Roularta Media Group

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OPERATING[1] RESULT TRIPLED TO EUR 29.8 MILLION

Despite stable turnover compared with 2009, Roularta Media Group posted an almost 70% increase in current EBITDA (= REBITDA). Without the impact of the sale & rent-back operation on printing equipment in 2009, REBITDA growth is even higher at 86%. This takes net result from EUR 2.3 million to EUR 18.1 million.

The successful restructuring, ongoing cost control and the strengthening of existing and developing of new brands and titles contributed to this attractive result. Debt was further strongly reduced with a direct impact on the financial costs.

The cash flow growth comes from both divisions, printed media and audiovisual media.

Key figures for the first half of 2010

- Adjusted **sales**[2] rose by 0.8% from EUR 358.8 million to EUR 361.7 million.
- **REBITDA** rose by 68.8% from EUR 23.6 million to EUR 39.9 million. The REBITDA margin is 11% compared with 6.5% for H1 2009. Without the sale and rent-back operation of mid-2009, REBITDA would have been EUR 4.1 million higher, giving a margin percentage of 12.2%.
- **REBIT** rose by 187.8% from EUR 10.4 million to EUR 29.8 million, giving a REBIT margin of 8.2 % compared with 2.8% for H1 2009.
- **Current net result** is EUR 18.1 million compared with EUR 2.3 million in H1 2009.
- The overall after-tax effect of the restructuring and one-off costs in H1 2010 was EUR 2.6 million compared with EUR 13.7 million in H1 2009.
- **RMG's net result** is EUR +15.1 million compared with EUR -10.8 million in H1 2009.

These results are discussed in greater detail by division below.

[1] Operating result = current EBIT (REBIT)
[2] Adjusted sales = like-for-like, i.e. adjusted for changes in the consolidation scope

Consolidated Q2 2010 sales

In Q2 2010, Roularta Media Group posted consolidated sales of EUR 186.2 million, compared with adjusted sales of EUR 181.6 million in Q2 2009 (+2.5%).

Consolidated sales by division (in KEUR)

Division	**Q2/2009**	**Q2/2010**	**Trend**
Printed Media	141,688	142,201	+ 0.4%
Audiovisual Media	41,049	44,864	+ 9.3%
Intersegment sales	-1,132	- 852	
Adjusted sales	**181,605**	**186,213**	**+ 2.5%**
Changes in the group (*)	+ 2,227		
Consolidated sales	**183,832**	**186,213**	**+ 1.3%**

(*) Studio Press, Atmosphères, Zéfir Web and VTV Optical discs

H1 2010 results by division

PRINTED MEDIA

The adjusted sales of the Printed Media division remained almost unchanged (-0.9%) at EUR 278.3 million. This marks the end of the downward trend since the start of the crisis in late 2008.

Advertising
With a certain time delay we also see a slight decrease (- 3.4%) in advertising revenue in the freepress area, where the crisis hit somewhat later, mainly in the form of falling job ads.

With the crisis reaching its deepest point in April / May 2009, we also notice a small decrease (-1.5%) in the advertising revenues of the magazines. This is largely offset at sales level by the strong increase (+ 20.5%) in internet revenue.

In France too, the decline in advertising sales has been halted, and we see a slight growth (+0.7%).

Readers' market
Sales from the readers' market (newsstand sales and subscriptions) grew by 1.2%. This increase is visible in both Belgium and France.

More generally, our subscribers' continuing loyalty to us points to a strong link with our customers.

After the major restructurings of last year, the group continues to focus on cost-conscious management. EBITDA in the first half was still influenced by EUR 2.9 million in new restructuring costs. EBIT was also affected in Q2 2010 by an impairment charge of EUR 1 million on the Atmosphères brand, with the ending of the cooperation with Femmes.

Operating cash flow (EBITDA) rose from EUR 1.1 million to EUR 18.0 million. REBITDA (current operating cash flow) rose from EUR 11.6 to 20.9 million (+ 79.6%).
Operating result (EBIT) advanced from EUR -14.7 million to EUR +10.3 million. A current operating result (REBIT) of EUR 13.7 million was achieved compared with EUR 1.2 million H1 2009.

The net result of the division was EUR +4.0 million as against EUR -15.4 million in H1 2009, with a current net result of EUR +7.4 million compared with EUR -3.3 million in H1 2009.

AUDIOVISUAL MEDIA

Adjusted sales by the Audiovisual Media division rose from EUR 80.0 to 85.2 million (+6.5%).

Advertising revenue at the VMMa group was up significantly. Sales income from phone-in games and regional television fell slightly, while that of Kanaal Z / Canal Z remained unchanged.

An extraordinary plus item was the positive news that a EUR 0.8 million expected social security claim at VMMa proved unfounded and could be reversed.

Operating cash flow (EBITDA) rose from EUR 10.2 million to EUR 19.7 million (+92.5%). Current operating cash flow (REBITDA) (negatively influenced in 2010 by the extraordinary reversal of a social security debt of EUR 0.8 million) rose from EUR 12.0 to 19.0 million.
Operating result (EBIT) rose from EUR 7.4 million to EUR 16.9 million and current operating result (REBIT) from EUR 9.2 to 16.1 million. A margin of 18.9% was achieved compared with 11.2% in H1 2009.

The net result of the division amounted to EUR 11.2 million compared with EUR 4.6 million in H1 2009, while current net result rose 89% from EUR 5.6 to EUR 10.7 million.

Balance sheet

Equity at 30 June 2010 was EUR 341.6 million compared with EUR 324.8 million at 31 December 2009.

At 30 June 2010 the group's net financial debt[3] stood at EUR 128.1 million compared with EUR 126.4 million at 31 December 2009.

The bank covenants, which were renegotiated with lenders in 2009, were easily met. With a net debt to REBITDA ratio of 1.79 we remain well below the limit of 3.00.

[3] Net financial debt = Financial debts less current cash.

Investments (CAPEX)

Total capex in H1 2010 amounted to EUR 5.4 million, with EUR 2.3 million spent on intangible fixed assets (mainly software), EUR 2.6 million on tangible fixed assets (of which EUR 2.0 million on- and EUR 0.6 million off-balance sheet) and EUR 0.5 million of acquisitions.

Half-year financial report

A full report on the half-year results can be found on our website www.roularta.be/en/investor info under Financial >Quarterly Information>30-06-2010>half-year financial report.

Prospects

While traditionally lower in the summer months, sales figures are pointing to an improvement. Recent figures for France are promising, but still unstable markets give limited visibility on the advertising market.

The slight upturn and renewed confidence in the market should gradually be reflected in the media market. We continue to follow closely the evolution of the price of paper after the sharp fall in recent years.

Auditor's report

We have performed a limited review of the accompanying consolidated condensed balance sheet, condensed income statement, condensed statement of comprehensive income, condensed cash flow statement, condensed 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-month period ended 30 June 2010. 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 Réviseurs d'Entreprises/Instituut van de 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 Réviseurs d'Entreprises/Instituut van de 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-month period ended 30 June 2010 is not prepared, in all material respects, in accordance with IAS 34 "*Interim Financial Reporting*" as adopted by the EU.

Kortrijk, 18 August 2010

The Statutory Auditor

DELOITTE Bedrijfsrevisoren
BV o.v.v.e. CVBA
Represented by

Frank Verhaegen and Mario Dekeyser

Contact persons	Rik De Nolf (CEO)	Jan Staelens (CFO)
Tel:	+ 32 51 266 323	+ 32 51 266 326
Fax :	+ 32 51 266 593	+ 32 51 266 627
e-mail:	rik.de.nolf@roularta.be	jan.staelens@roularta.be
URL:	www.roularta.be	

CONSOLIDATED KEY FIGURES

in EUR '000	30/06/09	30/06/10	Trend
INCOME STATEMENT			
Sales	**365.718**	**361.725**	***- 1,1%***
Adjusted sales (1)	***358.793***	***361.725***	***+ 0,8%***
EBITDA (Operating cash flow) (2)	**11.380**	**37.688**	***+ 231,2%***
EBITDA margin	*3,1%*	*10,4%*	
REBITDA (3)	**23.604**	**39.853**	***+ 68,8%***
REBITDA margin	*6,5%*	*11,0%*	
EBIT (4)	**-7.226**	**27.204**	***+ 476,5%***
EBIT margin	*-2,0%*	*7,5%*	
REBIT (5)	**10.370**	**29.842**	***+ 187,8%***
REBIT margin	*2,8%*	*8,2%*	
Net finance costs	-6.516	-1.026	*- 84,3%*
Operating profit after net finance costs	**-13.742**	**26.178**	***+ 290,5%***
Current operating profit after net finance costs (6)	**3.854**	**28.816**	***+ 647,7%***
Income taxes	2.423	-10.616	*+ 538,1%*
Share in the profit of the companies with equity method	-49	-58	
Net profit of the consolidated companies	**-11.368**	**15.504**	***+ 236,4%***
Attributable to minority interest	-571	388	
Attributable to equity holders of RMG	**-10.797**	**15.116**	***+ 240,0%***
Net profit attributable to equity holders of RMG - margin	*-3,0%*	*4,2%*	
Current net profit of the consolidated companies (6)	**2.346**	**18.065**	***+ 670,0%***
Current net profit of the consolidated companies - margin (6)	*0,6%*	*5,0%*	

CONSOLIDATED KEY FIGURES PER SHARE			
EBITDA	0,90	2,99	
REBITDA	1,87	3,16	
EBIT	-0,57	2,16	
REBIT	0,82	2,36	
Net profit attributable to equity holders of RMG	-0,86	1,20	
Net profit attributable to equity holders of RMG after dilution	-0,86	1,20	
Current net profit of the consolidated companies (6)	0,19	1,43	
Weighted average number of shares	12.619.077	12.619.077	
Weighted average number of shares after dilution	12.619.077	12.632.557	

BALANCE SHEET	**31/12/09**	**30/06/10**	***Trend***
Non current assets	633.152	629.232	*- 0,6%*
Current assets	312.662	298.651	*- 4,5%*
Balance sheet total	945.814	927.883	*- 1,9%*
Equity - Group's share	311.851	328.406	*+ 5,3%*
Equity - minority interests	12.995	13.208	*+ 1,6%*
Liabilities	620.968	586.269	*- 5,6%*
Liquidity (7)	1,0	1,0	*+ 0,0%*
Solvency (8)	34,3%	36,8%	*+ 7,3%*
Net financial debt	126.435	128.080	*+ 1,3%*
Gearing (9)	38,9%	37,5%	*- 3,6%*
Number of employees at closing date (10)	2.815	2.786	*- 1,0%*

(1) Adjusted sales = like-for-like, i.e. adjusted for changes in the consolidation scope.
(2) EBITDA = operating cash flow = EBIT + depreciations, write-downs and provisions.
(3) REBITDA = current operating cash flow = EBITDA + restructuring costs and exceptional, one-off costs.
(4) EBIT = operating result
(5) REBIT = current operating result = EBIT + restructuring costs and exceptional, one-off costs, depreciations, write-downs and provisions
(6) Figures 30/6/09 adjusted: from 31/12/09 on, results of financial instruments were no longer considered as non-current.
(7) Liquidity = current assets / current liabilities.
(8) Solvency = equity (Group's share + minority interests) / balance sheet total.
(9) Gearing = net financial debt / equity (Group's share + minority interests).
(10) Joint ventures proportionally included.

CONSOLIDATED KEY FIGURES BY DIVISION

in EUR '000	PRINTED MEDIA 30/06/09	PRINTED MEDIA 30/06/10	Trend
INCOME STATEMENT			
Sales	**285.567**	**278.308**	***- 2,5%***
Adjusted sales (1)	***280.934***	***278.308***	***- 0,9%***
EBITDA (Operating cash flow) (2)	**1.141**	**17.974**	***+ 1475,3%***
EBITDA margin	*0,4%*	*6,5%*	
REBITDA (3)	**11.618**	**20.871**	***+ 79,6%***
REBITDA margin	*4,1%*	*7,5%*	
EBIT (4)	**-14.654**	**10.332**	***+ 170,5%***
EBIT margin	*-5,1%*	*3,7%*	
REBIT (5)	**1.158**	**13.702**	***+ 1083,2%***
REBIT margin	*0,4%*	*4,9%*	
Net finance costs	-6.094	-686	*- 88,7%*
Operating profit after net finance costs	**-20.748**	**9.646**	***+ 146,5%***
Current operating profit after net finance costs (6)	**-4.936**	**13.016**	***+ 363,7%***
Income taxes	5.195	-5.235	*+ 200,8%*
Share in the profit of the companies with equity method	-49	-58	
Net profit of the consolidated companies	**-15.602**	**4.353**	***+ 127,9%***
Attributable to minority interest	-230	397	
Attributable to equity holders of RMG	**-15.372**	**3.956**	***+ 125,7%***
Net profit attribuable to equity holders of RMG - margin	*-5,4%*	*1,4%*	
Current net profit of the consolidated companies (6)	**-3.294**	**7.397**	***+ 324,6%***
Current net profit of the consolidated companies - margin (6)	*-1,2%*	*2,7%*	

in EUR '000	AUDIOVISUAL MEDIA 30/06/09	AUDIOVISUAL MEDIA 30/06/10	Trend
INCOME STATEMENT			
Sales	**82.499**	**85.208**	***+ 3,3%***
Adjusted sales (1)	***80.002***	***85.208***	***+ 6,5%***
EBITDA (Operating cash flow) (2)	**10.239**	**19.714**	***+ 92,5%***
EBITDA margin	*12,4%*	*23,1%*	
REBITDA (3)	**11.986**	**18.982**	***+ 58,4%***
REBITDA margin	*14,5%*	*22,3%*	
EBIT (4)	**7.428**	**16.872**	***+ 127,1%***
EBIT margin	*9,0%*	*19,8%*	
REBIT (5)	**9.212**	**16.140**	***+ 75,2%***
REBIT margin	*11,2%*	*18,9%*	
Net finance costs	-422	-340	*- 19,4%*
Operating profit after net finance costs	**7.006**	**16.532**	***+ 136,0%***
Current operating profit after net finance costs	**8.790**	**15.800**	***+ 79,7%***
Income taxes	-2.772	-5.381	*+ 94,1%*
Net profit of the consolidated companies	**4.234**	**11.151**	***+ 163,4%***
Attributable to minority interest	-341	-9	
Attributable to equity holders of RMG	**4.575**	**11.160**	***+ 143,9%***
Net profit attribuable to equity holders of RMG - margin	*5,5%*	*13,1%*	
Current net profit of the consolidated companies	**5.640**	**10.668**	***+ 89,1%***
Current net profit of the consolidated companies - margin	*6,8%*	*12,5%*	

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