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Alma Media Q2 2026

Speakers

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Kai Telanne CEO | Alma Media

Taru Lehtinen CFO | Alma Media

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Santtu Elsinen EVP of Alma Marketplaces | Alma Media

Pia Rosqvist Analyst | DNB Carnegie

Tiina Kurki EVP of Alma Media Solutions | Alma Media

Petri Gostowski Analyst | Inderes

Vesa-Pekka Kirsi EVP of Alma Career | Alma Media

Teemu Salmi Director of Investor Relations | Alma Media

Juha-Petri Loimovuori EVP of Alma News Media | Alma Media

Prepared Remarks

Elina Kukkonen EVP of Communications and Brand | Alma Media

Good morning, ladies and gentlemen, and welcome to this interim report session of Alma Media's second quarter and the first half of 2026. My name is Elina Kukkonen, and I am responsible for communications and brand here in Alma. First to go on stage will be our CEO, Mr. Kai Telanne. He will present the overall result of Alma Media and highlight the performance of each of our business segments: Alma Career, Alma Marketplaces, and Alma News Media. After Kai's presentation, our CFO, Mrs. Taru Lehtinen, will present the financial position of Alma Media today. Then Kai Telanne will return to discuss the operating environment and our strategy going forward in the era of AI.

Elina Kukkonen EVP of Communications and Brand | Alma Media

After these presentations, we have plenty of time for the questions and answers. We will first take the questions here at the premises in Alma House. Then we have the questions from online moderated by our Director for Investor Relations, Mr. Teemu Salmi. Warmly welcome everyone to follow us today. Nice to have you here and nice to have you online. With this short introduction, we are ready to begin. Kai, the stage is yours.

Kai Telanne CEO | Alma Media

Thank you, Elina. Good morning and welcome on my behalf as well. I will concentrate more on the second quarter numbers and achievements. As you noticed or maybe noticed already, Alma Media delivered again a strong quarter. The big news here is that the strength was broad-based across the businesses, which tells us that the strategic choices and execution are working well. We have set our revenue targets to 5% in long-term targets, and now we are delivering according to the targets.

Kai Telanne CEO | Alma Media

Revenue grew 5% during the second quarter to EUR 87 million, and adjusted operating profit increased 15.6% to EUR 24.4 million, corresponding to a margin of 27.7%, which is well on track. We are quite confident that the good development should be continued. Most of the revenue growth came from organic growth. As you might remember, we have had some acquisitions also comparables for this quarter. The acquired businesses are performing according to plan and expectations, and that's a good sign for our ability to integrate the new businesses. Of course, digital classifieds and digital services and media are the main drivers for the growth and the profitability improvement. The share of digital business increased to over 87%, so approximately 13% of the digital transformation remains.

Kai Telanne CEO | Alma Media

We are well on track on that. Because of the good results and good cash flow, the financial positions that Taru will go deeper into the details later, it is really strong and getting stronger. The leverage going down and the equity ratio nicely up, which is of course a good foundation for further purposes and further investments if we find good targets. The quality of the quarter comes from the breadth of the development, meaning that all the segments were able to grow and increase their profitability. From this slide, you can see that the Alma Marketplaces again has been the driver for the growth and the profitability improvement, but other segments are doing their job evenly and according to the plan or even better.

Kai Telanne CEO | Alma Media

On the right side of the slide, you can see where the growth comes from. It comes from classified businesses and digital services, the biggest growth, of course. The classified part, it comes from the Alma Career Czech businesses and then, of course, Alma Marketplaces businesses in Finland and Sweden. That is the driver for the growth during the second quarter. The very good sign for the whole company is, of course, that the advertising market in Finland, especially the digital advertising market, has started to pick up slightly. Our performance in that market has been extremely good, and the figures are telling us the growth and the good possibility to grow even more in the future. Of course, the digital content that has been the core of the development initiatives inside the media segment has continued to perform.

Kai Telanne CEO | Alma Media

The digital subscription base has grown, and for that, we have been able to mitigate the slight decline of the print business, and by that the profitability going up. I am really happy with the overall performance of the company, while every segment is performing well. let us go deeper into the business segment so we can have a little bit more details. Just to remind you, the way we run the business, we have three business segments. Alma Career led by Vesa-Pekka Kirsi, Alma Marketplaces led by Santtu Elsinen, and Alma News Media led by Juha-Petri Loimovuori. Here are the main numbers, revenues, and profitability. Start from the Alma Career. Recruitment services in 10 countries: in Scandinavia, Baltic countries, Central, Eastern Europe, and so on. 5.5% revenue growth and around 5% profitability growth.

Kai Telanne CEO | Alma Media

We were able to defend the good margin of 42%, despite the investments that we have made and have on board for the common recruitment platform development and the cloud migration. We have extra overlapping costs for those this year, and we should be able to get rid of most of those by the end of the year, and that will increase the margins even further. There are differences in the different regional markets, as we can see from here. The driver for the growth and the profitability improvement has been, again, Career Central, where all the customer segments have grown, started to recruit. Career North, like the Baltic countries, we have seen a slight market development. The problem is Finland, where the demand for labor has been at a very low level.

Kai Telanne CEO | Alma Media

Hopefully, that will change while we have seen gradual development already in the market but not quite visible yet. In South, the business is stable. We have some difficulties in getting the service sector labor in place, and that is restricting our growth at the moment in there. But very good development. I am really happy that all the segments are doing pretty good and according to the plans. The main message here is that good ability to retain margins despite the investments and classifieds, the core of the business, started to grow by 6.7%. Later we can see that the invoicing, so the sales, has started to grow also. We have been able to decrease some major costs like personal costs.

Kai Telanne CEO | Alma Media

By the end of the year, we will be able to decrease also the ICT cost that we have in place at the moment for the development. So that is good. Very good performance. As said, the future looks pretty good as well. So we wait for the invoicing, meaning sales in our case, to continue the growth. The Central European markets seem to be quite good at the moment and developing. The big question remains the Finnish market, as I said. The services are working pretty good. So we have high quality and good load of data there as well. Secondly, the driver for our second quarter growth and profitability improvement is the Marketplaces. Just to remind you, we have Marketplaces in Finland and Sweden. In Finland, the core is houses and premises and insight services, comparison services.

Kai Telanne CEO | Alma Media

In Sweden, we have commercial premises for business purposes. The Swedish market has continued its growth and momentum, as we have seen already earlier. We are doing extremely well there. So revenue was up 9.2%, of which organic growth was 6.7%. The acquired businesses have been integrated properly into the current businesses, and we have been able to leverage the business. We enjoy the synergies at the moment, and that is why the profitability, hand-in-hand with the revenue growth, is going nicely up. All the businesses, as you can see from the slide on the center of this slide, going nicely up: real estate, mobility, comparison services, and insight services. 6% jump in profitability, around 6 percentage points from 28.8% to 34.6%. It is quite a good sign of our disciplined strategy execution and ability to drive the synergies.

Kai Telanne CEO | Alma Media

The digital services, of course, where we have invested and acquired new businesses, is the biggest growth driver here percentages-wise. The classifieds the second biggest one, which is the core of the Marketplaces business, of course. This is really important for us to see that the core businesses are growing now even more than we actually expected despite the subdued market where we are operating. As we know, the housing businesses, housing premises, especially in Finland, and the car business is on a very low level still. But also in these circumstances, we can do pretty okay business. A few slides about the market, which is, of course, important to understand and for us also to follow closely. The consumer confidence is still on a very low level, as we know in Finland. That is, of course, highly connected into the housing market development.

Kai Telanne CEO | Alma Media

As we can see, this is quite sad picture of the market development, why the housing market is still 17.4% below comparable figures, so last year's second quarter. That tells us quite a lot about the consumer confidence. But there are good signs also, so we can come back to that. But the other message here is that there are actions in the marketplaces of ours, the lower part of this slide. Meaning about 4% more listings. It is still somewhat of a buyer's market, so it's a good time actually to buy a house if you are aiming at that. And we can reach the buyers and sellers, so there's a lot of activity and a good reach of our service going up 9.22%. So the services of ours are working pretty well. And the same with the mobility market.

Kai Telanne CEO | Alma Media

Unfortunately, the new car sales has not really picked up. There's a slight increase in new car sales. And because of the slow renewal of the fleet in Finland, there's too little to sell or buy of the used cars, and the market is quite stable. And for the services, the lack of content, when you don't get new cars into the market, so we are just actually moving the old cars inside the services. And the buyers and sellers, of course, need more stuff there to act. But the reach is really good, so the Marketplaces are working pretty well.

Kai Telanne CEO | Alma Media

So we can reach all the buyers and sellers, and the service mix or the portfolio is increasing all the time, so we can do all the transactions on digital platform, which is, of course, very good for the buyers, sellers, and for us as well. And thirdly, last but not least, extremely good performance again on our Alma News Media segment. Tenth consecutive improvement in profitability is telling us that the portfolio restructuring and the choices have been right. The execution is extremely good. Good cost discipline. The implementation of AI in that segment is also very well on track. And the digital transformation seems to be working perfectly. The print business, as we know, the market and ours as well is declining slightly, but we can now say that we can mitigate the decline with the good development of digital content and digital advertising.

Kai Telanne CEO | Alma Media

Which drives the profitability up and drives the content print related costs down and that's why with the good mix, good execution, cost discipline and digital transformation the profitability grows as we have planned and even expected or even better. So we can say that media business in digital format is a growing, profitable business. There's a high demand of journalism, as we know, of course, with the help of the news that we hear all the time from abroad, and our reach is really good in the main markets. So there's a good foundation for the further media business as well. We have talked about the ad market, which is heavily related to the overall economic development and the GDP development and confidence and so on. We have seen slight improvement in Finnish ad market already. Hopefully, that continues.

Kai Telanne CEO | Alma Media

We have benefited, of course, from the slight change in the market. We have been able to grow a little bit more than the market, meaning that we have gained market share and our performance has been really good on the digital side as we have seen and will continue. Now it is Taru's turn to go deeper into the financials and the balance sheet issues. I will return with the underlying market development later and the strategy that we will continue. Okay. Please.

Taru Lehtinen CFO | Alma Media

Thank you, Kai, and welcome to our analyst info also from my behalf. Like Kai presented, we have a good performance in our businesses in the second quarter, and this is, of course, clearly showing in our financial position. The second quarter was probably the quarter of deleveraging for our balance sheet. We paid EUR 40 million dividend during the quarter and also repaid the loans. With that, ended up with a stronger balance sheet. Let me go through a couple of the details. Our interest-bearing net debt amounted to EUR 125 million at the end of June, which was EUR 33 million less than in the previous year. Our net debt is developing now really nicely. Like you can see, of course, the balance is higher than it was in the end of the March due to the dividend payment.

Taru Lehtinen CFO | Alma Media

On the other hand, we are clearly below the previous year end of June. We repaid our debt by EUR 15 million during the Q2 and also raised EUR 10 million commercial paper or issued EUR 10 million commercial paper. In connection with that, we also repaid EUR 2 million of financial lease liabilities. It is also worth mentioning that we renewed our interest rate derivative agreement during the Q2. Previously we had two agreements, one amounting EUR 50 million and another one amounting EUR 30 million and now we combined these two by a single agreement of EUR 60 million ending in the end of the year 2028. Our average interest rate was in the previous year level, so no surprises coming from there. Our balance sheet KPIs are developing really nicely. The equity ratio increased to 52%, and gearing also decreased to 52%.

Taru Lehtinen CFO | Alma Media

The balance sheets moving really according to the plan and our balance sheets supporting our investments and future growth investments. Also the cash flow during the Q2 there was more modest development in the quarter level. The operative cash flow for Q2 was EUR 15.6 million while in the previous year ending up to EUR 15.5 million. Like you remember, our first quarter cash flow was really strong. Now the cumulative increase in our operative cash flow is more than EUR 7 million. There's no specific reasoning behind that, just the normal fluctuation and seasonality between working capital. Like you can see from the bridge on the right-hand side, the change in the working capital is really stable as a full-year effect.

Taru Lehtinen CFO | Alma Media

The main contributor for our cash flow is our good operative result contributing EUR 5 million in the first half of the year. The taxes paid, of course, increase a bit due to the increase of the result. But on the other hand, it is explained that the seasonality between the tax payments between years and quarters. The free cash flow in the second quarter was EUR 14.7 million compared to previous year EUR 13.8 million. And actually, the free cash flow for the first half of the year almost doubled. Behind of this is, of course, the good operative result, but also explained by the investments. During 2026, we have done only small investments as CapEx investments to our product development. And we haven't been executing any M&A acquisition during 2026, and this is explaining the really strong free cash flow for 2026.

Taru Lehtinen CFO | Alma Media

Still reminding you that we are actually actively developing our services and products, but we are mostly showing these expenses as an OpEx. This doesn't mean that we are not developing our services. It's more about the message that we are showing those as an expenses. And also it is worth of mentioning that our depreciations are lower than in the previous year because of the purchase price allocation amortization, which are more or less EUR 1 million less than in the previous year. As described earlier. Then moving to earning per share, we had a really strong quarter from the earning per share perspective, ending up to EUR 0.22 compared to EUR 0.18 previous year. The good operative result is the biggest contributor behind of this, but of course, the adjusted items are also explaining.

Taru Lehtinen CFO | Alma Media

In the second quarter, we had only EUR 0.2 million of adjusted items compared to EUR 1.2 million in the previous year. And this means also that our adjusted operating profit equals in practice to our reported numbers. And there wasn't any exceptional changes in the interest items or financial items in the second quarter. Our interest rate, cost was a little bit lower than in the previous year due to the fact that our principal amounts were lower, and also the exchange rates were more like positive compared to negative ones in the previous year. In that sense, our return on equity and return on investment are progressing really well, ending up to return on equity 33% and return on investment to 21%. Really extremely good result on this. Then finally, concluding our business results compared to our long-term financial targets.

Taru Lehtinen CFO | Alma Media

This was the quarter that we were able to gain our revenue growth target 5%, and which is extremely good news now is that most of this is coming organically. In the second quarter, the organic development was 2%, and in the cumulative numbers it was 3.6%. And like I already mentioned, the main contributors behind the revenue growth is the classified revenue and the digital services. They share equally the development on this. And it also worth of mentioning that our digital revenue as a total grew 6.6%. And this, of course, the decline of print and other offline products were then offsetting, for example, the development in News Media. In News Media, the increase of digital revenue was 2.3% in the first half of the 2026. And this is clearly also shown in our profitability.

Taru Lehtinen CFO | Alma Media

Our long-term target is to gain 30% profitability adjusted operating profit margin. During the last 12 months, we are now in 26.4%. there are three components behind that. Of course, our business is growing in digital products, which has the better margin development and declining in the print and offline products with the lower margin. Then of course, the active cost management and discipline cost actions that we are doing. But of course, keeping in mind that we have this technical PPA amortization explaining the factor. The role for that is one-third or less. Then finally, our goal is to keep our leverage below 2.5x. Currently we are in the 1.2x, which means that there is a good room for investments in our balance sheet. then back to Kai. That is all for me.

Kai Telanne CEO | Alma Media

Thank you, Taru. Strong cash flow and a healthy balance sheet provide a good foundation for going forward. But before we go to the strategy, let us have a look at the operating environment. That is, of course, a big discussion. We can debate quite a lot that this slight recovery, is this sustainable or not? We start from the Finnish market. As we have noticed, the business confidence has already started to increase. It started from the export businesses manufacturing and now the services and retail have followed. The only problem and the biggest problem is, of course, and seems to be the construction. While the new housing construction and sales and the market has been on a very low side, and that is highly related on the consumer confidence that is still on a low side.

Kai Telanne CEO | Alma Media

But if we believe that the pick-up from July is sustainable, so the future would look better, right? While the industry's confidence, the business' confidence, like for the retail services and manufacturing have already picked up. We have seen that the investments for the businesses have started. Like for advertising and hopefully for the labor as well. But that comes hopefully later. So there are gradual signs or signs of gradual recovery also on the Finnish economy and consumer confidence. So the rest of the later part of the year looks from this point of view, a little bit better than the first part of the year. So we hope that the recovery that we have been waiting for years now has started. Remains to be seen. But then the other markets, of course, we have very important operating markets in the Central Europe.

Kai Telanne CEO | Alma Media

It seems that the GDP estimates are okay-ish. They are better than they were last year mostly and getting better. So we have seen that for the Czech market, the businesses have started to grow. Especially for the smaller countries, the growth rates are bigger there, but the revenues and the money is smaller for our purposes. So no major problems seem to be there. The unemployment rates in Central Europe and Czech Republic, there we have the lowest unemployment rate in Europe. It seems to be there. In Finland and Sweden, especially in Finland, we have the problem remaining but hopefully it will ease up. So no big changes there. So quite a good market for us to maneuver. So that is it.

Kai Telanne CEO | Alma Media

Hopefully, we do not get more disruptions from the global arena like with the Ukrainian situation getting worse or other hiccups like for inflation or interest rates. It seems that the consumers and especially the businesses, they are quite used to the current level at the moment. You don't hear too much talk about the level of interest rates for the investments or the inflation. That is quite good. I think, is it too early to say that we have resolved the inflation and interest rate problem or not? But for the investments, the current level is quite okay. let's have a few words about our strategy. How do we go forward while we are at this stage with a good balance sheet and good cash flow? The journey will continue. Let's concentrate on the last step, 2020 forward.

Kai Telanne CEO | Alma Media

As we know, we are close to finalising the digital transformation, 13%, something else than digital business at the moment. We can say that it has been done and it's almost finished. Now we are in the second or the next phase, which is the AI adoption and platform integration. We are applying the AI, the newest technology into our services to increase the customer value, to increase the productivity, to increase the value, the quality of the services, and the reach. We are streamlining or automating the processes of ours and also for the benefit of customers. Meaning that we are creating entire end-to-end platforms with the help of AI so that you could do the business in our digital platform in a cost-effective way, with a high-quality way, so that the matchmaking will get better and better all the time.

Kai Telanne CEO | Alma Media

Of course, we will continue to grow with the help of M&A and AI. But with the help of M&A while the balance sheet is getting stronger and stronger, so we have plenty of room for investments, and we have a good relationship with the banks as well. We hopefully can get loans if and when we need. That is the case. We'll continue or even speed up the transformation. We are relying on the strongholds of the company. Those are, of course, strong brands, leading positions, the newest technology, long customer relationships, data and data capabilities, and domain-specific expertise. for our purposes and in the businesses where we are in, we have all the needed resources that we need to flourish in coming years as well.

Kai Telanne CEO | Alma Media

To summarize the strategy, we continue to transform to the next stage, which is the AI-helped businesses. We continue to grow with new businesses, add-on businesses, and maybe new areas as well. We are able to scale, to integrate the new businesses into the current ones, use the data, common data, common platforms, and do it on a very productive and profitable way. To be a little bit more concrete in the AI development, we just talked in the morning with the personnel that where are we, what is the stance at the moment, and how do we drive the future further? It is summarized like this. We are well on track with the increasing internal productivity. Everyone at Alma Media has the tools in use. We are quite well on track with applying the tools for process development inside the teams.

Kai Telanne CEO | Alma Media

Automating processes inside the company in order to jump into improving customer experience and value for the customer. We are moving the skills and the initiatives and the investments in order to help the customers doing better business and seeing the productivity increments in their businesses. Embedded platforms have been the key for increasing the customer engagement. Then finally, when we are educated enough and good enough, we will be in new business models. That is the future for coming years. We have some new businesses already there, but the revenues are still to come. That's it. As we know, the discovery of our customers' information discovery, product discovery, media discovery is reshaping. We all know that from our personal perspective. We know that the winners in the market, they need to have high-quality data in order to succeed.

Kai Telanne CEO | Alma Media

They need to have the ability to use the data. They need end-to-end platforms to serve customers through the use of data. In order to do that, you need to have the domain-specific best expertise. All those are the areas Alma is built on. We have strong brands. We have long customer relationships. We have a lot of data, like 3 million logged-in customers inside the group, and we have ability to learn and the mentality to learn quickly. That's where we built on the current and the coming success. Of course, we invest enough into this. While we have a strong cash flow balance sheet, we invest enough in order to apply all the technology. Very good strategy and plans in place.

Kai Telanne CEO | Alma Media

We are a bit careful about the market development still, so it remains to be seen, is the consumer confidence development sustainable? Hopefully, it is. We can see that we can keep the revenue level of last year, and as we can see that the operating profit is going to improve from the last year. That is where we stand at the moment. As we have noticed, there are signs of gradual recovery, but we need a little bit more indications for that to be sustainable before we can make a different stance. To summarize, this was a good sign that our strategy is working, a profitable growth in all segments. Digital transformation almost finalized or ending to its life cycle as a project. Record high margin in Alma News Media. Extremely good growth in Alma Marketplaces.

Kai Telanne CEO | Alma Media

Good ability to sustain the profitability in Alma Career, and good growth starting in Central Europe. A clear position in AI development and ability to use the technology. That is the picture at the moment. This is not a one-off result. The second quarter, from my point of view, is not a one-off. It's about structural change and the design of our strategy. Right choices in the market and disciplined execution of the chosen path. That was my part. Happy to answer your questions that you might have. I noticed that there are some online and maybe some also from the audience. Here we have the business segment leaders, so I leave all the segment-specific questions for those who are experts, domain experts, as I said, on the arena. thank you. Please.

Q&A

Nikko Ruokangas Analyst | SEB

Hello. This is Nikko Ruokangas from SEB. Thank you for the presentation. You already explained rationale a bit behind the guidance, but I still continue on the topic and ask about the sales guidance. You are guiding that to be flat year-on-year this year.

Nikko Ruokangas Analyst | SEB

after being up 5% in H1. Do you think that H1 5% was growth in your wording? So that if you would grow 5%.

Kai Telanne CEO | Alma Media

[crosstalk] Remains to be seen. We are cautious with the end of the year. Of course, the comparables are something. But we wait for the signs of the consumer confidence to be again in the market. If the plans of the businesses are going to be sustainable, then the growth might be as it has. But we really don't know. The most difficult part to estimate is the advertising market. And we have seen fluctuation on daily, weekly, and monthly basis in the ad market, but now it seems to be okay. Remains to be seen does that sustain. I don't know.

Nikko Ruokangas Analyst | SEB

All right. Thanks. We'll look forward to that. On another topic, you said that you aim to help your clients to improve their business with AI and new features you are bringing. Do you think that that has been already visible in your business or sales average price per user you are gaining, or is the financial impact to you maybe a bit further away?

Kai Telanne CEO | Alma Media

Both. We have already some extensions in the services done with the help of AI. The rest of the year will show that we will have new add-ons to the services as well. There are actually two ways. To increase the quality and the matchmaking ability of the services is one, so that you can see the higher customer value when using our service, or then increase the productivity or the cost effectiveness of using our services. That comes from the platforms that we are developing. We have developed the entire digital platforms for the use of houses and premises market, like for the agents or private customers with the digital, like DIAS or other services. You can do the transaction, from discovery to the transaction with our services.

Kai Telanne CEO | Alma Media

You already have the product benefits, productivity benefits, or the cost benefits on the customer side. Of course, we have streamlined our operations and are streamlining already our operations with the help of AI. The productivity gains are already seen in our own work. We have been able to move some of the productivity gains to the customers as well, and of course, the products will be heavily improved in coming quarters with the help of AI. But we do not actually, how to say? We do not split the productivity gains specifically to AI or something else. We do this as a whole process, and we do not make a distinction between the productivity gains. Is this coming from the AI or from something else? We are improving the industrial processes inside the company and some of the productivity gains come from the AI.

Kai Telanne CEO | Alma Media

Some comes from the streamlining the way of working, and we are talking about redesign of work inside the company. Both. We have seen and we will see more in the coming quarters from productivity side and from product quality side.

Nikko Ruokangas Analyst | SEB

All right. Thanks. Last one from me regarding mobility volumes. I guess that the 7.5% decline is a bigger decline than what the market transactions have been. Can you explain a bit what is behind that?

Kai Telanne CEO | Alma Media

Okay. Santtu Elsinen, you are there as well, so you can go into the details more.

Santtu Elsinen EVP of Alma Marketplaces | Alma Media

Yeah. Let's check perhaps if I answer your question a bit later.

Kai Telanne CEO | Alma Media

You said that the 17.4%

Nikko Ruokangas Analyst | SEB

7.5%

Kai Telanne CEO | Alma Media

7.5% decline in the market. Yeah.

Nikko Ruokangas Analyst | SEB

But I guess that in the meanwhile, that's all from me.

Kai Telanne CEO | Alma Media

Okay. Thank you very much.

Pia Rosqvist Analyst | DNB Carnegie

Hi, this is Pia Rosqvist from DNB Carnegie. I have a few questions, and I'm still coming back to the guidance.

Pia Rosqvist Analyst | DNB Carnegie

Your adjusted EBIT grew by 17% year-on-year in the first half. Now keeping in mind your comment on continued or even maybe accelerating productivity improvements in the coming quarter, how should we view this 17% earnings growth in the first half? Is this representative for the full-year, or are there specific factors we should keep in mind now that will lead to lower growth in earnings in the second half compared to the first half?

Kai Telanne CEO | Alma Media

No, it remains to be seen while the market is fluctuating more or less. The good signs now we had, during the second quarter, every segment performed extremely well and quite rare situation while everybody over-performed or at least performed according to the plans and the strategy. If that continues, then the growth might be as you said. But then we have the underlying market, which we can't actually decide is it going to grow or not. Now it seems that there's a gradual recovery in the market, and if that continues, we might even be able to speed up. But we don't put that in our estimation or on numbers yet.

Pia Rosqvist Analyst | DNB Carnegie

Thank you. Then the advertising market and the kind of positive news we saw in June, what do you see currently? Is this strength across the board, or was this something specific happening in June which led to that the market was positive?

Kai Telanne CEO | Alma Media

Tiina can answer that. She is the expert here.

Tiina Kurki EVP of Alma Media Solutions | Alma Media

June we saw a slight recovery, and it seems that it comes from finance but also from some other industries. For us, we have been able to gain some market share, as Kai told earlier, so outperformed digital market during the quarter two. As Kai already told, it is very difficult to say about the coming quarters how the market will actually work. That seems to be seen. We of course hope that it will grow a little bit more than it has been for the first half year. But we do not give the estimate at the moment.

Kai Telanne CEO | Alma Media

The good signs from advertising perspective is of course that the services and retail sector in Finland has started to pick up. The expectations for the businesses there are better than they have been. The market seems to be recovering. Usually that brings the advertising along if that happens. The problem for us is, of course, the big house housing market in Finland. Is that going to stay on a low level or not? Hopefully not. Then the car market. For those, the change might not be that quick as for some other markets because these investments for private persons, like houses or premises or car, they are big investments and that might take time before the time changes for that. It might be a little bit longer than month or two. Hopefully it happens.

Pia Rosqvist Analyst | DNB Carnegie

Thank you. To your balance sheet and maybe part of your strategy being acquisitions, how would you describe your M&A pipeline? Is it more active than before? I think you mentioned something about transformation. Could you comment upon your view or your ambition to make kind of transformative acquisitions? Should we expect transformative acquisitions for Alma Media or more like what you have done so far adding to your services?

Kai Telanne CEO | Alma Media

Hopefully both. Of course, we continue with this kind of bolt-on acquisition in order to support the current core, and that will definitely happen. The big ones, the transformative ones, of course, you need the counterparty and good targets. But the idea is of course that we are looking for that. We are doing our homework, of course, on that. Now we start to have room for doing bigger investments. So we could spend a little bit more than during the last five years. You might remember that we have done this kind of investments every fifth year, around every fifth year. So it's good to understand that in the business areas we are working at, the profitability profile are quite high. So we are not aiming into a low profitability businesses.

Kai Telanne CEO | Alma Media

While the profitability profile is high, the prices are usually quite high, of course, naturally. So we need to have power for that, and step by step our power and the pocket is getting better and better, and the ability to do this kind of transformative moves is getting better. Of course, Alma, we will use the resources cleverly when there's the chance, and you can count on that.

Pia Rosqvist Analyst | DNB Carnegie

Thank you. Then finally, may I ask maybe Taru on the non-allocated operations, the costs in EBIT, they have hovered around EUR 4 million now on a quarterly basis over the past three quarters. In Q2, I think the costs were up by EUR 1 million year-on-year. So is this representative, this EUR 4 million level, for the coming quarters as well?

Taru Lehtinen CFO | Alma Media

Yeah. Not fully. We have some non-allocated costs that have been increasing during the first quarter. Some related to IT expenses that has been the part of our shared function related, non-allocated costs, and that's the reason more like this kind of, not like one time, but having this comparability not fully comparable. Then there's, of course, we are not allocating all these kind of personal plans to our businesses, and due to the fact that our businesses has been growing nicely, also the cost for those plans has been increasing.

Kai Telanne CEO | Alma Media

To summarize that question, a short answer is that without the numbers, we haven't and we don't have any plan to increase the central management staff or other resources. We are really disciplined in that. All the cost that you can see there are the ones that we share, or the activities where the cost comes are actually the ones that we share with the businesses altogether. We do the common platforms or underlying infrastructure.

Pia Rosqvist Analyst | DNB Carnegie
Just to make it clear, should we expect EUR 4 million for the coming quarters as well?

Taru Lehtinen CFO | Alma Media
No, you should not expect that yet.

Pia Rosqvist Analyst | DNB Carnegie
Thank you.

Petri Gostowski Analyst | Inderes
Petri Gostowski from Inderes. One more question related to Career and invoicing development. We see an uptick in the slide where you have the graph on invoicing. If you could talk about the momentum there in demand, how did you see it in Q2 and lately?

Vesa-Pekka Kirsi EVP of Alma Career | Alma Media
Let's get the slide up. Kai pointed out, markets differ from each other. The current growth is driven by especially Czech market, which is growing well even in its own situation. The market itself is strong, and GDP is growing. At the same time, we see for the first time in a couple of years our own volume growth in Czech market. The volume growth, however, is less than our own invoicing growth, so we are increasing ARPA, which comes from our new packaging in Czech market. It comes from new services that we've introduced, services like Nelisa. It's a combination of factors. It's not only driven by Czech market, even though it's the strongest market. The Baltics, especially Latvia and Estonia, are recovering well. At the moment, we have markets that are more flattish.

Vesa-Pekka Kirsi EVP of Alma Career | Alma Media
Slovakia and Croatia are the ones that we are fighting to start get them into the growth. There are small markets that are also in decline. Kai mentioned Finland. Lithuania is one of those as well. It's a mix of these markets, but the Czech growth at the moment is so strong that it helps the whole group to grow, but there are also other supporting markets to do the same.

Elina Kukkonen EVP of Communications and Brand | Alma Media
Okay, any more questions? Does Santtu want to add on something?

Santtu Elsinen EVP of Alma Marketplaces | Alma Media
I am still waiting because the change that you asked actually occurred July, August last year. I am checking it.

Elina Kukkonen EVP of Communications and Brand | Alma Media
Okay. You take your time. We move on to the online questions. If you pass the microphone for Teemu. Thank you.

Teemu Salmi Director of Investor Relations | Alma Media
Thank you. We have plenty of online questions, which is also obviously a good thing. First of all, Sanna, if you are out there, I hope you are happy already with the guidance questions, because this is very much what would be asked. If you are unhappy, please let me know and we will do that again. So, Sanna Perälä from Nordea Markets. Her questions goes as follows. Let us start with Career. In Career, the EBIT margin was stable year-on-year despite sales growth. What are the key levers to expand margins in the near future?

Kai Telanne CEO | Alma Media
Vesku, I know the answer, but you can answer.

Vesa-Pekka Kirsi EVP of Alma Career | Alma Media
Thank you. As Kai pointed out, we did protect the profitability at the moment, keeping it same. The reason behind is are the investments that we are doing mainly in two fronts. One is that we are investing in cloud technology, moving all of our local services and server bases into Amazon cloud environment. The most heavy lifting was done on that last year and this year. This year, our Czech environment is then all in Amazon, and that helps us to reduce some double costing. Then the second investment area is our common platform, which means that our job boards are run by central system, not by local systems. In this, we are still in progress. This year, we have seen our Czech systems be running from the common platform, and integration of the other countries continue this year. Next year may be last in the beginning of 2028.

Vesa-Pekka Kirsi EVP of Alma Career | Alma Media
These are the areas of us decreasing our investments in upcoming quarters and years, helping us to then leverage the profitability.

Teemu Salmi Director of Investor Relations | Alma Media
Good. Vesku, actually, you can keep the microphone for a little bit longer. Sanna also asked, in euro terms, how large ICT cost savings are we talking about by the end of the year in Career? This might go to Taru or to you. What do you reckon?

Vesa-Pekka Kirsi EVP of Alma Career | Alma Media
I will let Taru take that one.

Taru Lehtinen CFO | Alma Media
Okay, thank you. Can you repeat the question, please?

Teemu Salmi Director of Investor Relations | Alma Media
Yes. In euro terms, how large ICT costs savings are we talking about by the end of the year? In Career.

Taru Lehtinen CFO | Alma Media
This year?

Teemu Salmi Director of Investor Relations | Alma Media
At the end of this year.

Taru Lehtinen CFO | Alma Media
Yeah. We are not expecting that high ICT cost decreases during this year. The main contributor will be effect on 2027 onwards.

Vesa-Pekka Kirsi EVP of Alma Career | Alma Media
That is correct. Let me just continue quickly. The structure is so that this year we are basically building up Amazon cloud space with our infrastructure from local hosted platforms, and the local hosted platforms will be driven down to zero in Czechia by the end of the year. Double costing is more or less the full-year impact.

Kai Telanne CEO | Alma Media
We are talking about next year's costs more than this year's costs. We have actually disclosed or talked about the number, and it is close to EUR 1 million from the cloud migration. Now we have overlapping costs close to that, and by the end of 2027 from that part, we will get rid of those. Then the time shows us how much do we need to spend or invest into other areas like for developing the common platform further. That is then the planning process for the coming years. But the good thing is that we are more or less in schedule with the transformation from local to common platform, and that process is developing according to plan. Vesku, am I- You are correct? Yes. Yes. Good. All right.

Teemu Salmi Director of Investor Relations | Alma Media
Is the microphone still close? This is also exciting who is going to answer this. This is also from Sanna, also on Career. In which geographies do you still see room for pricing and productization actions, and when should we expect them to realize?

Vesa-Pekka Kirsi EVP of Alma Career | Alma Media
If I got the question correct, where do we see still room for productization, meaning maybe product development? The answer is everywhere. Recruitment is also changing rapidly, and that means, and that goes back to Kai's previous point, we also do have to invest in the platform and the future features. AI is coming into recruiting heavily. We are keeping ourselves in that pace, but that requires investments. However, as I mentioned, Czechia is growing the best, and it is because of a great productization,, in Czech. We have the best portfolio, the best monetization of that portfolio, and now with the platform, we are actually able to take those features and the monetization to other regions and countries, starting from the beginning of next year.

Vesa-Pekka Kirsi EVP of Alma Career | Alma Media
That itself should bring us ARPA benefits and also other benefits, volume benefits even, in the countries where the platform is taking place. But that doesn't take away the need to keep investing in the features of the future.

Kai Telanne CEO | Alma Media
One thing or idea or way of thinking is we can actually reveal the way of thinking at the moment on that side is that we've been serving really well the companies for the labor activities and demands for years, so the paying customers. The services in our platforms are really good for the companies. But we have to admit that we are focused on there and for them, but the services for employees, they are maybe not that developed that they should be in our mind or at least in that perspective, and we have to concentrate more on that side. We'll do a lot in order to serve the whole scene better than we do at the moment. And we can easily see that the new investments and the focus will shift more on serving the private customers. Right, Vesku, you can continue.

Vesa-Pekka Kirsi EVP of Alma Career | Alma Media
That is correct. In the era of AI, the data quality is a big question.

Vesa-Pekka Kirsi EVP of Alma Career | Alma Media
It's not enough to offer just blind traffic to the customers. More and more, it's a question of what you know about job seekers and the quality of information you provide. So our investments have to be growing in the area of job seeker data and job seeker services

Vesa-Pekka Kirsi EVP of Alma Career | Alma Media
for us to be able to gain better data on the job seekers and serve in that way, not just the customers, but their ATS systems, the AI itself, and so forth.

Kai Telanne CEO | Alma Media
Yep.

Teemu Salmi Director of Investor Relations | Alma Media
Okay. Let's move on to the housing. DIAS grew in Q2. Is this mainly market share gains, or do you see signs of increasing action in the market?

Santtu Elsinen EVP of Alma Marketplaces | Alma Media
Good. it's more of a market share gain. People are more keen to do property trades this way than the actual market growing. If you look into the overall trade figures in Finland, they have been declining for many months. Although we saw some small rebound during July, the figures are still down by more than 10%.

Santtu Elsinen EVP of Alma Marketplaces | Alma Media

But we have had good successes during July. People are more keen to trade from their summer cottages than actually go to the bank, so it helps us a bit.

Kai Telanne CEO | Alma Media

The transformation in the housing market is happening from the traditional way of doing the transaction to the digital platforms, and that is obvious. of course, we knew that that will happen, and that's why we invested in the area. Okay.

Teemu Salmi Director of Investor Relations | Alma Media

Okay. A few more from Sanna, and we partly covered it, but I'm going to ask it aloud anyways. Let's see if we can add to that question. How much room of improvement do you still see from normal cost discipline across the group? When will these benefits start to diminish so that we would be looking more at the benefits from AI development?

Kai Telanne CEO | Alma Media

We are developing the way of working, redesigning the work, and that of course, contains the process development and the tech development hand in hand. It is really difficult to say that this comes from the normal way of improving the processes and this comes from the AI. This is a combination, but the Alma way is that we will improve all the time and every day. This is a continuous improvement that we are going to continue. I do not see that ending ever. That will happen. And we see that that happens here all the time. This is a really result-oriented company, so everybody understands that in order to keep in the forefront, you have to do things better all the time.

Kai Telanne CEO | Alma Media

Now the focus on redesigning the work so that we can apply the new technology together with the human capacity the best possible way, and we have a lot of initiatives in that. And that of course, touches the leadership. How do we lead the business in the new era? What does it mean when you try to redesign the work? How to redesign the work and how do you lead the business where you have the human capacity and the agencies and agents around you? It is a different game. But for Sanna, the normal productivity game does not end ever. And we try to speed up the productivity improvement with the help of AI. That is to summarize the way.

Kai Telanne CEO | Alma Media

And we all understand, and we know from your own organizations that they are part of the organization or individuals that are this kind of 10x people, and then they are the ones who start to take the new technology and everything in between. And the question is that how do you get the whole teams or the whole businesses in the forefront together so that we can show that now this works as we planned, and we can deliver the customer value as planned and expected as a team for the customer, not as individuals. And that is the leadership issue, more or less. Not a resource issue. We have all the money to spend for the AI and the deployment. That is not the problem. It is about human understanding and capacity to lead and apply.

Teemu Salmi Director of Investor Relations | Alma Media

Thank you. And the final one from Sanna Perälä, Nordea Markets. You still have around 4 percentage points to your margin target. What part of this is still in your own hands, and how much do you need help from the market?

Kai Telanne CEO | Alma Media

We don't count on or we don't need the market in long-term. all this to reaching the 30% target is in our own hands. It's about schedule more than ever. We have a good plan to reach 30% target with our own initiatives. But of course, if the market helps us, we will get there sooner than we maybe expected.

Teemu Salmi Director of Investor Relations | Alma Media

Thank you. Moving on. We have questions from Joona Harjama, OP Financial Group, and this goes to Taru, actually. Can you quantify how much realized synergies contributed to Alma Marketplaces' EBIT improvement in Q2, and how large was this mixed effect?

Taru Lehtinen CFO | Alma Media

Yes. We were restructuring our operations in the last summer. The effect for the synergies was fully seen in H1. The annual effect is around EUR 1 million, not an exact amount, but that's the level of the synergies. About the question about the product mix and the cost discipline action, of course, quite difficult to answer. But maybe I would advise to look at our revenue line. The classified revenues and digital service revenues are really scalable from the profitability point of view. Of course, there are some sales-related costs, but they are scalable. Other items, for example, are really having a heavy cost load in a margin point of view. But this type of separation of good margin products and cost discipline actions, it is roughly half and half.

Teemu Salmi Director of Investor Relations | Alma Media

Okay. Thank you. Two questions from Joona. Alma News Media content sales grew 3% year-on-year, which is a clear step up in growth if compared to previous quarters. Can you give us some color? What was driving this? What changed between Q1 and Q2?

Juha-Petri Loimovuori EVP of Alma News Media | Alma Media

Good question. Is this on? Yes. I want first to remind everybody that we have been able to grow the digital content sales 9%-10% quarter-by-quarter, actually. The growth has been strong the couple of years already. Last year, we passed the 50% threshold between digital and print. That helps us in the future to get the content sales really growing again. Maybe this was a good intro, but there was also one smaller item in the second quarter, which was Iltalehti single copy sales, which underperformed in the first quarter, actually. We lost some market share, but we got it back during the second quarter. Iltalehti single copy sales is still the biggest single content product in print, what we have.

Juha-Petri Loimovuori EVP of Alma News Media | Alma Media

That is quite interesting also because there have been this kind of market changes because of new products in crosswords. there is a lot of competition in [Non-English content] market right now. We did some changes during the second quarter, and then we got it back. That is interesting. But the main thing is that the digital is growing fast, and we did good new product development also, including, for example, Kauppalehti Premium, which is really doing good work right now. We are heading forward with the digital. Thank you.

Teemu Salmi Director of Investor Relations | Alma Media

Okay, let us go for the final question. This is also from Joona. Can you discuss your recent approach on pricing? Have you been more aggressive than earlier or still a bit cautious as the market has not significantly picked up yet?

Kai Telanne CEO | Alma Media

Well, I can give the overall answer of the strategy and the way we are thinking and working. We are very careful and cautious with the list prices. You can actually increase the list prices more or less with the rate of inflation. That is understandable that the list prices can get up if the market is favorable. Then the way of working with the prices and product is the productization. As Santtu and Vesku and Jippe told you, we maneuver with the business portfolio all the time. For the news media, one of the profitability improvement is a reason of a good portfolio management., we get rid of the underperforming print businesses or other businesses, and then we increase the focus on growing profitable digital businesses. That brings up maybe the pricing as well. Then the productization.

Kai Telanne CEO | Alma Media

Like Vesku said that the growth from the Career didn't come only from the volume. In Czech Republic, there are slight volume increase, but most of or at least half of maybe or more, two-thirds or something of the growth comes from the good product mix and the productization product price development. So with the packaging, as we can call it, the packaging. We encourage our customers to step up with the products to a higher value product. There is always room for this kind of product innovations and packaging in every business, and that's the main reason for our ability. We are not yet there. We are not the best ones in the world in the packaging and pricing, but we are getting there step by step. There's good understanding of our ways of doing that.

Kai Telanne CEO | Alma Media

We have to remain price competitive, so we must be careful. But increasing the quality of the prices with the good reach, you can increase the prices as well. To summarize, there is still room for price increases as well. Any other questions? Santtu can—

Taru Lehtinen CFO | Alma Media

No other questions. I let Santtu continue.

Kai Telanne CEO | Alma Media

Santtu Elsinen EVP of Alma Marketplaces | Alma Media

Okay. To comment on the earlier question about the overall volumes of the ads in mobility services. The change, we have pretty much seen a similar level of ads for the past 10 months or so. The change year-on-year happened basically last autumn, and this is attributable mostly to heavy machinery and also to boats to a certain extent. The markets have been difficult for customers, so no change in cars on an overall level, but some fairly sizable changes with the heavy machinery and some changes in the boats. Also, the ads from the private individuals are at a somewhat lower level than they have been a year ago. But the ads from the professional companies or dealerships, et cetera, are on the same level or been growing a bit.

Kai Telanne CEO | Alma Media

Yeah. Good.

Taru Lehtinen CFO | Alma Media

And maybe to add to these private customers that actually we have been changing the business model there, which has affected there. As an overall, the average price has been increasing in connection with this change.

Kai Telanne CEO | Alma Media

All right. Other questions. Are there any? No other questions. In that case, I thank you very much for your attention and wish you all a pleasant week. We will see next time with the Q3 interim report event. Thank you very much.