



Development of the business

Your Family Entertainment AG (YFE) and the Australian producer of animated films, Ettamogah LMD Pty Ltd, have concluded a long-term agreement to cooperate in the worldwide distribution of initially four series of animated films outside Australia and New Zealand.

YFE introduced the German-language children's and family channel „yourfamily“ in France at the beginning of April 2010. „yourfamily“ can initially be received in France via the IPTV platform „SFR“. Negotiations are currently being conducted with other distribution partners. „yourfamily“ is part of an exclusively German package of programmes assembled by the French distributor „Thema“ that in addition to „your family“ initially consists amongst others of programmes offered by ProSiebenSat.1, RTL und n-tv.

Your Family Entertainment AG is pressing ahead in opening up additional distribution channels. Together with Hutchison 3G Austria GmbH, it has introduced with considerable success its own theme channel „Cosmo & Wanda“ on Hutchison's mobile platform. An additional single-theme channel is planned on this platform.

Your Family Entertainment AG was also able to conclude additional distribution partnerships. The expansion of the company's position in the highly dynamic middle eastern markets was emphasised by the conclusion of a major licensing package with „Al Jazeera“.

In addition, a comprehensive and long-term partnership for several western European countries was concluded with „KidsCo“.

Profit situation

The profit situation in the first quarter of 2010 was in line with expectations.

- **Sales +16 %**

Your Family Entertainment AG's sales increased by K-EURO 118 to K-EURO 849 in the first quarter (2009: K-EURO 731).

- **EBITDA positive**

A positive EBITDA was achieved at the end of March and is slightly above the previous year's level.

Dividend distribution for the past financial year 2009

Following an additional successful financial year in 2009, Your Family Entertainment AG plans to make its first distribution of a tax-free dividend in the company's history as a listed company of 2 Euro cents per share.

The board of management and supervisory board will submit an appropriate resolution to the annual general shareholders' at its meeting on July 13th 2010.

Since this dividend represents from a tax point of view a benefit from the tax capital account in accordance with § 27 of the German Corporation Tax law, subject to the resolution of the shareholders' meeting the payment will be made free of tax.



Outlook for the financial year 2010

Based on the previous years' positive results, 2010 will also be characterised by an intensification of the existing business segments.

Our activities will be focussed on the continued expansion of international distribution in the field of "license sales" as well as in obtaining new partners for our own "yourfamily" pay-TV channel.

The basis of Your Family Entertainment AG's business will be continually expanded by the addition of new productions to its library, such as for example "Oscar – The Balloonist", or through programmes as part of the distribution agreement with Ettamogah.

YFE's long-term goal is to recover its position as a strong international player in this market.

Financial calendar 2010

Apr 29th Annual financial report 2009
May 18th Interim report for the first half of 2010
July 13th Shareholders' meeting
Aug 26th Semi-annual financial report 2010
Nov 18th Interim report for the second half of 2010



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 results explicitly stated or implicitly contained in these statements. Your Family Entertainment AG neither intends nor does it assume 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, May 18th 2010

Your Family Entertainment AG
The Board of Management

Dr. Stefan Piëch

Your Family Entertainment AG

Your Family Entertainment AG, Munich, belongs to the most long-established companies in Germany both in the production and in the licensing of entertainment programmes for children, young people and families.

Everyday and trendsetting technologies, like IPTV, VoD and DVB-H are used as transmission media.

The own children and family channel 'yourfamily' shows animated series and exciting adventure films with interesting and well-known characters, like Urmel, Fix & Foxi, Tobias Totz, Dragon Hunters, Enid Blyton and many more. The programme encompasses choices of an educational nature for pre-school children, top quality animated series for children, right the way up to entertaining programmes for the whole family. Thereby Your Family Entertainment, which used to trade under the name RTV Family Entertainment AG and has its origins in the Ravensburger AG, above all focuses on top quality programmes for the whole family.

Your Family Entertainment AG is quoted in the regulated market on the Frankfurt stock exchange (WKN: 540 891/ISIN: DE 000540 8918, abbr.: RTV).

Board of Management:

- Dr. Stefan Piëch

Supervisory Board:

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

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