

FILM MARKET TRENDS IN THE NEW MEMBER STATES OF THE EUROPEAN UNION

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EUROPEAN AUDIOVISUAL OBSERVATORY

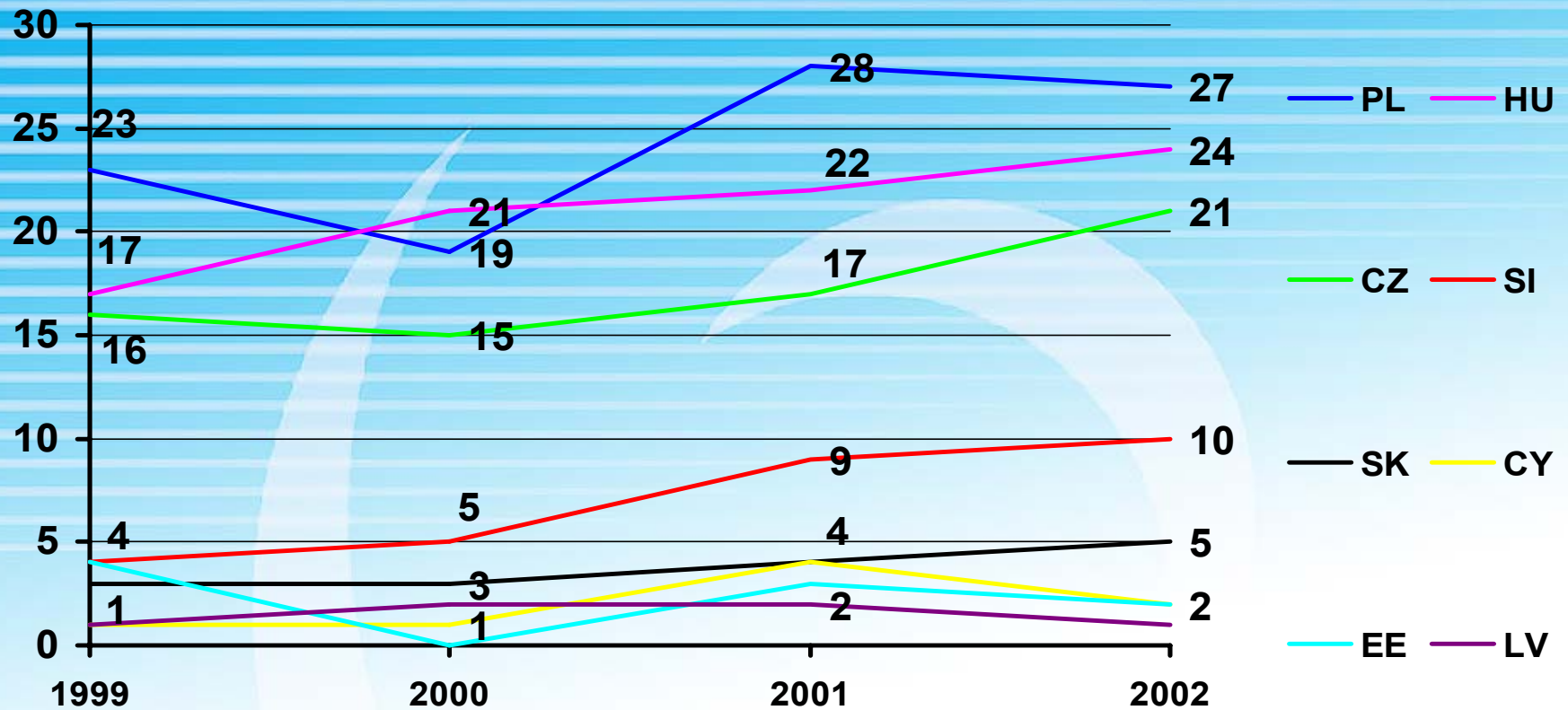
Europa Cinemas
Prague, 29th November 2003

OBJECTIVES OF THE PRESENTATION

- To provide an overview of recent film market trends in the countries joining the European Union in May 2004
 - Production
 - Cinema attendance
 - Screens
 - Market shares
 - Distributors
 - Public Funding

FEATURE FILM PRODUCTION IN NEW MEMBER STATES OF THE EU (1999 - 2002)

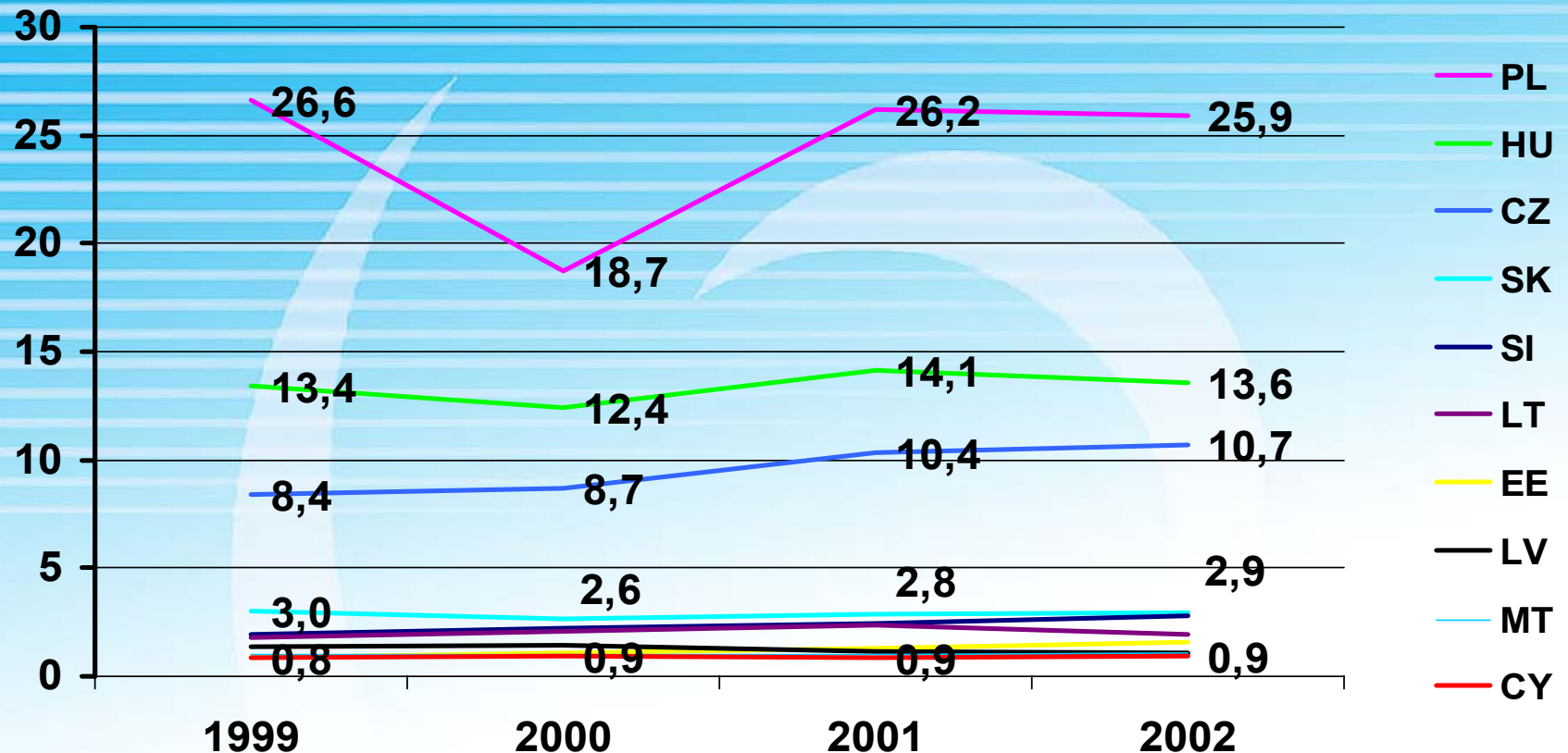
Source: European Audiovisual Observatory



CINEMA ATTENDANCE IN NEW MEMBER STATES OF THE EUROPEAN UNION (1999 – 2002)

Source: European Audiovisual Observatory

In millions



ADMISSIONS 2000-2002

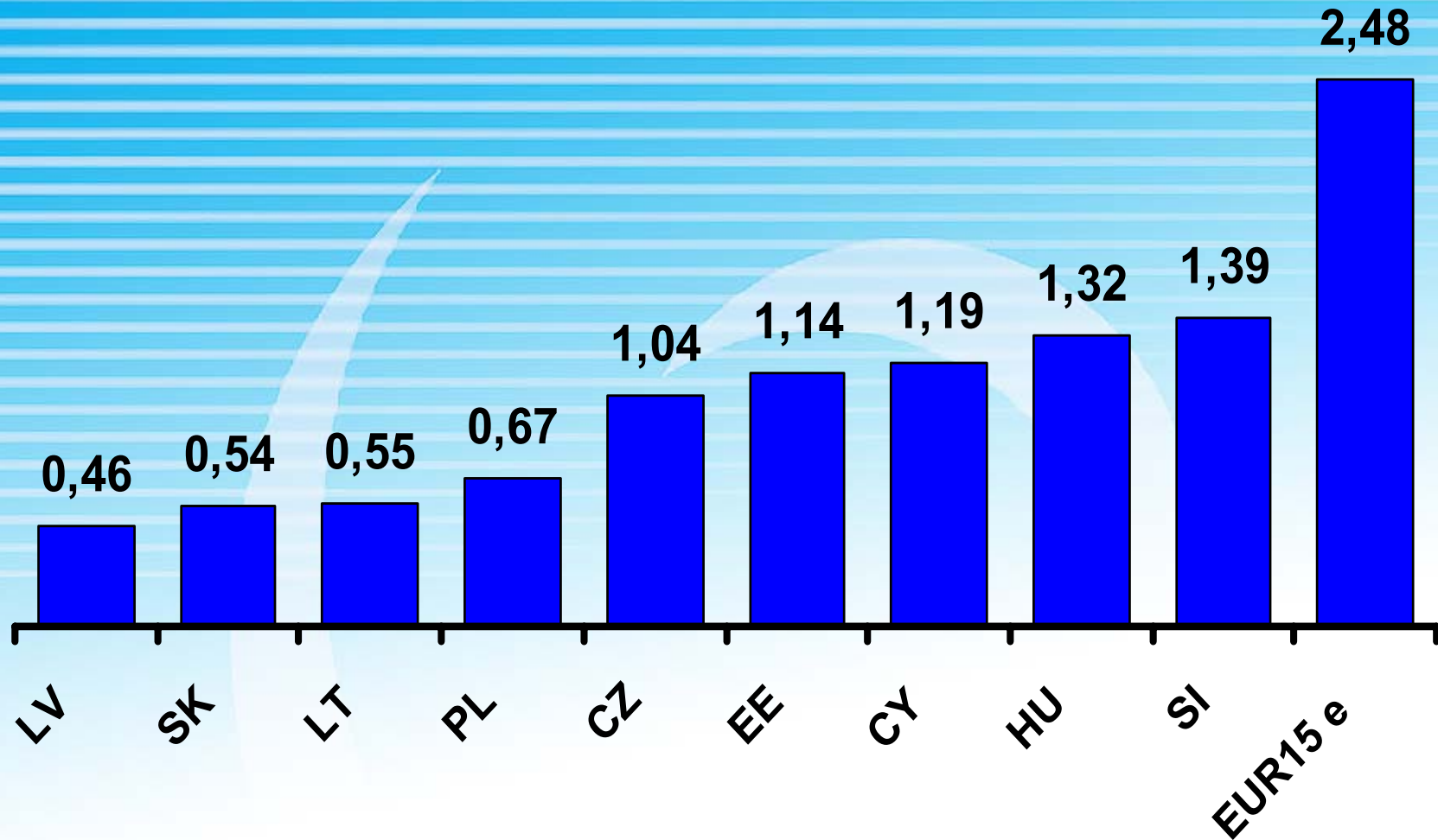
(in millions)

Source: European Audiovisual Observatory

	2000	2001	2002	2002/2001
PL	18.7	26.2	25.9	- 1%
HU	12.4	14.1	13.5	- 5%
CZ	8.7	10.4	10.7	+ 3%
SK	2.6	2.8	2.9	+ 4%
SI	2.2	2.5	2.8	+ 13%
LT	2.1	2.4	1.9	- 19%
EE	1.1	1.3	1.6	+ 20%
LV	1.5	1.2	1.1	- 7%

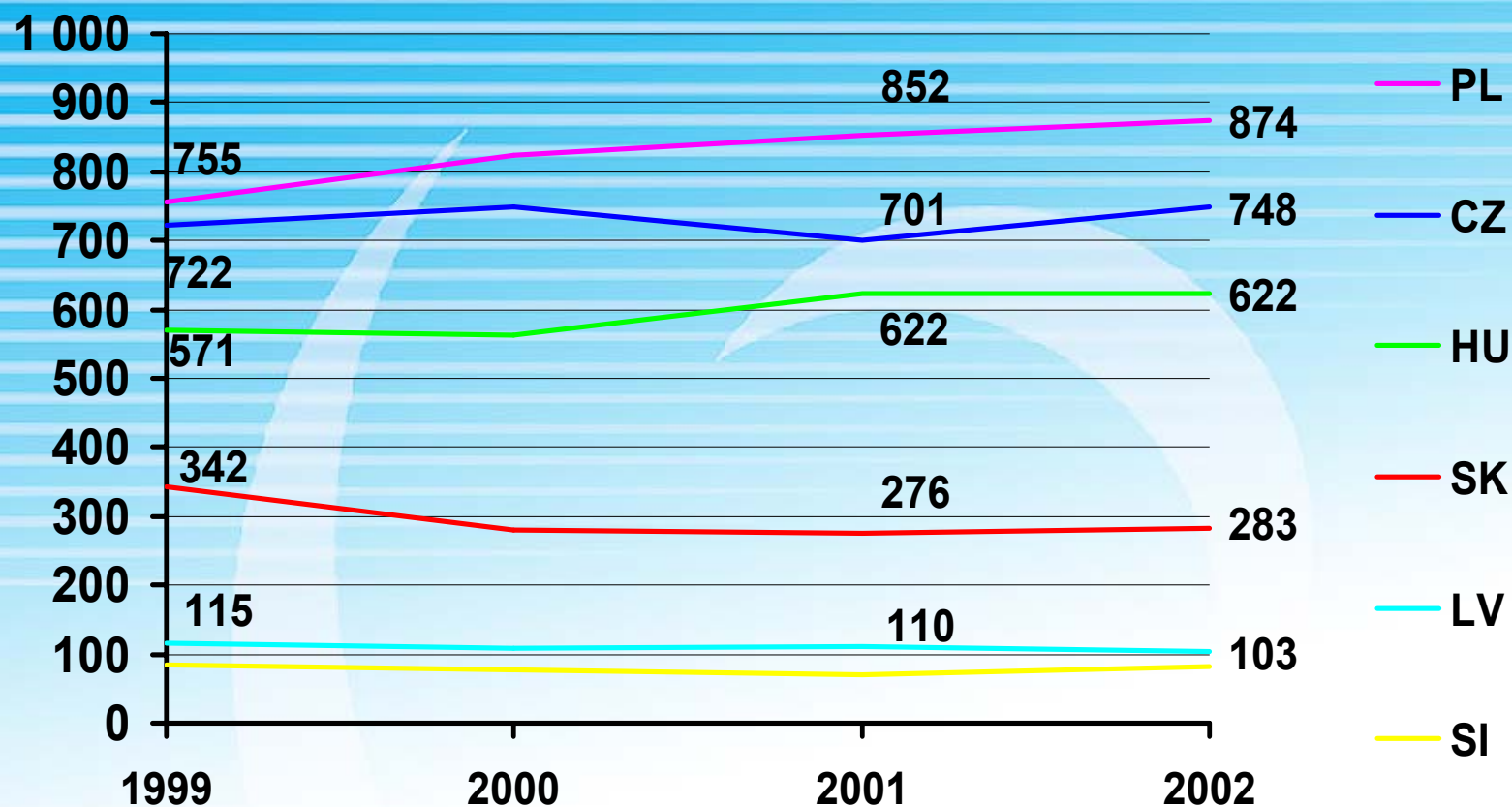
AVERAGE ADMISSIONS PER CAPITA (2002)

Source: European Audiovisual Observatory



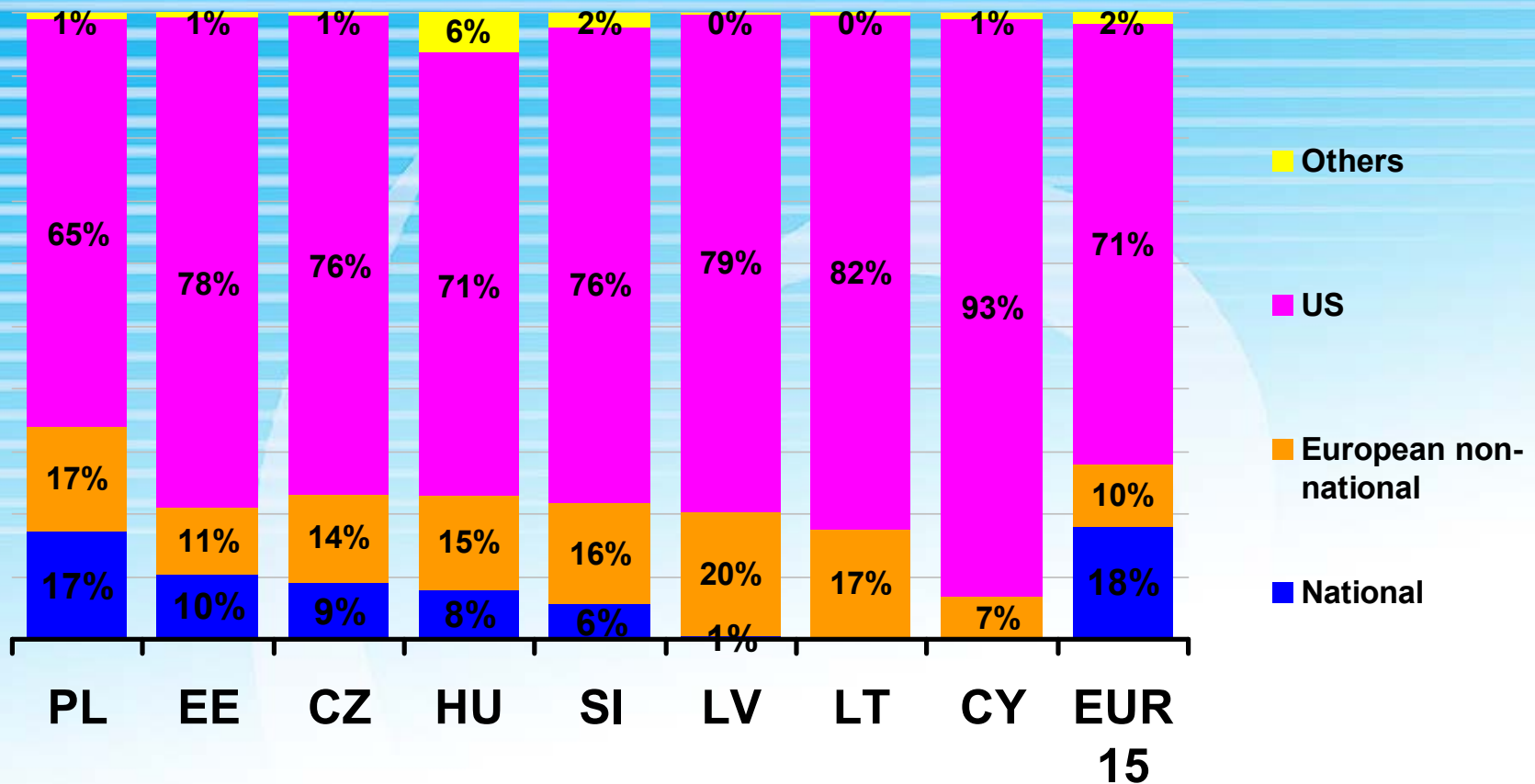
SCREEN NUMBERS IN NEW MEMBER STATES OF THE EU (1999-2002)

Source: European Audiovisual Observatory / MEDIA Salles



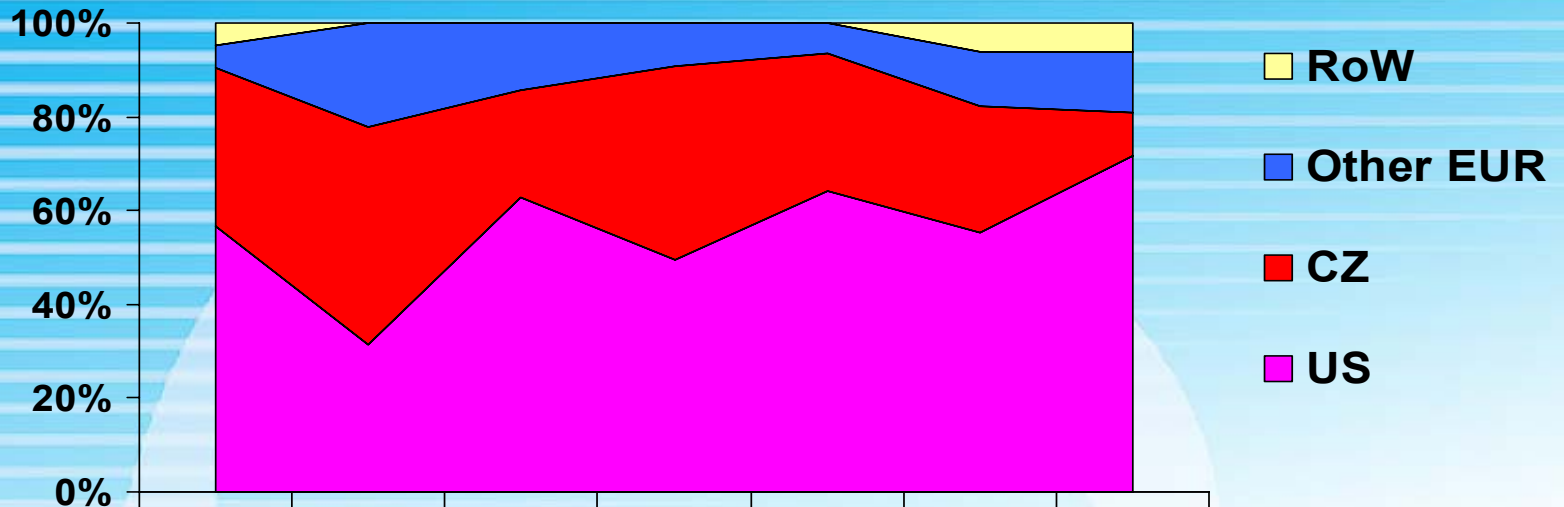
MARKET SHARES OF ADMISSIONS BY FILM ORIGIN (2002)

Source: European Audiovisual Observatory

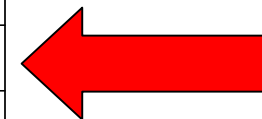


MARKET SHARES OF ADMISSIONS IN THE CZECH REPUBLIC (1996-2002)

Source: European Audiovisual Observatory / LUMIERE database

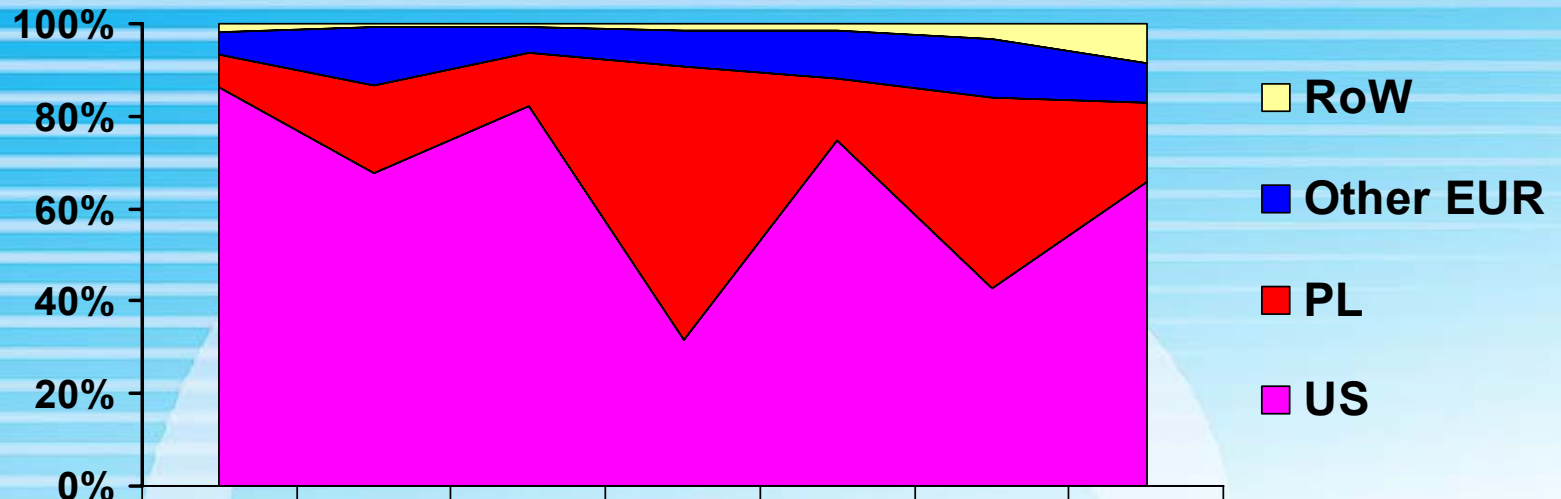


	1996	1997	1998	1999	2000	2001	2002
RoW	5		0			6	6
Other EUR	5	22	14	9	7	11	13
CZ	34	47	23	41	29	27	9
US	57	31	63	49	64	55	71

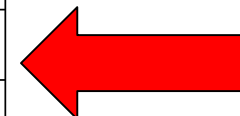


MARKET SHARE OF ADMISSIONS IN POLAND (1996-2002)

Source: European Audiovisual Observatory / LUMIERE database

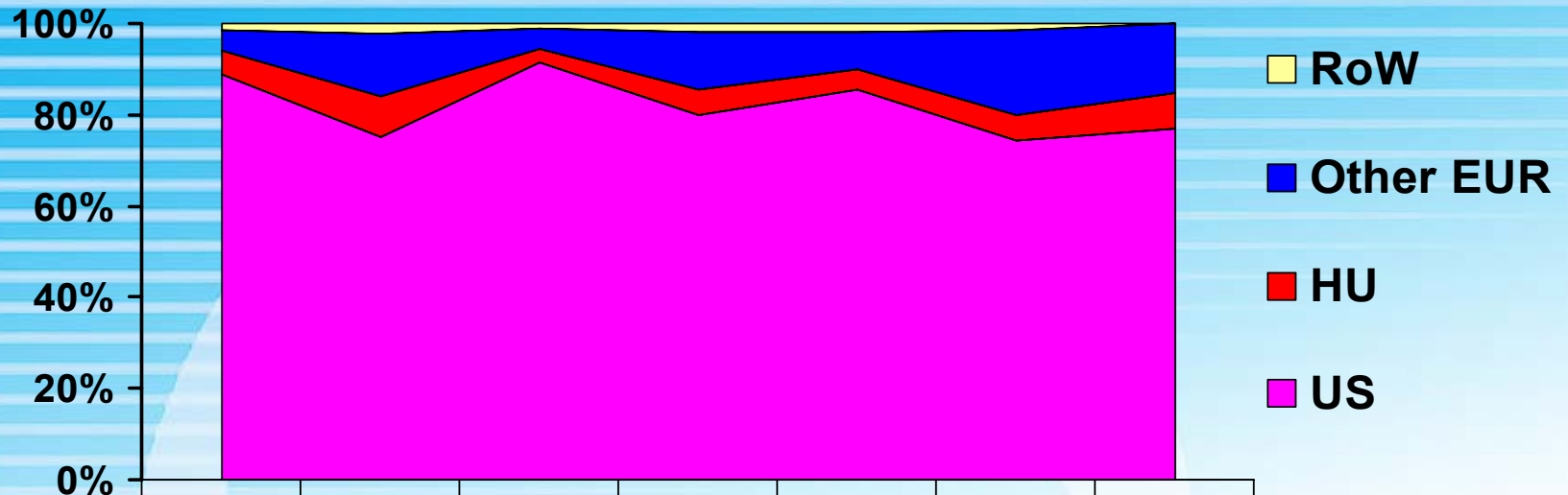


	1996	1997	1998	1999	2000	2001	2002
RoW	2	1	1	1	1	3	8
Other EUR	5	12	6	8	11	12	9
PL	7	19	11	59	14	42	17
US	86	68	82	32	75	43	65

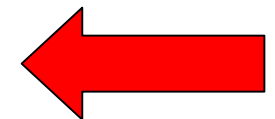


MARKET SHARE OF ADMISSIONS IN HUNGARY (1996-2002)

Source: OBS / LUMIERE / Ass. Of Distributors

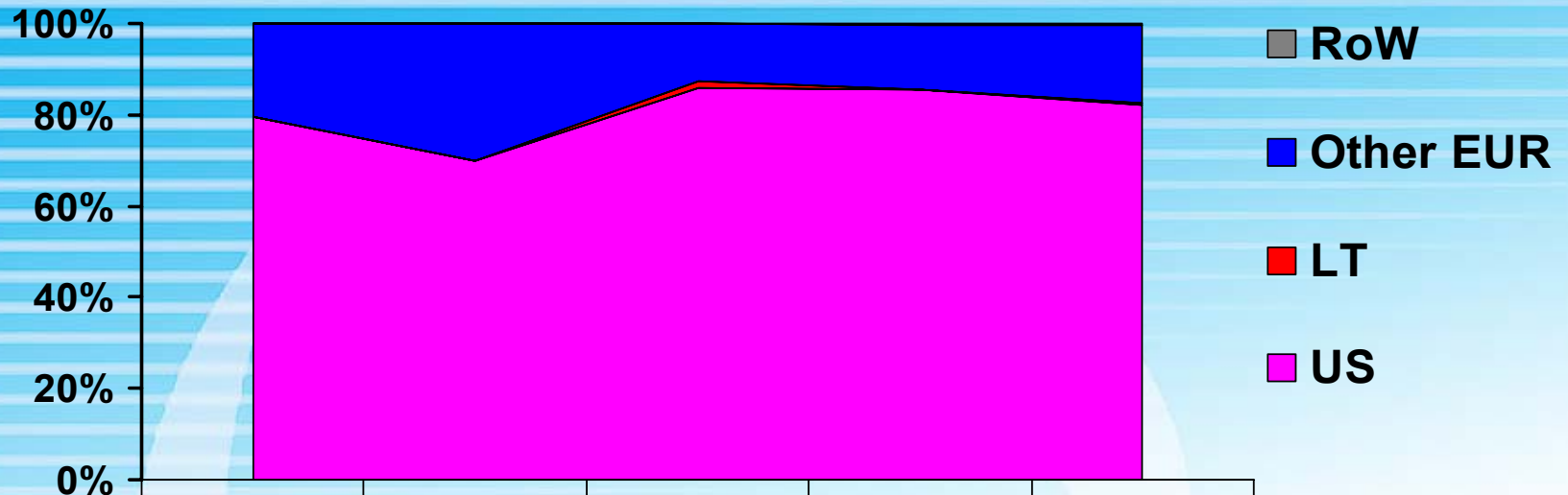


	1996	1997	1998	1999	2000	2001	2002
RoW	1	2	1	2	2	2	0
Other EUR	5	14	5	12	8	19	15
HU	5	9	3	6	5	5	8
US	89	78	91	80	86	75	77

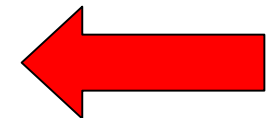


MARKET SHARE OF ADMISSIONS IN LITHUANIA (1998-2002)

Source: OBS / Statistics Lithuania

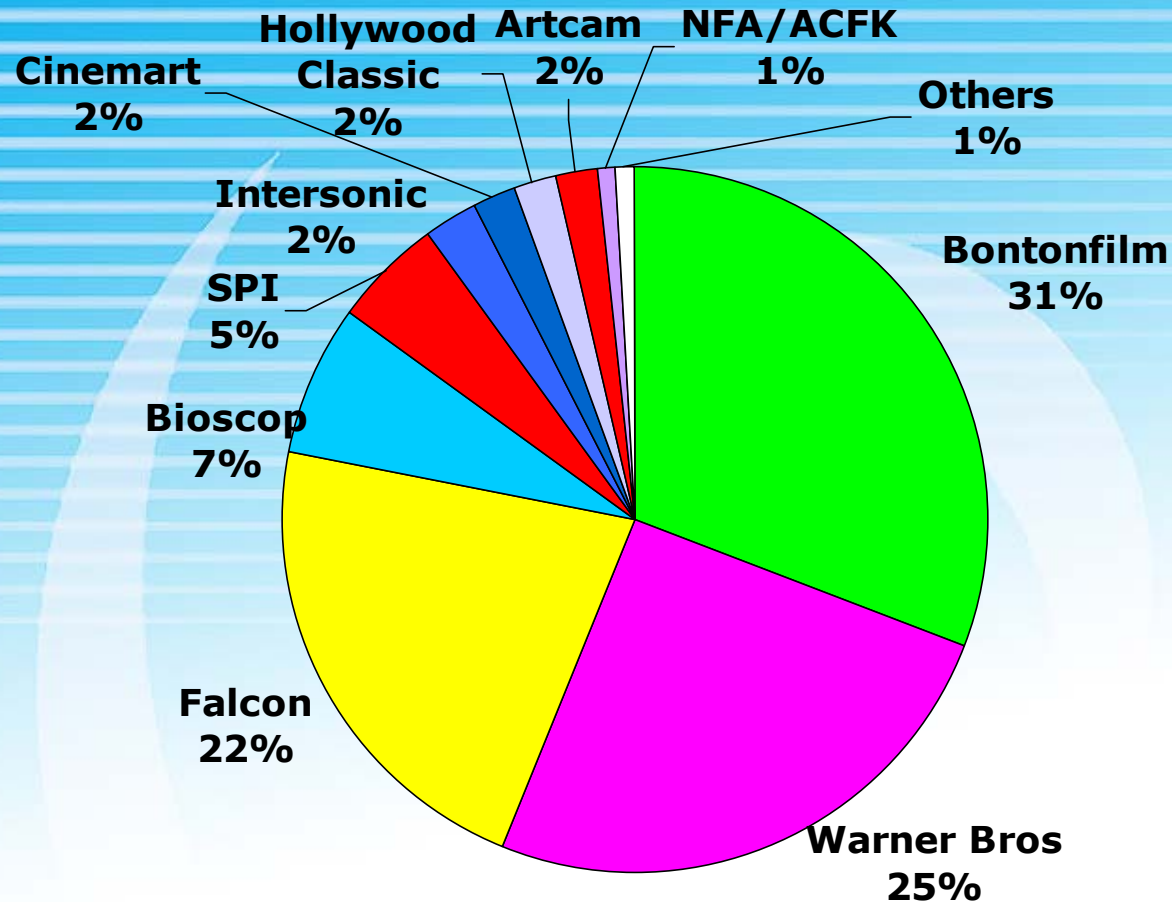


	1998	1999	2000	2001	2002
RoW	0	0	0	0	0
Other EUR	21	30	13	14	17
LT	0	0	1	0	0
US	80	70	86	86	82



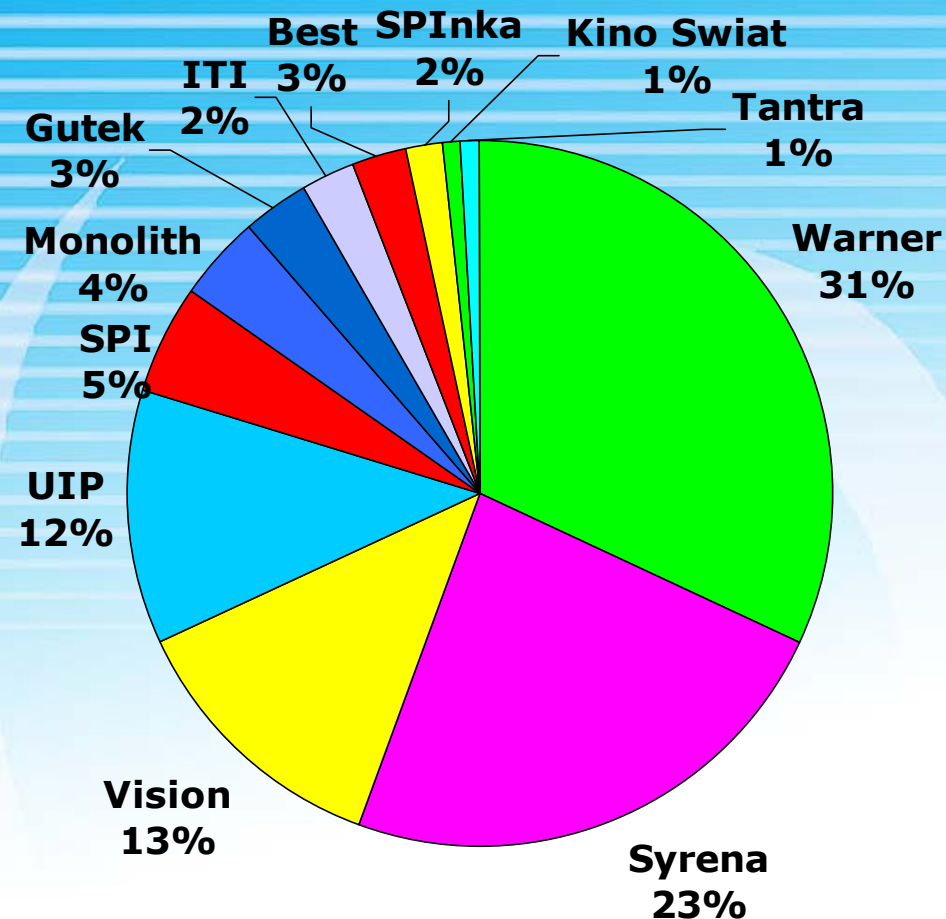
DISTRIBUTOR MARKET SHARES ON THE CZECH REPUBLIC MARKET (2002)

Source: European Audiovisual Observatory/Min. Cult.



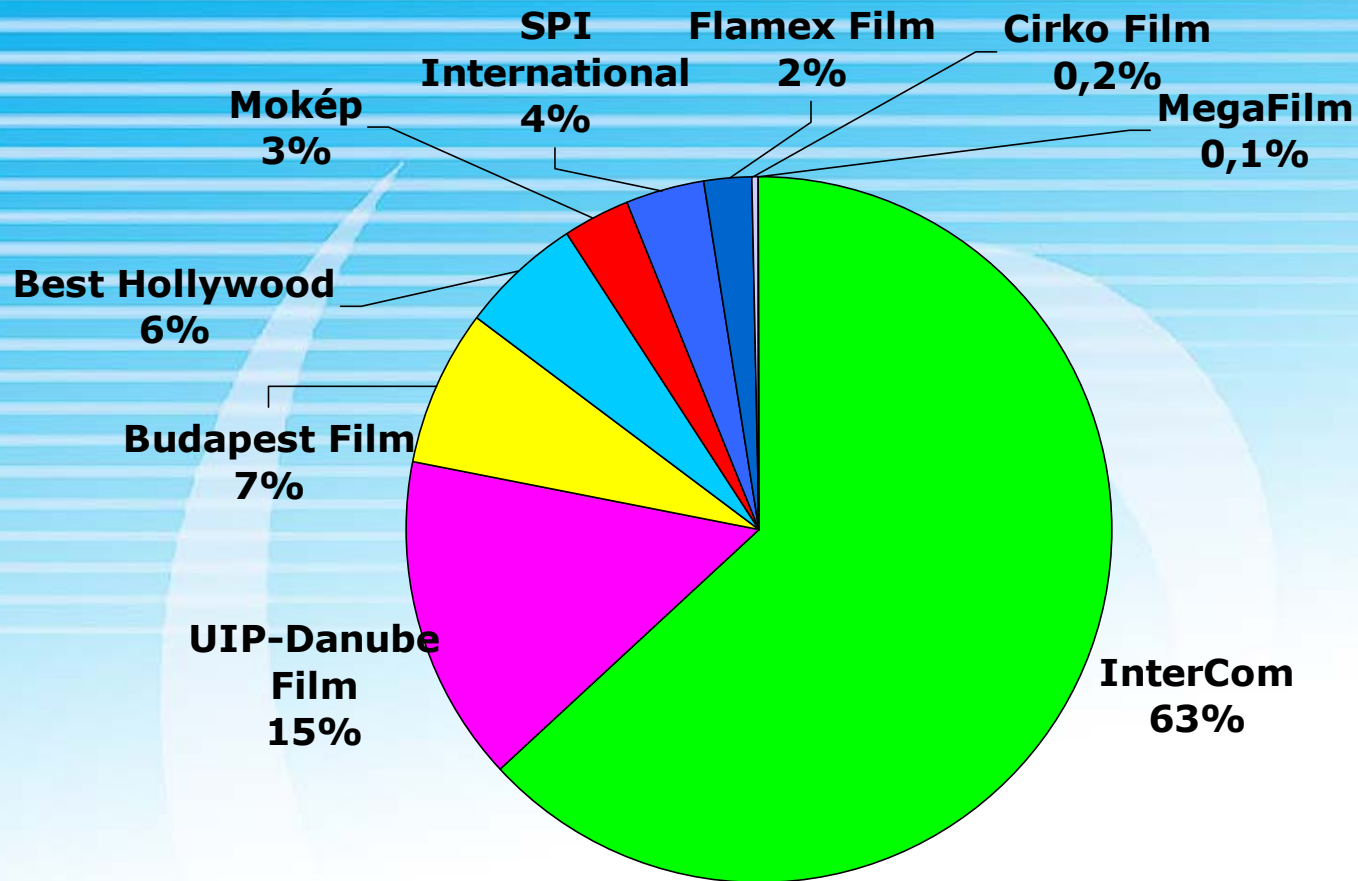
DISTRIBUTOR MARKET SHARES ON THE POLISH MARKET (2002)

Source: European Audiovisual Observatory/ES Media



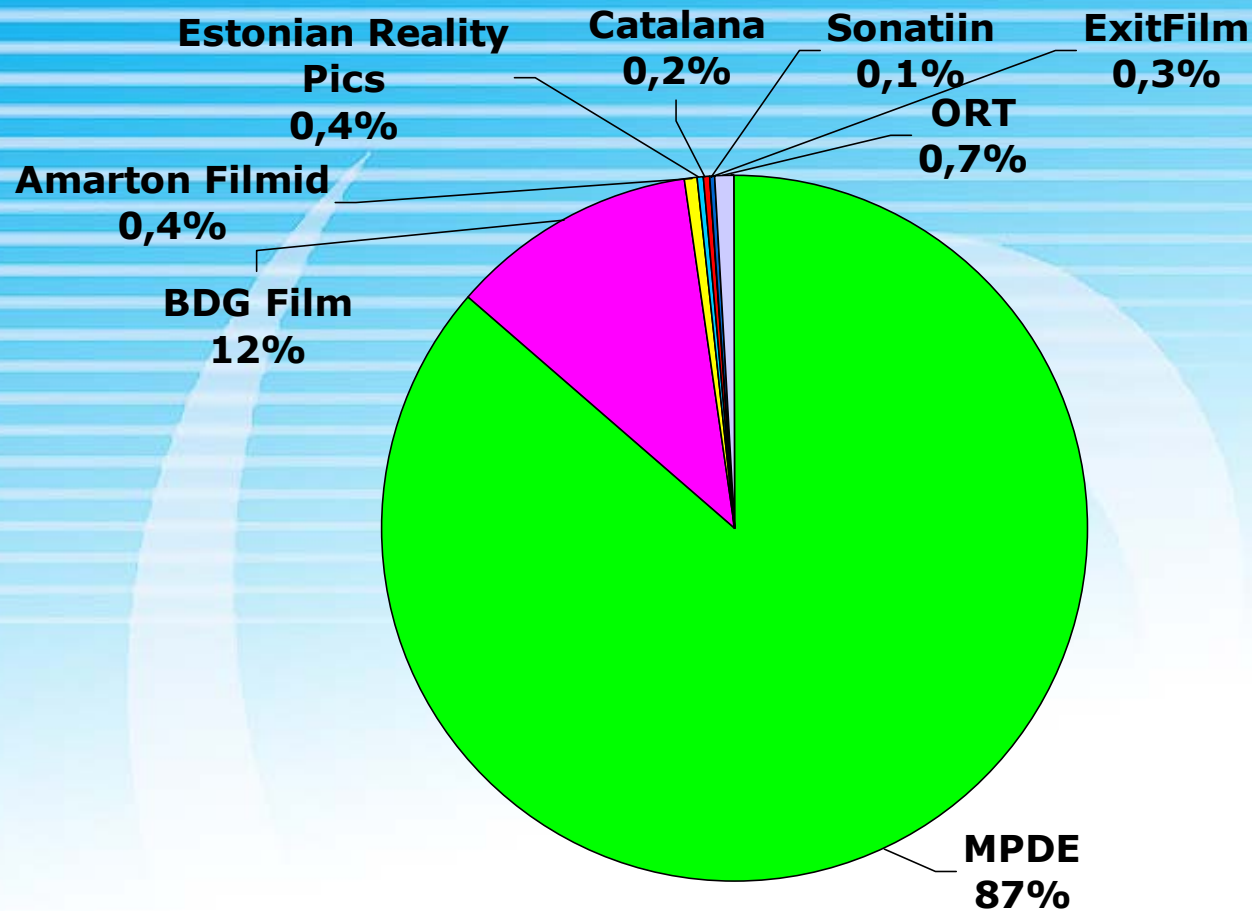
DISTRIBUTOR MARKET SHARES ON THE HUNGARIAN MARKET (2002)

Source: European Audiovisual Observatory/AHD



DISTRIBUTOR MARKET SHARES ON THE ESTONIAN MARKET (2002)

Source: European Audiovisual Observatory/EFSA



MULTIPLEX DEVELOPMENT (1999 / 2002)

Source: OBS/Media Salles/UFD/AHD

	<i>Number of multiplex sites 1999</i>	<i>Number of multiplex sites end 2002</i>	<i>% of total admissions 2001/2002</i>	<i>Operator with most sites end 2002</i>
Czech Republic	2	12	42.4%	Palace
Hungary	5	12	—	I.T. Hungarian Cinema
Poland e	4	20	—	I.T.
Slovenia	0	2	40.5%	Kolosej Kine./TUS
Slovak Rep.	0	2	27.9%	Palace / Ster Century
Lithuania	0	1	34.1%	Forum Cinemas - Filmkino
Estonia	0	1	53.7%	MPDE

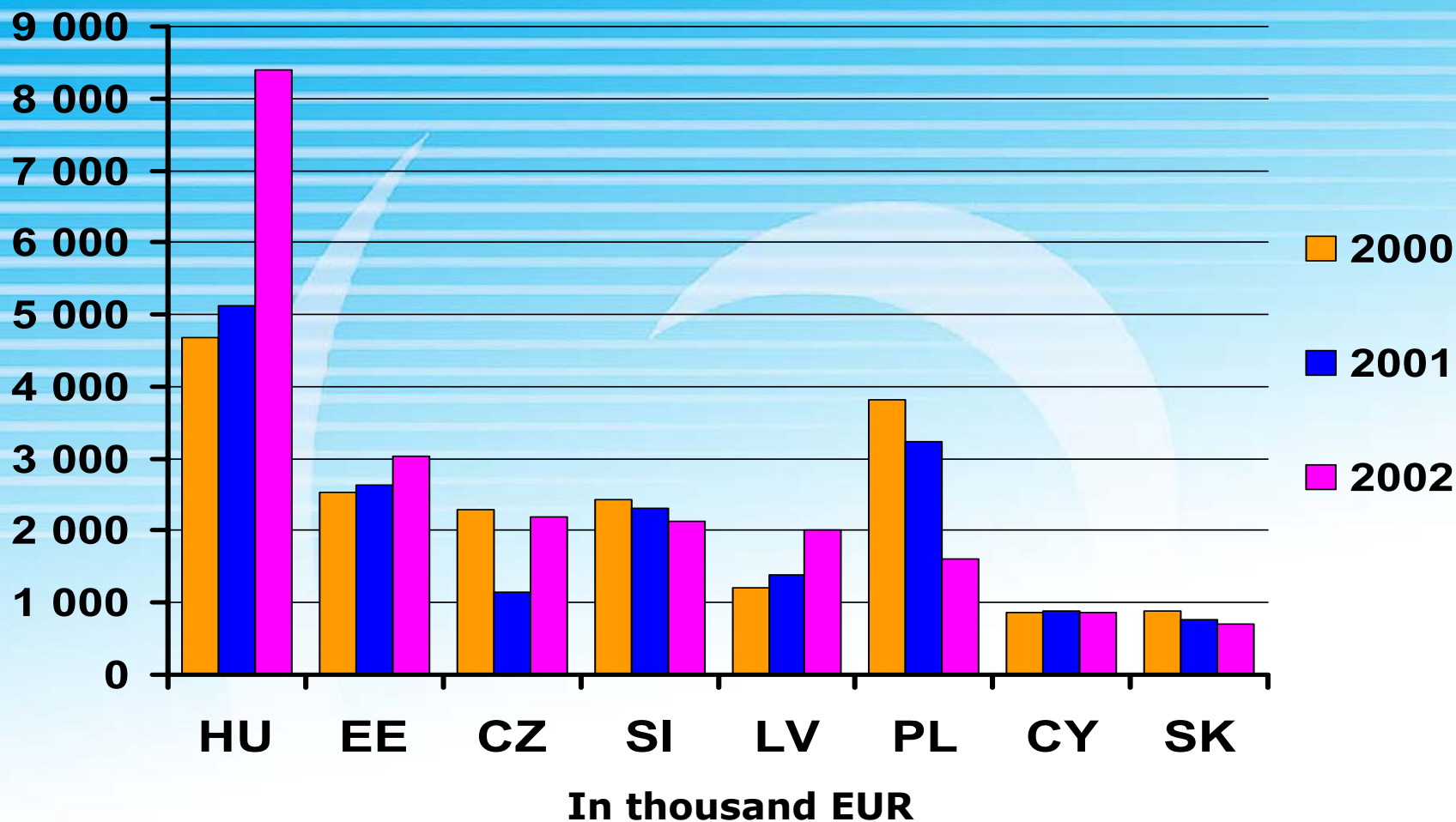
MARKET SHARES OF FILMS FROM THIRD COUNTRIES IN THE EUROPEAN UNION (1996-2002)

Source: European Audiovisual Observatory / LUMIERE

	<i>Number of titles in distribution</i>	<i>Highest no. of titles distributed in ...</i>	<i>Most popular films are from</i>	<i>Market shares in the EU</i>
Central & Eastern Europe	49	France	Czech Republic	0,05 %
Latin America	91	Espagne	Argentina	0,21 %
Asia	200	France	Japan	1,16 %
Canada	74	France	-	0,23 %

PUBLIC FUNDING FOR FILM AND TELEVISION IN NEW MEMBER STATES OF THE EU (NATIONAL FUNDING BODY BUDGETS) (2000 – 2002)

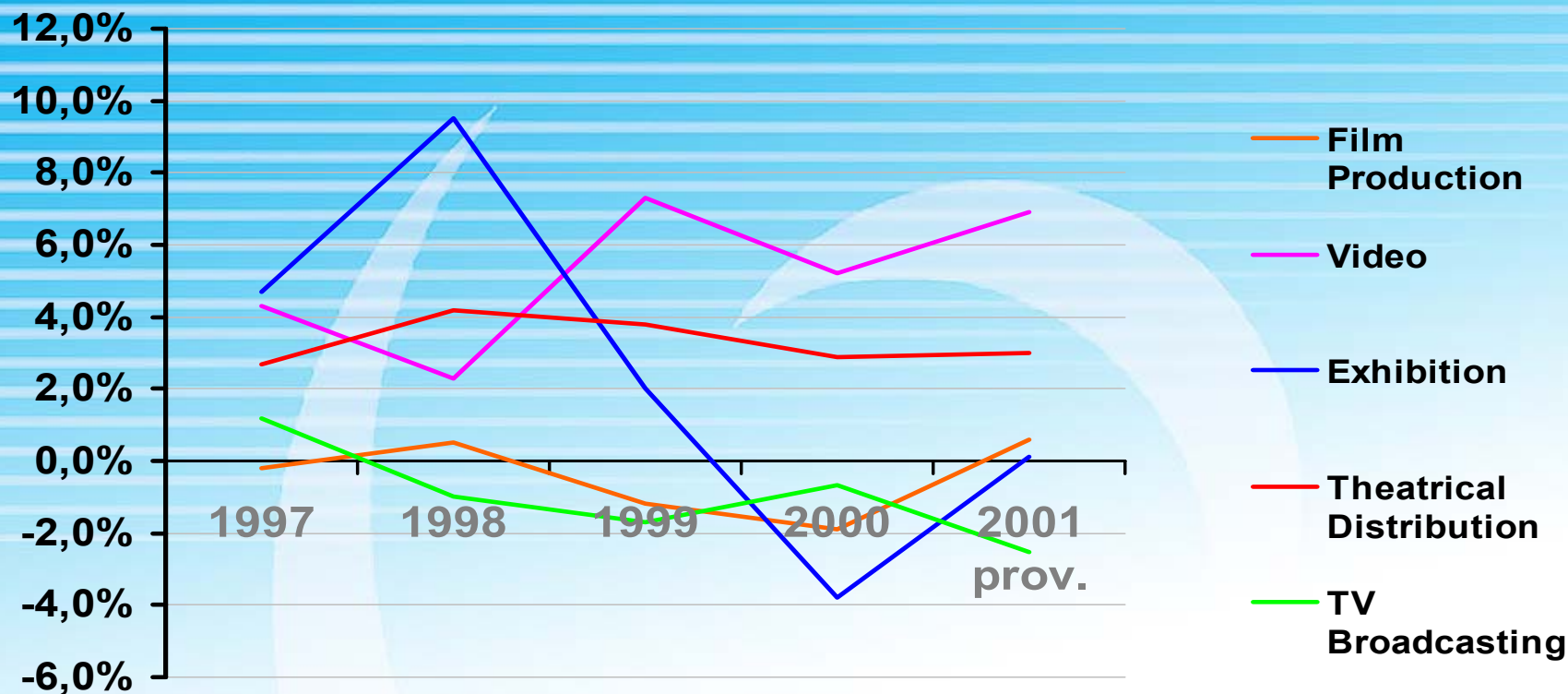
Source: European Audiovisual Observatory / KORDA database



PROFIT MARGIN OF VARIOUS BRANCHES OF THE FILM & TV INDUSTRY IN THE EUROPEAN UNION (1997-2001)

In %

Source: European Audiovisual Observatory



Profit before Taxation / Operating Revenues

CONCLUSIONS

- 2002 year of mixed fortunes for the film industry in the countries joining the EU
- New cinema from these countries little known by Western European audiences except through festivals
- Vertical integration of distribution and exhibition important in a number of countries
- Some of the markets for which data is available show high concentration in distribution sector.

<http://www.obs.coe.int>

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