"Let's get down to business"

Talentum
Annual Report

2008

talentum

Let’s get down to business

Talentum helps Nordic professionals succeed. The Group focuses on publishing media and professional literature directed at professionals from different disciplines as well as arranging topical training and events.

Information for shareholders

The Board of Directors proposes a dividend and return of equity for 2008 of a total of EUR **0.10** per share.

Talentum Oyj is listed on NASDAQ OMX Helsinki Oy. The trading code for the shares is TTM1V and the ISIN code is FI0009900898. Talentum Oyj and Nordea Securities Oyj have concluded a market making agreement that meets the requirements of Liquidity Providing (LP) on the NASDAQ OMX Helsinki Exchange.

The shareholder register is maintained by Euroclear Finland Oy (Finnish Central Securities Deposition). Euroclear Finland Oy holds all public information about the company's shares and a register of those with insider information. The public insider register and a list of the 20 biggest shareholders can be viewed on the company's website.

A list of Talentum's biggest shareholders is also given on page 51 of this annual report.

The Annual General Meeting of Talentum Oyj will be held on Friday 27 March 2009 at 2.00 p.m. at the Scandic Marski Hotel, Mannerheimintie 10, Helsinki.

Dividend and return of equity

The Board of Directors proposes a dividend and return of capital for 2008 of a total of EUR 0.10 per share. The proposed record date for the dividend and return of equity is April 1st 2009 and the payment date is April 8th 2009. All shares in issue at the record date, with the exception of the company's own shares controlled by the parent company, will be entitled to receive the dividend and return of equity for 2008.

Annual General Meeting

The Annual General Meeting of Talentum Oyj will be held on Friday 27 March 2009 at 2.00 p.m. at the Scandic Marski Hotel, Mannerheimintie 10, Helsinki.

Shareholders wishing to attend the AGM must notify the company no later than 4 p.m. on 25 March 2009, either in writing to Talentum Oyj, Share Register, P.O. Box 920, 00101 Helsinki, Finland, or by telephone + 358 (0)40 342 4388, or by email to info@talentum.fi. Written notification must be received before the notification deadline. Please send any proxies with the notification of attendance.

Shareholders who, no later than 17th March 2009, are listed as shareholders in the list of shareholders maintained by Euroclear Finland Oy and have announced their intention to participate in the AGM in the manner indicated above will have the right to participate in the AGM.

Change of address

Talentum's share and shareholder register is held by Euroclear Finland Oy.

Notifications of changes to holdings and personal details and addresses should be sent to the organization that manages the shareholder's account.

Financial statements for 2009

Talentum will publish its 2009 financial statements every quarter. Interim reports will be published on 28 April, 22 July and 27 October.

Annual reports and releases can be ordered from Talentum Communications, P.O. Box 920, 00101 Helsinki, Finland and by email from info@talentum.fi.

Annual reports and company releases can also be viewed at on the internet at www.talentum.fi.

The company does not automatically post the annual report or interim reports to shareholders. Those documents can be ordered by contacting Group Communications on (tel) + 358 (0)20 442 40, or by sending an email to info@talentum.fi.

Analysts following Talentum

An up to date list of analysts who monitor Talentum can be found in the investors' section of the company's web pages (www.talentum.fi).

Contents

Talentum as a company

Talentum is a Nordic publisher and provider of information who focuses on professionals. Talentum serves its customers, readers and advertisers, in the forums they prefer, irrespective of channel.

Talentum services

Online services

Newsletter

Training

Books

Magazines

Talentum's services cover the changing information needs of experts in different situations.

Talentum has specialized in media directed towards technical, economic, personnel management and legal professions as well as online and information services. Talentum also produces seminars and events for professional groups and publishes business books. Its activities also include direct marketing in support of its publishing activities.

Talentum's objective is to be the largest and most profitable operator in its field in the Nordic countries and in other selected market areas.

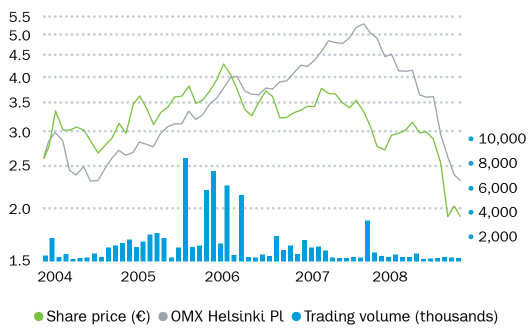
Talentum's net sales (continuing operations) in 2008 were EUR 93.4 million and the company employed about 800 people in Finland, Sweden, the Baltic states and Russia. Talentum Oyj's shares are listed on NASDAQ OMX Helsinki Oy.

Key figures (continuing)

	2008	2007
Net sales, M€	93.4	89.1
Operating profit, M€	11.5	13.9
Operating profit before non-recurring items, M€	11.5	13.2
Return on capital invested %	30.8	26.6
Investments, M€	2.4	10.0
Equity ratio, %	44.8	36.7
Earnings/share €	0.19	0.22
Dividend/share €	0.10*	0.20
Average number of employees	818	763
Net sales/employee, 1,000 €	114	117

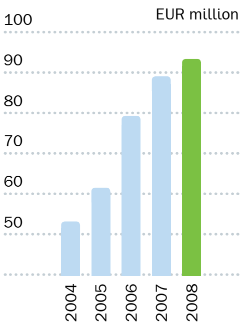
* Board of Directors proposal: 0.04€ dividend, 0.06€ return of equity

Share price and trading



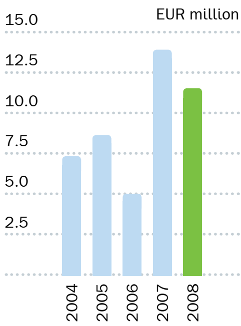
© NASDAQ OMX

Net sales



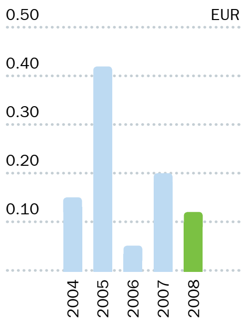
continuing operations

Operating profit

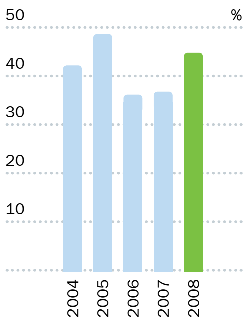


continuing operations

Earnings per share



Equity ratio



From professionals for professionals

Talentum offers a varied selection of Finland's and Sweden's leading media brands which get to grips with topical phenomena in different sectors and on changes in society through magazines, network services and electronic news letters.

Talentum's best known media brands include:

- Affärsvärlden
- Arvopaperi
- MikroPC
- Ny Teknik
- Talouselämä
- Tekniikka & Talous

Talentum publishes professional literature in different sectors, letting you scoop out ideas just when it suits you.

Talentum's popular books:

- Finland's Law I – III (Suomen Laki) and the Swedish language versions Finlands Lag I – II as well as the online version of the law books www.suomenlaki.com
- The Supervisor's handbook total package (book, www and CD ROM) (Harri Hietala, Keijo Kaivanto, Elisa Valvisto)
- The Future of Management (Gary Hamel)
- Fast strategy (Mikko Kosonen, Yves Doz)

Training organized by Talentum helps professionals complement and develop their skills. At the various events organized by Talentum, customers can meet professionals from their own field to share the latest information.

Talentum's most popular trainings:

- Large funds and associations day
- The problem solving manager
- Reduce sickness absence
- From expert to manager – tools for new challenges

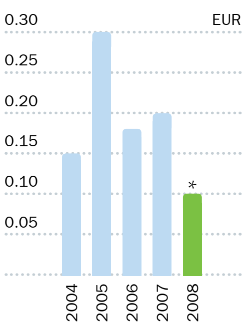
Most popular events:

- Markkinointi & Mainonta High Place Camp
- Female decision makers in business life
- Talouselämä magazine and SEFE
  The Finnish Association of Business School Graduates' Economics day
- Energia magazine's Finnish Energy Day
- Leader of the Year - Keynote Speaker 2008 Sir Richard Branson
- Future leaders
- Bank & Finance Outlook
- Media Day
- CIO + CFO = True

Talentum publishes professional literature in different sectors, letting you scoop out ideas just when it suits you.

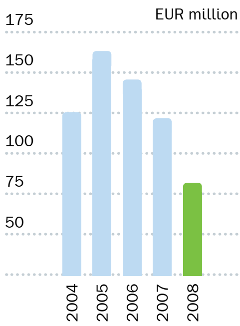
Training organized by Talentum helps professionals complement and develop their skills.

Dividend per share

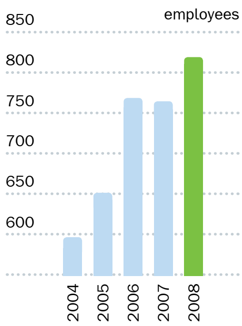


* Board proposal: 0.04€ dividend, 0.06€ return of equity

Market capitalization



Average number of employees



continuing operations

Technology joins people

Technology experts find interesting things to read in Talentum's magazines in Finland and Sweden. It is easy to immerse yourself in the reading experience on offer from Talentum.


NyT
Iphone håller koll på ditt snarkande
NyTeknik
SVENSKA HYBRIDER
EKATAJA

Review by the CEO

A strong balance sheet and concentration on publishing will give the Talentum Group a good base from which to implement its strategy.

2008 was an excellent year with regard to the implementation of Talentum's chosen strategy. During the year under review Talentum sold both its TV content production and its Premedia business. The step was significant as from hereon we can concentrate all our resources on developing our publishing operations. The international proportion of our business grew during the year, and for the year now starting, about 40 per cent of Talentum's net sales will come from outside Finland. Concentrating on publishing activities and growing the business internationally was well received both by the markets and among our own staff.

2008 got off to a positive start. The demand for Talentum's products and services was good, but the outlook weakened in the face of stock market uncertainty and assessments of the effects of the international economy, particularly the United States' economy, on Europe and Finland. The negative assessments materialized at the end of the year when advertising, and particularly recruitment advertising, collapsed in both Finland and Sweden.

For media advertising too, 2008 got off to a good start. However, the growth of the media market in Finland slowed down significantly already in February-March and began to fall at the end of the year. In Sweden the significant fall was in the second half of the year. Talentum's media sales were better than the market development for periodicals generally in Finland, even though it suffered from the reduction in recruitment advertising resulting from the general economic situation. A process of cost adjustment and improving the efficiency of operations was started in 2008 so that profitability could be safeguarded in falling media markets too. The cost saving program aims to achieve a good two million Euros of savings.

We have developed both our printed and online media. In our online business we invested in technical upgrading and content production as well as development of services. The sales of online operations grew and now hold a significant share of the overall operation. As well as increasing synergy benefits we have simultaneously improved cooperation between Talentum's media.

Our strategic objective is to diversify our revenue streams and at the same time reduce our dependence on advertising which is sensitive to economic conditions. Growing training and our provision of seminars are well on track as is other content sales.

Our assessment is that the information needs of Talentum's professional target groups will remain high irrespective of the economic situation. The professionals' choice of channels for information searching: books, training, seminars, magazines, online services, may change. Talentum produces customer focused, quality content for all of these.

I would like to thank Talentum's staff for their commitment to the company's objectives, and our customers, partners and our shareholders for their trust in us. My special thanks are reserved for all our readers and users of our services.

I believe that although the market conditions will be challenging in the short-term, a strong balance sheet and concentration on publishing will give the Talentum Group a good base from which to implement its strategy.

Juha Blomster
CEO


elinchrom

Up to date in management

The changing face of management provides a multitude of challenges. Those who are interested in the subject can immerse themselves in the secrets and trends of management through Talentum's comprehensive selection of books and trainings as well as through Fakta magazine. Management consultant and writer, Pentti Sydänmaanlakka is well-known for his many works dealing with management problems.

Strategy

Talentum's objective is to be the Nordic countries' largest and most profitable publisher. The objective will be achieved through acquisitions, organic growth and diversification of our revenue structure.

The proportion of core business in 2008 was **94%**.

The proportion of core business in 2006 was **61%**.

Talentum is a publisher focusing on professional groups, who provides its customer with targeted and value added generating information irrespective of channel. Talentum's objective is to be the Nordic countries' largest and most profitable professional publisher.

Strategic outline

In accordance with its strategy, Talentum has concentrated in its core skills, publishing operations directed towards professionals in different fields which is also supported by the Group's direct marketing company.

The publishing operations are grown organically and through acquisitions as well as by diversifying the revenue structure. Talentum emphasises growth, particularly outside Finland. Particular potential is seen in the Swedish markets. Opportunities for expansion are also being investigated in other Nordic countries, Russia and Central Europe.

Financial objectives:

- net sales of 140 million Euros in 2010
- operating profit to be 15 per cent of net sales in near future
- at least 50 per cent of net sales from outside Finland

Implementation of strategy in 2008

The change in the structure of business activity has proceeded in Talentum according to plan. During the year both TV content production and premedia activities were divested. Publishing now accounts for about 94 per cent of Talentum's activities.

The objective to diversify earnings structure and increase the proportion of content production and information services of net sales has progressed well. Net sales of books, training and information services operations has grown and dependence on advertising income has been reduced. The biggest change in the structure of earnings was the acquisition of Talentum HR in Sweden and its successful integration.

Significant investment was put into the renewal of e-business operations during 2008. Internet pages for a total of nine media brands were renewed during the year. This has brought new services to the pages and more readers.

Talentum is well placed for profitable growth. Divesting operations that are not part of core business activities has freed up capital for the development of media products and services as well as diversifying the organization's skills. The acquisitions that have been made in addition have increased the base for growth.

Main focus areas for growth

Talentum's competitive advantage is its unique selection of services which are precisely directed at a defined target group of experts. The services are produced by real experts in their own fields.

In the future, Talentum's main focus areas for growth will be the development of its media business, e-business and information services. Continually mapping out the need of Talentum's target group's of experts, and packaging information in ways that are useful to experts is of critical importance.

The focus is more than ever on the customer and understanding his/her needs.

As the amount of information increases so does the need for its analysis. The significance of electronic media and information services increases continuously and experts need an appropriate combination of technical innovation and expert content.

Mission

We help professionals to succeed.

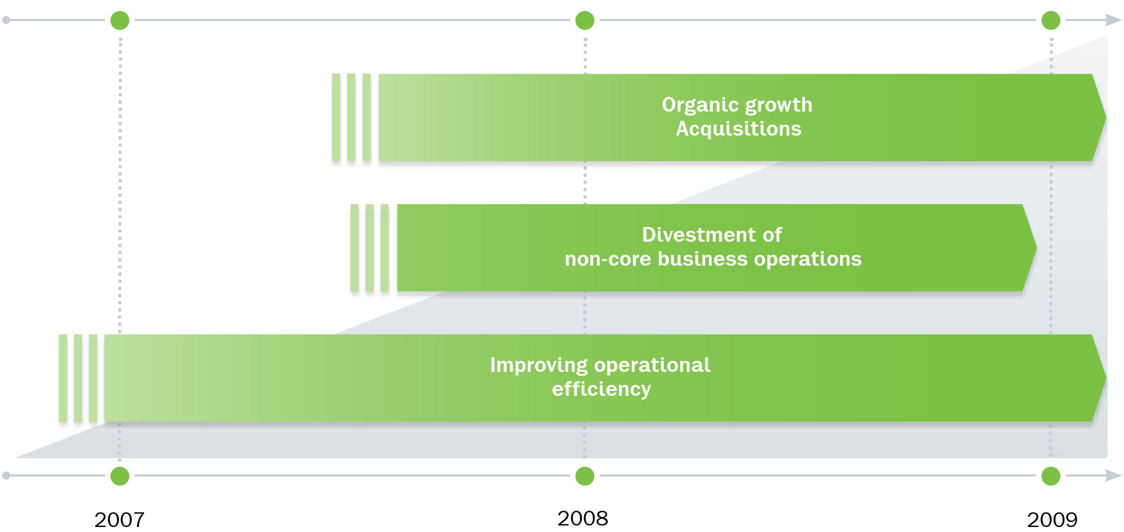
Vision

To be the largest and most profitable publisher and information services provider to professionals in the Nordic countries.

Values

Our operations are based on cooperation. We earn the customer's respect. We are highly competitive in everything we do.

Implementation of strategy



Implementation of strategy has progressed in stages. Talentum concentrates on its publishing activities, of which the significant parts are magazines, books, online and information services, training and events. Talentum aims to achieve profitable growth through acquisitions and organic growth.

Operating environment

The amount of content produced by different user groups is continuously increasing which means that in the future too reliable, professionally produced media will be required both online and in print to transmit and analyze information.

Online media advertising has been growing for a long time.

The growth of online advertising in 2008 in Finland was **22.2%**, and **18.5%** in Sweden.

Talentum concentrates on publishing. Talentum provides its professional customer groups targeted products and services: magazines, books, training, events and electronic information services.

At present, Talentum operates mainly in Finland and Sweden. Talentum's competitive environment is made up of media and service-specific companies that provide similar products for professionals. The hardest competition is for media consumers' time.

Media markets and digitalization

As media has become more varied and digitalized, more channels have appeared. Media content can be better directed even to small target groups of readers and customers. The growth of networked media is a global trend, and the rapid transmission of news has switched to electronic media. Also in Finland, the trend has led to some news magazines only being published online.

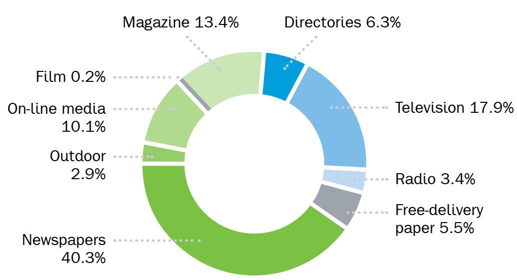
Publishers are focusing on electronic information transmission in order to reach readers and customers in the channels that best serve them. The competitive advantage of printed periodicals is the added value they bring to news coverage. Periodicals that are based on quality journalism and provide the background, complement the rapid communication of news on electronic media.

Advertising makes up a significant part of the media business. Both media advertising on the web, and the amount of media offering web-based advertising has grown globally. The growth of advertising in printed media has reduced whereas web-based advertising has increased. Classified, fast-cycle advertising in particular is moving from daily newspapers to web-based media. However, the total financial value of printed advertising is significantly greater than that of web-based advertising.

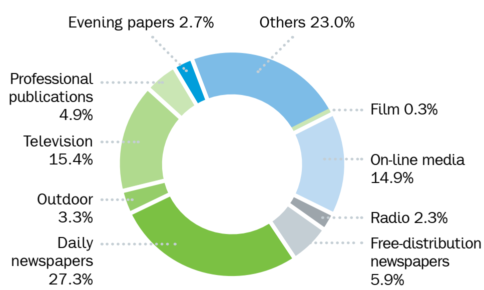
The total readership and viewer figures for media have increased, and the popularity of specialist magazines in particular has grown. Only some readers follow both magazines and web-based media, and they generally follow only one or the other actively. The particular challenge for the media is to get younger generations to become readers of printed media.

The amount of information on the web is tremendous, and an individual person can find it hard to evaluate its quality and reliability. Searching for information has largely moved to the internet and digital formats are overtaking printed ones. The amount of content produced by users and various communities is continuously increasing which means that in the future too reliable, professionally produced media will be required both online as well as in print to transmit and analyze information.

The split of media advertising in Finland 2008



The split of media advertising in Sweden 2008



Media advertising in 2008

Short term forecasts of media advertising in the prevailing economic downturn is difficult. At the beginning of 2008 growth in media advertising continued at the level of the previous year, but with the slowdown in economic growth, the growth of media advertising also slowed. In Finland the change took place at the first half of the year, and in Sweden during the second half of the year.

The growth of media advertising in Finland in 2008 was -0.1 per cent, and in Sweden 3 per cent.

The value of media advertising in Finland and Sweden in total was about 4,900 million Euros. The Swedish market is about twice the size of the Finnish market.

The growth in online advertising continued at the rate of previous years. All in all, online advertising has about 10.1 per cent of the whole media advertising market in Finland and 14.8 per cent in Sweden.

Book publishing

Overall growth in book sales in Finland has been steady. The printed non-fiction share of the Finnish book market has declined slightly over the past years. The reduction has been concentrated on encyclopedias and large illustrated books, but not really on professional literature. The number of audiobooks and non-fiction books in digital format is growing, but there is no sign yet of a break-through in electronic books in the near future.

Training and events

Competition in the training sector has increased and the number of providers in Finland has grown. A long economic boom is one thing underpinning the growth, but the increase in the amount of information available has also increased the need for training. Because they can be more precisely targeted, the popularity of various seminars, exhibitions and events as media has grown.

E-learning is developing continuously, but for the time being it is still a small scale commercial business in Finland as elsewhere.

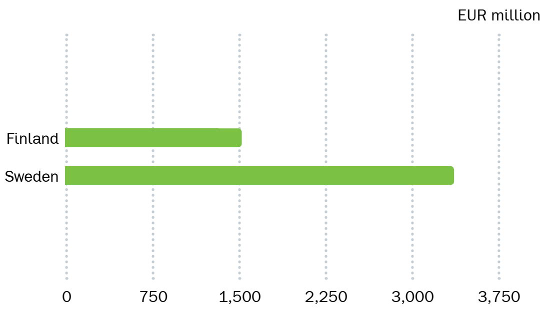
Direct Marketing

Direct marketing will grow as a sector. Companies engaging in it range from those on consumer goods markets to financial institutions. Data protection legislation, the availability of registers and accuracy of data have a particular influence on the functioning of this sector.

The Swedish market is **twice** the size of the Finnish market.

The total readership and viewer figures for media have increased, and the popularity of specialist magazines in particular has grown.

The size of the media markets



Sources: TNS Media intelligence, Institute for Advertising and Media Statistics (Institutet för Reklam- och mediestatistik – IRM).


M&M

Renewed network

A fast tempo network is able to respond actively to the behaviors and needs of readers. Talentum responded to the challenge in 2008, and renewed a total of nine of its media brands' online services in Finland and Sweden.

Business areas

Talentum's core business area is the publishing of professional literature and media intended for professionals from different sectors, as well as arranging training and events on topical subjects. Direct marketing supports the core business and is an important player in Talentum's sales channel strategy.

Publishing

Publishing operations' share of Talentum Group's net sales is **94%**.

Talentum's magazines reach a total of **1.5** million readers.

Through its network Talentum reaches almost **a million** professionals in the Nordic countries.

Talentum publishes **10** magazines in Finland and **7** in Sweden. Each of these magazines also has its online services.

Talentum concentrates on publishing activities directed towards professional target groups. There are currently operations in Finland and Sweden, as well as in Russia on a small scale. Publishing accounts for 94 per cent of Talentum's business operations. Net sales from publishing in 2008 were EUR 87.7 million and operating profit was EUR 12.5 million. Net sales increased by 5 per cent from the previous year.

The most important target groups for the publishing operation are professionals interested in technical, financial, management, health care, advertising and legal subjects. Talentum's strength in publishing is the attention it pays to customers' needs. From Talentum's offer, customer can select the channel that suits his/her own time constraints and information requirements.

The objective of Talentum's publishing operation is to grow profitably as well as to diversify its revenue structure. Growth will be generated by emphasizing its e-business which is a growing media market.

The Swedish subsidiary, Talentum Sweden AB, publishes magazines and online services for professionals. Talentum HR for its part, provides information to professionals in the Swedish HR and financial management sectors.

Talentum and Medicine Today International, part of the Swedish Bonnier Group, own Mediuutiset Oy Ab, which publishes the Mediuutiset magazine in Finland. Medicine Today International publishes Mediuutiset's sister magazines in Sweden, Norway, Denmark and Poland.

In Russia, Talentum owns half of Conseco Press; a legal publisher and consulting operation.

Talentum's IT magazines and books have worked in cooperation with the world's largest IT sector publisher, International Data Group (IDG), in various forms for 25 years. Nowadays, there is daily cooperation in the content production of the magazines and also in advertising sales.

Foreign subsidiaries

- Talentum Sweden AB, Sweden
- Conseco Press OOO, Russia

Products and services

Talentum's network offers professionals from different sectors a comprehensive selection of Finland's and Sweden's leading media brands which get to grips with topical phenomena in different sectors, and with economic changes through magazines, network services and electronic newsletters.

The training operation, which started with legal training, is expanding all the time and in the summer of 2008 it launched new titles: Talentum Lakikoulutus (Talentum Legal Training) and Talentum Koulutus (Talentum Training). Training organized by Talentum helps professionals complement and develop their skills. At the various events organized by Talentum, customers can meet professionals from their own field to share up to date information.

Talentum publishes legal and other professional literature, letting you scoop out ideas just when it suits you. Talentum is known as the publisher of the Suomen Laki works (Finland's Law) among other things.

Talentum HR provides various web-based and information services to professionals in the HR, finance and tax legislation sectors in Sweden. As well as web-based services, the company's products include publishing professional literature, newsletters, organizing seminars and training, HR advisory services and consulting services.

Key figures from publishing operations

EUR million	2008	2007
Net sales	87.7	83.8
Operating profit	12.5	14.8
% of net sales	14.3	17.7
Average number of employees	430	384

Geographic distribution of publishing operations

EUR million	2008	2007
Net sales		
Finland	53.1	53.9
Others	34.6	29.9
Total	87.7	83.8
Operating profit		
Finland	9.7	10.6
Others	2.8	4.2
Total	12.5	14.8

Talentum Legal Training and Talentum Training organize about **200** training sessions and seminars for professionals from different sectors in Finland every year.

Direct Marketing

Talentum owns Suoramarkkinointi Mega Oy, which is the leading outbound, i.e. contacting current or potential customers, specialist telemarketing company in Finland and the Baltic states.

The company's skills support Talentum's publishing operation and are part of its sales channel strategy.

Mega works profitably as a provider of sales services targeted at companies and consumers. Mega works from 15 locations in Finland and a further 18 in Estonia, Latvia and Lithuania.

Direct marketing key figures

EUR million	2008	2007
Net sales	9.8	9.5
Operating profit	1.1	1.3
% of net sales	11.2	13.7
Average number of employees	374	365

Direct marketing accounts for 6 per cent of Talentum's consolidated net sales. Net sales were 3.1 per cent up on the previous year at EUR 9.8 million. Operating profit was EUR 1.1 million. The number of employees in 2008 was 374.

Mega works constantly to develop its operations and staff. Mega's permanent challenge is to find professionally skilled and motivated staff.

Foreign subsidiaries

- Müügimeistrite AS, Estonia
- Telemarket SIA, Latvia
- Telemarketing UAB, Lithuania

Services offered by Suoramarkkinointi Mega Oy:

- Sales of professional magazines and books
- Sales of special magazines
- Sales of training services
- Advertising sales
- Procuring sales leads for service companies
- Sales of insurance services
- Membership sales
- Sales of operator services

Direct marketing accounts for **6%** of Talentum's consolidated net sales.

From professionals

Talentum publishes leading media brands and professional literature in different sectors in Finland and Sweden and also organizes training and events to support professional development.

for professionals

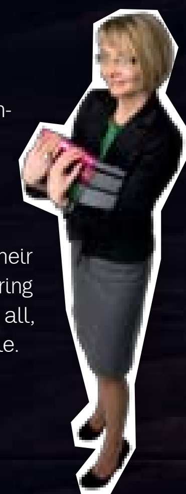
Talentum is known for its products and services directed towards professionals interested in the technical, finance, management, health care, advertising and legal sectors.

Book publishing

Talentum is a leading publisher of a comprehensive range of legal and professional literature in Finland. Talentum publishes both domestic and international expert books from topical areas in the fields of business and law. Talentum's authors are well-known experts in their fields whose works are respected by readers. During 2008, some 120 titles were published. All in all, about 600 different titles are available for sale.

www.talentumshop.fi

MINNA NÄSÄNEN, **DIRECTOR, BOOKS**



Pörssipalvelu

The joint stock market service from Arvopaperi and Talouselämä magazines provides information about the financial results, AGMs and dividends of companies quote on the Finnish Stock Exchange. This stock exchange service can be found at the following websites:

porssi.arvopaperi.fi ja porssi.talouselama.fi

Juristikirje

This is a tailored review for lawyers focusing on the latest news on law, finance and management. The Juristikirje newsletter is published every Wednesday and can be delivered to your email.

Affärsvärlden

Affärsvärlden is one of Sweden's leading financial and business magazines and one of the world's oldest. The print and online service offer stock market reports and company analyses in addition to financial news, people in the headlines and the latest commentaries. Affärsvärlden's online services provide daily comments and analyses for those who want to keep their finger on the pulse of developments in business life.

www.affarsvarlden.se

EDITOR-IN-CHIEF: JON ÅSBERG **CIRCULATION:** 26,600

Energia

Energia is a leading Finnish magazine covering the energy sector and provides information about the most interesting themes in the energy sector, innovations, technology and people working in the sector. Energia-magazine's articles can be read at the online service of Tekniikka & Talous.

www.energialehti.fi

EDITOR-IN-CHIEF: TERHO PUUSTINEN **PRINT RUN:** 7,000

Arvopaperi

Arvopaperi offers its readers a comprehensive service for investors that includes a monthly magazine, Aamukirje newsletter, Arvopaperi Online and various investor events. Arvopaperi publishes an investment funds guide "Sijoitusrahasto-opas" annually and "Arvoasunto-lehti", a magazine specializing in investments in residential property, twice a year.

www.arvopaperi.fi

EDITOR-IN-CHIEF: ELJAS REPO **CIRCULATION:** 26,750

Fakta

Fakta is a high-quality professional magazine and an online service for managers and key personnel, complemented with features on leisure, pastimes and interesting people. Fakta is familiar with the latest business research and trends around the world, but also with the perennial day-to-day problems faced by managers.

www.faktalehti.fi

EDITOR-IN-CHIEF: HEIDI HAMMARSTEN **CIRCULATION:** 18,030

Dagens Media

Dagens Media is Sweden's leading bi-weekly magazine focusing on marketing and the media. The www.dagensmedia.se -news service and a newsletter published twice a week complement the magazine, providing the latest news about the media sector.

www.dagensmedia.se

EDITOR-IN-CHIEF: FREDRIK SVEDJETUN
CIRCULATION: 7,500

Markkinointi&Mainonta

Markkinointi & Mainonta is the advertising, marketing and sales supporter as well as being the leading media in its field and provides a comprehensive grip on the successful marketing equation. The magazine is complemented by an online service as well as a daily newsletter.

www.marmai.fi

EDITOR-IN-CHIEF: SAILA-MARI KOHTALA
ACTING EDITOR-IN-CHIEF IN 2008: HEIMO HATAKKA
CIRCULATION: 10,176

Duuniauto.fi

The duuniauto.fi online service gives comprehensive coverage of company cars and contains news, feature articles and other information that motorists will find useful. A free weekly electronic newsletter is also part of the concept.

Arbetarskydd

Arbetardskydd is a Swedish occupational health and safety news magazine that focuses on the work environment. It is read by a diverse group of professionals and by people in the public sector. Arbetarskydd reports on new laws and regulations, offering practical solutions and examples.

www.arbetarskydd.se

EDITOR-IN-CHIEF: JOHANNA KRONLID **CIRCULATION:** 16,200

Uratie (Career Path)

Uratie is Talentum's recruitment service (online and in print) for the Finnish media. Uratie includes stories about professional work, changes in working life, the rules of the recruitment game, people en route to establishing a reputation, experiences with hotels and also reviews books.

www.uratie.fi

ANTTI OKSANEN, **DIRECTOR, CONTENT, ONLINE SERVICES (FINLAND)**

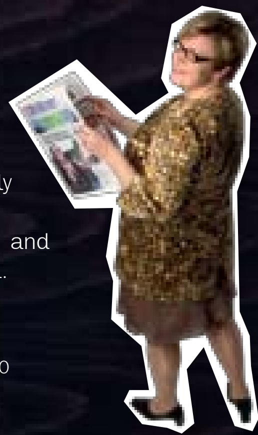
Lag&Avtal

Lag & Avtal magazine specializes in examining Swedish employment legislation and court cases. The active readership is made up of professionals who work with corporate and employer associations on labor market issues. Lag & Avtal's online service provides the latest news of the field.

www.lag-avtal.se

EDITOR-IN-CHIEF: JOHANNA KRONLID **CIRCULATION:** 4,800

Mediuutiset



Mediuutiset is an independent health news media for doctors, pharmaceutical sector professionals and health care decision makers. The online service produces Finland's only flow of news related to health care.
Readers can also order the MediTerveys and MediLääke news letters, delivered by email.

www.mediuutiset.fi

EDITOR-IN-CHIEF: ELINA YRJÖLÄ **PRINT RUN:** 28,000

Tietoviikko

Tietoviikko bridges IT and business. Exposing the commercial effects of development and IT projects is an important task for Tietoviikko. Tietoviikko also publishes an electronic newsletter which is sent out every working day as well as publishing the hottest topics of conversation and the background to them on its online service.

www.tivi.fi

EDITOR-IN-CHIEF: KAUKO OLLILA **PRINT RUN:** 36,700

Metallitekniikka

Metallitekniikka is the only trade journal for Finland's largest industrial sector. The magazine has followed events and developments in the industry for 60 years. The Metallitekniikka magazine's website provides news for mechanical engineering professionals with the main emphasis on production and product development. The web pages are part of the Tekniikka&Talous online service.

www.metallitekniikka.fi

EDITOR-IN-CHIEF: MIKA HÄMÄLÄINEN **PRINT RUN:** 9,600

Talouselämä

Talouselämä is the Nordic countries' largest weekly business magazine and Finland's most respected business magazine. Talouselämä looks at the background and consequences of the week's most important financial news and its monitoring of corporate acquisitions and divestments provides some unique stories about companies. In addition to the magazine and online service there is a newsletter sent out every working day.

www.talouselama.fi

EDITOR-IN-CHIEF: PEKKA SEPPÄNEN **CIRCULATION:** 79,684

MikroPC

MikroPC is a specialized IT magazine that tests, evaluates and provides advice. MikroPC's readers are knowledgeable buyers of in the digital age and the magazine's product tests provide them with valuable information. MikroPC publishes an electronic newsletter that is sent out every working day. The magazine's electronic extension on the internet is MikroPC.net.

www.mikropc.net

EDITOR-IN-CHIEF: KIMMO SEPPÄLÄ **CIRCULATION:** 30,722

Tekniikka&Talous

Tekniikka & Talous describes industry activities and achievements, the latest trends in research and product development and Finnish success stories. The newsletter that appears every working day and the online service lets the reader examine up to date news and events in industry, research and product development.

www.tekniikkatalous.fi

EDITOR-IN-CHIEF: TIMO TOLSA **CIRCULATION:** 103,781

Byggvärlden

Byggvärlden is a bi-weekly magazine aimed at decision makers in the construction industry and includes, among other things, important industry news about deals and products, interviews and in-depth analysis of the whole sector. There is also a newsletter that appears twice a week.

www.byggvarlden.se

EDITOR-IN-CHIEF: ROGER THORÉN **CIRCULATION:** 20,000

Ny Teknik

Ny Teknik is the largest industrial, IT and telecoms sector medium in Sweden. Nyteknik.se is Sweden's leading news website for those who monitor the IT and telecoms sector. The magazine article archive complements the daily technical news stories from around the world.

www.nyteknik.se

EDITOR-IN-CHIEF: LARS NILSSON **CIRCULATION:** 155,000

MiljöRapporten

Miljörapporten monitors environmental and energy issues, legislation and international events in all areas of business life in Sweden. Its readers are mainly personnel in industry and business responsible for environmental matters and the environmental authorities.

www.miljorapporten.se

EDITOR-IN-CHIEF: ROGER THORÉN **CIRCULATION:** 2,000

Talentum Training

Talentum Training provides training days that interest and support professionals. Topical, quality seminars are based on knowledge of the challenges of working life and the information needs of professionals, a broad network of experts as well as strong professional skills in content production.

EEVA TAIPALE, **DIRECTOR, TRAINING**

Talentum HR

Talentum HR offers a broad range of internet-based expert services to professionals in the HR sector, financial management and tax legislation in Sweden.

www.talentumhr.se

CHRISTINA SARAND,
MANAGING DIRECTOR,
TALENTUM HR

Talentum Legal Training

Talentum Legal Training offers Finland's leading legal training service. Talentum produces and runs participative seminars that people have confidence in, which support lawyers and other specialists who need legal knowledge in their work. Talentum Legal Training is a market leader and innovator in training markets.

Events

Talentum organizes topical and practical events for professionals where expert information is provided for its stakeholders and an alternative marketing channel for its partners.

Professionals together

Talentum's products are born as the result of cooperation between many important stakeholder groups. The know-how and skills of professionals from different sectors are utilized in book publishing, seminars, training and interviews. Recruitment consultant and writer Timo Salmela (right) is one of the writers of Oma ura, paras ura (Your own career is the best career), published by Talentum in 2008.


OMA URA, PARAS URA

Corporate responsibility

A responsible company observes laws and regulations as well as acting transparently and responsibly in its relations to all stakeholder groups and its environment.

Talentum will create clear practices and objectives to develop corporate responsibility.

Being a publisher focusing on professionals, Talentum has a responsible role as a producer of reliable information, a describer of economic phenomena and thereby also a promoter of freedom of speech. In its responsibilities, Talentum places emphasis on valuing its customers and employees, reliability of information and nurturing professional skills.

In 2009, Talentum will implement a project regarding the company's corporate responsibility practices. The objective is to create clear practices and set goals for the development of corporate responsibility in its different sub-areas.

Financial responsibility

Talentum's financial responsibility is guided by its business strategy in which objectives are defined to support growth and the diversification of its income structure. A steady increase in the company's value and profitable operations have a favourable effect on customers and ensure financial wellbeing for owners, employees and partners.

The company's corporate governance system is observed in management and this system is presented in the Annual Report on pages 36–39.

Talentum's financial result also affects the wider community through taxation. A strong financial position is also a precondition for supporting environmental and social responsibilities.

Environmental responsibility

Talentum's main environmental effects are associated with the consumption of paper, transportation, recycling, energy consumption and waste management. In 2008, Talentum used about 4,200 tonnes of

Stakeholders and their expectations, and interaction with stakeholders

Customers →	**Quality products**
Personnel →	**Lasting employment, pay, benefits**
Shareholders →	**Return on investment**
Subcontractors and suppliers →	**Long-term customer relationship**
Media →	**Open communications**
Authorities →	**Observance of laws and regulations and good taxpaying capacity**
NGOs and trade organizations →	**Responsible operations by company, support and resources**

paper in the printing of its books and magazines in Finland and Sweden. Talentum does not have its own printing press; the printing of its magazines and books is subcontracted. Talentum requires its subcontractors to operate responsibly too, taking environmental and climate protection into account. Talentum sorts and recycles waste in accordance with the law. Materials no longer to be used are, where possible, recycled for reuse.

Talentum tries to reduce the emissions generated by travel by preferring tele- and videoconferencing whenever possible. Talentum's offices are located in the heart of Helsinki and Stockholm and can be reached easily by public transport. The CO_2 emissions limits for company cars have been set at a maximum of 180 g/km. Machines and equipment are regularly replaced with more energy efficient models.

Social responsibility

Talentum contributes to social development via its skills and professional expertise. The skills and wellbeing of staff, dissemination of skills and promotion of honesty and fairness in business are important issues for Talentum.

Talentum's high-quality publishing in print and online calls for not only compliance with the law but also ethical action. The editors working for Talentum observe the ethical rules for journalists in their work, i.e. good journalistic practice, which aims at supporting the promotion of responsible freedom of speech in the media. The ethical legal provisions for advertising define how Talentum acts with customers, competitors, subcontractors, partners and colleagues and how to function in society in general.

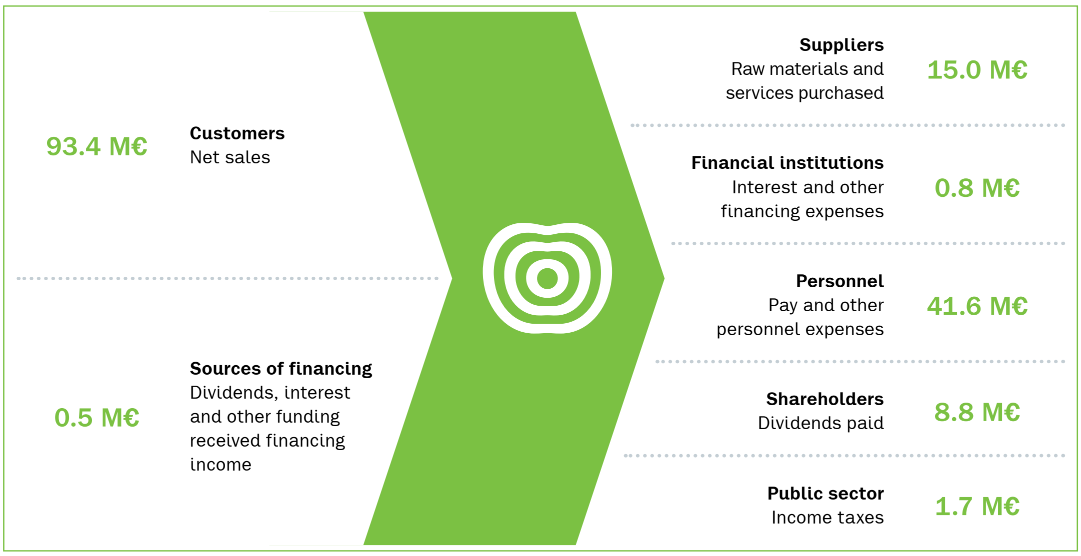
Talentum participates in sponsoring and support advertising only after careful consideration. The objects of Talentum's sponsorship must be consistent with the company's values and strategy and they must bring added value to Talentum's products and services. Talentum is open to cooperation with educational institutions, and its own experts in different fields visit institutions to talk to students about the industry whenever possible.

Talentum supports the creation, compilation and publication of research and data that serves the interests of Finnish business via the Kaute Foundation (financial assistance for commercial and technical sciences). The special fund established in 1977 by Talouselämä magazine grants allowances to science and research in accordance with the Foundation's rules and practices.

In its responsibilities, Talentum places emphasis on valuing its customers and employees, reliability of information and nurturing professional skills.

Talentum's main environmental effects are associated with the consumption of paper, transportation, recycling, energy consumption and waste management.

Direct financial impacts in 2008*



* continuing operations

Top players in personnel management

Talentum HR is the leading producer of information services for the personnel management, financial management and tax legislation sectors in Sweden. In addition, Talentum publishes in Sweden the Arbetarskydd magazine which also follows the sector.


Arlanda
ARBETARSKYDD
Arbetsmiljön vinner
www.gigant.se

Personnel

Talentum is an expert organization and the high level of professional skill of its personnel guarantees its competitiveness. The flat organization and non-hierarchical company culture promote participation by the personnel in developing the company's operations.

There was an active program of training for supervisors in 2008.

Talentum invests in internal job rotation.

Talentum's personnel strategy was reviewed at the beginning of 2008 to bring it into line with the new operating strategy. The main focus areas of personnel management in 2008 were strategic competence and development of competitiveness, increasing multi-skilling, improving the skills of immediate supervisors and investment in the working atmosphere.

There was an active focus on training supervisors during the year. In Finland an early intervention model was opened with supervisors under the guidance of the occupational health service. In addition, the practice of appraisal discussion and personnel surveys was renewed as well as going through them at different levels. In Sweden, as network services developed emphasis was placed on developing people's skills and job descriptions. Personnel skills were mapped out in appraisal discussions to identify future training and recruitment needs. Multi-skilling was emphasized by improving staff's IT skills among other areas.

Personnel in 2008

In 2008, Talentum employed an average of 818 employees in Finland, Sweden, the Baltic states and Russia. Of these employees, 430 worked in publishing, and 374 in direct marketing. 14 people worked in administration at the parent company. Of the employees in 2008, 63 per cent were women and 37 per cent men. In publishing 51 per cent of staff were women, and 49 per cent men. Most of the personnel, 26 per cent, were between 31 and 40 years of age.

The reduction in personnel in 2008 was affected by divesting tv content production and pre-media. At the end of 2007, Talentum HR (previously Talentum Fakta) which operates in Sweden was acquired and integrating their personnel into Talentum's operations was a major change in Sweden. Talentum HR's personnel moved into the same premises as Talentum Sweden at the end of 2008.

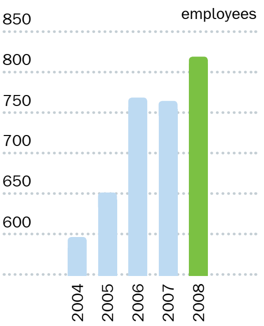
Skills

Talentum encourages self study by its employees and supports continuous training with activities including tailored training programmes to serve the needs of the company.

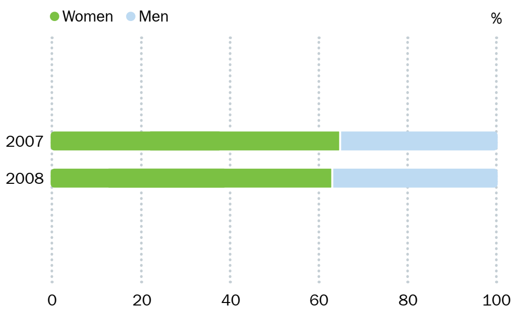
Staff skills and training needs are mapped out every year in personal appraisal discussions. On the basis of the appraisal discussions and the company's strategic objectives, individual employees as well as the whole staff's training plans are reviewed.

The objective of the incentive reward systems

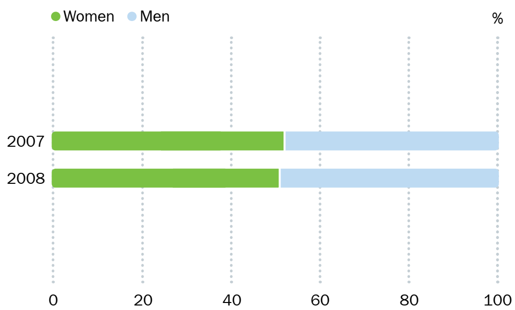
Average number of employees



Gender profile



Gender profile in Publishing



used in the Talentum Group is to motivate staff to improve their own work as well as improving the financial result. The schemes take into account the performance of the company and individual unit and an employee's personal success, development and job performance.

In 2008 investments were made in internal job rotation in different countries among other things. The objective is that one year job rotations or fixed term change in jobs will affect about 15% of staff. In future the challenge is to extend job rotations between countries. The Group's IT systems and online services were developed during the year. For staff this has meant learning new jobs and new ways of working.

Occupational well-being

The main emphasis of occupational well-being for staff is on preventive activities that maintain work ability.

Talentum provides its staff with a comprehensive occupational health service. The objective is to improve occupational well-being and ability to work as well as to reduce early retirement.

At Talentum occupational safety and health means cooperation between the management, personnel and occupational health care.

In occupational health Talentum complies with the legislation and regulations in place, maintains standard and encourages further improvements in this area. The implementation of Talentum's equal opportunity plan is monitored by the occupational health committee.

In 2008, particular emphasis was placed on proactive maintenance of working capability. In cooperation with the occupational health service, supervisors were trained to predict factors that would affect the well-being of workers and their ability to continue working. Employees are encouraged to be motivated to maintain their own working and functional capabilities. Talentum supports staff leisure activities and sports through such things as clubs and sports subsidies.

Working atmosphere

Talentum's internal job satisfaction and atmosphere is mapped out in the annual appraisal discussions. In addition to this, in both Finland and Sweden an annual staff survey is carried out. With the aid of these Talentum aims to ensure that every employee is in a job they find interesting and that the working atmosphere is motivating.

Talentum uses many different channels for internal communications and exchange of information. Email or the intranet are used for distributing internal communications, directives and documents. Issues are dealt with in group meetings as and when needed. Staff are gathered together regularly as well in meetings and information sessions in both units and the whole company.

The survey in 2008 shows that the atmosphere at Talentum was, as in previous years, good, jobs were looked on as interesting and there was a sufficient flow of information. The different departments were felt to be open to new ideas and operating methods.

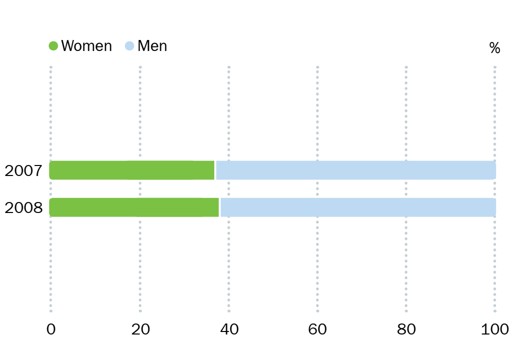
Areas of focus for 2009

In 2009, the areas of focus in personnel management are the development of staff in accordance with the main foci of the business operations, increasing job rotation, development of supervisor's know-how and growth in cooperation skills.

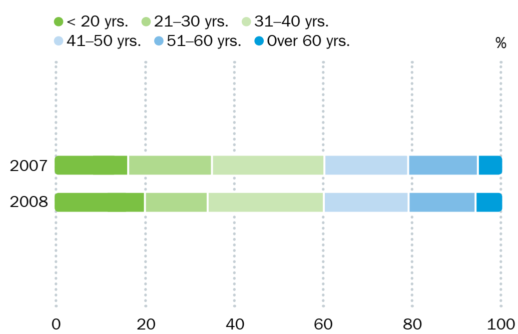
In Sweden, as network services developed emphasis was placed on developing people's skills and job descriptions.

Talentum's internal job satisfaction and atmosphere is mapped out in the annual appraisal discussions.

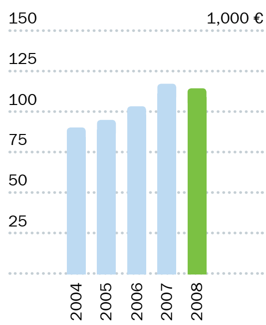
Gender profile in management



Age profile



Net sales/employee



Corporate Governance

Talentum Oyj operates in accordance with its Articles of Association, the provisions on listed companies contained in the Limited Liability Companies Act, and the rules and regulations issued by the Helsinki Stock Exchange. Talentum also adheres to the provisions of the Finnish Corporate Governance Code approved by the Securities Market Association in October 2008. The Code came into effect on 1 January 2009, and Talentum adheres to the provisions the observance of which has been obligatory as of 1 January 2009 (provisions not covered by transitional arrangements).

General Meeting

The General Meeting in which the shareholders take part in the steering and supervision of a company, is the highest decision-making body of a limited liability company. It decides on the matters that under the Company's Articles of Association and the Limited Liability Companies' Act fall within its competence, such as the approval of the financial statements. distribution of dividends, discharge of the CEO and the members of the Board of Directors of liability, election of the members of the Board of Directors and auditors, and their fees and remunerations.

The Annual General Meeting must be held once a year by the end of June each year. The Board of Directors convenes the General Meeting by publishing a notice in at least two newspapers chosen by the General Meeting not more than two months and no later than 17 days before the date of the Meeting. Talentum also publishes the invitation to the General Meeting as a stock exchange announcement and on its own website. The total number of shares and votes on the day of the invitation, the documents to be presented at the General Meeting, the proposals for decision of the Board of Directors or other organs with decision-making powers and the matters that have been entered on the Meeting agenda but on which no decisions are proposed to be made will also be made available at the website. The minutes of the General Meeting and their appendices will be available at the Company's website within two weeks of the General Meeting.

Board of Directors

The Charter of the Board of Directors

The Board of Directors has a Charter, which is updated and amended as necessary. The main points of the Charter are given below.

The Company's Board of Directors is responsible for the administration and proper organization of the Company. The Board of Directors has between 4 and 8 members and under the Articles of Association, the Board members, its chair and the deputy chair are elected by the General Meeting for a one-year period.

The task of the Board of Directors in general is to steer the Group's operations so that it can generate maximum added value for the shareholders in terms of future cash flow. The specific tasks of the Board of Directors include the appointment and discharging of the CEO, approval of the central operating policies and values, approval of the strategy and the annual budget and supervision of their implementation, approval of the financial statements and interim reports and the monitoring of internal control and risk management.

According to the Charter, the chair of the Board of Directors prepares the Board meetings in conjunction with the CEO, is responsible for the planning and assessment of the Board of Directors' activities and maintains contacts with the CEO and other stakeholders as necessary.

Board of Directors' meetings

The number of meetings held by the Board of Directors and the attendance rate of its members are given in the annual report each year.

Assessment of the Board of Directors' activities

The Board of Directors assesses its activities and working methods by carrying out an internal self-evaluation each year.

Information made available on the Board of Directors' members

The information on the Board of Director's members can be found under 'Board' on the Company's website.

Board of Directors' committees

The Board of Directors does not have separate committees. The Board has determined that, in view of the size of the Talentum Group, the extent of its operations and its monitoring and supervisory systems, there is no need for separate committees. Under its Charter, the Board of Directors also carries out the tasks that would be assigned to the committees.

CEO

The CEO is in charge of the Company's day-to-day management in accordance with the instructions issued by the Board of Directors. The CEO is appointed and discharged by the Board of Directors. The Board of Directors appoints a Deputy CEO, when necessary.

The Board of Directors approves the executive agreement of the CEO at its meeting. The terms and conditions of the agreement and the information on the CEO can be viewed on the Company's website.

Other management

The Group Executive Management is appointed by the CEO. In addition to the CEO, it has at least the General Counsel and the CFO as its members. The Director for Strategic Matters, the Director of the Online business and the Managing Director and the Financial Director of the Swedish-based operations are also members of the Group Executive Management.

Detailed information on the Group Executive Management and the spheres of responsibility of its members are given on the Company's website.

The Group Executive Management meets about once a month under the chairmanship of the CEO to discuss such matters as the Group strategy, risk management, internal control, business plans, result monitoring, corporate restructuring and other important operative matters.

Remuneration and rewards

Remuneration of the Board of Directors' members

The General Meeting decides on the remuneration of the Board of Directors' members each year. The current remunerations and other benefits of the Board of Directors' members are listed on the Company's website and those paid each financial year are detailed in the Company's annual report.

Rewards paid to the CEO and other management

The Board of Directors approves the terms and conditions of the employment contracts and the reward plan for the CEO and the persons reporting directly to the CEO. The reward plan of the Group is made up of performance-based rewards and share-based rewards.

The maximum performance-based reward of the CEO is equal to five months' salary and the rewards of other members of the Group Executive Management equal to four months' salary. The Board of Directors decides on the terms and conditions and the payment of the rewards each year.

As a rule, the performance-based rewards are determined on the basis of the growth in the consolidated net sales, the consolidated operating profit and the targets set for the individual areas of responsibility each year.

The current share-based incentive scheme was introduced in 2007. The Board of Directors decides each year on who will be included in the plan, the number of shares involved and the targets that those included in the plan must meet in order to qualify. The plan has three earning periods each of which lasts between one and three financial years. The first earning period began on 1 January 2007. The scheme will be in place for a total of five years and the rewards will be paid at the end of each earning period in Company shares and in cash. The portion paid in cash covers the taxes and tax-related costs arising from the rewards.

A number of members of the Group Executive Management have a retirement age of 60.

The rewards paid to management members are described in the annual report each year.

Employment terms and conditions of the CEO

The current terms and conditions of the CEO's executive agreement can be found on the Company's website, and the pay details for each financial year are presented in the annual reports.

The CEO has a retirement age of 60 and a pension amounting to 60% of his pensionable salary. His period of notice is six months. If the employment relationship ends for reasons not caused by the CEO, he will be paid the salary he is entitled for the period of notice plus a severance pay equivalent to nine months' total salary.

Internal control, risk management and internal audits

Internal control

The general principles governing internal control in the Group have been approved by the Board of Directors. The aim of the internal control is to ensure that the Group can operate efficiently and profitably and that the information supplied is reliable. The control system helps to ensure that the operating principles and guidelines are adhered to.

The Group's management and other supervisory staff must through their action ensure that the internal control functions well. The Group's financial organization provides them with the necessary support by issuing guidelines and by ensuring that the guidelines are observed.

The financial development of the Group is monitored on a monthly basis using a steering system that covers the entire Group, listing the monthly figures, business reports and forecasts for the current year.

Risk management principles

The aim of risk management is to identify, analyse and manage potential business-related risks so that the continuity of the Group's operations can be secured and the value of its shares maximized.

Risk management is carried out each year in connection with the Group's strategy process by determining the most important Group risks. The Board of Directors usually discusses the strategy and the risk summary in its August meeting.
The principles governing capital and risk manage-

ment are presented in greater detail in the annual report each year.

Organizing internal audits

The Company does not have a separate organization for internal audits, as it has not been considered necessary in view of the size of the Group and the extent of its business operations. Internal control and guidelines help to ensure that there is no need for a separate internal audit organization. External auditors are involved in the review of the Group's control system as part of the audit plan drawn up each year. The Group also makes use of other external resources, as necessary.

Insider administration

The Talentum Group applies the Guidelines for Insiders issued by the Helsinki Stock Exchange. In the Talentum Group, the 'closed window' (the period during which permanent insiders may not trade in company shares before the publication of financial disclosures) is 21 days, compared with 14 days laid down in the Helsinki Stock Exchange guidelines.

The Company has given the following staff members the status of permanent company-specific insiders: public insiders (those covered by a disclosure obligation), the Group Executive Management, the person responsible for communications and investor relations and the persons responsible for Group accounting and reporting.

In addition to regular restrictions, the Company can, when necessary, also impose project-specific trading restrictions under which the persons involved in the planning, preparation and the carrying out of important projects that may have an impact on the share value (such as corporate acquisitions) are given the status of project-specific insiders. Adherence to the insider guidelines is regularly monitored. The Group's General Counsel is responsible for insiders affairs in the Company.

Permanent insiders are regularly instructed and trained in insider matters.

The insider register of Talentum Oyj is held in the SIRE system of Euroclear Finland Oy.

Auditing

The General Meeting elects an auditor each year on the proposal of the Board of Directors. The name of the auditor proposed by the Board of Directors also appears on the invitation to the General Meeting. Under Talentum's Articles of Association, the auditing must be carried out by authorized public accountants.

The fees paid to the auditor for auditing and services not connected with auditing for each calendar year are given in the annual reports..

Provision of information

The principal information concerning the Company's administration and investor relations appear on the Company's website. All information bulletins and the main presentation material provided by the management are available at the Company's website after their publication.

Corporate Governance in 2008

Annual General Meeting

The AGM was held in Helsinki on 27 March, 2008.

Under the Articles of Association of Talentum Oyj, a shareholder may exercise total votes representing a maximum of 1/6 of the company's total shares at the General Meeting. If subsidiaries or companies in the same group and/or the pension foundation or pension fund of such companies jointly own shares representing more than 1/6 of the total votes, the votes that can be exercised at a General Meeting by virtue of these shares may only derive from shares carrying a maximum of 1/6 of the total votes.

Board of Directors

The AGM elects 6 members to the Board of Directors and of these, one to be Chairman of the Board and one to be Deputy-Chairman.

The Chairman of the Board is Tuomo Saarinen, the Deputy Chairman is Manne Airaksinen, and the other members of the Board are Harri Kainulainen, Eero Lehti, Kai Mäkelä and Atte Palomäki.

Board meetings

In 2008 the Board of Directors convened 14 times with an average attendance rate of 88 per cent.

Board of Directors: fees

The Board of Directors' fees are approved by the Annual General Meeting. The Board's monthly fees decided at the AGM on 27 March 2008 are as follows: Chairman EUR 4,000, Deputy Chairman EUR 2,500 and members EUR 2,000.

CEO

Talentum Oyj's CEO is Juha Blomster.

Terms and conditions of CEO's contract of employment

The CEO has a written executive agreement the terms and conditions of which have been approved by the Board.

Under his contract CEO Juha Blomster has the right to retire at the age of 60. His pension will be 60 per cent of his salary.

Juha Blomster's notice to terminate the agreement is six months. If the employment is terminated through no fault of the CEO, he will receive severance pay equal to nine months' salary in addition to the pay due to cover the normal period of notice.

Group Executive Management

The Chairman of the Group Executive Management is the CEO. In 2008, in addition to Juha Blomster, the Group Executive Management consisted of Christer Björkin, Hanna Kivelä, Kaisa Kokkonen, Mika Malin, Lasse Rosengren, Pekka Seppänen and Axel Östergren.

The duties of the Group Executive Management include ensuring implementation of the strategy, monitoring the financial performance, annual planning, corporate restructuring and other important matters. In addition, the Group Executive Management deals with financing and investments as well as communications. The Group Executive Management generally meets once a month.

Salary and bonuses paid to the CEO and other members of the Group Executive Management

The Board of Directors approves the CEO's salary and that of those reporting directly to him/her, including annual bonuses and the management bonus scheme. The Group Executive management team decides the bonuses of line management.

The pay levels in the Group are monitored through a "grandparent" system where each manager's superior approves the terms and conditions of the contracts of employment of that manager's subordinates.

Talentum Oyj's CEO received a total of EUR 305 thousand in salary, bonuses and benefits in 2008.

The rest of the Group's management together received a total of EUR 1,257 thousand in salary, bonuses and benefits in 2008.

Management's equity-based incentive plan

The management of Talentum Oyj Group has an equity-based incentive plan. The plan has three earnings periods, each of at least one and a maximum of three financial years. The first earnings period was the 2007 financial year and the second earnings period was the 2008 financial year. The total length of the plan is five years. The rewards will be paid partly in the Company's shares and partly in cash after the end of each earnings period. The proportion to be paid in cash will cover taxes and tax-related costs arising from the reward. Transferring the shares earned from an earnings period within two years of the end of the earnings period is prohibited. After this, the CEO of the Company must, however, own 50 per cent of the shares earned on the basis of the plan as long as the service of the CEO continues and for one year after the end of the service. There were 10 people covered by the plan during the 2008 earnings period. The yield is based on the Group's net sales, operating profit as well as the overall yield on Talentum's shares. For the earnings period 2008 the rewards will not be paid. At the beginning of 2009, the Board will decide on the following and final earnings period for this program. Initially it was possible to earn 493,500 shares, of which 74,970 have been issued.

Audit

The Annual General Meeting elects an APA (Authorised Public Accountant) auditor annually.

The auditor is PricewaterhouseCoopers Oy, with Authorized Public Accountant Juha Wahlroos (born 1956) acting as accountable auditor.

Auditor's fees

In 2008 the auditor was paid EUR 109 thousand for the audit plus the sum of EUR 35 thousand for additional services not relating to the audit.

Insiders

Details of the share ownership of those regarded as being insiders at Talentum Oyj and obliged to give notification can be found at the company's website www.talentum.fi, where the information is updated from the NetSire system maintained by Euroclear Finland Ltd.

Fees paid to the Board 2008

Airaksinen Manne	30,000 €
Kainulainen Harri	24,000 €
Lehti Eero	24,000 €
Mäkelä Kai	24,000 €
Palomäki Atte	24,000 €
Saarinen Tuomo	48,000 €
Total	174,000 €

Share ownership of insiders

	Total number of shares 31.12.2008	Change 1.1.–31.12.2008
Blomster Juha	17,850	+ 17,850
Rosengren Lasse	10,710	+ 10,710
Mäkelä Kai[1]	4,615,796	+ 177,696
Lehti Eero[2]	32,062	

1) Via the Herttaässä Oy and Herttakakkonen Oy companies owned by him

2) Via Suomen Lehtiyhtymä Oy, 95 per cent owned by him and his family

Others considered as persons subject to the declaration requirement at Talentum held no Talentum shares at 31 December 2008.

Training bringing you up to speed

Talentum Training organizes numerous topical seminars every year on themes such as governance, personnel and financial management, business development, marketing and personal development.

The starting point for organizing the seminars is knowing the needs of business life. Pirjo Huttunen, a trainer in rhetoric, was one of the trainers on the popular Present Convincingly courses held in 2008.

Board of Directors

The members of the Board of Directors are elected at the Annual General Meeting for a one-year term. The AGM elects a Chairman and Deputy Chairman.

1. Manne Airaksinen

Deputy Chairman
Board member since 2003

Manne Airaksinen was born in 1966 and is a Bachelor of Laws. His main position is as a partner in the legal firm Roschier Attorneys Ltd.

Main work experience: 2005–2006, Confederation of Finnish Industries EK, Chief Adviser; 1993–2005, Ministry of Justice, Counsellor of Legislation; 1992–1993, Helsinki University, Institute of International Economic Law, Researcher; 1990–1992, Headline-companies, Lawyer; 1990–1998, Various companies in the Headline Group, Board Member; 1998–2002, Wellmedia Oy, Board Member. Books and articles predominantly on Company law; member and secretary of the Court of Arbitration

He holds no other simultaneous main positions of trust.

2. Harri Kainulainen

Member
Board member since 2006

Harri Kainulainen was born in 1947 and is a Master of Political Science. His main occupation is professional board-director.

Main work experience: 2006–2007, The Local Insurance Group, Managing Director; 1997–2005, Local Insurance Mutual Company, Managing Director; 1990–1997, Pori Jazz Oy, Managing Director; 1987–1990, Savonlinna Opera Festival Oy, Managing Director; 1977–1987, OP Bank Group, managerial positions.

Main positions of trust held simultaneously: Board member, Finnish Red Cross, Finnish Red Cross, blood donor service, Chairman; National Defence Training Association of Finland, (MPK), Chairman.

3. Eero Lehti

Member
Board member since 2006

Eero Lehti was born in 1944 and is a Master of Political Science. His main occupation is Chairman of the Board of companies he owns and Member of Parliament.

Main work experience: 1971–1997, Taloustutkimus Oy, founder, owner, CEO and Chairman of the Board 1997– ; 1978–, Suomen Lehtiyhtymä, main owner and Chairman of the Board.

Main positions of trust held simultaneously: Kerava town council, Chairman; Fennia, Chairman of the Board; Pension Fennia, Chairman of the Board; Fennia Life, Chairman of the Board; Eila Kaisla Oy, Chairman of the Board; Nordia Management, Member of the Board; TEKES, Member of the Board; Uudenmaan Pääomarahasto Oy (regional venture capital fund), Member of the Board; Itella, Chairman of the Supervisory Board.

4. Kai Mäkelä

Member
Board member since 2006

Kai Mäkelä was born in 1947 and holds an M.Sc. (Econ) degree. His main occupation is as Managing Director of the company he owns, Oy Herttaässä Ab and of other companies in the group.

Main work experience: 1994–2003, Janton Oy, Chairman of the Board; Interavanti Oyj, Member of the Board; Saunalahti, Member of the Board; Ruukki Group Oyj, Member of the Board.

He holds no other simultaneous main positions of trust.

5. Atte Palomäki

Member
Board member since 2007

Atte Palomäki was born in 1965 and is a Master of Political Science. His main occupation is as Group Vice President, Corporate Communications, of Wärtsilä Oyj.

Main work experience: 2007–2008, Nordea, Communications Director; 2005–2007, Nordea Suomi, Communications Director; 2002–2005, Kauppalehti, Journalist; 2000–2002, MTV3 Business News, Journalist; 1995–1999, MTV3 Huomenta Suomi, News Producer and Presenter, Reporter (foreign affairs) 1993–1995.

He holds no other simultaneous main positions of trust.

6. Tuomo Saarinen

Chairman
Board member since 2006

Tuomo Saarinen was born in 1946 and holds a Master's degree in Engineering. He retired from his main occupation as Managing Director of Satakunnan Kirjateollisuus Oy on 31st July, 2006.

Main work experience: 1984–2006, Satakunnan Kirjateollisuus Oy, Managing Director; 1983–1984, Satakunnan Kirjateollisuus Oy, Deputy Managing Director; 1977–1983, Sanoma Osakeyhtiö/Sanomaprint, Production Manager; 1974–1977, Sanoma Osakeyhtiö/Sanomaprint, Head of Production; 1971–1974, WSOY, Printing Departments Manager; 1970–1971, Suomalaisen Kirjallisuuden Kirjapaino, Development Manager.

He holds no other simultaneous main positions of trust.


1.
4.
6.
3.
2.
5.

Group Executive Management

The duties of the Group Executive Management include ensuring implementation of the strategy, monitoring the financial performance, annual planning, corporate restructuring and other significant matters.

1. Juha Blomster

Group CEO

Juha Blomster was born in 1957 and holds a Master's degree in Business. He has worked as the CEO of Talentum since October 2006. Main work experience: 2000–2006, Kauppalehti Oy, Managing Director; 1991–2000, Kustannus Oy Aamulehti, Managing Director, Marketing Director; 1999–2005, Kustannus Oy Kauppalehti, Assistant Director.

2. Christer Björkin

CEO, Talentum Sweden AB

Christer Björkin was born in 1964. He studied at the Stockholm University Business School. He has worked at Talentum Sweden AB (former E+T, Ekonomi & Teknik Förlag) as General Manager and CEO since 2003. Main work experience: 2001–2003, Affärsvärlden Förlag AB, Managing Director; 1991–1999, Computer Sweden (IDG), Product Director; 1999–2001, E-respect Communications AB, Managing Director.

3. Hanna Kivelä

Director, Nordic Online & IT

Hanna Kivelä was born in 1974 and holds a Master of Science degree in engineering. She has been a director at Talentum Oyj since 2007, with responsibility for online business and IT. Main work experience: 2005–2007, Plenware Oy, Sales Director; 2001–2005, Alma Media Group Oyj, Development Manager, Project Manager; 1998–2001, Sonera Plc, Project Manager.

4. Kaisa Kokkonen

CFO

Kaisa Kokkonen was born in 1962 and holds an M.SC (Econ) degree. She has been Talentum Oyj's CFO since 2007. Main work experience: 2006–2007, Capto Financial Consulting, Service Line Manager; 2004–2006, VTI Technologies Oy, CFO; 1997–2004, Hackman Plc, several positions, the last being Director of Finance; 1991–1997, Pohjola Insurance Company Oyj, Controller.

5. Mika Malin

Director, corporate development, marketing, training business area

Mika Malin was born in 1969 and holds an MSc (Econ) degree and an MBA. He was initially Business Unit Director of Talentum Media Oy and then Director responsible for book publishing and the online business since 2006. Main work experience: 2003–2006, Boston Consulting Group, Consultant; 2000–2001, Stepstone Ltd, International Site Manager; 1999–2000, United Biscuits Holdings Plc, International Brand Manager, UK.

6. Lasse Rosengren

General Counsel, Deputy CEO

Lasse Rosengren was born in 1963 and is a Bachelor of Laws. He has worked at Talentum as General Counsel since 2000. Main work experience: 1993–2000, Attorney at Law; 1991–1993, OKO BANK, Credit Manager; 1989–1991, SKOPBANK, Lawyer.

7. Pekka Seppänen

Editor-in-chief,
Director (journalism, Finnish media)
Until February 28, 2009

Pekka Seppänen was born in 1960 and holds a Bachelors degree in Social Science. He has worked at Talentum as the Editor-in-Chief of Talouselämä magazine since 2000 and for Talouselämä magazine since 1988.

8. Axel Östergren

CFO, Talentum Sweden AB

Axel Östergren was born in 1948 and holds an M.Sc. (Econ) degree. He worked for Talentum Sweden from 1991 as CFO and from 1999–2000, as CEO. Main work experience: 1994–1999, Baspress Förlag AB, Managing Director; 1980–1984, Ingenjörsförlaget AB, Director of Administration.


8.
5.
2.
7.
4.
6.
3.
1.


M&M
M&M
SUOMEN PARAS...
3

Knowledgeable staff

Talentum wants to provide professionals with quality content through the channels that expert customers want. The quality of Talentum's products starts with the unrivalled expertise of its own staff. The services of the future are being developed through close cooperation with experts from different sectors.

Financial Statements 2008

Financial statements have been published in Finnish and in English.
In case of doubt, the Finnish version is authoritative.

Shares and shareholders

Talentum shares

Talentum's shares were first listed on the OTC list (hereafter I-list) in 1988. They moved to the Main List on 1 December 1998 and the OMX Nordic Exchange Helsinki list on 2 October 2006 when the Helsinki and Stockholm Stock Exchanges merged.

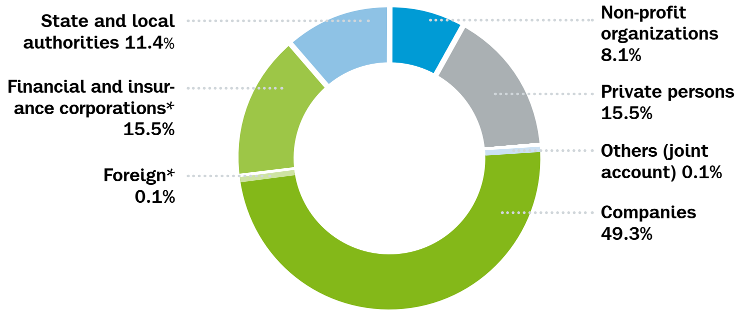
Talentum Oyj is listed on the NASDAQ OMX Helsinki Exchange. The code for Talentum's shares is TTM1V. The company's shares are not traded on any other stock exchange.

Talentum Oyj's issued stock stands at 44,295,787 shares. All the shares are in a single series and each share confers equal entitlement to vote at company meetings and to identical dividend rights. However, Talentum Oyj's Articles of Association include a clause restricting voting rights.

Total turnover for Talentum shares in 2008 was 11,572,194, representing 26.1 per cent of all shares.

At December 31, 2008, Talentum Oyj controlled 681,000 of its own shares and its share of the total shares and voting rights was 1.5 per cent.

Ownership Distribution 31 December 2008



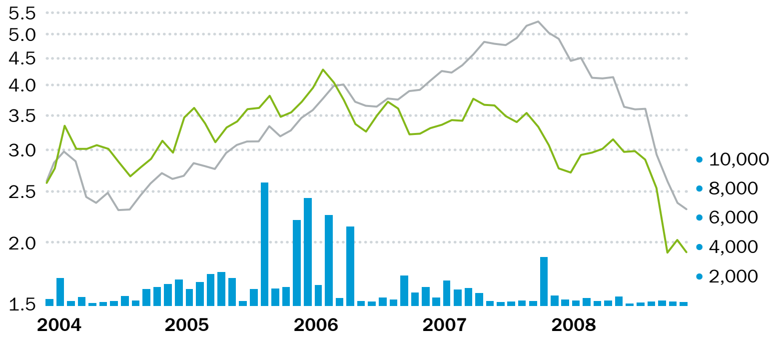
*) including nominee registrations

Dividend policy

Talentum Oyj employs an active policy on dividends. In 2007 a dividend of EUR 0.20 per share was distributed. For 2008, the Board of Directors is proposing to the Annual General Meeting that a dividend of EUR 0.04 per share be distributed and return of equity from the invested non-restricted equity fund 0.06 per share.

The factors affecting dividends are the amount of distributable unrestricted equity, the absolute and relative net profit for the year, the company's cash flow from business operations, the need for capital expenditure in the near future, and future prospects.

Share price and trading



© NASDAQ OMX

Investor relations

Talentum's investor relations program aims to ensure that the market receives accurate information on the Talentum Group's business and its future prospects. Talentum serves the interests of investors and analysts by holding meetings with the management and arranging briefings when its financial results are published. Bulletins issued to the market can be seen on the company's website: www.talentum.fi.

Talentum aims for transparency in all the information it provides.

Ownership Distribution 31 December 2008

	Shareholders	% of shareholders	Shares	% of shares and votes
Companies	248	5.7	21,841,413	49.3
Financial and insurance corporations (including nominee registrations)	30 (6)	0.7	6,869,819	15.5
State and local authorities	8	0.2	5,031,725	11.4
Non-profit organizations	79	1.8	3,586,049	8.1
Private persons	3,947	91.3	6,868,591	15.5
Foreign (including nominee registrations)	11 (3)	0.3	28,086	0.1
Others (joint account)			70,104	0.1
Total	**4,323 (9)**	**100**	**44,295,787**	**100**
in which nominee registrations	9		1,531,092	3.5

Major shareholders 31 December 2008

		Total shares	% of shares and voting rights
1.	Kauppalehti Oy (Alma Media Corporation)	13,200,000	29.80
2.	Hertta Ässä Oy	4,537,596	10.24
	Oy Herttakakkonen Ab	78,200	0.18
	Total	4,615,796	10.42
3.	Ilmarinen Mutual Pension Insurance Company	3,457,173	7.80
4.	Dia-Tieto Oy (The Finnish Association of Graduate Engineers TEK)	1,598,138	3.61
5.	The New Association of Finnish Engineers	1,500,900	3.39
	Insinööritieto Oy	800	0.00
	Total	1,501,700	3.39
6.	OP-Finland Small Firm Fund	1,005,419	2.27
7.	Nordea Fennia Fund	780,000	1.76
8.	Evli Select	750,000	1.69
9.	Pension Fennia	700,000	1.58
10.	Danske Invest Finnish Equity	597,881	1.35
11.	Nordea Life Assurance Finland Ltd	571,826	1.29
12.	Placeringsfonden Gyllenberg Small Firm	449,400	1.01
13.	Varma Mutual Pension Insurance Company	375,000	0.85
14.	Danske Finnish Equity Fund	357,768	0.81
15.	The Association of Finnish Wholesalers and Importers	339,396	0.77
16.	Neste Oil Pension Fund	311,772	0.70
17.	Korkeamäki Vilho	300,000	0.68
18.	Evli Nordic Dividend	234,341	0.53
19.	Tekniska Föreningen i Finland Stiftelse	201,974	0.46
20.	Danske Invest Finnish Institutional Equity	180,191	0.41
	Administrative registered shares	1,500,546	3.39
	Other shareholders total	11,267,466	25.44
	Issued stock	**44,295,787**	**100.0**

Share capital increases 2004–2008

Total number of shares 31.12.2003		**20,832,015**
2004	Stock option plan	1,200
2004	Targeted share issue / Suomen Arvopaperimediat Oy	408,475
2004	Bonus issue	21,241,690
Total number of shares 31.12.2004		**42,483,380**
2005	Targeted share issue / former owners of Suomen Arvopaperimediat Oy	67,796
2005	Targeted share issue to the owners of E+T, Ekonomi & Teknik Förlag AB	1,669,641
Total number of shares 31.12.2005		**44,220,817**
Total number of shares 31.12.2006		**44,220,817**
Total number of shares 31.12.2007		**44,220,817**
2008	Group management's share-based incentive plan – directed issue free of charge	74,970
Total number of shares 31.12.2008		**44,295,787**

Share Distribution 31 December 2008

	Shareholders	% of shareholders	Shares	% of shares and votes
1–100	485	11.22	33,090	0.08
101–1 000	2,259	52.25	1,184,606	2.67
1,001–10,000	1,407	32.55	4,180,190	9.44
10,001–100,000	139	3.22	3,722,377	8.40
100,001–10,000,000	32	0.74	21,905,420	49.45
10,000,001–999,999,999	1	0.02	13,200,000	29.80
Waiting list	0	0.00	0	0.00
Joint account			70,104	0.16
Total	**4,323**	**100**	**44,295,787**	**100**

Annual Report By The Board Of Directors

Consolidated net sales and financial performance 2008

The net sales from the Group's continuing operations was EUR 93.4 million (EUR 89.1 million). Publishing's net sales rose by 5% to EUR 87.7 million (EUR 83.8 million). As the economic situation weakened, net sales were reduced by the reduction of advertising revenue in the Group as they are sensitive to economic conditions. The weakening of the Swedish crown against the Euro reduced net sales by about EUR 1.4 million. The publishing operations acquired in Sweden in 2007 contributed EUR 6.5 million to the growth in publishing's net sales.

The operating profit from the Group's continuing operations was EUR 11.5 million (EUR 13.9 million)and 12.3% of net sales (15.6%). Operating profit before extraordinary items was EUR 11.5 million (EUR 13.2 million). The previous year's result included a EUR 0.6 million extraordinary revenue from a change in advertising tax in Sweden. Publishing operations' operating profit was EUR 12.5 million (EUR 14.8 million). The integration costs of the publishing operations acquired in Sweden in 2007 and the start-up costs of a new magazine weakened profitability by EUR 1.5 million.

The profit before tax from continuing operations was EUR 10.9 million (EUR 12.7 million). Taxes were EUR -2.8 million (EUR -3.2 million). The profit for the period under review from continuing operations was EUR 8.1 million (EUR 9.5 million). Consolidated profit for the period under review was EUR 5.2 million (EUR 9.2 million).

The earnings per share were EUR 0.12 (EUR 0.20). The equity per share was EUR 0.51 (EUR 0.69).

TV content production which was sold in the first quarter, was classed as a discontinued operation in January. As the remaining part of the Premedia business, Faktor, was sold in the last quarter, Premedia is also presented under discontinued operations. The effect on profit of discontinued operations is presented in its entirety in the discontinued operations line in the income statement. The balance sheet for the comparative period includes the figures from discontinued operations.

Operating environment and seasonal variation

Financial performance in Talentum's operating areas weakened rapidly in the last quarter of the year. Most of the public forecasts of the development of the Gross Domestic Products in the Group's main market areas of Finland and Sweden are negative for 2009 and only slightly positive or negative for 2010.

According to TNS Gallup, media advertising in periodicals in Finland fell by 4% (not including election advertising) from January to December. In Finland, online advertising further increased and growth in 2008 was 22%.

The growth in media advertising in Sweden from January to September was 3.7%, but the low level of media sales at the end of the year will reduce the percentage growth for the whole year. (Institutet för Reklam- och Mediestatistik). There were fewer job advertisements in both Finland and Sweden as a general uncertainty about the economic situation spread across several sectors.

Our assessment is that the information needs of Talentum's professional target groups will remain high irrespective of the economic situation. The professionals' choice of channels for information searching: books, training, seminars, magazines, online services, may change. Talentum produces quality content for those channels where it can best serve its customers.

Seasonal variation was exhibited in the media and media service markets. Whether the Easter holiday falls in the first or second quarter of the year in spring affects the results in that quarter. During the summer holidays magazines and books do not generally come out and for this reason the third quarter is the lowest in terms of sales. Operations are generally at their most busy in the last quarter. The downturn in the markets in 2008 reduced sales in the last quarter.

Sector's and Talentum's prospects for 2009

With the general weakening of economic conditions and forecasts, presenting the outlook for 2009 is extremely difficult. We assume that media advertising will fall in both Finland and Sweden in 2009. Talentum estimates that the net sales and operating profit from the current business will be clearly lower than the previous year's figure.

We have already started to adjust costs and make operations more efficient in order to secure the financial result. Talentum will keep to its previously established strategic objectives.

Cash flow, financial position and balance sheet

The cash flow from continuing activities was EUR 10.5 million (EUR 12.9 million) in January-December. The change in working capital was EUR 0.9 million (EUR -2.2 million). The consolidated balance sheet total reduced significantly as a consequence of the operations sold during the year and at the end of December stood at EUR 49.7 million (EUR 89.0 million). Interest bearing net debt was EUR -3.4 million (EUR 5.3 million). The Group's liquid assets, EUR 5.7 million (EUR 13.8 million), were mainly invested in financial instruments. The Group's interest bearing debt was EUR 2.3 million (EUR 19.2 million) of which unredeemed commercial paper was EUR 0.0 million (EUR 14.0 million).

In order to strengthen the Group's financial position, Talentum Oyj agreed a three year current account limit of EUR 12.0 million in February and a financing credit limit in the sum of EUR 20.0 million. According to the rules agreed, loans within the financial credit limit can be drawn down and repaid throughout the duration of the agreement until 2011. The limits were unused at 31.12.2008.

The equity ratio was 44.8% (36.7%) at the end of the year. The Group's equity per share was EUR 0.51 (EUR 0.69). The Group does not hedge against currency fluctuations with regard to the acquisition of subsidiaries. The weakening and strengthening of the Swedish crown against the Euro affects the Group's equity through the translation difference that arises from the acquisition of the Swedish subsidiaries. In these financial statements, the translation difference reduced the Group's equity by EUR 2.3 million.

Investments

The gross investments in tangible and intangible assets in continuing operations totaled EUR 2.4 million (EUR 10.0 million) between January and December which is 2.5% (11.2%) of net sales. Investments in the comparable period included the acquisitions of Dagens Media and Talentum Fakta.

EUR 1.5 million of the investments were capitalized development expenses for online operations. Other investments comprised normal replacement and maintenance, such as procurement of equipment, software and fixtures.

Survey of the scope of research and development activity

Development costs are mainly recorded as costs over their useful life. EUR 1.5 million of the investments were capitalized development expenses for online operations.

Group restructuring

Talentum Oyj disposed of its majority shareholding in TV content production i.e.

Varesvuo Partners Oy in an agreed deal in February. The sub-group, Oy Filmiteollisuus Fine Ab, which was also part of TV content production, was sold separately in March.

The Premedia business operations were also disposed of in accordance with strategy. In February, the Talentum Group sold its 100 per cent shareholding in DH Tools Oy, and in April it sold Sata-Flexo Oy and Marvaco Oy. In November, the Group disposed of the last of its operations in this sector with the sale of the shares of Faktor Oy.

The profit or losses arising from these sales as well as income, are presented in the income statement under discontinued operations for both January – December 2008 as well as for 2007. The consolidated balance sheet includes discontinued operations in 2007.

In addition, several small mergers were implemented in Finland in order to clarify the Group's structure.

Personnel

Talentum is an expert organization and the high level of professional skill of its personnel guarantees its competitiveness. The flat organization and non-hierarchical company culture promote participation by the personnel in developing the company's operations.

Talentum's personnel strategy was reviewed at the beginning of 2008 to bring it into line with the new operating strategy. The main focus areas of personnel management in 2008 were strategic competence and development of competitiveness, increasing multi-skilling, improving the skills of immediate supervisors and investment in the working atmosphere.

There was an active focus on training supervisors during the year. In Finland an early intervention model was opened with supervisors under the guidance of the occupational health service. In addition, the practice of appraisal discussion and personnel surveys was renewed as well as going through them at different levels. In Sweden, as network services developed emphasis was placed on developing people's skills and job descriptions. Personnel skills were mapped out in appraisal discussions to identify future training and recruitment needs. Multi-skilling was emphasized by improving staff's IT skills among other areas.

From January to December there were an average of 818 (763) employees in the Talentum Group's continuing operations. Staff are divided by country as follows: Finland 426 people (424), Sweden 198 (144), Latvia 79 (83), Lithuania 33 (23), Estonia 73 (80) and Russia 9 (9). The growth in personnel in Sweden was a result of the acquisitions made during 2007.

Environment

Talentum's operations cause no major harmful effects to the environment since the work is done principally in offices at computers. The main environmental effects are associated with the consumption of paper, transportation, recycling, energy consumption and waste management.

Business areas

Publishing

Publishing's net sales rose by 5% over the previous year to EUR 87.7 million (EUR 83.8 million). The acquisitions made in Sweden in 2007 produced net sales of EUR 8.7 million. The weakening of the Swedish crown with respect to the Euro reduced net sales by EUR 1.4 million compared to the previous year.

As a consequence of the weaker sales in the fourth quarter, advertising revenue was reduced by 1% in Finland and 6% in Sweden. Recruitment advertising's share of total advertising sales was 36% (39%). Advertising in electronic media continued to grow. The circulation revenue from Talentum's magazines grew 4% in Finland and fell 2% in Sweden. The circulation revenue from Talentum's magazines in Finland grew for the small magazines and overall remained at the previous year's level. Magazines' circulation revenues fell in Sweden. Electronic access to mainly legal books, increased other content revenues, and sales of printed books reduced. The figures for books in the comparative year includes revenue from works that do not appear every year. Training operations performed better than the previous year.

The growth in net sales for online operations was 70%. Online operations' share of publishing's net sales was 13% and EUR 11.0 million (EUR 6.5 million).

Publishing operations' operating profit (EBIT) was EUR 12.5 million (EUR 14.8 million). The result for the comparative period includes EUR 0.6 million of extraordinary revenue in Sweden. In Sweden, the integration costs of Talentum HR (previously Talentum Fakta) and the launch costs of a new magazine weakened profitability by EUR 1.5 million. In publishing, investments in online services were made as planned so that costs were about EUR 1.6 million higher than the previous year and in addition EUR 1.5 million of development costs were capitalized during the year under review. Investments in online operations will continue in 2009, but more moderately than in 2008. Investments in circulation sales growth continued and the investments made now will be seen in revenues in the future.

Talentum Fakta, now know as Talentum HR, was acquired by the Group in November 2007 with the objective of diversifying the revenue structure and strengthening the offer to the Human Resource professionals customer group. During 2008, a significant integration program was carried out in the company and it moved to the same premises as other Talentum staff in Sweden. One of the bigger challenges was renewing the IT system and migrating the acquired operation to Talentum's systems. Integration costs rose to higher than the original estimates as a result of this.

Direct Marketing

Direct Marketing's net sales were EUR 9.8 million (EUR 9.5 million) and operating profit (EBIT) was EUR 1.1 million (EUR 1.3 million). The growth in net sales was at the forecast level.

AGM, Board and auditor

Talentum Oyj's Annual General Meeting was held on March 27, 2008. The meeting confirmed the financial statements for January 1 – December 31, 2007 and granted the company's Board of Directors and CEO exemption from liability.

The AGM re-elected Manne Airaksinen, Harri Kainulainen, Eero Lehti, Kai Mäkelä, Atte Palomäki and Tuomo Saarinen as members of the Board of Directors. Tuomo Saarinen was re-elected Chairman of the Board of Directors and Manne Airaksinen re-elected Deputy Chairman

Authorized Public Accountants PricewaterhouseCoopers Oy with APA Juha Wahlroos as the accountable auditor were re-elected auditors.

The Board met altogether 14 times during the period under review. The average participation by Board members was 88%.

Shares and share capital

At the end of the financial period, Talentum Oyj's share capital totaled EUR 18,593,518.79 comprising 44,295,787 fully paid-up shares. The shares are listed on the NASDAQ OMX Helsinki Stock Exchange.

At the end of the financial period, the company held 681,000 of its own shares, which is about 1.5% of Talentum's total stock and votes.

A total of 11,572,194 shares were traded during the financial period, 26.1% of the total average stock during the financial period. During the period under review, the highest share price was EUR 3.16 and the lowest was EUR 1.63. The share price on December 31, 2008 was EUR 1.87.

Shareholdings of the Board of Directors and Managing Director

On December 31, 2008, the number of Talentum Oyj shares and options owned by members of the Board of Directors and the CEO personally and through companies in which they have a controlling interest was 4,665,708, representing 10.5% of the company's total shares and votes.

Board of Directors' authorizations

Authorization of the Board of Directors to decide on a share issue including the conveyance of own shares and issue of special rights

The Annual General Meeting on March 27, 2008 authorized the Board of Directors to decide on a share issue that may be either chargeable or free of charge, including the issuing of new shares and the conveyance of the company's own shares possibly in its possession.

The Board of Directors has been authorized to decide on an issue of option rights and other special rights which grant entitlement, against payment, to receive new shares or shares possibly in possession of the company.

By virtue of the aforesaid authorizations, a maximum of 3,500,000 new shares and/ or the company's own shares possessed by the company, which corresponds to approximately eight per cent of the issued shares of the company, may be issued together in one or several lots as a share issue and/ or conveyance.

The authorization is valid until 30 June, 2009.

The Board of Directors is otherwise authorized to take decisions on all the conditions regarding share issues and the granting of special rights, including the right to decide on preferential share issues and the granting of special rights. Shareholders' preemptive subscription rights can be deviated from providing that there is a significant financial reason for the company to do so.

Authorization of the Board of Directors to decide on acquisition of own shares

The Annual General Meeting on March 27, 2008 authorized the Board of Directors to decide on the acquisition of the company's own shares. The shares can be acquired for the value that is decided by the Board of Directors and is based on the fair value of the shares in public trading at the time of their acquisition. The company's own shares may be only acquired using unrestricted equity.

By virtue of the authorization to acquire the company's own shares, shares may be acquired, either in one or in several lots, to a maximum of 3,500,000 of the company's own shares, which corresponds to approximately eight per cent of the issued shares of the company.

The authorization is valid until 30 June, 2009.

The Board of Directors is otherwise authorized to decide on all the conditions regarding the acquisition of the company's own shares including the manner of acquisition of such shares. The authorization does not exclude the right of the Board of Directors to also decide on a directed acquisition of the company's own shares providing that there is a significant financial reason for the company to do so.

Directed free share issue

On March 8, 2007 the Board of Directors of Talentum Oyj decided to establish a new share-based incentive plan for the Group Management. The AGM held on March 27, 2007 gave the Board of Directors the authority to decide on rights and/or free issue. The Board of Directors decided to give all the people who are covered by the management's equity-based incentive plan the share bonuses earned in accordance with the conditions of the plan as a preferred scrip issue covering a total of 74,970 new shares of the company. The shares were entered in the register on March 20, 2008.

Acquisition of the company's own shares

On February 26, 2008, the Board of Directors of Talentum Oyj decided, on the basis of the authority granted at the AGM on March 27, 2007, to acquire a maximum of 500,000 of the company's own shares which corresponds to about 1.13 per cent of all the company's shares. The shares will be acquired with the company's distributable profits and the acquisition of the shares will thus reduce the company's non-restricted equity. The shares will be acquired in public trading on the OMX Nordic Exchange in Helsinki at the price prevailing on the day when share acquisition in public trade is made. The company will acquire its own shares to fund possible corporate acquisitions and other arrangements when the company acquires assets for its business activities, as well as to develop the company's capital structure including possible disposal or cancelation of the shares. There must be a pressing financial reason for the company to acquire its own shares.

By December 31, 2008, on the basis of the authority granted, the company had acquired 500,000 of its own shares and the total number of its own share controlled by the company was 681,000.

Reduction of the share premium account

The AGM of March 27, 2008, decided that the share premium account on the balance sheet at December 31, 2007, be reduced by EUR 89,593,601.28. The amount of the reduction is to be transferred to the invested non-restricted equity fund. After the reduction the value of the share premium account on the balance sheet was zero.

Reduction in the share premium account required notification and registration in accordance with sections 3-5 of Chapter 14 of the Companies Act and the decision was put into effect on August 31, 2008.

Management incentive plan

Talentum Oyj Group's management has an equity-based incentive plan. The plan has three earnings periods, each of at least one and a maximum of three financial years. The first earnings period was the 2007 financial year and the second earnings period was the 2008 financial year. The total length of the plan is five years. The rewards will be paid partly in the Company's shares and partly in cash after the end of each earnings period. The proportion to be paid in cash will cover taxes and tax-related costs arising from the reward. Transferring the shares earned from an earnings period within two years of the end of the earnings period is prohibited. After this, the CEO of the Company must, however, own 50% of the shares earned on the basis of the plan as long as the service of the CEO continues and for one year after the end of the service. For the earnings period 2008, there were 10 people in the group covered by the system. The bonus is based on the consolidated net sales, operating profit as well as the overall yield on Talentum's shares. No shares were awarded in respect of the 2008 earnings period. At the beginning of 2009, the Board will decide on the following, and for this program the final, earnings period. Originally it was possible to earn 493,500 shares under the system of which 74,970 have been awarded.

Notifications

On June 3, 2008, Ilmarinen Mutual Pension Insurance Company announced that its holding in Talentum Oyj's shares and voting rights exceeded the one twentieth (1/20) limit following its purchase of shares on June 2, 2008 and was 5.26%.

Voting at shareholders' meetings

Under Talentum Oyj's Articles of Association, at the General Meeting a shareholder may exercise total votes representing a maximum of 1/6 of the company's total shares. If subsidiaries or companies in the same group and/or the pension foundation or pension fund of such companies jointly own shares representing more than 1/6 of the total votes, the votes that can be exercised at a General Meeting by virtue of these shares may only derive from shares carrying a maximum of 1/6 of the total votes.

Shareholder agreements

The company is not aware of any mutual shareholder agreements between its shareholders relating to the operations or ownership of the company.

Dividend for 2007

The AGM held on March 27, 2008, decided to accept the Board's proposal to pay a dividend of EUR 0.20 per share. The date of payment was April 8, 2008 and the record date was April 1, 2008.

Liquidity providing agreement

An agreement with Nordea Securities Oyj on liquidity providing for Talentum Oyj shares became effective on June 21, 2004. Under the agreement, Nordea Securities will submit a purchase and sale offer so that the maximum permitted differential between them is 3% of the purchase offer. The offers will include a minimum of 2,500 shares.

Corporate Governance

Talentum Oyj acts in accordance with its articles of association, the Companies Act as well as the rules and regulations of the Helsinki Stock Exchange. Talentum observes the code of governance approved by the Securities Market Association in October 2008 and which came into effect from January 1, 2009. The governance and steering system are presented in their entirety as a separate part of the Annual Report.

Major events after the period under review

There have been no significant events to be reported after the period under review.

Principles of capital and risk management

Risk management in the Group

Within the Group, significant risks are examined annually as part of the strategy process. The aim of risk management is identify, analyze and endeavor to manage possible threats and risks to operations in order to ensure the continuity of the Group's operations and maximize share value. Operational units are responsible for day to day risk management and for taking pre-emptive measures. The most significant risks are presented to the Board of Directors and the Board approves the strategy at its August meeting.

Capital Management

The aim in managing the Group's capital is to maintain a strong financial position and ensure that the financing needs of the operating activities can be met cost-efficiently as required.

The main source of financing in the Group is the positive cash flow from operating activities. The acquisition of finance from outside the company is centralized through the parent company's financial management in accordance with the financing policy approved by the Board. The development of the Group's capital structure is monitored and forecast at regular intervals. Key indicators are used to monitor ratios such as equity and net gearing. Calculations of the key indicators are shown in the notes to the financial statements.

Capital committed to business operations is made up of net working capital and fixed assets which are funded by shareholders' equity and net debts as shown in the table in the notes to the financial statements.

The Group's long-term target for the equity ratio is 30%. At the end of 2008 it was 44.8%. Following the Group's strategy of focusing on publishing may lead to momentary changes in the capital structure in a given period of time.

Talentum Oyj adopts an active policy on dividends. The final amount of the annual dividend is decided annually on the basis of factors such as short term operational opportunities and the capital structure at the time.

Operating risks

The slowdown in economic growth could affect Talentum's revenues and revenue structures. About 40% of the consolidated turnover is dependent on advertising, and particularly the b-to-b sector, which is sensitive to economic conditions. The most economically sensitive part of advertising revenue is job advertising. We endeavor to manage this market risk by increasing the revenue from circulation sales and the content sales service. Our goal is for all our products and services to be market leaders in their fields, so that success is possible even in a recession.

As an international group, Talentum is exposed to fluctuations in exchange rates. Subsidiaries are managed and monitored in their local currencies. The Group's reporting currency is the Euro and converting subsidiaries' income statements and balance sheets into this currency may affect the consolidated income statement and balance sheet.

Group subscriptions for major magazines are significant as far as coverage is concerned and contracts have been in place for several decades. Changes in these contracts could have major impacts on circulations.

Online services are change factors that could change the earnings logic of magazines and books temporarily or over the long term too. This channel selection could be significant for the Group's revenue structure. If we were to be unable to develop our activities to correspond to changes in media usage habits it could affect our operations.

Our main subcontractors are printing houses, magazine distribution companies and network operators. This chain is exposed to operating and cost risks. This risk is minimized through long term contracts.

Most of the revenue from direct marketing comes from telephone sales of various publishers' magazines and books. Any possible changes in the operating practices of the publishing sector will also be reflected in the net sales of direct marketing.

There is a risk in the direct marketing sector that legislation or consumer attitudes will change thus making telephone sales more difficult.

Personnel risk

Our business is based on the skills of leading professionals, the creativity of a wide variety of talented and competent staff and a sufficient number of skilled people.

We motivate our staff through performance based pay, we develop skills through an active policy of job rotation, we pay attention to training and the working environment.

Developed production processes and a readiness to adopt new technology and apply it rapidly, reduce staff related risks. Systemization of working methods is also important so that carrying a project through to completion is not too dependent on individual members of staff.

Production process

Our production processes are based on the skills and abilities of leading professionals. Staff costs are a significant proportion of the Group's total costs. Managing these costs is critical to the positive development of the Group's profitability.

Changes in the costs of raw materials affect the development of the Group's profitability. Printing and distribution costs are among those that are critical in publishing. We try to manage these pricing risks through competitive tender and long-term contracts.

Basic data security precautions are taken in each of our subsidiaries such as back-up copies, virus protection and firewalls. Data network services are procured centrally from an external supplier at the highest possible service level and there are production back-up connections at the critical points in production. In the event that in spite of these back-up measures, data security is compromised it could cause damage to production as well as to commercial relationships and thus to the operating result.

Our operations depend on complicated information technology systems and data networks. Production material moves across the network from one phase to the next both within our own production operation and between subcontractors. There are deadlines in the production processes within which material must be ready for publication or printing. If there are long breaks in connectivity to the data networks at critical points in production and these breaks cannot be overcome using transferable media, then publication can be delayed beyond the agreed timings which can have an effect on customer relations and thus on business.

Legal risks

In their agreements and under the law, the Group's companies bear responsibility that the services they produce do not infringe the rights of third parties or are otherwise illegal. It is possible that, in spite of the precautions taken, a third party will claim that services produced by the Group's companies infringe a third party's copyrights or other intellectual property rights or are in other ways illegal, for example, on the basis of freedom of speech or defamation legislation. If such an infringement of rights or illegality were to be detected, it may result in claims for compensation.

Protection of copyright is of the utmost priority in almost all of the Group's companies. In order to benefit commercially from works, the Group must have the necessary copyrights to works and services that are provided to customers. If it were to be found that the Group did not have all the copyrights associated with a given product or service, then the Group would no longer be able to benefit from the commercial rights associated with that product or service and this could result in financial losses.

Developments in copyright and such things as internet related legislation, practices and technology could result in risks which we are unable to prepare for, and as a result of the multifarious forms issues can take, we may have to adapt to surprising, and thus unpredictable, changes which may weaken the profitability of our business operations.

We try to manage legal risks through many different measures: the Talentum Group tries to ensure that all copyright and other immaterial rights resulting from our working relationships are transferred to the appropriate companies in the Talentum Group. In the contracts the Group enters into with its subcontractors we try to ensure that in each case the Group acquires sufficient rights to the service or product acquired. Similarly, with regard to the services and products produced by the Group, we try, in contracts with our customers, to reserve sufficient rights to use the materials and know-how they contain in other contexts too. The legality of the content produced by the Group is always checked with the Group's legal director in uncertain or dubious cases. Staff, who are responsible for content, are guided and trained regularly in developments and interpretation of legislation and practice.

Financial risks

We try to protect ourselves against financing risks linked to business operations in the Talentum Group by creating financially sound conditions for developing the business. The general principles relating to managing financial risk in the Group are approved by the Board of Directors. Financing of the Group is centralized in Talentum Oyj's finance department. A precise description of financing risks and their management is presented in the accounting principles in the financial statements.

Accident risks

The personnel, property and operations of companies in the Talentum Group are covered by insurance policies. The coverage of the policies, the values insured and excess values are revised annually with a broker and insurance companies.

Board of Directors' dividend proposal

On December 31 2008, the parent company's invested non-restricted equity fund totaled EUR 89,593,601.28, the own company shares fund totaled EUR -2,834,420.30 and retained profit EUR 4,710,773.87 of which profit for the period under review was EUR 2,690,452.73.

The parent company's result and retained profit was reduced by the impairment loss of Talentum's Premedia subsidiary which amounted to EUR 5.1 million. This became current when the last company operating in this sector, Faktor Oy, was sold in the last quarter.

The Board of Directors proposes that from the profit available to the Annual General Meeting, a dividend of EUR 0.04 per share be declared i.e. a total of EUR 1,744,591 and that equity be returned to shareholders from the invested unrestricted equity account in the amount of EUR 0.06 per share i.e. a total of EUR 2,616,887.

The record date for the proposed dividend and return of equity is April 1, 2009 and the payment date will be April 8, 2009. All shares in issue at the record date, with the exception of the company's own shares controlled by the parent company, will be entitled to receive the dividend and return of equity for 2008.

Annual General Meeting 2009

Talentum's Annual General Meeting will be held on March 27, 2009 at 14.00.

Helsinki February 11, 2009

The Board of Directors of Talentum Oyj

Information required by the Companies[1] Act and the Decree of the Ministry of Finance on the Regular Duty of Disclosure of an Issuer of a Security, such as classes of shares, shareholders, related parties, terms of stock options and financial key figures, have been presented in the notes of the financial statements.

Consolidated income statement

EUR million	Note	2008	2007
CONTINUING OPERATIONS			
Net sales	2	**93.4**	89.1
Other operating income	5	**0.5**	0.5
Material and services		**-15.0**	-14.4
Employee benefit expenses	6, 20	**-41.6**	-38.3
Depreciation and amortization	7	**-1.7**	-1.3
Other operating expenses	8	**-24.1**	-21.7
Operating profit	2	**11.5**	13.9
Financial income	9	**0.5**	0.7
Financial expenses	9	**-0.8**	-1.8
Share of results of associates	14	**-0.4**	-0.1
Profit before taxes		**10.9**	12.7
Taxes	10	**-2.8**	-3.2
Profit for the period, continuing operations		**8.1**	9.5
DISCONTINUED OPERATIONS			
Profit for the period, discontinued operations		**-2.9**	-0.3
Profit for the period		**5.2**	9.2
Attributable to:			
Equity holders of the parent company		**5.2**	8.8
Minority interest		**0.0**	0.4
Basic and diluted earnings per share, EUR, calculated on the netprofit attributable to equity holders of the company			
Earnings per share, EUR	11	**0.12**	0.20
Earnings per share, continuing operations, EUR		**0.19**	0.22
Earnings per share, discontinued operations, EUR		**-0.07**	-0.02

Consolidated balance sheet

EUR million	Note	2008	2007
ASSETS			
Non-current assets			
Property, plant and equipment	12	**1.6**	6.6
Goodwill	12, 13	**20.0**	32.5
Other intangible assets	13	**11.3**	11.8
Investments in associates	14	**0.3**	2.1
Available-for-sale investments	15	**0.1**	0.1
Deferred tax assets	18	**0.5**	1.0
Receivables	17	**1.6**	0.7
Total non-current assets		**35.4**	54.9
Current assets			
Inventories	16	**1.3**	4.4
Trade and other receivables	17	**7.2**	15.8
Cash and cash equivalents	19	**5.7**	13.8
Total current assets		**14.2**	34.1
TOTAL ASSETS		**49.7**	89.0
EQUITY AND LIABILITIES			
Equity attributable to shareholders of the parent	20		
Share capital		**18.6**	18.6
Share premium reserve		**0.0**	5.9
Treasury shares		**-2.8**	-1.3
Translation differences		**-2.5**	-0.2
Invested non-restricted equity fund		**5.9**	
Retained earnings		**3.0**	7.4
Total		**22.2**	30.3
Minority interest		**0.1**	1.6
Total equity		**22.3**	31.9
Non-current liabilities			
Deferred tax liabilities	18	**3.1**	3.1
Interest-bearing liabilities	23	**0.4**	3.8
Pension obligations	21		0.1
Other non-current liabilities		**0.5**	
Provisions	24	**0.9**	1.4
Total non-current liabilities		**4.8**	8.3
Current liabilities			
Interest-bearing liabilities	23	**1.9**	15.4
Trade and other payables	25	**20.7**	33.1
Provisions	24	**0.1**	0.3
Total current liabilities		**22.6**	48.8
TOTAL EQUITY AND LIABILITIES		**49.7**	89.0

Total assets of discontinued operations are included in total assets of Talentum Group in 2007.

Consolidated cash flow statement

EUR million	Note	2008	2007
Cash flows from operating activities, continuing operations			
Operating profit		**11.5**	13.9
Adjustments to operating profit			
Depreciation		**1.7**	1.4
Employee benefits		**-1.2**	0.0
Exchange differences		**0.0**	0.2
Other items		**-0.2**	0.5
Total		**0.3**	2.1
Change in working capital			
Increase (-)/decrease (+) in trade receivables		**-2.1**	-3.0
Increase (-)/decrease (+) in inventories		**0.0**	0.1
Increase (+)/decrease (-) in current liabilities		**3.7**	1.1
Change in provisions		**-0.7**	-0.4
Total		**0.9**	-2.2
Paid interests		**-0.8**	-1.2
Received interests		**0.5**	0.6
Income taxes paid		**-1.9**	-0.2
Net cash from operating activities		**10.5**	12.9
Cash flows from investing activities, continuing operations			
Acquisitions of subsidiaries and associates, net of cash	4		-6.2
Disposal of subsidiaries and associates, net of cash			0.8
Acquisition of property, plant and equipment and intangible assets		**-2.4**	-0.3
Other items		**-0.1**	0.4
Net cash from investing activities		**-2.5**	-5.3
Cash flow from financing activities, continuing operations			
Change in current loans		**-14.0**	-6.0
Proceeds from non-current loans			1.4
Repayment of non-current loans		**-1.0**	-0.7
Dividends paid		**-8.8**	-8.0
Purchase of treasury shares		**-1.5**	
Other items			0.1
Net cash used in financing activities		**-25.3**	-13.2
Discontinued operations			
Net cash from operating activities		**-2.2**	1.7
Net cash from investing activities		**12.4**	-1.5
Net cash before financing activities		**-0.5**	-1.2
Cash flow from discontinued operations		**9.8**	-1.0
Change in cash and cash equivalents		**-7.5**	-6.6
Cash and cash equivalents at 1 January		**13.8**	20.4
Foreign exchange adjustment		**-0.6**	0.0
Net change in cash and cash equivalents		**-7.5**	-6.6
Cash and cash equivalents at 31 December		**5.7**	13.8

Change in cash flow of disposals of subsidiaries is included in net cash from investing activities of discontinued operations.

Calculation of change in group equity

		Equity attributable to parent company equity holders						Minority interest	Total equity
EUR million	Note	Share capital	Share premium reserve	Translation differences	Invested non-restricted equity fund	Retained earnings	Total		
Equity at 1.1.2008		**18.6**	**5.9**	**-0.2**	**0.0**	**6.1**	**30.3**	**1.6**	**31.9**
Share premium reduction and transfer			-5.9		5.9			0.0	0.0
Change in translation differences				-2.3		-0.7	-3.0		-3.0
Other items						-0.1	-0.1	-0.1	-0.2
Divestment of companies								-1.3	-1.3
Profit for the period						5.2	5.2		5.2
Total recognized income and expenses for the period				-2.3		4.5	2.2	-1.5	0.7
Dividends paid						-8.8	-8.8		-8.8
Purchase of treasury shares						-1.5	-1.5		-1.5
Share-based payments									
Equity at 31.12.2008	20	**18.6**	**0.0**	**-2.5**	**5.9**	**0.2**	**22.1**	**0.1**	**22.3**
Equity at 1.1 2007		18.6	5.9	0.5		5.4	30.5	1.7	32.2
Change in translation differences				-0.8		-0.2	-1.0		-1.0
Other items						-0.3	-0.3	-0.2	-0.5
Profit for the period						8.8	8.8	0.4	9.2
Total recognized income and expenses for the period				-0.8		8.3	7.6	0.2	7.7
Dividends paid						-7.9	-7.9	-0.3	-8.2
Share-based payments						0.2	0.2		0.2
Equity at 31.12.2007		18.6	5.9	-0.2		6.1	30.3	1.6	31.9

Notes to the consolidated financial statements

1. Accounting policies for the consolidated financial statements

Basic information

The Talentum Group operates in publishing and direct marketing in support of it. The Group has operations in Finland, Sweden, Russia and the Baltic states.

Talentum Oyj is a Finnish public limited company, established in accordance with Finnish laws and its registered Head Office is Annankatu 34–36 B, 00100 Helsinki, Finland. Copies of the consolidated financial statements are available on the Internet at the following address: www.talentum.fi or from the Group Head Office.

The company's shares are listed on NASDAQ OMX Helsinki classed under consumer goods and services.

At its meeting on February 11, 2009, the Board of Directors of Talentum Oyj approved these financial statements for publication. Under the Finnish Limited Liability Companies Act, the shareholders may accept or reject the financial statements at the shareholder's meeting held after they have been published. The shareholders' meeting also has the power to alter the financial statements.

Accounting principles

Basis for preparation

Talentum's Group financial statements have been drawn up for use in the European Union taking into account international accounting practice with regard to financial statements (International financial reporting standards, IFRS), and in drawing them up the IAS and IFRS standards in force at 31 December 2008 as well as the SIC and IFRIC interpretations were followed. In the Finnish Accounting Act and the provisions under it, International Financial Reporting Standards mean the standards approved for use in the EU in accordance with the procedure laid down in the EU regulation (EC) No 1606/2002, and their interpretations. The notes to the consolidated financial statements are also in accordance with the Finnish accounting and corporation legislation.

The consolidated financial statements have been drawn up on the basis of original cost, except for the items mentioned below, which are measured at fair value as required by the standards.

The financial statements are presented in millions of Euros. For the purposes of presentation, individual figures and totals are rounded off to even millions, which causes rounding-off differences in the totals

From 1 January, 2008, the Group has applied the following new interpretations:

- IFRIC 11, IFRS 2 *Group and treasury share transactions*. The interpretation clarifies the area of application concerning transactions in the company's own shares (IFRS 2) and requires a revaluation of such transactions in subsidiaries. The interpretation has no effect on the Group's financial statements.

- IFRIC 12 *Service Concession Arrangements*. During the period under review and the previous reporting period, the Group had no agreements with the public sector which would be covered by the interpretation.

- IFRIC 14, IAS 19 *The limit on a defined benefit asset minimum funding requirements and their interaction*. The interpretation applies to post-employment defined benefits and other long-term employee defined benefits within the scope of IAS 19 when a minimum funding requirement is involved. It also clarifies recognition requirements for assets based on refunds or reductions in future contributions. The Group has a pension arrangement which is classified as a defined benefit plan. Application of the interpretation did not have any significant effects on the Group balance sheet.

- IAS 39 *Financial instruments: recognition and measurement and IFRS 7 Financial instruments: Disclosures – changes to the standards - Reclassification of Financial Assets* (effective from 1 July 2008). The changes were announced in October 2008 because of the international financial crisis and they concern the reclassification of some financial instruments. Reclassification is permitted during a specified time period backdated to 1 July, 2008 and afterwards in certain exceptional circumstances. The changes to the standard have no effect on the Group's 2008 financial statements nor on future financial statements as, at the end of the period under review, the Group did not have any financial instruments covered under the change to the standard which, in the opinion of the Group, would require reclassification. The changes in the standards have been approved for application within the EU.

The preparation of financial statements in accordance with IFRS standards requires Group management to make certain estimates and to exercise judgment in applying the accounting principles. Group management has acted accordingly. Information about the judgment exercised by management in applying the accounting principles followed by the Group, and that which has most impact on the figures presented in the financial statements, has been presented in the item "Accounting principles that require management judgment and main uncertainty factors relating to estimates".

The application of new or changed IFRS standards and IFRIC interpretations

IASB has issued the following new or revised standards and interpretations not yet effective and which the Group has not yet applied. The Group will adopt them as from their effective dates if the effective date is the same as the beginning of the financial year, or if the effective date is different, they will be adopted from the beginning of the following financial year.

- IAS 23 *Borrowing costs* (revised 2007) (effective for annual periods beginning on or after 1 January 2009). The revised standard requires that an entity capitalize borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset, e.g. production facility, as part of the cost of that asset. The Group has earlier expensed borrowing costs as incurred following the previously allowed alternative treatment. The Group considers that the change in the basis of preparation will not have an effect on future financial statements. The revised standard has not yet been endorsed for application in the EU.

- IFRIC 13 Customer loyalty programmes (effective from 1 July, 2008 or the beginning of annual periods starting after that date). The Group has no customer loyalty programmes as intended under the interpretation and therefore the interpretation will have no effect on the Group's future financial statements. The interpretation has not yet been endorsed for application in the EU.

- IAS 1 *Presentation of Financial Statements* (revised 2007) (effective for annual periods beginning on or after 1 January 2009). The changes mainly effect the presentation of the income statement and the statement of changes in equity. In addition the revised standard will have wide ranging changes on the terminology used in other standards, and the names of some headings in the financial statements will be changed. The calculation of earnings per share will not change. The revised standard has not yet been endorsed for application in the EU.

- IFRS 3 *Business combinations* (revised 2008) (effective for annual periods beginning on or after 1 July 2009). The scope of the revised standard is broader than previously. The revised standard contains several changes of significance for the Group. The changes to the standard affect the amount of goodwill in respect of an acquisition as well as the income from the sale of a business operation. The changes in the standard will also affect items recorded in the income statement both during the period the acquisition took place as well as during the periods where additional payments in respect of an acquisition are made or when additional acquisitions are made. In accordance with the transfer rules of the standard, business combinations made before the mandatory adoption of the standard will not be adjusted. The revised standard has not yet been endorsed for application in the EU.

- IAS 27 *Consolidated and separate financial statements* (revised 2008) (effective for annual periods beginning on or after 1 July 2009). The revised standard requires that the effect of a change in ownership of a subsidiary be entered in the consolidated accounts of the Group when the parent company retains control. If control of the subsidiary is lost, the remaining investment is estimated at fair value through profit or loss. In future similar accounting practice will be applied to investments in associates (IAS 28) and interests in joint ventures (IAS 31). A consequence of the change in the standard is that a subsidiary's losses may be directed to a minority interest even when they exceed the amount of the minority interest's investment. The revised standard has not yet been endorsed for application in the EU.

- IFRS 2 *Share-based payment* –changes to the standard – *Vesting Conditions and Cancellations* (effective for annual periods beginning on or after 1 January 2009). The change in the standard requires that all non-vesting conditions be taken into account when estimating the fair value of the equity instruments granted. In addition the change to the standard makes the instructions regarding the treatment of reversals more precise. The Group is currently examining the effect of these changes to the standard on its future financial statements. The changes to the standards have not yet been endorsed for application within the EU.

- IAS 1 *Presentation of financial instruments* and IAS 32 *Financial instruments: presentation* –changes to the standards – *Puttable Financial Instruments and Obligations Arising on Liquidation* (effective for annual periods beginning on or after 1 January 2009). The changes to the standards require that puttable financial instruments that meet certain properties be classified as equity whereas they have previously been classified as debts. Adoption of the changed standards will not have an effect on the Group's future financial statements. The changes to the standards have not yet been endorsed for application within the EU.

- *Improvements to IFRS* – changes (*Annual Improvements 2007*) (mainly effective for annual periods beginning on or after 1 January 2009). The Annual Improvements approach will involve minor and less urgent changes to standards being gathered together and implemented as a whole once a year. The changes that are part of the project concern a total of 34 standards. The effects of the changes vary according to the standard, but according to the Group's assessment, the future changes will not be significant for the consolidated financial statements. The changes to the standards have not yet been endorsed for application within the EU.

- Changes to the standards IFRS 1 *First-time adoption of international financial reporting standards* and IAS 27 *Consolidated and separate financial statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate* (effective for annual periods beginning on or after 1 January 2009). The changes to the standards concern the initial adoption of IFRS and thus they will have no effect on the Group's future financial statements.

- IFRIC 15 *Agreements for the Construction of Real Estate* (effective for annual periods beginning on or after 1 January 2009). The interpretation gives instructions on what standard is to be applied in recording returns on the construction of real estate and when returns from real estate construction projects can be recognized. The interpretation will have no impact on the Group's future financial statements because the Group does not operate in the construction sector. The interpretation has not yet been endorsed for application in the EU.

- IFRIC 16 *Hedges of a Net Investment in a Foreign Operation* (effective for annual periods beginning on or after 1 October 2008). The interpretation clarifies the accounting treatment of the hedging of net investments in a foreign operation in the consolidated financial statements. The interpretation has no effect on the Group's future financial statements. The interpretation has not yet been endorsed for application in the EU.

- IAS 39 *Financial instruments: recognition and measurement* –change to the standard (*Eligible Hedged Items*) (effective for annual periods beginning on or after 1 July 2009). The changes are concerned with hedge accounting. They specify in more detail the instructions in IAS 39 regarding hedging unilateral risk as well as hedging inflation in the case of financial assets or debts. The change in the standard has no effect on the Group's future financial statements. The revised standard has not yet been endorsed for application in the EU.

- IFRS 8 *Operating segments* (effective for annual periods beginning on or after 1 January 2009). In accordance with IFRS 8, the segment information presented must be based on the internal company reporting presented to management and the accounting principles followed therein. The Group is currently examining the effect of these changes to the standard on its future financial statements.

Principles of consolidation

Subsidiaries

Talentum's consolidated financial statements include the financial statements of the parent company Talentum Oyj and those of its subsidiaries. Companies in which Talentum Oyj, either directly or indirectly, owns over 50% of the voting rights are regarded as subsidiaries.

Cross holdings are eliminated using the acquisition cost method. The acquisition cost includes the funds paid or the fair value of the shares issued, the debt taken at the time of the acquisition as well as the direct transaction costs of the acquisition. Acquisitions generate goodwill if the cost of the acquisition exceeds the fair value of the company's net assets. If the acquisition price is below the fair value of the acquisition's net assets, the difference is taken directly to the Group's income statement.

Subsidiaries acquired during the year are included in the Group consolidated accounts from the date the Group acquired control, and subsidiaries that are sold are included up to the date control is relinquished. The accounting principles followed in the subsidiaries' financial statements are changed if necessary to correspond to the accounting principles followed in the Group financial statements.

All Group internal transactions are eliminated as part of the consolidation process. Realized losses are not eliminated if the loss results from impairment.

Business combinations between companies under the same control
Business combinations between companies under the same control are treated on the basis of the original acquisition costs, since these acquisitions do not fall under the scope of the IFRS 3 Business combinations standard. When acquiring the minority shares in an acquisition, the difference between the acquisition cost and the equity acquired is recorded as a reduction in owners' equity.

Associated companies
Associated companies are companies where the Group has considerable influence, but not control. A significant influence is generally exerted through a 20–50% share of the votes.

Holdings in associated companies are included in the consolidated financial statements using the equity method. The Group's share of the associated company's result for the period is shown in the income statement and the share of changes in equity which are not recorded through profit or loss are shown in owners' equity. The Group's share of the associated company's net assets together with goodwill arising through the acquisition (reduced by any impairment that may have accrued) are shown on the balance sheet reduced by impairment recognized in individual investments. Unrealized gains and losses between the Group and associated company are eliminated in proportion to the Group's shareholding, except when a loss results from impairment. Use of the equity method is stopped when the book value of the investment in the associated company has fallen to zero, unless the Group has an obligation to fulfil obligations of the associated company which it has guaranteed or to which it is committed in some other way. If necessary the accounting principles of the associated company's financial statements are changed to correspond to the accounting principles of the Group's financial statements.

Joint ventures
Joint ventures are companies in which the Group exercises joint control on the basis of an agreement with another party. The Group's shares in joint ventures are combined in relation row by row. The consolidated financial statements include the Group's share in the joint venture's assets, liabilities, income and expenses.

Minority shareholdings
Distribution of the profit for the financial period to parent company owners and minority interest is shown in the income statement and the minority interest's share of equity is presented as a separate item under owners' equity in the balance sheet. The minority interest's share of accumulated losses will be recognized in the consolidated financial statements up to the value of the investment.

When acquiring the minority shares in an acquisition, the difference between the acquisition cost and the equity acquired is recorded directly in owners' equity.

Items denominated in foreign currency

The profit and the financial position of Group companies are measured in the currency of the main operating area of the company (operating currency). The consolidated financial statements are presented in Euros which is the Group parent company's operating and reporting currency.

Transactions denominated in foreign currencies are recorded in Euros at the prevailing exchange rate on the date of the transaction. Monetary items denominated in foreign currencies are converted to Euros using the exchange rate on the date of the financial statements. Exchange differences arising from conversions are recorded in the income statement.

Non-monetary items denominated in foreign currencies, which are valued at fair value are changed into Euros using the exchange rate on the day of the valuation. Non-monetary items are otherwise valued at the exchange rate on the transaction date. Exchange rate gains and losses from business activity are included in corresponding items above operating profit and exchange rate differences in loans denominated in foreign currencies in financial items.

Income statements of foreign subsidiaries are converted to Euros at the average exchange rate during the period under review and balance sheets at the exchange rate at the date of the consolidated financial statements. Exchange rate differences arising from the conversion are recorded as changes to the Group's owners' equity.

Exchange rate differences in owners' equity items arising from the elimination of foreign subsidiaries using the acquisition method are recorded in owners' equity. When a foreign subsidiary is sold, these exchange rate differences are reversed and are recorded in the income statement as part of the sales profit or loss.

Goodwill arising from the acquisition of foreign subsidiaries is treated as the foreign company's capital denominated in a foreign currency and is converted to Euros at the exchange rate at the date of the financial statements.

Tangible assets

Tangible assets are recorded in the balance sheet at the original acquisition cost less accumulated depreciation and any eventual impairment. Tangible assets are depreciated using the straight line method over their estimated useful economic lives as follows:

Machinery and equipment	3–7 years
Other tangible assets	3–10 years

Probable economic lives and residual values are reviewed on the date of the financial statements and the economic lives of assets are estimated.

Depreciation of tangible assets stops when a tangible fixed asset is classed as for sale in accordance with the IFRS 5 standard, Non-current assets held for sale and discontinued operations.

Ordinary maintenance and repair costs are recorded as expenses as they are incurred. Significant large maintenance and repair costs are capitalized on the balance sheet and depreciated using the straight line method over the expected economic maintenance period.

Profits on the sale and disposal of tangible fixed assets are included in the income statement as other business income, and losses as other expenses.

Intangible assets

Intangible assets are made up of goodwill, magazine publishing rights, trademarks, patents, licenses and computer programs. They are recorded in the balance sheet at the original acquisition cost less accumulated amortization and any eventual impairment. Intangible assets with an indefinite economic life are not amortized, but their value is tested annually.

Research and development costs
Research costs are recorded as expenses. Development costs are capitalized if plans for new or significantly improved products or processes can be produced up on the

basis of them, and if the products or processes are commercially and technically viable, and the Group has sufficient funds to complete the development work and use and sell the asset. Capitalized development costs are shown as an item Development costs and depreciated over their economic lives, but at most 2–3 years. The Group's capitalized development costs are associated with the development of e-business operations and intangible assets from information business.

The Group as lessee
Lease agreements where the lessor has the risks and rewards of ownership, are treated as other lease agreements. Where the Group is the lessee, payments made under the leases are charged to the income statement on a straight-line basis over the period of the lease. Benefits received under agreements, such as reductions in rents and rent free months, are deducted from the rents and divided equally of the whole rental period.

Impairment of tangible and intangible assets

Assets with limited economic lives
Intangible assets with limited economic lives are amortized on a straight line basis over their estimated economic lives (2–5 years). Estimated economic lives are reviewed on the date of the financial statements and the amortization schedule is updated if necessary.

The balance sheet values of intangible assets with limited economic lives are reviewed when external events or changes in conditions indicate that the value of the capital item has been impaired. Previously recognized impairment can be reversed if the conditions that led to it have improved significantly. A reversal cannot however lead to a higher balance sheet value than would have been recorded without the impairment.

Assets with unlimited economic lives
The balance sheet values of goodwill and other assets with unlimited economic lifetimes are reviewed annually or more often in the case that there is a weakening of income, or if there are changes in external business conditions which may result in permanent impairment. The need for impairment is reviewed at the level of the unit generating the cash flow or at the lowest business unit level that is mainly independent of other units and whose cash flows are separately identifiable and largely independent of the cash flows of other similar units.

The recoverable amount is the higher of the asset's fair value less the cost of disposal or its value in use. Its value in use means the expected net cash flows from the asset or from the cash generating unit which are discounted to their present value. The discount rate used is the after-tax interest rate which reflects the market view of the time value of money and the particular risks associated with the asset. If the present value of expected future cash flows from a business activity is lower than the book value of the business including goodwill, the impairment is recorded as an expense in the income statement. Previously recorded impairment of goodwill is not reversed even if the conditions that led to the impairment have improved. However, impairment made previously to other assets with unlimited economic lives may be reversed if the cash flows generated are significantly improved compared to the forecasts that were the basis of the impairment. A reversal cannot however lead to a higher balance sheet value than would have been recorded without the impairment.

Non-current assets held for sale and discontinued operations

Non-current assets (or disposal group)and assets and liabilities that are part of discontinued operations are classified as being held for sale if their book value can be recovered from the sale of the assets rather than from their use. The requirements for classification as being held for sale is regarded as being met when the sale is highly probable and the asset (or disposal group) is immediately for sale in its present condition on general or ordinary terms, when management are committed to the sale and the sale is expected to be completed within a year of the classification.

Up to the point of being classified as being held for sale, assets, or the assets and liabilities of disposal groups, are valued in accordance with the relevant IFRS standards. From the point of classification, the assets (or disposal group) held for sale are valued at the lower of book value or fair value reduced by the costs of disposal. Depreciation is not made after classification.

Assets in disposal groups that do not fall under the scope of the valuation rules of the IFRS 5 standard and liabilities are also valued according to the relevant IFRS standards after classification.

A discontinued operation is a part of the Group which has been disposed of or which has been classified as being held for sale and which meets the following conditions:

1. It is a significant separate business unit or a unit that covers a geographic area.
2. It is part of a coordinated plan which covers the disposal of a specific main business area or a geographic operating area, or
3. It is a subsidiary which was acquired specifically to be sold on.

The profit of a discontinued operation is shown as a separate item in the consolidated income statement. Assets held for sale, disposal groups, items recorded directly in equity associated with assets held for sale, as well as liabilities of disposal groups are combined in the consolidated balance sheet.

Financial assets and financial liabilities

Financial assets
The Group's financial assets have been classified on the basis of standard IAS 39 Financial instruments: recognition and measurement, into the following categories: Loans and other receivables, and financial assets held for sale. Classification is done at the time of the acquisition of the assets on the basis of the purpose of the acquisition. Financial instruments and liabilities are entered into the bookkeeping initially at fair value on the basis of the consideration received or paid. All purchases and sales of financial assets are recorded on the transaction date. Transaction expenses have been included in the original bookkeeping of financial instruments when the item in question is not valued at fair value through the income statement. Financial assets and liabilities are included in current assets or liabilities on the balance sheet when they are acquired for trading purposes or if they mature within 12 months of the date of the financial statements. In other cases they are included under fixed assets or liabilities on the balance sheet.

Loans and other receivables are financial assets whose related payments are fixed or quantifiable and which are not quoted on any market. Loans and other receivables are valued at the amortized acquisition cost.

Investments which have no maturity date and where the time of sale has not been decided are classified as financial assets held for sale. Financial assets held for sale are shown on the balance sheet as long term financial assets. The fair values of listed securities are based on public price quotations. Unlisted securities, whose fair value cannot be reliably defined, are entered on the balance sheet at acquisition cost. Unrealized changes in the fair value of investments held for sale are recorded in owners' equity. When a security held for sale is sold or its value is written down, the change in recoverable fair value in owners' equity is recorded in the income statement as a net profit or loss in investments held for sale.

Financial assets

Financial assets on the balance sheet include cash and bank receivables as well as short-term liquid investments with a maturity of less than 30 days.

Talentum Oyj has agreed three year current account and finance credit limits which were unused at 31 December, 2008. Used current account limits are presented in the balance sheet under short term debts.

Write-downs of financial assets

Every closing date the Group evaluates whether there is objective evidence for writing down the value of individual financial assets or asset groups. This group includes trade receivables which are written down when there is objective evidence that the Group will not recover all its receivables in full on the original conditions. The amount of doubtful receivables is estimated by customer on the basis of individual receivables. Bad debts are recorded as expenses in the income statement under other business expenses.

Financial liabilities

Financial liabilities are entered into the accounts at fair value on the basis of the original consideration received. Transaction costs are included in the original book value of the financial liabilities. Later, all financial liabilities are valued at amortized cost using the effective yield method. Financial liabilities include long- and short-term liabilities and they can be interest-bearing or non-interest-bearing.

Borrowing costs are recognized as an expense in the period when they arise. Arrangement fees linked to loan commitments are entered as transaction costs to the extent that it is probable that the whole of the loan or part of it will be taken out. In such cases the fees are recorded on the balance sheet until the loan is taken out. When the loan is taken out, the loan related arrangement fees are entered as part of the transaction costs. To the extent that it is probable that the loan will not be drawn down, the arrangement fee if entered as a prepayment for liquidity service and is amortized over the term of the loan commitment.

The Group does not use derivatives and does not use hedge accounting. Talentum issues commercial paper of less than a year's maturity as needed.

Inventories

Inventories are valued at the lesser of acquisition cost or probable net realizable value. The acquisition cost is calculated on a FIFO (first-in, first-out) basis. The acquisition cost of inventories includes capitalized direct costs of acquisition and production and an attributable proportion of their indirect costs. The net realizable value is the expected sales price in normal business reduced by the costs needed to prepare the product for sale and the sales costs.

Owners' equity

Ordinary shares in issue are recorded as owners' equity. Expenses associated with issuing equity instruments or acquiring them are recorded as reductions in owners' equity.

When the company or its subsidiary acquires their own shares, its equity is decreased by the amount that consists of the compensation paid, reduced by transaction expenses after taxes, until the shares are cancelled or transferred/sold. No profit or loss is entered into the income statement as the result of sale, issue or cancellation of the company's own shares, but any consideration is entered as a change in owners' equity.

Dividends and return of equity

Dividends and return of equity proposed by the Board of Directors are not deducted from distributable equity until they have been approved at the Annual General Meeting.

Earnings per share

Earnings per share are calculated by dividing the financial result of the period which would accrue to the owners of the parent company's shares by the weighted average of shares in issue during the financial period. Diluted earnings per share are calculated by dividing the diluted financial result of the period which would accrue to the owners of the parent company's shares by the weighted average of the diluted number shares in issue during the financial period. The company does not have any instruments which would have a dilution effect on earnings per share.

Income taxes

Accruals based tax on Group companies' earnings during the financial period, as well as adjustments to taxes from previous accounting periods and changes in calculated taxes are entered under taxes in the consolidated income statement. The tax impact on items recorded directly in owners' equity is recorded as part of owners' equity.

Deferred taxes payable, or receivable, are calculated for all temporary differences between the carrying amount of an item and its tax base using tax rates prescribed at the closing date. However, a deferred tax liability is not entered in the case of an asset or debt which was originally an accounting entry and the transaction in question is not a business combination, and when such an asset or debt item does not have an impact on the balance of the accounts or on the taxable income at the time of the transaction. Non-deductible goodwill is not included in deferred tax liability. Deferred tax assets relating to confirmed losses are recognized to the extent that it is probable that a future taxable profit will be available against which the losses can be set off. The most significant periodizing items arise from the depreciation of tangible assets, defined benefit pension arrangements and appreciations to fair values from acquisitions.

A deferred tax liability is recorded for retained earnings of subsidiaries only when a tax payment can be seen to be realizable in the foreseeable future.

Depreciation differences and untaxed reserves are divided between owners' equity and deferred taxes in the consolidated balance sheet.

Pension liabilities

Pension arrangements are classified as defined benefit and defined contribution schemes.

In a defined contribution scheme, fixed payments are made to a separate unit. The Group does not have a legal nor de facto obligation to make further payments if the party that has received the payments is not able to make the retirement pension payments. All schemes that do not fulfil these conditions are defined benefit pension arrangements. Group payments into defined contribution schemes are recorded as expenses in the financial period when the obligation occurs.

In defined benefit pension schemes the obligations are calculated with the Projected Unit Credit Method. Pension costs are recognized in the income statement over employees' periods of service in accordance with actuarial calculations.The discount rate used for determining the present value of a retirement benefit obligation is based on the market yield on high quality corporate bonds or the interest on Finnish treasury bonds. The maturities of the bonds and treasury bonds and the maturity of the calculated pension obligations are essentially the same. The pension obligation recorded in the balance sheet is presented as the present value of pension payments at closing date less the fair value of the plan-related assets on the closing date and adjusted with the actuarial profits and losses and retroactive labour costs. The portion of the actuarial gains and losses that exceeds the greater of 10 of the retirement benefit obligations or 10% of the fair value of plan assets is recognized in the income statement over the expected remaining working lives of the persons participating in the scheme.

Past-service costs are recognized as expenses in the income statement on a straight-line basis over their vesting period. If the benefits vest immediately, then they are immediately entered as expenses in the income statement.

Most of the statutory pension liabilities of the Group were transferred to a pension trust fund in April 2004. TEL pension trust funds are treated as defined benefit arrangements. In addition the Group has some defined benefit supplementary pension agreements. The disability pension portion of TEL insurance is treated as defined contribution. Actuarial calculations for the defined benefit arrangements are made annually.

Share based payments

The Group currently has a management incentive scheme tied to shares in which part of the bonus is paid in shares and part in money. There is more information about the share based arrangement in Note 22 Share based payments.

Shares given are valued at their fair value at the time they are awarded and recorded as an expense in the income statement on a straight line basis over the time the rights to them accrued. The specific expense is based on the defined fair value of the shares and the management's evaluation of the number of shares to which rights will have accrued by the end of the period of the scheme. The fair value of the shares is defined by the market price of the company's shares.

The effects of non-market conditions (for example profitability and growth targets for certain results) are not included in the fair value, but are taken into account in the number of shares to which it is estimated rights will have accrued by the end of the period of the scheme. The Group reviews its assumptions about the final number of shares each closing date. Changes in estimations are recorded in the income statement.

Provisions and contingent liabilities

A provision is recognized in the balance sheet when the Group has a legal or actual obligation as a result of a previous event, when realization of the payment is probable and the amount of the obligation can be reliably estimated. The costs capitalized as a provision, as well as the original acquisition cost of assets, are depreciated over the useful life of the asset. Provisions are valued at the present value of the expenses required to cover the obligations.

A restructuring provision is recognized when the Group has drawn up a detailed restructuring plan and has started to implement the plan, or announced it. Provisions are not made for expenses associated with the Group's ongoing operations.

Provisions are made for loss-generating agreements if the direct expenses required to meet the obligations under the agreement exceed the benefits arising from it.

A contingent liability is a possible obligation arising out of an earlier event, and the existence of this obligation will only be confirmed through the realization of an uncertain event outside the control of the Group. Obligations which will probably not require the fulfilment of a payment obligation or where the size cannot be reliably defined are also regarded as contingent liabilities. Contingent liabilities are presented as additional information.

Revenue recognition

Net sales are shown as the fair value of revenue from sales of products and services adjusted for indirect taxes, discounts and exchange rate differences for sales in foreign currency.

Sales of goods and services
Revenue from sales of goods is recognized at the point that the risks, benefits and power associated with ownership are transferred to the purchaser. This mainly happens at the transfer of the goods in accordance with the terms of the sales agreement. Revenue from the sale of services is recognized when the service is complete.

License and royalty income
For license and royalty income, revenue recognition is according to the actual contents of the agreement.

Interest income and dividends
Dividend income is recognized when the right to the dividend arises, and interest income using the effective interest method.

Accounting principles that require management judgment and main uncertainty factors relating to estimates

Main accounting estimates and assumptions

Preparing the consolidated financial statements in accordance with the IFRS standards, requires management to make assumptions about future scenarios, the outcome of which may differ from those scenarios and assumptions. Furthermore, judgment must be exercised when adopting accounting policies. The estimates are based on management's best knowledge at the closing of the accounts. Any changes in these scenarios and assumptions are stated on the accounts in the financial year in which the scenario or assumption applies and in all financial years thereafter.

Group management have considered the following sub-sections of the accounts to be the most important as the accounting principles applied are, from the Group's perspective, the most complicated and their application most requires the use of significant estimates and assumptions for example in estimating assets. Furthermore, the effects of changes in the assumptions and estimates used in these sub-sections are estimated to be the greatest.

Impairment tests
The Group tests goodwill and those intangible assets with indefinite economic lives for possible impairment annually, and assesses indications of impairment as previously indicated. The recoverable amounts of cash generating units have been determined in calculations based on value in use. These calculations require the use of estimates. The most significant assumptions and estimates in testing goodwill, and the sensitivity of these factors to change in goodwill testing are described in more detail in the Note 13 Impairment of property, plant and equipment and intangible assets..

Pension benefits
The present value of pension obligations depends on several different factors which are defined using actuarial assumptions. The discount rate is one assumption used in defining the net payments (or income) associated with pensions. Changes in these assumptions affect the book value of pension obligations.

An appropriate discount rate is defined at the end of each year. This rate is used to determine the present value of the estimated cash flows required to meet the pension obligations. In determining an appropriate discount rate the interest rate on high quality corporate bonds is taken into account. These loans are in the currencies in which the pension benefits are to be paid and their tenor is close to the length of the pension obligations.

The other main assumptions relating to pension obligations are based on market conditions at the time. There is more information about this in Note 21 Pension obligations.

Income taxes

The Group pays tax on its income in several different countries. Estimating the income total at Group level requires making judgments. For many operations and calculations the final amount of tax is uncertain. The Group forecasts future tax inspections and records liabilities that are based on estimates of whether additional tax will need to be paid. If the final tax related to these differs from the amounts originally recorded, the differences affect both the tax receivables and liabilities based on the current period's taxable income as well as the deferred tax receivables and liabilities in the period when they are paid or received.

Management of financial risks

Factors in financial risks

As a consequence of its operations, the Group is exposed to several financial risks: Market risk (which includes currency risks, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The objective of the Group's risk management is to minimize the detrimental effects of changes in the financial markets on the Group's results. The main financial risks are currency and interest rate risks. The Group's central financing operation is responsible for the practical implementation of financial risk management together with the business units. The Group's financial unit identifies and evaluates risks and acquires the necessary instruments to hedge risks in cooperation with the operating units. The Group used forward foreign exchange contracts as hedging instruments when repatriating dividends during 2008.

Market risks

CURRENCY RISK

The Talentum Group operates internationally and is thus exposed to risks related to its foreign currency positions. The Swedish crown (SEK) is the most important foreign currency for the Group. Exchange rate risks arise in commercial transactions, converting the balance sheet into the Group's operating currency and the net investments made in foreign subsidiaries. The Group's foreign currency risk is not generally hedged separately as the currency risk for the Group is immaterial.

The Group has net investments mainly in Swedish units which are exposed to foreign currency risks associated with translation differences. Exchange rate changes resulting from translation differences are recorded directly in the Group's owners' equity. The total open foreign exchange position of these subsidiaries at year end was 27.1 million Euros. A 10% change in the exchange rate has an impact of 2.5 million Euros on the Group's owners' equity. This currency risk is not hedged.

Transaction risk arises when the company has receivables and liabilities in currencies other than the company's operating currency. Group companies mainly operate in their own markets and in their own operating currency and therefore transaction risks are low. Individual significant and predictable receivables and liabilities in foreign currencies are hedged using forward contracts. There were no open forward contracts at year end.

INTEREST-RATE RISK

The effects of interest rate changes on the value of interest-bearing receivables and liabilities create an interest-rate risk. Interest-rate risk is part of market risk.

The cash flows linked to the Group's short term money market investments are exposed to interest-rate risk, but the effect is not material. The Group had no material interest bearing receivables at year end. Operating cash flows are largely independent of fluctuations in market interest rates. The most significant interest-rate risk is mainly associated with the Group's loan portfolio. In line with the principles of risk management, the average interest period for the portfolio should be 12 months. The Group's interest bearing liabilities at year end were low.

CREDIT RISK

Credit risk arises when a contractual party cannot fulfil their obligations. The creditworthiness of customers and counterparties in investment transactions and derivative contracts is constantly monitored. Credit monitoring of customers is concentrated by country in the finance department which works together with the business units. The Group's customer base is weighted towards large and solvent companies and for them credit risk is evaluated as low. Credit decisions regarding investment and derivative contracts are centralized in the Group's finance unit. The Group concludes derivative contracts and enters into investment transactions only with counterparties who have a credit rating of at least AA.

During the period under review, the amount of impairment losses recorded through the income statement and the aging of sales receivables is presented in Note 17, Receivables.

LIQUIDITY RISK

The Group continuously tries to evaluate and monitor the financing required for business operations, so that the Group will have sufficient liquid resources to finance operations and repay loans that are maturing. The Group's financing policy defines the size of the liquidity reserve as well as the maximum amount of annual repayments. The liquidity reserve is made up of cash reserves, realizable short term investments, funding limits available for immediate drawdown and the commercial paper program. Adequate liquidity is maintained through efficient cash management and financing arrangements based on forecasts. The Group has a negotiated 12 million current account limit and 20 million Euro funding limit which are authorized until 2011. The annual maturity split of current financing debt is presented in the notes at number 27 Contractual maturities of financial liabilities. In addition the Group has a commercial paper programme of 30 million Euros.

Management of equity risk

One objective of equity management is to maintain a strong financial position and ensure that the financing needs of business operations can be resolved cost effectively as necessary. Another objective is to maintain the optimal capital structure to reduce the cost of equity.

To maintain or change the capital structure, the Group can alter the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell property to reduce debts.

Capital is monitored through the debt equity ratio (gearing) in the same manner as other companies operating in this sector. The gearing ratio is measured by dividing the net debts by the total capital. Net debts are calculated by subtracting cash assets from total debt (short and long-term loans on the balance sheet). Total capital is calculated by adding net debts to the owners' equity shown on the consolidated balance sheet. The equity ratio is calculated by dividing owners' equity by the balance sheet total.

The Group's long term objective for some years has been to have an equity ratio of 30%. Focusing on core activities in accordance with Group strategy results in temporary changes in the capital structure. The capital structure was exceptional at the end of 2008 as the result of disposal of companies.

The equity ratio and gearing ratio are presented in tabular form in note 28.

Estimating fair value

The fair value of financial instruments which are traded on the markets (such as securities which are held and offered for sale in trading), is based in the quoted market prices on the closing date. The quoted price of financial assets used is the buying price at that time.

The Group uses various methods and makes assumptions which are mainly based on the prevailing conditions on the markets at the closing date. The book value of sales receivables reduced through impairment and the book value of payables are assumed to be close to their fair values. The book values of sales receivables and payables are presented in the notes 17 Receivables and 25 Trade and other payables.

These consolidated financial statements do not contain all the parent company financial information according to the accounting act.

2. Net sales and operating profit by business area, continuing operations

The Board of Directors has decided after comprehensive consideration and considering synergy benefits that Talentum has one segment – Media. In order to give additional diversified information, the Board has decided to give out figures by branch.

EUR million	2008	2007
Net sales		
Publishing	**87.7**	83.8
Direct marketing	**9.8**	9.5
Adjustments and eliminations	**-4.2**	-4.2
Total	**93.4**	89.1
Operating profit		
Publishing	**12.5**	14.8
Direct marketing	**1.1**	1.3
Adjustments and eliminations	**-2.1**	-2.3
Total	**11.5**	13.9

3. Disposals of subsidiaries and businesses

2008

On 22 January 2008, Talentum Oyj and CapMan Plc agreed that a company managed by CapMan BuyOut VIII Fund would purchase the major part of Varesvuo Partners Oy, which focuses on TV content production. The main operating areas of the Varesvuo Partners companies are television programme production as well as advertisement film production and its customers are TV channels and advertising agencies. The transaction was concluded on 20 February 2008. The sub-group Oy Filmiteollisuus Fine Ab was sold on 28 March 2008 to Yellow Film & TV Oy, which is owned by members of the executive management of Oy Filmiteollisuus Ab. TV Content Production's net sales in 2007 amounted to EUR 22.9. million, and it employed 95 people.

In February 2008, the Group sold all its shares in DH Tools Oy, which concentrates on digital material management and was part of the Premedia business operation. DH Tools Oy's main operation is supplying digital systems for marketing to companies. There were 16 people working for the company at the time it was sold. In April 2008, the Group sold its total shareholdings in Sata-Flexo Oy and Marvaco Oy, part of its Premedia business operation that operated in the manufacture of packaging printing surfaces. There were about 40 people working for the companies. In November, the Group sold all its shares in Faktor Oy which was part of its Premedia operation. Faktor Oy's main activity is producing advertisements and pages. There were 36 people working for the company at the time it was sold.

The sales were made in accordance with Group strategy to dispose of operations that are not part of its core business. The effect of the sales on Group income in total was EUR -0.5 million.

2007

The premedia business operations of Reprostudio & Heku Oy, which belonged to the Premedia business area, was sold on 13 June 2007. The annual net sales of the sold business operations amount approximately to EUR 5 million.

The effect of the sale of the associate Acacom Academic Communications Oy has been presented in note 14, Investments in associates. The companies that made up Varevuo Partners and the companies that were part of the Premedia business operations have been classified under discontinued operations.

Financial performance of discontinued operations

EUR million	2008	2007
Revenue	**6.0**	36.5
Costs	**-8.7**	-36.3
Profit before taxes	**-2.7**	0.2
Taxes	**-0.1**	-0.5
Profit after taxes	**-2.9**	-0.3

Effect of sale of discontinued operations on the Group's financial position

EUR million	2008	2007
Property, plant and equipment	**4.5**	0.4
Goodwill	**7.2**	
Other intangible assets	**0.2**	0.1
Investments in associates	**1.6**	
Inventories	**3.3**	0.1
Trade receivables and other receivables	**4.8**	0.3
Cash and cash equivalents	**2.0**	
Minority interest	**-1.3**	
Deferred tax liabilities	**-0.1**	
Current interest-bearing liabilities	**-0.2**	
Trade and other payables	**-7.1**	
Current interest-bearing liabilities	**-0.3**	
Total assets and liabilities	**14.6**	0.8
Consideration received in cash	**14.5**	0.2
Cash disposed of	**2.0**	
Net cash inflow	**12.5**	0.2

Change in cash flow of disposals of subsidiaries is included in net cash from investing activities of discontinued operations.

4. Acquisitions of subsidiaries and businesses

2008

In 2008 there has not been acquisitions of subsidiaries or businesses.

2007

Talentum's Swedish subsidiary Talentum Sweden AB acquired the share capital of Dagens Media Sverige AB in a transaction concluded on June 12, 2007, since when the company has been consolidated into the Group financial statement. Its annual net sales are about EUR 2 million and the operation is profitable. At the time of acquisition it employed 13 people.

Talentum's Swedish subsidiary Talentum Sweden AB acquired the share capital of Fakta Regulatory AB in Sweden in a transaction concluded on 13.11.2007. Its annual net sales are about EUR 8 million and at the time of the acquisition it employed about 60 people.

EUR million	Note	Recognized fair values/ carrying amounts 2008	2007
Assets and liabilities of acquired companies:			
Property, plant and equipment	12		0.1
Intangible assets	12		0.6
Inventories			0.1
Trade and other receivables			1.1
Total assets			1.8
Current liabilities			4.7
Total liabilities			4.7
Net assets			-2.9
Acquisition cost			-8.7
Goodwill	12		8.9
Consideration paid in cash			-8.3
Cash and cash equivalents in acquires companies			2.2
Cash flow on acquisition, continuing operations			-6.2
Cash flow on acquisition, discontinued operations			-0.4
Cash flow on acquisition			-6.5

5. Other operating income, continuing operations

EUR million	2008	2007
Gain on sale of property, plant and equipment	**0.0**	0.0
Rental income	**0.2**	0.2
Other income	**0.3**	0.3
Total	**0.5**	0.5

6. Employee benefit expenses, continuing operations

EUR million	2008	2007
Wages and salaries	**31.9**	29.1
Pension expenses		
Defined benefit plans	**1.3**	1.0
Defined contribution plans	**3.7**	3.7
Share-based payments	**0.0**	0.4
Other social security expenses	**4.7**	4.1
Total	**41.6**	38.3

Average amount of personnel in the reporting period	2008	2007
Publishing	**430**	384
Direct marketing	**374**	365
Group Administration	**14**	14
Continuing operations	**818**	763

The management employee benefit expenses are presented in note 26, Related party transactions and information about share-based payments is presented in note 22, Share-based payments.

7. Depreciation and amortization, continuing operations

Depreciation by asset item

EUR million	2008	2007
Tangible assets		
Machinery and equipment	**0.8**	0.8
Other tangible assets	**0.1**	0.1
Total	**0.9**	0.9
Intangible assets		
Development expenses	**0.2**	
Other intangible assets	**0.6**	0.4
Total	**0.8**	0.4
Depreciation and amortization total	**1.7**	1.3

Information about amortizations is presented in note 13, Impairment of property, plant and equipment and intangible assets.

8. Other operating expenses, continuing operations

EUR million	2008	2007
Marketing expenses	**6.2**	4.9
IT expenses	**3.1**	2.2
Rental expenses	**4.1**	4.1
Office and premise expenses	**2.5**	2.7
Other fixed expenses	**8.2**	7.6
Total	**24.1**	21.7
Fees paid to main auditor:		
Audit fees	**0.1**	0.1
Other fees	**0.0**	0.0
Total	**0.1**	0.1

9. Financial income and expenses, continuing operations

EUR million	2008	2007
Financial income		
Dividend income from available-for-sale-investments	**0.0**	0.0
Interest income from short term bank deposits	**0.1**	0.4
Other financial income	**0.4**	0.3
Total	**0.5**	0.7

EUR million	2008	2007
Financial expenses		
Interest expenses from financial liabilities measured at amortized cost	**0.4**	1.1
Changes in the fair value of financial assets at fair value through profit and loss	**0.0**	
Other financial expenses	**0.4**	0.7
Total	**0.8**	1.8

Other financial expenses in financial period 2007 include the loss of EUR 0.5 million on the sale of the associate Acacom Academic Communications Oy.

10. Income taxes, continuing operations

Income taxes in the income statement

EUR million	2008	2007
Current taxes	**1.7**	1.8
Prior period's tax	**0.0**	0.0
Deferred taxes	**1.0**	1.3
Total	**2.8**	3.2

Reconciliation statement between income statement tax item and taxes calculated at the tax rate of the Group country of domicile 26%:

EUR million	2008	2007
Profit before taxes	**10.9**	12.7
Income tax in accordance with the Finnish tax rate	**2.8**	3.3
Tax adjustments for discontinued operations		0.6
Difference between the Finnish and foreign tax rates	**0.0**	0.2
Income not subject to tax	**-0.0**	
Non-deductible expenses and tax exempt items	**0.4**	0.2
Use of previously unrecognised tax losses	**-0.5**	-1.6
Unrecognized deferred tax assets from taxable losses		0.5
Net profit of associates	**0.1**	-0.1
Prior periods' taxes	**0.0**	-0.1
Taxes in income statement	**2.8**	3.2

11. Earnings per share

	2008	2007
Profit for the period attributable to equity holders, EUR million continuing operations	**8.2**	9.5
Profit for the period attributable to equity holders, EUR million discontinued operations	**-2.9**	-0.7
Weighted average number of shares, 1,000	**43,776**	44,040
Basic and diluted earnings per share, EUR continuing operations	**0.19**	0.22
Basic and diluted earnings per share, EUR discontinued operations	**-0.07**	-0.02

The equity-based incentive plan does not include such instruments as would create a dilution effect.

12. Property, plant and equipment and intangible assets

Property plant and equipment, 2008

EUR million	Buildings and structures	Machinery and equipment	Other intangible assets	Total
Acquisition cost at 1 January 2008	2.4	27.1	2.7	32.2
Additions		0.6	0.0	0.6
Disposals		-7.4	-0.1	-7.5
Disposals through disposals of subsidiaries	-2.4	-12.5	-1.2	-16.2
Exchange differences		-0.2	-0.0	-0.2
Acquisition cost at 31 December 2008	0.0	7.6	1.3	9.0
Accumulated depreciation at 1 January 2008	-0.8	-23.1	-1.8	-25.7
Disposals		7.4	0.1	7.5
Disposals through disposals of subsidiaries	0.8	10.0	0.9	11.7
Depreciaton for the period		-0.9	-0.1	-1.0
Exchange differences		0.2	0.0	0.2
Accumulated depreciation at 31 December 2008	0.0	-6.5	-0.9	-7.3
Carrying amount at 1 January 2008	1.6	4.1	0.9	6.6
Carrying amount at 31 December 2008	0.0	1.2	0.5	1.6

Property plant and equipment, 2007

EUR million	Buildings and structures	Machinery and equipment	Other	Total
Acquisition cost at 1 January 2007	2.4	27.0	2.7	32.2
Additions		1.2	0.3	1,4
Acquisitions through business combinations		0.1		0,1
Transfers/disposals		0.1	-0.3	-0.2
Disposals through disposals of subsidiaries		-1.2		-1.2
Exchange differences		-0.1	-0.0	-0.1
Acquisition cost at 31 December 2007	2.4	27.1	2.7	32.2
Accumulated depreciation at 1 January 2007	-0.7	-21.8	-1.8	-24.3
Transfers/disposals		0.0	0.3	0.4
Disposals through disposals of subsidiaries		0.8		0.8
Depreciaton for the period	-0.1	-2.1	-0.4	-2.5
Exchange differences		0.0	0.0	0.1
Accumulated depreciation at 31 December 2008	-0.8	-23.1	-1.8	-25.7
Carrying amount at 1 January 2007	1.7	5.2	0.9	7.9
Carrying amount at 31 December 2007	1.6	4.1	0.9	6.6

Intangible assets, 2008

EUR million	Goodwill	Publishing rights	Development expenses	Other	Total
Acquisition cost at 1 January 2008	34.4	12.0		10.3	56.7
Additions	0.0			1.8	1.8
Tranfers			0.9	-0.9	-0,0
Disposals				-1.8	-1.8
Disposals through disposals of subsidiaries	-7.2			-0.7	-7.9
Exchange differences	-2.5	-1.2		-0.2	-4.0
Acquisition cost at 31 December 2008	24.7	10.8	0.9	8.4	44.9
Accumulated depreciation and amortization at 1 January 2008	-1.8	-1.4		-9.1	-12.3
Disposals				1.8	1.8
Depreciaton for the period			-0.2	-0.6	-0.8
Amortization for the period	-2.9				-2,9
Disposals through disposals of subsidiaries				0.5	0.5
Exchange differences				0.1	0.1
Accumulated depreciation and amortization at 31 December 2008	-4.7	-1.4	-0.2	-7.2	-13.5
Carrying amount at 1 January 2008	32.5	10.7		1.2	44.4
Carrying amount at 31 December 2008	20.0	9.4	0.7	1.2	31.3

Intangible assets, 2007

EUR million	Goodwill	Publishing	Development expenses	Other	Total
Acquisition cost at 1 January 2007	25.5	12.5		9.7	47.7
Additions	0.0			0.1	0.2
Acquisitions through business combinations	9.2			0.6	9.9
Transfers/disposals				0.1	0.1
Disposals through disposals of subsidiaries				-0,3	-0.3
Exchange differences	-0.4	-0.4		-0.0	-0.9
Acquisition cost at 31 December 2007	34.4	12.0		10.3	56.7
Accumulated depreciation and amortization at 1.12007	-1.8	-1.4		-8.6	-11.8
Transfers/disposals				-0.2	-0.2
Depreciaton for the period				-0.6	-0.6
Disposals through disposals of subsidiaries				0.2	0.2
Exchange differences				0.0	0.0
Accumulated depreciation and amortization at 31.12.2007	-1.8	-1.4		-9.1	-12.3
Carrying amount at 1 January 2007	23.7	11.1		1.1	35.9
Carrying amount at 31 December 2007	32.5	10.7		1.2	44.4

13. Impairment of property, plant and equipment and intangible assets

The management of Talentum rewiews goodwill at the business area level.

Goodwill has been allocated to following cash generating units:

EUR million	2008	2007
Publishing Finland	**3.4**	3.4
Publishing Sweden	**16.4**	18.9
Other	**0.3**	10.3
Total	**20.0**	32.5

*) The goodwill and other in 2007 includes a total of EUR 10 million for the goodwill of the Varesvuo companies and the Premedia companies that have been sold.

The amount of money recoverable from the business operation has been calculated on the basis of fair value. The predicted cash flows identified are based on operating profit achieved and five year forecasts. The after-tax cash flows for the years after this period have been valued using the residual value approach based on the five year forecasts. The discount rate used in the calculation is the weighted average cost of capital (WACC) on an after-tax basis. The use of the after-tax WACC in place of the pre-tax coefficient does not have a significant effect on the final value. The components of the revenue percentage are the risk free rate of return, market risk premium, beta coefficient, cost of debt and the targeted capital structure. The discount rate was 6.7% in 2008 (8% in 2007).

The Group recognized a EUR 2.9 million impairment in the value of the Premedia business' goodwill in October 2008.

14. Investments in associates

EUR million	2008	2007
At the beginning of financial period	**2.1**	2.7
Share of profit for the period	**-0.3**	0.2
Additions		0.8
Disposals/tranfers		-1.6
Disposals through disposals of subsidiaries	**-1.6**	
Exchange differences	**0.1**	
Dividends		-0.1
At the end of financial period	**0.3**	2.1

The carrying amount of the associates includes EUR 0.0 million of goodwill at 31 December 2008 (EUR 0.2 million at 31 December 2007).

Information about associates and their assets, liabilities, net sales and profit/loss:

2008

EUR million	Domicile	Assets	Liabilities	Net sales	Profit	Group-holding%
Mentor Online Ab	Stockholm	5.4	6.9	18.4	0.1	21.67

2007

EUR million	Domicile	Assets	Liabilities	Net sales	Profit	Group-holding%
Generator Post Oy	Helsinki	3.2	1.4	4.9	0.6	50.0
Production House Oy Finland	Helsinki	1.5	0.4	2.3	0.1*)	34.0
Mentor Online Ab	Stockholm	7.5	7.3	17.0	0.1**)	21.67

*) Estimate, **) From the financial statements for 2006

In financing year 2007 presented Generator Post Oy and Production House Oy Finland, were part of the sub-group Filmiteollisuus Oy, sold in spring 2008.

In September 2007 Talentum Media disposed of its interest in Acacom Academic Communications Oy. A loss of EUR 0.5 million was regocnized on the sale. The Swedish Mentor Online AB became an associate in June 2007 and it has been consolidated in the financial statements since.

15. Available -for-sale investments

EUR million	2008	2007
Non-current		
Carrying amount at 1 January	**0.1**	0.9
Decreases	**-0.1**	-0.0
Transfer to investment in associates *)		-0.8
Exchange differences		-0.0
Carrying amount at 31 December	**0.1**	0.1

*) Mentor Online Ab

Available for sale investments include both listed and unlisted shares. Available for sale investments are all denominated in Euros. Listed shares are valued at fair value. Unlisted shares are shown at their acquisition cost because their fair value cannot be reliably obtained. The maximum credit risk for available for sale investments corresponds to the book value at the bamance sheet date.

16. Inventories

EUR million	2008	2007
Material and supplies		0.4
Work in progress	**0.0**	2.6
Finished products and goods	**1.3**	1.4
Total	**1.3**	4.4

EUR 0.1 million were recorded as an expense in the period now ended to reduce the value of inventories to correspond to their net realization value (EUR 0.1 million in 2007).

17. Receivables

EUR million	2008	2007
Non-current loan and other receivables		
Employee benefit receivables	**1.3**	0.1
Other receivables	**0.3**	0.6
Total	**1.6**	0.7

Non-current receivables divided by currency:

EUR million	2008	2007
EUR	**1.3**	0.2
SEK	**0.3**	0.5

EUR million	2008	2007
Current		
Trade receivables	**4.7**	8.9
Receivables from associates	**0.0**	0.1
Prepaid expenses and accrued income	**2.0**	5.4
Other receivables	**0.5**	1.4
Total	**7.2**	15.8
Significant items included in prepaid expenses and accrued income:		
Tax receivables	**1.0**	1.7
Personnel expenses	**0.0**	0.5
Interest and other finance receivables	**0.0**	0.0
Other prepaid expenses and accrued income	**1.0**	3.2
Total	**2.0**	5.4

Aging of trade receivables:

EUR million	2008	2007
Not past due	**3.6**	6.9
Past due		
1–30 days	**0.7**	1.7
31–60 days	**0.1**	0.2
61–90 days	**0.1**	0.1
over 91 days	**0.2**	0.0
Total	**4.7**	8.9

The group recognized an impairment loss of EUR 0.2 million (EUR 0.2 million in 2007) on trade receivables.

Current receivables divided by currency:

EUR million	2008	2007
EUR	**3.2**	9.8
SEK	**3.6**	5.7
EEK	**0.1**	0.1
LVL	**0.1**	0.2
LTL	**0.0**	0.1
RUB	**0.0**	0.0

There are no significant concentrations of credit risk associated with receivables. The balance sheet values best correspond to the amount of money which is the maximum amount of credit risk without taking into account the fair value of guarantees in the event that counter parties are unable to fulfill their obligations associated with the financial instruments. The Group's operating practice does not include taking insurance in respect of sales and other receivables.

18. Deferred taxes

Changes in deferred taxes during financial period 2008:

EUR million	31.12.2007	Items recog-nized in income statement	Exchange differencies	Acquired/ disposed businesses	31.12.2008
Deferred tax assets					
Provisions	0.4	-0.3	0.0		0.1
Tax losses carried forward	0.4	-0.2	-0.0		0.1
Employee benefits					
Other temporary items	0.2	-0.0			0.2
Total	**1.0**	**-0.5**	**-0.0**		**0.5**
Deferred tax liabilites					
Deferrals on intangible assets					
Valuation of intangible and tangible assets at fair value in business combinations	2.7		-0.4		2.4
Accumulated appropriations	0.0	0.0			0.1
Employee benefits	0.1	0.3			0.4
Other temporary items	0.2	0.1		-0.1	0.2
Total	**3.1**	**0.4**	**-0.4**	**-0.1**	**3.1**

Changes in deferred taxes during financial period 2007:

EUR million	31.12.2006	Items recog-nized in income statement	Exchange differencies	Acquired/ disposed businesses	31.12.2007
Deferred tax assets					
Provisions	0.5	-0.1	-0.0		0.4
Tax losses carried forward	1.7	-1.3	-0.0		0.4
Employee benefits					
Other temporary items	1.3	-0.8		-0.3	0.2
Total	**3.5**	**-2.1**	**-0.0**	**-0.3**	**1.0**
Deferred tax liabilites					
Deferrals on intangible assets					
Valuation of intangible and tangible assets at fair value in business combinations	2.8		-0.1		2.7
Accumulated appropriations	0.1	-0.0			0.0
Employee benefits	0.1	0.0		-0.0	0.1
Other temporary items	0.2	-0.0		-0.0	0.2
Total	**3.3**	**-0.0**	**-0.1**	**-0.0**	**3.1**

19. Cash and cash equivalents

EUR million	2008	2007
Cash at hand and in bank accounts	**3.2**	8.1
Short term investments (1 to 3 months)	**2.5**	5.7
Total	**5.7**	13.8

The balance sheet values best correspond to the amount of money which is the maximum amount of credit risk without taking into account the fair value of guarantees in the event that counter parties are unable to fulfill their obligations associated with the financial instruments. There are no significant concentrations of credit risk associated with financial assets.

The fair value of financial assets does not differ significantly from the balance sheet values. The average maturity of short term investments is less than 30 days. In cash flow calculations, items classified as financial assets have a maximum of three months maturity calculated from the acquisition date.

20. Equity

Number of shares calculation:

EUR million	Number of shares, 1,000	Share capital	Share premium reserve	Treasury shares	Total
31 December 2007	44,040	18.6	5.9	-1.3	23.2
Share issue	75				
Acquisition of own shares	-500			-1.5	-1.5
Transfer to Invested non-restricted equity fund			-5.9		-5.9
31 December 2008	**43,615**	**18.6**		**-2.8**	**15.8**

Talentum Oyj has one class of shares. In accordance with the articles of association the maximum number of shares permitted is 100 million shares (100 million in 2007). The par value of the shares is EUR 0.42 per share, and Talentum Oyj's maximum share capital is EUR 28 million (EUR 28 million in 2007). All shares issued are fuly paid up.

Equity accounts:

Share premium reserve
At the AGM held on March 27, 2008 it was decided that the share premium account on the company's balance sheet at December 31, 2007 should be reduced by EUR 89,593,601.28. The amount of the reduction was transferred into the invested non-restricted equity fund. After the reduction, the value of the share premium fund on the balance sheet was zero.

Treasury shares
The own shares account comprises the acquisition cost of the company's own shares controlled by the Group. In 2008, the company bought its own shares to the value of EUR 1.5 million.

Translation differences
The translation differences account contains the translation differences arising from the financial statements of foreign subsidiaries.

Invested non-restricted equity fund
At the AGM held on March 27, 2008 it was decided that the share premium account on the company's balance sheet at December 31, 2007 should be reduced by EUR 89,593,601.28. The amount of the reduction was transferred into the invested non-restricted equity fund.

21. Pension obligations

The statutory pension plans of Talentum Oyj, Talentum Media Oy and Suoramarkkinointi Mega Oy are managed in a collective pension fund. The pension fund is considered a defined benefit plan. In addition, the Group companies have some voluntary pension plans, which have been accounted for as defined benefit plans.

There is a collective pension plan in Sweden (Pressens Pensionskassa), in which several media company participate, and of which adequate information is not available to account for it as defined benefit plan. Thefore it has been accounted for as a defined contribution plan. The effect of this is not assumed to be significant.

Defined benefit pension plans

Amounts recognized in the income statement

EUR million	2008	2007
Defined benefit plans	**1.3**	1.0
Defined contribution plans	**4.2**	6.0
	5.4	7.0

Liability for defined benefit obligations in the balance sheet

EUR million	2008	2007
Present value of unfunded obligations		
Present value if funded obligations	**19.9**	19.1
Fair value of plan assets	**-16.8**	-16.1
Deficit / Surplus	**3.0**	3.0
Unrecognized actuarial gains (+) and losses (-)	**-4.3**	-3.1
Net liability	**-1.3**	-0.1
Amounts in the balance sheet		
Liabilities		0.1
Receivables	**1.3**	0.1
Net liability	**1.3**	0.1

Employee benefit expense recognized in the income statement

EUR million	2008	2007
Current service cost	**1.0**	1.1
Interest expense	**1.0**	0.8
Expected return on plan assets	**-0.8**	-0.7
Actuarial gains (+) and losses (-)	**0.1**	0.1
Losses/gains on curtailment	**0.0**	-0.3
Total	**1.3**	1.0
Actual return on plan assets	**-1.4**	0.6

Movements in the present value of the obligation

EUR million	2008	2007
Obligation at the beginning of financial period	**19.1**	17.7
Current service cost	**1.0**	1.1
Interest expense	**1.0**	0.8
Actuarial gains (+) and losses (-)	**-0.9**	0.6
Gains (-) and losses (+) on curtailments		-0.8
Benefits paid	**-0.3**	-0.3
Obligation at the end of financial period	**19.9**	19.1

Movements in the fair value of plan assets

EUR million	2008	2007
Fair value of plan assets at the beginning of financial period	**16.1**	15.0
Expected return on plan assets	**0.8**	0.7
Actuarial gains (+) and losses (-)	**-2.2**	-0.1
Contributions into the plan paid by the employer	**2.5**	1.0
Gains (-) and losses (+) on curtailments	**0.0**	-0.3
Benefits paid	**-0.3**	-0.3
Fair value of plan assets at the end of financial period	**16.8**	16.1

The distribution of plan assets by asset, as percentage of the fair value of all plan assets: deposits are other short term investments 66% (92%), shares 11% (0%), long term debenture loans and others 23% (8%).

Principal actuarial assumptions at 31 December

%	2008	2007
Discount rate	**5.00**	5.05
Expected return on plan assets	**4.50–5.50**	4.00–5.05
Future salary increases	**2.50**	2.50

The expected long-term return on plan assets during the financial period 2008 was 4,50–5,50% (4,00-5,05% in financial period 2007). It was determined based on expected future returns on each plan asset.

The amounts for the current and the previous financial periods are the following

EUR million	2008	2007
Present value of the obligation	**19.9**	19.1
Fair value of plan assets	**-16.8**	-16.1
Deficit	**3.0**	3.0
Experience adjustments on plan assets	**-2.2**	-0.1
Experience adjustments on plan liabilities	**-1.1**	0.0

22. Share-based payments

Terms of the share-based incentive plan

The plan has three earnings periods, each of at least one and a maximum of three financial years. The first earnings period was the 2007 financial year and the second earnings period was the 2008 financial year. The total length of the plan is five years. The rewards will be paid partly in the Company's shares and partly in cash after the end of each earnings period. The proportion to be paid in cash will cover taxes and tax-related costs arising from the reward. Transferring the shares earned from an earnings period within two years of the end of the earnings period is prohibited. After this, the CEO of the Company must, however, own 50% of the shares earned on the basis of the plan as long as the service of the CEO continues and for one year after the end of the service. The Board of Directors will later decide on the following vesting periods and transfer restrictions concerning shares earned on the basis of those vesting periods.

Incentive plan	1	2
Nature of incentive plan	Shares	Shares
Vesting period	From 1 January 2007 to 31 December 2007	From 1 January 2008 to 31 December 2008
Grant date	11 February 2008	For the earnings period 2008 the rewards will not be paid
Amount of granted instruments	74,970	0
Share price at the grant date (EUR)	2.59	–
Binding period (years)	2 years after the end of vesting period	2 years after the end of vesting period
Conditions for rights conferral	Three years employment. Net sales, operating profit and share price development during 2007	Three years employment. Net sales, operating profit and share price development during 2008
Realisation	In shares and cash	In shares and cash

EUR 0.2 million were paid in cash in respect of the value of the shares when awarded for the 2007 earnings period.

The theoretical number of shares that could be paid under the scheme is 493,500 shares and the number outstanding is 418,530 shares.

23. Financial liabilities

EUR million	2008	2007
Non-current financial liabilities measured at amortized cost		
Loans from financial institutions	**0.3**	2.8
Other non-current liabilities	**0.1**	1.0
Total	**0.4**	3.8
Current financial liabilities measured at amortized cost		
Loans from financial institutions	**1.4**	0.9
Loans from associates	**0.5**	0.5
Other current liabilities	**0.0**	0.1
Commercial papers		14.0
Total	**1.9**	15.4

Carrying amounts and fair values of liabilities

EUR million	2008	2007
	Carrying amount	Carrying amount
Non-current liabilities	**0.4**	3.8
Current liabilities	**1.9**	15.4

Interest-bearing liabilities are mainly tied to 3 month or shorter market interest rates and their balance sheet values are reasonably close to their fair values.

Interest-bearing non-current liabilities divided by currency:

EUR million	2008	2007
EUR	**0.2**	2.2
SEK	**0.2**	1.5

Current interest-bearing liabilities divided by currency:

EUR million	2008	2007
EUR	**1.6**	15.4
SEK	**0.3**	0.0

24. Provisions

EUR million	Restructuring provisions	Onerous contracts	Other provisions	Total
Carrying amount at 1 January 2008	0.4	0.6	0.7	1.7
Provisions made	0.4			0.4
Provisions used	-0.3	-0.5	-0.2	-1.1
Carrying amount at 31 December 2008	**0.4**	**0.1**	**0.4**	**0.9**

EUR million	2008	2007
Non-current provisions	**0.9**	1.4
Current provisions	**0.1**	0.3

Restructuring provisions

The restructuring provisions are mainly made up of provisions for the reorganization of the Premedia business.

Onerous contracts

Onerous contracts include the rental expenses for unoccupied leased premises.

Other provisions

Other provisions include expenses for the pension plans in Sweden.

25. Trade and other payables

EUR million	2008	2007
Current		
Advances received	**0.0**	2.1
Trade payables	**2.6**	4.1
Liabilities to associates		0.1
Accrued expenses and deferred income	**16.5**	24.1
Other liabilities	**1.6**	2.8
Total	**20.7**	33.1
Significant items included in accrued expenses and deferred income:		
Subscription fee advances	**8.9**	10.0
Personnel expenses	**5.4**	8.9
Tax liability	**0.7**	1.2
Interest expenses	**0.0**	0.0
Other	**1.5**	3.9
Total	**16.5**	24.1

Current non-interest-bearing liabilities divided by currency:

EUR million	2008	2007
EUR	**9.9**	19.7
SEK	**10.4**	13.1
EEK	**0.1**	0.1
LTL	**0.2**	0.1
LVL	**0.1**	0.1
RUB	**0.0**	0.0

26. Related party transactions

The group parent company and subsidiaries are as follows:

	Domicile	Group holding, %	Parent company holding, %
Parent company			
Talentum Oyj	**Helsinki**		
Group companies			
Talentum Media Oy	**Helsinki**	**100.00**	**100.00**
Talentum Sweden AB	**Stockholm**	**100.00**	**100.00**
Suoramarkkinointi Mega Oy	**Helsinki**	**100.00**	**100.00**
Subgroup companies and joint ventures			
Talentum Media Oy:			
Oy Mediuutiset Ab	**Helsinki**	**50.00**	
Conseco Press OOO	**Moscow**	**40.00**	**(51% of votes)**
Talentum Sweden AB:			
Talentum Media AB	**Stockholm**	**100.00**	
Talentum Sales AB	**Stockholm**	**100.00**	
Dagens Media Sverige AB	**Stockholm**	**100.00**	
Talentum HR AB	**Stockholm**	**100.00**	
Dagens teknik i Klara AB	**Stockholm**	**100.00**	
Suoramarkkinointi Mega Oy:			
Müügimeistrite A/S	**Tallinn**	**92.00**	
Telemarket SIA	**Riga**	**96.00**	
Telemarketing UAB	**Vilnius**	**96.00**	

Talentum's related parties

The statutory pension plans of Talentum Oyj, Talentum Media Oy and Suoramarkkinointi Mega Oy are managed in a collective pension fund, which is a related party. As well as the Group's only joint venture company, Oy Mediuutiset Ab, the Group's related parties include Talentum Oyj's pension fund, the associated company Mentor Online AB and Group management which includes the Board of the parent company and the Group's management team.

Related party transactions with the CEO and members of the Group management

Total management employee benefits

1,000 EUR	2008	2007
Salaries and other short-term employee benefits	**1,562**	2,385
Executive remuneration		
Juha Blomster, CEO	**305**	447
Other group management (deputy CEO included)	**1,257**	1,938
Members of the Board of Directors		
Saarinen Tuomo, Chairman	**48**	48
Airaksinen Manne, Deputy Chairman	**30**	30
Kainulainen Harri	**24**	24
Lehti Eero	**24**	24
Mäkelä Kai	**24**	24
Palomäki Atte (since 28 March 2007)	**24**	18
	174	168

The figures are accrual based salaries, fees and bonuses paid during the financial period. The CEO and part of the Group management have the guaranteed right to retire at the age of 60. On December 31, 2008, the number of Talentum Oyj shares and options owned by members of the Board of Directors and the CEO personally and through companies in which they have a controlling interest was 4,665,708, representing 10.53% of the company's total shares and votes. Other Group managers owned 33,915 shares.

Related party transactions with associates and joint ventures

EUR million	Sales	Purchases	Current receivables	Current liabilities
2008				
Joint ventures	**0.2**		**0.0**	**0.5**
2007				
Associates	0.1	0.5	0.0	0.1
Joint ventures	0.2		0.0	0.5

A guarantee of EUR 0.2 million has been given on behalf of associate company Mentor Online AB.

Related party transactions with Talentum's pension fund

EUR million	2008	2007
Support payments to pension fund	**5.6**	3.8

The pension fund's solvency margin was increased in 2008 to ensure its solvency in an unstable investment environment. Incentive payments are presented on an accrual basis.

27. Contractual maturities of financial liabilities

2008

EUR million	2009	2010	2011	2012	2013	Later
Trade payables	2.6					
Commercial papers						
Liabilities to associates	0.5					
Other current liabilities	0.0					
Loans from financial institutions	1.4	0.3				
Other non-current liabilities	0.0	0.0	0.0	0.0	0.0	0.1

2007

EUR million	2008	2009	2010	2011	2012	Later
Trade payables	4.1					
Commercial papers	14.0					
Liabilities to associates	0.5					
Other current liabilities	0.0	0.0	0.0			
Loans from financial institutions	1.8	1.5	0.3			
Other non-current liabilities	0.5	0.2	0.2	0.0	0.0	0.1

Since spring 2004, as part of its overall financing, Talentum has had a domestic commercial paper program of EUR 30 million, within which Talentum issues commercial paper with a maturity of less than one year. The mean maturity for this paper is less than three months.

In order to minimize the Group's liquidity risk, Talentum Oyj agreed a three year current account limit of EUR 12.0 million in February and a financing credit limit in the sum of EUR 20.0 million. Within the rules of the financing credit limit loans may be drawn down and repaid up to the limit over the three year period. The limits were unused at 31.12.2008.

28. Capital management

EUR million	2008	2007
Interest bearing liabilities	**2.3**	19.2
Cash and cash equivalents	**5.7**	13.8
Net liabilities	**-3.4**	5.3
Total capital	**22.3**	31.9
Gearing, %	**-15.4**	16.7
Equity ratio, %	**44.8**	36.7

29. Operating leases, commitments and contingent liabilities

Operating leases

Non-cancellable minimum operating lease rentals are payable as follows:

EUR million	2008	2007
Less than a year	**3.7**	5.9
Between one and five years	**8.9**	7.0
More than five years	**0.0**	0.8
Total	**12.6**	13.7

Guarantees posted for own commitments

EUR million	2008	2007
Guarantees posted for own commitments		
Financial institution loans	**0.5**	2.8
Book value of shares pledged	**2.3**	7.7
Mortgaged real estates	**0.3**	0.4

Guarantees posted for related parties are presented in note 26, Related party transactions.

Income statement of parent company (FAS)

1,000 EUR	Note	2008	2007
Net sales	2	**3,888**	4,057
Other operating income	3	**7**	4
Personnel expenses	4	**2,560**	2,943
Depreciation and amortization	5	**637**	717
Other operating expenses		**3,266**	2,954
Operating loss		**-2,568**	-2,553
Financial income and expenses	6	**2,220**	373
Loss befor extraordinary items		**-348**	-2,179
Extraordinary items	7	**4,558**	6,578
Loss before appropriations and taxes		**4,210**	4,399
Increase (-) / decrease (+) in depreciation difference	8	**20**	71
Direct taxes	9	**-1,540**	-926
Profit for the year		**2,690**	3,543

The profit of the year is burdened by a EUR 5.1 million write down from the shares of Talentum Premedia subsidiary.

Balance sheet of parent company (FAS)

1,000 EUR	Note	2008	2007
ASSETS			
Non-current assets			
Intangible assets	10	**745**	1,135
Tangible assets	10	**283**	312
Investments	10	**118,266**	132,527
Total non-current assets		**119,294**	133,975
Current assets			
Non-current receivables	11	**32**	
Current receivables	12	**16,034**	26,538
Short term deposits		**2,520**	5,710
Cash at hand and in bank accounts		**80**	54
Total current assets		**18,667**	32,302
TOTAL ASSETS		**137,961**	166,276
LIABILITIES AND EQUITY			
Equity	13		
Share capital		**18,594**	18,594
Share premium reserve			89,594
Other reserves			
Treasury shares		**-2,834**	-1,314
Invested non-restricted equity fund		**89,594**	
Retained earnings		**2,020**	7,285
Profit for the year		**2,690**	3,543
Total equity		**110,063**	117,701
Accumulated appropriations	14	**0**	20
Liabilities			
Non-current liabilities	15	**173**	867
Current liabilities	16	**27,724**	47,688
Total liabilities		**27,897**	48,555
TOTAL LIABILITIES AND EQUITY		**137,961**	166,276

Cash flow statement of parent company (FAS)

1,000 EUR	2008	2007
Cash flows from operating activities		
Profit/loss before extraordinary items	**-348**	-2,179
Adjustments:		
Depreciation	**637**	717
Financial income and expenses	**-2,220**	-373
Other adjustments	**-7**	10
Cash flows before change in working capital	**-1,938**	-1,825
Change in net working capital	**140**	-883
Cash flows before financing items and taxes	**-1,798**	-2,708
Interests paid and payments on other operating financing expenses	**-1,032**	-1,861
Interest received	**493**	1,309
Dividens receives	**5,105**	10,008
Taxes paid	**-1,915**	-244
Net cash from operating activities	**854**	6,504
Cash flows from investing activities		
Investments in to intangible and tangible assets	**-220**	-172
Disposal of subsidiaries	**10,162**	-10
Disposal of intangible and tangible assets	**10**	0
Net cash from/in investing activities	**9,952**	-183
Cash flow from financing activities		
Change in short-term loan receivables	**9,183**	40
Change in short-term loans	**-18,708**	-8,306
Change in long-term loans	**-694**	-694
Dividends paid	**-8,808**	-7,927
Group contributions	**6,578**	4,500
Acquirement of own shares	**-1,520**	0
Net cash in financing activities	**-13,969**	-12,387
Change in cash and cash equivalents	**-3,163**	-6,066
Cash and cash equivalents 1 January	**5,764**	11,829
Cash and cash equivalents 1 December	**2,600**	5,764

Notes to the parent company's financial statements

1. Financial statements' accounting principles

Talentum Oyj's financial statements have been prepared in accordance with accounting principles based on Finnish accounting legislation.

Fixed assets
Tangible and intangible assets have been entered in the balance sheet at the original acquisition cost less planned depreciation. Planned depreciation has been calculated on a straight-line basis based on economic life. The economic lives are:

Intangible rights .... 2–5 years
Other long-term expenditure .... 3–10 years
Machinery and equipment .... 3–7 years

The charges for assets rented through lease agreements are recognized as leasing expenses and the assets are not shown on the balance sheet.

Investments and receivables that have an estimated holding life of over a year are shown under investments.

Any impairment items in fixed assets are examined at the balance sheet date and an impairment is recognized as soon as there is reason to do so.

Financial assets
Deposits held for more than three months and other securities with an estimated holding time of less than one year are presented under financial securities. Cash at bank and in hand includes cash, bank accounts, deposits with a maturity of less than three months and other items considered as cash equivalents.

Shares, holdings, and financial instruments included in financial securities are valued at the lower of acquisition cost or market price.

Items denominated in foreign currency
Items denominated in foreign currency are shown in euros at the rate quoted by the European Central Bank at the balance sheet date. Differences in exchange rates arising during the financial year have been included in financial income and expenses.

Pension arrangements
Statutory pension liabilities are covered by the Talentum Group's general pension fund. Pension costs have been recognized on a cash basis.

Extraordinary items
Group contributions have been entered as extraordinary items.

Taxes for the financial period
Taxes for the financial period and adjustments to taxes from earlier financial periods have been recognized as income taxes in the income statement.

The probable tax effects arising from periodisation differences in bookkeeping and taxation have been shown as deferred tax assets and liabilities.

2. Net sales

1,000 EUR	2008	2007
Internal invoicing	**3,888**	4,057
Total	**3,888**	4,057

3. Other operating income

1,000 EUR	2008	2007
Profit of sales of non-current assets	**7**	0
Compensations paid by insurance company		4
Total	**7**	4

4. Personnel expenses

1,000 EUR	2008	2007
Salaries and fees:		
CEO	**305**	292
Board of the directors	**174**	168
Other	**1,270**	2,001
Pension expenses	**712**	521
Other social security expenses	**99**	-39
Total	**2,560**	2,943

Salaries, fees and fringe benefits of CEO and member of the Board of directors are presented in note 26 of the Group financial statements.

Average amount of personnel in the reporting period	**29**	31

5. Depreciation and amortizations

1,000 EUR	2008	2007
Intangible assets	**432**	488
Tangible assets	**206**	229
Total	**637**	717

6. Finance income and expenses

1,000 EUR	2008	2007
Finance income		
Dividend income from group companies	**2,375**	2,738
Interest and financial income from group companies	**531**	919
Other interest and financial income	**346**	390
Total	**3,252**	4,047
Finance expenses		
Interest and financial expenses to group companies	**689**	768
Other financial income	**7**	1,842
Other interest income	**336**	1,064
Total	**1,032**	3,674
Total finance income and expenses	**2,220**	373

7. Extraordinary items

1,000 EUR	2008	2007
Group contributions	**8,657**	6,578
Sales of subsidiaries	**1,237**	
Other	**-5,336**	
Total	**4,558**	6,578

8. Appropriations

1,000 EUR	2008	2007
Change in depreciation difference:		
Intangible assets	**-105**	12
Tangible assets	**85**	-82
Total	**-20**	-71

9. Income tax

1,000 EUR	2008	2007
From extraordinary items	**-2,251**	-1,710
From ordinary fuctions	**678**	787
Change in deferred tax	**32**	-3
Total	**-1,540**	-926

10. Tangible and intangible assets and investments

Tangible assets

1,000 EUR	**Intangible rights**	**Renovation of premises**	**Total**
Acquisition cost 1 January	3,236	783	4,019
Additions	122		122
Disposals	-177		-177
Acquisition cost 31 December	3,181	783	3,964
Accumulated depreciation 1 January	-2,671	-213	-2,884
Disposals	96		96
Depreciation for the period	-326	-106	-432
Accumulated depreciation 31 December	-2,901	-318	-3,220
Carrying amount at 31 December 2008	**279**	**465**	**745**
Carrying amount at 31 December 2007	564	571	1,135

Tangible assets

1,000 EUR	**Machinery and equipment**	**Other**	**Total**
Acquisition cost 1 January	1,190	32	1,221
Additions	186		186
Disposals	-78		-78
Acquisition cost 31 December	1,297	32	1,329
Accumulated depreciation 1 January	-909		-909
Disposals	69		69
Depreciation for the period	-206		-206
Accumulated depreciation 31 December	-1,046		-1,046
Carrying amount at 31 December 2008	**251**	**32**	**283**
Carrying amount at 31 December 2007	281	32	312

Investments

1,000 EUR	**Investments in subsidiaries**	**Other**	**Total**
Acquisition cost 1 January	132,499	28	132,527
Disposals through disposals of subsidiaries	-8,925		-8,925
Acquisition cost 31 December	123,574	28	123,602
Accumulated depreciation 1 January			
Amortization for the period	-5,336		-5,336
Accumulated depreciation 31 December	-5,336		-5,336
Carrying amount at 31 December 2008	**118,238**	**28**	**118,266**
Carrying amount at 31 December 2007	132,499	28	132,527

Investments in subsidiaries are presented in Note 26, Related party transactions of the Group financial statements.

11. Non-current receivables

1,000 EUR	**2008**	**2007**
Deferred tax assets	**32**	
Total	**32**	

12. Current receivables

1,000 EUR	2008	2007
Trade receivables		328
Receivables from group companies	**15,738**	25,934
Prepaid expenses and accrued income	**151**	275
Other receivables	**144**	1
Total	**16,034**	26,538
Receivables from group companies:		
Trade receivables	**193**	889
Loan receivables	**6,541**	15,682
Prepaid expenses and accrued income	**9,004**	9,363
Total	**15,738**	25,934
Significant items included in prepaid expenses and accrued income:		
Group contributin receivables	**8,657**	6,578
Dividend receivables		2,730
Interest receivables	**336**	93
Other	**162**	236
Total	**9,155**	9,637

13. Equity

1,000 EUR	2008	2007
Share capital 1 January	**18,594**	18,594
Share capital 31 December	**18,594**	18,594
Share premium reserve 1 January	**89,594**	89,594
Transfer to invested non-restricted equity fund	**-89,594**	0
Share premium reserve 31 December	**0**	89,594
Other reserves		
Treasury shares 1 January	**-1,314**	-1,314
Acquisition of own shares	**-1,520**	
Treasury shares 31 December	**-2,834**	-1,314
Invested non-restricted equity fund 1 January	**0**	0
Transfer from share premium reserve	**89,594**	
Invested non-restricted equity fund 31 December	**89,594**	0
Total other reserves 31 December	**86,759**	-1,314
Retained earnings 1 January	**10,828**	15,212
Dividend payment and return of equity	**-8,808**	-7,927
Profit/loss for the period	**2,690**	3,543
Retained earnings 31 December	**4,711**	10,828
Total equity 31 December	**110,063**	117,701
Calculation of distributable assets		
Treasury shares	**-2,834**	-1,314
Invested non-restricted equity fund	**89,594**	0
Retained earnings	**4,711**	10,828
Total	**91,470**	9,514

Share capital by type of share at end of financial year:	pcs	pcs
Serie: TTMV1	44,295,787	44,220,817
Own shares held by company	681,000	181,000

14. Appropriations

1,000 EUR	2008	2007
Accumulated depreciation difference:		
Intangible assets	**99**	204
Tangible assets	**-99**	-183
Total	**0**	20
Deferred tax liabilty included in reserves	**0**	5

15. Non-current liabilities

1,000 EUR	2008	2007
Loans from financial institutions	**173**	867

16. Current liabilities

1,000 EUR	2008	2007
Loans from financial institutions	**694**	694
Commercial papers		14,000
Trade payables	**173**	314
Liabilities to group companies	**25,748**	30,454
Other current liabilities	**152**	209
Accrued expenses and deferred income	**957**	2,018
Total	**27,724**	47,688
Liabilities to group companies		
Loan liabilities	**25,736**	30,364
Trade payables	**8**	
Accrued expenses and deferred income	**3**	89
Total	**25,748**	30,454
Significant items included in accrued expenses and deferred income:		
Holiday pay obligation liability	**298**	222
Bonus liability	**66**	413
Tax liability	**580**	923
Pension and social security contribution debts	**0**	62
Interest debt	**13**	111
Other	**3**	378
Total	**960**	2,107

17. Operating leases, commitments and contingent liabilities

1,000 EUR	2008	2007
Financial institution loans with shares as collateral		1,561
Carrying amount of shares pledged		4,229
Rental commitments		
Rent guarantees		1
Rents of term of notice	**6,205**	7,809
Leasing commitments		
To be paid next financial year	**621**	356
To be paid later	**815**	79

Calculation of key indicatiors

Return on equity (ROE), %

$$\frac{\text{Profit for the period}}{\text{Total equity (annual average)}} \times 100$$

Return on investment (ROI), %

$$\frac{\text{Profit before taxes + interest and other financial expenses}}{\text{Total assets - non-interest bearing debts (annual average)}}$$

Equity ratio, %

$$\frac{\text{Total equity}}{\text{Total assets - advances received}} \times 100$$

Gearing, %

$$\frac{\text{Interest-bearing debts - cash and cash equivalents}}{\text{Total equity}} \times 100$$

Earnings per share

$$\frac{\text{Profit for the period attributable to the equity holders}}{\text{Adjusted average number of shares}}$$

Dividend per share

$$\frac{\text{Dividend for the period}}{\text{Adjusted number of shares 31.12.}}$$

Equity per share

$$\frac{\text{Equity attributable to the equity shareholders}}{\text{Adjusted number of shares 31.12.}}$$

Dividend per earnings, %

$$\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$$

Effective dividend yield, %

$$\frac{\text{Dividend per share}}{\text{Adjusted trading price at the end of the period}} \times 100$$

Price per earnings, P/E

$$\frac{\text{Adjusted trading price at the end of the period}}{\text{Earnings per share}}$$

Market capitalization

Number of shares at 31.12. × trading price at the end of the period

Enterprise Value

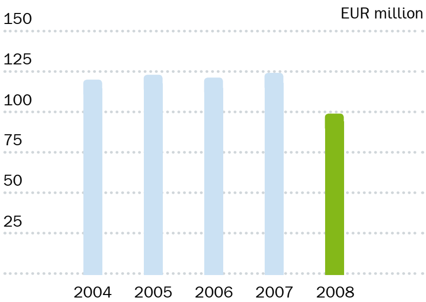
Market capitalization + interest-bearing debts - cash and cash equivalents

Key figures

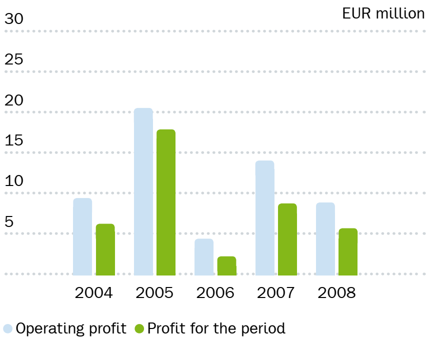
EUR million and %	2008	2007	2006	2005	2004
Group					
Net sales	**98.9**	124.0	121.1	122.8	119.9
growth %	**-20.3**	2.4	-1.4	2.4	6.0
Operating profit	**8.8**	13.9	4.3	20.4	9.3
as of % net sales	**8.9**	11.2	3.5	16.7	7.8
Financial items *)	**-0.7**	-1.0	-0.1	-0.5	0.0
Profit for the period (equity holders of the parent company)	**5.2**	8.8	2.2	17.9	6.3
Investments	**2.5**	11.6	5.1	28.5	9.0
as % of net sales	**2.5**	9.3	4.2	23.3	7.5
Total equity	**22.3**	31.9	32.2	43.3	32.9
Total assets	**49.7**	89.0	89.7	90.5	78.5
Personnel on average	**864**	991	1,064	1,202	1,203
Net sales per person, 1,000 EUR	**114**	125	114	102	100
Continuing operations					
Net sales	**93.4**	89.1	79.3	61.5	53.1
growth %	**4.8**	12.4	28.8	16.0	
Operating profit	**11.5**	13.9	5.0	8.6	7.3
as % of net sales	**12.3**	15.6	6.3	13.9	13.7
Investments	**2.4**	10.0	3.3	18.2	6.4
as % of net sales	**2.5**	11.2	4.2	29.6	12.0
Personnel on average	**818**	763	767	650	595
Net sales per person, 1,000 EUR	**114**	117	103	95	89

*) Including share of profit of associates

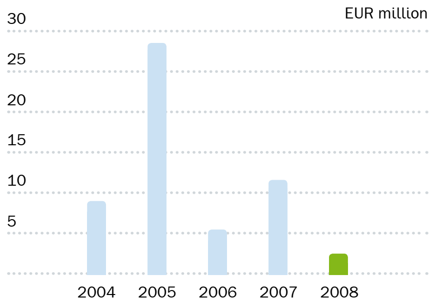
Net sales



Operating profit and Profit for the period

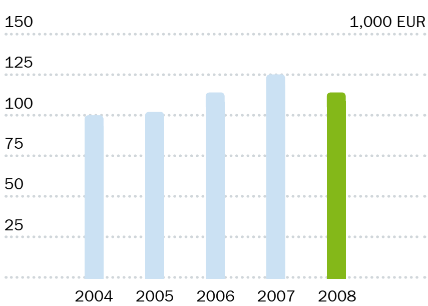


Investments

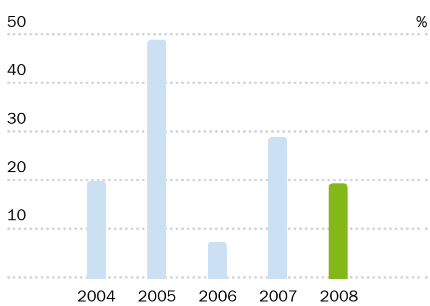


Personnel on average

Net sales per person



Return on equity (ROE)



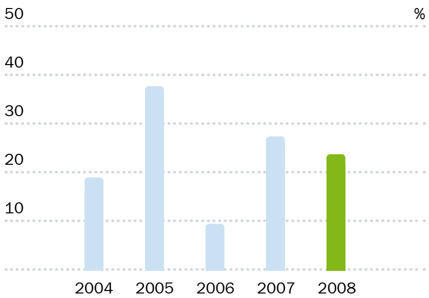
Key indicators

		2008	2007	2006	2005	2004
Return on equity (ROE)	%	**19.3**	28.7	7.2	49.0	19.7
Return on investment (ROI)	%	**23.7**	27.3	9.4	37.6	18.9
Equity ratio*)	%	**44.8**	36.7	36.1	48.8	42.3
Net gearing	%	**-15.4**	16.7	15.7	-16.5	-22.3
Net liabilities	EUR million	**-3.4**	5.3	5.1	-7.1	-7.3
Key indicators per share:						
Earnings per share	EUR	**0.12**	0.20	0.05	0.42	0.15
Dividend per share	EUR	****0.10**	0.20	0.18	0.30	0.15
Equity per share	EUR	**0.51**	0.69	0.69	0.94	0.54
Dividend per earnings	%	**83.5**	99.6	360.0	71.7	100.0
Effective dividend yield	%	**5.3**	7.3	5.5	8.1	5.1
P/E-ratio		**15.6**	13.7	66.5	8.8	19.7
Market capitalization	EUR million	**81.6**	121.1	144.9	162.9	124.8
Enterprise Value	EUR million	**78.1**	126.5	150.0	155.8	117.5
Traded price 31.12.	EUR	**1.87**	2.75	3.29	3.70	2.95
Traded price high	EUR	**3.16**	3.83	4.44	4.02	3.40
Traded price low	EUR	**1.63**	2.55	3.00	2.85	2.58
Average price for year, share issue adjusted	EUR	**2.65**	3.39	3.77	3.50	2.92
Total share turnover	shares	**11,572,194**	14,141,995	26,957,486	35,357,125	15,829,990
Total share turnover as percentage of shares	%	**26.1**	32.1	61.2	80.3	37.4
Number of shares, share issue adjusted:						
weighted average during year	shares	**43,775,710**	44,039,817	44,039,817	42,720,075	41,793,256
at year end	shares	**44,295,787**	44,039,817	44,039,817	44,039,817	42,298,780
Unremeeded 1999 warrant bond	shares	**0**	0	0	0	1,450,000
Unremeeded 2000 warrant bond	shares	**0**	0	0	0	345,000
Own shares	shares	**681,000**	181,000	181,000	181,000	184,600

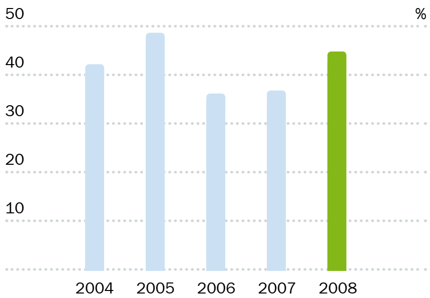
* Matching of the subscriptions booked in deferred liabilities

** Board proposal: dividend 0.04 € return of equity 0.06 €

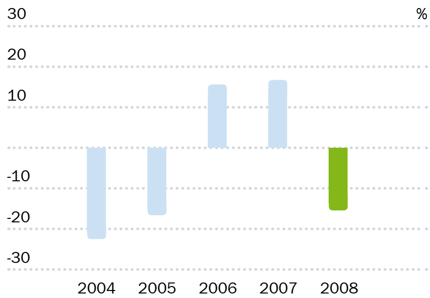
Return on investment (ROI)



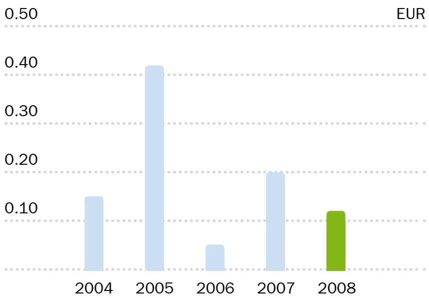
Equity ratio



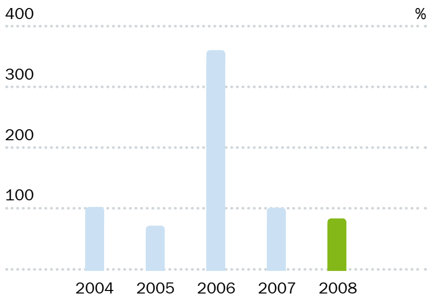
Net gearing



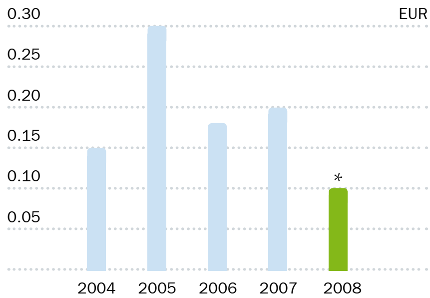
Earnings per share



Dividend per earnings



Dividend per share



* Board proposal: dividend 0.04 € return of equity 0.06 €

Proposal by the parent company on the distribution of profits

The distributable earnings in the balance sheet amount to EUR 91,469,954.85, of which the profit for financial period is EUR 2,690,452.73. No essential changes have taken place in the financial position of the company since the balance sheet date and,as required under the Finnish Companies Act (13/2) the proposed dividend to be distributed will not endanger the solvency of the company. The Board proposes to use the distributable earnings as follows:

	EUR
Invested non-restricted equity fund (consists of capital investments only)	89,593,601.28
Treasury shares	-2,834,420.30
Retained earnings	2,020,321.14
Profit for the period	2,690,452.73
Distributable earnings total	91,469,954.85
The Board of Directors proposes to distribute a dividend of EUR 0.04 and	1,744,591.48
return of equity EUR 0.06 per outstanding share (43,614,787 pcs)	2,616,887.22
Dividend and return of equity 0.10 €	4,361,478.70
Remaining distributable earnings	87,108,476.15

Helsinki February 11. 2009

Tuomo Saarinen **Manne Airaksinen**

Harri Kainulainen **Eero Lehti**

Kai Mäkelä **Atte Palomäki**

Juha Blomster
CEO

Auditor's report

To the Annual General Meeting of Talentum Oyj

We have audited the accounting records, the financial statements, the report of the Board of Directors and the administration of Talentum Oyj for the year ended on 31 December, 2008. The financial statements comprise the consolidated balance sheet, income statement, cash flow statement, statement of changes in equity and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the financial statements and the report of the Board of Directors and for the fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the fair presentation of the parent company's financial statements and the report of the Board of Directors in accordance with laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor's Responsibility

Our responsibility is to perform an audit in accordance with good auditing practice in Finland, and to express an opinion on the parent company's financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. Good auditing practice requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements and the report of the Board of Directors are free from material misstatement and whether the members of the Board of Directors of the parent company and the Managing Director have complied with the Limited Liability Companies Act.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

The audit was performed in accordance with good auditing practice in Finland. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Consolidated Financial Statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Opinion on the Company's Financial Statements and the Report of the Board of Directors

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Helsinki, 2 March 2009

PricewaterhouseCoopers Oy
Authorised Public Accountants

Juha Wahlroos
Authorised Public Accountant

Annual Summary 2008

January

08.45, 22 JANUARY, 2008

Talentum sells the majority of its TV content production

Talentum agreed the sale of Varesvuo Partners Oy which concentrates on TV content production. The deal did not include the 59 per cent share of the parent company's subsidiary Oy Filmiteollisuus Fine Ab owned by Varesvuo Partners Oy.

17.00, 23 JANUARY, 2008

Changes and appointments at Talentum's Executive Management Team

The composition of Talentum's Group Executive Management and management of media sales in Finland was changed.

February

08.30, 12 FEBRUARY, 2008

Talentum's publishing operations grew and profitability improved, dividend 0.20 Euros

Release regarding Year-End Statement and the Board's dividend proposal to the AGM.

08.30, 12 FEBRUARY, 2008

Concentrating on core business activities brings results

Talentum's Board confirmed the strategic financial objectives.

09.00, 12 FEBRUARY, 2008

Talentum's Board's proposals to the AGM

09.55, 15 FEBRUARY, 2008

Talentum sells a part of its premedia business to Iltella

Talentum sold part of its premedia activity DH Tools Oy.

11.55, 20 FEBRUARY, 2008

Talentum's deal to sell the majority of its TV content production confirmed

The deal announced on 22 January to sell Varesvuo Partners Oy was confirmed after the Finnish Competition Authority gave a positive decision and other conditions of the deal were met.

09.45, 26 FEBRUARY, 2008

Correction to the release regarding the financial statements of Talentum Oyj

09.45, 26 FEBRUARY, 2008

Talentum Oyj starts buy-back of its own shares

09.45, 27 FEBRUARY, 2008

Talentum's share-based bonus system 2007 – free of charge directed issue

The Board of Directors of Talentum Oyj confirmed the amount of the reward in the first period of the Group management's share-based incentive plan.

09.00, 29 FEBRUARY, 2008

Notice of Annual General Meeting

Invitation to the AGM

March

14.00, 13 MARCH, 2008

Talentum Oyj's 2007 Annual Report and annual summary of releases published

17.00, 13 MARCH, 2008

No obligation for Kauppalehti to make a takeover bid because of acquisition of the company's own shares by Talentum

The acquisition of the company's own shares by Talentum Oyj does not create an obligation for Kauppalehti Oy to make a takeover bid, because the resulting exceeding of the 30% threshold in ownership and votes is due solely to the acquisition of the company's own shares by Talentum Oyj does not create an obligation for Kauppalehti Oy to make a takeover bid, because the resulting exceeding of the 30% threshold in ownership and votes is due solely to Talentum's own measures.

08.45, 20 MARCH, 2008

Talentum's 74,970 new shares registered with the Trade Register

The 74,970 new shares that were given to Talentum's management as a scrip issue under the company's equity-based incentive plan were entered into the companies' register on 20th March, 2008.

17.00, 27 MARCH, 2008

Talentum's minutes of the AGM

13.45, 28 MARCH, 2008

Talentum sells its holding in Oy Filmiteollisuus Fine Ab

April

08.30, 29 APRIL, 2008

Talentum's net sales and financial performance in January – March meet company expectations

January-March Interim Report.

12.50, 29 APRIL, 2008

Talentum sales its packaging printing of premedia

Talentum sold Sata-Flexo Oy, part of its premedia actitivities, and the deal included Sata-Flexo's subsidiary Marvaco Oy.

May

No stock exchange releases

June

14.50, 3 JUNE, 2008

Ilmarinen Mutual Pension Insurance Company's holding in Talentum exceeded 5%

July

08.30, 23 JULY, 2008

Interim Report January-June 2008

August

12.50, 25 AUGUST, 2008

NBPR authorizes decrease of Talentum's share premium reserve

The National Board of Patents and Registration has granted Talentum Oyj permission to implement the resolution of the Annual General Meeting on March 27, 2008 on decreasing the company's share premium reserve.

September

No stock exchange releases

October

09.00, 9 OCTOBER,2008

Goodwill impairment in Talentum's premedia business operations

Talentum Oyj will recognize an impairment loss on goodwill in the premedia business operations for the third quarter of 2008.

08.30, 28 OCTOBER, 2008

Talentum's Interim Report January – September, 2008

November

15.30, 6 NOVEMBER, 2008

Talentum's financial reporting in 2009

13.30, 26 NOVEMBER, 2008

Operating profit of Talentum's core business to fall below the corresponding period

The operating profit of Talentum's core business for 2008, will fall below the level of the previous year.

14.40, 28 NOVEMBER, 2008

Talentum sells the rest of its premedia business

Talentum sold Faktor Oy, part of its premedia activity.

December

15.00, 22 DECEMBER, 2008

Alma Media has received a demand to convene an Extraordinary General Meeting

Alma Media Corporation issued a Stock Exchange Release to say that on 21 December 2008 it received a letter from Oy Herttaässä Ab, addressed to the Board of Directors of Alma Media Corporation, requesting an Extraordinary General Meeting be convened to consider, among other things, the possibility of merging Alma Media Corporation and Talentum Oyj.

Contact information

Talentum Oyj

Address: Annankatu 34-36 B, Helsinki
P.O. Box 920, 00101 Helsinki, Finland
Telephone: +358 204 4240
Fax: +358 204 424 130
Email: firstname.lastname@talentum.fi
Internet: www.talentum.fi

Talentum Media Oy

Address: Annankatu 34-36 B, Helsinki
P.O. Box 920, 00101 Helsinki, Finland
Telephone: +358 204 4240
Fax: +358 204 424 130
Email: firstname.lastname@talentum.fi
Internet: www.talentum.fi

Talentum Legal Training, Talentum Training

Annankatu 34-36 B,
00100 Helsinki, Finland
Telephone: +358 204 424 730
Fax: +358 204 424 723
Email: talentum.lakikoulutus@talentum.fi, talentum.koulutus@talentum.fi
Internet: www.talentumlakikoulutus.fi, www.talentumkoulutus.fi

Talentum Shop

Annankatu 34-36 (on the ground floor)
00100 Helsinki, Finland
Telephone: +358 204 424 701
Email: talentum.shop@talentum.fi
Internet: www.talentumshop.fi
Open Monday-Friday, 9:00 a.m-5:00 p.m.

Suoramarkkinointi Mega Oy

Salomonkatu 17 A,
00100 Helsinki, Finland
as of 1 June 2009: Urho Kekkosen katu 2 C,
00100 Helsinki
Telephone: +358 9 6132 9200
Fax: +358 9 6132 9100
Email: firstname.lastname@sm-mega.fi
Internet: www.sm-mega.fi

Müügimeistrite AS

Mustamäe tee 5C
Tallinn, 10616
Estonia
Telephone: +372 6 108 530

Telemarket SIA

Meza ielā 4
Riika, LV-1048
Latvia
Telephone: +371 761 1665

Telemarketing UAB

Juozapaviciaus 6/2
Vilna, LT-09310
Lithuania
Puhelin: +370 5 273 4838

Talentum Sweden AB

Mäster Samuelsgatan 56
106 12 Stockholm
Sweden
Telephone: +46 8 796 6650
Email: firstname.lastname@talentum.se
Internet: www.talentum.se

Talentum Media AB

Mäster Samuelsgatan 56
106 12 Stockholm
Sweden
Telephone: +46 8 796 6650
Email: firstname.lastname@talentum.se
Internet: www.talentum.se

Talentum Sales AB

Mäster Samuelsgatan 56
106 12 Stockholm
Sweden
Telephone: +46 8 796 6650
Email: firstname.lastname@talentum.se
Internet: www.talentum.se

Dagens Media Sverige AB

Kungsgatan 56, 3tr
111 22 Stockholm
Sweden
Telephone: +46 8 545 222 00
Email: firstname@dagensmedia.se
Internet: www.dagensmedia.se

Talentum HR AB

Mäster Samuelsgatan 56
106 12 Stockholm
Sweden
Telephone: +46 8 505 128 00
Email: firstname.lastname@talentumhr.se
Internet: www.talentumhr.se

Oy Mediuutiset AB

Annankatu 34-36 B, 00100 Helsinki, Finland
Telephone: +358 204 424 680
Fax: +358 204 424 699
Email: firstname.lastname@mediuutiset.fi
Internet: www.mediuutiset.fi

Conseco PRESS OOO

40/2, bld. 3, Prechistenka Str.
Moscow, 119034
Russia
Telephone: +7 95 246 4606
Fax: +7 95 246 7049
Email: firstname.lastname@conseco.ru
Internet: www.conseco.ru

Talentum Annual Report 2008

Editors
Corporate Communications (Talentum)
Reputation Management Concultancy Pohjoisranta

Graphic Design
Dialogi Ltd.

Cover photos and main photos
Juha Törmälä

Other photos
Talentum, Timo Pylvänäinen

Printing
Libris 2009

NORDIC ENVIRONMENTAL LABEL
441 014
Printed matter

Talentum employees in the main photos:

Cover:
Editor Mikko Torikka, Tekniikka&Talous
Manager (Online media fales) Matti Cornér
Group Business Controller Laura Vinogradoff
Sub-editor Eija Pöysä, Talouselämä
Account Manager (media sales) Petri Tamminen

pp. 2–3
Group Controller Tarja Pesonen
Sales Manager (books) Miguel Rosenström
Account Manager (media sales) Lauri Loikkanen
Key Account Director (media sales) Nina O'shea
Sales Director (media sales) Sanna Myller

Editor-in-Chief Heidi Hammarsten, Fakta-magazine, **pp. 12–13**
Manager, Online Projects and Technologies, Markus Piipari, **pp. 18–19**
Publishing Manager Timo Nurro, **pp. 28–29**
Sales Director Johan Emtefall, Talentum Sweden, **pp. 32–33**

pp. 46–47
Managing Editor Mikko Metsämäki, Markkinointi&Mainonta
Sub-editor Annika Korpimies, Tietoviikko
Office Manager Milla Honkanen
System Specialist Juha Katara
Publishing Manager Arja Lappeteläinen

talentum