



Special report of the board of directors pursuant to Article 633 of the Companies Code

Dear shareholder,

This special report has been prepared by the board of directors of the public limited company Roularta Media Group (hereinafter the 'company') pursuant to Article 633 of the Companies Code.

1. Establishment of situation

In preparing the unconsolidated financial statements of the company for the year ended 31 December 2014, the board of directors has ascertained that the net assets of the company have, as a result of the losses carried forward following the sale of the French operations per 31 December 2014, decreased to 58,873,022 euros, this being less than half of the share capital of the company that amounts to 203,225,000 euros.

The board of directors has therefore proceeded to draw up this special report. This special report will be submitted to the extraordinary general meeting to be convened that will deliberate and decide on whether or not to continue the company.

2. Measures to restore the financial situation of the company

The board of directors sets out below in an exhaustive manner the measures to restore the financial situation of the company:

2.1. Sale of the French activities

The board of directors notes that the losses suffered on the French activities and the reductions in value recorded on the French holdings, are the reason why the company has arrived in a situation as described in Article 633 of the Companies Code.

The proposed sale of the French operations will stop further losses, and the company expects to make a profit again in the coming years, which will strengthen the company's equity year after year.

2.2. Recasting of the company's capital structure

The board of directors proposes undertaking a formal capital reduction combined with a use of the surplus legal reserves, so as to eliminate a substantial part of the losses carried forward as established in the financial statements at 31 December 2014.

Following the formal capital reduction amounting to 123,225,000 euros and the use of the surplus legal reserves amounting to 7,369,700 euros, the losses carried forward will be reduced from 168,502,881 to 37,908,181 euros.

The elimination of a significant portion of the losses carried forward against the capital of the company will provide a more attractive balance sheet structure, which can be important for attracting new financial resources.

2.3. Simplification of the group structure and strengthening of equity

The company will also take the necessary steps to simplify the group structure as at 30 June 2015 by carrying out a number of mergers. In the context of these proposed mergers, the company will merge with the following 12 subsidiaries: NV Biblo, NV Euro DB, SA Le Vif Magazine, NV New Bizz Partners, NV Press News, NV Regie De Weekkrant, NV Roularta Business Leads, NV Roularta IT-Solutions, NV Roularta Printing, NV Roularta Publishing, NV West-Vlaamse Media Groep, and NV De Streekkrant-De Weekkrantgroep.

Over the past years, the company has, in connection with various acquisitions or through starting new complementary initiatives, added several companies to its group structure. Other companies that were started or operated in the past with a partner have since become 100% subsidiaries of the company. All this has led to an unnecessarily complex group structure, which can be substantially simplified.

The proposed merger will substantially strengthen the equity of the company. As a result, the company will exhibit a greater creditworthiness to the outside world, facilitating also the obtaining of any future financing via banking institutions.

The simplified group structure will also permit significant savings in terms of administration, auditing, bookkeeping and so on.

This merger will also result in improved transparency towards the outside world and a more efficient group structure. In time, this should result in a more efficient and better targeted use of available resources as a function of needs and within the framework of the commercial objectives of the mergee companies.

3. Resolution

The board of directors believes that the further development and implementation of the measures described above will ensure the financial recovery of the company. It therefore proposes to continue the activities of the company.

Pursuant to Article 633 of the Companies Code, this report will be mentioned in the agenda of the extraordinary general meeting of the company.