

## Environment, prevention and welfare

### ■ ENVIRONMENT

Roularta Media Group has recently made considerable investments to achieve **environmentally and energy-friendly** production. These investments ensure that Roularta Media Group now comfortably meets legal environmental standards and that even though production is growing, it consumes far less energy than a few years ago.

The combination of a number of specific devices or techniques and the accompanying control system allows us to perfectly align the need for heating and cooling so that we are now using about 55% less energy. With just the installation of the thermal regenerative oxidiser, approximately 70% less gas is used than with traditional systems.

In 2007 a number of important projects were completed to systematically further develop an energy-friendly production process. The HVAC installation (Heating, Ventilation, Air Conditioning) was further optimised by putting in place two separated cooling circuits. Due to this, Roularta Media Group succeeded in generating 4,000 hours of free cooling a year (without requiring any extra energy) and far less cooling water is required.

A second identical oxidiser has been operational since January 2008. Both oxidisers have been aligned in order to achieve an even more improved heat recovery. This heat is all reused to elevate the temperature in the buildings or generate cooling through the absorption cooling unit.

In order to further optimise the internal energy policy, Roularta signed up to the Flemish government's **Energy Audit Agreement** at the end of 2006. This Audit Agreement aims to ensure that medium-sized energy-intensive companies contribute as much as possible to the government project on 'rational energy consumption' and the reduction of greenhouse gases under the Kyoto protocol. Companies that join the project commit themselves to submitting an energy plan to the verification office and to carrying out the defined measures within a four-year period. The energy plan submitted by Roularta Media Group on 23/11/2006 was approved by the verification office of the Flemish Region. This made Roularta Media Group one of the first ten Flemish companies with an approved energy plan.

Considerable investments / efforts were made in the past few years in order to **reduce water consumption and limit emissions**. The installation of the open cooling tower (based on the free cooling principle) was very promising energy-wise and together with a few other operations (alteration of the thickening factor, regular optimisation of the cooling parameters, etc.) it also resulted in water consumption that was considerably lower. Water consumption is currently 20% less than 10 years ago despite further expansion of the machinery and continuously increasing production.

Roularta Media Group will soon take another major step forward in this respect. In 2007, a study was completed on the use of **rain water** in a number of applications, such as sanitary facilities and cool tower supplementary water. We can conclude from the study that rain water can be used if a number of strict conditions are met (e.g. adequate water treatment). Reusing rain water also played an important part in the choice of roofing material. The selected material (TPO) is quite expensive, but keeps the water far cleaner compared to other materials, so that the added cost is recovered in time. By reusing rain water, the city water consumption will obviously fall considerably (saving an estimated 25,000 liters of city water a day). Rain water also has lower conductivity than city water so less draining is necessary. Using rain water doesn't just result in negative consumption; it also means that less supplementary water will be needed to obtain the required conductivity for our systems.

We also invested in a new water system for the printing presses and peripheral equipment. We will have new duplex softeners, a RO (reverse osmosis) installation and the necessary buffer tanks. The various processes and parts will all be aligned by a bespoke control system in order to save considerable amounts of water here as well. The fountain preparation devices of the purchased web-offset printing presses also have sophisticated filtering systems so that the fountain has to be replaced far less frequently.

#### **Roeselare new construction development: 2.5 million euros for eco investments**

The new construction development created by Roularta Media Group is not just a true engineering gem; it is also an environmental masterpiece. The major eco investments are:

#### 1. Noise prevention

- walls of 15 cm autoclaved aerated concrete to restrict noise
- noise insulation for the entire new production building: at least 38 dB
- noise insulation for the new baling press room: at least 45 dB
- 12 cm roof insulation
- sound-proofing glass domes 2.65 cm thick
- the new container presses are set up on a sunken floor within the building
- new HVAC installation with extra silencers
- extra noise-proofing measures for oxidiser and cooling tower
- noise wings under the ventilation valves in the roof
- noise boxes around suction and compressors
- noise shield of at least 3 meters high along the new internal road for neighbours
- speed limiting measures on company grounds and change of driving direction depending on time of day
- adjustment of pavement curbs so that traffic can approach without any noise or vibrations
- study and consultancy by a recognised noise expert agency

#### 2. Air emissions:

- an extra high-performance oxidiser is connected to the existing one for redundancy purposes
- monitoring of use of VOS products by means of solvents bookkeeping

#### 3. Energy saving

- light through the roof to ensure less electric lighting
- lighting that is dimmed automatically
- heating using heat recovered from oxidisers
- high-performance centrifugal VSD refrigerator
- installation of separated cooling network 12°C - 27°C
- frequency controlled compressors and printing presses with frequency controlled motors
- VSD (Variable Speed Drives) installation on blower fans
- low-energy motors (energy label A) for shredded paper processing
- white roof to ensure that excessive summer heat is reflected and no extra cooling is required
- walls in 15 cm thick aerated autoclaved concrete: far less heat loss

#### 4. Water consumption

- use of rain water for cooling process through 300 m<sup>3</sup> rain water buffer
- TPO roofing for cleaner rain water
- BBT systems for the creation of process water (duplex softeners, RO installation, etc.): improved efficiency
- BBT systems, for example for fountain preparation with sophisticated filtering systems: higher efficiency

#### 5. Miscellaneous:

- liquid proof circuit with hydrocarbon separator to collect any accidentally spilt fluids
- sealed section for storing chemical products
- separate Arab/Vlarem room for inflammable liquids
- roofing is entirely recyclable into the same material
- new waste centre for selective waste collection and restrict waste flows

Roularta Media Group explicitly focuses on production that is environmentally friendly. As it expands and implements new technologies and machines, Roularta Media Group pays attention to the environment and surroundings. The company attaches great importance to a progressive environmental policy in order to respond to current questions regarding the environment and energy.

### ■ PREVENTION & WELFARE

In 2007 Roularta Media Group paid attention to a wide range of aspects and areas to do with Prevention and Welfare. A few striking projects / items are:

#### **Follow-up of prevention items during the new construction work:**

In 2007 we paid a lot of attention to prevention for the construction work on the Roeselare site. On a building site there are many risks and particular points that need our attention, not in the least as conditions are continuously changing. Regulations have also become more and more complex over the last few years. Together with other internal and external parties, the internal prevention department ensures the safe progress of work, provides advice or intervenes where necessary. There is also continuous consultation with the project leaders, safety construction coordinator, architects, foremen, executors, ...

**Creating a plan for 'external influence factors'**

The General Regulations for Electric Installations describe the environmental installation conditions for electrical equipment. The choice and use of electrical equipment depends on the 'external influences' present, such as water or dust particles, chemicals, construction materials, the competence of the staff. If the equipment does not have the required properties, it must not be used unless additional prevention is provided to obtain an equivalent prevention level. In 2007 this subject was thoroughly developed to prepare for the purchase and installation of the equipment required for the new production construction.

**Implementation of legislation on 'working with third parties'**

The legislator enforces strict obligations to businesses with regard to the preparation, coordination, follow-up, and so on, of work carried out by third parties. The objective of these regulations is to make the cooperation with subcontractors as safe as possible. After the inventory in 2007, the information and risks resulting from the various subcontractors were recorded. Practical arrangements were also made with the subcontractors about the safety policy.

**Arrangements regarding evacuation at various locations**

In 2007 every branch or office environment established whether the technical facilities (such as detection and alarm systems) were sufficiently present everywhere and whether the arrangements are known. In certain cases the procedures

on what to do in case of a fire had to be updated. An evacuation exercise was organised where possible and useful to establish whether all technical and organisational arrangements are in place.

**Practical fire department training for office staff**

The fire department teams of the Zellik and BMC sites (mainly office activity) received practical training at a recognised fire department centre. All aspects of fire risks and control methodologies were thoroughly discussed.

**Further expansion / update of the dynamic risk management system (d.r.m.s.)**

In 2007 the existing risk lists were further expanded to as many aspects of the business operations as possible. Various machines were updated, which resulted in new arrangements and action points.

**Medical help for travelling journalists**

The company should ensure that employees who regularly travel abroad for work-related assignments are well informed of the risks and any precautions that should be taken. Last year all people involved were asked to provide their vaccination status. Attention was mainly paid to adequate follow-up by the company medical department and the provision of the required information. An internal leaflet was created and distributed to the relevant editorial staff and journalists were given handy small first aid kits.

**Information for the shareholders**

**THE ROULARTA MEDIA GROUP SHARE**

**Number of shares**

During 2007, the number of shares rose from 11,005,485 to 11,037,050 as the result of a conversion of warrants in the months January (+9,340 shares) and June (22,225 shares):

- The number of shares at 31/12/2007 is 11,037,050
- The number of VVPR strips at 31/12/2007 is 2,626,173

**Registered, bearer and dematerialised shares**

Shares are either registered, bearer or dematerialised, according to the preference of the shareholder. As from 1 January 2008 bearer shares can no longer be issued.

The company appeals to the services of Euroclear, as a settlement institution, for the dematerialisation of the bearer securities.

**Purchase of own shares**

The statutory authorisation to purchase own company shares was renewed by the general meeting of 15 May 2007.

During 2007 the company has purchased 220,000 of its own shares. At 31 December 2007 the company had 417,149 of its own shares in portfolio.

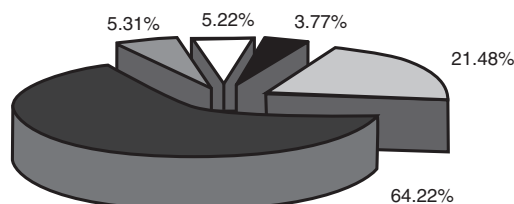
**Shareholding structure**

On 31 December 2007, 7,087,704 of the outstanding shares were registered shares.

**The shareholding structure is as follows:**

Stichting Administratiekantoor RMG	7,087,700
AXA SA	585,618
Bestinver Gestion S.G.I.I.C. SA	575,605
Own shares	417,149
Individual and institutional investors	2,370,978

**RMG shareholding structure**



■ Stichting Administratiekantoor RMG
■ AXA SA
■ Bestinver Gestion S.G.I.I.C. SA
■ Own shares
■ Individual and institutional investors

**Number of shares and potential voting rights (denominator) at 31/12/2007**

Effective voting rights attached to shares representing the capital (= number of outstanding shares)	11,037,050
Future voting rights, potential or not, resulting from rights and commitments at the conversion into or the subscription to shares to be issued	68,495
<b>Total</b>	<b>11,105,545</b>

**Disclosure statements**

According to Belgian law, every shareholder or group of shareholders holding 5% or more of the shares of a Belgian listed company must furnish written notice to that company and to the Banking, Finance and Insurance Commission. At 31/12/07 the company received a notification from the following shareholders.

Date of notification	Name of shareholder	Number of shares and warrants held according to the notification	Shareholding according to the notification in % of the number of outstanding shares and warrants at 31/12/2007
Febr. 9, 2006	Stichting Administratiekantoor RMG	7,087,700	63.82%
March 17, 2006	Bestinver Gestion S.G.I.I.C. SA	575,605	5.18%
October 19, 2007	AXA SA	585,618	5.27%

**Takeover Bid law**

Within the scope of the Takeover Bid law of 1 April 2007 and as owner of more than 30% of the voting securities of NV Roularta Media Group at 1 September 2007, the Stichting Administratiekantoor RMG has made a notification with the CBFA, according to article 74 §6 of the before-mentioned law.

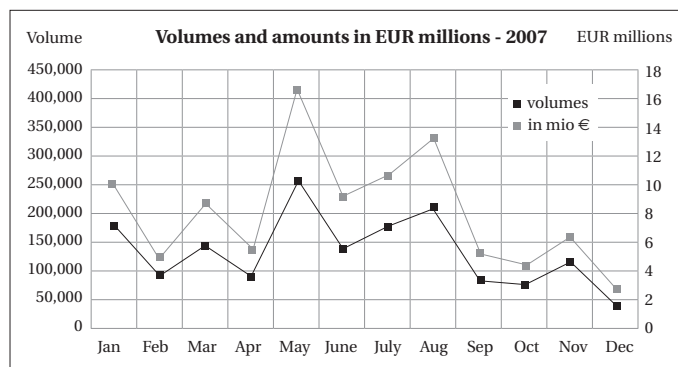
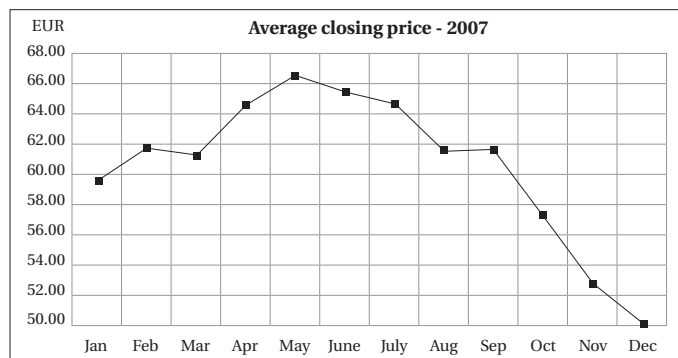
**STOCK MARKET TREND**

Roularta Media Group's shares have been listed on Euronext Brussels since December 1998. They form part of Euronext's NextPrime quality segment, under the section Media & Photography - Printing & Publishing.

<b>Roularta share</b>	ISIN	BE0003741551	MEP	BRU
	Euronext code	BE0003741551	Mnemo	ROU
<b>Roularta-VVPR-strip</b>	ISIN	BE0005546172	MEP	BRU
	Euronext code	BE0005546172	Mnemo	ROUS

**Closing prices and volumes in 2007**

Month	Average closing price	Volumes	in EUR millions
Jan 07	59.86	170,880	10.34
Feb 07	61.87	92,208	5.70
Mar 07	61.25	149,665	9.19
Apr 07	64.58	92,545	5.99
May 07	66.51	253,919	16.93
June 07	65.69	148,375	9.73
July 07	64.71	177,000	11.42
Aug 07	61.47	218,433	13.21
Sep 07	61.49	87,746	5.42
Oct 07	57.01	78,575	4.48
Nov 07	52.61	123,124	6.41
Dec 07	50.50	47,997	2.42
		1,640,467	101.25



The highest price during 2007 was EUR 68.82 on 4 May. The lowest price during 2007 was EUR 46.95 on 17 December. The largest daily trading volume was 109,139 shares on 21 May 2007.

**Indexes**

The Roularta share is included in the MSCI small cap index and in the BEL MID index of Euronext Brussels (BE0389856130). Since June 2006 Roularta Media Group is also included in the Kempen/SNS Smaller Europe Socially Responsible Investment (SRI) Index. The Kempen SNS Smaller Europe SRI Index is the first index to track the performance of SRI smaller companies in Europe. The SRI Index is an initiative of Kempen Capital Management and is only available to companies with the very highest standards and practices in the three areas of business ethics, human resources and the environment.

**Liquidity of the share**

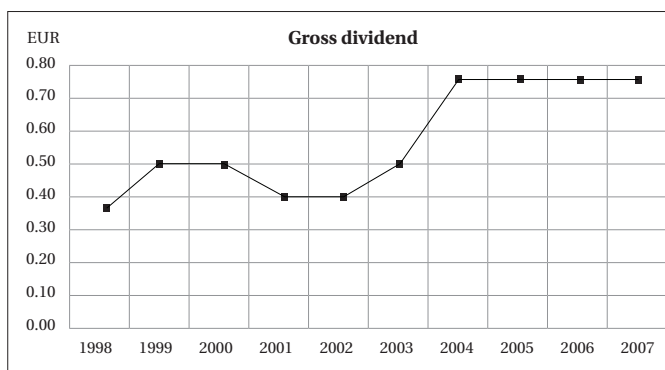
A market-making agreement has been concluded with KBC Securities to promote the share's liquidity. The company has a proactive investor relations policy, aimed at increasing the visibility of the share and in this way supporting its liquidity.

**Dividend policy**

Based on proposals by the board of directors, the general meeting maintains a policy aimed at distribution of dividends, subject to maintaining a sound balance between distribution of dividends and investment flexibility. The company targets a pay-out ratio of around 30% of the consolidated net profit.

**Evolution of gross dividend**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Gross dividend	0.37	0.50	0.50	0.40	0.40	0.50	0.75	0.75	0.75	0.75



**IMPORTANT EVENTS AFTER THE END OF THE FINANCIAL YEAR**

On 7 January 2008, following an exercise of 7,864 warrants, the capital of NV Roularta Media Group was increased up to 170,846,000.00 euros represented by 11,044,914 shares of which 2,634,037 shares with a VVPR character.

**THE COMPANY'S CAPITAL**

Roularta Media Group was founded on 11 May 1988 as Roularta Financieringsmaatschappij. The table below lists the events that since then have affected the company's capital and the securities representing it.

Year - Month	Transaction	Number of shares	Capital	BEF / EUR
1988 - May	Foundation as Roularta Financieringsmaatschappij	12,510	381,000,000	BEF
1993 - July	Merger - capital increase	13,009	392,344,000	BEF
1997 - December	Split - capital increase	18,137	546,964,924	BEF
1997 - December	Merger - capital increase	22,389	675,254,924	BEF
1997 - December	Capital increase	24,341	734,074,465	BEF
1997 - December	Name changed into Roularta Media Group			
1998 - June	Issue of 300,000 warrants - amendment of articles of association	2,434,100	734,074,465	BEF
1998 - June	Merger - capital increase	2,690,400	1,545,457,541	BEF
1998 - June	Contribution of debt receivable - capital increase	8,277,700	2,496,457,541	BEF
1998 - December	Contribution of debt receivable - capital increase	9,611,034	4,479,791,791	BEF
2001 - June	Conversion of capital into euros - capital increase by conversion of 61,950 warrants	9,672,984	111,743,000.00	EUR
2001 - October	Destruction of 119,305 own shares	9,553,679	111,743,000.00	EUR
2002 - June	Capital increase by conversion of 35,350 warrants	9,589,029	112,138,000.00	EUR
2003 - June	Capital increase by conversion of 43,475 warrants	9,632,504	112,623,000.00	EUR
2003 - July	Capital increase by contribution in kind	9,884,986	118,463,000.00	EUR
2004 - June	Capital increase by conversion of 43,625 warrants	9,928,611	118,950,000.00	EUR
2005 - June	Capital increase by conversion of 28,350 warrants	9,956,961	119,267,000.00	EUR
2006 - January	Capital increase by conversion of 39,090 warrants	9,996,051	120,054,000.00	EUR
2006 - February	Capital increase by contribution in cash	10,985,660	131,939,204.09	EUR
2006 - May	Incorporation of an issue premium	10,985,660	170,029,300.00	EUR
2006 - June	Capital increase by conversion of 19,825 warrants	11,005,485	170,250,500.00	EUR
2007 - January	Capital increase by conversion of 9,340 warrants	11,014,825	170,439,000.00	EUR
2007 - June	Capital increase by conversion of 22,225 warrants	11,037,050	170,687,000.00	EUR