Alma Media Corporation
Q4 and FY 2013

February 13, 2014

Photo: Jenni Gästgivar

Alma Media's Financial Statements Release 2013:
DIGITAL BUSINESS GROWTH AND COST SAVINGS OFFSET EBITDA DECLINE

Financial performance October-December 2013:

- Revenue was MEUR 77.3 (82.7), down 6.5%.
- Content revenue was MEUR 28.7 (29.9), down 4.1%; advertising revenue was MEUR 38.4 (42.2), down 8.9%; service revenue was MEUR 10.2 (10.6), down 4.0%.
- EBITDA (Earnings before interest, taxes, depreciation and amortisation) excluding non-recurring items was MEUR 10.1 (10.6), down 4.4%.
- EBITDA was MEUR 9.9 (9.7), up 2.3%.
- Operating profit excluding non-recurring items was MEUR 6.4 (8.5), 8.2% (10.3%) of revenue, down 25%.
- Operating profit was MEUR 4.3 (7.6) or 5.6% (9.1%) of revenue, down 42.9%.
- Profit for the period was MEUR -2.0 (2.1), down 192.6%.
- The result for the review period includes a non-recurring item, write-down of the Group's assets by MEUR 6.8.
- Earnings per share were EUR -0.03 (0.03).

Financial performance full year 2013:

- Revenue was MEUR 300.2 (320.1), down 6.2%.
- Content revenue was MEUR 115.3 (122.3), down 5.7%; advertising revenue was MEUR 147.3 (160.8), down 8.3%; service revenue was MEUR 37.6 (37.1), up 1.5%.
- EBITDA (Earnings before interest, taxes, depreciation and amortisation) excluding non-recurring items was MEUR 37.5 (45.1), down 16.7%.
- EBITDA was MEUR 45.3 (39.5), up 14.5%.
- Operating profit excluding non-recurring items was MEUR 24.2 (33.5) or 8.0% (10.5%) of revenue, down 27.8%.
- Operating profit was MEUR 27.0 (26.5) or 9.0% (8.3%) of revenue, up 1.9%.
- Profit for the period was MEUR 16.0 (17.4), down -8.2%.
- The result for the review period includes a non-recurring item, proceeds of MEUR 8.3 from the sale of the Mascus business, as well as write-downs of Group's assets and restructuring expenses, MEUR 10,3.
- Earnings per share were EUR 0.20 (0.22).
- Proposed capital repayment is EUR 0.10 (2012 dividend: EUR 0.10) per share. In addition, the Board proposes to the Annual General Meeting that it be given an authorisation to decide on an additional capital repayment of no more than EUR 0.10 per share.

KEY FIGURES MEUR	2013 Q4	2012 Q4	Change	% 	2013 Q1-Q4	2012 Q1-Q4	Change	%
Revenue	77.3	82.7	-5.4	-6.5	300.2	320.1	-19.9	-6.2
Content revenue	28.7	29.9	-1.2	-4.1	115.3	122.3	-7.0	-5.7
Advertising revenue	38.4	42.2	-3.8	-8.9	147.3	160.8	-13.4	-8.3
Service revenue	10.2	10.6	-0.4	-4.0	37.6	37.1	0.6	1.5
Total expenses excluding non-recurring items	71.1	74.4	-3.3	-4.4	276.7	287.0	-10.3	-3.6
EBITDA excluding non-recurring items	10.1	10.6	-0.5	-4.8	37.5	45.1	-7.6	-16.7
EBITDA	9.9	9.7	0.2	2.3	45.3	39.5	5.7	14.5
Operating profit excluding non-recurring items	6.4	8.5	-2.1	-25.0	24.2	33.5	-9.3	-27.8
% of revenue	8.2	10.3			8.0	10.5		
Operating profit (loss)	4.3	7.6	-3.2	-42.9	27.0	26.5	0.5	1.9
% of revenue	5.6	9.1			9.0	8.3		
Profit for the period	-2.0	2.1	-4.1	-192.6	16.0	17.4	-1.4	-8.2
Earnings per share, EUR (basic)	-0.03	0.03	-0.05	-203.1	0.20	0.22	-0.02	-9.6
Earnings per share, EUR (diluted)	-0.03	0.03	-0.05	-203.3	0.20	0.22	-0.02	-9.5

Dividend proposal to the Annual General Meeting:

On 31 December 2013, the Group's parent company had distributable funds totalling EUR 23,905,611 (8,014,054). No essential changes in the company's financial standing have taken place after the end of the financial year. Alma Media's Board of Directors proposes to the Annual General Meeting that a capital repayment of EUR 0.10 (0.10) per share be paid from the reserve for invested non-restricted equity for the financial year 2013. Based on the number of shares on the closing date, 31 December 2013, the total capital repayment would amount to EUR 7,548,685 (dividend for 2012: EUR 7,548,685).

In addition, the Board proposes to the Annual General Meeting that it be given an authorisation to decide on an additional capital repayment of no more than EUR 0.10 per share.

Outlook for 2014:

Economic growth is estimated to pick up gradually in Europe but remain weak during the first half of 2014 in Finland. The decline in media advertising is expected to slow down during the first half of the year.

Alma Media expects the revenue of the first half of 2014 to be on a par with the level of 2013 or slightly lower. The operating profit excluding non-recurring items is estimated to amount to MEUR 9,0 – 10,5. Revenue for the first half of 2013 was MEUR 151.2 and operating profit excluding non-recurring items MEUR 10.1.

Kai Telanne, President and CEO:

For media companies, 2013 was a year of strong renewal and efficiency improvements. Accelerated by the weak economic situation, print media sales dropped as media consumption increasingly shifted to digital channels.

Alma Media continued its investments in future business. The Group's revenue from digital products and services increased by 8.4% in 2013. Digital products and services accounted for 28.1% (24.3%) of the Group's revenue. Kauppalehti's digital content sales increased by 22.1% in 2013.

The popularity of mobile services grew at a strong rate throughout the Group. For example, Iltalehti's mobile advertising sales grew fivefold during the year. Performance-based network advertising turned to significant growth, and related products were developed.

Towards the end of 2013, Alma Media decided to expand its international recruitment business: the services of Monster in Poland, Hungary and the Czech Republic were added to Alma Media's recruitment service offering at the beginning of 2014. The share of the digital recruitment business of total Group revenue was 10.7%. The profitability of Alma Media's international business operations continued to develop favourably, and the decline in the Finnish recruitment business, which had continued all year long, slowed down towards the end of the year.

The development of Alma Regional Media's regional newspapers' online services proceeded. In order to improve profitability, it was decided to publish the print edition of *Pohjolan Sanomat* five days per week. The change will took effect as of the beginning of 2014. The announced terminations of early morning delivery agreements of papers and increases in the agreement prices will increase uncertainty in the business environment with regard to print media.

In accordance with its strategy, Alma Media will continue to make its publishing operations more multi-channel and increase its digital business. The aim is to increase the share of digital revenue to 50% by 2020. This will be achieved by developing the digital capacity and moving paid content to online and mobile environments. Through these measures Alma Media is well set for the future, regardless of economic cycles, and starts the year on a solid foundation.

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The descriptive part of this review focuses on the financial statements for 2013. The figures are compared in accordance with the International Financial Reporting Standards (IFRS) with those of the corresponding period in 2012, unless otherwise stated. The figures in the tables are independently rounded.

KEY FIGURES MEUR	2013 Q4	2012 Q4	Change %	2013 Q1-Q4	2012 Q1-Q4	Change %
Revenue	77.3	82.7	-6.5	300.2	320.1	-6.2
Total expenses excluding non-recurring items	71.1	74.4	-4.4	276.7	287.0	-3.6
EBITDA excluding non-recurring items	10.1	10.6	-4.8	37.5	45.1	-16.7
EBITDA	9.9	9.7	2.3	45.3	39.5	14.5
Operating profit excluding non-recurring items	6.4	8.5	-25.0	24.2	33.5	-27.8
% of revenue	8.2	10.3		8.0	10.5	
Operating profit (loss)	4.3	7.6	-42.9	27.0	26.5	1.9
% of revenue	5.6	9.1		9.0	8.3	
Profit before tax	-0.3	3.8	-106.7	22.4	23.7	-5.4
Profit for the period	-2.0	2.1	-192.6	16.0	17.4	-8.2
Return on Equity/ROE (Annual)*	-8.3	10.6	-177.9	18.3	19.3	-4.9
Return on Investment/ROI (Annual)*	-2.5	7.8	-132.3	10.1	13.8	-26.6
Net financial expenses	0.2	-0.2	225.0	0.5	-1.5	131.3
Net financial expenses, % of revenue	0.3	-0.2		0.2	-0.5	
Balance sheet total				272.8	245.1	11.3
Capital expenditure	2.8	32.9	-91.4	62.8	111.3	-43.5
Capital expenditure, % of revenue	3.7	39.8		20.9	34.8	
Equity ratio, %				34.9	36.5	-4.3
Gearing, %				108.0	74.1	45.6
Interest-bearing net debt				97.6	62.3	56.8
Interest-bearing liabilities				109.9	79.4	38.5
Non-interest-bearing liabilities				72.4	81.8	-11.4
Average no. of employees, calculated as full-time employees, excl. delivery staff	1,894	1,898	-0.2	1,965	1,910	2.8
Average no. of delivery staff*	960	960	0.0	998	1,006	-0.8
Share indicators						
Earnings per share, EUR (basic)	-0.03	0.03	-203.1	0.20	0.22	-1.2
Earnings per share, EUR (diluted)	-0.03	0.03	-203.3	0.20	0.22	-1.0
Cash flow from operating activities/share, EUR	0.12	0.15	-24.4	0.32	0.33	-1.7
Shareholders' equity per share, EUR				1.17	1.08	10.4
Dividend per share, EUR				0.10	0.10	
Effective dividend yield, %				3.3	2.2	
P/E Ratio				15.0	20.6	
Market capitalisation				225.7	343.5	-34.3
Average no. of shares (1,000 shares)						
- basic	75,487	75,487		75,487	75,487	
- diluted	75,487	75,618		75,487	75,661	
No. of shares at end of period (1,000 shares)	75,487	75,487		75,487	75,487	

**) see Accounting Principles of the Financial Statement Release*
***) Proposal of the Board, capital repayment EUR 0.10 per share, in addition, the Board proposes to the Annual General Meeting that it be given an authorisation to decide on an additional capital repayment of no more than EUR 0.10 per share.*

Strategy and related activities during the review period

The cornerstones of the strategy are the development of multi-channel publishing, growing digital services and increasing the operational efficiency of the company.

During the fourth quarter of the year, Alma Media continued to implement measures to increase the competitiveness of publishing operations. Iltalehti launched the fiidi.fi service, distributing content in digital media. The successful launch has resulted in an average of 400,000 unique visitors a week. The renewal of Aamulehti was continued by publishing a new mobile site in December 2013 and opening a fee-based online service in January 2014. Pohjolan Sanomat, a newspaper published in Kemi, opened its fee-based online site at the beginning of 2014. At the same time, the print edition began to be published on 5 days a week. Kauppalehti continued its development project to redesign digital media content, subscription products and media sales.

In November 2013, Alma Media signed an agreement on closer cooperation in the digital recruitment business with Monster Worldwide. In the restructuring that materialised at the beginning of 2014, the services of Monster in Poland, Hungary and the Czech Republic were added to the company's recruitment service offering.

Performance-based network advertising has turned to significant growth, and related products have been actively developed. In October, Alma Media launched the Almascope online advertising service, making it possible to better target advertising to users of digital services. The company is also preparing a new marketing service for self-service purchasing, Alma Meedio, to allow companies to manage their digital marketing via a digital desktop. The service was rolled out on January 2014.

The development of Alma Media's mobile applications has been accelerated as a result of strong growth in mobile services. Kauppalehti launched a new application for Windows 8 tablets and the online service Telkku.com launched applications for Android, iOS and Windows. Etuovi.com launched a new mobile site. The Group also adopted a new mobile advertising delivery system.

Video content plays an important role in Alma Media's strategy. For example, IL-TV launched two new programme formats: the Rikos & oikeus (Crime & justice) format on court cases and the Sohvalla (On the sofa) format featuring entertaining interviews. Alma360, a provider of customer media services, has also increased its video offering as a result of increased demand.

Alma Media published its long-term financial targets in November 2013. Alma Media aims to grow its digital revenue by more than 15% a year, achieve an annual return on investment of a minimum of 15% and distribute a minimum of one-half of the profit for the period as dividend.

Market conditions

According to TNS Media Intelligence, total advertising volume decreased by 6.7% (decreased by 5.3%) in the last quarter of the year. Advertising in newspapers and city papers decreased by 14.8% (decreased by 8.6%), while advertising in online media grew by 7.6% (increased by 13.9%) from the comparison period.The total market of afternoon papers in terms of volume declined by 9.5% (decreased by 12.2%) in the last quarter of 2013.

According to TNS Media Intelligence, total advertising volume decreased by 8.5% (decreased by 4.1%) in 2013. Advertising in newspapers and city papers decreased by 15.7% (decreased by 7.6%), while advertising in online media grew by 5.8% (increased by 10.0%) from the comparison period. The total market of afternoon papers in terms of volume declined by 12.0% (declined by 8.9%) in 2013.

Changes in Group structure in 2013

On 14 June 2013, Alma Media acquired the entire share capital of Julkaisupalvelu Lounais-Lappi Oy. The company publishes the local newspaper Lounais-Lappi in the Kemi-Tornio economic region. Lounais-Lappi will be reported under the Newspapers segment.

Alma Media is focusing on recruitment and home sales portals in its international marketplace business, and sold Mascus, the marketplace for heavy machinery and vehicles, to Alma Media's licence partner in the Benelux countries, Mascus International B.V., on 30 April 2013.

On 3 April 2013, Alma Media sold its marketplace for used cars in Slovakia, Autovia.sk, to Azet.sk. The principal owner of Azet.sk is Ringier Axel Springer Slovakia.

Group revenue and result for October–December 2013

The Group's fourth-quarter revenue decreased by 6.5% to MEUR 77.3 (82.7).

Content revenue* declined by 4.1% to MEUR 28.7 (29.9). The decrease from the comparison period was due to the declining circulations of print media. Increasing content revenue from digital distribution channels does not completely offset the decline in print content revenue.

Revenue from advertising sales declined by 8.9% to MEUR 38.4 (42.2). Advertising sales for print media decreased by 18.2% from the comparison period, totalling MEUR 21.1 (25.8). Online advertising sales increased by 6.3% to MEUR 17.1 (16.1).

Service revenue totalled MEUR 10.2 (10.6). Service revenue includes items such as the business operations of Kauppalehti Information Services, the custom publishing house Alma 360 Group and the online dating service E-kontakti.

Total expenses excluding non-recurring items decreased by MEUR 3.3 during the fourth quarter, equalling 4.4%, and totalled MEUR 71.1 (74.4). Total expenses decreased by 3.3% and amounted to MEUR 73.3 (75.8). The reorganisation of the various business operations during 2012, as well as the savings realised in 2013, contributed to the decrease in expenses.

Depreciation and impairment during the review period amounted to MEUR 5.6 (2.1). Depreciation of the businesses acquired in late 2012 and new system investments as well as impairment losses of MEUR 1.9 contributed to depreciation being higher than in the comparison period.

Operating profit excluding non-recurring items was MEUR 6.4 (8.5), constituting 8.2% (10.3%) of revenue. Operating profit was MEUR 4.3 (7.6), equal to 5.6% (9.1%) of revenue. The operating profit includes net non-recurring items in the amount of MEUR -2.0 (-0.9). The non-recurring items in the comparison period with effects on the operating profit were related to impairment of the Group's assets and restructuring of the Newspapers segment. The non-recurring items in the comparison period were mainly related to restructuring expenses.

The financial result for October–December 2013 was MEUR -2.0 (2.1), and the result excluding non-recurring items MEUR 5.1 (7.9). A non-recurring write-down in the amount of MEUR 5.0 million was recognised in the value of shares in associated companies during the review period. The period's financial result included changes in the fair value of contingent considerations and debt incurred by the reorganisation of the Marketplaces business in the amount of MEUR -0.1 (0.9).

**Alma Media has earlier reported content revenue under the term "circulation revenue", but the term was changed to "content revenue" from the beginning of 2013. The new term better describes the content income of the publishing operation from consumers through both print and digital distribution channels.*

Group revenue and result full year 2013

Revenue declined by 6.2% to MEUR 300.2 (320.1) in 2013.

Revenue from print media was MEUR 191.9 (217.2), with a share of 63.9% (67.9%) in the Group's revenue. Revenue from digital products and services was MEUR 84.8 (77.8), an increase of 8.4%. Digital products and services accounted for 28.1% (24.3%) of Group revenue. The growth of digital products and services revenue was accelerated by the recruitment service companies acquired in Slovakia and Croatia in November 2012, as well as the February 2012 acquisition of CV Online, a recruitment service company operating in the Baltic region. Other revenue totalled MEUR 23.1 (25.1), constituting 8.0% (7.8%) of Group revenue.

Content revenue declined by 5.7% to MEUR 115.3 (122.3). Content revenue decreased from the comparison period due to the declining circulations of print media.

Revenue from advertising sales decreased by 8.3% to MEUR 147.3 (160.8). Advertising sales accounted for 49.1% (50.2%) of Group revenue. Advertising sales for print media decreased by 18.1% from the comparison period, totalling MEUR 80.0 (97.7). Online advertising sales increased by 7.6% to MEUR 66.5 (61.8). Sales of Alma Media's digital network advertising products grew significantly during the financial period.

Service revenue totalled MEUR 37.6 (37.1). Service revenue includes items such as the business operations of Kauppalehti Information Services, the custom publishing house Alma 360 Group and the online dating service E-kontakti.

Total expenses excluding non-recurring items decreased by MEUR 10.3, equalling 3.6%, and totalled MEUR 276.7 (287.0). Total expenses decreased by 4.1% and amounted to MEUR 282.4 (294.5). The reorganisation of the various business operations during 2012, as well as the savings realised in 2013, contributed to the decrease in expenses.

Depreciation amounted to MEUR 18.3 (13.0) during the fiscal year 2013. The depreciation for the financial period includes impairment losses related to assets in the total amount of MEUR 4.9. The depreciation for the comparison period included impairment losses in the amount of MEUR 1.6. Depreciation of the businesses acquired in late 2012 and new system investments also contributed to depreciation being higher than in the comparison period.

Operating profit excluding non-recurring items was down 27.8% to MEUR 24.2 (33.5), constituting 8.0% (10.5%) of revenue. Operating profit was MEUR 27.0 (26.5), rising to 9.0% (8.3%) of revenue. The operating profit includes net non-recurring items in the amount of MEUR 2.8 (-7.0). The period's non-recurring items were related to the sales gains from the heavy machinery business Mascus, impairment losses related to assets as well as restructuring costs. The non-recurring items in the comparison period were mainly related to operational restructuring as well as capitalised impairment losses relating to the research and development costs of the Marketplaces business.

The financial result for 2013 was MEUR 16.0 (17.4), and the period's result excluding non-recurring items MEUR 18.1 (29.3). A non-recurring write-down of MEUR 5.0 was recognised in the value of associated companies during 2013. The review period's result included changes in the fair value of contingent considerations and debt incurred by the reorganisation of the Marketplaces business in the amount of MEUR 1.1 (3.6).

Business segments

The reporting segments of Alma Media are Newspapers, the Kauppalehti Group, Digital Consumer Services and Other Operations. This Financial Statement Release reports the business segments according to the new internal organisational structure in effect since the beginning of 2013. Objektvision.se, previously reported under Digital Consumer Services, is now reported under the Kauppalehti Group.

As the structure and composition of the reportable segments have changed, Alma Media has, in accordance with the IFRS 8 Operating Segments standard, adjusted the corresponding items in segment information for the comparison period 2012. The tables presented in the Notes to the interim report summarise the impact of the changes and present the revenue and operating profit by segment in accordance with the new segment composition.

REVENUE AND OPERATING PROFIT/LOSS BY SEGMENT

REVENUE MEUR	2013 Q4	2012 Q4	Change %	2013 Q1-Q4	2012 Q1-Q4	Change %
Newspapers						
External	46.9	52.0		183.1	203.4	
Inter-segment	0.8	0.6		2.5	3.2	
Newspapers total	47.7	52.6	-9.3	185.6	206.6	-10.2
Kauppalehti Group						
External	15.2	15.8		56.3	58.2	
Inter-segment	0.2	0.2		0.6	0.8	
Kauppalehti Group total	15.4	16.1	-4.2	56.8	59.0	-3.7
Digital Consumer Services						
External	13.3	13.2		53.8	52.2	
Inter-segment	0.5	0.7		2.1	2.3	
Digital Consumer Services total	13.8	14.0	-1.2	55.9	54.5	2.6
Other operations						
External	1.9	1.7		7.1	6.3	
Inter-segment	19.7	19.9		78.4	78.5	
Other operations total	21.6	21.5	0.2	85.4	84.8	0.7
Elimination	-21.2	-21.4		-83.5	-84.8	
Total	77.3	82.7	-6.5	300.2	320.1	-6.2

OPERATING PROFIT/LOSS MEUR	2013 Q4	2012 Q4	Change %	2013 Q1-Q4	2012 Q1-Q4	Change %
Newspapers	2.1	7.0	-69.9	11.5	22.1	-48.1
Kauppalehti Group	2.6	1.4	89.2	7.8	5.5	42.3
Digital Consumer Services	0.7	0.8	-16.9	16.2	3.8	323.6
Other operations	-1.2	-1.8	30.9	-8.5	-5.0	-71.4
Total	4.3	7.6	-42.9	27.0	26.5	1.9

* *Including non-recurring items.*

Newspapers

The Newspapers segment reports the Alma Regional Media and IL-Media business units, that is, the publishing activities of over 30 newspapers. The best-known media in this segment are Aamulehti, Iltalehti and Iltalehti.fi.

KEY FIGURES MEUR	2013 Q4	2012 Q4	Change %	2013 Q1-Q4	2012 Q1-Q4	Change %
Revenue	47.7	52.6	-9.3	185.6	206.6	-10.2
Content revenue	24.3	25.6	-4.9	98.5	105.3	-6.5
Advertising revenue	22.2	26.1	-14.7	83.9	98.0	-14.4
Service revenue	1.1	0.9	25.4	3.2	3.2	-1.1
Total expenses excluding non-recurring items	43.7	45.4	-3.9	172.2	181.1	-4.9
EBITDA excluding non-recurring items	4.3	7.5	-42.3	14.6	26.9	-45.7
EBITDA	4.0	7.3	-45.1	14.3	23.2	-38.6
Operating profit excluding non-recurring items	4.0	7.2	-43.7	13.5	25.6	-47.4
% of revenue	8.5	13.7		7.2	12.4	
Operating profit	2.1	7.0	-69.9	11.5	22.1	-48.1
% of revenue	4.4	13.3		6.2	10.7	
Average no. of employees, calculated as full-time employees, excl. delivery staff	752	765	-2.0	792	838	-5.5
Average no. of delivery staff	80	98	-18.0	84	98	-14.0

OPERATIONAL KEY FIGURES Audited circulation (thousands)	2013 Q4	2012 Q4	2013 Q1-Q4	2012 Q1-Q4
Iltalehti				91.2
Aamulehti				121.1
Online services, unique browsers, weekly, on average (thousands)				
Iltalehti.fi	4,065.0	3,083.8	3,530.1	3,280.7
Aamulehti.fi	423.9	377.7	396.3	355.5

October–December 2013

The Newspapers segment's content revenue declined by 4.9% in October–December to MEUR 24.3 (25.6). The decline was due to the decreasing single-copy sales of Iltalehti and declining circulaions of other newspapers. Iltalehti's market share was 39.8% (40.3%) in the review period.

The segment's advertising sales totalled MEUR 22.2 (26.1), down 14.7%. Advertising sales for print media declined by 18.2%. The segment's online advertising sales grew by 9.2%, amounting to MEUR 3.6 (3.3). The revenue for the comparison period included EUR 1 million of election advertising sales. Online business accounted for 7.9% (6.4%) of the segment's revenue. Online advertising sales represented 65.3% (60.0%) of IL-Media's total advertising sales.

The segment's total expenses excluding non-recurring items were MEUR 43.7 (45.4) and total expenses MEUR 45.6 (45.6). An impairment loss of MEUR 1.6 million related to the goodwill of Pohjois-Suomen Media was recognised as a non-recurring expense in the fourth quarter. In addition, restructuring expenses of MEUR 0.3 were allocated to the business unit, resulting from making the Kemi-based regional newspaper Pohjolan Sanomat a five-day publication from the beginning of 2014.

The segment's operating profit excluding non-recurring items was MEUR 4.0 (7.2) and operating profit MEUR 2.1 (7.0). Operating profit excluding non-recurring items accounted for 8.5% (13.7%) of total revenue.

Full year 2013

The segment's content revenue declined by 6.5% in 2013 to MEUR 98.5 (105.3). The decline was due to the decreasing single-copy sales of Iltalehti and declining circulations of other newspapers. Online business only has a minor contribution to the segment's content revenue. Iltalehti's market share was 39.8% (40.9%) in 2013.

The segment's advertising sales totalled MEUR 83.9 (98.0), down 14.4%. Advertising sales for print media decreased by 17.3%. With regard to advertising sales, the volume of the advertising of daily consumer goods as well as recruitment and housing notices decreased in particular. The segment's online advertising sales grew by 7.6%, amounting to MEUR 12.1 (11.3). Online business accounted for 6.9% (5.6%) of the segment's revenue. Online advertising sales represented 59.1% (53.4%) of IL-Media's total advertising sales.

Savings from the restructuring measures in 2012 have been realised as expected. Additional savings measures have been implemented in 2013.

The segment's operating profit excluding non-recurring items was MEUR 13.5 (25.6) and operating profit MEUR 11.5 (22.1). Operating profit excluding non-recurring items accounted for 7.2% (12.4%) of total revenue. An impairment loss of MEUR 1.6 million related to the goodwill of Pohjois-Suomen Media was recognised as a non-recurring expense in the fourth quarter. In addition, restructuring expenses of MEUR 0.3 were allocated to the business unit, resulting from making the Kemi-based regional newspaper Pohjolan Sanomat a five-day publication from the beginning of 2014.

Kauppalehti Group

The Kauppalehti Group specialises in the production of financial information as well as providing information and marketing solutions for businesses. Its best-known product is Finland's leading business paper, Kauppalehti. The Group also includes the custom media house Alma 360 Group, and the news agency and media monitoring unit BNS Group that operates in all of the Baltic countries. Starting from the beginning of 2013, the digital service Objektvision.se has been reported under the Kauppalehti Group.

KEY FIGURES MEUR	2013 Q4	2012 Q4	Change %	2013 Q1-Q4	2012 Q1-Q4	Change %
Revenue	15.4	16.1	-4.2	56.8	59.0	-3.7
Content revenue	4.4	4.4	0.6	16.8	17.0	-1.1
Advertising revenue	4.7	5.0	-7.1	16.2	17.3	-6.2
Service revenue	6.3	6.7	-5.2	23.8	24.7	-3.7
Total expenses excluding non-recurring items	12.8	13.8	-7.1	49.1	52.5	-6.6
EBITDA excluding non-recurring items	2.7	2.5	8.7	8.5	7.4	15.0
EBITDA	2.7	1.6	72.2	8.5	6.4	34.2
Operating profit excluding non-recurring items	2.6	2.3	12.2	7.8	6.6	19.3
% of revenue	16.7	14.2		13.8	11.1	
Operating profit	2.6	1.4	89.2	7.8	5.5	42.3
% of revenue	16.7	8.5		13.8	9.3	
Average no. of employees, calculated as full-time employees	398	403	-1	402	415	-3

OPERATIONAL KEY FIGURES Audited circulation (thousands)	2013 Q4	2012 Q4	2013 Q1-Q4	2012 Q1-Q4
Kauppalehti				63.5
Online services, unique browsers, weekly, on average				
Kauppalehti.fi	769.8	490.9	649.8	673.0

October–December 2013

Content revenue for the Kauppalehti Group was MEUR 4.4 (4.4), on a par with the level of the previous year. Kauppalehti succeeded in increasing its digital content income by 24.3%, which offset the decline in content income for print media. Content revenue for print media decreased by 3.8%.

Advertising sales for the fourth quarter declined by 7.1% to MEUR 4.7 (5.0). Online advertising sales grew by 6.3% from the comparison period. Online business accounted for 34.0% (29.0%) of the segment's revenue.

The segment's total expenses excluding non-recurring items were MEUR 12.8 (13.8) and total expenses MEUR 12.8 (14.8). The decrease in total expenses is the result of last year's reorganisation measures, as well as savings measures implemented in early 2013.

The Kauppalehti Group's operating profit excluding non-recurring items was MEUR 2.6 (2.3), and operating profit MEUR 2.6 (1.4). Operating profit excluding non-recurring items accounted for 16.7% (14.2%) of total revenue.

Full year 2013

The segment's content revenue declined from the previous year to MEUR 16.8 (17.0). Online content sales increased by 22.1%, which offset the decline in content revenue for print media. Content revenue for print media decreased by 5.1%.

Advertising sales for 2013 declined to MEUR 16.2 (17.3), down 6.2%. Advertising sales declined as the result of decreasing advertising sales for print media. Online advertising sales increased by 10.9% from the comparison period.

Service revenue decreased to MEUR 23.8 (24.7). The decline was due to the Alma 360 custom publication business where some of the printing procurement of non-profit organisations has been transferred directly to the organisations due to changes in value added tax regulations. This has resulted in a decrease in revenue, but the change has not had an effect on profitability.

Online business accounted for 33.4% (29.0%) of the segment's revenue.

The segment's total expenses excluding non-recurring items were MEUR 49.1 (52.5) and total expenses MEUR 49.1 (53.6). The decrease in total expenses is the result of last year's reorganisation measures, as well as savings measures implemented in early 2013.

The Kauppalehti Group's operating profit excluding non-recurring items was MEUR 7.8 (6.6), and operating profit MEUR 7.8 (5.5). Operating profit excluding non-recurring items accounted for 13.8% (11.1%) of total revenue. The segment did not report non-recurring items during the review period.

Digital Consumer Services

The services of the Digital Consumer Services segment in Finland are Etuovi.com, Vuokraovi.com, Monster.fi, Autotalli.com, MyyJaOsta.com, Telkku.com, Kotikokki.net, E-kontakti.fi, Nytmatkaan.fi and Suomenyritykset.fi. The services operating outside Finland are Jobs.cz, Prace.cz, topjobs.sk, CV Online, Profesia.sk, MojPosao.net and City24. In addition, the segment includes the development of the technology platform for the online services of regional and local papers.

KEY FIGURES MEUR	2013 Q4	2012 Q4	Change %	2013 Q1-Q4	2012 Q1-Q4	Change %
Revenue	13.8	14.0	-1.2	55.9	54.5	2.6
Operations in Finland	6.5	7.2	-8.7	25.9	29.2	-11.5
Operations outside Finland	7.2	6.8	6.6	30.0	25.2	19.0
Total expenses excluding non-recurring items	13.1	13.0	0.4	48.2	48.3	-0.2
EBITDA excluding non-recurring items	1.9	2.2	-12.6	13.1	10.9	20.3
EBITDA	2.1	2.0	0.8	21.6	10.0	115.7
Operating profit excluding non-recurring items	0.8	1.0	-21.9	7.9	6.3	24.9
% of revenue	5.4	6.8		14.1	11.6	22.0
Operating profit	0.7	0.8	-16.9	16.2	3.8	323.6
% of revenue	5.0	5.9		29.0	7.0	312.8
Average no. of employees, calculated as full-time employees	495	470	5	497	392	27

OPERATIONAL KEY FIGURES Online services, unique browsers, weekly, on average (thousands)	2013 Q4	2012 Q4	2013 Q1-Q4	2012 Q1-Q4
Etuovi.com	429.3	410.7	459.6	414.6
Autotalli.com	118.3	109.9	125.0	107.2
Monster.fi	102.8	95.3	102.6	101.2
MyyjaOsta.com	20.6	24.7	22.6	30.2
Telkku.com	753.8	680.2	692.3	714.2
Kotikokki.net	396.0	305.1	328.2	213.8
Suomenyritykset.fi	60.8	57.4	62.7	66.9

October–December 2013

In the fourth quarter of 2013, the revenue of the Digital Consumer Services segment was MEUR 13.8 (14.0), down 1.2%. The development of the segment's revenue was influenced by the devaluation of the Czech koruna by slightly under 5% in November and decrease in the revenue of operations in Finland.

The decline in the recruitment-related business in Finland, which had continued throughout the year, slowed down during the review period. Recruitment-related business accounted for 60.0% (47.9%) of the segment's revenue in the fourth quarter of 2013.

The total expenses during the review period, excluding non-recurring items, were MEUR 13.1 (13.0) and total expenses MEUR 13.3 (13.1).

The Digital Consumer Services segment's operating profit excluding non-recurring items was MEUR 0.8 (1.0) in the fourth quarter. Operating profit was MEUR 0.7 (0.8). Non-recurring impairment losses of assets in the amount of MEUR 0.3 and a non-recurring agreement-related indemnification of MEUR 0.2 were recognised in the segment in the fourth quarter.

Full year 2013

In January–December, the Digital Consumer Services segment's revenue was MEUR 55.9 (54.4), up 2.6%.

The full-year revenue of the segment's recruitment-related business grew with the support of international acquisitions made in 2012. Recruitment-related business accounted for 58.3% (49.8%) of the segment's revenue in 2013. The acquired businesses create synergy benefits through a variety of recruitment-related added-value services and through competence sharing.

The Etuovi.com service succeeded in improving its profitability compared to the previous year despite the slow cycle in the home sales market in Finland.

The total expenses during the review period, excluding non-recurring items, were MEUR 48.2 (48.3) and total expenses MEUR 48.4 (50.8).

In April, the Marketplaces business unit sold the business operations of the heavy machinery and vehicles marketplace Mascus, recording a non-recurring sales gain of MEUR 8.3.

The Digital Consumer Services segment's operating profit excluding non-recurring items rose to MEUR 7.9 (6.3). The operating profit was MEUR 16.2 (3.8). The operating profit includes net non-recurring items in the amount of MEUR 8.3 (2.5). The non-recurring items during the period were related to the sales gains of MEUR 8.3 from the heavy machinery business Mascus, non-recurring contractual income of MEUR 0.2 and impairment losses of assets in the amount of MEUR 0.3. The non-recurring items in the comparison period were mainly related to operational restructuring as well as capitalised impairment losses relating to research and development costs.

Other Operations

The Other operations segment reports the operations of the Group's printing and distribution company Alma Manu as well as those of the parent company. The financial characteristics of both are similar, as they primarily provide services for the other business segments.

KEY FIGURES MEUR	2013 Q4	2012 Q4	Change %	2013 Q1-Q4	2012 Q1-Q4	Change %
Revenue	21.6	21.5	0.2	85.4	84.8	0.7
External	1.9	1.7	14.3	7.1	6.3	12.3
Inter-segment	19.7	19.9	-1.0	78.4	78.5	-0.2
Total expenses excluding non-recurring items	22.6	23.4	-3.6	90.6	89.6	1.1
EBITDA excluding non-recurring items	1.2	-1.5	177.0	1.4	-0.1	2,458.3
EBITDA	1.1	-1.2	194.3	0.9	-0.1	1,638.6
Operating profit excluding non-recurring items	-1.2	-2.1	43.9	-5.0	-5.0	-0.9
% of revenue	-5.5	-9.7		-5.9	-5.9	
Operating profit	-1.2	-1.8	30.9	-8.5	-5.0	-71.4
% of revenue	-5.7	-8.2		-10.0	-5.9	
Average no. of employees, calculated as full-time employees	249	261		275	266	3
Average no. of delivery staff*	880	862		914	908	1

OPERATIONAL KEY FIGURES	2013 Q4	2012 Q4	2013 Q1-Q4	2012 Q1-Q4
Printing volume (in thousands)	52,795	48,078	194,978	199,085
Paper usage (tons)	6,092	6,786	23,489	27,938

The full-year external revenue of the Other operations segment was MEUR 7.1 (6.3), up 12.3%, mainly due to sales of printing services outside the Group. The segment's total expenses excluding non-recurring items increased by 1.1 % during 2013 and totalled MEUR 90.6 (89.6). The operating loss of the Other operations segment excluding non-recurring items was MEUR 5.0 (5.0). The operating loss was MEUR 8.5 (5.0). The full-year expenses excluding non-recurring items increased by 1.1%. Early in the year, expenses increased due to project expenses related to the commissioning of a printing press, while savings measures in support functions in particular decreased expenses towards the end of the year.

The company's new newspaper printing facility was taken into use in Tampere during the first months of 2013. The investment cost for the printing press was MEUR 49.5, with a further investment of MEUR 24.0 in the property reported in 2012.

In the second quarter, the procurement cost of the new printing press was increased by MEUR 3.4 in value-added tax related to a partial delivery. The leasing company that financed the new printing press has filed a tax appeal related to the case in the Finnish Supreme Administrative Court, a decision on which is expected no later than in spring 2014. During the second quarter, the leasing company received a preliminary decision from the Finnish Central Tax Board stating that the value-added tax related to the printing press delivery was undeductible insofar as the value-added tax concerned advance payments to the now bankrupt supplier manroland AG. After the bankruptcy of the printing press supplier, the delivery was continued on the basis of a new order to the new owner.

An agreement signed in September confirmed that the printing of Hämeen Sanomat and Hämeenlinnan Kaupunkiuutiset will be moved to the printing facility in Tampere from 1 January 2014 onwards.

In April, the company decided to close down printing operations in Rovaniemi by the end of March 2014. As a result of the shutdown decision, Alma Media recorded a non-recurring expense of MEUR 3.5 for the second quarter consisting of impairment loss on fixed assets and other reorganisation costs.

Associated companies

SHARE OF PROFIT OF ASSOCIATED COMPANIES MEUR	2013 Q4	2012 Q4	2013 Q1-Q4	2012 Q1-Q4
Newspapers	-1.4	0.0	-1.4	0.1
Kauppalehti Group				
Talentum Oyj	-3.0	-3.9	-3.1	-4.9
Digital Consumer Services	0.1	-0.1	0.1	-0.1
Other operations				
Other associated companies	0.0	0.1	0.3	0.6
Total	-4.4	-3.9	-4.1	-4.3

Alma Media recognised an impairment loss of a total of MEUR 5.0 on the goodwill included in the book values of associated companies. Of the impairment loss, MEUR 3.5 concerned the associated company holding in Talentum Oy, reported under the Kauppalehti Group, and MEUR 1.4 concerned the associated company holding in Tampereen Ykkösjakelu Oy, reported under the Newspapers segment.

Alma Media Group holds a 32.14% stake in Talentum Oyj, which is reported under the Kauppalehti Group. The company's own shares in the possession of Talentum are included in the total number of shares. In the consolidated financial statements of Alma Media, the own shares held by Talentum itself are not included in the total number of shares. Alma Media's shareholding in Talentum is stated as 32.64% in Alma Media's consolidated financial statements of 31 December 2013.

Non-recurring items

A non-recurring item is a comprehensive income or expense arising from non-recurring or rare events. Gains or losses from the sale or discontinuation of business operations or assets, gains or losses from restructuring business operations as well as impairment losses of goodwill and other assets are recognised as non-recurring items. Non-recurring items are recognised in the profit and loss statement within the corresponding income or expense group.

NON-RECURRING ITEMS MEUR	2013 Q4	2012 Q4	2013 Q1-Q4	2012 Q1-Q4
Newspapers				
Restructuring	-0.3	-0.2	-0.3	-3.3
Impairment losses	-1.6		-1.6	
Gains on sale of assets	0.0	0.0	0.0	-0.1
	-1.9	-0.2	-1.9	-3.4
Kauppalehti Group				
Restructuring	0.0	-0.8	0.0	-0.9
Gains and losses on sales of assets	0.0	0.0	0.0	-0.1
	0.0	-0.8	0.0	-1.0
Digital Consumer Services				
Restructuring	0.0	0.1	0.0	-0.3
Gains and losses on sales of assets	0.2	-0.2	8.5	-0.6
Impairment losses	-0.3	0.0	-0.2	-1.6
	-0.1	-0.1	8.3	-2.7
Other operations				
Restructuring	0.0	-0.1	-3.5	-0.5
Gains and losses on sales of assets	0.0	0.4	0.0	0.4
	0.0	0.3	-3.5	-0.1
NON-RECURRING ITEMS IN OPERATING PROFIT	-2.0	-0.9	2.8	-7.0
Translation differences	0.0	-0.1	0.0	-0.1
Impairment losses of associated companies	-5.0	-4.8	-5.0	-4.8
NON-RECURRING ITEMS IN PROFIT BEFORE TAX	-7.0	-5.8	-2.1	-11.9

The non-recurring items in the 2012 financial period comprised restructuring costs, losses on sales of assets and impairment losses related to fixed assets.

Balance sheet and financial position

At the end of December 2013, the consolidated balance sheet stood at MEUR 272.8 (245.1). The Group's equity ratio at the end of December was 34.9% (36.5%) and equity per share rose to EUR 1.17 (1.08).

The consolidated cash flow from operations in October–December was MEUR 8.7 (10.6). Cash flow before financing was MEUR 7.5 (-13.9). The cash flow for the comparison period included the recruitment business-related business acquisition in the Digital Consumer Services segment.

The consolidated cash flow from operations in January–December was MEUR 24.4 (24.9). Cash flow before financing was MEUR 26.7 (-38.0).

The Group's interest-bearing debt at the end of December amounted to MEUR 109.9 (79.4). The total interest-bearing debt at the end of December comprised MEUR 74.9 in finance leasing debt and MEUR 35.0 in commercial papers.

The Group's interest-bearing net debt at the end of December stood at MEUR 97.6 (62.3). The increase in net debt was due to including the finance leasing debt for the new printing press in the balance sheet.

Alma Media has a EUR 25 million and two EUR 20 million financing limits at its disposal, of which all, a total of EUR 65 million, were unused on 31 December 2013. In addition, on the balance sheet date, the company had a commercial paper programme of EUR 100 million in Finland. Of the commercial paper programme, MEUR 65 was unused on 31 December 2013.

The fair value of the financial assets recognised at fair value through profit or loss resulting from business reorganisation was MEUR 2.0 (0.9) on 31 December 2013, and the fair value of debt MEUR 0.3 (2.7). The contingent considerations resulting from mergers and acquisitions are tied to the companies' operating profit for 2013.

Research and development costs

The Group's research and development costs in 2013 totalled MEUR 5.3 (MEUR 4.1 in 2012). Of this total, MEUR 4.2 (MEUR 3.1) was recognised in the income statement and MEUR 1.1 (MEUR 1.0 in 2012) was capitalised to the balance sheet in 2013. There were capitalised research and developments costs to a total of MEUR 2.0 on the balance sheet on 31 December 2013.

Capital expenditure

Alma Media Group's capital expenditure in January–December 2013 totalled MEUR 62.8 (111.3). The capital expenditure during the review period comprised normal operational and replacement investments and the newspaper printing press investment in Tampere, MEUR 49.5.

Employees

During 2013, Alma Media had on average 1,965 (1,910) employees, calculated as full-time employees. The number of newspaper delivery staff was 998 (1,006) on average.

Administration

Alma Media Corporation's Annual General Meeting (AGM) held on 14 March 2013 elected Timo Aukia, Niklas Herlin, Petri Niemisvirta, Perttu Rinta, Kai Seikku, Erkki Solja, Catharina Stackelberg-Hammarén and Harri Suutari members of the company's Board of Directors. In its constitutive meeting held after the AGM, the Board of Directors elected Harri Suutari as its Chairman.

The Board also elected the members of its committees. Catharina Stackelberg-Hammarén, Perttu Rinta and Kai Seikku as Chairman were elected members of the Audit Committee. Petri Niemisvirta and Erkki Solja, as well as Timo Aukia as Chairman, were elected members of the Nomination and Compensation Committee.

The Board of Directors of Alma Media Corporation has evaluated that with the exception of Timo Aukia, Perttu Rinta and Niklas Herlin, the elected members of the Board of Directors are independent of the company and its significant shareholders. The three members named above are evaluated to be independent of the company but dependent on its significant shareholders.

Mikko Korttila, General Counsel of Alma Media Corporation, was appointed secretary to the Board of Directors.

The AGM appointed Ernst & Young Oy as the company's auditors.

Virpi Juvonen was appointed Vice President, Human Resources of Alma Media Corporation starting 26 April 2013.

Olli-Pekka Behm was appointed Executive Editor-in-Chief of Satakunnan Kansa.

Alma Media Corporation applies the Finnish Corporate Governance Code for listed companies, issued by the Securities Market Association on 15 June 2010 and in effect since 1 October 2010, in its unaltered form. The details of salaries and bonuses for 2013 have been published on the company's website at www.almamedia.fi/investors. The Corporate Governance Statement 2013 will be published on the company's website on 27 February 2014 at the latest.

Dividends

The AGM resolved to distribute a dividend of EUR 0.10 per share, a total of MEUR 7.6 (30.2) for the financial year 2012 in accordance with the proposal of the Board of Directors. The dividend was paid on 26 March 2013 to shareholders who were registered in Alma Media Corporation's shareholder register maintained by Euroclear Finland Oy on the record date, 19 March 12013.

Other decisions by the Annual General Meeting

The AGM on 14 March 2013 resolved to reduce the share premium fund shown on the balance sheet 31 December 2012, EUR 419,295,759, by a total of EUR 100,000,000, which will be transferred to the company's invested non-restricted equity fund. The equity of the company consists only of restricted equity, and it is expedient for the equity structure and distribution of profits to change the structure in a way that reduces the proportion of restricted equity in total equity. The share premium fund constitutes part of the company's restricted equity, which is why reducing the fund requires a public notice to creditors in accordance with the Limited Liability Companies Act prior to the registration of the reduction of the share premium fund. According to a notification received from the National Board of Patents and Registration of Finland on 19 July 2013, none of the company's creditors indicated opposition to the reduction of the share premium fund. The company has recorded the reduction of the share premium fund in the parent company's accounts. The transfer from the share premium fund to the invested non-restricted equity fund has been eliminated in the consolidated financial statements.

The AGM authorised the Board of Directors to decide on a share issue. The authorisation entitles the Board to issue a maximum of 15,000,000 shares. This maximum amount of shares corresponds to approximately 20% of the total number of shares of the company. The share issue may be implemented by issuing new shares or transferring shares now in possession of the company. The authorisation entitles the Board to decide on a directed share issue, which entails deviating from the pre-emption rights of shareholders. The Board can use the authorisation in one or more parts. The Board may use the authorisation for developing the capital structure of the company, widening the ownership base, financing or realising acquisitions or other arrangements, or for other purposes decided upon by the Board. The authorisation may not, however, be used to implement incentive programmes for the management or key employees of the company. The authorisation is valid until the following ordinary AGM, however no longer than until 30 June 2014.

The Alma Media share

In October–December, altogether 3,670,025 Alma Media shares were traded on the NASDAQ OMX Helsinki Stock Exchange, representing 10.8% of the total number of shares. The closing price of the Alma Media share at the end of the last trading day of the reporting period, 31 December 2013, was EUR 2.99. The lowest quotation during the review period was EUR 2.93 and the highest EUR 3.42. Alma Media Corporation's market capitalisation at the end of the review period was MEUR 225.7.

In January–December, altogether 8,130,118 Alma Media shares were traded on the NASDAQ OMX Helsinki Stock Exchange, representing 10.8% of the total number of shares. The closing price of the Alma Media share at the end of the last trading day of the reporting period, 31 December 2013, was EUR 2.99. The lowest quotation during the review period was EUR 2.49 and the highest EUR 5.00. Alma Media Corporation's market capitalisation at the end of the review period was MEUR 225.7.

Option programme and share-based incentive plan

Alma Media has the option programme 2009 in effect. The programme is an incentive and commitment system for Group management. If all the subscription rights are exercised, the programme 2009 will dilute the holdings of the earlier shareholders by a maximum of 2.0%. Further details about the programme are given in the notes to this Financial Statement Release.

The Board of Directors of Alma Media Corporation decided in 2012 on a new share-based incentive plan for the Group's key employees. The new Performance Share Plan consists of three performance periods, the calendar years 2012, 2013 and 2014. The Board of Directors will decide on the plan's performance criteria and the achievement targets at the beginning of each performance period. No rewards were paid for the performance periods 2012 and 2013. The potential reward from the plan for the performance period 2014 will be based on Alma Media Group's profitability, and it will be paid partly in the company's shares and partly in cash in 2015. For the members of the Group Executive Team, the plan additionally includes one three-year performance period, the calendar years 2012–2014, based on the profitable growth of the Group. No reward is expected to be paid for these performance periods. The Performance Share Plan includes approximately 20 persons.

Other authorisations of the Board of Directors

The Board of Directors has no other current authorisations.

Market liquidity guarantee

The Alma Media share has no market liquidity guarantee in effect.

Flagging notices

In the fourth quarter of 2013, Alma Media did not receive notices of changes in shareholdings pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act.

Risks and risk management

The purpose of Alma Media Group's risk management activities is to continuously evaluate and manage all opportunities, threats and risks in conjunction with the company's operations to enable the company to reach its set objectives and to secure business continuity.

The risk management process identifies the risks, develops appropriate risk management methods and regularly reports on risk issues to the risk management organisation. Risk management is part of Alma Media's internal control function and thereby part of good corporate governance. Limits and processing methods are set for quantitative and qualitative risks by the corporate risk management system in writing.

The most critical strategic risks for Alma Media are a significant drop in its print newspaper readership, a permanent decline in advertising sales and a significant increase in distribution and delivery costs. The media industry is undergoing changes following the transformation in media consumption and technological development. Alma Media's strategic objective is to meet this challenge through renewal and the development of new business in digital consumer and business services.

Fluctuating economic cycles are reflected in the development of advertising sales. Advertising sales account for approximately half of the Group's revenue. Business operations outside Finland, such as in the East and Central European countries, include country-specific risks relating to market development and economic growth. The expansion of business outside Finland has reduced the risks inherent in operating in one market area.

The most important operational risks are disturbances in information technology and data transfer, as well as an interruption of the printing operations.

Sustainable development

With its Code of Ethics, Alma Media is committed to supporting the universally accepted principles in the areas of human rights, labour, environment and anti-corruption laid out in the United Nations Global Compact initiative. Alma Media participates in the annual Carbon Disclosure Project (CDP) climate reporting directed at investors, and was the only media company to make it to the Nordic Climate Disclosure Leadership index in October 2013. In addition, the Alma Media share is included in the OMX GES Sustainability Finland index. Alma Media is a member of the corporate responsibility networks Nordic Media CR Forum and Finnish Business & Society.

The most significant environmental impacts of Alma Media's business operations are related to purchases, printing and delivery operations and real estate. In 2013, the company's printing facilities used approximately 24,900 (26,400) tonnes of newsprint. Alma Media used 16,333 (16,696) MWh of electric power in 2013. Additional information on the company's Sustainable Media programme is available on the Alma Media website.

Events after the review period

Alma Media Corporation and Monster Worldwide, Inc., agreed to strengthen their joint operations across Eastern Europe and the Baltics. In expanding their joint offering, Monster's career services were combined with Alma Media's similar services to create a comprehensive offering in Poland, Hungary, Czech Republic, Slovakia, Croatia, Finland, Estonia, Latvia and Lithuania. The companies will be managed under a joint holding company named Alma Career Oy and will be reported as part of Alma Media's Digital Consumer Services segment.

Monster Worldwide became a 15% minority owner of Alma Career Oy and contributed its Poland, Hungary and Czech Republic operations as well as purchases the shares in the joint venture for EUR 4.7 million. Alma Media owns 85% of the joint venture's shares. Monster has an option to increase its ownership to 20% by 2017. The arrangement was implemented on 3 January 2014. The arrangement will not have any effects on Alma Media's profit or loss at the time of its implementation. The arrangement will have a positive cash flow impact of MEUR 4.7 million for the first quarter of 2014.

Alma Media and five other Finnish publishers signed a letter of intent in February 2014, planning to significantly expand their journalistic cooperation. The newspapers Aamulehti, Satakunnan Kansa, Lapin Kansa, Kainuun Sanomat, Pohjolan Sanomat, Turun Sanomat, Kaleva, Ilkka, Pohjalainen, Hämeen Sanomat, Forssan Lehti and Keskipohjanmaa are planning to establish in 2014 a company called Lännen Media to provide shared content for all the participating newspapers.

Proposal by the Board of Directors for distribution of profit

Alma Media's Board of Directors proposes to the Annual General Meeting that a capital repayment of EUR 0.10 (0.10) per share be paid from the reserve for invested non-restricted equity for the financial year 2013. Based on the number of shares on the closing date, 31 December 2013, the total capital repayment would amount to EUR 7,548,685 (EUR 7,548,685).

On 31 December 2013, the Group's parent company had distributable funds totalling EUR 23,905,611 (8,014,054). The parent company's profit for the period amounted to EUR – 76,559,758.04 (- 14,169,546). No essential changes in the company's financial standing have taken place after the end of the financial year. The repayment of capital will be paid on 25 March 2014 to shareholders who are registered in Alma Media Corporation's shareholder register maintained by Euroclear Finland Oy on the record date, 25 March 2014 . The payment date of the capital repayment is 1 April 2014.

In addition, the Board proposes to the Annual General Meeting that it be given an authorisation to decide on an additional capital repayment of no more than EUR 0.10 per share.

The report by Alma Media Corporation's Board of Directors, the financial statements and the auditors' report will be available on the company's website no later than 27 February 2014.

Alma Media's Annual General Meeting 2014 is estimated to be held on 20 March 2014.

ALMA MEDIA CORPORATION
Board of Directors

Alma Media's financial calendar 2014

- Financial Statement Release for financial year 2013 on Thursday, 13 February 2014 at approximately 9:00 EET
- Interim Report for January–March 2014 on Tuesday, 29 April 2014 at approximately 9:00 EEST
- Interim Report for January–June 2014 on Friday, 18 July 2014 at approximately 9:00 EEST
- Interim Report for January–September 2014 on Friday, 24 October 2014 at approximately 9:00 EEST

Alma Media's Annual Review 2013, including corporate responsibility reporting, is scheduled to be published in calendar week 11, 2014, at the latest.

The Annual General Meeting is planned to be held on Thursday, 20 March 2014. Financial Statements, Report by the Board of Directors, Auditor's Report and Corporate Governance Statement will be published no later than on Thursday, 27 February 2014.

SUMMARY OF FINANCIAL STATEMENTS AND NOTES

COMPREHENSIVE INCOME STATEMENT MEUR	2013 Q4	2012 Q4	Change %	2013 Q1-Q4	2012 Q1-Q4	Change %
REVENUE	77.3	82.7	-6.5	300.2	320.1	-6.2
Other operating income	0.3	0.6	-49.1	9.2	0.9	975.5
Materials and services	19.8	21.5	-7.9	79.6	84.9	-6.3
Employee benefits expense	30.2	32.4	-6.7	119.4	129.3	-7.6
Depreciation, amortisation and impairment	5.6	2.1	160.9	18.3	13.0	40.2
Other operating expenses	17.6	19.7	-10.6	65.1	67.2	-3.1
OPERATING PROFIT	4.3	7.6	-42.9	27.0	26.5	1.9
Finance income	0.5	1.0	-50.9	1.9	4.2	-53.6
Finance expenses	0.7	0.9	-18.5	2.4	2.7	-10.8
Share of profit of associated companies	-4.4	-3.9	-11.8	-4.1	-4.3	3.4
PROFIT BEFORE TAX	-0.3	3.8	-106.7	22.4	23.7	-5.4
Income tax	1.7	1.7	-0.4	6.4	6.3	2.2
PROFIT FOR THE PERIOD	-2.0	2.1	-192.6	16.0	17.4	-8.2
OTHER COMPREHENSIVE INCOME:						
Items that are not later transferred to be recognised through profit or loss						
Items arising due to the redefinition of net defined benefit liability (or asset item)	0.0	-0.2		0.0	-0.2	
Tax on items that not later transferred to be recognised through profit or loss	0.0	0.0		0.0	0.0	
Items that may later be transferred to be recognised through profit or loss						
Translation differences	0.0	-0.2		-0.8	0.0	
Share of other comprehensive income of associated companies	-0.2	0.4		-0.4	0.4	
Income tax relating to components of other comprehensive income	0.0	0.0		0.0	0.0	
Other comprehensive income for the year, net of tax	-0.2	0.0		-1.2	0.2	
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-2.2	2.1		14.8	17.6	
Profit for the period attributable to:						
- Owners of the parent	-2.0	1.9		15.0	16.6	
- Non-controlling interest	0.0	0.2		0.9	0.8	
Total comprehensive income for the period attributable to:						
- Owners of the parent	-2.2	2.0		13.9	16.9	
- Non-controlling interest	0.0	0.2		0.9	0.8	
Earnings per share calculated from the profit for the period attributable to the parent company shareholders:						
- Earnings per share (basic), EUR	-0.03	0.03		0.20	0.22	
- Earnings per share (diluted), EUR	-0.03	0.03		0.20	0.22	

BALANCE SHEET

MEUR	31 Dec 2013	31 Dec 2012
ASSETS		
NON-CURRENT ASSETS		
Goodwill	70.7	74.3
Other intangible assets	42.2	43.9
Tangible assets	86.3	41.3
Investments in associated companies	25.5	31.3
Other non-current financial assets	3.8	4.7
Deferred tax assets	1.5	1.0
CURRENT ASSETS		
Inventories	1.4	0.7
Deferred tax assets	0.0	1.3
Trade receivables and other receivables	27.0	29.3
Other current financial assets	2.0	0.0
Cash and cash equivalents	12.3	17.1
TOTAL ASSETS	272.8	245.1

MEUR	31 Dec 2013	31 Dec 2012
EQUITY AND LIABILITIES		
Share capital	45.3	45.3
Share premium reserve	7.7	7.7
Translation differences	-0.6	0.2
Retained earnings	35.6	28.0
Equity attributable to owners of the parent	88.1	81.3
Non-controlling interest	2.3	2.7
TOTAL EQUITY	90.4	84.0
LIABILITIES		
NON-CURRENT LIABILITIES		
Non-current interest-bearing liabilities	69.7	25.8
Deferred tax liabilities	7.0	7.9
Pension liabilities	2.6	3.0
Provisions	0.0	0.1
Other financial liabilities	0.0	0.4
Other non-current liabilities	0.4	0.3
CURRENT LIABILITIES		
Current interest-bearing liabilities	40.8	53.5
Advances received	13.7	14.8
Income tax liability	1.5	0.0
Provisions	4.2	0.4
Trade and other payables	42.4	54.9
TOTAL LIABILITIES	182.3	161.1
TOTAL EQUITY AND LIABILITIES	272.8	245.1

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

Column headings:
A = Share capital
B = Share premium reserve
C = Translation differences
D = Retained earnings
E = Total
F = Non-controlling interest
G = Equity total

	Attributable to equity holders of the Parent Company						
MEUR	A	B	C	D	E	F	G
Equity 1 Jan 2013	45.3	7.7	0.2	28.0	81.3	2.7	84.0
Profit for the period				15.0	15.0	0.9	16.0
Other comprehensive income			-0.8	-0.3	-1.1	0.0	-1.1
Transactions with equity holders							
Dividends paid by parent				-7.5	-7.5	0.0	-7.5
Dividends paid by subsidiaries					0.0	-1.2	-1.2
Share-based payment transactions and exercised share options				0.5	0.5	0.0	0.5
Change in ownership in subsidiaries						-0.1	-0.1
Equity 31 Dec 2013	45.3	7.7	-0.6	35.6	88.1	2.3	90.4

MEUR	A	B	C	D	E	F	G
Equity 1 Jan 2012	45.3	7.7	0.2	40.6	93.8	2.9	96.7
Effect of amended standard IAS 19				-0.4	-0.4		-0.4
Adjusted equity 1 Jan 2012	45.3	7.7	0.2	40.1	93.4	2.9	96.3
Profit for the period				16.6	16.6	0.8	17.4
Other comprehensive income			0.0	0.2	0.2		0.2
Transactions with equity holders							
Dividends paid by parent				-29.7	-29.7		-29.7
Dividends paid by subsidiaries						-1.3	-1.3
Share-based payment transactions and exercised share options				0.8	0.8		0.8
Change in ownership in subsidiaries						0.3	0.3
Equity 31 Dec 2012	45.3	7.7	0.2	28.0	81.3	2.7	84.0

CASH FLOW STATEMENT MEUR	2013 Q4	2012 Q4	2013 Q1-Q4	2012 Q1-Q4
OPERATING ACTIVITIES				
Profit for the period	-2.0	2.1	16.0	17.4
Adjustments	12.2	1.1	25.4	19.2
Change in working capital	-4.2	7.4	-11.8	-4.8
Dividends received	0.6	0.2	1.3	0.9
Interest received	0.1	0.1	0.1	0.2
Interest paid and other finance expenses	-0.2	-0.2	-1.8	-2.4
Taxes paid	2.3	1.4	-4.7	-5.7
Net cash flow from operating activities	8.7	11.3	24.4	24.9
INVESTING ACTIVITIES				
Acquisitions of tangible and intangible assets	-1.2	-1.8	-6.2	-4.1
Proceeds from sale of tangible and intangible assets	0.0	0.5	0.0	3.0
Other investments	0.0	0.0	0.0	-0.1
Proceeds from sale of other investments	0.0	0.0	0.1	0.2
Acquisition of subsidiaries	0.0	-21.4	-2.6	-64.3
Acquisition of associated companies	0.0	-1.9	0.0	-2.3
Proceeds from sale of subsidiaries	0.0	0.0	10.5	3.8
Proceeds from sale and repayment of capital of associated companies	0.0	0.0	0.4	0.9
Net cash flows from / (used in) investing activities	-1.2	-24.6	2.3	-62.8
Cash flow before financing activities	7.5	-13.3	26.7	-38.0
FINANCING ACTIVITIES				
Proceeds from exercise of share options	0.0	0.0	0.0	0.0
Current loans taken	60.0	24.0	143.5	52.0
Repayment of current loans	-64.8	-14.5	-166.0	-23.4
Change in interest-bearing receivables	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	-8.7	-31.5
Net cash flows from / (used in) financing activities	-4.8	9.5	-31.2	-2.8
Change in cash and cash equivalent funds (increase + / decrease -)	2.7	-3.8	-4.5	-40.8
Cash and cash equivalents at beginning of period	9.8	20.9	17.1	57.8
Effect of change in foreign exchange rates	-0.2	0.1	-0.3	0.1
Cash and cash equivalents at end of period	12.3	17.1	12.3	17.1

Acquired businesses in 2013

Alma Media acquired the entire stock of Julkaisupalvelu Lounais-Lappi Oy on 14 June 2013. The company publishes the city paper Lounais-Lappi in the Kemi-Tornio economic region. The acquisition, reported under the Newspapers segment, has no significant effect on the financial figures of Alma Media Group, which is why no additional information is presented.

Contingent considerations

Contingent considerations arising from business acquisitions are classified as financial liabilities recognised at fair value through profit or loss. The amount of the contingent considerations due to acquisitions and business arrangements is based on the revenue and operating profits of the acquired businesses during 2010–14. The fair values are the estimated final considerations discounted to the balance sheet date.

CONTINGENT CONSIDERATION ASSETS MEUR	
Initial recognition of the assets	8.4
Change in fair value during previous financial periods	-1.6
Considerations, settled in cash	-5.9
Change in fair value during the financial period	1.1
Fair value of the contingent consideration assets at the end of the period	2.0

CONTINGENT CONSIDERATION LIABILITY MEUR	
Initial recognition of the liability	6.7
Change in fair value during previous financial periods	-4.3
Considerations, settled in cash	-2.2
Change in fair value during the financial period	0.0
Fair value of the contingent consideration liability at the end of the period	0.3

Information by segment

REVENUE BY GEOGRAPHICAL AREA MEUR	2013 Q4	2012 Q4	2013 Q1-Q4	2012 Q1-Q4
Finland	65.0	66.7	259.2	284.0
Other EU countries	11.8	15.0	39.7	34.1
Other countries	0.5	0.9	1.3	1.9
Total	77.3	82.7	300.2	320.1

The business segments of Alma Media are Newspapers, Kauppalehti Group, Digital Consumer Services and Other Operations. The descriptive section of the financial statement release presents the revenue and operating profits of the segments and the allocation of the associated companies' results to the reporting segments.

The following table presents the assets and liabilities by segment as well as the non-allocated asset and liability items.

INFORMATION BY SEGMENT

ASSETS BY SEGMENT MEUR	31 Dec 2013	31 Dec 2012
Newspapers	32.4	40.0
Kauppalehti Group	36.7	36.9
Digital Consumer Services	91.2	84.2
Other operations	98.8	50.5
Non-allocated assets and eliminations	13.7	33.5
Total	272.8	245.1

LIABILITIES BY SEGMENT MEUR	31 Dec 2013	31 Dec 2012
Newspapers	24.8	29.6
Kauppalehti Group	9.7	11.9
Digital Consumer Services	14.9	14.6
Other operations	84.5	38.8
Non-allocated assets and eliminations	48.4	66.2
Total	182.3	161.1

CAPITAL EXPENDITURE BY SEGMENT MEUR	2013 Q4	2012 Q4	2013 Q1-Q4	2012 Q1-Q4
Newspapers	0.3	0.7	2.6	1.8
Kauppalehti Group	0.3	0.2	0.8	0.6
Digital Consumer Services	1.3	26.6	2.0	76.2
Other operations	0.8	5.6	57.4	32.8
Total	2.8	33.1	62.8	111.5

Provisions

The company's provisions totalled MEUR 4.2 (0.5) on 31 December 2013. It has not been necessary to change the estimates made when the provisions were entered.

EUR 1,000	Restructuring provision	Other provisions	Total
1 January 2013	0.4	0.1	0.5
Increase in provisions	0.5	3.5	4.0
Provisions employed	-0.2	-0.1	-0.3
31 Dec 2013	0.7	3.5	4.2

Commitments and contingencies

MEUR	31 Dec 2013	31 Dec 2012
Collateral for others		
Guarantees	1.3	1.3
Minimum lease payments on other lease agreements:		
Within one year	8.8	8.6
Within 1-5 years	27.4	25.4
After 5 years	37.6	34.7
Total	73.7	68.7
The Group also has purchase agreements that, based on IFRIC 4, include a lease component as per IAS 17. Minimum payments based on these agreements:	0.8	1.6

DERIVATIVE CONTRACTS MEUR	31 Dec 2013	31 Dec 2012
Commodity derivative contracts, electricity derivatives		
Fair value*	-0.1	-0.1
Nominal value	0.6	0.8
Interest rate derivatives		
Fair value*	-0.2	-0.4
Nominal value	15.9	24.0

* *The fair value represents the return that would have arisen if the derivative had been cleared on the balance sheet date.*

Related party transactions

Alma Media Group's related parties are the major shareholders of the parent company, associated companies and companies owned by them. Related parties also include the Group's senior management and their related parties (members of the Board of Directors, President and CEO and Managing Directors, and the Group Executive Team). The following table summarises the business operations undertaken between Alma Media and its related parties as well as the status of their receivables and liabilities:

RELATED PARTY TRANSACTIONS MEUR	2013 Q4	2012 Q4	2013 Q1-Q4	2012 Q1-Q4
Sales of goods and services	0.1	0.1	0.4	0.8
Purchases of goods and services	0.9	0.9	3.2	3.4
Trade receivables, loan and other receivables at the end of the reporting period			0.0	0.0
Trade payables at the reporting date			0.0	0.1

Option programme

Alma Media has the option programme 2009 in effect. The programme is an incentive and commitment system for Group management.

Under the option programme 2009 a maximum total of 2,130,000 stock options may be granted during 2009– 2011, and these may be exercised to subscribe to a maximum of 2,130,000 Alma Media shares, either new or in possession of the company. Of the total number of options, 710,000 were marked 2009A, 710,000 were marked 2009B and 710,000 were marked 2009C.

A total of 640,000 options have been issued under the 2009A programme. The share subscription period for 2009A is 1 April 2012–31 March 2014. The management has 509,750 options 2009A in its possession. Additionally, the management has sold 85,250 2009A option rights. The share subscription price has been reduced annually by the dividend per share, and was EUR 3.61 in December 2013. As of 31 December 2013, no share subscriptions were made through 2009A option rights.

A total of 610,000 options have been issued under the 2009B programme. The share subscription period for 2009B is April 1, 2013–March 31, 2015. The management has 505,000 options 2009B in its possession. The share subscription price has been reduced annually by the dividend per share, and was EUR 6.13 in December 2013. As of 31 December 2013, no share subscriptions were made through 2009B option rights.

A total of 640,000 options have been issued under the 2009C programme. The share subscription period for 2009C is 1 April 2014–31 March 2016. The management has 535,000 options 2009C in its possession. The share subscription price was EUR 7.45 in December 2013.

If all the subscription rights are exercised, the option programme 2009 will dilute the holdings of the earlier shareholders by a maximum of 2.0%.

Share-based incentive plan

The Board of Directors of Alma Media Corporation has in February 2012 approved a Performance Share Plan for the key employees of Alma Media Group. The plan includes three (3) one (1) year performance periods, calendar years 2012, 2013 and 2014, based on the Group's return. Furthermore, for the members of the Group Executive Team, the plan includes one (1) three (3) year performance period the calendar years 2012—2014, based on the profitable growth of the Group.

The reward from the plan will shall be paid to the key employees in a combination of shares and cash after the end of each performance period by the end of April in 2013, 2014 and 2015. The reward from the performance period 2012—2014 shall be confirmed by the end of April 2015, and it will be paid in two equal lots in a combination of shares and cash, one year and two years from the end of the performance period.

Shares paid as reward on the basis of the plan from the one-year performance periods may not be assigned, pledged or otherwise exercised (transfer restriction/s) during the restriction period established for the shares (restriction period/s). The restriction period shall begin from the reward payment and end on 31 December 2014 for the shares earned from the performance period 2012, on 31 December 2015 for the shares earned from the performance period 2013, and on 31 December 2016 for the shares earned from the performance period 2014.

No reward shall be paid to a key employee if a Group company or a key employee gives notice of termination or cancels the key employee's employment or service contract before the reward payment. A key employee shall be obligated to return the shares given as reward and subject to the transfer restriction back to the company or its designate, gratuitously, without delay, if a Group company or key employee gives notice of termination or cancels the key employee's employment or service contract before the end of the restriction period in question. Shares earned for the performance period 2012–2014 shall not be subject to a restriction period.

There shall be a maximum total of 600,000 shares and a cash payment needed for taxes and tax-like charges arising from the reward to the key employees on the book-entry registration date of the shares.

In the first performance period 2012, the Performance Share Plan shall include approximately 20 people, and in the next performance period 2013, on estimate 24 people. The value of the plan for the performance period 2012 corresponded to the value of 120,000 shares and a cash payment needed for taxes and tax-like charges arising from the reward to the key employees in case the performance of the Group's return is in line with the performance criteria set by the Board of Directors. The criteria were not met for the performance period 2012. The value of the plan for the performance period 2013 corresponds to the value of 117,000 shares and a cash payment needed for taxes and tax-like charges arising from the reward to the key employees in case the performance of the Group's return is in line with the performance criteria set by the Board of Directors. For the members of the Group Executive Team, the plan additionally includes one three-year performance period, the calendar years 2012–2014, based on the profitable growth of the Group. The potential reward shall be paid partly in the company's shares and partly in cash one year (performance period 2012–2014) and two years (performance period 2012–2014 II) from the end of the performance period. The value of the plan for the performance period 2012–2014 and 2012–2014 II corresponds to the value of 120,000 shares and a cash payment needed for taxes and tax-like charges arising from the reward to the key employees in case the performance of the Group's return is in line with the performance criteria set by the Board of Directors.

The fair value of the reward is expensed until the target group is entitled to the reward and the shares are freely transferable. The fair value of the share is the share price, on the date on which the target group has agreed to the terms and conditions of the plan, reduced by the estimated dividends. The fair value of the share is the share price on the date on which the target group has agreed to the terms and conditions of the plan. The fair value of the cash proportion is remeasured on each reporting date based on the share price on the reporting date. No expense was recognised for the Performance Share Plan in the financial period 2013 as the arrangement is not expected to realise.

QUARTERLY INFORMATION MEUR	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4
Revenue									
Newspapers	47.7	45.1	47.3	45.6	52.6	48.9	53.2	51.9	55.8
Kauppalehti Group	15.4	13.1	14.4	14.0	16.1	13.2	14.9	14.8	15.6
Digital Consumer Services	13.8	13.0	14.2	14.9	14.0	12.8	13.3	14.4	10.2
Other operations	21.6	20.9	21.2	21.7	21.5	21.2	21.0	21.0	20.2
Elimination	-21.2	-20.3	-20.7	-21.3	-21.4	-20.9	-21.4	-21.1	-20.4
REVENUE	77.3	71.7	76.3	74.9	82.7	75.2	81.0	81.1	81.3
Total expenses excluding non-recurring items									
Newspapers	43.5	40.8	44.2	43.6	45.4	43.6	46.0	46.1	47.5
Kauppalehti Group	12.8	10.9	12.7	12.7	13.8	11.5	13.8	13.3	13.3
Digital Consumer Services	13.1	11.2	11.7	12.3	13.0	10.8	12.2	12.3	9.4
Other operations	22.6	21.6	24.1	22.3	23.4	21.4	22.8	22.1	21.7
TOTAL EXPENSES EXCLUDING NON-RECURRING ITEMS	70.9	64.1	71.9	69.6	74.4	66.4	73.4	72.8	71.4
Operating profit excluding non-recurring items									
Newspapers	4.2	4.3	3.1	2.0	7.2	5.4	7.2	5.9	8.3
Kauppalehti Group	2.6	2.2	1.7	1.3	2.3	1.7	1.1	1.5	2.3
Digital Consumer Services	0.8	1.9	2.6	2.7	1.0	2.0	1.2	2.2	0.8
Other operations	-1.0	-0.6	-2.7	-0.5	-1.9	-0.1	-1.7	-1.0	-1.5
OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS	6.5	7.8	4.6	5.5	8.5	8.9	7.7	8.5	10.1
% of revenue									
Newspapers	8.8	9.6	6.5	4.4	13.7	10.9	13.5	11.3	14.9
Kauppalehti Group	16.7	16.9	12.0	9.6	14.2	12.9	7.1	10.2	15.0
Digital Consumer Services	5.5	14.5	18.0	18.1	6.8	15.7	9.0	14.9	7.8
Other operations	-4.5	-3.0	-12.7	-2.4	-8.6	-0.6	-8.2	-4.8	-7.5
% OF REVENUE	8.4	10.8	6.0	7.3	10.3	11.8	9.5	10.4	12.4
Non-recurring items									
Newspapers	-2.1	0.0	0.0	0.0	-0.2	-0.1	-2.6	-0.5	-0.5
Kauppalehti Group	0.0	0.0	0.0	0.0	-0.9	-0.1	0.0	0.0	0.0
Digital Consumer Services	-0.1	0.0	8.4	0.0	-0.1	-0.5	-0.3	-1.6	0.0
Other operations	0.0	0.0	-3.5	0.0	0.3	0.0	0.0	-0.3	0.0
NON-RECURRING ITEMS	-2.2	0.0	4.9	0.0	-0.9	-0.7	-2.9	-2.5	-0.5
Operating profit									
Newspapers	2.1	4.3	3.1	2.0	7.0	5.2	4.6	5.3	7.8
Kauppalehti Group	2.6	2.2	1.7	1.3	1.4	1.6	1.1	1.5	2.3
Digital Consumer Services	0.7	1.9	10.9	2.7	0.8	1.5	0.9	0.5	0.8
Other operations	-1.0	-0.6	-6.2	-0.5	-1.5	-0.1	-1.7	-1.3	-1.5
OPERATING PROFIT	4.3	7.8	9.5	5.4	7.6	8.1	4.8	6.0	9.5
Finance income	0.5	0.9	0.5	0.4	1.0	3.1	0.7	0.0	0.2
Finance expenses	0.7	0.8	0.5	0.6	0.9	0.6	0.3	1.7	3.9
Share of profit of associated companies	-4.4	-0.2	0.2	0.2	-3.9	-0.2	0.3	-0.5	-0.6
PROFIT BEFORE TAX	-0.3	7.7	9.5	5.4	3.8	10.5	5.6	3.8	5.3
Income tax	-1.7	-1.8	-1.6	-1.4	-1.7	-2.4	-1.1	-1.1	-2.4
PROFIT FOR THE PERIOD	-2.0	5.9	7.9	4.1	2.1	8.1	4.5	2.7	2.8

Main accounting principles (IFRS)

This Financial Statement Release has been prepared according to IFRS standards (IAS 34). The financial statement release applies the same accounting principles and calculation methods as the annual accounts dated 31 December 2013. The financial statement release does not, however, contain all the information or notes to the accounts included in the annual financial statements. This report should therefore be read in conjunction with the company's financial statements for 2013. The accounting principles of the financial years 2012 and 2013 are comparable. The company has no discontinued operations to report in the 2012–2013 financial periods.

The key indicators are calculated using the same formulae as applied in the previous annual financial statements. The quarterly percentages of Return on Investment (ROI) and Return on Equity (ROE) have been annualised using the formula $((1+\text{quarterly return})^4)-1)$. The figures in this interim report are independently rounded.

The Group has adopted the following new standards as of 1 January 2013:

IAS 1: Presentation of Financial Statements – Presentation of other comprehensive income, amended
IAS 19: Employee Benefits, amended
IAS 27: Consolidated and Separate Financial Statements, amended
IAS 28: Investments in Associates and Joint Ventures, revised
IAS 32: Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities, amended
IFRS 7: Financial Instruments: Disclosures, amended
IFRS 9: Financial Instruments, new standard
IFRS 10: Consolidated Financial Statements, new standard
IFRS 11: Joint Arrangements, new standard
IFRS 12: Disclosure of Interests in Other Entities, new standard
IFRS 13: Fair Value Measurement, new standard

The impact of the new standards presented above on the Group is marginal, with the exception of IAS 19 Employee Benefits as far as the standard is amended concerning the so-called corridor approach. The effect of the amended standard on Alma Media's consolidated financial statements is presented in the table below:

Funded pension obligations

MEUR	Old standard	New standard	Change
Pension assets 1 Jan 2012	0.0		
Pension liabilities 1 Jan 2012		0.5	0.6
Pension assets 31 Dec 2012	0.1		
Pension liabilities 31 Dec 2012		0.6	0.7
Change of pension liabilities for financial period 2012	0.1	-0.1	-0.2*

**Impact on financial period 2012 presented in other comprehensive income items*

The figures in this interim report are unaudited.

Seasonality

The Group recognises its content revenues from publishing activities as paid. Therefore, content revenues accrue in the income statement fairly evenly during the four quarters of the year. The bulk of newspaper subscription invoicing takes place at the beginning of the year and therefore the cash flow from operating activities is strongest in the first and second quarters. This also affects the company's balance sheet position in different quarters.

General statement

This report contains certain statements that are estimates based on the management's best knowledge at the time they were made. For this reason they contain a certain amount of risk and uncertainty. The estimates may change in the event of significant changes in the general economic conditions.

ALMA MEDIA CORPORATION
Board of Directors

Alma Media's financial calendar 2014

- Financial Statement Release for financial year 2013 on Thursday, 13 February 2014 at approximately 9:00 EET
- Interim Report for January–March 2014 on Tuesday, 29 April 2014 at approximately 9:00 EEST
- Interim Report for January–June 2014 on Friday, 18 July 2014 at approximately 9:00 EEST
- Interim Report for January–September 2014 on Friday, 24 October 2014 at approximately 9:00 EEST

Alma Media's Annual Review 2013, including corporate responsibility reporting, is scheduled to be published during the week starting on Monday, 10 March 2014, at the latest.

The Annual General Meeting is planned to be held on Thursday, 20 March 2014. Financial Statements, Report by the Board of Directors, Auditor's Report and Corporate Governance Statement will be published no later than on Thursday, 27 February 2014.

REVENUE AND OPERATING PROFIT BY SEGMENT IN THE NEW SEGMENT STRUCTURE

2012

REVENUE BY SEGMENT MEUR	New structure	Old structure	Change
Newspapers			
External	203.4	203.4	0.0
Inter-segment	3.2	3.2	0.0
Newspapers total	206.6	206.6	0.0
Kauppalehti Group			
External	58.2	56.1	2.1
Inter-segment	0.8	0.8	0.0
Kauppalehti Group total	59.0	56.9	2.1
Digital Consumer Services			
External	52.2	54.3	-2.1
Inter-segment	2.3	2.2	0.0
Digital Consumer Services total	54.5	56.5	-2.1
Other operations			
External	6.3	6.3	0.0
Inter-segment	78.5	78.5	0.0
Other operations total	84.8	84.8	0.0
Elimination	-84.8	-84.7	0.0
Total	320.1	320.1	0.0

OPERATING PROFIT/LOSS BY SEGMENT MEUR*	New structure	Old structure	Change
Newspapers	22.1	22.1	0.0
Kauppalehti Group	5.5	4.6	0.9
Digital Consumer Services	3.8	4.7	-0.9
Other operations	-4.7	-4.7	0.0
Total	26.5	26.5	0.0

** Including non-recurring items*

REVENUE AND OPERATING PROFIT BY SEGMENT
IN THE NEW SEGMENT STRUCTURE

2012

REVENUE BY SEGMENT MEUR	2012 Q1	2012 Q2	2012 Q3	2012 Q4	2012 Q1-Q4
Newspapers					
External	50.9	52.2	48.3	52.0	203.4
Inter-segment	1.1	1.0	0.6	0.6	3.2
Newspapers total	51.9	53.2	48.9	52.6	206.6
Kauppalehti Group					
External	14.6	14.7	13.1	15.8	58.2
Inter-segment	0.2	0.2	0.1	0.2	0.8
Kauppalehti Group total	14.8	14.9	13.2	16.1	59.0
Digital Consumer Services					
External	14.1	12.7	12.2	13.2	52.2
Inter-segment	0.3	0.7	0.6	0.7	2.3
Digital Consumer Services total	14.4	13.3	12.8	14.0	54.5
Other operations					
External	1.6	1.5	1.6	1.7	6.3
Inter-segment	19.5	19.6	19.6	19.9	78.5
Other operations total	21.0	21.0	21.2	21.5	84.8
Elimination	-21.1	-21.4	-20.9	-21.4	-84.8
Total	81.1	81.0	75.2	82.7	320.1

OPERATING PROFIT/LOSS BY SEGMENT MEUR*	2012 Q1	2012 Q2	2012 Q3	2012 Q4	2012 Q1-Q4
Newspapers	5.3	4.6	5.2	7.0	22.1
Kauppalehti Group	1.5	1.1	1.6	1.4	5.5
Digital Consumer Services	0.5	0.9	1.5	0.8	3.8
Other operations	-1.3	-1.7	-0.1	-1.5	-4.7
Total	6.0	4.8	8.1	7.6	26.5

** Including non-recurring items*