

A woman wearing a yellow beanie is shown in profile, looking upwards against a dark blue night sky filled with stars and a soft light flare. The scene is atmospheric and evokes a sense of aspiration and growth.

FY 2019: Fifth Consecutive Year Of Profitable Growth

CEO Kai Telanne and CFO Juha Nuutinen



Divestment Of Regional Media Business And Printing Operations

- On February 2020 Alma Media announced to sell regional news media business and printing operations to Sanoma Media Finland
- Businesses to be divested are consequently reported as discontinued operations in Alma Media's 2019 financial reporting
- In this presentation, all quarterly and FY figures, including corresponding periods in 2018, include both continuing and discontinued operations



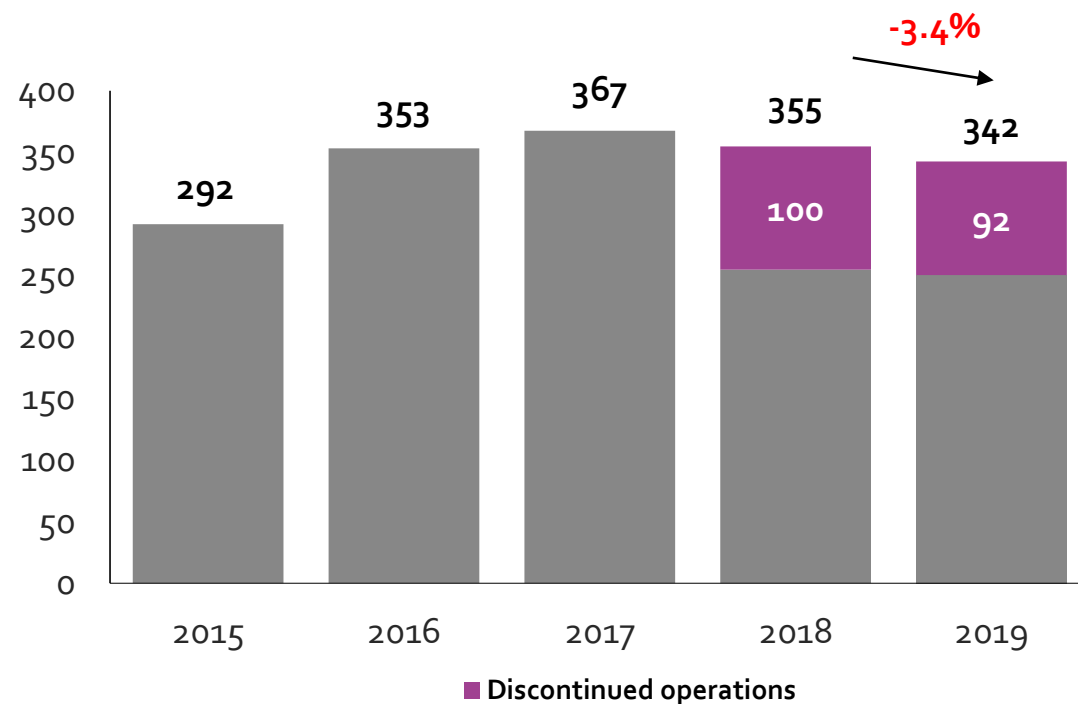
Satakunta

Pirkanmaa

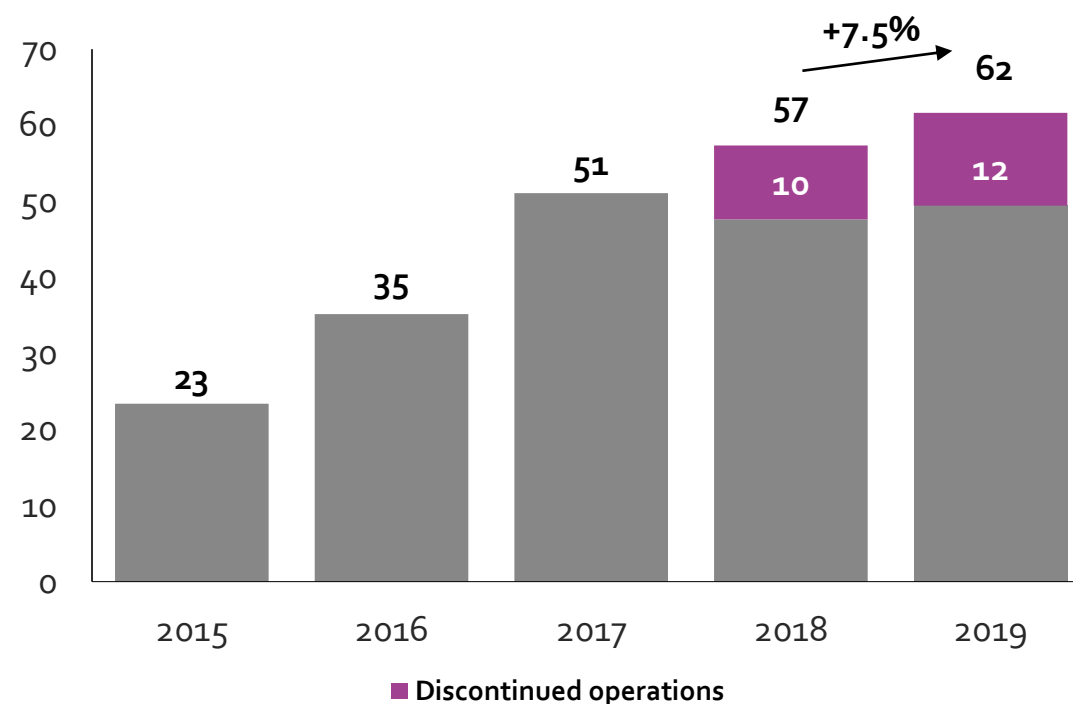
All Time Record Result For 2019

- Revenue mainly down by divestments

Development of revenue 2015–2019

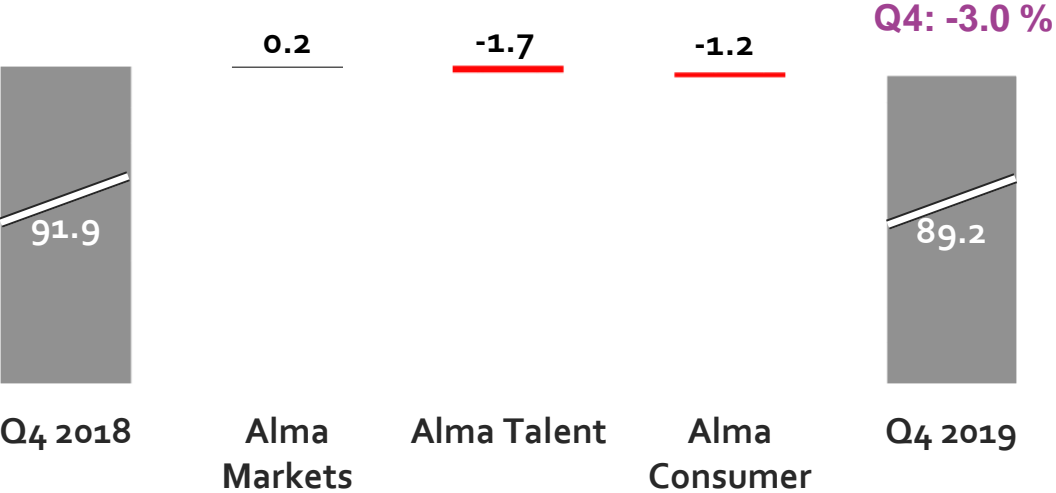


Development of adjusted operating profit 2015–2019

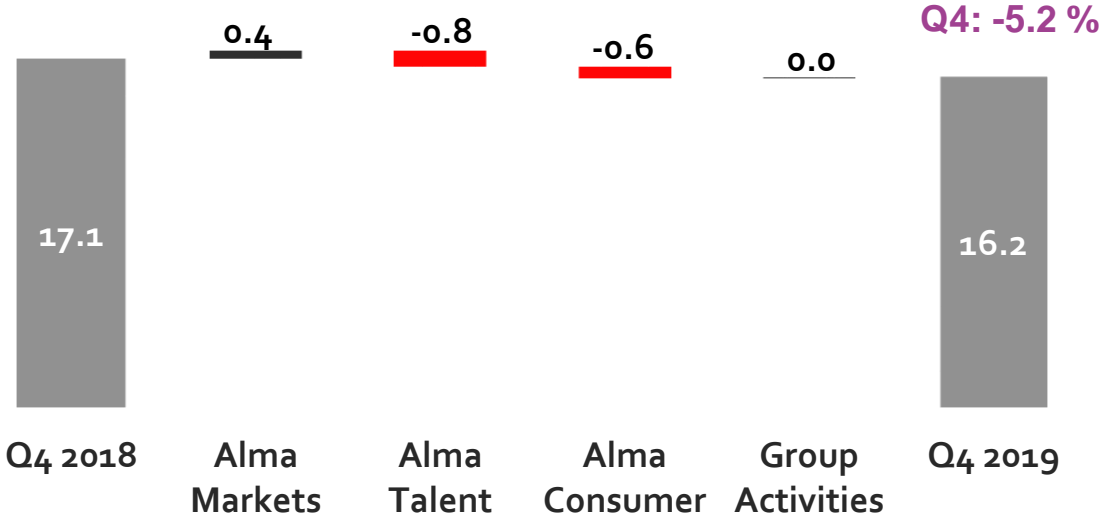


Q4 Challenging In Domestic Advertising Sales

Revenue (MEUR) Q4/2019*



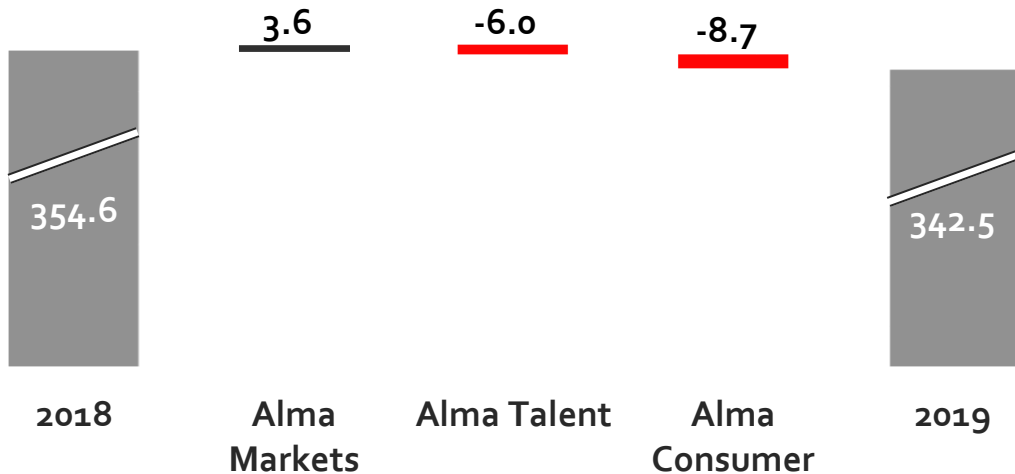
Adjusted operating profit (MEUR) Q4/2019*



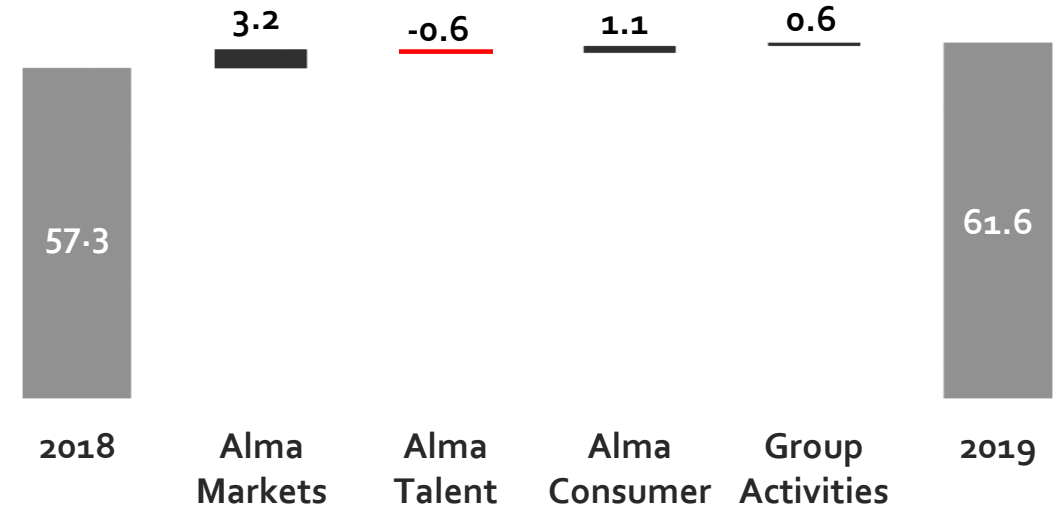
Including discontinued operations

FY 2019: Good Profitability Development Of Alma Markets Continued

Revenue (MEUR) 2019*



Adjusted operating profit (MEUR) 2019*

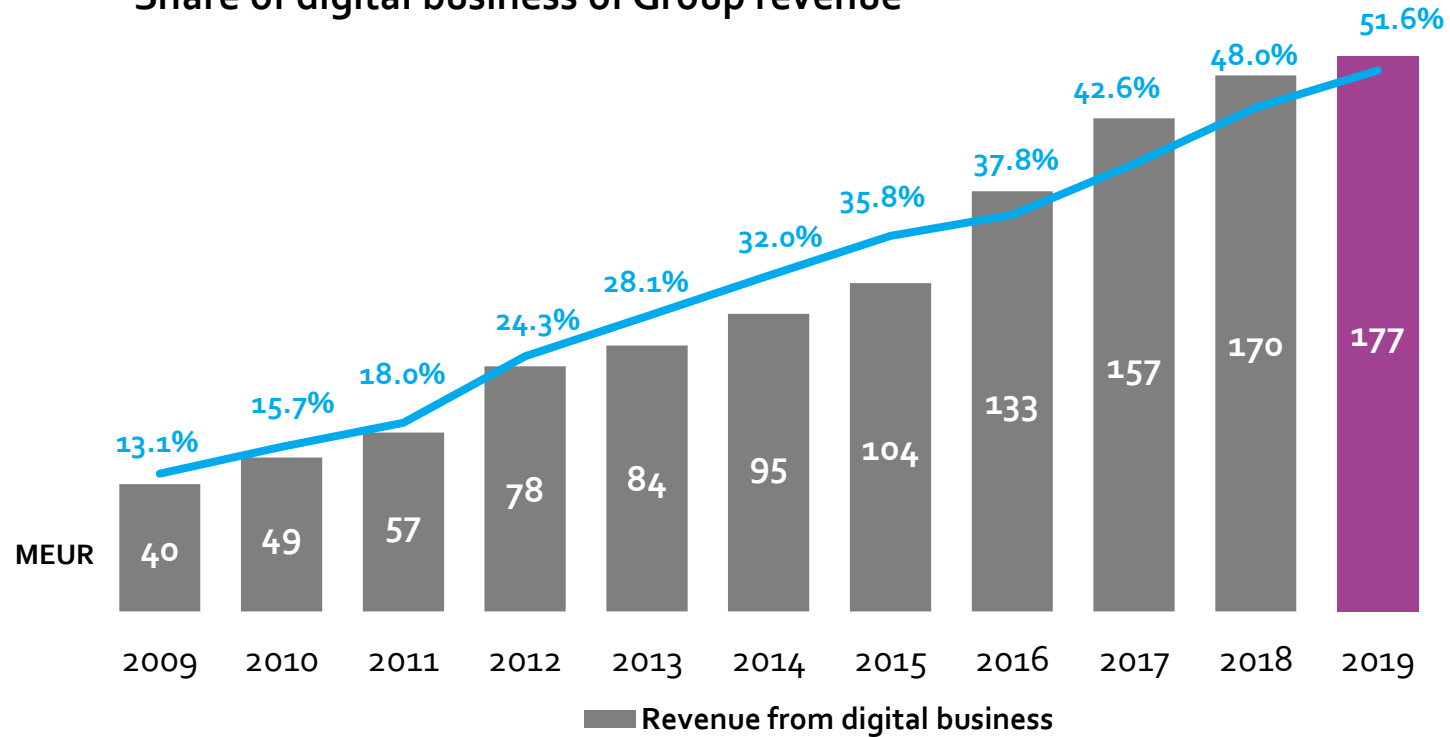


Including discontinued operations

Digital Business Exceeded 50 % Of Revenue

– Growth slowing down due to economic growth levelling off

Share of digital business of Group revenue



Including discontinued operations

An aerial photograph of a snowy landscape. The snow is white and textured, with several dark tracks or paths crisscrossing the terrain. A large, white, stylized arrow graphic is overlaid on the image, pointing towards the right. The text "OPERATING ENVIRONMENT" is centered in the middle of the image in a bold, white, sans-serif font.

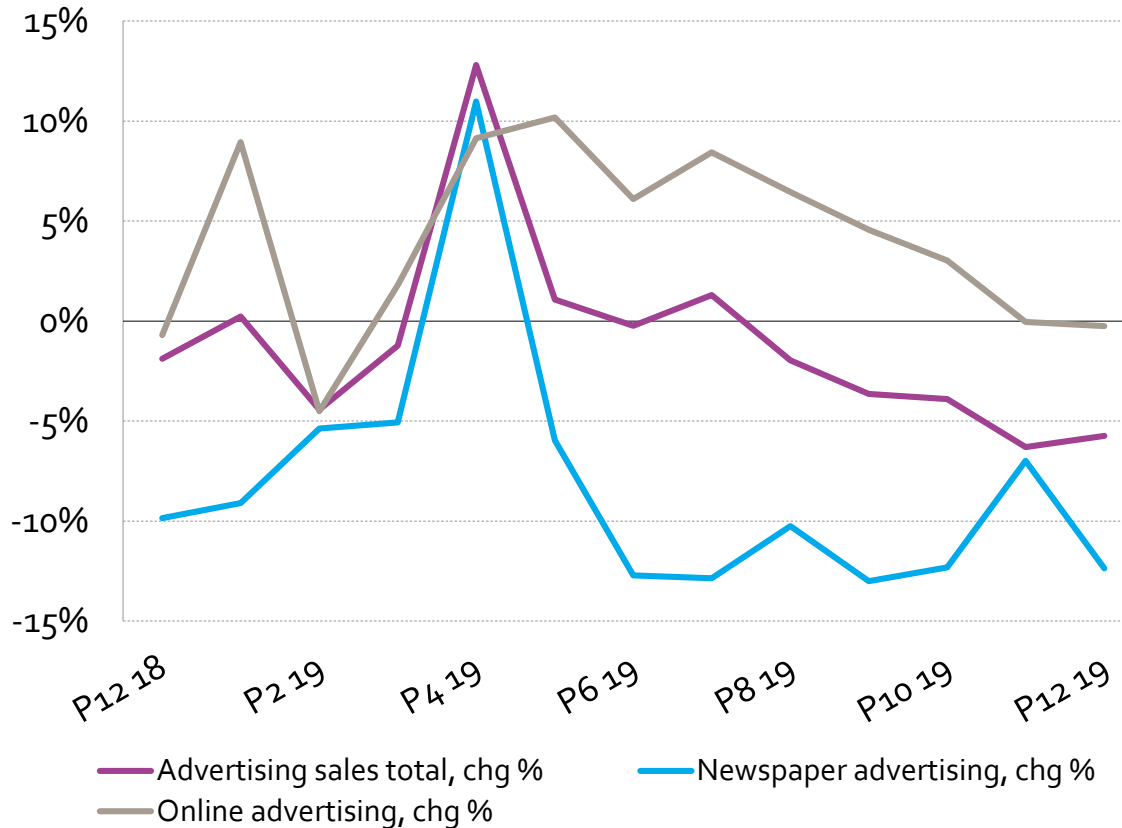
OPERATING ENVIRONMENT



Finnish Advertising Market Continues To Be Subdued

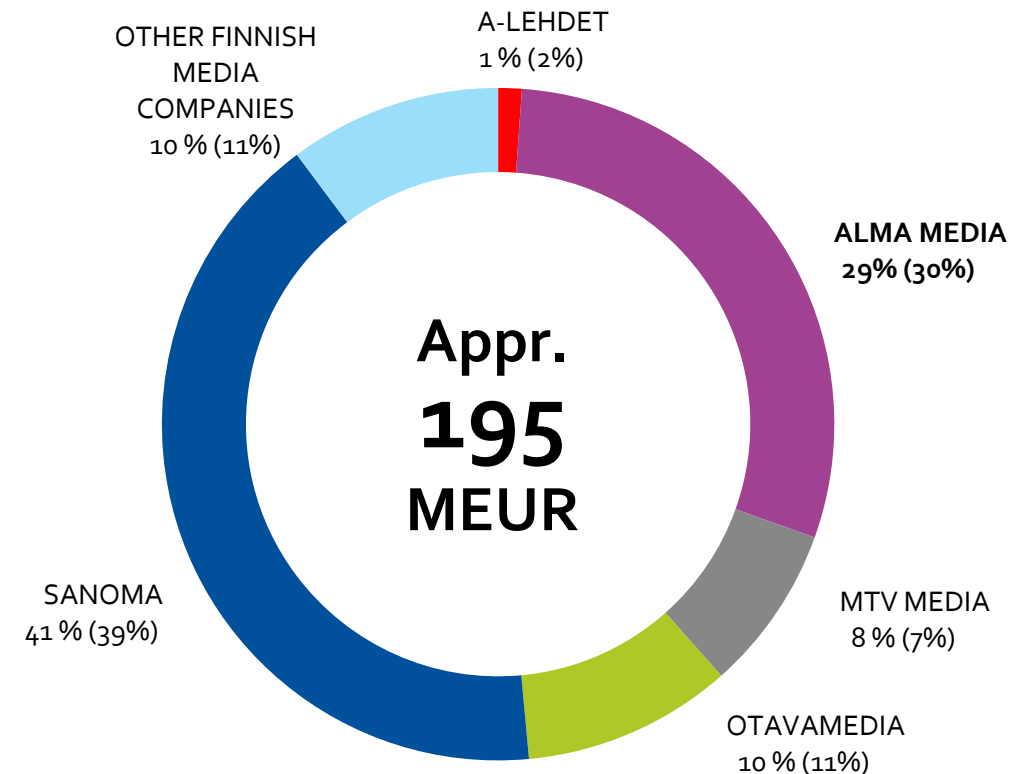
Monthly change in media advertising 12/2018–12/2019

Source: Kantar TNS

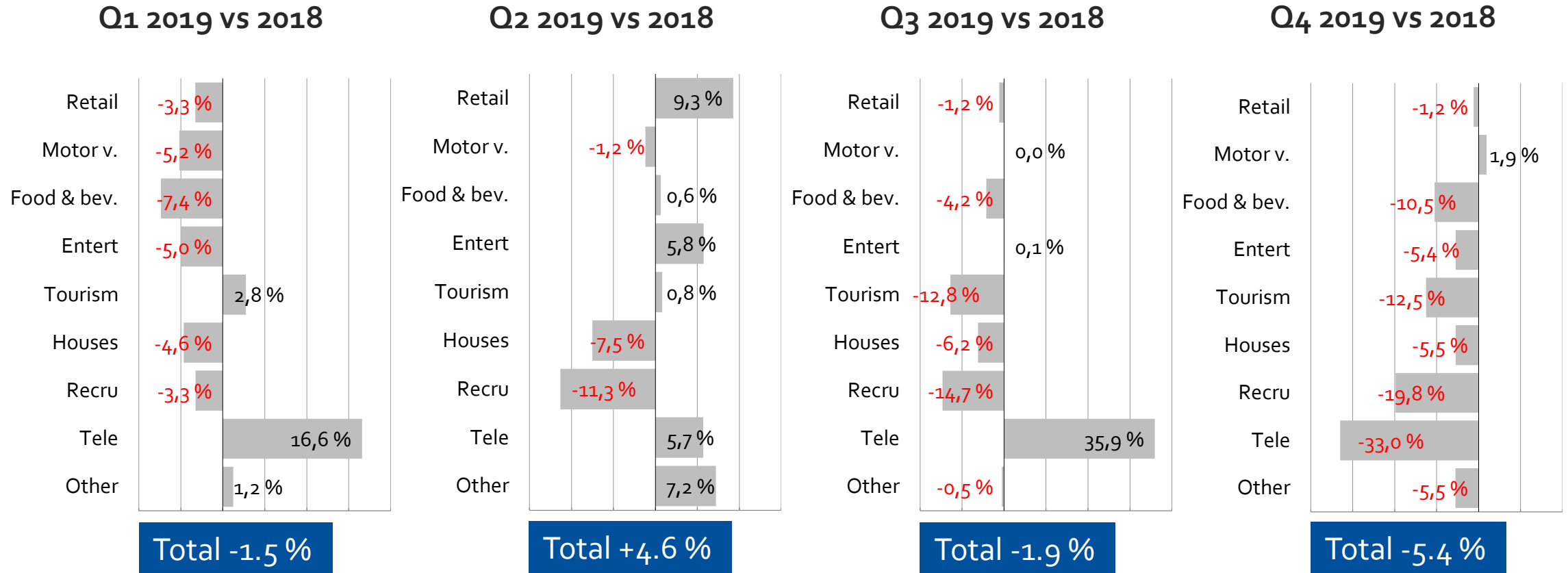


Online advertising by Finnish media companies 2019 (2018)

Source: Kantar TNS



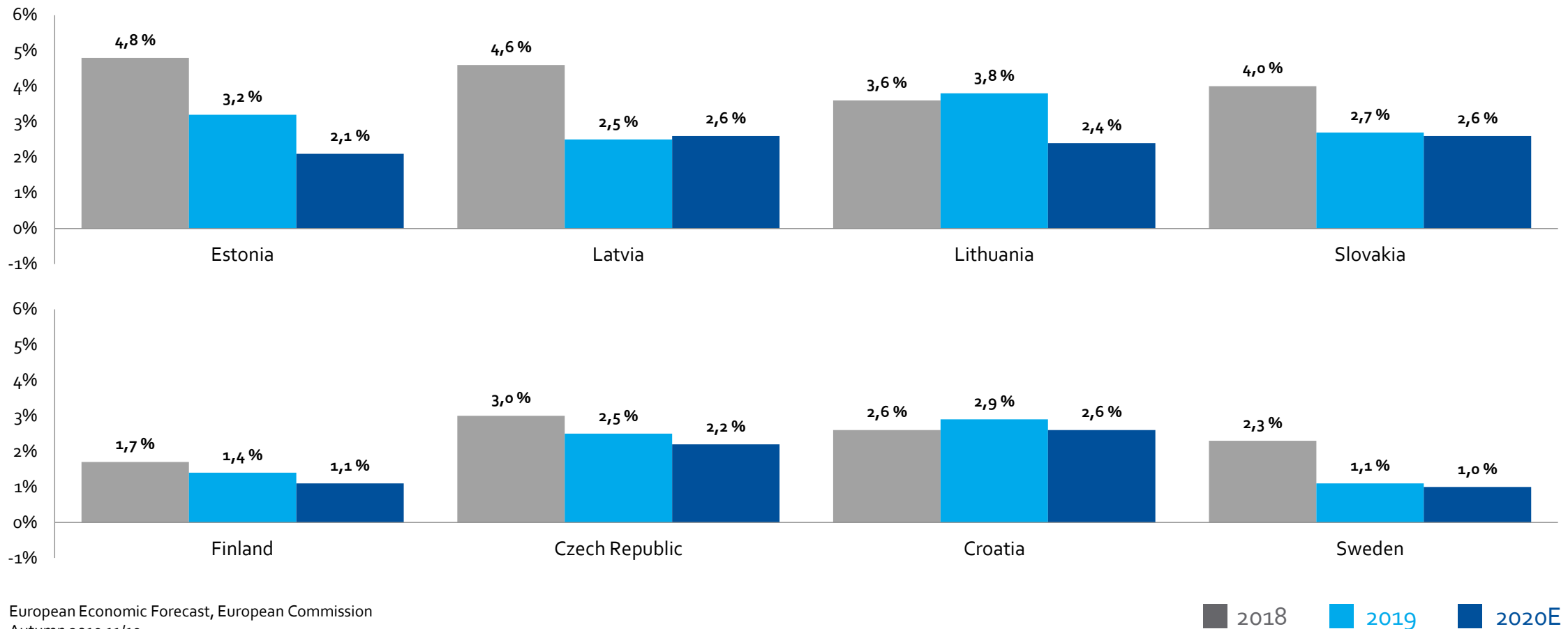
Most Sectors In The Red Territory In Q4/2019



Source: Kantar TNS

GDP Growth Decelerates In Eastern European Countries

GDP forecasts in Alma's operating countries 2018-2020E



European Economic Forecast, European Commission
Autumn 2019 11/19

2018 2019 2020E

A photograph of two people walking away from the camera on a vast, flat, snow-covered field. The sun is low on the horizon, creating a bright glow and long shadows. The people are wearing winter clothing, and their footprints are visible in the snow. The background shows a line of trees under a clear sky.

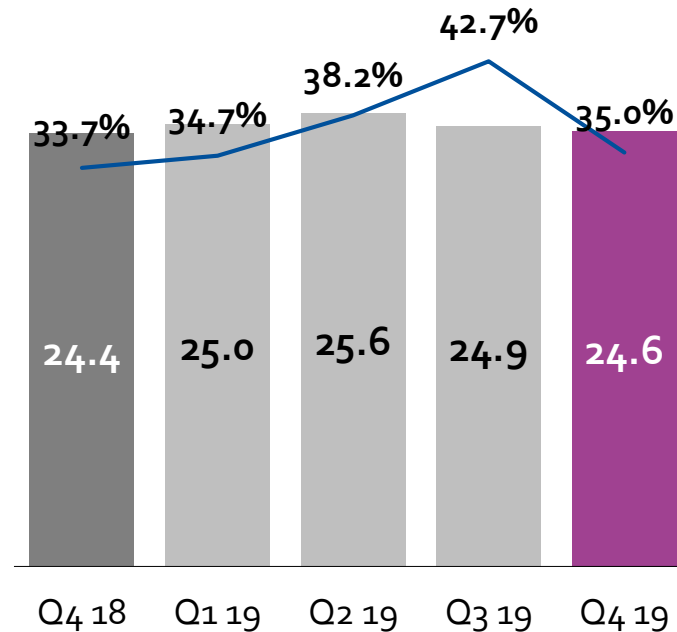
DEVELOPMENT BY BUSINESS SEGMENTS



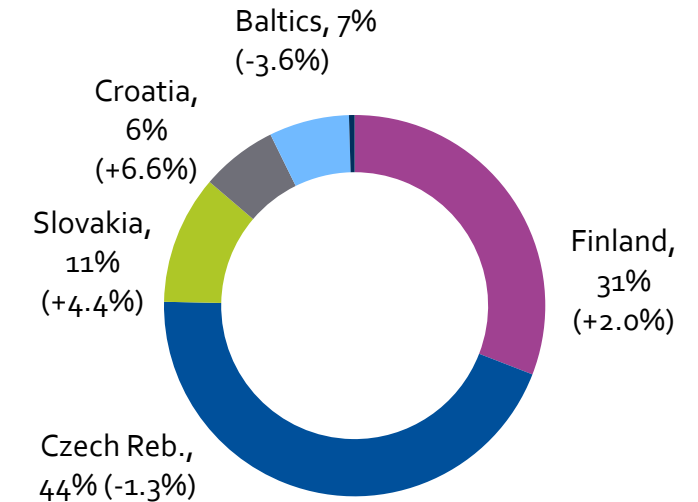
Alma Markets Q4/2019: Growth Cooling Down

- Revenue stable at MEUR 24.6. Uncertain economic outlook impacted the job listings market, mainly in Finland. Sales growth in housing and car businesses in Finland continued, especially in added value and tendering services.
- Share of segment revenue: recruitment 74.4% (-1.9%), housing 16.9% (+4.0%) and cars 8.3% (+17.2%).
- Expenses -1.3% to MEUR 16.0. Adjusted operating profit +4.6 % to MEUR 8.6

Revenue MEUR and adjusted operating margin %



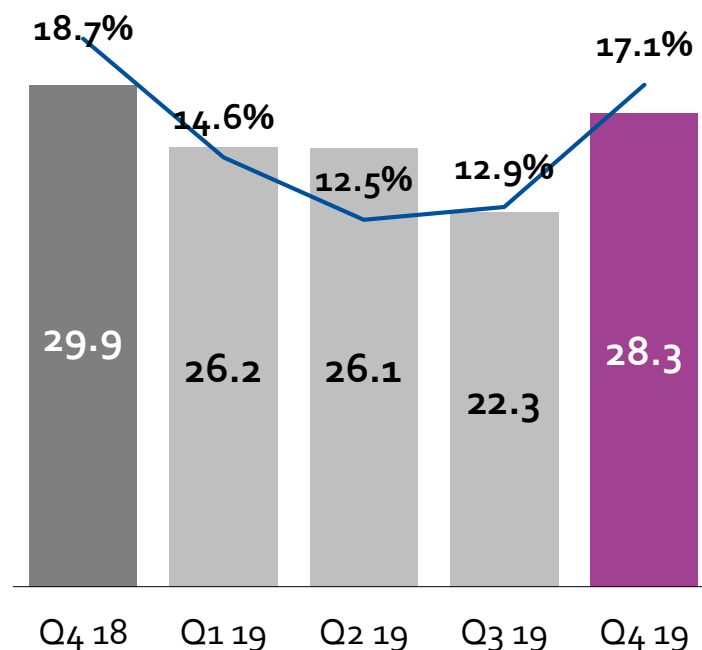
Share of segment revenue by country in Q4/2019 (revenue growth rates in brackets)



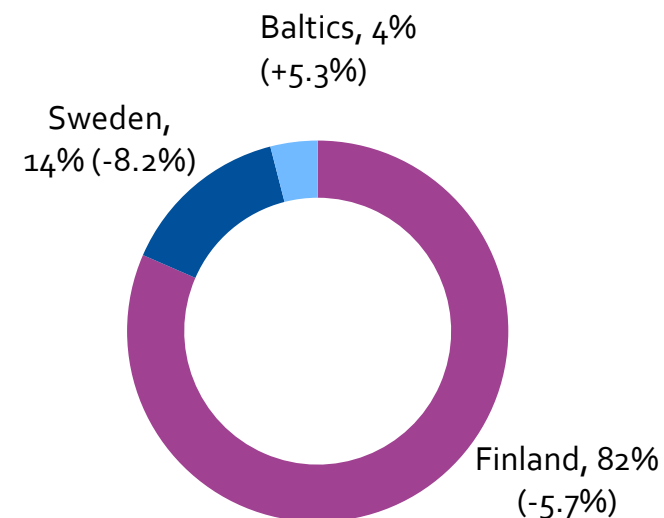
Alma Talent Q4/2019: Digital Content Sales Grew Again With Double-digit Figures, Advertising Down

- Revenue -5.5 % to MEUR 28.3. Revenue weighed down by cyclically sensitive recruitment advertising as well as book, training services and direct marketing sales.
- Finnish financial and professional media digital content sales +28.4 %, compensating for the decline in print media content revenue.
- Adjusted total expenses -3.8% to MEUR 23.4. Adjusted operating profit -13.5% to MEUR 4.8.

Revenue MEUR and adjusted operating margin %



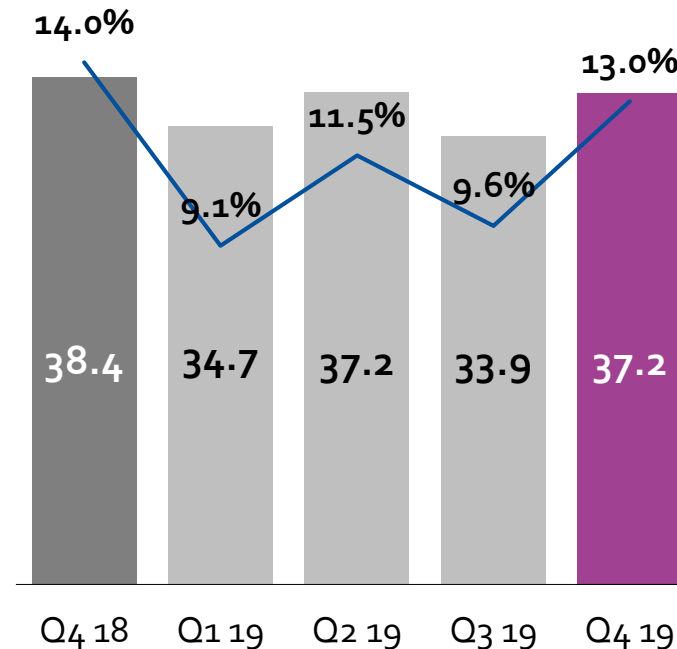
Share of segment revenue by country in Q4/2019 (revenue growth rates in brackets)



Alma Consumer Q4/2019: Tough For Print Media Advertising, Digital Content Sales Strong

- Revenue -3.2% to MEUR 37.2. Print advertising down in recruitment and supplement advertising, digital advertising mainly down on lower desktop advertising.
- Digital subscriptions sales continued strong growth, +24.4%.
- Adjusted total expenses -2.5% to MEUR 32.4. Adjusted operating profit -10.4 % to MEUR 4.8.

Revenue MEUR and adjusted operating margin %



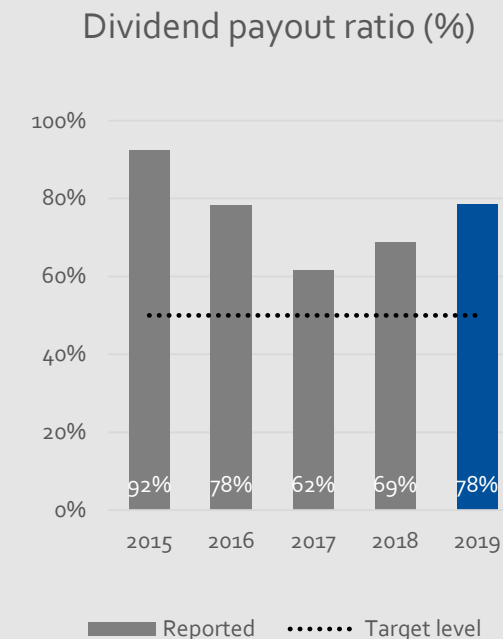
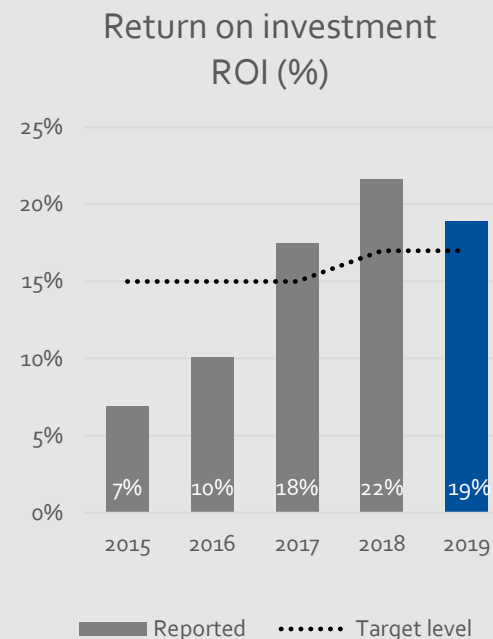
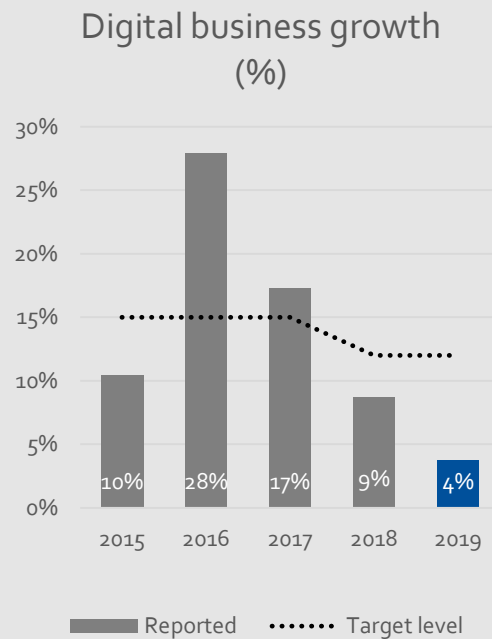
Figures include discontinued operations

FINANCIAL POSITION



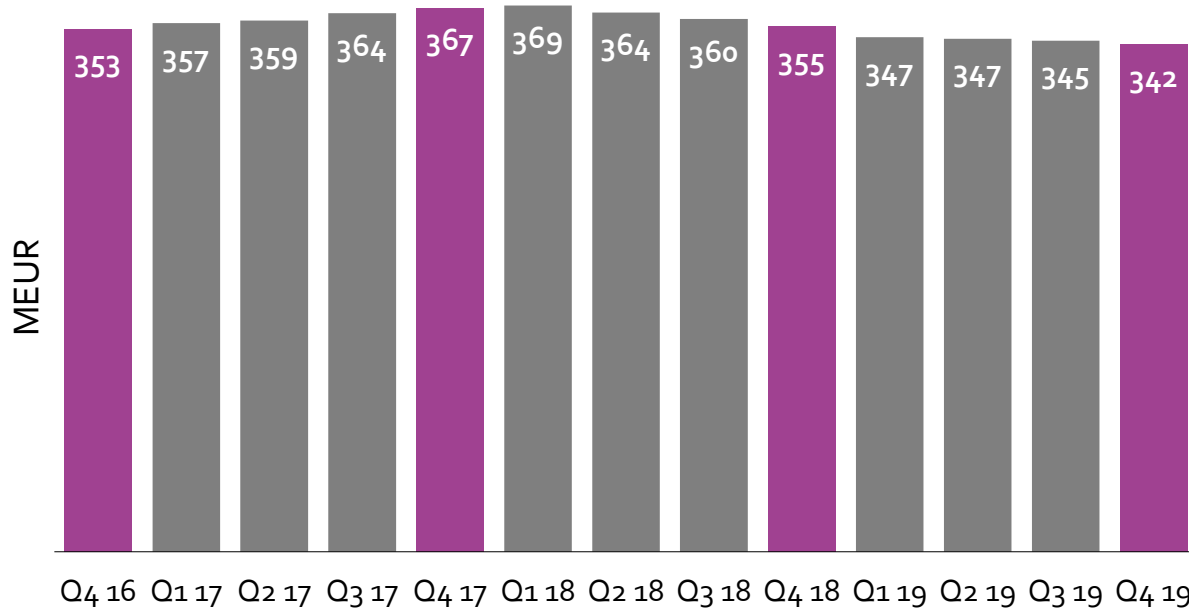
Long-Term Financial Targets

Financial target	Long-term target level	Performance in 2019
Digital business growth, %	>12%	4% ●
ROI, %	>17%	19% ●
Dividend payout ratio	>50%	78% ●



Revenue Down Due To Divestments And Lower Advertising Sales

Revenue, rolling, prev. 12 months, MEUR
Organic growth -1.3% in 2019 (Continuing operations)

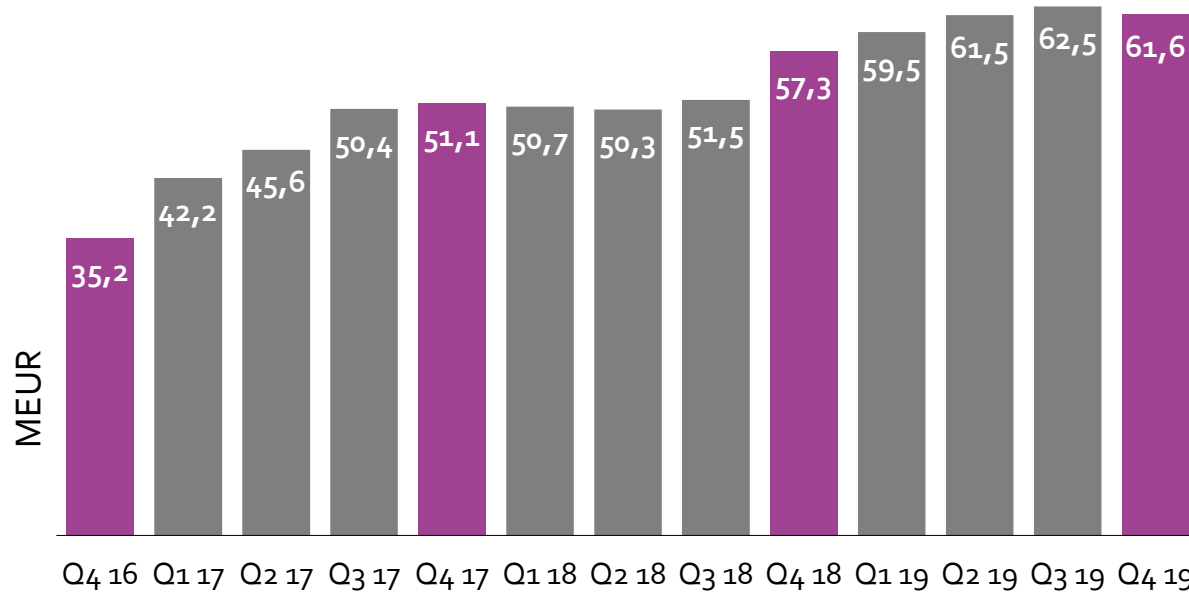


Revenue, MEUR	2019	2018
Continuing operations	250	255
Discontinued operations	92*	100
Total	342	355

* Group internal revenue eliminated, MEUR 7

Digital Transformation Driving Operational Gearing

Adjusted operating profit, rolling, prev. 12 months, MEUR

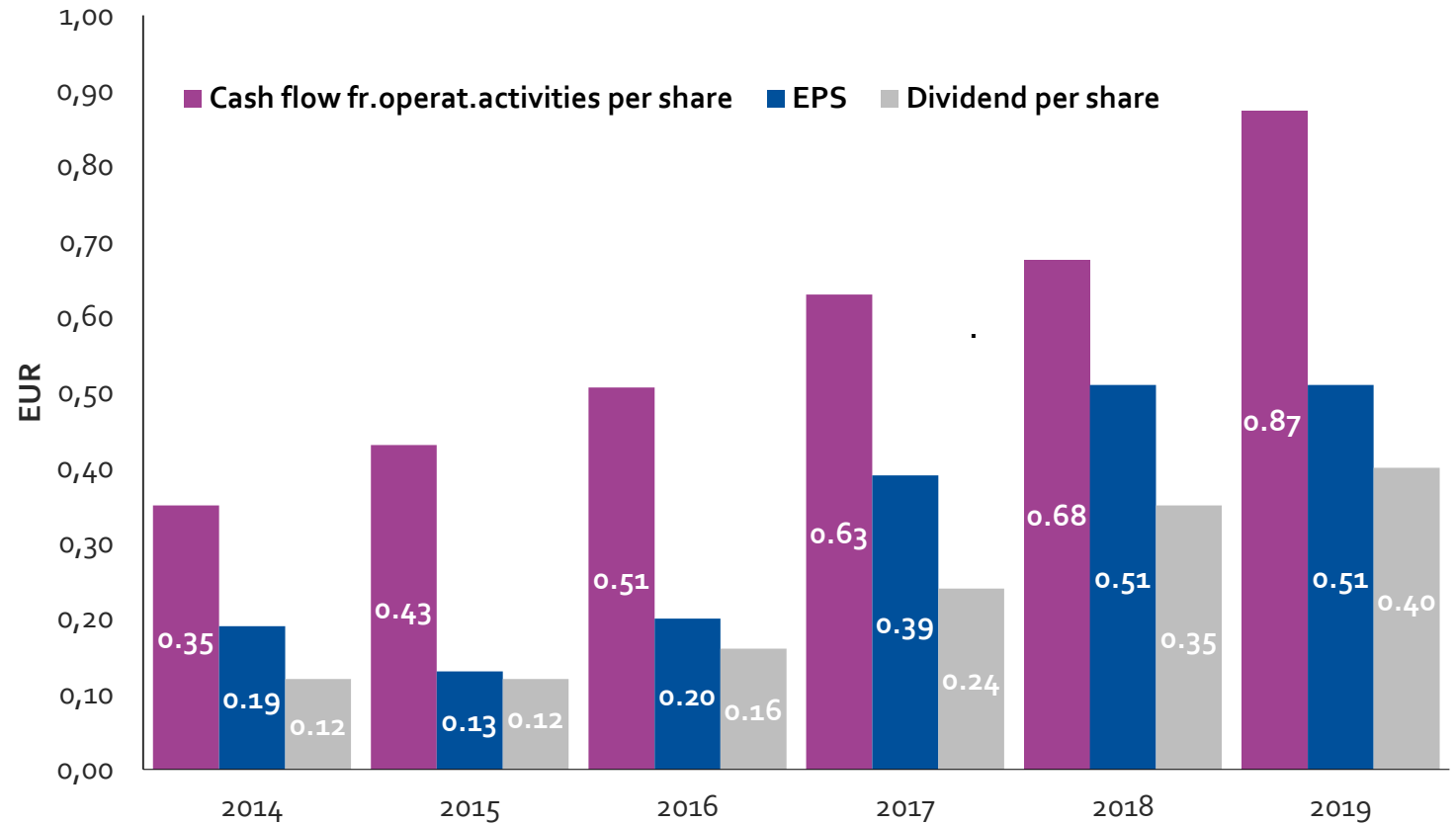


Adjusted operating profit, MEUR	2019	2018
Continuing operations	49.4*	47.6
Discontinued operations	12.2*	9.7
Total	61.6	57.3

* MEUR 2 of fixed expenses of support services transferred from discontinued operations to continuing operations

DPS and EPS

- Earnings per share in Q4/2019 were EUR 0.14 (EUR 0.12). Adjusted items in Q4/2019 MEUR 0.2 (Q4/2018: MEUR -0.9).
- The Board's dividend proposal is EUR 0.40 (0.35) per share. Increase of 14% vs. 2018.

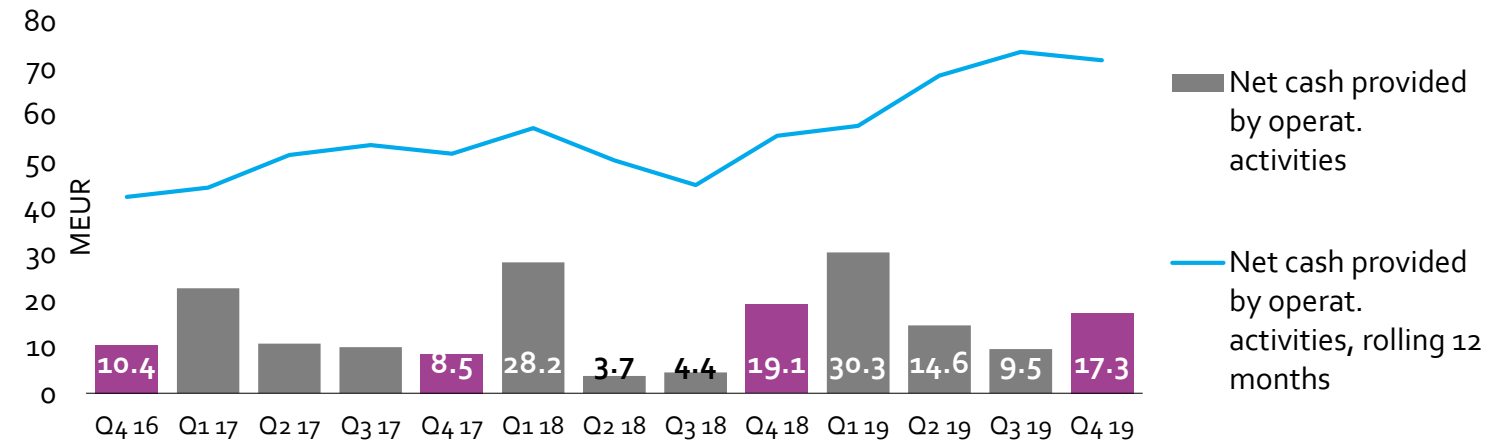


EPS for discontinued operations 2019 were EUR 0.10 (0.12)

Consistently Strong Cash Flow

- Cash flow from operating activities in Q4/2019 was MEUR 17.3 (19.1). Decline was due to the weaker result as well as higher working capital and higher taxes paid.
- Cash flow from investment activities was MEUR 6.1 (-0.6) in Q4/2019 impacted by the delivery outsourcing agreement.

Operating cash flow and capital expenditure



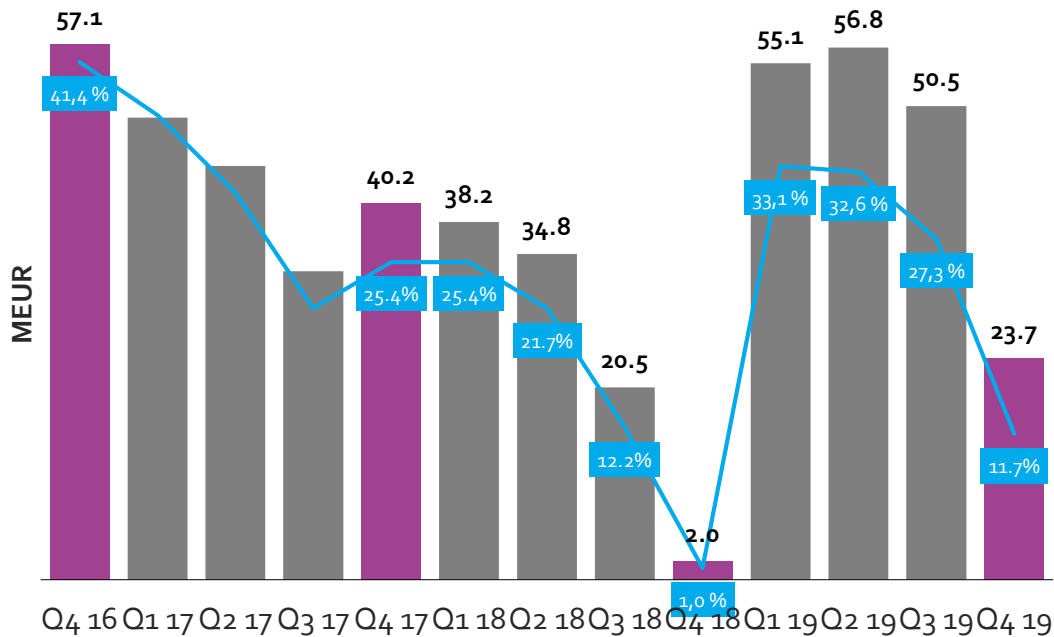
Capital expenditure and acquisitions, MEUR	2019 Q4	2018 Q4	2019	2018
Capex	0.7	1.3	2.7	4.8
Acquisitions	0.0	0.0	10.2	17.3
Total	0.7	1.3	12.9	22.1

Cash flow including discontinued operations

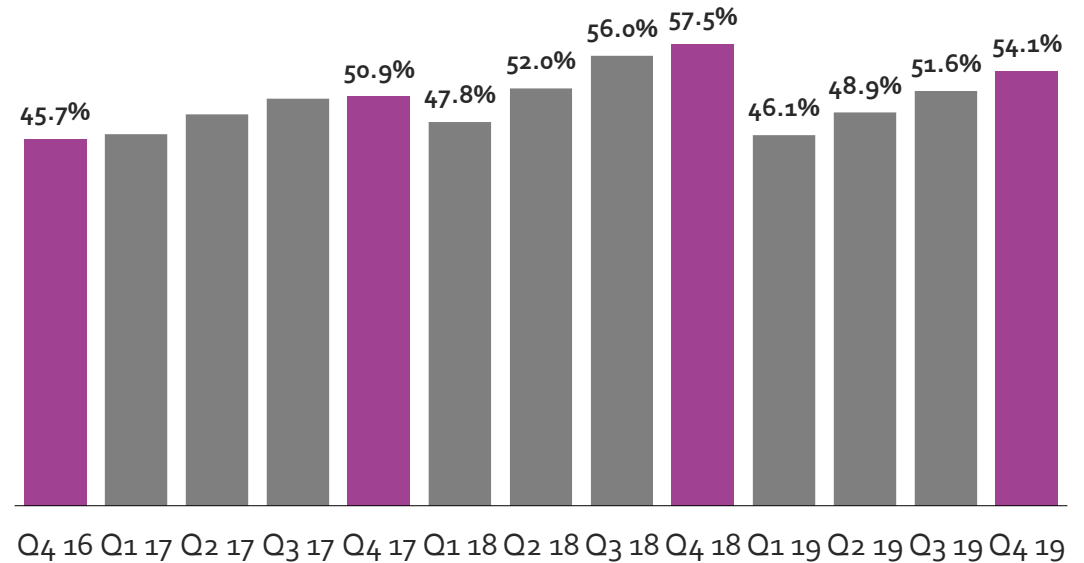
Net Debt Decreased By Strong Operative Cash Flow And Payment From Delivery Outsourcing

- At the end of December gearing ratio was 11.7 % and net debt stood at MEUR 23.7
- Interest-bearing liabilities totalled MEUR 90.8
- Equity ratio 54.1 %

Net debt, MEUR and gearing, %; Q4/2016–Q4/2019



Equity ratio; Q4/2016–Q4/2019



An aerial photograph of a vast, flat desert landscape under a clear sky. The ground is a mix of light and dark sand, with numerous small, dark footprints scattered across the surface. In the center, there are two large, circular sand dunes or mounds, one slightly larger than the other, with intricate patterns of sand ripples and ridges. The overall scene is desolate and expansive.

STRATEGY AND OUTLOOK



Transaction Overview

- **Alma Media divests regional news media business and news printing operations to Sanoma Media Finland for enterprise value of EUR 115 million**
 - The transaction comprises sale of shares in Alma Media Kustannus Oy and Alma Manu Oy
 - In addition, Alma Media is entitled to potential additional purchase price subject to the future performance of the businesses to be divested
 - Alma Media books ca. EUR 58 million capital gain from the sale
 - Net debt and advances received to be included ca. EUR 42 million
- Altogether 365 (FTE) employees in the businesses to be divested will transfer to Sanoma Media Finland upon closing of the transaction
- The transaction is subject to customary closing conditions including approval of the Finnish Competition and Consumer Authority



Illustrative Key Figures For The Business To Be Divested

EUR million, all figures rounded	Preliminary, unaudited FY-2019	Reported 2018*
Revenue	99	103
Pro forma adj. EBITDA	15	13
Pro forma adj. operating profit	10	8
Cash flow from operating activities	13	9
Non-current assets	57**	63
Net debt and advances received	42	41

* Figures adjusted for the divestment of business operations in Lapland and IFRS 16 standard, without nonrecurring items.

** Including 9 million euros of goodwill recognized for Alma Consumer.



Divestment Rationale

Releases capital and management resources to focus in the digital businesses

1) Sharpening strategic focus

- Concentration on the development, growth and internationalisation of digital media and service businesses

2) In Finland, focus on national media brands and digital services

- Consistent portfolio evolution towards profitable and growing digital services
- National media brands, digital services, digital advertising and marketing solutions and paid digital content as a strategic core
- More resources for new business openings

3) Impact on financial position

- Focus on digital offering adds scalability
- Dependence and invested capital decreases on declining print media
- Balance sheet strengthens further, enabling acquisitions in the strategic focus areas

4) Responsible buyer from the media industry

- Sanoma has a long history in the industry and required resources to ensure the future of regional and local media business

Alma Network's Reach Remains Strong

- After the transaction, Alma's digital network, printed Iltalehti and Alma Talent media still reach **78 %** (81 %), or **3.0 million** of Finns every week*
- Alma Media's reach in print declines in Pirkanmaa and Satakunta area

* Source: TNS Mind 1-6/ 2019, the 15-74 age group

ILTALEHTI

kotikokki.net

telkku.com

Rantapallo

E-kontakti.fi

etu.fi

ETUOVI.com

VUOKRAOVI.com

AUTOTALLI.com

AUTOJERRY

Gofinland

MONSTER

WEEKLY REACH
of Finns aged 15-74

78 %
(3 M)

Kauppalehti

Uusi Suomi

Talouselämä

ARVOPAPERI

**tekniikka
& talous**

**metalli-
tekniikka**

**TEKNIKAN
HISTORIA**

tivi

BITTI

M&M
MÄRKÄNOSTAJAMÄNÄNTÄ

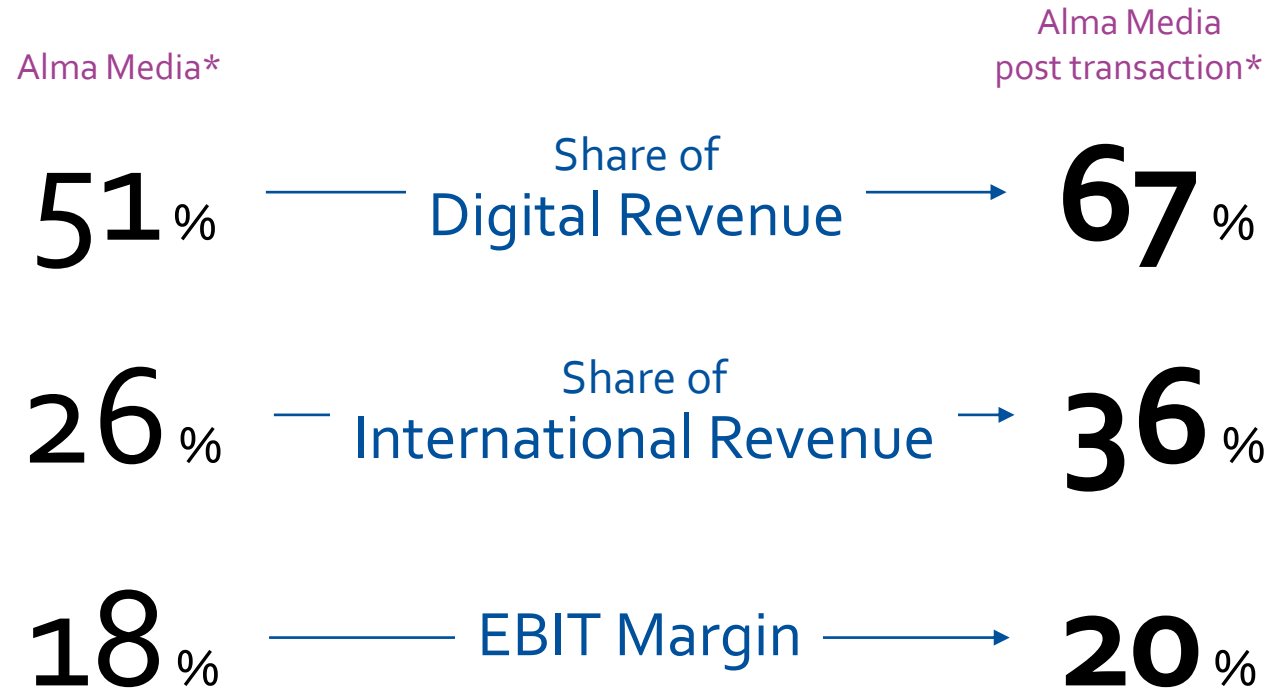
OPTIO

Mediuutiset

Toimitilat
Kauppalehti

Improved Business Mix Accelerates Shareholder Returns

Growth and margin profile improves as digital and international businesses gain more weight



* Figures FY 2019

Alma Media After The Divestment

Continuing businesses FY 2019

- Revenue MEUR 250
- Adjusted operating profit MEUR 50
- Personnel 1,530
- +100 brands and services

High digital ratio

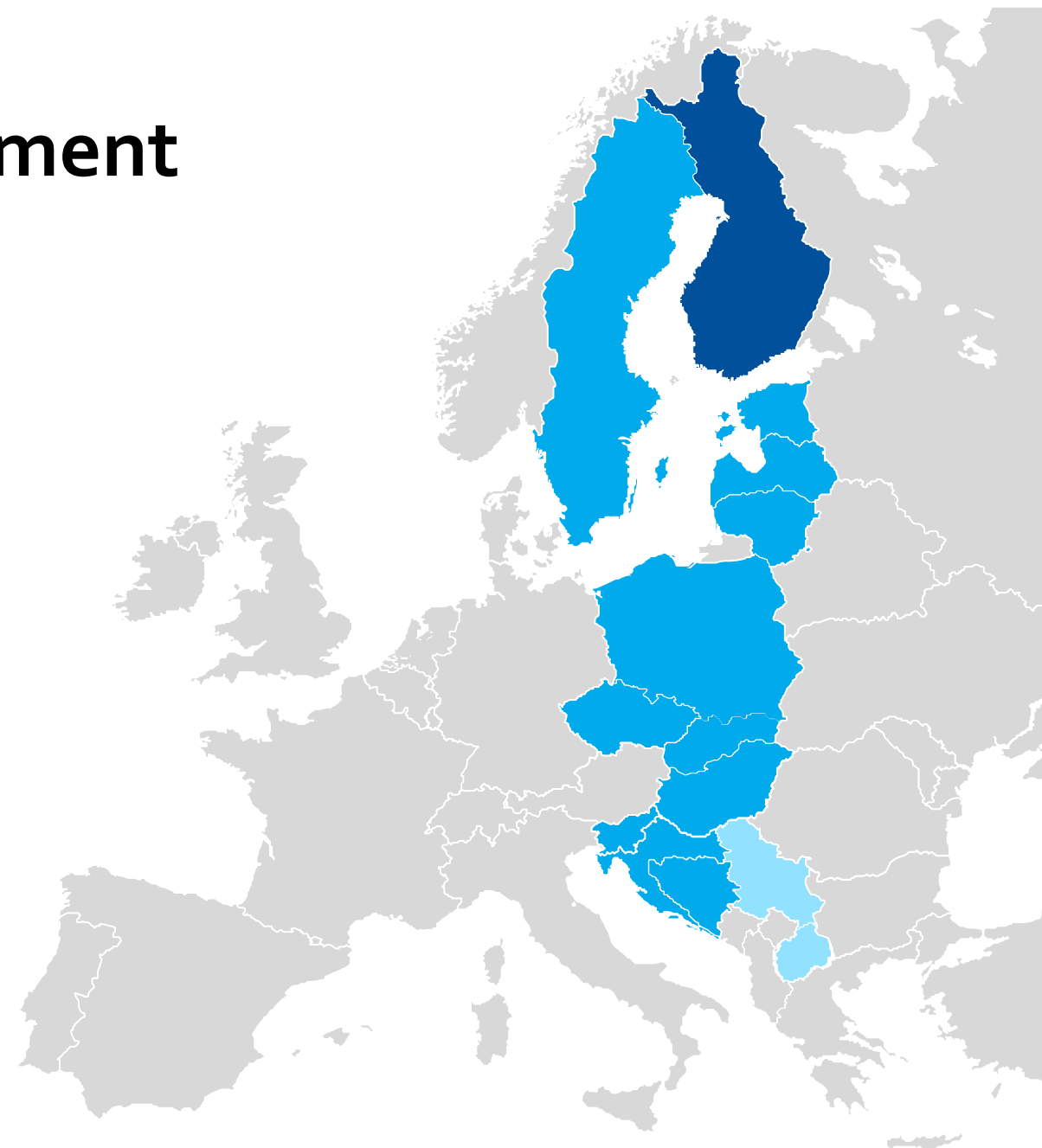
- 4/6 of revenue and 5/6 of adjusted operating profit

Operating countries

Finland, Sweden, the Baltic Countries, Czech Republic, Slovakia, Croatia, Hungary, Poland, Bosnia-Hertsegovina and Slovenia

Minority ownerships

Macedonia and Serbia



Building A Top-Tier European Digital Media And Service Company



1

Enabling higher profit per user and driving operational gearing

2

Strengthening market positions in key areas

3

Securing transformation with financial solidity

Q4/2019 in brief

- Alma Media became the whole owner of Kolektiv Ltd, the leading online recruitment service in Bosnia and Herzegovina (previously a 30 % stake)
- In a transfer of business, Alma Talent sold Affärsvärlden to Swedish Börsplus Ab (effective from March 2020)
- The outsourcing process of the early morning delivery of newspapers in Pirkanmaa and Satakunta to Posti Group completed

Outlook For 2020

In 2020, Alma Media expects the full-year revenue and adjusted operating profit of its continuing operations to be at the previous year's level.

In 2019, the full-year revenue of the continuing operations was MEUR 250.2 and the adjusted operating profit was MEUR 49.4.

THANK YOU! QUESTIONS?

Upcoming events in the investor calendar:

- AGM 25 March
- Interim report for January–March 2020 on Tuesday, 21 April 2020
- Interim report for January–June 2020 on Friday, 17 July 2020
- Interim report for January–September 2020 on Thursday, 22 October 2020

