HALF-YEARLY FINANCIAL REPORT

AS OF 17 AUGUST 2018

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1. INTERIM REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders,

This interim financial report should be read in conjunction with the consolidated balance sheet and income statement of NV Roularta Media Group, and the related selected notes (see item 6 hereafter). This interim report is drawn up in accordance with the Royal Decree of 14 November 2007 concerning the obligations of the issuers of financial instruments.

RESULTS FOR FIRST HALF OF 2018

The sale of Medialaan provided a significant net result in 2018. EBITDA suffered in the first half of the year from the fall in advertising revenues. A new segmentation in reporting emphasises the renewed vision with regard to strategy.

The important strategic choices made by Roularta Media Group, the full effect of which we will only see in 2019, already show their value in the first half of 2018. The combined acquisitions made in 2017 result in an EBITDA of more than € 2.7 million for the first six months. This compensates for an important part of the noted decline in the existing business of RMG.

The brands acquired on 30 June 2018, including Libelle, Femmes d'Aujourd'hui, Flair, Feeling & GAEL, will only be included in the results for the second half of the year. It is realistic to expect these brands to make an immediate contribution to the EBITDA of Roularta Media Group in the second half of 2018.

The combined capital gain on the sale of Medialaan, Het Zeeuws Vlaams Advertentieblad and Ik ga Bouwen & Renoveren/ Je vais Construire & Rénover amounts to € 150.3 million and is booked to the 'discontinued operations' line item. These transactions substantially strengthen Roularta Media Group's equity and cash position.

The revenue decline of 4.7% or € 6.2 million is mainly due to advertising revenues (-10.9%), print activities for third parties (-7.3%) and line extensions (-15.6%). Digital and subscription sales, on the other hand, rose by 7.2%. Without the acquisitions, revenue decreased by 8.8% or € 11.5 million, mainly due to the decline in advertising (-13.7%).

As a result of the sale of Medialaan, Roularta Media Group will now be reporting annual and half-yearly results under two new segments. The 'Media Brands' segment refers to all brands that are operated by RMG and its participations. On the other hand, 'Printing Services' refers to pre-press and printing activities for internal brands and external customers.

As previously indicated, only consolidated figures are published. In addition, we will report these segments up to the gross margin level. There is an intense interrelation between these segments, and supporting services are intensely shared. A change in the allocation of these costs means a significant fluctuation in EBITDA, which we would be unable to report consistently.

2018 is a key year for Roularta. Due to the arrival of some important brands, the change of segments and the new view on the management of media brands, the cash generating units are being changed. As a result, the Board of Directors of Roularta Media Group decided that the time has come for a significant impairment.

On the net carrying amount of the intangible fixed assets of € 198 million on 30/06/2018 (€ 80.5 million of which is included in the balance sheet of joint ventures), additional impairment losses of € 69.2 million were booked, of which € 63.2 million on Roularta Media Group NV and subsidiaries (below EBITDA) and € 6.0 million on joint ventures (including neutralisation of deferred taxes, the impact on EBITDA is € 4.7 million). The impairment has no cash consequences. In addition, it was also decided that no brand will continue to have an unlimited life span, meaning yearly PPA*-depreciations will be applied on the recent acquisitions and remaining titles. These annual depreciations won't exceed € 5.2 million.

The better gross margin percentage (77.8% in June 2018 vs. 76.2% in June 2017), the slightly lower costs for services and other goods (€ -0.2 million) & personnel (€ -1.1 million), are unable to compensate for the lower sales.

EBITDA amounts to € -5.3 million, € -1.4 million of which is for fully consolidated activities and € -3.9 million for joint ventures (their net result via movements in equity). Under 'other costs' and therefore within the EBITDA, there is a one-off € 1.0 million impact for a 2011 bankruptcy, which was foreseen years ago and is now cancelled under write-down of trade receivables (under EBITDA). This bankruptcy is therefore neutral with respect to the profit and loss account. Within the joint ventures there is an impairment impact of € 4.7 million. Without these two exceptional entries, EBITDA would have been € +0.4 million.

The contribution of Mediafin since March is substantial. Stand-alone EBITDA and the net result for 100% Mediafin at 4 months (March to June) amount to € 5.8 million and € 4.2 million respectively. After PPA depreciation for the brands De Tijd, L'Echo, Comfi, BEReal & BEPublic, the 50% net result amounts to € 1.4 million. This amount is included in the Roularta Media Group half-year 2018 EBITDA.

Given the impairment on the intangible fixed assets of € 63.2 million, EBIT drops to € -73.1 million vs. € -4.7 million last year. The higher financing expenses in 2018 vs. 2017 was caused by one-off cancellation interest for cancelling the credit lines.

The result from continuing activities amounts to € -76.5 million. Add the result of the minority interests and the discontinued operations, and the net result for the shareholder is € +75.6 million for June 2018 vs. € +1.3 million last year, an increase of € 74.3 million or € 5.89 per share.

Note on accounting change

Under the application of the accounting standard IFRS 11, the joint ventures are consolidated by the equity method in place of the proportionate consolidation method. Hereinafter, all references to 'consolidated' figures always relate to the official data with IFRS 11 applied.

In the income statement the net result of the joint ventures is accounted for as 'share in the result of companies accounted for using the equity method' as part of the operating cash flow (EBITDA).

Starting with the reporting in 2018, no combined figures will be drawn up and thus the proportionate consolidation method will no longer be applied.

**Purchase Price Allocation according to IFRS 3*

1. FINANCIAL KEY FIGURES FOR THE FIRST HALF OF 2018

1.1 Consolidated key figures

in thousands of euros	30/06/18	30/06/17	Trend	Trend (%)
INCOME STATEMENT		*REVISED*		
Sales	125,558	131,748	-6,190	- 4.7%
Adjusted sales (1)	*120,213*	*131,748*	*-11,535*	*- 8.8%*
EBITDA (2)	-5,259	784	-6,043	- 770.8%
EBITDA - margin	*-4.2%*	*0.6%*		
EBIT (3)	-73,134	-4,660	-68,474	- 1469.4%
EBIT - margin	*-58.2%*	*-3.5%*		
Net finance costs	-3,150	-2,427	-723	+ 30%
Income taxes	-168	-450	282	
Net result from continuing operations	-76,452	-7,537	-68,915	- 914%
Result of discontinued operations	151,117	8,038	143,079	+ 1780%
Net result	**74,665**	**501**	**74,164**	**+ 14803%**
Attributable to minority interests	-890	-780	-110	- 14%
Attributable to equity holders of RMG	75,555	1,281	74,274	+ 5798%
Net result attributable to equity holders of RMG - margin	*60.2%*	*1.0%*		
Number of employees at closing date (4)	1,246	1,323	-77	- 5.8%

(1) Adjusted sales = sales on a like-on-like basis with 2017, excluding changes in the consolidation scope.
(2) EBITDA = EBIT + depreciations, write-downs and provisions.
(3) EBIT = operating result, including the share in the result of associated companies and joint ventures.
(4) Joint ventures (Mediafin, Bayard etc.) and acquired magazine brands Libelle, Flair, Feeling,... not included.

Consolidated sales for the first half of 2018 declined by 4.7% from € 131.7 to € 125.6 million. The decrease in advertising revenues for Local Media (-12.5%) and the magazines (-7.4%) was partially offset by the strong performance of internet advertising revenue (+7.2%) and subscription recruitment (+7.2%). Newsstand sales declined by 3.2%. Printing for third parties was down by 7.3%, mainly due to work for Altice, the French activities divested in 2015.

EBITDA decreased from € 0.8 million to € -5.3 million. The result of the fully consolidated entities amounts to € -1.4 million, a decrease of € 2.2 million. Within EBITDA, a € 4.7 million impairment was booked after the write-down of various joint venture titles. The result of the joint ventures, without impairment, improved by € 0.8 million to € 0.8 million.

Within EBITDA, the final cost of a 2011 bankruptcy was booked under 'other operating expenses' for € 1.0 million. The full provision of this € 1.0 million was reversed under write-down of trade receivables, such that there was no impact on the profit and loss account.

EBIT contains the aforementioned impairment of € 63.2 million, as a result of which it evolved from € -4.7 million to € -73.1 million. In view of the results for the first half of the year, no new deferred tax assets were created in the results for June 2018.

The sum of the discontinued and the continuing operations yield a **net result** of € +74.7 million vs. € +0.5 million last year, an increase of € 74.2 million.

Consolidated key figures (€ per share)	in euro	30/06/18	30/06/17	Trend
EBITDA		-0.42	0.06	-0.48
EBIT		-5.83	-0.37	-5.46
Net result attributable to equity holders of RMG		6.02	0.10	5.92
Net result attributable to equity holders of RMG after dilution		5.99	0.10	5.89
Weighted average number of shares		12,540,584	12,533,021	7,563
Weighted average number of shares after dilution		12,617,393	12,628,287	-10,894

2. DISCUSSION OF THE SEGMENT RESULTS

2.1 Media Brands

in thousands of euros	30/06/18	30/06/17	Trend	Trend (%)
INCOME STATEMENT				
Sales	**108,170**	**112,857**	**-4,687**	**- 4.2%**
Adjusted sales (1)	*102,825*	*112,857*	*-10,032*	*- 8.9%*
Gross margin	**78,231**	**79,597**	**-1,366**	**- 1.7%**
Gross margin on sales	*72.3%*	*70.5%*		

(1) Adjusted sales = sales on a like-on-like basis with 2017, excluding changes in the consolidation scope.

The Media Brands segment refers to all brands that are managed by RMG and its participations.

Sales by the Media Brands division fell by 4.2% or € 4.7 million, from € 112.9 million to € 108.2 million.

Advertising
Sales (advertising) in the free newspapers of the department Roularta Local Media decreases by 12.5% compared with the first half of 2017. Advertising revenues from newspapers fell by 11.4%. Advertising in magazines declined by 7.4%.

Revenues from the various internet sites continue to grow. Sales are up by 7.2% in the first half of 2018.

Readership market
Revenue from the readership market (newsstand sales and subscriptions) increased by 5.3% compared to the first half of 2017. Without taking into account the acquisition of Landleven, this represents a decrease of 4.2%.

Miscellaneous
Revenue from line extensions declined by 14.3% compared to the first half of 2017, where especially sales of books, CDs and DVDs was difficult.

The **gross margin** in percent of revenue rose from 70.5% to 72.3%. In absolute value, the gross margin decreased by € 1.4 million to € 78.2 million.

2.2 Printing Services

in thousands of euros	30/06/18	30/06/17	Trend	Trend (%)
INCOME STATEMENT				
Sales	**38,196**	**41,974**	**-3,778**	**- 9.0%**
Adjusted sales [1]	*38,196*	*41,974*	*-3,778*	*- 9.0%*
Gross margin	**20,865**	**22,266**	**-1,401**	**- 6.3%**
Gross margin on sales	*54.6%*	*53.0%*		

(1) Adjusted sales = sales on a like-on-like basis with 2017, excluding changes in the consolidation scope.

The ‘Printing Services’ segment refers to pre-press and print shop activities for internal brands and external customers.

Revenue from the Printing Services segment decreased by € 3.8 million or 9.0%, from € 42.0 million to € 38.2 million.

€ 2.2 million of the € 3.8 million decrease is due to internal printing and € 1.6 million to external printing.

In absolute value, the gross margin decreased by € 1.4 million to € 20.9 million. The gross margin increased in percentage of revenue from 53.0% to 54.6%, mainly due to a slightly better margin on external printing (less printing for ex-French subsidiaries). For the near future, an increase in the price of paper is expected, which could put pressure on this gross margin percentage.

3. CONSOLIDATED BALANCE SHEET

Balance sheet in thousands of euros	30/06/18	31/12/17	Trend (%)
Non-current assets	185,240	166,259	11%
Current assets	337,899	250,849	35%
Balance sheet total	523,139	417,108	25%
Equity - Group's share	278,683	202,999	37%
Equity - minority interests	2,762	1,906	45%
Liabilities	241,694	212,203	14%
Liquidity [5]	1.5	1.3	15%
Solvency [6]	53.8%	49.1%	10%
Net financial debt	-169,112	62,552	-370%
Gearing [7]	-60.1%	30.5%	-297%

(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)

Equity – Group's share at 30 June 2018 was € 278.6 million compared with € 203.0 million at 31 December 2017. The change on equity consists mainly by the profit for the first half of 2018 (€ 74.6 million). No dividend was paid on the 2017 result. The interim dividend for 2018 was paid in the second half of the year, and therefore is not included in these figures.

On 30 June 2018, the **consolidated net financial cash position** [1] was € 169.1 million vs. € -62.6 million on December 2017, or an increase of € 231.7 million, mainly from the sale of Medialaan and the last tranche of payments for the sold French activities, less the purchase of Mediafin. We expect a net cash position above € 80 million by the end of the year, after payment of the interim dividend of € 62.6 million and full repayment of the bond loan of € 100 million.

4. INVESTMENTS (CAPEX)

Total investments in the first half of 2018 amounted to € 36.3 million, of which € 1.2 million investments in software, € 33.3 million investments in intangible assets and € 1.8 million in fixed assets (mainly machinery and office furniture).

5. HALF-YEAR FINANCIAL REPORT

A full report on the half-year results can be found on our website www.roularta.be/en under Investor Info > Financial > Financial reporting > 30-06-2018 > Half-year financial report.

[1] *Net financial cash = current cash less financial debts*

6. SIGNIFICANT EVENTS IN THE FIRST HALF OF 2018 AND THEREAFTER

- In January 2018, Roularta Media Group made a binding offer for various brands of Sanoma. The acquisition was completed on 30 June 2018. A first tranche of € 7.3 million was paid. The balance of the purchase price of just under € 16 million must be paid within the year.
- The sale of 50% of Medialaan was completed in January 2018. In addition to the consolidated capital gain of € 145.7 million, € 4.6 million interest was also received, which was booked under 'discontinued operations'.
- In March 2018, the acquisition of 50% of Mediafin was completed.
- Both transactions together, the sale of Medialaan and the purchase of Mediafin, resulted in a cash balance of approximately € 222 million for Roularta.
- In March 2018, Mediafin completed the 100% acquisition of BEReal and BEPublic.
- In May 2018, RMG NV did not participate in a capital increase of € 0.5 million in Proxistore. RMG today holds 24.9% of the shares.
- In May 2018, the mandate of the group's auditor Deloitte was extended for 3 years. In contrast to previous years, no audit opinion is given on the June figures. However, a report was drawn up for the interim dividend, the opening balance sheet of Mediafin and the impairment during the course of July 2018.
- In June 2018, a capital increase in Storesquare NV of € 5 million took place, with RMG subscribing for € 3.2 million. RMG holds a participation percentage of 65%.
- In June 2018, Roularta Media Group will sell the magazine Ik ga Bouwen & Renoveren/Je vais Construire & Rénover to Sanoma Media Belgium.
- In July 2018, an interim dividend was awarded and paid out at € 5 gross per share.
- In July 2018, the remaining 75% of shares of Mediaplus BV were acquired by Senior Publications Nederland BV, a 50% subsidiary of Roularta Media Group NV.
- In July 2018, the 51% participation of Roularta Media Group in the company Zeeuws Vlaams Mediabedrijf BV will be sold to De Persgroep.
- In the course of 2018, various non-profit associations will be liquidated: Journée Découverte Entreprises ASBL, Open Bedrijven vzw, Ter bevordering van het ondernemerschap vzw.

7. PROSPECTS

Insufficient visibility and high volatility of advertising revenues in all media makes it difficult to produce a forecast for the full second half of 2018.

The integration of a series of strong brands such as Libelle/Femmes d'Aujourd'hui, Flair and Feeling/GAEL will have a positive impact in the second half of the year.

The advertising portfolio for the third quarter of 2018 shows an evolution in revenue in line with the print, audiovisual and internet activities for the first half of the year, but with large variations from month to month, and increasingly later bookings. The readers' market is stable thanks to the subscriptions.

The elimination of leasing costs and financial costs (due to repayment of the bond loan) will have an effect in 2019.

The arrival of new brands creates synergies and opportunities, both in terms of advertising and of readership.

2A. CONDENSED CONSOLIDATED INCOME STATEMENT (unaudited)

in thousands of euros	30/06/18	30/06/17 (*)
Sales	125,558	131,748
Own construction capitalised	825	770
Raw materials, consumables and goods for resale	-28,697	-32,096
Services and other goods	-49,645	-49,888
Personnel	-47,393	-48,489
Other operating result	-2,043	-1,209
Other operating income	*2,150*	*1,853*
Other operating costs	*-4,193*	*-3,062*
Share in the result of associated companies and joint ventures	-3,864	-52
EBITDA	**-5.259**	**784**
Depreciation, write-down and provisions	-67,875	-5,444
Depreciation and write-down of intangible and tangible assets	*-5,546*	*-5,694*
Write-down of debtors and inventories	*532*	*-174*
Provisions	*343*	*424*
Impairment losses	*-63,204*	*0*
Operating result - EBIT	**-73,134**	**-4,660**
Interest income	175	443
Interest expenses	-3,325	-2,870
Operating result after net finance costs	**-76,284**	**-7,087**
Income taxes	-168	-450
Net result from continuing operations	**-76,452**	**-7,537**
Result from discontinued operations	**151,117**	**8,038**
Net result of the consolidated companies	**74,665**	**501**
Attributable to:		
Minority interests	-890	-780
Equity holders of Roularta Media Group	**75,555**	**1,281**
Earnings per share — **in euros**		
Basic earnings per share	6.02	0.10
Diluted earnings per share	5.99	0.10

(*) *Restated for the retrospective application of IFRS 5 Discontinued Operations*

2B. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)

in thousands of euros	30/06/18	30/06/17 [*]
Net result of the consolidated companies	**74,665**	**501**
Other comprehensive income of the period		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Exchange differences	-52	-25
Exchange differences	48	
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Share of non-reclassifiable other comprehensive income of joint ventures and associates		13
Other comprehensive income of the period	**-4**	**-12**
Total comprehensive income of the period	**74,661**	**489**
Attributable to:		
Minority interests	-890	-780
Equity holders of Roularta Media Group	**75,551**	**1,269**

[*] *Restated for the retrospective application of IFRS 5 Discontinued Operations*

3. CONDENSED CONSOLIDATED BALANCE SHEET (unaudited)

ASSETS	in thousands of euros	30/06/18	31/12/17
Non-current assets		**185,240**	**166,259**
Intangible assets		59,862	91,280
Property, plant and equipment		54,333	55,427
Investments accounted for using the equity method		61,705	10,285
Available-for-sale investments, loans and guarantees		2,512	2,104
Trade and other receivables		343	600
Deferred tax assets		6,485	6,563
Current assets		**337,899**	**250,849**
Inventories		5,716	5,548
Trade and other receivables		51,164	69,915
Tax receivable		438	352
Cash and cash equivalents		273,584	42,984
Deferred charges and accrued income		6,341	3,047
Assets held for sale		656	129,003
Total assets		**523,139**	**417,108**

LIABILITIES	in thousands of euros	30/06/18	31/12/17
Equity		**281,445**	**204,905**
Group's equity		278,683	202,999
Issued capital		*80,000*	*80,000*
Treasury shares		*-23,705*	*-23,787*
Retained earnings		*220,461*	*145,549*
Other reserves		*1,970*	*1,228*
Translation differences		*-43*	*9*
Minority interests		2,762	1,906
Non-current liabilities		**22,955**	**19,372**
Provisions		8,919	7,041
Employee benefits		9,078	6,574
Deferred tax liabilities		1,114	1,185
Financial debts		3,557	4,285
Other payables		287	287
Current liabilities		**218,739**	**192,831**
Financial debts		100,915	101,251
Trade payables		51,649	38,879
Advances received		23,080	18,743
Employee benefits		17,193	14,603
Taxes		915	111
Other payables		11,259	11,655
Accrued charges and deferred income		13,072	7,589
Liabilities directly associated with assets held for sale		656	0
Total liabilities		**523,139**	**417,108**

4. CONDENSED CONSOLIDATED CASH FLOW STATEMENT (unaudited)

Cash flow relating to operating activities in thousands of euros	**30/06/18**	**30/06/17**
Net result of the consolidated companies	74,665	501
Share in the result of the companies accounted for using the equity method	3,079	-7,963
Income tax expense / income	175	455
Interest expenses	3,326	2,870
Interest income (-)	-175	-443
Losses / gains on disposal of intangible assets and property, plant and equipment	-787	-14
Losses / gains on disposal of business	-150,672	-35
Dividends received from companies accounted for using the equity method	5,550	1,500
Non-cash items	68,639	5,427
Depreciation of (in)tangible assets	*5,718*	*5,696*
Impairment losses	*63,204*	*0*
Share-based payment expense	*51*	*63*
Increase / decrease in provisions	*198*	*-424*
Other non-cash items	*-532*	*92*
Gross cash flow relating to operating activities	**3,800**	**2,298**
Increase / decrease in current trade receivables	3,840	5,729
Increase / decrease in current other receivables and deferred charges and accrued income	-2,659	-3,511
Increase / decrease in inventories	-71	854
Increase / decrease in current trade payables	-3,364	-4,001
Increase / decrease in other current liabilities	578	2,684
Other increases / decreases in working capital (a)	2,542	2,131
Increase / decrease in working capital	**866**	**3,886**
Income taxes paid	-246	-64
Interest paid	-767	-318
Interest received	175	378
NET CASH FLOW RELATING TO OPERATING ACTIVITIES (A)	**3,828**	**6,180**

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

Cash flow relating to investing activities	30/06/18	30/06/17
Intangible assets - acquisitions	-1,273	-1,393
Tangible assets - acquisitions	-1,697	-1,039
Intangible assets - other movements	987	5
Tangible assets - other movements	103	14
Net cash flow relating to acquisition of subsidiaries	-66,031	-231
Net cash flow relating to disposal of subsidiaries	294,635	125
Net cash flow relating to loans to companies accounted for using the equity method	-37	-375
Available-for-sale investments, loans, guarantees - acquisitions	-422	0
Available-for-sale investments, loans, guarantees - other movements	11	399
Increase / decrease in short-term investments	0	46
NET CASH FLOW RELATING TO INVESTING ACTIVITIES (B)	**226,276**	**-2,449**
Cash flow relating to financing activities		
Dividends paid	0	-6,267
Treasury shares	82	110
Other changes in equity	1,694	700
Proceeds from current financial debts	0	134
Redemption of current financial debts	-627	-1,273
Redemption of non-current financial debts	-462	-925
Decrease in non-current receivables	-191	0
NET CASH FLOW RELATING TO FINANCING ACTIVITIES (C)	**496**	**-7,521**
TOTAL DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**230,600**	**-3,790**
Cash and cash equivalents, beginning balance	42,984	50,565
Cash and cash equivalents, ending balance	273,584	46,775
NET DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS	**230,600**	**-3,790**

5. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

	Issued capital	Treasury shares	Retained earnings	Other reserves	Trans-lation reserves	Minority Interests	Total equity
Balance as of 1/1/2018	**80,000**	**-23,787**	**145,549**	**1,228**	**9**	**1,906**	**204,905**
Total comprehensive income of the period			75,555	48	-52	-890	74,661
Operations with own shares		82					82
Recognition of share-based payments				51			51
Dividends paid to minority interests						-4	-4
Capital contribution by minority interests						1,750	1,750
Other decrease / increase			*-643*	*643*			0
Balance as of 30/06/2018	**80,000**	**-23,705**	**220,461**	**1,970**	**-43**	**2,762**	**281,445**

	Issued capital	Treasury shares	Retained earnings	Other reserves	Trans-lation reserves	Minority Interests	Total equity
Balance as of 01/01/2017	**80,000**	**-23,931**	**163,224**	**2,966**	**34**	**1,762**	**224,055**
Total comprehensive income of the period			1,281	13	-25	-780	489
Operations with own shares		110					110
Dividends			-6,268				-6,268
Recognition of share-based payments				63			63
Dividends paid to minority interests						-27	-27
Effect of minority interests purchase			-1,305			669	-636
Capital contribution by minority interests						1,389	1,389
Balance as of 30/06/2017	**80,000**	**-23,821**	**156,932**	**3,042**	**9**	**3,013**	**219,175**

6. SELECTED NOTES TO THE HALF-YEARLY FINANCIAL REPORT

6.1 PRINCIPLES OF THE INTERIM FINANCIAL REPORTING

The summary unaudited interim financial statements have been drawn up in conformity with IAS 34 Interim Financial Reporting as approved by the EU.
The interim financial statements were approved by the members of the board of directors on 16 August 2018.

6.2 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 2017. For the new IFRS and improved IAS standards that have come into effect as of 1 January 2018 the reader is referred to Note 1 in the 2017 Annual Report. The application of these new or revised standards has no material effect on the Group's results or financial position.

IFRS 15 *'Revenue from contracts with customers'* will be applicable for financial years starting in 2018. An analysis completed in the second half of 2017 shows no material impact on the Group's results.

IFRS 9 *'Financial instruments'* will be applicable for financial years starting in 2018. This application had no significant effects on the balance sheet and equity of the Group.

IFRS 16 *'Leases'* replaces the current IAS 17 standard. The Group carried out an impact analysis in 2017. This analysis showed that there will be no material impact on the balance sheet and equity of the Group except concerning lease cars. The standard will be applied from 2019 onwards.

6.3 RESTATEMENT OF COMPARATIVE FIGURES – 6-MONTH PERIOD ENDING 30/06/2017

Medialaan was sold in January 2018, and the sale of Zeeuws Vlaams Mediabedrijf BV followed in July.
In accordance with IFRS 5, the consolidated income statement for the six months ended 30/06/2017 has been restated to present the results of the continuing operations and the discontinued operations separately.
Both the continuing and discontinued operations include elements related to transactions between companies that were previously eliminated in the consolidation as intra-group transactions.

6.4 SEGMENT REPORTING

In accordance with IFRS 8 *Operating Segments*, the management approach is applied for the financial reporting of segmented information. This standard requires the segmented information to be reported to follow the internal reporting used by the company's main operating decision-making officer, based on which the internal performance of Roularta's operating segments is assessed and resources allocated to the various segments.

As a result of the sale of Medialaan, Roularta Media Group, its subsidiaries and joint ventures ('RMG' or 'the Group') will now be reporting annual and half-yearly results under two new segments. The 'Media Brands' segment refers to all brands that are operated by RMG and its participations. On the other hand, 'Printing Services' refers to pre-press and printing activities for internal brands and external customers.

As previously indicated, only consolidated figures are published. In addition, we will report these segments up to the gross margin level. There is an intense interrelation between these segments, and supporting services are intensely shared. A change in the allocation of these costs means a significant fluctuation in EBITDA, which we would be unable to report consistently.

30/06/18 in thousands of euros	**Media Brands**	**Printing**	**Total**	**Intersegment elimination**	**Consolidated total**
Sales of the segment	**108,170**	**38,196**	**146,366**	**-20,808**	**125,558**
Sales to external customers	*107,415*	*18,143*	*125,558*		*125,558*
Sales from transactions with other segments	*755*	*20,053*	*20,808*	*-20,808*	*0*
Gross margin	**78,231**	**20,865**	**99,096**	**-1,410**	**97,686**

30/06/17 in thousands of euros	**Media Brands**	**Printing Services**	**Total**	**Intersegment elimination**	**Consolidated total**
Sales of the segment	**112,857**	**41,974**	**154,831**	**-23,083**	**131,748**
Sales to external customers	*112,052*	*19,696*	*131,748*		*131,748*
Sales from transactions with other segments	*805*	*22,278*	*23,083*	*-23,083*	*0*
Gross margin	**79,597**	**22,266**	**101,863**	**-1,440**	**100,423**

6.5 PENDING DISPUTES

Update of Note 26 of the Annual Report 2017: there are no material changes to the pending disputes, described in Note 26 of the Annual Report 2017.

6.6 MAIN CHANGES IN (IN)TANGIBLE FIXED ASSETS AND GOODWILL

Investments

In the first half of 2018 the Group invested € 36.3 million in intangible and tangible assets (first half of 2017: € 2.4 million). Investments in intangible fixed assets include the purchased Sanoma brands, which are, among others, the following titles: Libelle/Femmes d'Aujourd'hui and Flair (Dutch/French), Feeling/GAEL and La Maison Victor, Communiekrant, Loving You and She Deals (total purchase price: € 33.3 million). The investments in intangible assets also include new software (€ 1.3 million). The largest investments in tangible assets relate a.o. installations, machinery and equipment (€ 1.2 million), office furniture in an amount of € 0.2 million and buildings (€ 0.3 million).

6.7 ONE-OFF ITEMS

Due to the change of segments and the new view on the management of media brands, the cash generating units are being modified. As a result, the Board of Directors of Roularta Media Group decided that the time has come for impairment of a number of brands. See below under 'impairment losses'.

6.8 PARTICIPATIONS VALUED ACCORDING TO THE EQUITY METHOD

Participations valued according to the equity method increased from € 10.2 million on 31/12/2017 to € 61.7 million on 30/06/2018. The increase is mainly due to the acquisition of Mediafin (€ 58.0 million), partially offset by received dividends (€ -5.6 million) and the Group's share in the result of the joint ventures (€ -3.9 million). Because the Group's share in the losses of a number of joint ventures is greater than the carrying amount of these participating interests, € -2.4 million was transferred to provisions.

6.9 TRADE RECEIVABLES AND OTHER RECEIVABLES

The decrease in trade and other receivables since 31/12/2017 is mainly due to a final payment of € 15.0 million from the sale of the French activities in 2015.

6.10 ASSETS HELD FOR SALE

Assets held for sale on 31/12/2017 include the participating interest related to Medialaan (€ 128.5 million) and intangible assets Ik ga Bouwen & Renoveren/Je vais Construire & Rénover (€ 0.5 million).
Assets held for sale on 30/06/2018 include the assets of Zeeuws Vlaams Mediabedrijf BV (€ 656K).

6.11 ISSUED CAPITAL

There were no changes in the capital in the first semester of 2018.

6.12 TREASURY SHARES

The statutory authorization to purchase own company shares, renewed at the annual meeting of 19 May 2015, was not used. In the first semester of 2018 5,200 own shares were granted to the holders of options at the moment of the exercise of their options.

6.13 SHARE OPTIONS

In the first semester of 2018, no new share option plans were offered. In the first semester of 2018, the Group recognised € 51K (30/06/2017: € 63K) as personnel costs relating to equity-settled share-based payment transactions.

6.14 PROVISIONS

Provisions increased from € 7.0 million at the end of 2017 to € 8.9 million on 30 June 2018.

This evolution can largely be explained by impairment losses on brands held by joint ventures. As a result, the share of the Group in the losses of these joint ventures became greater than the carrying amount of these participations. The cumulative loss is included under 'other provisions and costs' for € 3.2 million (31/12/2017: € 0.8 million).

In addition there is the reversal of the provision for the leasing obligations of a disused printing press on a pro-rata basis of the amounts paid in the first half of 2018 (€ -0.7 million), and the increase in the provision for the dispute with Infobase (€ 0.2 million).

6.15 FINANCIAL DEBTS (NON-CURRENT AND CURRENT)

During the first half of 2018, no new long-term bank loans were concluded.
Besides the contractual repayments of € 0.6 million (30/06/2017: € 1.3 million), there was a prepayment of a bank loan of € 0.5 million (30/06/2017: € 0.9 million).

The long-term loans taken out in the first half of 2017 and to be included in the second half of 2018 were cancelled. By selling Medialaan, the Group acquired a comfortable cash position.

6.16 EMPLOYEE BENEFITS (LONG-TERM AND SHORT-TERM)

The increase in long-term employee benefits from € 6.6 million (31/12/2017) to € 9.1 million (30/06/2018), and the increase in short-term employee benefits of € 14.6 million (31/12/2017) to € 17.2 million (30/06/2018), is mainly due to the acquisition of Sanoma's net assets and a timing effect concerning social liabilities.

6.17 FAIR VALUE OF THE FINANCIAL INSTRUMENTS

Fair value of financial assets and liabilities with a significant deviation between the book value and fair value at 30/06/2018:

in thousands of euros	carrying amount	fair value
Financial debts		
- debenture	99,988	101,163

For other financial instruments, the fair value approximates the carrying value.

6.18 CURRENT LIABILITIES: TRADE AND OTHER PAYABLES

The increase in trade and other payables from € 38.9 million at year-end 2017 to € 51.6 million on 30/06/2018 mainly relates to the remaining amount payable of € 15.9 million as a result of the acquisition of the net assets of Sanoma.

6.19 CURRENT LIABILITIES: PREPAYMENTS RECEIVED

The increase in prepayments received of € 18.7 million at year-end 2017 to € 23.1 million on 30/06/2018 mainly relates to the acquisition of Sanoma's net assets.

6.20 CURRENT LIABILITIES: OTHER PAYABLES

The other liabilities include VAT, payroll tax, and various other taxes payable and liabilities to joint ventures.

6.21 LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE

The liabilities related to assets held for sale on 30/06/2018 include the liabilities of Zeeuws Vlaams Mediabedrijf BV (€ 656K).

6.22 DIVIDENDS

On 1 June 2018 no dividends were made payable for the 2017 financial year. On June 1 2017, € 6,267,644 of gross dividends in respect of the 2016 financial year were released for payment.

6.23 RESULTS

Sales – from continuing operations

Sales decreased 4.7% compared to the first half of 2017. Adjusted revenue (excluding changes in the scope of consolidation) decreased by 8.8%. For a discussion of this development we refer to the press release on the half-year results and the interim report of the board of directors that is included at the beginning of this interim financial report.

Raw materials, consumables and goods for resale – from continuing operations

These costs decreased by € 3.4 million compared to the first half of 2017. The purchase of raw materials at Roularta Media Group fell by € 1.6 million, mainly due to paper. The purchase of consumables decreased by € 0.2 million. The purchase of goods for resale decreased by € 1.3 million, mainly due to the discontinuation of paper purchases for third parties.

Services and other goods – from continuing operations

The services and other goods amount to € 49.6 million and are in line with last year.

in thousands of euros	30/06/18	30/06/17
Transport and distribution costs	8,854	8,795
Marketing and promotion costs	9,346	10,053
Commission fees	2,731	2,546
Fees	14,628	13,210
Operating leases	5,162	6,057
Energy	1,071	1,095
Subcontractors and other deliveries	5,104	5,634
Remuneration members of the board of directors	199	199
Temporary workers	1,395	1,288
Travel and reception costs	641	530
Insurances	266	235
Other services and other goods	248	246
Total services and other goods	**49,645**	**49,888**

The biggest evolution was a decrease in lease charges for Econocom of € 0.9 million. A first contract expired in August 2017, as a result of which € 0.9 million less rent was paid to Econocom over the first 6 months of 2018. All other contracts with Econocom expire at the end of December 2018.

Marketing and advertising costs decreased by € 0.7 million because fewer gifts were given in the recruitment of new subscribers. The increase of € 1.4 million in fees is a shift from 'subcontractors and other deliveries' to 'fees' compared to the first half of 2017.

Personnel – from continuing operations

Personnel charges decreased by € 1.1 million compared to the first half of 2017 due to a decrease in the number of employees at the Group.

Other operating income and expenses – from continuing operations

There was a net increase of € 0.8 million compared to June 2017 due to an increase of € 0.3 million in other operating income and an increase of € 1.1 million in other operating expenses.

Other operating income includes the operating subsidies, the capital gain on the disposal of tangible and financial assets, government grants and miscellaneous cross-charges.

Other operating expenses include other taxes, the loss on the disposal of (in)tangible fixed assets, losses on trade receivables, payment differences and bank charges. In the first half of 2018, 'other operating expenses' contains the final cost of a bankruptcy from 2011 of € 1.0 million. The full provision of this € 1.0 million was booked under write-down of trade receivables, such that there was no impact on the profit and loss account.

Share in the result of associated companies and joint ventures – from continuing operations

in thousands of euros	**30/06/18**	**30/06/17**
Bayard Group	-4,438	733
Mediafin	1,382	0
Other	-808	-785
	-3,864	**-52**

The result of Mediafin presented is that since the acquisition date of 01/03/2018. The result shows a significant decrease within the Bayard Group, mainly due to the impairment of a number of brands within these companies (see below under 'impairment losses').

Depreciation – from continuing operations

The depreciation amounts to € 5.5 million and is in line with last year (€ 5.7 million).

Impairment losses – from continuing operations

Due to this change of segments and the new view on the management of media brands, the cash generating units are being changed. As a result, the Board of Directors of Roularta Media Group decided that the time has come for a significant impairment. On the net carrying amount of the intangible fixed assets of € 198 million on 30/06/2018 (€ 80.5 million of which is included in the balance sheet of joint ventures), additional impairment losses of € 69.2 million were booked, of which € 63.2 million on Roularta Media Group NV and subsidiaries (below EBITDA) and € 6.0 million on joint ventures (including neutralisation of deferred taxes, the impact on EBITDA is € 4.7 million). The impairment has no cash consequences. In addition, it was also decided that no brand will continue to have an unlimited life span, meaning yearly PPA*-depreciations will be applied on the recent acquisitions and remaining titles. These annual depreciations won't exceed € 5.2 million.

**Purchase Price Allocation according to IFRS 3*

Financial income and expenses – from continuing operations

in thousands of euros	30/06/18	30/06/17
Financial income:	**175**	**443**
- interest income	175	443
Financial costs:	**-3,325**	**-2,870**
- interest expense	-3,325	-2,870

The decrease in interest revenue is largely due to the final repayment of the interest-bearing debt in connection with the sale in 2015 of the French operations.

Interest expenses increased due to the early repayment of a number of loans for which early termination interest was paid.

6.24 INCOME TAX EXPENSE FROM CONTINUING OPERATIONS

The effective tax rate is influenced by a number of factors which affect the tax base. The company Roularta Media Group NV has tax loss carryforwards. Deferred tax assets at the end of the first half of 2018 was held equal to the position at the end of December 2017.

6.25 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 2017.

6.26 DISCONTINUED OPERATIONS

The following discontinued operations are present in the half-year results for 2018: Medialaan, Ik ga Bouwen & Renoveren/ Je vais Construire & Rénover and Zeeuws Vlaams Advertentieblad. The results of these activities (€ 0.8 million; 30/06/2017: € 8.0 million) and the aggregate capital gain on their sale (€ 150.3 million) are recognised under results of discontinued operations.

6.27 CHANGES IN THE CONSOLIDATED GROUP

a. Acquisitions

RMG acquired 50% of the company Mediafin in the first half of 2018. Mediafin completed the acquisition of the BEReal and BEPublic activities in March 2018.

b. Sales

RMG sold its 50% interest in Medialaan in January 2018.

c. Other changes

In April 2018, a € 0.5 million capital increase took place at Proxistore NV, to which RMG did not subscribe. As a result, the participation percentage decreased from 46.12% to 24.90%. The non-profit associations Open Bedrijven vzw and Journée Découverte Entreprise asbl were liquidated.

6.28 KEY EVENTS AFTER BALANCE SHEET CLOSING DATE

Roularta Media Group NV paid an interim dividend of € 5.00 gross per share at the beginning of July 2018.

At the start of July 2018, Senior Publications Nederland BV, a 50% subsidiary of Roularta Media Group NV, acquired the remaining 75% of shares of Mediaplus BV that it did not yet own.

At the beginning of July 2018, Roularta Media Group NV sold its 51% stake in the company Zeeuws Vlaams Mediabedrijf BV to De Persgroep.

For the rest, no significant events occurred that significantly influence the results and financial position of the company.

6.29 SEASONAL FEATURES

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

7. MAIN RISKS AND UNCERTAINTIES FOR THE REMAINING MONTHS OF THE FINANCIAL YEAR

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

The Group's result is largely determined by the advertising market, the readers' market and viewing and listening figures.

The Group closely follows market developments within the media world in which it operates, so as to be able to react to and take advantage of changes and new trends within its environment. The Group's multimedia offering enables it to react pertinently to shifts in attention by the advertising world and its audience from one media form to the other.

The Group's advertising revenues are cyclical and sensitive to the general economic environment. With advertising expenditure decisions taken at the last moment, visibility is limited. The Group has organized itself to be able to adapt its cost structure at short notice in line with fluctuations in its advertising revenue. At the same time the Group's strategy of operating limited in several European countries also reduces the economic and cyclical risks.

Besides the traditional in print products, digital derivatives are also coming into being on the internet and for iPad, iPhone or similar hand-held devices. Some specific cyclical advertising revenues, for example job ads, may fluctuate according to how certain or not the customer feels about the economic climate.

New acquisitions and new initiatives - both inside and outside the internet sphere - provide additional sales and margins in the future.

Although the Group strives for geographical spread and a diversified product mix, changing market conditions may have a negative impact on the Group's activities and financial position. Therefore, the Group is continuously improving the efficiency of its production processes and costs are kept under control.

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

After the sale of Medialaan, foreign exchange risk at the Group is almost non-existent. The debt position of December 2017 was also converted into a net cash position through the sale of Medialaan. The loans taken out in preparation for the repayment of the bond in October 2018 were cancelled. Cash-in-hand is spread over house bankers in simple financial products.

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

For other general risks the reader is referred to the 2017 Annual Report (Annual Report of the Board of Directors), where bank covenants, liquidity and capital structure risks, impairment risks and risks from legal and arbitration proceedings are discussed on pages 39 ff.

8. DECLARATION CONCERNING THE INFORMATION GIVEN IN THIS HALF-YEARLY FINANCIAL REPORT

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

- the abbreviated financial overviews, which have been drawn up in accordance with the applicable standards for annual financial statements, give a true and fair view of the net assets, the financial situation and the results of Roularta Media Group and of the companies included in the consolidation;

- the interim financial report presents a true and fair view of the key events and principal transactions with affiliated parties during the first six months of the current financial year and of their impact on the abbreviated financial overviews, as well as a description of the principal risks and uncertainties during the remaining months of the financial year.

Rik De Nolf, Chairman of the Board of Directors
Xavier Bouckaert, CEO
Jeroen Mouton, CFO