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● **YLE TELEVISION**
p. 24-25 and p. 36

|**YLE**| TV1

|**YLE**| TV2

|**YLE**| FST5

|**YLE**| Teema

|**YLE**| 24

|**YLE**| Extra



5



4

● **YLE RADIO**
p. 26-27 and p. 37

|**YLE**| Radio 1

|**YLE**| X

|**YLE**| Radio Suomi

|**YLE**| Radio Peili

|**YLE**| Radio Vega

|**YLE**| Radio Extrem

- 1. Russia's oligarchs
- 2. Monk
- 3. How I became me
- 4. Television sport
- 5. Prisma documentary
- 6. Grap the Mike



YLE 06

Yleisradio Oy

Yleisradio Oy (YLE) is a media company engaged in public full service television and radio broadcasting, whose tasks, operation and financing are defined in law. YLE makes programmes and produces services in Finnish and Swedish as well as in, e.g., Sámi, Romany and sign language.

YLE provides Finns with equal opportunities to obtain information, have experiences, be entertained and to educate and advance themselves.

YLE is mainly state-owned, and its operation is financed principally through television fee revenue.

- Company was founded in 1926.
- YLE's Director General is Mikael Jungner.
- YLE's supreme decision-making organs are the Administrative Council and Board of Directors.
- YLE is member of the European Broadcasting Union, EBU.

Key figures (EUR million)

	2006	2005	2004	2003	2002
EXTENT OF OPERATION (eur million /%)					
Turnover	383,5	374,5	359,0	330,0	340,5
%change	2,4	4,3	8,8	-3,1	-3,0
Other business revenue	12,8	40,8	9,4	11,2	10,3
%change	-68,5	331,8	-15,7	8,7	-24,3
Costs and depreciations	416,5	451,7	428,9	412,3	432,4
%change	-7,8	5,3	4,0	-4,7	-11,5
Balance sheet total	304,1	321,3	409,2	457,6	482,1
Gross investments	24,1	17,7	14,2	27,1	24,8
%of turnover	6,2	4,7	3,9	8,2	7,3
PROFITABILITY (eur million /%)					
Gross margin	2,0	-13,7	-36,3	-44,3	-53,6
%of turnover	0,5	-3,7	-10,1	-13,4	-15,7
Profit/loss	-20,2	-36,4	-60,5	-71,1	-81,6
%of turnover	-5,3	-9,7	-16,9	-21,5	-24,0
Profit/loss for financial year	-16,5	-28,8	-50,8	52,8	-84,3
%of turnover	-4,3	-7,7	-14,1	16,0	-24,8
SOURCES OF FUNDS AND FINANCIAL POSITION					
Quick ratio	0,7	0,8	0,9	1,2	0,6
Equity/Assets ratio %	51,6	54,0	49,5	55,3	41,6
Borrowed capital with interest (eur million)	0,0	0,0	72,0	72,0	146,0
PERSONNEL					
-number of employees on a permanent contract in 31.12.	3401	3 517	3 600	3 586	3 719
-employees in man-years	3755	3891	4004	4066	4245
Wages (eur million)	146,4	150,3	146,9	143,6	148,0
Fees (eur million)	14,2	14,4	14,9	15,3	18,1
Wages and fees total (eur million)	160,6	164,7	161,8	158,9	166,1

Quick ratio= $\frac{\text{Financial assets}-\text{Advance payments of performance rights}}{\text{Current debts}}$

Equity/Assets ratio= $\frac{\text{Shareholders' equity}}{\text{Balance sheet total}} \times 100$

Personnel=Number of employees on time-wages during the financial year in man-years



CONTENTS

6



The Director General's review

- p. 3 Stable and prepared
- p. 4 YLE in brief
- p. 6 Public service broadcasting
- p. 8 YLE's audiences
- p. 10 YLE's personnel

The year in the programme operation

- p. 12 Programme-makers and audience give their opinion

Channels and services

- p. 24 YLE television
- p. 26 YLE radio
- p. 28 YLE regional broadcasts
- p. 29 YLE new services

YLE administration

- p. 30 Administrative Council, Board of Directors and the company management in 2006
- p. 32 YLE new organisation in 2007
- p. 34 International awards
- Annex: Report of the Board of Directors and Financial Statements 2006



3



2

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THE FINEST DRAMA IN EUROPE

In the spring, *Pioneer*, shown on YLE TV1's Monday Home Theatre, was judged the best drama series at the Prix Europa festival. Kari Heiskanen played the managing director of an investment company grappling with moral choices. Niina Nurminen also had a role in this series scripted by Timo Varpio and directed by three different directors.

- 1. *Pioneer*
- 2. Consumer' magazine
- 3. The Mundo project
- 4. Television news
- 5. Mundo: The Darkness

MIKAEL JUNGNER



Director General



STABLE AND PREPARED

2006 was a year of stability and preparation. The audience relationship strengthened, from an already firm position. Stabilisation of finances advanced even better than planned, since the loss was clearly lower than budgeted. Internal financing also developed slightly above expectations. The total number of employees fell, but dismissals remained fewer than feared. The company took on new skilled personnel in, for example, production of new services. The historic Eurovision win in the spring gave the year's activity a positive stamp. In the autumn, YLE celebrated its eightieth anniversary in channel programming and on www.yle.fi.

Stability provided room for a radical reform of the company's management model and organisational structure. The new external Board of Directors started at the beginning of the year and soon found its role. Seamless co-operation between company management, the Board of Directors and Administrative Council paved the way for a number of significant decisions.

The spring saw completion of the company's strategy, based on customer-orientedness, multimedia technology and on placing content production at the heart of everything we do. The strategy formed the basis for the new organisation. The organisational reform is designed principally to strengthen YLE's capacity to provide its audiences with a more diverse and flexible service. In the organisational model that took effect at the beginning of 2007, media boundaries were transcended and a service commission affecting the entire company began to be built up. The commission is based on the public service task referred to in the Act on YLE and rendered more precise in 2005. The organisational reform was also designed to make the company operation more cohesive. Strong matrices such as finance, personnel, engineering, and communication and marketing, created the tools for uniform management of the company.

In the first half of the year, major decisions were also taken on the company's service range. It was decided to close down YleQ and YLE24, and the speech radio channel YLE Radio Peili is to expand in 2008 into a national FM channel. Concentrating on popular culture, sport and events coverage, the multimedia digital television channel YLE Extra will be launched in April 2007. In addition, new services were reinforced. The first new product launch, Living Archive, surpassed expectations in terms both of positive feedback and the number of hits.

Stability and good preparation will also be necessary in 2007. In May, YLE will be under scrutiny as it hosts the Eurovision Song Contest. In August, there will be another significant and historic moment: the switch to the era of exclusively digital television. Despite the good preparation, a successful switch is an enormous challenge for the television companies and for society as a whole.

Internal development of the company has two focuses. Firstly, as the YLE service commission is established, the guidelines for content provision as a whole in 2008 will be created. The company is conducting the process openly, by means of thorough analysis and preparation. Secondly, Human Resources now requires a stronger and more strategic approach. Changes in the range and thereby ever-evolving competence requirements call for more precise and long-term personnel planning. More open debate, a stronger value-based work culture and greater employer and managerial responsibility are the keys to a sustainable personnel policy.





YLE IN BRIEF

The YLE 2010 strategy planning was brought to a conclusion. The company's Board of Directors approved operating policies and an organisational reform in which company structure is based on YLE's content production rather than on departments. Customer- and content-oriented programming planning according to the new strategy started in the autumn, and the new organisation entered into effect on 1st January 2007

It was decided to shut down YleQ, the radio channel available on FM in Uusimaa, and the digital television channel YLE24. YLE Radio Peili is to expand in 2008 into a national FM speech channel. Focusing on popular culture, sport and events coverage, the multimedia digital television channel YLE Extra is to be launched in April 2007. In addition, the resources available for new services and YLE Teema were reinforced and the division of labour and profiles of all channels were revised.

YLE finances developed in accordance with the policies approved four years ago by the company's Administrative Council and revised in 2005. The company's operating loss in 2006 was 20.2 million euro, or 16.2 million

euro less than in the previous year. Finances are to be balanced by 2008.

- Annex: YLE Financial Statements and Report of the Board of Directors 2006
- p. 30 The YLE administration

YLE values and tasks

The value of the YLE programme operation are

- trustworthiness
- Finnishness
- independence
- diversity
- high quality

YLE's operation is based on an act according to which the company's task is to make full service radio and television programming together with related peripheral and supplementary services available to all on equal terms. These and other content services relating to public service can be provided in all telecommunications networks.

Public service programme activity shall in particular:

- 1) support effective democracy and each per-

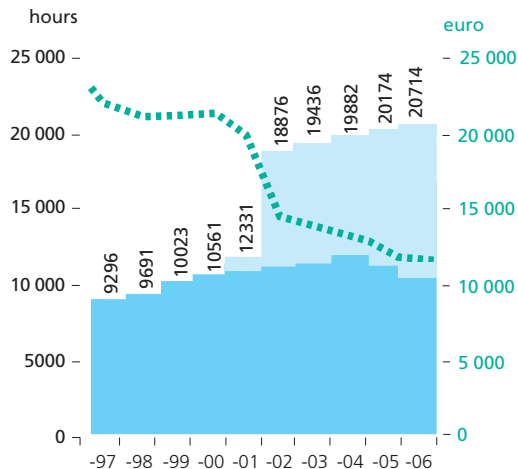
- son's opportunities for participation by providing a range of information, opinions and debates as well as opportunities for interaction;
- 2) produce, create and develop domestic culture, art and stimulating entertainment;
- 3) take account in programming of educational and equality considerations, provide an opportunity for learning and self-advancement, emphasis programming targeted at children and to provide devotional programmes;
- 4) treat in programme activity the Finnish- and Swedish-speaking populations on equal terms, to produce services in Sámi, Romany and sign language and as agreed also in the languages of other language groups in the country;
- 5) support tolerance and multiculturalism and to deal with programme output also for minority and special groups;
- 6) promote interaction of cultures and to maintain programme output targeted abroad;
- 7) carry official announcements to be laid down more precisely by decree and to make provision for running television and radio operations in exceptional circumstances.



KEY PROGRAMME OPERATION FIGURES BY PROGRAMMING AREA

●●● p. 24-27 YLE output by channel

YLE Television broadcasts and costs per programme hour in 1997-2006



In addition TV Finland's international broadcasts totalling 5 200 h/y in 2006 (5 168 h/y in 2005).

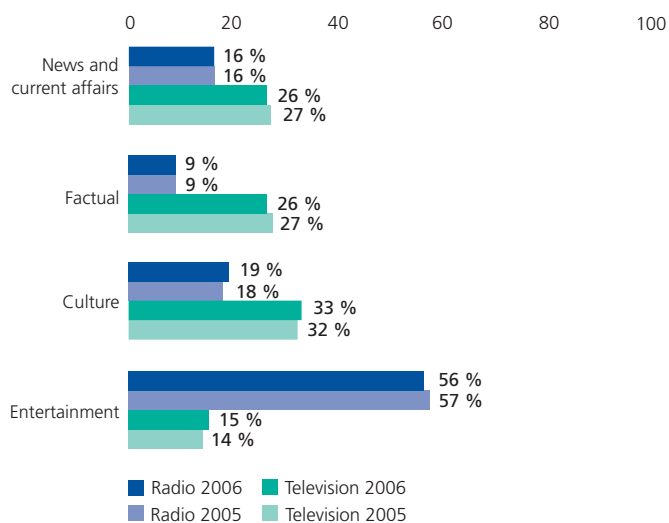
●●● euro per broadcast hour
 ■ Analogue broadcasts ■ Digital broadcasts

THE WAY THE YOUNG SEE THINGS

The young people's news broadcast Uutismixi was awarded Bonnier's Great Journalist Prize for the journalistic renewal of the year. The jury extolled the programme for its fresh approach and new way of using images.

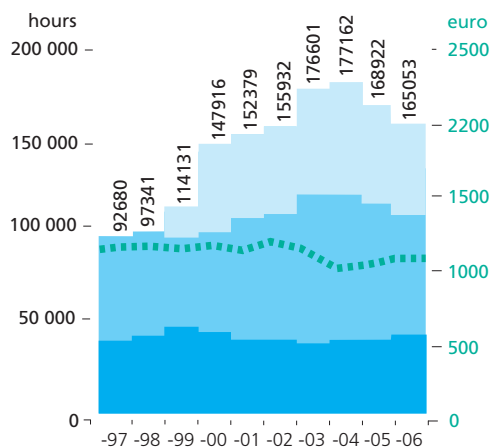
1. Sartsa's Sanatorium
2. Wild life documentaries
3. Mozart for children
4. Uutismixi, the young people's news broadcast
5. Elias

Shares of programming areas (%) out of television and radio broadcast hours in 2006



TV broadcasts excl. parallel broadcasts

YLE Radio broadcasts and costs per broadcast hour in 1997-2006

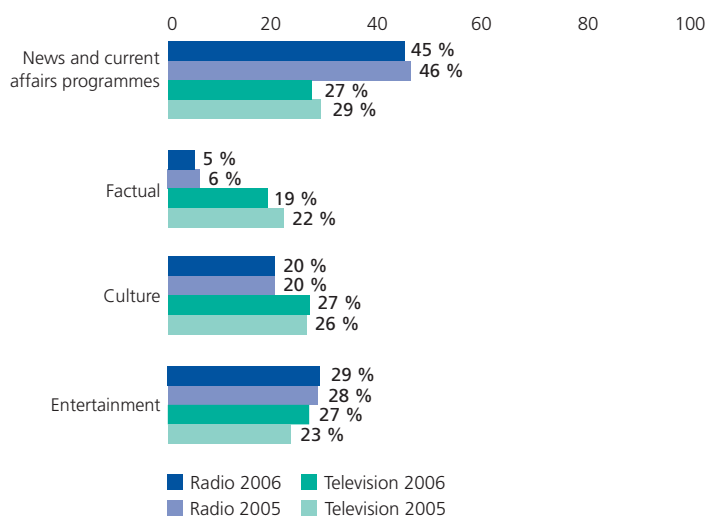


In addition, radio international broadcasts totalling 36 800 h/y in 2006 (36 540 h/y in 2005).

●●● euro per broadcast hour
 ■ National broadcasts ■ Regional broadcasts ■ Digital broadcasts

Since closure of the digital radio broadcasts on 1.9.2005, part of radio output is distributed by DVB-T.

Costs of programming areas (%) out of television and radio broadcasts hours in 2006



Radio broadcast hours and costs include only national broadcasts.



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PUBLIC SERVICE BROADCASTING

- In the Nordic countries, the principal form of funding for the public service broadcasting companies is the television fee. In Finland, it is the Council of State that fixes the amount of the television fee, in Sweden, Norway and Denmark it is set by Parliament.
- Fees are increased annually in Finland, Sweden, Norway and Denmark.
- Finland's television fee is the lowest in the Nordic countries.

The Finnish Broadcasting Company was founded eighty years ago, in 1926.

Following the First World War, broadcasting companies were established in quick succession in Europe, but also elsewhere in the world. People had realised the potential of the new medium, radio, for raising national culture, education, awareness and solidarity.

Traditional public service broadcasting companies are still dynamic electronic media makers and the cornerstones of public de-

bate and culture in many countries, such as the BBC in Britain, SVT in Sweden and YLE in Finland.

The YLE operation is financed principally by the television fee paid by citizens – rather than by advertising revenue or out of the state budget. Parliamentary reports in many countries have concluded that the television fee is the best form of financing because it underscores the independence of public service programme activity and the direct customer relationship. The funding for public service broadcasting in many Western European countries is based on a television fee either with or without advertising. State budget funding as the sole source of funding for public service is not used in Western Europe at all.

There are national differences in the way public broadcasting is organised and regulated by the state. Closest to YLE are the Nordic companies and the BBC.

YLE and Nordic sister companies

YLE in Finland and NRK in Norway are state-owned companies. DR in Denmark and RUV in Iceland are state institutions. TV 2 in Denmark, which is financed by advertising, is a state-owned public service company. There are three public service companies in Sweden: Sveriges Television (SVT), Sveriges Radio (SR) and Sveriges Utbildningsradio (UR). They are owned by an independent public foundation with a board appointed by the Swedish government.

In Finland, the operation is based on the Act on YLE, in Sweden on operating licences and in Norway, Denmark and Iceland on special regulations in general laws regulating broadcasting.

In all the Nordic countries, the television fee is the main form of funding for public service. RUV in Iceland has both television licence revenue and radio and television adver-

1. Sámi Radio
2. Children's Hour
3. Bleak House
4. Documentary project: Machine 17
5. SALT



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RELIABLY FOR CHILDREN

Parents trust YLE children's programmes and consider them to be carefully made and safe. The target audience is also pleased. The children's programme classic, Children's Hour, now into its 31st year, remains the viewers' favourite, year in year out. Services for small audiences and special groups are an integral part of public service YLE's mission.

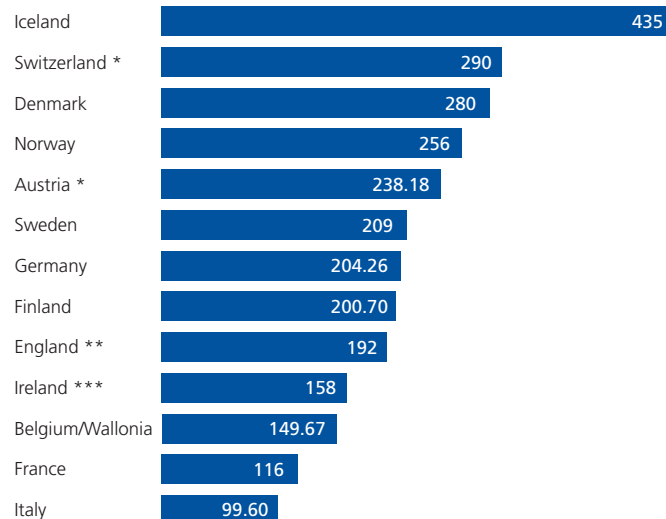
tising income. TV 2 in Denmark is funded by advertising and only separate regional broadcasts receive television licence funding.

The television fee is increased annually in Finland, Sweden, Norway and Denmark. Apart from in Finland, the companies collect the television fees themselves. In Finland, the fee is collected by the television fee administration at the Finnish Communications Regulatory Authority.

It is only in Finland that the operating licence fees of commercial companies are allocated to the broadcasting company, but this practice will cease when analogue broadcasts are shut down at the end of August 2007.

It has been decided to continue television fee financing in Finland and Denmark until at least 2010 and in Sweden until 2009. In Britain, the BBC is to be funded by the television fee until 2016.

Television fees in Europe in 2006 (in euro)

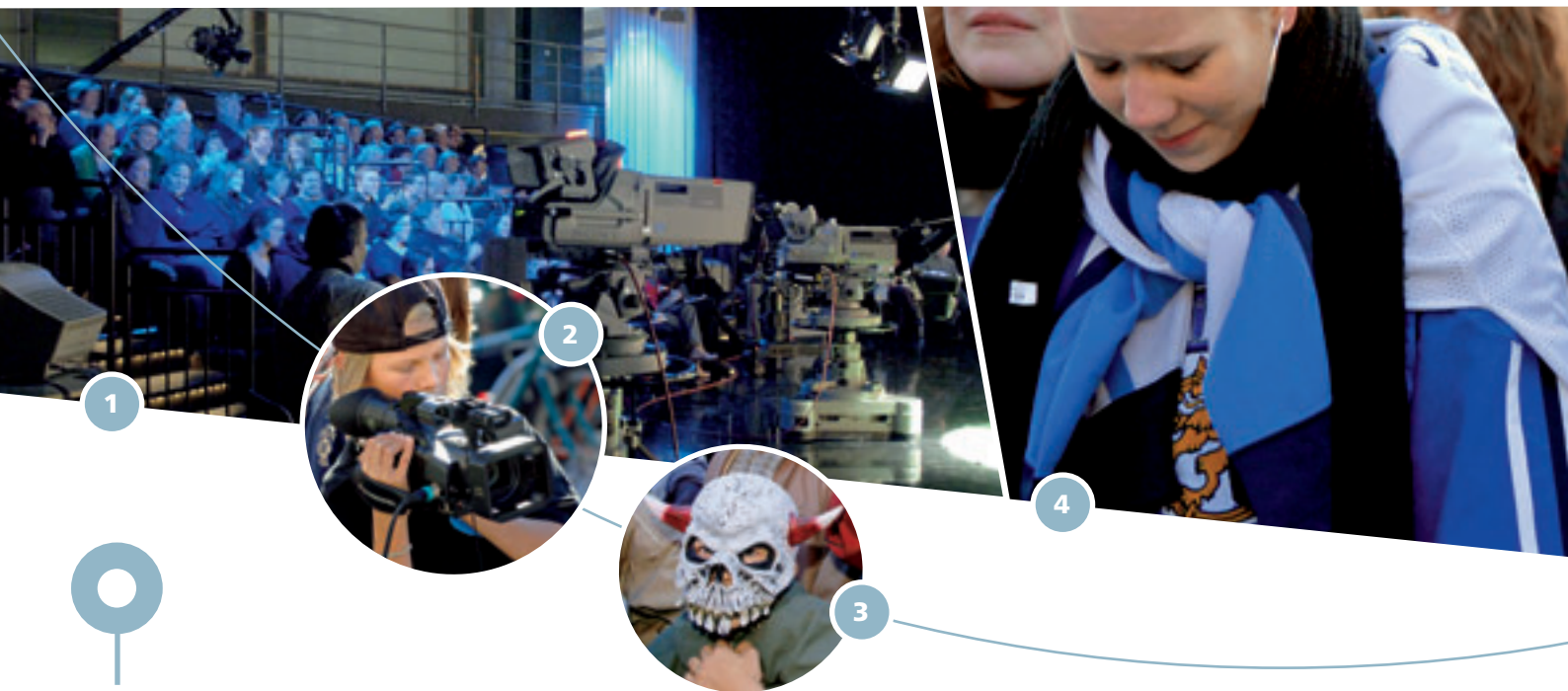


* Television and radio licences combined

** since 1.4. 2006

*** since 1.10. 2006

Exchange rates 1.1. 2006.



YLE AUDIENCES

- YLE television channels reach 92% and YLE radio channels 67% of Finns each week.
- 83% of Finns are very or quite satisfied with YLE programming and services.
- The Finnish Independence Day reception on YLE is still the most popular television programme of the year.

Reach and satisfaction

In 2006, YLE's share of all time devoted daily to television and radio was 49%, i.e., almost three hours. 67% of Finns listened to YLE radio channels and 92% watched YLE television channels weekly.

YLE's viewing and listening shares increased. YLE's daily viewing share was 45.2 %, an increase of one percentage point from the pre-

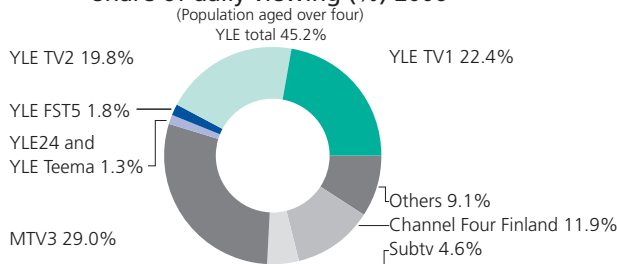
vious year. Television viewing time remained at the previous year's level of 2 h 41 min a day (viewers over the age of four). Digital television viewing has increased as the number of digital households has risen (56% at the end of November 2006). YLE's share of daily listening time rose by two percentage points to 53%, though radio listening time as a whole fell by three minutes. Listening time now totalled 3 h 14 min a day (listeners over the age of nine).

Finnish satisfaction with YLE has continued to grow. 83% of respondents are highly or quite satisfied with YLE programmes and services. Finns appreciate official information, broadcasting to all people in Finland regardless of place of residence, reliable news, daily

domestic children's programmes and services for special-needs groups as the most important of YLE's public service tasks. Three out of four Finns also regard YLE's public service function highly or quite important.

Among the programmes with the highest viewer ratings, the Independence Day reception hosted by the President of the Finnish Republic kept its top position, with 2.2 million viewers. The second most popular television programme was the broadcast from the Turin Olympics of the ice hockey semi-final between Finland and Russia on 24th February, viewed by 1.7 million Finns. All told, broadcasts of the Olympic Games on YLE channels reached 4.5 million viewers, i.e., almost the entire population.

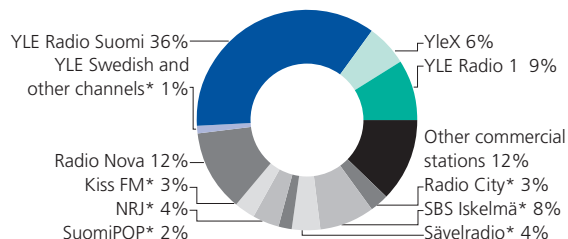
Share of daily viewing (%) 2006



Daily total viewing 2 h 41 min

TV Meter Research: Finnpanel Ltd - YLE

Share of daily listening (%) in 2006



*not available nationwide
Daily total listening 3 h 14 min

KRT: Finnpanel Ltd - YLE



1. Have I Got News For You, studio audience
2. The Media Bus on a school tour
3. The people celebrating Lordi
4. The World Ice Hockey Championships

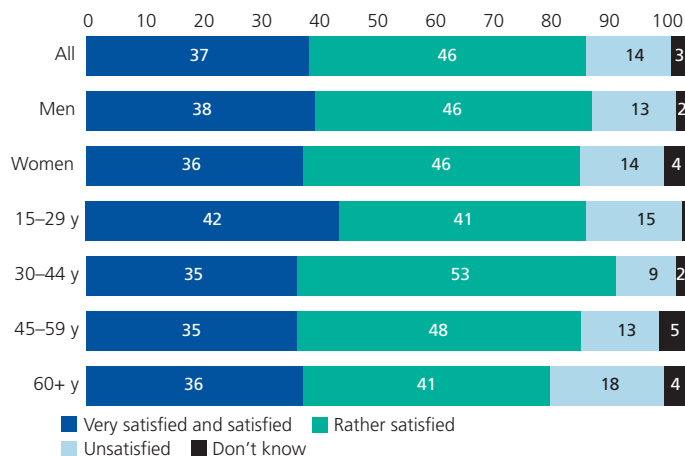
THE BIGGEST AUDIENCE FOR THE GAMES

Broadcasts from the Turin Winter Olympics again attracted record audiences to YLE channels. As many as over 2.2 million viewers watched the ice hockey final between Finland and Sweden, which Sweden won.

Attitude to television fee increasingly positive

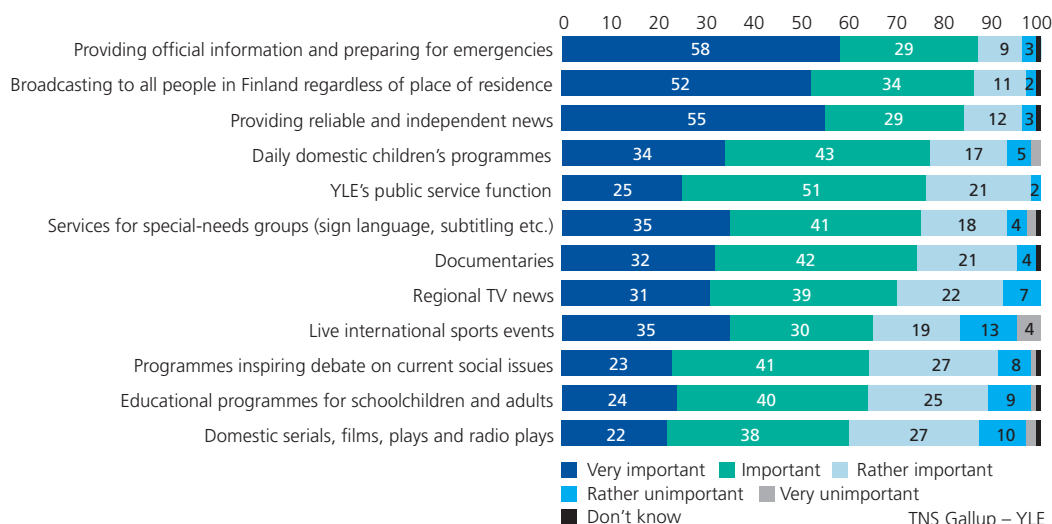
The audiences' attitude towards the television fee has become more positive. The television fee's value for money has also increased: 62% of Finns feel that they obtain at least fairly good value for money from the television fee, which is eleven percentage points more than in the previous year. Almost all Finns (91%) are aware that the television fee is the most important source of finance for YLE programmes, and over half (56%) also regard it as the most acceptable of the forms available.

Satisfaction with YLE programming and services (tv, radio, new media) (%) in 2006

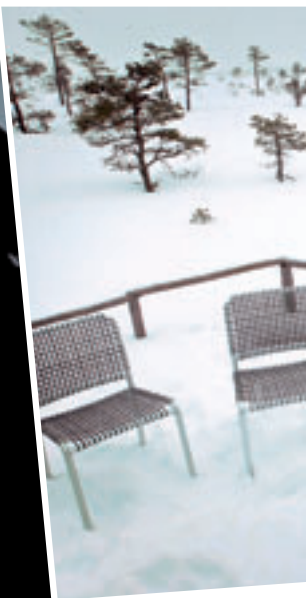


TNS Gallup – YLE

The 12 most important public service functions (%) in 2006



TNS Gallup – YLE



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YLE PERSONNEL

- At the end of 2006, YLE had 3,401 permanent employees.
- 135 new permanent employment contracts were concluded and 248 ended (131 retired).
- The employment contract structure was further consolidated, and permanent employees now account for 82% of the entire workforce (80% in 2005)
- The percentage of employees in programme activity rose to 81% (80% in 2005)

There were fewer employees on fixed-term contracts than in the previous year. The number of employees on time-pay decreased by approx. 140 man-years (3.6%). At the end of 2006, YLE had 3,401 permanent employees, i.e., 116 fewer than a year earlier.

Development objectives

A survey of the ambience and management of the work organisations, known as TYKE in Finnish, was carried out for the first time throughout the company. The response per-

centage was over 80%. On a scale of 1–5, the overall satisfaction of YLE employees stood at 3.43. TYKE results were utilised in a variety of ways and a number of development projects were started up.

YLE's strategic objective is to be the most attractive, dynamic and competent work organisation for media professionals in 2010. The key factors as regards objectives were defined as:

- Transparency of the work organisations' debating culture and a team spirit.

The objective is for 60% of personnel to feel that the debating culture is transparent and that co-operation is effective. In 2006, the TYKE survey yielded a result of 52%. The objective was set again for 2007.

- Equality of the operating culture.

The Value Navigation carried out at the beginning of the year demonstrated that equality of the sexes had not been fully achieved. It was decided to conduct an interview study to look into this, and its conclusions are due at the beginning of 2007.

- Strategic attainment of the objective is measured using two general studies conducted outside the company (Best Workplace and Employer Image).

According to the Value Navigation study, YLE personnel consider that development and training are not as systematic and targeted as management estimates them to be. A new Human Resources system (HERA) has been constructed as a tool for personnel management and administration at YLE. Development and management of competence are to be managed more thoroughly and systematically. The HERA system development module covers development discussions (at the level both of the individual and work organisation), results cards, role descriptions and role-related competences. HERA is due to be introduced in the spring of 2007.

Training focused in particular on coaching managers, producers and heads of news. In Television, development of content work relating to the Oiva Project continued, and training in financial matters was arranged. In



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1. The Depression, working image
2. Church service, working image
3. A graphic artist at work
4. YLE Radio Suomi
5. Peatland, working image
6. Tales from Finland, working image



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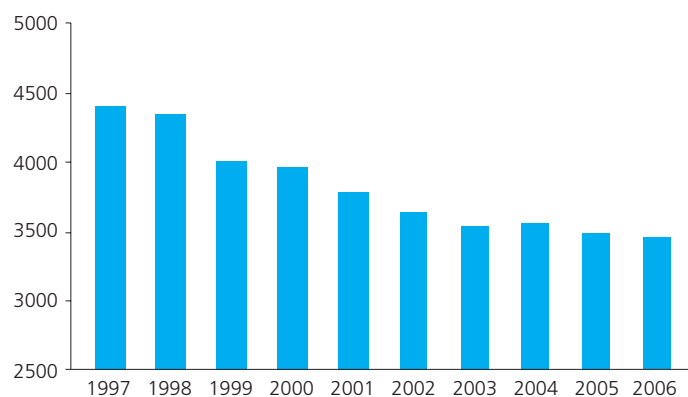
Radio, the focus was on running in the regional channels' on-air producer model and on developing presenters' and multimedia work.

On average, YLE has fewer sick leaves than on the Finnish job market in general. Data obtained from the EBU companies, too, also show that YLE has fewer sick leaves compared to foreign radio and television companies.

YLE employment contract structure 2006



Number of permanent YLE employees 1997–2006





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1. The Presidential Elections 2006, results evening
2. European Swimming Championships
3. Television news
4. Documentary on YLE1: Distrust
5. The camera on tour

ON-LINE ELECTIONS

YLE Headquarters was again the national and international media centre for the results service in the Presidential Elections. The election programmes were shown for the first time on the internet. The online results service also received positive feedback from users.

NEWS CONTRACTING

During the year, YLE news and sports programme production and procedures underwent a reform. YLE created a news agency of its own, stopped using the Finnish News Agency's news service and strengthened regional news duty on the regional radio channels. YLE News and YLE Sport now produce news for all radio and television channels and for internet and mobile services.

PASI TOIVONEN



Producer, Ajankohtainen Kakkonen

INSIGHTS AND INFORMATION

"I make a traditional current affairs programme that lives on inventiveness. A successful programme is one that provides new information and insights, grabs your attention, and even makes you laugh. I believe that journalistic ambition and persistence have helped Ajankohtainen Kakkonen to stay the course for almost forty years.

In my opinion, our programme's viewpoint is to look at man and what he's about from close to and at eye level – whether he's the Prime Minister or a mentally handicapped child.

In my view, it is important to understand the phenomena and reasons that lie behind decisions and to report not only on problems but also on possible solutions. A good story goes from the details to the larger tale and back again. For example, Juha Granath's report on the Polish electricians' fake employment contracts shed light on what was going on in working life in Finland, Poland and the EU.

Current affairs journalism has to improve how it does visual narrative. We also have to learn to cover subjects on the internet conveniently, quickly and in an entertaining way."

- Ajankohtainen Kakkonen: YLE TV2 on Tuesdays 21 h and yle.fi/a2
- A traditional, television current affairs magazine, on the air since 1969, with a theme evening several times a year.

A PROGRAMME THAT LEAVES NO ONE OUT

"I watch news and current affairs programmes, since without them I'd feel out of things. When I know what's happening and what's being discussed, I'm involved. These programmes help me to form my own opinion, to take a stand and to discuss interesting things and phenomena.

I like Ajankohtainen Kakkonen's style, which is wide-ranging, calm and factual. The programme is not overly provocative and you don't have to feel embarrassed for the interviewees. As someone living in the North of Finland, I am particularly interested in regional issues and the themes of my own area.

I recommend Ajankohtainen Kakkonen to my own children! "

- Raija Tjäder's choices: Ajankohtainen Kakkonen, yle.fi/uutiset, YLE television news broadcasts, A-Studio

RAIJA TJÄDER



Class teacher, Oulu

Programme operation year —



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1. Our Street
2. Paavo and Railii
3. Season ticket
4. Tosca
5. Crouching Tiger, Hidden Dragon
6. The Man Without A Past
7. A Happy Home

UNIQUE AMONG THE ARTS

The radio play at YLE has as long a tradition as the company itself. In the eightieth anniversary year of the radio play, Radio Theatre presented radio plays for children in day-care centres, and classics at the Tampere Theatre Festival.

CINEMA CLASSICS AND RARITIES

Classics and interesting rarities are among the rich fare of films offered by YLE Teema. The programming comprises European production and films from all over the world. YLE Teema creates new domestic television drama according to viewers' wishes.

LIISA URPELAINEN



Scriptwriter, Our Street

REAL TIME AND REALITY ON OUR STREET

"Our Street is written as a team, and we also discuss the characters with the actors. The characters in Our Street are a television family, familiar and dear to many Finns. Of course, it is a challenge to the writer, and it is important to keep your eyes and ears open. That ensures that you introduce themes in which you listen to Finns and which precisely for that reason also touch a broad section of the population.

Issues and feelings are handled in the series to the finish. Our Street lives in real time, recovering from a spouse's death or breast cancer is just as slow as in real life. I perceive that the task of an Our Street writer is to tell tales of survival – even though life is sometimes difficult, it sustains us.

Striking a balance between familiar and surprising, safe and credible adult narrative is challenging. No one swears or smokes on Our Street and the sex is pretty tame. One of the important principles of the series is that everyone, including children, can watch it."

- Our Street: YLE TV1 Thursdays 20.45 h (rerun Saturdays 16.10 h) and yle.fi/kotikatu
- A weekly drama series which, at the end of 2006, had been shown for eleven years, four months and a total of 390 episodes.

GETTING TO GRIPS WITH THE DAILY GRIND

"I've always watched Our Street and liked it. I'm not a megafan, though, my relationship with Our Street is on and off.

Our Street offers a nice helping of soap that is immersed in ordinary, daily life. The acting in the series is also superb and the characters are appealing. I keep abreast in particular of the fortunes of Pertti and Janne Mäkimaa, I'm fascinated by the tragedy, decency and sensitivity reflected in their characters. If a character in the series contemplates and faces the same problem as me, it's a bit like therapy. In my view, Our Street is responsible entertainment for the whole family.

I recommend Our Street to everyone who thinks about family relationships. And to Finns! Finnish drama reflects our world."

- Anssi Tiittanen's choices: Our Street, YLE TV1's Monday Home Theatre: Pioneer and A Happy Home,

ANSSI TIITTANEN



Managing editor, Kerava

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Programme operation year



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1. Recording the Lordi concert in Helsinki Market Square
2. Ögönaböj
3. John Safran meets God
4. Ähläm Sähläm
5. Grap the Mike

CROSSING THE LANGUAGE BARRIER IN A COSY WAY

The Strömsö magazine is popular in Swedish- and Finnish-speaking homes alike. Strömsö's Open Doors event on YLE's eightieth anniversary in Vaasa drew over 2,200 enthusiastic fans of the programme.

ENTERPRISING ENTERTAINMENT

The multicultural Ähläm Sähläm entertainment programme shown in the summer and its Loveliest Finnish Woman contest sparked off public debate even before the programme was shown. Experimental and bold entertainment continued on Saturday evenings with the live Läpiveto sketch series. YLE FST5's Komikfabrik brought stand-up humour to the screen.

TIMO SUOMI



EUROVISION AND THE ART OF TIMING

"Finland had a pitch-black Eurovision success, but I have always believed that we could win just like the rest. Then, the fortieth time round, in the spring of 2006, everything fell into place.

In my view, the win was the combined result of persevering work and correct timing. Step by step, things were rendered shipshape, the product was given a Eurovision feel, and the young audiences joined in. And the popular choice created confidence in Lordi. The playful camp spirit and show goings-on grew only more intense in Athens. Then during the counting of the votes, in the commentators' booth, you could feel it: there would be no stopping them.

Eurovision is a big, exciting package of events and a great brand. For me, the most important thing in this popular television celebration is to be systematic. And the solutions need to be of the heart just as much as of the mind, as in all entertainment productions."

- Eurovision 2007: YLE TV2, YLE Radio Suomi and YLE Extra 10th and 12th May and yle.fi/eurovision
- Eurovision 2006, including eliminations and recaps, was a package of some twenty programmes. The Athens final drew 1.5 million Finns to YLE TV2. 80,000 people watched the winner Lordi's concert on the spot in Helsinki's Market Square and over a million Finns followed it on television.

FANTASTIC!

"Lovely that Lordi won. Fantastic!

I had to go into town that night, and share the joy with other people from Rovaniemi. I've always liked Lordi. Already long before Eurovision, we were doing gigs in places from Joensuu to Vaasa. And I believe that Lordi's win will also take Eurovision in a new direction.

Music is important to me, it mirrors your feelings and affects your mood. Music brings good vibes and balance, it warms you from the inside. I also want to know about music and listen to different genres, that's why I enjoy music programmes.

I recommend YLE music programmes to everyone who appreciates variety."

- Vuokko Takapuro's selections: YLE Radio Suomi: Lapland Radio and music programmes, YleX live recordings YLE TV2, YLE Radio 1 Radio Theatre Presents

VUOKKO TAKAPURO



Entrepreneur, Rovaniemi

Programme operation year —

1



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1. Ancient Inventions
2. Finnish Tunes
3. Samurai
4. Wild Eyes
5. Upper Secondary Distance Learning
6. Wide Nature

MORE ON THOSE PINES

Forest Radio, one of YLE's longest-running programmes, turned sixty. Broadcast on YLE Radio Suomi, this programme about nature and forest management continues to attract an average of 200,000 listeners.

RECOGNITION FOR SCIENCE PROGRAMMES

YLE won the main prize at the international science programme competition held in Paris, the Prix Jules Verne. The company was praised for quality programming on scientific and technical subjects, the YLE Teema channel and for high-calibre public service output.

JARI MÄKINEN

Freelance reporter, Prisma Studio and Space Radiator



THE FOUR CORNERS OF THE COSMOS

"If you have the enthusiasm of both a researcher and a reporter, you're happy doing Prisma, on television, and Space Radiator, on radio. Prisma keeps abreast of all manner of things from mathematics to the humanities. The programme reports on current research in an understandable way and on issues that are interesting as regards humanity and our view of the world.

Personally, I keep up on space matters in particular. The universe is extremely interesting and the things that go on there are wilder than in the wildest fiction. Our understanding of the solar system is also growing sharper at a breath-taking pace. For example, images from space are already so sharp that you can almost imagine that you are in orbit yourself.

It is good making science programmes for Finns, we are pretty fact-oriented and a touch techno-crazy, too. Our audience are aware, and so we get feedback and criticism, which is always fun."

- Prisma Studio: YLE TV1 on Wednesdays 17.10 h, YLE Teema on Thursdays 20.20 h and yle.fi/teema/tiede
- Prisma Studio is a topical science programme. Other YLE science programmes include television's Prisma and science documentaries, Cover Story, Doctors' Guild and Science theme evenings, and radio's Radiator, Space Radiator, Science Café and Receptor

FASCINATING INFORMATION, INTRIGUING IMAGES

"Prisma Studio and documentaries are fascinating in many ways, both factually and expression-wise.

To me, it's almost surprising how broad and diverse the information that you can get from television programmes is. Good factual programmes open the world up and take you to landscapes that you wouldn't see otherwise, for example, mountain tops or the human circulation.

I last watched a Stephen Hawking documentary that examined physics in layman's language. On television, even a complicated subject can be illustrated superbly. That's precisely why I like television; I can see people and things. I also appreciate the reporters' skill and enthusiasm, it often kindles my interest.

I recommend Prisma to people that are curious and passionate. "

- Katariina Aakkonen's choices: Prisma Studio and other documentaries, Arto Nyberg Talk Show, The Thread

KATARIINA AAKKONEN



Student, Rovaniemi

Programme operation year —



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OUR MULTICULTURAL LAND?

The Mundo Project is a media training and on-the-job learning project for immigrants and ethnic minorities. 24 students from eighteen different countries are taking part, making short documentaries and programmes for Basaari. Another aim of the project is to produce new cultural competence in the sector and to foster tolerance.

DEBATE THAT GOES DEEPER

The Thread, Meeting with Melita, Human Factor, SALT and Power Plant. It is not superficial celebrities that make for an intense discussion programme, but thorough background work and familiarisation with the subject. Reporters are required to have charisma and courage.

1. Spotlight
2. The Thread
3. Buffer
4. Power Plant
5. Meeting with Melita

MINNA KNUS-GALÁN



Reporter, presenter, Spotlight

SPOTLIGHT DELVES DEEPER

"It's great being able to do penetrating journalism, probing deeper and getting to the facts. Spotlight's job is to investigate injustices, to uncover abuses and to question how power is exercised.

Yet it won't do simply to straighten out faults and analyse power. You always have to think why a topic would be of interest to the viewer at home. A programme will succeed if it sparks off not only questions but also reactions and feelings. Television is an emotional medium.

Spotlight is not a current affairs programme, but at best we are ahead of others and kindle debate, as in the cases of the law on prison administration or the abuses in the tax administration.

Prior to Spotlight, I had never received so much feedback from the audience. I believe that we get feedback because our viewers are vigilant and critical and our programme has a face."

- Spotlight: FST5, YLE TV2 on Mondays 19.00 h, FST5 on Wednesdays 21.00 h and [svenska/yle.fi/spotlight](https://svenska.yle.fi/spotlight)
- Spotlight and MOT are YLE's investigative journalism programmes.

FIRMNESS AND SURPRISES

"I like it when I notice that trouble has gone into making a programme. When the facts have been dug out and the decision-makers have been sought out to furnish answers, and when the presenters have the courage to be firm and refuse to be led on. In my view, Spotlight is this kind of programme.

I am eager to learn, but I avoid sensational journalism that's too easy and on a par with rumour. Even though there exists a variety of truths and viewpoints, I want to trust a programme that I watch. Trustworthiness does not make a programme any less entertaining or surprising, a good programme does not teach and is not dry.

I recommend Spotlight to those interested in public affairs and in particular to Finnish-speakers."

- Ralph Askolin's choices: Spotlight, Bettina S., Ajankohtainen Kakkonen, health magazine *Akuutti*

RALPH ASKOLIN



Pensioner, Vantaa

Programme operation year —



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1. YleX Morning
2. Zon5: Station T
3. Children's Hour
4. Poinzi
5. Children's Hour
6. Super Farm

THE MEDIA BUS HITS THE PROVINCES

During the autumn, the Media Bus run by YLE Teema and the Ministry of Education paid a visit to over fifty schools – and 300 showed an interest. The bus offered a dozen different teaching packs, which the pupils' and teachers' media day tailored to their wishes. At the same time, pupils and staff were told all about digital television

FAVOURITES CHANGE CHANNEL

The most popular speech and music programmes on YleQ, which closed down in September, moved to other YLE channels. Now How I became me is broadcast on YLE Radio 1, Café Tropical on YLE Radio Suomi and Thanks God It's Puupolo on YleX.

MARJA HINTIKKA



Reporter, presenter, YleX Morning

THE NATION'S ALARM-CLOCK

"I want to bring some cheer and empathy to the morning. We're the guys in the studio that people can link up with, the listeners' mates.

The morning is always the start of either a good or a bad day. The morning has to be gentle and a little lightweight, and so the more serious topics are left for daytime programmes.

The programme formula is a nice balance between preparation and spontaneity. You do the broadcast with your whole personality and also as a team that likes each other's company. Our genre is entertaining journalism. It includes new angles and fun observations on the topics of the day, and good link-ins to. We are mediacritical with the aid of humour.

Listeners really get involved in our programme with text messages or online. The best feedback is when a subject in a broadcast starts to live a life of its own and a mini-phenomenon is born in the listener community."

- YleX Morning: YleX and YLE TV2 from Mondays to Fridays 6.30-10.00 a.m. and yle.fi/ylex
- YleX Morning is nationally the most popular morning broadcast of its target group.

WE ALL MAKE MISTAKES

"I lounge about in bed, have some breakfast and turn on the television to see what they're talking about in the studio. It's nice listening to Peltsi, Marja and Ile, it's easy-going talk. At the same time, you can think about your own mistakes and what's been happening to you personally. It's fun to notice that other people also make fools of themselves.

It is important for the young to have a channel of their own. YleX is a nice blend of speech and music. I prefer to listen to rap and hiphop, heavy metal is not my scene.

I recommend YleX Aamu to people who want to wake up."

- Tuomas Tulkki's choices: YleX Morning, YleX Afternoon, Monk, Sports News

TUOMAS TULKKI



School pupil, Rovaniemi



YLE TELEVISION

Profiles and key figures

- Reach refers to the number of people who watch television per day (for a minimum of one minute). Reach and viewing rates include all Finns aged over four.

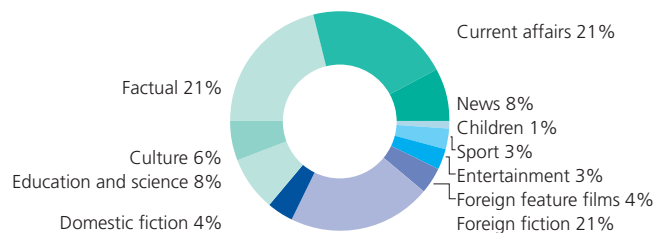
YLE TV1

The news, current affairs and factual journalism channel, also offering drama, cultural, educational and documentary programmes as well as satirical entertainment. Quality cinema and British production feature heavily in acquisition programming. YLE TV1 is also broadcast in digital format.

		Change from 2005
Broadcast hours per year*)	5 022	-4.6%
Broadcast hours per day	13.8	-4.6%
Total costs EUR million	63.8	-1.6%
Average price of broadcast hour	12 700e	+3.3%
Daily reach	50%	-1.0 %-units
Daily viewing	36 min	-2.7%

*In addition 43 hours of parallel news broadcasts in Sámi (55 hours in 2005)

YLE TV1 programme output in 2006



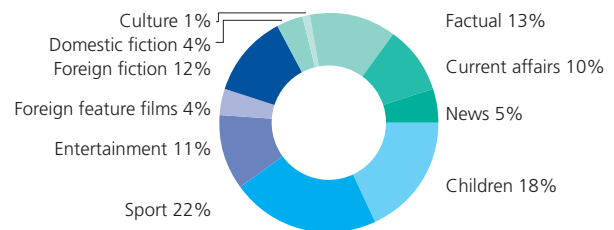
YLE TV2

The main channel for sport and children and teenagers' programmes, also offering drama and entertainment. The focus in current affairs and factual programmes is on the citizens' viewpoint, Finnishness and regional content. Comedies and human relationship series and serials are the focus in acquisition programming. YLE TV2 is also broadcast in digital format.

		Change from 2005
Broadcast hours per year*)	4 469	+1.1%
Broadcast hours per day	12.2	+1.1%
Total costs EUR million	81.6	+7.2%
Average price of broadcast hour	18 300e	+6.4%
Daily reach	48%	-
Daily viewing	32 min	+6.7%

*) In addition 333 hours of parallel regional tv news broadcasts (329 hours in 2005)

YLE TV2 programme output in 2006



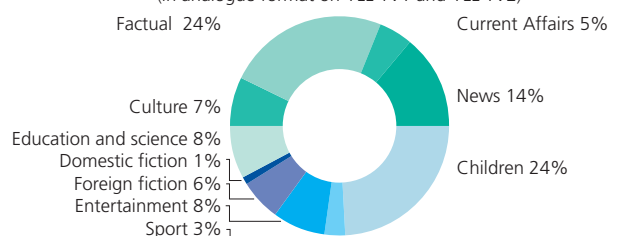
YLE FST5 (on YLE TV1 and YLE TV2)

Output of the Swedish-language, digital YLE FST5 is shown on analogue channels YLE TV1 and YLE TV2 with Finnish subtitles.

		Change from 2005
Broadcast hours per year	891	-5.8%
Broadcast hours per day	2.4	-6.1%
Total costs EUR million	13.1	-7.4%
Average price of broadcast hour	14 700e	-1.8%
Daily reach*)	74%	+7.2 %-units
Daily viewing*)	9 min	-10.0%

*) Finland's Swedish-speaking population

YLE FST5 programme output in 2006 (in analogue format on YLE TV1 and YLE TV2)



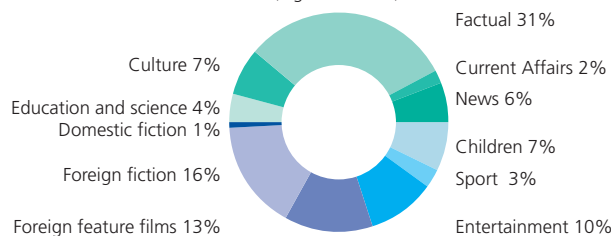
— YLE FST5 (ON DIGITAL CHANNEL)

The main channel for the Swedish-speaking audience, profiled for Swedish-speaking Finland and Nordic themes. The channel offers its viewers all the genres of television programming, the bulk of which is subtitled in Finnish. Output will also be shown until the autumn of 2007 on analogue channels YLE TV1 and TV2.

		Change from 2005
Broadcast hours per year*)	2 350	+2.7%
Broadcast hours per day	6,4	+2.4%
Total costs EUR million	20.5	+8.9%
Average price of broadcast hour	8 700e	+6.1%

*)incl. 955 hours of simulcast broadcasts (1 030 hours in 2005)

YLE FST5 programme output in 2006
(digital channel)

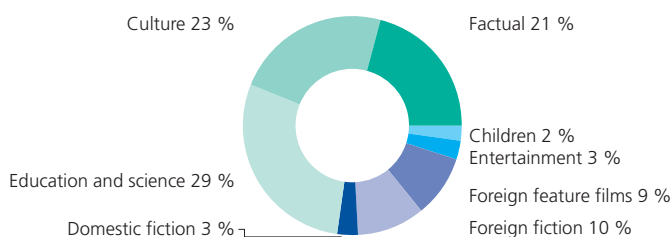


— YLE Teema

The main channel for culture and cinema, with learning and science programming and themes on different subjects. Programming comprises recordings of performing art, classical music, science and history documentaries, feature films and theme broadcasts. Channel is broadcast in digital format.

		Change from 2005
Broadcast hours per year	3 647	+14.8%
Broadcast hours per day	10,0	+14.8%
Total costs EUR million	13	+27.6%
Average price of broadcast hour	3 600e	+12.5%

YLE Teema programme output in 2006



— YLE24

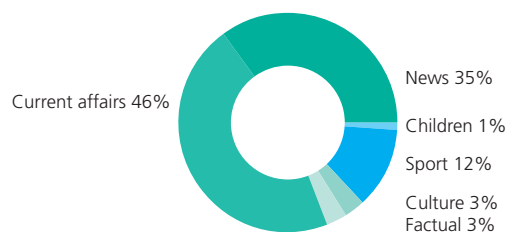
The digital television channel for news, current affairs and events coverage and for live sports broadcasts. YLE23 is broadcast in digital format.

		Change from 2005
Broadcast hours per year*)	4 335	+6.3%
Broadcast hours per day	11,9	+6.3%
Total costs EUR million	28.5	+22.2%
Average price of broadcast hour**)	9 100e	+12.3%

*)incl. 1 212 hours of simulcast broadcasts (1 199 hours in 2005).

**)Price without simulcasts

YLE24 programme output in 2006



— TV Finland

The digital satellite channel showing a selection of YLE and MTV3 programmes for expatriate Finns in Europe.

	in 2005
YLE programmes' share of broadcast hours	5 200 h/y
	5 168 h/y

— Total hours of YLE analogue and digital tv channels

		Change from 2005
Broadcast hours per year (incl. 2 229 hours of simulcast broadcasts)	20 714	+2.7%
New domestic broadcasts	5 396	+1.4%
Level of domestic content	58%	-2%-units
Level of European content	90%	+1%-units
Share of independent programme producers*	16%	-

*new domestic programmes, excl. news and sport



YLES RADIO

Profiles and key figures

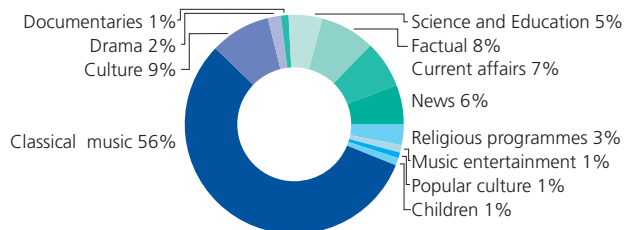
- Reach refers to the percentage of listeners out of the population aged over nine who listen to the channel for at least half of a 15-minute period. The reach on an average day is calculated as the average of the reach for the different days of week.
- Daily listening time in the key figures refers to the average listening time of the reached audience.

Yle Radio 1

Traditional programme radio offering culture, art and factual speech, as well as news and in-depth current affairs programmes. Musical fare extends from classical and religious to folk and jazz. The channel carries Finnish Radio Symphony Orchestra concerts.

		Change from 2005
Share of music	53%	-
Channel costs EUR million	29.4	-1.5%
Price of broadcast hour EUR	3 360e	-1.5%
Reach	12%	+1.0 %-unit
Average number of listeners per day	526 000	+4.2%
Daily listening time	2 h 28 min	+5.0%

Yle Radio 1 programme output in 2006



YleX

A multimedia channel for popular music and culture, with its fast-paced broadcast flow complemented with special music programmes, humour, and news broadcasts profiled for the channel.

		Change from 2005
Channel loans per day	6,8h	-
Share of music	62%	-1.0 %-unit
Channels costs EUR million	12.0	-3.6%
Price of broadcast hour EUR	1 373	-3.6%
Reach	9%	-
Average number of listeners per day	388 000	-2.5%
Daily listening time	2h 30min	+11.9%

YleX programme output in 2006

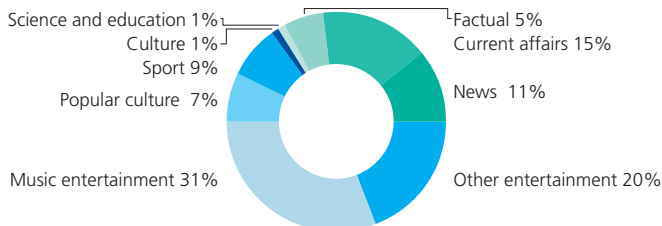


Yle Radio Suomi

Supplier of information to the whole of Finland and the regions, this news, current affairs, service and contact channel focuses on sport and entertainment. Yle Radio Suomi plays hit music, nostalgic pop and tuneful adult rock.

		Change from 2005
National total	6 736h	+1.5%
Regional total (20 regional stations)	43 350h	-6.2%
Share of music	43%	-
Channel costs EUR million	49.8	-0.4%
Price of broadcast hour EUR	994	+5.0%
Reach	31%	-
Average number of listeners per day	1 405 000	+2.8%
Daily listening time	3h 49min	+0.9%

Yle Radio Suomi programme output in 2006

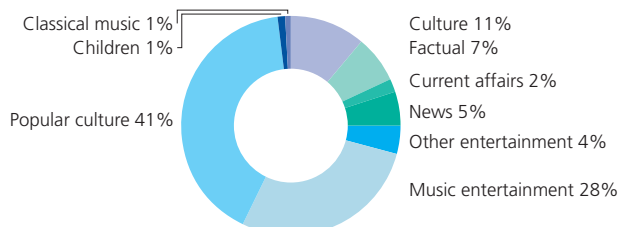


YleQ

A channel for in-depth speech, popular music and broad musical fare characterised by an easy-going and focused style, with an emphasis on popular music and culture. YleQ could be heard in analogue format in Greater Helsinki and surroundings as well as via digital television nationwide. YleQ was closed in September 2006.

		Change from 2005
(1.1. - 17.09.2006)		
Channel loans per day	7,6 t/dygn	-
Share of music	62%	-
Channels costs EUR million	4,3	-18.0%
Price of broadcast hour EUR	686	+15.1%
Reach (FM Uusimaa)	1%	-
Average number of listeners per day	14 000	-6.7%
Daily listening time	1h 43min	-22.0%

YleQ programme output in 2006

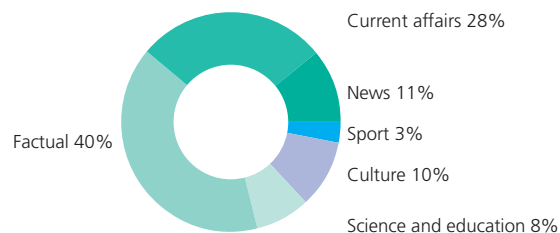


—YLE Radio Peili

A speech channel carrying news and current affairs programmes and other factual programming from YLE radio and television channels. YLE Radio Peili will be expanding into a national FM channel in 2008, but can already be heard on the internet and digital television.

		Change from 2005
Share of music	0%	-18%
Channel costs EUR million	1.2	+25%
Price of broadcast hour EUR	143	+25%

YLE Radio Peili programme output in 2006



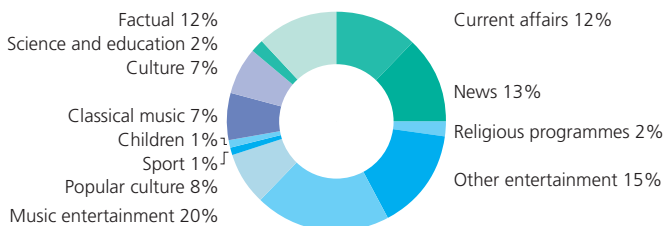
—YLE Radio Vega

The Swedish-language national and regional supplier of information, news and current affairs channel, also offering culture, factual programmes, contact programmes, children's programmes and music for the adult taste.

		Change from 2005
Channel loans per day	6h	-
Share of music	41%	+1.0%-unit
Channel costs EUR million	15,8	-2%
Price of broadcast hour EUR	1 266	-
Price of broadcast hour EUR Reach (of Swedish-language population)	43%	-4%-units
Average number of listeners per day	100 000	-7%
Daily listening time*)	3h 43min	-

*)Measurement method has been changed. The result is not comparable with year 2005.

YLE Radio Vega programme output in 2006



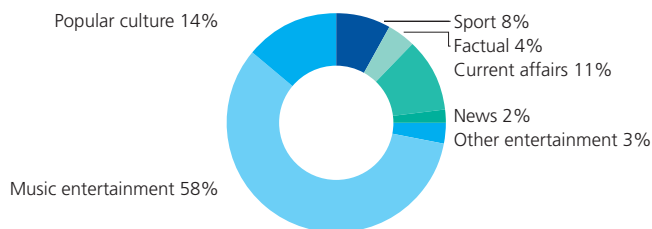
—YLE Radio Extrem

Swedish-language multimedia channel for young audiences. YLE Extrem offers music, facts and entertainment. The channel has an active Extrem online community.

		Change from 2005
Channel loans per day	6h	-
Share of music	59%	-2.0%-units
Channel costs EUR million	6,8	-
Price of broadcast hour EUR	784	-
Reach (of Swedish-language population)	15%	-2.0%-units
Average number of listeners per day	34 000	-6%
Daily listening time*)	2h 7min	-

*)Measurement method has been changed. The result is not comparable with year 2005.

YLE Radio Extrem programme output in 2006

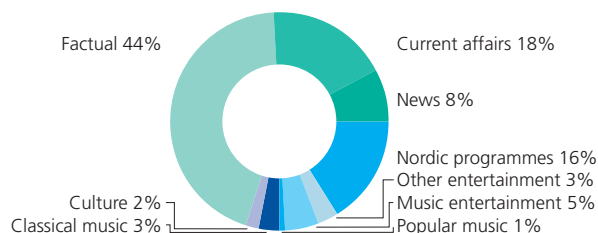


—YLE FSR+

Radio Vega and Radio X3M programming and channel loans, DVB distribution.

		Change from 2005
Channel loans per day	6h	-
Share of music	18%	-
Channel costs EUR	24 000	-76%
Price of broadcast hour EUR	3	-75%

YLE FSR+ programme output in 2006



—Other programming

	Broadcast hours per day	Costs EUR million	Costs per hour EUR
Sámi Radio	2 546	1.7	660
External service	36 800	4.8	130
YLE Mondo (DVB)	8 760	0.1	8
YLE Classic (DVB)	8 760	0.2	17



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YLE REGIONAL BROADCASTS

YLE has twenty Finnish-language and five Swedish-language regional radio channels, which can be heard on the frequencies of YLE Radio Suomi and YLE Radio Vega. In Lapland, Sámi Radio broadcasts programmes in the Northern, Inari and Koltta dialects of Sámi. Regional television news covers the whole of Finland and is broadcast from eight different regions.

The reform of procedures started in 2005 continued in YLE Radio Suomi's regional radio stations. Development work has been carried out in particular in daily production and, as part of this, musical output and soundscape elements have been centralised. Regional programming of a more consistent quality has been built up in 2006.

Towards the end of the year, the regional

radio channels prepared for the new YLE News operating model and launched a comprehensive news duty system.

Regional television news is broadcast on YLE TV2, but has also been available nationally via YLE24. In Lapland, YLE produces television news in Sámi together with the Swedish and Norwegian broadcasting companies.

Finnish-language regional radio stations

(20 stations in total)			Change from 2005
Average broadcast hours/year	2024 h/y		-4.8%
Share of music	55%		-3%-units

Swedish-language radio stations

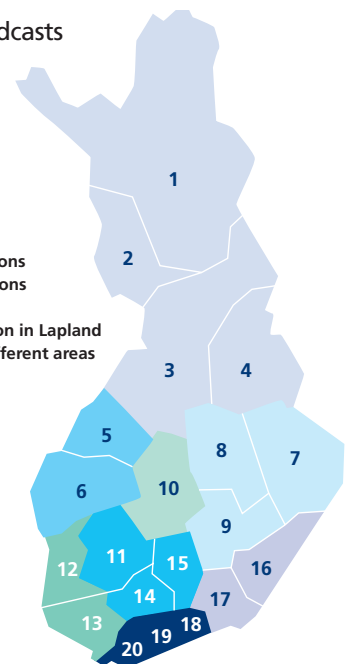
(5 stations in total)			Change from 2005
Average broadcast hours/year	930 h/y		-6%
Share of music	41%		-1%-units

Regional TV News

			Change from 2005
First broadcasts in regions (YLE TV2)	333 h/y		329 h/y
Repeat broadcasts (YLE24)	314 h/y		319 h/y

YLE regional broadcasts

- 20 Finnish-language stations
- 5 Swedish-language stations in the coastal area
- One Sámi-language station in Lapland
- Regional TV news in 8 different areas





1. YLE on tour: Rovaniemi
2. Digital television advice
3. News for mobile devices
4. Living Archive: YLE's reporter Usko Santavuori commenting on a parachute jump

4

3

THE UNIQUE LIVING ARCHIVE

The Living Archive pages went online on YLE's eightieth anniversary, 9th September. At the end of the year, it offered about 250 hours of living images, around 650 hours of radio programmes and also background articles and photographs. The material is growing all the time. In the first weekend alone there were 78,000 hits.

PIHTIPUDAS GOES DIGITAL

YLE and Pihtipudas joined forces to speed up the progress of digital television in the locality. Upper secondary school pupils were recruited as digital sponsors and a digital family was appointed to the municipality. The municipality of Pihtipudas is digitalising its own departments and institutions in good time before the digital transition in August 2007.

YLE NEW SERVICES

New YLE services include internet, broadband and mobile services and teletext. Supplementary digital television services for the visually impaired and hard-of-hearing are examples of other new services. YLE's objective is to supply in future a variety of search and order services in the broadband networks.

The YLE Living Archive opened in September consists of recordings of YLE radio, television and photograph archives and of film material purchased from film companies. The archives comprise film and radio material and also thousands of photographs and over two thousand background articles. Living Archive is a responsive service that provides its users with material that supplements and illuminates current events and phenomena. New material is added all the time, and the pages attract around 70,000 visitors a week.

Broadband services in sports events such as the Turin Winter Olympics rendered other programme output more diverse. Video snippets of performances were provided via broadband, and YLE also carried the Turin Games Europe-wide on mobile television in the 3G network. In the videoblog pilot on Jyväskylä Great Drive Rally Radio, events coverage was diversified on the internet and an community

service linking in with it was created.

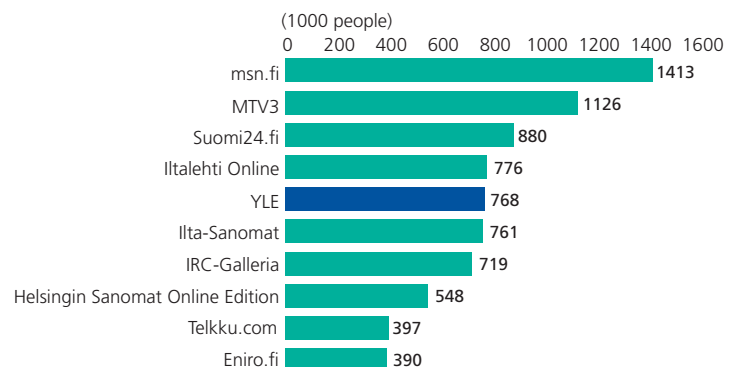
The opening of the Living Archive was the first phase in the reorganisation of the yle.fi user interface. In the autumn of 2006, a new YLE Learning online service was built up and Eurovision pages were set up.

YLE Teletext remained the most popular of the teletext services. Each day, 1.2 million users browse some 1,600 available pages. Regional news pages were a new feature in 2006.

Digital television makes it possible to pro-

vide new special services suited to YLE's public service role, e.g., in text format. The subtitling service for the hard-of-hearing is now done in DVB, which allows programmes to be saved with subtitles for the hard-of-hearing. Another new feature is voice subtitling. The visually impaired can listen to subtitling in the form of synthetic speech with the help of voice subtitling. The service was implemented in collaboration with the Finnish Federation of the Visually Impaired.

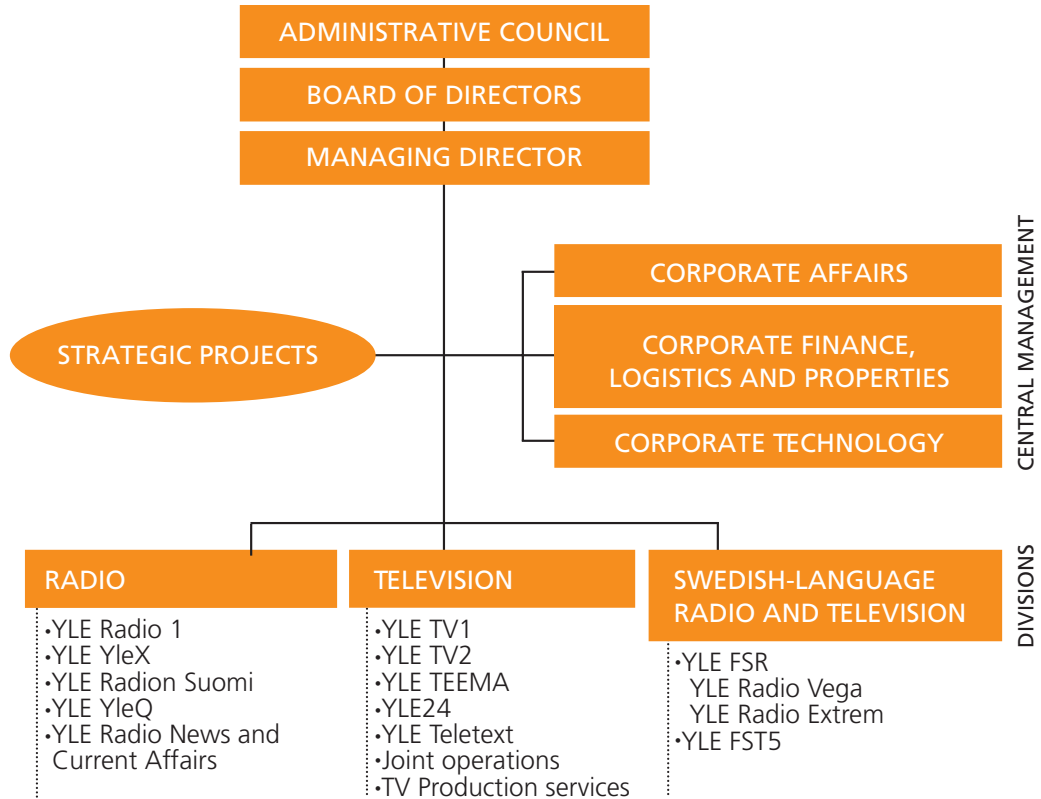
Most popular website pages in 2006 (average hits per week, weeks 36-52)



TNS Metrix / TNS Gallup – YLE



YLE ADMINISTRATION



ADMINISTRATIVE COUNCIL, BOARD OF DIRECTORS AND COMPANY MANAGEMENT IN 2006

Yleisradio Oy's administrative organs are, in accordance with the Act on Yleisradio Oy, the Administrative Council, the Board of Directors, and the Director General, who acts as the Managing Director.

During 2006, the company's organisational structure was reformed.

The organisation that entered into effect at the start of 2007 is shown on the following pages.

YLE Administrative Council

YLE's supreme decision-making organ is the 21-member Administrative Council.

The members of the Administrative Council are elected by Parliament during the first session of its term. The members of the Administrative Council are to comprise people

familiar with science, art, educational work and business and economic life, and who represent different social and language groups. In addition to the members appointed by Parliament, two representatives appointed by the company's personnel are entitled to attend and exercise the right to be heard at meetings of the Administrative Council.

In 2006 it was the task of the Administrative Council to:

- elect and release the company's Board of Directors and the Chairman of the Board of Directors
- make decisions on matters relating to an appreciable reduction in, or expansion of, the operation or to a fundamental change to the company's organisation

- ensure and monitor that the tasks according to the public service programme operation are carried out
- give Parliament every other year, after having heard the Sámi Parliament on the matter, a report on the implementation of public service covering two years
- decide on the outlines of the company's finances and operation
- inspect and approve the Annual Report of the Board of Directors
- monitor the administration of the company and give the Annual General Meeting of shareholders its statement on the final accounts and auditors' report.
- consider other matters presented to it by the Board of Directors.

YLE Board of Directors

The Administrative Council elects members of the Board of Directors. The Board of Directors comprises a minimum of five and a maximum of eight members, who shall not be members of the Administrative Council nor belong to the company's other senior management.

The company's Board of Directors should represent sufficiently diverse expertise and both language groups.

The tasks of the Board of Directors were, inter alia, to

- elect and release the company's Managing Director and to confirm his salary as well as other terms relating to the post; the Managing Director shall not be a member of the Administrative Council or of the Board of Directors
- elect the company's other senior management as well as to confirm their salary and other conditions relating to their posts
- decide the next year's budget
- convene the Annual General Meeting of shareholders and prepare its agenda and
- give the Finnish Communications Regulatory Authority annually a report on the company's operation.

Members of the Administrative Council

Mr Mika Lintilä, MP (Centre Party),
Chairman

Ms Liisa Jaakonsaari, MP (Social Democratic Party), Deputy Chairman

Mr Mikko Alatalo, MP (Centre Party)
Executive Director **Pauliina Arola**
(Centre Party), *from 7.2.2006*

Mr Jyri Häkämies, MP (Coalition Party),
until 14.3.2006

Mr Pertti Hemmilä, MP (Coalition Party),
from 21.3.2006

Mr Toimi Kankaanniemi, MP (Christian Democrats)

Ms Marjukka Karttunen, MP
(Coalition Party)

Ms Irina Krohn, MP (Green League),
until 14.9.2006

Mr Kalevi Lamminen, MP (Coalition Party)

Ms Annika Lapintie, MP (Left Alliance)

Ms Riikka Moilanen-Savolainen, MP
(Centre Party)

Mr Reino Ojala, MP (Social Democratic Party)

Mr Kalevi Olin, MP (Social Democratic Party)

Mr Pekka Perttula, Secretary General
(Centre Party), *until 23.5.2006*

Mr Erkki Pulliainen, MP (Green League),
from 15.9.2006

Ms Mirja Rynänen, FM (Centre Party)

Mr Mauri Salo, MP (Centre Party)

Mr Kimmo Sasi, MP (Coalition Party)

Ms Sade Tahvanainen, MP
(Social Democratic Party)

Mr Esko-Juhani Tennilä, MP (Left Alliance)

Ms Astrid Thors, MP (Swedish People's Party), *from 7.2.2006*

Ms Marja Tiura, MP (Coalition Party)

Ms Pia Viitanen, MP (Social Democratic Party)

Personnel representatives

Mr Timo-Erkki Heino, Journalist

Mr Juhani Mäkelä, System Manager

Secretary to the Administrative Council,
Katri Olmo, Head of Legal Affairs

Members of the Board of Directors

Mr Hannu Olkinuora, Managing Director

Mr Jukka Alho, President and CEO

Ms Maria Kaisa Aula, Child Ombudsman

Mr Jouni Backman, MP

Ms Gunvor Kronman, Director

Mr Velipekka Nummikoski, Director of
Communications

Ms Raija-Sinikka Rantala, Theatre Director
Personnel representative **Mr Raino Hurme**,

Journalist

Secretary to the Board of Directors **Mr Jussi Tunturi**, Director of Corporate Affairs

YLE management

Mr Mikael Jungner, Director General

Central management

Mr Jussi Tunturi, Director of Corporate Affairs

Ms Marja-Riitta Kaivonen, Director of
Corporate Finance

Mr Jorma Laiho, Director of Corporate
Technology

Mr Ismo Silvo, Director of Strategy and
Development

Other management

Radio

Mr Seppo Härkönen, Director of Radio,
Deputy Director General

Mr Heikki Peltonen, Director of
Programming

Mr Antti Pajamo, Director of
Programmes YLE Radio 1

Mr Ville Vilé, Director of
Programmes YLE Radio Suomi

Ms Minna Peltomäki, Director of
Programmes YleX and YleQ
(YleQ *until 17.9.2006*)

Mr Kari Mänty, Director of Programmes
YLE Radio News and Current Affairs

Television

Mr Olli-Pekka Heinonen, Director of
Television

Mr Heikki Seppälä, Director of
Programming, *until 30.9.2006*

Ms Päivi Kärkkäinen, Director of
Programming, *from 1.10.2006*

Ms Riitta Pihlajamäki, Director of
Programmes YLE TV1

Ms Päivi Kärkkäinen, Director of
Programmes YLE TV2, *until 30.9.2006*

Mr Ilkka Saari, Channel Controller YLE TV2,
from 1.10.2006

Ms Ulla Martikainen-Florath, Director of
Programmes YLE Teema

Mr Ari Järvinen, Director of Programmes
YLE24, TV News and Current Affairs

Mr Jorma Hatakko, Director of Television
Production

Swedish-language Radio (FSR) and Television (FST)

Ms Annika Nyberg Frankenhaeuser,
Director of Swedish-language Radio
and Television

Ms Gunilla Ohls, Director of Programming

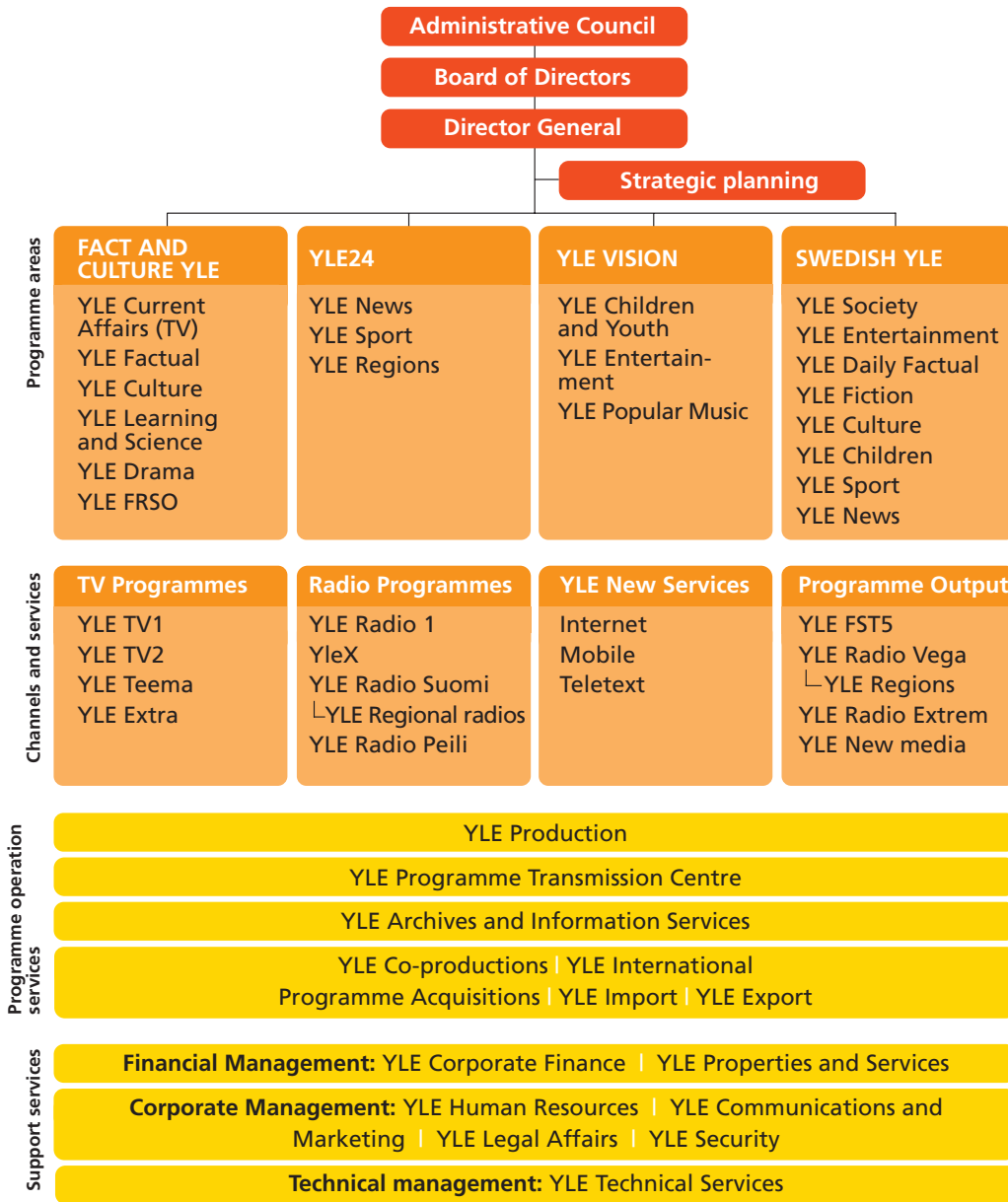
Auditors

Mr Eero Suomela, Chartered Public
Accountant

Authorised Public Accountants PricewaterhouseCoopers Oy, responsible **Mr Jari Häkkinen**, Chartered Public Accountant



YLE ADMINISTRATION



THE YLE ORGANISATION IN 2007

The YLE organisation and management model were reformed in 2006.

The reform was carried out to enable the company to meet the expectations of audiences better. While the old organisational structure was based on media (television, radio), the new structure is based on YLE content production as a whole. The reform of structure and procedures is designed to create a work environment that provides incentive for multimedia creativity and is professionally

more inspiring. The reform also trimmed back overlapping operations.

The new YLE organisation is based more clearly on the public service content tasks in the Act on YLE.

The organisation entered into effect at the beginning of 2007.

The core features of the reform:

- Programme production has been organised into four programming areas. Radio and television programmes and internet output

are produced mainly in the departments of the programme areas.

- The task of the channels is to order and compile programming. The channel organisation is lightweight.
- All programme production support tasks have been concentrated in service units and company matrices that operate at company level.
- The management group works in a content- and customer-oriented way.

Management group

Director General Mikael Jungner

Director of Programme Area

Olli-Pekka Heinonen

Director of Programme Area

Seppo Härkönen

Director of Programme Area Ville Vilén

Director of Programme Area

Annika Nyberg Frankenhaeuser

Director of Corporate Affairs Jussi Tunturi

Director of Corporate Finance

Marja-Riitta Kaivonen

Director of Strategy and Development

Ismo Silvo

Head of YLE HR Liisa Ojala-Walker

Secretary to the Management group,

Head of Legal Affairs Katri Olmo

Programme areas

Fact and Culture YLE

Director of Programme Area

Olli-Pekka Heinonen

YLE Current Affairs Programmes (TV)

- Head of Department Jyrki Richt

YLE Factual

- Head of Department

Minna-Mari Parkkinen

YLE Drama

- Head of Department Juha Rosma

YLE Culture

- Head of Department Airi Vilhunen

YLE Learning and Science

- Head of Department Tapio Kujala

YLE Radio Symphony Orchestra

- Head of Department Tuula Sarotie

YLE24

Director of Programme Area

Seppo Härkönen

YLE News

- Executive Editor-in-Chief

Atte Jääskeläinen

YLE Sport

- Head of Department Kari Mänty

YLE Regions

- Channel Controller Marja Keskitalo

YLE Vision

Director of Programme Area Ville Vilén

YLE Children and Youth

- Head of Department Teija Rantala

YLE Entertainment

- Head of Department Ilkka Talasranta

YLE Popular Music

- Head of Department Pekka Laine

YLE New Services

- Head of New Services Jari Lahti

Swedish YLE

Director of Programme Area

Annika Nyberg Frankenhaeuser

YLE Society

- Head of Department Hans Sundquist

YLE Entertainment

- Head of Department Kjell Ekholm

YLE Daily Factual

- Head of Department Henrik Lindberg

YLE Fiction

- Head of Department Liselott Forsman

YLE Culture

- Head of Department

Staffan von Martens

YLE Children

- Head of Department Petra Holm

YLE Sport

- Head of Department Hans Grönqvist

YLE News

- Head of Department Mika Kosunen

- Head of Journalism Carin Göthelid

YLE Regions

Channels and services

YLE Television

Director of Programme Area

Olli-Pekka Heinonen

Head of Programming Päivi Kärkkäinen

YLE TV1, Channel Controller

Riitta Pihlajamäki

YLE TV2, Channel Controller Ilkka Saari

YLE Teema, Channel Controller

Ulla Martikainen-Florath

YLE Extra, Channel Controller

Tarmo Kivikallio

YLE Radio

Director of Programme Area

Seppo Härkönen

Head of Programming Heikki Peltonen

YLE Radio 1, Channel Controller

Antti Pajamo

YLE Radio Suomi, Channel Controller

Marja Keskitalo

YleX, Channel Controller Minna Peltomäki

YLE Radio Peili, international radio services,

Channel Controller Heikki Vuohelainen

YLE New Services (internet, broadband, mobile, Teletext, podcast), Head of New Services Jari Lahti

Swedish YLE

Director of Programme Area

Annika Nyberg Frankenhaeuser

Head of Programming Gunilla Ohls

YLE FST5, Channel Controller Mary Gestrin,

Head of Programmes Jens Berg

YLE Radio Vega, Channel Controller

Kerstin Häggblom

YLE Radio Extrem, Channel Controller

Micaela Röman,

svenska.yle.fi, Head of New Media

Jenny Stenberg

Programme production services

YLE Production, Director of Productions

Jorma Hatakko

YLE Programme Transmission Centre,

Head Ilkka Koskimies

YLE Archives and Information Services,

Head Katri Vanttinen

YLE Co-productions, Head Erkki Astala

YLE International Programme Acquisitions,

Head Ingegerd Pesonen

YLE Import, Head Eeva-Kaisa Nojonen

YLE Export

Support services

Director of Corporate Finance

Marja-Riitta Kaivonen

- YLE Corporate Finance

- YLE Properties and Services, Head of

Properties and Services Kari Haapamäki

Director of Corporate Affairs Jussi Tunturi

- YLE HR, Head of HR Liisa Ojala-Walker

- YLE Communications and marketing,

Head of Communications and Marketing

Päivi Nummi-Aho

- YLE Legal Affairs and Copyright Manage-

ment, Head of Legal Affairs Katri Olmo

- YLE Security, Head of Security Asko Inkilä

Director of Corporate Technology

Jorma Laiho

- YLE Corporate Technology



1

2

3

THE TOUCHING TALE OF A WAR CHILD

Prize-winner in the Guldbagge Award, Heartland Film Festival and Satellite Awards

"The international success of the war child story has come as a delightful surprise. It is great that a subject set in our recent history can touch people irrespective of culture and language.

Already in my student days, I dreamed of being able one day to make a film about the fate of the war children. I was amazed that nobody had tackled the subject, even though a lot of superb films about the war years had been made. I didn't have to think twice when producer Ilkka Matila suggested a film based on the novel by Heikki Hietamies. At the same time, after *Elina*, I again got an opportunity to work with child actors.

Most of all, I've been delighted by the feedback from Finnish and Swedish viewers. Those that had been war children said that they had discovered a new angle on what had happened. Their own children said that they understood better the silent grief of their war child parents, which had previously gone unexplained.

Many said that they had been afraid beforehand of watching the film. Afterwards, they came to tell me that it was a liberating experience."

KLAUS HÄRÖDirector, *Mother of Mine*

- Directed by Klaus Härö: *Three Wishes* (television documentary 2000), *Nattflykt* (1999), *Elina* (2003), *Mother of Mine* (2005)
- In the spring of 2007, Härö's film *The New Man* will have its first night

INTERNATIONAL AWARDS

ALBA REGIA INTERNATIONAL FILM FESTIVAL
Székesfehérvári, Hungary

HOMESICK

BEST ACTOR/JULIUS LAVONEN

Director Petri Kotwica

Production Making Movies,

YLE Co-productions

B-UCHAREST FESTIVAL, Bucharest, Romania

MOTHER OF MINE

BEST SCREENPLAY

Director Klaus Härö

Production MRP Matila Röhr Productions,

YLE Co-productions,

YLE FST Samproduktioner

BANFF WORLD TELEVISION FESTIVAL, Canada

Y IN VIBORG

SPECIAL PRIZE

Director Pia Andell

Production Of Course My Films, YLE Teema

CAIRO INTERNATIONAL FILM FESTIVAL

FOR CHILDREN, Egypt

PELICANMAN

GOLDEN CAIRO; FIRST PRIZE

BY THE CHILDREN'S JURY

Director Liisa Helminen

Production Lumifilmi, Migma Film/Sweden,

YLE TV2, YLE FST, RUV/Iceland



4

EUROVISION SONG CONTEST,
Athens, Greece

HARD ROCK HALLELUJAH/LORDI
GRAND PRIX

Production YLE Entertainment,
Sony BMG Finland

FILM BY THE SEA FESTIVAL,
Vlissingen, Netherlands

MOTHER OF MINE
FIRST PRIZE

Director Klaus Härö
Production MRP Matila Röhr Productions,
YLE Co-productions,
YLE FST Samproduktioner

FILMAK FESTIVAL

Dobruany, Klatovy, Pilsen, Czech Republic

MOTHER OF MINE
FIRST PRIZE BY THE YOUTH JURY

Director Klaus Härö
Production MRP Matila Röhr Productions,
YLE Co-productions,
YLE FST Samproduktioner

MONTREAL FIRST PEOPLE'S FESTIVAL,
Canada

A BRIDE OF THE SEVENTH HEAVEN
FIRST PRIZE

Directors Anastasia Lapsui and
Markku Lehmuskallio
Production Millennium Film,
YLE Co-productions

GIFFONI FILM FESTIVAL, Italy

MOTHER OF MINE
GRAND PRIX

Director Klaus Härö
Production MRP Matila Röhr Productions,
YLE Co-productions,
YLE FST Samproduktioner

5



GULDBAGGEN, SVENSKA FILMINSTITUTET,
Sweden (1995)

MOTHER OF MINE
BEST ACTRESS IN A LEADING
ROLE/MARIA LUNDQVIST

Director Klaus Härö
Production MRP Matila Röhr Productions,
YLE Co-productions,
YLE FST Samproduktioner

HEARTLAND FILM FESTIVAL,
Indianapolis, USA

MOTHER OF MINE
CRYSTAL HEART

Director Klaus Härö
Production MRP Matila Röhr Productions,
YLE Co-productions,
YLE FST Samproduktioner

INTERNATIONAL SPORTS FILM FESTIVAL,
Palermo, Italy

THE CRAWL
BEST SHORT FILM, BEST SHOOTING

Director PV Lehtinen
Production MRP Matila Röhr Productions,
YLE Co-productions

KRISTIANSAND INTERNATIONAL
CHILDREN'S FILM FESTIVAL, Norway

HOMESICK
DON QUIJOTE PRIZE BY THE FICC JURY

Director Petri Kotwica
Making Movies, YLE Co-productions

MATSALU INTERNATIONAL NATURE
FILM FESTIVAL, Lihula, Estonia

PREDATOR'S PARADISE
SPECIAL PRIZE BY THE ESTONIAN
MINISTRY OF ENVIRONMENT

Director Nick Upton
Production Mandart Production, ARTE,
YLE Co-productions

1. Mother of Mine
2. Superhero's Son
3. The Crawl
4. Mundo
5. A Bride of the Seventh Heaven

PREMIERS PLANS FESTIVAL, Angers, France

ELUKKA
BEST MUSIC; AUDIENCE PRIZE

Director Tatu Pohjavirta
Production Camera Cagliostro,
YLE Co-productions

PRIX EUROPA, Berlin, Germany

PIONEER
SPECIAL PRIX EUROPA
Director Aleksi Salmenperä
Production Moskito Television, YLE Drama

PRIX JULES VERNE, Paris, France

YLE SCIENCE PROGRAMMES
GRAND PRIX

PÄRNU INTERNATIONAL DOCUMENTARY
AND ANTHROPOLOGICAL FILM FESTIVAL,
Estonia

MEMORIES DENIED
BEST ESTONIAN DOCUMENTARY

Director Imbi Paju
Production Fantasiafilmi, Allfilm Oü,
YLE TV2 Documentary Project

RUSSIAN INTERNATIONAL FESTIVAL OF
SPORT FILMS "KRASNOGORSKI",
Moscow, Russia

THE CRAWL
GRAND PRIX
Director PV Lehtinen
Production MRP Matila Röhr Productions,
YLE Co-productions

SPIRIT OF FIRE FILM FESTIVAL,
Hanti Mansijsk, Russia

MOTHER OF MINE
GOLDEN TAIGA

Director Klaus Härö
Production MRP Matila Röhr Productions,
YLE Co-productions and
YLE FST Samproduktioner



YLE TELEVISION



1. Maja From Stormskär
2. På luffen
3. Home Harbour
4. Ali G. in the USA
5. YLE Radio Suomi
6. OBS
7. Gods Playing Dice

YLE TV1

The main channel for news, current affairs and factual journalism, also offering drama, culture, educational and documentary programmes, and satirical entertainment. Quality feature films and British production are the focus in acquisition programming.

YLE TV2

The main channel for children, families, leisure and events sport, with a helping of drama and entertainment, too. Current affairs and factual programmes focus on the citizens' viewpoint, Finnish themes and regional topics. Acquisition programming concentrates on soaps and sitcoms.

FST5

The main channel for the Swedish-speaking audience, profiled for Swedish-speaking Finland and Nordic themes. The channel offers its viewers all the genres of television programming, the bulk of which is subtitled in Finnish. Output will also be shown until the autumn of 2007 on analogue channels YLE TV1 and TV2.

YLE Teema

The main channel for culture and cinema, with learning and science programming and themes on different subjects. Programming comprises recordings of performing art, classical music, science and history documentaries, feature films and theme broadcasts.

YLE24

The channel for news, current affairs and events coverage and for live sports broadcasts, serving viewers until April 2007.

YLE Extra

The special channel and multimedia service for events, live broadcasts, popular culture, audiences that are young at heart, and sport. YLE Extra starts up in April 2007.

TV Finland

The digital satellite channel with YLE and MTV Finland programmes for expatriate Finns in Europe.



YLE RADIO

YLE Radio 1

Traditional programme radio offering culture, art and factual speech, as well as news and in-depth current affairs programmes. Musical fare extends from classical and religious to folk and jazz. The channel carries Finnish Radio Symphony Orchestra concerts.

YLE Radio Suomi

Supplier of information to the whole of Finland and the regions, this news, current affairs, service and contact channel focuses on sport and entertainment. YLE Radio Suomi plays hit music, nostalgic pop and tuneful adult rock.

YleX

A multimedia channel for popular music and culture, with its fast-paced broadcast flow complemented with special music programmes, humour, and news broadcasts profiled for the channel.

YLE Radio Peili

A speech channel carrying news and current affairs programmes and other factual programming from YLE radio and television channels. YLE Radio Peili will be expanding into a national FM channel in 2008, but can already be heard on the internet and digital television.

YLE Radio Vega

The Swedish-language national and regional supplier of information, news and current affairs channel, also offering culture, factual programmes, contact programmes, children's programmes and music for the adult taste.

YLE Extrem

Swedish-language multimedia channel for young audiences. YLE Extrem offers music, facts and entertainment. The channel has an active Extrem online community.

Supplementary services

Ylen Klassinen – 24-hour supplementary service of classical music, DVB distribution.

Sámi Radio – Sámi-language radio, programming in the Northern, Inari and Koltta dialects.

International broadcasts (Radio Finland) – domestic programming via satellite and on the internet internationally in Finnish and Swedish.

Broadcasts in foreign languages – multilingual YLE Mondo and broadcasts in Russian.

FSR + – Radio Vega and Radio X3M programming and channel loans, DVB distribution.

YLE Regions

Regional radio – Twenty Finnish-language and five Swedish-language regional radio stations on YLE Radio Suomi and YLE Radio Vega frequencies.

Regional television news – local news from eight regions on YLE TV2 and YLE24. Television news in the Sámi language on YLE24 and in Lapland on YLE TV1.

YLE New services

yle.fi and svenska.yle.fi – Extensive online news, sports, useful information and programme services, communities for various audiences

Mobile – News and other fare

Teletext – News, sport, service pages and programme information in Finnish and Swedish. Programme subtitles for the hard-of-hearing and visually impaired.





YLEISRADIO OY – The Finnish Broadcasting Company

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Fax: + 358 9 1480 3215

www.yle.fi/fbc

firstname.surname@yle.fi



YLE ANNUAL REPORT 2006

YLE Annual Report is published in Finnish, Swedish and English.

The English version (pdf) on the internet: www.yle.fi/fbc/annual



YLE COMMUNICATIONS AND MARKETING

Head of Communications and Marketing

Päivi Nummi-Aho

Production: YLE Communications and Marketing / Marja Niemi
and YLE Corporate Finance

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March 2007

FINANCIAL
STATEMENTS

06



REPORT OF THE BOARD OF DIRECTORS 2006

1 Summary

••• Satisfaction with YLE output has remained high, and viewing and listening shares have increased. 83% of Finns are at least quite satisfied with YLE. The number of those satisfied is the same as in 2005, but there is fluctuation in age-groups. The satisfaction of the youngest grew by nine percentage points while that of the over-60s fell by seven percentage points. YLE's daily television viewing share was 45.4%, i.e., about one percentage point higher than in the previous year. The listening share of YLE radio channels rose two percentage points to 53%.

••• Finns now have a more positive attitude towards the television fee. Up to 91% are aware that the television fee is the most important source of financing for YLE programmes and 56% consider that the television fee is also the most acceptable way to finance public service programme activity. 62% of the audience, eleven percentage points more than in 2005, feel that they get value for money from YLE programming for the television fee.

••• The planning phase of the YLE 2010 strategy work was completed. The company's Board of Directors approved the outlines of the operation. The strategic objective is for YLE to operate in a customer- and content-oriented way on the rapidly changing multichannel market. The Board of Directors also approved an organisational reform, in which company structure is based on YLE content production as a whole rather than on distribution media as before. Customer- and content-oriented programming planning according to the new strategy was started in the autumn and the new organisation entered into effect on 1st January 2007. Reporting in this report is based on the 2006 organisation.

••• YLE finances developed in line with the policies approved four years ago by the company's Administrative Council and revised in 2005. Finances will be balanced by 2008 by rendering operative activity more effective and through moderate annual increases in the television fee. The operation continued to be rendered more efficient on the basis of company strategy, inter alia, by turning production processes into multimedia ones. YLE News was also centralized and news procurement was reformed. Company structure was made more

lightweight by creating new operating models for support tasks and through outsourcing. The Pension Fund's working capital was strengthened.

••• The loss for 2006 totalled 20.2 million euro and was 16.2 million euro less than in the previous year. The result for the period was a loss of 16.5 million euro, i.e., 12.3 million euro better than in the previous year.

••• Decisions tying in with the strategy were taken on channel output. YLE decided to close down YleQ, a radio channel available on FM in Uusimaa, and the digital television channel YLE24. In 2008, YLE Radio Peili will expand into a national FM speech channel. The multimedia digital television channel YLE Extra, focusing on popular culture, sport and events coverage, is due to start up in April 2007. In addition, the resources of new services and YLE Teema were reinforced and the division of labour and profiles of all channels were revised. The online Living Archive, completed in time for the company's eightieth anniversary in September, was the most significant of the new services.

••• Preparation for entirely digital television broadcasts was stepped up. Analogue broadcasts are to be discontinued at the end of August 2007. According to a Finnpanel survey, 56% of Finnish television households had a digital adapter at the turn of November-December. Digital adapters of various types were to be found in 1,225,000 households.

••• YLE also invested in marketing, to underscore how public service programme activity stands out from commercial radio and television output. YLE worked even more closely with the Finnish Communications Regulatory Authority to strengthen willingness to pay the television fee.

••• At the end of 2006, YLE had 3,401 permanent employees, 3.3% fewer than in the previous year. The personnel's wellbeing at work was measured during the autumn with a TYKE (Workplace Development) study covering the whole of the company. Overall satisfaction was 3.43 on a scale of 1–5. There were about 3,000 respondents and the response rate was over 80%. The results card and bonus system began to be developed.

2 The operating environment

In December, Parliament approved amendments to the Act on Radio and Television. The amendments are designed to foster the development of mobile television. A television or radio operator that has obtained a digital operating licence is free to broadcast his programming without a separate operating licence also in the DVB-H network simultaneously and in the same original broadcasting area. YLE is free correspondingly to broadcast its own television and radio programming in the DVB-H network. Since the beginning of 2007, the Finnish Communications Regulatory Authority has been granting programming operating licences in accordance with deliberation tied to radio and television broadcasting.

In analogue radio broadcasting, the Ministry of Transport and Communications administered a new round of operating licence applications. The Council of State took decisions on programming operating licences in May. SWelcom Oy's two new radio channels that can be picked up in almost the whole of Finland were granted an operating licence. Oy Suomen Uutisradio Ab's Radio Nova is continuing on an entirely national frequency. In addition to SWelcom's new channels, six radio channels were granted national operating licences.

Digita obtained network operating licences for multiplex E and also for multiplex D, which is meant for broadcasting mobile television in the DVB-H standard.

The Council of State decided on a 3.7% increase in the television fee from the beginning of 2007. The decision was based on an earlier agreement on annual increases since the beginning of 2005. Until the end of analogue broadcasts, YLE will receive operating licence revenue according to the commercial television operators' advertising revenue.

The number of Finnish digital households increased from the preceding year by eighteen percentage points. A Finnpanel study shows that, at the turn of November-December, 56% of Finnish households were digital television households. There were digital adapters in 1,255,000 households, and devices for reception of terrestrial digital programmes in 883,000 households.

In the European Union, the Commission prepared during the year a reform of the Communications Act package. The legislative package will include provisions on frequency policy and the distribution obligation. YLE also gave statements on frequency policy in collaboration with other Nordic public service broadcasting companies. These statements stressed the need to guarantee frequencies set aside for the programming of broadcasting companies to enable public service output to be developed. The Audiovisual Media Directive (formerly the Television Directive) continued to be considered in both the European Council and Parliament.

3 Company development

The core objective of the YLE 2010 strategy is for YLE to operate in a customer- and content-oriented way on the rapidly changing multichannel market. YLE's objective is to be an

independent and efficient public service company on the traditional radio and television market and a significant player in the development and implementation of new services using the broadband network in particular. The YLE organisation and programming planning were reformed in accordance with the strategy.

3.1. Corporate structure

The new YLE corporate structure and management model are based on the company's entire content production. The reform of the organisation and procedures is designed to support multimedia content production and cut back overlaps. The new organisation is also built more clearly on the public service content tasks in the Act on YLE.

The core elements of the reform:

- Programme production has been organised into four programming areas. Radio and television programmes and internet output are produced mainly in the same departments.
- The job of the channels is to order and compile programming. The channel organisation is lightweight.
- All programme production support tasks are concentrated in service units and company matrices that operate at company level.
- The Management Group works in a content- and customer-oriented way.

The organisation entered into effect at the beginning of 2007.

3.2. Programme operations

The points of departure for the development of YLE's programme operation were:

- Multichannels
- The creation of a more distinct image for public service
- Development of new services
- Launch of programming planning according to the YLE2010 strategy

Provision was made for growth in electronic media output and the multichannel era by revising the division of labour between YLE channels and their profiling. Schedule planning was developed so that the channels complement each other more clearly, to co-ordinate the service for various listener and viewer groups better. Distinct programme schedules also make it easier to find programmes. FST5 continued to be built up into a full service channel of its own. Some of the Swedish-language programme slots on YLE TV1 and YLE TV2 were made available for Finnish-language programming. The company made various preparations for the digital transition in August 2007.

The distinctive character of public service programme output compared to commercial radio and television output was stressed in marketing. There was a particular desire to clarify

the public's image of YLE as an independent, Finnish and versatile producer of content. It is hoped that a distinctive public service profile will encourage people to continue to be willing to pay the television fee.

The company has invested in particular in new services in the broadband internet environment. In September, the public were granted access to the Living Archive, a compilation of YLE radio, television and photograph archives and of material purchased from film companies. The service was an instant success. The strengthening of new services improved satisfaction with YLE output among the young and young adults in particular.

In the second half of the year, programming planning according to the company's new strategy was also launched. Planning is content- and customer-oriented and supportive of multimedia. The new kind of planning will be used to create a more precise view of the population's expectations of YLE services and how it wants to use different media and channels to access output of interest to them. A broader group of key programme activity personnel took part in planning work. The result of the work will have an effect on programming in 2008–2010.

3.3. Research and development

YLE research and development work was reorganised to bring it closer to programme work. The various programming areas were assigned their own audience insight teams that produce information on audiences and on the critical factors of a YLE audience insight for programme activity.

The departments invested in customer-oriented programme development work. The population's expectations of YLE programme activity were investigated with the aid of various new work methods and processes.

These are some of the studies carried out for the needs of the company's strategic control:

- Images associated with YLE public service
- Satisfaction with YLE programmes and services and the associated valuations
- Attitudes and risks associated with the television fee
- Attitudes towards digital television

3.4. Technology and investments

As part of the company's organisational reform, YLE Engineering was turned into a matrix function. This arrangement will ensure closer co-operation with the programme operation and guarantee integrated technology solutions throughout the company.

In 2006, a total of 24.1 million euro was spent on investments. Oulu and Kotka gained new operating centres in the centre of town. The Pasila offices of Swedish-language Radio and Television (Svenska YLE) were refurbished. The YleX broadcasting systems were upgraded and the iNews delivery system in use in television was also introduced in radio. The

procurements required for upgrading the television graphics and broadcasting systems were made and the systems will be introduced in 2007. In internet services, the focus was on yle.fi as a whole and on broadband services. The company's internal local area network and interface to external operators was upgraded and the reserve power upgrade was completed. The personnel administration HR system (HERA) advanced to the testing stage.

3.5. Support operations

Support operations were arranged into company matrices. Operations continued to be rendered more effective, by strengthening uniform operating models, drawing benefit from retirements, developing existing partnerships and by concluding new ones. At the end of 2006, 19% of the company's permanent employees worked in support operations, compared to 29% at the beginning of 2000.

4 Radio

In 2006, radio as a media reached an average of 96% of Finns weekly, i.e., the same percentage as in the previous year. Three hours and 14 minutes were spent listening to the radio (9+ population), three minutes fewer than in 2005.

YLE's daily radio listening share rose to 53%, due to growth in the channel share of YLE Radio 1 and YLE Radio Suomi. YLE radio channels had an average weekly audience totalling 3.014 million Finns, an increase of 55,000 from the previous year. Listening to YLE is thus on the increase with regard both to channel share and reach. Satisfaction with YLE radio channels has also risen. The share of highly satisfied listeners had increased on all three of YLE's national channels from the preceding year.

In June 2006, YLE Administrative Council decided to establish a fourth national radio channel. The speech channel YLE Radio Peili is to go national in 2008. At the same time, it was decided to close down YleQ, targeted at young adults, which in the pilot phase could be heard on FM in Uusimaa. The Pori medium- and short-wave broadcasts were discontinued. Since the beginning of 2007, YLE has been serving expatriate Finns via satellite, mobile and internet distribution.

In May 2006, Helsinki District Court settled the contractual dispute between YLE and Gramex over performance right fees for recorded music. The new tariff system according to the Court decision will have a significant impact on planning of radio channel output, as payments will in future be staggered according to the time of day. Gramex appealed the District Court decision and the case is still pending at Helsinki Court of Appeal.

YLE Radio Suomi's extensive transformation of procedures and production methods was completed.

5 Television

Television viewing in Finland again increased a little. On average, people watched television for two hours and 42 minutes a day (4+ population). YLE television channels now accounted for 45.2% of this viewing and their daily reach came to 3.1 million viewers.

During this decade, YLE has maintained a very solid market share of viewing despite increased competition and channel output. YLE's television viewing share was almost three percentage points higher than at the beginning of the decade. It increased by one point from 2005, due the growth in the market shares of YLE TV2, YLE Teema and YLE24. At the same time, viewer satisfaction with YLE television channels increase in the third year in succession.

Various major events attracted large audiences and a lot of attention on television. The broadcast of the results of the second round of the Presidential Elections was among the ten most popular programmes of the year. Even more popular was the pre-election Have I Got News For You, on which the candidates were guests. In February, more than 200 hours of television programmes were broadcast from the Turin Winter Olympic Games. All told, Finns spent more time watching the Games than any single previous sports event. In May, Finland's Eurovision win in Athens drew almost 1.5 million viewers.

YLE's share of all digital viewing rose by over five percentage points from the preceding year. The market shares of digital channels YLE Teema and YLE24 more than doubled. YLE24 had as many as 480,000 viewers during the Independence Day reception. YLE Teema's viewer record, 110,000, was reached in December during the Juice & Grand Slam archive concert.

6 Swedish-language Radio and Television

During the year, FST broadcasts on analogue television channels began to be moved to the digital channel. In the early autumn, the channel was given the name YLE FST5. The analogue weekly reach of Swedish-language programming declined to 65%, but the reach of digital FST5 rose to 35%. The role of Swedish-speaking Finns in the Television Meter Survey was increased. In November, almost 200 Swedish-speakers took part in the survey and, during 2007, the number will rise to 300.

Swedish-speaking Finns listen to the radio roughly just as much as Finnish-speakers do, but YLE channels are the most popular among Swedish-speakers. YLE channels have a market share of approx. 70% among Swedish-speaking Finns. YLE Radio Vega's weekly reach has remained unaltered and stood at 60% in the autumn. YLE Radio Extrem had a weekly reach in the entire audience of 35% and in the channel's particular target group, 15–24-year-olds, of 49%. During the year, Swedish-language Radio and Television joined the National Radio Survey (KRT), so that now radio listening by Swedish-speakers is reported monthly.

YLE Radio Extrem's internet community is still one of Svenska YLE's most popular online services, and the community's membership continues to grow. At the end of the year, the community had over 20,000 members. Another internet favourite is the Advent calendar on the BUU-klubben pages, used 80% more than in 2005.

The Swedish YLE's multimedia organisation was consolidated and the restructuring of Svenska YLE was completed. Programme concepts that transcend media boundaries have increased all the time in programme output, and co-operation with external producers and production units has been stepped up. The profiling work between YLE Radio Vega and YLE Radio X3M has continued, in particular in relation to music. The YLE FST5 profile has been adjusted so that it is principally a channel for Swedish-language and Nordic programming.

In the company's organisational reform, Swedish-language Radio and Television became one of YLE's four programming areas.

7 New services

YLE internet, mobile and teletext output as a whole is managed centrally by YLE New Services. New services have been developed during the year in accordance with the New yle.fi strategy. The Living Archive opened in September was the first of these YLE services. It exceeded expectations both in terms of visitors and positive feedback.

User interface work like the Living Archive is being carried out in the entire yle.fi service. During the autumn, the YLE-Learning online service was built up and, next, in the spring of 2007, the recording sales online store is due to open.

YLE joined with telecoms operators to produce a number of multimedia services at major sports events. YLE carried the Turin Olympic Games and World Ice Hockey Championships YLE European-wide on mobile television in the 3G network. New services for children and young people were also developed. New programme-specific output was produced in the form of mobile services.

YLE maintained its position as one of the most popular internet services in Finland. Yle.fi attracted an average of 700,000–800,000 visitors a week. YLE Teletext is still Finland's leading teletext channel, with over 1.2 million daily users.

Forum Virium co-operation continued. This joint project between various sector operators is aimed at developing digital media contents and services in the Pasila area.

8 Personnel

At the end of 2006, YLE had 3,401 permanent employees, a reduction of 116 (3.3%) from the preceding year. The percentage of employees on fixed-term contracts decreased (5%) more than that of permanent employees. Use of manpower on time-pay diminished by 3.6% from the preceding year. The company's personnel structure has developed according

to target. One extra person was working in programme operation tasks at the end of 2006 compared to 2000. In the same period, there has been a reduction of approx. 500 employees in support tasks.

For production and economic reasons, co-operation talks were held during the year in both Television and Radio. A total of fourteen employees were dismissed after the talks. Six of them obtained a new permanent or fixed-term job with YLE. Caretaker services were outsourced at Pasila and Tohloppi.

The creation of the new organisation brought personnel changes to the entire company. The organising of the multi-media departments and harmonisation of different operating cultures continues. With the formation of company matrices, support tasks have been reorganised and operating processes revised.

YLE aims to rank among the third best workplaces in Finland by 2010. The objectives for developing work culture have been finalized as "The Cornerstones of Work Culture". These will steer YLE operating culture in future. A couple of dozen employees have been trained as guides to support managers and the work organisation in development. A TYKE (Workplace Development) survey of the ambience and management of the work organisations was conducted for the first time in the company as a whole. Overall satisfaction was 3.43, on a scale of 1–5. The response percentage was 80%.

The results of the survey were put to use in various ways, and work organisations concentrated on managerial work and on improving interaction. Development of the results card and rewards system started.

The new HR system (HERA) continued to be established. This personnel management and administration tool is due to be introduced in the spring of 2007.

9 Investments and finance

9.1 Turnover and other business revenue

Turnover totalled 383.5 million euro, an increase of 2.4%, i.e., 9.0 million euro from the preceding year.

The rise in turnover was due to the 3.5% increase in the television fees at the beginning of 2006. At the end of the year, there were 2,001,633 fees, 2,136 fewer than in the preceding year.

The operating licence fees paid by the commercial companies were 3.8 million euro lower than in the previous year.

Other business revenue totalled 12.8 million euro. In the previous year, other business revenue was boosted by profit from the sale of Digita Oy's shares.

9.2 Expenditure and operating profit

Company costs and depreciation for the financial period totalled 416.5 million euro, a reduction of 35.2 million euro from the preceding year.

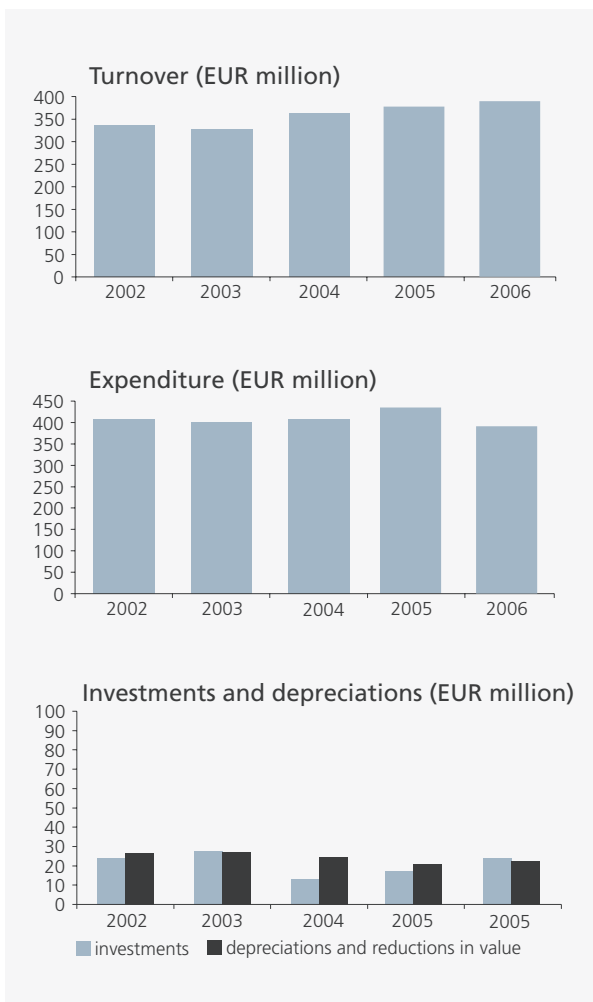
The decrease in costs was due to personnel costs, which fell by 18.4%, or 42.8 million euro. Pension costs totalled 19.2 million euro, whereas in the preceding year, when the Pension Fund's working capital was strengthened under a separate decision, they came to 57.9 million euro. The Pension Fund's finances were good. In 2006, B department (TEL) had a working capital percentage of 49.6 (with a supplementary insurance liability of 86.3 million euro), compared to 41.1 (76.1 million euro) a year earlier. In addition, A department (additional benefit) had an index liability for compensation, acting as a buffer, of 19.9 million, the same as in the preceding financial statements. A department's surplus of 6.5 million euro in the 2005 Financial Statements is now included in A department's shareholders' equity. The Pension Fund's net book income totalled 44.9 million euro (41.1 million euro in 2005) and payments arising out of pensions came to 37.6 million euro (37.7 million euro in 2005). There is no liabilities deficit and the company has no debt to the Fund.

Planned depreciation was 0.4 million euro less than in the previous year.

Performance fees totalled 78.6 million euro, which was 7.0 million euro more than in the preceding year. The figure for 2006 was increased by the performance fees for major sporting events such as the Turin Winter Olympic Games.

Other business expenses came to 126.2 million euro, or 1.1 million euro more than in the preceding year.

The company posted an operating loss of 20.2 million euro, or 16.2 million euro less than in 2005.



9.3 Result for the financial year

The company's loss for the financial year came to 16.5 million euro, compared to a loss of 28.8 million in 2005.

9.4 Investments

In 2006, 24.1 million euro was invested in fixed assets, 6.4 million euro more than in the previous year.

9.5 Balance sheet

The company's liquid assets at the end of the year totalled 82.8 million euro, 17.3 million euro less than at the same time in 2005.

The balance sheet total was 304.1 million euro, 17.1 million euro less than at the end of the preceding financial period. The company did not have any non-current liabilities. The equity/assets ratio declined to 51.6% from 54% in the previous year.

10 Risks and risk management

At the end of 2005, the company's Board of Directors approved the principles for risk management. Key company-level risks are assessed annually and are reported to the Board of Directors' Inspection Committee and the Board of Directors depending on the risk either monthly or three times a year. The company's key risks were updated at the end of 2006.

Items denominated in foreign currency are hedged against exchange rate risks in accordance with the financial policy confirmed by the company's Board of Directors. In 2006, the company did not have any interest-bearing liabilities and thus none of the interest risk that arises from them.

11 Future prospects

Analogue television broadcasts are due to end on 31st August 2007. The most significant challenge facing YLE in the near future is for the transition to exclusively digital television broadcasting to be as smooth as possible. The digital television output built up in recent years will be completed during 2007. In addition, the company, other operators and the Ministry of Transport and Communications are investing in the marketing of digital television.

The company's finances are to be balanced by 2008. This objective can only be achieved if the level of costs is kept at the 2001 level also in 2007 and 2008 and the company's operating structure is scrutinised continually. The main point is for the company's financial position to remain under control. In the next few years, the company will be operating at a liquidity level slightly lower than the long-term objective. It is crucial for the company's operation for the television fee system to be effective and for audiences to be willing to pay.

The near future will be marked by the implementation of YLE 2010 strategy. YLE wants to be a customer-oriented Finnish content producer. YLE will show the way in the completely digital and multichannel media environment of the future, both in the broadcast operation and in new search-based

network services. The annual service assignment shapes the company's entire content output. The focus of development is on contents, and the quantity of programme output will not increase.

The number of the company's permanent employees will decrease again slightly. Most of the retirements in the years to come will be exploited to this end. Rapidly evolving competence requirements call for more precise and sustained personnel planning. An improvement in work culture and strategic orientation of competence to support programming objectives are the challenges of the next few years.

At the beginning of 2007, an outcome was reached in talks on copyrights for programmes produced by YLE itself. The new agreements would make it possible to use programmes irrespective of the distribution method and otherwise more broadly than the current agreements allow.

In the next few years, copyright and frequency issues will continue to be the object of European regulation. YLE will work with national players and the EBU to ensure that public service considerations are taken into account.

12 YLE Board of Directors

During the period, YLE Board of Directors has comprised Mr Hannu Olkinuora (Chairman), Ms Maria Kaisa Aula, Mr Jukka Alho, Mr Jouni Backman, Ms Gunvor Kronman, Mr Velipekka Nummikoski and Ms Raija-Sinikka Rantala. Mr Raino Hurme has represented personnel.

The Board of Directors have set up an Appointments and Rewards Committee, with members Mr Hannu Olkinuora, Mr Jukka Alho and Ms Maria Kaisa Aula and an Inspection Committee, with members Mr Hannu Olkinuora, Mr Jouni Backman and Ms Gunvor Kronman. Mr Hannu Olkinuora has been the chairman of both committees.

13 Board of Directors' recommendation for the use of profit

The company's loss for the period is 16,528,545.25 euro and unrestricted equity at the end of the period 139,058,522.24 euro.

The Board of Directors recommends to the Annual General Meeting that the company's loss for the period be transferred as a deduction to the profit account.



FINANCIAL STATEMENTS

Key Figures (EUR million)

	2006	2005	2004	2003	2002
EXTENT OF OPERATION (eur million / %)					
Turnover	383.5	374.5	359.0	330.0	340.5
%change	2.4	4.3	8.8	-3.1	-3.0
Other business revenue	12.8	40.8	9.4	11.2	10.3
%change	-68.5	331.8	-15.7	8.7	-24.3
Costs and depreciations	416.5	451.7	428.9	412.3	432.4
%change	-7.8	5.3	4.0	-4.7	-11.5
Balance sheet total	304.1	321.3	409.2	457.6	482.1
Gross investments	24.1	17.7	14.2	27.1	24.8
% of turnover	6.2	4.7	3.9	8.2	7.3
PROFITABILITY (eur million)					
Gross margin	2.0	-13.7	-36.3	-44.3	-53.6
%of turnover	0.5	-3.7	-10.1	-13.4	-15.7
Profit/loss	-20.2	-36.4	-60.5	-71.1	-81.6
%of turnover	-5.3	-9.7	-16.9	-21.5	-24.0
Profit/loss for financial year	-16.5	-28.8	-50.8	52.8	-84.3
%of turnover	-4.3	-7.7	-14.1	16.0	-24.8
SOURCES OF FUNDS AND FINANCIAL POSITION					
Quick ratio	0.7	0.8	0.9	1.2	0.6
Equity/Assets ratio %	51.6	54.0	49.5	55.3	41.6
Borrowed capital with interest (eur million)	0.0	0.0	72.0	72.0	146.0
PERSONNEL					
-number of employees on a permanent contract in 31.12.	3 401	3 517	3 600	3 586	3 719
-employees in man-years	3 755	3 891	4 004	4 066	4 245
Wages (eur million)	146.4	150.3	146.9	143.6	148.0
Fees (eur million)	14.2	14.4	14.9	15.3	18.1
Wages and fees total (eur million)	160.6	164.7	161.8	158.9	166.1

Quick ratio= $\frac{\text{Financial assets}-\text{Advance payments of performance rights}}{\text{Current debts}}$

Equity/Assets ratio= $\frac{\text{Shareholders' equity}}{\text{Balance sheet total}} \times 100$

Personnel in man-years= Number of employees on time-wages during the financial year in man-years

Balance sheet

	Note	31.12.2006	31.12.2005
		EUR 1000	EUR 1000
ASSETS			
FIXED ASSETS			
Intangible assets	(1)	8 704.9	9 667.5
Tangible assets	(2)	143 704.4	141 903.9
Investments			
Other stocks and shares	(3)	1 129.7	1 162.9
FIXED ASSETS TOTAL		153 539.0	152 734.4
CURRENT ASSETS			
Long-term receivables	(4)	2 793.9	502.5
Short-term receivables	(5)	64 998.1	67 947.7
Liquid assets securities	(6)	82 168.6	98 074.3
Cash at bank and in hand		648.0	2 019.6
CURRENT ASSETS SUM TOTAL		150 608.6	168 544.1
ASSETS SUM TOTAL		304 147.6	321 278.5
LIABILITIES			
SHAREHOLDERS' EQUITY (7)			
Share capital		8 000.0	8 000.0
Reserve fund		9 974.9	9 974.9
Other funds		12 747.7	12 747.7
Profit of the previous financial years		142 839.3	171 681.7
Profit/loss for the financial year		-16 528.5	-28 842.4
CAPITAL AND RESERVES SUM TOTAL		157 033.4	173 562.0
OBLIGATORY PROVISIONS (8)		6 532.8	6 665.3
CREDITORS			
Current liabilities	(9)	140 581.4	141 051.3
CREDITORS SUM TOTAL		140 581.4	141 051.3
LIABILITIES SUM TOTAL		304 147.6	321 278.5

Profit and loss account

	Note	1.1. - 31.12.2006 EUR 1000	1.1. - 31.12.2005 EUR 1000
TURNOVER		383 546.1	374 536.2
Other business income		12 828.3	40 765.7
Personnel costs	(10)	189 573.3	232 398.0
Depreciations and reductions in value (write-offs)	(11)	22 192.8	22 633.6
Performance fees		78 571.7	71 539.0
Other business costs		126 198.3	125 099.1
OPERATING PROFIT/LOSS		-20 161.7	-36 367.8
Financial income and expenses	(12)	3 633.2	7 525.4
PROFIT/LOSS FOR FINANCIAL YEAR		-16 528.5	-28 842.4

Source and application of funds

	1.1. - 31.12.2006 EUR 1000	1.1. - 31.12.2005 EUR 1000
Business cash flow:		
Payments from the turnover	385 834.2	376 618.8
Payments from other business revenue	10 954.3	9 940.5
Payments of business costs	-393 575.0	-435 345.6
Business cash flow (A)	3 213.5	-48 786.2
Investment cash flow:		
Investments in tangible and intangible assets	-24 084.3	-17 690.9
Income from disposal of tangible and intangible assets	2 102.8	35 166.6
Loans granted	-2 291.4	-502.5
Dividend from investments	174.0	80.8
Investment cash flow (B)	-24 098.9	17 053.9
Cash flow for financing:		
Other investments	16 000.7	3 942.4
Repayment of long-term loans	0.0	-71 984.4
Repayment of loan receivables	0.0	95 773.3
Interests paid	-366.6	-1 307.3
Interests received	3 974.8	3 116.3
Cash flow for financing (C)	19 608.9	29 540.2
Change in cash flows (A+B+C) increase (+) / decrease (-)	-1 276.6	-2 192.1
Liquid assets at beginning of period	69 720.6	71 912.7
Liquid assets at end of period	68 444.0	69 720.6



NOTES TO THE FINANCIAL STATEMENTS

The principles of the financial statements

Fixed assets and depreciation

The Balance Sheet value of the fixed assets is the original acquisition price minus the planned cumulative depreciation. The depreciation of fixed assets according to the current plan has been calculated on the basis of the estimated economic life as straight-line depreciation from the original acquisition price. The depreciation periods according to plan are as follows:

Intangible assets	5 – 10 years
Other non-current expenses	5 – 10 years
Buildings and structures	10 – 40 years
Machinery and equipment	3 – 15 years
Other tangible assets	10 years

Expenses which accrue income over three or more years have been credited as non-current expenses and will be depreciated over 5-10 years.

Financial securities

Financial securities are valued at the original acquisition cost or lower market value.

Turnover

The turnover comprises the income from the actual operation, which consists of television and operating licence fees and income obtained from the sale of programme performance rights and programme time. The income is entered in accordance with the accrual principle of the financial statements.

Other business revenue

Profits from the sale of fixed assets and regular revenue relating to other than the actual operation are entered as other business revenue.

Pension arrangements

The pension cover of personnel has been arranged through YLE's Pension Fund which is an A-B pension fund, i.e., it manages both statutory and supplementary pension cover. The pension liability of YLE's Pension Fund is covered in full and B department (TEL) is within target solidity.

Supplementary pension cover has been approved for some of the parent company's directors at the company's own expense. YLE has pension liability for the supplementary pension cover. The change in liability is entered under the result and is presented in the Balance Sheet among the obligatory provisions.

Performance fees

The performance fees for programmes acquired from outside producers are entered as expenditure for the financial year when the programme is shown. Advances paid for performance rights before the year of showing are posted in the balance sheet under current assets. The costs of performance rights for programmes shown during the financial year are included among the performance fees in the profit and loss account.

Items denominated in foreign currency

The receivables and debts outside the Euro area denominated in foreign currency in the Balance Sheet at the closing of the accounts have been converted into Euros at the average rates published on the date when the accounts.

Notes to the balance sheet

1. Intangible assets

	2006	2005
Acquisition cost 1st Jan	29 972.2	26 886.1
Increases	2 565.5	3 164.2
Decreases	-788.3	-78.1
Transfers between items	234.1	0.0
Acquisition cost 31st Dec	31 983.5	29 972.2
Accrued depreciation 1st Jan	20 304.7	17 180.6
Accrued depreciation of decreases and transfers	-687.0	-78.1
Depreciation and write-offs for the financial year	3 660.9	3 202.1
Accrued depreciation 31st Dec	23 278.6	20 304.7
Bookkeeping value 31st Dec	8 704.9	9 667.5

2. Tangible assets

	2006	2005
Land		
Acquisition cost 1st Jan	360.2	360.2
Decreases	-32.0	0.0
Acquisition cost 31st Dec	328.2	360.2
Bookkeeping value 31st Dec	328.2	360.2
Buildings and structures		
Acquisition cost 1st Jan	219 752.2	216 901.1
Increases	2 972.0	2 851.0
Decreases	-3 109.4	0.0
Acquisition cost 31st Dec	219 614.8	219 752.2
Accrued depreciation 1st Jan	122 017.5	115 911.7
Accrued depreciation of decreases and transfers	-2 099.5	0.0
Depreciation and write-offs for financial year	6 179.2	6 105.8
Accrued depreciation 31st Dec	126 097.2	122 017.5
Bookkeeping value 31st Dec	93 517.6	97 734.7

	2006	2005
Machinery and equipment		
Acquisition cost 1st Jan	236 767.3	243 536.2
Increases	10 213.4	8 220.0
Decreases	-9 696.1	-14 988.8
Transfers between items	-70.3	0.0
Acquisition cost 31st Dec	237 214.3	236 767.3
Accrued depreciation 1st Jan	199 165.0	200 843.9
Accrued depreciation of decreases and transfers	-9 699.6	-14 988.2
Depreciation and write-offs for financial year	12 337.7	13 309.3
Accrued depreciation 31st Dec	201 803.1	199 165.0
Bookkeeping value 31st Dec	35 411.2	37 602.3
Other tangible assets		
Acquisition cost 1st Jan	395.4	395.4
Transfers between items	-163.8	0.0
Acquisition cost 31st Dec	231.6	395.4
Accrued depreciation 1st Jan	99.9	83.6
Accrued depreciation of decreases and transfers	-85.9	0.0
Depreciation and write-offs for financial year	15.0	16.3
Accrued depreciation 31st Dec	29.0	99.9
Bookkeeping value 31st Dec	202.6	295.4
Advance payments and acquisitions in progress		
Acquisition cost 1st Jan	5 911.3	2 496.4
Increases/Decreases	8 333.5	3 415.0
Acquisition cost 31st Dec	14 244.8	5 911.3

3. Investments

	2006	2005	
Stocks and share			
Acquisition cost 1st Jan	1 162.9	6 528.0	
Increases	0.0	29.2	
Decreases	-33.2	-5 394.3	
Acquisition cost 31st Dec	1 129.7	1 162.9	
Bookkeeping value 31st Dec	1 129.7	1 162.9	
Affiliated companies	Ownership share	Shareholders' equity	Result for the period
	%	EUR	EUR
Platco Oy; Helsinki	33.3	404 714.37	-4 474.30
Tebit Oy; Espoo	20	1 833 269.60	961 658.23

4. Non-current receivables

	2006	2005
Loan receivables	2 793.9	502.5

5. Current receivables

	2006	2005
Advance payments	43 997.7	49 803.5
Receivables from the Television and Radio Fund	7 978.7	7 978.1
Trade receivables	2 193.0	1 416.5
Other receivables	2 837.1	1 919.8
Transition items	7 991.6	6 829.8
Total receivables	64 998.1	67 947.7

The advance payments are performance rights for programmes that have not been shown.

6. Financial securities

	2006	2005
The financial securities comprise bonds which are the object of public trading, investment and municipal certificates, and fund investments.		
Market value	85 543.3	99 629.4
Bookkeeping value	82 168.6	98 074.3
Difference	3 374.7	1 555.2

7. Shareholders' equity

	2006	2005
Changes		
Profit for the previous financial years 1st Jan	142 839.3	171 681.7
Profit/loss for financial year	-16 528.5	-28 842.4
Profit 31st Dec	126 310.8	142 839.3
Calculation of assets distributable as dividend per 31st December		
Non-restricted funds	12 747.7	12 747.7
Profit for the previous financial years	142 839.3	171 681.7
Profit/loss for financial year	-16 528.5	-28 842.4
Total	139 058.5	155 587.1

8. Obligatory provisions

	2006	2005
Contractual pensions	6 532.8	6 665.3
Change in obligatory provisions	-132.5	496.2

9. Current liabilities

	2006	2005
Trade payables	11 885.3	13 325.8
Other debts	8 853.6	8 725.4
Assigned debts	119 842.5	119 000.1
Total	140 581.4	141 051.3
Itemisation of assigned debts		
Periodised part of television fees	85 455.5	83 166.7
Periodisations of personnel costs	31 279.7	31 840.8
Other assigned debts	3 107.3	3 992.5
Total	119 842.5	119 000.1

Notes to the profit and loss account

10. Personnel costs

	2006	2005
Wages and fees	160 599.9	164 724.4
Pension costs	19 247.6	57 866.4
Other personnel costs	9 725.8	9 807.3
Total	189 573.3	232 398.0

Wages and fees paid to the Director General and members of the Board of Directors and Administrative Council.

Management salaries and fees	368.9	342.0
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Number of monthly paid employees approx.

Radio	1 136	1 192
Television	1 794	1 827
Swedish-language Radio and Television	547	548
Other departments	467	517
Total	3 944	4 084

11. Depreciations and reductions in value

	2006	2005
Planned depreciations		
Other non-current costs	3 660.9	3 202.1
Buildings and structures	6 179.2	6 105.8
Machinery and equipment	12 337.7	13 309.3
Other tangible assets	15.0	16.4
Total	22 192.8	22 633.6
Total depreciations and reductions in value	22 192.8	22 633.6

12. Financial income and expenses

	2006	2005
Financial income		
Income from dividends	173.9	80.8
Other interest and financial income	3 857.8	2 565.7
Total financial income	4 031.7	2 646.5
Write-offs		
Write-offs of financial securities	-818.2	-154.0
Refunds of write-offs of financial securities	545.1	6 242.6
Write-offs total	-273.1	6 088.5
Financial expenditure		
Interest and other financial expenditure	-125.4	-1 209.7
Total financial income and expenditure	3 633.2	7 525.4

Securities and contingent liabilities (EUR 1000)

	2006	2005
Securities given on own behalf		
Pledged securities	15 600	15 600
Leasing liabilities		
To be paid in next financial year	1 750	2 175
To be paid later	1 898	2 565
Total	3 648	4 740
Rental liabilities		
Yleisradio Pension Fund	71 948	73 856
Other rental liabilities	6 900	7 366
Total	78 848	81 222
Derivative agreements		
Forward contracts denominated in foreign currency		
Current value	-158	51
Contract or notional value	7312	7 245

Board of Directors' recommendation for the use of profit

Helsinki, 19th March 2007

Hannu Olkinuora
Jouni Backman
Raija-Sinikka Rantala

Jukka Alho
Gunvor Kronman

Maria Kaisa Aula
Velipekka Nummikoski

Auditors' entry

The financial statements have been drawn up in accordance with good accounting practice. The auditors' report on the audit has been issued today.

Helsinki, 19th March 2007

Authorized Public Accountants
PricewaterhouseCoopers Oy

Eero Suomela
Chartered Public Accountant

Jari Häkkinen
Chartered Public Accountant

Statement by the Administrative Council to the Annual General Meeting

At the meeting held today, the Administrative Council of Yleisradio Oy has examined the financial statements and auditors' report for the 2006 financial year. The Administrative Council submits as its statement to the 2007 Annual General Meeting that the Profit and Loss Account and the Balance Sheet for the financial year from 1st January to 31st December 2006 be adopted and concurs with the Board of Directors' recommendation on the application on the profit.

Helsinki, 27th March 2007

Mika Lintilä
Pia Viitanen
Mikko Alatalo
Toimi Kankaanniemi
Kalevi Lamminen

Liisa Jaakonsaari
Kalevi Olin
Pauliina Arola
Kimmo Sasi
Pertti Hemmilä

Esko-Juhani Tennilä
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