

TALENTUM INTERIM REPORT JANUARY-JUNE 2010
April-June 2010 in brief

- Net sales EUR 21.1 million (EUR 16.7 million)
- Operating income (EBIT) EUR 0.5 million (EUR -2.6 million)
- Operating income without non-recurring items EUR 0.5 million (EUR -0.9 million)
- Amortisation of the intangible assets allocated from the goodwill of Sverige Bygger, which was acquired at the end of 2009, was EUR 0.3 million for the first half of the year.
- Earnings per share EUR 0.01 (EUR -0.04)

January-June 2010 in brief

- Net sales EUR 40.5 million (EUR 34.6 million)
- Operating income (EBIT) EUR 0.5 million (EUR -2.9 million)
- Operating income without non-recurring items EUR 0.5 million (EUR -1.1 million)
- Earnings per share EUR 0.01 (EUR -0.05)
- Net cash flow from operating activities EUR 4.8 million (EUR -1.0 million)
- Net liabilities EUR 7.9 million (EUR 12.2 million)

Sector and Talentum prospects for 2010

The growth in the activeness of Talentum's customers, which started at the end of 2009, continued also during the second quarter of 2010. This could be seen as improved sales figures in Sweden. The trend was positive in Finland, too. However, it was more subdued than in Sweden.

Talentum keeps the prospects for the whole year unchanged and estimates that its comparable total net sales for the year will increase from the previous year (2009) and that the operating income will be positive.

KEY FINANCIAL FIGURES

EUR million	4-6/ 2010	4-6/ 2009	Change %	1-6/ 2010	1-6/ 2009	1-12/ 2009
Net sales	21.1	16.7	25.9	40.5	34.6	66.8
Operating income without non-recurring items	0.5	-0.9	155.4	0.5	-1.1	-0.9
Operating income	0.5	-2.6	118.6	0.5	-2.9	-5.2
as % of net sales	2.3	-15.7		1.2	-8.3	-7.8
Total assets				57.1	44.2	58.8
Investments	0.2	0.4	-47.0	0.6	0.8	8.8
as % of net sales	1.0	2.4		1.5	2.2	13.2
Equity ratio %				38.3	45.1	31.4
Gearing ratio % (net debt to equity)				46.7	17.1	81.7
Interest-bearing liabilities				9.9	3.3	15.9
Net interest-bearing liabilities				7.9	2.7	12.2
Personnel on average				779	772	755
Earnings per share, EUR	0.01	-0.04	119.9	0.01	-0.05	-0.10
Cash flow from operating activities per share, EUR	0.05	-0.03	248.9	0.11	-0.02	-0.13
Equity per share, EUR				0.38	0.36	0.34
Market capitalization on closing rate at period end				79.4	70.2	77.6

CHIEF EXECUTIVE OFFICER - JUHA BLOMSTER:

"There have continued to be small improvements in Talentum's fields of activity, but fast recovery is not on the horizon. The amount of media advertising follows general economic development, which in turn reflects our customers' opportunities to invest in training and development. In Sweden, the decline in advertising began earlier than in Finland, and so did recovery.

Talentum Group's net sales for January-June increased by 17 per cent and net sales from publishing operations increased by 18 per cent.

Consolidated net sales increased by 3 per cent with comparable exchange rates without Sverige Bygger and Norge Bygges, companies acquired at the end of 2009.

In other Nordic Countries net sales for January-June increased by 55 per cent, while in Finland net sales slightly decreased from the comparison period. In the second quarter net sales saw an upturn also in Finland. In January-June, advertising revenue increased by up to 24 per cent. However, the figures for the year of comparison were exceptionally low. On the positive side, the increase in advertising revenue exceeded market growth.

SverigeBygger and Norge Bygges have performed as planned.

Our strategic goal is to reduce dependence on economically sensitive advertising. In January-June, the share of advertising revenue in net sales from publishing operations totalled 36 per cent, that of circulation sales 34 per cent and the share of other content production 30 per cent. The circulations and readerships of Talentum's major magazines are at a good level. Book sales and training activities improved towards the end of the first half of the year.

E-business development is one of our focus areas. Its share in net sales from publishing operations was 20 per cent. During the first half of the year, net sales from e-business rose by 84 per cent and especially content sales increased. The revenue of the construction business information companies operating in Sweden and Norway is mainly content revenue.

Our most important goal for 2010 is to improve profitability. The consolidated operating income was EUR 0.5 million and the operating income from publishing operations was EUR 1.1 million. During the first half of the year, the operating income without non-recurring items was EUR 1.6 million higher than in the previous year. The result is still unsatisfactory. However, it is in the right direction. Organic growth through acquisitions is also important, but not at the expense of profitability."

Operating environment and seasonal variation

The forecasts for the economic situation in Finland continue to vary. The most recent forecasts for the development of Gross Domestic Product in Finland are 0-2.8% for 2010. The general economic situation in Sweden is clearly more positive than in Finland as the forecasts for Gross Domestic Product are around 3%.

According to TNS Media Intelligence, in Finland media advertising for January-June rose by 2.7%, and for periodicals in particular it fell by 5.0%. Online advertising increased by 25.3%. In Sweden, total media advertising rose by 14% for January-May, while in professional journals the increase was 3% (Sweden's Media Agencies - Sveriges Mediebyråer; The statistics for January-June are not available). In 2009, the decline in advertising of professional journals was significantly stronger than for

general-interest magazines. In Finland, separate statistics are not compiled for professional journals.

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 when searching for information, i.e., books, training, seminars, magazines and online services, may change. Talentum produces quality content for those channels where it can best serve its customers.

The media and media service markets are subject to seasonal variations. Whether the Easter holiday falls in the first or second quarter of the year in spring affects the results in that quarter. Easter fell at the beginning of the second quarter in both the year of comparison and the one under review. Magazines and books do not generally come out during the summer holiday season, which is why the third quarter is the weakest in terms of sales. Historically operating income from the fourth quarter is negative. Operations are generally at their busiest in the final quarter.

Group net sales and profit for April-June 2010

Consolidated net sales for April-June increased by 25.9%, totalling EUR 21.1 million (EUR 16.7 million). Without the construction information business acquired at the end of 2009 and with comparable exchange rates, net sales increased by 10.5%. The strengthening of the Swedish Krona against the Euro improved net sales by EUR 0.8 million. Net sales from publishing operations increased by 27.6%, totalling EUR 19.4 million (EUR 15.2 million). The level of advertising sales rose by 32.8%.

The consolidated operating income for April-June was EUR 0.5 million (-2.6 million) and 2.3% of net sales (-15.7%). The consolidated operating income without non-recurring items was EUR 0.5 million (EUR -0.9 million). A non-recurring expense for the year of comparison was related to personnel reduction. The operating income from publishing operations was EUR 0.9 million (EUR -2.0 million). The operating income from publishing without non-recurring expense was EUR 0.9 million (EUR -0.4 million). The income for the Group and publishing operations is burdened by the EUR 0.3 million depreciation originated during the first half of the year from the allocation of the goodwill of Sverige Bygger, which was acquired at the turn of the year.

Net financial expenses amounted to EUR 0.0 million (EUR -0.0 million). The Group's share of the income of associated companies was EUR 0.1 million (EUR 0.1 million).

The income before taxes was EUR 0.6 million (EUR -2.5 million). The taxes for the Group were EUR -0.2 million (EUR 0.5 million) for the period under review. The effective tax rate for the period was 31.0% (18.5%). The consolidated income for April-June was EUR 0.4 million (EUR -2.1 million).

Group net sales and profit for January-June 2010

Consolidated net sales for January-June increased by 17.0%, totalling EUR 40.5 million (EUR 34.6 million). Without the construction information business acquired at the end of 2009 and with comparable exchange rates, net sales increased by 2.9%. The strengthening of the Swedish Krona against the Euro improved net sales by EUR 1.4 million. Net sales from publishing operations increased by 18.2%, totalling EUR 37.2 million (EUR 31.5 million). The level of advertising sales rose by 24.5%.

The consolidated operating income for January-June was EUR 0.5 million (-2.9 million) and 1.2% of net sales (-8.3%). The consolidated operating income without non-recurring items was EUR 0.5 million (EUR -1.1 million). The operating income from publishing operations was EUR 1.1 million (EUR -2.3 million). The operating income from publishing without non-recurring expense was EUR 1.1 million (EUR -0.6 million).

The Group's expenses decreased by approximately 1.4%, i.e., EUR 0.5 million, with respect to the same period of the previous year (with comparable exchange rates). This comparison does not include the information business acquired at the turn of the year.

Net financial expenses amounted to EUR -0.3 million (EUR -0.0 million). The Group's share of the income of associated companies was EUR 0.0 million (EUR 0.0 million).

The income before taxes was EUR 0.8 million (EUR -2.9 million). The taxes for the Group were EUR -0.1 million (EUR 0.6 million) for the period. The effective tax rate for the period was 18.0% (19.7%). The consolidated income for the period under review was EUR 0.6 million (EUR -2.3 million).

The Talentum Group general pension fund assets and liabilities were transferred to an insurance company on 1 January 2010 as planned. A pension arrangement profit and loss effect of EUR -1.3 million was presented in the result for 2009.

Short-term risks for the business

With the growth of the Group's international operations, the consolidated profit and loss account and balance sheet are increasingly exposed to the effects of exchange rates' fluctuations. Net sales from Publishing Other Nordic Countries segment for the period under review was 45% (34%) of consolidated net sales. The share of publishing operations in the other Nordic countries in the balance sheet total was 49% (45%). The companies' operations are local and language area-bound by nature, and there are very few currency-denominated transactions. The profit and loss account and balance sheet have not been hedged against exchange rate fluctuations.

The changes in general economic growth will affect Talentum's revenue and revenue structure. Traditionally, about 40% of consolidated net sales are dependent on advertising and particularly on the b-to-b sector, which is sensitive to economic conditions. Under the present economic conditions, the share of advertising is about 33% (31%) of net sales. The most economically sensitive part of advertising revenue is job advertising.

The aim is to minimise the market risk relating to advertising by increasing revenue from circulation and content sales. The goal is for all Talentum products and services to be market leaders in their fields, so that success is possible even in recession.

Online services are a factor that could change the earnings logic of magazines and books temporarily, or even in the long term. This channel selection could be significant for the Group's revenue structure. The move from printed products to online products may be accelerated particularly under poor economic conditions. If the company is unable to develop its operations to respond to changes in media usage habits, it could undermine its competitiveness.

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 magazine circulations and, indirectly, media sales.

In direct marketing, the weak economic conditions in the Baltic States could have a negative effect on the Group's local direct marketing companies.

The economic uncertainty increases the uncertainty regarding, in particular, advertising sales receivables. Credit-loss risks are managed by following customers' credit standing and by focusing on the follow-up of debts.

Cash flow, financial position and balance sheet for the Group

The cash flow from business operations for January-June was EUR 4.8 million (EUR -1.0 million). The change in working capital was EUR 3.2 million (EUR 0.5 million). Working capital is negative, as is usual for the sector, because liabilities include subscription fee advances received from customers of EUR 13.1 million (The time of comparison in the balance sheet item is 31 December 2009: EUR 11.2 million).

The consolidated balance sheet total at the end of the period under review stood at EUR 57.1 million (EUR 58.8 million). The Group's interest-bearing loans and borrowing amounted to EUR 9.9 million (EUR 15.9 million). The Group's liquid assets were EUR 2.1 million (EUR 3.7 million). Interest-bearing net liabilities were EUR 7.9 million (EUR 12.2 million).

Talentum Oyj has a bank overdraft limit of EUR 14 million and a financing credit limit of EUR 20 million, a total of EUR 34 million. According to the rules agreed, loans within the financial credit limits can be drawn down and repaid throughout the maturity of the agreement until the beginning of February 2011. EUR 24.5 million of the limits was unused at the end of the period under review. Discussions have been started with the banks regarding revision of the financing arrangements.

In addition, the Group has a commercial paper programme of EUR 30 million, which is still unused.

The equity ratio at the end of the period under review was 38.3% (31.4%). The Group's equity per share was EUR 0.38 (EUR 0.34). The Group does not hedge against currency fluctuations with regard to the acquisition of subsidiaries. The weakening or strengthening of the Swedish Krona against the Euro affects the Group's equity through the translation difference arising from the acquisition of the Swedish subsidiaries. In this interim report, the translation difference in the Group's equity was EUR -0.8 million at the end of the period under review, the change in January-June was EUR 1.4 million (positive).

Investments

The gross investments in tangible and intangible assets for January-June totalled EUR 0.6 million (EUR 0.8 million), which is 1.5% (2.2%) of net sales.

Changes in Group structure

Talentum established Talentum Business Information Group AB (TBIG) in Sweden on 30 December 2009. TBIG purchased companies operating in the construction information business in Sweden and Norway. On 31 December 2009, Talentum pledged to sell a 9.9% minority interest of TBIG to an associate outside the Group. Therefore, the Group's holding of the company on 31 December 2009 was computed as 90.1%. The agreement was cancelled and the Group's holding of the company is computed as 100% as of 1 January 2010. The change only had a minor impact on the Group's financial position.

Personnel

In January-June, Talentum Group employed an average of 779 (772) people. Geographically, the personnel were divided as follows: Finland 391 people (420), Sweden 220 (182), Norway 9 (0), Latvia 70 (59), Lithuania 0 (34), Estonia 85 (72) and Russia 5 (5). The construction information business acquired at the end of 2009 increased the number of employees in Sweden and Norway by 79.

BUSINESS AREAS

EUR million	4-6/ 2010	4-6/ 2009	1-6/ 2010	1-6/ 2009	1-12/ 2009
Net sales					
Publishing Finland	10.0	9.2	19.1	19.8	37.3
Publishing other Nordic Countries	9.4	6.0	18.1	11.6	23.5
Direct marketing	2.4	2.2	4.7	4.7	8.8
Other	-0.7	-0.7	-1.4	-1.5	-2.8
Total	21.1	16.7	40.5	34.6	66.8
Operating income without non-recurring items					
Publishing Finland	0.5	0.1	0.5	1.0	1.9
Publishing other Nordic Countries	0.4	-0.5	0.6	-1.6	-1.4
Direct marketing	0.2	0.1	0.5	0.4	0.7
Other	-0.6	-0.6	-1.1	-0.9	-2.1
Total	0.5	-0.9	0.5	-1.1	-0.9
Non-recurring items					
Publishing Finland	-	-1.1	-	-1.1	-2.1
Publishing other Nordic Countries	-	-0.5	-	-0.5	-1.8
Direct marketing	-	-	-	-	-0.2
Other	-	-0.1	-	-0.1	-0.3
Total	-	-1.8	-	-1.8	-4.4
Operating income	-	-2.6	-	-2.9	-5.2

In 2009, non-recurring items included expenses arising from restructuring of the Group and additional expenses arising from pension arrangements. Both are included in consolidated employee expenses.

Publishing

April-June

Net sales from publishing operations for April-June amounted to EUR 19.4 million (EUR 15.2 million), a change of 27.6% from the previous year. Of net sales from publishing operations, 52% (60%) originated from Finland and the remaining 48% (40%) from the other Nordic Countries.

In April-June, advertising revenue increased by 32.8% from the previous year. The share of advertising revenue in net sales from publishing operations totalled 36% (35%).

January-June

Net sales from publishing operations for January-June amounted to EUR 37.2 million (EUR 31.5 million), a change of 18.2% from the previous year. Of net sales from publishing operations, 51% (63%) originated from Finland and the remaining 49% (37%) from the other Nordic Countries.

In January-June, advertising revenue increased by 24.5% from the previous year. The share of advertising revenue in net sales from publishing operations totalled 36% (34%).

Net sales from e-business for January-June increased by 83.5%. Net sales from e-business were EUR 7.4 million (EUR 4.0 million), which corresponds to 20% (13%) of the total figure for publishing. The total net sales (EUR 3.5 million) of the construction information service company acquired in 2009 mostly consist of revenue from e-contents.

Online Talentum media focused on building premium services that require registration. The aim of the new content areas is to strengthen relationships with readers. This becomes apparent, above all, in the number of web page hits.

Suomenlaki.com, the online service of Finnish Law, was opened in March after full renovation. Suomenlaki.com is a business information service subject to a charge.

Ny Teknik published online a publication entitled Ny Teknik History. Registration is required to read it.

In June, Dagens Media opened an iPhone application which requires registration and is partly based on a subscription fee.

In the Kultasulka (Golden Feather) writing contest organised by the Finnish Association of Marketing Communication Agencies MTL, books published by Talentum won all prizes. The Kultasulka (Golden Feather) award went to *Hallitus ja markkinointi* by Leena Paananen, and the Hopeasulka (Silver Feather) awards went to *Tutkimusmatka lojaliteettimarkkinointiin - Kuinka edelläkävijät uudistavat markkinointikäytäntöjä* by Hannu Miettinen and Sinikka Sierla and *Sponsorointi - Yhteistyökumppanuus strategisena voimana* by Eero Valanko.

Affärsvärlden won the prize for best business magazine in a study conducted by Halvarsson & Halvarsson to determine the favourite business media in Sweden.

EUR million	4-6/ 2010	4-6/ 2009	1-6/ 2010	1-6/ 2009	1-12/ 2009
Net sales					
Advertisement revenue	7.0	5.3	13.4	10.8	20.4
Circulation revenue	6.7	6.4	12.8	12.5	23.4
Other content revenue *	5.7	3.5	11.0	8.1	17.0
Total	19.4	15.2	37.2	31.5	60.8

* 'Other content revenue' includes books, training and information services.

Publishing Finland

In the Publishing Finland segment, financial development is reported for 10 periodicals, book publishing, training and the event business. The magazines with the highest circulation are Talouselämä and Tekniikka & Talous. The

Finnish Law product family is the foundation of book publishing and legal training.

April-June

Net sales from publishing operations in Finland for April-June amounted to EUR 10.0 million (EUR 9.2 million), a change of 9.3% from the previous year. Advertising revenue increased by 8.8% from the previous year. As regards book sales, the second quarter was clearly better than the previous year as this year some of the works that are published annually were published in the second quarter instead of the first. The demand for training has somewhat increased.

The operating income from publishing operations in Finland was EUR 0.5 million (EUR -1.0 million). The operating income without non-recurring items was EUR 0.5 million (EUR 0.1 million).

January-June

Net sales from publishing operations in Finland for January-June amounted to EUR 19.1 million (EUR 19.8 million), a change of -3.5% from the previous year. Advertising revenue increased by 0.8% from the previous year.

The operating income from publishing operations in Finland was EUR 0.5 million (EUR -0.1 million). The operating income without non-recurring items was EUR 0.5 million (EUR 1.0 million).

Publishing Other Nordic Countries

In the Publishing Other Nordic Countries segment, financial development is reported for 6 periodicals, the event business and the business information business. The magazines with the highest circulation are Ny Teknik and Affärsvärlden. The largest providers of business information are Sverige Bygger and Talentum HR.

April-June

Net sales from Publishing Other Nordic Countries for April-June amounted to EUR 9.4 million (6.0 million), a change of 55.3% from the previous year. Without the construction information business acquired at the end of 2009 and with comparable exchange rates, net sales increased by 12.4%. Compared to the previous year, changes in exchange rates increased net sales by EUR 0.8 million. Advertising revenue was 64% up on the previous year.

The operating income from Publishing Other Nordic Countries was EUR 0.4 million (EUR -1.0 million). The operating income without non-recurring items was EUR 0.4 million (EUR -0.5 million).

January-June

Net sales from Publishing Other Nordic Countries for January-June amounted to EUR 18.1 million (11.6 million), a change of 55.4% from the previous year. Without the construction information business acquired at the end of 2009 and with comparable exchange rates, net sales increased by 13.0%. Changes in exchange rates increased net sales by EUR 1.4 million. Advertising revenue was 57.4% up on the previous year.

The operating income from net sales from Publishing Other Nordic Countries was EUR 0.6 million (EUR -2.2 million). The operating income without non-recurring items was EUR 0.6 million (EUR -1.6 million).

Direct Marketing

In the Direct Marketing segment, financial development is reported for the business of Talentum's subsidiary Suoramarkkinointi Mega Oy in Finland and the Baltic Countries. The company operates in the telemarketing business.

April-June

Net sales from direct marketing for April-June amounted to EUR 2.4 million (EUR 2.2 million), and the operating income was EUR 0.2 million (EUR 0.1 million).

Both external and Group's internal net sales were up on the previous year due to increase in the customers' telemarketing operations.

January-June

Net sales from direct marketing for January-June amounted to EUR 4.7 million (EUR 4.7 million), and the operating income was EUR 0.5 million (EUR 0.4 million).

TALENTUM GROUP**Distribution of dividends**

The Annual General Meeting on 31 March 2010 decided, on a motion by the Board of Directors, not to distribute any dividends for 2009.

Management

Talentum Oyj's Annual General Meeting on 31 March 2010 decided that the number of members of the Board of Directors is six. Harri Kainulainen, Insurance Counsellor, Eero Lehti, Commercial Counsellor, Atte Palomäki, Group Vice President Corporate Communications and Merja Strengell, MSc (Eng.) were re-elected as members of the Board of Directors. Joachim Berner, MBA, BBA and Kai Telanne, President and CEO were elected as new members. Merja Strengell was elected the Chairperson of the Board and Kai Telanne the Deputy Chairperson.

The AGM re-elected Authorised Public Accountants PricewaterhouseCoopers Oy as auditors, with APA Juha Wahlroos as the accountable auditor.

Extraordinary General Meeting

Talentum's Extraordinary General Meeting was held on 15 June 2010. The Board of Directors had called the EGM upon Oy Herttaässä Ab's request to elect one new member of the Board of Directors and to elect Kai Mäkelä as the seventh member of the Board. At the time of the request, Oy Herttaässä Ab owned 10.27% of Talentum Oyj shares. After voting, the EGM decided that the number of the members of Talentum's Board of Directors would remain the same, i.e., six and that no new members would be elected.

Shares and share capital

On 30 June 2010, Talentum Oyj's share capital totalled EUR 18,593,518.79 and the company had 44,295,787 fully paid shares. The shares are listed on the NASDAQ OMX Helsinki.

A total of 2,386,276 shares were traded in April-June, which corresponds to 5.4% of the number of shares. The highest price paid for shares in January-June was EUR 2.26, and the lowest was EUR 1.80. The closing price for the shares on 30 June 2010 was EUR 1.82.

On 30 June 2010, the company held 681,000 of its own shares, which is about 1.5% of Talentum's total shares and votes. During the period under review, no new own shares were acquired.

Shareholdings of the Board of Directors and CEO

On 30 June 2010, the number of Talentum Oyj shares and options owned by members of the Board of Directors and the CEO, personally or through companies in which they have a controlling interest, was 49,912, representing 0.11% of the company's total shares and votes.

Authorisations of the Board of Directors

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

The Annual General Meeting on 31 March 2010 authorised, cancelling all previous authorisations, the Board of Directors to decide on the acquisition of own shares. By virtue of the authorisation, the Board of Directors has the right to decide on the acquisition of own shares. The shares can be acquired for the value determined by the Board of Directors and based on the fair value of the shares in public trading at the time of their acquisition. Own shares may be only acquired using unrestricted equity. Based on this authorisation, own shares may be acquired in one or several lots, but limited to a total of 3,500,000 shares, which corresponds to approximately eight (8) per cent of the issued shares of the company. The authorisation will remain in force until 30 June 2011. The Board of Directors is otherwise authorised to decide on all terms and conditions regarding the acquisition, including the manner of acquisition of the shares. The authorisation does not exclude the right of the Board of Directors to also decide on a directed acquisition of own shares, providing that there are strong financial grounds for the company to do so.

The authorisations were unused as of 30 June 2010.

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

The Annual General Meeting on 31 March 2010 authorised, cancelling all previous authorisations, the Board of Directors to decide on the issue of shares and special rights. By virtue of the authorisation, the Board of Directors has the right to decide on a share issue that may be either chargeable or free of charge, including the issue of new shares and the conveyance of own shares possibly in the company's possession. The Annual General Meeting has also authorised the Board of Directors to decide on an issue of option rights and other special rights which grant entitlement, in return for payment, to receive new shares or any shares possibly in the company's possession. Based on the authorisations pertaining to share issue and/or special rights, new shares may be issued and/or own shares held by the company may be conveyed in one or several lots, but limited to a total of 3,500,000 shares, which corresponds to approximately eight (8) per cent of the issued shares of the company. The authorisations will remain in force until 30 June 2011. The Board of Directors is otherwise authorised to decide on all terms and conditions regarding share issue and granting of special rights, including the Board's right to decide on a directed share issue and the granting of special rights. Shareholders' pre-emptive subscription

rights can be deviated from, provided that there are strong financial grounds for the company to do so.

The authorisations were unused as of 30 June 2010.

Management's share-based incentive scheme

Talentum Oyj's Board of Directors decided on 18 March 2010 to establish a new share-based incentive scheme for corporate management. The scheme consists of three earnings periods, each comprising of at least one and no more than three earnings periods, the first of which began on 1 January 2010 and will end on 31 December 2010. The bonuses will be paid partly in the company's shares and partly in cash after the end of each earnings period. The share paid in cash will cover any taxes and other such costs arising from the bonus. Transferring shares earned within two years of the end of the earnings period is prohibited. The total length of the scheme is 5 years. After this, the company's CEO must retain one half of the shares earned by him under the scheme for the entire duration of his employment relationship and for one year after its termination. The Board of Directors will decide at a later stage on the next earnings periods and the restrictions related to the disposal of the shares earned during these periods. The possible scheme revenue for the 2010 earnings period is based on Talentum Group's net sales and operating profit and Talentum's share revenue. Nine people were covered by the scheme for the 2010 earnings period. If the scheme targets are fully achieved in the 2010 earning period, a maximum of 161,500 shares and the amount of cash required for the tax-like charges arising from the distributed shares at issue will be given within the scheme. If the scheme targets are fully achieved, a maximum of 484,500 shares of Talentum Oyj and the amount of cash required for the tax-like charges arising from the distributed shares at issue will be given within the scheme over a period of 3 years.

This scheme replaces the scheme of the same content taken into use on 1 January 2007 and terminated on 31 December 2009.

Flagging notifications

No flagging notifications were made in January-June.

Shareholder agreements

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

Market guarantee

An agreement with Nordea Securities Oyj on a market guarantee for Talentum Oyj shares became effective on 21 June 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.

TABLES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	4-6 2010	4-6/ 2009	1-6/ 2010	1-6/ 2009	1-12/ 2009
CONTINUING OPERATIONS					
Net sales	21.1	16.7	40.5	34.6	66.8
Other operating income	0.1	0.4	0.3	0.4	0.7
Materials and services	3.4	3.4	6.8	6.4	12.2
Employee benefit expenses	10.8	11.1	21.4	20.4	39.2
Depreciation, amortisation and impairment	0.8	0.4	1.3	0.8	1.8
Other operating expenses	5.6	4.8	10.8	10.2	19.6
Operating income	0.5	-2.6	0.5	-2.9	-5.2
Financial income	0.1	0.1	0.5	0.1	0.1
Financial expenses	0.2	0.1	0.3	0.1	0.2
Share of income of associated companies	0.1	0.1	0.0	0.0	-0.2
Income before taxes	0.6	-2.5	0.8	-2.9	-5.6
Taxes	-0.2	0.5	-0.1	0.6	1.5
Income for the period	0.4	-2.1	0.6	-2.3	-4.2
Other comprehensive income:					
Translation differences	0.4	0.2	1.4	0.1	1.0
Available-for-sale investments	-	-	-	-	0.1
Income tax on available-for- sale investments	-	-	-	-	0.0
Total comprehensive income for the period	0.8	-1.8	2.1	-2.3	-3.1
Income for the period attributable to:					
Owners of the parent company	0.4	-2.1	0.6	-2.4	-4.2
Non-controlling interest	0.0	0.0	0.0	0.0	0.0
Total comprehensive income for the period attributable to:					
Owners of the parent company	0.8	-1.8	2.1	-2.3	-3.1
Non-controlling interest	0.0	0.0	0.0	-0.0	0.0
Basic and diluted Earnings per share, EUR *	0.01	-0.04	0.01	-0.05	-0.10

* Earnings per share are calculated from the income attributable to the equity owners of the parent company.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	30.6.2010	30.6.2009	31.12.2009
ASSETS			
Non-current assets			
Property, plant and equipment	1.2	1.4	1.3
Goodwill	28.0	20.1	28.1
Other intangible assets	14.2	11.4	11.6
Investments in associates	0.2	0.3	0.1
Available-for-sale investments	0.1	0.1	0.1
Deferred tax assets	1.8	0.7	1.8
Other non-current receivables	0.2	1.9	0.3
Total non-current assets	45.8	35.9	43.3
Current assets			
Inventories	1.3	1.3	1.3
Trade and other receivables	8.0	6.4	10.5
Cash and cash equivalents	2.1	0.6	3.7
Total current assets	11.3	8.3	15.5
TOTAL ASSETS	57.1	44.2	58.8
EQUITY AND LIABILITIES			
Equity attributable to equity owners of the parent			
Share capital	18.6	18.6	18.6
Share premium reserve	0.0	0.0	0.0
Treasury shares	-2.8	-2.8	-2.8
Other reserves	-0.8	-2.4	-2.2
Invested non-restricted equity fund	3.3	3.3	3.3
Retained earnings	-1.6	-1.1	-2.2
Total	16.7	15.5	14.6
Non-controlling interest	0.1	0.1	0.3
Total equity	16.8	15.6	14.9
Non-current liabilities			
Deferred tax liabilities	3.7	3.1	2.9
Non-current financial liabilities	0.1	0.2	0.1
Pension obligation	0.1	-	0.1
Other non-current liabilities	0.5	0.5	0.4
Non-current provisions	0.2	0.6	0.2
Total non-current liabilities	4.6	4.4	3.7
Current liabilities			
Current financial liabilities	9.8	3.1	15.8
Advances received	13.1	9.6	11.2
Trade and other payables	12.7	10.8	13.1
Currents provisions	0.1	0.7	0.1
Total current liabilities	35.6	24.3	40.2
TOTAL EQUITY AND LIABILITIES	57.1	44.2	58.8

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

EUR million	1-6/ 2010	1-6/ 2009	1-12/ 2009
Cash flow from operating activities			
Operating income	0.5	-2.9	-5.2
Adjustments to operating income	0.9	2.2	4.1
Change in working capital	3.2	0.5	-4.0
Financial items and taxes	0.1	-0.8	-0.6
Net cash from operating activities	4.8	-1.0	-5.8
Cash flow from investing activities			
Acquisition of subsidiaries and associates, net of cash acquired	-	-	-4.3
Disposal of subsidiaries and associates	-	-	-0.1
Acquisition of property, plant and equipment and intangible assets	-0.6	-0.8	-1.2
Other items	0.0	0.0	0.0
Net cash from investing activities	-0.6	-0.8	-5.6
Cash flow from financing activities			
Change in current loans	-6.0	1.9	15.0
Repayment of non-current loans	-	-0.9	-1.4
Dividends paid	0.0	-4.4	-4.4
Purchase of treasury shares	-	-	-
Net cash used in financing activities	-6.0	-3.4	9.2
Change in cash and cash equivalents	-1.9	-5.1	-2.1
Cash and cash equivalents at the beginning of period	3.7	5.7	5.7
Foreign exchange adjustment	0.2	0.0	0.1
Net change in cash and cash equivalents	-1.9	-5.1	-2.1
Cash and cash equivalents at the end of period	2.1	0.6	3.7

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

a = Share capital
 b = Share premium reserve
 c = Treasury shares
 d = Fair value reserve
 e = Translation reserve
 f = Invested non-restricted equity fund
 g = Retained earnings
 h = Equity attributable to equity owners of the parent (before non-controlling interest)
 i = Non-controlling interest
 j = Total equity

EUR million	a	b	c	d	e	f	g	h	i	j
Equity at 1 January 2010	18.6	0.0	-2.8	0.0	-2.2	3.3	-2.2	14.6	0.3	14.9
Other items									-0.2	-0.2
Total comprehensive income for the period					1.4		0.6	2.1	0.0	2.1
Equity at 30 June 2010	18.6	0.0	-2.8	0.0	-0.8	3.3	-1.6	16.7	0.1	16.8
Equity at 1 January 2009	18.6	0.0	-2.8	0.0	-2.5	5.9	3.0	22.1	0.1	22.3
Return of equity						-2.6		-2.6		-2.6
Dividend paid							-1.7	-1.7		-1.7
Total comprehensive income for the period					0.1		-2.4	-2.3	-0.0	-2.3
Equity at 30 June 2009	18.6	0.0	-2.8	0.0	-2.4	3.3	-1.1	15.5	0.1	15.6

NOTES TO THE FINANCIAL STATEMENTS

In preparation of this interim report, Talentum has applied the same principles as in the financial statements for 2009, apart from the additions described below.

From 1 January 2010, Talentum has adopted the following revised and amended IFRS standards:

Revised IFRS 3 Business Combinations

The revisions of the Standard affect, among other things, the amount of goodwill from acquisitions and the income of sale of the business operations. In the future, acquisition-related expenses, such as expert's fees, will be recognised in profit or loss. The conditional purchase price is valued at fair value and its later changes will be recognised in profit or loss. The non-controlling interests for each acquisition can be valued either at fair value or as a proportion of the net assets of the acquisition target.

Amended IAS 27 Consolidated and Separate Financial Statements

The amendments to the Standard affect how phased acquisitions and disposals are treated. If the parent company retains its control in the subsidiary, the effects of changes in the share of ownership are recognised directly in equity, and no goodwill or revenue and expenses to be recognised in profit or loss arise. If the parent company loses its control in the subsidiary, any remaining investment is measured at fair value through profit or loss.

In addition, the Group has adopted the April 2009 Annual Improvements to IFRSs.

The other new and revised standards and interpretations are not relevant to the Group.

All figures in this report have been rounded up or down, so the sum of single figures may be different from the totals shown.

TALENTUM GROUP BY SEGMENTS

1-6/2010	Publishing Finland	Publishing other Nordic Countries*	Direct marketing	Other	Group total
EUR million					
External sales	19.1	18.1	4.7	-1.4	40.5
Inter-segment net sales			1.5	-1.5	0.0
Operating income	0.5	0.6	0.5	-1.1	0.5
Segment income before taxes	0.5	0.6	0.5	-1.1	0.5
Reconciliation:					
Segment income before taxes					0.5
Financing items, net					0.3
Share of income of associated companies					0.0
Consolidated income before taxes					0.8

*Includes the business information operations acquired on 30 December 2009.

1-6/2009	Publishing Finland	Publishing other Nordic Countries	Direct market ing	Other	Group total
EUR million					
External net sales	19.8	11.6	4.7	-1.5	34.6
Inter-segment net sales			1.6	-1.6	0.0
Operating income	1.0	-1.6	0.4	-0.9	-1.1
Segment income before taxes	1.0	-1.6	0.4	-0.9	-1.1
Reconciliation:					
Segment income before taxes					-1.1
Non-recurring items unallocated to the segments					-1.8
Financing items, net					0.0
Share of income of associated companies					0.0
Consolidated income before taxes					-2.9

1-12/2009	Publishing Finland	Publishing other Nordic Countries	Direct market ing	Other	Group total
EUR million					
External net sales	37.3	23.5	5.8	0.2	66.8
Inter-segment net sales			3.0	-3.0	0.0
Operating income	1.9	-1.4	0.7	-2.1	-0.9
Segments income before taxes	1.9	-1.4	0.7	-2.1	-0.9
Reconciliation:					
Segments income before taxes					-0.9
Non-recurring items unallocated to the segments					-4.4
Financing items, net					-0.2
Share of income of associated companies					-0.2
Consolidated income before taxes					-5.6

**EMPLOYEE BENEFITS:
POST-EMPLOYMENT BENEFITS**

The Talentum Group general pension fund statutory pension liability according to the Employees Pensions Act and the management of the related assets were transferred to Ilmarinen Mutual Pension Insurance Company on 1 January 2010. The pension fund was placed into liquidation on the same date. The pension fund will be permanently liquidated after completion of the 2009 pension liability distribution in November 2010.

OPERATING SEGMENTS

The Publishing Sweden segment changed its name into Publishing Other Nordic Countries on 1 January 2010. The content of the segment has not changed. After the name change, the Group's operating segments are Publishing Finland, Publishing Other Nordic Countries and Direct Marketing.

CHANGE IN SHARE QUANTITIES *

1000 shares	1-6/2010	1-6/2009	1-12/2009
Shares outstanding at the beginning of period	43 615	43 615	43 615
Number of shares outstanding at end of period	43 615	43 615	43 615

* Excluding own shares held by the company

For the period under review, the weighted average number of shares used in the calculation of earnings per share during the financial period is 43,614,787 (43,614,787 shares 1-6/2009).

The number of shares issued is 44,295,787.

PERSONNEL BY SEGMENTS, ON AVERAGE

	1-6/2010	1-6/2009	1-12/2009
Publishing Finland	198	216	201
Publishing other Nordic Countries	229*	182	176
Direct Marketing	334	354	357
Other	18	20	20
Total	779	772	755

* Includes the 79 people of the business information business acquired on 30 December 2009.

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	30.6.2010	30.6.2009	31.12.2009
Carrying amount at the beginning of period	1.3	1.6	1.6
Additions	0.2	0.2	0.3
Acquisitions through business combinations	-	-	0.0
Disposal of businesses	-	-	-0.0
Depreciation	-0.2	-0.3	-0.7
Carrying amount at the end of period	1.2	1.4	1.3

CHANGES IN INTANGIBLE ASSETS

EUR million	30.6.2010	30.6.2009	31.12.2009
Carrying amount at the beginning of period	39.7	31.3	31.3
Additions	0.5	0.6	1.0
Purchase price allocation	0.7	-	-
Acquisitions through business combinations	-	-	7.6
Disposals	0.0	-	-0.5
Amortisation	-1.1	-0.5	-1.2
Exchange rate differences	2.3	0.2	1.6
Carrying amount at the end of period	42.2	31.6	39.7

Talentum's Swedish subsidiary, Talentum Business Information Group AB, acquired the complete share capital of Sverige Bygger AB and Norge Bygges AS on 30 December 2009. The goodwill that arose from the acquisition was presented as a EUR 7.6 million item in the balance sheet of 31 December 2009, because the fair value of the net assets acquired was provisional and was dependent on the final determination. The amount of goodwill was reviewed, and two intangible assets, i.e., database and its management systems and customer relationships, were recognised as their own balance sheet items. The reviewed amount of goodwill is regarded as arising principally from specialist personnel, market share and industry expertise.

In the balance sheet of the reporting date, the amount of goodwill that arose from the acquisition is EUR 6.2 million and the total value of intangible assets separated from goodwill is EUR 2.4 million after amortisation. Amortisation on these intangible assets in January-June totalled EUR 0.3 million. Depreciation in January-March was not adjusted as the adjustment was not considered to have a significant impact on the financial statements on 31 March 2010.

EUR million	
Reconciliation of goodwill	
Carrying amount at 1 Jan 2010	7.6
Purchase price allocation	-2.5
Deferred taxes	0.6
Exchange rate differences	0.4
Carrying amount at 30 June 2010	6.2

EUR million	Recognised fair values/ carrying amounts at 30 Dec 2009	Reviewed fair values/ carrying amounts at 30 Dec 2009
Assets and liabilities of acquired companies at the date of acquisition:		
Property, plant and equipment	0.1	0.1
Intangible assets	-	2.5
Trade and other receivables	1.9	1.9
Cash and cash equivalents	3.4	3.4
Total assets	5.3	7.8
Deferred tax liabilities	-	0.6
Current liabilities	4.6	4.6
Total liabilities	4.6	5.2
Net assets	0.8	2.6
Cost of an acquisition	8.3	8.3
Goodwill	7.6	5.7
Consideration paid (in cash)	7.6	7.6
Cash and cash equivalents of acquired companies	-3.4	-3.4
Net cash outflow	4.3	4.3

RELATED PARTY TRANSACTIONS

EUR million	1-6/2010	1-6/2009	1-12/2009
Employee benefits for key management	0.5	0.6	1.8
Support payments to pension fund	-	2.0	3.7
Associates and joint ventures:			
Sales	0.1	0.0	0.3
Liabilities	0.4	0.4	0.5

GUARANTEES AND CONTINGENT LIABILITIES

EUR million	30.6.2010	30.6.2009	31.12.2009
Guarantees posted for own commitments			
Financial institution loans	-	0.4	-
Book value of shares pledged	-	2.3	-
Business mortgage	-	0.3	-
Guarantees posted on behalf of commitments of associates	0.3	0.2	0.2
Guarantees posted on behalf of Talentum's pension fund	-	0.4	0.4

Calculation of key indicators

Earnings per share = Profit for the period attributable to parent company shareholders / Adjusted average number of shares at the end of the financial period

Equity per share = Equity attributable to parent company shareholders / Adjusted average number of shares at the end of the financial period

Return on invested capital, % = Income before taxes + interest and other financial expenses / Balance sheet total - non-interest-bearing liabilities (average of beginning and end of financial year) x 100

Return on equity, % = Result for the financial period / Total equity (average of beginning and end of financial year) x 100

Equity ratio, % = Total equity / Balance sheet total - advances received x 100

Gearing, % = Interest-bearing liabilities - cash and cash equivalents / Total equity x 100

Market capitalisation = Number of shares at the end of the period x trading price at the end of the financial period

The figures in this release are unaudited.

General statement

The forecasts and estimates presented here are based on the management's current view of economic development, and the actual results may differ substantially from what is now expected of the company.

Financial information 2010

Talentum is planning to publish the interim report for the third quarter on 27 October.

TALENTUM OYJ
Juha Blomster
Chief Executive Officer

ADDITIONAL INFORMATION
Chief Executive Officer Juha Blomster, telephone +358 40 342 4444
Chief Financial Officer Kaisa Kokkonen, telephone +358 40 342 4212

DISTRIBUTION
NASDAQ OMX Helsinki
Principal media
www.talentum.com

BRIEFING

A briefing in Finnish will be held for analysts and the media today, 21 July 2010 at 11:00 at the Talentum head office, Annankatu 34-36 B, Kamppi, Helsinki, Finland. The financial results will be presented by CEO Juha Blomster and CFO Kaisa Kokkonen.

This Interim Report has been published in Finnish and in English. In case of doubt, the Finnish copy is authoritative

Talentum Oyj, Annankatu 34-36 B, 00100 Helsinki, Finland
Telephone +358 20 442 40, www.talentum.com