JETIX EUROPE N.V.

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PRESS RELEASE

JETIX EUROPE N.V. ANNOUNCES RESULTS FOR THE YEAR ENDED SEPTEMBER 30, 2008

- **Revenue decreased by €29.5[1] million to €136.9 million. This was in line with management's expectations and the guidance given at the interim results**
- **The decline in revenue was primarily due to the effects of a limited number of previously announced deals, combined with adverse exchange rate movements**
- **EBITDA[2] was down €18.6 million at €50.8 million. The revenue impact was partially offset by a reduction in marketing, selling and distribution costs**
- **Operating profit was €12.7 million, a decline of €11.7 million. Lower amortisation costs further limited the impact of the revenue reduction**
- **Net profit attributable to shareholders was €20.1 million**
- **Diluted earnings per share were down 20.3 cents to 23.6 cents per share**
- **Channel subscribers increased 1.8 million to 52.3 million households**
- **Operating cash flow increased €11.1 million to €37.5 million**

Amsterdam, The Netherlands and London, UK – Jetix Europe N.V. (Jetix Europe or the Company, "we", "our"*) (AMEX: JETIX; Reuters JETIX.AS; Bloomberg: JETIX.NA),* one of Europe's leading integrated kids entertainment companies, today announced its financial results for the year ended September 30, 2008. Revenue decreased by €29.5 million to €136.9 million, compared with the year ended September 30, 2007. This was in line with management's expectations, and the guidance given at the interim results. The decline in revenue was primarily due to the effects of a limited number of previously announced deals, combined with an adverse movement in exchange rates. At exchange rates consistent with the prior year, revenue

[1] All comparisons and percentage changes are stated versus the year ended September 30, 2007.
[2] Consistent with prior years, EBITDA is operating profit stated before programme amortisation, impairment and depreciation.

would have been €144.9 million. Operating profit was down €11.7 million, at €12.7 million. The decline in revenue was partially offset by a reduction in marketing, selling and distribution costs, as well as a decrease in amortisation costs. Net profit attributable to shareholders was €20.1 million. Operating cash flow increased by €11.1 million to €37.5 million. Subscribers increased by 1.8 million to 52.3 million at September 30, 2008.

Paul Taylor, Chief Executive Officer, said "Throughout this year we have continued to pursue our core strategy - creating the best kids entertainment content and delivering it whenever and wherever our audience wants to engage with it.

Our new programming team has made a strong start, commissioning two outstanding new co-productions. Their first, *Jimmy Two-Shoes*, continues Jetix's drive to create strong characters in shows which combine action with humour. The other, *Kid vs. Kat*, develops this further, and I am confident that both shows will prove popular. We have also increased the level of resources that we are investing in our creative development process, ensuring that our new team is well positioned to uncover the best ideas and grow them into our future hit franchises.

We have continued to strengthen our programming alliance with The Walt Disney Company (Disney). We collaborate closely on our long-term hit property, *Power Rangers*, and are co-producing its seventeenth season. We also have a new initiative with Disney's programming team to develop live-action series. This initiative has been given increased impetus with Disney's recently announced plans to launch a new channel, Disney XD, in the US. Disney has an impressive track record and we are uniquely placed in being able to access their expertise in this area.

Our programming alliance with Disney also benefits us in other areas. We have continued to air Disney content on a number of our channels, and in the US, Disney has been airing the second series of *Pucca*, one of the productions Jetix Europe developed.

We have renewed a number of major carriage deals this year, notably in Eastern Europe and with Canalsat in France. Following the Canalsat deal, we decided to restructure our French channel operations in order to take advantage of the economies of scale available from working more closely with Disney. This deal allows Jetix to continue to benefit from a profitable business in France, whilst limiting our risk and ensuring that we benefit from future revenue growth.

We are also realising synergy benefits with Disney in other areas. This year we signed an important deal which secures us access to Disney's new integrated sales structure. Disney-ABC-ESPN Television (DAET) has been created to pull together under one organisation sales of programming, channels and new media. DAET already services Jetix Europe's programme sales and this deal extends the relationship to include our channels and digital video content. I am confident that being presented alongside Disney's broad portfolio of products to their wide range of established contacts will ensure that we are able to maximise our revenue in these areas.

During the year we have also been investing in the development of our online and mobile businesses. We have redesigned our websites to take advantage of the opportunities presented by the latest developments in technology. Our new sites include a range of community features, such as avatars and loyalty rewards, as well as a new video-on-demand player and an improved games offering. The enhanced sites are currently being launched, offering our audience a new destination where they can be entertained and where they can engage and interact with our characters.

We continue to distribute our content through various third-party digital platforms. As the range of different distribution channels continues to increase, we are working to ensure that wherever kids search for entertainment, we are present. This year we have significantly increased our mobile distribution with a multi-territory deal with Orange, and we have recently launched a new service offering some of our content on a download-to-own basis through iTunes in the UK.

As a full service kids entertainment company, creating content and then delivering it through a broad range of different media, from television and online to consumer products, Jetix Europe is well positioned for the future. We will continue to pursue our core strategy, to leverage our relationship with Disney and to deliver the very best kids entertainment possible."

Dene Stratton, Chief Financial Officer, said "As expected, the results we are announcing today have been adversely affected by the impact of a limited number of specific deals, as well as exchange rate movements. However, I am pleased that the results are in line with our guidance, and that our strong focus on cost control is evident in reduced operating costs. We have achieved strong growth in operating cash flow and this year we generated €37.5 million of operating cash flow."

OPERATING REVIEW

Channels and Online

- Subscribers increased by 1.8 million to 52.3 million households
- New structure in France following multi-year distribution deal with Canalsat
- DAET appointed to service the distribution of our channels
- Major re-launch of Jetix branded websites
- Online content distribution launched on iTunes

Despite the effects on revenue of a limited number of specific deals, the Channels and Online division has continued to expand and develop its operations. We have grown the number of households reached by our channels, enhanced the appeal of our content with further localisation and increased our investment in digital media. We have also agreed to be part of a new sales structure which leverages the strengths of our majority shareholder, Disney, and should ensure we maximise future revenues.

At the end of the period our channels reached 58 countries across Europe and the Middle East. We broadcast 15 separate channel feeds in 19 languages, and our 18 websites offer our audience the opportunity to interact directly with our content.

We have increased the number of subscribers to our television channels by 1.8 million, and we now reach 52.3 million households. We continued to achieve strong growth on our Central and Eastern European (CEE) channel feed, primarily serving Russia and Romania, which increased the number of households reached by over one million. Our Polish channel also performed well, increasing subscribers by 10%. These increases were partially offset by a reduction in the number of households reached by our channel in Turkey, as one of our distribution contracts came to an end. We do not expect this to have a significant financial impact. In France we saw strong subscriber growth of almost 20% as we continue to benefit from the increased carriage we secured following the merger of TPS and Canalsat.

We have continued to localise our presence in Eastern Europe with the addition of a Bulgarian language track to our CEE feed. Jetix is the first dedicated kids channel to broadcast a local language channel in this market, helping us to consolidate our position by securing new distribution and increasing the number of households we reach. In Serbia we have begun the process of localisation with the addition of Serbian subtitles. This has already delivered results through the renewal of our distribution contract with the local satellite television operator, SBB.

We continue to realise synergies with Disney. In France we secured a multi-year distribution agreement with Canalsat and, following this agreement, we have restructured our operations.

We have licensed the operation of the Jetix channel in France to the local Disney channel operations, allowing us to take further advantage of the economies of scale available from working closely with Disney. This new structure ensures that Jetix Europe will continue to benefit from a profitable business in France.

Since the period end we have secured a multi-year distribution agreement in Eastern Europe with UPC to continue carriage of our channels on their platforms in five markets. UPC is one of our largest distributors in the region, and this deal covers Poland, Romania, Hungary, Slovakia and the Czech Republic. In Eastern Europe we have also renewed our distribution deal with NTV, our second largest distribution partner in Russia. In the UK we have recently exercised our option with Sky to extend carriage by two years to 2012. This secures our long-term distribution in one of Europe's key pay television markets.

In June we announced a fundamental change to the way we sell our channels and digital video content. We have signed a deal with Disney for Disney-ABC-ESPN Television (DAET) to service the distribution of our channels. This means that, since July 2008, Jetix Europe's channels and digital content have been presented to customers alongside the portfolio of Disney and ESPN channels, films and television programmes for which DAET is currently responsible. DAET already services Jetix Europe's programme distribution business. This new deal will allow Jetix Europe to benefit from DAET's distribution expertise and strong market presence across our key territories.

Advertising revenue grew strongly in Eastern Europe. In Russia, we more than doubled advertising revenue as we increased the scale of our business. Our Poland channel feed grew advertising revenue by 30%, whilst our Hungary, Czech, Slovakia channel feed achieved growth of more than 25%. In our more developed markets advertising growth was more constrained. Healthy growth in Italy, Spain and Scandinavia was more than offset by declines in The Netherlands and France. The reported advertising revenue in France was lower than the prior year as we no longer recognise advertising revenue following our restructuring[3]. In the UK, local currency advertising growth was negated by the decline in the UK pound against our reporting currency, the euro.

We are currently re-launching our Jetix branded websites. The sites have been redesigned to take advantage of the latest developments in technology. We have introduced a range of new features, including personalised avatars, new navigation tools, an enhanced loyalty scheme and improved interactive applications. We have also focused on improving our games offering, one of our most popular online activities, and we have invested in our video-on-demand player. This investment has been in both the infrastructure, with new underlying technology, and in content, where we have begun commissioning several series of shorts primarily for online distribution. Some of these series are based on our main television content, whilst others develop new characters, which if successful could inspire future television properties.

We are also distributing our content through online and mobile distribution platforms, allowing us to reach our audience whenever and wherever they would like to engage with our characters. Online video distribution continues to expand and we offer our content through a range of different providers covering a number of business models, including transactional video-on-demand, subscription services and download-to-own.

We have recently launched a range of our most popular series for sale on iTunes in the UK, and we have other video-on-demand deals in six countries. Our channels or content are also

[3] On June 1, 2008, Jetix Europe licensed its French channel operations to The Walt Disney Company France. From that date forward, Jetix Europe is paid a license fee, which is recorded as other revenue in the Channels and Online segment. During the term of the contract Jetix will no longer record gross revenue (subscription or advertising) or marketing, selling, distribution or general and administrative costs for channel operations in France.

available on mobile phones, either through an aggregator or from a network operator. At present we have services reaching eight countries, including a multi-territory deal with Orange which has led the expansion of our mobile offering into Eastern Europe.

Programme Distribution

- Strong sales from *Power Rangers* and *Yin Yang Yo!*
- Second series of *Pucca* delivered to US alliance partners
- Five new series commissioned or acquired
- 165 new episodes delivered
- Programme pipeline of 95 episodes

The majority of our programme distribution revenue comes from programme sales to third-party free-to-air broadcasters, which is serviced by DAET. These sales are predominantly denominated in US dollars and so have been impacted by the fall in the US dollar against the euro through the period. Revenue has also been affected by a reduced volume of episodes supplied outside of Europe and a production commissioned in the prior year from our Israel operation which was not repeated this year. However, the success of the original Israeli series has led to a new series being commissioned, which we will be delivering next year.

Our third-party programme sales were led by *Power Rangers*, which again sold in most major markets. *Yin Yang Yo!*, the latest co-production from the Jetix programming alliance with Disney also sold well, as did our recent acquisitions *Captain Flamingo* and *Iggy Arbuckle*. These shows continued to deliver strong audiences, ranking as one of the top two shows with kids in their timeslots in the major European markets in which they aired.

We have supplied a second series of *Pucca* to Disney ABC Television Group, our Jetix alliance partner in the US. The show airs in the Jetix programming block on Toon Disney and has continued to perform well, ranking as one of their top ten series. As we only acquire US rights on an opportunistic basis, the volume of programming we have supplied is lower than in the previous year, and we do not expect further sales in the near future.

During the year we have secured five new series. Through our global programming alliance with Disney we have commissioned a new series of *Power Rangers*. This will be the seventeenth season in Europe, highlighting the on-going attractiveness of this property. We have commissioned two new co-productions, *Jimmy Two-Shoes* and *Kid vs Kat*.

Jimmy Two-Shoes is the first commission from our new programming team and it is being produced by Breakthrough Animation in Canada. It follows the adventures of fourteen-year-old Jimmy after he falls into the weird world of Miseryville. We are pleased that in the recent Mipcom Junior television programming market *Jimmy Two-Shoes* was the most viewed show by potential buyers. This is the highest ever ranking for a new Jetix show and was achieved against a field of more than 1,000 other titles. *Kid vs. Kat* will be produced by Studio B, which also produced *Pucca* for us. It follows the exaggerated conflicts between a malevolent cat with extra-terrestrial links and the beleaguered ten-year-old boy to whom it has taken a demented dislike.

We have also acquired two new series from Cookie Jar Entertainment, *Magi-Nation* and *World of Quest*. *Magi-Nation* is a new action-adventure series set in an ancient magical world and *World of Quest* is a fantasy action-comedy following Prince Nestor on his quest against the evil Lord Spite.

During the year we have taken delivery of 165 new episodes of programming. This includes episodes from each of our major sources of programming. We have received new episodes from series co-produced through our programming alliance with Disney, *Power Rangers* and *Yin*

Yang Yo!; new episodes from Jetix Europe co-productions *Pucca*, *Combo Ninos* and *Kid vs. Kat*, and new content from our acquired series *Captain Flamingo*, *Urban Vermin*, *Magi-Nation* and *World of Quest*.

At the end of the period we had 95 episodes in production.

Consumer Products

- *Power Rangers* remains largest property
- *Pucca* continues strong performance
- Four new magazines launched
- Strong home entertainment sales of Marvel catalogue
- Consumer products rights secured on new series and properties

As expected, the reported results in our consumer products division have been affected by the decision not to produce a third series of *A.T.O.M. Alpha Teens on Machines*. As a result the master toy licence sale in the prior year was not repeated. There has also been an impact on reported revenue from the change in our contract with Disney Consumer Products, which was phased in during the first quarter of the prior year, and the fall in the US dollar against the euro.

Power Rangers, our largest selling property, is represented for us by Disney Consumer Products (DCP). Overall *Power Rangers* revenue has been under pressure as we have seen increased competition from a number of new properties with a similar target audience, in a difficult trading environment. However, following last year's change in our contractual arrangements with DCP, which allows us to be included directly in DCP's agreements, we have seen a significant increase in our volume of contracts, highlighting *Power Rangers* continued popularity. We have also been expanding our sales into Eastern Europe, building upon our strong channel presence in these markets.

Jetix Consumer Products (JCP), our in-house consumer products division, had a good year with strong revenue growth in both its merchandising and home entertainment divisions. JCP represents all of our owned and third-party properties, apart from the *Power Rangers* rights which we have licensed to Disney.

In JCP's merchandising division we have continued to develop *Pucca*, which again delivered strong revenue growth this year. France remains *Pucca's* key market, with fashion and stationery the most important categories. We have continued to exploit the Jetix brand with new magazines launched in Turkey, Hungary, Romania and Bulgaria. Following these launches we have ten magazines across Europe, each of which helps to build the Jetix brand and offers new commercial opportunities for our advertising partners.

Home entertainment has also seen strong revenue growth this year. Our catalogue of Marvel series, including characters such as *Spiderman*, *The Incredible Hulk* and *Iron Man*, has been a notable highlight. We have secured a number of new deals, reaching over 30 countries. A range of Marvel titles was also licensed in Italy to the newspaper Gazzetta dello Sport where the series featured in a promotion, with an exclusive DVD available for purchase by readers who also bought a newspaper. Some of the Marvel licensing deals include a commitment to advertise the products on our local television channels, demonstrating the benefits of building franchises across all of our operations.

During the year we have continued to expand the range of properties we represent. We have secured the consumer products rights to our two new co-productions, *Jimmy Two-Shoes* and *Kid vs. Kat*. We are also the agent for all available consumer products rights on our recent acquisitions, *World of Quest* and *Magi-Nation*. Alongside our television properties we are looking to leverage the scale of our consumer products business, and we have just been appointed as exclusive merchandising licensee by the Really Useful Group for a number of their major musicals. We will be representing a range of the non-music merchandising rights outside of the theatre for *Joseph and the Amazing Technicolor Dreamcoat*, *Cats*, *Starlight Express* and *Evita*.

FINANCIAL REVIEW

Revenue

Revenue decreased 18% to €136.9 million. On a constant currency basis, revenue would have been €144.9 million, a decline of 13% (see note 5).

Channels and online revenue decreased 15% to €104.2 million. Subscription revenue decreasing 22% to €62.6 million as a result of rate reductions in a limited number of markets, the impact of the appreciation of the euro against the pound sterling and the US dollar[4], and the licensing of our channel operations in France to The Walt Disney Company France[5]. This was partially offset by an increase in the subscriber rate in a key Western European market and increases in the number of subscribers in Italy, CEE and Poland. Advertising revenue increased 1% to €37.7 million[4]. At exchange rates consistent with fiscal 2007, advertising revenue would have increased by 6% with increases across most territories. Other channel and online revenue was down at €3.9 million.

Our programme distribution revenue was €15.9 million, a decrease of 24%. The decrease is primarily due to the delay of programme sales in Israel until fiscal 2009, the timing of programme deliveries to broadcasters and lower sales of programming with non-European rights. Revenue was also impacted by the strengthening of the euro versus the US dollar as distribution sales are predominantly US dollar-based.

Consumer products revenue decreased 25% to €16.8 million. The decrease was principally a result of the fiscal 2007 *A.T.O.M. Alpha Teens on Machines* master toy license not being repeated this year, increased competition in the market with respect to the *Power Rangers* property, and the change in recording DCP *Power Rangers* revenue on a net basis[6]. This was partially offset by increased home entertainment revenue, primarily for the Marvel properties, and growth of JCP merchandising revenue.

Marketing, Selling and Distribution Costs

Marketing, selling and distribution costs decreased 21% to €39.6 million. This was primarily driven by the appreciation of the euro against the pound sterling and the US dollar, a decrease in participations, and savings from the licensing of our channel operations in France. The decrease in participations largely resulted from a one-time reduction of the liability, following the revision of estimates of the ultimate performance of certain properties. There were also savings in production costs, driven by the delay of programming in Israel, and lower costs from the change in accounting for the DCP *Power Rangers* arrangements (resulting in revenue being recorded net and with no commission expense)[6].

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[4] In certain markets revenues and costs are denominated in either pound sterling or US dollar, including the UK, CEE, Poland and Israel.

[5] On June 1, 2008, Jetix Europe licensed its French channel operations to The Walt Disney Company France. From that date forward, Jetix Europe is paid a license fee, which is recorded as other revenue in the Channels and Online segment. During the term of the contract Jetix will no longer record gross revenue (subscription or advertising) or marketing, selling, distribution or general and administrative costs for channel operations in France.

[6] Reported revenue was impacted by a change in our *Power Rangers* representation contract with DCP, which resulted in revenue being recorded net of DCP's share of revenue. Measured on a consistent basis against the prior year, impact on revenues was €0.7 million. Revenue had been recorded gross along with the related DCP commissions in marketing, selling and distribution costs under the previous arrangement. This change was phased in during the first half of fiscal 2007.

General and Administrative Costs

General and administrative costs decreased €0.7 million to €47.8 million principally due to the strengthening of the euro against the pound sterling and the US dollar, and savings from the licensing of our channel operations in France. Other cost reductions included lower bad debt expense and professional fees. These lower overall costs were partially offset by increases from the end of an office rental rebate period, French employee termination costs, an increase in share based compensation and costs related to our channel distribution deal with DAET.

EBITDA

EBITDA decreased 27% to €50.8 million. Channels and online EBITDA was €39.6 million, a decrease of 22%. This is primarily due to the decrease in subscription revenue and increased office rental costs due to the end of the rebate period, offset by the reduction in bad debt expense and savings in production costs.

Programme distribution EBITDA decreased 14% to €11.2 million due to the timing of programme deliveries to broadcasters, the net impact of the delay in programme sales within Israel, offset by the one-time adjustment to the participation liability.

Consumer products EBITDA was down 31% to €8.9 million as a result of the fiscal 2007 *A.T.O.M. Alpha Teens on Machines* master toy license not being repeated in fiscal 2008 and increased competition with respect to our *Power Rangers* property, offset by decreased costs from participation fees.

Shared costs not allocated to segments increased to €8.9 million principally as a result of one-time employee termination costs for our French channel operations, an increase in office rental costs due to the end of a rental rebate period, and increased share based compensation charges as described above.

Amortisation and Impairment of Programme Rights

Amortisation and impairment of programme rights (defined as cost of sales in the income statement) decreased 15% to €36.8 million primarily due to the appreciation of the euro versus the US dollar, as the programme library is predominantly US dollar based, and a decline in the amortisation related to titles with non-European rights. This was partially offset by an impairment for programme rights on a limited number of our titles as a result of changes in our future programming schedules. Movements of foreign exchange rates contributed €4.4 million to the savings and, excluding the exchange rate movements, amortisation and impairment on programme rights would have declined by 5%.

Finance Income (net)

Finance income (net) decreased €1.0 million to €4.9 million primarily due to a decrease in interest rates and a decrease in the average cash balances held by the company due to the €50 million distribution to shareholders made during fiscal 2007.

Gain on Foreign Exchange

The gain on foreign exchange recognised during the year of €8.0 million primarily relates to gains on intercompany transactions which reflect the exchange risk of doing business with foreign group members where the functional currency is not in euros[7]. Commencing April 2008,

[7] Primarily the result of balances between group members denominated in dollars. The euro to US dollar year end rate has increased from 1.415 to 1.445 in 2007 and 2008, respectively. The euro to US dollar rate at March 31, 2008 was 1.580.

foreign exchange gains or losses in relation to certain intercompany transactions, that are formally deemed to be permanent in nature, are no longer recognised in the statement of income but directly recognised in equity. If this formal process had been in place at October 1, 2006, the gain on foreign exchange would have been €3.4 million and €0.8 million for fiscal 2007 and 2008, respectively.

Profit Before Tax Expense

Profit before tax and minority interest decreased by 36% to €28.2 million, resulting from decreased EBITDA as discussed above, a reduction in gains on foreign exchange and a decrease in net finance income.

Tax Expense

The effective tax rate for the period was 24% compared with 14% in the prior period. This higher rate primarily reflects the differential pattern of profit distribution among the tax jurisdictions in which the Group operates, changes to the forecast utilisation of deferred tax losses, changes to tax rates that impacted the carrying value of certain deferred tax assets and an adjustment in the previous fiscal year that did not recur in the current period.

Minority Interest[8]

Net profit attributable to minority interest increased by €0.6 million to €1.2 million resulting from higher profits from the Polish channel.

Earnings per Share

Basic and diluted earnings per share decreased to 23.6 cents from 43.9 cents in the prior period.

Cash Flow

Cash and cash equivalents increased by €33.1 million to €132.6 million from September 30, 2007. Net cash generated from operations increased by €11.1 million to €37.5 million primarily as a result of the fiscal 2007 use of working capital not being repeated, partially offset by lower net profit.

OUTLOOK

At present, visibility on fiscal 2009 is limited, due to the uncertainty of the economic outlook. However, we currently expect that revenue in 2009 will be broadly flat with the current year, assuming current exchange rates. The new structure of our channel operations and carriage agreement in France[9] and the possible effect of general economic conditions on advertising revenue are expected to offset growth in other areas of the business.

We currently expect that costs in fiscal 2009, excluding amortisation, will approach the fiscal 2007 level. Costs in fiscal 2008 benefited from cost control efforts, as well as a number of items which we do not expect to be repeated in 2009, for example the reduction in the provision for participations. Alongside the impact from these, we are expecting cost increases in 2009 from strategic initiatives and from costs directly linked to revenue increases in specific areas.

[8] Minority interest relates to a third party's 20% interest in Jetix Poland Limited.
[9] On June 1, 2008, Jetix Europe licensed its French channel operations to The Walt Disney Company France. From that date forward, Jetix Europe is paid a net license fee, which is recorded as other revenue in the Channels and Online segment. During the term of the contract Jetix will no longer record gross revenue (subscription or advertising) or marketing, selling, distribution or general and administrative costs for channel operations in France.

FINANCIAL CALENDAR

We will be announcing our interim results for the 6 months ending March 31, 2009 on May 14, 2009. We will be holding our Annual General Meeting (AGM) on January 29, 2009. Further details will be published on our website, **www.jetixeurope.com**. Please note that this is a change to the previously advised AGM date.

Jetix Europe N.V.

Consolidated Statements of Income
for the Years Ended September 30, 2008 and September 30, 2007

In euro' 000 **Unaudited**	**Year ended September 30, 2008**	**Year ended September 30, 2007**	**% Change**
Revenue	**136,917**	**166,444**	**(18)%**
Cost of sales	(36,770)	(43,441)	15%
Gross Profit	**100,147**	**123,003**	**(19)%**
Marketing, selling and distribution costs	(39,622)	(50,025)	21%
General and administrative costs	(47,791)	(48,526)	2%
Operating profit	**12,734**	**24,452**	**(48)%**
Analysed as:			
EBITDA	**50,756**	**69,392**	**(27)%**
Amortisation and impairment of programme rights	(36,770)	(43,441)	15%
Depreciation of property and equipment	(434)	(659)	34%
Amortisation of other intangibles	(818)	(840)	3%
	12,734	**24,452**	**(48)%**
Finance income	11,658	11,752	(1)%
Finance expense	(6,793)	(5,898)	(15)%
Gain on foreign exchange	8,033	10,770	(25)%
Share of net profits from joint ventures	2,526	2,755	(8)%
Profit before tax expense	**28,158**	**43,831**	**(36)%**
Tax expense	(6,866)	(5,987)	(15)%
Net profit	**21,292**	**37,844**	**(44)%**
Attributable to minority interest	(1,172)	(537)	(118)%
Net profit attributable to shareholders	**20,120**	**37,307**	**(46%)**
Earnings per share for net profit attributable to the equity shareholders of the Group during the period (expressed in euro cents per share)			
Basic	23.6	43.9	
Diluted	23.6	43.9	

The notes on pages 17 to 19 are an integral part of the consolidated financial information.

Jetix Europe N.V.

Consolidated Balance Sheets as at September 30, 2008 and 2007

In euro' 000 **Unaudited**	**September 30, 2008**	**September 30, 2007**
ASSETS		
Non-current assets		
Intangible assets		
Programme rights	66,024	81,647
Goodwill	9,834	9,834
Other	1,593	1,896
Total intangible assets	**77,451**	**93,377**
Property and equipment, net	985	1,022
Investment in joint ventures	849	649
Deferred tax assets	5,572	7,589
Total non-current assets	**84,857**	**102,637**
Current assets		
Trade and other receivables, net	44,179	47,053
Related party receivables	5,998	11,278
Cash and cash equivalents	132,567	99,488
	182,744	**157,819**
Total assets	**267,601**	**260,456**
EQUITY		
Capital and reserves attributable to the Group's equity		
Share capital	21,310	21,303
Share premium	409,231	408,948
Other reserves	(39,490)	(27,906)
Retained losses	(176,831)	(196,951)
	214,220	**205,394**
Minority interest	**1,724**	**1,542**
Total equity	**215,944**	**206,936**
LIABILITIES		
Current liabilities		
Trade and other payables	44,920	44,913
Current income tax liabilities	3,262	3,159
Related party payables	2,236	3,227
Provisions for other liabilities	1,239	2,221
	51,657	**53,520**
Total equity and liabilities	**267,601**	**260,456**

The notes on pages 17 to 19 are an integral part of the consolidated financial information.

Jetix Europe N.V.

Consolidated Statement of Changes in Equity for the Years Ended September 30, 2008 and September 30, 2007

In euro' 000 Unaudited	Share capital	Share premium	Currency translation adjustment	Other Reserves[10]	Share option reserve	Retained (losses)/ earnings	Minority interest	Total equity
Balance at September 30, 2006	**21,199**	**456,799**	**(11,383)**	**-**	**2,875**	**(234,258)**	**1,627**	**236,859**
Currency translation differences	-	-	(19,786)	-	-	-	(26)	(19,812)
Net profit recognised directly in equity	-	-	(19,786)	-	-	-	(26)	(19,812)
Profit for the period	-	-	-	-	-	37,307	537	37,844
Total recognised income for period	**-**	**-**	**(19,786)**	**-**	**-**	**37,307**	**511**	**18,032**
Distribution of share premium	**-**	**(49,930)**	**-**	**-**	**-**	**-**	**-**	**(49,930)**
Employee share option scheme								
Value of employee services	-	-	-	429	210	-	-	639
Proceeds from shares issued	104	2,079	-	-	-	-	-	2,183
Change in settlement from equity to cash for restricted shares	-	-	-	-	(251)	-	-	(251)
Total employee share option scheme	**104**	**2,079**	**-**	**429**	**(41)**	**-**	**-**	**2,571**
Redemption of shares	**-**	**-**	**-**	**-**	**-**	**-**	**(596)**	**(596)**
Balance at September 30, 2007	**21,303**	**408,948**	**(31,169)**	**429**	**2,834**	**(196,951)**	**1,542**	**206,936**
Currency translation differences	-	-	(12,275)	-	-	-	(232)	(12,507)
Net profit recognised directly in equity	-	-	(12,275)	-	-	-	(232)	(12,507)
Profit for the period	-	-	-	-	-	20,120	1,172	21,292
Total recognised income for period	**-**	**-**	**(12,275)**	**-**	**-**	**20,120**	**940**	**8,785**
Distribution of share premium								
Employee share option scheme								
Value of employee services	-	-	-	668	23	-	-	691
Proceeds from shares issued	7	283	-	-	-	-	-	290
Total employee share option scheme	**7**	**283**	**-**	**668**	**23**	**-**	**-**	**981**
Redemption of shares	**-**	**-**	**-**	**-**	**-**	**-**	**(758)**	**(758)**
Balance at September 30, 2008	**21,310**	**409,231**	**(43,444)**	**1,097**	**2,857**	**(176,831)**	**1,724**	**215,944**

The notes on pages 17 to 19 are an integral part of the consolidated financial information.

[10] The other reserves represent a capital contribution by Jetix Europe's parent company, The Walt Disney Company, for Disney stock options issued to Jetix Europe employees

Jetix Europe N.V.

Consolidated Cash Flow Statements for the Years Ended September 30, 2008 and 2007

In euro' 000 Unaudited	Notes	Year ended September 30, 2008	Year ended September 30, 2007
Cash flows from operating activities			
Net profit		21,292	37,844
Depreciation		434	659
Amortisation		36,056	44,281
Impairment charge		1,532	-
Loss on disposal of assets		-	75
Share based compensation charge		1,756	1,177
Equity in income of joint ventures		(1,063)	(834)
Interest income		(11,658)	(11,752)
Interest expense		6,793	5,898
(Decrease)/increase in provision for bad and doubtful debts		(688)	1,009
Decrease in other liabilities		-	(1,394)
Deferred and current taxation		6,866	5,987
Decrease in amounts due from related parties		-	985
Decrease in provisions for other liabilities		(898)	(1,381)
Adjustment for non-cash movement in intra-group balances		(7,751)	(11,210)
Operating cash flows before change in working capital		**52,671**	**71,344**
Change in working capital	**3**	5,925	(21,218)
Cash generated from operations		**58,596**	**50,126**
Purchase of programme rights		(21,878)	(22,804)
Dividends received from joint ventures		863	510
Interest received		11,406	11,250
Interest paid		(6,793)	(5,898)
Income tax paid		(4,743)	(6,830)
Net cash generated from operating activities		**37,451**	**26,354**
Cash flows from investing activities			
Purchases of property and equipment		(361)	(301)
Purchases of software		(510)	(40)
Net cash from investing activities		**(871)**	**(341)**
Cash flows from financing activities			
Proceeds from exercise of employee share options		290	2,183
Redemption of shares to minority interests		(758)	(596)
Distribution of share premium		-	(49,930)
Net cash from financing activities		**(468)**	**(48,343)**
Increase/(decrease) in cash and cash equivalents		**36,112**	**(22,330)**
Cash and cash equivalents at the beginning of the year		**99,488**	**127,126**
Effects of exchange rate changes on cash and cash equivalents		(3,033)	(5,308)
Cash and cash equivalents at the end of the year		**132,567**	**99,488**

The notes on pages 17 to 19 are an integral part of the consolidated financial information.

Jetix Europe N.V.

Operating Results by Business Segment for the Years Ended September 30, 2008 and 2007

In euro' 000 Unaudited	Year ended September 30, 2008	Year ended September 30, 2007	% Change
BUSINESS SEGMENT			
Segment Revenue			
Channels and online	104,211	122,897	(15)%
Programme distribution	15,917	21,068	(24)%
Consumer products	16,789	22,479	(25)%
Total revenue	**136,917**	**166,444**	**(18)%**
EBITDA			
Channels and online	39,590	51,054	(22)%
Programme distribution	11,180	13,040	(14)%
Consumer products	8,861	12,772	(31)%
Shared costs not allocated to segments	(8,875)	(7,474)	(19)%
Total EBITDA	**50,756**	**69,392**	**(27)%**
Segment Result			
Channels and online	9,504	19,664	(52)%
Programme distribution	7,138	5,760	24%
Consumer products	4,694	6,911	(32)%
Shared costs not allocated to segments	(8,602)	(7,883)	(9)%
Operating profit	**12,734**	**24,452**	**(48)%**

Jetix Europe N.V.

Operating Results by Geographic Segment for the Years Ended September 30, 2008 and 2007

In euro' 000 Unaudited	Year ended September 30, 2008	Year ended September 30, 2007	% Change
GEOGRAPHIC SEGMENT			
Revenue			
Italy	28,438	25,381	12%
United Kingdom and Ireland	26,388	43,952	(40)%
Central and Eastern Europe	19,374	18,359	6%
Benelux	15,695	18,187	(14)%
France	11,577	18,561	(38)%
Germany	10,813	10,931	(1)%
Poland	8,417	8,565	(2)%
Nordic Region	5,752	5,414	6%
Middle East	5,287	8,739	(40)%
Spain and Portugal	4,001	4,749	(16)%
USA	700	1,171	(40)%
Other	475	2,435	(80)%
Total revenue	**136,917**	**166,444**	**(18)%**
EBITDA			
Italy	13,258	10,620	25%
United Kingdom and Ireland	13,301	27,312	(51)%
Central and Eastern Europe	8,608	6,614	30%
Benelux	3,530	5,192	(32)%
France	5,500	8,661	(36)%
Germany	4,073	4,300	(5)%
Poland	5,410	4,794	13%
Nordic Region	1,501	783	92%
Middle East	2,387	4,568	(48)%
Spain and Portugal	1,281	1,848	(31)%
USA	520	725	(28)%
Other	262	1,449	(82)%
Shared costs not allocated to segments	(8,875)	(7,474)	(19)%
EBITDA	**50,756**	**69,392**	**(27)%**
Less: amortisation, impairment and depreciation	38,022	44,940	15%
Operating profit	**12,734**	**24,452**	**(48)%**

Notes to the consolidated financial information

Unaudited

1 Basis of preparation

The consolidated financial information of the Group has been prepared using accounting policies which are consistent with the policies used in preparing the consolidated financial statements for year ended September 30, 2007.

The consolidated financial information does not include all of the financial statement disclosures included in the annual consolidated financial statement prepared in accordance with International Financial Reporting Standards (IFRS) and therefore should be read in conjunction with the most recent annual consolidated financial statements.

The preparation of financial information requires that management make estimates in reporting amounts of certain revenues and expenses for each financial year and certain assets and liabilities at the end of each financial year. On an ongoing basis, management reviews its estimates, including those related to revenue, accruals for costs incurred but not billed from vendors, bad debts, potential impairment and useful lives of assets, income taxes, certain other accrued liabilities and share-based compensation. Actual results may differ from these estimates.

The consolidated financial information presented in this document is for the twelve months ended September 30, 2008. This period is compared to the corresponding twelve months ended September 30, 2007, unless otherwise stated.

Weighted average exchange rates used in the translation of income statement accounts were US dollar - €1 = $1.504 (2007 - €1 = $1.331) and pound sterling - €1 = £0.763 (2007 - €1 = £0.676). Exchange rates used to translate assets and liabilities at the balance sheet date were US dollar - €1 = $1.445 (September 30, 2007 - €1 = $1.415) and pound sterling €1 = £0.799 (September 30, 2007 - €1 = £0.698).

2 Share-based compensation

During the year ended September 30, 2008, there were 75,297 restricted shares for Jetix Europe N.V. issued. The restricted shares vest in two tranches at January 9, 2010 and January 9, 2012. There are no performance related criteria associated with the restricted shares. During the period there were 27,107 options exercised. There were 18,808 restricted shares and 8,194 options forfeited.

The total share-based compensation expense for the year ended September 30, 2008 is €1.8 million (€1.2 million for the year ended September 30, 2007), of which €0.7 million related to Disney share options and restricted shares (€0.4 million for the year ended September 30, 2007).

Notes to the consolidated financial information

Unaudited

3 Change in working capital

In euro' 000 **Unaudited**	**Year ended September 30, 2008**	**Year ended September 30, 2007**
Change in working capital		
Decrease/(increase) in trade and other receivables	2,240	(214)
Decrease/(increase) in amounts due from related parties	5,353	(2,318)
Decrease in trade and other payables	(804)	(9,697)
Decrease in amounts due to related parties	(864)	(8,989)
	5,925	(21,218)

The Consolidated Statement of Cash Flows reflects the cash flows arising from the activities of Group companies as measured in their own currencies, translated to euros at monthly average rates of exchange. Therefore, the cash flows recorded in the Consolidated Statement of Cash Flows exclude both the currency translation differences which arise as a result of translating the assets and liabilities of non-euro Group companies to euro at year-end rates of exchange, with the exception of those arising on cash and cash equivalents. These currency translation differences must therefore be added to the cash flow movements at average rates in order to arrive at the movements derived from the Consolidated Balance Sheet.

4 Earnings per Share

Basic earnings per share (EPS) is net profit attributable to shareholders divided by the weighted average number of shares outstanding. Diluted EPS reflects the potential dilution that would occur if dilutive share options and non-vested restricted shares were exercised. A reconciliation of the weighted average number of shares is as follows:

(000's of shares) **Unaudited**	**Year ended September 30, 2008**	**Year ended September 30, 2007**
Weighted average number of common shares used in calculated basic EPS	85,227	84,899
Effect of dilutive securities		
- Share options	4	14
- Unvested restricted shares	96	36
Weighted average number of common shares used in calculating diluted EPS	85,327	84,949

Notes to the consolidated financial information
Unaudited

5 Analysis of effects of changes in exchange rates

The following table shows the operating results by business segment at exchange rates consistent with those in fiscal 2007[11].

In euro' 000 Unaudited	Year ended September 30, 2008 at 2008 exchange rates	Year ended September 30, 2008 at 2007 exchange rates	Year ended September 30, 2007	Change at constant exchange rates	% Change at constant exchange rate
BUSINESS SEGMENT					
Segment Revenue					
Channels and online	104,211	110,852	122,897	(12,045)	(10)%
Programme distribution	15,917	16,564	21,068	(4,504)	(21)%
Consumer products	16,789	17,454	22,479	(5,025)	(22)%
Total revenue	**136,917**	**144,870**	**166,444**	**(21,574)**	**(13)%**
EBITDA					
Channels and online	39,590	41,887	51,054	(9,167)	(18)%
Programme distribution	11,180	11,325	13,040	(1,715)	(13)%
Consumer products	8,861	8,883	12,772	(3,889)	(30)%
Shared costs not allocated to segments	(8,875)	(9,944)	(7,474)	(2,470)	(33)%
Total EBITDA	**50,756**	**52,151**	**69,392**	**(17,241)**	**(25)%**

[11] A number of subsidiaries within the Group have a functional currency that is not the euro. To provide an approximation of the underlying fiscal 2008 results excluding the impact of foreign currency movements, the monthly results in the applicable functional currency of these subsidiaries have been retranslated at an equivalent rate that would have been applied in fiscal 2007. Certain transactions which are originated in a currency other than the euro and the functional currency of the subsidiary have been separately translated using the fiscal 2007 rate.

ABOUT JETIX EUROPE N.V.

Jetix Europe N.V. is one of Europe's leading integrated kids entertainment companies with localised television channels, programme distribution and consumer products businesses. Jetix Europe N.V. is listed on the Euronext Amsterdam Stock Exchange and is majority owned (approximately 73%) by The Walt Disney Company. In 2004 Jetix Europe and The Walt Disney Company launched Jetix, a global kids entertainment brand which brings a unique combination of action, adventure and cheeky humour to kids aged 6-14 worldwide.

Channels

Jetix Europe broadcasts 15 channels to 58 countries across Europe and the Middle East, reaching more than 52 million households. These channels are broadcast in 19 languages, with content tailored to suit each market. The 13 Jetix branded channels entertain kids ages 6-14, whilst Jetix Play targets a younger audience, and in Italy, GXT targets teenage boys. Jetix Europe also runs localised websites, supporting all of Jetix Europe's activities by enabling kids to interact with their favourite characters through video-on-demand, games and exclusive content.

Programme Distribution

Jetix Europe owns one of the largest libraries of kids programming in the world with approximately 6,000 episodes. Distributed to more than 110 terrestrial, cable and satellite channels in over 50 markets across Europe and the Middle East, the library includes major global programming franchises such as *Power Rangers*, *Sonic X, Spiderman*, *X-Men* and *Yin Yang Yo!* Jetix Europe also has branded blocks that appear on terrestrial TV channels across Europe, reaching over 100 million households. The Jetix Europe library is serviced by Disney-ABC-ESPN Television.

Consumer Products

Jetix Consumer Products International (JCP) is Jetix Europe's consumer products and home entertainment business. JCP has representation in over 50 countries, including fully integrated offices in the UK, France, Germany, Israel, Italy, Spain and the Netherlands, as well as third party agents in other key markets. JCP's properties are sourced from the Jetix Europe library and include *Sonic X* and the Jetix brand, as well as third party representation for properties such as *Pucca* and *Totally Spies*.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. These statements may be identified by words such as "expect", "should", "could", "shall" and similar expressions. These statements are subject to risks and uncertainties, and actual results and events could differ materially from what is contemplated by the forward-looking statement. Factors which could cause actual results to differ from these forward-looking statements may include, without limitation, general economic conditions, competition for viewers and ratings, changes to our channel distribution deals, the popularity of our content and characters, technology issues or changes in the distribution of television, regulatory change, the timing of new programme deliveries and foreign exchange fluctuations. The foregoing list of factors should not be construed as exhaustive. Jetix Europe disclaims any intention or obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.