



PRESS RELEASE
European Audiovisual Observatory, Council of Europe
Strasbourg, 6 May 2008

European films strong as cinema attendance falls back

- **Cinema attendance in the 27 member states of the European Union fell 1.3% to 919 million admissions in 2007**
- **European films earned a market share of 28.8% in 2007, slightly up on the strong level of 2006**
- **In 2007, 921 feature films were produced in the EU, ten more than in 2006**

European film production shows moderate growth

Based on the provisional data available, the European Audiovisual Observatory estimates that a total of 921 feature films were produced in the 27 member states of the European Union in 2007. This data includes for the first time production figures from the two new EU member states, Bulgaria and Romania, and historic figures have been adjusted to reflect this change. Based on these adjusted figures, European production levels for entirely national and majority co-productions have increased by 1.1% year-on-year and by an annual average of 5.1% since 2003 (754 feature films).

Overall growth was primarily due to a rise in the number of entirely national productions, increasing from 543 in 2003 to 711 in 2007 and 10 films up on 2006. International co-productions remained stable year-on-year, with a total of 210 films majority co-produced by a European Union member country in 2007.

Increased production activity in France, Spain and Italy contributed significantly to overall growth. With a total of 133 entirely national films (+6) and 52 majority co-productions (+15), France registered the second highest production level of the past five years, up 21 films from the previous year. Spanish production levels hit a record high, increasing 9% to 115 entirely national films (+6) and 30 majority co-productions (+6). Continuing its upward trend Italy counted a total of 109 'national' films split into 93 national (+3) and 16 majority co-productions (+4). In contrast, production figures declined strongly in Hungary and Sweden, falling by -18 and -16 respectively. However in both cases this represents a return to more normal levels against a background of exceptional production activity in 2006.

European admissions fall back slightly in 2007

The European Audiovisual Observatory now estimates 2007 cinema attendance in the European Union at 919 million tickets sold. This figure takes into account revised estimates from Spain and Italy and represents a 1.3% decrease from the 932 million admissions registered in 2006.

Results differed significantly across the various territories. Among the five major markets the United Kingdom and Italy stood out. According to estimates from Centro Studi ed Analisi di Cinecittà Holding,

Italian cinema experienced a phenomenal year, growing 13% to a record 120 million admissions. In the United Kingdom cinema attendance rose by 3.7% to 162 million tickets sold. Improving on early estimates the Spanish market registered a decline of -3.9%, while admissions fell by -5.9% and -8.2% in France and Germany respectively.

While cinema markets in Western Europe – with the exceptions noted above – were generally facing regressive attendance figures, audience interest was growing in more recent EU member states. This trend was demonstrated by the Czech Republic, where cinema attendance increased by 11.4%, largely thanks to strong local films, and Lithuania (+34%).

Table 1 : Cinema attendance in the European Union (2003-2007 prov.)

Country	2003	2004	2005	2006	2007 prov	% change 2007/2006
AT Austria	17.71	19.38	15.68	17.34	15.69	-9.5%
BE Belgium	22.71	24.12	22.10	23.93	22.30	-6.8%
BG Bulgaria	3.04	3.12	2.42	2.36	2.47	4.6%
CY Cyprus	1.00	0.96	0.78	0.82	0.87	5.1%
CZ Czech Republic	12.14	12.05	9.48	11.51	12.82	11.4%
DE Germany	148.96	156.71	127.32	136.68	125.40	-8.2%
DK Denmark	12.30	12.79	12.19	12.60	12.12	-3.8%
EE Estonia	1.27	1.19	1.13	1.59	1.63	2.5%
ES Spain	137.47	143.93	127.65	121.65	116.93	-3.9%
FI Finland	7.70	6.93	6.06	6.69	6.60	-1.3%
FR France	173.46	195.53	175.39	188.71	177.52	-5.9%
GB United Kingdom	167.26	171.25	164.69	156.56	162.43	3.7%
GR Greece	~	12.00	12.70	12.77	~	~
HU Hungary	13.65	13.66	12.12	11.67	10.05	-13.8%
IE Ireland	17.43	17.26	16.40	17.85	18.37	2.9%
IT Italy	110.45	116.34	105.55	106.11	120.00	13.1%
LT Lithuania	1.44	1.40	1.22	2.41	3.23	34.0%
LU Luxembourg	1.26	1.36	1.16	1.25	1.15	-8.2%
LV Latvia	1.13	1.68	1.68	2.14	2.23	3.9%
MT Malta	1.08	1.03	0.99	0.94	~	~
NL The Netherlands	24.96	23.05	20.63	23.39	22.12	-5.4%
PL Poland	23.77	33.40	23.61	32.02	32.65	2.0%
PT Portugal	18.72	17.14	15.75	16.37	16.32	-0.3%
RO Romania	4.53	4.00	2.83	2.78	2.91	4.9%
SE Sweden	18.17	16.61	14.61	15.31	14.87	-2.9%
SI Slovenia	2.97	3.00	2.44	2.69	2.41	-10.4%
SK Slovakia	2.86	2.80	2.18	3.40	2.77	-18.3%
EU 27 - est. total	959.5	1012.7	898.8	931.5	919.4	-1.3%

Source: European Audiovisual Observatory

Outside of the European Union results were also mixed. While the Russian market increased by 16% with admissions climbing to 107 million, Norway, Switzerland and Turkey saw attendance fall steeply.

Table 2 : Admissions in European countries outside of the European Union (2003–2007 prov.)

Country	2003	2004	2005	2006	2007 prov	% change 2007/2006
CH Switzerland	16.48	17.20	14.95	16.38	13.79	-15.8%
HR Croatia	2.34	2.98	2.17	2.67	~	~
IS Iceland	1.46	1.45	1.40	1.53	1.48	-3.0%
MK 'Former Yugoslav Republic of Macedonia'	0.28	0.30	0.10	0.10	~	~
NO Norway	13.05	11.97	11.31	12.01	10.82	-10.0%
RU Russian Federation	68.00	76.50	84.63	91.84	106.60	16.1%
TR Turkey	24.62	29.70	27.25	34.86	31.33	-10.1%

Source: European Audiovisual Observatory

Strong demand for European film

Based on available data, the European Audiovisual Observatory estimates that European films achieved a provisional market share of 28.8% of total admissions in the European Union. This represents a small increase from an already strong 2006 market share of 28.6%, and stays well above the 25% achieved on average during 2003 and 2005.

In 2006 the phenomenal success of national films in France along with strong German films propelled the market share for European films to well above 28%. In 2007 United Kingdom and Italian films were largely responsible for maintaining European market share at this high level, even expanding it slightly. This helped to compensate for drops in national market share in France and Germany. Nonetheless, French productions remained the largest overall contributors to the market share of European films in the European Union, accounting for 8.5% of total admissions. Within France national market share returned to a more 'normal' level of 36.6% in 2007, decreasing from a record high of 44.6% in 2006. In Germany local films' market share declined along with the overall cinema market, falling from 26% to 19%, and contributing 3.9% of total European admissions, down from 4.9% in the previous year.

Within the United Kingdom national market share increased along with overall admissions, climbing from 19% to 28%. Local productions like *Hot Fuzz*, *The Last King of Scotland* or *Mr. Bean's Holiday* registered strong box office results not only at home but across Europe, with *Mr. Bean's Holiday* becoming the most successful European film in 2007. United Kingdom films, excluding those considered as inward investments, accounted for 6.7% of admissions in the European Union, up from 2.9% last year. Led by local comedy hits national market share hit a record high of 33% in Italy, up from 26% in the previous year. Along with the strong increase in cinema attendance, Italian films' share in European admissions increased from 3.1% to 4.1%.

Films produced in Europe and benefiting from incoming US investment, such as *Harry Potter and the Order of the Phoenix*, increased their market share from 5.2% to 6.3%. Market share for US films, including US films considered as inward investment films in Europe, decreased from 63.5% to 62.7%

Table 3 : Breakdown of admissions in the European Union according to the country of origin

Region	2003	2004	2005	2006	2007 est	
European films total	25.1%	24.8%	24.8%	28.6%	28.8%	
EUR inc / US co-productions	3.1%	5.8%	12.7%	5.2%	6.3%	
US	69.3%	67.1%	59.8%	63.5%	62.7%	
Others	2.6%	2.2%	2.6%	2.7%	2.2%	
European films by country of origin						
FR	France	8.4%	8.7%	9.3%	10.7%	8.5%
GB	United Kingdom	4.9%	4.6%	3.9%	2.9%	6.7%
IT	Italy	2.7%	2.2%	3.0%	3.1%	4.1%
DE	Germany	3.3%	4.3%	3.2%	4.9%	3.9%
ES	Spain	2.8%	2.4%	2.3%	2.9%	1.2%
Other EUR	Other European countries	3.0%	2.6%	3.1%	4.3%	4.5%

Source: European Audiovisual Observatory – LUMIERE database

Harry Potter tops the European charts in 2007

Just like its predecessor in 2005, *Harry Potter and the Order of the Phoenix* topped the European charts, selling about 38.4 million tickets in 2007. It was one out of eight sequels finding a place in the top 20, with four of these placed in the top 10. Apart from *Harry Potter* these included the third and final instalment of the *Pirates of the Caribbean* in second place, followed by *Shrek the Third* and *Spider-Man 3*.

Besides United Kingdom inward investment sequel *Harry Potter*, two additional European films made it into the top 20 charts. *Mr. Bean's Holiday* attracted an audience of over 15.2 million people making it the 7th most successful film in Europe in the past year. Award-winning *La Môme* took 19th place with some 7.2 million admissions.

Table 4 : Top 20 European films by admissions in Europe in 2007*

Rank	Original title	Country of origin	Production Year	Director	Admissions
1	Harry Potter and the Order of the Phoenix	GB inc / US	2007	David Yates	38 393 755
2	Pirates of the Caribbean: At World's End	US	2007	Gore Verbinski	36 567 372
3	Shrek the Third	US	2007	Chris Miller, Raman Hui	36 074 773
4	Ratatouille	US	2007	Brad Bird, Jan Pinkava	32 590 994
5	The Simpsons Movie	US	2007	David Silverman	27 393 132
6	Spider-Man 3	US	2007	Sam Raimi	27 145 861
7	Mr. Bean's Holiday	GB / FR / DE / US	2007	Steve Bendelack	15 251 106
8	The Golden Compass	US / GB inc	2007	Chris Weitz	14 316 206
9	Transformers	US	2007	Michael Bay	13 959 951
10	300	US	2006	Zack Snyder	13 895 015
11	Live Free or Die Hard	US / GB	2007	Len Wiseman	13 325 350
12	The Bourne Ultimatum	US / DE	2007	Paul Greengrass	12 814 644
13	Night at the Museum (1)	US	2006	Shawn Levy	12 190 951
14	Ocean's Thirteen	US	2007	Steven Soderbergh	11 609 113
15	The Pursuit of Happyness	US	2006	Gabriele Muccino	8 655 072
16	Enchanted	US	2007	Kevin Lima	8 250 968
17	4: Rise of the Silver Surfer	US / DE / GB	2007	Tim Story	7 758 046
18	Blood Diamond	US	2006	Edward Zwick	7 436 459
19	La Môme	FR / CZ / GB	2007	Olivier Dahan	7 225 794
20	I Am Legend	US	2007	Francis Lawrence	7 022 906

(1) 3 097 711 admissions in Europe in 2006.

Source: European Audiovisual Observatory – LUMIERE database

The top ranking European films came primarily from the United Kingdom (6 films), Italy (5 films) and France (4 films). Germany and Spain contributed 3 respectively 1 film to the European top 20, while Polish production *Katyn* at number 13 became the only film from outside the major territories to feature in the charts. Led by *Manuale d'amore 2* and *Natale in crociera* (over 3 million admissions each) strong national performances brought 5 Italian films into the 2007 ranking, compared to 2 in the previous year.

Other successful European films included comedies *Taxi 4* (5.3 million admissions) and *Hot Fuzz* (4.8 million), followed by Spanish horror film *El Orfanato* (4.3 million) and German award winning drama *Das Leben der Anderen*, which registered over 4 million admissions in its second year of release.

Table 5 : Top 20 European films by admissions in Europe in 2007*

Rank	Original title	Country of origin	Production Year	Director	Admissions
1	Mr. Bean's Holiday	GB / FR / DE / US	2007	Steve Bendelack	15 251 106
2	La Môme	FR / CZ / GB	2007	Olivier Dahan	7 225 794
3	Taxi 4	FR	2007	Gérard Krawczyk	5 334 716
4	Hot Fuzz	GB / FR	2007	Edgar Wright	4 849 649
5	El Orfanato	ES	2007	Juan Antonio Bayona	4 274 355
6	Das Leben der Anderen (1)	DE	2006	Florian Henckel von Donnersr	4 057 710
7	Ensemble, c'est tout	FR	2007	Claude Berri	3 304 303
8	Manuale d'amore 2 (Capitoli successivi)	IT	2007	Giovanni Veronesi	3 134 777
9	Natale in crociera	IT	2007	Neri Parenti	3 074 353
10	Atonement	GB / FR / US	2007	Joe Wright	3 059 096
11	Arthur et les Minimoys (2)	FR	2006	Luc Besson	2 902 293
12	Lissi und der wilde Kaiser	DE	2007	Michael Herbig	2 751 339
13	Katyn	PL	2007	Andrzej Wajda	2 735 777
14	Elizabeth: The Golden Age	GB / FR / DE	2007	Shekhar Kapur	2 686 064
15	Die Wilden Kerle 4	DE	2007	Joachim Masannek	2 655 249
16	Ho voglia di te	IT	2007	Luis Prieto	2 309 624
17	Una Moglie bellissima	IT	2007	Leonardo Pieraccioni	2 306 726
18	The Last King of Scotland	GB / DE	2006	Kevin Macdonald	2 250 156
19	Run Fatboy Run	GB / US	2007	David Schwimmer	2 202 040
20	Notte prima degli esami - Oggi	IT	2007	Fausto Brizzi	2 057 238

(1) 1 885 018 admissions in Europe in 2006.

(2) 4 803 481 admissions in Europe in 2006.

Source: European Audiovisual Observatory – LUMIERE database

* The European charts are based on a compilation of admissions accounting for about 84% of total cinema attendance in the European Union plus data for Turkey, Norway and Switzerland

Notes for Editors:

- Data have been collected with the collaboration of the EFARN (European Film Agency Research Network).
- All 2007 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 36 member states and the European Community, 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>).

Number of feature films produced in the European Union

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, US and foreign production in the United Kingdom and feature documentaries where separate data series are available.

Market shares (Table 3)

The market shares shown in this figure are based on an analysis of results of films released in 21 countries members of the European Union in 2007. 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 2007 shown in table 3 are based on the data on admissions to individual films as collected in the LUMIERE database on 14th April 2008. At this date the coverage rate of the database for admissions in the 21 European Union countries for which data is available was of around 84%. Due to various gaps in data collection and delivery in various countries, coverage of 100% of admissions is currently unachievable. By the end of 2008, however, the LUMIERE data coverage rate for EU 27 in 2007 could be expected to reach around 89 or 90%. For 2007, LUMIERE has still to include additional data on the following EU countries: Austria, Cyprus, Finland, Greece, Ireland, Malta, Lithuania, Luxembourg, Slovakia, Slovenia, Spain and Sweden. For Greece the only figures available are admissions to European non-national films, published each year by the MEDIA Programme, based on the distributors' declarations made in the framework of the automatic distribution support scheme.

European admissions rankings (Tables 4 and 5)

The pan-European film rankings shown in tables 4 and 5 are drawn up using information stored in the LUMIERE database as of 29th April 2008. 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 more than 15,000 films in distribution in Europe since 1996. 2007 data for 24 European countries is now available, including data for the major European Union markets, as well as data for the North American market and a specific data series for the French-language market of Quebec. The rankings (Tables 4 and 5) shown in this press release are based on data from all European countries for which results have been received.

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The European Audiovisual Observatory
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This press release is available online: http://www.obs.coe.int/about/oea/pr/mif2008_cinema.html

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More detailed information can be found in *FOCUS 2008. World Film Market Trends*
Compiled by the European Audiovisual Observatory and published by the Marché du Film.

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