






WE CARE ABOUT FOOTBALL



FINANCIAL REPORT
2007/08

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All amounts in 1 000 EUR (KEUR)

2007 / 08

2006 / 07

Consolidated Income Statement:

Total Revenue	1 925 264	1 151 597
Distribution to Participating Teams	822 861	638 569
Solidarity Payments	220 800	156 101
Operating Result	762 241	49 754
Net Result	235 674	38 820

Consolidated Balance Sheet:

Cash & Cash Equivalents	1 052 365	678 479
Payables to Associations	819 047	339 555
UEFA Equity	508 448	256 189
Balance Sheet Total	1 700 521	941 993

Consolidated Cash Flow:

Cash flow from operating activities	794 262	423 802
Cash flow from investing activities	-233 210	26 491
Cash flow from financing activities	-220 800	-156 101
<i>Change in net cash and cash equivalents</i>	340 252	294 192

Administration:

Total UEFA administrative expenses	31 317	31 532
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Financial Items:

Total financial result	12 559	49 170
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Number of Employees:

UEFA (unlimited contracts only)	215.7	187.3
UEFA Media Technologies SA (unlimited contracts only)	55.6	54.7
Euro 2008 SA (limited contracts)	382.0	103.0
UEFA Apprentices & Trainees	2.0	4.0
Total	655.3	349.0
(corresponding to full-time equivalents)		

Number of matches organised by UEFA

Club Competitions	646	637
National Team Competitions (incl. Under-21)	305	267
Women's Football (incl. Under-19)	408	296
Futsal	218	148
Youth Competitions (Under-17 & Under-19)	270	259
Other Competitions (Regions' Cup & Meridian Cup)	0	75
Total	1 847	1 682

Preliminary remarks regarding UEFA's financial reporting

UEFA is pleased to present the 2007/08 financial report disclosing a net result of EUR 235.6 million, which is 17.8% better than the budgeted EUR 200 million approved by the 2007 UEFA Congress.

The headlines for the 2007/08 accounts and results can be summarised as follows:

- As is the case every four years, the EURO event leaves its marks in the books of UEFA. The EURO 2008 net result of EUR 253 million is fully integrated in the 2007/08 accounts and thereby in the UEFA financial year when the competition took place.
- EUR 425 million from the EURO 2008 gross result was able to be transferred into the EURO Pool to finance the 2008–12 HatTrick programme in favour of the associations.
- The club competitions were staged in the same format as the year before. Higher amounts than the previous season were able to be distributed among the teams which participated in the UEFA Champions League and UEFA Cup.
- UEFA is about to start constructing a new office building opposite the House of European Football. With a view to disclosing the net values of UEFA's property in future, it was decided to revalue the existing real estate in the year under review, resulting in extraordinary income of EUR 35.6 million.
- Currency effects worked against UEFA this time, with the Swiss franc outperforming all foreign currencies used in UEFA's books, meaning that a substantial currency loss has to be reported.

UEFA's 2007/08 accounts and result were significantly marked by the EURO 2008 final round that took place in Austria and Switzerland in June 2008. For this reason, these figures cannot be compared usefully with those of 2006/07 or 2008/09.

Fully consolidated figures published for 2007/08

The figures published refer to UEFA, as well as to the accounts of UEFA's two affiliated and fully owned companies, UEFA Media Technologies SA and Euro 2008 SA. These two affiliates operate exclusively for UEFA and neither generates any third party income – except, in the case of Euro 2008 SA, for EURO 2008 ticket and hospitality-package sales, which offset its organisational costs.

The euro – UEFA's reporting currency

It seems logical for UEFA, as European football's governing body, to publish its balance sheet and income statement in euros, not least because most of the EURO 2008 and 2006–09 UEFA Champions League

contracts have been concluded in euros. In addition, following the introduction of central marketing for the final phase of the UEFA Cup, all payments to teams taking part in UEFA competitions, as well as all solidarity payments, are now made in euros, which makes this currency the most prominent in UEFA's books – not to mention the fact that the euro is already or will soon become the official currency of roughly half of UEFA's member associations.

The Swiss franc remains UEFA's official day-to-day accounting currency

It is important to note that the Swiss franc remains UEFA's official day-to-day accounting currency, not least because the vast majority of all transactions are recorded in the official currency of the country where UEFA has its headquarters.

The accounting policies, including the consolidation principles, and additional information in this respect are described on pages 13–18 of this report.



The financial impact of EURO 2008 in UEFA's 2007/08 accounts

As described in UEFA's *accounting policies* on pages 13–18, EURO 2008 income and expenditure realised in the years preceding the event were reversed to the balance sheet and fully integrated in the 2007/08 accounts. Please refer to pages 45–48 for the key EURO 2008 figures and to note IS 16 regarding yearly period adjustments.

While EUR 425 million was able to be transferred into the EURO Pool, with a further EUR 43.3 million to be made available in 2008/09 to those clubs in 24 associations with players involved in EURO 2008, no deferred earnings were set apart to co-finance UEFA's next three financial years. This explains why such a substantial 2007/08 net result could be disclosed and EUR 235.6 million transferred to the *retained earnings* position. As a result, the next three financial years will all finish with losses of up to EUR 60–70 million in each case. The *retained earnings* position within UEFA's equity will decrease accordingly in the immediate future.

Even though their impact is less spectacular, the following matters have also affected UEFA's 2007/08 accounts:

Solidarity payments extended to clubs with players involved in EURO 2008

A new element has been added to UEFA's solidarity scheme related to EURO final rounds. On top of the share made available to finance the HatTrick scheme, an additional solidarity share is now made available to allow all clubs with players involved in a EURO final round to share in the benefits. For EURO 2008, this amounted to EUR 43.3 million, namely EUR 4,200 per day for each player taking part in the final round. Clubs in 24 associations benefitted, with those with the most national team players in any of the 16 EURO 2008 teams obviously receiving the highest share.

Revaluation of UEFA's real estate

Until 2006/07, UEFA's *Land & Buildings* appeared in the balance sheet with a value of CHF 1, with the real values and accumulated depreciations disclosed in the notes to the consolidated financial statements.

In line with the new policy to be applied for the new office building soon to be constructed and in order to

disclose the net book values of the whole real estate portfolio within the same parameters in future, it was decided to revalue the House of European Football, thereby allowing full transparency when yearly amortisations are made and disclosed in the income statement.

The effect of this revaluation is EUR 35.6 million in extraordinary income in 2007/08, which was, however, included in the budget.

Currency effects

As already stated, the Swiss franc remains UEFA's day-to-day accounting currency, not least for legal reasons. However, its combination with the **euro as UEFA's reporting currency** can give rise to some important currency effects, particularly when the Swiss franc/euro exchange rate is volatile, as was the case during the year under review.

UEFA's currency mix is disclosed under BS 1 on page 28. Taking only UEFA's *Cash and Cash Equivalents* in currencies other than the Swiss franc available on 1 July 2007 and calculating their equivalents in Swiss francs as at both the first and last days of the 2007/08 financial year, this comparison shows a loss of about CHF 25 million or EUR 15.5 million. Additional currency losses for transactions entered during the 12-month period are due to the fact that additional assets in foreign currencies acquired during the year under review suffered the same negative effects from a Swiss franc perspective.

In conclusion, the currency effects in UEFA's 2007/08 books, totalling a loss of EUR 29.8 million, more or less balance out the EUR 25.1 million gain achieved the year before. Given the high volatility, similar effects could also happen again in the future. However, these foreign currency losses are not actual losses but correspond only to recorded currency exchange differences between the euro, pound sterling and US dollar when compared with UEFA's reporting currency, the Swiss franc.

UEFA's accounting system is set up to handle dual currencies (euros and Swiss francs) and automatically converts all amounts entered in euros into Swiss francs (and vice versa) by applying the official exchange rate at a given date. When closing the books, the amounts entered in Swiss francs or euros are shown at their original value. Pounds sterling and US dollars are changed into Swiss francs, and thus automatically into euros, with the official exchange rates valid at the date of the transaction.

The 2007/08 Financial Year in Brief

Financial crisis

It is and always has been UEFA's policy to consider security aspects as the most important when investing the assets of UEFA, i.e. of the member associations.

The turbulence in the markets made this a particularly difficult year. UEFA's principal bank (also a supporter of major football competitions) had negative results from the third quarter of 2007 on account of the need to write off considerable amounts on some sub-prime positions.

Although this bank was confirmed as being on solid ground, it was decided to opt for more diversification by investing the equivalent of EUR 400–450 million in medium-term bonds issued by well-known international top banks with at least an A+ rating.

As at the closing date and as detailed under BS 1 and 7 on pages 27 and 30, EUR 350 million (nominal value) was invested in European commercial papers and medium-term notes with top-rated international banks. Unfortunately, the situation deteriorated rapidly and drastically in late September/October 2008. Some of UEFA's selected banks were in the headlines for the wrong reasons but were, fortunately, supported immediately by their government and/or other banks.

At the time of printing this report (end of December 2008), UEFA can report that:

- it has no investments in shares, nor in products of banks/companies that have gone bankrupt;
- it has not suffered any losses, and all investments due were paid back on time;
- all UEFA's current investments are due to be paid back at 100% at maturity date;
- a sale before maturity date could, however, result in a loss, depending on the product and the quality of the issuer;
- although UEFA intends to keep those products until maturity date, it should be added that there is no or only a low demand for certain products in UEFA's portfolio under the current market conditions;
- a credit risk exists, however, in that a bank could go bankrupt before investments are paid back to UEFA in full.

UEFA's policy to invest in top-rated and well-known banks and institutions seems to be paying off and we can assume that no losses will be incurred in the future, provided, of course, that the financial markets continue to stabilise.

Besides the bank exposure, UEFA is also closely monitoring the currency mix:

- With a non-negligible share of UEFA Champions League income generated in pounds sterling and the distributions to the clubs made in euros, an important GBP v EUR exposure exists – a position which is only partly hedged and therefore closely monitored.
- The US dollar assets in UEFA's books are the result of payments received from non-European partners who were not prepared to sign contracts in either euros or Swiss francs. Whenever possible, US dollars are converted into euros and/or Swiss francs during the financial year for which the contract is valid. If appropriate, this position or part of it could be hedged.
- **Natural hedging is practised for both the Swiss franc and the euro by matching payments out with payments in or due to be received.**

Outlook

In a separate document, UEFA is pleased to present a Strategic Financial Outlook covering the next five years. This long-term plan is designed to be of benefit not only to UEFA itself, but, first and foremost, to its member associations and those of their clubs playing in UEFA competitions.

UEFA – WE CARE ABOUT FOOTBALL



The 2007/08 net result of EUR 235.6 million is considerably higher than the budget of EUR 200 million approved by the 2007 UEFA Congress.

Total income realised in 2007/08 amounted to EUR 1.925 billion. In line with UEFA's accounting policies, the EURO 2008 income generated in the previous years is not included in this total but has been reversed from the *Deferred Income* balance sheet position and incorporated into the 2007/08 income statement under *Period Adjustment* (see note IS 16 for further details).

An impressive total of EUR 220.8 million was made available for solidarity payments, compared with EUR 156.1 million the year before. The EUR 425 million used from the EURO 2008 gross result to replenish the EURO Pool explains the significant increase in the *Formation of Provisions* position.

With a share of 69%, *Broadcast Revenue* continues to be the most important source of income, followed by *Commercial Rights Revenue*, making up approximately 18% of the total. The *Ticket and Hospitality Revenue* total of EUR 207.5 million realised during the year under review represents a share of almost 11%.

The *Event Expenses* total of just over EUR 1 billion is roughly the same as in 2006/07, with one significant change, however:

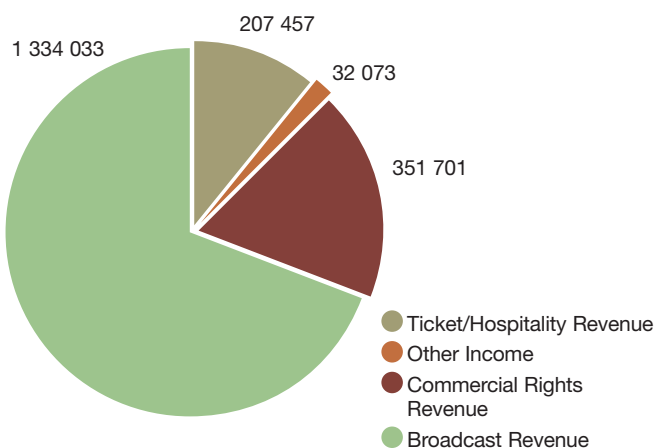
- EUR 243 million was reversed from the balance sheet and shown as "income" in 2007/08, which means that the EURO 2008 competition result is fully included in the same financial year as when the tournament actually took place. In 2006/07, EUR 224 million was reversed to the balance sheet and shown as "expenditure" in order to offset EURO 2008 income received in the financial year preceding EURO 2008.

The higher cost of the other positions under the *Event Expenses* heading has to be considered with EURO 2008 expenditure, which also includes the distribution of EUR 184 million to the 16 EURO 2008 associations.

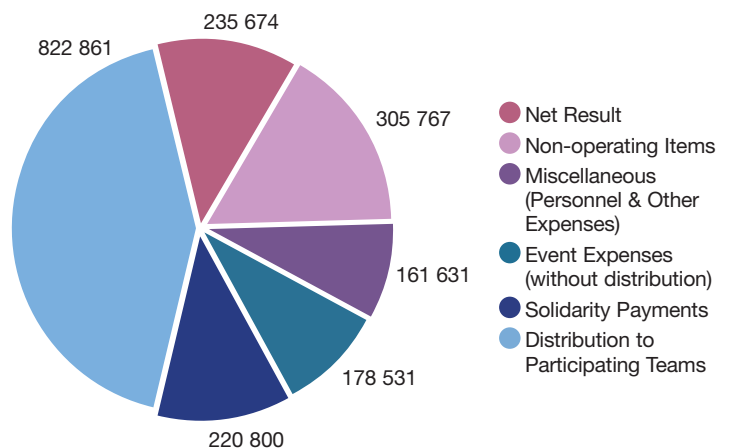
EURO 2008 transactions obviously left their traces in virtually every single position in the 2007/08 income statement. Please refer to pages 45–48 for the EURO 2008 competition result.

Finally, it should be noted that the *Extraordinary Items & Taxes* total achieved in 2007/08 is extraordinary in all respects. It amounts to over EUR 32 million and is the consequence of the revaluation of the House of European Football. More details related to this and all other items comprising the 2007/08 income statement are provided in the Notes and Explanations to the Income Statement on pages 19–26.

Source of Income: 2007/2008
in KEUR



Use of Income: 2007/2008
in KEUR



Please refer also to page 39 of this report, where the 2007/08 income statement is published in Swiss francs without taking UEFA's affiliated companies into consideration.

Consolidated Income Statement: 2007/08

	Notes	2007 / 08	2006 / 07
Broadcast Revenue	IS 1	1 334 033	810 759
Commercial Rights Revenue	IS 2	351 701	269 471
Ticket Revenue	IS 3	90 237	22 497
Hospitality Revenue	IS 4	117 220	37 865
Other Football-related Revenue	IS 5	7 407	7 592
Non Football-related Income	IS 6	4 619	2 264
Allocated Value-in-Kind Income	IS 7	20 047	1 149
TOTAL REVENUE	IS 8	1 925 264	1 151 597
Distribution to Participating Teams	IS 9	-822 861	-638 569
Direct Event Expenses	IS 10	-198 245	-65 045
Rights Delivery	IS 11	-51 565	-20 704
Hospitality Expenses	IS 12	-72 881	-7 972
TV Production	IS 13	-32 161	-12 034
Web Production & Computer Solutions	IS 14	-20 574	-21 426
Match Officials	IS 15	-27 152	-19 995
Period Adjustment	IS 16	243 000	-224 352
Allocated Value-in-Kind Expenses	IS 17	-18 953	-1 146
Total Event Expenses		-1 001 392	-1 011 243
GROSS RESULT		923 872	140 354
Salaries & Social Expenses		-57 425	-39 696
Other Personnel Expenses		-1 807	-1 137
Total Personnel Expenses	IS 18	-59 232	-40 833
Travel, Hotel & Daily Allowances		-25 692	-12 972
Consultancy & Temporary Staff	IS 19	-11 946	-9 684
Public Relations & Marketing	IS 20	-15 269	-10 749
Office Running Expenses	IS 21	-44 901	-12 703
Rental, Building Maintenance & Security	IS 22	-3 622	-3 659
Depreciation	IS 22 bis	-969	0
Total Other Expenses		-102 399	-49 767
OPERATING RESULT		762 241	49 754
Financial Items	IS 23	12 559	49 170
Extraordinary Items & Taxes	IS 24	32 596	-453
Formation of Provisions	IS 25	-439 163	-42 674
Use of Provisions & EURO Pool	IS 26	88 241	139 124
Total Non Operating Items		-305 767	145 167
Solidarity	IS 27	-131 985	-86 831
HatTrick Scheme	IS 28	-82 725	-65 041
Contributions & Donations	IS 29	-5 352	-3 351
Development & Aid Projects	IS 30	-738	-878
Total Solidarity Payments		-220 800	-156 101
NET RESULT	IS 31	235 674	38 820

All amounts in 1 000 EUR (KEUR)



The significant increase of EUR 758 million (or 81% in relative figures) in the balance sheet total to EUR 1.7 billion is to be seen in connection with EURO 2008 payments received from broadcasters and sponsors, as well as with the sale of tickets and hospitality packages.

Within the assets, this is reflected in the substantial increase in the *Cash & Cash Equivalents* and *Long-term Securities* positions.

While more than 94% of EURO 2008 income was received as at 30 June 2008, the lion's share of UEFA's EURO 2008 payments was due after the closing date, hence some significant changes also within UEFA's liabilities. The high *Payables Suppliers* position is the consequence of invoices related to EURO 2008 received after the event and paid for during the 2008/09 financial year. The *Payables Associations* position increased to EUR 819 million, mainly due to the EUR 425 million replenishment of the EURO Pool sourced from the EURO 2008 gross result – earmarked to finance the 2008–2012 HatTrick programme in favour of the UEFA member associations.

After adding the 2007/08 net result of EUR 235.6 million to *Retained Earnings*, UEFA's equity now stands at EUR 508.4 million (CHF 816 million). However, it should be noted, as documented in UEFA's Strategic Financial Outlook, that the three financial years following a EURO will end with substantial losses, with the consequence that UEFA's equity, i.e. the *Retained Earnings* position, will decrease accordingly.

UEFA's equity is projected to stand at EUR 306 million just before the EURO 2012 result again allows a substantial increase in equity.

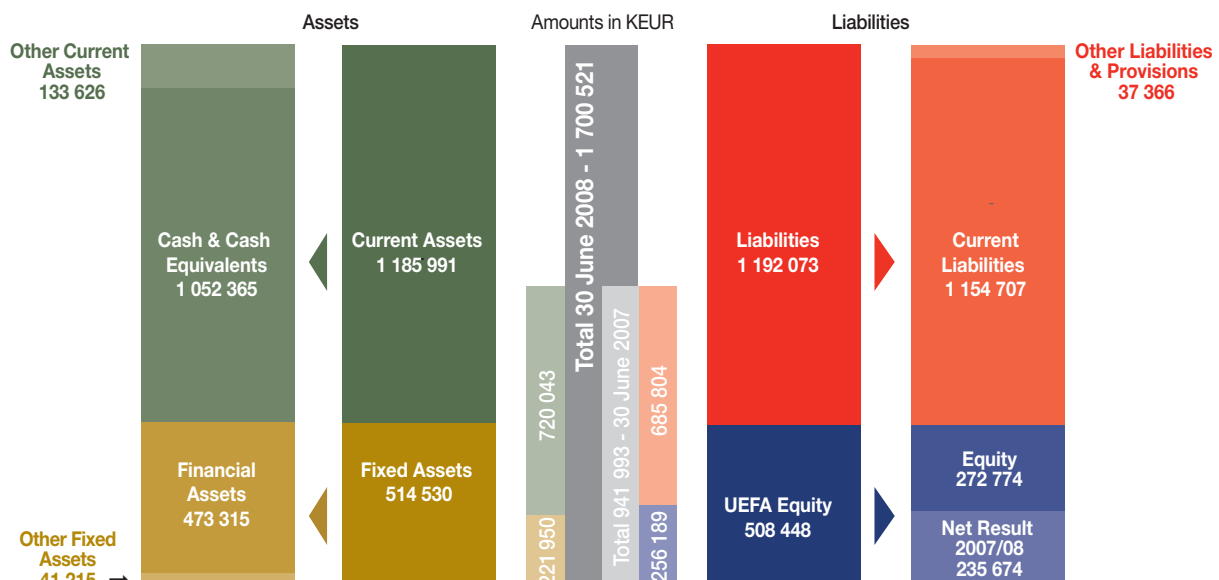
Regarding the structure of UEFA's balance sheet, the following points are worthy of note:

- *Current Liabilities* stand at EUR 1.15 billion and represent 68% of UEFA's balance sheet total. EUR 819 million (i.e. roughly 48%) refers to payables in favour of UEFA's member associations, of which EUR 682 million alone concerns the EURO Pool, earmarked mainly to finance the 2008–2012 HatTrick programme and other initiatives in favour of the associations over the next four years.
- The *Cash & Cash Equivalents* total of EUR 1.05 billion is lower than the *Current Liabilities*. As explained above, part of the *Current Liabilities* relates to the

2008–2012 HatTrick programme, with payments due over the next four years.

- Under *Land & Building* within *Other Fixed Assets*, UEFA is now disclosing the net book value of EUR 41.2 million representing the House of European Football after the revaluation done in 2007/08 and the plot of land purchased to construct a new office building just opposite UEFA's headquarters.

More details related to individual figures are given in the Notes and Explanations to the Balance Sheet on pages 27–36 of this report, while the balance sheet movements are shown in a more comprehensive way in the cash flow statement on page 12.



Consolidated Balance Sheet as at 30.06.2008

	Notes	30.06.2008		30.06.2007	
Cash & Postal Accounts		479		149	
Bank: Current Accounts		14 653		14 543	
Bank: Call Accounts		103 258		38 241	
Bank: Money Market		831 467		618 222	
Marketable Securities		102 508		7 324	
Cash & Cash Equivalents	BS 1	1 052 365	61.9%	678 479	72.0%
Receivables: Associations		1 874		1 282	
Receivables: Football Partners	BS 2	80 524		18 906	
Receivables: Others	BS 3	28 729		11 923	
Prepaid Expenses & Accrued Income	BS 4	18 725		7 501	
Advances to Suppliers		932		366	
Projects in progress / Inventories	BS 5	2 842		1 586	
Other Current Assets		133 626	7.9%	41 564	4.4%
Total Current Assets		1 185 991	69.8%	720 043	76.4%
Loans	BS 6	4 350		8 675	
Long-term Securities	BS 7	468 933		213 243	
Participations	BS 8	32		32	
Financial Assets		473 315	27.8%	221 950	23.6%
Computer Hard- & Software	BS 9	0		0	
Office Equipment / Vehicles	BS 10	0		0	
Land & Buildings	BS 11	41 215		0	
Other Fixed Assets		41 215	2.4%	0	0.0%
Total Fixed Assets		514 530	30.2%	221 950	23.6%
TOTAL ASSETS		1 700 521	100%	941 993	100%
Payables: Suppliers		130 015		16 330	
Payables: Associations	BS 12	819 047		339 555	
Payables: Football Partners	BS 13	3 038		2 739	
Payables: Others	BS 14	7 835		8 060	
Accrued Expenses	BS 15	45 083		14 760	
Deferred Income	BS 16	6 130		248 970	
Advances from Third Parties	BS 17	143 559		30 423	
Current Liabilities		1 154 707	67.9%	660 837	70.1%
Other Liabilities	BS 18	3 991		2 269	
Provisions	BS 19	33 375		22 698	
Other Liabilities & Provisions		37 366	2.2%	24 967	2.7%
Total Liabilities		1 192 073	70.1%	685 804	72.8%
Equity		168 166		168 166	
Retained Earnings		116 398		77 578	
Translation Differences		-11 790		-28 375	
Net Result		235 674		38 820	
Total UEFA Equity	BS 20	508 448	29.9%	256 189	27.2%
TOTAL LIABILITIES & UEFA EQUITY		1 700 521	100%	941 993	100%

All amounts in 1 000 EUR (KEUR)

UEFA's balance sheet as at 30 June 2008 in Swiss francs (not consolidated) is published on page 40.



The cash flow statement on page 12 details changes in the net cash position over the reporting period according to the origins of the cash flow at different levels. The net cash position is calculated as cash and cash equivalents minus medium- and long-term loans (to date, UEFA has never taken out a loan). This data is sourced from the income statement (with the operating result of EUR 762.2 million as the starting position) and the balance sheet.

The cash flow from **operating activities** shows the cash flow generated by UEFA's ordinary activities. Despite investments except land and buildings being written off once purchased, the cash flow from **investment activities** still shows the equivalent amounts of those investments. See also the Notes and Explanations to the Balance Sheet.

Theoretically, the UEFA cash flow statement should not show a cash flow from **financing activities** because UEFA does not have share capital and therefore has no dividends to pay to shareholders. However, in our case, the cash flow from financing activities **refers to UEFA's solidarity payments**. These payments are, of course, only possible because UEFA generates the resources by successfully marketing its top competitions.

By listing this cash flow separately under the heading of financing activities, solidarity payments can be kept apart from the ordinary operating activities.

The solidarity payments come from the following sources:

- EUR 88.68 million from the 2007/08 UEFA Champions League project account for the same financial period.
- EUR 82.72 million from the EURO Pool to finance the 2007/08 HatTrick scheme. This EURO Pool was established in 2003/04 with EURO 2004 income and replenished in 2007/08 from EURO 2008. These funds are made available to UEFA's member associations in the three years following every EURO, meaning that the net cash position decreases accordingly. However, UEFA's net result is not affected, as an equivalent amount is released from the EURO Pool.
- EUR 43.3 million of the EURO 2008 competition result was made available to those clubs in the 24 associations with players involved in this final round.
- The remaining amount refers to other solidarity, humanitarian aid and development programmes.

Notes related to the figures published on opposite page:

- For some positions it is impossible to trace a cash flow right from the outset. This is because some changes in UEFA's consolidated balance sheet are not related to cash flow but due to a different currency exchange rate being applied on the closing dates of the two financial years. For example, UEFA's total of CHF 300 million in alternative investments did not change over the two years. The equivalent in euros is EUR 181.2 million on the 2007 closing date and EUR 186.9 million for 2008, i.e. a difference of EUR +5.7 million with no cash flow having occurred.
- The cash flow from operating activities in 2007/08 is significantly higher than the year before and reflects the EURO 2008 payments.
- Please refer to IS 22bis on page 24 to reconcile the *Depreciation added back* position.
- The reasons for the other significant changes compared with the previous year are documented in other chapters of this Financial Report.

Consolidated Cash Flow Statement 2007/08

	2007/08	2006/07
Opening balance: Net cash & cash equivalents	678 479	502 958
Net foreign exchange difference	33 634	-118 671
Closing balance: Net cash & cash equivalents	1 052 365	678 479
CHANGE IN NET CASH AND CASH EQUIVALENTS	340 252	294 192
Operating result	762 241	49 754
Depreciation added back	5 788	17 675
Extraordinary items/Taxes	32 596	-453
Revaluation of land and buildings	-35 641	0
Formation/use of provisions	-350 922	96 450
Change in other liabilities & Provisions	11 209	-100 666
<i>Subtotal</i>	<i>425 271</i>	<i>62 760</i>
Change in receivables	-75 279	-21 528
Change in prepaid expenses & Advances to suppliers	-11 139	-3 707
Change in projects in progress & Inventories	-1 164	18 425
Change in payables	561 388	34 541
Change in accrued expenses & Deferred income	-213 071	307 581
Change in advances from third parties	108 256	25 730
<i>Change in net working capital</i>	<i>368 991</i>	<i>361 042</i>
CASH FLOW FROM OPERATING ACTIVITIES	794 262	423 802
Financial items	12 559	49 170
Change in loans	4 436	-2 509
Change in long term securities	-240 285	-2 495
Change in participations	0	0
Capital expenditure in computer hard & software	-4 492	-16 323
Capital expenditure in furniture, equipment & Vehicles	-327	-1 352
Capital expenditure in land and buildings	-5 101	0
CASH FLOW FROM INVESTING ACTIVITIES	-233 210	26 491
Solidarity payments	-220 800	-156 101
CASH FLOW FROM FINANCING ACTIVITIES	-220 800	-156 101
CHANGE IN NET CASH AND CASH EQUIVALENTS	340 252	294 192

All amounts in 1 000 EUR (KEUR)



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GENERAL INFORMATION

The Union des Associations Européennes de Football (hereafter “UEFA”) is an international non-governmental, non-profit organisation in the form of an association according to Swiss law and is domiciled in Nyon, Switzerland. UEFA consists of 53 national associations as at 30 June 2008 and is a recognised confederation of FIFA.

UEFA’s principal activities are the following:

- Organise and conduct international football competitions and tournaments at European level,
- Safeguard the development of European football at every level of the game, particularly through youth and development programmes,
- Promote the principles of unity and solidarity.

SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of the Financial Statements

The consolidated financial statements of UEFA and its subsidiaries (hereafter the “Group”) are presented in thousands of euro (KEUR) as it is the currency of the primary economic environment in which the Group operates. However, daily operations are originally recorded in Swiss franc (CHF) as it is the currency of the country where the Group has its headquarters. Foreign operations are included in accordance with the policies set out in note (c).

The consolidated financial statements have been prepared in accordance with Swiss Code of Obligations, the association’s by-law and the principal accounting policies described below. They have been globally prepared on an accrual basis and under the historical cost convention.

b) Basis of Consolidation

Subsidiaries

The consolidated financial statements of the Group incorporate the financial statements of UEFA and the entities controlled by UEFA (its subsidiaries). Control is achieved where UEFA has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. This is the case where UEFA holds more than 50% of the voting rights. The entities included in this consolidation are shown in note FS 1.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date that the control commences until the date the control ceases. Where necessary, adjustments are made to the financial statements of the subsidiaries to

Notes to the Consolidated Financial Statements 2007/08

bring the accounting policies used into line with those used by the Group. The equity and profit attributable to minority shareholders' interests, if applicable, are shown separately in the consolidated balance sheet and income statement.

The book value of investments has been eliminated against the share in the net assets of the companies, valued at the time of the acquisition or creation. The purchase method of accounting is used to account for the acquisition or creation of subsidiaries by the Group.

All inter-company balances and transactions as well as any eventual unrealised gains and losses arising from transactions between Group companies are eliminated when preparing the consolidated financial statements.

Associates

An associate (described as a "participation" in the Group's balance sheet) is an entity over which UEFA is in a position to exercise significant influence, but not control, through participation in the financial and operating policy decisions of the entity. This is the case where UEFA holds at least 20% of the voting rights. The associate included in these consolidated financial statements is listed in note FS 1.

The consolidated financial statements include the Group's share of the earnings of the associate on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases. Investments in the associate are carried in the balance sheet at cost because an adjustment of the corresponding Group's share would be immaterial. Dividends received are recorded in the income statement.

c) Foreign Currencies

Recording of foreign currency transactions and balances

UEFA and its subsidiaries' books are kept in Swiss franc. Transactions in currencies other than Swiss franc are recorded at the monthly average rate of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary assets and liabilities denominated in currencies other than Swiss franc are translated at the rates prevailing on the balance sheet date.

Gains and losses arising on translation of monetary items are included in the financial results for the period. Exchange differences arising on the settlement of

monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the period or in previous financial statements, are recognised in the income statement.

All unrealised gains on those monetary items (except for cash positions shown in the balance sheet under Cash & Cash Equivalents) are deferred in the balance sheet and a corresponding expense is recognised in the income statement under "formation of provisions".

In order to hedge its exposure to certain foreign exchange risks, UEFA enters into derivative contracts. The corresponding accounting policy in respect of such derivative financial instruments is described in note (n).

Translation of the Group's consolidated entities

On consolidation, assets and liabilities (except for the participations and the equity which are recorded at historical rate) of the Group's consolidated entities recorded in Swiss franc are translated into euro using the exchange rates prevailing on the balance sheet date.

Income and expense items stated in Swiss franc are translated into euro at the monthly average exchange rates applicable for each month of the period taken into account. Income and expenses items originally in euro are kept in the original currency.

Translation differences resulting from the application of this method are classified as equity and transferred to the translation reserve.

Exchange rates used for the balance sheet or resulting from the income statement are as follows:

	30 June 2008	Monthly rates average 2007/08
CHF/EUR	1.6048	1.6308

	30 June 2007	Monthly rates average 2006/07
CHF/EUR	1.6552	1.6062

d) Income Statement

The consolidated income statement presents the following structure:



- Football-related revenue
- Non football-related income
- Event-related expenses
- Personnel and other administrative expenses
- Non operating items and solidarity payments

Football-related revenues are directly related to the organisation of UEFA football competitions. Event expenses are related to the organisation of competitions by the Group.

For accounting purposes, UEFA football competitions are defined in two categories as follows:

- Annual club competitions (for example, UEFA Champions League) and other competitions (for example, national Team competition qualifiers)
- Main national Team competition (EURO Final Round)

e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Football-related revenues primarily consist of the following items:

- Broadcasting rights
- Commercial and licensing rights
- Ticket sales
- Hospitality-related income
- Other football-related income: Fines, FIFA and EFP contributions (fines are used to finance UEFA's humanitarian aid portfolio)

Revenues related to annual club competitions and other competitions, as defined in note (d), are recognised in the income statement in the period the competition takes place.

Revenues related to EURO Final Round are recognised in the income statement on an accrual basis. At each balance sheet date up to the year preceding the final round of the competition, a "period adjustment" is recorded in the income statement to defer the net result of this competition as described in note (g).

Note concerning e) and f): Although these are not financial transactions, UEFA shows value-in-kind benefits (from commercial contracts and including

sports and technical equipment, transport, etc.) and value-in-kind expenses (allocated according to the use of such value in kind) in the income statement.

f) Event-Related Expenses

Event-related expenses are the gross outflow of economic benefits that arise from the ordinary activity of organising an event.

Event-related expenses primarily consist of the following items:

- Distribution to the participating teams
- Direct contribution to local organising committees (LOCs)
- Commission to agencies
- Various costs incurred during events such as technical and audiovisual equipment and other material
- Rights-delivery costs such as signage, event promotion and rights protection expenses
- Direct costs related to hospitality and TV production
- Computer expenses such as IT projects in the football and event domains
- Match officials such as referees and UEFA delegates as well as related expenses (travel, accommodation and allowances)

Expenses related to annual club competitions and other competitions, as defined in note (d), are recognised in the income statement in the period the matches/events of a given competition takes place.

Expenses related to EURO Final Round are recognised in the income statement on a cash basis. At each balance sheet date up to the year preceding the final round of the competition, a "period adjustment" is recorded in the income statement in order to defer the net result of this competition as described in note (g).

g) Period Adjustment (included in Event-Related Expenses)

With regard to EURO Final Round, related revenues and expenses are recognised in the income statement as described in note (e) and (f).

In order to impact on the final net result of the Group only when the competition takes place (i.e. every four

years) the annual net result of the EURO Final Round is deferred during the preparation period of three years. For that purpose, the revenues and expenses related to this competition are shown in the different headings of the income statement. However an additional entry, described as “period adjustment”, cancels out the annual net result of this competition. This annual “period adjustment” recorded in the income statement is shown in the balance sheet as a “deferred income” when related revenues exceed expenses or as a “project in progress” when related expenses exceed revenues.

The accumulated net result of the EURO Final Round over the preparation period is subsequently reversed in the income statement under “period adjustment” when the competition takes place.

The same principle is also applied for other competitions which are not completed and the accounts therefore not finalised within a financial year.

h) Solidarity Payments

UEFA offers financial assistance to associations, leagues and clubs with certain conditions relating to their activities.

UEFA's solidarity scheme consists of the following three main categories:

- Yearly solidarity payments out of the UEFA Champions League income to clubs and leagues.
- Solidarity payments out of the EURO income to clubs with players involved in EURO 2008.
- Payments out of the EURO income under the “HatTrick scheme” to member associations to co-finance their ordinary tasks and to finance specific projects such as infrastructure development, renovations and mini-pitches.

Those payments are made out of the “EURO Pool” or “UEFA Champions League Pool” as defined in note (p) “payables to Associations”.

Other development-related expenses and humanitarian aid projects are also recognised on a cash basis in the income statement over the period of the project duly approved by UEFA.

i) Leasing

Leases where the Group does not retain substantially all the risks and rewards of ownership of the assets are classified as operating leases. Operating lease

expenditures are expensed on a straight line basis over the lease terms.

There are no assets acquired under finance lease agreements.

j) Employee Benefits

Statutory retirement benefits are provided in the country in which the Group operates. Payments made to statutory retirement benefit plans are recognised in the income statement as they fall due.

The Group has additionally set up two pension plans with defined contribution characteristics for all its employees. These schemes also cover the risks of premature death and disability via insurance agreements. The pension plans are funded by contributions from employees and the relevant Group companies (employer). Accordingly, the plans are accounted for as defined contribution plans and corresponding payments are charged to the income statement as an expense as they fall due.

k) Financial result

The net financial result includes financial income and expenses as follows:

- Financial income consists of interest income from interest-bearing assets, dividend income, fair value gains on marketable securities as well as realised and unrealised foreign exchange gains from operating and investing activities.
- Financial expenses comprise fair value losses from marketable securities as well as realised and unrealised foreign exchange losses from operating and investing activities.

l) Taxes

UEFA pays corporate taxes in Switzerland according to a tax ruling applying for international sports organisations located in canton Vaud. Its subsidiaries are taxed in Switzerland according to the rules and rulings applying to Service Companies.

The tax expense represents the sum of the tax payable in the current year. Current tax is the expected tax payable on the taxable income for the year using ordinary tax rates applicable to an association or a corporation respectively.



Taxes also include the non-recoverable value-added tax.

m) Cash and Cash Equivalents

Cash and cash equivalents comprise cash, bank term deposits up to twelve months, marketable securities readily convertible to cash and European Commercial Papers.

Cash in foreign currencies is the result of payments received from commercial partners whose contracts were concluded in foreign currencies. As a result, the Group performs a natural hedging of its foreign exchange exposure by matching its cash currency portfolio with its liabilities in foreign currency.

n) Financial Instruments

Financial assets and financial liabilities are recognised on the balance sheet as described below when the Group becomes a party to the contractual provisions of the instrument.

Loans & other receivables

Loans and other receivables are recognised and carried at nominal value less an allowance for any uncollectible amounts. A provision for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Marketable securities

Marketable securities are recognised and derecognised on a trade date when the Group commits to purchase or sell those securities. They are recorded in the balance sheet at fair value. The fair value of those marketable securities is their quoted price at balance sheet date. The corresponding movements in the fair value are reported in the income statement under financial results.

Long-term securities

Long-term securities are recognised and derecognised on a trade date when the Group commits to purchase or sell those securities. UEFA acquires only products issued by reputable institutions with a good rating and for which repayment at maturity is guaranteed at least at the level of the capital invested.

These products held to maturity are recognised in the balance sheet at nominal value until maturity date which is the capital guaranteed. The fair value of these assets is stated under note BS 7.

Payables

Payables are not interest bearing and are stated at their nominal value.

Derivative financial instruments

As stated under note (m), the general policy is to practice a natural hedging bringing in line the Group's assets and liabilities currency portfolio.

If, however, the Group's operational activities are exposed to additional financial risks of changes in foreign currency exchange rates, the Group uses derivative financial instruments to hedge these exposures. Those derivatives consist of foreign exchange forward contracts and options. Derivative financial instruments are not used for speculative purposes.

No derivative financial instruments are recorded in the balance sheet. The fair value of those derivative instruments can be determined by their quoted market price at balance sheet date. No changes in the fair value are recognised in the income statement over the life of the derivative contract. At maturity date, the resulting foreign exchange gain or loss is recognised in the income statement. The details of the hedging policy are described in note FS 2.

o) Tangible and Intangible assets

The Group's accounting policy with regard to tangible and intangible assets is as follows:

- **Tangible fixed assets:** Property, land, buildings, equipment and computer hardware are stated in the balance sheet at historical costs less accumulated depreciation. Subsequent expenditures are capitalised only if they increase the future economic benefits embodied in the related item.
- **Intangible assets:** Computer software is stated in the balance sheet at historical costs less accumulated depreciation. Expenditure on brands is recognised in the income statement as an expense as incurred.

All other expenditures, repairs and maintenance are recognised in the income statement as an expense as incurred.

Notes to the Consolidated Financial Statements 2007/08

At the beginning of 2007/08, new depreciation periods were introduced for land and buildings, with retroactive effect from the purchase date.

Depreciation is charged so as to write off the cost of the assets on the following basis:

- Land No depreciation
- Buildings Period of depreciation:
40 years for buildings
20 years for renovations
- Office Equipment and Vehicles Fully depreciated once purchased
- Computer hard- and software Fully depreciated once purchased
- Brands Fully expensed as incurred

The depreciation expense is included in the income statement under several headings depending on the nature of the asset purchased.

Any gain arising on the disposal of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

p) Payables to Associations

Payables to Associations represent mainly funds which have been reserved in previous years to finance pre-defined projects. This heading includes the following items:

- Current accounts (interest-free) in favour and at the disposal of member associations
- “EURO Pool” to finance the HatTrick scheme and other initiatives in favour of all the member associations
- “UEFA Champions League Pool” in favour of leagues for clubs’ youth football development

The “EURO Pool” was derived from the EURO 2004 and EURO 2008 results and was established to finance the HatTrick scheme, as defined in note (h) “solidarity payments”. This “EURO Pool” is in favour of all the member associations in order to co-finance their ordinary tasks and to finance capital expenditure, equipment and other investments essential for their operations. The overall HatTrick scheme is approved by the Congress and the HatTrick Committee is responsible for approving and monitoring individual projects at association level on the basis of a HatTrick charter.

The “UEFA Champions League Pool” is made available to the leagues in order to develop youth football in those clubs that are not playing in the UEFA Champions League. For that purpose, the leagues (or the associations themselves if no league exists) have to submit a concept to UEFA to demonstrate the use of these funds.

For the sake of transparency, any payment made out of the “EURO Pool” or “UEFA Champions League Pool” is recognised as an expense on a cash basis in the income statement. An equal reversal from the corresponding pool is recorded as an income, described as “use of provisions”, in the period the payment takes place.

q) Provisions

The Group records provisions in the following situations:

- When it has an obligation, legal or constructive, to satisfy a claim and it is probable that an outflow of resources will be required.
- When a risk exists at balance sheet date. The corresponding risk provision is adjusted at year-end based on in-house analysis to match the Group risk exposure.
- When imminent special projects are approved prior to balance sheet date and are already under way. In the following year(s), the costs of such projects are included in the income statement as incurred, however, an equal reversal of the provision is recorded as an income, described as “use of provisions”, in the same period.

r) Equity

Equity consists of UEFA capital and retained earnings from previous years which have no specific reservation or restriction.

Equity is affected by foreign currency translation gains/losses from the conversion of the Group’s consolidated entities denominated in foreign currencies as defined in note (c).

The consolidated statement of changes in shareholder equity is shown in note BS 20.



This section provides details of the most important positions in the 2007/08 income statement published on page 8.

Preliminary remarks on EURO 2008 transactions and result

EUR 249 million of the total EURO 2008 result was received in previous years, including EUR 204 million in 2006/07, as indicated in the respective financial reports. The equivalent amounts were offset under *Period Adjustment* (IS 16) and included in the *Deferred Income* (BS 16) balance sheet position. The total amount was then reversed in the 2007/08 income statement. This means that the EURO 2008 competition result is shown in UEFA's 2007/08 financial year, i.e. the same season as when the competition was held.

The lions' share of all EURO 2008 income and expenditure was, however, generated during the 2007/08 financial year, which explains the big variation of most 2007/08 figures compared with those of the previous year. Instead of commenting on the effects of EURO 2008 on individual accounts on a year by year basis, this financial report contains a special EURO 2008 section disclosing the EURO 2008 result on pages 45–48.

IS 1 – Broadcast Revenue	2007/08 KEUR	2006/07 KEUR
UEFA Champions League	625 718	625 080
EURO 2008	663 319	132 906
Other competitions (incl. UEFA Cup and club competition finals)	44 996	52 773
TOTAL	1 334 033	810 759
IS 2 – Commercial Rights Revenue		
UEFA Champions League	194 382	193 466
EURO 2008	149 765	68 566
Other competitions (incl. UEFA Cup and club competition finals)	7 554	7 439
TOTAL	351 701	269 471
IS 3 – Ticket Revenue		
Club competitions	5 323	4 422
EURO 2008	84 880	15 694
Other competitions (incl. Under-21 final round)	34	2 381
TOTAL	90 237	22 497
IS 4 – Hospitality Revenue		
This income relates exclusively to payments for EURO 2008 hospitality packages.	117 220	37 865

Notes to the Consolidated Financial Statements 2007/08

IS 5 – Other Football Revenue

	2007/08 KEUR	2006/07 KEUR
FIFA financial assistance programme (FAP) contribution	1 607	1 879
Fines	2 574	2 213
UEFA Intertoto Cup (European Football Pool contribution)	1 951	2 563
Sales of publications (souvenir programmes)	811	337
Other (incl. FIFA Club World Cup)	464	600
TOTAL	7 407	7 592

IS 6 – Non-Football-related Income

This income includes kickbacks from airlines as well as extraordinary income, e.g. payments received in the year under review but referring to the previous year.

The 2007/08 total includes EURO 2008 public viewing revenue amounting to EUR 1.2 million (earmarked for humanitarian aid – see BS 18) and the profit-sharing with the EURO 2008 accommodation agency.

	4 619	2 264
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IS 7 – Allocated Value-in-Kind (VIK) Income

UEFA's accounting system discloses income from value-in-kind even though this does not represent cash transactions. This amount has no influence on the bottom-line result because it is also shown as value-in-kind expenses. By posting these transactions, their financial impact within the different cost drivers and cost centres is shown. Any variance between "VIK income" and allocated "VIK expenses" is due to the fact that the receipt and use of some material for the various competitions and/or events do not concern the same UEFA financial year.

EURO 2008 explains the significant increase compared with the previous year.

	20 047	1 149
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IS 8 – Total Revenue

The details and percentages of UEFA's total income are shown in graph form on page 7.

Reference is also made to the table on page 44, which shows the net 2007/08 result by competition/cost driver, as well as total revenue and total expenses.

	1 925 264	1 151 597
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IS 9 – Distributions to Participating Teams

Distributions to UEFA Champions League clubs according to the table on page 52	593 985	592 935
Distributions to the 16 EURO 2008 associations (incl. contribution to travel costs) according to the table on page 48	184 691	0
Distributions to club participants in other competitions (UEFA Cup, UEFA Super Cup, UEFA Intertoto Cup)	41 055	40 265
These totals include the UEFA Cup distribution according to the details on page 54		
Other competitions (incl. Under-21 travel contribution)	3 130	5 369
TOTAL	822 861	638 569



IS 10 – Direct Event Expenses	2007/08 KEUR	2006/07 KEUR
Contributions to local organisers and commission to agencies	108 498	60 301
Other direct event expenses (e.g. venue rental, event material, other facilities and temporary event staff). Part of the EURO 2008 organisational costs are also included.	89 747	4 744
TOTAL	198 245	65 045
IS 11 – Rights Delivery		
Rights delivery costs related to EURO 2008 (including fan zone, host city and airport dressing – hence the important increase in 2007/08) as well as the UEFA Champions League, the UEFA Cup final and UEFA Super Cup are included in this total, which covers signage fees, event promotion and rights protection expenses, among other costs.	51 565	20 704
IS 12 – Hospitality Expenses		
These costs refer to catering and all other services made available to those who purchased EURO 2008 hospitality packages and also offered to sponsors, guests and officials at the most important matches, first and foremost at EURO 2008 and UEFA Champions League venues. The cost of tickets and indirect expenses such as administration and staffing costs are not reported under this heading.	72 881	7 972
IS 13 – TV Production		
UEFA's affiliated company UEFA Media Technologies SA was appointed to implement host broadcasting for EURO 2008, which also included the running of the IBC (International Broadcast Centre) and the task of providing unilateral services to the EURO 2008 broadcasters. This in-house expertise is also used for other competitions and events, such as draws, as well as for filming.	32 161	12 034
NB: As a result of the signal break during the EURO 2008 match 29, Germany v Turkey, UEFA decided to make a provision to cover possible compensation to the broadcasters. This is included in the overall risk provision reported under BS 19.		
IS 14 – Web Production & Computer Solutions		
The Web Production total refers to costs related directly to the UEFA website, such as hosting and editorial costs as well as investments. It does not include indirect costs such as personnel and office running expenses. Additional investments, mainly in computer solutions, relate to EURO 2008. Further and continued investments refer to the development of internal applications such as FAME (Football Administration & Management Environment – a fully integrated football management tool), the player tracking system and e-learning tools.		
Web production	15 964	10 120
Computer solutions	4 610	11 306
TOTAL	20 574	21 426

Notes to the Consolidated Financial Statements 2007/08

IS 15 – Match Officials

This includes all match official expenses (travel, accommodation, daily allowances and bonuses).

	2007/08 KEUR	2006/07 KEUR
Referees	16 674	11 347
Contributions to associations for referee costs	3 200	3 093
Delegates & Venue Directors	5 407	4 420
Doping controls	1 825	1 055
Insurance of match officials	46	80
TOTAL	27 152	19 995

IS 16 – Period Adjustment

UEFA recognises revenue immediately on receipt. Applying this principle, adjustments have to be made and entered under this heading, as described in the accounting principles (paras e and g). Adjustments are obviously also made related to cost.

The amounts registered in 2006/07 (and earlier) referring to EURO 2008 revenue and expenditure have now been reversed into the 2007/08 accounts. Please consult the preliminary remarks on page 19 and BS 16 on page 35 for more details.

	-243 000	224 352
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IS 17 – Allocated Value-in-Kind Expenses

See IS 7

	18 953	1 146
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IS 18 – Total Personnel Expenses

The increase in personnel expenses over the years has to be viewed in connection with the steady increase in the Euro 2008 SA headcount, with the majority of contracts being for a fixed term, expiring just after EURO 2008.

Salaries & social expenses	57 425	39 696
Other personnel expenses	1 807	1 137
TOTAL	59 232	40 833

IS 19 – Consultancy & Temporary Staff

Consultancy	9 848	7 549
Temporary staff	856	802
Outsourced translations and interpreters	1 242	1 333
TOTAL	11 946	9 684



IS 20 – Public Relations & Marketing

	2007/08 KEUR	2006/07 KEUR
Publishing and publications	5 673	3 679
Representation (incl. Executive Committee entitlement)	2 165	1 658
Branding	3 011	2 999
Gifts & awards & uniforms	1 986	721
Marketing & promotions	2 434	1 692
TOTAL	15 269	10 749

IS 21 – Office Running Expenses

Office supplies/printing	2 902	1 079
Postage, freight & customs	2 462	899
Telephone communications	1 705	1 038
IT running expenses (incl. EURO 2008 networks and applications)	37 041	9 078
Other expenses (vehicles, other non-specified)	791	609
TOTAL	44 901	12 703

IS 22 – Rental, Building Maintenance & Security

This position has been renamed (used to be “House of European Football”). Offices had to be rented in a block known as “Le Martinet” close to Nyon railway station. Both of UEFA’s affiliated companies are located in these new premises. It is planned to start soon on the construction of additional offices close to UEFA’s headquarter, and it is therefore likely that the old “House of European Football” heading will be reinstated in the not too distant future.

Consumables (e.g. water, electricity, cleaning)	589	529
Repairs & maintenance	320	289
Furniture & equipment	333	375
Security	388	308
Audiovisual equipment	400	937
Rental (office building Le Martinet)	1 291	934
Various (gardens, taxes, building insurance, etc.)	301	287
TOTAL	3 622	3 659

Notes to the Consolidated Financial Statements 2007/08

IS 22^{bis} – Depreciation

With the House of European Football having been revalued as at 1 July 2007, a yearly amortisation is now being made in accordance with paragraph o), *Tangible and Intangible Assets*, of the section describing the accounting policies, where it is also stated that the depreciation expense is shown in the income statement under several headings, depending on the nature of the asset purchased. To allow the total *Depreciation added back* to be reconciled in the consolidated cash flow statement on page 12, the following written-off amounts should be noted:

Incl. in total	in 2007/08	in 2006/07
TV production	0	3 265
Web production & computer solutions	4 492	13 058
Office running expenses	15	53
Rental, building maintenance & security	312	1 299
Depreciation	969	0
KEUR	5 788	17 675

IS 23 – Financial Items

Interest income & result of alternative investments	42 255	23 884
Realised currency exchange gains	14 312	18 093
Non-realised currency exchange gains	4 552	4 228
Realised currency exchange losses	-33 434	-374
Non-realised currency exchange losses	-2 280	-554
Realised currency exchange result UEFA Champions League	-12 957	3 743
Dividend TEAM Holding AG, Lucerne	111	150
TOTAL	12 559	49 170

The rather disappointing 2007/08 overall result is to a great extent due to currency losses following the weak performance of the euro, pound sterling and US dollar compared with the Swiss franc. Given that UEFA's books are kept in Swiss francs, the weaker foreign currencies result in a currency loss in Swiss francs.

The return on UEFA's financial assets under this same heading amounted to EUR 42.2 million, which is a substantial increase over the year before, thanks to better conditions on the money market and the fact that some of UEFA's investments were made in medium-term notes.

IS 24 – Extraordinary Items & Taxes

Extraordinary items and taxes paid by UEFA and its affiliated companies UEFA Media Technologies SA and Euro 2008 SA as well as non-recoverable value-added tax	-3 045	-453
Extraordinary gain following the revaluation of the House of European Football	35 641	0
TOTAL	32 596	-453

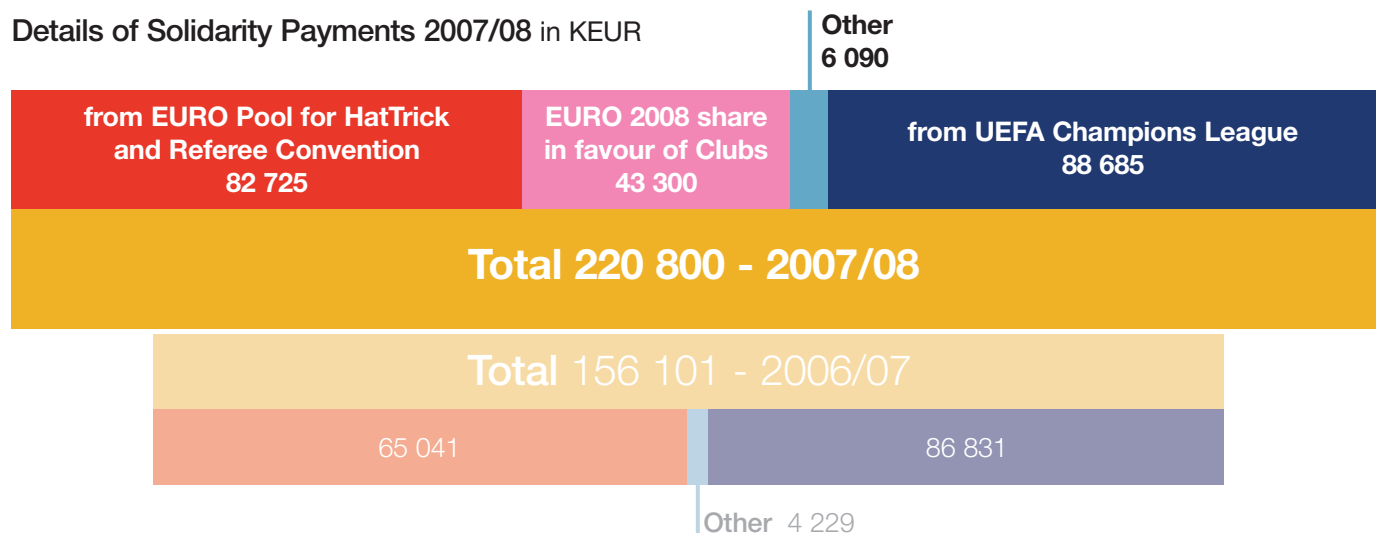
2007/08 KEUR	2006/07 KEUR
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969	0
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	2007/08 KEUR	2006/07 KEUR
IS 25 – Formation of Provisions	439 163	42 674
IS 26 – Use of Provisions & EURO Pool	88 241	139 124
<p>These two positions have to be seen in conjunction with paragraph q), <i>Provisions</i>, of the section describing the significant accounting policies.</p> <p>Risk provisions are adjusted at every year end, based on in-house analysis to match the group risk exposure.</p> <p>Please refer to balance sheet note BS 19 which shows the movements over the last two financial years and the total provision as at both closing dates.</p> <p>These totals also include the transactions related to the EURO Pool. In the year under review, a <i>Use of EURO Pool</i> amount of EUR 82.7 million was debited to offset the payments made to the member associations in the course of 2007/08. At the same time, EUR 425 million from the EURO 2008 result was credited to the EURO Pool to finance the 2008–2012 HatTrick programme and other initiatives in favour of the member associations.</p>		
IS 27 – Solidarity		
<p>UEFA's solidarity scheme to benefit all European football stakeholders is now sourced from both the top club football and national team football competitions. EUR 43.3 million from the EURO 2008 result benefits those clubs in 24 associations who had players involved in this final round.</p>		
UCL: solidarity to associations (credited to EURO Pool)	18 550	18 550
UCL: solidarity to leagues	43 635	43 201
UCL: solidarity to clubs	26 500	25 080
Amount from the EURO 2008 benefits in favour of those clubs in the 24 associations with players involved in this final round	43 300	0
TOTAL	131 985	86 831

Details of Solidarity Payments 2007/08 in KEUR



Notes to the Consolidated Financial Statements 2007/08

IS 28 – HatTrick Scheme and Referee Convention

For the sake of transparency, UEFA is showing the amount spent on HatTrick investments in its income statement, as opposed to only showing the transactions in the EURO Pool balance sheet account. To defer the net result, the EURO Pool provision has been reversed, as explained under IS 26. In this financial year, the following payments were made:

	2007/08 KEUR	2006/07 KEUR
Investment programme	20 246	12 578
Yearly solidarity payments to associations	56 128	42 894
Mini-pitches	3 194	5 901
Education scheme	1 822	2 456
Referee Convention	1 335	1 212
TOTAL	82 725	65 041

IS 29 – Contributions & Donations

Portfolio core partnerships	2 306	1 026
Portfolio ad hoc partnerships	1 116	302
Natural disasters	637	0
Monaco award	604	637
Other contributions & donations	689	1 386
TOTAL	5 352	3 351

IS 30 – Development & Aid Projects

The amount invested under this heading refers to UEFA's contribution to projects of other confederations, such as the Meridian Project (Alive&Kicking) and Vision Asia. Grassroots development schemes were also supported and are included in this total.

	738	878
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IS 31 – Net Result

The actual net result of EUR 235.6 million – compared with the budgeted EUR 200 million approved by the 2007 Congress – is all the more satisfying given that 425 EUR million (compared with a budgeted figure of EUR 400m) was able to be set apart to replenish the EURO Pool.

	235 674	38 820
--	----------------	---------------



Details of the most significant balance sheet positions established in accordance with the accounting policies described in this financial report are provided below.

BS 1 – Cash & Cash Equivalents

See details on page 28

The *Marketable Securities* position includes European commercial papers with a net value of EUR 96.65 million which are to be paid back in 2008/09 at the nominal value of EUR 100 million.

As at 30 June 2008, CHF 787 000 (EUR 490 000) of UEFA's cash balance served UEFA's bank to cover guarantees issued by this bank to third parties.

BS 2 – Receivables: Football Partners

This total includes the following positions:

	30 June 2008 KEUR	30 June 2007 KEUR
EURO 2008 debtors	78 069	12 674
UEFA Champions League project accounts	1 310	4 890
ISL (maximum dividend upon liquidation)	1 354	1 313
Bad debts	-1 622	-1 377
Other (various competitions, media rights)	1 413	1 406
TOTAL	80 524	18 906

The EUR 78 million of EURO 2008 debtors refers to payments due after the closing date. Of this total, UEFA received payments amounting to EUR 70 million in the second half of 2008, with the balance not due until 2009.

The amount of CHF 2 173 000 (i.e. the equivalent of EUR 1 354 000), corresponding to the maximum dividend payable following the liquidation of ISL, continues to appear in UEFA's books, with the same amount included under *bad debts*.

BS 3 – Receivables: Other

VAT receivable	17 945	2 560
Current account Euro 2004 SA	1 669	1 669
Withholding tax to be claimed	8 825	1 709
Other	-87	183
EURO 2008 sales of tickets and hospitality packages	377	5 802
TOTAL	28 729	11 923

The amount due to UEFA from Euro 2004 SA corresponds to the final amount withheld within the Portuguese FA books until the four-year liquidation period is over at the end of December 2008.

The substantial increase in the VAT *Receivable* position is due to the many EURO 2008 invoices entered in May and June 2008.

BS 4 – Prepaid Expenses & Accrued Income

Expenses already paid in the year under review for costs relating to the next financial year	6 000	2 296
Accrued interests on Money Market, Marketable and Long-term Securities	6 792	2 569
Accrued income	5 933	2 636
TOTAL	18 725	7 501

Notes to the Consolidated Financial Statements 2007/08

BS 1 – Cash & Cash Equivalents – details

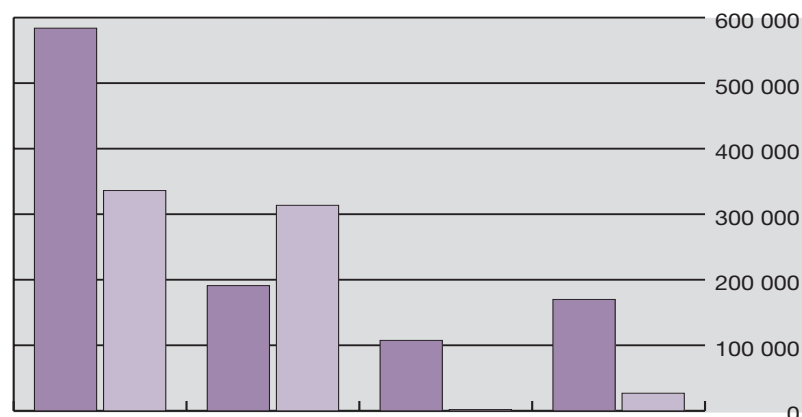
This position represents over 60% of UEFA's balance sheet total and is composed as follows:

	30 June 2008 KEUR	30 June 2007 KEUR
Total Cash & Cash equivalents in 1 000 EUR	1 052 365	678 479
<i>in % of the Balance Sheet total</i>	61.8%	72%

Subtotals per currency in equivalent 1 000 EUR (see chart below)

		30 June 2008 KEUR	30 June 2007 KEUR
Euro	EUR	583 875	336 083
Swiss Francs	CHF	191 035	313 581
British Pounds	GBP	107 491	1 949
US Dollars	USD	169 964	26 866

Overview per currency



EUR	CHF	GBP	USD
336 083	313 581	1 949	26 866
583 875	191 035	107 491	169 964

The above amounts are shown in equivalent KEUR to enable comparison

Inventory of above EUR equivalents

stated in 1 000 original currency

	30.06.08	30.06.07
EUR	583 875	336 083
CHF	306 583	519 050
GBP	85 098	1 312
USD	267 786	36 284

Overview of exchange rates valid on the closing dates:

	CHF	EUR	CHF	EUR
	1.604855	= 1	1.655234	= 1
Other currencies				
1 GBP =	2.027167	= 1.26315	2.458983	= 1.48558
1 USD =	1.0186	= 0.6347	1.2256	= 0.74044



BS 5 – Projects in Progress/Inventories

	30 June 2008 KEUR	30 June 2007 KEUR
UEFA Champions League OB vans	1 276	1 173
Gifts (inventory)	460	413
Value-in-kind for future non-top competitions	1 106	0
TOTAL	2 842	1 586

OB (outside broadcast) vans are used to produce the UEFA Champions League match on-screen graphics. By buying these vans, UEFA was able to make important cost savings compared with a leasing agreement. These OB vans were upgraded in 2007/08 to make them compatible with HD television. The relative costs have been capitalised and will be written off during the now extended lifetime.

BS 6 – Loans

Stadium credits to 12 member associations	0	1 627
Mortgages in favour of UEFA staff members	2 305	2 262
UEFA staff pension scheme	1 869	2 266
Advance payments to the EURO 2008 hosts (AUT/SUI)	0	2 416
Clearing account (operated by TRIANON SA)	176	104
TOTAL	4 350	8 675

The remainder of the stadium loans granted to associations were paid off from the associations' HatTrick payments.

Mortgages to UEFA staff members have been granted according to specific regulations and by respecting the usual guarantees (e.g. mortgage certificate in favour of UEFA). Although the staff benefit from a preferential interest rate, the UEFA yield on this asset is higher than the actual conditions on the money market.

In 2003, UEFA granted a loan of CHF 6 million in favour of its own pension scheme to enable it to purchase UEFA's building (former headquarters) in Berne. A yearly amortization payment of CHF 0.75 million is due.

The advance payment granted to the EURO 2008 host associations was offset from the final payments due by UEFA to Austria and Switzerland after the successful completion of the tournament.

A separate bank account has been opened to outsource the salary payments of senior management staff to TRIANON Conseils SA, Renens/Lausanne. The balance of this salary bank account at each month end is considered as a permanent salary advance paid by UEFA and is therefore listed under this "Loans" balance sheet position.

Notes to the Consolidated Financial Statements 2007/08

BS 7 – Long-term Securities

In line with the investment policy approved by the Executive Committee, capital-protected alternative investments were made in 2004, 2005 and 2006 in order to improve the asset management result. These tailor-made products fit in ideally with UEFA's investment policy:

- Those linked to shares offer a minimum (and maximum) yield.
- Those linked to the LIBOR rate ideally complement the investments on the money market. A higher LIBOR rate means a higher yield on the money market but a lower yield for these alternative products (and vice versa).
- Those linked to an interest spread provide further diversification of UEFA's portfolio.

The capital protection is granted at maturity or, in the case of early redemption, by the issuer.

In May and June 2008, part of the EURO 2008 income was invested in medium-term notes (i.e. tailor-made bonds) with top banks with at least an A+ rating in an attempt to:

- achieve better diversification and spread the assets over a higher number of banks. Ten banks were selected for investments amounting to EUR 25 million each.
- match their maturity dates with UEFA's obligations related to the 2008–2012 HatTrick programme.

As at the date of the balance sheet, EUR 75 million of this total was earmarked by UEFA's bank for the purposes of a security lending scheme. These security lending facilities were terminated at UEFA's request on 8 September 2008.

None of UEFA's long-term securities can be sold or purchased on a daily basis as they are not listed on the stock exchange. The sale of such investments before maturity date could result in a loss.

Please also refer to the comment on page 6 concerning the financial crisis.

	30 June 2008 KEUR	30 June 2007 KEUR
Invested in products linked to shares of 20 international companies at nominal value CHF 100 million	62 311	60 414
Invested in products linked to the LIBOR rate at nominal value CHF 200 million	124 622	120 829
Invested in products linked to the spread between a ten-year euro swap minus a two-year euro swap rate at nominal value EUR 32 million	32 000	32 000
Subtotal "Alternative Investments"	218 933	213 243
Medium-term Notes (tailor-made bonds) at nominal value EUR 250 million	250 000	0
TOTAL Long-term Securities	468 933	213 243
Market value of these investments as at 30 June	442 775	195 636
<i>Thereof Alternative Investments</i>	202 360	195 636
<i>Medium-term Notes</i>	240 415	0

BS 8 – Participations

This position corresponds to the participation (equivalent of KCHF 50, representing 20% of the share capital) in TEAM Holding AG.

32

32

**BS 9 – Computer Hard- & Software**
BS 10 – Office Equipment/Vehicles**Computer Hard-
& Software
in KEUR****Office equipment
& vehicles
in KEUR**

The following movements have been entered:

Cost		
Balance as at 01.07.2006	10 243	1 969
Acquisitions	16 323	1 352
Renovations	-	-
Disposals	-	-
Currency effects	-5 636	-527
Balance as at 30.06.2007	20 930	2 794
Acquisitions	4 492	327
Renovations	-	-
Disposals	-	-
Reclassifications		3 909
Currency effects	820	241
Balance as at 30.06.2008	26 242	7 271
Accumulated depreciation		
Balance as at 01.07.2006	10 243	1 969
Depreciation for the year	16 323	1 352
Disposals	-	-
Currency effects	-5 636	-527
Balance as at 30.06.2007	20 930	2 794
Depreciation for the year	4 492	327
Disposals	-	-
Reclassifications		3 909
Currency effects	820	241
Balance as at 30.06.2008	26 242	7 271
Net book value		
as at 30.06.2007	0	0
as at 30.06.2008	0	0

Notes to the Consolidated Financial Statements 2007/08

BS 11 – Land & Buildings

	Land (constructed on) in KEUR	Operational Buildings in KEUR	New building (project) in KEUR	Total in KEUR
Cost				
Balance as at 01.07.2006	7 885	42 036		49 921
Acquisitions	-	-		-
Renovations	-	-		-
Disposals	-	-		-
Currency effects	-424	-2 257		-2 681
Balance as at 30.06.2007	7 461	39 779	-	47 240
Acquisitions	4 817	-	284	5 101
Renovations	-	-		-
Disposals	-	-		-
Reclassifications		-3 909		-3 909
Currency effects	577	1 018	21	1 616
Balance as at 30.06.2008	12 855	36 888	305	50 048
Accumulated depreciation				
Balance as at 01.07.2006	7 885	42 036		49 921
Depreciation for the year	-	-		-
Disposals	-	-		-
Currency effects	-424	-2 257		-2 681
Balance as at 30.06.2007	7 461	39 779	-	47 240
Depreciation for the year	-	969		969
Revaluations	-7 467	-28 174		-35 641
Disposals	-	-		-
Reclassifications		-3 909		-3 909
Currency effects	6	168		174
Balance as at 30.06.2008	-	8 833	-	8 833
Net book value				
as at 30.06.2007	0	0	0	0
as at 30.06.2008	12 855	28 055	305	41 215

In view of the construction of the new office building, the House of European Football, the Villa La Falaise (acquisition and renovation) and the land have been revalued at CHF 58 950 000 (EUR 35 641 000) as at 1 July 2007.

In addition, land was acquired opposite the House of European Football for CHF 8 280 000 (EUR 4 817 000) and some expenses, amounting to EUR 284 000, were activated during the year under review.

Fire insurance values	<u>30 June 2008</u>		<u>30 June 2007</u>	
Real estate	KCHF 55 887	(KEUR 34 824)	KCHF 54 135	(KEUR 32 705)
Furniture, fixtures and IT equipment	KCHF 15 550	(KEUR 9 689)	KCHF 15 550	(KEUR 9 395)

The historical costs, in Swiss francs are

Buildings	KCHF 59 689	KCHF 59 200
Land	KCHF 20 630	KCHF 12 350



BS 12 – Payables: Associations

See details on next page.

30 June 2008 KEUR	30 June 2007 KEUR
819 047	339 555

BS 13 – Payables: Football Partners

The amount refers to UEFA Champions League project accounts.

3 038	2 739
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BS 14 – Payables: Other

Local organisers of UEFA club competition finals (for tickets)	0	1 139
VAT payable	7 390	6 808
Cheques issued (still to be cashed)	99	113
Misc. payables	346	0
TOTAL	7 835	8 060

BS 15 – Accrued Expenses

This position reflects costs that still fall under the financial year under review but which will only be paid during the following financial year. EURO 2008, the final of which was played just one day before the closing date, explains the significant increase in these transitory accounts.

Staff costs (social security, accruals for bonus, overtime and holidays)	9 985	4 184
Other accrued expenses related to the administration	5 626	3 641
Accrued expenses related to EURO 2008	27 284	2 090
Accrued expenses related to the UEFA Champions League	2 188	1 486
Accrued expenses related to the 2007 Under-21 final round	0	3 359
TOTAL	45 083	14 760

Notes to the Consolidated Financial Statements 2007/08

BS 12 – Payables – Associations – details

By far the highest amount within UEFA's liabilities refers to future UEFA payments in favour of associations, leagues and clubs, according to the details below:

	30 June 2008		30 June 2007	
	KCHF	KEUR	KCHF	KEUR
Total payables – Associations	1 314 452	819 047	562 042	339 555
<i>in % of the Balance Sheet total</i>		48%		36%

Breakdown i.e. subtotals per category

Current accounts in favour of the associations	145 424	90 615	37 744	22 803
EURO Pool – according to breakdown below	1 095 386	682 545	450 079	271 913
UEFA Champions League solidarity pool in favour of leagues (see details below)	73 642	45 887	74 219	44 839

Breakdown EURO Pool

Opening Balance	450 079 =	271 913	464 400 =	296 486
Transferred from UCL yearly solidarity payments, KEUR 350 per association, i.e. KEUR 18 550		18 550	30 705 =	18 550
Replenishment of EURO Pool from EURO 2008 gross result		425 000		
Amount from the benefits of EURO 2008 in favour of those clubs in the 24 associations with players involved in this final round		43 300		
Reversed to finance the yearly HatTrick payments and the Referee Convention		-83 127	-105 026	
Currency effects		6 909		
Transferred from EURO 2004 “deferred earnings” (no longer needed to co-finance UEFA's future activities)			60 000	
Closing Balance	1 095 386 =	682 545	450 079 =	271 913

Breakdown UEFA Champions League solidarity payments in favour of leagues

Opening Balance		44 839	56 380 =	35 994
Made available in 2007/08 for the 15 leagues with UCL teams		36 100		
Made available in 2007/08 for the 38 leagues without UCL teams		7 535		
Made available in 2006/07 for the 16 leagues with UCL teams				36 000
Made available in 2006/07 for the 36 leagues without UCL teams				7 201
Payments made to leagues in 2007/08		-42 587		
Payments made to leagues in 2006/07 (KCHF 53 669 – with all these payments relating to credits made earlier)				-34 356
Closing Balance		45 887	74 219 =	44 839



BS 16 – Deferred Income

The following chart shows the balance at each year end as well as a summary of the transactions during both financial years.

	30 June 2008 KEUR	30 June 2007 KEUR
Brought forward (1 July)	248 970	45 076
EURO 2008 payments received	0	256 082
EURO 2008 expenses incurred	0	-52 188
Balance as at 30 June 2007 transferred into the 2007/08 Income Statement	-248 970	0
For future non-top competitions	6 054	0
Currency effects	76	0
TOTAL	6 130	248 970

The balance as at 30 June 2007 was reversed during the 2007/08 financial year to be included in the EURO 2008 accounts. Likewise, the EURO 2008 result is fully incorporated in UEFA's 2007/08 financial year.

BS 17 – Advances from Third Parties

UEFA Champions League current season (incl. surplus)	61	6 489
UEFA Champions League – advance payments for next seasons	140 114	17 960
UEFA club competition finals – accounts to be finalised the following season	1 255	4 041
Other (incl. UEFA Intertoto Cup)	1 994	1 933
ECA – balance of 2007/08 UCL surplus	135	0
TOTAL	143 559	30 423

BS 18 – Other Liabilities

Fines – reserved for humanitarian aid	3 630	1 919
Misc. liabilities	361	350
TOTAL	3 991	2 269

As decided by the UEFA Executive Committee in 2000, UEFA makes the money earned from disciplinary sanctions available for humanitarian aid programmes. The balance as at 30 June 2008 represents the amount already received but reserved for future humanitarian aid.

The income generated from EURO 2008 public viewing, amounting to EUR 1.2 million, was also credited to this same account, to be used for the same philanthropic purposes.

Notes to the Consolidated Financial Statements 2007/08

BS 19 – Provisions

These tables show the movements over the last two financial years. Please refer also to notes IS 25 and IS 26 on page 25 for further explanations.

All amounts in KEUR

Provisions are evaluated at every closing date in accordance with the accounting policies (see para. q).	Balance as at 30.06.06	Additional provisions	Unused amount reversed to IS	Unused amount transferred for other use	Payments during the year	Exchange difference	Balance as at 30.06.07
Risk provision	11 811	3 531	-	-	-197	-646	14 499
Currency exchange effects	776	3 347	-668	-	-	-50	3 405
Deferred EURO 2004 earnings	76 611	-	-36 366	-36 366	-	-3 879	0
Other provisions	7 675	-	-1 904	-	-586	-391	4 794
Total KEUR	96 873	6 878	-38 938	-36 366	-783	-4 966	22 698

All amounts in KEUR

Provisions are evaluated at every closing date in accordance with the accounting policies (see para. q).	Balance as at 30.06.07	Additional provisions	Unused amount reversed to IS	Unused amount transferred for other use	Payments during the year	Exchange difference	Balance as at 30.06.08
Risk provision	14 499	6 383	-	-	-844	525	20 563
Currency exchange effects	3 405	3 932	-1 648	-	-	135	5 824
Other provisions	4 794	2 656	-	-	-637	175	6 988
Total KEUR	22 698	12 971	-1 648	-	-1 481	835	33 375

BS 20 – Consolidated Statement of Changes in Equity

	Association capital	Retained earnings	Translation differences	Total KEUR
TOTAL 30.06.2006	168 166	77 578	-3 260	242 484
Net result for 2006/07	-	38 820	-	38 820
Foreign currency effect	-	-	-25 115	-25 115
TOTAL 30.06.2007	168 166	116 398	-28 375	256 189
Net result for 2007/08	-	235 674	-	235 674
Foreign currency effect	-	-	16 585	16 585
TOTAL 30.06.2008	168 166	352 072	-11 790	508 448

All amounts in KEUR

The *Translation Differences* position corresponds to an adjustment which allows the same euro final amounts (i.e. total equity) to be presented as appear in the simulated totals in the chart below.

Simulation EUR equivalent to CHF by using the exchange rate valid as at each closing date

	30 June 2008 KCHF	30 June 2007 KCHF	30 June 2008 KEUR	30 June 2007 KEUR
Association Capital	259 021	259 021	161 399	156 487
Retained earnings	165 028	120 792	102 831	72 977
Translation difference – none	-	-	-	-
Net profit	391 934	44 236	244 218	26 725
TOTALS	815 983	424 049	508 448	256 189



FS 1 – Entities within the scope of consolidation

Name (activity)	Country of incorporation	Consolidation method	Share capital	Ownership	
				30 June 2008	30 June 2007
Union des Associations Européennes de Football	Switzerland	Fully consolidated		Ultimate parent entity	
UEFA Media Technologies SA (Service Company)	Switzerland	Fully consolidated	4 000 KCHF	100%	100%
Euro 2008 SA (Service Company)	Switzerland	Fully consolidated	250 KCHF	100%	100%
TEAM Holding AG	Switzerland	Equity method	250 KCHF	20%	20%

FS 2 – Risk management and hedging activities

In the normal course of its business, the group is exposed to currency risk. The group's general policy is to perform as much as possible a natural hedging of its asset and liability currency portfolio. However, if additional currency exposures occur, the group uses various derivative financial instruments to hedge this risk.

Foreign currency risk

UEFA incurs foreign currency risk primarily from future cash inflows from the sale of some broadcasting rights denominated in a currency other than the euro, which is the base currency for future cash outflows such as distribution to participating teams, event-related expenses, development projects and solidarity payments to member associations, clubs and leagues. The major currency giving rise to currency risk is the pound sterling.

Where and when appropriate, UEFA uses forward contracts and currency options to hedge this foreign currency risk in an attempt to limit negative currency

effects on future payments to the participating teams. Most hedging contracts have maturities of up to 36 months.

Changes in the fair value of those hedging contracts are not recognised in the balance sheet or the income statement.

As at 30 June 2007 the situation was as follows: equivalent in KEUR

- Total notional value (open positions): KGBP 226 250 325 538
- Negative fair value -5 471

As at 30 June 2008 the situation was as follows: equivalent in KEUR

- Total notional value (open positions): KGBP 55 800 80 288
- Positive fair value 3 246

Report of the group auditors



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To the Congress of
Union des Associations Européennes de Football (UEFA), Nyon

Lausanne, 28 January 2009

Report of the group auditors

As group auditors, we have audited the consolidated financial statements (balance sheet, income statement, cash flow statement and notes pages 12 to 37) of the Union des Associations Européennes de Football (UEFA) for the year ended 30 June, 2008.

These consolidated financial statements are the responsibility of the Executive Committee. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with Swiss Auditing Standards, which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements comply with Swiss law and the consolidation and valuation principles as set out in the notes.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

A handwritten signature in blue ink, appearing to read 'Clément'.

Serge Clément
Swiss Certified Accountant
(Auditor in charge)

A handwritten signature in blue ink, appearing to read 'Anne-Laure Rey'.

Anne-Laure Rey
Swiss Certified Accountant



UEFA Income Statement 2007/08

KCHF

39-40 not consolidated, i.e. without UEFA Media Technologies SA and Euro 2008 SA

	2007 / 08	2006 / 07
Broadcast Revenue	2 134 255	1 289 204
Commercial Rights Revenue	573 225	429 607
Ticket Revenue	8 714	11 173
Other Football-related Revenue	11 942	12 103
Non Football-related Income	3 243	3 730
Allocated Value-in-Kind Income	32 453	1 890
TOTAL REVENUE	2 763 832	1 747 707
Distribution to Participating Teams	-1 343 683	-1 030 638
Direct Event Expenses	-182 089	-103 651
Rights Delivery	-69 344	-32 813
Hospitality Expenses	-4 389	-5 417
TV Production	-13 253	-16 973
Web Production & Computer Solutions	-172	-280
Match Officials	-44 451	-31 995
Period Adjustment	363 512	-303 077
Intercompany Transactions	-121 943	-62 218
Allocated Value-in-Kind Expenses	-4 289	-1 682
Total Event Expenses	-1 420 101	-1 588 744
GROSS RESULT	1 343 731	158 963
Salaries & Social Expenses	-47 855	-44 338
Other Personnel Expenses	-860	-1 354
Total Personnel Expenses	-48 715	-45 692
Travel, Hotel & Daily Allowances	-20 468	-18 209
Consultancy & Temporary Staff	-10 542	-11 734
Public Relations & Marketing	-20 180	-16 141
Office Running Expenses	-5 706	-4 846
Rental, Building Maintenance & Security	-2 927	-3 082
Depreciation	-1 575	0
Total Other Expenses	-61 398	-54 012
OPERATING RESULT	1 233 618	59 259
Financial Items	21 814	79 576
Extraordinary Items & Taxes	57 454	-258
Formation of Provisions	-711 885	-70 408
Use of Provisions & EURO Pool	143 422	229 326
Total Non Operating Items	-489 195	238 236
Solidarity	-215 316	-141 852
HatTrick Scheme	-135 110	-104 709
Contributions & Donations	-8 462	-5 294
Development & Aid Projects	-1 208	-1 404
Total Solidarity Payments	-360 096	-253 259
NET RESULT	384 327	44 236

All amounts in 1 000 CHF (KCHF)

UEFA Balance Sheet as at 30.06.2008

KCHF

not consolidated, i.e. without UEFA Media Technologies SA and Euro 2008 SA

	30.06.2008		30.06.2007	
Cash & Postal Accounts	770		246	
Bank: Current Accounts	19 117		21 487	
Bank: Call Accounts	165 714		63 297	
Bank: Money Market	1 334 383		1 023 304	
Marketable Securities	164 510		12 122	
Cash & Cash Equivalents	1 684 494	62.7%	1 120 456	72.4%
Receivables: Associations	3 007		2 122	
Receivables: Football Partners	121 185		31 294	
Receivables: Others	22 253		9 103	
Prepaid Expenses & Accrued Income	21 629		10 848	
Advances to Suppliers	516		605	
Projects in progress / Inventories	3 374		2 404	
Other Current Assets	171 964	6.4%	56 376	3.6%
Total Current Assets	1 856 458	69.1%	1 176 832	76.0%
Loans	6 981		14 358	
Long-term Securities	752 569		352 967	
Participations: Others	50		50	
Participations: Group	4 250		4 250	
Financial Assets	763 850	28.4%	371 625	24.0%
Other Fixed Assets (Land & Buildings)	66 144	2.5%	0	0.0%
Total Fixed Assets	829 994	30.9%	371 625	24.0%
TOTAL ASSETS	2 686 452	100%	1 548 457	100%
Payables: Suppliers	64 462		12 561	
Payables: Associations	1 314 452		562 042	
Payables: Football Partners	4 875		4 533	
Payables: Others	2 616		2 772	
Payables: UEFA Media Technologies SA	45 820		16 617	
Payables: Euro 2008 SA	118 276		44 344	
Accrued Expenses	33 136		16 559	
Deferred Income	9 838		373 296	
Advances from Third Parties	230 392		50 358	
Current Liabilities	1 823 867	67.9%	1 083 082	69.9%
Other Liabilities	6 405		3 755	
Provisions	47 803		37 571	
Other Liabilities & Provisions	54 208	2.0%	41 326	2.7%
Total Liabilities	1 878 075	69.9%	1 124 408	72.6%
Equity	259 021		259 021	
Retained Earnings	165 029		120 792	
Net Result	384 327		44 236	
Total UEFA Equity	808 377	30.1%	424 049	27.4%
TOTAL LIABILITIES & UEFA EQUITY	2 686 452	100%	1 548 457	100%

All amounts in 1 000 CHF (KCHF)



Notes to the UEFA Financial Statement as at 30.06.2008

41-42 All amounts in 1 000 CHF (KCHF)

Assets pledged for own commitments

As at 30 June 2008, KCHF 787 from UEFA's cash balance served UEFA's bank to cover guarantees issued by this bank to third parties.

Joint liability

The company is member of the UEFA Group value-added-tax group in Switzerland and is thereby jointly and severally liable to the federal tax authorities for value-added-tax debts of that group.

	30.06.2008	30.06.2007
Fire insurance values of the tangible fixed assets		
Real estate (House of European Football)	55 887	54 135
Furniture, fixtures and IT equipment	15 550	15 550
Significant participations		
UEFA Media Technologies SA, Nyon	100%	100%
Euro 2008 SA, Nyon	100%	100%
TEAM Holding AG, Luzern	20%	20%
Total amount of leasing commitments not included in the balance sheet	92	307
<i>Additional information</i>		
Details of the Financial Items position		
Interest income & Result on alternative investments	68 601	38 574
Realised currency exchange gains	23 227	29 700
Non-realised currency exchange gains	11 243	6 343
Realised currency exchange losses	-54 034	-616
Non-realised currency exchange losses	-6 333	-821
Realised currency exchange losses/gains UCL	-21 070	6 148
Dividend TEAM Holding AG, Luzern	180	248
Total Financial Items	21 814	79 576
Depreciation		
Total amount representing the depreciation of the fixed assets and included under	420	590
– Web Production & Computer Solutions	0	50
– Office Running Expenses	25	60
– Rental, Building Maintenance & Security	395	480

Report of the statutory auditors

Report of the statutory auditors on UEFA



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To the Congress of
Union des Associations Européennes de Football (UEFA), Nyon

Lausanne, 28 January 2009

Report of the statutory auditors

As statutory auditors, we have audited the accounting records and the financial statements (balance sheet, income statement and notes) of the Union des Associations Européennes de Football (UEFA) for the year ended 30 June 2008.

These financial statements are the responsibility of the Executive Committee. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with Swiss Auditing Standards, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements comply with Swiss law and the association's by-law.

We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

A handwritten signature in blue ink, appearing to read 'Clément'.

Serge Clément
Swiss Certified Accountant
(Auditor in charge)

A handwritten signature in blue ink, appearing to read 'Anne-Laure Rey'.

Anne-Laure Rey
Swiss Certified Accountant



As reported in previous annual reports, UEFA has introduced a cost accounting system with the aim of providing the management with more accurate data and ultimately ending up with an information system that fully meets UEFA's needs. Every transaction is entered in UEFA's books on three dimensions, namely:

1st dimension – by nature

This serves as the basis for the official UEFA consolidated income statement, as approved by the external auditors (see page 8).

**2nd dimension – by cost centre
(UEFA division and/or unit)**

This serves mainly an internal purpose as it allocates budget responsibility per division and/or unit and allows monitoring.

**3rd dimension – by competition and cost driver
(e.g. events)**

As a complement to the official "by nature" statement of accounts, it is useful to break the result down by competition and cost driver. The evolution over the years is considered to be useful information for the stakeholders.

On the opposite page, UEFA shows the net results elaborated and based on the third dimension. Total revenue, total expenditure and, obviously, UEFA's net result for 2007/08 can therefore be broken down into subtotals per competition and cost driver. For the purpose of comparison with the previous financial year, the 2006/07 net result is published in a separate column.

These key figures speak for themselves, as they translate UEFA's activities into figures. As is also the case for all other figures published in UEFA's financial report, each is the total of several subtotals. For example, the UEFA Champions League total can be split into group matches and the final, and the details concerning each UEFA committee and panel can also be monitored individually.

In conclusion, the 26 key figures published on the following page consist of more than 250 subtotals, all from the competition and cost driver perspective on the third dimension.

When referring to the EURO 2008 result of EUR 253.5 million, the details of which are published on pages 45–48, and considering that a similar EURO result can only be achieved in four years, it is obvious that UEFA's results in the next three financial years will be negative. By excluding the EURO 2008 competition result and the extraordinary income following the revalidation of UEFA's land and buildings, the 2007/08 net result would have been a loss of over EUR 50 million.

By including the 2007/08 **revenue** and **expenses** totals for each competition and cost driver, UEFA is also showing to what extent the main sources of income contribute to UEFA's continued financial success story.

As in the past, only transactions related directly and exclusively to one particular competition or cost driver are included in the results calculated on the third dimension and published in this report.

This means that no UEFA administration expenses (such as personnel and general administrative costs) are allocated to these results by competition and cost driver. The total of these non-allocated cost appears on a separate line as *UEFA administration expenses*.

Net Result by Competition and Cost Driver 2007/08

	REVENUE 2007 / 08	EXPENSES 2007 / 08	NET RESULT 2007 / 08	NET RESULT 2006 / 07
EURO Final Round	1 039 199	-785 668	253 531	0
EURO Qualifiers	0	-2 551	-2 551	-2 906
UEFA Champions League	822 102	-783 829	38 273	45 344
UEFA Cup	53 108	-50 976	2 132	2 390
UEFA Super Cup	3 567	-3 509	58	-250
UEFA European Under-21 Championship	0	-5 313	-5 313	482
Result Top Competitions	1 917 976	-1 631 846	286 130	45 060
Youth Competitions	144	-4 199	-4 055	-3 618
Women's Competitions	98	-5 706	-5 608	-3 929
UEFA Intertoto Cup	1 962	-4 862	-2 900	-2 004
Futsal Competitions	385	-1 929	-1 544	-1 085
Other Competitions	781	-275	506	-1 353
Result Non-top Competitions	3 370	-16 971	-13 601	-11 989
Result UEFA Competitions	1 921 346	-1 648 817	272 529	33 071
Projects	397	-36 938	-36 541	-19 565
Media Technologies (incl. internal allocation)	1 300	6 099	7 399	-807
Institutional & Disciplinary Proceedings	3 721	-14 116	-10 395	-7 609
Events	0	-1 899	-1 899	-2 389
Football Development & Education	0	-3 573	-3 573	-4 695
Committees & Panels	62	-1 402	-1 340	-1 696
Total Other UEFA Activities	5 480	-51 829	-46 349	-36 761
HatTrick Scheme	0	-83 861	-83 861	-65 992
UEFA Administration Expenses	334	-31 651	-31 317	-31 532
Asset Management	49 672	-183	49 489	40 034
Provisions	75 183	0	75 183	100 000
NET RESULT	2 052 015	-1 816 341	235 674	38 820

All amounts in 1 000 EUR (KEUR)



EURO 2008 qualifying competition

For Austria and Switzerland, the EURO 2008 experience started on 22 December 2002, the day when they were entrusted with the organisation of this prestigious and third-largest sports event in the world. It was the same for UEFA itself, with the focus turning to EURO 2008 practically as soon as the final whistle had blown at EURO 2004. By creating an affiliated company, Euro 2008 SA, UEFA went one step further to ensure even better know-how transfer from EURO 2004 and retained many key EURO 2004 staff for EURO 2008.

For the remaining 50 associations, the EURO 2008 experience started on 27 January 2006 (Montenegro joined UEFA later on), when they were drawn into 7

groups to determine which 14 teams would join Austria and Switzerland in the final round. In all, 308 qualifiers were played, with each team having at least 6 home matches (even 7 for those drawn in the group of 8 teams). For the first time in UEFA's history, all associations were able to join a non-exclusive EURO 2008 marketing rights programme. This offer was taken up by 38 associations on the one side and 3 global EURO 2008 sponsors on the other and covered 213 matches.

All income generated during the qualifying competition remained with the associations and UEFA's costs (mainly match officials) in this respect are disclosed under the EURO 2008 *Qualifiers* heading and therefore not included in the report on pages 47 and 48, which covers the EURO 2008 final round exclusively.



EURO 2008 in Austria and Switzerland (9–29 June 2008)

The EURO 2008 final round was a great success in all respects, including from a financial point of view. As the tournament was also played in the country where UEFA has its headquarters, it was natural for all accounting and treasury matters to be dealt with directly with by the UEFA Finance Division.

For the purpose of organising and implementing the tournament, UEFA set up Euro 2008 SA in December 2004. Thanks to the efforts of 430 employees and 4,581 volunteers, EURO 2008 set new standards, not only from a sporting but also from an organisational point of view. In addition to Euro 2008 SA, UEFA Media Technologies SA was heavily involved in the organisation of the tournament, being responsible for the supply and installation of all IT equipment and the production of the TV signal for all matches and pre- and post-tournament events. The scale of its operations necessitated 2,380 people and a production centre of 12,000m². Euro 2008 SA was financed with revenue

generated from the sales of tickets and hospitality, while UEFA Media Technologies SA, as a service company, invoiced UEFA for its services rendered.

The following financial information is based on figures over a four-year period and can therefore not be compared with the turnover in the income statement for 2007/08. However, as UEFA only discloses the consolidated financial performance of a EURO final round in the year the tournament takes place, the net result is the same as shown on page 44 under "net result by cost driver".

Total revenue for EURO 2008 increased by 58% compared with EURO 2004 in Portugal and came to MEUR 1,351. The turnover was roughly six times higher than for EURO 2000 in Belgium and the Netherlands.

Total broadcast revenue (KEUR 801,363) increased by 43% compared with Portugal. Total broadcast revenue includes European sales (KEUR 687,484) and ex-European sales (KEUR 89,734). In contrast with 2004, sales for EURO 2008 were done on a market-by-market

UEFA EURO 2008

basis and no longer through one EBU agreement. KEUR 24,145 came from revenue generated by unilateral services provided to the broadcasters.

Total commercial rights revenue comprises sponsorship revenue (EUROTOP partners KEUR 140,806, EURO sponsors KEUR 92,130, national supporters KEUR 18,553) and licensing revenue (KEUR 16,167). Under commercial rights revenue UEFA also reports value-in-kind (VIK) sponsorship revenue (KEUR 21,933).

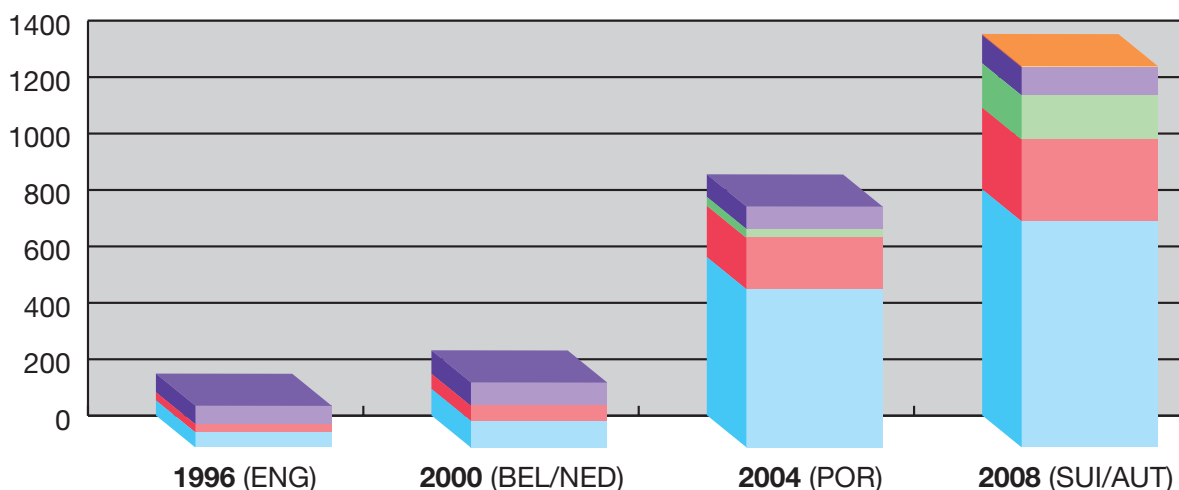
Compared with Portugal, UEFA was able to offer a much higher number of hospitality packages for sale. The increase is significant, with roughly 80,000 packages sold. The turnover from providing hospitality services to our clients came to KEUR 155,087, representing a 417% increase compared with EURO 2004.

Ticket revenue amounted to a total of KEUR 100,574, split as follows: CAT 1 (KEUR 43,147), CAT 2 (KEUR 45,883), CAT 3 (KEUR 10,085). For administration and service fees, Euro 2008 SA charged KEUR 1,459. Ticket revenue from EURO 2008 is 26% higher than for EURO 2004, despite a lower seating capacity.

Unfortunately, the same percentage increase as for total revenue did not materialise for the competition result, because of much higher operating expenses. This can be explained by a much higher demand on, for instance, IT equipment and transport, and the higher general service level provided by the Euro 2008 SA and UEFA Media Technologies SA. Costs are also generally higher in Austria and Switzerland.

The net result increase of only 14% cannot be taken at face value. In 2004 UEFA did not pay solidarity to the clubs and, thanks to the higher nominal competition result, a higher amount of MEUR 425 was moved to the EURO Pool to finance future HatTrick payments. Another MEUR 2 was used for financial items and MEUR 2 for donations (e.g. Score for the Red Cross).

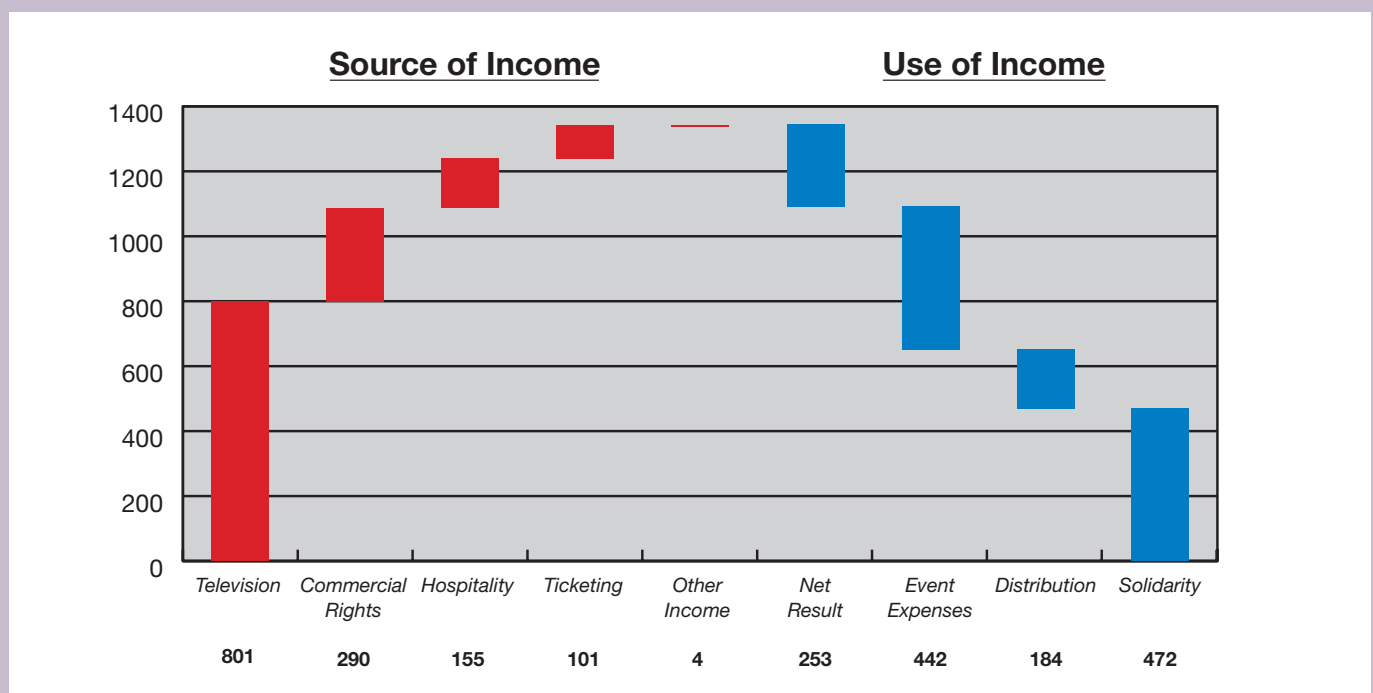
The EURO 2008 result contributes to UEFA's high overall net result for 2007/08 and thereby to the increase in UEFA's equity. However, the *Retained Earnings* position will decrease in the three coming years when there will be no EURO final round, to offset the substantial losses with which these three financial years will close.



Total Revenue	147	230	853	1,351
Other Income	-	-	-	4
Ticket	65	83	80	101
Hospitality	-	-	30	155
Commercial Rights	29	54	183	290
Broadcast	53	93	560	801



Broadcast Revenue	801	560
Commercial Rights Revenue	290	183
Ticket Revenue	101	81
Hospitality Revenue	155	30
Other Income	4	0
Total Revenue	1,351	854
Distribution to Teams	-184	-132
Direct Event Expenses	-236	-140
Rights Delivery	-39	-29
Hospitality Expenses	-74	0
Match Officials	-3	-2
TV Production	-49	0
Web Production & Computer Solutions	-41	-12
Total Event Expenses	-626	-315
TOTAL COMPETITION RESULT	725	539
Financial Items	-2	0
Solidarity Accrual	-425	-315
Solidarity to Clubs	-43	0
Donations	-2	-1
Total Non-operating Items	-472	-316
NET RESULT	253	223



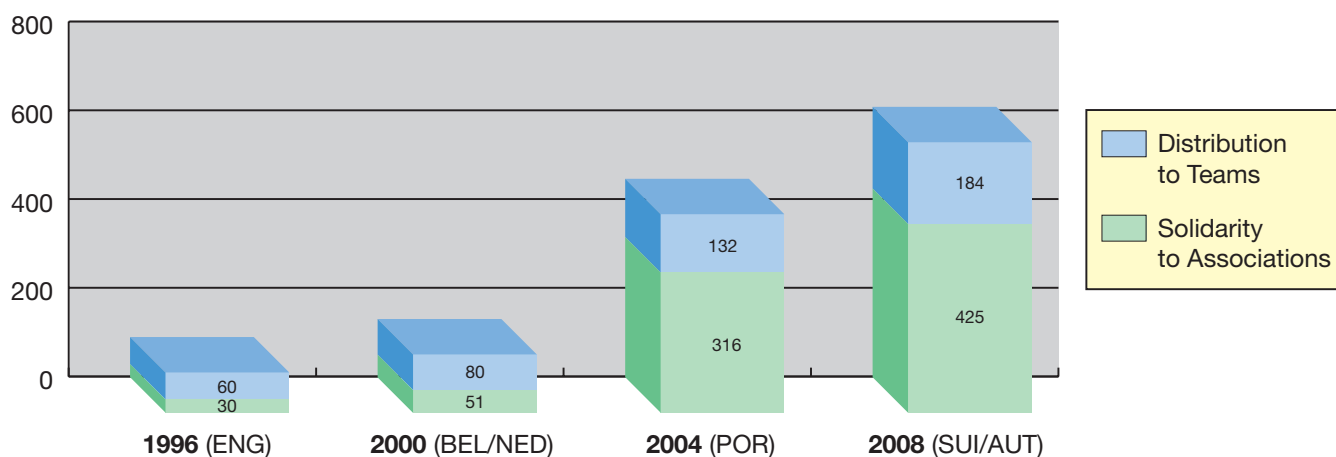
UEFA EURO 2008

A total of MEUR 184 was paid out to the participating associations, based on a participation fee and match bonuses, as set out below.

Association	GROUP MATCHES		KNOCK-OUT PHASE			TOTAL EUR
	Participation fee	Match bonus	Quarter-finals	Semi-finals	Final	
Group A						
Czech Republic	7 500 000	1 000 000				8 500 000
Portugal	7 500 000	2 000 000	2 000 000			11 500 000
Switzerland	7 500 000	1 000 000				8 500 000
Turkey	7 500 000	2 000 000	2 000 000	3 000 000		14 500 000
Group B						
Austria	7 500 000	500 000				8 000 000
Croatia	7 500 000	3 000 000	2 000 000			12 500 000
Germany	7 500 000	2 000 000	2 000 000	3 000 000	4 500 000	19 000 000
Poland	7 500 000	500 000				8 000 000
Group C						
France	7 500 000	500 000				8 000 000
Italy	7 500 000	1 500 000	2 000 000			11 000 000
Netherlands	7 500 000	3 000 000	2 000 000			12 500 000
Romania	7 500 000	1 000 000				8 500 000
Group D						
Greece	7 500 000	-				7 500 000
Russia	7 500 000	2 000 000	2 000 000	3 000 000		14 500 000
Spain	7 500 000	3 000 000	2 000 000	3 000 000	7 500 000	23 000 000
Sweden	7 500 000	1 000 000				8 500 000
TOTAL	120 000 000	24 000 000	16 000 000	12 000 000	12 000 000	184 000 000

Another MEUR 2 was paid out for travel costs to and from the host counties, as well as for travel from the base camps to the match venues during the knockout phase. This amount is reported under event expenses. In addition, UEFA also financially compensated those participating associations which offered public training sessions.

MCHF





2007/08 was the second season of the new three-year contractual cycle. It was played according to the same format as the previous season. Most contracts were concluded in euros and the distribution to the 32 teams, as well as the solidarity payments, are calculated and made in the same currency. This allows a natural hedging of the currency exposure, not only for UEFA, but also for the clubs, the majority of which are in countries where the euro is the official currency.

The successful UEFA Champions League result benefited all stakeholders. First and foremost, and as disclosed in the chart below showing the key UEFA Champions League figures, the level of distribution to the participating teams and of the solidarity payments was able to be maintained. For the second time this year, part (EUR 8 million) of the surplus was distributed in the form of a cross-subsidy in favour of the 80 teams involved in the first round of the UEFA Cup.

UEFA's contribution to the gross result decreased considerably on account of the negative currency effects in 2007/08 which, without prejudice to the future, were borne by UEFA alone.

UEFA Champions League – key figures	2007/08 (in million EUR)	2006/07 (in million EUR)
Total revenue for distribution (from Broadcasters and Sponsors/Suppliers and New Media Rights)	820	819
Distributed to the 32 UCL teams	586	585
Solidarity payments	89	87
Direct event expenses	72	75
Contribution to UEFA's gross result	38	45

Distribution to the 32 UEFA Champions League clubs

The principles governing the distribution of revenue among the participating clubs remained unchanged: half of the total amount was distributed in the form of fixed sums, while the other half depended on the value of the broadcast revenue from the national associations involved.

With regard to the fixed sums:

- each club received a participation bonus of EUR 3 million;
- each club also received EUR 400 000 per group match played, i.e. a total of EUR 2.4 million per club;
- each group match victory was worth EUR 600 000 and each draw EUR 300 000. Manchester United came closest to the maximum of EUR 3.6 million by earning EUR 3.3 million;
- each of the 16 teams involved in the first knockout round received a bonus of EUR 2.2 million; the eight quarter-finalists earned a further EUR 2.5 million,

while the semi-finalists were awarded another EUR 3 million. Manchester United received EUR 7 million for winning the final and the runners-up, Chelsea, received EUR 4 million.

With regard to the second half of the prize money (market pool):

The participants also received a share related to the value of its national TV market. In the case of associations represented by more than one club, this share varied according to the clubs' domestic league rankings in 2006/07 and the number of matches played in this season's UEFA Champions League.

Details of these payments per club are given on page 52 of this financial report.

NB: Both finalists also received a share of the gate receipts. For all other matches, the home club kept all the gate receipts.

UEFA Champions League 2007/08

Solidarity payments

As in previous years, a proportion of the UEFA Champions League revenue was reserved for solidarity payments for the whole of the European football family and was awarded to all those clubs which could not qualify for either the UEFA Champions League or UEFA Cup group phases.

EUR 26.5 million for the clubs:

- EUR 100 000 per round for each club eliminated in the UEFA Champions League qualifying rounds. There were, however, no solidarity payments for the participants in the Champions League third qualifying round; the eliminated clubs played in the UEFA Cup, where they qualified for solidarity payments from the first round onwards; they were also able to keep the payments received for the first two qualifying rounds.

- EUR 70 000 per round for each club eliminated in the qualifying competition or first round of the UEFA Cup;
- An additional EUR 160 000 for each domestic champion which failed to qualify for the UEFA Champions League group stage.

EUR 43.6 million paid to the leagues (or to the association, if there is no league) for distribution to their clubs to further develop youth football in those clubs that did not qualify for the UEFA Champions League:

- EUR 36.1m to the 15 leagues represented by one or more clubs in the 2007/08 Champions League;
- EUR 7.5m to the other 38 leagues.

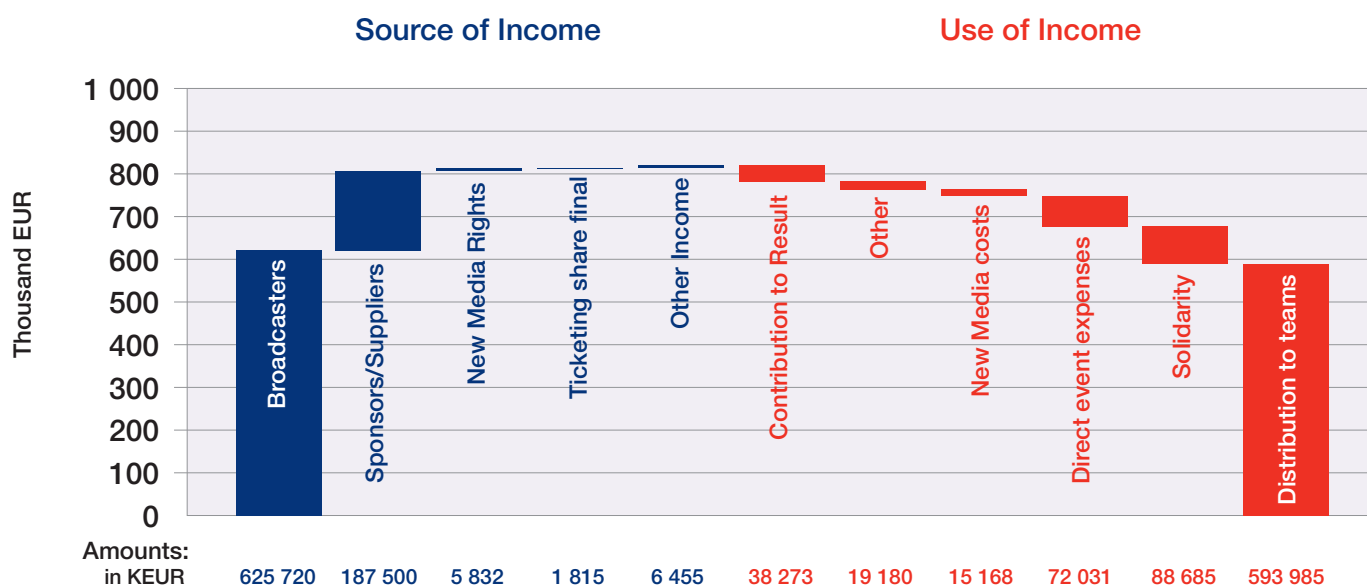
Reference is also made to the “Money Flow in European Football” section on page 55 of this report.

A further **EUR 18.55 million** (or EUR 0.35m per association) was transferred into the **EURO Pool**.

Higher solidarity payments topped by a cross-subsidy in favour of the 80 clubs involved in the first round of the 2007/08 UEFA Cup.

It was agreed at the beginning of the 2006–2009 cycle that the first **EUR 10.336 million** over the EUR 750 million mark would be used to **increase the solidarity payments** in favour of the clubs that did not qualify for the UEFA Champions League.

In addition, **a further EUR 8 million** was able to be made available **in the form of a cross-subsidy**. Each of the 80 clubs involved in the first round of the UEFA Cup received KEUR 100. It was possible to take this decision, in agreement with the UEFA Champions League clubs, once it became apparent that the total revenue would exceed the EUR 800 million mark. In other words, EUR 8 million of the 2007/08 UEFA Champions League distribution/surplus was paid out to the 80 clubs involved in the UEFA Cup.





	Gross Income	Share European Football	Share 32 UCL Teams
Revenue (generated by contracts)			
– Broadcasters Europe	582 683		
– Broadcasters Overseas	43 037		
– Sponsors / Suppliers	187 500		
– New Media Rights	5 832		
– Other income	1 301		
TOTAL REVENUE (for distribution)	820 353		
Distribution up to:	25% / 75%	530 000	132 500
Distribution in excess of MEUR 530	18% / 82%	274 185	49 353
Distribution of New Media Rights	50% / 50%	5 832	2 916
Additional Solidarity to Teams eliminated in UCL qualifying round & UEFA Cup		10 336	10 336
	820 353	195 105	625 248
Share in favour of 16 leagues of the 32 UCL teams:			
5% of the "Share 32 UCL Teams"			-31 263
to be credited to "Share European Football"		31 263	
(distributed through UEFA, incl. in "Solidarity payments" below)			
AVAILABLE FOR DISTRIBUTION (in accordance with the Regulations, paragraphs 24.05 & 24.06)			593 985
SHARE EUROPEAN FOOTBALL (GROSS)		226 368	
Direct event expenses (incl. agency commission)		-72 031	
Sub-total		154 337	
Solidarity payments to:			
– 15 leagues of the 32 UCL teams	-36 100		
– 38 other leagues	-7 535		
– UEFA member associations (EUR 350 000 each)	-18 550		
– Teams eliminated in UCL qualifying round and UEFA Cup (including additional Solidarity)	-26 500	-88 685	
Match officials:			
– Referees	-3 050		
– Delegates, Venue Directors and Doping Control costs	-1 869		
– UEFA member associations (CHF 8 000 per club/match)	-3 200	-8 119	
Host of the UCL final (Russia FA)		-1 231	
Allocated UEFA New Media costs		-15 168	
Other UCL event expenses		-789	
UEFA ticketing share UCL final, Moscow		1 815	
Currency effects		-9 041	
Other income (incl. interest)		5 154	
Competition result		38 273	

This competition result does not include UEFA Administration expenses (e.g. personnel costs, tendering expenses, etc.).

UEFA Champions League 2007/08

UEFA CHAMPIONS LEAGUE 2007/08: Distribution

TEAMS	participation bonus	GROUP MATCHES PERFORMANCE		Market Pool 100%	1st knock-out round	FINAL PHASE			TOTAL KEUR
		match bonus	performance bonus			Quarter-finals	Semi-finals	Final	
Group A									
Liverpool FC	3 000	2 400	2 100	11 615	2 200	2 500	3 000		26 815
Olympique de Marseille	3 000	2 400	1 500	13 780					20 680
Besiktas JK	3 000	2 400	1 200	3 399					9 999
FC Porto	3 000	2 400	2 400	1 581	2 200				11 581
Group B									
Valencia CF	3 000	2 400	1 200	5 700					12 300
Chelsea FC	3 000	2 400	2 700	16 575	2 200	2 500	3 000	4 000	36 375
Rosenborg BK	3 000	2 400	1 500	3 866					10 766
FC Schalke 04	3 000	2 400	1 800	14 972	2 200	2 500			26 872
Group C									
S.S. Lazio	3 000	2 400	1 200	9 869					16 469
Real Madrid CF	3 000	2 400	2 400	11 092	2 200				21 092
Werder Bremen	3 000	2 400	1 200	8 797					15 397
Olympiacos CFP	3 000	2 400	2 400	9 092	2 200				19 092
Group D									
Celtic FC	3 000	2 400	1 800	3 618	2 200				13 018
AC Milan	3 000	2 400	2 700	16 083	2 200				26 383
SL Benfica	3 000	2 400	1 500	930					7 830
FC Shakhtar Donetsk	3 000	2 400	1 200	480					7 080
Group E									
Olympique Lyonnais	3 000	2 400	2 100	17 590	2 200				27 290
Rangers FC	3 000	2 400	1 500	2 835					9 735
VfB Stuttgart	3 000	2 400	600	13 449					19 449
FC Barcelona	3 000	2 400	3 000	11 400	2 200	2 500	3 000		27 500
Group F									
Manchester United FC	3 000	2 400	3 300	19 479	2 200	2 500	3 000	7 000	42 879
AS Roma	3 000	2 400	2 400	16 449	2 200	2 500			28 949
FC Dynamo Kyiv	3 000	2 400	-	531					5 931
Sporting Clube	3 000	2 400	1 500	1 209					8 109
Group G									
FC Internazionale Milano	3 000	2 400	3 000	16 083	2 200				26 683
PSV Eindhoven	3 000	2 400	1 500	20 204					27 104
PFC CSKA Moskva	3 000	2 400	300	1 410					7 110
Fenerbahçe SK	3 000	2 400	2 400	4 842	2 200	2 500			17 342
Group H									
FC Steaua Bucuresti	3 000	2 400	300	2 140					7 840
Arsenal FC	3 000	2 400	2 700	10 405	2 200	2 500			23 205
Sevilla FC	3 000	2 400	3 000	6 727	2 200				17 327
SK Slavia Praha	3 000	2 400	1 200	798					7 398
TOTAL 32 UCL clubs	96 000	76 800	57 600	277 000	35 200	20 000	12 000	11 000	585 600
Contribution in favour of the 80 clubs in the 1st round of UEFA Cup 2007/08 (EUR 100 000 per club)									8 000
Surplus to be allocated to the European Club Association, in accordance with the Memorandum of Understanding with UEFA									385
TOTAL Distribution									593 985

All amounts in 1000 EUR (KEUR)



Even though the UEFA Cup and UEFA Champions League competitions should not be compared directly, there are good reasons for publishing the financial result of the UEFA Cup on the pages following the phenomenal UEFA Champions League result. In this context, three points should not be overlooked:

- The UEFA Cup format enables teams which could not participate in the UEFA Champions League to play more matches.
- It is a question of bridging a gap, first in sporting terms, but also from a financial point of view. The results with a centrally marketed final phase are very encouraging, as is the fact that some teams were able to qualify for the UEFA Champions League after a successful UEFA Cup campaign the year before.
- Last but not least, we should not forget that the UEFA Champions League also had to be developed over the years. It is worth remembering that in its first season, in 1992/93, the UEFA Champions League generated total income of just over EUR 45 million, with EUR 23.5 million distributed to the teams.

It will be interesting to follow the development of the UEFA Cup over the years. It will also be a challenge to find the best solutions and to take the right decisions for the optimal organisation of the two club competitions – a challenge that UEFA is happy to accept.

The UEFA Cup quarter-finals and semi-finals were marketed centrally again, as were the final and the UEFA Super Cup, with the following result achieved (all amounts in EUR 1 000 (KEUR):

Total revenue generated by contracts for UEFA Cup and Super Cup	49 540
75% of this total in favour of the UEFA Cup and Super Cup clubs	37 155
Minus: Super Cup share paid to the two clubs	- 2 800
Plus: cross-subsidy from UEFA Champions League to 40 UEFA Cup clubs	+ 4 000*

* the remaining EUR 4 million, KEUR 100 per club, was earmarked for the 40 clubs eliminated in the first round of the 2007/08 UEFA Cup.

Total distribution to the UEFA Cup clubs in 2007/08 KEUR 38 355

See chart on the following page for the details of these payments per club.

Distribution to the UEFA Cup clubs

Part of the revenue was also distributed to the clubs that played in the group matches.

- Each participant in the group matches received a fixed sum of EUR 105 000 – plus EUR 18 825 from the surplus of revenue generated compared with the sum initially budgeted.
- Each victory in these matches was worth EUR 40 000 and each draw EUR 20 000.
- The teams that qualified for the knockout stages were awarded EUR 70 000 for the round of 32 and the same amount for the round of 16 (these sums were not paid to the teams that came out of the UEFA Champions League after the group matches).

- Each quarter-finalist received EUR 300 000; the semi-finalists were each paid EUR 600 000. FC Zenit St. Petersburg's victory was worth EUR 2.5 million, while Rangers FC received EUR 1.5 million.
- In addition to these payments, the quarter-finalists received a sum depending on the value of their national TV market and whether they qualified for the semi-finals and the final.

Solidarity payments and cross-subsidy ex UEFA Champions League – See pages 49 to 52 for more details.

UEFA Cup 2007/08

UEFA Cup 2007/08: Distribution

All amounts in EUR

TEAMS	GROUP MATCHES			FINAL PHASE						TOTAL EUR
	participation bonus + surplus	additional UCL contribution	performance bonus	Round of 32 clubs	Round of 16 clubs	Market-Pool + surplus	Quarter- finals	Semi- finals	Final	
Group A										
AZ Alkmaar	123 825	100 000	60 000							283 825
Larissa FC	123 825	100 000	-							223 825
FC Nürnberg	123 825	100 000	100 000	70 000						393 825
Everton FC	123 825	100 000	160 000	70 000	70 000					523 825
FC Zenit St. Petersburg	123 825	100 000	80 000	70 000	70 000	1 159 440	300 000	600 000	2 500 000	5 003 265
Group B										
Club Atlético de Madrid	123 825	100 000	140 000	70 000						433 825
Aberdeen FC	123 825	100 000	60 000	70 000						353 825
FC København	123 825	100 000	40 000							263 825
Panathinaikos FC	123 825	100 000	120 000	70 000						413 825
FC Lokomotiv Moskva	123 825	100 000	40 000							263 825
Group C										
AEK Athens FC	123 825	100 000	80 000	70 000						373 825
ACF Fiorentina	123 825	100 000	120 000	70 000	70 000	918 151	300 000	600 000		2 301 976
FK Mlada Boleslav	123 825	100 000	40 000							263 825
Villareal CF	123 825	100 000	140 000	70 000						433 825
IF Elfsborg	123 825	100 000	20 000							243 825
Group D										
Hamburger SV	123 825	100 000	140 000	70 000	70 000					503 825
Stade Rennais FC	123 825	100 000	40 000							263 825
NK Dinamo Zagreb	123 825	100 000	40 000							263 825
FC Basel 1893	123 825	100 000	120 000	70 000						413 825
SK Brann	123 825	100 000	60 000	70 000						353 825
Group E										
FC Zürich	123 825	100 000	80 000	70 000						373 825
Toulouse FC	123 825	100 000	40 000							263 825
FC Spartak Moskva	123 825	100 000	100 000	70 000						393 825
Bayer 04 Leverkusen	123 825	100 000	120 000	70 000	70 000	1 686 805	300 000			2 470 630
AC Sparta Praha	123 825	100 000	60 000							283 825
Group F										
SC Braga	123 825	100 000	100 000	70 000						393 825
FC Bayern München	123 825	100 000	120 000	70 000	70 000	3 288 707	300 000	600 000		4 672 532
Aris Thessaloniki FC	123 825	100 000	80 000							303 825
FK Crvena Zvezda	123 825	100 000	-							223 825
Bolton Wanderers FC	123 825	100 000	100 000	70 000	70 000					463 825
Group G										
Getafe CF	123 825	100 000	120 000	70 000	70 000	3 226 533	300 000			4 010 358
Hapoel Tel-Aviv FC	123 825	100 000	40 000							263 825
Aalborg BK	123 825	100 000	60 000							283 825
RSC Anderlecht	123 825	100 000	80 000	70 000	70 000					443 825
Tottenham Hotspur FC	123 825	100 000	100 000	70 000	70 000					463 825
Group H										
Panionios GSS	123 825	100 000	60 000							283 825
Galatasaray SK	123 825	100 000	60 000	70 000						353 825
FK Austria Wien	123 825	100 000	20 000							243 825
FC Girondins de Bordeaux	123 825	100 000	160 000	70 000						453 825
Helsingborgs IF	123 825	100 000	100 000	70 000						393 825
UCL: Rangers FC	joined UCUP final phase from UCL group stage					2 847 071	300 000	600 000	1 500 000	5 247 071
UCL: PSV Eindhoven						1 167 499	300 000			1 467 499
UCL: Sporting Clube						727 794	300 000			1 027 794
TOTAL 40+3 UCUP Clubs	4 953 000	4 000 000	3 200 000	1 680 000	700 000	15 022 000	2 400 000	2 400 000	4 000 000	38 355 000
Distribution to the winner (EUR 1.6 m) and the runner-up (EUR 1.2 m) of the UEFA Super Cup 2007										2 800 000
Total Distribution (incl. KEUR 4 000 cross-subsidy ex. UEFA Champions League)										41 155 000

All amounts in EUR



55-56 2007/08 UEFA Payments in favour of Associations

UCL Distribution in KEUR			UCUP Distribu- tion in KEUR	Association	HatTrick Yearly Solidarity Payments in KCHF				in KCHF
32 UCL Teams	53 Leagues	Clubs eliminated			40 UCUP Teams plus 3 from UCL	Fixed amount	Incentive Club Licensing	Incentive non-top competitions	
	Solidarity								
	183	470		ALBANIA	700	224	235	1 159	
	167	330		ANDORRA	700	280	205	1 185	
	170	570		ARMENIA	700	280	345	1 325	
	323	890	244	AUSTRIA	700	300	330	1 330	300
	168	400		AZERBAIJAN	700	300	370	1 370	
	168	640		BELARUS	700	300	370	1 370	
	228	540	444	BELGIUM	700	300	370	1 370	100
	172	710		BOSNIA-HERZEGOVINA	700	300	330	1 330	
	178	750		BULGARIA	700	300	370	1 370	
	190	710	264	CROATIA	700	300	370	1 370	
	194	610	224	CYPRUS	700	300	300	1 300	
7 398	570	370	548	CZECH REPUBLIC	700	300	370	1 370	
	402	890	548	DENMARK	700	240	345	1 285	300
129 274	6 562	350	1 451	ENGLAND	700	300	*395	1 395	
	170	500		ESTONIA	700	300	370	1 370	
	167	400		FAROE ISLANDS	700	300	345	1 345	100
	180	850		FINLAND	700	300	370	1 370	100
47 970	3 545	420	981	FRANCE	700	300	370	1 370	100
	174	470		GEORGIA	700	300	370	1 370	
61 718	4 205	350	8 041	GERMANY	700	300	370	1 370	100
19 092	1 507	350	1 375	GREECE	700	300	370	1 370	
	213	470		HUNGARY	700	240	370	1 310	100
	219	500		ICELAND	700	300	370	1 370	84
	235	610	264	ISRAEL	700	300	345	1 345	
98 484	6 609	350	2 302	ITALY	700	300	370	1 370	
	170	570		KAZAKHSTAN	700	300	330	1 330	
	170	570		LATVIA	700	280	345	1 325	
	167	70		LIECHTENSTEIN	700	270	210	1 180	
	170	540		LITHUANIA	700	300	370	1 370	
	167	470		LUXEMBOURG	700	300	240	1 240	100
	170	540		FYR. MACEDONIA	700	260	370	1 330	
	173	400		MALTA	700	300	290	1 290	
	167	500		MOLDOVA	700	300	340	1 340	
27 104	169	500		MONTENEGRO	700	260	235	1 195	
	2 763	350	1 751	NETHERLANDS	700	300	370	1 370	
	167	400		NORTHERN IRELAND	700	300	345	1 345	39
10 766	917	560	354	NORWAY	700	300	345	1 345	100
	298	610		POLAND	700	300	370	1 370	
27 520	901	350	1 421	PORTUGAL	700	300	330	1 330	
	223	470		REPUBLIC OF IRELAND	700	300	370	1 370	300
7 840	722	440		ROMANIA	700	240	330	1 270	
7 110	639	280	5 661	RUSSIA	700	300	*395	1 395	
22 753	167	330		SAN MARINO	700	300	210	1 210	
	1 209	140	5601	SCOTLAND	700	300	370	1 370	100
	185	610	224	SERBIA	700	300	330	1 330	
	171	710		SLOVAKIA	700	300	370	1 370	55
	179	500		SLOVENIA	700	300	370	1 370	100
78 219	3 946	350	4 878	SPAIN	700	300	370	1 370	
	271	1 200	637	SWEDEN	700	300	370	1 370	
	283	650	788	SWITZERLAND	700	300	370	1 370	100
27 341	1 411	280	354	TURKEY	700	300	320	1 320	
13 011	594	210		UKRAINE	700	300	370	1 370	
	167	400		WALES	700	300	345	1 345	
585 600	43 635	26 500	38 355	TOTAL IN KEUR					
				TOTAL IN KCHF	37 100	15 474	18 105	70 679	2 178

Details see
page 52

*An additional KCHF 25 was made available for the title-holder's participation in a competition as well as the national champion

According to IS 28

The flow of money in European football

The chart on the left shows UEFA's payments in favour of associations, leagues and clubs and is structured as follows:

The three columns highlighted in blue refer to the UEFA Champions League and show: all amounts in KEUR

- the amounts paid out to the 32 UEFA Champions League teams, i.e. the total by association;
- the funds made available to the leagues of UEFA member associations to be used to develop youth football at club level;
- the solidarity payments made to clubs which failed to qualify for the group stage of the UEFA Champions League (EUR 100 000) or the UEFA Cup: (EUR 70 000) per round played and an additional EUR 160 000 for each domestic champion.

The column highlighted in yellow shows the amounts by association out of the EUR 38.355 million total UEFA Cup distribution made following the central marketing of the final phase. See chart on page 54 for details per club. all amounts in KEUR

The four columns highlighted in green indicate the yearly HatTrick solidarity payments made to the associations: all amounts in KCHF

- a fixed annual amount of CHF 700 000;
- an incentive of up to CHF 300 000 to further develop the club licensing scheme in the associations
- an incentive of up to CHF 370 000 for participation in UEFA's non-top competitions

The HatTrick scheme is more than the yearly solidarity payments. Over the four-year period between EURO 2004 and EURO 2008, each association is due to receive:

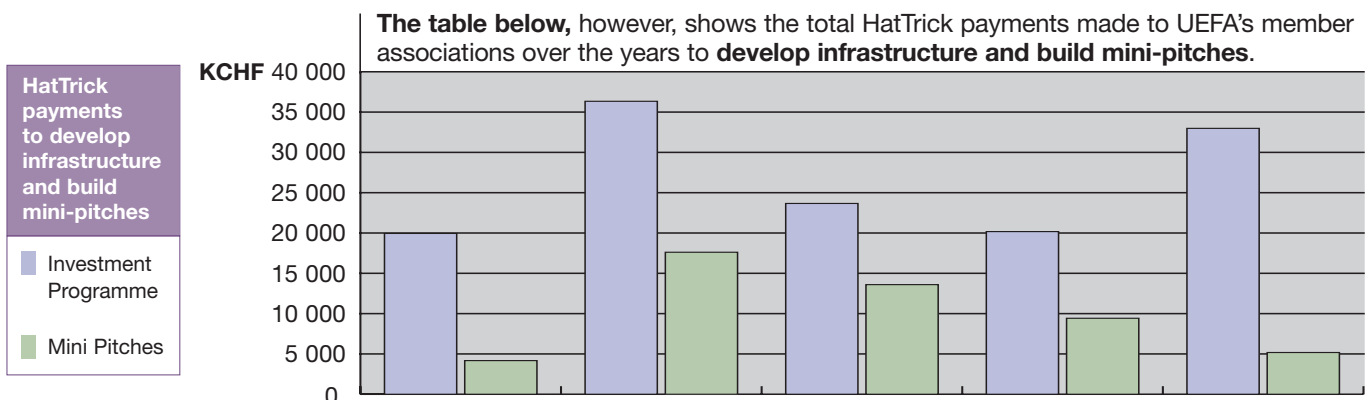
- CHF 2.5 million to further develop the football infrastructure in its territory, and
- up to CHF 1 million to build mini-pitches.

Additional HatTrick payments – as presented at and approved by the 2007 UEFA Congress

The figures published on these two pages also include the additional HatTrick funds made available to the national associations for the 2006/07 and 2007/08 seasons (CHF 600 000 per financial year – split up as follows):

- CHF 200 000 per season to increase the fixed amount from CHF 500 000 to CHF 700 000 to finance ordinary activities;
- CHF 200 000 per season or CHF 400 000 once during the two-year period for infrastructure projects (on top of the CHF 2.5 million available during the 2004–2008 period);
- CHF 400 000 once during the two-year period to co-finance measures taken by the associations to improve their quality standards and professional management.

The chart on the opposite page only includes yearly payments made in 2007/08 but not those due only once during a four- or two-year period.



	2003/04	2004/05	2005/06	2006/07	2007/08
Investment Programme	19 946	36 338	23 664	20 176	32 980
Mini Pitches	4 175	17 614	13 597	9 425	5 177
Total	24 121	53 952	37 261	29 601	38 157

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