



Development of the business

The successful launch of the pay TV channel 'Fix&Foxi' in the German-speaking region of Europe in December 2014 and the experience of increasing the channel's reach to Eastern Europe mean that Your Family Entertainment AG (YFE) is now in a position to continue to build the channel's business internationally still further. A new milestone will have been reached with the launch of distribution to around 25 countries across South and North America, in cooperation with the company's partner AlternaTV.

Distribution reach has also been increased for the free TV channel RiC. Particularly with the help of feed-ins from Unitymedia Deutschland and Kabel BW, the reach has been able to grow further to around 6.6 million households. In collaboration with the partner TV JOJ and the channel 'RiK', the first exclusively Slovak-language children's channel was launched at the beginning of 2015.

The development of the business in both licence sales and TV advertising on RiC has been characterised by strong fluctuations over the course of this year, as in previous years.

Profit situation

Your Family Entertainment AG's revenues decreased slightly compared with the same period in the previous year to €619k (2014: €678k) which can be attributed to a one-off item in Q1 2014. The revenue mix also shows a slight shift in favour of the TV channel business.

EBITDA is negative as at the end of March 2015.

In order to significantly expand the reach of the TV channel business, the company must take upfront measures which have an impact on the profitability.

Outlook

On the 1st of September 2015 the first Fix&Foxi art exhibition will open in Vienna, in cooperation with Unicredit Bank Austria.

The increasing international development of the Fix&Foxi channel's activities in pay TV and the increased growth of the advertising sales activities on the free TV channel RiC should both contribute to stabilising turnover. The level of dependence on revenue from large licence trade projects will also be reduced in this way. The development of revenue and profitability will, however, continue to be subject to natural fluctuations in future.

Such intensive groundwork will strengthen the position of the company in the years to come. Overall the company is broadening its base in order to achieve a more stable business performance. The Board of Management expects this to take the company to a new stronger level.

The company should therefore be moving forward into 2015 and 2016 from a position of positive sales growth with sufficient liquidity and stable annual results.

The long-term goal of YFE is to further strengthen its market position in national and international markets or engage in new markets.

Financial calendar 2015

- 22/05/15 Publication of the interim report for the first half of 2015
- 24/06/15 Shareholders' meeting
- 26/08/15 Publication of the six-monthly financial report for 2015
- 11/11/15 Publication of the interim report for the second half of 2015



Auditors' review and forward looking statements

This interim report has neither been audited in accordance with § 317 of the German Commercial Code (HGB) nor has it been subject to review by the auditors of the annual financial statements.

This interim report also contains forward looking statements, which are based on the management's current evaluation of future developments.

Such statements are subject to uncertainties and risks, which are beyond the influence of Your Family Entertainment AG.

Should such uncertainties or risks occur, or should the assumptions on which these future-oriented statements are based prove to be incorrect, the actual results could differ considerably from the results explicitly stated or implicitly contained in these statements. Your Family Entertainment AG neither intends nor does it assume a particular obligation to update forward looking statements in order to adjust them in accordance with events or developments occurring after the date of this interim report.

Munich, May 2015

Your Family Entertainment AG
The Board of Management

Dr Stefan Piëch

Your Family Entertainment AG

Your Family Entertainment AG (abbreviated to YFE), which has its main office in Munich, Germany, can look back on a long history of expertise in the television market. The company was one of the founding companies of the first German private channel Sat.1 in 1984 and contributed to the development of the children's morning programme on Super RTL, and is one of the founding members of the VPRT (German Association for Private Broadcasters and Telemedia).

YFE is the producer and licence trader for high-quality entertainment programmes for children and the whole family and holds one of the largest non broadcaster-affiliated programme libraries in all of Europe. The programme stock includes well-known and well-loved series such as 'Enid Blyton', 'Fix&Foxi', 'Urmel' or 'Altair'.

Since 2007 YFE has been running the award-winning pay TV channel 'Fix&Foxi'. In September 2012, the free TV channel RiC began broadcasting. In addition, YFE operates 20 mobile television channels on the Hutchison 3 TV platform.

Your Family Entertainment AG is quoted in the regulated market on the Frankfurt stock exchange (WKN: 540 891 / ISIN: DE0005408918, abbr.: RTV).

Executive Management:

- Dr Stefan Piëch

Supervisory Board:

- Dr Hans-Sebastian Graf von Wallwitz (Chairman)
- Dr Andreas Aufschnaiter
- Johannes Thun-Hohenstein

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