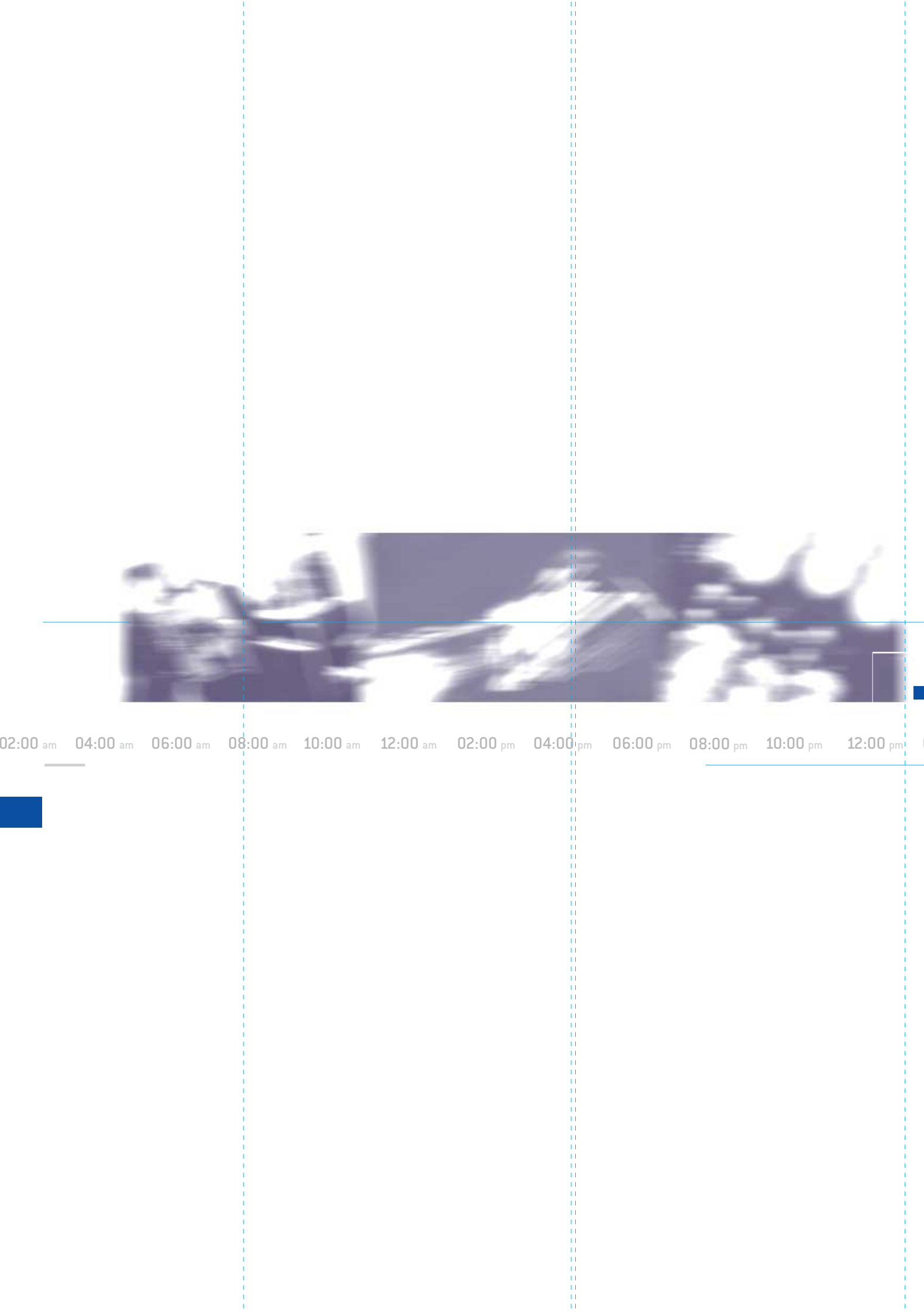




Annual Report

1998

The logo for SCHIBSTED, featuring a stylized 'S' followed by the word 'CHIBSTED' in a serif font, all underlined.

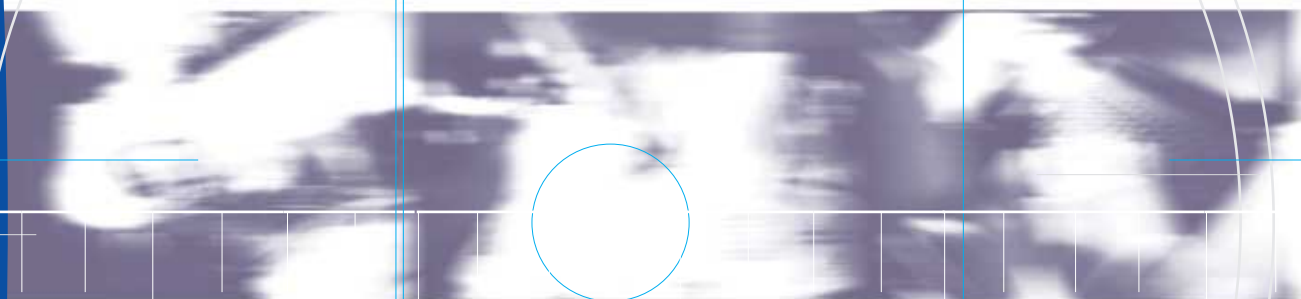


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Newspapers

TV / Film



2:00 am 04:00 am 06:00 am 08:00 am 10:00 am

02:00 pm 04:00 pm 06:00 pm 08:00 pm

The Annual Accounts – Schibsted Consolidated

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Multimedia

Group Company Structure
Address List



02:00 am

04:00 am

06:00 am

08:00 am

10:00 am

12:00 am

02:00 pm

04:00 pm

06:00 pm

08:00 pm

10:00 pm

Media around the clock

Newspapers

TV / FNm

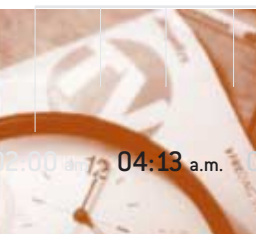


02:00 am 04:00 am 06:00 am 08:00 am 10:00 am 06:00 pm 08:00 pm 10:00 pm 12:00 pm

Multimedia

24 hours with media. Out of bed and into the shower. Morning paper and coffee. **Aftenposten/Svenska Dagbladet/Postimees.** Stock quotations and flowers for your loved one. Just a click and it's done. **SOL/Scandinavia Online.** Skim the afternoon paper and pick up the kids. **VG/Aftonbladet/Sönumileht.** Some fun for the youngsters and a daily dose of drama from the TV-series Hotel Caesar. **TV 2/Metronome Film & Television.** Remember to set up tomorrow's dinner with Jill and Peter. "Finger-licking good" takes on new meaning in a great cookbook. **Chr. Schibsteds Forlag/Svenska Förlaget.** How about a movie? A lovely tearjerker. **Sandrew Metronome.** A glass of red and a last glance at the web. Just as well to make sure the world's the way you think it is. A good-night hug. **Schibsted's there around the clock.**

04:13 a.



m.

2:00 a.m. 04:13 a.m. 06:00 a.m. 08:00 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. 08:00 p.m. 10:00 p.m. 12:00 p.m.



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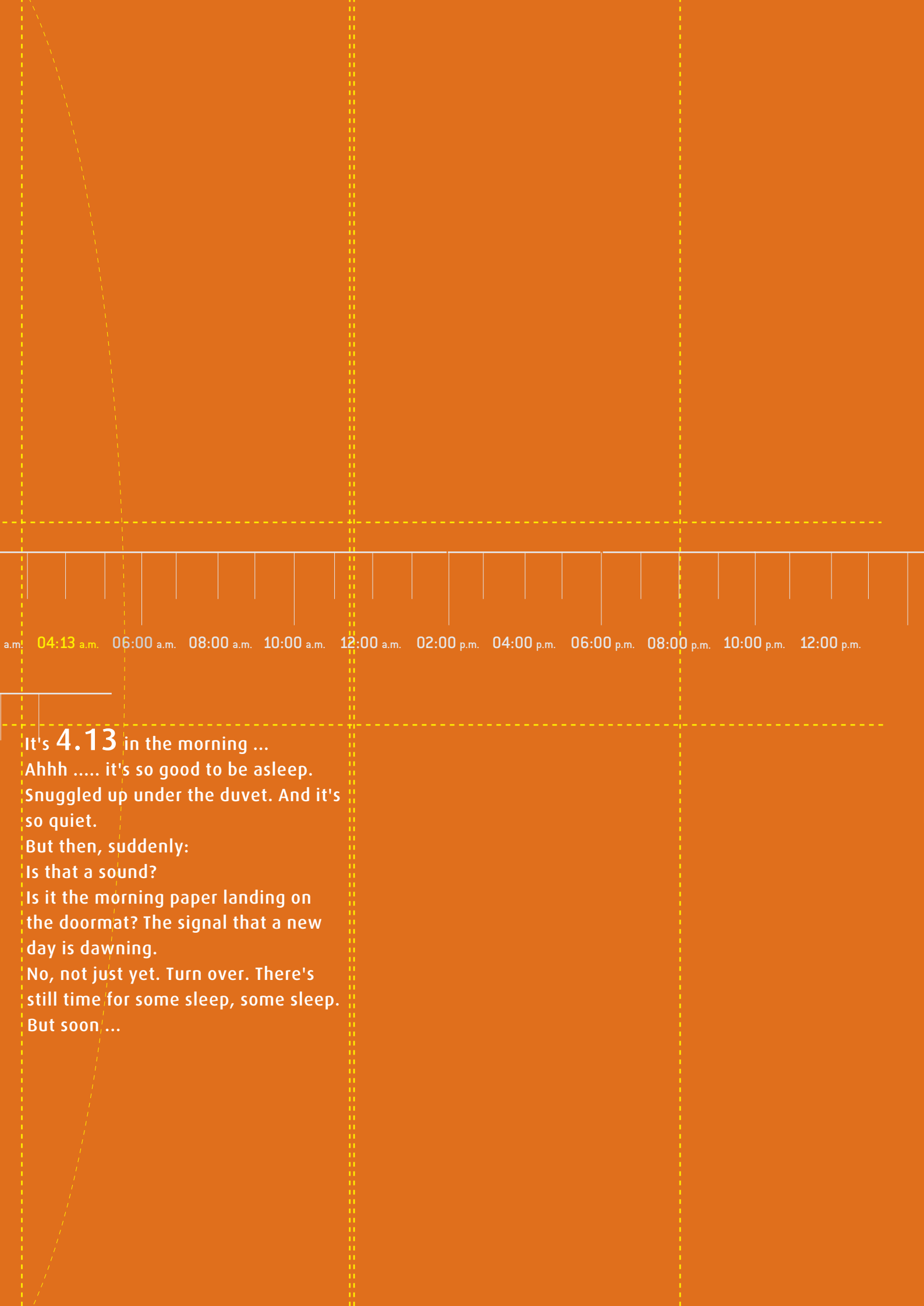
4.5 million newspapers a week.

230 million papers a year.

A new printing plant covering 41,000 square meters with a price tag of NOK 1.4 billion. Figures are big at Schibsted Trykk, Schibsted's new printing plant at Nydalen in Oslo.

But has anyone worked out how many cups of early morning coffee and how much skilled work are necessary to get today's VG out on time?

That's what it's all about at **4.13** a.m.



a.m. 04:13 a.m. 06:00 a.m. 08:00 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. 08:00 p.m. 10:00 p.m. 12:00 p.m.

It's **4.13** in the morning ...
Ahhh it's so good to be asleep.
Snuggled up under the duvet. And it's
so quiet.
But then, suddenly:
Is that a sound?
Is it the morning paper landing on
the doormat? The signal that a new
day is dawning.
No, not just yet. Turn over. There's
still time for some sleep, some sleep.
But soon ...

The Schibsted Group

Today Schibsted is the largest media group in Norway and one of the leading media groups in Scandinavia. Activities comprise newspapers and publishing, television channels, television production, distribution of film rights, and providing content on the Internet.



Schibsted's present activities and expansion plans are founded on the Group's vision statement: "Schibsted is to become Scandinavia's leading media company by being the preferred supplier of content for readers, viewers and advertisers, irrespective of the medium chosen."

The Group's activities are organised in three business areas: Newspapers, TV/Film, and Multimedia.

Newspapers:

In Norway the Schibsted Group owns the two largest daily newspapers, VG and Aftenposten, and has major holdings in six regional newspapers. The Group also has a controlling interest in Aftonbladet, the largest daily newspaper in Sweden and Scandinavia, in Svenska Dagbladet, and in Scanpix, the largest photo agency in Scandinavia. In Estonia the Group owns two national newspapers, Postimees and Sõnumileht, and has considerable holdings in five local newspapers and nine magazines.

TV/Film:

Schibsted has a controlling interest in Metronome Film & Television, Scandinavia's largest group of production companies in the fields of programming for television and commercials, and owns 50% of Sandrew Metronome, one of the leading

distributors of film for cinemas, video and television. The Group also owns 33.3% of TV 2, Norway's largest commercial television channel, which in turn has 49.3% of the share capital and the responsibility for programming in TVNorge, the network channel for privately owned local television in Norway. In addition, Schibsted has a 86% holding in the Estonian television channel Kanal 2.

Multimedia:

Together with Telia and Telenor, Schibsted owns Scandinavia Online (SOL), which has activities in Norway, Sweden and Denmark. SOL is one of the most visited Internet sites in Scandinavia, and provides both useful and entertaining services to the mass market. Schibsted also owns Internet guides to Stockholm and Copenhagen, and other Internet services such as Bokkilden and TicNet. The Group is active in the field of book publishing through Chr. Schibsteds Forlag and the SMS Publishing Group in Sweden, and in periodicals including Dine Penger and Dagens Medisin.


1998 Highlights

1st quarter

- Schibsted and the Anders Sandrews Foundation merge their activities in film rights and film distribution in the 50/50 owned Sandrew Metronome.
- Schibsted, Telia and Telenor enter into an agreement to co-operate on Internet activities in Sweden.
- Metronome and TV Spartacus sign a contract with TV 2 in Norway worth some NOK 350 million for the production of a new daily drama series, "Hotell Caesar", which made its debut in October 1998.
- Aftenposten and TV 2 sign an agreement to co-operate on classified advertising with Aftenposten's acquisition of 50% of Net 2 Interaktiv, TV 2's text TV company.
- The Group's printing plant at Linderud, comprising the site and building, is sold for NOK 110 million.

3rd quarter

- Schibsted acquires a 73.6% holding in Svenska Dagbladet, Stockholm's second largest morning newspaper.
- VG increases the cover price on Saturdays from NOK 8.00 to NOK 10.00 effective from 4 July.
- Sverre Munck, previously the Group's Executive Vice President and Chief Financial Officer, takes over the post of Executive Vice President for the Multimedia business area.
- Metronome Film & Television AB enters into a strategic alliance with the Dutch company Endemol, which becomes a 35% owner in the Swedish company.
- The Internet based local guide "Allt Om Stockholm" ("All About Stockholm") is launched.
- Schibsted increases its ownership in Postimees to 92.5%. The Eesti Meedia Group is established.



Schibsted is to become Scandinavia's leading media company by being the preferred supplier of content for readers, viewers and advertisers, irrespective of the medium chosen.

2nd quarter

- Schibsted acquires 34% of Postimees, Estonia's largest newspaper.
- Aftonbladet increases the cover price on four days a week from SEK 7.00 to SEK 8.00 effective from 20 April. It is decided to cease publication of the afternoon edition.
- The presses in the old printing plant at Linderud are sold for USD 9 million. They will be handed over in 1999.

4th quarter

- The newsprint contract for 1999 results in a price increase of approximately 1% compared to 1998.
- Scan-Foto and NTB Pluss in Norway and the Swedish company FLT-PICA agree to set up a joint photo agency, Scanpix. The company will be one of the largest of its kind in Northern Europe.
- Schibsted decides to start a free newspaper, Avis1, for the Oslo area, to be launched on 16 April 1999.
- The Internet based local guide "Alt om København" ("All About Copenhagen") is launched.
- The new printing plant in Nydalen starts printing parts of Aftenposten.

Highlights of the first quarter of 1999

- Schibsted signs a letter of intent to acquire the Norwegian publishing house Bladkompaniet.
- Aftenposten identifies areas in which annual costs can be reduced by up to NOK 170 million.
- Schibsted increases its holding in AS Harstad Tidende from 15% to 39%.
- Trond Berger takes up the post of the Group's Executive Vice President and Chief Financial Officer.

The Chief Executive Officer



Another year of change for the Schibsted Group has passed. In 1998 substantial strategic investments were undertaken outside Norway, involving the acquisition of Svenska Dagbladet in Sweden and of the Postimees Group in Estonia. There has been a restructuring of some of our activities in the TV/Film business area, and most of the activities within TV and film infrastructure have been sold. The Group's multimedia activities have been concentrated in a small number of key areas which have received increased attention and investment, while areas of peripheral importance have been sold.



In the course of 1998 there were increasingly clear signs of a downturn in the Norwegian business cycle, and immediate measures had to be taken to limit the consequences of a probable decline in advertising revenues. Also, a lower rate of economic growth in Estonia required similar measures to be taken at our companies in Estonia.

The need for strategic alliances increased during the year, and led to Schibsted joining forces with a number of international partners. The corporate organisation was strengthened in order both to follow up acquisitions and to look into new business opportunities for the Group.



President
& Chief
Executive
Officer
Kjell Aamot

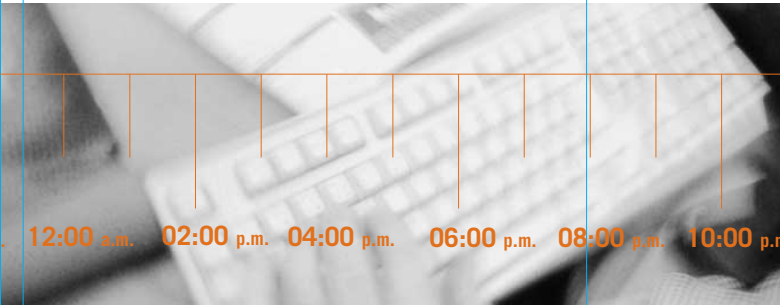
The largest investment in Schibsted's history, the new printing plant at Nydalen in Oslo, was all but completed in the course of 1998. When the plant came into operation there were considerable start-up difficulties which, unfortunately, have affected both subscribers and advertisers and entailed substantial problems for the Group's internal organisation. It is of little consolation for those affected that similar problems arise whenever a new printing plant of this size is about to become operational. The fact that the plant is so large and complex, and that equipment which is to function together comes from 20 suppliers in 11 different countries, may explain the situation, but it does not excuse it. We have done everything in our power to solve the problems, and now hope that the teething troubles are over and that we can begin to benefit from the advantages the new plant provides to further develop our Norwegian newspapers.

Since 1995 it has been the Group's vision to establish Schibsted as one of Scandinavia's leading media companies by the end of the millennium. Our primary strategies have been to make selective investments in a newspaper market which is both strong and mature, to increase Schibsted's share of the commercial television market, and to position the Group for the growth which is anticipated in new media, particularly related to the Internet.

During the last five years these strategies have substantially changed Schibsted's structure, competitive position and place in the international media industry.

From being purely a newspaper group competing only in Norway, we now face Nordic competitors on the commercial television market, and our multimedia operations face a market which is literally global, with global players. As we see the future, it will be one in which the media industry is even more global, and our experience over the last few years will be a useful foundation for us in facing the challenges to come.

We now see the necessity for planning further into a new century, and intend to re-examine the Group's overall strategies. The goal of continued growth and strengthening of the Group's position as a pure media company, together with the objective of maintaining Schibsted's position as an attractive financial investment, will form the basis for this planning. Our strategies ought also to reflect an even faster rate of change within the media industry as well as the fact that Schibsted's major competitors will increasingly be European and global companies. To ensure future expansion we must also ask ourselves whether our market can continue to be limited to the Nordic countries and Estonia.



Another basis for the strategies we devised in the mid-1990s was the realisation that opportunities for growth in Norway are limited, and that we need to operate with a Scandinavian perspective. We have succeeded on this score, and in 1999 almost half the Group's total revenue will come from operations outside Norway.

It seems natural to think of the Schibsted Group as a company that is to become increasingly international, and our recruitment policy at management level is already in tune with this development.

During the 1990s we have seen how important it is to recruit talented people at all levels in the organisation. We know that human capital is vital for success in the media industry. Regardless of how we define future strategy and financial goals, it is our ability to attract the best staff and the best managers which will determine to what extent we succeed.

This will be even more important in the years to come if we are to live up to our own expectations and to those of our customers, our partners, and, not least, our shareholders.

Kjell Aamot
President & Chief Executive Officer

Stiftelsen Tinius (The Tinius Trust)



Chairman of the Board
Tinius Nagell-Erichsen

Statement given by Tinius Nagell-Erichsen after Schibsted ASA's Annual General Meeting – May 8, 1996:

Ownership is a more important issue for a newspaper than for ordinary industrial companies. A newspaper is not just any product, but a forum for vital community information and the exchange of opinions, on which our democratic society is built. Newspaper ownership should therefore, in addition to being long term, openly be committed to the newspaper's own values. At times, it may be necessary to defend these values, to ensure the newspaper's continued freedom and editorial independence. Being a major shareholder is then an advantage. An ownership of 26 per cent of the Schibsted Group is ensured special rights in the company's Articles of Association. These rights would, under normal circumstances, require a much larger ownership, but were part of my conditions when agreeing to the transition from a privately held company to a limited company several years ago.

As long as these shares are held as a unit, they constitute a special guarantee for the freedom and independence for Schibsted's newspapers and mass media. The strength of this group of shares is so strong, that a takeover would be very difficult.

To ensure that these shares are kept as a unit, I founded Blommenholm Industrier AS, into which I transferred my shareholding in Schibsted. In Blommenholm Industrier AS there is a structure of shares with regular dividend rights, but only one voting share (A-share).

I have decided that after my death, or when I otherwise should decide, the A-share will be transferred to "Stiftelsen Tinius", which will be governed by the following rules: "The Schibsted Group shall continue to be a media group and be managed pursuant to the same editorial and commercial principles as it is today. In relation to Aftenposten and Verdens Gang, the purpose is to maintain the role these newspapers have played to date in the Norwegian society.

- I. Aftenposten and Verdens Gang shall have free and independent editorial governance.
- II. Aftenposten and Verdens Gang shall be based on Christian values, Norwegian culture and democratic principles.
- III. In accordance with the principles underlying the publishing of the newspapers, Aftenposten and Verdens Gang shall represent quality and credibility. The two newspapers shall bring information about issues of importance.

The principles of editorial freedom, credibility and quality of the newspapers shall also be guiding for other media and publishing businesses owned by the Schibsted Group. The Trust shall work for long term, sound, financial development of the Schibsted Group. The Trust shall also work as required toward influencing the general conditions for free and independent editorial governance in other media businesses."

As members of the board for the Trust I have appointed Bjørn Atle Holter-Hovind, Ole Jacob Sunde, John Rein and with myself as chairman.

Why these persons? We have worked together for many years in the reorganisation of Schibsted. They have knowledge of the Group's business affairs, and I know no one better. "Stiftelsen Tinius" is today registered with the County Governor for Oslo and Akershus. As a gift, I have transferred NOK 10 million to the Trust. The amount emphasizes the importance I attach to the Trust.

Key Figures

(NOK 1,000)

	1998	1997	1996	1995	1994
Total revenues	6 633 338	5 359 886	4 569 156	3 347 820	3 041 797
Operating profit	318 118	644 722	577 962	409 007	415 954
Pre-tax profit	268 550	728 218	579 215	498 260	460 880
Operating margin	4.8%	12.0%	12.6%	12.2%	13.7%
Profit ratio	2.5%	9.1%	8.9%	10.3%	10.4%
Equity ratio	36.6%	49.8%	48.1%	59.6%	56.0%
Return on equity	7.3%	23.6%	23.0%	23.5%	25.8%
Return on total assets	6.8%	18.0%	18.3%	20.3%	21.6%
Current ratio	0.85	0.82	0.91	1.04	0.94
EPS (NOK)	2.40	7.05	5.79	4.99	4.56
Cash flow per share (NOK)	9.97	10.00	9.50	8.01	7.47
Circulation					
Aftenposten morning weekdays	288 078	286 163	283 915	282 018	279 965
Aftenposten evening weekdays	186 418	191 269	188 635	186 003	188 544
Aftenposten, Sunday	238 181	230 118	223 501	218 384	217 766
VG, weekdays	364 825	370 115	356 861	371 238	386 137
VG, Sunday	299 732	294 019	279 571	279 362	279 030
Aftenbladet, weekdays	397 200	407 900	381 200	362 000	359 000
Aftenbladet, Sunday	502 100	510 183	484 400	473 400	462 000
Svenska Dagbladet, weekdays	185 000	194 500	187 600	194 900	197 800
Svenska Dagbladet, Sunday	199 900	208 500	202 300	209 100	211 700
Advertising volumes column meters					
Aftenposten	59 332	57 859	52 126	48 062	41 663
VG	7 430	7 901	7 419	6 802	6 522
Aftenbladet	11 898	11 072	11 143	9 367	8 612
Svenska Dagbladet	32 485	34 499	32 440	33 884	34 845
Newspapers					
Total revenues	5 596 472	4 820 429	4 046 096	2 915 900	
Operating profit	391 498	632 698	502 067	420 951	
Pre-tax profit	401 947	723 627	590 034	522 469	
Operating margin	7.0%	13.1%	12.3%	14.4%	
Profit ratio	5.4%	12.5%	12.2%	14.8%	
Return on total assets	10.6%	21.2%	20.4%	24.7%	
TV/Film					
Total revenues	716 246	364 463	308 429	347 040	
Operating profit (loss)	23 515	654	(13 867)	(44 970)	
Pre-tax profit (loss)	14 166	35 220	(48 840)	(24 044)	
Operating margin	3.3%	0.2%	(4.5%)	(13.0%)	
Multimedia					
Total revenues	298 736	188 507	209 934	74 532	
Operating profit (loss)	(175 528)	(90 371)	10 995	(13 930)	
Pre-tax profit (loss)	(200 318)	(103 882)	6 376	(14 357)	
Operating margin	(58.8%)	(47.9%)	5.2%	(18.7%)	

Definitions:

Operating margin:

Operating profit/
Total revenues

Profit ratio:

Net profit/Total revenues

Equity ratio:

Total equity incl. minority
inter./Total assets

Return on equity:

Net profit/Average equity

Return on total assets:

(Pre-tax profit + financial
expenses)/Average total
assets

Current ratio:

Current assets/Current
liabilities

EPS:

Net profit/Total shares

Cash flow per share:

(Pre-tax profit
+ depreciation
+/- net changes in
pensions + royalty*
+/- share of ass. com-
panies - taxes payable)/
Total shares

* Aftenposten AS up until 1996

The Board of Directors' Report 1998

Schibsted expanded its activities within all three business areas in 1998. Within the Newspaper business area the Group acquired Svenska Dagbladet in Sweden and Eesti Meedia in Estonia. In the Multimedia business area the Group expanded the portal companies in all the Scandinavian countries and city guides were launched in Stockholm and Copenhagen. In the TV/Film business area the expansion took place through the establishment of Sandrew Metronome and the co-operation with the Dutch television production company Endemol. Towards the end of the year advertising volumes declined in all markets where the Group operates and advertising developments in 1999 are uncertain.

The Business Areas

The acquisitions of Svenska Dagbladet and Eesti Meedia represent a significant expansion of activities within the Newspaper business area and the process of improving products and profitability is ongoing. The Norwegian newspapers were impacted by the reduced volume in classified and brand advertising towards the end of the year. At Aftenposten the restructuring program "Aftenposten year 2000" is underway and significant cost reductions are expected. Relative to Expressen, Aftonbladet has cemented its position as the largest newspaper in Sweden and the circulation gap between the two newspapers on weekdays is approximately 85,000 copies. However, total newspaper circulation in Sweden appears to be declining and both casual sales newspapers and subscription newspapers experienced reduction. In Norway, VG had a slight decline in weekday circulation towards the end of the year while Aftenposten had a slight increase. Both the Norwegian newspapers had increased circulation on Sundays. The Swedish market also experienced a slowdown in advertising volumes towards the end of the year, but Aftonbladet's position as the number one newspaper in terms of circulation contributed to increased advertising revenues and improved profitability in 1998.

The new printing facility in Nydalen, Oslo commenced printing a significant part of the Group's Norwegian newspapers in the autumn of 1998 and all printing of these newspapers is

expected to be transferred to this facility during the first half of 1999. The start-up of the printing plant has resulted in problems for subscribers and advertisers but the Board believes that improved printing quality and operating stability in the future will result in improved customer satisfaction.

All the newspapers have electronic Internet editions. Aftonbladet has the most visited newspaper site in Europe and VG has the most visited newspaper site in Norway. VG has entered into an agreement with TVNorge for the supply of news content to the channel's text TV. SOL AB has entered into an agreement with CNN Interactive covering production and distribution of CNN news in Sweden, Norway and Denmark. SOL AB and VG produce the news in Sweden and Norway respectively.

Scan-Foto and NTB's picture agency have merged and the new company is named Scanpix. A Scandinavian organisation which will also include the Swedish picture agency FLT-PICA is currently being established.

Within the TV/Film business area, Schibsted and Sandrews established a jointly controlled Nordic company, Sandrew Metronome, for film distribution, video distribution, the sale of film rights and movie theatre operations through the merger of the two companies' activities within these areas.

The company's result for 1998 was not as expected and in particular the rights business contributed negatively.

An agreement with the Dutch film production company Endemol regarding the merger of the TV and film production operations in Scandinavia was entered into in the autumn of 1998, giving Endemol 35% of the shares in Metronome Film & Television. As a result of this agreement, Metronome will have exclusive rights to Endemol's formats in Scandinavia. Metronome had strong growth and improved profitability in 1998, partly as a result of the production of "Hotell Caesar" for TV 2 in co-operation with the Swedish company Spartacus. Towards the end of 1998 the production companies for television commercials were sold to a group of Norwegian investors and in the future the production of commercials will take place within other parts of the Metronome group.

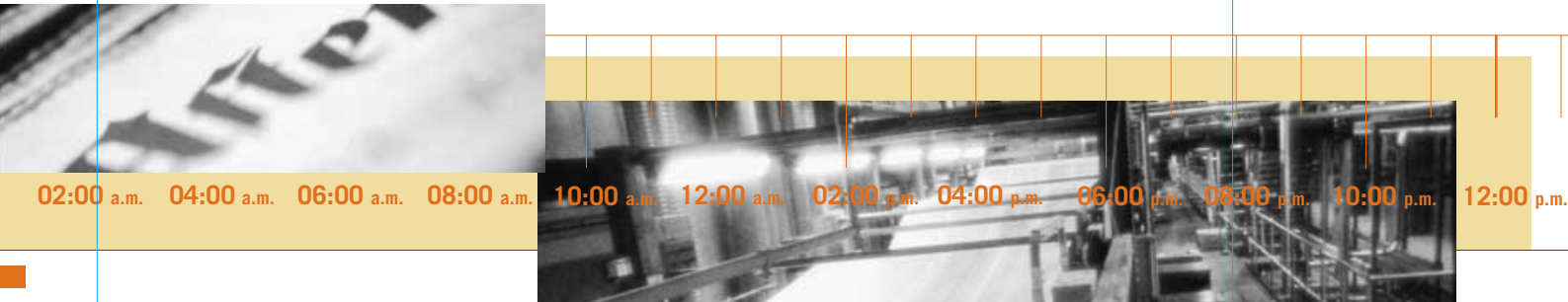
TV 2 had a strong year in 1998 even though the uncertainty in the advertising markets also appears to have an impact on the television sector. TV 2's results are negatively impacted by TVNorge's results which were weaker than expected. During the first half of 1998 Kanal 2 in Estonia had strong growth in both revenues and profit. While this growth slowed in the second half of the year, the full year result was satisfactory.

providers. As a result, several activities and services which are not related to the core activity have been or will be divested. SOL in Norway together with its search engine Kvasir is by far the most visited Internet site in Norway and due to the merger with Telia's portal activities in Sweden, SOL is also the most visited site in Sweden.

Within the other Multimedia activities Chr. Schibsted's Forlag has expanded its operations to include the marketing and sale of foreign books. In 1999 Schibsted has entered into a letter of intent regarding the acquisition of the Norwegian book publisher Bladkompaniet. If this acquisition is consummated the Group's activities within the publishing business will increase significantly.

Financial Highlights

The Group's revenues for 1998 were NOK 6,633 million, an increase of 23.8% compared to 1997. Operating profit was NOK 318 million, compared to NOK 645 million for 1997.



The initiative to divest the activities within TV and film technical infrastructure continued in 1998. The holding in ScanCam was sold to Norsk Film while the holding in Skandinaviske Filmlaboratorier Holding has been taken over by Egmont. As of the end of 1998 the activity in this area is limited to a 48% ownership in FilmTeknikk Norge AS.

In the Multimedia business area the focus during 1998 has been on online activities. Telia became a shareholder in SOL in Norway and Sweden while the city guide company "Allt om Stockholm" is still wholly owned by Schibsted. SOL in Denmark is wholly owned by Schibsted while Berlingske Tidende became a 51% shareholder in "Alt om København" at the end of the year. The establishment of a more uniform ownership structure which should provide for simplified operations and synergies for the SOL companies in Norway, Sweden and Denmark has had high priority during the last few months. In addition, the activities in the SOL companies have been restructured and the core activity from now on will be as portal operators for partners and consumers and to a much lesser degree as content

The operating margin was 4.8%, down from 12% in 1997. Within the Newspaper business area, Aftenposten's operating margin decreased from 17.7% in 1997 to 14.3% in 1998. Aftenbladet's margin increased while VG's margin was unchanged from 1997. Both Svenska Dagbladet and Eesti Meedia contributed negatively to the operating profit. The operating profit for the TV/Film business area improved significantly while the Multimedia business area contributed with a negative operating profit as expected of NOK 176 million including NOK 15 million in restructuring charges. In addition, the Group's operating profit was impacted by charges of NOK 81 million related to early retirement at the new printing facility, NOK 32 million related to early retirement in Aftenposten, NOK 80 million related to start-up of the new printing facility, and NOK 25 million related to moving of activities from Tartu to Tallinn. Considering the continued offensive investments within Multimedia, the operating margin and net profit for the year are acceptable, but the Board is concerned about the negative development in the advertising markets towards the end of 1998.

Net financial income and expenses showed a loss of NOK 51 million, a significant reduction from a gain of NOK 86 million in 1997. The main reasons for this decline are the sale of the share in TVNorge to TV 2 in 1997, increased borrowings, unrealised foreign exchange losses on borrowings in various currencies and decreased results from associated companies.

The tax rate for 1998 was 38% compared to 33% in 1996. The significant tax losses carried forward from partly owned multimedia companies and non-Norwegian companies is only partially offset by higher tax depreciation on the new printing facility.

The net profit in 1998 was NOK 166 million compared to NOK 488 million in 1997.

The Group's investments in 1998 totalled NOK 1,484 million, compared to NOK 669 million in 1997. NOK 633 million was invested in the new printing plant, NOK 513 million in shares, and NOK 338 million represents maintenance and operational investments.

At the end of 1998 long term debt amounted to NOK 2,305 million compared to NOK 851 million at the end of 1997.

Organisation

The number of employees in the Group at the end of the year was 5,320 compared to 2,780 at the end of 1997. Of this number, about 2,800 were employed outside Norway. The increase in the number of employees outside Norway is mainly due to the acquisition of Eesti Meedia, Svenska Dagbladet and Tidningstryckarna which have 1,000, 420 and 235 employees, respectively.

As a result of the restructuring program "Aftenposten year 2000" 67 employees have accepted the offer for early retirement at 62 years of age. The offer results in a non-recurring charge of approximately NOK 32 million which has been expensed in 1998. The restructuring program has also identified numerous initiatives which will result in significant reduction in expenses over time.

The increase is due to borrowings related to new investments and debt in new subsidiaries. For the same reasons, the Group's total assets increased from NOK 4,662 million at the end of 1997 to NOK 6,618 million at the end of 1998. The Group's total liquidity reserves of cash, short term financial investments and unused available credit facilities were approximately NOK 2,274 million at the end of 1998 compared to NOK 2,480 at the end of 1997. Operating cash flow in 1998 amounted to NOK 690 million compared to 692 million in 1997.

The Group's equity as a percentage of total assets was 36.6% at the end of 1998, a significant decline from 49.8% at the end of 1997. This decline is due to the acquisition of new subsidiaries and increased borrowings.

The printing plant in Nydalen, Oslo is more or less on schedule and is expected to be in full operation during the first half of 1999. As the new printing plant becomes fully operational the number of employees will be reduced by approximately 50 employees through early retirement. This early retirement plan has results in a non-recurring charge of NOK 81 million which has been expensed in 1998.

During the period from 1996 to 1999, significant resources have been used to resolve the Group's Y2K issues and all changes to systems and tests will be completed by the end of the first half of 1999. Especially the newspapers, with large production systems, are vulnerable with respect to accommodating dates beyond 1999 but the Board is of the opinion that the Group is well prepared for the year 2000 conversion. However, problems may still arise due to the high level of integration to systems outside the Group.

The Group's result for 1998 is heavily influenced by non-recurring charges and the investments in multimedia. The year has been challenging for all areas of the Group and all employees have exhibited a positive and offensive attitude. The Board of Directors wishes to thank all employees for their efforts.

The Environment

The Group companies operate within the framework of current environmental regulations.

All chemicals used in connection with photographic activities within the newspaper production are circulated in closed systems and disposed of in accordance with regulations. At the Group's printing plants, all chemicals are collected and disposed of separately. In addition, at the printing plants, contracts have been entered into for sorting, handling and disposition of waste in an environmentally responsible manner. As a result, all waste paper is recycled. Avisretur AS is responsible for the handling and recycling of unsold newspapers for, among others, VG, Dagbladet and Aftenposten.

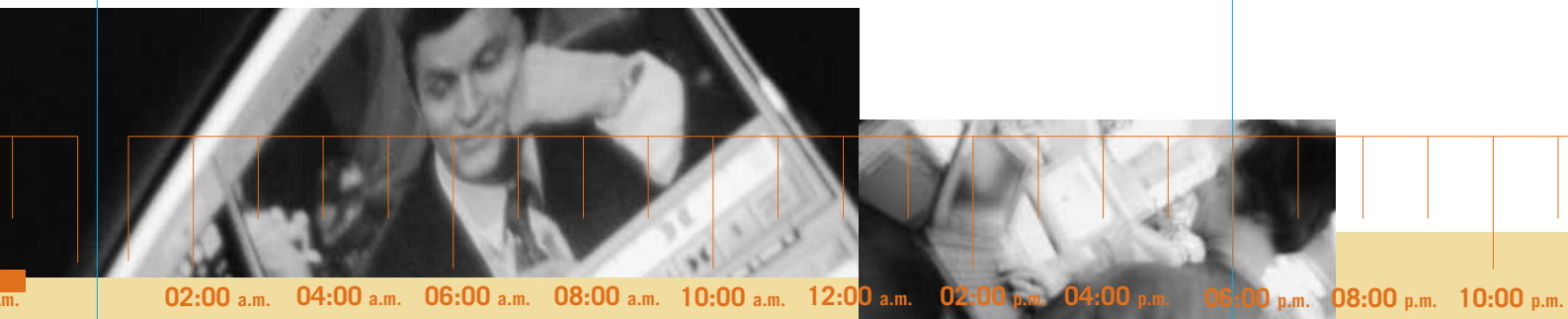
Ownership structure and shareholder policy

The quoted value of the Schibsted shares on the Oslo Stock Exchange at the beginning of 1998 was NOK 126.50. At the end of the year, the value was NOK 96.00, a decline of 22.7%, adjusted for dividends. The Oslo Stock Exchange All Share Index declined by 26.7% during the same period.

Future Prospects

The future development of the advertising markets in the countries where Schibsted is present is still uncertain. As this uncertainty is related both to classified and brand advertising the profitability of both the Group's newspapers and television channels is uncertain.

Both Aftenposten and VG are seeing a significant decline in advertising revenues and Aftenposten expects a 10% decline in 1999 compared to 1998. In Estonia, the advertising markets came to an abrupt halt during the autumn of 1998, a situation which has not changed so far in 1999. Sweden is also witnessing a distinct decline in advertising revenues. The expense levels at all the newspapers are under review. In Estonia significant cost reductions are being planned and Aftenposten is continuing the restructuring program "Aftenposten year 2000". The circulation levels for the Norwegian and Swedish newspapers are not expected to change to any significant degree in the short term. In order to maintain the advertising market share in Oslo, the Group is launching a free newspaper, Avis1, in April 1999.



The Group's shareholder structure has been relatively stable during the year. The largest shareholder, Mr. Tinius Nagell-Erichsen, still controls 26.1% of the shares.

In 1998 the employee stock purchase plan was expanded to include employees outside Norway. 4,200 employees were offered to acquire shares at a discounted price and 1,730 employees accepted the offer.

The Board of Directors' aim is to maintain the dividend policy which was established when Schibsted was listed on the Oslo Stock Exchange in 1992; a steady growth in dividends subject to the goal of financing the Group's expansion without the need for new equity. The Board of Directors proposes to the General Assembly a dividend of NOK 1.75 per share, unchanged from 1997.

Within the television production, film rights and film distribution areas the investment phase is completed. The main challenge now will be improvements in operations, organisations and profitability in order to strengthen Schibsted's Scandinavian positions within these areas. The start of 1999 is promising for Metronome. The activity in the television sector is significant for this company in all the three Scandinavian countries. The co-operation with Endemol is expected to provide the company with new production contracts in addition to growth in the sale of the company's own formats. It is still uncertain as to what degree the decline in advertising volume at the newspapers will also impact the television market, but TV 2 is showing a slowdown in sales. Kanal 2 experienced a decline in advertising sales at the end of 1998 and it is still uncertain as to how advertising sales will develop in the Baltic countries.

While the growth in access and use of Internet has developed more or less as expected, consumer behaviour and advertisers' demand has not developed as expected. The business area's strategic importance is not impacted by this development, but the operating expenses will be reduced until commercially viable opportunities materialise. The ongoing restructuring and cost reductions in the online activities will have a significant impact on the cost base in 1999.

Overall, the Board of Directors is conscious of the great challenges for the Group both as a result of structural changes within the media industry and the uncertainty related to the economic development in the Group's home markets. The Board is of the opinion that Schibsted is becoming well positioned as a leading Nordic media company and considers the Group's prospects for 1999 and the following years to be positive.

Schibsted ASA

Schibsted ASA is the parent company for the Schibsted Group. Operating revenues in Schibsted ASA are primarily royalty payments from VG, while operating expenses are related to ongoing operation of the Group administration. The operating result in 1998 was a loss of NOK 30.9 million while the result before taxes was NOK 87 million. Group contributions from subsidiaries totalled NOK 231 million while Group contributions to subsidiaries amounted to NOK 171 million.

The Group's financial management is handled by the wholly owned subsidiary Schibsted Finans AS while Schibsted Eiendom AS and Schibsted Drift AS manage the Group's real estate.

Schibsted ASA had 40 employees at the end of 1998 with the Group's Chief Executive Officer as Managing Director. Working conditions are good and the company does not contaminate the external environment. With regard to compensation for the Managing Director and the Board of Directors, please see note 3.

The company's share capital is NOK 69,250,000. The Chairman of the Board, Mr. Tinius Nagell-Erichsen, indirectly owns 26.1 % of the shares while the CEO, Mr. Kjell Aamot owns 7,276 shares.



02:00 a.m. 04

Ownership structure

Shareholders per 31.12.98	Number of shares	Percent
Blommenholm Industrier AS	18 083 520	26.11%
Folketrygdfondet	4 720 000	6.82%
State Street Bank & Trust Co. (Custody/nominee)	3 432 918	4.96%
Orkla ASA	2 874 631	4.15%
Boston Safe Dep & Trust (Custody/nominee)	2 509 660	3.62%
Storebrand Livsforsikring AS	2 250 300	3.25%
The Chase Manhattan Bank, (Custody/nominee)	1 962 700	2.83%
Guri Scotford's		
Schibsted Trust	1 929 000	2.79%
Kommunal		
Landspensjonskasse	1 485 750	2.15%
Skandinaviska Enskilda Banken	1 333 201	1.93%
Vital Forsikring ASA	1 234 400	1.78%
Cathrine Benton	1 130 000	1.63%
Gjensidige Livsforsikring	1 105 050	1.60%
The Chase Manhattan Bank, (Custody/nominee)	856 990	1.24%
Bankers Trust Company (Custody/nominee)	740 400	1.07%
Verdipapirfondet Avanse	624 300	0.90%
Storebrand AMS	590 500	0.85%
Aksjefondet K-avkastning	525 000	0.76%
Fidelity Funds		
– European Growth	473 515	0.68%
Emma Louise Benton	460 000	0.66%
Ian Mungo Benton	460 000	0.66%
Paul Hans Benton	460 000	0.66%
22 largest shareholders	49 241 835	71.11%
Total	69 250 000	100.00%

Allocation of Schibsted ASA's result for the year

The Board of Directors of Schibsted ASA proposes the following allocation of the result for the year (All figures in NOK 1,000):

Net profit	69,774
Group contributions received	231,179
Group contributions paid	(170,832)
Available for allocations	130,121
Proposed allocations:	
Dividend	121,188
Retained earnings	8,933
Total allocations	130,121

Since the General Assembly of the Group in May 1998, the Board of Directors has had the following members:

(Shareholdings as of 12.31.1998 indicated)

Berit Bjerg*	276
Hilde Harbo*	276
Cato A. Holmsen	1,000
Bjørn Atle Holter-Hovind	10,000
Håkon Kjernsmo*	0
Einar Kloster	8,000
Ole Lund, deputy chairman	0
Tinius Nagell-Erichsen, chairman**	18,083,520
Gunnar Nordby*	276
Jan Reinås	0
Kristian Wilhelmsen	2,500

* Employees representatives

** All shares are controlled through Blommenholm Industrier AS



00:00 a.m. 06:00 a.m. 08:00 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. 08:00 p.m. 10:00 p.m. 12:00 p.m.

Oslo, February 25, 1999

Tinius Nagell-Erichsen
Chairman of the Board

Ole Lund

Berit Bjerg

Hilde Harbo

Einar Kloster

Cato A. Holmsen

Jan Reinås

Bjørn Atle Holter-Hovind

Håkon Kjernsmo

Gunnar Nordby

Kristian Wilhelmsen

The Board of Directors, 1998

Tinius Nagell-Erichsen (65), Chairman of the Board

M. Sc. Econ. LSE, Member of the Board of Aftenposten AS, Chairman of the Board of Fædrelandsvennen AS. Former journalist in Aftenposten and other newspapers, Managing Director of Verdens Gang AS and Aftenposten AS. Chairman of the Norwegian Newspaper Employers' Federation for several periods between 1972 and 1987. Chairman of the Board of Management of Schibsted for several periods. Member of the Board of Verdens Gang AS 1966-77 and 1984-96, Chairman 1978-83.

Ole Lund (64), Deputy Chairman

Law graduate 1959, lic. juris 1968. Barrister with the law firm BA-HR. Former Managing Director of the Nordic Shipowners Association (Nordisk Skipsrederforening) 1978-86 and Chairman of the Board of Den norske Bank. Chairman of the Board of the Oslo Stock Exchange and of Zurich Protector Forsikring ASA, ProSafe ASA, Hotel Continental AS and Norsk Medisinaldepot. Member of the Board of AS Uglands Rederi.

Berit Bjerg (57)

Employed in Aftenposten AS since 1987. Sales representative in the Advertising Department, Real Estate Section. Head of the Union of Press Employees in Aftenposten since 1992.

Hilde Harbo (39)

Political science graduate. Employed in Aftenposten AS since 1985 and a member of the political editorial staff since 1989. Former positions: Deputy Employee Member of the Board of Schibsted 1990-93, Deputy Head of Aftenposten's Editorial Staff Union, Vice President of the Press Corps of the Norwegian National Assembly, and Member of the Board of the Oslo Union of Journalists.

Cato A. Holmsen (58)

Engineering graduate from ETH Zurich, 1964. Additional courses at the University of Newcastle and IMEDE, 1973. Former Deputy CEO of Scancem AB and Managing Director of Scancem International ANS. Member of the Board of Aftenposten AS, Eiendomsspar AS, Victoria Eiendom AS, Aker Maritime ASA, Eksportfinans ASA, Johan G. Olsen AS and other companies.

Bjørn Atle Holter-Hovind (54)

Business graduate from the University of Mannheim and MBA from INSEAD (Fontainebleau). Partner in Whitecliff Partners. Chairman of the Board of B. Skaugen Holding AS. Member of the Board of Bergens Tidende AS, Verdens Gang AS and Scandinavia Online AS.

Håkon Kjernsmo (56)

Certified typographer 1964. Employed in Verdens Gang since 1991. General Secretary of VG's Printing Union. Member of the Board of the Oslo Graphic Union. Member of the National Committee of the Norwegian Union of Graphical Workers.

Einar Kloster (61)

MBA, Dartmouth College, USA. Independent businessman. Former President and CEO of Philips Lighting Holding, Holland. Chairman of the Board of Norsk Hydro ASA. Member of the Board of Aftenposten AS, Leif Høegh & Co. ASA, Veritas, and other companies.

Gunnar Nordby (56)

Certified typographer 1962. Employed in Aftenposten AS since 1955. General Secretary of Aftenposten's Printing Union. Member of the Management and National Committees of the Norwegian Union of Graphical Workers.

Jan Reinås (54)

Economist with additional courses in planning, industrial efficiency, transport economics and market oriented management. Executive MBA, INSEAD. President and CEO, Norske Skog. Former Managing Director, Fosen Trafikklag, Trondheim Trafikkselskap and SAS Norge. Former CEO, SAS. Chairman of the Board of Treforedlingsindustriens Bransjeforening. Member of the Board of SAS Norge, PIL, NHO and CEPI. Member of the Staff Committees of Statoil and AS Union. Former Chairman of the Board of Sparebanken Midt-Norge, Postverket and NSB.

Kristian Wilhelmsen (57)

Certified public accountant and independent businessman. Owner of auditing company 1968-85. Managing Director of Lyons Seafood Ltd., England (1985-88) and Member of the Board since 1995. Deputy Chairman of the Board of Verdens Gang AS. Member of the Board of Sparebanken Jevnaker/Lunner and other companies.



Tinus Nagell-Erichsen

Hilde Harbo

Ole Lund

Jan Reinås

Cato A. Holmsen

Berit Bjerg

Kristian Wilhelmsen

Einar Kloster

Bjørn Atle Holter-Hovind

Håkon Kjernsmo

Gunnar Nordby



06:48 a.m.

02:00 a.m. 04:00 a.m. 06:48 a.m. 08:00 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. 08:00 p.m. 10:00 p.m. 12:00 p.m.

It's 6.48 a.m.

A new day.

Coffee. Two slices of toast and marmalade and a bowl of cornflakes.

Looking forward to Aftenposten.

Not just to see what's new, but to make sure that life, generally speaking, is still worth living in this world of ours.

But did Everton really beat Manchester United 5-3 yesterday?





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p.m. 02:00 a.m. 04:13 a.m. 06:48 a.m. 08:00 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. 08:00 p.m. 10:00 p.m. 12:00 p.m.

02:00 a.m. 04:13 a.m. 06:48 a.m. 08:00 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. 08:00 p.m. 10:00 p.m. 12:00 p.m.

It's **6.48** a.m. ...

Last rush to get the morning paper to the readers.
Up stairs, down stairs. Into corridors. Get the keys out. More stairs, more corridors. More doors. More and more doors. Papers on doormats, in mailslots, in mailboxes. Subscribers waiting at their doors for their daily paper. Every day Aftenposten's carriers deliver about 485,000 newspapers. In all kinds of weather they put their best foot forward to get them to the readers.

Newspapers

1998 was yet another positively eventful year for the Newspaper business area. The business area, which accounts for 84% of Schibsted's revenues, made an operating profit of NOK 391 million (-38%) on revenues of NOK 5,596 million (+15%). The lower operating profit was due to changes in the general economic conditions, non-recurring charges related to staff reduction in Aftenposten, and non-recurring charges of NOK 60 million connected to the start-up of the new printing plant at Nydalen.



Executive
Vice President
Newspapers
Birger Magnus

There are two highlights in the ongoing process of internationalisation of the business area:

- 73.6% of the shares in Svenska Dagbladet were acquired from Investor/Wallenberg companies. The newspaper is a leading Swedish quality newspaper, but has had considerable financial problems and has been dependent on government subsidies. The investment in Svenska Dagbladet was made, as was stated when the contract was signed, "with both our hearts and our minds". It is Schibsted's ambition to maintain Svenska Dagbladet as a quality newspaper with long-term economic viability. This will require considerable work and resources.
- Schibsted acquired a 92.5% holding in Eesti Meedia when it bought Estonia's largest newspaper, Postimees, along with Sõnumileht (the country's fourth largest), a number of small local papers, and nine magazines.

PROFIT & LOSS ACCOUNT – NEWSPAPERS

(NOK 1,000)	1998	1997
Total revenues	5 596 472	4 820 429
Operating expenses	5 204 974	4 187 731
Operating profit	391 498	632 698
Net financial items	5 508	49 927
Share associated companies	1 216	44 482
Minority interests	3 725	-3 480
Pre-tax profit	401 947	723 627
Taxes	102 154	122 234
Net profit	299 793	601 393

BALANCE SHEET

(NOK 1,000)	31.12.98	31.12.97
Current assets	1 747 944	1 269 781
Fixed assets	3 230 763	2 122 720
Total assets	4 978 707	3 392 501
Current liabilities	1 716 211	1 425 816
Long-term debt	1 997 950	776 419
Minority interests	85 214	63 391
Equity	1 179 332	1 126 875
Total liabilities and equity	4 978 707	3 392 501

Key figures

Operating margin	7.0%	13.1%
Profit ratio	5.4%	12.5%
Return of total assets	10.6%	21.2%

The newspaper market in Norway

In the first six months of 1998 the level of advertising was at a record high due to brisk activity in the Norwegian economy. In the second half of the year, however, international economic uncertainty and high interest rates in Norway reduced the advertising volumes, and affected our expectations for advertising in 1999. Readership has been more stable, and the effects of a new economic situation and of new electronic media have not yet been felt to any significant extent. A free newspaper, Avis1, will be launched in the greater Oslo area which is covered by Aftenposten, on 16 April 1999.

The newspaper market in Sweden

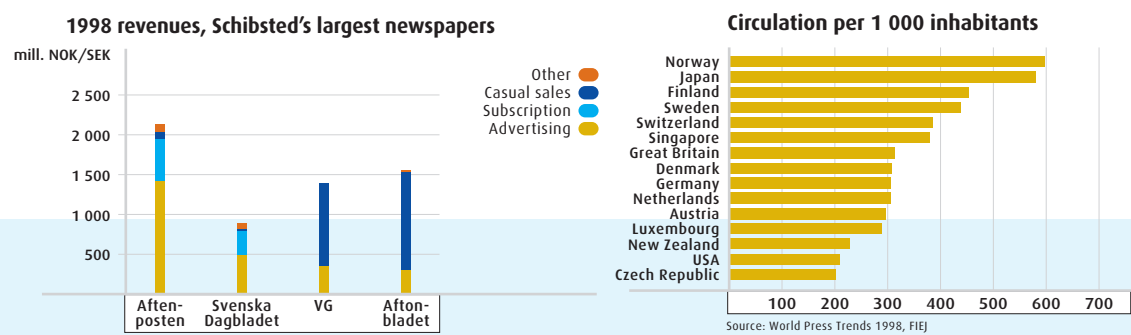
The new economic situation is also affecting the Swedish newspaper market, albeit not to the same extent as in Norway. The casual sales newspapers are experiencing considerable change with Expressen's acquisition of Göteborgs-Tidningen (GT) and

Aftenposten

Aftenposten AS saw increases in circulation, in advertising volume and advertising income in 1998. The operating profit was lower than in 1997, but is still among the best in Aftenposten's history. In order to cope as well as possible with the general economic decline, a restructuring programme intended to reduce fixed costs has been put into effect.

Circulation and advertising

In 1998 the circulation of Aftenposten's morning edition increased by 1,915 copies compared with the 1997 figure. It was the Sunday edition which had the biggest increase, 8,063 copies. The evening edition sold 4,851 fewer copies than in the previous year.



Norwegians read more newspapers than anybody else in the world.

Kvällsposten. In the light of a falling market and the large investments being made by this competitor, Aftonbladet's stronger position and its pre-tax profit of SEK 105 million are very satisfactory.

Aftenposten's advertising volume also increased in 1998. It was 2.5% higher than in 1997, while the figure for all Norwegian newspapers was an increase of 2.0%. The Sunday edition had the largest increase, 14.3%. On weekdays the morning edition had a 2.0% increase, while the advertising volume in the evening edition was the same as the year before. In 1998 Aftenposten's market share of advertising volume in Oslo newspapers was 59.6%. The real estate market was very active throughout the year, and advertising volume in this sector grew by 10.2%. The unemployment rate in Norway is still very low, and this resulted in a 4.1% increase in the volume of recruitment advertising.

Aftenposten has increased its subscription rates for 1999 by some 4.7% compared to 1998, while advertising rates have increased by approximately 2.4%.

Operations and development

In addition to day-to-day production, a considerable amount of work has been put into the planning and execution of measures to ensure a smooth transfer of production from the printing plant at Linderud to the new plant at Nydalen. On 1 January 1998 Schibsted Trykk AS took over the printing of Aftenposten, and on Monday 9 November regular production began at Nydalen. In the course of the first six months of 1999 all printing of Aftenposten's two daily editions will have been transferred from Linderud to Nydalen. At times the changeover has caused delivery problems.

Aftenposten Interaktiv is one of the most visited news sites on the Internet. In 1998 a new design and a simpler structure were incorporated into the service. A joint database for classified advertising involving Aftenposten, Adresseavisen, Bergens Tidende, Fædrelandsvennen, Stavanger Aftenblad and Scandinavia Online was developed, and was re-launched under the new name FINN. It was especially real estate advertising which was improved, and tailor-made packages have been designed for large customers, involving a combination of newspaper and Internet. FINN will be developed further in 1999, with Aftenposten playing a leading role in the process.

In February 1998, to help provide better service in the field of electronic classified advertising, Aftenposten acquired 50% of Net 2 Interaktiv AS, TV 2's text-TV and Internet company. This company shows Aftenposten's classified advertising on TV 2's text pages and website.

Financial highlights

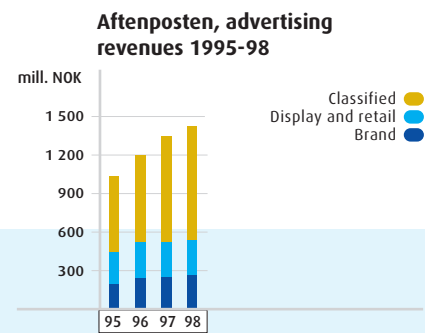
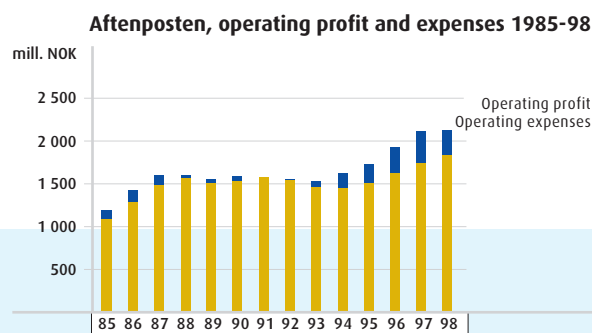
Revenues increased by 0.8% to NOK 2,133.8 million, while operating expenses increased by 5.1% to NOK 1,829.7 million. The 1998 operating profit for Aftenposten AS was NOK 304.1 million (375.8 million in 1997). Pre-tax profit was

Future prospects

The future of the Norwegian economy is still uncertain, and Aftenposten expects a reduction in advertising volume in 1999.

Aftenposten's strong and dominant position in its main geographic area of operations is meeting challenges from Internet, television and free newspapers with regard both to readers and to advertisers. The company is acutely aware of the competition, and will take those measures it finds necessary to maintain its position.

The new printing plant enables Aftenposten to use more colour and to offer both new and better products. The company will make use of these opportunities in 1999.



NOK 316.1 million (420.1 million), and the operating margin was 14.3% (17.8%). The reduction in profit compared to 1997 is due mainly to increased costs resulting from the establishment of the new printing company, increased salaries, and non-recurring charges totalling NOK 32 million in connection with early retirement of staff. Aftenposten's restructuring programme is concentrating to a high degree on reducing the growth in fixed costs in order to prepare the company for future economic downturns. After taxes of NOK 14.3 million (60.8), net profit for the year was NOK 301.8 million (359.3).

Organisation and environment

The number of employees as of 31 December 1998 was 1,062 (1,372). This represents 1,009 (1,297) man-years. In addition there were 3,934 (3,939) employees in the external distribution system. 331 employees, representing 312 man-years, were transferred to Schibsted Trykk AS with effect from 1 January 1998.

In December 1998 the company announced an offer of early retirement for all staff who reach the age of 60 or more in 1999. Actual retirement will take place at the age of 62 at the earliest. The offer was made to 88 employees, and 66 have accepted. This measure entails a non-recurring charge of NOK 30.5 million.

PROFIT & LOSS ACCOUNT - AFTENPOSTEN AS

(NOK 1,000)	1998	1997
Subscription revenues	522 979	503 625
Casual sales revenues	85 679	84 135
Advertising revenues	1 420 717	1 338 169
Other revenues	104 433	190 458
Total revenues	2 133 808	2 116 387
Operating expenses	1 829 717	1 740 630
Operating profit	304 091	375 757
Net financial items	11 988	44 347
Pre-tax profit	316 079	420 104
Taxes	14 270	60 827
Net profit	301 809	359 277

BALANCE SHEET

(NOK 1,000)	31.12.98	31.12.97
Current assets	608 997	628 228
Fixed assets	746 089	655 417
Total assets	1 355 086	1 283 645
Current liabilities	760 457	778 086
Long term debt	154 171	139 773
Equity	440 458	365 786
Total liabilities and equity	1 355 086	1 283 645

Key Figures

Operating margin	14.3%	17.8%
Circulation morning, weekdays	288 078	286 163
Circulation evening, weekdays	186 418	191 269
Circulation, Sunday	238 181	230 118
Advertising vol. (column meters)	59 332	57 859



1998 was a good year for Verdens Gang AS. After the increase in circulation in 1997 there was a slight reduction on weekdays during 1998, but the Sunday edition has continued to grow. Advertising revenues has also increased somewhat, although not as much as previously. The company's principal activity is the publication of VG, Norway's largest newspaper. In addition, VG Nett (www.vg.no) has become Norway's most read newspaper on the Internet. The number of visitors has increased throughout the year, and at the end of 1998 130,000 people were reading VG Nett every day. VG also supplies news for TVNorge's text-TV pages and brief news broadcasts to cellular telephone users, as well as other multimedia products. VG also produces and publishes CNN Norge (cnn.vg.no), a Norwegian version of CNN Interactive.

VG's recent activities have been focused mainly on transferring production to new printing plants, and most importantly on the start-up of the new presses at Nydalen. The Nydalen plant will provide better printing quality and will make it possible to use colour on all pages of the newspaper.

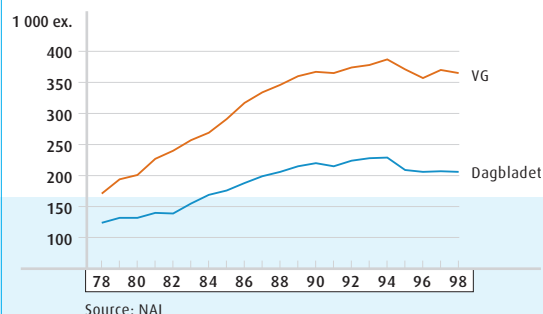
operation at the same time. This situation will continue for parts of 1999, until all production has been transferred to Nydalen. In the first quarter of 1999 printing of parts of VG's circulation started in Kristiansand.

Developing the editorial product is a continuous process, and a significant part of the efforts in 1998 has focused on how to benefit the most from the increased colour capability at the new printing plants.

Financial highlights

1998 was a good year for Verdens Gang AS, although profits were lower than in 1997. Revenues increased by 1% to NOK 1,396 million, while operating expenses went up by 2% to NOK 1,175 million. The higher costs are due mainly to increased distribution and marketing. The operating profit of NOK 221 million (230 million) meant an operating margin of 15.8% (16.6%). Pre-tax profit amounted to NOK 242 million, 7% lower than in 1997.

Circulation weekdays 1978-98



VG has established itself as Norway's leading newspaper on the Internet.

Circulation and advertising

Circulation figures in 1998 have varied. They grew during the first six months, but during the year as a whole they fell by 1.4% on weekdays, while the Sunday edition increased by almost 2.0%. The situation is seen as stable: variations between 1 and 2 per cent must be regarded as minor market changes. In July 1998 the price of the Saturday edition was increased to NOK 10.

Advertising revenue increased by 0.8%. During the first six months of the year advertising volume rose by 2.5%, but over the year as a whole there was a decline of 6%. Brand advertising declined after the large increases in interest rates in Norway in the autumn of 1998.

Operations and production

The production of VG has been satisfactory throughout the year, but in some parts of the country there have been delays in deliveries due to problems caused by printing being moved to the new plants. VG is printed at five different locations throughout the country. In December, production in Stavanger ceased and VG started printing in Bergen. Production in Oslo started at the new Nydalen plant while VG was still being printed at the Linderud facility, so that two plants were in

PROFIT & LOSS ACCOUNT - VERDENS GANG AS

(NOK 1,000)	1998	1997
Subscription revenues	6 909	7 447
Casual sales revenues	1 035 065	1 025 380
Advertising revenues	345 629	342 866
Other revenues	8 235	6 523
Total revenues	1 395 838	1 382 216
Operating expenses	1 175 232	1 152 138
Operating profit	220 606	230 078
Net financial items	21 596	31 577
Pre-tax profit	242 202	261 655
Taxes	17 339	42 487
Net profit	224 863	219 168

BALANCE SHEET

(NOK 1,000)	31.12.98	31.12.97
Current assets	307 321	355 581
Fixed assets	805 086	745 374
Total assets	1 112 407	1 100 955
Current liabilities	401 252	375 669
Long term debt	66 745	53 156
Equity	644 410	672 130
Total liabilities and equity	1 112 407	1 100 955

Key Figures

Operating margin	15.8%	16.6%
Circulation weekdays	364 825	370 115
Circulation Sunday	299 732	294 019
Advertising vol. (column meters)	7 430	7 901

Organisation

At the end of 1998, 517 people were employed by the company, 74 of them on a part-time basis.

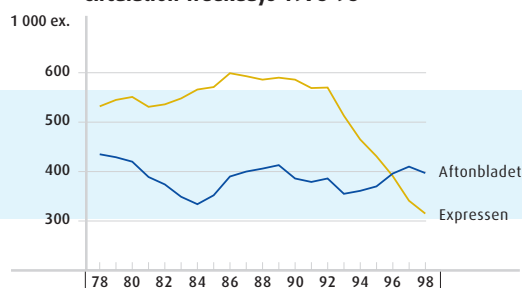
Efforts to integrate the journalistic and graphic environments in the central editorial office continued during the year. Production has been more efficient than before: the wholly electronic production of pages is functioning as planned, and this has led to a much faster page production.

Future prospects

During recent years circulation figures for Norwegian newspapers have stabilised at a high level. The newspaper market in Norway is no longer in a process of continuous growth as it was earlier. Norwegians read more newspapers than anybody in the world, but at the same time the development of new media is increasing and competition for readers' time is keener.

Even though the market for advertising is growing steadily, new entrants are finding it difficult to establish themselves. Both free newspapers and newly established local television stations are losing money, and it is expected that the growth in number of new entrants will decline. Verdens Gang AS does not expect a high rate of growth in the total advertising market in years to

Circulation weekdays 1978-98



Source: Tidningsutgivarna

come, but with the improved production and colour capabilities at the new printing plants, VG is in a good position to increase its share of the market.

In the multimedia area, VG is starting to use more and more new channels of distribution. Although VG Multimedia must be regarded as a department for research and development, some of the investments in this field will soon show positive returns.

Today Verdens Gang AS is well positioned to face tougher competition.

AFTONBLADET

Aftenbladet's profit for 1998 is the best ever. Advertising revenues increased more than in the rest of the market, and the newspaper's share of the casual sales market was the largest in "modern times", despite a slight decrease in circulation. Aftenbladet's Internet site continued to be by far the largest in Sweden, and made a positive contribution to profits.

Circulation

Circulation declined by 2.6% to 412,000 copies on each publication day, while the casual sales market fell for the ninth consecutive year, in 1998 by 5.3%. Aftenbladet's market share thus rose by 1.4% to 47.9%.

Competition in the media business is increasing year by year. Readers are becoming more and more mobile, and younger readers in particular are not following their parents' media habits in the same way as earlier. Free newspapers are increasing in importance, and new media are diverting readers' attention away from traditional newspapers. Casual sales newspapers have set an example which is being copied by more and more publishers, and despite Aftenbladet's positive results, the casual sales



PROFIT & LOSS ACCOUNT – AFTONBLADET CONSOLIDATED

(SEK 1,000)	1998	1997
Subscription revenues	3 300	3 026
Casual sales revenues	1 232 263	1 203 056
Advertising revenues	293 682	249 182
Other revenues	31 377	14 129
Total revenues	1 560 622	1 469 393
Operating expenses	1 458 922	1 424 649
Operating profit	101 700	44 744
Net financial items	3 009	4 999
Pre-tax profit	104 709	49 743
Taxes	26 953	14 910
Net profit	77 756	34 833

BALANCE SHEET

(SEK 1,000)	31.12.98	31.12.97
Current assets	313 501	241 967
Fixed assets	151 789	244 453
Total assets	465 290	486 420
Current liabilities	166 512	155 717
Long term debt	119 542	120 775
Equity	179 236	209 928
Total liabilities and equity	465 290	486 420

Key Figures

Operating margin	6.5%	3.0%
Circulation weekdays	397 200	407 900
Circulation Sunday	502 100	510 183
Advertising volume	11 898	11 072

Exchange rates

	1998	1997
P & L rate (average):	0.9532	0.9301
Balance sheet rate (31.12):	0.9391	0.9314

newspapers as a whole loose money. This situation has led to a restructuring in which the other three major Swedish casual sales newspapers have merged into one company. In view of these circumstances, Aftonbladet has managed very well. Circulation figures are the second highest in the 1990s, and the newspaper still has at least 1.3 million readers every day. In spring 1998 prices of casual sales were raised without having any noticeable effect on circulation figures.

During the summer the afternoon edition ceased publication in Stockholm. The production of this edition had no effect on circulation figures, costs were high, and distribution entailed a great deal of additional work. The disappearance of the afternoon edition has not affected circulation as a whole, and Aftonbladet is now the most widely read casual sales newspaper on weekdays in Stockholm.

Advertising

1998 was a very good year for advertising revenues, which rose by 17.9% in a market where the overall increase was approximately 10%. It is the first time for a number of years that Aftonbladet has increased its share of the advertising market: during the 1990s it has been television which has been growing.

Financial highlights

Pre-tax profit was the highest ever: SEK 105 million, compared to SEK 50 million in 1997. There are three main reasons for the increase: the increased cover price, considerably larger advertising revenue, and the cessation of the afternoon edition. Seen in the light of the situation for the casual sales newspapers as a whole, this is a very strong result. It is especially gratifying that the staff will benefit from the newspaper's progress this year through a bonus scheme.

Printing

Aftonbladet is printed at six locations in Sweden. In the course of 1999 investments will be made in Tidningstryckarna in Akalla in order to increase colour printing capability from 24 to 44 pages.



Aftonbladet's profit is the best ever. Aftonbladet's Internet site is the most visited newspaper site in Europe.

It is gratifying to note that more and more brand advertisers see newspapers as an economical and effective option.

Advertising now accounts for about a fifth of Aftonbladet's revenue. The newspaper intends to increase this share even more. Slower growth is forecasted for 1999, and the growth rate will depend on the general economic situation and on development in private consumption.

The Internet

Aftonbladet is by far the largest new service on the Internet in Sweden. With 200,000 visitors per day, Aftonbladet is about three times bigger than its closest competitor. No other European newspaper has as many Internet readers on a daily basis. The site has received a number of awards, including being declared the best commercial service of 1998 by the trade magazine Internetworld. In 1998 an additional service came into operation: text-TV in co-operation with Channel 5 in Sweden.

It is often asked whether Aftonbladet is losing readers to the Internet, and there is every indication that the reverse is the case. To a large extent the Internet service is reaching new target groups, and has meant a lot for Aftonbladet's image as a modern media company. Every week the newspaper's Internet edition attracts at least half a million readers, and a large number of these will surely be more inclined to buy the newspaper itself.

Aftonbladet's new media division is now covering its variable costs.

Future prospects

The fact that Aftonbladet is operating in a shrinking market calls for a strategic change of course. The advances made in the 1990s have largely been the result of a concentrated focus on what has been defined as the company's core activity, namely Aftonbladet as a casual sales newspaper. In recent years news on the Internet has come into being, and has made great progress. Aftonbladet is about to change from being a casual sales newspaper to expanding its activities and becoming a media company. The core elements in the traditional casual sales newspaper are eminently suited to new media. The large, experienced editorial staff at the newspaper are qualified as are few others.

SVENSKA DAGBLADET

In July 1998 Schibsted acquired 73.6% of the shares in Svenska Dagbladet Holding AB. 1998 can be summed up as the year in which Svenska Dagbladet experienced the positive effects of several years of staff reductions and cost cutting efforts and managed to show a net profit after two years with losses.

Svenska Dagbladet is one of Sweden's leading national quality newspapers, and has one of the most visited Internet sites. The newspaper is read by some 500,000 people daily. Besides being the most critical and involved, Svenska Dagbladet's readers are also the most satisfied. When one chooses Svenska Dagbladet, one takes up a position. Ever since 1990, when pollsters started looking into which newspaper had the most satisfied readers, Svenska Dagbladet has maintained its position as number one.

Circulation

Svenska Dagbladet's average circulation in 1998 was 188,905, of which Stockholm accounted for 113,647 copies. 96% of the circulation is subscription based. The newspaper's main competitors on the morning market are Dagens Nyheter,

Dagens Industri and Metro. Metro, which is a free daily newspaper, was launched on the Stockholm market in 1995 and has been responsible for a sharp increase in competition.

In 1998 Svenska Dagbladet opened its new customer centre in Östersund. The centre provides customer service and sells subscriptions, and has since its inception improved the quality of service and increased selling capacity at a lower cost than was the case before.

Advertising

Revenues from advertising in 1998 totalled SEK 481 million, accounting for 54% of Svenska Dagbladet's total revenues. More than half of this was paid by advertisers located in Stockholm. In a highly competitive advertising market, Svenska Dagbladet's strength lies primarily in business-to-business advertising, and despite its lower circulation, the newspaper has the same advertising volume in this segment as Dagens Nyheter.

In 1997 Svenska Dagbladet outsourced the sale and production of advertising aimed at certain customer segments. Sales in this area account for some 30% of total advertising sales. The outsourcing of some advertising sales has led to higher sales quality at a lower cost.

The investment in Svenska Dagbladet is made with «both our hearts and our minds».

PROFIT & LOSS ACCOUNT

- SVENSKA DAGBLADET CONSOLIDATED

(SEK 1,000)	1998	1997
Subscription revenues	307 533	327 741
Casual sales revenues	24 063	24 175
Advertising revenues	481 440	491 197
Other revenues	115 720	106 893
Total revenues	928 756	950 006
Operating expenses	938 506	1 059 216
Operating profit	-9 750	-109 210
Minority interests	-530	414
Net financial items	11 326	19 164
Pre-tax profit	1 046	-89 632
Taxes	511	1 715
Net profit	535	-91 347

BALANCE SHEET

(SEK 1,000)	31.12.98	31.12.97
Current assets	226 287	402 092
Fixed assets	188 445	190 483
Total assets	414 732	592 575
Current liabilities	262 616	423 860
Long term debt	84 238	102 023
Minority interests	895	244
Equity	66 983	66 448
Total liabilities and equity	414 732	592 575

Key Figures

Operating margin	-1.0%	-11.5%
Circulation	188 905	197 133
Advertising volume	32 485	34 499

Exchange rates

	1998	1997
P & L rate (average):	0.9532	0.9301
Balance sheet rate (31.12):	0.9391	0.9314

In the autumn of 1998 Svenska Dagbladet launched "Näringsliv Special", an advertising supplement directed primarily at the IT sector. The supplement is distributed free of charge every week to some 50,000 people in the information technology business, and also forms part of Svenska Dagbladet's Thursday edition.

During 1998 Svenska Dagbladet made great efforts to increase the net prices of its advertising.

Financial highlights

Svenska Dagbladet made a profit in 1998. The operating result was SEK -10 million, (-109), an improvement of SEK 99 million, and the pre-tax profit was SEK 1 million (-90). The main reason for this substantial improvement is cost reducing measures begun in the autumn of 1996. Cost savings in 1998, compared to 1996, totalled SEK 150 million.

Organisation

In 1998 the newspaper reduced its staff by 108. Since 1996 there has been a restructuring of human resources which has resulted in a total reduction of 175 employees in the last two years. Most of the downsizing is due to new technology, but some is accounted for by outsourcing in areas including customer service and sales of subscriptions and advertising.



Eesti Meedia

Future prospects

Svenska Dagbladet is one of Sweden's most prominent brand names, and is associated with quality and credibility. Improvements over the last few years have led to the newspaper's principal operations becoming profitable, and to electronic media tripling its revenues.

Through the acquisition of Postimees and the establishment of Eesti Meedia, Schibsted has become a leading participant in the Estonian media market. Eesti Meedia, which has some 1,000 employees, publishes two national newspapers and nine magazines, owns a major newspaper printing plant, and owns,

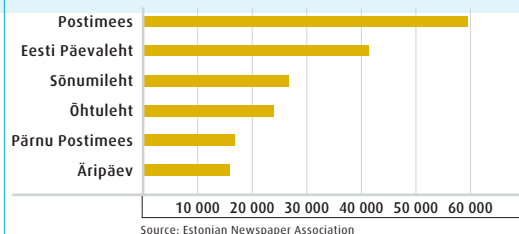
Newspapers and magazines

Postimees is Estonia's largest newspaper. According to the independent institute Baltic Media Facts (BMF), Postimees had a readership of 279,000 in the autumn of 1998, and circulation is rising. The newspaper's main competitor is Eesti Päevaleht with 232,000 readers.

Postimees has been most influential in the south of Estonia, and has not been the most widely read newspaper in and around the capital, Tallinn. In order to maintain its status as the country's largest newspaper, it has taken on a more visible presence in Tallinn and strengthened its position in the north. Sõnumileht has been through a comprehensive process of change, and its aim now is to become the leading quality tabloid paper in Estonia. Last year's figures from BMF showed that Sõnumileht had 160,000 readers. The five local newspapers enjoy strong positions in their respective markets. The number of Estonian magazines has increased, and competition is tough. One of the magazines published by Eesti Meedia is Kroonika, Estonia's largest weekly periodical with a readership of 279,000.

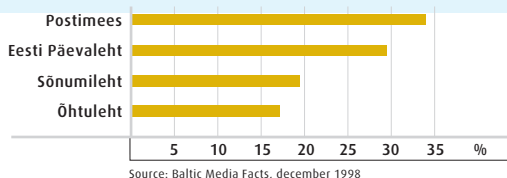
Circulation, the largest Estonian newspapers

average per day



Market share, the largest Estonian newspapers

readers in percent



wholly or partly, five local newspapers. This involvement in Estonia is Schibsted's first venture outside Scandinavia in the Newspaper business area.

In April 1998 Schibsted acquired 34% of the shares in Postimees, Estonia's largest newspaper, from the sole owner Heldur Tõnisson. In August Mr Tõnisson decided to sell more of his holdings, and Schibsted became the majority shareholder with 92.5% of the shares. Schibsted also bought Sõnumileht, Estonia's fourth largest national paper, and the media group Eesti Meedia was established.

There are commercial, geographical and political factors which made it natural for Schibsted's first involvement in the newspaper business outside Scandinavia to take place in Estonia. Schibsted has been a shareholder in the Estonian television channel Kanal 2 since 1995. Estonians have a long tradition of newspaper reading, their educational level is high, and it is expected that the country will join the EU at the beginning of the next millennium. In practice, the Estonian newspaper market is now shared between Schibsted and the Swedish media group Bonnier.

Being in a position to influence such a large part of the Estonian media market entails considerable responsibility for Schibsted, and the Group is ensuring that it respects the same editorial standards we are familiar with in Norway and Sweden with its strong emphasis on editorial independence.

PROFIT & LOSS ACCOUNT – EESTI MEEDIA GROUP

(EEK 1,000)	1998
Subscription revenues	78 641
Casual sales revenues	57 643
Advertising revenues	93 410
Other revenues	74 369
Total revenues	304 063
Operating expenses	381 230
Operating profit	-77 167
Net financial items	-10 818
Minority interests	871
Pre-tax profit	-87 114
Taxes	-775
Net profit	-86 339

BALANCE SHEET

(EEK 1,000)	31.12.98
Current assets	140 325
Fixed assets	191 528
Total assets	331 853
Current liabilities	113 434
Long term debt	98 279
Minority interests	2 048
Equity	118 092
Total liabilities and equity	331 853

Key Figures

Operating margin	-25.4%
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Exchange rates

	1998
P & L rate (average):	0.53729
Balance sheet rate (31.12):	0.56731

Through the acquisition of Postimees and the establishment of Eesti Meedia, Schibsted has become a leading participant in the Estonian media market.

Financial highlights

Eesti Meedia had a weak financial year in 1998. This is due to major structural changes in the market and considerable investment in products, technology and marketing. Revenues for the year totalled EEK 304 million, and the company made an operating loss of EEK 77 million. Eesti Meedia's new printing plant has experienced start-up difficulties, and a new nationwide distribution system has been set up. Non-recurring charges related to the transfer of activities from Tartu to Tallinn amounted to EEK 46 million. The crisis in the Russian economy has also led to reduced growth in Estonia.

At the end of 1998 all Eesti Meedia's companies were downsized. The Estonian market is a small one, and only some 700,000 people between the ages of 15 and 74 speak Estonian. The market for advertising has not been developed, and even though growth is expected again in 1999, the future is an uncertain one.



SCHIBSTED TRYKK

Since November 1998 parts of the production of Aftenposten and VG have been gradually transferred from the old printing plant at Linderud to the new one at Nydalen. The start-up phase at a new printing plant is a long process during which a lot can go wrong, and there have been problems at Nydalen, both for advertisers and for subscribers. The plant will, however, be producing according to schedule in the course of the first six months of 1999. In addition to Aftenposten and VG, the plant will print Schibsted's new free newspaper and have capacity for contract printing.

The new printing plant covers an area of 41,000 square meters and will be able to produce 4.5 million newspapers per week. This corresponds to the consumption of 55,000 tonnes of newsprint per year. The new facility will provide greater capacity for four-colour printing and will mean reduced newsprint consumption due to less waste and a general improvement in quality.

02:00 a.m. 04:00 a.m. 06:00 a.m. 08:00 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. 08:00 p.m.

Future prospects

Owing to the substantial investments and restructuring which took place in Eesti Meedia in 1998, the company is now in a much better position to meet competition. Technologically, the companies in Estonia are now well advanced, and the Estonian activities are entering a phase of consolidation. The results for 1999 are expected to be considerably better.

The media market in Estonia is developing fast. Despite a strong desire for change, it takes time to change cultural factors which are deeply rooted in an ideology which in the past was very conservative and unfamiliar with a free and independent press. There is a great need for training, and Schibsted plans to cover this through its sister companies in Scandinavia.

When the new plant reaches normal production capacity, the workforce will be reduced from some 340 man-years to 290. This reduction will be brought about by early retirement and entails a one-time charge of NOK 80 million in the Group's accounts for 1998.

Total investment in the plant is estimated at approximately NOK 1,490 million, which is higher than the sum of NOK 1,414 million originally budgeted. The difference is due primarily to currency fluctuations and price increases during the construction period. Some NOK 520 million represents investment in the site and building through Schibsted Eiendom, while approximately NOK 970 million is accounted for by presses, the mail room and other equipment acquired through Schibsted Trykk.

The total investment, with associated depreciation, is divided as follows (in NOK millions):

	Price	Depreciation period	Annual depreciation
Site	80		
Building	440	20 year	22
Presses	600	20 years	30
Mail room	200	12.5 years	16
Additional equipment	170	10 years	17
Total	1.490		85

Total ordinary annual depreciation for the new printing plant will amount to some NOK 85 million as of 1 January 1999, compared to approximately 25 million for the old plant. Ordinary depreciation have been charged from 1 December 1988, when the plant commenced operations.

For tax purposes the new building will be depreciated by 5% and the machinery by 20%. Tax depreciation in 1998 amounted to NOK 200 million, which will be reduced by 20% per year.

Sale of the Linderud plant

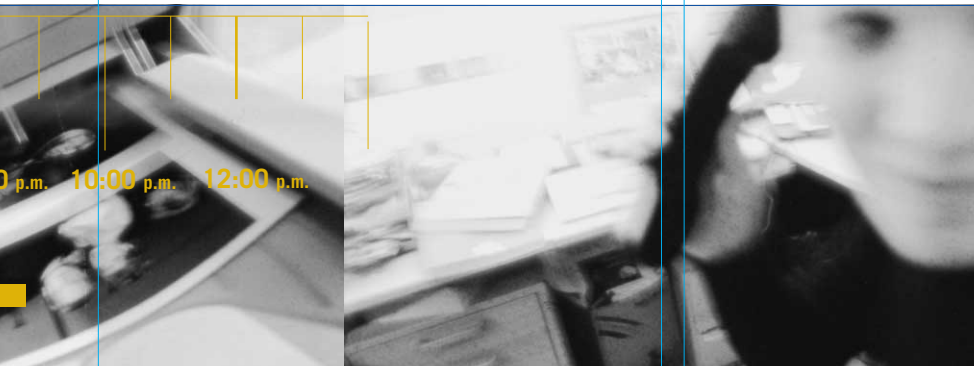
Schibsted Eiendom sold the buildings at Linderud, which were taken over by the new owner on 1 January 1998. The price – NOK 110 million - entailed a gain of NOK 28.5 million. Schibsted Trykk is now renting the building for two years, with the option of extending the rental agreement should unforeseen problems arise at the new plant. The annual rent is NOK 16 million.

Although prices for contract printing have been under pressure, the company increased both its volume and its profit margin, first and foremost due to increased sales of newspaper supplements. Tidningstryckarna was granted a licence for environmental marking. In 1998 the average number of employees was 219.



The main goal of the restructuring of Scan-Foto, which started in 1998 and which has led to the setting up of a holding company, Scanpix Scandinavia AB, is to establish a highly competitive Scandinavian picture agency. All Schibsted holdings in Norwegian and Swedish picture agencies have been consolidated in this company, which has its head office in Stockholm.

From Stockholm Scanpix Scandinavia AB will develop its digital photo archives and direct the international activities of its agencies. By co-ordinating operations in Scandinavia, the companies involved will be in a better position to benefit from new technology, expand further, and strengthen their position in the face of growing international competition.



The main goal of the restructuring of Scan-Foto is to establish a highly competitive Scandinavian picture agency, Scanpix.

TIDNINGSTRYCKARNA

Tidningstryckarna AB is jointly owned by Aftonbladet and Svenska Dagbladet. The printing plant is located at Akalla in the north of Stockholm. The plant has three presses, started operations in 1990, and was initially intended to print only its owners' newspapers. In recent years printing services have also been offered to external customers.

1998 was a year of improved profitability and a high and stable rate of production. Printing for Aftonbladet and Svenska Dagbladet accounted for 73% of the company's revenues of SEK 478 million. Most of the external printing contracts came from other newspapers, including Metro in Stockholm, and from a variety of periodicals. Average production totalled 6.9 million copies per week. The owners benefited from the improved profitability through a continued decline in printing costs per copy.

In 1998 considerable effort went into upgrading the plant technically. The most important result of this was fewer delays, but there was also less waste than in 1997. In 1999 a major investment project for increased colour capacity is being prepared, with costs estimated at SEK 80 million.

In Norway the restructuring took the form of a merger involving Scan-Foto AS and the photo agency of NTB Pluss AS. The merger took place with effect from 1 January and resulted in the setting up of Scanpix Norge AS, which employs a staff of 73. Later Schibsted transferred its 50.1% shareholding to the parent company in Stockholm. NTB owns the remaining 49.9% of Scanpix Norge AS.

In Sweden Schibsted became a co-owner of the picture agency FLT-PICA Bild AB when it acquired Svenska Dagbladet. The company has now changed its name to Scanpix Sverige AB, and is a wholly owned subsidiary of Scanpix Scandinavia AB. Scanpix Scandinavia AB is owned 80.35% by Schibsted and 19.65% by Förenade Landsortstidningar AB.

Scanpix Norge has over 12 million pictures on file, as well as agreements with more than 60 picture agencies worldwide, including Associated Press, Reuters and EPA. In 1998 Scan-Foto completed its changeover to a digital picture archive, one to which over 8,000 indexed pictures are added monthly from sources such as VG, Aftenposten and the company's own photographers. The electronic archives contains 320,000 pictures, which can be accessed on the Internet. Scan-Foto continued to grow in 1998, and its revenues increased by 12% to NOK 40.3 million. The pre-tax profit was NOK 3.4 million.

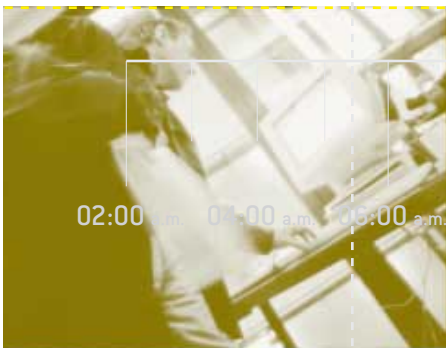
It's four minutes past eight in Tallinn ...

Into the office, off with the jacket, on with the PC.

What is it I didn't manage to do yesterday and have to do right now?

But first of all, before the first phone call, let's have a look at the morning paper.

In Estonia the most widely read newspaper is Postimees. Published by Schibsted.



02:00 a.m. 04:00 a.m. 06:00 a.m. 08:04 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. 08:04 p.m. 10:00 p.m. 12:00 p.m.

08:04





02:00 a.m. 04:13 a.m. 06:00 a.m. **08:04 a.m.** 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. **08:04 p.m.** 10:00 p.m. 12:00 p.m.

a.m.



The latest news is just a click away.
When it's **8.04** a.m. in the morning, the day is already well under way at Aftonbladet's web desk in Stockholm.

TV/Film

Scandinavians are spending more and more of their time watching television, and the market for television advertising has grown substantially over the last few years. There is a clear need for high-quality national TV productions, and this will increase along with the growth of digital television. 1998 was a prosperous year for Schibsted's TV/Film business area, and at the end of the year the Group was Scandinavia's largest independent producer of programmes and commercials for television, one of the major Scandinavian distributors of television and film rights, and a significant owner of television channels.



Executive
Vice President
TV/Film
Jan Erik Knarbakk

Schibsted has built up its position in the television and film industry mainly subsequent to Schibsted being listed on the Oslo Stock Exchange. At the end of 1998 the Group was competing in the areas of Scandinavian film and television on an equal footing with Bonnier in Sweden and Egmont in Denmark, two companies with long traditions which have been working with motion picture media on the Scandinavian market for most of this century.

The strategy for Schibsted's TV/Film business area is concentrated around three main sectors: television channels, television and film production, and film rights and distribution. Through acquisitions and organic growth, the business area's goal is to contribute to realising Schibsted's ambition of being a leading supplier of content irrespective of the medium chosen.

An increasing proportion of the business area's activities is taking place outside Norway. Some of the main characteristics of the Scandinavian television market are strategic positioning and competition for market shares and increased influence and profits in the future. In this context Schibsted has succeeded in building a pan-Scandinavian platform for two of the three

PROFIT & LOSS ACCOUNT - TV/FILM

(NOK 1,000)	1998	1997
Total revenues	716 246	364 463
Operating expenses	692 731	363 809
Operating profit	23 515	654
Net financial items	(18 643)	(11 319)
Share associated companies	13 252	45 885
Minority interests	(3 958)	
Pre-tax profit	14 166	35 220
Taxes	11 238	10 723
Net profit	2 928	24 497

BALANCE SHEET

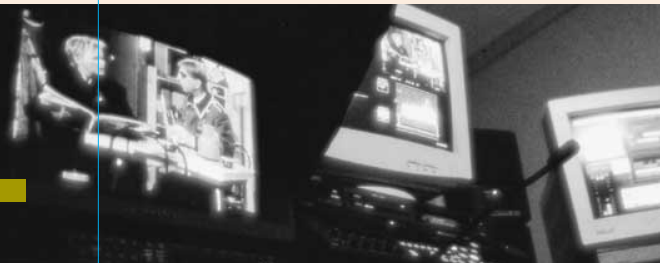
(NOK 1,000)	31.12.98	31.12.97
Current assets	255 012	181 486
Fixed assets	657 818	424 927
Total assets	912 830	606 413
Current liabilities	186 966	130 285
Long-term debt	592 383	417 125
Minority interests	34 810	4 599
Equity	98 671	54 404
Total liabilities and equity	912 830	606 413

Key figures

Operating margin	3.3%	0.2%
Profit ratio	0.4%	6.7%
Return on total assets	5.1%	9.2%

main sectors, thus establishing a basis for a long-term position in Scandinavia and for expansion and value creation beyond the Nordic countries.

- The development of the TV/Film business area in 1998 was marked by three main events:
- Schibsted's involvement in film rights and distribution in Scandinavia was restructured and broadened with the establishment of the pan-Scandinavian Sandrew Metronome company.
 - Metronome Film & Television, Schibsted's group of Scandinavian television production companies acquired an international partner as well as additional know-how and opportunities for development when it entered into a co-operation with the Dutch-based company Endemol.
 - The Group's participation in the technical infrastructure of the television and film industry was further reduced. At the beginning of the year Schibsted had interests in ten technical television and film companies in Scandinavia, while by the end of the year its involvement had been reduced to part-ownership of one such company.



At the end of 1998 the TV/Film business area had direct and indirect holdings in 30 individual companies with total revenues of NOK 2.5 billion.

The total revenues for consolidated subsidiaries organised under the TV/Film business area was NOK 716.2 million, an increase of NOK 351.8 million (96.5%) compared to 1997. The operating profit was NOK 23.4 million, an improvement of NOK 22.7 million from 1997.

Metronome Film & Television and Kanal 2 in Estonia contributed positively to the operating profit, while the Sandrew Metronome group contributed with a negative operating profit. The gain of NOK 19.5 million from the sale of shares in Metronome Film & TV is included in the operating profit.

Profits from associated companies, mainly TV 2, contributed NOK 28.1 million to the pre-tax profit, but also included a total loss of NOK 14.8 million due to the disposal of holdings in nine television and film technical infrastructure companies.

TV channels



TV 2

In Norway, TV 2 is a cornerstone in Schibsted's involvement in the television industry, and has a key position in the Group's strategy in this area.

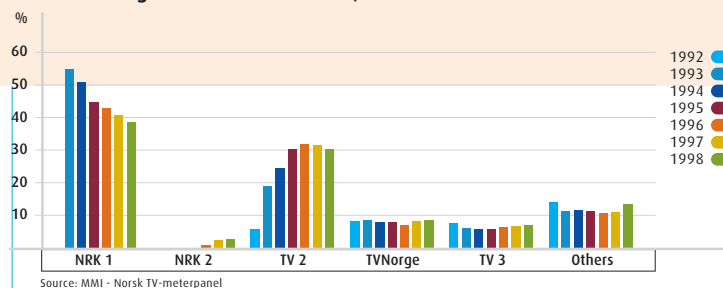
TV 2 started broadcasting on a commercial, nationwide basis in 1992.

Schibsted has a 33.33% holding in the parent company, TV 2 AS. Today the TV 2 group is a company with a number of subsidiaries. Revenues in 1998 totalled NOK 1.3 billion, compared to NOK 1.1 billion in 1997.

Together with A-pressen, which owns 32.8% of the shares, Schibsted constitutes the majority Norwegian holder.

The company's main field of activity is broadcasting on channel TV 2. This major nationwide station and the public channel NRK 1 are in the forefront of Norwegian television. But TV 2 also owns 49.3% of TVNorge, and is responsible for this channel's programming. Along with privately owned local television stations, TVNorge is the third nationwide network in Norway, and reaches more than 80% of all viewers in the country.

The Norwegian TV market 1992-98, viewers



Thus there are two prominent nationwide television groupings in Norway: on the one hand Norsk Rikskringkasting (NRK), a government owned company financed by licence fees which has two nationwide channels and a number of local broadcasts, and on the other hand the main privately owned constellation – TV 2, TVNorge and local stations – with TV 2 as the leading partner. These two major operators in Norwegian television also compete with TV 3, which broadcasts from London, and a growing number of other foreign satellite channels.

Operations

In recent years TV 2 has been the only commercial television channel in the Nordic area operating at a satisfactory profit. The channel's profitability has made it possible to concentrate on producing a wider and better range of programmes. As a major broadcaster of great importance in Norwegian society, it is natural that TV 2 should have its broadcasting policy under constant public scrutiny, but at times the authorities' criticism might appear to be somewhat too general.

As an owner, Schibsted realises the importance of TV 2 complying with its obligations to the Norwegian authorities as defined in the concession agreement. For this reason it is important that TV 2 is able to maintain an acceptable level of

profitability and thus be in a position to continue to evolve in an industry which is developing rapidly.

1998 was a good year for the television channel TV 2 with profits at the same level as in 1997. However, costs have increased rapidly due to constantly keener competition. This applies not least to programming costs on the international market and to the increasingly large sums which have to be paid for the rights to broadcast popular sporting events.

The parent company, TV 2 AS, made an operating profit of NOK 225.4 million in 1998. This includes a gain of NOK 35 million from the sale of shares in Net 2 Interaktiv to Aftenposten. The 1997 operating profit was NOK 215.0 million. Net financial items were positive in 1997, but contributed with a loss in 1998. The year's pre-tax profit was NOK 233.5 million, compared with NOK 222.2 million in 1997. The net profit was NOK 160.9 million (158.1 million).

TVNorge's financial results were better in 1998 than the year before, but not to the extent expected. The channel increased its share of the advertising market, and its share of viewing also grew to some degree. However, high costs related to the local television stations, and income which was lower than expected, combined to produce a loss which, as in 1997, was substantial.

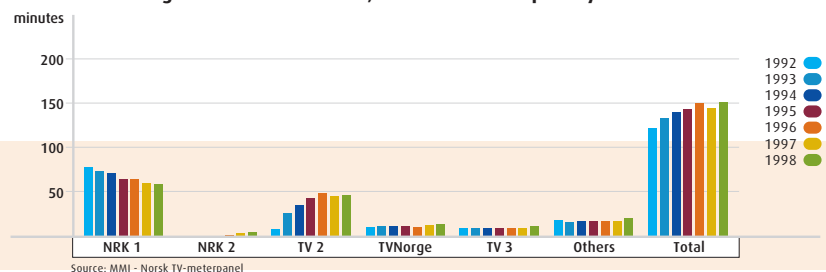
Weather Center started operations in March 1998 by providing TV 2's daily weather bulletins with weather forecasts. Storm Weather Center processes raw meteorological data and produces special weather bulletins based on individual customers' needs. Among the company's customers are media companies and oil, shipping and power companies. TV 2 owns 91% of the company, and the company's management the remainder.

The system of graphics developed by TV 2 led to the setting up of Pilot Broadcast Systems. The American television network CBS uses Pilot's graphics software, and in Scandinavia one of the company's customers is Sweden's leading television channel, TV 4, which uses the up-to-date production technology developed by Pilot. TV 2 owns 91% of Pilot Broadcast Systems, while the company's management owns the remainder of the shares.

Net 2 Interaktiv is the TV 2 subsidiary which focuses on text-TV and the Internet. Since the beginning of 1998 this company has been owned and run jointly by TV 2 and the Schibsted-owned Aftenposten, Norway's largest morning newspaper, each company having a 50% holding. Today Net 2 Interaktiv concentrates mainly on providing news, consumer services and entertainment on text-TV, and advertising on

At the end of 1998 Schibsted was competing in the areas of Scandinavian film and television on an equal footing with Bonnier in Sweden and Egmont in Denmark, two companies with long traditions which have been working with motion picture media on the Scandinavian market for most of this century.

The Norwegian TV market 1992-98, minutes watched per day



The operating profit for the TV 2 group as a whole was similar to that made in 1997: NOK 154.1 million (155.8 million). TV 2's 49.3% share of TVNorge's loss amounted to NOK 58.2 million. Negative financial items in 1998, as opposed to positive ones the year before, resulted in a pre-tax profit of NOK 161.2 million for 1998, while the 1997 figure was NOK 162.7 million. The 1998 net profit was NOK 86.3 million (98.6 million).

Subsidiaries

The TV 2 group is expanding in order to make use of its own know-how and ensure a prosperous future by developing activities related to its own activities. Several TV 2 subsidiaries are already taking part in this process.

TV 2's newsdesk produces daily news broadcasts for both TV 2 and TVNorge. One of the group's subsidiaries, Nyhetssentralen Byrå 2, is based on the activities of the news desk. The business concept is to edit the volume of news reaching the newsdesk in such a way that it can be disseminated through different media channels. Today Nyhetssentralen Byrå 2 supplies news bulletins to radio stations, text-TV, the Internet, closed-circuit television at Norwegian airports, and individual subscribers' pagers.

The company is wholly owned by TV 2.

The Norwegian Meteorological Institute had enjoyed a 132-year-long monopoly for weather forecasting when Storm

Weather Center started operations in March 1998 by providing TV 2's daily weather bulletins with weather forecasts. Storm Weather Center processes raw meteorological data and produces special weather bulletins based on individual customers' needs. Among the company's customers are media companies and oil, shipping and power companies. TV 2 owns 91% of the company, and the company's management the remainder.

The recorded music business in Norway is dominated by powerful foreign players. Norske Gram, which is wholly owned by TV 2, specialises in Norwegian popular music, and records some of the country's most popular musicians.

TV 2 has in the past provided home shopping services through its subsidiaries TV Torget and Nordic Shopping Channel. In this area Telenor has been TV 2's most important partner. Norwegian regulations concerning home shopping are stricter than those in the EU, and for the time being no home shopping programmes are broadcast on TV 2. Nevertheless, in 1998 Nordic Shopping Channel started broadcasting programmes of this type from London on the specialised channel Canal M. Results were disappointing and prospects uncertain, and broadcasting stopped in February 1999.

One of the consequences of TV 2's close co-operation with TVNorge is that since 1998 TV 2 has been responsible for the technical aspects of TVNorge's broadcasts. The work is done by Eventyrkanalen, a wholly-owned TV 2 subsidiary.

Under the terms of the government concession agreement, TV 2 is obliged to put out on contract to independent

production companies all of its productions apart from news and current affairs programmes. At the beginning of 1998 TV 2 acquired Nydalen Studios, primarily in order to ensure better control over both the technical aspects of the production process and important cost and quality factors involved in major productions. TV 2 is the sole owner of the studio.

While Nyhetssentralen Byrå 2, Net 2 Interaktiv, Pilot Broadcast Systems, Norske Gram and Eventyrkanalen made profits for TV 2 AS in 1998, the home shopping operations, Storm Weather Center and Nydalen Studios made losses.

Future prospects

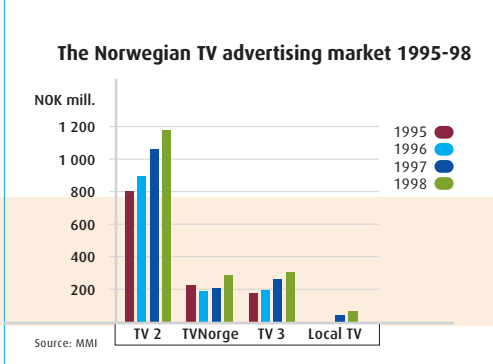
Schibsted played an active part in the planning and start up of TV 2, and has been a stable and involved owner since the company was established. It is, therefore, natural that TV 2 should be the focal point of the Group's interests in television broadcasting.

TV 2's main objective is to consolidate and strengthen its position vis-a-vis Norwegian audiences and advertisers within the framework laid down by the concession agreement and Norwegian law in general. Part of this objective involves preparing for the transition to the age of digital television, not

Schibsted has stated that it intends to acquire interests in television channels outside Norway. TV 2 is increasingly going to need to operate on a Nordic scale, not least in order to protect its primary interests in Norway. International holders of film rights and others involved in television around the world tend to see the Nordic region as one area. For this reason increased co-operation and the formation of alliances across the Nordic borders will most likely be alternatives which have to be considered. TV 2 has the expertise and financial basis which, given the right conditions, make it eminently suited to be a major player in joining forces with other Nordic television channels: for the benefit of the company itself, its partners and its owners.

Kanal 2 Estonia

The strong growth in the market for television advertising in Estonia led to very good results for Kanal 2 in Estonia in the first six months of 1998. The crisis in the Russian economy, however, entailed budget cuts by international advertisers in the second half of the year. Nevertheless, Kanal 2 had a good year, although market prospects for 1999 are uncertain. In 1999 the Estonian authorities renewed Kanal 2's licence until the year 2004.



only by seeing digitalisation as a new form of broadcasting, but also by being aware of the new business opportunities which digitalisation affords. TV 2's acquisition of a 16% holding in Canal Digital Norge represents one stage in this planning, as does the company's participation in Net 2 Interaktiv.

For TV 2 as a nationwide broadcasting company, the investment in TVNorge has strategic importance at various levels. TV 2 itself embodies an important aspect of Norwegian media policy which enjoys the support of the majority of Members of the National Assembly. This also applies to the privately owned local television stations which have TVNorge as their network channel. TVNorge's financial development in 1998 was not satisfactory, and has affected TV 2 negatively. Nevertheless, the significance of TV 2's active participation in the further development of TVNorge, and thus in that of the Norwegian local television network, must be seen both in a social context and an economic one. TV 2 is without a doubt, the Norwegian television organisation which more than any other has the expertise necessary to develop a high quality, competitive, economically healthy privately owned local television network in Norway.

When the National Assembly passed a law governing media ownership in June 1997 (the law came into effect on 1 January 1999), the majority of Members declared themselves in favour of TV 2 being the majority shareholder in TVNorge.

Schibsted has been a shareholder in Kanal 2 since 1995, and increased its involvement in the channel when, in the autumn of 1997, it became clear that Estonia was one of the first countries in Eastern Europe which may become a member of the EU. There is strong support for membership across party lines in the country.

Today Schibsted has an 86% economic ownership in Kanal 2. Estonian law limits non-Estonians' holdings in broadcasting companies, and for this reason Schibsted has only 49.5% of voting shares, the remainder being held by the channel's management.

There are four national television channels in Estonia, one public and three private. Competition, both for audiences and for advertising, is keen. Formerly the public channel showed advertisements, but signed an agreement with the private channels whereby from the beginning of 1998 it would not broadcast advertising. In exchange it receives a monthly fee from the commercial channels.

Operations

At the beginning of 1998 there was economic growth and a general feeling of optimism in Estonia. The television advertising market, which had increased by some 50% in 1997, continued to grow vigorously. This growth, along with the agreement with the public channel, resulted in a very considerable increase in advertising revenue for the private television channels, and above all for Kanal 2, which in 1998 had some 48% of the market. The channel's advertising revenues was twice as large as in 1997, increasing from NOK 16.4 million to NOK 35.4 million.

At the same time it became necessary to implement an expansion programme to increase the channel's share of domestic programmes, in accordance with the requirements of Estonian concession agreements. In addition, the channel bought more international programmes.

In spite of a higher level of costs than in the year before, and in tune with an aggressive strategy for the channel's future, Kanal 2 had a profit margin of approximately 30% when the accounts for the first six months of 1998 were published. When the Russian economic crisis was officially acknowledged,

TV and Film Production

Metronome Film & Television

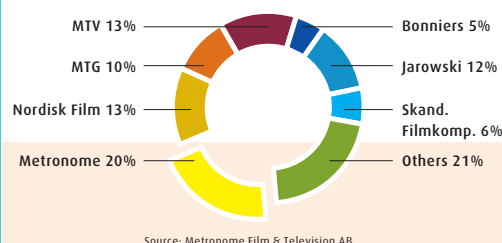
In 1998 Metronome Film & Television AB, controlled by Schibsted, became the largest independent producer of television programmes and commercials in Scandinavia. There was a sharp rise in revenues and a significant increase in profits. The Metronome Group's ten production companies supply programmes to television channels in all the Scandinavian countries. Towards the end of the year Endemol Entertainment, one of Europe's principal television production companies, became Schibsted's co-owner in Metronome with a 35% holding.

The Metronome Group's assumption of the lead in the Scandinavian television and advertising film business was an important milestone for Schibsted's TV/Film business area.

Due to a combination of organic growth and acquisitions from 1994 onwards, Metronome Film & Television is now the leading player in its market. This means that Schibsted holds a strategically important position as a supplier of film in the



Scandinavian market shares 1998
Production of TV programs and commercials



major international advertisers reacted, and in the course of the autumn the advertising market declined sharply. Although in principle the Estonian economy is only to a limited degree affected by conditions in Russia, a number of international advertisers completely stopped using television for the rest of the year.

Kanal 2's pre-tax profit for 1998 was NOK 3.0 million, corresponding to a margin of some 8.4% and an improvement of NOK 5.5 million over 1997. Market prospects for 1999, however, are uncertain, and the channel has reduced its original revenue forecasts.

In the highly competitive viewership market, Kanal 2 had the same share at the end of 1998 as at the same time the year before, namely some 13.5%. Thus Kanal 2 maintained its position as Estonia's third largest television station. Its major commercial competitor, TV 3, had a 17.5% viewership share at the beginning of 1999, while the public channel had a 19.5% share.

Private television stations in Estonia operate under licences granted by the Ministry of Culture. The existing licensing agreements expire in the autumn of 1999, and for this reason preparations for renewal were very important both for Kanal 2 and for Schibsted in 1998. In February 1999 the Estonian Minister of Culture decided to renew Kanal 2's licensing agreement for a further five year period, to 2004.

PROFIT & LOSS ACCOUNT

– METRONOME FILM & TELEVISION CONSOLIDATED

(SEK 1,000)	1998	1997
Total revenues	381 636	289 783
Operating expenses	358 438	288 364
Operating profit	23 198	1 419
Net financial items	1 390	17
Share associated companies	470	
Minority interests	-873	-26
Pre-tax profit	24 185	1 410
Taxes	7 980	1 742
Net profit	16 205	-332

BALANCE SHEET

(SEK 1,000)	31.12.98	31.12.97
Current assets	146 099	88 868
Fixed assets	30 209	17 316
Total assets	176 308	106 184
Current liabilities	77 449	73 995
Long-term debt	5 235	3 718
Minority interests	929	1 562
Equity	92 695	26 909
Total liabilities and equity	176 308	106 184

Key figures

Operating margin	6.1%	0.5%
Profit ratio	4.2%	-0.1%
Return on total assets	17.8%	3.2%

Exchange rates:	1998	1997
P & L rate (average):	0.9532	0.9301
Balance Sheet rate (31.12.):	0.9391	0.9314

Scandinavian countries, one which the Group has fought for as part of its strategy in recent years.

The Metronome Group, which has its head office in Stockholm, has a wide product range and well-established subsidiaries in Norway, Sweden and Denmark. Important features of the organisation, both at its headquarters and in the countries in which it operates, are its dynamism and creativity. Strengthening of management, in-house expertise and the extension of culture across national borders were high priority areas in 1998, as were more intensive marketing, cost consciousness and financial control.

Operations

Revenues increased from SEK 289.8 million in 1997 to SEK 381.6 million in 1998, a growth of 32%. The Group advanced from breaking even in 1997 to making an operating profit of SEK 23.2 million and a pre-tax profit of SEK 24.2 million in 1998.

In 1998 the Metronome Group's companies together produced a total of 507.5 hours of television time for Scandinavian channels – 66 hours more than the year before. The Group has 127 full-time employees.

access to an international sales organisation for its own products outside Scandinavia.

Schibsted remains the majority shareholder in Metronome Film & Television, with 65% of the shares.

Subsidiaries

The Metronome Group's expertise and activities focus strongly on producing moving pictures. The Group's domestic subsidiaries are creative power centres and brand names in their own right under a common Scandinavian umbrella.

Advertising film production is an important aspect of the Group's activities. Its companies also make documentaries for corporations and other organisations, and to some extent feature films. This wide product range is one of the factors producing constant challenges for the Group's creative staff.

Meter Film & TV and Meter Fakta in Sweden are well-known producers for television companies, with TV 4, Channel 5 and the public channels, Sveriges Television among their customers. Mekano Film & TV is one of Sweden's largest producers of advertising films, while Mekano Enterprise operates mainly in the field of information films/documentaries. In Sweden the Group



The creativity and high production quality of the Metronome companies is recognised in the television and film business in Scandinavia, and the Group made its mark in 1998 with a number of new hit productions. By far the greatest success was the daily drama series "Hotell Cæsar", made for TV 2 in Norway. At the beginning of 1999 the series had a daily audience of 500,000, and so has every chance of being the most successful of its type in TV 2's history. The production is shared on a 50/50 basis with a Swedish partner. The contract is for five years, includes 900 episodes, and has a total value of some NOK 350 million. It is one of the biggest contracts ever obtained by any European television production company.

Alliances

In order to safeguard Metronome Film & Television's position as the leader in its field in Scandinavia, and to increase the company's opportunities for further growth and development, serious consideration of possible international partners was given priority by the owner in 1998.

Now that the Europe-wide TV production group Endemol Entertainment has become a partner in the Metronome Group, the Group's companies have access to a wide European network of expertise in the field of television production. They also have the sole rights to produce Endemol-owned formats in Norway, Sweden and Denmark. The Metronome Group also has

has its own post-production company, Mekaniken, which provides services to its own sister companies and to external clients.

Rubicon TV in Norway is the country's largest independent television production company, and produces material for the Norwegian channels TV 2, TVNorge and TV 3. Nordic Entertainment has special expertise in the game show area, while Metronome Spartacus is responsible for producing "Hotell Cæsar", TV 2's new daily drama series.

In Denmark, Metronome Productions represents the Group and produces dramas and commercials for television. The Danish channels TV 2 and TV 3 are its largest customers.

In December 1998 Metronome Film & Television sold its subsidiaries Moland Film Co. in Norway and Denmark with a gain of some NOK 5.5 million. The Moland companies produce advertising films. The Metronome Group continues to make advertising films through other subsidiaries.

Future prospects

With the wide expertise in so many areas of television and film production which Metronome Film and Television now has in all the Scandinavian countries, the Group is in a strong position to meet challenges in the market of the future. The potential for the Group's further development has improved with the international connections provided by the agreement with Endemol.

One of Metronome Film & Television's principal tasks will be that of consolidating and further improving its position as the Scandinavian market leader in the areas where it is established, both creatively, qualitatively and financially. The fact that the Group has its total business focus and involvement connected to moving pictures had made its member companies leading Scandinavian centres of specialised expertise in the area.

There has been an increasing need in Scandinavia for a wide range of high quality television programmes produced locally. This need will in all probability increase further as digital television broadcasting draws closer, as the number of channels increases and as programme content becomes tailored to suit

TV and Film Rights and Distribution

Sandrew Metronome

At the beginning of 1998 Schibsted and the Anders Sandrews Foundation in Sweden joined forces and established Sandrew Metronome, which comprises Schibsted's Norwegian and Danish interests in the fields of film and video distribution, cinema management and the sale of films to television companies, and the same activities carried out by Sandrew in Sweden. Two of the best known brand names in the TV and film business in the Nordic countries became one.

Sandrew Metronome was set up in the spring of 1998, and this was an important strategic development for Schibsted's TV/Film business area. Until the new company was established, Schibsted's activities in the field of film rights and distribution were too diffuse and small to enable the Group to play a major role in Scandinavia as a whole. With the founding of the new company, Schibsted and its partner the Anders Sandrews

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particular target groups. Greater demands for professionalism will be made on producers, and more than ever before, programme content will be the decisive factor in winning and keeping audiences. TV channels will become increasingly dependent on production companies whose professional and financial strength enables them to develop concepts, and which can guarantee that they can make and deliver high quality programmes.

With its experience and its leading position in various areas of television and film production, the Metronome Group is well able to take part in the further development of Internet services in Scandinavia. An increasing demand for moving pictures on the web involves an interesting business opportunity for the Group, which today is in a better position than most on the Scandinavian market to exploit it.

Foundation have jointly become a major Scandinavian player in the area of film rights and distribution.

Schibsted and the Foundation each own 50% of Sandrew Metronome. The new group was awarded the "Exhibitor of the Year" prize for 1998 by the international trade organisation Cinema Expo.

Today Sandrew Metronome is one of the three dominant companies in the Scandinavian film rights and distribution business, the others being Svensk Filmindustri, which is owned by Bonnier, and the Danish company Egmont Entertainment. With its film and video distribution activities, its sale of rights to television, and some 130 cinemas, Sandrew Metronome is present in all aspects of the value chain within its field. The group is active in all three Scandinavian countries and in Finland, though to somewhat different degrees in each national market. The parent company is in Stockholm, where the Swedish business is directed from, while activities in the other countries are managed by subsidiaries in Oslo, Copenhagen and Helsinki. Overall the group is "a good number two" in its field in each of the Nordic countries.

Sandrew Metronome is organised as a number of profit centres along the value chain: the acquisition of rights, film distribution, cinema management, video distribution and TV distribution.

The group buys rights to feature films for the Nordic market from international producers, and takes part in Scandinavian productions as co-producer and investor. The films are marketed and distributed for public viewing at the group's own cinemas and others. Thereafter the films are videotaped for sale and rental. The final link in the value chain is the sale of rights to show the films on television. Normally the films are sold first to pay-TV companies and then to free channels, one channel at a time in each of the four countries, and repeatedly as long as there is sufficient interest and Sandrew Metronome still has the rights.

Currently the group has the cinema, video and television rights to some 700 international and Nordic feature films. Sandrew Metronome's companies employ 269 people in the four Nordic countries.

Operations

During the first year of Sandrew Metronome's operations the focus was on setting up a new group structure with a common culture and common reporting routines. Revenues in the first year of business was SEK 598.9 million. The group made an

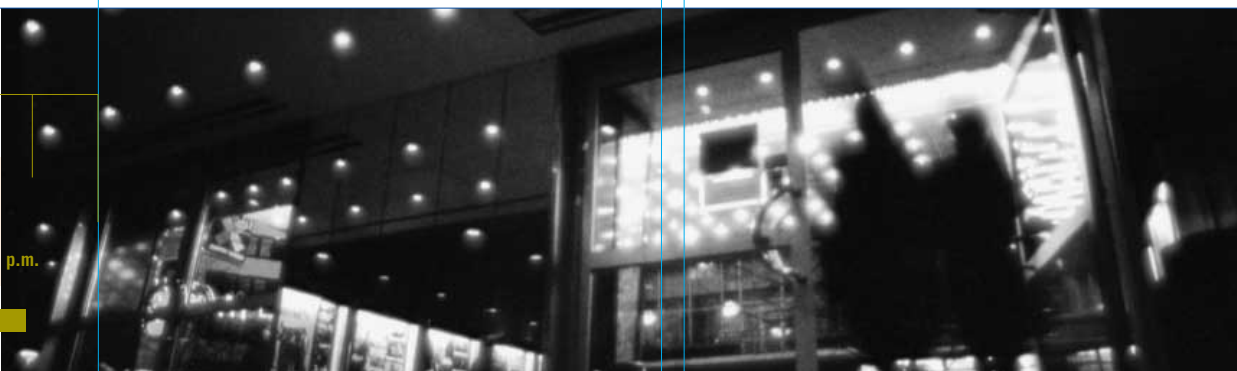
operating loss of SEK 21.7 million, and a pre-tax loss of SEK 24.3 million. There were non-recurring charges totalling SEK 9.7 million. The profit for the year was weaker than expected. Nevertheless, Schibsted's 50% share of Sandrew Metronome's loss for 1998 – SEK 14 million – represented an improvement of SEK 4.8 million over the loss made the year before by the Schibsted Group's rights and distribution business.

Future prospects

Sandrew Metronome's owners intend the group to develop in size and profitability into a market leader in Scandinavia and Finland in the film distribution business, both through existing distribution channels and new ones.

The group's organisation and management will be made more efficient and will be adapted to the common Nordic group structure. The development of expertise in all areas will be given priority, as will the further building up of the distribution network and the focus on fixed cost management.

Having an international partner is strategically important for Sandrew Metronome, and the group has for some time had an agreement with Warner Bros. in the USA regarding film and



PROFIT & LOSS ACCOUNT – SANDREW METRONOME CONSOLIDATED

(SEK 1,000)	1998
Total revenues	598 963
Operating expenses	620 620
Operating profit	-21 657
Net financial items	-2 623
Share associated companies	
Minority interests	
Pre-tax profit	-24 280
Taxes	3 711
Net profit	-27 991

BALANCE SHEET

(SEK 1,000)	31.12.98
Current assets	132 771
Fixed assets	443 303
Total assets	576 074
Current liabilities	216 141
Long-term debt	59 972
Minority interests	
Equity	299 961
Total liabilities and equity	576 074

Key figures

Operating margin	-3.6%
Profit ratio	-4.6%
Return on total assets	-3.4%

Exchange rates

	1998
P & L rate (average):	0.9532
Balance Sheet rate (31.12.):	0.9391

video distribution in Denmark. In 1998 the agreement was extended to include Norway, and the two parties are currently considering extending it even further.

Sandrew Metronome has the cinema, video and television rights to some 700 international and Nordic feature films.

12:51



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02:00 a.m. 04:13 a.m. 06:00 a.m. 08:00 a.m.

It's nine minutes to one in the afternoon. To understand not only what's happening, but what's really happening, is important. With so much news pouring in, I need to focus. That's why I need Svenska Dagbladet. There was a feature in today's paper I didn't manage to read on the way to work. I'll read it at lunchtime.



1

p.m.

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It's nine minutes to one.

Will Juni stop drinking? Will Rolv get the job he's

after? Will Aage and Solrun find true love?

And if they do, will it last?

Questions like these are part of the everyday work of those responsible for the daily drama series "Hotel Caesar". Every new work session means a new episode. **900** episodes over five years.

The production contract is one of the largest in the history of European television.

Multimedia

What makes you ~~tick~~ click?

This is the essential question that has to be addressed and understood by any company wanting to do new business over the Internet, or trying to protect and expand its existing business activities faced with competition from newcomers doing business over the Internet.



In a media perspective the latter part of this decade and the beginning of the new millennium can be understood by viewing Internet as the impulse for a new communications revolution, similar to, but more profound in its impact than the advent of telephony more than a century ago.



Since 1995 Schibsted has based its activities on the assumption that the growth in the use of the Internet by consumers and businesses will have a fundamental effect on the Group's activities within newspapers and television. However, we also believe that the Internet will provide opportunities for rapid growth in both related as well as yet-to-be-discovered areas of the media industry.



The most obvious challenge facing the newspaper business today is the gradual but structural shift of the classified advertising market from printed to electronically distributed products. Furthermore, competition for readers' attention from Internet based news services will require action from the print based newspapers to avoid a reduction in readership, but also to benefit from new communication technologies.

Executive
Vice President
Multimedia
Sverre Munck

Schibsted's newspapers have strong brands in their respective national or local markets, and their credibility with readers is strong. This is a good basis for extending the brand into appropriate online market segments. Furthermore, a number of

PROFIT & LOSS ACCOUNT - MULTIMEDIA

(NOK 1,000)	1998	1997
Total revenues	298 736	188 507
Operating expenses	474 265	278 878
Operating profit	-175 528	-90 371
Net financial items	-19 037	-6 158
Share associated companies	-7 293	-8 320
Minority interests	1 540	967
Pre-tax profit	-200 318	-103 882
Taxes	2 112	2 151
Net profit	-202 430	-106 033

BALANCE SHEET

(NOK 1,000)	31.12.98	31.12.97
Current assets	259 733	117 811
Fixed assets	187 750	176 815
Total assets	447 482	294 626
Current liabilities	114 973	74 827
Long-term debt	555 635	273 709
Minority interests	747	842
Equity	-223 873	-54 752
Total liabilities and equity	447 482	294 626

Key figures

Operating margin	-58.8%	-47.9%
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new business opportunities are becoming apparent through use of new technologies.

The Internet provides numerous opportunities for growth and the creation of value, but it also constitutes a threat. This has been the driving force behind Schibsted's aggressive investments in the online market.

Highlights in 1998

At the beginning of the year a letter of intent was signed by Schibsted, Telia and Telenor regarding a merger of SOL AB in Sweden with Passagen, Telia's Swedish portal. Under the terms of the merger Telia acquired 10% of the non-voting shares in SOL AS in Norway. In addition, the Stockholm section of Telia's Yellow Pages on the Internet was to be merged with the city guide Allt om Stockholm. The letter of intent was superseded at the end of the year by a final agreement which did not include Allt om Stockholm. Due to the merger of Telia and Telenor, negotiations in Stockholm and elsewhere on cooperation for the city guide will continue into the third quarter of 1999. Independently of the Telia-Telenor merger, the three owners of the SOL companies in Scandinavia are working to establish a more functional ownership structure than the present one.

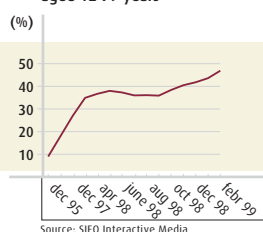
Access to and use of the Internet are accelerating both in Norway and throughout the world. At the end of 1998 this meant that companies in all areas of the Internet business, particularly in the USA, had marked values which were unthinkable at the beginning of the year. This trend has not yet appeared in Europe, and might provide a number of promising business opportunities for Schibsted. Unlike the USA, however, Europe is a market consisting of different and distinct areas, and thus one which requires technological and marketing adaptations across national borders.

In 1998 the Multimedia business area increased its revenue to NOK 299 million, as compared with NOK 189 million in 1997. The largest increase was made by Chr. Schibsteds Forlag, the publishing company, but the Group's portal and e-commerce activities also showed robust increases. Of the total revenue from this business area, offline accounted for NOK 178 million and online activities for NOK 117 million.

The Multimedia business area made a loss of NOK 175 million in 1998, compared with a NOK 90 million loss in 1997. Online activities accounted for most of the increased operating costs. Some NOK 100 million of the operating loss were represented by planned deficits connected to ongoing activities

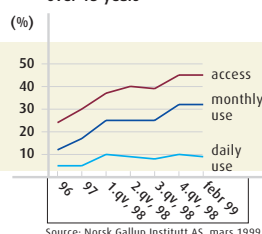
The development of Internet in Sweden

monthly use among Swedes aged 12-79 years

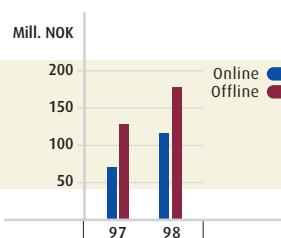


The development of Internet in Norway

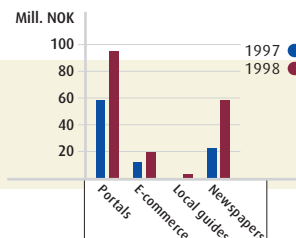
monthly use among Norwegians over 15 years



Revenues, Schibsted's online and offline activities



Revenues, Schibsted's online activities



Early in 1998 Schibsted and Det Berlingske Officin, Denmark's largest media group, entered into an agreement whereby Det Berlingske Officin acquired 34% of the equity in both SOL AS in Denmark and the city guide Alt om København. However, in order to consolidate ownership and to prepare for a more unified ownership in all the SOL companies, the parties to the agreement decided to change their ownership in the two Danish companies, with the result that Schibsted retained its 100% share of SOL AS, while Det Berlingske Officin acquired 51% of the shares in Alt om København.

Expansion and consolidation were major features of 1998. In the course of the year a number of new products were launched: Local guides for Stockholm and Copenhagen, an Internet bookshop (Bokkilden) in Oslo, an Internet ticketing service in Sweden and a web portal in Denmark. The three portal companies (SOL in Norway, Sweden and Denmark) implemented a number of measures to establish a cost structure adapted to a slower growth in revenue than previously forecasted. Due to a clearer focusing on building up both general and traffic-intensive access points to the Internet, a number of specialized activities were either terminated or sold. The portal companies, with their functional, flexible organisational structure, are poised in 1999 to cope with a rapid growth in traffic.

and start-up operations. Approximately NOK 60 million resulted from shortfall in revenues compared to expectations and restructuring costs associated primarily with SOL AB in Sweden and the Telia portal merger, as well as from a larger than anticipated share of the operating losses of Swedish and Danish local guides. Approximately NOK 15 million are anticipated restructuring costs related to 1999, and are composed of personnel reductions in Norway, Sweden and Denmark, as well as hardware and systems write-offs.

Publishing

Chr. Schibsteds Forlag

In 1998 Chr. Schibsteds Forlag increased both its activities and its revenues considerably. Revenues reached NOK 55 million, an increase of more than 50% over the previous year. An important reason for this is the company's concentration on importing and selling English-language books, which has involved substantial investments and an increase in staff from 14 to 19.

A new national agreement between bookshops and publishers was entered into in the spring, making possible for the first time individual agreements between parties involved. Chr. Schibsteds Forlag is in a good position to meet the challenges offered by the more liberal book trade which has come into being since the agreement was signed.

Dine Penger

Dine Penger is by far Norway's largest financial periodical. Average sales for the first six months of the year were 62,823 copies, an increase of 6% over 1997. There are 47,592

Bladkompaniet

In January 1999 Schibsted signed a letter of intent with the owners of Bladkompaniet AS which is expected to be superseded by a final agreement in April. Under the terms of the agreement Schibsted will acquire Bladkompaniet, which operates in a segment of the publishing market which is new for Schibsted. Bladkompaniet is also part-owner of the distribution company Bladcentralen.

Scanpix

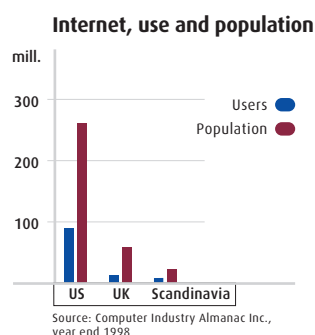
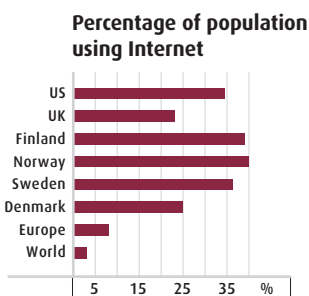
As from 1999 Scanpix will be part of the newspaper business area.

Online activities

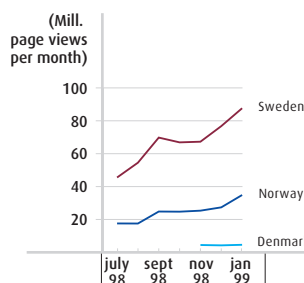


Internet portals

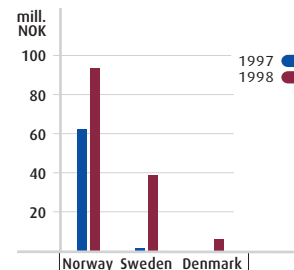
Scandinavia Online (SOL) comprises Scandinavia Online AS, by far the largest supplier of content to the Internet in Norway, Scandinavia Online AB, Sweden's most popular Internet content provider, and Scandinavia Online AS in Denmark. Both the Norwegian and the Swedish companies are partly owned by



Traffic, Scandinavia Online



Revenues Scandinavia Online



SVENSKA FÖRLAGET

subscribers, and the magazine has an estimated average readership of 470,000 per issue. 1998 was a new record year for Dine Penger AS, with revenues totalling NOK 36.5 million, an increase of 15% over 1997. The pre-tax profit was NOK 7.6 million, an increase of 61%.

SMS Publishing AB

SMS Publishing manages the publishing company Svenska Förlaget, the book club Executive, the Internet bookshop Bokex, and Headhunter, a free newspaper for the recruitment market. In the course of the year SMS Publishing sold its subsidiary Anbud & Inköp. The company's activities are directed mainly at management in the private sector, and will be extended at the same time as new areas of business are being considered.

Dagens Medisin

Dagens Medisin AS was founded in 1998, with Schibsted and Medicine Today International each having a 50% holding. From the very beginning the publication was well received by both readers and advertisers, and soon obtained a strong position on the market as an independent newspaper for the Norwegian health sector, focusing on health-related news in politics, the economy and business, along with medical news and articles on research and personalities. The main target group is medical practitioners.

Telenor and Telia, since SOL in Norway and Sweden were set up through a merger of Schibsted's Internet content services with those of the two telecommunications companies. Schibsted has a 54% holding in the Norwegian company, while Telenor owns 34% and Telia 10%. In the Swedish company, Schibsted, Telia and Telenor have holdings of 40%, 40% and 20% respectively. Schibsted is the sole owner of SOL in Denmark.

Seen as one group, the SOL companies are the only suppliers of locally produced Internet material on the Scandinavian market. In February 1999 the three companies generated some 30 million Internet page visits per week, and their services are used by over 2 million Scandinavian Internet users every month.

Local guides

Schibsted has launched Internet-based city guides to Copenhagen and Stockholm under licence from the American company Ticketmaster Online CitySearch. Schibsted is the sole owner of Allt om Stockholm (www.aos.se), which made its debut in September 1998. In its present form it contains sponsored presentations of some 650 shops and other organisations in the service sector in Stockholm, including hotels, restaurants, cinemas, sights and speciality stores. The Danish company Allt om København (www.aok.dk) is jointly owned by Schibsted (49%) and Det Berlingske Officin (51%).

The guide came on the market in November 1998 and contains sponsored presentations of almost 300 companies.

E-commerce

In addition to its portal companies and in connection with the potential for electronic shopping provided by the city guides, Schibsted currently has interests in three other commerce-related online companies:

Schibsted Interactive Studio and Bokkilden

Schibsted Interactive Studio is a holding company which owns and manages the Group's business involving Internet shopping and databases, with Bokkilden as a subsidiary.

Bokkilden was launched towards the end of 1998 and is already Norway's largest Internet bookstore, with 1.5 million titles available. In 1999 Bokkilden will concentrate on widening its range of titles, on increasing its marketing, and, together with its partners, on improving efficiency and service in order to deal with a rapidly increasing number of customers.

Hugin Online

Hugin Online, of which Schibsted owns 31%, helps publicly listed corporations provide company and financial information to investors and other target groups on the worldwide market by means of electronic media. As of January 1999, Hugin Online is one of Europe's largest distributor of company financial data on the Internet. In the course of 1999 the company will have operations in a total of nine European countries.

Future prospects

Schibsted will retain its historical focus on long term value creation when building the Multimedia business area. This will require striking the right balance between traditional bottom-line focus through functional organisations and technical platforms dedicated to short term revenue maximisation and profitability, and investments in new areas of strategic importance. In these areas, first-mover advantage may require significant up-front investment in order to ensure premium long term market positions.



Schibsted's online activities

(NOK 1,000)	Portals ¹		Local guides ²		E-commerce ³		Total online ⁴		Newspapers ⁵		Total online ⁶	
	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997
Revenues	94 819	58 236	2 720	0	19 066	11 589	116 605	69 825	52 012	22 683	168 617	92 508
Expenses	207 232	138 605	56 905	0	35 132	13 937	299 269	152 542	86 015	58 853	385 284	211 395
Net profit	-112 413	-80 369	-54 185	0	-16 066	-2 348	-182 664	-82 717	-34 003	-36 170	-216 667	-118 887
Employees	214	241	80	0	41	23	335	264	89	66	424	330

Notes:

- ¹⁾ Portals include SOL Norge, SOL Sverige og SOL Danmark
²⁾ Local guides include Allt om Stockholm and Allt om København
³⁾ E-commerce includes Hugin, SIS, TicNet and Bokkilden

⁴⁾ Excl. newspapers

⁵⁾ Newspapers include the Internet services of VG, Aftenbladet, Aftenposten and Svenska Dagbladet, and are reported as part of the Newspapers business area

⁶⁾ Incl. newspapers

TicNet AB

TicNet AB has a leading position as systems provider in the online ticket market in Sweden, and serves more than 80% of the Swedish entertainment market measured in terms of seats sold. Scandinavia Online AB acquired 50% of the company in 1997, and the shares have since been transferred to the owners of SOL AB, Schibsted and Telenor. This means that Schibsted has a holding of 33% and the option of increasing its ownership to 66%. It is Schibsted's opinion that buying tickets on the Internet is a fundamental improvement over traditional purchasing in that it is much more user-friendly. In 1999 TicNet will continue its efforts to bring more ticket buyers to the Internet.

The planned maximum operating deficit from existing operations in 1999 is set at NOK 100 million. We project operational break-even for existing operations as a whole some time in 2000. Divestments may provide non-recurring gains in 1999, while new initiatives may lead to increased operating deficits.

It seems evident that Schibsted and our partners' aggressive stance towards building consumer oriented Internet portals across Scandinavia has been the main reason why the leading U.S. Internet brands have not achieved the leading position here, which they have elsewhere. Schibsted anticipates stronger competition from global Internet players in the Nordic area in 1999 and beyond. This situation calls for stronger operational and strategic coordination among the SOL companies, and also opens possibilities for alliances on a Nordic basis with one or more of these global actors.

Schibsted intends to take an active role in developing electronic commerce services, starting from areas related to existing publishing and entertainment activities. This segment of the online industry is expected to show rapid growth. Schibsted will continue to develop existing activities such as the online bookstore and online sales of tickets, as well as participate in or take the lead in new initiatives.

05:02

02:00 a.m. 04:00 a.m. 06:00 a.m. 08:00 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. 08:00 p.m. 10:00 p.m. 12:00 p.m.

05:02 p.m.

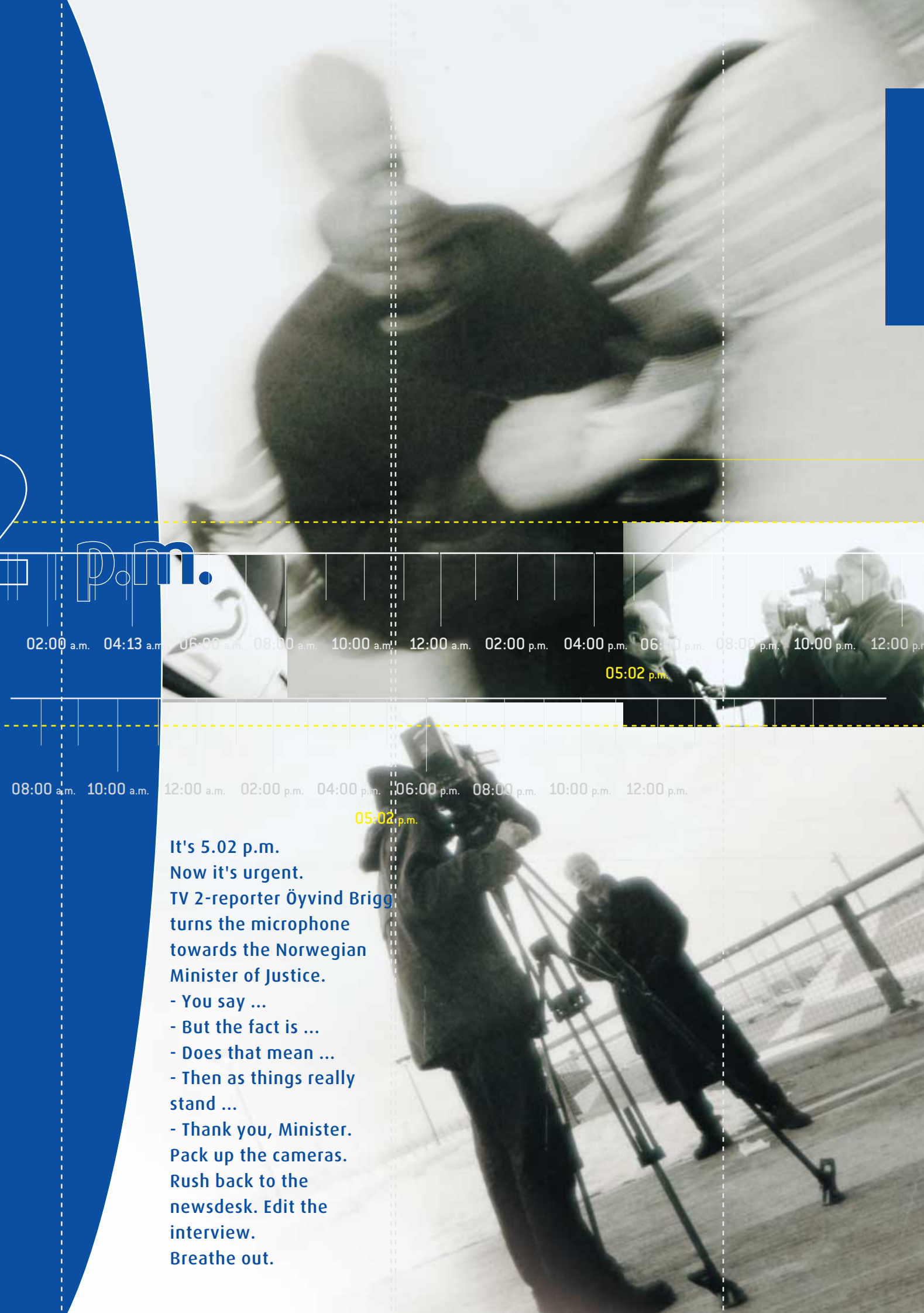
02:00 a.m. 04:00 a.m. 06:00 a.m.

It's two minutes past five in the afternoon.
Is it snowing in Paris? And why is a Frankfurter called
a Vienna sausage in Oslo?

There are so many questions. But people who surf
and chat on the net make a lot of new friends and
get answers from people all over the world who
know the answers.

The **SOL** companies in Norway, Sweden and
Denmark make up by far the largest Internet
gateway in Scandinavia. In January 1999
two million Internet users clicked on SOL's
pages thirty million times each week.
And that's only the start ...





p.m.

02:00 a.m. 04:13 a.m. 06:00 a.m. 08:00 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. 08:00 p.m. 10:00 p.m. 12:00 p.m.

05:02 p.m.

08:00 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. 08:00 p.m. 10:00 p.m. 12:00 p.m.

05:02 p.m.

It's 5.02 p.m.
Now it's urgent.
TV 2-reporter Öyvind Brigg
turns the microphone
towards the Norwegian
Minister of Justice.
- You say ...
- But the fact is ...
- Does that mean ...
- Then as things really
stand ...
- Thank you, Minister.
Pack up the cameras.
Rush back to the
newsdesk. Edit the
interview.
Breathe out.

Group Functions

The Schibsted Group management is responsible for the development and execution of the Group's overall strategy and for co-ordinating the activities of the business areas as well as the Group's international expansion. In addition, the Group management is responsible for group functions such as accounting, finance, treasury, investor relations and real estate management.



Schibsted Finans AS

Schibsted Finans AS is the Group's internal bank, responsible for external borrowings and cash management. In addition, Schibsted Finans is responsible for the Group's foreign exchange and interest rate management.



In October 1997 Schibsted Finans entered into a new syndicated multicurrency revolving credit totalling USD 300 million. The credit is provided by a syndicate of 11 Norwegian and international banks and has a maturity of 7 years. The facility, which was obtained on very favourable terms, was established in order to provide the Group with financial flexibility during a period of large investments, notably in the new printing plant. At the end of 1998 NOK 300 million, SEK 250 million and DKK 130 million had been borrowed under the facility.



In addition, Schibsted has a USD 32 million term loan with the Nordic Investment Bank. This loan has been converted to a loan of NOK 206 million, and will be repaid in full by 2008.

When in July 1998 Schibsted acquired a majority holding in Svenska Dagbladet Holding AB, it also became the majority

owner of Tidningstryckarna Svenska Dagbladet/Aftonbladet AB and Fastighets AB Tidningsfabriken. These two companies have external leasing agreements and loans totalling SEK 391 million. The Group also has short term loans in EUR, CHF and USD.

Schibsted Finans has entered into two interest rate hedging agreements for a total of NOK 350 million protecting the Group against a possible interest rate increase. When Norwegian interest rates increased sharply in the autumn of 1998, Schibsted benefited from these hedging agreements. In January 1999 Tidningstryckarna Svenska Dagbladet/Aftonbladet AB entered into an interest rate swap which fixes the interest rate on leasing agreements totalling SEK 182 million. In connection with investment in the new printing plant at Nydalen, Schibsted Finans entered into several currency contracts in 1996 on behalf of Schibsted Trykk AS. These contracts hedged future currency payments to the main suppliers of equipment for the new plant. The last of these contracts expired in 1998, and compared to the prevailing exchange rates at the time of expiration, these contracts have led to significant savings for the Group. At the end of 1998 payments in foreign currencies relating to the printing plant and still outstanding amounted to GBP 11 million and CHF 14 million. These are not hedged.

Executive Vice
President & Chief
Financial Officer
Trond Berger

As a currency hedge against the Group's activities, assets and financial investments denominated in SEK, DKK, EUR and USD, the Group has loans in the respective currencies. As a result of the substantial depreciation of the NOK during 1998, the Group incurred unrealised foreign exchange losses of NOK 15.2 million on these loans in 1998.

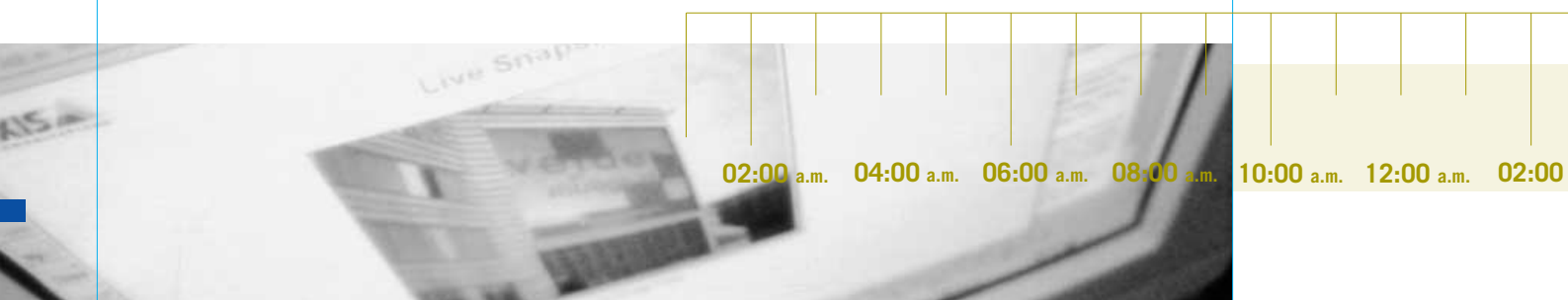
Surplus liquidity is for the most part invested in short term interest rate instruments and money market funds.

Schibsted Eiendom AS and Schibsted Drift AS

Schibsted Eiendom manages the Group's real estate, which at the end of the year comprised some 108,000 square meters. As of 1 January 1998, Schibsted Eiendom sold the old printing plant at Linderud. The new office building in Apotekergaten in Oslo was ready for use in the first quarter of 1998, with Schibsted ASA and Aftenposten as tenants. All the Group's property are fully rented.

Metronome Ejendomsadministration, which is 25% owned by Schibsted Eiendom, owns a television centre at Amager in Copenhagen. The centre covers 9,600 square meters, and the tenants are Metronome Studios and Metronome Productions. The Group rents Gullhaug Torv 3 in Oslo, and the tenants are FilmTeknikk, Nydalen Studios and Eventyrkanalen.

Schibsted Drift, a subsidiary of Schibsted Eiendom, is responsible for the day-to-day operations of the Group's properties in Norway. This includes reception services, security and ongoing maintenance. At the end of 1998 the company had a staff of 40.



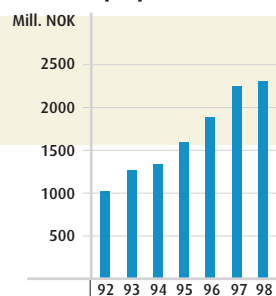
The Group's real estate holdings:

Address	m ²	Tenants
Grensen 15/Akersgt. 32 (50%)	2 000	Chr. Schibsteds Forlag + others
Akersgt. 36	1 300	Aftenposten + others
Akersgt. 34	3 300	Aftenposten
Akersgt. 51/Apotekergt. 6	13 000	Aftenposten
Apotekergt. 10	6 420	Schibsted, Aftenposten
Akersgt. 55*	32 000	VG, Aftenposten, Scanpix
Sandakervn. 121	45 000	Schibsted Trykk

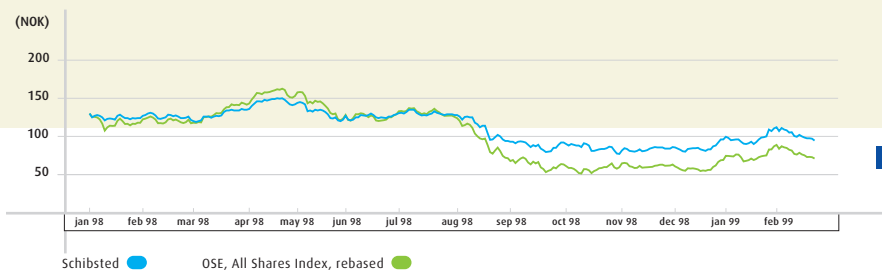
* Akersgt. 55 is organised as a separate, limited company, 100% owned by Verdens Gang AS.

Investor Relations

Equity 1992-1998



Schibsted vs. Oslo Stock Exchange, January 1998 to February 1999



Ongoing contact with the Norwegian and international financial markets has high priority.

Shareholder policy, dividends and share price development

When Schibsted was listed on the Oslo Stock Exchange in 1992, the Board of Directors established an objective of maximising the shareholders' return through long-term growth in profits and dividends. This objective is linked with the goal of financing the Group's expansion without the need for new equity. In line with these aims, the Board of Directors proposes to the Annual General Meeting a dividend of NOK 1.75 per share for 1998. Due to lower profits, this dividend is the same as that declared for 1997. Until 1998 the dividend grew by approximately 15% per year. Schibsted shares traded at NOK 96.00 at the end of 1998, compared with NOK 126.50 at the end of the year before, a decrease of 24.1% (22.7% adjusted for dividends). The Oslo Stock Exchange All Shares Index fell by 26.7% in the same period. The lowest price at which Schibsted shares were traded was NOK 79.00, and the highest NOK 151.00, an all-time high quoted in April 1998. From its initial listing on 16 July 1992 until 31 December 1998, Schibsted stock increased by 264%, while the Oslo Stock Exchange All Shares Index rose by 139% over the same period. The average price per Schibsted share traded on the Oslo Stock

Exchange in 1998 was NOK 106.00, and 37.1 million shares changed hands, down from 62.0 million in 1997 and 87.7 million in 1996. Foreign ownership at the end of the year was 33%, compared to 39% at the end of 1997. The reduction in foreign ownership was mainly related to macroeconomic factors rather than to Schibsted's status in particular.

Employee stock programme

In 1997 all full time employees of Schibsted's Norwegian companies were offered shares in the Group worth NOK 5,000 at 20% discount, in accordance with Norwegian tax laws. This offer also applied in 1998, and was extended to include employees in subsidiaries in the other Scandinavian countries. About 1,730 employees, or 41% of those to whom the offer applied, accepted. The purpose of the programme is to increase staff members' involvement in the Group by letting them participate in its profitability. The scheme also acts as an incentive for employees to gain greater insight into and understanding of the Group's activities and financial position. Employees who own shares will also have a better understanding of the Group's overall economic status and its operations in relation to the particular company and the individual employee concerned.

Information to the financial markets

Ongoing contact with the Norwegian and international financial markets has high priority. The aim is to increase the market's knowledge of the Group and understanding of the media industry, and to develop the confidence which is required if investors are to consider Schibsted an attractive investment. In order to value the company accurately, relevant and up-to-date information is necessary. In addition to regular information in the form of annual and quarterly reports, Schibsted also focuses on open communication with the financial markets through various channels both in Norway and internationally. This contributes to ensuring the best possible market for the Group's shares. Several of the leading brokerage houses follow Schibsted, and publish reports in the course of the year. These analysts' reports provide useful information about Schibsted, the markets in which the Group operates, the value of the Group and the outlook for the future.

In 1998 Schibsted won the Stockman prize. The prize is awarded by the Association of Norwegian Financial Analysts to the listed company which in the course of the year has, from a financial analysis viewpoint, published the best annual and quarterly reports, and which in its day-to-day operations gives

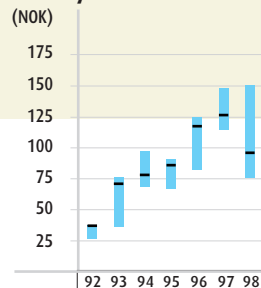
Management Trainee Programme

A new two-year trainee programme was initiated in January 1997. The purpose of the programme is to attract competent staff members with management potential for Schibsted's subsidiaries. The program mainly targets students from business schools and technical universities in Norway and Sweden, as well as Norwegians studying abroad. From 1999, students from Danish colleges will be included. Schibsted accepts new trainees twice a year, in January and August, a total of 6 to 8 graduates each year. To date 19 trainees have been employed, 9 women and 10 men. 10 of the trainees are Norwegians and 9 Swedish. The first group of trainees completed their trainee period in February 1999, and are now permanently employed in various subsidiaries.

Share price development since listing in July 1992 until January 1999



Share price - range and year end 1992-98



high priority to its information activities towards the financial markets and shareholders.

Increased attention has been focused on distributing information on the Internet, by e-mail and on CD-ROM. In this area, too, Schibsted has received distinctions in the course of 1998: in a survey among financial analysts, the Group was awarded first place among corporations which provide financial information on their Internet pages.

In the future Schibsted will increase its contact with the financial markets at home and abroad by means of more frequent visits to investors, presentations, and telephone and video conferencing.

Annual General Meeting 1999

May 11, 1999

Presentation of quarterly figures 1999

1st quarter: May 11, 1999

2nd quarter: August 17, 1999

3rd quarter: November 11, 1999

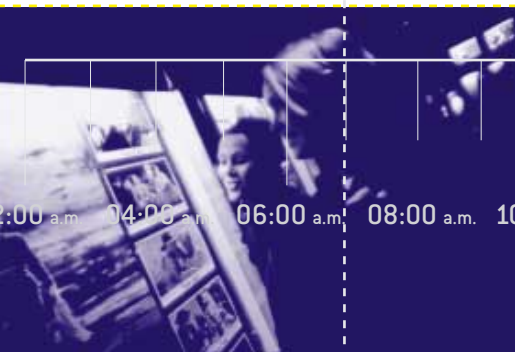
During their two-year training period, the trainees will have 4 to 5 different postings in the subsidiaries, with opportunities for working in Oslo, Stockholm, Tallinn and Copenhagen. The purpose is that each of the trainees will be able to gain insight into Schibsted's three major business areas, and that each will work in different activities and production processes, as well as performing analytical and operational tasks.

Further information about the program is available on www.schibsted.no/konsern/amandus.

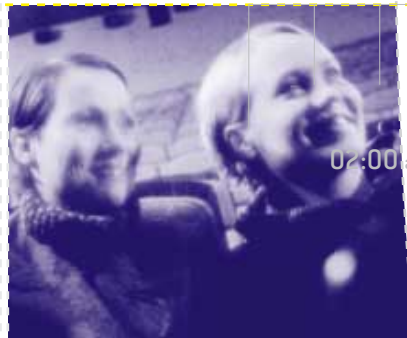
Scholarships for Graduate Students from Eastern Europe

In view of the possible future growth of Schibsted in Eastern Europe, co-operation has been initiated with the Norwegian School of Management BI in Oslo involving a programme in which 2 to 4 students from Russia, Estonia, Latvia, Lithuania and Poland will be offered a scholarship by Schibsted to complete a two-year part-time MSc or MBA programme at the Norwegian School of Management BI. The first scholarship recipient is from Latvia and started in the programme in the autumn of 1998.

08:34



It's **8.34** p.m. and cinema time in Copenhagen. The three important questions of the evening: Gwyneth Paltrow or Meg Ryan? Tom Hanks or Brad Pitt? The Dagmar or the Scala? The Dagmar on Raadhusplassen and the Scala right across the street from the main entrance to Tivoli are two of Denmark's principal cinemas. Sandrew Metronome owns theaters in Denmark, Sweden and Finland.



It's **8.34** in the evening.

Things are moving at the picture desk at Scanpix. The best pictures taken by its own photographers and the day's supplies from **60** photo agencies throughout the world are on their way to the newsdesks of TV channels and newspapers all over the country.

Scanpix Norge has over 12 million pictures on file. People who say that once on file, a photo's there for ever, are almost right.

4
p.m.

00:00 a.m. 04:13 a.m. 06:00 a.m. 08:00 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. **08:34 p.m.** 10:00 p.m. 12:00 p.m.

08:00 a.m. 10:00 a.m. 12:00 a.m. 02:00 p.m. 04:00 p.m. 06:00 p.m. **08:34 p.m.** 10:00 p.m. 12:00 p.m.

SCHIBSTED CONSOLIDATED

Profit & Loss Account

(NOK 1,000)	Notes	1998	1997	1996
REVENUES				
Subscription revenues		706 235	512 369	511 205
Casual sales revenues		2 326 957	2 225 459	1 793 345
Advertising revenues		2 306 293	1 906 611	1 640 165
Other revenues		1 293 853	715 447	624 441
Total revenues	1	6 633 338	5 359 886	4 569 156
OPERATING EXPENSES				
Raw materials		670 304	526 051	485 426
TV/film production expenses		400 174	240 706	216 473
Personnel expenses	9	2 246 686	1 659 953	1 386 307
Other operating expenses		2 656 054	2 044 633	1 696 756
Losses on accounts receivable		12 726	12 252	9 397
Ordinary depreciation	8	329 276	231 569	196 835
Total operating expenses		6 315 220	4 715 164	3 991 194
Operating profit		318 118	644 722	577 962
FINANCIAL ITEMS				
Financial income		56 180	59 933	46 506
Financial expenses		(115 219)	(56 587)	(42 703)
Share of associated companies	5	8 164	82 662	1 545
Net financial items		(50 875)	86 008	5 348
Minority interests		1 307	(2 512)	(4 094)
Pre-tax profit		268 550	728 218	579 215
Taxes	10	102 076	240 321	178 022
Net profit		166 474	487 897	401 193
Earnings per share		2.40	7.05	5.79

SCHIBSTED CONSOLIDATED

Balance Sheet

(NOK 1,000)	Notes	31.12.98	31.12.97	31.12.96
ASSETS				
Cash and deposits	2	681 088	521 327	317 504
Accounts receivable		539 953	477 150	473 477
Other current assets	3	380 020	219 150	253 558
Total current assets		1 601 061	1 217 627	1 044 539
Other shares and interests	4, 5	785 324	664 528	708 818
Long-term receivables	7	91 493	484 099	402 090
Construction in progress	8	45 087	343 913	169 728
Machinery and equipment	8	1 623 596	336 410	321 824
Buildings and land	8	1 596 347	1 122 331	958 950
Goodwill	8	866 077	483 921	442 814
Net pension assets	9	9 250	8 899	13 148
Total fixed assets		5 017 174	3 444 101	3 017 372
Total assets		6 618 235	4 661 728	4 061 911
LIABILITIES AND SHAREHOLDERS' EQUITY				
Accounts payable		359 263	402 797	205 531
Accrued public dues and wages		508 778	302 386	284 258
Taxes payable	10	74 703	222 497	173 730
Proposed dividend		121 188	121 188	103 875
Other current liabilities		826 272	440 229	381 297
Total current liabilities		1 890 204	1 489 097	1 148 691
Other long-term debt	12	1 726 509	511 471	636 589
Deferred tax	10	30 413	18 426	20 960
Pension obligations	9	547 941	321 130	300 113
Total long-term debt		2 304 863	851 027	957 662
Minority interests		120 771	68 831	65 448
Share capital (69,250,000 shares of NOK 1)		69 250	69 250	69 250
Legal reserves		450 300	450 300	384 537
Total restricted equity		519 550	519 550	453 787
Retained earnings		1 782 847	1 733 223	1 436 323
Total equity	11	2 302 397	2 252 773	1 890 110
Total liabilities and shareholders' equity		6 618 235	4 661 728	4 061 911

SCHIBSTED CONSOLIDATED

Cash Flow Statement

(NOK 1,000)	1998	1997	1996
CASH FLOW FROM OPERATIONS			
Profit before taxes	268 550	728 218	579 215
Minority interests	(1 307)	2 512	4 094
Share of associated companies	(8 164)	(82 662)	(1 545)
Dividends from associated companies	36 235	32 769	11 818
Income taxes paid	(241 983)	(194 088)	(154 833)
Gain/loss from sale of fixed assets	(28 500)	(5 127)	(11 670)
Ordinary depreciation	329 276	231 569	198 104
Increase in accounts receivable	24 530	(3 673)	(89 840)
Increase in accounts payable	(96 049)	197 266	69 654
Difference between pension expenses and cash flows connected to the pension plans	139 258	25 266	10 482
Translation gains/losses	4 338	(3 175)	(6 680)
Increase in other current assets and liabilities	149 414	103 140	30 275
Net cash flow from operating activities	575 598	1 032 015	639 074
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of fixed assets	130 455	35 295	31 006
Purchase of property, plant and equipment	(1 212 795)	(569 984)	(668 270)
Proceeds from sale of shares		153 999	
Purchase/sale of shares in subsidiaries Note 16	(1 788)	(42 750)	(300 476)
Purchase of other shares	(148 867)	(55 830)	(259 480)
Shareholders contributions			(2 913)
Other investments		(82 009)	(35 458)
Proceeds from sale of other investments	24 101		
Net cash flow from investing activities	(1 208 894)	(561 279)	(1 235 591)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from long term borrowing	914 245	191 340	512 401
Repayment of long term debt		(354 378)	
Dividends paid	(121 188)	(103 875)	(90 025)
Net cash flow from financing activities	793 057	(266 913)	422 376
Net increase/decrease in cash and cash equivalents	159 745	203 823	(174 141)
Cash and cash equivalents at beginning of period	521 327	317 504	491 645
Cash and cash equivalents at end of period	681 088	521 327	317 504

Notes to the Annual Accounts for 1998

All figures in NOK 1,000 unless otherwise specified.

1. ACCOUNTING PRINCIPLES

Consolidation

The consolidated accounts include the companies where Schibsted ASA, either directly or through subsidiaries, owns more than 50% of the voting shares.

In the consolidated accounts, all major intercompany items, transactions during the year and internal profits have been eliminated.

The cost price of shares in subsidiaries is set off against the equity in the subsidiaries at the time of acquisition or establishment. Any values that exceed the underlying equity in the subsidiaries are attributed to the assets to which such values relate. If a subsidiary is not wholly owned, the external shareholders' interests are shown as minority interests. The subsidiaries included in the consolidated accounts are shown in Note 4.

Currency exchange

Translation of foreign subsidiaries

The profit and loss account of foreign subsidiaries, denominated in the applicable foreign currency, is recalculated based on the average exchange rate for the year. The balance sheet is based on the exchange rate on 31 December. Any translation differences are recorded directly against the consolidated equity.

Long term debt in foreign currencies

Long term debt in foreign currencies is recalculated at the highest exchange rate at time of drawdown of the loan or the balance sheet date. Exchange rates used at 31.12.98: SEK 93.91, DKK 119.39, USD 7.61, DEM 453.85, CFH 5.52, EEK 0.5675 and GBP 12.63.

Associated companies

Associated companies are defined as companies where Schibsted ASA, either directly or through subsidiaries, owns between 20% and 50% of the voting shares. Associated companies are presented in the group's profit and loss account and balance sheet in accordance with the equity method on a separate line under Financial income and Shares and interests, respectively.

The associated companies included in the consolidated accounts are shown in Note 5.

Joint ventures

Joint ventures are defined as activities where Schibsted ASA, directly or through subsidiaries, participate, and where the participants, through agreements, have joint control over the activity. Joint ventures are presented in the consolidated accounts through pro rata consolidation where the groups share of revenues, expenses, assets and liabilities are presented line by line in the accounts. The joint ventures included in the consolidated accounts are shown in Note 6.

Operating revenues

Advertising revenues are recognised when the ads are placed. Subscription and retail sales revenues are recognised when the newspapers are delivered. Provisions are made for deferred income and estimated casual sales returns.

Cash and cash equivalents

Cash comprises cash on hand and bank deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. See Note 2.

Accounts receivable

Accounts receivable are shown net of provisions for expected losses.

Shares and bonds

Bonds held as current assets are managed on a portfolio basis, and valued at the lower of aggregate cost and aggregate market value. Shares held as fixed assets are valued at cost or market value when the market value is lower than cost and when the reduced value is not considered temporary.

Long term operating assets/ordinary depreciation

Capitalised fixed assets consist of investments that provide for an increase in capacity or a significant improvement in quality. Ordinary depreciation is calculated linearly according to the following rates:

Buildings:	2-4%
Machinery:	5-20%
Vehicles:	20%
Furniture/EDP:	12.5-33%
Goodwill and excess value in associated companies:	5-20%

The depreciation rate on buildings must be considered against the background that most of the buildings are older properties acquired in 1992.

Profits (losses) on sales of fixed assets are calculated as the difference between the sales price and book value and presented net under Other operating revenues (expenses).

Expenses related to Year 2000 problems

Expenses in connection with new systems are capitalised and depreciated in accordance with ordinary principles when the systems are put to use, while expenses connected to modification of existing systems are expensed when incurred.

Pension plans

Defined benefit plans

Net pension costs for the year are calculated as the total of the net present value of the year's accrued pension earnings (including estimated future wage adjustments) and the interest cost of the capitalised pension obligation at the start of the year, less the estimated return on all pension assets, corrected for the amortised effect of any changes in the pension scheme, estimates and variations.

The valuation of pension assets and accrued pension obligation is based on estimates made at year-end. The estimates are adjusted annually according to schedules provided by Vital for the assets' transfer value and the actuarial value of the pension obligations. The effect of changes in estimates and variations between estimated and realised return on pension assets is charged to the profit and loss account only when the accumulated effect is more than 10% of the value of the greater of pension assets and pension obligations. The charge is then distributed over the average remaining accrual time, estimated at 15 years.

Net pension costs are presented entirely under personnel expenses. In the balance sheet net pension assets within the collective pension scheme are classified as fixed assets, whereas uncovered pension obligations are classified as long-term debt.

Defined contribution plans

The net pension cost equals the annually paid contribution.

Deferred tax/deferred tax benefits

Deferred tax is estimated at 28% on the basis of the timing differences which exist at the end of the accounting year between book and tax values and the tax losses carried forward. Negative and positive timing differences which reverse or may be reversed in the same period are set off and entered net.

Financial instruments

Existing currency forward contracts and options secure known future payment in foreign currencies and are accordingly valued at forward rates. Existing interest contracts secure floating interest rates on existing loans. Accordingly, gains and losses are accounted for on interest payment dates.

Criteria for business areas segmentation

The business areas are segmented into areas that alone have a risk and profitability different from the others. The segmentation is in accordance with the group's internal reporting principles and procedures.

2. CASH, BANK AND DEPOSITS

Aftenposten AS and Verdens Gang AS have provided bank guarantees totalling NOK 58 (60) million for maximum withholding tax obligations. Additional withholding tax obligations, NOK 20.8 (5.5) million, are held in separate accounts.

	31.12.98	31.12.97	31.12.96
SPECIFICATIONS OF CASH, BANK AND DEPOSITS:			
Cash and bank deposits	528 587	343 872	208 362
Bonds	20 265	21 078	51 415
Certificates			19 999
Equity funds	5 605	5 441	5 278
Money market funds	3 780	150 936	
Other liquid assets	122 851		32 450
Total cash, bank and deposits	681 088	521 327	317 504

3. OTHER CURRENT ASSETS

	31.12.98	31.12.97	31.12.96
Prepaid to suppliers	49 047	2 511	489
Capitalised film investments		51 600	
Other short term receivables	267 607	130 939	230 270
Inventories	63 366	34 100	22 799
Total other current assets	380 020	219 150	253 558

4. SHARES

	Company's share capital	Owner percentage	Number of shares	Shares par value	Book value Parent	Group
SUBSIDIARIES OWNED BY SCHIBSTED ASA						
Aftenposten AS	30 000	100%	300 000	100	30 000	
Verdens Gang AS	25 000	100%	250 000	100	25 000	
Chr. Schibsted Forlag AS	60	100%	600	100	30	
Scan-Foto AS	1 550	100%	1 550	1 000	1 550	
Schibsted Eiendom AS	5 000	100%	50 000	100	115 905	
Schibsted Finans AS	10 000	100%	100 000	100	10 000	
Osloavisen AS	50	100%	500	100	50	
Schibsted Print Media AS	200	100%	200	1 000	200	
Schibsted Multimedia AS	200	100%	200	1 000	200	
Schibsted TV & Film Holding AS	900	100%	900	1 000	75 412	
Schibsted AB (SEK)	500	100%	5 000	100	492	
Total shares in subsidiaries					258 839	
SUBSIDIARIES OWNED BY OTHER GROUP COMPANIES						
Schibsted Trykk AS	900	100%	900	1 000		900
Alt om Oslo AS	50	100%	10	5 000		0
Avisretur AS	1 500	50.1%	752	1 000		752
VG Pluss AS	50	100%	50	1 000		50
Aftenbladet Hierta AB (SEK)	100 000	49.99%	49 999	1 000		358 456
Hierta Nymedia AB (SEK)	100	49.99%	1 000	100		75
Tabloiden Förvaltnings AB (SEK)	100	49.99%	550	1 000		100
Hierta Annons AB (SEK)	105	49.99%	1 050	100		105
Amedia Arkiv AB (SEK)	100	49.99%	1 000	100		100

CONT. 4. SHARES

	Company's share capital	Owner percentage	Number of shares	Shares par value	Book value Parent Group
Hierta Tidningen AB (SEK)	100	49.99%	1 000	100	100
Gratisavisen AS	5 000	100%	5 000	1 000	5 000
Svenska Dagbladet Holding AB (SEK)	7 674	73.60%	564 806	10	21 168
AS Eesti Meedia (EEK)	27 955	92.50%	258 584	100	234 756
Metronome Film & Television AB (SEK)	101	95%	32 133	3	65 413
Mutter Media AB (SEK)	3 382	95%	33 824	100	11 509
Värtens Videosällskap AB (SEK)	100	95%	1 000	100	52
Mekano Film & TV AB (SEK)	100	95%	1 000	100	47
Meter Film & TV AB (SEK)	100	95%	1 000	100	47
Nordic Entertainment AS	50	95%	500	100	50
Decimeter Film & TV AB (SEK)	100	95%	1 000	100	180
Meter Fakta AB (SEK)	100	95%	1 000	100	47
Mekano Enterprise AB (SEK)	100	95%	1 000	100	470
Skanstullsbrons Video AB (SEK)	100	95%	1 000	100	47
Nordic Entertainment AS Danmark (DKK)	500	95%	500	1 000	599
Rubicon TV AS	2 000	95%	20 000	100	2 000
Metronome Productions AS (DKK)	1 250	96%	2 500	500	3 633
Mekano Film & Television AS	100	95%	100	1 000	100
Mekano Film & Television APS (DKK)	125	95%	125	1 000	145
Metronome Spartacus AS	100	95%	100	1 000	50
Endemol Entertainment Prod. AB (SEK)	100	95%	1 000	100	46 955
Endemol Entertainment APS (DKK)	250	95%	25	10 000	1
Schibsted Broadcast AS	900	100%	900	1 000	1 155
Schibsted Film AS	10 000	100%	100 000	100	8 713
Metronome AS	100	100%	1 000	100	100
Schibsted TV & Film Infrastruktur AS	900	100%	900	1 000	22 900
Kanal 2 (EEK)	848	86%			36 321
A-shares (EEK)			49	320	
B-shares (EEK)			178	4 000	
Schibsted Drift AS	900	100%	900	1 000	900
AS Akersgaten 34	50	100%	100	500	13 054
AS IRO	300	100%	300	1 000	12 750
Sandakerveien 121 AS	900	100%	900	1 000	115 950
Akersgaten 55 AS	1 000	100%	10 000	100	1 000
Scandinavia Online AS (DKK)	5 000	100%	1 000	5 000	5 410
Schibsted Interactive Studio AS	4 000	100%	4 000	1 000	4 000
Allt om Stockholm AB (SEK)	100	100%	1 000	100	94
Hugin AS	88	50.1%	441	100	3 300
Hugin Online AS (DKK)	500	50.1%	500	1 000	561
Hugin Företaksfakta AB (SEK)	100	50.1%	1 000	100	48
Hugin AG (CHF)	100	45.1%	1 000	100	270
Hugin Investor Relation OY (FIM)	50	50.1%	100	500	35
Arakno AS	50	50.1%	50	1 000	25
Bokkilden AS	50	100%	50	1 000	610
Dine Penger AS	900	100%	900	1 000	900
Hvem er Hvem AS	50	100%	50	1 000	50
SMS Publishing AB (SEK)	500	100%	500	1 000	10 026
SOL Børs AS	100	51.9%	2 000	50	1 099
Filminfo AS	147	51.2%	147	1 000	1 768
Headhunter AB (SEK)	100	100%	1 000	100	200
Svenska Förlaget Liv och Ledarskap AB (SEK)	100	100%	1 000	100	50
Total shares owned by other group companies					994 198

CONT. 4. SHARES

	Company's share capital	Owner percentage	Number of shares	Shares par value	Book value	
					Parent	Group
JOINT VENTURES						
Alt om København KS (DKK)	34 205	49%				16 761
Alt om København AS (DKK)	500	49%	245	1 000		284
Scandinavia Online AB (SEK)	10 000	40%	40 000	100		43 641
Scandinavia Online AS	135 641	53.7%	728 390	100		98 525
Schibsted Interactive AB (SEK)	21 000	66%	1 386	10 000		0
Sandrew Metronome AB (SEK)	50 000	50%	2 500 000	10		278 355
Total joint ventures						437 566
ASSOCIATED COMPANIES						
Fædrelandsvennen AS	24 000	25.00%	80 000	75	15 000	48 670
Fædrelandsvennen Trykkeri AS	200	25.00%	50 000	1	20	1 503
Adresseavisen ASA	38 033	31.86%	605 822	20	105 382	126 321
Stavanger Aftenblad ASA	7 500	31.47%	2 360 140	1	60 071	127 394
Bergens Tidende AS	15 593	24.33%	379 338	10	78 512	96 090
NTB AS	12 761	20.65%	5 270	500		14 775
Net 2 Interaktiv AS	1 550	50.00%	775	1 000		35 670
TV-Bilaget AS	10 000	50.00%	5 000	1 000		(2 617)
TV 2 AS	260 000	33.33%	866 667	100	126 863	180 471
TV Pluss AS	3 500	33.00%	11 550	100		(4 929)
Bevertningskompaniet AS	770	46.75%	3 600	100		0
FilmTeknikk Norge AS	13 100	48.63%	63 700	100		3 124
Metronome Entertainment AS	10 000	25.00%	2 500	1 000		(2 145)
Sandrew Metronome Finland Oy (FIM)	1 334	25.00%	5 336	250		888
Metronome Studios AS (DKK)	250	31.25%	250	1 000		740
Intrige AS	40	31.25%	40	1 000		39
AS Akersgaten 32	750	50.00%	60	6 250		3 130
Grensen 15 AS	50	50.00%	50	500		1 444
Imedia Norge AS	1 040	50.00%	1 040	500		(276)
Dagens Medisin AS	6 000	50.00%	3 000	1 000		1 596
Ticketing Control AB						5 738
KS/AS RDB-Nett	11 410/1 141		140	1 630		1 411
Total associated companies					385 848	639 037
SHARES IN OTHER COMPANIES:						
AS Harstad Tidende	8 000	15.6%	311	4 000	3 132	3 132
Asker & Bærums Budstikke ASA	10 200	10.2%	103 956	10	20 781	20 781
SBS Broadcasting S.A. (USD)	22 400	0.42%	62 000	1.5		9 012
Alma Meedia (FIM)	156 371	2.71%	423 550	10		93 888
TV4 AB (SEK)	100 000	0.28%	56 800	5		5 186
Other shares						14 287
Total other companies					23 913	146 287
TOTAL SHARES					409 761	785 324

5. SHARES IN ASSOCIATED COMPANIES

	Book value 1.1.98	Net additions in the period	Share of result	Divident received	Book value 31.12.98
AS Fædrelandsvennen	47 290		3 780	(2 400)	48 670
Fædrelandsvennen Trykkeri AS	1 503				1 503
Adresseavisen Konsern	134 400		403	(8 482)	126 321
AS Stavanger Aftenblad	120 099		10 363	(3 068)	127 394
Bergens Tidende AS	95 329		2 013	(1 252)	96 090
NTB AS	15 100		(325)		14 775
Net 2 Interaktiv AS		43 000	(7 330)		35 670
KS AS RDB Nett	600	882	(71)		1 411
TV-Bilaget AS		5 000	(7 617)		(2 617)
Grensen 15 AS		834	610		1 444
AS Akersgaten 32	2 752		378		3 130
Warner & Metronome AS	69	(69)			
Sandrew Metronome Finland Oy		888			888
ScanCam AS	3 682	(4 510)	1 028	(200)	
FilmTeknikk Norge Konsern	4 262		(1 138)		3 124
Skan.Filmlab.Holding Konsern	5 382	10 800	(16 182)		
Metronome Entertainment AS	15 655	(20 788)	2 988		(2 145)
Metronome Studios AS		521	219		740
TV 2 AS	176 112	(101)	25 293	(20 833)	180 471
TVNorge AS		(1 397)	1 397		
Hollywood Boutique	207	(207)			
TV Pluss AS	(4 576)		(353)		(4 929)
Intrige AS		39			39
Imedia Norge AS	443	5 000	(5 719)		(276)
Ticketing Control AB	5 857	51	(170)		5 738
Filminfo AS					
Inside Finans AB	(1 710)	1 710			
Dagens Medisin AS		3 000	(1 403)		1 597
Total associated companies	622 456	44 653	8 164	(36 235)	639 038

The share of the results is shown after goodwill depreciation of NOK 18.1 mill. Goodwill as at 31.12.98 amounts to NOK 146.7 mill.

6. JOINTLY CONTROLLED ACTIVITIES

	Ownership	Paid capital	Share of control		Share of result	
Alt om København KS	49.0%	NOK 16 761	49%		49.0%	
Scandinavia Online Sverige	40.0%	NOK 43 641	40%		40.0%	
Scandinavia Online Norge	53.7%	NOK 98 525	50%		53.7%	
Schibsted Interactive AB	66.0%	NOK 42 815	66%		66.0%	
Sandrew Metronome AB	50.0%	NOK 278 355	50%		50.0%	

	Share of revenues	Share of expenses	Share of fin. items	Share of res. before tax	Share of current assets	Share of fixed assets	Share of current liabilities	Share of long term debt
Alt om København KS	116	9 196	(1)	(9 081)	1 083	1 637		
Scandinavia Online Sverige	12 137	51 754	42	(39 575)	24 707	42 598	14 648	976
Scandinavia Online Norge	36 139	87 610	466	(50 117)	20 907	9 007	15 272	3 008
Schibsted Interactive AB	43 435	23 911	(33)	19 491	11 187	5 741	4 041	418
Sandrew Metronome AB	285 390	295 709	(1 250)	(11 569)	62 344	208 151	101 485	35 590

7. LONG TERM RECEIVABLES

	31.12.98	31.12.97	31.12.96
Receivables from associated companies	19 672	70 700	120 945
Prepaid to suppliers		369 248	264 381
Other long term receivables	71 821	44 151	16 764
Total long term receivables	91 493	484 099	402 090

8. FIXED ASSETS

	Machinery	Vehicles	Furniture/ EDP	Buildings	Land	Goodwill	Construc. in progress	Total
Acquisition cost 01.01.98	564 724	45 696	731 346	979 509	219 803	586 495	343 510	3 471 083
Additions 1998	918 142	1 688	232 834	650 995		469 271	48 469	2 321 398
Transfers	343 512	1 225	(15 814)	16 812		(2 225)	(343 510)	
Disposals 1998	(4 074)	(13 033)	(62 496)	(82 604)	(20 500)	(10 287)		(192 994)
Acquisition cost 31.12.98	1 822 304	35 575	885 870	1 564 712	199 303	1 043 254	48 469	5 599 487
Acc. depr. 31.12.98	505 105	23 754	591 294	167 668		177 177	3 382	1 468 380
Book value 31.12.98	1 317 199	11 821	294 576	1 397 044	199 303	866 077	45 087	4 131 107
Ordinary depreciation 1998	51 334	6 248	133 219	47 347		87 746	3 382	329 276
Depreciation rates	5-20%	20%	12.5-33%	2-4%		20%		

FIXED ASSETS – ADDITIONS AND DISPOSALS DURING THE LAST FIVE YEARS

	Machinery	Vehicles	Furniture/ EDP	Buildings	Land	Goodwill	Construc. in progress	Total
1994 Additions	112 817	10 771	118 024	83 864	37 500	6 605	4 100	373 681
Disposals	636	2 886	355	310				4 187
1995 Additions	33 314	15 036	92 146	47 075	1 400	84 495	9 748	283 214
Disposals	57	4 557	290					4 904
1996 Additions	19 145	11 022	168 253	11 386	77 425	403 606	163 115	853 952
Disposals	86 425	7 340	9 838	9 427	25 000	3 767	144	141 941
1997 Additions	15 394	6 080	141 943	113 621	7 275	120 599	250 084	654 996
Disposals	5 696	8 289	6 022	265	15 023			35 295
1998 Additions	918 142	1 688	232 834	650 995		469 271	48 469	2 321 398
Disposals	23	6 273	14 159	85 000	25 000			130 455

9. PENSION ARRANGEMENTS

A majority of the Norwegian companies within the Schibsted group maintain their collective pension insurance schemes with Vital. The individual companies' policies are uniform. The main conditions are 30-years' salaried employment, a 66% pension in relation to the pension base on 1 January of the year of attaining the age of 67, and spouse and child pensions. At 31 December 1998 the pension scheme had 2,156 (2,123) members.

In addition to the covered pension obligations, the group has uncovered obligations. These relate to persons not included in the pension scheme, pensions for salaries above 12G, AFP, early retirement pensions and disability pensions for all employees. Disability pensions, pensions to persons not included in the insurance scheme and certain additional pensions may be charged to the group's pension assets.

In the calculation of future pensions the following parameters have been used:

Discount rate	5.0%
Expected return on pension assets	6.0%
Wage adjustments	3.0%
Inflation and G-adjustment	2.0%
Pension adjustment	1.6%
Turnover	3.0%
AFP probability	15.0%

Aftonbladet and Svenska Dagbladet have defined contribution plans for their present employees and uncovered obligations mostly related to their retired employees. The size of the defined contribution depends on the individual's salary and is expensed when paid, while uncovered pension obligations are calculated with parameters approximately equivalent to the group's obligations above.

Pension cost for the period is calculated as follows:

	1998	1997	1996
NPV of this period's pension earnings	95 282	70 103	55 191
Interests expenses of existing obligations	80 270	72 900	66 945
Estimated return on pension assets	(70 442)	(66 214)	(62 901)
Allocated effect of changes in estimates and pension plans, and deviations between actual and expected return	1 317	1 722	(2)
Net pension cost	106 427	78 510	59 233

The period's expenses due to early retirement schemes are charged to personnel expenses, totalling	113 500	3 341	4 131
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Pension obligations and pension assets as at 31 December:

	1998	1997	1996
Estimated pensions obligations	1 785 093	1 484 507	1 432 194
Pension assets	1 200 164	1 190 559	1 112 201
Estimated net pension obligations	(584 929)	(293 948)	(319 993)
Non-booked effects due to estimate changes and variations between estimated and realised return on assets	46 238	(18 283)	33 028
Net pension obligations	(538 691)	(312 231)	(286 965)
Of which net pension assets	9 250	8 899	13 148
Of which uncovered obligations	(547 941)	(321 130)	(300 113)

Pension assets are managed by Vital within the guidelines applicable for life insurance companies.

10. TAXES

Set out below is a specification of the differences between the year's accounting result and the year's tax base:

	1998	1997	1996
Result before taxes	268 550	728 218	579 215
+/- Permanent differences	75 331	(20 315)	128 680
+/- Changes in timing differences	(15 569)	159 721	49 555
The year's basis for taxes payable	328 311	867 624	757 450
Taxes payable	91 927	242 935	177 462
(Over)/under provided preceeding year	456	(80)	
Changes in deferred tax	9 693	(2 534)	560
Taxes	102 076	240 321	178 022

Set out below is a specification of the timing differences and taxable losses carried forward, and calculations of deferred tax/deferred tax benefits at the end of the accounting year:

	31.12.98	31.12.97	31.12.96
Current items	(28 003)	(18 043)	(26 829)
Net pension assets	9 249	8 899	1 342
Other long term items	323 141	33 559	65 443
Total long term items	332 390	42 458	66 785
Taxes losses carried forward	(350 955)	(111 646)	(3 945)
Pension obligations	(271 400)	(228 296)	(191 818)
Basis for deferred tax	(317 968)	(315 527)	(155 807)
Tax rate applied	28%	28%	28%
Net deferred tax assets	(89 031)	(88 348)	(43 626)
Deferred tax carried in the balance sheet	30 413	18 426	20 960
Deferred tax assets not carried in the balance sheet	(119 444)	(106 774)	(64 586)

Net deferred tax assets in companies that can not be set off against deferred tax in other companies cannot be included in the balance sheet, and is therefore not reflected in the accounts.

RISK-amount

The RISK-amount for the previous years are:

1992	1.04
1993	5.16
1994	4.31
1995	4.25
1996	4.97
1997	6.23

11. EQUITY

	Share capital	Legal reserves	Other equity	Total
Equity 31.12.97	69 250	450 300	1 733 223	2 252 773
Net result 1998			166 474	166 474
Dividend			(121 188)	(121 188)
Translation differences			4 338	4 338
Equity 31.12.98	69 250	450 300	1 782 847	2 302 397

Other equity represents retained earnings in the individual companies adjusted for internal eliminations.

12. LONG TERM DEBT

As of 31 December, 1998 the group has total debt to external lenders amounting to NOK 1,727 million. Below certain aspects of the two largest long-term loans agreements are described. In addition the group has loans connected to the printing plants in Sweden and Estonia and some additional loans in connection with other investments.

Syndicate loan

The agreement has been entered into with 11 banks and is limited to USD 300 million. At the end of the year an amount equivalent to NOK 688.4 million was drawn. The interest rate is the reference rate in the different currencies plus a fixed margin.

Loan in the Nordic Investment Bank

The loan amounts to USD 32 million, equivalent to NOK 206.3 million, with repayment by 2008. The interest rate is Libor plus a fixed margin. Both instalments and interest payments are hedged against NOK through a currency- and interest rate swap. The agreements have financial covenants related to, among others, the relative size of the equity, the cash flow of the group and formal restrictions in relation to obtaining further financing. However, no other security is provided for the loans.

13. GUARANTEES

The group has issued guarantees in respect of loans to employees totalling NOK 24.3 (2.5) million.

14. TRANSACTIONS WITH RELATED PARTIES

Verdens Gang AS has agreements on the printing of VG with, among others, Stavanger Aftenblad AS, AS Harstad Tidende and Adresseavisen AS. The contracts have been based on market terms. Also, Scandinavia Online's co-operation with other group companies has been entered into based on market terms.

15. BUSINESS AREAS

(NOK mill.)

	Newspapers		TV/Film		Multimedia		Other		Total	
	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997
PROFIT AND LOSS ACCOUNT										
Revenues in Norway	3 520	3 390	73	50	235	165	22	(13)	3 850	3 592
Rev. in other contries	2 076	1 430	643	314	64	24			2 783	1 768
Operating expenses	(5 205)	(4 187)	(693)	(363)	(474)	(279)	57	114	(6 315)	(4 715)
Operating result	391	633	23	1	(175)	(90)	79	101	318	645
Share associated comp.	1	44	13	46	(7)	(8)	1	1	8	83
Net financial items	6	49	(18)	(11)	(19)	(7)	(28)	(28)	(59)	3
Minority interests	4	(3)	(4)	(1)	2	1	(1)		1	(3)
Profit/(loss) before tax	402	723	14	35	(199)	(104)	51	74	268	728
Taxes	(102)	(122)	(11)	(11)	(2)	(2)	13	(105)	(102)	(240)
Net profit/(loss)	300	601	3	24	(201)	(106)	64	(31)	166	488
BALANCE SHEET										
Current assets	1 748	1 270	255	181	259	118	(661)	(351)	1 601	1 218
Fixed assets	3 231	2 381	658	425	188	177	940	461	5 017	3 444
Total assets	4 979	3 651	913	606	447	295	279	110	6 618	4 662
Current liabilities	1 716	1 426	187	130	115	75	(128)	(142)	1 890	1 489
Long term debt	1 998	1 090	592	417	555	274	(840)	(930)	2 305	851
Minority interests	85	63	35	5	1	1			121	69
Equity	1 180	1 072	99	54	(224)	(55)	1 247	1 182	2 302	2 253
Total liabilities and equity	4 979	3 651	913	606	447	295	279	110	6 618	4 662
Investments in fixed assets	232	138	53	18	30	38	23	16	338	210

16. CASH FLOW

ACQUISITIONS/SALES OF SHARES IN SUBSIDIARIES	1998	1997	1996
Cash and cash equivalents	218 792	10 761	72 345
Other current assets	241 753	10 523	30 340
Fixed assets	696 046	85 012	432 408
Total assets	1 156 591	106 296	535 093
Current liabilities	(490 629)	(14 865)	42 860
Long term debt	(392 136)	(37 920)	(147 004)
Minority interests	(53 246)		(58 128)
Acquisitions/sales of subsidiaries at cost price	220 580	53 511	372 821
Cash and cash equivalents	(218 792)	(10 761)	(72 345)
Cash flow from acquisitions/sales of shares in subsidiaries	1 788	42 750	300 476

The Annual Accounts

(NOK 1,000)	Notes	1998	1997
Revenues	2	69 395	60 706
OPERATING EXPENSES			
Personnel expenses	3	39 905	27 317
Other operating expenses		55 517	40 193
Ordinary depreciation	6	4 837	4 692
Total operating expenses		100 259	72 202
Operating result		(30 864)	(11 497)
FINANCIAL ITEMS			
Financial income		118 338	439 727
Financial expenses		(439)	(3 073)
Net financial items		117 899	436 654
Pre-tax profit		87 035	425 157
Taxes	8	17 261	91 609
Net profit		69 774	333 548
TRANSFERS AND DISTRIBUTIONS:			
Group contribution received		231 179	387 839
Group contribution paid		(170 832)	(45 745)
Dividend		(121 188)	(121 188)
Retained earnings		(8 934)	(554 454)
Total		(69 774)	(333 548)
Cash Flow Statement			
Net cash flow from operating activities		(144 000)	40 787
Net cash flow from investing activities		(123 592)	(19 620)
Net cash flow from financins activities		221 107	40 811
Net change in cash during the year		(46 486)	61 978
Cash at January 1st		63 173	1 195
Cash at December 31st		16 688	63 173

Balance Sheet

(NOK 1,000)	Notes	31.12.98	31.12.97
ASSETS			
Cash and deposits	4	16 688	63 173
Accounts receivable		689	268
Receivables from group companies		784 473	835 224
Other current assets		12 813	6 010
Total current assets		814 663	904 675
Shares in subsidiaries	5	258 839	144 014
Other shares	5	409 761	410 411
Long term receivables		4 496	3 126
Machinery and equipment	6	17 494	13 114
Net pension assets	7	5 214	5 067
Total fixed assets		695 804	575 732
Total assets		1 510 468	1 480 407
LIABILITIES AND SHAREHOLDERS' EQUITY			
Accounts payable		4 655	5 113
Accrued public dues and wages		6 540	3 666
Debt to subsidiaries		174 499	84 209
Taxes payable	8	17 261	91 609
Other current liabilities		1 713	1 406
Proposed dividend		121 188	121 188
Total current liabilities		325 856	307 191
Long term-debt to subsidiaries		200	
Pension obligations	7	10 441	8 179
Total long-term debt		10 641	8 179
Share capital (69,250,000 shares à NOK 1)		69 250	69 250
Legal reserve		158 143	158 143
Total restricted equity		227 393	227 393
Retained earnings		946 579	937 645
Total shareholders' equity	9	1 173 972	1 165 038
Total liabilities and shareholders' equity		1 510 468	1 480 407

Notes to the Annual Accounts 1998

1. ACCOUNTING PRINCIPLES

Schibsteds accounting principles are described in Note 1 to the consolidated accounts.

2. OPERATING REVENUES

The operating revenues for 1998 consist of royalty payments and management fees. The royalty relates to the VG publishing rights.

3. REMUNERATION TO THE BOARD OF DIRECTORS, THE COMPANY'S AUDITORS AND THE C.E.O.

Schibsted ASA has paid NOK 1.5 million in remuneration to the board of directors; NOK 465 000 in auditors' fees and a further NOK 439 000 in other remuneration to the auditors. NOK 2.2 million has been paid in total remuneration to the Chief Executive Officer, including benefits and director's fees from other group companies. Under certain conditions the company is obliged to pay remuneration in the amount of two years salary to the C.E.O. The C.E.O. may choose to leave his position at the age of 65 and receive a pension amounting to 90% of his salary in the period 65-67 years.

4. CASH, BANK AND DEPOSITS

Restricted bank deposits for withholding tax amounted to NOK 2 289 264.

Group account system

Schibsted ASA's bank accounts are included in a group account system in order to optimise liquidity management. The companies participating in this arrangement are jointly and severally liable to the bank for all liabilities arising under the group account arrangement.

5. SHARES

A specification of shares in subsidiaries and shares and interests in other companies is shown in Note 4 to the consolidated accounts.

(NOK 1,000)	Company's share capital	Number of shares	Par value per share	Book value
Total shares in subsidiaries:				258 839
Fædrelandsvennen AS	24 000	80 000	75	15 000
Fædrelandsvennen Trykkeri AS	200	50 000	1	20
Adresseavisen ASA	38 033	605 822	20	105.382
Stavanger Aftenblad ASA	7 500	2 360 140	1	60 071
TV 2 AS	260 000	866 667	100	126 863
Bergens Tidende AS	15 593	353 338	10	78 512
Total shares in associated companies				385 848
Total shares in other companies				23 913
Total shares				668 600

6. OPERATING ASSETS

	Office- machinery	Computers	Furniture	Vehicles	Leasehold improvements	Total
Acquisition value 1.1.98	575	5 556	9 188	2 450	4 593	22 362
Additions 1998		1 879	7 073	338	160	9 449
Disposals 1998	(19)			(976)	(4 561)	(5 556)
Acquisition value 31.12.98	556	7 435	16 261	1 812	192	26 255
Acc. depreciation at 31.12.98	391	4 552	2 746	1 048	25	8 761
Book value at 31.12.98	165	2 883	13 515	764	167	17 494
The year's ordinary depreciation	43	1 739	2 518	513	25	4 837
Depreciation rates	20%	33.30%	20%	20%	20%	
OPERATING ASSETS – ADDITIONS AND DISPOSALS LAST 5 YEARS						
1994 Additions	106	522	5 598	331	4 577	11 134
Disposals			346	225		571
1995 Additions		999	400	673	64	2 136
Disposals				162		162
1996 Additions		1 160	697	951	482	3 290
Disposals				85	624	709
1997 Additions	87	2 617	8 052	165	95	11 016
Disposals		110	1 565	130		1 805
1998 Additions		1 879	7 073	338	160	9 449
Disposals				477		477

7. PENSION ARRANGEMENTS

A description of the company's pension arrangements is give in Note 9 to the consolidated accounts.

PENSION COST FOR THE PERIOD IS CALCULATED AS FOLLOWS:

	1998	1997
NPV of this period's accrued pension earnings	4 078	3 312
Interest cost on existing pension obligations	1 827	1 399
Expected return on pension assets	(1 339)	(1 040)
Amortisation	670	1 434
Net pension cost	5 236	5 105

PENSION OBLIGATIONS AND PENSION ASSETS:

	31.12.98	31.12.97
Estimated obligations	42 760	33 775
Estimated pensions assets	24 876	18 720
Estimated net pension assets (obligations):	(17 884)	(15 055)
Non-booked effects due to estimate changes and variations between estimated and realised return on assets	12 657	11 943
Net pensions assets (obligations)	(5 227)	(3 112)
Of which net pension assets	5 214	5 067
Of which uncovered obligations	(10 441)	(8 179)

8. TAXES

Below is a specification of the difference between the year's accounting result and the basis for payable taxes:

	1998	1997
Pre-tax profit	87 035	425 157
+/- Permanent differences	(27 658)	(91 092)
+/- Changes in timing differences	2 267	(6 889)
Basis for payable taxes	61 644	327 176
Taxes payable = taxes	17 261	91 609

Below is given a specification of the timing differences, and calculations of deferred tax/deferred tax benefits at the end of the accounting period:

	31.12.98	31.12.97
BASIS FOR DERERRED TAX		
Net pension assets	5 214	5 067
Other long term items	(217)	(64)
Total timing differences	4 997	5 003
Tax rate applied	28%	28%
Deferred tax	1 399	1 401
BASIS FOR DEFERRED TAX BENEFITS		
Pension obligations	10 441	8 179
Tax rate applied	28%	28%
Deferred tax benefit	2 923	2 290
Net deferred tax benfit	(1 524)	(889)

Net deferred tax benefits cannot be carried in the balance sheet, and this item is therefore not included in the accounts.

9. EQUITY

	Share capital	Legal reserve	Retained earnings	Total
Equity at 1.1.98	69 250	158 143	937 645	1 165 038
This year's distribution			8 934	8 934
Equity at 31.12.98	69 250	158 143	946 579	1 173 972

10. GUARANTEES

Schibsted ASA has issued guarantees amounting to NOK 895 million for long term debt in Schibsted Finans AS. The company has in addition issued guarantees covering Aftonbladets uncovered pension obligations amounting to NOK 98 million and leasing of the printing equipment in Tidningstryckarna AB amounting to SEK 182 million.



TRANSLATION FROM NORWEGIAN

AUDITORS' REPORT FOR 1998

To the Annual General Meeting of
Schibsted ASA

Arthur Andersen & Co.
Statsautoriserte Revisorer

Drammensveien 165
Postboks 228 Skøyen
0212 Oslo
22 92 80 00 Telefon
22 92 89 00 Telefaks

Medlemmer av Norges Statsautoriserte
Revisorers Forening

We have audited the annual accounts of Schibsted ASA for 1998, showing net income of NOK 69.774 for the company and net income of NOK 166.474 for the group. The annual accounts, which consist of the Board of Directors' report, statement of income, balance sheet, statement of cash flows, notes and the corresponding consolidated financial statements, are the responsibility of the Board of Directors and the Chief Executive Officer.

Our responsibility is to examine the company's annual accounts, its accounting records and the conduct of its affairs.

We have conducted our audit in accordance with applicable laws, regulations and generally accepted auditing standards. We have performed the auditing procedures we considered necessary to determine that the annual accounts are free of material errors or omissions. We have examined, on a test basis, the accounting material supporting the financial statements, the appropriateness of the accounting principles applied, the accounting estimates made by management and the overall presentation of the annual accounts. To the extent required by generally accepted auditing standards we have also evaluated the company's asset management and internal controls.

The appropriation of net income, as proposed by the Board of Directors, complies with the requirements of corporate law.

In our opinion, the annual accounts have been prepared in conformity with corporate law and present fairly the company's and the group's financial position as of 31 December 1998 and the result of its operations for the fiscal year in accordance with generally accepted accounting principles.

ARTHUR ANDERSEN & CO.

Morten Drake (sig.)
State Authorised Public Accountant (Norway)

Oslo,
February 25, 1999

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Terje Bjerkan, 6880 Stryn
Møller & Co, 3100 Tonsberg
Gulliksen & Holmen ANS, 3015 Drammen

SCHIBSTED CONSOLIDATED

Value Added Statement

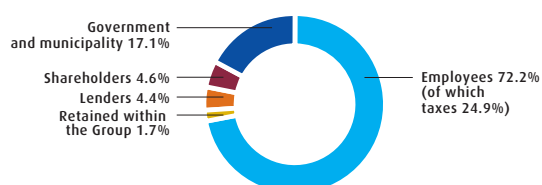
The group's value added over the year is created from labour, capital and technology.

Gross value added consists of aggregate operating revenues less the value of goods and services consumed. Depreciation represents the loss in the value of production equipment during the year and is deducted together with other goods and services consumed.

The difference between gross value added and depreciation is the same as net value added. Financial income represents an addition to net value added.

The value created is divided between the employees, providers of capital (lenders and shareholders), the state (government and municipality) and the group companies (retained for future value creation and to strengthen the capital base).

Distribution of value added 1998



(NOK 1,000)	1998	1997		1998	1997
			EMPLOYEES		
Revenues	6 633.3	5 359.9	Gross wages and social expenses	1 898.4	1 435.1
– consumption of goods/serv. purch.	3 739.3	2 823.6	(of which withholding taxes)	653.8	455.5
Gross value added	2 894.1	2 536.2	PROVIDERS OF CAPITAL		
– ordinary depreciation	329.3	231.6	Interests payment to lenders	115.2	56.6
Net value added	2 564.8	2 304.7	Dividend to shareholders	121.2	121.2
+ financial income	64.3	142.6	GOVERNMENT AND MUNICIPALITY		
			Taxes and duties	450.3	465.2
			RETAINED WITHIN THE GROUP		
			Retained for future value creation	44.0	369.2
Values for distribution	2 629.1	2 447.3	Values distributed	2 629.1	2 447.3

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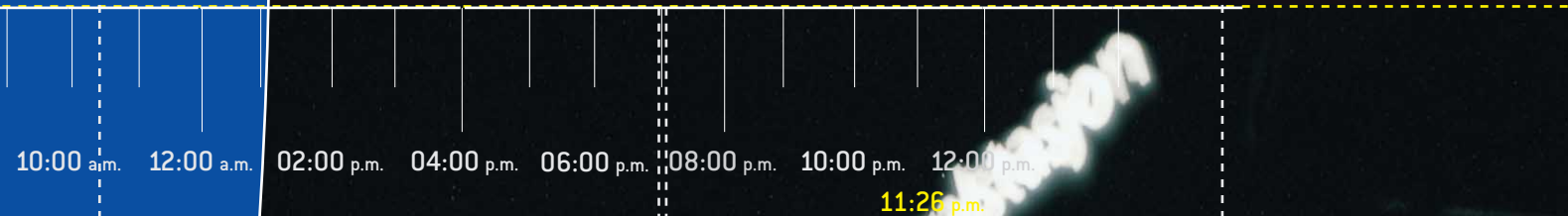
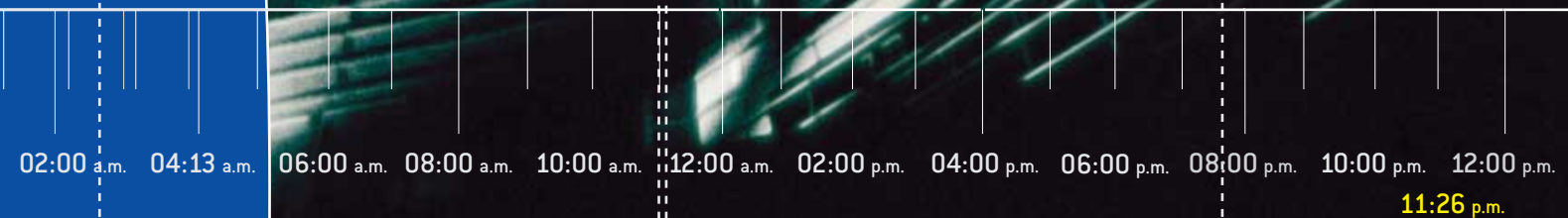


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11:26 p.m.



Three beers, two glasses of wine and a large portion of tapas to split. Three hugs, and maybe you'll get a call tomorrow. And now at **11.26**p.m., with seven minutes to go before my tram arrives, I'm confronted by the world on an electronic newspaper 30 feet high and 20 feet wide on the facade of Oslo's Central Station. The biggest in Europe. So big that two adult elephants would fit into the screen. Which, Aftenposten tells us, has **487,500** diodes. Getting the latest news around the clock is OK for everyone, including those of us who are on our way home after an evening on the town. But what's Aftenposten going to do with elephants up there?

p.m.



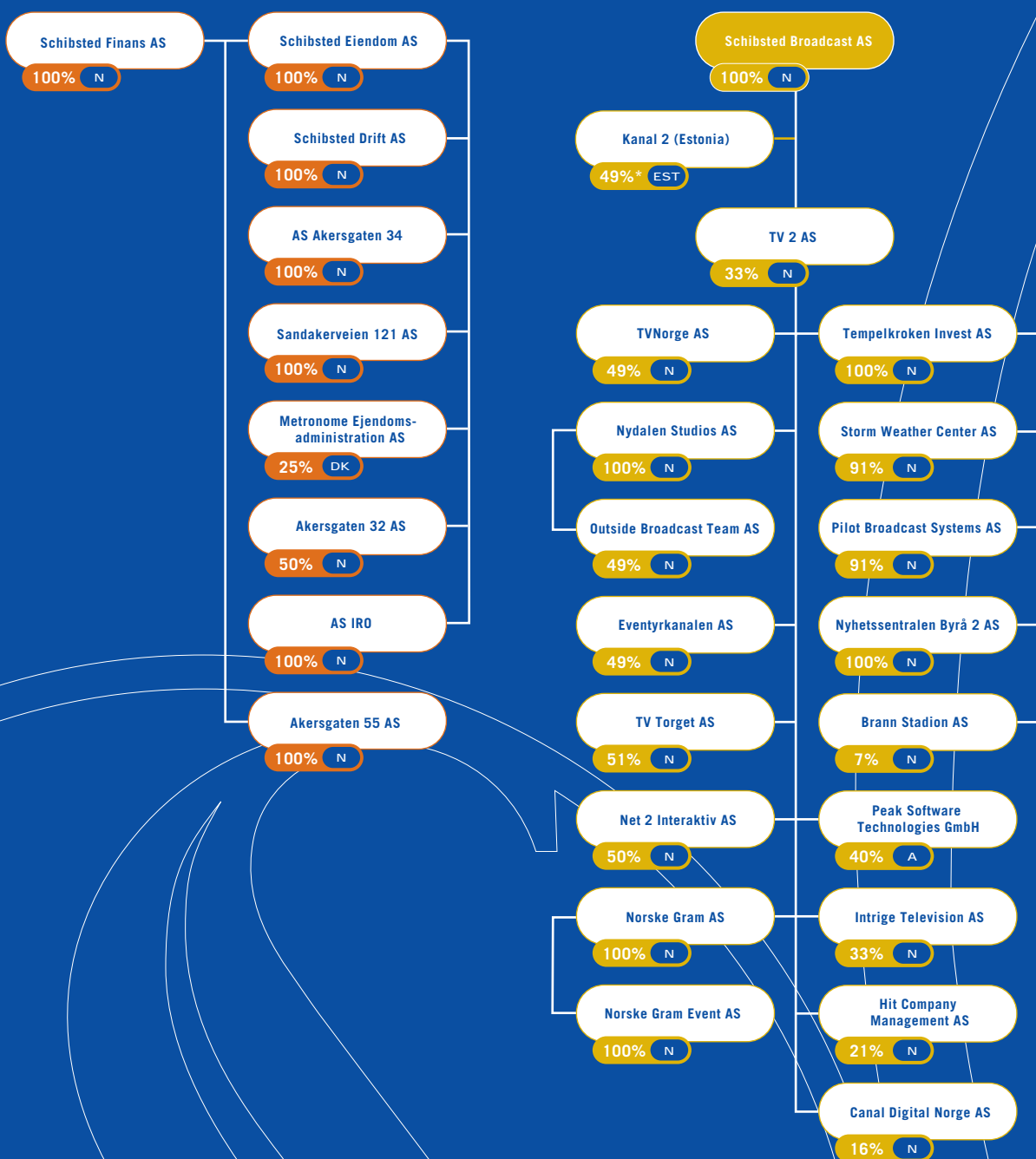


Group Company Structure

March 15, 1999



Joint Functions Schibsted ASA



* 86% of the capital

TV/Film

Schibsted TV & Film AS



** 100% of the common stock

Newspapers

Schibsted Print Media AS



Multimedia

Schibsted Multimedia AS



N	Norway
S	Sweden
F	Finland
DK	Denmark
D	Germany
A	Austria
CH	Switzerland
EST	Estonia

Address list

JOINT FUNCTIONS

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NEWSPAPERS

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MULTIMEDIA

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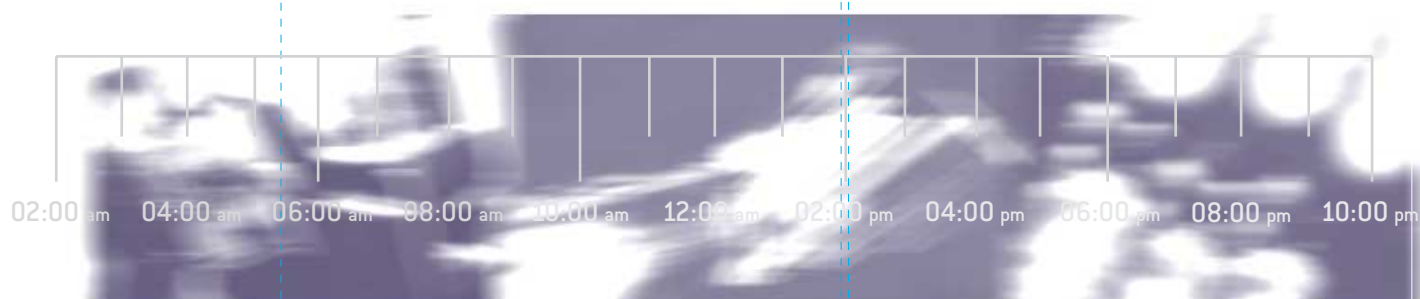
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