

TALENTUM INTERIM REPORT JANUARY-MARCH 2011
January-March 2011 in brief

- Talentum Group's net sales increased by 21.7%, totalling EUR 23.6 million (EUR 19.4 million)
- The net sales from publishing increased by 25.3%, reaching a total of EUR 22.3 million (EUR 17.8 million).
- The amount of media advertising in Talentum's media increased in both Finland and Sweden by a total of 26.4%.
- Operating income (EBIT) EUR 1.2 million (EUR 0.0 million)
- Earnings per share EUR 0.02 (EUR 0.01)
- Net liabilities EUR 10.8 million (31 Dec 2010: EUR 12.4 million)

KEY FINANCIAL FIGURES

EUR million	1-3/ 2011	1-3/ 2010	Change %	1-12/ 2010
Net sales	23.6	19.4	21.7	81.0
Operating income without non-recurring items	1.2	0.0		2.0
Operating income	1.2	0.0		0.3
as % of net sales	5.1	0.0		0.3
Net cash from operating activities	1.8	2.7		2.7
Total assets	68.0	60.0		64.7
Investments	0.2	0.4	-37.5	3.9
as % of net sales	1.0	2.1		4.8
Equity ratio %	35.5	35.2		34.4
Gearing ratio % (net debt to equity)	58.6	61.1		70.9
Interest-bearing liabilities	12.3	12.1		13.9
Net interest-bearing liabilities	10.8	9.8		12.4
Personnel on average	820	775	5.8	787
Earnings per share, EUR	0.02	0.01	252.4	0.00
Cash flow from operating activities per share, EUR	0.04	0.06	-32.0	0.06
Equity per share, EUR	0.42	0.36	14.7	0.40
Market capitalization on closing rate at period end	86.8	88.5	-2.0	86.4

Sector and Talentum prospects for 2011

The activity of operations among Talentum's customers increased in 2010 and continued during the first quarter of 2011. This was evident in Talentum's improved sales figures for both Finland and Sweden.

Talentum keeps the prospects for the whole year unchanged and estimates that in 2011, its net sales will grow and operating income will improve.

CHIEF EXECUTIVE OFFICER JUHA BLOMSTER:

The operating preconditions of a media company are affected by the general economic situation and the state of society, among other things. However, the business activity of Talentum's customers increased, which is evident in the increased net sales and improved performance.

In the first quarter the amount of media advertising increased in both Finland and Sweden. In Finland, advertising in periodicals increased by 1.2% and for professional journals in particular by 6.4%. The growth in professional journals in Sweden was 19.4%. Online media advertising increased from the first quarter last year by 32.5% in Finland and 11.1% in Sweden.

- Talentum Group's net sales for the first quarter increased by 21.7% and net sales from publishing 25.3%. Excluding the acquisition of the event business in September 2010 and with comparable exchange rates, the Group's net sales increased by 3.5%. The Group operating income stood at EUR 1.2 million.

- The book business in Finland developed favourably and the training business was also on a path to growth after the recession. The media business in Sweden continued strong growth, and construction business information operations also developed favourably.

- In the first quarter, Talentum's advertising revenue grew by 26.4% from the corresponding period in the previous year, circulation income by 8.0% and other content income, including books, training, events and business information, by 43.7%. The event business acquired last year accounted for 40.2% of the growth of other content production. E-business increased by 18.8%. The online visitor counts of the biggest online media increased, in the case of Talouselämä by as much as 80%, Tekniikka&Talous by 38%, Ny Teknik by 10% and Affärsvärlden by 15%.

- The process to diversify the revenue structure as outlined in Talentum's strategy has proceeded well. The year 2011 started off well and we will be doing our best to ensure continued success. We will continue developing our strong brands to improve our market position and profitability.

Operating environment and seasonal variation

The Finnish economy experienced a strong recovery in 2010. Forecasts for GDP development this year are approximately 3%. Estimates of the general economic state in Sweden continue to be more positive than in Finland, and most estimates put GDP growth in 2011 around 4-5%.

According to TNS Media Intelligence, media advertising in Finland rose by 9.7% in the first quarter. In periodicals advertising increased by 1.2% and for professional and organization magazines in particular advertising increased by 6.4%. Online advertising increased by 32.5%. In Sweden, total media advertising rose by 17.9% in the first quarter, while in professional magazines the increase was 19.4% (Sweden's Media Agencies - Sveriges Mediebyråer).

Talentum's assessment is that the information needs of professional target groups will remain high irrespective of the economic situation. The professionals' choice of channels when searching for information, i.e., books, training, seminars, magazines and online services, may change. Talentum produces quality content for the channels where it can best serve its customers.

The media and media service markets are subject to seasonal variations. Whether the Easter holiday falls in the first or second quarter of the year affects the results of both quarters. In the year of comparison Easter fell between the first and the second quarter. Magazines and books do not generally come out during the summer holiday season, which is why the third quarter is the weakest in terms of sales. Profit for the third period is

historically negative. Operations are generally at their busiest in the final quarter.

Consolidated net sales and profit for January-March 2011

Consolidated net sales for January-March increased by 21.7%, totalling EUR 23.6 million (EUR 19.4 million). Without corporate acquisitions and at comparable exchange rates, net sales increased by 3.7%. The strengthening of the Swedish krona against the euro improved net sales by EUR 1.1 million. Net sales from publishing increased by 25.3%, totalling EUR 22.3 million (EUR 17.8 million). Advertising sales rose by 26.4%.

The consolidated operating income for January-March was EUR 1.2 million (EUR 0.0 million) and 5.1% of net sales (0.0%). Amortisation of intangible assets of corporate acquisitions amounted to EUR 0.2 million (EUR 0.0 million). The operating income from publishing was EUR 1.6 million (EUR 0.2 million).

The Group's expenses decreased by approximately 0.5% or EUR 0.1 million with respect to the corresponding period in the previous year (at comparable exchange rates). This comparison does not include the event business acquired in September 2010.

Net financial expenses amounted to EUR 0.1 million (EUR -0.3 million). The Group's share of the income of joint ventures was EUR 0.0 million (EUR -0.1 million).

The income before taxes was EUR 1.1 million (EUR 0.2 million). Taxes for the Group totalled EUR 0.3 million (EUR 0.0 million) for the period under review. The effective tax rate was 26.0% (-22.0%). The consolidated income for the period was EUR 0.8 million (EUR 0.2 million).

Short-term risks for the business

With the growth of the Group's international operations, the consolidated profit and loss account and balance sheet are increasingly exposed to the effects of exchange rate fluctuations. Net sales of Publishing Other Nordic Countries for the period under review amounted to 48% (49%) of the total net sales of publishing. The share of the balance sheet total attributable to Publishing Other Nordic Countries was 45% (48%). The companies' operations are local and language area bound by nature, and there are few currency-denominated transactions. The profit and loss account and balance sheet have not been hedged against exchange rate fluctuations.

The changes in general economic growth will affect Talentum's revenue and revenue structure. Traditionally, about 40% of consolidated net sales are dependent on advertising and particularly on the b-to-b sector, which is sensitive to economic fluctuations. Under the present economic conditions, the share of advertising is about 34% (33%) of net sales. The part of advertising revenue most sensitive to economic fluctuations is job advertising.

The aim is to minimise the market risk relating to advertising by increasing revenue from circulation and content sales. The goal is for all Talentum products and services to be market leaders in their fields, so that success is possible even in recession.

Online services are a factor that may change the earnings logic of magazines and books temporarily or even in the long term. This channel selection could be significant for the Group's revenue structure. The move from printed products to online products may be accelerated particularly

under poor economic conditions. If the company is unable to develop its operations to respond to changes in media consumption habits, this could undermine its competitiveness.

The Group's risk management principles are laid out in the 2010 Annual Report, published on 10 March 2011.

Cash flow, financial position and balance sheet for the Group

The cash flow from business operations in the first quarter was lower than in the previous year following the change in working capital. Net cash flow from business operations was EUR 1.8 million (EUR 2.7 million). The change in working capital was EUR 0.6 million (EUR 1.8 million). Working capital is negative, as is usual for the sector, because liabilities include subscription fee advances received from customers of EUR 16.3 million (in balance sheet items, the comparison date is 31 December 2010: EUR 13.7 million).

The consolidated balance sheet total at the end of the period under review stood at EUR 68.0 million (EUR 64.7 million). The Group's interest-bearing loans and borrowing amounted to EUR 12.3 million (EUR 13.9 million). The Group's liquid assets stood at EUR 1.6 million (EUR 1.5 million). Interest-bearing net liabilities were EUR 10.8 million (EUR 12.4 million).

Talentum uses a bank overdraft limit of EUR 14 million and a financing credit limit of EUR 22 million. About half of the limits are valid for three years and the other half for four years.

EUR 9.8 million of the limits was used at the end of the period.

In addition, the Group has a commercial paper programme of EUR 30 million, of which EUR 0.00 million was used at the end of the period under review.

The equity ratio at the end of the period under review was 35.5% (34.4%). The Group's equity per share stood at EUR 0.42 (EUR 0.40). The Group does not hedge against currency fluctuations with regard to the acquisition of subsidiaries. The weakening or strengthening of the Swedish krona against the euro affects the Group's equity through the translation difference arising from the acquisition of the Swedish subsidiaries. On 31 March 2011, the translation difference in the Group's equity was EUR 0.5 million. The change in the first quarter was EUR 0.0 million (positive).

Investments

No significant investments took place in the Talentum Group in the period under review.

Changes in Group structure

No changes in Group structure occurred in the period.

Personnel

Talentum Group employed on average 820 (775) people in the first quarter of the year, 314 (328) of them in direct marketing and 506 (447) in publishing and in the parent company. Geographically, the personnel were divided as follows: Finland 405 people (379), Sweden 231 (226), Norway 8 (8), Denmark 8 (0), Latvia 75 (70), Estonia 85 (87) and Russia 8 (5). The event business acquired in September 2010 increased the number of employees by 46 at the

time of acquisition. The event business also increased the number of employees in Denmark and Sweden.

BUSINESS AREAS

EUR million	1-3/ 2011	1-3/ 2010	1-12/ 2010
Net sales			
Publishing Finland	11.7	9.1	39.2
Publishing other Nordic Countries	10.6	8.7	35.5
Direct marketing	2.2	2.3	8.8
Other	-0.9	-0.7	-2.6
Total	23.6	19.4	81.0
Operating income without non-recurring items			
Publishing Finland	0.9	-0.0	1.4
Publishing other Nordic Countries	0.8	0.2	1.9
Direct marketing	0.3	0.3	0.9
Other	-0.7	-0.5	-2.1
Total	1.2	0.0	2.0
Non-recurring items			
Publishing Finland	0.0	-	0.0
Publishing other Nordic Countries	0.0	-	-1.5
Direct marketing	0.0	-	0.0
Other	0.0	-	-0.3
Total	0.0	-	-1.8
Operating income	1.2	0.0	0.3

Non-recurring items in full-year 2010 include expenses of EUR 1.5 million related to personnel reduction in Sweden and an expense of EUR 0.3 million arising from the acquisition of IIR business.

Publishing

January-March

Net sales from publishing in the first quarter amounted to EUR 22.3 million (EUR 17.8 million), a change of 25.3% from the previous year. Of net sales from publishing, 52% (51%) originated from Finland and the remaining 48% (49%) from other Nordic countries.

Advertising revenue increased by 26.4% from the previous year. The share of advertising revenue of the net sales from publishing totalled 36% (36%).

Net sales from e-business for January-March increased by 18.8%. Net sales from e-business were EUR 4.2 million (EUR 3.5 million), which corresponds to 19% (20%) of the total figure for publishing. Most of the net sales of EUR 2.1 million of the construction information service company acquired in 2009 consist of revenue from electronic contents.

PUBLISHING REVENUE

EUR million	1-3/ 2011	1-3/ 2010	1-12/ 2010
Net sales			
Advertisement revenue	8.1	6.4	27.0
Circulation revenue	6.6	6.1	23.8
Other content revenue *	7.7	5.3	23.9
Total	22.3	17.8	74.8

* 'Other content revenue' includes books, events, training and business information services.

Publishing Finland

In the Publishing Finland segment, financial development is reported for magazines, book publishing, training and event business. The most widely known book in the book publishing business is the green Finnish Law book. The magazines with the highest circulation are Talouselämä and Tekniikka & Talous.

The event business of IIR Finland Oy (now Talentum Events Oy), which was acquired in September 2010, has belonged to this segment since the acquisition (15 September 2010).

January-March

Net sales from Publishing Finland for January-March amounted to EUR 11.7 million (EUR 9.1 million), a change of 28.5% from the previous year. Without the event business acquired in September 2010, increase from the previous year was 6.8%. Advertising revenue was 15.4% up on the previous year.

The operating income from Publishing Finland was EUR 0.9 million (EUR -0.0 million). Publishing Finland's operating income was affected by the EUR 0.1 million (-) amortisation of intangible assets relating to acquisitions.

The magazine Tekniikka & Talous received a face lift both in terms of appearance and content. The change was well received by both readers and advertisers.

The visitor counts of the websites of Talentum's Finnish periodicals developed favourably. The Talouselämä portal had 80% more unique browser visits per week on average than in the corresponding period in 2010. The weekly average of unique browser visits on all Finnish Talentum websites increased by 21%.

MikroPC continued its series of special publications which has proven a hit by publishing an iPad user's guide based on the international IDG format.

Publishing Other Nordic Countries

In the Publishing Other Nordic Countries segment, financial development is reported for magazines, the event business and business information operations. The magazines with the highest circulation are Ny Teknik and Affärsvärlden. The largest providers of business information are Sverige Bygger and Talentum HR.

Talentum Events Oy operations in Sweden and Denmark are reported under this segment since 15 September 2010.

January-March

Net sales from Publishing Other Nordic Countries in the first quarter amounted to EUR 10.6 million (EUR 8.7 million), a change of 22.0% from the previous year. Excluding the acquisition of the event business in September 2010 and at comparable exchange rates, the net sales increased by 4.2%. Changes in exchange rates increased net sales by EUR 1.1 million. Advertising revenue was 36.5% up on the previous year.

The operating income from Publishing Other Nordic Countries was EUR 0.8 million (EUR 0.2 million). The operating income was affected by the EUR 0.1 million (-) amortisation of intangible assets relating to acquisitions.

In Sweden both printed and online media developed favourably. The number of unique visitors to the Ny Teknik portal increased by approximately 10%, to the Affärsvärlden portal by 15% and to Dagens Media by 16% from corresponding period in the previous year.

Direct Marketing

In the Direct Marketing segment, financial development is reported for the business of Talentum's subsidiary Suoramarkkinointi Mega Oy in Finland and the Baltic countries. The company operates in the telemarketing business.

January-March

Net sales from direct marketing for the first quarter amounted to EUR 2.2 million (EUR 2.3 million), and the operating income was EUR 0.3 million (EUR 0.3 million).

TALENTUM GROUP

Management

Talentum Oyj's Annual General Meeting on 1 April 2011 decided that the number of members of the Board of Directors is six. Joachim Berner, MBA, BBA, Atte Palomäki, Group Vice President Corporate Communications, Kai Telanne, CEO and Merja Strengell, MSc (Eng.) were re-elected as members of the Board. Aarne Aktan, CEO, and Henri Österlund, CEO, were elected as new members. Kai Telanne was elected the Chairperson of the Board and Merja Strengell the Deputy Chairperson.

The Annual General Meeting re-elected Authorised Public Accountants PricewaterhouseCoopers Oy as auditors, with APA Juha Wahlroos as the auditor-in-charge.

Authorisations of the Board of Directors

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

The Annual General Meeting authorised the Board of Directors on 1 April 2011 to acquire a maximum of 3,500,000 of Talentum Oyj shares, which corresponds to approximately eight (8) per cent of all Talentum Oyj shares. The authorisation will remain in force until 30 June 2012.

Authorisation of the Board of Directors to decide on a share issue including the conveyance of own shares and the issue of special rights

The Annual General Meeting on 1 April 2011 authorised the Board of Directors to decide on a share issue including the conveyance of own shares and the issue of special rights. Based on the authorisations, a maximum number of 3,500,000 new shares may be issued and/or own shares held by the company may be disposed of, which corresponds to approximately eight (8) per cent of the issued shares of the company. The authorisations will remain in force until 30 June 2012.

Distribution of dividend for 2010

The Annual General Meeting on 1 April 2011 decided, on a motion by the Board of Directors, not to distribute any dividend for 2010.

The AGM decided, on a motion by the Board of Directors, that a sum of EUR 0.02 per share be distributed from the invested non-restricted equity reserve. The record date was 6 April 2011 and the payment date 13 April 2011.

Management's share-based incentive scheme

Talentum Oyj's Board of Directors decided on 18 March 2010 to establish a new share-based incentive scheme for corporate management. The scheme consists of three earnings periods, each comprising at least one and no more than three financial years, the first of which began on 1 January 2010 and ended on 31 December 2010. The bonuses will be paid partly in the company's shares and partly in cash after the end of each earnings period. The share paid in cash will cover any taxes and other such costs arising from the bonus. Transferring shares earned within two years of the end of the earnings period is prohibited. Thus the total duration of the scheme is 5 years. Even after this period has expired, the CEO must retain one half of the shares he has earned under the scheme for the entire duration of his employment relationship and for one year after its termination. The Board of Directors shall decide at a later stage on the next earnings periods and the restrictions related to the disposal of shares earned during these periods. This scheme replaces the scheme of the same content which came into effect on 1 January 2007 and terminated on 31 December 2009.

The possible revenue under this scheme for the 2011 earnings period shall be based on Talentum Group's net sales and operating profit and Talentum's share revenue. Nine people are covered by the scheme for the 2011 earnings period. If the targets for the scheme are fully achieved in the 2011 earning period, a maximum of 154,400 shares and the amount of cash required to cover the tax-like charges arising from the distributed shares at issue will be granted within the scheme. If the scheme targets are fully achieved, a maximum of 484,500 shares of Talentum Oyj and the amount of cash required to cover the tax-like charges arising from the distributed shares at issue will be granted within the scheme over the 3-year period.

In 2010, the result entitled the participants in the scheme to a total of 1,268 shares, which corresponds to a cost of about six thousand euros for the company. Talentum Oyj's Board of Directors decided in its meeting held on 14 February 2011 that the bonus will be paid in cash instead of shares.

Shares and share capital

On 31 March 2011, Talentum Oyj's share capital totalled EUR 18,593,518.79 and the company had 44,295,787 fully paid shares. The shares are listed on the NASDAQ OMX Helsinki.

A total of 2,259,364 Talentum shares were traded in the first quarter, which corresponds to 5.1% of all shares. The highest price paid for shares in the first quarter was EUR 2.16 and the lowest was EUR 1.85. The closing price for the shares on 31 March 2011 was EUR 1.99.

On 31 March 2011, the company held 681,000 of its own shares, which is about 1.5% of Talentum's total shares and votes.

Shareholdings of the Board of Directors and CEO

On 31 March 2011, the number of Talentum Oyj shares and options owned by members of the Board of Directors and the CEO, personally or through companies in which they have a controlling interest, was 49,912, representing 0.11% of the company's total shares and votes.

Flagging notifications

No flagging notifications were made in January-March.

Market guarantee

An agreement with Nordea Securities Oyj on a market guarantee for Talentum Oyj shares became effective on 21 June 2004. Under the agreement, Nordea Securities will submit a purchase and sale offer, so that the maximum permitted differential between them is 3% of the purchase offer. The offers will include a minimum of 2,500 shares.

Shareholder agreements

The company is not aware of any mutual shareholder agreements between its shareholders relating to the operations or ownership of the company.

Changes in Group management

Niclas Köhler, M.Sc. (Econ.) was appointed Talentum's Chief Financial Officer and member of the Group Executive Management. He will start in the position on 9 May 2011. He follows Kaisa Kokkonen who left the position on 11 March 2011.

TABLES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	1-3/ 2011	1-3/ 2010	1-12/ 2010
Net sales	23.6	19.4	81.0
Other operating income	0.1	0.2	0.7
Materials and services	3.4	3.4	13.3
Employee benefit expenses	11.6	10.5	42.8
Depreciation, amortisation and impairment	0.6	0.5	2.5
Other operating expenses	6.9	5.2	22.8
Operating income	1.2	0.0	0.3
Financial income	0.0	0.0	1.3
Financial expenses	0.1	-0.2	1.5
Share of income of associated companies	0.0	-0.1	0.0
Income before taxes	1.1	0.2	0.1
Taxes	0.3	0.0	0.0
Income for the period	0.8	0.2	0.2
Other comprehensive income:			
Translation differences	0.0	1.0	2.7
Available-for-sale investments	-	-	-0.0
Income tax on available-for- sale investments	-	-	0.0
Total comprehensive income for the period	0.8	1.2	2.9
Income for the period attributable to:			
Owners of the parent company	0.8	0.2	0.2
Non-controlling interest	0.0	0.0	-0.0
Total comprehensive income for the period attributable to:			
Owners of the parent company	0.8	1.2	2.9
Non-controlling interest	0.0	0.0	-0.0
Basic and diluted Earnings per share, EUR*	0.02	0.01	0.00

* Earnings per share are calculated from the income attributed to the equity owners of the parent company.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	31.3.2011	31.3.2010	31.12.2010
ASSETS			
Non-current assets			
Property, plant and equipment	1.1	1.2	1.2
Goodwill	31.8	29.5	31.7
Other intangible assets	14.1	12.0	14.5
Investments in associates	0.1	0.0	0.1
Available-for-sale investments	0.1	0.1	0.1
Deferred tax assets	1.8	1.8	1.8
Other non-current receivables	1.7	0.2	1.8
Total non-current assets	50.7	44.9	51.2
Current assets			
Inventories	1.1	1.2	1.1
Trade and other receivables	14.6	11.6	10.9
Cash and cash equivalents	1.6	2.3	1.5
Total current assets	17.2	15.1	13.5
TOTAL ASSETS	68.0	60.0	64.7
EQUITY AND LIABILITIES			
Equity attributable to equity owners of the parent			
Share capital	18.6	18.6	18.6
Treasury shares	-2.8	-2.8	-2.8
Other reserves	0.5	-0.5	0.5
Invested non-restricted equity fund	3.3	3.3	3.3
Retained earnings	-1.4	-2.6	-2.2
Total	18.3	15.9	17.4
Non-controlling interest	0.1	0.1	0.1
Total equity	18.4	16.0	17.5
Non-current liabilities			
Deferred tax liabilities	3.8	3.1	3.8
Non-current financial liabilities	0.1	0.1	0.1
Pension obligation	0.1	0.1	0.1
Other non-current liabilities	1.7	0.5	1.7
Non-current provisions	0.2	0.2	0.3
Total non-current liabilities	6.0	3.9	6.0
Current liabilities			
Current financial liabilities	12.2	11.9	13.8
Advances received	16.3	14.4	13.7
Trade and other payables	15.1	13.4	13.6
Currents provisions	0.0	0.1	0.1
Total current liabilities	43.7	40.0	41.1
TOTAL EQUITY AND LIABILITIES	68.0	60.0	64.7

CONSOLIDATED STATEMENT OF CASH FLOW

EUR million	1-3/ 2011	1-3/ 2010	1-12/ 2010
Cash flow from operating activities			
Operating income	1.2	0.0	0.3
Adjustments to operating income	0.5	0.5	1.7
Change in working capital	0.6	1.8	0.4
Financial items and taxes	-0.5	0.4	0.4
Net cash from operating activities	1.8	2.7	2.7
Cash flow from investing activities			
Acquisition of subsidiaries and associates, net of cash acquired	-	-	-2.5
Disposal of subsidiaries and associates	-	-	0.3
Acquisition of property, plant and equipment and intangible assets	-0.2	-0.4	-1.1
Net cash from investing activities	-0.2	-0.4	-3.3
Cash flow from financing activities			
Change in current loans	-1.6	-3.9	-1.8
Repayment of non-current loans	-	-	-0.2
Net cash used in financing activities	-1.6	-3.9	-2.0
Change in cash and cash equivalents	0.1	-1.6	-2.5
Cash and cash equivalents at the beginning of period	1.5	3.7	3.7
Foreign exchange adjustment	0.0	0.1	0.3
Net change in cash and cash equivalents	0.1	-1.6	-2.5
Cash and cash equivalents at the end of period	1.6	2.3	1.5

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

a = Share capital
b = Treasury shares
c = Fair value reserve
d = Translation reserve
e = Invested non-restricted equity fund
f = Retained earnings
g = Equity attributable to equity owners of the parent (before non-controlling interest)
h = Non-controlling interest
i = Total equity

EUR million	a	b	c	d	e	f	g	h	i
Equity at 1 January 2011	18.6	-2.8	0.0	0.5	3.3	-2.2	17.4	0.1	17.5
Other items						-0.0	-0.0		-0.0
Total comprehensive income for the period				0.0		0.8	0.8	0.0	0.8
Equity at 31 March 2011	18.6	-2.8	0.0	0.5	3.3	-1.4	18.3	0.1	18.4
Equity at 1 January 2010	18.6	-2.8	0.0	-2.2	3.3	-2.2	14.6	0.3	14.9
Other items								-0.2	-0.2
Total comprehensive income for the period				1.0		0.2	1.2	0.0	1.3
Equity at 31 March 2010	18.6	-2.8	0.0	-1.2	3.3	-2.0	15.9	0.1	16.0

NOTES TO THE FINANCIAL STATEMENTS

In preparation of this interim report, Talentum has applied the same principles as in the financial statements for 2010, apart from the additions described below.

From 1 January 2011, Talentum has adopted the following revised and amended IFRS standards:

Revised IAS 24 Related Party Disclosures

The revised standard specifies the definition of 'related party', which may have an impact on the disclosures provided in the notes to the financial statements.

In addition, the Group has adopted the Improvements to IFRSs (May 2010).

The other new and revised standards and interpretations are not relevant to the Group.

All figures in this report have been rounded up or down, so the sum of individual figures may differ from the totals shown.

TALENTUM GROUP BY SEGMENTS

1-3/2011	Publishing Finland*	Publishing other Nordic Countries*	Direct marketing	Other	Total
EUR million					
External sales	11.7	10.6	1.4	0.1	23.6
Inter-segment net sales			0.8	-0.8	0.0
Operating income	0.9	0.8	0.3	-0.7	1.2
Segment income before taxes	0.9	0.8	0.3	-0.7	1.2
Reconciliation:					
Segment income before taxes					1.2
Financing items, net					0.1
Share of income of associated companies					0.0
Consolidated income before taxes					1.1

* Include the event business acquired on 15 September 2010.

1-3/2010	Publishing Finland	Publishing other Nordic Countries	Direct marketing	Other	Total
EUR million					
External sales	9.1	8.7	1.5	0.1	19.4
Inter-segment net sales			0.7	-0.7	0.0
Operating income	-0.0	0.2	0.3	-0.5	0.0
Segment income before taxes	0.0	0.2	0.3	-0.5	0.0
Reconciliation:					
Segment income before taxes					0.0
Non-recurring items unallocated to the segments					
Financing items, net					-0.3
Share of income of associated companies					-0.1
Consolidated income before taxes					0.2

1-12/2010	Publishing Finland	Publishing other Nordic Countries	Direct marketing	Other	Total
EUR million					
External sales	39.2	35.5	6.0	0.2	81.0
Inter-segment net sales			2.8	-2.8	0.0
Operating income	1.4	1.9	0.9	-2.1	2.0
Segment income before taxes	1.4	1.9	0.0	-2.1	2.0
Reconciliation:					
Segment income before taxes					2.0
Non-recurring items unallocated to the segments					-1.8
Financing items, net					-0.2
Share of income of associated companies					0.1
Consolidated income before taxes					0.2

CHANGE IN SHARE QUANTITIES *

1000 shares	1-3/2011	1-3/2010	1-12/2010
Shares outstanding at the beginning of period	43 615	43 615	43 615
Number of shares outstanding at end of period	43 615	43 615	43 615

* Excluding treasury shares held by the company.

For the period under review, the weighted average number of shares used in the calculation of earnings per share during the financial period is 43,614,787 (43,614,787 shares 1-3/2010).

The number of shares issued is 44,295,787.

PERSONNEL BY SEGMENTS, ON AVERAGE

	1-3/2011	1-3/2010	1-12/2010
Publishing Finland*	236	194	210
Publishing other Nordic Countries*	247	234	232
Direct Marketing	314	328	327
Other	23	19	18
Total	820	775	787

*Include total 63 people of the event business acquired on 15 September 2010.

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	31.3.2011	31.3.2010	31.12.2010
Carrying amount at the beginning of period	1.2	1.3	1.3
Additions	0.1	0.0	0.4
Acquisitions through business combinations	-	-	0.0
Disposal of businesses	-	-	0.0
Decreases	-	-	-0.3
Depreciation	-0.1	-0.1	-0.3
Carrying amount at the end of period	1.2	1.2	1.2

CHANGES IN INTANGIBLE ASSETS

EUR million	31.3.2011	31.3.2010	31.12.2010
Carrying amount at the beginning of period	46.2	39.7	39.7
Additions	0.0	0.4	0.7
Purchase price allocation	-	-	0.6
Acquisitions through business combinations	-	-	2.7
Decreases	-0.0	-0.0	-0.2
Amortisation	-0.5	-0.4	-1.9
Exchange rate differences	0.2	1.7	4.5
Carrying amount at the end of period	45.9	41.4	46.2

RELATED PARTY TRANSACTIONS

EUR million	1-3/2011	1-3/2010	1-12/2010
Employee benefits for key management	0.3	0.3	1.0
Support payments to pension fund	-	0.9	-0.2
Associates and joint ventures:			
Sales	0.0	0.0	0.3
Receivables	0.2	0.0	0.0
Liabilities	0.7	0.4	0.5

GUARANTEES

EUR million	31.3.2011	31.3.2010	31.12.2010
Guarantees posted for own commitments			
Financial institution loans	-	-	-
Book value of shares pledged	-	-	-
Business mortgage	-	-	-
Guarantees posted on behalf of commitments of associates	-	0.3	-
Guarantees posted on behalf of Talentum's pension fund	-	-	-

Calculation of key indicators

Earnings per share = Profit for the period attributable to equity owners of the parent company / Adjusted average number of shares at the end of the financial period

Equity per share = Equity attributable to equity owners of the parent company / Adjusted average number of shares at the end of the financial period

Return on invested capital, % = Income before taxes + interest and other financial expenses / Balance sheet total - non-interest-bearing liabilities (average of beginning and end of financial year) x 100

Return on equity, % = Result for the financial period / Total equity (average of beginning and end of financial year) x 100

Equity ratio, % = Total equity / Balance sheet total - advances received x 100

Gearing, % = Interest-bearing liabilities - cash and cash equivalents / Total equity x 100

Market capitalisation = Number of shares at the end of the financial period x trading price at the end of the financial period

The figures in this release are unaudited.

General statement

The forecasts and estimates presented here are based on the management's current view of economic development, and the actual results may differ substantially from what is now expected of the company.

Financial information 2011

Talentum is planning to publish the results in 2011 as follows:

January-June, 21 July 2011

January-September, 27 October 2011

TALENTUM OYJ
Board of Directors

ADDITIONAL INFORMATION
Chief Executive Officer Juha Blomster, telephone +358 40 342 4444

DISTRIBUTION
NASDAQ OMX Helsinki, Principal media, www.talentum.com

BRIEFING

A briefing for analysts and the media will be held today, 29 April 2011 at 10:00 at the Talentum head office, Annankatu 34-36 B, Kamppi, Helsinki, Finland. The interim statements will be presented by Juha Blomster, Chief Executive Officer.

This report has been published in Finnish and translated into English. In case of any discrepancy between the versions, the Finnish version shall prevail.

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