SCHIBSTED

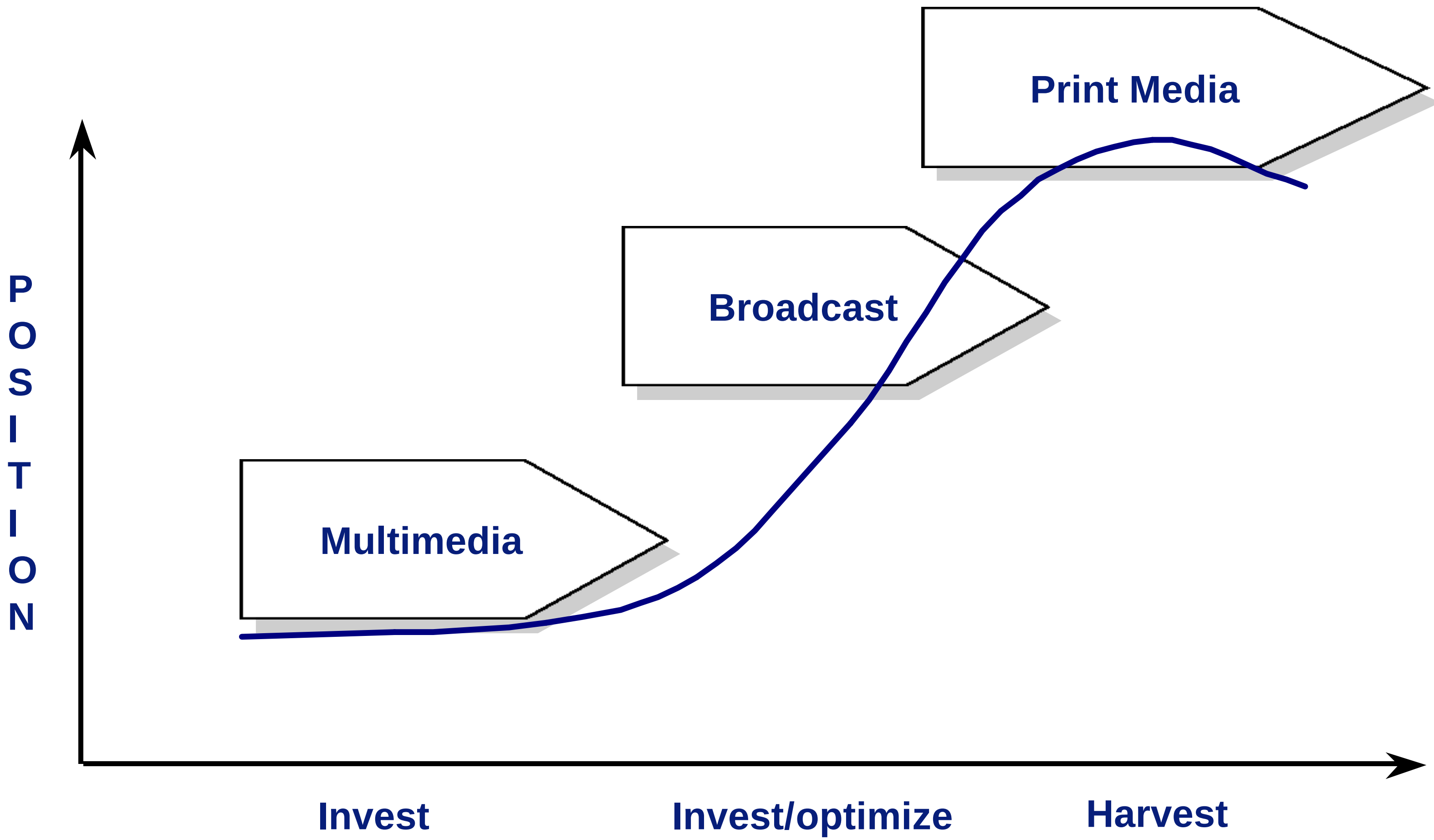
Presentation of Schibsted's TV/Film and Multimedia activities:

President & CEO Kjell Aamot
Executive Vice President Jan Erik Knarbakk
Executive Vice President Birger Magnus
IR Officer Stein Yndestad

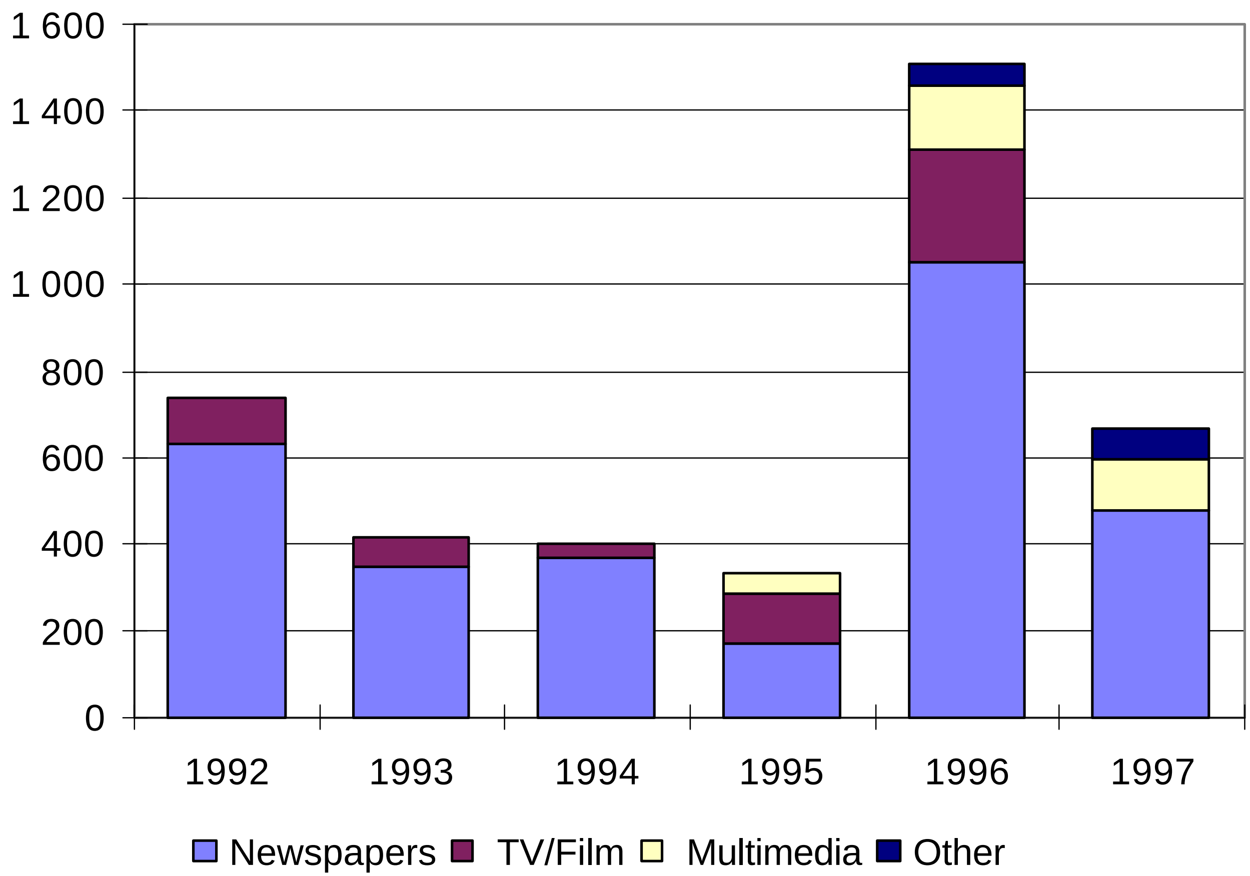
Oslo	14/5 1998
London	15/5 1998

Schibsted’s vision

Schibsted's goal is to be the leading media company in Scandinavia through being the preferred supplier of content to readers, viewers and advertisers, irrespective of their choice of media.


Print Media
Broadcast
Multimedia
POSITION
Invest
Invest/optimize
Harvest

Investments 1992 - 1997



Schibsted TV/Film

Jan Erik Knarbakk, Executive Vice President

Schibsted ASA

Oslo/London, May 14-15, 1998

Why in the TV and film area

- To fulfil the goals announced when Schibsted was listed:
  - *a growth aspiration in the media market*
  - *the ambition to follow the changes in the media market, regardless of the consumers' choice of media channel*
  - *the goal of becoming one of the leading media companies in Scandinavia by the end of the century*

- To follow up the company's vision:
  - *"…being the preferred supplier of content to readers, viewers and advertisers, irrespective of their choice of media"*

Why in the TV and film area 2

- We see both value creation and protection for Schibsted in expanding into TV and film
  - *- in following the reader when he or she becomes a viewer*
  - *- in following the advertiser when he or she prefers the picture medium to print*

- Our speciality is being a content provider - and we believe that we have the sufficient competence to take a leading role as such in Scandinavian TV as well as in print media
  - *- ability to attract creative talent*
  - *- necessary financial strength and knowledge of the market*
  - *- management used to "media peculiarities"*

Why in the TV and film area 3

- Rights are essential to TV, and will be increasingly so in the digital TV world. We concentrate on being a supplier of film rights. In order to maximise value of our rights, we will use and re-use them in all possible “windows”:
  - *- free TV and pay TV*
  - *- video and cinema*
  - *- on the Net (?)*

- We see synergies in the future between our TV/film and multimedia activities
  - *- in producing and bringing moving pictures to the PC screen*
  - *- in being present both in TV channels and on the Net when the two types of media merge.*

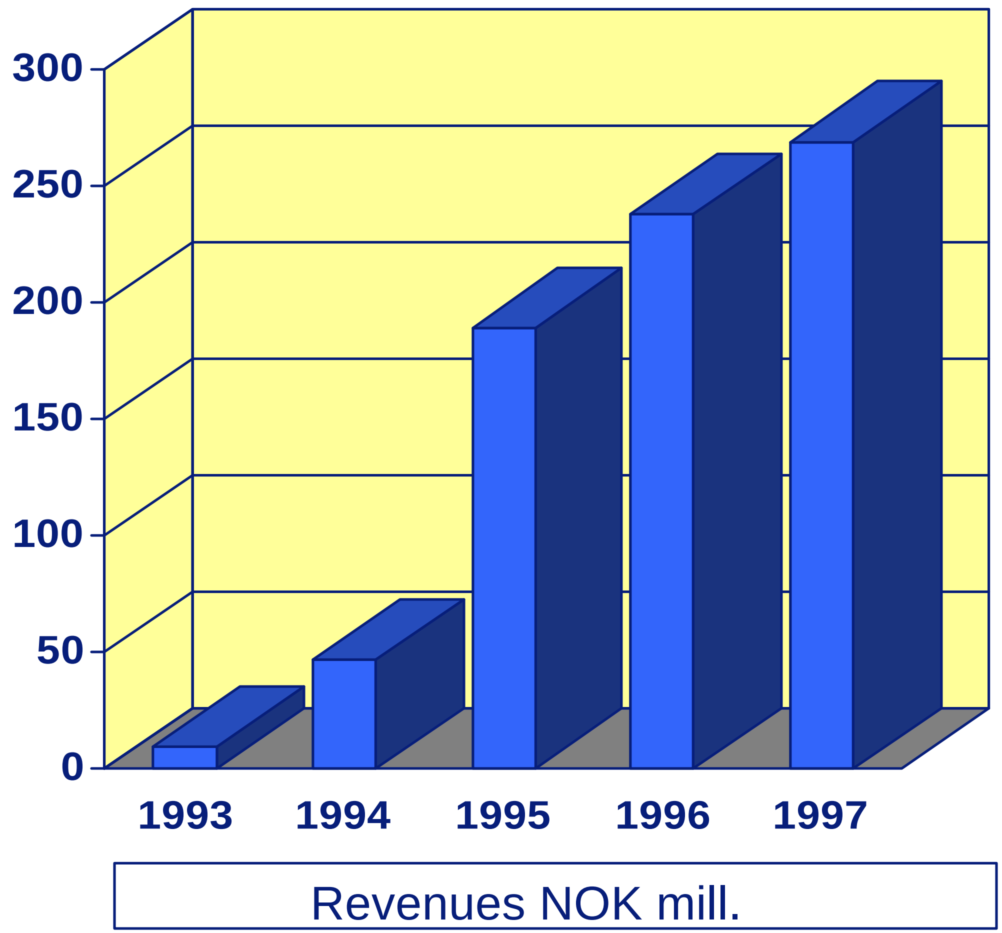
The TV/Film structure

SCHIBSTED TV & FILM AS
Business area - holding company

TV and film production METRONOME FILM & TV AB (95%)	TV channels SCHIBSTED BROADCAST AS	Film rights and distribution SANDREW METRONOME AB (50%)
12 production companies for TV programs and commercials in Norway, Sweden and Denmark	TV 2, Norway (33,3%) Kanal 2, Estonia (49,5/86%)	National companies in Norway, Sweden, Denmark and Finland - covering right sales to TV, distribution to video and cinema

Headlines TV and film production

- 1993: Acquisition of commercials production company Moland Film in Norway and Denmark.
- 1994: TV production company Rubicon established in Norway.
- 1995: Acquisition of Swedish production company group Mutter - 4 companies in Sweden, Norway and Denmark.
- 1996: Acquisition of Danish TV and commercials production company Metronome Productions



Status TV and film production

Largest independent TV and commercial film production group in Scandinavia - revenues NOK 97,6 mill. and operating profit NOK 5,5 mill. 1. Quarter 1998.

Main competitor MTV - revenues NOK 66,2 mill. and operating profit NOK -1,9 mill.

Problems in TV production

- Far too many production companies in the small Nordic markets.
- Few and powerful TV channels in buyer's market makes it difficult for everyone to do business among the independent producers.
- MTG's cost cut program shows desperation in a number of production companies across Scandinavia.
- Program makers do what they want, whatever the production budgets say - how to manage a bunch of "artists" with no sense of money?

The market place tomorrow

- ”Two men and one camera” producers’ era almost over in Scandinavia. Not all the production companies on today’s Nordic top 10 list will survive next 2-3 years.

- Two types of production companies will survive in the Scandinavian market place:
  - *- Niche producers with mainly one highly attractive program concept and a popular host.*
  - *- A handful of bigger production companies with sufficient creativity, quality, strength and management to take responsibility for big drama and entertainment productions.*

- TV channels competition for best content will increase:

The market place tomorrow 2

- - *Increased struggle for market shares.*
- - *State owned channels will increasingly look for creativity elsewhere.*
- - *First signs of better long time planning in the commercial TV channels - longer contract periods for producers.*
- - *More national content in Scandinavian pay TV - interesting possibility for production companies.*
- - *Digitalisation - overflow of channels and lack of content*

- Relatively big TV production companies, like Metronome, must be able to combine cost effective industrial production with the ability to attract the best creative work force:
  - - *Strong local management vital in big and expensive productions.*
  - - *The best creative people always the key to success.*

Schibsted's challenge

- To protect and strengthen Metronome Film & TV's new position as the leading Scandinavian TV and commercial film production group:

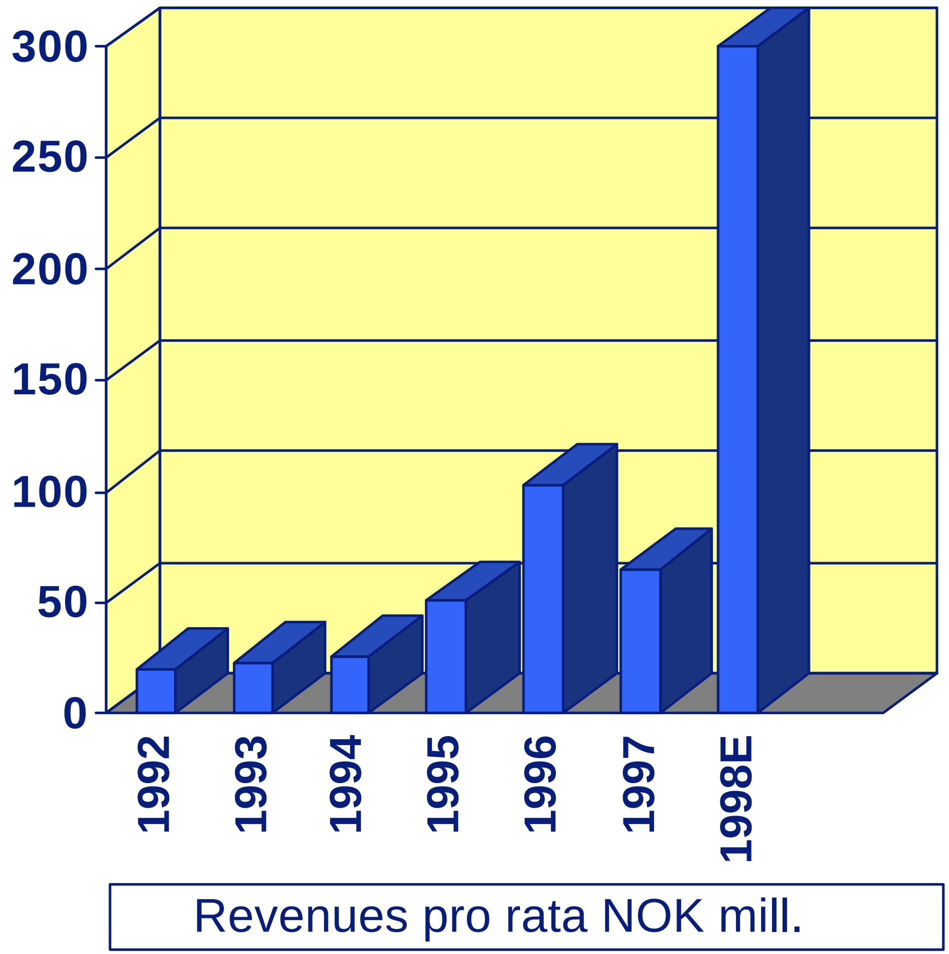
- - by adding to Metronome' existing portfolio exclusive production rights to attractive program concepts from abroad.

- - by giving Metronome access to an international production network and sales force - in order to expand competence base at home and to help selling Metronome developed concepts on a bigger market.

- It is time to look for a suitable international TV production partner.

Headlines film rights and distribution

- 1992: Acquisition of Norwegian film distributor NFD.
- 1992: Co-operation with Swedish Sandrew and Danish Metronome regarding rights acquisition.
- 1996: Acquisition of Danish Metronome's film distribution company and Copenhagen cinemas.
- 1997: Acquisition of Metronome's video distribution in Denmark.
- 1997/98: Joint venture with Sandrew = Sandrew Metronome.



Status film rights and distribution

SANDREW METRONOME

The Sandrew Metronome merger has created a new major Scandinavian player in the field of film rights acquisition and distribution through TV, video and cinemas. As of today the company has got the rights to 700 films, of which 400 are Scandinavian productions. SM is the second largest cinema owner in Scandinavia with 130 exhibition theatres.

Estimated revenues 1998: NOK 600 mill.

The market place tomorrow

- Three major Scandinavian players on the film rights and distribution market - with different strengths and weaknesses:
  - *- Egmont: Very strong in children's entertainment on video, and a major film and video distributor in all countries. Largest cinema owner in Denmark. Weak spot: No cinemas outside Denmark.*
  - *- Bonnier (Svensk Filmindustri): Strong market leader position as cinema owner in Sweden (60%), and a major film and video distributor in all countries but one. Weak spots: No video distribution in Denmark, no cinemas outside Sweden.*
  - *- Sandrew Metronome: Second largest cinema owner in Sweden (30%), second largest in Copenhagen and in Helsinki. A major film and video distributor in all countries. Weak spots: Video distribution in Norway not satisfactory. No US major film distribution deal.*

The market place tomorrow 2

- Cinema business to be restructured. Small cinemas in remote places will eventually be closed down. Large multiplex complexes has been a success in big cities and suburban areas.

- Video business turns from rent to buy - total volume steady in Scandinavia. New technology gives opportunity to re-use films on new and more handy format.

- Total Scandinavian representation increasingly important in order to secure best film rights from US majors and other international producers.

The market place tomorrow 3

- Competition in film rights acquisitions getting tougher. Price wars and buying based only on scripts or the leading actor increases risk. Control of as many “windows” as possible reduces total risk taking - and makes a success more successful.

Schibsted’s challenge

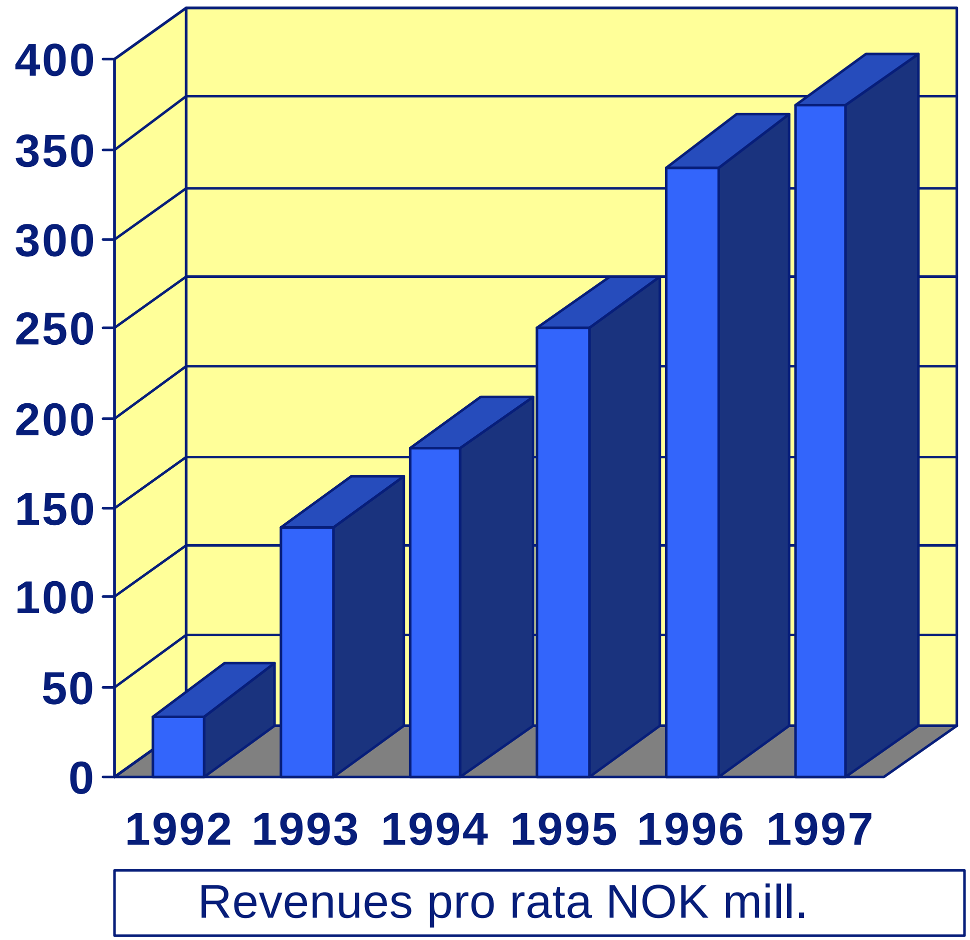
- To participate in recreating three merged national companies and business cultures into one integrated Scandinavian body - with joint goals and focus.

- To participate in restructuring the existing businesses in each country - to make the national organisations fit effectively into the joint Scandinavian operation.

- To contribute in developing contacts and alliances with international majors in the film business - in order to broaden the new company’s supply of rights, and such strengthen its market position.

Headlines TV channels

- 1991: TV 2, Norway, gets 10 year license.
- 1992: TV 2 is launched.
- 1995: TV+ is launched in Norway
- 1995: Schibsted acquires 27% of Kanal 2, Estonia.
- 1996: Schibsted acquires 29% of TVNorge. TV+ is closed down.
- 1997: TV 2 acquires 49,3% of TVNorge.
- 1997: Schibsted with 49,5% of votes and 86% of capital in Estonian Kanal 2.



TV 2 in Schibsted's TV strategy

- The ownership regulations in TV 2 - decided by the Norwegian parliament - have been a challenge for the channel's ownership. Schibsted and the other Norwegian owner, A-pressen, today have a mutual understanding regarding the main frame work for the development of the company.

- Through the TV 2 ownership in TVNorge, we see TV 2's position in the Norwegian TV market as substantially strengthened.

- Schibsted has declared a Scandinavian ambition with respect to TV channel ownership. We stand by that ambition. We see TV 2 as a natural vehicle and driving force on behalf of its owners should such an ambition turn into reality.

Schibsted - the Future Leader in Scandinavian Consumer Multimedia?

Birger Magnus, Executive Vice President

Schibsted ASA

Oslo/London, May 14-15, 1998

Agenda

- Schibsted multimedia today
- Establish Schibsted as the leading Scandinavian Internet gateway player
- Develop leading cross-medial vertical niche products
- Position Schibsted for TV/online convergence
- Challenges and risks going forward.

Agenda

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Schibsted Multimedia key companies

Online Services

Publishing

Other

Scandinavia Online
66% DK

Scandinavia Online
40% AB

Scandinavia Online
53% AS

Schibsted Interactive
100% Studio AS

Hugin AS
50%

Schibsted Multimedia key companies

Online Services

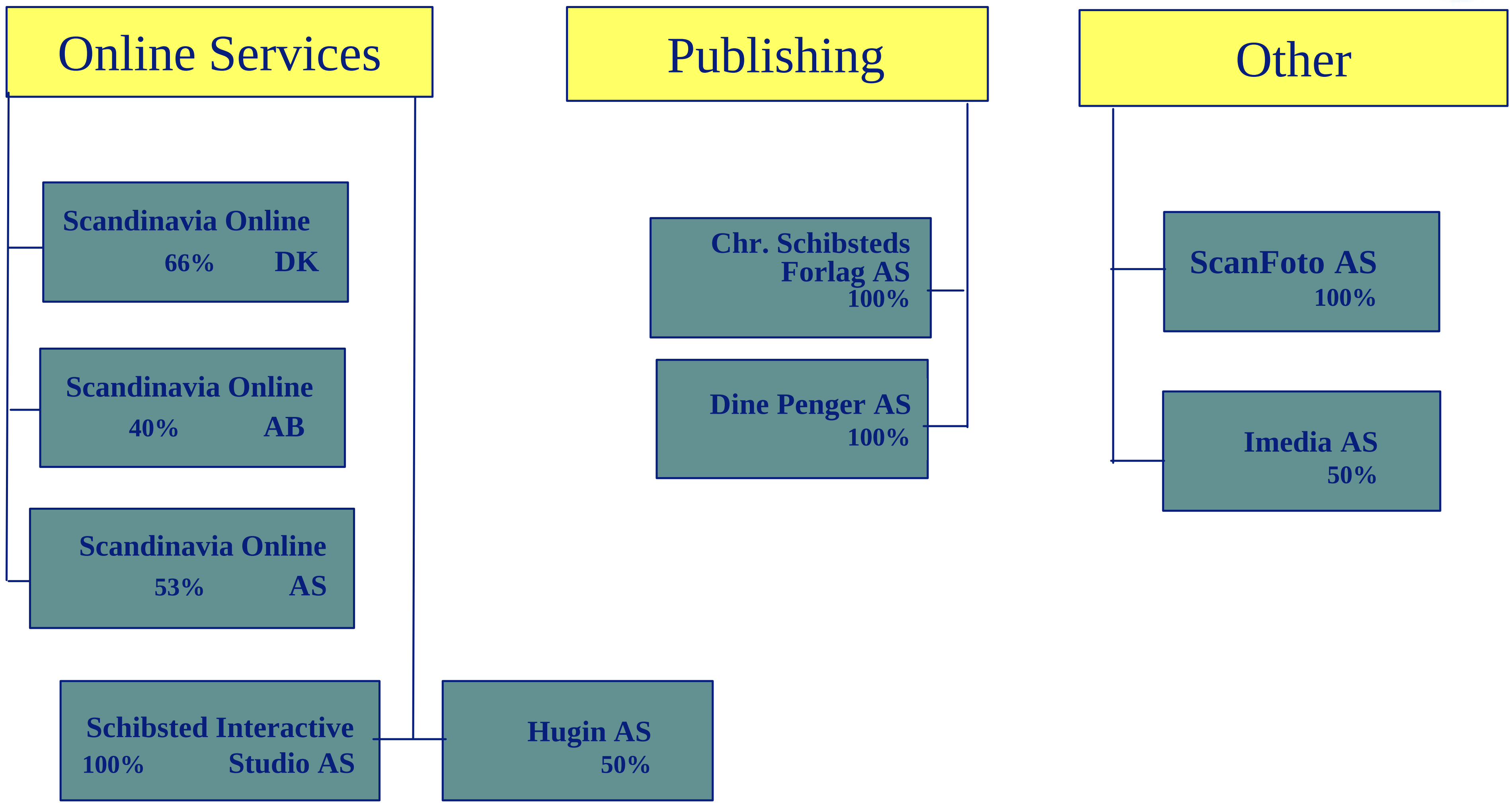
- Scandinavia Online DK — 66%
- Scandinavia Online AB — 40%
- Scandinavia Online AS — 53%
- Schibsted Interactive Studio AS — 100%
- Hugin AS — 50%

Publishing

- Chr. Schibsteds Forlag AS — 100%
- Dine Penger AS — 100%

Other

Schibsted Multimedia key companies



Schibsted Multimedia key figures 1997

NOK MILL

Online Services		Publishing		Other	
Turnover	76.6	Turnover	91. 8	Turnover	49. 1
Net profit before taxes	-162.1	Net profit before taxes	-0.6	Net profit before taxes	-7. 7
Schibsted Share	-104.0	Schibsted Share	-0.6	Schibsted Share	-3. 5

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Scandinavia Online - a 3-year history

1995

Schibsted acquires ISP Oslonett, invests in access infra-structure and content creation

1996

Access business spun off to Telenor for cash and 65% share of joint gateway Scandinavia Online

SOL AB established (66% Schibsted,. 34% Telenor)

1997

CitySearch Scandinavian license deal signed

SOL DK AS established (100% Schibsted)

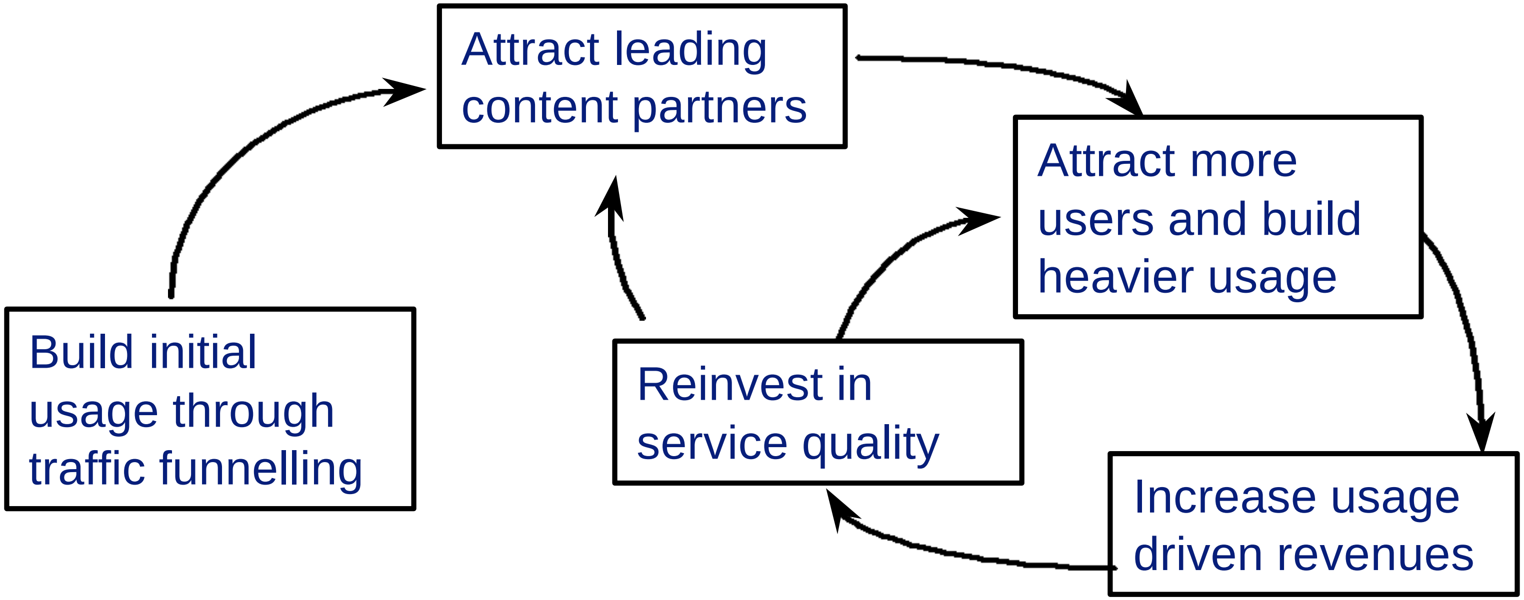
1998

Telia Infomedia Interactive and SOL AB merged to form new SOL AB (40% Schibsted, 40% Telia, 20% Telenor)

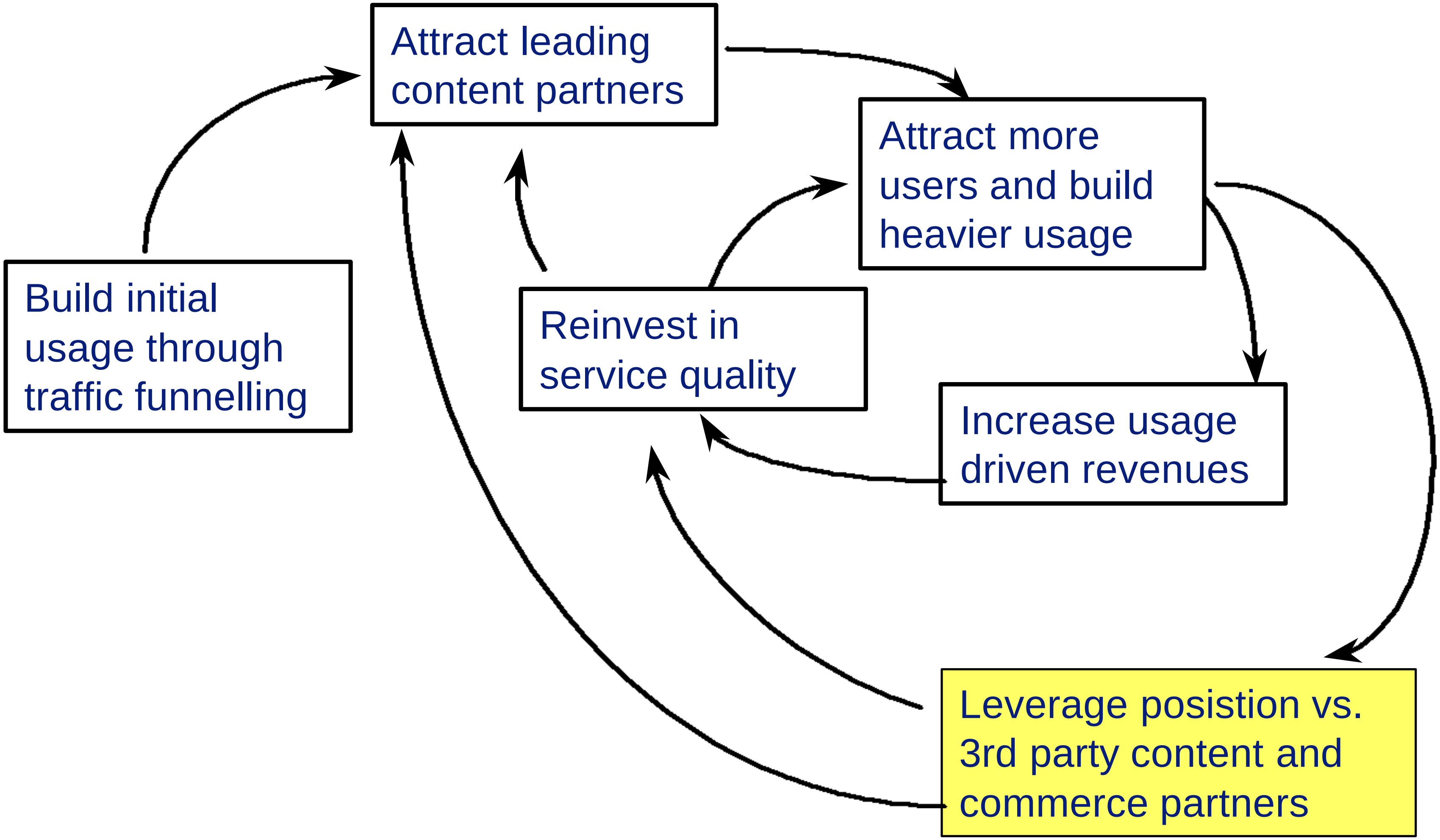
Berlingske Officin takes 33% stake in SOL Denmark AS

The leading Scandinavian multi media player?

The virtuous circle of an online gateway - primary loop



The virtuous circle of an online gateway - ”turbo loop”



Scandinavia Online business concept

Gateways

- SOL front page
- Kvasir search catalogue
- SOL Business Network
- Access specific GWs (e.g. PDAs)
- Partner specific GWs (e.g. Nextra)

Travel

Games

Reference

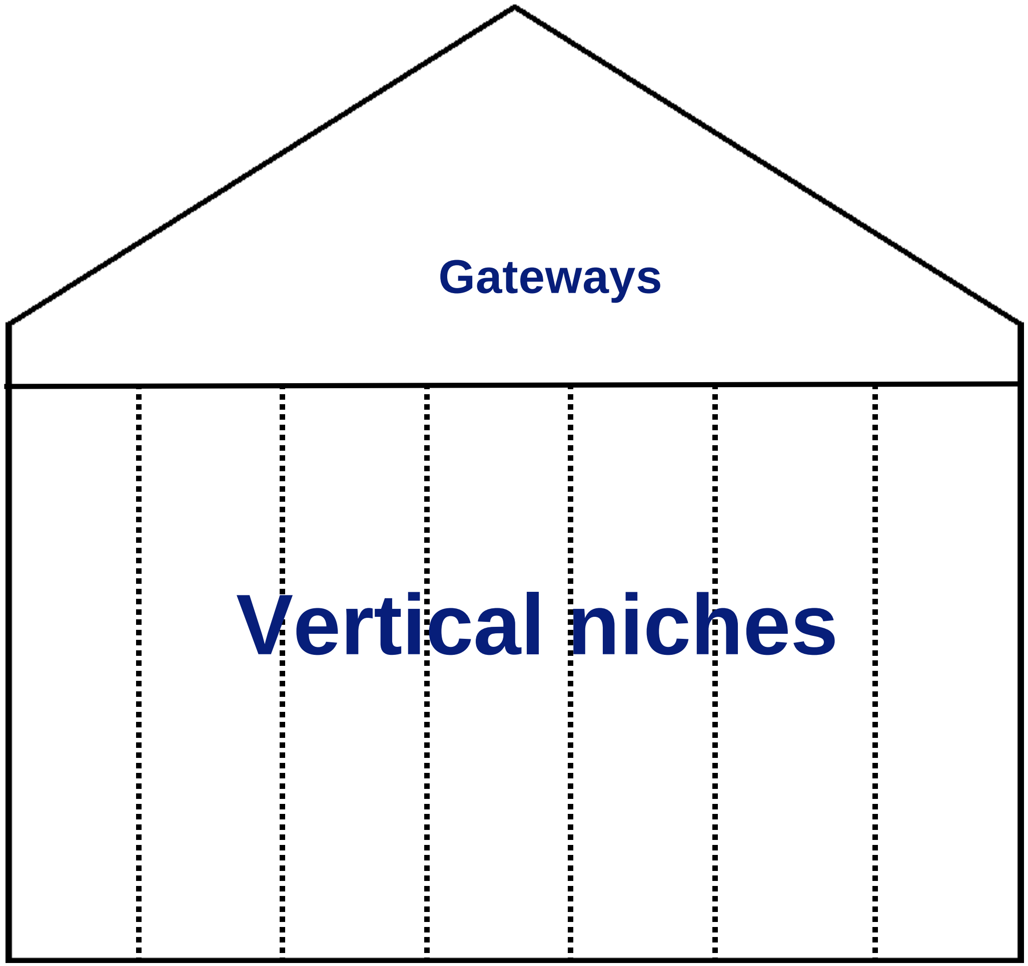
Personal finance

Discount club

Events incl. ticketing

Etc.

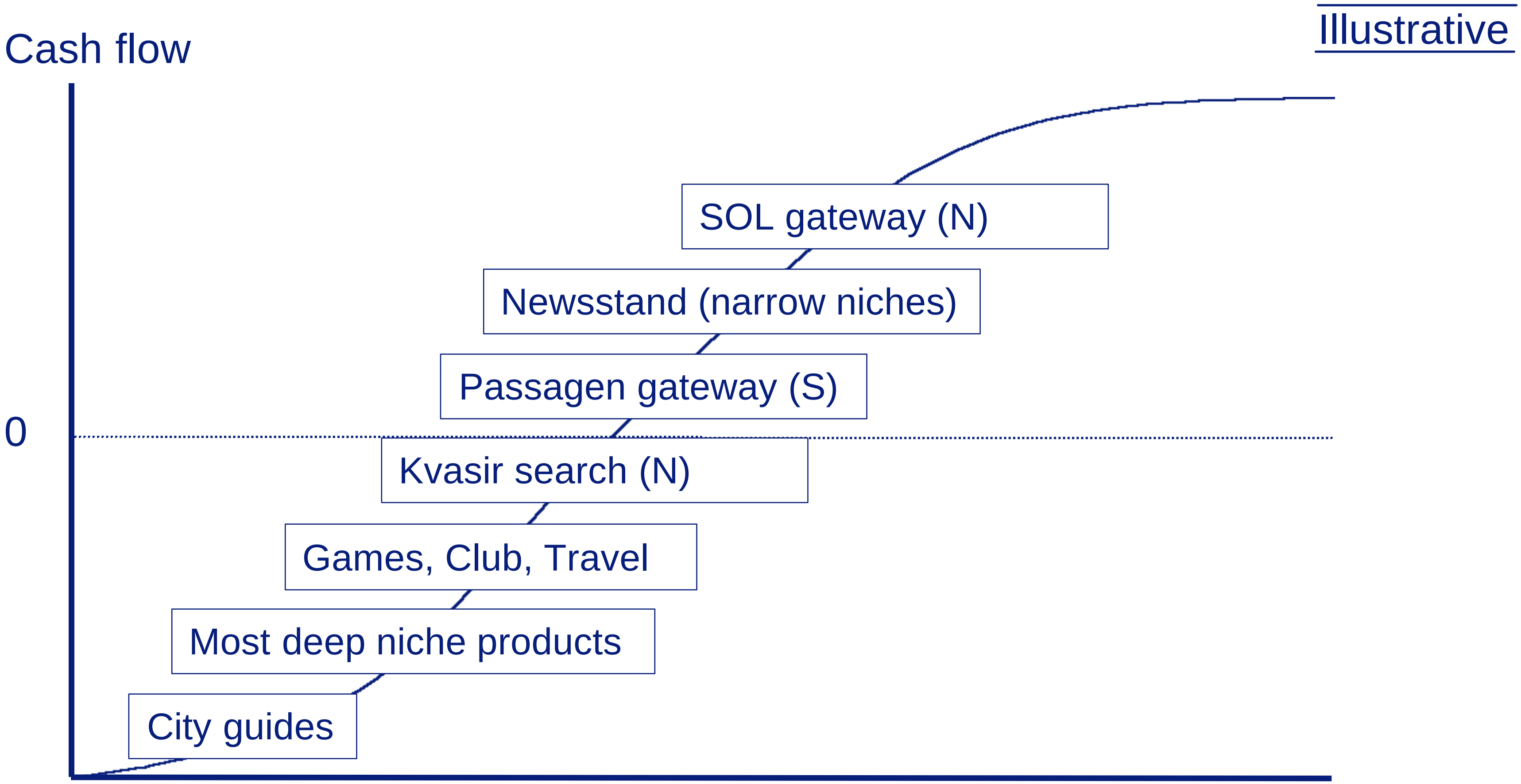
What does it take to succeed?



Build traffic through access bundling, content aggregation and navigation services

- Build small number of in-house niche services
- Commercial ”make or buy”-decision
- Leverage technology and user relationship across multiple niches
- Leverage position to get ”turbo effect”

Life cycle position of current SOL products



Scandinavia Online AS company structure

SOL AS -
the media company

- **Core business**: Develop, aggregate and distribute content to consumer and b2b-segments
- **Revenues**:
  Ads
  Subscription
  Transaction fees
  Partner fees
- **100 employees**

85,7%

Neo Interaktiv -
web design

- **Core business**: Development of Web solutions for SOL group and 3rd parties
- **Revenues**: Consultancy fees
- **25 employees**

100%

SOL System -
the technology company

- **Core business** : Development and delivery of technical platform and facility management for SOL group and other advanced customers
- **Revenues**: Consultance fees
  License fees
  Facility management
- **45 employees**

Other investments:

- SOL Børs	(50,1%)
- NORbillett	(30%)
- FilmInfo	(33,3%)

SOL AS financial and operative highlights

- Revenues.
  - *1997: NOK 64 million*
  - *Q1-98: NOK 19 million*
- Pre-tax loss
  - *1997: NOK 79 million*
  - *Q1-98: NOK 19 million*
- Ownership:
  - *Schibsted 53.8 %*
  - *Telenor 34.5 %*
  - *Telia 10.0 %*
  - *Employees 1.7 %*
- 5 million page views per week, of which 2 million on Kvasir search
- 150.000 daily users vs. VG with 69.000

Traffic development SOL AS

Total traffic up to week 12

No. of hits per week

SOL AB/Passagen - current services & traffic

- Gateway services:
  - » *Passagen*
  - » *AltaVista*
  - » *Shopping gallery*
- Vertical niche services:
  - » *Travel*
  - » *Games*
  - » *Sport*
  - » *Ticketing*
  - » *Motor (auto classifieds)*
  - » *Business Network*
  - » *News (partnership with CNN)*
  - » *Navigo (guide to Sweden)*
- Traffic:
  - » *5 M page views per week on Passagen front Page*

SOL Denmark AS

- Started Q3 1997
- Operating loss 1998: NOK 28 million (City Guide not incl.)
- Schibsted share 66%

  Det Berlingske Officin 34%

- Gateway services:
  - » *Kvasir search catalogue*
- Vertical niche services:
  - » *Games*
  - » *Travel (launch 15 May)*
  - » *City guide Copenhagen*
  - » *Business Network*

The value of being the leading pan-Scandinavian online player

- Strong bargaining power vs. international players
  - » *City Search*
  - » *Cendant*
  - » *Alta Vista*
  - » *CNN*
  - » *Others*
- Leverage technology investment
- Share business concepts and knowledge.

Examples of vertical niches under the SOL gateways

Allt om STOCKHOLM

- Complete local guide
- Combination of newspaper and Yellow Pages online
- Based on City Search
- Revenues from info sites

Examples of vertical niches under the SOL gateways

Netbiljett

- Online ticket reservation and purchase for most Swedish events, and half of the cinemas
- Value for consumers
- Value for cinemas.

Examples of vertical niches under the SOL gateways

S-ol
ditt finanssenter
børs

- Usage from 50.000 to 350.000 page views/week in 5 months
- 30.000 users per month
- Stock prices (50% of traffic), discussion forums (15%) and portfolio manager (15%) most popular services
- Revenues from advertising and reselling of information and analyses

Scandinavia Online -- lessons learned

<u>What has worked?</u>

- Access bundling with Telenor highly successful
- Search engine Kvasir performing well
- Scandinavian lead generates business opportunities and partnerships
- Third party deals starting to come in
- Leading gateway objective achieved.

Scandinavia Online -- lessons learned

<u>What didn't work?</u>

- Too wide in functional scope - designers, IP technology experts and publishers
- Too many vertical niche initiatives
- Loss of focus on building the gateway
- Individual subscription models still not widely accepted on Web
- Too optimistic on ad revenues.

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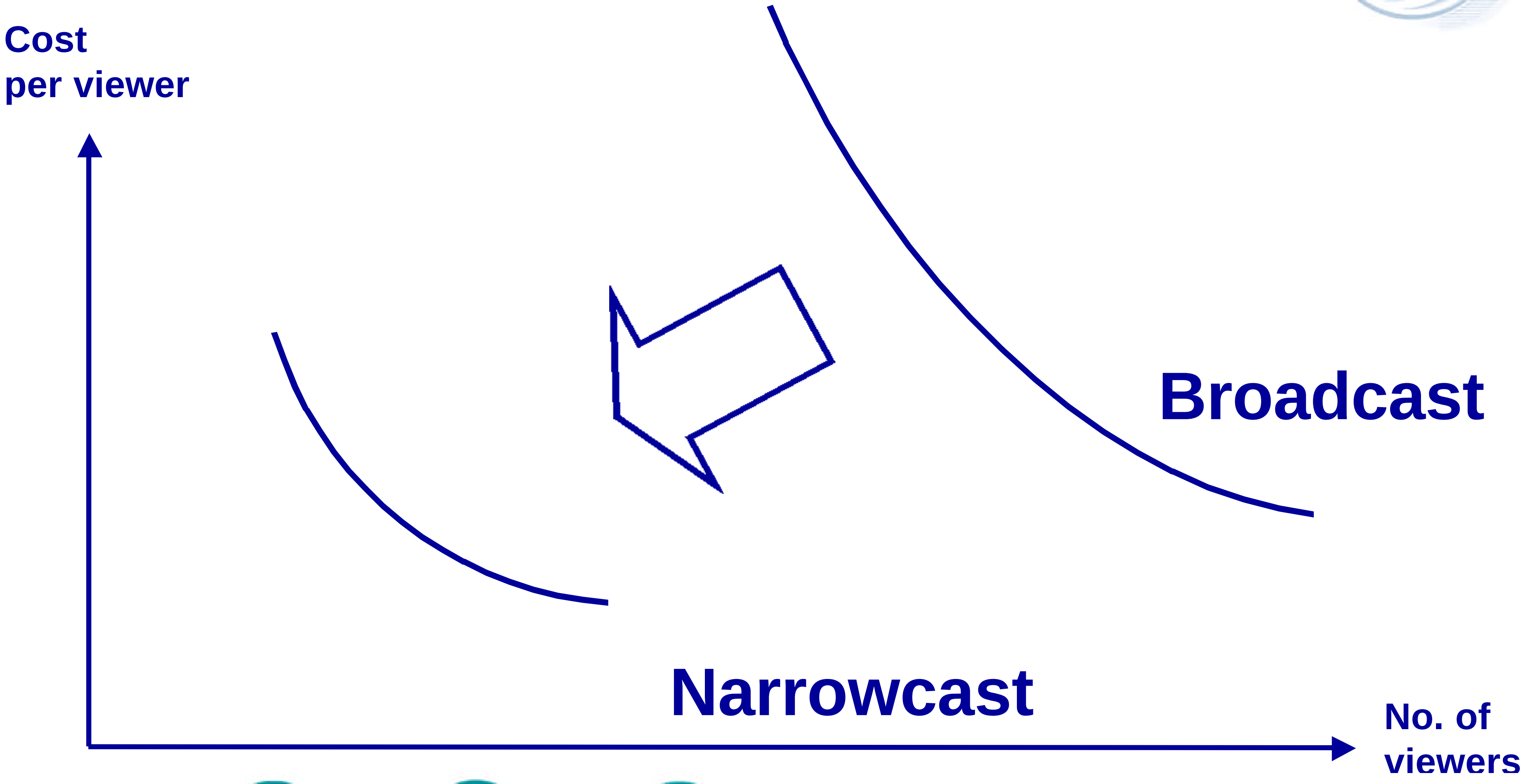
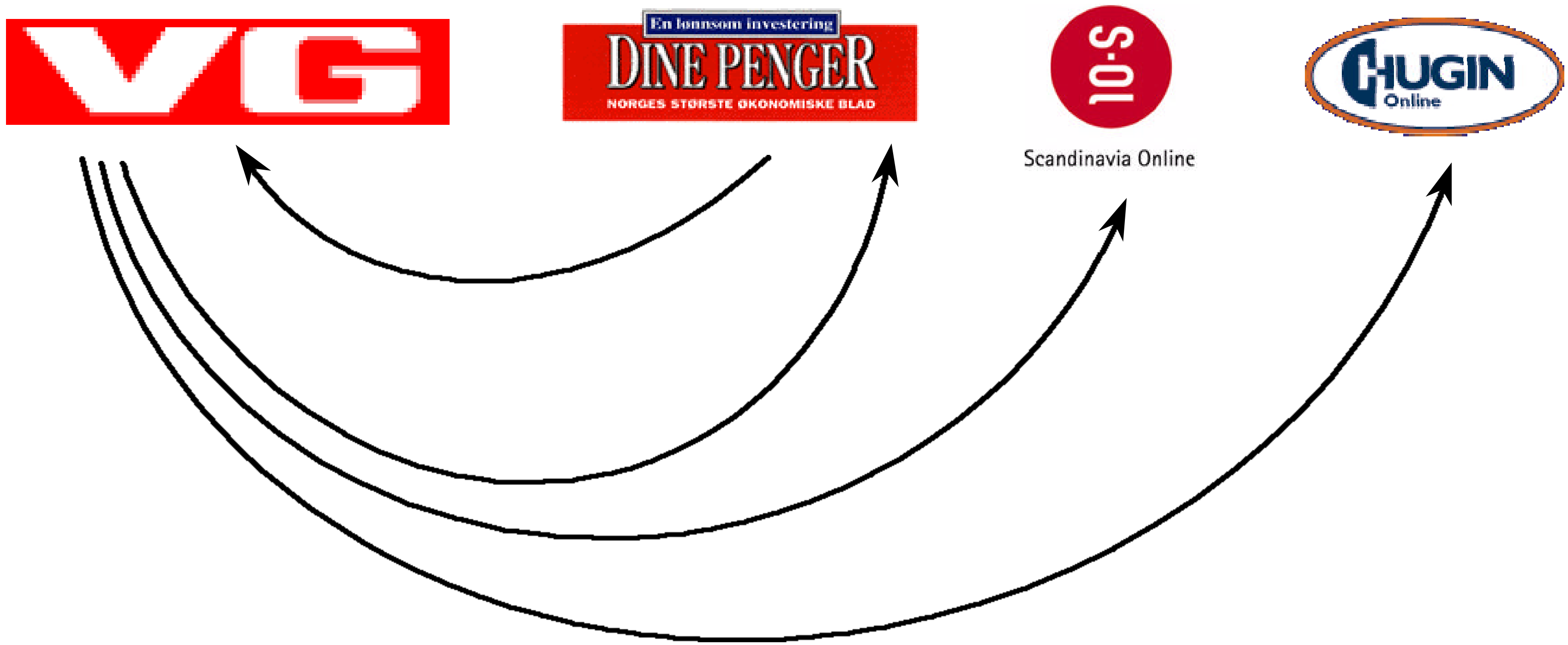
Reduced costs:
”From broadcast to narrowcast”



Cross-medial publishing and brand building - an example



Cross-medial publishing and brand building - an example

DAGENS MEDICIN

OBEROENDE NYHETSTIDNING FÖR HELA SJUKVÅRDEN

Cross-medial publishing and brand building - an example

HVEM

HVA

HVOR

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Positioning for Internet/TV convergence - Response

- The Telenor deal
  - » *Scandinavia Online will be given prominent exposure on all Telenor's Internet offerings*
- The Telia deal
  - » *SOL AB acquires exclusive rights to serve Internet content to users of Telia's EPG (with 1,3 million households)*
  - » *Prominent exposure on Telia Internet offerings.*
- Aftenposten/ TV2
  - » *Text TV*
  - » *Internet/TV*
- Aftonbladet Kanal 5/SBS
  - » *Aftonbladet is exclusive news source on Kanal 5's text-TV service*

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Challenges for Schibsted in the near future

- **Managing SOLs from R&D to profitable businesses**
  - » ***Break even by end of 1999 in SOL AS?***
  - » ***Major improvements needed in Sweden***
  - » ***Create and acquire traffic in Denmark.***

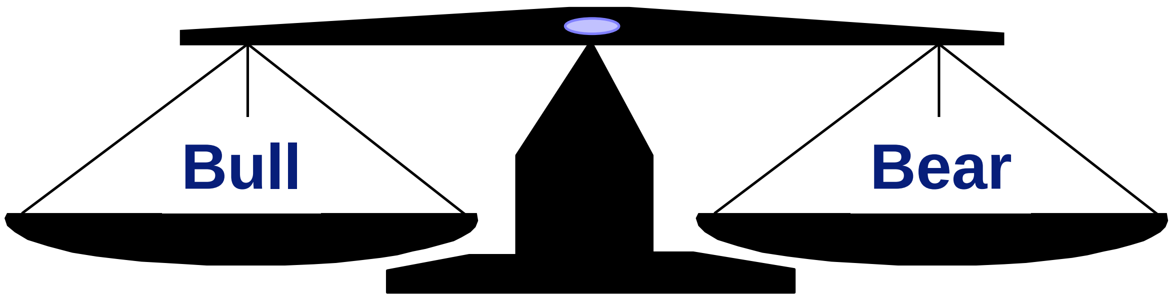
Challenges for Schibsted in the near future

- Managing SOLs from R&D to profitable businesses
  - » *Break even by end of 1999 in SOL AS?*
  - » *Major improvements needed in Sweden*
  - » *Create and acquire traffic in Denmark.*
- **Managing complex alliances with Telenor, Telia and international players**

Challenges for Schibsted in the near future

- Managing SOLs from R&D to profitable businesses
  - » *Break even by end of 1999 in SOL AS?*
  - » *Major improvements needed in Sweden*
  - » *Create and acquire traffic in Denmark.*
- Managing complex alliances with Telenor, Telia and international players
- **Transplanting online experience into existing traditional media subsidiaries to defend and widen existing franchises, particularly classifieds**

Bear or bull on Scandinavian multimedia?



Bull

- America Online valued at USD 15 billion, or USD 1200 per subscriber
- Gateways are extracting more value from partner globally (AOL, Yahoo)

Bear

- Local advertising markets still unsophisticated
- Technology costs still high
- User payment models slow in developing
- Labour market very tight