.5	-0.1	0.0	-5.5
Transfers between items			0.0		0.0	0.0
Acquisition cost 31.12.2006	0.5	4.3	1.3	0.4	0.1	6.6
Accumulated depreciation 1.1.2006	0.0	4.1	1.6	0.1	0.0	5.8
Accumulated depreciation in decreases		-2.0	-0.5	-0.1		-2.6
Depreciation in period		0.2	0.0	0.0		0.2
Accumulated depreciation 31.12.2006	0.0	2.3	1.1	0.0	0.0	3.4
Book value 31.12.2006	0.5	2.0	0.2	0.4	0.1	3.2
Balance sheet value of machinery and equipment 31.12.2006			0.1			

12. INVESTMENTS

	Shares Group companies	Shares associated companies	Shares other	Receivables Group companies	Total
Acquisition cost 27.1.2005					
Merger	9.4	1.9	1.6	5.9	18.8
Increases	414.1		0.0		414.1
Decreases			-0.7		-0.7
Acquisition cost 31.12.2005	423.5	1.9	0.9	5.9	432.2
Accumulated depreciation and writedowns 27.1. 2005					
Merger			0.2		0.2
Accumulated depreciation 31.12.2005	0.0	0.0	0.2	0.0	0.2
Book value 31.12.2005	423.5	1.9	0.7	5.9	432.1

The largest change in shares of Group companies in 2005 is the merger difference, M€ 414.0, capitalized to shares of Grou companies in conjunction with the merger of Almanova Corporation and the previous Alma Media Corporation.

	Shares Group companies	Shares associated companies	Shares other	Receivables Group companies	Total
Acquisition cost 1.1.2006	423.5	1.9	0.9	5.9	432.3
Increases	0.0	0.0	0.0		0.0
Decreases			-0.4	-5.5	-5.9
Acquisition cost 31.12.2006	423.5	1.9	0.5	0.4	426.4
Accumulated depreciation and writedowns 1.1.2	0.0	0.0	0.2	0.0	0.2
Accumulated depreciation and writedowns 31.12	0.0	0.0	0.2	0.0	0.2
Book value 31.12.2006	423.5	1.9	0.3	0.4	426.2

Parent company holdings in Group companies and associated companies

Company	Registered office	PC holding of shares %	PC holding of votes%
Group companies			
Alma Media Interactive Oy	Helsinki, Finland	100.00	100.00
Alma Media Palvelut Oy	Helsinki, Finland	100.00	100.00
Alpress Oy	Tampere, Finland	90.09	90.09
Lapin Kansa Oy	Rovaniemi, Finland	33.49	33.49
Marcenter Oy	Tampere, Finland	100.00	100.00
Suomalainen Lehtipaino Oy	Helsinki, Finland	100.00	100.00
Associated companies			
Jämsänjokilaakson Paikallisviestintä Oy	Jämsä, Finland	49.00	49.00
Kytöpirtti Oy	Seinäjoki, Finland	43.20	43.20
Nokian Uutistalo Oy	Nokia, Finland	36.90	36.90
Oy Suomen Tietotoimisto - Finska Notisbyrån Ab	Helsinki, Finland	24.07	24.07
Tampereen Tietoverkko Oy	Tampere, Finland	34.92	34.92

13. RECEIVABLES

	31.12.2006	**31.12.2005**
Short-term		
Receivables from Group companies		
Accounts receivable	0.1	0.1
Loan receivables *)	100.6	90.6
Other receivables	0.0	13.9
Prepaid expenses and accrued income	0.0	0.0
Total	100.7	104.6
Receivables from others		
Accounts receivable	0.1	0.0
Other receivables	0.1	1.3
Prepaid expenses and accrued income	0.5	0.8
Short-term receivables, total	101.4	106.7

*) Cash and cash equivalents in Group bank accounts are included in loan receivables.

14. SHAREHOLDERS' EQUITY

	31.12.2006	31.12.2005
Share capital 1.1.	44.8	
Establishment 27.1		0.1
Rights issue 28.4		5.3
Rights issue 7.11		39.4
Share capital 31.12.	44.8	44.8
Share premium fund 1.1.	453.9	
Establishment 27.1		0.9
Rights issue 28.4		47.4
Capital repayment 23.8.	-39.5	
Rights issue 7.11		405.6
Share premium fund 31.12.	414.4	453.9
Other funds 1.1	5.4	
Measurement of Alma Media shares at fair value 7.11		5.4
Other funds 31.12	5.4	5.4
Retained earnings 1.1.	10.0	
Dividend payment 8.3.	-8.9	
Retained earnings 31.12.	1.1	
Net income for the period	68.5	10.0
Shareholders' equity, total	534.2	514.1

The parent company's distributable funds on 31 December 2006 totalled € 69,461,629.

Parent company shareholders' equity divided between restricted and non-restricted equity:

	31.12.2006	31.12.2005
Restricted shareholders' equity	464.6	504.1
Non-restricted shareholders' equity	69.6	10.0
Total	534.2	514.1

15. ACCUMULATED APPROPRIATIONS

Accumulated appropriations consist of the accumulated depreciation difference.

16. PROVISIONS

Provisions consist of a restructuring provision totalling M€ 0.3, a tax provision of M€ 0.3 related to a possible tax inspection, provisions of M€ 0.1 for loss-making agreements, and a provision of M€ 0.1 to cover rental payments on unoccupied business premises.

17. LONG-TERM LIABILITIES

	31.12.2006	31.12.2005
Other long-term debt	2.1	2.1
Long-term liabilities, total	2.1	2.1
Debt due after five years		
Other long-term debt	1.9	1.9

18. SHORT-TERM LIABILITIES

	31.12.2006	31.12.2005
Loans from financial institutions		33.6
Accounts payable	0.2	0.2
Debt to Group companies		
Accounts payable	0.1	0.0
Other debt	19.1	58.2
Accrued expenses and prepaid income	0.0	
Other short-term liabilities	0.5	0.4
Accrued expenses and prepaid income	0.9	3.7
Short-term liabilities, total	20.8	96.1

Most of accrued expenses and prepaid income consists of allocated personnel expenses.

19. COMMITMENTS AND CONTINGENCIES

Collateral for own commitments		
Guarantees	1.2	0.7
Collateral for others		
Guarantees	0.0	2.2
Other own commitments		
Leasing commitments	16.7	16.7
Other commitments	0.1	0.2
Maturity of leasing commitments:		
During following 12 months	1.2	0.9
Later	15.5	15.8

20. DERIVATIVE CONTRACTS

	31.12.2006	31.12.2005
Share options		
Fair value *		0.8
Value of underlying instruments		2.2

* The fair value represents the return that would have arisen if the derivative positions had been closed on the balance sheet date.
The company had no open derivative positions on the balance sheet date 31 December 2006.

BOARD'S PROPOSAL TO THE ANNUAL GENERAL MEETING

The parent company's distributable funds on 31 December 2006 totalled € 69,461,629.
There were 74,612,523 shares carrying dividend rights.

The Board of Directors proposes that a dividend of € 48,498,139.95 (0.65 x per share) be distributed on the financial year 2006.

Helsinki, Finland, 8 February 2007

Kari Stadigh
Chairman of the Board

Matti Kavetvuo
Lauri Helve

Matti Häkkinen
Kai Seikku

Harri Suutari
Kai Telanne
President and CEO

AUDITORS' STATEMENT

The preceding financial statements have been prepared in accordance with good accounting practice.

We have today submitted our report on the audit conducted by us.

Helsinki, Finland, 9 February 2007

KPMG Oy Ab

Mauri Palvi
APA