

ANNUAL ACCOUNTS - Accounting principles

GENERAL

The accounting principles underlying the consolidated balance sheet and profit and loss account are unchanged compared to the previous year, with the exception of the change of accounting policies regarding disability.

In the event of any difference of interpretation, the Dutch original of this English translation shall apply throughout this annual report.

1. CONSOLIDATION PRINCIPLES

The consolidated annual account comprise the annual accounts of all the group companies in which the company, directly or indirectly, participates in the issued share capital. Consolidation is according to the integral method. The minority interest of third parties in group equity and group profit is stated under minority interest.

A. FOREIGN CURRENCIES

Balance sheet items in foreign currencies are translated at the exchange rates prevailing at balance sheet date.

Transactions in foreign currencies are translated at the exchange rates prevailing at the transaction date. The results of foreign participating interests are translated quarterly at the average rate of exchange. Exchange rate differences resulting from the currency conversion of assets and liabilities of foreign participating interests are released or charged directly to shareholders' equity.

Differences between results calculated on the basis of the average quarterly exchange rate and the exchange rate as at balance sheet date are also released or charged to shareholders' equity. Other exchange rate differences are released or charged to the result.

B. ACQUISITION OF ASSOCIATED COMPANIES

The negative differences between the acquisition price of participating interests in enterprises and their net asset value calculated according to the group valuation principles are charged directly to shareholders' equity and positive differences are brought to the revaluation reserve.

2. VALUATION PRINCIPLES FOR THE BALANCE SHEET

Unless stated otherwise, assets and liabilities are stated at nominal value.

A. TANGIBLE FIXED ASSETS

Durable fixed assets employed in the production process are valued at historical acquisition value less the linear depreciation applied to that value on the basis of the expected economic life. If applicable, revaluation takes place against lower realisable value. Assets not used in the production process are valued at expected realisable value or at book value, if realisable value is higher than book value.

B. FINANCIAL FIXED ASSETS

The non-consolidated stakes in associated companies included under financial fixed assets, on which a controlling influence can be exercised on business and financial policy, are valued in accordance with the share in the net asset value as determined in accordance with the principles adopted by the parent company.

C. STOCKS

Stocks of raw materials, consumables and other stocks are valued at historical cost or the lower market value. Work in progress is valued at overall cost price. Where necessary, provisions for obsolescence, negative order results and anticipated declines in market value are deducted.

D. RECEIVABLES

Receivables are valued at nominal value, where necessary less any provisions for bad debt.

E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are valued at nominal value. Unless stated otherwise, these assets are freely disposable.

F. PROVISIONS

- Provisions are created against concrete or specific risks and obligations which exist on the balance sheet date but whose size is unclear. These provisions are generally long-term in character.
- In determining the provisions for deferred taxation deemed necessary as a result of the discrepancy between the commercial and fiscal value of assets and liabilities, the nominal value of the deferred corporation tax payable is taken as a basis and allowance is made for general risks.
- The provision for pension and early retirement commitments relates to pensions, early retirements, past service obligations and continuation of pension premiums during early retirement years, which are administered in-house. This provision is quoted at net present value. The interest taken into account amounts to 4%.
- The provision for costs of reorganisation relates to costs associated with reorganisations which have been initiated. The establishment of a reorganisation provision will take place at the time that a detailed plan for change of the organisation is formalised and the expectancy is justified that the reorganisation will be carried out.
- Environmental provisions relate in particular to provisions connected to soil clean-up.
- The provision for disability concerns the cash value (4%) of the WAO continuation of payment obligation to existing recipients of disability allowances, taking into account their chances of reintegration. In stating the provision, future savings on premium payments are not taken into account.

G. OFF-BALANCE SHEET COMMITMENTS

This item includes investment commitments and commitments arising from contracts with a term of more than one year. These are commitments arising from rental and lease contracts.

3. PRINCIPLES OF DETERMINATION OF RESULT

Revenue and expenses are accounted for at the time that they are received or incurred and are stated at historical value.

A. TURNOVER AND COSTS CALCULATIONS

Net turnover means the proceeds of products and services supplied to third parties, after deduction of any discounts granted to customers and turnover taxes.

B. RAW MATERIALS AND OTHER COSTS

This item also includes provisions for writedowns to lower realisable value and for obsolescence of stocks.

C. DEPRECIATION OF TANGIBLE FIXED ASSETS

Depreciation stated in the profit and loss account is calculated on the basis of the historical cost and the estimated economic life of the asset, less investment premiums.

D. INTEREST INCOME AND EXPENDITURE

Interest income and expenditure in the reporting period relate to interest received from or paid to third parties, respectively.

E. TAXATION ON OPERATING RESULT

This amount reflects the net corporation tax payable on the result, calculated according to applicable provisions and rates.

F. EXTRAORDINARY INCOME AND EXPENDITURE

These are income and charges of an incidental nature and which are not related to normal business operations.

**ANNUAL ACCOUNTS -Consolidated balance sheet as at December 31
(after profit appropriation)**

<i>(x € 1,000)</i>	2002	2001
Fixed assets		
Tangible fixed assets		
Land and buildings	€ 101,124	€ 70,226
Plant and equipment	134,058	127,657
Other fixed assets	11,792	11,213
Assets on order	4,674	47,228
	<u>€ 251,648</u>	<u>€ 256,324</u>
Financial fixed assets		
Associated companies	€ 499	€ 499
Other receivables	108	40
	<u>€ 607</u>	<u>€ 539</u>
Current assets		
Stocks		
Raw materials and consumables	€ 11,708	€ 14,384
Work in progress	16,713	22,945
Finished goods and goods for sale	916	945
	<u>€ 29,337</u>	<u>€ 38,274</u>
Receivables		
Trade debtors	€ 116,384	€ 127,963
Other receivables	8,122	17,839
Prepayments and accrued income	2,667	3,176
	<u>€ 127,173</u>	<u>€ 148,978</u>
Cash and cash equivalents	<u>€ 3,751</u>	<u>€ 3,632</u>
Total	<u>€ 412,516</u>	<u>€ 447,747</u>

	2002	2001
<i>Equity</i>		
Shareholders' equity	€ 128,184	€ 138,658
Subordinated compulsory convertible loan	–	908
Group equity	€ 128,184	€ 139,566
Minority interest of third parties	219	178
	<u>€ 128,403</u>	<u>€ 139,744</u>
<i>Provisions</i>		
Deferred taxation	€ 9,510	€ 9,045
Costs of reorganisation	7,615	5,780
Pension and early retirement commitments	4,144	4,970
Environment	5,775	6,052
Other provisions	5,318	623
	<u>€ 32,362</u>	<u>€ 26,470</u>
<i>Subordinated loans</i>		
AA-credit	€ –	€ 1,134
AAR-credit	1,963	3,256
	<u>€ 1,963</u>	<u>€ 4,390</u>
<i>Long-term liabilities</i>		
Loans	€ 10,869	€ 17,255
Banks	35,151	39,479
Other liabilities	23,471	15,098
	<u>€ 69,491</u>	<u>€ 71,832</u>
<i>Current liabilities</i>		
Banks	€ 61,068	€ 68,694
Payable to suppliers and trade creditors	34,404	49,510
Liabilities related to taxation and social insurance premiums	8,481	9,894
Redemption of long-term liabilities	14,396	14,982
Dividend	3,616	5,106
Other liabilities	58,332	57,125
	<u>€ 180,297</u>	<u>€ 205,311</u>
Total	<u>€ 412,516</u>	<u>€ 447,747</u>

ANNUAL ACCOUNTS - Consolidated profit and loss account

<i>(x € 1,000)</i>	2002	2001
Net sales	€ 665,693	€ 710,818
Movement in work in progress	-/- 7,086	1,425
Total operating income	€ 658,607	€ 712,243
Cost of raw materials, consumables and other external costs	329,304	368,239
Value-added	€ 329,303	€ 344,004
Wages and salaries	€ 143,057	€ 142,683
Social security costs	20,729	20,424
Pension and early retirement commitments	13,215	12,682
Depreciation of tangible fixed assets	40,016	42,214
Other operating costs	89,019	94,531
Total operating costs	€ 306,036	€ 312,534
Operating result	€ 23,267	€ 31,470
Interest received and similar income	€ 483	€ 431
Interest paid and similar charges	-/- 8,186	-/- 8,653
Balance of financial income and expenditure	-/- 7,703	-/- 8,222
Result before taxation	€ 15,564	€ 23,248
Taxation	-/- 5,212	-/- 7,602
Net result of associated companies	-	-/- 5
Minority interest in the consolidated result after taxation	-/- 33	-/- 92
Net result from ordinary operations after taxation	€ 10,319	€ 15,549
Extraordinary costs	-/- 6,374	-
Taxation on extraordinary result	1,274	-
Extraordinary result after taxation	-/- 5,100	€ -
Net result	€ 5,219	€ 15,549

Dimension Print tickles the senses



dimension

“In 2002 we added an extra *dimension* to our printing services to business relations with the new Rotobase service. With the help of Rotobase, our customers are able to closely monitor the ‘flow’ of advertisements in the acquisition, creative and production process via the internet. Simple and fast. And also safe, because each customer has a strictly personal password.

A number of international publishers and retail companies is already using Rotobase. With some customers we have even agreed that we, as technical specialists, contact makers of advertisements directly in order to fine-tune delivery specifications and conditions. In this way, we save publishers a lot of technical execution work. In addition, Rotobase offers much more possibilities in the field of integrated digital workflow management.”

Logic Use

Mark Doors



ANNUAL ACCOUNTS - Consolidated statement of cash flow

<i>(x € 1,000)</i>	2002		2001	
Cash flow from operating activities				
Net result	€	5,219	€	15,549
Depreciations and value reductions		42,698		42,214
Movements in:				
Stocks		8,937		5,778
Trade debtors		11,579		1,611
Trade creditors	-/-	15,106	-/-	5,772
Other receivables and prepayments and accrued income		10,226	-/-	4,622
Tax payable and other liabilities		1,589		17,672
Deferred taxation		2,087		3,576
Other provisions		725	-/-	1,344
Cash flow from ordinary operations	€	67,954	€	74,662
Paid and received interest	-/-	7,748	-/-	7,747
Received or paid taxation on result		5,956	-/-	9,645
Cash flow from operating activities	€	66,162	€	57,270
Cash flow from investing activities				
Net investments in tangible fixed assets	-/-	37,873	-/-	47,106
Acquisitions		-	-/-	4,128
Change other financial fixed assets	-/-	68		299
Disinvestment of associated companies		-		5
	-/-	37,941	-/-	50,930
Cash flow from financing activities				
Purchase RSDB shares	-/-	9,025	-/-	11,626
Dividend payment	-/-	5,106	-/-	6,650
ORANGE-loan	-/-	908	-/-	1,815
Movements in:				
Subordinated loans	-/-	2,428	-/-	6,013
Interest-bearing long-term liabilities	-/-	2,341	-/-	4,476
Minority interest of third parties		41	-/-	82
Banks	-/-	7,626		25,399
Redemption of long-term liabilities	-/-	586	-/-	1,556
	-/-	27,979	-/-	6,819
Exchange rate differences				
	-/-	123	-/-	21
Balance cash flow	€	119	-/-	500
Liquid assets as at January 1, 2002		3,632		4,120
Cash brought in through acquisitions		-		12
Liquid assets as at December 31, 2002	€	3,751	€	3,632

The consolidated statement of cash flow is drawn up using the indirect method. As a result of changes which have no influence on the income and expenses during the financial year, certain items in the statement of cash flow do not match the changes in the balance sheet accounts concerned. The cash flow from investment activities concerns the balance of investments and disinvestments.

ANNUAL ACCOUNTS - Notes to the consolidated balance sheet

(all amounts x € 1,000, unless stated otherwise)

Tangible fixed assets

The following summary shows the changes in fixed assets accounted for under this heading during the year under review:

	Land and buildings	Plant and equipment	Other fixed assets	Assets on order	Total
<i>Position as at January 1, 2002</i>					
Cumulative acquisition value	€ 131,615	€ 443,297	€ 48,367	€ 47,228	€ 670,507
Cumulative depreciation	61,389	315,640	37,154	–	414,183
Book value	€ 70,226	€ 127,657	€ 11,213	€ 47,228	€ 256,324
<i>Change in book value</i>					
Investments	€ 11,941	€ 15,520	€ 5,531	€ 13,430	€ 46,422
Disinvestments	-/- 1,281	-/- 6,345	-/- 923	–	-/- 8,549
Other	26,413	28,723	997	-/- 55,984	149
Value reductions	–	-/- 2,682	–	–	-/- 2,682
Depreciation	-/- 6,175	-/- 28,815	-/- 5,026	–	-/- 40,016
Balance	€ 30,898	€ 6,401	€ 579	-/- 42,554	-/- 4,676
<i>Position as at December 31, 2002</i>					
Cumulative acquisition value	€ 172,399	€ 456,559	€ 51,312	€ 4,674	€ 684,944
Cumulative depreciation and value reductions	71,275	322,501	39,520	–	433,296
Book value	€ 101,124	€ 134,058	€ 11,792	€ 4,674	€ 251,648

Plant and equipment includes equipment to a bookvalue of € 32.4 million available to the company under a financial leasing arrangement.

The relevant long-term liabilities are accounted for under other liabilities.

Financial fixed assets

Associated companies

This item relates to the share in non-consolidated associated companies at net asset value, in accordance with the company's valuation principles:

MKT Participations Partnership CV	18.2%
MKT Holding Holland BV	18.3%
Business Media BV	40.0%

Group equity

Position as at December 31, 2001		€	139,566
Effect change in accounting policies*)		-/-	3,079
Position as at January 1, 2002			136,487
360,000 purchased RSDB shares	-/-	9,025	
Repayment ORANGE-loan	-/-	908	
Change due to exchange rate movements foreign companies		27	
Retained earnings		1,603	
		-/-	8,303
Position as at December 31, 2002		€	128,184

*) Concerns the net effect of the provision for disability in 2002.

The shareholders' equity as at December 31, 2002 consists of the following components:

Share capital issued	€	18,251
Share premium		14,237
Other reserves		95,696
Total shareholders' equity as at December 31, 2002	€	128,184

Separate changes in the constituent elements of group equity are listed in the notes to the company balance sheet.

Subordinated compulsory convertible loan (ORANGE)

Position as at January 1, 2002	€	908
Redeemed in 2002	-/-	908
Position as at December 31, 2002	€	-

Provisions

Deferred taxation

Position as at December 31, 2001	€	9,045
Tax pressure as a result of change of accounting policies regarding disability	-/-	1,622
Position as at January 1, 2002	€	7,423
Charged to taxation		2,087
Position as at December 31, 2002	€	9,510

The contingent liability is mainly based on the nominal taxation for the difference between the commercial and fiscal book value of assets and liabilities.

Costs of reorganisation

Position as at January 1, 2002	€	5,780
Addition charged to the operating result	€	1,533
Addition on account of extraordinary costs		3,692
Utilised in 2002	-/-	3,390
		1,835
Position as at December 31, 2002	€	7,615

Pension and early retirement commitments

Position as at January 1, 2002	€	4,970
Addition charged to the operating result	€	177
Utilised in 2002	-/-	1,003
		-/- 826
Position as at December 31, 2002	€	4,144

Environment

Position as at January 1, 2002	€	6,052
Utilised in 2002	-/-	188
Released to the operating result	-/-	89
		-/- 277
Position as at December 31, 2002	€	5,775

The provision was made for soil pollution found at Roto Smeets sites in Deventer, Etten-Leur and Weert. The provision is sufficient for the developed and started plans and projects for the soil decontamination.

Other provisions

	Provision for disability	Provision for major repairs	Total
Position as at December 31, 2001	€ –	€ 623	€ 623
Change in accounting policies	4,701		4,701
Position as at January 1, 2002	€ 4,701	€ 623	€ 5,324
Addition charged to the operating result	500	53	553
Utilised in 2002	-/- 551	-/- 8	-/- 559
Position as at December 31, 2002	€ 4,650	€ 668	€ 5,318

As from the 2000 financial year, RSDB has managed its own WAO risk. As against the payments made for the company's own account annual savings can be made on premium payments, no provision was made at the time. As from the 2002 financial year, however, in accordance with the concerned guideline for annual reporting, the annual savings were no longer taken into account in determining a provision for current cases.

The net effect of this change of accounting system of € 3.1 million was added to group equity.

Subordinated loans

NIB Capital Bank NV / ABN AMRO Bank NV, AA-credit:	€ 1,134		
Instalments 2003	-/- 1,134		
		€	–
NIB Capital Bank NV, AAR-credit	€ 3,256		
Instalments 2003	-/- 1,293		
			1,963
Total		€	1,963

The AA-credit has a term of ten years and bears interest of 6.75%, redeemable in half-yearly instalments of € 1.1 million each and terminating in 2003 with a final payment of € 1.1 million. The AAR-credit has a term of ten years, redeemable in half-yearly instalments of € 646.6 and a final payment in 2005 of € 646.6 million.

A changing interest is set for each interest period of the AAR-credit. This changing interest equals EURIBOR, augmented with a margin of 1.75% and a surcharge of 1.02% for the coverage of the interest rate risk above 6.5%.

Long-term liabilities

	2002		2001	
	Total	Of which the term is in excess of five years	Total	Of which the term is in excess of five years
Loans	€ 10,869	€ 4,405	€ 17,255	€ 5,418
Banks	35,151	–	39,479	844
Other liabilities	23,471	–	15,098	–
	€ 69,491	€ 4,405	€ 71,832	€ 6,262

The average interest rate on the loans with a term in excess of one year is 6,1% (last year 6%). The amount stated under banks relates to the drawn-down portion of the roll-over credit to a maximum of € 35,2 million. Other liabilities includes financial leasing arrangements entered into in respect of acquired tangible fixed assets.

Banks

The residual amount of loans and credit facilities and / or cash loans are granted by a consortium of banks consisting of ABN AMRO Bank NV and ING Bank NV to an amount of € 90.8 million.

Operational and financial lease facilities have been provided up to a maximum amount of € 75.3 million. Of these facilities € 53.7 million were drawn at the end of 2002.

RSDB has provided security for the loans and credit facilities granted by the banks.

A first-ranking bank mortgage has furthermore been granted to a principal amount of € 31.8 million, augmented by 40% in interest and costs, on the immovable property and a so-called 'negative pledge' clause.

In 2003, a mortgage-secured loan of € 15.0 million was taken out.

Of the aggregate facilities provided, an amount of € 52.9 million was still available at year-end 2002.

Current liabilities

Other liabilities include holiday pay, employees profit share, provisions to be paid, staff loans and other accruals and deferred income.

Off-balance sheet commitments

Investment commitments had been entered to at balance sheet date to an amount of € 0.4 million (2001 € 17.6 million).

Long-term obligations on account of rental contracts were entered into for the amount of € 7.4 million (2001 € 7.1 million).

Long-term obligations on account of operational lease agreements were entered into for the amount of € 38.1 million (2001 € 31.4 million). Of these operational lease agreements, € 5.0 million has a term of more than five years.

The profit and loss account includes € 10.5 million (2001 € 10.0 million) of lease payments, under other operating costs.

Pursuant to Section 403, subsection 1(f) of Book 2 of the Netherlands Civil Code, the company has assumed joint and several liability with respect to liabilities pursuant to legal transactions entered into of a number of domestic group companies. A list of these group companies has been submitted at the Commercial Register of the company. The liability statements have been submitted for inspection of the offices of the Commercial Register in the district where the legal entity on whose behalf the joint and several liability was assumed has its registered offices.

Sustainable Print is read time and again

The background of the entire image is a repeating checkerboard pattern of purple and white squares. The word "SUSTAINABLE" is centered horizontally and vertically in the middle of the image.

SUSTAINABLE

sustainable

"The word *sustainable* is no fashion statement for RSDB.

Sustainable production is what RSDB has been doing for years.

For instance, we have a systematic and well-founded environmental management system. This means, among other things, that all our companies meet the strict environmental requirements of the ISO 14001 norm. RSDB also only works with paper suppliers that are active participants in a general certification programme with regard to sustainable ecological forestry management. In addition, RSDB believes that the publication of an environment report is self-evident."

RSDB

Henry van Gorkum



ANNUAL ACCOUNTS - Notes to the consolidated profit and loss account

Sales

The geographical spread of net sales:

(x € 1,000)	2002	2001
Netherlands	€ 497,068	€ 531,580
Belgium	26,505	34,474
Denmark	13,354	14,221
Sweden	31,198	28,596
France	10,607	13,254
Germany	20,941	19,244
United Kingdom	44,075	48,423
United States of America	9,153	11,216
Hungary	4,939	2,877
Austria	3,951	1,072
Norway	1,971	2,403
Other export	1,931	3,458
Total	€ 665,693	€ 710,818
Percentage export	25.3%	25.2%

The distribution of net sales according to production process:

(x € 1,000)	2002	2001
Gravure	€ 259,761	€ 275,423
Web offset	216,028	220,909
Sheetfed offset	118,876	138,634
Pre-publishing and direct marketing	70,723	74,449
Other	305	1,403
Total	€ 665,693	€ 710,818

The distribution of net sales according to production category:

(x € 1,000)	2002	2001
Magazines	€ 240,867	€ 276,165
Radio / TV guides	55,636	57,094
Catalogues	65,880	54,531
Promotional material	189,143	206,020
Directories	9,903	10,374
Other	104,264	106,634
Total	€ 665,693	€ 710,818

Raw materials and consumables

<i>(x € 1,000)</i>		2002		2001
Paper	€	211,632	€	241,266
Ink		24,475		24,341
Work contracted out		62,910		69,608
Other		30,287		33,024
Total	€	329,304	€	368,239

Depreciation

<i>(x € 1,000)</i>		2002		2001
Industrial buildings	€	6,175	€	5,366
Plant and equipment		28,815		31,694
Other fixed assets		5,026		5,154
Total	€	40,016	€	42,214

Remuneration of members of the Executive Board and Supervisory Board

<i>(x € 1)</i>		remuneration		bonus		total
Executive Board						
M. J. Bos	€	203,686	€	51,928	€	255,614
J. P. Caris		156,376		30,568		186,944
H. de Jong		372,282		68,156		440,438
	€	732,344	€	150,652	€	882,996
Supervisory Board						
J. L. Brentjens	€	23,597	€	–	€	23,597
C. A. M. Busch		20,193		–		20,193
R. A. Gonsalves		20,193		–		20,193
G. Lodewijk		28,135		–		28,135
A. P. Lugt		20,193		–		20,193
R. D. de Widt		6,731		–		6,731
	€	119,042	€	–	€	119,042

The remuneration of the Executive Board and of the Supervisory Board is included in the profit and loss account under wages and salaries.

Positions in RSDB shares as at March 11, 2003

	number
C. A. M. Busch	269
G. Lodewijk	1,613
A. P. Lugt	1,000

Personnel

The group employed an average of 3,889 staff (fte's) in 2002 (2001 3,969), divided as follows:

	2002	2001
Roto Smeets	2,325	2,273
PlantijnCasparie	1,445	1,550
Media Partners	78	104
Group management, staff and general services	41	42
Total	3,889	3,969

Corporation tax

(x € 1,000)	2002	2001
Taxation on the result from ordinary operations	€ 5,212	€ 7,602
Taxation on the extraordinary result	-/- 1,274	-
Total	€ 3,938	€ 7,602

	Ordinary operations	Extraordinary result
Applicable rate	34.9%	34.5%
Substantial holding exemption	-	-/- 14.5%
Fiscal subsidies	-/- 1.4%	-
Effective rate	33.5%	20.0%

Segmentation

(x € 1,000)	Roto Smeets		PlantijnCasparie		Media Partners	
	2002	2001	2002	2001	2002	2001
Total operating income	€ 477,043	€ 503,989	€ 174,930	€ 196,258	€ 15,957	€ 21,217
Raw materials and consumables	255,402	282,392	76,504	84,860	6,721	10,209
Value-added	€ 221,641	€ 221,597	€ 98,426	€ 111,398	€ 9,236	€ 11,008
Operating costs	197,196	197,083	101,441	105,982	7,399	9,469
Operating result	€ 24,445	€ 24,514	€ -3,015	€ 5,416	€ 1,837	€ 1,539
Depreciation	€ 26,558	€ 28,543	€ 11,727	€ 12,299	€ 201	€ 239
Net investments of fixed assets	23,596	24,117	10,722	22,655	-12	399
Total assets	294,882	303,434	126,170	139,868	3,478	4,016
Total obligations	208,322	220,762	103,648	110,107	98	1,829

	2002	2001
<i>Shareholders' equity</i>		
Share capital issued	€ 18.251	€ 20.151
Share premium	14.237	15.719
Other reserves	95.696	102.788
	<u>€ 128.184</u>	<u>€ 138.658</u>
<i>Provisions</i>		
Deferred taxation	€ 9.495	€ 8.899
<i>Subordinated loans</i>		
Subordinated compulsory convertible loan	€ –	€ 908
Subordinated loans	1.963	4.390
	<u>€ 1.963</u>	<u>€ 5.298</u>
<i>Current liabilities</i>		
Redemption of long-term liabilities	€ 2.428	€ 4.197
Corporation tax	96	–
Dividend	3.616	5.106
Other liabilities	74	76
	<u>€ 6.214</u>	<u>€ 9.379</u>
Total	<u>€ 145,856</u>	<u>€ 162,234</u>

ANNUAL ACCOUNTS - Company profit and loss account

<i>(x € 1,000)</i>		2002		2001
Result exclusive of group companies	€	664	€	1,169
Result group companies		4,555		14,380
Net result	€	5,219	€	15,549

Use has been made of the facility provided for in Section 402 of Part 9 of Book 2 of the Netherlands Civil Code with respect to publication of an abridged company profit and loss account.

Surprising Print livens things up



scratch here!

surprising

“It is always *surprising* to see how much value you can realise for the printed product by adding plus propositions. A smelling strip, a CD-ROM integrated in the cover, a gimmick or a little guide inside the seal full of extra information. You can’t do that with any other medium.”

PlantijnCasparie

Jan van Lith



ANNUAL ACCOUNTS - Notes to the company balance sheet

(all amounts x € 1,000, unless stated otherwise)

Financial fixed assets

Group companies

Group companies have been valued at net asset value.

The company's share in group companies was as follows:

Position as at December 31, 2001		€	123,737
Value reduction of group companies in connection with change in accounting policies		-/-	3,079
Position as at January 1, 2002		€	<u>120,658</u>
Result group companies	€	4,555	
Change due to exchange rate movements foreign companies		<u>27</u>	
			<u>4,582</u>
Position as at December 31, 2002		€	<u>125,240</u>

A list of group companies and participations is available for inspection at the company's registered offices and the Commercial Register in Hilversum.

Shareholders' equity

Share capital issued

Position as at January 1, 2002		€	20,151
Issue of 380,000 ordinary shares in accordance with the resolution of the General Meeting of Shareholders dated April 18, 2002		-/-	<u>1,900</u>
Position as at December 31, 2002		€	<u>18,251</u>

The share capital relates of 3,650,275 issued and fully-paid shares of € 5 nominal value each.

Share premium

Position as at January 1, 2002	€	15,719
Cancellation of 380,000 ordinary shares	-/-	1,482
Position as at December 31, 2002	€	14,237

From a fiscal point of view this share premium can be considered as paid-up capital.

Other reserves

Position as at December 31, 2001	€	102,788
Effect change in accounting policies	-/-	3,079
Position as at January 1, 2002	€	99,709
Cancellation of 380,000 ordinary shares		
charged to the share premium account	€	1,482
charged to the share capital account		1,900
Retained earnings		1,603
		4,985
Change due to exchange rate movements foreign companies		27
360,000 purchased RSDB shares	-/-	9,025
Position as at December 31, 2002	€	95,696

Subordinated compulsory convertible loan (ORANGE)

Position as at January 1, 2002	€	908
Redeemed in 2002	-/-	908
Position as at December 31, 2002	€	–

Subordinated loans

Position as at January 1, 2002	€	4,390
Redemptions to be paid during 2003	-/-	2,427
Position as at December 31, 2002	€	1,963

ANNUAL ACCOUNTS - Other information

Provisions of the articles of association governing profit appropriation:

1. The Company may distribute the profit to the shareholders and other parties entitled to distributable profit only to the extent that its shareholders' equity exceeds the sum of the called and paid portion of the capital and the reserves which are required by law to be maintained.
2. From the distributable profit, an annual payment shall first be made on the preference shares equal to the percentage referred to hereinafter of the amount compulsory paid in on those shares.
The percentage stated above equals the refunding rate as established by the European Central Bank - weighted to the number of days for which the percentage was in force - during the financial year for which the payment is made, augmented by two and one quarter percent (2,25%). No further payments are made on the preference shares.
3. The Executive Board shall be empowered, with the prior approval of the Supervisory Board, to add the profit remaining after application of the previous paragraph in whole or in part to the reserves.
4. Any profit remaining after the addition to the reserves as referred to in the previous paragraph shall be at the disposal of the General Meeting of Shareholders.
5. Distribution of profit shall take place following adoption of the annual accounts from which it is apparent that such distribution is justified.
6. In the event that the General Meeting of Shareholders does not resolve to distribute profit for any financial year, that profit shall be added to the reserves.
7. The Executive Board, with the approval of the Supervisory Board, may decide to make an interim distribution if the requirements of paragraph 1 of this Article have been met as evidenced by an interim statement of assets and liabilities, as referred to in Section 2:105, subsection 4 of the Netherlands Civil Code, which statement must be deposited at the offices of the Commercial Register within eight days after the day on which the decision to make the distribution is published. The provisions of paragraph 9 of this Article shall apply mutatis mutandis to the payment of an interim distribution.
8. The General Meeting of Shareholders may resolve to charge a distribution from profit to a distributable reserve only on the basis of an Executive Board proposal to that effect which has been approved by the Supervisory Board.
9. The General Meeting of Shareholders may resolve, on the basis of an Executive Board proposal to that effect which has been approved by the Supervisory Board, to make distributions in the form of shares and / or depositary receipts for shares in the Company, without prejudice to the provisions of Article 4 of these Articles of Association.
10. Unless the General Meeting of Shareholders determines otherwise, distributions shall be made payable fourteen days after the fixing thereof, at a time and place to be determined by the Executive Board.
11. The claim on the part of shareholders shall lapse and revert to the Company on expiry of a term of five years, calculated from the second day on which the claim becomes payable on demand.

ANNUAL ACCOUNTS - Auditor's report

INTRODUCTION

We have audited the annual accounts for the year 2002 of Roto Smeets De Boer NV in Hilversum. The annual accounts are the responsibility of the company's management. Our responsibility is to express an opinion on these annual accounts based on our audit.

SCOPE

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the annual accounts. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual accounts. We believe that our audit provides a reasonable basis for our opinion.

OPINION

In our opinion, the annual accounts give a true and fair view of the company's financial position as of December 31, 2002, and of the result for the year then ended, in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9, Book 2 of the Netherlands Civil Code.

Amsterdam, March 11, 2003
Ernst & Young Accountants