

A background image showing a sunset over a snowy landscape. The sun is low on the horizon, creating a warm, golden glow. The foreground is filled with snow, and the background shows dark, silhouetted trees or hills.

Strong Focus on Improving Efficiency

Kari Kivelä, SVP, Alma Consumer



Alma Consumer- the new business segment

National and regional media

Nation-wide multi-channel online news, lifestyle media; printed tabloid. 2 Regional media (print + online) and 12 local papers in Finland.

ILTALEHTI

AAMULEHTI
SATAKUNNAN KANSA

Nokian Uutiset
Valkeakosken
Sanomat

Digital consumers services

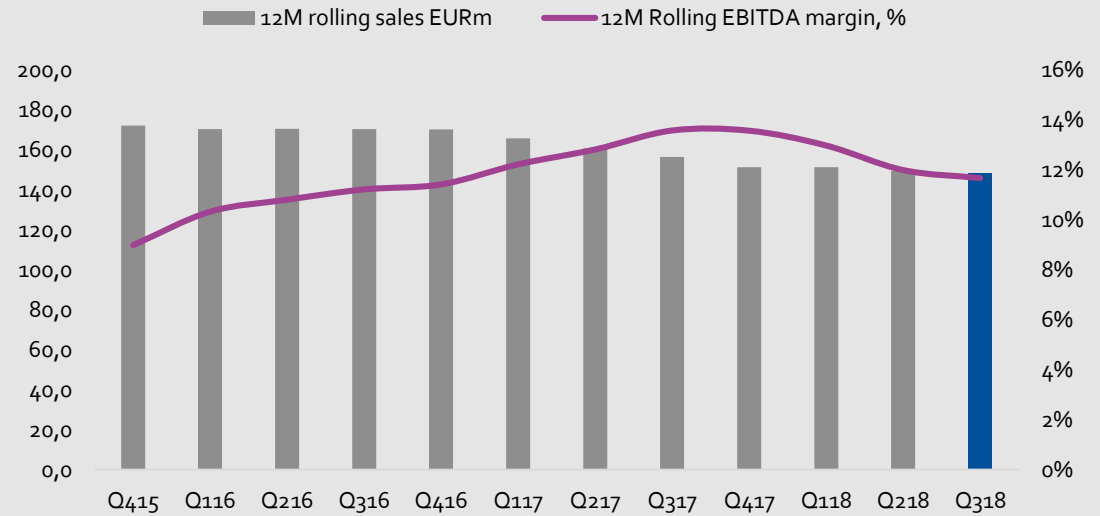
with media synergies (travel services, dating, food recipes, tv program).

Rantapallo **telkku.com** **kotikokki.net** **E-kontakti.fi**

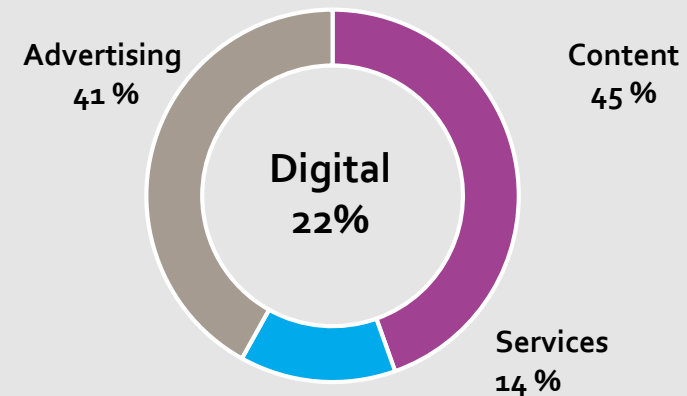
Printing and delivery

A modern printing and delivery business serving increasingly external customers.

MANU



Distribution of revenues 1-9/2018



Aiming for reach and serving each

Clear strategic roles of media and utilizing synergies

EACH -
TARGETED
MEDIA

REACH -
MASSMEDIA

SATAKUNNAN KANSA

telkku.com

E-kontakti.fi

Local media

AAMULEHTI

kotikokki.net

Rantapallo

ILTALEHTI

SUBSCRIPTION
BASED

ADVERTISING
BASED



Cornerstones of Alma Consumer strategy

Improving efficiency
in declining market

Increasing digital
subscription base

High reach enables
leveraging marketing
mix for advertisers

Widening portfolio
towards digital services

Continuous cost improvements in declining market



Printing - overcapacity on market

1. Alma Manu, Tampere, 2013,
26 000 t

2. Kokkola, 4 000 t*

3. Seinäjoki, 4 500 t*

4. Kouvola, 7 000 t*

5. Oulu, 7 000 t*

6. Hämeenlinna, 7 000 t*

7. Jyväskylä, 8 500 t*

8. Lahti, 5 000 t*

9. Pieksämäki, 2 000 t*

10. Tuusula, 8 700 t*

11. Joensuu, 6 000 t*

12. Salo, 5 000 t*

13. Vantaa, 37 000 t*

14. Pori, 2 000 t*

15. Varkaus, 7 000 t*

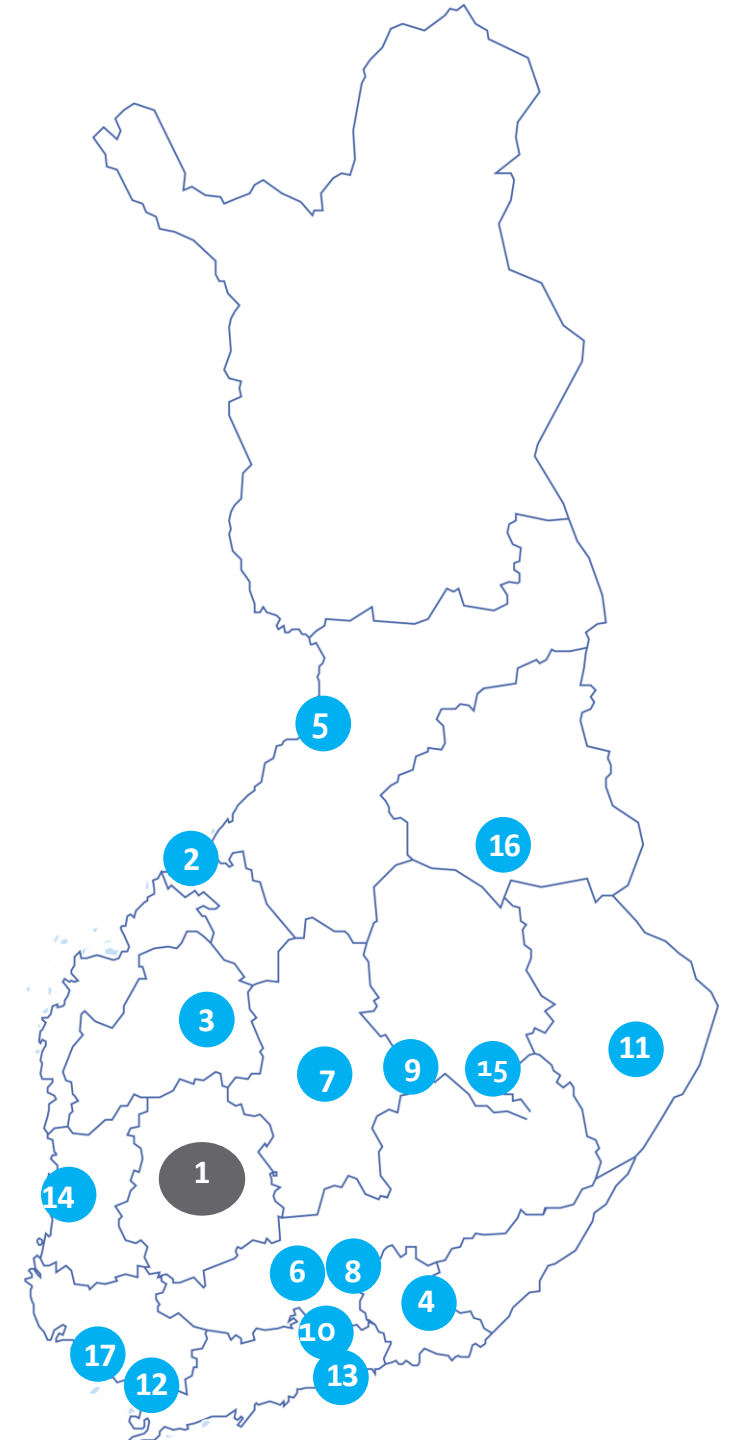
16. Kajaani, 3 000 t*

17. Turku, 8 000 t*

Printing facilities in operation less than 10 years :

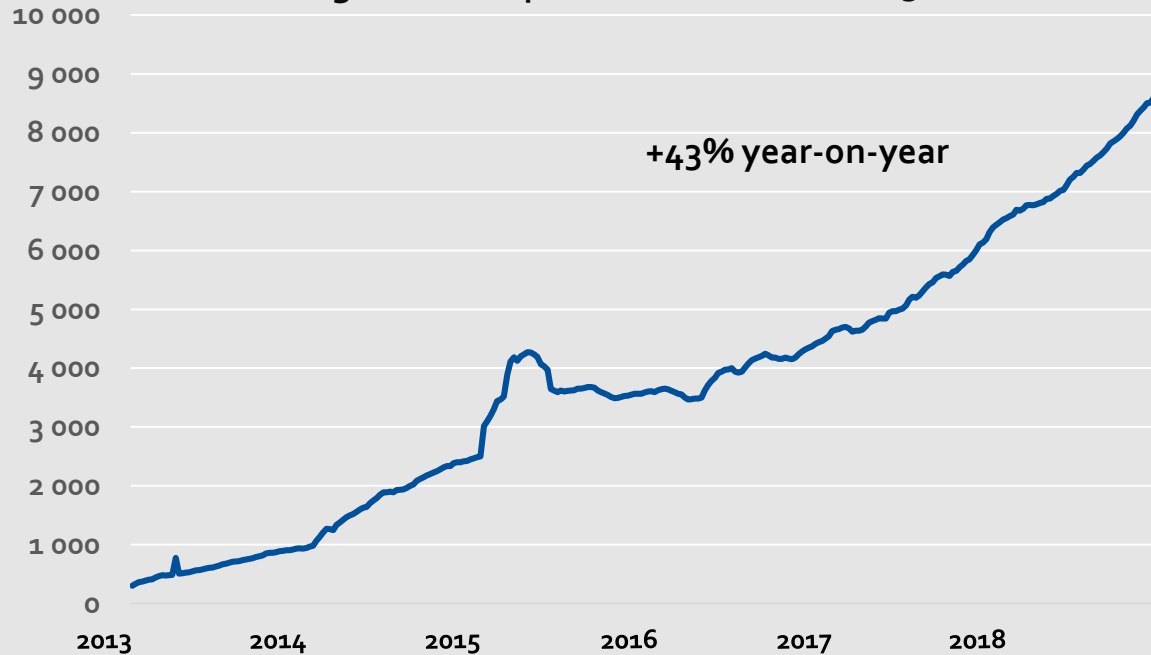
Alma Manu, Oulu, Kokkola ja Joensuu

**paper tonnes consumptions are estimations*

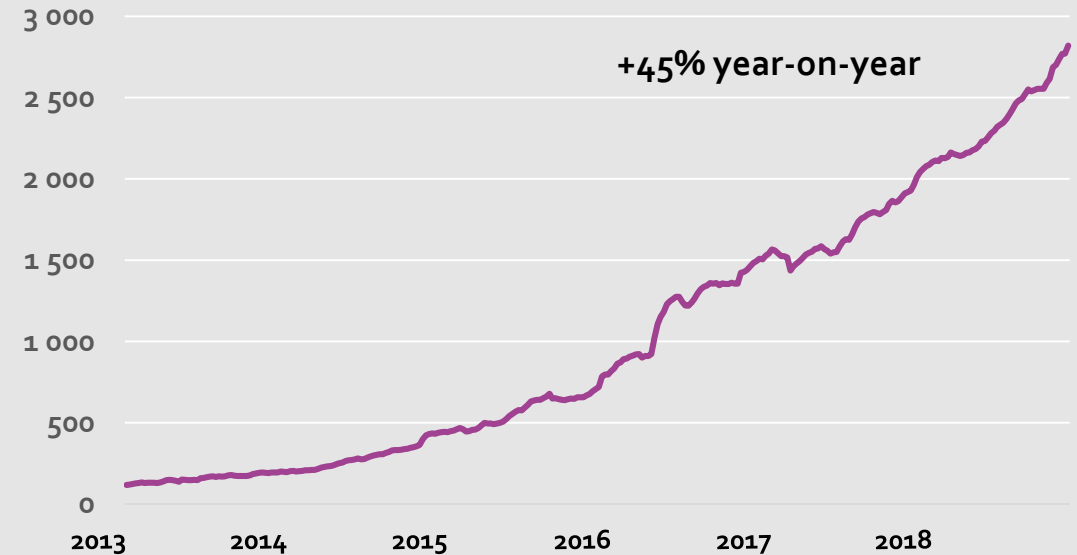


Good development in increasing digital subscription base

Digital subscriptions of Aamulehti 2013-2018



Digital subscriptions of Satakunnan Kansa 2013-2018



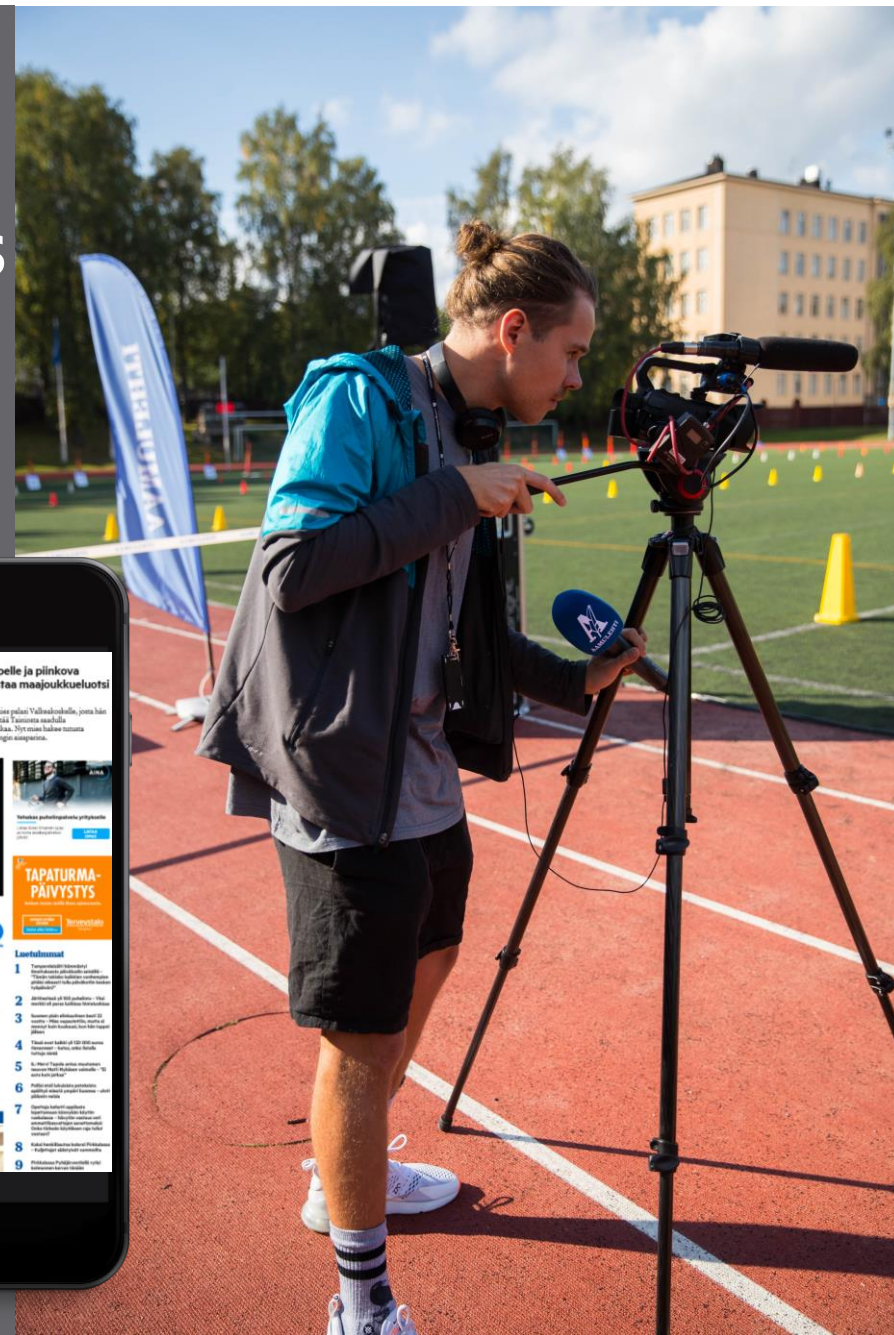
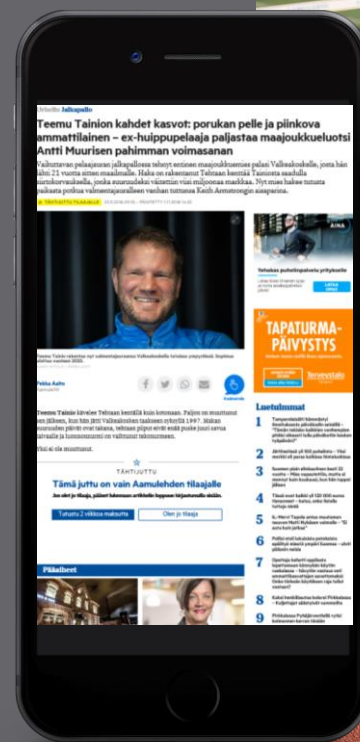
Centralised data based marketing

- Common Alma eCom unit enhances digital subscriptions sales and marketing: dynamic pricing, bundling
- Customer insight and Alma SSO
- Content relevancy



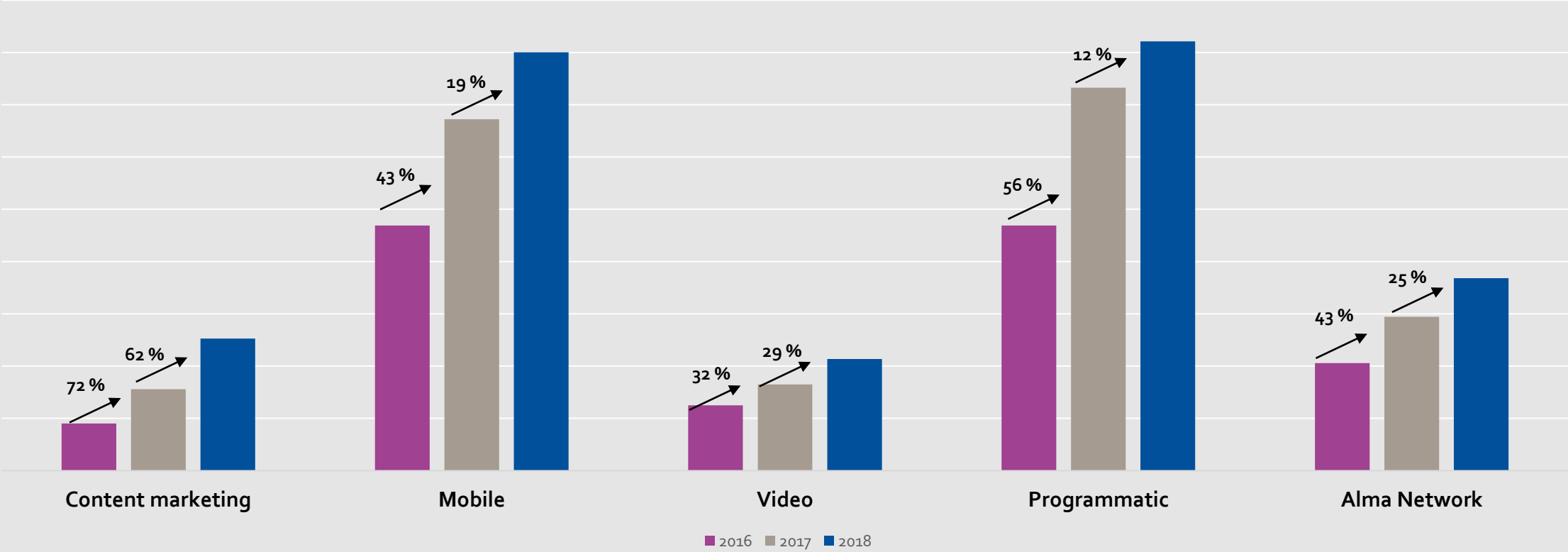
New ways of making content to increase the value of digital subscriptions

- Local sport live content:
 - efficient production with strong local insight
 - engaging local audiences
 - boosting local subscriptions
- Star Stories with digital story telling - exclusive quality content
- Experimenting data-based AI in journalism, customer sales and marketing



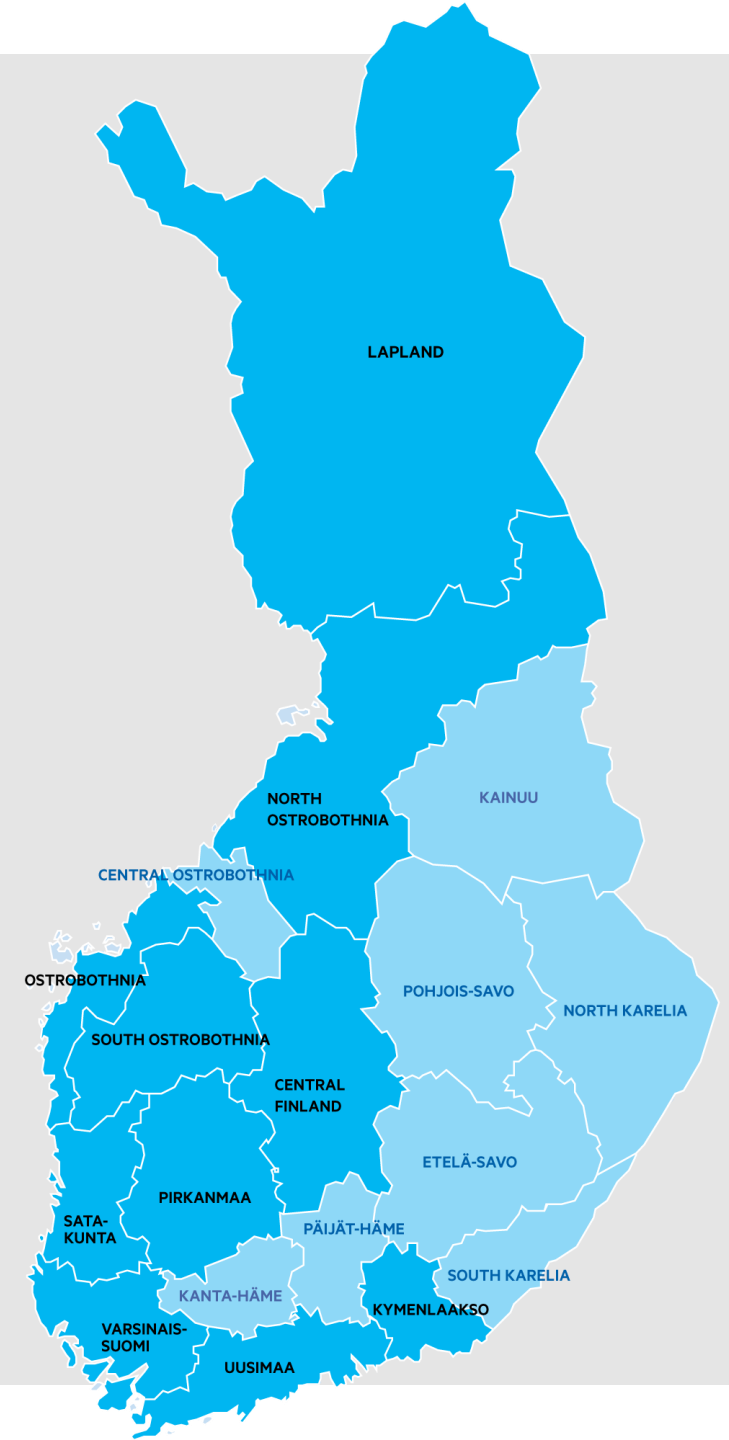
Leveraging marketing mix for advertisers drives growth at Alma Consumer

Rolling 12 months



Broadening reach of Alma network

- Strong regional presence through sales, 10 regions.
- Dominant local digital reach in selected areas.
- The Alma digital network reaches approx. 65% of all Finns every week.



Widening portfolio towards digital services

- Focus on services which have strong media synergies and which secure profitability.
- Services will bring 8 % of Alma Consumer EBIT in 2019.
- Advertising based business model: Kotikokki, Telkku, Rantapallo.
- Subscription based: e-Kontakti.
- Commission based: Etua.fi (20%), Rantapallo.
- Untapped opportunities in online consumer service marketplaces.



Hurdles and drivers of Alma Consumer

GAFA EXPANDING
TO NEW
BUSINESS AREAS
(consumer services)

NATIONWIDE
MULTICHANNEL
REACH

PREMIUM
CONTENT WITH
STRONG LOCAL
PERSPECTIVE

DECLINING
DOMESTIC
ADVERTISING
MARKET

EXPLOITING
ALMA DATA
AND TECHNICAL
CAPABILITIES

OPERATIONAL
EFFICIENCY,
GOOD CASHFLOW AND
LOW CAPEX LEVEL