



Development of the Business

The successful start of the pay-TV channel 'Fix&Foxi' in German-speaking Europe in 2014, the channel's international expansion in Eastern Europe, expansion in 25 countries of both South and North American regions in cooperation with its partner Alterna TV, as well as broadcasting in Africa and the Middle East since the summer all serve as examples of 'Fix&Foxi's' great, international success.

Distribution reach has also been increased for the free TV channel 'RiC'. With new feeds at the Austrian cable network operator Kabel-TV Lampert, Media Broadcast GmbH in Germany and at TV Spielfilm, accessibility in the DACH region (Germany, Austria and Switzerland) was able to be further increased. In collaboration with its partner TV JOJ and the channel 'RiK', the first exclusively Slovak-language children's channel was launched at the beginning of 2015.

The first Fix&Foxi art exhibition in cooperation with UniCredit Bank Austria in Vienna has generated just as positive a response internationally.

The development of the business in both licence sales and TV advertising broadcasts 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 compared with the same period in the previous year to k€ 1,699 (2014: k€ 2,119) which can be attributed to a one-off effect in Q1 2014. In the process, a slight shift in direction of the channel's business can already be seen with the mix of revenues.

EBITDA is negative as of the end of September 2015.

In order to grow the reach of the TV channel business and the revaluation of the licence stock, the company must take further preliminary measures that have an impact on the earnings.

Outlook

The company has linked a strong partner for the night-time transmission window at RiC, which will go on air from January 2016 with a portfolio of high-quality European feature films.

The continuous international development of the Fix&Foxi channel's activities in pay TV and the increased growth of the advertising slot marketing activities on the free TV channel RiC should both help stabilise turnover. The level of dependence on the impact of the revenue from large licence trade projects will also be reduced in this way. The development of sales and results 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 more stable business performance. The Board of Management expects this to take the company to a new stronger level.

To summarise, the company is therefore moving forward into 2015 and 2016 from a position of stable revenues and earnings growth with sufficient liquidity.

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

Financial Calendar 2015

11/11/15 Publication of the interim report for the second half of 2015



**Auditors' Review and Statements
Regarding the Future**

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 statements relating to the future, 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 assumes a particular obligation to update statements relating to the future in order to adjust them in accordance with events or developments occurring after the date of this interim report.

Munich, November 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, has 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 a 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 listed in the regulated market on the Frankfurt stock exchange (WKN: 540 891/ ISIN: DE0005408918, abbr.: RTV).

Board of Management:

- Dr Stefan Piëch

Supervisory Board:

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

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