



CONTENTS

4	Key figures and organisation
6	Management review
8	Market development
10	Mission, vision, values and objectives
12	Sanoma's change
14	Key events and operating countries
16	Divisions Sanoma Magazines, p. 18 Sanoma News, p. 22 Sanoma Entertainment, p. 26 Sanoma Learning & Literature, p. 30 Sanoma Trade, p. 34
38	Corporate responsibility Personnel, p. 40 Environment, p. 44
46	Board of Directors
48	Executive Management Group
50	Other management

FINANCIALS

3 KEY INDICATORS, 4 NET SALES BY BUSINESS, 5 OPERATING PROFIT BY DIVISION, 5 INCOME STATEMENT BY QUARTER, 6 BOARD OF DIRECTORS' REPORT 14 CONSOLIDATED FINANCIAL STATEMENTS, 18 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS, 56 DEFINITIONS OF KEY INDICATORS, 57 SHARES AND SHAREHOLDERS, 64 PARENT COMPANY FINANCIAL STATEMENTS, 70 CORPORATE GOVERNANCE, 74 RISK MANAGEMENT, 77 INVESTING IN SANOMA, 78 RELEASES 2008, 79 BROKERAGE HOUSES PROVIDING ANALYSES OF SANOMA

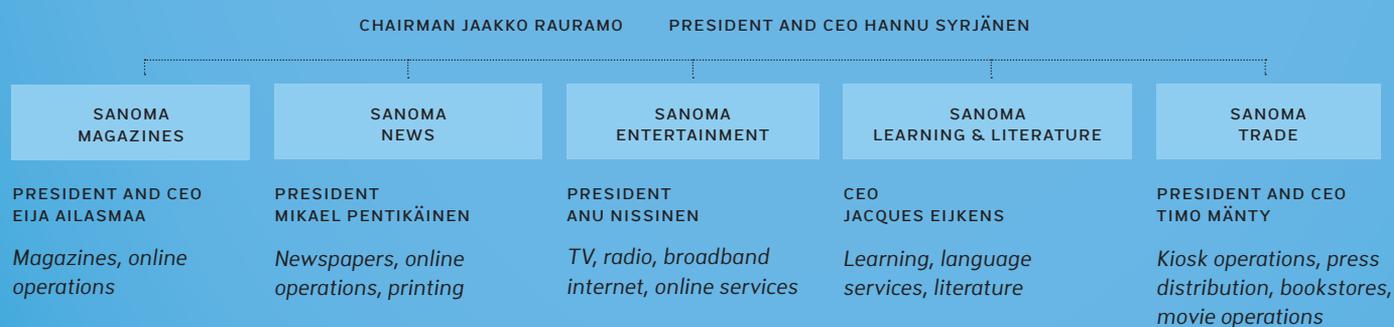
Sanoma is a strong European media company. In 2008, the Group net sales amounted to EUR 3,030 million. Sanoma offers a challenging and interesting working environment for over 21,000 people in 20 countries throughout Europe. We bring information, experiences, education and entertainment to millions of people every day. We make sure that quality content and interesting products and services are easily available and meet the demands of our customers.

Key figures and organisation

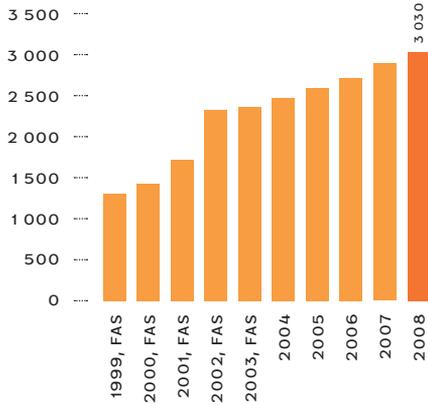
Key indicators, EUR million	2008	2007	Change, %
Net sales	3 030.1	2 926.3	3.5
Operating profit excluding non-recurring items	295.7	305.2	-3.1
% OF NET SALES	9.8	10.4	
Operating profit	236.3	343.8	-31.2
% OF NET SALES	7.8	11.7	
Result for the period	120.8	246.1	-50.9
Balance sheet total	3 278.7	3 192.3	2.7
Capital expenditure	109.9	90.5	21.4
Return on equity (ROE), %	9.1	18.6	
Return on investment (ROI), %	10.7	15.9	
Interest-bearing liabilities	971.6	793.3	22.5
Equity ratio, %	40.0	45.4	
Net gearing, %	78.5	58.2	
Dividend payout ratio, % *	125.1	67.9	
Effective dividend yield, % *	9.8	5.1	
P/E ratio	12.8	13.3	-3.9
Market capitalisation, EUR million	1 479.7	3 196.2	-53.7
Average number of employees	21 329	19 587	8.9
Average number of employees (full-time equivalents)	18 168	16 701	8.8

* YEAR 2008 PROPOSAL OF THE BOARD OF DIRECTORS

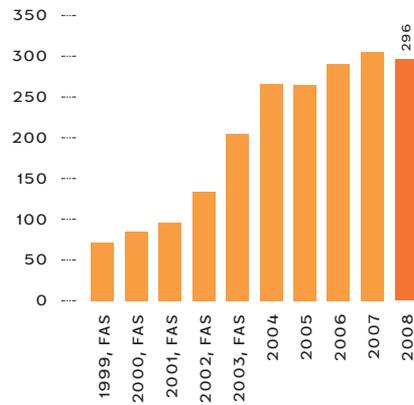
SANOMA GROUP



NET SALES, EUR MILLION

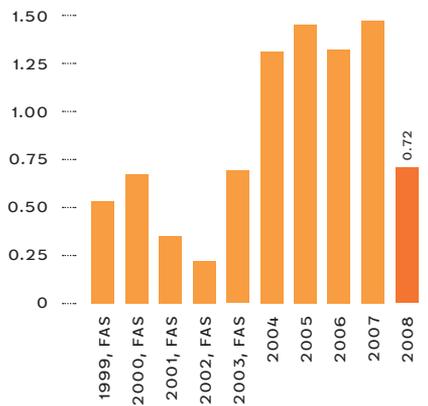


OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS, EUR MILLION

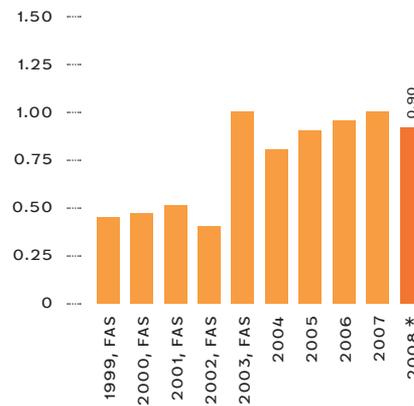


1999-2003
INCLUDING
NON-RECURRING
ITEMS

EARNINGS/SHARE, EUR

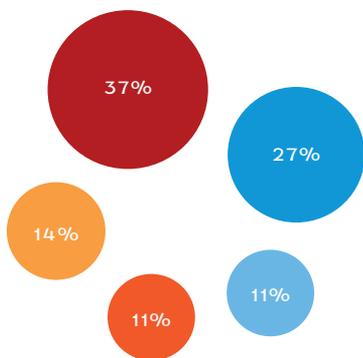


DIVIDEND/SHARE, EUR

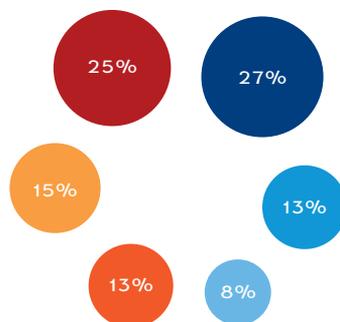


* YEAR 2008
PROPOSAL OF
THE BOARD OF
DIRECTORS

NET SALES DISTRIBUTION



- MAGAZINES
- NEWSPAPERS
- PRINTED EDUCATIONAL MATERIAL AND BOOKS
- DIGITAL MEDIA
- RETAIL



- ADVERTISING SALES
- SUBSCRIPTION SALES
- SINGLE COPY SALES
- DISTRIBUTION SALES
- EDUCATIONAL PUBLISHING (INCL. BOOKS)
- RETAIL AND OTHER



Strength equals success

Leading market position and competitive products are Sanoma's greatest assets. According to Chairman of the Board Jaakko Rauramo and President and CEO Hannu Syrjänen, future growth is key to continued success.

"The economic downturn also offers plenty of opportunities. We will see considerable changes in market shares."

"All in all, we had a good year in 2008," says **Jaakko Rauramo**. The numbers support this view: the Sanoma Group's operating profit excluding non-recurring items nearly matched the level achieved in 2007, a record-breaking year in the Group's history.

In 2008, the Sanoma Group acquired the Polish Nowa Era and Swedish Intervendum, expanding its educational publishing business and language services, respectively. In its magazine business the Group continued to actively develop and adjust its product portfolio. Digital products and services made strong progress around Europe.

THE GLOBAL RECESSION hit the media business in the second half of 2008. According to **Hannu Syrjänen**, predicting the near future has never been as difficult as it is now.

"The effects of the slowdown are the same throughout the media business. In Finland, the economic decline initially slowed sales in job and real estate advertising. Generally, newspapers and television are quicker to react to economic fluctuations than magazines," Syrjänen explains.

Rauramo points out that the wide range of Sanoma's product offerings softens the blow. Revenue from advertising constitutes only one fourth of the Group's net sales.



HANNU SYRJÄNEN



JAAKKO RAURAMO

"Most of our revenue comes directly from consumers, and this spending is not nearly as cyclical as advertising. We differ from many other media corporations in that they are clearly more dependent on advertising income."

ONE OF SANOMA'S STRATEGIC OBJECTIVES is to be the market leader in chosen businesses and markets. This is a core strength in both good times and bad.

"Clients seek a safe haven during economic declines. They are unwilling to try new options and instead seek market leaders with proven channels and techniques. This favours strong corporations over smaller companies and inevitably reduces the competition," Rauramo says.

"Recession wipes out the more marginal ventures also in digital media. These include online services based on wishful thinking rather than a sustainable business model. For this reason, I believe that digitalisation will come through evolution, not revolution. Our business models in traditional media are tried and true."

ADVERTISING TENDS TO overreact to changes in gross domestic product.

"I can certainly see this happening again," says Syrjänen. "At first, companies will defer their campaigns to save costs. They will soon realise, however, that less advertising also means less income."

"I doubt that advertising will change dramatically at the annual level. Businesses simply need to communicate their products and services in order to survive."

Of course, strong corporations are not totally immune to economic fluctuations.

"We always adjust our operations to current business conditions and the foreseeable future. The old adage about cutting your coat according to your cloth still applies. Our long-term goals remain unchanged, but we need to focus more on cost management and structural arrangements," Rauramo adds.

SUSTAINABLE GROWTH is one of the Sanoma Group's long-term goals. Even though the Group has decided to refrain from new big investments and acquisitions for the time being, it will monitor market developments closely.

"The economic downturn also offers plenty of opportunities. We will see considerable changes in market shares. Opportunities will present themselves. We must keep cool and wait for the right moment," Syrjänen predicts.

THE GROUP CHANGED its name to Sanoma in October 2008. At the same time, the different divisions adopted more consistent names. A more concise and expressive name conveys a clearer picture of the Group as a whole.

"The new name is a strength in investor and customer relations. It also helps our employees see the Group as one and feel that they belong. The importance of community spirit can never be stressed enough."

Rauramo believes that a strong brand is an asset in recruiting new talent. After all, the media is a people's business.

"Focusing on media's growth areas is a primary objective in our strategy, and talent differentiates us from the competition. We need more experts with multiple skills in producing content for print and online media as well as television. We also need to know how to market this content, and both the technical platforms and distribution channels naturally need to work perfectly. In addition, we need leaders to manage the multitude," says Rauramo.

"Sanoma has over 21,000 employees. To achieve our goals, we need all types of competence, both stars and team players," Syrjänen adds.

He emphasises that collaboration and a feeling of community, a sense of togetherness, are the best guarantees of success, especially in difficult times.

Technological advances, population ageing and many other megatrends shape media companies' strategies. These trends present new challenges as well as new opportunities. Sanoma is ready for both.

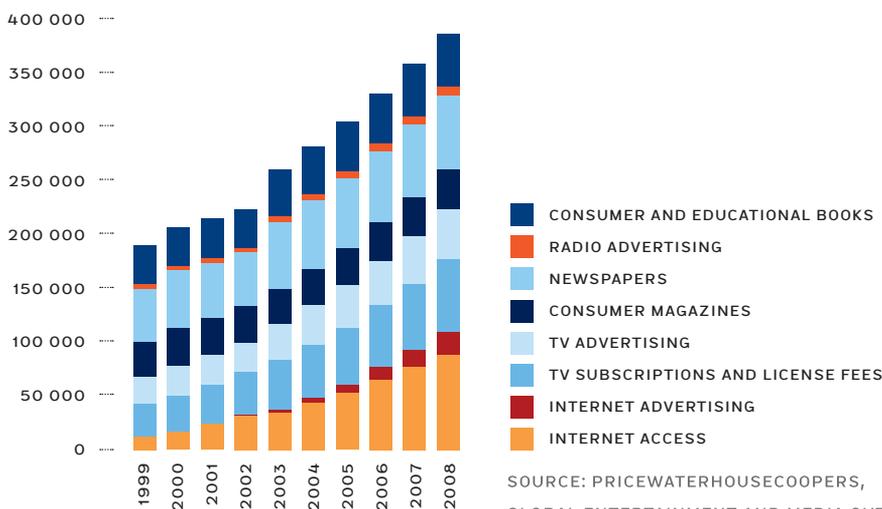
Business changes with major trends

Media companies face historic turmoil and change as technology leaps forward, consumer behaviour changes, and new competition emerges continuously. All these changes affect one another.

Leaps in technology, for example, engender novel services and new competition. At the same time, consumer behavior changes: consumers expect free services on the internet, and this demand generates more and more sponsored products. The competition for attention intensifies, and consumer habits fragment into ever smaller segments.

Current megatrends include not only the evolution of the internet, but also population ageing, decreasing family size, stronger social media, increasing mobility, growing entertainment consumption and converging technologies. Different combinations of these engender a myriad of changes great and small, all of which require a response from the companies involved – preferably in advance.

MEDIA MARKETS IN EUROPE, USD MILLION



SOURCE: PRICEWATERHOUSECOOPERS, GLOBAL ENTERTAINMENT AND MEDIA OUTLOOK: 2008-2012

MEGATRENDS: mobile broadband growth, converging media technologies, increasing mobility, fragmentation of client groups, population ageing, decreasing family size, strengthening social networks, increasing amount of free services, stronger ad-sponsored services, growing consumption of entertainment, increasing global competition...

MEDIA COMPANIES SHOULD TAKE CHARGE OF MEGATRENDS. It would be rash to claim that these changes do not present considerable challenges for media companies. It would be even rasher to maintain, however, that changes do not create incredible opportunities.

Some of the more traditional products offered by media companies are in a challenging situation; this is particularly true, for example, in the printed newspapers.

The changing competition makes it essential for companies to constantly develop new products and services, which in turn requires a great deal of new competence and a fresh mindset. Sanoma has secured these by acquiring companies, implementing extensive employee training programmes, and partnering with global players.

At the same time the role of the media companies changes. They become more than content providers. This happens especially in the online world, but also the printed media offers new creative services for readers and advertisers. A huge amount of new advertising networks, sponsored links and advertising funded models develops.

In spite of these changes media companies have their traditional mission to create content and combine their audience and advertisers.

Megatrends' impacts are immense, but not sudden. Companies need not make turnabouts; they can adjust to changes and develop one step at a time – even if that step is a long one.

The steps and leaps Sanoma has taken are already evident as substantial changes in its business portfolio. In a few years, Sanoma has grown from a traditional Finnish newspaper company into a European multimedia conglomerate. Digital business constitutes more than 11% of the Group's net sales, and online operations generate the fastest-growing stream of income within the Group.

New technology constantly gives rise to new models of operation. In Sanoma, these range from online price and product comparison services to live broadcasts from the New York's Metropolitan Opera, as shown in Finnkino movie theatres in Finland.

Megatrends are apparent even in the Group's kiosk chain. New technology has brought new electronic services to the product range, and decreasing family sizes also present new opportunities, such as selling fast food. Globalisation has facilitated the chain's expansion to Russia, among other countries. In other words, not only does Sanoma exploit existing trends, it also creates new ones.

THE DEVELOPMENT IS CONTINUOUS. The changes generated by major trends are unstoppable, and many of them are even likely to gain added momentum from the economic slowdown; free internet services, for example, will undoubtedly become more popular.

Sanoma keeps an eye on the new trends and develops new businesses continuously. It will not brake and become moss-grown. The Group is constantly shaping a new vision of what the company will be like in a few years. It needs an even better understanding of changes in consumer demand: What type of services will interest tomorrow's youth? How will lifelong learning affect the media and its business opportunities? What type of services will the baby boomers need when they retire?

Great changes raise great questions that leave no business unaffected. How will a business newspaper create new services on the internet? Will textbooks only be published online? Who will be our future competition?

Many of these questions have no easy answers. Finding the right answers is important, but it is equally important to build an organisation that is ready for unforeseen changes. Organisational models need to be flexible and the people need to have a genuine interest in new models of operation. This requires a great deal. From everyone.

A leading European media company

Values

Creativity

Creative work is the essence of communications.

Reliability

Creativity and reliability form the basis of all our actions.

Dynamism

Our success is based on creative, reliable and dynamic people.

Strategy

Our goal is to be one of the leading media companies in Europe, with a focus on sustainable growth and profitability.

OUR STRATEGIC OBJECTIVES ARE:

- To be the market leader in chosen businesses and markets.
- To maintain a balanced business portfolio of B2C and B2B products and services.
- To investigate opportunities to internationalise our TV operations.
- To maximise our strategic position in retail.

FOCUS AREAS

MAGAZINES: We will continue to grow in print and digital media.

NEWSPAPERS: We will actively develop our business to maintain our profitability and to ensure controlled migration from print to digital.

LEARNING AND LANGUAGE SERVICES: We will grow via further internationalisation and entering new segments.

ONLINE: We will strongly develop and expand our online assets.

Mission

To be the market leader in satisfying people's needs for information and education, and for an easier and happier life.

Vision

To be the media company of opportunities and operational excellence.

LONG-TERM FINANCIAL TARGETS

EBIT margin, %

Net debt/EBITDA

Equity ratio, %

Gearing, %

Investments/year, EUR million

Net sales growth, %

Digital business, % of net sales

Dividend policy, %

TARGET LEVEL

12 (in 2008: 9.8, excluding non-recurring items)

< 3.5 (2.1)

35-45 (40)

< 100 (78.5)

< 100 (109.9)

Faster than GDP growth in main operating countries (3.5)

To increase digital business significantly (11.4)

Over half of Group result after taxes distributed in dividends (125.1)



1999

Sanoma and WSOY merged – the Group was formed



2001

Magazine business internationalised



2003

Rautakirja merged to the Group

Strong roots foster international growth

The first ten years of Sanoma's European success story

Sanoma inspires, informs and connects.

In 1999, the first of May was not only the beginning of spring. It also marked the first chapter in one of the greatest success stories in European media: Sanoma, WSOY, Helsinki Media and Devarda merged to become the SanomaWSOY Group, by far the largest media corporation in Finland. This new conglomerate focused its growth on educational publishing, new online business opportunities, and internationalisation, particularly in magazine publishing.

In a decade, the Group has grown rapidly beyond national borders. Its roots, however, run deep in its operating countries and their media cultures.

In Finland, Sanoma has fostered creativity and freedom of speech ever since *Päivälehti*, the predecessor to daily newspaper *Helsingin Sanomat*, was established in 1889.



2004

Educational publishing expanded to the Netherlands and Belgium

2005

Magazine business expanded to Russia

2008

The Group's name changed to Sanoma

Elsewhere in Europe, Sanoma's products and brands are market leaders with strong local traditions. Educational publishers Malmberg and Van In were established in the Netherlands and Belgium in the middle of nineteenth century. *Kvety*, the Group's oldest magazine still in circulation, was launched in 1834 in what is now the Czech Republic.

INTERNATIONALISATION gained added momentum in 2001, when the Group acquired the consumer magazine business of the Dutch media group VNU. This made Sanoma Magazines a notable European magazine publisher that currently operates in 13 countries.

The retail specialist Rautakirja merged into the Group in 2003. Press distribution has expanded strongly over the years, and the Group now runs distribution operations in seven countries.

International growth in educational publishing began in 2004 with the

acquisition of the Dutch publisher Malmberg. The expansion has continued, and the Group now produces educational materials in five European countries.

The acquisition of Independent Media, Russia's largest consumer magazine publisher, in 2005 marked an important step for Sanoma in terms of new markets. Today, the Group's publishing business in Russia is complemented by press distribution and kiosk operations.

Online business is one of the focus areas for growth, as the evolving electronic channels present interesting business opportunities. Sanoma has already secured a strong position in online business in the Netherlands, Finland, Hungary and Bulgaria.

CLOSER COLLABORATION between the different divisions is key to continued success. To serve this purpose, the Group adopted in 2007 a new manage-

ment model that creates more synergies, facilitates effective business decisions and reduces overlapping operations.

In October 2008, SanomaWSOY changed its name to Sanoma, which reflects the feeling of greater unity. The new name is complemented by a new brand design. The different divisions continue their expert work in their respective fields, but the emphasis is now more on the common good, the big picture.

THE FUTURE IS HERE. Sanoma's goal is to be one of the leading European media companies, with sustainable growth and profitability. A feeling of community within a more united Sanoma helps us to reach our goal.

Investments in focus areas continue

Sanoma developed its operations in all operating countries in 2008. The Group got a new name and visual identity in the autumn. In the future the Sanoma brand will also be more visible in the hundreds of millions of yearly customer encounters.

SANOMA MAGAZINES

Sanoma Magazines developed its position as the leading publisher in the Netherlands even further, and was able to gain market share through successful launches of new print brands and acquisitions in digital media. An important step was the acquisition of European Auto Trader. *Autotrader.nl* is one of the largest Dutch websites focused on used cars. Altogether the Division's over 80 print brands reach 71% and 200 websites 65% of the Dutch population.

Sanoma Magazines is also Bulgaria's leading magazine publisher. After the Netinfo acquisition, Sanoma Magazines

is also country's largest online operator. Netinfo's portfolio consists, e.g., of Bulgaria's most popular news site and the largest email service.

The core of Sanoma Magazines' operations is the locally-known magazines. The 10th edition of Sanoma Magazines' title *Story* was launched in Slovenia. *Story* is also published in Belgium, Bulgaria, Croatia, the Czech Republic, Hungary, the Netherlands, Romania and Ukraine.

In Russia Sanoma Magazines expanded its portfolio with launches and acquisitions.

SANOMA NEWS

Sanoma News developed its newspapers markedly. As was the tabloid *Ilta-Sanomat*, the weekend supplement *Ilta-Sanomat Plus*, the weekly supplement of *Helsingin Sanomat NYT* like the free sheet *Metro* renewed. Sanoma News has strongly invested in digital services alongside with the printed products and its online services reach more than 73% of Finns over 10 years of age. In 2008, Sanoma News acquired *Rakentaja.fi* and its sister sites to complement its offering in online services.

SANOMA ENTERTAINMENT

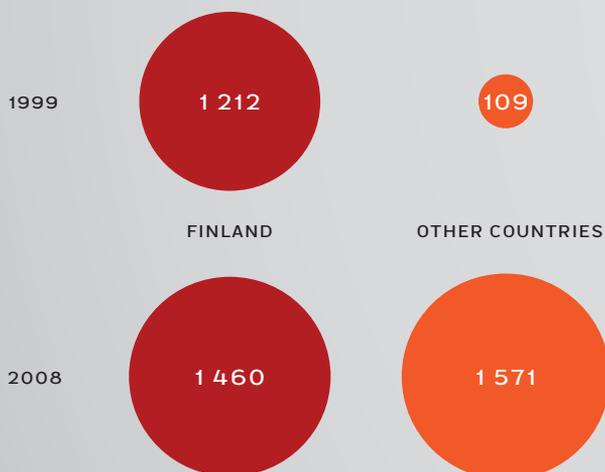
Sanoma Entertainment grew strongly thanks to good pay TV and broadband sales of Welho, and new TV channels. Pay TV operations were developed by investing especially in offering the high definition channels. Of new TV channels Jim was the most successful.

SANOMA LEARNING & LITERATURE

Sanoma Learning & Literature expanded its learning operations in Poland when the acquisition of Nowa Era was completed in March. The country's second largest publisher offers a wide selection of educational materials. The Division's Young Digital Planet, also operating in Poland, concentrates on e-learning materials.

The acquisition of Swedish Interventum clearly strengthened Sanoma Learning & Literature's language

NET SALES BY GEOGRAPHIC AREA, EUR MILLION





service operations. The aim is to expand the Group's language services into a leading service provider for Northern and Eastern Europe supporting the customers' ability to work in a multi-lingual and multi-cultural business environment.

In Finland Sanoma Learning & Literature launched an edutainment product series, Oppi & Ilo, for children under 12 years.

SANOMA TRADE

Sanoma Trade took a significant step in Russia when it acquired KP Roznitsa's 89 kiosks in the Rostov region in Southern Russia in March. In July, Sanoma Trade's kiosk operations expanded to Romania, while the first R-kiosks were opened in the country's largest cities.

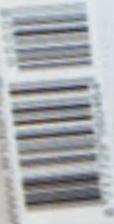
There were already 16 kiosks at the end of the year.

Sanoma Trade also opened a state-of-the-art movie centre in Finland. The new multiplex brings also 3D movies to the repertoire.



OKTOBER 2008 PRISZ €6,25

Unglaublich 50 Oktober 2008 www.bildmagazin.de



50



Sanoma Magazines is a leading publisher of magazines and strong in digital media in 13 European countries. The company actively reaches out to an audience of 290 million consumers at every life stage, and aims to strengthen the market leading positions in all of its markets.

Building brands, carving cornerstones

"We have made significant investments in the competitive strength of our brands, and this has reaped rewards," says **Eija Ailasmaa**, President and CEO of Sanoma Magazines. "When the economic climate becomes challenging, the strength of our brands becomes especially important."

Ailasmaa counts some twenty magazines as the main brands of Sanoma Magazines. They are market leaders in their respective areas, and many have already attracted a fourth or fifth generation of readers. These long-time favourites include, for example, the women's magazine *Libelle* in the Netherlands and *Donald Duck* in Finland. According to Ailasmaa, continuous development as well as exciting innovations are the key to their success.

LONG-TERM INVESTMENTS in the product and service range produced results in 2008. Ailasmaa is particularly pleased with Sanoma Magazines' all-round success in the Netherlands, its largest market, where the Division's

market share increased, advertising sales in print magazines took an upward turn, and online business grew faster than the market. Sanoma Magazines Finland's performance was excellent, clearly outperforming the market. "Romania, Bulgaria, Ukraine and Russia also showed high growth rates. But the economic climate in Russia is now very challenging," says Ailasmaa.

Each country requires products that correspond to its culture. However, through careful localisation, a successful product can be launched in multiple countries. The weekly *Story* is a prime example: it recently launched its 10th version in Slovenia. Altogether, Sanoma Magazines launched or acquired over 30 magazines in 2008. At the same time the company also closed or sold some titles, demonstrating active portfolio management that is in balance with changing consumer values.

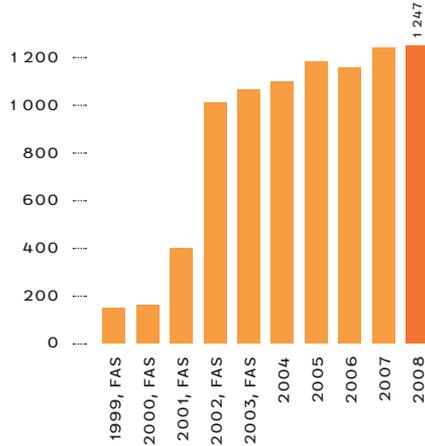
THE MAIN BRANDS ensure a solid foundation for Sanoma Magazines' new and over 300 existing magazines

to grow, embrace new opportunities, and open-mindedly develop with the times. In the Netherlands, for example, the newcomer *Flow* surprised its readers with refreshingly unconventional content and varied paper choices. *Flow* seeks to balance the bustle of everyday life with content that fosters peace of mind and also gives readers a taste of different lifestyles. "A new trend is always an opportunity to adjust established brands and to create new ones," Ailasmaa says.

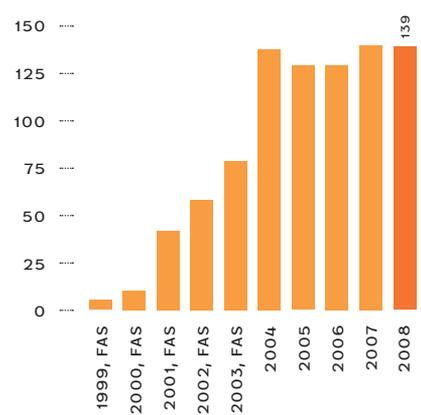
New magazines need not necessarily start from scratch. The Belgian magazine *Goedele* is a concept built around a psychologist who hosts a television show and has authored several books and who originally became a household name after winning a beauty contest.

Goedele was loosely modelled on *Linda*, a Dutch magazine centred on a television personality. *Linda* was launched five years ago and has since developed into one of the most popular magazines in Sanoma Magazines' portfolio.

NET SALES, EUR MILLION



OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS, EUR MILLION



1999–2003 INCLUDING
NON-RECURRING ITEMS

Formerly a minority shareholder, the company acquired *Linda* in 2008. "We are very happy that *Linda* is an integral part of Sanoma Magazines. Now we can develop the magazine further as one of our main brands," Ailasmaa explains.

The acquisition of European Auto Trader in the Benelux countries strengthened the leading position Sanoma Uitgevers has in the car and motor media market. European Auto Trader manages *Autotrader.nl*, one of the largest automotive websites in the Netherlands focused on used cars.

In addition to magazine brands, Sanoma Magazines has several hundred online brands. Over the years, the company has both created and acquired online services. In 2008, Sanoma Magazines acquired a majority in the leading Bulgarian internet company Netinfo, to name but one.

ONLINE BUSINESS is strongly based on independent business models, such as online marketplaces and search engines.

"We are developing our digital business vigorously in all markets. Our leading position in the Netherlands and Hungary will provide increasing benefits to other markets in the future," Ailasmaa says. "We have reached an entirely new level in sharing knowledge and skills

"A new trend is always an opportunity to adjust established, well-known brands and to create new success stories."

within the Division. We continually seek new benefits and opportunities to learn how to work together more closely."

In 2008, this resulted in systematic collaboration between thirteen operating countries in digital media. The goal is to develop and apply common business

models and their technical and commercial solutions.

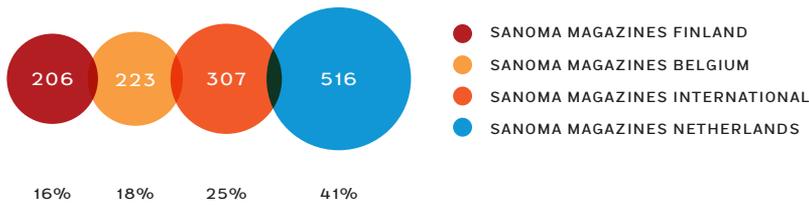
Ailasmaa is convinced that enhanced co-operation reduces risks. "Increased sharing means faster learning."

Sanoma Magazines actively supports personnel training by creating opportunities for learning and sharing. Lectures delivered by outside experts bring fresh ideas, and international staff meetings facilitate the sharing of competence and best practices.

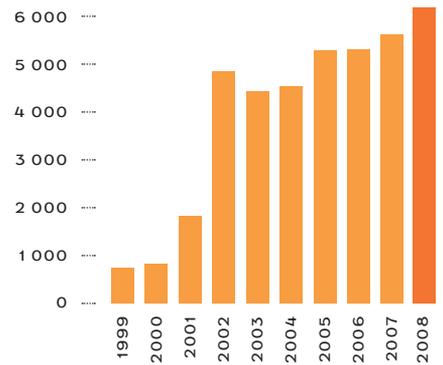
COLLABORATION LEADS

TO BREAKTHROUGHS and consistent success at its best, and it also increases effectiveness. Some of the projects launched recently at Sanoma Magazines seek to reduce costs. "We have implemented major initiatives, and their significance will continue to grow," says Ailasmaa.

NET SALES BY BUSINESS, EUR MILLION



PERSONNEL



SANOMA MAGAZINES



She expects great benefits from information technology projects, in particular the renewal of the current subscription system in Finland. "We'll be moving to a new environment, one that is already used in the Netherlands. This way we can use our extensive experience in the Netherlands whilst at the same time make sure that the system in Finland fits with our company's specific needs."

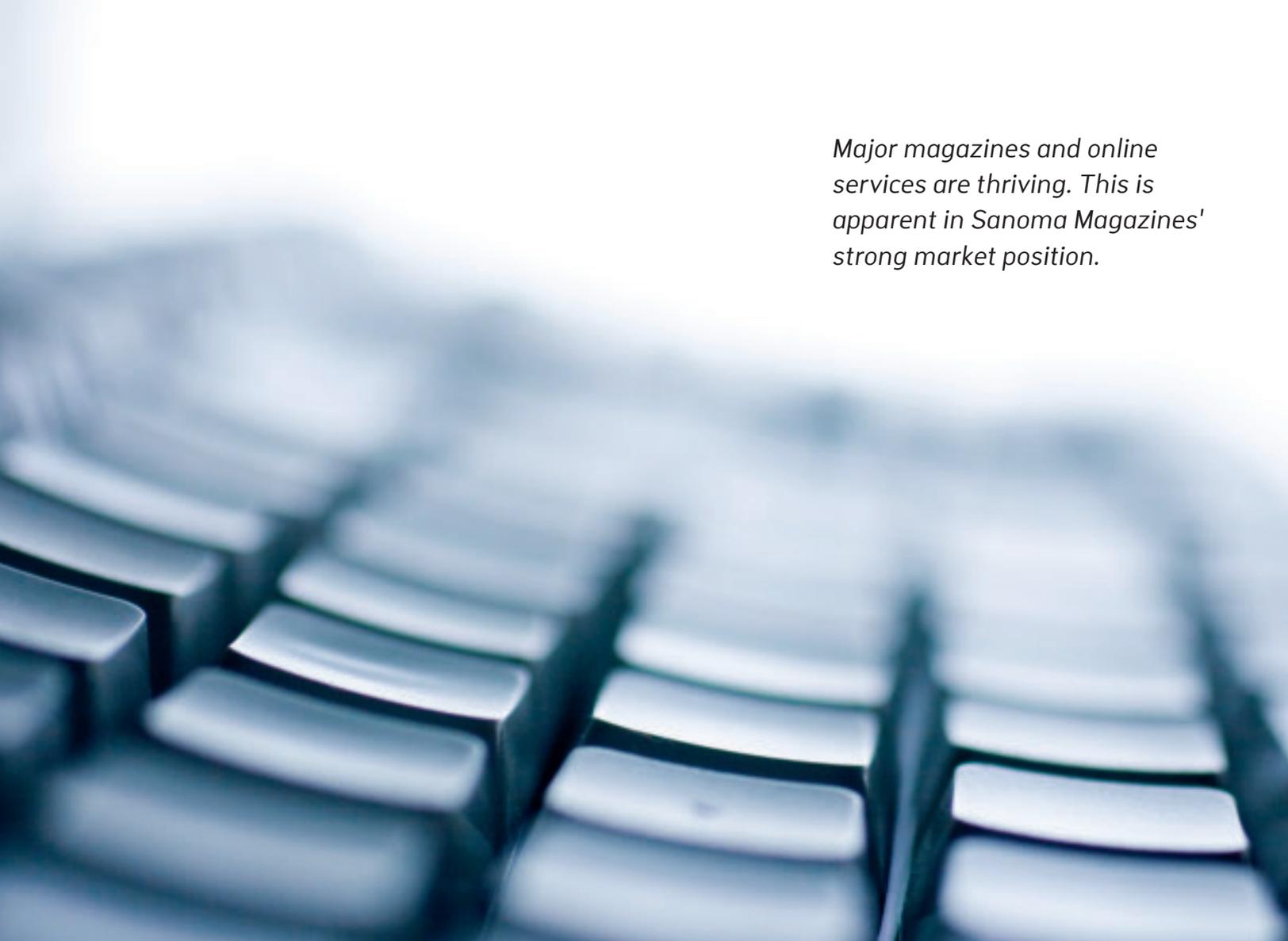
Ailasmaa believes that efficient practices and strong brands offer protection against the fluctuations of an uncertain economy. "Our position in relation to others is likely to grow stronger, as uncertainty creates opportunities. We can even adjust the content of our magazines to better respond to new trends and values." She stresses, however, that success requires a more active relationship with advertisers.

Popular events, television programmes and websites further expand the magazine brands and deepen the contact between advertisers and consumers. Several of Sanoma Magazines' events for instance attracted record numbers of visitors. The annual Margriet Winterfair, for example, attracted close to 100,000 visitors, a new record in 2008.

In 2008, Sanoma Magazines continued to divide its clientele into smaller groups defined by various factors, such as current life situations. "Every life change – move, childbirth, retirement – offers us an opportunity for a new approach." Anticipating and responding to customers' needs is ever more important; this also applies to advertising clients. To serve this purpose, the company established a dedicated department in the Netherlands to lead the way in interactive marketing.

Ailasmaa expects Sanoma Magazines to evolve from a leading European magazine company to a leading European consumer media company – with strong magazine brands.

"The print magazine is a strong and lasting media product."



Major magazines and online services are thriving. This is apparent in Sanoma Magazines' strong market position.

Collaboration **reaps rewards**

The renewal of Sanoma Magazines Finland's subscription and financial management systems transfers the company's customer data to the SAP system managed by the Dutch sister Sanoma Uitgevers, and it also changes employees' work processes and develops future working methods.

The new system will first be put to use in Sanoma Magazines Finland's customer service department, which answers as many as four thousand calls a day. The leading Finnish magazine publisher and its thirty-five magazines have 1.6 million subscribers.

"It is not just about having a new data system, but especially how we organise our operations in the future. This is a huge advantage, that we have the expertise on using the system within our own Division. The joint project between Finland and the Netherlands has already been tested, when our media sales system was replaced," says Chief Financial Officer **Markku Kiiskinen**.

As soon as the subscription and financial management systems are compatible, the data is available for all users

throughout the entire system. This will improve customer service, because call centre representatives will have more detailed client history at their disposal. Streamlined operations will also facilitate more efficient decision-making.

This development project, initiated in the autumn of 2008, is not limited to information technology. Developing business operations with future needs in mind is an equally important goal. "Subscription sales constitute a significant part of the magazine publishing market in both countries. We have already found common ground and have learned a great deal from each other. This project is a great example of sharing best practices across borders," says **Päivi Piipponiemi**, Director, Business Processes.

The leading newspaper publisher in Finland is taking news into a new era. In addition to its print products, Sanoma News is also investing strongly in digital business.

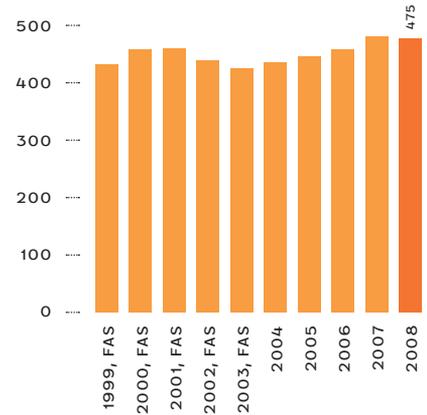
Print and online go together well

"The printed word will remain strong in Finland, if boldly developed and enhanced," says **Mikael Pentikäinen**, President of Sanoma News. "The print media is complemented by a growing multitude of digital services."

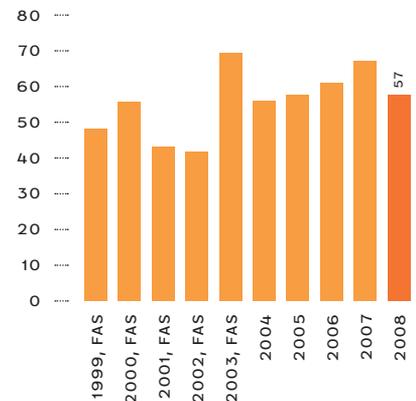
The daily newspaper *Helsingin Sanomat* leads the way with continued success in 2008. Its circulation remained stable, and an increasing number of readers check the online or mobile edition for the latest news during the day, after reading the print edition in the morning.

DIGITAL BUSINESS grew at a record rate, about 50%, which is faster than the overall market. Pentikäinen lists bold business development, increased amount of services, and improved internal collaboration as the reasons behind the successful year of digital operations. Advertisers can now find

NET SALES, EUR MILLION



OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS, EUR MILLION



1999-2003 INCLUDING NON-RECURRING ITEMS

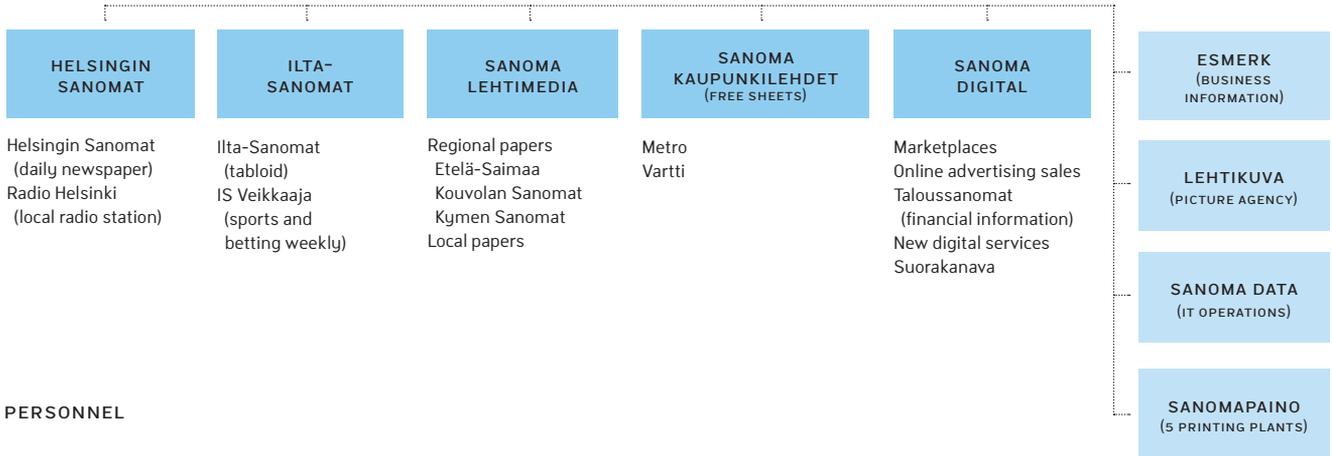
their desired target groups by interest through Sanoma Digital Online Ad Sales at the dozens of online services offered by Sanoma News, Sanoma Magazines Finland and Sanoma Entertainment.

"Collaboration between the different Sanoma divisions has lots of potential. I believe that the co-operation will continue to increase," Pentikäinen says.

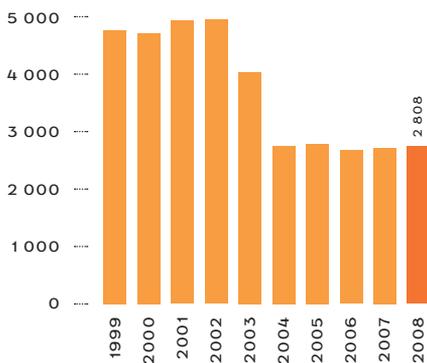
In the spring of 2008, Sanoma News adopted a new management model, which facilitates effective collaboration within the Division. Sales and digital services are undergoing development across business borders. "We seek to improve our customer service, our agility and flexibility, and our ability to prioritise. Telemarketing teams, for example, were combined into a single, flexible unit."



SANOMA NEWS



PERSONNEL



NET SALES BY BUSINESS, EUR MILLION



SANOMA NEWS REVAMPED several of its newspapers in 2008, beginning with basic editorial routines. The news desk at *Ilta-Sanomat*, the editorial core now known as the superdesk, was the first result of this thorough rejuvenation. The revamped quality tabloid and its weekend supplement were introduced toward the end of the year, with refreshed and reorganised content, and a new design.

These improvements seem to strengthen the quality tabloid's position in the market. "The market has never been as challenging as now, but *Ilta-Sanomat* is now better and more competitive than ever," Pentikäinen says.

Helsingin Sanomat is preparing for a renewal, which will be completed in time for the newspaper's 120th anniversary in November 2009. Regional newspapers, which recorded excellent results, are also undergoing revamp projects.

Vartti is a free sheet with a companion of the local news website, *Vartti.fi*, which became the sixth largest online news medium in Finland. This is

indicative of the direction free sheets are increasingly taking. *Uutislehti 100* merged with *Metro*, which became the fourth largest print news medium in Finland in terms of readership.

READER-GENERATED content was more than ever an integral part of newspapers and online services in 2008. Readers elaborate on printed news in online discussions, and reader photographs and opinions increasingly reach the printed edition through the online services. "Interaction between the print and online media makes both more attractive," says Pentikäinen, adding that the year also marked a breakthrough for mobile services.

Altogether, Sanoma News now reaches more customers than ever and more frequently than ever. As many as 80% of Finnish internet users access its online publications and services each week. "The high visitor count is an indication of trust, which is a tremendous resource for us."

Nonetheless, Pentikäinen does not rely solely on advertising sales and visitor numbers. He strives for a stronger

hold on the entire value chain. Sanoma News already offers planning services for advertisers and application processing tools for job advertisers, to name but a few examples.

THE UNCERTAIN ECONOMY was most apparent in job and real estate advertising. However, the economic decline did not diminish development and collaboration projects at Sanoma News.

Synergies are a significant asset in cost competition, even though the main purpose of enhanced co-operation is to serve customers better. "Crises are opportunities to grow stronger. We must have the courage to invest in the future," Pentikäinen says.

This belief in the future is evident, for example, in the continuous training and business coaching Sanoma News provides for its personnel. The Group's first media sales trainee programme ended in 2008, strengthening the ranks of new sales professionals also at Sanoma News. "Renewal is a process that combines the will of the individual with the opportunities the employer offers," Pentikäinen summarises.



Constantly evolving newspapers and increased collaboration create new sales opportunities for Sanoma News. The previous name of the Division, Sanoma, is now the brand for the whole Group.

News in a **heartbeat**

After a renewal completed in November 2008, the quality tabloid *Ilta-Sanomat* is now better equipped than ever for the tough competition for news scoops. The superdesk at the heart of the editorial offices serves as a link between different operations, producing the content for both the print and online editions.

"The superdesk is the beating heart of the editorial offices. The biggest change to the traditional news desk is the improvement of information flow and internal communication. The print edition and online content are compiled side-by-side, which changes our entire work culture," says **Tapio Sadeoja**, Senior Editor-in-Chief of *Ilta-Sanomat*.

Success in the news race requires fast reactions. *Ilta-Sanomat* first publishes the news online, and then monitors the events closely for additional information. The print edition elaborates on the news the following day, offering new angles.

"Overlapping content was a problem earlier, but because of the improved working arrangements, everyone knows exactly what was already published online."

The renewal also affected seating arrangements. An oval group of workstations is now located at the centre of the editorial offices. From there, news chiefs and news co-ordinators can see and hear everything that happens.

This direct visual and auditory contact allows for a faster response to breaking news.

"Our work is more dynamic now. Thanks to the superdesk, we can mobilise our people immediately and divide resources accordingly between the online service and the print edition," Sadeoja summarises.

The new practices call for a new approach, a new mind-set.

"The division between print and online becomes meaningless. This new way of working requires an open mind and willingness to change. Everything is more open and straightforward now."

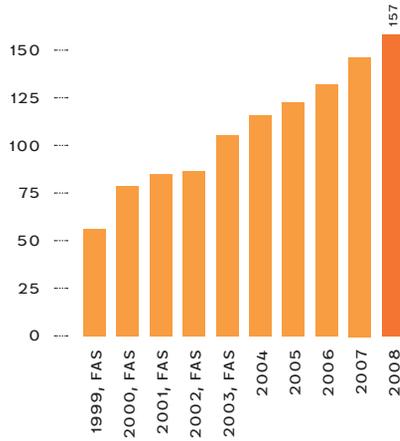
Sadeoja thanks his employees warmly for their co-operation.

"We all know that the competition is tough. Everyone has more responsibility now, but also more power to make independent decisions."

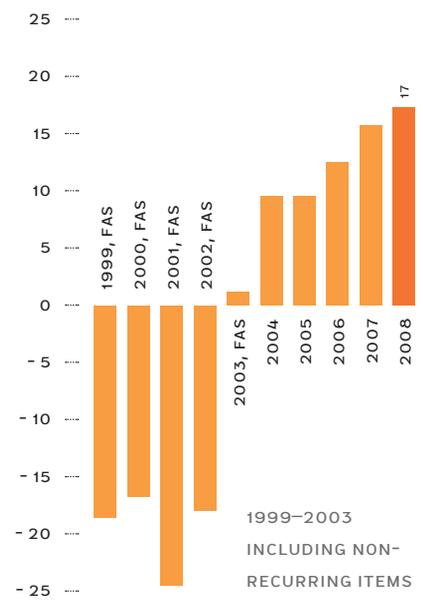
Sanoma Entertainment offers the best and most exciting electronic entertainment services on TV, radio, mobile and online in Finland.



NET SALES, EUR MILLION



OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS, EUR MILLION



Let us entertain you

Anu Nissinen, President, is pleased with the Division's name change from SWelcom to Sanoma Entertainment, as it truly captures the essence of Sanoma's electronic communications services. "We are all about entertainment," she emphasises. A perfect example of this dedication is the breakthrough of online casual games in 2008, the second year of operation for Sanoma Entertainment's game production business.

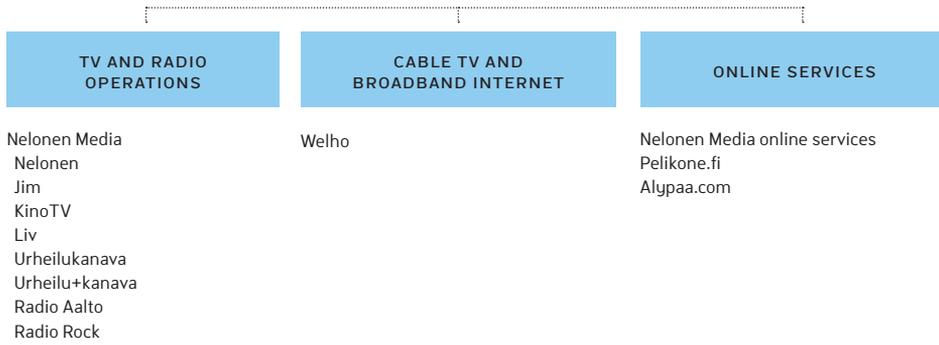
ADVANCES IN ENTERTAINMENT SERVICES

presuppose an ambitious approach to technology. Welho's success as a provider of pay television and broadband services reflects this drive and determination.

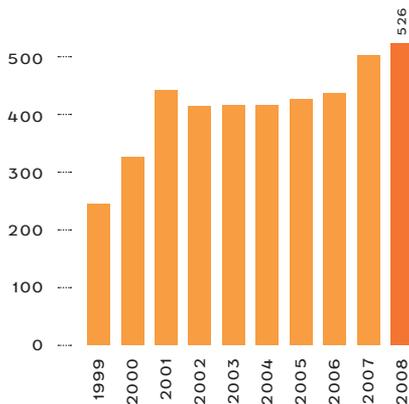
Welho was the first European cable operator to introduce a 110M broadband subscription. Moreover, for the third year in a row, the EPSI Rating customer satisfaction survey ranked Welho as the best cable operator in Finland. "I see this as an indication of customer oriented thinking throughout our company. The technology must be reliable and the products easy to use. Everything from invoicing to customer service needs to run smoothly," explains Nissinen.

Welho's strides in technology facilitated opportunities for other operations as Nelonen became the first commercial television channel in Finland to be broadcast in high definition, in Welho's

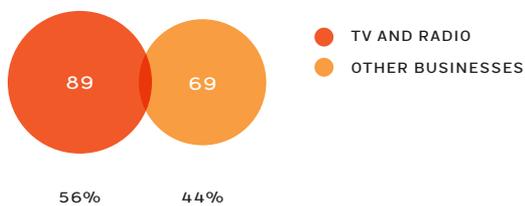
SANOMA ENTERTAINMENT



PERSONNEL



NET SALES BY BUSINESS, EUR MILLION



cable network. "High definition is clearly a growth area," Nissinen says.

THE FINNISH SWITCHOVER to digital television was completed in February 2008. Finland was the first country in the world to digitise all distribution networks. "Increased television viewing was one of the positive outcomes," Nissinen observes.

Nelonen Media focused on further developing the radio and television channels established in 2007. The commercial viewing share for Nelonen Media's TV channels increased in 2008, largely because of a successful multi-channel strategy. Radio channels reaped favourable results as well, together reaching a million Finns each week.

Nelonen Media also laid the groundwork for Liv, the first lifestyle channel in Finland. The channel was launched in February 2009.

Nelonen Media's television programming is increasingly available on the internet. The WebTV service features seventy hours of Nelonen Media's new programmes each week, and opens new opportunities for advertisers to effectively reach their desired target groups.

Television programmes are usually available for free online viewing for a week after the original broadcast. Nissinen envisions a future where programming is no longer tied to a time, place, or type of terminal device. Viewers will decide when, where and how they watch the content of their choice.

THE BUSINESS ENVIRONMENT is changing ever more rapidly. However, broadcast licences and major investments in technology require long-term planning.

Keeping abreast of the times is crucial. To serve this purpose, Nelonen Media launched the Safari project, in which every employee meets with both viewers and advertisers to tune into intriguing trends and other current phenomena.

"Their observations engender ideas, discussion and collaboration beyond conventional borders. This epitomises our goal for Sanoma Entertainment as a whole."

Sanoma Entertainment breaks new ground in entertaining Finns, matching the advances in content and technology with dedication, enthusiasm, and a passion for quality.

Think **target group!**

Nelonen Media's Jim is a prime example of a television channel focusing on a specific target group. Targeted channels attract increasing audiences: over a million Finns on average watch Jim each day. Every week, the channel reaches a respectable 60% of its primary target group of men between 22 and 44 years of age.

"Viewing habits have changed considerably. Television viewers are more interested in new channels than they were before, but they also use other media more than they did previously," says **Ville Toivonen**, Channel Manager of Jim.

Attracting and keeping viewers requires ever more careful planning in the fragmented media market. Infotainment and documentaries top the list of the most popular programmes on Jim.

"Customer oriented thinking is critical in television as well. Instead of the production process, we need to focus on getting to know the viewers better and better," says **Kristiina Werner-Autio**, Senior Vice President, Free-TV. "The high number of potential choices presents challenges. What consumers want, what they say they want, and what they actually do – these may be three very different things."

The latest addition to Nelonen Media's commercial programming is Liv, a lifestyle channel that Werner-Autio thinks will particularly appeal to women. The newcomer was launched in February 2009.

Jim has exceeded all expectations in advertising sales. Advertisers seek cost-effective options, especially during economic decline, and targeted television channels constitute a perfect match.

"Collaboration within the Nelonen Media channel family offers versatile and effective solutions. For advertisers targeting men, for example, we can provide a package that includes air time not only on Jim, but also on Nelonen, the Urheilukanava sports channel and Radio Rock," Werner-Autio points out.



Sanoma Learning & Literature is a leading European educational publisher offering learning materials in print and digital format. With operations in nine countries, the Division is also the leading general literature publisher in Finland and has growing international language service operations.

Delivering Continuity

"The outcome of a series of positive events in 2008 validated our long-term strategy of profitable growth through acquisitions and the continued renewal of our existing businesses," says **Jacques Eijkens**, CEO of Sanoma Learning & Literature (previously SanomaWSOY Education and Books).

In March 2008, the Division finalised its acquisition of Polish educational publisher Nowa Era, announced in 2007.

"It was not our first acquisition in Poland, but it was an important one," explains Eijkens. "It established us as the leading educational publisher in a large, dynamic market."

Another notable expansion announced during 2008 was the purchase of the Nordic language service company Intervendum.

"We entered into the language service business in 2006 by acquiring a major stake in AAC Global. Our strategic intention is to increase our presence in this market through further acquisitions, as evidenced by the acquisition of Intervendum, which gives us a leading position in language services in the Nordic area."

THE DIVISION ALSO TURNED its attention to restructuring initiatives aimed at realigning its resources and invigorating customer interest, particularly in general literature.

"Our ambition is to become a genuine market-oriented publisher. Attracting talented authors and publishing good books is increasingly customer-driven," Eijkens emphasises. "In the future, the customer will be more self-conscious. The impact of this trend led us through a restructuring phase in the multi-volume and yearbook operations, and also organisationally at the general literature publisher WSOY. We are already seeing positive results."

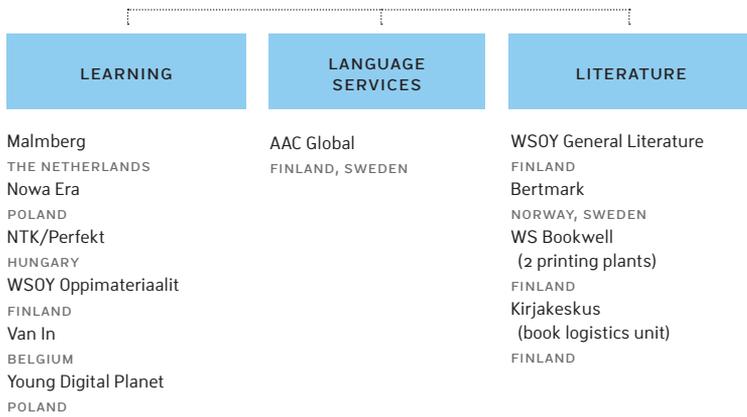
A clear example has been the performance of WSOY-published novels. WSOY's books received a number of nominations at the annual Finlandia Prize competition, and, as an encore, the winning fiction novel, *Puhdistus* (Purge) by Sofi Oksanen, is published by WSOY. Also, the Finlandia Prize for non-fiction was awarded to WSOY's author Marjo Nurminen for her book *Tiedon tyttäret* (Daughters of Knowledge).

DURING 2008, the Division also sought ways to exploit its synergies amongst its business units.

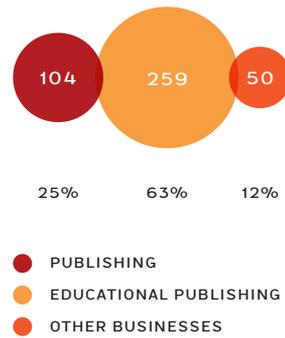
"We recognised that within our Division there are hidden synergies waiting to be discovered, to be unlocked. During 2008, we made a conscious effort to uncover and employ them."

"For instance, we launched a consumer product targeted at children, creating a new category in Finland, called Oppi &

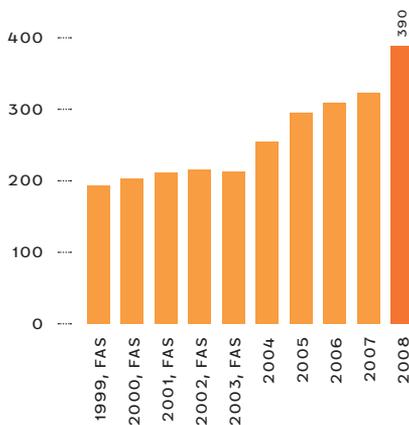
SANOMA LEARNING & LITERATURE



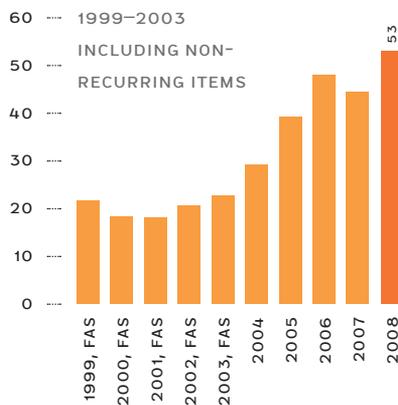
NET SALES BY BUSINESS, EUR MILLION



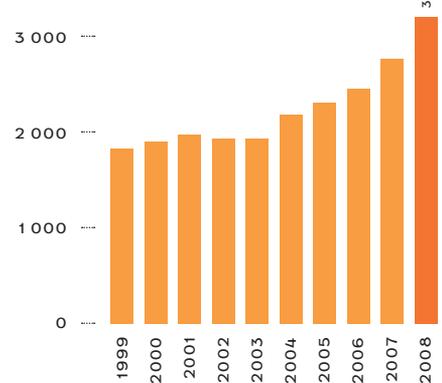
NET SALES, EUR MILLION



OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS, EUR MILLION



PERSONNEL



Ilo (Learning & Fun). It's a hybrid concept that overlaps into the educational and entertainment domains, making it an edutainment product. Oppi & Ilo was launched in the autumn of 2008 and was inspired by the collaboration among our business units in other markets where similar initiatives have worked," explains Eijkens.

Another example in which common synergies were found is in the sharing of digital assets that educational publishers across international boundaries can utilise. "We launched a common asset bank where these expensive assets can now be easily found and reused in other markets, which naturally saves time and costs, and also encourages cross border co-operation," Eijkens adds.

AND IN AN EFFORT TO REACH OUT TO EMPLOYEES who value intra-company transfers as a means to enrich and

develop their careers, Eijkens mentions a programme that encourages internal mobility to other units of the Division. "It's another way to leverage our international presence for the benefit of the companies."

Despite an encouraging 2008, Eijkens points to challenges that remain.

The year saw stagnation in the Dutch market due to funding rollbacks by the government in the procurement of secondary educational materials. Additionally, concerns have surfaced over the impact of the slowdown in global economic activity heading into 2009.

However, Eijkens sees the Sanoma Learning & Literature division is avoiding much of the negative impact.

"Apart from the situation in the Netherlands, funding for schools and pupils is largely remaining in place, and in

general literature we do not expect any significant impact from the current economic downturn. However, we are more cautious in our language service business as companies may be inclined to cut costs."

"In 2009 we will, of course, continue to pay close attention to costs, but our real objective will be about growth and innovation in our portfolio, to consider further acquisitions, and to continue forward with our long-term strategy," Eijkens concludes.

Sanoma Learning & Literature continues expansion through renewals, acquisitions and leverage.



Partners in internationalisation

AAC Global is a partner of the engineering company Metso in the language, communication and training services required in international markets. In recent years, Metso has grown into a multinational supplier of sustainable technologies and services, employing some 28,000 experts in over 50 countries.

"Effective communication is a key challenge for Metso and other global organisations, both with clients and personnel. We need to learn how to make the most of our competence and information resources in different cultural environments," says **Reijo Heinämäki**, Manager of the Metso Competence Team.

Services provided by AAC Global include language and communication skills training, management training, organisational development, documentation and digital learning solutions. AAC Global also offers terminology management in a number of foreign languages as well as translation and localisation services that help adapt business operations to different cultures.

AAC Global and Metso share a long history of co-operation in Finland. The current strategic partnership deepens this

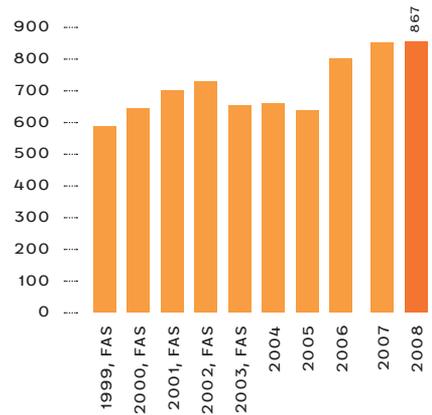
collaboration and, if needed, expands it to cover all countries in which Metso has operations.

"Our collaboration is based on a common view of goals and how to reach them. AAC Global's core strengths include an extensive network of language partners, excellent references and the ability to tailor content to client needs. AAC Global is part of the Sanoma Group, which also presents many advantages," Heinämäki says.

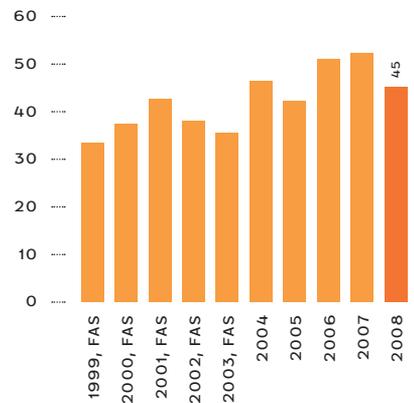
Metso has evolved from a product-based company to a service organisation, which further emphasises the significance of education and communication. The focus has increasingly shifted to developing markets, such as China, India, Brazil and Russia. This adds rich and distinct cultural flavours to everyday business.

Retail specialist Sanoma Trade serves its customers in over 200 million annual sales contacts at kiosks, bookstores or movie theatres. Operating in seven countries, press distribution is a strong link between publishers and retailers.

NET SALES, EUR MILLION



OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS, EUR MILLION



1999–2003 INCLUDING NON-RECURRING ITEMS

Selection adds strength

Sanoma Trade (the Division known previously as Rautakirja) does business with half a million customers each day. Most of them make impulse purchases.

"We have to be extremely active. Dynamic selections and concepts are crucial," says **Timo Mänty**, President and CEO. The advanced point-of-sale system enabled Finnish R-kiosks to complement their offering with new printable and downloadable products, such as recreational fishing licences and Matkahuolto bus tickets. R-kiosks in Latvia and Estonia adopted the new system in 2008.

A customer loyalty campaign boosted kiosk sales in Finland. "It permanently increased our market share of Veikkaus gaming products, which was large to begin with."

THE FUTURE OF SANOMA TRADE does not depend on a single product group in any operation – be it press distribution, bookstores, or movie theatres.

Press distribution developed its logistics services, and the point-of-sale marketing specialist Printcenter introduced a new impulse purchase concept for kiosks and service stations. In Finland, also the magazine distribution contracts were remodelled to achieve greater flexibility.

"We continually develop new services in collaboration with publishers and retailers," Mänty says.

The Suomalainen Kirjakauppa bookstore chain actively sought new product groups and revamped its online store together with the WSOY publishing company. The aim is to further improve *Suomalainen.com* to be Finland's leading online bookstore.

Finnkino introduced live performances from the Metropolitan Opera in New York, shown on big screens in movie theatres. "The popularity of these broadcasts exceeded all our expectations. Digitalisation enables us to offer many types of new content in our theatres in the future, from sports events to concerts," Mänty promises.

Moreover, Finnkino started the era of 3D movies in Finland, at its new theatre at the Flamingo recreational centre in Vantaa.

IN ADDITION TO PRODUCT RANGES, Sanoma Trade expanded its markets. The acquisition of a kiosk chain in Rostov and collaboration with Auchan, an international retail group, strengthened Sanoma Trade's market position in Russia.

The majority of the 135 R-kiosks in Russia are located in the Moscow and



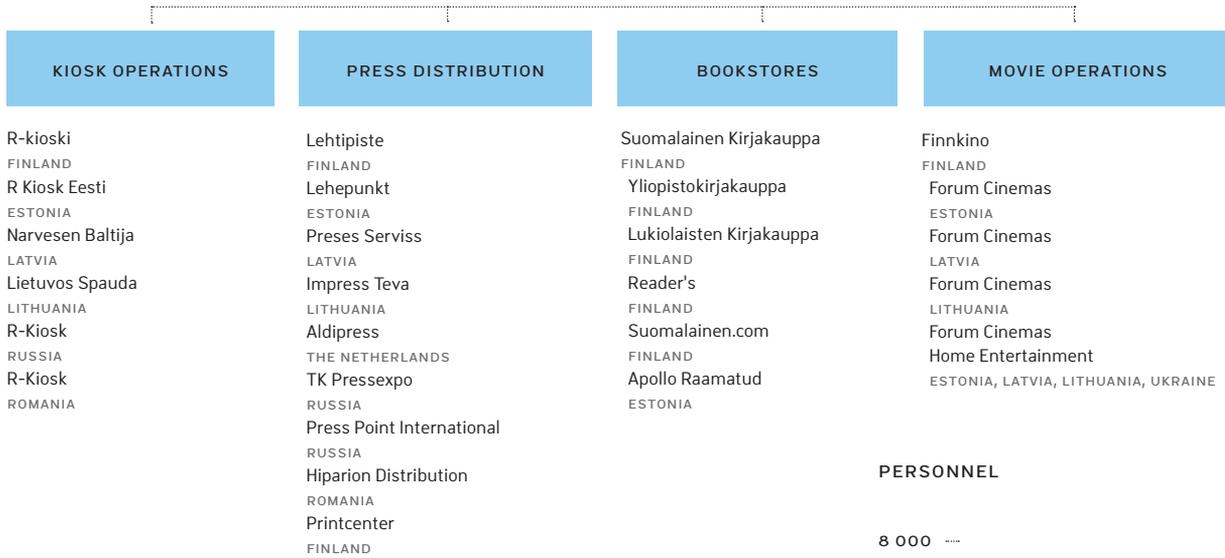
POKKARIT
PIKKURAHAT

ILTALEHTI
Minkään puolesta
Kukaan puolesta
Kukaan puolesta

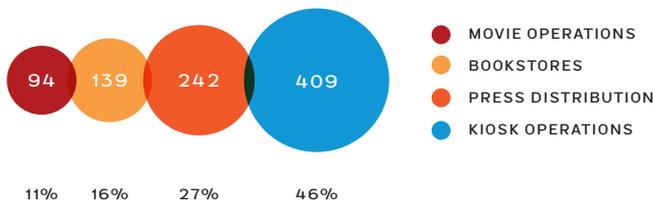
ILTA-SANOMAT
NÄIN
PALJON
KOTISI
MAKSAA

ILTA-SANOMAT
NÄIN
PALJON
KOTISI
MAKSAA

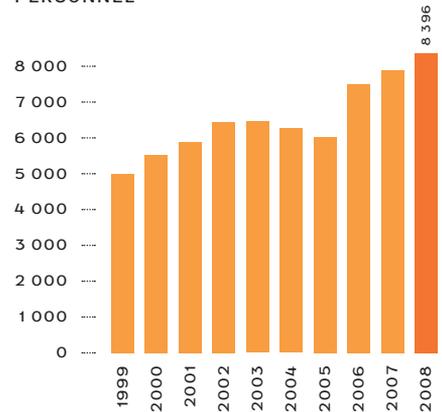
**Uncle
nien
poikamies**



NET SALES BY BUSINESS, EUR MILLION



PERSONNEL



Rostov areas, but increasingly also in other major metropolitan areas. "We seek to consolidate our position as the leading player in our field in Northern Europe and Russia."

Mänty is also interested in expanding kiosk operations to countries in Central Eastern Europe. The first R-kiosk in Romania was opened in July 2008, and at the end of 2008 the number had increased to 16. "In developing markets, it is essential that magazine distribution is supported by our own kiosk chain."

In Ukraine, Sanoma Trade established a movie import business. Movie operations also have room to grow in the Baltic countries, where the theatre network is more fragmented than in Finland.

"We entered the Baltic market at exactly the right time in the late nineties. This has ensured us a strong market position."

THE YEAR 2008 IN RETAIL was marked by major changes. Cost pressures are escalating, and Mänty sees no relief in

the near future – on the contrary. At the same time, retail in Finland is preparing for the changes in the Opening Hours Act, which adds on the Sunday opening of all stores. "It's a challenge for everyone. On the other hand, the more people are on the move, the better."

Mänty may be a realist, but not a pessimist: the year 2008 also gave good reasons to celebrate. Kiosk operations flourished in Finland and Lithuania in spite of the growing economic uncertainty. Movie theatres reached record numbers in ticket and concession sales. Mänty trusts that affordable entertainment and enjoyment, such as books and movies, will appeal to customers even in a slowing economy. Major purchases may be postponed, but not the little joys of life.

Sanoma Trade made systematic investment in consumer insight a common goal for all operations, as they largely share the same clientele. Other focus areas include good customer service and personnel training.

PRESS DISTRIBUTION BUSINESS in Finland was affected by the decline

in tabloid sales, whereas magazines held their own in the competition. The new enterprise resource management system and dispatch centre that are being built in Finland will foster further development in press distribution, as will the new dispatch centre in Lithuania.

In the Netherlands, Aldipress competed fiercely with another distributor. The company focused on streamlining operations and modernising customer service. According to Mänty, other countries will benefit from these improvements.

The future holds ever more effective collaboration between Sanoma Trade's different operations, beginning with product cross-sales and consumer insight.

"The possibilities are enormous. The innovation is up to us."

TIMO MÄNTY WAS APPOINTED TO PRESIDENT AND CEO OF SANOMA TRADE AS OF 1 JANUARY 2009. ERKKI JÄRVINEN SERVED AS PRESIDENT AND CEO OF SANOMA TRADE UNTIL 31 DECEMBER 2008.

Sanoma Trade expands its market, investing in more diverse and comprehensive product ranges. At the same time, it focuses on anticipating customer behaviour.

Leveraging knowhow

The Finnish press distribution company Lehtipiste has, over the years, built an efficient business model and processes for press distribution, and successfully exported this knowhow to the Baltic markets. In just ten years, the Estonian Lehepunkt has become the market leader in the press distribution market.

Allan Liima, Lehepunkt's Managing Director, explains that facing the key customers' demands requires constant innovation. But he is not afraid of challenges: his latest idea, automated warehousing of magazines and newspapers, has broad international implications.

In 2000, the single copy sales of magazines and newspapers in Estonia were conducted largely through kiosks. Building on Sanoma Trade's own R Kiosk business, which provided well over half of Lehepunkt's initial 500 points-of-sale, Liima began to push for distribution points at supermarkets and hypermarkets.

In a business which measures profitability by the metre, Lehepunkt has changed the one-and-two-metre-long displays to 20-metre racks in some hypermarkets.

"Realising the ineffectiveness of hauling unsold books and magazines back to the warehouse, we ran a trial of an automated storage concept in two hypermarkets at the end of 2008. The idea is to manage the replenishment

of press products in the racks based on electronic tracking of sales under a data-sharing arrangement with the supermarket. Instead of stocking at weekly intervals, we bring in small quantities several times a week, as soon as the reserve in stores drops to an agreed minimum level. This cuts the rate of return of unsold magazines to below 20% – a huge improvement in a business where return rates can run as high as 50%. Our plan is now to extend this approach to all Estonian R-kiosks and the largest retail chains during 2009."

Although each of Sanoma Trade's press distribution companies in Estonia, Latvia and Lithuania are independent, the Baltic managers meet regularly to come up with the best concepts. Liima reports: "All of us work with the major chains in our respective countries, so we can develop effective co-operation with retailers based on increased data exchange and incentives for higher sales."



Sanoma's business principles are firmly founded on the Group's long traditions in social responsibility. The Sanoma Group is a good corporate citizen in all areas: financial responsibility, ethics, the environment and stakeholder relations.

Responsibility runs deep at Sanoma

The Sanoma Group strives to take good care of its personnel. We also seek to further improve managing the environmental issues at Sanoma.

PROFITABLE GROWTH and long-term commitment are the core principles of Sanoma's operations. We invest in both new businesses and the development of our current products and services.

Sanoma offers its shareholders a stable dividend yield: the Group primarily pays out over half of its result after taxes in dividends each year. Reliability, accuracy and continuity are the guiding principles in our financial reporting. Group-wide guidelines for reporting, appropriate approval procedures and internal audits ensure the implementation of good practices in everyday operations. For more information on Sanoma's corporate governance and risk management, please see pages 70 to 74 of the Financial statements.

SANOMA FOSTERS FREE SPEECH and independence in its publishing operations. The Group is a member of the European Publishers Council, which promotes journalistic and commercial freedom of expression and monitors media legislation.

Reading and literacy constitute the foundation of civilisation and democracy. Sanoma acknowledges its role and responsibility in providing quality education and a diversity of creative content. Encouraging children and teenagers to become media-literate citizens is important to Sanoma. In 2008, we also encouraged senior citizens to take part in the information society: the cable operator Welho offered free training sessions in the use of the internet in Helsinki libraries.

Together with other publishers, Sanoma organises an annual Magazine Day and an annual Newspaper Week in Finland. During these theme events, journalists visit schools and publishers provide newspapers, magazines and other materials for educational use. During the Newspaper Week, *Helsingin Sanomat* publishes special content for schoolchildren each day. The press distributor Lehtipiste contributes to Magazine Day by collecting magazines and transporting them to schools around Finland.

In the Netherlands, Sanoma contributed to the Learn for Life! book project that supported a school construction programme in Ethiopia.

EACH YEAR, SANOMA DONATES part of its earnings to charities, with the consent of the Annual General Meeting. These funds have mainly been channelled to foundations and projects supporting free speech, culture, journalism research and Finnish society as a whole. In 2008, these donations amounted to EUR 500,000. In addition, the various divisions and businesses within the Group also channel direct support to projects they deem important.

In the Netherlands, the employees of Sanoma Uitgevers dedicated an entire day in June to moving people – both physically and emotionally. Some 600 employees participated in the Moving People Day, which provided joy, caring and presents to children and old people in hospitals, homes and other institutions. This event met with positive feedback and will be organised again in 2009.

The Sanoma Group has supported the international Pink Ribbon campaign around Europe for several years. The campaign strives to increase awareness of breast cancer among women.

SANOMA CONTRIBUTES to public discussion on current and crucial issues through its different media outlets by offering, for example, information and practical tips on how to prevent climate change and make a positive impact on the environment. In 2008, Nelonen Media's campaign Operation Earth increased awareness of climate change through entertainment while collecting a substantial donation for the World Wildlife Fund.

In Belgium, the *Humo* and *Télé Moustique* magazines selected sustainable development as one of their continuous themes. In Finland, the leading newspaper *Helsingin Sanomat* actively discussed sustainable development and environmental issues, dedicating an entire issue of its *HS Teema* magazine to the state of the Baltic Sea. *Helsingin Sanomat* also included a carbon footprint calculator on its website, helping readers understand the effect of their choices on climate change.

Sanoma Trade has also invited its customers to join the campaign to prevent climate change. Recycling bins in selected movie theatres encourage waste sorting and remind moviegoers of the importance of everyday choices.

PLEASE VISIT SANOMA.COM FOR MORE INFORMATION ON CORPORATE RESPONSIBILITY AND CURRENT PROJECTS.



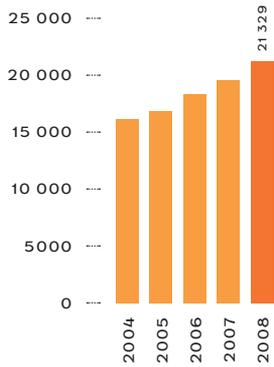
Dynamic and innovative professionals

The media industry is a people business and Sanoma is a company of people. The Group's success is built up by its employees' ability to constantly develop skills and competencies. To achieve this success, Sanoma focuses on the recruitment, retention and development of its personnel.

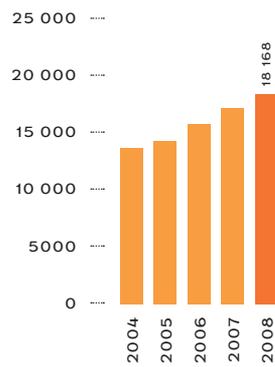
In order to reach millions of customers daily, we need – and we have – professional people with a versatile range of skills. Producing and selling magazines, newspapers, books and online services with high-quality content is the core of our business. For this we employ creative, reliable and dynamic people to function in all roles.

Sanoma offers employment opportunities for different phases of life, including flexible working hours. During the

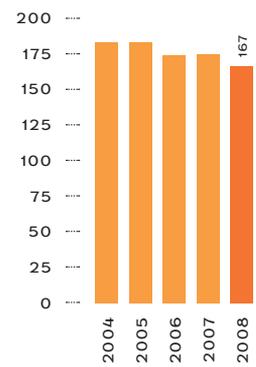
AVERAGE NUMBER OF EMPLOYEES



AVERAGE NUMBER OF EMPLOYEES (FULL-TIME EQUIVALENTS)



NET SALES PER EMPLOYEE, EUR 1 000



high season, our retail operations hire seasonal workers in order to meet the customers' needs.

The Sanoma international way of operating opens up interesting challenges for our personnel. New thinking and innovation is encouraged in all our activities, and we build up our work environment based on the best characteristics of our units. In 2008, the Group employed on average more than 21,000 people in 20 European countries.

COMMON GOALS ARE best achieved in an inspiring work environment. Sanoma promotes the well-being of its personnel by encouraging a positive work atmosphere. As an employer, Sanoma is committed to equal treatment and provides its personnel with a fair reward structure. To ensure this, Sanoma has designed the Group Equal Opportunities Policy. Its principles are further specified in the Equal Opportunities Policy for each Sanoma division. In accordance with the Group Equal

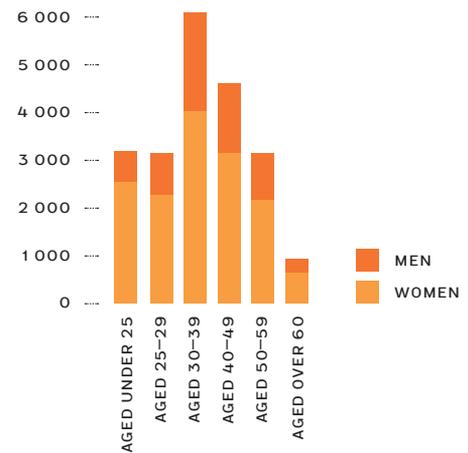
Opportunities Policy, Sanoma monitors the relative shares of the genders and different age categories of employees.

In 2008, 70% of all employees were female, while 30% were male. In top management positions (the Executive Management Group, the Corporate Centre Management Group and the Management Groups of Sanoma's divisions), the figures are 26% and 74% respectively.

WORK EXPERIENCE AT SANOMA



PERSONNEL BY AGE



The European Works Council, in Sanoma called the International Co-operation Council (ICC), is continuing its work. ICC was established in 2006 to improve communication and co-operation between management and employees. The council consists of representatives from different Sanoma operating countries. The ICC meets annually to review and develop processes. The 2008 meeting was held in Helsinki.

The work environment is monitored through regular surveys. In Finland, all divisions conduct a bi-annual survey. The results and development measures are closely followed at the management level. For example, in Sanoma News, the survey offers a regular feedback channel, provides information to the management and forms a basis for the development of the personnel.

In addition to country-specific basic salary structures, a variety of incentive schemes (profit-sharing and personal short term incentive plans) are implemented and designed to reward performance in different parts of the Group. Each year, the Group distributes a Sanoma Award to three employees or teams that have substantially improved and developed the Group's operations. Each prize totals EUR 12,000 (including

tax). In addition, all teams nominated as Sanoma Award finalists get a EUR 3,000 citation.

FUTURE GROWTH AND SUCCESS is taken into account in all organisational issues. Sanoma's position in the evolving European media market presents challenges to its organisational dynamism and its personnel. As an employer, the Group appreciates professional expertise and supports various training and competence development programmes for its employees.

To sustain success in a changing environment, successor planning and career development processes are constantly being developed and closely monitored at the top management levels. Sanoma is continuously recruiting new personnel – both fresh graduates beginning their careers as well as highly experienced professionals. Particular attention is paid to the age structure of personnel in the operating countries where population is aging the fastest. Ensuring that experienced employees pass their tacit knowledge on to less seasoned employees is becoming increasingly important.

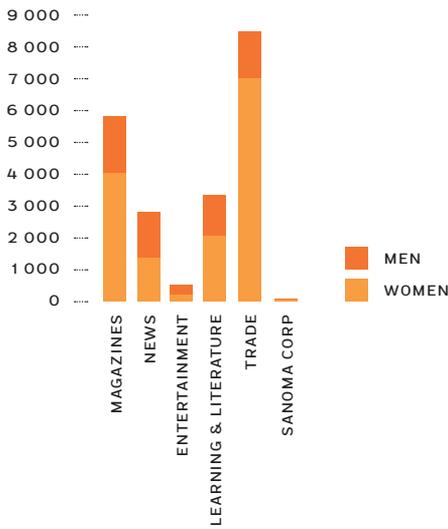
Group-wide training and development is one way of transferring such tacit knowledge. Different training

programmes tailored to the Group's needs are an effective way to develop and improve professional skills. They also play an important role in networking people and sharing best practices within the Group.

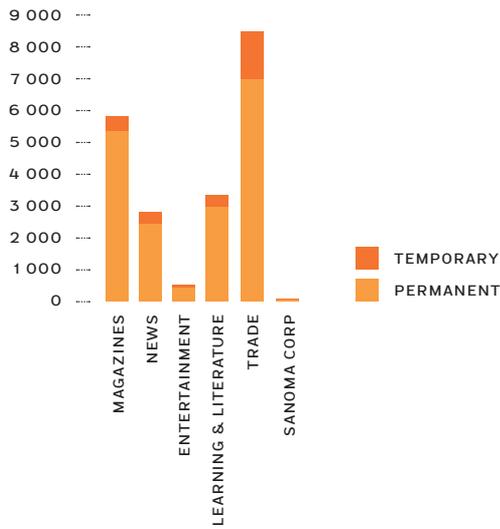
CONSTANT LEARNING IS A KEY to Sanoma's future success. In the spring of 2007, the Group-wide internal training programmes were combined under the Sanoma Academy umbrella. The Academy brings the Group's leadership and management training programmes together, and co-ordinates the Trainee Programmes. Sanoma Academy also organises additional training based on divisions' needs.

In addition to the Group-wide training, divisions and business units arrange extensive training aimed at supporting business unit specific needs. In 2008, Sanoma Magazines, for example, continued its Strategic Leadership Programme. This 6-day programme for key employees (Senior Management and Management Teams) has been executed four times: one session in 2007 and three in 2008. For each programme, 20 participants were selected to ensure a well-balanced mix of nationalities.

PERSONNEL BY DIVISION



TYPE OF EMPLOYMENT



Sanoma Academy offers training and development on a broad scale: leadership and management development programmes with an emphasis on the strategic targets of the Group as well as other subjects, such as language and ICT training. The Academy also co-ordinates two trainee programmes, the Media Trainee Programme and the Media Sales Trainee Programme, which are aimed at recruiting future experts.

The School of Journalism, the oldest part of the Sanoma Academy, has trained 308 journalists since 1967. The 13th long course graduated in August 2008. In addition to comprehensive journalistic courses, the School of Journalism organises further studies for the Group's Finnish journalists.

Sanoma's leadership and management training consists of six programmes: START offers the basic skills needed in managerial work for new managerial staff, whereas JET develops the strategic skills further. STEP is a training programme designed for specialists to equip them with the skills and competencies required in developing in non-managerial roles.

In 2008, Sanoma launched the Growth Leader Programme for management. The participants learned about the

cause and effect of one's own persona and feelings in a leadership position. JUMP is an international programme targeted at future potential. The programme is designed to offer participants new managerial and leadership skills. A third group started the course in the autumn of 2008. The Sanoma Executive Programme is a top-management training programme aimed at developing strategic thinking and management skills.

Sanoma's Media Trainee Programme has fostered business professionals wanting to learn about the media industry since 1999. The programme will be developed further to incorporate international aspects of the media business.

The Media Sales Trainee Programme, started in 2008, has been very successful: both trainees and participating businesses have found this type of training programme quite valuable. The programme teaches new media sales professionals to become familiar with the Group's product portfolio and its customer base and values. The programme continues in 2009.

PERSONNEL BY COUNTRY, 31 DEC. 2008





Sanoma operates according to the principles of sustainable development by preventing environmental damage and using natural resources responsibly. The Group also strives to minimise the environmental effects of its operations by consistently reducing emissions and waste. Environmental concerns are an integral part of the business principles approved by the Board of Directors.

Responsible use of resources

Optimal use of paper and other materials, streamlined deliveries, effective recycling, efficient use of water and energy as well as the safe handling of chemicals are the key environmental issues at Sanoma. Office work does not produce significant environmental impacts, but the Group will pay increasing attention to energy use in the coming years.

THE SINGLE MOST IMPORTANT raw material of our operations, paper, is both renewable and recyclable. More than half of the paper we use is made from certified fibre, and we continually seek to increase this proportion. We also use secondary fibre from recycled paper as often as possible.

Our production facilities are committed to using raw materials, other materials and energy as efficiently as possible. We also promote the reuse of printed

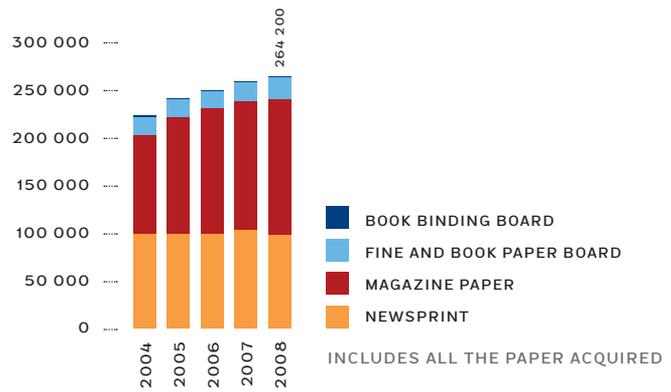
matter, a procedure that provides direct benefits for the Group.

In 2008, paper purchases constituted 5% of the Sanoma Group's total annual expenses. Optimising the paper usage is a key development area. In 2008, the Group used 264,200 tons of paper, which marks an increase of 5,700 tons, or more than 2%.

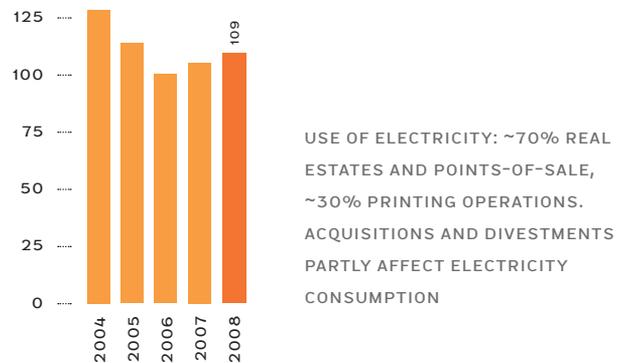
PRINT PRODUCTION is geared toward printed publications of the highest quality. Sanoma's printing plants constantly develop their products and operations, seeking to reduce their environmental impact by applying the best available technologies and efficient production processes.

The Group operates eight printing plants, all located in Finland: five newspaper printing units (in Vantaa, Forssa, Varkaus, Kouvola and Lappeenranta),

SANOMA'S PAPER USAGE, TONS



SANOMA'S ELECTRICITY CONSUMPTION IN FINLAND, GWH



two book printing plants (Porvoo and Juva) and a printing unit for point-of-sales marketing materials (Vaajakoski). These printing plants are located close to both our clients and raw materials, which allows for cost-effective and environmentally friendly distribution. In other countries, the Group has outsourced printing operations.

The five newspaper printing plants recycle as much as 99% of their production waste. Appropriately sized containers and optimal collection intervals increase the efficiency of recycling and waste transport. New uses for waste materials are being developed with expert help.

Sanoma's newspaper printing plants are continually improving their performance in environmental protection through various projects and campaigns. The book printing plants also

closely monitor the environmental impact of their products. In 2009, the Group will introduce an eco-calculator for printed publications. Based on the entire life cycle of these products, the calculator helps clients make environmentally friendly choices in books, paper and design.

In point-of-sale marketing materials, the Group employs a new technology that reduces the environmental impact of printing.

THE GROUP EMPLOYS highly efficient press distribution solutions that save both costs and the environment. In Finland, Sanoma's press distribution company Lehtipiste collectively delivers all magazines and newspapers for single copy sales at retail outlets. In other countries, Sanoma Magazines handles all deliveries for single copy sales jointly with other publishers.

Sanoma Trade's distribution trucks collect unsold magazines and newspapers as part of their daily rounds in all operating countries. Unsold materials are then delivered to collection sites and recycled as raw material for paper and other products.

Sanoma Learning & Literature also uses joint deliveries for its products, organised in collaboration with other book publishers.

PLEASE VISIT SANOMA.COM FOR MORE INFORMATION ON ENVIRONMENTAL MANAGEMENT AT SANOMA.



FROM THE LEFT: HANNU SYRJÄNEN, PAAVO HOHTI, SARI BALDAUF, SIRKKA HÄMÄLÄINEN-LINDFORS, ROBERT CASTRÉN, JANE ERKKO, RAFAELA SEPPÄLÄ, SEPPÖ KIEVARI, JAAKKO RAURAMO AND SAKARI TAMMINEN.

Board of Directors

JAAKKO RAURAMO

BORN 1941, M.SC. (TECH.), D.SC. (TECH.) H.C. (HELSINKI UNIVERSITY OF TECHNOLOGY) Chairman of the Board since 2001 and member since 1999. Term ends in 2009.

Joined the Sanoma Group in 1966. Served as Chairman and CEO of SanomaWSOY 1999–2001, President of Sanoma Corporation 1984–1999 and member of the Board 1979–1999, Sanoma Corporation's Executive Vice President, General Manager of the Newspaper division and General Manager at Sanomaprint, among others.

BOARD MEMBERSHIPS, COMPANIES
East Office of Finnish Industries Oy (Finland) (Chairman), Metso Corporation (Finland) (Vice Chairman)

SARI BALDAUF

BORN 1955, M.SC. (BUSINESS ADMINISTRATION), D.SC. (TECH.) H.C. (HELSINKI UNIVERSITY OF TECHNOLOGY), DOCTOR H.C. (ECON. & BUS. ADM.) (TURKU SCHOOL OF ECONOMICS AND BUSINESS ADMINISTRATION) Vice Chairman of the Board since 2005 and member since 2003. Term ends in 2009.

Served as Executive Vice President and General Manager of Networks, Nokia Corporation 1998–2005 and member of the Nokia Group Executive Board 1994–2005.

BOARD MEMBERSHIPS, COMPANIES
CapMan Plc (Finland), Daimler AG (Germany) (Supervisory Board), F-Secure Corporation (Finland), Hewlett-Packard Company (USA), Savonlinna Opera Festival Ltd (Finland) (Chairman)

ROBERT CASTRÉN

BORN 1957, B.SC. (ECON.)
Board member since 2001.
Term ends in 2011.

Sales Director at UPM-Kymmene Corporation. Held various marketing positions at UPM-Kymmene Corporation and its predecessor, Kymmene Oy, since 1991. Prior to that, he worked for Finnapp and Lamco Paper Sales, among others. Served Sanoma Corporation's Board member 1994–1999 and Vice Chairman 1999–2002.

JANE ERKKO

BORN 1936
Board member since 1999.
Term ends in 2011.

Served as member of Sanoma Corporation's Board 1990–1999 and as Vice Chairman of the Board of Helsinki Media Company Oy 1995–1999.

BOARD MEMBERSHIPS, COMPANIES
Oy Asipex Ab (Finland)

PAAVO HOHTI

BORN 1944, PH.D., PROFESSOR
Board member since 1999.
Term ends in 2011.

Managing Director of the Council of Finnish Foundations since 2004. Served in the Finnish Cultural Foundation 1980–2004. Member of WSOY's Supervisory Board 1991–1994 and Vice Chairman 1994–1999.

SIRKKA HÄMÄLÄINEN-LINDFORS

BORN 1939, D.SC. (ECON.), DOCTOR H.C. (ECON. & BUS. ADM.) (TURKU SCHOOL OF ECONOMICS AND BUSINESS ADMINISTRATION)
Board member since 2004.
Term ends in 2010.

Served as member of the Executive Board of the European Central Bank 1998–2003 and as Governor and Chairman of the Board of the Bank of Finland 1992–1998, among others.

BOARD MEMBERSHIPS, COMPANIES
Investor AB (Sweden), Kone Corporation (Finland) (Vice Chairman)

SEPPO KIEVARI

BORN 1943
Board member since 2003.
Term ends in 2010.

Served Sanoma Corporation 1966–2004 as President, as Publisher of Sanoma's newspapers, as Executive Vice President and as Senior Editor-in-Chief of Helsingin Sanomat, among others.

BOARD MEMBERSHIPS, COMPANIES
Hämeen Sanomat Oy (Finland)

RAFAELA SEPPÄLÄ

BORN 1954, M.SC. (JOURNALISM)
Board member since 1 April 2008.
Term ends in 2011.

Served as SanomaWSOY Board member 1999–2003, President of Lehtikuva Oy 2001–2004, Project Manager at Helsinki Media Company Oy 1994–2000 and member of Sanoma Corporation's Board 1994–1999, among others.

HANNU SYRJÄNEN

BORN 1951, B.SC. (ECON.),
MASTER OF LAWS
President and CEO. Board member since 2001. Term ends in 2010.

President and COO of SanomaWSOY 2001–2005. Served Rautakirja Corporation 1989–2001 as President and CEO, Vice President, and Executive Vice President and Deputy CEO. Previously served as Vice President of the TS Group, Vice President of Wihuri Oy and Managing Director of Finnish Lawyers' Publishing Oy.

BOARD MEMBERSHIPS, COMPANIES
East Office of Finnish Industries Oy (Finland), Ilmarinen Mutual Pension Insurance Company (Finland) (Chairman), Orion Corporation (Finland)

SAKARI TAMMINEN

BORN 1953, M.SC. (ECON.)
Board member since 2003.
Term ends in 2009.

President of Rautaruukki Corporation since 2004. Served Metso Corporation 1999–2003 as Senior Vice President and CFO, Executive Vice President and CFO, and Deputy to the President and CEO. Previously served as Executive Vice President and CFO, as well as Senior Vice President and Chief Financial and Accounting Officer of Rauma Oy, as Vice President, Finance of Rauma-Repola Oy's Engineering Industry, and as Financial Manager of Metal Industry division of Oy W. Rosenlew Ab.

BOARD MEMBERSHIPS, COMPANIES
Confederation of Finnish Industries EK (Finland) (Chairman), Lemminkäinen Corporation (Finland), Varma Mutual Pension Insurance Company (Finland)

ROBIN LANGENSKIÖLD

BORN 1946, B.SC. (ECON.)
Board member since 1999.
Term ended on 1 April 2008.

THE COMPLETE LIST OF ALL BOARD MEMBERSHIPS CAN BE FOUND AT SANOMA.COM.
THE SHARE OWNERSHIP INFORMATION AS WELL AS STOCK OPTIONS CAN BE FOUND ON THE NOTES 31 OF THE FINANCIAL STATEMENTS AND CHANGES IN OWNERSHIP AT SANOMA.COM.

Executive Management Group

HANNU SYRJÄNEN

President and CEO of Sanoma. Member of the Executive Management Group of Sanoma since 1999, Chairman since 2001. Chairman of the Corporate Centre Management Group since 2007. Sanoma Board member since 2001.



HANNU SYRJÄNEN



KIM IGNATIUS



EIJA AILASMAA

EIJA AILASMAA

BORN 1950, M.POL.SC.

President and CEO of Sanoma Magazines. Member of the Executive Management Group of Sanoma since 2000.

Joined the Sanoma Group in 1973. Served as President of Sanoma Magazines Finland Oy 2001–2003 and Helsinki Media Oy 2000–2001, as well as Executive Vice President and General Manager, Magazines of Helsinki Media Company Oy 1998–2000. Previously served as Vice President, Publishing of Sanoma Corporation's Sanomaprint and Helsinki Media Company Oy, as Editor-in-Chief of Kodin Kuvalehti and in various editorial positions at Ilta-Sanomat.

BOARD MEMBERSHIPS, COMPANIES

Huhtamäki Corporation (Finland),
Solidium Oy (Finland) (Vice Chairman)

KIM IGNATIUS

BORN 1956, B.SC. (ECON.)

Chief Financial Officer (CFO) of Sanoma. Member of the Executive Management Group and Corporate Centre Management Group of Sanoma since 1 August 2008.

Served TeliaSonera 2000–2008 as Executive Vice President and CFO. Previously served as CFO and member of the Executive Board of Tamro Corporation.

THE COMPLETE LIST OF ALL BOARD MEMBERSHIPS OF SANOMA'S MANAGEMENT CAN BE FOUND AT SANOMA.COM. THE SHARE OWNERSHIP INFORMATION AS WELL AS STOCK OPTIONS CAN BE FOUND ON THE NOTES 31 OF THE FINANCIAL STATEMENTS AND CHANGES IN OWNERSHIP AT SANOMA.COM.



TIMO MÄNTY

TIMO MÄNTY

BORN 1960, M.SC. (ECON.)

President and CEO of Sanoma Trade and member of the Executive Management Group of Sanoma since 1 January 2009.

Served Sanoma Trade as Senior Vice President of Movie operations and Managing Director of Finnkino Oy since 1998. Previously served as Executive Vice President of Suomalainen Kirjakauppa Oy, Vice President of Lehtipiste and in managerial capacity in Hartwall Oyj and Suomen Unilever Oy.



JACQUES EIJKENS

JACQUES EIJKENS

BORN 1956, B.SC. (ECON.)
CEO of Sanoma Learning & Literature. Member of the Executive Management Group of Sanoma since 2006.

Served as CEO of Malmberg Investments 2001–2004 and Educational Information Group (part of VNU) 1998–2001. Joined Malmberg B.V. in 1981 (part of Sanoma Learning & Literature since 2004) and served in various management and marketing functions.



ANU NISSINEN

ANU NISSINEN

BORN 1963, M.SC. (ECON.)
President of Sanoma Entertainment and member of the Executive Management Group of Sanoma since 25 February 2008.

Served Sanoma Entertainment since 2001. Served as President of SW Television Oy (Welho) and as Marketing Director of Helsinki Televisio Oy. Previously served Oy Sinebrychoff Ab as Marketing Director and Cultor Group as Deputy Product Manager, among others.

TAPIO KALLIOJA

BORN 1948, M.SC. (TECH.)
President of SWelcom and member of the Executive Management Group of SanomaWSOY until 24 February 2008.

Served the Sanoma Group 1984–2008 as President of Helsinki Media Company Oy, Helsinki Television Ltd. and Helsinki Telset Oy. Also served as Vice President of Eurocable Group and New Media Group.

ERKKI JÄRVINEN

BORN 1960, M.SC. (ECON.)
President and CEO of Sanoma Trade and member of the Executive Management Group of Sanoma until 31 December 2008.

Served Rautakirja Ltd as President and Senior Vice President, Kiosk Operations 1997–2008. Previously served Cultor Group as Marketing Manager and Head of Marketing at Vaasamills Ltd and as Managing Director of Siljans Knäcke AB in Sweden, and as Product and Marketing Manager of Oy Karl Fazer Ab's Fazer Bakeries.



MIKAEL PENTIKÄINEN

MIKAEL PENTIKÄINEN

BORN 1964, M.SC.
(AGRICULTURE AND FORESTRY)
President of Sanoma News. Member of the Executive Management Group of Sanoma since 2004.

Served the Finnish News Agency as Editor-in-Chief and President 1999–2004. Previously served as Editor-in-Chief of Etelä-Saimaa 1996–1999 and as Editor in political news of Helsingin Sanomat 1992–1996.

BOARD MEMBERSHIPS, COMPANIES
The Finnish News Agency (Finland), Suomalainen Yhteiskoulu Corporation (Finland)

Corporate Centre Management Group

HANNU SYRJÄNEN

(see pages 47 and 48)

SVEN HEISTERMANN

BORN 1972, M.SC. (TECH.)

Chief Strategy Officer (CSO) of Sanoma.
Member of the Corporate Centre Management Group since 4 August 2008.

KIM IGNATIUS

(see page 48)

MATTI SALMI

BORN 1950, M.SC. (ECON.)

Senior Vice President, Group Financial Management of SanomaWSOY and member of the Corporate Centre Management Group until 31 July 2008.

NILS ITTONEN

BORN 1954, B.SC. (ECON.)

Senior Vice President, Group Treasury, Real Estate and Risk Management of Sanoma. Member of the Corporate Centre Management Group since 2007.

MERJA KARHAPÄÄ

BORN 1962, MASTER OF LAWS,

POSTGRADUATE IPR DIPLOMA (BRISTOL UNIVERSITY)

Chief Legal Officer (CLO, Group Legal Affairs) of Sanoma, member of the Corporate Centre Management Group and Secretary of the Board of Sanoma (Company Secretary) since 1 August 2008.

BEN TIESNITSCH

BORN 1952

Chief Human Resources Officer (CHRO) of Sanoma. Member of the Corporate Centre Management Group since 1 June 2008.

KERSTIN RINNE

BORN 1950, LL.B., MASTER OF LAWS

(TRAINED ON THE BENCH)

Senior Vice President, Group Strategic Development and Legal Affairs of SanomaWSOY, member of the Corporate Centre Management Group and Secretary of the Board of SanomaWSOY until 1 September 2008.

Divisions' management groups

(AS OF 31 JANUARY 2009)

Sanoma Magazines

Management Board

EIJA AILASMAA (CHAIRMAN),

BORN 1950

President and CEO

KOOS GUIIS, BORN 1947

CEO, Sanoma Magazines International

DICK MOLMAN, BORN 1954

CEO, Sanoma Uitgevers

RAILI MÄKINEN, BORN 1944

CEO, Sanoma Magazines Finland

WALTER VAN DER SCHAAFF, BORN 1958

CFO

AIMÉ VAN HECKE, BORN 1960

CEO, Sanoma Magazines Belgium

Sanoma Entertainment

ANU NISSINEN (CHAIRMAN), BORN 1963

President

JOHAN FLYKT, BORN 1965

President, Welho

HANS EDIN, BORN 1959

President, Nelonen Media

PIA HUHDANMÄKI, BORN 1969

Senior Vice President, Administration

ARI KURENMAA, BORN 1967

Senior Vice President, Finance

JYRI RATIA, BORN 1972

Senior Vice President,

Business Development

Sanoma News

MIKAEL PENTIKÄINEN (CHAIRMAN),

BORN 1964

President

TITTA HALME, BORN 1968

President, Sanoma Kaupunkilehdet

PEKKA HARJU, BORN 1962

President, Ilta-Sanomat

JARMO KOSKINEN, BORN 1961

President, Sanoma Lehtimedia

LIISA KOTILAINEN, BORN 1961

President, Sanoma Digital

PEKKA LAAKERISTO, BORN 1955

President, Sanoma Data

EIJA RINTA, BORN 1955

CFO

PEKKA SOINI, BORN 1957

President, Helsingin Sanomat

MARJA-LEENA TUOMOLA, BORN 1962

Senior Vice President, Business and digital operations development

ISMO VUOKSIO, BORN 1963

President, Sanomapaino

Sanoma Learning & Literature

JACQUES EIJKENS (CHAIRMAN), BORN 1956

CEO

JYRI AHTI, BORN 1962

CSO

VELI-PEKKA ELONEN, BORN 1965

COO, Publishing

BAREND DE GRAAFF, BORN 1956

CFO

MARK MARSEILLE, BORN 1963

CHRO

TUOMO RÄSÄNEN, BORN 1969

COO, Language Services

Sanoma Trade

TIMO MÄNTY (CHAIRMAN), BORN 1960

President and CEO

Senior Vice President, Movie Operations

HELLEVI KEKÄLÄINEN, BORN 1953

Senior Vice President, CFO

RAIMO KURRI, BORN 1953

Senior Vice President, Press Distribution

JUKKA NIKKINEN, BORN 1962

Senior Vice President,

Business Development

JARMO OKSAHARJU, BORN 1961

Senior Vice President, Bookstores

MARKKU PELKONEN, BORN 1962

Senior Vice President, Kiosk Operations

SANOMA CORPORATION ANNUAL REPORT 2008, **PRODUCTION:** SANOMA MAGAZINES FINLAND, CUSTOM PUBLISHING, **DESIGN:** KOILLINENKAAKKO/ANTTI KANGASSALO, **PRINTED BY:** LÖNNBERG PRINT & PROMO, **TEXTS:** MICHAEL LARKIN, GREGORY MOORE, RISTO PENNANEN, MATTI REMES, MARIANNA SALIN, TUIJA SIEVÄNEN, TIINA TUOMAINEN, ANNA TUOMINEN, **PICTURES:** LK/ANTTI AIMO-KOIVISTO, ERIK BUIS, GYÖRGY GAÁL, NILS VAN HOUTS, ANTTI KANGASSALO, SUSANNA KEKKONEN, ENRICO MEEUWSEN, LK/PEKKA SAKKI, SULEV SEPP, TOMASZ SZWEJER, PATRICK VERBEECK

THE BOARD OF DIRECTORS' REPORT, DETAILED FINANCIAL STATEMENTS AND ASSOCIATED MATERIAL ARE PUBLISHED SEPARATELY. ANNUAL REPORT IS AVAILABLE AT SANOMA.COM IN PDF FORMAT AND THE PRINTED VERSION CAN BE ORDERED FROM GROUP COMMUNICATIONS VIA EMAIL COMMUNICATIONS@SANOMA.COM OR BY PHONE +358 105 19 5062.





SANOMA CORPORATION

President and CEO Hannu Syrjänen
Ludviginkatu 6–8
P.O. Box 1229, 00101 Helsinki, Finland
Tel. +358 105 1999, fax +358 105 19 5068
Sanoma.com

Group Strategic Development, CSO Sven Heistermann
Group Finance and Administration, CFO Kim Ignatius
Group Treasury, Real Estate and Risk Management, Senior Vice
President Nils Ittonen
Group Legal Affairs, CLO Merja Karhapää
Group Human Resources, CHRO Ben Tiesnitch

GROUP COMMUNICATIONS

Tel. +358 105 19 5062, fax +358 105 19 5068
communications@sanoma.com

OFFICE OF THE CHAIRMAN

Chairman Jaakko Rauramo
Erottajankatu 11 A
P.O. Box 1229, 00101 Helsinki, Finland
Tel. +358 105 1999, fax +358 105 19 5508

SANOMA MAGAZINES B.V.

President and CEO Eija Ailasmaa
Jachthavenweg 124, 1081 KJ Amsterdam
P.O. Box 90484, 1006 BL Amsterdam
The Netherlands
Tel. +31 20 851 2100, fax +31 20 851 2149
Sanomamagazines.com

SANOMA NEWS LTD

President Mikael Pentikäinen
Töölönlahdenkatu 2
PL 95, 00089 Sanoma, Finland
Tel. +358 9 1221, fax +358 9 122 4809
Sanomanews.com

SANOMA ENTERTAINMENT LTD

President Anu Nissinen
Ludviginkatu 6–8
P.O. Box 1019, 00101 Helsinki, Finland
Tel. +358 10 707 1111, fax +358 10 707 7008
Sanomaentertainment.com

SANOMA LEARNING AND LITERATURE B.V.

CEO Jacques Eijkens
Statenlaan 1
P.O. Box 99, 5201 AB 's-Hertogenbosch
The Netherlands
Tel. +31 73 628 7528
Sanoma-ll.com

RAUTAKIRJA LTD (SANOMA TRADE)

President and CEO Timo Mänty
Koivuvaarankuja 2
P.O. Box 1, 01641 Vantaa, Finland
Tel. +358 9 852 81, fax +358 9 853 3281
Rautakirja.fi
Sanomatrade.com

