Roularta Media Group

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PRESS RELEASE

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ROULARTA CONTINUES TO GROW IN DIFFICULT MARKET CONDITIONS

Key figures for the first half of 2008

- **Sales** rose 5% from EUR 390.4 million to EUR 409.8 million.
- **EBITDA** fell 8.7% from EUR 46.1 million to EUR 42.1 million. EBITDA margin was 10.3% compared with 11.8% in H1 2007.
- **EBIT** was down 15% from EUR 33.7 million to EUR 28.7 million. EBIT margin was 7.0 % compared with 8.6% in H1 2007.
- **RMG's net profit** is EUR 13.7 million compared with EUR 16.1 million in H1 2007, with a margin of 3.3% as against 4.1%.
- **Net current profit** is EUR 14.0 million compared with EUR 18.9 million in H1 2007; **current cash flow** is EUR 27.1 million as against EUR 28.9 million in H1 2007.

- **Earnings per share** are down from EUR 1.49 in H1 2007 to EUR 1.29 in H1 2008.

These results are discussed in greater detail by division below.

Consolidated Q2 2008 sales

In the second quarter of 2008 Roularta Media Group posted consolidated sales of EUR 208.6 million, compared with EUR 196.8 million in Q2 2007 (+ 6%).

Consolidated sales by division (in KEUR)

Division	Q2 2007	Q2 2008	Change %
Printed Media	151,814	160,385	+ 5.6%
Audiovisual Media	46,673	50,271	+ 7.7%
Intersegment sales	- 1,718	- 2,086	
Consolidated sales	**196,769**	**208,570**	**+ 6.0%**

H1 2008 results by division

PRINTED MEDIA

Sales by the Printed Media division rose by EUR 16.8 million from EUR 302.0 to 318.8 million (+ 5.6%). EUR 2.6 million of this increase came from the new acquisitions, including Data News, Effect, Het Gouden Blad, Apothekerskrant and Tandartsenkrant. Another EUR 0.6 million reflects changes in ownership percentages. On top of this sales of existing products increased by 4.6%.

Freesheet sales rose by 6.1%, of which 3.3% from the acquisitions of Effect and Het Gouden Blad and our increased shareholdings in A Nous Province and Algo Communication. The existing freesheets De Streekkrant and De Weekkrant, the Steps City magazines and De Zondag grew by a further 2.8%.

Advertising turnover at the Krant van West-Vlaanderen remained essentially unchanged.

Magazine advertising income rose by 3.9%: 0.9% from new participating interests and 3.0% from existing titles.

Website advertising income rose by 43%.

The readers' market advanced by 6%, due entirely to the growth of almost all existing titles.

Operating cash flow (EBITDA) was down from EUR 29.6 to 28.6 million (-3.4%), with a margin of 9.0% compared with 9.8% in H1 2007. Operating profit (EBIT) was 9.2% lower at EUR 18.3 million (H1 2007: EUR 20.1 million), giving a margin of 5.7% compared with 6.7% in the first half of 2007. The net profit of the division amounted to EUR 7.7 million compared with EUR 7.8 million in H1 2007 (-1.5%).

The margins and net result of the Printed Media division were negatively influenced by a number of factors.

Starting up three new printing presses and the related finishing equipment at the new Roeselare print works brought extraordinary expenditure, including additional paper consumption, temporary outsourcing of printing jobs, training costs and employee overtime.

We also experienced a general increase in promotion, transport, energy and personnel costs.

A capital gain of EUR 4.5 million was achieved on the sale of the participation in Grieg Media (Vi over 60 seniors magazine in Norway).

Financing costs rose by a net EUR 0.6 million. On the one hand financing charges rose with the lease agreements on the new finishing machines, the building of the new print shop at Roeselare and the buying in of treasury shares. On the other hand there was a net positive effect from a sale and the valuation of swap contracts.

The tax pressure continues to be influenced by tax losses that are not recoverable in the short term, and in respect of which no deferred tax assets have been recorded.

AUDIOVISUAL MEDIA

Sales by the Audiovisual Media division rose from EUR 92.0 to 95.0 million (+ 3.3%). 2.1% of this rise comes from the acquisition of 4 FM radio and 1.2% is internal growth.

Vlaamse Media Maatschappij grew by a further 5.9%, with increased sales at both the TV stations and radio station Q-Music.

Optical disk sales fell by 39%, in part due to the discontinuation of the distribution contract with Carrefour and in part to a fall in DVD and CD replication income owing to difficult market circumstances.

Operating cash flow (EBITDA) fell by 18.1% from EUR 16.5 to 13.5 million. Operating profit (EBIT) reduced 23.6% from EUR 13.6 to 10.4 million, giving a margin of 10.9% compared with 14.8% in H1 2007.
Net profit for the division was EUR 6.0 million against EUR 8.3 million in H1 2007 (- 27.6%).

This lower profit is due mainly to higher broadcasting costs at VMMa (including series), the reprofiling of 2BE (films), the relaunch of 4 FM radio and reduced income from phone-in games.

Balance sheet

Equity at 30 June 2008 was EUR 300.0 million compared with EUR 296.3 million at 31 December 2007.
Capital has risen by EUR 0.3 million with two warrant exercises, one on 7 January and the other on 21 May 2008.
The ‘treasury shares’ item, which is deducted from equity, has risen by EUR 4 million with the purchase of treasury shares intended for the option plan concluded at the end of March. Consolidated reserves have increased by a net EUR 5.7 million, being the balance of earnings for the first half (EUR 13.7 million) less dividends paid (EUR 8.0 million). Capital reserves have risen by EUR 0.7 million as a result of share-based payments. Revaluation surpluses have risen by EUR 1.3 million owing to an increase in the net positive market value of cash flow hedges. Minority interests have fallen by EUR 0.2 million.

At 30 June 2008, net financial debt stood at EUR 230.9 million, down EUR 16.8 million at 31 December 2007. This gives a gearing (net financial debt to equity) of 77.0% compared with 83.6% at 31 December 2007.

Investments (CAPEX)

EUR 23.0 million was invested in the first half of 2008, of which EUR 3.2 million in intangible assets, EUR 18.2 million in tangible fixed assets (mainly the new building and new machinery for the printing works) and EUR 1.6 million in acquisitions.

Changes in the composition of the group

The following acquisitions and sales affect the comparison between H1 2008 and H1 2007 figures:
Acquisition of 50% of Zefir Carrières SNC in Q2 2007;
Acquisition of 50% of Vlacom NV and 4FM Groep NV in Q2 2007;
Acquisition of 100% of Opportunity to Sell SPRL in Q2 2007;
Acquisition of 50% of Actuapedia NV in Q3 2007;
50% shareholding in newly-founded Actuamedia NV in Q3 2007;
Acquisition of 100% of Fnap Media NV in Q4 2007;
Acquisition of an additional 50% in Algo Communication SARL and A Nous Province SAS in Q4 2007;
Acquisition of 50% of Travelmedia NV in Q1 2008;
Acquisition of 100% of Het Gouden Blad BVBA in Q1 2008;
Acquisition of 50% of CTR Media NV in Q1 2008;
Constitution of Tvoj Magazin (Step City Magazine in Croatia) in Q1 2008;
Sale of the shareholding in Paginas Longas Lda. in Q1 2008;
Sale of the shareholding in Grieg Media in Q2 2008.

In Q2 2007 Roularta Media Group NV also acquired the business assets of Data News, Texbel, Tailor Made and related websites.

The following participating interests and business area, acquired at the end of June 2008, will be included in the consolidated figures only from the second half of 2008 onwards:
Acquisition of an additional 25% in Bayard Media GmbH;
Acquisition of 50% of JM Sailer Verlag GmbH;
Acquisition of 25% of Living & More Verlag GmbH;
Acquisition of 50% of the magazine division of Verlagsgruppe Weltbild GmbH
Together these represent annual sales of EUR 12 million for the RMG Group.

Interim financial reporting

A full report on the half-year results can be found on our website www.roularta.be/en/investor info under Financial > Quarterly Information>30-06-2008>interim financial reporting.

Prospects

After a somewhat slow start, Roularta can boast a positive development of sales in the second quarter.

During the second semester the group will be continuing to work on cost saving measures in various areas.

Added to this, for the second half, start-up costs for the new installations at Roularta Printing will be lower. The first positive results of the upgrading will also begin to make themselves felt.

Overall, Roularta is expecting a good result for the second half, with annual figures at least on a par with 2007, not least because of the many non-recurrent extraordinary expenses recorded at the end of 2007 in France.

In the meantime measures have been taken in respect of the expected cost increases.

New initiatives with the existing print brands are continuing to bring growth.

The advertising market remains stable for both the print and audiovisual activities. New activities like video on demand and Jim Mobile (telephony) at VMMa provide fresh sources of income. The TV programming is guaranteeing strong viewer figures.

Advertising income on the internet sites is growing by over 40 percent in Belgium and slightly less in France, but is not yet significant in absolute terms.

Statutory auditor's report

We have performed a limited review of the accompanying consolidated balance sheet, income statement, cash flow statement, statement of changes in equity and selective notes 7.1 to 7.18 (jointly the “interim financial information”) of ROULARTA MEDIA GROUP NV (“the company”) and its subsidiaries (jointly “the group”) for the six months period ended 30 June 2008. The board of directors of the company is responsible for the preparation and fair presentation of this interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

The interim financial information has been prepared in accordance with IAS 34, “Interim Financial Reporting” as adopted by the EU.

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

Based on our limited review, nothing has come to our attention that causes us to believe that the interim financial information for the six months period ended 30 June 2008 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Kortrijk, 20 August 2008

The statutory auditor

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ROULARTA MEDIA GROUP

CONSOLIDATED KEY FIGURES

in EUR '000	30/06/07	30/06/08	% evol.
INCOME STATEMENT			
Sales	**390.406**	**409.819**	**+ 5,0%**
Operating cash flow (EBITDA)	**46.059**	**42.064**	**- 8,7%**
Operating profit (EBIT)	**33.716**	**28.670**	**- 15,0%**
Net finance costs	-5.957	-6.643	+ 11,5%
Operating profit after net finance costs	**27.759**	**22.027**	**- 20,6%**
Income taxes	-11.353	-8.325	- 26,7%
Share in the profit of the companies accounted for using the equity method	-27	-32	
Net profit of the consolidated companies	**16.379**	**13.670**	**- 16,5%**
Attributable to minority interest	324	13	
Attributable to equity holders of Roularta Media Group	**16.055**	**13.657**	**- 14,9%**
EBITDA (1)	46.059	42.064	- 8,7%
EBITDA (margin)	11,8%	10,3%	
EBIT	33.716	28.670	- 15,0%
EBIT (margin)	8,6%	7,0%	
Net profit attributable to equity holders of RMG	16.055	13.657	- 14,9%
Net profit attributable to equity holders of RMG (margin)	4,1%	3,3%	
Net current profit (2)	18.875	13.952	- 26,1%
Current cash flow (3)	28.901	27.051	- 6,4%
CONSOLIDATED KEY FIGURES PER SHARE			
EBITDA	4,28	3,98	
EBIT	3,13	2,71	
Net profit attributable to equity holders of RMG	1,49	1,29	
Net profit attributable to equity holders of RMG after dilution	1,47	1,28	
Net current profit	1,75	1,32	
Current cash flow	2,68	2,56	
Weighted average number of shares	10.768.320	10.579.411	
Weighted average number of shares after dilution	10.915.284	10.637.264	

BALANCE SHEET	**31/12/07**	**30/06/08**	**% evol.**
Non current assets	687.076	707.227	+ 2,9%
Current assets	321.890	348.014	+ 8,1%
Balance sheet total	1.008.966	1.055.241	+ 4,6%
Equity - Group's share	283.675	287.636	+ 1,4%
Equity - minority interests	12.600	12.412	- 1,5%
Liabilities	712.691	755.193	+ 6,0%
Liquidity (4)	1,0	1,0	+ 0,0%
Solvency (5)	29,4%	28,4%	- 3,4%
Net financial debt	247.745	230.933	- 6,8%
Gearing (6)	83,6%	77,0%	- 7,9%
Number of employees at closing date (7)	3.134	3.199	+ 2,1%

(1) EBITDA = EBIT + depreciations, write-downs and provisions.

(2) Net current profit = net profit attributable to equity holders of RMG + impairment losses + restructuring costs net of taxes

(3) Current cash flow = net current profit + depreciation of (in)tangible assets, write-downs and provisions.

(4) Liquidity = current assets / current liabilities

(5) Solvency = equity (Group's share + minority interests) / balance sheet total.

(6) Gearing = net financial debt / equity (Group's share + minority interests).

(7) Joint ventures proportionally included.

ROULARTA MEDIA GROUP

CONSOLIDATED KEY FIGURES BY DIVISION

	PRINTED MEDIA		
in EUR '000	**30/06/07**	**30/06/08**	**% evol.**
INCOME STATEMENT			
Sales	**301.950**	**318.769**	**+ 5,6%**
Operating cash flow (EBITDA)	**29.589**	**28.571**	**- 3,4%**
Operating profit (EBIT)	**20.120**	**18.279**	**- 9,2%**
Net finance costs	-5.768	-6.390	+ 10,8%
Operating profit after net finance costs	**14.352**	**11.889**	**- 17,2%**
Income taxes	-5.995	-3.927	- 34,5%
Share in the profit of the companies accounted for using the equity method	-27	-32	
Net profit of the consolidated companies	**8.330**	**7.930**	**- 4,8%**
Attributable to minority interest	539	254	
Attributable to equity holders of Roularta Media Group	**7.791**	**7.676**	**- 1,5%**
EBITDA (1)	29.589	28.571	- 3,4%
EBITDA (margin)	9,8%	9,0%	
EBIT	20.120	18.279	- 9,2%
EBIT (margin)	6,7%	5,7%	
Net profit attributable to equity holders of RMG	7.791	7.676	- 1,5%
Net profit attributable to equity holders of RMG (margin)	2,6%	2,4%	
Net current profit (2)	10.611	7.971	- 24,9%
Current cash flow (3)	17.763	17.968	+ 1,2%

	AUDIOVISUAL MEDIA		
in EUR '000	**30/06/07**	**30/06/08**	**% evol.**
INCOME STATEMENT			
Sales	**91.997**	**95.006**	**+ 3,3%**
Operating cash flow (EBITDA)	**16.472**	**13.493**	**- 18,1%**
Operating profit (EBIT)	**13.596**	**10.391**	**- 23,6%**
Net finance costs	-188	-253	+ 34,6%
Operating profit after net finance costs	**13.408**	**10.138**	**- 24,4%**
Income taxes	-5.358	-4.398	- 17,9%
Share in the profit of the companies accounted for using the equity method	0	0	
Net profit of the consolidated companies	**8.050**	**5.740**	**- 28,7%**
Attributable to minority interest	-215	-241	
Attributable to equity holders of Roularta Media Group	**8.265**	**5.981**	**- 27,6%**
EBITDA (1)	16.472	13.493	- 18,1%
EBITDA (margin)	17,9%	14,2%	
EBIT	13.596	10.391	- 23,6%
EBIT (margin)	14,8%	10,9%	
Net profit attributable to equity holders of RMG	8.265	5.981	- 27,6%
Net profit attributable to equity holders of RMG (margin)	9,0%	6,3%	
Net current profit (2)	8.265	5.981	- 27,6%
Current cash flow (3)	11.141	9.083	- 18,5%

(1) EBITDA = EBIT + depreciations, write-downs and provisions.
(2) Net current profit = net profit attributable to equity holders of RMG + impairment losses + restructuring costs net of taxes
(3) Current cash flow = net current profit + depreciation of (in)tangible assets, write-downs and provisions.