

Report on by Rik De Nolf CEO operations

Despite advertising markets fighting with recession for the second year in a row, Roularta's 'Printed Media' and 'Radio and TV' divisions together achieved the same turnover as in 2001.

A particular – and highly successful – effort was, however, made to gain control of costs.

Turnover fell from EUR 438.6 to 424.0 million (-3.3%). **Current cash flow** rose from EUR 24.4 to 33.4 million (+37.2%). **Net current profit** was up over ten-fold to EUR 14.0 million against EUR 1.1 million (+1,126%).

Cash flow rose from EUR 21.5 to 32.6 million (+51.4%). **Consolidated profit** (group's share) grew 146.8% from EUR -6.8 million to EUR 3.2 million, after tax of EUR 11.6 million.

The high tax pressure is due to the group structure, which does not permit offsetting between profitable activities and start up losses of the joint ventures.

Comments on the key figures

Income from the 'Free newspapers and magazines division' (including De Streekkrant/De Weekkrant, De Zondag and Steps) fell back 1.83% from EUR 94.8 million to EUR 93.1 million. In fact this is a very solid result given the 17% fall in job advertisements.

Newspaper advertising income (Krant van West-Vlaanderen group) slipped from EUR 4.5 to EUR 4.4 million (-1.7%).

Magazine advertising fell by just 3.7%. However, counting in the fall in national job advertising (Vacature EUR -5.4 million), magazine advertising turnover was down 11.05% from EUR 68.4 to 60.8 million.

The readers' market (newsstand and subscription sales) rose from EUR 49.4 million to 52.1 million (+5.49%).

Radio and television turnover rose from EUR 108.7 to 110.8 million (+1.97%).

VMM (50% Roularta: VTM, KANAALTWEE, JIMtv, Q-Music) grew by 5.2% in 2002 with even better earnings than in 2001: EBIT of 27.8 million (2001: 26.2 million) and a net profit of EUR 16.8 million (2001: 14.3 million).

Optical disc production grew 7% from EUR 25.9 to 27.7 million.

Third party printing turnover fell from EUR 64.8 to 48.9 million (- 24.5%). This figure includes 33.33% of Mercator Printing Group in the first half and 100% of Roularta Printing in the second half of the year.

Other services grew 17.7% from EUR 22.1 to 26 million. Of this, EUR 1.5 million reflects the increased holding in Paratel (up from 25% to 50%) as from 1.7.2002.

The magazines

In 2002 magazine advertising income remained almost unchanged, with lower business to business advertising



Be in the News: the 6 Belgian news magazines

offset by a growing spend in the lifestyle sector. Vacature, however, lost 50% of its income to the crisis in the national employment market.

Magazine paper prices fell by some 8%, with further savings made on editorial and promotion costs. No expensive launches were undertaken. The only newcomer, country magazine 'Nest', in fact continues the former 'Spijs & Drank' and 'Levend Land' magazines. Nest got off to a flying start with a net sold distribution of over 100,000 copies, making it immediately Flanders' largest lifestyle magazine after Weekend Knack.

The senior citizen magazines in the Netherlands and Norway continued to grow, with excellent earnings. Marketing of the new Lenz magazine in Germany continues at a controlled pace.

CIM readership figures (October 2002) point, however, to stagnation in Belgium. Statistically, there were no great surprises, other than that the survey recorded a 40% readership fall for monthly magazine Plus, following the name change from Onze Tijd/Notre Temps, though circulation has grown slightly since. This proves once again that the CIM survey in fact measures recognition, rather than effective reach. At the same time it is evident that Knack, Le Vif/L'Express, Trends and Trends/Tendances magazines have reached such high penetrations of their respective target groups that it is difficult to achieve any significant readership increase.

RMG publishes six Belgian news magazines:

- general news magazines Knack and Le Vif/L'Express,
- business news magazines Trends and

Trends/Tendances,

- sports magazines Sport Voetbal and Sport Foot Magazine.

Together they reach 1,543,000 CIM readers (12+). These offer a very attractive profile: 18% of the Belgian population aged 12 and up, 32% of the top social groups 1+2, 25% of the Belgian population in social groups 1-4, 39% of male executives, 36% of all men in social groups 1+2, 29% of all men is social groups 1-4, 24% of students, 22% of all young persons aged 12 to 24.

RMG groups these six Belgian news magazines together in its 'Be in the News' advertising combination. For RMG the challenge remains to put across more strongly and more clearly the message that this is the best quality and most effective advertising combination available on the Belgian media market today. A message that is in the interest of advertisers and media planners alike.

'Be in the News' delivers a wider and higher quality reach than any other alternative, at an absolutely unbeatable price. The quality and impact period of a colour magazine advertisement is far higher than other forms of advertising, and there is no more effective way of reaching Belgium's more affluent target groups.

Knack and Le Vif/L'Express

Knack recorded in 2002 the same advertising turnover as in 2001. Le Vif/L'Express fared slightly less well.

The package formula that combines the Knack news magazine with lifestyle magazine Weekend Knack ■■■





and entertainment magazine Focus Knack produces a highly stable subscription portfolio. Le Vif/L'Express applies the same system with Weekend Le Vif/L'Express and Télévif. In this way our news magazines reach approximately as many men as women. The lifestyle magazines have tended to attract a female audience, which has learned to appreciate the news magazines, and vice versa, more and more men have started reading lifestyle magazines.

Focus Knack aims at a younger audience, with an increasing number of young people apparently aware of the new Knack offering.

Knack and Le Vif/L'Express together reach 14% of the population, an exceptionally high figure for a news magazine, and in particular for one aimed at a quality reader profile. By way of comparison, Le Vif/L'Express, Le Point and Le Nouvel Observateur in France together achieve a lower reach. A key reason is that Knack and Le Vif/L'Express provide information for every member of the family, male and female, young and old. The value of

The Knack package: Knack - Weekend Knack - Focus Knack - Vacature Magazine

The Le Vif/L'Express package: Le Vif/L'Express - Weekend Le Vif/L'Express - Télévif - Vacature Références

the Knack package (idem for Le Vif/L'Express) is so great that over 85% of subscriptions are renewed, leaving only little room for further growth.

80% subscription sales for both titles ensure a loyal readership, whose purchasing behaviour is based, not on on-the-spot reactions to spectacular covers, but on the value of a package of information covering a wide range of interests.

Every week, **Weekend Knack** and **Weekend Le Vif/L'Express** deliver a magnificent illustrated overview of the moving world of fashion and design, home and garden, travelling and motoring, psychology and sociology. Special issues throughout the year can be collected to make complete, up-to-date guides to fashion (6 issues), homes and gardens (4 issues) and gastronomy (4 issues).

Like the daily financial-economic press and the business broadcaster Kanaal Z/Canal Z, **Trends** and **Trends/Tendances** have been severely hit by the slump in financial and IT advertising, with overall adver-

Readership

The Company Management-Executives Study published by TNS Media serves as a valuable barometer of the news magazine and B-to-B press worlds. Roularta's news and business magazines fill a unique position.

- Target group: all middle and senior managers
- Population: 167.668 random sampling: 1/300
- Tariffs: September 2002 in EUR
- Format: 1/1 p. full colour in magazines and 1/4 p. full colour in newspapers

Titles	Net reach	Coverage (net %)	Ranking net coverage	Cost per ooo c.	Ranking Cost/ooo c.
Roularta Company Management-Executives (C)	123,504	73.7	1	120	9
Knack + Le Vif/L'Express + Trends-Trends/Tendances (C)	109,915	65.6	2	120	8
Trends + Trends/Tendances + BIZZ (C)	85,731	51.1	3	90	2
Knack + Le Vif/L'Express (C)	83,676	49.9	4	150	15
Trends + Trends/Tendances (C)	68,226	40.7	5	90	1
De Financieel-Economische Tijd + L'Echo (C)	64,426	38.4	6	120	7
Knack	53,032	31.6	8	140	12
De Financieel-Economische Tijd	48,223	28.8	9	110	5
Std + LB + Gaz.Li (C)	44,443	26.5	10	250	30
BIZZ FR - BIZZ NL	42,853	25.6	11	100	4
Bulletin VBO - FEB	39,403	23.5	14	90	3
Le Vif/L'Express	38,584	23.0	15	170	17
De Standaard	33,098	19.7	16	180	19
KMO - PME Magazine	32,596	19.4	17	140	14
Le Soir	29,739	17.7	18	290	34
L'Echo	28,978	17.3	19	140	11
Het Nieuwsblad + De Gentenaar (C)	26,480	15.8	20	370	41
Industrie Magazine FR-NL	22,647	13.5	21	140	13
Het Laatste Nieuws + De Nieuwe Gazet (C)	22,599	13.5	22	450	44
De Morgen	21,539	12.8	23	210	24
ZO Magazine	21,370	12.7	24	180	21
Kamers van Koophandel (C)	20,853	12.4	25	430	43
Vlaamse Ondernemer	20,328	12.1	26	180	20
Eos	18,965	11.3	27	170	18
Netwerk - Netcetera	16,593	9.9	29	310	36
Libre Belgique + Gazette De Liège (C)	15,603	9.3	30	370	42
VEV Snelbericht	14,646	8.7	31	130	10
Usine - Bedrijf	14,590	8.7	32	200	23
Smart Business	14,414	8.6	33	340	39
PC Magazine	14,357	8.6	34	270	31
Dynamisme Wallon	12,909	7.7	35	150	16
Clickx	12,397	7.4	36	240	29
Technisch Management - Technique & Manag.	12,147	7.2	37	280	33
Inside Internet (FR-NL)	12,077	7.2	38	330	38
Gazet van Antwerpen	11,454	6.8	39	560	47
Data News (NL+FR)	11,406	6.8	40	550	46
PC World (FR-NL)	11,355	6.8	41	320	37
Solvay Business Journal	10,471	6.2	42	270	32
Le Marché - De Markt	10,324	6.2	43	190	22
Libre Match	10,195	6.1	44	350	40
Computer Magazine	8,388	5.0	45	450	45
Ondernemen	8,339	5.0	46	220	27
Chambre de Commerce FR (C)	8,133	4.9	47	-	-
Het Belang van Limburg	7,569	4.5	48	640	48
Ingenieursblad (KVIV)	7,134	4.3	49	290	35
La Dernière Heure/Les Sports	6,493	3.9	50	930	49

Roularta Media Research - Source: Company Management-Executives Study 2002

Belgian advertising sales houses for magazines in 2002

Belgian advertising sales houses for magazines	2002 000 €	SOI %	Belgian advertising sales houses for magazines	2002 000 €	SOI %	Belgian advertising sales houses for magazines	2002 000 €	SOI %
ROULARTA			Femme Actuelle	10		Ma Santé	585	
BIZZ FR	869		Kreatieve Keuken	149		Total	8,545	3.2 %
BIZZ NL	1,367		Le Journal de Mickey	6		CQFD		
Cash!Trends/Tendances	646		Le Moniteur de l'Automobile	2,576		Ambiance FR	126	
Cash!Trends	827		Le Soir Magazine	1,514		Ambiance NL	320	
Fleet Management FR	169		Madame Figaro	148		Bulletin FEB	568	
Fleet Management NL	239		Maison Madame Figaro	51		Bulletin VBO	751	
Grande NL	846		P Magazine	3,595		Het Beste	184	
Industrie Magazine FR	345		Robbedoes	21		KMO	1,378	
Industrie Magazine NL	595		Spirou	66		Leven in Stijl	502	
Knack	17,662		Suske en Wiske Weekblad	62		PME	1,037	
Le Vif/L'Express	10,127		Télé Star	2,313		Sélection	238	
Plus Magazine FR	1,157		Top Santé	3,331		Signature FR	106	
Plus Magazine NL	1,834		Touring Magazine FR	1,132		Signature NL	83	
Sport Foot Magazine	1,272		Touring Magazine NL	829		Total	5,293	2.0 %
Sport Voetbal Magazine	2,176		TV Gids	461		PUBLICARTO		
Télépro FR	2,703		Voyages Voyages	574		Aktief	54	
Trends/Tendances	5,361		Zondagsblad	168		Axelle	46	
Trends	9,018		Total	37,935	14.1 %	Brieven aan Jonge Ouders	847	
Weekend Le Vif/L'Express	10,526		VNU BP			De Bond	2,789	
Weekend Knack	21,343		Computer Magazine FR	1,135		Eigen Aard	224	
Total	88,083	33.1 %	Computer Magazine NL	1,135		Eigentijds	338	
MEDIALOGUE			Corporate Net FR	411		Vrouw	171	
Clickx	616		Corporate Net NL	431		Vrouw en Wereld	386	
Evita	2,180		Data News FR	3,698		Total	4,855	1.8 %
Feeling	8,488		Data News NL	3,719		PRODUPRESS		
Feeling Wonen	2,079		Total	10,530	3.9 %	Actief Wonen	1,437	
Femmes d'Aujourd'hui	3,550		MAGNET			Beter Bouwen en Verbouwen	642	
Fit & Gezond	67		Autowereld	892		Déco Idées	1,717	
Flair l'Hebdo	3,661		Dag Allemaal/ Zondagnieuws	11,185		Tu Bâtis je Rénove	670	
Flair NL	8,999		Genieten	925		Total	4,466	1.7 %
Gael	4,784		Goed Gevoel	1,978		VAB		
Gael maison	1,136		Goed Wonen	430		Uit-Magazine	2,791	
Humo	16,605		Joepie	2,262		GROUPE DUPUIS		
Libelle	9,679		Netcetera	711		L'Événement	1,352	
Libelle Specials	117		Netwerk	1,359		L'Événement Immobilier	300	
Marie Claire	1,285		TV Familie	1,171		Total	1,652	0.6 %
Marie Claire NL	1,000		Woef	155		MEDIA SELLING PLACE		
Menzo	887		Wouf	113		Art & Décoration	221	
Mille et un Délices	95		Dag Allemaal-Expres	4,452		Het Ingenieursblad	143	
Story	2,421		TV Familie-Blik	1,417		KACB Revue	16	
Télé Moustique	6,728		Total	26,151	9.7 %	L'Entreprise et L'Homme	12	
Télé Pocket	614		RMB			Ondernemen	230	
Teve Blad	1,483		Canal + Gids	436		Royal Auto	18	
Total	76,473	28.4 %	Canal + Magazine	904		Total	641	0.2 %
IPB			Groovy FR	171		Total	269,314	100 %
7extra	643		Groovy NL	258				
Ché	1,194		Carnet de la Libre Match	765				
Ciné Télé Revue	15,634		La Libre Match	2,714				
Cuisine Créative	88		Le Journal de votre Enfant	434				
De Autogids	2,066		Le Ligueur	2,279				
Elders & Anders	487							
Eos Magazine	818							

Source: CIM MDB

Total 269,314 100 %



The combination Trends-Cash! (N/F)

■ ■ ■ tising sales down 10%. With the Dutch and French language editorial teams working to increase synergy, the title has proved its ability to produce a correct earnings result in difficult times. The combination with investor magazine **Cash!** remains highly effective, whilst new opportunities are opening up for media mixing with TV broadcaster Kanaal Z/Canal Z and the trends.be, cash.be and het.beleggers.net/les.investisseurs.net websites.

In 2003 Trends is planning to expand its editorial package with more lifestyle pages and a new media and marketing sector.

During 2002 greater attention was again paid to the people behind the figures, to companies that are strong in their market niches and their regions. In each province of Belgium Trends now organises regular meetings of the Trends “Gazelles”, that is the 200 largest growers in the various small, medium and large enterprise categories, the rankings of which are published exclusively in Trends, using the unique treasure chest of information contained in the Trends Top 30,000 database.

The Trends Gazelles Events have become meeting places for the most dynamic elements of economic life in Flanders and Wallonia.

Sport Voetbal/Sport Foot Magazine

The sports news magazines produced positive earnings figures in 2002. Here the combination of general sports magazine with a special emphasis on football appears to be the ideal formula. The magazine strives for full coverage of the football world with complete statistics of top sports events.

Extensive reports and interviews on other sports are accompanied by digest pages summarising the latest situation of both team sports basketball and volleyball and of tennis and cycling.

Here too, steady growth is guaranteed by a portfolio of some 50,000 subscribers (2/3 of net distribution). A major concern for Roularta remains to use sports magazines to penetrate the advertising market. In the United States, Sports Illustrated – the equivalent of our sports magazines – boasts a larger turnover than Time and Newsweek, than Fortune and Business Week, than TV Guide, etc. scoring not only on the readers’ market, but also in terms of advertising revenue. American advertisers are prepared to pay to reach a quality audience of sports enthusiasts that want, not cheap “hurray and boo” journalism, but background information and analysis under the motto ‘mens sana in corpore sano’ (a healthy mind in a healthy body). ■ ■ ■

In April 2003
Le Vif/L'Express celebrated its
20th birthday with a special feature
portraying the evolution of
our company in the world
of the past 20 years.



The magazines for senior citizens in Belgium, the Netherlands, Germany and Norway

Senior citizen magazines

Together with its partner Bayard Presse (Paris), Roularta is continuing to build an international group of specialist magazines for senior citizens. In Belgium **Plus** needs to grow more. In the Netherlands a net circulation of 300,000 is deemed feasible for 2003, making **Plus** the largest monthly magazine in the Netherlands.

In Norway **Vi Over 60** has achieved even better growth figures (+ 20%) and in Germany the monthly **Lenz** magazine is now run from two cities: with the editorial team continuing to work from Cologne and the marketing and promotion services now installed in Augsburg, in synergy with the magazine department of the Weltbild mail order company.

The intention over the coming years is to build up a subscription portfolio, through gradual, steady direct marketing, whilst increasing newsstand sales with a city by city promotional approach.

Other niche magazines

The launch in September 2002 of the new **Nest**, a continuation of Spijs & Drank and Levend Land, has been an immediate success. 80,000 paid subscriptions and over 25,000 newsstand copies reach an interesting target group which is particularly concerned with its own homes and gardens. Solid content, superb layout, perfect colour printing and luxurious finish together add up to a top quality magazine. A huge potential for growth remains in terms of subscriptions, newsstand sales and advertising income. The title has got off to a flying start, and in 2003 is already contributing positively to earnings.

RMG has a 50% stake in NV Himalaya, which publishes **Grande**, the magazine for people wishing to travel and discover the world. This reporting magazine with international allure has quickly built up a perma-

In March 2003 Grande began a French-language edition. The magazine has very quickly conquered its place in the quality magazine segment, and may be expanded to other countries.



The niche magazines: Nest - Grande - Bizz - Industrie Magazine

■ ■ ■ nent and steadily-growing subscription base, along with successful newsstand sales. It was therefore decided not to put off any longer launching a French language version. The first issue, appearing in March 2003, was an immediate success.

Under an agreement with the Royal Belgian Automobile Club (RACB/KACB) all members of this quality organisation receive the Grande magazine as part of their overall club subscription.

In terms of advertising, monthly business magazine **Bizz** (Dutch/French language) has been a success right from the start, conquering in a short space of time a reader group that is particularly attractive for advertisers. Month after month Bizz succeeds in presenting practical files, each with a useful problem checklist of ready-made solutions for young professionals.

With its varied offering of information for industrial managers, controlled circulation **Industrie Magazine** reaches the ideal target group for B-to-B advertising. At the same time the collaboration with the Agoria enterprise organisation provides a valuable platform for research and documentation.

Each issue of Industrie Magazine is accompanied by the **Kwaliteitskrant**, carrying specific information for quality managers and produced in cooperation with the Flemish Quality Control Centre.

The TV magazine

The French-language TV news magazine **Télépro** sets out to guide TV viewers reliably every week through the TV jungle. With a net distribution of over 150,000, Télépro reaches half a million readers (CIM 12 +) every week with a complete, well-structured overview of more than 60 TV channels, supplemented with news and tidbits on top television, cinema and radio stars of the moment. Nor are articles limited to the light side of life: eye-witness reports, critical analyses and in-depth articles on current and social questions provide again and again new food for thought.

Every week's Télépro is brim-full of practical tips for every area of daily life: health, beauty, law, tourism, DIY, internet and multimedia, cooking, literature, music and videos.

Télépro is the family magazine par excellence. Children rush for the new Cédric cartoon page and a special listing of 'their' TV programmes. Crosswords and other games offer over EUR 150,000 in prizes every year.

Roularta Medica

Roularta Medica produces various medical publications: **De Huisarts**, **Le Généraliste** (weekly), **Semper** (monthly), the medical Agendas and Congress Guides (quarterly), the 'InfoCard' answer cards and the Agendamedica.be website. ■ ■ ■



TV magazine: Télépro

Roularta Medica: De Huisarts - Semper

■ ■ ■ During 2002 the main products received a face-lift, the editorial team was completely renewed, and the products and team of VM & Partners, acquired in 2002, were integrated.

Biblo and Roularta, the publishing houses that own the medical publications, have placed these in their Editop joint venture, under the name ‘**Roularta Medica**’.

Since the start of 2002, the joint venture has had its own layout team, which completes all medical publications up to the prepress stage. Printing rates have been renegotiated and preparations made for two new publications (Agenda Cardiologie and Agenda Gastrologie), which will be appearing four times a year from the beginning of 2003.

The newly created Roulartamedica.be website and preparations for electronic versions of the De Huisarts and Le Généraliste newsletters round off Roularta Medica’s range of medical products.

France

In 2002 Roularta continued expanding its French activities. A media niche in France can very soon become as large a market as that of a general publication in Belgium. Roularta is seeking to play a market leader role in three different niches in France’s media landscape.

Music, audio, video, hifi, DVD

In 2002 Roularta acquired publisher PV Editions, which produces **Prestige Audio Vidéo**, **Hifi Vidéo Home Cinéma** and **Sonovision**.

The intention is to merge PV Editions with special music magazine publisher ‘Studio Press’, in which Roularta already has a 50% stake. Studio Press publishes **Guitar Part**, **Guitare Classique**, **Pianiste**, **Batteur**, **Radikal** and **Recording**... all magazines for active musicians. Every issue includes a music CD that players can accompany.

Studio Press increased its sales by no less than 62.8% in 2002. In combination, PV Editions and Studio Press should produce a global turnover of EUR 10 million, whilst synergy in advertising acquisition, promotion and administration should very quickly bring it up to the target EBIT of 10%.

An earn-out agreement has been concluded with the partners in Studio Press to enable Roularta to acquire 100% ownership.

Homes

Following the successful take-over negotiations with Aguesseau in late 2002, the titles **Maisons Côté** ■ ■ ■



Music: Guitar Part - Guitare Classique - Pianiste - Batteur - Radikal - Recording



Audio, video, hifi: Prestige Audio Vidéo - Hifi Vidéo Home Cinéma - Sonovision



Homes: Maisons Côté Sud - Maisons Côté Ouest - Maisons Côté Est - Maison Magazine - Maison Française

Belgium's cheap advertising rates

Belgium has the cheapest advertising rates in the EC, at least for news magazines and business weeklies, as is clearly shown by a comparison with neighbouring countries:

Comparison of Business magazines

COUNTRY	Title	1/1 page In euro	Circulation	Cost/000 Copies
Italy	Capital	25.813	89.558	288,2
Spain	Actualidad Economica	6.010	23.517	255,6
Italy	Milano Finanza	25.000	135.758	184,2
Portugal	Exame	4.070	24.099	168,9
France	L'Entreprise	17.500	77.523	225,7
France	Le Nouvel Economiste	11.500	72.230	159,2
Denmark	Penge og Privatokonomi	4.240	26.753	158,5
Germany	Manager Magazin	17.200	134.902	127,5
UK	The Economist (worldwide)	18.336	144.000	127,3
France	L'Expansion	17.600	141.560	124,3
Belgium	Trends-Trends/Tendances¹	6.630	55.801	118,8
Germany	Wirtschaftswoche	20.008	191.134	104,7
France	Capital	37.500	380.459	98,6

¹ Trends-Trends/Tendances: 2003 rates. All others: 2002 rates

Comparison of News magazines

COUNTRY	Title	1/1 page In euro	Readers	Control	Circulation	Cost/000 readers	Cost/000 copies
Austria	Profil	12.000	599.000	2001	115.316	20,03	104,1
Italy	L'Espresso	45.000	2.369.000	2001	409.696	19,00	109,8
Netherlands	Elsevier	10.818	588.000	2000	141.420	18,40	76,5
Italy	Panorama	52.000	3.213.000	2001	570.566	16,18	91,1
Netherlands	Vrij Nederland VN	5.672	354.000	2000	54.738	16,02	103,6
Netherlands	HP/De Tijd	4.275	278.000	2000	31.171	15,38	137,1
Belgium	Le Vif/L'Express¹	6.900	477.000	2002	97.000	14,47	71,1
France	Le Point	18.200	1.397.000	2001	294.951	13,03	61,7
Austria	News	15.300	1.219.000	2001	313.195	12,55	48,9
Belgium	Knack¹	7.700	630.000	2002	152.985	12,22	50,3
France	L'Express (national ed.)	24.200	2.237.000	2001	420.685	10,82	57,5
France	Le Nouvel Observateur	23.843	2.485.000	2001	445.062	9,59	53,6
Germany	Der Spiegel	46.000	5.630.000	2001	1.071.774	8,17	42,5
Germany	Focus	40.500	6.180.000	2001	779.629	6,55	51,9

¹ Knack - Le Vif/L'Express: 2003 rates. All others: 2002 rates

In terms of sales Knack and Le Vif/L'Express reach 14 % of the population aged 12 and over, two to three times more than the foreign news magazines.

Cost per thousand readers and per thousand copies is much lower than abroad. This is a totally illogical situation given the much higher costs (Belgium's bilingual situation) of reaching a much smaller potential (just 10 million inhabitants). In Belgium editorial and promotion costs are twice as high given the two language areas with their specific mentalities and areas of interest. The double starting costs also increase the printing costs of the magazines and of the mailings. On the other hand advertising investments (per head) are much lower than elsewhere in the EC (with the exception of Greece and Portugal).

The only viable explanation for these low advertising rates is the historical fact that when it was launched 30 years ago, Knack based its rates on those of the now extinct Brussels weekly Pourquoi Pas?

Despite Belgium's small and complex market, Knack and Le Vif/L'Express have their own unique place in Belgium's media landscape.

■■■ **Sud, Maisons Côté Ouest and Maisons Côté Est** have been placed in a new joint venture with the Express-Expansion group, which in turn is contributing its Maison Magazine and Maison Française titles. Right now the joint-venture is owned 50% by Express-Expansion, 40% by Roularta and 10% by the Lefebvre family, with whom an earn-out agreement has been concluded with the intention of arriving at a 50/50 situation.



Lifestyle: Idéat - Atmosphères

The five titles in question will enable a new company, Côté Maison, to achieve considerable synergies in advertising acquisition, promotion and administration. These are all top quality magazines with an overall market leadership position.

Lifestyle

Roularta already has a 50% stake in **Idéat**, the luxury lifestyle magazine that appears 6 times a year, aimed at younger women and men interested in every facet of art de vivre. Idéat is still a relatively young initiative (1999), but has already achieved an attractive net distribution of 54,607 copies and positive earnings.

In 2002 Roularta acquired the monthly magazine **Atmosphères** as part of the take-over of publishing company Aguesseau. Atmosphères is another lifestyle title, this time more classical in nature. Once again interesting synergies should be possible in advertising acquisition, administration and promotion, leading directly to better profitability and new resources for growth. Idéat/Atmosphères is a 50/50 joint venture with Laurent Blanc.

Newsco Publishing

Newsco (100% Roularta) is a publishing company specialising in custom magazine production. Newsco

Weekend Knack in the prize lists

Pierre Darge won in 2002 the very first *Dylan Thomas Writers Award* with his report *'Dichter bij het Water'* published in Weekend Knack. The award is an initiative of the *Welsh Tourist Board* for the best travel report on Wales. The prize, an original first edition of Dylan Thomas' *Under Milk Wood*, was presented by European Commission Vice-President Niel Kinnock.

In May 2002 **Annemie Struyf** won the Dexia Press Prize 2002 in the 'Written Press' category for her 'A la Limite' series of articles in Weekend Knack. The panel of judges commended her work for its "unusual depth, interwoven with an optimistic and humoristic undertone. These are penetrating, very human portraits, on the sharp edge but never sentimental." Around 200 professional journalists took part in the 39th Dexia Press Competition. The award comes with prize money of EUR 2500.

Ine Renson took home the Flemish Mental Health Association (VGG)'s 2002 Press Prize for her unforgettable portrait of depression sufferers' families in 'Depressive together', published in Weekend Knack.



Newsco Publishing: Senza - Galeria - E5-Magazine - BMW Magazine - MO*

Publishing applies a total approach of concept, layout and journalism through to printing and distribution. In 2002 Newsco Publishing sales topped EUR 5 million. In particular a new title **Galeria** has been brought out in Germany in the footsteps of the superb **Senza** magazine, which Newsco Publishing produces for Inno in Belgium. Other prestigious custom magazines are **E5-Magazine**, **BMW Magazine** and **MO*** (Mondiaal Magazine). The Newsco Publishing team, reinforced in 2002, can of course count on the cooperation of the various Roularta divisions, each with its interesting journalist and graphic artist networks.

Roularta will be seeking to improve Newsco Publications market profile, as it is clear that synergy with a

major publishing group gives it an unbeatable ability to provide top quality at very low prices.

Newspapers

The combination of the **Krant van West-Vlaanderen** with authentic local titles in the different parts of Flanders remains hard as steel, with 11 separate editions and a total circulation of 100,000 copies. Local titles **Brugsch Handelsblad**, **De Weekbode**, **De Zeewacht**, **Kortrijks Handelsblad** and **Het Wekelijks Nieuws** are not only old and respected titles, but are also increasingly successful in catching the attention of younger readers. Interest in local events is real, and the **Krant van West-Vlaanderen's** approach of seeking to provide complete reporting – family news, clubs and associations, cultural and sports events, and information on amateur and youth sport – for every municipality, is unique. The **Krant van West-Vlaanderen** itself pays attention to the big regional and national news items, but every time from a distinctive West Flemish angle. In 2003 the newspaper is investing in a new editorial information system, with electronic layouting providing major time savings. The editorial offices in Bruges, Ostend and Kortrijk continue to serve as bases for local reporters, but all other journalists and employees now work centrally out of the general editorial office in Roeselare. The **Krant van West-Vlaanderen** is ready for the future. ■■■



Newspapers: Brugsch Handelsblad - De Weekbode - Kortrijks Handelsblad - De Zeewacht - Het Wekelijks Nieuws - Krant van West-Vlaanderen



De Streekkrant/De Weekkrant:
the country's largest newspaper

Regional freesheets De Streekkrant

Over 3.6 million readers (recent CIM survey) and around 50 different local editions make **De Streekkrant/De Weekkrant** Belgium's largest newspaper. Regional freesheets appear to be holding their own in the difficult economic situation. Strikingly, the fall in job advertising here is much smaller than that observed at a national level. With commercial advertising even growing, the title achieved almost the same turnover as in 2001.

The start of 2003 saw the introduction of a fresh layout, with a new editorial formula guaranteeing even more varied information, provided from each local area by a growing network of local correspondents. The local small ads market is totally in the hands of the De Streekkrant group almost right across Flanders. In housing, car and job advertisements, De Streekkrant/De Weekkrant is the clear and undisputed market leader.

Easy.be

In this area the on line extension via the Easy-website (**EasyAuto.be**, **EasyImmo.be**, **EasyJobs.be**) provides an

interesting opportunity guaranteeing optimal response for advertisers.

EasyAuto.be provides full information on new cars, including all Belgian-specific options (including detailed prices) and a spectacular selection of second hand cars, either taken from the various De Streekkrant editions, or presented by car dealers offering their entire stock on EasyAuto.be. A high performance search system permits rapid, targeted searches of a total listing covering the whole of Flanders. Interested car dealers pay for the opportunity to offer their portfolio on line.

EasyImmo.be allows consumers to rapidly search a wide selection of houses and apartments across Flanders, consisting of all advertisements appearing in the various editions of De Streekkrant, plus the property portfolios offered by real estate agents and notaries. To offer his portfolio on line the advertiser pays a fixed monthly sum plus a variable amount according to the number of visitors. Systematically updated, EasyImmo.be is today the website with the most complete selection of property in Dutch-speaking Belgium.

Every month Roularta sites reach 588,678 unique visitors with a total of 7,972,295 page views. Roularta already has today one of Belgium's most visited sites. The content is provided by the magazine editorial teams and the classifieds division of the free newspapers.



Easy.be: EasyImmo, EasyAuto, EasyJobs

The third major website is **EasyJobs.be**, in which De Streekkrant/De Weekkrant presents by far the largest selection of job offers from various sectors in Dutch-speaking Belgium. Thanks to the cooperation with the Flemish Employment Office (VDAB) the site includes almost all vacant positions. Advertisers can be certain that they will reach not only a maximum number of readers, but also the largest possible number of internet visitors. Indeed, the EasyJobs.be/VDAB combination reaches more visitors than any other jobsite.

Visitors can access the global offering via either destreekkrant.be or EasyJobs.be or the VDAB's own vdab.be site.

Extra Net

In 2002, the group acquired the weekly newspaper **Tam-Tam**, with one edition in Knokke and one in Blankenberge.

At the end of 2002, the group acquired the weekly newspaper **Wetthra**, which appears in and around Wetteren, along with the publishing and printing company Leysen, which specialises in acquiring advertisements from notaries in the legal district of Mechelen.

All these initiatives go to strengthen the De Streekkrant group, and at the same time herald the start of a new network of tabloid format freesheets: **Extra Net**.

With Extra Net Roularta is looking to offer a network of very local freesheets, all in small tabloid format and which can complement the De Streekkrant broadsheets to boost advertising campaigns.

Along with Roularta's own titles Publipers Tienen, Tam-Tam and Wetthra, the Extra Net group includes those published by De Belleman (Limburg, Brabant and Kempen) and the Verheyen group (Antwerp). In this way the Roularta Media advertising sales office now represents a second network alongside the De Streekkrant/De Week-



Extra Net: Tam-Tam - Wetthra - Publipers

krant group, which reaches 100% of Flanders.

De Zondag

Since September 2002 the free Sunday newspaper **De Zondag** has covered the whole of Flanders. The original formula of placing this free newspaper in bakery shops allows some 520,000 copies to be distributed in just a few hours every Sunday morning, at a unique point in time for a particularly interesting and selective audience. A festive breakfast every Sunday morning for the wide-awake citizens of Flanders. In this way Sunday breakfast includes the 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. National advertising is provided by Scripta, the newspaper advertising sales office that also represents the Krant van West-Vlaanderen, the De Standaard group, the Vers l'Avenir group and the Libre Belgique group.

Next to De Streekkrant, De Zondag is by far the largest newspaper in Belgium, reaching readers at a time 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.

Portugal

Roularta holds a 40% stake in **Jornal da Região**, the Portuguese equivalent of De Streekkrant, in partnership with the listed Portuguese group Impresa. Jornal da Região has opted for a new distribution mix of dis- ■■■



De Zondag: 1.2 million readers via a network of 4000 bakery shops



Portugal: 9 weeklies in and around Lisbon

■■■ plays in high traffic city areas and door-to-door distribution in residential areas. Today 9 different editions appear in and around Lisbon. Portugal's economic crisis, in particular the very sluggish property market, remains a handicap to expansion. Stringent cost control should make it possible to get through this difficult period in the expectation of a revival of the economy.

Door-to-door magazines Steps and Style

Free lifestyle magazine **Steps** (in Flanders) again produced good earnings in 2002. Its sister magazine **Style** in the Netherlands appears in the provinces of Brabant and Limburg and is now managed from the Belgian head office. The choice made in 2002 to use better quality paper for the colour advertisements appears to have produced good results. Steps has since opted for a mixed 'push - pull' distribution formula, with door-to-door deliveries in residential areas and a network of highly visible displays in parking garages and better boutiques and food stores.

From 2003 publication frequency will be stepped up in Ghent and Antwerp, with Steps Antwerpen and Steps Gent becoming genuine city magazines, offering extensive entertainment and cultural diaries alongside lifestyle journalistic content.

Steps too is unique in its kind, with its large magazine format and heatset colour quality on satinated paper. Steps takes full advantage of the extraordinary possibilities

offered by Roularta's high volume presses which allow up to 64 large (double) magazine format pages (like Steps) to be heatset printed in a single run, and stapled on the press, ready for rapid finishing and cutting. All this guarantees top quality at unbeatable advertising prices.

Interreg-tariffs

In 2003 Roularta is relaunching the Steps project in France, which it halted in 1998, by acquiring the monthly magazine **City's**, which appears in Lille, Douai and Arras. In so doing it is creating new cross-border advertising opportunities for clients in West Flanders and Northern France.

Style Zeeuws-Vlaanderen is being launched in 2003 in a joint venture with the Zeeuwsch-Vlaams Advertentieblad. This new opportunity is available not only to Dutch advertisers but also to Belgian clients from West and East Flanders.

The Style editions in Dutch Limburg and Brabant are structured to permit combinations with the Steps editions in Belgian Limburg and Antwerp.

New and attractive Interreg advertising rates apply for both the Dutch/Belgian and the Belgian/French border areas.

Easy Immo Magazine

2002 saw the launch of **Easy Immo Magazine**, a free magazine featuring colour illustrated advertisements for



Steps - Style - City's: in the whole of Flanders, the northern part of France and the southern part of the Netherlands



better quality property and projects. Distribution is by displays in estate agents' offices and as supplements to Knack and Trends. Each Flemish province has its own separate edition, allowing provincial advertising. The project has got off to a flying start, as it meets a real need for colour advertising for better quality property.

Television and radio Vlaamse Media Maatschappij

The viewers market was marked in 2002 by the slight growth of public broadcasting (TV1 and Canvas), to the detriment of commercial stations. Among the small music stations JIMtv has climbed level with TMF.

In 2002 VTM achieved an average market share of 28.7% (general target group aged 4 years and up), 1.2% less than in 2001. TV1, by comparison, climbed 1.6% to 29.1% over the same period. The other commercial stations also forfeited market share in 2002 : KANAALTWEE lost 1.3%, but remains ahead of VT4 (6.4%, -0.2% on 2001). Canvas achieved a slight improvement: 8.4%, +0.2% on 2001.

In the commercially important 18-54 RFP (responsible for purchases) target group we observe the same trend: VTM down (26.2%, - 0.6%) and TV1 up (29.1%, + 1.4%). Amongst young RFPs (RFP 18-44) we see a positive evolution for VTM. With this target group VTM scored 1.0% better than in 2001, with TV1 remaining approximately unchanged. Amongst younger RFPs, VTM is marginally in front with 26.3% against TV1's 26.2%.

These scores point to an age reduction in VTM's audience. TV1 is now the 'oldest station' in Flanders and the new VTM-programmes in particular (like Idool, Fear Factor and De Pfaffs) are proving highly popular with young audiences.

KANAALTWEE shed 0.9% market share in the RFP 18-44 group, but is still well ahead of VT4 with 11.2% as against 9.7%. In other words, amongst young audiences, KANAALTWEE remains the 'largest of the 3 smaller stations'.

Good news has come from VMMA's youngest TV station: JIMtv confirmed in 2002 its good start and has now climbed level with TMF. On a daily basis it now reaches 10.0% (1 minute's continuous viewing) of the 13-30 group (TMG: 10.1%). On a weekly basis in 2002 this came out at 30.6% (TMF 30.8%) and on a monthly basis 50.7% (TMF 49.9%). In other words this young people's station has found its place in the Flemish TV landscape alongside TMF and MTV. Public broadcasting (TV1 and Canvas) is not a genuine competitor, with no advertising apart from a small level of sponsoring.

The advertising market evolved favourably for the VMM stations. Looking at the various TV stations, we observe an advance for VMMtv in the January-November period. Within VMMtv we note a slight shift in investments from KANAALTWEE to VTM.

Flanders' five largest TV stations (VTM, KANAALTWEE, VT4, TV1 and CANVAS/KETNET) have together grown by +6%. VTM remains the largest grower in absolute terms, with +19.9m or 7% growth.

Radio

2002 was Q-Music's first full year. After acquiring its licence and going on the air on 12 November 2001, the arduous task began of conquering Flanders' listeners and breaking the VRT monopoly.



2002 was a start-up year for Q-Music. The first months were taken up with extending the transmitting equipment. Listeners in the province of Limburg in particular had to wait until the end of March before being able to listen to Q-Music with a reasonable level of comfort. And only in May was Q-Music available on cable right across Flanders.

Despite this initially incomplete coverage Q-Music proved an immediate hit with listeners, with recognition rising to 90% in its target group. Internal research showed a total reach of over 40% within a few months in the primary target group of 18-44 year-olds in the higher social groups. Q-Music appeared also from the outset to be very selectively directed at the pre-defined target groups. ■■■

■ ■ ■ The basic goal remains however to produce professional radio with good radio voices and nothing but good music for active adults.

Despite the less favourable economic climate and aggressive discounting by the VRT radio stations, VMM's advertising income rose from EUR 2.2 million in 2001 to EUR 4.3 million in 2002.

This doubling is due entirely to Q-Music. Advertising spend at Q-Music alone amounted to EUR 3.5 million.

For over 10 years disagreement reigned on how to organise an objective listener survey in Belgium. During all these years two studies were implemented in parallel, Radiometrie by IP and Radioscan by VAR and RMB. In 2001 agreement was finally reached on producing a single radio survey within the CIM structure.

2002 was an important year for radio in general. Finally there was to be a single study showing the value of the various radio stations, with the temperature in the radio landscape measured twice yearly.

Fieldwork for the first CIM Radio Study lasted from 30 March to 7 July 2002, during which telephone-recruited respondents were asked to keep a three-week diary of

their listening behaviour. These data were processed by the INRA research office, with the first figures finally published at the start of October. These showed Radio 2 to be the largest radio in Flanders with a market share of 34.8%, followed by Radio Donna with 29.6%, and then, at a greater distance, by Radio 1 (11.3%), Studio Brussel (5.9%), and in 5th place, Q-Music. Not to be forgotten is that at the time of measurement Q-Music had been on the air for just half a year.

The continuing unfavourable macro-economic context was in 2002 again unable to halt the further expansion and earnings improvement at Vlaamse Media Maatschappij. Earnings were again substantially better than in previous financial years, and served to further solidify the company's financial position.

Regional TV

In 2002 Roularta finally found a solution to the problem of the regional TV broadcasters. In West Flanders a new joint venture was created (RMM, Regionale Media Maatschappij) held 50% by Roularta and 50% by **Focus TV** and **WTV**, the two non-profit licence holders.

Since September 2002 the two TV broadcasters have been housed together in a new location in Roeselare, offering optimal synergies in terms of advertising acqui-



VMM: VTM - KANAALTWEE - JIMtv - Q-Music

sition and promotion and production facilities. Since then RMM has become a profitable operating company.

In East Flanders Roularta provides a complete advertising sales service for AVS and a non-local advertising service for Kanaal 3. In Brabant Roularta continues to manage advertising for Ring TV. Instead of being responsible for the operating figures of the East Flanders and Brabant stations, Roularta continues to manage their advertising, but on a commission basis.

In the meantime Flanders' regional stations are continuing to expand their viewing audiences. Gradually more and more local authorities, cities, municipalities and provinces are ready to make use of this unique communication channel and to invest in communication budgets.

Under a protocol signed with the regional TV stations, the Flemish government now guarantees a minimum advertising investment of EUR 1.8 million a year. This is still a drop in the bucket (around EUR 150,000 net per broadcaster) in relation to the total operating budgets of local news stations. The West Flemish stations (Focus and WTV) have an operating budget of over EUR 5 million, covering a complete daily news programme, over 15 different reports on average every day, a weekend lifestyle programme, a weekend programme of provincial news and a growing number of additional sports and cultural programmes.

In 2003 an inter-regional project has started up with European support: No Télé from Western Hainaut, C9 from Lille and WTV from Southern Flanders are together producing three programmes, the culture programme P.u.l.s, the socio-economic programme Transit and the

'border cases' project ('Grensleven' 'La vie quotidienne' is not a full programme as such, but a lively and attractive individual newscast item).

National advertising for the regional TV stations is provided by **RTVM**, a regional advertising sales office, now owned by the four Flemish press companies involved in regional television: Roularta, De Persgroep, Concentra and, starting in 2003, VUM.

Prospects for obtaining national advertising for these stations look good, as national advertisers are becoming increasingly interested in the cumulative reach of regional TV, which reaches 25% of the viewing public on a daily basis, and no less than 60% on a weekly basis.

The audiometrics figures, used in the first place for the national stations, confirm this cumulative reach, which was already revealed by the specific telephone surveys which have been organised for several years with the help of the TNS research office.

Kanaal Z/Canal Z

In the course of 2002 Roularta and Uitgeversbedrijf Tijd have each forgiven EUR 4 million of current account debts. At the same time Roularta has acquired 100% of the shares of Belgian Business Television NV.

Kanaal Z/Canal Z is largely dependent on advertising income from the financial, IT and consultancy sectors. Like the financial-economic newspapers and the weeklies, the station has passed through a difficult period. In October a rescue operation was undertaken, with a series of listed Belgian companies declaring themselves ready to sign a one-year contract for communication via the station in 2003. This solid basis should enable ■■■



Focus TV - WTV

■■■ Kanaal Z/Canal Z to achieve break-even in 2003, thanks both to the listed companies and to spending by advertisers interested in the stations' very attractive target group.

From now on Kanaal Z/Canal Z's advertising is managed by Roularta Media, with a new multimedia approach combining print media (Trends, Cash!, Industrie and Bizz), TV (Kanaal Z/Canal Z) and internet (Trends.be, Cash.be, KanaalZ.be) to give an ideal media mix for optimal response.

Kanaal Z/Canal Z now reaches over 300,000 viewers on a daily basis and 600,000 on a cumulative weekly basis. This demonstrates that an open broadcaster with a varied news programme that can be viewed at any time of the day already reaches a broad audience. This makes Kanaal Z/Canal Z an excellent medium, not only for financial-economic reports, and for business to business campaigns, but also for advertising for higher quality lifestyle products.

The station's commercial policy has been adapted accordingly: globally advertising rates have fallen by 30%, with particularly attractive package deals in the various sectors.

Editorial synergy has also been sought with the journalist teams of Trends and Trends/Tendances, Knack and Le Vif/L'Express, Bizz and Industrie Magazine.

At the marketing and promotional level too, the goal is perfect interaction between print and audiovisual media.

Optical Discs

Vogue Trading Video (66.66% RMG) is a production company offering a fully integrated package of services for the audiovisual market. All audiovisual media carriers such as VHS, CD Audio and Rom and DVD Video, Rom and Audio are replicated in both small and large series, printed and provided with in-house prepared packaging. The Logistics department then steps in to provide customer stock management and distribution in Belgium and abroad.

The EBITDA of EUR 4.03 million achieved in 2002 represents an improvement of 21% over 2001 in an economically difficult market environment. In 2003 turnover is expected to increase with the steady growth of the DVD format.



Kanaal Z/Canal Z - VTV

EUR 3 million is being invested in 2003 to upgrade and double DVD production capacity (to 17 million copies a year).

Roularta Printing

Since July 2002, **Roularta Printing** has once become an independent printer, following the demerger out of the Mercator Printing Group. Since then printing has again contributed positively to group earnings.

Roularta Printing's offset magazine press department produces all the group's own magazines, together with a large number of periodical publications for Belgian customers and for the Dutch, French and English markets.

Roularta Printing also has three newspaper press units equipped with ovens for high quality heatset printing. This unique configuration makes it possible to produce newspapers and magazines with up to 64 full-colour pages in large magazine or tabloid format. This department prints the various De Streekkrant and De Zondag editions and, specifically on satinated paper, Steps, Style and, for the French market, City's and A Nous Paris, the magazine of the Forum des Halles, etc. Roularta Printing is operating at very high capacity.

Since July 2002, Roularta Printing has been owned 76% by Roularta and 24% by Concentra.

New Media

The Knack and Trends news and community sites

Roularta Media Group is using its two most presti-

gious 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 magazine article presents the news and background information in tight, accessible narrative language. 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. Readers 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.

Also grouped under the Knack.be and Trends.be portal 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.reiswijzer.net. These sites are also developed by the separate editing team which has access to RMG's journalist network and can set up links to the group's databases, archives, directories and guides. The editorial teams are experimenting with new forms of reader interactivity through surveys, debates and a comments forum.

Knack and Trends subscribers can now access their magazines' archives right up to the current week, paying for this service a separate fee of EUR 60 (21% VAT included). The development and journalistic costs of these content sites are borne by the Knack and Trends editorial budgets. ■ ■ ■



Roularta Printing - New Media

■■■ VMM on Internet

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

Roularta Seminars

Roularta Seminars grew further in 2002 into a healthy business. The monthly rendezvous for Trends readers (Dutch and French speaking) are a success and the thematic seminars are models of professional organisation and communication.

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

The first Trends CEO Summit was successfully organised in 2002.

JIMtv - Roularta Seminars -
Roularta Books - AR-Media - Editop - Hippos Vademecum

Books

Roularta Books develops initiatives in synergy with the various group media. All book initiatives serve to promote and support RMG's brand names and provide a real service to readers, listeners and viewers.

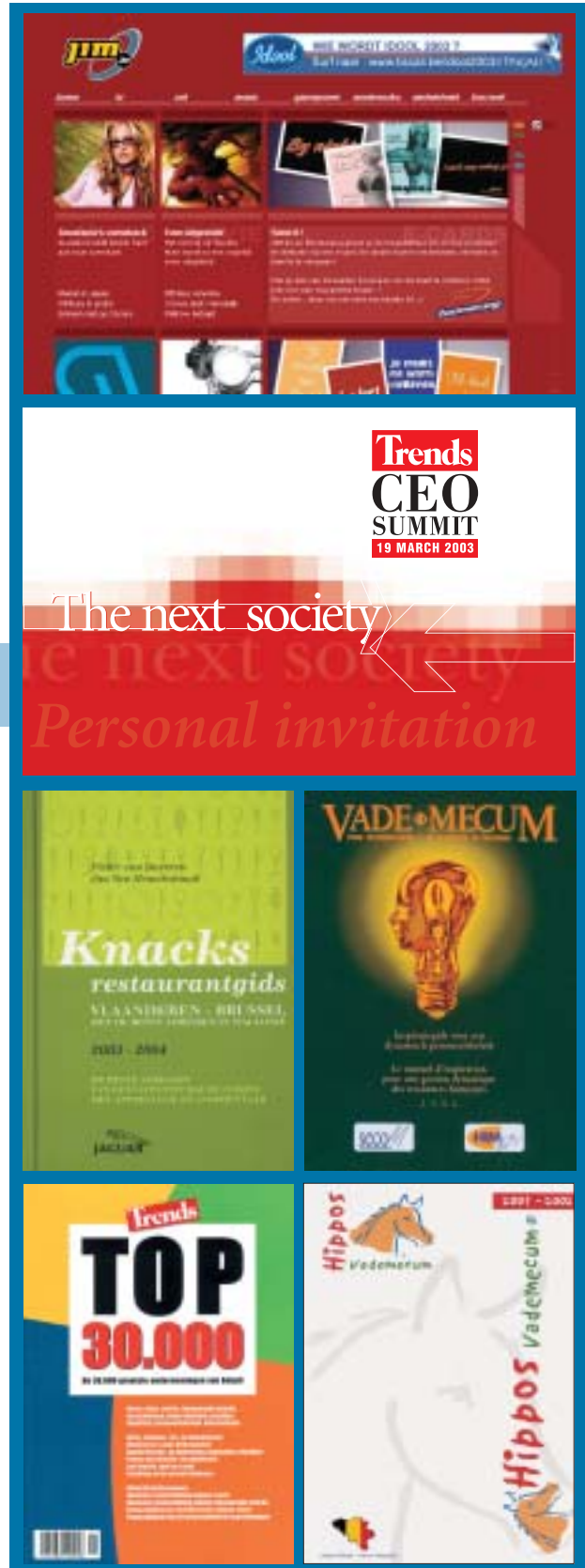
Roularta Books also distributes the books of Dutch publisher Cossee in Belgium.

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

AR-Media (50% RMG) publishes annuals in the two fields of human resources and of building and renovation.

Editop (50% RMG) achieved attractive sales and earnings growth with its Trends Top 30,000, a combination of directory, CD-Rom and a website which is visited increasing via the 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 edition was published in the Netherlands in 2002. ■



Global outlook

For 2003 Roularta expects the advertising market to remain weak, given general economic conditions.

In the course of 2002 structural solutions were found for the printing business and for regional TV, which will no longer drag down earning in 2003. The Kanaal Z/ Canal Z business TV station was rescued and represents for Roularta a new challenge of achieving a multimedia approach to both advertising acquisition and journalistic collaboration. In any event this means teaching business advertisers to use TV as a communication medium. Major annual contracts with a series of listed and other major enterprises provide a solid basis for further growth.

In the meantime the group has been implementing a cautious policy of foreign expansion through acquisitions of magazines. These are grouped into niche clusters, in which the resulting synergy ensures positive contributions to group earnings. The first market to be looked at was France, given Roularta's many years' experience in this field and the geographical proximity.

The fact that Roularta has four cornerstones of roughly equal strength (25% freesheets, 25% magazines, 25% TV activities and 25% industrial activities) gives it a solid structure on which to stand firm in difficult times.

In this case a difficult period in a particular sector is offset by other sectors in which things are looking up. In economically hard times advertisers move away from image campaigns, but increase their promotional and tactical advertising, in part through local freesheets.

A slight decline in business to business advertising in 2002 was offset by the lifestyle market. In 2003 the situation appears to have reversed, with a falling life style market compensated by a upturn in business to business.

The printed media sector can look forward to lower raw materials prices with newsprint prices down around 10%. Magazine paper too is becoming cheaper as the difficult economic situation reduces paper consumption worldwide.

Overall, 2003 is set to be a good year for Roularta, following the structural changes in the printing and regional TV activities, and with tight cost control cushioning temporary slackness in the advertising market. ■

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 news magazines and a series of specific niche magazines, and has provided much of the initiative for launching TV stations VTM, KANAALTWEE, JIMtv, Kanaal Z/Canal 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.**

**In 2003 Roularta is beginning a cautious expansion policy outside Belgium,
acquiring publications in niche clusters which are offering earnings synergy.**