



Financial data



One picture
is worth a thousand words.
Fred . Barnard

Consolidated annual accounts

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1. CONSOLIDATED BALANCE SHEET AFTER APPROPRIATION

ASSETS (IN THOUSANDS OF FRANCS)			LIABILITIES (IN THOUSANDS OF FRANCS)		
	1998	PRO FORMA 1997		1998	PRO FORMA 1997
FIXED ASSETS	4.486.423	4.024.114	CAPITAL AND RESERVES	4.702.148	1.603.692
I. Formation expenses	82.950	1.889	I. Capital	4.479.792	1.826.155
II. Intangible assets	421.408	655.672	A. Issued capital	4.479.792	1.826.155
III. Consolidation differences	1.674.660	1.046.031	II. Share premium account	13.500	4
IV. Tangible assets	1.931.256	2.026.112	IV. Consolidated reserves	163.586	-273.239
A. Land and buildings	1.121.571	1.067.321	V. Consolidation differences	16.516	16.516
B. Plant, machinery and equipment	436.218	531.649	VI. Translation differences	1.578	1.421
C. Furniture and vehicles	135.969	162.284	VII. Investment grants	27.176	32.835
D. Leasing and other similar rights	227.812	250.565			
E. Other tangible assets	9.142	11.540	MINORITY INTERESTS	6.946	234.031
F. Assets under construction and advance payments	544	2.753			
V. Financial assets	376.149	294.410	PROVISIONS, DEFERRED TAX AND LATENT TAXATION LIABILITIES	189.290	149.257
A. Entreprises accounted for using the equity method	41.837	13.347	IX. A. Provisions for liabilities and charges	145.231	94.388
1. Participating interests	20.559	13.347	1. Pensions and similar obligations	10.178	7.905
2. Amounts receivable	21.278		4. Other liabilities and charges	135.053	86.483
B. Other enterprises	334.312	281.063	B. Deferred tax and latent taxation liabilities	44.059	54.869
1. Participating interests and shares	20.806	86.368			
2. Amounts receivable	313.506	194.695	CREDITORS	5.923.357	7.309.358
			X. Amounts payable after more than one year	864.505	1.964.182
CURRENT ASSETS	6.335.318	5.272.224	A. Financial debts	705.005	1.692.682
VI. Amounts receivable after more than one year	13.600	11.100	1. Subordinated loans	12.487	442.000
B. Other amounts receivable	13.600	11.100	3. Leasing and other similar obligations	35.941	44.052
VII. Stocks and contracts in progress	1.075.589	1.220.373	4. Credit institutions	611.061	686.070
A. Stocks	1.075.589	1.220.373	5. Other loans	45.516	520.560
VIII. Amounts receivable within one year	4.078.427	3.628.340	D. Other amounts payable	159.500	271.500
A. Trade debtors	3.756.542	3.286.790	XI. Amounts payable within one year	5.017.126	5.314.115
B. Other amounts receivable	321.885	341.550	A. Current portion of amounts payable after more than one year	420.361	739.804
IX. Investments	453.986	130.502	B. Financial debts	237.603	414.456
B. Other investments and deposits	453.986	130.502	1. Credit institutions	237.603	414.456
X. Cash at bank and in hand	611.675	214.129	C. Trade debts	2.773.078	2.720.824
XI. Deferred charges and accrued income	102.041	67.780	1. Suppliers	2.773.078	2.720.824
			D. Advances received on contracts in progress	454.827	422.976
			E. Amounts payable regarding taxes, remuneration and social security	960.333	765.942
			1. Taxes	389.146	287.248
			2. Remuneration and social security	571.187	478.694
			F. Other amounts payable	170.924	250.113
			XII. Accrued charges and deferred income	41.726	31.061
TOTAL ASSETS	10.821.741	9.296.338	TOTAL LIABILITIES	10.821.741	9.296.338

2. CONSOLIDATED INCOME STATEMENT

IN THOUSANDS OF FRANCS	1998	PRO FORMA 1997
I. Operating income	14.856.048	13.044.937
A. Turnover	14.344.741	12.469.469
B. Increase; decrease in stocks of finished goods, work and contracts in progress	-29.667	73.439
D. Other operating income	540.974	502.029
II. Operating charges	-13.693.693	-12.584.160
A. Raw materials, consumables and goods for resale	5.146.120	4.588.815
1. Purchases	5.035.143	4.836.939
2. Increase; decrease in stocks	110.977	-248.124
B. Services and other goods	4.894.648	4.489.325
C. Remuneration, social security costs and pensions	2.561.941	2.496.006
D. Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets	908.474	966.521
E. Increase; decrease in amounts written off stocks, contracts in progress and trade debtors	5.330	-6.941
F. Increase; decrease in provisions for liabilities and charges	49.850	-38.116
G. Other operating charges	127.330	88.550
III. Operating profit	1.162.355	460.777
IV. Financial income	83.644	79.842
A. Income from financial fixed assets	14.195	4.514
B. Income from current assets	28.436	16.402
C. Other financial income	41.013	58.926
V. Financial charges	-313.643	-450.448
A. Interests and other debt charges	131.872	213.645
B. Amounts written on positive consolidation differences	118.464	173.725
C. Increase; decrease in amounts written off current assets other than those mentioned under II.E		252
D. Other financial charges	63.307	62.826
VI. Profit on ordinary activities before taxation	932.356	90.171
VII. Extraordinary income	49.658	140.225
A. Adjustments to depreciation of and to other amounts written off intangible and tangible fixed assets		773
C. Adjustments to amounts written off financial fixed assets	33.179	11.412
D. Adjustments to provisions for extraordinary liabilities and charges		100
E. Gain on disposal of fixed assets	9.906	106.349
F. Other extraordinary income	6.573	21.591
VIII. Extraordinary charges	-407.083	-72.306
A. Extraordinary depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	867	
C. Amounts written off financial fixed assets	27.550	14.812
D. Provisions for extraordinary liabilities and charges		26.519
E. Loss on disposal of fixed assets	104.820	27.187
F. Other extraordinary charges	273.846	3.788
IX. Profit for the financial period before taxation	574.931	158.090
X. A. Transfer from deferred tax and latent taxation liabilities	18.543	16.878
B. Transfer to deferred tax and latent taxation liabilities		-11.664

IN THOUSANDS OF FRANCS	1998	PRO FORMA 1997
XI. Income taxes	-272.038	-185.997
A. Income taxes	-272.213	-187.425
B. Adjustment of income taxes and write-back of tax provisions	175	1.428
XII. Profit for the financial period	321.436	-22.693
XIII. Share in the result of the enterprises accounted for using the equity method	2.160	540
A. Profits	2.688	540
B. Losses	-528	
XIV. Consolidated profit	323.596	-22.153
A. Share of third parties	827	-44.542
B. Share of the group	322.769	22.389

3. NOTES ON THE CONSOLIDATED ANNUAL ACCOUNTS

I. List of the consolidated enterprises and the enterprises accounting for using the equity method

Name, full address of the registered office and for enterprises governed by Belgian law, the V.A.T.- or national number	Method used for inclusion into the accounts (F/P/E1/E4) ⁽¹⁾	Proportion of capital held (in %) ⁽²⁾	Change of percentage of capital held (as compared to the previous period) ⁽³⁾
ROULARTA MEDIA GROUP NV Meiboomlaan 33 8800 Roeselare (Belgium) BE 434.278.896	F	100,00	0,00
NEWSCO NV de Jamblinne de Meuxplein 33 1030 Brussel 3 (Belgium) BE 439.844.223	F	100,00	0,00
WEST-VLAAMSE MEDIA GROEP NV Meiboomlaan 33 8800 Roeselare (Belgium) BE 434.259.496	F	100,00	0,00
VLAAMSE TIJDSCHRIFTEN UITGEVERIJ NV Tervurenlaan 153 1150 Brussel 15 (Belgium) BE 420.260.517	F	100,00	0,00
TRENDS MAGAZINE NV Research Park - De Haak 1731 Zellik (Belgium) BE 422.389.072	F	100,00	0,00
ROULARTA BOOKS NV de Jamblinne de Meuxplein 10 1030 Brussel 3 (Belgium) BE 433.233.969	F	100,00	0,00
REGIONALE TV MEDIA NV Research Park - De Haak 1731 Zellik (Belgium) BE 448.708.637	F	66,67	0,00
DE STREEKKRANT - DE WEEKKRANTGROEP NV Meiboomlaan 33 8800 Roeselare (Belgium) BE 462.032.378	F	74,90	0,00

- (1) F = full consolidation
P = proportional consolidation
E1 = associated enterprise accounted for using the equity method
E4 = subsidiary which is in liquidation, has decided to cease activities or can no longer be considered as carrying on the business and is accounted for using the equity method
- (2) When a change in the percentage of the proportion of capital held entails a change in the accounting method for inclusion in the consolidated accounts, the new method will be followed by an asterisk.
- (3) Where the composition of the consolidated aggregate is significantly influenced by changes in its percentage additional information shall be disclosed in statement V.

Name, full address of the registered office and for enterprises governed by Belgian law, the V.A.T.- or national number	Method used for inclusion into the accounts (F/P/E1/E4)	Proportion of capital held (in %)	Change of percentage of capital held (as compared to the previous period)
WEST-VLAAMSE RADIO NV Meiboomlaan 33 8800 Roeselare (Belgium) BE 450.929.244	P	50,00	0,00
FOCUS TELEVISIE NV Industriezone 2 8490 Jabbeke (Belgium) BE 448.906.892	P	50,00	0,00
TOP CONSULT SA Rue de la Fusée 50 1130 Bruxelles 13 (Belgium) BE 433.558.425	P	50,00	0,00
SPORTMAGAZINE NV Tervurenlaan 153 1150 Brussel 15 (Belgium) BE 420.273.482	P	50,00	0,00
SENIOR PUBLICATIONS SA Rue de la Concorde 33 1050 Bruxelles 5 (Belgium) BE 432.176.174	P	50,00	0,00
SENIOR PUBLICATIONS NEDERLAND BV Olmenlaan 26 1404 DG Bussum The Netherlands	P	50,00	0,00
MEDIA AND COMMUNICATION SERVICES NV Legeweg 2B 8490 Jabbeke (Belgium) BE 428.610.930	P	50,00	0,00
VOGUE TRADING VIDEO NV P. Verhaegestraat 8 8520 Kuurne (Belgium) BE 430.655.551	P	50,00	0,00
ACADEMICI ROULARTA MEDIA NV Londenstraat 20-22 2000 Antwerpen 1 (Belgium) BE 451.763.939	P	50,00	0,00
BELGOMEDIA SA Rue des Grandes Rames 12 4800 Verviers (Belgium) BE 435.771.213	P	50,00	0,00
DOLIMONT MEDIA SA Rue de la Fusée 50 1130 Bruxelles 13 (Belgium) BE 452.205.288	P	50,00	0,00

Name, full address of the registered office and for enterprises governed by Belgian law, the V.A.T.- or national number	Method used for inclusion into the accounts (F/P/E1/E4)	Proportion of capital held (in %)	Change of percentage of capital held (as compared to the previous period)
LE VIF MAGAZINE SA Place de Jamblinne de Meux 33 1030 Bruxelles 3 (Belgium) BE 423.269.792	P	50,00	0,00
TV STUDIO HOLLAND BV Pieter Goedkoopweg 10 2031 EL Haarlem The Netherlands	P	25,00	0,00
FACILITEITEN NV Meiboomlaan 33 8800 Roeselare (Belgium) BE 453.140.745	P	75,00	0,00
PUBLIREGIOES LDA Rua Duque de Palmela 37 - 2 dt 1100 Lisboa Portugal	P	40,00	0,00
EDITOP NV de Jamblinne de Meuxplein 10 1030 Brussel 3 (Belgium) BE 439.307.258	P	50,00	0,00
EUROPEAN BUSINESS PRESS GROUP NV Brasschaatsesteenweg 308 2920 Kalmthout (Belgium) BE 435.161.004	P	50,00	0,00
PUBLINDUS NV de Jamblinne de Meuxplein 10 1030 Brussel 3 (Belgium) BE 439.307.159	P	50,00	0,00
FINANCIERE WALTA SA Avenue Emile De Mot 19-21 1000 Brussel 1 (Belgium)	P	50,00	0,00
HEXANE SA Avenue Emile De Mot 19 1000 Brussel 1 (Belgium) BE 451.175.506	P	25,00	0,00
TURNKEY NV Legeweg 2B 8490 Jabbeke (Belgium) BE 463.345.244	P	45,00	45,00
VLAAMSE MEDIA HOLDING NV Brusselsesteenweg 347 1730 Asse-Kobbegem (Belgium) BE 433.203.879	P	50,00	0,00

Name, full address of the registered office and for enterprises governed by Belgian law, the V.A.T.- or national number	Method used for inclusion into the accounts (F/P/E1/E4)	Proportion of capital held (in %)	Change of percentage of capital held (as compared to the previous period)
VLAAMSE MEDIA MAATSCHAPPIJ NV Medialaan 1 1800 Vilvoorde (Belgium) BE 432.306.234	P	50,00	0,00
VLAAMSE BUSINESS TELEVISIE NV Meiboomlaan 33 8800 Roeselare (Belgium) BE 461.874.705	P	50,00	0,00
SCRIPTA NV E. Jacquainlaan 127 1000 Brussel 1 (Belgium) BE 452.164.906	E1	25,00	0,00
VACATURE CVBA Technologiestraat 1 1082 Sint-Agatha-Berchem (Belgium) BE 457.366.183	E1	25,00	0,00
ROULARTA FRANCE SA Chemin du Colbras 57 59250 Halluin France	E4	100,00	33,35
PARATEL NV Medialaan 1 1800 Vilvoorde (Belgium) BE 452.588.043		25,04	0,00

II. List of both non-included subsidiaries exclusively or jointly controlled and associated enterprises accounted for using the equity method

Name, full address of registered office and for enterprises governed by Belgian law, the V.A.T.- or national number	Reason of the exclusion (A/B) (1)	Share in the capital (in %) (2)	Change in percentage of capital held (as compared to the previous period) (3)
EVENTA ORGANISATION SA - in liquidation Rue de Hesse 16 1204 Genève Switzerland	A	50,00	0,00
DE WOONKIJKER NV Posthoflei 3 2600 Berchem (Belgium)	A	50,00	0,00
STYLE MAGAZINE BV Paardeweide 2-4 4824 EH Breda The Netherlands	A	100,00	100,00
R. OM BVBA Meiboomlaan 33 8800 Roeselare (Belgium) BE 455.978.093	A	100,00	100,00
PUB. L. ING NV Pieter Verhaeghestraat 8 8520 Kurne (Belgium) BE 454.380.068	A	49,00	49,00
REGIONALE AUDIOVISUELE REGIE NV - in liquidation Research Park - De Haak 1731 Zellik (Belgium) BE 452.094.927	B	50,00	0,00

- (1) Reason for exclusion:
A. Subsidiary which inclusion in the consolidated accounts is not material for the purpose of giving a true and fair view.
B. Serious long-term restrictions that substantially hinder the effective exercise of the power of control over the subsidiary concerned or the use of assets and liabilities of the latter.
- (2) Proportion of capital of those enterprises being held by both enterprises included in the consolidated accounts and persons acting in their own names but on behalf of these enterprises.
- (3) Where the composition of the consolidated aggregate is significantly influenced by changes in its percentage additional information shall be disclosed in statement V.

III. Enterprises neither subsidiaries nor associated enterprises

The enterprises stated below have not been mentioned und the numbers I and II at the notes.

They are enterprises included in or excluded from consolidation (by application of the Royal Decree of 6th March 1990) holding a 10%-interest in the capital amount, either by themselves or via a person acting in his own name but on behalf of these enterprises. Those data can be omitted when they are not material in respect of the principle of a true and fair view.

Name, full address of the registered office and for enterprises governed by Belgian law, the V.A.T.- or national number	Share in the capital (in %) (1)	Data from the most recent period for which annual accounts are available (2)			
		Annual accounts	Monetary unit	Capital and reserves (3)	Results (3)
BELGIUM ON LINE NV in liquidation Humaniteitslaan 116 Bus 11 1070 Brussel 7 (Belgium) BE 457.311.547	10,20	31/12/1996	BEF	5.921	-94.080
CENTRAL STATION CVBA in liquidation Paepsemiaan 22 1070 Brussel 7 (Belgium) BE 455.711.245	10,00	31/12/1997	BEF	11.668	-38.332
REGIE DER INFORMATIEWEEKBLADEN CVBA Paepsemiaan 22 Bus 8 1070 Brussel 7 (Belgium) BE 451.085.335	13,90	31/12/1997	BEF	3.916	41

- (1) Proportion of capital held with enterprises which are both included in or excluded from the consolidation.
(2) Those data can be omitted when the enterprise concerned doesn't have the obligation to publish them.
(3) (+) of (-); in thousands of francs.

V. Consolidation criteria and changes in the consolidation scope

A. Information on the criteria governing the application of full consolidation, proportional consolidation and the equity method as well as those cases in which these criteria are departed from, and justification for such departures.

- Subsidiaries fully controlled are taken in full consolidation.
- Jointly controlled subsidiaries are proportionally consolidated.
- Associated enterprises are accounted for using the equity method.

On 31.12.98, following enterprises have been included in the consolidated accounts for the first time:

- NV De Streekkrant - De Weekkrantgroep
- NV European Business Press Group
- SA Financière Walta
- NV Turnkey
- NV Vlaamse Business Televisie
- SA Hexane
- NV Paratel

NV Paratel and SA Roularta France were accounted for using the equity method for the first time.

The positive consolidation difference on the participation of NV Roularta Media Group in NV Vlaamse Media Holding is depreciated straight-line at 5% from 1998 on.

Until 31.12.97 this consolidation goodwill was depreciated straight-line at 20%.

Due to this change in %, there is less depreciation on the positive consolidation difference by 39.496 (000) BEF.

In the consolidated balance as of 31.12.1997 pro forma, a revaluation surplus was expressed on the participation Paratel NV. This revaluation surplus was allocated to the consolidation difference.

In the consolidated balance sheet as of 31.12.1998, this revaluation surplus is no longer expressed. This results in more depreciation of the positive consolidation difference by 6,6 mio BEF.

In the annual consolidated accounts as per 31.12.1998, comparison is made with the pro forma consolidated balance sheet and income statement as of 31.12.1997, as they were presented in the prospectus of the stock exchange introduction.

B. Information which makes a comparison meaningful with the consolidated annual accounts of the previous financial period in case the composition of the consolidated aggregate in the course of the current financial period has changed significantly.

In 1998 the group has been reorganised by following transactions:

- Merger from NV Distri Mechelen, from NV Drukkerij Van Riet, from NV De Bode, from NV R.T.R. and from NV ADS Exploitiemaatschappij with NV Roularta Media Group.
- Merger from NV Flanders Radio & TV with NV Roularta Media Group.
- Merger from BVBA Uitgeverij Succes with NV De Streekkrant - De Weekkrantgroep.
- Capital increase in kind and capital increase in cash in NV Roularta Media Group following the introduction on the stock exchange.
- Purchase by NV Roularta Media Group of the majority of the shares of NV Newsco, 50% of the shares of NV Publindus, NV Editop and of NV Vlaamse Media Maatschappij and of all the shares of SA Roularta France.
- Capital increase in kind in NV Newsco.
- Capital increase in NV Trends Magazine, NV West-Vlaamse Media Group, NV Vlaamse Tijdschriften Uitgeverij and NV Roularta Books through the incorporation of reserves.
- Liquidation of SA Steps France, SNC Steps Investissements and BV Style Magazine Nederland.
- New participations in BV Style Magazine, BVBA R.OM, NV CAD and in NV Pub.L.Ing.

VI. Summary of valuation rules and methods of calculation of deferred taxes

A. Disclosure of the criteria governing the valuation of the various items in the consolidated annual accounts, and in particular:

- the application and adjustments of depreciation, amounts written down and provisions for liabilities and charges, and revaluations.
- the bases of translation applied to express in the consolidated accounts items which are, or originally were, expressed in a currency other than the currency in which the consolidated accounts are stated, and the translation in the consolidated accounts of the accounting statements of subsidiaries and associated enterprises governed by foreign law.

Formation expenses

Formation expenses are valued at acquisition cost and are depreciated in full.

Where these formation expenses include substantial amounts, these are depreciated on a straight-line basis over five years.

Intangible fixed assets

Intangible fixed assets include titles acquired from third parties or contributed to the company, the cost of credit titles, logos, etc, as well as films purchased from abroad and own productions that can be broadcast several times. These are depreciated over their estimated economic life.

Most titles have a life of 10 to 12 years: these are depreciated on a straight-line basis at 8.33% or 10% a year. Exceptionally, a title is depreciated at 25%.

Software is depreciated at 20% on a straight-line basis.

Research and development costs are charged immediately to the income statement. The Board of Directors may decide to capitalise significant amounts.

Consolidation differences

Consolidation differences represent the difference between the acquisition value of the participating interests and the corresponding portion in the equity of the consolidated company.

This difference is included in the consolidated accounts under the 'consolidation differences' item on the assets or liabilities side of the balance sheet depending on whether the acquisition value is larger or smaller than the share acquired in the equity of the company.

Positive consolidation differences are depreciated on a straight-line basis at 20% a year, with the exception of NV Roularta Media Group's participating interest in NV Vlaamse Media Holding and NV Vlaamse Media Maatschappij, which is being depreciated at 5% a year on a straight-line basis, in the light of the long-term perspective.

Negative consolidation differences are kept permanently on the liabilities side of the balance sheet.

Tangible fixed assets

Tangible fixed assets are recorded at acquisition value, less depreciation and reductions in value.

Ancillary costs such as bringing into service and transport, and also non-deductible V.A.T., are charged directly to the income statement, with the exception of non-deductible V.A.T. on cars, which is capitalised.

Tangible fixed assets are depreciated at the following rates:

	Straight-line		Reducing balance	
	min.	max.	min.	max.
land		0%		
buildings	2%	10%	4%	20%
roadworks			10%	25%
other installations	5%	20%	10%	40%
major maintenance	10%	50%	25%	25%
machinery	20%	33,33%	20%	20%
installations and machinery for TV equipment	10%	33,33%		
office equipment	20%	33,33%	20%	40%
vehicles	20%	33,33%		
assets under construction	0%			

Second-hand equipment and machinery is depreciated at 50% a year.

Works of art who do not reduce in value are not depreciated.

Financial fixed assets

The book values of participations in companies that are accounted for by the equity method are adapted to the proportional share held in the equity of these companies, as determined by the consolidation rules.

Participating interests which are mentioned under "other enterprises" are valued at acquisition value.

In the event of a permanent loss of value, a reduction in value can be recorded.

Stocks

Stocks are valued at the lower of acquisition cost or market value. Raw and ancillary materials and goods purchased for resale are valued by the FIFO method. Outdated and slow-moving stocks are systematically written down.

Broadcasting rights which have been purchased but not yet used, are included under stocks at their acquisition cost.

Print work in progress is valued at production costs including indirect production costs.

Amounts receivable

Amounts receivable are recorded at nominal value.

Reductions in value are applied on the basis of either determined losses, or of individual doubtful balances.

Current investments and cash at hand and in bank

These items are recorded at nominal value.

Deferred and accrued accounts

Deferred and accrued accounts are recorded and valued at their acquisition value and are included in the balance sheet in respect of the amount that runs over into the following financial year.

Consolidated reserves

The group reserves contain the reserves and the accumulated profits of the consolidating company, to which is added the group's share in the earnings of the financial year, after deduction of dividend payments made, of other fully and proportionately consolidated companies and companies accounted for by the equity method.

Translation differences

Where the annual accounts of subsidiaries are expressed in a currency other than the BEF, all balance sheet items are converted at the closing rate and all income statement items at the average rate. Equity items remain at their historical value in BEF.

The resulting differences with respect to the closing rate are transferred to the 'Translation differences' item. The difference between the closing rate and the average rate on the earnings is also transferred to this item.

Investment grants

This heading contains allowed investment grants. These are taken into income pari passu with depreciation on the assets to which they refer. The amount of deferred taxes on these investment grants is transferred to the 'Deferred taxation' account.

Provisions for liabilities and charges

Based on an assessment of the situation by the Board of Directors on the balance sheet closing date, provisions are set up to cover any losses which are probable or certain at the balance sheet date, but to which no precise figure can yet be attached.

Amounts payable

Amounts payable are recorded in the balance sheet at nominal value.

The necessary provisions are recorded on the balance sheet date for social security, tax and commercial liabilities.

Foreign currencies

Amounts receivable and payable in foreign currency are originally recorded at the prevailing exchange rate.

Amounts receivable and payable expressed in foreign currency are translated at the end of the year at the closing exchange rate, unless specifically hedged.

The resulting translation differences are charged to the income statement when the calculation per individual currency gives rise to a negative difference and are included under 'Deferred income' when the calculation per individual currency gives rise to a positive difference.

B. Future taxation and deferred taxes

Analysis of heading 'Deferred tax and latent taxation liabilities' of the liabilities, in thousands of francs	44.059
- Future taxation	44.059

VII. Statement of formation expenses

IN THOUSANDS OF FRANCS

Net carrying value at the end of the preceding period	1.889
Movements during the period:	
New expenses incurred	104.199
Depreciation	-22.295
Translation differences	-1
Other	-842
Net carrying value as at the end of the period	82.950
of which:	
- Expenses of formation or capital increase, loan issue expenses, reimbursement premium and other formation costs	82.950

VIII. Statement of intangible assets

IN THOUSANDS OF FRANCS	RESEARCH AND DEVELOPMENT EXPENSES	CONCESSIONS, PATENTS, LICENSES, ETC.	GOODWILL
a) Acquisition cost			
At the end of the preceding period	4.631	639.106	2.638.459
Movements during the period:			
- Acquisitions, including produced fixed assets	6.550	57.418	75.029
- Sales and disposals	-2.100	-183.408	-600
- Other movements			-11.282
At the end of the period	9.081	513.116	2.701.606
c) Depreciation and amounts written down			
At the end of the preceding period	4.277	522.519	2.099.728
Movements during the period:			
- Recorded	1.309	137.449	223.980
- Acquisitions from third parties			1.567
- Written down after sales and disposals	-2.100	-183.408	-600
- Other movements			-2.326
At the end of the period	3.486	476.560	2.322.349
Net carrying value at the end of the period	5.595	36.556	379.257

IX. Statement of tangible fixed assets

IN THOUSANDS OF FRANCS	LAND AND BUILDINGS	PLANT, MACHINERY AND EQUIPMENT	FURNITURE AND VEHICLES
a) Acquisition cost			
At the end of the preceding period	1.923.386	3.376.599	551.867
Movements during the period:			
- Acquisitions, including produced fixed assets	187.003	167.630	48.453
- Sales and disposals	-32.033	-247.765	-104.738
- Transfers from one heading to another		2.753	
- Other movements	369	-9.561	-17.375
At the end of the period	2.078.725	3.289.656	478.207
b) Revaluation surpluses			
At the end of the preceding period	160.567		
Movements during the period:			
- Recorded			
- Acquisitions from third parties			
At the end of the period	160.567		
c) Depreciation and amounts written down			
At the end of the preceding period	1.016.632	2.844.950	389.583
Movements during the period:			
- Recorded	133.030	258.466	58.474
- Acquisitions from third parties	92	3.496	4.727
- Written down after sales and disposals	-32.033	-242.133	-103.351
- Other movements		-11.341	-7.195
At the end of the period	1.117.721	2.853.438	342.238
Net carrying value at the end of the period	1.121.571	436.218	135.969

IN THOUSANDS OF FRANCS	LEASING AND OTHER SIMILAR RIGHTS	OTHER TANGIBLE ASSETS	ASSETS UNDER CONSTRUCTION AND ADVANCE PAYMENTS
a) Acquisition cost			
At the end of the preceding period	593.356	31.789	2.753
Movements during the period:			
- Acquisitions, including produced fixed assets	47.436	2.496	544
- Sales and disposals		-3.503	-2.753
At the end of the period	640.792	30.782	544
c) Depreciation and amounts written down			
At the end of the preceding period	342.791	20.249	
Movements during the period:			
- Recorded	70.189	4.148	
- Written down after sales and disposals		-2.757	
At the end of the period	412.980	21.640	
Net carrying value at the end of the period	227.812	9.142	544
of which:			
- plant, machinery and equipment	225.947		
- furniture and vehicles	1.864		

X. Statement of financial fixed assets

IN THOUSANDS OF FRANCS	ENTERPRISES ACCOUNTED FOR USING THE EQUITY METHOD	OTHER ENTERPRISES
1. PARTICIPATING INTERESTS		
a) Acquisition cost		
At the end of the preceding period	13.347	86.177
Movements during the period:		
- Acquisitions	7.930	9.937
- Sales and disposals		-411
- Transfers from one heading to another	11.793	-38.751
At the end of the period	33.070	56.952
b) Revaluation surpluses		
At the end of the preceding period		47.567
Movements during the period:		
- Reversals		-47.567
At the end of the period		0
c) Amounts written down		
At the end of the preceding period		36.475
Movements during the period:		
- Recorded	7.509	
- Written back as superfluous		-33.179
- Transfers from one heading to another	7.162	32.850
At the end of the period	14.671	36.146
d) Uncalled amounts		
At the end of the preceding period		10.900
Movements during the period		-10.900
At the end of the period		0
e) Movements in the capital and reserves of the enterprises accounted for using the equity method		
Share in the result for the financial period	2.160	
Net carrying value at the end of the period	20.559	20.806
2. AMOUNTS RECEIVABLE		
Net carrying value at the end of the preceding period		194.695
Movements during the period:		
- Additions	518	234.729
- Reimbursements		-97.218
- Amounts written down		-20.041
- Other	20.760	1.341
Net carrying value at the end of the period	21.278	313.506

XI. Statement of consolidated reserves

IN THOUSANDS OF FRANCS	1998
Consolidated reserves at the end of the previous financial period	-273.239
Movements:	
- Shares of the group in the consolidated income	322.769
- Other movements:	
Modification group structure	311.132
Elimination pre-acquisition profit	-52.910
Dividend	-144.166
Consolidated reserves at the end of the financial period	163.586

XII. Statement of consolidation differences and differences resulting from the application of the equity method

IN THOUSANDS OF FRANCS	CONSOLIDATION DIFFERENCES	
	POSITIVE	NEGATIVE
Net carrying value at the end of the preceding period	1.046.031	16.516
Movements during the period:		
- Arising from an increase of the percentage held	797.580	
- Write-downs	-118.464	
- Other modifications	-50.487	
Net carrying value at the end of the period	1.674.660	16.516

XIII. Statement of amounts payable

A. Analysis of the amounts originally payable after one year according to their residual term

IN THOUSANDS OF FRANCS	AMOUNTS PAYABLE WITH A RESIDUAL TERM OF		
	NOT MORE THAN ONE YEAR	BETWEEN ONE AND 5 JAAR	OVER FIVE YEARS
Financial debts	300.361	369.964	335.041
1. Subordinated loans		2.487	10.000
3. Leasing and other similar obligations	58.071	35.941	
4. Credit institutions	177.129	311.061	300.000
5. Other loans	65.161	20.475	25.041
Other amounts payable	120.000	159.500	
TOTAL	420.361	529.464	335.041

B. Amounts payable, or the portion thereof, which guaranteed by real guarantees given or irrevocably promised on the assets of the enterprises included in the consolidation

IN THOUSANDS OF FRANCS	
Financial debts	215.520
4. Credit institutions	215.520
TOTAL	215.520

XIV. Result for the financial period and the previous financial period

A. Net turnover	1998	Pro Forma 1997
A.2. Aggregate turnover of the group in Belgium (Total sales realised in Belgium by enterprises of the group)	13.456.514	11.623.428
	Fully consolidated enterprises	Proportionally consolidated enterprises
B. Average number of persons employed, in units, and personnel charges, in thousands of francs	1998	1998
B1. Average number of persons employed	1.234	343
Workers	489	39
Employees	719	284
Management personnel	5	8
Other persons	21	12
B2. Personnel charges		
Remunerations and social charges	1.965.271	591.526
Pensioncosts	4.059	1.095
B3. Average number of persons employed in Belgium by enterprises of the group	1.234	306
		1998
C. Extraordinary results, in thousands of francs		
C2. Analysis of the other extraordinary costs if they involve significant amounts		
Loss Steps France		261.160
		1998
D. Income taxes, in thousands of francs		
D2. Effect of extraordinary results on the amount of income taxes on the current period		213.749

XV. Rights and commitments not reflected in the balance sheet

IN THOUSANDS OF FRANCS	1998
A. 1. Amount of personal guarantees, given or irrevocably promised by the enterprises included in the consolidation, as security for third parties' debts or commitments	1.500
2. Amount of real guarantees, given or irrevocably promised by the enterprises included in the consolidation on their own assets, as security for debts and commitments:	
- of enterprises included in the consolidation	709.105
C. Significant litigation and other commitments not mentioned above	
Other important commitments:	
Contracted broadcast rights	780.970

XVI. Relationships with affiliated enterprises and enterprises linked by participating interests but not included in the consolidation

IN THOUSANDS OF FRANCS	AFFILIATED ENTERPRISES		ENTERPRISES LINKED WITH PARTICIPATING INTERESTS	
	1998	Pro Forma 1997	1998	Pro Forma 1997
1. Financial fixed assets				
Participating interests and shares	10.602	81.286	10.204	5.082
2. Amounts receivable	27.931	26.898	2.430	
After one year				
Within one year	27.931	26.898	2.430	
4. Amount payable	22.689	4.834	618	
After one year				
Within one year	22.689	4.834	618	

XVII. Financial relationships with directors or managers of the consolidation enterprise

IN THOUSANDS OF FRANCS	1998
A. Total amount of remuneration granted in respect of the period to the directors or managers of the consolidation enterprise for their responsibilities in the consolidation enterprise, its subsidiaries and its affiliated enterprises, including the amounts in respect of retirement pensions granted to former directors or managers	46.740

4. COMMENT ON THE 1998 CONSOLIDATED ANNUAL ACCOUNTS

Assets

Formation expenses (83 million BEF)

This heading mainly comprises the expenses incurred to introduce the Roularta Media Group NV on the stock exchange, which are written off over 5 years.

Intangible fixed assets (421 million BEF)

The intangible fixed assets include mainly the section not yet written off of the titles of publications and goodwill property of Roularta Media Group NV to the amount of 377 million BEF.

For the most part the investments concern the goodwill of 75 million BEF expressed in Roularta Media Group NV following silent mergers by joining all shares into one hand. Apart from that, there are investments in software, film rights and screen-plays.

Positive consolidation differences (1,675 million BEF)

This heading contains the positive consolidation differences of fully and proportionally consolidated enterprises.

On the whole the increase in this heading can be explained by an additional consolidation difference of 782 million BEF following an additional acquisition of a participation in Vlaamse Media Maatschappij NV by Vlaamse Media Holding NV.

The participation of Vlaamse Media Holding NV in Vlaamse Media Maatschappij NV was sold half at the end of the financial year by Vlaamse Media Holding NV to Roularta Media Group NV.

Tangible fixed assets (1,931 million BEF)

In 1998 investments were made in tangible fixed assets for a total of 453 million BEF.

These investments are divided as follows:

• Land and buildings	187
• Plant, machinery and equipment	168
• Furniture and vehicles	48
• Leasing and other similar rights	47
• Other tangible fixed assets	3
	<hr/>
	453

The main investments in immovables involve the acquisition of building rights for a building at Evere by Roularta Media Group NV and the purchase of an industrial area at Kuurne by Vogue Trading Video NV.

Both acquisitions took place in view of the expansions already planned.

78 million BEF of the investments in 'Plant, machinery and equipment' involve prepress and printing activities and 86 million BEF concern the activities of television and new media.

The investments in 'Tangible fixed assets in leasing' exclusively involve investments in the printing company of Roularta Media Group NV.

Financial fixed assets (376 million BEF)

The equity method was first applied on the Paratel NV and Roularta France SA participations.

Apart from that, a number of participations have been consolidated at acquisition value. It concerns participations that didn't have any activity worth mentioning on 31.12.98 or are of negligible significance for the consolidated annual accounts.

To the tune of 166 million BEF the financial fixed assets comprise the non-eliminated proportional share of claims on enterprises that have been consolidated according to the proportional consolidation method as well as claims on enterprises that have not been consolidated for the aforementioned reasons.

Investments and cash at bank and in hand

The increase in investments and cash at bank and in hand is the result of the increase in capital following the introduction on the stock exchange at the end of 1998.

Liabilities

Capital and reserves (4,702 million BEF)

The consolidated capital and reserves on 31.12.98 are composed as follows:

• Capital	4.479
• Share premium account	14
• Consolidated reserves	164
• Consolidation differences	16
• Translation differences	2
• Investment grants	27
	<hr/>
	4.702

Capital (4,479 million BEF)

The consolidated capital only comprises the capital of ROULARTA MEDIA GROUP NV to the amount of 4,479 million BEF.

The evolution of the capital with regard to the consolidated balance sheet on 31.12.97 pro forma is as follows:

Consolidated capital 31.12.97 pro forma	1.826
Changing the group's structure	-281
Capital increase in Roularta Media Group NV	
• by contribution in kind	951
• by contribution in cash (incl. share premium account)	1.983
	<hr/>
Consolidated capital 31.12.98	4.479

Share premium account (13.5 million BEF)

The consolidated share premium account amounts to 13.5 million BEF and is the result of ROULARTA MEDIA GROUP NV issuing warrants.

Consolidated reserves (164 million BEF)

The evolution of the consolidated reserves with regard to the consolidated balance sheet on 31.12.97 pro forma is as follows:

Consolidated reserves on 31.12.97 pro forma	-273
Share of the group in the consolidated result	323
Changing the group's structure	310
Eliminating the Vlaamse Media Maatschappij NV pre-acquisition profits	-52
Dividend	-144
Consolidated reserves 31.12.98	<u>164</u>

Consolidation differences (17 million BEF)

The consolidation differences on the liabilities have remained the same with regard to the consolidated balance sheet on 31.12.97 pro forma.

Minority interest (7 million BEF)

Minority interests have dropped considerably due to additional acquisitions of participations in Roularta France SA and in Vlaamse Media Maatschappij NV and by no longer including the company Steps France SA into the consolidation.

Provisions, deferred tax and latent taxation liabilities (189 million BEF)

The consolidated provision for 'Other liabilities and charges' mainly comprises the provisions set up by the individual enterprises for pending disputes to the tune of 135 million BEF.

Amounts payable after more than one year (865 million BEF) - Amounts payable within one year (5,017 million BEF)

Debts by 31.12.98 have dropped compared to 31.12.97 pro forma. This is mainly due to the incorporation in capital in the middle of 1998 of 951 million BEF interest-yielding debts and the repayment of bank loans.

Income statement

Operating results

The evolution of the consolidated turnover is as follows:

in million BEF	1998	1997 pro forma
• Publicity in free local newspapers	3.307	2.724
• Publicity in newspapers	180	183
• Publicity in magazines	2.964	2.570
• Publicity on regional TV	697	617
• Publicity on VTM	2.984	2.872
• Subscriptions and sales	1.776	1.586
• Third party printed matter	1.705	1.128
• Books	284	258
• Miscellaneous	448	531
TOTAL	<u>14.345</u>	<u>12.469</u>

On the whole the increase in the company's profits can be explained by:

- Increase in publicity income
- Increase in subscriptions and sales
- Increase in printed matter for third parties

On the other hand, in comparison the increase in the following is less spectacular:

- Use of raw materials
- Services and other goods
- Personnel charges

Financial results

The increase in the financial results can mainly be explained by a drop in financial costs

Debt charges dropped considerably due to the lower interest rates, the incorporation in capital in the middle of 1998 of 951 million BEF interest-yielding debts and the repayment of bank loans.

Exceptional results

Overall, the exceptional results are explained by losses regarding the 'Steps' activities stopped in France and the liquidation of the company 'Style Magazine Nederland' BV to the amount of 334 million BEF.

Consolidated profit in million BEF

The consolidated profit on 31.12.98 is composed as follows:

• Share of third parties	1
• Share of the group	323
	<u>324</u>

In this result of the group 52 million BEF pre-acquisition profits are included following the additional acquisition of the Vlaamse Media Maatschappij NV participation..

5. STATUTORY AUDITOR'S REPORT

STATUTORY AUDITOR'S REPORT
ON THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1998
TO THE SHAREHOLDERS' MEETING OF THE COMPANY
NV ROULARTA MEDIA GROUP

In accordance with legal and statutory requirements, we are pleased to report to you on the performance of the audit mandate which you have entrusted to us.

We have audited the consolidated financial statements as of and for the year ended 31st of December 1998 which have been prepared under the responsibility of the Board of Directors and which show a balance sheet total of 10.821.741.000 BEF and a consolidated profit for the year of 323.596.000 BEF

We have also examined the consolidated directors' report.

Unqualified audit opinion on the consolidated financial statements

We conducted our audit in accordance with the standards of the Institut des Reviseurs d'Entreprises. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, taking into account the legal and regulatory requirements applicable to consolidated financial statements in Belgium.

In accordance with those standards, we considered the group's administrative and accounting organisation, as well as its internal control procedures. We have obtained explanations and information required for our audit. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing accounting principles used, the basis for consolidation and significant accounting estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

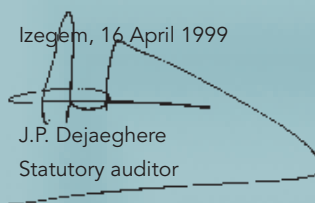
In our opinion the consolidated financial statements give a true and fair view of the group's assets, liabilities, consolidated financial position as of 31st of December 1998 and the consolidated results of its operations for the year then ended, in accordance with the legal and regulatory requirements applicable in Belgium and the information given in the notes to the consolidated financial statements is adequate.

Other certification and information

We supplement our report with the following certification and information which do not modify our audit opinion on the consolidated financial statements of the **NV ROULARTA MEDIA GROUP**:

- The consolidated directors' report contains the information required by law and is consistent with the consolidated financial statements.

Izegem, 16 April 1999


J.P. Dejaeghere
Statutory auditor

Partner in B.V. o.v.v. C.V.
DELOITTE & TOUCHE BEDRIJFSREVISOREN

6. SOURCE AND APPLICATION OF FUNDS

	(in 1.000 BEF)
	1998
I. Source of funds	
Share of the group in the consolidated result	322.769
Net addition to depreciation and amounts written down	1.027.506
Net addition to provisions and deferred taxes	40.033
Gross selffinancing margin	1.390.308
Transfers of formation expenses, intangible and tangible assets	35.476
Decrease of positive consolidation differences	50.487
Decrease of financial fixed assets	177.004
Internal funds	262.967
Increase of capital and share premium account	2.947.835
Movement of capital and reserves (incl. capital, share premium account and result period)	108.554
External funds	3.056.389
II. Application of funds	
Investments in formation expenses, intangible and tangible assets	696.758
Increase of positive consolidation differences	797.580
Increase of financial fixed assets	253.114
Increase of long term receivables	2.500
Internal application of funds	1.749.952
Decrease of capital and share premium account	280.702
Decrease of minority interests (incl. share of third parties in result)	227.085
Decrease of long term debts	1.099.677
External application of funds	1.607.464
III = I - II = Movement net working capital	1.352.248
IV. Movement of stocks and contracts in progress	-144.784
Movement of short term receivables	455.417
Movement of deferred charges and accrued income	34.261
V. Movement of non-financial short term payables	199.307
Movement of accrued charges and deferred income	10.665
VI = IV - V = Movement in short term financial need	134.922
VII = III - VI = Movement in cash	1.217.326
Of which:	
VIII. Movement in investment and cash at bank and in hand	721.030
IX. Movement of short term financial debts	-496.296



My interest

is in the future because
I am going to spend
the rest of my life there
Charles F. Kettering

Statutory annual accounts

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1. STATUTORY BALANCE SHEET AFTER APPROPRIATION

ASSETS (IN THOUSANDS OF FRANCS)

1998 1997

FIXED ASSETS

6.803.772 2.533.488

I. Formation expenses	82.830	0
II. Intangible assets	391.911	536.389
III. Tangible assets	1.364.902	1.420.539
A. Land and buildings	680.041	608.371
B. Plant, machinery and equipment	341.675	429.995
C. Furniture and vehicles	109.633	122.630
D. Leasing and other similar rights	225.947	248.026
E. Other tangible assets	7.122	8.764
F. Assets under construction and advance payments	484	2.753
IV. Financial assets	4.964.129	576.560
A. Affiliated enterprises	4.930.033	468.635
1. Investments	4.485.161	246.649
2. Amounts receivable	444.872	221.986
B. Other enterprises linked by participating interests	26.741	101.641
1. Investments	13.874	12.310
2. Amounts receivable	12.867	89.331
C. Other financial assets	7.355	6.284
1. Shares	2.776	2.509
2. Amounts receivable and cash guarantees	4.579	3.775

CURRENT ASSETS

4.184.619 2.817.505

V. Amounts receivable after more than one year	2.500	0
B. Other amounts receivable	2.500	0
VI. Stocks and contracts in progress	223.419	262.026
A. Stocks	223.419	262.026
1. Raw materials and consumables	179.555	190.349
2. Work in progress	41.440	69.986
6. Advance payments	2.424	1.691
VII. Amounts receivable within one year	3.259.617	2.462.601
A. Trade debtors	3.093.380	2.279.390
B. Other amounts receivable	166.237	183.211
VIII. Investments	300.000	85
B. Other investments and deposits	300.000	85
IX. Cash at bank and in hand	350.140	62.756
X. Deferred charges and accrued income	48.943	30.037

TOTAL ASSETS

10.988.391 5.350.993

LIABILITIES (IN THOUSANDS OF FRANCS)

1998 1997

CAPITAL AND RESERVES

5.301.041 1.140.431

I. Capital	4.479.792	734.074
A. Issued capital	4.479.792	734.074
II. Share premium account	13.500	0
IV. Reserves	782.060	380.236
A. Legal reserve	54.625	16.771
C. Untaxed reserves	62.953	62.870
D. Reserves available for distribution	664.482	300.595
V. Profit carried forward	2.528	9
VI. Investment grants	23.161	26.112

PROVISIONS AND DEFERRED TAXATION

108.293 103.469

VII. A. Provisions for liabilities and charges	83.160	73.771
1. Pensions and similar obligations	9.348	6.962
4. Other liabilities and charges	73.812	66.809
B. Deferred taxation	25.133	29.698

CREDITORS

5.579.057 4.107.093

VIII. Amounts payable after more than one year	1.675.865	1.150.678
A. Financial debts	1.516.365	1.149.178
1. Subordinated loans	0	442.000
3. Leasing and other similar obligations	33.796	42.178
4. Credit institutions	117.000	213.000
5. Other loans	1.365.569	452.000
D. Other amounts payable	159.500	1.500
IX. Amounts payable within one year	3.889.648	2.950.774
A. Current portion of amounts payable after more than one year	338.410	329.136
B. Financial debts	0	61.315
1. Credit institutions	0	61.315
C. Trade debts	2.430.614	1.770.323
1. Suppliers	2.345.012	1.722.505
2. Bills of exchange payable	85.602	47.818
D. Advances received on contracts in progress	348.929	321.947
E. Taxes, remuneration and social security	601.981	425.723
1. Taxes	194.148	93.132
2. Remuneration and social security	407.833	332.591
F. Other amounts payable	169.714	42.330
X. Accrued charges and deferred income	13.544	5.641

TOTAL LIABILITIES

10.988.391 5.350.993

2. STATUTORY INCOME STATEMENT

IN THOUSANDS OF FRANCS

	1998	1997
I. Operating income	11.917.310	2.678.655
A. Turnover	11.413.607	2.512.699
B. Increase / decrease in stocks of finished goods, work and contracts in progress	-28.546	69.986
D. Other operating income	532.249	95.970
II. Operating charges	-11.101.235	-2.401.628
A. Raw materials, consumables and goods for resale	5.856.403	973.391
1. Purchases	5.845.609	965.392
2. Increase / decrease in stocks	10.794	7.999
B. Services and other goods	2.845.212	843.721
C. Remuneration, social security costs and pensions	1.703.338	395.574
D. Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets	629.647	164.387
E. Increase / decrease in amounts written off stocks, contracts in progress and trade debtors	360	2.156
F. Increase / decrease in provisions for liabilities and charges	6.430	55
G. Other operating charges	59.845	22.344
III. Operating profit	816.075	277.027
IV. Financial income	78.664	23.499
A. Income from financial fixed assets	43.054	2.742
B. Income from current assets	18.884	3.202
C. Other financial income	16.726	17.555
V. Financial charges	-114.115	-34.866
A. Interests and other debt charges	69.618	24.435
B. Increase / decrease in amounts written off current assets other than those mentioned under II.E	0	250
C. Other financial charges	44.497	10.181
VI. Profit on ordinary activities before taxes	780.624	265.660
VII. Extraordinary income	41.430	46.104
A. Adjustments to depreciation of and to other amounts written off intangible and tangible fixed assets	0	192
B. Adjustments to amounts written off financial fixed assets	33.179	1.152
D. Gain on disposal of fixed assets	4.866	29.353
E. Other extraordinary income	3.385	15.407
VIII. Extraordinary charges	-574.312	-41.887
A. Extraordinary depreciation of and extraordinary amounts written off formation expenses, intangible and tangible fixed assets	8.448	0
B. Amounts written off financial fixed assets	43.832	15.920
C. Provisions for extraordinary liabilities and charges	0	25.750
D. Loss on disposal of fixed assets	139.469	143
E. Other extraordinary charges	382.563	74
IX. Profit for the period before taxes	247.742	269.877
IX. Bis		
A. Transfer from deferred taxation	10.257	3.418
B. Transfer to deferred taxation	0	-11.665

IN THOUSANDS OF FRANCS

	1998	1997
X. Income taxes	-154.654	-109.017
A. Income taxes	-154.713	-110.018
B. Adjustment of income taxes and write-back of tax provisions	59	1.001
XI. Profit for the period	103.345	152.613
XII. Transfer from untaxed reserves	3.849	93
Transfer to untaxed reserves	0	-17.374
XIII. Profit for the period available for appropriation	107.194	135.332

APPROPRIATION ACCOUNT

IN THOUSANDS OF FRANCS

	1998	1997
A. Profit to be appropriated	107.293	139.159
1. Profit for the period available for appropriation	107.194	135.332
2. Profit brought forward	99	3.827
B. Transfers from capital and reserves	50.000	0
2. From reserves	50.000	0
C. Transfers to reserves	-10.600	-139.150
2. To legal reserve	5.600	7.000
3. To other reserves	5.000	132.150
D. Result to be carried forward	-2.528	-9
1. Profit to be carried forward	2.528	9
F. Distribution of profit	-144.165	0
1. Dividends	144.165	0

3. NOTES ON THE STATUTORY ANNUAL ACCOUNTS

I. Statement of formation expenses

IN THOUSANDS OF FRANCS

Net book value as at the end of the preceding period	
Movements during the period:	
New expenses incurred	103.538
Depreciation	-20.708
Net book value at the end of the period	82.830
detailing:	
- Expenses of formation or capital increase, loan issue expenses and other formation expenses	82.830

II. Statement of intangible assets

IN THOUSANDS OF FRANCS

	CONCESSIONS, PATENTS, LICENCES, A.O.	GOODWILL
a) Acquisition cost		
At the end of the preceding period	3.860	2.619.622
Movements during the period:		
- Acquisitions, including produced fixed assets	15.496	74.846
- Sales and disposals		-600
At the end of the period	19.356	2.693.868
c) Depreciation and amounts written down		
At the end of the preceding period	772	2.086.321
Movements during the period:		
- Recorded	3.871	230.949
- Written down after sales and disposals		-600
At the end of the period	4.643	2.316.670
Net book value at the end of the period	14.713	377.198

III. Statement of tangible fixed assets

IN THOUSANDS OF FRANCS

	LAND AND BUILDINGS	PLANT, MACHINERY AND EQUIPMENT	FURNITURE AND VEHICLES
a) Acquisition cost			
At the end of the preceding period	1.316.058	2.479.921	424.898
Movements during the period:			
- Acquisitions, including produced fixed assets	165.301	83.240	37.499
- Sales and disposals	-31.666	-241.163	-95.629
- Transfers from one heading to another		2.753	
At the end of the period	1.449.693	2.324.751	366.768
b) Revaluation surpluses			
At the end of the preceding period	3.422		
At the end of the period	3.422		
c) Depreciation and amounts written down			
At the end of the preceding period	711.109	2.049.926	302.268
Movements during the period:			
- Recorded	93.534	170.855	45.572
- Acquisitions from third parties	92	3.380	3.865
- Written down after sales and disposals	-31.661	-241.085	-94.570
At the end of the period	773.074	1.983.076	257.135
Net book value at the end of the period	680.041	341.675	109.633

	LEASING AND OTHER SIMILAR RIGHTS	OTHER TANGIBLE ASSETS	ASSETS UNDER CONSTR. AND ADVANCE PAYMENTS
a) Acquisition cost			
At the end of the preceding period	589.141	23.659	2.753
Movements during the period:			
- Acquisitions, including produced fixed assets	47.324	2.011	484
- Sales and disposals		-2.543	
- Transfers from one heading to another			-2.753
At the end of the period	636.465	23.127	484
c) Depreciation and amounts written down			
At the end of the preceding period	341.115	14.895	
Movements during the period:			
- Recorded	69.403	3.202	
- Written down after sales and disposals		-2.092	
At the end of the period	410.518	16.005	
Net book value at the end of the period	225.947	7.122	484

whereof: - plant, machinery and equipment

225.947

IV. Statement of financial fixed assets

IN THOUSANDS OF FRANCS	AFFILIATED	ENTERPRISES	OTHERS
	ENTERPRISES	WITH PARTICIPATION LINK	
1. PARTICIPATING INTERESTS AND SHARES			
a) Acquisition cost			
At the end of the preceding period	320.538	55.443	2.509
Movements during the period:			
- Acquisitions	4.374.187	1.818	267
- Sales and disposals	-141.370	-18.183	
At the end of the period	4.553.355	39.078	2.776
c) Depreciation and amounts written down			
At the end of the preceding period	44.389	41.883	
Movements during the period:			
- Recorded	10.430		
- Acquisitions from third parties	625		
- Written down after sales and disposals	-15.250	-17.929	
At the end of the period	40.194	23.954	
d) Uncalled amounts			
At the end of the preceding period	29.500	1.250	
Movements during the period	-1.500		
At the end of the period	28.000	1.250	
Net book value at the end of the period	4.485.161	13.874	2.776
2. AMOUNTS RECEIVABLE			
Net book value at the end of the preceding period	221.986	89.331	3.775
Movements during the period:			
- Additions	2.023.344	108.109	1.147
- Reimbursements	-1.632.390	-1.500	-343
- Value adjustment entries		-33.401	
- Exchange differences	-786	-1.579	
- Other	-167.282	-148.093	
Net book value at the end of the period	444.872	12.867	4.579
Accumulated amounts written off on amounts receivable at the end of the period	63.914	44.214	

V. Participating interests and other rights in other enterprises

List of both enterprises in which the enterprise holds a participating interest, within the meaning of the Royal Decree of 8th October 1976, and other enterprises in which the enterprise holds rights in the amount of at least 10% of the capital issued.

Name, full address of the registered office and for an enterprise governed by Belgian law, the V.A.T.- or national number	Rights held by			Information from the most recent period for which annual accounts are available			
	The enterprise (directly)		Subsidiaries	Annual accounts	Currency	Capital and reserves	Net result
	Number	%	%			(in thousands of francs)	
ROULARTA BOOKS NV de Jamblinne de Meuxplein 10 1030 Brussel 3 (Belgium) BE 433.233.969	1.250	99,92		31/12/1998	BEF	26.413	1.279
LE VIF MAGAZINE SA Place de Jamblinne de Meux 33 1030 Bruxelles 3 (Belgium) BE 423.269.792	625	50,00		31/12/1998	BEF	125.559	40.529
WEST-VLAAMSE MEDIA GROEP NV Meiboomlaan 33 8800 Roeselare (Belgium) BE 434.259.496	1.499	99,93		31/12/1998	BEF	6.143	970
VLAAMSE TIJDSCHRIFTEN UITGEVERIJ NV Tervurenlaan 153 1150 Brussel 15 (Belgium) BE 420.260.517	1.249	99,92		31/12/1998	BEF	18.877	577
TRENDS MAGAZINE NV Research Park - De Haak 1731 Zellik (Belgium) BE 422.389.072	1.249	99,92		31/12/1998	BEF	21.350	382
SPORTMAGAZINE NV Tervurenlaan 153 1150 Brussel 15 (Belgium) BE 420.273.482	625	50,00		31/12/1998	BEF	-20.759	-22.540
ACADEMICI ROULARTA MEDIA NV Londenstraat 20-22 2000 Antwerpen 1 (Belgium) BE 451.763.939	1.250	50,00		31/12/1998	BEF	7.556	8.388
REGIONALE TV MEDIA NV Research Park - De Haak 1731 Zellik (Belgium) BE 448.708.637	6.000	66,67		31/12/1998	BEF	11.351	522
EVENTA ORGANISATION SA in liquidation Rue de Hesse 16 1204 Genève Switzerland	50	50,00		31/12/1997	CHF	1	1

Name, full address of the registered office and for an enterprise governed by Belgian law, the V.A.T.- or national number	Rights held by			Information from the most recent period for which annual accounts are available			
	The enterprise (directly)		Subsidiaries	Annual accounts	Cur-rency	Capital and reserves	Net result
	Number	%	%				
TOP CONSULT SA Rue de la Fusée 50 1130 Bruxelles 13 (Belgium) BE 433.558.425	625	50,00		31/12/1998	BEF	2.027	103
WEST-VLAAMSE RADIO NV Meiboomlaan 33 8800 Roeselare (Belgium) BE 450.929.244	625	50,00		31/12/1998	BEF	-8.515	-1.971
VLAAMSE MEDIA HOLDING NV Brusselsesteenweg 347 1730 Asse-Kobbegem (Belgium) BE 433.203.879	1.312.500	50,00		31/12/1998	BEF	2.717.599	742.487
SENIOR PUBLICATIONS SA Rue de la Concorde 33 1050 Bruxelles 5 (Belgium) BE 432.176.174	150	50,00		31/12/1998	BEF	49.621	28.417
SENIOR PUBLICATIONS NEDERLAND BV Olmenlaan 26 1404 DG Bussum The Netherlands	100	50,00		31/12/1998	NLG	-4.454	1.950
MEDIA AND COMMUNICATION SERVICES NV Legeweg 2B 8490 Jabbeke (Belgium) BE 428.610.930	3.500	50,00		31/12/1998	BEF	44.970	19.784
VOGUE TRADING VIDEO NV P. Verhaegestraat 8 8520 Kuurne (Belgium) BE 430.655.551	3.375	50,00		31/12/1998	BEF	7.625	-4.299
REGIONALE AUDIOVISUELE REGIE NV - in liquidation Research Park - De Haak 1731 Zellik (Belgium) BE 452.094.927	2.000	50,00		31/12/1997	BEF	-106.535	3.549
ROULARTA FRANCE SA Chemin du Colbras 57 59250 Halluin France	19.996	99,98		31/12/1998	FRF	118	-86
BELGOMEDIA SA Rue des Grandes Rames 12 4800 Verviers (Belgium) BE 435.771.213	625	50,00		31/12/1998	BEF	20.359	5.624

Name, full address of the registered office and for an enterprise governed by Belgian law, the V.A.T.- or national number	Rights held by			Information from the most recent period for which annual accounts are available			
	The enterprise (directly)		Subsidiaries	Annual accounts	Cur-rency	Capital and reserves	Net result
	Number	%	%				
PUBLINDUS NV de Jamblinne de Meuxplein 10 1030 Brussel 3 (Belgium) BE 439.307.159	1.654	50,00		31/12/1998	BEF	18.072	8.932
STYLE MAGAZINE BV Paardeweide 2-4 4824 EH Breda The Netherlands	37.898	100,00		//	NLG	0	0
EDITOP NV de Jamblinne de Meuxplein 10 1030 Brussel 3 (Belgium) BE 439.307.258	1.416	50,00		31/12/1998	BEF	1.494	4.434
NEWSCO NV de Jamblinne de Meuxplein 33 1030 Brussel 3 (Belgium) BE 439.844.223	286.999	100,00		31/12/1998	BEF	7.226	5.395
FINANCIERE WALTA SA Avenue Emile De Mot 19-21 1000 Bruxelles 1 (Belgium)	300	50,00		31/12/1998	BEF	17.965	-467
DE WOONKIJKER NV Posthoflei 3 2600 Berchem (Belgium)	2.500	50,00		31/12/1998	BEF	5.035	35
VLAAMSE BUSINESS TELEVISIE NV Meiboomlaan 33 8800 Roeselare (Belgium) BE 461.874.705	500	50,00		31/12/1998	BEF	4.196	-5.804
DE STREEKKRANT - DE WEEKKRANTGROEP NV Meiboomlaan 33 8800 Roeselare (Belgium) BE 462.032.378	749	74,0		31/12/1998	BEF	12.601	2.601
R. OM BVBA Meiboomlaan 33 8800 Roeselare (Belgium) BE 455.978.093	300	100,00		31/12/1998	BEF	-764	-338
REGIE DER INFORMATIEWEEK-BLADEN CVBA Paepsemalaan 22 Bus 8 1070 Brussel 7 (Belgium) BE 451.085.335	139	13,90		31/12/1998	BEF	3.272	-664
SCRIPTA NV E. Jacquainlaan 127 1000 Brussel 1 (Belgium) BE 452.164.906	750	25,00		31/12/1998	BEF	40.305	7.399

Name, full address of the registered office and for an enterprise governed by Belgian law, the V.A.T.- or national number	Rights held by			Information from the most recent period for which annual accounts are available			
	The enterprise (directly)		Subsidiaries	Annual accounts	Cur-rency	Capital and reserves (in thousands of francs)	Net result
	Number	%	%				
DOLIMONT MEDIA SA Rue de la Fusée 50 1130 Bruxelles 13 (Belgium) BE 452.205.288	500	33,33		31/12/1998	BEF	-1.870	-1.965
FOCUS TELEVISIE NV Industriezone 2 8490 Jabbeke (Belgium) BE 448.906.892	500	50,00		31/12/1998	BEF	-20.770	-2.256
CENTRAL STATION CVBA in liquidation Paepsemlaan 22 1070 Brussel 7 (Belgium) BE 455.711.245	20	10,00		31/12/1997	BEF	1.250	-10.418
PUBLIREGIOES LDA Rua Duque de Palmela 37 - 2 dt 1100 Lisboa Portugal		40,00		31/12/1998	TPE	-591.203	-256.767
VACATURE CVBA Technologiestraat 1 1082 Sint-Agatha-Berchem (Belgium) BE 457.366.183	500	25,0		31/12/1998	BEF	21.125	638
BELGIUM ON LINE NV in liquidation Humaniteitslaan 116 Bus 11 1070 Brussel 7 (Belgium) BE 457.311.547	1.000	10,20		31/12/1996	BEF	5.921	-94.080
FACILITEITEN NV Meiboomlaan 33 8800 Roeselare (Belgium) BE 453.140.745	5.000	50,00		31/12/1998	BEF	12.583	2.878
VLAAMSE MEDIA MAATSCHAPPIJ NV Medialaan 1 1800 Vilvoorde (Belgium) BE 432.306.234	2.700	50,00		31/12/1998	BEF	1.110.057	338.492
CINEMA ADVERTISING NV Research Park - De Haak 1731 Zellik (Belgium)	8.333	28,00		//	BEF	0	0
PUB. L. ING NV Pieter Verhaeghstraat 8 8520 Kurne (Belgium) BE 454.380.068	735	49,00		30/6/1998	BEF	-237	2.754

VI. Investments: other investments and deposits

IN THOUSANDS OF FRANCS	1998	1997
Term deposits with credit institutions	300.000	85
Falling due:		
- Less or equal to one month	300.000	85

VII. Deferred charges and accrued income

IN THOUSANDS OF FRANCS	1998
Prepaid charges	25.099
Prepaid shipping costs	4.370
Accrued income	12
Services paid for and not used	19.462

VIII. Statement of capital

IN THOUSANDS OF FRANCS	AMOUNTS	NUMBER OF SHARES
A. Capital		
1. Issued capital		
- At the end of the preceding period	734.074	
- Changes during the period:		
Capital increase doc. not. Du Faux 24-6-98	811.383	2.690.400
Capital increase doc. not. Du Faux 24-6-98	951.000	3.153.200
Capital increase doc. not. Du Faux 03-12-98	1.983.335	1.333.334
- At the end of the period	4.479.792	
2. Structure of the capital		
2.1. Different categories of shares		
Normal shares	4.479.792	9.611.034
2.2. Registered shares and bearer shares		
Registered		8.054.367
Bearer		1.556.667

IX. Provision for other liabilities and charges

IN THOUSANDS OF FRANCS	1998
Provision for severance indemnity	33.818
Disputes pending	30.925
Other provisions	9.069

X. Statement of amounts payable

A. Analysis by current portions of amounts initially payable after more than one year

IN THOUSANDS OF FRANCS	AMOUNTS PAYABLE CURRENT PORTION		
	NOT MORE THAN ONE YEAR	BETWEEN ONE AND FIVE YEARS	OVER FIVE YEARS
Financial debts	218.410	1.506.365	10.000
3. Leasing and other similar obligations	55.378	33.796	0
4. Credit institutions	97.871	117.000	0
5. Other loans	65.161	1.355.569	10.000
Other amounts payable	120.000	159.500	0
TOTAL	338.410	1.665.865	10.000

1998

C. Amounts payable for taxes, remuneration and social security

1. Taxes	
- Non expired taxes payable	107.310
- Estimated taxes payable	86.838
2. Remuneration and social security	
- Other amounts payable relating to remuneration and social security	407.833

XI. Accrued charges and deferred income

IN THOUSANDS OF FRANCS	1998
Accrued interest	1.196
Accrued charges	359
Advanced invoices	11.989

XII. Operating results

IN THOUSANDS OF FRANCS (except C1)	1998	1997
B. Other operating income		
of which:		
the total amount of subsidies and compensatory amounts obtained from public authorities	6.800	9.326
C1. Employees recorded in the personnel register		
a) Total number at the closing date	1.109	1.059
b) Average number of employees in full-time equivalents	1.052,6	983,2
c) Number of actual working hours	1.735.113	422.224
C2. Personnel charges		
a) Remuneration and direct social benefits	1.165.390	325.455
b) Employers' contribution for social security	465.064	102.059
d) Other personnel charges	68.909	-32.933
e) Pensions	3.975	993
C3. Provisions for pensions		
Decrease	-1.411	-70
D. Amounts written off		
2. Trade debtors		
- Recorded	40.014	37.932
- Write back	-39.654	-35.776
E. Provisions for liabilities and charges		
Increases	27.579	5.544
Decreases	-21.149	-5.489
F. Other operating charges		
Taxes related to operations	37.447	12.968
Other charges	22.398	9.377
G. Temporary personnel and persons placed at the disposal of the enterprise		
1. Total number at the closing date	50	
2. Average number of employees in full-time equivalents	67,2	97,4
Number of actual working hours	129.278	46.868
Charges to the enterprise	87.626	37.119

XIII. Financial results

IN THOUSANDS OF FRANCS	1998	1997
A. Other financial income		
Amount of subsidies granted by public authorities, credited to income for the period		
- Capital subsidies	6.632	3.307
- Interest subsidies	4.796	1.690
Detail of other financial income classified under this heading, if material		
Translation differences	2.074	1.080
Payment differences - rebates	2.937	11.478
Bank charges	10	
Moratorium interest	277	
D. Value adjustments to current assets		
Entries		250
E. Other financial charges		
Amount of the discount borne by the enterprise, as a result of negotiating amounts receivable		
Banc and collection charges	2.375	536
Late payment interest	714	270
Payment differences	35.614	7.926
Translation differences	5.794	1.449

XIV. Extraordinary results

IN THOUSANDS OF FRANCS	1998
A. Analysis of other extraordinary income, if material	
Reclaimed in respect of loss of customers	3.197
Other extraordinary income	188
B. Analysis of other extraordinary charges, if material	
Theft	60
Cash till shortfalls	9
Other extraordinary charges	375.959
Damages	6.535

XV. Income taxes

IN THOUSANDS OF FRANCS	1998
A. 1. Income taxes of the current period:	142.777
a. Taxes and withholding taxes due or paid	61.292
c. Estimated additional charges for income taxes	81.485
2. Income taxes on previous periods:	11.936
a. Additional charges for income taxes due or paid	11.936
B. In so far as taxes of the current period are materially affected by differences between the profit before taxes as stated in the annual accounts and the estimated taxable profit the main source for such differences with special mention of timing differences	
Amounts not accepted as tax-deductible	185.917

XVI. Other taxes and taxes borne by third parties

IN THOUSANDS OF FRANCS	1998	1997
A. The total amount of value added tax, turnover taxes and special taxes charged during the period:		
1. To the enterprise (deductible)	1.656.955	389.727
2. By the enterprise	1.948.995	442.830
B. Amounts retained on behalf of third parties for:		
1. Payroll withholding taxes	298.565	90.538

XVIII. Relationships with affiliated enterprises and enterprises linked by participating interests

IN THOUSANDS OF FRANCS	AFFILIATED ENTERPRISES	
	1998	1997
1. Financial fixed assets	4.930.033	468.635
Investments	4.485.161	246.649
Amounts receivable: others	444.872	221.986
2. Amounts receivable	1.099.421	546.173
Within one year	1.099.421	546.173
4. Amount payable	2.217.020	1.322.345
After one year	1.365.569	894.000
Within one year	916.612	428.345
7. Financial results		
From financial fixed assets	38.574	2.742
From interest and debts	29.079	

ENTERPRISES LINKED BY PARTICIPATION

IN THOUSANDS OF FRANCS	1998	1997
1. Financial fixed assets	26.741	101.641
Investments	13.874	12.310
Amounts receivable: others	12.867	89.331

XIX. Financial relationships with

IN THOUSANDS OF FRANCS	1998
B. Individuals or bodies corporate who control the enterprise directly or indirectly but who are not affiliated enterprises	
C. Other enterprises controlled directly or indirectly by the sub B mentioned persons	
4. The amount of direct and indirect remuneration and pensions, included in the income statement, as long as this disclosure does not concern exclusively or mainly, the situation of a single identifiable person:	
- to the directors and managers	46.184

SUMMARY OF THE VALUATION RULES

Formation expenses

Formation expenses are valued at acquisition cost and are depreciated in full.

Where these formation expenses include substantial amounts, these are depreciated on a straight-line basis over five years.

Intangible fixed assets

Intangible fixed assets include titles acquired from third parties or contributed to the company.

These are depreciated over their estimated economic life. Most titles have a life of 10 to 12 years: these are depreciated on a straight-line basis at 8.33% or 10% a year. Exceptionally a title is depreciated at 25%.

Software is depreciated at 20% on a straight-line basis.

Research and development costs are charged immediately to the income statement. The Board of Directors may decide to capitalise significant amounts.

Tangible fixed assets

Tangible fixed assets are valued at acquisition value, less depreciation and reductions in value.

Ancillary costs such as bringing into service and transport, and also non-deductible V.A.T., are charged directly to the income statement, with the exception of non-deductible V.A.T. on cars, which is capitalised.

Tangible fixed assets are depreciated at the following rates:

	Straight-line		Reducing balance	
	min.	max.	min.	max.
- land		0%		
- buildings	2%	10%	4%	20%
- roadworks			10%	25%
- other installations	5%	20%	10%	40%
- major maintenance	10%	50%	25%	25%
- machinery	20%	33,33%	20%	20%
- office equipment	25%	33,33%	20%	40%
- vehicles	20%	33,33%		
- assets under construct	0%			

Second-hand equipment and machinery is depreciated at 50% a year.

Works of art who do not reduce in value are not depreciated.

Financial fixed assets

Participating interests and shares are recorded at acquisition value. In the event of a permanent loss of value, corresponding reductions in value are recorded. Amounts receivable from companies in which the company has a participating interest are included under financial fixed assets when the Board of Directors has the intention of permanently supporting the debtor in question. These receivables are recorded at their face value.

Stocks

Raw and ancillary materials and goods purchased for resale are valued by the FIFO method.

Reductions in value are systematically applied to outdated and slow-rotating stock. Print work in progress is valued at production costs including indirect production costs.

Amounts receivable

Amounts receivable are recorded at nominal value.

Reductions in value are applied on the basis of either determined losses, or of individual doubtful balances.

Current investments and cash at hand and in bank

These items are recorded at nominal value.

Deferred and accrued accounts

Deferred and accrued accounts are recorded and valued at their acquisition value and are included in the balance sheet in respect of the amount that runs over into the following financial year.

Investment grants

This heading contains allowed investment grants. These are taken into income pari passu with depreciation on the assets to which they refer. The amount of deferred taxes on these investment grants is transferred to the Deferred taxation' account.

Provisions for liabilities and charges

Based on an assessment of the situation by the Board of Directors on the balance sheet closing date, provisions are set up to cover any losses which are probable or certain at the balance sheet date, but to which no precise figure can yet be attached.

Amounts payable

Amounts payable are recorded in the balance sheet at nominal value.

The necessary provisions are recorded on the balance sheet date for social security, tax and commercial liabilities.

Foreign currencies

Amounts receivable and payable expressed in foreign currency are originally recorded at the prevailing exchange rate.

Amounts receivable and payable expressed in foreign currency are translated at the end of the year at the closing exchange rate, unless specifically hedged.

The resulting translation differences are charged to the income statement when the calculation per individual currency gives rise to a negative difference and are included under 'Deferred income' when the calculation per individual currency gives rise to a positive difference.

4. SOCIAL REPORT

NOSS-number: 036-1551615-87

Numbers of joint industrial committees which are competent for the enterprise: 130.00 218.00

I. Statement of the persons employed

	FULL-TIME	PART-TIME	TOTAL (T) OR TOTAL FULL-TIME EQUIVALENTS (FTE)	TOTAL (T) OR TOTAL FULL-TIME EQUIVALENTS (FTE)
	1998	1998	1998	1997
A. Employees recorded in the personnel register				
1. During the financial period and during the preceding financial period				
Average number of employees	999,3	81,1	1.052,6 (FTE)	983,2 (FTE)
Number of actual working hours	1.643.289	91.823	1.735.112 (T)	422.224 (T)
Personnel charges (in thousands of francs)	1.618.171	85.167	1.703.338 (T)	395.572 (T)
<hr/>				
		FULL-TIME	PART-TIME	TOTAL OF FULL-TIME EQUIVALENTS
2. As at closing date of the financial period				
a. Number of employees recorded in the personnel register		1.043	87	1.100,7
b. By nature of the employment contract				
Contract of unlimited duration		941	82	994,9
Contract of limited duration		102	5	105,8
c. By sex				
Male		648	14	655,7
Female		395	73	445,0
d. By professional category				
Employees		550	62	591,2
Workers		474	23	488,9
Other		19	2	20,6
<hr/>				
TEMPORARY PERSONNEL				
B. Temporary personnel and persons placed at the disposal of the enterprise				
During the financial period				
Average number of personnel employed				67,2
Number of actual working hours				129.278
Charges to the enterprise (in thousands of francs)				87.626

II. List of personnel movements during the financial period

	FULL-TIME	PART-TIME	TOTAL OF FULL-TIME EQUIVALENTS
A. Entrants			
a. Number of employed persons recorded in the personnel register during the financial period	207	10	213,2
b. By nature of the employment contract			
Contract of unlimited duration	124	7	128,1
Contract of limited duration	83	3	85,1
c. By sex and level of education			
Male:			
Secondary education	50	2	50,6
Higher non-university education	52		52,0
University education	14		14,0
Female:			
Secondary education	37	3	39,1
Higher non-university education	46	4	48,8
University education	8	1	8,7
<hr/>			
B. Leavers			
a. Number of employed persons of which the date of termination of the contracts has been recorded in the personnel register during the financial period	157	10	162,9
b. By nature of the employment contract			
Contract of unlimited duration	102	9	107,5
Contract of limited duration	55	1	55,4
c. By sex and level of education			
Male:			
Primary education	3		3,0
Secondary education	57	2	57,4
Higher non-university education	25		25,0
University education	10		10,0
Female:			
Primary education	1		1,0
Secondary education	27	4	30,1
Higher non-university education	21	4	23,4
University education	13		13,0
d. By reason of termination of contract			
Pension		2	0,9
Prepension	3		3,0
Dismissal	26	1	26,5
Other reason	128	7	132,5
Of which:			
number of former employees who continued rendering services to the enterprise at least on a part-time basis in the capacity of self-employed person	2		2

III. Statement concerning the implementation of mesures stimulating employment during the financial period

	NUMBER OF EMPLOYED PERSONS INVOLVED		3. Financial profit (in thousands of francs)
	1. Number	2. In full-time equivalents	
MEASURES STIMULATING EMPLOYMENT			
1. Measures generating financial profit			
1.3. Low wages	224	216,7	2.364
1.5. Planning jobs for long-term unemployed persons	2	2,0	259
1.6. Maribel	539	532,1	13.218
1.9. Full career interruption	2	2,0	160
2. Other measures			
2.3. Training period for junior employees	81	79,7	
2.6. Successive employment contracts of limited duration	78	77,9	
2.7. Conventional prepension	40	40,0	
Number of employees involved in one or more measures stimulating employment:			
- Total for financial period	770	755,7	

IV. Information on vocational training for employed persons during the financial period

Total of training initiatives at the expense of the employer	NUMBER OF EMPLOYEES	NUMBER OF TRAINING HOURS	CHARGES TO ENTERPRISE
			(in thousands of francs)
Male	371	3.492	9.062
Female	218	1.981	5.291

5. STATUTORY AUDITOR'S REPORT

STATUTORY AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 1998
TO THE SHAREHOLDERS' MEETING OF THE COMPANY
ROULARTA MEDIA GROUP NV

In accordance with legal and statutory requirements we are pleased to report to you on the performance of the audit mandate which you have entrusted to us.

We have audited the financial statements as of and for the year 1998, ended 31st of December 1998 which have been prepared under the responsibility of the Board of Directors and which show a balance sheet total of 10.988.391.231 BEF and a profit for the year of 107.194.666 BEF.

We have also carried out the specific additional audit procedures required by law.

Unqualified audit opinion on the financial statements

We conducted our audit in accordance with the standards of the "Institut des Reviseurs d'Entreprises". Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, taking into account the legal and regulatory requirements applicable to financial statements in Belgium.

In accordance with those standards, we considered the company's administrative and accounting organisation, as well as its internal control procedures. Company officials have responded clearly to our requests for explanations and information. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing accounting principles used and significant accounting estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

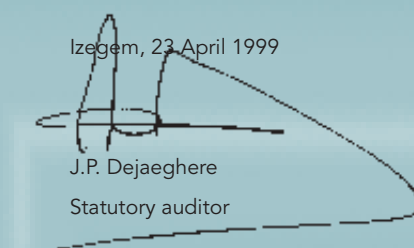
In our opinion, taking into account the applicable legal and regulatory requirements, the financial statements give a true and fair view of the company's assets, liabilities, financial position as of 31st of December 1998 and the results of its operations for the year then ended, and the information given in the notes to the financial statements is adequate.

Additional certifications and information

We supplement our report with the following certifications and information which do not modify our audit opinion on the financial statements of **ROULARTA MEDIA GROUP NV**:

- The directors' report contains the information required by law and is consistent with the financial statements.
- In this report the Board of Directors has, according to art. 60 and 60bis of the Corporate Laws, informed you of **ROULARTA MEDIA GROUP NV** buying a majority participation of NEWSKO NV and half of the shares of PUBLINDUS NV and EDITOP NV, from Mr. and Mrs. Rik De Nolf – Lieve Claeys and Mr. and Mrs. Leo Claeys – Caroline De Nolf, each of them directors of the company. These shares were bought for a global amount of 6,4 mio BEF.
The Board of Directors also informed you of the fixing of the directors' emoluments for the total amount of 46,7 mio BEF. These emoluments will be submitted to the general assembly for approval.
The Board of Directors also informed you of the loans granted to KOINON NV for 116,8 mio BEF and to CENNINI NV for 30,1 mio BEF. Interest charge is 6%.
These companies belong respectively to the above mentioned directors.
The procedure of art. 60 and 60bis of the Corporate Laws has been respected.
The decisions have been taken in respect of normal market conditions.
- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained and the financial statements have been prepared in accordance with the legal and regulatory requirements applicable in Belgium.
- No transactions have been undertaken or decisions taken in violation of the company's statutes or Company Law which we would have to report to you.
The appropriation of results proposed to the general meeting complies with the legal and statutory provisions.

Izegem, 23 April 1999


J.P. Dejaeghere
Statutory auditor

Partner in B.V. o.v.v. C.V.
DELOITTE & TOUCHE BEDRIJFSREVISOREN

6. INCOME STATEMENT 1998 / PRO FORMA 1997

As a result of the reorganisation of the group before the introduction on the stock exchange, a comparison of the income statement 1998/1997 of the statutory balance sheet is impossible.

To allow a comparison, we have made a pro forma income statement of 1997.

IN THOUSANDS OF FRANCS

	1998	PRO FORMA 1997
I. Operating income	11.917.310	9.200.428
A. Turnover	11.413.607	8.886.565
B. Increase; decrease in stocks of finished goods, work and contracts in progress	-28.546	69.986
D. Other operating income	532.249	243.877
II. Operating charges	-11.101.235	-8.727.148
A. Raw materials, consumables and goods for resale	5.856.403	3.584.622
1. Purchases	5.845.609	3.532.397
2. Increase; decrease in stocks	10.794	52.225
B. Services and other goods	2.845.212	2.856.620
C. Remuneration, social security costs and pensions	1.703.338	1.605.250
D. Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets	629.647	603.839
E. Increase; decrease in amounts written off stocks, contracts in progress and trade debtors	360	2.809
F. Increase; decrease in provisions for liabilities and charges	6.430	-2.487
G. Other operating charges	59.845	76.495
III. Operating profit	816.075	473.280
IV. Financial income	78.664	60.107
A. Income from financial fixed assets	43.054	15.229
B. Income from current assets	18.884	10.730
C. Other financial income	16.726	34.148
V. Financial charges	-114.115	-142.196
A. Interests and other debt charges	69.618	106.197
B. Increase; decrease in amounts written off current assets other than those mentioned under II.E	0	250
C. Other financial charges	44.497	35.749
VI. Profit on ordinary activities before taxation	780.624	391.191
VII. Extraordinary income	41.430	135.763
A. Adjustments to depreciation of and to other amounts written off intangible and tangible fixed assets	0	192
B. Adjustments to amounts written off financial fixed assets	33.179	12.412
D. Gain on disposal of fixed assets	4.866	104.802
E. Other extraordinary income	3.385	18.357
VIII. Extraordinary charges	-574.312	-81.161
A. Extraordinary depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	8.448	0
B. Amounts written off financial fixed assets	43.832	27.732
C. Provisions for extraordinary liabilities and charges	0	25.750
D. Loss on disposal of fixed assets	139.469	27.158
E. Other extraordinary charges	382.563	521
IX. Profit for the period before taxes	247.742	445.793

IN THOUSANDS OF FRANCS

1998 PRO FORMA 1997

IX. Bis

A. Transfer from deferred taxation	10.257	12.787
B. Transfer to deferred taxation	0	-11.665

X. Income taxes

A. Income taxes	-154.713	-145.413
B. Adjustment of income taxes and write-back of tax provisions	59	1.368

XI. Profit for the period

103.345 302.870

XII. Transfer from untaxed reserves

3.849 374

Transfer to untaxed reserves

0 -17.374

XIII. Profit for the period available for appropriation

107.194 285.870

APPROPRIATION ACCOUNT

IN THOUSANDS OF FRANCS

1998 PRO FORMA 1997

A. Profit to be appropriated

107.293 -92.300

1. Profit for the year available for appropriation	107.194	285.870
2. Profit brought forward	99	3.858
Loss brought forward	0	-382.028

B. Transfers from capital and reserves

50.000 239.262

2. From reserves	50.000	239.262
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C. Transfers to reserves

-10.600 -142.452

2. To the legal reserve	5.600	7.364
3. To other reserves	5.000	135.088

D. Result to be carried forward

-2.528 -4.510

1. Profit to be carried forward	2.528	4.510
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F. Distribution of profit

-144.165 0

1. Dividends	144.165	0
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