PRESS RELEASE

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Roularta Media Group

RESULTS FIRST HALF OF 2016

Listed company Roularta Media Group presents good bottom-line results (+49% net earnings per share vs H1 2015), despite major launch costs in digital initiatives and a difficult print advertising market.

Roularta Media Group (RMG)'s 360° strategy is bearing fruit. RMG is omnipresent in TV, radio, digital and print with strong brands, appreciated by viewers, listeners, readers, surfers and advertisers.

With a slight 1.2% increase in combined sales (including joint ventures) to € 241 million and a limited decline in consolidated sales (excluding joint ventures) of -4.8% vs H1 2015 to € 143 million, Roularta Media Group presents a good result in the media sector.

The consolidated half-year EBITDA of € 19.9 million or 13.9% of sales is below the 2015 figure. This reflects a decline in advertising revenue and the cost of new launches like the Storesquare.be e-commerce platform and the Mobile Vikings telecoms business.

The EBITDA decrease is more than offset by lower financial expenses and taxes, resulting in a € 0.5 million increase in net income from continuing operations to € 13.9 million and a € 4.9 million higher net result for RMG shareholders of € 14.7 million (+49%).

Starting with the 2016 results, and as announced, RMG no longer reports REBITDA and REBIT. This is because no more extraordinary reorganisations and restructurings are taking place.

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).

*However, to ensure continuity of information on underlying operational performance and in accordance with IFRS 8, the financial data by segment is given in the form of **'combined' figures**, including Roularta Media Group's pro rata share in the joint ventures, after elimination of intra-group elements, according to the proportionate consolidation method.*

1. FINANCIAL KEY FIGURES FOR THE FIRST HALF OF 2016

1.1 Consolidated key figures

in thousands of euros	30/06/16	30/06/15	Trend	Trend (%)
Sales	143,035	150,199	-7,164	-4.8%
Adjusted sales [1]	*142,969*	*149,861*	*-6,892*	*-4.6%*
EBITDA [2]	19,911	21,979	-2,068	-9.4%
EBITDA - margin	*13.9%*	*14.6%*		
EBIT [3]	16,206	18,482	-2,276	-12.3%
EBIT - margin	*11.3%*	*12.3%*		
Net finance costs	-2,315	-3,071	756	-24.6%
Income taxes	30	-2,029	2,059	-101.5%
Net result from continuing operations	13,921	13,382	539	4.0%
Result of discontinued operations	0	-3,877	3,877	-100.0%
Attributable to minority interests	-801	-360	-441	122.5%
Attributable to equity holders of RMG	14,722	9,865	4,857	49.2%
Net result attributable to equity holders of RMG - margin	*10.3%*	*6.6%*		
Number of employees at closing date [4]	1,331	1,364	-33	-2.4%

(1) Adjusted sales = sales on a like-on-like basis with 2015, excluding changes in the consolidation scope.
(2) EBITDA = operating cash flow = 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 (Medialaan, Bayard etc.) not included.

Consolidated sales for the first half of 2016, which under IFRS 11 exclude joint ventures, such as Medialaan and Plus Magazine, were stable, reducing slightly (-4.8%) from € 150 million to € 143 million.
The decline in advertising revenue in local media (-4.4%) and magazines (-5.7%) contrasts with the strong performance of Internet advertising revenue (+11.5%) and subscription recruitment (+2.8%). Newsstand sales (-14.4%) decreased with the loss of the Belgian Point de Vue sales. There is also less commercial printing in connection with the Group's former French magazines (-7.2%).

EBITDA declines less in euros than the decline in sales compared to last year, due to lower costs as a result of further cost savings. In contrast, investing in future digital activities such as e-commerce platform Storesquare.be and the telecom/data platform Mobile Vikings also adversely affects the EBITDA. In 2015, EBITDA was negatively impacted by € 1.7 million restructuring costs. EBIT evolves in line with EBITDA.

The EBITDA decrease is more than offset by lower financial expenses and taxes, resulting in a € 0.5 million increase in **net income from continuing operations** to € 13.9 million and a € 4.9 million higher net result for RMG shareholders of € 14.7 million.

Consolidated key figures per share	in euros	30/06/16	30/06/15	Trend
EBITDA		1.59	1.76	-9.7%
EBIT		1.30	1.48	-12.2%
Net result attributable to equity holders of RMG		1.18	0.79	49.4%
Net result attributable to equity holders of RMG after dilution		1.17	0.79	48.1%
Weighted average number of shares		12,509,223	12,483,273	0.2%
Weighted average number of shares after dilution		12,606,876	12,499,695	0.9%

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

in thousands of euros	30/06/16	30/06/15	Trend	Trend (%)
Sales	240,947	238,068	2,879	1.2%
Adjusted sales [1]	*235,615*	*237,648*	*-2,033*	*-0.9%*
EBITDA [2]	28,639	29,757	-1,118	-3.8%
EBITDA - margin	*11.9%*	*12.5%*		
EBIT [3]	22,738	24,297	-1,559	-6.4%
EBIT - margin	*9.4%*	*10.2%*		
Net finance costs	-2,394	-2,982	588	-19.7%
Income taxes	-6,423	-7,933	1,510	-19.0%
Net result from continuing operations	13,921	13,382	539	4.0%
Result of discontinued operations	0	-3,877	3,877	-100.0%
Attributable to minority interests	-801	-360	-441	122.5%
Attributable to equity holders of RMG	14,722	9,865	4,857	49.2%
Net result attributable to equity holders of RMG - margin	*6.1%*	*4.1%*		
Number of employees at closing date [4]	1,805	1,814	-9	-0.5%

(1) Adjusted sales = sales on a like-on-like basis with 2015, excluding changes in the consolidation scope.
(2) EBITDA = operating cash flow = 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 (Medialaan, Bayard etc.) included.

Combined sales increase by 1.2%, thanks mainly to the TV advertising revenue at Medialaan and the acquisition of Mobile Vikings.

Investing in future digital activities such as e-commerce platform Storesquare.be and the telecom/data platform Mobile Vikings adversely affects the **EBITDA**. In 2015, EBITDA was negatively impacted by € 1.7 million of restructuring costs. **EBIT** evolves in line with EBITDA.

The EBITDA decrease is more than offset by lower financial expenses and taxes, resulting in a € 0.5 million increase in **net income from continuing operations** to € 13.9 million and a € 4.9 million higher net result for RMG shareholders of € 14.7 million.

For further clarification of these combined key figures, we refer to section 2.

2. ANALYSIS OF THE COMBINED FIGURES OF THE GROUP

2.1 Printed Media

in thousands of euros	30/06/16	30/06/15	Trend	Trend (%)
Sales	152,144	158,318	-6,174	-3.9%
Adjusted sales [1]	*152,078*	*157,880*	*-5,802*	*-3.7%*
EBITDA [2]	10,542	12,354	-1,812	-14.7%
EBITDA - margin	*6.9%*	*7.8%*		
EBIT [3]	6,648	8,718	-2,070	-23.7%
EBIT - margin	*4.4%*	*5.5%*		
Net finance costs	-2,265	-3,023	758	-25.1%
Income taxes	-289	-2,803	2,514	-89.7%
Net result from continuing operations	4,094	2,892	1,202	41.6%
Result of discontinued operations	0	-3,877	3,877	-100.0%
Attributable to minority interests	-801	-360	-441	122.8%
Attributable to equity holders of RMG	4,895	-626	5,521	+881.9%
Net result attributable to equity holders of RMG - margin	*3.2%*	*-0.4%*		

(1) Adjusted sales = sales on a like-on-like basis with 2015, excluding changes in the consolidation scope.
(2) EBITDA = operating cash flow = EBIT + depreciations, write-downs and provisions.
(3) EBIT = operating result, including the share in the result of associated companies and joint ventures.

Sales by the Printed Media division fell by 3.9%, from € 158.3 million to € 152.1 million. Adjusted sales in the first half of 2016 amounted to € 152.1 million compared with € 157.9 million in the first half of 2015, or down 3.7%.

Advertising
Adjusted sales (advertising) in the free newspapers of the department Roularta Local Media decrease by 3.6% compared with the first half of 2015. Advertising revenue at Krant van West-Vlaanderen decreases slightly (-1.1%).
The 5.4% decline in magazine advertising can largely be explained by a decline in the medical and business magazines.

Revenues from the various Internet sites continue to grow. Sales are up by 12.8% in the first half of 2016.

Readers' market
Revenue from the readers' market (newsstand sales and subscriptions) is slightly down by 0.8% compared with the first half of 2015, mainly due to the loss of the Belgian Point de Vue sales.

Typesetting and printing
Third party typesetting and printing fall by 5.6% compared with H1 2015.
This is largely explained by the decline in print orders from the former French activities.

Other income
Adjusted sales from other income, the smallest segment, decrease by 16% compared with the first half of 2015, due among other things to the end of paper sales connected with the former French activities.

EBITDA decreases from € 12.3 million to € 10.5 million, mainly due to lower advertising revenues.
EBIT decreases from € 8.7 million to € 6.6 million, evolving in line with EBITDA.

The **net result from continuing operations** in the printed division is € 4.1 million as against € 2.9 million in H1 2015 thanks to the € 3.3 million decrease in **net finance costs** and **taxes**.

2.2 Audiovisual Media

in thousands of euros	30/06/16	30/06/15	Trend	Trend (%)
Sales	89,426	80,325	9,101	11.3%
Adjusted sales [1]	*84,161*	*80,325*	*3,836*	*4.8%*
EBITDA [2]	18,097	17,403	694	4.0%
EBITDA - margin	*20.2%*	*21.7%*		
EBIT [3]	16,090	15,579	511	3.3%
EBIT - margin	*18.0%*	*19.4%*		
Net finance costs	-129	41	-170	412.0%
Income taxes	-6,134	-5,130	-1,004	19.6%
Net result from continuing operations	9,827	10,490	-663	-6.3%
Result of discontinued operations	0	0	0	
Attributable to minority interests	0	-1	1	100.0%
Attributable to equity holders of RMG	9,827	10,490	-663	-6.3%
Net result attributable to equity holders of RMG - margin	*11.0%*	*13.1%*		

(1) Adjusted sales = sales on a like-on-like basis with 2015, excluding changes in the consolidation scope.
(2) EBITDA = operating cash flow = EBIT + depreciations, write-downs and provisions.
(3) EBIT = operating result, including the share in the result of associated companies and joint ventures.

Sales by the Audiovisual Media increase by 11.3%, from € 80.3 million to € 89.4 million.
The adjusted sales in the first half of 2016, mainly adjusted for Mobile Vikings, amount to € 84.2 million, up 4.8%.

Advertising
Advertising revenue at the TV and radio stations increases in the first half by 4.9%. Revenues from video online grow by 16.6%.

Other adjusted income
Adjusted sales from other income-producing activities including line extensions, video on demand, rights and audiovisual productions increase by 3.4%.

EBITDA increases from € 17.4 million to € 18.1 million (+4.0%), thanks mainly to higher advertising income, slowed by increasing broadcasting costs and investments in Mobile Vikings.
EBIT rises from € 15.6 million to € 16.1 million (+3.3%).

The **net result** of the Audiovisual Media division amounts to € 9.8 million, slightly lower compared to the € 10.5 million in H1 2015 and this by an increase in **net finance costs** and **taxes**.

3. CONSOLIDATED BALANCE SHEET

Balance sheet	in thousands of euros	30/06/16	31/12/15	Trend
Non-current assets		329,186	319,007	+3.2%
Current assets		125,106	130,674	-4.3%
Balance sheet total		454,292	449,681	+1.0%
Equity - Group's share		216,417	207,649	+4.2%
Equity - minority interests		968	1,868	-48.2%
Liabilities		236,907	240,164	-1.4%
Liquidity [1]		1.1	1.1	+0.0%
Solvency [2]		47.9%	46.6%	+2.8%
Net financial debt		78,989	75,680	+4.4%
Gearing [3]		36.3%	36.1%	+0.6%

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

Equity – Group's share at 30 June 2016 was € 216.4 million compared with € 207.6 million at 31 December 2015. The change on equity consists mainly of the profit for the first half of 2016 (€ 14.7 million) minus the dividend paid (€ 6.3 million).

At 30 June 2016 the Group's **net financial debt position**[1] stood at € 79.0 million, compared with € 75.7 million at 31 December 2015, mainly explained by the dividend paid in 2016 in respect of the 2015 financial year (€ 6.3 million) and investments.

4. INVESTMENTS (CAPEX)

Total investments in the first half of 2016 amounted to € 4.3 million, of which € 0.5 million acquisitions, € 1.5 million investments in intangible assets (mainly software) and € 2.4 million in fixed assets (mainly machinery).

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 > 30-06-2016 > Half-year financial report.

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

6. SIGNIFICANT EVENTS IN THE FIRST HALF OF 2016 AND AFTER

- On 1 January 2016, Rik De Nolf was succeeded as CEO of Roularta Media Group by Xavier Bouckaert. Rik De Nolf takes the position of executive chairman of the Board of Directors.
- On 11 February 2016, Medialaan, the 50/50 joint venture from Roularta Media Group NV, acquired control of the companies grouped round the brand Mobile Vikings.
- Since 1 July 2016, Medialaan has taken over TV station Acht from Concentra (no impact on the half-year results 2016).
- In January 2016, Roularta Media Group NV participated in the capital increase of Proxistore NV amounting to € 450,000. Roularta Media Group NV has not participated in a second capital increase in May 2016, making the current rate of participation fall from 50% to 46.1%.
- Roularta Media Nederland BV was liquidated on 1 July 2016.
- During the first half of 2016, Roularta Media Group NV increased its percentage shareholding in Media ID CVBA from 9% to 27%. It concerns a company of minor importance not included in the consolidated financial statements.

7. PROSPECTS

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

The advertising portfolio for the third quarter shows sales evolving in line with the first half for the printing, audiovisual media and Internet activities. The readers' market is stable thanks to the subscriptions.

Medialaan achieves strong audience ratings but we foresee no automatic continuation of the advertising revenue uptrend into the second half. Of note here is the growing revenue from new viewing patterns such as deferred viewing through Proximus, Telenet and Medialaan's own Stievie platform and growing advertising revenues from video online.

The new activities, like mobile telecommunications, Storesquare.be and Digilocal ... are demanding additional recruitments and launch costs, which impact the Group net results.

Continuing attention is being paid to cost control.

8. AUDITOR'S REPORT

The consolidated interim financial information was subject to a review by the statutory auditor. The statutory auditor has issued a conclusion without qualifications and has confirmed that the financial information included in the press release corresponds with the consolidated interim financial information.*

** For a full version of the report on the limited review, we refer to the interim consolidated financial statements (IAS 34), which are available on our website www.roularta.be/en under Investor info > Financial > Financial reporting > 30-06-2016 > Half-yearly financial report (available as from 22 August 2016).*

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