



FOX KIDS EUROPE N.V.

June 10, 2004

PRESS RELEASE

FOX KIDS EUROPE N.V. ANNOUNCES STRONG INCREASE IN REVENUES AND PROFITS FOR THE SIX MONTHS ENDED MARCH 31, 2004

- Total revenues grow by 17% to \$87.4 million
- Advertising revenues up 53% to \$24.3 million
- Decline in programme distribution revenues less than expected
- EBITDA¹ up by 18% to \$35.4 million
- Operating income up by 181% to \$9.1 million
- Operating cashflow up by 268% to \$18.6 million
- Channel subscribers grow to 37.2 million households
- Fox Kids Europe N.V. to change its name to Jetix Europe N.V.

Amsterdam, The Netherlands and London, UK - Fox Kids Europe N.V. (FKE or the Company) (*AMEX: FKE; Reuters FOXK.AS; Bloomberg: FKE.NA*), the leading pan-European integrated children's entertainment company, today announced its unaudited financial results for the six months ended March 31, 2004. Revenues increased by 17% to \$87.4 million and operating income increased from \$3.2 million to \$9.1 million. Subscribers increased by 4.4 million year-on-year to 37.2 million households in 57 countries as at March 31, 2004.

¹ Consistent with prior years, EBITDA is stated before programme amortisation, impairment and depreciation. EBITDA less programme amortisation, impairment and depreciation is equal to Operating Income.

Bruce Steinberg, Chairman and CEO, said: "I am pleased to announce another strong set of results. Our core channel business continues to go from strength to strength and we expect this success to continue as we begin to rename our channels from Fox Kids to Jetix over the next twelve months. Being part of a global programming alliance with The Walt Disney Company (Disney) is a very exciting prospect for our company and, over time, we hope to increase the amount of programming that we co-produce with Disney. This alliance started last year with the co-production *W.I.T.C.H.*, and since then we have already added to that with the co-production *Super Robot Monkey Team Hyperforce Go!*, due for delivery during FY05.

As part of the initiative to create Jetix, the new global action-adventure network for kids, we intend to change the name of the Company to Jetix Europe N.V. in the coming months and, in this respect, will be holding an Extraordinary General Meeting in order to approve such a change.

As anticipated, our programme distribution business has experienced a drop in revenues due to a reduction in the volume of rights acquired for shows outside of Europe and the Middle East. However, the reduction in revenues was not as great as we anticipated and, accordingly, we expect programme distribution revenues to be down by up to 25% for the full year, compared to the previous guidance of up to 30% down. We are also seeing tangible signs of improvements in both the quality and quantity of programming that we acquire. The number of episodes added to the library in the period increased from 84 to 122 year-on-year and one of these shows, *Tutenstein*, has recently won an Emmy award for Outstanding Special Class Animated Program.

Capturing synergies with Disney continues to be one of our priorities and I am pleased to report further progress made on this front. *Power Rangers* merchandise is now on sale in more than 100 Disney Stores located throughout Europe and this should contribute to further growth in our consumer products business. We are also in the process of relocating our UK and French based operations to Disney's local offices. The relocation of our French office has already been completed and the relocation of our UK offices should be complete by the end of the fiscal year, which will allow us to benefit from state of the art production facilities for our UK, French and Scandinavian channels as well as a number of our channels that cover Central and Eastern Europe."

Martin Weigold, Chief Financial Officer, added "Our first half year performance has been strong on all measures of performance. Both operating income and operating cashflow have shown triple digit percentage improvements year-on-year.

Once again, we have managed to significantly outpace market growth in respect of advertising revenues, with advertising revenues up by over 50% against a television advertising market in Europe that has shown low single digit growth over the same period. The Company's financial position remains strong with no debt and nearly \$70 million of cash balances."

OPERATING REVIEW

Channels and Online

- Subscribers grow by 4.4 million households year-on-year to 37.2 million as of March 31, 2004
- Launches of Jetix branded blocks a success
- Strong ratings performances, particularly in the UK and France
- Exclusive co-production agreement signed with Marathon, producer of hit series *Totally Spies*
- Interactive service successfully launched in the UK via Playjam on Sky Active
- Core channels broadcasting in 57 countries via 13 channel feeds in 17 languages

Subscribers increased by 4.4 million year-on-year to 37.2 million households, maintaining our position as the most widely distributed children's channel in Europe and the Middle East. As at March 31, 2004 our core channels broadcast in 57 countries via 13 feeds in 17 languages.

Fox Kids channels across Europe continue to be strong with Jetix branded blocks premiering with great impact. Fox Kids UK, operating in the most competitive kids market in the world, performed

particularly strongly with ratings for kids 4-15 up 31%² year-on-year. Fox Kids Netherlands, despite increased pressure from competitors, achieved its best performance since its launch in 1997 including the highest rated month of December to date with a 32%³ share of viewing among kids. Fox Kids France also showed dramatic year-on-year growth with ratings increasing 66%⁴ among kids aged 4-10. New programmes *Shaman King*, *Sonic X* and *Power Rangers* helped drive this increase in ratings. Elsewhere, Fox Kids channels including Spain, Poland, Norway, Greece, Hungary and Sweden continued to maintain leadership or number two positions in their respective markets during this period.

Jetix branded blocks premiered on all Fox Kids channels from the beginning of April with many channels experiencing an immediate positive impact. Markets including the UK, Spain, Denmark, and Poland are posting double digit percentage increases versus the same slot in the month prior to launch.

Another programme behind our recent strong ratings performance has been *Totally Spies*, an action adventure series following the exploits of three female secret agents, which is produced by the French producer, Marathon. We have entered into an exclusive first-look agreement with Marathon which covers their entire output for the next three years and, as part of this agreement, we will be co-producing three new series of 52 episodes over the next four years. The first of these co-productions is already underway and is provisionally titled *Galaxy High*.

We also concluded an agreement for the launch of Fox Kids Play, our interactive service, on Sky Active which reaches 7.2 million households in the UK. The service successfully launched on April 8, 2004 and extends the reach of Fox Kids Play in the UK to over eight million homes, including the Telewest households. Players access games via their remote controls and are charged on a pay-per-play basis. Initial usage figures are encouraging with more than 60,000 games played in the first week of launch on Sky Active alone.

Programme Distribution

- Library expanded with addition of 122 new episodes
- Second co-production underway with Disney, *Super Robot Monkey Team Hyperforce Go!*
- Co-production agreement with Sav! The World, Super RTL and France 3 for *Oban Star Racer*
- Output deal concluded in Russia with CTC
- *Tutenstein* wins Emmy award
- *Power Rangers* continues to rank number one in its time slot in almost all markets it airs

We have continued to grow our programme library, taking delivery of 122 new episodes in the period, including local European co-productions. Titles delivered include new series such as *Sonic X*, *Tutenstein* and *Shaman King*, as well as additional seasons of *What's with Andy* and *RoboRoach*. *Tutenstein*, an animated series about the adventures of a 3,000 year-old Egyptian boy king trapped in the modern-day world, has won an Emmy award in the US under the category Outstanding Special Class Animated Programme. The show is performing very well in Europe, having been leased already to ITV in the UK and subsequent to the period end, to ARD in Germany.

We have also commenced two new co-productions. The first of these, *Oban Star Racer*, is a 26 episode co-production with Sav! The World, Super RTL and France 3. The series chronicles the adventures of Molly, a feisty teenager, and the epic story of The Great Race of Oban, an intergalactic competition which takes place every 10,000 years to determine the balance of powers within the Galaxy. The second is a co-production with Walt Disney Television Animation entitled *Super Robot Monkey Team Hyperforce Go!*, a futuristic anime action series fusing Japanese pop anime with Western cartoon comedy. Led by resourceful 13-year old Chiro, a team of multicoloured cyborg monkeys pit their Super Robot against the evil Skeleton King in a race to

² BARB/ATR, MCH, October 2003 - March 2004, Mon-Sun 0600-2200, Kids 4-15

³ SKO, All homes, December 2003, Mon-Sun 0600-1800, Kids 6-12

⁴ Mediametrie MediaCabSat, Cable+Satellite, 1 Sep 03 - 15 Feb 2004, Mon-Sun 0700-1930, Kids 4-10

save their world from an onslaught of mad monsters. The first deliveries of this 26 episode series should take place towards the end of this fiscal year.

A three-year output deal in Russia was concluded with leading Russian broadcaster, CTC, which broadcasts to approximately 40 million homes. This complements our existing branded block in Russia with Ren-TV.

Our shows continue to perform well on air with free television broadcasters. *Power Rangers Wildforce* continued to rank number one in its timeslot amongst kids in almost all markets in which it aired including the UK, France, Germany, Spain, Portugal, Italy and the Netherlands. Other highlights include *Sonic X*, which whilst airing on TF1 in France, beat the daypart average by 24%⁵ among all kids. Within the very successful *Ministry of Mayhem* block that airs on Saturday mornings on ITV in the UK, 15%⁶ more boys aged 4 to 9 tuned into the *Tutenstein* segment than for the block as a whole.

As predicted at the time of our results for the last fiscal year, we anticipate that programme distribution revenues for the full year will be lower than last year primarily due to a reduction in the number of episodes for which we acquire rights outside of Europe. However, we continue to anticipate a return to growth in our programme distribution business in the fiscal year ended September 30, 2005 as actions taken in previous years to increase the quality and quantity of new programming added to our library start to take effect. We also hope that the Jetix branded blocks that air in the US on ABC Family and Toon Disney cable channels will expand over time. This would lead to an increase in the amount of programming that we are able to co-produce or acquire jointly with Disney and should reduce the cost of acquiring rights for Europe.

As at March 31, 2004 there were 200 episodes in progress. Titles in progress included *Tofu Family*, *W.I.T.C.H.*, *Super Robot Monkey Team Hyperforce Go!* and *Oban Star Racer* as well as new seasons of *Power Rangers Dino Thunder* and *RoboRoach*.

Consumer Products

- Introduction of *Power Rangers* merchandise into Disney Stores throughout Europe a success
- Licensing and merchandising rights secured to *Sonic X*
- Agency rights to Marathon's next three series secured
- Publishing business performing strongly
- First *Ch!pz* album released in the Netherlands achieves gold status
- New pan-European quick service restaurant promotion signed for FY05

Following the appointment of Disney Consumer Products (DCP) as agent to represent our longest running property, *Power Rangers*, last year, *Power Rangers* merchandise is now on sale in all Disney stores throughout Europe. The transition to DCP has been successful and we expect revenues from *Power Rangers* to be up approximately 15% year-on-year.

Securing rights to new strong properties is important for our future growth. Subsequent to the period end, we have added licensing and merchandising rights for Europe, the Middle East and Latin America to the television and video rights that we had already acquired for *Sonic X*, the latest reincarnation of the iconic property, *Sonic the Hedgehog*. Additionally, as part of the co-production agreement that we entered into with Marathon, we will act as licensing agent for the next three series that we co-produce with them.

Our publishing business, which covers magazines based on our channels and specific properties within our library, continues to perform strongly. In the Netherlands, the Fox Kids magazine continues to be the number one monthly kids magazine⁷ and has sold more than a million copies to date. Across Europe, our magazines now have a circulation of more than 600,000 copies every

⁵ TBRS/BVITV research

⁶ TBRS/BVITV research

⁷ Kids 6-12, Aldi Press and Z Press

month.

Ch!pz, the band formed last year in conjunction with Glam Slam and EMI Music Publishing, released its first album in the Netherlands which reached gold status. We expect to conclude an agreement shortly that will see *Ch!pz* break into new markets outside of the Netherlands, such as the UK and Germany.

Our promotions business also performed well. For example, our first pan-European promotion with McDonalds, featuring *Gadget & the Gadgetinis*, *Medabots*, *Power Rangers* and *Totally Spies*, that took place in the first calendar quarter of 2004, was a major success with toy premiums running into millions of units sold. We have also secured another pan-European promotion with a quick service restaurant for the first calendar quarter of 2005.

FINANCIAL REVIEW

Revenues

Total revenues in the six months ended March 31, 2004 were \$87.4 million, up 17% compared to the same period in the prior year. Channel and online operations achieved an increase in revenues of 26% to \$67.7 million, as subscription revenues rose 13% to \$41.6 million and advertising revenues increased 53% to \$24.3 million. Other channel revenues rose by 50% to \$1.8 million. The primary drivers of the growth in our channel and online revenues were strong ratings performances by our channels in the Netherlands, UK and France, increased distribution of our channels and the strengthening of the euro and sterling versus the dollar.

Revenues from programme distribution were \$12.9 million, down 21% from the same period last year and better than guidance given previously. Accordingly, we now expect a decline of up to 25% in programme distribution revenues, instead of the 30% decline anticipated previously. The primary reason for this decline is the reduction in the number of episodes for which we have acquired rights outside of Europe.

Our consumer products revenues grew strongly by 43% to \$6.8 million helped by the phasing of the minimum guarantee payments due from DCP in respect of *Power Rangers*, as well as the strengthening of the euro and sterling versus the dollar.

Costs and Expenses

Costs and expenses increased by 17% to \$49.2 million. The main reasons for this increase were the strengthening of sterling and the euro versus the dollar, the two currencies in which the majority of our costs and expenses are incurred, as well as an increase in participation expenses, primarily associated with the strong increase in consumer products revenues.

We had previously expected to recognise a provision for non-recurring relocation costs of \$6 million at the time of reporting our half-year results. This relates to the relocation of our UK and French operations to the local premises of Disney, both of which will have taken place in the second half of this fiscal year. We still anticipate recognising such a charge in aggregate during this fiscal year. However, as at March 31, 2004, not all of the requirements had been met in order to recognise the full charge under US GAAP, primarily those in respect of lease termination costs. Of the \$6 million that we expect to recognise for the full year, \$1.0 million has been recognised in the six month period ended March 31, 2004 in respect of additional depreciation charges.

EBITDA⁸

EBITDA increased to \$35.4 million, up by 18% on the same period last year. Channel and online operations achieved a 31% increase in EBITDA to \$28.5 million. EBITDA from programme distribution fell by 25% to \$8.3 million due to lower revenues as referred to above.

Our consumer products operation saw a 98% improvement in EBITDA to \$3.3 million primarily as a result of the revenue increases referred to above, and the costs of restructuring our German operations that were incurred in the comparable period last year.

Amortisation, Impairment and Depreciation

Programme amortisation fell to \$24.3 million from \$25.3 million due to lower programme distribution revenues. This was partially offset by an increase in third party channel amortisation as a result of increased acquisitions to compensate for reduced new product added to our programme library in previous years. Depreciation increased by 28% to \$2.0 million, as certain leasehold improvements and fixtures and fittings were written down to fair value reflecting our decision to relocate our UK and French based operations.

Joint Ventures and Minority Interest

The reduction in participation of the minority interest is due to the acquisition of our partner's share in Fox Kids Israel and a decrease in the profitability of our channel in Poland following expiration of a minimum guarantee in April 2003.

Income Before Tax and Other Items

Income before tax and other items increased from \$3.3 million to \$12.1 million. This was primarily as a result of a strong performance by our channel and online operations, which achieved operating income of \$13.8 million. There was also a foreign exchange gain of \$2.1 million in the period.

Earnings per Share

Basic and diluted earnings per share increased from 1.8 cents per share to 11.6 cents per share due to the increases in income referred to above.

Cash Flow

Operating cashflow increased from \$5.1 million to \$18.6 million year-on-year. The primary reasons for this increase were significant improvements in the trading performance of the Company compared with the comparable period in the previous year along with an improvement in the level of increase in working capital balances.

Free cashflow increased from an outflow of \$16.4 million to an inflow of \$17.9 million over the same period. This increase was due to the increase in operating cashflow outlined above and the prior period acquisition of certain Israeli assets for cash consideration of \$20.5 million⁹ in December 2002.

As at March 31, 2004, the company had cash balances of \$69.4 million and was debt free¹⁰.

⁸ Consistent with prior years, EBITDA is stated before programme amortisation, impairment and depreciation. EBITDA less programme amortisation, impairment and depreciation is equal to operating income.

⁹ In addition to the \$20.5 million cash consideration, \$0.3 million of professional fees directly associated with the acquisition were incurred.

¹⁰ Excluding small amounts due under leases.

CORPORATE GOVERNANCE

The Tabaksblat Code of Corporate Governance

On December 9, 2003, the Tabaksblat Code of Corporate Governance was published, consisting of 21 principles and 113 best practice provisions regarding corporate governance for Dutch companies listed on the stock exchange. This new code intends to bring the corporate governance code, which had been drawn up five years ago by the Peters Committee, into line with the requirements of today.

The Board of Management and the Supervisory Board agree with the basic principle that the Tabaksblat Committee applied, that the Company is a long-term form of collaboration between a number of different stakeholders including shareholders and other providers of capital, employees, customers, suppliers, the government and civil society. The Board of Management and the Supervisory Board have overall accountability for achieving the right balance between these interests, generally with a view to ensuring the continuity of the Company.

We are committed to ensuring good corporate governance. In anticipation of the Company becoming subject to the Code, the Company has reviewed it and taken extensive external advice on its practical implications. A consultation process has been set up both internally and with Disney, the majority shareholder and holder of the priority shares in the Company, in order to review all of our existing practices in this area, identify any areas of current non-compliance and recommend appropriate measures to ensure an appropriate level of compliance in future. This may involve changes to our existing procedures and the Company's articles of association.

In addition, we welcome the views of other shareholders regarding this subject.

The Code is effective for financial years commencing on or after January 1, 2004. Because our financial year-end falls on September 30 each year, the first year that the code will be effective for us is the year ended September 30, 2005. Notwithstanding this, we believe it is helpful to indicate as soon as possible the Company's general approach to the code. Accordingly, a full explanation of how we expect to comply with the code, along with a report on progress of implementation to date and any potential problems foreseen will be included in our annual report for the year ended September 30, 2004, one year ahead of the required implementation date. We also plan to place this item on the agenda for discussion at the General Meeting of Shareholders to approve the financial accounts for the year ended September 30, 2004.

Fox Kids Europe N.V.

Consolidated Statement of Income
for the 6 months ended March 31, 2004 and March 31, 2003

In US \$'000	6 Months to 31 March 2004 Unaudited	6 Months to 31 March 2003 Unaudited	% Change
TOTAL REVENUES	87,430	74,784	17
Less: unconsolidated revenues of equity affiliates	(2,779)	(2,534)	
REVENUES	84,651	72,250	17
Costs and expenses	(49,237)	(42,111)	(17)
EBITDA	35,414	30,139	18
Programme amortisation and impairment	(24,297)	(25,320)	4
Depreciation	(2,028)	(1,583)	(28)
Operating income	9,089	3,236	181
Financial income and expense, (net)	394	339	16
Foreign exchange gain / (loss)	2,074	(1,042)	299
Equity in income of affiliates	560	720	(22)
Income before tax and other items	12,117	3,253	272
Taxation	(2,536)	(1,461)	(74)
Income from ordinary operations after tax	9,581	1,792	435
Minority interest	12	(306)	104
NET INCOME	9,593	1,486	546

Fox Kids Europe N.V.

Earnings per Share
for the 6 months ended March 31, 2004 and March 31, 2003

	<u>6 Months to 31 March 2004 Unaudited</u>	<u>6 Months to 31 March 2003 Unaudited</u>
<u>Basic and Diluted</u>		
Earnings per share (in cents per share)	11.6	1.8
Basic weighted average number of ordinary shares outstanding, in thousands	<u>82,519</u>	<u>82,519</u>
Diluted weighted average number of ordinary shares outstanding, in thousands	<u>82,697</u>	<u>82,534</u>

Fox Kids Europe N.V.
Consolidated Balance Sheet
as at March 31, 2004, September 30, 2003 and March 31, 2003

In US \$'000	31 March 2004 Unaudited	30 September 2003 Audited	31 March 2003 Unaudited
<u>Assets</u>			
Cash and cash equivalents	69,393	51,450	44,792
Accounts receivable net of allowances	63,234	54,685	56,533
Programme rights, net	114,695	125,225	119,996
Investments in equity affiliates	1,889	1,210	2,736
Property and equipment, net	3,229	4,030	4,014
Deferred income taxes	10,618	10,770	9,655
Goodwill, net	28,016	28,016	27,959
Total Assets	291,074	275,386	265,685
<u>Liabilities, Minority Interests & Shareholders' Equity</u>			
Accounts payable	32,592	26,720	31,407
Accrued liabilities and deferred revenues	38,418	43,323	40,214
Long term note payable	-	-	104,114
Minority Interests	1,321	1,340	1,397
Total Liabilities and Minority Interests	72,331	71,383	177,132
Ordinary shares	21,426	21,426	21,426
Additional paid in capital	445,659	445,659	442,351
Other reserves	(204,114)	(204,114)	(204,114)
Note receivable contributed for equity	-	-	(112,547)
Cumulative translation adjustment	4,135	(1,012)	1,735
Accumulated other comprehensive loss	(48,363)	(57,956)	(60,298)
Total Shareholders' Equity	218,743	204,003	88,553
Total Liabilities, Minority Interests & Shareholders' Equity	291,074	275,386	265,685

Fox Kids Europe N.V.

Consolidated Cash Flow Statement for the
6 months ended March 31, 2004 and March 31, 2003

In US \$'000	6 Months to 31 March 2004 Unaudited	6 Months to 31 March 2003 Unaudited
OPERATING ACTIVITIES		
Net income	9,593	1,486
Adjustments to reconcile net income to net cash flows used in operating activities:		
Programme amortisation, impairment and depreciation	26,325	26,903
Equity in income of affiliates	(560)	(720)
Minority interests	(12)	306
Deferred tax	152	500
Changes in operating assets and liabilities		
Working capital	(3,105)	(8,763)
Programme rights	(13,768)	(14,647)
Net cash flows generated by operating activities	18,625	5,065
INVESTING ACTIVITIES		
Purchase of business	-	(20,800)
Purchases of property and equipment	(682)	(673)
Net cash flows used in investing activities	(682)	(21,473)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	17,943	(16,408)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	51,450	61,200
CASH AND CASH EQUIVALENTS, END OF PERIOD	69,393	44,792

Fox Kids Europe N.V.

**Operating Results by Business Segment for the
6 months ended March 31, 2004 and March 31, 2003**

In US \$'000	6 Months to 31 March 2004 Unaudited	6 Months to 31 March 2003 Unaudited	% Change
<u>BUSINESS SEGMENT</u>			
<u>Revenues</u>			
Channels & online	67,738	53,816	26
Programme distribution	12,862	16,180	(21)
Consumer products	6,830	4,788	43
Total revenue	<u>87,430</u>	<u>74,784</u>	17
Less : unconsolidated revenues of equity affiliates	(2,779)	(2,534)	
Group revenues	<u><u>84,651</u></u>	<u><u>72,250</u></u>	17
<u>EBITDA</u>			
Channels & online	28,484	21,721	31
Programme distribution	8,279	11,044	(25)
Consumer products	3,289	1,657	98
Shared costs not allocated to segments	(4,638)	(4,283)	(8)
	<u><u>35,414</u></u>	<u><u>30,139</u></u>	18
<u>Operating Income / (Loss)</u>			
Channels & online	13,762	8,265	67
Programme distribution	1,180	671	76
Consumer products	(324)	(1,252)	74
Shared costs not allocated to segments	(5,529)	(4,448)	(24)
	<u><u>9,089</u></u>	<u><u>3,236</u></u>	181

Fox Kids Europe N.V.

**Operating Results by Geographic Segment for the
6 months ended March 31, 2004 and March 31, 2003**

In US \$'000	6 Months to 31 March 2004 Unaudited	6 Months to 31 March 2003 Unaudited	% Change
<u>GEOGRAPHIC SEGMENT</u>			
<u>Revenues</u>			
United Kingdom & Ireland	25,423	18,304	39
France	11,401	9,347	22
Benelux	10,646	7,477	42
Italy	8,106	7,003	16
Spain & Portugal	7,444	5,502	35
Central Europe	7,380	5,166	43
Germany	7,340	4,295	71
Middle East	3,838	4,347	(12)
Nordic Region	3,691	2,929	26
Poland	2,114	3,700	(43)
Americas	-	6,714	(100)
Other	47	-	-
Total revenues	<u>87,430</u>	<u>74,784</u>	17
Less: unconsolidated revenues of equity affiliates	(2,779)	(2,534)	
Revenues	<u><u>84,651</u></u>	<u><u>72,250</u></u>	17
<u>EBITDA</u>			
United Kingdom & Ireland	15,699	9,950	58
France	4,353	3,677	18
Benelux	4,526	3,178	42
Italy	3,576	3,397	5
Spain & Portugal	2,657	1,575	69
Central Europe	3,357	2,010	67
Germany	2,690	783	244
Middle East	1,269	2,116	(40)
Nordic Region	1,217	953	28
Poland	678	2,112	(68)
Americas	-	4,671	(100)
Other	30	-	-
Shared costs not allocated to segments	(4,638)	(4,283)	(8)
EBITDA	<u>35,414</u>	<u>30,139</u>	18
Less: amortisation, impairment and depreciation	(26,325)	(26,903)	2
Operating income	<u><u>9,089</u></u>	<u><u>3,236</u></u>	181

About Fox Kids Europe N.V.:

Fox Kids Europe N.V. (FKE) is the leading pan-European integrated children's entertainment company with localised television channels, programme distribution and consumer products businesses. FKE's business lines are driven by a localised approach and it has ownership of one of the largest and most recognised libraries of children's programming in the world, which includes approximately 6,500 episodes. FKE is listed on Euronext Amsterdam Stock Exchange.

Channels

FKE produces and broadcasts television channels targeting children aged 6-14. The content of each is tailored specifically to the local audience in each market, taking into account viewing habits, popularity of programmes, parental sensitivities and cultural trends. Fox Kids channels are currently broadcasting via cable and satellite to 57 countries, reaching 37.2 million households in 17 languages. FKE's main markets include the UK, the Netherlands, France, Germany, the Nordic Region, Spain, Poland, Romania, Turkey, Russia, Israel and Italy.

FKE also offers interactive TV games channels, 'Fox Kids Play', in the UK and operates 16 localised websites for the Netherlands, the UK, Germany, France, Israel, Spain, Sweden, Denmark, Romania, Norway, Italy, Poland, Russia, Turkey, Hungary and Czech Republic.

Programme Distribution

FKE owns one of the largest libraries of children's programming in Europe. Programming from its library is distributed to more than 120 different terrestrial, cable and satellite channels in over 50 markets across Europe and the Middle East. This library includes major global programming franchises such as *Power Rangers*, *Spiderman*, *X-Men*, *Inspector Gadget* and *Goosebumps*. The rights for the majority of the titles in the FKE library cover all markets in Europe and the Middle East and include many forms of media. The FKE library is serviced by Buena Vista International Television (BVITV).

JCP (Jetix Consumer Products International)

JCP is FKE's consumer products division. JCP's consumer product activities encompass toys, merchandising, retail projects and home video sold in 30 European countries. JCP has fully integrated offices in the UK, France, Germany, Israel, Italy, Spain and the Netherlands and manages third party agents in other key markets across Europe and the Middle East. JCP's consumer product and home video properties are sourced from the FKE library and include properties such as *Gadget and the Gadgetinis* as well as third party representation for properties such as *Pucca*, *Flea-bag & Friends*, *Shin chan*, *Medabots* and *Totally Spies*.

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