

# BUILDING THE MEDIA PLATFORM OF THE FUTURE

Kai Telanne, President and CEO  
Alma Media Corporation

Living  
Information





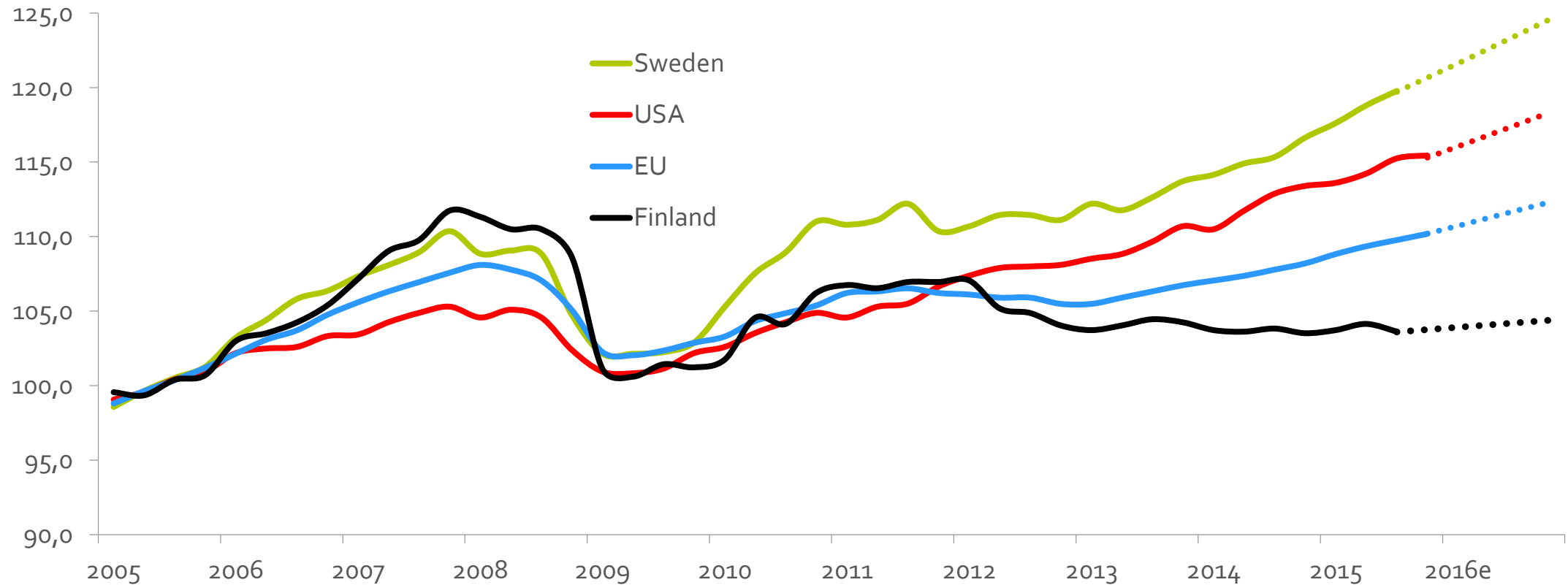
**Investments in  
marketing  
communications at a  
very low level**

**Finnish  
economy still in the  
doldrums**

**Intensifying  
global competition in  
the media sector**

# Finland's lost decade

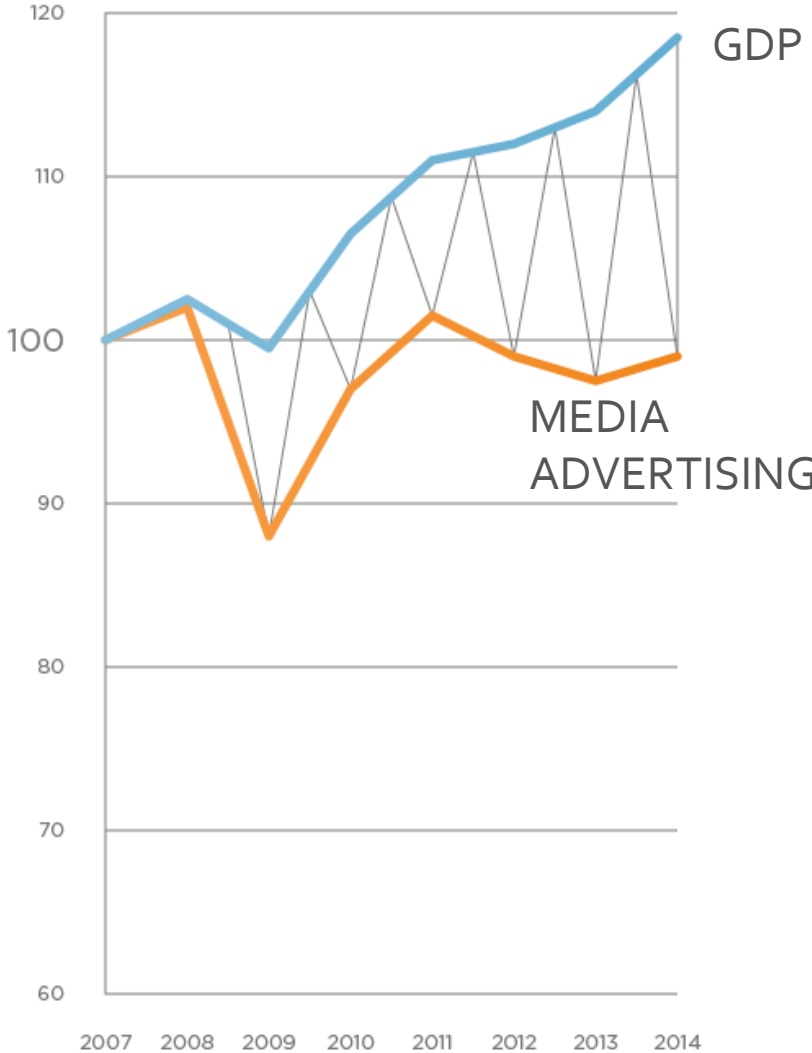
GDP volume index, 2005=100, seasonal adjustment + Commission forecast 2016



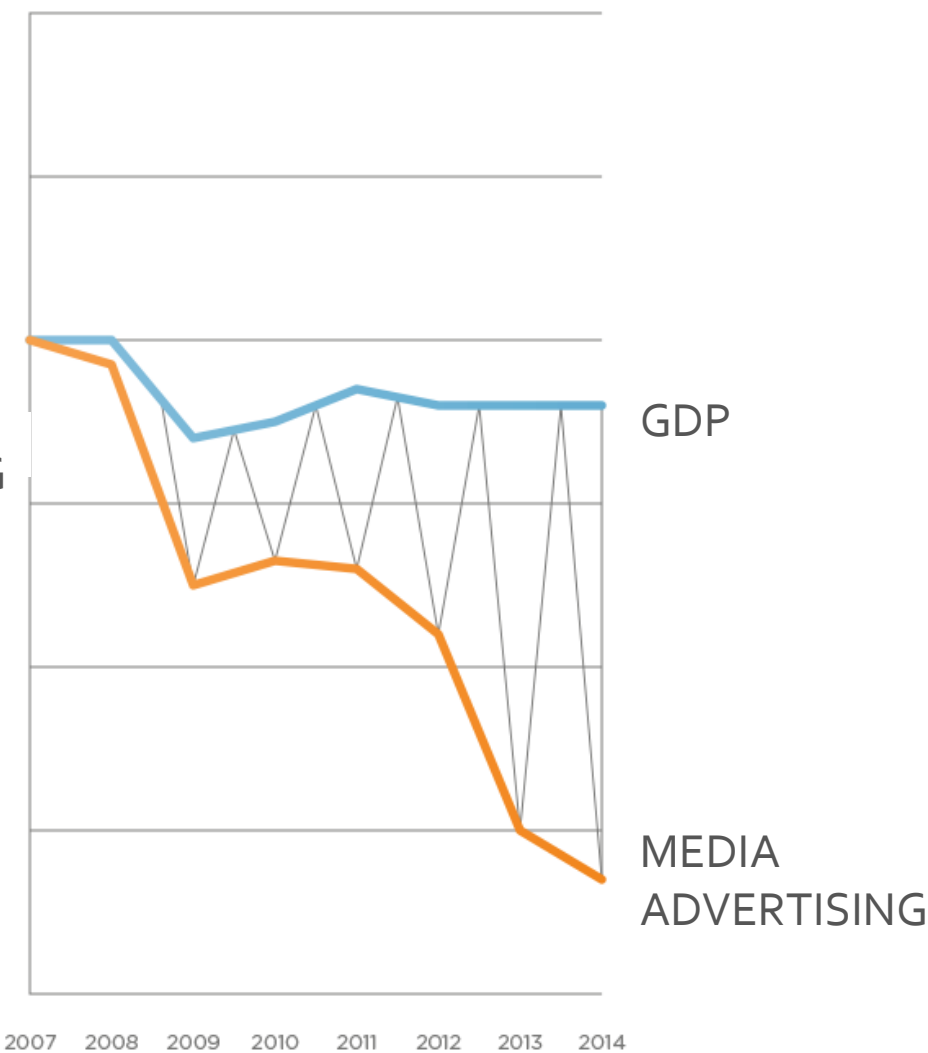
Sources: Eurostat, European Commission, Confederation of Finnish Industries (EK)



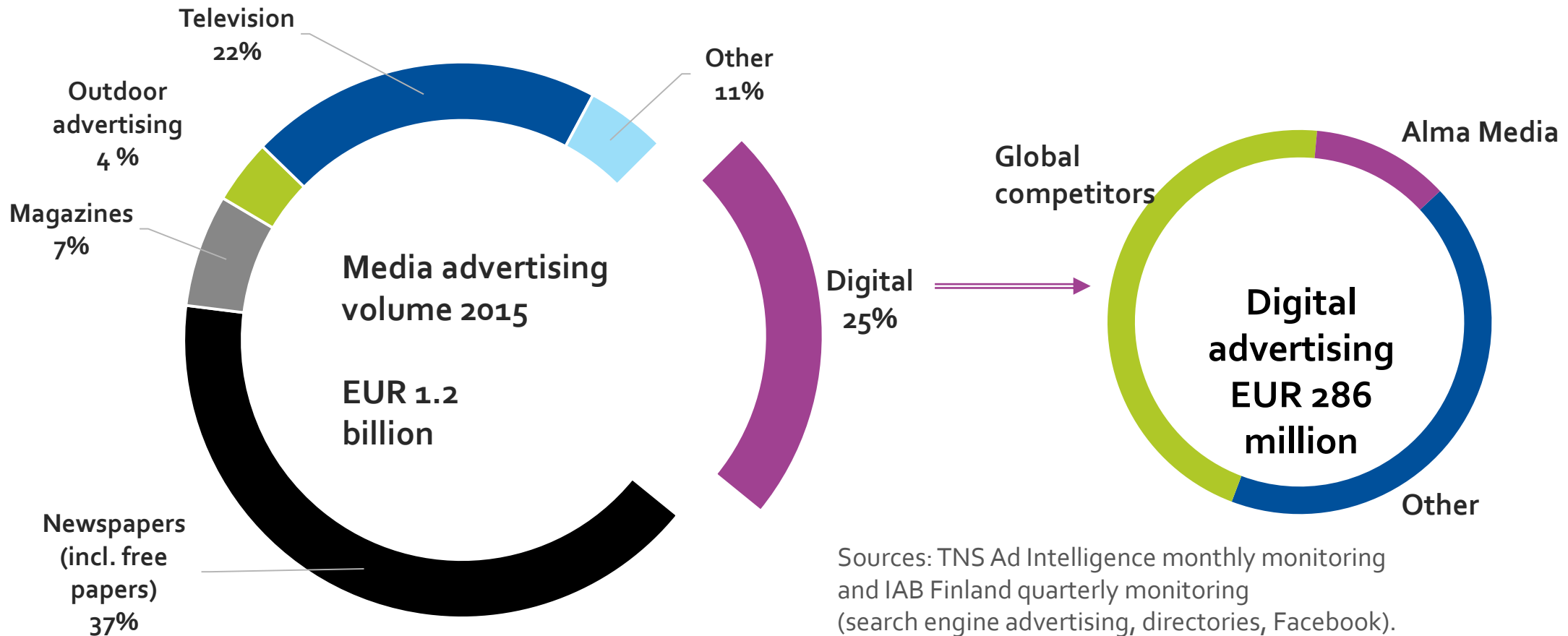
# SWEDEN



# FINLAND



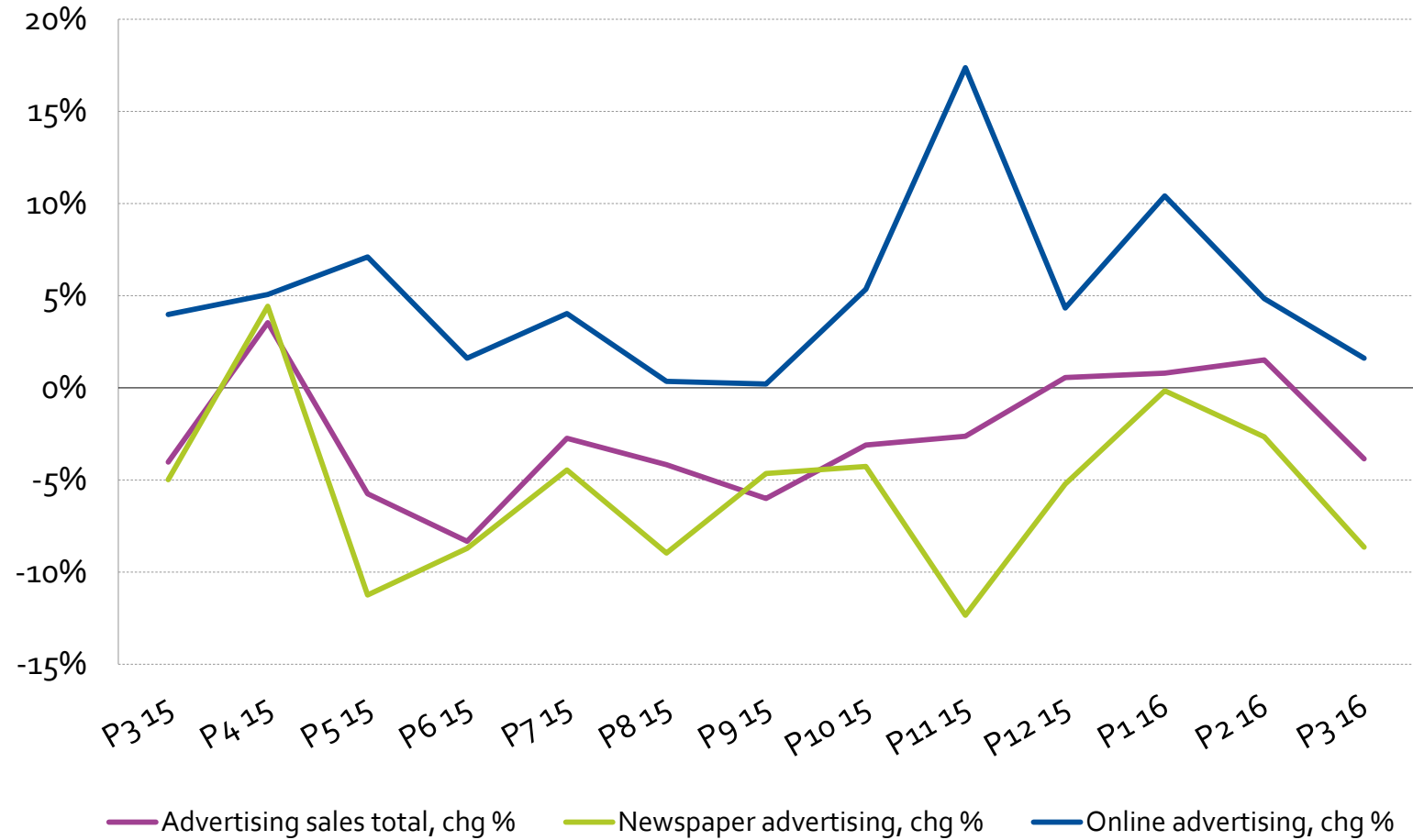
# Half of Finnish digital advertising spending goes to global competitors



Sources: TNS Ad Intelligence monthly monitoring and IAB Finland quarterly monitoring (search engine advertising, directories, Facebook).



# Advertising sales change 3/2015 - 3/2016



Source: TNS Media Intelligence

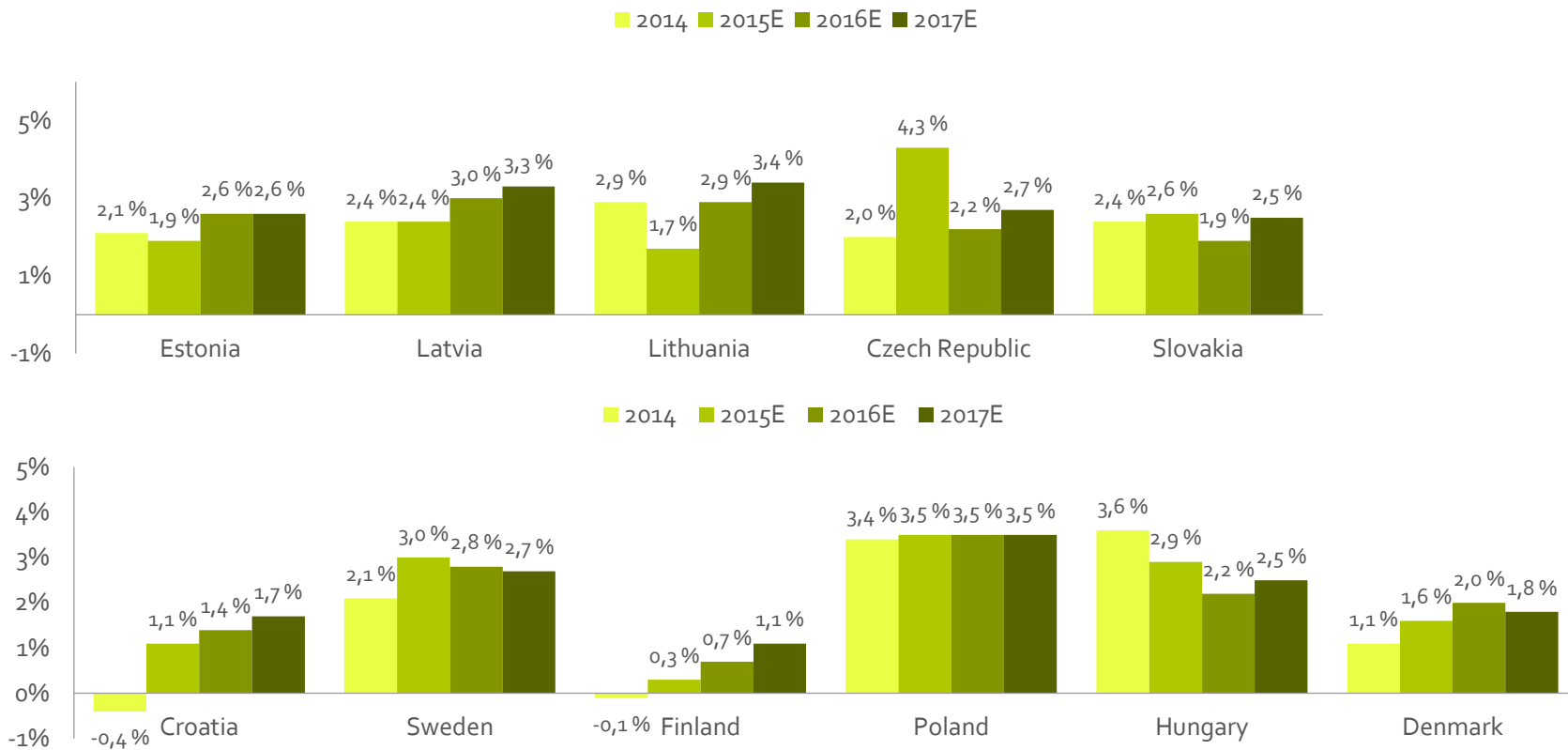




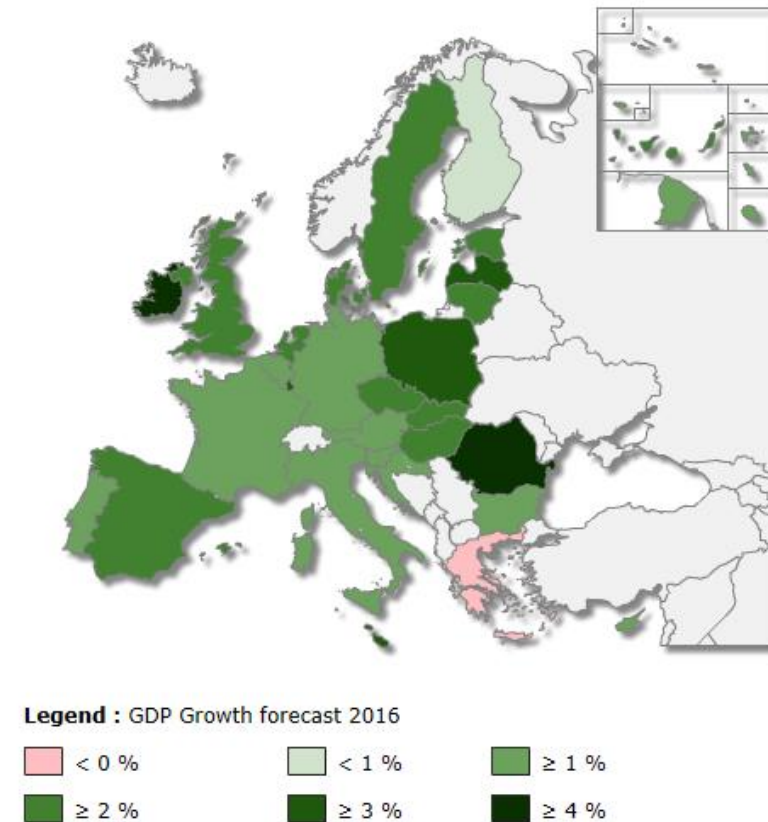
**THERE'S ALSO  
A BRIGHTER SIDE**

# GDP forecasts in Alma's operating areas

GDP development and Commission forecasts of GDP growth in Alma's operating countries in 2014–2017E



Commission growth forecast in 2016



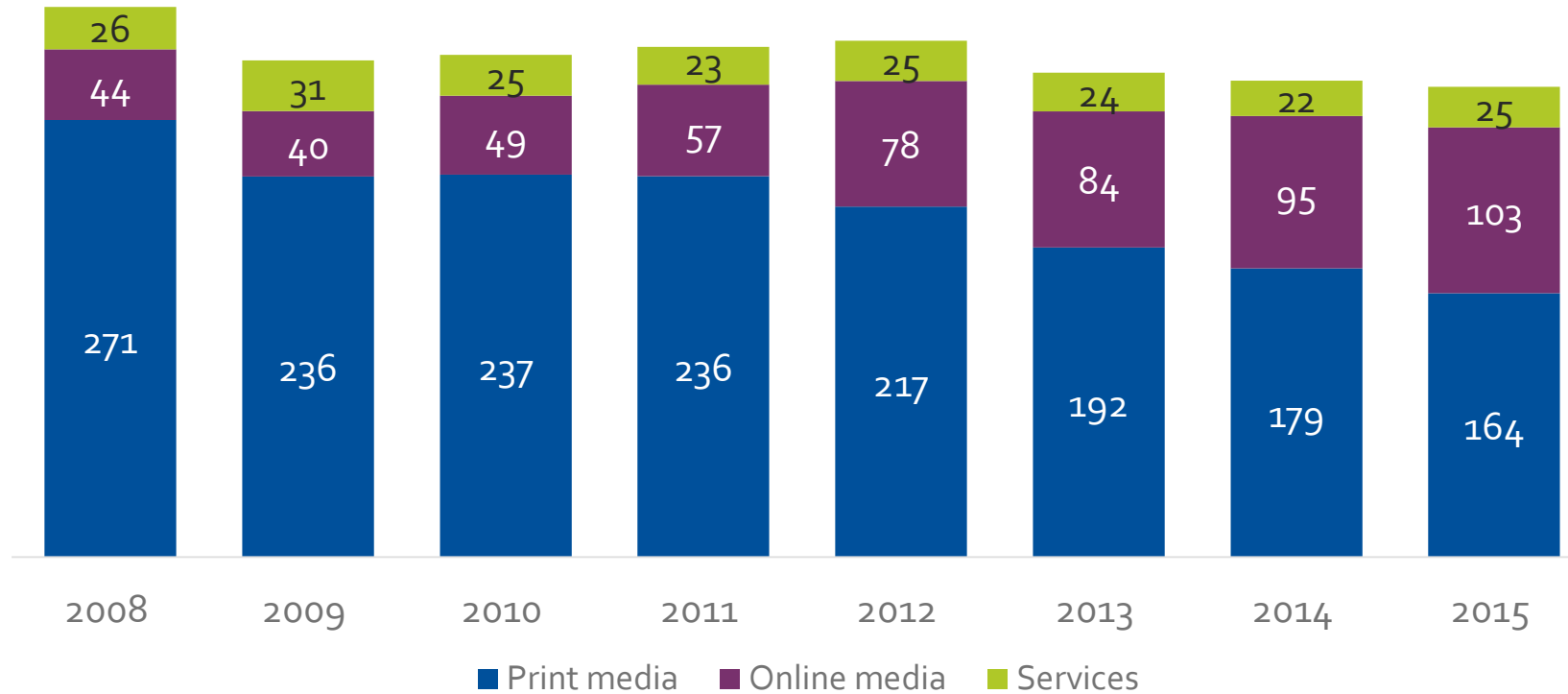


# THE ALMA TRANSFORMATION

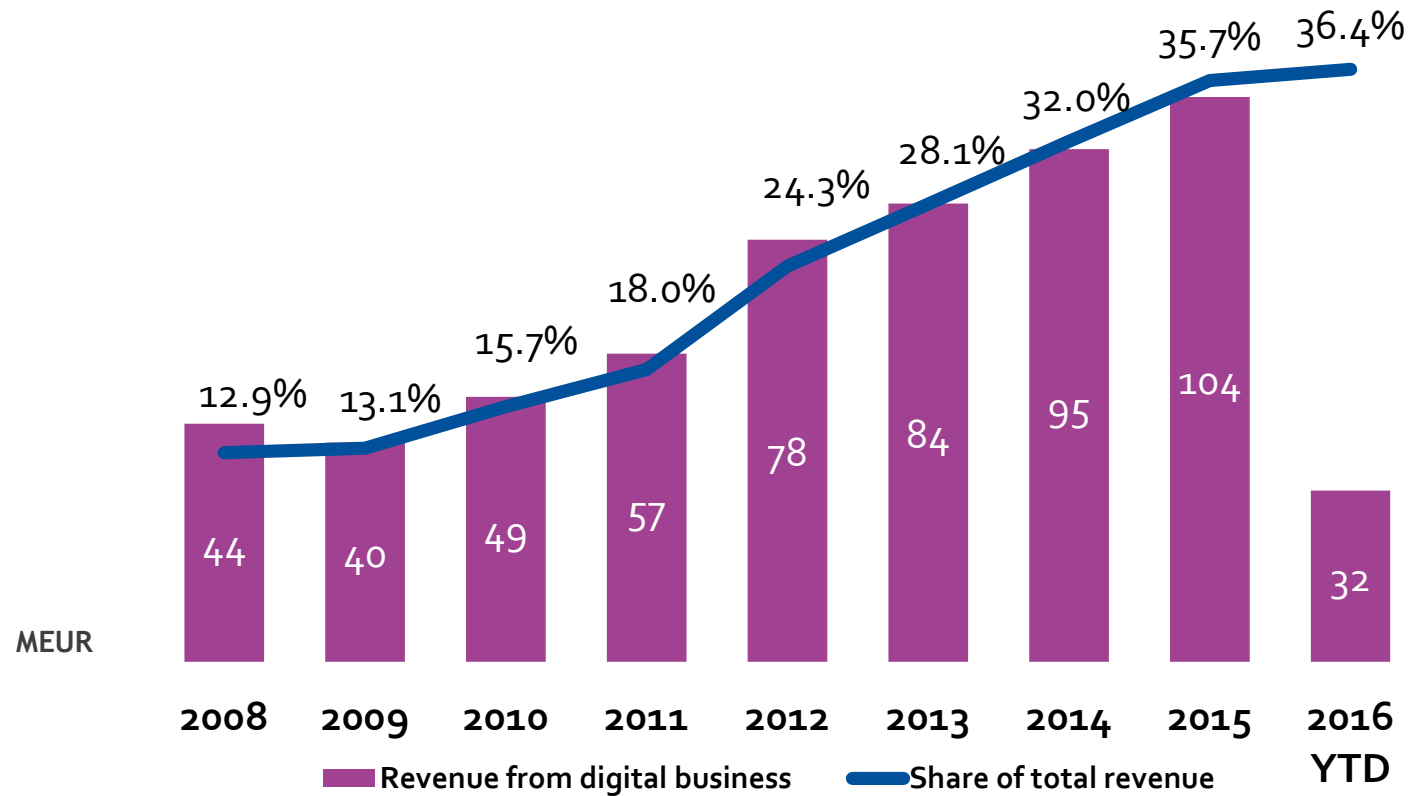


# Alma's digital business has compensated for the decline in revenue from print media

Alma Media's revenue by category, MEUR



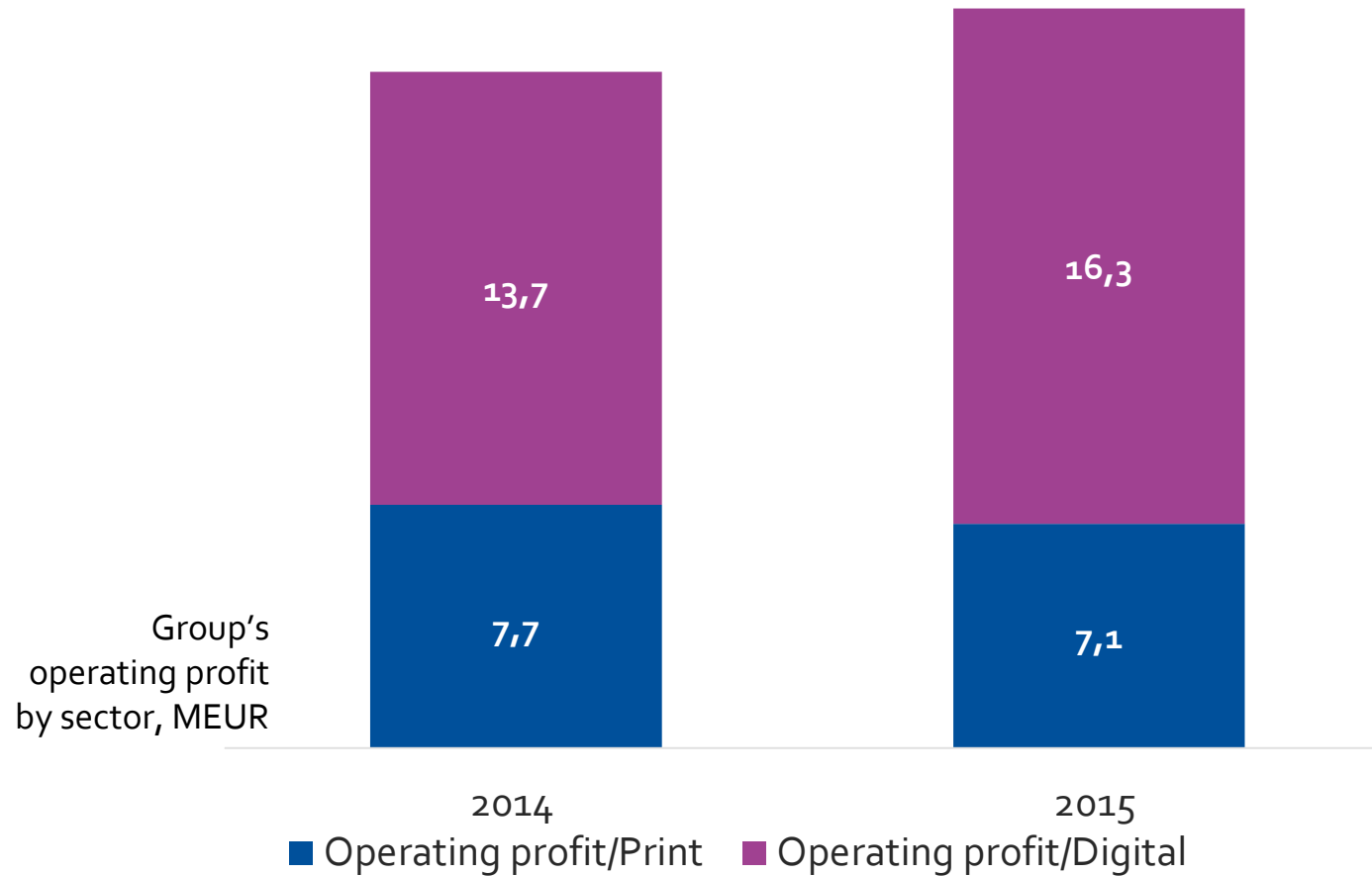
# MEUR 100 milestone exceeded in Alma's annual digital revenue



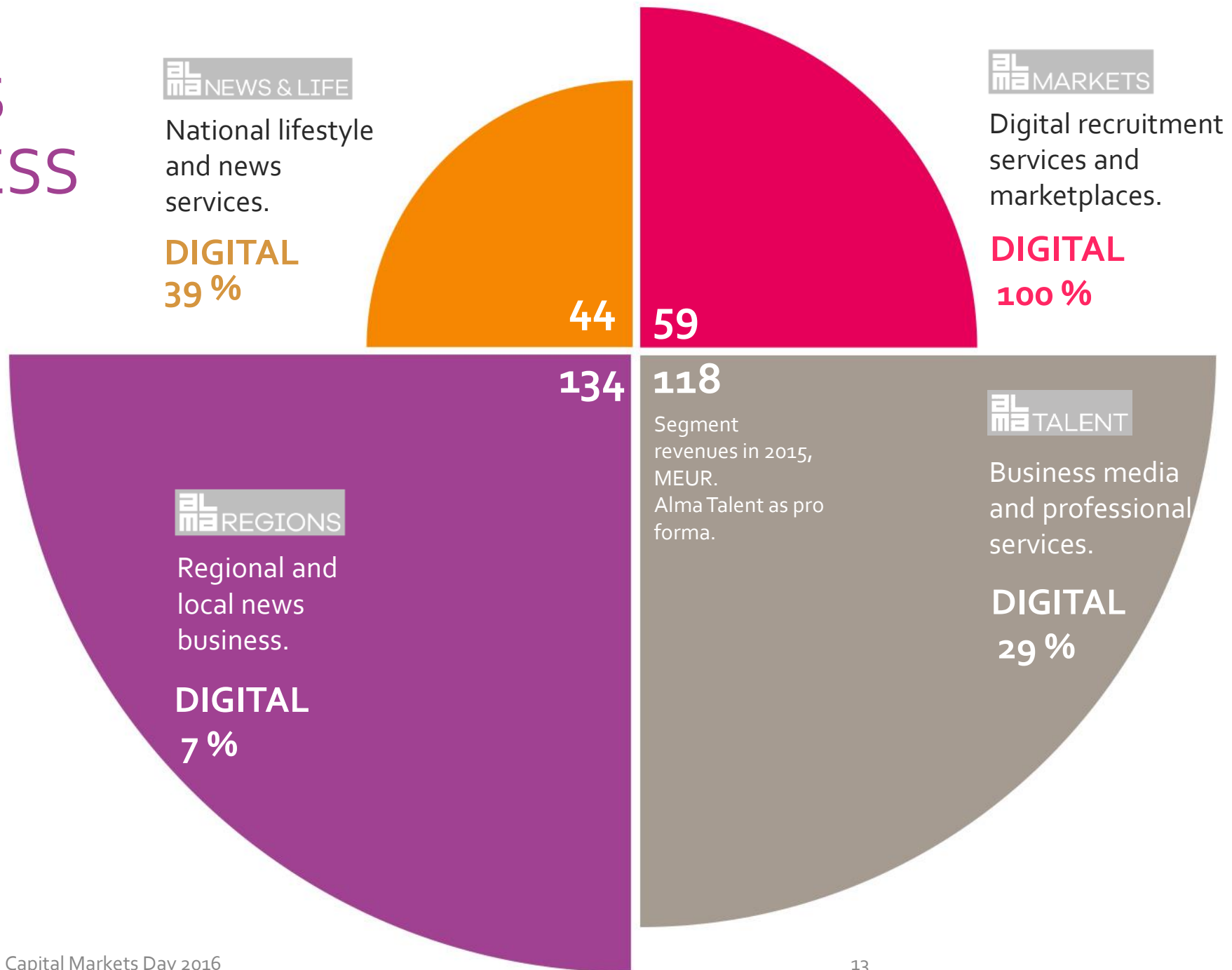
Digital revenue grew by 8.7% in 2015.

Q1 2016 digital revenue growth was 30.7%.

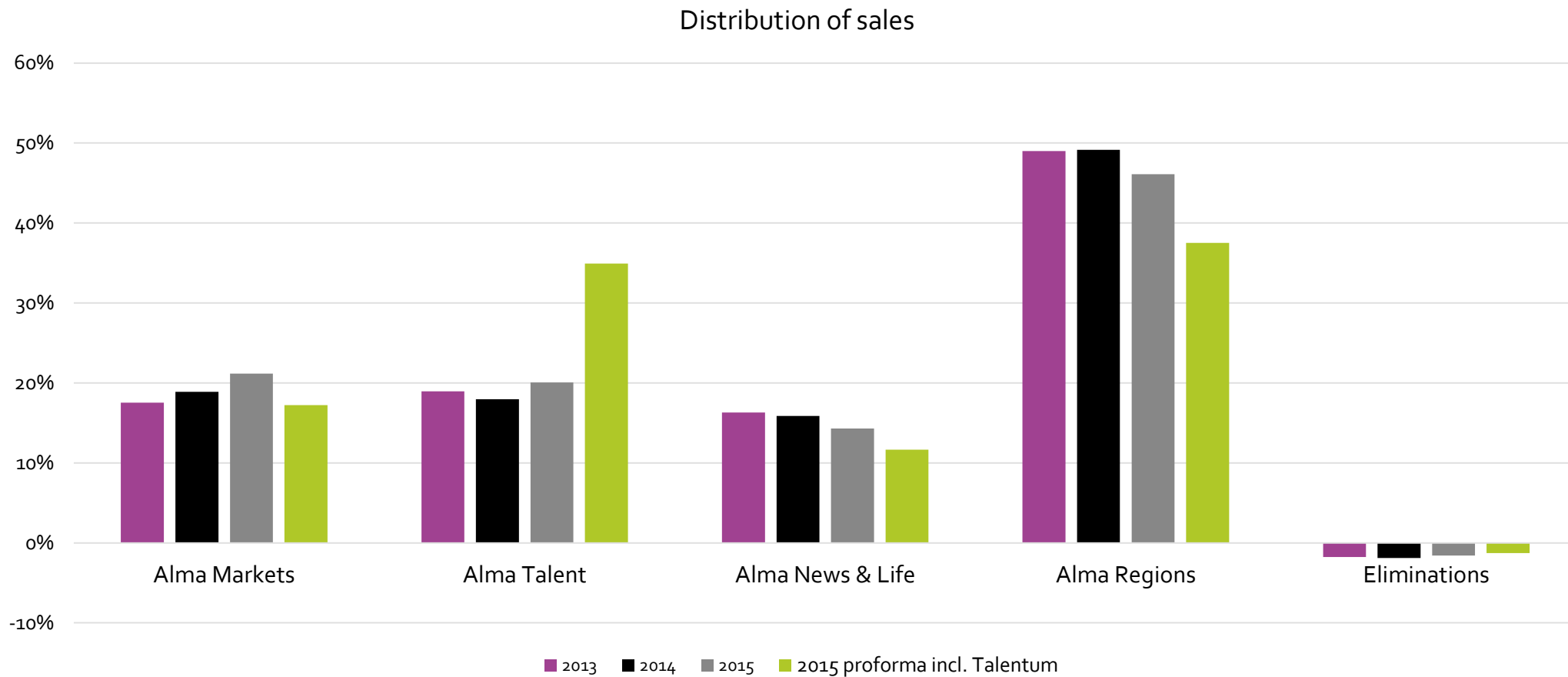
# Digital business generates more than 2/3 of Alma's operating profit



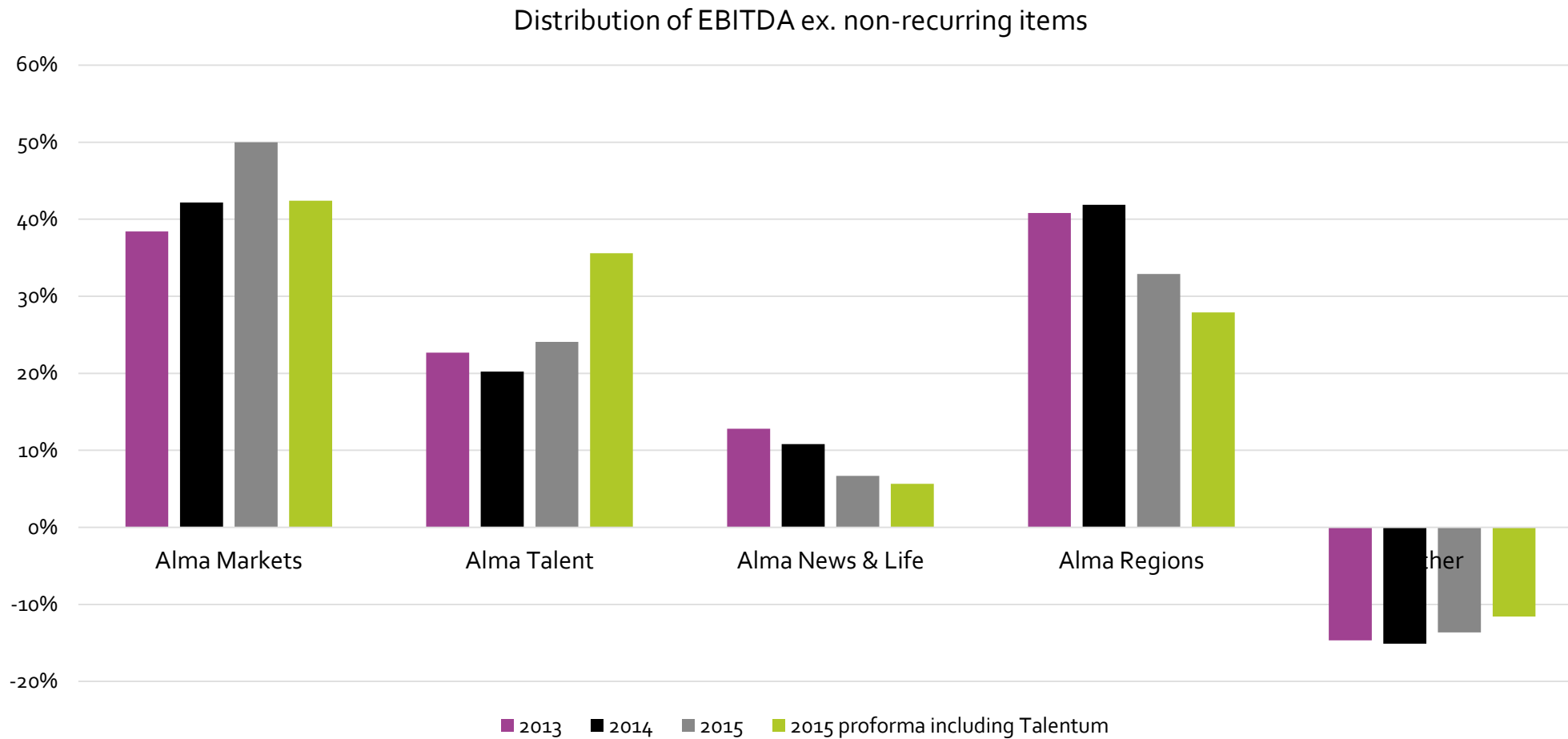
# ALMA'S BUSINESS AREAS



# The change in business mix: revenue



# The change in business mix: EBITDA

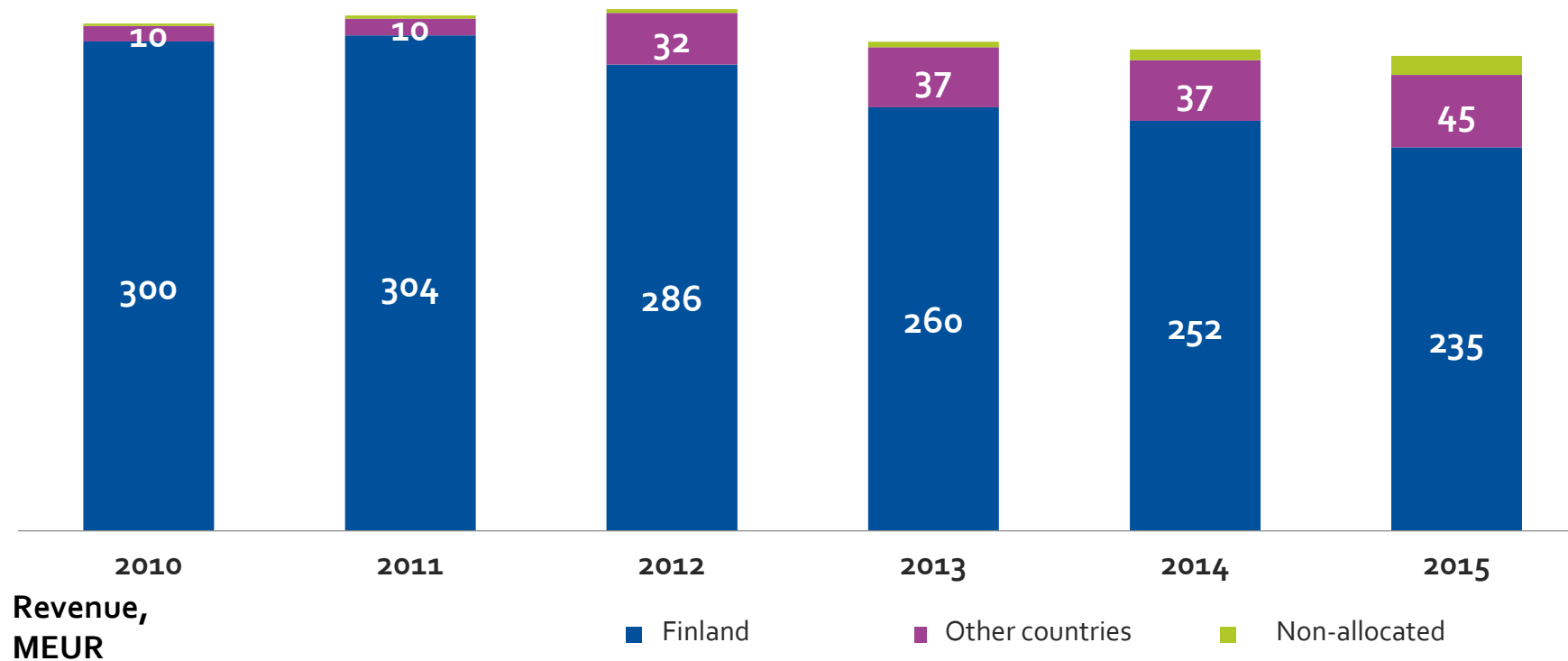


**Investments in digital  
business in Finland, and  
especially abroad, are  
producing good results.**

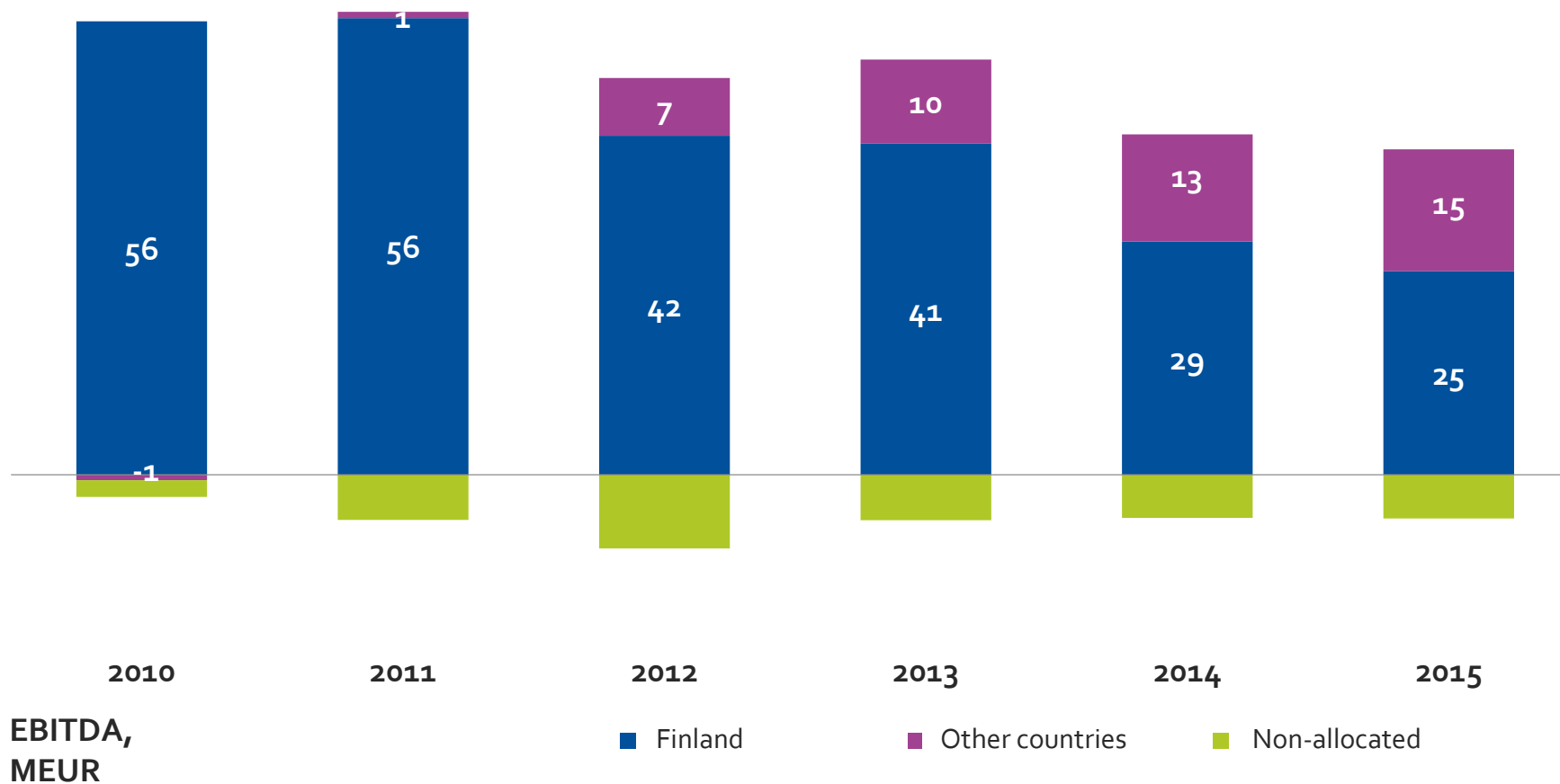




# International revenue has grown to play a significant role



# International business also has a growing significance to profitability





**ALMA MEDIA'S  
PATH FORWARD**

# Alma Media's strategy

## STRATEGIC TARGETS

1. Increasing owner value through revenue growth and improved profitability.
2. Increasing revenue and market shares, particularly in digital media and services in Finland.
3. Developing and expanding international business operations.

## STRATEGIC FOCAL POINTS

ORGANIC GROWTH

ACQUISITIONS

II. NEW BUSINESS AND MARKET AREAS



I. DEVELOPMENT OF CURRENT BUSINESS OPERATIONS & EXPANDING TO NEW GEOGRAPHIES



# Four strategic themes

**AL** MARKETS

**AL** TALENT

**Multichannel content**  
Digital content income, web tv, mobile media, content packages

**Marketing solutions**  
Programmatic buying, targeting, premium packages, consultative sales

**Service business**  
Marketplaces, recruitment and other business services, print & delivery

**Resources**  
Brand development, IT systems, digital media knowledge, partnerships

**AL** NEWS & LIFE

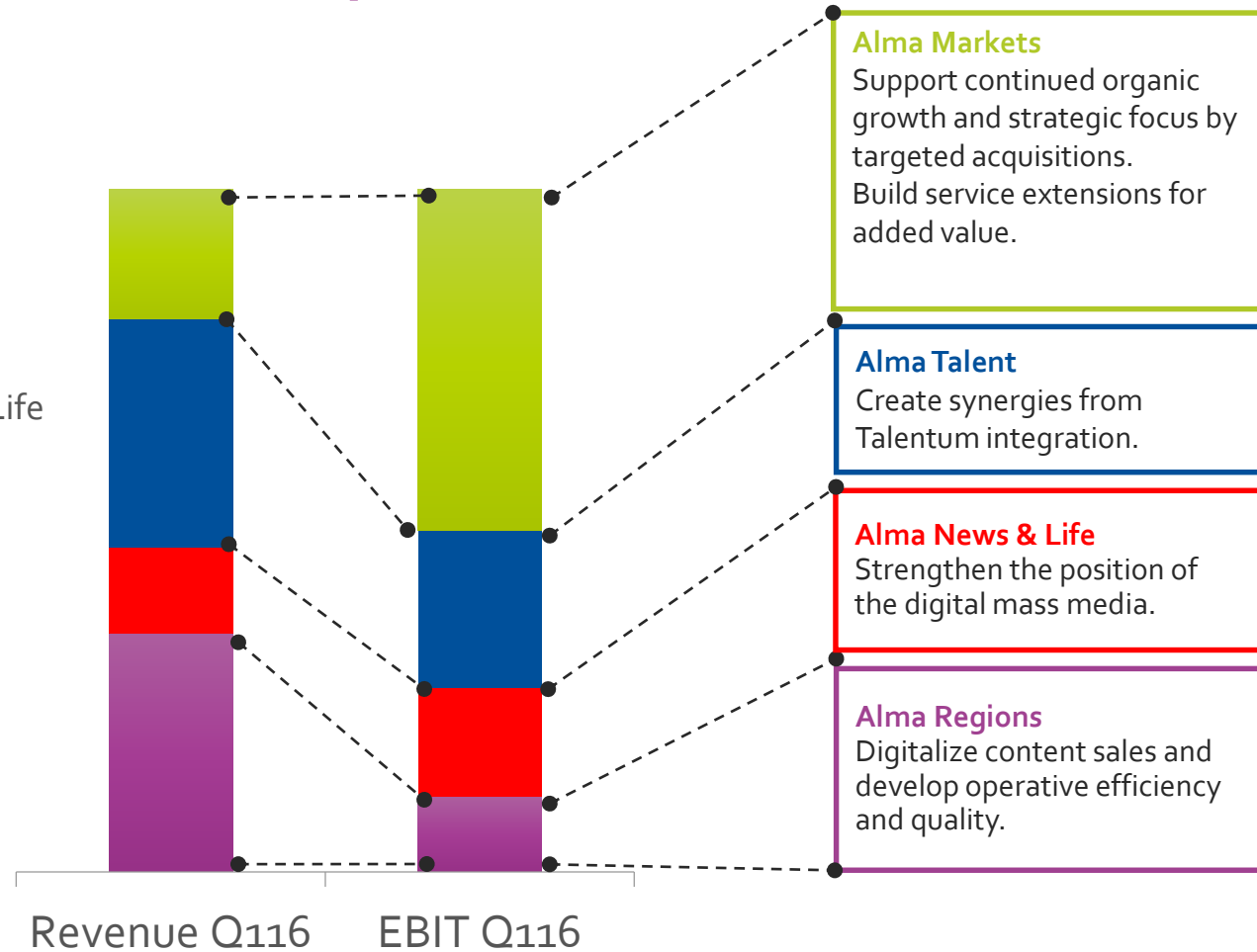
**AL** REGIONS

# Elements of strategy for growth and profitability

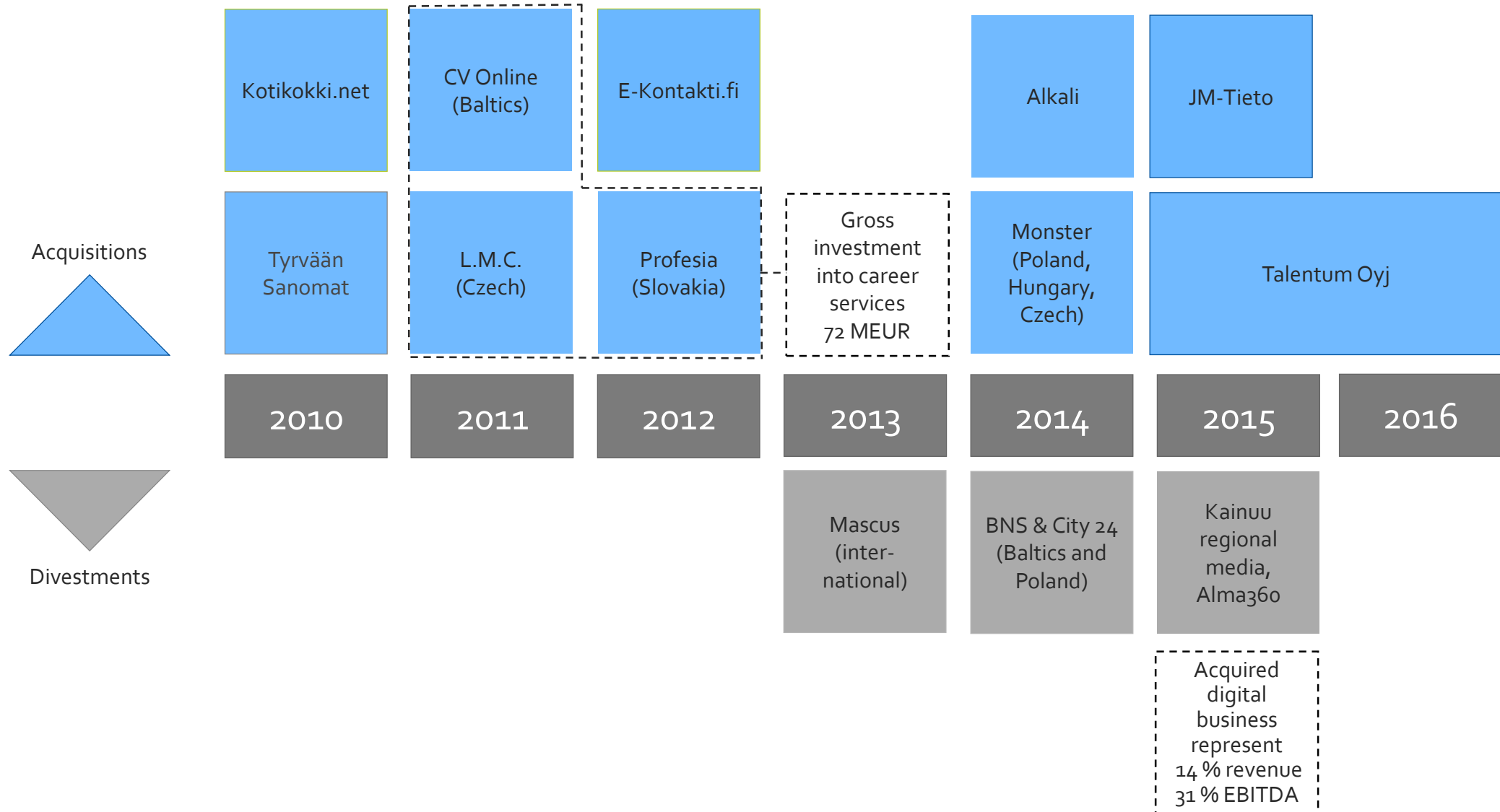
## Four strategic themes:

Multichannel content  
Marketing solutions  
Service business  
Resources

■ Alma Markets  
■ Alma Talent  
■ Alma News & Life  
■ Alma Regions



# Supporting growth by digital acquisitions

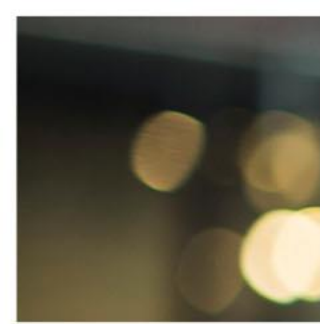


# The Talentum acquisition was our most significant business transaction in 2015



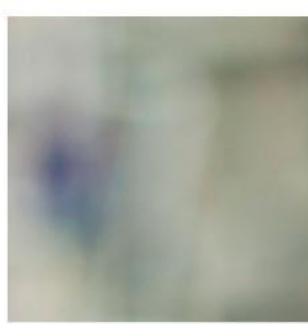
Operations will be combined at two levels.










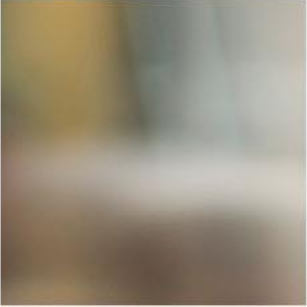



Structural transformation  
and internationalisation to  
continue






The decline of print media  
revenue will continue, digital  
business will continue to  
grow



We will make  
further  
investments in  
the  
development of  
our employees



The role of behavioural data  
and analytics in business  
development will grow



Efficiency improvement  
measures for print media will  
continue and digital  
development will be  
expedited



Operating environment in  
Finland to remain difficult,  
positive development will  
continue in international  
markets



We will integrate Talentum  
into Alma Media in such a  
way as to achieve the  
planned cost synergies of  
EUR 4–5 million

THANK YOU –  
QUESTIONS?

