



ANNUAL REPORT 2005



Financial information

statutory annual accounts

ROULARTA MEDIA GROUP



ANNUAL REPORT OF THE BOARD OF DIRECTORS 110

ABRIDGED STATUTORY ANNUAL ACCOUNTS 116

- STATUTORY BALANCE SHEET AFTER APPROPRIATION 116

- STATUTORY INCOME STATEMENT 118

- SUMMARY OF THE VALUATION RULES 120

- SOCIAL REPORT 122

STATUTORY AUDITOR'S REPORT 125

05

Annual report of the board of directors

Dear shareholders,

We are pleased to report to you, pursuant to articles 95 and 96 of the Companies' Code, on the activities of our company and our management during the past financial year ending on 31 December 2005.

COMMENTARY ON THE ANNUAL ACCOUNTS

These comments are based on the balance sheet after the appropriation of profits, and are therefore subject to the approval by the annual general meeting of the proposals for the appropriation of profits.

The annual accounts have been drawn up pursuant to the stipulations of the royal decree of 30 January 2001 in implementation of the

Companies' Code, in particular book II title I concerning the annual accounts of enterprises, and in accordance with the particular legal and regulatory provisions that apply to the company.

The main activities of NV Roularta Media Group lie in the field of printed media. RMG NV also has participating interests in a number of printed media, audiovisual media and printing companies and in companies providing services to group companies.

The annual accounts offer you a general overview of our company's activities and of the results achieved. During the past financial year, a profit of EUR 18,052,590.10 was realized as against a profit of EUR 16,582,585.18 in 2004.

Balance sheet after appropriation (in EUR '000)

ASSETS	31/12/2005	%	31/12/2004	%
Fixed assets	263,051	74.62	222,098	72.65
Current assets	89,447	25.38	83,628	27.35
TOTAL ASSETS	352,498	100	305,726	100

LIABILITIES	31/12/2005	%	31/12/2004	%
Shareholders' equity	197,280	55.97	187,032	61.18
Provisions and deferred taxes	2,255	0.64	1,420	0.46
Amounts payable > 1 year	13,891	3.94	18,166	5.94
PERMANENT EQUITY	213,426	60.55	206,618	67.58
Amounts payable < 1 year	137,126	38.90	97,545	31.91
Accrued charges and deferred income	1,946	0.55	1,563	0.51
TOTAL LIABILITIES	352,498	100	305,726	100

From the above data we derive the following ratios:

	31/12/2005	31/12/2004
1. Liquidity (current assets / short-term payables)	0.65	0.86
2. Solvency (shareholders' equity / total assets)	55.97%	61.18%

The investments in intangible assets during the financial year relate to the purchase of the Tempo Verde title, the co-financing of a film under the Tax Shelter scheme, the purchase of software packages and the development of specific administration, editorial and commercial software.

The largest investments in tangible fixed assets relate to the purchase of land adjacent to the Roeselare head office. The company also invested in maintenance work to its own and to leased buildings, various items of office equipment and vehicles.

The changes in financial fixed assets relate mainly to:

- the sale of the participating interest in Total Music SA;
- the increase in the participating interest in Vogue Trading Video NV from 66.67% to 74.67%;
- the increase in the participating interest in Mestne Revije d.o.o. from 70% to 79.59%;
- the increase in the participating interest in SAS A Nous Paris from 30% to 99.59%;
- a capital increase in Studio Press SAS without any change in the shareholding percentage;
- the loan financing of a number of subsidiaries, including a EUR 26.5 million loan to the subsidiary Roularta Media France SA to finance the takeover of the Point de Vue group;
- the recording of a write-down on the shareholding in @-Invest NV following the liquidation of this company in 2006;
- the recording of an additional write-down on the loan to Belgian Business Television NV.

Investments include 252,862 own shares held by the company as at 31 December 2005. Shares earmarked for employee stock option

plans have been valued at the option exercise price. The remaining shares have been valued at acquisition cost, as this was lower than the closing price on the balance sheet date.

On 20 June 2005 the capital was increased by EUR 316,249.92 by the creation of 28,350 new shares with the related VVPR strips following an exercise of warrants. The board of directors, making use of the authorised capital, then increased capital by EUR 750.08 by incorporating reserves available for distribution in the same amount, without issuing new shares, in order to bring capital to EUR 119,267,000.00.

Long-term financial debts to credit institutions have risen slightly, reflecting both the repayment of existing debts and a new loan to finance the purchase of land on the Meiboomlaan in Roeselare. Financial debts to subsidiaries and joint ventures have fallen significantly. Other long-term liabilities have fallen sharply owing to transfers to short-term liabilities.

Short-term financial debts have risen significantly, mainly by the temporary use of straight loans to finance the acquisition of Point de

INCOME STATEMENT (in EUR '000)

The net profit of the present and past financial year is derived as follows:

	31/12/2005	31/12/2004
Sales	265,814	256,955
Other operating income	13,602	12,808
Goods for resale	-159,967	-154,704
Services and other goods	-60,849	-57,857
Personnel charges	-36,246	-34,101
Depreciations	-4,569	-3,729
Impairments and write-downs	-497	-454
Provisions	331	305
Other operating charges	-849	-987
OPERATING PROFIT	16,770	18,236
Financial result	10,080	7,876
Extraordinary result	-2,539	-5,280
Withdrawal from deferred taxation	36	44
Income taxes	-6,350	-3,609
PROFIT FOR THE FINANCIAL YEAR	17,997	17,267
Transfer from (+) / to (-) untaxed reserves	56	-685
PROFIT FOR THE YEAR AVAILABLE FOR APPROPRIATION	18,053	16,582

Vue by the subsidiary Roularta Media France SA. Part of the capital increase in February 2006 was used to repay to these temporary straight loans. Other short-term debts have risen sharply owing to EUR 10.5 million of overdraft borrowings by a number of subsidiaries and a joint venture.

Sales have grown in particular owing to greater sales of subscriptions and loose copies, increased printing sales, and higher fee and service income from third parties and group companies.

The increase in goods for resale is due to higher printing costs, which relates partly to the increased printing sales.

Goods and other services have risen mainly owing to one-off fees related to this year's acquisitions and to higher promotion costs.

The increased personnel costs reflect an indexation rise and an increase in number of employees.

Higher depreciation is mainly due to the payment of registration duty on the land purchased. This is recognized in the income statement as a reduction in value on the land.

All this has together decreased operating profit by EUR 1.5 million.

The financial result has increased mainly owing to higher dividends from affiliated enterprises.

The extraordinary result consists primarily of write-downs on participating interests and on loans to affiliated enterprises, and of a general provision for miscellaneous obligations.

APPROPRIATION ACCOUNT

We propose to appropriate the profit as follows:

A. PROFIT FOR APPROPRIATION		18,089,723.15
Consisting of:		
- profit for the period available for appropriation	18,052,590.10	
- profit brought forward	37,133.05	
C. TRANSFERS TO CAPITAL AND RESERVES		- 10,031,700.00
Consisting of:		
- transfer to the legal reserve	-31,700.00	
- transfer to other reserves	-10,000,000.00	
D. RESULT TO BE CARRIED FORWARD		-8,424.65
F. DISTRIBUTION OF PROFIT		-8,049,598.50
Consisting of		
- dividends	-8,049,598.50	

The dividends consist of:

TYPE OF SHARES	TOTAL GROSS	RETAINED WITHHOLDING TAX	TOTAL NET	NUMBER OF SHARES	NET/SHARE
ORDINARY SHARES	€ 6,118,511.25	€ 1,529,627.81	€ 4,588,883.44	8,158,015 (8,410,877 -252,862) ⁽¹⁾	€ 0.563
ORDINARY SHARES WITH VVPR STRIP	€ 1,931,087.25	€ 289,663.09	€ 1,641,424.16	2,574,783	€ 0.638

We propose that the dividends be payable from 1 June 2006 against presentation of coupon no. 8 and, where applicable, VVPR strip no. 8 at the banking counters of ING, Bank Degroof and KBC Bank.

(1) See below - the dividend on own shares is assigned to the other shares.

CONFLICTING INTERESTS RELATING TO A DIRECTOR'S PERSONAL ASSETS

During the year no director had any conflicting interests relating to his or her personal assets.

IMPORTANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

The following events occurring since the end of the financial year significantly influence the earnings and the financial position of the enterprise:

- on 6 January 2006 the capital of NV Roularta Media Group was increased by EUR 786,881.70 by the creation of 39,090 new shares with the related VVPR strips following an exercise of warrants. The board of directors, making use of the authorised capital, subsequently increased capital by EUR 118.30, to bring it to a rounded amount of EUR 120,054,000.00.
- on 1 February 2006 the capital of the company was increased by EUR 49,975,254.50, including issue premium, by issuing 989,609 new shares, which were offered to domestic and foreign institutional investors in a private placement. These were subscribed in cash at EUR 50.50 each based on an 'accelerated bookbuilding procedure'. The capital increase was enacted by notary public on 6 February 2006. This capital increase was undertaken to obtain approximately half the funds for the recent French takeovers, more specifically the acquisition of 100% of the shares of Cavenne SAS Editeurs (the publishers of Point de Vue) and 35% of the shares of the SA Groupe Express-Expansion. The balance of these acquisitions will be financed by borrowings.

INFORMATION ABOUT CIRCUMSTANCES THAT COULD SIGNIFICANTLY INFLUENCE THE COMPANY'S DEVELOPMENT

We do not anticipate any particular circumstances that could significantly influence the future development of our company.

RESEARCH AND DEVELOPMENT

Roularta Media Group is continuing to develop in the new media such as the internet. The Group's R&D department undertakes sociological, market and other research.

CAPITAL INCREASE AND ISSUE OF CONVERTIBLE BONDS AND WARRANTS DECIDED BY THE BOARD OF DIRECTORS IN THE COURSE OF THE FINANCIAL YEAR

The board of directors did not take any decision during the past financial year to issue convertible bonds and/or warrants in the framework of the authorised capital.

On 20 June 2005 the board of directors, making use of the authorised capital, increased capital by EUR 750.08 by incorporating reserves available for distribution in the same amount, without issuing new shares, in order to bring capital to EUR 119,267,000.00.

SUB-BRANCHES

The company does not have any sub-branches.

OWN SHARES

The statutory authorisation of the board of directors to buy in own shares was renewed by the general meeting of 17 May 2005. The board of directors made no use of this authorisation during 2005.

The 252,862 shares purchased in earlier years and still held by the company on 31 December 2005 were acquired at a total cost of EUR 6,451,823.20. These own shares are recorded in assets under 'current assets – investments'.

The dividend entitlement attached to own shares was assigned, undiminished, to the other shares, the entitlements of which are not suspended. The corresponding coupons (coupon no. 8 – VVPR strip no. 8) will be destroyed⁽²⁾.

SHARES OWNED BY A SUBSIDIARY

The companies' subsidiaries do not possess any shares of Roularta Media Group NV.

ADDITIONAL TASKS OF THE STATUTORY AUDITOR

During 2005 the statutory auditor or persons having an employment or cooperation relationship with the statutory auditor invoiced total fees of EUR 26,548.00 for extraordinary tasks and special assignments relating to the auditing mandate and other auditing activities.

OUTLOOK

Roularta Media Group expects further growth in Printed Media in 2006, in both freesheets and magazines. Internet advertising revenue is expected to rise in 2006. Knack.be, Trends.be, etc. are being further extended as portal sites for the full RMG offering.

On the cost side, Roularta Media Group is expecting paper prices to rise. The efforts of past years to cut costs and increase general productivity are being continued.

ANNOUNCEMENT WITH REGARD TO THE USE BY THE COMPANY OF FINANCIAL INSTRUMENTS, INsofar AS IT IS IMPORTANT IN THE ASSESSMENT OF ITS ASSETS, LIABILITIES, FINANCIAL POSITION AND PROFIT

The company has not used such financial instruments.

PERSONNEL MATTERS

The company wishes to motivate its management and employees on an ongoing basis and to offer them the opportunity of benefiting from the growth of Roularta Media Group and the evolution of the Roularta share.

(2) See above - table of dividends

The company has therefore developed two warrant plans, one dating from before its market listing, and three stock option plans. Two warrant plans and two stock option plans have now reached the exercise period. No new option or warrant plans were introduced by the board of directors in 2005.

Human Resources Management (HRM) policy at Roularta Media Group is to attract competent employees in a proactive and integrated fashion, to train them further and to support them to enable the organization to obtain its objectives.

Line management has a strategic role to play in achieving this objective, and the central Human Resources department is making its knowledge, expertise and professionalism available to line management in this process.

All HRM initiatives are aimed at optimising the current and future performance of Roularta Media Group employees.

ENVIRONMENTAL MATTERS

The company is constantly seeking to improve employees' working conditions, for example by the widespread introduction of plasma screens and ergonomic office equipment.

The company has no activities that are harmful to human beings or the environment and for which permits are required or for which notification is mandatory under Vlareem regulations.

MAIN RISKS AND UNCERTAINTIES

Apart from the traditional risks that every company faces, Roularta Media Group closely follows market developments within the media world, in order to be able to react to and take advantages of changes and new trends within its environment. Roularta Media Group's multimedia offering enables it to react pertinently to shifts in attention by the advertising world and its audience from one media form to the other. The fact also that Roularta Media Group derives its income from selling both advertising and newspapers and magazines enables it to adequately spread its risk, should a negative development occur in one or the other market.

The cost areas that significantly determine the overall production cost, such as printing, distribution, personnel and promotion costs, are carefully monitored. The evolution of international paper prices is uncertain and calls for special attention.

APPOINTMENTS

The terms of office of Mr Iwan Bekaert and Mr Jean Pierre Dejaeghere expire at the 16 May 2006 annual meeting. The board of directors proposes to the general meeting that it renew Mr Iwan Bekaert's term of office for one year, and that of Mr Jean Pierre Dejaeghere for six years.

Mrs Lieve Claeys resigned from her office of director on 1 July 2005. In accordance with article 15 of the articles of association, the board of directors decided to co-opt NV Fraka-Wilo, having its registered

office at 8800 Roeselare, Kasteelhoekstraat 1 and Mrs Lieve Claeys as its permanent representative, as a director to replace Mrs Lieve Claeys. A proposal to confirm this appointment will be presented to the general meeting.

The mandate of the auditor, Deloitte Bedrijfsrevisoren BV o.v.v.e CVBA, represented by Mr Jos Vlaminckx ends with the annual meeting of 16 May 2006. The board of directors proposes to the general meeting that it renew the mandate of Deloitte Bedrijfsrevisoren BV o.v.v.e CVBA, represented by Mr Jos Vlaminckx and Mario Dekeyser, for a period of three years.

DISCHARGE

We request the general meeting to approve the annual accounts presented to it and to accept the proposed appropriation of profit, and also to grant discharge to the directors and to the statutory auditor in respect of the exercise of their office.

Roeselare, 10 March 2006

The board of directors

Roularta Media Group

Over 50 years active in multimedia



Statutory balance sheet after appropriation

ASSETS	2005	2004
FIXED ASSETS	263,051	222,098
II. Intangible assets	5,286	5,522
III. Tangible assets	20,847	14,423
A. Land and buildings	18,367	11,968
B. Plant, machinery and equipment	188	212
C. Furniture and vehicles	2,192	2,131
E. Other tangible assets	100	112
IV. Financial assets	236,918	202,153
A. Affiliated enterprises	233,614	198,355
1. Participating interests	173,918	170,225
2. Amounts receivable	59,696	28,130
B. Other enterprises linked by participating interests	2,294	2,724
1. Participating interests	2,194	2,432
2. Amounts receivable	100	292
C. Other financial assets	1,010	1,074
1. Shares	653	653
2. Amounts receivable and cash guarantees	357	421
CURRENT ASSETS	89,447	83,628
V. Amounts receivable after more than one year	783	1,033
B. Other amounts receivable	783	1,033
VII. Amounts receivable within one year	67,962	62,315
A. Trade debtors	65,106	59,347
B. Other amounts receivable	2,856	2,968
VIII. Investments	7,451	8,135
A. Own shares	6,452	7,135
B. Other investments and deposits	999	1,000
IX. Cash at bank and in hand	10,969	10,571
X. Deferred charges and accrued income	2,282	1,574
TOTAL ASSETS	352,498	305,726

All financial amounts expressed in thousands of euros.

Statutory annual accounts

LIABILITIES	2005	2004
CAPITAL AND RESERVES	197,280	187,032
I. Capital	119,267	118,950
A. Issued capital	119,267	118,950
II. Share premium account	304	306
IV. Reserves	77,669	67,694
A. Legal reserve	11,926	11,895
B. Reserves not available for distribution	6,452	7,135
1. In respect of own shares held	6,452	7,135
C. Untaxed reserves	2,446	2,502
D. Reserves available for distribution	56,845	46,162
V. Profit carried forward	8	37
VI. Investment grants	32	45
PROVISIONS AND DEFERRED TAXATION	2,255	1,420
VII. A. Provisions for liabilities and charges	1,987	1,117
1. Pensions and similar obligations	255	160
4. Other liabilities and charges	1,732	957
B. Deferred taxation	268	303
CREDITORS	152,963	117,274
VIII. Amounts payable after more than one year	13,891	18,166
A. Financial debts	13,854	16,774
4. Credit institutions	12,954	12,074
5. Other loans	900	4,700
D. Other amounts payable	37	1,392
IX. Amounts payable within one year	137,126	97,545
A. Current portion of amounts payable after more than one year	7,030	4,820
B. Financial debts	29,500	1,000
1. Credit institutions	29,500	1,000
C. Trade debts	61,449	64,757
1. Suppliers	61,449	64,757
D. Advances received on contracts in progress	11,990	11,380
E. Taxes, remuneration and social security	8,051	8,256
1. Taxes	1,517	2,123
2. Remuneration and social security	6,534	6,133
F. Other amounts payable	19,106	7,332
X. Accrued charges and deferred income	1,946	1,563
TOTAL LIABILITIES	352,498	305,726

All financial amounts expressed in thousands of euros.

Statutory income statement

INCOME STATEMENT	2005	2004
I. Operating income	279,416	269,763
A. Turnover	265,814	256,955
D. Other operation income	13,602	12,808
II. Operating charges	-262,646	-251,527
A. Raw materials, consumables and goods for resale	159,967	154,704
1. Purchases	159,967	154,704
B. Services and other goods	60,849	57,857
C. Remuneration, social security costs and pensions	36,246	34,101
D. Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets	4,569	3,729
E. Increase / decrease in amounts written off stocks, contracts in progress and trade debtors	497	454
F. Increase / decrease in provisions for liabilities and charges	-331	-305
G. Other operating charges	849	987
III. OPERATING PROFIT	16,770	18,236
IV. Financial income	11,673	10,023
A. Income from financial fixed assets	11,259	8,670
B. Income from current assets	378	339
C. Other financial income	36	1,014
V. Financial charges	-1,593	-2,147
A. Interests and other debt charges	1,259	1,224
B. Increase / decrease in amounts written off current assets other than those mentioned under II.E.	-498	402
C. Other financial charges	832	521
VI. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXES	26,850	26,112
VII. Extraordinary income	346	17,426
B. Adjustments to amounts written off financial fixed assets	90	16,325
D. Gain on disposal of fixed assets	241	1,057
E. Other extraordinary income	15	44
VIII. Extraordinary charges	-2,885	-22,706
B. Amounts written off financial fixed assets	1,542	5,340
C. Provisions for extraordinary liabilities and charges	1,200	
D. Loss on disposal of fixed assets	100	17,339
E. Other extraordinary charges	43	27
IX. PROFIT FOR THE PERIOD BEFORE TAXES	24,311	20,832
IX. Bis	36	44
A. Transfer from deferred taxation	36	44
X. Income taxes	-6,350	-3,609
A. Income taxes	-6,350	-3,609
XI. PROFIT FOR THE PERIOD	17,997	17,267

All financial amounts expressed in thousands of euros.

XII. Transfer from untaxed reserves	56	-685
A. Transfer from untaxed reserves	56	65
B. Transfer to untaxed reserves		-750
XIII. PROFIT FOR THE PERIOD AVAILABLE FOR APPROPRIATION	18,053	16,582

APPROPRIATION ACCOUNT	2005	2004
A. Profit to be appropriated	18,090	16,615
1. Profit for the period available for appropriation	18,053	16,582
2. Profit brought forward	37	33
C. Transfers to capital and reserves	-10,032	-9,349
2. To legal reserve	32	49
3. To other reserves	10,000	9,300
D. Result to be carried forward	-8	-37
1. Profit to be carried forward	8	37
F. Distribution of profit	-8,050	-7,229
1. Dividends	8,050	7,229

All financial amounts expressed in thousands of euros.

Summary of the valuation rules

FORMATION EXPENSES

Formation expenses are valued at acquisition cost and are charged to income in full in the year occurred. Where these formation expenses include substantial amounts, these are amortised on a straight-line basis over five years.

INTANGIBLE FIXED ASSETS

Intangible fixed assets include titles, goodwill and software acquired from third parties or contributed to the company.

Titles and goodwill are amortised over 4 to 12 years, depending on the extent of integration of the acquired title or goodwill in existing titles. Software is amortised at 20% or at 33.33% on a straight-line basis. Existing software that is transferred within the group is amortised on the net book value at 40% or 50% a year.

Scenarios and film rights are amortised over 3 years.

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

TANGIBLE FIXED ASSETS

Tangible fixed assets are recorded at acquisition value, less depreciation and reductions in value. Ancillary costs are entered as assets and amortised in the same way as the acquisition or investment value of the appropriate assets.

Tangible fixed assets are depreciated at the following rates:

	STRAIGHT-LINE		REDUCING BALANCE	
	minimum	maximum	minimum	maximum
Land		0%		
Buildings	2%	10%	4%	20%
Roadworks			10%	25%
Other installations	5%	20%	10%	40%
Major maintenance	10%	50%	10%	25%
Establishment of buildings	10%	20%	10%	25%
Plant, machinery and equipment	20%	33.33%	20%	50%
Office equipment	10%	33.33%	20%	50%
Vehicles	20%	33.33%		
Leasing of machinery	20%	33.33%	20%	50%
Assets under construction (not prepaid)	0%			

Second-hand equipment and machinery is depreciated at 50% a year.
Works of art that do not reduce in value are not depreciated.

FINANCIAL FIXED ASSETS

Participating interests and shares are valued at acquisition value. Amounts receivable from companies in which the company has a participating interest are included under financial fixed assets when the board of directors has the intention of permanently supporting the debtor in question. These receivables are recorded at their face value.

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

STOCKS

Raw and ancillary materials and goods purchased for resale are valued by the FIFO method. Outdated and slow-moving stocks are systematically written down.

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

AMOUNTS RECEIVABLE

Amounts receivable are recorded at nominal value.

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

INVESTMENTS AND CASH AT BANK AND IN HAND

Own shares are valued as follows: own shares earmarked to cover option plans are valued at either acquisition cost or the lower of exercise price or market value. The remaining own shares are valued at the lower of acquisition cost or market value.

Other securities are valued at acquisition cost.

Term deposits and cash at bank and in hand are recorded at their face value.

DEFERRED AND ACCRUED ACCOUNTS

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

INVESTMENT GRANTS

This heading contains investment grants actually attributed. These are taken into income pari passu with depreciation on the assets to which they refer.

The amount of deferred taxes on these investment grants is transferred to the 'deferred taxation' account.

PROVISIONS FOR LIABILITIES AND CHARGES

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

AMOUNTS PAYABLE

Amounts payable are recorded in the balance sheet at nominal value. The necessary provisions are recorded on the balance sheet date for social security, tax and commercial liabilities.

FOREIGN CURRENCIES

Amounts receivable and payable in foreign currency are originally recorded at the prevailing exchange rate. Amounts receivable and payable expressed in foreign currency are translated at the end of the year at the closing exchange rate, unless specifically hedged. The resulting translation differences are charged to the income statement when the calculation per individual currency gives rise to a negative difference and are included under 'deferred income' when the calculation per individual currency gives rise to a positive difference.

Social report

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

I. STATEMENT OF THE PERSONS EMPLOYED

A. Employees recorded in the personnel register

1. During the financial period and during the preceding financial period	Full-time 2005	Part-time 2005	Total (T) or total full-time equivalents (FTE) 2005	Total (T) or total full-time equivalents (FTE) 2004
Average number of employees	569.1	152.8	682.2 (FTE)	656.1 (FTE)
Number of actual working hours	884,326	180,125	1,064,451 (T)	1,036,201 (T)
Personnel charges	30,910	5,288	36,198 (T)	34,101 (T)
Amount of the benefits in addition to wages (in thousands of euros)			139 (T)	124 (T)
2. As at closing date of the financial period	Full-time	Part-time	Total of full-time equivalents	
a. Number of employees recorded in the personnel register	575	149	689.3	
b. By nature of the employment contract				
Contract of unlimited duration	572	148	685.8	
Contract of limited duration	3	-	3.0	
Contract regarding substitution	-	1	0.5	
c. By sex				
Male	274	19	290.6	
Female	301	130	398.7	
d. By professional category				
Employees	548	135	650.9	
Workers	27	14	38.4	
B. Temporary personnel and persons placed at the disposal of the enterprise				Temporary personnel
During the financial period				
Average number of personnel employed				28.4
Number of actual working hours				54,708
Charges to the enterprise (in thousands of euros)				1,078

II. LIST OF PERSONNEL MOVEMENTS DURING THE FINANCIAL PERIOD

	Full-time	Part-time	Total of full-time equivalents
A. Entrants			
a. Number of employed persons recorded in the personnel register during the financial period	93	7	96.6
b. By nature of the employment contract			
Contract of unlimited duration	88	6	91.1
Contract of limited duration	4	-	4.0
Contract regarding substitution	1	1	1.5
c. By sex and level of education			
Male:			
- Primary education	2	-	2.0
- Secondary education	9	-	9.0
- Higher non-university education	16	2	17.2
- University education	10	-	10.0
Female:			
- Primary education	1	1	1.8
- Secondary education	13	1	13.5
- Higher non-university education	31	2	31.6
- University education	11	1	11.5
B. Leavers			
a. Number of employed persons of which the date of termination of the contracts has been recorded in the personnel register during the financial period	58	12	65.7
b. By nature of the employment contract			
Contract of unlimited duration	57	12	64.7
Contract regarding substitution	1	-	1.0
c. By sex and level of education			
Male:			
- Primary education	1	-	1.0
- Secondary education	6	2	7.0
- Higher non-university education	7	-	7.0
- University education	7	-	7.0
Female:			
- Primary education	1	-	1.0
- Secondary education	7	5	11.4
- Higher non-university education	25	5	27.3
- University education	4	-	4.0
d. By reason of termination of contract			
Pension	-	1	0.5
Prepension	-	2	1.0
Dismissal	16	1	16.3
Other reason	42	8	47.9

III. STATEMENT CONCERNING THE IMPLEMENTATION OF MEASURES STIMULATING EMPLOYMENT DURING THE FINANCIAL PERIOD			
Measures stimulating employment	No. of employed persons involved		3. Amount of the financial profit (in thousands of euros)
	1. Number	2. In full-time equivalents	
1. Measures generating financial profit			
1.6. Structural reduction of social security contributions	774	732.9	1,162
1.11. Initial job agreement	2	2.0	4
2. Other measures			
2.3. Conventional prepension	2	2.0	
2.4. Reduction of employee's social security contribution regarding low-wage workers	31	26.0	
Number of employees involved in one or more measures stimulating employment			
Total for the financial period	774	732.9	
Total for the previous financial period	725	685.1	
IV. INFORMATION ON VOCATIONAL TRAINING FOR EMPLOYED PERSONS DURING THE FINANCIAL PERIOD			
Total of training initiatives at the expense of the employer		Male	Female
1. Number of employees		263	362
2. Number of training hours		5,626	8,357
3. Charges to enterprise		318	482

Statutory auditor's report

for the year ended 31 December 2005 to the shareholders' meeting

To the Shareholders

As required by law and by the company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us.

We have audited the financial statements of ROULARTA MEDIA GROUP NV for the year ended 31 December 2005, prepared in accordance with the legal and regulatory requirements applicable in Belgium, which show total assets of EUR 352,498 (000) and a profit for the year of EUR 17,997 (000). We have also performed those specific additional audit procedures required by the Companies Code.

The board of directors of the company is responsible for the preparation of the financial statements and the directors' report, for the assessment of the information that should be included in the directors' report, and the company's compliance with the requirements of the Companies Code and its articles of association.

Our audit of the financial statements was conducted in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the 'Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren'.

UNQUALIFIED AUDIT OPINION ON THE FINANCIAL STATEMENTS

The forementioned auditing standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In accordance with these standards we have taken into account the administrative and accounting organization of the company as well as its internal control processes. The responsible officers of the company have replied clearly to all our requests for explanations and information. We have examined, on a test basis, the evidence supporting the amounts included in the financial statements. We have assessed the basis of the accounting policies used, the significant accounting estimates made by the company and the presentation of the financial statements, taken as a whole. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, taking account of the legal and regulatory requirements applicable in Belgium, the financial statements as of 31 December 2005 give a true and fair view of the company's assets, liabilities, financial position and results.

ADDITIONAL ATTESTATIONS

We supplement our report with the following attestations which do not change the scope of our audit opinion on the financial statements:

- The directors' report includes the information required by law and is in agreement with the financial statements. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting the company, or on the status, future evolution, or significant influence of certain factors on its future development. We can, nevertheless, confirm that the information given is not in obvious contradiction with any information obtained in the context of our appointment.
- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained and the financial statements have been prepared in accordance with the legal and regulatory requirements applicable in Belgium.
- No transactions have been undertaken or decisions taken in violation of the company's articles or the Companies Code such as we would be obliged to report to you. The appropriation of the results proposed to the general meeting is in accordance with the requirements of the law and the company's articles.

10 April 2006

The Statutory Auditor

DELOITTE Reviseurs d'Entreprises
SC s.f.d. SCRL
Represented by Jos Vlamincx