



FOX KIDS EUROPE N.V.

September 20, 2000: For immediate release

PRESS RELEASE

Fox Kids Europe N.V. Announces Results for the Fiscal Year Ended May 31, 2000

- **Total revenues up 27% to \$100.4 million**
- **EBITDA up 41% to \$36.7 million**
- **Reached profitability with operating income of \$5.1 million and net income of \$273,000**
- **32% increase in channel subscribers; currently reaching more than 21 million households in 38 countries**
- **Channel operations achieved positive EBITDA, with channel advertising revenues up 109% to \$9.8 million**

Amsterdam, the Netherlands, and London, UK - Fox Kids Europe N.V. (*AMEX: FKE; Reuters: FOXK.AS; Bloomberg: FKE.NA*), the leading pan-European integrated children's entertainment company, today announced its financial results for the fiscal year ended May 31, 2000. FKE reached profitability following substantial growth in revenues, EBITDA and channel subscribers, compared to the fiscal year ended May 31, 1999.

Ynon Kreiz, Chairman and CEO of Fox Kids Europe N.V., said: "We are proud to announce such a strong performance for the first fiscal year of FKE as a public company. This is the result of our success in completing the roll-out of our pan-European channel platform, strengthening our programming library, integrating the consumer products operations and establishing a leading online & interactive proposition for children."

Sumatrалаan 45
1217 GP, Hilversum
The Netherlands

“In a period of launching new local services and building the Fox Kids brand and assets across Europe, we also managed to achieve strong growth in revenues and EBITDA and reach profitability. With 12 offices and established businesses in all major markets, we now have the critical mass of a fully localised pan-European children’s entertainment company and are positioned for more growth in the coming years.”

FINANCIAL REVIEW

Revenues

FKE generates revenues from multiple sources, including programme distribution fees, subscription fees, advertising and consumer product royalties.

Total revenues were \$100.4 million, representing a 27% increase compared to the previous fiscal year. The major contributors to this growth were the channel and programme distribution divisions, where revenues grew by 66% and 15% respectively. Programme distribution revenues were \$54.1 million, representing 54% of total revenues, while the channel revenues accounted for \$39.8 million, representing 40% of total revenues. Total revenues increased in most major geographical markets.

Within the channel operations, subscription revenues increased 56% to \$30.0 million from \$19.2 million, while advertising revenues sold on our channels more than doubled, increasing by 109% to \$9.8 million from \$4.7 million in the previous year. Subscriptions represented 75% of channel revenues and 30% of total revenues. Advertising represented 25% of channel revenues and 10% of total revenues, up from 20% and 6% respectively in the previous year.

Our consumer products operations generated revenues of \$6.5 million, representing 6.5% of total revenues. Revenues were down from \$8.1 million in the previous year.

EBITDA

EBITDA before non-recurring charges increased by 41% to \$36.7 million, primarily through the increases in revenues from programme distribution and the channel operations, partially offset by an increase in overhead and investment in the online business.

EBITDA from programme distribution grew 19% to \$40.8 million as a result of an increase in revenues, against a relatively fixed cost sales infrastructure. While the channel business is still at a development stage, it achieved positive EBITDA of \$3.3 million before non-recurring charges. EBITDA from our consumer products operations was \$2.2 million, down from \$4.3 million in the previous year.

Expenses

Operating expenses increased by 12% on the back of new channel launches in Italy and Turkey, a full year of technical costs for our Central & Eastern European service which launched in April 1999 and through investment in our new online & interactive division.

Selling, general & administrative expenses increased by 16%, primarily due to new channel launches, establishment of consumer products offices in Spain, the Netherlands and the Nordic region, increased staff levels in our online & interactive division and additional infrastructure spending to support our administration as a public company.

A non-recurring charge of \$1.8 million was incurred in relation to the expected early termination of the analogue transponder sublease used for the Fox Kids UK channel. The final migration of Fox Kids UK from analogue to digital services will have a beneficial impact on technical costs in future years.

Depreciation increased to \$1.3 million from \$1.2 million in the previous year. Programme amortisation decreased to \$28.5 million from \$39.5 million. As anticipated, this was primarily due to a reallocation of the net book value of our inventory by title, based on a revision of the estimated ultimate revenues that are expected to be generated from our library in future years, particularly from usage on our channels. In accordance with US GAAP, the amortisation charge for the year based on the change in estimate was recalculated from the beginning of the fiscal year, resulting in a low amortisation charge for the second half-year.

Net financial income increased to \$1.2 million from \$0.2 million through interest earned on the group's cash balances, which were higher on average than in the previous year.

Between the date of the initial public offering and the company's year-end, the exchange rate changed from a rate of US\$1.0386/Euro to US\$0.930/Euro. This created a loss of \$2.9 million on Euro-denominated deposits held by the company as a hedge to finance the roll-out of our online and consumer products operations in Europe and the launch of Fox Kids channels in Italy and Germany.

Joint Ventures

Our share of the loss of our affiliates was \$2.3 million, an improvement from a loss of \$5.9 million in the prior year, due to stronger operating performances of our channel joint ventures in the Netherlands and Spain.

The increase in the participation of the minority interest is due to the substantial operating improvement of our channel in Poland, where the company has a 20% equity partner.

Earnings per Share

Earnings per share (basic and diluted) improved to an income of 0.4 cents per share from a loss of 54.9 cents per share in the previous year. This was driven by the improvements in operating performance and the lower amortisation charge on the programme library.

Cash Flow

Operating cash flow improved substantially year-on-year to an outflow of \$15.6 million from an outflow of \$68.6 million. This was primarily attributable to a stronger operating performance, a reduction in the level of cash expended on programming during the year to \$48.6 million from \$80.5 million, and a repayment of VAT from UK Customs & Excise amounting to \$7.0 million. The initial public offering in November 1999 raised \$159.2 million net of expenses for the company, of which \$100 million was used as partial consideration for the acquisition of the programme library from our parent Fox Family Worldwide. As at the year-end, the company had cash balances of \$51.5 million.

Capital expenditure totalled \$1.7 million in the year. The main areas of expenditure were investment in our online and interactive division and equipment required for our new channel in Italy.

OPERATING REVIEW

Substantial Expansion of Channel Operations

Our channel operations had another year of strong growth, driven primarily from organic expansion of our existing channels and new launches in Italy and Turkey, which also added to our subscriber base. Distribution increased in all existing markets as well as through new launches, with subscribers up 32% from 15.1 million to 19.9 million. As at August 31, 2000, the end of the first quarter of FKE's 2001 fiscal year, our subscriber base had grown to more than 21 million households. The highly anticipated launch of our pay-TV channel in Germany in October 2000 will further enhance this expansion and will complete the pan-European roll-out of our channel platform, covering all major markets.

Our channels also had a strong year of general increase in audience share. Highlights included the Spanish channel, which launched less two years ago and is now the officially ranked number one kids channel in Spain. Our channel in the Netherlands, which has national distribution, continuously increased its lead during the year, reaching an impressive 32.7% average market share in May 2000 amongst kids 6-12. Our UK channel is also showing consistent rating improvement on Sky Digital among kids 4-9 and kids 4-15.

Our Italian channel launched successfully in April 2000 on the Stream pay-TV platform and has been very well received. It broadcasts between 6am and 9pm every day. In line with our localisation strategy, the channel has been fully customised for the Italian market, aiming at girls and boys between the ages of 2-14.

Our Central & Eastern European channel service was extended successfully to Turkey in May 2000 on Digiturk, Turkey's first digital satellite platform, and on Turkish Telecom's cable system. This channel service has subsequently been extended to cover other Turkish speaking countries including Azerbaijan and Kazakhstan. Also in May 2000, we completed the geographical coverage of our Nordic service and now cover Sweden, Norway, Denmark Finland and Iceland.

As of the end of our fiscal year, we had more than 350 active distribution agreements with cable and satellite operators, carrying our channels in 38 countries across Europe and the Middle East.

Large Library Gets Stronger

We have continued to strengthen our library, already one of the largest and most-recognised portfolios of children's programming in Europe and the Middle East. During the fiscal year we acquired or produced 263 new episodes. This included the UK and French rights to the world-wide ratings topper *Digimon: Digital Monsters*, which has achieved number one ratings in many countries around Europe. We have also acquired the television and home video rights for the UK and France to the highly anticipated feature movie spin-off from this hit series, which is being released in Spring 2001 by Twentieth Century Fox.

We also had 383 episodes in production at year end, compared to 240 episodes at the end of the previous fiscal year. This year's new series include more "animé" series, such as *Mashrambo* (31 episodes) and *Flint the Time Detective* (39 episodes), that are scheduled to debut later in the year following the success of *Pokemon* and *Digimon*. In addition, we have acquired the 3D animated series *Action Man* (26 episodes), based on the ever-popular toy-line made by Hasbro.

The company continues to forge strong alliances with broadcast partners to develop and produce quality European animated properties. Examples include *Jim Button* (52 episodes) and *WunschPunsch* (52 episodes), both from the critically acclaimed German author Michel Ende. These series will air on ARD, the German public broadcaster, and TF1, the leading commercial channel in France.

Forthcoming productions include *Jason & the Heroes of Mount Olympus*, to be broadcast on TF1, and *Gadget and the Gadgetinis*, to broadcast on France's M6, a sequel to the worldwide classic *Inspector Gadget* for which Disney recently launched a major feature film.

Solid Growth in Programme Distribution

We have maintained our position as one of the largest distributors of children's programming in Europe and the Middle East, with programming licensed to more than 110 broadcasters in 36 countries. This was achieved as a result of continued strong demand for our quality content.

Several programme distribution agreements have been signed with leading broadcasters. Under the terms of a new three-year output deal with Mediatrade, the leading free-TV broadcaster of kids programming in Italy, we will supply 600 episodes for airing next year on Mediatrade's three national networks which reach 19 million households.

In addition, a number of "Fox Kids" branded blocks of live action and animated programming were launched as an integral part of national free-TV channels, including Turkey's Show TV, Magyar TV in Hungary and Balkan News Corp. in Bulgaria. These branded blocks, which are marketed and promoted by our broadcasting partners, complement the Company's pay-TV channel strategy and increase market awareness of our brand and characters. We anticipate further branded blocks to be secured over the coming year.

Integration of Consumer Products

Our focus in the consumer products area has been on successfully integrating this business unit with our other business lines and we remain on track to achieve this within the next year.

Our objective in the last fiscal year has been to complete our pan-European infrastructure and expand our local presence. In addition to our existing offices in the UK, Germany, France and Italy, we have opened offices in Spain, Benelux and Scandinavia. As part of this process, we also hired five new country managers from Disney and Bulls Licensing. Our offices will now give us full coverage of all the major territories within Europe. This will allow us to maximise the revenues that we can generate from our library and will also make FKE more attractive to other licensors, by offering a one-stop-shop licensing service across Europe and the Middle East.

The profitability of the consumer products business is driven by the quality of the properties represented. We have high expectations for *Digimon: Digital Monsters*, for which we have acquired rights for all media (except toys and games) in the UK and France. Demand for licenses for this property remains strong and we look forward to the release of the feature spin-off in Spring 2001 alongside the home video releases.

Leading Pan-European Internet Proposition for Kids

Our online & interactive division was established this year in order to capitalise on the opportunities presented by the continuing rapid growth of the Internet and e-commerce. Our objective is to establish FKE as the leading interactive proposition and online community for children across Europe.

The company has built and launched localised websites in 10 languages in the UK, the Netherlands, France, Italy, Sweden, Denmark, Norway, Spain, Poland and Russia. The sites are already generating substantial traffic (approximately 5 million page views per month) and the next-generation version of our websites is expected to launch over the coming year. Our proposition is technology neutral and open to all platforms, whilst tailored for each market.

We have recruited a first class team of online professionals, who joined from organisations such as the BBC, Bertelsmann, Bonier, Canal Plus, Discovery, Disney, Dorling Kindersley, Dreamworks and Excite. We now have country managers in seven major markets.

In order to maximise future e-commerce revenues, an agreement with Mytaxi, part of Affinity Internet Holdings, was concluded in August 2000 to develop a "virtual wallet" and an on-line shopping mall. This will enable kids to shop online in selected kid-friendly stores, as well as purchase digital entertainment on the basis of pay-per-play or subscription on our websites. Kids and parents will be able to deposit money into the virtual wallet in several ways (e.g. credit cards, cheques, standing orders) and make purchases against their balances.

We have also been active in developing WAP (Wireless Application Protocol) applications and in July 2000 launched a service aimed at kids on the MVIVA portal, which is jointly owned by Carphone Warehouse and AOL Europe. Kids can now play games, get their horoscope forecast, receive reviews and kid-friendly news whilst on the move via their mobile phones.

We have managed to build this division for a relatively low cumulative cash investment to date of \$2.2 million for three principal reasons: we own a library of high quality content that includes online rights for most of our properties, so our external content acquisitions are low; we are able to promote our online activities with targeted television exposure at no cost through our local channels that reach more than 21 million households; and for no further cost we can use on our site applications and technologies that have been developed by the US and international divisions of our parent, Fox Family Worldwide, for use on its US website. Going forward, our investment in this area will grow as our activities in this area increase.

Outlook

During the next fiscal year we intend to accelerate the growth momentum of our company and increase shareholder value. We expect to do this by expanding our channel operations, both organically and through new launches, increasing our programme library, strengthening our position as a leading distributor of quality children's content, completing the integration of our consumer products division and expanding our online proposition with the next-generation Fox Kids websites. We will also look to expand to new markets and new businesses which are complementary to our company.

About Fox Kids Europe N.V.:

Fox Kids Europe N.V. (FKE) is a leading pan-European integrated children's entertainment company with localised television channels, programme distribution, consumer products and online & interactive businesses. FKE's business lines are driven by a localised approach and its ownership of one of the largest and most recognised libraries of children's programming in the world, which includes approximately 6,000 episodes. FKE listed on the Amsterdam Exchanges N.V.'s stock exchange on November 18, 1999.

Channels

FKE produces and broadcasts television channels for children aged 2-14. 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. FKE is currently broadcasting via cable and satellite to 38 countries, reaching more than 21 million households in 12 languages. FKE's main markets include the United Kingdom, the Netherlands, France, Germany, Spain, Italy, the Nordic region, Poland, Russia, Romania and Turkey.

Programme Distribution

FKE is one of the largest distributors of children's programming in Europe. Programming from its library is distributed to more than 110 different terrestrial, cable and satellite channels in over 36 markets across Europe and the Middle East. This library includes major global programming franchises such as Power Rangers, Spiderman, X-Men, The New Addams Family, Inspector Gadget and Goosebumps. The rights for most of the titles in the Fox Kids library cover all markets in Europe and the Middle East and include many forms of media.

Consumer Products

FKE's consumer product activities include toys, merchandising and home videos sold in 24 European countries. FKE operates offices in the United Kingdom, France, Germany, Italy, Benelux, Spain and the Nordic region and also retains third party agents in other European markets. FKE's consumer product properties are mainly sourced from the Fox Kids library and include major franchises such as Power Rangers and Princess Sissi. In addition, FKE companies have agency agreements in respect of third party consumer product rights, such as BKN for Monster Rancher and Energy Entertainment for Magic Pudding.

Online & Interactive

FKE operates a developing online & interactive business. In doing so, the company is capitalising on its inherent strengths including: ownership of quality content; promotional leverage of channel activities; consumer products operations; and significant Internet resources developed by the U.S. and International divisions of Fox Family Worldwide. FKE currently operates ten localised websites in the United Kingdom, The Netherlands, France, Sweden, Denmark, Norway, Spain, Italy, Poland and Russia. The company intends to launch further local websites in additional major markets.

For further details, please contact:

**Media / Investor Relations Department
Fox Kids Europe Limited**

Tel: +44 (0)20 7554 9000

Fax: +44 (0)20 7554 9094

Fox Kids Europe NV
Consolidated Statement of Income
for the twelve months ended May 31, 2000

| In US \$'000 | 12 months to 31 May 2000 | 12 months to 31 May 1999 | % Change (1) | In Euros 12 months to 31 May 2000 (2) |
|---|--------------------------------|--------------------------------|-----------------|---|
| TOTAL REVENUES (including share of joint ventures) | 100,413 | 79,162 | +26.8% | 101,839 |
| Less : unconsolidated revenues of joint ventures | -5,799 | -2,550 | | -5,881 |
| TOTAL REVENUES | <u>94,614</u> | <u>76,612</u> | +23.5% | <u>95,958</u> |
| Operating expenses | -20,474 | -18,292 | -11.9% | -20,765 |
| Selling, general & administrative expenses | <u>-37,434</u> | <u>-32,208</u> | -16.2% | <u>-37,966</u> |
| EBITDA before non-recurring charge | 36,706 | 26,112 | +40.6% | 37,227 |
| Non-recurring charge | -1,809 | - | na | -1,834 |
| EBITDA after non-recurring charge | 34,897 | 26,112 | +33.6% | 35,393 |
| Depreciation and amortisation | <u>-29,797</u> | <u>-40,678</u> | +26.7% | <u>-30,220</u> |
| Operating income / (loss) | 5,100 | -14,566 | +135.0% | 5,173 |
| Financial income | 6,817 | 154 | | 6,914 |
| Financial expense | -5,613 | - | | -5,693 |
| Loss on foreign exchange | -2,945 | - | | -2,987 |
| Equity in loss of affiliates | <u>-2,342</u> | <u>-5,891</u> | | <u>-2,375</u> |
| Income / (loss) before tax | 1,017 | -20,303 | +105.0% | 1,032 |
| Taxation on result from ordinary operations | <u>-591</u> | <u>-</u> | | <u>-600</u> |
| Income / (loss) after tax | 426 | -20,303 | +102.1% | 432 |
| Minority interest | <u>-153</u> | <u>456</u> | | <u>-155</u> |
| NET INCOME / (LOSS) | <u><u>273</u></u> | <u><u>-19,847</u></u> | +101.4% | <u><u>277</u></u> |

Fox Kids Europe NV
Consolidated Statement of Income
for the twelve months ended May 31, 2000

Earnings per Share

| In cents per share | 12 months to 31 May 2000 | 12 months to 31 May 1999 | % Change (1) | In Euros 12 months to 31 May 2000 (2) |
|---|--------------------------------|--------------------------------|-----------------|---|
| Earnings / (loss) per share, basic | 0.4 | (54.9) | +100.7% | 0.4 |
| Earnings / (loss) per share, diluted | 0.4 | (54.9) | +100.7% | 0.4 |
| Basic weighted average number of ordinary shares outstanding, in thousands | 64,078 | 36,196 | +77.0% | 64,078 |
| Diluted weighted average number of ordinary shares outstanding, in thousands | 64,429 | 36,196 | +78.0% | 64,429 |

Notes:

- (1) A "+" indicates a positive impact on net income.
A "-" indicates a negative impact on net income.
- (2) The consolidated statement of income and the segmental notes have been translated for convenience only at a rate of Euro 1.00 = US\$ 0.986, being the average rate for the year. The balance sheet has been also been translated for convenience only, at the rate of Euro 1 = \$0.930, being the closing rate at May 31, 2000.

For 1999, management has reconsidered both the classification of certain items in the consolidated statement of operations and the segments used to manage the business; the prior year figures are stated on a consistent basis.

Fox Kids Europe NV
Consolidated Balance Sheet
as at May 31, 2000

| In US \$'000 | 31-May 2000 | 31-May 1999 | 31-May 2000 in Euros (2) |
|--|-----------------------|-----------------------|-----------------------------------|
| <u>Assets</u> | | | |
| Cash and cash equivalents | 51,508 | 2,004 | 55,385 |
| Accounts receivable (net) | 37,973 | 22,957 | 40,831 |
| Programme rights | 150,530 | 130,380 | 161,860 |
| Investment in equity affiliates | 9,771 | 12,113 | 10,507 |
| Property and equipment | 3,426 | 3,225 | 3,684 |
| Total Assets | <u>253,208</u> | <u>170,679</u> | <u>272,267</u> |
| <u>Liabilities & Shareholders' Equity</u> | | | |
| Accounts payable | 4,832 | 4,102 | 5,196 |
| Accrued liabilities | 19,280 | 5,641 | 20,731 |
| Amounts due to related parties | 6,243 | 26,451 | 6,713 |
| Other long term liabilities | 6 | 82 | 6 |
| Long term note payable | 104,114 | - | 111,951 |
| Minority interest | (444) | (597) | -477 |
| Total Liabilities | <u>134,031</u> | <u>35,679</u> | <u>144,120</u> |
| Ordinary shares | 21,426 | 11,117 | 23,039 |
| Additional paid in capital | 241,981 | 157,158 | 260,195 |
| Note receivable contributed for equity | (109,978) | - | -118,256 |
| Cumulative translation adjustment | -339 | 911 | -365 |
| Accumulated deficit | (33,913) | (34,186) | -36,466 |
| Total Shareholders' Equity | <u>119,177</u> | <u>135,000</u> | <u>128,147</u> |
| Total Liabilities and Shareholders' Equity | <u>253,208</u> | <u>170,679</u> | <u>272,267</u> |

Fox Kids Europe NV

Consolidated Cash Flow Statement for the twelve months ended May 31, 2000

| In US \$'000 | 12 months to 31 May 2000 | 12 months to 31 May 1999 |
|---|---|---|
| OPERATING ACTIVITIES | | |
| Net income / (loss) | 273 | -19,847 |
| Adjustments to reconcile net income / (loss) to net cash flows used in operating activities: | | |
| Depreciation and amortisation | 29,797 | 40,678 |
| Equity in loss of affiliates | 2,342 | 3,969 |
| Minority interests | 153 | -456 |
| Foreign exchange loss | 2,945 | - |
| Changes in operating assets and liabilities | | |
| Accounts receivable and other assets | -18,545 | -4,948 |
| Programme rights | -48,619 | -80,482 |
| Accounts payable | 2,646 | 57 |
| Accrued liabilities | 13,365 | -7,568 |
| Net cash flows used in operating activities | -15,643 | -68,597 |
| INVESTING ACTIVITIES | | |
| Investment in equity affiliates | -1,922 | -4,631 |
| Purchases of property and equipment | -1,734 | -1,021 |
| Net cash flows used in investing activities | -3,656 | -5,652 |
| FINANCING ACTIVITIES | | |
| Net proceeds from IPO | 159,236 | - |
| Programming rights acquisition | -100,000 | - |
| Other common stock and contributions | 12,512 | 52,035 |
| Advances from parent company | - | 13,709 |
| Net cash flows provided by financing activities | 71,748 | 65,744 |
| NET CHANGE IN CASH AND CASH EQUIVALENTS FROM OPERATING, INVESTING AND FINANCING ACTIVITIES | | |
| | 52,449 | -8,505 |
| NET (DECREASE) INCREASE IN CASH DUE TO FOREIGN CURRENCY FLUCTUATIONS | | |
| | -2,945 | 960 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 49,504 | -7,545 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD | 2,004 | 9,549 |
| CASH AND CASH EQUIVALENTS, END OF PERIOD | 51,508 | 2,004 |

Fox Kids Europe NV

Operating Results by Segment for the twelve months ended May 31, 2000

In US \$'000

| | 12 months to 31 May 2000 | 12 months to 31 May 1999 | % Change fav/(unfav) (1) | In Euros 12 months to 31 May 2000 (2) |
|--|--------------------------------|--------------------------------|--------------------------------|---|
| <u>BUSINESS SEGMENT</u> | | | | |
| <u>Revenues</u> | | | | |
| Programme distribution | 54,100 | 47,038 | | 54,868 |
| Channel operations | 39,774 | 23,999 | | 40,339 |
| Consumer products | 6,508 | 8,125 | | 6,601 |
| Online & interactive | 31 | - | | 31 |
| Total revenues (including share of joint ventures) | <u>100,413</u> | <u>79,162</u> | +26.8% | <u>101,839</u> |
| Less : unconsolidated revenues of joint ventures | -5,799 | -2,550 | | -5,881 |
| Total Revenues | <u><u>94,614</u></u> | <u><u>76,612</u></u> | <u>+23.5%</u> | <u><u>95,958</u></u> |
| <u>EBITDA</u> | | | | |
| Programme distribution | 40,767 | 34,144 | | 41,345 |
| Channel operations | 3,257 | -8,543 | | 3,303 |
| Consumer products | 2,221 | 4,319 | | 2,253 |
| Online & interactive | -1,703 | - | | -1,727 |
| Shared costs not allocated to segments | <u>-7,836</u> | <u>-3,808</u> | | <u>-7,947</u> |
| EBITDA before non-recurring charge | 36,706 | 26,112 | +40.6% | 37,227 |
| Non-recurring charge | -1,809 | - | | -1,834 |
| EBITDA after non-recurring charge | <u><u>34,897</u></u> | <u><u>26,112</u></u> | <u>+33.6%</u> | <u><u>35,393</u></u> |
| <u>Operating Income / (Loss)</u> | | | | |
| Programme distribution | 13,506 | -5,084 | | 13,698 |
| Channel operations | -779 | -9,504 | | -790 |
| Consumer products | 2,185 | 4,291 | | 2,216 |
| Online & interactive | -1,737 | - | | -1,762 |
| Shared costs not allocated to segments | <u>-8,075</u> | <u>-4,269</u> | | <u>-8,189</u> |
| | <u><u>5,100</u></u> | <u><u>-14,566</u></u> | <u>+135.0%</u> | <u><u>5,173</u></u> |

Fox Kids Europe NV

Operating Results by Segment for the twelve months ended May 31, 2000

In US \$'000

GEOGRAPHIC SEGMENT

Revenues

| | | | | |
|--|----------------|---------------|---------------|----------------|
| United Kingdom & Ireland | 22,603 | 18,661 | | 22,924 |
| Germany | 22,033 | 17,283 | | 22,346 |
| France | 16,632 | 16,528 | | 16,868 |
| Spain & Portugal | 10,225 | 1,643 | | 10,370 |
| Italy | 8,393 | 12,859 | | 8,512 |
| Benelux | 7,992 | 5,501 | | 8,106 |
| Poland | 5,276 | 1,966 | | 5,351 |
| Nordic Region | 3,685 | 2,062 | | 3,737 |
| Central Europe | 2,582 | 50 | | 2,619 |
| Other | 992 | 2,609 | | 1,006 |
| Total revenues (including share of joint ventures) | <u>100,413</u> | <u>79,162</u> | +26.8% | <u>101,839</u> |

| | | | | |
|--|----------------------|----------------------|---------------|----------------------|
| Less : unconsolidated revenues of joint ventures | -5,799 | -2,550 | | -5,881 |
| Total Revenues | <u><u>94,614</u></u> | <u><u>76,612</u></u> | +23.5% | <u><u>95,958</u></u> |

EBITDA

| | | | | |
|--|---------------|---------------|---------------|---------------|
| United Kingdom & Ireland | 3,344 | -273 | | 3,392 |
| Germany | 15,897 | 11,617 | | 16,122 |
| France | 7,274 | 6,961 | | 7,377 |
| Spain & Portugal | 6,321 | 593 | | 6,411 |
| Italy | 4,995 | 9,039 | | 5,066 |
| Benelux | 3,030 | 3,268 | | 3,073 |
| Poland | 2,434 | -1,003 | | 2,468 |
| Nordic Region | -33 | -1,736 | | -33 |
| Central Europe | 534 | -801 | | 541 |
| Other | 746 | 2,255 | | 757 |
| Shared costs not allocated to segments | -7,836 | -3,808 | | -7,947 |
| EBITDA before non-recurring charge | <u>36,706</u> | <u>26,112</u> | +40.6% | <u>37,227</u> |

| | | | | |
|--------------------------------------|---------------------|-----------------------|----------------|---------------------|
| Non-recurring charge | -1,809 | - | | -1,834 |
| EBITDA after non-recurring charge | <u>34,897</u> | <u>26,112</u> | +33.6% | <u>35,393</u> |
| Less : depreciation and amortisation | -29,797 | -40,678 | | -30,220 |
| Operating Income / (Loss) | <u><u>5,100</u></u> | <u><u>-14,566</u></u> | +135.0% | <u><u>5,173</u></u> |