PRESS RELEASE

European Audiovisual Observatory, Council of Europe
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Box office down in the European Union in 2013 but first quarter of 2014 shows promise.

- EU gross box office growth ground to a halt in 2013, down 4.3% year-on-year but Q1 figures show promising signs for 2014.
- Latest instalments of *Despicable Me* and *The Hobbit saga* topped the EU charts.
- Market share for European films down from 28.9% to 26.2%
- EU film production continued growing to an estimated 1 546 feature films produced
- 87% of EU screens had converted to digital by the end of 2013

Promising first quarter 2014

Provisional Q1 figures from 11 EU markets indicate that admissions in the European Union increased in the first three months of this year, compared to Q1 2013. Quarterly admissions increased significantly in 3 out of the 5 big EU markets, namely in France (+18.9%), Italy (+13%) and Spain (+8.7%), outweighing smaller decreases in Germany and the UK. On a cumulative basis admissions in these five markets increased by 5.6%. As these markets represent around 75% of total EU admissions, it can be assumed that total EU admissions increased in the first quarter. This would also be backed up by data from six additional EU Member States which registered a growth in cinema attendance, including the Netherlands (+4.8%), Sweden (+17.9%), Greece (+8.9%) or Slovakia (+49.5%),

Outside of the EU admissions showed an even stronger increase with the Russian Federation and Turkey registering respectively a 18.6% and 30.9% increase in quarterly admissions year-on-year.

Table 1: Admissions Q1 2013 vs Q1 2014 *prov*

Country	Q1 2013	Q1 2014	Change	Source
Germany	34,6	32,2	-6,8%	Blickpunkt Film
France	47,5	56,3	18,6%	CNC
United Kingdom	41,9	39,9	-4,9%	CAA
Italy est	26,9	30,4	13,0%	Anica
Spain est (1)	19,4	21,1	8,7%	FECE, Rentrak (1)
Big 5 EU markets	170,3	179,9	5,6%	OBS
Other European markets				
Russian Federation	43,5	51,6	18,6%	Nevafilm
Turkey	18,2	23,8	30,9%	Antrakt
Netherlands	8,0	8,4	4,8%	NVF
Sweden	4,5	5,3	17,9%	SFI
Greece est	2,9	3,2	8,9%	GFC
Finland	2,5	2,6	1,7%	FFF
Slovakia	0,8	1,2	49,5%	SKFI
Lithuania	1,0	1,1	4,3%	LKC
Croatia	1,0	1,0	-5,1%	HAC
Bosnia Herzegovina	0,8	0,2	-67,8%	SFF

(1) 2013 data from Rentrak provided by ICAA; 2012 data from FECE as published in Cineinforme.

EU gross box office hike came to a preliminary halt in 2013

EU gross box office declined in 2013 for the first time since 2005. GBO takings in the 28 EU Member States fell to an estimated EUR 6.29 billion, a 4.3% drop compared to 2012's record high of EUR 6.57 billion. In the past five years GBO growth has been primarily fuelled by increasing ticket prices which kept box office growing despite falling admissions. This was no longer the case in 2013 when the average ticket price in the EU actually marginally decreased for the first time since films like *Avatar* kick-started digital conversion in 2009.

While the novelty factor of digital 3D blockbusters initially boosted underlying cinema attendance to 982 million in 2009, admissions have been decreasing more or less continuously since then. First they dropped to around 965 million in 2010 and 2011 before falling in a more pronounced manner to 945 million in 2012 and ultimately 907.1 million in 2013, the lowest level since 2005.

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Admissions decreased in 20 out of the 28 EU Member States with only Italy registering a significant year-on-year increase in cinema attendance (+6.6 million). The overall drop in EU admissions was primarily caused by declining markets in Spain (-15.4 million), France (-10.0 million), the UK (-7 million) and Germany (-5.4 million).

As often in the past years, significant growth was only achieved outside of the EU. With admissions growing by 10.4% to 177.1 million tickets sold in 2013 the Russian Federation overtook the UK as the second largest European market in terms of admissions. Box office records were also broken in Turkey, with cinema attendance growing by 14.8% to 50.4 million admissions, the highest level in the past few decades.

Table 2: GBO, admissions and national market share in European countries 2012 – 2013 prov

Country		Admissions (in million) 2012	Admissions 2013 prov	Change %	Currency	GBO (in million EUR) 2012	GBO 2013 prov	Change %	National market share [1] 2012	National market share 2013 prov	Sources
European Union member countries (EU 28)											
AT	Austria est	16,4	15,2	-7,5%	EUR	131,9	124,6	-5,5%	3,6%	4,2%	OBS / ÖFI
BE	Belgium est	21,9	20,9	-4,3%	EUR	158,8	162,7	2,5%	~	12,9%	FCB
BG	Bulgaria	4,1	4,8	16,7%	BGN	17,4	20,3	16,9%	4,8%	0,6%	National Film Center
CY	Cyprus est	0,8	0,6	-24,4%	EUR	6,3	4,9	-22,5%	n.c.	0,1%	Min. Cult.
CZ	Czech Republic	11,2	11,1	-1,1%	CZK	50,8	54,8	7,9%	24,3%	24,2%	Czech Cinematography Fund
DE	Germany	135,1	129,7	-4,0%	EUR	1 033,0	1 023,0	-1,0%	18,1%	26,2%	FFA
DK	Denmark	13,6	13,6	-0,2%	DKK	141,5	141,0	-0,3%	28,7%	30,0%	Danish Film Institute
EE	Estonia	2,6	2,6	-1,1%	EUR	11,4	11,8	3,3%	7,6%	5,9%	Estonian Film Foundation
ES	Spain est	93,6	78,2	-16,4%	EUR	611,1	504,1	-17,5%	17,0%	14,0%	ICAA (2012) / OBS (2013)
FI	Finland	8,4	7,8	-6,9%	EUR	78,8	76,0	-3,5%	28,1%	23,0%	Finnish Film Foundation
FR	France	203,6	193,6	-4,9%	EUR	1 305,6	~	~	40,3%	33,8%	CNC
GB [2]	United Kingdom	172,5	165,5	-4,0%	GBP	1 355,4	1 275,4	-5,9%	32,1%	21,5%	BFI / CAA / Rentrak
GR	Greece est	10,1	9,2	-9,0%	EUR	70,2	59,3	-15,5%	6,9%	7,2%	Greek Film Center / Media Salles / OBS
HR	Croatia	4,1	4,0	-1,6%	HRK	14,9	15,9	6,8%	8,6%	11,1%	Croatian Audiovisual Center
HU	Hungary est	9,5	10,1	6,8%	HUF	41,6	45,9	10,1%	1,5%	1,5%	NMHH
IE	Ireland est	15,4	14,7	n.c.	EUR	108,3	102,8	n.c.	4,0%	0,9%	Irish Film Board
IT	Italy est	100,1	106,7	6,6%	EUR	637,1	646,3	1,4%	26,5%	31,0%	Cinetel / SIAE / OBS
LT	Lithuania	3,0	3,3	7,8%	LTL	11,8	13,1	10,9%	2,8%	16,5%	Lithuanian Film Centre
LU	Luxembourg est	1,3	1,2	-3,4%	EUR	9,4	9,2	-2,9%	n.c.	3,6%	Media Salles
LV	Latvia	2,3	2,4	4,0%	LVL	9,9	10,3	4,1%	4,1%	4,6%	National Film Centre
MT	Malta est	0,7	0,7	-6,9%	EUR	4,0	3,7	-7,0%	n.c.	n.c.	Media Salles
NL	Netherlands	30,6	30,8	0,8%	EUR	244,6	249,5	2,0%	15,8%	20,6%	NFF / MaccsBox - NVB & NVF
PL	Poland	38,5	36,3	-5,6%	PLN	170,4	158,4	-7,0%	19,0%	20,4%	Polish Film Institute
PT	Portugal	13,8	12,5	-9,2%	EUR	74,0	65,5	-11,4%	5,3%	3,4%	ICA
RO	Romania	8,3	9,0	8,4%	RON	32,5	36,3	11,6%	3,6%	2,8%	Centrul National al Cinematografiei
SE	Sweden	17,9	16,6	-7,5%	SEK	208,7	190,1	-8,9%	21,8%	24,8%	Swedish Film Institute
SI	Slovenia	2,7	2,3	-14,8%	EUR	12,0	11,1	-7,6%	4,8%	10,9%	Slovenian Film Center
SK	Slovakia	3,4	3,7	8,4%	EUR	17,5	19,0	8,3%	3,1%	4,4%	UFD / Slovak Film Institute
EU 28 Total est		946	907	-4,1%	EUR	6 569	6 285	-4,3%	~	~	European Audiovisual Observatory
Other European countries											
BA	Bosnia Herzegovina	0,8	0,9	18,9%	BAM	2,1	2,5	20,8%	0,6%	1,0%	Sarajevo Film Festival
CH	Switzerland	15,5	13,7	-11,9%	CHF	201,3	173,0	-14,0%	4,8%	6,2%	OFS
IS	Iceland est	1,4	1,4	-4,0%	ISK	9,5	9,3	-2,0%	9,1%	3,1%	Statistics Iceland (2012) / OBS (2013)
ME	Montenegro	~	0,2	~	EUR	~	0,8	~	n.c.	0,0%	Min.Cult.
MK	FYR of Macedonia	0,2	0,1	-61,8%	MKD	0,3	0,1	-62,9%	26,6%	n.c.	Macedonian Film Fund
NO	Norway	12,1	11,8	-2,7%	NOK	148,4	140,4	-5,4%	17,9%	22,8%	Film & Kino
RU	Russian Federation	160,4	177,1	10,4%	RUB	938,8	1 004,4	7,0%	15,1%	18,2%	Nevafilm / Russian Film Business
TR	Turkey	43,9	50,4	14,8%	TRY	182,2	200,4	10,0%	47,0%	58,0%	Antrakt

1) National market share include minority co-productions with the exception of CH, FI, HU, NO and SE.

2) National market share based on GBO up to and including 19 January 2014, includes minority co-productions.

Source: European Audiovisual Observatory

Despicable Me, The Hobbit and *Iron Man* sequels top the European Union charts in 2013

As in previous years, sequels and spin-offs featured prominently in the 2013 European Union box office charts. Led by the latest instalments of *Despicable Me, The Hobbit* and *Iron Man* a total of 11 sequels / prequels / spin-offs made it into the top 20, seven of them into the top 10. It is interesting to note that 2013 was characterized by the lack of a pan-European breakout success and that the top films attracted significantly less viewers than in the past years. E.g. *Despicable Me 2,* the top ranking film in 2013, generated 'only' 25.4 million admissions. This compares to 42.7 million admissions for *Skyfall* (2012) or 38.0 million for *Harry Potter and the Deathly Hollows: Part 2* (2011) and 51.9 million for *Avatar* (2010). The comparatively low admission figure for top ranking films most likely contributed to the overall decline in EU box office in 2013.

Les Misérables became the most watched European film (8.9 million tickets sold) ahead of Italian runaway success *Sole a catinelle*, a father / son vacation comedy, selling over 8 million tickets, more than any other film in recent history in Italy.

Table 3: Top 20 films by admissions in the European Union in 2013 prov

Rank	Original title	Country of origin	Production Year	Director	Admissions prov
1	Despicable Me 2	US	2013	Pierre Coffin, Chris Renaud	25 417 628
2	The Hobbit: The Desolation of Smaug	US / NZ inc	2013	Peter Jackson	23 324 741
3	Iron Man 3	US / CN	2013	Shane Black	19 591 885
4	Frozen	US	2013	Chris Buck, Jennifer Lee	18 594 751
5	The Hunger Games: Catching Fire	US	2013	Francis Lawrence	18 587 831
6	Django Unchained	US	2012	Quentin Tarantino	18 196 588
7	Furious 6	US / ES	2013	Justin Lin	17 602 865
8	The Croods	US	2013	Chris Sanders, Kirk De Micco	16 355 048
9	Monsters University	US	2013	Dan Scanlon	14 609 047
10	The Hangover Part III	US	2013	Todd Phillips	13 819 012
11	Gravity	US / GB inc	2013	Alfonso Cuarón	13 541 742
12	The Smurfs 2	US	2013	Raja Gosnell	12 546 151
13	World War Z	US	2013	Marc Forster	11 204 785
14	Thor: The Dark World	US	2013	Alan Taylor	10 669 475
15	Now You See Me	US	2013	Louis Leterrier	10 453 244
16	Man of Steel	US / CA / GB	2013	Zack Snyder	10 297 252
17	The Hobbit: An Unexpected Journey (1)	US / NZ inc	2012	Peter Jackson	9 439 640
18	Les Misérables (2)	GB / US	2012	Tom Hooper	8 971 233
19	The Great Gatsby	AU / US	2013	Baz Luhrmann	8 940 959
20	Turbo	US	2013	David Soren	8 725 307

(1) 24 476 474 admissions in the EU in 2012.

(2) 477 172 admissions in the EU in 2012.

Note: 'inc' refers to films produced with incoming investment from the US.

Source: European Audiovisual Observatory, LUMIERE

Table 4: Top 20 European films by admissions in the European Union in 2013 prov

Rank	Original title	Country of origin	Production Year	Director	Admissions prov
1	Les Misérables (1)	GB / US	2012	Tom Hooper	8 971 233
2	Sole a catinelle	IT	2013	Gennaro Nunziante	8 005 352
3	Fack ju Göhte	DE	2013	Bora Dagtekin	5 976 948
4	Rush	GB inc / US / DE	2013	Ron Howard	4 705 321
5	Lo imposible (2)	ES	2012	Juan Antonio Bayona	4 312 437
6	Les profs	FR	2013	Pierre-François Martin-Laval	3 955 113
7	Kokowääh 2	DE	2013	Torsten Künstler, Til Schweiger	2 962 634
8	Schlussmacher	DE	2013	Matthias Schweighöfer, Torsten Künstler	2 746 290
9	Quartet	GB	2012	Dustin Hoffman	2 526 450
10	I Give It a Year	GB / FR / DE	2013	Dan Mazer	2 451 975
11	Il principe abusivo	IT	2013	Alessandro Siani	2 380 475
12	Philomena	GB / US / FR	2013	Stephen Frears	2 191 371
13	About Time	GB	2013	Richard Curtis	2 177 798
14	La cage dorée	FR	2013	Ruben Alves	2 020 219
15	Boule & Bill	FR / BE / LU	2013	Franck Magnier, Alexandre Charlot	2 013 591
16	9 mois ferme	FR	2013	Albert Dupontel	1 997 074
17	Los amantes pasajeros	ES	2013	Pedro Almodóvar	1 962 962
18	Les garçons et Guillaume, à table!	FR / BE	2013	Guillaume Gallienne	1 944 280
19	Eyjafjallajökull	FR	2013	Alexandre Coffre	1 931 073
20	Jappeloup	FR / CA	2013	Christian Duguay	1 820 340

(1) 477 172 admissions in the EU in 2012.

(2) 6 563 485 admissions in the EU in 2012.

Note: 'inc' refers to films produced with incoming investment from the US.

Source: European Audiovisual Observatory, LUMIERE

Market share for European films down to 26.2%

Based on provisional figures, estimated market share for European films in the EU dropped from 28.9% to 26.2% in 2013. This figure excludes European films produced in Europe with incoming US investment, which - in the absence of runaway successes like *Skyfall* or the *Harry Potter franchise* - registered their weakest market share in recent history taking just over 1% of total admissions. Market share for US films on the other hand increased from 62.8% to an estimated 69.1%, the highest market share in the past ten years. The increase market share for films from other parts of the world is largely due to the success of *The Great Gatsby* which is counted as an Australian majority co-production.

Table 5: EU market share by region of origin 2009 – 2013 prov

In % of total admissions. Estimated.

Region of origin	2009	2010	2011	2012	2013 prov
US	67,1%	68,2%	61,6%	62,8%	69,1%
EUR inc / US	4,1%	5,0%	8,1%	6,9%	1,1%
Europe	26,2%	25,4%	28,5%	28,9%	26,2%
Other	2,6%	1,4%	1,8%	1,5%	3,6%

Source: European Audiovisual Observatory, LUMIERE

EU film production levels on the up

EU production levels continued to grow, albeit in a moderate manner, to an estimated 1 546 feature films in 2013, 18 films more than in 2012. This represents yet another record high and breaks down into an estimated 1 075 feature fiction films and 471 feature documentaries. Fiction films therefore accounted for about 70% of total film output. Growth was however driven primarily by an increasing number in feature documentaries, up 15 films, as the production of EU fiction films has remained stable?

Table 6: Number of feature films produced in the European Union 2009 – 2013 est

	2009	2010	2011	2012	2013 prov
Feature fiction films est (1)	1 024	1 074	1 071	1 072	1 075
Feature documentaries est (1)	405	434	452	456	471
Total feature films est (1)	**1 429**	**1 508**	**1 523**	**1 528**	**1 546**

(1) Restated data series. May double count minority co-produced feature documentaries. No comprehensive data for feature documentaries available for CY, GR, HU, LT, MT.

Source: European Audiovisual Observatory, LUMIERE

87% of EU screens converted to digital

According to figures provided by MEDIA Salles a total of 4 390 screens were converted to digital projection systems in 2013, bringing the total to 26 035 digital screens. This means that by the end of 2013 about 87% of the EU's total screen base has been digitised. A total of ten EU Member States including France, the UK, the Netherlands, Belgium, Finland or Denmark have converted practically all their screens. Digital screen penetration in Germany reached 90% compared to 75% in Italy and 70% in Spain. Only seven Member States registered digital screen penetration rates below 70%, including the Czech Republic (51%), Slovenia (45%) and Greece (27%).

Table 7: Digital screen penetration rate in the European Union 2009 – 2013 est

	2009	2010	2011	2012	2013 prov
European Union	5%	14%	54%	72%	87%

Source: MEDIA Salles, European Audiovisual Observatory

More detailed information on European as well as international theatrical markets can be found in *FOCUS 2014 World Film Market Trends* (available as of 14/05/2014) prepared by the European Audiovisual Observatory for the Cannes Film Market.

Notes for Editors:

- Data have been collected with the collaboration of the EFARN (European Film Agency Research Network).
- All 2013 figures are provisional.

The European Audiovisual Observatory, Council of Europe

Set up in December 1992, the European Audiovisual Observatory's mission is to gather and distribute information on the audiovisual industry in Europe. The Observatory is a European public service body comprised of 40 member states and the European Union, represented by the European Commission. It operates within the legal framework of the Council of Europe and works alongside a number of partner and professional organisations from within the industry and with a network of correspondents. In addition to contributions to conferences, other major activities are the publication of a Yearbook, newsletters and reports, the compilation and management of databases and the provision of information through the Observatory's Internet site (http://www.obs.coe.int).

European Union admissions rankings (Tables 3 and 4)

The pan-European film rankings shown in tables 3 and 4 are drawn up using information stored in the LUMIERE database as of 20th April 2014. This database on admissions to films released in Europe is available on-line and free-of-charge, and is the result of collaboration between the European Audiovisual Observatory and various specialised national sources as well as the MEDIA Programme of the European Union. LUMIERE provides country-by-country analysis of admissions for about 35 500 films in distribution in Europe since 1996. Partial 2013 data for 23 European countries is now available, including data for the major European Union markets, as well as data for the North American market. The rankings (Tables 3 and 4) shown in this press release are based on data from all European Union countries for which results have been received.

Market shares (Table 5)

The market shares shown in this figure are based on an analysis of results of films released in member states of the European Union for which admissions data for individual films are made available to the European Audiovisual Observatory. In order to draw up such market shares, a single 'country of origin' must be attributed to each film, an attribution that can prove difficult in the case of international productions. In these cases the Observatory's aim is to attribute a country of origin corresponding to the source of the majority financial input and/or creative control of the project. Since 2005 the Observatory has identified specifically films that have been produced in one or more European countries (or elsewhere) with US investment by using the reference 'inc' (incoming investment) in the country of origin attribution. It should be noted, however, that the availability of further information may occasionally lead to changes in the attribution of country of origin and that the origin of a film as attributed in the LUMIERE database may not always be identical with that indicated by national sources.

The provisional data on market shares in the European Union in 2013 shown in table 5 are based on the data on admissions to individual films as collected in the LUMIERE database on 20th April 2014. At this date the coverage rate of the database for admissions in the 23 European Union countries for which data is available was of around 88%. Due to various gaps in data collection and delivery in various countries, coverage of 100% of admissions is currently unachievable. For 2013, LUMIERE has still to include additional data on several EU countries, including Belgium, Bulgaria, Cyprus, Denmark, France, Germany, Latvia, Luxembourg, Malta, Netherlands and Spain.

Number of feature films produced in the European Union (Table 6)

Estimating the total volume of production of feature films in the European Union remains difficult, chiefly due to the risk of double counting of co-productions and to differing national methodologies for the collection of this data. Included in the total for the European Union are feature-length films intended for theatrical exploitation, excluding minority co-productions and US and foreign production in the United Kingdom. For some countries no separate data are available for feature fiction and feature documentary films.

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This press release is available online:

http://www.obs.coe.int/press/individual-press-releases/2014

More detailed information can be found in

FOCUS 2014 World Film Market Trends

compiled by the European Audiovisual Observatory and published by the Marché du Film

Our FOCUS publication will be on sale via our website during the Marché du film
(see: http://www.obs.coe.int/shop/focus).
We will also be selling it on our stand in Cannes.