

roularta media group

annual report 1999



annual report 1999

contents

Keyfigures of the Group	2
Statement of the chairman	7
Group's strategy	9
Board of directors and Management team	11
Corporate Governance	15
Group's structure at 31 december 1999	16
Report on operations	19
Annual report of the board of directors	
concerning the consolidated annual accounts	39
concerning the annual accounts	41
Addresses of offices and subsidiaries	45
The Roularta Media group share	51
Financial data	
Consolidated annual accounts	
Consolidated Balance sheet after appropriation	56
Consolidated Income statement	58
Notes on the consolidated annual accounts	60
Commentary on the consolidated annual accounts	76
Statutory auditor's report	80
Source and application of funds	81
Statutory annual account	
Statutory Balance sheet after appropriation	84
Statutory income statement	86
Notes on the statutory annual accounts	88
Social report	102
Statutory auditor's report	105
Financial diary	107

This annual report is available in English, Dutch and French.

In the event of differences, the Dutch text of the annual report is legally binding.

The version on Internet (www.roularta.be) is provided for the purpose of information only.



annual report 1999

Keyfigures of the Group

CONSOLIDATED KEYFIGURES AFTER REPARTITION

IN 1.000	1997	1998	1999	Evolution	1997	1998	1999	Evolution
	BEF	BEF	BEF	in %	EUR	EUR	EUR	in %
Operating income	13.044.937	14.856.048	16.117.926	8,5%	323.376	368.272	399.553	8,5%
Turnover	12.469.469	14.344.741	15.577.800	8,6%	309.110	355.597	386.164	8,6%
Operating profit	460.777	1.162.355	1.140.051	-1,9%	11.422	28.814	28.261	-1,9%
Financial results	-196.881	-111.535	7.098		-4.881	-2.765	176	
Current profit	90.171	932.356	984.850	5,6%	2.235	23.113	24.414	5,6%
Extraordinary results	67.919	-357.425	-41.672		1.684	-8.860	-1.033	
Profit for the year before taxes	158.090	574.931	943.178	64,1%	3.919	14.252	23.381	64,1%
Profit for the year after taxes	-22.693	321.436	487.247	51,6%	-563	7.968	12.079	51,6%
Share in the profit loss of companies accounted for by the equity method	540	2.160	-6.761	-413,0%	13	54	-168	-413,0%
CONSOLIDATED RESULTS	-22.153	323.596	480.486	48,5%	-549	8.022	11.911	48,5%
Group's share	22.389	322.769	479.480	48,6%	555	8.001	11.886	48,6%
EBITDA	1.382.241	2.126.009	1.994.272	-6,2%	34.265	52.702	49.437	-6,2%
EBITDA (marge)	10,6%	14,3%	12,4%		10,6%	14,3%	12,4%	
EBITA	453.836	1.167.685	1.147.925	-1,7%	11.250	28.946	28.456	-1,7%
EBITA (marge)	3,5%	7,9%	7,1%		3,5%	7,9%	7,1%	
EBIT	460.777	1.162.355	1.140.051	-1,9%	11.422	28.814	28.261	-1,9%
EBIT (marge)	3,5%	7,8%	7,1%		3,5%	7,8%	7,1%	
Gross cashflow (1)	1.117.321	1.351.401	1.511.692	11,9%	27.698	33.500	37.474	11,9%
Current net results (2)	363.812	863.413	875.044	1,3%	9.019	21.403	21.692	1,3%
Current cashflow (3)	1.031.628	1.620.428	1.521.938	-6,1%	25.573	40.169	37.728	-6,1%

(1) Gross cashflow = Consolidated profit/loss plus normal depreciation and the depreciation on positive consolidation differences and corrected with extraordinary depreciation.

(2) The current net result is the result after taxes, before extraordinary income and charges and before depreciations on goodwill and titles, plus the result of the companies accounted for by the equity method.

(3) The current cashflow is the current net result plus depreciations on tangible fixed assets and non-cash expenses.

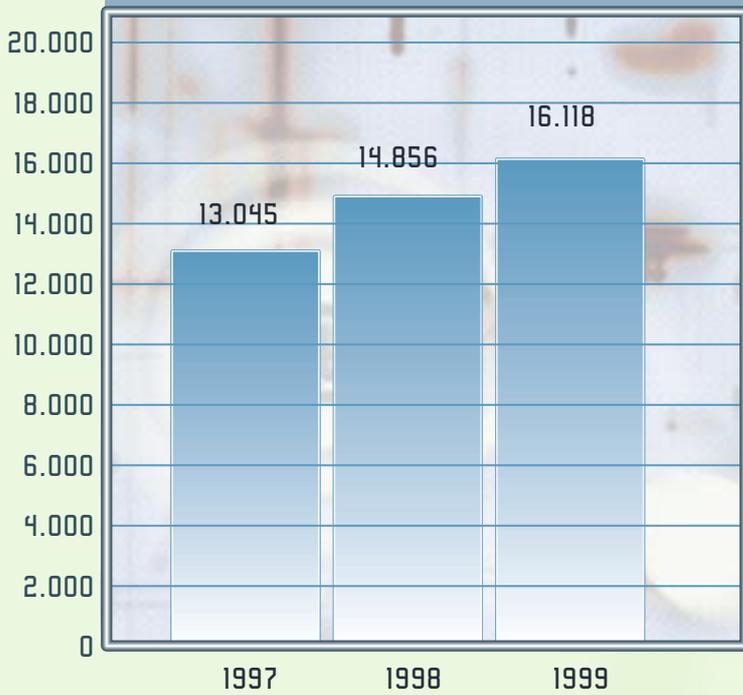


IN 1.000	1997 BEF	1998 BEF	1999 BEF	Evolution in %	1997 EUR	1998 EUR	1999 EUR	Evolution in %
BALANCE SHEET								
Fixed assets	4.024.114	4.486.423	4.866.366	8,5%	99.755	111.216	120.634	8,5%
Current assets	5.272.224	6.335.318	6.936.709	9,5%	130.695	157.048	171.957	9,5%
Total balance	9.296.338	10.821.741	11.803.075	9,1%	230.450	268.264	292.591	9,1%
Shareholder's equity after repartition	1.603.692	4.702.148	5.017.879	6,7%	39.754	116.563	124.390	6,7%
Amounts payable	7.309.358	5.923.357	6.557.823	10,7%	181.194	146.836	162.564	10,7%
Assets	603.885	949.872	1.451.742	52,8%	14.970	23.547	35.988	52,8%
Remunerations	2.496.006	2.561.941	2.995.766	16,9%	61.874	63.509	74.263	16,9%
Personnel at year end	1.521	1.577	1.761	11,7%	1.521	1.577	1.761	11,7%
Liquidity (current assets/ creditors)	1,0	1,3	1,2		1,0	1,3	1,2	
Solvability (equity/ balance sheet total)	17,3%	43,5%	42,5%		17,3%	43,5%	42,5%	
Net financial debt/equity	4,5	1,3	1,3		4,5	1,3	1,3	
Return on equity (4)	1,4%	6,9%	9,6%		1,4%	6,9%	9,6%	
Net profit margin (5)	0,2%	2,3%	3,1%		0,2%	2,3%	3,1%	
Cash flow/turnover	9,0%	9,4%	9,7%		9,0%	9,4%	9,7%	
CONSOLIDATED RESULTS								
	in BEF				in EUR			
EBITDA	167	221	207	-6,3%	4,14	5,48	5,13	-6,3%
EBITA	55	121	119	-1,7%	1,36	3,00	2,95	-1,7%
EBIT	56	121	119	-1,7%	1,39	3,00	2,95	-1,7%
Result per share - Group's share	3	34	50	47,1%	0,07	0,84	1,24	47,1%
Current net results per share	135	141	157	11,3%	3,35	3,50	3,89	11,3%
Gross cashflow per share	44	90	91	1,1%	1,09	2,23	2,26	1,1%
Current cashflow per share	125	169	158	-6,5%	3,10	4,19	3,92	-6,5%
Net dividend		12,75	15,00	17,6%		0,32	0,37	17,6%
Number of shares	8.277.700	9.611.034	9.611.034	0,0%	8.277.700	9.611.034	9.611.034	0,0%

(4) Net result group's share / equity as of december

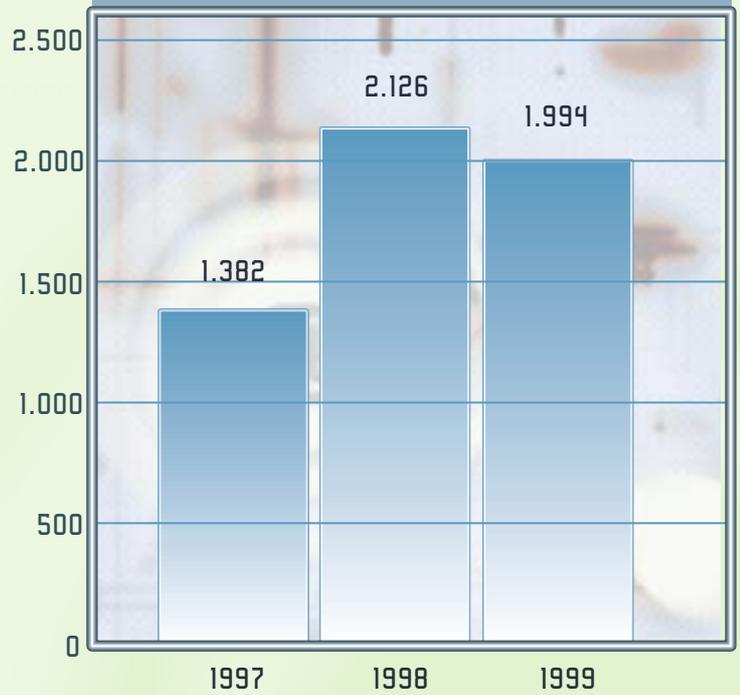
(5) Net result / turnover

Operating income



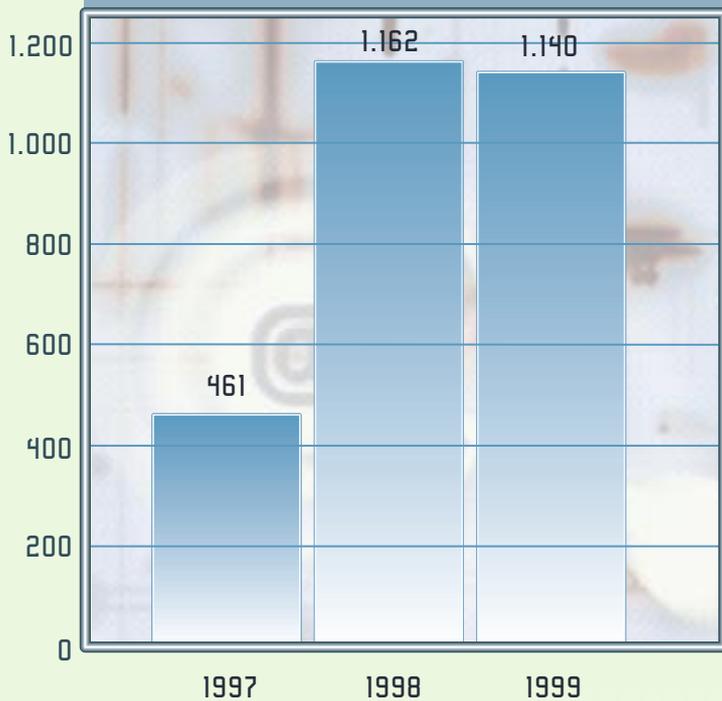
in millions of Belgian francs

EBITDA



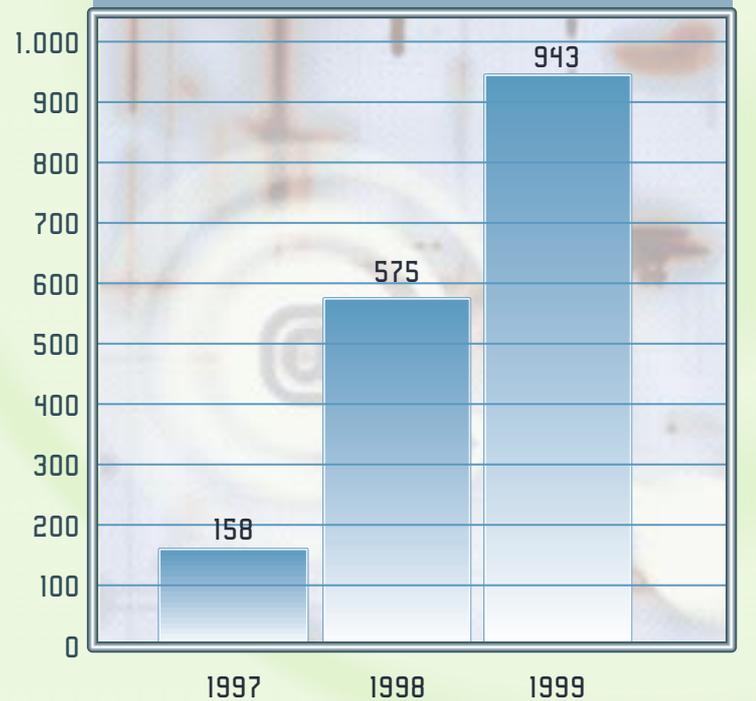
in millions of Belgian francs

EBIT



in millions of Belgian francs

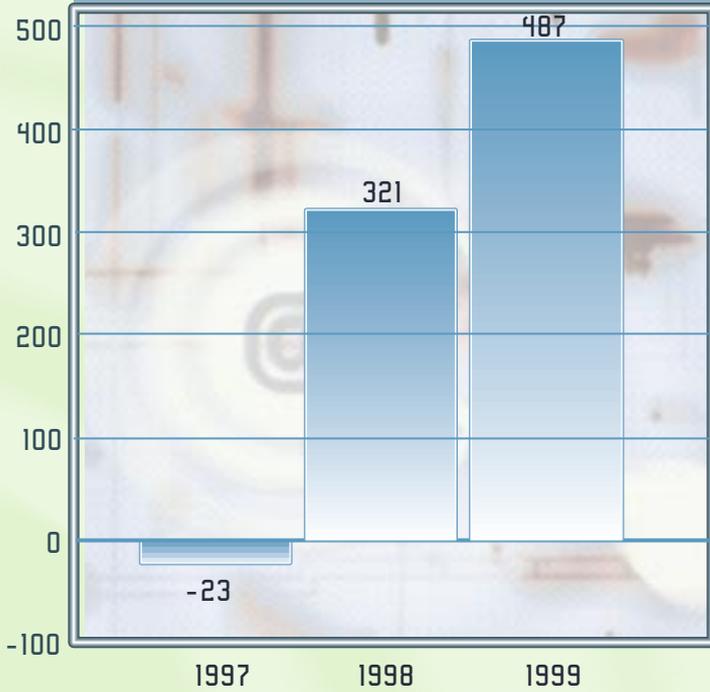
Profit for the year before taxes



in millions of Belgian francs

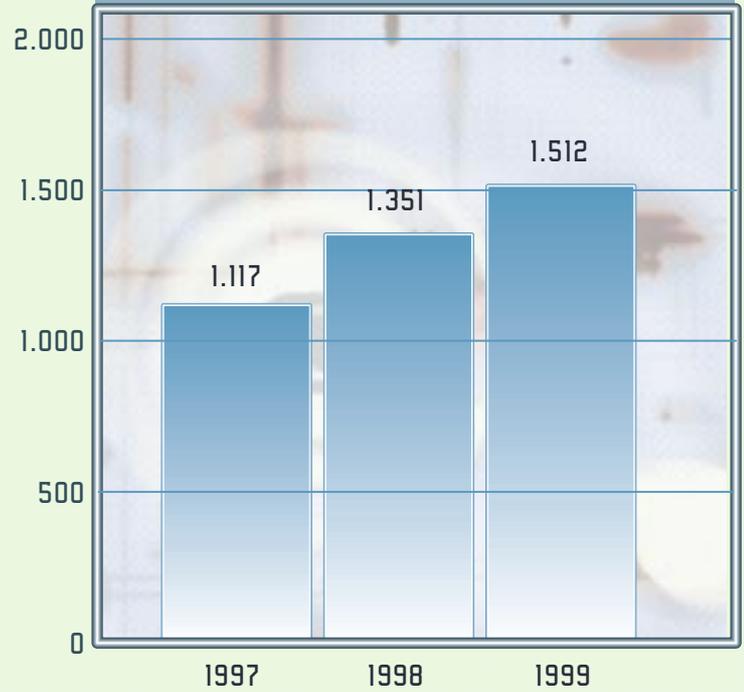


Profit after taxes



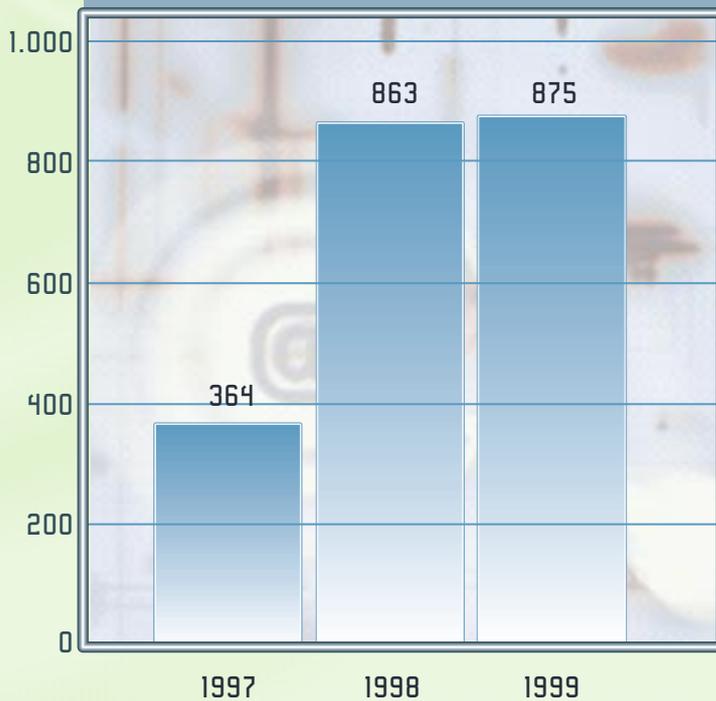
in millions of Belgian francs

Cashflow



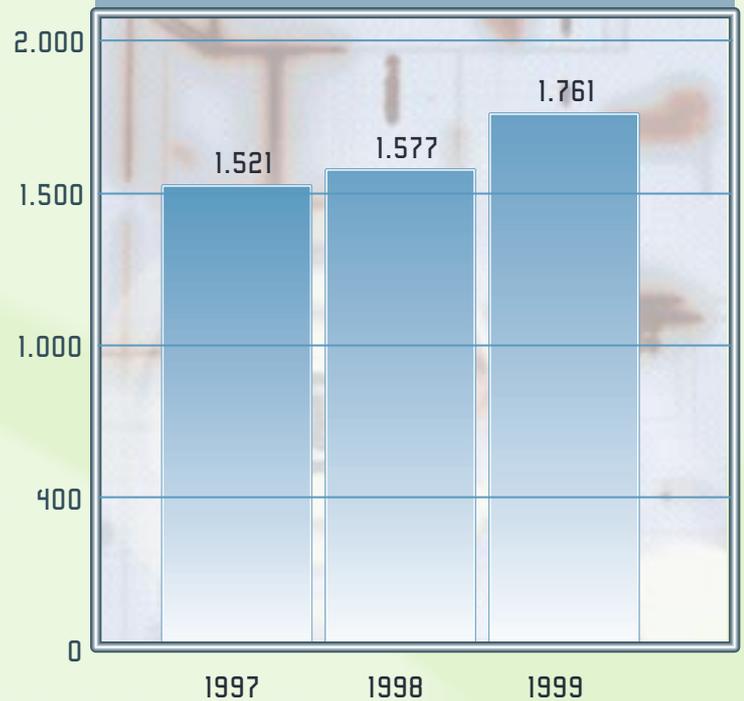
in millions of Belgian francs

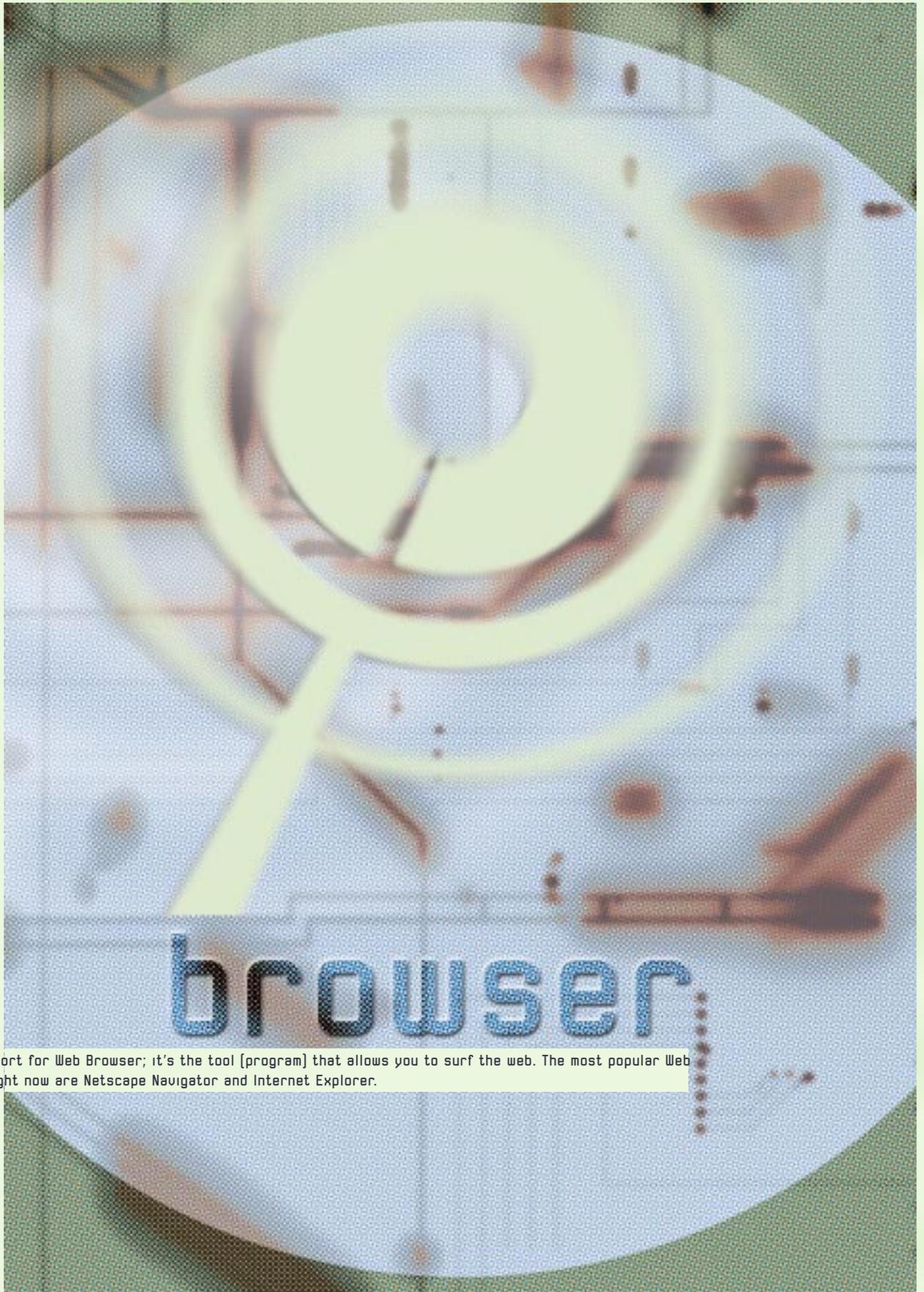
Current net results



in millions of Belgian francs

Evolution of employment





BROWSER: Short for Web Browser; it's the tool (program) that allows you to surf the web. The most popular Web Browsers right now are Netscape Navigator and Internet Explorer.



Statement of the chairman

Over the past 8 years the contents of all RMG magazines have been compiled on CD-ROM. Full text retrieval functions provide you with every kind of useful information in this encyclopaedia of the late 20th century.

For the past four years consumers have also been able to call down the entire RMG news and business magazines Knack, Le Vif/L'Express and Trends-Trends Tendances from the Internet. In each of our editing offices, journalists have for years been busy experimenting with the wwweb.

In 2000 RMG launches its own Internet brand: easy.be.

Content will be provided by the various RMG magazines, the strongest and best respected brands on the Belgian media scene, including:

- . Knack, the Flemish news magazine
- . Le Vif/L'Express, the French-language news magazine
- . Trends-Trends Tendances, Belgium's business weekly
- . Sport Magazine, Belgium's sports news magazine
- . etc.

For years RMG has been placing the classified ads from De Streekkrant/De Weekkrant onto the Internet, with easy search functions to enable surfers to select by object, regions, price category, etc. ... In 2000 this service is being further strengthened to create the most complete property, car and job ads site in Belgium through partnership with other databases.

RMG is investing heavily in total search comfort and in optimal service, and is so doing to write Belgium's own version of the e-commerce story. Belgium's Internet population is gradually growing to a commercially interesting size. It is now time to swing into action. RMG is ready.

Roularta Media's advertising division has begun developing all kinds of avenues in order to offer advertisers the best chance of success. With Print-Internet combinations, niche portal banners and buttons and sponsoring of new Internet features, initiatives are following each other thick and fast.

And in the meantime RMG continues to invest in new print media projects. Like the new weekly magazine De Zondag, the first Sunday newspaper, which will soon be appearing right across Flanders. And new editions of the monthly magazine Steps and its Dutch opposite number Style.

In 1999 RMG launched Vacature Emploi, Trends International and Bizz Magazine. These were followed in March 2000 by "Spijs&Drank", "Focus Knack" and "Sport Magazine".

A lot is still happening in radio and TV. The Kanaal Z business channel has become an important part of the Flemish scene. A French language news programme will be starting in May 2000.

In 1999 the Vlaamse Media Maatschappij (50% RMG) provided not only two TV channels but also for the first time two local radio networks, Radio Mango and Top Radio. The first national private radio is planned for 2000, providing an ideal but also necessary support for VTM and Kanaal 2.

For the past five years, RMG has been investing in new off-line and on-line media. Via MCS, it is producing the design, content, structure, text and images for CD-ROMs. At VTV in Kurne, CDs, CD-ROMs and DVDs are replicated in a new, fully integrated plant: from mother disk, replication, cardboard and other print work, through to packaging and distribution and even rackjobbing in stores.

During the last year a very large concentration deal was prepared in the printing area. Since January 2000, Roularta Printing has been united with Concentra Grafische Groep and Mercator Press, to form Mercator Printing Group, a new group with international ambitions.

In an exciting 1999 we laid the foundations for a healthy future. Strategic acquisitions and investments are strengthening our basic activities and are preparing the ground for the new e-business.

It would be wrong for me to finish without thanking all our employers, who each in their own area have made a special effort to achieve the expansion and results that we are now presenting to you; also our new shareholders who, since our stock market introduction, have backed the RMG share; and our clients, readers, viewers, listeners and advertisers for their confidence in us. We promise them top service and top quality in 2000, a promise guaranteed by the skills and commitment of our 1700 people strong workforce. And that brings results.



Rik De Nolf
Chairman



CYBERSPACE: Term used to describe the Internet; the term was coined by science-fiction novelist William Gibson in 1984 in *Neuromancer*.

Group's Strategy

RMG is seeking to play a dynamic role in the publishing and printing of news and special interest magazines, newspapers and free local newspapers, in audio-visual media and in electronic publishing.

RMG operates a policy of alliances. In various areas RMG has set up joint ventures with domestic and foreign partners that have built up strong positions in their market segments and have extensive experience in their areas of activity. Together with RMG's expertise in printing, subscription management and the advertising market, this gives rise to "win-win" situations.

RMG is constantly examining the possibility of introducing new publications and products, new marketing initiatives and new media, in order to strengthen its position in Belgium and abroad.

This approach places RMG in an outstanding position of being able to offer advertisers a combination of various channels, and a media mix which can effectively boost their advertising message.

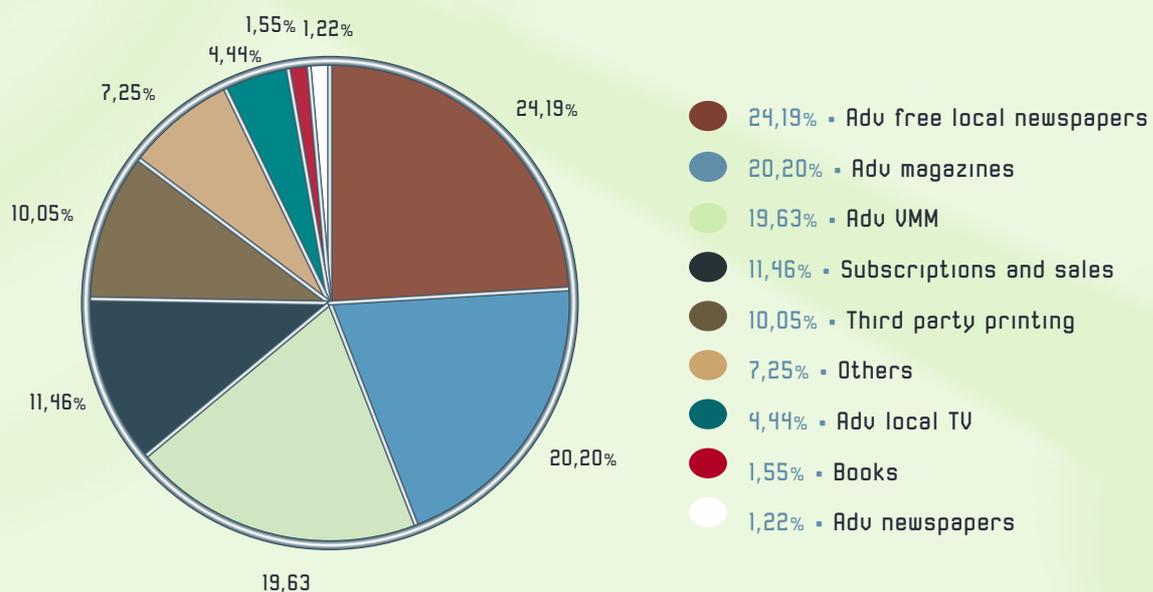
The Group is seeking a balance between the traditional and new media, and between printed media and radio/television.

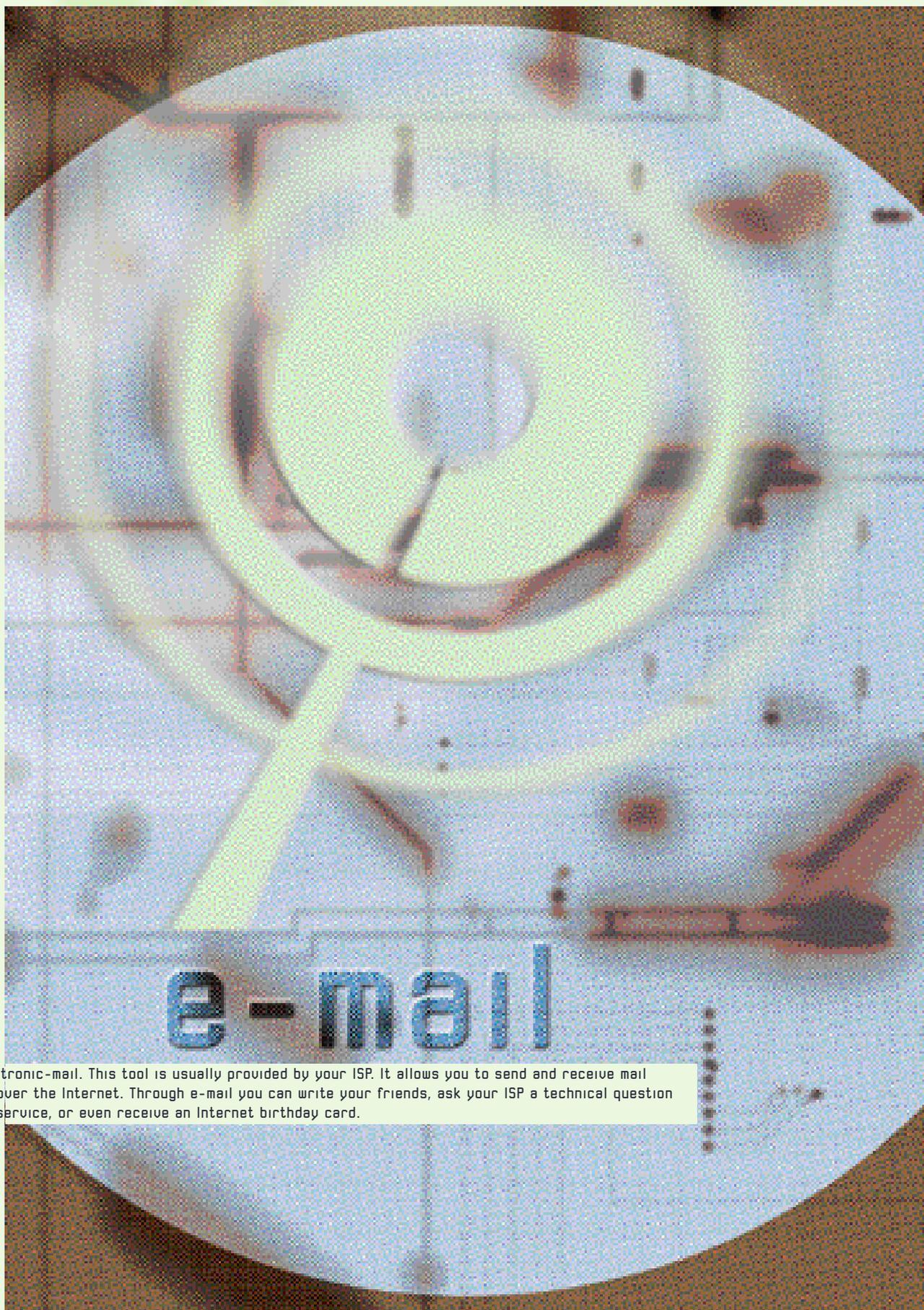
A policy of vertical integration (editorial content, selling of advertising space, production) and a multimedia approach, is making RMG increasingly flexible and more anti-cyclical.

MISSION

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

CONSOLIDATED OPERATING INCOME 1999





E-MAIL: Electronic-mail. This tool is usually provided by your ISP. It allows you to send and receive mail (messages) over the Internet. Through e-mail you can write your friends, ask your ISP a technical question about your service, or even receive an Internet birthday card.

Board of Directors



Rik De Nolf



Lieve Claeys



Dirk Meeus



Leo Claeys



Hugo Vandamme



Caroline De Nolf



Iwan Bekaert



Clement De Meersman



Johan Devisch





Board of Directors

Board of Directors

End of mandate

De Publigraaf NV represented by: Rik De Nolf	Krasselhoekstraat 12 - 8890 Moorslede	2004	Executive Managing Director
Lieve Claeys	Kasteelhoekstraat 1 - 8800 Roeselare	2002	Executive Director
Joedheco NV represented by: Leo Claeys	Meiboomlaan 110 - 8800 Roeselare	2004	Executive Director
Caroline De Nolf	Meiboomlaan 110 - 8800 Roeselare	2002	Non - Executive Director
Clement De Meersman	Leffingestraat 17 - 8000 Brugge	2004	Independent Director Non - Executive Director
Dirk Meeus BVBA represented by: Dirk Meeus	Tervurenlaan 268 A - 1150 Brussel	2004	Independent Director Non - Executive Director
HRV NV represented by: Hugo Vandamme	Leo D'Hulsterlaan 4 - 8700 Tielt	2004	Independent Director Non - Executive Director
Iwan Bekaert	Ph. de Denterghemlaan 32 9831 St.-Martens-Latem	2004	Executive Director
Johan Devisch	Haverstraat 11 - 8800 Roeselare	2004	Executive Director



Management Team

Management Team

Rik De Nolf	Chairman
Leo Claeys	Vice-Chairman
Iwan Bekaert	General Director
Eddy Brouckaert	Director Newspapers
Johan Devisch	Financial Director
Hugues De Waele	Director Free Newspapers
William Metsu	Director Printing
Dirk Van Roy	Chairman's deputy
Mieke Verhelst	Director Magazines and National Advertising
Walter Verrijcken	Director Radio and Television



FAQ: An acronym for Frequently Asked Questions. FAQ is exactly what it sounds like: Frequently Asked Questions, with the answers of course. FAQ usually serves as a mini-help file.



Corporate Governance

Composition

Since the stock market introduction the directors from the main shareholder groups have sought the support of non-executive, independent directors, brought in specifically for their experience and speciality. The decision to do so was taken out of a concern to ensure sufficient critical distance within the group when taking important policy decisions.

The Board of Directors consists of 9 members:

- one executive managing director
- four executive directors
- one non-executive director
- three non-executive independent directors

Directors are elected for no more than six years and can be dismissed by the general meeting at any time. Directors whose term of office has ended may be re-elected.

Organisation and operation of the Board of Directors

The Board of Directors meets five times a year, that is once a quarter and a fifth time in order to discuss and decide on the budget for the coming year. Members receive in good time relevant information with which to prepare the meeting. In 1999 the board met four times. Minutes are drawn up of every meeting. At every meeting, the board receives a status report on the various activities. A financial report is also presented.

The board attaches great importance to delegating wide-ranging powers to the directors of the business units and the members of the management team. The management team members are listed on page 13.

An addition to the powers vested in it by law and the company's articles of association, the board sets the strategic objectives of the group and prepares the management plan. It takes the decisions on acquisitions within the group. The permanent agenda of the Board of Directors includes the results of the business units, new projects and presenting investment opportunities.

In addition the board examines the specific agenda items based on ad hoc files and the current economic climate.

Protocol for preventing misuse of insider information

In order to prevent the illegal use of privileged information by directors and members of the management team, or even arousing any impression of such, the board of directors has drawn up a protocol for preventing the misuse of insider information.

Committees set up by the board of directors

The Audit Committee, also set up at the time of the flotation, controls the financial reporting and ensures that administrative procedures are respected.

This committee is made up of:

- two executive directors: Mr Iwan Bekaert, Director General, and Mr Johan Devisch, Financial Director;

- two non-executive independent directors: Mr Clement De Meersman, Chairman of the Audit Committee, and Mr Dirk Meeus,

- the statutory auditor.

The committee pays particular attention to the semi-annual and annual reporting to shareholders. In 1999 the Audit Committee met twice.

The Remuneration Committee, set up at the time of the flotation, consists of:

- one executive managing director: NV De Publgraaf, represented by Mr Rik De Nolf, and

- two non-executive independent directors: NV HRV, represented by Mr Hugo Vandamme, and Mr Clement De Meersman.

This committee sets the pay of the executive directors and advises on the remuneration levels of the executive team and of managers.

Appointments

The term of office of Mr Jean-Pierre Dejaeghere as statutory auditor ends at the general meeting of 16 May 2000. The Board of Directors proposes to the General Meeting that it appoint Deloitte & Touche BCV, represented by Mr Jos Vlaminckx, as statutory auditors.

Group's structure at 31 december 1999

Roularta Media Group



Services

25%	Scripta
50%	Top Consult
100%	Newsco
28%	Cinema Advertising
17,5%	R.I.W.
19%	Eurocasino

Radio & TV

50%	Vlaamse Media Maatschappij	
	Paratel	51%
	Plopsaland	50%
50%	Vlaamse Media Holding	
67%	Regionale TV Media	
50%	Focus Televisie	
50%	Belgian Business Television	
50%	De Woonkijker	
50%	Vogue Trading Video	100%
50%	Media & Communication Services	
25%	Faciliteiten	75%
	TV Studio Holland	50%
	Turnkey	90%
50%	Corporate Media Solutions	
50%	West-Vlaamse Radio	
100%	Roeselaarse Omroep Maatschappij	

Graphic production

100%	Roularta Printing
------	-------------------

100%	VTV Print
------	-----------



http: Hypertext Transfer Protocol. A protocol that tells computers how to communicate with each other. You will notice most web page locations begin with "http://"

Report on operations

GROWTH AND INVESTMENT IN THE FUTURE

1999 was Roularta Media Group's first year as a stock market-listed company. When its shares were introduced onto the market at the end of 1998, almost 1000 employees also became shareholders.

Customers, readers, advertisers and other media players, both in Belgium and abroad, are following the RMG share. A share which in 1999, put mildly, outshone the BEL 20. Specialist media analysts are gradually discovering that our Belgian media group is presenting attractive ratios compared with foreign groups.

RMG achieved an excellent 4th place in the Top 10 best returns on the Brussels Stock Exchange.

For 2000, RMG expects further growth from new initiatives linking up with its basic activities, which should produce a better return through synergy with the existing organisation and sales networks.

In 1999 the group invested considerably in the Internet, an approach which will begin to generate turnover for the first time in 2000.

1999 brought growth in all parts of the company. RMG specialises in selling advertising space in different media. Its advertising turnover is more or less equally divided between three main activities, which together represent 70% of the group turnover.

Television advertising revenue represents 24% (6% growth on 1998), regional newspapers 24% (18% growth) and magazines 22% (10% growth).

Magazine and newspaper sales (12% of RMG turnover) moved ahead slightly, thanks in particular to an increase in the number of subscriptions.

NET CIRCULATION	01/1998 -12/1998	01/1999 -12/1999	plus /minus	change %
Knack	123.924	126.303	+ 2.379	+ 1,9%
Le Vif/L'Express	82.365	85.772	+ 3.407	+ 4,1%
Trends + Trends-Tendances	42.658	43.775	+ 1.117	+ 2,6%
Voetbal/Foot Magazine	74.350	65.985	- 8.365	- 11,3%
Telepro NL + Télépro FR	177.585	179.931	+ 2.346	+ 1,3%
Onze Tijd/Notre Temps	93.484	99.633	+ 6.149	+ 6,6%
Krant van West-Vlaanderen	69.285	67.003	- 2.282	- 3,3%

The TV productions and the new media activities (CD-ROM and DVD production, tape duplication and CD, CD-ROM and DVD replication) grew by 172 million BEF turnover or 83 % (part RMG).

Finally, in the printing area, negotiations were completed with fellow printing companies Mercator Press and Concentra Grafische Groep for a merger, with Mercator Printing Group as the overarching holding company (1/3 owned by RMG).

MAGAZINES



- In the magazine area a French-language version of Vacature - **Vacature Emploi** – was launched through an agreement with the daily newspaper Le Soir. The market now has a nationwide job newspaper with a selective readership, combining the audiences of quality magazines Knack and Le Vif/L'Express, Trends and Trends-Tendances with those of fellow daily newspaper publishers.

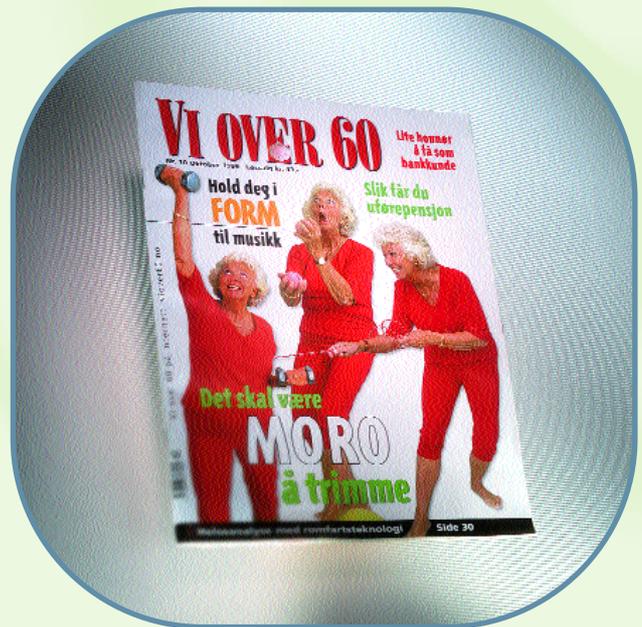


- In September the monthly Belgian Business & Industrie was replaced by two new titles: **Industrie Magazine** for managers in the industrial area and **Bizz Magazine**, consisting entirely of useful, practical information for entrepreneurially-minded readers.

In 2000, these three products will contribute positively to RMG's final result.



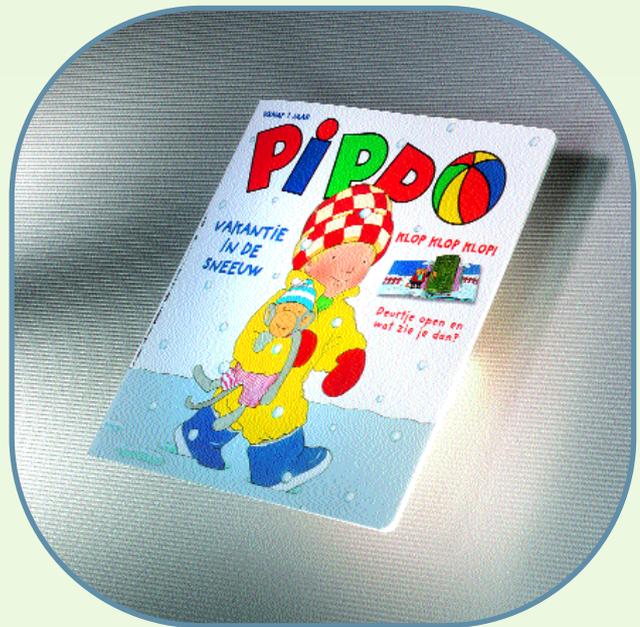
- In February, **Trends International** was launched as **Trends'** (monthly) English-language sister magazine, and an ideal medium to introduce foreign clients to the Belgian product. Half of each edition is sent to selected foreign addresses, the other half to expatriates living in Belgium, keeping them abreast of events in our financial world and economy.



- In Norway a 50% participation was taken, via Senior Publications (50% RMG together with Bayard Presse Benelux) in **Vi Over 60**, the Norwegian senior citizens' magazine, a healthy publication with considerable potential for growth.



• The other cooperation activities with Bayard are evolving positively: **Onze Tijd/Notre Temps** in Belgium and **Plus** in the Netherlands are beating all records in terms of net distribution and advertising turnover.



• **Pipido** the monthly magazine for very young children, sold in Flanders and now also in the Netherlands, is a growing success.



• In Belgium, **Telepro/Télépro** is the only Belgian TV magazine with both a Dutch and a French-language edition. The total combined edition is growing towards 250,000 copies. Out of a concern for maximum synergy, the TV programme pages are also used for Télévif and Focus Knack.



The cooperation with publishing house Biblo too is producing good results:

- Medical magazine publisher EBPB (50% RMG) achieved a positive result in 1999 with the weekly newspapers **De Huisarts-Le Généraliste** and the monthly magazine **Semper**.

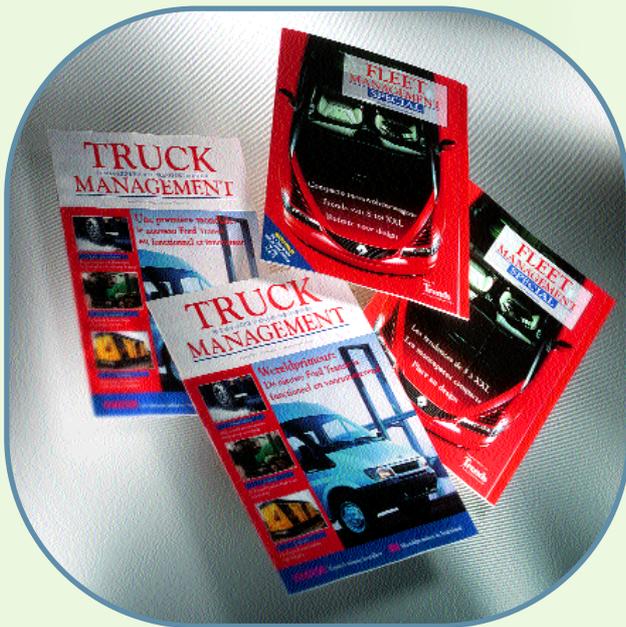
In 1999 the news magazine editing teams were strengthened with young talent

A series of new initiatives and experiments were undertaken in support of the main titles.

- For the first time, the Weekend Knack fashion specials were sold separately in the Netherlands.
- Knack and Le Vif/L'Express brought out a separate edition with the Top 1000 best Internet addresses.
- In a special cooperative effort, the various news magazine journalist and editing teams (Knack, Le Vif/L'Express, Trends, Trends-Tendances, Weekend Knack, Weekend Le Vif L'Express) produced an impressive Millennium magazine, which was placed on sale separately.
- For the Commercial and Leisure Vehicles Show, an exhibition catalogue was printed and distributed with all copies of Trends and Trends-Tendances.



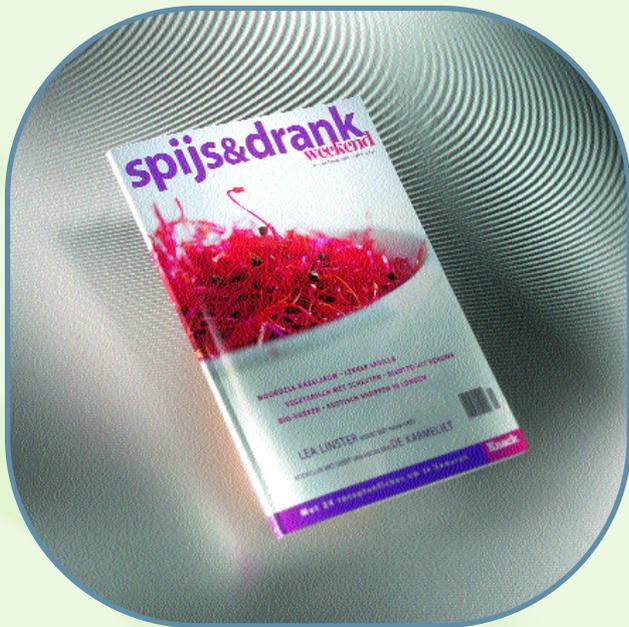
- The quarterly **Trends Review** provides Trends and Trends-Tendances readers with in-depth background information on current financial and economic questions.
- Trends and Trends/Tendances readers also receive, four times a year, a Fleet Management special, each on a specific topic: convertibles, family vans, 4x4 and luxury cars. In 2000 the initiative is being renamed **Wheels Trends**.



- The two-monthly magazine **Fleet Management** was given a sister edition, **Truck Management**. This is distributed together with Bizz Magazine, plus via controlled circulation to fleet managers.

Advertising Top 10	pages 1997	pages 1998	pages 1999
1. Weekend Knack	2.234	2.206	2.538
2. Knack	2.953	2.504	2.216
3. Trends	2.231	2.136	2.149
4. Trends-Tendances	1.953	1.868	1.908
5. Humo	2.162	2.001	1.845
6. Weekend Le Vif/L'Express	1.279	1.296	1.609
7. Le Vif/L'Express	1.046	1.900	1.491
8. Dag Allemaal-Zondagsnieuws	1.622	1.497	1.419
9. Flair NL	1.495	1.321	1.347
10. Télémoustique	1.468	1.380	1.329

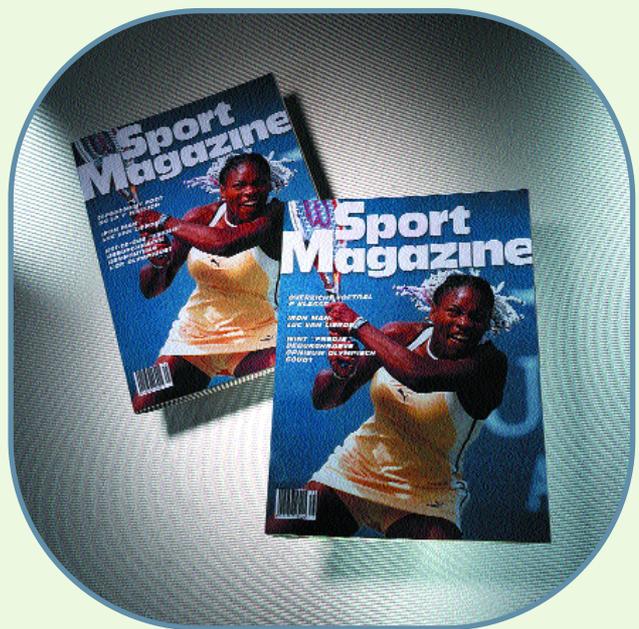
THREE NEW MAGAZINES



In the meantime, work continued on three new magazines, which were launched in March 2000.

- **Spijs&Drank** : a quarterly magazine about the good things in life. The concept is the work of the Weekend Knack team headed by Tessa Vermeiren and Pieter Van Doveren and the layout is from art director Kathleen Miller. A network of specialized journalists and top photographers are cooperating on this eye-feasting quality magazine. In-house photographer Tony Le Duc has just been acclaimed the world's top gastronomy photographer (Sydney 99). Spijs&Drank costs BEF 150 an issue.

Knack comes free for Knack readers and replaces Knack Agenda. It contains a complete list of radio and TV programmes. For a complete cultural diary, readers are referred to the Knack website (Easy.Cultuur). Using the Internet lightens the magazine and frees up space for new journalistic initiatives. Focus Knack addresses a new type of advertiser seeking a trendy atmosphere, look and feeling.



- **Sport Magazine**, a new weekly magazine for top sport, covering various disciplines as they hit the world headlines. Content is provided by top local sports photographers and reporters, through the European sports magazines network. Sport Magazine also brings the complete football news, is 32 pages thicker than Voetbal/Foot Magazine and costs BEF 25 more per issue (BEF 110 instead of BEF 85 for Voetbal/Foot).



- **Focus Knack**: a new weekly entertainment magazine for a young audience, with selections and commentaries covering films, music, theatre and other art forms. Focus

The new weekly magazine is produced by the Voetbal/Foot Magazine team, headed by chief editors Jacques Sys (NL) and John Baete (F), supported by a team of professional journalists and other specialists.

RMG's strategy is to use direct marketing techniques in order to develop the existing Voetbal/Foot subscription base, with the help of 100% specific football listings. Sport Magazine will also be promoted through image campaigns in the print media and on radio and TV.

BE IN THE NEWS



In this way RMG offers a full range of news magazines. Together the eight Belgian **news, business and sports weekly magazines** provide the ideal media package for advertisers wishing to reach a quality, well-educated audience with maximum purchasing power. Under the motto "Be in the news", the combination Knack-Le Vif/L'Express, Trends, Trends-Tendances and Sport Magazine (NL/F Voetbal and Foot Magazine included) is offered at BEF 900,000 for one page full-colour (as against 6 million for a full colour page in a Belgian daily). "Be in the News" and reach over 1.6 million Belgians with a better profile (35% of the higher social classes 1 and 2) at an unbeatable price per head A slogan that the Roularta Media advertising sales office will be repeating in 2000 down every possible channel.

PRICES

The "Be in the News" combination is not the only new package being presented to the market. There is increasing interest in the market for RMG's multimedia formulae:

- "**Print and Internet**" are combined for the specific field of investing. Both on the Beleggers.Net website and in the weekly Cash! Magazine, every opportunity has been created to sponsor features producing direct client interactivity. At the same time, through the Easy.be Classifieds and Shopping sites, advertisers can be present not only in De Streekkrant but also online with mapping, special offers and e-commerce and payment facilities.

- Print-TV packages had already been developed at the demand of big regional advertisers.

For example, in West Flanders RMG's **Mediamix formula** provides a full package: one week TV on regional broadcaster Focus or WTV, one week radio on Radio Mango West Flanders, one full-colour page in De Streekkrant and a 1/2 page publicity report in Krant van West-Vlaanderen. An ideal media campaign for an entertainment event, store opening or open door day, for the round price of BEF 450,000.

- The same mediamix approach has also been introduced by business broadcaster Kanaal Z in combination with the weekly Trends magazine and even the daily De Financieel Economische Tijd newspaper, published by Tijd Uitgeversmaatschappij, our partner in Kanaal Z.

- Prospects for the magazines are good, in part thanks to the new price structure, which is around 10% higher. This rise is both possible and necessary given the unbelievably low cost compared with similar news magazines in other countries.

Magazines like Elsevier in the Netherlands and Le Nouvel Economiste in France are 50% to 100% more expensive than Knack and Trends. A historical gap which goes back to the pricing policy of the now defunct weekly Pourquoi Pas?, the sole Belgian news magazine in the 1960s.

NEWSPAPERS



Recent years have seen an explosion of door-to-door and other free local newspapers. RMG is playing a pioneering role here both in Belgium and abroad.

- In February, the first edition of **De Zondag** was distributed in the "Kempen" region. After six months the new project was carefully assessed and, after a reader and advertiser survey, the decision was taken to extend the formula from September onwards to all regions of Flanders. De Zondag is a free tabloid newspaper, with a solid mass of local news and weekend information. Advertisers can now choose between or combine the midweek local free newspapers De Streekkrant or De Weekkrant (in Limburg) and De Zondag, which is distributed on Sunday mornings to all good citizens who take time for their Sunday breakfast.

In this way the De Streekkrant/De Weekkrant sales organisation is able to provide a perfect service from offices in all Flemish cities. De Zondag now exists also in the provinces of Antwerp (3 editions), East Flanders (3 editions), West Flanders (2 editions) and Brabant (1 edition). The introduction went ahead smoothly, helped also by the integration of the titles Antwerpse Post, Kempenland and Het Blad (through the acquisition of East Flemish publisher De Cuyper), which have been reborn as Sunday newspapers.

The take-over of the De Cuyper group went off without a hitch. The sales team has boosted the local Streekkrant organisation and advertisers have followed the path to De Streekkrant, De Zondag or a combination of the two. They enjoy optimal service and readers are served a complete local offer.

- In 2000 it is planned to launch a free newspaper for public transport users (train and underground). Metro (working title) will be a tabloid with a full range of brief, easy-to-read items allowing readers to catch up quickly with all the latest news. This venture will be in partnership with RUG and Rossel.

The 160,000 copies (80,000 in Dutch, 80,000 in French) will be printed at Roularta Printing in Roeselare.



De Krant is growing in West Flanders

- 1999 ended with the take-over of Het Wekelijks Nieuws, the last West Flemish weekly newspaper that had not yet joined the **Krant van West-Vlaanderen** group. With five titles (**Brugsch Handelsblad**, **De Weekbode**, **De Zeewacht**, **Kortrijks Handelsblad** and **Het Wekelijks Nieuws**) and 11 editions, the newspaper which provided the basis for Roularta Media Group in 1954 now enjoys a net distribution of 100,000 copies. The newspaper costs BEF 60 an issue, twice the price of a daily newspaper. In fact it is two newspapers in one: a provincial newspaper and a city newspaper. This latest take-over will significantly improve the Krant van West-Vlaanderen's results through the optimal use of available synergies.

And RMG is moving ahead in Portugal, Netherlands, and France:



- In Portugal, the turnover of the free weekly newspaper **Jornal da Região** has grown by 60% with new editions for the city of Lisbon. Circulation now totals 600,000 copies, with 9 editions. Portugal was the only country in Europe without free local newspapers. RMG has a 40% participation (alongside Controljornal) in the enterprise, which has also set up a distribution organisation.



- And in France, the weekly "**A Nous Paris**" has been distributed in the Paris metro since May 1999. RMG has a 30% share in this enterprise (along with Metrobus and Comareg). Every week 400,000 copies with full-colour tabloid pages come off the press in Roeselare.



- The lifestyle monthly magazine **Steps** has continued to grow with new editions in Flanders and the Netherlands (under the name **Style**) and with a new annual Festival edition (for brides and bridegrooms and for young people wanting to party).

BOOKS



RMG's book publishing activities, via Roularta Books, Editop and AR Media (annuals) are still growing. A number of new annuals were launched (Gastronomisch België, Trends Business & Travel).

Roularta Books is bringing new business books onto the market and continues to cooperate with VAR (part of the Flemish public broadcaster VRT) and VUM for other (among them tourist) series, which are then promoted in the RMG and VUM magazines and on the VRT radio and television.

Editor Jan Ingelbeen has been joined by businessmanager Piet Bulteel (ex-Kritak).

The idea continues to seek synergies with the magazine titles, whilst taking into account our specific reader target groups. A great success was the "Crazy 20th Century", an impressive collection of articles by dozens of Knack journalists and others, which originally appeared in the weekly Knack magazine over a 2-year period. In any event a bookshop success, with more than 10,000 copies sold of the first edition.

The Knack (1999) and Le Vif/L'Express (2000) restaurant guides, published in alternate years, have become permanent features. More than 10,000 copies of the Knack restaurant guide were sold.

EVENTS



In 1999 Roularta Events ended its 10-year old and very demanding agreement with the Flemish Steeple Chase. From now on RMG is limiting its role at the Waregem racecourse to media sponsoring of Waregem Koerse.

The "Volvo Golfer of the Year", the "Diamond Stick Cup" polo tournament, the "Fascination Cars" old-timers show and the "Zingaro" equine dressage opera are annually recurring top events.

Roularta Events is expecting a significant improvement in results.

Roularta Events was also involved in a number of initiatives by the promotion departments of the group's magazines.

Every year a number of important awards provide the setting for prestigious gatherings. In 1999 the Trends Manager of the Year was organised for the first time at the VTM buildings, for many guests their first acquaintance with this impressive complex. Managers of the Year Stijn Bijmens and Pierre Olivier Beckers faced an impressive gathering of nearly 2000 people.

The Cash! Awards for the best fund managers have become an important rendezvous every January.

E-Awards were also presented by the quarterly magazine e-Trends for the best Internet sites.

In cooperation with Active Media, which publishes the Fleet Yearbook, a major event for Belgian fleet managers was organised on the occasion of the election of the Fleet Managers of the Year.

COMPETITIONS



RMG organises the National Football Game under the banner of Voetbal Magazine/Foot Magazine in cooperation with the Dutch company Esec, as well as the National Stock Market Competition under the banner of Cash! and Trends in cooperation with De Financieel Economische Tijd. A constantly growing success with 14,600 participants in 1999.

SEMINARS



Roularta Seminars organises conferences and afternoon sessions on various topics which relate to the world of its magazines.

Inspired by the "Year 2000" effect, the Weekend Knack and Weekend Le Vif/L'Express journalist teams organised a large-scale "Opus XXI" operation. The idea was to seek out the trends which will be significant for our society in the 21st century. The journalist teams prepared a special edition. A crowded conference was the pinnacle of this operation.

Every month a "Trends Rendezvous" is organised at the Roularta Media Centre in Zellik, where top figures from the financial and economic world interface directly with Trends readers.

And every month Cash! organises the "Cash! Rendezvous" meetings with managing directors of listed enterprises.

Roularta Seminars has now grown into a separate business unit with a strong growth potential.

TELEVISION



VMM

Television represents 25% of RMG's turnover:

- At **VMM** (50 % RMG), personnel costs rose as the company switched from using freelancers to workers with employee status. Operating costs were also driven up by a strategic increase in programming investments. This has resulted in better viewing figures. Kanaal 2 scored a major advance with the 18-35 age group, to the detriment of competitor VT4.

An additional EUR 1.153 million (BEF 46.5 million) (RMG's share) provision for employers' contributions relating to the past was charged to the income statement. VMM has also set up a further tax provision of EUR 1.059 million (BEF 42.7 million) (RMG's share).

VMM emphasised its ambition to compete for a national radio frequency by starting up a second radio project, named 'Radio Mango', alongside 'Top Radio' and by investing in a radio news service.

In the meantime, VMM turnover has exceeded expectations in the first quarter of 2000 and especially Kanaal 2 moved up very quickly with a growth of 50%.

Sister company Paratel (51% VMM) is a rapidly expanding call center, telephone and Internet marketing company, with growing net earnings of BEF 19.8 million.



Merchandising activities are becoming important. VMM has a 50% stake in the **Plopsaland** family amusement park at Adinkerke-De Panne, where TV figures such as the gnome Plop and his family, Samson and Gert and others provide the entertainment. Initially, the park has been restructured in a new setting and the general public is being guided to Plopsaland on the Belgian coast through mass support from VMM broadcasting stations and from RMG and De Persgroep newspapers and magazines.

VMM's turnover grew by 6% (part RMG).

KANAAL Z



• In the television world **Kanaal Z** has been on the Flemish cable since February 99. This business broadcaster provides 24 hour-a-day business news with a constantly updated ticker line for figures and news headlines. RMG has a 50% participation in this venture with Uitgeversbedrijf Tijd.

Despite the fact that Kanaal Z is not yet broadcast on the Brussels cable, by the end of 1999 it was already reaching over 300,000 viewers daily. A French language version in 2000 will put it on the Brussels cable network and take it into Wallonia.

This project has demanded start-up investment, but prospects in terms of advertising income are favourable, as advertisers learn to use this medium and now that it is going Belgium-wide.

REGIONAL TV



• The regional news broadcasters in Flanders continue to develop. The national **RTVM** office in Zellik, which sells media space to advertisers, is providing a professional presence in the advertising world and is launching more and more national campaigns with new all-in formulae, for example, one week at full strength (7 x 36 spots) on all stations for BEF 4 million. In 1999 turnover was slowed down by the elections, which somewhat reduced the level of government communications.



Growth has come, however, from new initiatives at the regional level. There is now daytime television (cable newspaper) on **WTV** and **Focus TV** in West Flanders, and the Teleshopping programme is now broadcast on all stations on Saturdays. Municipalities are being visited "from A to Z" by the editing and advertising teams, introducing many new companies to TV as an advertising medium.



RADIO

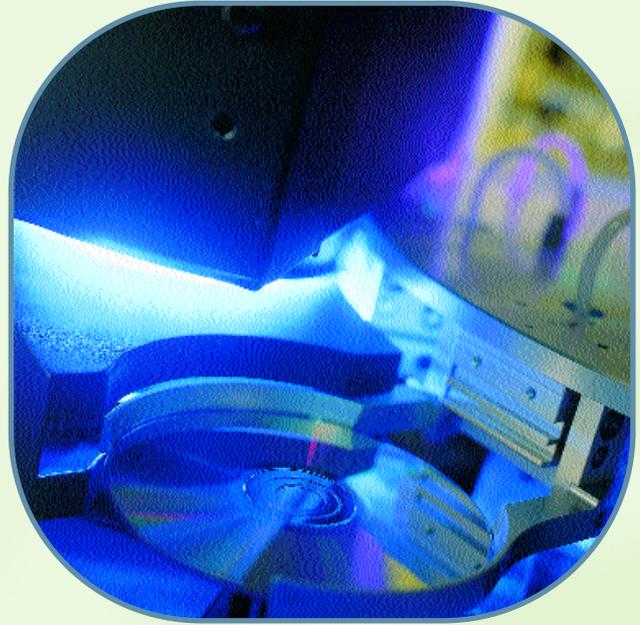
The regional advertising collection office **RTR** signals good prospects for West Flanders stations WTV and Focus TV, East Flanders stations **AVS** and **Kanaal 3** and for **Ring TV** in Brabant.

In radio land the Vlaamse Media Maatschappij has introduced two radio networks for independent broadcasters: **Top Radio** for a youth audience and **Radio Mango** with easy listening music.

An ideal preparation for setting up the first national private radio station that VMM intends launching in 2000.



NEW OFF-LINE MEDIA



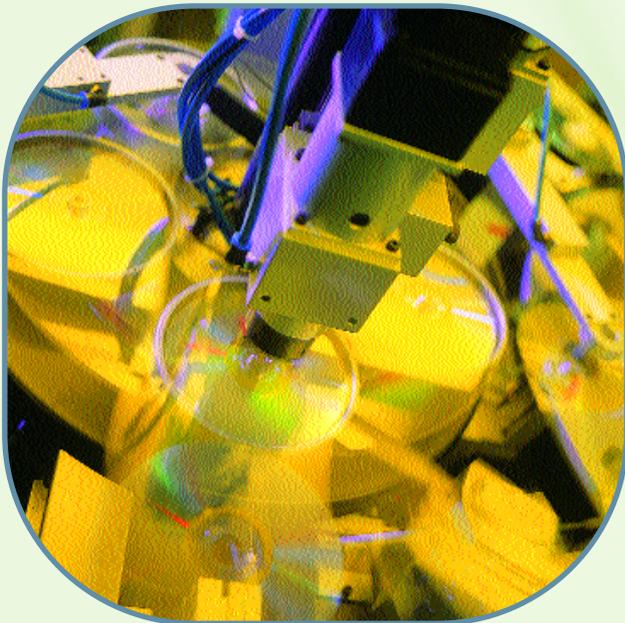
TV production and CD-ROM and DVD replication activities also grew significantly.

RMG invested further in new production lines and a new integrated print department specifically for the CD business in Kuurne.

VTV now offers a total integrated process: from the preparation of the glass master (mother disk) through to replication, printing the sleeve, packaging, distribution and rackjobbing in the stores.

Prospects for VTV (50% RMG together with the Werbroeck group) are for a turnover of EUR 29.2 million in 2000.

MCS (50% RMG in conjunction with GIMV and the Coulier group) grew substantially through the start up of Kanaal Z, for which MCS is supplying the television facilities with a new studio at RMG in Zellik. Its take-over of the Lu group (CMS) has increased the importance of the leasing and sale of audiovisual installations. Turnover has grown to EUR 7.5 million.



INTERNET



RMG was not yet known as an Internet company, but in fact the group had been present on the web for years, including the full content of the Knack and Trends magazines and the classified ads from De Streekkrant. A whole series of Internet initiatives were developed in the various editing offices.

Media Club, which specialises in books, CDs, CD-ROMs and DVDs, sells its products not only through advertisements in RMG newspapers and magazines and a twice-yearly catalogue, but also and increasingly via Internet. The Saturday Teleshop programme on the regional stations also refers to the Media Club site.

RMG now participates in het.beleggers.net (25%), voted 1999 website of the year (by T-zine, De Tijd's electronic newsletter) and in @Net (20%), which collects cyber-advertising for RMG, Rossel, Promedia, Tijd and Echo.

Everything is now ready to launch Easy.be, the RMG portal that will group together all the Internet sites. RMG can provide maximum support to its **Easy.be** portal through its wide range of print and audio-visual media with no additional out-of-pocket expenditure.

VMM too is developing its typical Internet activities, with a sizeable traffic.

2000 is Internet year for RMG, with the necessary investment committed and powerful content created by the combined efforts of RMG's 250 people strong writing and editing teams.

A special task force has been set up to provide technological support to all RMG new media.

Alliances have been struck with strategic partners such as

Belgacom, with mutual promotion of each others' sites under a preferential partnership agreement. In this way Easy.be will be launched via the net: at the end of 1999 Belgacom was scoring 20 million pageviews a month, and the intention is for its homepage to refer to the Easy.be sites.

Roularta Media Group and Scoot Belgium have agreed to develop a leading interactive information- and transaction service throughout the Dutch speaking part of Belgium.

In the new joint venture, RMG will commit a media contribution and will sign up an additional 35,000 local merchants and service providers during the next 3 years onto the interactive SCOOT platform.

SCOOT's main contribution will be the development and management of the multi-access transaction platform, based on its unique proprietary technology. This technology solution will allow the consumer to find, connect and transact with relevant local suppliers through multiple interactive channels (telephone, mobile, WAP, Internet and iTV).

This agreement enables RMG to complement their existing media and advertising services with a new range of interactive services and revenues.

Both companies have also agreed to extend their joint offerings to the local SME market to a full range of e-business services, by aggregating relevant information and services into a highly targeted SME portal site. This site will actively promote the benefits of new media and technologies to small businesses, and will invite a limited number of complimentary strategic partners to join the initiative.

At the start of 2000, the RMG and VTM websites were each recording 15,000 visitors a day, het.beleggers.net.be more than 20,000 visitors a day and another 5,000 for Vacature.com – in total 55,000 visitors a day and a total of 5 million pageviews a month. An outstanding starting position.

EFFICIENCY



The easy atmosphere in the complex should facilitate dialogue and synergies between Dutch-speaking and French-speaking journalist teams: Knack and Le Vif/L'Express, Trends and Trends Tendances, Telepro and Télépro, Voetbal and Foot Magazine, Sport Magazine (NL/F), Bizz (NL/F), Industrie (NL/F), Onze Tijd and Notre Temps, Weekend Knack and Weekend Le Vif/L'Express, ... all these magazines taking into account the specific features of their Dutch or French-speaking reader groups. Even so, a higher level of efficiency is still possible through greater cooperation.

SALES



RMG is a resolutely multimedia company (print in the form of magazines and regional newspapers, radio and TV, and new on-line and off-line media), driven on the one hand by an impressive source of journalistic content and on the other by an extensive sales apparatus with 325 salespeople (150 regional advertising consultants in the field, 100 internal sales assistants in the office network and 75 sales managers looking after national advertising at the RMG headquarters in Zellik).

In 1999 a special effort was made in the area of continuous training.

At the end of 1999 RMG opened its new **BMC (Brussels Media Centre)** on a 2 hectare site in Evere, directly opposite the NATO headquarters, where 250 journalists work together centrally for the various group magazines.

In any event a major step forward in terms of efficiency, with a single central research and documentation centre, a single IT network with full support and user comfort in the new media area, a single heavy cable connection between Evere, Roeselare and Zellik.

From now on the prepress for all magazines will be prepared in the editing offices by integrated layout units.



CONCENTRATION



At the beginning of 2000 the foundation was laid for a healthy future of the Belgian printing industry. On 18 January an agreement was concluded between the country's three largest printing groups, Roularta, Mercator and Concentra, which have merged to form Mercator Printing Group with a joint turnover of BEF 9 billion. RMG has a 1/3 stake.

The group can immediately make optimal use of its joint printing capacity, whilst efficiency measures are possible in IT, investment and sales and marketing policy.



HUMAN RESOURCES

At 31 December 1999 Roularta Media Group employed more than 1700 people, counting in also the joint ventures. Staffing has risen to 50 in Portugal and 30 in the Netherlands.

Employment is also growing at Vogue Trading Video (VTV) in Kuurne, with 50 new jobs planned in 2000.

An essential element in the development of RMG is the recruitment, selection and training of the sales personnel which provide the permanent contact with advertisers/clients in each region. Specific recruitment and training sessions are organised here in order to give every chance of success to the best suited candidates.

In 1999, a large number of employees again took technical, IT or commercial training courses, either individually or in groups.

RMG continues its permanent investment in providing training in the new technologies as these relate to our IT systems and the use of the RMG intranet. In all, more than 2,000 terminals are used for internal communication between editors and journalists, production staff, administration officers, promotion managers, etc. ...

In the new central "Brussels Media Centre" in Evere, 250 journalists have the latest communication technology at their fingertips. From now on the prepress for all magazines will be prepared within the editing offices by integrated layout units.

All this has required a special effort in the area of training for all employees.

THE ENVIRONMENT

In 1999 the use of C.T.P. (computer-to-plate) technology was further extended at Roularta Printing, leading to another drastic fall in water consumption. This also drastically lowered the number of film developing machines needed. The direct impact on the environment reduced further because chemical treatment now takes place in closed piping systems.

Work continues on limiting the alcohol content in the water used on the printing machines.

The installation of new lighting systems was continued in various departments.

The problem of packaging and industrial waste was once again on the agenda. Both were dealt in consultation with the federations in the graphics sector.

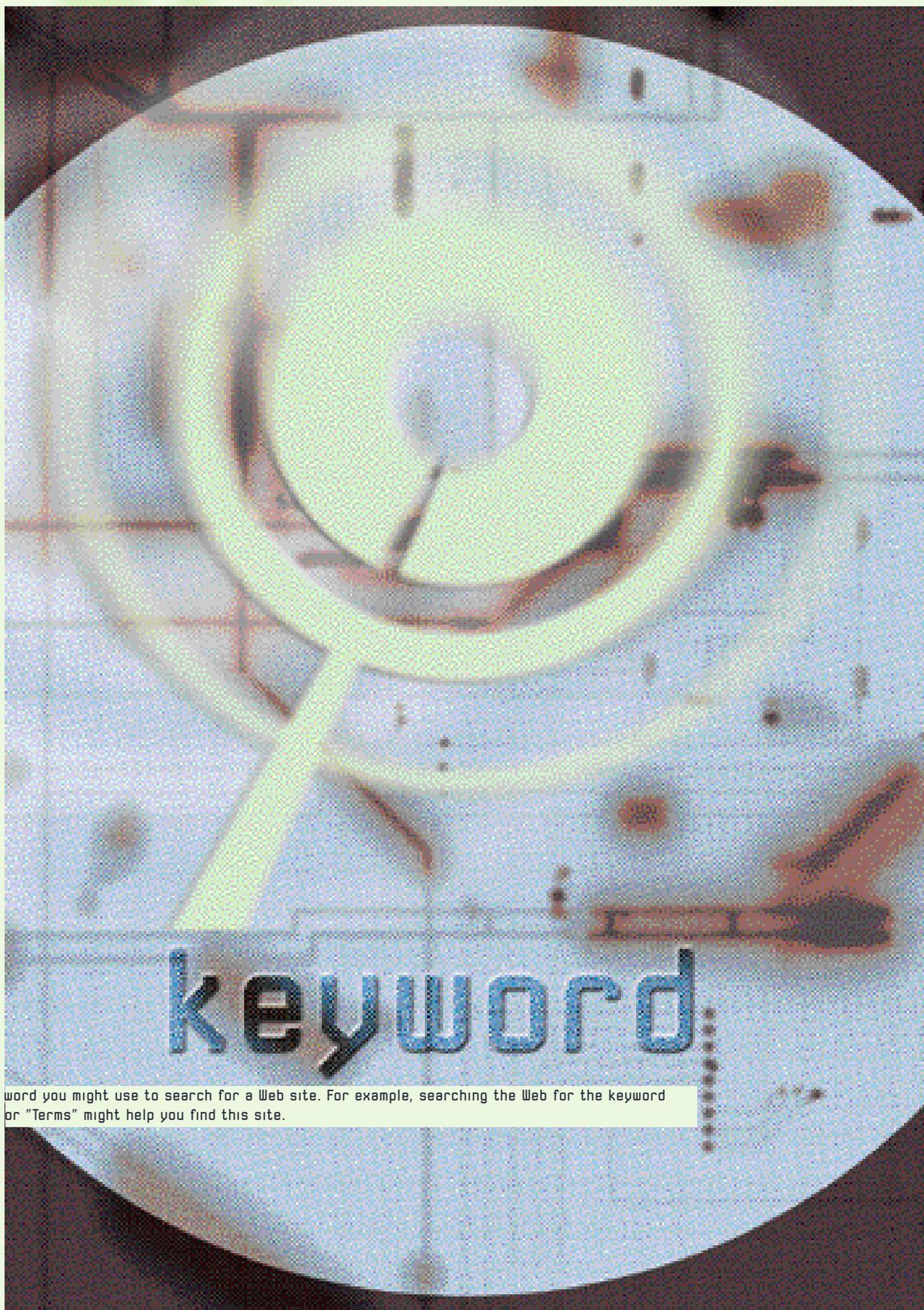
Work began on dealing with the problem of V.O.S. emissions, again in consultation with the federations in the graphics sector.

PREVENTION AND PROTECTION

The frequency and seriousness of accidents figures remained at the low levels of previous years. Attention was paid to the role of production management in the prevention process.

A number of machines were updated and adjusted in the context of the Royal Decree of work machinery.

In developing the remodelled journalistic and editing buildings at the Brussels Media Centre in Evere, attention was paid to ergonomic considerations relating to work at computer screens.



KEYWORD: A word you might use to search for a Web site. For example, searching the Web for the keyword "Dictionary" or "Terms" might help you find this site.

Annual report of the board of directors

to the ordinary General Assembly of shareholders of 16 May 2000 concerning the consolidated annual accounts for the period ending on 31 December 1999

Dear Shareholders,

As required by Article 72 of the Royal Decree of 6 March 1990, we are pleased to report to you on the activities of our company as a consolidated whole and on our management during the past financial year, ending on 31 December 1999.

Commentary on the consolidated annual accounts

The annual accounts have been drawn up pursuant to the Royal Decree of 6 March 1990 concerning the consolidated annual accounts of enterprises and in accordance with the particular legal and regulatory provisions that apply to the company.

The financial year ending on 31 December 1999 is the second financial year for which consolidated annual accounts have been prepared for Roularta Media Group NV. The comparative figures for the previous financial year are taken from the consolidated accounts as at 31.12.1998.

The balance sheet and the income statement, together with the various explanatory notes, offer you a general overview of the activity of our company, and the results we have achieved.

Assets

The investments in intangible fixed assets relate to software, film rights and scenarios.

The increase in positive consolidation differences is explained mainly by an additional amount from the acquisition of the participating interest in Uitgeverij De Cuyper NV and the increased participation in Sportmagazine NV.

The most significant investments in tangible fixed assets relate to the renovation of the buildings that house the various journalist and editing teams at the Brussels Media Centre and to the construction of an industrial building in Kuurne. There are also investments in pre-media, printing, television and the new media.

The cash resources and current investments have been used to finance the investments in tangible and financial assets.

Liabilities

The consolidated capital consists solely of the capital of Roularta Media Group NV in an amount of BEF 4,479 million.

Capital has not changed since 31.12.1998.

Amounts payable have risen from BEF 5,923 million to BEF 6,558 million at 31.12.99. This increase of 10.7% is roughly equal to the rise in operating costs.

Income statement

Consolidated turnover has evolved as follows:

In millions BEF	1999	1998
advertising - free local newspapers	3.899	3.307
advertising - newspapers	196	180
advertising - magazines	3.256	2.964
advertising - regional TV	716	697
advertising - VMM	3.165	2.984
subscriptions and news-stand sales	1.847	1.776
third party printing	1.619	1.705
books	250	284
miscellaneous	625	448
TOTAL	15.573	14.345

The rise in operating income is due mainly to the rise in advertising income, and in subscription and news-stand sales. This is offset by a stronger rise in raw materials consumption and in services and other goods.

The fall in net financial income is largely explained by the conversion of an interest-bearing loan into capital.

Net extraordinary income reflects on the one hand losses of BEF 29.4 million following the termination of the "Roularta France" activities and the liquidation of the companies "RAR" and "Central Station", and on the other hand the reimbursement of the Maribel allowance of BEF 23.7 million.

Y2K

The transition to the year 2000 went ahead immaculately. Only a small number of minor hitches were discovered, which were quickly put right.

Outlook

The board of directors is looking to further extend the group's activities, among other things through the launch of "Focus Knack, Spijs&Drank, Sport Magazine and Metro". Other initiatives which will shortly be launched are a new business TV station "Channel Z" aimed at the French-speaking part of Belgium, extending the network of regional radio stations ("Topradio"), and the development of our Internet.

Important events after the end of the financial year

Since the end of the financial year on 31 December 1999, the company has taken over the newspaper "Het Wekelijks Nieuws", adding its readers to the present readership. This has allowed it to raise its advertising prices to reflect the larger circulation figures. No new fixed costs are involved in printing this further edition, only an additional variable cost of raw materials and wages.

Information about circumstances that could substantially influence the company's development

We do not anticipate any significant circumstances that could significantly influence the future development of our company.

Roeselare, 17 March 2000

The Board of Directors

Annual report of the board of directors

to the ordinary General Assembly of shareholders of 16 May 2000 concerning the annual accounts for the year ending on 31 December 1999

Dear Shareholders,

As required by Article 77 of the Consolidated Companies' Act, we are pleased to report to you on the activities of our company and our management during the past financial year ending on 31 December 1999.

Commentary on the annual accounts

The annual accounts have been drawn up in accordance with the law of 17 July 1975 concerning the accounting and annual accounts of enterprises and the implementing decrees thereto, and also the particular legal and regulatory provisions that apply to the company.

The valuation rules have not been changed since the previous financial year.

Roularta Media Group NV operates in three main areas:

- printed media
- audio-visual media
- other activities.

The balance sheet and the income statement, together with the various explanatory notes, offer you a general overview of the activities of our company, as well as the results achieved.

Substantial investments were carried out during the past year. The investments in intangible fixed assets relate to the purchase of software packages to ensure Y2K compliance, as well as packages for tracking production. The largest investments in tangible fixed assets relate to the renovation and fitting out of the editorial and journalist offices in the Brussels Media Centre. At the same time computer-to-plate equipment was installed for the magazines. The investment in financial fixed assets relates primarily to loans granted to the subsidiaries to enable them to carry out the scheduled investments.

Trade receivables rose by just 5.02%, reflecting only partly the 6.33% increase in turnover.

Current investments were fully applied to investments in tangible and financial fixed assets.

Trade payables rose at the end of the financial year owing to rising costs.

The net profit for the financial year of BEF 379,936,712 is made up, compared with 1998, of the following items:

(BEF thousands)	1999	1998
Operating income	+ 12.672.149	+ 11.917.310
Operating charges	- 11.961.665	-11.101.235
Operating profit	+ 710.484	+ 816.075
Financial income	+ 131.630	+ 78.664
Financial charges	- 102.224	- 114.115
Profit on ordinary activities before taxes	+ 739.890	+ 780.624
Extraordinary income	+ 162.320	+ 41.430
Extraordinary charges	- 302.186	- 574.312
Profit for the year before taxes	+ 600.024	+ 247.742
Transfers from/to deferred taxes	+ 10.946	+10.257
Taxes	- 234.420	- 154.654
Profit for the year	+ 376.550	+ 103.345
Transfers from untaxed reserves	+ 3.387	+3.849
Profit for the year available for appropriation	+ 379.937	+ 107.194

Operating income rose by 6.33% or BEF 754.8 million. This increase was achieved mainly in the printed media, whilst income from regional TV activities fell significantly in the absence of government orders. We also observe a significant growth in classified advertisements.

Purchases rose by 7.75 % or BEF 860.4 million. This is due to the relative rise in the cost of subcontracting. There were no major changes occurred in raw materials prices in 1999.

The rise in net financial income is largely explained by lower financial charges. Substantial income was also generated by the investment of the company's treasury surplus.

In 1999 the company recorded substantial extraordinary charges such as the repayment of the Maribel allowance in an amount of BEF 23.7 million and employers' contributions in respect of compensation of costs paid to staff members between 1994 to 1998. The capital losses on the disposals of fixed assets consist mainly of write-downs on the participations in and receivables from Roularta France SA, RAR in liquidation and Central Station in liquidation, which are being dissolved and liquidated. The other extraordinary charges relate primarily to the write-downs of the participations in Publiregioes LDA, A Nous Paris SA and Belgian Business Television NV.

Y2K

The transition to the year 2000 went ahead immaculately. Only a small number of minor hitches were discovered, which were quickly put right.

Outlook

The Board of Directors is looking to further expand activities, among other things through the launch of "Focus Knack, Spijs&Drank, Sport Magazine and Metro", and the starting up of the French-language business broadcaster "Channel Z".

Important events after the end of the financial year

Since the end of the financial year on 31 December 1999, the company has taken over the newspaper "Het Wekelijks Nieuws", adding its readers to the present readership. This allows it to raise advertising prices to reflect the larger circulation figures. No new fixed costs are involved in printing this further edition, only an additional variable cost of raw materials and wages.

Information about circumstances that could substantially influence the company's development

We do not anticipate any significant circumstances that could significantly influence the future development of our company.

Research and development

A project entitled "Media On-line" has been completed in cooperation with the KUL, Utimaco Belgium and the Institute for the Promotion of Innovation by Science and Technology in Flanders (IWT).

Given the success of Internet and the rapid development of telecommunications, we wish to further develop and extend on-line publishing.

At the same time we are developing the Itell 2000 text processing programme.

Capital increase

No capital increase took place during the financial year nor were any convertible bonds or warrants issued pursuant to Article 33bis, § 2 or 101ter § 3.

Own shares

The company acquired none of its own shares during the financial year.

Shares owned by a subsidiary

The company's subsidiaries do not own any shares in Roularta Media Group NV.

Branches

The company has no branches.

Application of Art. 60 of the Companies' Act

No decisions were taken by the Board of Directors during the financial year requiring the application of Art. 60 of the Companies' Act.

Appointment

The mandate of Deloitte & Touche Company Auditors CVBA as statutory auditor of Roularta Media Group NV expires on 16 May 2000. The Board proposes renewing the mandate of Deloitte & Touche Company Auditors BCV, represented by Mr Jos Vlamincx for a period of three years, until the General Assembly of the year 2003.

Allocation of profit

We propose that the profit to be appropriated, in an amount of BEF 382,464,674, be allocated as follows:

20,000,000 BEF	to the legal reserve
100,000,000 BEF	to the available reserve
70,243,994 BEF	carried forward to the next financial year
192,220,680 BEF	remuneration of capital

We propose paying to all shareholders a gross dividend of BEF 20 per share.

If you approve this proposal, we propose paying a net dividend of BEF 17 when coupon no. 2 is presented in conjunction with VVPR strip no. 2 and a net dividend of BEF 15 on ordinary shares. Dividends will be paid from 26 May 2000 through Bank Brussels Lambert, KBC Bank and Banque Degroof.

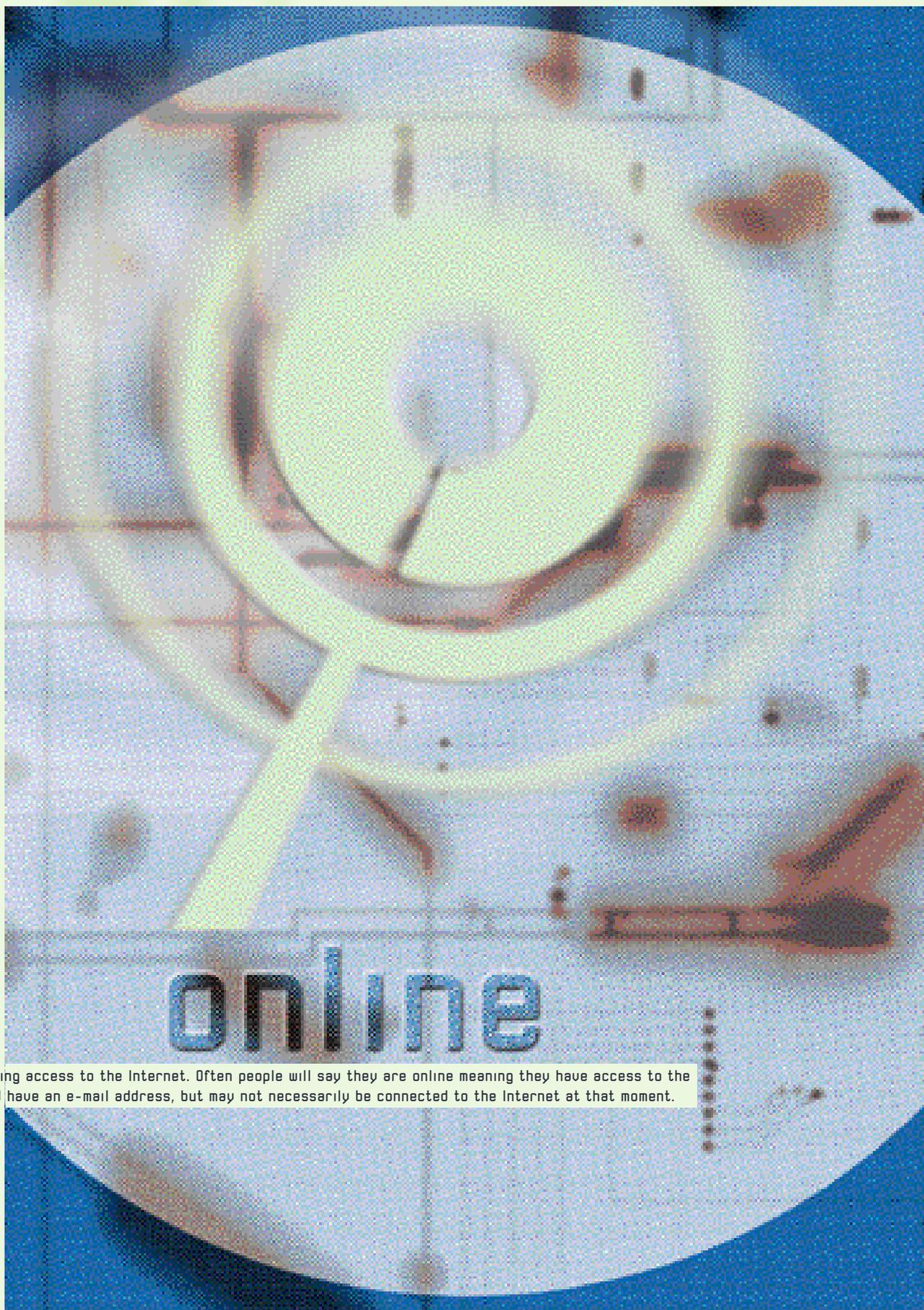
Discharge

We hereby ask the general meeting to approve the annual accounts as presented and to accept the proposed appropriation of profits. We also ask that it grant discharge to the directors and the statutory auditor of the company in respect of the exercise of their mandates.

We also ask you to approve the remuneration of the Board of Directors for the coming year in an amount of BEF 57.3 million.

Roeselare, 17 March 2000

The Board of Directors



ONLINE: Having access to the Internet. Often people will say they are online meaning they have access to the Internet and have an e-mail address, but may not necessarily be connected to the Internet at that moment.

Addresses of offices and subsidiaries

Offices

Seat Roeselare

Roularta Media Group
Krant van West-Vlaanderen
Regionale Televisie Regie
Telepro Nederlands

Meiboomlaan 33
Meensesteenweg 290
Kleine Weg 19-21
Diksmuidesteeweg 17

8800 Roeselare
8800 Roeselare
8800 Roeselare
8830 Hooglede

Seat Zellik

Roularta Media
Roularta Research
Roularta Conference Centre
Roularta Events
Roularta Seminars

Research Park De Haak
Research Park De Haak
Research Park De Haak
Research Park De Haak
Research Park De Haak

1731 Zellik
1731 Zellik
1731 Zellik
1731 Zellik
1731 Zellik

Seat Brussels

Brussels Media Centre

Raketstraat 50

1130 Brussel

De Streekkrant

Aalst
Antwerpen
Bornem
Brugge
Dendermonde
Drongen
Gent
Halle
Herentals
Kampenhout
Kortrijk
Leuven
Lier
Mechelen
Merchtem
Mol
Oostende
Roeselare
Sint-Niklaas
Turnhout
Vilvoorde
Zeel

Hopmarkt 31
Amerikalei 196 A
Boomstraat 77
Sint-Jorisstraat 20
Oude Vest 34
Brouwerijstraat 1
Vlaanderenstraat 42
Volpestraat 32
Fraikinstraat 7
Oudestraat 19
Doorniksewijk 83 B
Mgr. Ladeuzeplein 29
Antwerpsesteenweg 99
Consciencestraat 9
Osselstraat 66
Molderdijk 130
Torhoutsesteenweg 52-54
Henri Horriestraat 7
Kokkelbeekstraat 60
De Merodelei 153
J.B. Nowélei 45
Textielstraat 2

9300 Aalst
2000 Antwerpen
2880 Bornem
8000 Brugge
9200 Dendermonde
9031 Drongen
9000 Gent
1500 Halle
2200 Herentals
1910 Kampenhout
8500 Kortrijk
3000 Leuven
2500 Lier
2800 Mechelen
1785 Merchtem
2400 Mol
8400 Oostende
8800 Roeselare
9100 Sint-Niklaas
2300 Turnhout
1500 Vilvoorde
9240 Zeel

Offices

Steps

Antwerpen
Bornem
Brugge
Drongen
Halle
Kortrijk
Lier
Leuven
Mechelen
Roeselare
Turnhout

Baron D'Hanislaan 20
 Boomstraat 77
 Sint-Jorisstraat 20
 Brouwerijstraat 1
 Volpestraat 32
 Doorniksewijk 83 B
 Antwerpsesteenweg 99
 Mgr. Ladeuzeplein 29
 Consciencestraat 9
 Meiboomlaan 33
 De Merodelei 153

2000 Antwerpen
 2880 Bornem
 8000 Brugge
 9031 Drongen
 1500 Halle
 8500 Kortrijk
 2500 Lier
 3000 Leuven
 2800 Mechelen
 8800 Roeselare
 2300 Turnhout

Krant van West-Vlaanderen

Roeselare
Poperinge

Meensesteenweg 290
 Gasthuisstraat 57

8800 Roeselare
 8970 Poperinge

Subsidiaries

Business Unit

Title/Activities

ACADEMICI ROULARTA MEDIA NV

Londenstraat 20-22
 2000 ANTWERPEN

Books and annuals

Various annuals

A NOUS PARIS SA

10 Avenue de la Grande Armée
 F-75017 PARIS

Free local newspapers

A Nous Paris

BELGIAN BUSINESS TELEVISION NV

Raketstraat 50
 1130 BRUSSEL

Radio & TV

Kanaal Z

BELGOMEDIA SA

Rue des Grandes Rames 12
 4800 VERVIERS

Magazines

Télépro Frans

CINEMA ADVERTISING NV

Research Park De Haak
 1731 ZELLIK

Services

Billboards near to cinemas

CORPORATE MEDIA SOLUTIONS NV

Ingberthoeweg 3A
 2630 AARTSELAAR

Radio & TV

Sale & renting of
audiovisual installations

DE STREEKRAANT-DE WEEKRAANTGROEP NV

Meiboomlaan 33
 8800 ROESELARE

Free local newspapers

De Streekkrant, De Weekkrant
De Zondag

Subsidiaries

Business Unit

Title/Activities

DE WOONKIJKER NV

Rijnkaai 26
2000 ANTWERPEN

Radio en TV

De Woonkijker

DOLIMONT MEDIA SA

Rue de la Fusée 50
1130 BRUXELLES

Magazines

Baby

EDITOP NV

de Jamblinne de Meuxplein 10
1030 BRUSSEL

Books and annuals

Top 30.000, Top Building

EUROCASINO NV

Steylsstraat 119
1020 BRUSSEL

Services

EUROPEAN BUSINESS PRESS GROUP NV

Brasschaatsteenweg 308
2920 KALMTHOUT

Magazines

De Huisarts, Le Généraliste
Semper

FACILITEITEN NV

Meiboomlaan 33
8800 ROESELARE

Radio & TV

Television facilities
Businessfilms, Commercials

FINANCIERE WALTA SA

Av. Emile De Mot 19-21
1000 BRUXELLES

Magazines

Holding

FOCUS TELEVISIE NV

Industriezone 2
8490 JABBEKE

Radio & TV

Focus Televisie

GRIEG MEDIA AS

Valkendorfsgrt. 1A
N-5012 BERGEN

Magazines

VI over 60

HEXANE SA

Av. Emile de Mot 19
1000 BRUXELLES

Magazines

L'Eventail

INVESTNET CVBA

Wollestraat 2 bus 21
8790 WAREGEM

Services (Internet)

www.het.beleggers.net
www.investisseurs.net

LE VIF MAGAZINE SA

Rue de la Fusée 50 Boîte 6
1130 BRUXELLES

Magazines

Le Vif/L'Express
Weekend Le Vif/L'Express
Télévif

MEDIA AND COMMUNICATION SERVICES NV

Legeweg 2B
8490 JABBEKE

Radio & TV

Television facilities
Businessfilms, Commercials
Production of CD-Rom

Subsidiaries	Business Unit	Title/Activities
NEWSCO NV Raketstraat 50 Bus 12 1130 BRUSSEL	Services	Publiscopies
PARATEL NV Medialaan 1 1800 VILVOORDE	Services	Callcenter
PLOPSALAND NV De Pannelaan 68 8660 ADINKERKE	Services	Amusement park
PUBLINDUS NV de Jamblinne de Meuxplein 10 1030 BRUSSEL	Magazines	Industrie Cash! (NI)
PUBLIREGIOES LDA Rua Duque de Palmela 37-2dt P-1100 LISBOA	Free local newspapers	Jornal da Região
REGIE DER INFORMATIEWEEKBLADEN CVBA Paepsemalaan 22 bus 8 1070 BRUSSEL	Services	Advertising sales house
REGIONALE TV MEDIA NV Research Park De Haak 1731 ZELLIK	Radio & TV	National advertising sales house for local TV broadcasters
ROESELARSE OMROEP MAATSCHAPPIJ NV Melboomlaan 33 8800 ROESELARE	Radio & TV	Local radio station
ROULARTA BOOKS NV Raketstraat 50 1030 BRUSSEL	Books and annuals	Books (sport, business) Media Club
ROULARTA PRINTING NV Melboomlaan 33 8800 ROESELARE	Graphic production	Printing
SCRIPTA NV E. Jacquainlaan 127 1000 BRUSSEL	Services	National sales house for dailies
SENIOR PUBLICATIONS SA Rue de la Concorde 33 1050 BRUXELLES	Magazines	Onze Tijd / Notre Temps
SENIOR PUBLICATIONS NEDERLAND BV Olmenlaan 26 NL-1404 DG BUSSUM	Magazines	Plus
SPORTMAGAZINE NV Raketstraat 50 Bus 5 1130 BRUSSEL	Magazines	Voetbal Magazine / Foot Magazine Sport Magazine

Subsidiaries

Business Unit

Title/Activities

STYLE MAGAZINE BV

Paardeweide 2-4
NL-4824 EH BREDA

Free local newspapers

Style

TOP CONSULT SA

Rue de la Fusée 50
1130 BRUXELLES

Services

National advertising sales house

TRENDS MAGAZINE NV

Raketstraat 50 Bus 4
1130 BRUSSEL

Magazines

Trends, e-Trends, Trends Review
Trends Top 5000
Trends International
Bizz

TUANKEY NV

Legeweg 2B
8490 JABBEKE

Radio & TV

Consultancy regarding
television programmes and
television channels. Production
of international documentaries

TV STUDIO HOLLAND BV

Pieter Goedkoopweg 10
NL-2031 EL HAARLEM

Radio & TV

Businessfilms, Commercials

UITGEVERIJ DE CUYPER NV

Meiboomlaan 33
8800 ROESELARE

Free local newspapers

De Zondag

VACATURE CVBA

Technologiestraat 1
1082 SINT AGATHA BERCHEM

Magazines

Vacature

VLAAMSE MEDIA HOLDING NV

Brusselsesteenweg 347
1730 ASSE

Radio & TV

Holding

VLAAMSE MEDIA MAATSCHAPPIJ NV

Medialaan 1
1800 VILVOORDE

Radio & TV

National commercial television
VTM, Kanaal 2
Top Radio, Radio Mango

VLAAMSE TIJDSCHRIFTEN UITGEVERIJ NV

Raketstraat 50 Bus 2
1130 BRUSSEL

Magazines

Knack, Weekend Knack
Focus Knack
Spijs & Drank

VOGUE TRADING VIDEO NV

P. Verhaeghestraat 8
8520 KUURNE

Radio & TV

Television facilities
Duplication of videos
Replication of CD, CD Rom, DVD

UTV PRINT NV

Pieter Verhaeghestraat 8
8520 KUURNE

Graphic production

Sheet printing

WEST-VLAAMSE MEDIA GROEP NV

Meiboomlaan 33
8800 ROESELARE

Kranten

Krant van West-Vlaanderen

WEST-VLAAMSE RADIO NV

Meiboomlaan 33
8800 ROESELARE

Radio & TV

Local radio stations



SITE: A place on the Internet. Every web page has a location where it resides which is called it's site. And, every site has an address usually beginning with "http://."

The Roularta Media Group Share

ROULARTA MEDIA GROUP CONSOLIDATED HIGHLIGHTS PER SHARE

DESCRIPTION	BEF			EUR		
	1997	1998	1999	1997	1998	1999
Operating p3rofit - EBIT	56	121	119	1,39	3,00	2,95
Shareholder's equity	194	489	522	4,81	12,12	12,94
Result per share - Group's share	3	34	50	0,07	0,84	1,24
EBITDA	167	221	207	4,14	5,48	5,13
Gross cashflow per share	135	141	157	3,35	3,50	3,89
Current cashflow per share	125	169	158	3,10	4,19	3,92
Gross dividend		15	20		0,37	0,50
Net dividend		12,75	15,00		0,32	0,37
Numbre of shares issued	8.277.700	9.611.034	9.611.034	8.277.700	9.611.034	9.611.034
Subscription price		1.500			37,18	
Highest share price		1.950	2.945		48,34	73,00
Share price at year end		1.780	2.620		44,13	64,95
Price / Net Earning Ratio at 31.12		19,81	28,78		19,81	28,78
Price / Net Cashflow Ratio at 31.12		10,56	16,55		10,56	16,55
Market capitalisation (in millions)		17.108	25.181		424,10	624,22
Yearly volume (in millions)		864	2.607		21,42	64,63
Yearly volume (in numbers)		464.257	1.145.756		464.257	1.145.756

