Half-yearly financial report

as of 30 June 2014

Regulated information EMBARGO – 25 August 2014, 08.15 CET Roularta Media Group

Roularta
Media Group

Contents

1. Consolidated key figures

Income statement	**in thousands of euros**	**30/06/14**	**30/06/13 restated**	**Trend**
Sales		**241,384**	**254,096**	**-5.0%**
Adjusted sales (1)		***238,490***	***254,096***	***-6.1%***
EBITDA (Operating cash flow) (2)		**8,158**	**12,362**	**-34.0%**
	EBITDA - margin	*3.4%*	*4.9%*	
REBITDA (3)		**18,946**	**16,718**	**+13.3%**
	REBITDA - margin	*7.8%*	*6.6%*	
EBIT (4)		**7,022**	**-3,399**	**+306.6%**
	EBIT - margin	*2.9%*	*-1.3%*	
REBIT (5)		**13,006**	**11,393**	**+14.2%**
	REBIT - margin	*5.4%*	*4.5%*	
Net finance costs		-3,302	-3,832	-13.8%
Operating result after net finance costs		**3,720**	**-7,231**	**+151.4%**
Current operating result after net finance costs		**9,704**	**7,561**	**+28.3%**
Income taxes		-1,477	322	+558.7%
Net result of the consolidated companies		**2,243**	**-6,909**	**+132.5%**
Attributable to minority interests		-223	-233	
Attributable to equity holders of RMG		**2,466**	**-6,676**	**+136.9%**
	Net result attributable to equity holders of RMG - margin	*1.0%*	*-2.6%*	
Current net result of the consolidated companies		**7,814**	**7,239**	**+7.9%**
	Current net result of the consolidated companies - margin	*3.2%*	*2.8%*	
Number of employees at closing date (6)		2,178	2,245	-3.0%

Consolidated key figures per share	**in euro**		
EBITDA		0.65	0.99
REBITDA		1.52	1.34
EBIT		0.56	-0.27
REBIT		1.04	0.91
Net result attributable to equity holders of RMG		0.20	-0.53
Net result attributable to equity holders of RMG after dilution		0.20	-0.53
Current net result of the consolidated companies		0.63	0.58
Weighted average number of shares		12,483,273	12,483,273
Weighted average number of shares after dilution		12,483,273	12,483,273

(1) Adjusted sales = like-for-like, i.e. adjusted for changes in the consolidation scope.
(2) EBITDA = operating cash flow = EBIT + depreciations, write-downs and provisions.
(3) REBITDA = current operating cash flow = EBITDA + restructuring costs and one-off costs.
(4) EBIT = operating result (share in the result of associated companies and joint ventures included).
(5) REBIT = current operating result = EBIT + restructuring costs and one-off costs, depreciations, write-downs and provisions.
(6) Joint ventures not included.

Balance sheet	in thousands of euros	30/06/14	31/12/13 restated	Trend
Non-current assets		590,836	585,039	+1.0%
Current assets		198,571	193,991	+2.4%
Balance sheet total		789,407	779,030	+1.3%
Equity - Group's share		289,356	287,053	+0.8%
Equity - minority interests		11,018	11,415	-3.5%
Liabilities		489,033	480,562	+1.8%
Liquidity (7)		0.8	0.9	-11.1%
Solvency (8)		38.1%	38.3%	-0.5%
Net financial debt		68,596	80,423	-14.7%
Gearing (9)		22.8%	26.9%	-15.2%

(7) Liquidity = current assets / current liabilities.
(8) Solvency = equity (Group's share + minority interests) / balance sheet total.
(9) Gearing = net financial debt / equity (Group's share + minority interests).

2. Combined key figures by division*

		Printed Media		
Income statement	**in thousands of euros**	**30/06/14**	**30/06/13**	**Trend**
Sales		**254,705**	**267,822**	**-4.9%**
Adjusted sales (1)		***253,258***	***267,822***	***-5.4%***
EBITDA (Operating cash flow) (2)		**4,187**	**5,360**	**-21.9%**
	EBITDA - margin	*1.6%*	*2.0%*	
REBITDA (3)		**11,044**	**8,929**	**+23.7%**
	REBITDA - margin	*4.3%*	*3.3%*	
EBIT (4)		**2,108**	**-10,629**	**+119.8%**
	EBIT - margin	*0.8%*	*-4.0%*	
REBIT (5)		**4,881**	**3,347**	**+45.8%**
	REBIT - margin	*1.9%*	*1.2%*	
Net finance costs		-3,184	-3,742	-14.9%
Operating result after net finance costs		**-1,076**	**-14,371**	**+92.5%**
Current operating result after net finance costs		**1,697**	**-395**	**+529.6%**
Income taxes		-2,461	-460	+435.0%
Net result of the consolidated companies		**-3,537**	**-14,831**	**+76.2%**
Attributable to minority interests		-223	-206	
Attributable to equity holders of RMG		**-3,314**	**-14,625**	**+77.3%**
	Net result attributable to equity holders of RMG - margin	*-1.3%*	*-5.5%*	
Current net result of the consolidated companies		**-1,401**	**-1,515**	**+7.5%**
	Current net result of the consolidated companies - margin	*-0.6%*	*-0.6%*	

(1) Adjusted sales = like-for-like, i.e. adjusted for changes in the consolidation scope.
(2) EBITDA = operating cash flow = EBIT + depreciations, write-downs and provisions.
(3) REBITDA = current operating cash flow = EBITDA + restructuring costs and one-off costs.
(4) EBIT = operating result (share in the result of associated companies included).
(5) REBIT = current operating result = EBIT + restructuring costs and one-off costs, depreciations, write-downs and provisions.

(*) In line with internal management reporting, segment information is given with proportionate consolidation used for joint ventures. For the reconciliation between the internal management reporting and the condensed consolidated profit and loss account we refer to Note 7.3.

		Audiovisual Media		
Income statement	**in thousands of euros**	**30/06/14**	**30/06/13**	**Trend**
Sales		**83,826**	**83,337**	**+0.6%**
Adjusted sales (1)		***83,631***	***81,504***	***+2.6%***
EBITDA (Operating cash flow) (2)		**16,453**	**14,435**	**+14.0%**
	EBITDA - margin	*19.6%*	*17.3%*	
REBITDA (3)		**16,658**	**15,539**	**+7.2%**
	REBITDA - margin	*19.9%*	*18.6%*	
EBIT (4)		**9,244**	**12,513**	**-26.1%**
	EBIT - margin	*11.0%*	*15.0%*	
REBIT (5)		**14,449**	**13,485**	**+7.1%**
	REBIT - margin	*17.2%*	*16.2%*	
Net finance costs		-166	-184	-9.8%
Operating result after net finance costs		**9,078**	**12,329**	**-26.4%**
Current operating result after net finance costs		**14,283**	**13,301**	**+7.4%**
Income taxes		-3,298	-4,407	-25.2%
Net result of the consolidated companies		**5,780**	**7,922**	**-27.0%**
Attributable to minority interests		0	-27	
Attributable to equity holders of RMG		**5,780**	**7,949**	**-27.3%**
	Net result attributable to equity holders of RMG - margin	*6.9%*	*9.5%*	
Current net result of the consolidated companies		**9,215**	**8,754**	**+5.3%**
	Current net result of the consolidated companies - margin	*11.0%*	*10.5%*	

(1) Adjusted sales = like-for-like, i.e. adjusted for changes in the consolidation scope.
(2) EBITDA = operating cash flow = EBIT + depreciations, write-downs and provisions.
(3) REBITDA = current operating cash flow = EBITDA + restructuring costs and one-off costs.
(4) EBIT = operating result (share in the result of associated companies included).
(5) REBIT = current operating result = EBIT + restructuring costs and one-off costs, depreciations, write-downs and provisions.

(*) In line with internal management reporting, segment information is given with proportionate consolidation used for joint ventures. For the reconciliation between the internal management reporting and the condensed consolidated profit and loss account we refer to Note 7.3.

3a. Condensed consolidated income statement

in thousands of euros	30/06/14	30/06/13 restated*
Sales	241,384	254,096
Own construction capitalised	244	0
Raw materials, consumables and goods for resale	-52,159	-54,921
Services and other goods	-102,538	-109,106
Personnel	-77,903	-83,681
Other operating result	-917	235
Restructuring costs: costs	-7,202	-3,366
Share in the result of associated companies and joint ventures	7,249	9,105
Operational cashflow - EBITDA	**8,158**	**12,362**
Depreciation, write-down and provisions	-6,048	-5,287
Depreciation and write-down of intangible and tangible assets	*-5,313*	*-5,263*
Write-down of debtors and inventories	*-768*	*-676*
Provisions	*33*	*652*
Restructuring costs: provisions	4,912	-10,474
Operating result (EBIT)	**7,022**	**-3,399**
Interest income	624	1,495
Interest expenses	-3,926	-5,327
Operating result after net finance costs	**3,720**	**-7,231**
Income taxes	-1,477	322
Net result of the consolidated companies	**2,243**	**-6,909**
Attributable to:		
Minority interests	-223	-233
Equity holders of Roularta Media Group	**2,466**	**-6,676**
Earnings per share — **in euro**		
Basic earnings per share	0.20	-0.53
Diluted earnings per share	0.20	-0.53

(*) Restated according to IFRS 11, with joint ventures accounted for by the equity method (previously: proportionate consolidation).

3b. Condensed consolidated statement of comprehensive income

in thousands of euros	30/06/14	30/06/13 restated*
Net result of the consolidated companies	**2,243**	**-6,909**
Other comprehensive income of the period		
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Exchange differences	-4	6
Cash flow hedges		201
Deferred taxes relating to other comprehensive income		-68
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		
Non-current employee benefits - actuarial gain/loss	-150	13
Other comprehensive income of the period	**-154**	**152**
Total comprehensive income of the period	**2,089**	**-6,757**
Attributable to:		
Minority interest	-220	-233
Equity holders of Roularta Media Group	**2,309**	**-6,524**

(*) Restated according to IFRS 11, with joint ventures accounted for by the equity method (previously: proportionate consolidation).

4. Condensed consolidated balance sheet

ASSETS in thousands of euros	30/06/14	31/12/13 restated*
Non-current assets	**590,836**	**585,039**
Intangible assets	393,040	392,242
Goodwill	5	5
Property, plant and equipment	63,648	65,316
Investments accounted for using the equity method	127,044	120,817
Available-for-sale investments, loans and guarantees	4,294	4,031
Trade and other receivables	1,870	1,873
Deferred tax assets	935	755
Current assets	**198,571**	**193,991**
Inventories	9,236	9,546
Trade and other receivables	126,992	130,713
Tax receivable	414	436
Short-term investments	16,820	22,924
Cash and cash equivalents	33,780	21,881
Deferred charges and accrued income	11,329	8,491
Total assets	**789,407**	**779,030**

(*) Restated according to IFRS 11, with joint ventures accounted for by the equity method (previously: proportionate consolidation).

LIABILITIES	**in thousands of euros**	**30/06/14**	**31/12/13 restated***
Equity		**300,374**	**298,468**
Group's equity		289,356	287,053
Issued capital		*203,225*	*203,225*
Treasury shares		*-24,647*	*-24,647*
Retained earnings		*106,659*	*104,203*
Other reserves		*4,056*	*4,205*
Translation differences		*63*	*67*
Minority interests		11,018	11,415
Non-current liabilities		**245,929**	**253,661**
Provisions		23,832	28,869
Employee benefits		8,755	8,365
Deferred tax liabilities		97,160	96,730
Financial debts		116,026	119,521
Trade payables		2	2
Other payables		154	174
Current liabilities		**243,104**	**226,901**
Financial debts		3,170	5,707
Trade payables		121,760	123,021
Advances received		36,724	40,387
Employee benefits		32,693	31,377
Taxes		2,616	1,890
Other payables		32,040	18,130
Financial derivates		589	852
Accrued charges and deferred income		13,512	5,537
Total liabilities		**789,407**	**779,030**

(*) Restated according to IFRS 11, with joint ventures accounted for by the equity method (previously: proportionate consolidation).

5. Condensed consolidated cash flow statement

Cash flow relating to operating activities	in thousands of euros	30/06/14	30/06/13 restated*
Net result of the consolidated companies		2,243	-6,909
Share in the result of the companies accounted for using the equity method		-7,249	-9,105
Income tax expense / income		1,477	-322
Interest expenses		3,926	4,665
Interest income (-)		-361	-1,223
Losses / gains on disposal of intangible assets and property, plant and equipment		-105	-7
Dividends received from companies accounted for using the equity method		1,700	1,424
Non-cash items		602	16,571
Depreciation of (in)tangible assets		*5,313*	*5,263*
Share-based payment expense		*3*	*120*
Losses / gains on non-hedging derivatives		*-263*	*390*
Increase / decrease in provisions		*-4,945*	*9,822*
Other non-cash items		*494*	*976*
Gross cash flow relating to operating activities		**2,233**	**5,094**
Increase / decrease in current trade receivables		4,662	9,368
Increase / decrease in current other receivables and deferred charges and accrued income		-2,239	-3,972
Increase / decrease in inventories		364	1,206
Increase / decrease in current trade payables		-3,136	-8,124
Increase / decrease in other current liabilities		9,604	-2,043
Other increases / decreases in working capital (a)		5,526	1,278
Increase / decrease in working capital		**14,781**	**-2,287**
Income taxes paid		-43	-1,410
Interest paid		-1,247	-2,051
Interest received		496	1,167
NET CASH FLOW RELATING TO OPERATING ACTIVITIES (A)		**16,220**	**513**

(a) Increases and decreases in non-current other payables, non-current trade payables, provisions, non-current employee benefits and accrued charges and deferred income.

(*) Restated according to IFRS 11, with joint ventures accounted for by the equity method (previously: proportionate consolidation).

Cash flow relating to investing activities	30/06/14	30/06/13 restated*
Intangible assets - acquisitions	-1,681	-2,014
Tangible assets - acquisitions	-1,442	-1,241
Intangible assets - other movements	0	-95
Tangible assets - other movements	144	22
Net cash flow relating to acquisition of subsidiaries	-570	-1,109
Net cash flow relating to disposal of subsidiaries	0	341
Available-for-sale investments, loans, guarantees - acquisitions	-359	-166
Available-for-sale investments, loans, guarantees - other movements	96	69
Increase / decrease in short-term investments	5,912	-678
NET CASH FLOW RELATING TO INVESTING ACTIVITIES (B)	**2,100**	**-4,871**
Cash flow relating to financing activities		
Other changes in equity	-182	-190
Proceeds from current financial debts	0	4,117
Redemption of current financial debts	-4,244	-9,843
Proceeds from non-current financial debts	0	1,201
Redemption of non-current financial debts	-1,998	-3,113
Decrease in non-current receivables	3	22
NET CASH FLOW RELATING TO FINANCING ACTIVITIES (C)	**-6,421**	**-7,806**
TOTAL DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**11,899**	**-12,164**
Cash and cash equivalents, beginning balance	21,881	23,794
Cash and cash equivalents, ending balance	33,780	11,630
Net decrease / increase in cash and cash equivalents	**11,899**	**-12,164**

(*) Restated according to IFRS 11, with joint ventures accounted for by the equity method (previously: proportionate consolidation).

6. Consolidated statement of changes in equity

	Issued capital	Treasury shares	Retained earnings	Other reserves	Trans-lation reserves	Minority interests	Total equity
Balance as of 01/01/2014	**203,225**	**-24,647**	**104,203**	**4,205**	**67**	**11,415**	**298,468**
Total comprehensive income of the period			2,466	-153	-4	-220	2,089
Recognition of share-based payments				3			3
Dividends paid to minority interests						-177	-177
Other decrease / increase			-10	1			-9
Balance as of 30/06/2014	**203,225**	**-24,647**	**106,659**	**4,056**	**63**	**11,018**	**300,374**

	Issued capital	Treasury shares	Retained earnings	Other reserves	Trans-lation reserves	Minority interests	Total equity
Balance as of 01/01/2013	**203,225**	**-24,647**	**162,122**	**3,931**	**58**	**12,266**	**356,955**
Total comprehensive income of the period			-6,676	146	6	-233	-6,757
Costs of issuance and equity increase				-7			-7
Recognition of share-based payments				127			127
Dividends paid to minority interests						-196	-196
Balance as of 30/06/2013	**203,225**	**-24,647**	**155,446**	**4,197**	**64**	**11,837**	**350,122**

7. Selected notes to the half-yearly financial report

7.1 Principles of the interim financial reporting

The summary interim financial statements have been drawn up in conformity with IAS 34 *Interim Financial Reporting* as approved by the EU.
The interim financial statements were approved by the members of the board of directors on 22 August 2014.

7.2 Valuation rules

From 1 January 2014 the new accounting standard IFRS 11 is applied. With the coming into application of this new standard, the joint ventures are included in the consolidation by the equity method in place of the proportional consolidation method. An overview of the impact of the restating of financial information for 2013 due to the retrospective application of IFRS 11 is given in this note (Note 7.20).

Otherwise, in preparing the interim financial statements the IFRS principles for inclusion and valuation have been applied as for the consolidated annual financial statements of 31 December 2013. For the other new IFRS and improved IAS standards that have come into effect as of 1 January 2014 the reader is referred to Note 1 in the 2013 Annual Report. The application of these new or revised standards has no material effect on the Group's results or financial position.

7.3 Segment reporting

In accordance with IFRS 8 *Operating Segments*, the management approach is applied for the financial reporting of segmented information. This standard requires the segmented information to be reported to follow the internal reporting used by the company's main operating decision-making officer, based on which the internal performance of Roularta's operating segments is assessed and resources allocated to the various segments.
For reporting purposes, Roularta Media Group is organised into two operating segments based on the activities: Printed Media and Audiovisual Media. These operating segments remain unchanged from those used last financial year.
Despite the application of IFRS 11, the Group's operational decision-making officers continue to work based on the financial information by segment on a 'combined' basis, i.e. including Roularta Media Group's pro rata share in the joint ventures, after elimination of intra-group elements, by the proportionate consolidation method.

30/06/14 in thousands of euros	**Printed Media**	**Audiovisual Media**	**Intersegment elimination**	**Combined total**	**Effect IFRS 11**	**Consolidated total**
Sales of the segment	254,705	83,826	-561	337,970	-96,586	241,384
Sales to external customers	*254,460*	*83,510*		*337,970*	*-96,586*	*241,384*
Sales from transactions with other segments	*245*	*316*	*-561*	*0*		*0*

30/06/13 in thousands of euros	Printed Media	Audiovisual Media	Intersegment elimination	Combined total	Effect IFRS 11	Consolidated total
Sales of the segment	267,822	83,337	-2,313	348,846	-94,750	254,096
Sales to external customers	*266,695*	*82,151*		*348,846*	*-94,750*	*254,096*
Sales from transactions with other segments	*1,127*	*1,186*	*-2,313*	*0*		*0*

The results of the segments can be found in the key figures. These are summarised below, along with their impact on the consolidated net result.

30/06/14 in thousands of euros	Printed Media	Audiovisual Media	Combined total	Effect IFRS 11	Consolidated total
EBITDA	4,187	16,453	20,640	-12,482	8,158
REBITDA	11,044	16,658	27,702	-8,756	18,946
EBIT	2,108	9,244	11,352	-4,330	7,022
REBIT	4,881	14,449	19,330	-6,324	13,006
Net result of the consolidated companies	-3,537	5,780	2,243	0	2,243
Current net result of the consolidated companies	-1,401	9,215	7,814	0	7,814

30/06/13 in thousands of euros	Printed Media	Audiovisual Media	Combined total	Effect IFRS 11	Consolidated total
EBITDA	5,360	14,435	19,795	-7,433	12,362
REBITDA	8,929	15,539	24,468	-7,750	16,718
EBIT	-10,629	12,513	1,884	-5,283	-3,399
REBIT	3,347	13,485	16,832	-5,439	11,393
Net result of the consolidated companies	-14,831	7,922	-6,909	0	-6,909
Current net result of the consolidated companies	-1,515	8,754	7,239	0	7,239

7.4 Pending disputes

Update of Note 24 of the Annual Report 2013:

- dispute with **NV Kempenland**:
  The principal amount that was declared provisionally enforceable by the first judge was paid by NV De Streekkrant-De Weekkrantgroep onto a blocked savings account in the name of the disputants' legal advisers, with ING as sequestrator.

- dispute concerning **gambling tax** for 2009 and for the first quarter of 2010:
  In view of recent court decisions on the application of the betting and gambling tax to so-called phone-in games, Medialaan's board of directors has deemed it appropriate to adapt the provision for phone-in games organised by Medialaan between 2008 to 2010 to reflect the increased risk.

7.5 Changes in the Group

Acquisitions

Roularta Media Group reached an agreement on 9 January 2014 with its English co-shareholder UBM to acquire all the shares of NV ActuaMedica, in which it already had a 50% stake.

Roularta Business Leads NV, formerly a joint venture, came on 4 March 2014 into full Roularta Media Group ownership.

The fair value of the assets and liabilities of the acquired subsidiaries on the date of acquisition (100%) and the amounts paid are presented as follows:

ASSETS	in thousands of euros
Non-current assets	**2,752**
Intangible assets	2,339
Property, plant and equipment	17
Deferred tax assets	396
Current assets	**2,679**
Trade and other receivables	2,511
Cash and cash equivalents	168
Total assets	**5,431**

LIABILITIES	in thousands of euros
Non-current liabilities	**127**
Provisions	127
Current liabilities	**3,976**
Financial debts	55
Trade payables	1,875
Advances received	366
Employee benefits	330
Other payables	1,201
Accrued charges and deferred income	149
Total liabilities	**4,103**

Total net assets	**1,328**
Fair value of previously held interest	590
Takeover price paid in cash and cash equivalents	**738**
Deposits and cash and cash equivalents acquired	-168
Net cash outflow (+) / inflow (-)	**570**

Under the applicable accounting policies, the company has a 12-month period from the acquisition date in which to restate the assets and liabilities acquired.

As at 30 June 2014, € 2,894K of sales and € 792K of losses with respect to these companies were included in the consolidated income statement. If the acquisition of these participations had taken place on 1 January 2014, the amount of revenue and earnings recorded would have remained the same. The result on the deconsolidation of the previously held 50% stakes in ActuaMedica and Roularta Business Leads has a € 259K positive impact on the income statement for the period.

7.6 Main changes in (in)tangible fixed assets and goodwill

Investments

In the first half of 2014 the Group invested € 3.1 million in intangible and tangible assets (first half of 2013: € 3.3 million). The investments in intangible assets are in new software (€ 1.7 million). The largest investments in tangible assets relate a.o. machinery (€ 0.8 million, computer equipment) and office equipment in an amount of € 0.2 million.

Sales

In the first half of 2014 there were no material disposals of (in)tangible fixed assets.

7.7 One-off items

The following one-off income statement items can be mentioned:

in thousands of euros	30/06/14	30/06/13
Restructuring costs (incl. restructuring provisions):	**-2,290**	**-13,840**
- redundancy costs (Belgium and France)	-7,202	-3,366
- provision redundancy costs (Belgium and France)		
new provisions	-982	-11,350
reversed provision (following disbursements)	5,849	738
reversed provision (unused)	45	138
Operating costs (depreciations excluded):	**-3,586**	**-991**
- various one-off costs & management fees	-29	-119
- result on the deconsolidation of the previously held 50% stakes in ActuaMedica and Roularta Business Leads	259	
- one-off results from companies accounted for using the equity method	-3,816	-872
Depreciation, write-down and provisions:	**-108**	**38**
- depreciation discontinuous projects		-81
- (reversement) exceptionnal provision and write-off	-108	119
Income taxes:	**413**	**644**
- (deferred) taxes related to the above-mentioned items	413	644
	-5,571	**-14,149**

The provisions for termination benefits in 2013 and the redundancy costs in 2014 relate for the most part to severance pay under the PSE (social plan) in France.

7.8 Issued capital

There were no changes in the capital in the first semester of 2014.

7.9 Treasury shares

The statutory authorisation to purchase own company shares, renewed at the annual meeting of the 20th of May 2014, was not used.

7.10 Share options

In the first semester of 2014, no new option plans were offered.
A full overview of the option and warrant plans is available on www.roularta.be under the investor information heading.
In the first semester of 2014, the Group recognised € 3K (30/06/2013: € 127K) as personnel cost relating to equity-settled share-based payment transactions.

7.11 Provisions

Provisions have decreased from € 28.9 million at the end of 2013 to € 23.8 million at 30 June 2014.

This evolution can be largely explained by € 4.9 million decrease in the provision for restructuring costs, due mainly to the reversal of the provision for the social plan in France (disbursed severance pay).

7.12 Financial debts (non-current and current)

During the first half of 2014, no new long-term bank loans were concluded.
Besides the contractual repayments of € 4.9 million, there were no prepayments of bank loans.

7.13 Current liabilities: other payables

The other liabilities include VAT, payroll tax, and various other taxes payable and liabilities to joint ventures. The increase in the first half of 2014 relates primarily to a received joint venture advance of € 15 million.

7.14 Dividends

In 2014, no dividends were declared.
In 2013, no dividends were declared neither.

7.15 Results

Sales
Sales are down 5.0% on H1 2013. Corrected to exclude changes in the consolidation scope, sales are down 6.1%.
For a discussion of this development we refer to the press release on the half-year results and the interim report of the board of directors that is included later in this interim financial report.

Raw materials, consumables and goods for resale
Compared with H1 2013 these costs have declined by € 2.8 million (mainly a fall in paper costs).

Services and other goods
Compared with H1 2013 these costs have decreased by € 6.6 million.
The biggest changes are +/- € 5 million lower barter costs relating to promotion and a € 0.7 million decrease in fees.

Personnel

The personnel expenses decreased by € 5.8 million (6.9%) compared with H1 2013. The largest decrease occurs in the French company Groupe Express-Roularta (€ -3.6 million).

Other operating income

Other operating income includes the operating subsidies, the capital gain on the disposal of tangible and financial assets, government grants and miscellaneous cross-charges. These have raised by € 0.2 million compared to the first half of 2013.

Other operating expenses

Other operating expenses include other taxes, the loss on the disposal of (in)tangible fixed assets, losses on trade receivables, payment differences, bank charges. These costs have increased by € 1.4 million compared to the first half of 2013.

Share in the result of associated companies and joint ventures

in thousands of euros	30/06/14	30/06/13
Medialaan Group	6,809	8,684
Bayard Group	377	915
ActuaMedica & Roularta Business Leads	0	-654
Other	63	160

The results of ActuaMedica and Roularta Business Leads are fully consolidated, now that the shares are 100% owned by Roularta Media Group.
At Medialaan Group the TV result in the first half of 2014 is lower than in the first half of 2013 (higher operating costs and slightly lower advertising revenues).

Depreciation

The depreciation amounts to € 5.3 million and is in line with last year.

Financial income and expenses

in thousands of euros	30/06/14	30/06/13
Financial income:	**624**	**1,495**
- interest income	361	659
- evolution of the market values of the swap contracts not viewed as hedging	263	272
- profit on the early termination of an IRS contract		564
Financial costs:	**-3,926**	**-5,327**
- interest expense	-3,926	-4,369
- evolution of the market values of the swap contracts not viewed as hedging		-662
- loss on the early termination of an IRS contract		-296

7.16 Income tax expense

The effective tax rate is influenced by a number of factors which affect the tax base. The main factors are the loss-making companies in respect of which no additional deferred tax assets are recorded, non-tax deductible expenses and the lowering of tax pressure with the application of notional interest deduction. The impact of these factors can vary from half a year to half a year.

7.17 Related parties

The related parties of Roularta Media Group NV consist of subsidiaries, joint ventures, associated companies, other related parties and key management personnel (including directors).
The composition of the related parties, and nature of the transactions and the outstanding balances have not changed significantly from those reported in the financial statements at 31 December 2013.

7.18 Key events after balance sheet closing date

In early July 2014, Roularta Media Group took part in a new capital increase for Proxistore for an amount of EUR 1.1 million, in a fundraising by the current shareholders (including Roularta), private investors and the Brussels Regional Investment Company (BRIC), for a total amount of EUR 2.7 million. This operation is aimed at opening subsidiaries in the Netherlands, England, Spain, Italy, Switzerland, Canada and the United States, including New York and San Francisco.

Otherwise no major events have occurred which significantly affect the results and the financial position of the company.

7.19 Seasonal features

The half-yearly results are not affected by any seasonal fluctuations. In general, sales are lower in January and February, as also in July and August with less good earnings as a result.

7.20 Effects of the restatement due to the application of IFRS 11

Comparative information for 2013 has been restated due to the retrospective application of IFRS 11, *Joint Arrangements*.

By applying this new standard, joint ventures are included in the consolidation using the equity method instead of the proportional consolidation method.

The effect of this restatement on the consolidated financial statements can be broken down as follows:

Impact on the opening balance sheet of 2013:

ASSETS in thousands of euros	01/01/13		01/01/13
	As published	Impact IFRS 11	Consolidated (restated to IFRS 11)
Non-current assets	**604,675**	**32,634**	**637,309**
Intangible assets	417,951	-11,875	406,076
Goodwill	71,931	-41,868	30,063
Property, plant and equipment	100,362	-27,460	72,902
Investments accounted for using the equity method	284	121,680	121,964
Available-for-sale investments, loans and guarantees	5,512	-1,167	4,345
Trade and other receivables	1,794	-65	1,729
Deferred tax assets	6,841	-6,611	230
Current assets	**333,761**	**-108,736**	**225,025**
Inventories	58,868	-47,252	11,616
Trade and other receivables	184,933	-48,342	136,591
Tax receivable	439	-155	284
Financial derivates	787	0	787
Short-term investments	42,828	0	42,828
Cash and cash equivalents	35,684	-11,890	23,794
Deferred charges and accrued income	10,222	-1,097	9,125
Total assets	**938,436**	**-76,102**	**862,334**

LIABILITIES in thousands of euros	01/01/13		01/01/13
	As published	Impact IFRS 11	Consolidated (restated to IFRS 11)
Equity	**356,955**	**0**	**356,955**
Group's equity	344,689	0	344,689
Issued capital	*203,225*	*0*	*203,225*
Treasury shares	*-24,647*	*0*	*-24,647*
Retained earnings	*162,122*	*0*	*162,122*
Other reserves	*3,931*	*0*	*3,931*
Translation differences	*58*	*0*	*58*
Minority interests	12,266	0	12,266
Non-current liabilities	**266,094**	**-17,572**	**248,522**
Provisions	7,671	-271	7,400
Employee benefits	9,846	-293	9,553
Deferred tax liabilities	117,128	-12,892	104,236
Financial debts	128,994	-1,859	127,135
Trade payables	2,184	-2,165	19
Other payables	271	-92	179
Current liabilities	**315,387**	**-58,530**	**256,857**
Financial debts	19,053	-413	18,640
Trade payables	173,145	-46,379	126,766
Advances received	49,744	-5,945	43,799
Employee benefits	38,695	-5,933	32,762
Taxes	7,415	-4,451	2,964
Other payables	18,405	6,438	24,843
Financial derivates	1,974	-137	1,837
Accrued charges and deferred income	6,956	-1,710	5,246
Total liabilities	**938,436**	**-76,102**	**862,334**

Impact on income statement of 2013:

in thousands of euros	2013		2013
	As published	**Impact IFRS 11**	**Consolidated (restated to IFRS 11)**
Sales	676,310	-191,155	485,155
Own construction capitalised	791	0	791
Raw materials, consumables and goods for resale	-159,470	56,462	-103,008
Services and other goods	-284,579	68,886	-215,693
Personnel	-194,032	35,220	-158,812
Other operating result	3,434	-578	2,856
Restructuring costs: costs	-8,432	562	-7,870
Share in the result of associated companies and joint ventures	-207	14,985	14,778
Operational cashflow - EBITDA	**33,815**	**-15,618**	**18,197**
Depreciation, write-down and provisions	-70,041	7,344	-62,697
Depreciation and write-down of intangible and tangible assets	*-17,443*	*6,731*	*-10,712*
Write-down of debtors and inventories	*-1,013*	*662*	*-351*
Provisions	*-5,825*	*-382*	*-6,207*
Impairment losses	*-45,760*	*333*	*-45,427*
Restructuring costs: provisions	-13,175	-91	-13,266
Operating result - EBIT	**-49,401**	**-8,365**	**-57,766**
Interest income	2,253	-3	2,250
Interest expenses	-9,659	137	-9,522
Operating result after net finance costs	**-56,807**	**-8,231**	**-65,038**
Income taxes	-1,758	8,231	6,473
Net result of the consolidated companies	**-58,565**	**0**	**-58,565**
Attributable to:			
Minority interests	-656	0	-656
Equity holders of Roularta Media Group	**-57,909**	**0**	**-57,909**

Impact on the closing balace sheet of 2013:

ASSETS	in thousands of euros	31/12/13		31/12/13
		As published	Impact IFRS 11	Consolidated (restated to IFRS 11)
Non-current assets		**549,859**	**35,180**	**585,039**
Intangible assets		403,473	-11,231	392,242
Goodwill		41,087	-41,082	5
Property, plant and equipment		91,775	-26,459	65,316
Investments accounted for using the equity method		1,033	119,784	120,817
Available-for-sale investments, loans and guarantees		4,515	-484	4,031
Trade and other receivables		1,939	-66	1,873
Deferred tax assets		6,037	-5,282	755
Current assets		**302,208**	**-108,217**	**193,991**
Inventories		56,132	-46,586	9,546
Trade and other receivables		184,227	-53,514	130,713
Tax receivable		671	-235	436
Short-term investments		22,924	0	22,924
Cash and cash equivalents		27,954	-6,073	21,881
Deferred charges and accrued income		10,300	-1,809	8,491
Total assets		**852,067**	**-73,037**	**779,030**

LIABILITIES	**in thousands of euros**	**31/12/13**		**31/12/13**
		As published	**Impact IFRS 11**	**Consolidated (restated to IFRS 11)**
Equity		**298,468**	**0**	**298,468**
Group's equity		287,053	0	287,053
Issued capital		*203,225*	*0*	*203,225*
Treasury shares		*-24,647*	*0*	*-24,647*
Retained earnings		*104,213*	*-10*	*104,203*
Other reserves		*4,195*	*10*	*4,205*
Translation differences		*67*	*0*	*67*
Minority interests		11,415	0	11,415
Non-current liabilities		**270,693**	**-17,032**	**253,661**
Provisions		29,215	-346	28,869
Employee benefits		8,616	-251	8,365
Deferred tax liabilities		110,302	-13,572	96,730
Financial debts		121,055	-1,534	119,521
Trade payables		1,264	-1,262	2
Other payables		241	-67	174
Current liabilities		**282,906**	**-56,005**	**226,901**
Financial debts		6,136	-429	5,707
Trade payables		162,965	-39,944	123,021
Advances received		46,509	-6,122	40,387
Employee benefits		37,168	-5,791	31,377
Taxes		5,893	-4,003	1,890
Other payables		16,242	1,888	18,130
Financial derivates		1,121	-269	852
Accrued charges and deferred income		6,872	-1,335	5,537
Total liabilities		**852,067**	**-73,037**	**779,030**

Impact on the income statement of 30/06/2013:

in thousands of euros	**30/06/13**		**30/06/13**
	As published	**Impact IFRS 11**	**Consolidated (restated to IFRS 11)**
Sales	348,846	-94,750	254,096
Raw materials, consumables and goods for resale	-82,188	27,267	-54,921
Services and other goods	-142,204	33,098	-109,106
Personnel	-101,493	17,812	-83,681
Other operating result	593	-358	235
Restructuring costs: costs	-3,717	351	-3,366
Share in the result of associated companies and joint ventures	-42	9,147	9,105
Operational cashflow - EBITDA	**19,795**	**-7,433**	**12,362**
Depreciation, write-down and provisions	-7,466	2,179	-5,287
Depreciation and write-down of intangible and tangible assets	*-8,439*	*3,176*	*-5,263*
Write-down of debtors and inventories	*-559*	*-117*	*-676*
Provisions	*1,532*	*-880*	*652*
Restructuring costs: provisions	-10,445	-29	-10,474
Operating result - EBIT	**1,884**	**-5,283**	**-3,399**
Interest income	1,495	0	1,495
Interest expenses	-5,421	94	-5,327
Operating result after net finance costs	**-2,042**	**-5,189**	**-7,231**
Income taxes	-4,867	5,189	322
Net result of the consolidated companies	**-6,909**	**0**	**-6,909**
Attributable to:			
Minority interests	-233	0	-233
Equity holders of Roularta Media Group	**-6,676**	**0**	**-6,676**

Impact on the consolidated cash flow statement of 30/06/2013:

in thousands of euros	**30/06/13**		**30/06/13**
	As published	**Impact IFRS 11**	**Consolidated (restated to IFRS 11)**
Net cash flow relating to operating activities (A)	**4,498**	**-3,985**	**513**
Net cash flow relating to investing activities (B)	**-7,732**	**2,861**	**-4,871**
Net cash flow relating to financing activities (C)	**-7,954**	**148**	**-7,806**
Total decrease / increase in cash and cash equivalents (A+B+C)	**-11,188**	**-976**	**-12,164**
Cash and cash equivalents, beginning balance	35,684	-11,890	23,794
Cash and cash equivalents, ending balance	24,496	-12,866	11,630
Net decrease / increase in cash and cash equivalents	**-11,188**	**-976**	**-12,164**

8. Interim report of the board of directors

This interim financial report should be read in conjunction with the consolidated balance sheet and income statement of NV Roularta Media Group, and the related selected notes (see item 7). This interim report is drawn up in accordance with the Royal Decree of 14 November 2007 concerning the obligations of the issuers of financial instruments.

Significant events during the first six months of the financial year

Note on accounting change

From 1 January 2014 the new accounting standard IFRS 11 is applied. Under this new standard, the joint ventures are now consolidated by the equity method in place of the proportionate consolidation method. Hereinafter, all references to **'consolidated' figures** always relate to the official data with IFRS 11 applied.
However, to ensure continuity of information on underlying operational performance and in accordance with IFRS 8, the financial data by segment is given in the form of **'combined' figures**, including Roularta Media Group's pro rata share in the joint ventures, after elimination of intra-group elements, according to the proportionate consolidation method.

1. Financial key figures for the first half of 2014

Consolidated key figures

in thousands of euros	30/06/14	30/06/13	Trend	Trend (%)
Sales	241,384	254,096	-12,712	-5.0%
Adjusted sales (1)	238,490	254,096	-15,606	-6.1%
EBITDA (2)	8,158	12,362	-4,204	-34.0%
REBITDA	18,946	16,718	+2,228	+13.3%
REBITDA – margin	*7.8%*	*6.6%*		
EBIT (3)	7,022	-3,399	+10,421	+306.6%
REBIT	13,006	11,393	+1,613	+14.2%
Net result of RMG	2,466	-6,676	+9,142	+136.9%
Current net result	7,814	7,239	+575	+7.9%

(1) Adjusted sales = sales on a like-on-like basis with 2013, excluding changes in the consolidation scope.
(2) EBITDA = operating cash flow = EBIT + depreciations, write-downs and provisions.
(3) EBIT = operating result, share in the result of associated companies and joint ventures included.

(Adjusted) SALES are down, the main falls being in advertising sales and in other revenue.

REBITDA is up on last year despite lower sales, owing to lower costs following restructuring.

EBITDA was negatively impacted by EUR 7.2 million of restructuring costs (H1 2013: EUR 3.4 million of restructuring costs) and by 3.8 million of exceptional expenses in joint ventures accounted for by the equity method.

REBIT has evolved in line with REBITDA.

In H1 2013, EBIT was negatively affected by the setting up of a EUR 10.7 million provision for restructuring in France (PSE redundancy plan). In the first half of 2014, a EUR 4.9 million net reversal of the provision for restructuring costs was carried out.

CURRENT NET RESULT improves by EUR 0.6 million, after a higher tax charge.

Combined key figures (applying the proportional consolidation method for joint ventures)

in thousands of euros	30/06/14	30/06/13	Trend	Trend (%)
Sales	337,970	348,846	-10,876	-3.1%
Adjusted sales (1)	336,326	347,035	-10,709	-3.1%
EBITDA (2)	20,640	19,795	+845	+4.3%
REBITDA	27,702	24,468	+3,234	+13.2%
REBITDA – margin	*8.2%*	*7.0%*		
EBIT (3)	11,352	1,884	+9,468	+502.5%
REBIT	19,330	16,832	+2,498	+14.8%
Net result of RMG	2,466	-6,676	+9,142	+136.9%
Current net result	7,814	7,239	+575	+7.9%

(1) Adjusted sales = sales on a like-on-like basis with 2013, excluding changes in the consolidation scope.
(2) EBITDA = operating cash flow = EBIT + depreciations, write-downs and provisions.
(3) EBIT = operating result, share in the result of associated companies included.

(Adjusted) SALES are down in Printed Media, while Audiovisual Media posts a (limited) increase.

REBITDA is up on last year despite lower sales, owing to lower costs following restructuring.

EBITDA was negatively impacted by EUR 7.2 million of restructuring costs (H1 2013: EUR 3.4 million of restructuring costs).

REBIT has evolved in line with REBITDA.

In H1 2013, EBIT was negatively affected by the setting up of a EUR 10.7 million provision for restructuring in France (PSE redundancy plan). In the first half of 2014, a EUR 4.9 million net reversal of the provision for restructuring costs was carried out. Negative impacts on EBIT in H1 2014 include an additional provision for games of chance and an impairment charge on German titles following their sale.

CURRENT NET RESULT improves by EUR 0.6 million, after a higher current tax charge.

2. Analysis of the combined figures of the Group

2.1 Combined sales

Roularta Media Group posted combined sales in the first half of 2014 of EUR 338.0 million, against EUR 348.8 million in the first half of 2013. This represents a decrease in sales of 3.1%.

Breakdown of the combined sales by segment:

in thousands of euros	Printed Media			Audiovisual Media			Intersegment elimination		Combined total		
	30/06/14	30/06/13	Trend	30/06/14	30/06/13	Trend	30/06/14	30/06/13	30/06/14	30/06/13	Trend
Sales of the segment	254,705	267,822	-13,117	83,826	83,337	489	-561	-2,313	337,970	348,846	-10,876
Sales to external customers	*254,460*	*266,695*	*-12,235*	*83,510*	*82,151*	*1,359*			*337,970*	*348,846*	*-10,876*
Sales with other segments	*245*	*1,127*	*-882*	*316*	*1,186*	*-870*	*-561*	*-2,313*	*0*	*0*	*0*

Sales Printed Media

Sales by the Printed Media division fell by 4.9%, from EUR 267.8 million to EUR 254.7 million. Eliminating the sales from barter agreements, sales decreased by 3.9%.

Adjusted sales in the first half of 2014 amounted to EUR 253.3 million, down 5.4%. Eliminating the sales from barter agreements, adjusted sales decreased by 4.5%.

<u>Advertising</u>

Adjusted magazine advertising sales reduced by 12.7% on falling sales in France, owing, among other things, to the discontinuation of the magazine L'Entreprise and the merger of Maison Magazine and Maison Française.

Advertising in the free magazines decreased by 3.6% compared with the first half of 2013. This decrease was felt most at De Streekkrant/De Weekkrant and at De Zondag. Advertising revenue at the free lifestyle monthly magazine Steps remained stable (+2.6%).

Advertising revenue at Krant van West-Vlaanderen increased slightly (+4.6%).

<u>Advertising Internet</u>

Revenues from the various Internet sites continue to grow. Adjusted sales were up by 8.9% in the first half of 2014.

<u>Readers' market</u>

Revenue from the readers' market (newsstand sales and subscriptions) was down by 2.4% compared with the first half of 2013. This decrease is mainly situated on the French market, while for Belgian titles, revenue from the readers' market increased compared with the first half of 2013.

<u>Typesetting and printing</u>

Third party typesetting and printing fell by 7.5% compared with H1 2013.

<u>Exhibitions and seminars</u>

Revenues from fairs and seminars are almost unchanged compared with the first half of 2013.

Sales Audiovisual Media
Sales by the Audiovisual Media remained stable, from EUR 83.3 million to EUR 83.8 million. Eliminating the sales from barter agreements, sales increased by 3.3%.
Adjusted sales, taking into account the sale of Paratel in the first half of 2013, were up by 2.6%.

Advertising
Advertising revenue (including barter deals) at the TV and radio stations decreased in the first half by 5.9%. Excluding barter deals, these revenues decreased by 3.2%, owing mainly to the general decline of the commercial TV market.

Other income
Adjusted sales from other income-producing activities including line extensions, video on demand, rights and audiovisual productions increased by 44.1%.

2.2 Breakdown of the combined (R)EBIT(DA) by segment

in thousands of euros	Printed Media			Audiovisual Media			Combined total		
	30/06/14	30/06/13	Trend	30/06/14	30/06/13	Trend	30/06/14	30/06/13	Trend
REBITDA	11,044	8,929	2,115	16,658	15,539	1,119	27,702	24,468	3,234
EBITDA	4,187	5,360	-1,173	16,453	14,435	2,018	20,640	19,795	845
REBIT	4,881	3,347	1,534	14,449	13,485	964	19,330	16,832	2,498
EBIT	2,108	-10,629	12,737	9,244	12,513	-3,269	11,352	1,884	9,468

Printed Media
REBITDA (current operating cash flow) increased from EUR 8.9 million to EUR 11.0 million (up 23.7%). Operating cash flow (EBITDA) decreased from EUR 5.4 million to EUR 4.2 million.
A current operating result (REBIT) of EUR 4.9 million was achieved compared with EUR 3.3 million in H1 2013. Operating result (EBIT) decreased from EUR -10.6 million to EUR 2.1 million.

Despite the revenue decline, there is an improvement in REBITDA, reflecting a reduction in the cost of miscellaneous goods and services and personnel costs, due also to the past restructuring.

The restructuring costs at Printed Media in the first half of 2014 (EUR 7.2 million) negatively impact EBITDA. EUR 5.8 million of these restructuring costs relate to the French subsidiary Groupe Express-Roularta, principally in the form of severance pay under the 2013 social plan (PSE - Plan de Sauvegarde de l'Emploi). In the first half of 2013, there were EUR 3.4 million of restructuring costs.

The improvement in REBITDA also produces a better REBIT.
The restructuring costs under the social plan in France in the first half of 2014 are offset by a reversal of the provision created for this purpose in 2013, and therefore do not impact EBIT at the end of June 2014. This is, however, adversely affected by new provisions for severance pay (EUR 1.0 million) and an impairment charge on German titles following their sale. The creation of a restructuring provision of EUR 10.4 million net in 2013 (of which 10.7 million for the PSE) produced a negative EBIT (EUR -10.6 million).

Audiovisual Media
Current operating cash flow (REBITDA) increased from EUR 15.5 million to EUR 16.7 million (+7.2%). **Operating cash flow (EBITDA)** increased from EUR 14.4 million to EUR 16.5 million (+14.0%).
Current operating result (REBIT) rose from EUR 13.5 million to EUR 14.4 million (+7.1%) and **operating result (EBIT)** fell from EUR 12.5 million to EUR 9.2 million.

A REBIT margin of 17.2% was achieved compared with 16.2% in H1 2013.

The decrease in the cost of services and other goods improves (R)EBITDA on almost identical sales revenues, despite the rise in distribution costs.

EBIT was negatively impacted in the first half of 2014 by the setting up of provisions, including an additional provision for games of chance.

2.3 Combined net result of the consolidated companies

The combined net result evolves from EUR -6.9 million in H1 2013 to EUR 2.2 million in H1 2014.
The combined current net result of the consolidated companies evolves from EUR 7.2 million in H1 2013 to EUR 7.8 million in H1 2014.

Breakdown of the combined net result by segment:

	Printed Media			Audiovisual Media			Combined total		
	30/06/14	30/06/13	Trend	30/06/14	30/06/13	Trend	30/06/14	30/06/13	Trend
Net result	-3,537	-14,831	11,294	5,780	7,922	-2,142	2,243	-6,909	9,152
Current net result	-1,401	-1,515	114	9,215	8,754	461	7,814	7,239	575

Printed Media
The **net result of the Printed Media division** was EUR -3.5 million as against EUR -14.8 million in H1 2013, with a **current net result** of EUR -1.4 million compared with EUR -1.5 million in H1 2013. The French activities still depress results, despite the ongoing restructuring.

Net financing costs decreased by EUR 0.6 million, including a 0.5 million decrease in the cost of debt reflecting the reduction in financial debt.

The tax expense has, however, increased by EUR 2 million. No deferred tax assets have been recognised on the losses of the French companies, and the taxable income of the (mainly Belgian) companies has increased.

In this way the net current result has risen just EUR 0.1 million compared to the first half of 2013, despite a EUR 1.5 million increase in REBIT.

Audiovisual Media
The **net result of the Audiovisual Media division** was EUR 5.8 million as against EUR 7.9 million in H1 2013, with a **current net result** of EUR 9.2 million compared with EUR 8.8 million.

3. Balance sheet

Equity at 30 June 2014 was EUR 300.4 million compared with EUR 298.5 million at 31 December 2013.

At 30 June 2014 the Group's **net financial debt**[1] stood at EUR 68.6 million, compared with EUR 80.4 million at 31 December 2013. Bank debts are decreasing.

The solvency ratio (equity/balance sheet total) amounts 38.1%.

4. Investments (capex)

Total investments in the first half of 2014 amounted to EUR 3.9 million, of which EUR 1.7 million in intangible assets (mainly software), EUR 1.4 million in fixed assets and EUR 0.7 million in acquisitions.

5. Significant events in the first half of 2014 and after

- In France, smaller restructuring exercises are continuing. Restructuring under the social plan (PSE - Plan de Sauvegarde de l'Emploi) is in progress. The full positive effects of this will not be visible until the end of 2015.
- Roularta Media Group reached an agreement on 9 January 2014 with its English co-shareholder UBM to acquire all the shares of NV ActuaMedica, in which it already had a 50% stake.
- Roularta Business Leads NV, formerly a joint venture, came on 4 March 2014 into full Roularta Media Group ownership.
- In early July 2014, Roularta Media Group took part in a new capital increase for Proxistore for an amount of EUR 1.1 million, in a fundraising by the current shareholders (including Roularta), private investors and the Brussels Regional Investment Company (BRIC), for a total amount of EUR 2.7 million. This operation is aimed at opening subsidiaries in the Netherlands, England, Spain, Italy, Switzerland, Canada and the United States, including New York and San Francisco.

6. Prospects

The advertising portfolio for the second half in Belgium shows (compared to the portfolio at the same time in 2013), a slight sales increase for the print and Internet activities and stable sales in Audiovisual Media. The readers' market is stable thanks to the subscriptions.
Continuing attention is being paid to cost control.
With 'Digilocal', the Free Press division is developing a new business in the field of Internet service.
In France, there is still no market revival, but Groupe Express-Roularta is reducing costs through restructuring and reorganisation. Notwithstanding the disappointing sales figures, the cash flow as modelled in the long-term plan appears attainable.

Main risks and uncertainties for the remaining months of the financial year

The media world is constantly changing. Central factors here are pressure on media spending and structural changes in the direction of digital products.

The Group's result is largely determined by the advertising market, the readers' market and viewing and listening figures. The Group closely follows market developments within the media world in which it operates, so as to be able to react to and take advantage of changes and new trends within its environment. The 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 Group's advertising revenues are cyclical and sensitive to the general economic environment. The current general economic situation means that the advertising market (50% of consolidated sales) is under a certain amount of pressure. With advertising expenditure decisions taken at the last moment, visibility is limited. The Group has organised itself to be able to adapt its cost structure at short notice in line with fluctuations in its advertising revenue. At the same time the Group's strategy of operating in several European countries also reduces the economic and cyclical risks.

1 *Net financial debt = financial debts less current cash.*

The internet revolution is viewed by the Group more as an evolution. Besides the traditional in print products, digital derivatives are also coming into being on the internet and for iPad, iPhone or similar hand-held devices. These digital derivatives have been activated by the Group for all its products, but their impact on sales remains minimal. It cannot be ruled out that as time progresses the digital derivatives will receive increasing reader attention. The Group has, out of prudence, always adjusted its investment policy to be ahead of and ready for such changes. Major print investments are now being financed over shorter periods (5 to 7 years), while all digital applications are up and running.

Some specific advertising revenues may fluctuate according to how certain or not the customer feels about the economic climate. Job ads, for example, are cut back to a minimum in times of uncertainty, which will also affect 2014 revenues. The business-related brands and home decoration magazines continue to be hardest hit by the crisis. The Group does not exclude possible adjustments to its intangible assets if the situation worsens.

New acquisitions provide additional sales and margins in the future.

In the short term, the Group is adapting to the above changes by continuously improving the efficiency of its production processes, merging unprofitable products with profitable ones and scrapping certain unprofitable publications. The Group does not rule out mergers and divestments being necessary in the future. These restructurings can impact operating earnings, and indirectly also the financial covenants.

Although the Group strives as far as possible for geographical spread and a diversified product mix, changing market conditions may have a negative impact on the Group's activities and financial position.

The IT system is of vital importance within the Group. Any disruption (due to defect, malicious attacks, viruses or other causes) could have a serious impact on various aspects of its activities. This impact includes sales, customer service and administration, but also the Group's operating results. To date, there are no significant known problems, but the Group cannot guarantee that such problems will not occur in the future.

The Group's currency risk is limited to the USD. Purchases of film rights by the audiovisual segment can be in USD. This risk is hedged with foreign exchange contracts. Despite these hedging instruments, fluctuations in the USD can have a limited impact on RMG's operating results.

The Group's debt gearing and interest charges may affect the results. IRS contracts and other financial instruments serve to contain this risk.

The Group is also exposed to credit risk on its customers. Internal and external credit checks are used in order to manage this risk. Bills of exchange and credit insurance are other instruments used to lower this risk. Until now there has been no significant concentration of credit risks and the necessary provisions have been set up for existing risks.

For other general risks the reader is referred to the 2013 Annual Report (Annual Report of the Board of Directors), where bank covenants, liquidity and capital structure risks, impairment risks and risks from legal and arbitration proceedings are discussed on pages 36 ff.

9. Declaration concerning the information given in this half-yearly financial report

The undersigned declare that, to the best of their knowledge,

- the abbreviated financial overviews, which have been drawn up in accordance with the applicable standards for annual financial statements, give a true and fair view of the net assets, the financial situation and the results of Roularta Media Group and of the companies included in the consolidation;
- the interim financial report presents a true and fair view of the key events and principal transactions with affiliated parties during the first six months of the current financial year and of their impact on the abbreviated financial overviews, as well as a description of the principal risks and uncertainties during the remaining months of the financial year.

Rik De Nolf, CEO
Jan Staelens, CFO

10. Auditor's report

Roularta Media Group

Report on review of the consolidated interim financial information
for the six-month period ended 30 June 2014
The original text of this report is in Dutch

To the board of directors

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the consolidated condensed balance sheet as at 30 June 2014, the consolidated condensed income statement, the consolidated condensed statement of comprehensive income, the consolidated condensed statement of changes in equity and the consolidated condensed cash flow statement for the period of six months then ended, as well as selective notes.

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Roularta Media Group NV ('the company') and its subsidiaries (jointly 'the Group'), prepared in accordance with International Financial Reporting Standard IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

The consolidated condensed balance sheet shows total assets of 789,407 (000) EUR and the consolidated condensed income statement shows a consolidated profit (Group share) for the period then ended of 2,466 (000) EUR.

The board of directors of the company is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of review
We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410 – *Review of interim financial information performed by the independent auditor of the entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Roularta Media Group NV has not been prepared, in all material respects, in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Emphasis of Matter
Without modifying our unqualified conclusion, we draw the attention to explanatory Note 8 of the consolidated interim financial information. This note should be read together with Note 13 of the consolidated financial statements for the year ended 31 December 2013. This explanatory note describes the significant sensitivity of the business plans and assumptions used for the impairment tests of the goodwill and the intangible assets with indefinite lifetime. The cash generating units 'News France', 'Lifestyle France' and 'Business France' remain the most sensitive.

Kortrijk, 22 August 2014
The statutory auditor
DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL

Represented by
Frank Verhaegen
Kurt Dehoorne