


ALMA MEDIA - ADDING SERVICE INTO MEDIA BUSINESS

Alma Media Corporation
Investor Relations information package
October 2015

Living
Information

28.10.2015

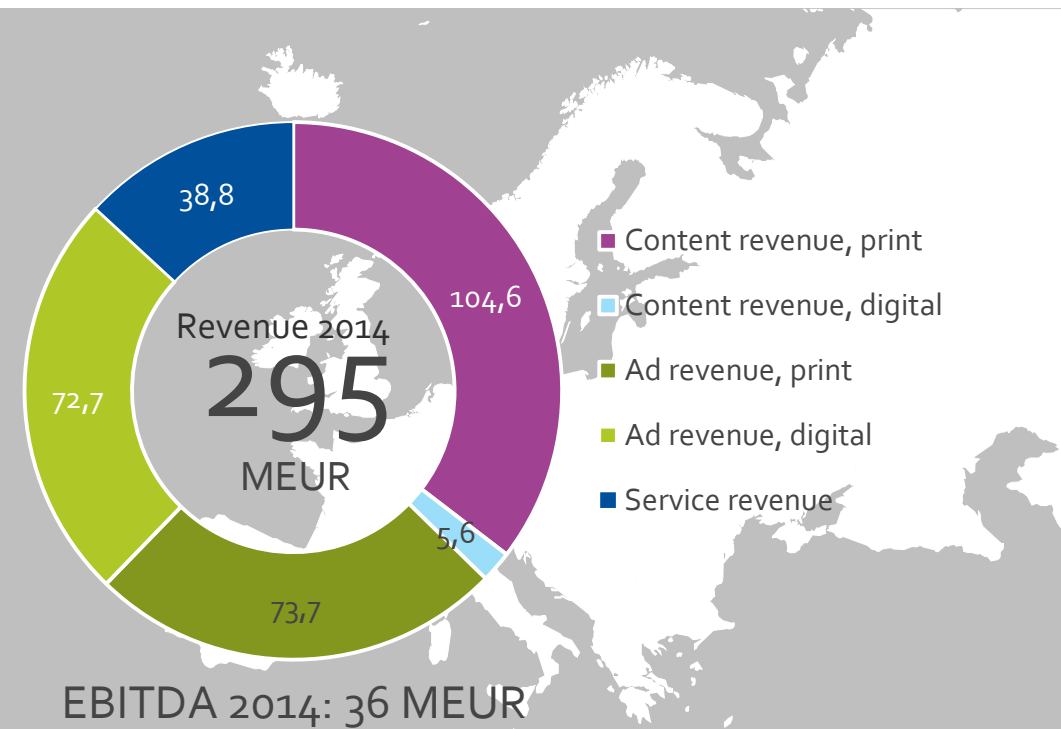
The background of the slide is a deep blue with intricate, glowing light patterns that resemble water ripples or abstract digital flows. The light is brighter in the upper left and center, fading towards the bottom and right.

INTRODUCTION TO ALMA MEDIA

Structure of business, geographies, ownership

This is Alma Media

- A media and digital services group operating in 10 European countries
- 1,700 full-time employees working for some of the leading media and services brands
- Growing in digital media and services business since mid-1990's (2014: 33 % of total revenue)



Alma Media as an investment

Successful transformation from print based to service based media business

1

Digital strategy

Alma Media has invested in digital media and services since mid-1990's. Successful expansion of digital career services into Central Europe 2012-2014.

2

Strong brands

Leading media and service brands across Finland and main Eastern Central Europe. Strong market position in most countries.

3

Growth and value

Long-term financial targets include ambitious digital growth and healthy dividend yield.



President and CEO
Kai Telanne

Alma Media's reporting segments

DIGITAL CONSUMERS SERVICES

REVENUE 55.8
EBITDA 14.8 (26.7 %)
EBIT 9.2 (16.4 %)
(2014, MEUR)

100 % DIGITAL

FINANCIAL MEDIA AND BUSINESS SERVICES

REVENUE 56.8
EBITDA 7.1 (13.4 %)
EBIT 7.8 (13.8 %)
(2014, MEUR)

43 % DIGITAL

NATIONAL CONSUMER MEDIA

REVENUE 46.9
EBITDA 3.8 (8.1 %)
EBIT 3.7 (7.8 %)
(2014, MEUR)

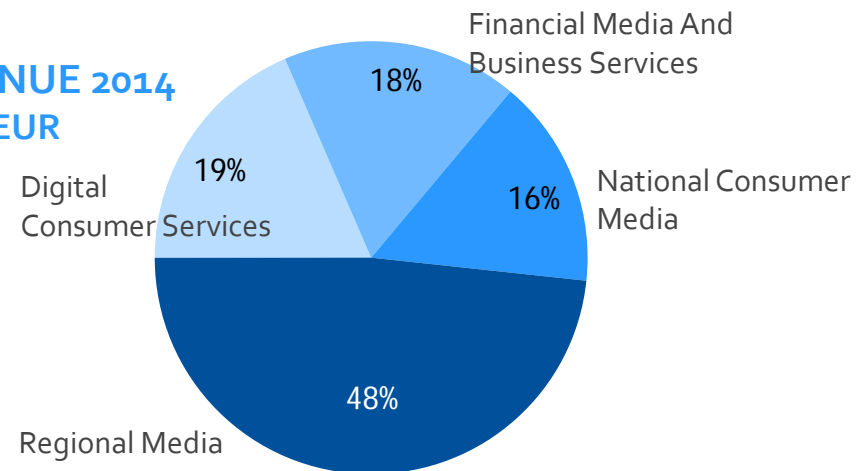
27 % DIGITAL

REGIONAL MEDIA

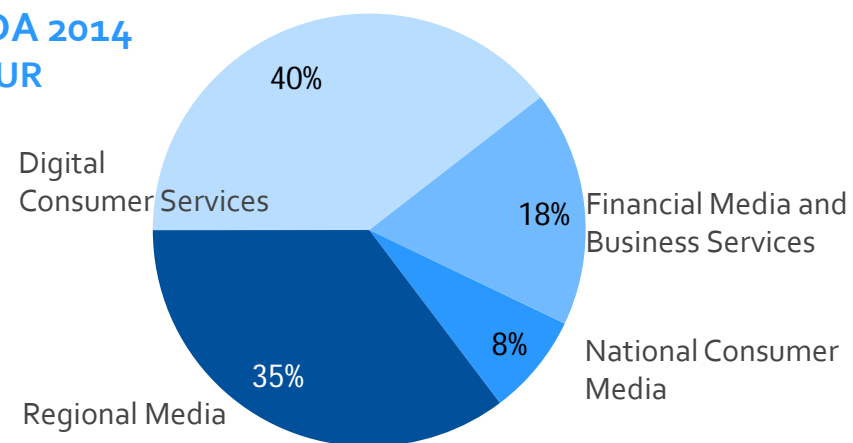
REVENUE 145.2
EBITDA 14.7 (10.1 %)
EBIT 9.6 (6.6 %)
(2014, MEUR)

2.6 % DIGITAL

REVENUE 2014
295 MEUR

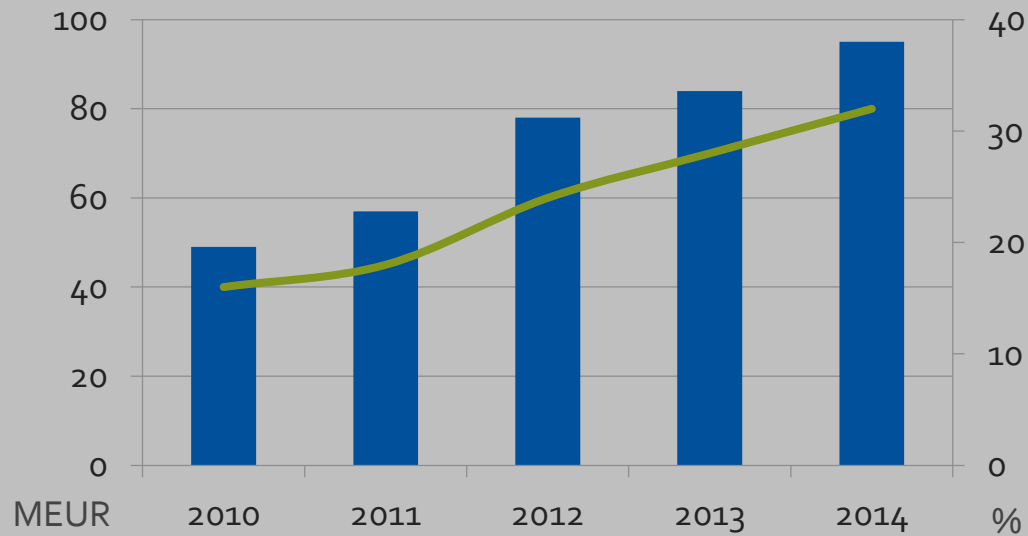


EBITDA 2014
36 MEUR



Sizeable and growing digital business

Digital revenue and it's share of total sales



Top-of-mind brands across Europe

Wide media and service offering

Alma Media's strong brands offer both local and national media content in Finland, and various online services across in Finland and in Eastern Central Europe.

Operations outside of Finland are focused on digital recruitment services.



Long-term financial targets

Balancing investments, debt repayment and shareholder return

Alma Media's long-term financial targets reflect the focus areas of the company's strategy and business development.

Long-term financial targets will be reached

- by developing the digital media and services business and
- by improving the quality and efficiency of the publishing operations.

To support growth, Alma Media aims to optimally balance investments, debt repayment and shareholder return.

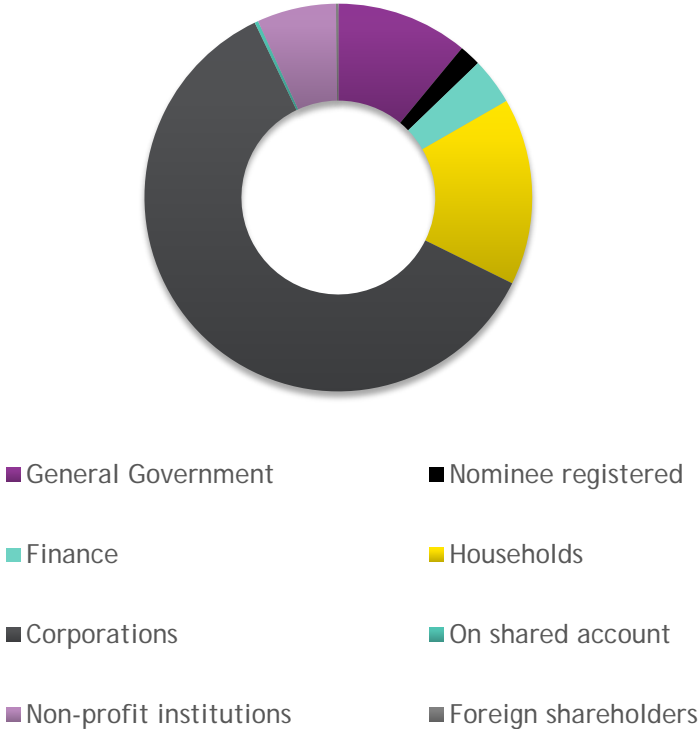
Digital business growth pa. **15 %**

Return on investment **15 %**

Dividend pay-out ratio **50 %**

Ownership structure

Shareholders by sector



Largest shareholders (September 30th 2015)

| | | |
|-----|-------------------------|---------|
| 1. | Ilkka-Yhtymä Oyj | 29.79 % |
| 2. | Mariatorp Oy | 16.03 % |
| 3. | Kaleva Kustannus Oy | 7.95 % |
| 4. | Varma | 7.06 % |
| 5. | C.V.Åkerlundin säätiö | 4.53 % |
| 6. | Elo | 2.45 % |
| 7. | Kaleva | 2.08 % |
| 8. | Herttaässä Oy Ab | 1.74 % |
| 9.. | Nordea Nordic Small cap | 1.61% |
| 10. | Ilmarinen | 1.46 % |

Listed in Nasdaq OMX Helsinki (ALN1V).
Please see www.almamedia.com/investors
for more information.

The background of the slide is a deep blue with intricate, glowing light patterns that resemble ripples on water or abstract organic forms. The light is concentrated in the upper left and right areas, creating a sense of depth and movement.

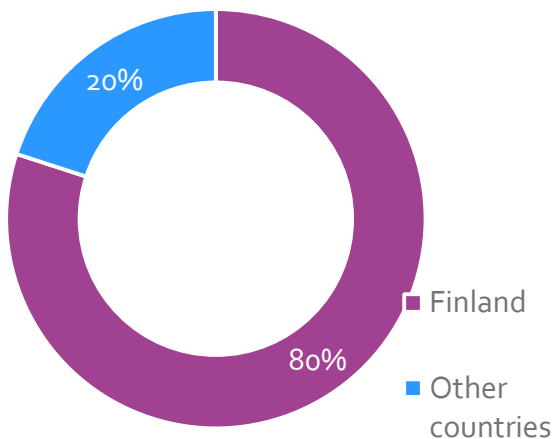
MARKETS

Revenue sources and the development of main markets

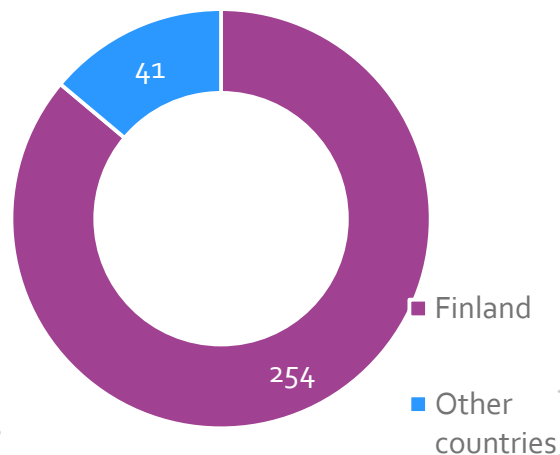
Operations across Europe

- Based in Finland, Alma Media has operations in 10 countries across Northern and Eastern Central Europe.
- Operations outside Finland focused on career services. In Sweden Alma Media has an office space marketplace.

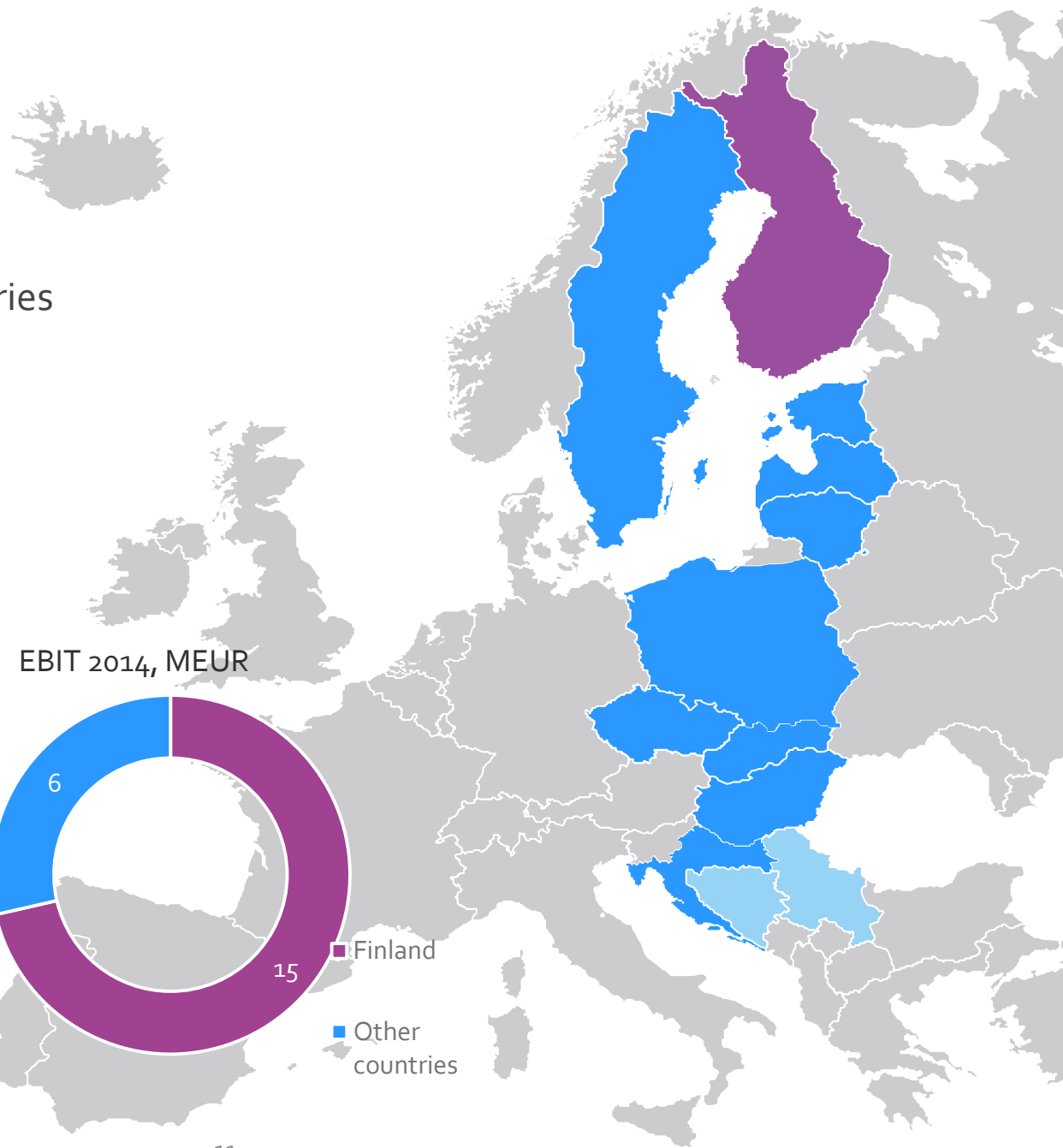
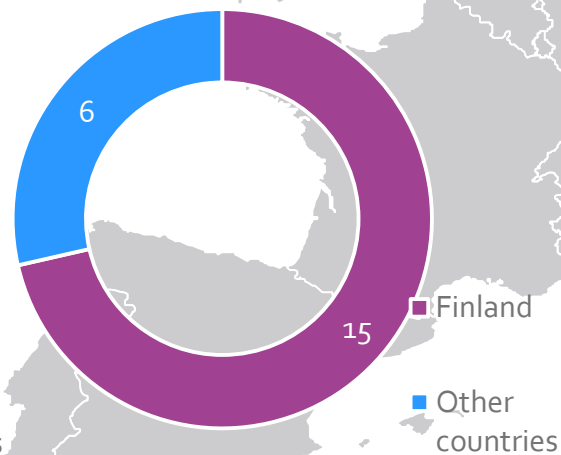
Personnel 2014, %



Revenue 2014, MEUR



EBIT 2014, MEUR





Main geographical markets

Finland

- Population 5.4 million
- GDP growth rate 0-1 % (2015E)
- About 97 % have access to internet
- *Alma: online and print media, digital services*

Estonia, Latvia and Lithuania

- Population more than 7 million
- GDP growth rate 2 to 3 % (2015E)
- About 70 % have access to internet
- *Alma: online recruitment services*

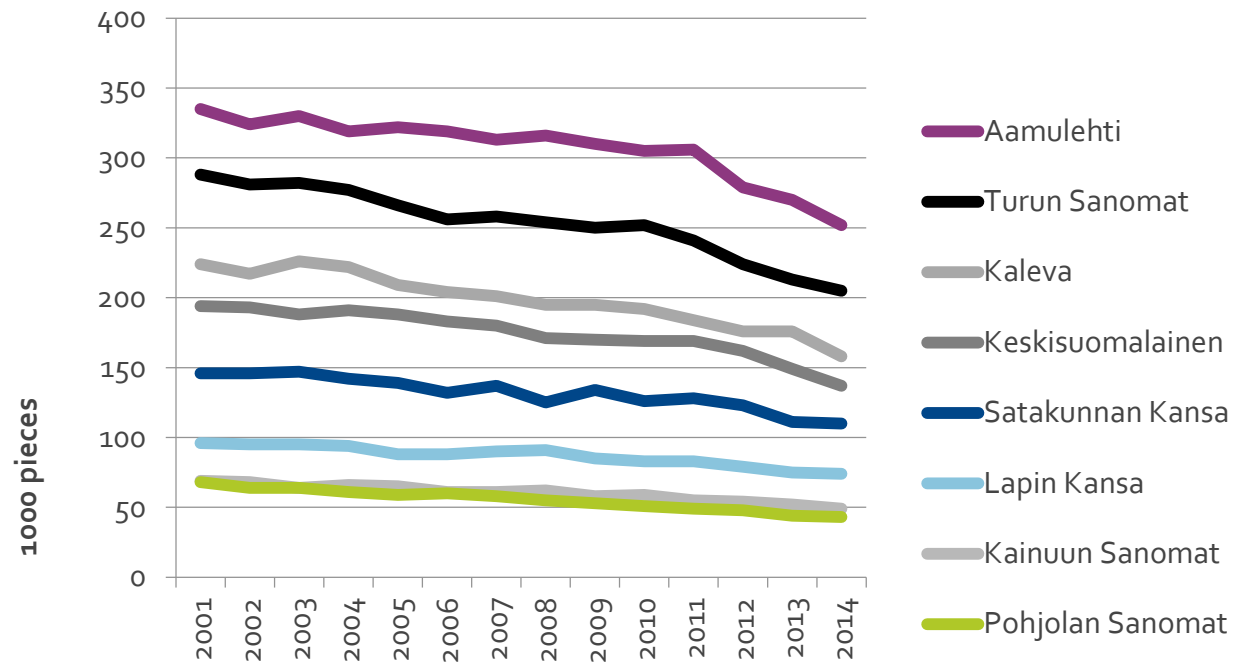
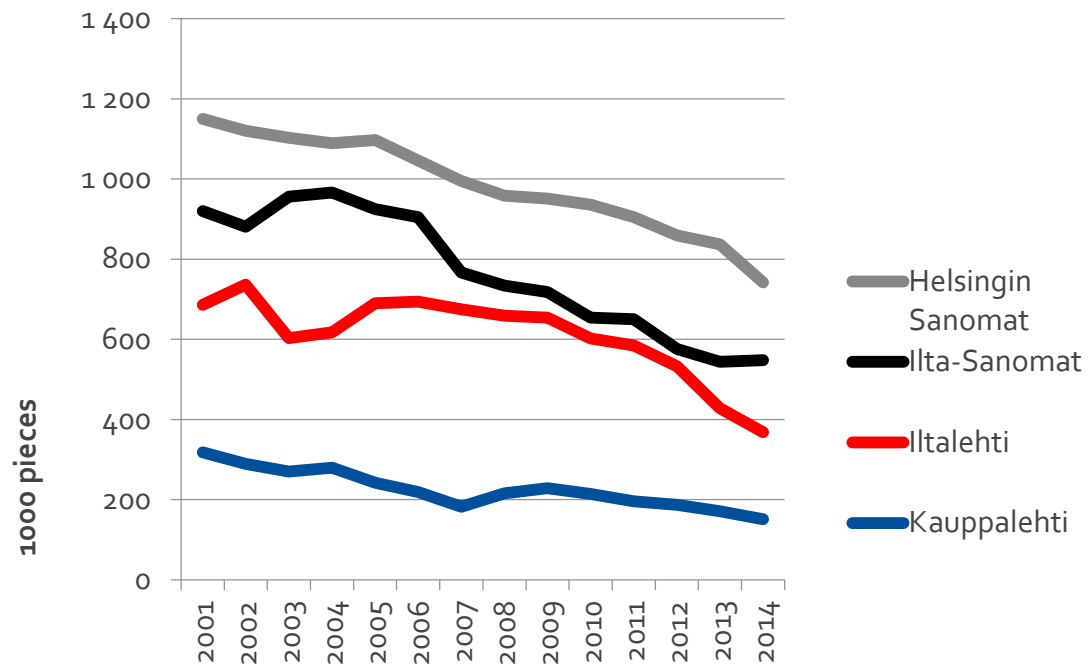
Czech Republic and Slovakia

- Population more than 15 million
- GDP growth rate 2.5 to 3 % (2015E)
- About 80 % have access to internet
- *Alma: online recruitment services*

A photograph of a person's hands holding a smartphone horizontally, with the screen glowing white. The background is dark and out of focus, showing bokeh light effects from distant lights. The text 'MARKETS: DEVELOPMENT IN FINLAND' is overlaid on the left side of the image.

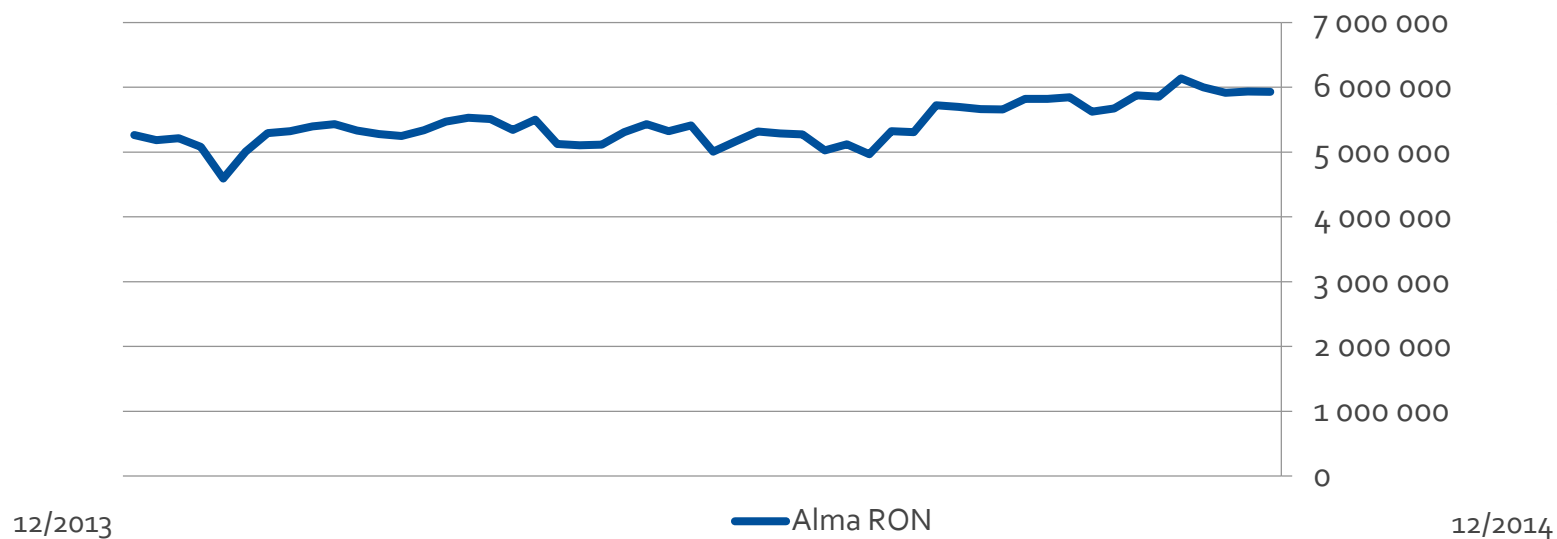
MARKETS: DEVELOPMENT IN FINLAND

Finnish media usage: print readership in decline



Finnish media usage: online readership keeps growing

Weekly browser visits to Alma Media's online network

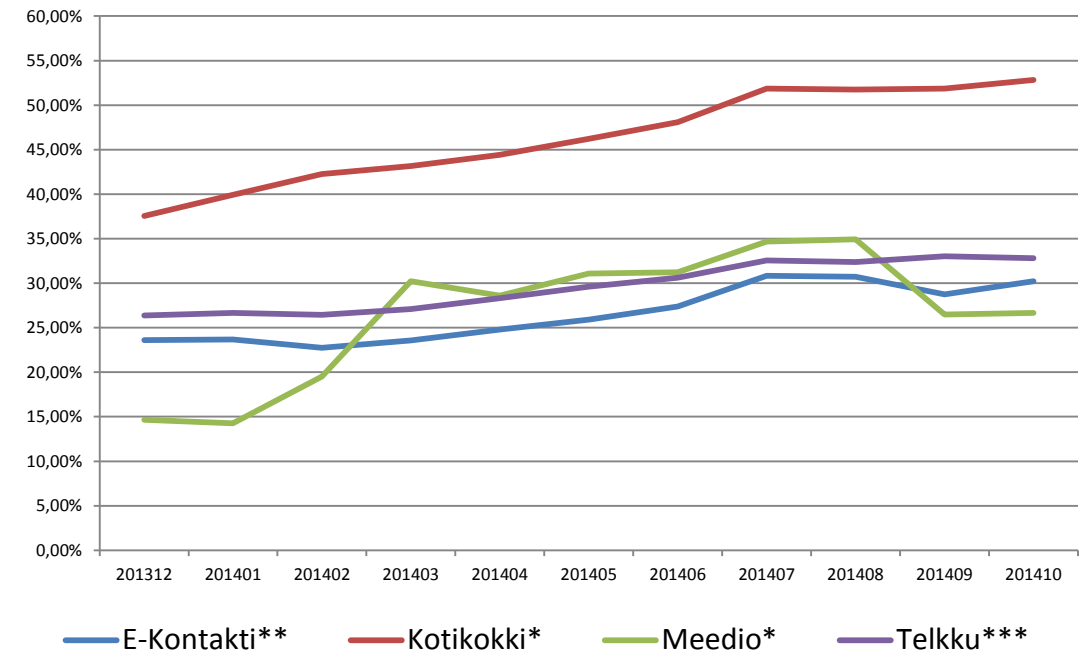
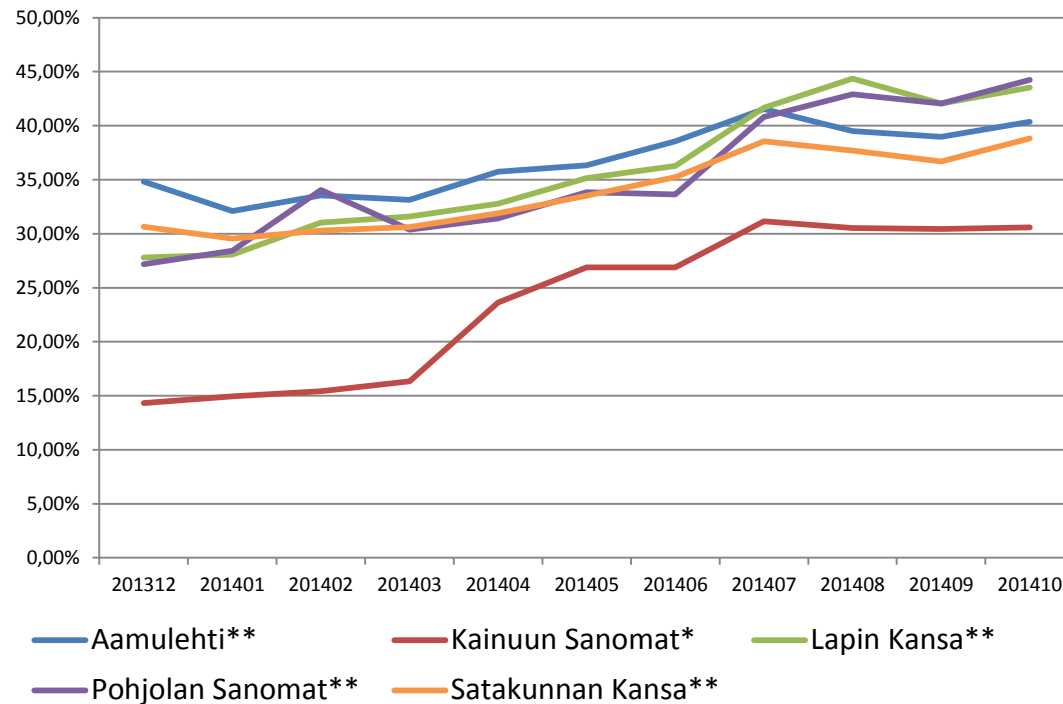


Alma Media RON

- A network of Alma Media's main media and service sites.
- Weekly reach 2.3 million users.
- Current market position in Finland #2.

Finnish media usage: mobile usage growing fastest

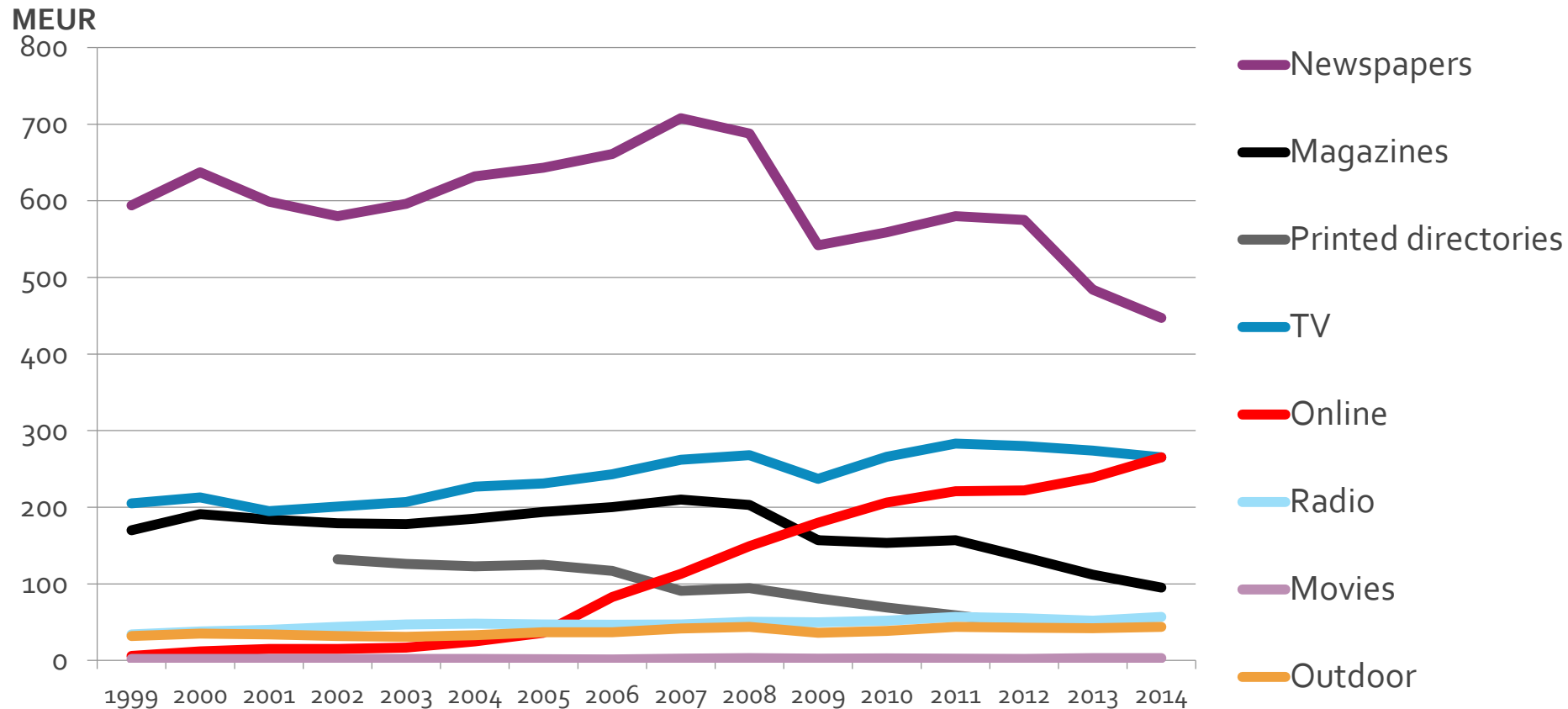
Share of mobile visitors to Alma Media's news sites and services



Source: Google Analytics and TNS Metrix

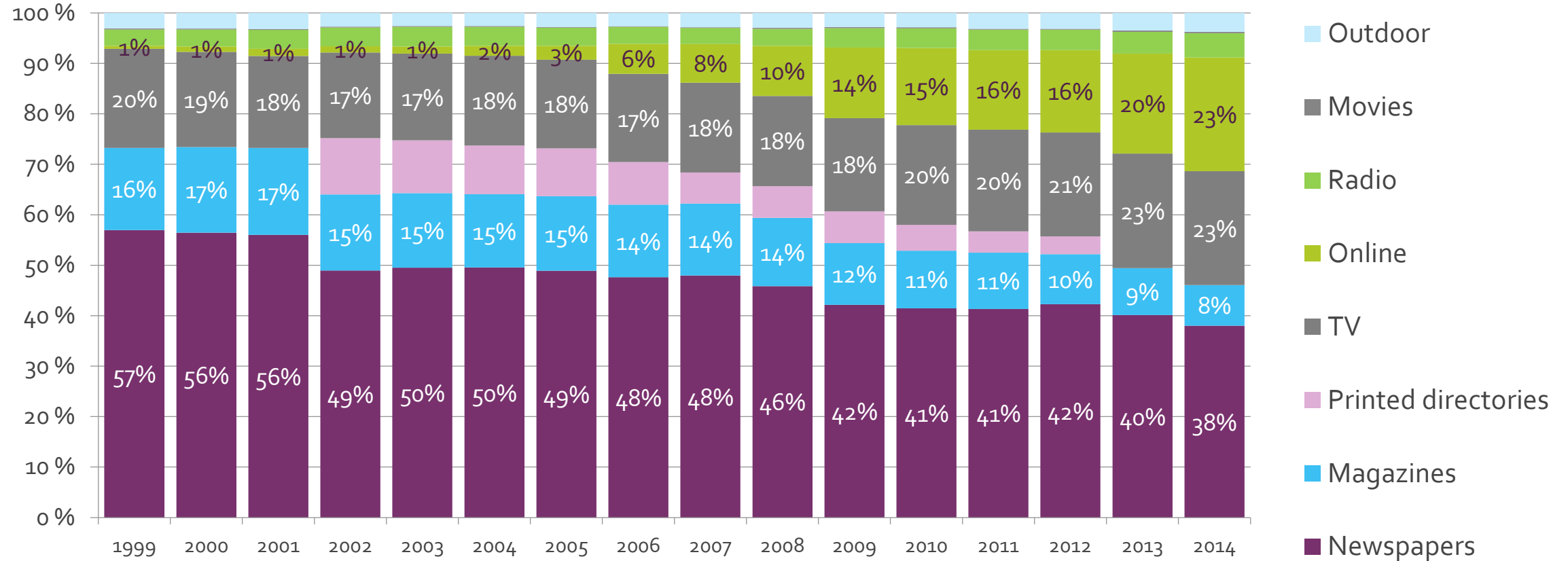
Finland: Advertising spend by media*

1999-2014

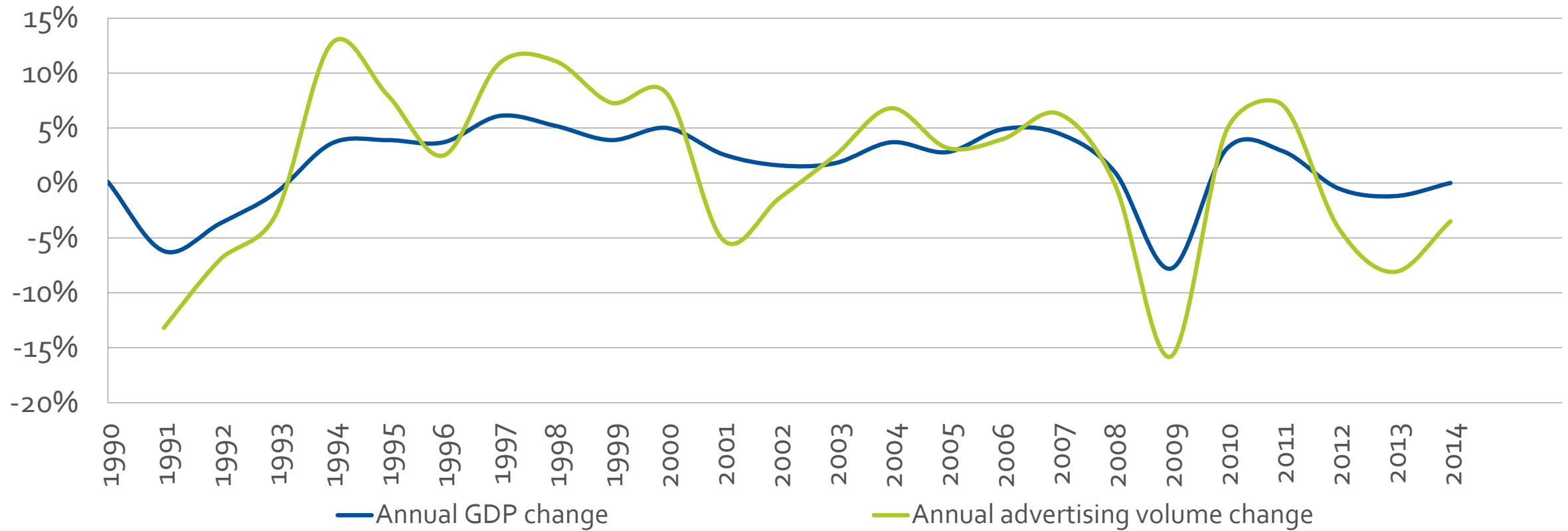


*Excluding Google, FB

Finland: Advertising spend by media, %

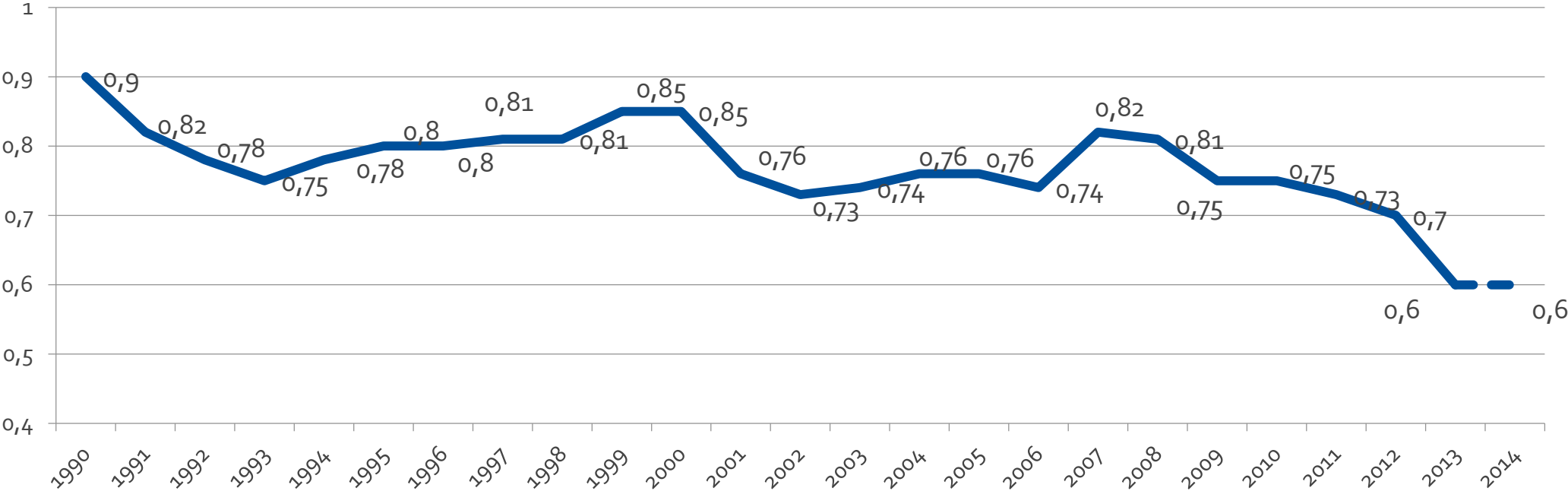


Finland: advertising volumes follow GDP closely



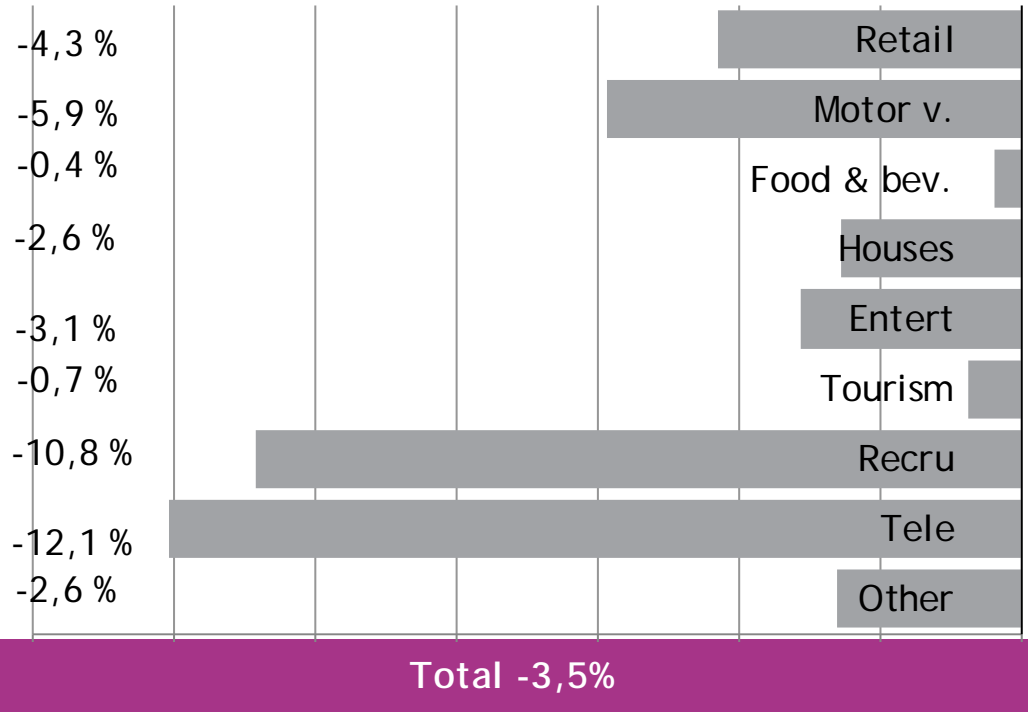
Sources: Statistics Finland, Finnish Advertising Council, TNS

Finland: advertising / GDP



Finland: advertising market in decline across almost all industries

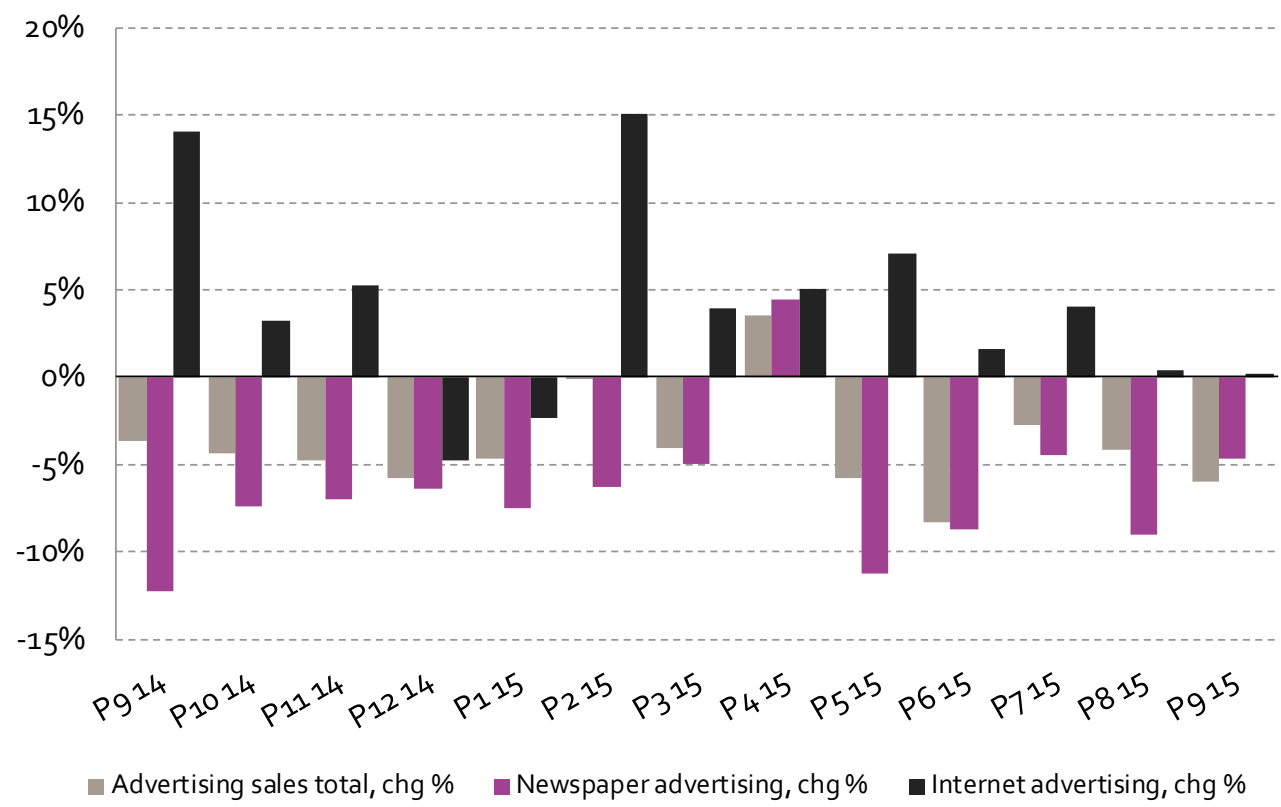
Total market, change from Q1-Q4 2013



| Advertising in Q1-Q4 14 | MEUR |
|-------------------------|------------|
| Retail | 228 |
| Motor vehicles | 89 |
| Food & beverages | 88 |
| Houses and premises | 45 |
| Entertainment | 43 |
| Tourism and traffic | 41 |
| Recruiting | 30 |
| Telecommunications | 21 |
| Other | 387 |
| Total | 970 |

Source: TNS Media Intelligence

Change in advertising 9/2014 – 9/2015

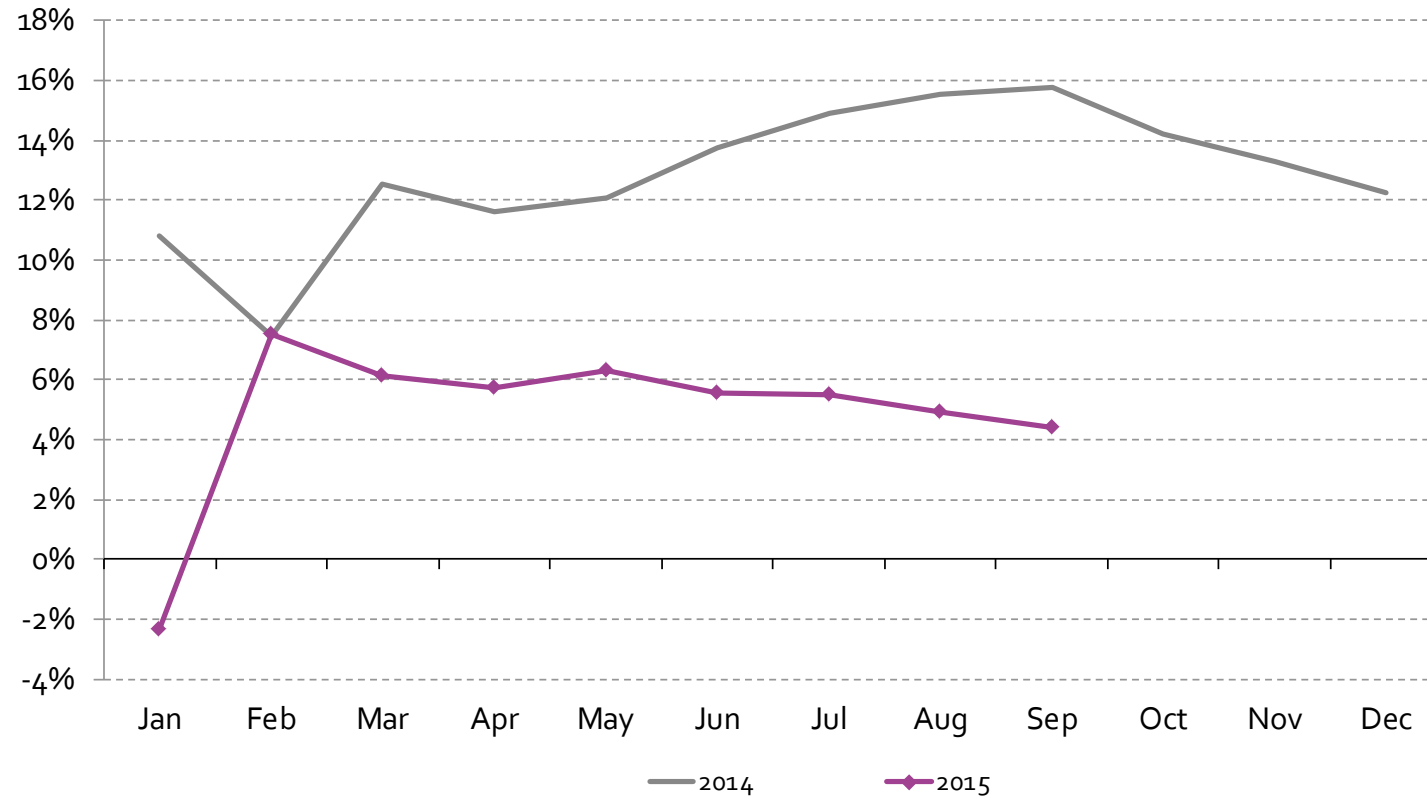


Source: TNS Media Intelligence



Online advertising growth has slowed down

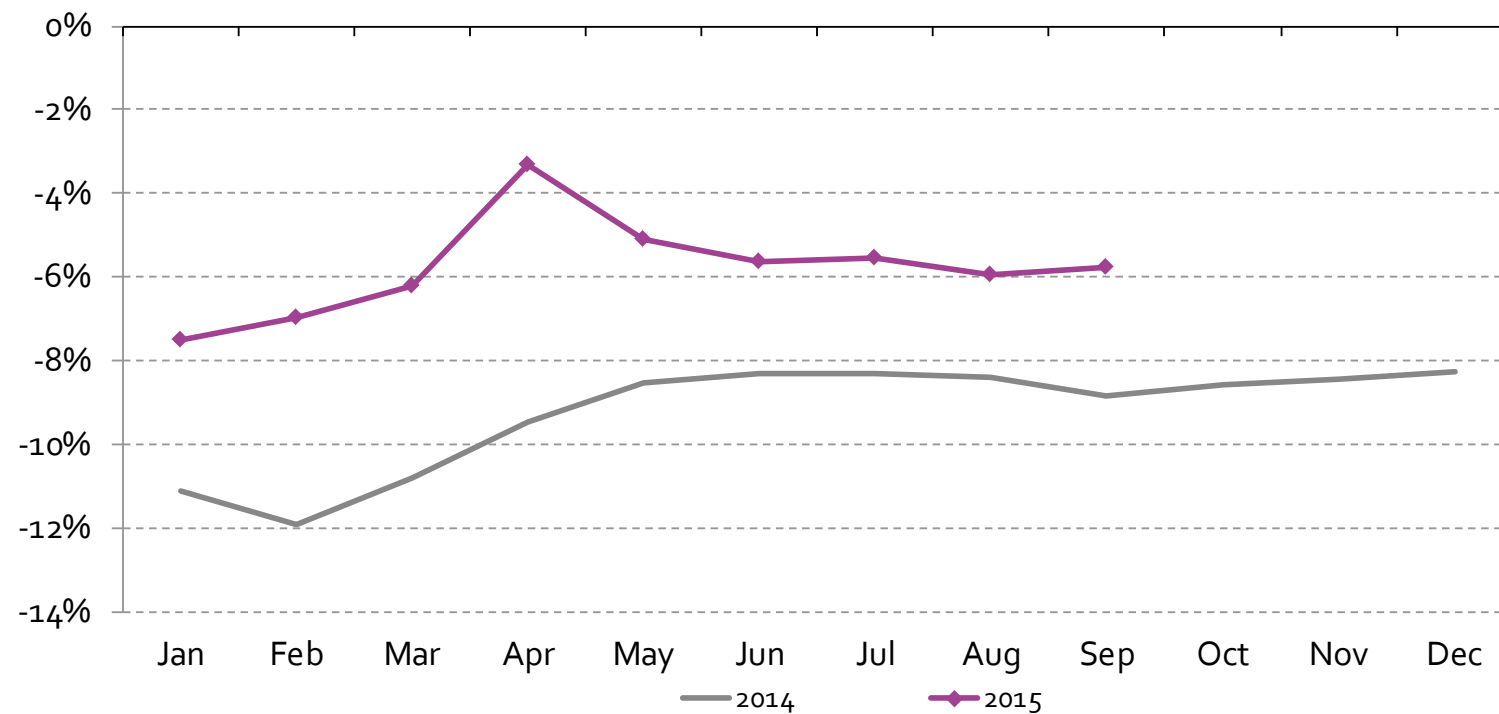
YTD change from previous year, %



Source: TNS Media Intelligence

Steady decrease in newspaper* advertising

YTD change from previous year, %

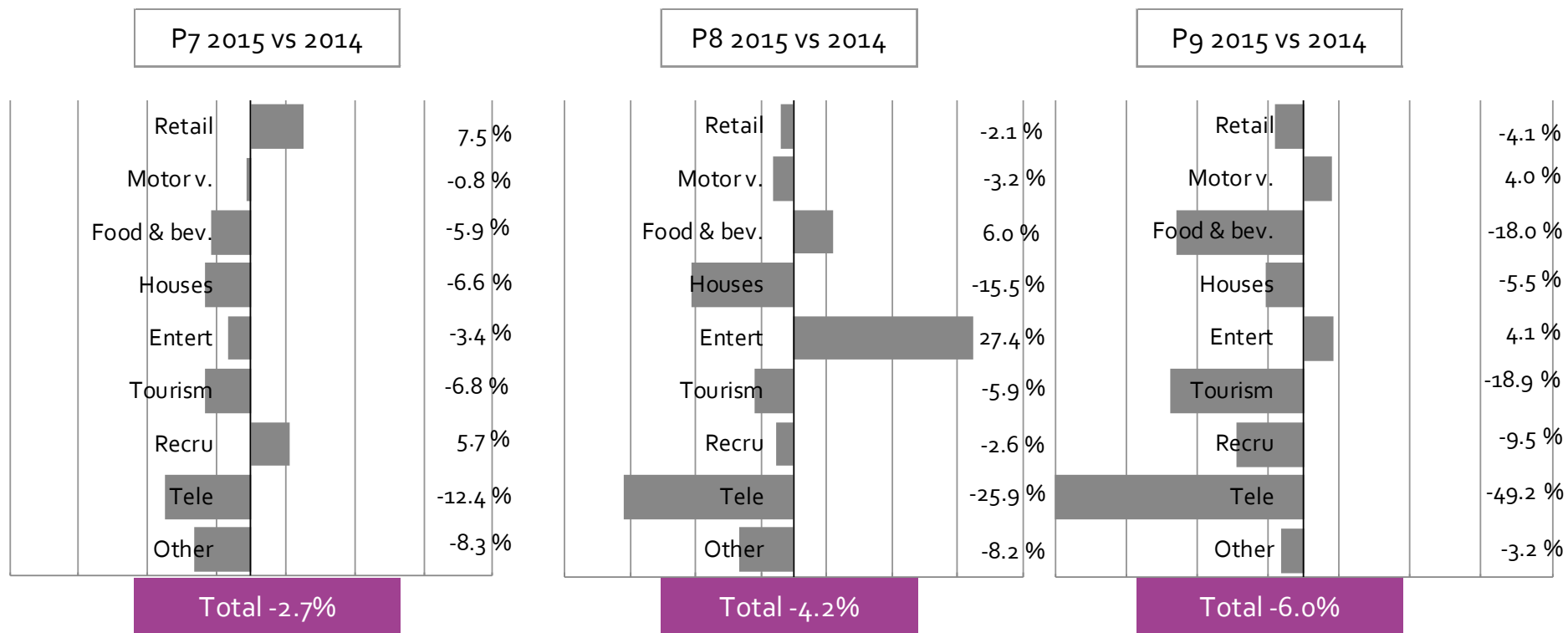


Source: TNS Media Intelligence

* Newspapers, local and free issue papers

Advertising decreasing in most industries

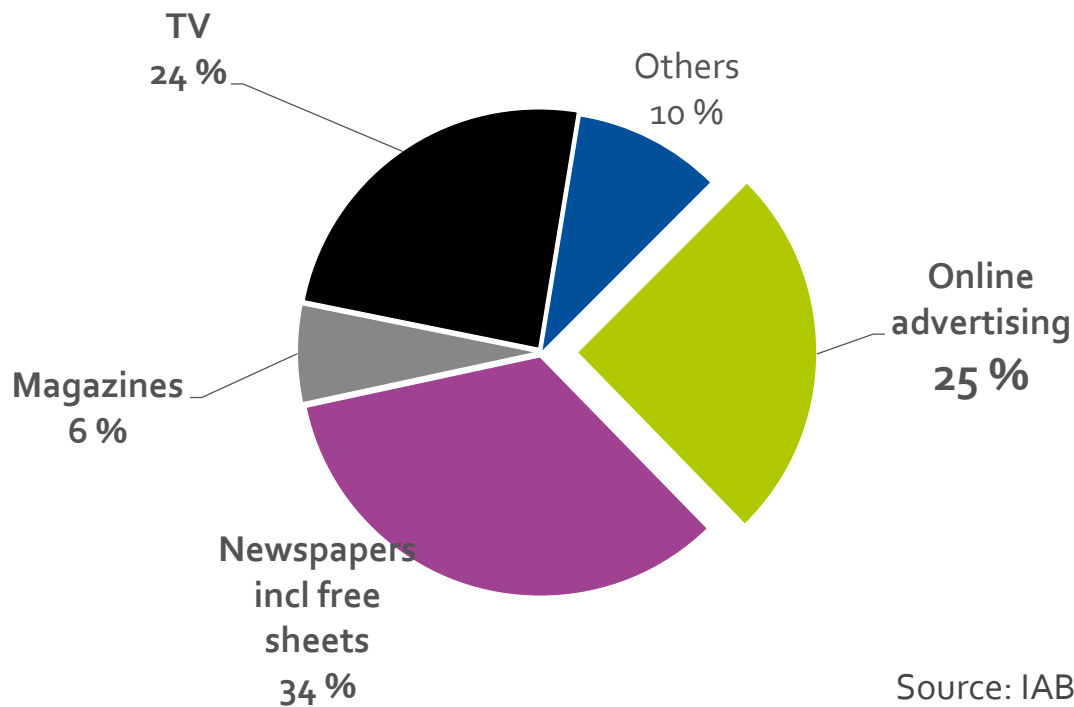
Total market, change from previous year



Source: TNS Media Intelligence

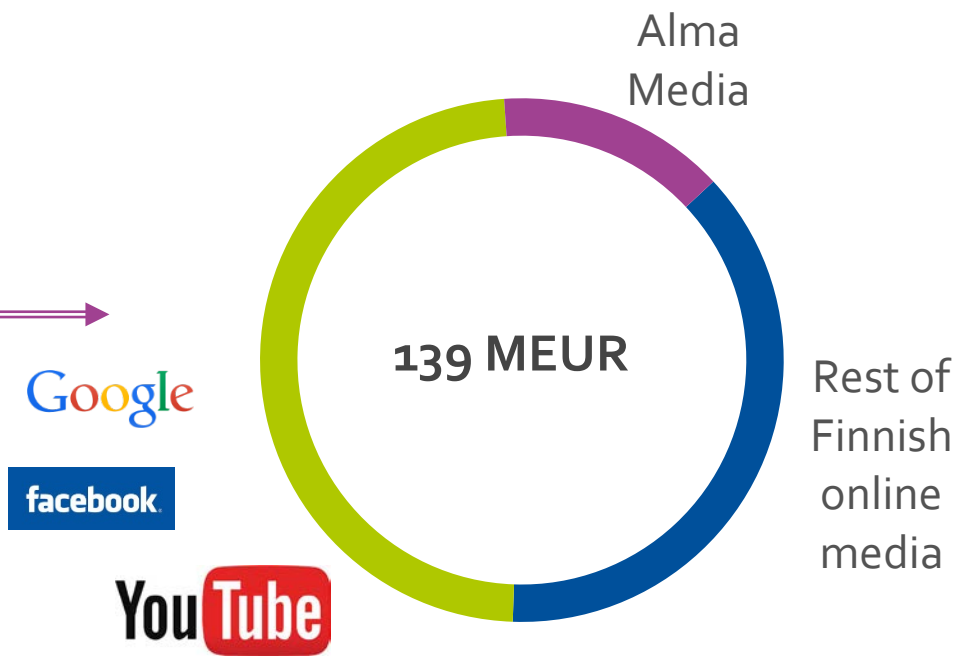
Disruption in digital advertising

Advertising channels in Finland H1 2015: 553 MEUR



Source: IAB Finland

Online advertising channels in Finland, H1 2015*



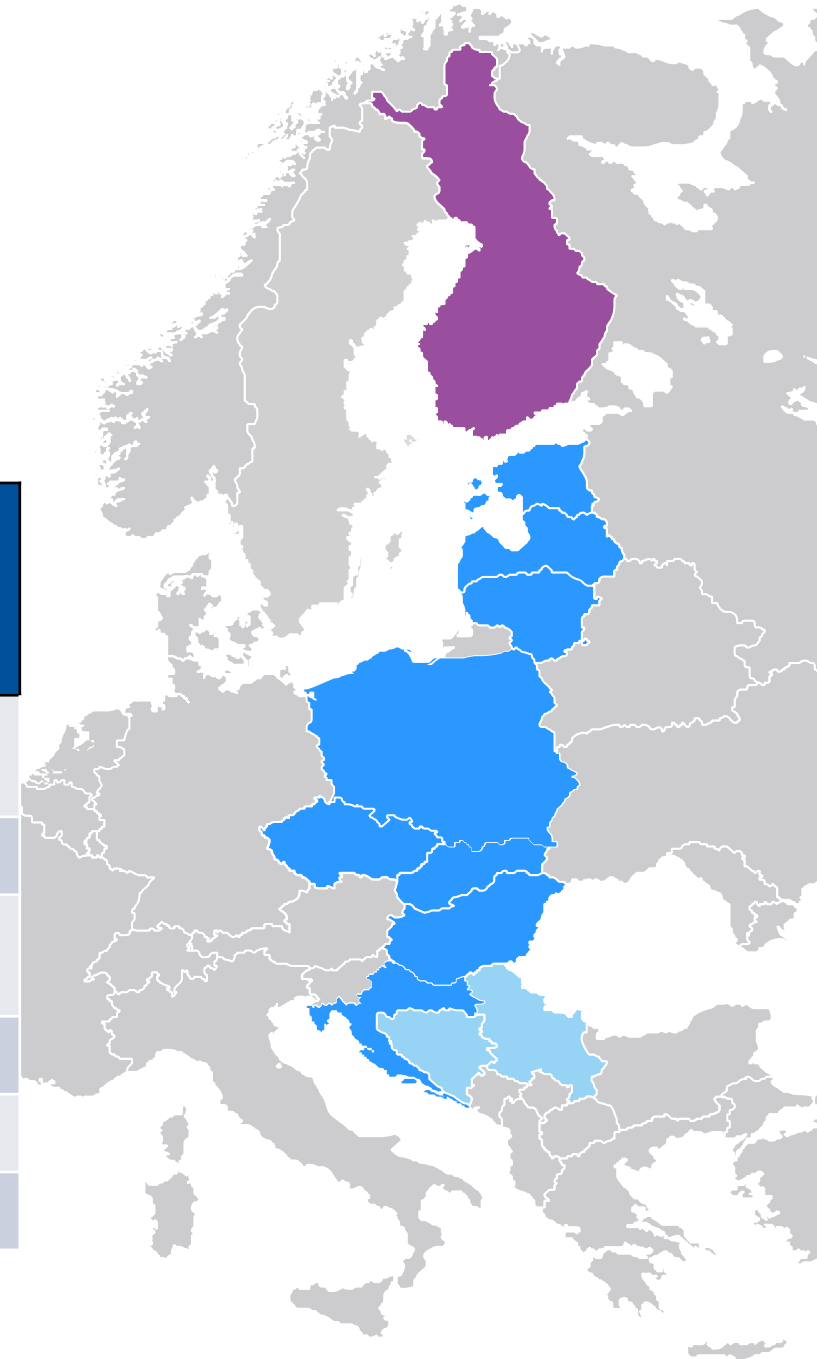
*Display and classified advertising (including video and mobile) compared with search and Facebook advertising



MARKET DEVELOPMENT IN EASTERN CENTRAL EUROPE

GDP growth in our career service countries support solid market development

| Career services market | Market size MEUR | Alma Career's brands | GDP growth rate, % | | Alma Career market position |
|------------------------|------------------|----------------------|--------------------|-----------|-----------------------------|
| | | | 2015e | 2016e | |
| Baltic states | 9 | CV Online | 2.3 – 2.8 | 2.9 - 3.6 | # 1 in all |
| Poland | 40 | Monster | 3.3 | 3.4 | # 4 |
| Czech Republic | 45 | LMC Monster | 2.5 | 2.6 | # 1 |
| Slovakia | 9 | Profesia | 3.0 | 3.4 | # 1 |
| Hungary | 11 | Monster | 2.8 | 2.2 | # 3 |
| Croatia | 5 | Tau-online | 1.0 | 1.2 | # 1 |



Alma Media's career operations in brief

400

personnel across Europe.

15 %

Monster Worldwide's share of Alma Career Oy, the company managing the operations. Alma Media owns 85 %.



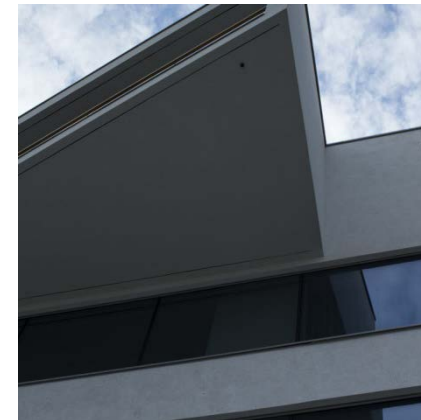
11

Countries south from Finland to the Adriatic Sea.



35

MEUR of revenue.



>30%

EBITDA



A close-up photograph of pink cherry blossoms in full bloom, with dark brown branches and green leaves visible. The background is a soft, out-of-focus blur of more blossoms.

STRATEGY

Alma Media's response to the dynamically developing marketplace

MISSION

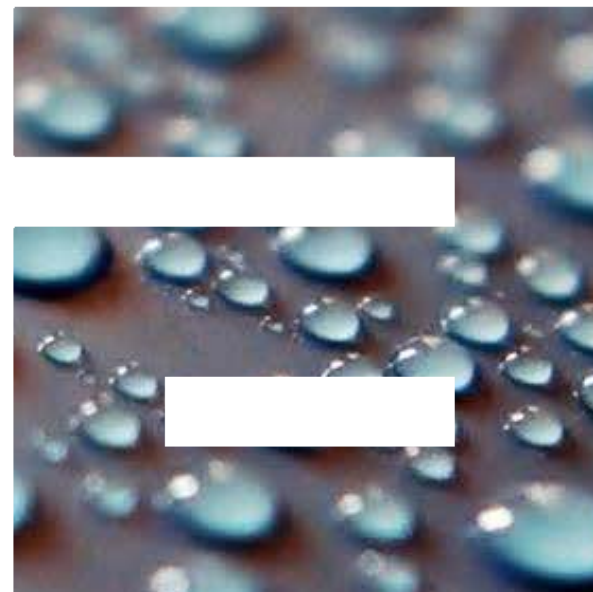
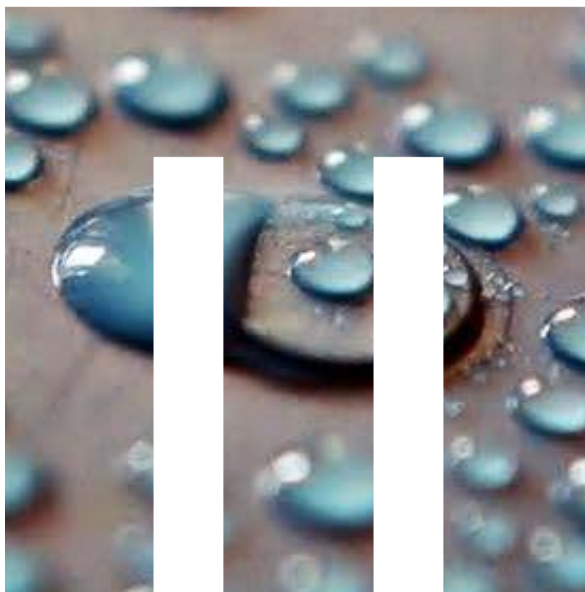
For individual freedom
and wellbeing.

VALUES

Freedom and pluralism of journalism
Team play
Courage

VISION

The most exciting provider
of information, services and
experiences.
Alma Media sets the stage
for the future of media.





Strategy 2015 - 2017

Alma Media will accelerate growth in digital business through service innovations, media solutions offering and digital content sales.

The company will also investigate and utilize possibilities to support organic growth by targeted acquisitions.

Elements of strategy for growth and profitability

A.

Four strategic themes:

Multichannel content

Marketing solutions

Service business

Resources

■ Digital Consumer Services

■ Financial Media and Business Services

■ National Consumer Media

■ Regional Media

B.

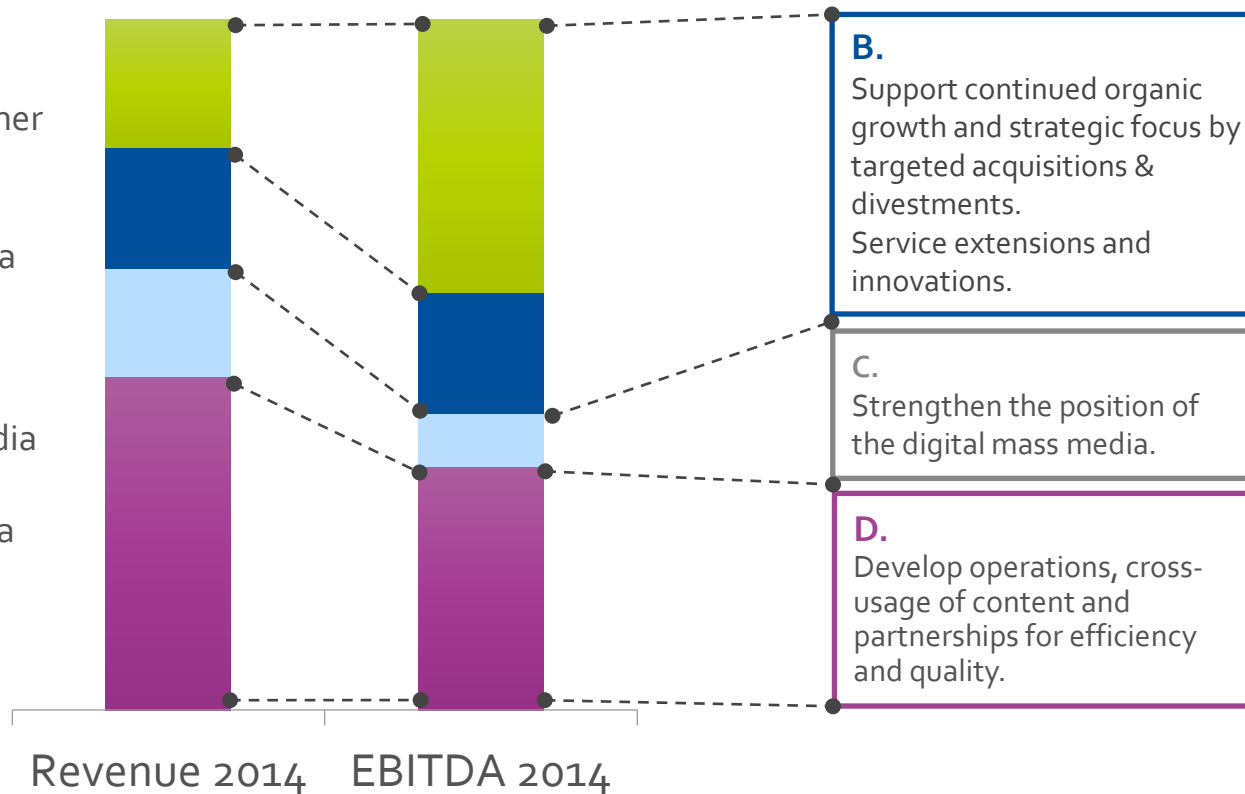
Support continued organic growth and strategic focus by targeted acquisitions & divestments.
Service extensions and innovations.

C.

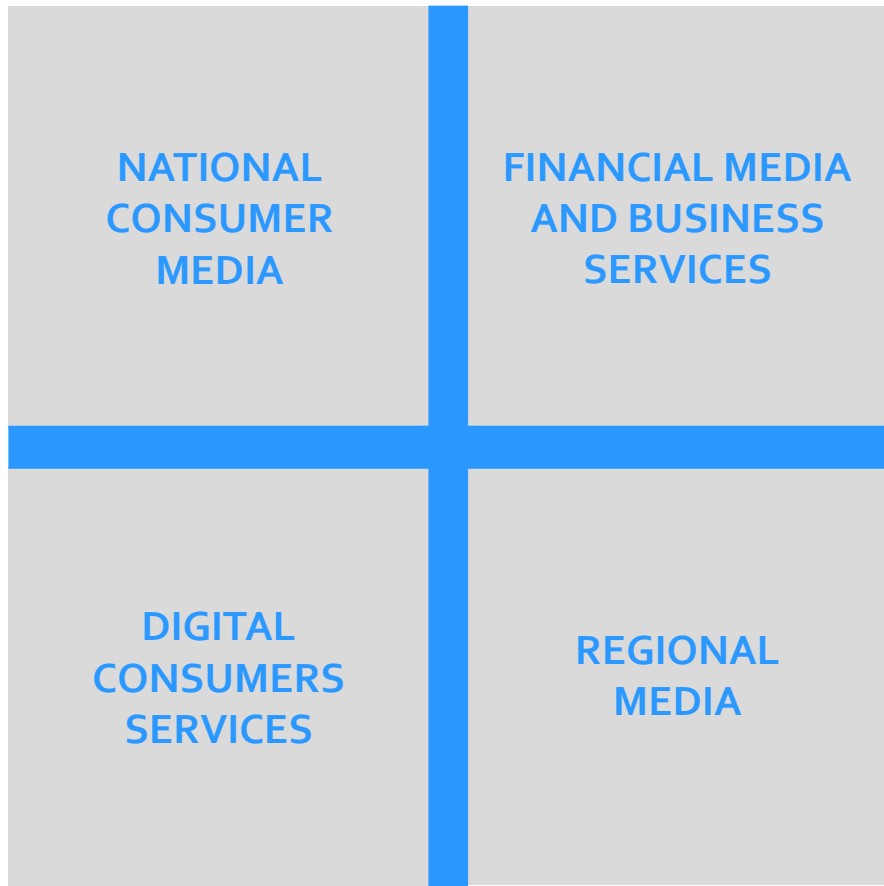
Strengthen the position of the digital mass media.

D.

Develop operations, cross-usage of content and partnerships for efficiency and quality.



A. Four strategic themes for all businesses



Multichannel content

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

Marketing solutions

Programmatic buying, targeting, premium packages, consultative sales

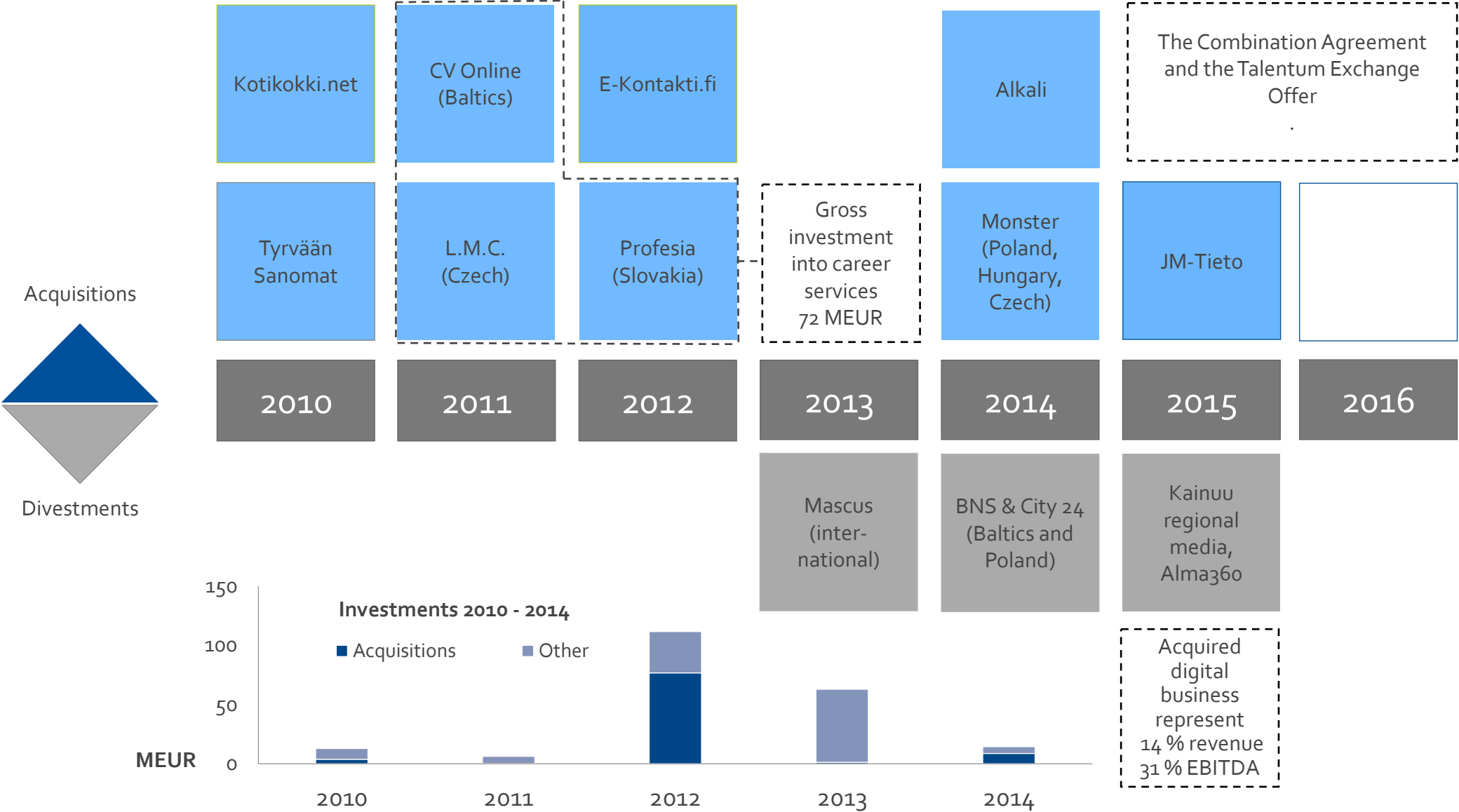
Service business

Marketplaces, recruitment and other business services, print & delivery

Resources

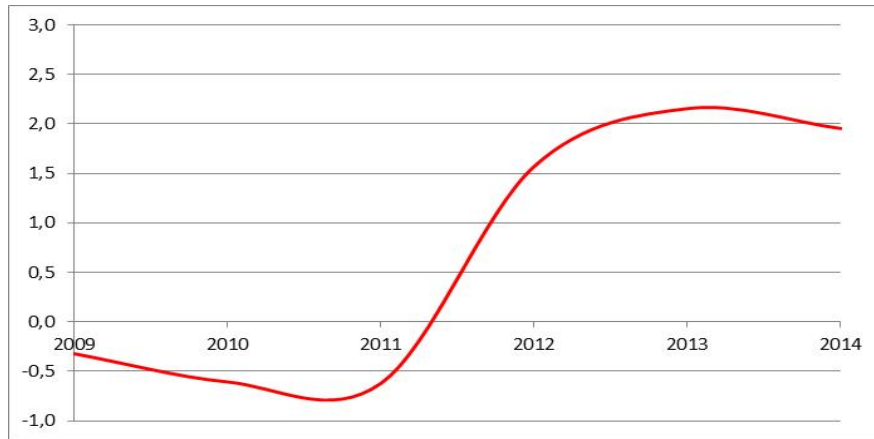
Brand development, IT systems, digital media knowledge, partnerships

B. Supporting focus & growth in digital business

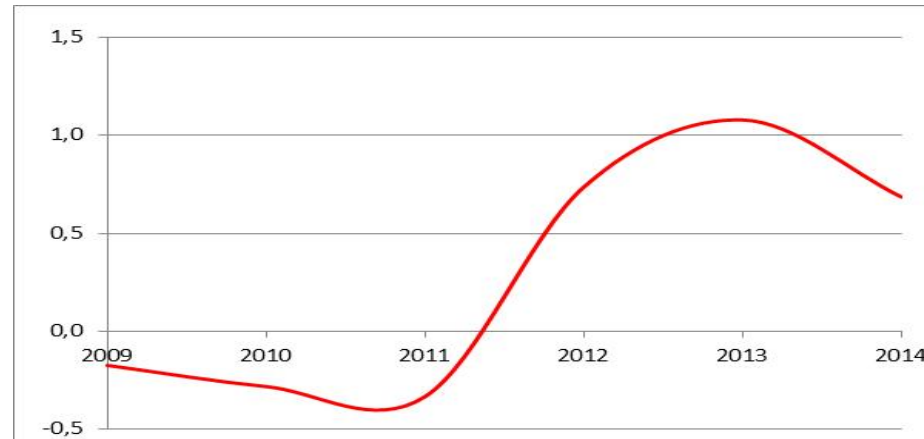


B. Supporting focus & growth in digital business

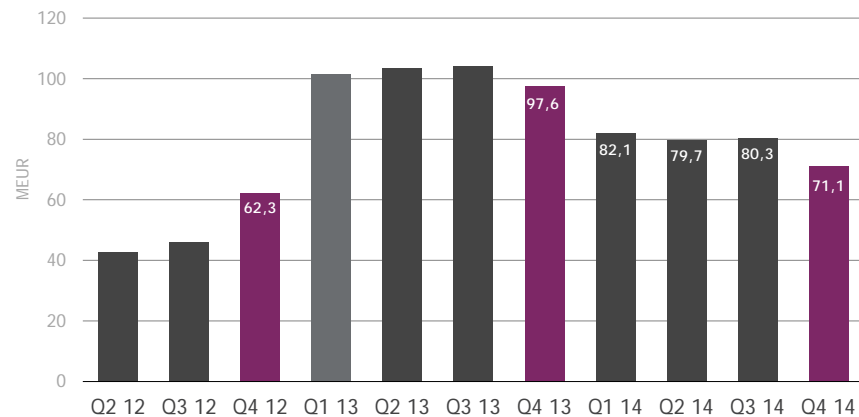
NET DEBT / EBITDA (2009 – 2014)



NET DEBT / EQUITY (GEARING), 2009 – 2014



NET DEBT Q2/2012 – Q4/2014



Alma Media had a strong investment period during 2011-2013 (approx. MEUR 150).

During 2013-2014 Alma Media has concentrated on integrating the acquisitions and stabilising the financial position and cash flow.

From 2015 forward Alma Media is capable and willing to continue investments, mainly to digital business supporting the strategy.

C. Strengthen the market position of the digital mass media

Some examples of Italehti.fi development

- Utilising smart data in content development and advertising (targeting) solutions.
- New premium advertising solutions to counter online advertising price erosion.
- Building audience reach and engagement through viral Fiidi.fi service.



D. Development of regional media

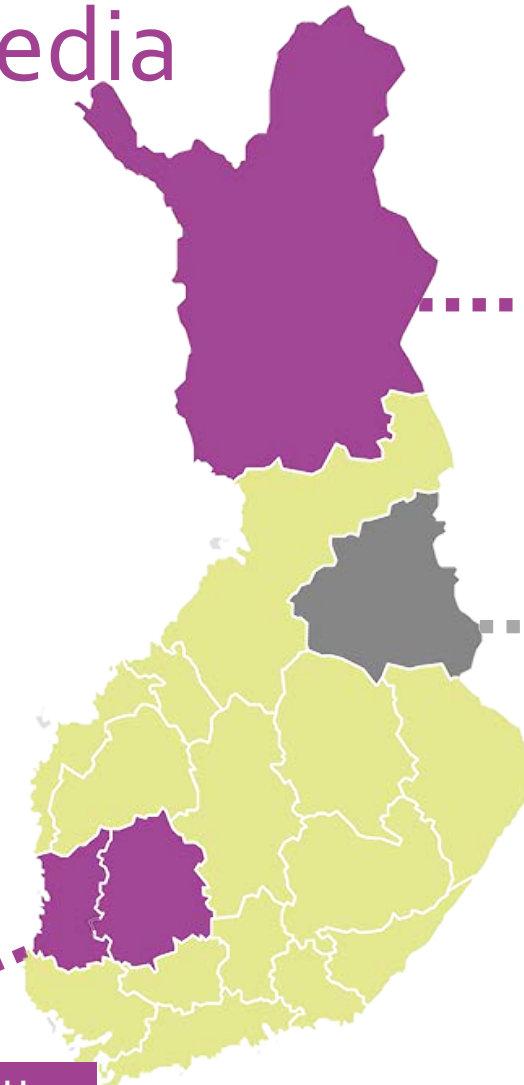
Structural changes support quality and efficiency

Main operations

- Regional daily newspapers Aamulehti and Satakunnan Kanssa, and the combined Pohjolan Sanomat and Lapin Kanssa.
- 20 local newspapers and free sheets.
- Print and delivery company Alma Manu.

Shared is the new normal

- Editorial systems, ad sales, print, online and mobile platforms, customer service, product development – all shared between papers.
- Approx. 30 % of total content is shared.



Structural reform of Lapland newspapers

- We combined the editorial and other functions of two daily newspaper in Lapland
- Personnel reduction 21 persons out of 130 staff
- New products (print , online and mobile) in place from June 2015 onwards.

Divestment of Kainuu papers

- Regional newspaper Kainuun Sanomat, four local newspapers and free sheets
- Divested revenue 11.5 MEUR pa.
- Little short term impact on EBIT; long-term EBIT improvement impact likely
- Completed in March 2015.

Statutory personnel negotiations launched in September: Apply to the publication employees of Regional Media (except papers published in Lapland and Alma Manu). Estimated personnel reductions at most 85, negotiations apply to 500.

Old and new competition

| Traditional competition | Alma Media's business | New and emerging competition |
|--|------------------------------------|-----------------------------------|
| Free sheets; direct mail; regional TV & radio broadcasts | Regional media | News aggregators; social media |
| Other tabloid publisher; broadcast TV online | Tabloid media | Social media; news aggregators |
| Other publishers (local and global) | Financial media and online service | Financial institutions' own media |
| Newspapers; other job boards | Online career services | Social media |
| Other marketplaces | Online marketplaces | Social media |

facebook



Google

LinkedIn



FINANCIAL DYNAMICS

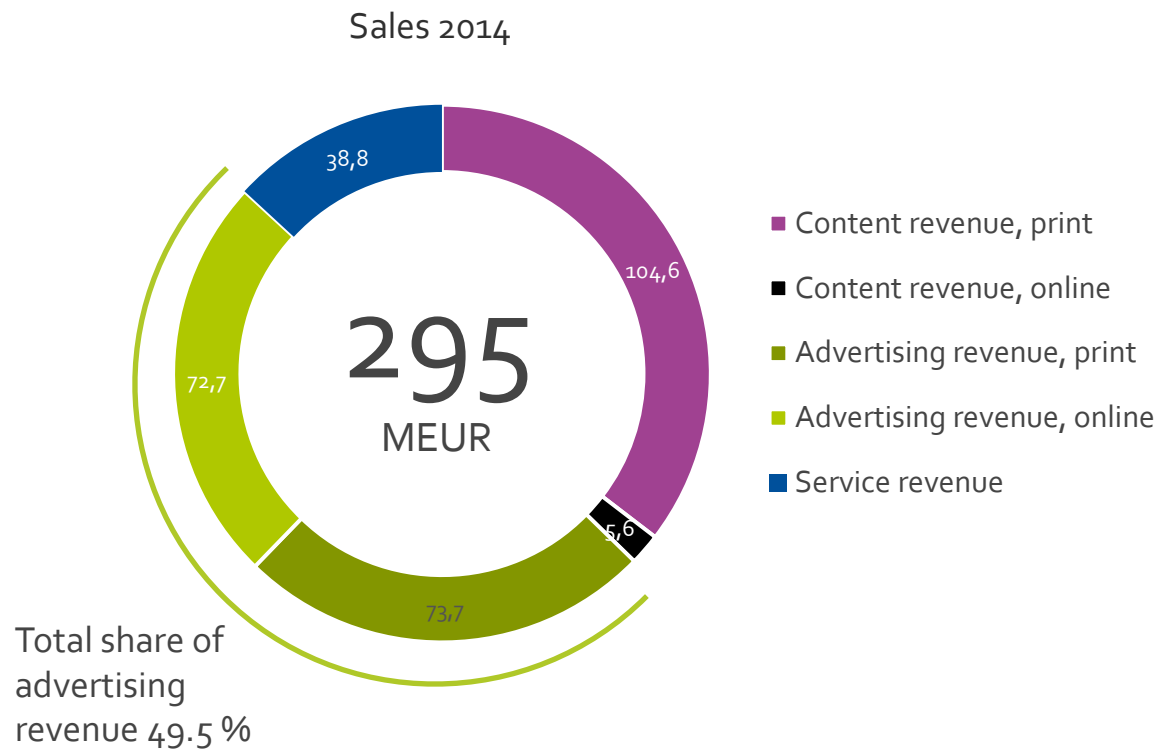
Revenue sources, costs, investments and financing

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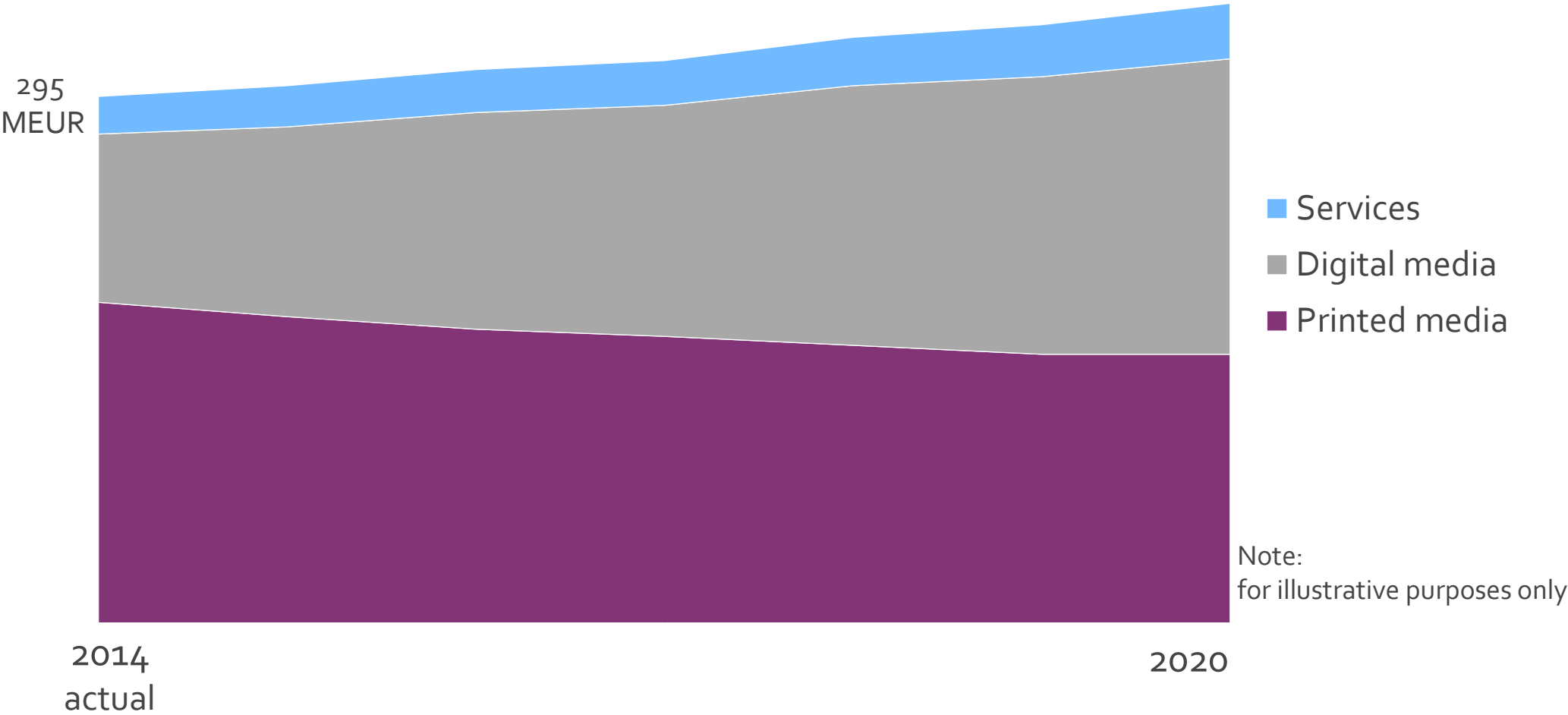
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Advertising is the main revenue source for Alma

Content and service revenue growing in share

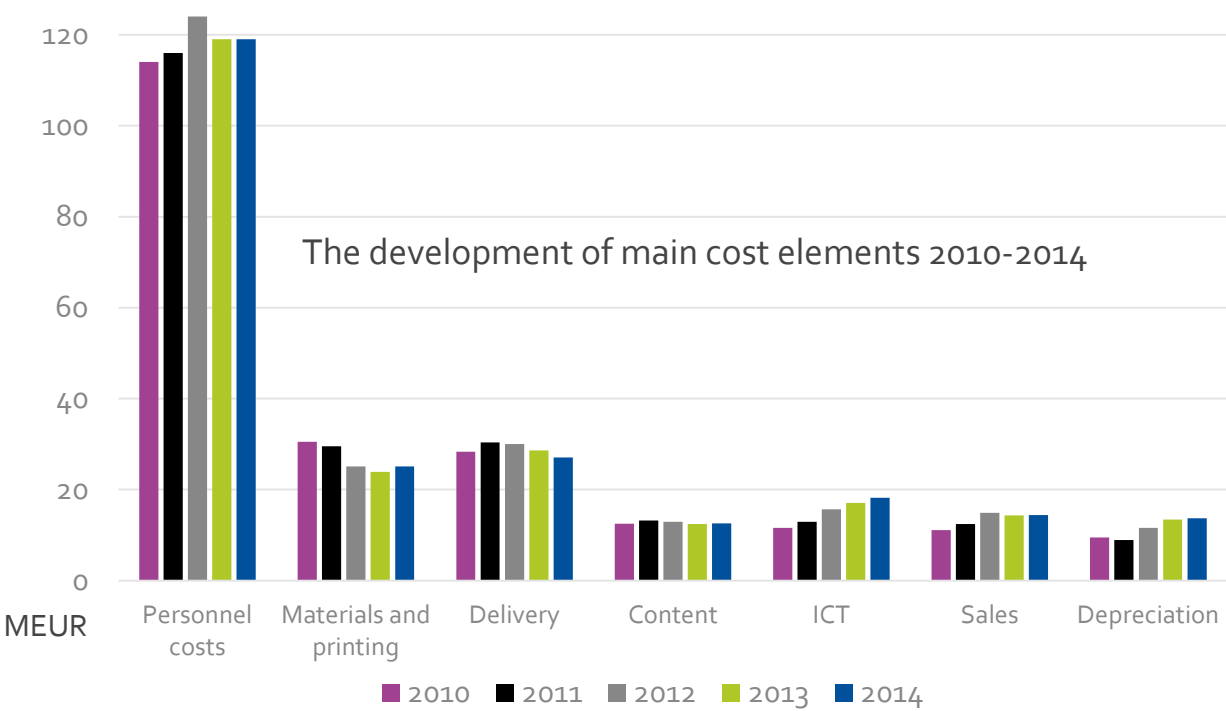
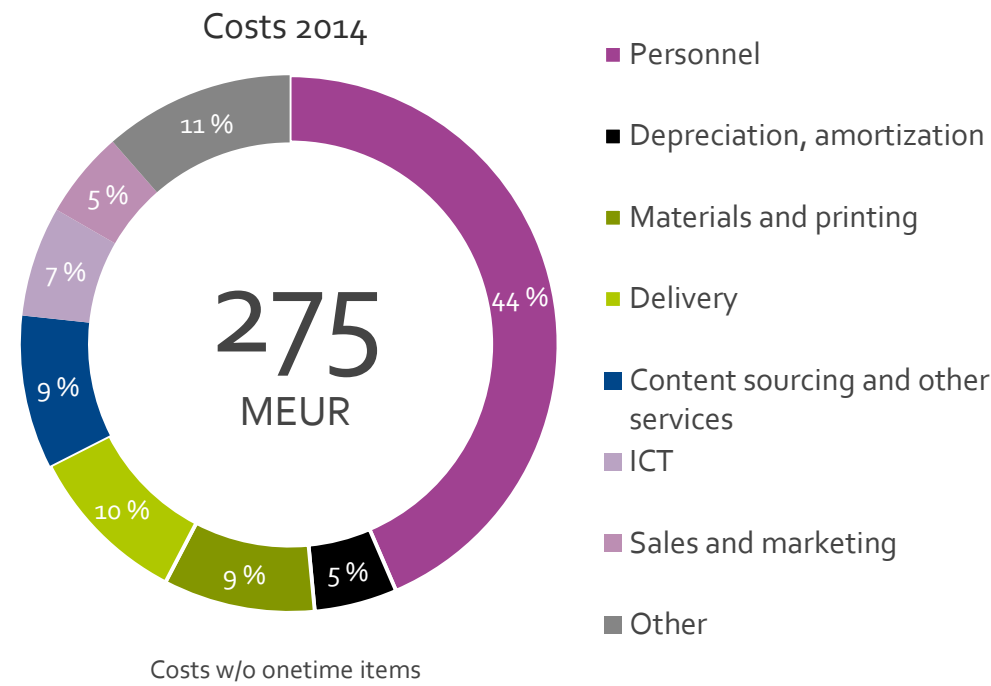


Organic group sales development scenario



Cost structure

Personnel costs represent largest cost element



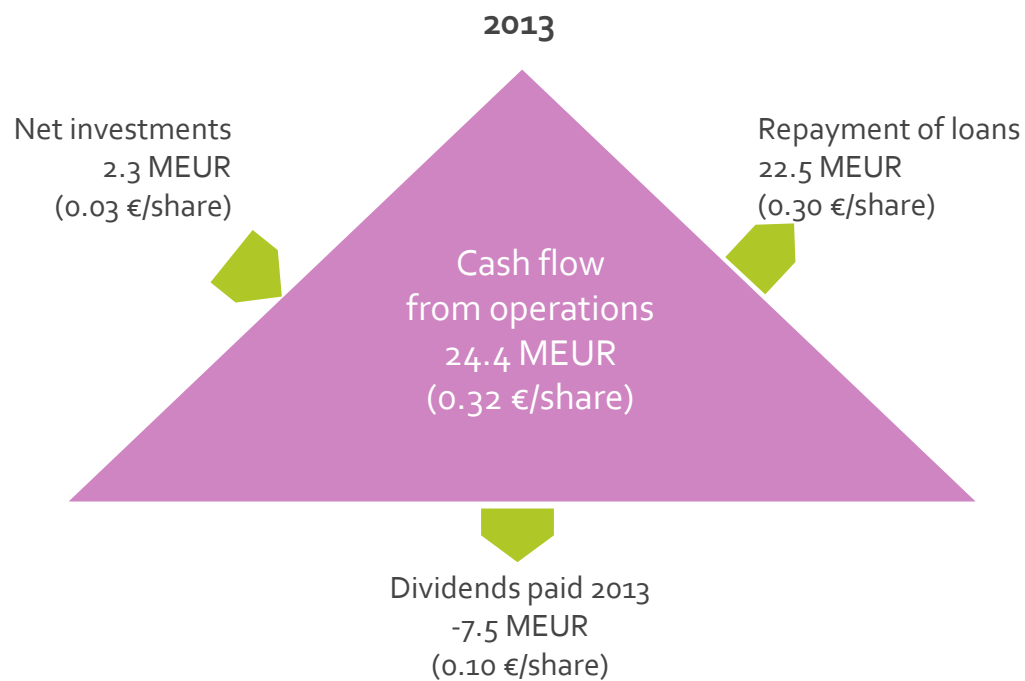
Sensitivity analysis

| Factor | Change (%) | Impact on EBIT (MEUR) |
|-----------------------------|------------|-----------------------|
| Media advertising | +1 | +1.5 |
| Paper prices | +1 | -0.1 |
| Distribution costs | +1 | -0.3 |
| Wages and salaries, average | +1 | -1.2 |
| Average interest rate | +1 | -0.6 |

The impacts in euros of the changes referred in the table above are provided as gross values. The calculations are estimates and based on historical annual figures. For instance, a significant decline in the value of advertising leads to cost savings (as the production costs of newspapers decrease, among other things) and thus the impact in euros in the operating profit is not linear. These cost savings are not included in the said estimates.

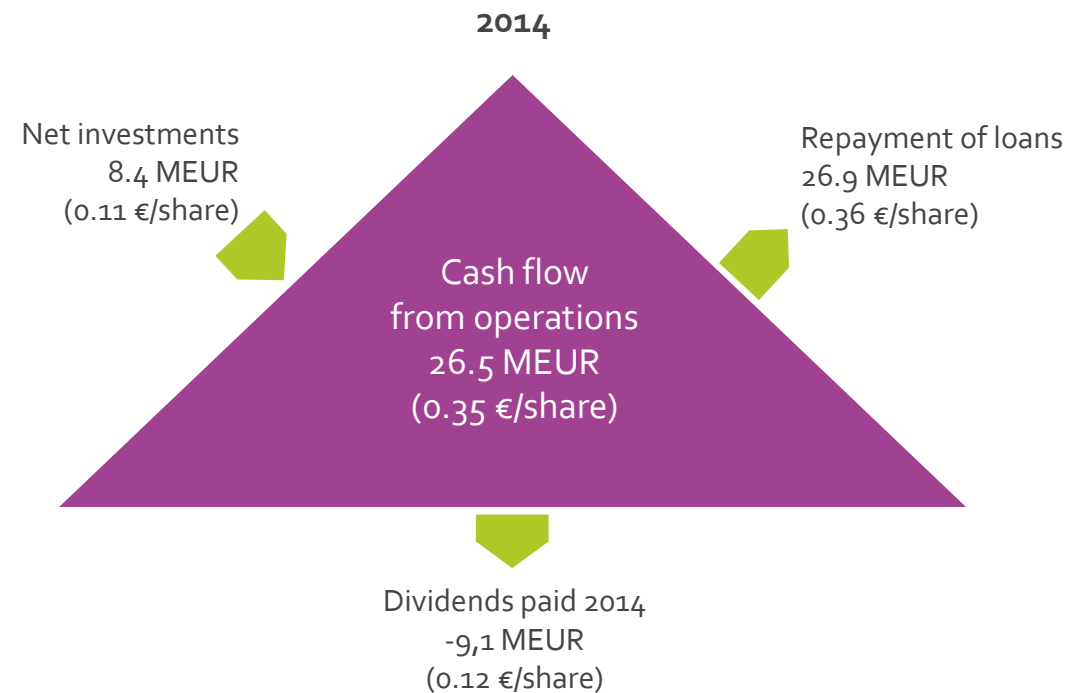
Calculations updated in October 2015.

Balancing investments, dividend and debt repayment



Cash change + dividends to minority shareholders = + 0.5 MEUR

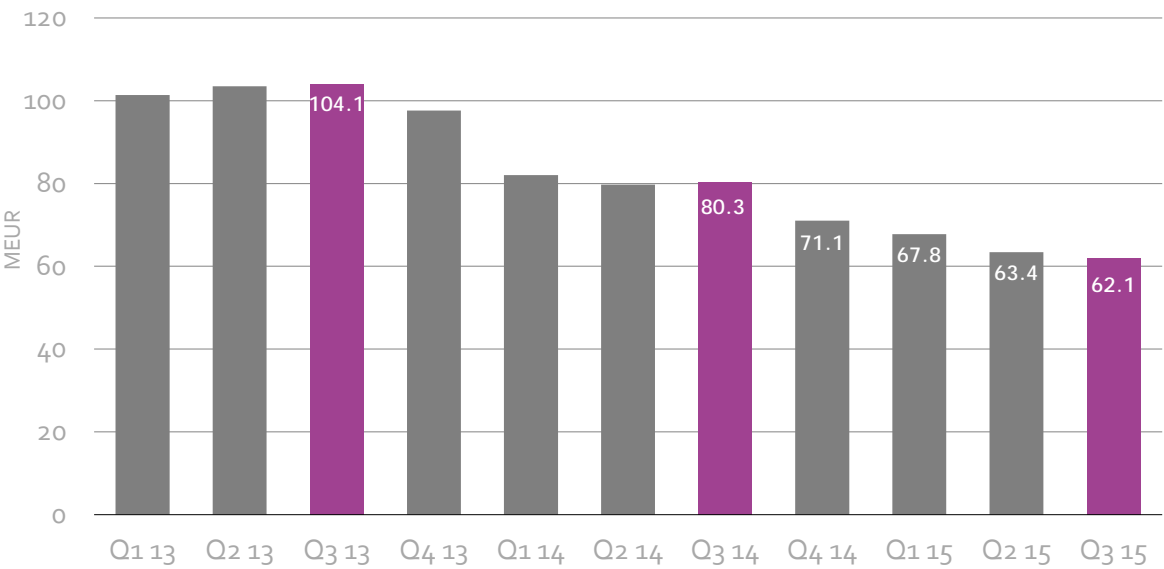
Cash changes



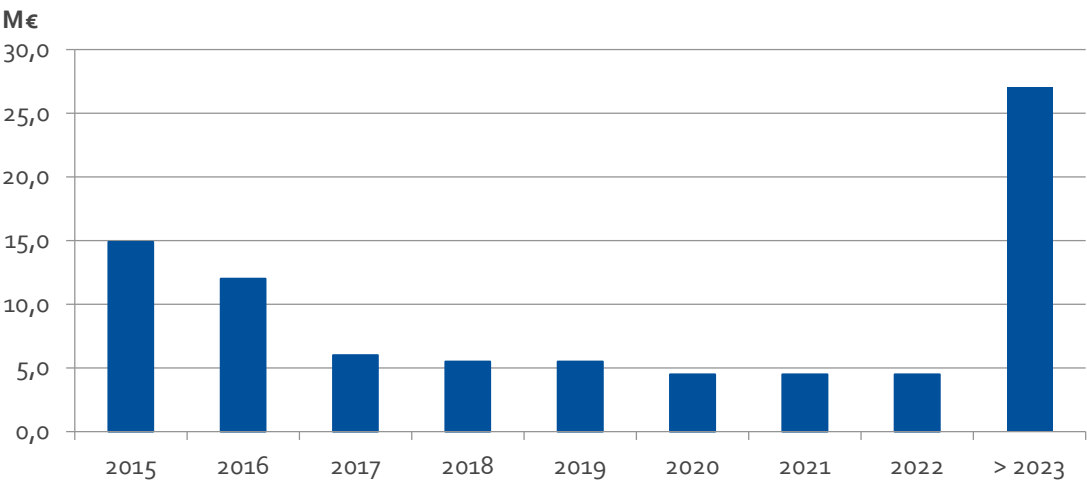
Cash change + dividends to minority shareholders = - 3.3 MEUR (-0.05 €/share)

Debt level decreasing as planned

Interest-bearing debt, distribution and maturities



| | Q3/2015 |
|---------------------------|---------|
| Financial leasing | 66.2 |
| Financial loans | 7.0 |
| Commercial papers | 2.0 |
| Cash and cash equivalents | -13.1 |
| Total | 62.1 |



Balance sheet

| MEUR | Q3 2015 | Q3 2014 |
|-------------------------------|--------------|--------------|
| Intangibles and goodwill | 108.1 | 111.5 |
| Tangibles | 71.5 | 81.8 |
| Associated companies | 24.8 | 24.7 |
| Inventory | 1.1 | 1.2 |
| Receivables | 33.6 | 37.9 |
| Cash | 13.1 | 10.5 |
| Assets | 252.3 | 267.5 |
| Equity | 105.7 | 99.8 |
| Reserves-obligatory | 0.4 | 3.7 |
| Pension liabilities | 2.7 | 2.9 |
| Ib debt | 75.2 | 90.7 |
| Non-Ib debt | 51.4 | 52.4 |
| Advances received | 16.8 | 17.9 |
| Equity and liabilities | 252.3 | 267.5 |

Performance & financial targets

| Alma Media's long-term financial targets | 2011 | 2012 | 2013 | 2014 | Target level |
|--|-------|-------|-------|-------|--------------|
| Digital business growth | 16.3% | 36.8% | 8.4% | 11.9% | > 15% |
| Return on Investment (ROI), % | 26.1% | 13.8% | 10.0% | 9.7% | > 15% |
| Dividend payout ratio* | 103% | 45% | 50% | 63% | > 50% |

*Including capital repayments

ALMA MEDIA

Q3 2015

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Alma Media's performance Q3/2015 – main points

The Group's performance was in line with expectations

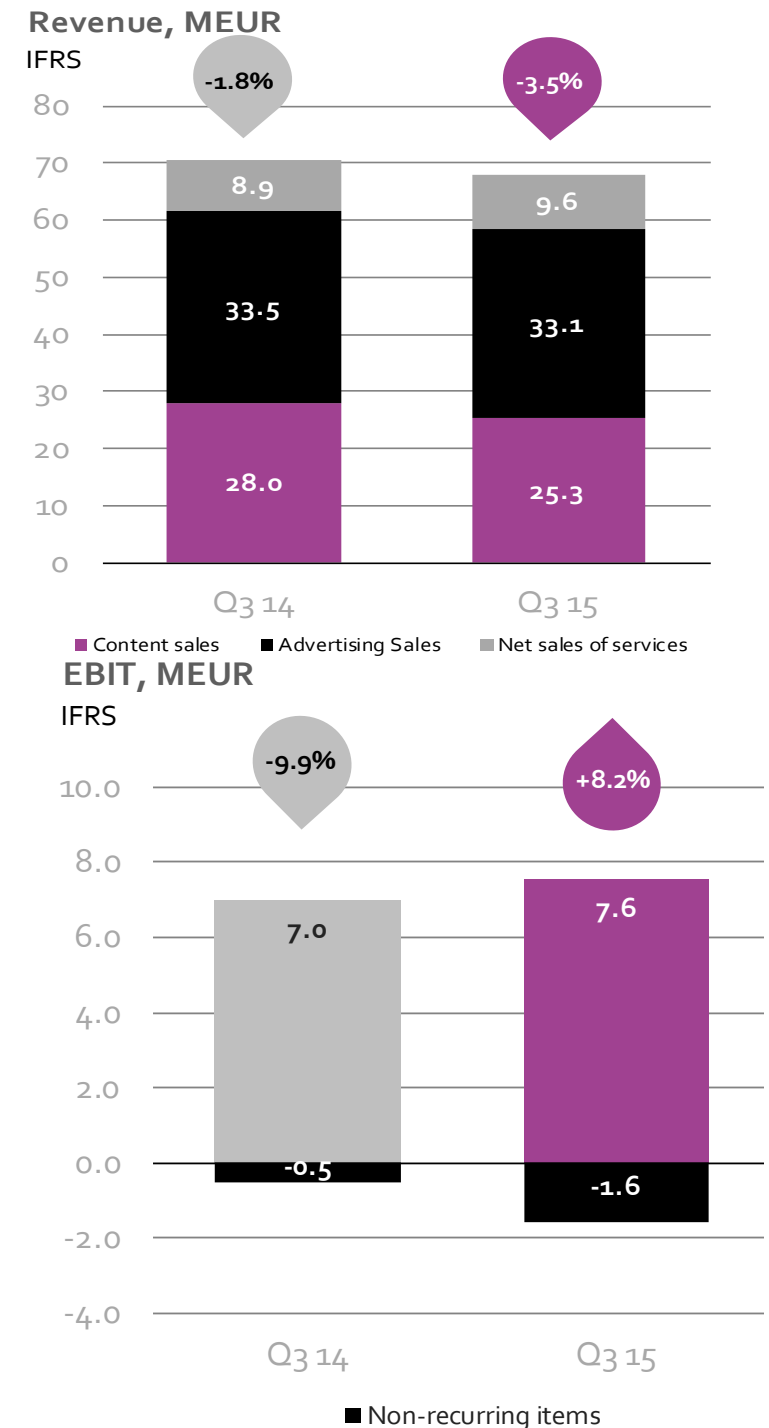
- Revenue MEUR 68.0 (-3.5%)
- Operating profit MEUR 7.6 (+8.2%)
- The Group's relative profitability has improved: operations have been streamlined and unprofitable businesses have been divested. Operating profit was 11.1% of revenue.
- Continued focus on the growth and development of digital products and services: share of Group revenue now 35%.
- Foreign operations achieved a good result and accounted for 16% of Group revenue.
- The recruitment business grew by nearly 27% and had good profitability.

Domestic operations hindered by the weak Finnish market situation

- Marketplaces business: domestic revenue at the previous year's level, profitability improved by cost savings.
- Financial Media and Business Services: growth attributable particularly to JM Tieto, profitability at the previous year's level. Alma360 was sold to Otavamedia.
- National Consumer Media: revenue continued to decrease, particularly in print media, but the decline in profitability slowed down.
- Regional Media: profitability remained at the 2014 level thanks to streamlining measures in publishing operations and the improved efficiency of printing.

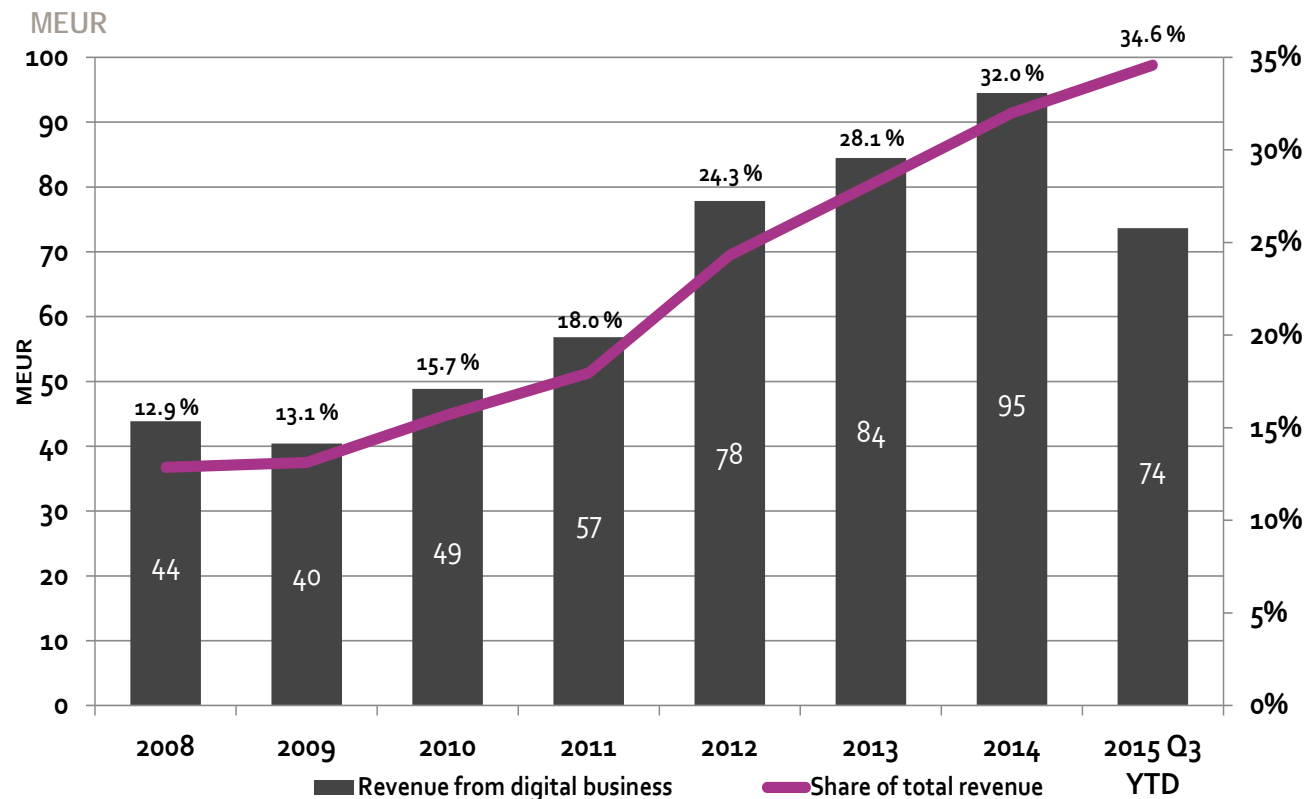
Q3 revenue and operating profit

- Q3 revenue decreased by 3.5%, primarily due to divestments.
- Content revenue declined by 9.7%
 - Content revenue from digital channels did not cover the decline in print content revenue.
- Advertising revenue decreased by 1.2%
 - Online advertising sales increased by 11.2%.
 - Advertising sales for print media decreased by 14.3%
- Operating profit excluding non-recurring items increased by 8.2%
- Operating profit was MEUR 6.0, or 8.8% of revenue.
 - The operating profit includes net non-recurring items of MEUR -1.6. Impairment of MEUR 1.4 recognised in relation to the divested customer magazine business.
- Total expenses excluding non-recurring items decreased by 4.5% year-on-year to MEUR 60.6.

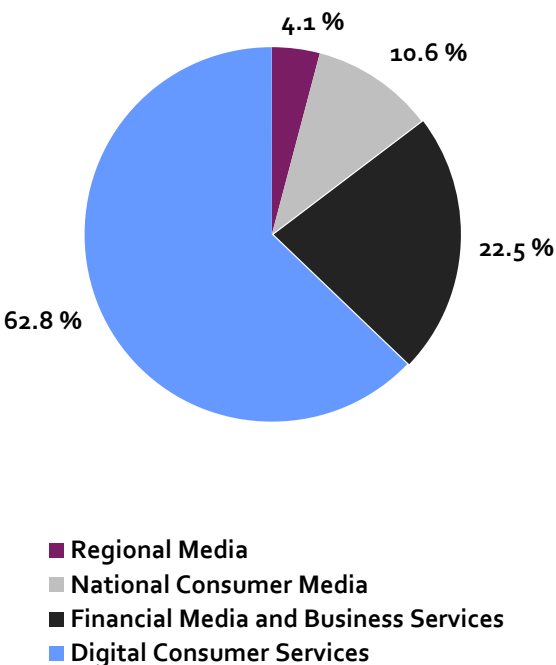


Digital products and services are growing to account for a higher share of revenue – the goal is to further accelerate this growth

Online business revenue grew by 9.5% in Q3



Segment's share of the Group's digital revenue



Combination of Alma Media and Talentum

- Alma Media has for long been Talentum's largest shareholder with a stake of more than 32%. The Combination Agreement and the Talentum Exchange Offer are a logical step in the implementation of Alma Media's strategy.
- The Combination will:
 - Ensure the future of high-quality Finnish business journalism and its competitiveness against intensifying global competition and in Finland's likely weak remaining economic situation.
 - Enable the investments required by digitisation and changes in consumer behaviour.
- Talentum will be combined with the Financial Media and Business Services unit. Talentum's Group functions will be combined with Alma Media's corresponding functions. The Combination will not affect Alma Media's other business units.
- Authority permissions, e.g. from the competition authorities, are required for the combination.
- Provided that the conditions of the offer are met, it is the intention of Alma Media to redeem any possible minority holdings and to request that Talentum be delisted from the Helsinki Stock Exchange.
- The combination is expected to be closed in the course of H1/2016



The offer period of the Exchange Offer began on 15 October 2015. Initially expected to end on 12 November 2015, unless the offer period is extended.

The significance of foreign operations to Alma Media's income formation continued to increase in Q3

- Slow economic growth in Finland is weighing down on the revenue and profitability of Alma Media's domestic operations.

| Revenue, MEUR | Q3 15 | Q3 14 | Chg | Chg % |
|---------------------------------------|-------|-------|------|---------|
| Digital Consumer Services | 15.3 | 13.5 | 1.8 | 13.1 % |
| Financial Media and Business Services | 12.5 | 12.2 | 0.3 | 2.3 % |
| National Consumer Media | 9.9 | 11.5 | -1.6 | -13.7 % |
| Regional Media | 31.6 | 34.6 | -3.0 | -8.7 % |
| Alma Media total | 68.0 | 70.5 | -2.5 | -3.5 % |

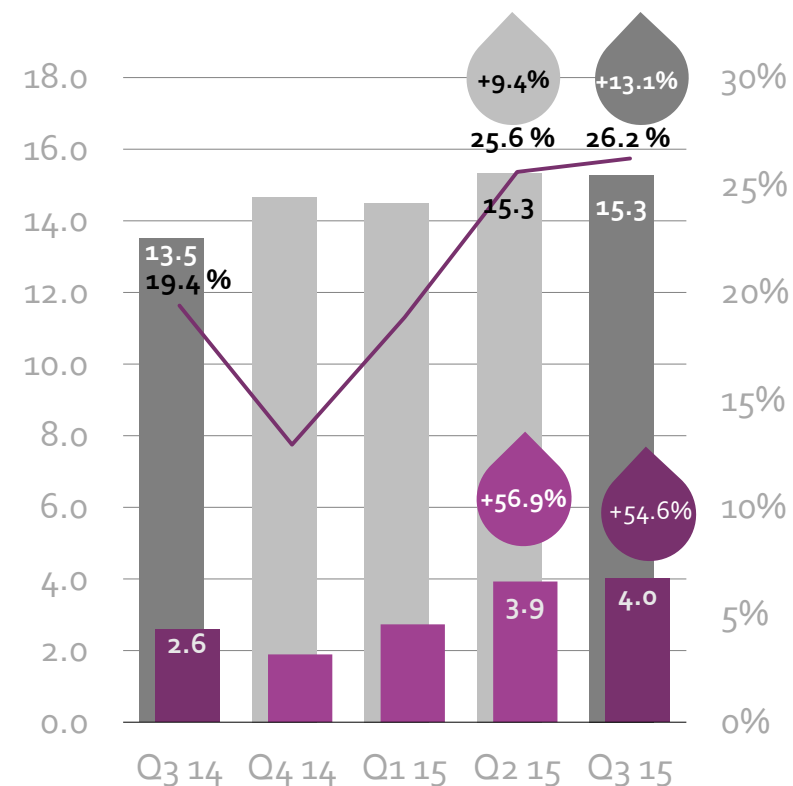
| EBIT, MEUR | Q3 15 | Q3 14 | Chg | Chg % |
|---------------------------------------|-------|-------|------|--------|
| Digital Consumer Services | 4.0 | 2.6 | 1.4 | 54.6% |
| Financial Media and Business Services | 2.1 | 2.2 | 0.0 | -1.4% |
| National Consumer Media | 0.7 | 0.8 | -0.1 | -13.7% |
| Regional Media | 2.7 | 2.6 | 0.1 | 2.1% |
| Alma Media total | 7.6 | 7.0 | 0.6 | 8.2 % |

| EBIT % | Q3 15 | Q3 14 | Chg |
|---------------------------------------|-------|-------|------|
| Digital Consumer Services | 26.2 | 19.4 | 6.8 |
| Financial Media and Business Services | 17.1 | 17.6 | -0.5 |
| National Consumer Media | 6.6 | 6.6 | 0.0 |
| Regional Media | 8.6 | 7.7 | 0.9 |
| Alma Media total | 11.1 | 9.9 | 1.2 |

Digital Consumer Services Q3/2015: continued strong growth in foreign markets

- Revenue grew by 13.1% to MEUR 15.3
 - In Finland, profitability was at the same level as in 2014 the previous year in spite of the challenging domestic market situation.
- Recruitment service revenue increased by 26.5% and accounted for 73,9% of the segment's revenue.
 - Strong growth continued particularly in Eastern Central Europe.
- The operating profit was 4.0 MEUR. No non-recurring expenses were reported during the review period.

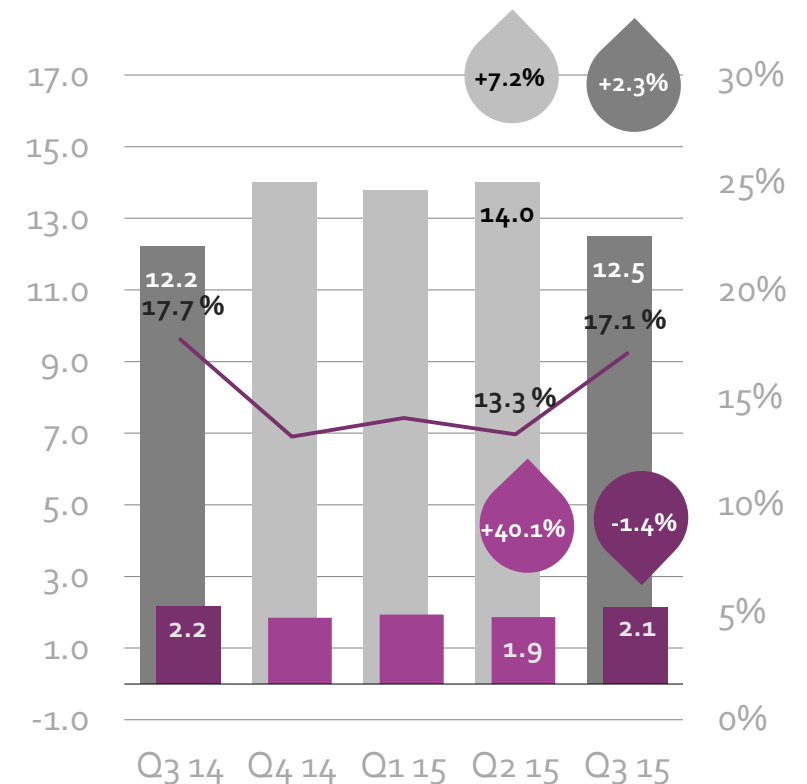
Revenue and operating profit,
MEUR & %



Financial Media and Business Services Q3/2015: growth boosted especially by JM Tieto

- Revenue increased by 2.3% to MEUR 12.5
 - Digital business accounted for 43.7% of revenue.
- Content revenue increased by 0.6% and was MEUR 4.0
 - Kauppalehti's digital content revenue grew by 16,8%, covering the decline in print media content revenue.
- Advertising sales declined by MEUR 0.3 and digital content revenue rose by 3.5%.
- Service revenue increased by 13.5% to MEUR 5.2.
 - JM Tieto increased service revenue by MEUR 0.8.
- Operating profit decreased by 1.4% to MEUR 2.1.
- MEUR 1.4 in non-recurring items recognised in the review period.

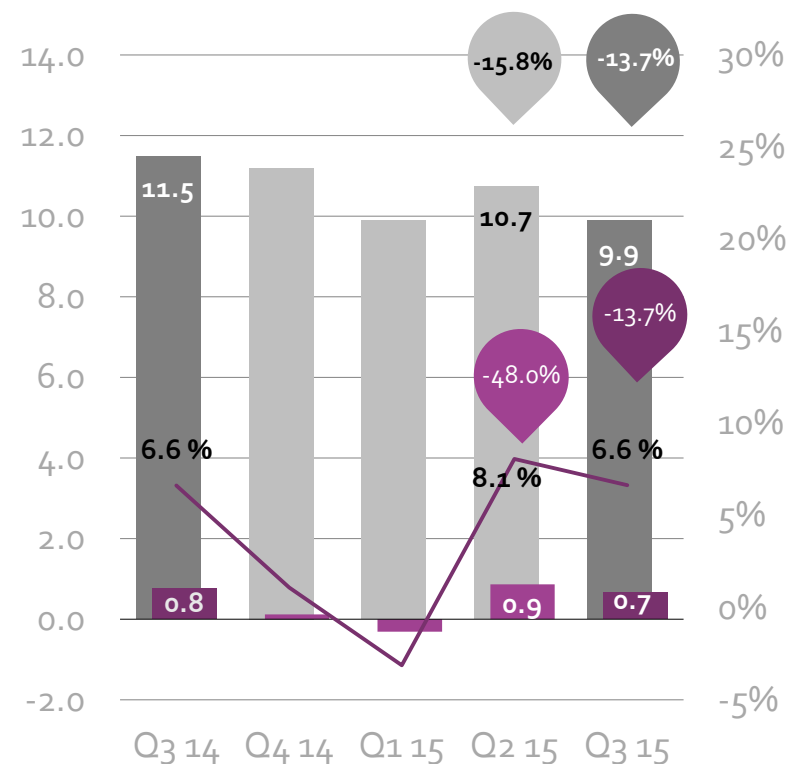
Revenue and operating profit, MEUR & %



National Consumer Media Q3/2015: positive signs in mobile advertising

- Revenue declined by 13.7% to MEUR 9.9.
 - Online business accounted for 25.9% of the segment's revenue.
- Content revenue decreased by 16.4% due to a decline in Iltalehti's circulation.
- Advertising sales decreased by 9.2%.
 - Online advertising sales declined by 4.1% as display advertising fell, but rate of decline slowed down as a result of growth in mobile advertising sales. Programmatic buying has cut the segment's overall online advertising sales as well.
 - Advertising sales for print media decreased by 19.8%.
- Total expenses excluding non-recurring items decreased by 13.7% to MEUR 9.2.
 - The decrease was attributable to a decline in volume-linked printing and distribution costs and a reduction in content acquisition expenses.
- Operating profit declined to MEUR 0.7. No non-recurring expenses were reported during the review period.

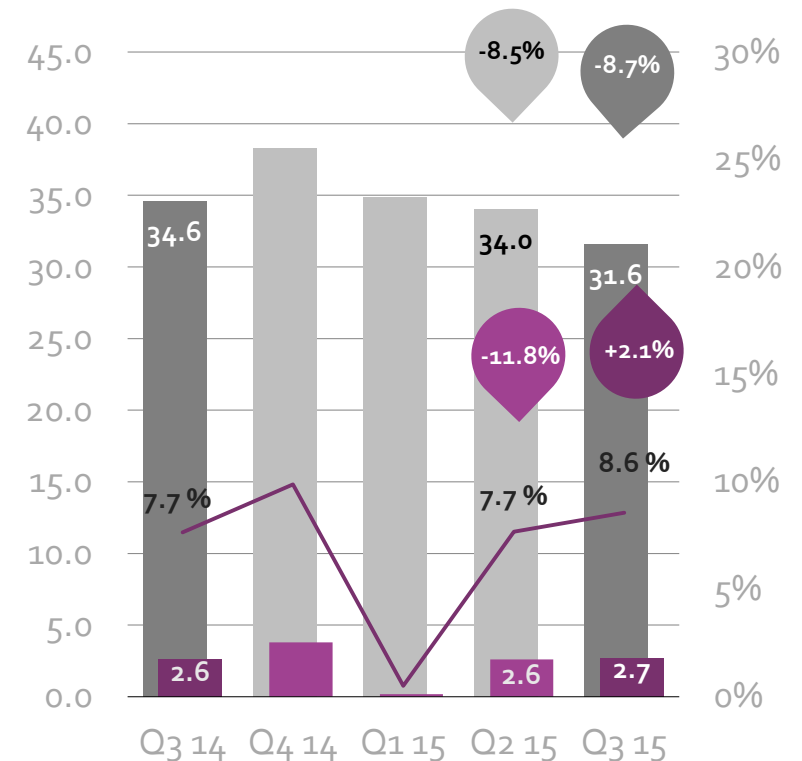
Revenue and operating profit,
MEUR & %



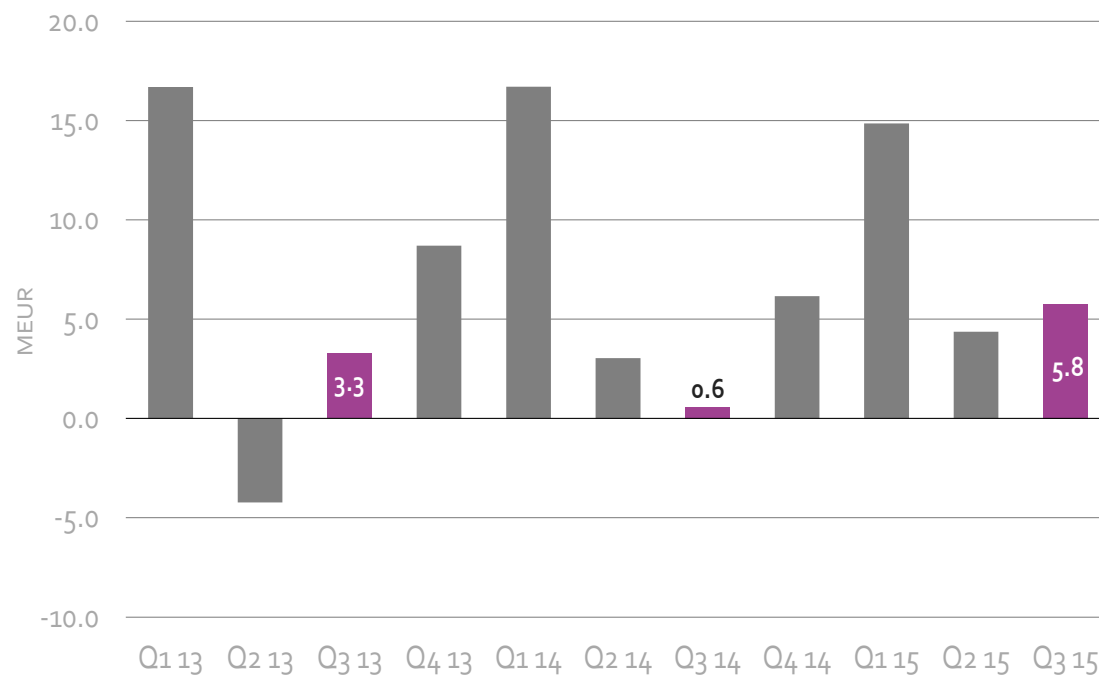
Regional Media Q3/2015: adjustment measures and the external sales of printing services kept profitability at the 2014 level

- Revenue was MEUR 31.6.
 - Digital business accounted for 3.2% of revenue.
 - The effect of divested business operations on the decrease in revenue was MEUR 2.8.
- Content revenue declined by 8.9%.
- Advertising sales decreased by 12.2%.
 - Online advertising sales increased by 20.2%.
- Service revenue increased by 3.3%.
- Total expenses declined to MEUR 29.1 as a result of efficiency improvement measures in printing operations and the divestment of business operations in Kainuu.
- Operating profit excluding non-recurring items was MEUR 2.7.

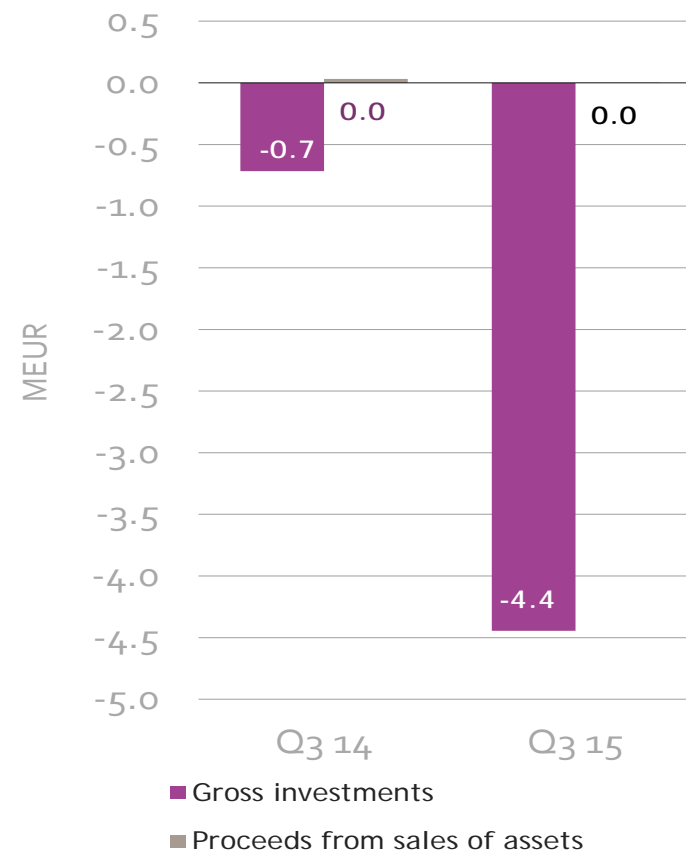
Revenue and operating profit,
MEUR & %



Cash flow from operating activities and investments

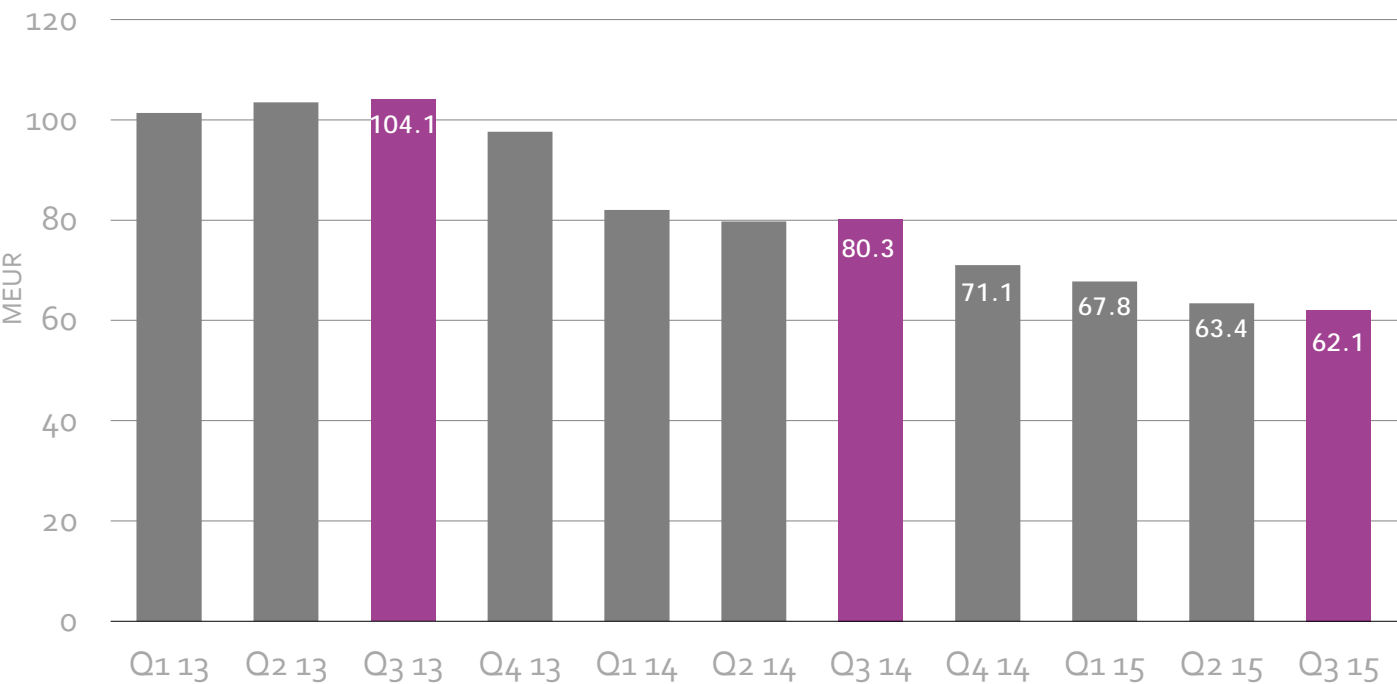


Cash flow from operating activities



Interest-bearing liabilities

Net debt Q1/2013–Q3/2015



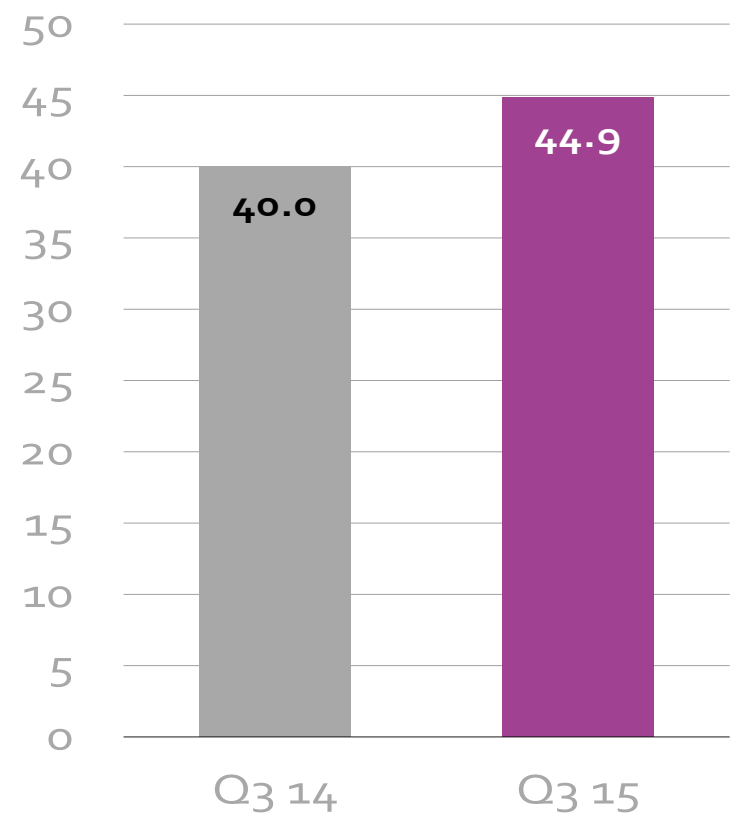
Net debt distribution

| | Q3/2015 |
|---------------------------|---------|
| Financial leasing | 66.2 |
| Financial loans | 7.0 |
| Commercial papers | 2.0 |
| Cash and cash equivalents | -13.1 |
| Total | 62.1 |

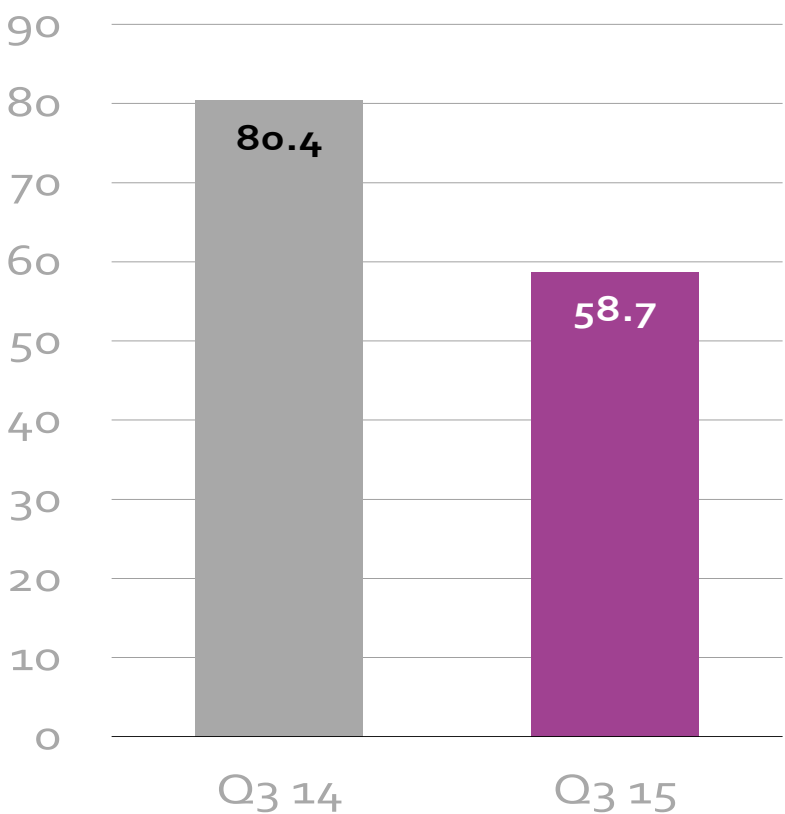
Key indicators

IFRS

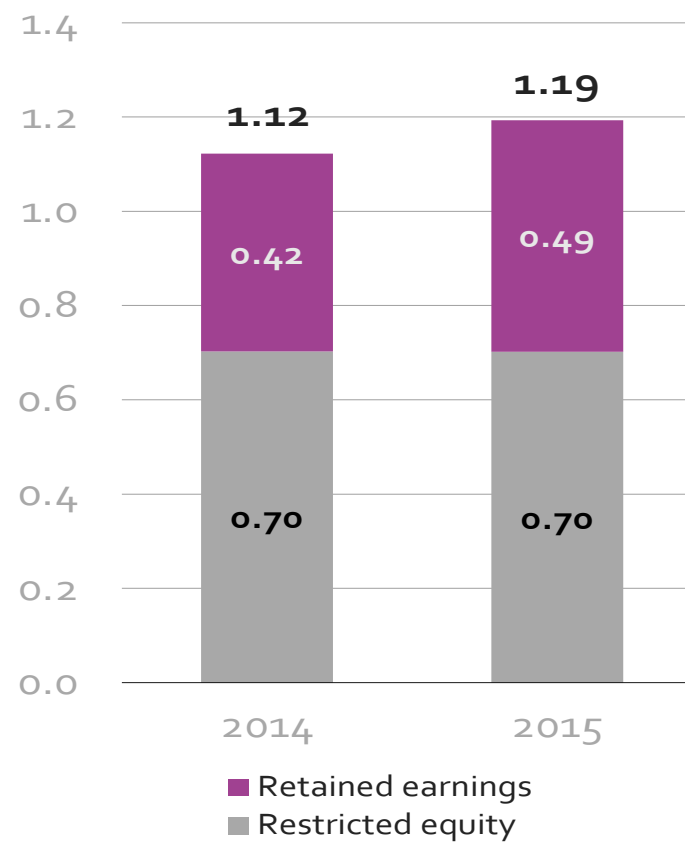
Equity ratio, %



Gearing, %



Earnings per share and equity per share



Upcoming events in the investor calendar
Q4 interim report 12 February 2016

