



News release

Contact: George Parrett / Chanelle Mutawe
020 7007 7285 / 020 7007 9120
gparrett@deloitte.co.uk / cmutawe@deloitte.co.uk

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Broadcast deals give boost to European football as 'big five' leagues' revenues exceed €13 billion

- European football market revenues neared €25 billion in the 2015/16 season, according to Deloitte's Annual Review of Football Finance;
- 26th edition highlights broadcast revenue growth in Europe's 'big five' leagues;
- New broadcast rights deals commencing in 2016/17 will underpin further revenue growth in the coming seasons.

The combined revenues of the 'big five' European leagues (Bundesliga, La Liga, Ligue 1, Premier League and Serie A) now exceed €13.4 billion, and have more than doubled in the past decade, according to the 26th Annual Review of Football Finance from the Deloitte Sports Business Group. New broadcast deals in Germany, Italy and Spain, combined with the start of a new UEFA broadcast rights cycle, have driven total revenue growth in the 'big five' leagues of €1.4 billion (12%). The total size of the European football market is now €24.6 billion, up 13% from 2014/15.

Dan Jones, partner in the Sports Business Group at Deloitte, commented: "Broadcast revenue growth continues to provide the platform upon which Europe's leading clubs are able to invest in playing talent and facilities, to record levels. All of Europe's 'big five' leagues grew revenues in the 2015/16 season.

"Broadcast revenue accounted for almost half of the total revenue of Europe's 'big five' leagues in the 2015/16 season. New deals at higher values in England, France and Spain in the 2016/17 season, and Germany in 2017/18, will further boost revenues."

Premier League clubs remained well ahead of the competition in revenue terms, generating a combined €4.9 billion in revenue in 2015/16, up from €4.4 billion in 2014/15. The new broadcast rights deals, which started in 2016/17, will maintain this lead over the rest of Europe in future editions of the Annual Review of Football Finance.

Bundesliga clubs' combined revenues of €2.7 billion saw them retain their position as the second highest revenue-generating football league in Europe, with a new international broadcast rights cycle underpinning total revenue growth of €320m (13%).

Clubs in Spain's top division, La Liga, generated €2.4 billion in revenue, up 19% (€384m) from 2014/15, driven largely by the impact of a new collective broadcast rights sales model. Following a one-year transitional deal in 2015/16, La Liga's new three-year deal which started in 2016/17, could see it surpass the Bundesliga – albeit briefly – as Europe's second highest revenue generating league in next year's Annual Review of Football Finance.

Serie A clubs grew revenues by 7%, to €1.9 billion, driven by an extended and improved media rights arrangement, increased UEFA distributions to clubs participating in UEFA competitions, and 12% growth in commercial revenues.

Clubs in France's Ligue 1 increased revenues by 5% to €1.5 billion in 2015/16, with Paris Saint-Germain, domestic treble winners for a second successive season, responsible for around 60% of total revenue growth in the division.

Total wage costs across the 'big five' European leagues increased by 10% to €8.2 billion in 2015/16. However, revenue growth outstripped this, such that the average wages to revenue ratio reduced from 62% to 61%. Four of the 'big five' leagues recorded wages to revenue ratios of less than 70%, and the Bundesliga's ratio of 49% was only the third time in the last decade that one of the 'big five' leagues has spent less than half its revenue on wages. On all three occasions this feat has been achieved by the Bundesliga.

Premier League clubs generated more in operating profit (which excludes items such as player trading and amortisation) in 2015/16 than any other football league in the world (€683m), and La Liga clubs' combined operating profits of almost €400m placed them ahead of the Bundesliga (€284m) as the second most profitable league. Clubs in Italy and France recorded combined operating losses (of €38m and €98m respectively), albeit much reduced in Italy's case compared with 2014/15.

Adam Bull, Senior Consultant in the Sports Business Group at Deloitte, commented: "With all of Europe's 'big five' leagues securing significant revenue growth from new broadcast rights deals commencing after the 2015/16 season we have seen clubs attempting to get ahead of the curve; increasing their expenditure on transfers and wages during the final season of a broadcast rights cycle, secure in the knowledge that another significant revenue increase is just around the corner."

Other key findings from the 26th Deloitte Annual Review of Football Finance include:

- Broadcast revenue grew by 14% (€0.8 billion) in 2015/16, and totalled €6.6 billion across the 'big five' European leagues, representing 49% of total revenue;
- Sponsorship and other commercial revenues totalled €4.6 billion (up 10% on 2014/15), and represented 34% of total revenue;
- Matchday revenues grew by 6% and comprised 17% of total revenue, at €2.2 billion;
- On average, clubs in Europe's 'big five' leagues spent just 57% of total revenue growth on wages in 2015/16, compared with 90% the previous year;
- The three-year broadcast rights cycle commencing in 2015/16 resulted in a significant uplift in UEFA distributions to participating clubs. As a result, the biggest revenue increases for clubs outside the 'big five' leagues were driven by UEFA Champions League or Europa League participation.

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Notes to Editors:

Exchange rate

The average exchange rate for the year ending 30 June 2016 has been used to convert figures between euros and pounds sterling (£1 = €1.34).

Wage costs

Wage costs cover all employees (including players, technical and administrative employees) and include wages, salaries, signing-on fees, bonuses, termination payments, social security contributions and other employee benefit expenses.

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