

Sanoma Group
Annual Report
1991



For Sanoma Corporation, 1992 is the start of the 103rd year of operations. The establishment of a new daily newspaper, Päivälehti, in 1889 marked the birth of the company. Päivälehti was the predecessor of Helsingin Sanomat, which today is the largest morning newspaper in Scandinavia.

Sanoma Corporation is a European multimedia company, which publishes and prints newspapers, magazines and books, and is also engaged in cable-TV operations in Finland and Norway.

Sanoma Group Board of Directors

Aatos Erkko, Chairman	for the term until	1993
Heikki Tikkanen, Vice Chairman		1992
Aarne Castrén		1993
Jane Erkko		1994
Merja Helle		1993
L. J. Jouhki		1993
Robin Langenskiöld		1992
Teo Mertanen		1993
Väinö J. Nurmimaa		1993
Jaakko Rauramo		1992
Kalle Salonen		1993
Patricia Seppälä		1994

Auditors

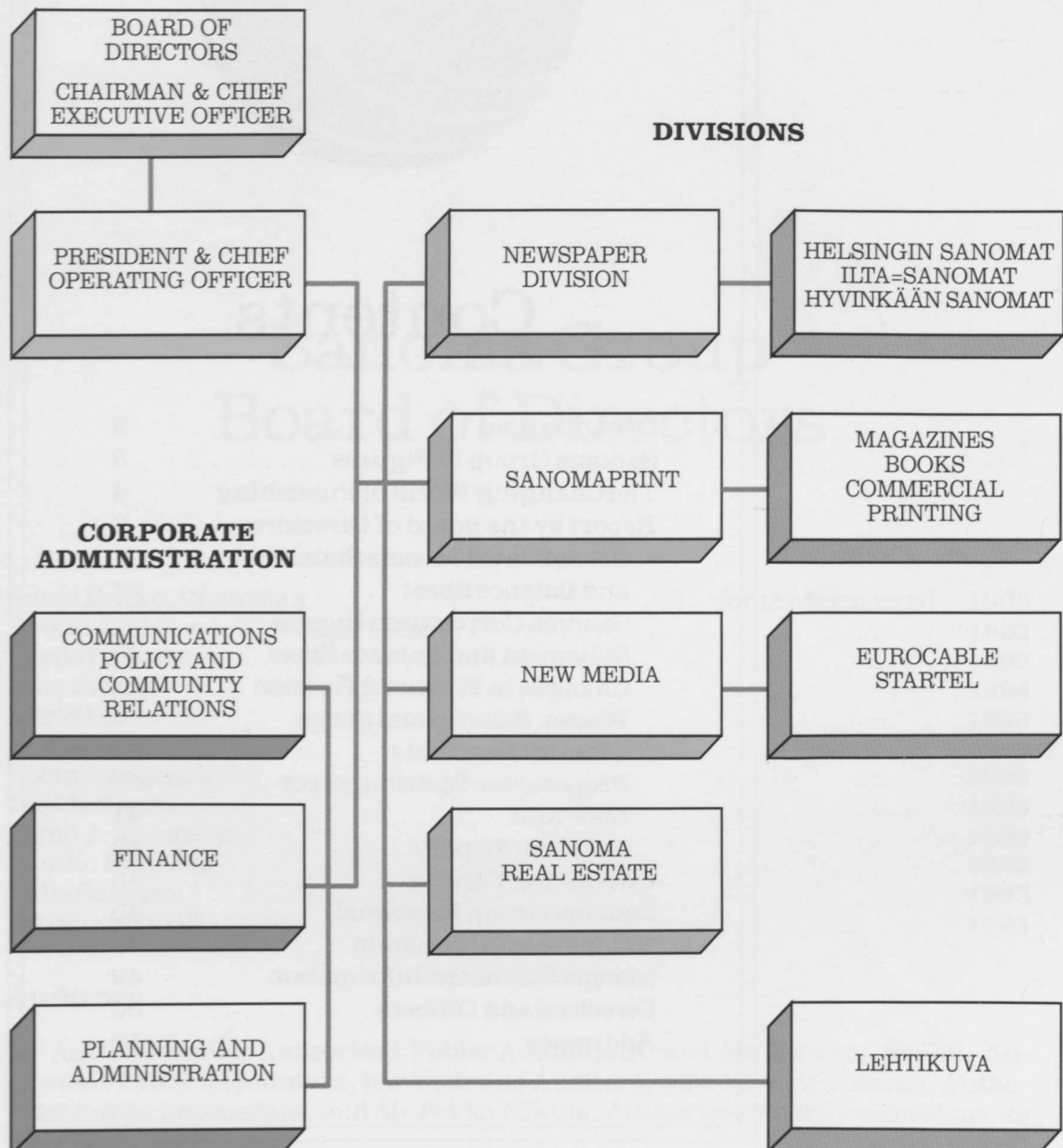
Mr Antti Helenius, Authorized Public Accountant, and Ms Johanna Perälä, Authorized Public Accountant, have acted as Auditors, with Mr Aunus Salmi, Authorized Public Accountant, and Mr Pekka Nikula, Authorized Public Accountant, as their Deputies.



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Sanoma Group



Sanoma Group in Figures

	1989	1990	1991	Change %
Net sales FIM m.	2.106	2.203	2.001	- 9,2
Wages and salaries including social security payments FIM m.	830	845	824	- 2,5
% of net sales	39,4	38,4	41,2	
Operating profit FIM m.	431	463	326	-29,6
% of net sales	20,5	21,0	16,3	
Depreciation FIM m.	181	174	158	- 9,2
Taxes	84	71	65	- 8,4
Dividends FIM m.	8	4	3	- 1,9
Investments FIM m.	358	385	271	-29,6
Shareholders' equity including untaxed reserves FIM m.	1.599	1.714	1.687	- 1,6
% of Balance Sheet Grand Total subscription liability excluded	57,0	58,5	60,3	
Balance Sheet Grand Total FIM m.	3.012	3.150	3.058	- 2,9
Financial assets compared with outside liabilities without interest	1,9	2,0	2,7	
Net debt	237	182	104	-23,2
% of net sales	11,3	8,3	5,2	
Personnel on average	3.179	3.367	3.210	- 4,7
newspaper deliverers	2.035	2.178	2.225	+ 2,2

The Changing World of Publishing

The past year was one of profound change, both here in Finland and even more so abroad. Major, ground-shaking developments have dominated the headlines and captured public attention. There has been increasing demand for better, faster and more informative reporting not only of the news, but of the general workings of society as well. In the midst of this process, the role of the newspaper has proven itself more important than ever before.

Newspapers have the speed, the size and the flexibility to report current developments and illuminate their background with the reliability and depth that the public needs. The scale of this challenge is now demonstrated to us by the exceptional length and severity of today's recession, this being a particularly trying time for the Finnish press. Nonetheless, we remain well aware of our responsibility to our readership, especially as Finland enters the critical phase of integration into Europe.

We are confident that the Finnish Media, together with Finnish business and society in general, are capable of meeting the challenges of integration. The success of this effort depends, however, on our ability to move beyond the old, familiar ways of doing things.

The Finnish corporate world must become more efficient. To do so, it will have to seek new structures and find a

competitive company size. In addition, steps should be taken to ensure that corporate organizations perform efficiently and that labor union and personnel relations are handled in a modern manner conducive to our integration objectives. By European standards, Finns enjoy a high level of income and short working hours; this means that we will have to work more intelligently, more efficiently and more skilfully than people on average in integrating Europe.

Creating competitive advantages for Finnish business should be a central goal of public policy. Education, training and research clearly form one domain where a competitive edge can be built. Other advantages include the general business environment, a functional system of social services and a healthy social structure. Finland possesses a wealth of land, forests and lakes - and a relatively clean environment. Materially, we have all the potential to succeed as a part of integrated Europe. As long as we also maintain our intellectual integrity, we will be able to share in the responsibility of developing the continent of Europe and play an active role in building the future.

In the Scandinavian countries, the electronic media have traditionally been under tight political supervision. The trend away from this supervision began with the launching of cable television and continued with the intro-

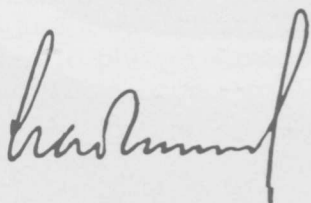
duction of commercial radio stations. Recent decisions to allow commercial television in Sweden and Norway are a strong indication that Scandinavian attitudes towards commercial television have thoroughly changed. So far, the Finnish press has not played much of a role in the electronic media, its stake in MTV (the Finnish commercial broadcaster) having largely been a token position granted for political reasons. Now, as a result of recent developments, business aspects are becoming as important as media politics, and it has been only natural for the press to reappraise its position.

Finland has been the Scandinavian leader in the field of electronic media for some time. To maintain this position we will have to devise profitable new business structures, backed by sufficient resources. This will require the active cooperation of all the major interested parties. The current owners of MTV along with the Finnish Broadcasting Company and the press

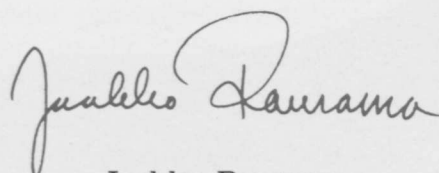
will have to find a common understanding. We trust that this will indeed come about, because all share the same general objectives.

The Sanoma Group intends to be a part of this process - and of all projects designed to make Finland a strong media country ready for European integration. Among the cornerstones of a well-balanced and functional media are strong newspapers and, especially, strong regional newspapers that serve their local readerships as profitable, versatile media enterprises. Other cornerstones are the public broadcasting system and the privately owned electronic media.

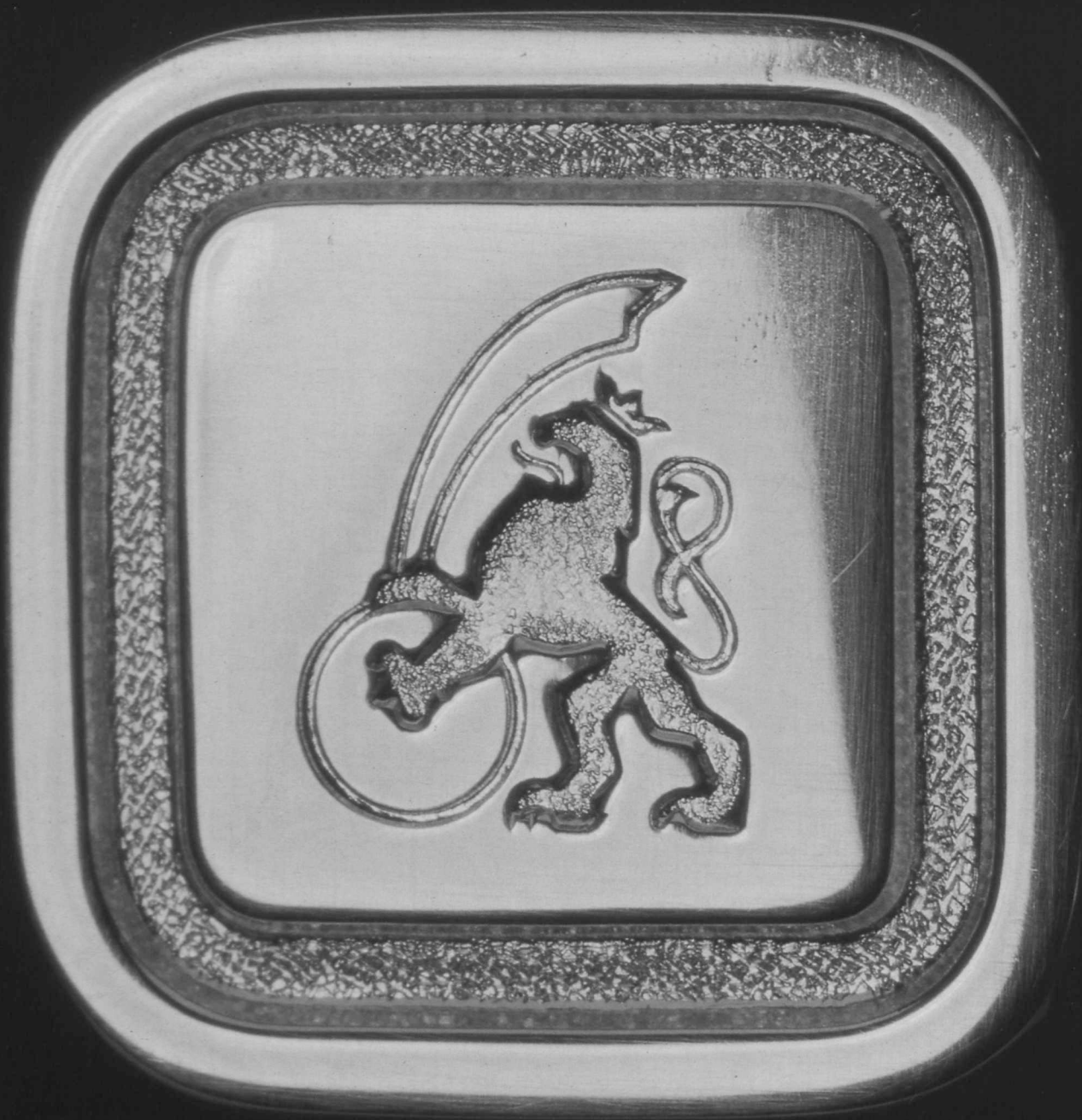
To conclude, we would like to extend our sincere thanks to our readers and advertisers. Our entire personnel will continue to do its best to serve you. We also wish to thank our employees, who throughout this difficult year have performed their duties with the greatest care and professionalism.



Aatos Erkko



Jaakko Rauramo



Report by the Board of Directors on Sanoma Group Operations in 1991

Economic Trends in Finland

The past year was marked by political upheaval throughout the world, and this highly unpredictable transitional phase is continuing. The downturn in worldwide economic growth that began in 1989 has not yet run its course. Of the major industrial countries, the United States, Great Britain and Canada have fallen into outright recession. Sweden, an EFTA country of great significance to Finland's foreign trade, has suffered from economic stagnation.

The events of August 1991 in the Soviet Union accelerated the disintegration of that country into independent states. The historical developments of the past few years in the Soviet Union have cut heavily into Finland's exports. Exports to the various parts of the former Soviet Union now account for a mere 5% of total Finnish exports, down from the 20% level of just a few years ago.

Faltering demand on the international market, heavy foreign indebtedness and a current account deficit combined to plunge Finland into an exceptionally deep recession in 1991. The economy's long-running upswing, which had been propelled by substantial domestic consumption and investment, came to an end. With

foreign debt climbing to FIM 180 billion, Finland's indebtedness relative to GNP is now approaching European highs.

Finland's industrial output fell by one tenth, and unemployment rose sharply. Banks and industrial corporations suffered large drops in profitability. Numerous listed companies posted record losses. The Finnish markka was devalued in November, thus bolstering the competitiveness of export firms and of forest-sector companies in particular.

Although the phase of rapidly contracting output appears to be behind us, and the decline is now levelling out, there are still no signs of recovery. In fact, the state of the economy remains critical. Getting the economy back on the growth track now depends on solutions to a number of structural problems, including cuts in public expenditure.

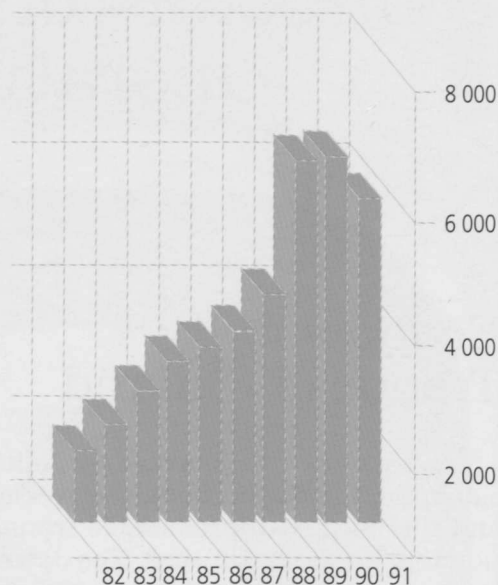
The Communications Industry

Turnover and profitability in this sector developed steadily and favorably in the 1980s, in step with the economy in general. The record highs in business volume and profitability attained in 1989 gave way to a downturn in 1990. The cyclical nature of

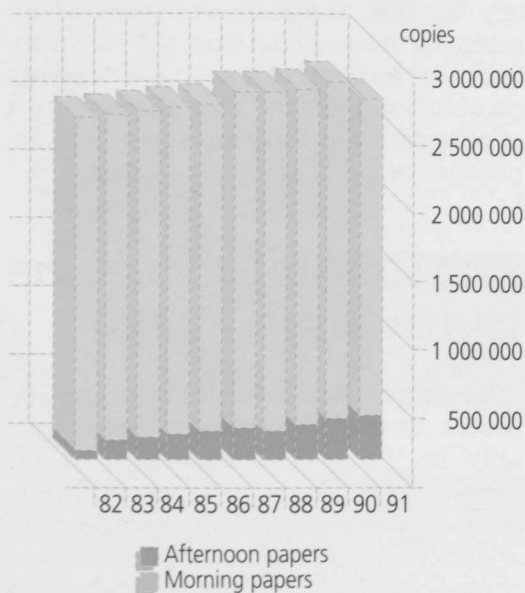
the sector was reflected in a drop in turnover and a steep decline in profitability, particularly on part of the printed media. Printing industry output fell an estimated 13% in 1991. Advertising sales, the life-blood of newspapers and magazines, are calculated to have plunged by over FIM 500 million. This contrasts with a slight increase in the volume of direct-mail and TV advertising; however, there was no increase in turnover due to reductions given in advertising prices.

The drop in sales severely affected the profitability of the Finnish communications industry. The consequences of the decline are already apparent: certain nationwide newspapers were closed down, and the sector suffered twice as many bankruptcies as in 1990. The recession and bleak economic outlook in general forced many companies to seek means of

Newspaper advertising volume, 1982-1991 (gross prices, FIM m.)



Total circulation of newspapers, 1982-1991 (published 4-7 times a week)

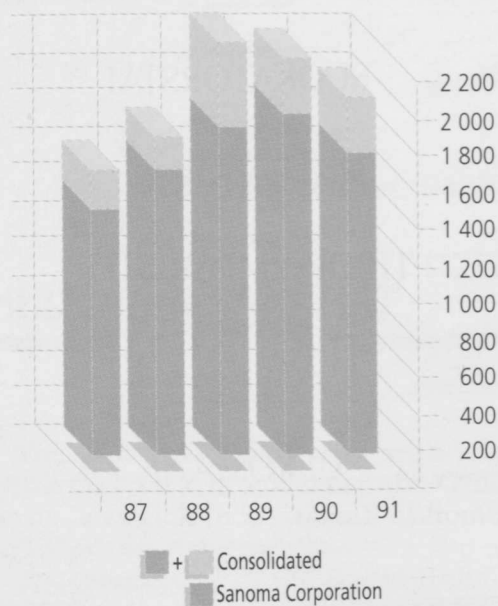


avoiding bankruptcy. Money-losing operations were pruned back or discontinued altogether. There was a thorough reshuffling of corporate organizations and ownership. These changes boosted the sector's unemployment figure to an estimated 2,700 by year-end.

Largely owing to the decline in advertising sales, the sector's capital returns have fallen to the 1985 level, while costs remain at the 1991 level. All key figures for sector profitability and financial position have declined substantially, and the number of risk-prone companies has grown correspondingly. Faced with uncertain economic prospects for the next few years, the sector is undoubtedly due for a period of rationalization. To secure the future of the industry, it is absolutely necessary that costs be cut and productivity improved.

Advance figures put printing industry turnover at FIM 15 billion, down

Net sales, 1987-1991 (FIM m.)



10% on the previous year. The sector employed a workforce of 35,900, a decline of 2,000 on 1990.

In 1991, the total circulation of morning and afternoon newspapers published 4-7 times a week came to 2,677,780, down from the previous year by 3.7%. The circulation of afternoon papers increased 4.1%.

Member papers of the Finnish Newspaper Publishers Association had a total advertising volume of 397,234 column meters, a decrease of 12.9%. The average subscription price for daily newspapers was FIM 753, up 6.8% on the previous year.

After relatively favorable progress during the past few years, the circulations of general-interest and women's magazines fell back in 1991. At the same time, circulations of special interest magazines continued to grow.

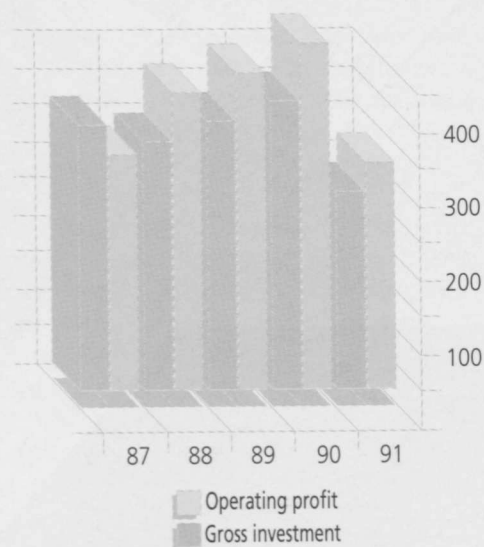
A total of 314 million magazines were delivered by mail in 1991, a decline of 1.3% on the previous year's

figure. Newsstand magazine sales held fairly stable at 24.9 million copies.

The rapid deterioration of the economy had a considerable negative effect on magazine advertising sales. According to advance figures, advertising revenues were down from the 1990 level by 17.5%. Magazine advertising's slice of total media advertising expenditure continued to shrink, down to 7.2%.

The decline in advertising sales prompted companies to bring their costs into line with weaker returns. A number of publishers had to resort to temporary lay-offs or permanent staff cuts. In spite of the bleak situation, no major magazines were closed down during the year.

Operating profit and gross investment of Sanoma Group, 1987-1991 (FIM m.)



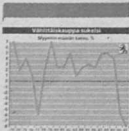
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Helsingin Sanomat
Lauanpäivä 10. huhtikuuta 1990

Eduskunta mietti ylähallintajärjestelmän

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Eduskunta mietti yhä hallituksen jatkoaikaa?

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Lama kärjistää nuorten ja lapsiperheiden ongelmia

Lasten huostaanottojen pelätään yleistyvän



Kuinka
nasion maksan

Kuinka paljon maksaa asi tonnin seteli?

**PALVELUKSEEN
HALUTAAN:**
viestintä- ja
rakennusalan
diplomeineen
koulutettuja

Max Jahn
Seemanns

Laulajat ja lausumakkara valtaavat
Turun Vanhan Suurtorin

Ylioppilaskirjoitusten
tarkastusmaksu nousee

Newspapers

HELSINGIN SANOMAT

The past year, beginning with the important task of covering the Gulf crisis, was rich in news both at home and abroad.

The dissolution of the Soviet Union was the major news story of the year. As a consequence of that process, the Baltic countries gained their independence and international recognition. Mikhail Gorbachev failed in his effort to preserve a loose coalition of states, the Soviet Union ceased to exist, and Gorbachev finally lost his official position. A new Commonwealth of Independent States was built on top of the ruins of the Soviet Union, with Boris Yeltsin's Russia taking a leading role in the new configuration. In Yugoslavia, civil war broke out between the Serbs and Croats.

The West European integration process led to an agreement between the European Community and the European Free Trade Association on the creation of the European Economic Area. Our news staff gave broad coverage to the repercussions of European integration, and also worked to explain the implications of Finland's possible EC membership to the public.

The March parliamentary elections led to the appointment of Finland's first non-socialist majority government in 25 years. The new govern-

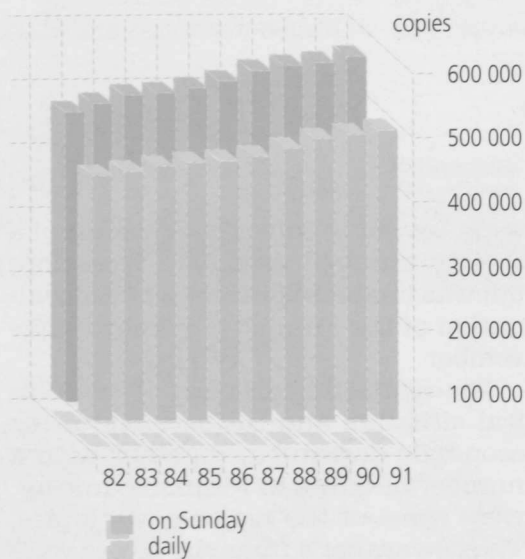
ment set out to solve the problems of a society plunged deep into recession, but was unable to prevent a 14% devaluation of the Finnish currency in November.

The continuing disarray of the political situation and the severity of the economic downturn, together with a number of crises in Finnish banking, were some of the major news topics. The newspaper's financial pages were scaled down and our calendar-style public-service material was rearranged as a new weekly section. The new, improved consumer pages tackled a broader range of topics.

The newspaper's editorial contents were compressed and the use of non-staff contributors was trimmed. The working methods of our local news offices were revamped. A project was begun to revise our local news concept to better serve the Helsinki Metropolitan Area. This coincides with the preparations for the start-up of our second satellite printing plant in Forssa in southwestern Finland at the end of 1992.

Minor changes were made in the format of the Sunday pages and the paper's regular supplement. The newspaper found greater scope of application for four-color printing. A new training program was begun in layout and editorial techniques. Helsingin Sanomat published special tabloid-format supplements around the themes of boating, motoring and road traffic, and Christmas.

Average circulation
of Helsingin Sanomat
1982-1991



Marketing

Helsingin Sanomat had an average daily circulation of 482,944 copies, an increase of 4,857, or 1.0%. The Sunday circulation was 571,322, a gain of 5,213 copies, or 0.9%, on 1990. Finnish newspapers published 4-7 times a week saw their combined circulation rise 0.9%, an increase of 0.3% if afternoon papers are excluded.

The marketing department implemented a very extensive cost-cutting program based on a thorough study of all marketing operations.

Delivery arrangements for papers from the Forssa satellite printing plant were further streamlined in close cooperation with the region's top newspapers and the postal service. At the end of the year, transport firms were invited to make tenders on deliveries from the Forssa plant.

Improved cooperation between major newspapers in the field of adver-

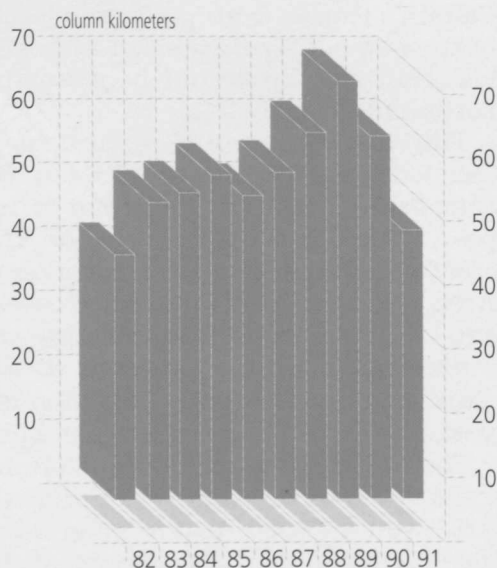
tisement placement enabled us to pare down our customer service network outside the Helsinki Metropolitan Area. Our subscription service was made more efficient by introducing a new phone line, open 24 hours a day, seven days a week.

All management of regional circulation marketing is being concentrated at the satellite printing plants. The Varkaus circulation department, which began operating in November, will be followed by a new circulation department at Forssa in spring 1992. Both new circulation departments are to be housed within the printing plants themselves.

The price of an annual subscription to the daily Helsingin Sanomat was raised from FIM 744 to FIM 789 on July 1, the price of a year-long subscription to the Sunday issue increasing from FIM 346 to FIM 367.

The newsstand copy price was raised from 6 to 7 marks on weekdays and from 8 to 9 marks for the Sunday edition.

Advertising volume
of Helsingin Sanomat
1982-1991



The weak state of the Finnish economy was reflected in below-budget advertising intakes, particularly from the most recession-prone sectors, throughout the year. The volume of job vacancy ads, for instance, fell more than 70%. Towards year-end, the situation was further complicated by prolonged uncertainty over fundamental economic and labor market decisions. Many of the positive trends seen in advertising early in 1991 took a downward turn towards the end of the year. Total advertising volume came to 46,300 column meters, down 25.1% from 1990.

Economic instability forced the media to offer large reductions in advertising prices. Efforts were made to maintain advertising volumes by slashing prices. At Helsingin Sanomat, preserving the current price level and bringing costs into line were seen as key objectives.

The economic slump was also felt in the advertising sales of the magazine supplement, which amounted to 578 pages, a decline of 31.2% on the previous year. The magazine supplement came out in 25 issues in 1991, as opposed to 29 in 1990.

Helsingin Sanomat's sales of advertising supplements progressed favorably. A total of 144 inserts was published, an increase of 45.5%. The success of our insert sales was largely attributable to the continued loyalty of our major clients and to broader market acceptance of the insert format.

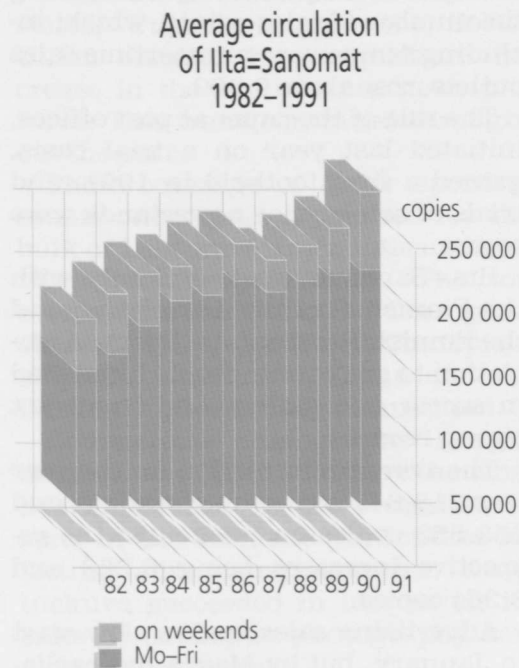
As the recession has bitten heavily into advertising by our major clients, advertising sales efforts focused on new customers, classified ads and product development. Significant among development tasks were the introduction of housing and car sales databases, the creation of new forms of advertising specifically for manufacturers of branded products and the regional targeting of retail advertis-

ing in the Helsinki Metropolitan Area.

Helsingin Sanomat continued to sponsor youth sports activities, including the Hopeasompa Junior Ski Competition and the Helsinki Cup Junior Soccer Tournament. The men's Jukola and women's Venlat Orienteering Competition and the Helsinki City Marathon were among the major adult sporting events supported by Helsingin Sanomat.

ILTA-SANOMAT

At Ilta=Sanomat, we reacted to the unusually active news year by reinforcing and more efficiently utilizing our network of regular international contributors and correspondents. On the whole, international news accounted for a greater proportion of the total news volume.



On the Finnish news front, Ilta=Sanomat closely monitored the workings of the new Center-Right coalition government, new developments in economic and incomes policy and the implications of those developments for the Finnish public. In addition to news as such, the paper sought to offer readers the broadest possible variety of current-interest material.

The paper's supplements were improved by rendering the contents more compact and striving for greater originality in the range of topics covered.

Marketing

Ilta=Sanomat had a good year in 1991, with circulation and advertising sales both exceeding the record figures attained in 1990.

The wealth of news in 1991 helped boost circulation. The paper's availability was improved by increasing the number of sales points, which, including temporary summertime sales outlets, rose above 9,000.

The sale of the paper at post offices, initiated last year on a trial basis, gained a firm foothold in 1991, and trials of self-service newsstands were begun.

Ilta=Sanomat worked closely with the Finnish Football Association and the Finnish Recreational Sports Association to get young people interested in soccer and skiing, and to attract young readers.

The average circulation for the year was 218,642 copies on weekdays and 253,853 copies on weekends, the respective increases being 3,228 and 8,361 copies.

Advertising sales made a slow start in January, but by March the parlia-

mentary elections helped boost sales above last year's figures. In exception to the general downward trend in newspaper and magazine advertising, Ilta=Sanomat saw its advertising volume grow in 1991 and even exceed the record volume of 1990 by 5.1%.

The Dominanssi advertising campaign launched in late summer was a great success and strengthened Ilta=Sanomat's image as a high-profile, nationwide medium for the marketing of branded products.

Production

The production department's main tasks for the year were to bring operations into line with the steep reduction in the page volume of Helsingin Sanomat and to cut the extra costs that accumulated during the growth period of the late 1980s. Investment in prepress technology focused on the display-ad system, the news system and picture reproduction. The improvement of the production control system at the Sanomala Printing Plant was completed, and pilot studies were conducted to obtain information on the latest in process automation. Personnel training was highlighted as a means of promoting both technological and organizational skills.

Construction of the Forssa Printing Plant proceeded according to plan. Work on the building itself was far enough advanced to allow installation of the printing presses and mail-room equipment to begin in January 1992. The factory assembly of the presses was completed ahead of schedule, and thus the installation schedule was moved forward.

During the year under review, contracts were concluded on the remaining equipment and machinery acqui-

sitions for the Forssa plant. Staff training continued apace, primarily at the Varkaus printing plant. Courses were also held at the Forssa Vocational Training Center. By the end of the year, the Forssa printing plant had a staff of 36. With the state of the economy now favoring construction, and with savings efforts also doing their part, the total cost of the project will be under the budget estimate in spite of the November devaluation of the Finnish markka.

The Forssa plant will begin printing *Ilta-Sanomat* on July 15, 1992 and *Helsingin Sanomat* in November.

Sanomala Sales

Sanomala Sales is responsible for marketing and scheduling the use of the Newspaper Division's free printing, page make-up and mailing capacity.

In 1991, a total of 16 newspapers were published on a regular basis for outside clients. In addition, about 30 individual printing assignments were undertaken, for a total of some two million copies.

Hyvinkään Sanomat Oy

Hyvinkään Sanomat's result was affected by stiff competition. The company's sales amounted to FIM 17 million. At the end of 1991, the paper had a daily circulation of 15,100 copies.

The production of Hyvinkään Sanomat at the Riihimäen Kirjapaino printing plant proceeded smoothly

throughout the year, both technically and in respect to printing schedules.

Hyvinkään Sanomat further accentuated its local news focus and correspondingly reduced its international and other non-local news content. The editorial renewal of the paper was continued by introducing new themes for different days of the week and for different readership areas.

Lehtikuva Oy International Picture Agency

In spite of the economic troubles of the graphic media sector, the dramatic international news events of 1991, together with significant political and economic developments in Finland, provided Lehtikuva with opportunities for a successful year in the field of news photography.

Reporting of the 100-day war in the Persian Gulf and of events in the Baltic states, Yugoslavia and the Soviet Union resulted in a significant increase in the use of color news pictures. This trend continued throughout the year.

Photo coverage of major sporting events once again accounted for the bulk of Lehtikuva's own international news picture production. The top events were the World Ski Championships in Italy, the World Championships in Athletics in Japan and the Canada Cup ice hockey competition.

Commercial photography assignments at the LK-Studio were the most heavily affected by the recession. In spite of the economic difficulties affecting advertising agencies, Kuvi-tuskuva succeeded in increasing its sales of catalogue photography services to that sector.

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ENSIMMÄISET
ELINPÄIVÄME

Magazines, Books and Commercial Printing

The Sanomaprint Division publishes magazines, comics, books and business publications, and also provides commercial printing services.

The combined circulation of Sanomaprint Magazines has been climbing for several years in a row. This trend continued in 1991, in spite of the economic downturn, with total circulation rising from 1,345,528 to 1,395,069 copies, up 3.7%. In addition to the gain in market share, the structure of our magazine circulation has also improved.

In the face of economic austerity, Sanomaprint clearly outperformed its competitors in preserving its advertising sales, though sales did decline from the previous year by 6% in monetary terms. Sanomaprint Magazines were particularly successful in this respect, with sales holding steady at last year's level while competitors lost some 20% of their advertising revenues.

Magazines

Sanomaprint Magazines had a good year. Magazine circulations developed particularly favorably, and advertising sales almost reached last year's level. The good result for the year was

also attributable to successful cost control.

Me naiset, a women's weekly, concentrated on improving its financial performance by further developing the magazine's editorial contents and thus better securing renewal of subscriptions. The magazine managed to increase its market share, both in respect to circulation and advertising sales.

Kodin Kuvalehti, a family biweekly, has attained wide popularity and very good circulation growth. It was the first Sanomaprint magazine to complete the transition to on-screen layout. The magazine's typography was also modernized at this stage.

Et-lehti, a senior citizens' magazine, had a very successful year in 1991. The magazine's editorial approach received a highly positive response from readers, resulting in further circulation growth, the largest annual increase so far. Substantial gains were also made in advertising sales. The color and appearance of the magazine were further improved. A distinctive new range of supplements was introduced, such as supplements on travel and diet cooking that would best serve and interest the target readership.

Suuri Käsityökerho, a handicraft magazine, saw a continuation of the successful trend that began in 1990.

Appreciated especially for its practical content, *Suuri Käsityökerho* has gained firm reader loyalty. In 1991, the magazine was among the sponsors of an exhibition in Finland of the works of the world-famous knitter Kaffe Fasset.

Gloria, a women's monthly, charted better-than-expected circulation growth. The magazine strengthened its market position, and the structure of its circulation improved. In contrast, advertising sales were affected by the recession and fell considerably short of target. *Gloria Sisustuslehti*, the special quarterly interior decorating issue of *Gloria*, was published for the first time in September 1991.

Tiede 2000 (*Science 2000*) maintained its position as the leading Finnish popular science publication. The magazine has developed and grown considerably throughout its existence, and has now reached a satisfactory circulation level. Increased attention has been devoted to environmental and ecological topics. *Terveys 2000* (*Health 2000*) also succeeded fairly well in its own competitive sector. The circulation progressed favorably, though at a slower rate than before.

Eläinmaailma (*Animal World*) sustained continued growth, its circulation breaking the 50,000 mark during the first half of 1991. The magazine further strengthened its position as a beloved nature magazine while also responding to the recent wave of interest in pets.

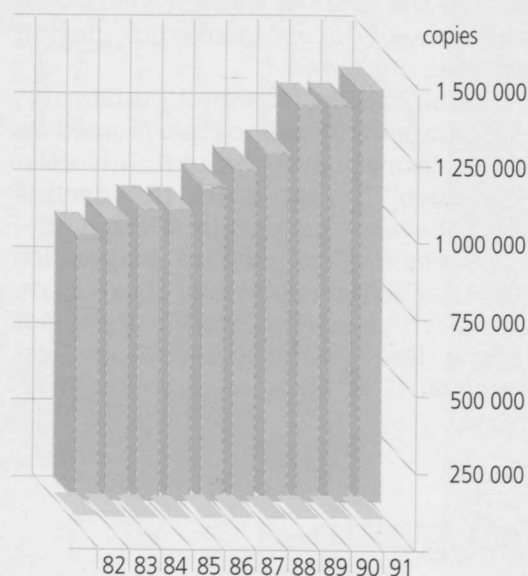
Children's Magazines and Books

Sanomaprint's comic magazines, *Aku Ankku* (*Donald Duck*), *Roope-*

setä (*Uncle Scrooge*), *Nalle Puh* (*Winnie-the-Pooh*) and *Ressu* (*Snoopy*) maintained their strong market position. Joining the selection as of the beginning of the year was *Maaailman Vahvin Nalle* (*Bamse*).

Aku Ankka, the Finnish edition of the weekly *Donald Duck*, celebrated its 40th anniversary, and a 52-page anniversary issue was published in honor of the event. This was the largest issue to date and included previously unpublished material by Carl Barks. At the Frankfurt Book Fair, The Walt Disney Company awarded Sanomaprint a bronze Mickey Mouse in appreciation of the company's well-managed Disney operations in Finland.

Sanomaprint magazines
total circulation
1982-1991



Sanomaprint's book publishing list consisted of 152 titles, of which 29 were reprints. Disney, Peanuts and

Asterix comics were the mainstays of the book list. The publishing rights to Lucky Luke were also obtained during the year. In addition to the storybooks in the Children's Own Bookclub, other publications included Pupu Tupuna (Bobbity Bunny) books and works by Richard Scarry. Among the non-fiction titles were The Guinness Book of Records, a biography of Walt Disney and a four-season cookbook.

The Walt Disney World on Ice Show in January and the opening of our traditional Ducksburg's Christmas shop were other memorable occasions.

Erikoislehdet Oy Special Interest Magazines

Performing particularly well among the Sanomaprint Special Interest Magazines were the computer publications Tietokone and Mikrobitti, the boating magazine Venemaailma and the hot-rod magazine Street & Race; all improved their market positions. Tietokone, which was redesigned and given a new logo, reinforced its position as the clear leader in Finnish professional computer magazines. Venemaailma developed editorially and its circulation topped 18,000 in the second half of 1991.

The economic woes of computer firms and sporting goods companies were clearly reflected in advertising sales, which amounted to only 80% of last year's figure. Consequently, the quarterly magazine Tennismaailma (TennisWorld) had to be transformed into the TennisWorld Year-Book.

Economic difficulties also affected the marketing of our business publications. Two publishing contracts came to an end in 1991. On the other

hand, agreements were reached on the publication of business magazines for three new clients.

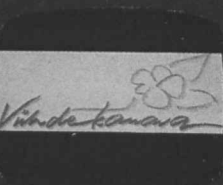
At year-end, Sanomaprint Special Interest Magazines were producing twelve magazines and thirteen business publications. In addition, the Swedish subsidiary Milvus Förlags Ab published Utemagasinet, which brought out a successful, new winter sports equipment buyer's guide. The restructuring of Milvus Förlags Ab was completed during the year, and the company's financial performance improved satisfactorily.

Sanomapaino Commercial Printing

The economic downturn severely affected demand for commercial printing services. Numerous bankruptcies in the printing sector have clearly altered the competitive situation, without, however, solving the overcapacity problem.

Faced with a troubled market, Sanomapaino sales did not succeed according to plan. Production plant operated at less than full capacity up until the autumn, and profitability weakened. The company's rather significant export to the Soviet Union was interrupted by upheaval in that area.

A major technological advance occurred when Art Directors at Sanomaprint Magazines began using on-screen layout for film output at the printing plants. Production investments included an in-line rotary trimmer and new bindery equipment that facilitates the handling and rapid transfer of Helsingin Sanomat supplements to the insert machinery at the newspaper printing plants.



New Media

The New Media Division is engaged in satellite and cable-TV operations and information services. It consists of the following units: Eurocable Ltd, Helsinki Cable Television Ltd, Sanoma Invest AG, Janco Kabel-TV A/S, Startel Inc., Oy Infodec Ab and Sanomalehtien Ilmoitustoimisto Oy, SITA.

Satellite and Cable-TV Operations

In Finland, satellite and cable-TV operations are conducted by Eurocable Ltd and Helsinki Cable Television Ltd, HTV. The Group is also engaged in this sector abroad, through its Swiss subsidiary Sanoma Invest AG and the Norwegian Janco Kabel-TV A/S.

Total income on operations rose 8% on the previous year, mainly due to growth in the volume of pay-TV sales. This growth, together with HTV's lower investment outlays and Janco's successful adjustment to weaker growth prospects for cable connections, led to an improvement in financial performance over the previous year.

Eurocable Ltd

Eurocable Ltd coordinates the Division's program purchasing, equipment acquisitions, technological development and administration. The company also supplies FilmNet and Entertainment Channel program services to cable-TV companies.

Development efforts centered on the introduction of optical fiber technology in program transmission by the Entertainment Channel and by Finnish Local TV Channels Ltd, PTV, a partially owned affiliate. Other new features included the agreement with Tampereen Tietoverkko Oy on extensive cooperation in the pay-TV sector.

The Entertainment Channel, produced by Eurocable Ltd's programming department, was completely overhauled during the year. The Entertainment Channel's viewer potential improved considerably once the service area expanded from four cities to eight. At the end of 1991, the Entertainment Channel had a total of 16,837 subscribers.

Eurocable Ltd also continued to market the FilmNet movie channel, which registered a 36% growth in the number of subscribers, for a total of 45,377. This excellent performance was largely due to improved consumer recognition of the channel and to the growing popularity of satellite antennas among home owners. In 1991, FilmNet movies were transmitted via cable networks in 88 different locations in Finland. The sales increase of 19% was mainly due to substantial growth in FilmNet's service volume.

Helsinki Cable Television Ltd, HTV

In 1991, 6,699 new subscribers were linked into HTV's cable network.

At the close of the year, HTV had a total of 168,436 subscriber households in the Helsinki Metropolitan Area, i.e. the cities of Helsinki, Espoo, Vantaa and Kauniainen.

The new Housing Corporation Act, which came into force on January 1, 1992, has a number of significant implications for sales of cable-TV connections and for the technical side of cable connections as well. According to the new legislation, cable-TV services must be provided on an individual basis. This means that only those customers who wish to become subscribers pay for the connection. In view of this change, a new cable connection was designed for service to individual dwellings. The new system entails a hefty increase in unit connection costs.

In 1991, HTV provided 23 TV program services and 10 radio channels. There was no change in the range of TV channels, but Radio West quit broadcasting in the spring. Radio Finland, the Finnish Broadcasting Company's international service, and the local station Etelän Ääni were taken on as new radio channels.

HTV's pay-channels had a total of 40,543 subscribers at the end of 1991. The pay-channels were FilmNet, Entertainment Channel, the PlusSat package, and Moscow TV 1, which is also a pay service due to copyright fees.

HTV-Production sells video production services to outside program producers. The main emphasis is on multi-camera productions and editing facilities. The most significant single assignment was the production of the daily program Local Quarter for PTV. HTV's net sales were up 6% for the year, mainly due to the increased volume of pay-TV operations and the rising number of households connected to the cable network.

Sanoma Invest AG

Sanoma Invest AG, formerly ECI Communications AG, is in charge of the administration and financing of the Division's foreign subsidiaries and affiliates, and the development of the Division's foreign operations.

In 1991, Sanoma Invest AG owned Janco Kabel-TV A/S in Oslo and was a minority shareholder in the Irish company Cork Communications Limited. During the year, Sanoma Invest AG sold its minority holdings in the London-based Westminster Cable Company Limited.

Janco Kabel-TV A/S

At the end of 1991, Janco Kabel-TV A/S had a total of 156,130 subscriber households, an increase of 2,184 on the previous year. The low number of new subscribers is attributable to the stagnation of construction activity in the Oslo area. During the year under review, the company began the process of renewing old subscriber contracts in accordance with the new official regulations.

At the end of 1991, the Janco cable network was providing 25 TV program services and 18 radio channels. Nine of the TV channels were pay-channels. One new TV channel, the German 3SAT channel, was added to the pay-TV selection. The FilmNet movie channel and the Scandinavian TV1000 entertainment channel were marketed as separate cable services. Seven non-subtitled satellite channels have been combined to form the Sat-Pak package. Orders for pay-TV programs increased 39%, for a total of 16,526 individual orders.

Growth in pay-TV income compensated for the reduction in subscription revenues, thus keeping net sales steady at the 1990 level.

In response to the European integration process, Norway has begun to

revise its regulations on foreign ownership. As a consequence, the Norwegian authorities decided in spring 1990 to grant the Sanoma Group extra time, until August 1992, to relinquish its majority holdings in Norway.

Information Services

Information services are provided by Startel, Inc. in conjunction with its subsidiaries Sanomalehtien Ilmoitustoimisto Oy (SITA) and Oy Infodec Ab.

The weak state of the economy has led to a contraction of the market and demand for information services, and the result for 1991 fell short of that attained in 1990.

Startel, Inc.

The operations of Startel, Inc. are divided into two distinct business areas: Marketing services and Business and financial information services.

Startel's Marketing services unit compiles corporate databases, which are developed into products for specific target groups. The unit was reorganized in 1991 by clearly dividing operations into business directory services and target group services. The following business directories were published in 1991: Kompass Finland 2, Blue Book XXIII, Finland's most comprehensive company register, Financial Summaries of Leading Finnish Enterprises 1992 and Hot Lines 1992.

The Business and financial information unit provides electronic data through an extensive business data bank. The unit's own financial news service, Startel Express, produces economic news on a real-time basis. The Business and financial information unit also produces and distributes real-time data on money and foreign exchange markets. The major techni-

cal innovation in 1991 was the introduction in August of a financial news archive employing a full-page retrieval system.

During the year, the Startel Express news service was linked into the international Telerate and Knight-Ridder financial data networks, thus making Startel's news available worldwide.

Oy Infodec Ab

Oy Infodec Ab develops and markets software applications for the financial industry. The applications are largely based on the electronic data produced by Startel's Business and financial information unit. The company also produces portfolio management and other 'back office' applications as well as microcomputer software for the monitoring of stock, options, money and foreign exchange markets.

In 1991, the company concentrated on bringing the new Finance 2000 Treasury Center system onto the market and on creating a network of business contacts in the Scandinavian region. At the end of the year, Startel, Inc. acquired the entire capital stock of Oy Infodec Ab.

Sanomalehtien Ilmoitustoimisto Oy, SITA

SITA provides media monitoring services in the forms of press clipping, radio and TV monitoring and advertisement placement services.

In spite of the recession, the company managed to chart another good year in 1991 by improving operational efficiency. A new local area network application was developed for use in media monitoring, and this significantly enhanced the press clipping service.



Sanoma Real Estate

Sanoma Real Estate manages and develops the real estate holdings of the Sanoma Group. Division operations are divided into the sub-sections of real estate finance and management, real estate development, construction and maintenance services.

The Division controls eight real estate corporations, four housing corporations and a separate holding company. The vast majority of this property is taken up by the Group's own business operations. The bulk of the rental income from outsiders comes from Group property in downtown Helsinki.

Real estate development efforts focused on Vantaa, where the Group owns some 90 hectares of land. In 1991, work continued on the land-use and traffic planning of the Sanomala property, located near the present printing and office facilities of the Group. Some 4.5 hectares of adjacent land were acquired in June. The area's traffic connections and developmental potential were further improved by the inauguration of the new Vantaankoski train station in September.

During the year, Sanoma Corporation participated in the development of the Marja-Vantaa satellite community. Marja-Vantaa Oy, a corporation established for the purpose of developing the area, joined forces with the City of Vantaa in sponsoring a Scandinavian architectural competition to obtain proposals on land use. The competition, which ended in October, attracted 47 entries. The jury is expected to complete its deliberations in early 1992.

Construction of the Forssa printing plant, commissioned by Sanoma Real Estate, progressed according to schedule and a roofing celebration was held on September 12, 1991. A land-exchange agreement with the town of Forssa added six hectares to the Group's holdings at the plant site, bringing the total area to over 40 hectares. The plan of the Kassimäki district, as approved by the Forssa City Council, allows for the construction of commercial and office buildings and a service station.

Investment

Net investment by the Sanoma Group totaled FIM 244.2 million. Of this figure, real estate investment accounted for FIM 108.2 million, machinery and equipment FIM 71.2 million, securities FIM 37.3 million and other items FIM 27.5 million. The parent company's net investment amounted to FIM 196.2 million.

The Newspaper Division's most significant investment item was once again the construction of the Forssa Printing Plant. Production will start at the new plant during the current year. Other investment by the Newspaper Division went towards rationalization and replacement of computer systems and production technology.

Investment in cable-TV operations totaled FIM 33.9 million, including FIM 19.1 million in network construction outlays and FIM 8.6 million in decoder technology.

The most significant development in the securities portfolio was the sale of the Group's holdings in the London-based cable-TV company, Westminster Cable Limited. In connection with the restructuring of newspaper production in southeastern Finland, Sanoma Corporation acquired a 10% interest in Kymen Sanomalehti Oy. Otherwise, no major changes occurred in the Group's securities portfolio. A new company, Sanoma Finance AG, was established to facilitate the financing of Group operations abroad.

Financial Summary

The Sanoma Group's 1991 financial result was a third lower than in 1990. Given the current state of the economy, this can be considered satisfactory performance.

The downward trend of the Finnish economy cut heavily into advertising sales, with job vacancy advertisements in Helsingin Sanomat particularly affected. This left Helsingin Sanomat's result for the year far short of the 1990

figure, despite a further rise in circulation. *Ilta-Sanomat's* profitability continued to improve due to growth in circulation and advertising sales. *Hyvinkään Sanomat* operated at a loss.

Though weaker than in 1990, the Sanomaprint Division's performance for 1991 was satisfactory, with circulations of general and special interest magazines showing particularly favorable development. The profitability of Sanomaprint's commercial printing operations was affected by stiff price competition.

Owing to the positive development of the pay-TV sector, Eurocable cable-TV operations performed better than in 1990 and recorded a further rise in profitability. The stagnation of the securities market and the weak profitability of Finnish banking institutions, in particular, weighed heavily on Startel operations for the second year in a row. Infodéc also suffered from the downturn in securities trading and showed a slight loss for the year. Sanomalehtien Ilmoitustoimisto (SITA) continued to maintain good profitability.

Group net sales were FIM 2,000.7 million, a decline of 9.2% on the previous year. The Group's operating profit of FIM 326.0 million was equivalent to 16.3% of net sales, down from the corresponding figures of FIM 463.0 million and 21.0% for 1990. Operating profit declined 29.6% on the previous year. The parent company had net sales of FIM 1,723.4 million, a decrease of 9.6%.

The depreciation entries in the Consolidated Financial Statements represent the maximum allowed under the Business Taxation Act. Depreciation booked for the Group, based on the estimated useful lifetime and replacement value of assets, was FIM 182.1 million, a decrease of 6% on the previous year. Group profit before extraordinary items, profit-related pay, adjustments to untaxed reserves, income taxes and after internal depreciation amounted to FIM 173.4 million in 1991, down from 283.5 million in 1990. Net liabilities of the Group were 5.2% of net sales, as against 8.3% in 1990.

Consolidated Income Statement

(FIM 1.000)	Jan. 1—Dec. 31, 1991	Jan. 1—Dec. 31, 1990
Sales proceeds	2.724.550	2.956.553
Adjustments to gross sales		
Discounts	160.835	186.578
Credit losses	21.414	11.199
Purchase tax	96.627	92.975
Commissions and advertising agency fees	231.132	251.243
Other adjustment items	213.837 - 723.845	211.490 - 753.485
Net sales (1)	2.000.705	2.203.068
Leasing income	+ 14.536	+ 14.077
Variable expenditures		
Materials	437.960	479.459
Variable wages, salaries and fees ..	488.537	497.155
Other variable expenditures	183.800	195.375
Change in stock	1.135 -1.111.432	6.603 -1.178.592
Gross margin	903.809	1.038.553
Fixed expenditures		
Fixed wages, salaries and fees	214.226	211.954
Rents	48.447	40.047
Other fixed expenditures (2)	315.056 - 577.729	323.528 - 575.529
Profit on operations before depreciation	326.080	463.024
Depreciation (3)		
Buildings	34.558	38.008
Machinery and equipment	76.962	95.501
Other material goods	16.944	10.597
Immaterial rights	1.581	3.290
Other long-term expenditures	22.589	19.388
Additional Group depreciations	5.506 - 158.140	7.058 - 173.842
Profit on operations after depreciation	167.940	289.182
Financial revenues and expenditures		
Interest revenues	94.645	76.006
Dividend revenues	12.786	14.025
Other financial revenues (4)	7.927	6.372
Interest expenditures	- 72.228	- 73.058
Other financial expenditures (4)	- 13.692 + 29.438	- 11.529 + 11.816
	197.378	300.998
Other revenues and expenditures		
Revenues	5.563	26.829
Expenditures	- 38.430 - 32.867	- 75.851 - 49.022
Pay-out to the Employee Profit-Sharing Fund	- 2.107	- 14.162
Profit before reserves and taxes	162.404	237.814
Changes in reserves		
Inventory reserve	+ 3.366	237
Investment reserve	+ 8.257	42.915
Other reserves (5)	- 3.501 + 8.122	16.169 - 59.321
Direct taxes	- 65.255	- 70.888
Minority share of subsidiary profits ..	- 8	- 362
Profit for the year	105.263	107.243

Figures in parentheses refer to "Appended Information on the Consolidated Income Statement and Balance Sheet" on page 32.

Consolidated Balance Sheet

Assets

(FIM 1.000)	Dec. 31, 1991		Dec. 31, 1990	
Financial assets				
Cash in hand and in banks . . .	171.191		83.676	
Accounts receivable (6)	292.539		311.407	
Loans receivable	555.909		559.183	
Advance payments	4.658		5.681	
Deferred assets	144.625		129.572	
Other financial assets (7)	<u>79.374</u>	1.248.296	<u>140.219</u>	1.229.738
Inventories				
Materials	58.421		62.901	
Other inventories	<u>13.756</u>	72.177	<u>12.838</u>	75.739
Fixed assets and other long-term expenditures				
Land areas	352.631		352.626	
Buildings	574.693		613.687	
Machinery and equipment . . .	297.670		341.736	
Other material goods	39.632		40.859	
Shares and holdings	361.305		362.601	
Immaterial rights	2.436		4.129	
Other long-term expenditures .	<u>88.862</u>	1.717.229	<u>85.842</u>	1.801.480
Group intangibles		<u>19.948</u>		<u>43.176</u>
		<u>3.057.650</u>		<u>3.150.133</u>

Liabilities

(FIM 1,000)	Dec. 31, 1991		Dec. 31, 1990	
Outside liabilities				
Short-term				
Accounts payable	49.758		70.227	
Advance payments	258.011		235.163	
Deferred liabilities	223.158		237.065	
Other short-term debts	<u>112.842</u>	643.769	<u>179.075</u>	721.530
Long-term				
Loans from financial institutions	138.470		175.364	
Pension loans (8)	554.402		502.151	
Other loans	<u>16.034</u>	708.906	<u>13.092</u>	690.607
Reserves				
Stock reserve	17.760		21.048	
Investment reserve (9)	88.284		247.358	
Other reserves	<u>231.477</u>	337.521	<u>227.700</u>	496.106
Minority share		17.653		24.080
Shareholders' equity				
Restricted equity	772.708		743.250	
Non-restricted equity	471.830		367.317	
Profit for the year	<u>105.263</u>	<u>1.349.801</u>	<u>107.243</u>	<u>1.217.810</u>
		<u>3.057.650</u>		<u>3.150.133</u>

Notes to the Consolidated Financial Statements

(FIM 1.000)		Dec. 31, 1991
1.	Restricted shareholders' equity	
	Restricted shareholders' equity as of January 1, 1991	15.490
	Increase in share capital	+ 30.923
	Appreciation equivalent to the profit on sale of properties assigned to housing and real estate companies	727.760
	Proceeds from real estate sales entered under appreciation	- 1.465
		<u>772.708</u>
2.	Non-restricted shareholders' equity	
	As of January 1, 1991	474.560
	Dividends distributed	- 3.481
	Donations made	- 500
	Increase in share capital	- 30.923
	Connection fees to Helsinki Cable Television Ltd	+ 11.442
	Conversion gap	+ 19.267
	Proceeds from real estate sales entered under appreciation	+ 1.465
		<u>471.830</u>
	Profit for the year	+ 105.263
		<u>577.093</u>
3.	Securities given as collateral	96.813
	Mortgages given as collateral	148.394
	Consolidated debt entered under loan receivables	2.500
	Guarantees	14.160
	Share subscription liability	4.972
4.	Taxation values of fixed assets	
	Land	123.764
	Buildings	234.984
	Shares and holdings	247.079
5.	Liability deficit of the Sanoma Pension Fund	27.136

6. Holdings by the Group

	Number	Percentage	Nominal value (FIM 1.000)	Book value (FIM 1.000)
Sanoma Corporation				
Other companies				144.538
Holdings by the subsidiaries				
MXS-Satelliittipalvelu Oy	1.453	25,90	145	5.192
Päijät-Visio Oy	404	14,43	2.020	2.021
Kotkan Tietoruutu Oy	970	20,20	970	971
Suomen Paikallistv-kanava Oy	1.700	33,34	1.700	1.700
Suomen Asiakastieto Oy	10	2,70	1	156
Telebase Systems, Inc.	625.000	7,80	—	4.125
Sentosa S/A	4.250	33,33	CHF 4.250	25.894
Cork Communications Ltd.	4.010.154	33,40	IEP 3.650	23.723
Other companies, total				696
Housing shares				152.289
				<u>361.305</u>

Appended Information on the Consolidated Income Statement and Balance Sheet

Income Statement

1. Net sales have declined 9.2% due to the decrease in advertising revenues.
2. Other fixed expenditures include a transfer of FIM 11.5 million to the Pension Fund corresponding to the increase in liability. In 1990, the increase in liability was FIM 17.8 million.
3. Maximum depreciation under the Business Taxation Act.
4. Other financial revenues and expenditures include exchange rate losses of FIM 5.0 million arising from the devaluation of the Finnish markka. FIM 18.6 million in unrealized exchange rate gains on receivables and shareholdings are entered under the conversion gap in shareholders' equity.
5. Changes in other reserves include a FIM 4.6 million increase in the operating reserve and a FIM 1.1 reduction in the credit loss reserve.

Balance Sheet

6. Accounts receivable include subscription receivables of FIM 121.1 million. Advance payments for undelivered subscriptions worth FIM 238.9 million is included in advance payments as a liability.
7. Other financial assets include a FIM 43.4 million investment deposit.
8. Pension loans include a FIM 192.3 million loan from the Sanoma Pension Fund.
9. FIM 151.0 million from the investment and replacement reserve was used to cover the acquisition costs of fixed assets.

Sanoma Corporation

Income Statement

(FIM 1.000)	Jan. 1—Dec. 31, 1991	Jan. 1—Dec. 31, 1990
Sales proceeds	2.418.463	2.629.078
Adjustments to gross sales		
Discounts	158.160	183.629
Credit losses	19.032	8.850
Purchase tax	91.113	84.785
Commissions and advertising agency fees	218.508	238.945
Transport costs for newspapers and magazines	185.584	186.407
Other adjustments to gross sales ..	22.706	20.786
	- 695.103	- 723.402
Net sales	1.723.360	1.905.676
Leasing income	+ 18.830	+ 18.610
Variable expenditures		
Materials	362.871	396.962
Variable wages, salaries and fees ..	442.836	443.625
Other variable expenditures	175.967	181.565
Change in inventory	1.051	5.004
	- 982.725	- 1.027.156
Gross margin	759.465	897.130
Fixed expenditures		
Wages, salaries and fees	171.163	169.520
Rents	106.548	105.818
Other fixed expenditures	253.833	265.392
	- 531.544	- 540.730
Profit on operations before depreciation	227.921	356.400
Depreciation		
Buildings	3.118	3.547
Machinery and equipment	52.696	62.664
Immaterial rights	491	1.510
Other long-term expenditures	10.626	9.269
	- 66.931	- 76.990
Profit on operations after depreciation	160.990	279.410
Financial revenues and expenditures		
Interest revenues	126.469	113.793
Dividend revenues	7.314	13.764
Corporate tax credit on dividends ..	5.296	258
Other revenues	7.927	6.326
Interest expenditures	- 77.749	- 74.763
Other financial expenditures	- 13.546	- 11.321
	+ 55.711	+ 48.057
	216.701	327.467
Other revenues and expenditures		
Revenues	4.320	24.963
Group subsidy	- 66.310	- 48.393
Other expenditures	- 25.151	- 75.636
	- 87.141	- 99.066
Pay-out to the Employee Profit-Sharing Fund	- 1.570	- 12.983
Profit before reserves and taxes	127.990	215.418
Changes in reserves		
Inventory reserve, decrease	+ 3.360	+ 1.501
Investment reserve, increase	0	- 42.915
Other reserves, increase-, decrease+	+ 3.185	- 2.340
	+ 6.545	- 43.754
Direct taxes	- 55.095	- 63.556
Profit for the year	79.440	108.108

Sanoma Corporation

Balance Sheet

Assets

(FIM 1.000)	Dec. 31, 1991		Dec. 31, 1990	
Financial assets				
Cash in hand and in banks . . .	42.544		14.005	
Accounts receivable	222.331		244.085	
Loans receivable	1.168.549		1.104.397	
Advance payments	3.139		1.761	
Deferred assets	147.390		131.916	
Other financial assets	<u>78.704</u>	1.662.657	<u>133.984</u>	1.630.148
Inventories				
Materials	49.054		50.748	
Products (finished and in process)	<u>11.836</u>	60.890	<u>11.193</u>	61.941
Fixed assets and other long-term expenditures				
Land areas	54.358		54.358	
Buildings	84.594		91.819	
Machinery and equipment . .	129.209		152.450	
Advance payments, machinery	111.609		115.767	
Shares and stock	144.539		169.280	
Shares and stock, subsidiaries	617.518		621.378	
Immaterial rights	514		1.005	
Other long-term expenditures	<u>37.007</u>	1.179.348	<u>32.983</u>	1.239.040
	<u>2.902.895</u>		<u>2.931.129</u>	

Liabilities

(FIM 1.000)	Dec. 31, 1991		Dec. 31, 1990	
Outside liabilities				
Short-term				
Accounts payable	33.107		57.763	
Advance payments	227.619		206.974	
Deferred liabilities	196.132		212.416	
Other short-term debts	<u>187.004</u>	643.862	<u>130.110</u>	607.263
Long-term				
Loans from financial institutions	123.065		152.968	
Pension loans	523.242		475.947	
Other debts	<u>15.500</u>	661.807	<u>18.031</u>	646.946
Reserves				
Inventory reserve	15.222		18.582	
Investment reserves	86.764		235.373	
Other reserves	<u>204.340</u>	306.326	<u>207.525</u>	461.480
Shareholders' equity				
Restricted				
Share capital	46.413		14.202	
Value adjustment reserve fund	<u>0</u>	46.413	<u>1.288</u>	15.490
Non-restricted				
Operating fund	1.154.550		1.080.472	
Profit from previous years . .	10.497		11.370	
Profit for the year	<u>79.440</u>	1.244.487	<u>108.108</u>	1.199.950
		<u>2.902.895</u>		<u>2.931.129</u>

Notes to the Sanoma Corporation Financial Statements

(FIM 1.000)

Dec. 31, 1991

1. Shareholders' equity	
As of January 1, 1991	14.202
Increase in share capital by bonus issue	32.211
As of December 31, 1991	46.413
of which	
232,866 K-series shares	23.286
231,269 E-series shares	23.127
Value adjustment reserve fund	
As of January 1, 1991	1.288
Applied to the increase in share capital	- 1.288
Balance as of December 31, 1991	0
Operating fund	
As of January 1, 1991	1.080.473
Transferred from retained earnings	+ 105.000
Applied to the increase in share capital	- 30.923
Balance as of December 31, 1991	1.154.550
Reserve for donations	
As of January 1, 1991	0
Transferred from retained earnings	+ 500
Donations made	- 500
Balance as of December 31, 1991	0
Retained earnings	
As of January 1, 1991	119.477
Dividends distributed	- 3.481
Transferred to operating fund	- 105.000
Transferred to donations	- 500
Non-withdrawn dividends refunded	+ 1
	10.497
Profit for the year	79.440
Balance as of December 31, 1991	89.937
2. Securities given as collateral	1.041
Mortgages given as collateral	142.800
Consolidated debt entered under loan receivables	2.500
Guarantees	11.353
Guarantees on behalf of the subsidiaries	27.671
Share subscription liability	4.972
3. Receivables from subsidiaries	652.854
Debts to subsidiaries	89.717
4. Taxation values of fixed assets	
Land	64.101
Buildings	61.886
Shares and holdings	190.461
Shares and holdings, subsidiaries	343.723
5. Appreciation of fixed assets	
As of January 1, 1991	
Land	5.000
Shares and holdings	3.390
Balance as of December 31, 1991	8.390
6. Liability deficit of the Sanoma Pension Fund	26.635
7. Liability from pension commitments	999

8. Holdings by Sanoma Corporation in other companies as of December 31, 1991

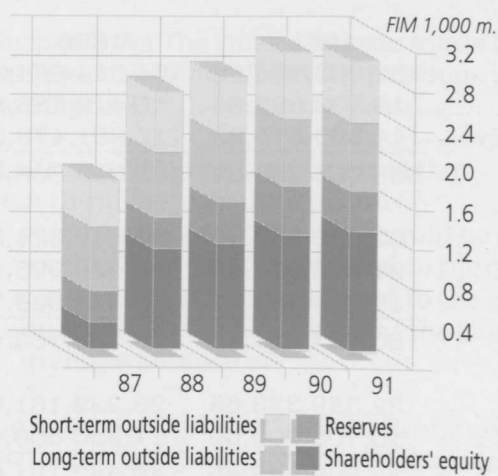
	Number	Percentage	Nominal value	Book value (FIM 1.000)
Subsidiaries				
Erikoislehdet Oy	1.050	100,00	10.500.000,00	14.000
Eurocable Ltd	10.000	100,00	10.000.000,00	10.000
Hyvinkään Sanomat Oy	15	100,00	15.000,00	15
Lehtikuva Oy	75.000	100,00	750.000,00	1.025
Sanoma Invest AG	100.000	100,00	CHF 10.000.000,00	28.829
Sanomain Huoneisto ja Kiinteistöholding Oy	12.000	100,00	12.000.000,00	12.213
Startel, Inc.	141.355	85,00	14.135.500,00	34.958
Real estate and housing corporations				511.520
Non-operative				4.958
Subsidiaries, total				617.518
Other companies				
Aamukaste Oy	972.975	50,00	9.729.750,00	2.028
Finnair Oy	713.732	1,45	3.568.600,00	11.197
Keski-Uusimaa Oy	15.108	12,50	302.160,00	2.438
Kirjalito Oy	20.000	50,00	2.000.000,00	1.842
Kymen Sanomalehti Oy	2.230	10,00	2.230.000,00	4.826
Kymen Viestintä Oy	49.979	23,30	4.497.900,00	9.992
Kymmene Oy	1.195.871	1,77	23.917.420,00	58.869
Oy Radio Ykkönen — Radio Ettan Ab	14	18,20	140.000,00	284
Rautakirja Oy	1.076.979	16,62	21.539.580,00	20.178
Savon Sanomat Oy	108.685	5,17	1.086.850,00	1.096
Suomen Tietotoimisto Oy . . .	31.663	20,78	94.989,00	134
STS-pankki Oy	45.000	0,13	450.000,00	990
Unitas Bank Ltd	460.311	0,01	4.603.110,00	12.751
Others				3.099
Real estate and housing corporations				14.815
Other companies, total				144.539
Group companies owned by subsidiaries of the Sanoma Corporation				
	Group ownership %			
Helsinki Cable Television Ltd	98,40			43.373
Oy Infodec Ab	100,00			9.032
Janco Kabel-TV A/S	100,00			15.579
Milvus Förlags Ab	100,00			1.107
Sanomalehtien Ilmoitustoimisto Oy	83,13			7.375

The figures for companies not specified here are given in the official financial statements.

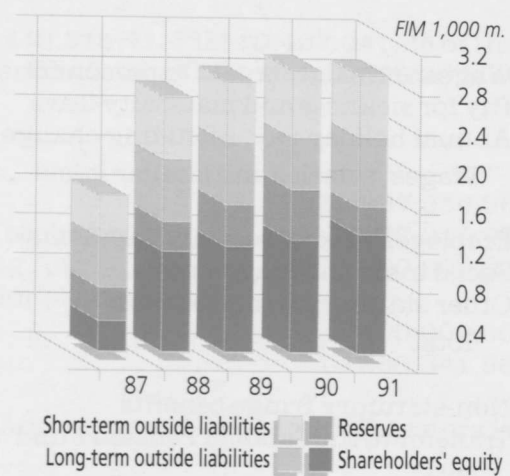
Changes in Financial Position

Consolidated (FIM m.)			Sanoma Corporation (FIM m.)		
	1991	1990		1991	1990
Sources of Funds			Sources of Funds		
Income financing			Income financing		
Operating profit	326,1	463,0	Operating profit	227,9	356,4
Financial revenues and			Financial revenues and		
expenditures	29,4	11,8	expenditures	55,7	48,1
Other income financing			Other income financing		
(net)	- 0,1	0,3	(net)	- 0,1	- 0,7
Income on fixed assets . .	22,2	97,9	Income on fixed assets . .	24,4	106,9
Sale of subsidiary shares	9,7	2,0	Taxes	-55,0	-63,6
Taxes	-65,2	-70,9	Capital financing		
Capital financing			Increase in long-term		
Increase in long-term			outside liabilities	17,9	21,9
outside liabilities	29,1	-18,8	Total	270,8	469,0
Connection fees to					
Helsinki Cable Television	11,6	19,8			
Total	362,8	505,1			
Change in minority interest	0,0	1,4			
Total	362,8	506,5			
Use of Funds			Use of Funds		
Distribution of profit			Distribution of profit		
Dividends	3,5	3,6	Dividends	3,5	3,6
Other distribution of			Other distribution of		
profit	0,5	2,6	profit	0,5	2,6
Pay-out to the Employee			Pay-out to the Employee		
Profit-Sharing Fund	2,1	14,2	Profit-Sharing Fund	1,6	13,0
Redemption of shares	-	63,0	Redemption of shares	-	63,0
Investments			Investments		
Investment in fixed assets	270,7	385,0	Investment in		
Centennial donation	- 270,7	- 2,1	fixed assets	220,6	315,5
Acquisition of			Centennial donation	- 2,1	313,4
subsidiary shares	5,4	8,9	Group subsidy	66,3	48,4
Conversion gap	-18,6	0,8	Total	292,5	444,0
Total	263,6	476,0			
Change			Change		
in Net Working Capital			in Net Working Capital		
Financial assets:			Financial assets:		
increase+/-decrease-	+30,6	+47,9	increase+/-decrease-	+10,0	+ 8,0
Inventories:			Inventories:		
increase+/-decrease-	- 1,3	- 6,9	increase+/-decrease-	- 1,1	- 5,0
Short-term outside			Short-term outside		
liabilities:			liabilities:		
increase-/decrease+	+69,9	-10,5	increase-/decrease+	-30,6	+22,0
Total	99,2	30,5	Total	-21,7	25,0

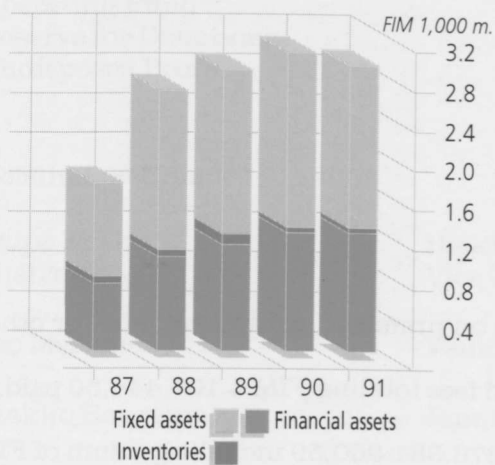
Changes in financial position consolidated



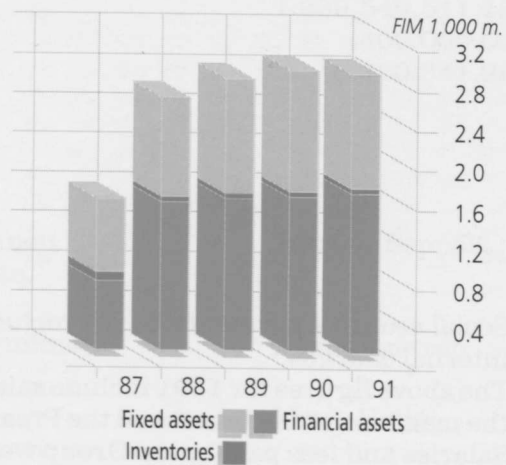
Changes in financial position Sanoma corporation



Assets consolidated



Assets Sanoma Corporation



Wages, Salaries and Social Security Payments of Sanoma Corporation

	1991	1990
Wages and salaries paid to personnel	457.603.796,58	454.614.864,24
Pay for sickness and maternity leave	16.138.887,86	15.410.765,86
Annual holiday pay, including change in reserve	<u>114.265.575,23</u>	<u>112.991.178,37</u>
Wages, salaries and similar items	588.008.259,67	583.016.808,47
Employer's social security payments	22.165.452,76	34.847.924,26
Social insurance payments	91.418.877,19	92.929.923,46
Other statutory fringe benefits	<u>16.849.491,21</u>	<u>8.378.936,21</u>
Total	130.433.821,16	136.156.783,93
Non-statutory fringe benefits	22.329.223,65	23.232.161,03
Transfer to the Sanoma Pension Fund	<u>10.700.000,00</u>	<u>17.350.000,00</u>
Total	33.029.223,65	40.582.161,03
Wages and salaries to non-staff employees	<u>23.634.141,79</u>	<u>24.520.106,49</u>
Grand Total	775.105.446,27	784.275.859,92

Social security payments do not include rents on premises, equipment, etc., or other internal charges.

The above figures for 1991 include salaries and fees totaling FIM 4.107.444,50 paid to the members of the Board and the President.

Salaries and fees paid by the Group were FIM 676.381.960,59 including a sum of FIM 7.819.895,32 to the members of the Board and the Presidents.

Proposal for Distribution of the Profit

The profit for the financial year totals FIM 79.440.515,71. FIM 10.497.041,25 of the profit was retained from the previous year. Hence a total of FIM 89.937.556,96 is at the disposal of the General Meeting.

The Board of Directors proposes that,

from the above mentioned sum of	89.937.556,96
— a dividend of 9,00 marks should be paid on each share . . .	4.177.215,00
— a sum should be transferred to the operating fund	75.000.000,00
— a sum should be transferred to the reserve for charitable purposes at the discretion of the Board	400.000,00
— giving a balance of	10.360.341,96

The balance is to be left on the Profit and Loss Account, and the Board of Directors is entitled to use it for payment of taxes in 1992.

Provided the Annual General Meeting adopts the above proposal, the Corporation's own fund will be as follows:

Share Capital	46.413.500,00
Operating Fund	1.229.549.511,18
Reserve for Donations	400.000,00
Undisposed Profit	10.360.341,96

Helsinki, February 19, 1992

Aatos Erkko
Chairman

Heikki Tikkanen
Vice Chairman

Patricia Seppälä

Teo Mertanen

Väinö J. Nurmimaa

Aarne Castrén

Jaakko Rauramo

Jane Erkko

Merja Helle

L. J. Jouhki

Robin Langenskiöld

Kalle Salonen

Auditors' Report

We have examined the accounting records, the annual report and the administration of Sanoma Corporation for the year ended December 31, 1991. Our examination was made in accordance with generally accepted auditing standards.

Salmi, Virkkunen & Helenius Oy, Authorized Public Accountants have performed the supervisory audit during the financial year.

Parent Company

The Annual Report has been prepared in accordance with prevailing legislation. The profit for the year ended December 31, 1991 is FIM 79.440.515,71

We recommend that
the Income Statement and the Balance Sheet be adopted,
the members of the Board of Directors and the President be discharged of responsibility for the year 1991,
the profit be dealt with as proposed in the Annual Report.

Consolidated Financial Statements

The Consolidated Financial Statements of the Group have been prepared in accordance with prevailing legislation. The non-restricted shareholders' equity amounts to FIM 577.093.000,00.

We recommend that
the Consolidated Income Statement and the Consolidated Balance Sheet be adopted.

Helsinki, March 6, 1992

Antti Helenius

Authorized Public Accountant

Johanna Perälä

Authorized Public Accountant

Circulation Figures

	1987	1988	1989	1990	1991
Newspapers					
Helsingin Sanomat, daily	441.735	457.068	470.708	478.087	482.944
HS Sunday edition	524.109	541.299	557.834	566.109	571.322
Ilta=Sanomat, afternoon paper	204.470	195.279	206.934	215.354	218.642
I=S weekend edition	236.260	222.748	232.407	245.492	253.853
Hyvinkään Sanomat, daily	—	—	—	15.004	14.536
Sanomaprint Magazines					
Me naiset, women's weekly	97.491	99.165	102.054	102.350	99.620
Gloria, women's monthly	42.827	46.620	48.421	50.906	53.589
Gloria Sisustuslehti, interior decoration	—	—	—	—	new
Kodin Kuvalehti, family bi-weekly	165.008	167.321	171.841	177.371	181.376
Suuri Käsityökerho, handicraft	110.130	110.469	107.944	112.313	114.720
Sandra, handicraft (until August 1991)	12.941	17.074	29.413	23.788	15.445
et, for senior citizens	128.079	138.688	154.229	170.400	188.361
Eläinmaailma, Animal World	36.227	37.100	41.809	48.186	49.517
Tiede 2000, Science 2000	33.684	37.574	41.259	43.364	42.422
Terveys 2000, Health 2000	23.046	27.509	32.908	38.657	39.390
Special Interest Magazines					
MikroBitti, Microbyte	41.513	38.872	37.576	39.214	39.346
Tietokone, Computer	11.735	14.866	18.137	21.074	23.875
C=lehti, for Commodore users	13.432	16.066	17.141	17.684	13.459
MacMaailma, MacWorld	—	—	—	3.500	4.110
Proessori, Processor	5.956	6.710	7.362	7.579	7.115
Hifi	13.488	13.253	13.376	13.412	14.411
Skimbaaja, skiing	13.215	13.947	14.566	14.664	15.496
Valmennus & Kunto, training and conditioning	—	—	6.571	9.099	9.798
Street & Race, hot rod	—	—	6.505	8.811	12.850
Venemaailma, boating	—	—	—	7.500	16.980
Tennismaailma, TennisWorld	—	—	—	3.000	4.979
Tuottavuus, Productivity	—	—	—	3.100	2.981
Utemagasinet, outdoor life	—	—	12.000	14.000	16.000
Children's Magazines					
Aku Ankka, Donald Duck	286.760	291.331	304.671	310.646	306.916
Roope-setä, Uncle Scrooge	49.025	52.726	52.577	53.235	51.908
Nalle Puh, Winnie-the-Pooh	44.664	40.196	38.065	37.308	39.823
Nalle Puh, Puuhalehti, Winnie the Pooh, Activity Magazine	—	24.423	26.998	27.674	25.538
Ressu, Snoopy	—	—	—	9.143	9.663
Maailman Vahvin Nalle, Bamse	—	—	—	—	11.389

Pöytäkirja Gustav Ahlroin on maahan-
tuloista kahdella, pöytäkirja on julkais-
suunnitelmaa. Tässä Korpusta siir-
tämät valit on Gustav Ahlroin oh-
jelmasta vammaisista, kukaan ei
kannata Helsingin Naisseur. Pöytäkir-
jasta siirtoja on 24.

Sanoma Group Personnel

In 1991, the Sanoma Group employed an average of 5,435 persons, including 2,225 part-time newspaper deliverers. Excluding newspaper deliverers, the staff decreased by 157. The number of deliverers increased by 47.

The various Group companies had the following staff complements:

	1991	1990
Sanoma Corporation		
— excluding delivery personnel	2,627	2,666
— newspaper deliverers	2,225	2,178
Lehtikuva Oy	79	80
Oy Lippupalvelu-Biljettjänst Ab	—	13
Hyvinkään Sanomat Oy	62	—
Hyvinkään Sanomalehti Oy	—	44
Hyvinkään Kirjapaino Oy	—	111
Erikoislehdet Oy	109	102
Startel, Inc.	75	82
Sanomalehtien Ilmoitustoimisto Oy,		
SITA	55	63
Oy Infodec Ab	18	17
Eurocable Ltd	22	22
Helsinki Cable Television Ltd	88	93
Janco Kabel-TV A/S	75	74
Total	5,435	5,545

As a result of the merger, the staff of Hyvinkään Sanomalehti Oy is included in the personnel figure for Hyvinkään Sanomat Oy as of 1991. Oy Lippupalvelu-Biljettjänst Ab was sold in 1990 and Hyvinkään Kirjapaino Oy at the beginning of 1991.

Gross turnover of personnel, excluding delivery personnel, totaled 3.6% within the Sanoma Corporation and 4.2% for the entire Sanoma Group in Finland. The turnover rate for delivery personnel was 9%. A total of 380 vacation-time substitutes were employed during the year, excluding substitute delivery personnel.

Salaries and wages, including social security payments, were by far the largest expense item, accounting for 41.2% of Group net sales.

Employer-Employee Cooperation

Employer-employee cooperation continued as previously, and, in addition to the Sanoma Group Advisory Committee, there were advisory committees in the following units: Newspaper Division, Sanomaprint, Startel, Eurocable and Lehtikuva Oy.

Personnel Participation in Administration and the Employee Profit-Sharing Fund

Ms Merja Helle and Mr Kalle Salonen, the staff representatives on the Sanoma Group's Board of Directors, continued their three-year terms of service.

The Employee Profit-Sharing Fund, established at the beginning of 1990, was credited with FIM 12,048,585.64 in Group profit-related pay during its first year in existence. Sanomaprint was the only division to receive a profit-related bonus (FIM 2,026,092.91) on the basis of its own budgeted performance; as determined by this figure, the Corporate Administration's share of profit-related pay came to FIM 40,290.

The investment strategy of the Employee Profit-Sharing Fund is to maintain the real value of the principal over the long term and obtain a satisfactory annual yield, and thus to fulfill the objectives set for the Fund. The main objects of investment have been Finnish stocks, bonds and money market instruments.

The Fund has provided the personnel with triannual reports on the interim financial situation and on the progress towards profit-sharing objectives by the Group and by the separate divisions.

Pensioners

Seventy-four members of staff retired in 1991, bringing the number of retirees covered by the Group Pension Fund up to 1,327 by the end of the year. Of this figure, 917 were on old-age pensions, 244 received disability

pensions and 168 were eligible for a survivor's pension.

The Pension Fund paid out a total of FIM 14.5 million in retirement benefits during the year. In 1991, 2,169 employees were covered by the Sanoma Group Pension Fund, and 3,191 solely by the Employees Pension Act TEL.

Our pensioners form an active group who preserve the Sanoma spirit and uphold the Corporation's traditions. Once again, they eagerly participated in excursions, cultural events and entertainment arranged by Sanomain Seniorit, an organization of retired Sanoma personnel.

Personnel Development

The State-supervised and partly State-funded Sanoma Vocational School conducted the bulk of personnel training in the form of in-house courses. Staff training was directed and monitored by the training committees appointed within each of the business units.

A new program was launched to facilitate the training of management and other key staff members. The program will be continuing for the next few years. Several months of study were required of employees working to complete the Helsingin Sanomat Marketing Degree and the Computer Support Personnel Degree, both of which are distance courses. Information technology courses and foreign language training continued to attract the greatest number of students.

A total of 3,004 staff members, or 55% of Group personnel, participated in training courses during the year. There were 390 in-house training sessions. Thirty trainees were enrolled in apprenticeship programs. The average training time per person was

three days. Training costs, including salaries, corresponded to 0.76% of Group net sales and 2.2% of total salaries paid.

Occupational Health Care and Labor Protection

The staff health clinics provided occupational health care, nursing and general health services. A survey was conducted of the occupational strain of the newspaper deliverer's job. In keep with an established tradition, 101 Sanoma employees donated blood. Absenteeism due to illness was 3.3% of the total regular working hours.

During the year, the Group had five labor protection committees serving within the following units: Newspaper Division and Corporate Administration, Varkaus Printing Plant, Sanomaprint, Hyvinkään Sanomat Oy and Helsinki Cable Television Ltd, HTV. The labor protection committee for the Newspaper Division and the Corporate Administration decided to dissolve itself on December 31, 1991. It was agreed that further employer-employee matters would be handled within the Newspaper Division's advisory committee.

There was a total of 237 workplace accidents during the year, as opposed to 281 in 1990. Occupational accidents declined among printers and newspaper deliverers alike. Delivery personnel also experienced fewer accidents on the way to and from work.

Internal Information

The in-house magazine, HESA, was printed eight times in 1991, in editions of 7,500 copies. It was mailed to all employees and pensioners.

The Sanomia in-house bulletin came out 56 times in 1991. Four issues dealt exclusively with profit-related pay and the Profit-Sharing Fund. The bulletin, with a circulation of 6,300, was distributed to employees at places of work.

The newspaper deliverers' own staff magazine, Sanomia jakajillemme, was published three times in 1991. The magazine, in an edition of 3,700 copies, was mailed to the homes of all delivery personnel.

Recreation

Sanoma Corporation supported staff recreational activities through the corporate personnel club, Sanomain Kerho. At the end of 1991, there were 37 sections of the club, four of which were founded during the year. The club arranged the traditional winter and spring day outings, an All Saints' Day celebration and a family Christmas party. A new standard was designed for the club, for use as an award.

Sanoma Day-Care Center

The Sanoma Day-Care Center for the children of employees is run by the Sanoma Day-Care Association. The center tends 40 children of ages three to six.

The Association is subsidized by the local authorities of Vantaa, Helsinki and Espoo. The community of Vihti also participates on a contract basis. Sanoma Corporation provides financial support for the day-care center.

Active cooperation continued between parents and the day-care personnel. The day-care center has a staff of eight.

Net Income Information

1987—1991

USD, in millions except EPS (1)	1987	1988	1989	1990	1991
Net sales	394.3	436.6	510.6	534.1	485.0
Operating profit	78.2	97.8	104.4	112.2	79.1
Interest income, net	0.2	- 1.4	7.6	0.7	5.4
Extraordinary items	- 1.9	0.6	- 1.5	- 9.7	- 6.3
Profit share	—	—	—	- 3.4	- 0.5
Income before depreciation and taxes	76.5	97.0	110.5	99.8	77.7
Depreciation (2)	-39.6	-41.4	-44.6	-46.4	-44.1
Income before taxes	36.9	55.6	65.9	53.4	33.6
Income tax paid	-11.3	-12.9	-20.3	-17.2	-15.8
Deferred income tax expense . . .	- 6.7	-14.3	-12.0	- 9.0	- 0.6
Net income before minority share	18.8	28.3	33.6	27.2	17.1
Minority share of the profit of subsidiaries	0.1	0.1	0.3	- 0.1	0.0
Net income	19.0	28.5	33.9	27.2	17.1
Earnings per share (USD)	39.8	59.9	71.3	58.4	36.8

1) The exchange rate as of December 31, 1991, quoted by the Bank of Finland was FIM 4.125 per USD.

2) Based upon remaining useful lifetime and replacement value.

Income Statement Information 1987—1991

USD, in millions (1)	1987	1988	1989	1990	1991
Income before depreciation and taxes	76.5	97.0	110.5	99.8	77.7
Depreciation according to the Finnish Tax Act	-32.3	-37.9	-46.6	-42.1	-38.3
Additional depreciation allowed by special tax relief legislation	-	-27.1	- 9.4	-	-
Adjustments to untaxed reserves (2)	<u>-17.0</u>	<u>- 4.6</u>	<u>-16.8</u>	<u>-14.5</u>	<u>2.0</u>
Income before income tax paid	27.2	27.4	37.7	43.2	41.4
Income tax paid	<u>-11.3</u>	<u>-12.9</u>	<u>-20.3</u>	<u>-17.2</u>	<u>-15.8</u>
Statutory net income	15.9	14.5	17.4	26.0	25.6

- 1) The exchange rate as of December 31, 1991, quoted by the Bank of Finland was FIM 4.125 per USD.
- 2) For Finnish tax purposes, companies are allowed to claim various tax deductions principally by charging income for adjustments to untaxed reserves and accumulating these charges on the balance sheet. These adjustments must also be reflected in the financial statements. Earnings per share calculations are based on net income after taxes net exclusive of untaxed reserves.

Directors and Officers

Board of Directors

Aatos Erkko, Chairman
Heikki Tikkanen, Vice Chairman
Aarne Castrén
Jane Erkko
Merja Helle, Personnel Representative
L.J. Jauhki
Robin Langenskiöld
Teo Mertanen
Väinö J. Nurmimaa
Jaakko Rauramo
Kalle Salonen, Personnel Representative
Patricia Seppälä

Executive Committee

Aatos Erkko, Chairman
Jaakko Rauramo
Heikki Tikkanen

Compensation Committee

Aarne Castrén, Chairman
L.J. Jauhki
Teo Mertanen
Väinö J. Nurmimaa

Media Policy Committee

Teo Mertanen, Chairman
Aatos Erkko
Jaakko Rauramo
Heikki Tikkanen

Finance Committee

Aatos Erkko, Chairman
L.J. Jauhki
Jaakko Rauramo

Corporate Administration

Aatos Erkko, Chairman and Chief Executive Officer

*Jaakko Rauramo, President and Chief Operating Officer

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*Heikki Huhtanen, Executive Vice President and General Manager, Newspaper Division
Nils Ittonen, Vice President, Portfolio Management

*Tapio Kallioja, Vice President and General Manager, New Media

*Seppo Kievari, Executive Vice President, Publisher

*Martti Ojares, Executive Vice President, Finance

*Kerstin Rinne, Vice President, Planning and Administration

*Heikki Saraste, Vice President and General Manager, Sanomaprint

*Pekka Toropainen, Vice President, Sanoma Real Estate

*Member of the Internal Board

Newspapers

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Seppo Kievari, Publisher, Executive Vice President

Sakari Almi, Vice President, Marketing, Ilta=Sanomat

Matti Huopaniemi, Vice President, Marketing, Helsingin Sanomat

Klaus Hämäläinen, Manager, Varkaus Printing Plant

Tapani Kivelä, Vice President, Administration and Finance

Martti Koski, Manager, Forssa Printing Plant
Caroline Lilius, Sales Director, Helsingin

Sanomat Advertising Sales

Raija Liihola-Lassuri, Sales Director, Helsingin Sanomat Advertising Sales

Pertti Metsähuone, Vice President, Advertising Sales, Helsingin Sanomat

Jouko Nurmela, Vice President, Production
Sulo Nuutinen, Vice President, Production,

Prepress

Pertti Puolakka, Vice President, Logistics

Pekka Salmén, Vice President, Production, Sanomala Printing Plant

Ilkka Seppälä, Vice President, Development

Pekka Soini, Sales Director, Helsingin Sanomat Advertising Sales

Helsingin Sanomat

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Keijo K. Kulha, Editor in Chief

Reetta Meriläinen, Editor in Chief

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Hyvinkään Sanomat Oy

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Hannu Kilttilä, Vice President, Commercial Printing
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Magazines

Editors in Chief

Maija Aftan, Kodin Kuvalehti
Tuula Koukku, Tiede 2000
Veijo Käyhty, Me naiset
Kaisa Larmela, et-lehti
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Riitta Lindegren, Gloria and Gloria Sisustuslehti
Ulla-Maija Paavilainen, Me naiset
Jali Ruuskanen, Terveys 2000
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Pirkko Vuorio, Vauva

Children's Magazines

Editors in Chief

Paula Antila, Nalle Puh, Nalle Puh Puuhalehti,
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Erikoislehdet Oy

Special Interest Magazines

Eero Sauri, Managing Director
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Editors in Chief

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