Roularta
Annual report 2009





Roularta Media Group

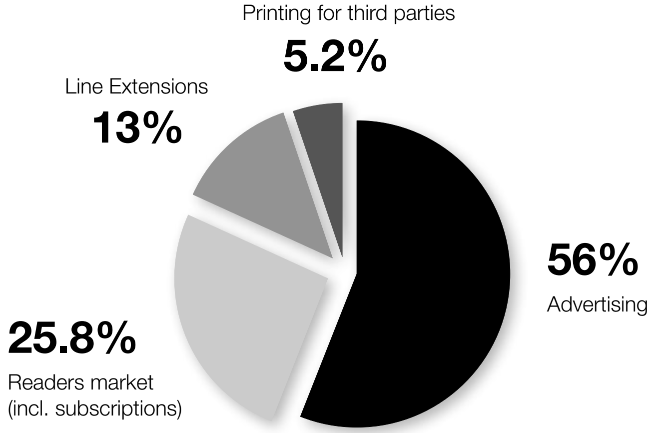
Consolidated key figures

INCOME STATEMENT	*in millions of euros*	2007	2008	2009	Trend
Sales		**767**	**782**	**707**	**-9.5%**
EBITDA (1)		**80**	**67**	**37**	**-45.2%**
REBITDA (2)		**81**	**65**	**53**	**-18.4%**
	REBITDA - margin	*10.6%*	*8.3%*	*7.5%*	
EBIT (3)		**50**	**33**	**10**	**-68.8%**
REBIT (4)		**57**	**40**	**29**	**-26.6%**
	REBIT - margin	*7.4%*	*5.1%*	*4.1%*	
Net finance costs		-14	-14	-13	-11.1%
Operating profit after net finance costs		**36**	**18**	**-3**	**-113.7%**
Income taxes		-20	-6	-2	-62.5%
Net profit of the consolidated companies		**16**	**13**	**-5**	**-136.8%**
Attributable to minority interest		0	-1	0	
Attributable to equity holders of RMG		**16**	**14**	**-4**	**-130.4%**
	Net profit attributable to equity holders of RMG - margin	***2.1%***	***1.8%***	***-0.6%***	
Current net profit of the consolidated companies		**23**	**18**	**11**	**-41.1%**
	Current net profit of the consolidated companies - margin	*3.0%*	*2.3%*	*1.5%*	

BALANCE SHEET	*in millions of euros*	2007	2008	2009	Trend
Non current assets		687	701	633	-9.7%
Current assets		322	382	313	-18.2%
Balance sheet total		1,009	1,084	946	-12.7%
Equity - Group's share		284	318	312	-2.0%
Equity - minority interests		13	11	13	+15.5%
Liabilities		713	755	621	-17.7%
Liquidity (5)		1.0	1.1	1.0	-9.1%
Solvency (6)		29.4%	30.4%	34.3%	+12.8%
Net financial debt		248	165	126	-23.6%
Gearing (7)		83.6%	50.2%	38.9%	-22.5%

(1) EBITDA = operating cash flow = EBIT + depreciations, write-downs and provisions.
(2) REBITDA = current operating cash flow = EBITDA + restructuring costs and exceptional, one-off costs.
(3) EBIT = operating result.
(4) REBIT = current operating result = EBIT + restructuring costs and exceptional, one-off costs, depreciations, write-downs and provisions.
(5) Liquidity = current assets / current liabilities.
(6) Solvency = equity (Group's share + minority interests) / balance sheet total.
(7) Gearing = net financial debt / equity (Group's share + minority interests).

Sales analysis 2009



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MISSION

Roularta Media Group (RMG), as a multimedia company, sets out to create value for its readers, surfers, viewers, listeners, advertising customers, employees and shareholders.

STRATEGY IN BELGIUM

Roularta is resolved to be a dynamic and leading publisher and printer of news and niche magazines, newspapers and freesheets, and a key player in audiovisual media and electronic publishing in Belgium.

For the wider public RMG produces freesheets, open network TV, radio and the Vlan.be internet site.

For special target groups RMG produces quality magazines, a TV news station and content-rich portal sites.

Roularta is constantly looking for opportunities with new titles, marketing initiatives and new media to strengthen its position in Belgium and abroad.

This approach places Roularta in an outstanding position to offer advertisers a multi-channel media mix to strengthen their communication.

The Group is striving for a balanced complementarity between freesheets and magazines, between new and traditional media, and between print and radio/TV.

At the same time a policy of vertical integration (content, advertising sales, production) and multimedia approach increases flexibility and reduces exposure to economic cyclicality.

INTERNATIONAL

Groupe Express-Roularta (GER) groups a number of prestigious weekly and monthly magazines, organises fairs and develops websites. Roularta realises a third of its sales in France.

In joint venture with the French group Bayard, Roularta is active in the Netherlands and Germany with senior citizens magazines and in Germany with a wide range of magazines for parents and children, home and garden.

Roularta publishes city magazines in Belgium and France, Slovenia, Croatia and Serbia.

Innovation is an attitude

Baron Hugo Vandamme, Chairman of the board of directors

At Roularta, we seized the 2009 crisis as an opportunity. We reviewed again every title, every structure, every organisation, every procedure, every way of doing things. This has led to changes across the entire Group resulting in an efficient, flexible and dynamic organisation.

This unfortunately meant having to take leave of a number of employees. But it also ensures that we can build the team again and return to our history of a stable, talented employee team. Both in Belgium and France but also in Slovenia, Croatia and Serbia, where we are exploring the possibilities of launching our city magazines also abroad.

We have not only worked on a more flexible organisation but at the same time prepared our future. We have reviewed all our titles. Some have been re-layouted, in others we have adapted the content, and others like Knack and Le Vif/L'Express have been extended with special theme issues. We have adapted the frequency of our medical journals, and in our B2B portfolio we have stopped two titles and merged two others.

Creativity and innovation have been constantly the order of the day. And particularly in our free press business, where we have very successfully extended the De Zondag format and formula to all our De Streekkrant editions.

This 'creative mood' is the common thread throughout Roularta. In France too, we have had new layouts, mergers, new titles. Our lifestyle magazine L'Express Styles is now France's most widely distributed women's magazine. Our news magazine L'Express has been able to increase its market share.
The main innovation, however, is our multimedia approach. More than ever, this has become our driving force. We offer our customers a total package of magazines, free press, internet, mobile internet and television services. With our specialists in premedia we are among the top of the world and are a leading factor in the field of electronic communication, placing us in pole position to offer new opportunities.
The new presses we installed in 2008 and 2009 have reinforced us in the battle for competitiveness in the printing world. Our efficient printing house has been able to capture major new print orders and we now print almost all our French titles in-house.

2009 was a difficult year. Last year we made our own Hillary Clinton's saying: "Don't waste a good crisis". We have applied this with all its consequences, and we are grateful to all our stakeholders and employees. 2010 will not be easy, but we all believe in it and are determined to go for it! More than ever, every day will be one in which creativity and innovation will be central to all we do, throughout our company.

Focus on reorganisation and restructuring

by Rik De Nolf, President of the management team and CEO

In 2009 all attention was focused on reorganisation and restructuring. The economic crisis demanded that everyone analyse every process and rationalise where possible. At the same time Roularta continued to innovate and indeed take new initiatives.

B2C MAGAZINES

These magazines were confronted with falling advertising income.
The readers' market held up better, but not without a certain slippage in newsstand sales.
New editors-in-chief were appointed for various titles (Trends, Trends-Tendances, Bizz, etc.).
These are young and, quite by chance, mainly female in-house talents ready to take on new responsibilities: An Goovaerts (Trends), Nathalie van Ypersele (Trends-Tendances), Christine Laurent (Le Vif/L'Express), Delphine Kindermans (Le Vif Weekend), Camille Van Vyve (Bizz), Serge Vanmaercke (Gentleman) and Steven Vandenbroeke (Cash/Moneytalk).

'Ladies' was launched as a counterpart to the men's lifestyle magazine Gentleman.
In autumn a Dutch-language edition of Côté Sud was brought onto the market for Flanders and the Netherlands.
The Knack and Le Vif/L'Express information package was extended with a second weekly edition (18 times a year). Knack Extra and Le Vif Extra are thematic issues intended for the bookshelf.

In France, Studio and Ciné Live were merged into a new film monthly, now in prominent number one position in terms of paid circulation.
The same operation was undertaken with Classica and Le Monde de la Musique. The new Classica, now a joint venture between Roularta and Les Echos, also took the number one slot.
The monthly magazine Atmosphères was merged with Femmes de Prisma Presse (on a royalty deal basis).
The specialist music magazines (Guitar Part and others) and the audio-video-hifi publications were sold.
Two new thematic magazines 'Côté Cuisines et Bains' and 'Côté Terrasses et Jardins' started in the spring.
The L'Etudiant group grew thanks to its fairs and to advertising income from its websites.
L'Express, L'Expansion, L'Entreprise, Mieux Vivre Votre Argent and Point de Vue received new layouts.
The weekly magazine Styles L'Express, the equivalent number of Knack Weekend, appears to be appreciated by the lifestyle world and is producing growing advertising revenue.
In 2010 the group is beginning its own job ad service and its own jobs site, which should produce further income for both L'Express and the business magazines and for A Nous Paris. The L'Express/Le Figaro combination prices continue.
All French titles now are printed one after another at Roularta Printing in Roeselare, with the new presses running day and night. Following the major renewal of the production apparatus, Roularta is not planning any major new investments in 2010. The new huge heatset rotary press, the largest in the world (256 pages magazine format on glossy paper) is turning at full speed. The new magazine presses (72 and 16 pages in addition to the two 48 and 32 page presses) have doubled capacity, taking the paper consumption to 100,000 tons a year.

B2B MAGAZINES

The B2B magazines were the hardest hit by the crisis.
The medical publications now consist of a weekly magazine for general practitioners, two fortnightly magazines for dentists and pharmacists and a new monthly magazine for specialists.
In the IT area, Data News and Business ICT have been merged. The future looks good for the new Data News with the demise of the competition from the market and a new general public project ('this is it') to be announced shortly. And with m.datanews.be a mobile website has been launched with daily ICT news for iPhone, blackberry and all kinds of smartphones.
Facilities and Texbel were terminated.

FREE PRESS

The local information media division continued to perform well. Job ads only were down, but much less than in the daily newspaper supplements.
The new formula of the glossy free magazine Steps is proving a success, thanks to the colour printing on glossy paper and distribution via the De Zondag network.
De Zondag continued to grow in volume and with an additional regional edition. The success on the readers' market (more than 3 readers per copy according to the CIM survey) led us to change the De Streekkrant formula. Since the start of 2010 it now has the same format and editorial formula as De Zondag, becoming the weekday edition of De Zondag, which is itself the Sunday edition of De Streekkrant. Advertisers are discovering the new combination possibilities.

RADIO AND TV

Vlaamse Media Maatschappij (50% Roularta Media Group) now groups together a whole series of different brands: VTM, 2BE, JIM and vtmKzoom (TV) and Q-music and JOE fm (radio), but also iWatch (VOD), Anne (digital radio) and JIM Mobile (phone cards). Production house Studio-A and Paratel (telephone platform) are two VMMa subsidiaries.
Despite the difficult times the decision was taken to continue investing in programming. This has paid off, and indeed a new children's station 'vtmKzoom' has been started in timesharing with Kanaal Z.
Roularta business broadcaster concluded a cooperation agreement with VMMa on facilities sharing. Roularta continues as 100% operator of Kanaal Z/Canal Z, with Roularta Media taking care of the advertising side. The station's reach and advertising income continue to evolve well.
VMMa continued its diversification strategy with VTM books, iWatch and JIM Mobile.
VMMa undertook special 'climate efforts', investing in solar panels and a green energy contract. The 10/10 initiative was launched in the wake of the Copenhagen Climate Conference: 10 TV climate clips encouraged viewers to consume 10% less energy in 2010. A vtm.be/1010 climate site was developed and weather caster Jill Peeters was proclaimed European climate woman of the year. WMMa has called in 'Futureproofed' to determine its ecological footprint.
The regional TV stations held up well, and invested in new digital teletext opportunities.

INTERNET

In 2009 internet activities continued to grow in importance. The Roularta (RNews) general portal site now has more than 2 million unique visitors per month. The Roularta Media Online advertisement sales management service offers three interesting packages: News, Business and Lifestyle.
Vlan.be with immovlan, autovlan, jobvlan and shopvlan – a joint venture between Roularta and Rossel – is also now attracting one million unique visitors a month and turnover is growing fast.
The auction site Yez.be was acquired and produced strong growth for shopvlan.be.
Roularta was also appointed an official Google-reseller and is in this way providing a new service to local advertisers.
In France the same portal strategy as in Belgium is now being used, with 4.4 million unique visitors per month as a result. An alliance with the two other news magazines, Le Point and Le Nouvel Observateur, is enabling a high-quality package 'Breaking News' to be offered to advertisers.
L'Etudiant also has another 2 million unique visitors and Côté Maison is now up to 1 million.

This multimedia approach is a major Roularta strength, with print, internet and television systematically combined in advertising campaigns. With seminars, events, awards, surveys, books and custom magazines in print and e-versions, Roularta offers a full 360-degree service.

Roularta as technological innovator

by Erwin Danis, premedia director

Roularta Media Group as a multimedia company is active in various high-tech sectors. Within these different areas the Group researches and develops new opportunities on an ongoing basis, giving Roularta in the process a solid international reputation as a major technology innovator. Roularta Media Group's technological research and development efforts obviously benefit the Group's own internal work processes, but many times they are also the driving force behind decisive market developments.

In 2007 Roularta Publishing, the premedia company of the Roularta Media Group, was one of the five finalists in the prestigious 'Best Innovator' annual competition that consulting firm AT Kearney now organises in no less than ten European countries. Roularta Publishing was nominated for its relentless innovation in developing and implementing standardised methods for getting digital files ready for print. These work methods not only improve the Group's own internal efficiency, but often have an optimising effect for the entire printing industry.

In the field of printed media, for example, Roularta Media Group has been the starting point for various Belgian and international standards describing the methodology for the prepress preparation of digital data and for the electronic exchange of the accompanying order information. Roularta Media Group's pioneering role here is illustrated, among other things, by the following pioneering achievements.

DIGITAL ADVERTISEMENT DELIVERY

As a founding member of Medibel+, the umbrella organisation of the Belgian advertising sector (www.medibelplus.be), Roularta Media Group several years ago achieved the breakthrough of the PDF file format as the standard for the delivery of digital ads to newspapers and magazines. Medibel+'s first PDF standards were based on the results of a Roularta Media Group research project, which tested various software packages for the quality control of PDF files and set recommended procedures for the creation, verification and correction, where necessary, of delivered PDF files. By providing intensive personal guidance to its advertisers Roularta Media Group has also greatly contributed to getting PDF known to a wider audience. The Medibel+ PDF standards are regularly updated. Within Medibel+ Roularta Media Group continues to enhance its pioneer status: Erwin Danis (RMG premedia director) is currently president of the organisation.
Under the guiding impulse of Roularta Media Group, Medibel+ was one of the founders in 2002 of **the Ghent PDF Workgroup** (GWG, www.gwg.org). This – now international – organisation of graphic associations and suppliers from Europe and the United States is seeking to introduce and increase the use of best practices in the printing industry worldwide. GWG is building here on the merits of Medibel+ and has taken over the Medibel+ PDF standards. Within the international GWG too, Roularta Media Group continues to assume its responsibility, with the Group being represented by Erwin Danis (as chairman of the board of directors).

ORDER WORKFLOW DIGITISATION

Roularta Media Group was behind the **development of the AdTicket method for the digitisation of order workflow** between on the one side the media buyers and creative agencies which produce the ads, and on the other side publishing companies. AdTicket allows information about a specific ad, delivered in PDF form, to be included as metadata in the PDF file. Roularta Media Group and Medibel+ launched the first AdTicket in April 2005. In Belgium alone more than 300 advertising agencies currently use this system.

GWG too has introduced an AdTicket, consisting essentially of the existing Medibel+ AdTicket. The internationalisation of the Medibel+ AdTicket method is particularly valuable, since the Belgian agencies using it can now also deliver to foreign publishers using the same standard. With this project Roularta Media Group once again shows its technical innovativeness, and the working methods it has developed are being followed abroad.

DELIVERY OF DIGITAL PHOTOGRAPHIC MATERIAL

Moreover, Roularta Media Group, along with Medibel+, launched **the first Belgian standard for the delivery of digital photographic material**. This standard ensures the good basic and standardised quality of images supplied digitally for publication in magazines or newspapers. The standard is the first to provide clear instructions to digital photographers. It too has been taken over by the GWG and in this way is being globally promoted.

OPTIMISING THE WEB OFFSET PROCESS

Roularta Media Group is heavily committed to various research and standardisation projects to optimise the web offset process. Together with foreign partners in the Web Offset Working Group (WOWG), Roularta Media Group is working, among other things, on developing ISO-standardised ICC colour profiles for web offset printing.

CROSS-MEDIA, INTERACTIVE MAGAZINE EDITORIAL STAFFS

At editorial level too, Roularta Media Group is preparing for the future by introducing CCI NewsGate as a unique system for the entire newsroom, covering editors of all Roularta Media Group news magazines, and with an emphasis on editorial planning, contract management and cross-media reuse of content. NewsGate will be keeping every participant in the editorial process constantly abreast of planned articles and assignments. NewsGate will also streamline the planning process and enable Roularta editorial staff to work 'multi-title' and 'multi-channel'. In this way a particular content item can be recycled in different ways in the various media channels.

An important component of the NewsGate project is the integration of RMG's Fatwire online publishing system that allows users to first collect and edit content in NewsGate, and then send the content through to Fatwire for publication on the web.

With the built-in AdRoom system, NewsGate also provides Roularta Media Group with an efficient combined editorial and advertising system. This new AdRoom system also offers total workflow support for the layouting and production monitoring of internet ads.

Consolidated key figures

INCOME STATEMENT		2007	2008	2009	Trend
Sales		**766,824**	**781,605**	**707,253**	**-9.5%**
EBITDA (1)		**79,831**	**67,126**	**36,756**	**-45.2%**
	EBITDA - margin	*10.4%*	*8.6%*	*5.2%*	
EBIT (2)		**49,563**	**32,714**	**10,222**	**-68.8%**
	EBIT - margin	*6.5%*	*4.2%*	*1.4%*	
Net finance costs		-13,533	-14,323	-12,737	-11.1%
Operating profit after net finance costs		**36,030**	**18,391**	**-2,515**	**-113.7%**
Income taxes		-19,973	-5,626	-2,110	-62.5%
Equity method		-10	-101	-38	
Net profit of the consolidated companies		**16,047**	**12,664**	**-4,663**	**-136.8%**
Attributable to minority interest		108	-1,091	-478	
Attributable to equity holders of RMG		**15,939**	**13,755**	**-4,185**	**-130.4%**
	Net profit attributable to equity holders of RMG - margin	***2.1%***	***1.8%***	***-0.6%***	
REBITDA (3)		81,163	65,218	53,190	-18.4%
	REBITDA - margin	*10.6%*	*8.3%*	*7.5%*	
REBIT (4)		57,213	39,840	29,227	-26.6%
	REBIT - margin	*7.5%*	*5.1%*	*4.1%*	
Current net profit of the consolidated companies		23,145	17,939	10,563	-41.1%
	Current net profit of the consolidated companies - margin	*3.0%*	*2.3%*	*1.5%*	

BALANCE SHEET	2007	2008	2009	Trend
Non current assets	687,076	701,401	633,152	-9.7%
Current assets	321,890	382,422	312,662	-18.2%
Balance sheet total	1,008,966	1,083,823	945,814	-12.7%
Equity - Group's share	283,675	318,071	311,851	-2.0%
Equity - minority interests	12,600	11,249	12,995	+15.5%
Liabilities	712,691	754,503	620,968	-17.7%
Liquidity (5)	1.0	1.1	1.0	-9.1%
Solvency (6)	29.4%	30.4%	34.3%	+12.8%
Net financial debt	247,745	165,389	126,435	-23.6%
Gearing (7)	83.6%	50.2%	38.9%	-22.5%

(1) EBITDA = operating cash flow = EBIT + depreciations, write-downs and provisions.
(2) EBIT = operating result.
(3) REBITDA = current operating cash flow = EBITDA + restructuring costs and exceptional, one-off costs.
(4) REBIT = current operating result = EBIT + restructuring costs and exceptional, one-off costs, depreciations, write-downs and provisions.
(5) Liquidity = current assets / current liabilities.
(6) Solvency = equity (Group's share + minority interests) / balance sheet total.
(7) Gearing = net financial debt / equity (Group's share + minority interests).

All financial amounts expressed in thousands of euros.

Key figures by division

		PRINTED MEDIA				AUDIOVISUAL MEDIA			
		2007	2008	2009	Trend	2007	2008	2009	Trend
Sales		**592,653**	**610,177**	**550,188**	**-9.8%**	**181,310**	**179,178**	**162,307**	**-9.4%**
EBITDA		**54,746**	**42,774**	**14,169**	**-66.9%**	**25,085**	**24,352**	**22,587**	**-7.2%**
	EBITDA - margin	*9.2%*	*7.0%*	*2.6%*		*13.8%*	*13.6%*	*13.9%*	
EBIT		**33,294**	**16,272**	**-8,631**	**-153.0%**	**16,269**	**16,442**	**18,853**	**+14.7%**
	EBIT - margin	*5.6%*	*2.7%*	*-1.6%*		*9.0%*	*9.2%*	*11.6%*	
Net finance costs		-13,041	-13,753	-12,030	-12.5%	-492	-570	-707	+24.0%
Operating profit after net finance costs		**20,253**	**2,519**	**-20,661**	**-920.2%**	**15,777**	**15,872**	**18,146**	**+14.3%**
Income taxes		-10,783	-1,429	3,923	-374.5%	-9,190	-4,197	-6,033	+43.7%
Equity method		-10	-101	-38					
Net profit of the consolidated companies		**9,460**	**989**	**-16,776**		**6,587**	**11,675**	**12,113**	**+3.8%**
Attributable to minority interest		662	-161	-280	+73.9%	-554	-930	-198	-78.7%
Attributable to equity holders of RMG		**8,798**	**1,150**	**-16,496**		**7,141**	**12,605**	**12,311**	**-2.3%**
	Net profit attributable to equity holders of RMG - margin	***1.5%***	***0.2%***	***-3.0%***		***3.9%***	***7.0%***	***7.6%***	
REBITDA		56,078	40,866	29,512	-27.8%	25,085	24,352	23,678	-2.8%
	REBITDA - margin	*9.5%*	*6.7%*	*5.4%*		*13.8%*	*13.6%*	*14.6%*	
REBIT		37,533	21,364	11,997	-43.8%	19,680	18,476	17,230	-6.7%
	REBIT - margin	*6.3%*	*3.5%*	*2.2%*		*10.9%*	*10.3%*	*10.6%*	
Current net profit of the consolidated companies		12,593	4,230	-521	-112.3%	10,552	13,709	11,084	-19.1%
	Current net profit of the consolidated companies - margin	*2.1%*	*0.7%*	*-0.1%*		*5.8%*	*7.7%*	*6.8%*	

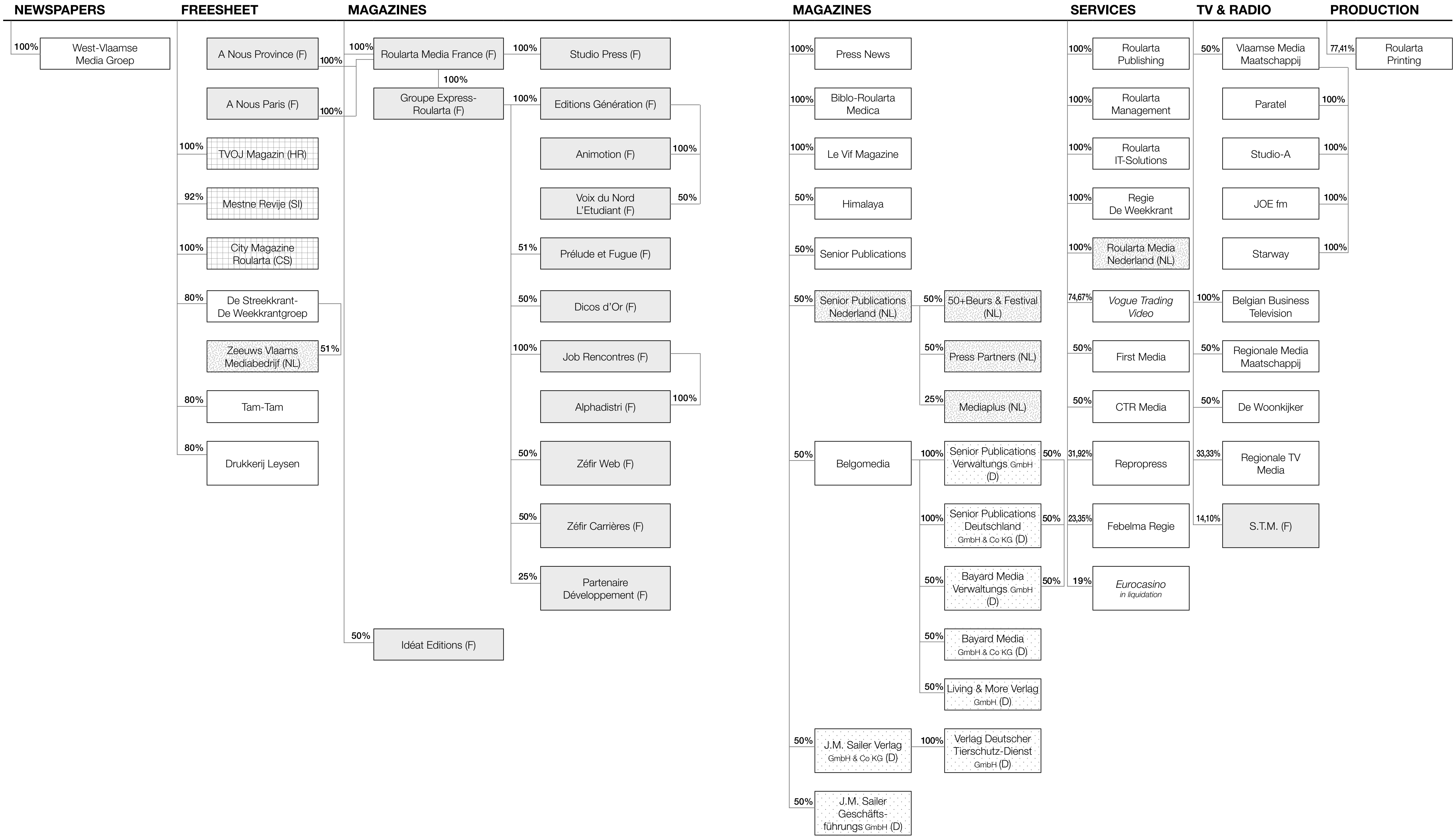
Highlights per share(1)

DESCRIPTION	*in euro*	2007	2008	2009
Equity - Group's share		26.51	29.85	24.71
EBITDA		7.46	6.30	2.91
REBITDA		*8.05*	*6.12*	*4.22*
EBIT		4.63	3.07	0.81
REBIT		*5.35*	*3.74*	*2.32*
Net profit RMG		1.49	1.29	-0.33
Net profit RMG after dilution		1.47	1.29	-0.33
Current net profit of the consolidated companies		*2.16*	*1.68*	*0.84*
Gross dividend		0.75	0.00	0.00
Price/Earnings (P/E) (2)		**22.66**	**7.43**	**18.22**
Number of shares at 31/12		11,037,050	13,131,940	13,131,940
Weighted average number of shares		10,699,646	10,654,787	12,619,077
Weighted average number of shares after dilution		10,825,112	10,686,099	12,619,077
Highest share price		68.82	52.00	17.95
Share price at year-end		49.02	12.51	15.25
Market capitalisation in mill. EUR at 31/12		541.04	164.28	200.26
Yearly volume in million EUR		101.25	43.19	18.06
Yearly volume in number		1,640,467	1,499,835	1,283,950

(1) On the basis of the weighted average number of shares.
(2) Earnings = current net profit of the consolidated companies.

All financial amounts expressed in thousands of euros.

Group structure Roularta Media Group **at 31-12-2009**



Board of directors

Baron Hugo Vandamme
Permanent representative of HRV NV
Independent director
Chairman (2010)

Rik De Nolf
Permanent representative of De Publigraaf NV
Managing director (2010)
Member of the Appointments and Remuneration Committee

Leo Claeys
Permanent representative of De Meiboom NV
Non-executive director
Vice-chairman (2010)
Member of the Audit Committee and Appointments and Remuneration Committee

Lieve Claeys
Permanent representative of Fraka-Wilo NV
Executive director (2012)

Caroline De Nolf
Permanent representative of Verana NV
Non-executive director (2012)

Iwan Bekaert
Permanent representative of Idemap BVBA
Non-executive director
(Resignation on 13/11/2009)

Jean Pierre Dejaeghere
Executive director (2012)

Clement De Meersman
Permanent representative of Clement De Meersman BVBA
Independent director (2010)
President of the Audit Committee

Dirk Meeus
Independent director (2010)
Member of the Audit Committee and Appointments and Remuneration Committee

Executive management committee

Rik De Nolf
CEO

Xavier Bouckaert
COO

Jan Staelens
CFO

Marc Feuillée
Chairman Directoire
Groupe Express-Roularta

Management team Belgium

Rik De Nolf
Chairman

Xavier Bouckaert
Director magazines

Eddy Brouckaert
Director newspapers

Jo Bruneel
Director freesheets

Jan Cattrysse
Director administration

Erwin Danis
Director premedia

Katrien De Nolf
Director human resources

Hugues De Waele
Director foreign media

William Metsu
Director printing

Jan Staelens
Director finance

Michel Tubbax
Director national advertising

Willem Vandenameele
Director IT

Directoire

Marc Feuillée
Chairman of the Executive Board

Christophe Barbier
Editorial Director L'Express

Corinne Pitavy
CEO

Management team France

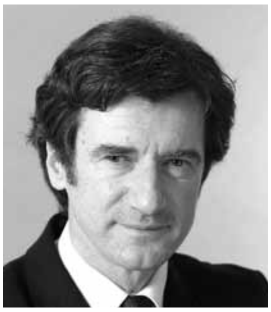
Véronique Darasse
Director human resources

Sophie de Beaudéan
Director finance

Corinne Denis
Director multimedia

Anne Evrard
Subscription and derived products director

Sébastien Loison
Managing director Point de Vue and Studio

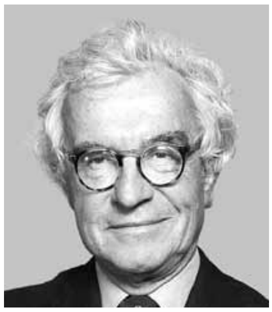


Eric Matton
Consumer branch director

Marie-Pierre Ombrédanne
Deco branch publisher

Véronique Pican
Sales director Express-Roularta services advertising

Jean Weiss
Specialised media branch director



Jean-Antoine Bouchez
Director Mieux Vivre Votre Argent

Corporate governance

DECLARATION REGARDING THE INFORMATION GIVEN IN THIS 2009 ANNUAL REPORT

The undersigned declare that:

- the annual accounts, prepared in accordance with the standards applicable to annual accounts, give a true and fair view of the assets, financial condition and results of the issuer and the consolidated companies;
- the annual report gives a true and fair view of the development and the results of the company and of the position of the issuer and the consolidated companies, as well as a description of the main risks and uncertainties they are faced with.

Rik De Nolf, CEO
Jan Staelens, CFO

DECLARATION REGARDING CORPORATE GOVERNANCE

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

In the light of this task, Roularta Media Group, as a listed Belgian company, subscribes to the Belgian Corporate Governance Code (2009) as its reference code.

The board believes that observing as closely as possible the principles set out in the Corporate Governance Charter will lead to more efficient, more transparent governance and better risk management and control of the company. Roularta Media Group's aim in doing so is to maximise value for its shareholders, its stakeholders and its institutional investors. The Corporate Governance Charter, which is published on the company's website[1], sets out in an exhaustive and transparent fashion how Roularta Media Group is governed and how account for this governance is rendered. The Corporate Governance Charter of NV Roularta Media Group was approved by the board of directors and is regularly updated.

In this Declaration on Corporate Governance that forms a specific chapter of the annual report, the board of directors, in accordance with Annex F of the Belgian Corporate Governance Code, gives more factual information about the implementation of the corporate governance policy and about the application of remuneration policy over the past year.

COMPOSITION OF AND REPORT BY THE BOARD OF DIRECTORS AND ITS COMMITTEES, AND THE PERSONAL ATTENDANCE LEVELS OF THEIR MEMBERS

Board of directors

The board of directors of NV Roularta Media Group had nine members in the course of 2009:

- six directors representing the reference shareholder, in accordance with the proposal rights under the articles of association: Mr Rik De Nolf, permanent representative of NV De Publigraaf (2010), Mr Leo Claeys, permanent representative of NV De Meiboom (2010), Ms Lieve Claeys, permanent representative of NV Fraka-Wilo (2012), Ms Caroline De Nolf, permanent representative of NV Verana (2012), Mr Jean Pierre Dejaeghere (2012) and BVBA Idemap, represented by its permanent representative, Mr Iwan Bekaert.
  BVBA Idemap, represented by its permanent representative, Mr Iwan Bekaert, tendered its resignation from the board on 13 November 2009.
- three independent directors, all of whom hold executive corporate functions:
  - Mr Clement De Meersman, permanent representative of BVBA Clement De Meersman (2010), a director of NV Deceuninck and NV Elia;
  - Mr Dirk Meeus (2010), a partner in Allen & Overy LLP;
  - Baron Hugo Vandamme, permanent representative of NV HRV

[1] *www.roularta.be/en/investor_info*

(2010), vice-chairman of the board of directors of NV Picanol and chairman of the board of directors of NV Alfacam Group. Baron Hugo Vandamme has considerable international experience and, as a member of the corporate governance committee and of Guberna, is very familiar with corporate governance.

The board of directors met eleven times during the past year.

Attendance of individual board members in 2009:

Executive director and CEO	
Rik De Nolf	11
Executive directors	
Lieve Claeys	10
Jean Pierre Dejaeghere	10
Non-executive directors	
Leo Claeys	10
Caroline De Nolf	8
Iwan Bekaert	9
Independent, non-executive directors	
Baron Hugo Vandamme, chairman	11
Dirk Meeus	11
Clement De Meersman	10

For 2010, six board meetings are planned.

The mandates of Publigraaf NV, represented by Mr Rik De Nolf, and De Meiboom NV, represented by Mr Leo Claeys, come to an end at the general meeting of 18 May 2010. The board will, on the advice of the appointments and remuneration committee, be recommending to the general meeting that it renew these directors' mandates for a further four-year term.

After the general meeting in 2010 the three independent directors will no longer meet the criteria of independence of article 526ter of the Companies' Code.

The board of directors will, on the advice of the appointments and remuneration committee, be proposing to the general meeting of 18 May 2010 that it appoint three new independent directors who meet the criteria of independence of article 526ter of the Companies' Code:

- *Mr Carel Bikkers, permanent representative of BV Carolus Panifex Holding,* has for the past nine years headed up the Dutch media group Audax, a multi-faceted organisation that is involved in the broadest sense of the term with the publishing, distribution and retailing of media and related products. Prior to this Mr Carel Bikkers worked as general manager of Kwik-Fit Europe BV, Europe's largest car service chain.
- *Ms Marleen Vaesen, permanent representative of BVBA MAVAC.* After a career in Procter & Gamble, where until 1999 she was Marketing Director Europe, Ms Marleen Vaesen is today active at Sara Lee, where as Senior Vice President Coffee & Tea (West and South Europe and Russia) she is responsible for the results of the coffee and tea business in eight European countries.
- *Mr Marc Verhamme, permanent representative of NV Pur Vie,* was until 1994 CEO of the North and North-West European fresh produce division of Danone. Mr Marc Verhamme is today an industrialist and owns a number of SMEs producing organic food products like yoghurt and fresh cheese,... with brands such as MIK and PurNatur.

The proposed new independent directors have acquired broad experience in their careers in various management and executive positions in different business sectors. Thus Mr Carel Bikkers brings broad experience and expertise in the publishing and distribution world, while Ms Marleen Vaesen and Mr Marc Verhamme offer distinct added value in the board of directors in marketing and communication.

The board believes that the competences of the proposed new independent directors complement those already present in it.

On the advice of the appointments and remuneration committee, a recommendation will be made to the general meeting to reappoint NV HRV, represented by its permanent representative, Baron Hugo Vandamme, as a (non-executive) director for a four-year term.

Mr Jean Pierre Dejaeghere has informed the board that he wishes to resign from the board at the general meeting. On the advice of the appointments and remuneration committee, the board of directors is not proposing that he be replaced.

The board wishes to thank the outgoing directors, BVBA Clement De Meersman, represented by its permanent representative, Mr Clement De Meersman, Mr Dirk Meeus, Mr Jean Pierre Dejaeghere and BVBA Idemap, represented by its permanent representative Mr Iwan Bekaert (who already tendered his resignation in 2009), for the many years of commitment and the demonstrable value they have brought to the functioning of the board of directors.

Having sat for twelve years as independent directors, ever since the IPO of the company in 1998, Clement De Meersman and Dirk Meeus no longer meet the new statutory requirements for independence. Iwan Bekaert and Jean Pierre Dejaeghere remained directors after their careers at Roularta (as General Manager and Chief Financial Officer respectively). Roularta Media Group is very grateful to them for all the years of cooperation.

Audit committee

In conformity with the Belgian Corporate Governance Code, the audit committee consists solely of non-executive directors (3), including two independent directors. The expertise in accounting and auditing of Mr Clement De Meersman, independent director and also chairman of the audit committee, is evident among other things from his former position of CEO of Deceuninck Plastics NV, where he was closely involved in financial reporting and the external auditing of the figures by the statutory auditor. The audit committee met four times in 2009. During these meetings the audit committee controlled the integrity of the financial information of the company, closely monitored the activities of the internal and external auditor, and where it deemed necessary, made recommendations in these respects to the board of directors.

At the invitation of the chairman, the audit committee was attended by the statutory auditor (Deloitte Bedrijfsrevisoren BV o.v.v.e. CVBA, represented by Mr Frank Verhaegen and Mario Dekeyser) the CFO, Jan Staelens and the internal auditor, Ms Eveline Maertens.

Attendance at audit committee meetings in 2009:

Clement De Meersman, chairman	4
Leo Claeys	4
Dirk Meeus	4

Appointments and remuneration committee

The board of directors has used the opportunity as provided in the Corporate Governance Code to establish a single, joint appointments and remuneration committee.

By way of departure from the Belgian Corporate Governance Code (5.4.), the CEO is a member of the appointments and remuneration committee. The reason for this divergent composition is that the main task of this committee is to address the policy for recruiting and remunerating the members of executive management. These are matters in which the judgment of the CEO, who is closely involved in executive management, is very valuable.

The appointments and remuneration committee met twice during 2009. The main items on its agenda were developing a new remuneration policy for board members, organising the executive management of the Group and recruiting and screening candidate independent directors.

Attendance at appointments and remuneration committee meetings in 2009:

Baron Hugo Vandamme, chairman	2
Rik De Nolf	2
Leo Claeys	2
Dirk Meeus	2

In 2009, the board of directors put together, on the advice of the appointments and remuneration committee, a new remuneration policy for board members. The starting point of the new remuneration policy is the ability to attract and retain qualified directors having the required background in and experience of the various components of enterprise management. For this, a new remuneration policy was drawn up, which reflects market remuneration levels and also the size and complexity of the company, where possible using reference data. The new remuneration policy will be submitted by the board to the general meeting for approval.

ASSESSMENT OF THE BOARD AND BOARD COMMITTEES

Every year the board of directors undertakes a review, led by the chairman and assisted by the appointments and remuneration committee, of its size, composition, functioning and interaction with executive management.

This assessment has four objectives:

1. assessing the operation of the board of directors;
2. examining whether important issues are thoroughly prepared and discussed;
3. assessing the actual contribution of each director to the activities of the board of directors, on the basis of his or her presence at board and committee meetings and his or her constructive involvement in discussions and decision-making;
4. establishing a comparison between the current composition of the board of directors and the pre-defined desired composition of the same.

Every year the non-executive directors assess their interaction with senior management and, where appropriate, make proposals to the chairman of the board of directors for improving this interaction.

The contribution of each director is reviewed at regular intervals. In the event of a reappointment, the engagement and the effectiveness of the director is evaluated.

COMPOSITION OF EXECUTIVE MANAGEMENT

In March 2009, by mutual agreement, Mr Jean Pierre Dejaeghere was replaced as CFO by Mr Jan Staelens. At the request of the CEO and the board of directors, Mr Jean Pierre Dejaeghere continues to undertake ad hoc consultancy assignments for Roularta Media Group.

The management of the company in November 2009 was strengthened by the creation of an executive management committee consisting of the Chief Executive Officer (Rik De Nolf), the Chief Operating Officer (Xavier Bouckaert), the Chief Financial Officer (Jan Staelens) and the Chairman of the Directoire of Groupe Express-Roularta (Marc Feuillée).

Mr Hans Maertens left Roularta Media Group at the end of 2009. His role in the Belgian management team was taken over by Xavier Bouckaert.

Given the importance of Groupe Express-Roularta within the Group, it was decided to add the members of the Directoire and the members of the French management team to the executive management of the Group.

The executive management committee, together with the Belgian management team (composition on p. 14), the Directoire and the French management team (composition on p. 16), form the executive management of Roularta Media Group.

DESCRIPTION OF THE PRINCIPAL FEATURES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The internal control of Roularta Media Group is based on the COSO ERM model and is designed to provide reasonable assurance regarding the achievement of the objectives of the company. This implies, among other things, recognising and managing both operational and financial risks, compliance with laws and regulations, and monitoring reporting.

A key element in risk management is the annual budget exercise, consisting of multiple consultations and discussions on business risks, the strategy, business plans and intended results. The final result is a set of objectives and targets, together with projects which should contribute to the better management or control of risks.

Continuous monitoring, primarily on the basis of built-in controls in a highly automated operational environment, ensures the prevention or timely detection of potential risks. The security of IT systems is crucial in this. Particular attention is paid here to:

- mirrored systems;
- access security;
- keeping apart of test and production environments;
- back-up power generation;
- back-up procedures.

Besides IT technical control, operational risk management is mainly characterised by the following measures:

- organisation charts and reporting lines;
- clear employee functional descriptions;
- procedures and guidelines communicated via the intranet;
- continuous training activities and improvement initiatives.

Risk management in terms of financial reporting consists primarily of:

- the accounting rules that are applicable on a daily basis;
- the uniformity sought within the various Group companies;
- auditing by the statutory auditor.

Many processes within Roularta Media Group are automated. An important component of automation consists of risk management with a focus on accuracy, completeness, consistency, timeliness and authentication/authorisation of information.

The company has an internal auditor (a member of the Institute of Internal Auditors), who prepares an annual plan on the basis of a risk analysis. This annual plan can be supplemented by ad hoc assignments passed by the audit committee/management team to the internal auditor.

POLICY CONCERNING TRANSACTIONS AND OTHER CONTRACTUAL RELATIONSHIPS BETWEEN THE COMPANY, INCLUDING AFFILIATED COMPANIES, AND ITS DIRECTORS AND MEMBERS OF THE EXECUTIVE MANAGEMENT NOT COVERED BY THE CONFLICT OF INTERESTS RULES

Taking into account the principles and guidelines contained in the Belgian Corporate Governance Code, the company has developed a policy on transactions and other contractual relationships between the company, including affiliated companies, and its directors and members of the executive management not covered by the statutory conflict of interests rules.

A transaction or a contractual relationship of any kind is deemed to exist between the company and its directors and/or members of its executive management when:

- a director or a member of the executive management has a significant personal financial interest in the corporate body with which Roularta Media Group wants to conclude a transaction;
- a director or member of the executive management or his or her spouse, cohabiting partner, child or blood or other relative up to the second degree are members of the board of directors or the executive management of the corporate body with which Roularta Media Group wishes to conclude a major transaction;
- the board deems that such a conflict exists in respect of the proposed transaction.

The director or member of the executive management concerned shall provide the board with all possible relevant information relating to the conflict of interests. He or she shall refrain from participating in the discussion and decision-making on this agenda item.
The board of directors confirms that in the past year no such transactions have taken place and no situations have arisen giving rise to the application of the above procedure.

PROTOCOL FOR AVOIDING MISUSE OF INSIDER INFORMATION

The protocol to avoid abuse of insider information prohibits directors, members of the management team, other members of staff or external persons employed by the company, who, by the nature of their function come into contact with confidential information, from trading, directly or indirectly, on the basis of insider information, in financial instruments issued by Roularta Media Group.

REMUNERATION REPORT

Annual remuneration of executive and non-executive directors

In 2009, the remuneration policy for executive and non-executive directors remained unchanged from previous years.
Non-executive directors and executive directors in their capacity as directors receive only a fixed remuneration as compensation for their membership of the board of directors and their attendance at the meetings of the committees of which they are members.

Directors' remuneration is set with reference to their respective responsibilities and the amount of time spent by them.
Non-executive directors receive no performance-related remuneration such as bonuses, long-term incentive programmes, benefits in kind or pension plans. Nor are options or warrants allotted to non-executive directors. There are no contributions to pensions or similar benefits for directors.

The provisions concerning the remuneration of the non-executive directors apply equally to executive directors in their capacity as directors.

Directors' remuneration 2009

		Fixed	Variable
Hugo Vandamme (permanent representative of NV HRV)	Non-executive	€ 100,000.00	-
Rik De Nolf (permanent representative of NV De Publigraaf)	Executive	€ 100,000.00	-
Leo Claeys (permanent representative of NV De Meiboom)	Non-executive	€ 58,500.00	-
Lieve Claeys (permanent representative of NV Fraka-Wilo)	Executive	€ 25,000.00	-
Caroline De Nolf (permanent representative of NV Verana)	Non-executive	€ 25,000.00	-
Iwan Bekaert (permanent representative of BVBA Idemap)	Non-executive	€ 25,000.00	-
Jean Pierre Dejaeghere	Executive	€ 25,000.00	-
Clement De Meersman (permanent representative of BVBA Clement De Meersman)	Non-executive	€ 40,000.00	-
Dirk Meeus	Non-executive	€ 40,000.00	-

Remuneration of members of executive management

The remuneration of the members of executive management is set by the board of directors based on the recommendation of the Chief Executive Officer, assisted by the appointments and remuneration committee.

The level and structure of the remuneration of the executive management need to enable the company to attract, retain and continually motivate qualified and skilled managers, taking into account the nature and scope of their individual responsibilities.
The amount and structure of the basic remuneration of the executive management is regularly reviewed for its compliance with market conditions by a specialist (international) salaries and benefits consultancy.
In 2009, the remuneration policy of the members of the executive management did not change from that of previous years.
The remuneration of the executive management consists of:

- basic remuneration in line with training, job content, experience and seniority;
- a performance bonus linked to the consolidated results of the Group, to the performance of the business unit for which the executive is responsible and ultimately to the executive's individual effort/performance. This bonus represents up to 20% to 25% of the basic annual salary of members of the executive management. The bonus is paid partly in cash and partly as a contribution to the particular manager's group insurance;
- a long-term incentive consisting of rights to acquire shares in Roularta Media Group;
- extra-legal ('fringe') benefits, consisting of a group insurance, a company car with fuel card in accordance with the company's car policy, luncheon vouchers and hospitalisation and disability insurance.

The CEO, NV Publigraaf, with Mr Rik De Nolf as its permanent representative, received in 2009 gross fixed remuneration of EUR 570,198.08.

The other members of the executive management (executive management committee members, members of the Directoire and members of the Belgian and French management teams) together received;

- gross fixed remuneration of EUR 3,508,050.64;
- gross variable remuneration of EUR 461,277.00 and other components amounting to EUR 113,908.42, including pension contributions of EUR 76,749.54.

Members of executive management had an opportunity, during 2009, to subscribe Roularta options at an exercise price of EUR 15.71. Members of the executive management subscribed 106,000 options. During the past year, no options or warrants were exercised by executive management under existing option or warrant plans. For an overview of the existing option and warrant plans, the reader is referred to Note 22 to the consolidated financial statements.

By way of departure from the Corporate Governance Code, Roularta Media Group publishes information concerning the options/warrants that are offered to members of executive management as a long-term incentive on a global basis only. This global information provides shareholders and stakeholders with sufficient information to determine whether this award is in line with market conditions. Providing this information on an individual basis has no added value for shareholders/stakeholders and would represent a breach of the privacy of the members of executive management involved.

Environment, prevention and well-being

I. ENVIRONMENT

In 2009 Roularta Media Group again made major efforts to produce in an environmentally and energy-friendly manner. Meeting all legally imposed environmental standards remains an absolute minimum here.

THE ENERGY CONCEPT OF THE COOLING INSTALLATION

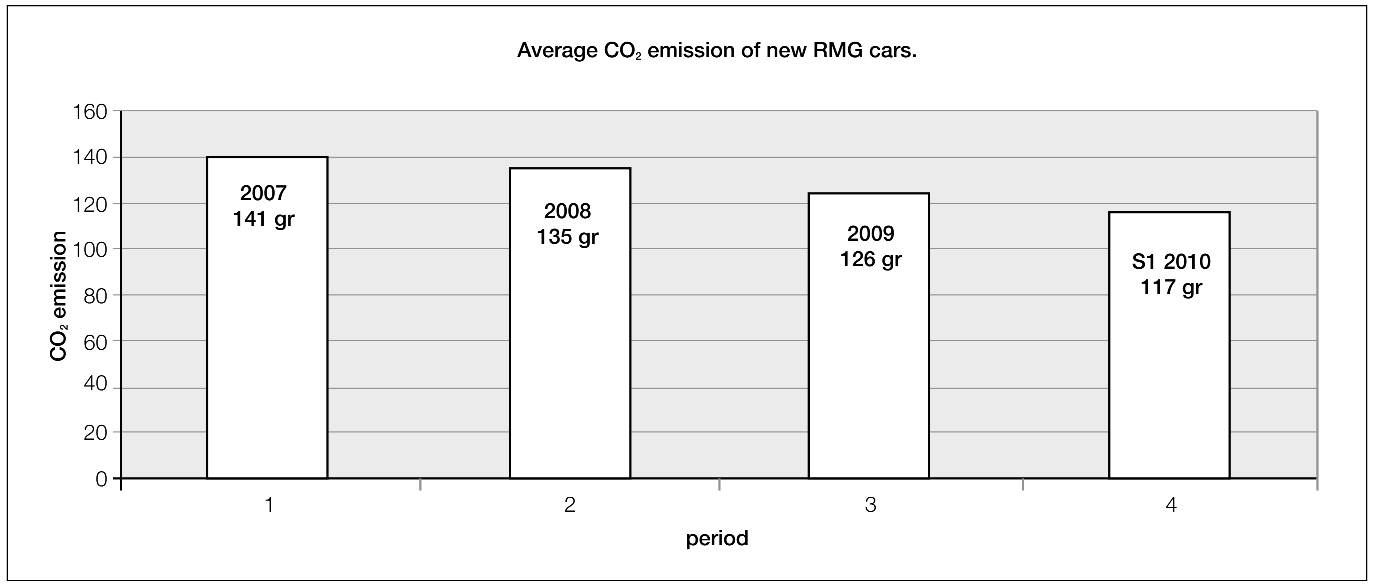
Investments and other efforts in the recent past mean that today over half of the required cooling is generated without recourse to additional and expensive compression cooling. Besides very considerable energy savings there is also a significant benefit in terms of the required quantity of cooling water.

Roularta Media Group is committed to further developing and refining this energy concept. Thus, in 2009, rainwater was used for the first time as a supplementary source of water for the cooling tower. A central feature of this system is the 300 m³ buffer fed by water run-off from the roof of the new building (over 9000 m²). This obviously considerably reduces the use of mains water. The lower conductivity of rainwater also means that we need to spray less often, which further increases the savings: initial results are indicating a reduction of about 700,000 litres of water per month.

Roularta is currently investigating the possibility of reusing the surface (heat retention) water of the installation for reverse osmosis. Once collected, this surface water (retention water) can be used to further increase the conductivity of the rainwater used in the cooling tower. An additional monthly savings of ± 300 m³ of hard mains water can be realised here in normal circumstances. The reuse of the surface (heat retention) water will also decrease the discharge of industrial waste water.

RMG CAR FLEET BECOMES GREENER

For several years already the RMG purchasing department has been paying specific attention to reducing the CO_2 emissions from company vehicles.
The company is very closely monitoring the efforts of the automotive industry in this area.
The result is a steady decline in the average CO_2 emission from new company vehicles, as is clearly shown in the graph below.



ENERGY AUDIT COVENANT

To further optimise its internal energy policy, Roularta signed up at the end of 2006 to the Flemish government's Energy Audit Covenant. Signatory companies commit to submitting an energy plan to the Flemish government's audit office and to carrying out the proposed measures within the set deadline (four years). They are also required to report annually to this control body on planned/executed measures and amounts of CO_2 emissions avoided.

Roularta more than achieved the measures proposed for 2007-2008-2009 in the first energy plan. Meanwhile the competent government department has also approved the second energy plan, to be completed by autumn 2013. For putting together this dossier Roularta called on the services of a specialist external environmental and energy management consultancy. The same consultancy also recently carried out an energy audit of the Roeselare site, based on a number of targeted measurements on machinery and equipment.

The energy plan includes measures with a good IRR (Internal Rate of Return), and breaks them down by return. The higher this IRR, the shorter the investment repayment period. Plans for 2010 include:

- optimising the efficiency of the afterburner on the Colorman newspaper press:
- optimising compressed air consumption, including the introduction of Venturi nozzles;
- optimised control of the blow air and vacuum installation, with a view to energy efficiency;
- thermographic inspection of the building, focusing on eliminating thermal losses.

The already implemented and the projected investments represent very significant electricity and thermal savings, as well as ensuring a significant reduction in CO_2 emissions.

CLIMATE EFFORTS AT VLAAMSE MEDIA MAATSCHAPPIJ

Like any economic activity, television-making is a very energy-intensive business. All TV and radio producers together, the Vlaamse Media Maatschappij (VMMa) consumes approximately 7 million kWh a year, equal to the consumption of 2000 average households. As a company where 500 people work, VMMa has a social responsibility in terms of energy and the environment. Having already invested in solar panels and a green power contract, VMMa intensified its climate efforts in 2009.

VMMa took various initiatives to mark the Copenhagen climate conference in December 2009. The eye-catcher was a 10/10 action to get Flanders to use 10% less energy in 2010. 10 climate spots on TV encouraged Flemings to get smart with energy. Het Nieuws produced climate reports and provided live coverage from Copenhagen. The climate site www.vtm.be/1010 was developed.

One of the driving forces for increasing climate and energy awareness is Jill Peeters. In her VMMa has on its own payroll not only the best woman weathercaster in Europe and a Goodwill Ambassador against global warming, but also the European Climate Woman of the Year. Jill Peeters was also present at the Copenhagen climate summit at the invitation of Belgian Climate and Energy Minister Paul Magnette.
VMMa has more climate plans up its sleeve for 2010. Al Gore's climate ambassador Serge De Gheldere and the company Futureproofed are assisting VMMa in determining its ecological footprint. The aim is to start at home acting smarter with energy. VMMa also continues to invest in sensitising Flanders to this issue.

RESPONSIBLE FORESTRY CERTIFICATES

In 2009 Roularta was FSC and PEFC certificated. FSC stands for Forest Stewardship Council, PEFC for Program for the Endorsement of Forest Certification Schemes. Following a positive audit, the competent independent regulatory body confirmed that our company contributes convincingly to the responsible forest management that both concepts seek to pursue.

WEST FLANDERS SUSTAINABLE ENTERPRISE CHARTER

The various existing measures and efforts are not the end of the road. Roularta intends to continue to grow ecologically and combine respect for the various items of legislation with attention to sustainability.

To add impetus to this ambition, Roularta recently signed up to the West Flemish Sustainable Enterprise Charter, the successor of the earlier Environmental Charter. Over a two-year period, independent experts from Flemish government bodies (LNE, VMM, POM, ...) audit on a regular basis the efforts and results of the charter signatory companies. This is done in close consultation with, among others, Voka and Bureau Veritas. Roularta is working proactively and with concrete goals around six policy principles and ten themes. These include eco-efficient procurement policy and raw materials deployment, the implementation of best available technologies in production and infrastructure, the impact of the organisation on mobility and the immediate environment, rational use of energy and water, limiting waste flows, compliance with legislation, communication with all stakeholders, social and people-friendly entrepreneurship and so on.

A so-called zero audit determines Roularta's current level. The company then puts forward an action plan for evaluation. In a second phase comes the monitoring of the action items. The results appear in an annual report. In the event of a positive evaluation the company receives the desired certificate.
Various prevention items are also integrated into this project.

II. PREVENTION AND WELL-BEING

In 2009 Roularta Media Group developed several projects and undertook a number of actions in the area of Prevention and Well-being. Specific items include:

RUSH HOUR ACCIDENT PREVENTION

The risks incurred by employees travelling to and from work are also the employer's responsibility. Traffic accident prevention by companies is, however, a little known and indeed often misinterpreted field. Usually companies assume that it is very difficult to manage these risks.

In 2009, Roularta began a traffic safety campaign. On the basis of various tips, info moments during medical examinations, an information document delivered along with green insurance cards, tyre inspections and so on, Roularta focused attention on employee traffic behaviour.

TEAM-BUILDING ACTIVITIES

Roularta regularly organises 'outdoor activities'. In this case the employer is subject to the same accident prevention principles as when purchasing plant or machinery. This requires prior action to make sure that the provision of services meets expectations in terms of safety and prevention. In 2009 Roularta worked out a 'procurement policy' for such activities, with the relevant rules and regulations collated in an annex to the order form.

RULES FOR WAREHOUSE MANAGEMENT AND RELATED AREAS

Both during the design and the actual setting up of the storage and associated premises for the new production hall, Roularta looked carefully at the various rules governing warehouse management with the help of a checklist. Considerable attention was paid to storage quantity by product classification, spacing and protective basins, fire prevention and emergency procedures. With the help of action points everything was fine-tuned to ensure compliance with federal and regional legislation

SAFETY ADMINISTRATION

The law imposes strict obligations on companies regarding the administration of accident prevention and related fields. In 2009 Roularta focused its attention on the RMM site in Roeselare.
For example the law prescribes that a commissioning report be produced whenever a machine is brought into use for the first time. Besides the administration of machinery and electrical apparatus, Roularta also fine-tuned areas such as inspections, workstation datasheets, medical examinations, contracts with third parties, external factors of influence, all aspects of fire and evacuation, first aid facilities, environmental reports, annual reports, procurement procedures, etc.

IMPLEMENTATION OF THE LEGISLATION GOVERNING HEATING INSTALLATIONS

Vlarem II, Section 5.43 requires air emission measurements to be carried out with a certain frequency, depending on the capacity of the heating installation. According to the type of fuel (oil or gas) there are also provisions covering inspection and (frequency of) maintenance. In addition, a one-off heating audit is required to be carried out. After drawing up an inventory of its heating installations, Roularta made the necessary agreements in 2009 to implement these rules in 2010.

TARGETED RISK ANALYSIS IN OFFICE ENVIRONMENTS

Roularta officers visited the different facilities and rated various safety aspects. For each facility a risk analysis was prepared and action points developed. In 2009 attention was focused again on the presence of safety documents, with each facility receiving a prevention folder with various approval certificates and information sheets.

FIRE PREVENTION

The law requires each company to publish firefighting safety measures. Roularta optimised the evacuation arrangements for the Brussels facility. With the introduction of a zone plan and a well-informed firefighting team, the evacuation exercise proceeded even more smoothly.
At the Roeselare site, considerable attention was paid to the installation of fire-resistant building elements and the conversion of the sprinkler system.

LASER APPARATS

Various machines and small appliances are equipped with laser technology. In 2009 Roularta located and listed these devices and undertook a risk analysis of this laser equipment. Based on this screening, employees involved received information and training for the safe handling of this technology.

The Roularta Media Group share

THE ROULARTA MEDIA GROUP SHARE

NUMBER OF SHARES

The number of shares at 31/12/2009 is 13,131,940. The number of VVPR strips at 31/12/2009 is 4,721,063.

REGISTERED AND BEARER SHARES

Shares are either registered, bearer or dematerialised.
As from 1 January 2008 new securities can no longer be issued in physical form.
The company appeals to the services of Euroclear, as a settlement institution for the dematerialisation of the bearer securities.

PURCHASE OF OWN SHARES

The statutory autorisation to purchase own company shares was renewed by the general meeting of 19 May 2009.
At 31 December 2009, the company had 512,863 of its own shares in portfolio.

SHAREHOLDING STRUCTURE

On 31 December 2009, 9,157,356 of the outstanding shares were registered shares.

At 12 March 2010 the shareholding structure is as follows:

	Date of notification	Number of shares
Stichting Administratiekantoor RMG	18-02-10	8,704,615
Koinon SA		224,706
Own shares		512,863
Cennini SA	1-03-10	452,736
Bestinver Gestion S.G.I.I.C. SA	30-09-09	1,198,762
Individual and institutional investors		2,038,258

TAKEOVER BID LAW

Within the scope of the Takeover Bid law of 1 April 2007, the Stichting Administratiekantoor RMG has made, as owner of more than 30% of the voting securities on 1 September 2007, a notification with the CBFA cf. article 74 § 6 of the above-mentioned law.

Stichting Administratiekantoor RMG is a subsidiary of SA Koinon, which itself is a subsidiary of SA Alderamin. SA Alderamin is a subsidiary of Stichting Administratiekantoor Cerveteri, which is controlled by Mr Rik De Nolf.

This reporting was updated by the Stichting Administratiekantoor RMG on 23/09/2009 as a result of the rise of capital at the end of 2008. That rise was entirely endorsed by Stichting Administratiekantoor RMG, the participation of which in the NV Roularta Media Group rose as a result of that endorsement.

At the beginning of 2010, in the Stichting Administratiekantoor RMG, 452,736 certificates were cancelled and exchanged for the underlying shares in Roularta, which are recorded in the share register in the name of NV Cennini. The notification by the Stichting Administratiekantoor RMG pursuant to the law of 1 April 2007 on public takeover bids will therefore be updated no later than 1 September 2010.

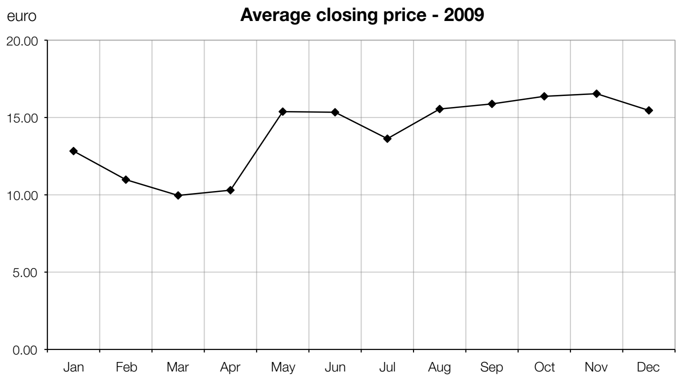
STOCK MARKET TREND

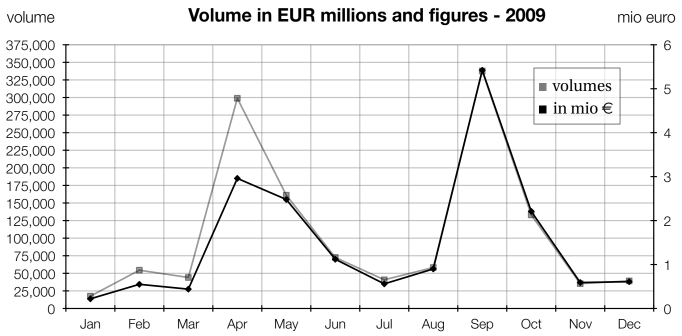
Roularta Media Group's shares have been listed on Euronext Brussels since December 1998. They form part of Euronext's NextPrime quality segment, under the section Media & Photography - Printing & Publishing.

Roularta-share	ISIN	BE0003741551	MEP	BRU
	Euronext code	BE0003741551	Mnemo	ROU
Roularta-VVPR-strip	ISIN	BE0005546172	MEP	BRU
	Euronext code	BE0005546172	Mnemo	ROUS

VOLUMES AND CLOSING PRICES IN 2009

Month	Average closing price	Volumes	in mio €
Jan 09	12.83	17,481	0.22
Feb 09	10.98	54,453	0.55
Mar 09	9.96	44,071	0.44
Apr 09	10.30	298,908	2.96
May 09	15.38	161,059	2.48
Jun 09	15.34	72,505	1.12
Jul 09	13.63	40,808	0.56
Aug 09	15.55	58,251	0.90
Sep 09	15.88	337,746	5.42
Oct 09	16.37	133,084	2.21
Nov 09	16.54	35,356	0.59
Dec 09	15.46	39,228	0.61
		1,292,950	18.06





The highest price during 2009 was EUR 17.95 on 11 May.
The lowest price during 2009 was EUR 9.01 on 10 March.
The largest daily trading volume was 154,715 shares on 1 April 2009.

INDEXES

The Roularta share is included in the MSCI small cap index and in the BEL MID index of Euronext Brussels (BE0389856130) in 2003.

Since June 2006 Roularta Media Group is also included in the Kempen/SNS Smaller Europe Socially Responsible Investment (SRI) Index.
The Kempen SNS Smaller Europe SRI Index is the first index to track the performance of SRI smaller companies in Europe.
The SRI Index is an initiative of Kempen Capital Management and is only available to companies with the very highest standards and practices in the three areas of business ethics, human resources and the environment.

LIQUIDITY OF THE SHARE

Roularta Media Group has a proactive investor relations policy, aimed at increasing the visibility of the share and in this way supporting its liquidity.

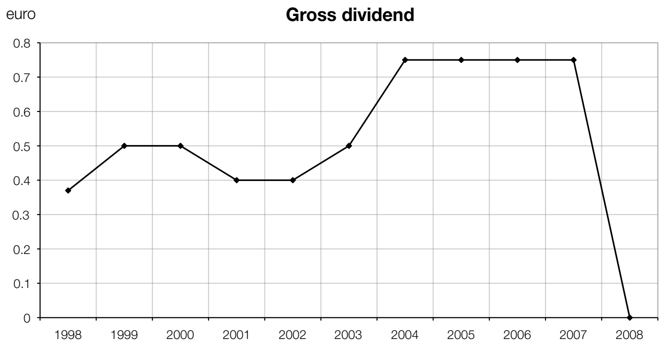
DIVIDEND POLICY

The general meeting pursues – as advised by the executive board – a policy which tries to pay out a dividend, whilst keeping a close watch on preserving the healthy balance between a distribution of dividends and the investment possibilities.

RMG strives to fall back to the distribution of dividends as soon as the profit and the financial structure of the company allow for it.

	1998	1999	2000	2001	2002	2003
Gross dividend	0.37	0.50	0.50	0.40	0.40	0.50

	2004	2005	2006	2007	2008
Gross dividend	0.75	0.75	0.75	0.75	0.00



THE COMPANY'S CAPITAL

Roularta Media Group was founded on 11 May 1988 as Roularta Financieringsmaatschappij. The table below lists the events that since then have affected the company's capital and the securities representing it.

Year	Month	Transaction	Number of shares	Capital	BEF / EUR
1988	May	Foundation as Roularta Financieringsmaatschappij	12,510	381,000,000	BEF
1993	July	Merger - capital increase	13,009	392,344,000	BEF
1997	December	Split - capital increase	18,137	546,964,924	BEF
1997	December	Merger - capital increase	22,389	675,254,924	BEF
1997	December	Capital increase	24,341	734,074,465	BEF
1997	December	Name changed into Roularta Media Group			
1998	June	Issue of 300,000 warrants - amendment of articles of association	2,434,100	734,074,465	BEF
1998	June	Merger - capital increase	2,690,400	1,545,457,541	BEF
1998	June	Contribution of debt receivable - capital increase	8,277,700	2,496,457,541	BEF
1998	December	Contribution of debt receivable - capital increase	9,611,034	4,479,791,791	BEF
2001	June	Conversion of capital into euros - capital increase by conversion of 61,950 warrants	9,672,984	111,743,000.00	EUR
2001	October	Destruction of 119,305 own shares	9,553,679	111,743,000.00	EUR
2002	June	Capital increase by conversion of 35,350 warrants	9,589,029	112,138,000.00	EUR
2003	June	Capital increase by conversion of 43,475 warrants	9,632,504	112,623,000.00	EUR
2003	July	Capital increase by contribution in kind	9,884,986	118,463,000.00	EUR
2004	June	Capital increase by conversion of 43,625 warrants	9,928,611	118,950,000.00	EUR
2005	June	Capital increase by conversion of 28,350 warrants	9,956,961	119,267,000.00	EUR
2006	January	Capital increase by conversion of 39,090 warrants	9,996,051	120,054,000.00	EUR
2006	February	Capital increase by contribution in cash	10,985,660	131,939,204.09	EUR
2006	May	Incorporation of an issue premium	10,985,660	170,029,300.00	EUR
2006	June	Capital increase by conversion of 19,825 warrants	11,005,485	170,250,500.00	EUR
2007	January	Capital increase by conversion of 9,340 warrants	11,014,825	170,439,000.00	EUR
2007	June	Capital increase by conversion of 22,225 warrants	11,037,050	170,687,000.00	EUR
2008	January	Capital increase by conversion of 7,864 warrants	11,044,914	170,846,000.00	EUR
2008	May	Capital increase by conversion of 17,375 warrants	11,062,289	171,040,000.00	EUR
2008	December	Capital increase by contribution in cash	13,131,940	203,040,000.00	EUR

Annual report of the board of directors

to the ordinary general meeting of shareholders of 18 May 2010 concerning the consolidated financial statements for the period ended 31 December 2009

Dear Shareholders,

This annual report should be read in conjunction with the audited financial statements of Roularta Media Group NV (hereinafter 'the Group') and the accompanying notes. These consolidated financial statements were approved by the board of directors on 12 March 2010.

COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and with the interpretations issued by the IASB's International Financial Reporting Interpretation Committee (IFRIC, formerly SIC), which have been ratified by the European Commission.

The consolidated financial statements give a general overview of the Group's activities and the results obtained. They give a true and fair view of the entity's financial position, financial performance and cash flows, and have been prepared on the assumption that continuity is guaranteed.

MAIN CHANGES IN THE GROUP DURING THE 2009 FINANCIAL YEAR

- 50% shareholding in newly-founded Starway NV via Vlaamse Media Maatschappij NV in Q1 2009;
- Acquisition of an additional 50% in Alphadistri SAS via Job Rencontres SA in Q1 2009;
- Decrease of the shareholding in Prélude et Fugue SARL via Groupe Express-Roularta SA from 100% to 51% by entrance of a partner in Q1 2009;
- Sale of the shareholding of 50% in Travelmedia in Q4 2009.

KEY FINANCIAL DATA

INCOME STATEMENT		31/12/08	31/12/09	Trend
Sales		**781,605**	**707,253**	**- 9.5%**
EBITDA (Operating cash flow) (1)		**67,126**	**36,756**	**- 45.2%**
	EBITDA - margin	*8.6%*	*5.2%*	
REBITDA (2)		**65,218**	**53,190**	**- 18.4%**
	REBITDA - margin	*8.3%*	*7.5%*	
EBIT (3)		**32,714**	**10,222**	**- 68.8%**
	EBIT - margin	*4.2%*	*1.4%*	
REBIT (4)		**39,840**	**29,227**	**- 26.6%**
	REBIT - margin	*5.1%*	*4.1%*	
Net finance costs		-14,323	-12,737	- 11.1%
Operating profit after net finance costs		**18,391**	**- 2,515**	**- 113.7%**
Current operating profit after net finance costs		**25,517**	**16,490**	**- 35.4%**
Income taxes		-5,626	-2,110	- 62.5%
Share in the profit of the companies accounted for using the equity method		-101	-38	
Net profit of the consolidated companies		**12,664**	**- 4,663**	**- 136.8%**
Attributable to minority interests		-1,091	-478	
Attributable to equity holders of RMG		**13,755**	**- 4,185**	**- 130.4%**
	Attributable to equity holders of RMG - margin	*1.8%*	*- 0.6%*	
Current net profit of the consolidated companies		**17,939**	**10,563**	**- 41.1%**
	Current net profit of the consolidated companies - margin	*2.3%*	*1.5%*	

All financial amounts expressed in thousands of euros.

BALANCE SHEET	31/12/08	31/12/09	Trend
Fixed assets	701,401	633,152	- 9.7%
Current assets	382,422	312,662	- 18.2%
Balance sheet total	1,083,823	945,814	- 12.7%
Equity - Group's share	318,071	311,851	- 2.0%
Equity - minority interests	11,249	12,995	+ 15.5%
Liabilities	754,503	620,968	- 17.7%
Liquidity (5)	1.1	1.0	- 9.1%
Solvency (6)	30.4%	34.3%	+ 12.8%
Net financial debt	165,389	126,435	- 23.6%
Gearing (7)	50.2%	38.9%	- 22.5%

(1) EBITDA = operating cash flow = EBIT + depreciations, write-downs and provisions.
(2) REBITDA = current operating cash flow = EBITDA + restructuring costs and exceptional, one-off costs.
(3) EBIT = operating result.
(4) REBIT = current operating result = EBIT + restructuring costs and exceptional one-off costs, depreciations, write-downs and provisions.
(5) Liquidity = current assets / current liabilities.
(6) Solvency = equity (Group's share + minority interests) / balance sheet total.
(7) Gearing = net financial debt / equity (Group's share + minority interests).

CONSOLIDATED INCOME STATEMENT

2009 current net profit amounts to EUR 10.6 million, with Group net profit (including restructuring costs) posting a loss of EUR 4.7 million.

More than EUR 16 million were recorded in 2009 as one-off restructuring costs. Current EBITDA (= REBITDA) dropped to EUR 53.2 million, mainly due to lower advertising revenue. Subscriptions and newsstand sales largely held up well.

Key figures for the whole of 2009, compared with 2008

- **Sales** fell by 9.5% from EUR 781.6 million to EUR 707.3 million.
- **REBITDA** fell by 18.4% from EUR 65.2 million to EUR 53.2 million. The REBITDA margin was 7.5% compared with 8.3% in 2008. The sale-and-rent-back operation (see section 'Balance sheet') negatively impacted REBITDA in 2009 by EUR 4.1 million, being the amount of the rent for the second half.
- **EBITDA** fell by 45.2% from EUR 67.1 million to EUR 36.8 million.
- **REBIT** fell by 26.6% from EUR 39.8 million to EUR 29.2 million. REBIT margin was 4.1% compared with 5.1% in 2008.
- **EBIT** fell by 68.8% from EUR 32.7 million to EUR 10.2 million.
- **Current net profit** is EUR 10.6 million compared with EUR 17.9 million in 2008.
- The total after-tax effect of the restructuring costs amounts to EUR 15.2 million.
- The **net result** of RMG is EUR -4.2 million compared with EUR 13.8 million in 2008.

The fall in sales was most tangible in magazine and free press advertising revenue, and to a lesser extent in the readers' market and in radio and TV advertising revenue. Internet revenue is rising further and the diversification in line extensions continues.

Both in France and Belgium restructuring plans were implemented to limit the consequences of the crisis. During FY 2009, EUR 16.4 million of restructuring costs influencing operating cash flow (EBITDA) were recorded. Compared with this, the figures for 2008 include a EUR 4.3 million extraordinary gain on the sale of Grieg Media.

EBIT was further affected in 2009 by a net EUR 2.6 million of impairment losses on titles, provisions for restructuring and the reversal of an extraordinary provision at VMMa for possible taxation on games of chance.

2009 CONSOLIDATED RESULTS BY DIVISION

Printed media

Sales in the Printed Media division fell by 9.8% from EUR 610.2 to 550.2 million.

The 2009 figure includes the full year's revenue of a series of German titles acquired in July 2008; on the other hand, the Norwegian senior magazine 'Vi over 60' was still part of the Group in the first half of 2008.

Compared with 2008, sales of existing titles fell by EUR 65 million or 10.7%.

This fall was most noticeable in magazine advertising revenue (- 22%). Free press sales fell by 11%, mainly in the job ads sector.
The readers' market shrank by just 5%, mainly in the French titles and newsstand sales.

During FY 2009, EUR 15.3 million of restructuring costs influencing operating cash flow (EBITDA) were recorded in the Printed Media division. This has the effect of lowering the breakeven point, which will bear fruit in the future. Compared with this, the figures for 2008 include a EUR 4.3 million extraordinary gain on the sale of Grieg Media.

Operating cash flow (EBITDA) fell from EUR 42.8 million in 2008 to EUR 14.2 million in 2009. In 2009, current operating cash flow (REBITDA) amounted to EUR 29.5 million, down 27.8%.

The operating result (EBIT) was further affected by EUR 5.3 million of impairment losses on titles and provisions for restructuring, taking it from EUR 16.3 to -8.6 million. A current operating profit (REBIT) of EUR 12.0 million was achieved compared with EUR 21.4 million in 2008.

The net result of the division amounts to EUR -16.5 million compared with EUR 1.2 million in 2008, while the current net result is EUR -0.5 million compared with EUR 4.2 million in 2008.

Audiovisual media

Sales by the Audiovisual Media division fell from EUR 179.2 to 162.3 million (- 9.4%).

Optical disk production (VTV) was transferred per 1 April 2009 to the French QOL group. This had the effect of reducing sales by EUR 7.6 million.

Radio and TV advertising revenue fell by 5%. Income from Paratel, a line extension, also fell by 10%.

Operating cash flow (EBITDA) was influenced by EUR 1.1 million of restructuring and non-recurring costs, falling from EUR 24.4 to 22.6 million. Current operating cash flow (REBITDA) was down from EUR 24.4 to 23.7 million.

Operating result (EBIT) was positively influenced by the reversal of a provision at VMMa for possible taxation on games of chance, and was rising from EUR 16.4 to 18.9 million. Current operating result (REBIT) slipped from EUR 18.5 to 17.2 million, giving a margin of 10.6% compared with 10.3% in 2008.

The net result of the division amounted to EUR 12.3 million compared with EUR 12.6 million in 2008, while the current net result reduced from EUR 13.7 to EUR 11.1 million.

BALANCE SHEET

Roularta Printing structured at the end of June a EUR 57 million off-balance sheet sale-and-rent-back operation (printing machinery and IT equipment) with Econocom Lease NV, in order to improve the balance sheet by reducing debt and strengthening the cash position.
Given the default existing under one of the bank covenants as at end June 2009, new agreements were negotiated with the lenders.

Equity at 31 December 2009 was EUR 324.8 million against EUR 329.3 million on 31 December 2008. Consolidated reserves have fallen by EUR 4.2 million, equal to the result of 2009. Capital reserves have increased by EUR 1.2 million as a result of share-based payments. Revaluation reserves are down by EUR 3.2 million owing to a fall in the market value of cash flow hedges. Minority interests have risen by EUR 1.7 million.
At 31 December 2009 net financial debt amounted to EUR 126.4 million compared with EUR 165.4 million at 31 December 2008. The sale-and-rent-back of printing presses and IT equipment at the end of June 2009 had a EUR 55.5 million positive effect on net financial debt.

INVESTMENTS (CAPEX)

Total investments amounted in 2009 to EUR 20 million, of which EUR 3.9 million in intangible fixed assets (mainly software), 15.5 million in tangible fixed assets (of which EUR 7.0 million on-balance sheet and 8.5 million off-balance sheet) and EUR 0.6 million in acquisitions.

MAIN EVENTS AFTER THE BALANCE SHEET DATE

Taking into account market circumstances, a number of further restructurings were undertaken at the beginning of 2010.
Otherwise no major events have occurred which significantly affect the results and the financial position of the company.

STATEMENT REGARDING THE COMPANY'S USE OF FINANCIAL INSTRUMENTS WHERE SIGNIFICANT FOR THE ASSESSMENT OF ITS ASSETS, LIABILITIES, FINANCIAL POSITION, AND PROFIT OR LOSS

The Group uses exchange rate contracts to hedge the risk of changes in the fair market value of a recognised asset or liability, or an unrecognised definite commitment, within the scope of its commercial activities. These contracts are regarded as fair value hedges as defined in International Accounting Standard (IAS) 39; they have been stated at market value and booked as long-term liabilities under the 'hedging instruments' heading.

To hedge the exchange rate and interest rate risks inherent in the US dollar denominated loan, in which the Group entered in 2006, the Group has concluded a Cross Currency Swap (IRCS) contract which matures on the same date as that on which the repayment and related interest must be paid. This contract is treated as a cash flow hedge (see IAS 39). The market value of this contract is recognised directly in equity.

To hedge risks with respect to adverse interest rate fluctuations, the Group has used financial instruments, namely Interest Rate Swap (IRS) contracts, Cap/Floor contracts, a Floor Spread contract and an Index Swap contract. In accordance with the requirements defined in IAS 39, some of the contracts were regarded as cash flow hedging contracts. Market values of these contracts are recognised directly in equity. The other contracts are not regarded as hedging contracts under the conditions set forth in IAS 39. Fluctuations of market values of these contracts are recognised in the income statement.

ENVIRONMENT, PREVENTION AND WELFARE

Please refer to the chapter Environment, Prevention and Welfare in the 2009 annual report.

STAFF

As at 31 December 2009, the Group had 2,815 full-time equivalent (FTE) employees. Compared with the previous year, this signifies a decrease of 11.7%. These figures include joint ventures on a proportional basis.

The sale of the activity of Vogue Trading Video NV had the effect of reducing the workforce by 96 FTEs. The reduction is also due to various restructurings, including three social plans in France.

MAIN RISKS AND UNCERTAINTIES

Risks relating to market developments

The media market in general is both highly sensitive to fluctuations in the wider economy and cyclical in nature.

The Group tracks market developments in the media world so that it can capitalise at all times on changes and new trends in the environment in which the company operates. Thanks to the Group's multimedia offer, it can suitably respond to a shift in focus in the advertising world and on the part of its readership from one form of media to another.

The profit generated by the Printed Media division and the Audiovisual Media division is largely determined by the advertising market, the readers market and viewing and listening figures. In the Audiovisual division, programming costs, for both domestic productions and international film material, are determined a long time in advance and so are inflexible. Conversely, the advertising market can change in the short term.

The current financial and economic crisis has brought a reduction in advertising income. Restructuring and savings plans have been launched both in Belgium and France to compensate this drop in sales as far as possible with cost savings. The positive effects of this restructuring were felt from July 2009 onwards.

Risks relating to suppliers

The various costs that to a large extent determine the total cost in the Printed Media division, such as printing, distribution, staff and promotion costs, can fluctuate according to the economic situation.

The evolution of international paper prices is uncertain and may adversely affect the business, operating results and/or financial position of the RMG company if price increases cannot be passed on in time to its customers. To manage the paper price risk, the Group uses price agreements. There are annual contracts concluded for newspaper, and periodical contracts for magazine paper.

Disturbances or disruptions of the IT system

RMG is exposed to potential disturbances or disruptions in its computer systems.

Computer systems are a central part of RMG's business. A disturbance in RMG's computer systems due to malfunctioning, malicious attacks, viruses or other factors could seriously impact various aspects of its activities, including but not limited to sales, customer service and administration. Computer system disturbances can have a substantial adverse effect on RMG's activities or operating results. To date, the company has not experienced substantial problems with its computer systems, but cannot guarantee that such problems will not occur in the future.

Currency risks

RMG is exposed to a currency risk with respect to the USD. The currency risks identified by management relate to the (expected) purchases in USD in the Audiovisual Media segment and to activities outside the eurozone. In addition, the Group incurs to a certain extent foreign currency risks related to its operational activities.

With regard to the purchases and the firm commitments to purchase film rights in USD in the Audiovisual Media segment, the Group uses foreign exchange contracts to hedge the risk of changes in the fair value of a recognised asset or liability, or a non-recognised definite undertaking in the context of its commercial activities.

The operating currency risks to the Group from activities outside the eurozone, that is Croatia and Serbia, are very limited. The net cash flow from and to these entities, and their timing, is such that no significant currency positions have arisen from them.

To hedge the potential currency risk on both the principal and the (future) interest payments on the US Private Placement in USD, RMG has taken out a foreign exchange future contract (Cross Currency Swap) maturing on the same date as the loan repayment and the associated interest payment.

Despite the foreign exchange contracts and future contract, fluctuations in the USD can affect RMG's operating results.

Interest rate risk

RMG's level of debt and the related interest expense can have a major influence on RMG's result and/or the financial position. In order to hedge the risks of unfavourable interest rate fluctuations, the Group used financial instruments (IRS contracts, Cap/Floor contracts, a Floor Spread contract and an Index Swap contract).

Credit risk

RMG is exposed to counterparty risk, which could lead to credit losses. To manage credit risk, credit evaluations are performed for clients requiring significant credit facilities. In addition, the Group also uses trade finance instruments, such as letters of credit, to cover its credit risk and credit insurances are concluded for foreign clients of the printing works. Despite RMG's intention of limiting its credit risk, it can face a deterioration of the creditworthiness of its customers. Any failure to conclude a credit insurance policy with respect to certain customers can have a material adverse effect on RMG's business, financial condition and/or results.

There was no significant concentration of credit risks with a single counterparty.

Covenants

The company's lenders have imposed covenants relating to the debt ratio (net financial debt/(R)EBITDA), interest coverage ((R)EBITDA/net financing expenses), fixed cost coverage ((R)EBITDA + operating lease rents/ net financing costs + operating lease rents), gearing (net debt/equity), solvency, equity and dividends.

Any breach of covenants can lead to the loans being immediately due and payable.

Liquidity risk

RMG's indebtedness and the restrictions agreed upon in the financing agreements may adversely affect RMG's business, operating results and/ or financial position, and may place RMG at a disadvantage against competitors which are less dependent on external financing.
The Group has various credit lines and expects to meet its obligations through a combination of operating cash flows and the existing credit lines.

Capital structure
RMG is constantly seeking to optimise its capital structure (mix of debt and equity). The main objective of the capital structure is to maximise shareholder value while maintaining the desired financial flexibility for implementing strategic projects.

Besides the minimum equity requirements applicable by law to our subsidiaries in different countries, a number of covenants have been imposed at the consolidated level in the context of existing loans, including minimum equity.

Risks relating to possible impairments of goodwill and tangible and intangible fixed assets
For the Group's assets, in application of IAS 36, on each balance sheet date it is assessed whether there are any indications that an asset may be impaired. If such indication exists, the recoverable amount of the asset has to be estimated. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use. An impairment loss is recognised when the book value of an asset, or the cash generating unit to which the asset belongs, is higher than the recoverable amount. Impairment losses are recognised in the income statement and consequently impact the net result and the equity of the Group.

Risks relating to legislation and arbitration
NV De Streekkrant-De Weekkrantgroep is involved in a legal dispute with NV Kempenland in which damages of EUR 7.5 million have been demanded for failure to fulfil a printing contract. A provision of EUR 1.2 million, based on the estimation of the cost by the board of directors, has already been set up for these proceedings, of which € 450,000 has already been paid into a frozen account.

NV Roularta Media Group is involved in proceedings before the trade court with its former business partner Bookmark (now Kramkoob BV). A provision of € 578,000 has been set up in respect of these proceedings.

At SA Groupe Express-Roularta a provision of € 524,000 was set up for pending litigation relating to published articles.

RMG is active in publishing and in printing news and niche magazines, newspapers and free magazines, in the audiovisual media landscape and in electronic publishing. This means that disputes concerning published articles or other forms of communication are inherent to its activities. RMG can not guarantee that it will not in the future face material litigation by third parties in relation to published articles or other forms of communication. Such disputes may have a material adverse effect on RMG's activities, financial condition and/or results.

JUSTIFICATION OF THE INDEPENDENCE AND EXPERTISE IN THE FIELD OF ACCOUNTING AND AUDITING OF AT LEAST ONE MEMBER OF THE AUDIT COMMITTEE

The expertise in accounting and auditing of Mr Clement De Meersman, independent director and also chairman of the audit committee, is apparent from, among other things, his former function as CEO of Deceuninck Plastics NV, where he was closely involved in the financial reporting and the external audit of the figures by the statutory auditor.

NOTE WITH RESPECT TO THE ITEMS LISTED IN ARTICLE 34 OF THE ROYAL DECREE OF 14/11/2007, IN SO FAR AS THESE COULD POTENTIALLY AFFECT A PUBLIC TAKEOVER BID.

The capital of the company is represented by 13,131,940 similar shares with the same rights, including 4,721,063 shares with VVPR strips.

All treasury shares held in portfolio by the company have no voting rights as long as they remain in the treasury portfolio.

Each share entitles its holder to one vote, under Article 33 of the articles of association, on the understanding that no one person may vote at the general meeting in respect of more than thirty-five per cent (35%) of the number of votes attached to all the shares issued by the company. Several shareholders whose securities, according to the criteria laid down in Article 6, § 2 of the Law of 2 May 2007 on disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market, are joined together, cannot vote, either, at the general meeting, in respect of more than thirty-five per cent (35%) of the number of votes attached to all the shares issued by the company. The restrictions do not, however, apply if the vote relates to an amendment of the articles of association of the company or to decisions for which, under the Companies Code, a special majority is required.

No legal or statutory limitations exist on the transfer of securities.

The articles of association and the Corporate Governance Charter of Roularta Media Group include specific provisions on the (re)appointment, training and evaluation of directors. Directors are appointed for a maximum period of four years by the general meeting of shareholders, that can remove them at any time. A resolution to appoint or dismiss requires a simple majority of votes. Should a directorship fall prematurely vacant, the remaining directors can themselves appoint (co-opt) a new director. In this case, the next general meeting proceeds to the final appointment.

The majority of the directors are appointed among candidates presented by the Dutch foundation Stichting Administratiekantoor 'RMG', as long as the latter owns, directly or indirectly, at least 35 per cent of the shares of the company. Should, in the event of decertification, the Dutch Stichting Administratiekantoor 'RMG' no longer be a voting shareholder, then the majority of directors will be appointed among candidates presented by the legal person holding the majority of the certificates in this foundation at the time of decertification, as long as the latter holds, directly or indirectly, at least 35 per cent of the shares of the company.

Decisions to amend the articles of association are subject to special quorum and majority requirements. Any decision to amend the articles of association requires the presence, in person or by proxy, of shareholders representing at least half of the share capital and the approval of at least three fourths of the capital present or represented at the meeting. If the quorum is not met, then a second meeting must be convened, at which the quorum requirement does not apply. The requirement of a special majority remains, however.

The board of directors is expressly authorised, in the case of public takeover bids on securities of the company, to increase the share capital within the limits provided by Article 607 of the Companies' Code by issuing shares not exceeding 10% of the existing shares at the time of such public bid. This authorisation was granted for a term of three years from 19 May 2009 and can be renewed. If the board of directors decides to increase the share capital pursuant to this authorisation, then the amount of that increase will be deducted from the remaining part of the authorised capital.

The company may acquire, divest or pledge its own shares, profit certificates or other certificates relating hereto, to the extent that the relevant statutory provisions are complied with. The board of directors is expressly authorised, without a resolution of the General Assembly, to acquire and hold its own shares if necessary to avoid imminent and serious harm to the company. This authorisation was granted for a period of three years starting on 10 June 2009, being the date of publication in the annexes to the Belgian Official Gazette of the authorisation, as approved by the extraordinary general meeting on 19 May 2009, and may be renewed.

RMG is a party to the following material agreements which change or terminate with a change of control following a takeover bid:

- Under the terms of article 6.5 of annex 1 to the forward sales agreement dated 28.04.2008 between NV Roularta Media Group and SA Natixis, Natixis may, in the event of a change in control of NV Roularta Media Group or SA Roularta Media France, request the early conversion of the totality of the bonds held by Natixis into new shares of SA Roularta Media France.
- Under article 16 of the loan agreement of 25 February 2009 between NV Roularta Media Group and SA Natixis and SA Banque Palatine, the loan becomes due and payable in the event that the Claeys and De Nolf families no longer own 50.1% of the shares and voting rights of NV Roularta Media Group.

On 1 September 2007 the Stichting Administratiekantoor RMG notified the CBFA, pursuant to Article 74 § 6 of the Law of 1 April 2007 on public takeover bids, that it held more than 30% of the voting securities of RMG. Under Article 74 of the above-mentioned law, the Stichting Administratiekantoor RMG enjoys exemption from the bidding requirement. This notification was updated on 23.09.2009 by the Stichting Administratiekantoor RMG following the capital increase at the end of 2008, which was fully subscribed by the Stichting Administratiekantoor RMG, thereby increasing its shareholding in NV Roularta Media Group.

Roeselare, 12 March 2010
The board of directors

Consolidated financial statements

1. CONSOLIDATED INCOME STATEMENT

	Note	2009	2008
Sales	3	707,253	781,605
Raw materials, consumables and goods for resale		-168,310	-194,872
Services and other goods	4	-287,935	-317,259
Personnel	5	-197,423	-205,232
Depreciation, write-down and provisions		-26,234	-34,412
Depreciation and write-down of intangible and tangible assets		*-22,594*	*-25,638*
Write-down of inventories and debtors	6	*-1,870*	*-3,076*
Provisions		*3,215*	*-1,041*
Impairment losses		*-4,985*	*-4,657*
Other operating income	7	10,155	15,326
Other operating expenses	7	-10,550	-10,010
Restructuring costs	8	-16,734	-2,432
Operating profit - EBIT		**10,222**	**32,714**
Interest income	9	4,377	7,486
Interest expenses	9	-17,114	-21,809
Operating profit after net finance costs		**-2,515**	**18,391**
Income taxes	10	-2,110	-5,626
Share in the profit of the companies accounted for using the equity method		-38	-101
Net profit of the consolidated companies		**-4,663**	**12,664**
Attributable to:			
Minority interest		-478	-1,091
Equity holders of Roularta Media Group		**-4,185**	**13,755**
Earnings per share			
Basic earnings per share	11	-0.33	1.29
Diluted earnings per share	11	-0.33	1.29

2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	2009	2008
Net profit of the consolidated companies		**-4,663**	**12,664**
Other comprehensive income of the period			
Exchange differences		-92	21
Cash flow hedges		-4,866	-1,427
Deferred taxes relating to other comprehensive income		1,654	485
Total comprehensive income		**-7,967**	**11,743**
Attributable to:			
Minority interest		-478	-1,091
Equity holders of Roularta Media Group		**-7,489**	**12,834**

All financial amounts expressed in thousands of euros.

3. CONSOLIDATED BALANCE SHEET

ASSETS	Note	2009	2008
Non current assets		**633,152**	**701,401**
Intangible assets	13	441,959	448,880
Goodwill	14	64,572	64,657
Property, plant and equipment	15	116,636	175,748
Investments accounted for using the equity method	16	258	398
Loans, guarantees, available-for-sale investments	17	3,935	2,996
Financial derivatives	30	0	127
Trade and other receivables	18	2,171	2,052
Deferred tax assets	19	3,621	6,543
Current assets		**312,662**	**382,422**
Inventories	20	53,653	55,284
Trade and other receivables	18	179,868	206,701
Tax receivable		534	936
Short-term investments	17	2,395	2,319
Cash and cash equivalents	18	69,304	107,287
Deferred charges and accrued income		6,908	9,895
Total assets		**945,814**	**1,083,823**

LIABILITIES	Note	2009	2008
Equity		**324,846**	**329,320**
Group's Equity		311,851	318,071
Issued capital	*21*	*203,040*	*203,040*
Treasury shares	*21*	*-22,382*	*-22,382*
Capital reserves	*21*	*3,191*	*1,922*
Revaluation reserves	*21*	*-1,147*	*2,065*
Retained earnings		*129,125*	*133,310*
Translation differences		*24*	*116*
Minority interests		12,995	11,249
Non current liabilities		**316,557**	**400,519**
Provisions	23	7,321	7,765
Employee benefits	25	7,190	9,635
Deferred tax liabilities	19	125,294	136,481
Financial debts	26	173,905	243,142
Trade payables	26	2,464	3,345
Other payables	26	200	151
Financial derivatives	30	183	
Current liabilities		**304,411**	**353,984**
Financial debts	26	24,229	31,853
Trade payables	26	157,234	189,903
Advances received	26	50,263	53,751
Employee benefits	26	37,220	41,918
Taxes	26	3,244	1,942
Other payables	27	25,959	27,812
Accrued charges and deferred income	27	6,262	6,805
Total liabilities		**945,814**	**1,083,823**

All financial amounts expressed in thousands of euros.

4. CONSOLIDATED CASH FLOW STATEMENT

	2009	2008
Cash flow relating to operating activities		
Net profit of the consolidated companies	-4,663	12,664
Share in the result of the companies accounted for using the equity method	38	101
Income tax expense / income	2,110	5,626
Interest expenses	13,559	15,516
Interest income (-)	-2,291	-4,270
Losses / gains on disposal of intangible assets and property, plant and equipment	1,275	-400
Losses / gains on disposal of business	37	-4,257
Non-cash items	29,455	37,918
Depreciation of (in)tangible assets	*22,594*	*25,638*
Impairment losses	*4,985*	*4,657*
Share-based payment expense	*1,368*	*1,403*
Losses / gains on non hedging derivatives	*1,469*	*3,076*
Increase / decrease in provisions	*-2,915*	*490*
Unrealised exchange loss / gain	*108*	*101*
Other non-cash items	*1,846*	*2,553*
Gross cash flow relating to operating activities	**39,520**	**62,898**
Increase / decrease in current trade receivables	19,805	19,116
Increase / decrease in current other receivables and deferred charges and accrued income	5,893	3,815
Increase / decrease in inventories	966	-1,943
Increase / decrease in trade payables	-32,772	34,722
Increase / decrease in other current liabilities	-11,657	13
Other increases / decreases in working capital (a)	1,362	1,317
Increase / decrease in working capital	**-16,403**	**57,040**
Income taxes paid	-7,056	-10,095
Interest paid	-14,145	-15,109
Interest received	2,253	4,000
NET CASH FLOW RELATING TO OPERATING ACTIVITIES (A)	**4,169**	**98,734**
Cash flow relating to investing activities		
(In)tangible assets - acquisitions	-19,010	-37,396
(In)tangible assets - other movements	56,864	2,755
Net cash flow relating to acquisition of subsidiaries	-373	-7,017
Net cash flow relating to disposal of subsidiaries	-1	4,449
Loans, guarantees, available-for-sale investments - acquisitions	-1,049	-232
Loans, guarantees, available-for-sale investments - other movements	77	-377
NET CASH FLOW RELATING TO INVESTING ACTIVITIES (B)	**36,508**	**-37,818**
Cash flow relating to financing activities		
Dividends paid	0	-7,967
Movement in capital	0	32,353
Treasury shares	0	-4,020
Other changes in equity	2,220	-189
Proceeds from current financial debts	216	6,406
Redemption of current financial debts	-33,222	-56,731
Proceeds from non current financial debts	6,556	52,198
Redemption of non current financial debts	-54,311	-3,045
Decrease in non current receivables	9	6
Increase in non current receivables	-128	-132
NET CASH PROVIDED BY (+), USED IN (-) FINANCING ACTIVITIES (C)	**-78,660**	**18,879**
TOTAL DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**-37,983**	**79,795**
Cash and cash equivalents, beginning balance	107,287	27,492
Cash and cash equivalents, ending balance	69,304	107,287
Net decrease / increase in cash and cash equivalents	**-37,983**	**79,795**

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

All financial amounts expressed in thousands of euros.

5. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2009	Issued capital	Treasury shares	Capital reserves	Revaluation reserves	Retained earnings	Translation differences	Minority interests	TOTAL EQUITY
Balance as of 1/1/2009	**203,040**	**-22,382**	**1,922**	**2,065**	**133,310**	**116**	**11,249**	**329,320**
Total comprehensive income for the period				-3,212	-4,185	-92	-478	**-7,967**
Costs of issuance and equity increase			-99					**-99**
Recognition of share-based payments			1,368					**1,368**
Other increase / decrease							2,224	**2,224**
Balance as of 31/12/2009	**203,040**	**-22,382**	**3,191**	**-1,147**	**129,125**	**24**	**12,995**	**324,846**

2008	Issued capital	Treasury shares	Capital reserves	Revaluation reserves	Retained earnings	Translation differences	Minority interests	TOTAL EQUITY
Balance as of 1/1/2008	**170,687**	**-18,362**	**729**	**3,007**	**127,519**	**95**	**12,600**	**296,275**
Total comprehensive income for the period				-942	13,755	21	-1,091	**11,743**
Issuance of shares *(all kind of issuances)*	32,352							**32,352**
Equity increase resulting from incorporating capital reserves	1		-1					**0**
Costs of issuance and equity increase			-209					**-209**
Operations with own shares		-4,020						**-4,020**
Dividends					-7,971			**-7,971**
Recognition of share-based payments			1,403					**1,403**
Dividend paid to minority interests							-201	**-201**
Other increase / decrease					7		-59	**-52**
Balance as of 31/12/2008	**203,040**	**-22,382**	**1,922**	**2,065**	**133,310**	**116**	**11,249**	**329,320**

We refer to Note 21 for more details.

All financial amounts expressed in thousands of euros.

Notes to the consolidated financial statements

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

PRESENTATION BASIS

The consolidated financial statements are prepared in compliance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), and with the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC formerly SIC) of the IASB approved by the European Commission.

The consolidated financial statements give a general overview of our Group's activities and the results achieved. They represent fairly the financial position, financial performance and cash flows of the entity, and have been prepared on a going concern basis.

The consolidated financial statements were approved by the board of directors of 12 March 2010 and can be amended until the shareholders' meeting of 18 May 2010.

NEW AND REVISED STANDARDS AND INTERPRETATIONS

The following standards and interpretations became applicable for 2009:

- IFRS 1 *First-time Adoption of International Financial Reporting Standards* (applicable for accounting years beginning on or after 1 January 2009).
- IFRS 8 *Operating Segments* (applicable for accounting years beginning on or after 1 January 2009).
  This standard requires disclosure of the Group's operating segments and replaces IAS 14 *Segment Reporting*. The application of this standard does not affect the way the Group presents its segments. For more details on this segment reporting, the reader is referred to Note 2.
- IAS 1 *Presentation of Financial Statements* (annual periods beginning on or after 1 January 2009). This Standard replaces IAS 1 *Presentation of Financial Statements* (revised in 2003 and amended in 2005).
  Under this amended standard, the statement of changes in equity includes only contributions by and distributions to owners in their capacity as owners. Roularta Media Group has opted for a presentation of the results in two statements, the consolidated income statement and the consolidated statement of comprehensive income.
- Improvements to IFRS (2007-2008) (normally applicable for accounting years beginning on or after 1 January 2009).
- Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards* and IAS 27 *Consolidated and Separate Financial Statements* (normally prospective application for annual periods beginning on or after 1 January 2009).
- Amendment to IFRS 2 *Vesting Conditions and Cancellations* (applicable for annual periods beginning on or after 1 January 2009).
- Amendment to IFRS 7 *Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments* (applicable for accounting years beginning on or after 1 January 2009).
  This change impacts only the form of disclosure, not the consolidated profit and loss account or the consolidated balance sheet.
- Amendment to IAS 23 *Borrowing Costs* (applicable for accounting years beginning or after 1 January 2009).
  The main change here is that financing expenses directly attributable to the acquisition, construction or production of a qualifying asset must be capitalised as a part of the cost of that asset. The former option of expensing these costs in the period in which they are incurred, disappears. This amendment, which applies from 1 January 2009, did not affect the Group's results, given that no such financing costs were incurred during the year.
- Amendments to IAS 32 *Financial Instruments: Presentation* and IAS 1 *Presentation of Financial Statements – Puttable financial instruments and obligations arising on liquidation* (annual periods beginning on or after 1 January 2009).
- IFRIC 13 *Customer Loyalty Programmes* (applicable for accounting years beginning on or after 1 July 2008).
- IFRIC 15 *Agreements for the construction of real estate* (applicable for accounting years beginning on or after 1 January 2009).
- IFRIC 16 *Hedges of a net investment in a foreign operation* (applicable for accounting years beginning on or after 1 October 2008).
- IFRIC 18 *Transfers of Assets from Customers* (applicable for Transfers received on or after 1 July 2009).
- Amendment to IFRIC 9 *Reassessment of Embedded Derivatives* and IAS 39 *Financial Instruments: Recognition and Measurement* (applicable for accounting years ending on or after 30 June 2009).

Any possible impact of the application of an amended standard or interpretation on the financial statements has been described above.

The following standards and interpretations have been issued but do not yet apply in 2009:

- IFRS 3 *Business Combinations* (applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009). This Standard replaces IFRS 3 Business Combinations as issued in 2004.
  This standard changes the accounting for business combinations with acquisition dates after 1 January 2010. The changes relate, among other things, to the valuation of minority interests ('non-controlling interest'), the recognition of transaction costs and the accounting for business combinations which take place in various stages. These changes will affect the accounting for future business combinations, future loss of control and future changes in minority interests.
- IFRS 9 *Financial Instruments* (applicable for annual periods beginning on or after 1 January 2013).
- Improvements to IFRS (2008-2009) (normally applicable for accounting years beginning on or after 1 January 2010).
- Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards – Additional exemptions* (applicable for annual periods beginning on or after 1 January 2010).
- Amendment to IFRS 2 *Share-based Payment* (applicable for annual periods beginning on or after 1 January 2010).
- Amendment to IAS 24 *Related Party Disclosures* (applicable for annual periods beginning on or after 1 January 2011). This Standard supersedes IAS 24 *Related Party Disclosures* as issued in 2003.
- Amendment to IAS 27 *Consolidated and Separate Financial Statements* (applicable for annual periods beginning on or after 1 July 2009). This standard amends IAS 27 *Consolidated and Separate Financial Statements* (revised 2003).
- Amendments to IAS 32 *Financial Instruments: Presentation – Classification of Rights Issues* (applicable for annual periods beginning on or after 1 February 2010).
- Amendments to IAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items* (applicable for annual periods beginning on or after 1 July 2009).
- IFRIC 17 *Distributions of Non-cash Assets to Owners* (applicable for accounting years beginning on or after 1 July 2009).
- IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments* (applicable for annual periods beginning on or after 1 July 2010).
- Amendment to IFRIC 14 IAS 19 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction – Prepayments of a Minimum Funding Requirement* (applicable for annual periods beginning on or after 1 January 2011).

The Group has not applied these standards and interpretations in anticipation. We are still assessing the possible impact of IFRS 3 and IAS 27. The Group does not expect the first application of the other amendments to significantly impact its financial statements.

CONSOLIDATION PRINCIPLES

The consolidated financial statements consolidate the financial information of Roularta Media Group NV, its subsidiaries and joint ventures, after elimination of all material transactions within the Group.

Subsidiaries are those companies over which the parent company has control, i.e. has the power to direct the financial and operational policy of a company in order to acquire benefits from its activities. These companies are included in accordance with the full consolidation method.

Joint ventures are contractual agreements whereby Roularta Media Group NV together with one or more parties set up an economic activity over which they exercise joint authority. This means that strategic, financial and operational decisions require the unanimous agreement of the parties sharing the authority. These companies are accounted for by the proportional consolidation method.

The financial statements of subsidiaries and joint ventures are included in the consolidated financial statements from the date on which the parent company acquires control until the date on which the control ceases.

Acquisitions of subsidiaries and joint ventures are accounted for by applying the purchase method.

The financial statements of subsidiaries and joint ventures are prepared for the same financial year as that of the parent company and using uniform accounting policies for like transactions and other events in similar circumstances.

Associated companies are companies in which the Group has a significant influence and which are not a subsidiary company or joint venture. They are incorporated in the consolidation in accordance with the equity method from the date on which the significant influence begins until the date on which the significant influence ceases. If the Group's share in the loss exceeds the book value of the associated company, the book value is reduced to nil and any further losses are no longer entered, unless the Group has guaranteed commitments made by the associated company.

FOREIGN CURRENCY

Transactions in foreign currency

Transactions in foreign currency are recorded on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate at the date of transaction. At each balance sheet date foreign currency monetary items are translated using the closing rate. Non monetary items are translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition are recognised in profit or loss as other operating income or costs in the period in which they arise.

Financial statements of foreign entities

Monetary and non monetary assets and liabilities of foreign entities whose functional currency is not the currency of a hyperinflationary economy and is different from the euro are translated at the closing rate at the date of the balance sheet. Income and expenses for each income statement (including comparatives) are translated at exchange rates at the dates of the transactions. All resulting exchange differences are recognised as a separate component of equity.

INTANGIBLE ASSETS OTHER THAN GOODWILL

Intangible assets consist of titles, software, concessions, copyrights, property rights and other rights etc. acquired from third parties or by contribution in kind, as well as any internally generated software.

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised as an expense when it is incurred.

Expenditures on development activities, whereby the research findings are applied to a plan or design for the production of new or substantially improved products and processes, are only included in the balance sheet, if the product or process is technically and commercially feasible, the Group has sufficient resources available to complete the development and it is possible to demonstrate that the asset will generate probable future economic benefits.

Capitalised expenditure comprises the costs of materials, direct labour costs and a proportionate part of the overheads.

Intangible assets are measured at their cost, less any accumulative amortisation and any accumulated impairment losses.

Amortisation

Intangible assets are amortised in accordance with the straight-line methods starting when the asset is available for use over their expected useful life.

The following useful lives are applied:

– Development costs	3 years
– Software	3 to 5 years
– Concessions, copyrights, property rights and similar rights	
• Graphics and generics	3 years
• Scenarios	2 years
• Other rights	according to their expected useful life

By virtue of the modification of IAS 38.107, titles are considered as assets with indefinite useful lives which are not amortised but tested yearly for impairment.

GOODWILL

Goodwill is the difference between the cost of a business combination and the Group's share in the fair value of the assets acquired and liabilities and contingent liabilities assumed of the subsidiary, joint venture or associated entity at the time of acquisition.

By virtue of the application of IFRS 3 goodwill is not amortised but tested yearly for impairment.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recognised at cost less any accumulative depreciation and any impairment losses. The cost comprises the initial purchase price plus other direct purchase costs (such as non-refundable tax, transport). The cost of self-constructed property, plant and equipment comprises the cost of materials, direct labour costs and a proportional part of the production overheads.

The Group uses the exception provided for in IFRS 1 to treat the fair value of some of the property, plant and equipment as deemed cost on the date of transition to IFRS, being 1 January 2003. This fair value is based on the value in going concern as determined by third party experts and was applied to all of the Group's land and buildings, as well as to NV Roularta Printing's printing presses and finishing lines.

Leases

Lease arrangements whereby the Group has substantially all rewards and risks incidental to ownership are classified as finance leases. At the commencement of the finance lease term, finance leases are recognised as assets and liabilities in the balance sheet at amounts equal to the fair value of the leased property, or, if lower, the present value of the minimum lease payments each determined at the inception of the lease.

Minimum lease payments shall be apportioned between the finance charge and the reduction of the outstanding liability. The finance charge shall be allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents shall be charged as expenses in the periods in which they are incurred.

Leasing of property whereby substantially all rewards and risks remain with the leasing company is classified as operating lease. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Depreciation

The depreciable amount of an item of property, plant and equipment (i.e. the cost less its residual value) is recognised in the income statement on a straight-line basis from the date the asset is available for use over the expected useful life.

The following depreciation percentages are applied:

– Buildings	
• revalued	20 years
• not revalued	33 years
• buildings on leasehold land	term of lease
• improvements with valuable appreciation	10 years
– Installations, machines and equipment	
• printing presses and finishing lines	3 to 20 years
• broadcast material	5 years
• TV stages	3 years
• others	5 years
– Furniture and office equipment	5 to 10 years
– Electronic equipment	3 to 5 years
– Vehicles	4 to 5 years
– Other property, plant and equipment	5 to 10 years
– Assets under construction and advance payments	no depreciation
– Property held under a finance lease	
• printing presses and finishing lines	3 to 20 years
• broadcast material	5 years

Land is not depreciated since it is assumed that it has an indefinite useful life.

FINANCIAL ASSETS

Criteria for the initial recognition and the derecognition of financial assets

The purchase or sale of financial assets is recognised using the settlement date. This implies that the asset is recognised on the date it is received by the Group, and it is derecognised on the date it is delivered by the Group; at this date any gain or loss on disposal is recognised.

Criteria for the measurement of financial assets

(a) Available-for-sale financial assets

At initial recognition all available-for-sale financial assets are recognised at fair value, plus transaction costs directly attributable to the acquisition of the financial asset. A gain or loss arising from a change in fair value is recognised directly in equity as revaluation reserve until the financial asset is derecognised, or until there is objective evidence that a financial asset incurred impairment losses. Investments in equities that are classified as assets available for sale but for which no price quotation on an active market is available, and the fair value of which cannot be reliably determined by other valuation methods, are recognised at their historical cost.

(b) Financial assets at fair value through profit or loss

At initial recognition these financial assets are recognised at fair value. A gain or loss arising from a change in fair value of the financial asset is recognised through profit or loss.

(c) Loans and receivables

These non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are measured at amortised cost. A gain or loss is recognised in profit or loss when the financial asset is impaired.

INVENTORIES

Inventories are measured at cost (purchase or manufacturing cost) in accordance with the FIFO method or, if lower, at net realisable value.

Manufacturing cost includes all direct and indirect costs necessary to bring the inventories to their present location and condition.

The net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Ageing or slowly rotating inventories are systematically written down.

Broadcasting rights VMMa are measured as a function of expected income over the different runs. They are amortised on the basis of the expected number of transmissions (maximum 4).

TRADE AND OTHER RECEIVABLES

Short-term trade receivables and other receivables are measured at cost less appropriate allowances for estimated irrecoverable amounts.

At the end of the financial year an estimate is made of doubtful debts on the basis of an evaluation of all outstanding amounts. Doubtful debts are written off in the year in which they were identified as such.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash and sight deposits, short-term deposits (under 3 months) and highly liquid investments which are easily convertible into a known cash amount and where the risk of a change in value is negligible.

EQUITY

Treasury shares

Treasury shares (i.e. own shares) are presented as deduction of equity and reported in the statement of changes in equity. No gain or loss is recognised in the income statement on the sale, issuance or cancellation of treasury shares.

PROVISIONS

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation.

If the Group expects that some or all of the expenditure required settling a provision will be reimbursed, the related asset is recognised once it is virtually certain that the reimbursement will be received.

Restructuring

A provision for restructuring is created when the Group approves a detailed and formalised restructuring plan and when the implementation of the restructuring plan has been started or the main features of the plan have been announced to those affected by it.

EMPLOYEE BENEFITS

Pension commitments

Several defined contribution plans exist within the Group. These plans are in general funded by both employer and employee contributions. Contribution commitments in the pension schemes with a fixed contribution payable by the Group are included in the income statement of the year to which they relate.

The necessary amounts are recognised in the profit and loss account to cover the actuarial and investment risk of the defined benefit plans.

The actuarial gains and losses arising from differences between the previous actuarial assumptions and the current experience, or changes in actuarial assumptions are included in the profit and loss account of the year.

The Group also recognises a provision for early retirement pensions. The amount of the provision is equal to the present value of future benefits promised to the employees involved.

Share-based payments

Various warrant and share option plans exist to enable executive and senior management to acquire shares of the company. IFRS 2 applies to all share-based payment transactions allocated after 7 November 2002 and which had not become unconditional by 1 January 2005. The exercise price of an option is determined on the basis of the average closing price of the share during the thirty days prior to the option offering date or on the basis of the latest closing price prior to the offering date. The fair value of the option is calculated using the Black and Scholes formula. If and when the options are exercised, equity is increased by the amount received.

Other long-term employee benefits

This mainly concerns both future allocations of preferential subscriptions, as a specific premium which is awarded to the employee on retirement. The amount of these provisions equals the present value of these future obligations.

FINANCIAL LIABILITIES

Financial debts, other than derivative financial instruments, are initially recorded at the fair value of the financial resources received, less transaction costs. In subsequent periods, they are stated at amortised cost using the effective interest-rate method. Where financial debts are hedged by derivative financial instruments that function as fair value hedging, these debts are valued at fair value.

TRADE PAYABLES

Trade payables are recognised at their cost.

TAX

Tax expense (tax income) on the profit for the financial year is the aggregate amount included in the profit or loss for the period in respect of current tax and deferred tax. Taxes are recognised as income or as expense and included in profit or loss for the period except to the extent that the tax arises from a transaction or event which is recognised directly in equity. In that case the taxes are also recognised directly to the equity.

Current taxes for current and previous periods are, to the extent unpaid, recognised as a liability. If the amount already paid exceeds the amount due for those periods, the excess is recognised as an asset. For calculating the current tax for the current and prior periods the tax rates that have been enacted or substantively enacted by the balance sheet date are used.

Deferred taxes are accounted for using the 'liability' method for all temporary differences between the taxable basis and the book value for financial reporting purposes and this for both assets and liabilities. For calculation purposes the tax rates used are those that have been enacted or substantively enacted by the balance sheet date.

In accordance with this method, the Group must in case of a business combination recognise deferred taxes on the difference between the fair value of the acquired assets and the liabilities and contingent liabilities assumed and their taxable basis.

Deferred tax assets are only recognised when it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Deferred tax assets are derecognised when it is no longer probable that the related tax advantage will be realised.

GOVERNMENT GRANTS

Government grants that relate to assets are recognised at their fair value when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. The government grant is presented as deferred income.

Government grants to compensate costs incurred by the Group are systematically recognised as operating income in the same period in which these costs are incurred.

SALES

Revenue from sales is recognised when following conditions are met:

a) the significant risks and rewards of ownership are transferred
b) the Group has no continuing managerial involvement or control usually associated with ownership anymore
c) the amount of revenue can be measured reliably
d) it is probable that the economic benefits associated with the transaction will flow to the Group
e) the costs incurred or to be incurred can be measured reliably

Advertising income in Printed Media is recognised upon publication of the issue in which the advertisement is placed. Advertising income in Audiovisual Media is recognised at the time of broadcasting. Income from newsstand and subscription sales is recognised at publication date of the issue.

FINANCING COSTS

Financing costs are recognised as an expense in the period in which they are incurred.

IMPAIRMENT LOSSES

For the Group's assets, in application of IAS 36, on each balance sheet date it is assessed whether there are any indications that an asset may be impaired. If such indication exists, the recoverable amount of the asset has to be estimated. The recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. An impairment loss is recognised when the book value of an asset, or the cash-generating unit to which the asset belongs, is higher than the recoverable amount. Impairment losses are recognised in the income statement.

The value in use is determined based on the discounted cash flow model, in particular the discounting of future cash flows resulting from the continued operation of the unit. For this, management has used a cash flow forecast based on a five-year business plan and on a ten-year business plan. Future cash flows are discounted based on a weighted average cost of capital. Cash flow forecasts after the last budget period are determined by extrapolating the above-mentioned forecasts, applying a growth rate.

In setting the weighted average cost of capital and the growth rate, account has been taken of the interest rate and risk profile of Roularta Media Group as a whole. The assumptions are applied to all of the Group's cash flow generating units.

Fair value less selling costs is determined empirically, using a transaction multiple derived from comparable transactions in the media sector and from experience applied to the sales criterion.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments to hedge the exposure to changes in interest rates or currencies.

Derivative financial instruments are initially measured at fair value. After initial recognition the financial instruments are measured at fair value on the balance sheet date.

Cash flow or fair value hedge accounting is applied to all hedges that qualify for hedge accounting when the required hedge documentation is in place and when the hedge relation is determined to be effective.

Fair value hedging

When a derivative financial instrument hedges the variability in fair value of a recognised asset or liability, or hedges an unrecognised firm commitment, these financial instruments are qualified as fair value hedges. These financial instruments accounted for as fair value hedges are measured at fair value and presented in the line 'financial derivatives'. The gain or loss arising on hedging instruments is recognised in profit and loss. The hedged item is also measured at fair value in respect of the risk being hedged, with any gain or loss being recognised in the income statement.

Cash flow hedging

Changes in the fair value of a hedging instrument that qualifies as an effective cash flow hedge are processed in equity, more specifically in the hedging reserve.

Derivatives that do not qualify as hedging instruments

Certain hedging transactions do not qualify for hedge accounting treatment according to the specific criteria of IAS 39 'Financial Instruments: Recognition and Measurement', although they offer economic hedging according to the Group's risk policy. Changes in the fair value of such instruments are recognised directly in the income statement.

CRUCIAL ASSESSMENTS AND MAIN SOURCES OF ESTIMATING UNCERTAINTIES

Preparing annual financial statement under IFRS rules requires management to make judgements, estimates and assumptions that influence the amounts included in the annual financial statements.
The estimates and related assumptions are based on past experience and on various other factors that are considered reasonable in the given circumstances. The outcomes of these form the basis for the judgement as to the carrying value of assets and liabilities where this is not evident from other sources. The actual outcomes can differ from these estimates. The estimates and underlying assumptions are regularly reviewed.

Important sources of valuation uncertainties

- Impairment losses on titles and goodwill: the Group tests titles and goodwill annually for impairment, and also in between where indications exist that the value of the titles or goodwill could be impaired.
- Deferred tax assets relating to tax losses carried forward and tax deductions are recognised only to the extent that it is probable that sufficient taxable profit will exist in the future to recover the carried-forward tax losses and tax deductions.
- Credit risk with respect to customers: with the deterioration of the economic environment, management has thoroughly analysed the outstanding trade receivables, taking into account ageing, payment history and credit insurance coverage (see Note 18).
- Provision for employee benefits: the defined benefit pensions are based on actuarial assumptions including the discount rate and expected return on fund investments, see Note 25.

NOTE 2 - SEGMENT REPORTING

I. PRIMARY SEGMENT REPORTING: BUSINESS SEGMENTS

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 as a basis for segmented information.

Printed Media includes the sale of publicity, and the production and sale of all printed publications of the Group, such as free sheets, newspapers, magazines, newsletters and books, as well as all related services. Audiovisual Media includes spot advertising on TV and radio, production and broadcasting, as well as all related services.
The valuation rules of the business segments are the same as the valuation rules of the Group as described in Note 1.

Intersegment pricing is determined on an arm's length basis.
The results of the operating segments are monitored by management as far as the net result, given that almost all the segments correspond to legal entities.

2009	**Printed Media**	**Audiovisual Media**	**Intersegment elimination**	**Consolidated total**
Sales of the segment	550,188	162,307	-5,242	707,253
Sales to external customers	*547,314*	*159,939*		*707,253*
Sales from transactions with other segments	*2,874*	*2,368*	*-5,242*	*0*
Depreciation and write-down of (in)tangible assets	-16,977	-5,617		-22,594
Write-down of inventories and receivables and provisions	-538	1,883		1,345
Impairment losses	-4,985	0		-4,985
Operating profit (EBIT)	**-8,631**	**18,853**		**10,222**
Interest income	4,886	201	-710	4,377
Interest expenses	-16,916	-908	710	-17,114
Income taxes	3,923	-6,033		-2,110
Share in the profit of the companies accounted for using the equity method	-38	0		-38
Net profit of the consolidated companies	**-16,776**	**12,113**		**-4,663**
Attributable to:				
Minority interests	-280	-198		-478
Equity holders of Roularta Media Group	**-16,496**	**12,311**		**-4,185**
Assets	**899,342**	**156,620**	**-110,148**	**945,814**
- of which carrying amount of investments accounted for using the equity method	258			258
- of which investments in intangible assets and property, plant and equipment	15,941	4,185		20,126
Liabilities	**576,804**	**72,039**	**-14,880**	**633,963**
Sales to external customers break down as follows:				
Advertising	*270,164*	*125,980*		*396,144*
Subscriptions and sales	*182,406*	*0*		*182,406*
Other services and goods	*94,744*	*33,959*		*128,703*

All financial amounts expressed in thousands of euros.

2008	**Printed Media**	**Audiovisual Media**	**Intersegment elimination**	**Consolidated total**
Sales of the segment	610,177	179,178	-7,750	781,605
Sales to external customers	*607,216*	*174,389*		*781,605*
Sales from transactions with other segments	*2,961*	*4,789*	*-7,750*	*0*
Depreciation and write-down of (in)tangible assets	-19,587	-6,051		-25,638
Write-down of inventories and receivables and provisions	-4,292	175		-4,117
Impairment losses	-2,623	-2,034		-4,657
Operating profit (EBIT)	**16,272**	**16,442**		**32,714**
Interest income	7,840	482	-836	7,486
Interest expenses	-21,593	-1,052	836	-21,809
Income taxes	-1,429	-4,197		-5,626
Share in the profit of the companies accounted for using the equity method	-101			-101
Net profit of the consolidated companies	**989**	**11,675**		**12,664**
Attributable to:				
Minority interests	-161	-930		-1,091
Equity holders of Roularta Media Group	**1,150**	**12,605**		**13,755**
Assets	**1,026,804**	**177,256**	**-120,237**	**1,083,823**
- of which carrying amount of investments accounted for using the equity method	398			398
- of which investments in intangible assets and property, plant and equipment	42,469	6,342		48,811
Liabilities	**706,858**	**80,104**	**-21,210**	**765,752**
Sales to external customers break down as follows:				
Advertising	*320,604*	*132,111*		*452,715*
Subscriptions and sales	*187,563*	*0*		*187,563*
Other services and goods	*99,049*	*42,278*		*141,327*

II. GEOGRAPHICAL INFORMATION

The geographical segment information is divided into three geographic markets in which RMG is active: Belgium, France and other countries (Germany, the Netherlands, Slovenia, Croatia and Serbia). The following schedules of sales and non current assets (*) are divided up according to the geographic location of the subsidiary.

2009	**Belgium**	**France**	**Other countries**	**Intersegment elimination**	**Consolidated total**
Sales of the segment	481,149	229,502	32,286	-35,684	707,253
Non current assets (*)	234,842	375,186	13,139		623,167

2008	**Belgium**	**France**	**Other countries**	**Intersegment elimination**	**Consolidated total**
Sales of the segment	527,532	263,525	28,293	-37,745	781,605
Non current assets (*)	255,545	420,362	13,378		689,285

(*) non current assets other than financial instruments, deferred tax assets, post employment benefit assets, and rights arising under insurance contracts

III. INFORMATION ABOUT MAJOR CUSTOMERS

Given the variety of the Group's activities and hence the diversity of its customer portfolio, there is no one external customer representing at least 10 per cent of the Group's revenue.

All financial amounts expressed in thousands of euros.

NOTE 3 - SALES

An analysis of the Group's sales is as follows:

	2009	2008
Advertising	396,144	452,715
Subscriptions and sales	182,406	187,563
Other services and goods	128,703	141,327
Total sales	**707,253**	**781,605**

Bartering contracts included in sales amount to € 48,769 (2008: € 51,827). Royalties included in sales amount to € 3,734 (2008: € 3,118).

Sales fell by 9.5% from EUR 781.6 million to EUR 707.3 million. The fall in sales was most tangible in magazine and free press (job ads) advertising revenue, and to a lesser extent in the readers' market and in radio and TV advertising revenue. Internet revenue is rising further.
Sales in the Printed Media division fell by 9.8% from EUR 610.2 to 550.2 million. The 2009 figure includes the full year's revenue of a series of German titles acquired in July 2008; on the other hand, the Norwegian senior magazine 'Vi over 60' was still part of the Group in the first half of 2008. Compared with 2008, sales of existing titles fell by EUR 65 million or 10.7%. This fall was most noticeable in magazine advertising revenue (- 22%). Free press sales fell by 11%, mainly in the job ads sector. The readers' market shrank by just 5%, mainly in the French titles and newsstand sales.

Sales by the Audiovisual Media division fell from EUR 179.2 to 162.3 million (- 9.4%). Optical disk production (VTV) was transferred per 1 April 2009 to the French QOL group. This had the effect of reducing sales by EUR 7.6 million. Radio and TV advertising revenue fell by 5%. Income from Paratel, a line extension, also fell by 10%.

NOTE 4 - SERVICES AND OTHER GOODS

An analysis of the Group's services and other goods is as follows:

	2009	2008
Transport and distribution costs	-49,881	-56,148
Marketing and promotion costs	-74,939	-84,284
Commission fees	-16,026	-19,767
Fees	-55,517	-59,470
Operating leases	-19,904	-16,751
Subcontractors and other deliveries	-47,473	-50,824
Remuneration members of the board of directors	-1,823	-2,297
Temporary workers	-3,131	-5,276
Travel and reception costs	-6,419	-8,875
Insurances	-1,224	-1,399
Other services and other goods	-11,598	-12,168
Total services and other goods	**-287,935**	**-317,259**

Services and other goods fell by € 29,324 or 9.2% compared with the previous year. On the one hand, rental costs have increased by € 4,051 as a result of the sale-and-rent-back operation. On the other hand, miscellaneous expenses, mainly marketing, promotion and transport costs, have fallen. This decrease is generally due to the decline in sales.

All financial amounts expressed in thousands of euros.

NOTE 5 - PERSONNEL

	2009	2008
Wages and salaries	-135,275	-141,202
Social security contributions	-51,401	-52,657
Share-based payments	-1,368	-1,403
Post employment benefit charges	-3,723	-3,710
Other personnel charges	-5,656	-6,260
Total personnel charges	**-197,423**	**-205,232**

Post employment benefit charges in 2009 consist mainly of expenses recognised related to the defined contribution plans of € 3,535 (2008: € 3,525).

Employment in Full Time Equivalents	2009	2008
Average number of staff	2,876	3,198
Total employment at the end of the period	2,815	3,187

With the transfer of optical disk production (VTV) as per 1 April 2009, the workforce fell by 96 FTEs. Other reductions reflect the various restructurings, including three 'plans sociaux' in France.

NOTE 6 - WRITE-DOWN OF INVENTORIES AND RECEIVABLES

	2009	2008
Write-down of receivables	-5,032	-6,249
Reversal of write-down of receivables	3,827	3,556
Write-down of inventories	-936	-830
Reversal of write-down of inventories	271	447
Total write-down of receivables and inventories	**-1,870**	**-3,076**

The net write-down of receivables in 2009 amounts to € 1,205 and is mainly due to the net write-down of trade receivables RMG (€ 571) and Vogue Trading Video (€ 329).
The largest amounts in the valuation allowances recorded in 2008 on receivables relate to outstanding customers at DMB-Balm (€ 1,294) and to the receivable from Actuapedia (€ 1,322).
The reversal of the valuation allowance on inventory is due primarily to the use of the inventories in question.

All financial amounts expressed in thousands of euros.

NOTE 7 - OTHER OPERATING INCOME / EXPENSES

	2009	2008
Government grants	2,946	3,278
Gains on disposal of intangible assets and property, plant and equipment	109	883
Gains on disposal of subsidiaries or joint ventures	11	4,340
Capital grants	45	130
Exchange differences	142	39
Miscellaneous financial income and cash discounts	339	288
Miscellaneous cross-charges	1,894	1,947
Dividends	148	35
Other operating income	4,521	4,386
Total other operating income	**10,155**	**15,326**
Other taxes	-4,347	-4,552
Losses on disposal of intangible assets and property, plant and equipment	-1,383	-119
Losses on trade receivables	-727	-379
(Reversal of) less values / (less values) on other non current receivables		676
(Reversal of) less values / (less values) on other current receivables		-747
(Reversal of) less values / (less values) on guarantees		-358
Share association	-1,689	-2,442
Exchange differences	-26	-131
Payment differences and bank charges	-1,048	-1,244
Other operating expenses	-1,330	-714
Total other operating expenses	**-10,550**	**-10,010**

The fall in other operating income / expenses compared with last year is due mainly to the capital gain on the sale of Grieg Media in 2008.

NOTE 8 - RESTRUCTURING COSTS

	2009	2008
Redundancy costs	-15,175	-1,579
Fees	-116	
Removal costs	-77	-853
Waiver fees	-1,066	
Restructuring costs: costs	**-16,434**	**-2,432**
Provisions restructuring costs	-300	
Restructuring costs: provisions	**-300**	**0**
Total restructuring costs	**-16,734**	**-2,432**

The waiver fees relate to the costs for the renegotiation of the bank covenants. Both the Belgian and the French Group companies restructured in 2009. The total restructuring costs, net of waiver fees, amount to € 10,847 in respect of the French companies and € 4,521 in respect of the Belgian companies.
The restructuring costs of 2008 consist on the one hand of redundancy payments at Groupe Express-Roularta (€ 1,579) and on the other hand of removal costs at Editions Génération-L'Etudiant (€ 853).

All financial amounts expressed in thousands of euros.

NOTE 9 - NET FINANCE COSTS

	2009	2008
- interest income	1,233	2,145
- profits on hedging instruments that are not part of a hedge accounting relationship	2,086	3,216
- profits on discontinuing hedging instruments that are not part of a hedge accounting relationship before maturity date	1,058	2,125
Financial income	**4,377**	**7,486**
- interest expense	-13,540	-15,516
- losses on hedging instruments that are not part of a hedge accounting relationship	-3,574	-6,293
Financial costs	**-17,114**	**-21,809**
Total net finance costs	**-12,737**	**-14,323**

Interest income has fallen compared with last year given that more resources were invested short-term in the course of 2008.
The decrease of the interest expense is for € 817 due to the sale-and-rent-back transaction.
A description of the hedging instruments can be found in Note 30.

NOTE 10 - INCOME TAXES

I. INCOME TAX EXPENSE / INCOME - CURRENT AND DEFERRED

	2009	2008
A. INCOME TAX EXPENSE / INCOME - CURRENT		
Current period tax expense	-9,143	-9,946
Adjustments to current tax expense / income of prior periods	146	81
Total current tax expense	**-8,997**	**-9,865**
B. INCOME TAX EXPENSE / INCOME - DEFERRED		
Related to the origination and reversal of temporary differences	11,518	7,486
Related to changes in tax rates		-658
Related to the reversal of depreciation (+) or depreciation (-) of deferred tax assets	-4,631	-2,589
Total deferred tax expense	**6,887**	**4,239**
Total current and deferred tax expense	**-2,110**	**-5,626**

II. RECONCILIATION OF STATUTORY TAX TO EFFECTIVE TAX

	2009	2008
Profit before taxes	-2,515	18,391
Statutory tax rate	33.99%	33.99%
Tax expense using statutory rate	**855**	**-6,251**
Adjustments to current tax of prior periods (+/-)	145	81
Tax effect of non tax deductible expenses (-)	-4,018	-4,231
Tax effect of non taxable revenues (+)	2,770	4,406
Tax credit resulting from investment and notional interest deduction	1,730	1,499
Tax effect of not recognising deferred taxes on losses of the current period (-)	-3,865	-3,870
Tax effect from the reversal (utilisation) of deferred tax assets from previous years		251
Tax effect of recognising deferred taxes on tax losses of previous periods	216	361
Tax effect of change in statutory tax rates		-658
Tax effect of different tax rates of subsidiaries in other jurisdictions	112	211
Other increase / decrease in tax charge (+/-)	-55	2,575
Tax expense using effective rate	**-2,110**	**-5,626**

All financial amounts expressed in thousands of euros.

	2009	2008
Profit before taxes	-2,515	18,391
Effective tax rate	-83.90%	30.59%
Total effective tax expense	**-2,110**	**-5,626**

III. TAX RELATING TO ITEMS THAT ARE CHARGED OR CREDITED TO EQUITY

	2009	2008
Deferred taxes relating to items that are charged or credited to equity		
Costs of issuance and equity increase	-77	-2
	-77	**-2**

IV. TAX INCLUDED IN THE OTHER COMPREHENSIVE INCOME

	2009	2008
Deferred taxes relating to items included in the other comprehensive income:		
Cash flow hedge gains / losses	1,654	485
	1,654	**485**

NOTE 11 - EARNINGS PER SHARE

	2009	2008
I. MOVEMENTS IN NUMBER OF SHARES (ORDINARY SHARES)		
Number of shares, beginning balance	13,131,940	11,037,050
Number of shares issued during the period	0	2,094,890
Number of shares, ending balance	**13,131,940**	**13,131,940**
- of which issued and fully paid	13,131,940	13,131,940
II. OTHER INFORMATION		
Number of shares owned by the company or related parties	512,863	512,863
Shares reserved for issue under options	512,863	512,863
III. EARNINGS PER SHARE CALCULATION		
1. Number of shares		
1.1. Weighted average number of shares, basic	12,619,077	10,654,787
1.2. Adjustments to computed weighted average number of shares, diluted	0	31,312
subscription right plans	*0*	*16,866*
stock option plans	*0*	*14,446*
1.3. Weighted average number of shares, diluted	12,619,077	10,686,099

2. Calculation

The calculation of the basic earnings and diluted earnings per share are based on the following:

$$\frac{\text{Net profit available to common shareholders}}{\text{Weighted average number of shares, basic}} = \frac{-4{,}185}{12{,}619{,}077} = -0.33$$

$$\frac{\text{Net profit available to common shareholders}}{\text{Weighted average number of shares, diluted}} = \frac{-4{,}185}{12{,}619{,}077} = -0.33$$

All financial amounts expressed in thousands of euros.

NOTE 12 - DIVIDENDS

	2009	2008
Amount of dividends proposed or declared after the balance sheet date but before authorisation of the financial statements (1)	0	0
Gross dividend per share in €	0	0
(1)		
Number of shares entitled to dividend on 31/12	13,131,940	13,131,940
Number of own shares on 31/12	-512,863	-512,863
	12,619,077	12,619,077

NOTE 13 - INTANGIBLE ASSETS

2009	Development costs	Titles	Software	Concessions, property rights and similar rights	Total
AT COST					
Balance at the end of the preceding period	**131**	**430,795**	**29,975**	**27,547**	**488,448**
Movements during the period:					
- Acquisitions		150	3,120	738	4,008
- Acquisitions through business combinations		1,107	5		1,112
- Sales and disposals (-)		-3,294	-198	-1,204	-4,696
- Disposals through business divestiture (-)			-11		-11
- Transfers from one heading to another			10	-10	0
- Other increase / decrease				76	76
At the end of the period	**131**	**428,758**	**32,901**	**27,147**	**488,937**
DEPRECIATION AND IMPAIRMENT LOSSES					
Balance at the end of the preceding period	**92**	**6,286**	**20,885**	**12,305**	**39,568**
Movements during the period:					
- Depreciation	39		4,330	2,265	6,634
- New consolidations			5		5
- Impairment loss / reversal recognised in income		4,900			4,900
- Written down after sales and disposals (-)		-2,737	-192	-1,140	-4,069
- Disposals through business divestiture (-)			-11		-11
- Transfers from one heading to another			10	-10	0
- Other increase / decrease				-49	-49
At the end of the period	**131**	**8,449**	**25,027**	**13,371**	**46,978**
Net carrying amount at the end of the period	**0**	**420,309**	**7,874**	**13,776**	**441,959**

Development costs, software and concessions, property rights and similar rights are depreciated based on their useful life, which is determined based on the expected use of the asset by the Group (also see valuation rules). Titles have an indefinite useful life. They contribute directly to Group cash flow given the widely known and respected nature of the title on the market. For this reason they are not amortised, but subject to annual impairment testing.

Allocation

The titles are allocated to the Group's cash flow generating entities as follows: Groupe Express-Roularta (L'Express, L'Expansion, Lire, L'Entreprise, Mieux Vivre Votre Argent, L'Etudiant, Atmosphères...), including the titles of the Côté Maison Group (Côté Sud, Côté Est, Côté Ouest, Maison Française, Maison Magazine) for a total amount of € 285,592, Le Vif/L'Express for a total amount of € 40,500, Point de Vue for a total amount of € 32,400, the Biblo Group (newsletters, medical magazines, Top, Tendances, Tandartsenkrant and Apothekerskrant...) for a total amount of € 16,986, A Nous for a total amount of € 7,899, Studio Magazine (Studio Magazine and Ciné Live) for a total amount of € 5,500, Extranet for a total amount of € 5,629, childrens' and parents' magazines of J.M. Sailer for a total amount of € 5,226, Data News for a total amount of € 2,943, Studio Press (Pianiste, Guitar Part, ...) for a total amount of € 2,071, Press News (Royals, Dynasty, ...) for the total amount of € 2,665, Het Wekelijks Nieuws (€ 2,450), Zeeuws Vlaams Advertentieblad for a total amount of € 2,083, Bayard Media (Weltbild-titles, Lenz/Frau im Leben) (€ 2,902), Go (€ 1,410) and Living & More (€ 1,048).

Impairment test

The Group tests titles for impairment annually, or more frequently if indications exist that the titles may have fallen in value. For the purposes of this test, assets are allocated to cash flow generating units.

All financial amounts expressed in thousands of euros.

The impairment test compares the carrying amount of an asset or a cash-generating unit with its recoverable amount. The recoverable amount is defined as the higher of fair value less selling costs or value in use of an asset or cash-generating unit.
The value in use is determined based on the discounted cash flow model, in particular the discounting of future cash flows resulting from the continued operation of the unit. For this, management has used a cash flow forecast based on a business plan from 2010 to 2014 and on a second plan from 2010 to 2019. Both business plans are based on a recovery in sales, with sales in 2012 back close to 2008 levels. These business plans were approved by the board of directors. Future cash flows are discounted based on a weighted average cost of capital after tax of 6.98%. In determining the cash flow projections for the 5-year business plan, a growth rate of 2% has been applied after 2014. Cash flow projections for the ten-year business plan assume a growth rate of 0.5% after 2019.
In setting the weighted average cost of capital and the growth rate, account has been taken of the interest rate and risk profile of Roularta Media Group as a whole. The assumptions are applied to all of the Group's cash flow generating units.
Fair value less selling costs is determined empirically, using a transaction multiple derived from comparable transactions in the media sector and from experience applied to the sales criterion.

Based on the above tests the recoverable amount was higher than the carrying value of the cash flow generating units with the exceptions of the titles Atmosphères, Guitar Part, Guitar Collector's, Guitar Classique and Data News. On these an impairment loss of € 4,900 was recognised in the income statement. In 2008 an impairment loss of € 2,251 was recognised in the income statement on Automatch.be, Actua Vidéo, Vidéo Futur, Vidéo Pilote, Cinébank, Atmosphères, Guitar Part, Guitar Collector's, Guitar Classique, Pianiste, Prestige Audio Vidéo, Sonovision, Keyboard Recording and Radikal.

Sensitivity
A 1% increase in the cost of capital (WACC) used in the discounted cash flow model based on the two business plans would require the charging of an impairment loss. If in the five-year business plan the growth rate after 2014 is less than 2%, or if in both business plans sales from 2012 onwards do not recover as expected, an impairment loss would again need to be recognised. These potential losses would occur mainly in the geographical segment France.
If in the ten-year business plan there is no further growth after 2019, the realisable value remains higher than the carrying value and no impairment losses need to be recorded.

The following titles are controlled by the Group, but are not recognised as assets because they are internally generated and as a consequence do not meet the recognition criteria of IAS 38: Knack, Knack Weekend, Le Vif Weekend, Sport/Voetbalmagazine, Sport/Foot Magazine, Trends, Cash, Bizz, Nest, Télépro, Grande, Plus Magazine, De Streekkrant, De Zondag, Steps City Magazine, Style, Krant van West-Vlaanderen, De Weekbode, De Zeewacht, Kortrijks Handelsblad, ... Other internally generated trade marks are Media Club, Vlan.be, Focus Televisie, WTV, Kanaal Z/Canal Z, JIMtv, VTM, 2BE, Q-music, ...

The net carrying amount of internally generated software is € 2,761 (2008: € 3,237).
The acquired titles are Alphadistri (see Note 31 'Acquisition of subsidiaries' for further information) and 'Editions Classique Affaires' at Prelude et Fugue with the entry of a new partner.

All financial amounts expressed in thousands of euros.

2008	Development costs	Titles	Software	Concessions, property rights and similar rights	Total
AT COST					
Balance at the end of the preceding period	**131**	**422,281**	**28,379**	**25,750**	**476,541**
Movements during the period:					
- Acquisitions		3	3,833	1,555	5,391
- Acquisitions through business combinations		10,543	185	707	11,435
- Sales and disposals (-)		-33	-2,385	-465	-2,883
- Disposals through business divestiture (-)		-1,994	-3		-1,997
- Transfers from one heading to another			-34		-34
- Foreign currency exchange increase / decrease		-5			-5
At the end of the period	**131**	**430,795**	**29,975**	**27,547**	**488,448**
DEPRECIATION AND IMPAIRMENT LOSSES					
Balance at the end of the preceding period	**48**	**4,059**	**18,373**	**10,363**	**32,843**
Movements during the period:					
- Depreciation	44		4,514	2,336	6,894
- New consolidations			175		175
- Impairment loss / reversal recognised in income		2,251			2,251
- Written down after sales and disposals (-)		-24	-2,176	-394	-2,594
- Disposals through business divestiture (-)			-1		-1
At the end of the period	**92**	**6,286**	**20,885**	**12,305**	**39,568**
Net carrying amount at the end of the period	**39**	**424,509**	**9,090**	**15,242**	**448,880**

NOTE 14 - GOODWILL

	2009	2008
AT COST		
Balance at the end of the preceding period	**68,525**	**68,525**
Movements during the period:		
- Other increase / decrease	-286	
At the end of the period	**68,239**	**68,525**
IMPAIRMENT LOSSES		
Balance at the end of the preceding period	**3,868**	**3,497**
Movements during the period:		
- Impairment loss recognised in income	85	371
- Other increase / decrease	-286	
At the end of the period	**3,667**	**3,868**
Net carrying amount at the end of the period	**64,572**	**64,657**

Allocation
Goodwill is allocated to the Group's cash flow generating entities as follows: Groupe Express-Roularta (€ 29,742), VMMa (€ 21,179), JOE fm (€ 11,615), Studio-A (€ 1,579), Paratel (€ 452).

Impairment test
Goodwill is subjected annually to an impairment test, or more frequently if indications exist that goodwill is impaired. For the purposes of this test, assets are allocated to cash flow generating units.
The impairment test compares the carrying amount of an asset or a cash-generating unit with its recoverable amount. The recoverable amount is defined as the higher of fair value less selling costs or value in use of an asset or cash-generating unit.
The value in use is determined based on the discounted cash flow model, in particular the discounting of future cash flows resulting from the continued operation of the unit. For this, management has used a cash flow forecast based on a business plan from 2010 to 2014 and on a second plan from 2010 to 2019. Both business plans are based on a recovery in sales, with sales in 2012 back close to 2008 levels. These business plans were approved by the board of directors. Future cash flows are discounted based on a weighted average cost of capital after tax of 6.98%. In determining the cash flow projections for the 5-year business plan, a growth rate of 2% has been applied after 2014. Cash flow projections for the ten-year business plan assume a growth rate of 0.5% after 2019.

All financial amounts expressed in thousands of euros.

In setting the weighted average cost of capital and the growth rate, account has been taken of the interest rate and risk profile of Roularta Media Group as a whole. The assumptions are applied to all of the Group's cash flow generating units.
Fair value less selling costs is determined empirically, using a transaction multiple derived from comparable transactions in the media sector and from experience applied to the sales criterion.

Based on the above tests the recoverable amount was higher than the carrying value of the cash flow generating units with the exceptions of the goodwill on Pica. On this an impairment loss of € 85 was recognised in the income statement. In 2008 an impairment loss of € 371 was recognised in the income statement on two cash flow generating units (Actuapedia and Pica).
The goodwill related to Actuapedia, already fully written down, was derecognised with the termination of publication.

Sensitivity
A 1% increase in the cost of capital (WACC) used in the discounted cash flow model based on the two business plans would require the charging of an impairment loss. If in the five-year business plan the growth rate after 2014 is less than 2%, or if in both business plans sales from 2012 onwards do not recover as expected, an impairment loss would again need to be recognised. These potential losses would occur mainly in the geographical segment France.
If in the ten-year business plan there is no further growth after 2019, the realisable value remains higher than the carrying value and no impairment losses need to be recorded.

NOTE 15 - PROPERTY, PLANT AND EQUIPMENT

2009	Land and buildings	Plant, machinery & equipment	Furniture and vehicles	Leasing and other similar rights	Other property, plant & equipment	Assets under construction	Total
AT COST							
Balance at the end of the preceding period	**120,680**	**83,138**	**25,919**	**57,448**	**4,905**	**138**	**292,228**
Movements during the period:							
- Acquisitions	2,306	4,884	1,142	6,561	108		15,001
- Acquisitions through business combinations			5				5
- Sales and disposals (-)	-303	-90,040	-5,321	-2,688	-395		-98,747
- Transfers from one heading to another		59,957		-59,824		-133	0
- Other increase / decrease		5	-11			-5	-11
At the end of the period	**122,683**	**57,944**	**21,734**	**1,497**	**4,618**	**0**	**208,476**
DEPRECIATION AND IMPAIRMENT LOSSES							
Balance at the end of the preceding period	**23,105**	**58,173**	**19,727**	**13,554**	**1,921**	**0**	**116,480**
Movements during the period:							
- Depreciation	4,668	8,774	1,797	165	555		15,959
- New consolidations			3				3
- Written down after sales and disposals (-)	-15	-33,062	-4,483	-2,688	-341		-40,589
- Transfers from one heading to another		10,210		-10,210			0
- Other increase / decrease		5	-18				-13
At the end of the period	**27,758**	**44,100**	**17,026**	**821**	**2,135**	**0**	**91,840**
Net carrying amount at the end of the period	**94,925**	**13,844**	**4,708**	**676**	**2,483**	**0**	**116,636**

Assets pledged as security	
Land and buildings pledged as security for liabilities (mortgage included)	28,419
Leased property, plant and equipment of which the finance lease liabilities are secured by the lessor's title to the leased assets	676

The heading 'leasing and other similar rights' comprises machines with a carrying amount of € 75 (Regionale Media Maatschappij), radio masts of JOE fm with a carrying amount of € 555, office equipment of Studio-A with a carrying amount of € 32 and vehicles of Mestne Revije with a carrying amount of € 14.
To improve the balance sheet structure, an off-balance sheet sale-and-rent-back operation was concluded as per 30 June 2009 in an amount of € 56,992, of which € 54,062 relates to the printing machinery in Roeselare and € 2,930 to IT equipment. Under IAS 17.10 and IAS 17.11 this transaction is considered as an operating lease.

All financial amounts expressed in thousands of euros.

2008	Land and buildings	Plant, machinery & equipment	Furniture and vehicles	Leasing and other similar rights	Other property, plant & equipment	Assets under construction	Total
AT COST							
Balance at the end of the preceding period	**94,708**	**80,153**	**25,267**	**48,767**	**6,962**	**19,938**	**275,795**
Movements during the period:							
- Acquisitions	10,700	8,232	2,514	9,671	750	138	32,005
- Acquisitions through business combinations		22	319		5		346
- Sales and disposals (-)	-1,864	-8,071	-1,840	-478	-2,812		-15,065
- Disposals through business divestiture (-)			-375				-375
- Transfers from one heading to another	17,136	2,802	34			-19,938	34
- Other increase / decrease				-512			-512
At the end of the period	**120,680**	**83,138**	**25,919**	**57,448**	**4,905**	**138**	**292,228**
DEPRECIATION AND IMPAIRMENT LOSSES							
Balance at the end of the preceding period	**19,432**	**56,834**	**19,597**	**8,870**	**4,068**	**0**	**108,801**
Movements during the period:							
- Depreciation	4,040	7,973	2,114	4,085	532		18,744
- New consolidations		1	189		2		192
- Impairment loss / reversal recognised in income		959		1,075			2,034
- Written down after sales and disposals (-)	-367	-7,594	-1,885	-476	-2,681		-13,003
- Disposals through business divestiture (-)			-288				-288
At the end of the period	**23,105**	**58,173**	**19,727**	**13,554**	**1,921**	**0**	**116,480**
Net carrying amount at the end of the period	**97,575**	**24,965**	**6,192**	**43,894**	**2,984**	**138**	**175,748**

Assets pledged as security	
Land and buildings pledged as security for liabilities (mortgage included)	28,814
Leased property, plant and equipment of which the finance lease liabilities are secured by the lessor's title to the leased assets	43,894

NOTE 16 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

I. PARTICIPATING INTEREST	**2009**	**2008**
At the end of the preceding period	**296**	**418**
Movements during the period:		
- Disposals through business divestiture (-)		-17
- Transfers from one heading to another		39
Movements in capital and reserves of the associated company:		
- Share in the result for the financial period	-38	-101
- Other changes		-43
At the end of the period	**258**	**296**

II. AMOUNTS RECEIVABLE	**2009**	**2008**
At the end of the preceding period	**1,424**	**0**
Movements during the period:		
- Additions	402	987
- Reimbursements	-370	
- Transfers from one heading to another		437
- Other	-1,456	
At the end of the period	**0**	**1,424**
WRITE-DOWN (-)		
At the end of the preceding period	**-1,322**	**0**
Movements during the period:		
- Write-down		-1,322
- Other	1,322	
At the end of the period	**0**	**-1,322**
Net carrying amount at the end of the period	**0**	**102**

With the final liquidation of Actuamedia and Actuapedia a loss of € 134 was realised.

All financial amounts expressed in thousands of euros.

A list of the investments accounted for using the equity method, including the name, country of incorporation and proportion of ownership interest, is given in Note 37 of the consolidated financial statements.

The Group's share of assets and liabilities and of the profit of the associated companies is summarised below:

Summarised financial information	2009	2008
Total assets	1,744	1,845
Total liabilities	1,486	1,549
Sales	2,677	2,672
Net result	-38	-101

NOTE 17 - LOANS, GUARANTEES, AVAILABLE-FOR-SALE INVESTMENTS AND SHORT-TERM INVESTMENTS

I. AVAILABLE-FOR-SALE INVESTMENTS

	NON CURRENT		CURRENT	
	2009	2008	2009	2008
AT COST				
At the end of the preceding period	2,465	2,306	0	0
Movements during the period:				
- Acquisitions		233		
- Acquisitions through business combinations		5		
- Disposals (-)		-48		
- Transfers from one heading to another		-31		
At the end of the period	2,465	2,465	0	0
IMPAIRMENT LOSSES (-)				
At the end of the preceding period	-1,375	-1,375	0	0
Movements during the period				
At the end of the period	-1,375	-1,375	0	0
Net carrying amount at the end of the period	1,090	1,090	0	0

All investments are considered as available for sale and are carried at fair value. The impairment loss relates to NV Cyber Press Publishing, on which an impairment loss was recognised in 2007 in the income statement upon liquidation of the company. Given the impossibility of reliably estimating the fair value of the other investments, financial assets for which there is no active market are valued at cost. This applies mainly to NV Roularta Media Group's investments in NV Omroepgebouw Flagey (€ 522), in SA STM (€ 208), CPP-INCOFIN (€ 124), and that of SA Senior Publications in Cyberlibris (€ 158). The Group does not expect to dispose of these shares in the short term.

II. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	NON CURRENT		CURRENT	
SHORT-TERM INVESTMENTS	2009	2008	2009	2008
AT COST				
At the end of the preceding period	0	0	1,998	1,998
Movements during the period:				
At the end of the period	0	0	1,998	1,998
FAIR VALUE ADJUSTMENTS				
At the end of the preceding period	0	0	321	231
Movements during the period:				
- Increase from fair value adjustments			76	90
At the end of the period	0	0	397	321
Net carrying amount at the end of the period	0	0	2,395	2,319

All financial amounts expressed in thousands of euros.

The short-term investments (life capital plans) are considered as financial assets at fair value through profit and loss. In 2009, € 76 (2008: € 90) was recognised through profit and loss related to the fair value adjustment of these short-term investments.

III. LOANS AND GUARANTEES

	NON CURRENT		CURRENT	
LOANS AND GUARANTEES	2009	2008	2009	2008
At amortised cost				
At the end of the preceding period	2,264	2,871	0	0
Movements during the period:				
- Additions	1,046	87		
- Acquisitions through business combinations		1		
- Transfers from one heading to another		-437		
- Reimbursements	-107	-258		
At the end of the period	3,203	2,264	0	0
IMPAIRMENT LOSSES				
At the end of the preceding period	-358	0	0	0
Movements during the period:				
- Impairment loss / reversal recognised in income		-358		
At the end of the period	-358	-358	0	0
Net carrying amount at the end of the period	2,845	1,906	0	0
Total	3,935	2,996	2,395	2,319

The loans and guarantees include the not-eliminated part of receivables on companies which are proportionally consolidated (€ 802), receivables on companies with which joint control is exercised (€ 640) and various guarantees, a.o. rent guarantees (€ 1,403). Interest rates at arm's length are applied on these outstanding loans. An impairment loss was recorded in 2008 on a lease guarantee, where repayment is uncertain.

NOTE 18 - OTHER NOTES ON ASSETS

I. TRADE AND OTHER RECEIVABLES, NON CURRENT	2009	2008
Other receivables	2,171	2,052
Total trade and other receivables - non current	2,171	2,052

Other receivables relate first of all to loans granted to third parties with whom business relationships also exist. Market interest is charged here on outstanding loans. Other receivables also include a contractual claim under French social security legislation.

At the end of the financial year, doubtful receivables are estimated based on an assessment of all outstanding amounts. Doubtful debtors are written off in the year in which they are identified as such.

The movements during the period of the allowance for bad and doubtful debts (non current) are as follows:	2009	2008
Net carrying amount at the end of the preceding period	0	-678
- Reversal of amounts written off during the year		678
Net carrying amount at the end of the period	0	0

All financial amounts expressed in thousands of euros.

II. TRADE AND OTHER RECEIVABLES, CURRENT	2009	2008
Trade receivables, gross	169,012	186,792
Allowance for bad and doubtful debts, current (-)	-6,876	-7,477
Invoices to issue and credit notes to receive (*)	6,212	10,926
Amounts receivable and debit balances suppliers	1,589	661
Derivatives carried at positive fair value (non hedge contracts)		1,921
VAT receivable (*)	7,119	7,762
Other receivables, gross	4,349	7,653
Allowance for other receivables	-1,537	-1,537
Total trade and other receivables - current	**179,868**	**206,701**

(*) Not considered as financial assets as defined in IAS 32

The analysis of the age of current trade receivables is as follows:	2009	2008
Net carrying amount at the end of the period	**169,012**	**186,792**
- of which:		
not due and due less than 30 days	*107,530*	*113,300*
due 30 - 60 days	*18,060*	*31,831*
due 61 - 90 days	*15,623*	*14,646*
due more than 90 days	*27,799*	*27,015*

Financial assets that have fallen due at reporting date, but on which no write-down has been taken as set out above: past-due amounts have not been written down where collection is still deemed likely.

At the end of the financial year, doubtful receivables are estimated based on an assessment of all outstanding amounts. Doubtful debtors are written off in the year in which they are identified as such.

The movements during the period of the allowance for doubtful debts (trade receivables) is as follows:	2009	2008
Net carrying amount at the end of the preceding period:	**-7,477**	**-6,661**
- Business combinations / business divestiture		-190
- Amounts written off during the year	-5,032	-4,927
- Reversal of amounts written off during the year	3,827	3,499
- Receivables derecognised as uncollectible and amounts collected in the financial year	1,806	802
Net carrying amount at the end of the period	**-6,876**	**-7,477**

In most Group companies, based on the year-end evaluation, the provision from the end of the previous year is reversed and a new provision is recorded. Realised losses on receivables (also on receivables provisioned at the end of the previous financial year) are detailed in Note 7.

The movements during the period of the allowance for doubtful debts (other receivables) is as follows:	2009	2008
Net carrying amount at the end of the preceding period:	**-1,538**	**-791**
- Amounts written off during the year		-897
- Reversal of amounts written off during the year		150
Net carrying amount at the end of the period	**-1,538**	**-1,538**

III. CASH AND CASH EQUIVALENTS	2009	2008
Bank balances	49,813	47,747
Short-term deposits	19,441	59,142
Cash at hand	50	390
Other cash and cash equivalents		8
Total cash and cash equivalents	**69,304**	**107,287**

All financial amounts expressed in thousands of euros.

NOTE 19 - DEFERRED TAX ASSETS AND LIABILITIES

I. OVERVIEW DEFERRED TAX ASSETS - LIABILITIES

Recognised deferred tax assets and liabilities are attributable to:

	2009		2008	
	Deferred Tax Assets	**Deferred Tax Liabilities**	**Deferred Tax Assets**	**Deferred Tax Liabilities**
Intangible assets	2,396	119,073	3,079	118,907
Property, plant and equipment	102	16,854	122	23,841
Loans, guarantees, available-for-sale investments	146	4,537	222	5,512
Inventories		2,458		1,788
Trade and other receivables	15	653		653
Short-term investments		135		109
Deferred charges and accrued income	66	321	54	323
Treasury shares	19			
Share premium				15
Retained earnings		3,217	311	664
Provisions	18	684	18	391
Non current employee benefits	811	194	997	
Non current financial debts		2,013		1,890
Taxes		2,053	5	1,977
Other payables	5,174		2,656	
Accrued charges and deferred income	396	13	386	
Total deferred taxes related to temporary differences	**9,143**	**152,205**	**7,850**	**156,070**
Tax losses	21,211		17,818	
Tax credits	178		464	
Set off tax	-26,911	-26,911	-19,589	-19,589
Net deferred tax assets/liabilities	**3,621**	**125,294**	**6,543**	**136,481**

Deferred tax assets have not been recognised in respect of tax losses for an amount of € 24,793 (2008: € 20,977) and in respect of temporary differences of € 35 (2008: € 55) because it is not probable that future taxable profit will be available against which they can be utilised.

Roularta Media Group recognised deferred tax assets amounting to € 2,848 (2008: € 5,310) of affiliates which suffered losses in the current or previous period. Budgets, however, indicate that these affiliates will generate sufficient taxable profit in the near future to utilise the recognised deferred tax assets.

II. DEFERRED TAXES ON TAX LOSSES CARRIED FORWARD AND TAX CREDITS

	2009		2008	
Year of expiration	**Tax losses carried forward**	**Tax credits**	**Tax losses carried forward**	**Tax credits**
Without expiration date	21,211	178	17,818	464
Total deferred tax asset	**21,211**	**178**	**17,818**	**464**

All financial amounts expressed in thousands of euros.

NOTE 20 - INVENTORIES

	2009	2008
Gross amount		
Broadcasting rights	36,972	32,548
Raw materials	7,317	9,771
Work in progress	595	984
Finished goods	1,059	1,644
Goods purchased for resale	5,078	5,862
Advance payments	3,216	5,085
Contracts in progress	2,372	1,698
Total gross amount (A)	**56,609**	**57,592**
Write-downs and other reductions in value (-)		
Broadcasting rights	0	-37
Raw materials	-452	-174
Finished goods	-87	-58
Goods purchased for resale	-2,417	-2,039
Total write-downs (B)	**-2,956**	**-2,308**
Carrying amount		
Broadcasting rights	36,972	32,511
Raw materials	6,865	9,597
Work in progress	595	984
Finished goods	972	1,586
Goods purchased for resale	2,661	3,823
Advance payments	3,216	5,085
Contracts in progress	2,372	1,698
Total carrying amount at cost (A+B)	**53,653**	**55,284**

NOTE 21 - EQUITY

ISSUED CAPITAL

At 31 December 2009, the issued capital amounted to € 203,040 (2008: € 203,040) represented by € 13,131,940 (2008: € 13,131,940) fully paid-in ordinary shares. These are no-par shares.

TREASURY SHARES

At 31 December 2009, the Group owns 512,863 own shares (2008: € 512,863). In 2009, the board of directors did not use the statutory authorisation to purchase own company shares, renewed at the annual meeting of the 19th of May 2009.

CAPITAL RESERVES

	2009	2008
Share premium	304	304
Costs of issuance and equity increase (net after deferred taxes)	-1,126	-1,027
Reserves for share-based payments	4,013	2,645
Total capital reserves	**3,191**	**1,922**

The reserves for share-based payments relate to the share options allocated as described in Note 22.

All financial amounts expressed in thousands of euros.

REVALUATION RESERVES

	2009	2008
Hedging reserves	-1,147	2,065
Total revaluation reserves	**-1,147**	**2,065**

Hedging reserves	**2009**	**2008**
At the end of the preceding period:	**2,065**	**3,007**
Gains / losses on cash flow hedges	-5,557	1,516
Recognition in profit and loss	691	-2,943
Taxes related to gains / losses on cash flow hedges recognised in equity	1,654	485
At the end of the period	**-1,147**	**2,065**

Changes in the fair value of hedging instruments designated as effective cash flow hedges are calculated and recognised directly in equity on a half-yearly basis.

NOTE 22 - SHARE-BASED PAYMENTS

Various subscription rights and stock option plans have been issued by NV Roularta Media Group with the intention of allowing management and executive employees to benefit from the growth of the company and the evolution of the Roularta share. All subscription rights and stock option plans are settled in equity instruments, whereby each plan provides that one option or one subscription right entitles its holder to one Roularta share against payment of the exercise price. Options become unconditional when the employment contract or directorship has not ended at the time of the next exercise period. An overview of existing subscription rights and stock option plans follows.

SUBSCRIPTION RIGHTS

Overview of the subscription rights offered to the management and executive employees:

Year of offering	Subscription rights offered	Subscription rights granted	Subscription rights to be exercised	Exercise price in €	First exercise period	Last exercise period
1998	300,000	300,000		11.15	15/5 - 15/6/2001	15/4 - 6/5/2008
2001	200,000	114,600	40,146	20.13	1/12 - 30/12/2005	10/9 - 10/10/2014
	500,000	**414,600**	**40,146**			

In 2009 no subscription rights were exercised.

Details of the subscription rights outstanding during the year are as follows:

	2009		2008	
	Number of subscription rights	Weighted average exercise price in €	Number of subscription rights	Weighted average exercise price in €
Outstanding at the beginning of the year	**40,646**	**20.13**	**68,495**	**17.85**
Forfeited during the year	-500	20.13	-2,610	20.13
Exercised during the year			-25,239	13.95
Outstanding at the end of the year	**40,146**	**20.13**	**40,646**	**20.13**

All financial amounts expressed in thousands of euros.

STOCK OPTION PLANS

The Appointments and Remuneration Committee decides on the allocation of the option plans as a function of executives' and managers' performance, their contribution to achieving Group objectives and their commitment to the long-term development of Group strategy. The exercise price of an option is determined on the basis of the average closing price of the share during the thirty days prior to the option offering date or at the price corresponding to the last closing price preceding the offering date. The vesting period of the share options is stated in the schedule below-mentioned. If the share option remains unexercised during the last exercise period, the share option expires. The share options which are not yet exercisable are forfeited if a member of management or an executive employee leaves the company before the last exercise period, except in case of retirement or decease.

Overview of the stock option plans to be exercised offered to the management and executive employees:

Year of offering	Options offered	Options granted	Options to be exercised	Exercise price in €	First exercise period	Last exercise period
2000	125,500	119,305	91,661	65.00	1/1 - 30/4/2004	1/1 - 22/5/2013
2001	82,125	73,575	16,721	18.20	1/1 - 26/6/2005	1/1 - 25/8/2014
2002	10,000	10,000	10,000	20.00	1/1 - 31/12/2006	1/1 - 3/10/2012
2002	50,000	33,500	13,300	21.93	1/1 - 30/6/2006	1/7 - 31/12/2015
2003	10,000	10,000	6,000	27.00	1/1 - 31/12/2007	1/1 - 10/10/2013
2003	12,500	12,500	2,500	26.00	1/1 - 31/12/2007	1/1 - 2/7/2013
2006	300,000	267,050	250,750	53.53	1/1 - 31/12/2010	1/1 - 31/12/2016
2008	300,000	233,650	223,650	40.00	1/1 - 31/12/2012	1/1 - 31/12/2018
2009	269,500	199,250	199,250	15.71	1/1 - 31/12/2013	1/1 - 31/12/2019
	1,159,625	**958,830**	**813,832**			

Details of the share options outstanding during the year are as follows:

	2009		2008	
	Number of share options	**Weighted average exercise price in €**	**Number of share options**	**Weighted average exercise price in €**
Outstanding at the beginning of the year	**639,929**	**47.84**	**415,037**	**52.11**
Granted during the year	199,250	15.71	233,650	40.00
Forfeited during the year	-25,347	49.80	-4,472	61.15
Exercised during the year			-4,286	20.33
Outstanding at the end of the year	**813,832**	**39.91**	**639,929**	**47.84**
Exercisable at the end of the year	103,473		90,514	

No share options were exercised during the year 2009. The weighted average share price at the date of exercise for share options exercised during last year was € 47.39. The share options outstanding at the end of the year have a weighted average remaining term of 8 years.

The fair value of the in 2009 granted options amounts to 4.47 euros and was calculated at the grant date of the option using the Black-Scholes option pricing model. The expected volatility is based on the historic volatility over a period of 5 years of historic rates. It has been assumed that exercise will be immediate in every period in which exercise can take place.

The inputs into the model used to calculate the fair value of the in 2009 granted options were as follows:

Weighted average share price in € on the date of grant	16.06
Weighted average exercise price in €	15.71
Expected volatility	42%
Expected life of the share option (in years)	5
Risk free rate	3.6%
Expected dividend yield	4.7%

In 2009 the Group recognised € 1,368 (2008: € 1,403) as personnel cost relating to equity-settled share-based payment transactions. All stock option plans granted as of 7 November 2002 are recognised in profit and loss.

All financial amounts expressed in thousands of euros.

NOTE 23 - PROVISIONS

2009 Provisions, non current	**Legal proceeding provisions**	**Environmental provisions**	**Restructuring provisions**	**Other provisions**	**Total**
At the end of the preceding period	**2,414**	**68**	**676**	**4,607**	**7,765**
Movements during the period:					
- Additional provisions	1,111		2,729	487	4,327
- Increase / decrease to existing provisions				252	252
- Transfers from one heading to another	-120		1,752	-54	1,578
- Amounts of provisions used (-)	-368	-23	-2,428	-654	-3,473
- Unused amounts of provisions reversed (-)	-4			-3,124	-3,128
At the end of the period	**3,033**	**45**	**2,729**	**1,514**	**7,321**

Provisions for pending disputes relate largely to disputes at NV De Streekkrant-De Weekkrantgroep, SA Groupe Express-Roularta and at NV Roularta Media Group and some other pending disputes. The environmental provision relates totally to provisions for soil decontamination. The restructuring provisions relate for € 2,072 to the current restructurings of French group companies. There is a material decrease in the other provisions due to the reversal of a provision at VMMa for taxes on games of chance, the remaining balance at the end of the period includes the URSSAF provision at several French subsidiaries.

2008 Provisions, non current	**Legal proceeding provisions**	**Environmental provisions**	**Restructuring provisions**	**Other provisions**	**Total**
At the end of the preceding period	**1,852**	**93**	**1,227**	**5,356**	**8,528**
Movements during the period:					
- Additional provisions	967			856	1,823
- Increase / decrease to existing provisions	37			149	186
- Acquisitions through business combinations	62			16	78
- Amounts of provisions used (-)	-451	-25	-551	-1,365	-2,392
- Unused amounts of provisions reversed (-)	-53			-405	-458
At the end of the period	**2,414**	**68**	**676**	**4,607**	**7,765**

NOTE 24 - SIGNIFICANT LITIGATION

NV De Streekkrant-De Weekkrantgroep is involved in a legal dispute with NV Kempenland in which damages of € 7,551 have been demanded for failure to fulfil a printing contract. A provision of € 1,200, based on the estimation of the cost by the board of directors, has already been set up for these proceedings, of which € 450 has already been paid into a frozen account.
NV Roularta Media Group is involved in proceedings before the trade court with its former business partner Bookmark. A provision of € 578 has been set up in respect of these proceedings. At SA Groupe Express-Roularta a provision of € 524 was set up for pending litigation relating to published articles.

All financial amounts expressed in thousands of euros.

NOTE 25 - NON CURRENT EMPLOYEE BENEFITS

I. GENERAL OVERVIEW

	2009	2008
Defined benefit plans	4,123	4,646
Redundancy payments	300	1,872
Other long-term employee benefits	2,767	3,117
Future tariff benefits on subscriptions	*1,544*	*1,966*
Employee retirement premiums	*569*	*506*
Jubilee premiums	*321*	*312*
Profit sharing and bonuses	*333*	*333*
At the end of the period	**7,190**	**9,635**

II. DEFINED BENEFIT PLANS

Various defined benefit pension plans exist within the Group, whereby remuneration is dependent on the number of years' service and salary levels. For the Belgian plans the assets are held in funds as required by law. For each plan the pension costs are calculated separately by an actuary based on the 'projected unit credit' method. Using this method obligations in respect of previous years' service and built-up fund investments are calculated, with the difference between the two (net value) shown by the Group in the balance sheet.

	2009	2008
A. Amounts recognised in the balance sheet		
1. Net funded defined benefit plan obligation (asset)	377	465
1.1. Present value of funded or partially funded obligation	1,677	1,593
1.2. Fair value of plan assets (-)	-1,300	-1,128
2. Present value of wholly unfunded obligation	3,746	4,181
3. Unrecognised actuarial gains / losses		
4. Other components		
Defined benefit plan obligation, total	**4,123**	**4,646**
B. Net expense recognised in income statement		
1. Current service cost	372	441
2. Interest cost	271	271
3. Expected return on plan assets (-)	-50	-48
4. Net actuarial (gain) loss recognised	-969	-482
Net expense recognised in income statement	**-376**	**182**
C. Movements in the present value of the defined benefit plan obligation		
Present value of the defined benefit plan obligation, beginning balance	**5,774**	**6,070**
1. Current service cost	372	441
2. Interest cost	271	271
3. Net actuarial (gain) loss recognised	-986	-427
4. Contribution by the plan's participants	30	41
5. Increases through business combinations		-364
6. Benefits paid (-)	-30	-254
7. Other increase (decrease)	-8	-4
Present value of the defined benefit plan obligation, ending balance	**5,423**	**5,774**

All financial amounts expressed in thousands of euros.

	2009	2008
D. Movements in the fair value of plan assets		
Fair value of plan assets, beginning balance	**1,128**	**1,587**
1. Expected return on plan assets	50	48
2. Actuarial gains (losses)	8	55
3. Contributions by employer	105	96
4. Contribution by the plan's participants	30	41
5. Increase through business combinations		-445
7. Benefits paid (-)	-21	-254
Fair value of plan assets, ending balance	**1,300**	**1,128**
Actual return on plan assets	**58**	**41**
E. Principal actuarial assumptions		
1. Discount rate	3.8%	5.0%
2. Expected return on plan assets	5.0%	5.0%
3. Expected rate of salary increase	1.0%	5.0%
4. Future defined benefit increase	2.0%	2.0%

	2009	2008	2007	2006
Present value of defined benefit obligation	5,423	5,774	6,070	5,928
Fair value of plan assets	1,300	1,128	1,587	1,579
Deficit / (surplus)	**4,123**	**4,646**	**4,483**	**4,349**
Experience adjustments on plan liabilities	-986	-427	-464	-783
Experience adjustments on plan assets	8	55	-147	-653

For defined benefit pension plans a defensive investment strategy is applied, with investment mainly in fixed income securities, so as to guarantee the safety, return and liquidity of the investments, with judicious diversification and spread of investments.

The major categories of plan assets, and the percentage that each major category constitutes of the fair value of the total plan assets, is as follows:

	2009	2008
Fixed income securities	87%	84%
Equity instruments	5%	4%
Property	8%	6%
Liquid		6%

The Group expects to make a contribution of € 108 to the defined benefit plans in 2010.

III. DEFINED CONTRIBUTION PLANS

There exist several defined contribution plans within the Group. Except for the guaranteed contributions paid to the insurance company, the Group has no liabilities. When an employee has rendered service to an entity during a period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service. The expenses recognised related to the defined contribution plans amount to € 3,535 (2008: € 3,525).

IV. STOCK OPTIONS AND SUBSCRIPTION RIGHTS

We refer to Note 22.

All financial amounts expressed in thousands of euros.

NOTE 26 - FINANCIAL LIABILITIES

2009	CURRENT	NON CURRENT			
	Up to 1 year	2 years	3 to 5 years	over 5 years	Total
Financial debts					
Debentures			45,172		**45,172**
- Recognition at transaction exchange rate			*53,792*		***53,792***
- Revaluation at the balance sheet closing date			*-8,620*		***-8,620***
Derivatives			8,070		**8,070**
Convertible debentures				18,935	**18,935**
Finance leases	182	177	407		**766**
Credit institutions	22,847	43,385	41,209	16,528	**123,969**
Other loans	1,200		22		**1,222**
Total financial debts according to their maturity	**24,229**	**43,562**	**94,880**	**35,463**	**198,134**
Trade and other payables					
Trade payables	157,234	2,464			**159,698**
Advances received	50,263				**50,263**
Current employee benefits	37,220				**37,220**
- of which payables to employees	*25,757*				***25,757***
- of which payables to Public Administrations	*11,463*				***11,463***
Taxes	3,244				**3,244**
Other payables	25,959	56		144	**26,159**
Accrued charges and deferred income	6,262				**6,262**
Total amount of payables according to their maturity	**280,182**	**2,520**	**0**	**144**	**282,846**

2008	CURRENT	NON CURRENT			
	Up to 1 year	2 years	3 to 5 years	over 5 years	Total
Financial debts					
Debentures				53,528	**53,528**
- Recognition at transaction exchange rate				*61,457*	***61,457***
- Revaluation at the balance sheet closing date				*-7,929*	***-7,929***
Derivatives				2,797	**2,797**
Convertible debentures				21,760	**21,760**
Finance leases	4,556	4,657	12,575	14,804	**36,592**
Credit institutions	26,288	22,401	85,879	22,569	**157,137**
Other loans	1,009	143	2,029		**3,181**
Total financial debts according to their maturity	**31,853**	**27,201**	**100,483**	**115,458**	**274,995**
Trade and other payables					
Trade payables	189,903	3,345			**193,248**
Advances received	53,751				**53,751**
Current employee benefits	41,918				**41,918**
- of which payables to employees	*29,431*				***29,431***
- of which payables to Public Administrations	*12,486*				***12,486***
Taxes	1,942				**1,942**
Other payables	27,812	6		145	**27,963**
Accrued charges and deferred income	6,805				**6,805**
Total amount of payables according to their maturity	**322,131**	**3,351**	**0**	**145**	**325,627**

Following the sale-and-rent-back operation as per 30 June 2009, financial lease liabilities decreased by € 38,585 (balance at 30.6.2009).
RMG opted in 2009 for partial early repayment of the following long-term loans: Bond (USPP): € 7,294 and Credit institutions: € 7,350.

All financial amounts expressed in thousands of euros.

The company's lenders have imposed covenants relating to the debt ratio (net financial debt/(R)EBITDA), interest coverage ((R)EBITDA/net financing expenses), fixed cost coverage ((R)EBITDA + operating lease rents/net financing costs + operating lease rents), gearing (net debt/equity), solvency, equity and dividends.
As of 30 June 2009, the then existing interest coverage ratio was not met. A waiver in this respect was obtained from all banks involved. Renegotiations with the various banks have led to new uniform bank covenants for the future.
At 30 June 2009 the outstanding amount of the debts subject to bank covenants was € 195,348.

The guaranteed debts included in the financial debts can be summarised as follows:

Finance leases	766
Credit institutions	13,987

These are guaranteed by:

Mortgages registered on the Group's land and buildings	15,417
Pledges	4,752

In addition there also remains a mortgage registration without any matching debt: 12,395

For further information on the Group's exposure to interest and exchange rate risks, see Note 30. Financial Instruments – Market and Other Risks.

NOTE 27 - OTHER NOTES ON LIABILITIES

CURRENT TRADE PAYABLES	2009	2008
Trade payables	95,786	122,251
Bills of exchange payable	3,972	7,844
Invoices to be received / credit notes to issue (*)	56,955	59,228
Credit balances trade receivables	521	580
Total current trade payables	**157,234**	**189,903**

The decrease in current trade payables compared with last year is a combination of lower debt reflecting lower procurement levels and a timing difference in payments.

CURRENT OTHER PAYABLES	2009	2008
Indirect tax payable (*)	16,420	18,905
Derivatives with negative fair value	8,783	7,865
Other payables	756	1,042
Total current other payables	**25,959**	**27,812**

Indirect taxes relate primarily to VAT, advance income tax and provincial and municipal taxes. The decrease of the indirect tax payable relates to the decrease of the VAT payable.

ACCRUED CHARGES AND DEFERRED INCOME	2009	2008
Accrued interest	1,332	2,560
Accrued charges and deferred income (*)	4,591	3,828
Carrying amount of government grants recognised (*)	338	417
Total accrued charges and deferred income	**6,261**	**6,805**

(*) No financial liability as defined in IAS 32

All financial amounts expressed in thousands of euros.

NOTE 28 - FINANCE AND OPERATING LEASES

I. FINANCE LEASES

	Present value of minimum lease payments		Minimum lease payments	
	2009	**2008**	**2009**	**2008**
No later than 1 year	182	4,556	226	6,074
Later than 1 year and not later than 5 years	584	17,232	652	21,308
Later than 5 years		14,804		16,085
	766	**36,592**	**878**	**43,467**
Less future finance charges			-112	-6,875
Present value of minimum lease payments	**766**	**36,592**	**766**	**36,592**
Included in the financial debt as:				
Current finance lease			182	4,556
Non current finance lease			584	32,036
			766	**36,592**

The evolution compared with last year can largely be explained by:
- The sale-and-rent-back operation that was completed as at 30 June 2009, as a result of which financial lease liabilities decreased by € 38,585 (balance at 30.6.2009);
- the transfer of the production of optical discs (VTV) as per 1 April 2009. At 31 December 2008 the VTV lease debt amounted to € 1,376.

The finance lease arrangements held by the Group relate mainly to broadcasting masts, machines and vehicles. Regionale Media Maatschappij holds finance lease arrangements for editing cells and broadcasting material, for which purchase options exist at 1% or 3% of the gross investment.
At JOE fm a financial lease for broadcasting masts was concluded on 1 May 2004. Except if the Flemish government's licence of JOE fm to operate as a private radio station is not extended after 6 September 2010, this agreement runs for 10 years, and is thereafter tacitly renewed for further five-year periods. The period of notice is 12 months. In the event of the (partial) suspension, by withdrawal or change, of any permit, authorisation, permission or recognition, the obligation to pay the agreed amount continues, with the exception of the variable part of the costs connected with energy consumption or other costs not incurred by the lessor during the suspension in fulfilling its obligations under the lease agreement.

	2009	**2008**
Interest recognised as an expense in the period related to finance lease	1,113	1,783

The interest portion of the financial lease is charged to income over the term of the lease. The decrease compared with last year is due to the sale-and-rent-back transaction.

II. OPERATING LEASES

	2008	**2008**
Lease payments recognised as an expense in the period	19,904	16,751 (*)

The Group mainly rents buildings, machines, company cars and office equipment. Operating lease payments are expressed in the income statement on a straight-line basis over the lease term. The sale-and-rent-back operation increases rental costs by € 4,051 compared with last year.

Non-cancellable future minimum operating lease payments	**2009**	**2008**
< 1 year	18,957	11,139 (*)
1 to 5 years	41,562	17,237 (*)
> 5 years	32,588	10 (*)
	93,107	**28,386**

(*) Modified versus 31.12.2008 annual accounts: from 2009 including rental of buildings

All financial amounts expressed in thousands of euros.

NOTE 29 - CONTINGENT LIABILITIES AND CONTRACTUAL COMMITMENTS FOR THE ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

The Group provides securities for obligations totalling € 6,475 (2008: € 7,425), of which € 1,150 (2008: € 1,150) relate to joint ventures. Pledges totalling € 4,752 (2008: € 4,752) were given on business assets, € 1,000 (2008: € 1,000) of which related to joint ventures.

Roularta Printing's contractual obligations to buy paper from third parties amount to € 5,257 (2008: € 2,822). VMMa's contractual obligations amount to € 45,807 (2008: € 39,101) and consist of contracted broadcasting rights.
There are no material contractual obligations to acquire property, plant and equipment (2008: € 6,473; mainly of obligations relating to printing presses).

NOTE 30 - FINANCIAL INSTRUMENTS - MARKET AND OTHER RISKS

In the exercise of its business activity the Group is exposed to currency, interest rate, credit and market risks. Derivatives are used to reduce the currency and interest risks.

A. CURRENCY RISK

Operating activities
The currency risks identified by management relate to the (expected) purchases in USD in the Audiovisual Media segment and to activities outside the eurozone. Other than that the Group does not run any significant currency risks with respect to its operating activities.

With regard to the purchases and the firm commitments to purchase film rights in USD in the Audiovisual Media segment, the Group uses foreign exchange contracts to hedge the risk of changes in the fair value of a recognised asset or liability, or a non-recognised definite undertaking in the context of its commercial activities. The forward contracts are viewed as fair value hedges as defined in IAS 39. These are valued at market value (€ 183 payable in 2009 and € 127 receivable in 2008) and booked in the heading 'financial derivatives' under non current liabilities. The total notional amount of these forward contacts comes to USD 13,554 (2008: USD 14,214).
The operating currency risks to the Group from activities outside the eurozone, that is Croatia and Serbia, are very limited. The net cash flow from and to these entities, and their timing, is such that no significant currency positions have arisen from them.

Financing activities
The only financing activity with a potential currency risk is the US Private Placement in USD undertaken in 2006 by the Group with a nominal value of $ 75,000 and an outstanding balance per end of 2009 of $ 66,151, maturing in 2014, interest on which is payable half-yearly.

To hedge the currency risk on both the principal and the (future) interest payments on this USD-denominated loan, the Group has taken out a foreign exchange future contract (Cross Currency Swap) maturing on the same date as the loan repayment and the associated interest payment. Given that the financial instrument hedges the entire currency risk, it is considered as a cash flow hedge and hedge reporting is applied.

Upon initial recognition, this loan was converted into euros at the transaction rate. At balance sheet date it was valued at the balance sheet exchange rate. The difference between the amount of the loan at the original exchange rate and at the balance sheet exchange rate is recognised in the income statement. The related foreign exchange future contract is also converted at market value. Differences with the original market value or the value at balance sheet date are also recognised in the income statement. The translation differences on this USD loan recognised in the income statement during the financial year amount to € 691 (2008: - € 2,943). The change in the value of the foreign exchange future contract which is also recognised in the income statement is - € 691 (2008: € 2,943). The market value of this contract at balance sheet date amounted to - € 8,620 (2008: - € 7,929).

Estimated sensitivity to currency risk:
Management is of the opinion that, given the above-mentioned hedging of the foreign exchange risks, the risks of fluctuations in the fair value or in the future cash flows of financial instruments which impact the profit or equity as a result of exchange rate changes, are not material.

All financial amounts expressed in thousands of euros.

B. INTEREST RATE RISK

The maturity dates of the financial debts and liabilities are given in Note 26.

The debenture and loans of credit institutions have fixed or variable interest rates.
The table below summarises the effective interest rates at balance sheet date of these interest-bearing loans (debentures, convertible debentures and credit institutions) at 31 December 2009:

Interest rate	Carrying amount	Effective interest rate
Fixed interest rate	26,736	from 4% to 6%
Fixed interest rate with variable margin (*)	93,391	from 4% to 6%
Variable interest rate, converted into fixed interest rate through hedging contracts, with variable margin (*)	52,877	from 4% to 6%
Variable interest rate	22,671	from 2% to 5%

As well as these loans, the Group had at 31 December 2009 overdrafts with credit institutions totalling € 471. These carry variable market interest rates.

(*) Following the renegotiation of the bank covenants in 2009, the margin on these loans varies according to the debt ratio achieved.

The table below summarises the effective interest rates at balance sheet date of these interest-bearing loans (debentures, convertible debentures and credit institutions) at 31 December 2008:

Interest rate	Carrying amount	Effective interest rate
Fixed interest rate	130,230	from 4% to 7%
Variable interest rate, converted into fixed interest rate through hedging contracts	61,284	from 4% to 5%
Variable interest rate	32,824	from 4% to 6%

As well as these loans, the Group had at 31 December 2008 other short-term straight loans, financings and overdrafts with credit institutions totalling € 8,087. These carry variable market interest rates.

Loans towards joint ventures, which are recorded under other loans, have a fixed interest rate which is revisable after three or five years.

In order to hedge the risks of unfavourable interest rate fluctuations, the Group used financial instruments (IRS contracts and Cap Floor contracts).

The financial instruments which meet the requirements defined in IAS 39 and are therefore regarded as cash flow hedging contracts can be summarised as follows:

Debenture: to hedge the interest rate risk on this loan in USD, the Group has concluded an Interest Rate Swap, combined with the Cross Currency Swap covering the exchange risk which is detailed under the currency risk. This contract had the effect of reducing the effective fixed interest rate (without margin) on this loan to 4.75%. The cash flows from this contract match those of the interest and principal payments on this debenture.
This Interest Rate Swap is considered as a cash flow hedge.

Credit institutions: in order to limit the variable interest rate on various contracts, a number of IRS contracts have been concluded in a total notional amount of € 52,877 (2008: € 61,284).

Alongside these are a number of contracts that do not meet the conditions of IAS 39 to be viewed as hedging contracts.

This relates to an IRCS contract, IRS contracts, a Cap Floor contract, a Floor Spread contract and an Index Swap contract with a total notional amount of USD 8,849 and € 170,076 (2008: € 183,064). In 2009 a Cap Floor contract and an IRS contract were terminated prior to maturity, producing a positive cash flow of € 1,058, which has been recognised under other financing income.

All financial amounts expressed in thousands of euros.

The maturity dates of the notional amounts of these financial instruments, which serve as cash flow hedges of the currency and interest rate risk, can be summarised as follows:

2009	CURRENT	NON CURRENT		
	Up to 1 year	2 years	3 to 5 years	over 5 years
Cross Currency Interest Rate Swap				
Currency Rate Swap - foreign exchange future contract			*$ 66,151*	
Interest Rate Swap - cash flow hedge			*$ 66,151*	
Interest Rate Currency Swap - no cash flow hedge			*$ 8,849*	
Interest Rate Swap				
Cash flow hedge	*13,007*	*16,407*	*23,463*	
No cash flow hedge		*5,250*	*67,920*	*75,000*
Various contracts (Cap/Floor, Floor Spread, Cap Rate, Index Swap)				
No cash flow hedge	*2,288*	*938*	*8,680*	*10,000*

2008	CURRENT	NON CURRENT		
	Up to 1 year	2 years	3 to 5 years	over 5 years
Cross Currency Interest Rate Swap				
Currency Rate Swap - foreign exchange future contract				*$75,000*
Interest Rate Swap - cash flow hedge				*$75,000*
Interest Rate Swap				
Cash flow hedge	*11,057*	*13,007*	*37,220*	
No cash flow hedge			*4,000*	*136,820*
Various contracts (Cap/Floor, Floor Spread, Cap Rate, Index Swap)				
No cash flow hedge	*337*	*2,288*	*29,619*	*10,000*

The fair value at balance sheet date of these financial instruments can be summarised as follows:

	2009		2008	
	Asset	Liability	Asset	Liability
Cross Currency Interest Rate Swap				
Currency Rate Swap - foreign exchange future contract		*-8,620*		*-7,929*
Interest Rate Swap - cash flow hedge	*550*		*5,132*	
Interest Rate Currency Swap - no cash flow hedge		*-1,080*		
Interest Rate Swap				
Cash flow hedge		*-2,287*		*-2,004*
No cash flow hedge		*-4,168*	*1,885*	*-4,768*
Various contracts (Cap/Floor, Floor Spread, Cap Rate, Index Swap)				
No cash flow hedge		*-1,248*	*36*	*-1,093*
	550	**-17,403**	**7,053**	**-15,794**

All financial amounts expressed in thousands of euros.

The impact of the evolution in the market values (before taxes) of these financial instruments can be summarised as follows:

2009	Evolution market values	Recognised in equity	Recognised in profit and loss
Cross Currency Interest Rate Swap			
Currency Rate Swap - foreign exchange future contract	-691		-691
Interest Rate Swap - cash flow hedge	-4,583	-4,583	
Interest Rate Currency Swap - no cash flow hedge	-1,079		-1,079
Interest Rate Currency Swap - realised			1,068
Interest Rate Swap			
Cash flow hedge	-283	-283	
No cash flow hedge	-1,285		-1,285
Various contracts (Cap/Floor, Floor Spread, Cap Rate, Index Swap)			
No cash flow hedge	-192		-192
	-8,113	**-4,866**	**-2,179**

As specified above, an exchange difference on the USD borrowing has also been recognised in the income statement in an amount of € 691.

2008	Evolution market values	Recognised in equity	Recognised in profit and loss
Cross Currency Interest Rate Swap			
Currency Rate Swap - foreign exchange future contract	2,943		2,943
Interest Rate Swap - cash flow hedge	1,028	1,028	
Interest Rate Swap			
Cash flow hedge	-2,338	-2,338	
No cash flow hedge	-1,961		-1,961
Various contracts (Cap/Floor, Floor Spread, Cap Rate, Index Swap)			
Cash flow hedge	-118	-118	
No cash flow hedge	-1,104		-1,104
	-1,550	**-1,428**	**-122**

As specified above, an exchange difference on the USD borrowing has also been recognised in the income statement in an amount of - € 2,943.

The changes which have been recognised in the income statement are included under the financial results.

Estimated sensitivity to interest rate fluctuations:
Given the above-mentioned hedge contracts, which limit the interest risk, we have examined to what extent a general rise or fall of 100 basis points applied to all loan periods would influence the interest cost recorded in 2009.
This calculation shows that a general rise of 100 basis points in the interest rate on loans, applied equally to all loan periods, would increase the interest expense for 2009 by € 842, while a general decrease of 100 basis points in the interest rate, applied equally to all loan periods, would decrease the interest expense for 2009 by € 858. These changes in the interest expense would be influenced as follows by the outstanding cash flow hedging contracts: in the event of a general 100 basis points increase in the interest rate on loans, this would give a net fall in the pre-tax result of € 193, while a general fall of 100 basis points in the interest rate would result in a rise of pre-tax result by a net € 208.

C. CREDIT RISK

To manage credit risk, credit evaluations are performed for clients requiring significant credit facilities. In addition, the Group also uses trade finance instruments, such as letters of credit, to cover its credit risk and credit insurances are concluded for foreign clients of the printing works.

Despite RMG's intention of limiting its credit risk, it can face a deterioration of the creditworthiness of its customers. Any failure to conclude a credit insurance policy with respect to certain customers can have a material adverse effect on RMG's business, financial condition and/or results.
There was no significant concentration of credit risks with a single counterparty at 31 December 2009.
The carrying value of the financial assets presents the Group's maximum exposure to credit risk. The carrying value is reported including impairments. An overview of this carrying value can be found under item G below. Impairment charges are detailed in Note 18.

All financial amounts expressed in thousands of euros.

D. MARKET RISK

The media market in general is both highly sensitive to fluctuations in the wider economy and cyclical in nature.

RMG tracks market developments in the media world so that it can capitalise at all times on changes and new trends in the environment in which the company operates. Thanks to RMG's multimedia offer, it can suitably respond to a shift in focus in the advertising world and on the part of its readership from one form of media to another.
The profit generated by the Printed Media division and the Audiovisual Media division is largely determined by the advertising market, the readers' market and viewing and listening figures. In the Audiovisual Media division, programming costs, for both domestic productions and international film material, are determined a long time in advance and so are inflexible. Conversely, the advertising market can change in the short term.

The various costs that to a large extent determine the total cost in the Printed Media division, such as printing, distribution, staff, and promotion costs, can fluctuate according to the economic situation.
The evolution of international paper prices is uncertain and may adversely affect the business, operating results and/or financial position of the RMG if price increases cannot be passed on in time to its customers. To manage the paper price risk, the Group uses price agreements. There are annual contracts concluded for newspaper, and periodical contracts for magazine paper.
The current financial and economic crisis has brought a reduction in advertising income. Restructuring and savings plans have been launched both in Belgium and France to compensate this drop in sales as far as possible with cost savings. The positive effects of this restructuring were felt from July 2009 onwards.

E. LIQUIDITY RISK

An analysis of the maturity dates of the financial liabilities can be found in Note 26.
RMG's indebtedness and the restrictions agreed upon in the financing agreements may adversely affect RMG's business, operating results and/or financial position, and may place RMG at a disadvantage against competitors which are less dependent on external financing. Any breach of covenants can lead to the loans being immediately due and payable.

The Group has various credit lines for a total amount of € 77,796 and expects to meet its obligations through a combination of operating cash flows and the existing credit lines.

F. CAPITAL MANAGEMENT

Roularta Media Group is constantly seeking to improve its balance sheet structure (combination of debt and equity). The main objective of its balance sheet structure is to maximise shareholder value whilst retaining the desired financial flexibility for undertaking strategic projects.

As well as the legally required minimum equity amounts which apply to our subsidiaries in the various countries, a number of covenants have been imposed in relation to existing loans, including a minimum equity amount.
In analysing the balance sheet structure we use the IFRS classifications for distinguishing between equity and debt.

All financial amounts expressed in thousands of euros.

G. FAIR VALUE

The fair value and carrying amount of the recognised financial assets and liabilities amount to:

		2009		2008	
	Note	Carrying amount	Fair value	Carrying amount	Fair value
Non current assets					
Loans, guarantees, available-for-sale investments	17	3,935	3,935	2,996	2,996
Trade and other receivables	18	2,171	2,171	2,052	2,052
Financial derivatives				127	127
Current assets					
Trade and other receivables	18	166,537	166,537	188,013	188,013
Short-term investments	17	2,395	2,395	2,319	2,319
Cash and cash equivalents	18	69,304	69,304	107,287	107,287
Non current liabilities					
Financial debts	26	-173,905	-163,458	-243,142	-225,789
Trade payables	26	-2,464	-2,464	-3,345	-3,345
Other payables	26	-200	-200	-151	-151
Financial derivatives					
Current liabilities					
Financial debts	26	-24,229	-34,895	-31,853	-41,504
Trade payables	27	-100,279	-100,279	-130,675	-130,675
Advances received	26	-50,263	-50,263	-53,751	-53,751
Other payables	27	-9,539	-9,539	-8,907	-8,907
Accrued interests	27	-1,332	-1,332	-2,560	-2,560

We mention below the main methods and assumptions used for estimating the fair values of financial instruments which are included in the overview.

Available-for-sale investments

As mentioned in Note 17, the investment in Cyber Press Publishing SA has been written off in 2007, given that it went in liquidation. Because no reliable estimate can be made of the fair values of the other investments in this heading, financial assets for which no active market exists are valued at cost.

Loans, guarantees, trade and other receivables, trade and other payables

For amounts receivable and payable with original maturities of under one year, the nominal value is deemed to reflect the fair value, given the short maturities. For amounts receivable after one year it has been established that carrying value reflects the fair value.

Financial debts

The fair value of loans and finance leases is calculated based on the present value of the expected future cash flows of redemption and interest payments.

Other liabilities

For short-term liabilities the nominal value is deemed to reflect the fair value, given the short maturities. For trade payables with terms of more than one year it has been established that the carrying value reflects the fair value. For financial derivatives the fair value is established on the basis of the market valuation at balance sheet date.

All financial amounts expressed in thousands of euros.

FAIR VALUE HIERARCHY

As of 31 December 2009, the Group held the following financial instruments measured at fair value:

	31/12/2009	Level 1	Level 2	Level 3
Assets measured at fair value				
Short-term investments	2,395		2,395	
Interest Rate Swap - cash flow hedge	550		550	
Liabilities measured at fair value				
Financial derivatives: foreign currency exchange contracts	-183		-183	
Currency Rate Swap - foreign exchange future contract	-8,620		-8,620	
Interest Rate Currency Swap - no cash flow hedge	-1,080		-1,080	
Interest Rate Swap - cash flow hedge	-2,287		-2,287	
Interest Rate Swap - no cash flow hedge	-4,168		-4,168	
Various contracts (Cap/Floor, Floor Spread, Cap Rate, Index Swap)	-1,248		-1,248	

The following hierarchy is used for determining and disclosing the fair value of financial instruments by valuation technique:
- level 1: quoted prices in active markets for identical assets or liabilities
- level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

During the reporting period, there were no transfers between the different levels.

NOTE 31 - CASH FLOW RELATING TO ACQUISITION OF SUBSIDIARIES

The following major acquisitions with effect on the consolidated financial statements took place in 2009:

On 5 March 2009, Vlaamse Media Maatschappij NV established a new subsidiary, Starway NV, with a capital of € 61.

Also, on 17 March 2009, Job Rencontres SA, a French subsidiary of Roularta Media Group, acquired the remaining 50% of the shares of Alphadistri SAS.

In 2008, Travelmedia NV, Tvoj Magazin (Croatia) and City Magazine d.o.o. (Serbia) were started up. Shareholdings were taken in CTR Media NV and in the German companies J.M. Sailer Verlag GmbH and Living & More Verlag GmbH. Het Gouden Blad BVBA was taken over and the shareholdings increased in the German company Bayard Media GmbH and in Follow The Guide NV.

The fair value of the assets and liabilities of the acquired subsidiaries on the date of acquisition is presented as follows:

	2009		2008
ASSETS	**Alphadistri SAS**	**TOTAL**	**TOTAL**
Non current assets	**590**	**590**	**13,383**
Intangible assets	587	587	11,260
Property, plant and equipment	3	3	154
Loans, guarantees, available-for-sale investments		0	6
Deferred tax assets		0	1,963
Current assets	**146**	**146**	**6,748**
Inventories		0	125
Trade and other receivables	47	47	2,618
Cash and cash equivalents	99	99	3,947
Deferred charges and accrued income		0	58
Total assets	**736**	**736**	**20,131**

All financial amounts expressed in thousands of euros.

	2009		2008
LIABILITIES	**Alphadistri SAS**	**TOTAL**	**TOTAL**
Non current liabilities	**199**	**199**	**3,562**
Provisions		0	82
Employee benefits		0	151
Deferred tax liabilities	199	199	2,904
Financial debts		0	0
Other liabilities		0	425
Current liabilities	**65**	**65**	**6,050**
Trade payables	4	4	2,051
Advances received		0	2,882
Employee benefits	6	6	188
Taxes	23	23	790
Other payables	10	10	137
Accrued charges and deferred income	22	22	2
Total liabilities	**264**	**264**	**9,612**
Total net assets acquired	**472**	**472**	**10,519**
Takeover price	472	472	10,539
Loan take-over		0	425
Consideration paid in cash and cash equivalents	**472**	**472**	**10,964**
Deposits and cash and cash equivalents acquired	-99	-99	-3,947
Net cash outflow	**373**	**373**	**7,017**

As at 31 December 2009, € 338 of sales and € 13 of profit with respect to Alphadistri SAS is included in the consolidated income statement.

The identifiable assets, liabilities and contingent liabilities were set at 1 January 2009. This sales figure and this result therefore cover the whole of 2009.

NOTE 32 - CASH FLOW RELATING TO DISPOSAL OF SUBSIDIARIES

At the beginning of 2009, TTG Plus Publishing AB (25% participating interest at 31/12/2008) was sold. This enterprise was proportionally consolidated in the 2008 consolidation.

On 27 October 2009 the participation (50%) in Travelmedia NV, was sold to The Online Company. A capital gain of € 11 was achieved on this sale.

In 2008 Paginas Longas LDA, Grieg Media AS and Cap Publishing NV were sold.

The fair value of the assets and liabilities of the disposed subsidiaries on the date of disposal is presented as follows:

ASSETS	**2009**	**2008**
Non current assets	**0**	**2,100**
Intangible assets		1,996
Property, plant and equipment		87
Loans, guarantees and available-for-sale investments		17
Current assets	**8**	**1,707**
Inventories		59
Current receivables	4	489
Cash and cash equivalents	4	1,152
Deferred charges and accrued income		7
Total assets	**8**	**3,807**

All financial amounts expressed in thousands of euros.

LIABILITIES	**2009**	**2008**
Non current liabilities	**523**	**606**
Employee benefits		96
Deferred tax liabilities		15
Financial debts	523	495
Current liabilities	**9**	**2,353**
Trade payables	9	369
Advances received		1,486
Employee benefits		44
Other payables		417
Accrued charges and deferred income		37
Total liabilities	**532**	**2,959**
Total disposed net assets	**-524**	**848**
Sale of loan	517	495
Translation differences in equity	-88	
Gain (loss) on disposal	98	4,258
Cash consideration received	**3**	**5,601**
Deposits and cash and cash equivalents disposed of	-4	-1,152
Net cash inflow (outflow)	**-1**	**4,449**

NOTE 33 - INTEREST IN JOINT VENTURES

A list of joint ventures, including the name, country of incorporation, proportion of ownership interest, is given in Note 37 of the consolidated financial statements. The major joint ventures of the Group are VMMa NV (broadcasting station and radio), the senior magazines and the German acquisitions of 2008.

The share of all joint ventures in assets, liabilities, sales and net profit of the Group is as follows:

	2009	**2008**
Non current assets	79,941	80,313
Current assets	108,031	116,383
Non current liabilities	16,525	18,955
Current liabilities	59,820	59,809
Share in the Group's sales	205,448	211,100
Share in the Group's net profit	17,203	24,206

NOTE 34 - EVENTS AFTER THE BALANCE SHEET DATE

Taking into account market circumstances, a number of further restructurings were undertaken at the beginning of 2010.

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

All financial amounts expressed in thousands of euros.

NOTE 35 - FEES TO THE AUDITOR AND TO PERSONS RELATED TO THE AUDITOR

The audit fees amount to € 383. The fees of the auditor related to special services amount to € 40. The fees payable to persons with whom the auditor is associated amount to € 8 for tax and legal advisory services.

NOTE 36 - RELATED PARTY TRANSACTIONS

2009	Joint ventures	Associated companies	Other related parties	Total
I. ASSETS WITH RELATED PARTIES	**8,000**	**1,487**	**27**	**9,514**
Loans, guarantees, available-for-sale investments	**802**	**0**	**0**	**802**
Loans	802			802
Non current receivables	**322**	**0**	**0**	**322**
Other receivables	322			322
Current receivables	**6,876**	**1,487**	**27**	**8,390**
Trade receivables	6,876	1,487	27	8,390
II. LIABILITIES WITH RELATED PARTIES	**3,593**	**381**	**389**	**4,363**
Financial liabilities	**19**	**0**	**0**	**19**
Other payables	19			19
Payables	**3,574**	**381**	**389**	**4,344**
Trade payables	3,566	381	389	4,336
Other payables	8			8
III. TRANSACTIONS WITH RELATED PARTIES				
Sale of goods	2,675		26	**2,701**
Purchases of goods (-)			-21	**-21**
Rendering of services	18,754	4,273	291	**23,318**
Receiving of services (-)	-7,735	-1,396	-2,199	**-11,330**
Transfers under finance arrangements	-37			**-37**
IV. KEY MANAGEMENT PERSONNEL REMUNERATIONS (INCLUDING DIRECTORS)				
				5,647
- of which short-term employee benefits				4,920
- of which post-employment benefits				172
- of which share-based payment expenses				555

2008	Joint ventures	Associated companies	Other related parties	Total
I. ASSETS WITH RELATED PARTIES	**9,395**	**1,705**	**140**	**11,240**
Loans, guarantees, available-for-sale investments	**878**	**102**	**0**	**980**
Loans	878	102		980
Non current receivables	**321**	**0**	**0**	**321**
Other receivables	321			321
Current receivables	**8,196**	**1,603**	**140**	**9,939**
Trade receivables	8,060	1,603	140	9,803
Other receivables	136			136
II. LIABILITIES WITH RELATED PARTIES	**4,994**	**505**	**352**	**5,851**
Financial liabilities	**19**	**0**	**0**	**19**
Other payables	19			19
Payables	**4,884**	**505**	**352**	**5,741**
Trade payables	4,883	505	352	5,740
Other payables	1			1
Other liabilities	**91**			**91**
III. TRANSACTIONS WITH RELATED PARTIES				
Sale of goods	2,685		2	**2,687**
Purchases of goods (-)	-31		-30	**-61**
Rendering of services	19,346	5,336	338	**25,020**
Receiving of services (-)	-9,664	-1,704	-2,462	**-13,830**
Transfers under finance arrangements	57			**57**
IV. KEY MANAGEMENT PERSONNEL REMUNERATIONS (INCLUDING DIRECTORS)				
				3,202
- of which short-term employee benefits				2,655
- of which post-employment benefits				273
- of which share-based payment expenses				274

All financial amounts expressed in thousands of euros.

The Group has no assets, liabilities nor transactions with her parent Stichting Administratiekantoor RMG, nor with her certificate holders NV Koinon and NV Cennini.
Assets, liabilities and transactions with subsidiaries are fully eliminated in consolidation.
Assets, liabilities and transactions with joint ventures are proportionally eliminated. The not-eliminated part is included in this heading.
Assets, liabilities and transactions with associated companies are not eliminated in consolidation and are consequently fully included in this heading.
The list with all subsidiaries, joint ventures and associated companies is to be found in Note 37.
All other related parties are entities which are controlled by the key management of the Group or members of their close family, or entities in which these persons have a significant influence. Key management personnel remunerations were separately mentioned.
There exist no guarantees related to the assets or liabilities towards the related parties, nor are write-downs registered.
All receivables and payables concern short-term receivables and payables which are settled at expiry date. All transactions concern normal commercial operations.
Sales of the Group to these related parties are charged at normal tariffs. Purchases follow the usual procedure concerning selection of the supplier and applied prices.
There are no unsettled receivables nor payables with the key management.

NOTE 37 - GROUP COMPANIES

The ultimate parent of the Group is Roularta Media Group NV, Roeselare, Belgium. As of 31 December 2009, 62 subsidiaries, joint ventures and associated companies are consolidated.

Name of the company	Location	Effective interest %
1. Fully consolidated companies		
ROULARTA MEDIA GROUP NV	Roeselare, Belgium	100.00%
A NOUS PARIS SAS	Paris, France	100.00%
A NOUS PROVINCE SAS	Roubaix, France	100.00%
ALPHADISTRI SAS	Paris, France	100.00%
ANIMOTION SARL	Paris, France	100.00%
BELGIAN BUSINESS TELEVISION NV	Brussels, Belgium	100.00%
BIBLO-ROULARTA MEDICA NV	Kalmthout, Belgium	100.00%
CITY MAGAZINE ROULARTA D.O.O.	Belgrado, Serbia	100.00%
ÉDITIONS GÉNÉRATION L'ÉTUDIANT SA	Paris, France	100.00%
GROUPE EXPRESS-ROULARTA SA	Paris, France	100.00%
JOB RENCONTRES SA	Paris, France	100.00%
LE VIF MAGAZINE SA	Brussels, Belgium	100.00%
PRESS NEWS NV	Roeselare, Belgium	100.00%
REGIE DE WEEKKRANT NV	Roeselare, Belgium	100.00%
ROULARTA IT-SOLUTIONS NV	Roeselare, Belgium	100.00%
ROULARTA MANAGEMENT NV	Roeselare, Belgium	100.00%
ROULARTA MEDIA FRANCE SA	Paris, France	100.00%
ROULARTA MEDIA NEDERLAND BV	Breda, The Netherlands	100.00%

All financial amounts expressed in thousands of euros.

ROULARTA PUBLISHING NV	Brussels, Belgium	100.00%
STUDIO PRESS SAS	Paris, France	100.00%
TVOJ MAGAZIN D.O.O.	Zagreb, Croatia	100.00%
WEST-VLAAMSE MEDIA GROEP NV	Roeselare, Belgium	100.00%
MESTNE REVIJE D.O.O.	Ljubljana, Slovenia	92.00%
DE STREEKKRANT-DE WEEKKRANTGROEP NV	Roeselare, Belgium	80.00%
DRUKKERIJ LEYSEN NV	Mechelen, Belgium	80.00%
TAM-TAM NV	Knokke, Belgium	80.00%
ROULARTA PRINTING NV	Roeselare, Belgium	77.41%
VOGUE TRADING VIDEO NV	Roeselare, Belgium	74.67%
PRÉLUDE ET FUGUE SARL	Paris, France	51.00%
ZEEUWS VLAAMS MEDIABEDRIJF BV	Terneuzen, The Netherlands	40.80%
2. Proportionally consolidated companies		
BAYARD MEDIA GMBH & CO KG	Augsburg, Germany	50.00%
BAYARD MEDIA VERWALTUNGS GMBH	Augsburg, Germany	50.00%
BELGOMEDIA SA	Verviers, Belgium	50.00%
CTR MEDIA SA	Evere, Belgium	50.00%
DE WOONKIJKER NV	Antwerp, Belgium	50.00%
DICOS D'OR SNC	Paris, France	50.00%
FIRST MEDIA SA	Brussels, Belgium	50.00%
HIMALAYA NV	Zaventem, Belgium	50.00%
IDÉAT ÉDITIONS SA	Paris, France	50.00%
J.M. SAILER GESCHAFTSFUHRUNGS GMBH	Nürnberg, Germany	50.00%
J.M. SAILER VERLAG GMBH	Nürnberg, Germany	50.00%
JOE FM NV	Vilvoorde, Belgium	50.00%
PARATEL NV	Vilvoorde, Belgium	50.00%
REGIONALE MEDIA MAATSCHAPPIJ NV	Roeselare, Belgium	50.00%
SENIOR PUBLICATIONS DEUTSCHLAND GMBH & CO KG	Cologne, Germany	50.00%
SENIOR PUBLICATIONS NEDERLAND BV	Baarn, The Netherlands	50.00%
SENIOR PUBLICATIONS SA	Brussels, Belgium	50.00%
SENIOR PUBLICATIONS VERWALTUNGS GMBH	Cologne, Germany	50.00%
STARWAY NV	Vilvoorde, Belgium	50.00%
STUDIO-A NV	Boortmeerbeek, Belgium	50.00%
VERLAG DEUTSCHER TIERSCHUTZ-DIENST GMBH	Nürnberg, Germany	50.00%
VLAAMSE MEDIA MAATSCHAPPIJ NV	Vilvoorde, Belgium	50.00%
VOIX DU NORD L'ÉTUDIANT SA	Lille, France	50.00%
ZÉFIR CARRIÈRES SNC	Paris, France	50.00%
ZÉFIR WEB SNC	Paris, France	50.00%
REGIONALE TV MEDIA NV	Zellik, Belgium	33.33%
50+ BEURS & FESTIVAL BV	Arnhem, The Netherlands	25.00%
LIVING & MORE VERLAG GMBH	Augsburg, Germany	25.00%
PRESS PARTNERS BV	Baarn, The Netherlands	25.00%
3. Consolidated using the equity method		
REPROPRESS CVBA	Brussels, Belgium	31.92%
PARTENAIRE DÉVELOPPEMENT SARL	Lyon, France	25.00%
FEBELMA REGIE CVBA	Brussels, Belgium	23.35%
MEDIAPLUS BV	Bussum, The Netherlands	12.50%
4. Companies of minor importance not included in the consolidated financial statements		
EUROCASINO NV - in liquidation	Brussels, Belgium	19.00%
CYBER PRESS PUBLISHING SA	Clichy, France	15.39%
S.T.M. SA	Saint-André, France	14.10%

During 2009 the following changes occurred in the consolidated group:

New participations:
- 50% in Starway NV, foundation on 5/3/2009

Changed ownership without change of consolidation method:
- Decreased ownership Prélude et Fugue SARL from 100% to 51% as of 24/2/2009

Increased ownership with change of consolidation method:
- Increased ownership Alphadistri SAS from 50% to 100% as of 17/3/2009

Sold participations:
- TTG Plus Publishing AB as of 31/1/2009
- Travelmedia NV as of 27/10/2009

Liquidations and mergers:
- Groupe Mieux Vivre SA: merger with Groupe Express-Roularta SA as of 1/1/2009
- Belgifrance Communication SARL: merger with Groupe Express-Roularta SA as of 28/4/2009
- Point de Vue SARL: merger with Groupe Express-Roularta SA as of 28/4/2009
- Studio Magazine SA: merger with Groupe Express-Roularta SA as of 30/12/2009
- Actuamedia NV - in liquidation: liquidation closed 29/12/2009
- Actuapedia NV - in liquidation: liquidation closed 29/12/2009
- Follow The Guide NV - in liquidation: liquidation closed 29/12/2009
- Media Office NV - in liquidation: liquidation closed 29/12/2009
- DMB-BALM SNC: in liquidation as of 30/11/2009, liquidation closed 31/12/2009

Other changes
- 4 FM Group: change of name to JOE fm

Auditor's report

Statutory auditor's report on the consolidated financial statements for the year ended 31 December 2009 to the shareholders' meeting

To the shareholders

As required by law and the company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us. This report includes our opinion on the consolidated financial statements together with the required additional comment.

Unqualified audit opinion on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Roularta Media Group NV ('the company') and its subsidiaries (jointly 'the Group'), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. Those consolidated financial statements comprise the consolidated balance sheet as at 31 December 2009, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of 945,814 (000) EUR and the consolidated income statement shows a consolidated loss (Group share) for the year then ended of 4,185 (000) EUR.

The financial statements of several significant entities included in the scope of consolidation have been audited by other auditors. Our opinion on the accompanying consolidated financial statements, insofar as it relates to the amounts contributed by those entities, is based upon the reports of those other auditors.

The board of directors of the company is responsible for the preparation of the consolidated financial statements. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the 'Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren'. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. We have assessed the basis of the accounting policies used, the reasonableness of accounting estimates made by the company and the presentation of the consolidated financial statements, taken as a whole. Finally, the board of directors and responsible officers of the company have replied to all our requests for explanations and information. We believe that the audit evidence we have obtained, together with the reports of other auditors on which we have relied, provides a reasonable basis for our opinion.

In our opinion, and based upon the reports of other auditors, the consolidated financial statements give a true and fair view of the Group's financial position as of 31 December 2009, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the EU and with the legal and regulatory requirements applicable in Belgium.

Additional comment

The preparation and the assessment of the information that should be included in the directors' report on the consolidated financial statements are the responsibility of the board of directors.

Our responsibility is to include in our report the following additional comment which does not change the scope of our audit opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law and is in agreement with the consolidated financial statements. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting the Group, 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.

Kortrijk, 2 April 2010

The statutory auditor

DELOITTE Bedrijfsrevisoren / Réviseurs d'Entreprises

BV o.v.v.e. CVBA / SC s.f.d. SCRL

Represented by Frank Verhaegen and Mario Dekeyser

Statutory annual accounts

CONDENSED STATUTORY ANNUAL ACCOUNTS

The following pages are extracts of the statutory annual accounts of Roularta Media Group NV, prepared under Belgian accounting policies.

The valuation rules applied in the statutory annual accounts differ substantially from the valuation rules applied in the consolidated annual accounts: the statutory annual accounts are based on Belgian accounting legislation, while the consolidated annual accounts are drawn up in accordance with the International Financial Reporting Standards.

Only the consolidated annual accounts as set forth in the preceding pages present a true view of the financial position and performance of the Roularta group.

The report of the board of directors to the general meeting of shareholders and the annual accounts of Roularta Media Group NV, as well as the auditor's report, will be filed with the National Bank of Belgium within the statutory stipulated periods. These documents are available on request from Roularta Media Group's Investor Relations Department and at www.roularta.be/en/investor_info.

The statutory auditor's report is unqualified and certifies that the non-consolidated annual accounts of Roularta Media Group NV, for the year ended 31 December 2009, give a true and fair view of the company's assets, liabilities, financial position and results in accordance with the accounting principles applicable in Belgium.

CONDENSED STATUTORY INCOME STATEMENT

CONDENSED STATUTORY INCOME STATEMENT	2009	2008
Operating income	292,192	321,870
Operating charges	-284,370	-309,220
Operating profit	**7,822**	**12,650**
Financial income	26,344	24,725
Financial charges	-11,177	-28,769
Profit on ordinary activities before taxes	**22,989**	**8,606**
Extraordinary income	5,288	747
Extraordinary charges	-8,532	-6,522
Profit for the period before taxes	**19,745**	**2,831**
Transfer from deferred taxation	23	25
Income taxes	-396	-1,483
Profit for the period	**19,372**	**1,373**
Transfer from untaxed reserves	39	42
Profit for the period available for appropriation	**19,411**	**1,415**

APPROPRIATION ACCOUNT	2009	2008
Profit to be appropriated	**19,414**	**1,424**
Profit for the period available for appropriation	19,411	1,415
Profit brought forward	3	9
Transfers to capital and reserves	**-19,411**	**-1,421**
To legal reserve	971	71
To other reserves	18,440	1,350
Result to be carried forward	**-3**	**-3**
Profit to be carried forward	3	3

All financial amounts expressed in thousands of euros.

CONDENSED STATUTORY BALANCE SHEET AFTER APPROPRIATION

ASSETS	2009	2008
Fixed assets	**466,376**	**477,058**
Formation expenses	676	971
Intangible assets	8,193	9,731
Tangible assets	17,107	18,995
Financial assets	440,400	447,361
Current assets	**154,044**	**156,365**
Amounts receivable after more than one year	550	560
Stocks and contracts in progress	952	1,751
Amounts receivable within one year	97,544	87,007
Investments	20,058	39,415
Cash at bank and in hand	32,892	24,876
Deferred charges and accrued income	2,048	2,756
Total assets	**620,420**	**633,423**

LIABILITIES	2009	2008
Capital and reserves	**291,455**	**272,088**
Capital	203,040	203,040
Share premium account	304	304
Legal reserve	13,266	12,295
Reserves not available for distribution	7,821	6,416
Untaxed reserves	1,522	1,562
Reserves available for distribution	65,494	48,459
Profit carried forward	3	3
Investment grants	5	9
Provisions and deferred taxation	**1,514**	**2,049**
Creditors	**327,451**	**359,286**
Amounts payable after more than one year	180,458	201,933
Amounts payable within one year	143,861	154,110
Accrued charges and deferred income	3,132	3,243
Total liabilities	**620,420**	**633,423**

All financial amounts expressed in thousands of euros.

Extract from the annual report of the board of directors

The annual accounts, which will be presented to the general meeting of shareholders of 18 May 2010, were approved by the board of directors of 12 March 2010.

APPROPRIATION OF THE RESULT

The profit for the financial year 2009 available for appropriation was € 19,410,930.26 compared to € 1,414,775.49 for the financial year 2008. The profit carried forward from the previous financial year is € 3,321.55. The profit available for distribution is consequently € 19,414,251.81.

The board of directors proposes to the general meeting of shareholders not to distribute a dividend for the financial year 2009.

Consequently the following appropriation of profit will be proposed:

- Transfer to the legal reserve of € 971,000.00
- Transfer to other reserves of € 18,440,000.00
- Profit to be carried forward of € 3,251.81

DIRECTORS APPOINTMENT

The mandates of De Publigraaf NV, represented by Mr Rik De Nolf, and De Meiboom NV, represented by Mr Leo Claeys, come to an end at the general meeting of 18 May 2010. The board will, on the advice of the appointments and remuneration committee, be recommending to the general meeting that it renew these directors' mandates for a further four-year term.

After the general meeting in 2010 the three independent directors (NV HRV, represented by its permanent representative baron Hugo Vandamme, BVBA Clement De Meersman represented by its permanent representative Mr Clement De Meersman, and Mr Dirk Meeus) will no longer meet the criteria of independence of article 526ter of the Companies' Code.

The board of directors will, on the advice of the appointments and remuneration committee, be proposing to the general meeting of 18 May 2008 that it appoint three new independent directors who meet the criteria of independence of article 526ter of the Companies' Code:

– *Mr Carel Bikkers, permanent representative of BV Carolus Panifex Holding,* has for the past nine years headed up the Dutch media group Audax, a multi-faceted organisation that is involved in the broadest sense of the term with the publishing, distribution and retailing of media and related products. Prior to this Mr Carel Bikkers worked as general manager of Kwik-Fit Europe BV, Europe's largest car service chain.
– *Ms Marleen Vaesen, permanent representative of BVBA MAVAC.* After a career in Procter & Gamble, where until 1999 she was Marketing Director Europe, Ms Marleen Vaesen is today active at Sara Lee, where as Senior Vice President Coffee & Tea (West and South Europe and Russia) she is responsible for the results of the coffee and tea business in eight European countries.
– *Mr Marc Verhamme, permanent representative of NV Pur Vie,* was until 1994 CEO of the North and North-West European fresh produce division of Danone. Mr Marc Verhamme is today an industrialist and owns a number of SMEs producing organic food products like yoghurt and fresh cheese, with brands such as MIK and PurNatur.

The proposed new independent directors have acquired broad experience in their careers in various management and executive positions in different business sectors. Thus Mr Carel Bikkers brings broad experience and expertise in the publishing and distribution world, while Ms Marleen Vaesen and Mr Marc Verhamme offer distinct added value in the board of directors in marketing and communication.

The board believes that the competences of the proposed new independent directors complement those already present in it.

On the advice of the appointments and remuneration committee, a recommendation will be made to the general meeting to reappoint NV HRV, represented by its permanent representative, baron Hugo Vandamme, as a (non-executive) director for a four-year term.

Mr Jean Pierre Dejaeghere has informed the board that he wishes to resign from the board at the general meeting. On the advice of the appointments and remuneration committee, the board of directors is not proposing that he be replaced.

FINANCIAL CALENDAR

General Meeting 2009	18 May 2010
Periodic statement first quarter 2010	17 May 2010
Half year 2010 results	19 August 2010
Periodic statement third quarter 2010	19 November 2010
Full year 2010 results	14 March 2011
General Meeting 2010	17 May 2011

INVESTOR RELATIONS

	Rik De Nolf	Jan Staelens
Phone	+32 51 26 63 23	+32 51 26 63 26
Fax	+32 51 26 65 93	+32 51 26 66 27
Email	rik.de.nolf@roularta.be	jan.staelens@roularta.be
Website	www.roularta.be	

NV Roularta Media Group, Meiboomlaan 33, 8800 Roeselare, VAT BE 0434.278.896, RPR Kortrijk

Responsible Publisher: Jan Staelens, Meiboomlaan 33, 8800 Roeselare