

THE ILKKA-YHTYMÄ GROUP'S FINANCIAL STATEMENTS FOR 2006

Ilkka Yhtymä Group's consolidated net sales amounted to EUR 52,670 thousand (EUR 53,932 thousand in 2005), while operating profit increased to EUR 9,703 thousand (EUR 9,521 thousand) and the operating margin was 18.4 per cent (17.7 per cent). Profit before taxes came to EUR 19,535 thousand (EUR 12,477 thousand). Return on investment (ROI) was 36.0% (28.9%) and Return on equity (ROE) 31.7% (21.3%). Earnings per share were EUR 1.17 and equity per share amounted to EUR 4.14. The Board of Directors proposes a per share dividend of EUR 0.60, together with an additional payment of EUR 0.30 per share due to capital gains from the sale of Savon Mediat Oy's shares, making dividend payments account for 77.2 per cent of the Group's profit.

MATTI KORKIATUPA, CEO:

"We are very satisfied with our achievements during this busy, centenary year, when the Group and its newspapers gained significant amounts of positive exposure and we achieved a record profit.

Dozens of the centenary events organised for our customers, including the premiere of the folk opera, 'Lakeuksien Lukko', based on the novel by Ilkka's former Chief Editor Artturi Leinonen, proved to be successful.

We targeted our product development investments at the reinforcement of our papers' multi-channel products and services. We reformed the online and mobile services of our provincial, town and local papers as well as the visual identity of local and town papers. As of the beginning of 2007, we introduced the paper, 'Periskooppi', distributed between town papers to over 94,000 households. We made an agreement on the earlier distribution of our provincial papers in rural areas, which will be gradually realised during 2007.

The Group's net sales decreased by 2 per cent due to the divestment of unprofitable export of printed material. However, the profitability of our printing operations remained healthy, owing to the measures taken to enhance production efficiency. Net sales from publishing increased by 2 per cent, media sales rising by 2.3 per cent and circulation sales by 1.3 per cent. Profitability saw a favourable development in the last quarter as media sales improved by 4 per cent and non-recurring centenary expenses diminished. During the entire financial year, the profitability of core operations improved and our operating margin edged up to 18.4 per cent.

In terms of investment levels, the financial year was favourable. Despite the growth in interest rates, share prices saw a positive development. We increased our holding in Alma Media Oyj and, at the turn of the year, divested our holding in Savon Mediat Oy.

Prospects for the beginning of the year are positive; consumer purchasing power will grow and growth in expenses will remain moderate. The re-establishment of commerce and services in our region will also reinforce our media sales opportunities. Our relationships with printing customers are based on annual agreements and, according to these, no significant changes in volumes are in prospect. At the beginning of the year, our financial income will enjoy a rise due to the increase in dividend income."

OPERATING ENVIRONMENT

Finland's GDP is estimated to have grown slightly over five per cent in 2006, much more rapid growth than the eurozone average. This rise in GDP was in part due to the previous year's low level, which was largely influenced by production downtime in the forest industry. Chiefly, this growth was induced by export and domestic demand. Export grew by slightly over ten per cent and private consumption by four per cent. The economy and employment in the provinces of

Southern Ostrobothnia and Ostrobothnia developed favourably, which was reflected in Ilkka Yhtymä's business.

According to TNS Gallup Adex, media advertising increased by 3 per cent in 2006, with newspaper advertising up by 2.5 and town paper advertising up by 2 per cent. Job advertising increased by 18 per cent. Newspapers accounted for 47.8 and town papers for 5.6 per cent of total media advertising.

GROUP STRUCTURE

The Ilkka-Yhtymä Group comprises the parent company Ilkka-Yhtymä Oyj, and the publishing companies Sanomalehti Ilkka Oy, Vaasa Oy and Pohjanmaan Lähisanomat Oy. The Group also includes the sheet and newspaper printing company I-print Oy, the real estate companies Kiinteistö Oy Seinäjoen Koulukatu 10 and Seinäjoen Kassatalo Osakeyhtiö, and I-Mediat Oy. The main products of the Group's companies involved in the publishing business are the newspapers Ilkka and Pohjalainen. Other publications include the local newspapers Härmät, Jurvan Sanomat, JärviseuTu, Suupohjan Sanomat, Viiskunta and the town papers Etelä-Pohjanmaa and Vaasan Ikkuna.

The consolidated financial statements include the results of the associated companies Savon Mediat Oy, Arena Partners Oy, Väli-Suomen Media Oy and Yrittävä Suupohja Oy. Ilkka-Yhtymä Oyj sold its 25.6 per cent holding in Savon Mediat Oy to KeskiSuomalainen Oy on 29 December 2006.

GROUP FINANCIAL PERFORMANCE

Consolidated net sales amounted to EUR 52,670 thousand (EUR 53,932 thousand in 2005). External net sales from publishing operations increased by EUR 971 thousand (2.3 per cent), but external net sales from the printing business declined by EUR 2,228 thousand (18.0 per cent) due to fiercer competition in export markets. Other operating income totalled EUR 488 thousand (EUR 377 thousand), including approximately EUR 60 thousand in capital gains from the sale of fixed-assets.

The Group's operating expenses for the period totalled EUR 43,415 thousand (EUR 44,788 thousand), a decrease of 3.1 per cent. The operating expenses of the printing business declined due to diminishing volumes. Operating expenses of the publishing business were up due to slight growth in net sales, non-recurring centenary expenses and higher cost levels. Personnel costs decreased by 0.4 per cent. Personnel expenses include staff profit-sharing remuneration. Other operating expenses increased by 4.9 per cent year on year chiefly due to the above-mentioned centenary expenses. Depreciation, included in operating expenses, amounted to EUR 3,265 thousand (EUR 3,361 thousand in 2005).

Consolidated operating profit totalled EUR 9,703 thousand (EUR 9,521 thousand), up by 1.9 per cent year-on-year. The operating margin was 18.4 per cent (17.7).

Net financial income came to EUR 8,002 thousand (EUR 1,909 thousand), including the Group's capital gains (EUR 7,412 thousand) from the sale of a holding in an associated company. The share of the associated companies' result was EUR 1,831 thousand (EUR 1,047 thousand). Pre-tax profit totalled EUR 19,535 thousand (EUR 12,477 thousand). Direct taxes amounted to EUR 2,431 thousand (EUR 2,738 thousand). The Group's net profit for the period totalled EUR 17,104 thousand, showing growth of 75.6 per cent from the previous year.

The consolidated balance sheet total increased to EUR 78,463 thousand (EUR 58,438 thousand) while shareholders' equity was EUR 60,768 thousand (EUR 47,003 thousand). The fair value reserve grew by EUR 4,483 thousand over the year. Interest-bearing liabilities totalled EUR 6,063 thousand (EUR 189 thousand).

Earnings per share amounted to EUR 1.17 (EUR 0.66) and equity per share was EUR 4.14 (EUR 3.20).

PUBLISHING

The Group's publishing operations segment comprises the publishing companies Sanomalehti Ilkka Oy, Vaasa Oy, and Pohjanmaan Lähisanomat Oy. The segment's net sales for the financial year totalled EUR 42,614 thousand (EUR 41,664 thousand), boosted by growth in both subscriptions and advertising net sales. Net sales of the provincial newspaper companies Sanomalehti Ilkka Oy and Vaasa Oy showed an increase, while those of Pohjanmaan Lähisanomat Oy, a local newspaper company, decreased slightly.

Operating profit from publishing operations remained at the previous year's high level, totalling EUR 8,100 thousand (EUR 8,089 thousand).

PRINTING

The printing segment comprises the printing house I-print Oy. The segment's net sales fell to EUR 20,569 thousand (EUR 22,725 thousand), due to fiercer competition in export sales.

Operating profit from printing increased by 13.1 per cent year-on-year, totalling EUR 2,819 thousand (EUR 2,492 thousand).

Q4/2006 NET SALES AND OPERATING RESULTS

Net sales for October to December 2006 came to EUR 13,933 thousand (EUR 13,733 thousand). Growth occurred mainly in net sales based on publishing.

Q4 expenses totalled EUR 11,522 thousand (EUR 11,602 thousand). Operating profit totalled EUR 2,586 thousand (EUR 2,238 thousand).

Net financial income was EUR 7,531 thousand (EUR 90 thousand), including the Group's capital gains (EUR 7,412 thousand) from the sale of a holding in an associated company. The share of profit generated by the associated companies was EUR 384 thousand.

Q4 pre-tax profit totalled EUR 10,501 thousand (EUR 2,639 thousand).

FINANCIAL POSITION AND CAPITAL EXPENDITURE

Reported capital expenditure totalled EUR 22,529 thousand, with printing accounting for EUR 1,601 thousand, and publishing for EUR 333 thousand. In 2006, EUR 20,409 thousand was spent on available-for-sale assets.

The Group's liquidity remained solid throughout the year. The current ratio was 2.80 (1.81) at the end of the financial period. Based on the consolidated balance sheet, equity ratio was 79.0 (82.6) per cent. Liquid assets were EUR 14,626 thousand (EUR 7,331 thousand). Reported cash flow from business operations totalled EUR 10,797 thousand (EUR 15,529 thousand). Cash flow from investments was EUR -1,612 thousand (EUR -2,246 thousand), mainly comprising an investment in Alma Media shares and the sale of a holding in an associated company.

ANNUAL GENERAL MEETING, SUPERVISORY BOARD AND BOARD OF DIRECTORS

The Annual General Meeting (AGM) of 20 April 2006 approved the financial statements, discharged the members of the Supervisory Board and the Board of Directors as well as the CEO of any liability, and decided to distribute a dividend of EUR 0.53 per share (adjusted for the bonus issue).

The AGM authorised the Board of Directors to decide, within twelve months from the date of the meeting, on increasing share capital as opposed to the shareholders' subscription privileges, if required, by a maximum of EUR 651,793 and/or issuing convertible bonds and/or stock options.

The AGM decided to increase the company's share capital by means of a bonus issue of shares from EUR 3,259,074 to EUR 3,666,458.25 by transferring the sum of EUR 165,583.05 from the share premium fund and EUR 241,801.20 from the reserve fund to the share capital.

Under the bonus issue, one (1) new Series I share was issued for eight (8) existing Series I shares and one (1) new Series II share for eight (8) existing Series II shares, i.e. a total of 478,229 new Series I shares at a nominal value of 0.25 euros per share and 1,151,308 new Series II shares at a nominal value of 0.25 euros per share. After the bonus issue, the new share total is 14,665,833 (4,304,061 Series I shares and 10,361,772 Series II shares).

The share capital increase was entered in the Trade Register on 25 April 2006. The new shares have been traded in the Helsinki Stock Exchange together with the old shares since 26 April 2006.

Of the members of the Supervisory Board whose term of service had come to an end, the AGM re-elected the following: Jari Eklund Helsinki, Ossi Jäkärä Vaasa, Yrjö Kopra Helsinki, Juha Mikkilä Kurikka and Sari Mutka Helsinki. Kari Aukia Vaasa, Mari Kiviniemi Helsinki and Sakari Kivisaari Helsinki were elected as new members of the Supervisory Board.

Ernst & Young Oy, Authorised Public Accountants, with Tomi Englund, Authorised Public Accountant and Pekka Kiljunen, Authorised Public Accountant, were elected as principal auditors. Päivi Virtanen, Authorised Public Accountant, and Johanna Winqvist-Ilkka, Authorised Public Accountant, were elected as deputy auditors.

At its meeting on 20 May 2006, the Supervisory Board of Ilkka-Yhtymä Oyj re-elected Lasse Hautala to the Board of Directors of Ilkka-Yhtymä Oyj. At its membership meeting, the Board of Directors re-elected Veikko Heikkilä as its Chairman. Other members of the Board in 2006 were Jaakko Aukia (Vice Chairman), Seppo Paatelainen and Tapio Savola. Jaakko Rintala will continue as the Chairman of the Supervisory Board.

SHARE PERFORMANCE

At the end of 2006, the company's share capital totalled EUR 3,666,458. The number of shares was 14,665,833, of which 4,304,061 were Series I shares (20 votes per share) and 10,361,772 were Series II shares (1 vote per share). Shares of both series entitle the holders to the same dividend. The nominal value of the company share is EUR 0.25.

According to the Articles of Association, no-one at a General Meeting may use, on behalf of him/herself or by proxy, a total number of votes exceeding one-twentieth (1/20) of the number of votes presented at the meeting.

The transfer of Series I shares is restricted by an approval clause. According to this clause, Series I shares cannot be transferred to another holder without the approval of the Board of Directors.

The Series I shares of Ilkka-Yhtymä Oyj have been listed on the Helsinki Stock Exchange since 1981. The Series II shares have been listed since their issue in 1988 and, on 10 June 2002, they were listed on the Main List of the Helsinki Stock Exchange. On 2 October 2006, the quotation of Series II shares was transferred to the OMX Nordic List, to the Nordic Mid Cap group and Consumer Discretionary sector, and that of Series I shares was moved to the Pre List.

The number of Series I shares of Ilkka-Yhtymä Oyj traded in 2006 was 68,841 (not adjusted for the bonus issue: 66,205), which is 2 per cent of series share stock. The trading value of shares was EUR 0.8 million. The number of Series II shares traded totalled 3,037,245 (not adjusted for the bonus issue: 2,848,292), which equals 29 per cent of the series share stock. Their trading value was EUR 32.0 million. During the report period, the lowest quotation for Ilkka-Yhtymä Oyj's Series I share was EUR 9.78 and the highest EUR 14.13, while the lowest

quotation for a Series II share was EUR 8.70 and the highest EUR 12.17. At the period-end closing price, the share capital market value was EUR 168.3 million.

The company did not issue stock options or convertible bonds. The Board of Directors has an effective authorisation to increase share capital by a maximum of EUR 651,793 and/or to issue convertible bonds/stock options. The company is not authorised to buy back or transfer its own shares.

DIVIDEND

Based on a decision by the AGM, Ilkka-Yhtymä Oyj distributed a per-share dividend of EUR 0.53 for the year 2005 (adjusted for the bonus issue). In addition, the AGM decided to increase the company's share capital based on the bonus issue, executed by issuing one bonus share for each eight existing shares.

The Board of Directors proposes to the AGM of 16 April 2007 that a per share dividend of EUR 0.60 be distributed for 2006, together with an additional payment of EUR 0.30 per share due to capital gains from the sale of Savon Mediat Oy's shares, i.e. a dividend payment of EUR 13,199,249.70. The Group distributes 77.2 per cent of its profit in dividends.

Ilkka-Yhtymä Oyj practices an active dividend policy and aims to distribute at least half of its consolidated annual income as dividend payments, taking into consideration the financing required for profitable growth and the company's future outlook.

EVENTS AFTER THE FINANCIAL YEAR

Väli-Suomen Media and TS-Yhtymä will launch a shared news and financial news department in Helsinki on 1 April 2007.

PROSPECTS FOR 2007

Media advertising is expected to show moderate growth in Finland due to increasing consumer spending, while printing volumes are likely to remain almost unchanged and competition will remain tough.

Ilkka-Yhtymä Group expects slight growth in its consolidated net sales as net sales of publishing improve.

Operating profit and operating profit as a percentage of net sales are expected to remain at the healthy levels of 2006. The profit for the entire financial year will presumably fall, since the financial income of the comparison year 2006 includes significant non-recurring capital gains from the sale of an associated company and the proportion of the sold associated company's result entered in the books for that year. Profit is affected by securities trading volumes and the price performance of securities investments as well as dividends from available-for-sale assets and potential sales gains or losses on available-for-sale assets.

SEGMENT INFORMATION

Group net sales (EUR 1,000)	10-12/ 2006	10-12/ 2005	Change	1-12/ 2006	1-12/ 2005	Change
Publishing	11 264	10 942	3 %	42 614	41 664	2 %
Printing	5 311	5 514	-4 %	20 569	22 725	-9 %
Non-allocated	516	508	2 %	2 072	2 002	3 %
Net sales between segments	-3 157	-3 231	-2 %	-12 586	-12 459	1 %

Total	13 933	13 733	1 %	52 670	53 932	-2 %
Group operating profit (EUR 1,000)	10-12/ 2006	10-12/ 2005	Change	1-12/ 2006	1-12/ 2005	Change
Publishing	2 359	1 990	19 %	8 100	8 089	0 %
Printing	547	576	-5 %	2 819	2 492	13 %
Non-allocated	-320	-327	-2 %	-1 215	-1 058	15 %
Operating profit between segments				-1	-1	
Total	2 586	2 238	16 %	9 703	9 521	2 %

GROUP NET SALES BY MARKET AREA (EUR 1,000)

	1-12/2006	1-12/2005	Change
Finland	52 449	50 222	4.4 %
Other Nordic countries	220	3 711	-94.1 %
Total	52 670	53 932	-2.3 %

GROUP INCOME STATEMENT (EUR 1,000)

	1-12/2006	1-12/2005	Change
NET SALES	52 670	53 932	-2.3 %
Increase (+) or decrease (-) in stocks of finished products	2	-43	-104.0 %
Other operating income	448	377	18.9 %
Materials and services	-15 834	-17 317	-8.6 %
Employee benefits	-17 494	-17 558	-0.4 %
Depreciation	-3 265	-3 361	-2.9 %
Other operating costs	-6 825	-6 509	4.9 %
OPERATING PROFIT	9 703	9 521	1.9 %
Financial income and expenses	8 002	1 909	319.2 %
Share of associated companies' profit	1 831	1 047	74.9 %
PROFIT BEFORE TAXES	19 535	12 477	56.6 %
Taxes	-2 431	-2 738	-11.2 %
PROFIT FOR THE PERIOD UNDER REVIEW	17 104	9 739	75.6 %

GROUP BALANCE SHEET (EUR 1,000)

ASSETS	12/2006	12/2005	Change
NON-CURRENT ASSETS			
Intangible assets	500	346	44.5 %
Investment property	749	852	-12.0 %
Tangible assets	19 706	21 171	-6.9 %
Shares in associated companies	458	10 046	-95.4 %
Available-for-sale assets	35 558	10 521	238.0 %
Long-term trade receivables and other receivables	39	39	0.0 %
Other tangible assets	214	227	-5.9 %
TOTAL NON-CURRENT ASSETS	57 224	43 202	32.5 %

CURRENT ASSETS			
Inventories	890	827	7.6 %
Trade and other receivables	3 602	3 856	-6.6 %
Income tax assets	435	571	-23.9 %
Other financial assets at fair value through profit or loss	1 687	2 650	-36.4 %
Cash and bank deposits	14 626	7 331	99.5 %
TOTAL CURRENT ASSETS	21 240	15 236	39.4 %
TOTAL ASSETS	78 463	58 438	34.3 %
SHAREHOLDERS' EQUITY AND LIABILITIES			
	12/2006	12/2005	Change
SHAREHOLDER'S EQUITY			
Shareholders' equity	3 666	3 259	12.5 %
Issue premium fund		166	-100.0 %
Fair value reserve and other reserves	18 402	14 161	30.0 %
Retained earnings	38 700	29 418	31.6 %
SHAREHOLDER'S EQUITY	60 768	47 003	29.3 %
NON-CURRENT LIABILITIES			
Deferred tax liability	4 101	2 971	38.0 %
Non-current interest-bearing liabilities	6 000	63	9413.2 %
NON-CURRENT LIABILITIES	10 101	3 034	232.9 %
CURRENT LIABILITIES			
Current interest-bearing liabilities	63	126	-50.0 %
Accounts payable and other payables	7 528	7 484	0.6 %
Income tax liabilities	2	791	-99.7 %
CURRENT LIABILITIES	7 594	8 401	-9.6 %
SHAREHOLDERS' EQUITY AND LIABILITIES TOTAL	78 463	58 438	34.3 %

GROUP CASH FLOW STATEMENT (EUR 1,000)

	2006	2005
CASH FLOW FROM OPERATIONS		
Profit for the period under review	17 104	9 739
Adjustments	-4 174	3 104
Change in working capital	132	770
CASH FLOW FROM OPERATIONS		
BEFORE FINANCE AND TAXES	13 062	13 613
Financial income and expenses	1 263	3 980
Direct taxes paid	-3 528	-2 064
CASH FLOW FROM OPERATIONS	10 797	15 529
CASH FLOW FROM INVESTMENTS		
Investments in tangible and intangible assets, net	-1 795	-1 144
Sold and acquired associated companies	18 198	
Other investments, net	-18 983	-3 136
Repayment of loan receivables (+)		1 277

Dividends received from investments	968	757
CASH FLOW FROM INVESTMENTS	-1 612	-2 246
CASH FLOW BEFORE FINANCING ITEMS	9 185	13 283
CASH FLOW FROM FINANCING		
Change in current loans		-2 000
Change in non-current loans	5 874	-126
Dividends paid and other profit distribution	-7 764	-7 734
CASH FLOW FROM FINANCING	-1 890	-9 860
INCREASE (+) OR DECREASE (-) IN FINANCIAL ASSETS	7 295	3 423
Liquid assets at the beginning of the financial period	7 331	3 908
Liquid assets at the end of the financial period	14 626	7 331

GROUP KEY FIGURES 2005-2006

Key figures indicating financial development

	2006	2005
Net sales, Meur	52.7	53.9
- change %	-2.3	0.1
Operating profit, Meur	9.7	9.5
- % of net sales	18.4	17.7
Profit before taxes, Meur	19.5	12.5
- % of net sales	37.1	23.1
Result for the financial period, Meur	17.1	9.7
- % of net sales	32.5	18.1
Return on equity (ROE), %	31.7	21.3
Return on investment (ROI), %	36.0	28.9
Equity ratio, %	79.0	82.6
Gearing, %	-16.9	-20.8
Gross capital expenditure, Meur *)	22.5	6.8
- % of net sales	42.8	12.6
Balance sheet total, Meur	78.5	58.4
Current ratio	2.80	1.81
Average no. of employees	399	410

*) Investment in tangible and intangible assets and available-for-sale assets (shares)

Per-share ratios

	2006	2005
Earnings per share (EPS), eur	1.17	0.66
Shareholders' equity per share, eur	4.14	3.20
Dividend per share (Series I), eur	0.90	0.53
Dividend per share (Series II), eur	0.90	0.53
Nominal dividend EUR/share (Series I and Series II)	0.90 *)	0.53
Dividend per earnings (Series I), %	77.2	80.3
Dividend per earnings (Series II), %	77.2	80.3
Effective dividend yield (Series I), %	7.5	4.8
Effective dividend yield (Series II), %	8.0	5.5
Price per earnings (P/E) (Series I)	10.3	16.8
Price per earnings (P/E) (Series II)	9.7	14.7
Adjusted price development of shares		
average price (Series I), eur	11.83	9.55
average price (Series II), eur	10.54	8.48
lowest price (Series I), eur	9.78	7.24
lowest price (Series II), eur	8.70	6.67
highest price (Series I), eur	14.13	12.18
highest price (Series II), eur	12.17	10.04
price at end of period (Series I), eur	12.00	11.18
price at end of period (Series II), eur	11.26	9.73
Market capitalisation, Meur	168.3	148.4
Shares traded (Series I), number of shares	68 841	84 797
- % of total number of shares	1.6	2.0
Shares traded (Series II), number of shares	3 037 245	1 999 686
- % of total number of shares	29.3	19.3
Weighted average of adjusted numbers of shares during the financial period	14 665 833	14 665 833
Adjusted number of shares at the end of the financial period	14 665 833	14 665 833

*) Proposal of the Board of Directors
The figures have been adjusted to take account of the bonus issue.

CONSOLIDATED NET SALES AND PROFIT BY QUARTER (EUR 1,000)

	Q1/ 2006	Q2/ 2006	Q3/ 2006	Q4/ 2006
NET SALES	12 894	13 407	12 434	13 933
OPERATING PROFIT	2 060	2 447	2 610	2 586
PROFIT FOR THE PERIOD UNDER REVIEW	2 480	1 868	2 964	9 792
	Q1/ 2005	Q2/ 2005	Q3/ 2005	Q4/ 2005

NET SALES	13 323	14 294	12 582	13 733
OPERATING PROFIT	2 226	2 728	2 329	2 238
PROFIT FOR THE PERIOD UNDER REVIEW	2 868	2 580	2 264	2 026

GROUP'S CONTINGENT LIABILITIES (EUR 1,000)

	12/2006	12/2005
Collateral given for own debt		
Loans secured with mortgages		
Loans from financial institutions	6 063	189
Given mortgages on property	4 017	2 017
Given mortgages on company assets	168	168
Mortgages total	4 185	2 185
On behalf of others		
Guarantees	16	16
Minimum lease payments on the basis of other non-cancellable leases		
Not later than 1 year	107	117
Later than 1 year and not later than 5 years	214	321
Total	321	438

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (EUR 1,000)

	Share capital	Share issue premium	Fair value reserve	Other reserves	Retained earnings	Total
Change in shareholders' equity 1-12/2005						
SHAREHOLDERS' EQUITY 1.1.2005	3 259	166	385	13 103	27 500	44 413
Available-for-sale assets						
Net fair value gains			1 328			1 328
Reclassified and reported in net profit			-419			-419
Share of deferred taxes			-236			-236
Net fair value gains added to shareholders' equity			672			672
Net profit/loss					9 739	9 739
Total profits and losses			672		9 739	10 411
Dividend payment					-7 822	-7 822
SHAREHOLDERS' EQUITY TOTAL						
31.12.2005	3 259	166	1 057	13 103	29 418	47 003

	Share capital	Share issue premium	Fair value reserve	Other reserves	Retained earnings	Total
Change in shareholders' equity 1-12/2006						
SHAREHOLDERS' EQUITY 1.1.2006	3 259	166	1 057	13 103	29 418	47 003
Available-for-sale assets						
Net fair value gains			6 058			6 058
Share of deferred taxes			-1 575			-1 575
Transfers between items	407	-166		-242		
Net fair value gains added to shareholders' equity	407	-166	4 483	-242		4 483
Net profit/loss					17 104	17 104
Total profits and losses	407	-166	4 483	-242	17 104	21 587
Dividend payment					-7 822	-7 822
SHAREHOLDERS' EQUITY TOTAL						
31.12.2006	3 666		5 540	12 862	38 700	60 768

Official circulation volumes of newspapers

Ilkka	55 277
Pohjalainen	29 565
Härmät	3 920
Jurvan Sanomat	2 372
Järviseu tu	6 046
Suupohjan Sanomat	4 465
Viiskunta	6 667
Vaasan Ikkuna (delivery)	53 800
Etelä-Pohjanmaa (delivery)	41 500

The financial statements have been prepared in accordance with the recognition and measurement principles of the International Financial Reporting Standards (IFRS), and applying the IAS and IFRS standards as well as SIC and IFRIC interpretations in force as of 31 December 2006.

The above accounts are unaudited.

PROPOSALS TO THE ANNUAL GENERAL MEETING

The Board of Directors proposes to the AGM of 16 April 2007 that a per share dividend of EUR 0.60 be distributed for 2006, together with an additional payment of EUR 0.30 per share due to capital gains from the sale of Savon Mediat Oy's shares.

PROPOSAL ON AUTHORISATION TO THE BOARD

The Board of Directors of Ilkka-Yhtymä Oyj proposes to the AGM of 16 April 2007 that the Board of Directors be authorised to decide upon a share issue and/or granting stock options and/or other special rights and upon their conditions.

The proposed maximum number of Series II shares issued is 4,300,000, corresponding to 29.32 per cent of the company's current shares.

The authorisation would include the right to issue shares and/or stock options and/or other special rights as distinct from the shareholders' pre-emptive rights, under conditions prescribed by law, and the right to decide upon a free issue to the company itself.

The authorisation would be valid for three years from the date of the decision of the AGM.

Seinäjoki, 19 February 2007

ILKKA-YHTYMÄ OYJ

Board of Directors

Matti Korkiatupa
Managing Director