Alma Media Interim Report 1 Jan-31 March 2011

29 April 2011

Photo: John Palmén

Alma Media Corporation Interim Report April 29, 2011 at 9:00am (EEST)

ALMA MEDIA'S INTERIM REPORT FOR JANUARY-MARCH 2011: Growth driven by online media

Financial performance January-March 2011:

- Revenue was MEUR 77.1 (74.4), up 3.7%.
- Circulation revenue was MEUR 30.7 (30.6), up 0,1%, advertising revenue MEUR 37.7 (34.8), up 8.2% and content and service revenue MEUR 8.8 (8.9), down 1.7%
- Operating profit excluding non-recurring items was MEUR 9.3 (8.3), 12.1% (11.2%) of revenue, up 12.0%.
- Operating profit was MEUR 9.0 (8.2), 11.7% (11.1%) of revenue, up 9.1%.
- Profit for the period was MEUR 6.9 (6.3), up 10.8%.
- Earnings per share were EUR 0.09 (0.08).

Key figures MEUR	2011 Q1	2010 Q4	2010 Q3	2010 Q2	2010 Q1
Revenue	77.1	83.0	75.2	78.7	74.4
Circulation revenue	30.7	31.8	32.1	30.7	30.6
Advertising revenue	37.7	41.1	33.8	38.6	34.8
Content and service revenue *)	8.8	10.2	9.3	9.5	8.9
Total expenses excluding non-recurring items	67.8	72.0	61.9	67.7	66.1
Operating profit excluding non-recurring items	9.3	11.0	13.4	11.3	8.3
% of revenue	12.1	13.2	17.8	14.3	11.2
Operating profit	9.0	10.7	13.6	10.9	8.2
% of revenue	11.7	12.9	18.0	13.8	11.1
Profit for the period	6.9	9.2	9.8	7.8	6.3
Earnings per share, EUR (basic)	0.09	0.12	0.13	0.10	0.08
Earnings per share, EUR (diluted)	0.09	0.12	0.13	0.10	0.08

*) Content and service revenue includes among others the online service and custom media revenue as well as the external rental, distribution and printing revenue.

Outlook for 2011:

Alma Media expects its full-year revenue and operating profit excluding non-recurring items to increase from the 2010 level. Full-year revenue for 2010 was MEUR 311.4, operating profit excluding non-recurring items MEUR 43.9 and operating profit MEUR 43.4.

Kai Telanne, President and CEO:

According to TNS Gallup, the total market for the newspaper advertising grew by 9.7% (0.7%). The spending on newspaper advertising grew by 4.6% to MEUR 110.0 (105.1). Strong development of the online advertising continued during the first quarter as the spending by the advertisers grew by 32.5% (17.7%). Printed newspaper retains its position as the most prominent advertising media when measured in euros.

The advertising sales of Alma Media increased by 8.2% to MEUR 37.7. The advertising sales in the printed newspapers remained on the comparison period's level, whereas the online advertising sales grew strongly, by 31.4%, mainly driven by Iltalehti.fi, Etuovi.com and Monster.fi.

The circulation revenue of Alma Media remained close to the level of the comparison period. Thanks to the price increases, the circulation revenue of the Newspapers segment remained on the level of the comparison period. The circulation revenue of the Kauppalehti Group decreased slightly. Due to the recession that followed the financial crisis, the decline in the circulation of our regional newspapers and Kauppalehti has been slightly faster than the long-term trend.

Our investment in the renewal of the printing facility in Tampere is proceeding according to the plan. In March 2011 we ordered a new printing machine from manroland AG.

Our printing and distribution company Alma Manu Oy initiated in April a programme to develop and rationalise its operations. The programme includes a plan to discontinue printing operations in Pori, Finland. Due to this plan, Alma Manu has started cooperation negotiations with its personnel. According to preliminary estimates of the company, the number of personnel in printing operations may decrease by a maximum of 32 full-time work years. In distribution, the decrease in workload may be at most 50 full-time work years.

The Satakunnan Kansa newspaper as well as its online service will be renewed in January 2012. The printed paper will be redesigned to tabloid format. The transformation to tabloid format by our three regional newspapers in North Finland was positively received, which encouraged us to go ahead with the renewal of Satakunnan Kansa as well.

For further information, please contact:

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ALMA MEDIA GROUP INTERIM REPORT JANUARY 1 – MARCH 31, 2011

The descriptive part of this review focuses on the result of January – March 2011. The figures are compared in accordance with the International Financial Reporting Standards (IFRS) with those of the corresponding period in 2010, unless otherwise stated. The figures in the tables are independently rounded.

KEY FIGURES MEUR	2011 Q1	2010 Q1	Change %	2010 Q1-Q4	2009 Q1-Q4
Revenue	77.1	74.4	3.7	311.4	307.8
Total expenses excluding non-recurring items	67.8	66.1	2.7	267.6	265.3
Operating profit excluding non-recurring items	9.3	8.3	12.0	43.9	42.6
% of revenue	12.1	11.2		14.1	13.9
Operating profit	9.0	8.2	9.1	43.4	40.4
% of revenue	11.7	11.1		13.9	13.1
Profit before tax	9.3	8.6	8.6	45.0	39.7
Profit for the period	6.9	6.3	10.8	33.2	28.3
Return on Equity/ROE (Annual)*	33.7	33.7	0.1	31.6	30.8
Return on Invets/ROI (Annual)*	31.2	32.8	-4.8	31.1	28.3
Net financial expenses	0.1	-0.1	285.7	-0.9	0.3
Net financial expenses, % of revenue	0.1	-0.1		-0.3	0.1
Balance sheet total	170.0	147.1	15.6	184.5	154.4
Capital expenditure	1.4	3.0	-51.8	12.9	8.2
Capital expenditure, % of revenue	1.9	4.0	-53.5	4.1	2.7
Equity ratio	48.6	59.2	-17.9	67.1	66.9
Gearing, %	-11.4	-11.0	3.4	-28.2	-17.3
Interest-bearing net debt	-7.9	-7.9	0.3	-32.4	-16.5
Interest-bearing liabilities	18.9	4.4	326.0	4.0	4.6
Non-interest-bearing liabilities	81.7	71.1	14.8	65.7	54.9
Average no. of personnel, calculated as full-time employees, excl. delivery staff	1,794	1,739	3.1	1,806	1,888
Average no. of delivery staff	917	940	-2.4	962	969
Share indicators					
Earnings per share, EUR (basic)	0.09	0.08	4.6	0.44	0.38
Earnings per share, EUR (diluted)	0.09	0.08	4.4	0.44	0.38
Cash flow from operating activities/share, EUR	0.37	0.30	22.0	0.61	0.58
Shareholders' equity per share, EUR	0.90	0.96	-6.1	1.50	1.27
Dividend per share				0.70	0.40
Effective dividend yield				8.5	5.3
P/E Ratio				18.9	19.8
Market capitalization	611.6	543.2	12.6	621.4	558.1
Average no. of shares (1,000 shares)					
- basic	75,076	74,613		74,894	74,613
- diluted	75,507	74,895		75,086	74,859
No. of shares at end of period (1,000 shares)	75,130	74,613		75,053	74,613

*) see Main Accounting Principles of the Interim Report

Market conditions

The GDP of Finland is expected to grow by 2-3% in 2011. According to TNS Media Intelligence, total advertising volume grew by 9.7% (0.7%) in the first quarter of the year. Advertising in newspapers increased by 4.6% (down 0.6%) and advertising in online media by 32.5% (17.7%) compared to the corresponding period in the previous year.

The total market of the afternoon papers decreased by 6.7% (down 2.4%) during the first quarter of 2011.

Changes in group structure 2011

In February 2011 Alma Media acquired the majority (51%) of Mascus A/S in Denmark. The company is reported as part of the Marketplaces segment in Alma Media's consolidated financial statements.

Further details of the business combinations are given in the notes.

Revenue and result January - March 2011

The Group's revenue grew by 3.7% (down 2.7%) and totalled MEUR 77.1 (74.4). The revenue from the printed media was MEUR 57.3 (57.0), representing 74.3% (76.7%) of the Group's revenue. The revenue from the online business was MEUR 14.1 (11.4) showing a growth of 23.6%. The share of the online business in the Group's revenue grew to 18.3% (15.3%).

The Group's advertising sales grew by 8.2% to MEUR 37.7 (34.8), representing 48.9% (46.9%) of the total sales. The advertising sales for printed media remained at comparison period's level. The online advertising sales grew by 31.4% to MEUR 10.8 (8.2).

The circulation revenue remained close to the level of the comparison period during the first quarter of 2011. Thanks to the price increases, the circulation revenue of the Newspapers segment were on the comparison year's level, while the circulation volumes continued to fall. Circulation sales for Kauppalehti decreased slightly from the comparison year's level.

The content and service revenue were on the previous year's level at MEUR 8.8 (8.9).

Total expenses excluding non-recurring items grew by 2.7% and totalled MEUR 67.8 (66.1). Total expenses grew by 3.3% to MEUR 68.3 (66.1).

The operating profit excluding non-recurring items increased by 12.0% (10.6%) and amounted to MEUR 9.3 (8.3). The operating profit excluding non-recurring items was 12.1% (11.2%) of revenue. The operating profit was MEUR 9.0 (8.2). The operating profit increased to 11.7% (11.1%) of revenue.

The operating profit includes MEUR -0.3 (-0.1) in net non-recurring items. The details of the non-recurring items are explained under Non-recurring items on page 9.

Profit before taxes for January- March 2011 was MEUR 9.3 (8.6). Profit before taxes excluding non-recurring items was MEUR 9.5 (8.6).

Business segments

The business segments of Alma Media are Newspapers, Kauppalehti Group, Marketplaces and Other operations. The business segments are reported according to the Group's internal organisational structure in this interim report.

REVENUE AND OPERATING PROFIT/LOSS BY SEGMENT

REVENUE BY SEGMENT, MEUR	2011 Q1	2010 Q1	Change %	2010 Q1-Q4
Newspapers				
External	52.8	51.1		215.1
Inter-segments	1.0	1.0		4.1
Newspapers total	53.8	52.2	3.2	219.3

Kauppalehti Group				
External	13.7	14.0		57.2
Inter-segments	0.2	0.1		0.7
Kauppalehti Group total	13.9	14.1	-1.0	57.9
Marketplaces				
External	9.2	7.6		32.3
Inter-segments	-0.0	0.0		-0.3
Marketplace total	9.1	7.6	20.0	32.1
Other operations				
External	1.4	1.7		6.7
Inter-segments	18.1	17.6		71.9
Other operations total	19.6	19.3	1.4	78.5
Elimination	-19.3	-18.8		-76.4
Total	77.1	74.4	3.7	311.4

OPERATING PROFIT/LOSS BY SEGMENT, MEUR *)	2011 Q1	2010 Q1	Change %	2010 Q1-Q4
Newspapers	6.2	6.9	-9.5	32.9
Kauppalehti Group	1.2	1.5	-22.8	8.2
Marketplaces	1.6	0.0	5106.9	0.4
Other operations	-0.1	-0.1	157.0	1.9
Total	9.0	8.2	10.7	43.4

*) including non-recurring items

Newspapers

The Newspapers segment reports the publishing activities of 34 newspapers. The largest titles are Aamulehti and Iltalehti.

Newspapers Key figures, MEUR	2011 Q1	2010 Q1	Change %	2010 Q1-Q4
Revenue	53.8	52.2	3.2	219.3
Circulation revenue	26.9	26.8	0.4	110.3
Advertising revenue	26.0	24.6	5.6	104.9
Content and service revenue	0.9	0.7	22.2	4.1
Total expenses excluding non-recurring items	47.2	45.3	4.2	186.3
Operating profit excluding non-recurring items	6.7	6.9	-3.6	33.1
Operating profit, %	12.4	13.3		15.1
Operating profit	6.2	6.9	-9.5	32.9
Operating profit, %	11.5	13.2		15.0
Average no. of personnel, calculated as full-time employees excl. delivery staff	958	918	4	972
Average no. of delivery staff *	103	98	5	99

Operational key figures	2011 Q1	2010 Q1	2010 Q1-Q4
Audited circulation			
Iltalehti			107,052

Aamulehti			131,539
Online services, unique browsers, weekly average			
Iltalehti.fi	2,781,813	2,182,908	2,276,375
Telkku.com	675,612	640,393	616,325
Aamulehti.fi	316,245	275,435	299,467

January - March 2011

The Newspapers segment's revenue increased to MEUR 53.8 (52.2). Advertising sales in the segment totalled MEUR 26.0 (24.6), up 5.6% (up 0.9%) on the previous year. Advertising sales in printed media increased by 1.9% (decreased by 1.4%). Advertising sales in online media grew by 40.8% (28.6%). The segment's circulation sales remained at the comparison period's level as a result of the price increases of regional and local papers. The popularity of the biggest online service in Finland, Iltalehti.fi, continued to grow. During week 11, it broke again the Finnish records with 3.1 million unique browsers visiting the site.

Total expenses excluding non-recurring items of the segment were MEUR 47.2 (45.3). Total expenses were MEUR 47.6 (45.3).

Statutory personnel negotiations at Satakunnan Kirjateollisuus Oy and Porin Sanomat Oy, both belonging to the Newspapers segment, were completed in March. As a result of the negotiations, MEUR 0.5 were booked as non-recurring restructuring costs. The number of employees at Satakunnan Kirjateollisuus Oy will decrease by 18 man-years.

The Newspapers segment's operating profit excluding non-recurring items was MEUR 6.7 (6.9) and 12.4% (13.3%) of revenue. The operating profit was MEUR 6.2 (6.9), 11.5% (13.2%) of revenue.

Kauppalehti Group

The Kauppalehti Group specialises in the production of business and financial information as well as in provision of marketing solutions. Its best known title is Finland's leading business paper, Kauppalehti. The group also includes the custom media house Alma 360 Custom Media (former Alma Media Lehdentekijät, Suomen Businessviestintä and TTNK Helsinki), and the news agency and media monitoring unit BNS Group that operates in the Baltic countries.

Kauppalehti Group Key figures, MEUR	2011 Q1	2010 Q1	Change %	2010 Q1-Q4
Revenue	13.9	14.1	-1.0	57.9
Circulation revenue	3.8	3.8	-2.1	15.0
Advertising revenue	4.1	4.2	-1.8	17.7
Content and service revenue	6.1	6.0	0.2	25.2
Total expenses excluding non-recurring items	12.7	12.5	1.7	49.7
Operating profit excluding non-recurring items	1.2	1.5	-22.8	8.2
Operating margin excluding non-recurring items, %	8.6	11.0	-22.0	14.2
Operating profit	1.2	1.5	-22.8	8.2
Operating profit, %	8.6	11.0	-22.0	14.2
Average no. of personnel, calculated as full-time employees	435	428	1.6	437

Operational key figures	2011 Q1	2010 Q1	2010 Q1-Q4
Audited circulation			
Kauppalehti			70,118
Online services, unique browsers, weekly			
Kauppalehti.fi	811,857	629,960	615,354

January - March 2011

The revenue of the Kauppalehti Group amounted to MEUR 13.9 (14.1) in the first quarter. The revenue decreased by 1.0% (down 0.4%). Online business accounted for 24.8% (23.8%) of the segment's revenue.

The segment's advertising sales decreased by 1.8% (down 3.3%) to MEUR 4.1 (4.2). Online advertising sales increased by 1.5% (up 29.9%) from the comparison period.

The segment's circulation revenue remained at the previous year's level at MEUR 3.8 (3.8). The audited circulation in 2010 was 70,118 (78,731). The decrease in the circulation was due to the cancellations of corporate subscriptions in an economic downturn and the cut of the free group subscriptions to student organizations. The content and service revenue of the segment was on the previous year's level, MEUR 6.1 (6.0).

Total expenses of the segment were MEUR 12.7 (12.5).

There were no non-recurring items recognized during the review period.

The operating profit excluding non-recurring items of the Kauppalehti Group was MEUR 1.2 (1.5) and the operating profit MEUR 1.2 (1.5). The operating margin excluding non-recurring items was 8.6% (11.0%), and the operating margin 8.6% (11.0%).

Marketplaces

The Marketplaces segment reports classified services produced on the internet and supported by printed products. The services in Finland are Etuovi.com, Vuokraovi.com, Monster.fi, Autotalli.com, Mascus.fi and Mikko.fi. The services outside Finland are Mascus, Bovision, Objektvision and City24.

Marketplaces Key figures, MEUR	2011 Q1	2010 Q1	Change %	2010 Q1-Q4
Revenue	9.1	7.6	20.0	32.1
Operations in Finland	7.8	6.5	20.3	27.5
Operations outside Finland	1.4	1.2	16.7	4.9
Total expenses excluding non-recurring items	7.7	7.6	1.1	31.3
Operating profit excluding non-recurring items	1.5	0.1	1477.7	0.8
Operating margin excluding non-recurring items, %	16.2	1.2	1225.9	2.6
Operating profit	1.6	0.0	5106.9	0.4
Operating margin, %	17.9	-0.4	4272.3	1.2
Average no. of personnel, calculated as full-time employees	179	181	-1	180

Operational key figures	2011 Q1	2010 Q1	2010 Q1-Q4
Online services, unique browsers, weekly			
Etuovi.com	468,514	410,061	413,044
Autotalli.com	108,515	100,797	91,182
Monster.fi	107,947	98,601	85,911
Mikko.fi	45,376	80,762	59,349
Mascus.com (Finland)	303,372	201,791	190,320
City24	153,503	208,516	190,842
Bovision	83,574	96,684	96,706

January - March 2011

The first-quarter revenue of the Marketplaces segment amounted to MEUR 9.1 (7.6), up 20.0 % (up 5.7%). The advertising sales of the segment were MEUR 8.1 (6.7). The positive development was mainly due to growth in advertising for recruitment and online advertising for housing.

Total expenses during the period remained flat at MEUR 7.7 (7.6). There were no non-recurring items recognized in the segment during the review period.

The operating profit of the Marketplaces segment increased to MEUR 1.6 (0.0) in the first quarter. The operating profit excluding non-recurring items was MEUR 1.5 (0.1).The non-recurring gains of the period were generated by corporate transactions. The non-recurring item of MEUR -0.1 in the comparison period consisted of restructuring costs.

Other operations

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

Other operations Key figures, MEUR	2011 Q1	2010 Q1	Change %	2010 Q1-Q4
Revenue	19.6	19.3	1.4	78.5
External	1.4	1.7	-14.2	6.7
Inter-segments	18.1	17.6	2.9	71.9
Total expenses excluding non-recurring items	19.6	19.5	0.7	76.7
Operating profit excluding non-recurring items	-0.1	-0.3	80.5	1.8
Operating profit excluding non-recurring items, %	-0.3	-1.4	80.9	2.3
Operating profit	-0.1	-0.1	63.1	1.9
Operating profit, %	-0.3	-0.7	63.6	2.5
Average no. of personnel, calculated as full-time employees	221	213	4	217
Average no. of delivery staff	814	842	-3	863

Operational key figures	2011 Q1	2010 Q1	2010 Q1-Q4
Printing volume (thousand units)	59,914	60,426	237,532
Paper usage (tons)	7,467	7,649	32,000

In January 2011, Alma Media Corporation concluded an agreement with OP Pohjola Bank plc to lease machinery and movables to the new printing facility. The maximum amount of the agreed financing is EUR 50 million. The printing press will be ordered from manroland AG. The deliverer of the mailing equipment will be selected during 2011. The facility will be operational in early 2013.

Associated companies

Share of profit of associated companies MEUR	2011 Q1	2010 Q1	2010 Q1-Q4
Newspapers	0.0	-0.0	0.1
Kauppalehti Group			
Talentum Oyj	0.3	0.1	0.0
Marketplaces	-0.0		-0.1
Other operations			
Other associated companies	0.1	0.2	0.6
Total	0.4	0.3	0.7

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 here 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 its consolidated financial statements of December 31, 2010 and in this interim report.

Non-recurring items

Non-recurring item is an income or expense arising from non-recurring or rear events. Gains or losses from the sale of business operations or assets, gains or losses from discontinuing or restructuring business operations as well as impairment losses of goodwill and other assets are recognized as non-recurring items. Non-recurring items are recognized within the corresponding income or expense group.

NON-RECURRING ITEMS MEUR	2011 Q1	2010 Q1	2010 Q1-Q4
Newspapers			
Restructuring	-0.5	-0.1	-0.4
Gains on sales of assets			0.2
Marketplaces			
Restructuring		-0.1	-0.5
Gains on sales of assets	0.2		
Other operations			
Restructuring		0.1	0.1
Gains on sales of assets			0.0
NON-RECURRING ITEMS IN OPERATING PROFIT	-0.3	-0.1	-0.5
Translation differences	0.1		-0.1
NON-RECURRING ITEMS IN FINANCIAL ITEMS	0.1		-0.1

Balance sheet and financial position

The consolidated balance sheet at the end of March 2011 stood at MEUR 170.0 (147.1). Alma Media's equity ratio at the end of March was 48.6% (59.2%) and equity per share decreased to EUR 0.90 (0.96).

The Group's interest-bearing net debt at the end of March was MEUR -7.9 (-7.9). The fair value of the contingent considerations due to the acquisitions and business arrangements, i.e. financial assets recognized at fair value through profit or loss, as at March 31, 2011 was MEUR 7.3, and that of the liabilities MEUR 2.9.

The consolidated cash flow from operations in January–March was MEUR 27.5 (22.4). Cash flow before financing was MEUR 28.8 (21.4). Cash flow from investing activities was affected primarily by the mergers and acquisitions implemented in the current year.

The Group currently has a MEUR 100.0 commercial paper programme in Finland under which it is permitted to issue papers to a total amount of MEUR 0–100. The unused part of the programme was MEUR 85.0 on March 31, 2011. In addition, the Group has a credit limit in the amount of MEUR 50.0 for the period August 6, 2009–August 6, 2011, which on March 31, 2011 was totally unused.

Capital expenditure

Alma Media Group's capital expenditure in January-March 2011 totalled MEUR 1.4 (3.0). They comprised mainly of development projects related with digital services. Other expenditure was related with normal operational and replacement investments.

The investment in the printing facilities in Tampere is proceeding according to the plan. The new printing facility will be operational in early 2013.

Administration

Alma Media Corporation's ordinary Annual General Meeting (AGM) held on March 17, 2011 elected Timo Aukia, Petri Niemisvirta, Seppo Paatelainen, Kai Seikku, Erkki Solja, Catharina Stackelberg-Hammarén and

Harri Suutari as members of the company's Board of Directors. In its constitutive meeting held after the AGM, the Board of Directors elected Seppo Paatelainen its Chairman.

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

The Board of Directors of Alma Media Corporation has evaluated that Timo Aukia, Petri Niemisvirta and Seppo Paatelainen are independent of the company but dependent on its significant shareholders. The other members of the Board of Directors are evaluated to be independent of the company and 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.

The Supreme Court ruled in February 2011 that it does not grant Pohjois-Suomen Media Oy, a subsidiary of Alma Media Group, a leave to appeal on the ruling given by the Helsinki Court of Appeal on March 18, 2010 for the termination of a director contract with Johanna Korhonen. Thus the ruling given by the Helsinki Court of Appeal remains unchanged.

Alma Media Corporation applies the Finnish Corporate Governance Code for listed companies, issued by the Securities Market Association on June 15, 2010, in its unaltered form. The Corporate Governance Statement for 2010 is published separately at www.almamedia.fi/corporate_governance.

Dividends

The Annual General Meeting resolved to distribute a dividend of EUR 0.70 per share for the financial year 2010 in accordance with the proposal of the Board of Directors. The dividend was paid on March 29, 2011 to shareholders who were registered in Alma Media Corporation's shareholder register maintained by Euroclear Finland Oy on the record date, March 22, 2011. The company paid a total of MEUR 52.5 (29.8) in dividends to its shareholders in March.

The Alma Media share

In January - March, altogether 2,375,944 Alma Media shares were traded at NASDAQ OMX Helsinki Stock Exchange, representing 3.2% 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, March 31, 2011, was EUR 8.14. The lowest quotation during the first quarter was EUR 7.65 and the highest EUR 9.44. Alma Media Corporation's market capitalization at the end of the review period was MEUR 611.6.

The Annual General Meeting on March 17, 2011 authorized the Board of Directors to decide on a share issue. The authorization would entitle the Board to issue a maximum of 7,500,000 shares. This maximum amount of shares corresponds to approximately 10% of the total number of shares of the company. The share issue can be implemented by issuing new shares or transferring shares presently in possession of the company. The authorization entitles the Board to decide on a directed share issue, which would entail deviating from the pre-emption rights of shareholders. The Board may use the authorization in one or more parts.

The Board may use the authorization for developing the capital structure of the company, widening the ownership base, financing or realising acquisitions or other similar arrangements, or for other purposes decided upon by the Board. The authorization may not be used for the incentive and commitment systems for the company's management, though. The authorisation is in effect until March 17, 2013.

A total of 77,000 shares have been subscribed by using the option rights granted under the option programme 2006B. Due to the subscriptions the share capital of the company increased by EUR 46,200 to EUR 45,077,713.80. EUR 535,150 was transferred into the share premium reserve. The issued shares were taken into public trading on March 24, 2011 at NASDAQ OMX Helsinki Stock Exchange along with the shares issued before. After the issuance the total number of shares of Alma Media Corporation is 75,129,523.

Option rights

Alma Media has option programmes 2006 and 2009. The programmes are incentive and commitment systems for the company's management. If all the subscription rights are exercised, the programmes 2006 and 2009 will dilute the holdings of the earlier shareholders at least by 2.73%. Further details about the programmes are given in the notes of this interim report.

Other authorisations to the Board

The AGM authorized the Board of Directors on March 17, 2011 to decide on a donation of no more than 150,000 euro to universities for supporting sciences and art. The authorization entitles the Board to make a more detailed decision on whether the sum is donated to one or more universities, as well as on other terms and conditions of the donation. The authorization is effective until the next AGM, however no longer than June 30, 2012.

The Board of Directors has no other current authorisations.

Market liquidity guarantee

There is no market liquidity guarantee in effect for the Alma Media share.

Flagging notices

In January-March 2011, Alma Media has not received notices of changes in shareholdings pursuant to Chapter 2, Section 9 of the 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 audit function and thereby part of good corporate governance. Limits and processing methods are set for quantitative and qualitative risk methods by the corporate risk management system.

The most critical strategic risks for Alma Media are a significant drop in the readership of its publications, a decline in advertising sales and a significant increase in distribution and delivery costs. Fluctuating economic cycles are reflected on the development of advertising sales, which accounts for approximately half of the Group's revenue. Developing businesses outside Finland such as in the Baltic countries and other East European countries include country-specific risks relating to market development and economic growth.

In the long term, the media business will undergo changes along with the transformation in media consumption and technological developments. The Group's strategic objective is to meet this challenge through renewal and the development of new business operations in online media. The most important operational risks are disturbances in information technology systems and telecommunication, and an interruption of printing operations.

Outlook for 2011

Alma Media expects newspaper and online advertising to grow in 2011 compared with the previous year. Alma Media expects the single-copy sales of afternoon papers to decline further. The circulation revenue of regional and local papers as well as Kauppalehti is expected to remain on the comparison period's level. The material and delivery costs of the Group are expected to increase from the level of the comparison period.

Alma Media estimates that its full-year revenue and operating profit excluding non-recurring items will grow from the 2010 levels. Revenue in 2010 totalled MEUR 311.4, operating profit excluding non-recurring items MEUR 43.9 and operating profit was MEUR 43.4.

Events after the review period

Alma Media has initiated a program to develop and rationalise its printing and distribution operations, including a plan to discontinue printing operations in Pori, Finland, in January 2012. Due to this plan, Alma Media's printing and distribution company Alma Manu Oy starts cooperation negotiations with its personnel. According to preliminary estimates of Alma Manu, the number of personnel in printing operations may decrease by a maximum of 32 full-time work years. In distribution, the decrease in workload may be at most 50 full-time work years.

SUMMARY OF FINANCIAL STATEMENTS AND NOTES

COMPREHENSIVE INCOME STATEMENT, MEUR	2011 Q1	2010 Q1	Change %	2010 Q1-Q4
REVENUE	77.1	74.4	3.7	311.4
Other operating income	0.2	0.0	1707.7	0.4
Materials and services	21.8	-22.5	-3.5	-89.4
Employee benefits expense	30.3	-28.6	5.8	-117.2
Depreciation, amortization and impairment	2.3	-2.2	3.0	-9.5
Other operating expenses	14.0	-12.7	9.6	-52.4
OPERATING PROFIT	9.0	8.2	9.1	43.4
Finance income	0.5	0.2	108.6	1.5
Finance expenses	0.6	-0.2	208.0	-0.6
Share of profit of associated companies	0.4	0.3	48.9	0.7
PROFIT BEFORE TAX	9.3	8.6	8.6	45.0
Income tax	2.4	-2.3	2.5	-11.8
PROFIT FOR THE PERIOD	6.9	6.3	10.8	33.2
OTHER COMPREHENSIVE INCOME				
Change in translation differences	-0.1	-0.1	24.7	0.6
Share of other comprehensive income of associated companies	0.0	0.3	-98.0	0.9
Income tax relating to components of other comprehensive income				
Other comprehensive income for the period, net of tax	-0.1	0.2		1.5
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	6.9	6.5	5.8	34.7
Profit for the period attributable to				
Owners of the parent	6.6	6.3		32.8
Non-controlling interest	0.4	-0.0		0.3
Total comprehensive income for the period attributable to				
Owners of the parent	6.5	6.5		34.4
Non-controlling interest	0.4	-0.0		0.3
Earnings per share calculated from the profit for the period attributable to the parent company shareholders				
Earnings per share (basic), EUR	0.09	0.08		0.44
Earnings per share (diluted), EUR	0.09	0.08		0.44

BALANCE SHEET, MEUR	Mar 31 2011	Mar 31 2010	31 Dec 2010
ASSETS			
NON-CURRENT ASSETS			
Goodwill	30.6	28.0	30.4
Other intangible assets	10.4	10.1	10.5
Tangible assets	26.6	30.9	27.8
Investments in associated companies	34.1	31.8	33.6
Other non-current financial assets	8.5	4.2	11.8
Deferred tax assets	0.2	0.7	0.2
CURRENT ASSETS			
Inventories	1.0	1.0	1.0
Current tax assets	0.4	0.0	3.5
Trade receivable and other receivables	28.2	27.0	27.0
Other current financial assets	3.3	1.0	2.3
Cash and cash equivalents	26.8	12.3	36.3
TOTAL ASSETS	170.0	147.1	184.5

BALANCE SHEET, MEUR	Mar 31 2011	Mar 31 2010	31 Dec 2010
EQUITY AND LIABILITIES			
Share capital	45.1	44.8	45.0
Share premium reserve	5.3	2.8	4.7
Foreign currency translation reserve	0.3	-0.4	0.4
Retained earnings	17.0	24.3	62.7
Equity attributable to owners of the parent	67.6	71.5	112.8
Non-controlling interest	1.8	0.0	2.0
TOTAL EQUITY	69.4	71.5	114.8
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	2.4	2.8	2.4
Deferred tax liabilities	2.4	2.6	2.4
Pension obligations	2.7	3.0	2.8
Provisions	0.1	0.2	0.1
Other financial liabilities	1.2	1.7	2.5
Other non-current liabilities	0.3	0.0	0.4
CURRENT LIABILITIES			
Current interest-bearing liabilities	16.5	1.7	1.6
Advances received	27.2	26.2	13.4
Income tax liability	2.4	1.8	3.6
Provisions	0.8	0.9	0.6
Trade and other payables	44.5	34.7	39.9
TOTAL LIABILITIES	100.6	75.6	69.7
TOTAL EQUITY AND LIABILITIES	170.0	147.1	184.5

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

Attributable to equity holders of the Parent

	Company						
MEUR	A	B	C	D	E	F	G
Equity Jan 1 2011	45.0	4.7	0.4	62.7	112.8	2.0	114.8
Profit for the period				6.6	6.6	0.4	6.9
Other comprehensive income			-0.1		-0.1		-0.1
Transactions with equity holders of the parent and non-controlling interest							
Dividends paid by parent				-52.4	-52.4		-52.4
Dividends paid by subsidiaries						-0.7	-0.7
Share-based payments				0.2	0.2		0.2
Exercised share options	0.0	0.5			0.6		0.6
Business combinations						0.1	0.1
Equity Mar 31 2011	45.1	5.3	0.3	17.0	67.6	1.8	69.4

	Attributable to equity holders of the Parent Company						
MEUR	A	B	C	D	E	F	G
Equity Jan 1 2010	44.8	2.8	-0.3	47.4	94.7	0.2	94.9
Profit for the period				6.3	6.3	-0.0	6.2
Other comprehensive income			-0.1	0.3	0.2		0.2
Transactions with equity holders of the parent and non-controlling interest							
Dividends paid by parent				-29.8	-29.8		-29.8
Dividends paid by subsidiaries						-0.2	-0.2
Share-based payments				0.2	0.2		0.2
Share of items recognized directly in associated company's equity							
Equity Mar 31 2010	44.8	2.8	-0.4	24.3	71.5	0.0	71.5

Column headings on Consolidated Statement of Change in Equity
A=Share capital
B=Share premium reserve
C=Translation difference
D=Retained earnings
E=Total
F=Non-controlling interest
G=Equity total

CASH FLOW STATEMENT

CASH FLOW STATEMENT, MEUR	2011 Q1	2010 Q1	2010 Q1-Q4
Operating activities			
Profit for the period	6.9	6.3	33.2
Adjustments	4.1	4.1	20.3
Change in working capital	19.7	14.1	5.3
Dividends received	0.2	0.1	1.0
Interest received	0.3	0.1	0.3
Interest paid and other finance expenses	-0.3	-0.1	-0.7
Income taxes paid	-3.5	-2.1	-13.2
Net cash flows from operating activities	27.5	22.4	46.1
Investing activities			
Acquisitions of tangible and intangible assets	-0.7	-0.4	-3.3
Proceeds from sale of other investments	0.1	0.0	0.0
Change in loan receivables	0.0	0.0	0.1
Acquisition of subsidiaries	0.1	-0.5	-2.3
Acquisition of associated companies	-0.3	-0.1	-0.8
Proceeds from sale of subsidiaries	2.1	0.0	3.9
Net cash flows from / (used in) investing activities	1.3	-1.0	-2.4
Cash flow before financing activities	28.8	21.4	43.7
Financing activities			
Proceeds from exercise of share options	0.6	0.0	2.1
Current loans taken	15.0	0.0	0.0
Repayment of current loans	-0.4	-0.4	-1.6
Change in interest-bearing receivables	0.0	0.2	0.8
Dividends paid	-53.2	-30.0	-30.0
Net cash flows from / (used in) financing activities	-38.0	-30.2	-28.6
Change in cash and cash equivalent funds (increase + / decrease -)	-9.3	-8.8	15.1
Cash and cash equivalents at beginning of period	36.3	21.1	21.1
Effect of change in foreign exchange rates	-0.3	-0.1	0.2
Cash and cash equivalents at end of period	26.8	12.3	36.3

Acquired businesses in 2011

In February 2011 Alma Media acquired the majority (51%) of Mascus A/S in Denmark.

The goodwill arising at the business combinations is mainly arising from the expected synergies. No change in fair values of the assets was recognized at the acquisition. The acquisition had no major impact on the consolidated financial statements.

Contingent considerations

Contingent considerations are classified as financial assets and liabilities recognized at fair value through profit or loss. The amount of the contingent considerations due to the acquisitions and business arrangements in 2010 is based on the revenue and operating profits of the acquired business during 2010-13. The fair values are the estimated final considerations discounted to the balance sheet date. The minimum realizable value of the contingent considerations is 0.2 MEUR.

CONTINGENT CONSIDERATION ASSETS	
Intial recognition of the assets	8.4
Change in fair value during previous financial years	0.8
Considerations, settled in cash	-2.1
Change in fair value during the financial year	0.2
Fair value of the contingent consideration assets in the end of the period	7.3

CONTINGENT CONSIDERATION LIABILITY	
Intial recognition of the liability	2.8
Change in fair value during previous financial years	-0.1
Considerations, settled in cash	-0.2
Change in fair value during the financial year	0.4
Fair value of the contingent consideration liability in the end of the period	2.9

REVENUE BY GEOGRAPHICAL AREA, MEUR	2011 Q1	2010 Q1	2010 Q1-Q4
Finland	73.7	71.3	298.4
Other EU countries	3.0	2.8	12.1
Other countries	0.3	0.3	0.8
Total	77.1	74.4	311.4

Information by segment

The business segments of Alma Media are Newspapers, Kauppalehti Group, Marketplaces and Other operations. The descriptive section of the financial statements 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.

ASSETS BY SEGMENT, MEUR	Mar 31 2011	Mar 31 2010	31 Dec 2010
Newspapers	46.1	42.6	46.3
Kauppalehti Group	43.2	44.1	41.3
Marketplaces	23.2	13.3	21.7
Other operations	23.3	29.0	28.5
Non-allocated assets and eliminations	34.2	18.2	46.7
Total	170.0	147.1	184.5

LIABILITIES BY SEGMENT, MEUR	Mar 31 2011	Mar 31 2010	31 Dec 2010
Newspapers	39.1	37.6	27.4
Kauppalehti Group	12.5	12.5	10.4
Marketplaces	8.1	4.0	7.7
Other operations	17.1	12.7	14.3
Non-allocated liabilities and eliminations	23.7	8.8	10.0
Total	100.6	75.6	69.7

CAPITAL EXPENDITURE, MEUR	2011 Q1	2010 Q1	2010 Q1-Q4

Newspapers	0,6	0,6	4,0
Kauppalehti Group	0,2	0,1	1,4
Marketplaces	0,5	1,8	5,6
Others	0,1	0,4	1,8
Total	1,4	3,0	12,9

Provisions

The company's provisions totalled MEUR 0.9 (1.1) on March 31, 2011. The major part of the provisions concern restructuring provisions. It has not been necessary to change the estimates made when the provisions were entered.

COMMITMENTS AND CONTINGENCIES

COMMITMENTS AND CONTINGENCIES, MEUR	Mar31 2011	Mar 31 2010	31 Dec 2010
Other commitments			
Commitments based on agreements	0.1	1.4	0.1
Minimum lease payments on other lease agreements:			
Within one year	6.6	6.3	6.7
Within 1-5 years	21.8	15.6	21.1
After 5 years	47.0	19.3	48.2
Total	75.4	41.2	75.9
The Group has purchase agreements that based on IFRIC 4 include a lease component as per IAS 17. Minimum payments based on these agreements:	2.0	0.1	1.2

Changes in commitments and contingencies are mainly due to the new and prolonged lease contracts made during 2010 for the real estates.

Additionally, the company has signed a lease contract for the real estate of the printing facilities. According to the IAS 17 standard, the contract will be recognized as a finance lease contract when the printing facility will be operational. The printing facility is estimated to be operational in early 2013. The balance sheet values recognised in financial year 2013 are expected to be in maximum MEUR 70.

DERIVATIVE CONTRACTS, MEUR	Mar 31 2011	Mar 31 2010	31 Dec 2010
Commodity derivate contracts, electricity derivatives			
Fair value *	1.1	-0.0	0.3
Nominal value	0.2	1.0	1.0

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

Related parties

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 company's senior management and their related parties (members of the Board of Directors, presidents and the Group Executive Team). The following table summarises the business operations undertaken between Alma Media and its related parties and the status of their receivables and liabilities:

RELATED PARTY TRANSACTIONS, MEUR	2011 Q1	2010 Q1	2010 Q1-Q4
Sales of goods and services	0.1	0.0	0.2

Purchases of goods and services	1.0	0.9	3.6
Trade receivable, loan and other receivables at the end of reporting period	0.0		0.0
Trade payable at the reporting date	0.1		0.1

Option rights

Alma Media has option programmes 2006 and 2009. The programmes are incentive and commitment systems for the company's management.

The option programme 2006A has expired.

A total of 515,000 options under the 2006B scheme have been issued. Share subscription period for 2006B is April 1, 2009–April 30, 2011. The share subscription price has been reduced annually by the dividend per share, and was 7.55 EUR on March 31, 2011. A total of 77.000 shares have been subscribed to by March 31, 2011 under the programme 2006B. The management has sold 291,079 2006B options of the total it had in its possession. After the sales the management has 173,921 options in its possession.

A total of 520,000 options have been issued under the 2006C programme. Share subscription period for 2006C is April 1, 2010–April 30, 2012. The management has 470,000 options in its possession. The share subscription price has been reduced annually by the dividend per share, and was 7.66 EUR on March 31, 2011. No shares have been subscribed by March 31, 2011 under the programme 2006C.

If all the subscription rights are exercised, the programme 2006 will dilute the holdings of the earlier shareholders by 1.13%.

Under option programme 2009 a 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. 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. Share subscription period for 2009A is April 1, 2012–April 30, 2014. The management has 610,000 options in its possession. The share subscription price has been reduced annually by the dividend per share, and was 4.11 EUR on March 31, 2011.

A total of 610,000 options have been issued under the 2009B programme. Share subscription period for 2009B is April 1, 2013–April 30, 2015. The management has 610,000 options in its possession. The share subscription price has been reduced annually by the dividend per share, and was 6.63 EUR on March 31, 2011.

No options under the programme 2009C have been granted yet.

If all the subscription rights are exercised, the programmes 2006 and 2009 will dilute the holdings of the earlier shareholders at least by 2.73%.

QUARTERLY INFORMATION

MEUR	2011 Q1	2010 Q4	2010 Q3	2010 Q2	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1
Revenue									
Newspapers	53,8	58,1	53,5	55,4	52,2	55,9	51,7	55,5	52,4
Kauppalehti Group	13,9	16,1	13,3	14,4	14,1	15,8	14,6	16,0	16,2
Marketplaces	9,1	8,4	7,9	8,2	7,6	6,5	6,2	7,0	7,2
Other operations	19,6	20,4	19,6	19,3	19,3	18,3	17,7	18,4	18,2
Eliminations	-19,3	-19,9	-19,0	-18,7	-18,8	-17,6	-17,2	-17,6	-17,6
REVENUE	77,1	83,0	75,2	78,7	74,4	79,0	73,0	79,3	76,4
Total expenses excluding non-recurring items									
Newspapers	47,2	49,2	45,4	46,5	45,3	47,3	44,8	46,2	46,5
Kauppalehti Group	12,7	14,4	10,9	11,9	12,5	13,9	12,3	14,6	15,3

Marketplaces	7,7	8,4	7,0	8,3	7,6	6,8	6,1	7,3	7,4
Other operations	19,6	19,9	17,7	19,6	19,5	17,4	15,4	16,9	17,4
TOTAL EXPENSES EXCLUDING NON-RECURRING ITEMS	67,8	72,0	61,9	67,7	66,1	67,8	61,3	67,2	69,1
Operating profit excluding non-recurring items									
Newspapers	6,7	8,7	8,2	9,2	6,9	8,6	6,9	9,4	5,9
Kauppalehti Group	1,2	1,7	2,4	2,5	1,5	2,0	2,3	1,6	0,9
Marketplaces	1,5	0,0	0,9	-0,1	0,1	-0,3	0,2	-0,2	-0,2
Other operations	-0,1	0,5	1,9	-0,3	-0,3	1,0	2,4	1,5	0,9
OPERATING PROFIT EXCLUDING NON-RECURRING ITEMS	9,3	11,0	13,4	11,3	8,3	11,3	11,7	12,2	7,5
% of revenue									
Newspapers	12,4	15,0	15,3	16,5	13,3	15,4	13,4	16,8	11,3
Kauppalehti Group	8,6	10,8	18,2	17,3	11,0	12,5	15,5	9,7	5,6
Marketplaces	16,2	0,2	10,9	-1,5	1,2	-4,5	2,4	-3,2	-2,6
Other operations	-0,3	2,3	9,7	-1,5	-1,4	5,2	13,4	8,0	4,7
% OF REVENUE	12,1	13,2	17,8	14,3	11,2	14,3	16,0	15,3	9,8
Non-recurring items									
Newspapers	-0,5	-0,2	0,1	0,0	-0,1	0,2	-0,4	-0,1	-0,7
Kauppalehti Group	0,0	0,0	0,0	0,0	0,0	0,4	0,0	-0,1	-0,3
Marketplaces	0,2	-0,1	0,3	-0,5	-0,1	-1,0	-0,1	0,0	0,0
Other operations	0,0	0,0	-0,2	0,2	0,1	0,0	0,0	0,0	0,0
NON-RECURRING ITEMS	-0,3	-0,3	0,2	-0,4	-0,1	-0,5	-0,5	-0,2	-1,0
Operating profit									
Newspapers	6,2	8,5	8,3	9,2	6,9	8,8	6,5	9,2	5,2
Kauppalehti Group	1,2	1,7	2,4	2,5	1,5	2,3	2,3	1,4	0,6
Marketplaces	1,6	0,0	1,1	-0,7	0,0	-1,3	0,0	-0,2	-0,2
Other operations	-0,1	0,5	1,7	-0,1	-0,1	1,0	2,4	1,5	0,9
OPERATING PROFIT	9,0	10,7	13,6	10,9	8,2	10,8	11,1	11,9	6,5
Finance income	0,5	1,0	0,1	0,2	0,2	0,1	0,1	0,2	0,4
Finance expenses	-0,6	0,0	-0,3	-0,2	-0,2	-0,3	-0,2	-0,2	-0,5
Share of profit of associated companies	0,4	0,4	-0,1	0,1	0,3	0,1	-0,1	-0,4	0,1
PROFIT BEFORE TAX	9,3	12,1	13,4	11,0	8,6	10,8	10,9	11,5	6,5
Income tax	-2,4	-2,9	-3,5	-3,1	-2,3	-3,1	-3,2	-3,3	-2,0
PROFIT FOR THE PERIOD	6,9	9,2	9,8	7,8	6,3	7,7	7,7	8,3	4,7

Main accounting principles (ifrs)

This interim report has been prepared according to IFRS standards (IAS 34). The release applies the same accounting principles and calculation methods as the annual accounts dated December 31, 2010, with the exception of the standards and interpretations applied from January 2011 as listed below. The interim report does not, however, contain all the information or notes to the accounts included in the annual financial statements. This interim report should therefore be read in conjunction with the company's financial statements for 2010. The accounting principles of the financial years 2011 and 2010 are comparable. The company has no discontinued operations to report in the 2010–2011 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+quarterly return)4)-1). The figures in this financial statement release are independently rounded.

The Group has applied the following standards and interpretations from January 1, 2011:

IAS 24 Related Party Disclosures (revised)
IAS 32 Financial Instruments: Presentation: Classification of Right Issues
IFRIC 14 IAS 19 The Limit of a Defined Benefit Assets, Minimum Funding Requirements and their Interaction
IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

The impact of the above new standards and IFRIC interpretations on the Group has been marginal.

The figures in this interim report are unaudited.

Seasonality

The Group recognizes its circulation revenues as paid. For this reason circulation revenues accrue in the income statement fairly evenly during the four quarters of the year. The bulk of circulation 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.

Next interim report

Alma Media will publish its interim report for January-July, 2011 on Friday, July 22, 2011, approximately at 9 a.m.

ALMA MEDIA CORPORATION
Board of Directors