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## PRESS RELEASE

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### ROULARTA POSTS FURTHER GROWTH IN 2004 AND RAISES DIVIDEND BY 50%

#### Financial highlights of 2004

The following developments took place in comparison with 2003:

- **Turnover** rose by 14.1% from EUR 437.6 million to EUR 499.2 million.
- **EBIT** increased by 6.2% from EUR 43.6 million to EUR 46.3 million. The EBIT margin was 9.3% (2003: 10%).
- **Net profit** was up 6.5% from EUR 25.6 million to EUR 27.2 million, representing a margin of 5.5% compared with 5.8% in 2003.
- **Net current profit** rose from EUR 27.0 million to EUR 28.7 million (+ 6.4 %)
- **Current cash flow** increased from EUR 42.4 million to EUR 46.0 million (+ 8.4%).
- **Healthy financial structure:** net financial debt has fallen from EUR 22.6 million at 31 December 2003 to EUR 12.2 million at 31 December 2004, giving a gearing of 5.7% as against 11.9% in 2003.

Two elements distorted annual earnings at the end of 2004.

Following a change in strategy by the French acquirer, the sale of the A Nous Paris shares was undone in 2004. This called for the reversal of the EUR 1.8 million capital gain recorded in 2003, pushing down the 2004 profit compared with 2003 by EUR 3.6 million.

A very strict and cautious valuation of the inventory of film rights at VMMA was carried out at 31.12.2004, based on the 'second runs' capacity of these films and taking into account the period within which the films may be transmitted. In establishing the impairment, account was taken for the first time of the broadcasting rights expiring over a three year period. This resulted in a write-down in 2004 of EUR 1.8 million.

The first IFRS reworking in 2003 includes only an estimated inventory correction, and then only for one year. This reduction in value was corrected in 2003 in the opening balance at 1 January 2003.

Leaving aside these elements we arrive at the following recurrent earnings results:

in EUR '000	31-12-03	31-12-04	% change
<b><u>Recurrent EBITDA</u></b>			
EBITDA	59,530	64,850	+ 8.9%
Recurrent EBITDA	57,755	68,405	+ 18.4%
Recurrent EBITDA (margin)	13.2%	13.7%	
<b><u>Recurrent EBIT</u></b>			
EBIT	43,634	46,344	+ 6.2%
Recurrent EBIT	41,859	49,899	+ 19.2%
Recurrent EBIT (margin)	9.6%	10.0%	
<b><u>Recurrent net profit</u></b>			
Net profit	25,567	27,233	+ 6.5%
Recurrent net profit	23,792	30,183	+ 26.9%
Recurrent net profit (margin)	5.4%	6.0%	

The effect of these two elements was recorded in the fourth quarter of 2004.

The fourth quarter also produced robust growth in both the Printed Media (+13%) and the Audiovisual Media (+10.2%) divisions.

Printed Media also posted improved fourth quarter earnings (REBIT +9.6%), but earnings in the Audiovisual Media were disappointing, owing to additional programming efforts by VTM and KANAALTWEE and to lower advertising income than in the exceptionally strong last quarter of 2003.

## **IFRS**

As already announced in the press releases presenting figures for the previous quarters of 2004, this year RMG is publishing its first consolidated figures in accordance with the International Financial Reporting Standards (IFRS), the International Accounting Standards (IAS) and the interpretations issued by the IASB's Standing Interpretations Committee. RMG applies all IFRS standards that have been approved until now. The new and adapted standards that have to be applied as from the financial year beginning on 1 January 2005 are being applied in advance by RMG, with the exception of IFRS 2 'Share-based Payment'. Comparative figures for 2003 have been restated in line with the valuation rules that apply from 2004 onwards.

In RMG's case, the application of IFRS impacts primarily:

- the valuation of intangible and tangible fixed assets
- the valuation of film rights
- latent tax assets and liabilities.

The IFRS 3 standard and the corresponding adaptations of IAS 36 and IAS 38 state that titles and consolidation goodwill have an indefinite life. These assets are therefore no longer depreciated, and an annual impairment test is applied to see whether special reductions in value are required.

The IFRS valuation rules and the reworked figures for 2003 are available on [www.roularta.be/en/investor\\_info](http://www.roularta.be/en/investor_info) under Financial > Quarterly Information.

### **Consolidated results for 2004**

Turnover rose by 14.1% from EUR 437.6 to 499.2 million. EUR 38.2 million or 8.7% is organic growth and 5.4% comes from acquisitions in the Printed Media division. 55.5% of the organic growth came from the Audiovisual Media division, with strongly increased turnover at Vlaamse Media Maatschappij and its Paratel subsidiary, also at Vogue Trading Video and at Kanaal Z/Canal Z. The organic growth in Printed Media came both from freesheets and magazines.

EBITDA rose by 8.9% from EUR 59.5 to EUR 64.9 million and the operating result (EBIT) by 6.2% from EUR 43.6 to 46.3 million. Omitting non-recurrent results, EBITDA rose by 18.4% from EUR 57.8 to 68.4 million and operating profit (EBIT) by 19.2% from EUR 41.9 to 49.9 million. The related margins increased from 13.2% to 13.7% (EBITDA) and from 9.6% to 10% (EBIT).

Net profit was up 6.5% from EUR 25.6 to EUR 27.2 million, representing a margin of 5.5%. Omitting non-recurrent results, net profit rose from EUR 23.8 to 30.2 million (+26.9%), with a margin of 6% compared with 5.4% in 2003.

Net current profit rose from EUR 27.0 million to EUR 28.7 million (+ 6.4%) Net current cash flow increased by 8.4% from EUR 42.4 to 46.0 million.

Net current profit per share rose from EUR 2.77 to EUR 2.90.

### **2004 results by division**

#### **PRINTED MEDIA**

Turnover of Printed Media rose by EUR 40.5 million from EUR 291.2 to 331.7 million (+13.9%). EUR 23.3 million of this increase comes from the newly acquired Studio Magazine, Media Office, DMB Balm and Press News, the increase from 50% to 100% of the participation in the Studio Press group, the acquisition of new titles in the Roularta Professional Information division and the launch of new City Magazines in France and Slovenia. On top of this sales of existing products increased by 5.9 %.

Freesheets rose significantly by 7.9% with the further expansion of De Zondag and Steps City Magazine, as well as continuing growth at De Streekkrant/De Weekkrant.

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

Advertising income from the magazines rose by 13.8%: 9.7 % from new acquisitions and 4.1% from existing titles.

The readers' market advanced 19.2%, mainly from new titles, but also 5.2% from growth of existing titles.

Leaving aside the non-recurrent results in the Printed Media division we arrive at the following results:

operating profit (EBIT) rose by 12.9% from EUR 26.9 to 30.4 million, parallel with the rise in turnover. EBITDA grew from EUR 36.9 to 41.8 million (+13.1%), also in line with turnover. Net profit was EUR 18.2 million against EUR 15.8 million in 2003 (+15.5%).

## AUDIOVISUAL MEDIA

Turnover in the Audiovisual Media division rose by 13.8% from EUR 153.1 to 174.2 million, reflecting strong increases at Vlaamse Media Maatschappij and its Paratel subsidiary. Kanaal Z/Canal Z continues to grow. Vogue Trading Video's optical disks department ended 2004 21% ahead of 2003.

Leaving aside the non-recurrent results in the Audiovisual Media division we arrive at the following results:

Operating profit (EBIT) rose from EUR 14.9 million to 19.5 million, taking the EBIT margin to 11.2% as against 9.7% in 2003. EBITDA rose from EUR 20.8 million to 26.6 million. Net profit rose from EUR 8.0 to 12.0 million (+49.2%).

Major programming efforts pushed up production costs at Vlaamse Media Maatschappij significantly compared with 2003. Radio Q-Music posted robust growth.

## Investments (CAPEX)

Total capex in 2004 amounted to EUR 37.5 million, with EUR 23.0 million spent on tangible and intangible fixed assets and EUR 14.5 million on acquisitions.

## Dividend

The Board of Directors will be proposing to the General Meeting of 17 May 2005 that it declare a dividend of EUR 0.75 per share. This is 50% more than last year.

## Commentary

The following acquisitions and divestments affect the comparison between 2004 and 2003 figures:

### 2003

Acquisition of the Biblo group, sale of Prometheus NV, sale of Vacature Cvba.  
Recording of the sale of A Nous Paris SAS.

### 2004

Acquisition of Keesing Professional Information, Media Office NV, Studio Magazine SA, DMB Balm SAS, Press News NV.

Increased ownership percentage in the Studio Press group.

Reduced shareholding in 'Lenz' following its merger with 'Frau im Leben'.

Formation of Mestne Revije d.o.o. and A Nous Province SAS.

Reversal of the sale of the participating interest in A Nous Paris SAS.

Further detailed explanations of the annual figures are available on [www.roularta.be/en/investor\\_info](http://www.roularta.be/en/investor_info) under Financial > Quarterly Information.

## **Guidance for 2005**

RMG expects further growth from its printed media (magazines and freesheets) in Belgium and abroad, both organically and through acquisitions. Turnover and earnings should grow, in particular in France now that Studio Press (film and music) and Editions Art de Vivre (lifestyle) have each put a transitional year with the necessary adaptations behind them. Côté Maison's acquisition of Maison Madame Figaro will also enable it to post even better earnings.

The expansion of the City magazines in France is proceeding to plan.

The year also got off to a good start in Belgium, both in job ads ('Streekpersoneel' in De Streekkrant, 'Top Talent' in De Zondag, Knack and Trends and 'Références' in Le Vif/L'Express and Trends/Tendances), and in commercial advertising. The readers' market is growing, with add-on products providing new income.

The outlook for radio (Q-Music and 4 FM, for which VMMA now also provides advertising management services) is outstanding, with these stations already reaching 51.5% of all 12-44 year olds at the start of 2005.

TV activities will grow in VMMA's new pay TV market, thanks to the operating agreement reached with the cable companies concerning the former Canal+ Vlaanderen.

The advertising market for VTM and KANAALTWEE got off to a hesitant start in 2005, but investments in programming have given these two VMMA stations a good 35% market share, laying the basis for a healthy future.

Positive results are expected from business news station Kanaal Z/Canal Z and the regional TV activities.

The internet initiatives around the Knack.be, Le Vif.be and Trends.be portal sites are evolving positively, and the cooperation with vln.be for French-speaking Belgium is opening new prospects for easy.be, the RMG site for real estate, cars and job ads.

## **Statutory Auditor's report**

The statutory auditor has confirmed that his audit procedures, which have been substantially completed, have revealed no material adjustments that would have to be made to the accounting information included in this press release.

Deloitte & Touche Chartered Accountants, represented by Jos Vlamincx.

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**ROULARTA MEDIA GROUP**  
**CONSOLIDATED KEY FIGURES IN ACCORDANCE WITH THE IFRS STANDARDS**

in EUR '000	31-12-03	31-12-04	evolution
<b>INCOME STATEMENT</b>			
<b>Sales</b>	<b>437.613</b>	<b>499.164</b>	<b>+ 14,1%</b>
<b>Recurrent operating result (REBIT)</b>	<b>41.859</b>	<b>49.899</b>	<b>+ 19,2%</b>
<b>Operating result (EBIT)</b>	<b>43.634</b>	<b>46.344</b>	<b>+ 6,2%</b>
Interests (net)	-2.335	-1.589	- 31,9%
Income taxes	-15.436	-16.835	+ 9,1%
<b>Net result of the consolidated companies</b>	<b>25.863</b>	<b>27.920</b>	<b>+ 8,0%</b>
Share in the result of the companies accounted for using the equity method	260	324	+ 24,6%
Share of third parties	-556	-1.011	+ 81,8%
<b>Recurrent net result</b>	<b>23.792</b>	<b>30.183</b>	<b>+ 26,9%</b>
<b>Net result</b>	<b>25.567</b>	<b>27.233</b>	<b>+ 6,5%</b>
REBITDA (1)	57.755	68.405	+ 18,4%
REBITDA (margin)	13,2%	13,7%	
REBIT	41.859	49.899	+ 19,2%
REBIT (margin)	9,6%	10,0%	
EBITDA	59.530	64.850	+ 8,9%
EBITDA (margin)	13,6%	13,0%	
EBIT	43.634	46.344	+ 6,2%
EBIT (margin)	10,0%	9,3%	
Recurrent net result	23.792	30.183	+ 26,9%
Recurrent net result (margin)	5,4%	6,0%	
Net result	25.567	27.233	+ 6,5%
Net result (margin)	5,8%	5,5%	
Net current result (2)	26.970	28.690	+ 6,4%
Current cash flow (3)	42.448	46.014	+ 8,4%
<b>CONSOLIDATED KEY FIGURES PER SHARE</b>			
REBITDA	5,93	6,90	
REBIT	4,30	5,04	
EBITDA	6,11	6,55	
EBIT	4,48	4,68	
Recurrent net result			
Net result	2,63	2,75	
Net result after dilution	2,59	2,71	
Net current result	2,77	2,90	
Current cash flow	4,36	4,64	
Gross dividend	0,50	0,75	
Weighted average number of issued shares	9.739.176	9.907.990	
Weighted average number of shares after dilution	9.861.122	10.053.155	

<b>BALANCE SHEET</b>	<b>31-12-03</b>	<b>31-12-04</b>	<b>evolution</b>
Non current assets	198.602	220.728	+ 11,1%
Current assets	206.912	218.438	+ 5,6%
Total balance	405.514	439.166	+ 8,3%
Equity - group's share	177.266	200.089	+ 12,9%
Equity - minority interests	13.675	14.618	+ 6,9%
Liabilities	214.573	224.459	+ 4,6%
Liquidity (4)	1,3	1,3	+ 0,0%
Solvency (5)	47,1%	48,9%	+ 3,8%
Net financial debt	22.643	12.243	- 45,9%
Gearing (6)	11,9%	5,7%	- 52,1%
Return on equity (7)	14,4%	13,6%	- 5,6%
Number of employees at closing date (8)	2.035	2.179	+ 7,1%

- (1) REBITDA = EBITDA + non-recurrent items, i.e. reversal of sale of A Nous Paris shares and one-off reduction in value on the inventory of film rights.
- (2) Net current result = net result + impairment losses on titles and consolidation goodwill + restructuring costs net of taxes.
- (3) Current cash flow = net current result + depreciations on intangible and tangible assets, amortizations and provisions.
- (4) Liquidity = current assets / short term liabilities.
- (5) Solvency = equity (group + minority interests) / total balance.
- (6) Gearing = net financial debt / equity (group + minority interests).
- (7) Return on equity = net result / equity (group).
- (8) Joint-ventures included proportionally.

ROULARTA MEDIA GROUP

CONSOLIDATED KEY FIGURES PER DIVISION IN ACCORDANCE WITH THE IFRS STANDARDS

in EUR '000	PRINTED MEDIA		
	31-12-03	31-12-04	evolution
<b>INCOME STATEMENT</b>			
Sales	291.204	331.656	+ 13,9%
Recurrent operating result (REBIT)	26.944	30.432	+ 12,9%
Operating result (EBIT)	28.719	28.657	- 0,2%
Interests (net)	-1.286	-1.010	- 21,5%
Income taxes	-9.317	-10.655	+ 14,4%
<b>Net result of the consolidated companies</b>	<b>18.116</b>	<b>16.992</b>	<b>- 6,2%</b>
Share in the result of the companies accounted for using the equity method	23	0	- 100,0%
Share of third parties	-592	-549	- 7,3%
<b>Recurrent net result</b>	<b>15.772</b>	<b>18.218</b>	<b>+ 15,5%</b>
<b>Net result</b>	<b>17.547</b>	<b>16.443</b>	<b>- 6,3%</b>
REBITDA	36.933	41.759	+ 13,1%
REBITDA (margin)	12,7%	12,6%	
REBIT	26.944	30.432	+ 12,9%
REBIT (margin)	9,3%	9,2%	
EBITDA	38.708	39.984	+ 3,3%
EBITDA (margin)	13,3%	12,1%	
EBIT	28.719	28.657	- 0,2%
EBIT (margin)	9,9%	8,6%	
Recurrent net result	15.772	18.218	+ 15,5%
Recurrent net result (margin)	5,4%	5,5%	
Net result	17.547	16.443	- 6,3%
Net result (margin)	6,0%	5,0%	
Net current result	18.950	17.900	- 5,5%
Current cash flow	28.521	28.045	- 1,7%

in EUR '000	AUDIOVISUAL MEDIA		
	31-12-03	31-12-04	evolution
<b>INCOME STATEMENT</b>			
Sales	153.134	174.270	+ 13,8%
Recurrent operating result (REBIT)	14.915	19.467	+ 30,5%
Operating result (EBIT)	14.915	17.687	+ 18,6%
Interests (net)	-1.049	-579	- 44,8%
Income taxes	-6.119	-6.180	+ 1,0%
<b>Net result of the consolidated companies</b>	<b>7.747</b>	<b>10.928</b>	<b>+ 41,1%</b>
Share in the result of the companies accounted for using the equity method	237	324	+ 36,7%
Share of third parties	36	-462	
<b>Recurrent net result</b>	<b>8.020</b>	<b>11.965</b>	<b>+ 49,2%</b>
<b>Net result</b>	<b>8.020</b>	<b>10.790</b>	<b>+ 34,5%</b>
REBITDA	20.823	26.645	+ 28,0%
REBITDA (margin)	13,6%	15,3%	
REBIT	14.915	19.467	+ 30,5%
REBIT (margin)	9,7%	11,2%	
EBITDA	20.823	24.865	+ 19,4%
EBITDA (margin)	13,6%	14,3%	
EBIT	14.915	17.687	+ 18,6%
EBIT (margin)	9,7%	10,1%	
Recurrent net result	8.020	11.965	+ 49,2%
Recurrent net result (margin)	5,2%	6,9%	
Net result	8.020	10.790	+ 34,5%
Net result (margin)	5,2%	6,2%	
Net current result	8.020	10.790	+ 34,5%
Current cash flow	13.928	17.968	+ 29,0%