

INFORMATION FOR SHAREHOLDERS

ANNUAL GENERAL MEETING

The Werner Söderström Osakeyhtiö - WSOY - Annual General Meeting will be held on Thursday 27 April 1995 at 3 p.m. in the Ballroom of Hotel Inter-Continental, Mannerheimintie 46, Helsinki.

Shareholders wishing to attend the Annual General Meeting must be registered in the list of company's shareholders kept by the Cental Share Register of Finland OSK (Suomen Osakekeskusrekisteri Osuuskunta) no later than 13 April 1995 and give notice of their participation no later than Tuesday 25 April 1995 to the Company head office by telephone (+358 0 61681, Markku Tiensuu or Kirsi Lahtinen) or in writing (WSOY, P O Box 222, FIN-00121 Helsinki).

PAYMENT OF DIVIDEND

The Board of Directors proposes to the Annual General Meeting that a dividend of nine marks per share be paid on Tuesday 9 May 1995 to the shareholders.

REGISTER OF SHAREHOLDERS

The register of shareholders in the Company is maintained by Suomen Osakekeskusrekisteri Osuuskunta OSK, Piispanportti 12 A, FIN-02240 Espoo. Copies of the register may be obtained on payment from the WSOY head office, +358 0 61681 (Markku Tiensuu).

FINANCIAL INFORMATION

WSOY will release during 1995 the following financial reports:

Financial report for 1994 on 16 March 1995

Annual Report for 1994 on 19 April 1995

Interim Report Jan. 1 - April 30, 1995 on 19 June 1995

Interim Report Jan. 1 - August 31, 1995 on 19 October 1995

Changes of address should be notified to OSK or to the bank or bankers holding the share certificates.

Financial reports will be sent to shareholders' addresses as on the register. They may also be ordered from WSOY Corporate Communications, fax +358 0 6168 405, tel. +358 0 6168 312 or post WSOY Corporate Communications, Bulevardi 12, FIN-00120 Helsinki.



THE WSOY GROUP IN SUMMARY

The WSOY Group is a diversified company engaged in communications, publishing, and graphic arts industry, and employs about 1800 people.

The parent company, Werner Söderström Osakeyhtiö, was founded 117 years ago, in 1878. It was changed into a joint-stock company in 1904 and was listed on the Helsinki Stock Exchange from 1976. The company has nearly 4000 shareholders.

During its period of existence the company has published some 26,000 titles, a number which grows by over 600 every year. WSOY is a general publisher, covering fiction and non-fiction, text books and other educational material, juvenile, comics, illustrated multi-volume works, encyclopedias, dictionaries, calendars, information services, electronic and audio-visual materials.

The WSOY production facilities in Porvoo and Juva print annually about 25 million books, 54 million magazines and 44 million units of direct mail products for Finland and export markets.

The WSOY Group includes as subsidiaries, from the beginning of 1995, Ajasto Osakeyhtiö, Bertmark Media AB, Kirjapaino Lönnberg Oy, Kiviranta Oy, Tuotantotalo Werne Oy and Weilin+Göös Oy.

Group associate companies include Osuuskunta Finnprint, Lehtimiehet Oy, Rautakirja Oy, Suuri Suomalainen Kirjakerho and Yhtyneet Kuvalehdet Oy.

WSOY GROUP

OPERATIONS 1990 - 1994 IN FIGURES

MFIM	1994	1993	1992	1991	1990
Net sales	642.5	591.5	643.4	650.7	674.3
Profit from operations	105.1	95.6	104.2	121.3	110.3
% net sales	16.4	16.2	16.2	18.6	16.4
Depreciations acc. to plan	57.0	57.5	52.2	42.0	37.5
Total depreciations	69.4	73.5	143.5	62.6	51.6
Operating profit	48.1	38.1	52.0	79.3	72.8
% net sales	7.5	6.4	8.1	12.2	10.8
Financial income and expenses	44.2	-3.6	-7.0	-2.3	0.4
% net sales	6.9	-0.6	-1.1	-0.4	0.1
Profit before extraordinary items	92.3	34.5	45.0	77.0	73.2
% net sales	14.4	5.8	7.0	11.8	10.9
Extraordinary items	1.7	6.5	-13.1	-13.5	-15.0
Taxes	13.2	10.6	8.9	24.6	11.3
Profit for the period	80.8	46.3	14.3	18.3	28.2
Assets total	1 361.6	1 327.6	1 238.8	1 237.4	1 194.0
Financial assets	407.7	408.3	421.5	473.4	463.8
Current assets	114.0	104.9	109.1	133.2	137.5
Fixed assets	840.0	814.5	708.2	630.8	592.7
Interest liabilities	278.6	304.0	317.8	319.9	301.2
Non-interest liabilities	236.8	253.6	205.7	209.3	207.6
Shareholders' equity + minority interests + reserves	841.7	770.0	715.3	708.2	685.2
Total investements	52.7	52.6	141.9	88.1	102.2
New titles	606.0	537.0	568.0	631.0	675.0
Reprints	1 087.0	965.0	1 182.0	1 212.0	1 142.0
Return on investment (ROI) %	10.1	6.4	8.6	11.1	10.5
Return on equity (ROE) %	9.9	2.8	5.2	8.6	9.2
Personnel, average	1 231.0	1 264.0	1 347.0	1 323.0	1 322.0
Personnel expenses	233.8	222.7	234.9	240.0	239.9
% net sales	36.4	37.6	36.5	36.9	35.6
Net sales/person FIM 1000	521.9	467.9	477.7	491.8	510.0
Financial result	137.8	87.9	75.2	81.0	84.5
% net sales	21.5	14.9	11.7	12.4	12.5
Equity to assets ratio %	61.8	58.8	58.5	58.0	58.0
Currenet Ratio	2.4	2.7	2.4	2.6	2.6
Gearing %	7.2	16.1	22.9	19.2	20.5
Exports, net sales	118.6	94.4	67.5	59.9	60.8
Scandinavia	91.1	74.5	55.5	51.2	49.9
Other coutries	27.5	19.9	12.0	8.7	10.9

PRESIDENT'S REVIEW

Finland's economic conditions showed improvement during the year under review. Overall production was helped by exports. The current account and trade balances were in surplus. National debt continued to grow strongly, and unemployment remained high. At the beginning of the year under review, domestic demand was moderate, but improved substantially towards the end of the year.

The new value added tax regulations took effect from the beginning of June. They changed the tax on books to a 12 % VAT rate compared with the previous 22 % turnover tax rate, improving the competitiveness of literature. The fall in taxation did not immediately affect sales of general literature, but was noticeable later in the year in substantial increases, which contributed to an annualised rise of five percent. Sales of text books grew slightly.

Sales in graphic arts industry also increased, reflecting the recovery of domestic markets. However, the strengthening of the Finnmark towards the end of the year lowered the price competitiveness of graphic arts industry in export markets.

The WSOY Group concentrated during the year 1994 on implementation of the development projects decided during the preceding year. Many of the parent company's improvement actions were successful. Profitability of the publishing business was good. Production by WSOY gave better figures, although they did not reach expectations and remained negative. Higher investment returns and lower interest expenses improved the profitability of the parent company.

Group profitability targets were achieved. The Group subsidiaries were profitable. Kirjapaino Lönnberg Oy obtained a good result.

In the financial statements for 1994 the results of associated companies are included for the first time according to the revised Finnish Accounting Act. The change leads to a FIM 26.6 million improvement in Group results before extraordinary items.

Net sales by the WSOY Group were FIM 642.5 (591.5) million. Net sales increased by 8.6 percent.

Group profit including the results of associated companies, before extraordinary items, was FIM 92.3 million. The WSOY Group return on investment was 10.1 (6.4) percent and that of parent company 7.2 (7.2) percent. The improvement of Group result is based on the share of results from the associated companies, on

improvements in the performance of subsidiaries and on the rises in investment returns for the parent company. According to the WSOY Group internal standards, the result was satisfactory.

WSOY share trading on the Helsinki Stock Exchange was active at the beginning of the year, but settled down later. The share price followed general trends on the Exchange. At the end of the year the market capitalization of WSOY's shares was FIM 826 (723) million. Earnings per share amounted to FIM 39.60 (17.70).

Expectations of an improvement in Finland's economy are positive. Unemployment is expected to fall and demand to recover. Repayment of overpaid tax and reductions in savings are important factors in increasing consumption. A general growth of optimism is also a positive sign. However, consumption will continue to be held back by continued high unemployment and high taxation. The outlook for 1995 is, even so, better than that for the preceding year.

Threats to the activities of the WSOY Group exist in the growing costs of employment, in the rise in paper costs and in lowered export price competitiveness.

In January of the current year Werner Söderström Osakeyhtiö and the Amer Group Oy entered into a business rationalisation agreement whereby WSOY acquired the publishing operations of the Amer Group Ltd with the exception of Time/system International A/S. The reorganisation of business arising from this acquisition will cause the WSOY Group much work during 1995. The enlarged WSOY Group expects net sales to grow to about FIM 1 billion, with profits of about FIM 100 million before extraordinary items. The deal raises WSOY capital expenditure to an unusually high level and means investing of financial assets to the publishing business. However, liquidity will remain unimpaired and equity to assets ratio at a high level. The year 1995 will be a significant one in WSOY's history.

On behalf of the Board of Directors I should like to thank WSOY's writers, authors, customers and other partners for the continuous good cooperation. The personnel of the WSOY Group have worked hard which is visible in many units' results and in the bonuses paid.

I should also like to welcome our new employees most warmly to the WSOY Group.

ANTERO SILJOLA
President CEO

REPORT ON OPERATIONS FOR 1994 BY THE BOARD OF DIRECTORS

multi-volume works continued to decline. Sales by members of the Finnish Book Publishers Association grew from the previous year by about 3 (-6) percent to FIM 1200 (1163) million. The seven largest accounted for FIM 796 (77) million of this.

GROUP STRUCTURE

In June the multi-volume works marketing company, WSOY's subsidiary, Hyvä-Kirja Oy was merged with the parent company. In video duplicating a rationalisation was carried through in May with Tuotantotalo Werne Oy ceasing copying activities and selling its equipment to Måndag Oy. At the same time Werne bought 50 percent of Måndag Oy's shares.

In the WSOY Group associated companies have a significant effect on Group activities and results. In accordance with revised accounting standards the Group financial statements have been broadened to include associated companies. This is the first year of accounting in which the associate companies are included according to new Accounting Act. The wider and changed financial statements are thus not comparable with those for earlier years.

DEVELOPMENTS IN THE GRAPHIC ARTS INDUSTRY

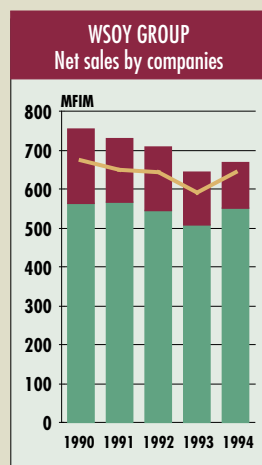
During the year under review Finland's GNP rose by 3.9% and industrial production by 11.2 % compared with the previous year. Exports from Finland increased by 14 percent and imports by 13 percent. The rate of employment improved somewhat but was still in December at a level of 17.4 percent of the workforce.

Production in the graphic arts industry grew more slowly than that in other industry. According to preliminary data from the Central Statistical Office of Finland it grew only by 2.2 percent to an index of 83.6, compared with an overall industrial index of 107.9 (1990 = 100). The volume of publishing and printing was thus 16 percent lower than in 1990. Net sales by the graphic arts industry grew three percent to FIM 14.3 billion. The value of exports grew by 15 percent to FIM 1250 (1096) million. The value of imports was at the same level as in the previous year, FIM 660 million. The number of people employed by the industry fell to about 30,000. At the end of the year the number of unemployed and laid-off employees was 5,000, about the same as a year before.

Preliminary estimates indicate that profitability improved somewhat in graphic arts industry companies. The median operating margin in the industry is expected to have risen to 12 (11) percent. The number of bankruptcies was a third lower than a year before.

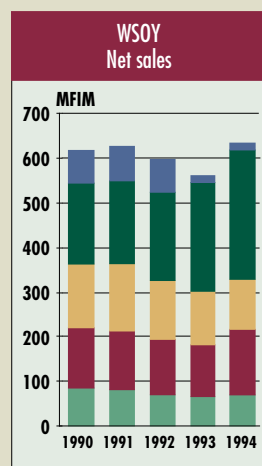
The supply of books increased. The number of new titles published by Finland's seven leading book publishers was 1483 (1339), and that of new editions 2085 (1745).

Publishers' book sales took a turn for the better. The downward trend in sales changed to a slight increase. Sales of general literature grew by more than 5 (-4) percent, and the value of text books by over 2 (-7) percent. The value of sales of



Legend for WSOY GROUP Net sales by companies:

- WSOY (Green)
- Subsidiaries (Red)
- Group net sales (Yellow line)



Legend for WSOY Net sales:

- Fiction (Green)
- Non-fiction (Red)
- Text books (Yellow)
- Contract works (Dark Green)
- Other business (Blue)

NET SALES AND INVOICING

Group net sales during the year under review were FIM 642.5 (591.5) million. The improved market situation was visible in increased net sales by the parent company and by Kirjapaino Lönnberg Oy.

Group net sales by company were as follows:

	1994		1993		Change
	MFIM	%	MFIM	%	
WSOY	550.4	82.2	507.6	84.4	8.4
Hyvä-Kirja Oy	15.1	2.3	34.6	-56.4	
Kirjapaino Lönnberg Oy	75.2	11.2	64.9*	15.9	15.9
Tuotantotalo Werne Oy	10.6	1.6	12.8*	-17.2	
WSOY GmbH	0.8	0.1	0.8	0.0	0.0
Kirjatuki Oy	15.7*	2.4	18.5*	-15.1	
Other real estate companies	1.6	0.2	3.5	-54.3	
Total	669.4	100.0	642.7	4.2	4.2
Internal invoices	26.9		51.2		
Group net sales	642.5		591.5		8.6

* sub-group

Net sales by the parent company WSOY grew by 8.4 (-5.8) percent to FIM 550.4 (507.6) million. Both invoiced sales and market share increased on the previous year in general literature, where

growth in fiction sales was very strong. Invoicing of multi-volume works grew mainly through the change in Group production structure. Sales also grew in direct marketing and contract works. Sales of text books fell as did its market share.

Net sales by WSOY (without value added tax) were as follows:

	1994		1993		Change
	MFIM	%	MFIM	%	
Fiction	71.1	11.2	64.4	10.4	
Non-fiction	146.2	23.9	117.5	24.4	
Text books	111.6	17.6	120.0	-7.0	
Contract work	290.8	45.7	245.6	18.4	
Others	16.0	2.5	16.8	-4.8	
Total	635.7	100.0	564.3	12.7	

Export invoicing by the Group was FIM 118.6 (94.4) million. Group net sales by market area were as follows:

	1994		1993		Change
	MFIM	%	MFIM	%	
Finland	523.9	81.5	497.1	5.4	
Scandinavia	91.1	14.2	74.5	22.3	
Other countries	27.5	4.3	19.9	38.2	
Total	642.5	100.0	591.5	8.6	

INCOME STATEMENT, BALANCE SHEET AND FINANCING

The income statement for the WSOY Group for the year under review includes a proportion of the financial results of associate companies. Correspondingly the balance sheet includes a proportion of shareholders' equity from associate companies. Earlier financial statements included dividends received from and investments made in associate companies.

Group profitability was satisfactory. The return on investment (ROI) was 10.1 (6.4) percent. Return on equity (ROE) was 9.9 (2.8) percent. In the parent company, ROI was 7.2 (7.2) percent and ROE 5.8 (4.3) percent.

The income and profitability of WSOY's subsidiaries and associated companies improved from the previous year. Group operating profit was FIM 48.1 million. Measured in accordance with the accounting standards applied in earlier years, the profit would be FIM 50.0 (38.1) million. The operating profit of the parent company declined from the preceding year to FIM 37.0 (42.8) million. Results from publishing were good, although slightly lower than a year before. Production profitability improved slightly as a result of positive developments at the Porvoo units, but the technical problems at the Juva book factory and the low price levels for contract work

pulled the overall production operation into loss.

The net effect of financial income and expenses in the WSOY Group during the year were FIM 44.2 million. This figure includes a proportion of the results of associates, less dividends received. In accordance with earlier accounting standards the net financing effect was FIM 15.7 (-3.6) million. In WSOY the net financing effect on the income statement was FIM 20.5 (3.0) million. Financial income was increased by dividends received from associate companies. Group income before extraordinary items was FIM 92.3 million. According to previous year's accounting standards this figure would have been FIM 65.7 (34.5) million. The equivalent figure for the parent company was FIM 57.5 (45.8) million.

The bottom line of the WSOY Group balance sheet was FIM 1361.6 (1327.6) million. Group restricted equity was FIM 202.1 (202.1) million. Net equity was FIM 306.4 (319.3) million and fixed assets FIM 840.0 (814.5) million. Group shareholders' equity was FIM 841.4 (769.6) million. In calculating assets and derived figures, deferred taxation in reserves are regarded as a liability, the remainder of reserves being attributed to stockholders' equity. The Group gearing ratio was 7.2 (16.1) percent and equity to assets ratio 61.8 (58.8) percent, for WSOY 59.6 (56.7) percent.

The liquidity of both Group and parent company remained high throughout the year, with a current ratio at the end of the year of 2.4 (2.7) for the Group and 2.8 (3.7) for WSOY.

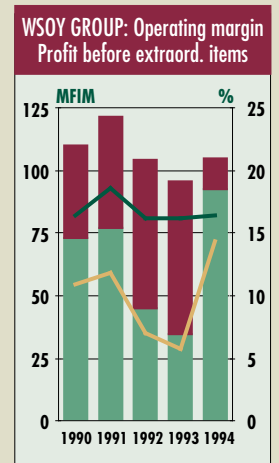
The WSOY Group non-restricted equity was FIM 639.2 (567.5) million. Non-restricted equity in the parent company was FIM 266.2 (223.0) million, including a profit for the year under review of FIM 57.1 (44.6) million. The Board of Directors is proposing to the Annual General Meeting that a dividend of FIM 9 (7) per share or FIM 18 (14) million be paid.

CAPITAL EXPENDITURE

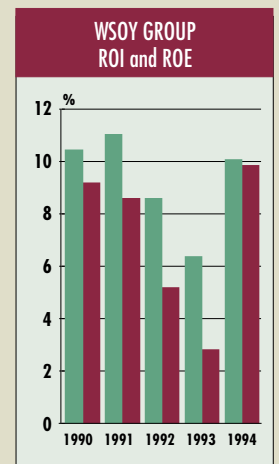
Total Group capital expenditure during the year under review was FIM 52.7 (52.6) million, the parent company accounting for FIM 43.4 (44.2) million. The main investment, totalling FIM 10.3 million, were replacement in production facilities and operational premises. Investments in shares and holdings totalled FIM 6.4 million.

PUBLISHING

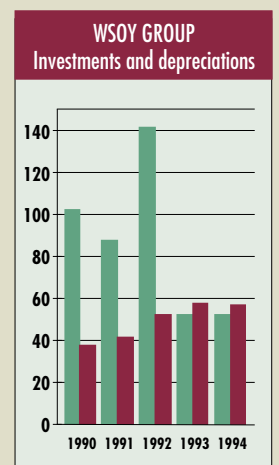
The number of publishing agreements and new editions grew compared with the preceding year. New publishing agreements totalled 611 (548). A total of 606 (537) new titles was published, and



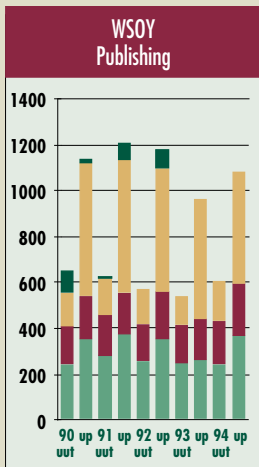
— Operating margin %
— Profit before extraord. items %
■ Profit before extraord. items MFIM
■ Operating margin MFIM



■ ROI
■ ROE



■ Net investments
■ Depreciations

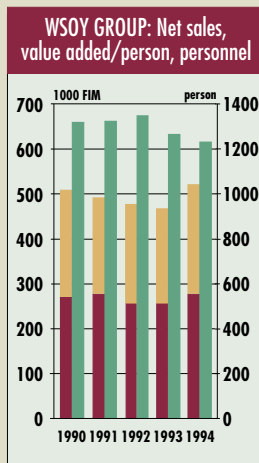


new editions were made of 1087 (965) titles.

Authors were paid a total of FIM 47.2 (49.0) million in royalties. 2267 (2339) authors were from Finland and 649 (615) from other countries.

PRODUCTION

The market situation in the graphic arts industry improved compared with the previous year. The decrease of production capacity during the recession and the recovery in demand for direct mail products improved the printing works' employment and use of capacity. During the year the Group printing plants worked at full capacity. Price developments in products was uneven, and profitability varied considerably from unit to unit. The capacity intended by investment for the Juva book factory has not yet been reached. Group printing works used the following quantities of paper:



Net sales/peron
Value added/person
Personnel

	1994	1993
WSOY	24 746	21 208
Kirjapaino Lönnberg Oy	2 002	1 809
Total	26 748	23 017

ADMINISTRATION

The Annual General Meeting held in 1994 re-elected Professor Tuomas Anhava and Dr. Paavo Hohti to the Supervisory Board. In place of the late Professor Yrjö Blomstedt the meeting elected Dr. Hannele Pokka and in place of the late Mauno Turunen, for the remainder of his term of office, Mikko Pohtola.

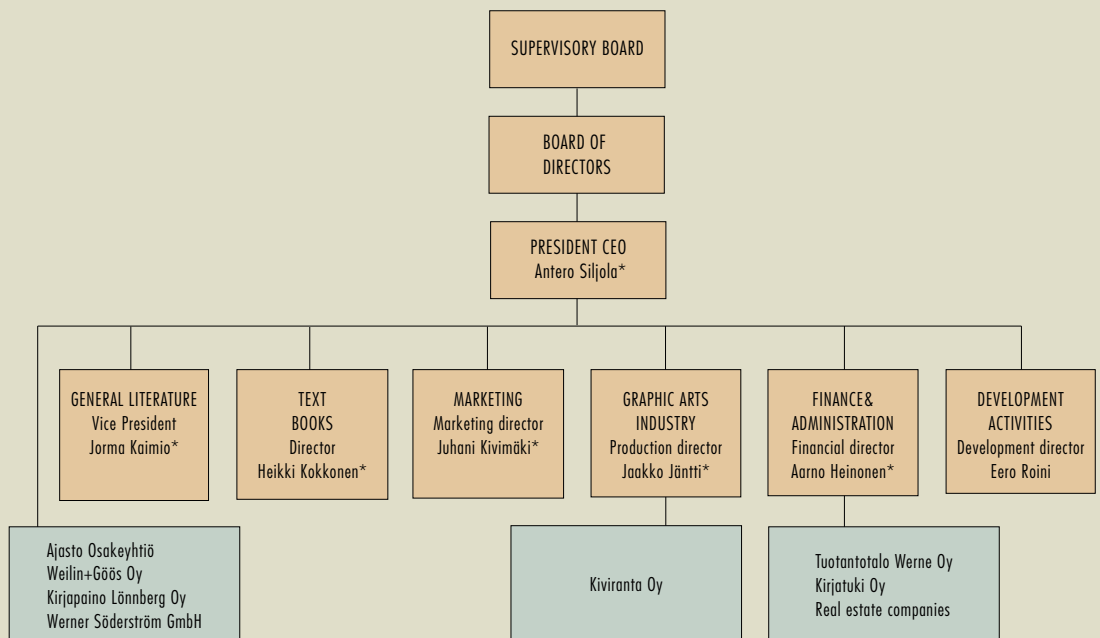
The Board of Directors decreased by two members during the year. Antti Särkilahti retired from the company's employ at the end of January, and Eero Roini left the Board at the end of May. The composition of the Board remained otherwise unchanged.

PERSONNEL

The average number of personnel in the Group was 1,231 (1,264), and in WSOY 1,082 (1,082). Wages and salaries, bonuses and other compensation paid during the year were as follows:

	WSOY Group		WSOY	
FIM thousand	1994	1993	1994	1993
Supervisory Board				
Board and CEO	5 655	6 212	42 04	4 294
Share of profits	33	36	9	27
Other wages and salaries	177 000	176 563	152 879	149 249

WSOY GROUP April, 1995



* member of the Board of Directors

COMPANY SHARES

464,562 (104,090) shares in WSOY were traded during the year, at a total value of FIM 181.7 million. This is 23.2 (5.2) percent of the company's shares. The average quotation for the A shares was FIM 555 (584) and for the B shares FIM 390 (280). The company's shares are traded on the Helsinki Stock Exchange.

At the end of the year under review the Board has no authority to increase the share capital or to issue subordinated convertible bonds or warrant bond issues. The company has not made any such issues.

Members of the Supervisory Board and the Board of Directors of WSOY owned at the end of the year a total of 4,193 (5,018) WSOY shares, or 0.2 (0.3) percent of the shares and 0.6 (0.6) percent of the votes.

Certain large shareholders have agreements with each other for preferential acquisition and disposal of WSOY shares.

EVENTS SINCE THE ACCOUNTING PERIOD

In January 1995 WSOY acquired for a new wholly-owned subsidiary Weilin+Göös Oy, from the Amer Group its book publishing operations: Weilin+Göös and KAP-Kustantajien Asiakaspalvelu Oy, as well as the entire share capital of Bertmark Media AB and Oy Kustannusperintä - Förlagsinkasso Ab. WSOY also purchased Amer's 50 percent share of Ajasto Osakeyhtiö and Kiviranta Oy. The total amount paid for the businesses, companies and shareholdings was FIM 176 million, which will be paid by the end of September 1995.

The new subsidiaries will conduct their business as parts of the WSOY Group with effect from the beginning of January 1995. Their total net sales after Group eliminations in 1994 was about FIM 370 million, and the total personnel about 600.

OUTLOOK FOR 1995

Recovery in demand was visible in 1994 and included the graphic arts industry. Strengthening in demand is expected to continue during the current year.

Adjustment to the new companies acquired at the beginning of the year and to overlapping activities will require considerable work. The acquisition of the new companies ties up capital and thus reduces this year's income from financial items. The expense will be seen in this year's results, while the positive effect will become visible only in future years.

WSOY's dependence on export markets has increased. The strengthening of the Finnmark and the technical problems in Juva book factory, as well as the generally weak price levels in export markets, will have a negative effect on the Group's overall profitability.

In 1995 net sales by the WSOY Group will increase significantly in line with the recovery in demand and the acquisition of the new companies. Net sales are expected to grow to about the FIM 1 billion level. Profits should remain at the 1994 level.

ADMINISTRATION

Supervisory board

Esko Koivusalo
chairman

Yrjö Blomstedt
vice-chairman
till April 13, 1994

Tuomas Anhava

Marjukka af Heurlin

Paavo Hohti
vice-chairman
since April 27, 1994

Mikko Pohtola
since April 27, 1994

Hannele Pokka
since April 27, 1994

Jorma Routti

Pentti Seppälä

Raimo Taivalkoski

Mauno Turunen
till March 20, 1994

Board of Directors

Antero Siljola (52)
President CEO

Jorma Kaimio (48)
Vice-President

Aarno Heinonen (50)
Financial Director, CA

Jaakko Jäntti (51)
Production Director
Company Secretary

Juhani Kivimäki (45)
Marketing Director

Heikki Kokkonen (50)
Director, Text Books

Eero Roini (55)
Development Director
till May 31, 1994

Antti Särkilähti (57)
Direct Sales Director
till Jan. 31, 1994

Auditors

Tauno Haataja
CA

Jarmo Leppiniemi

Tuomas Särkilähti

Vice-auditors

KHT-yhteisö Salmi, Virkkunen &
Helenius Oy

Pekka Laaksonen

FINANCIAL STATEMENTS

	WSOY-GROUP MFIM		W S O Y MFIM	
	1994	1993	1994	1993
CASH IN HAND AND AT THE BANK Jan. 1	+ 16.3	+ 13.6	+ 13.3	+ 8.8
Profit from operations	+ 105.1	+ 95.6	+ 83.7	+ 89.5
Financial income	+ 63.6	+ 27.8	+ 39.9	+ 30.7
Financial expenses	- 19.4	- 31.4	- 19.4	- 27.7
Extraordinary income	+ 1.7	+ 12.7	+ 5.3	+ 12.3
Extraordinary expenses	- 0.0	- 6.2	- 0.0	- 12.6
Income taxes	- 13.2	- 10.6	- 18.7	- 10.1
INCOME FINANCING, NET	+ 137.8	+ 87.9	+ 90.8	+ 82.1
Dividends paid and other distribution of profits	- 14.0	- 14.3	- 13.9	- 14.2
Other changes in shareholders' equity	+ 5.0	0.0	0.0	0.0
FINANCING OF SHAREHOLDERDS' EQUITY	- 9.0	- 14.3	- 13.9	- 14.2
GROUP FINANCING, TOTAL	+ 128.8	+ 73.6	+ 76.9	+ 67.9
Financial assets, change	+ 2.6	+ 16	- 32.1	+ 5.4
Currents assets, change	- 9.1	+ 4.2	- 6.5	+ 3.8
Fixed assets, change	- 82.4	- 37.8	- 45.6	- 37.0
USE OF MONEY ON ASSETS	- 88.9	- 17.6	- 84.2	- 27.8
Current liabilities, change	+ 25.9	- 31.9	+ 62.9	- 23.3
Non-current liabilities, change	- 63.6	- 21.4	- 52.9	- 12.3
LIABILITIES, CHANGE	- 37.7	- 53.3	+ 10.0	- 35.6
Adjustments to income	- 0.1	0.0	0.0	0.0
CASH IN HAND AND AT THE BANKS Dec. 31	+ 18.4	+ 16.3	+ 16.0	+ 13.3
+ assets received				
- assets spent				

INCOME STATEMENTS

	WSOY-GROUP				WSOY			
	1994		1993		1994		1993	
	MFIM	%	MFIM	%	MFIM	%	MFIM	%
NET SALES	642.5	100.0	591.5	100.0	550.5	100.0	507.6	100.0
Decrease in finished goods inventories	-	2.8	-	6.8	-	3.4	-	6.2
Other operating income	5.2		2.7		6.7		5.9	
VARIABLE COSTS								
Materials, supplies and products:								
Purchases during the financial period	174.0		139.3		154.6		123.7	
Increase in inventories	-	11.9	-	2.5	-	9.9	-	2.5
External services	53.7		47.6		40.9		35.7	
Personnel expenses	233.8		222.2		200.5		184.2	
Rents	2.7		5.0		8.6		11.5	
Proportion of assoc. companies' profits	1.1		0.0		0.0		0.0	
Other costs	86.4		80.2		75.4		65.2	
Variable costs, total	539.8		491.8		470.1		417.8	
PROFIT FROM OPERATIONS	105.1	16.4	95.6	16.2	83.7	15.2	89.5	17.6
DEPRECIATIONS								
On fixed assets and other capitalized expenditure	57.0		56.7		46.6		46.7	
On Goodwill	0.0		0.8		0.0		0.0	
Depreciations total	57.0		57.5		46.6		46.7	
OPERATING PROFIT	48.1	7.5	38.1	6.4	37.1	6.7	42.8	8.4
Financial income and expenses	+	44.2	-	3.6	+	20.4	+	3.0
PROFIT BEFORE EXTRAORDINARY ITEMS, RESERVES AND TAXES	92.3	14.4	34.5	5.8	57.5	10.4	45.8	9.0
Extraordinary income and expenses	+	1.7	+	6.5	+	5.4	-	0.3
PROFIT BEFORE RESERVES AND TAXES	94.0	14.6	41.0	6.9	62.9	11.4	45.5	9.0
Increase (-) decrease (+) in accelerated depreciation	0.0		-	15.8	+	12.9	-	13.2
Increase (-) decrease (+) in voluntary reserves	0.0		+	31.3	0.0		+	22.4
Income taxes	-	13.2	-	10.6	-	18.7	-	10.1
PROFIT FOR THE PERIOD BEFORE MINORITY INTERESTS	80.8	12.6	45.9	7.8	57.1	10.4	44.6	8.8
Minority interests	-	0.0	+	0.4				
GROUP PROFIT	80.8	12.6	46.3	7.8				

BALANCE SHEETS

ASSETS	WSOY-YHTYMÄ				WSOY			
	1994 MFIM	%	1993 MFIM	%	1994 MFIM	%	1993 MFIM	%
FIXED ASSETS AND OTHER NON-CURRENT INVESTMENTS								
Intangible assets								
Intangible rights	3.6		3.2		3.5		3.0	
Tangible assets								
Land	76.5		74.2		33.4		33.3	
Buildings	146.2		138.9		63.0		65.2	
Machinery and equipment	241.6		259.2		219.5		236.5	
Other tangible assets	17.6		19.3		17.0		18.6	
Advanced payments and construction in progress	2.8		2.1		1.8		2.2	
Financial assets and other non-current investments								
Associated companies' shares and proportions	312.3		284.1		158.2		158.7	
Other bonds and shares	39.4		33.5		123.1		103.1	
Fixed assets, total	840.0	61.7	814.5	61.3	619.5	52.6	620.6	54.6
CURRENT ASSETS								
Stocks								
Raw materials and consumables	26.5		14.6		22.6		12.6	
Work in progress	24.7		21.5		23.5		20.9	
Finished products and goods	62.8		68.8		62.8		68.8	
Stocks, total	114.0	8.4	104.9	7.9	108.9	9.3	102.3	9.0
Receivables								
Trade receivables	170.5		203.8		162.0		168.0	
Loan receivables	27.2		6.0		104.2		89.4	
Prepaid expenses and accrued income	15.3		19.2		14.3		4.8	
Other receivables	3.7		5.4		3.4		1.8	
Receivables, total	216.7	15.9	234.4	17.7	283.9	24.1	264.0	23.2
Investments								
Bonds and shares	10.0		0.0		10.0		0.0	
Other investments	162.5		157.5		138.5		136.4	
Investments, total	172.5	12.7	157.5	11.9	148.5	12.6	136.4	12.0
Cash in hand and at the banks	18.4	1.3	16.3	1.2	16.0	1.4	13.3	1.2
ASSETS, TOTAL	1 361.6	100.0	1 327.6	100.0	1 176.8	100.0	1 136.6	100.0

LIABILITIES	1994		1992		1994		1992	
	MFIM	%	MFIM	%	MFIM	%	MFIM	%
SHAREHOLDERS' EQUITY								
Restricted								
Share capital	100.0		100.0		100.0		100.0	
Other restricted equity	<u>102.1</u>		<u>102.1</u>		<u>102.0</u>		<u>102.0</u>	
Restricted capital, total	202.1		202.1		202.0		202.0	
Non-restricted								
Non-restricted funds	39.7		39.7		91.4		91.4	
Retained earnings	518.7		481.5		117.7		87.0	
Profit for the period	<u>80.8</u>		<u>46.3</u>		<u>57.1</u>		<u>44.6</u>	
Non-restricted, total	639.2		567.5		266.2		223.0	
Shareholders' equity, total	841.3	61.8	769.6	58.0	468.2	39.8	425.0	37.4
MINORITY INTERESTS								
	0.3		0.4		0.0		0.0	
PROVISIONS								
Accelerated depreciations					237.0		250.0	
Voluntary provisions								
Transfer provisions					<u>73.0</u>		<u>73.0</u>	
					310.0	26.3	323.0	28.4
VALUATION ITEMS								
	4.5	0.3	0.0		4.5	0.4	0.0	
CREDITORS								
Non-current								
Loans from credit institutions	10.6		56.7		7.2		51.7	
Pension loans	202.0		215.5		189.0		197.5	
Calculated tax liabilities	84.1		87.3		0.0		0.0	
Other non-current liabilities	<u>3.5</u>		<u>4.2</u>		<u>0.0</u>		<u>0.0</u>	
Non-current, total	300.2		363.7		196.2		249.2	
Current								
Loans from credit institutions	41.6		22.2		40.0		19.7	
Pension loans	3.3		1.6		2.3		0.5	
Advances received	0.0		19.0		0.0		0.0	
Trade payables	29.1		17.4		25.3		13.8	
Accrued liabilities and deferred income	55.8		52.7		47.3		40.8	
Other current liabilities	<u>85.5</u>		<u>81.0</u>		<u>83.0</u>		<u>64.6</u>	
Current, total	215.3		193.9		197.9		139.4	
Creditors, total	515.5	37.9	557.6	42.0	394.1	33.5	388.6	34.2
LIABILITIES, TOTAL								
	<u>1 361.6</u>	<u>100.0</u>	<u>1 327.6</u>	<u>100.0</u>	<u>1 176.8</u>	<u>100.0</u>	<u>1 136.6</u>	<u>100.0</u>

INFORMATION ON WSOY'S SHARES

SHARE CAPITAL

	1994	1993	1992	1991	1990
Share capital FIM 1000	100 000	100 000	100 000	100 000	100 000
WSOY A (20 votes)	19 800	19 800	19 800	19 800	19 800
WSOY B (one vote)	80 200	80 200	80 200	80 200	80 200

Numbers of shares

Dec. 31, 1.000 shares	2 000	2 000	2 000	2 000	2 000
WSOY A	396	396	396	396	396
WSOY B	1 604	1 604	1 604	1 604	1 604

STOCK MARKET

	1994	1993	1992	1991	1990
Stock exchange					
Total FIM 1000	181 723	29 870	8 647	6 949	43 960
WSOY A, FIM 1000	1 345	1 327	483	451	19 910
number of shares	2 424	2 274	976	469	8 758
WSOY B, FIM 1000	180 378	28 543	8 164	6 498	24 050
number of shares	462 138	101 816	36 833	35 398	77 331

Stock Exchange quotes

WSOY A, highest	700	700	650	1 500	2 550
average	555	584	495	961	2 273
lowest	470	520	330	600	1 500
WSOY B, highest	440	339	270	230	360
average	390	280	222	184	311
lowest	302	245	170	150	210

Market capitalizations

WSOY A	227.7	217.8	257.4	229.7	554.4
WSOY B	598.3	505.3	401.0	312.8	368.9
Total	826.0	723.1	658.4	542.5	923.3

SHARES

	1994	1993	1992	1991	1990
Dividends payed, FIM 1000	18 000	14 000	14 000	14 000	14 000
Divident per share FIM	9	7	7	7	7

Earnings per share	39.6	17.70	15.90	29.80	34.10
Divident per earnings	23	40	44	23	21

Earning pers share price

WSOY A per cent	1.6	1.3	1.1	1.2	0.5
WSOY B per cent	2.4	2.2	2.8	3.6	3.0

Price per earnings (P/A)

WSOY A	14.5	31.1	40.9	19.5	41.1
WSOY B	9.4	17.8	15.7	6.5	6.7

Nominal value

Shareholders' equity/share	422	366	357	354	342
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Quote Dec. 31

WSOY A	575	550	650	580	1400
WSOY B	373	315	250	195	230

SHARES AND SHAREHOLDERS

SHARES AND SHAREHOLDERS

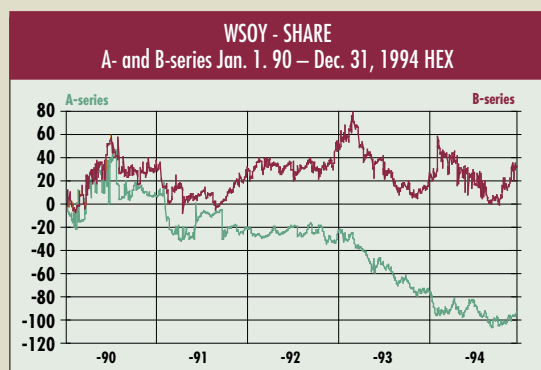
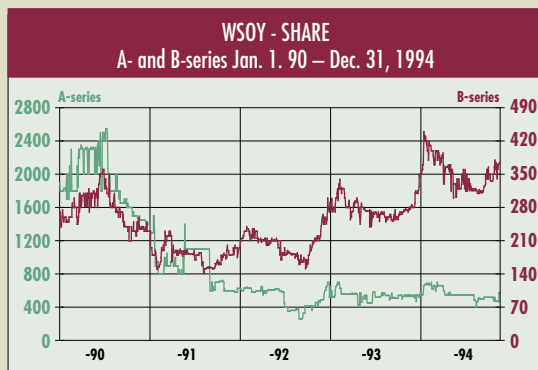
	Shareholders	Shares	Ownership percent	
			of shares	of votes
Public sector	2	7 695	0.4	0.1
Private persons	3 686	388 674	19.4	15.6
Credit institutions	25	322 660	16.1	12.1
Credit institutions/Nominee-registered	3	370 151	18.5	4.1
Foreign owners	15	1 735	0.1	0.1
Non-profit organizations	113	476 340	23.9	43.5
Companies	91	426 112	21.3	24.3
On waiting list (non-registered)		50	0.0	0.0
Not transferred to book entry accounts		6 583	0.3	0.2
TOTAL	3 935	2 000 000	100.0	100.0

SHARES BY OWNERS

Number of shares	Shareholders	percent of shares	percent of votes
1 - 100	3 057	4.8	2.7
101 - 1000	793	10.6	7.3
1001 - 10000	64	9.4	11.6
10001 - 50000	11	12.2	11.1
50001 - 100000	4	13.8	26.8
100001 -	6	48.9	40.3
Not transferred		0.3	0.2
TOTAL	3935	100.0	100.0

BIGGEST SHAREHOLDERS

	Number of shares		Ownership percent	
	A-shares	B-shares	of shares	of votes
Alfred Kordelinin yleinen edistys- ja sivistysrahasto	79 467	123 488	10.1	18.0
WSOY:n Kirjallisuussäätiö	66 915	15 248	4.1	14.2
Amer-Yhtymä Oy	54 411	63 699	5.9	12.1
Ilmarinen Eläkevakuutus Oy	25 563	35 000	3.0	5.7
Vakuutusosakeyhtiö Pohjola	16 496	128 298	7.2	4.8
Finnsea Oy	14 206	60 007	3.7	3.6
Suomalaisen Kirjallisuuden Seura ry	13 200	45 916	3.0	3.3
Suomen Kulttuurirahasto	14 164	21 180	1.8	3.2
Werner Söderström Osakeyhtiön Eläkesäätiö	11 359	17 300	1.4	2.6
Suomen Yhdyspankki Oy / hall.rek.	0	222 350	11.1	2.3
Aamulehti-Yhtymä Oy	9 623	0	0.5	2.0
Yhtyneet Kuvalehdet Oy	8 520	1 400	0.5	1.8
Korpivaara Oy	0	144 810	7.2	1.5
Kansallis-Osake-Pankki / hall.rek.	0	143 920	7.2	1.5
Kalevi Jäntin Rahasto	6 014	9 535	0.8	1.4
15 biggest shareholders, total	319 938	1 032 151	67.5	78.0



PROPOSAL BY THE BOARD FOR THE DISPOSITION OF PROFITS

According to the consolidated balance sheet the Group has non-restricted stockholders' equity of FIM 639,247,488.86, of which FIM 252,221,900.06 is from voluntary reserves according to The Accounting Act. The non-restricted equity of the parent company is:

- operating fund	91,430,929.54
- retained earnings	117,668,852.41
- profit for the year	57,129,755.45
Total	266,229,537.40

The Board of Directors proposes that the equity be distributed as follows:

- dividend of 18 percent on the issued share capital, or FIM 9 per share	18,000,000.00
- WSOY Literature Fund	150,000.00
- remaining unrestricted equity	248,079,537.40
Total:	266,229,537.40

The Board proposes that the dividend be paid on 9 May 1995. Shareholders who have not transferred their holding to the book entry security system by 4 May 1995 will receive dividends after such transfer has taken place.

Helsinki, 16 March 1995

Antero Siljola
CEO

Jorma Kaimio

Aarno Heinonen

Jaakko Jäntti

Juhani Kivimäki

Heikki Kokkonen

AUDITORS REPORT TO THE SHAREHOLDERS OF WSOY

We have inspected the bookkeeping, accounts and management of Werner Söderström Osakeyhtiö - WSOY for the accounting period 1 January to 31 December 1994. The accounts drawn up by the Board and the managing director include the annual report and the income statement, balance sheet and notes to the financial statements for the Group and for the parent company. On the basis of our inspection we issue the following report on the accounts and the administration.

The accounting and accounting principles applied, the content and presentation have been inspected according to good auditing practice. In inspection of the administration the activities of members of the Supervisory Board and of the Board of Directors including the managing director have been considered from the point of view of their accordance with law.

The financial statements have been drawn up in accordance with bookkeeping law and other rules and regulations relating to

financial statements by a joint-stock company. The financial statements give a true and full picture in accordance with the Accounting Act of the results and financial affairs of the Group and of the parent company.

The financial statements including those of the Group may be confirmed. The members of the Supervisory Board and the Board of Directors including the managing director may be released from responsibility for the accounting period which we have inspected.

The proposal by the Board for the disposal of the non-restricted equity on the balance sheet is in accordance with the law.

During the year we have read the interim reports. According to our view they were prepared and published in accordance with the relevant regulations.

Helsinki, 31 March 1995

Tauno Haataja
CA

Jarmo Leppiniemi

Tuomas Särkilahti

STATEMENT BY THE SUPERVISORY BOARD

The Supervisory Board has inspected the annual report of the Board of Directors for 1994 and the statement of the financial position on 31 December 1994.

We propose to the Annual General Meeting that the income statement, balance sheet and consolidated income statement and balance sheet be adopted and that the proposal by the Board for the disposal of profit be approved.

We have also inspected the auditors' report and internal auditing. Neither gives rise to action on the part of the Supervisory Board.

The Supervisory Board releases the financial statements and the auditors' report for consideration by the Annual General Meeting.

The following members of the Supervisory Board are due to retire unless re-elected: Marjukka af Heurlin, Esko Koivusalo and Raimo Taivalkoski

Helsinki, 4 April 1995

Esko Koivusalo

Paavo Hohti

Tuomas Anhava

Marjukka af Heurlin

Mikko Pohtola

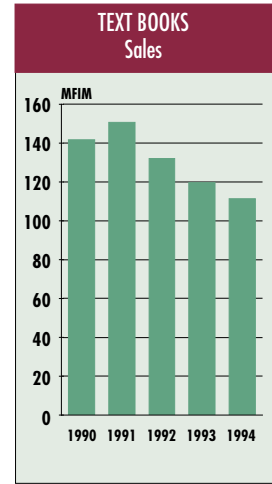
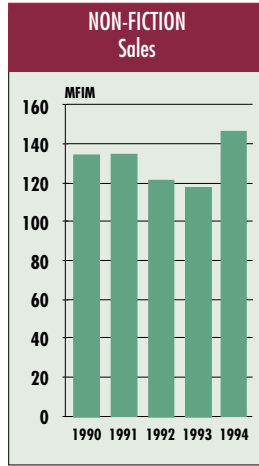
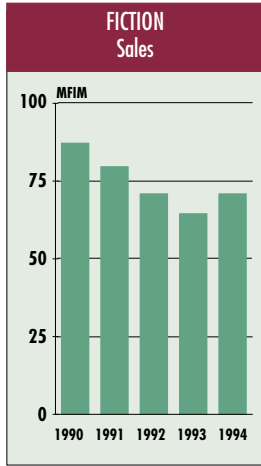
Hannele Pokka

Jorma Routti

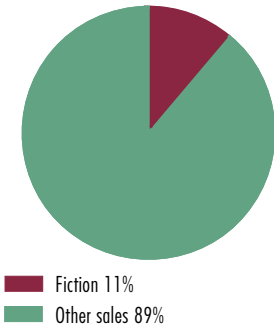
Pentti Seppälä

Raimo Taivalkoski

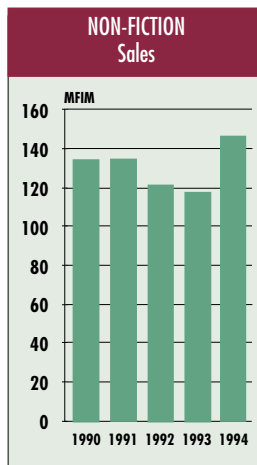
WSOY PUBLISHING & PRINTING IN GRAPHICS



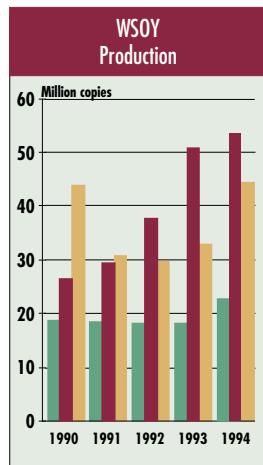
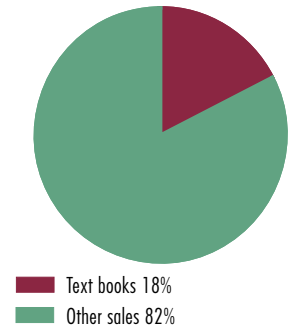
FICTION
Share of WSOY's sales



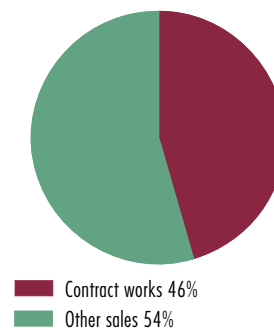
NON-FICTION Sales



TEXT BOOKS
Share of WSOY's sales



WSOY
Graphic arts industry
Contract works



■ Books
■ Magazines
■ DM-products