MARCHÉ DU FILM FOCUS 2013

WORLD FILM MARKET TRENDS
TENDANCES DU MARCHÉ MONDIAL DU FILM

MARCHÉ DU FILM
FESTIVAL DE CANNES

OBSERVATOIRE EUROPÉEN DE L'AUDIOVISUEL
EUROPEAN AUDIOVISUAL OBSERVATORY
EUROPÄISCHE AUDIOVISUELLE INFORMATIONSSTELLE

focus 2013

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Editorial

FOCUS celebrates its 16th anniversary this year. Thanks to the unwavering support of Wolfgang CLOSS, whose mandate will end in just a few weeks, after 13 years as the head of the Observatory, the FOCUS has become a point of reference for Marché du Film professionals. I want Wolfgang to know my appreciation, without forgetting to thank his entire team, who, animated by the talented rigor of André LANGE, made this great adventure possible.

FOCUS 2013 will accompany you throughout the year to help you understand the changes in production and distribution around the globe.

Jérôme Paillard
Executive Director

FOCUS fête cette année son 16e anniversaire. Il doit d'être devenu un ouvrage de référence pour les professionnels du Marché du Film au soutien indéfectible de Wolfgang CLOSS, dont le mandat s'achèvera dans quelques semaines, après 13 ans à la tête de l'Observatoire. Je veux lui dire ici mon estime, sans oublier dans mes remerciements toute son équipe, animée par la rigueur talentueuse d'André LANGE, qui ont permis la réalisation de cette belle aventure.

FOCUS 2013 vous accompagnera toute l'année pour vous aider à comprendre les mutations de la production et de la distribution tout autour du globe.

Jérôme Paillard
Directeur Délégué

We are proud to continue our cooperation with the Marché du film. This publication is recognized as a reliable source of information on the world film market. I am delighted that all market participants receive a free copy in their market bag. The European Audiovisual Observatory can only produce this report thanks to data from national film agencies and correspondents. We wish you a successful Cannes.

Wolfgang CLOSS
Executive Director
European Audiovisual Observatory

Nous sommes fiers de poursuivre notre collaboration avec le Marché du film. Cette publication est reconnue comme une source d'information fiable sur le marché mondial du film. Je suis ravi que tous les participants du marché reçoivent un exemplaire gratuit. L'Observatoire européen de l'audiovisuel réalise cette publication grâce aux données fournies par les agences nationales de cinéma et ses correspondants. Nous vous souhaitons un plein succès à Cannes

Wolfgang CLOSS
Directeur exécutif
Observatoire européen de l'audiovisuel

The European Audiovisual Observatory was set up in December 1992. It is a public-service body whose mission is to gather and distribute information on the audiovisual industry in Europe (film, television, home video, on demand audiovisual services as well as public policy on the audiovisual sector). 39 European states are members, along with the European Union represented by the European Commission. The Observatory operates within the framework of an extended partial Agreement of the Council of Europe. It carries out its mission with the help of a network of partners, correspondents and professional organisations. The Observatory provides information on markets, financing and legal aspects of the audiovisual sector.

➡ *Internet site (http://www.obs.coe.int)*

Créé en décembre 1992, l'Observatoire européen de l'audiovisuel est un organisme de service public consacré à la collecte et à la diffusion de l'information sur l'industrie audiovisuelle en Europe (cinéma, télévision, vidéo, services audiovisuels à la demande, politiques publiques relatives au secteur audiovisuel et cinématographique). 39 Etats européens en sont membres ainsi que l'Union européenne représentée par la Commission européenne. L'Observatoire fonctionne dans le cadre d'un Accord partiel élargi du Conseil de l'Europe et remplit sa mission avec un réseau de partenaires, de correspondants et d'organisations professionnelles. L'Observatoire fournit des services d'information sur les marchés, les financements et le cadre juridique du secteur audiovisuel.

➡ *Site Internet (http://www.obs.coe.int)*

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Wary Movie 5

In this spring of 2013, the European film industry is once again on its guard. A new version of the European Commission's Communication on State Aid, which should provide an alternative to the highly controversial one debated last year, is expected. The Creative Europe Programme, which is due to replace the MEDIA programme from 1 January 2014, is also expected to be adopted by the Council of Ministers and the European Parliament, but the fact that the EU budget has not yet been passed is casting uncertainty over the new programme's budget and the scale of the activities that can be undertaken. Finally, the announcement of the forthcoming opening of negotiations on a free-trade agreement between the EU and the United States has again conjured the spectre of the partner across the Atlantic raising objections to the arrangements in the national European systems for funding not only films but also public service media. Even if an attempt is made to get the United States to accept the status quo as far as cinema and television are concerned, it will still be necessary to establish that the cultural exception principle and the objectives regarding the promotion of European works also apply to online services. However, the argument generally put forward by the U.S. authorities and large corporations is that online services belong to the telecommunications rather than the audiovisual sector and must accordingly be exempt from cultural exception considerations.

Quite apart from the worries caused by these political issues, the situation on the European cinema market is itself cause for concern and contrasts with the "feel-good" assessment that has been provided this year by the report on the global market published by the MPAA. (1) This report highlights the fact that the global box office reached $34.7 billion in 2012, up 6 % over 2011, and that this growth was divided between the North American market and the rest of the world. The international box office (excluding North America) grew by 32% over a five year period, this upswing driven by the development of the Chinese, Brazilian and Russian markets. With a box office of $2.7 billion, China has overtaken Japan as the second-largest market after North America. The MPAA also welcomes the fact that over two-thirds of the world's screens are now digital.

Developments on the European market give rise to less enthusiasm. We do not yet have any complete figures on the development of the European box office, but, according to the MPAA, in the EMEA area (Europe, Middle East & Africa) as a whole there was a fall of 1%. Growth for the period 2008-2012 was just 10%, compared with 12% in North America, 53% in the Asia-Pacific region and 73% in Latin America.

According to the European Audiovisual Observatory's data, cinema attendance in the European Union in 2012 fell by nearly 2.2%, compared with a rise of 6% in North America. The drop in attendance is really dramatic in the countries of southern Europe: -18.1% in Italy, -13% in Bulgaria, -12.3% in Portugal, -8.4% in Greece, -5% in Slovenia and -2.1% in Spain. As far as these countries are concerned, it is difficult not to link this fall to the deterioration in the economic and social situation and to rampant piracy. However, it is probably also necessary to conduct a more detailed analysis of the domestic production situation in each of these countries, the nature of the range of films offered to exhibitors and the possible impact of the digital transition phase. Approximately 72% of cinemas in the European Union were digital at the end of 2012 (slightly more than the 66% for the world as a whole estimated by the MPAA) but there seems to be no direct correlation between the level of digitisation at the end of the year and the cinema attendance crisis. While Italy (55.4% of screens now digital), Spain (44.5%) and, above all, Greece (16.4%) and Slovenia (16.2%) are lagging behind the European average, the same does not apply to Portugal (71.3%) or Bulgaria (72.1%).

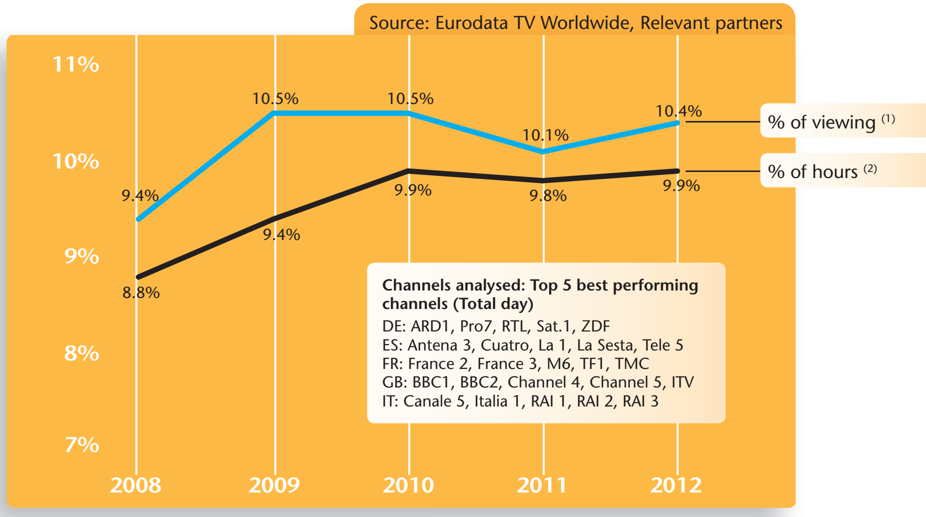
The fall in cinema attendance is not an indication that Europeans have become disenchanted with the cinema, but it does seem that cinemas are suffering as a result of the big rise in the number of films available on television and the internet, their major rivals and "best friends with benefits".

As far as television is concerned, an interesting study carried out by Eurodata TV Worldwide shows that the range of films offered by the five main free-to-air channels in the five major western European countries rose significantly from 8.8%

(1) 2012 Theatrical Market Statistics, http://www.mpaa.org/Resources/3037b7a4-58a2-4109-8012-58fca3abdf1b.pdf

Offer and consumption of feature films on TV free channels in the European Big Five | 2008-2012 e

This chart is based on all movies broadcast during the all day on the channels studied over the period. Ratings in thousands of viewers as well as the duration of each movie have been taken into account.

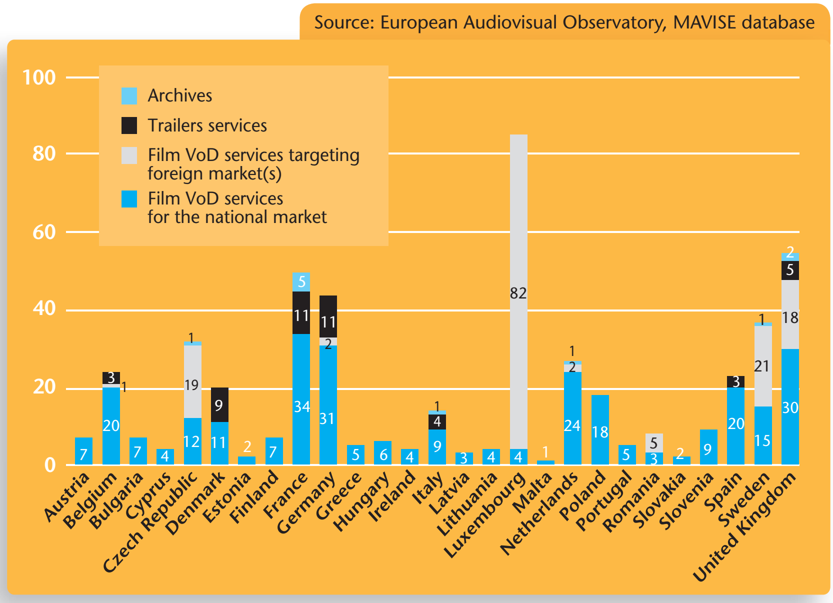


(1) Shows the audience for movies as a percentage of total viewing time of all individuals.

(2) Shows the percentage of movies broadcast as a part of the total programming.

Films on-demand services in the European Union by country of establishment | April 2013 e

Does not include: illegal offers, catch-up services of film TV channels, VoD services for children and for adult films.



Number of film VoD services established in US targeting one or several EU countries: 118.
Film VoD services established in other regions of the world accessible in Europe: Canada (1), Egypt (1) India (2), South Korea (1).

of the programming time of these 25 channels in 2008 to 9.9% in 2012. During the same period, the consumption of films on these channels went up from 9.4% of viewing time to 10.4%. The figures in this study – which need to be analysed in greater detail – would seem to contradict the persistent assumption that films have lost their attraction for the main free-to-air channels.

Parallel to free-to-air transmission, films remain a preferred programme genre among pay-TV companies and distribution platforms. In spring 2013, the European Audiovisual Observatory's MAVISE database (2) counted no less than 352 film channels established in the European Union. It is unfortunately not possible to ascertain the audience and revenues of these channels but it is clear that pay-TV in general is continuing to develop in Europe despite the recession. The twelve main pay-TV platforms in the EU (satellite or cable) showed growth of 3.9% in 2012, while the main TV groups financed by advertising saw their revenues fall by 0.9%. This significant rise in pay-TV platforms' revenues can be partly explained by consumers' growing interest in the new services available: VoD, catch-up TV (including for film channels) and "TV on the go" models that enable content to be viewed not only on a TV screen but also on laptops, smartphones and, especially, tablets, the rapid rise in the popularity of which is particularly remarkable. (By the way, did you ever lie in bed with Murnau's *Nosferatu* at arm's length, like a book?). The big increase in the number of triple-play services available from the telecommunications operators and the development of the smart TV market also enable the audience base of film channels and VoD services to be expanded.

In order to improve its reporting on the growth of the VoD market, the European Audiovisual Observatory has extended the MAVISE database to include on-demand audiovisual services. In April 2013, no fewer than 447 VoD services only or mainly dedicated to feature films were established in the European Union, including 49 iTunes Stores targeting non-EU markets. There were also 133 film VoD services established outside of the EU (in particular in Switzerland in the US) targeting at least one of its national markets. More than 40% of these services are established in a country other than the market in which they are received. Countries with an "ease of doing business" policy have become preferred locations for providers of VoD services, who wish to avoid the regulatory and fiscal constraints imposed by some states that want to see on-demand audiovisual services play a significant role in promoting European works or pay levies to the film funds. In this context, it is particularly difficult to produce absolutely reliable data on the development of the European VoD market. Most of the national film agencies or regulatory authorities are unable to produce any statistics and the major groups hardly make any efforts at all in this regard. A report published by Transparency International recently highlighted the fact that companies like Apple, Microsoft, Google and Walt Disney are the biggest sinners among the big multinationals, all industrial sectors combined, when it comes to reporting on the geographical breakdown of their revenues (3). For example, the European market leader, iTunes SARL, which provides store services in 112 countries not only in Europe but also in Africa, the Middle East and Asia, does not publish a breakdown of its income (1,5 billion euros in 2012, +47,8 % from the previous year) by market or type of product (films, music, applications, books) – and it is apparently in full compliance with the regulations in its country of establishment.

The future of the transparency of the European audiovisual market is cause for concern. As there are more dramatic issues in the news, I would refrain from using the word *scary*. Of course total obscurity is preferable for watching movies and it's in the dark that we can best be scared. But more concerted efforts between the European institutions, national film agencies, audiovisual regulatory authorities, national statistical institutes and professional organisations are absolutely necessary in order to prevent the final triumph of obscurity in the film business and create fair conditions for all stakeholders to understand – and therefore access – the markets.

Incidentally, the failure of the launch of *Scary Movie 5* seems to indicate that a parody of a horror film no longer makes anyone laugh. Could it be that we have now transcended fear?

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(2) http://mavise.obs.coe.int

(3) Transparency in corporate reporting: Assessing the world's largest companies, Transparency International, July 2012, http://www.transparency.org/whatwedo/pub/transparency_in_corporate_reporting_assessing_the_worlds_largest_companies


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Top 10 markets worldwide by gross box office | 2008-2012 e

In USD billion. Converted at average annual exchange rates.

Source: OBS, MPAA, Rentrak, IHS Screen Digest

Rank	Market	2008	2009	2010	2011	prov. 2012	Annual growth rate e 5 years	1 year
1	US & Canada	9.63	10.61	10.58	10.19	10.80	2.9%	6.0%
2	China	0.61	0.91	1.50	2.03	2.74	58.6%	35.2%
3	Japan	1.89	2.20	2.52	2.26	2.45	9.7%	8.0%
4	UK	1.58	1.48	1.53	1.67	1.74	1.5%	4.4%
5	France	1.68	1.72	1.74	1.91	1.68	3.7%	-12.3%
6	India	1.84	1.40	1.35	1.47	1.59	-2.0%	8.7%
7	Germany	1.17	1.36	1.22	1.33	1.33	6.3%	-0.5%
8	South Korea	0.88	0.88	1.04	1.11	1.31	4.7%	17.7%
9	Russian Federation	0.80	0.70	1.00	1.16	1.20	20.8%	4.1%
10	Australia	0.81	0.86	1.04	1.13	1.17	11.6%	3.1%
World total		27.7	29.4	31.6	32.6	34.7	7.3%	6.4%
Growth rate - World		5.7%	6.1%	7.5%	3.2%	6.4%	7.3%	6.4%
Growth rate - Top 10		4.3%	5.9%	6.2%	3.2%	7.2%	6.8%	7.2%
Growth rate - Top 10 (without India)		4.1%	8.8%	6.9%	2.9%	7.1%	7.5%	7.1%

Top 10 markets worldwide by admissions | 2008-2012 e

In million admissions. Ranked by attendance in 2012.

Source: OBS, UNESCO

Rank	Market	2008	2009	2010	2011	prov. 2012	Annual growth rate e 5 years	1 year
1	India	3 691	2 777	2 706	3 000	~	-3.0%	~
2	US & Canada	1 341	1 415	1 341	1 285	1 358	0.3%	5.7%
3	China	170	200	290	370	470	28.9%	27.0%
4	Mexico	182	178	190	205	228	5.8%	11.1%
5	France	190	201	207	217	204	1.8%	-5.8%
6	South Korea	151	157	147	160	195	6.6%	22.0%
7	UK	164	173	169	172	173	1.2%	0.5%
8	Russian Federation	118	132	156	160	157	7.3%	-1.6%
9	Japan	160	169	174	145	155	-0.8%	7.2%
10	Brazil	90	113	134	144	149	13.5%	3.5%
World total e		7 007	6 949	6 633	7 061	7 656	2.2%	8.4%
Growth rate - World e		-0.5%	-0.8%	-4.5%	6.5%	8.4%	2.2%	8.4%
Growth rate - Top 10 e		-0.6%	-2.8%	-3.2%	6.2%	~	2.0%	~
Growth rate - Top 10 (without India) e		0.1%	6.4%	1.1%	1.7%	8.1%	2.3%	8.1%

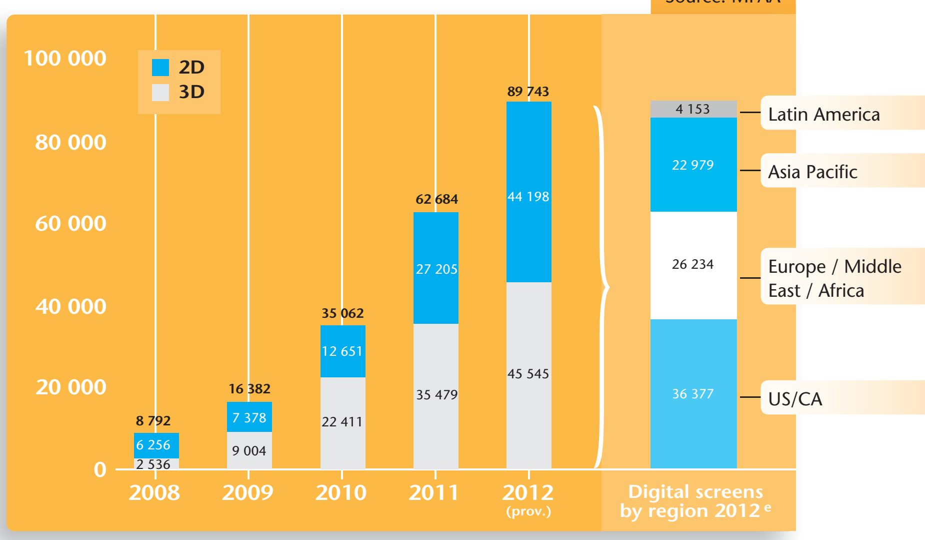
Top 10 markets worldwide by number of screens | 2008-2012 e

Source: OBS after MPAA, IHS Screen Digest

Rank	Market	2008	2009	2010	2011	prov. 2012	Annual growth rate e 5 years	Annual growth rate e 1 year
1	US	38 834	39 233	39 547	39 641	39 918	0.7%	0.7%
2	China	4 097	4 723	6 256	9 286	13 118	33.8%	41.3%
3	India	10 120	10 070	10 020	10 020	11 100	2.3%	10.8%
4	France	5 424	5 470	5 478	5 464	5 575	0.7%	2.0%
5	Mexico	4 200	4 480	5 200	5 166	5 360	6.3%	3.8%
6	Germany	4 810	4 734	4 699	4 640	4 617	-1.0%	-0.5%
7	Spain	4 140	4 082	4 080	4 040	3 998	-0.9%	-1.0%
8	UK	3 610	3 651	3 671	3 767	3 817	1.4%	1.3%
9	Japan	3 359	3 396	3 412	3 339	3 290	-0.5%	-1.5%
10	Italy	3 847	3 879	3 873	3 227	3 227	-4.3%	0.0%
World total		119 369	120 344	122 951	123 740	129 866	2.1%	5.0%
Growth rate - World e		2.1%	0.8%	2.2%	0.6%	5.0%	2.1%	5.0%
Growth rate - Top 10 e		1.0%	1.5%	3.0%	2.7%	6.1%	3.3%	6.1%

Worldwide number of digital and 3D screens | 2008-2012

Source: MPAA



Top 10 markets worldwide by feature film production [1] | 2008-2012 [e]

Source: OBS, IHS Screen Digest

Rank	Market	2008	2009	2010	2011	prov. 2012	Annual growth rate [e] 5 years	1 year
1	India [2]	1325	1288	1274	1255	~	~	
2	US [3]	773	751	795	817	[6] 476	***-0.2%***	[6] ***4.8%***
3	China [4]	406	456	526	588	745	***16.4%***	***26.7%***
4	Japan [5]	418	448	408	441	554	***7.3%***	***25.6%***
5	France	240	230	261	272	279	***3.8%***	***2.6%***
6	UK	251	290	322	233	197	***-5.9%***	***-15.5%***
7	South Korea	113	138	152	216	229	***19.3%***	***6.0%***
8	Germany [5]	185	219	193	205	241	***6.8%***	***17.6%***
9	Spain	173	186	200	199	182	***1.3%***	***-8.5%***
10	Italy	155	133	142	155	166	***1.7%***	***7.1%***
World total [e]		***5 545***	***5 708***	***5 845***	***6 098***	***6 334***	***3.4%***	***3.9%***
Growth rate - World [e]		*-1.8%*	*2.9%*	*2.4%*	*4.3%*	*3.9%*	***3.4%***	***3.9%***
Growth rate - Top 10 [e]		*5.4%*	*2.3%*	*3.3%*	*3.7%*	*4.3%*	***3.4%***	***4.3%***

(1) Country data include minority co-productions.

(2) Films certified.

(3) Revised data. Does not include feature documentaries, films with budgets below M USD 200 or student films.

(4) Does not include films produced outside the SARFT's system of script and final print approval.

(5) Feature films released.

(6) MPAA is no longer collecting data for films with budgets of less than USD 1 million. 2012 year on year growth calculated using films with budgets above USD 1 million.

Top 20 films worldwide by gross box office | 2012

In USD million.

	Original title	Country of origin	Studio	North American box office	International box office [2]	Total
1	The Avengers	US	Walt Disney	623	891	1 514
2	Skyfall [1]	GB/US	Sony Pictures	291	732	1 023
3	Ice Age: Continental Drift [1]	US	20th Century Fox	161	714	875
4	The Dark Knight Rises	US/GB	Warner Bros.	448	631	1 079
5	The Hobbit: An Unexpected Journey [1]	US/NZ	Warner Bros.	229	598	827
6	The Twilight Saga: Breaking Dawn - Part 2	US	Lionsgate	286	527	814
7	Madagascar 3: Europe's Most Wanted	US	Paramount	216	527	744
8	The Amazing Spider-Man	US	Sony Pictures	262	492	754
9	Men in Black 3	US/AE	Sony/Columbia	179	446	625
10	The Intouchables [1]	US	Weinstein, Gaumont	13	408	421
11	Brave	US	Disney	237	317	555
12	Life of Pi [1]	US/TW	20th Century Fox	86	307	393
13	Ted	US	Universal Pictures	219	284	503
14	Titanic 3D	US	Paramount	58	282	340
15	The Hunger Games	US	Lionsgate, various	408	277	685
16	Prometheus	US/GB	20th Century Fox	126	264	391
17	Snow White and the Huntsman	US	Universal Pictures	155	241	396
18	Battleship	US	Universal Pictures	65	239	304
19	Taken 2	FR	20th Century Fox	139	230	369
20	The Expendables 2	US	Lionsgate, various	85	228	313

(1) Still in release in 2013.

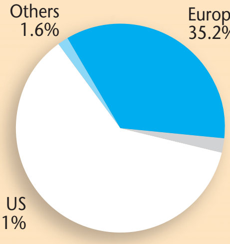
(2) Do not include carryovers.

Source: *Variety*, OBS

European Union

Population 2012 e	504 million
GDP per capita 2012 e	32 590 USD
Gross box office 2012 e	6 473.3 M EUR (8 316.9 M USD)
Admissions 2012 e	933.3 million
Average ticket price 2012 e	6.9 EUR (8.9 USD)
Average admissions per capita 2012	1.85
Screens 2011 | 2012 e	29 626 | 29 253
Digital screens 2011 | 2012 e	15 910 | 21 693
Digital 3D screens 2011 | 2012 e	~ | 11 567

Market shares 2012 e



United in diversity

Aggregate figures for the EU represented, more than ever, just an average, for there were remarkable differences among European countries. Attendance fell by 2.2% within the Union, to 933.3 million admissions. However, in countries like Finland (19.7% growth) or Romania (+15.4%) the trend was quite the opposite. Within the larger markets, the UK remained stable and Germany grew by 4.3% on the previous year. Although France sold the highest number of tickets in the EU (203.4 million), attendance dropped by 6.3%.

Gross box office fell by 6.9% on 2011, to USD 8316.9 million. However, this figure is mainly the result of euro depreciation against the dollar (down 7.5% year on year), and does not accurately represent the actual situation. As a matter of fact, theatrical revenues went slightly up as a whole if we take the respective national currencies as reference. With attendance down, this was achieved thanks to the hike in average ticket price resulting from 3D releases, which went up by 4.5% on 2011 to EUR 6.9.

007 boosts EU market share

British secret agent 007 topped the EU box office, but three other European productions also made it into the top 20. French sensation *Intouchable* has already been seen by almost 40 million people within Europe in the last two years. Action thriller *Taken 2* achieved 9.3 million admissions and ranked 17th at the US Box Office. The third one was Spanish super production *The Impossible*, mainly due to local success. All in all, more cinemagoers went to see European films (328 million admissions in 2012, 20% more than the year before), approximately 36% of which were for non-national films. However, results were heavily influenced by *Skyfall*; James Bond aside, 2012 revenues for EU films were closer to last year's, with a 32% market share. In turn, production was steady on 2011, with 1299 films shot in 2012.

A new Cinema Communication

The European Commission (EC) started the process towards a new Cinema Communication (the current one dates from 2001), publishing an Issues Paper identifying areas for reflection, and inviting interested parties to submit their comments by September 2011. The Commission's aim was to adapt the existing state aid assessment criteria to the digital era by better defining the scope and scale of public support, while tackling controversial issues such as the subsidy race and the territorial spending obligations imposed in support schemes. Part of the industry and some EU member states portrayed the Commission's plans to cap subsidies for non-European works and reduce mandatory investment in the granting territory as a threat to film production in Europe. However, the draft communication based on the contributions received, published in March 2012, stuck to the main lines suggested in the Issues Paper. A second consultation period followed, ending in June 2012, with similar reactions. The final Communication should be ready by the third quarter of 2013, just before new EC programme Creative Europe kicks off.

Digitisation enters the final stage

Digital rollout has progressed at varying speeds within the Union. While some countries, such as Luxembourg, Austria, Belgium or Finland are fully, or almost entirely, digitized, Lithuania, Greece and Slovenia are still behind, with less than 25% penetration. As a whole, the EU has crossed the point of no return with 21,693 digital screens by the end of 2012 (74% penetration), a growth of 36% on 2011. For the first time the number of d-screens is much higher than those using soon-to-be extinct 35mm. The leading digital markets were the UK and France, whereas other big territories such as Germany, Italy and especially Spain are still below the EU average.

Source: OBS

Number of feature films produced in the European Union | 2008-2012

Country		2008	2009	2010	2011	*prov.* 2012	Sources
Austria	100% national fiction	7	7	10	14	10	OFI
	maj. co-prod. fiction	7	5	4	6	4	OFI
	min. co-prod. fiction	3	5	6	15	9	OFI
	Feature documentaries	13	17	24	16	31	OFI
Belgium	100% national fiction	9	4	2	5	6	CFWB/VAF
	maj. co-prod. fiction	5	5	8	8	3	CFWB/VAF
	min. co-prod. fiction	32	28	32	39	47	CFWB/VAF
	Feature documentaries	3	5	4	4	8	CFWB/VAF
Bulgaria	100% national fiction	4	11	6	6	5	NFC
	maj. co-prod. fiction	1	0	1	2	1	NFC
	min. co-prod. fiction	2	4	3	1	2	NFC
	Feature documentaries	2	10	5	6	11	NFC
Czech Republic	100% national fiction	18	21	16	21	23	Min.Cult.
	maj. co-prod. fiction	5	8	4	4	5	Min.Cult.
	min. co-prod. fiction	4	4	5	0	4	Min.Cult.
	Feature documentaries	12	12	15	20	15	Min.Cult.
Denmark	100% national fiction	14	14	16	16	11	DFI
	maj. co-prod. fiction	6	7	8	3	7	DFI
	min. co-prod. fiction	6	7	7	6	10	DFI
	Feature documentaries	26	23	29	37	27	DFI/OBS
Estonia	100% national fiction	3	2	0	4	5	EFSA
	maj. co-prod. fiction	1	1	3	3	0	EFSA
	min. co-prod. fiction	1	3	1	0	6	EFSA
	Feature documentaries	9	3	8	14	9	EFSA/OBS
Finland	100% national fiction	9	12	12	15	22	FFF
	maj. co-prod. fiction	4	4	2	5	4	FFF
	min. co-prod. fiction	5	4	5	7	6	FFF
	Feature documentaries	1	5	13	8	14	FFF
France	100% national	145	137	143	152	150	CNC
	maj. co-prod.	51	45	60	55	59	CNC
	min. co-prod.	44	48	58	65	70	CNC
	Feature docs	34	30	27	36		CNC
Germany [(1)]	100% national fiction	81	87	61	63	86	SPIO
	maj. co-prod. fiction	15	42	23	29	32	SPIO
	min. co-prod. fiction	29	20	35	31	36	SPIO
	Feature documentaries	60	70	74	82	87	SPIO
Greece [e]	100% national fiction	12	16	14	33		GFC/Cineuropa/IMDB/OBS
	maj. co-prod. fiction	2	3	1	4		GFC/OBS
	min. co-prod. fiction	2	0	1	5		GFC/OBS
	Feature documentaries	15	6	2	1		GFC/OBS
Hungary	100 % national	25	22	26	38	26	Min.Cult./AHFD/NFO
	maj. co-prod.	1	1	1	2	0	Min.Cult./AHFD/NFO
	min. co-prod.	4	4	9	4	1	Min.Cult./AHFD/NFO
Ireland	100% national fiction	7	8	4	4		IFB
	maj. co-prod. fiction	6	6	10	9		IFB
	min. co-prod. fiction	12	6	9	4		IFB
	Feature documentaries	14	13	15	15		IFB
Italy	100 % national	128	101	115	132	109	CCH/DGCin
	maj. co-prod.	18	14	14	14	19	CCH/DGCin
	min. co-prod	9	18	13	9	16	CCH/DGCin

Continued overleaf

Continued

Number of feature films produced in the European Union | 2008-2012

Country		2008	2009	2010	2011	*prov.* 2012	Sources
Latvia	100% national fiction	3	3	2	4	2	NFCL
	maj. co-prod. fiction	0	1	1	0	3	NFCL
	min. co-prod. fiction	1	0	0	1	1	NFCL
	Feature documentaries	2	6	8	11	8	NFCL
Lithuania	100% national fiction	6	5	4	2		Min. Cult./Baltic Films
	maj. co-prod. fiction	0	1	1	0		Min. Cult./Baltic Films
	min. co-prod. fiction	1	0	0	0		Min. Cult./Baltic Films
Luxembourg	100% national fiction	0	1	1	0		LFF
	maj. co-prod. fiction	0	4	1	3		LFF
	min. co-prod. fiction	11	12	14	12		LFF
	Feature documentaries	2	1	5	1		LFF
The Netherlands	100% national fiction	21	28	22	28	26	NFF/NVF/OBS
	maj. co-prod. fiction	6	6	10	11	17	NFF/NVF/OBS
	min. co-prod. fiction	18	6	15	16	12	NFF/NVF/OBS
	Feature documentaries	17	11	15	21	23	NFF/NVF/OBS
Poland	100% national fiction	28	31	38	24	28	PISF/Min. Cult./OBS
	maj. co-prod. fiction	4	7	4	3	4	PISF/Min. Cult./OBS
	min. co-prod. fiction	8	4	2	8	10	PISF/Min. Cult./OBS
	Feature documentaries	5	7	2	9	5	PISF/Min. Cult./OBS
Portugal	100% national fiction	7	9	9	9	3	ICA
	maj. co-prod. fiction	6	3	6	5	4	ICA
	min. co-prod. fiction	1	2	4	5	1	ICA
	Feature documentaries	2	9	11	11	7	ICA
Romania	100% national fiction	7	11	9	9	10	CNC
	maj. co-prod. fiction	2	3	8	2	8	CNC
	min. co-prod. fiction	2	4	2	1	2	CNC
	Feature documentaries	21	33	21	15	18	CNC/OBS
Slovakia	100% national fiction	1	1	1	2	7	SFI
	maj. co-prod. fiction	3	5	1	3	1	SFI
	min. co-prod. fiction	3	7	2	3	0	SFI
	Feature documentaries	5	5	4	4	9	SFI
Slovenia	100% national fiction	9	3	4	2	2	SKFI
	maj. co-prod. fiction	0	0	0	4	2	SKFI
	min. co-prod. fiction	3	1	3	2	4	SKFI
	Feature documentaries	3	2	0	0	2	SKFI
Spain	100 % national	124	135	151	151	126	ICAA
	maj. co-prod.	26	20	34	29	31	ICAA
	min. co-prod.	23	31	15	19	25	ICAA
Sweden	100% national fiction	12	18	20	16	27	SFI
	maj. co-prod. fiction	9	14	10	7	3	SFI
	min. co-prod. fiction	8	5	8	5	8	SFI
	Feature documentaries	16	10	16	15	13	SFI
United Kingdom	100 % national (2)	83	88	79	82	65	BFI
	maj. co-prod.	14	12	20	23	18	BFI
	min. co-prod.	15	25	11	24	20	BFI
	Inward features (3)	22	28	29	29	25	BFI/OBS
Total fiction films EU 27 e (4)		***803***	***839***	***834***	***896***	***901***	OBS
Total feature documentaries EU 27 e (5)		***356***	***377***	***412***	***440***	***398***	OBS
Total feature films EU 27 e (5)		***1 159***	***1 216***	***1 246***	***1 336***	***1 299***	OBS

(1) Films on first release.

(2) Includes only feature films with budgets exceeding GBP 500 000.

(3) Excluding inward features involving only VFX work in the UK.

(4) May include feature documentaries in GR, HU and LT.

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

Admissions in the European Union | 2008-2012

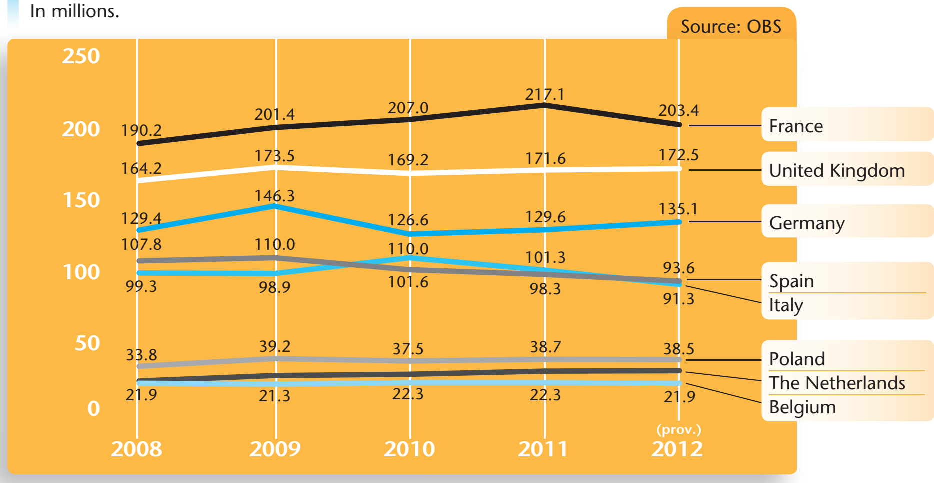
In millions.

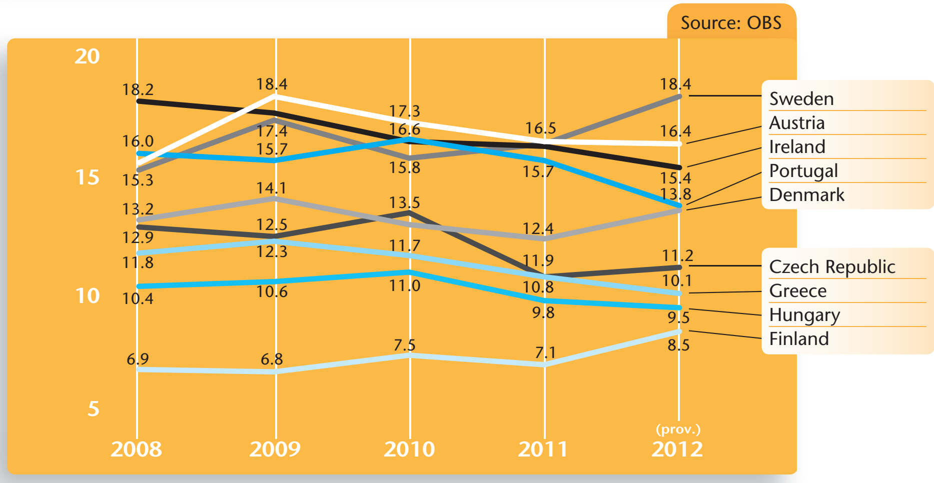
Country	2008	2009	2010	2011	prov. 2012	2012/11	Sources
Austria	15.6	18.4	17.3	16.5	16.4	***-0.3%***	FMA
Belgium [e]	21.9	21.3	22.3	22.3	21.9	***-1.9%***	CFWB/VAF
Bulgaria	2.8	3.2	4.0	4.7	4.1	***-13.0%***	National Film Center
Cyprus	0.9	0.9	0.9	0.9	0.9	***-0.5%***	Min. Cult./Media Salles
Czech Republic	12.9	12.5	13.5	10.8	11.2	***3.6%***	Ministry of Culture/UFD
Denmark	13.2	14.1	13.0	12.4	13.6	***9.3%***	Danish Film Institute
Estonia	1.6	1.8	2.1	2.5	2.6	***4.7%***	Estonian Film Foundation
Finland	6.9	6.8	7.5	7.1	8.5	***19.7%***	Finnish Film Foundation
France	190.2	201.4	207.0	217.1	203.4	***-6.3%***	CNC
Germany	129.4	146.3	126.6	129.6	135.1	***4.3%***	FFA
Greece	11.8	12.3	11.7	10.8	10.1	***-6.7%***	Media Salles/GFC
Hungary	10.4	10.6	11.0	9.8	9.5	***-3.1%***	National Film Office
Ireland	18.2	17.7	16.5	16.3	15.4	***-5.7%***	Carlton Screen Advertising/ Nielsen EDI
Italy [e]	99.3	98.9	110.0	101.3	91.3	***-9.9%***	DGC-MiBAC/ANICA/Cinetel
Latvia	2.4	1.9	2.1	2.1	2.3	***10.9%***	National Film Centre
Lithuania	3.3	2.7	2.6	3.0	3.0	***1.8%***	Baltic Films
Luxembourg	1.1	1.3	1.2	1.3	~	~	CNA/Media Salles
Malta [e]	1.0	1.0	0.9	~	~	~	MFC/Media Salles
Poland	33.8	39.2	37.5	38.7	38.5	***-0.6%***	Boxoffice.pl
Portugal	16.0	15.7	16.6	15.7	13.8	***-12.1%***	Instituto do Cinema e do Audiovisual
Romania	3.8	5.3	6.5	7.2	8.3	***15.4%***	Centrul National al Cinematografiei
Slovakia	3.4	4.1	3.9	3.6	3.4	***-5.6%***	Slovak Film Institute
Slovenia	2.4	2.7	2.9	2.9	2.7	***-5.7%***	Slovenian Film Fund
Spain	107.8	110.0	101.6	98.3	93.6	***-4.8%***	ICAA, Media Salles
Sweden	15.3	17.4	15.8	16.4	18.4	***11.9%***	Swedish Film Institute
The Netherlands	23.5	27.3	28.2	30.4	30.7	***0.7%***	NFC/NFF/MaccsBox - NVB & NVF
United Kingdom	164.2	173.5	169.2	171.6	172.5	***0.5%***	BFI/Rentrak
EU 27 - Total [e]	***913***	***968***	***952***	***954***	***933.3***	***-2.2%***	European Audiovisual Observatory

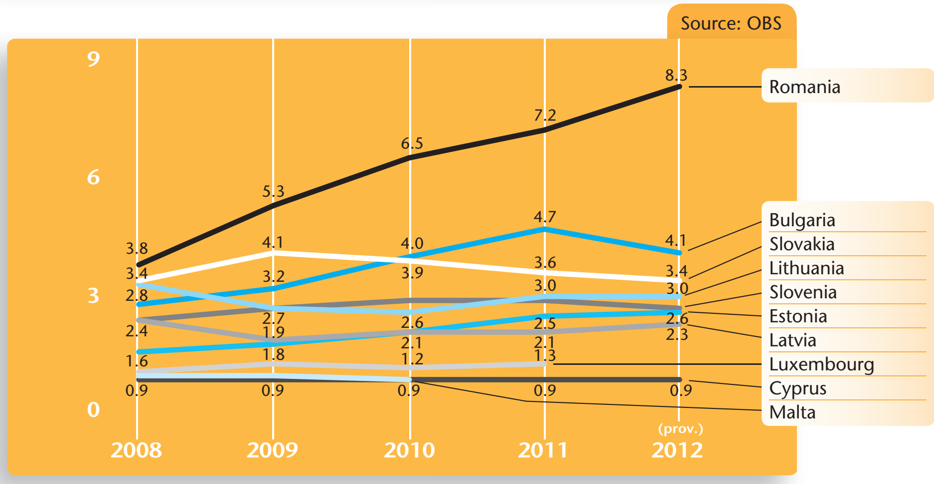
Source: OBS

Admissions in the European Union | 2008-2012

In millions.

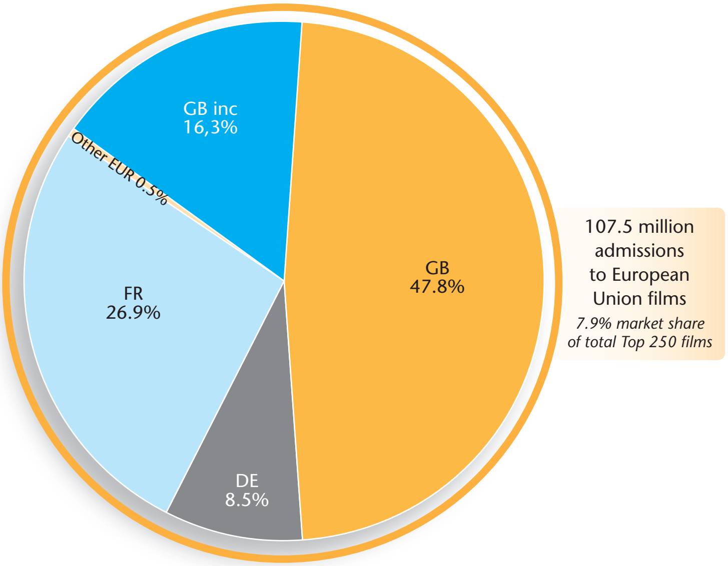






Breakdown of admissions to European Union films on the North American market | 2012 e

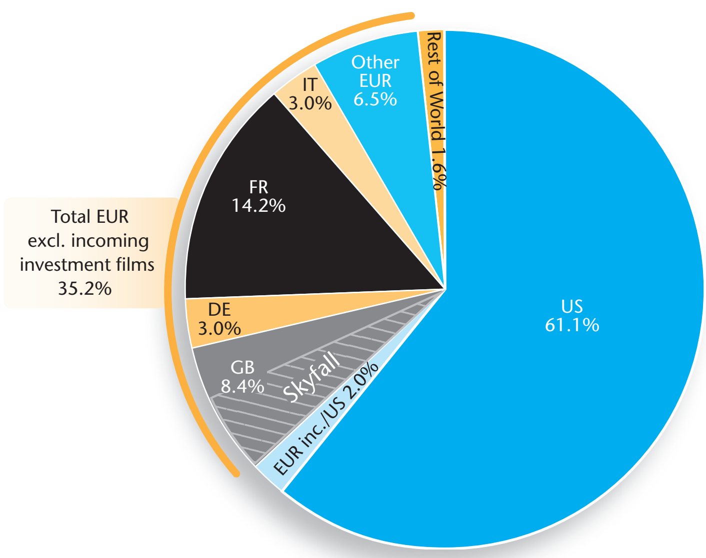
Percentage share of admissions in the United States and Canada.
Admissions estimates based on average ticket price of 7.96 USD.



Note: Based on Top 250 films in the United States of America and Canada.
'Inc' refers to films produced in Europe with US incoming investment.

Source: *Variety*, OBS

Breakdown of European Union admissions by nationality of films | 2012 *prov.*



Note: 'Inc' refers to films produced in Europe with US incoming investment.

Source: OBS, LUMIERE

The tables below offer provisional rankings based on analysis of data from 23 EU member states representing 87% of all admissions in the EU.

Top 25 films by admissions in the European Union | 2012 *prov.*

	Original title	Country of origin	Year	Director	*prov.* Admissions
1	Skyfall	GB/US	2012	Sam Mendes	44 380 274
2	Ice Age: Continental Drift	US	2012	S. Martino, M. Thurmeier	31 452 632
3	The Dark Knight Rises	US/GB	2012	Christopher Nolan	26 205 161
4	The Twilight Saga: Breaking Dawn - Part 2	US	2012	Bill Condon	25 156 767
5	The Hobbit: An Unexpected Journey	US/NZ	2012	Peter Jackson	24 312 962
6	Intouchables (1)	FR	2011	Olivier Nakache, Eric Toledano	24 067 566
7	Madagascar 3: Europe's Most Wanted	US	2012	Vernon, McGrath, Darnell	22 246 026
8	The Avengers	US	2012	Joss Whedon	21 195 233
9	Ted	US	2012	Seth MacFarlane	16 943 646
10	Brave	US	2012	Purcell, Chapman, Andrew	13 232 764
11	American Pie 4	US	2012	Hurwitz, Schlossberg	11 662 196
12	The Amazing Spider-Man	US	2012	Marc Webb	11 546 759
13	The Hunger Games	US	2012	Gary Ross	10 525 131
14	Prometheus	US/GB	2012	Ridley Scott	10 194 671
15	Snow White and the Huntsman	US	2012	Rupert Sanders	10 182 749
16	Men in Black 3	US/AE	2012	Barry Sonnenfeld	9 621 094
17	Taken 2	FR	2012	Olivier Megaton	9 333 895
18	Sherlock Holmes: A Game of Shadows	US	2011	Guy Ritchie	8 037 554
19	Lo imposible	ES	2012	Juan Antonio Bayona	6 515 934
20	Dark Shadows	US	2012	Tim Burton	6 454 583
21	Rise of the Guardians	US	2012	Peter Ramsey	6 396 400
22	The Expendables 2	US	2012	Simon West	6 295 588
23	The Dictator	US	2012	Larry Charles	6 244 017
24	Alvin and the Chipmunks: Chipwrecked	US	2011	Mike Mitchell	6 132 374
25	Puss in Boots	US	2011	Chris Miller	5 756 877

(1) 15 698 471 admissions in the EU in 2011.

Source: OBS, LUMIERE

Top 25 European Union films by admissions in the European Union | 2012 *prov.*

	Original title	Country of origin	Year	Director	*prov.* Admissions
1	Skyfall	GB/US	2012	Sam Mendes	44 380 274
2	Intouchables (1)	FR	2011	Olivier Nakache, Eric Toledano	24 067 566
3	Taken 2	FR	2012	Olivier Megaton	9 333 895
4	Lo imposible	ES	2012	Juan Antonio Bayona	6 515 934
5	Sur la piste du Marsupilami	FR/BE	2012	Alain Chabat	5 715 495
6	Astérix et Obélix : Au Service de Sa Majesté	FR/ES/IT/LT	2012	Laurent Tirard	5 218 980
7	The Pirates! Band of Misfits	GB inc/US	2012	Jeff Newitt, Peter Lord	5 052 930
8	The Iron Lady	GB/FR	2011	Phyllida Lloyd	4 862 545
9	The Woman in Black	GB inc/US/SE	2012	James Watkins	4 852 536
10	The Best Exotic Marigold Hotel	GB inc/US/UA	2011	John Madden	4 757 308
11	La vérité si je mens ! 3	FR	2012	Thomas Gilou	4 745 006
12	The Artist (2)	FR/BE	2011	Michel Hazanavicius	4 585 168
13	Benvenuti al nord	IT	2012	Luca Miniero	4 288 827
14	Le prénom	FR	2012	M. Delaporte, A. Patellière	3 721 742
15	Les seigneurs	FR	2012	Olivier Dahan	2 831 517
16	Tad l'explorateur: À la recherche de la Cité…	ES	2012	Enrique Gato	2 718 401
17	Les infidèles	FR	2012	F. Cavayé, E. Bercot	2 674 232
18	Türkisch für Anfänger	DE	2012	Bora Dagtekin	2 612 443
19	Rust & Bone	FR/BE	2012	Jacques Audiard	2 311 812
20	Resident Evil: Retribution	DE/CA/US	2012	Paul W.S. Anderson	2 265 096
21	Cloud Atlas	DE/US/HK/SG	2012	Tom Tykwer, Andy Wachowski	2 241 328
22	Tinker Tailor Soldier Spy (3)	GB/DE/FR	2011	Tomas Alfredson	2 020 806
23	Un bonheur n'arrive jamais seul	FR	2012	James Huth	2 008 764
24	Tengo ganas de ti	ES	2012	Fernando González Molina	1 980 379
25	Cloclo	FR/BE	2012	Florent-Emilio Siri	1 942 407

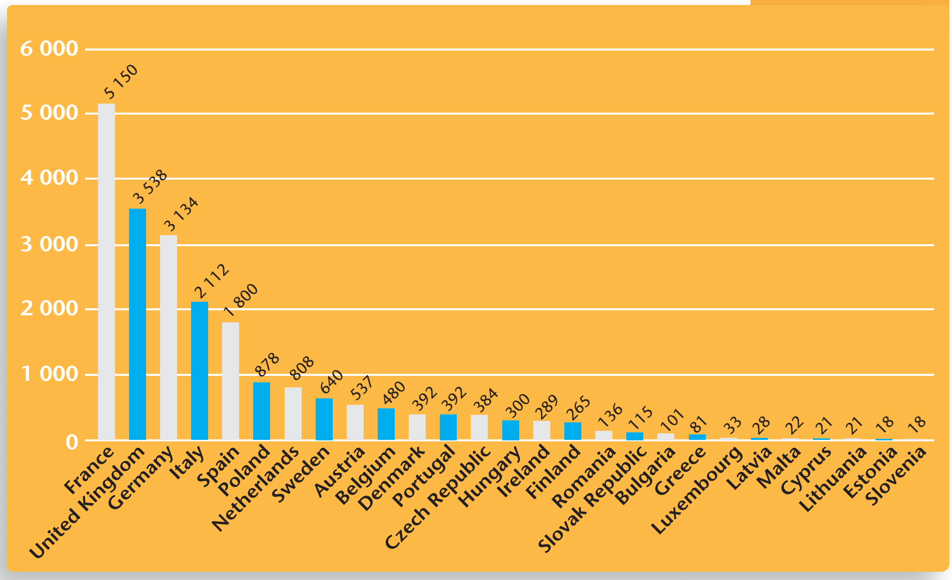
(1) 15 698 471 admissions in the EU in 2011. (2) 1 933 162 admissions in the EU in 2011. (3) 2 808 084 admissions in the EU in 2011.

Note: 'inc' refers to films produced in Europe with US incoming investment.

Source: OBS, LUMIERE

Number of digital screens in the European Union by country | December 2012

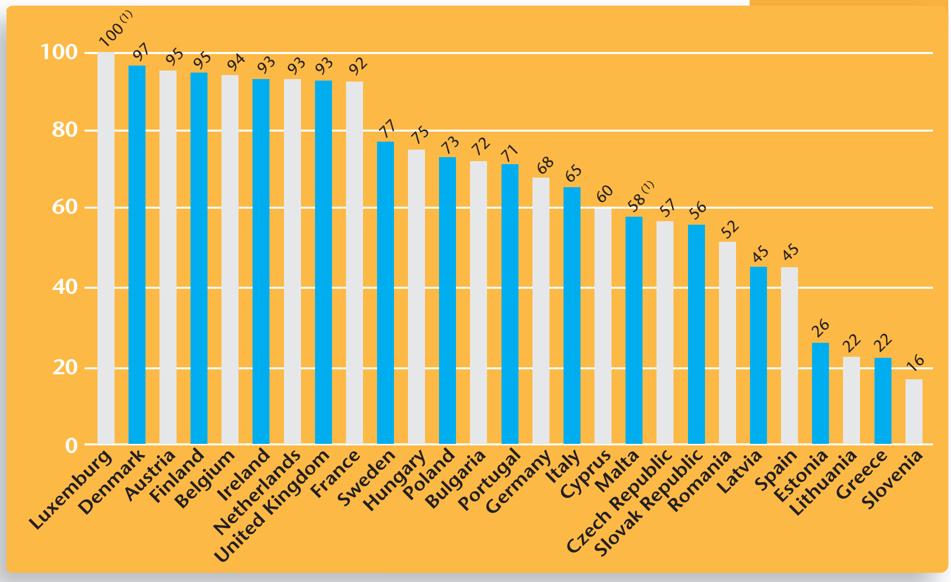
Source: MEDIA Salles



Digital screen penetration in the European Union by country | December 2012 *prov.*

In %.

Source: MEDIA Salles

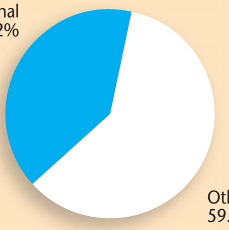


(1) 2010.

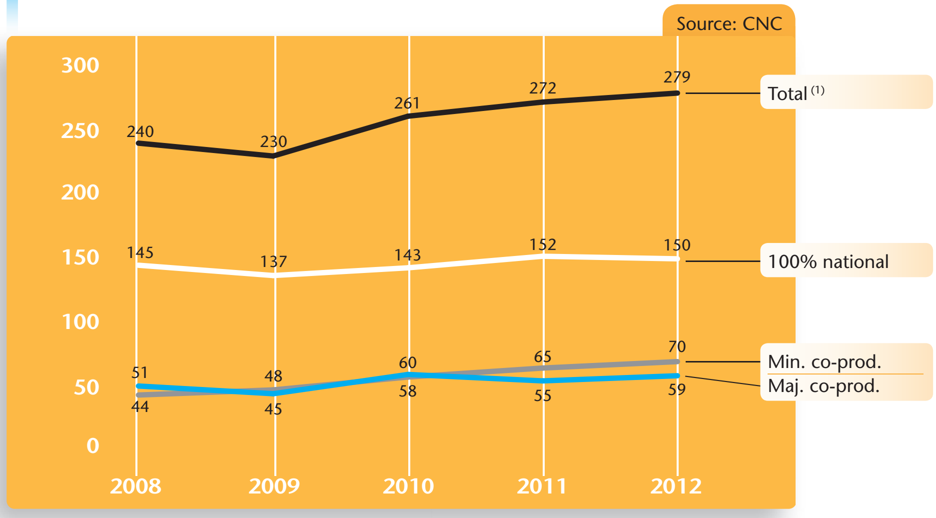
France

Population 2012 e	63.4 million
GDP per capita 2012 e	40 689 USD
Gross box office 2012 e	1 305 M EUR (1 677 M USD)
Admissions 2012 e	203.4 million
Average ticket price 2012 e	6.4 EUR (8.2 USD)
Average admissions per capita 2012 e	3.2
Screens 2011 | 2012 e	5 464 | 5 575
Digital screens 2011 | 2012 e	3 585 | 5 150
Digital 3D screens 2011 | 2012 e	~ | 2 851

Market shares 2012 *prov.*

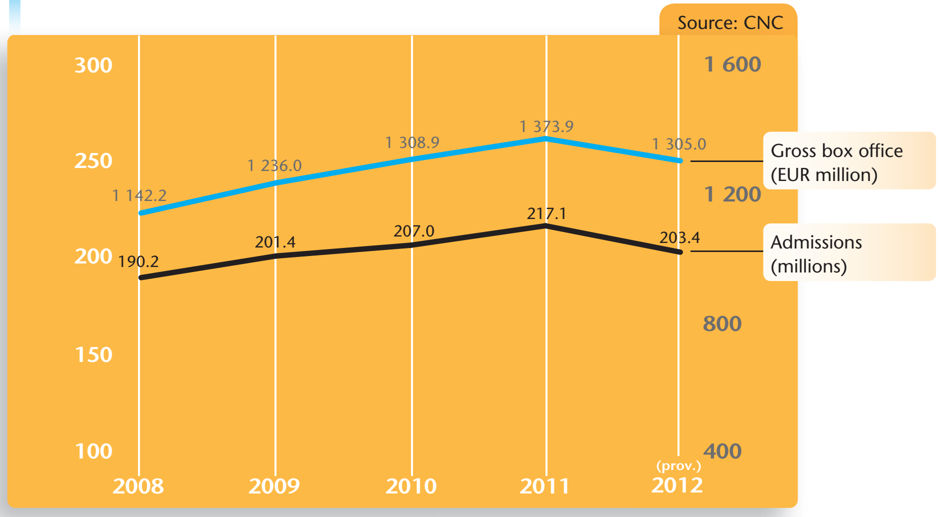


Number of feature films produced | 2008-2012



(1) Officially recognised films.

Admissions and gross box office | 2008-2012



Top 20 films by admissions in France | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Skyfall	GB/US	Sam Mendes	Sony Pictures Releasing	6 827 640
2	Ice Age: Continental Drift	US	Martino, Thurmeier	20th Century Fox	6 625 903
3	Intouchables (1)	FR	Nakache, Toledano	Gaumont Distribution	5 721 423
4	Sur la piste du Marsupilami	FR/BE	Alain Chabat	Pathé Distribution	5 303 217
5	La vérité si je mens ! 3	FR	Thomas Gilou	Mars Dist.(StudioCanal)	4 613 791
6	The Avengers	US	Joss Whedon	Walt Disney Studios	4 499 613
7	The Dark Knight Rises	US/GB	Christopher Nolan	Warner Bros. (FR)	4 418 240
8	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	SND Films	4 362 480
9	Astérix et Obélix: Au Service de Sa Majesté	FR/ES/IT...	Laurent Tirard	Wild Bunch Distribution	3 754 598
10	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	Paramount Pictures (FR)	3 412 055
11	Le prénom	FR	Delaporte,...	Pathé Distribution	3 340 231
12	Brave	US	Purcell, Chapman,...	Walt Disney Studios	3 218 377
13	Taken 2	FR	Olivier Megaton	EuropaCorp	2 904 902
14	Les seigneurs	FR	Olivier Dahan	Warner Bros. (FR)	2 721 604
15	The Amazing Spider-Man	US	Marc Webb	Sony Pictures Releasing	2 528 824
16	Sherlock Holmes: A Game of Shadows	US	Guy Ritchie	Warner Bros. (FR)	2 382 002
17	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Warner Bros. (FR)	2 334 119
18	Les infidèles	FR	Cavayé, Bercot	Mars Dist.(StudioCanal)	2 301 045
19	Men in Black 3	US/AE	Barry Sonnenfeld	Sony Pictures Releasing	2 129 210
20	Snow White and the Huntsman	US	Rupert Sanders	Universal Pictures	1 977 622

(1) 15 693 206 admissions in 2011.

Source: *Le film français*

Distribution and exhibition

After such strong results in 2011 it is unsurprising that admissions fell in 2012 (by 6.3% on 2011). The national market share dropped slightly by 1.7%, with 81.8 million admissions for French productions. Despite this market contraction, both figures are well above average for the last ten years. In turn, American films represented 45.3% of the market.

Four local productions appeared in the box office top 10. *Intouchables*, last year's frontrunner, ranked at number 3 followed by family adventure *Sur la piste du Marsupilami* and the third part of the comedy *La vérité si je mens!* The latest instalment of the Asterix franchise, *Asterix and Obelix: God Save Britannia*, also made it into the top 10. Warner Bros. topped the distributor rankings, followed by 20th Century Fox and Pathé, all together accounting for 28.3% of the market.

The end of 3D fever is confirmed by two consecutive years of steady average prices after a period with a clear upward trend. Exhibition made a gigantic step towards completion of digital rollout with an increase of 1,565 digital screens. Digital penetration surpassed 90%, with more than 80% of the theatres in the country partially or totally equipped with digital screens.

Production and funding

According to CNC figures, 279 productions qualified as French in 2012 (a peak in this century), accounting for a spend of EUR 1.34 billion, roughly 25% of which came from abroad. Despite the fact that investment in French-initiative films has fallen slightly for two consecutive years, the number of productions kept growing (to 209 in 2012). This necessarily means a drop in the average budget (by 6.5% on 2011 to EUR 5.1 million). Moreover, the percentage of films with a budget below one million euros increased to the detriment of medium-size productions (between EUR 4 and 7 million), while 18 French-initiative films surpassed the mark of EUR 15 million compared to only 12 in 2011. These figures confirm a trend in film budgets toward the upper and lower extremes.

2012 saw 84 directors shoot their debut film. Furthermore, co-production reached its highest figure in the last three decades, with 129 projects carried out with partners from 37 different countries (mostly from Belgium, Germany and Italy).

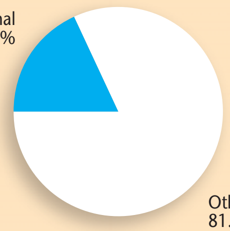
Data show the industry shifting towards more efficient, less expensive digital production. 87% of films were shot in digital in 2012 (72.5% in 2011); while average shooting days per film fell by 12% year-on-year to 37 days.

Source: CNC, Media Salles, *Le film français*

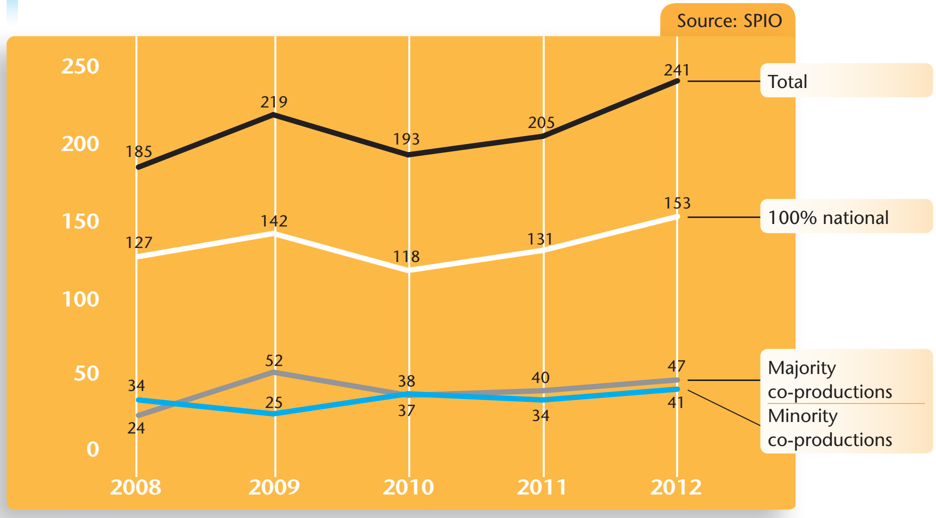
Germany

Population 2012 e	81.8 million
GDP per capita 2012 e	41 168 USD
Gross box office 2011 e	1 033 M EUR (1 327 M USD)
Admissions 2012 e	135.1 million
Average ticket price 2011 e	7.6 EUR (9.8 USD)
Average admissions per capita 2011 e	1.7
Screens 2011 | 2012	4 640 | 4 617
Digital screens 2011 | 2012	2 011 | 3 134
Digital 3D screens 2011 | 2012	1 547 | 1 686

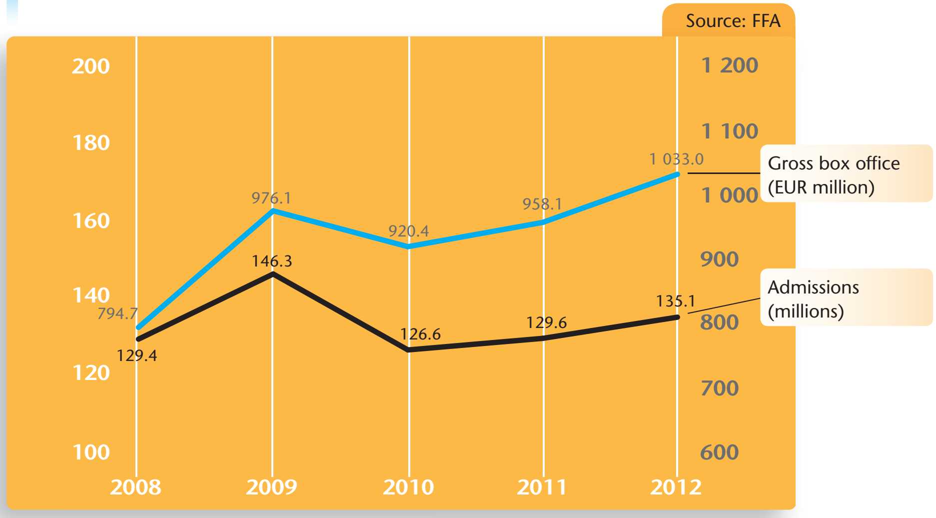
Market shares 2012



Number of German films on first release | 2008-2012



Admissions and gross box office | 2008-2012



Top 20 films by admissions in Germany | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Intouchables	FR	Nakache, Toledano	Senator Film Verleih	8 883 259
2	Skyfall	GB/US	Sam Mendes	Sony Pictures Releasing	7 450 419
3	Ice Age: Continental Drift	US	Martino, Thurmeier	20th Century Fox	6 682 252
4	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Warner Bros.	4 473 402
5	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,…	Paramount	3 923 472
6	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Concorde Filmverleih	3 614 419
7	Ted	US	Seth MacFarlane	Universal Pictures	3 362 589
8	The Dark Knight Rises	US/GB	Christopher Nolan	Warner Bros.	3 253 371
9	American Pie 4	US	Hurwitz, Schlossberg	Universal Pictures	2 520 616
10	Türkisch für Anfänger	DE	Bora Dagtekin	Constantin Film	2 390 245
11	Cloud Atlas	DE/US/HK…	Tykwer, Wachowski	X-Verleih	1 054 642
12	Fünf Freunde	DE	Mike Marzuk	Constantin Film	1 042 780
13	Rubbeldiekatz	DE	Detlev Buck	Universal Pictures	1 041 541
14	Hanni & Nanni 2	DE	Julia von Heinz	Universal Pictures	853 578
15	Mann tut was Mann kann	DE	Marc Rothemund	Warner Bros.	746 017
16	Schutzengel	DE	Til Schweiger	Warner Bros.	712 230
17	Resident Evil: Retribution	DE/CA/US	Paul W.S. Anderson	Constantin Film	685 301
18	Russendisko	DE	Oliver Ziegenbalg	Paramount	653 745
19	Die Vermessung der Welt	DE	Detlev Buck	Warner Bros.	576 370
20	Yoko	DE/AT/SE	Franziska Buch	Sony Pictures Releasing	561 563

Source: FFA

Distribution and exhibition

For the first time ever German BO surpassed the one-billion euro landmark. However, it was not so much due to the level of attendance (135 million admissions, a 4.2% increase on 2011) as the extraordinary hike in ticket pricing since 2009. After two years of steep increases driven by 3D, followed by more moderate rises in the last two years, the 2012 figure (EUR 7.65) confirms the average ticket price is returning to a more normal rate of growth. Unsurprisingly, 21.8% of the admissions were for 3D films (22.8% in 2011).

When it comes to German films, the market share fell from 22.0% in 2011 to 18.1% in 2012. Romantic comedy *Turkish for Beginners*, an adaptation of the TV series of the same name, was the only local production to make it into the top 10 with 2.4 million admissions. In turn, two European films led the box office: French hit *Intouchables* and British Bond instalment *Skyfall*. As usual, the US took the lion's share with 60.8% of the market while 19.8% went to non-national European films.

Although Germany was meant to be at the forefront of digitalization in Europe, its penetration rate is 65%, below the European average. This can be explained by the delay in reaching a consensus upon financing mechanisms for digitalization in previous years.

Production and funding

Soft money sources in Germany are far from having dried up, with some funds even increasing their subsidies on 2011. All uncertainties concerning continuation of the successful DFFF (German Film Fund) were dispelled after the Federal Parliament approved a three-year extension until the end of 2015. Overall, the volume of public support for film and TV production was roughly EUR 340 million, with equal commitments from the FFA and the DFFF accounting together for almost 60% of it.

Unsurprisingly Germany continues to attract foreign investment. In 2012 a historic milestone was achieved with 68 feature fiction co-productions, made with 38 different countries, on first release in Germany.

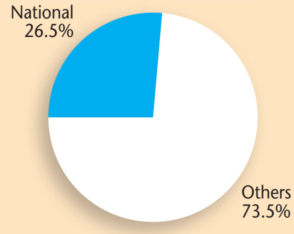
By the end of the year, and after an agreement with the distribution sector, the FFA put in place the long anticipated digitisation trust fund aimed at supporting smaller theatres with their conversion. After years of legal disputes with part of the distribution sector over the levies established by the FFG (Film Subsidies Act), the controversial law was brought again to court in 2011; this time, over allegations that it might exceed federal competencies. To date, the Constitutional Court is still studying whether to grant leave to appeal.

Source: FFA, SPIO, *Blickpunkt Film*, OBS

Italy

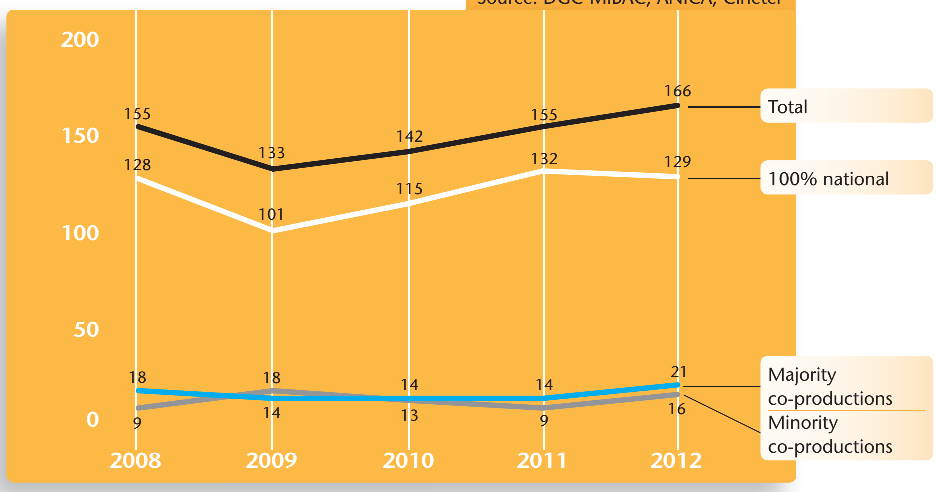
Population 2012 e	60.6 million
GDP per capita 2012 e	37 046 USD
Gross box office 2012 e	609 M EUR (782 M USD)
Admissions 2012 e	91.3 million
Average ticket price 2012 e	6.7 EUR (8.6 USD)
Average admissions per capita 2012 e	1.5
Screens 2011 | 2012	3 227 | 3 227
Digital screens 2011 | 2012	1 519 | 2 112
Digital 3D screens 2011 | 2012	~ | 1 131

Market shares 2012



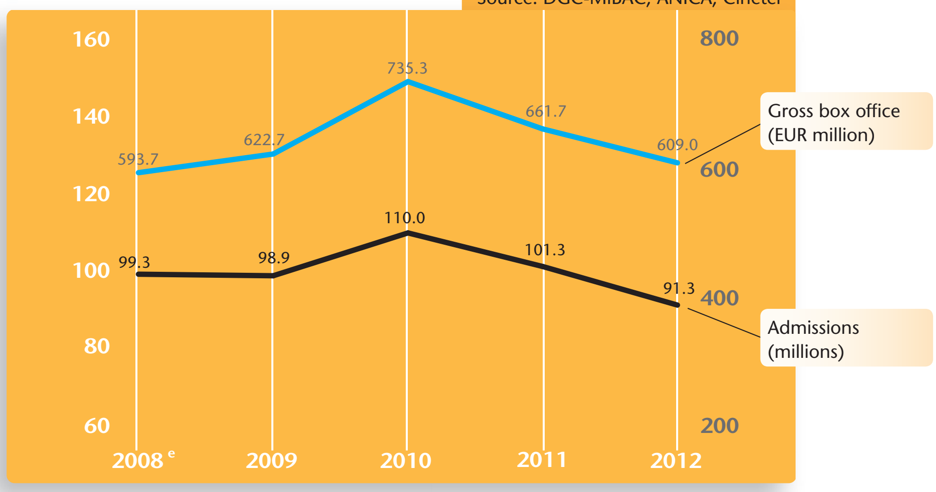
Number of feature films produced in Italy | 2008-2012

Source: DGC-MiBAC, ANICA, Cinetel



Admissions and gross box office | 2008-2012

Source: DGC-MiBAC, ANICA, Cinetel



Top 20 films by admissions in Italy | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Benvenuti al nord	IT	Luca Miniero	Medusa Film	4 288 827
2	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	Universal	3 043 606
3	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Eagle Pictures	2 805 912
4	Intouchables	FR	Nakache, Toledano	Medusa Film	2 495 738
5	Ice Age: Continental Drift	US	Martino, Thurmeier	20th Century Fox	2 325 317
6	The Dark Knight Rises	US/GB	Christopher Nolan	Warner Bros.	2 213 636
7	The Avengers	US	Joss Whedon	Walt Disney	2 133 712
8	Skyfall	GB/US	Sam Mendes	Warner Bros.	1 894 614
9	Immaturi - Il viaggio	IT	Paolo Genovese	Medusa Film	1 852 732
10	Ted	US	Seth MacFarlane	Universal	1 670 448
11	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Warner Bros.	1 637 920
12	The Amazing Spider-Man	US	Marc Webb	Warner Bros.	1 554 754
13	Posti in piedi in paradiso	IT	Carlo Verdone	Filmauro	1 483 525
14	Snow White and the Huntsman	US	Rupert Sanders	Universal	1 385 663
15	To Rome with Love	US/IT/ES	Woody Allen	Medusa Film	1 291 964
16	Il peggior Natale della mia vita	IT	Alessandro Genovesi	Warner Bros.	1 213 721
17	Colpi di fulmine	IT	Neri Parenti	Universal	1 199 732
18	Tutto tutto niente niente	IT	Giulio Manfredonia	01 Distribution	1 137 981
19	Brave	US	Purcell, Chapman,...	Walt Disney	1 078 845
20	Dark Shadows	US	Tim Burton	Warner Bros.	1 060 905

Source: Cinetel

Distribution and exhibition

Italian sequel *Benvenuti al Nord* (Welcome to the North) was the biggest success of the year with more than 4 million admissions, far ahead from the American blockbusters completing the top 5 list. However, that is just about all the good news on Italian screens compared with the successes of the last two years.

Digitisation progressed at a slow pace, with a 65% penetration rate by the end of the year. Italian theatres lost around 10 million admissions on 2011, recording the lowest attendance since 2005 and marking a 17% drop from 2010. The industry reacted to the poor figures by shifting the release day from Friday to Thursday in the second half of the year, which led to a 15.8% attendance hike on release day. Although the admissions trend picked up in September, figures for the start of 2013 follow a similar pattern to the year before. In turn, the average ticket price grew below the inflation rate, by just 2%.

Local productions also experienced a downturn in fortunes, with the national market share by admissions 30% down on 2011, to 6.5%, just slightly below average for the last five years. American films secured more than 51% of the cake, whereas non-national European productions improved their performance by one third on the previous year with a remarkable 18.34% of admissions.

Production and funding

Local production grew by 11 films on 2011, to 166 features. Italy has witnessed a significant increase in international coproduction; 37 films were shot in partnership with producers from 20 countries, mainly France, Belgium and Spain, compared to only 27 and 23 respectively in 2010 and 2011. Fiscal mechanisms have progressively bridged the gap left by sharp cuts in public subsidies in recent years (EUR 24.8 million earmarked for production in 2012). Overall public support reached an 8-year high, with EUR 81 million available for film production.

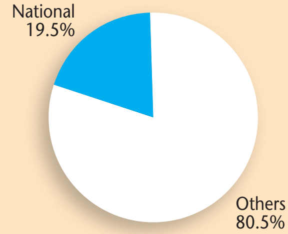
In order to reinforce protection of local production, the Government approved a decree increasing the level of mandatory investment by broadcasters, as well as the quota for local films on Italian television. This new legislation came into force at the beginning of 2013. At a regional level, Lazio established a new cinema centre and a regional fund endowed with EUR 45 million for the period 2012-2014. The former will comprise a film commission and a research department.

Source: DGC - MiBAC, ANICA, Cinetel, MEDIA Salles, Giornale dello Spettacolo, Variety, Screen International, OBS

Spain

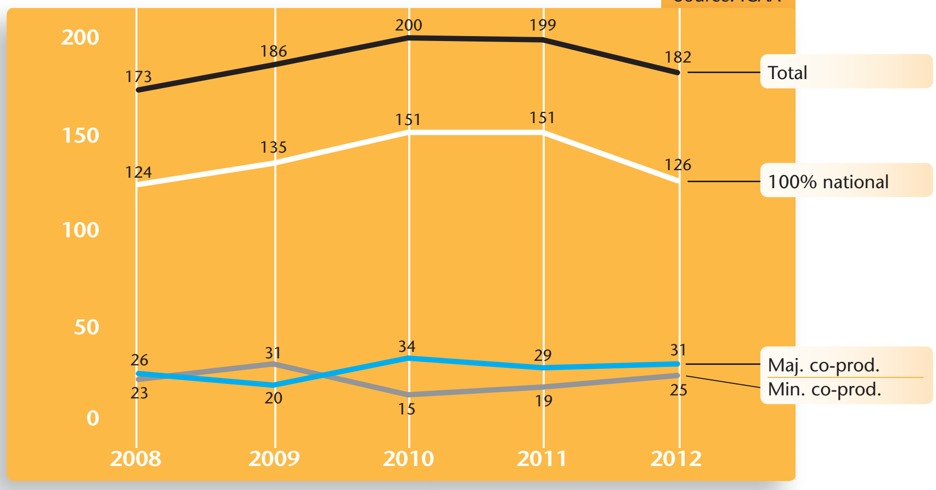
Population 2012 e	46.3 million
GDP per capita 2012 e	28 976 USD
Gross box office 2012 *prov.*	611.1 M EUR (785 M USD)
Admissions 2012 *prov.*	93.6 million
Average ticket price 2012 e	6.5 EUR (8.4 USD)
Average admissions per capita 2012 e	2.0
Screens 2011 | 2012 e	4 040 | 3 998
Digital screens 2011 | 2012 e	1 545 | 1 800
Digital 3D screens 2011 | 2012 e	~ | 980

Market shares 2012 *prov.*



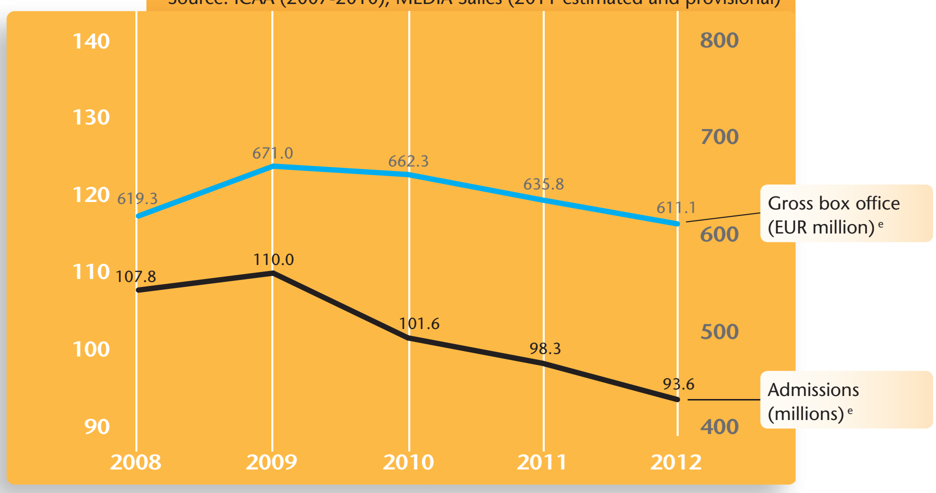
Number of Spanish feature films produced | 2008-2012 e

Source: ICAA



Admissions and gross box office | 2008-2012

Source: ICAA (2007-2010), MEDIA Salles (2011 estimated and provisional)



Top 20 films by admissions in Spain | 2012 *prov.*

	Original title	Country of origin	Director	Distributor	Admissions[e] (in million)
1	Lo imposible	ES	Juan A. Bayona	Warner Bros	5 860 627
2	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Aurum Producciones	3 164 367
3	Tad l'explorateur: À la recherche de la Cité...	ES	Enrique Gato	Paramount	2 696 820
4	Intouchables	FR	Nakache, Toledano	A Contracorriente Films	2 571 855
5	Ice Age: Continental Drift	GB inc/US	Martino, Thurmeier	Hispano Fox Film	2 411 943
6	The Avengers	US	Joss Whedon	Walt Disney	2 382 121
7	Brave	US	Purcell, Chapman,...	Walt Disney	2 344 809
8	The Hobbit: An Unexpected Journey	US	Peter Jackson	Warner Bros	2 168 178
9	Tengo ganas de ti	US	Fernando G. Molina	Warner Bros	1 975 727
10	The Dark Knight Rises	US	Christopher Nolan	Warner Bros	1 874 399
11	Ted	GB inc/US	Seth MacFarlane	Universal Pictures	1 768 672
12	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	Paramount	1 672 802
13	Hotel Transylvania	US	G. Tartakovsky	Sony Pictures	1 643 542
14	Snow White and the Huntsman	US	Rupert Sanders	Universal Pictures	1 580 890
15	Prometheus	US	Ridley Scott	Hispano Fox Film	1 494 276
16	Skyfall	US	Sam Mendes	Sony Pictures	1 450 131
17	The Amazing Spider-Man	US	Marc Webb	Sony Pictures	1 377 202
18	The Hunger Games	US/ES	Gary Ross	Warner Bros	1 339 533
19	Sherlock Holmes: A Game of Shadows	US	Guy Ritchie	Warner Bros	1 319 947
20	The Descendants	US	Alexander Payne	Hispano Fox Film	1 307 960

Source: ICAA

Distribution and exhibition

The national market had one of the worst starts on record, with attendance free-falling by 17.6% through the first quarter of 2012 compared with the same period the previous year. By the end of the year, Spanish admissions had fallen by just 4.8% from 2011. This was mainly due to a sharp pickup during the fourth quarter thanks to the release of J.A. Bayona's English-language disaster film *The Impossible* (the highest-grossing local production in Spain ever) starring Naomi Watts and Ewan McGregor, but also to the success of 3D titles like *The Hobbit* and *Hotel Transylvania*. This was despite the drastic VAT hike from 8% to 21% for cinema tickets which came into force in September, not to mention the effects of the economic crisis and endemic piracy. Furthermore, digital rollout has slowed down, placing Spain well below the European average with a penetration rate of 46%.

All in all, 2012 was the best year for Spanish films in the last 27 years, with a market share of 19.3% amounting to almost 18 million admissions. For the first time, three local productions ranked within the top 10. Juan Antonio Bayona's mega-hit, adventure animation film *Las Aventuras de Tadeo Jones* (Tad, the lost explorer) and romantic adaptation *Tengo Ganas de Ti* (I Want You) represented more than half of the BO for local films. In turn, the five main distribution companies in the country (Warner Bros., Hispano Foxfilm, Aurum, Alta Films and Golem) accounted for 45% of the BO.

Production and funding

The number of Spanish productions fell by 9%, two years after its peak in 2010 (when 200 titles were shot, the highest volume since data were first collected). According to ICAA's (Institute of Cinematography and Audiovisual Arts) provisional figures, Spanish producers participated in 182 projects in 2012. The number of fully national productions decreased, while co-production grew on 2011. 56 films were shot together with a foreign partner, mainly from France, Argentina, Brazil and the US. This year Spain signed a new co-production agreement with Israel.

Not only has the number of productions decreased, but also the average budget – from EUR 2.2 million in 2011 to EUR 1.8 million in 2012. This comes as no surprise, since public subsidies for cinema have been cut by 40% on 2011, down to EUR 71 million. ICAA granted EUR 47 million in support, while the regions contributed the rest. Two thirds of the films produced were in Spanish; the remainder were shot mainly in Catalan (10 films), English (7) and Basque (5).

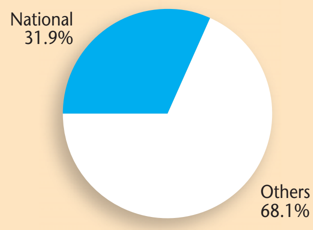
Source: ICAA, *Screen International*, Cineinforme, *Variety*, OBS

United Kingdom

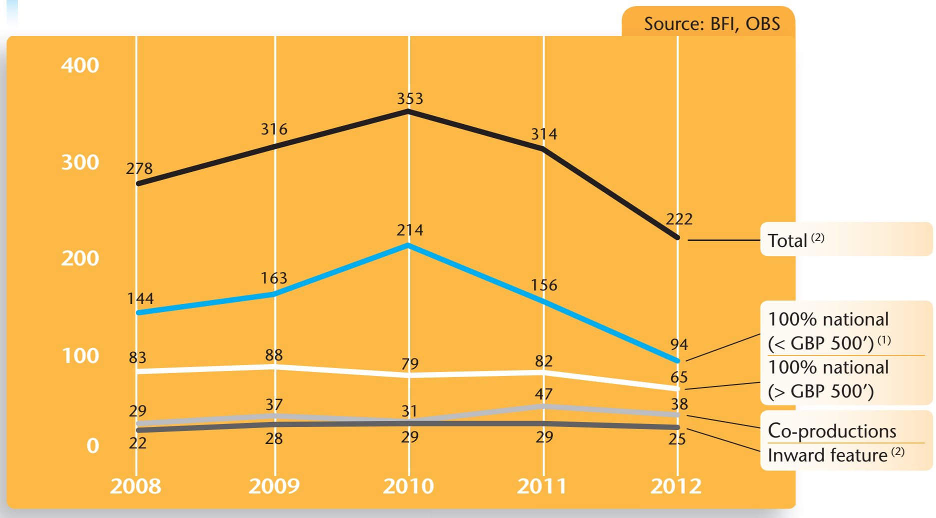
Population 2012 e	62.6 million
GDP per capita 2012 e	39 604 USD
Gross box office 2012 e	1 179 M GBP (1 868 M USD)
Admissions 2012	172.5 million
Average ticket price 2012	6.4 GBP (10.1 USD)
Average admissions per capita 2012	2.8
Screens 2011 | 2012	3 767 | 3 817
Digital screens 2011 | 2012	2 714 | 3 538
Digital 3D screens 2011 | 2012	1 475 | 1 564

(1) Based on gross box office

Market shares 2012 e (1)

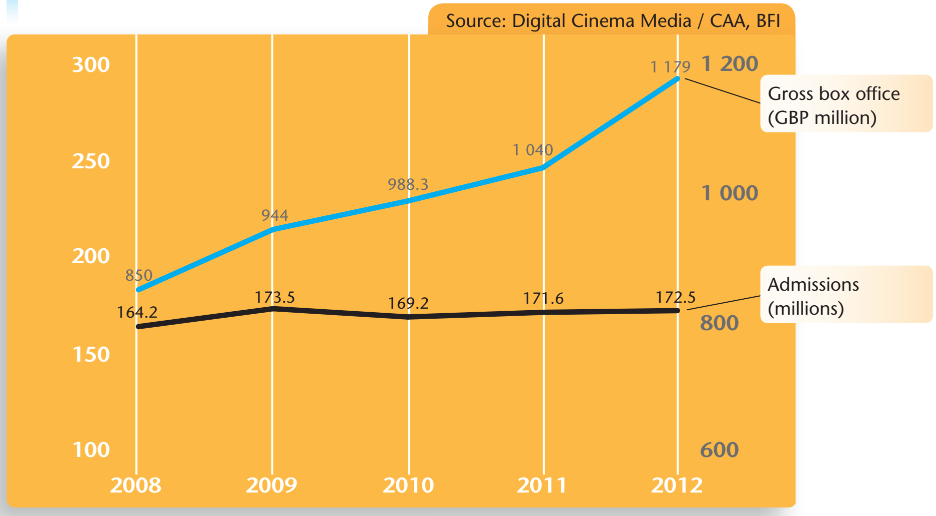


Number of films produced in the United Kingdom | 2008-2012



(1) The decline in 100% national films with budgets below GBP 500 000 could be partly due to a time lag in obtaining data.
(2) Including inward feature co-productions but excluding inward features involving only VFX work in the UK.

Admissions and gross box office | 2008-2012



Top 20 films by gross box office in the United Kingdom & Ireland | 2012 e

Estimated admissions based on average ticket price of GBP 6.37.

	Original title	Country of origin	Director	Distributor	Admissions e
1	Skyfall	GB/US	Sam Mendes	Sony Pictures Intl	15 945 446
2	The Dark Knight Rises	US/GB	C. Nolan	Warner Bros.	8 831 577
3	The Avengers	US	Joss Whedon	Walt Disney	8 143 392
4	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Warner Bros.	7 044 006
5	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Eone Films	5 589 127
6	Ted	US	Seth MacFarlane	Universal Pictures	4 776 071
7	Ice Age: Continental Drift	US	Martino, Thurmeier	20th Century Fox	4 738 998
8	The Amazing Spider-Man	US	Marc Webb	Sony Pictures Intl	4 072 251
9	Prometheus	US/GB	Ridley Scott	20th Century Fox	3 886 003
10	The Hunger Games	US	Gary Ross	Lions Gate	3 775 439
11	Taken 2	FR	Olivier Megaton	20th Century Fox	3 692 417
12	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	Paramount	3 522 025
13	Men in Black 3	US/AE	Barry Sonnenfeld	Sony Pictures Intl	3 490 635
14	Brave	US	Purcell, Chapman,...	Walt Disney	3 476 380
15	The Woman in Black	GB inc/US/SE	James Watkins	Momentum/Alliance	3 349 246
16	The Best Exotic Marigold Hotel	GB inc/US/UA	John Madden	20th Century Fox	3 206 465
17	War Horse	US/IN	Steven Spielberg	Walt Disney	2 924 839
18	Life of Pi	US/TW	Ang Lee	20th Century Fox	2 803 364
19	American Pie 4	US	Hurwitz, Schlossberg	Universal Pictures	2 668 980
20	The Muppets	US	James Bobin	Walt Disney	2 640 028

Source: BFI/Rentrak

Distribution and exhibition

2012 saw the UK approaching full digitisation, surpassing 90% penetration. For the second year running, cinema attendance increased, although it remained lower than in 2009. Local films performed well above average, albeit national market share decreased slightly on the previous year to 31.9%. Secret agent James Bond deserves credit for the achievement, helping GBO climb to an unprecedented 1.29 billion GBP – and that in the year of the Olympics and the Diamond Jubilee. Not only was the latest 007 instalment the most successful of the series by far, but also the highest-grossing film ever in the UK, breaking the 100 million GBP threshold for the first time.

That said, only 9% of the market share was for British independent films (down from a historic high of 13.5% in 2011); the remainder being US studio-backed productions. Although three British productions appeared in the top 10 GBO performers, all of them belonged to this latter category and we have to go down to number 16 to find a British-majority production *(The Woman in Black)*.

In terms of international distribution, the new brand *We Are UK Film* was launched at the Berlinale 2013. This umbrella brand, led by the BFI, brings together the country's national and regional film agencies to boost British cinema abroad, as well as to promote its talent, services and locations overseas.

Production and funding

After a previous record-breaking year, local spend in features produced in the UK fell by 28.5% to GBP 927 million. Likewise, just 223 features were produced, 96 fewer than in 2011; low-budget productions (under GBP 500k) being the most affected category with only 94 films shot (40% less than in 2011).

The legal disputes between HMRC, UK's Inland Revenue Department, and several funds operating under the tax shelter for investors in the film industry has damaged the image of this popular mechanism. So far British courts have ruled in favour of HMRC over allegations of tax avoidance and double-dipping; however, legal action is still ongoing. In the midst of the storm the Government announced the extension of another existing tax mechanism, the tax relief for producers (until the end of 2015), including for the first time TV drama, videogames and animation within its purview.

The British Film Institute unveiled its five-year action plan *Film Forever*, estimating an average investment of almost GBP 100 million a year in the film industry over the period 2012-2017 (a quarter of which would go to production and development).

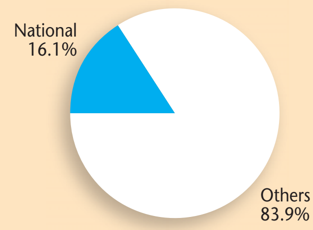
Source: BFI, *Screen International*, Variety

Russian Federation

Population 2012 e	142.0 million
GDP per capita 2012 e	13 764.8 USD
Gross box office 2012 e	37.4 bn RUB (1.20 bn USD)
Admissions 2012 e	156.9 million
Average ticket price 2012 e	238 RUB (7.7 USD)
Average admissions per capita 2012 e	1.1
Screens 2011 | 2012	2 726 | 3 142
Digital screens 2011 | 2012	1 472 | 2 098
Digital 3D screens 2010 | 2012	1 434 | 1 966

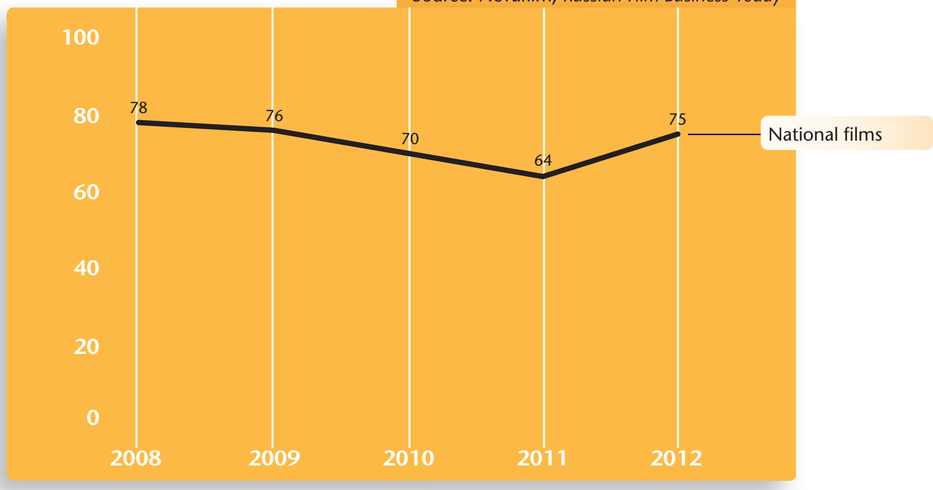
Figures calculated for the period 1 December 2011 to 30 November 2012

Market shares 2012 e



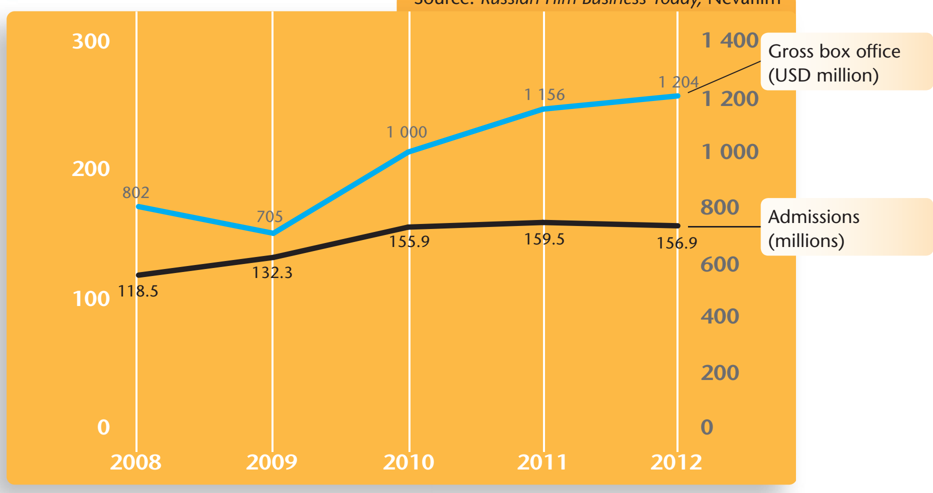
Number of Russian films on first release | 2008-2012

Source: Nevafilm, *Russian Film Business Today*



Admissions and gross box office in Russia | 2008-2012

Source: *Russian Film Business Today,* Nevafilm



Top 20 films by admissions in the CIS (1) | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Ice Age: Continental Drift	US	Martino, Thurmeier	20th Century Fox	7 668 873
2	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	Central Partnership	7 443 779
3	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	West Video	6 175 420
4	The Avengers	US	Joss Whedon	Walt Disney, Sony...	4 952 042
5	Men in Black 3	US/AE	Barry Sonnenfeld	Walt Disney, Sony...	4 557 643
6	John Carter	US	Andrew Stanton	Walt Disney, Sony...	3 752 362
7	Skyfall	GB/US	Sam Mendes	Walt Disney, Sony...	3 235 881
8	Ivan Tsarevich and the Gray Wolf	RU	Vladimir Toropchin	Nashe Kino	3 172 552
9	Battleship	US	Peter Berg	Universal Pictures	3 092 546
10	Sherlock Holmes: A Game of Shadows	US	Guy Ritchie	Karo Premier	3 065 635
11	The Amazing Spider-Man	US	Marc Webb	Walt Disney, Sony...	3 038 501
12	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Karo Premier	2 844 414
13	The Expendables 2	US	Simon West	Universal Pictures	2 778 113
14	Prometheus	US/GB	Ridley Scott	20th Century Fox	2 712 096
15	Ted	US	Seth MacFarlane	Universal Pictures	2 686 002
16	Brave	US	Purcell, Chapman,...	Walt Disney, Sony...	2 607 819
17	Wrath of the Titans	US/ES	Jonathan Liebesman	Karo Premier	2 586 026
18	The Dark Knight Rises	US/GB	Christopher Nolan	Karo Premier	2 510 485
19	Cloud Atlas	DE/US/...	Tykwer, Wachowski	20th Century Fox	2 192 386
20	Hotel Transylvania	US	Genndy Tartakovsky	Walt Disney, Sony...	2 175 590

(1) Excluding Ukraine.

Source: *Russian Film Business Today, Nevafilm Research*

Distribution and exhibition

The meteoric rise of cinema attendance in Russia in recent years has ended. After admissions reached a peak in 2010, attendance has fallen to 156.9 million in 2012. Nevertheless, the box office kept growing during this period, making RUB 37.4 million (USD 1.2 billion) in 2012 compared with RUB 34 million the year before. This was due to the high rise in ticket prices, which have doubled in just 6 years, resulting in an average ticket price of RUB 239 (USD 7.7). Unsurprisingly, almost all digital screens (67% penetration rate) are 3D-equipped, with 3D screenings representing more than a third of the box office in 2012. The best performing local production, animation film *Ivan Tsarevich and the Gray Wolf*, was the only one to make it into the top 10.

This year the Russian Cinema Fund held *Red Square Screenings* in Moscow for the first time. The event, aimed at international buyers and festival programmers, showcased 50 local productions and more than 30 ongoing projects. In turn, state-backed international film promotion body Roskino launched the *Russian Film Commission* in Los Angeles, to promote Russia as a film location and co-producer as well as to build ties with local distributors.

Production and funding

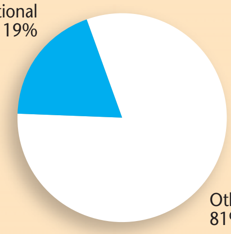
In line with previous years, 109 local productions were shot in 2012, whereas just 75 Russian films were released in the country. In late November the Ministry of Culture decided, out of the blue, to take over the Russian Cinema Fund, citing the institution's failure to attract audiences to see local productions and the need to optimize resources. Despite public support for local films doubling over the last three years, the national market share has dropped from a consolidated figure well above 20% before 2010 to 16.1% in 2012. Furthermore, the Government announced its intention to impose quotas for local production (at least 20% of screenings) and it also plans to lift the GST (18%) waiver for the exhibition of foreign films. Detractors of these measures see in them veiled intentions to use cinema as a propaganda tool, as they believe the new status quo to result from the reforms will benefit big local productions over international co-production. Exhibitors also complain that quotas will have an impact on foreign indie titles rather than on Hollywood blockbusters.

Source: Nevafilm, *Variety*, *Russian Film Business Today*, The Hollywood Reporter, OBS

Poland

Population 2012 e	38.2 million
GDP per capita 2012 e	12 302.4 USD
Gross box office 2012 e	711.3 M PLN (218.4 M USD)
Admissions 2012 e	38.5 million
Average ticket price 2011 e	18.5 PLN (5.7 USD)
Average admissions per capita 2011 e	1.0
Screens 2011 | 2012 e	1 048 | 1 200
Digital screens 2011 | 2012 e	500 | 878
Digital 3D screens 2011 | 2012 e	451 | 624
Films produced 2011 | 2012 e	35 | 42

Market shares 2012 e



Top 10 films by admissions in Poland | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath, Darnell	UIP	1 748 172
2	Skyfall	GB/US	Sam Mendes	Forum Film	1 660 917
3	Ice Age: Continental Drift	US	S. Martino, M. Thurmeier	Imperial Cinepix	1 537 654
4	Jestes Bogiem	PL	Leszek Dawid	Kino Swiat	1 436 940
5	In Darkness	PL/DE/CA	Agnieszka Holland	Kino Swiat	1 180 118
6	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Forum Film	1 123 246
7	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Monolith	1 007 841
8	Puss in Boots	US	Chris Miller	UIP	943 293
9	Intouchables	FR	O. Nakache, E. Toledano	Gutek Film/Best Film	758 042
10	The Dark Knight Rises	US/GB	Christopher Nolan	Warner	684 543

Source: PISF

Distribution and exhibition

2012 saw a slight fall in box office, down by 0.7% to PLN 711.3 million (USD 222.2 million) on 2011. The performance of Polish cinema was a long way off last year's, although it achieved a more than acceptable 19% market share. *Jestes Bogiem* and *In Darkness* were the only two local productions to make it into the BO top 10. The latter was nominated for the Best Foreign Language Film Oscar in 2012.

Poland has gone from 20 to 25 million admissions at the beginning of the century to around 40 million in recent times. With three years of stable attendance (38.5 million admissions in 2012, just 0.5% down on the previous year) it might be assumed the country's exhibition market is heading towards full capacity. In actual fact, Poland has been one of the few countries in Europe opening new facilities while elsewhere theatres are struggling to survive or even shutting down. By the end of the year there were approximately 1 200 screens in the country, 14% more than the year before. In addition, a modest one admission per capita shows there is still scope for growth.

Average ticket price (USD 5.7 in 2012) has stagnated since 2010, after years of growing well above the inflation rate. This can be explained by both the economic situation and the maturity of the 3D market. Digital rollout was in line with European levels, with 69% penetration. Moreover, 73% of digital screens are 3D-capable to date.

Production and funding

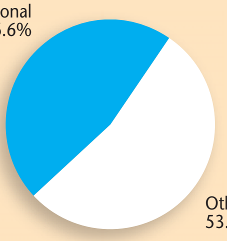
Poland produced 42 feature films in 2012 (7 more than the year before), a third of which were international co-productions with 15 different countries, mainly Germany, Czech Republic and Slovakia. The Polish Film Institute (PISF) was endowed with EUR 31.1 million by the end of the year, earmarking EUR 22 million for film production to take place during 2013. Furthermore, an additional EUR 340,000 was made available by the 11 regional funds operating in the country. Efforts have been made to improve the position of Polish cinema in the world; in 2012, PISF and Film Commission Poland joined forces to launch *Polish Days*, running in parallel with the New Horizons Film Festival in Wroclaw. The event showcases local productions and projects mainly aimed at the festival's international participants.

Source: Polish Film Institute (PISF), boxoffice.pl, *Variety*, Film New Europe, European Audiovisual Observatory

Turkey

Population 2012 e	74.885 million
GDP per capita 2012 e	10 457 USD
Gross box office 2012	421.9 M TRY (234.2 M USD)
Admissions 2012 e	43.9 million
Average ticket price 2012 e	9.6 TRY (5.3 USD)
Average admissions per capita 2012	0.6
Screens 2011 | 2012 e	1 968 | 2 093
Digital screens 2011 | 2012 e	266 | 360
Digital 3D screens 2011 | 2012 e	95 | 280
Films produced 2011 | 2012 e	70 | 67

Market shares 2012 e



Top 20 films by admissions in Turkey | 2012 e

	Original title	Country of origin	Director	Distributor	Admissions e
1	Fetih 1453 (Constantinople)	TR	Faruk Aksoy	Tglon	6 565 850
2	Evim Sensin	TR	Özcan Deniz	UIP	2 602 366
3	Ice Age: Continental Drift	US	S. Martino, M. Thurmeier	Tglon	1 866 563
4	Berlin Kaplani	TR	Hakan Algül	UIP	1 982 762
5	Sen Kimsin?	TR	Ozan Aciktan	UIP	1 592 471
6	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Tglon	1 410 169
7	The Hobbit: An Expected Journey	US/NZ	Peter Jackson	Warner Bros.	919 276
8	The Dark Night Rises	US/GB	Christopher Nolan	Warner Bros.	799 169
9	Çakallarla Dans 2: Hastasiyiz Dede	TR	Murat Seker	Warner Bros.	826 979
10	The Avengers	US	Joss Whedon	UIP	666 520

Source: Antrakt Sinema

Distribution and exhibition

Turkey's box office topper, *Fetih 1453*, epic super-production on the conquest of Constantinople by the Ottomans, not only became the highest ever grossing local film, but it did so by a landslide, surpassing 2009's *Recep Ivedik 2*. Furthermore, the film was not alone in the rankings, as four other local productions also made it into the BO top 10 – the remainder being American blockbusters. The 46.6% national market share for local films in 2012 therefore comes as no surprise, although the figure was below the 50%+ share the market is used to. The main distributors were UIP Türkiye, achieving 30% of total box office, followed by Tiglon Film (30%) and Warner Bros. (15%).

With 43.9 million admissions, attendance reached an historic high, growing by 3.8% on 2011 and accounting for TRY 421.9 million (USD 234.2 million). Turkey has increased admissions per capita by 50% through the century, up to 0.6 in 2012, a figure that shows there is still plenty of scope for growth. Even though the country's stock of screens has been increasing over the last few years (by 300 screens since 2008), digital rollout has not properly kicked off yet. With just 360 digital screens by the end of 2012, 280 of which were 3D capable, Turkey has just 17% digital penetration. In 2013 the Ministry of Culture revealed its plans to privatise state theatres as well as to establish a film museum and archive.

Production and funding

67 films were produced in the country in 2012 (3 fewer than the year before), 8 of which were international co-productions carried out with Germany, France, Greece, UK and Cyprus. By the beginning of 2013 the Government announced its intention to set up a *Strategic Cinema Commission* to draw a road map for the national cinema industry. Although the Ministry of Culture has been funding the production of domestic films with commercial potential, there are neither official support schemes nor tax incentives aimed at attracting foreign productions.

2015 will commemorate the centenary of WWI's Battle of Gallipoli and the Turkish production machine has already started to warm its engines with the development of two productions inspired by the event, *Children of Canakkale* and *Canakkale 1915*, confirming local audiences' increasing interest in historical themes.

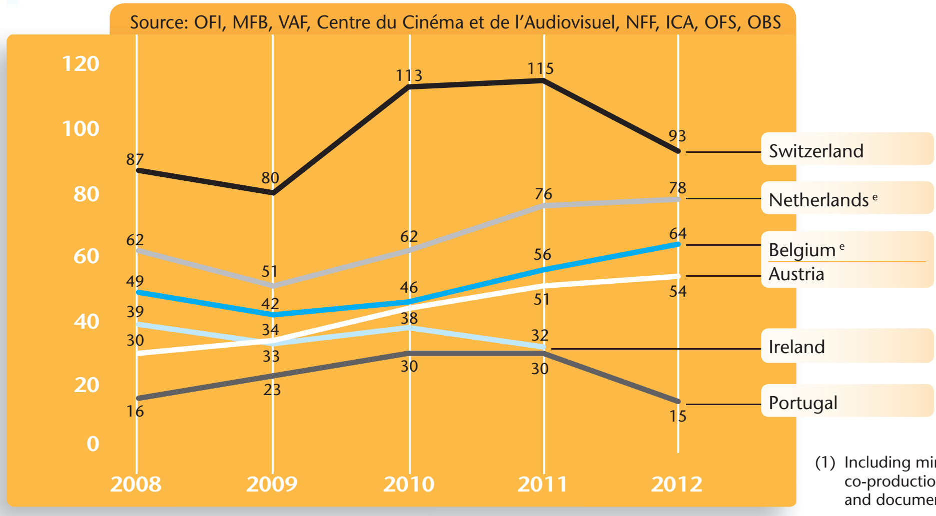
Source: *Antrakt Sinema, Screen International, Variety,* OBS

Other Western Europe

	Austria	Belgium	Ireland	Netherlands	Portugal	Switzerland
Population 2012 e (millions)	8.5	11.0	4.6	16.8	10.7	8.0
GDP per capita 2012 e (USD)	46 330	48 110	48 517	45 942	19 768	77 840
Gross box office 2012 e (M USD)	164.4	204.0	138.1	315.3	94.9	259.0
Admissions 2012 e (millions)	16.4	21.9	15.4	30.7	13.8	15.5
Average ticket price 2012 e (USD)	10.0	9.3	9.0	10.3	6.9	16.7
Average admissions per capita 2012 e	1.9	2.0	3.4	1.8	1.3	1.9
Screens 2012	565	510 (1)	311	869	550	536
Digital screens 2012	537	480	289	808	392	494
Digital 3D screens 2012	286	146	112	394	214	247
National market shares 2012 e	3.6%	1.6%	4.0% (1)	16.3%	5.3%	5.2%

(1) 2011

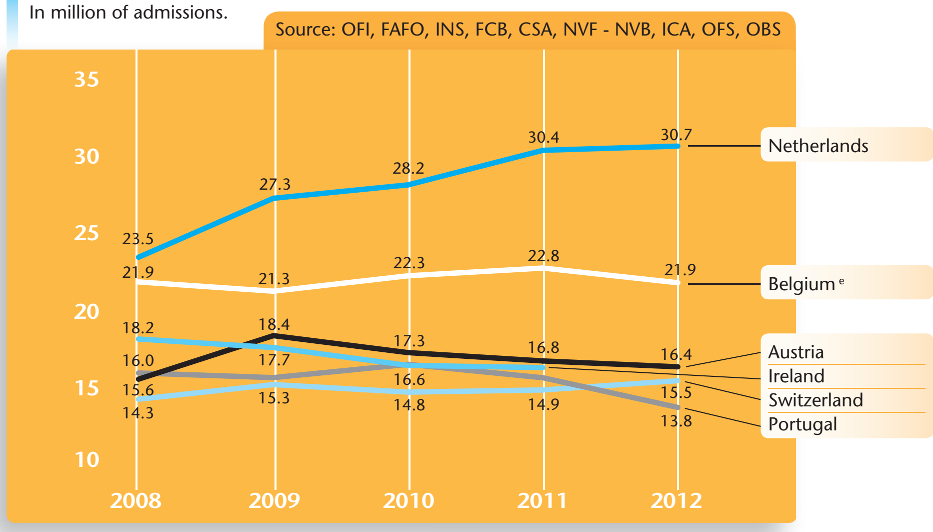
Number of feature films produced by selected Western European countries (1) | 2008-2012



(1) Including minority co-productions and documentaries.

Cinema attendance in selected Western European countries | 2008-2012

In million of admissions.



Top 10 films by admissions in Austria | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Ice Age: Continental Drift	US	Martino, Thurmeier	Fox International	951 248
2	Skyfall	GB/US	Sam Mendes	Sony Pictures (AT)	779 488
3	Intouchables	FR	Nakache, Toledano	Constantin Film (AT)	725 954
4	Ted	US	Seth MacFarlane	UIP (AT)	618 101
5	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Warner Bros. (AT)	500 570
6	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	UIP (AT)	493 079
7	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Constantin Film (AT)	480 912
8	American Pie 4	US	Hurwitz, Schlossberg	UIP (AT)	430 851
9	The Dark Knight Rises	US/GB	Christopher Nolan	Warner Bros. (AT)	371 147
10	Men in Black 3	US/AE	Barry Sonnenfeld	Sony Pictures (AT)	286 295

Source: Österreichisches Filminstitut (OFI)

Top 10 films by admissions in Switzerland | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Skyfall	GB/US	Sam Mendes	The Walt Disney Comp.	1139965
2	Intouchables	FR	Nakache, Toledano	Frenetic Films AG	1032283
3	Ice Age: Continental Drift	US	Martino, Thurmeier	20th Century Fox SA	672959
4	Madagascar 3 (3D)	US	Vernon, McGrath,...	United Intl Pictures	454253
5	Hobbit, The: Part 1	US/NZ	Peter Jackson	Warner Bros.	414969
6	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Elite-Film AG	337135
7	Dark Knight Rises, The	US/GB	Christopher Nolan	Warner Bros.	305779
8	Ted	US	Seth MacFarlane	United Intl Pictures	279049
9	American Pie: Reunion	US	Hurwitz, Schlossberg	United Intl Pictures	259681
10	Sherlock Holmes: A Game Of Shadows	US	Guy Ritchie	Warner Bros.	225668

Source: Office fédéral de la statistique (OFS)

Top 10 films by admissions in the Netherlands | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Skyfall	GB/US	Sam Mendes	Sony Pictures	1 984 003
2	Intouchables	FR	Nakache, Toledano	Filmfreak Distributie	1 214 814
3	Ice Age: Continental Drift	US	Martino, Thurmeier	WB - 20th Century Fox	885 203
4	Ted	US	Seth MacFarlane	Universal Pict. Int (NL)	810 272
5	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Warner Bros.	788 263
6	The Dark Knight Rises	US/GB	Christopher Nolan	Warner Bros.	760 580
7	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	Universal Pict. Int (NL)	691 681
8	Alles is familie	NL	Joram Lürsen	Adlabs	641 512
9	Mees Kees	NL	Barbara Bredero	Entertainment One	568 213
10	Alvin and the Chipmunks: Chipwrecked	US	Mike Mitchell	WB - 20th Century Fox	557 308

Source: MaccsBox, NVB & NVF

Top 10 films by admissions in Portugal | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	Lusomundo Audiovis.	632 421
2	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Lusomundo Audiovis.	524 944
3	Ice Age: Continental Drift	US	Martino, Thurmeier	Big Picture 2 Films	507 528
4	Skyfall	GB/US	Sam Mendes	Lusomundo Audiovis.	465 816
5	Brave	US	Purcell, Chapman,...	Lusomundo Audiovis.	397 844
6	Ted	US	Seth MacFarlane	Lusomundo Audiovis.	334 407
7	American Pie 4	US	Hurwitz, Schlossberg	Lusomundo Audiovis.	331 932
8	The Dark Knight Rises	US/GB	Christopher Nolan	Col. TriStar Warner	322 693
9	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Lusomundo Audiovis.	302 529
10	Sherlock Holmes: A Game of Shadows	US	Guy Ritchie	Col. TriStar Warner	280 497

Source: ICA

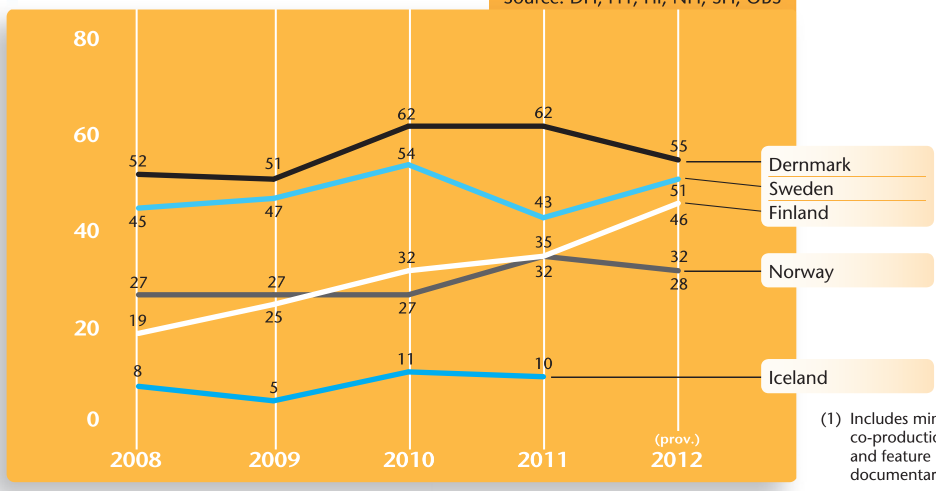
Nordic countries

	Denmark	Finland	Iceland	Norway	Sweden
Population 2012 e (millions)	5.6	5.4	0.3	5.0	9.5
GDP per capita 2012 e (USD)	55 448	45 545	41 151	99 316	54 879
Gross box office 2012 e (M USD)	145	101.5	11.5 (2)	191.0	268.0
Admissions 2012 e (millions)	13.6	8.5	1.6 (1)	12.1	18.4
Average ticket price 2012 e (USD)	10.7	11.9	6.7 (2)	15.8	14.6
Average admissions per capita 2012 e	2.4	1.6	5.0 (1)	2.4	1.9
Screens 2012 e	406	280	42 (1)	415	816
Digital screens 2012 e	392	265	35	415	640
Digital 3D screens 2012 e	234	250	26	273	428
National market shares 2012 e	28.7%	28.0%	7.1% (2)	17.9%	24.1%

(1) 2010 (2) 2009

Number of feature films produced in the Nordic countries (1) | 2008-2012

Source: DFI, FFF, HI, NFI, SFI, OBS



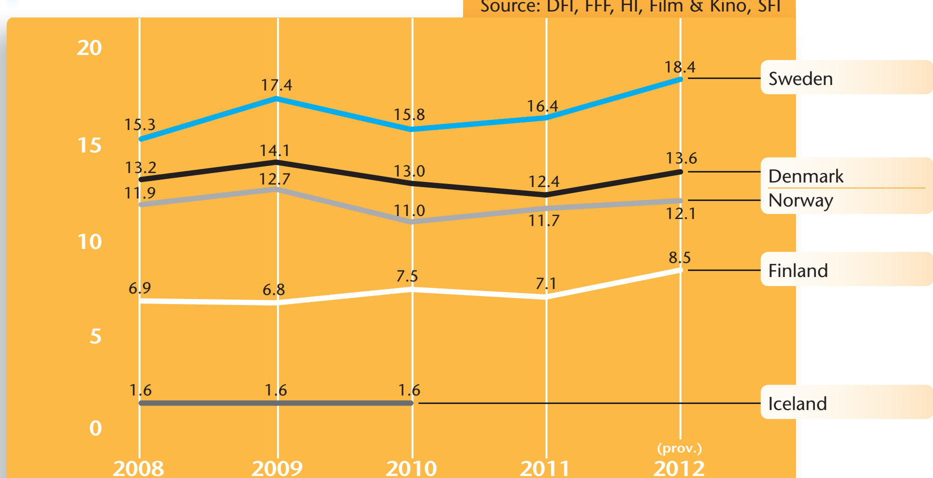
(1) Includes minority co-productions and feature documentaries.

Note: Danish figures refer to the number of feature films receiving public funding in a given year.

Cinema attendance in the Nordic countries | 2008-2012

In million of admissions.

Source: DFI, FFF, HI, Film & Kino, SFI



Top 10 films by admissions in Denmark | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Skyfall	GB/US	Sam Mendes	SF-Film	891 235
2	Hvidsten gruppen	DK	A-G Bjarup Riis	UIP (DK)	746 897
3	All You Need Is Love	DK/SE/…	Susanne Bier	Nordisk Film Distr.	643 571
4	The Dark Knight Rises	US/GB	Christopher Nolan	SF-Film	563 914
5	En kongelig affære	DK/SE/CZ	Nikolaj Arcel	Nordisk Film Distr.	527 992
6	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	SF-Film	446 155
7	Far til fire: Til søs	DK	Claus Bjerre	Scanbox Entertainment	410 062
8	Ice Age: Continental Drift	US	Martino, Thurmeier	SF-Film	354 226
9	Twilight: Breaking Dawn Spoof	US	Ryan Perez	Nordisk Film Distr.	342 320
10	Intouchables	FR	Nakache, Toledano	Scanbox Entertainment	319 200

Source: Statistics Denmark, DFI

Top 10 films by admissions in Finland | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Skyfall	GB/US	Sam Mendes	FS Film	615 895
2	Ice Age: Continental Drift	US	Martino, Thurmeier	FS Film	316 607
3	Risto Räppääjä ja viileä Venla	FI	Mari Rantasila	Nordisk Film	309 942
4	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	FS Film	308 383
5	Madagascar 3: Europe’s Most Wanted	US	Vernon, McGrath,…	Finnkino	307 448
6	The Dark Knight Rises	US/GB	Christopher Nolan	FS Film	288 996
7	Tie pohjoiseen (Road North)	FI	Mika Kaurismäki	FS Film	264 830
8	Puhdistus (Purge)	FI/ EE	Antti J. Jokinen	Nordisk Film	208 501
9	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Nordisk Film	206 417
10	The Hunger Games	US	Gary Ross	Nordisk Film	196 093

Source: Finnish Film Foundation (FFF)

Top 10 films by admissions in Norway | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Kon-Tiki	GB/NO/…	Espen Sandberg	Nordisk Film Distr.	881 944
2	Skyfall	GB/US	Sam Mendes	SF Norway	723 192
3	Ice Age: Continental Drift	US	Martino, Thurmeier	20th Century Fox (NO)	700 695
4	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	SF Norway	449 193
5	Reisen til Julestjernen	NO	Ola Solum	Europafilm	443 922
6	The Dark Knight Rises	US/GB	Christopher Nolan	SF Norway	409 029
7	Madagascar 3: Europe’s Most Wanted	US	Vernon, McGrath,…	UIP (NO)	379 488
8	Puss in Boots	US	Chris Miller	UIP (NO)	321 621
9	The Avengers	US	Joss Whedon	Walt Disney Studios, …	318 973
10	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Nordisk Film Distr.	312 273

Source: Film og Kino

Top 10 films by admissions in Sweden | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Skyfall	GB/US	Sam Mendes	SF Film (SE)	1 045 355
2	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	SF Film (SE)	834 455
3	The Dark Knight Rises	US/GB	Christopher Nolan	Warner (SE)	717 958
4	Ice Age: Continental Drift	US	Martino, Thurmeier	20th Century Fox (SE)	596 442
5	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Nordisk Film	522 139
6	Hamilton: I nationens intresse	SE	Kathrine Windfeld	Walt Disney	512 661
7	The Hunger Games	US	Gary Ross	Nordisk Film	492 185
8	Puss in Boots	US	Chris Miller	UIP/Paramount	435 986
9	The Avengers	US	Joss Whedon	Walt Disney	428 920
10	Intouchables	FR	Nakache, Toledano	Scanbox Entertainment	406 545

Source: Swedish Film Institute (SFI)

Baltics and Central Europe

	Czech Republic	Estonia	Hungary	Latvia	Lithuania	Slovakia	Slovenia
Population 2012 e (millions)	10.6	1.3	10.0	2.0	3.2	5.5	2.0
GDP per capita 2012 e (USD)	18 337	15 987	12 934	13 316	12 873	16 726	22 461
Gross box office 2012 e (M USD)	65.2	14.7	53.4	12.5	15.0	17.5	12.0
Admissions 2012 e (millions)	11.2	2.6	9.5	2.3	3.0	3.4	2.7
Average ticket price 2012 e (USD)	5.8	5.7	5.6	5.5	5.0	5.2	4.4
Average admissions per capita 2012 e	1.1	1.9	1.0	1.1	0.9	0.6	1.4
Screens 2012 e	676	70	400	62	95	206	110
Digital screens 2012 e	384	18	300	28	21	115	18
Digital 3D screens 2012 e	211	18	150	17	20	76	17
Films produced 2012 e (3)	47	20	27	14	10 (1)	17	8 (2)
National market shares 2012 e	24.3%	7.6%	1.9%	4.5%	2.5%	3.0%	4.8%

(1) National first releases (2) 2011 (3) Including theatrical feature documentaries (except Lithuania) and minority co-productions.

Top 10 films by admissions in the Czech Republic | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Ice Age: Continental Drift	US	Martino, Thurmeier	Bontonfilm	670 787
2	Líbás jako dábel	CZ	Marie Poledňáková	Falcon	501 235
3	Skyfall	GB/US	Sam Mendes	Forum Film (CZ)	478 820
4	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Warner Bros. (CZ)	476 210
5	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	Bontonfilm	456 558
6	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Bontonfilm	418 041
7	Okresní prebor: Poslední zápas Pepíka Hnátka	CZ	Jan Prusinovský	Bontonfilm	399 630
8	Láska je láska	CZ	Milan Cieslar	Blue Sky Film	255 629
9	The Avengers	US	Joss Whedon	Falcon	254 814
10	The Dark Knight Rises	US/GB	Christopher Nolan	Warner Bros. (CZ)	240 742

Source: Unie Filmovvych Distributoru

Top 10 films by admissions in Hungary | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Ice Age: Continental Drift	US	Martino, Thurmeier	Intercom	573 551
2	Skyfall	GB/US	Sam Mendes	Forum-Hungary	398 740
3	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	UIP (HU)	345 864
4	Puss in Boots	US	Chris Miller	UIP (HU)	312 969
5	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	ProVideo	306 355
6	The Avengers	US	Joss Whedon	Forum-Hungary	303 597
7	The Dark Knight Rises	US/GB	Christopher Nolan	Intercom	277 263
8	Sherlock Holmes: A Game of Shadows	US	Guy Ritchie	Intercom	274 127
9	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Forum-Hungary	271 270
10	American Pie 4	US	Hurwitz, Schlossberg	UIP (HU)	256 421

Source: National Film Office

Top 10 films by admissions in Slovakia | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Ice Age: Continental Drift	US	Martino, Thurmeier	Tatrafilm/Bontonfilm	244 567
2	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Tatrafilm/Bontonfilm	180 766
3	Skyfall	US	Sam Mendes	Forum Film Slovakia	154 675
4	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	Tatrafilm/Bontonfilm	133 436
5	The Hobbit: An Unexpected Journey	US	Peter Jackson	Continental Film	102 311
6	The Dark Knight Rises	US	Christopher Nolan	Continental Film	91 242
7	Hotel Transylvania	US	Genndy Tartakovsky	Itafilm	91 216
8	American Reunion	US	Hurwitz, Schlossberg	Tatrafilm/Bontonfilm	65 171
9	Brave	US	Purcell, Chapman,...	Saturn Entertainment	64 704
10	Sherlock Holmes: A Game of Shadows*	US	Guy Ritchie	Continental Film	61 570

Source: Slovak Film Institute

South-Eastern Europe

	Bosnia-Herzegovina	Bulgaria	Croatia	Cyprus	Greece	Romania
Population 2012 e (millions)	3.9	7.3	4.4	0.9	11.2	21.3
GDP per capita 2012 e (USD)	4 262	6 974	13 061	25 629	22 757	8 029
Gross box office 2012 e (M USD)	2.7	22.3	19.1	9.9 (1)	129.5 (1)	42.4
Admissions 2012 e (millions)	0.8	4.1	3.9	0.9 (1)	10.9 (1)	8.3
Average ticket price 2012 e (USD)	3.4	5.4	4.9	11.4 (1)	11.9 (1)	5.1
Average admissions per capita 2012 e	0.2	0.6	0.9	1.0	1.0	0.4
Screens 2012 e	21	140	146	470	470	264
Digital screens 2012 e	12	101	100	21	81	136
Digital 3D screens 2012 e	5	84	57	16	75	99
Films produced 2012 (3) e	2	19	18	4 (1)	18 (2)	38
National market shares 2012 e	1.0%	6.0%	8.6%	~	10.0% (1)	3.6%

(1) 2011 (2) 2010 (3) Including theatrical feature documentaries and minority co-productions.

Top 10 films by admissions in Romania | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Ice Age: Continental Drift	US	Martino, Thurmeier	Odeon Cineplex	357 963
2	Skyfall	GB/US	Sam Mendes	Forum Film Romania	302 553
3	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Mediapro	290 973
4	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Forum Film Romania	284 941
5	The Dark Knight Rises	US/GB	Christopher Nolan	Mediapro	231 545
6	The Avengers	US	Joss Whedon	Forum Film Romania	206 060
7	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	Ro-Image 2000	186 810
8	American Pie 4	US	Hurwitz, Schlossberg	Ro-Image 2000	180 551
9	Brave	US	Purcell, Chapman,...	Forum Film Romania	165 480
10	Men in Black 3	US/AE	Barry Sonnenfeld	Intercomfilm Romania	145 278

Source: Centrul National al Cinematografiei

Top 10 films by admissions in Bulgaria | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Ice Age: Continental Drift	US	Martino, Thurmeier	Aleksandra	241 014
2	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Forum Film BG	162 988
3	Skyfall	GB/US	Sam Mendes	Forum Film BG	155 165
4	Brave	US	Purcell, Chapman,...	Forum Film BG	119 379
5	The Dictator	US	Larry Charles	Forum Film BG	115 737
6	The Avengers	US	Joss Whedon	Forum Film BG	114 317
7	The Dark Knight Rises	US/GB	Christopher Nolan	Aleksandra	100 621
8	Sherlock Holmes: A Game of Shadows	US	Guy Ritchie	Aleksandra	87 188
9	Rise of the Guardians	US	Peter Ramsey	Forum Film BG	83 605
10	Hotel Transylvania	US	Genndy Tartakovsky	Aleksandra	81 878

Source: National Film Center

Top 10 films by admissions in Greece | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Skyfall	GB/US	Sam Mendes	Feelgood	576 836
2	What If...	US	Dallas Jenkins	Village	424 830
3	The Dark Knight Rises	US/GB	Christopher Nolan	Village	346 586
4	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Village	342 892
5	O Theos agapaei to haviari	GR/RU	Yannis Smaragdis	Feelgood	316 645
6	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Odeon	311 915
7	Ice Age: Continental Drift	US	Martino, Thurmeier	Odeon	305 245
8	Sherlock Holmes: A Game of Shadows	US	Guy Ritchie	Village	305 157
9	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	UIP	256 200
10	The Avengers	US	Joss Whedon	Feelgood	242 565

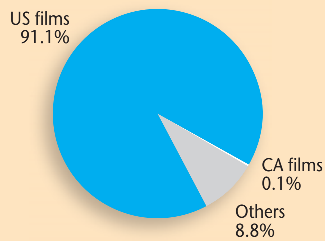
Source: Greek Film Centre

North America

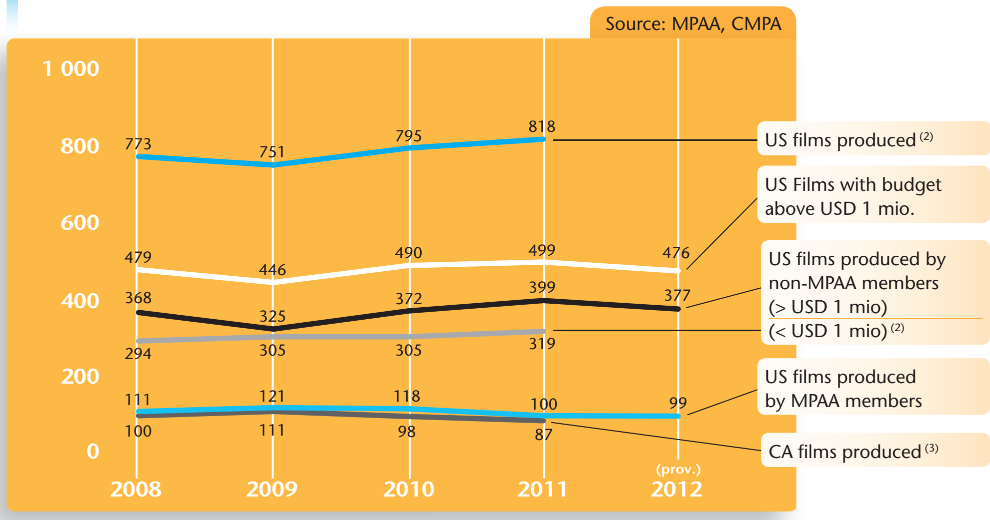
	North America	US	Canada
Population 2012 e (millions)	349.1	314.3	34.8
GDP per capita 2012 e (USD)	49 904	49 802	50 826.0
Gross box office 2012 e (M USD)	10 811	9 210 (1)	990 (1)
Admissions 2012 e (millions)	1 358.00	1 237 (2)	105 (2)
Average ticket price 2011 e (USD)	8.0	7.8 (2)	9.5 (2)
Average admissions per capita 2012 e	3.9	4.0 (2)	3.1 (2)
Screens 2012 e	42 803	39 918	2 885
Digital screens 2012 e	36 377	33 531	2 846
Digital 3D screens 2012 e	14 734	13 559	1 175

(1) 2011 (2) 2010

Market shares 2012 e



Number of US (1) and Canadian feature films produced | 2008-2012

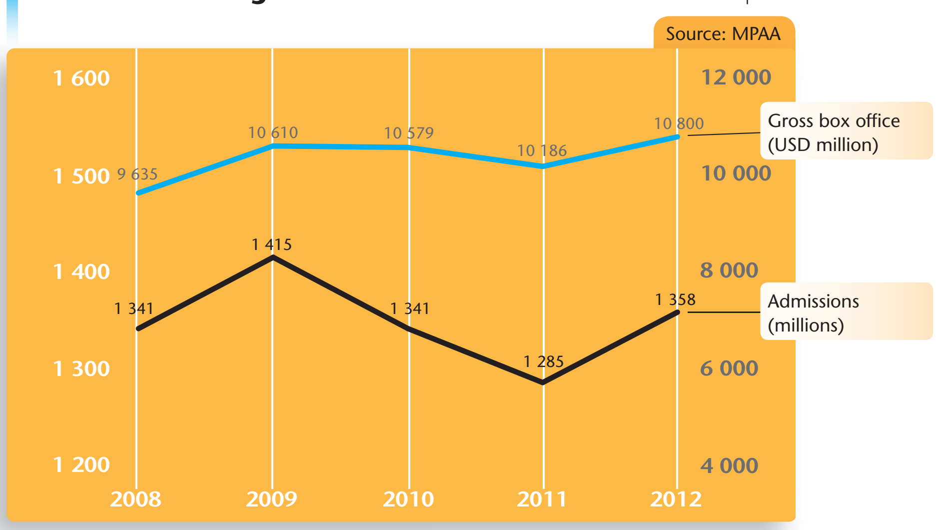


(1) English-language films (Including co-productions). Does not include documentaries, films with budgets below USD 200 000, student films and works not intended for theatrical release.

(2) MPAA is no longer collecting data for films with budget less than USD 1 million.

(3) Revised data. Based on fiscal year April to March.

Admissions and gross box office in the US & Canada | 2008-2012



Top 20 films by admissions in North America | 2012 [e]

Estimated admissions based on average ticket price of USD 7.95.

	Original title	Country of origin	Director	Distributor	Admissions [e]
1	The Avengers	US	Joss Whedon	Walt Disney	78 382 193
2	The Dark Knight Rises	US/GB	Christopher Nolans	Warner Bros.	56 349 851
3	The Hunger Games	US	Gary Ross	Lionsgate	51 304 030
4	Skyfall (1)	GB/US	Sam Mendes	Sony/Columbia	36 578 849
5	The Twilight Saga: Breaking Dawn - Part 2 (1)	US	Bill Condon	Lionsgate	36 015 352
6	The Amazing Spider-Man	US	Marc Webb	Sony/Columbia	32 948 227
7	Brave (1)	US	Purcell, Chapman,…	Walt Disney	29 833 808
8	The Hobbit: An Unexpected Journey (1)	US/NZ	Peter Jackson	Warner Bros.	28 737 879
9	Ted	US	Seth MacFarlane	Universal Pictures	27 495 441
10	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,…	Paramount Pictures	27 209 471
11	The Lorax	US	C. Renaud, K. Balda	Universal Pictures	26 912 597
12	Men in Black 3	US/AE	Barry Sonnenfeld	Sony/Columbia	22 510 418
13	Wreck-It Ralph (1)	US	Rich Moore	Walt Disney	22 129 315
14	Ice Age: Continental Drift (1)	US	Martino, Thurmeier	20th Century Fox	20 261 996
15	Snow White and the Huntsman	US	Rupert Sanders	Universal Pictures	19 507 187
16	Hotel Transylvania (1)	US	Genndy Tartakovsky	Sony/Columbia	18 273 022
17	Taken 2 (1)	FR	Olivier Megaton	20th Century Fox	17 470 121
18	21 Jump Street	US	Chris Miller, Phil Lord	Sony/Columbia	17 408 670
19	Lincoln (1)	US	Steven Spielberg	Walt Disney	16 873 188
20	Prometheus	US/GB	Ridley Scott	20th Century Fox	15 903 466

(1) Film still on release in 2013.

Source: *Variety*, OBS

Distribution and exhibition

North America's box office grew again, forging ahead from USD 10,185 million in 2011 to USD 10,800 million. American theatres sold 1,385 million tickets (5.7% more than the year before), attracting around 225 million cinemagoers (65% of the population) to the movies.

A 3D film topped the box office for the third year in a row *(Marvel's The Avengers)*; as in 2011, four more made it to the top 10. Even though fewer 3D films were released in 2012, their excellent performance ensured a stable BO share of 17% (18% in 2011) (1). Furthermore, 3D screenings represented around 50% of the revenues for films available both in 2D and 3D in 2012 (down from 56% in 2011 and 67% in 2010), as 3D reaches full maturity. For the first time since screen conversion started, 3D had only a marginal impact on digital rollout: just one in eight new digital screens was equipped with 3D compared with 44% the year before. North America reached 85% digital penetration, with more than a third of all screens equipped with 3D.

When it comes to attendance demographics, Hispanics and young people (between 12 and 24 years old) were over represented at the box office compared with their population share. Furthermore, cinemagoers have been aging over the last 5 years, with more attendance among those aged 60+, whose share of the audience has grown at the expense of children and teenagers. Nevertheless, the predominant age group (25-39) remained stable at around 23% of total admissions.

Production and funding

MPAA reported that 476 films with a budget over USD 1 million were produced in the country in 2012 (99 by MPAA members). Of the remaining films made outside the Hollywood studios, just 10% surpassed the medium budget of USD 15 million. Against a background of steady production levels overall, MPAA member projects fell by 29% over the last 5 years. With a tax credit available in almost every State, the US has seen a major development of facilities all over the country, with 4 new studios built in 2011 and 4 more under construction in 2012.

In Canada, 87 features and 13 shorts were produced during the fiscal year 2011/2012 (the lowest level in 7 years) with an overall investment of USD 377 million (the best figure of the century). This meant a dramatic increase in the average budget of Canadian films (USD 5.35 million and 2.95 million respectively for English- and French-speaking fiction films in 2012). 35 films were shot in French accounting for 28% of the country's production volume.

(1) Only 3D showings, not including 2D screenings of 3D films.

Source: MPAA, *Screen International, Variety,* CMPA, Telefilm Canada, OBS

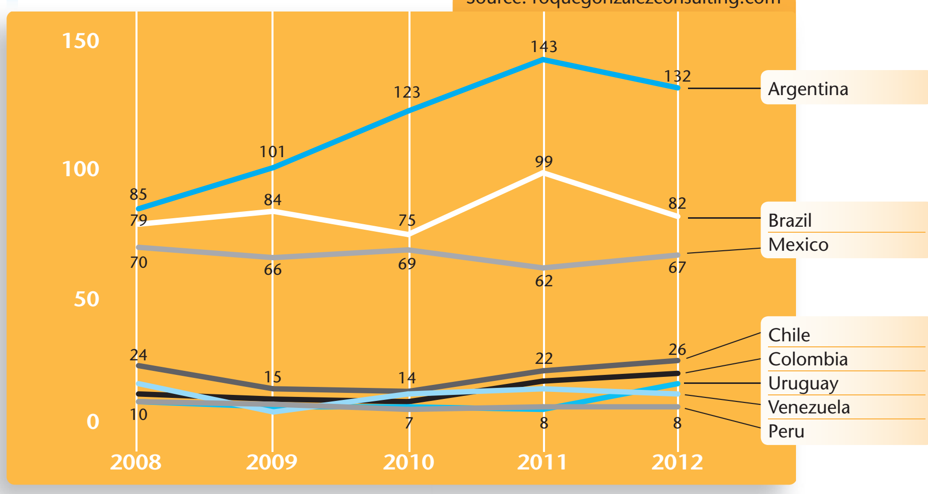
Latin America

	Argentina	Bolivia	Brazil	Chile	Colombia	Mexico	Peru	Uruguay	Venezuela
Population 2012 e (millions)	41.0	10.8	196.5	17.4	46.6	114.9	30.5	3.4	30.4
GDP per capita 2012 e (M USD)	11 573	2 469	12 340	15 416	7 842	10 123	6 573	14 707	11 132
Gross box office 2012 e (M USD)	254.4	8.9 (1)	840.2	115.8	178.9	779	124.2	17.7 e	225
Admissions 2012 e (millions)	45.1	2.3 (1)	148.8	19.3	40.9	228	31.2	3.6 e	29.2
Average ticket price 2012 e (USD)	5.6	0.2 (1)	5.6	6.0	4.4	3.6	4.0	5.0 e	7.7
Average admissions per capita 2012 e	1.1	3.9 (1)	0.8	1.1	0.9	2.0	1.0	1.1	1.0
Screens 2012 e	800 e	78	2654	324	683	5360	424	69	468
Digital screens 2012 (incl. 3D)	198	15	655	113	298	2646	100	34	90
Digital 3D screens 2012	118	14	580 e	102	214	1217	79	21	89
National market shares 2012 e	7.9%	-	10.3%	12.9%	8.3%	4.8%	2% e	2% e	5.0%

(1) 2009

Number of national feature films released in Latin America | 2008-2012 e

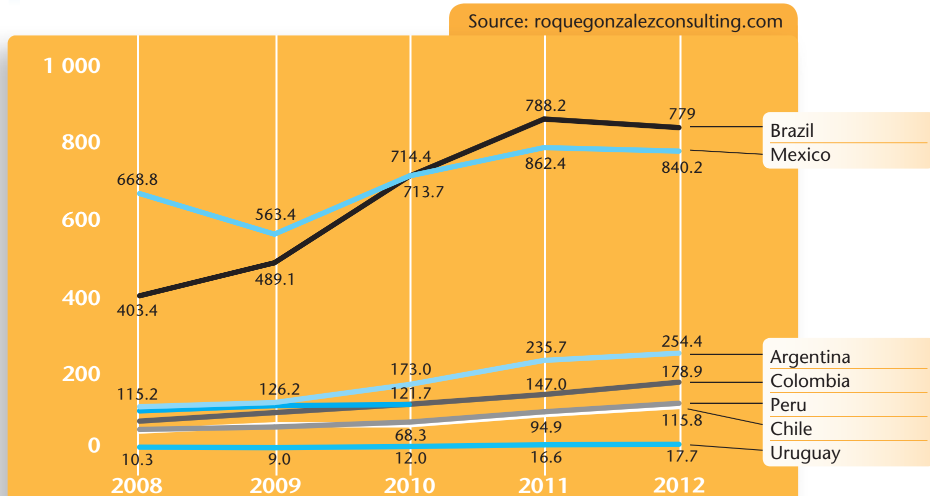
Source: roquegonzalezconsulting.com



Gross box office in Latin America | 2008-2012 e

USD million.

Source: roquegonzalezconsulting.com



Mexico

2012 saw the Mexican market surpass France in terms of attendance, ranking at number 4, just behind China, with 228 million admissions and a growth rate of 11.5% year on year. Mexico is not only the largest exhibition market in Latin America but, with 115 million inhabitants and more than 5300 screens, it still has plenty of scope for growth. However, the country is still far from joining the box office frontrunners. On the other hand, Mexican production has grown at a good pace after a period of almost nonexistence during the late 90s. This year 67 out of 319 first releases were local productions. Furthermore, 112 films were shot in the country (40 more than in 2011), the highest number since 1954, during the golden years of Mexican cinema.

Just like the rest of Latin America, the top of the box office was US territory, with the ten best performing films accounting for more than a third of the overall USD 780 million. 2012 was a bad year for local films. For the first time in ten years no Mexican production did more than USD 5 million, with *Colosio: El asesino* as the most successful Mexican film of the year ranking number 47 in the box office list. Unsurprisingly, the national market share was a modest 4.78%, 29% down on 2011, after many years at around 7%.

Brazil

After two years of sky-rocketing growth the Brazilian economy developed at a much lower rate in 2012. Brazilian screens seemed to suffer from the country's economic slowdown; even though attendance reached a historic peak with 148.8 million admissions, the increase from year to year was just 3.5%, far below previous figures. The BO was dominated by American studios; *Até que a Sorte nos Separe* (Until Luck Do Us Part) was the only local production to make it into the top 10.

The seventh largest economy in the world and indisputable economic powerhouse of the region has made important steps towards a robust cinema industry and market. In 2012 federal audiovisual fund FSA was endowed with BRL 150 million (USD 75 million) devoted to film production and distribution, quintupling the amount available in 2008. By the end of the year the country at last tackled the problem of digital rollout (with penetration under 30%) by combining an import tariffs waiver on digital equipment (worth BRL 60 million) with the establishment of a line of credit. Both actions are aimed at converting 1 400 screens within 18 months and are part of the *Cinema Perto de Você Law* (Cinema Near You) which came into force in 2012 to foster the exhibition sector. This new legislation also includes actions to support theatres in smaller cities and prepares the ground for a standard box office monitoring system. Another piece of legislation was approved this year establishing theatrical quotas for Brazilian productions. From 2013 each screen should devote a minimum number of days a year to local productions. Depending on the number of screens of the theatre this obligation will range from 28 to 63 days.

Argentina

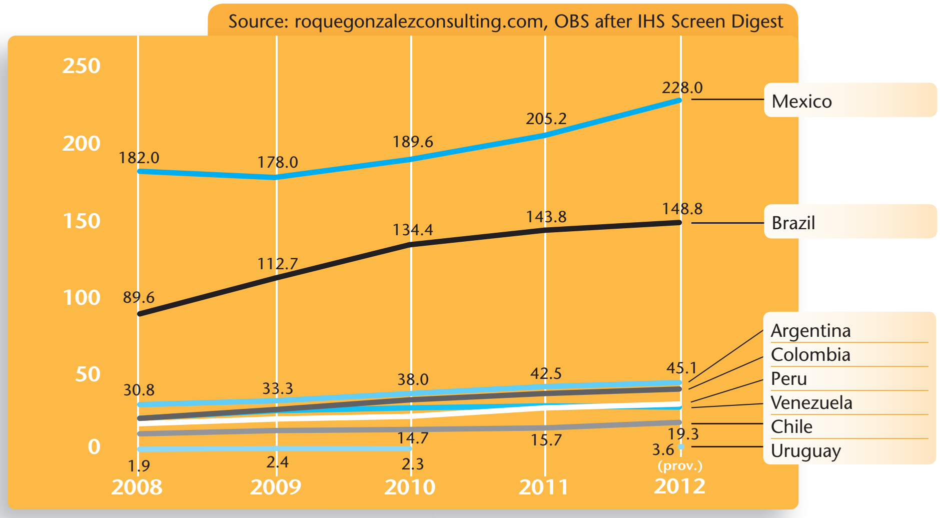
Cinema attendance achieved the best figure of the century so far, with more than 45 million admissions, and kept growing for the fourth year running. The 7.87% national market share was slightly higher than in 2011, but Argentinean pictures underperformed compared to recent years. No local production broke the one-million-tickets barrier. Comedy-drama *Dos más dos* (Two+two) was the most successful local production, ranking number 8 in the BO list by admissions, while *Elefante Blanco* (White Elephant) and *Atraco!* got silver and bronze. Although the box office was dominated by the Americans, English-language French production *Taken 2* made it to number 10.

INCAA launched a rollout plan aimed at both commercial and state-supported theatres. To date it is estimated that less than 20% of the country's screens have converted to digital and theatres have been shutting down at a great pace, falling from 1000 screens in 2009 to the current estimated 800.

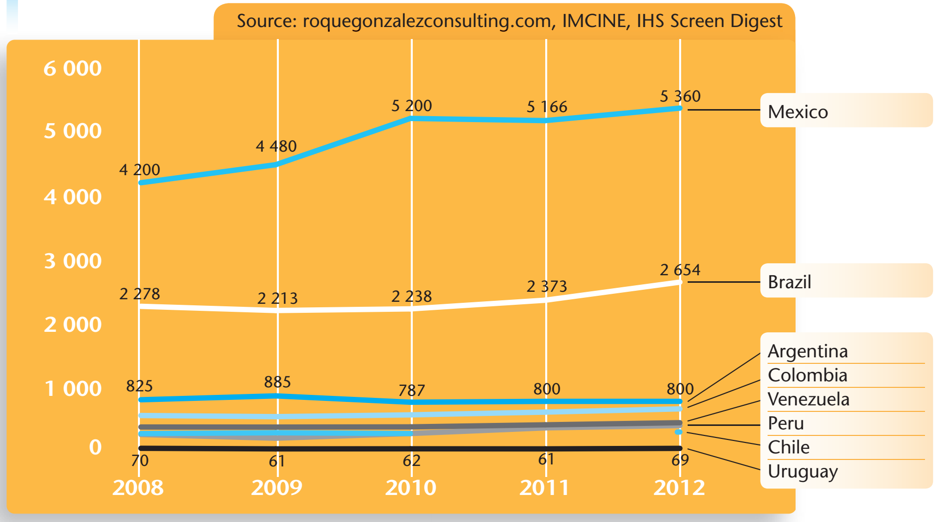
Source: roquegonzalezconsulting.com, INCAA, Imcine, Ancine, *Screen International*, Variety, OBS

Admissions in Latin America | 2008-2012 e

In millions.



Number of screens in Latin America | 2008-2012



Top 10 films by admissions in Mexico | 2012 e

	Original title	Country of origin	Director	Admissions e
1	The Avengers	US	Joss Whedon	15 942 000
2	Ice Age: Continental Drift	US	S.Martino & M.Thurmeier	13 173 000
3	The Dark Knight Rises	US/GB	Christopher Nolan	9 385 000
4	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	8 516 000
5	The Amazing Spider-Man	US	Marc Webb	7 901 000
6	Madagascar 3: Europe's Most Wanted	US	C.Vernon, T. McGrath & E.Darnell	7 617 000
7	Brave	US	S.Purcell, B.Chapman & M.Andrew	6 376 000
8	Snow White and the Huntsman	US	Rupert Sanders	4 858 000
9	Wrath of the Titans	US/ES	Jonathan Liebesman	4 719 000
10	Hotel Transylvania	US	Genndy Tartakovsky	4 513 000

Source: Imcine

Top 10 films by admissions in Brazil | 2012 e

	Original title	Country of origin	Director	Admissions e
1	The Avengers	US	Joss Whedon	10 911 371
2	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	9 453 533
3	Ice Age: Continental Drift	US	S.Martino & M.Thurmeier	8 728 719
4	Madagascar 3: Europe's Most Wanted	US	C.Vernon, T. McGrath & E.Darnell	5 269 118
5	The Dark Knight Rises	US/GB	Christopher Nolan	5 146 519
6	The Amazing Spider-Man	US	Marc Webb	5 145 603
7	Alvin and the Chipmunks: Chipwrecked	US	Mike Mitchell	5 187 250
8	Brave	US	S.Purcell, B.Chapman & M.Andrew	3 458 783
9	Até que a Sorte nos Separe	BR	Roberto Santucci	3 322 561
10	The Expendables 2	US	Simon West	3 166 183

Source: Ancine

Top 10 films by gross box office in Argentina | 2012 e

	Original title	Country of origin	Director	Admissions e
1	Ice Age: Continental Drift	US	S.Martino & M.Thurmeier	4 495 422
2	Madagascar 3: Europe's Most Wanted	US	C.Vernon, T. McGrath & E.Darnell	2 856 730
3	The Avengers	US	Joss Whedon	2 675 356
4	The Dark Knight Rises	US/GB	Christopher Nolan	1 807 051
5	Brave	US	S.Purcell, B.Chapman & M.Andrew	1 692 352
6	The Amazing Spider-Man	US	Marc Webb	1 188 035
7	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	1 236 797
8	Dos más dos	AR	Diego Kaplan	998 394
9	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	715 639
10	Taken 2	FR	Olivier Megaton	903 315

Source: INCAA

Top 10 films by gross box office in Chile | 2012 e

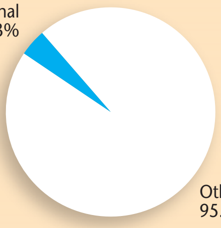
	Original title	Country of origin	Director	Admissions e
1	Ice Age: Continental Drift	US	S.Martino & M.Thurmeier	2 140 749
2	Stefan v/s Kramer	CL	S.Freund & S.Kramer	2 059 870
3	The Avengers	US	Joss Whedon	1 391 423
4	The Dark Knight Rises	US/GB	Christopher Nolan	781 229
5	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	736 705
6	Brave	US	S.Purcell, B.Chapman & M.Andrew	706 748
7	Madagascar 3: Europe's Most Wanted	US	C.Vernon, T. McGrath & E.Darnell	644 009
8	The Amazing Spider-Man	US	Marc Webb	522 982
9	Journey 2: The Mysterious Island	US	Eric Brevig	466 249
10	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	387 129

Source: Ultracine

Australia

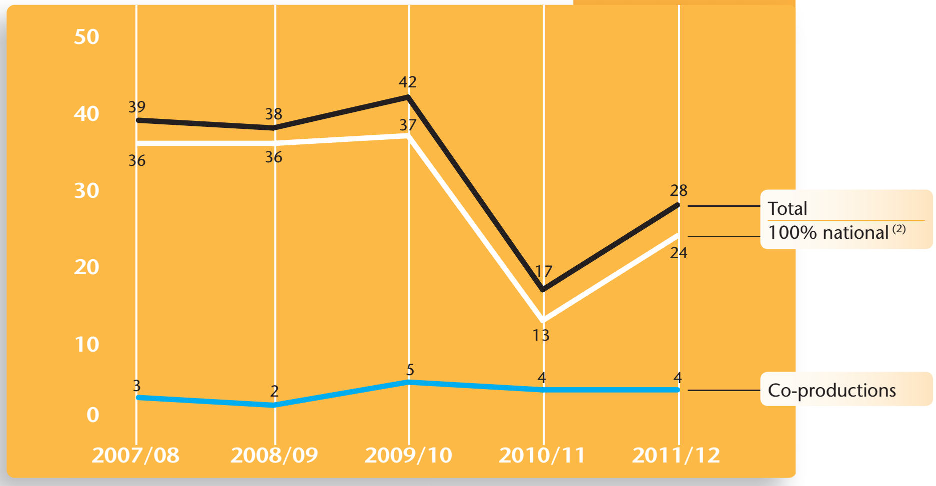
Population 2012 [e]	22.4 million
GDP per capita 2012 [e]	66 371 USD
Gross box office 2011	1 126 M AUD (1 165 M USD)
Admissions 2012	85.9 million
Average ticket price 2012	13.1 AUD (13.6 USD)
Average admissions per capita 2012	3.8
Screens 2011 | 2012	1 991 | 1 995
Digital screens 2011 | 2012	704 | 1 437
3D screens 2011 | 2012	687 | 820

Market shares 2012 [e]



Number of Australian feature fiction films produced [(1)] | 2007/08-2011/12

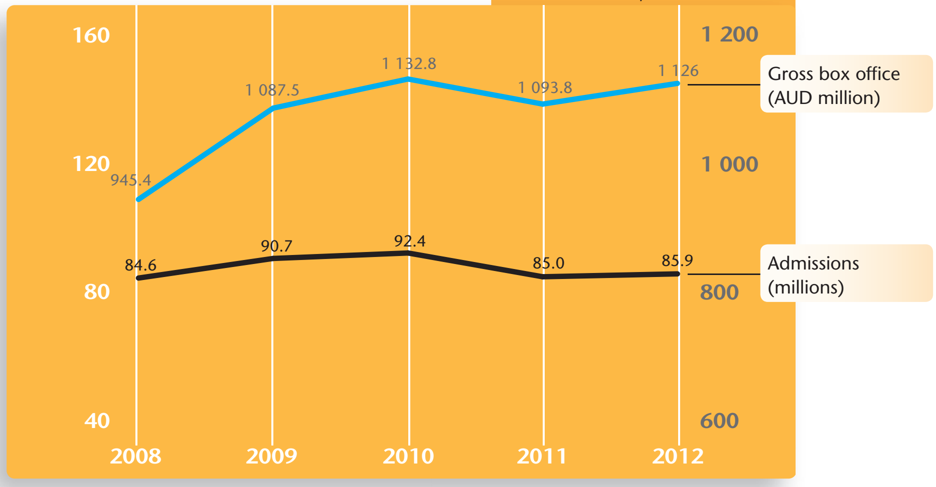
Source: Screen Australia



(1) With a budget above AUD 0.5 million. (2) Includes films under Australian creative control but 100% foreign financed.

Admissions and gross box office | 2008-2012

Source: MPDAA, Screen Australia



Top 20 films by admissions in Australia | 2012 e

Estimated admissions based on average ticket price of AUD 13.1.

	Original title	Country of origin	Director	Distributor	Admissions e
1	The Avengers	US	Joss Whedon	Walt Disney	4 064 885
2	Skyfall	UK/US	Sam Mendes	Sony Pictures	3 374 175
3	The Dark Knight Rises	US/GB	Christopher Nolan	Warner Bros.	3 311 222
4	Ted	US	Seth MacFarlane	Universal Pictures	2 631 936
5	The Hunger Games	US	Gary Ross	Roadshow	2 380 038
6	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Hoyts	2 155 863
7	Ice Age: Continental Drift	US	Martino, Thurmeier	20th Century Fox	2 108 907
8	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath,...	Paramount Pict.	1 850 328
9	The Best Exotic Marigold Hotel	GB/US/UA	John Madden	20th Century Fox	1 635 381
10	Sherlock Holmes: A Game of Shadows	US	Guy Ritchie	Roadshow	1 533 060
11	Snow White and the Huntsman	US	Rupert Sanders	Universal Pictures	1 517 577
12	Taken 2	FR	Olivier Megaton	20th Century Fox	1 474 214
13	Alvin and the Chipmunks: Chipwrecked	US	Mike Mitchell	20th Century Fox	1 466 234
14	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Warner Bros.	1 457 803
15	Prometheus	US	Ridley Scott	20th Century Fox	1 391 280
16	Men in Black 3	US/AE	Barry Sonnenfeld	Sony Pictures	1 339 316
17	The Amazing Spider-Man	US	Marc Webb	Sony Pictures	1 329 709
18	Brave	US	Purcell, Chapman,...	Walt Disney	1 272 214
19	The Lorax	US	C.Renaud & K.Balda	Universal Pictures	1 220 838
20	The Descendants	US	Alexander Payne	20th Century Fox	1 163 502

Source: MPDAA

Distribution and exhibition

Both box office and attendance have been quite flat down under over the last four years. 85.9 million tickets were sold in 2012 (1.1% up on the year before) generating almost AUD 1.3 billion in revenues, 0.6% short of 2010's highest grossing box office of all time. Digital rollout is progressing at a good pace with 72% penetration, which represents an increase of more than 100% on 2011. Furthermore, 57% of digital screens are 3D capable to date. The Box Office was dominated by American movies, which captured 79.3% of the market. With 27 releases, Australian cinema achieved a 4.3% market share, up from 3.9% in 2011. Musical comedy-drama *The Sapphires* was the best performing local production of the year with AUD 14.4 million in revenues.The remaining BO was mainly made up of UK (47), French (27) but notably Asian (96) productions, altogether accounting for 40% of the 421 releases of the year. The number of Asian films on Australian screens has more than doubled since 2005, probably a result of the immigration boom from the Far East at the beginning of the century.

Production and funding

After one of the worst years on record for the Australian production industry (fiscal year 2010/2011), the country rebounded with 28 local titles (4 of them co-productions with the UK, Canada, Germany and France), and 3 inward investment productions from India, Japan and Nepal. Foreign projects shot in the country have had an important direct effect upon the tourism industry in recent years.

2011/2012's AUD 296 million spend in local film production in Australia was above average for the last five years, far higher than 2010/11's AUD 88 million. In a country with relatively low production volume, the shooting of one or two foreign financed high budget productions causes considerable fluctuations in overall figures. However, this was not the only reason for mediocre performance in 2010/2011, as typical medium budget 100% Aussie productions doubled to 16 titles in 2011/2012. Therefore, it comes as no surprise that 52% of feature film finance came from foreign investment over this period.

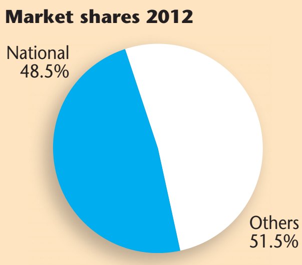
Foreign location production spend has been decreasing for the last two years, but has been compensated by the high performance of the PDV (postproduction, digital and visual effects) industry, whose involvement in 17 projects (mainly Hollywood blockbusters) represented AUD 38 million investment.

Source: Screen Australia, MPDAA, *Variety, Screen International,* OBS

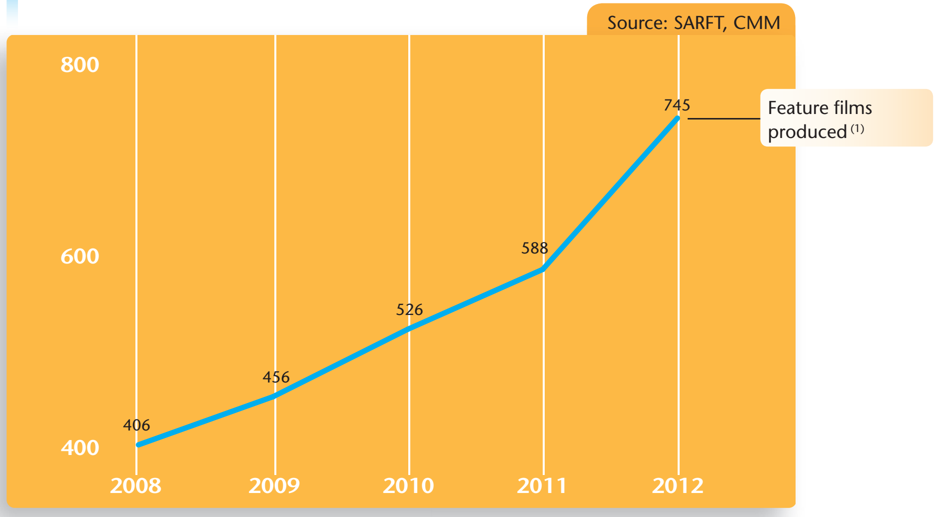
People's Republic of China

Population 2012 [e]	1 354 million
GDP per capita 2012 [e]	6 094 USD
Gross box office 2012 [e]	17 285 M CNY (2 740 M USD)
Admissions 2012 [e]	470 million
Average ticket price 2012 [e]	36.8 CNY (5.8 USD)
Average admissions per capita 2012 [e]	0.3
Screens 2011 | 2012 [e]	9 286 | 13 118
Digital screens 2011 | 2012 [e]	7 853 | 9 286
Digital 3D screens 2011 | 2012 [e]	~ | ~

Market shares 2012

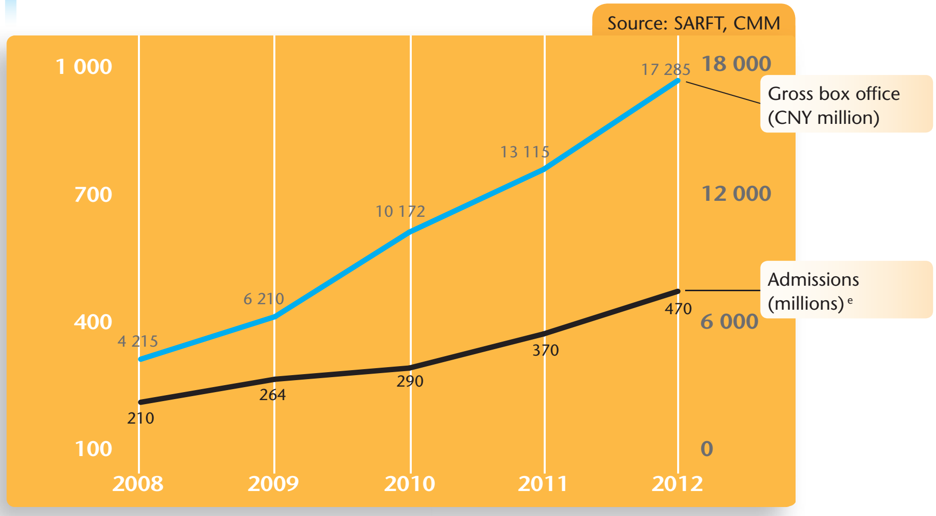


Number of feature films produced in China | 2008-2012



(1) Does not include films produced outside the SARFT's system of script and final print approval.

Admissions and gross box office | 2008-2012



Top 10 films by gross box office in China | 2012

	Original title	Country of origin	Director	Gross box office (in USD million)
1	Lost in Thailand	CN	Xu Zheng	161.74
2	Titanic 3D	US	James Cameron	152.56
3	Painted Skin: The Resurrection	CN	Wu Ershan	113.43
4	Mission Impossible: Ghost Protocol	US	Bradley Bird	108.63
5	Life of Pi	US	Ang Lee	91.94
6	The Avengers	US	Joss Whedon	91.44
7	CZ12	CN	Jackie Chan	86.19
8	Men in Black III	US	Barry Sonnenfeld	81.17
9	Ice Age: Continental Drift	US	Mike Thurmeier	72.31
10	Journey 2: The Mysterious Island	US	Brad Peyton	62.55

Source: SARFT

Top 10 foreign films by gross box office in China | 2012

	Original title	Country of origin	Director	Gross box office (in USD million)
1	Titanic 3D	US	James Cameron	152.56
2	Mission Impossible: Ghost Protocol	US	Bradley Bird	108.63
3	Life of Pi	US	Ang Lee	91.94
4	The Avengers	US	Joss Whedon	91.44
5	Men in Black III	US	Barry Sonnenfeld	81.17
6	Ice Age: Continental Drift	US	Mike Thurmeier	72.31
7	Journey 2: The Mysterious Island	US	Brad Peyton	62.55
8	The Dark Knight Rises	US	Christopher Nolan	54.76
9	The Expendables II	US	Simon West	53.78
10	The Amazing Spider-Man	US	Marc Webb	50.15

Source: SARFT

Distribution and exhibition

Two years after China overtook Japan as the second largest economy on Earth, the Chinese theatrical exhibition market followed the same path, becoming the second highest grossing in the world, with revenues amounting to USD 2.74 billion in 2012. Low-budget comedy *Lost in Thailand* topped the BO and became, unexpectedly, the biggest local success in history and the second best performing film ever after *Avatar*. Theatres boomed around the country with 3,800 new screens, more than 40% up on the year before, to 13,118 screens. This development places the country at number 2 in the world rankings by screens after the US. China was one of the few territories where digital penetration (70% in 2012) contracted on 2011. With 470 million tickets sold in 2012 (27% attendance growth year on year), the Chinese market has nearly quadrupled over the last five years. Development of the local production industry has proven unable to match cinemagoers' appetite. Therefore, although the official aim is to raise local market share, the Government agreed to widen the quota of imported films by 14 titles (3D and large-format films) to 34 a year, as well as to allow foreign companies to increase their share of the local BO from a maximum of 13% to up to 25%. This has prompted official concern after the BO share of foreign movies (mainly American) increased by 90% year on year through the first half of 2012.

Production and funding

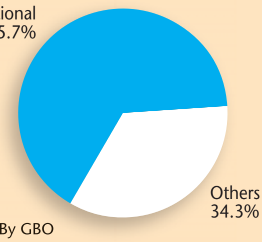
Just a portion of the 745 films produced in 2012 (a 26% increase on previous year) made its way to the big screen. The Government has put the accent on building up production facilities and fostering international co-production, allowing the country to acquire industry know-how and enhance the commercial potential of Chinese productions abroad. Efforts have been made to reduce red tape involved in the cinema industry by reshuffling several censorship departments. In addition, China Mainstream Mediafund was established in Beverly Hills to co-finance and co-produce Western style projects with international potential. It will initially invest in Chinese films aimed at urban and young audiences. So far, Sino-American co-productions rarely involved Hollywood majors; only 5 co-productions were shot in China in 2011, none of them with an American partner. Several local production companies (like China Films and Shanghai Films) are ready to go public, hoping to get much needed finance to attract international talent and pursue global success.

Source: SARFT, Communication University of China, *Screen International, Variety, China Times*, OBS

Japan

Population 2012 e	127.6 million
GDP per capita 2012 e	46 896 USD
Gross box office 2012	195.2 bn JPY (2.4 bn USD)
Admissions 2012	155.2 million
Average ticket price 2012	1 258 JPY (15.8 USD)
Average admissions per capita 2012	1.2
Screens 2011 | 2012	3 339 | 3 290
Digital screens 2011 | 2012	~2 000 | 2 897
Digital 3D screens 2011 | 2012	~970 | 1 042

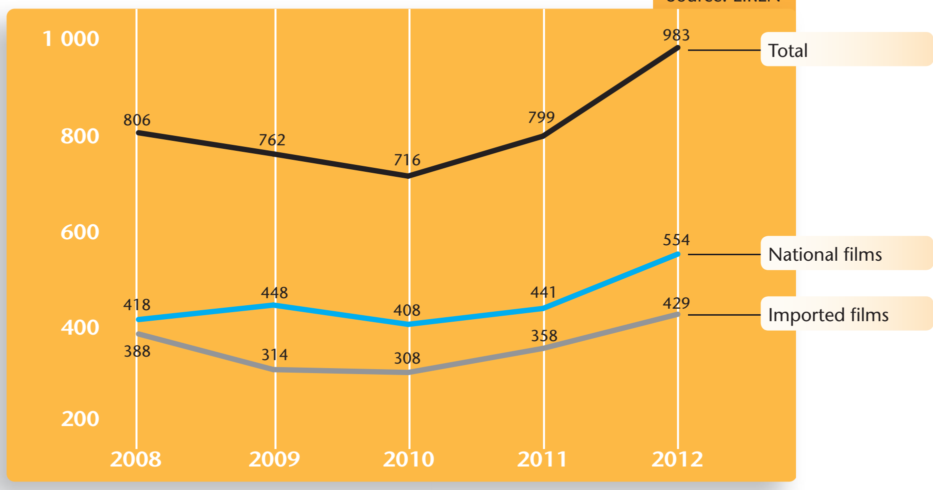
Market shares 2012 (1)



(1) By GBO

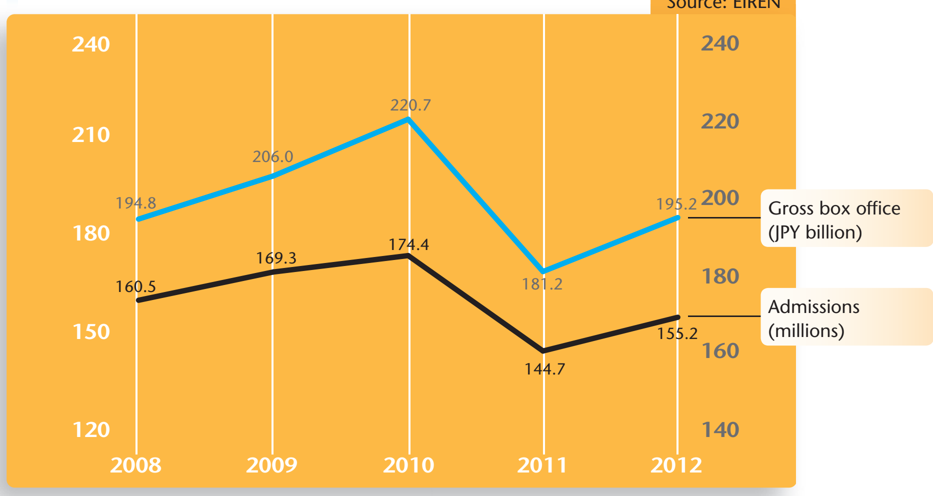
Number of Japanese films released | 2008-2012

Source: EIREN



Admissions and gross box office | 2008-2012

Source: EIREN



Top 20 films by admissions in Japan | 2012 e

Estimated admissions based on average ticket price of JPY 1 258.

	Original title	Country of origin	Director	Distributor	Admissions e
1	Umizaru 4 Brave Hearts	JP	Hasumi Eiichiro	Toho	5826709
2	Thermae Romae	JP	Hideki Takeuchi	Toho	4753577
3	Bayside Shakedown 4 -The Final	JP	K. Motohiro	Toho	4745628
4	Mission: Impossible - Ghost Protocol	US/AE	Brad Bird	Paramount Pict.	4276630
5	Evangelion: 3.0 You Can (Not) Redo.	JP	Anno, Masayuki,…	T-Joy/ Khara	4213037
6	Wolf Children	JP	Mamoru Hosoda	Toho	3354531
7	Resident Evil: Retribution	DE/CA/US	Paul W.S. Anderson	Sony Pictures Ent.	3028617
8	Doraemon The Movie: Nobita And The Last…	JP	KUSUBA Kozo	Toho	2877583
9	Pokémon The Movie: Kyurem Vs. The Sword…	JP	Kunihiko Yuyama	Toho	2869634
10	Marvel's The Avengers	US	Joss Whedon	Walt Disney	2869634
11	Always - Sunset On Third Street - 3	JP	Takashi Yamazaki	Toho	2734499
12	Detective Conan: The Eleventh Striker	JP	Yamamoto,Shizuno	Toho	2615262
13	The Amazing Spider-Man	US	Marc Webb	Sony Pictures Ent.	2511924
14	Kaibutsu-Kun: The Movie	JP	Y. Nakamura	Toho	2488076
15	Men In Black 3	US/AE	Barry Sonnenfeld	Toho-Towa	2488076
16	Rurouni Kenshin	JP	Keishi Ohtomo	Warner Bros.	2392687
17	The Floating Castle	JP	Higuchi, Inudo	Toho/Asmik Ace	2257552
18	We Were There: First Love	JP	Takahiro Miki	Toho	2003180
19	Spec: Heaven	JP	Yukihiko Tsutsumi	Toho	1899841
20	Dearest	JP	Yasuo Furuhata	Toho	1899841

Source: EIREN, OBS

Distribution and exhibition

In 2012 Japan was recovering from the series of disasters that hit the country on March 2011. The cinema industry was also getting back to normal, with cinemagoers returning to theatres. 155 million tickets were sold in 2012 (7.1% up on 2011), generating JPN 195 billion in revenues (USD 2.4 billion), 7.7% more than the previous year. However, these results are still well below 2010's high. In turn, digital rollout entered its final stage, with 90% penetration and almost one third of the stock 3D-capable by the end of 2012. Conversely, the number of screens decreased for the second year in a row, to 3290, after 18 years of growth.

Japanese releases performed extraordinarily all around the country, achieving 65.7% of the box office –the highest share since the 60s. The local industry had 15 titles in the BO top 20, with disaster-action film *Umizaru 4 Brave Hearts*, manga adaptation *Thermae Romae* and the last instalment of popular TV police series adaptation *Bayside Shakedown 4 - The Final* topping the list. As in previous years, foreign and local action and animation titles dominated the box office.

By the end of the year Warner Bros. announced its departure from the Japanese exhibition sector by selling its share in Warner Mycal to Aeon, which in turn overtook Toha as the largest exhibitor of the country.

Production and financing

Japanese audiences have been favouring local cinema since 2006, after more than 20 years of American reign. 983 films were produced in the country in 2012, while 554 were shown on the big screen, 33% more than 5 years before, amounting to JPN 128 billion (USD 1.57 billion), the highest figure ever. There is no doubt the local production industry is in full swing; however, Japanese films' ability to travel is very much confined to specific genres and formats. Moreover, success at home has not been matched overseas, with exports amounting to USD 53 million -the lowest figure of the century. UNIJAPAN and Japan's Agency for Cultural Affairs announced in 2011 the country's first subsidy to foster foreign co-production in an attempt to reverse this trend. The 2012 call for applications offered 20% of the film budget up to a ceiling of USD 640,000 for projects with a budget above USD 1.3 million involving at least 20% Japanese funding.

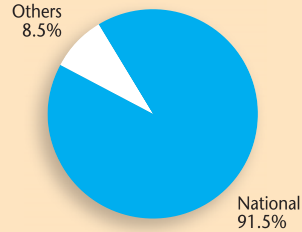
Sources: EIREN, UNIJAPAN, *Screen International, Variety,* OBS

India

Population 2012 e	1 223 million
GDP per capita 2012 e	1 592 USD
Gross box office 2012 e	85.1 bn INR (1.6 bn USD)
Admissions 2012 e	3 billion
Average ticket price 2010 e	28.4 INR (0.5 USD)
Average admissions per capita 2010 e	2.5
Screens 2011 | 2012 e	(1) 10 020 | 11 100
E- & D-Cinema screens 2011 | 2012 e	5 718 | 8 470
3D screens 2011 | 2012 e	~160 | –

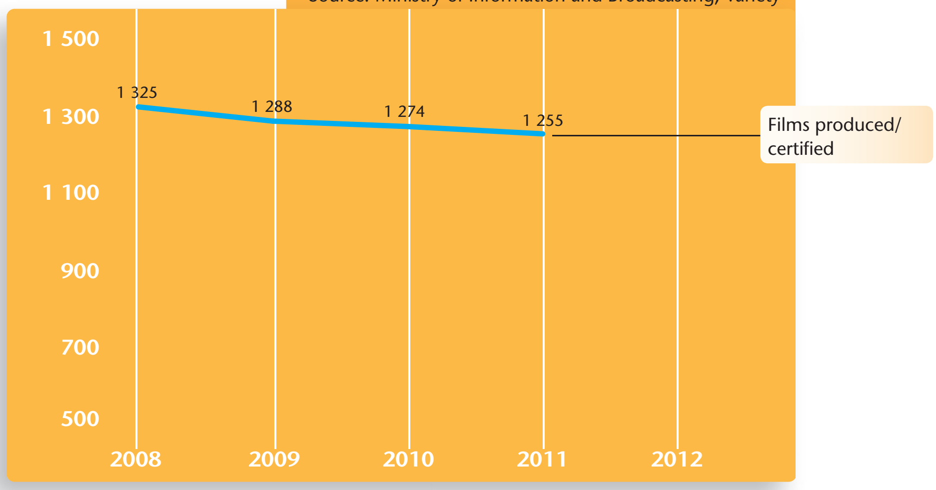
(1) One screen theatres. Multiplexes not included.

Market shares 2012 e



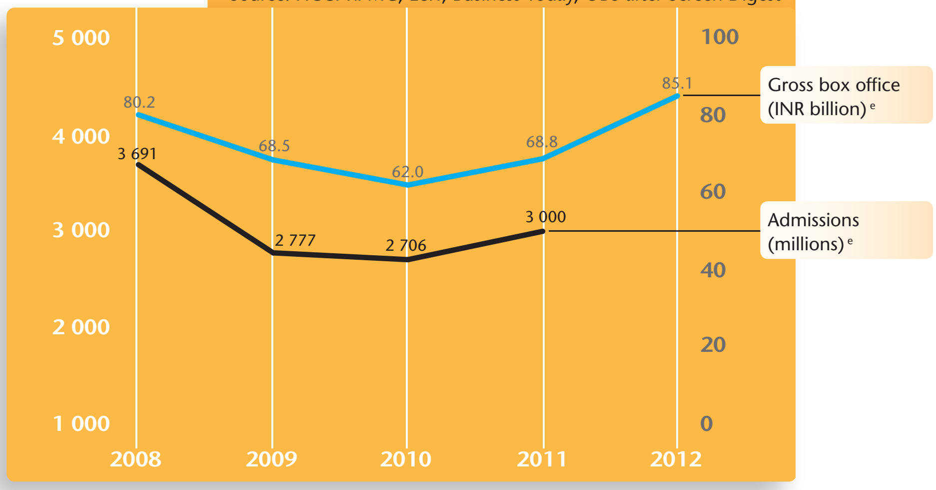
Number of Indian feature films produced/certified | 2008-2012

Source: Ministry of Information and Broadcasting, Variety



Admissions and gross box office | 2008-2012 e

Source: FICCI-KPMG, E&Y, Business Today, OBS after Screen Digest



Top 10 films by GBO in India | 2012

GBO calculated using an average exchange rate of 1 INR to 0.19 USD.

	Original title	Country of origin	Director	Gross box office (in USD) e
1	Ek Tha Tiger	IN	Kabir Khan	28 925 400
2	Dabangg 2	IN	Arbaaz Khan	19 080 540
3	Rowdy Rathore	IN	Prabhu Deva	11 817 240
4	Agneepath	IN	Karan Malhotra	10 089 810
5	Jab Tak Hai Jaan	IN	Yash Chopra	9 050 370
6	Barfi!	IN	Anurag Basu	8 617 980
7	Housefull 2	IN	Sajid Khan	8 545 560
8	Son of Sardaar	IN	Ashwni Dhir	7 623 270
9	Bol Bachchan	IN	Rohit Shetty	7 601 970
10	Talaash	IN	Reema Kagti	6 762 750

Source: Koimoi.com

Top 10 US films by GBO in India | 2012

	Original title	Country of origin	Director	Gross box office (in USD) e
1	The Amazing Spider-Man	US	Marc Webb	14 500 000
2	The Avengers	US	Joss Whedon	12 600 000
3	Skyfall	GB/US	Sam Mendes	10 700 000
4	Life of Pi	US/TW	Ang Lee	10 300 000
5	The Dark Knight Rises	US/GB	Christopher Nolan	9 200 000
6	Men in Black 3	US/AE	Barry Sonnenfeld	5 000 000
7	Ice Age: Continental Drift	US	S. Martino, M. Thurmeier	4 200 000
8	Titanic 3D	US	James Cameron	3 600 000
9	Madagascar 3: Europe's...	US	Vernon, McGrath, Darnell	2 900 000
10	Resident Evil: Retribution	US	~	2 100 000

Source: KPMG after IMDB

Distribution and exhibition

With almost INR 2 billion, *Ek Tha Tiger* became the highest ever grossing film in India. As per the latest KPMG report on the cinema industry, box office grew by 23.8% on 2011 to INR 85.1 billion (USD 1.59 billion) and is expected to reach INR 142 billion by 2017. Theatrical distribution represented an impressive 76% of film industry revenues. According to KPMG, there is 77% digital penetration and full digitalization is expected by the end of 2013. However, it is impossible to know under what technical standards the rollout is taking place. The lack of official figures remains a major hindrance when analysing the Indian market.

The Film Federation of India estimated there were 10,167 single-screen theatres in 2012, almost 3,000 fewer than five years before. According to the Multiplex Association of India, 900 multiplex screens were operating in the country by April 2012; 450 more were expected to open through April 2013.

Comparing these two trends it is clear that digital technology is not the only game-changer in India, as the country's exhibition model is shifting. In a territory with approximately 8 screens per million people (15 times less than the US), with the second largest population on the planet and the main market by attendance in the world, the exhibition sector has huge scope for development.

Production and funding

More than 900 titles were produced in the country in 2011 according to a study published by Ernst & Young. In turn, production costs increased between 15% and 20% in 2012. India is becoming aware of the importance of public support in order to foster the local industry and attract inward investment productions. However, the few regional funds aside, India lacks a national support scheme.

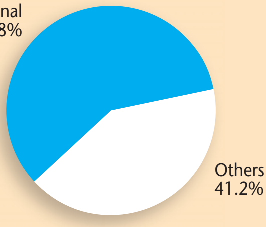
Film production is witnessing a surge in the local industry outside Bollywood. Beyond Hindi and English, other regional languages are performing well in the box office. Furthermore, the country signed two co-production treaties with Poland and Spain in 2012, taking the number of international agreements to 6.

Source: KPMG, FICCI, *Screen International, Ernst & Young, Variety, The Times of India,* Business Today, IHS Screen Digest, OBS

South Korea

Population 2012 e	50.0 million
GDP per capita 2012 e	23 021 USD
Gross box office 2012	1 455 bn KRW (1.31 bn USD)
Admissions 2012 e	194.9 million
Average ticket price 2012 e	7 466 KRW (6.7 USD)
Average admissions per capita 2012 e	3.9
Screens 2011 | 2012	1 974 | 2 081
Digital screens 2011 | 2012	1 618 | 1 948
Digital 3D screens 2011 | 2012	766 | 830

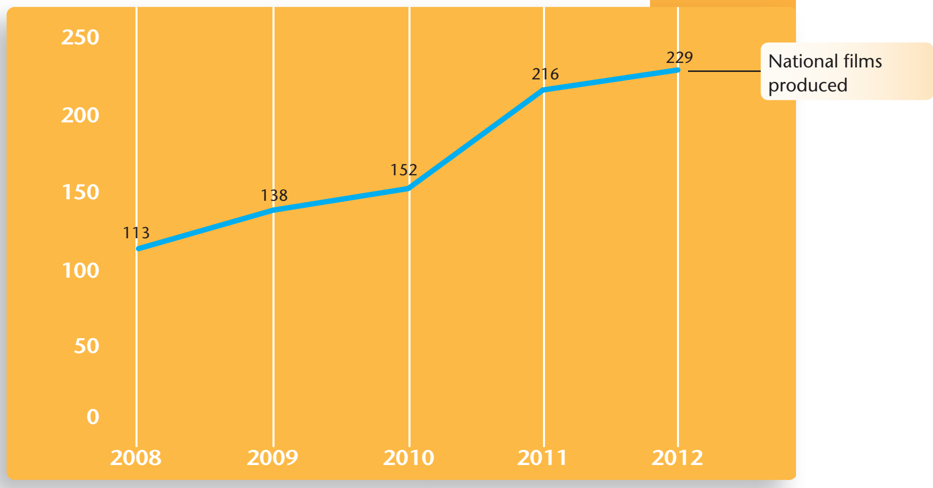
Market shares 2012 e (1)



(1) Based on 2012 Jan-Nov figures.

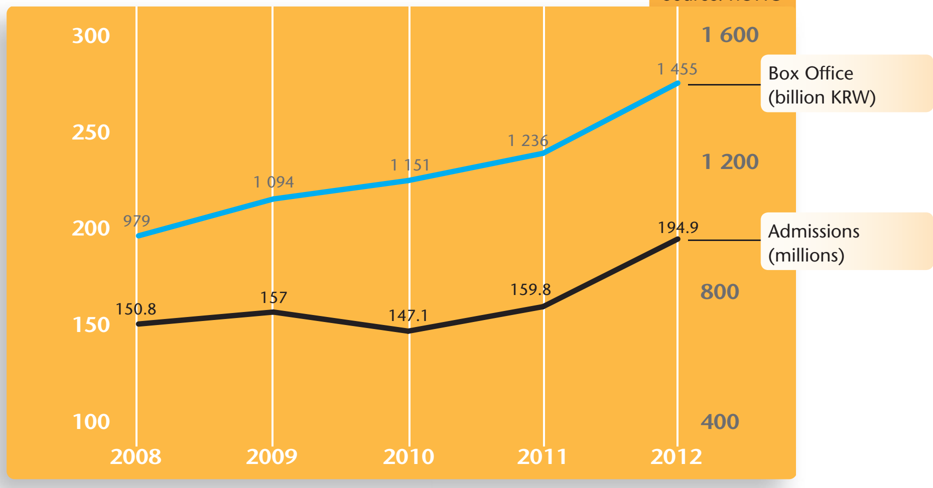
Number of Korean feature films produced | 2008-2012

Source: KOFIC



Admissions and gross box office | 2008-2012

Source: KOFIC



Top 20 films by admissions in South Korea | 2012

	Original title	Country of origin	Director	Distributor	Admissions
1	Do-dook-deul (The Thieves)	KR	Choi Dong-Hoon	Showbox/Mediaplex	12 983 182
2	Gwang-hae, Wang-i Doin Nam-ja (Masquerade)	KR	Choo Chang-Min	CJ Entertainment	12 319 390
3	The Avengers	US	Joss Whedon	Sony Pictures	7 074 867
4	Neuk-dae So-nyeon (A Wereworlf Boy)	KR	Jo Sung-Hee	CJ Entertainment	6 654 390
5	The Dark Knight Rises	US/GB	C. Nolan	Warner Bros.	6 396 528
6	Ba-lam-gwa Ham-gge… (The Grand Heist)	KR	Kim Joo-Ho	Next Entert. World	4 897 551
7	The Amazing Spider-Man	US	Marc Webb	Sony Pictures	4 853 123
8	Beom-joi-wa-eui Jeon… (Nameless Gangster…)	KR	Yoon Jong-Bin	Showbox/Mediaplex	4 710 454
9	Nae A-nae-eui Mo-deun Geot	KR	Min Gyoo-Dong	Next Entert. World	4 598 583
10	Yeon-ga-si	KR	Park Jeong-Woo	CJ Entertainment	4 513 026
11	Architecture 101	KR	Lee Yong-Ju	Lotte	4 110 645
12	Dancing Queen	KR	Lee Seok-Hoon	CJ Entertainement	4 057 546
13	Unbowed	KR	Chung Ji-Young	NEW	3 450 941
14	Man in Black 3	US/AE	Barry Sonnenfeld	Sony Pictures korea	3 379 762
15	Les Miserbles	US/GB	Tom Hooper	Universal Intl Korean	3 210 150
16	26 years	KR	Cho Geun-Hyun	Chungeorahm Film	2 940 480
17	Confession of Murder	KR	Jung Byung-gil	Showbox/Mediaplex	2 721 893
18	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	NEW	2 654 819
19	The Concubine	KR	KIM Dai-seung	Lotte	2 621 436
20	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Warner	2 605 154

Source: KOFIC

Distribution and exhibition

South Korea's exhibition market achieved its best result ever, surpassing 1969's landmark, with 194.9 million admissions and USD 1.3 billion revenues. After the first years of the century sky-rocketing, attendance moderated since 2007; however, two last consecutive years growing by more than 7% year on year (a growth trend only to be seen in developing countries) show that Korean box office has not hit the ceiling yet. Not only Korean theatres have doubled the level of attendance in only ten years, but Korean cinema has gone from a market share of around 25% in the late 90s to becoming the indisputable box office winner with 59.6% of the admissions in 2012, establishing a landmark above 100 million tickets sold. More importantly, this has not been a one-off successful year, but just slightly above last ten year average. Most of the remaining box office went to American productions (34%), leaving the bronze medal to European cinema with 4.9% of the market. Hence, it comes to no surprise that 7 local production ranked within the BO top 10, including *The Thieves* and *Masquerade* topping the list. As for digital rollout, the country is practically fully digitalized (94% penetration) and 3D screens represent 40% of the total stock.

Production and funding

2012 saw 229 feature film productions in Korea, the highest number in recent decades. Production has been growing since the beginning of the century –on average, fewer than 60 films a year were produced in Korea in the late 90s. However, this trend took a dramatic turn with the establishment of KOFIC's Film Development Fund in 2007. Even though Korean film production volume has more than doubled since 2006, not all titles reached the big screen. While most local productions used to have a theatrical release, only 140 films were screened at commercial cinemas in 2012, a figure well below the current level of production. The sudden rise in supply of local films might have saturated the market.

KOFIC launched the so called co-production incentive, a new support scheme to generate synergies between Korean and foreign producers. In addition, the organisation opened the *Film Business Center* in Beijing (its second overseas branch after Los Angeles), to provide Korean producers with a place to develop projects with the awakening giant.

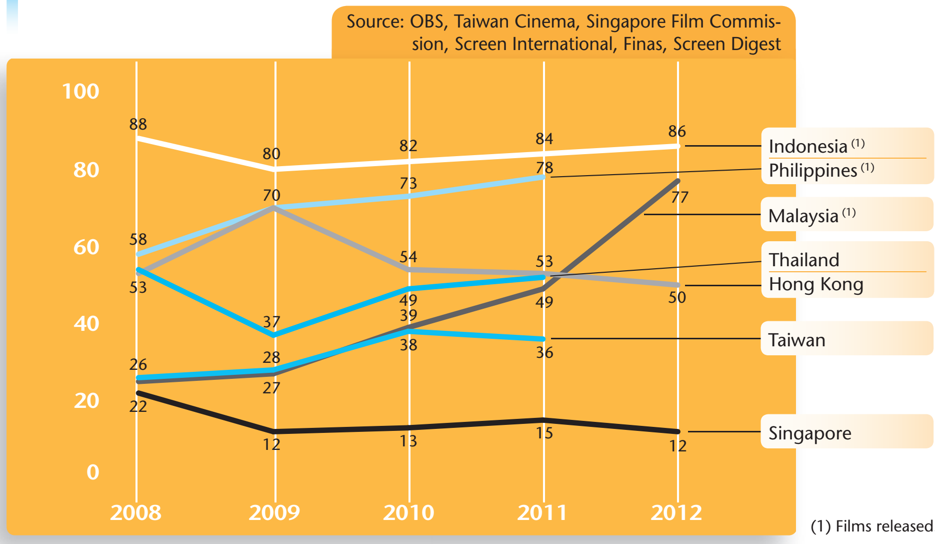
Source: Korean Film Council (KOFIC), *Screen International*, OBS

Other Asia

	Hong Kong	Indonesia	Malaysia	Philippines	Singapore	Taiwan	Thailand
Population 2012 e (millions)	7.2	244.5	29.0	97.7	5.4	23.4	64.5
GDP per capita 2012 e (USD)	35 961	3 660	10 578	2 462	49 936	19 888	5 848
Gross box office 2012 e (M USD)	200.7	83.7 (1)	196.2	153 (1)	153.3	271 (1)	152.6 (1)
Admissions 2012 e (millions)	24.2	27.9 (1)	56.9	48 (1)	21.2	26.4 (2)	28.3 (2)
Average ticket price 2012 e (USD)	8.3	3.0 (1)	3.5	3.2 (1)	7.2	7.7 (2)	4.4 (2)
Average admissions per capita 2012 e	3.4	0.1 (1)	2.0	0.5 (1)	4.0	1.1 (2)	0.4 (2)
Screens 2012 e	207	763 (1)	754	693 (1)	200	574 (1)	757 (2)
Digital screens 2012 e	203	34 (2)	230	84 (2)	155	219 (2)	82 (2)
Digital 3D screens 2012 e	108 (2)	~	~7	~	86	~	~
National market shares 2012 e	20.2%	~	17.2%	25.7% (1)	4%	17.5%	37.5% (3)

(1) 2011 (2) 2010 (3) 2008

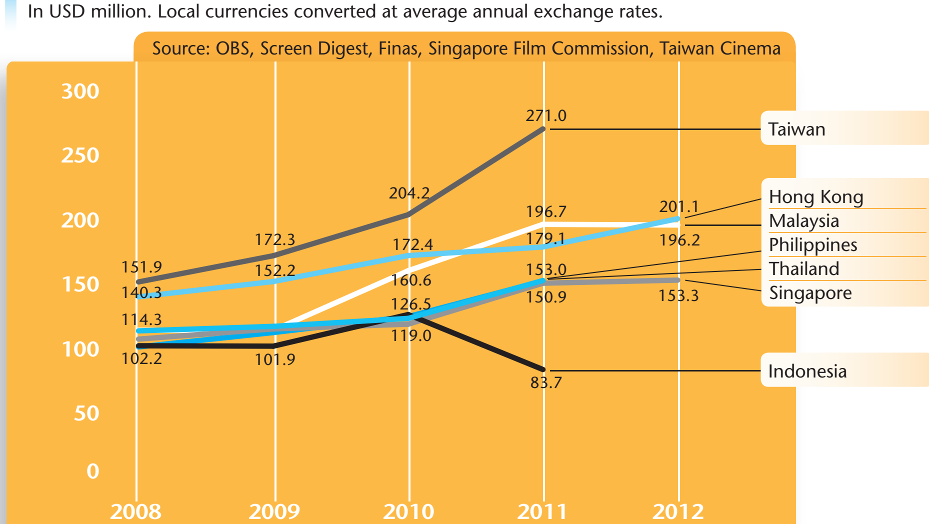
Number of feature films produced in selected Asian countries | 2008-2012



(1) Films released.

Gross box office in selected Asian countries | 2008-2012 e

In USD million. Local currencies converted at average annual exchange rates.



Top 10 films by admissions in Hong Kong | 2012

Estimated admissions based on average ticket price of USD 8.3.

	Original title	Country of origin	Director	Admissions [e]
1	The Avengers	US	Joss Whedon	1 520 882
2	The Dark Knight Rises	US/GB	Christopher Nolan	1 248 767
3	The Amazing Spider-Man	US	Marc Webb	965 235
4	Men in Black 3	US/AE	Barry Sonnenfeld	703 362
5	Cold War	HK	L.M Leung & K.C Luk	664 079
6	Life of Pi	US/TW	Ang Lee	648 654
7	Ice Age: Continental Drift	US	S. Martino & M. Thurmeier	596 399
8	Skyfall	GB/US	Sam Mendes	585 112
9	Journey 2: The Mysterious Island	US	Eric Brevig	546 355
10	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	519 380

Source: HKTA (Hong Kong Theatres Association Ltd.)

Top 10 films by gross box office in Singapore | 2012 [e]

	Original title	Country of origin	Director	Admissions [e]
1	The Avengers	US	Joss Whedon	1 428 160
2	The Dark Knight Rises	US/GB	Christopher Nolan	920 787
3	The Amazing Spider-Man	US	Marc Webb	896 469
4	Skyfall	GB/US	Sam Mendes	709 658
5	Ah Boys to Men	SG	Jack Neo	634 492
6	Madagascar 3: Europe's Most Wanted	US	C.Vernon, T. McGrath & E.Darnell	626 754
7	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	557 115
8	Men in Black 3	US/AE	Barry Sonnenfeld	548 272
9	Battleship	US	Peter Berg	531 691
10	Chinese Zodiac	HK/CN	Jackie Chan	516 216

Source: Singapore Media Fusion

Distribution and exhibition

According to the latest figures, Asian BO grew two and a half times more than the world average in 2011, year on year. Although no other country performed like China, almost all territories in the region were well above the 6% growth year on year seen across the globe.

The Hong Kong exhibition market has become a victim of its own real estate expansion. With square metre prices among the most expensive on earth, there seems to be little space left for cinema theatres. Despite the fact that the number of screens remained steady over the last ten years, Hong Kong has lost almost 13,000 seats in this period; in other words, 25% of its capacity. This is in a territory that, alongside Singapore, has the highest attendance per capita in Asia (3.4 and 4 respectively), and one of the highest in the world. In turn, Singapore box office grew by 26.6% on 2010 with USD 150.8 million in revenues.

Elsewhere in the region, developing countries such as Indonesia, the Philippines, Thailand and Malaysia have in their fast-growing, young population the key for distribution and exhibition to boom in years to come. In 2011 the three latter countries grew by more than 22% year on year; a figure Indonesia would probably have achieved, were it not for the hike in import tax on foreign productions set by the Government. As a result, Hollywood studios pulled their films from the cinemas as a protest measure, causing attendance to fall by 60% on 2010.

Production

Small, developed Chinese-speaking Hong Kong and Taiwan have an El Dorado in mainland China's voracious market. The Asian giant has progressively softened or lifted tariffs and quotas on film imports from these two territories via reciprocal agreements, which in turn is enhancing the presence of mainland Chinese films in the two markets.

In 2011, production increased slightly within the minor Asian markets as a whole, with Indonesia (90 productions) and the Philippines (78) at the forefront. Nevertheless, Hong Kong remains the most thriving player in the group and the only one with real overseas reach; 38 out of the 54 films shot in 2011 were international co-productions, whereas the other countries' production was almost 100% national.

Source: MPIA, FINAS, MPAA, Taiwan Cinema, *Screen Digest, Screen International, Variety, Film Business Asia*, OBS

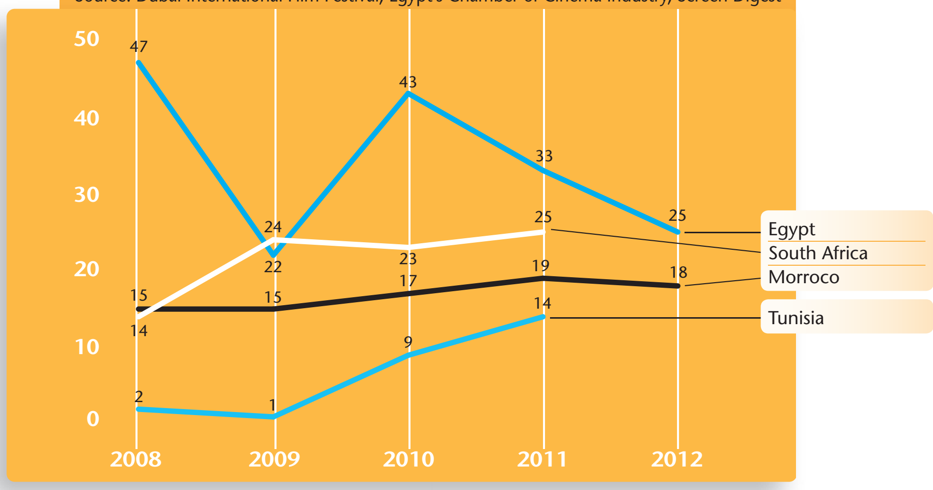
Africa

	Algeria	Egypt	Morocco	South Africa	Tunisia
Population 2012 e (millions)	36.5	82.0	32.5	51.2	10.8
GDP per capita 2012 e (USD)	5 660	3 109	2 988	7 636	4 152
Gross box office 2012 e (in M USD)	0.0 (3)	48.5 (1)	7.9	57.2 (1)	~
Admissions 2012 e (millions)	0.0 (3)	21.0 (1)	2.0	22.4 (1)	0.3 (4)
Admissions per capita 2012 e	0.0 (3)	0.3 (1)	0.1	0.4 (1)	0.0 (4)
Average ticket price 2012 e (in USD)	0.7 (3)	2.3 (1)	3.9	2.6 (1)	2.3 (3)
Screens 2012 e	19 (3)	341 (2)	69	865 (1)	13
Digital screens 2012 e	~	3 (2)	~	11 (2)	3 (3)
National market shares 2012 e	~	80%	34%	17% (2)	15% (5)

(1) 2011 (2) 2010 (3) 2009 (4) 2008 (5) 2005

Number of feature films produced in selected African countries | 2008-2012

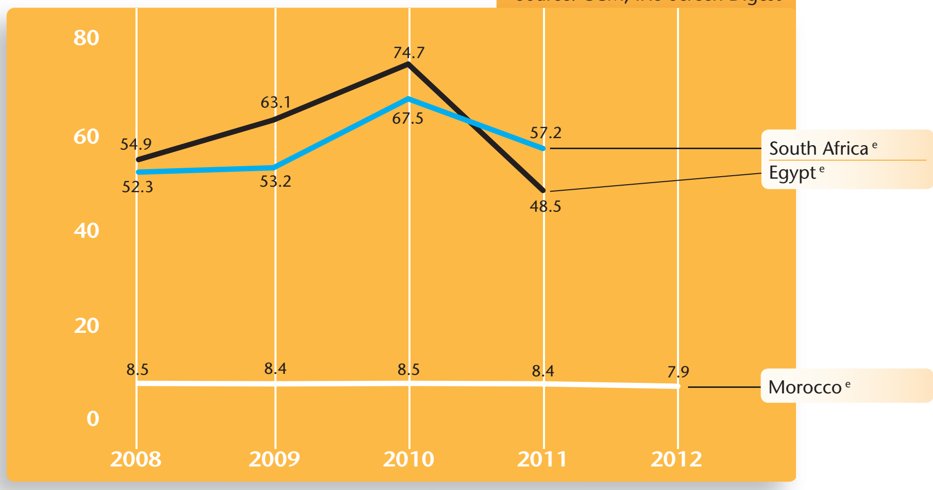
Source: Dubai International Film Festival, Egypt's Chamber of Cinema Industry, Screen Digest



Gross box office in selected African countries | 2008-2012 e

In USD million.

Source: CCM, IHS Screen Digest



Top 10 films by gross box office in South Africa | 2012

	Original title	Country of origin	Director	Distributor	Gross box office (in USD)
1	The Avengers	US	Joss Whedon	Ster Kinekor	4 609 462
2	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Nu Metro	4 560 489
3	Skyfall	GB/US	Sam Mendes	Ster Kinekor	3 978 051
4	Madagascar 3: Europe's Most Wanted	US	Vernon, McGrath & Darnell	UIP	3 535 749
5	Ice Age: Continental Drift	US	S.Martino M. Thurmeier	Nu Metro	3 310 347
6	Mad Buddies	ZA	Gray Hofmeyr	Ster Kinekor	3 156 343
7	Step Up Revolution	US	Scott Speer	Nu Metro	2 408 244
8	Life of Pi	US/TW	Ang Lee	Nu Metro	2 401 606
9	Taken 2	FR	Olivier Megaton	Nu Metro	2 328 831
10	The Hobbit: An Unexpected Journey	US/NZ	Peter Jackson	Nu Metro	2 241 688

Source: Box Office Mojo

Top 10 films by gross box office in Morocco | 2012

	Original title	Country of origin	Director	Gross Box Office (in USD) [e]
1	Road to Kabul	MA	Brahim Chkiri	890 809
2	Un Marocain à Paris	MA	Saïd Naciri	297 258
3	Skyfall	GB/US	Sam Mendes	297 976
4	Mission: Impossible - Ghost Protocol	US/AE	Brad Bird	232 313
5	Elle est diabétique 3	MA	Imad & Swel Noury	143 878
6	The Dark Knight Rises	US/GB	Christopher Nolan	201 538
7	Zero	MA	Nour-Eddine Lakhmari	145 249
8	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	243 700
9	X-Large	EG	Sherif Arafa	116 086
10	The Amazing Spider-Man	US	Marc Webb	121 277

Source: Centre Cinématographique Marocain (CCM)

Overview

Africa is a vast, fragmented market with an underdeveloped production industry and, for most of its territory, statistics are unreliable. Cinema production as per western standards exists in only a few countries, notably Egypt, Morocco and South Africa. However, alternative guerrilla production using video format is extensive in Nollywood, Nigeria's film Mecca, the second largest producer in the world by number of films made. This model is followed on a smaller scale by many other African countries with poor or no shooting facilities. All in all, most of the continent's commercial theatrical productions originate from the southern-Mediterranean region.

Egypt and Morocco

Egypt remained the most important African cinema industry by volume, with 378 films produced between 2002 and 2011 (33 in 2011) and more than 200 production companies operating in the country. With a 46% tariff on foreign films it is not surprising that the BO is topped by local productions, which get the lion's share of the market (83%), while the remainder goes to American cinema. Morocco produced 18 films in 2012, 2 of which ranked at number one and two at the BO by admissions, surpassing international blockbusters such as *Skyfall* and *Mission: Impossible 4*. Egyptian BO number one in 2011, *X-Large*, also made it into the Moroccan top 10, showing a certain circulation of popular films among Arab-speaking countries. National productions secured 34% of the market, well above last years' average. CCM (Moroccan Cinema Centre) has boosted the national industry in recent years; USD 6.5 million were allocated for local production and exhibition in 2012. In turn, a combination of tax incentives and local support has attracted 175 productions to the country (25 in 2012) since 2006 (mainly from the US and the UK), generating investment of more than USD 400 million.

South Africa

Unlike in North Africa, the country's box office is clearly dominated by Hollywood. Nonetheless, local comedy *Mad Buddies* made it to number 6 of the BO with revenues of more than USD 3 million. South Africa aims to consolidate its status as a partner in international productions, with several regional funds, film commissions and a tax incentive for foreign producers implemented in recent times.

Source: Moroccan Cinema Centre, Dubai International Film Festival, Euromed Audiovisual, Variety, OBS

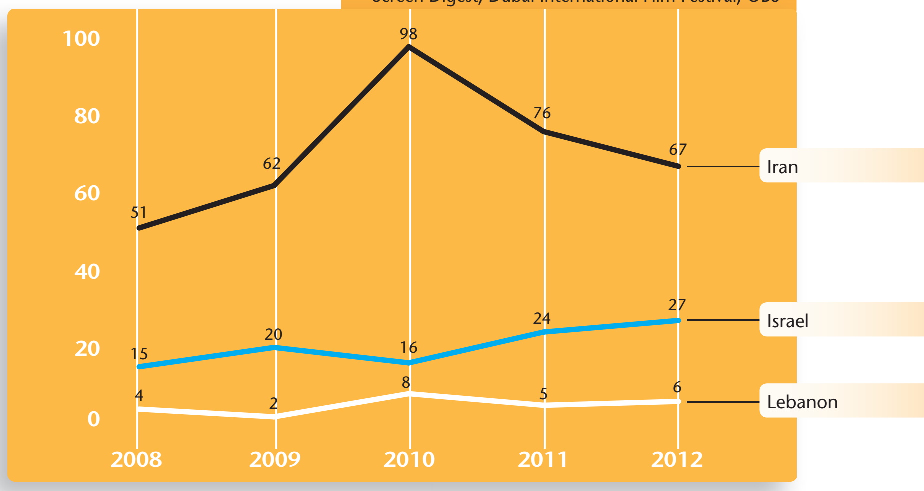
Middle East

	Iran	Israel	Kuwait	Lebanon	Qatar	United Arab Emirates
Population 2012 e (millions)	76.1	7.7	3.8	4.0	1.8	5.5
GDP per capita 2012 e (USD)	6 356	32 060	46 142	10 416	100 378	65 377
Gross box office 2012 e (in M USD)	45.2	117.0	19.8 (4)	18.4 (2)	13.0 (4)	111.1 (1)
Admissions 2012 e (millions) e	7.5	13	2.2 (4)	2.7 (3)	1.5 (4)	12.6 (1)
Admissions per capita 2012 e	0.1	1.7	0.6 (4)	0.7 (3)	1.3 (4)	2.3 (1)
Average ticket price 2012 e (USD)	6	9	9.5 (3)	6.6 (3)	8.8 (4)	8.8 (1)
Screens 2012 e	350	281	61 (2)	94	43 (2)	255 (2)
Digital screens 2012 e	60	199	10 (3)	81	~	55 (2)
National market shares 2012 e	95.0%	8%	~	4% (3)	~	~

(1) 2011 (2) 2010 (3) 2009 (4) 2008

Number of films produced in selected Middle Eastern countries | 2008-2012 e

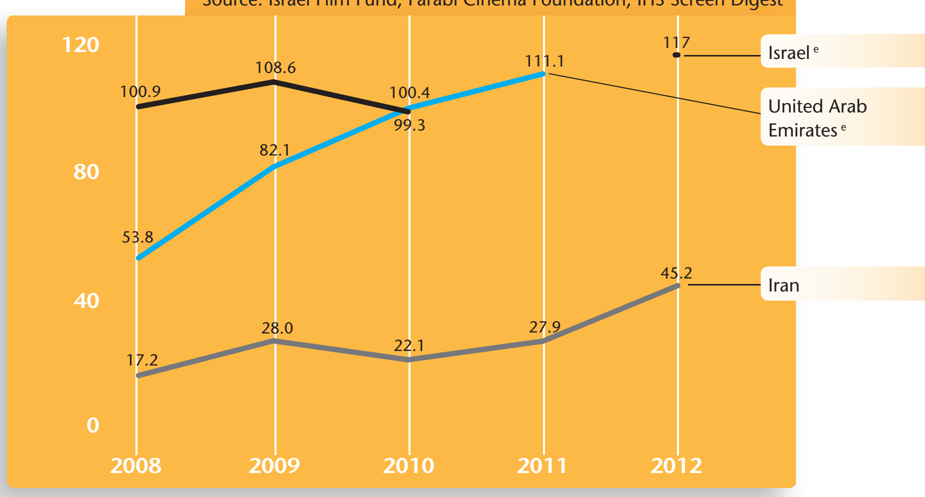
Source: Farabi Cinema Foundation, Israel Film Fund, Screen Digest, Dubai International Film Festival, OBS



GBO in selected Middle Eastern countries | 2008-2012 e

In USD million. Local currencies converted at averave annual exchange rates.

Source: Israel Film Fund, Farabi Cinema Foundation, IHS Screen Digest



Top 10 films by gross box office in Lebanon | 2012

	Original title	Country of origin	Director	Distributor	Gross box office (in USD)
1	Skyfall	GB/US	Sam Mendes	~	976 280
2	The Amazing Spider-Man	US	Marc Webb	Sony Pictures	835 612
3	Taken 2	FR	Olivier Megaton	~	834 251
4	Step Up Revolution	US	Scott Speer	Jaguar	762 846
5	The Twilight Saga: Breaking Dawn - Part 2	US	Bill Condon	Jaguar	664 649
6	Ice Age: Continental Drift	US	Martino, Thurmeier	20th Century Fox	644 503
7	Lo imposible (The Impossible)	ES	Juan Antonio Bayona	Jaguar	624 642
8	The Dark Knight Rises	US/GB	Christopher Nolan	Warner Bros.	562 986
9	The Expendables 2	US	Simon West	~	560 668
10	Omar & Salma 3	EG	Mohamed Samy	~	534 839

Source: Box Office Mojo

Overview

According to Screen Digest, United Arab Emirates caught up with Israel in 2011, becoming the leading market in the Middle East by box office, with Iran following at some distance. Political instability and the lack of up-to-date, reliable statistics in most countries make it difficult to draw conclusions about the current situation in the region.

Israel

2012 was an excellent year for the box office in Israel, with 13 million admissions and USD 117 million in revenues, 17% and 5.5% more than in 2010 and 2011 respectively. However, the share of the market for Israeli films dropped to 8%, below the double-digit figure of recent years, with no local production within a BO top 10 made up of American blockbusters. Digital penetration was in line with European standards, reaching 71% by the end of the year, with three quarters of d-screens equipped for 3D.

As for public support, the Israel Film Fund was endowed with USD 6 million in 2012 to facilitate the production, marketing and distribution of around 15 projects. In the last 2 years, 6 Israeli productions were theatrically released in the US and/or Europe. Furthermore, Bulgaria and Israel signed a co-production agreement at the beginning of 2012.

United Arab Emirates

Box office revenues have quadrupled over the last ten years (USD 111 million in 2011, a 10.6% increase on 2010) as screens flourished, following the path of the country's skyrocketing economy. Furthermore, the Emirates have put Abu Dhabi and Dubai film festivals on the international agenda in record time. However, despite the fact that the market has boomed and infrastructure has been created over the last decade, cinema production in the Emirates is practically nonexistent, with just one big film produced every other year on average. Official figures reveal that 100 productions were shot in the UAE during this century, mostly short films, which represents an improvement on preceding years. The establishment of film commissions and the opening of shooting facilities have prepared the ground for production in the country. In line with this, workshops have proliferated recently, to provide local filmmakers and producers with much needed industry know-how.

Iran

According to official statistics by *Farabi Cinema Foundation*, attendance fell by 22% on 2011 to 7.5 million admissions. This may be due to recent devaluation of the Rial by 12% to the USD (estimated to be more than 30% in the black market). With a population equivalent to Turkey's and a stock of screens lower than Ireland's, it is not surprising the market has limited release capacity. According to *Iranian Independents*, 101 feature films were produced in the country in 2012; however, just 54 films made it onto the big screen that year, leaving around 50% of local production out of official circuits. There are three quite well differentiated types of production in Iran: the official ones (or "magnificent films"), financed by the Government; mainstream projects with support from the private sector; and micro-budget underground cinema produced without official permission, and overtly tackling dealing with social issues. The first two categories have access to theatrical release, whereas the latter are aimed at film festivals. According to *Iranian Independents*, local productions won more than 2 300 international awards in the post-revolutionary era; including 2012's Oscar for Best Foreign Language Film for *A Separation*.

Source: Arabian Business, Farabi Cinema Foundation, Iranian Independents, Israel Film Fund, *Screen International*, IHS Screen Digest, The Economist, Your Middle East, OBS

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FOCUS 2013 was prepared by the European Audiovisual Observatory. We would like to thank the following sources:

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