Roularta Media Group

Interim financial reporting
as of 30 June 2007

## CONTENTS

## 1. CONSOLIDATED KEY FIGURES

| in EUR '000 | 30/06/06 | 30/06/07 | evolution |
|---|---|---|---|
| **INCOME STATEMENT** | | | |
| **Sales** | **279.227** | **390.406** | **+ 39,8%** |
| **Operating profit (EBIT)** | **24.606** | **33.716** | **+ 37,0%** |
| Net finance costs | -513 | -5.957 | + 1061,2% |
| **Operating profit after net finance costs** | **24.093** | **27.759** | **+ 15,2%** |
| Income taxes | -9.867 | -11.353 | + 15,1% |
| Share in the profit of the companies accounted for using the equity method | -4 | -27 | |
| **Net profit of the consolidated companies** | **14.222** | **16.379** | **+ 15,2%** |
| Minority interests | -436 | -324 | - 25,7% |
| **Net profit of the Group** | **13.786** | **16.055** | **+ 16,5%** |
| EBITDA (1) | 33.448 | 46.059 | + 37,7% |
| EBITDA (margin) | 12,0% | 11,8% | |
| EBIT | 24.606 | 33.716 | + 37,0% |
| EBIT (margin) | 8,8% | 8,6% | |
| Net profit of the Group | 13.786 | 16.055 | + 16,5% |
| Net profit of the Group (margin) | 4,9% | 4,1% | |
| Net current profit (2) | 14.530 | 18.875 | + 29,9% |
| Current cash flow (3) | 23.130 | 28.901 | + 24,9% |
| **CONSOLIDATED KEY FIGURES PER SHARE** | | | |
| EBITDA | 3,17 | 4,28 | |
| EBIT | 2,33 | 3,13 | |
| Net profit of the Group | 1,31 | 1,49 | |
| Net profit of the Group after dilution | 1,29 | 1,47 | |
| Net current profit | 1,38 | 1,75 | |
| Current cash flow | 2,19 | 2,68 | |
| Weighted average number of shares | 10.552.719 | 10.768.320 | |
| Weighted average number of shares after dilution | 10.694.362 | 10.915.284 | |

| BALANCE SHEET | 31/12/06 | 30/06/07 | evolution |
|---|---|---|---|
| Non current assets | 659.205 | 677.624 | + 2,8% |
| Current assets | 326.329 | 329.421 | + 0,9% |
| Balance sheet total | 985.534 | 1.007.045 | + 2,2% |
| Equity - Group's share | 284.839 | 288.558 | + 1,3% |
| Equity - minority interests | 12.863 | 12.816 | - 0,4% |
| Liabilities | 687.832 | 705.671 | + 2,6% |
| Liquidity (4) | 0,8 | 1,0 | + 25,0% |
| Solvency (5) | 30,2% | 29,9% | - 1,0% |
| Net financial debt | 221.415 | 246.068 | + 11,1% |
| Gearing (6) | 74,4% | 81,6% | + 9,7% |
| Number of employees at closing date (7) | 3.101 | 3.128 | + 0,9% |

(1) EBITDA = EBIT + depreciations, write-downs and provisions.
(2) Net current profit = net profit of the Group + impairment losses + restructuring costs net of taxes.
(3) Current cash flow  = net current profit + depreciation of (in)tangible assets, write-downs and provisions.
(4) Liquidity = current assets / current liabilities
(5) Solvency = equity (Group's share + minority interests) / balance sheet total.
(6) Gearing = net financial debt / equity (Group's share + minority interests).
(7) Joint ventures proportionally included.

## 2. CONSOLIDATED KEY FIGURES BY DIVISION

| | PRINTED MEDIA | | |
|---|---|---|---|
| **in EUR '000** | **30/06/06** | **30/06/07** | **evolution** |
| **INCOME STATEMENT** | | | |
| **Sales** | **193.457** | **301.950** | **+ 56,1%** |
| **Operating profit (EBIT)** | **19.084** | **20.120** | **+ 5,4%** |
| Net finance costs | -250 | -5.768 | |
| **Operating profit after net finance costs** | **18.834** | **14.352** | **- 23,8%** |
| Income taxes | -7.843 | -5.995 | - 23,6% |
| Share in the profit of the companies accounted for using the equity method | -4 | -27 | |
| **Net profit of the consolidated companies** | **10.987** | **8.330** | **- 24,2%** |
| Minority interests | -625 | -539 | - 13,8% |
| **Net profit of the Group** | **10.362** | **7.791** | **- 24,8%** |
| EBITDA | 25.935 | 29.589 | + 14,1% |
| EBITDA (margin) | 13,4% | 9,8% | |
| EBIT | 19.084 | 20.120 | + 5,4% |
| EBIT (margin) | 9,9% | 6,7% | |
| Net profit of the Group | 10.362 | 7.791 | - 24,8% |
| Net profit of the Group (margin) | 5,4% | 2,6% | |
| Net current profit | 10.604 | 10.611 | + 0,1% |
| Current cash flow | 17.213 | 17.763 | + 3,2% |

| | AUDIOVISUAL MEDIA | | |
|---|---|---|---|
| **in EUR '000** | **30/06/06** | **30/06/07** | **evolution** |
| **INCOME STATEMENT** | | | |
| **Sales** | **89.096** | **91.997** | **+ 3,3%** |
| **Operating profit (EBIT)** | **5.522** | **13.596** | **+ 146,2%** |
| Net finance costs | -263 | -188 | - 28,5% |
| **Operating profit after net finance costs** | **5.259** | **13.408** | **+ 155,0%** |
| Income taxes | -2.024 | -5.358 | + 164,7% |
| **Net profit of the consolidated companies** | **3.235** | **8.050** | **+ 148,8%** |
| Minority interests | 189 | 215 | - 13,8% |
| **Net profit of the Group** | **3.424** | **8.265** | **+ 141,4%** |
| EBITDA | 7.513 | 16.472 | + 119,2% |
| EBITDA (margin) | 8,4% | 17,9% | |
| EBIT | 5.522 | 13.596 | + 146,2% |
| EBIT (margin) | 6,2% | 14,8% | |
| Net profit of the Group | 3.424 | 8.265 | + 141,4% |
| Net profit of the Group (margin) | 3,8% | 9,0% | |
| Net current profit | 3.926 | 8.265 | + 110,5% |
| Current cash flow | 5.917 | 11.141 | + 88,3% |

## 3. MANAGEMENT DISCUSSION AND ANALYSIS OF THE RESULTS

### Financial highlights for the first half of 2007

- **Sales** rose by 39.8% from EUR 279.2 million to EUR 390.4 million.
- **EBIT** increased by 37% from EUR 24.6 million to EUR 33.7 million. EBIT margin was 8.6% compared with 8.8% for H1 2006.
- **EBITDA** increased by 37.7% from EUR 33.4 million to EUR 46.1 million. EBITDA margin was 11.8% compared with 12.0% for H1 2006.
- **Net Group profit** increased by 16.5% from EUR 13.8 to EUR 16.1 million, giving a margin of 4.1% compared with 4.9% for the first half of 2006.
- **Net current profit** rose by 29.9% from EUR 14.5 million to EUR 18.9 million.
- **Current cash flow** was up 24.9% from EUR 23.1 million to EUR 28.9 million.

- **Profit per share** rose from EUR 1.31 in H1 2006 to EUR 1.49 in H1 2007.

These results are discussed below by division.

### H1 2007 results by division

### PRINTED MEDIA

In analyzing the comparative figures the reader should bear in mind that Groupe Express-Expansion was acquired at the end of September 2006. This group's figures are included in full in the first half of 2007 and not in the first half of 2006.

Sales by the Printed Media division rose by EUR 108.5 million from EUR 193.5 to 302.0 million (+ 56.1%). EUR 103.6 million of this increase comes from the new acquisitions – EUR 100.0 million from Groupe Express-Expansion and EUR 3.6 million from the new titles Datanews, Texbel, Tailor Made, Ciné Live and De Tandartsenkrant/Le Journal du Dentiste. On top of this sales of existing products increased by 2.5%.

Freesheet sales rose by 4.8% with the continuing growth of De Streekkrant/De Weekkrant, the Steps city magazines and, in particular, De Zondag.

Advertising revenue at the Krant van West-Vlaanderen rose 0.8%.

Magazine advertising revenue rose by 97.0%, of which + 98.9% from the new magazines and - 1.9% from existing titles.
Advertising markets in both Belgium and France were under pressure during the first half of 2007. The first quarter in particular saw a sharp fall compared with 2006, part of which was made good in the second quarter.

The readers' market advanced by 76.0%, 73.0% from acquisitions and 3.0% from growth of existing titles.
The readers' market for Groupe Express-Expansion titles was up 7% on the first half of 2006.

Operating profit (EBIT) rose by 5.4% from EUR 19.1 to 20.1 million, with an EBIT margin of 6.7% compared with 9.9% in H1 2006.
EBITDA grew by 14.0% from EUR 25.9 to 29.6 million, with a margin of 9.8% compared with 13.4% in H1 2006.
Net Group profit was EUR 7.8 million against EUR 10.4 million in H1 2006 (- 24.8%).

A number of factors negatively impacted the margins and net profit of the Printed Media division.

The lower margin at Groupe Express-Expansion, and the restructurings announced there for 2007 – and which are proceeding to plan – have produced a fall in the consolidated EBIT and EBITDA margins. At Groupe Express-Expansion, EUR 0.8 million net of restructuring costs were recorded in H1 2007 in respect of the ongoing reorganization following the takeover.
The winding up of SA Cyber Press Publishing on 7 June 2007 has required an impairment loss of EUR 1.8 million to be recorded to reduce the carrying value of this participation to zero. A further impairment loss of EUR 0.5 million was also taken on titles.

With the publishing of an option plan for executive employees at the start of 2007, an additional personnel expense of EUR 0.6 million was recorded, as required by IFRS 2.

EUR 5.5 million higher financing costs reflect the new borrowings for the acquisition of Groupe Express-Expansion and the completion of the new printing works at Roeselare, and fluctuations in the market value of a number of swap contracts covering outstanding loans (EUR 0.6 million).

Tax pressure continues to be influenced by tax losses that are not recoverable in the short term and the fact that no deferred tax assets are recorded on the impairment losses (Cyber Press and Studio Magazine).

## AUDIOVISUAL MEDIA

Sales in the Audiovisual Media division rose from EUR 89.1 to 92.0 million (+ 3.3%). Most of this increase came from Vlaamse Media Maatschappij and Studio-A.

Operating profit (EBIT) rose by 146% from EUR 5.5 to 13.6 million, with an EBIT margin of 14.8% compared with 6.2% in H1 2006.

EBITDA grew by 119% from EUR 7.5 to 16.5 million. Net Group profit was EUR 8.3 million against EUR 3.4 million in H1 2006 (+ 141%).

Net current profit rose from EUR 3.9 to 8.3 million (+ 110%). Current cash flow rose 88.3% from EUR 5.9 to 11.1 million.

This better result reflects a slight increase in sales, but more particularly better cost control, especially at Vlaamse Media Maatschappij.

## Balance sheet

Equity at 30 June 2007 was EUR 301.4 million compared with EUR 297.7 million at 31 December 2006.
The ‘treasury shares’ item, that is deducted from equity, has risen by EUR 7.0 million with the buying in of own shares to cover for the option scheme introduced this year. Consolidated reserves have increased by a net EUR 8.0 million, being the balance of earnings for the first half (EUR 16.1 million) less dividends paid (EUR 8.1 million). The revaluation gains of EUR 1.7 million represent the net positive market value of cash flow hedges.

At 30 June 2007, net financial debt amounted to EUR 246.1 million, up by EUR 24.7 million compared with 31 December 2006.
This increase reflects greater borrowings to cover, among other things, the building of the new print works in Roeselare, the restructuring costs at Groupe Express-Expansion and the financing of a

takeover by Vlaamse Media Maatschappij. This produces a gearing (net financial debt as a percentage of equity) of 81.6%.

## Investments (CAPEX)

Total capex in H1 2007 amounted to EUR 33.3 million, with EUR 20.8 million spent on tangible and intangible fixed assets and EUR 12.5 million on acquisitions.

## Changes in the composition of the group

The following acquisitions affect the comparison between the H1 2006 and H1 2007 figures:

Acquisition of an additional 50% of Academici Roularta Media NV in Q1 2007;
Acquisition of 25% of Press Partners BV in Q1 2007;
Acquisition of 12.5% of Mediaplus BV in Q1 2007;
Acquisition of 50% of Alphadistri SAS in Q1 2007;
Acqusition of 100% of Medical Integrated Communication SPRL in Q1 2007;
Acquisition of 50% of Zefir Carrières SNC in Q2 2007.

In the second quarter of 2007 Roularta Media Group NV acquired the business assets of Datanews, Texbel, Tailor Made and related websites.

The following participations, also acquired in the first half of 2007, will be included only in the consolidated figures for H2 2007:

Acquisition of 25% of TTG Plus Publishing in Q1 2007;
Acquisition of 50% of Vlacom NV and 4FM Groep in Q2 2007.

## Prospects

For audiovisual media prospects are good, but it should be borne in mind that July and August are traditionally quiet months and that H2 2006 was already a very good half-year. The autumn will also be bringing additional investments in TV programming, whilst the digitalization of the stations will mean extra expenditure. In radio we are investing further in 4 FM, while Q-Music has grown to a market share of 17.6%.

The freesheets continue to grow, and vlan.be is being extended in cooperation with Rossel into Belgium's largest classified ads site for real estate, cars, jobs and miscellaneous.

The readers market for magazines continues to evolve positively, but it is not yet clear how the advertising market will perform this autumn in Belgium and France.

At Groupe Express-Expansion we are continuing to work on integrating the group, with synergies being systematically produced. 2007 will remain a transition year in this respect.

In the meantime building work on the new printshop on the Meiboomlaan in Roeselare is proceeding to plan. The full-colour heatset newspaper presses are being erected. These will optimize the colour possibilities for the freesheets by year-end, at which time De Streekkrant, De Weekkrant and De Zondag will get a new layout.

## 4. CONDENSED CONSOLIDATED INCOME STATEMENT

| IN THOUSANDS OF EUROS | 30/06/06 | 30/06/07 |
|---|---|---|
| Sales | 279.227 | 390.406 |
| Raw materials, consumables and goods for resale | -86.244 | -100.102 |
| Services and other goods | -88.412 | -142.675 |
| Personnel | -69.697 | -101.175 |
| Depreciation, write-down and provisions | -8.842 | -12.343 |
| Depreciation and amortisation of intangible and tangible assets | -9.003 | -10.818 |
| Write-down of trade debtors and inventories | -79 | 45 |
| Provisions | 482 | 747 |
| Impairment losses | -242 | -2.317 |
| Other operating income | 3.968 | 6.224 |
| Other operating expenses | -4.634 | -5.865 |
| Restructuring costs | -760 | -754 |
| **OPERATING PROFIT (EBIT)** | **24.606** | **33.716** |
| Interest income | 1.155 | 1.376 |
| Interest expenses | -1.668 | -7.333 |
| **OPERATING PROFIT AFTER NET FINANCE COSTS** | **24.093** | **27.759** |
| Income taxes | -9.867 | -11.353 |
| Share in the profit of the companies accounted for using the equity method | -4 | -27 |
| **NET PROFIT OF THE CONSOLIDATED COMPANIES** | **14.222** | **16.379** |
| Minority interests | -436 | -324 |
| **NET PROFIT OF THE GROUP** | **13.786** | **16.055** |
| Basic earnings per share | 1,31 | 1,49 |
| Diluted earnings per share | 1,29 | 1,47 |

## 5. CONDENSED CONSOLIDATED BALANCE SHEET

| **ASSETS** (IN THOUSANDS OF EUROS) | 31/12/06 | 30/06/07 |
|---|---|---|
| **NON CURRENT ASSETS** | **659.205** | **677.624** |
| Intangible assets | 428.417 | 435.776 |
| Goodwill | 56.422 | 56.624 |
| Property, plant and equipment | 158.420 | 162.438 |
| Investments accounted for using the equity method | 78 | 400 |
| Financial assets | 6.945 | 14.301 |
| Trade and other receivables | 2.173 | 2.690 |
| Deferred tax assets | 6.750 | 5.395 |
| **CURRENT ASSETS** | **326.329** | **329.421** |
| Inventories | 52.431 | 54.724 |
| Trade and other receivables | 221.881 | 224.867 |
| Financial assets | 3.142 | 2.193 |
| Cash and cash equivalents | 38.464 | 32.798 |
| Deferred charges and accrued income | 10.411 | 14.839 |
| **TOTAL ASSETS** | **985.534** | **1.007.045** |

| **LIABILITIES** (IN THOUSANDS OF EUROS) | 31/12/06 | 30/06/07 |
|---|---|---|
| **EQUITY** | **297.702** | **301.374** |
| Group's equity | 284.839 | 288.558 |
| Issued capital | 170.251 | 170.687 |
| Treasury shares | -4.920 | -11.923 |
| Capital reserves | -253 | 311 |
| Revaluation reserves | 18 | 1.738 |
| Reserves | 119.675 | 127.634 |
| Translation differences | 68 | 111 |
| Minority interests | 12.863 | 12.816 |
| **NON CURRENT LIABILITIES** | **284.639** | **363.521** |
| Provisions | 12.289 | 8.324 |
| Employee benefits | 7.582 | 7.486 |
| Deferred tax liabilities | 134.656 | 132.796 |
| Financial liabilities | 127.557 | 212.560 |
| Trade payables | 2.097 | 1.860 |
| Other payables | 227 | 302 |
| Financial derivates | 231 | 193 |
| **CURRENT LIABILITIES** | **403.193** | **342.150** |
| Financial liabilities | 135.464 | 68.499 |
| Trade payables | 146.188 | 145.738 |
| Advances received | 52.755 | 46.966 |
| Social debts | 38.115 | 39.573 |
| Taxes | 18.054 | 26.122 |
| Other payables | 4.032 | 3.120 |
| Accrued charges and deferred income | 8.585 | 12.132 |
| **TOTAL LIABILITIES** | **985.534** | **1.007.045** |

## 6. CONDENSED CONSOLIDATED CASH FLOW STATEMENT

| | 30/06/2006 | 30/06/2007 |
|---|---|---|
| **CASH FLOW RELATING TO OPERATING ACTIVITIES** | | |
| Net result of the consolidated companies | 14.222 | 16.379 |
| Income tax expense / income | 9.867 | 11.353 |
| Interest expense | 1.668 | 7.333 |
| Interest income (-) | -1.155 | -1.376 |
| Losses / gains on disposal of intangible assets and property, plant and equipment | -52 | -9 |
| Losses / gains on disposal of financial current assets | 19 | -50 |
| Non-cash items | 8.845 | 10.093 |
| *Depreciation of (in)tangible assets* | *9.003* | *10.818* |
| *Impairment losses* | *242* | *2.317* |
| *Share-based payment expense* | *0* | *600* |
| *Non hedging derivates* | *0* | *511* |
| *Unrealized exchange loss / gain* | *3* | *37* |
| *Increase / decrease in provisions* | *-482* | *-4.145* |
| *Other non-cash items* | *79* | *-45* |
| **Gross cash flow relating to operating activities** | **33.414** | **43.723** |
| Increase / decrease in current trade receivables | -5.226 | -550 |
| Increase / decrease in financial derivates, other current receivables and deferred charges and accrued income | -1.804 | -6.957 |
| Increase / decrease in inventories | 10.447 | -1.605 |
| Increase / decrease in current trade payables | -7.839 | -719 |
| Increase / decrease in other current liabilities | -2.197 | -3.208 |
| Other increases / decreases in working capital (a) | 3.600 | 1.184 |
| **Increase / decrease in working capital** | **-3.019** | **-11.855** |
| Income taxes received / paid | -5.734 | -6.079 |
| Interest paid (-) | -1.403 | -5.511 |
| Interest received | 1.151 | 675 |
| **NET CASH FLOW RELATING TO OPERATING ACTIVITIES (A)** | **24.409** | **20.953** |
| **CASH FLOW RELATING TO INVESTING ACTIVITIES** | | |
| (In)tangible assets - acquisitions | -8.299 | -20.828 |
| (In)tangible assets - other movements | -1.769 | 187 |
| Net cash flow related to acquisitions | -1.871 | -12.529 |
| Net cash flow related to disposals | 67 | 0 |
| Financial assets - acquisitions | -1.810 | -669 |
| Financial assets - other movements | 104 | 2.668 |
| **NET CASH USED IN INVESTING ACTIVITIES (B)** | **-13.578** | **-31.171** |
| **CASH FLOW RELATING TO FINANCING ACTIVITIES** | | |
| Dividends paid | -7.788 | -7.564 |
| Movement in capital | 50.984 | 436 |
| Treasury shares | 512 | -7.003 |
| Other changes in equity | 244 | 746 |
| Proceeds from short term debts | 89 | 26.437 |
| Redemption of short term debts | -31.936 | -93.412 |
| Proceeds from long term debts | 62.283 | 88.180 |
| Redemption of long term debts | -4.063 | -3.700 |
| Proceeds from (+), redemption of (-) long term receivables | -12 | -517 |
| Increase / decrease in financial current assets | 828 | 949 |
| **NET CASH PROVIDED BY (+), USED IN (-) FINANCING ACTIVITIES (C)** | **71.141** | **4.552** |
| **NET DECREASE/INCREASE IN CASH (A+B+C)** | **81.972** | **-5.666** |
| Cash and cash equivalents, beginning balance | **30.950** | **38.464** |
| Cash and cash equivalents, ending balance | **112.922** | **32.798** |
| **NET DECREASE/INCREASE IN CASH** | **81.972** | **-5.666** |

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

# 7. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Issued capital | Treasury shares | Capital reserves | Revaluation reserves | Accumulated profit of previous years | Profit of the period | Translation reserves | Minority Interests | TOTAL EQUITY |
|---|---|---|---|---|---|---|---|---|---|
| **BALANCE AS OF 1/1/2007** | **170.251** | **-4.920** | **-253** | **18** | **119.675** | **0** | **68** | **12.863** | **297.702** |
| Issuance of shares *(all kind of issuances)* | 436 | | | | | | | | **436** |
| Equity increase resulting from incorporation reserves available for distribution | | | | | | | | | **0** |
| Costs of issuance and equity increase | | | -36 | | | | | | **-36** |
| Profit / loss of the period | | | | | | 16.055 | | | **16.055** |
| Operations with own shares | | -7.003 | | | | | | | **-7.003** |
| Foreign currency translation effect | | | | | | | 43 | | **43** |
| Dividends | | | | | -8.093 | | | | **-8.093** |
| Gain / loss on available-for-sale financial assets | | | | 605 | | | | | **605** |
| Cash flow hedge gains / losses | | | | 1.115 | | | | | **1.115** |
| Recognition of share-based payments | | | 600 | | | | | | **600** |
| Profit / loss of the period attributable to minority interest | | | | | | | | 324 | **324** |
| Dividends paid to minority | | | | | | | | -307 | **-307** |
| Other increase / decrease | | | | | -3 | | | -64 | **-67** |
| **BALANCE AS OF 30/06/2007** | **170.687** | **-11.923** | **311** | **1.738** | **111.579** | **16.055** | **111** | **12.816** | **301.374** |

| | Issued capital | Treasury shares | Capital reserves | Revaluation reserves | Accumulated profit of previous years | Profit of the period | Translation reserves | Minority Interests | TOTAL EQUITY |
|---|---|---|---|---|---|---|---|---|---|
| **BALANCE AS OF 1/1/2006** | **119.267** | **-5.487** | **408** | **-514** | **101.831** | **0** | **111** | **13.297** | **228.913** |
| Issuance of shares *(all kind of issuances)* | 50.983 | | | | | | | | **50.983** |
| Equity increase resulting from incorporation reserves available for distribution | | | | | | | | | **0** |
| Costs of issuance and equity increase | | | -715 | | | | | | **-715** |
| Profit / loss of the period | | | | | | 13.786 | | | **13.786** |
| Operations with own shares | | 512 | | | | | | | **512** |
| Foreign currency translation effect | | | | | | | 22 | | **22** |
| Dividends | | | | | -8.050 | | | | **-8.050** |
| Gain / loss on available-for-sale financial assets | | | | 865 | | | | | **865** |
| Recognition of share-based payments | | | | | | | | | **0** |
| Profit / loss of the period attributable to minority interest | | | | | | | | 436 | **436** |
| Other increase / decrease | | | | | | | | 73 | **73** |
| **BALANCE AS OF 30/06/2006** | **170.250** | **-4.975** | **-307** | **351** | **93.781** | **13.786** | **133** | **13.806** | **286.825** |

## 8. SELECTED EXPLANATIONS CONCERNING THE SUMMARY INTERIM FINANCIAL REPORTING

### 8.1 Principles of the interim financial reporting

The interim financial statements have been drawn up in conformity with IAS 34 and conform to the International Financial Reporting Stands (IFRSs) published by the International Accounting Standards Board (IASB), and to the interpretations issued by the IASB's International Financial Reporting Interpretation Committee (IFRIC) which have been approved by the European Commission. The present interim financial statements also meet the requirements imposed by the CBFA (Banking, Finance and Insurance Commission) and Euronext.
The interim financial statements were approved by the members of the Board of Directors on 29 August 2007**.**

### 8.2 Valuation rules

In preparing the interim financial statements the IFRS principles for inclusion and valuation have been applied as for the consolidated annual financial statements of 31 December 2006, except where new IFRS and improved IAS standards have come into effect from 1 January 2007 onwards. The latter do not, however, materially impact the financial statements.

### 8.3 Pending disputes

There are no significant changes to be reported with respect to the pending disputes as mentioned in note 23 to the consolidated annual financial statements at 31/12/2006.

### 8.4 Acquisitions

The following participating interests were acquired during the first half of 2007:
- 25% in Press Partners BV, via Senior Publications Nederland BV, from 1/1/2007 on
- 12,5% in Mediaplus BV, via Senior Publications Nederland BV, from 1/1/2007 on
- 50% in Alphadistri SAS, via Job Rencontres SA, from 1/1/2007 on
- 100% in Medical Integrated Communication SPRL, via RMG NV, from 1/3/2007 on
- 50% in Zefir Carrières SNC, via Groupe Express-Expansion SA, from 19/4/2007 on

An additional participating interest of 50% has been taken in Academici Roularta Media NV, bringing ownership of this subsidiary to 100%.
The business assets of publications Datanews, Texbel and related websites have been acquired by Roularta Media Group NV.

The following participations, also acquired in the first half of 2007, will be included only in the consolidated figures for H2 2007:
- 25% in TTG Plus Publishing AB via Grieg Media AS
- 50% in Vlacom NV via Vlaamse Media Maatschappij NV
- 50% in 4FM Groep NV via Vlacom NV

As VMMa NV has not yet received approval from Belgium's Media Board for the takeover of 4FM, the 4FM group is not yet included in the consolidation.

The cost price of these acquisitions of companies and business assets consists of the cost price of the acquisitions themselves (EUR 17.6 million) and ancillary costs (EUR 0.1 million). No new equity instruments were issued in respect of these acquisitions.

The identifiable assets, liabilities and contingent liabilities were included at takeover date in the following amounts:

| **ASSETS** | **2007** |
|---|---|
| | *(KEUR)* |
| **NON CURRENT ASSETS** | **19,086** |
| Intangible assets | 7,787 |
| Goodwill | 197 |
| Property, plant and equipment | 323 |
| Financial assets *(incl. 4FM Groep)* | 10,779 |
| | |
| **CURRENT ASSETS** | **767** |
| Trade and other receivables | 583 |
| Cash and cash equivalents | 179 |
| Deferred charges and accrued income | 5 |
| | |
| **TOTAL ASSETS** | **19,853** |
| | |
| **LIABILITIES** | |
| | |
| **NON CURRENT LIABILITIES** | **1,661** |
| Provisions | 15 |
| Deferred tax liabilities | 1,123 |
| Financial liabilities | 523 |
| | |
| **CURRENT LIABILITIES** | **484** |
| Financial liabilities | 10 |
| Trade payables | 232 |
| Advances received | 33 |
| Social debts | 24 |
| Taxes | 80 |
| Other payables | 93 |
| Accrued charges and deferred income | 12 |
| | |
| **TOTAL LIABILITIES** | **2,145** |
| | |
| Total net assets acquired | 17,708 |
| Deposits and cash and cash equivalents acquired | -179 |
| **Net cash outflow** | **17,529** |

As at 30 June 2007 EUR 0.02 million of profit was recognized on these acquisitions.

If the above-mentioned acquisitions had taken place on 1 January 2007, EUR 0.6 million of sales and EUR 0.05 million of profit would have been included in the consolidated income statement.

## 8.5 Investments

In the first half of 2007 the Group invested EUR 20.8 million in tangible and intangible fixed assets. The main investments in intangible assets relate to the acquisition of the business assets of the publications Datanews, Texbel and related websites by Roularta Media Group NV – see also under "acquisitions" – (EUR 5.0 million) and investments in new software (EUR 2.4 million). Investments in tangible assets amounted to EUR 12.8 million. The largest investment in tangible assets is the new printing works at Roularta Printing (EUR 7.6 million in buildings and machines). Other major investments are in broadcasting equipment in the context of digitalization and hardware and network investments at VMMa (EUR 0.9 million) and hardware investments at Roularta IT-Solutions (EUR 1.1 million).

No major disposals were undertaken in the first half of 2007.

## 8.6 Extraordinary items

In analyzing the comparative figures the reader should bear in mind that Groupe Express-Expansion was acquired at the end of September 2006. This group's figures are included in full in the first half of 2007 and not in the first half of 2006. The sales, EBIT and EBITDA of Groupe Express-Expansion in the first half of 2007 amounted to EUR 100.0 million (sales), EUR 3.9 million (EBIT) and EUR 5.1 million (EBITDA).

At Groupe Express-Expansion, EUR 0.8 million net of restructuring costs were recorded in the first half of 2007 in respect of the ongoing reorganization following the takeover.

Impairment losses totalling EUR 2.3 million were also taken. With the winding up of SA Cyber Press Publishing on 7 June 2007, an impairment loss of EUR 1.8 million was recorded on this participation to bring its carrying value to zero. An impairment loss of EUR 0.5 million was also recorded on the titles of Studio Magazine SA. This impairment is based on the realizable value, as determined by an empirical method based on sales and criteria of return.

## 8.7 Capital increase

On 5 January 2007 the company capital was increased by EUR 188,014.20 by the creation of 9,340 new shares with the related VVPR strips following an exercise of warrants. The board of directors, making use of the authorised capital, subsequently increased capital by EUR 485.80 by incorporating reserves available for distribution in the same amount, without issuing new shares, to bring the company capital to EUR 170,439,000.00.
On 27 June 2007 the company capital was increased by EUR 247,924.32 by the creation of 22,225 new shares with the related VVPR strips following an exercise of warrants. The board of directors, making use of the authorised capital, subsequently increased capital by EUR 75.68 by incorporating reserves available for distribution in the same amount, without issuing new shares, to bring the company capital to EUR 170,687,000.00.

## 8.8 Share options

On 6 November 2006, 300,000 options were offered to management and executive employees, to be accepted by 5 January 2007. At 30 June 2007 267,050 options were accepted. These options are exercisable over a 7-year period starting in 2010, at an exercise price of EUR 53.53 per option. A full overview of the option and warrant plans is available on www.roularta.be under the investor information heading.

## 8.9 Provisions

Provisions have fallen from EUR 12.3 million at the end of 2006 to EUR 8.3 million at 30 June 2007. This breaks down into an increase of EUR 0.8 million and a decrease of EUR 4.8 million. The increase (EUR 0.8 million) breaks down into EUR 0.1 million of provisions against legal disputes and an additional provision of EUR 0.7 million for restructurings. The increase in the restructuring provision took place at Groupe Express-Expansion and relates to redundancy payments as part of the ongoing reorganization following the takeover. EUR 4.1 million of the total EUR 4.8 million reversal of provisions is explained by the fall in the restructuring provision at Groupe Express-Expansion and subsidiaries and at VMMa with the execution of the restructuring activities for which a provision was set up at the end of 2006.

## 8.10 Financial debts

During the first half of 2007, EUR 93 million of short-term financial debts at Roularta Media Group were converted into long-term credits. These debts came into being at the end of 2006 with the acquisition of Groupe Express-Expansion.
EUR 28 million of these credits have a 7-year term and carry a fixed interest rate of 4.60%. EUR 65 million run for 6 years and 9 months and carry a variable interest rate of Euribor 3 months + 50 basis points. Hedging contracts have been concluded to cover this variable interest rate. These credits are unsecured.

## 8.11 Dividends

On 1 June 2007, EUR 8,093,001.75 of gross dividends in respect of the 2006 financial year were released for payment.
On 1 June 2006, EUR 8,049,598.50 of gross dividends in respect of the 2005 financial year were released for payment.

## 8.12 Other operating income

Other operating income has risen by EUR 2.3 million compared with last year. EUR 0.7 million of this relates to the new participating interest in Groupe Express-Expansion and concerns primarily copyrights on photos and articles. At VMMa, other operating income has risen by EUR 0.7 million in the form of government grants received.

## 8.13 Income tax expense

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

## 8.14 Related parties

The related parties of Roularta Media Group NV consist of subsidiaries, joint ventures, associated companies, other related parties and key management personnel (including directors).
The composition of the related parties, and nature of the transactions and the outstanding balances have not changed significantly from those reported in the financial statements at 31 December 2006, other than that the assets, liabilities and transactions with associated companies have risen with the

new participating interest in Mediaplus BV. Through this new associated enterprise, trade receivables from related parties have risen by EUR 0.9 million, trade payables to related parties by EUR 0.2 million, the rendering of services to related parties by EUR 1.3 million and the purchase of services from related parties by EUR 0.1 million.

### 8.15 Key events after balance sheet closing date

No major events have occurred since 30 June 2007 that significantly influence the company's financial position.

## 9. AUDITOR'S REPORT

### LIMITED REVIEW REPORT
### ON THE CONSOLIDATED HALF-YEAR FINANCIAL INFORMATION
### FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2007

To the Board of Directors

We have performed a limited review of the accompanying consolidated balance sheet, income statement, cash flow statement, statement of changes in equity and notes 8.1 to 8.15 (jointly the "interim financial information") of ROULARTA MEDIA GROUP NV ("the company") and its subsidiaries (jointly "the group") for the six months period ended 30 June 2007. The Board of Directors of the company is responsible for the preparation and fair presentation of this interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

The interim financial information has been prepared in accordance with IAS 34, "Interim Financial Reporting".

Our limited review of the interim financial information was conducted in accordance with the recommended auditing standards on limited reviews applicable in Belgium, as issued by the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". A limited review consists of making inquiries of group management and applying analytical and other review procedures to the interim financial information and underlying financial data. A limited review is substantially less in scope than an audit performed in accordance with the auditing standards on consolidated annual accounts as issued by the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". Accordingly, we do not express an audit opinion.

Based on our limited review, nothing has come to our attention that causes us to believe that the interim financial information for the six months period ended 30 June 2007 is not prepared, in all material respects, in accordance with legal and regulatory requirements and IAS 34 Interim Financial Reporting.

Kortrijk, 29 August 2007

**The Statutory Auditor**

**DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises**
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Jos Vlaminckx and Mario Dekeyser