

# Notes to the income statement

## SanomaWSOY

€ million	Group		Parent Company	
	1.1–31.12.2003	1.1–31.12.2002	1.1–31.12.2003	1.1–31.12.2002
<b>1) NET SALES</b>				
<b>Net sales by business</b>				
<b>Sanoma Magazines</b>				
Sanoma Uitgevers	482.2	491.1		
Sanoma Magazines Finland	171.2	164.8		
Sanoma Magazines Belgium	156.2	152.2		
Sanoma Magazines International	103.6	95.9		
Aldipress	224.6	215.0		
Intracompany transactions	-109.5	-110.9		
<b>Total</b>	<b>1 028.4</b>	<b>1 008.1</b>		
<b>Sanoma</b>				
Helsingin Sanomat	258.9	254.4		
IS Business Unit	95.5	92.1		
Kymen lehtimedia	52.7	51.7		
Others	176.7	200.7		
Intracompany transactions	-140.5	-160.8		
<b>Total</b>	<b>443.3</b>	<b>438.1</b>		
<b>WSOY</b>				
Publishing	142.6	143.5		
Printing	60.2	62.7		
Calendar operations	32.1	34.5		
Others	4.6	3.7		
Intracompany transactions	-27.2	-28.6		
<b>Total</b>	<b>212.2</b>	<b>215.9</b>		
<b>SWelcom</b>				
Nelonen	56.5	49.3		
Others	50.7	39.3		
Intracompany transactions	-2.4	-2.5		
<b>Total</b>	<b>104.9</b>	<b>86.1</b>		
<b>Rautakirja</b>				
Kiosk operations	387.0	373.6		
Press distribution	193.0	177.3		
Bookstores	121.8	115.2		
Movie theatre operations	52.8	49.6		
Restaurant operations	62.6	50.2		
Others		0.8		
Intracompany transactions	-47.0	-40.2		
<b>Total</b>	<b>770.3</b>	<b>726.5</b>		
Intragroup transactions	-124.9	-117.0		
<b>Total</b>	<b>2 434.1</b>	<b>2 357.8</b>		
<b>Net sales by market area</b>				
Finland	1 417.3	1 366.2		
Other EU countries	805.5	818.4		
Other countries	211.2	173.2		
<b>Total</b>	<b>2 434.1</b>	<b>2 357.8</b>		
<b>2) OTHER OPERATING INCOME</b>				
Rental income	18.8	19.5	4.4	3.2
Rental income, internal			3.1	3.1
Profit on sales of assets	34.4	14.4		
Profit on sales of machinery & equipment	2.7	2.0	0.1	0.3
Other operating income	27.3	33.8	2.9	9.6
<b>Total</b>	<b>83.2</b>	<b>69.8</b>	<b>10.5</b>	<b>16.1</b>

€ million	Group		Parent Company	
	1.1–31.12.2003	1.1–31.12.2002	1.1–31.12.2003	1.1–31.12.2002
<b>3) MATERIALS AND SERVICES</b>				
<b>Materials and supplies</b>				
Purchases during the year	757.4	743.2		
Change in inventories	1.6	-1.3		
<b>Total</b>	<b>758.9</b>	<b>741.9</b>		
<b>Purchased services</b>				
Purchased transport and distribution services	122.8	114.2		
Other purchased services	180.9	170.0		
<b>Total</b>	<b>303.7</b>	<b>284.1</b>		
<b>Total</b>	<b>1 062.6</b>	<b>1 026.0</b>		
<b>4) PERSONNEL EXPENSES</b>				
Wages, salaries & fees	444.6	468.0	6.6	5.4
Transfers to the employees' profit-sharing fund	4.6	3.7		
Pension expenses	65.4	65.7	1.1	3.7
Other social expenses	48.3	48.4	0.6	0.4
<b>Total</b>	<b>562.9</b>	<b>585.8</b>	<b>8.3</b>	<b>9.5</b>
<b>REMUNERATION TO MANAGEMENT</b>				
Presidents, Deputies and Board members				
<b>Total</b>	<b>8.0</b>	<b>8.5</b>	<b>1.8</b>	<b>1.9</b>
<b>PERSONNEL, AVERAGE *)</b>				
Sanoma Magazines	3 879	4 228		
Sanoma	3 041	3 578		
WSOY	1 859	1 836		
SWelcom	392	384		
Rautakirja	4 962	5 110		
Other companies **)	74	74	74	74
<b>Total</b>	<b>14 207</b>	<b>15 210</b>	<b>74</b>	<b>74</b>
*) stated as average number of full-time salaried personnel				
**) Parent Company SanomaWSOY Corporation and real estate and investment companies				
<b>5) DEPRECIATION AND DECREASE IN VALUE</b>				
Depreciation according to plan	204.0	211.4	3.7	1.9
Decrease in value of non-current assets	1.3	0.6	0.2	
<b>Total</b>	<b>205.2</b>	<b>212.0</b>	<b>3.9</b>	<b>1.9</b>
<b>6) OTHER OPERATING EXPENSES</b>				
Rents	69.5	65.8	5.3	5.7
Advertising and marketing	143.8	145.8	0.2	0.5
Commissions	48.5	47.6		
Office and IT expenses	70.8	72.0	1.8	2.0
Other expenses	157.3	153.2	5.1	4.9
<b>Total</b>	<b>490.0</b>	<b>484.3</b>	<b>12.4</b>	<b>13.1</b>

€ million	Group		Parent Company	
	1.1–31.12.2003	1.1–31.12.2002	1.1–31.12.2003	1.1–31.12.2002
<b>7) FINANCIAL INCOME AND EXPENSES</b>				
<b>Dividend income (incl. avoird fiscal)</b>				
From Group companies			1.6	56.6
From associated companies	2.5	5.0		
From other companies	3.2	5.4	0.2	1.0
<b>Total</b>	<b>5.7</b>	<b>10.5</b>	<b>1.8</b>	<b>57.7</b>
<b>Interest from investment under non-current assets:</b>				
From Group companies			40.7	48.3
From associated companies		0.1		
From other companies	0.1	0.2	0.1	0.1
<b>Total</b>	<b>0.1</b>	<b>0.3</b>	<b>40.7</b>	<b>48.4</b>
<b>Other interest and financial income</b>				
From Group companies			3.3	6.5
From associated companies	0.3	0.3		
From other companies	11.9	58.9	3.8	37.5
Exchange rate gains	3.4	0.9	0.6	5.2
<b>Total</b>	<b>15.6</b>	<b>60.1</b>	<b>7.8</b>	<b>49.1</b>
<b>Decrease in value of investments</b>				
Investments under non-current assets	2.9	3.5	3.4	1.8
Securities under current assets	0.4	20.6		
<b>Total</b>	<b>3.3</b>	<b>24.1</b>	<b>3.4</b>	<b>1.8</b>
<b>Interest and other financial expenses</b>				
To Group companies			8.2	9.4
To other companies	55.8	73.2	51.8	55.8
Exchange rate losses	4.5	1.2	7.0	0.2
<b>Total</b>	<b>60.3</b>	<b>74.4</b>	<b>67.1</b>	<b>65.4</b>
<b>Total</b>	<b>-42.1</b>	<b>-27.7</b>	<b>-20.1</b>	<b>87.9</b>
<b>8) EXTRAORDINARY ITEMS</b>				
<b>Extraordinary income</b>				
Group contributions received			64.6	49.2
Other extraordinary income		9.0	218.9	
<b>Extraordinary expenses</b>				
Group contributions given			7.5	16.9
<b>Income tax on extraordinary items</b>				
		3.0	16.5	9.3
<b>Total</b>		<b>6.1</b>	<b>259.4</b>	<b>22.9</b>
Other extraordinary income of Parent Company is comprised of internal changes in Group structure.				
<b>9) DIRECT TAXES</b>				
Tax on operational income	-53.2	-66.8	8.5	-10.8
Change in deferred tax liability/accrued tax receivable *)	-2.5	2.6		
<b>Total</b>	<b>-55.6</b>	<b>-64.2</b>	<b>8.5</b>	<b>-10.8</b>
*) Change in deferred tax liability/accrued tax receivable				
From capitalisation differences	-2.0	0.4		
From provisions	-0.9	2.0		
From consolidation measures	0.3	0.2		
<b>Total</b>	<b>-2.5</b>	<b>2.6</b>		