



CHAIRMAN RIK DE NOLF



# A MEDIA GROUP WITH A MULTI-MEDIA STRATEGY

RMG is continuing to build a multi-media future. After a difficult year for the media world, the group is now ready for the 22nd century.

**R**oularta Media Group was profitable in 2001 in its core business. The "Printed Media" division achieved a net profit of EUR 0.7 million and the "Radio & TV" division a net profit of EUR 2.5 million, despite a falling advertising market, rising paper prices (EUR 7 million) and a string of new initiatives, the launch costs of which were charged immediately and not capitalised (EUR 10.5 million).

The "Industry" division fared less well: the organisational combination of the three enterprises to form Mercator Printing Group was finalised in 2001 in difficult market conditions with pressure on sales prices. This led, among other things, to the closing of the finishing department in Antwerp and in the Netherlands. The optical disk activity is, however, highly promising, and Vogue Trading Video achieved break-even with an attractive cash-flow.

On a consolidated basis the group achieved in 2001 a profit before taxes of EUR 3.8 million.

This figure also includes net extraordinary charges and amortisation of consolidation goodwill of together EUR 9.1 million.

The Board of Directors will be proposing to the General Meeting that it declare a dividend of EUR 0.40 per share.

## 2001

**T**urnover rose from EUR 435.7 million to 438.6 million (+ 0.7 %).

**Net current cash flow** was EUR 24.4 million as against 40.2 million in 2000 (-39.5 %). Factoring out the non-capitalised start-up costs of the new initiatives, current cash flow was EUR 31.7 million, 26.3 % down on last year's 43.0 million.

**Net profit on ordinary activities** is EUR 1.1 million compared with EUR 17.5 million the year before (-93.4%). Leaving out launch costs the difference was just 54.3% (EUR 9.4 million as against 20.5 million).

**Cash flow** fell by 44.7% from EUR 38.9 million to EUR 21.5 million. **Cash flow excluding launch costs** fell by 32.6% (EUR 28.1 million against EUR 41.7 million).

**The consolidated profit** of EUR 3.8 million before taxes turns into a EUR 6.9 million loss after taxes. This high tax pressure is due to the group structure, which does not permit offsetting between profitable and loss-making joint ventures.

The extraordinary charges include the costs of terminating the activities of the MPG finishing plants in Antwerp and the Netherlands and extraordinary write-offs on Kanaal Z/Canal Z and on RTL Z in the Netherlands.

## COMMENTS ON THE KEY FIGURES

**R**oularta had to contend in 2001 with rising paper prices, which added EUR 7 million to operating charges, and higher wage costs, at the same time as the advertising market was suffering from the economic recession.

On top of this the costs of launching a whole series of new initiatives were not capitalised but charged immediately.

Turnover of the three divisions is almost identical to 2000. The slight 0.7% increase is due in part to a change in the consolidation of VTV (optical disk business), which was 100% consolidated for the whole year now, instead of 50%.

Advertising turnover from the free newspapers and magazines division (including De Streekkrant/De Weekkrant, De Zondag and Steps) fell from EUR 98.5 million to EUR 94.8 million (-3.71%).

Advertising income from the paid newspapers (Krant van West-Vlaanderen and Vacature) fell from EUR 20.3 to 14.8 million, given the development of the job market.

Advertising in the magazines fell 6.18% from EUR 61.9 to 58 million. ▶

► The readers' market (newsstand sales and subscriptions) rose from EUR 44.4 million to 49.4 million (+ 11.17 %).

Radio and television turnover rose from EUR 108.2 to 108.7 million.

Optical disk production grew by 52.4%, but is now 100% consolidated for the entire year.

Turnover of the printing activity for external clients fell from EUR 68.5 to 64.8 million (-5.4 %).

"Trading and Services" including the new online phone guide easy.be, book publishers Roularta Books, Editop, Hippos Vademecum, AR Media and Follow the Guide, paper sales etc., grew by 30.5 %.

### LAUNCH COSTS

Profits for 2001 were significantly impacted by the costs of launching new products:

(consolidation share in EUR '000)		
New media	(100 %)	4,633
Jornal da Região (new editions in Portugal)	(40 %)	668
Metro (free daily newspaper)	(1/3)	1,469
Grande (new monthly magazine)	(50 %)	334
Lenz (new senior citizen magazine in Germany)	(50 %)	2,386
Hippos Vademecum (Directory)	(52 %)	194
Q-Music & JIM TV	(50 %)	720
Studio Press Ltd.	(50 %)	167
<b>Total</b>		<b>10.571</b>

### MAGAZINES

Advertising income in the B-to-B sector fell significantly in the second half of 2001. 11 September was followed by cancellations, and the IT and banking sectors have maintained their communication budget freezes into the first quarter of 2002. Advertising income in the lifestyle magazines has remained stable.

In 2002 paper prices have again fallen, by 8% (magazines) and up to 12% (newspapers), whilst editorial and promotion costs have been pared back.

The senior citizen magazines in the Netherlands and Norway have very good prospects and marketing of the new Lenz in Germany is proceeding at a more steady pace.

The new CIM readership figures (September 2001) point to a positive trend.

*Knack* has grown to 736,000 readers (+2%) and *Weekend Knack* to 623,000 readers (+ 7 %).

*Trends/Trends-Tendances* remains unchanged with 226,000 readers.

The new monthly *Bizz* weighs in with 119,000 readers.

*Sport Magazine* has grown 3% to 424,000 readers (+ 15% if one counts readers aged 12 and up).

*Télépro* has grown 12% to 566,000 readers.

*Plus* (formerly *Onze Tijd/Notre Temps*) has grown 1% to 444,000 readers.

*Le Vif/L'Express* is the single loser with 480,000 readers (- 9%).

### RMG publishes six Belgian newsmagazines:

general newsmagazines *Knack* and *Le Vif/L'Express*, business newsmagazines *Trends* and *Trends Tendances*, sports magazines *Sport/Voetbal* and *Sport/Foot Magazine*.

Together they reach 1,662,000 CIM readers (12+) offering a very attractive profile:

19% of the Belgian population aged 12 and over

34% of the top social groups 1 and 2

27% of the Belgian population in social groups 1 to 4

36% of male executives

38% of all men in social groups 1 and 2

30 % of all men in social groups 1 to 4

23% of students

22% of all young people aged 12 to 24.

RMG groups its six Belgian newsmagazines in the "**Be in the News**" advertising combination. RMG is convinced that enormous growth is still possible in this area. *Sport Magazine* in particular offers huge opportunities when one bears in mind that American sports magazine *Sports Illustrated* outclasses magazines like *Time* and *Business Week* in top magazine rankings, not only because of its large readership but also because of its regular advertising content.

In any event: for the price of three rounds of daily newspapers (one magazine format advertisement for three days), the "Be in the News" formula allows an advertiser to be present ten weeks long (with the same format) in the six Belgian newsmagazines. And with a much wider reach.

### Knack and Le Vif/L'Express

**Focus Knack** has given **Knack** a fully-fledged entertainment magazine with complete television programmes and at least 100 pages of reports, selections and commentaries. **Focus Knack** has a new-style presentation directed at younger readers, whilst editor-in-chief *Patrick Duynslaegher* watches over the variety of the journalistic content. In this way the **Knack** package (newsmagazine **Knack**, lifestyle magazine **Weekend Knack**, the new **Vacature magazine** and **Focus Knack**) provides a full spectrum of interesting information. The unique formula gives the newsmagazine combination of **Knack (D)**-**Le Vif/L'Express (F)** an unequalled penetration of 14% of the ►

**In a recent Randstad-Icma survey, 6,000 Belgians were polled as to which of 107 companies they would most like to work for. Roularta came in seventh place, a score that points to a very positive public image.**



Be in the news: the 6 Belgian news magazines

The Knack package: Knack - Weekend Knack - Focus Knack - Vacature Magazine  
 The Vif package: Le Vif/L'Express - Weekend Le Vif/L'Express - TéléVif - Vacature Références



- Belgian population with a high quality reader profile, more persons than, for example, L'Express, Le Point, Le Nouvel Observateur and Marianne together in France. The primary reason is that Knack provides information for every member of the family, male and female, young and old. The usefulness of the Knack package (idem for Le Vif) is so great that over 85% of subscriptions are renewed, allowing some room still for further growth.

Knack's new managing editor-in-chief *Rik Van Cauwelaert* has ambitious plans with new journalistic initiatives and in-depth investigations. He is supported by an advisory editorial board consisting of *Hubert Van Humbeeck*, *Frank De Moor*, *Jos Grobben* and *Koen Meulenaere*.

As with all newsmagazines, distribution of RMG's three Dutch-language and three French-language newsmagazines is based mainly on subscription sales. These provide a loyal readership, whose purchasing behaviour is based, not on incidental reactions to spectacular covers, but on the usefulness of a package of information covering a wide range of interests.

In March 2002 Weekend Knack lost its editor-in-chief *Pol Moyaert*, who had been sick for a long time.

We remember him as a sensitive, gentle man, with a unique sense of diplomacy and humour and a solid quest for perfection. He fought the cancer that was discovered two years ago with great dignity and courage, and maintained his connection with his magazine as long as he possibly could.

In the meantime the editing team has been reinforced with *Lodewijk Deleu* who is supporting managing editor-in-chief *Tessa Vermeiren* as deputy editor-in-chief.

Every week, **Weekend Knack** and **Weekend Le Vif** (under *Christine Laurent*) provide a magnificent illustrated overview of what is happening in the world of fashion and design, home and garden, travelling and motoring, psychology and sociology. Not only the six Fashion issues and the four Living issues, but also now the four Food and Drink (spijs&drank) specials are invaluable guides for all amateurs in these areas.

**Roularta has sponsored the Knack Roeselare volleyball team for over 20 years. For the fifth time last year the team won their way through to the European Final Four, and this year was the first Belgian men's club to win a European cup. Knack is European champion in the Top Team Competition.**

# Trends Scholarship

The University of Antwerp and publishers Roularta Media Group have set up a training fund for Flemish and indigenous development workers.

Trends and its publisher, Roularta Media Group, are the first private sponsors of the new Pater Louis Bruyns s.j. Fund, set up by members of the University of Antwerp (UA) and private sponsors. The Fund sets out to help train leaders in developing countries and to sensitise young Flemings to the Third World. The Fund has a starting capital of half a million euros. Additional private support is being sought.

The Pater Louis Bruyns s.j. Fund consists of two scholarships: the Trends Scholarship and the Bruyns Scholarship. Trends Scholarship is awarding two bursaries to students from developing countries who have been admitted for basic studies (up to M.A. level) or advanced studies at the UA, and to two UA students studying in a developing country as part of their regular studies. The Bruyns Scholarship also awards two bursaries.

For development country students beginning their studies at the UA, the study bursary amounts to a maximum of 625 euros a month, for up to ten months. Students must intend to apply their training in their country of origin or in another developing country.

The initiative for the new fund follows two existing cooperation arrangements between Trends and the social world. The first, Incofin (the former Company Partnership Plan), a humanitarian financial organisation in which Trends and Managers of the Year play an active part, concludes 'godfathering' arrangements between First and Third World enterprises. For example, it is opening a business centre in South Africa for SMEs for blacks and coloureds.

The second, the Trends Foundation, begun on Trends' 25th birthday and is now starting its second year of operations, brings young foreigners into contact with top Flemish entrepreneurs during plant visits and discussions. The Trends Foundation cooperates, among others, with the Federation of Moroccan Federations and Ex Oriente Lux, the Leuven association for foreign students.



The Trends - Cash! - Vacature (D/F) combination

## Trends and Trends/Tendances

Trends continues with a fresh layout and a structure based on brief reports on topical items, followed by a series of full dossiers on current topics and the practical headings Talent (management information), Fortuin (personal finance) and Stijl (lifestyle and selections). Managing editors *Frans Crols* (D) and *Tony Coenjaerts* (F) can count on the support of editors-in-chief *Piet Depuydt* (D) and *Amid Faljaoui* (F), who are providing the coaching and growing

synergy between the Dutch and French language editorial teams.

In addition to its new **Vacature** job vacancies magazine, the Trends package is rounded off by the **Cash!** investment magazine. Cash! publishes dozens of graphs and commentaries on market-listed companies, together with special headings on derivatives and other investment possibilities. Cash! is growing in quality under the leadership of *Danny Reweghs* (D) and *Guy Legrand* (F).



Our seniors magazines in Belgium, the Netherlands, Norway and Germany

► **Sport/Voetbal and Sport/Foot Magazine**

**S**port/Voetbal Magazine (D) and Sport/Foot Magazine (F) are the group's sports newsmagazines. This formula covers everything happening in the football world, but with ample attention also given to the other major team sports basketball and volleyball, tennis and other top sport. Every week a Sports Interview features the sportsman of the week. The two-language editorial team is headed by editors-in-chief Jacques Sys (N) and John Baete (F). With its highly professional and exciting football reporting it has now reached 50,000 subscriptions, with another 40,000 copies for newsstand sales. This new sport newsmagazine completes the group of Belgian newsmagazines.

**SENIOR CITIZEN MAGAZINES**

**R**MG is continuing to work with partner Bayard Presse (Paris) on building up an international group in this segment. In Belgium Plus has passed the 100,000 net distribution mark. In the Netherlands Plus has a net circulation of 250,000 including over 220,000 subscriptions. In Norway Vi over 60 still offers substantial growth potential thanks to the direct marketing know-how of the Roularta-Bayard combination, which now owns 100% of the Norwegian company. In Germany the new monthly magazine Lenz was started in January 2001. After one year Lenz already has a net circulation of 120,000 copies after taking over the monthly magazine Weltbild. The growth process and the direct marketing efforts are continuing in 2002 at a slightly quieter pace.

**THE OTHER NICHE MAGAZINES**

In September 2002 Roularta will be launching its new magazine Nest, which is in fact a continuation of 'Spijs&Drank' and 'Levend Land'.

Nest is being started with 120,000 copies, including 80,000 paid subscriptions.

NEST will take the place of 'Levend Land' and 'spijs&drank'. 'Levend Land' has today 68,000 subscribers, an interesting reader group of rural home and garden-owning families. As members of the Country Guild they will also receive a 8-page newsletter starting in September. Spijs&drank's 12,000 subscribers will also be receiving NEST starting this autumn. The gastronomic information, reports and recipe sheets that they are familiar with will appear in NEST's extensive 'spijs&drank' section.

In addition to the postal subscriptions (80,000 copies), NEST will also be distributed and promoted on newsstands.

NEST will have its own look and feel with a modern and contemporary format as developed earlier for 'spijs&drank' and 'Weekend Knack'. NEST is printed on quality paper with a square back and glossy cover.

NEST will be a lifestyle magazine with five main editorial sections: country living, house & garden, food & drink, hobby, fashion & health.

NEST is directed primarily at a well-to-do audience and features a major interest for nature and a positive life feeling.

NEST will be complementary to the field of Weekend Knack, in what we can gradually begin to call the 'unisex' lifestyle magazine category. Where with Weekend Knack, the emphasis is on 'culture', 'city' and 'trends', with NEST the emphasis is on 'nature', 'outdoor life' and 'permanent values'. Both titles will, however, share a common 'upscale' female and male audience.

Editorial management of the magazine lies with Tessa Vermeiren. Tessa is one of Belgium's most experienced magazine makers. It is she who has built up Weekend Knack over the past 10 years into Flanders'



Our niche magazines: Nest - Grande - Bizz - Industrie

most successful lifestyle magazine. Assisting her will be editor-in-chief Peter Vandeweerd, until now editor-in-chief of 'Levend Land'.

NEST will appear already three times this autumn; on 27 September, 25 October and 6 December.

Three issues are scheduled for spring 2003 and three for autumn.

In a short space of time the **Bizz** monthly magazine has conquered an interesting reader group that is attractive for advertisers, with editor-in-chief *Frédéric Mahoux* succeeding every month in offering a surprising choice of practical solution articles.

Controlled circulation **Industrie Magazine** reaches the ideal target group for B-to-B advertising. Editor-in-chief *Peter Ooms* is turning a varied magazine for industrial managers into the newsmagazine for industry. **De Kwaliteitskrant** is sent out together with Industrie Magazine to Flemish industrial managers.

**Trends Wheels** and **Fleet Management** have become integral parts of the car world.

In September 2000 NV Himalaya, in which RMG has a 50% stake, launched the monthly reporting magazine **Grande**. This magazine, for people wishing to travel and discover the world, has become a regular

purchase after a year and a half. It is a reporting magazine with an international allure, but using staff journalists with particular attention to the interests of Belgian readers.

#### ROULARTA MEDICA

In 2001 the European Business Press Group, a joint venture between publishing houses Roularta and Biblo, took over VM & Partners, changing its name into Roularta Medica.

VM & Partners publishes the Info Card mailings, various quarterlies and congress guides with related websites for the medical world. The portfolios and organisational structures of both publishers are highly complementary and should provide the merged group with a greater market share in the medical publications sector.

With the acquisition Roularta Medica now has an attractive range of products for the medical fraternity. This includes weekly newspapers (De Huisarts/Le Généraliste), a monthly magazine (Semper), the Info Card mailings, quarterly magazines (specialised in paediatrics, gynaecology and psychiatry), an international congress guide and a series of internet products (agendamedica.be, De Electronische Huisarts/Le Généraliste Electronique).

#### Roularta Medica: weekly and monthly magazines and directories





## ▶ FRANCE

In early 2001 RMG took 50% participations in two French publishing companies, with the intention of playing a major role in two niches of the French media landscape.

### Music

*Studio Press* is a specialist publisher of music magazines like **Guitar Part**, **Guitar Classique**, **Recording** and **Pianiste**. These are magazines for music-lovers who actively produce music. Every issue comes with a music CD that players can accompany. This publication formula offers a potential springboard for international development. An English version entitled 'Pianist' was launched in September 2001. In 2002 two further titles, *Batteur* and *Radical* were taken over. Studio Press also has a department for catalogue sales of musical instruments and sound equipment. Together these activities represent sales of EUR 12 million.

### Lifestyle

**Ideat** is a fairly recent initiative by Laurent Blanc, the former director of advertising at Renault France. This luxury lifestyle magazine appears six times a year and is directed at a young male and female audience interested in all facets of life which also appear in *Weekend Knack/Vif*: house and garden, fashion and health, food and wine, travelling and motoring, etc. After a short time *Ideat* has already reached breakeven and its circulation is growing steadily.

## NEWSCO

**Newsco** is a publishing company that specialises in made-to-measure magazine production. Newsco offers a total approach from concept, layout and journalism right through to printing and distribution.

In 2002 Newsco is producing, among others, **Senza** (the luxury magazine of the Inno chain store), **Mijn Week TV** (the TV weekly of Carrefour Super GB) and **E5 Magazine** (the fashion magazine of E5-Mode).

A division in full expansion under *Michel Boedt*.

## NEWSPAPERS

**Krant van West-Vlaanderen** groups all the Western Flanders weekly information magazines. With five titles (**Brugsch Handelsblad**, **De Weekbode**, **De Zeewacht**, **Kortrijks Handelsblad** and **Het Wekelijks Nieuws**) and 11 editions, the newspaper which provided the foundation for Roularta Media Group in 1954 now enjoys a circulation of 100,000 copies. The newspaper costs EUR 1.60 an issue, twice the price of a daily newspaper. In fact it is two newspapers in one: a provincial newspaper and a city newspaper.

The *Krant van West-Vlaanderen* now has 424,000 CIM readers: +35%, due among other things to the integration of *Het Wekelijks Nieuws*. That is more readers than either *Belang van Limburg*, *Gazet van Antwerpen* or *Het Volk*.

In 2002 the *Krant van West-Vlaanderen* intends to consolidate and further extend its acquired position. The *Krant van West-Vlaanderen* is looking to further increase its newsstand and subscription sales by investing in regional journalist teams. New layout and text processing systems will be introduced in June 2002.

## VACATURE

**Vacature**, the job magazine distributed with *Knack* and *Trends*, *Le Vif/L'Express* and *Tendances*, lost 28% of its turnover in 2001, despite a growing market share. Starting in 2002 a **Vacature magazine** (in place of the bulky newspaper) with a summary of job offers and an original editorial approach for younger people is being added to the Roularta newspapers and magazines.

## FREE NEWSPAPERS

### Free local weekly newspapers

**De Streekkrant/De Weekkrant** is a unique phenomenon, the largest medium in the country, with a circulation of 2,704,000, distributed door-to-door, once a week, to every family in Dutch-speaking Belgium and twice a week in Ghent and Bruges. Around fifty local editions add up to 3,568,000 CIM readers.

In difficult times advertisers continue to use local door-to-door newspapers for tactical advertising and promotions. Local job market

### Newsco: top magazines for top advertisers





**Krant van West-Vlaanderen with, variously: Brugsch Handelsblad - Kortrijk's Handelsblad - De Zeewacht - De Weekbode - Het Wekelijks Nieuws.**



**Free newspapers and magazines: De Streekkrant - De Weekkrant - Steps - De Zondag.**

advertising also remains firm. In 2002 work continues on improving the layout and journalism and introducing a professional approach to classified ads, whilst a strengthened sales organisation is providing dynamic and organic growth.

For the property sector a new magazine, **Easy Immo Magazine** was launched in 2002. This is a handy-sized magazine with colour advertisements of better properties, which is distributed as a supplement to Knack and Trends and through brokers, and has a total circulation of 180,000 copies.

#### Free Sunday newspaper

With 14 editions, **De Zondag** now covers the entire Flanders. The original formula of distributing the magazine via bakeries enables almost 500,000 copies to be distributed every Sunday morning at a unique point in the week to a particularly interesting and selective public.

A festive breakfast every Sunday morning for the wide-awake citizens of Flanders. Traditionally, bakeries in this country are visited in the space of a few hours every Sunday morning by a very specific client group: primarily family fathers with children who come to buy rolls and cakes. A Sunday breakfast also requires a Sunday newspaper. With a wealth of local news, list of Sunday events, classified ads and commercial information from the region, and with more and more national-level advertising, given the region-wide coverage.

Next to De Streekkrant, De Zondag is the largest newspaper in Belgium, and reaches readers at a point in the week where no other newspaper does and when they are not distracted or influenced by another medium, and are fresh and receptive to interesting information.

#### France

**A Nous Paris** has grown into a success story. Every Monday some 400,000 copies are distributed from display stands in Paris metro stations. Obtaining this concession required presenting a weekly magazine formula: the out guide for Paris with a selection of the best cultural and entertainment possibilities. RMG has a 30 % stake in the initiative, and provides heatset printing of the magazine in weekend format through Roularta Printing (Mercator Printing Group).

#### Portugal

In Portugal the group continues to invest in building up the **Jornal da Região** group. In 2001 new editions were started for Oporto and surrounding towns.

The launching of new editions in Portugal has been temporarily halted, with the distribution formula being reviewed in the cities of Oporto and Lisbon. From now on, a city magazine is being distributed from display stands in busy locations.

RMG has a 40% stake in the Portuguese initiatives along with the listed Portuguese group Impresa.

#### Free local monthly magazines

The free lifestyle magazine **Steps** (in Flanders) achieved good results. In 2002 its sister magazine **Style** in the Netherlands, now restructured and focused on Brabant and Limburg, should provide even better results.

Steps (Belgium) now has a selectively distributed circulation of 1,821,000 copies, and Style (Netherlands) of 620,000 copies. In 2002 a better paper quality is being used for the colour advertisements.



**VMM : VTM - Kanaal 2 - Jim TV - Q Music - Radio Mango - Top Radio**

## ► TELEVISION

### VTM

VTM looks back on a successful year. For the first time since 1995 this commercial station attracted more viewers in every viewer group aged above four years. With market share up from 29.3% to 29.9%, it remains Flanders' largest station.

One of VTM's strongest points is a rich diet of news and information. This is spearheaded by the daily *VTM Nieuws* news programme, combining journalistic integrity, speed and freshness and covering a very wide range of subjects. During the past twelve years *VTM Nieuws* has frequently acted as trendsetter. As again last year, not just with daily stock market information in *VTM Late*, courtesy of the cooperation with Kanaal Z, but also the news ticker with additional information at the bottom of the screen during the *VTM Nieuws* broadcasts. And people needing to keep abreast of key events can subscribe to the "Breaking News" service, with instantaneous news in the form of SMS messages.

VTM Nieuws's reputation is visible in its rising viewing figures. Since

the dramatic events of 11 September, its market share has risen significantly, from an average 40.7% (770,000 viewers) in September to 44.25% of the market, or no less than 849,200 viewers, by December. Apart from *VTM Nieuws* the news department is also the driving force behind the now classical *Telefacts* programme and the news bulletins on *JIMtv* and *Q-Music*. Also under the auspices of the news department, "*Polspoel&Desmet*" have been given an opportunity to introduce a social discussion programme.

VTM also confirmed its desire to continue screening quality drama from its home soil. One of the most popular programmes in the spring was certainly the romantic comedy "*Veel geluk, Professor!*" (Good luck, professor!) from the eponymous novel by Aster Berkhof, adapted for television by Paul Koeck.

In the difficult genre of humour programmes, VTM has resolutely pioneered new productions like "*Dennis*" and "*Droge Voeding Kassa 4*" ("Dry Food Till 4). Or with totally updated concepts like "*Debby & Nancy Laid Knight*" and "*Hans & Griet*", which have gone down well with younger audiences.

A relatively new genre into which VTM took the plunge is the docu-soap. "Heartbeat 100" followed the ups and downs of the emergency ward at Jette Hospital, whilst "Miss Belgian Beauty [behind the screens]" followed tracked the Miss Hopefuls from the pre-selection rounds to the big final.

When it comes to popular Flemish fiction VTM has no need to take lessons from anyone. "Wittekerke", which in March passed its 500th edition, and "Spoed" top viewing lists week in, week out. At the end of December, "Family" celebrated its 10th birthday, making it Flanders' longest running and most popular soap. Other birthdays include the festive 1000th edition of "Lekker Thuis", Piet Huysentruyt and Ilse De Meulemeester's cookery programme, at the end of October, whilst "Blind Date", Ingeborg's dating programme, celebrated its 100th edition in style.

As a family broadcaster VTM does not forget its youngest viewers. Every morning from Monday to Saturday "Tam Tam" brings a series of tailor-made children's and young people's programmes. VTM's popularity with the age group is also visible in the market share rating in the 4-14 age group. At 22.1%, this was the highest figure since the present viewer metering system was introduced five years ago.

## Kanaal 2

2001 placed Kanaal 2 firmly on the map. Flanders' second largest station remains the favourite choice of the 15 to 35 year group.

In so doing Kanaal 2 proves that the path of offering an extensive range of *top series and film premières* is the right one for Flanders. Brand new last year were the series Dark Angel, Get Real and Largo Winch. But Kanaal 2 viewers also got to see the toppers that had proved their worth years before: Ally McBeal, The X-files, La Femme Nikita, NYPD Blue, etc. Film fanatics had another chance to enjoy "De Nacht van de Wansmaak" and the "Film Night Specials".

In addition to *series and films*, Kanaal 2 also spices its offering with a solid dose of sport. The Red Devils qualification matches for the *Football World Cup* in Japan and South Korea secured top spots in the viewing polls. *The best watched match* was Belgium-Scotland with 1.125 million viewers in front of the screen. Also intensely watched were the Belgian women's Davis Cup and the Fed Cup tennis matches. Car racing, cycle cross, basketball, volleyball and athletics also featured regularly on Kanaal 2.

Another permanent Kanaal 2 feature was *Big Brother*. Pessimists were forecasting a slump in viewer figures. But nothing was further from the truth. Viewer figures for the daily summaries remained at the

same high levels as the year before.

New, and adapted to the station's young profile, is *the daily news programme* that Channel 2 brings after the film. This is a complete news round-up, in high quality journalistic format, that within a short time brings all the important news events of the day.

## JIMtv

On 2 April at 16.56 precisely JIM went on line and on TV. After a particularly hectic period of preparation – just ten weeks – 20 young enthusiasts took their first plunge into the turbulent waters of the Flemish television landscape. After floundering through the first days of the Easter holidays, everything started to go faster and better.

And JIM's first year of life is one to be proud of. In terms of quality JIMtv quickly took its place alongside the big boys TMF and MTV. By the end of 2001 it was attracting an average 284,000 viewers a day, giving a daily reach of 9.4% within the youth target group. And with a range of programmes, a style and an interactivity never seen before in the Flemish TV world.

JIM.be, the interactive leg of this unique programme, was soon up to speed, with a good 5,000 unique visitors a day, immediate proof that the concept of community-building and transfer between TV and PC genuinely works with a youth brand. The crowning moment came when the professional advertising press voted JIM in 2001 as "Dutch-speaking Medium of the Year".

JIM is also proving a successful test platform for presenters and editorial staff, which then move on to other VMM stations, for ambitious merchandising projects, for trend-setting programmes or for new technological applications which – JIM-tested – can be applied to other group brands.

## Regional TV

The regional TV stations made a further substantial loss in 2001. Roularta has since restructured its position in the stations. From October 2001 the running of the stations in the province of West Flanders (WTV and Focus TV) has been taken over by NV RMM, in which Roularta holds a 50% participation together with two non-profit licensees, who are now actively seeking to conclude new deals with the local authorities to provide additional income.

In the provinces of East Flanders (AVS and Kanaal 3) and Brabant (Ring TV), Roularta will in future be responsible only for the advertising side of the business (Ring TV as from 1 April, Kanaal 3 possibly as from 1 July). ▶

► **Canal Z/Kanaal Z**

Business broadcasters **Kanaal Z/Canal Z** (50% RMG) and **RTL Z** (Netherlands – 25% RMG) were severely hit in 2001 by the fall in advertising income.

In the meantime Kanaal Z/Canal Z in Belgium is working with a EUR 3 million lower cost budget and the participating interest in RTL Z has been transferred to Holland Media Group.

Roularta now has 51% of the shares of Kanaal Z/Canal Z and an option on a further 24%.

Kanaal Z/Canal Z is proving a success with the viewing public with over 630,000 viewers (on a weekly basis) and a highly interesting viewer profile.

**RADIO**

6 September 2001 will go down as a historical date in the history of Vlaamse Media Maatschappij. On that day the Flemish Commissariat for the Media announced that one of the two licences for starting a region-wide commercial radio had been granted to Vlaamse Media Maatschappij. Thus ended a successful race against the clock. Back in 2000 Vlaamse Media Maatschappij had already begun preparing for the day. People and resources were lined up so as to be ready with a cast-iron dossier just as soon as the radio market would be thrown open. All radio activities were brought together into a single business unit, tasked first and foremost with gaining a licence for a region-wide commercial radio station. On 20 June, Vlaamse

Media Maatschappij presented the new station name and logo: Q-Music. Three months later followed the good news that Q-Music could be broadcast on the national frequency. Together with Radio Mango and Topradio, Vlaamse Media Maatschappij now has three radios that are not only complementary, but which also offer advertisers a wide range of opportunities. On top of this VMM radio is the only audio-visual company in Belgium with its own in-house advertising management.

**Q-Music**

The real roll-out date for Q-Music was Saturday 10 November, when the station went on the air with a marathon broadcast running until Monday morning 12 November. *Deckers&Ornelis* set the tone for the new radio station: Q-Music is bringing you a new sound, with the emphasis on music. Q-Music is aimed at the 18 to 44 age group, with special attention to young, active listeners aged 18 to 34 in the higher social groupings.

Initial results indicate that Q-Music has very quickly gained a place in Flanders' radio landscape. An in-house survey showed the station to be known to 80% of the target group within just two months. Despite not yet having all its broadcasting equipment in place, Q-Music has also beaten market share forecasts right from month one. Today it is listened to by almost 40% of the 18-44 age group, and almost 34% of 18-34 year olds. In short, the listener profile totally matches Q-Music's objective of reaching very selectively targeted audiences.

**Business TV: Kanaal Z - Canal Z**



### TOPradio

Vlaamse Media Maatschappij's huge efforts to garner a radio licence did not impede the growth of our other two radio stations.

TOPradio is a genuine youth station. In 2001 programming was thoroughly reworked to fine tune it to the constantly changing needs and expectations of our young listeners. And the results were not slow in coming: very soon we had achieved our ambition of 10% listenership in the 12-24 age group. Our market share is up for the third year in our row, and TOPradio is now hard on the heels of well-established stations like Studio Brussels.

### Radio Mango

Where young listeners have TOPradio, adults opt rather for Radio Mango. In 2001 Mango spoiled listeners with the best music of the past 30 years. The Heavenly 100 of listeners' choices on Ascension day was followed later in the year by an Abba Week and then a 70s Week.

At the end of 2001 we successfully recruited experienced radio man *Michel Follet*. Together with *Bert Geenen* and the rest of the Mango Team he will be setting the new course for Mango, under the motto "no revolution, but a gentle evolution".

### TV PRODUCTION AND FACILITIES

Eye-d (50% RMG together with GIMV and the Coulier families) provides the news programmes for business channel Kanaal

Z/Canal Z. Eye-d also specialises in *TV facility installation, film shots and presentations*. TV programmes (among others for Kanaal Z and for VRT) are produced via production house Turnkey, along with documentaries for the home and foreign markets. Eye-d also provides the recordings of parliamentary debates and has installed the visual equipment in the new theatre building in Bruges.

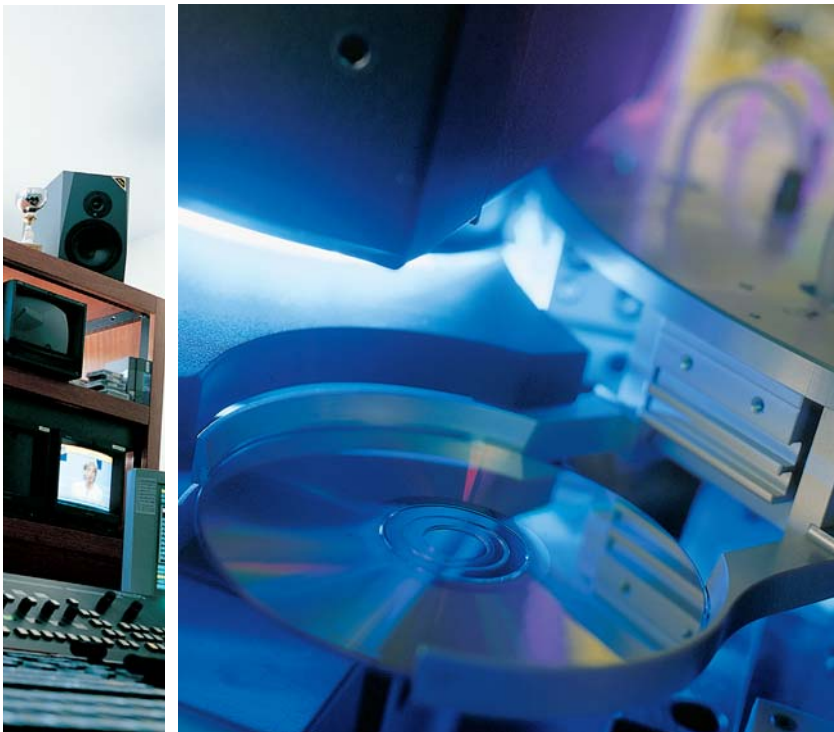
### DVD, CD AND CD-ROM

VTV (Vogue Trading Video, 66.66% RMG) offers a unique, fully integrated approach which allows orders to be handled from the mother disk through to invoicing and factoring, including disk replication, disk printing, printing of the packaging and other ancillary multi-media printing, packaging, distribution and rack jobbing in stores. VTV is the ideal solution for the Belgian market and has also developed an international client base. Today 75% of turnover is for export. VTV reached break-even in 2001 with a cash flow of EUR 3.9 million on unchanged turnover, after a difficult first quarter. Strong growth is again expected in 2002, due in particular to the breakthrough of DVD. Depending on the growth of this division, up to EUR 7.5 million will be invested in 2002-2003.

### MERCATOR PRINTING GROUP

2001 was a difficult year for the MPG printing concentration, in a market that has suffered severely from the economic recession. At the beginning of 2002 a global restructuring plan was implemented, ▶

### VTV: Belgium's largest optical disk manufacturer



### Mercator Printing Group: Belgium's largest printing group





**Easy.be: the online telephone guide and much more besides**

► and optimal use is now being made of the available synergies.

Roularta (39.15% of MPG) recorded a net loss of EUR 5.9 million in respect of MPG in its 2001 accounts, including EUR 2.3 million of extraordinary charges.

In the meantime Roularta has, as planned, sold 5.82 % of its shares to Concentra. In this way the three partners, Concentra, Mercator and Roularta, each now hold 1/3 of the shares.

## NEW MEDIA

### The Knack and Trends news and community sites

Roularta Media Group is using its two most prestigious banners as an umbrella for all its journalistic initiatives on the internet. **Knack.be** and **Trends.be** are providing increasing interactivity between journalists and readers. The journalist refers the reader to the site for further information about the topic being treated in his article. The magazine article presents the news and background information in tight, accessible narrative language. People whose curiosity has been aroused and want to know more can then find additional documentation via the site, with links to other articles and archives, complete legislation, other texts, etc.

Subscribers receive free access to the week's issue from midnight before the publishing date and to the past three months' archives. The complete archives are available, starting in 2002, as a paying service.

Also grouped under the Knack.be and Trends.be umbrella are the community sites. **Het.beleggers.net** is a well-visited and profitable

site and serves as a model for other target-group directed initiatives like **het.gastronomen.net** and **het.reiswijzers.net**. These sites are also developed by a separate editing team which has access RMG's journalist network and can set up links to the group's databases, archives, directories and guides.

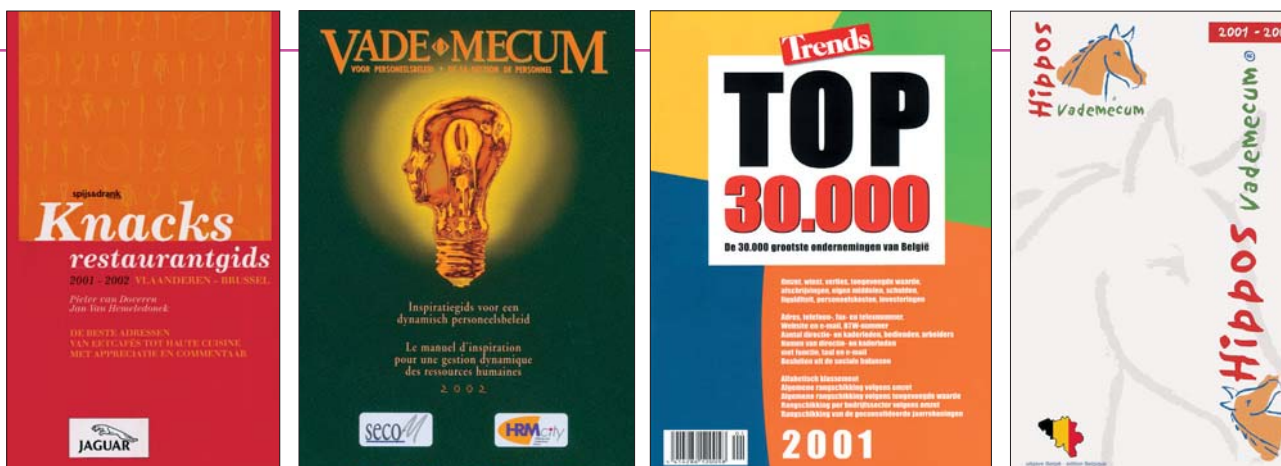
T-Zine has voted **Vacature.com** site of the year 2001. The readers of *Tijd Uitgeversbedrijf's* e-magazine honoured the career and recruitment site among other things for its transparency, wealth of information and emphasis on interactivity and customer service. **Knack.be** achieved a fifth ranking.

### Easy.be: the new telephone and internet guide

**Easy.be** is looking to offer much more than addresses and telephone numbers. Visitors can search by name (of a tradesman, a restaurant, a boutique, a broker), but also by the product or service in question. Someone wanting to buy a house, for example, can set to work very precisely, stating how much he is willing to pay, in what part of the country he is looking etc. This service is totally free of charge to the consumer. The Easy.be guide contains 750,000 useful addresses (right across Belgium) that are included free of charge.

Subscriber advertisers also get priority ranking, their own internet and e-mail addresses, a presentation site on the web and, very importantly, the ability to provide a package of additional information, including the complete catalogue of their goods and services. Advertisers can announce special promotion campaigns and even publish coupons that the consumer can print out and use in the shop.

**Easy.be, makes Roularta Media Group into a major player in the field of directories, with over 165,000 separate visitors a month, generating over 3.5 million pageviews.**



The Roularta Books, AR-Media, Editop and Hippos Vademecum directories

Visitors are invited to make direct contact by e-mail or a unique telephone number that comes with the Easy-service or via a link to the advertiser's website.

The Easy.be service is optimised via the link with the group's classified ad databases, with constant interaction between the internet and the printed media. Easy.be allows classified advertisements to be placed in the group's magazines and newspapers. The printed media in turn refer to the site via the easyImmo, easyAuto, easyResto and easyShopping classified headings, and provide permanent support, promotion and activation of Easy.be. Newspaper ads carry an Easy-code number permitting direct consultation on the net.

Easy.be provides ultra-rapid answers to visitors' questions through powerful servers and the constant refining of its software.

RMG also participates in **Bemart**, a large grouping of retailers who together are examining the many possibilities offered by e-commerce, whilst retaining the "click & mortar" principle. These companies are pooling the costs of the technological research and of marketing this retail portal for Belgium.

#### VMM on Internet

**J**IM TV and **Q-Music** are striving for optimal interaction between screen and internet. The webmaster and final director are working together so that information existing on the site can be placed on the TV screen without problems and vice versa.

SMS 'breaking news' messages are gaining increasing public interest.

#### ROULARTA SEMINARS

**R**oularta Seminars developed in 2001 to a healthy business. The monthly rendezvous for Trends readers (N and F) are a success and the thematic seminars are examples of professional organisation and communication.

Roularta Seminars is extending its network of partnerships, with Roularta's optimal media communications facilities giving an additional guarantee for the success of its partners' events.

In 2001 the first Belgian CEO Summit was organised, an immediate success which lays the foundations for a long-term project.

#### BOOKS

**J**ust like Roularta Seminars, **Roularta Books** continues to develop initiatives in synergy with the group's various media. Its various book initiatives help to promote and support RMG's brand names and provide a real service to readers, listeners and viewers.

Since 2001 Roularta Books has also distributed the books of Dutch publishers Sun and Cossee in Belgium.

Roularta has concluded an agreement with ECI for its Media Club postal order business, with ECI taking over the daily running and remunerating Roularta as a function of sales and new membership.

**Media Club** (books, CD, DVD and multimedia) makes optimal use of the various RMG channels, also of the various traffic-promoting websites, and helps increase customer loyalty.

**AR Media** (50% RMG) took over publishing house **Follow the Guide** in 2001 and now publishes directories in the two areas of



human resources and of building and renovation.

**Editop** (50% RMG) achieved attractive sales and earnings growth with Trends Top 30.000, a combination of directory, CD-Rom and a website which is hosting growing numbers of visitors via Trends.be and other sites.

**Hippos Vademecum** (52% RMG) started business in 2001 by publishing the first guide for Belgium's horse-owning community. A first Dutch edition will be published in 2002. ■

#### GLOBAL OUTLOOK

In 2002, Roularta is not planning any new launches with the exception of the new lifestyle magazine 'Nest', which is in fact a continuation of 'Spijs&Drank' and 'Levend Land'.

The new projects are subject to systematic evaluation and are adjusted when necessary.

Roularta quit the 'Metro' free daily newspaper at the end of 2001. Business TV station Kanaal Z/Canal Z is operating in 2002 with a budget that has been slimmed by EUR 3 million, and the participating interest in RTL Z in the Netherlands has been disposed of. The risks inherent in the regional TV stations have been eliminated.

Structural measures have been taken, with a total effect of EUR 20 million.

With MPG operating with new and recently expanded production equipment, investments by RMG in the coming years will be limited. IT costs will remain limited, given that the development work on

Easy.be in 2001 has already been charged to income.

Raw material prices (paper) have fallen by an average of 10% and operating costs have been sharply lowered.

In expectation of improved economic conditions, Roularta is looking for a slightly lower turnover (-5%) in the "Printed Media" division and stable turnover in the "Radio and TV" division. The various measures that have been taken allow the group to aim for significantly better current earnings compared with 2001.

#### Shareholder base

RMG cancelled 119,305 of its own shares, leaving a total of 9,553,679 with a free float of almost 25%.

#### New website

The 2001 Annual Report will be available from 20 April 2002 on Roularta Media Group's totally updated corporate site ([www.roularta.be](http://www.roularta.be)). This will include a special 'investors' section with a wide range of financial information.

Visitors to the site can put questions to the CEO and can read the questions, and the answers to them, of other interested parties. Investors can now register as members of the Roularta investment club. Club members receive the latest news from and about Roularta e-mailed to them, including new products and services, changes in group structure, mergers, take-overs, earnings results, etc. This initiative is setting a precedent for Belgian listed companies.

“ **RMG is working further on building its multi-media future.**

**Both in Belgium and abroad.**

**Until now our growth has come from a constant stream of self-generated initiatives.**

**Since the 1950s Roularta has launched itself most of the weekly newspapers in the De Streekkrant group, as well as the new De Zondag press phenomenon, has created the various Belgian newsmagazines and a series of specific niche magazines, and has provided much of the initiative for launching TV stations VTM, Kanaal 2, JIM TV, Kanaal Z and the first regional TV stations in Dutch-speaking Belgium.**

**Growth has not come from take-overs or mergers.**

**Roularta is the fruit of the initiatives of a team of enthusiastic PEOPLE, all of them creative and enterprising in their own fields. ”**