

Annual report 2000

Key figures of the Group

CONSOLIDATED KEY FIGURES AFTER REPARTITION								
IN 1.000	1998 BEF	1999 BEF	2000 BEF	Evolution in %	1998 EUR	1999 EUR	2000 EUR	Evolution in %
Income statement								
Operating income	13,960,402	15,221,251	18,209,018	19.6%	346,069	377,325	451,390	19.6%
Turnover (net)	13,449,095	14,681,125	17,578,077	19.7%	333,394	363,936	435,749	19.7%
Operating profit	1,162,355	1,140,051	1,220,912	7.1%	28,814	28,261	30,266	7.1%
Financial results	-229,999	-155,201	-272,375		-5,702	-3,847	-6,752	
Current profit	932,356	984,850	948,537	-3.7%	23,113	24,414	23,514	-3.7%
Extraordinary results	-357,425	-41,672	27,190		-8,860	-1,033	674	
Profit for the year before taxes	574,931	943,178	975,727	3.5%	14,252	23,381	24,188	3.5%
Income taxes	-272,038	-478,846	-550,359		-6,744	-11,870	-13,643	
Profit for the year after taxes	321,436	487,247	430,440	-11.7%	7,968	12,079	10,670	-11.7%
Share in the result of the enterprises accounted for using the equity method	2,160	-6,761	-13,317	97.0%	54	-168	-330	97.0%
Concolidated results	323,596	480,486	417,123	-13.2%	8,022	11,911	10,340	-13.2%
Consolidated results group's share	322,769	479,480	437,535	-8.7%	8,001	11,886	10,846	-8.7%
EBITDAL		2,054,767	2,362,036	15.0%		50,936	58,553	15.0%
EBITDAL (margin)		13.5%	13.0%			13.5%	13.0%	
EBITDA	2,126,009	1,994,272	2,209,578	10.8%	52,702	49,437	54,774	10.8%
EBITDA (margin)	15.2%	13.1%	12.1%		15.2%	13.1%	12.1%	
EBIT	1,162,355	1,140,051	1,220,912	7.1%	28,814	28,261	30,266	7.1%
EBIT (margin)	8.3%	7.5%	6.7%		8.3%	7.5%	6.7%	
Current net result ¹	863,413	875,044	704,086	-19.5%	21,403	21,692	17,454	-19.5%
Gross cashflow ²	1,351,401	1,511,692	1,568,400	3.8%	33,500	37,474	38,880	3.8%
Current cashflow ³	1,620,428	1,521,938	1,623,853	6.7%	40,169	37,728	40,254	6.7%
Current cashflow (margin)	11.6%	10.0%	8.9%		11.6%	10.0%	8.9%	
Current cashflow excl. launches		1,555,942	1,713,212	10.1%		38,571	42,469	10.1%
Current cashflow excl. launches (margin)		10.2%	9.4%			10.2%	9.4%	
Net profit margin ⁴	2.4%	3.3%	2.5%		2.4%	3.3%	2.5%	

Key figures of the Group

IN 1.000	1998 BEF	1999 BEF	2000 BEF	Evolution in %	1998 EUR	1999 EUR	2000 EUR	Evolution in %
Balance								
Fixed assets	4,486,423	4,866,366	6,380,005	31.1%	111,216	120,634	158,156	31.1%
Current assets	6,335,318	6,936,709	8,463,428	22.0%	157,048	171,957	209,803	22.0%
Total balance	10,821,741	11,803,075	14,843,433	25.8%	268,264	292,591	367,959	25.8%
Shareholder's equity after repartition	4,702,148	5,017,879	6,413,029	27.8%	116,563	124,390	158,975	27.8%
Amounts payable	5,923,357	6,557,823	7,991,399	21.9%	146,836	162,564	198,102	21.9%
Assets	949,872	1,451,742	1,486,688	2.4%	23,547	35,988	36,854	2.4%
Remunerations	2,561,941	2,995,766	3,442,185	14.9%	63,509	74,263	85,330	14.9%
Personnel at year end	1,577	1,761	2,044	16.1%	1,577	1,761	2,044	16.1%
Liquidity (current assets / creditors)	1.3	1.2	1.3		1.3	1.2	1.3	
Solvability (equity / total balance)	43.5%	42.5%	43.2%		43.5%	42.5%	43.2%	
Net financial debts / equity	1.3	1.3	1.2		1.3	1.3	1.2	
Return on equity ⁵	6.9%	9.6%	6.8%		6.9%	9.6%	6.8%	
Consolidated results per share								
EBITDAL		214	246	15.0%		5.30	6.10	15.0%
EBITDA	221	207	229	10.8%	5.48	5.13	5.69	10.8%
EBIT	121	119	127	7.1%	3.00	2.95	3.16	7.1%
Result per share	34	50	46	-8.7%	0.84	1.24	1.13	-8.7%
Current net result	90	91	73	-19.5%	2.23	2.26	1.82	-19.5%
Gross cashflow	141	157	163	3.8%	3.50	3.89	4.04	3.8%
Current cashflow	169	158	169	6.7%	4.19	3.92	4.18	6.7%
Current cashflow excl. launches		162	178	10.1%		4.02	4.42	10.1%
Net dividend	12.75	15.00	15.00	0.0%	0.32	0.37	0.37	0.0%
Number of shares	9,611,034	9,611,034	9,611,034	0.0%	9,611,034	9,611,034	9,611,034	0.0%

¹ The current net result is the result for the year after taxes, before extraordinary results and before depreciations on goodwill and titles, plus the result of the companies accounted for by the equity method.

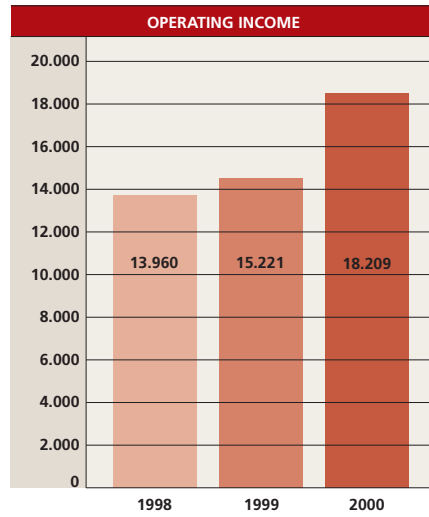
² The gross cashflow is the consolidated result plus all depreciations.

³ The current cashflow is the current net result plus depreciations on tangible fixed assets and non-cash expenses.

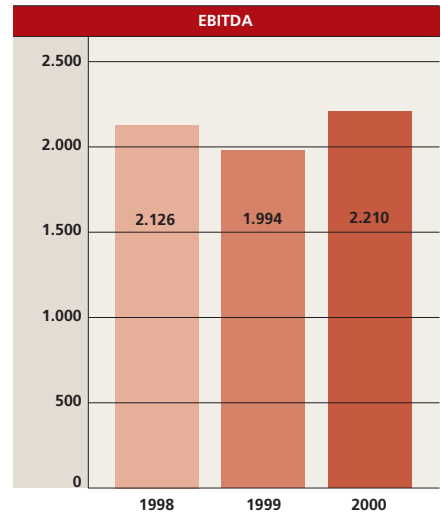
⁴ Net result group's share / turnover.

⁵ Net result group's share / equity.

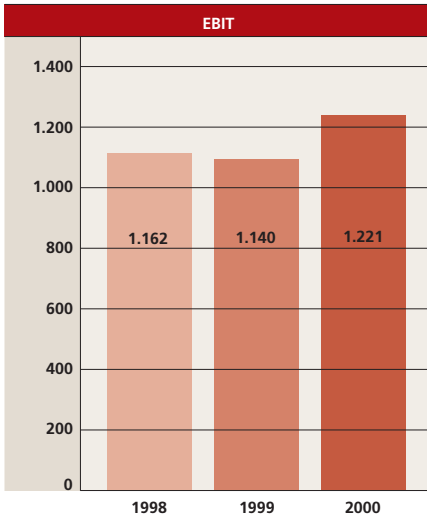
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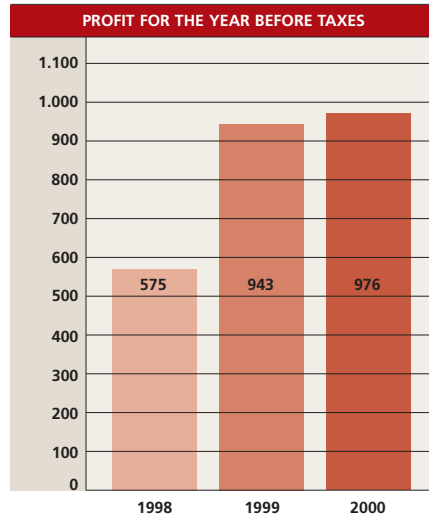
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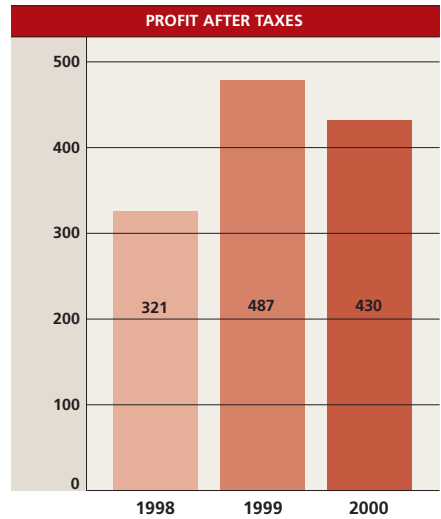
in millions of Belgian francs



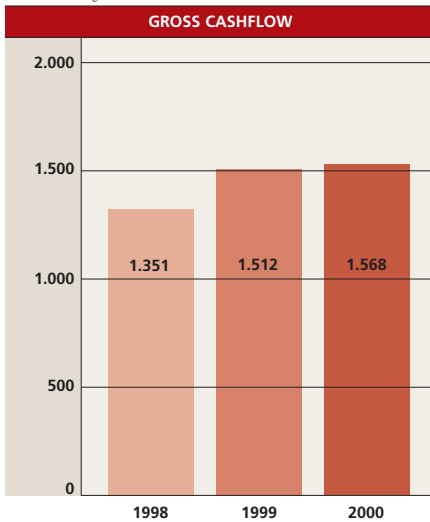
in millions of Belgian francs



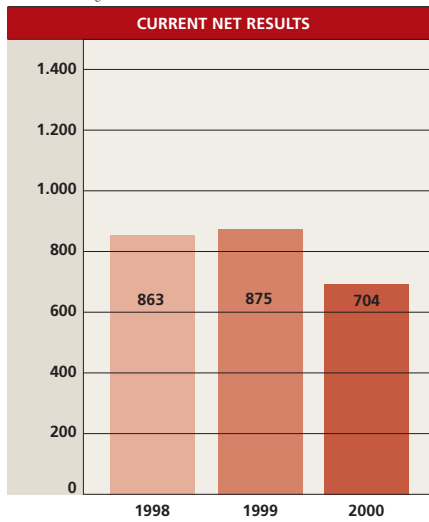
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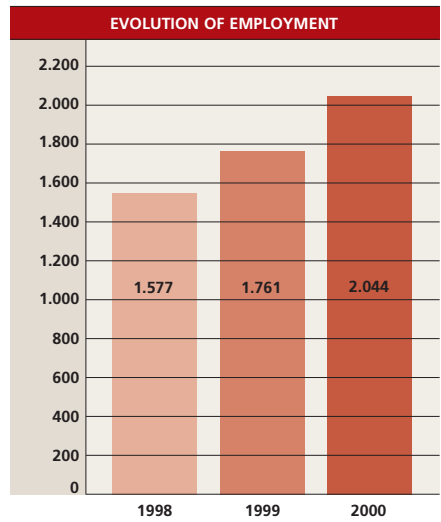
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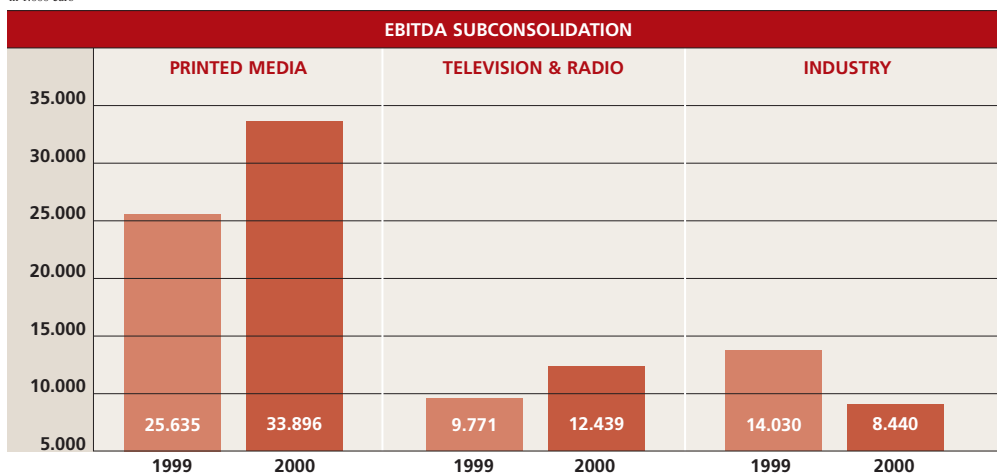
EVOLUTION OF EMPLOYMENT



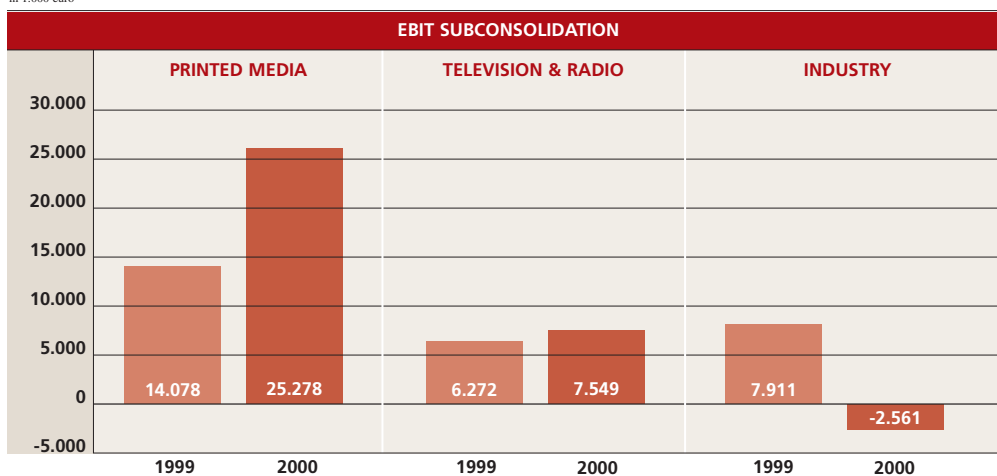
Subconsolidation of the Group

IN 1.000 EURO	PRINTED MEDIA			TV & RADIO			INDUSTRIE		
	1999	2000	% evol.	1999	2000	% evol.	1999	2000	% evol.
Operating income	236,137	259,723	+ 10.0	108,833	123,308	+ 13.3	92,918	99,912	+ 7.5
Turnover	228,579	252,731	+ 10.6	103,142	117,157	+ 13.6	92,616	96,895	+ 4.6
Operating profit	14,078	25,278	+ 79.6	6,272	7,549	+ 20.4	7,911	-2,561	- 132.4
Financial results	-423	-3,054		415	201		-1,134	-113	
Extraordinary results	-1,204	365		135	-189		-144	399	
Income taxes	-6,773	-9,284	+ 37.1	-4,533	-4,324	- 4.6	-564	-35	- 93.7
Profit for the year after taxes	5,950	13,177	+ 121.5	2,495	3,354	+ 34.4	6,160	-2,174	- 135.3
Share in the result of the enterprises accounted for using the equity method	-293	99	- 133.9	125	-429	- 442.6	0	0	
Consolidated results	5,657	13,277	+ 134.7	2,620	2,925	+ 11.6	6,160	-2,174	- 135.3
Consolidated results (group's share)	5,635	13,293	+ 135.9	2,618	2,920	+ 11.6	6,160	-1,680	- 127.3
EBITDAL ¹	26,515	37,675	+ 42.1	10,392	12,439	+ 19.7	14,030	8,440	- 39.8
EBITDAL (margin)	11.6	14.9	+ 28.4	10.1	10.6	+ 5.0	15.1	8.7	- 42.4
EBITDA	25,635	33,896	+ 32.2	97,713	12,439	+ 27.3	14,030	8,440	- 39.8
EBITDA (margin)	11.2	13.4	+ 19.6	9.5	10.6	+ 11.6	15.1	8.7	- 42.4
EBIT	14,078	25,278	+ 79.6	6,272	7,549	+ 20.4	7,911	-2,561	- 132.4
EBIT (margin)	6.2	10.0	+ 61.3	6.1	6.4	+ 4.9	8.5	-2.6	- 130.6
Current cashflow	19,321	23,248	+ 20.3	5,943	7,806	+ 31.3	11,877	9,181	- 22.7
Current cashflow excl. launches	20,201	27,027	+ 33.8	6,564	7,806	+ 18.9	11,877	9,181	- 22.7
Current net result	12,929	16,351	+ 26.5	2,444	2,917	+ 19.3	5,757	-1,820	- 131.6
Current net result excl. launches	13,479	18,681	+ 38.6	2,872	29,176	+ 1.6	5,757	-1,820	- 131.6

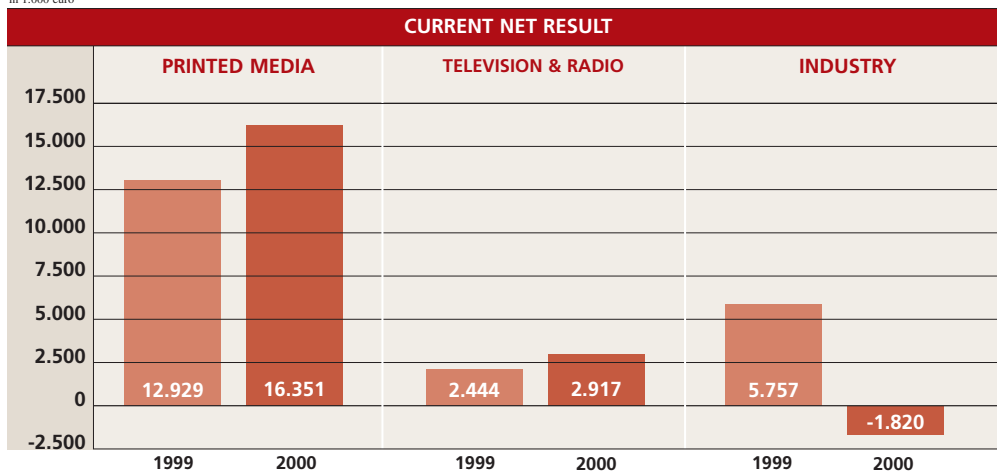
in 1.000 euro



in 1.000 euro



in 1.000 euro





Chairman Rik De Nolf

Building a multi-media future

Roularta Media Group Strategy

For Roularta Media Group, 2000 was once again a year of growth and new projects. RMG is building further its multi-media future. In 2000 the group was nominated for the 'Enterprise of the Year 2000' award, organised by Ernst & Young and the FET.

Magazines

THE NEWSMAGAZINES

In its the magazine sector, RMG is concentrating on its core business of news magazines for better situated reader groups.

Work continued on improving the journalism and layout at the three families of newsmagazines:

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

The new **Focus Knack** gives **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 (lifestyle magazine **Weekend Knack**, **Vacature** jobs magazine, newsmagazine **Knack** and **Focus Knack**) contains a full spectrum of interesting information. This unique formula gives **Knack** (together with **Le Vif**) a totally unequalled penetration of 13% of the Belgian population, with a high quality reader profile. **Knack** (in

Dutch) and **Le Vif** (in French) together reach more people 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 editor-in-chief **Rik Van Cauwelaert** has ambitious plans for 2001, including in-depth investigations for which an additional five young journalists have been recruited. He is supported by an advisory editorial board consisting of **Hubert Van Humbeeck** (Director), **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.

Every week, **Weekend Knack** provides a magnificent illustrated overview of what is happening in the world of fashion and design, home and garden, travelling and motoring, psychology and sociology. Both the six **Fashion** issues and now the four

Living issues are invaluable guides for all fashion and household decoration lovers.

Under editing director **Tessa Vermeiren**, and with the special cooperation of **Pieter Van Doveren**, Weekend Knack has taken the initiative of publishing a separate specialist luxury magazine entitled **Spijs&Drank**. This magazine is sold separately via subscription or on the newsstand, or in combination with Knack. A community site (het.gastronomen.net) has also been created for the same "gastronome" target group, aimed at optimising interactivity between the journalist team and readers. The outcome is continuous reporting via het.gastronomen.net, a weekly **Spijs&Drank** heading in Weekend Knack and a separate magazine once a month. On top of this the Weekend Knack Cookery Club organises cooking lessons and other events, whilst the annual Knack Restaurant Guide provides a selection of the best restaurants, which readers can also consult and comment on via internet.

Trends has been rekkitted with a new layout and structure, with 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). The Trends journalist team is now coached by a new editor-in-chief **Piet Depuydt**, supported by an advisory editorial board consisting of **Frans Crols** (Director), **Eric Bruylant** and **Johan Van Overtveld**.

Trends International is playing an increasingly important role in promoting Belgium and Belgian enterprises abroad.

RMG is investing in 2001 in further extending the investment magazine **Cash!**, in order to make the Trends information package more complete. **Cash!** now publishes dozens of graphs and commentaries on market-listed companies, together with special headings on derivatives and other investment possibilities. With a strengthened journalist team headed by **Jean-Pierre van Gimst**, **Danny Reweghs** (N) and **Guy Legrand** (F), **Cash!** is growing in both quality and coverage.

Sport Magazine, issued experimentally as a separate title in Olympics year 2000, has been merged in 2001 with Voetbal Magazine to form a single sports magazine. The new magazine contains the complete Voetbal Magazine, but with considerable attention to the other main team sports, basketball and volleyball, and other top sport. Every week the Sports Interview features the sportsman of the week. The two-language journalist 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. The combination with Sport Magazine has brought circulation up to 100,000 copies, including newsstand sales. This new sport newsmagazine completes the group of Belgian newsmagazines.

In 2001 RMG is launching its '**Be in the News**' combination with continuous marketing support directed at the advertiser market: advertisements in the six news magazines together for an unbeatable price of BEF 900,000 for one colour page, on magazine paper and in magazine finish, reaching 1,600,000 readers in the higher social and income groups. The idea of offering advertisers packages of quality weekly magazines comes from Italy and France, where, for example, L'Express has taken a leap forward with L'Equipe and Télérama. RMG is convinced that enormous growth is still possible in this area. Sport Magazine in particular offers huge opportunities when one bears in mind the American sports magazine Sports Illustrated outclasses magazines like Time and Business Week in magazine top rankings, not only because of its large readership but also because of its regular advertising content.

In any event: for the price of one round of daily newspapers (one page a day), the '**Be in the News**' formula allows an advertiser to be present (all seven days of the week in the Belgian newsmagazines).

SENIOR CITIZEN MAGAZINES

RMG is working with partner Bayard Presse (Paris) on building up an international group in this segment. **Onze Tijd** and **Notre Temps** have passed the 100,000 copies net circulation mark in Belgium and have been renamed **Plus**. In the Netherlands **Plus** has a circulation of 250,000 including over 200,000 subscriptions. In Norway **Vi over 60** still offers substantial growth potential thanks to the direct marketing know-how of the Roularta-Bayard combination, which has in the meantime taken over all the shares of the Norwegian company. In Germany the new monthly magazine **Lenz** was started in January 2001. The first issue attracted enormous attention in radio, television and the printed media, and the 100,000 bookstall copies were quickly sold out. A large-scale mailing was also sent out to a file of addresses selected in advance through test mailings in the course of 2000. Senior Publications (50/50 Roularta-Bayard) is planning to invest up to BEF 500 million in the 4 to 5 year running-in period that should lead to a minimum circulation of 300,000 copies.

Net distribution	1998	1999	2000	-/+ 2000 t.o.v. 1999	evolution in %
Knack	123.924	126.303	126.561	258	0.20%
Le Vif/L'Express	82.365	85.772	86.136	364	0.42%
Trends +					
Trends/Tendances	42.658	43.775	43.697	-78	-0.18%
Sport/Voetbal-Foot Magazine	74.350	65.985	65.690	-295	-0.45%
Télépro FR	140.725	143.815	149.500	5.685	3.95%
Onze Tijd/Notre Temps	93.484	99.633	101.419	1.786	1.79%
Krant van West-Vlaanderen	69.285	67.003	85.463	18.460	27.55%

THE OTHER NICHE MAGAZINES

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 few months. The intention is to produce a reporting magazine with an international allure, but using staff journalists and with particular attention to the interests of Belgian readers.

In November the luxury lifestyle magazine **Sensa** was presented to the reading public in cooperation with chain store Inno. This lifestyle magazine for today's woman is on sale in bookstalls and at the cash tills in Inno and Carrefour, and is also mailed to Inno's customer address list.

RMG has taken over 50% of the shares of French publisher Studio Press, which specialises in 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. The initial launch of an English language version of **Pianiste** is scheduled soon. Studio Press also has a department for catalogue sales of musical instruments and sound equipment.

Advertising income



The advertising income of the RMG magazines again grew by over 10% in 2000. This is no mean feat, with 2000 more a TV advertising year in Belgium, and other magazines having to make do with zero growth.

At Roularta this was largely due to the raising of advertisement insertion costs for the newsmagazines, a move justified by the very low cost per thousand readers compared with foreign newsmagazines.

Belgian advertising rates have historically remained very low, even though the costs of putting together a newsmagazine are just as high as abroad, where, it is true, there is a much larger target group of potential readers. Roularta magazines continue to hold their own thanks to their particularly good penetration: **Knack** and **Le Vif/Express** reach more than 13% of the population, making them also all the more attractive for advertisers. By way of comparison, Elsevier reaches just 5% of all Dutch persons, **L'Express** 5% of all French persons and **Der Spiegel** 5% of all Germans. Obviously there are several titles in these countries, but together they do not attain the penetration of our Belgian magazines. In Belgium with its two small language areas, there is no room for several newsmagazines, and this to a certain extent protects the position of the two Roularta titles, which also benefit from

rational company management, strong journalistic and promotional creativity, and good advertising space brokerage.

Newspapers

Het **Wekelijks Nieuws**, taken over as of 1 January 2000, was the last West Flemish weekly newspaper that had not yet joined the **Krant van West-Vlaanderen** group. With five titles (**Brugsch Handelsblad**, **De Weekbode**, **De Zeewacht**, **Kortrijks Handelsblad** and **Het Wekelijks Nieuws**) and 11 editions, the newspaper which provided the basis for Roularta Media Group in 1954 now enjoys a circulation of 100,000 copies. The newspaper costs BEF 64 an issue, twice the price of a daily newspaper. In fact it is two newspapers in one: a provincial newspaper and a city newspaper. This latest take-over will significantly improve the **Krant van West-Vlaanderen's** results through the optimal use of available synergies.

With its provincial coverage and a successful new subscription campaign in spring throughout West Flanders, the newspaper passed the 40,000 paid subscriber mark for the first time. Newsstand sales rose by a nominal 24%, the subscriber portfolio by 27%, advertising by 11%.

In 2001 **Krant van West-Vlaanderen** intends to consolidate and further extend its acquired position. **Krant van West-Vlaanderen** is in looking to further increase its newsstand and subscription sales by investing in regional journalist teams. Investments in new layouting and word processing systems should help maintain a better balance between costs and earnings.

Krant van West-Vlaanderen is planning to have a fully-fledged internet site in operation by September 2001, aimed at total synergy between screen and print.

In 2000, **Vacature** also outgrew the market for recruitment communication (7%), increasing its market share within the Dutch language recruitment media to 65% (61% in 1999).

With turnover up 12% from BEF 1.7 billion to BEF 1.9 billion, **Vacature** is establishing itself as a permanent player on this market.

Free newspapers



FREE WEEKDAY NEWSPAPERS

In October 2000 the free weekday newspaper **Metro** was launched by 'Mass Transit Media' (MTM), a new specially created company in which RMG, RUG and NPM each have a 1/3 participation. Every weekday morning, before 9.00 a.m., 160,000 copies are distributed to metro and train travellers.

This new medium has been introduced in all European capitals in recent years. Sweden's Modern Times Group set the ball rolling five years ago in Stockholm. In the Netherlands, the same publisher competes with the Dutch Telegraaf group. Both newspapers (Metro and Spits) are profitable a year and a half later. In England, Associated Newspapers Group, a UK company, has staked out its territory in the largest UK cities.

The alongside-mentioned Belgian publishers want to retain the initiative and are confident in the future of the project, despite the complications of gaining access to stations and the run-up period needed to convince advertisers. In the

meantime Metro is reaching a highly interesting, young reader group, which is difficult to address through other channels.

FRANCE

In France, **A Nous Paris** now in its second year, has grown into a success. Every Monday, some 400,000 copies are distributed on display stands in Paris metro stations. Obtaining this concession required presenting a weekly magazine formula. This has given rise to another sort of magazine: an 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).

FREE SUNDAY NEWSPAPERS

Following an experiment in selected regions in 1999, new editions of **De Zondag** were started in 2000 right across 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 over a few hours every Sunday morning by a very specific client group: primarily family fathers with children who come to buy rolls and cakes. From now on Sunday breakfast also 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.

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 any other medium, and are fresh and receptive to interesting information.

FREE LOCAL WEEKLY NEWSPAPERS

Turnover of **De Streekkrant** and **De Weekkrant** grew further during 2000, including the take-over of Het Groot Weekblad in northern Limburg and of Publipers in Tienen. This newspaper continues to grow in all areas. The professional approach of the small adds and the strengthening of the entire sales organisation are providing dynamism and organic growth.

In Portugal the group continues to invest in building up the **Jornal da Região** group. Turnover grew in 2000 by 45% and the number of editions rose to ten, with new titles for Seixal and Lisbon. In 2001 new editions are planned for Oporto and surrounding towns. The intention is to create a national network as soon as possible. The solid basis of existing editions in and around Lisbon permits further expansion without significant new start-up losses.

Roularta Media Group has a 40% stake in the Portuguese initiatives together with the Portuguese group Empresa, which was also floated on the Lisbon stock exchange in 2000. Jornal da Região also participates in Empresa's internet initiatives. With cooperation in the area of classified advertisements producing a positive contribution.

FREE LOCAL MONTHLY MAGAZINES

The free lifestyle magazine **Steps** (in Flanders) and **Style** (in the Netherlands) continued to grow in 2000 with a number of new regional editions.

Prospects in 2001 are good thanks to a rational production formula and regrouping into editions covering larger local areas. In the Netherlands new editions have again been created for the northern part of the country.

Radio and TV

DE VLAAMSE MEDIA MAATSCHAPPIJ

VMM grew by over 15% in 2000 compared with just 5% in 1998 and 1999. Audience figures for **Kanaal 2** in particular rose by 3.5% to give a 12.5% share in the important VVA 18-44 market, thanks to greater film programming efforts and the Big Brother programme in the autumn. VTM and Kanaal 2's commercial market share also grew, with advertising income matching viewer figures for the first time.

VTM continued to perform well, giving VMM with its two stations a 40% market share.

VTM got off to a good start in 2001, with the first episodes of 'Veel geluk, professor!' watched by 1,084,000 viewers, a market share of 44%. This new prestige serial is based on Aster Berkhof's novel of the same name – the second most widely read book in Flanders.

In April 2001 VMM is starting up a new, third station **Jim TV**. This is a low budget initiative with a large number of music clips and a unique contemporary, young format.

VMM took a 50% participation in the new **Plopsaland** amusement park. Together with production house Studio100, the former Meli Park in De Panne has been taken over and fully renovated and restyled as a theme park where figures like the gnomes Plop, Big and Betsy, well-known to VTM viewers, and Samson and Gert (from national TV station VRT) come to life. The first season was a success with 500,000 visitors and Plopsaland already produced a positive contribution to VMM.

RADIO

VMM's two radio networks, **TOP Radio** and **Radio Mango**, for young audiences and easy listening music respectively, also increased their listening figures

As a multimedia company, RMG sets out to create value for its readers, viewers, listeners, advertising customers, employees and shareholders.

and achieved positive financial results.

Roularta strengthened NV West-Vlaamse Radio with a number of local free radio stations that are part of TOP Radio or Radio Mango.

VMM is now ready to launch the first national private broadcasting station in September 2001. If the government completes the necessary implementation decrees on time and if VMM can obtain the necessary permit and frequencies without delay, the broadcasting installations can still be ready on schedule. This project is of major importance for VMM, as only then can the TV programmes receive solid radio backing. It is high time to end the handicap vis-à-vis the government-owned VRT stations, which are of course making systematic use of the backing opportunities offered by the radio monopoly.

REGIONAL TV

2000 was a difficult year for the regional TV broadcasting stations for which RMG has operating responsibility. Although local advertising provided 20% more income, global income grew by just 2% owing to the absence of government communication material, which the government is constantly promising, and to a fall in income from national-level advertising.

Government communications represented just BEF 18 million for the 11 Flemish regional stations together, or not even BEF 2 million per station.

Prospects for 2001 are, however, good. The government is increasingly aware of the importance of the phenomenon of regional television and of the opportunities that this medium offers for communicating with the population. Also R.TV.M, the national advertising space broking company which RMG owns jointly with De Persgroep and RUG, has been

achieving much better figures with a new package sales formula.

RMG is also talking with the non-profit organisations that hold the broadcasting licences for **WTV**, **Focus TV**, **AVS** and **Kanaal 3** in West and East Flanders, in order to gain a certain degree of control on the editing and facility costs.

The operating contract with Brabant broadcaster **Ring TV** has been terminated owing to the structurally recurrent shortage of advertising income. Ring TV's broadcasting area has too little local advertiser potential, and it is overly clear that other solutions need to be found for financing the local news programme for Brussels suburbia. It would be too bad if a white spot were to appear on the Flanders TV map in the area around the capital, whilst Brussels station TV Brussel receives many times as much and the VRT national broadcasters 300 times as much government money as is needed in order to ensure the continuity of a broadcaster that fulfils a typical social mission better than any other medium. It must be possible to find a solution between now and September 2001.

KANAAL Z

Business station **Kanaal Z** gained a French-language sister, **Canal Z**, in May 2000, enabling it to break through into the national advertising market.

This station's growing success with an interesting viewer target group provided an attractive improvement in earnings. The two-language station reached break-even in 2000 and has good prospects.

TV-production & facilities

VTV is continuing to furnish the news programmes of regional broadcaster WTV, but in future it will be concentrating on developing the pre-mastering of DVD material, in order to allow customers to follow the editing process on-line.

Eye-d (50% RMG along with GIMV and the Coulier families) now groups the Eye-d, CMS and Faciliteiten companies. Eye-d provides the news programmes of regional broadcasters Focus TV and Kanaal 3 and of business station Kanaal Z. Eye-d also specialises in leasing out TV facilities, film shots and presentations. TV programmes (among others for Kanaal Z and for the VRT) are produced via production house Turnkey, along with documentaries for the home and foreign markets. For example, its documentary on the Atlantic Wall was broadcast in Belgium, the Netherlands, Germany and France.

Multi-media

RMG raised its participation in Vogue Trading Video from 50 to 66.66%. The remaining shares are owned by management, which has sketched out an ambitious plan for the future.

In 2000 turnover grew to EUR 27.18 million. This is somewhat lower than expected, and is due to the new DVD replication lines coming into service later than expected.

The VTV policy plan provides for strong growth over the next five years, based on the further development of the DVD market. The development of DVD capacity is the overriding concern, with DVD becoming increasingly important as a carrier of video films, games, software and music.

In five years, it is planned to invest EUR 40 million, financed out of own funds, in order to reach ultimately a turnover of EUR 100 million and an after-tax cash flow of 18%.

Mercator Printing Group

In the course of 2000 the merger between Roularta Printing, Mercator Press and Concentra Graphic became a fact. For the time being, RMG holds 39.15% of the shares of the new Mercator Printing Group.

2000 was a transition year for MPG, in which all necessary measures were taken to be able to work efficiently in the future with the most modern installations. Older rotary presses were sold, providing extraordinary income, but also requiring a large amount of temporary subcontracting.

In the meantime the new group management has taken over the reins, a joint venture has been concluded with the BV Binderijgroep Vianen (Netherlands) for the finishing division in Antwerp, and in May the new 64 page offset press in Hasselt goes into production. The two new 48 page offset presses in Jabbeke have now completed running-in and are producing at full speed.

In 2000 all production processes were streamlined and the administrative flows of the three companies coordinated. The sales, purchasing and IT services are now centralised.

The results over 2000 of MPG nv's sub-consolidation have an outcome of EUR 15.1 million in positive CF for the share of RMG, a loss of EUR 1.3 million. This sub-consolidation includes an additional depreciation of EUR 1.2 million surplus value, i.e. our share.

This had had the effect of reducing RMG's earnings for this year. Prospects for 2001 are good, with the restructuring now complete and all related costs charged in 2000.

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 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 will be available in 2001 against payment.

New community sites are being constantly launched under the Knack.be and Trends.be umbrella. One year on **het.beleggers.net** is now 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 a 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 NEW TELEPHONE AND INTERNET GUIDE: EASY.BE

Easy.be marks Roularta Media Group's entry into the field of directories. 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 500,000 useful addresses 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.

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 Easy Immo, Easy Auto, Easy Resto and Easy Shopping classification 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 further development of its software by Easy Solutions. This 50/50 joint venture between Roularta and Cronos is providing more and more services to external clients.

This intention is that Easy.be will in future offer the advertiser the tools he needs for carrying out e-commerce himself, going as far as payment by the net, but starting always from the 'clickx & mortar' principle that the advertiser remains in direct contact with his clients and provides personal, face-to-face service via his point(s) of sale.

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

VMM ON INTERNET

The new broadcaster **JIM TV** is striving for optimal interaction between screen and internet. The webmaster and final director are working together so that what arises on the site can be placed on the TV screen without problems and vice versa.

VTM and Kanaal 2 have since experienced strong traffic growth with record figures, thanks, among other things, to Big Brother.

The various service companies in the Roularta Media Group: **Roularta Seminars,**

2000 was for Roularta Media Group again a year of overall growth, thanks to the efforts of all its cooperators, each in their field, and the originality of their creative ideas.

Therefore, RMG continues looking enthusiastically to the future, planning new initiatives whilst further extending a secure and efficiently operating organisation.

Services

Roularta Seminars, Roularta Events, Roularta Books and Media Club performed well during 2000.

These activities will be further developed in synergy with the various group media. Their various initiatives help to promote and support RMG's brand names and provide a real service to readers, listeners and viewers.

Roularta Books has taken over the **Scoop** publishing house from Sydes (VUM). Scoop and Roularta Books have worked together since 1995 through the joint venture with VAR, giving rise to the **Globe** imprint. This acquisition makes Roularta Books Globe's largest partner.

Media Club (books, CDs, DVDs and multimedia) makes optimal use of the various RMG channels, also of the various traffic-

promoting websites, and helps increase customer loyalty.

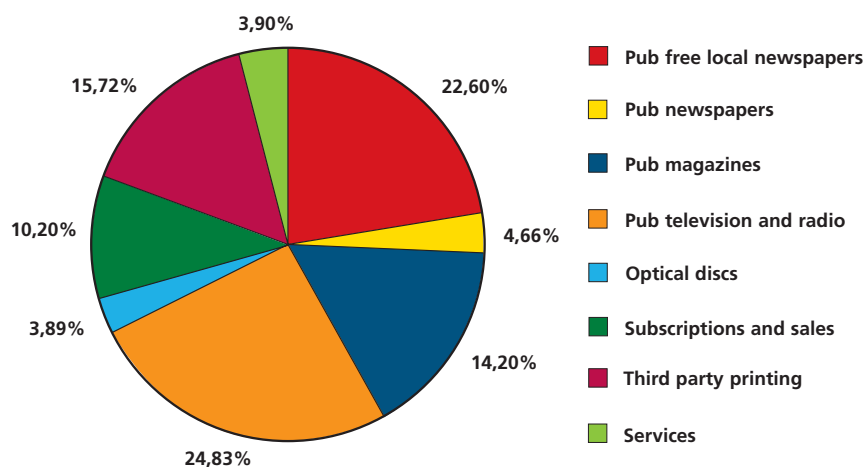
The Media Club's Cookery Club, run in cooperation with het.gastronomen.net and the editing team of Spijs&Drank and of Weekend Knack, is an example of what can be achieved through synergy: total service for interactivity with readers and surfers.

Roularta Events and Roularta Seminars are developing into independent business units that are able to deliver quality products to RMG's advertiser partners thanks to the professionalism of an experienced team that can count on the marketing support of Belgium's largest multimedia group.

In 2001 these various entities are expected to make a substantial contribution to RMG's earnings.

AR Media (50% RMG) took over publishing house Follow the Guide and now publishes directories in the two areas of human resources and in building and renovation.

CONSOLIDATED OPERATING INCOME 2000





¹ Iwan Bekaert

² Leo Claeys

³ Lieve Claeys

⁴ Jean Pierre Dejaeghere



⁵ Caroline De Nolf

⁶ Rik De Nolf

⁷ Clement De Meersman

⁸ Johan Devisch

⁹ Dirk Meeus



¹⁰ Hugo Vandamme



Board of Directors & Managementteam

BOARD OF DIRECTORS		MANAGEMENTTEAM	
Iwan Bekaert	Ph. de Denterghemlaan 32 9831 St.-Martens-Latem Executive Director - 2004.	Iwan Bekaert	General Director
Joedheco NV	represented by Leo Claeys Meiboomlaan 110, 8800 Roeselare Executive Director - 2004.	Eddy Brouckaert	Director newspapers
Lieve Claeys	Kasteelhoekstraat 1, 8800 Roeselare Executive Director - 2002.	Leo Claeys	Vice-Chairman
Jean Pierre Dejaeghere	Oude Iepersestraat 43, 8870 Izegem Executive Director - 2006.	Erwin Danis	Director premedia
Caroline De Nolf	Meiboomlaan 110, 8800 Roeselare Non-executive Director - 2002.	Jean Pierre Dejaeghere	Financial and Administrative Director
De Publigraaf NV	represented by Rik De Nolf Krasselhoekstraat 12, 8890 Moorslede Executive Managing Director - Chairman - 2004.	Rik De Nolf	Chairman
Clement De Meersman	Leffingestraat 17, 8000 Brugge Independent non-executive Director - 2004.	Hugo De Vidts	Director IT
Johan Devisch	Haverstraat 11, 8800 Roeselare Executive Director - 2004.	Johan Devisch	Secretary general
Dirk Meeus	Sint-Christinastraat 17, 9200 Dendermonde Independent non-executive Director - 2004.	Hugues De Waele	Director free newspapers
HRV NV	represented by Hugo Vandamme Leo D'Hulsterlaan 4, 8700 Tielt Independent non-executive Director - 2004.	William Metsu	Director printing
		Dirk Vandekerckhove	Director magazines
		Dirk Van Roy	Director new media
		Mieke Verhelst	Director national advertising
		Walter Verrijcken	Director radio and television

Corporate Governance

COMPOSITION

The directors representing the main shareholders have sought the support of non-executive, independent directors, brought in specifically for their experience and speciality. The decision to do so has been taken out of a concern to ensure sufficient critical distance within the group when taking important policy decisions.

The Board of Directors consists of 10 members: De Publigraaf nv, represented by Mr Rik De Nolf (2004), Joedheco nv, represented by Mr Leo Claeys (2004), Ms Lieve Claeys (2002), Ms Caroline De Nolf (2002), Mr Iwan Bekaert (2004), Mr Jean Pierre Dejaeghere (2006), Mr Johan Devisch (2004), Mr Clement De Meersman (2004), Dirk Meeus bvba, represented by Dirk Meeus (2004), HRV nv, represented by Hugo Vandamme (2004)

The above include: one executive managing director, five executive directors, one non-executive director, three non-executive independent directors.

Directors are elected for no more than six years and may be dismissed by the general meeting at any time. Directors whose term of office has ended may be re-elected.

ORGANISATION AND OPERATION OF THE BOARD OF DIRECTORS

The Board of Directors meets five times a year, that is once a quarter and a fifth time in order to discuss and decide on the budget for the coming year. Members receive in good time relevant information with which to prepare the meeting. In 2000 the Board met four times. Minutes are drawn up of every meeting. At every meeting, the Board receives a status report on the various activities. A financial report is also presented.

The Board attaches great importance to delegating wide-ranging powers to the direc-

tors of the business units and the members of the management team. The management team members are listed on page 19.

An addition to the powers vested in it by law and the company's articles of association, the board sets the strategic objectives of the group and prepares the management plan. It takes the decisions on acquisitions within the group. It monitors the quality of the information given to shareholders and to the general public.

The permanent agenda of the Board of Directors includes the results of the business units, new projects and presenting investment opportunities.

In addition the Board examines the specific agenda items based on ad hoc files and the current economic climate.

No procedure has been developed for directors to obtain advice from independent experts at the company's expense. Decisions here are taken by the Board of Directors on an ad hoc basis.

PROTOCOL FOR PREVENTING MISUSE OF INSIDER INFORMATION

In order to prevent the illegal use of privileged information by directors and members of the management team, or even arousing any impression of such, the Board of Directors has drawn up a protocol for preventing the misuse of insider information.

COMMITTEES SET UP BY THE BOARD OF DIRECTORS

The Audit Committee oversees the financial reporting, the respecting of the administrative procedures and the implementation of financial and operational controls.

This committee is made up of: two executive directors: Mr Iwan Bekaert, General Director, and Mr Jean Pierre Dejaeghere,

Financial and Administrative Director, two non-executive independent directors: Mr Clement De Meersman, Chairman of the Audit Committee, and BVBA Dirk Meeus, represented by Mr Dirk Meeus.

THE STATUTORY AUDITOR

The committee pays particular attention to the administrative procedures, internal control and the half-yearly and annual reporting to shareholders. In 2000 the Audit Committee met twice. Minutes are drawn up of each meeting.

The Remuneration Committee consists of: one executive managing director: NV De Publigraaf, represented by Mr Rik De Nolf, two non-executive independent directors: NV HRV, represented by Mr Hugo Vandamme, and Mr Clement De Meersman.

This committee sets the pay of the executive directors and advises on the remuneration levels of the management team and of other management staff.

Group's structure

ROULARTA MEDIA GROUP		
NEWSPAPERS	FREE LOCAL NEWSPAPERS	BOOKS AND ANNUALS
100% West-Vlaamse Media Groep	80% De Streekkrant/ De Weekkrantgroep	100% Roularta Books
25% Vacature	Oost-Vlaamse Media Groep 100%	50% Editop
	De Vastgoedmakelaar 65,37%	50% Academici Roularta Media
	100% Style Magazine	Follow The Guide 100%
	40% Publiregioes	
	30% A Nous Paris	
	Mass Transit Media 33,33%	

Group's structure at 31 December 2000

MAGAZINES	SERVICES	RADIO & TV	PRODUCTION
100% Vlaamse Tijdschriften Uitgeverij	100% Newscor	50% Vlaamse Media Maatschappij	66,67% Vogue Trading Video
100% Trends Magazine	50% Scripta	Paratel 51%	100% Mercator Printing Group
European Business Press Group 50%	50% Top Consult	Plopsaland 50%	Roularta Printing 100%
50% Le Vif Magazine	100% Regie De Weekkrant	50% Vlaamse Media Holding	Mercator Press 100%
100% Sportmagazine	100% Roularta IT Solutions	33,33% Regionale TV Media	IMPR. Georges Frère 100%
50% Publindus	50% Easy Solutions	50% Focus Televisie	Verenigde Grafische Bedrijven 100%
InvestNet 100%	25% Repropress	50% Belgian Business Television	Concentra Grafic 100%
IXSys 25%	18% R.I.W.	50% De Woonkijker	Concentra Prepress Group 100%
50% Senior Publications	19% Eurocasino	50% Eye-d	Drukkerij Van In 100%
Grieg Media 50%	11% Bemart	Faciliteiten 100%	Concentra Litho Printing 100%
50% Senior Publications Nederland		TV Studio Holland 50%	
50% Belgomedia		Turnkey 90%	
Senior Publ GMBH 100%		50% Corporate Media Solutions	
33,33% Dolimont Media IN LIQUIDATION		65% West-Vlaamse Radio	
50% Himalaya		100% R.OM. IN LIQUIDATION	
		100% VHL ASSOCIATES IN LIQUIDATION	
		100% STUDIO KORTRIJK PRODUKTIES IN LIQUIDATION	

The Roularta Media Group share

CONSOLIDATED HIGHLIGHTS PER SHARE						
Description	BEF 1998	BEF 1999	BEF 2000	€ 1998	€ 1999	€ 2000
Shareholder's equity	489	522	667	12.12	12.94	16.53
EBITDAL		214	246		5.30	6.10
EBITDA	221	207	229	5.48	5.13	5.69
Operating Profit EBIT	121	119	127	3.00	2.95	3.16
Result per share Group's share	34	50	46	0.84	1.24	1.13
Current net result per share	90	91	73	2.23	2.26	1.82
Gross cashflow per share	141	157	163	3.50	3.89	4.04
Current cashflow per share	169	158	169	4.19	3.92	4.18
Gross dividend	15	20	20	0.37	0.50	0.50
Net dividend	12.75	15	15	0.32	0.37	0.37
Price / Net current result Ratio per 31.12	19.81	28.78	33.09	19.81	28.78	33.09
Price / Net current cashflow Ratio per 31.12	10.56	16.55	14.35	10.56	16.55	14.35
Numbre of shares issued	9,611,034	9,611,034	9,611,034	9,611,034	9,611,034	9,611,034
Subscription price	1,500	1,500	1,500	37.18	37.18	37.18
Highest share price	1,950	2,945	3,792	48.34	73.00	94.00
Share price at year end	1,780	2,620	2,424	44.13	64.95	60.10
Market capitalisation (in millions)	17,108	25,181	23,297	424.10	624.22	577.52
Yearly volume (in millions)	864	2,607	4,279	21.42	64.63	106.08
Yearly volume (in numbers)	464,257	1,145,756	1,439,923	464,257	1,145,756	1,439,923