CONTENTS

CHAIRMAN'S REPORT

Dear shareholder and all other interested parties,

RSDB has had an eventful year. All parts of the company were continuously challenged, with their defences, resolve and perseverance being tested to the limit.
In 2003 we were again confronted with grim conditions in the markets most relevant to our companies, the result of a number of developments.
Most important of all was the weak economic climate, with its adverse effect on advertising spending. In addition, the position of 'print' in the hierarchy of mass media has come under pressure, partly as a result of the emergence of the internet as a mass medium. From a technological perspective, the new generation of 'high-volume' copying systems poses a threat to small-scale business-to-business printing.
All these factors have resulted in a disruption of the supply and demand ratios in our markets, leading to unusually fierce competition and related price-cutting.
Not only did we deal with this challenge through the implementation of defensive measures, including cost reductions and drastic reorganisations, we also used offensive actions, including investments in our sales force and our means of production.

Our business model, aimed at both the consumer market and the business market, has demonstrated its strategic strength, even in the grim market conditions of 2003. This does not mean that we came through unscathed, though.
Some minor strategic adjustments were made, on the one hand by devoting more attention to the organisation and form of information in 'pre-press', and on the other hand by anticipating the increasing segmentation and individualisation in the processing or 'post-press' markets.
Related to this, developments at PlantijnCasparie were again disappointing. After the adoption of earlier measures, some strong follow-up measures aimed at profit recovery were inevitable.
Although PlantijnCasparie has retained its position as market leader, we decided to discontinue the small-volume printing segment, while concentrating on industrial production methods in the sheetfed segment and on a central sales organisation.
Roto Smeets realised growth in its share of the north-western European market.
The price competition, partly the result of excess capacity within the industry, reached an unprecedented intensity.
Strategically, Roto Smeets' mission remains unchanged: to participate in a battle of consolidation whereby direct, obvious opportunities for synergy must be within reach.
In terms of profit, Media Partners realised an 'all-time high' result, thanks to its appropriate commercial strength coupled with improvements in productivity.

The restructuring measures at PlantijnCasparie necessitated provisions which put the result under considerable pressure. Despite this, RSDB closed the 2003 financial year in the black, with a strong financial position. Also on the basis of this, it was decided to propose a cash dividend for 2003 of € 1,00 per ordinary share.

In this report I shall not hide the fact that the General Meeting of Shareholders of 9 April 2003 expressed some doubt regarding our policies in a part of the company.
During the Extraordinary General Meeting of Shareholders on 12 September 2003 we noticed that the feeling among our shareholders had taken a turn for the good. We see this as a vote of confidence to continue along our strategic path.

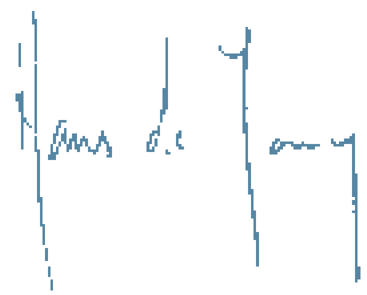
With regard to the by now definitive code on Corporate Governance of the Tabaksblat committee, I am pleased to report that we shall comply with the code as far as possible. Notwithstanding that RSDB will keep an eye on costs in particular, as well as on what befits a listed company which the financial community views as a 'smaller company'.

We do not believe that market conditions will show a substantial improvement in the foreseeable future. We are thus implementing actions aimed at further reducing our cost ratios in order to deal with price erosion.
It will take until at least mid-2004 before we shall be able to determine whether the increase in volume in the last few months of last year was the herald of a structural recovery.

For Media Partners, given the present market conditions, matching last year's financial performance has top priority.
PlantijnCasparie's operating result should at least show a return to break-even.
Roto Smeets will defend its market position with appropriate aggression in sales, but also by making decisions regarding press replacement investments.

By paying extra attention to cross-selling, the three brands may be expected to further complement and strengthen each other in their market approach.
On balance, my message to you the shareholder is that after the difficult year 2003, RSDB's starting position has been strengthened for the current year 2004 and thereafter.

Finally, I would like to thank all RSDB stakeholders for the trust again placed in us in 2003. I should particularly like to thank our employees for their huge effort and motivation under difficult and at the same time challenging market conditions.
Together, we shall continue to work on keeping RSDB financially strong and healthy.



BOARDS

SUPERVISORY BOARD

G. Lodewijk,
chairman
J. L. Brentjens,
vice-chairman
C. A. M. Busch
A. P. Lugt

EXECUTIVE BOARD

H. de Jong,
chairman
M. J. Bos
J. P. Caris

FOUNDATION 'STICHTING PREFERENTE AANDELEN'

J. J. Slechte,
chairman
P. J. F. Tack
R. P. Voogd

CENTRAL WORKS COUNCIL EXECUTIVE

M. Ungheretti,
chairman
T. G. J. M. de Wit
J. W. J. de Vooght
Mrs. A. T. M. Stevens,
(official secretary)

Situation as at March 10, 2004

KEY FIGURES

(€ 1,000)		***2003***		***2002***
Total operating income	€	623,922	€	658,607
Value-added		311,651		329,303
Operating result		10,782		15,481
Net result from ordinary operations		8,263		10,319
Net result		3,294		5,219
Cash flow from operating activities		55,059		66,162
Net investments in tangible fixed assets		7,268		37,873
Tangible fixed assets		218,522		251,648
Working capital		37,915		44,648
Shareholders' equity (before dividend proposal)		131,305		131,800
Number of employees at year-end (fte)		3,465		3,790
Number of shares in issue at year-end		3,290,275		3,290,275
Average number of shares outstanding		3,290,275		3,477,672
Per share data				
(x € 1)				
Cash flow / average shares		16.73		19.03
Net result from ordinary operations / average shares		2.51		2.97
Net result / average shares		1.00		1.50
Dividend / share		1.00		1.10
Equity		39.91		40.06
Share price : high		26.80		28.50
Share price : low		15.00		16.00

REPORT OF THE SUPERVISORY BOARD

to the shareholders of Roto Smeets De Boer NV – RSDB – and all other interested parties

ANNUAL ACCOUNTS

In accordance with the provisions of article 16 of the Articles of Association, the Supervisory Board is pleased to submit the annual accounts for the 2003 financial year, as drawn up by the Executive Board and adopted by the Supervisory Board, for review and approval by the General Meeting of Shareholders.
The annual accounts have been audited by Ernst & Young Accountants, who have issued an unqualified auditors' report.
We recommend that the General Meeting of Shareholders approves the annual accounts, which endorsement, in accordance with paragraph 10 of article 16 of the Articles of Association, shall constitute discharge of the Executive Board for its conduct of affairs as well as of the Supervisory Board for its supervision during the 2003 financial year.

On the basis of the provisions in respect of the distribution of profits, article 17 of the Articles of Association, we have given our approval to the Executive Board's proposal in this matter.
We recommend that a dividend of € 1,00 per ordinary share be fixed.
After approval of the annual accounts and fixing of the dividend, the dividend shall be made payable as of 21 April, 2004.

ACTIVITIES

Spending on communication in both the consumer and the business-to-business market fell once again this year. Although our sector saw more bankruptcies than ever before, there was no ensuing decline in the supply of printing capacity. This disturbed ratio of supply and demand, together with the absence of any realistic expectation of recovery, put further pressure on prices and on any subsequent recovery of profits.
In this perspective, the key subjects of the meetings with the Executive Board were, on the one hand, the strategic direction of the company, and on the other the development of the operating result.
The strategic concept of RSDB and the policy outlines for Roto Smeets, PlantijnCasparie and Media Partners are fully endorsed by the members of the Supervisory Board. In this regard, the downward adjustment of the profit target should not be viewed as a matter of course; in the end it was regarded as unavoidable.
The development of the operating result was discussed regularly.
Media Partners has had an excellent year. Given the economic climate in the northwestern European market, Roto Smeets has had a good year. The current restructuring process, coupled with the investment efforts of the past years, have contributed towards this achievement, in line with projections.
The developments at PlantijnCasparie were felt to be highly disappointing. It proved to be unavoidable to implement follow-up measures in order to realise the required profit recovery. We approved a package of additional measures, including the discontinuation of the activities in the market for small volume print.
The implementation of reorganisation measures approved earlier in 2002, as well as the implementation of the package of measures approved this year, was monitored periodically. In general, the process is going according to plan. However, maintaining turnover does remain a critical and uncertain factor in this extensive reallocation / integration process.

Attention was also paid to the development of the company's financial position. The solvency and interest coverage ratio meet the standards stated and agreed with the banks. The agenda also included the Corporate Governance code of the Tabaksblat Committee, as well as the new regulations on International Financial Reporting Standards (IFRS).
During the annual review of the occupancy of the top positions, the Board discussed management changes and management potential.
The Supervisory Board has again read both the Social Annual Report and the Environmental Annual Report which state the value the company attaches to people and the environment.
As in previous years, the consultative meetings of the Central Works Council with its member on the Executive Board were attended in turn by one of the members of the Supervisory Board.

MANAGEMENT

During the past year, the Supervisory Board had a total of twelve meetings with the Executive Board. In addition to seven planned meetings, five additional meetings were held. Some of the meetings of the Supervisory Board were combined with company visits.
During the additional meetings, special attention was devoted to the strategy memorandum, the developments and the decision-making process at PlantijnCasparie, the advantages and disadvantages of the stock exchange listing, and to preparations for the Extraordinary General Meeting of Shareholders on 12 September 2003.
The undertaking to hold this meeting, to discuss company policy, was given after the refusal to grant discharge due to developments at PlantijnCasparie.
All meetings were held in the presence of all members of both the Supervisory Board and the Executive Board. Prior internal consultations had been held on three occasions, including talks on the performance of the Supervisory Board, the performance of the Executive Board, the policies and actions of the Executive Board and the size and the composition of the Supervisory Board. With regard to the latter, and in view of the rotation scheduled for 2005, the number of members of the Supervisory Board (now four) will be increased by one to five members. In connection with this increase, Henk C. A. Groenen, former CEO of NMB Heller, will, after the usual procedures, be appointed as member of the Supervisory Board as of 7 April 2004. As of that same date, A. P. Lugt, after the usual procedures, will be reappointed as member of the Supervisory Board in accordance with the rotation schedule.
Finally, we would like to thank the members of the Executive Board, boards of directors, management and employees for their efforts and contribution to the company in the past year.

The Supervisory Board
Hilversum, March 10, 2004

Keeping critical people up to date
Managed by RSDB

News magazine

web offset

dividing into special editions

adding advantages

sealing

international distribution

CORPORATE GOVERNANCE

I. OBSERVANCE AND ENFORCEMENT OF THE CODE

The Supervisory Board and the Executive Board will respect and where possible apply the principles and best practice provisions of the Corporate Governance Code, where these apply to RSDB and as far as these are not already part of the best practice provisions of RSDB. Departures from this policy will be explained.

II. THE MANAGEMENT

1. RESPONSIBILITIES AND PROCEDURES

The Executive Board of RSDB fully endorses the principle of the responsibilities and procedures of the Executive Board as stated in the Corporate Governance Code and implemented the majority of the described best practice provisions within the company some time ago. Attention will in 2004 be paid to provisions not yet applied, such as the policy with regard to the proposed appointment of members of the Executive Board for maximum periods (II.1.2), a code of conduct (II.1.3.b), reporting on the working of the internal risk management and control system (II.1.4) and a whistleblower arrangement (II.1.6).

2. REMUNERATION

Amount and composition of the remuneration

The members of the Executive Board of RSDB receive a remuneration which exists of a fixed and a variable part. The variable part is linked to previously determined, measurable and influenceable targets, which must be achieved partly in the short term and partly in the long term. The remuneration policy does not contain a shareholding or option scheme, so that the best practice provisions regarding this subject do not apply to RSDB. With regard to the exit arrangements we respect arrangements such as laid down in the remuneration contracts of the present members of the Executive Board. We are studying more thoroughly whether RSDB can act in accordance with the best practice provisions of the Corporate Governance Code with regard to new members of the Executive Board. This is also influenced by a possible change in the statutory regulations concerning the labour conditions of directors.

Determination and disclosure of the remuneration

Starting with the annual report for the 2004 financial year, the report of the Supervisory Board shall include the principal points of the remuneration report regarding the remuneration policy of the company. The notes to the annual accounts shall contain the information prescribed by law on the level and structure of the remuneration of the individual members of the Executive Board.
The remuneration policy proposed for the next financial year and subsequent years as specified in the remuneration report shall be submitted to the general meeting of shareholders for adoption.

3. CONFLICTS OF INTEREST

Within RSDB there are no conflicts of interest between the company and members of the Executive Board. Should these occur in the future, than the best practice provisions with regard to this principle will be observed.

III. SUPERVISORY BOARD

1. RESPONSIBILITIES AND PROCEDURES

The Supervisory Board of RSDB fully endorses the principle of the responsibilities and procedures of the Supervisory Board as stated in the Corporate Governance Code and implemented the majority of the described best practice provisions within the company some time ago. Attention will be given in 2004 to the not yet applied best practice provisions such as posting of the regulations (III.1.1) on the company's website and accounting for absence (III.1.5).

2. INDEPENDENCE

We are currently preparing to meet the requirements of the Code's guideline.

3. EXPERTISE AND COMPOSITION

Based on a profile, the members of the Supervisory Board have been selected for their specific expertise required for the fulfilment of their duties within the Board.
As of 2005, all described best practice provisions with regard to this principle will be applied within the company.

4. ROLE OF THE CHAIRMAN OF THE SUPERVISORY BOARD AND THE COMPANY SECRETARY

The Supervisory Board of RSDB fully recognises the principle of the role of the chairman of the Supervisory Board as stated in the Corporate Governance Code and has for some time been applying the described best practice provisions within the company.
The best practice provision III.4.3 with regard to the role of the company secretary will be discussed in more detail in 2004.

5. COMPOSITION AND ROLE OF THREE KEY COMMITTEES OF THE SUPERVISORY BOARD

The Supervisory Board of RSDB has until now seen no cause to appoint separate committees within its college and therefore acts as one single entity.
The applicable best practice provisions therefore relate to the whole Supervisory Board and are already applied.

6. CONFLICTS OF INTEREST

Within RSDB there are no conflicts of interest between the company and members of the Supervisory Board. Should these occur in the future, than the best practice provisions with regard to this principle will be observed.

7. REMUNERATION

The remuneration of the members of the Supervisory Board of RSDB is not dependent on the results of the company.
Propositions to that effect will be submitted for adoption to the General Meeting of Shareholders.

8. ONE-TIER MANAGEMENT STRUCTURE

The principle with regard to the One-tier management structure does not apply to RSDB.

IV. THE (GENERAL MEETING OF) SHAREHOLDERS

1. POWERS

The powers of the shareholders, as stated in the Corporate Governance Code will be observed and the decisions of the management board on a major change in the identity or character of the company or the enterprise shall, in accordance with the Articles of Association of the company, be submitted to the General Meeting of Shareholders for approval. RSDB already applies the majority of the described best practice provisions. Attention will be given in 2004 to provisions not yet applied such as the determination of a registration date for the exercising of voting rights and rights relating to meetings (IV.1.7).

2. DEPOSITARY RECEIPTS FOR SHARES

The principle with regard to depositary receipts for shares and the thereby described best practice provisions do not apply to RSDB.

3. PROVISION OF INFORMATION TO AND LOGISTICS OF THE GENERAL MEETING OF SHAREHOLDERS

The Executive Board and the Supervisory Board of RSDB endorse the principle of the provision of information to and logistics of the General Meeting of Shareholders as stated in the Corporate Governance Code and has for some time applied almost all described best practice provisions within the company. Attention will be given in 2004 to the best practice provisions regarding the report (IV.3.8) and the possible anti takeover measures (IV.3.9).

4. RESPONSIBILITY OF INSTITUTIONAL INVESTORS

The principle with regard to the responsibility of institutional investors and the thereby described best practice provisions do not apply to RSDB.

V. THE AUDIT OF THE FINANCIAL REPORTING AND THE POSITION OF THE INTERNAL AUDITOR FUNCTION AND OF THE EXTERNAL AUDITOR

1. FINANCIAL REPORTING

The Executive Board of RSDB recognises its responsibility for the accuracy and completeness of the external financial reporting. The Executive Board and the Supervisory Board also recognise the role of the Supervisory Board in supervising the fulfilment of this responsibility by the Executive Board.

2. ROLE, APPOINTMENT, REMUNERATION AND ASSESSMENT OF THE FUNCTIONING OF THE EXTERNAL AUDITOR

The Supervisory Board shall, with due observance of the advice of the Executive Board, if necessary submit the appointment of the external auditor to the General Meeting of Shareholders. Attention will be given in 2004 to the described best practice provisions.

3. INTERNAL AUDITOR FUNCTION

The principle with regard to the internal auditor function does not apply to RSDB.

4. RELATIONSHIP AND COMMUNICATION OF THE EXTERNAL AUDITOR WITH THE BODIES OF THE COMPANY

The principle with regard to the relationship and communication of the external auditor with the bodies of the company and the described best practice provisions are applied by RSDB.

Reaching musical people in style
Managed by RSDB

Direct mail

relationship management

database publishing

sheetfed printing

fulfilment and logistics

teleservices

RESULT

In 2003 RSDB realised a net result from ordinary operations of € 8.3 million, against € 10.3 million in 2002. Taking account of a provision for reorganisations of € 5.0 million, the net result amounted to € 3.3 million.
At a 5% lower total turnover, partly as a result of divestments at PlantijnCasparie of € 623.9 million (2002 € 658.6 million), value-added was 5% lower at € 311.7 million (2002 € 329.3 million). With both lower personnel costs, lower depreciation and lower other operating costs, total operating costs declined from € 313.8 million in 2002 to € 300.9 million in 2003.
Operating result from ordinary operations declined by 21% to € 18.4 million, against € 23.3 million in 2002. The operating result after provisioning for reorganisations is € 10.8 million (2002 € 15.5 million).
The balance of financial income and expenditure improved from € -7.7 million to € -5.3 million. Cash flow from operating activities amounted to € 55.1 million (2002 € 66.2 million).
Solvency at year-end 2003 amounted to 36.2% against 32.0% at year-end 2002.

In 2003, the relevant markets in the Netherlands and abroad were characterised by a further stagnation in demand, driven by both lower confidence in the consumer market and a further decline of the advertising and marketing budgets in the business-to-business market. Given the unchanged excessive supply capacity, this resulted in unprecedented levels of price competition.

Under these conditions Roto Smeets managed to realise a further growth in market share, Media Partners achieved an 'all-time high' profit, whereas PlantijnCasparie had a difficult and financially very disappointing year.

The weighted average number of outstanding ordinary shares decreased from 3,477,672 to 3,290,275.
The profit from ordinary operations per share for 2003 amounted to € 2.51 (2002 € 2.97). After incorporation of the provision for reorganisations, the profit per share for 2003 amounts to € 1.00.
The dividend proposal amounts to € 1.00 (2002 € 1.10) per ordinary share.

ACTIVITIES 2003

In view of the market conditions and the market opportunities, the activities were closely connected to the execution of the strategic development of the company's component parts in the direction that had already been formulated.
Roto Smeets' ambition remains undiminished, to increase its market share. Discussions held with several parties have not resulted in the merging of activities in any form whatsoever. Within the industry, no competitors made any subsequent move in the consolidation process. Loss of capacity in gravure printing and web offset due to the recession was very limited.
The battle for market share was fiercer than ever; only full capacity utilisation offers any perspective with regard to maintaining profitability. Losses resulting from less than full capacity utilisation outweigh negative order results.
Roto Smeets' centralised sales organisation and more standardised production contributed hugely to renewed growth in processed paper volume and growth in market share. As a result of the well-considered investment programme of the past years, the technical departments of the company in 2003 were able to concentrate on process control improvements.

PlantijnCasparie is focusing its printing activities on five well-equipped, large-scale main sites. Developments within the sector were characterised by a record number of bankruptcies, in many cases followed by a restart, as a result of which the competition has once again intensified.
The divestment, integration and closure of 10 sites generally went according to plan, whereby the volume to be reallocated will remain the only unpredictable factor. Although the planned divestments have reduced the company's market share, PlantijnCasparie still finished 2003 as market leader in its segment.
A first move was made in regard to the restructuring of the pre-publishing and direct marketing activities, after which these will be built up again in co-operation with Media Partners.
Media Partners is to develop into a provider of multi-media products and services. From its basic specialisation in sponsored magazines, Media Partners has already developed into a provider of services in the marketing communication field. Commercial acquisition, in combination with tight project-budget control, has further strengthened Media Partners' position. Further growth is expected in the range of products and services provided, in combination with the appropriate elements of Roto Smeets and PlantijnCasparie. A special sales team has been formed for this cross-selling effort. The first results have already materialised in 2003.

Sites Roto Smeets

Provider of consumer information, the main product groups being magazines, mail order catalogues, promotional print and directories, both national and international, especially aimed at the mass consumer market.

CONSUMER INFORMATION

The core of Roto Smeets' business consists of the sales organisation with its own sales offices in seven countries of the European Union and six web printing companies, five in the Netherlands and one in Hungary.
In addition, Roto Smeets has three companies that specialise in pre-publishing and pre-press and three specialist finishing companies.
Roto Smeets is the dominant market leader in the Netherlands. In western Europe, Roto Smeets occupies a 5% share of the market.
Roto Smeets offers the market short throughput times and reliability combined with cost effectiveness.
The broad European orientation, together with a sound knowledge of the market and a high level of skill, gives Roto Smeets a leading position within its specialist sector.

ACTIVITIES 2003

x € mln	*2003*	*Index*
Turnover	*458.8*	*96*
Value-added	*217.2*	*98*
Operating result	*22.3*	*91*

After two successive years of decline, sales of paper in the rotogravure and web offset market, relevant to Roto Smeets, on balance showed a marginal 1% increase in 2003.
As a result of lower advertising budgets and falling consumer confidence, both print runs and sizes of magazines declined.
There were major differences between individual titles. There were very few product launches. Catalogues had lower print runs, and became increasingly segmented.
Growth continued in promotional print, unaddressed advertising in particular, countering the decline of the magazine and catalogue segments. The effective production capacity of the industry again increased in size. The negative effect on pricing of the supply and demand ratios was reinforced by a policy aimed at maintaining existing order packages and aggressive attempts to acquire one-shots, in many cases 'at any price'.

Roto Smeets further strengthened its market position. The long-term project Roto Smeets Sterker, aimed at improving the effectiveness of our commercial organisation, management integration, and rationalisation and focusing of the production companies, has contributed according to plan.

In view of the earlier experienced volume declines in the main magazines and catalogues product groups, the acquisition process in the national and international markets was focused on the promotional print segment, which is a growth sector. We met our volume targets, partly as a result of pricing in line with the market and improved delivery reliability. Production, measured as tonnage of paper, increased by more than 6% compared to 2002. This increase was evenly divided over rotogravure and web offset.

In the national market almost all terminating contracts with existing customers were renewed, but due to market conditions, price concessions were inevitable. The company's position in the Pan-European magazines segment was strengthened by the acquisition of the weekly specialist magazine The New England Journal of Medicine, an order from the Massachusetts Medical Society. With the exception of the United Kingdom, Sweden and Belgium, growth was achieved in the existing export markets.

In the United Kingdom, turnover from current orders, consisting of catalogues and newspaper supplements, declines as a result of a decline in both frequency and size. The development of the Sterling exchange rate also had a negative effect, weakening our competitive strength.

Exports to Denmark, Germany and France showed further growth, mostly in promotional print, but the decline in value-added per ton of printed paper is a fact. The main product within this product group, unaddressed advertising, basically makes a lower value-added contribution than the magazine product group, mainly due to the simple processing technique.
In the Roto Smeets production companies, earlier implemented programmes aimed at rationalisation and improvement of process control received all due attention.
At Roto Smeets Deventer, Roto Smeets Utrecht and Roto Smeets Grafische Nabewerking this was done under new management.
At the site in Deventer initial problems, caused by both the new 368 centimetre press and by the new folding machine on an existing 308 centimetre press, were resolved.
At the site in Etten-Leur, improvement programmes aimed at process control were also successful.
The capacity of both gravure sites was sold in the market as a single entity.
Capacity utilisation per site was determined by the product specifications of the order, thereby utilising to the full the focus on the the company's specialisation.
With the successful implementation of similar programmes for the web offset companies at the sites in Doetinchem, Utrecht and Weert, staff numbers at Roto Smeets were reduced by more than the planned 220 jobs in just over two years.

Improvement in process control was also achieved in the Roto Smeets finishing activities, including the perfect binding activities concentrated in Eindhoven at De Wit Grafische Projecten.
In addition to the existing volume flow from the Roto Smeets printing sites, third party orders will provide new impulses in the coming year.
The contribution to the result made by the joint activities of Roto Smeets Prepress, Logic Use and PSH / Hoogte 80 in the field of pre-publishing and pre-press showed an improvement compared to last year.
In Hungary the Antok Nyomdaipari printing company achieved a production increase of 30%. Preparations were made for the production of magazines in addition to promotional print, as well as for the further increase of printing capacity. For this purpose a press was brought over from Roto Smeets Utrecht. This press had been completely written off financially, but was technically very well preserved.

Reaching trendsetters in time
Managed by RSDB

Catalogues

picture and text databases

pre-press

gravure printing

stitching

sealing

→ PlantijnCasparie

Consumer, technical and scientific information, by way of pre-publishing, printing and direct marketing, aimed mainly at the business-to-business market.

BUSINESS-TO-BUSINESS

PlantijnCasparie is a leading player in the Netherlands in the communication industry and leader in a large market with many, highly varied suppliers. PlantijnCasparie offers its customers every facility for the organisation of their communication flows, offering services in the areas of pre-publishing, print and direct marketing.
The size of its organisation and the careful match and co-operation between its production companies means that PlantijnCasparie can fulfil every assignment at the highest level.
This applies to the printed products – manufactured at ten locations – as well as to the realisation of many other possible means of communication, including websites, mailings and direct marketing campaigns that are conducted by the eight fully equipped operating companies.

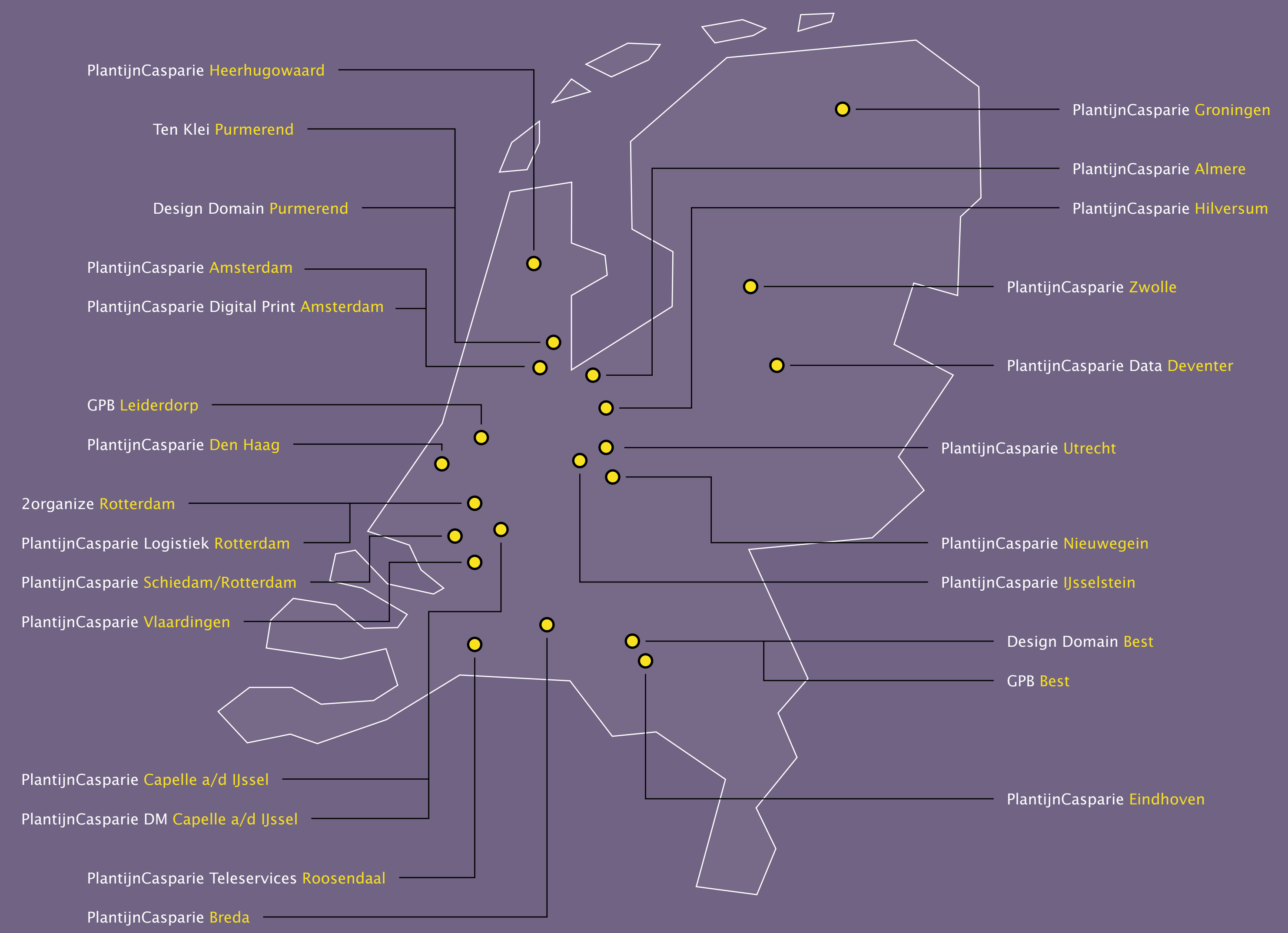
ACTIVITIES 2003

x € mln	*2003*	*Index*
Turnover	*150.6*	*86*
Value-added	*84.7*	*86*
Operating result	*-14.3*	*132*

PlantijnCasparie has again had a very disappointing year.
The market projections based on the 4th quarter of 2002 proved to be too optimistic.
In 2003 the market shrunk for the third year in a row. Demand again declined by approximately 5% in volume. Marketing budgets were cut, the number of titles, frequencies, the size and the print runs of specialist and trade magazines declined, and there were no financial printing orders as a result of the absence of a recovery in the financial markets.
Professional purchasers increasingly used tender procedures to market available volume. Customers reallocated book productions to cheaper countries.
The excess supply of capacity remained, despite a doubling of the number of bankruptcies. In certain market segments, internet applications and digital printing techniques provided an economically more favourable alternative to acceptable quality for conventional sheet printing.
These supply and demand characteristics have resulted in unprecedented levels of price erosion within the sector.

On the basis of the view that conventional sheetfed print will remain a major communication medium for the future, that the emergence of digital print will start eroding the lower segment of the sheet market, thereby causing a substantial shake-out within the supply side in the 50/70 segment, the previously formulated direction for strategic development was sharpened: activities in the market for small-scale printing, the 50/70 segment, will be terminated. In addition, 'total' solutions will be provided, consisting of creative pre-publishing activities, printing and marketing services. This is also being done by the new central sales organisation which operates alongside the companies' own trusted sales efforts.
Cost reduction has been effected by concentrating the printing activities at a reduced number of sites, utilised in combination, thereby increasing the scale of each site.

Sites PlantijnCasparie



Reaching sporty people fast Managed by RSDB

Sports magazine

picture and text databases

workflow management

web and sheetfed offset

finishing

mail distribution

These strategic choices have had far-reaching consequences, resulting in an adjustment of the marketing, the organisational structure, integration, divestment and the closure of companies that did not fit into this strategy.
As a result, and as forced by the severe losses in exploitation, a substantial reorganisation plan was presented in November 2002: Henkes Senefelder in Purmerend was closed, a substantial part of its turnover being reallocated to the PlantijnCasparie sites in Almere and Utrecht, as well as to Senefelder Misset in Doetinchem, part of Roto Smeets.
The PlantijnCasparie sites in Apeldoorn and Maastricht were sold.
The PlantijnCasparie sites in Schiedam / Rotterdam, Vlaardingen and Breda were integrated with the sites in Capelle a/d IJssel and Eindhoven, respectively.
The Groningen site was reorganised.

After our initial confidence in the effects of the substantial organisational changes that had been implemented, the negative development of the result proved irreversible. This was due in particular to a further decline in demand and the announcement that the largest customer of the Heerhugowaard site was to take its business to the Far East.
Additional measures aimed at a recovery of the results became unavoidable. A second round of reorganisations was announced late in the summer: the integration of the activities of the sites of PlantijnCasparie Heerhugowaard, Hilversum and Logistiek-Rotterdam with the PlantijnCasparie sites in Almere, Amsterdam, Purmerend, Utrecht and Zwolle, as well as the reduction of the size of the holding company's head office in Nijkerk.
After going through the usual consultative procedures, implementation of the plans started well before the end of the year.
In 2003 the number of jobs was reduced by just over 250 fte, which amounts to 16% of the total workforce, 78 fte of which related to the sale of PlantijnCasparie Apeldoorn and Maastricht.

The new concept, together with both substantial rounds of restructuring, the effects of which will be felt through mid-2004, will form the basis for a solid profit recovery in the coming year.
This recovery will also be aided by the commercial successes achieved in 2003: PlantijnCasparie has successfully participated in tender procedures by Achmea, Essent, Fortis, the Dutch Department of Justice, Parker Hannifin, Procter & Gamble, Stork and Unilever. Although this cannot be seen as a guarantee of turnover, it does mean that 'new doors' have been opened, which is very necessary.
PlantijnCasparie again provided the prospectus for the sole IPO in 2003, that of Kardan.
PlantijnCasparie has retained its leading market position in a declining market.

Sites Media Partners

Communication media, created and produced for third parties, on the basis of advice from marketing communication and aimed at both consumers and business customers, internal and external, national and international.

MARKETING COMMUNICATION

Media Partners develops media concepts and implements these concepts to fulfill its customers' marketing communication objectives. The strategy is founded on a sound knowledge of the various types of media, editorial techniques,
creative skills and a thorough knowledge of marketing communication.
With these instruments Media Partners is able to provide attractive solutions, as a result of which customers may place their communication message in their own medium within their own chosen setting.
Media Partners develops and produces various forms of media, ranging from conventional information carriers such as paper to digital media such as the internet. Increasingly, synergy is the focal point, as a result of which the opportunities offered by a multimedia approach can be used to their fullest advantage.

In the Netherlands Media Partners is the market leader in a field of 10 to 15 relatively large suppliers.
In addition to Media Partners, dem communications, especially focusing on response and interaction between a company and its target groups, is also active in the Dutch market.
Media Partners has its own facilities outside the Netherlands in Belgium and Sweden and, on top of that, is internationally active in the World Network of Contract Publishers (WNCP) alliance.

Although the market in which Media Partners operates is still experiencing growth, the entry of new players is leading to increasing competition.

ACTIVITIES 2003

x € mln	*2003*	*Index*
Turnover	*17.1*	*107*
Value-added	*9.8*	*107*
Operating result	*2.8*	*151*

In the markets in which Media Partners operates, the Netherlands, Belgium and Sweden, the economic recession has resulted in pressure on volume in existing projects as well as increased pressure on prices. Fascinatingly enough, we can see a shifting of media budgets in the direction of these relationship media.
Media Partners Nederland experienced reduced profitability on a number of projects: the slump in the aviation industry resulted in a substantial reduction of advertising turnover of Holland Herald, KLM's in-flight magazine.
At the same time there was also growth: turnover increased again thanks to new projects for Multikabel, Hunkemöller and Albert Heijn.

Where projects were cancelled or budgets were greatly restricted, we gained compensation through the acquisition of new orders: a customer loyalty magazine was developed for a specific target group of ABN AMRO, while a magazine was developed for Unilever for the business-to-business market.

The situation on the Belgian market is not much better than elsewhere in Europe. Customers are very cautious and decisions are increasingly delayed. Despite this, Media Partners België managed to retain its position, both in market share and in terms of contribution to the total result. Belgium is also experiencing growth of the market for relationship media, which is attracting many newcomers to the market.

The Swedish marketing and communications market was hit severely by the recession. Media Partners Sweden did not escape the consequences, some projects being cancelled while others were substantially reduced in size. However, we see that relationship marketing is also growing in importance in Sweden.

RISK PROFILE

Positioning

RSDB is a printing company and in a general sense forms part of the information and communication industry, in the financial world also called the TMT sector (Telecom Media Technology).
RSDB provides a broad range of multi-media products and services, in the Netherlands and abroad, which can be divided into small-scale 'need-to-know' information for the business-to-business market and mass 'nice-to-know' information for the consumer market.
RSDB uses a business model of complementary, mutually reinforcing core activities.
These core activities have been organised in three separate main brands:

- Roto Smeets, aimed at rotary printing for the mass consumer market;
- PlantijnCasparie, aimed at sheetfed printing for the business-to-business market;
- Media Partners, aimed at developing specialist communication concepts for the consumer and business-to-business markets.

RSDB belongs to the top five independent printing companies in Europe that use paper as main information carrier and therefore produce and deliver print.
RSDB shares are listed on the Euronext Amsterdam stock exchange.

Most of the many smaller, medium-sized and larger competitors in the Netherlands and abroad are not listed and therefore have less demanding publication requirements. This also holds for the increased requirements with regard to Corporate Governance for listed companies.
The risk profile connected with this positioning is described below, and is based on previous experience, while a reservation is made in regard to risks that have no material influence and unexpected risks in the short and longer term.

Order flow

For the acquisition and execution of orders, RSDB companies have highly trained, highly experienced employees and equipment to meet the most demanding requirements of the market. The activities are characterised by a great diversity of orders and customers in the Netherlands and abroad.
Profitability is determined by full capacity utilisation.
Stagnation of the order flow may result in temporary losses due to insufficient capacity utilisation.
The orders are partly annual contracts (approximately 35% of group turnover) and partly short-term orders (approximately 65% of the group turnover), which are increasingly following from long-term 'preferred supplier' agreements.

The equipment – machinery for pre-press, printing and finishing – is spread out over different sites. In case of malfunctions, production can be switched to capacity elsewhere within the group of RSDB companies, so that the company can at all times meet the agreed specifications and delivery times.

Market demand side

Demand for products and services relevant for RSDB companies is mainly determined by the development of advertising spending, marketing budgets and consumer spending power in the Netherlands and elsewhere in Europe.
This develops almost on a 1 on 1 ratio, as we have learned. In the business-to-business market, where 'need-to-know' information prevails, the correlation with advertising spending is a less obvious one. There is a relationship with the stage of the economic cycle.
In this market, demand is therefore depending on the state of the economy and of capital market transactions in the financial world, including IPOs and the like.
The loss of advertising, such as the ban on tobacco advertising, may be compensated by extra advertising, for example for healthy living, but there will mostly be a transition period, with only partial compensation.
Within the competing but also mutually complementary media such as TV, radio, newspapers, magazines, the internet, advertising folders and outdoor advertising, printing has held its own through the years. The ready accessibility of print outweighs the rapid electronic media, retaining its priority position among advertisers wishing to effectively bring their message to the consumer.

Reaching loyal customers
Managed by RSDB

Sponsored magazine

communication consultancy

design and styling

editorial communication

content management and database publishing

fulfilment and logistics

In addition to the mass media for the builders of brands, the development of and demand for services and products aimed at individual interests still continues. A better, more refined knowledge of the market is leading to increasing segmentation while the demand for direct marketing and special interest magazines is growing.
In these niche markets, RSDB companies with their extensive experience and market knowledge effectively operate by collaborating with their customers to develop, produce and supply tailor-made services and products.
Product regeneration and product launches occur on a regular basis, sometimes leading to the elimination of existing products.
Another characteristic of the demand side of the market is that customer purchasing is becoming increasingly more professionalised and customers are aggregating their influence by using media purchasing firms, which is leading to fiercer price negotiations.

Market supply side

The main characteristic of the supply side in the markets relevant to RSDB companies is the fact that the capacity is hardly adjusted to the demand, or not at all. In case of falling demand, this leads to excess capacity with fierce price competition.
Although filings for protection from creditors and bankruptcies have been familiar for some years now, these are mostly followed by restarts at substantially lower costs, leading to the continuation of fierce price competition.
A consolidation and restructuring process in combination with capacity reductions is therefore not a likely development.
All activities of RSDB companies are confronted with this situation to a greater or lesser extent. The risk of customer shopping is a fact of life. Experience, however, teaches us that not only price, but also quality, delivery times and the extra logistics services to the end user are important arguments vis-à-vis the customers.
These risks can be mitigated by strictly controlling the cost structure of each of the main RSDB brands (Roto Smeets, PlantijnCasparie and Media Partners), by promoting cross-selling between these three mutually complementary and reinforcing activities, by terminating loss-making capacity and by continuously investing in modern equipment.

The importance of raw materials

Paper and ink together account for approximately 35% of the costs of the net turnover, thereby forming the main raw materials for the products of RSDB companies.
Price fluctuations of paper and ink directly influence the result of non-contract orders, representing approximately 65% of group turnover.
RSDB companies purchase paper for more than 75% of their customers, which therefore constitutes part of the turnover.
This contrasts with foreign printing companies, which mainly receive their paper from their customers, in which case the paper does not form part of the turnover. For comparison purposes, therefore, added value is a better benchmark than turnover.

The importance of currencies

The major part of group turnover is realised within the Euro zone. In the past years, an average of 15% of group turnover was realised outside the Euro zone, mainly in Sterling and to a lesser extent in US dollars.
Exchange rate fluctuations therefore have a limited impact on the result and the balance sheet.

MISSION STATEMENT

It is the ambition of RSDB to create and produce profitable, high-quality added value with our brands within the total process by which our customers communicate with their target groups.
RSDB aims to realise this in a people-oriented culture characterised by a drive for perfection, respect for and confidence in each other and with a market focus in which the pleasure of satisfying customers comes first.
Adaptability, scale, modern means of production and speed of action must contribute to a healthy development of earnings per share.
At group level, a solvency ratio of 30% and an interest coverage ratio of 3 are viewed as a minimum.
Our medium-term targets for return on capital employed (ROCE) are 10% for Roto Smeets and 9% for PlantijnCasparie. Media Partners has a target ROS of 12%. For RSDB as a whole, this results in an overall target of 10% return on capital employed.

HOLDING ACTIVITIES

Human Resource Management

In full-time equivalents, the number of employees at year-end 2003 amounted to 3,465, against 3,790 at the end of 2002.
The decline of 325 employees mainly related to Roto Smeets with 76 and PlantijnCasparie with 251 employees. Developments at Roto Smeets were completely dominated by the execution of the long-term project 'Roto Smeets Sterker'. The initially defined targets were almost completely realised at year-end, as planned. Developments at PlantijnCasparie were influenced by the divestment, the integration and the closure of sites, and the execution of the first and second phases of the reorganisations announced in 2002 and in 2003. These substantial reductions required a great deal of attention, energy and understanding from the management, the works council and the employees. The strength of the company was shown in the energetic manner in which all people concerned in almost all cases undertook the execution of related decisions in accordance with the planning.
Much attention was paid to training and to management development in particular.
The available general programme was complemented by a more centrally controlled and focused supervision of employees who are deemed to have the potential to occupy management positions in the future.
In total, 2.309 employees followed a training course, either at their own initiative or with the approval of RSDB as their employer. This underlined the important position of training within the organisation.
The central labour agreement between government, employer and employee organisations in the autumn of 2002 has led to a moderation of the wage increase for the year 2003.
A new central labour agreement was reached in the autumn of 2003, including agreement on both wage development for the coming years and on VUT (early retirement), pre-pension and career paths.
Exchange of experiences between the different sites and a more joint approach should in the longer term lead to a decrease of absenteeism due to illness from 6.2% to 5%. In connection with this, services within the framework of the arbo legislation (occupational disabilities legislation) for the company as a whole have been centralised.
The annual social report was published in mid-2003, as usual.

Environment

RSDB has stated its position with regard to its own responsibility regarding environmental aspects in the 'RSDB Environmental Policy Statement'.
For RSDB, striving to create a sustainable enterprise is a sine qua non.
A care for safety, health and wellbeing forms an integral part of company policy.
Managing an enterprise in environmentally sensitive surroundings means having a policy aimed at the avoidance of pollution and nuisance to our surroundings. Effective use of raw materials and energy has the highest priority.
RSDB uses an internal environmental management system meeting the international requirements in accordance with ISO 14001. By now, almost all RSDB companies have been certified in accordance with these requirements.
The requirements demand that RSDB shall be committed to a continuous effort to improve its environmental performance. As a means to chart this performance, RSDB has developed a balance of incoming and outgoing raw materials, the RSDB Eco Balance sheet.
The outcome for 2003 continues the improvements achieved in past years.
RSDB informs all its employees according to requirements and with them develops programmes at shop-floor level to further reduce the environmental burden.
RSDB informs all interested parties on developments with regard to the environment. The paper industry is its main supplier. RSDB supports environmentally friendly developments within the paper industry.
In addition, the environmental 'track record' of purchased paper is monitored. Ecological forest management and a record of the origin of the fibre material are important considerations that affect our choice of paper suppliers.
This guarantees that the timber used originates from sustainably managed forests.
The way in which RSDB tries to be a sustainable enterprise has been published for several years in a separate environmental report.

Information technology

In 2003, the transformation of the existing network into an IP VPN (Virtual Private Network on the basis of IP addresses) was completed.
Technically, this adjustment has enabled us to give certain data streams precedence over others. RSDB is now able, on the same network, in addition to the distribution of ever increasing amounts of production data, also to handle the logistics and financial processes centrally.
This quality of service facilitates the use of new applications, such as telephone services over IP, in order to realise further cost reductions.
Substantial business relations who have several objects produced by RSDB may opt to use a fixed connection with the RSDB network. Others supply their data using a standard browser via the Internet.
The introduction of a solution developed at RSDB, WorkWizz, is going well.
This application visualises the complete workflow for the customer via the browser, giving all parties concerned an up-to-date picture of the complete process at all times.

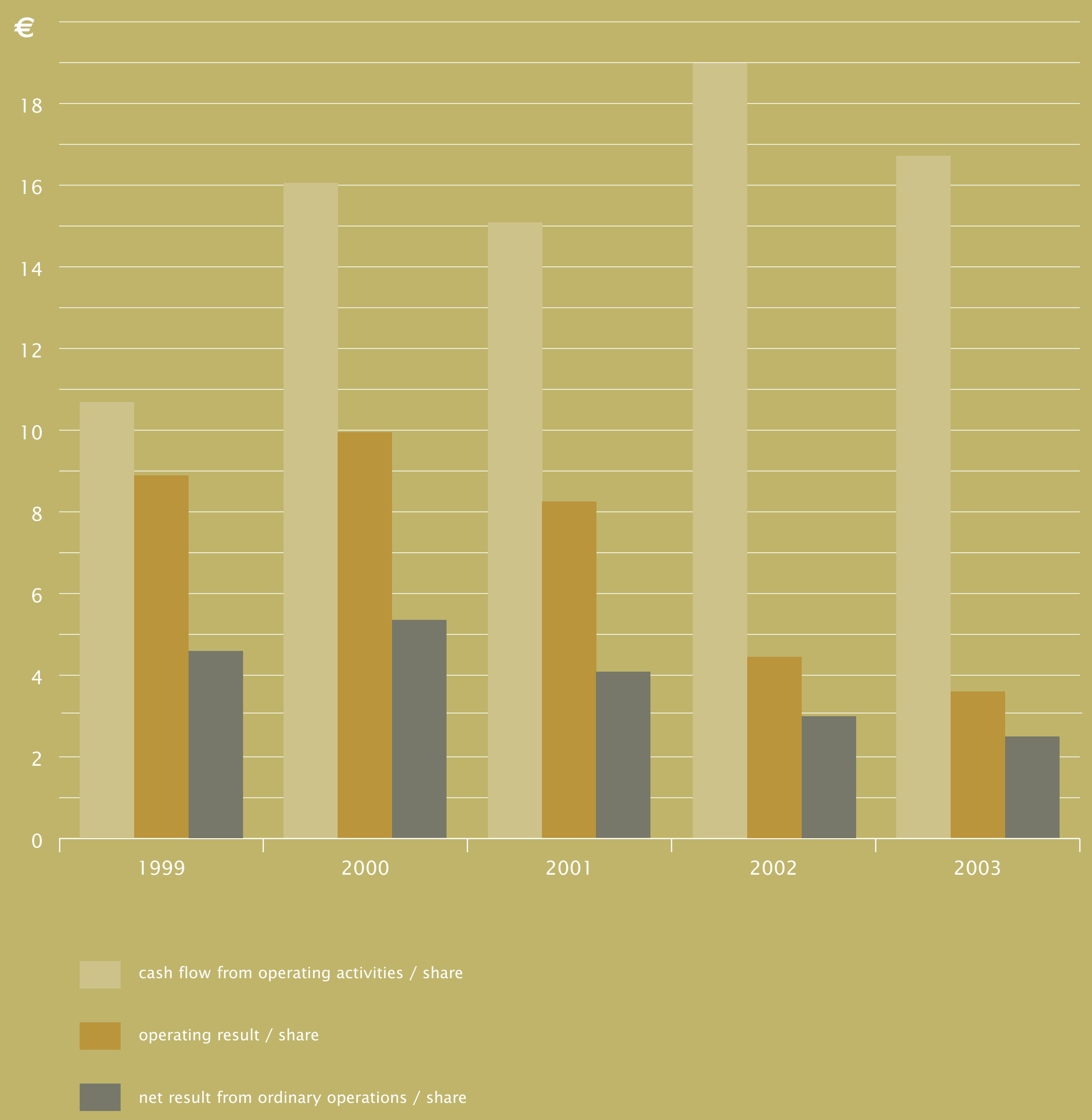
FINANCE

Group turnover declined by € 34.7 million, or 5.2% to € 623.9 million.
Of this decline, almost € 20 million (3%) was the result of the reorganisation at PlantijnCasparie which will extend into 2004. The result of this reorganisation is that divestment, integration and closures will eventually reduce the number of sites by ten.
Lower paper prices, as well as an increased share (up to 23%) of paper delivered by customers, which is not included in the consolidated profit and loss account, accounted for almost 2% of the turnover decline.
Value-added declined by € 17.7 million to € 311.7 million, 5% lower than in 2002.
Here, an important part of the decline (€12.2 million) must also be attributed to the reduction in the number of PlantijnCasparie sites.
Although production volume, expressed in tonnage of paper processed, increased by 6% at the Roto Smeets production companies and by 3% at the sites where PlantijnCasparie is to concentrate its printing activities, price erosion on balance caused a further decline of margins of € 5.6 million.
Despite improved productivity and a tight cost control policy, the lower operating costs could not offset the decline of margins.
Total operating costs fell from € 313.8 million in 2002 to € 300.9 million in 2003, a decline of 4%.
Of this € 12.9 million decline, € 10.3 million was accounted for by PlantijnCasparie.
Staff numbers declined by almost 9%. The effect of this on the result development was offset by an average wage cost increase of 2.7%.

Depreciation and impairment charges decreased to € 40.0 million. Other operating costs decreased by 5%.
Operating result from ordinary activities declined by 21% from € 23.3 million in 2002 to € 18.4 million in 2003.
The operating result was in fact negatively influenced by a provision for reorganisation of € 7.6 million (2002 € 7.8 mln) for the second phase of the reorganisation at PlantijnCasparie.

In view of the pressure on the development of the operating result due to the still weak market conditions, focus was put on control of working capital in general and debtors and currency management in particular. The best use was made of the facilities offered by the financial markets.
The resulting substantially lower interest costs were partly controlled by the loan repayments, facilitated by the generated cash flow of € 55.1 million.
Of this cash flow, € 7.3 million was used for investment activities and € 11.2 million for reduction of the loan capital position.
Interest costs on balance declined from € 7.7 million to € 5.3 million, as a result of which the interest cover ratio based on the operating result from ordinary operations was 3.4 times.
The net result from ordinary operations declined by 20% to € 8.3 million.
The result from participations of € -0.5 million was caused by the lower valuation of the participation in MKT Participations Partnership CV.
After deduction of the provision for the reorganisations at PlantijnCasparie the net result amounted to € 3.3 million.
As a result of cancellation of earlier purchased shares, the average number of outstanding shares declined to 3,290,275. This limited the decline of the net result from ordinary operations in terms of earnings per share to just over 15%.
The amount of the available facility at year-end 2003 was € 89.4 million.
As a result of dividend payments and cancellation of shares, shareholders' equity on balance changed to € 131.3 million. The balance sheet total declined to € 362.3 million, as a result of which solvency at year-end 2003 improved to 36.2%.
Return on capital employed amounted to 3.9%.

FIGURES PER SHARE



DIVIDEND

The dividend policy of RSDB is based on a payout in cash, gradually increasing to 40% of the net result from ordinary operations per ordinary share, as long as solvency meets the required minimum of 30%.

The development of earnings per share from ordinary operations from € 2.97 in 2002 to € 2.51, or a decline of 15%, combined with an increase of the payout of 37% in 2002 to 40% in 2003, subsequently results in a dividend of € 1.00 per ordinary share, or 20% per share of € 5 nominal value.
Based on 3,290,275 ordinary shares, the dividend proposal amounts to € 3,290,275. The difference from the achieved net result will be added to the reserves.

We propose to the shareholders that the remaining amount be paid out as a cash dividend.
This proposed profit appropriation has been incorporated in the annual accounts.
After approval of the annual accounts, the dividend will be made payable as from April 21, 2004 at ABN AMRO Bank NV and ING Bank NV.

PROSPECTS

None of the market segments serviced by Roto Smeets, PlantijnCasparie and Media Partners, show any sign of a structural market recovery. In the consumer market, print runs in the segment for mass circulation magazines are under constant pressure, while publishers are still very cautious with regards to the launch of new titles. Advertising volumes are not improving either. In the business-to-business market there is no actual increase in spending. A continued recovery of the financial markets could trigger an improvement in the financial printing market segment.
Demand factors, in combination with the undiminished supply of excess capacity will hardly differ from last year.
The described demand and supply ratio and its consequences force us to make continuous adaptations to the internal organisation, aimed at cost reduction and productivity increase.
In view of the factors described above, it is at this time too early to make statements regarding the profit development on an annual basis.

The Executive Board
Hilversum, March 10, 2004

BRIEF COMPANY DESCRIPTION

Roto Smeets De Boer NV ('RSDB') is a Dutch company with its registered office in Hilversum, which acts as a holding company for the national and international companies of the Roto Smeets De Boer company. In accordance with legal obligations, Roto Smeets De Boer is a so-called 'full structure' company.
The ordinary shares of Roto Smeets De Boer are listed in the NextPrime segment of Euronext Amsterdam.
The authorised share capital of the company amounts to € 85 mln and is divided into 8,500,000 ordinary shares and 8,500,000 preference shares, each with a nominal value of € 5.
As at December 31, 2003, 3,290,275 ordinary shares were issued and placed.

The 'Stichting Preferente Aandelen' Roto Smeets De Boer, with its registered office in Hilversum, looks after the interests of the company and all directly and indirectly involved. The board of the foundation is independent.

The Supervisory Board currently consists of four members. A profile as well as a set of regulations for the Board are available for inspection by the shareholders at the company's office.
The Board, from its members, forms a Committee which executes the appointment and remuneration policy for members of the Supervisory Board and Executive Board. The Committee consists of the chairman, the vice chairman and one member.

The members of the Supervisory Board serve in principal no more than three terms of four years and receive a remuneration which is independent of the company's profit.

The following retirement schedule applies to the present members of the Board:

	appointed	*reappoint-ment*	*available for re-election*
J.L. Brentjens	1993	2001	–
C.A.M. Busch	1993	2001	–
G. Lodewijk*	1989	2002	–
A.P. Lugt	2000	2004	2008

* First appointment was at Koninklijke De Boer Boekhoven.

The Executive Board consists of several members and has a collective responsibility, whereby the chairman has a deciding vote.
At the present, the members of the Executive Board are involved in the operational control of the business units. The chairman is furthermore responsible for strategy, company affairs, finance, purchasing, personnel and organisation.

The remuneration of the members of the Executive Board and of the boards of the large operating companies has a fixed and a variable component. This last component depends on the net profit development and the development of profit per share whereby allowance is made for a franchise based on a normative return on equity.

The company has a well fledged representative consultative body consisting of a Central Works Council, a Group Works Council for PlantijnCasparie, and the usual company works councils. As well as enjoying the usual collective labour agreement conditions, the employees of the company also participate in a profit sharing arrangement.

The company has a corporate calendar, in which all relevant dates with regard to official occasions and publications, consultative meetings with the Executive Board and the shareholders, the Supervisory Board and the Central Works Council, as well as the publication dates of the periodical financial reports are incorporated.

Major shareholders of the company are:

Riva Investments BV	25.0%
VNU NV	13.5%
ING Groep NV	12.1%
Marsala BV	9.7%
Fidelity Investments	6.8%

Important dates

General Meeting of Shareholders	*April 7, 2004*
Payment cash dividend	*April 21, 2004*
Press release half-year results 2004	*August 19, 2004*
Press release year results 2004	*March 10, 2005*
General Meeting of Shareholders	*April 6, 2005*

GENERAL

The consolidated annual accounts were drawn up on the basis of the principles of valuation and determination of result of RSDB and are in accordance with Dutch GAAP while meeting the legal requirements with regard to annual accounts as stated in Title 9 of Book 2 of the Netherlands Civil Code.
The valuation and determination of result take place on the basis of historic costs. Unless the balance sheet heading concerned states otherwise, assets and liabilities are stated at their nominal value. Income and expenses are attributed to the year to which they relate. Profits are only included insofar as they have been realised at the balance sheet date. Losses and risks which originate before the end of the financial year are considered if they have become known before the drawing up of the annual accounts.

As a result of a change in accounting policies implemented in 2003 regarding the presentation aspects, the figures for 2002 have been adjusted accordingly. In the comparison, the extraordinary expenses have now been incorporated in the operating result. In addition, the dividend for 2002, currently stated under current liabilities, has now been stated under the shareholders' equity. The other principles of valuation have not been changed compared to the previous year.

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

A. TANGIBLE FIXED ASSETS

Tangible fixed assets are valued at their acquisition value, less accumulated depreciation. Depreciation is linear, based on a percentage of the acquisition price and the expected economic life, taking into account possible residual value.
Depreciation starts when the assets are taken into use. 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 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. INVENTORIES

Inventories of raw materials, consumables and other stocks are valued at the lower of historical cost or 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 have a long-term nature.
- 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 pensions 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 reflects the 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 forma-lised 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. CONTINGENT LIABILITIES

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

A. NET TURNOVER

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

B. RAW MATERIALS AND OTHER COSTS

This item also includes provisions for write downs to lower realisable value and for obsolescence of inventories.

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.

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. RESULT FROM PARTICIPATIONS

The result from participations is the share in the result from these non-consolidated participations attributable to RSDB. This result is determined on the basis of the principles of valuation and determination of result as used by RSDB. The result from participations includes the balance of the realised sales income of a participation and its book value at the time of divestment.

F. TAXATION ON OPERATING RESULT

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

4. PRINCIPLES FOR THE CONSOLIDATED STATEMENT OF CASH FLOW

The statement of cash flow is drawn up using the indirect method. Income and expenses on account of interest and corporate income tax are brought under the cash flow from operating activities. Paid dividends are brought under the cash flow from financing activities. Transactions whereby no money is exchanged are not accounted for under cash flow.

ANNUAL ACCOUNTS - Consolidated balance sheet as at December 31

(x € 1,000)		2003		2002
Fixed assets				
Tangible fixed assets				
Land and buildings	€	88,468	€	101,124
Plant and equipment		111,306		134,058
Other fixed assets		17,951		11,792
Assets on order		797		4,674
	€	218,522	€	251,648
Financial fixed assets				
Associated companies	€	–	€	499
Other receivables		113		108
	€	113	€	607
Current assets				
Inventories				
Raw materials and consumables	€	11,590	€	11,708
Work in progress		16,262		16,713
Finished goods and goods for sale		540		916
	€	28,392	€	29,337
Receivables				
Trade debtors	€	99,512	€	116,384
Other receivables		10,010		8,122
Prepayments and accrued income		1,626		2,667
	€	111,148	€	127,173
Cash and cash equivalents	€	4,081	€	3,751
Total	€	362,256	€	412,516

		2003		2002
Equity				
Shareholders' equity	€	131,305	€	131,800
Minority interest of third parties		245		219
	€	131,550	€	132,019
Provisions				
Deferred taxation	€	11,948	€	9,510
Costs of reorganisation		7,510		7,615
Pension and early retirement commitments		4,114		4,144
Environment		5,970		5,775
Other provisions		5,530		5,318
	€	35,072	€	32,362
Long-term liabilities				
Loans	€	22,486	€	12,832
Banks		19,521		35,151
Other liabilities		20,234		23,471
	€	62,241	€	71,454
Current liabilities				
Banks	€	27,687	€	61,068
Payable to suppliers and trade creditors		33,063		34,404
Liabilities related to taxation and social insurance premiums		12,304		8,481
Redemption of long-term liabilities		12,418		14,396
Other liabilities		47,921		58,332
	€	133,393	€	176,681
Total	€	362,256	€	412,516

ANNUAL ACCOUNTS - *Consolidated profit and loss account*

(x € 1.000)	***2003***	***2002***
Net sales	€ 619,871	€ 665,693
Movement in work in progress	4,051	-/- 7,086
Total operating income	€ 623,922	€ 658,607
Costs of raw materials and consumables	€ 239,068	€ 254,928
Cost of work contracted out and other costs	73,203	74,376
Wages and salaries	137,395	143,057
Social security income	20,575	20,729
Pension and early retirement commitments	13,445	13,215
Depreciation / value reductions tangible fixed assets	40,015	42,698
Other operating costs	89,439	94,123
Total operating costs	€ 613,140	€ 643,126
Operating result	€ 10,782	€ 15,481
Interest received and similar income	€ 603	€ 483
Interest paid and similar charges	-/- 5,936	-/- 8,186
Balance of financial income and expenditure	-/- 5,333	-/- 7,703
Result before taxation	€ 5,449	€ 7,778
Taxation	-/- 1,609	-/- 2,526
Net result of associated companies	-/- 499	–
Minority interest in the consolidated result after taxation	-/- 47	-/- 33
Net result	€ 3,294	€ 5,219

In connection with restatement, the amounts for 2002 have been adjusted.

	2003	2002
Profit per share	1,00	1,50
Value-added		
Total operating income	€ 623,922	€ 658,607
Direct costs	312,271	329,304
Value-added	€ 311,651	€ 329,303

ANNUAL ACCOUNTS - *Consolidated statement of cash flow*

(x € 1,000)		***2003***		***2002***
Cash flow from operating activities				
Net result	€ 3,294		€ 5,219	
Depreciations and value reductions	40,015		42,698	
Movements in:				
Inventories	945		8,937	
Trade debtors	16,872		11,579	
Trade creditors	-/- 1,341		-/- 15,106	
Other receivables, prepayments and accrued income	-/- 847		10,226	
Tax payable and other liabilities	335		1,589	
Deferred taxation	2,438		2,087	
Other provisions	272		725	
Cash flow from ordinary operations		€ 61,983		€ 67,954
Received and paid interest	-/- 6,204		-/- 7,748	
Received or paid taxation on result	-/- 720		5,956	
		-/- 6,924		-/- 1,792
Cash flow from operating activities		€ 55,059		€ 66,162
Cash flow from investing activities				
Net investments in tangible fixed assets	-/- 7,268		-/- 37,873	
Change in other financial fixed assets	-/- 5		-/- 68	
Change in associated companies	499		–	
		-/- 6,774		-/- 37,941
Cash flow from financing activities				
Purchase RSDB shares	€ –		-/- 9,025	
Dividend payment	-/- 3,616		-/- 5,106	
ORANGE-loan	–		-/- 908	
Movements in:				
Long-term liabilities	-/- 9,212		-/- 4,769	
Minority interest of third parties	26		41	
Redemption of long-term debt	-/- 1,978		-/- 586	
		-/- 14,780		-/- 20,353
Exchange rate differences		€ 206		-/- 123
Net cash flow		€ 33,711		€ 7,745
Banks / cash and cash equivalents as at January 1, 2003		-/- 57,317		-/- 65,062
Balance at December 31, 2003		-/- 23,606		-/- 57,317

(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
Balance at January 1, 2003					
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
Changes in book value					
Investments	€ 844	€ 11,061	€ 2,304	€ 1,138	€ 15,347
Divestments	-/- 5,295	-/- 2,368	-/- 416	–	-/- 8,079
Other inclusive restatements	-/- 1,109	-/- 2,981	8,726	-/- 5,015	-/- 379
Extraordinary value reductions	-/- 1,000	-/- 2,126	–	–	-/- 3,126
Depreciation	-/- 6,096	-/- 26,338	-/- 4,455	–	-/- 36,889
Balance	-/- 12,656	-/- 22,752	€ 6,159	-/- 3,877	-/- 33,126
Balance at December 31, 2003					
Cumulative acquisition value	€ 161,417	€ 429,883	€ 69,859	€ 797	€ 661,956
Cumulative depreciation and value reductions	72,949	318,577	51,908	–	443,434
Book value	€ 88,468	€ 111,306	€ 17,951	€ 797	€ 218,522

Plant and equipment includes equipment to a book value of € 30.4 million available to the company under a financial leasing arrangement. The relevant long-term liabilities are accounted for under other liabilities.

*) Other fixed assets include buildings, land and equipment, with a book value of € 10.0 million, which did not contribute to the production process on 31 December 2003.

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%

Shareholders' equity

Balance at January 1, 2003			€	131,800
Dividend 2002	-/-	3,616		
Change due to exchange rate movements foreign companies	-/-	173		
Result 2003		3,294		
			-/-	495
Balance at December 31, 2003			€	131,305

The shareholders' equity as at December 31, 2003 consists of the following components:

Share capital isued	€	16,451
Share premium		12,833
Other reserves		98,731
Dividend		3,290
Total shareholders' equity as at December 31, 2003	€	131,305

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

Provisions

Deferred taxation

Balance at January 1, 2003	€	9,510
Charged to taxation		2,438
Balance at December 31, 2003	€	11,948

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

Balance at January 1, 2003			€	7,615
Addition charged to the operating result	€	7,190		
Utilised in 2003	-/-	7,295		
			-/-	105
Balance at December 31, 2003			€	7,510

Pension and early retirement commitments

Balance at January 1, 2003			€	4,144
Addition charged to the operating result	€	238		
Utilised in 2003	-/-	268		
			-/-	30
Balance at December 31, 2003			€	4,114

Environment

Balance at January 1, 2003			€	5,775
Addition charged to the operating result	€	260		
Utilised in 2003	-/-	65		
				195
Balance at December 31, 2003			€	5,970

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

Other provisions

	Provision for disability		Provision for major repairs		Provision for value reduction		Total	
Balance at December 31, 2003	€	4,650	€	668	€	–	€	5,318
Addition charged to the operating result		560	-/-	292		529		797
Utilised in 2003	-/-	209	-/-	376		–	-/-	585
Balance at December 31, 2003	€	5,001	€	–	€	529	€	5,530

Long-term liabilities

	2003				2002			
	Total		Of which the term is in excess of five years		Total		Of which the term is in excess of five years	
AAR-credit	€	669	€	–	€	1,963	€	–
Other loans		21,817		11,409		10,869		4,405
Banks		19,521		–		35,151		–
Other liabilities		20,234		–		23,471		–
	€	62,241	€	11,409	€	71,454	€	4,405

The AAR-credit has a life of ten years, redeemable in half-yearly instalments of € 646.6 and a final payment in 2005 of € 669.3. The coupon on this credit is variable and is fixed each interest period on the basis of 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%.

The average coupon on the loans with a term in excess of one year is 5.0% (last year 6.1%). The amount stated under banks relates to the drawn-down portion of the roll-over credit to a maxium of € 20.2 mln. Other liabilities includes financial leasing arrangements entered into in respect of acquired tangible fixed assets.

Banks

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 € 88.8 million.
Lease facilities have been provided up to a maximum amount of € 80.8 million.
Of these facilities € 54.9 million were drawn at the end of 2003.

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.
The banks have set conditions with reagard to solvency and interest cover ratio.
Of the aggregate facilities provided, an amount of € 89.4 million was still available at year-end 2003.

Financial instruments

The company uses various financial instruments in order to limit currency and interest rate risks.
The currency contracts entered into on 31 December 2003 for sales contracts outside the Eurozone relate to Sterling (5.7 million), Swedish Krona (86.0 million) and US dollars (12.3 million). To cover the interest rate risk of the variable interest financing, an interest rate swap contract of € 10 million was entered into. The contract is based on a fixed 2.95% interest on the basis of 3-months Euribor, ending on 1 March 2006.
The above contracts have not been incorporated in the balance sheet as at 31 December 2003.
Incorporation in the result of income and expenses, respectively, takes place at the realisation of the contracts.

Current liabilities

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

Contingent liabilities

Investment commitments had been entered to at balance sheet date to an amount of € 0.7 million (2002 € 0.4 million).

Long-term commitments pursuant to lease contracts and operational leasing arrangements had been entered into to an amount of € 6.6 million (2002 € 7.4 million).
Long-term obligations on account of operational lease agreements were entered into for the amount of € 35.1 million (2002 € 38.1 million). Of these operational lease agreements, € 3.3 million has a term of more than five years.
The profit- and loss account includes € 11.5 million (2002 € 10.5 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 all domestic group companies. The relevant declarations 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.

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.

Sales

The geographical spread of net sales:

(x € 1,000)		**2003**		**2002**
Netherlands	€	457,887	€	497,068
Belgium		19,722		26,505
Denmark		17,533		13,354
Sweden		26,946		31,198
France		12,737		10,607
Germany		21,310		20,941
United Kingdom		42,617		44,075
United States of America		10,689		9,153
Hungary		5,083		4,939
Austria		1,298		3,951
Norway		1,354		1,971
Other export		2,695		1,931
Total	€	619,871	€	665,693
Percentage export		26.1%		25.3%

The distribution of net sales according to production process:

(x € 1,000)		**2003**		**2002**
Rotogravure	€	245,356	€	259,761
Web offset		206,205		216,028
sheetfed offset		98,687		118,876
Pre-publishing and direct marketing		70,374		70,723
Other	-/-	751		305
Total	€	619,871	€	665,693

The distribution of net sales according to production category:

(x € 1,000)		**2003**		**2002**
Magazines	€	212,948	€	240,867
Radio / TV guides		50,988		55,636
Catalogues		53,681		65,880
Promotional material		195,797		189,143
Directories		6,720		9,903
Other		99,737		104,264
Total	€	619,871	€	665,693

Raw materials and consumables

(x € 1,000)		2003		2002
Paper	€	197,724	€	211,632
Ink		24,888		24.475
Other raw materials and consumables		16,456		18,821
Total	€	239,068	€	254,928

Cost of work contracted out and other external costs

(x € 1,000)		2003		2002
Transport and distribution costs	€	13,209	€	11,466
Work contracted out		59,994		62,910
Total	€	73,203	€	74,376

Depreciation / value reductions

(x € 1,000)				2003				2002
Depreciation								
Industrial buildings	€	6,096			€	6,175		
Plant and equipment		26,338				28,815		
Other fixed assets		4,455				5,026		
Total			€	36,889			€	40,016
Value reductions								
Industrial buildings	€	1,000			€	–		
Plant and equipment		2,126				2,682		
				3,126				2,682
Total			€	40,015			€	42,698

Personnel

The group employed an average of 3,544 staff (fte's) in 2003 (2002 3,889), divided as follows:

	2003	2002
Roto Smeets	2,224	2,325
PlantijnCasparie	1,206	1,445
Media Partners	77	78
Group management, staff and general services	37	41
Total	3,544	3,889

Tax burden

		2003		2002
Nominal rate		34.5%		34.5%
Difference in tax burden foreign entities	-/-	0.7%	-/-	0.8%
Fiscal subsidy	-/-	4.3%	-/-	1.2%
Effective rate		29.5%		32.5%

Segmentation

(x € 1,000)	Roto Smeets		PlantijnCasparie		Media Partners	
	2003	2002	2003	2002	2003	2002
Total operating income	€ 458,837	€ 477,043	€ 150,595	€ 174,930	€ 17,062	€ 15,957
Raw materials and consumables	241,685	255,402	65,934	76,504	7,224	6,721
Value-added	€ 217,152	€ 221,641	€ 84,661	€ 98,426	€ 9,838	€ 9,236
Operating costs	194,862	197,196	98,948	109,227	7,059	7,399
Operating result	€ 22,290	€ 24,445	-/- 14,287	-/- 10,801	€ 2,779	€ 1,837
Depreciation	€ 26,617	€ 28,088	€ 10,142	€ 11,727	€ 130	€ 201
Net investments in fixed assets	8,332	23,596	-/- 1,162	10,722	98	-/- 12
Total assets	262,709	294,882	101,433	126,170	7,575	5,569
Total obligations	176,335	208,322	89,335	103,648	2,314	2,279

(x € 1,000)	**2003**	**2002**
Fixed assets		
Financial fixed assets		
Associated company Roto Smeets De Boer Holding BV	€ 127,976	€ 125,240
Receivable from Roto Smeets De Boer Holding BV	17,979	20,545
	€ 145,955	€ 145,785
Current assets		
Receivables		
Other receivables	€ 71	€ 71
Total	€ 146,026	€ 145,856

	2003	**2002**
Shareholders' equity		
Share capital issued	€ 16,451	€ 18,251
Share premium	12,833	14,237
Other reserves	98,731	95,696
Dividend	3,290	3,616
	€ 131,305	€ 131,800
Provisions		
Deferred taxation	€ 11,847	€ 9,495
Long-term liabilities		
AAR-credit	€ 669	€ 1,963
Short-term liabilities		
Redemption of long-term liabilities	€ 1,293	€ 2,428
Corporation tax	835	96
Other liabilities	77	74
	€ 2,205	€ 2,598
Total	€ 146,026	€ 145,856

(x € 1,000)		***2003***		***2002***
Result exclusive of group companies	€	385	€	664
Result group companies		2,909		4,555
Net result	€	3,294	€	5,219

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.

(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:				
Balance at January 1, 2003			€	125,240
Result group companies	€	2,909		
Change due to exchange rate movements foreign companies	-/-	173		
				2,736
Balance at December 31, 2003			€	127,976

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

Balance at January 1, 2003	€	18,251
Cancellation of 360,000 ordinary shares in accordance with the resolution of the General Meeting of Shareholders dated September 12, 2003	-/-	1,800
Balance at December 31, 2003	€	16,451

The share capital relates to 3,290,275 issued and fully-paid shares of € 5 nominal value each.

Share premium

Balance at January 1, 2003	€	14,237
Cancellation of 360,000 ordinary shares	-/-	1,404
Balance at December 31, 2003	€	12,833

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

Other reserves

Balance at January 1, 2003			€	95,696
Cancellation of 360,000 ordinary shares				
charged to the share premium account	€	1,404		
charged to the share capital account		1,800		
				3,204
Result 2003	€	3,294		
Available for dividend	-/-	3,290		
				4
Change due to exchange rate movements foreign companies			-/-	173
Balance at December 31, 2003			€	98,731

Long-term liabilities

Balance at January 1, 2003	€	1,963
Redemptions to be paid during 2004	-/-	1,294
Balance at December 31, 2003	€	669

Remuneration of members of the Executive Board and Supervisory Board

Executive Board	***2003***			***2002***		
(x € 1)	***fixed***		***variable***	***fixed***		***variable***
	periodical	*pension and early retirement commitments*		*periodical*	*pension and early retirement commitments*	
H. de Jong	€ 299,522	€ 79,153	€ 30,598	€ 293,051	€ 79,231	€ 68,156
M. J. Bos	177,265	31,000	21,384	173,217	30,469	51,928
J. P. Caris	192,607	47,312	49,130	117,955	38,421	30,568
	€ 669,394	€ 157,465	€ 101,112	€ 584,223	€ 148,121	€ 150,652

Supervisory Board	***2003***	***2002***
(x € 1)	***fixed***	***fixed***
G. Lodewijk	€ 28,135	€ 28,135
J. L. Brentjens	23,597	23,597
C. A. M. Busch	20,193	20,193
R. A. Gonsalves	–	20,193
A. P. Lugt	20,193	20,193
R. D. de Widt	–	6,731
	€ 92,118	€ 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. The variable part for 2003 relates to the 2002 financial year.

Positions in RSDB shares as per March 10, 2004	***number***
C. A. M. Busch	269
G. Lodewijk	1,613
A. P. Lugt	1,000

Continuously reaching involved people

Managed by RSDB

Internetsite

communication plan

web design

server management

content management

direct e-mail campaign

(x € 1,000)

Net result	€	3,294
Addition to the other reserves	-/-	4
Dividend 20%	€	3,290

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.

INTRODUCTION

We have audited the annual accounts for the year 2003 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, 2003, 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 10, 2004
Ernst & Young Accountants

Reaching consumers everywhere
Managed by RSDB

Commercial print

pre-press

gravure

picture and text databases

packaging

distribution

FINANCIAL HIGHLIGHTS 2003 – 1999

(x € 1,000)	2003	2002	2001	2000	1999
Profit and loss information					
Sales	623,922	658,607	712,243	702,807	698,742
Value-added	311,651	329,303	344,004	357,112	353,467
Labour costs	171,415	177,001	175,789	178,495	174,915
Depreciation	36,889	40,016	42,214	43,214	43,841
Operating result	10,782	15,481	31,470	39,926	36,239
Financing charges	5,333	7,703	8,222	7,580	8,054
Net result from ordinary operations	8,263	10,319	15,549	21,727	18,643
Balance sheet information					
Fixed assets	218,635	252,255	256,863	250,020	256,209
Working capital	37,915	44,648	54,267	46,785	51,229
Capital to be financed	256,550	296,903	311,130	296,805	307,438
Shareholders' equity	131,305	131,800	138,658	143,046	128,881
Minority interest of third parties	245	219	178	260	156
Group equity	131,550	132,019	138,836	143,306	129,037
Equalisation account for investment premiums	–	–	–	–	54
Subordinated loans	–	–	5,298	13,126	22,859
Risk-bearing capital	131,550	132,019	144,134	156,432	151,950
Long-term commitments	97,313	103,816	98,302	99,027	111,868
Financing capital	228,863	235,835	242,436	255,459	263,818
Cash flow from operating activities	55,059	66,162	57,270	65,326	44,372
Net investments of tangible fixed assets	7,268	37,873	47,183	37,203	56,298

	2003	2002	2001	2000	1999
Key ratios / other information					
Value-added / sales	50.0	50.0	48.3	50.8	50.6
Operating result / sales	1.7	2.4	4.4	5.7	5.2
Net result from ordinary operations / sales	1.3	1.6	2.2	3.1	2.7
Return on capital employed*)	3.9	5.1	10.4	13.2	12.2
Return on shareholders' equity	2.5	3.8	11.0	16.0	15.2
Risk-bearing capital / capital employed	51.3	44.5	46.3	52.7	49.4
Solvency	36.2	32.0	31.2	33.2	30.0
Interest coverage ratio from ordinary operations	3.4	3.0	3.8	5.3	4.5
Interest coverage ratio after costs of reorganisation	2.0	2.0	–	–	–
Number of employees at year-end (fte)	3,465	3,790	4,025	4,010	4,172
Labour costs / average number of employees (x € 1,000)	48.4	45.5	44.3	44.1	41.3
Value-added / average number of employees (x € 1,000)	87.9	84.7	86.7	88.2	83.5
Number of shares in issue at year-end	3,290,275	3,290,275	3,650,275	4,030,275	4,046,889
Average number of shares	3,290,275	3,477,672	3,791,956	4,048,510	4,051,519
Figures per share in issue *(x € 1)*					
Cash flow / average shares	16.73	19.03	15.10	16.14	10.95
Net result from ordinary operations / average shares	2.51	2.97	4.10	5.37	4.60
Dividend / share	1.00	1.10	1.40	1.65	1.18
Asset value	39.91	40.06	37.99	35.49	31.85
Share price : high	26.80	28.50	35.70	35.00	34.10
Share price : low	15.00	16.00	21.70	21.75	23.80

*) Here, the capital employed 'ROCE' is defined as 'total assets less short-term debts excl. banks'.

CORPORATE OFFICERS

Curriculum vitae members of the Supervisory Board

G. LODEWIJK

Date of birth
May 22, 1938
Nationality
Dutch
Former main position
Chairman Nederlandse Aardappel Organisatie
Supervisory directorships
Chairman Roto Smeets De Boer NV
Chairman Ouwehand Visverwerking
Chairman Beekenkamp Beheer
First appointment
1989 at Koninklijke De Boer NV
Current term
2006

J. L. BRENTJENS

Date of birth
March 30, 1940
Nationality
Dutch
Former main position
Chairman of the Executive Board of VNU NV
Other position(s)
Chairman Stichtingsbestuur Katholieke Universiteit Nijmegen
Vice chairman Van Leer Group Foundation
Supervisory directorships
Vice chairman
Roto Smeets De Boer NV
Chairman Arboned NV
Chairman Heijmans NV
Chairman Océ NV
P. Bakker Hillegom BV
Fortis Obam NV
VNU NV
First appointment
1993
Current term
2005

C. A. M. BUSCH

Date of birth
August 17, 1937
Nationality
Dutch
Former main position
Member of the Executive Board of VNU NV
Other position(s)
Advisor Holland Corporate Finance BV
Supervisory directorships
Roto Smeets De Boer NV
Chairman Airspray International BV
Parcom BV
First appointment
1993
Current term
2005

A. P. LUGT

Date of birth
July 15, 1939
Nationality
Dutch
Former main position
Chairman of the Executive Board of Roto Smeets De Boer NV
Supervisory directorships
Roto Smeets De Boer NV
First appointment
2000
Current term
2004

Curriculum vitae members of the Executive Board

H. DE JONG

Date of birth
February 6, 1954
Nationality
Dutch
Former main position
Member of the Executive Board of Roto Smeets De Boer NV
Main position
Chairman of the Executive Board of Roto Smeets De Boer NV
Other position(s)
Member Board ERA

M. J. BOS

Date of birth
April 1, 1965
Nationality
Dutch
Former main position
General Manager PlantijnCasparie
Main position
Member of the Executive Board of Roto Smeets De Boer NV

J. P. CARIS

Date of birth
March 31, 1948
Nationality
Dutch
Former main position
General Manager Roto Smeets
Main position
Member of the Executive Board of Roto Smeets De Boer NV

CORPORATE BRANCHES

ROTO SMEETS DE BOER HOLDING BV
BRAND NAME RSDB HOLDING

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ROTO SMEETS PRODUCTION

Roto Smeets Deventer BV
Deventer

Roto Smeets Etten BV
Etten-Leur

Roto Smeets Utrecht BV
Utrecht

Roto Smeets Weert BV
Weert

Senefelder Misset BV
Doetinchem

Antok Nyomdaipari KFT (85%)
Celldömölk, Hungary

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Eindhoven

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PSH Publishing Support
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Hoogte 80 strategische media
Arnhem

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Deventer

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Grafisch Productie Bureau BV
Brand name GPB
Best, Leiderdorp

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Heerhugowaard

PlantijnCasparie Data
Deventer

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Almere

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Amsterdam

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Capelle a/d IJssel

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Den Haag

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Eindhoven

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Eindhoven

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Groningen

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Nieuwegein

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Utrecht

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Media Partners
Amstelveen

Media Partners Belgium / Stamp BVBA
Brussels

Media Partners Scandinavia
Täby

dem communications BV
Amstelveen

MINORITY PARTICIPATIONS
MKT Participations Partnership CV
(18,2%)
Utrecht

MKT Holding Holland BV (18,3%)
Utrecht

Business Media BV (40%)
Ede

Axon Publishing Ltd. (50%)
London

Situation as at March 10, 2004

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