

(Based on Ilkka-Yhtymä Oyj Financial Statements Bulletin, 24 February 2010)

## FINANCIAL YEAR 2009

- » Net sales: EUR 48,811 thousand (EUR 55,384 thousand in 2008), down 11.9%
- » Operating profit: EUR 10,482 thousand (EUR 10,776 thousand), down 2.7%
- » Operating profit excluding Alma Media and other associated companies amounted to EUR 7,463 thousand (EUR 10,728 thousand), a drop of 30.4%
- » Operating profit 21.5% of net sales; 15.3% excluding Alma Media and the other associated companies (19.4%)
- » Pre-tax profits: EUR 13,495 thousand (EUR 15,616 thousand), down 13.6%
- » Earnings per share: EUR 0.55 (EUR 0.70)
- » The Board of Directors proposes a per share dividend of EUR 0.35

## Q4/2009

- » Net sales: EUR 12,797 thousand (EUR 14,442 thousand), down 11.4%
- » Operating profit: EUR 3,506 thousand (EUR 2,592 thousand), up 35.3%
- » Operating profit excluding Alma Media and the other associated companies amounted to EUR 1,651 thousand (EUR 2,612 thousand), a drop of 36.8%
- » Operating profit totalled 27.4% of net sales; 12.9% excluding Alma Media and the other associated companies (18.1%)
- » Pre-tax profits: EUR 3,502 thousand (EUR 1,504 thousand), up 132.8%
- » Earnings per share: EUR 0.12 (EUR 0.06)

## MATTI KORKIATUPA, MANAGING DIRECTOR:

"The vision of our communications company is based on operating in sync with the times, and our strategy is based on profitable growth, customer-orientation, a competent and motivated staff, and network-like operating methods coupled with satisfied owners.

Since organic growth in the conventional media sector has been unremarkable in the last few years, our growth strategy is based on networking with other actors in the sector, as well as on corporate acquisitions. On 10 August 2009, Ilkka-Yhtymä acquired 7,500,000 shares in a transaction that made Ilkka-Yhtymä the principal shareholder in Alma Media Corporation, commanding a 20.4-per cent stake in the company. The around 10-per cent increase in our holding in Alma Media promotes our strategy, in accordance with which we will concentrate our long-term investments in strategic targets, with the investment focus falling on possible industry restructuring. As a nationwide, even partly international company, Alma Media has huge potential for growth, and we will be able to report our share of Alma Media's profit in Ilkka-Yhtymä's financial statements.

Ilkka-Yhtymä used the assets accumulated in the share issue carried out in September for the refinancing of the Alma Media share purchase. As a result of this share issue, we were able to strengthen our capital structure, while also bringing our equity ratio once again to 70 per cent.

Due to the economic downturn, the volume of media advertising dropped by nearly 20%, while print operations volumes decreased as media advertising reduced the number of pages ordered. In spite of wariness among consumers, newspapers' circulation income enjoyed slight growth due to price increases.

In order to ensure our profitability, we adapted our costs by means of both rapidly effective measures and a development programme whose impact will be felt in the years 2010 to 2011. The goal of this development programme is to improve the efficiency and competitiveness of both our publishing and printing business. This remodelling entails an emphasis on the brands of our customer-oriented magazines, while enhancing the efficiency of our operations by means of more extensive networking and co-operation. The Group's publishing operations were concentrated in I-Mediat Oy on 1 January 2010, while the entire printing operation of I-print Oy was transferred to the Seinäjoki unit at the turn of the year. We have implemented function-based management, with the objective of achieving higher-quality management across all of our functions.

We forecast that net sales in our publishing business will enjoy slight growth, but, as those of the printing business drop, Group net sales will decrease slightly year-on-year. In order to ensure our competitiveness, we will continue to place an emphasis on the development of multi-channel journalistic content and commercial services, in accordance with the roles of our various papergroups, as well as on the development of I-print's innovative printing and communications services.

#### THE BOARD'S PROPOSAL ON PROFIT SHARING

The Board of Directors proposes to the Annual General Meeting of 19 April 2010 that a per-share dividend of EUR 0.35 be paid for the financial year 2009, representing a total dividend payment of EUR 8,982,822.90. The Group distributes 78.1 per cent of its profit in dividends. Dividends will be distributed to those who are listed on the matching day, 22 April 2010, as shareholders in the Ilkka-Yhtymä Group's list of shareholders, maintained at Euroclear Finland Oy. Dividend payments are issued on 29 April 2010. On 31 December 2009, the parent company's free capital amounted to EUR 82,588,617.90.

Ilkka-Yhtymä Oyj practices an active dividend policy and aims to distribute at least half of its consolidated annual income as dividend payments, taking into consideration the financing required for profitable growth and the company's future outlook.

#### PROSPECTS FOR 2010

The impact of the continued uncertainty in the global economy on media advertising as well as circulation and printing numbers in 2010 is difficult to predict. In Finland, the fall in media advertising is expected to come to a halt. In spite of wariness amongst consumers, newspapers' circulation income is expected to enjoy slight growth due to price increases. Printing business volumes in Finland have been permanently reduced as media advertising decreases the number of pages ordered, and printing customers have exited the field as a result of the recession.

Net sales for the Ilkka-Yhtymä Group are expected to experience a slight drop as net sales for the printing business decrease. Net sales for the publishing business, on the other hand, are forecast to increase slightly.

Group operating profit from Ilkka-Yhtymä's own operations and operating profit as a percentage of net sales, excluding the share of Alma Media's and other associated companies' profit, are expected to remain almost at the previous year's level. In addition, the year's results will depend on interest-rate trends, any trading in securities and the price performance of securities investments.

The associated company Alma Media has a significant impact on the Group's operating profit and results.

In the current economic climate, several uncertainty factors remain, related to the predictability of both net sales and operating profit.

(Entire Ilkka-Yhtymä Oyj Financial statements Bulletin from 2009 available at [www.ilkka-yhtyma.fi](http://www.ilkka-yhtyma.fi))

