PRESS RELEASE

European Audiovisual Observatory, Council of Europe

Strasbourg, 7 May 2013

# Decline in admissions in the European Union in 2012 but European films' market share on the up

- **Market shares for EU films increased by 5.6%, which corresponds to *Skyfall* 's market share**
- **GBO record high due to premium 3D ticket prices**
- **Overall admissions in EU down by 2,2%**

In 2012 attendance for EU films grew by 12% year on year, amounting to around 313 million admissions, boosted by *Skyfall*, the latest instalment of the James Bond franchise. The British secret agent's latest outing, a majority UK co-production, brought the market share of European films within the EU to 33.6%, the highest level of the century. For many years now EU box office has struggled to break the 30% market share threshold. 2012 saw European films getting 33.6% of total admissions, more than a third of which were for non-national European films and an increase of 5.6% in comparison with 2011, corresponding exactly to *Skyfall's* market share. In a sense, as a British hero with US support, James Bond has occupied the space left empty by the vanishing of Harry Potter.

Aggregate figures for the EU represented, more than ever, a mathematical artefact, as there were remarkable differences among European countries. Attendance fell by 2.2% within the Union, down to 933.3 million admissions. Countries like Finland (19.7% growth) or Romania (+15.4%) bucked the downward trend. As for 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 fell by 6.3%.

This drop in admissions did not prevent GBO from reaching, for the second year running, a record high of EUR 6.47 billion. This was achieved thanks to the hike of ticket prices (2012 average was EUR 6.9) due to 3D releases.

## Decline of the "incoming investment" film market share

*Skyfall*, a British film with solid support from a US major studio, was the undisputed king of the world box office with 44 million admissions throughout the European Union and 36 million in North America. It becomes the highest-grossing Bond instalment of all times. It was followed at a distance by American blockbusters such as *Ice Age: Continental Drift*, *The Dark Night Rises* and *The Twilight Saga: Breaking Dawn – Part 2*. This confirms the trends of franchise success, with 10 of the films within the BO top 25 being sequels.

With 22 American films within the EU box office top 25, the 62.8% US share of the European market by admissions was slightly superior to last year (61.8%). The main category that decreased on 2011 was that of films produced in Europe with American incoming investment (EUR inc/US), down from 8.1% to 2.1% year on year. Non-EU non-American films represented 1.4% of the total admissions against 1.8% in the 2011.

**Press Contact in Cannes:**
**Alison Hindhaugh, Press Officer, alison.hindhaugh@coe.int**
**Tel.: + 33 (0) 6 84 35 27 43**

Table 1: Admissions in European countries (2010 – 2012 prov)

| Country | | Admissions (in mio.) 2010 | 2011 | 2012 | 2011/2012 | Sources |
|---|---|---|---|---|---|---|
| AT | Austria | 17,3 | 16,5 | 16,4 | -0,3% | ÖFI |
| BE | Belgium *est* | 22,3 | 22,3 | 21,9 | -1,9% | INS / FCB |
| BG | Bulgaria | 4,0 | 4,7 | 4,1 | -13,0% | National Film Center |
| CY | Cyprus | 0,9 | 0,9 | 0,9 | -0,5% | Min. Cult. / Media Salles |
| CZ | Czech Republic | 13,5 | 10,8 | 11,2 | 3,6% | Ministry of Culture / UFD |
| DE | Germany | 126,6 | 129,6 | 135,1 | 4,3% | FFA |
| DK | Denmark | 13,0 | 12,4 | 13,6 | 9,3% | Danish Film Institute |
| EE | Estonia | 2,1 | 2,5 | 2,6 | 4,7% | Estonian Film Foundation |
| ES* | Spain *est* | 101,6 | 98,3 | 93,6 | -4,8% | ICAA, Media Salles |
| FI | Finland | 7,5 | 7,1 | 8,5 | 19,7% | Finnish Film Foundation |
| FR | France | 207,0 | 217,1 | 203,4 | -6,3% | CNC |
| GB | United Kingdom | 169,2 | 171,6 | 172,5 | 0,5% | BFI / Rentrak |
| GR | Greece | 11,7 | 10,8 | 10,1 | -6,7% | Media Salles / GFC |
| HU | Hungary | 11,0 | 9,8 | 9,5 | -3,1% | National Film Office |
| IE | Ireland *est* | 16,5 | 16,3 | 15,4 | -5,7% | Carlton Screen Advertising / Nielsen EDI |
| IT* | Italy *est* | 110,0 | 101,3 | 91,3 | -9,9% | DGC MiBAC-ANICA/ Cinetel |
| LT | Lithuania | 2,6 | 3,0 | 3,0 | 1,8% | Baltic Films |
| LU | Luxembourg | 1,2 | 1,3 | ~ | ~ | CNA / Media Salles |
| LV | Latvia | 2,1 | 2,1 | 2,3 | 10,9% | National Film Centre |
| MT | Malta | 0,9 | ~ | ~ | ~ | MFC / Media Salles |
| NL | The Netherlands | 28,2 | 30,4 | 30,7 | 0,7% | NFC / NFF / MaccsBox - NVB & NVF |
| PL | Poland | 37,5 | 38,7 | 38,5 | -0,6% | Boxoffice.pl |
| PT | Portugal | 16,6 | 15,7 | 13,8 | -12,1% | Instituto do Cinema e do Audiovisual |
| RO | Romania | 6,5 | 7,2 | 8,3 | 15,4% | Centrul National al Cinematografiei |
| SE | Sweden | 15,8 | 16,4 | 18,4 | 11,9% | Swedish Film Institute |
| SI | Slovenia | 2,9 | 2,9 | 2,7 | -5,7% | Slovenian Film Fund |
| SK | Slovakia | 3,9 | 3,6 | 3,4 | -5,6% | Slovak Film Institute |
| **EU 27 - est. total** | | **952,4** | **954,3** | **933,3** | **-2,2%** | **European Audiovisual Observatory** |

*Source: European Audiovisual Observatory*

## Circulation of European films is slightly improving

Apart from *Skyfall*, two other EU films made it into the BO top 20. *Intouchables* became the most successful French film ever in the French market, with 21.4 million admissions between 2011 and 2012, just losing to *Titanic* at the finishing line by a fistful of admissions. More importantly, the film went beyond borders, ranking at the top of the BO in most EU markets (i.e. #1 in Germany and the Netherlands, #3 in Poland, #4 in Italy and Spain). With 18.5 million admissions in EU countries other than France, *Intouchables* obtained 46% of its European admissions on non national markets, an exceptional rate for a French comedy. *Intouchables* thus became the most successful non-English language production of all times in the international market. However, it was another French film, this time in English, *Taken 2* (#17 in the EU), that made it into the American BO top 20 alongside *Skyfall*. Also shot in English, the Spanish disaster film *Lo Imposible* (#26 in the EU) was the fourth most successful European film of the year, mainly due to the domestic market. Therefore, it comes as no surprise it became the highest-grossing local production in Spain ever.

Table 2: EU market share by country of origin (2008 – 2012e)
In% of total admissions.

| Region | | 2008 | 2009 | 2010 | 2011 | 2012 prov |
|---|---|---|---|---|---|---|
| **US** | | **65,5%** | **67,0%** | **68,4%** | **61,8%** | **62,8%** |
| **EUR inc / US co-productions** | | **4,4%** | **4,1%** | **5,0%** | **8,1%** | **2,1%** |
| **Films EU total(*)** | | **28,4%** | **26,4%** | **24,9%** | **28,0%** | **33,6%** |
| **Other European** | | **0,4%** | **0,2%** | **0,4%** | **0,3%** | **0,1%** |
| **Others** | | **1,3%** | **2,2%** | **1,4%** | **1,8%** | **1,5%** |
| **European films by country of origin (*)** | | | | | | |
| FR | France | 12,3% | 8,8% | 9,3% | 10,0% | 13,6% |
| GB | United Kingdom | 2,3% | 3,8% | 2,8% | 3,8% | 8,0% |
| IT | Italy | 3,6% | 2,7% | 3,8% | 4,4% | 2,9% |
| DE | Germany | 3,6% | 4,2% | 3,1% | 3,6% | 2,8% |
| Other EUR | Other European countries | 7,0% | 7,1% | 6,2% | 6,4% | 6,2% |

(*) excluding EUR inc films.

*Source: European Audiovisual Observatory - LUMIERE Database*

## Increase of production of EU fiction films but documentary production fell by 10%

A landmark for EU production volume was set in 2011 with 1336 films shot. Despite the fact that 1299 films were produced in 2012 (37 less than the year before), this was mainly due to a rather slight drop in documentary production, with features at full steam throughout 2012. Quantity aside, the anatomy of film production changed compared with 2011; average budgets dropped in most of the main production countries, such as Spain and France, moreover in others, such as the UK, overall spend was drastically reduced. In addition, several larger production countries showed a trend in film budgets toward the upper and lower extremes. Equally, there was an increase in international co-productions as a form of feeding the fire at times of lower domestic investment and, in many cases, important cuts in public support.

Table 3: Number of feature films produced in the European Union (2008-2012e)

| | 2008 | 2009 | 2010 | 2011 | 2012 prov |
|---|---|---|---|---|---|
| Feature fiction films est (1) | 803 | 839 | 834 | 896 | 901 |
| Feature documentaries est (2) | 356 | 377 | 412 | 440 | 398 |
| **Total feature films est (2)** | **1159** | **1216** | **1246** | **1336** | **1299** |

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

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

*Source: European Audiovisual Observatory*

## Three European theatres on four are now digital

With 74% penetration within the EU, digital rollout has entered its final stage. As a whole, the EU had crossed the point of no return with 21,693 digital screens by the end of 2012, which represents a growth of 36% on 2011. Here again, each country progressed at a varying speed. While Luxembourg, Austria, Belgium and Finland are fully, or almost entirely, digitized, Lithuania, Greece and Slovenia are still behind the eight ball, with less than 25% penetration. The leading digital markets by number of screens were the UK and France, whereas other big territories such as Germany, Italy and especially Spain are below EU average of 74%.

Table 4 : Top 5 countries by nuymber of digital screens (2012)

| Rank | Country | Digital screens | Digital screen penetration ° |
|---|---|---|---|
| 1 | France | 5 150 | 92% |
| 2 | United Kingdom | 3 538 | 93% |
| 3 | Germany | 3 134 | 68% |
| 4 | Italy | 2 112 | 65% |
| 5 | Spain | 1 800 | 45% |

*Source: Media Salles*

Table 5: Top 20 films by admissions in the European Union in 2012

| Rank | Original title | Country of origin | Production year | Director | Admissions |
|---|---|---|---|---|---|
| 1 | Skyfall | GB / US | 2012 | Sam Mendes | 44 380 274 |
| 2 | Ice Age: Continental Drift | US | 2012 | Steve Martino, Mike 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 | The Avengers | US | 2012 | Joss Whedon | 23 446 375 |
| 8 | Madagascar 3: Europe's Most Wanted | US | 2012 | Conrad Vernon, Tom McGrath, Eric Darnell | 22 246 026 |
| 9 | Ted | US | 2012 | Seth MacFarlane | 16 943 646 |
| 10 | Brave | US | 2012 | Steve Purcell, Brenda Chapman, Mark Andrew | 14 685 368 |
| 11 | The Amazing Spider-Man | US | 2012 | Marc Webb | 13 091 299 |
| 12 | The Hunger Games | US | 2012 | Gary Ross | 12 608 164 |
| 13 | Men in Black 3 | US / AE | 2012 | Barry Sonnenfeld | 11 871 353 |
| 14 | Snow White and the Huntsman | US | 2012 | Rupert Sanders | 11 838 551 |
| 15 | American Pie 4 | US | 2012 | Jon Hurwitz, Hayden Schlossberg | 11 662 196 |
| 16 | Prometheus | US / GB | 2012 | Ridley Scott | 11 278 496 |
| 17 | Taken 2 | FR | 2012 | Olivier Megaton | 10 433 730 |
| 18 | Sherlock Holmes: A Game of Shadows | US | 2011 | Guy Ritchie | 9 141 411 |
| 19 | The Dictator | US | 2012 | Larry Charles | 7 573 300 |
| 20 | The Expendables 2 | US | 2012 | Simon West | 7 510 045 |

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

*Source: European Audiovisual Observatory - LUMIERE Database*

Table 6: Top 20 European films by admissions in the European Union in 2012

| Rank | Original title | Country of origin | Production year | Director | 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 | 10 433 730 |
| 4 | Lo imposible | ES | 2012 | Juan Antonio Bayona | 6 515 934 |
| 5 | The Pirates! Band of Misfits | GB inc / US | 2012 | Jeff Newitt, Peter Lord | 5 804 395 |
| 6 | Sur la piste du Marsupilami | FR / BE | 2012 | Alain Chabat | 5 715 495 |
| 7 | Astérix et Obélix : Au Service de Sa Majesté | FR / ES / IT / LT | 2012 | Laurent Tirard | 5 550 734 |
| 8 | The Iron Lady | GB / FR | 2011 | Phyllida Lloyd | 5 504 082 |
| 9 | The Best Exotic Marigold Hotel | GB inc / US / UA | 2011 | John Madden | 5 497 182 |
| 10 | The Artist (2) | FR / BE | 2011 | Michel Hazanavicius | 5 259 934 |
| 11 | The Woman in Black | GB inc / US / SE | 2012 | James Watkins | 4 852 536 |
| 12 | La vérité si je mens! 3 | FR | 2012 | Thomas Gilou | 4 745 006 |
| 13 | Benvenuti al nord | IT | 2012 | Luca Miniero | 4 288 827 |
| 14 | Le prénom | FR | 2012 | Mathieu Delaporte, Alexandre de La Patellière | 3 721 742 |
| 15 | Les seigneurs | FR | 2012 | Olivier Dahan | 2 831 517 |
| 16 | Tad l'explorateur: À la recherche de la Cité perdue | ES | 2012 | Enrique Gato | 2 718 401 |
| 17 | Les infidèles | FR | 2012 | Fred Cavayé, Emmanuelle 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 |

(1) 15 698 471 admissions in the EU in 2011.
(2) 1 933 162 admissions in the EU in 2011.
Note: 'inc' refers to films produced in Europe with incoming investment from the US.

*Source: European Audiovisual Observatory - LUMIERE Database*

More detailed information on European as well as international theatrical markets can be found in
[FOCUS 2013 World Film Market Trends]
prepared by the European Audiovisual Observatory for the Cannes Film Market.

*Notes for Editors:*

- Data have been collected with the collaboration of the EFARN (European Film Agency Research Network).
- All 2012 figures are provisional.

## The European Audiovisual Observatory, Council of Europe

Set up in December 1992, the European Audiovisual Observatory's mission is to gather and distribute information on the audiovisual industry in Europe. The Observatory is a European public service body comprised of 39 member states and the European Union, represented by the European Commission. It operates within the legal framework of the Council of Europe and works alongside a number of partner and professional organisations from within the industry and with a network of correspondents. In addition to contributions to conferences, other major activities are the publication of a Yearbook, newsletters and reports, the compilation and management of databases and the provision of information through the Observatory's Internet site (http://www.obs.coe.int).

## Market shares (Table 2)

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

The provisional data on market shares in the European Union in 2012 shown in table 2 are based on the data on admissions to individual films as collected in the LUMIERE database on 2 May 2013. At this date the coverage rate of the database for admissions in the 23 European Union countries for which data is available was of around 91.8%. Due to various gaps in data collection and delivery in various countries, coverage of 100% of admissions is currently unachievable. For 2012, LUMIERE has still to include additional data on the following EU countries: Cyprus, Spain, Finland, France, Greece, Ireland, Lithuania, Luxembourg, Malta and Netherlands.

The data provided in this press release should be more accurate that the one published in the *FOCUS 2013,* based on an earlier and less extensive level of coverage.

## Number of feature films produced in the European Union (Table 3)

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

## European Union admissions rankings (Tables 5 and 6)

The pan-European film rankings shown in tables 5 and 6 are drawn up using information stored in the LUMIERE database as of 2 May 2013.

## The LUMIERE database (http://lumiere.obs.coe.int)

This database on admissions to films released in Europe is available on-line and free-of-charge, and is the result of collaboration between the European Audiovisual Observatory and various specialised national sources as well as the MEDIA Programme of the European Union. LUMIERE provides country-by-country analysis of admissions for about 30 000 films in distribution in Europe since 1996. Partial 2012 data for 23 European countries is now available, including data for the major European Union markets, as well as data for the North American market. The rankings (Tables 5 and 6) shown in this press release are based on data from all European Union countries for which results have been received.

## Contacts at the European Audiovisual Observatory:


- André Lange (Head of Department, Information on Markets & Financing)
  andre.lange@coe.int - tel.: +33 (0) 3 90 21 60 00 / 60 11

- Julio Talavera (Analyst, Department for Information on Markets & Financing)
  julio.talavera@coe.int - tel.: +33 (0) 3 90 21 60 00 / 60 14

- Alison Hindhaugh (Press & Information Officer)
  alison.hindhaugh@coe.int - tel.: +33 (0) 3 90 21 60 10 - Mobile number at Cannes : +33 (0) 6 84 35 27 43


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EUROPEAN AUDIOVISUAL OBSERVATORY
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The European Audiovisual Observatory

will be present at the Marché du Film, Cannes

Stand 18.02, Level 01

Palais des Festivals

Tel.: +33 (0)4 92 99 21 07

*This press release is available online:*
http://www.obs.coe.int/about/oea/pr/mif2013_cinema.html

More detailed information can be found in

*FOCUS 2013 World Film Market Trends*

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http://www.obs.coe.int/oea_publ/market/focus.html