

WE CARE ABOUT FOOTBALL



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Financial Report
2005 / 2006



All amounts in 1 000 EUR (KEUR)	2004 / 05 (11 months)	2005 / 06
Consolidated Income Statement:		
Total Revenue	659 197	700 448
Distribution to Participating Teams	441 533	450 831
Solidarity Payments	135 281	123 351
Operating Result	70 528	38 647
Net Result	21 465	32 428
Consolidated Balance Sheet:		
UEFA Equity	211 811	242 484
Total Balance Sheet	826 238	772 829
Consolidated Cash Flow:		
Cash flow from operating activities	-48 337	54 407
Cash flow from investing activities	-54 222	-20 917
Cash flow from financing activities	-135 281	-123 351
<i>Change in net cash and cash equivalents</i>	-237 840	-89 861
Administration:		
Total UEFA administrative expenses	24 065	27 408
Asset Management:		
Total result	11 286	15 615
Number of Employees:		
UEFA	172.0	183.5
UEFA Media Technologies SA	43.3	53.0
Euro 2008 SA	23.5	46.0
UEFA Apprentices & Trainees	2.5	2.5
Total	241.3	285.0
(corresponding to full-time equivalents)		
Number of matches organised by UEFA		
Club Competitions	657	659
National Team Competitions (incl. Under-21)	0	273
Women's Football (incl. Under-19)	355	345
Futsal	205	69
Youth Competitions (Under-17 & Under-19)	259	259
Other Competitions (Regions' Cup & Meridian Cup)	89	0
Total	1 565	1 605

Preliminary remarks

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Consolidated Financial Statements



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UEFA Financial Statements

WE CARE ABOUT FOOTBALL



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This Financial Report is published in English, French and German. Reference is made to the “Finance” section of the Chief Executive’s Annual Report 2005/06. In both these documents, the English versions are authoritative in respect of financial reporting, in accordance with Article 4.3 of the UEFA Statutes.



We are pleased to present UEFA's new-look financial report for 2005/06. The report has been compiled differently for the reasons explained below, as well as in order to further approach international standards, i.e. to follow a very similar reporting structure to a company registered on the stock exchange and/or using the international capital market to refinance its activities.

2005/06 was considered the best time to adapt and change the reporting policy, for the following reasons:

- it was the first UEFA financial year to run from 1 July to 30 June;
- the Chief Executive's annual report covers exactly the same period;
- this financial report is considered an integral part of the 2005/06 Chief Executive's report;
- UEFA is disclosing fully consolidated figures for the first time; and
- the euro has been chosen as the **reporting** currency.

2005/06 is the first UEFA financial year to run from 1 July to 30 June

As decided by the 2006 UEFA Congress, UEFA's financial years now run from 1 July to 30 June, thereby synchronising better with the football season. The first qualifying matches for the UEFA Champions League and UEFA Cup are in fact already played in July.

This financial report is an integral part of the 2005/06 report of the Chief Executive

With the Chief Executive's report now covering a financial year and the financial report disclosing fully consolidated figures, the Congress delegates are in an even better position to exercise their constitutional duty to consider the financial reports of the past for approval, and even more importantly, the budgets for the future. A six-year strategic financial outlook and a detailed budget for 2007/08, are presented separately.

Whereas the Chief Executive's report provides a detailed description of all of UEFA's competitions and of UEFA's many activities, as well as those of its two affiliated companies, UEFA Media Technologies SA and Euro 2008 SA, the financial report gives details of the financial consequences of those same activities.

A condensed version of this financial report is, however, being published in the "Finance" chapter of the Chief Executive's report as a kind of management summary.

Fully consolidated figures published for 2005/06

The figures published refer to UEFA, including the UEFA Champions League project accounts, 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 affiliated companies operate exclusively for UEFA and neither generates any third party income – except, in the case of Euro 2008 SA, for future EURO 2008 ticket sales, which will offset part of its organisational costs.

This means that the bottom-line result is unaffected by the consolidation, i.e. that the same net profit would have resulted even under the "old" policy. The difference between the practice used in the past and the new principles of full consolidation can best be explained by taking UEFA Media Technologies SA as an example. The services rendered and invoiced to UEFA for 2005/06 amounted to EUR 28.4 million. A full consolidation of this amount means that it is now reported according to the same structure as UEFA's own and appears in the income statement

Preliminary remarks regarding UEFA's financial reporting

under positions such as "Personnel Expenses", "Web Production & Computer Solutions", etc., i.e. by nature of the cost. The figures published in previous years obviously also included the equivalent of the total cost of UEFA Media Technologies SA, but this was shown as an overall amount under the "Inter-company Transactions" position.

In addition, the balance sheet accounts of the affiliated companies are now fully consolidated in the published report, whereas, until now, UEFA published the "participation" amount only. As a consequence, all inter-company accounts have been eliminated.

The accounting and consolidation principles and additional information in this respect are described on pages 11 to 16 of this report.

The euro – UEFA's new reporting currency

First of all, 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 have to be recorded in the official currency of the country where UEFA has its headquarters.

However, looking ahead, it is a fact that the biggest share of UEFA's turnover will be generated in euros, largely due to the huge volume of UEFA's top competitions.

For EURO 2008 and the new UEFA Champions League cycle 2006–2009, most of the contracts have been concluded in euros. In addition, following the introduction of central marketing for the final phase of the UEFA Cup, all future payments to teams taking part in UEFA competitions, as well as all the solidarity payments, will be made in euros, which makes this currency more prominent in UEFA's books – not to mention the fact that the euro will soon be the official currency of roughly half of UEFA's member associations.

Consequently, it is also logical to publish UEFA's balance sheet and income statement in euros. As the previous year's figures are being published (i.e. restated) in euros as well, it will be possible to follow the financial impact of the whole four-year

period starting from just after EURO 2004 and ending with EURO 2008.

A footnote on the Swiss franc

The Swiss franc has not disappeared without a trace in this financial report, as the payments to the teams and the solidarity payments from the 2005/06 UEFA Champions League were still made in Swiss francs. The corresponding charts published in this report are therefore in Swiss francs. However, the total amounts paid out are indicated with the equivalent amounts in euros, in order to provide a link with the income statement, which is published in euros.

The same goes for HatTrick payments, which will continue to be paid and reported in Swiss francs up to 2007/08, as the 2004/05–2007/08 programme is fully funded from EURO 2004 income, which was generated in Swiss francs.

As stated in UEFA's 2003/04 financial report:

- CHF 490 million (approx. EUR 316m) was put in the EURO Pool for the HatTrick programme 2004/05–2007/08 in favour of UEFA's member associations.
- CHF 240 million (approx. EUR 155m) was entered as "deferred earnings" to co-finance UEFA's activities in the three financial years following EURO 2004.

Outlook

The financial results for the new three-year UEFA Champions League period starting in 2006/07 and for EURO 2008 look very promising. UEFA will be in a position to maintain or even increase its payments to member associations, clubs and leagues.

UEFA is pleased to present to the 2007 UEFA Congress – in a separate document – a strategic financial outlook covering the next six years. This long-term plan will not only be of benefit to UEFA itself, but first and foremost to its member associations and those of their clubs playing in UEFA competitions.



The actual net result of EUR 32.4 million – compared with the budgeted EUR 10 million (CHF 15.6m) as approved by the 2005 Congress – is all the more satisfying given that only EUR 38.8 million (CHF 60m, instead of the budgeted 70m) were taken from provisions to co-finance UEFA’s many activities.

This good result is due largely to the higher income generated by the UEFA Champions League for the most part, but also, very pleasingly, by the UEFA Cup. Lower administrative expenses have also contributed to this positive situation.

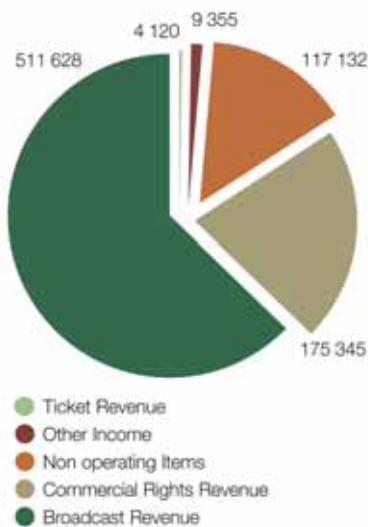
Such promising prospects allowed the Executive Committee to transfer EUR 38,8 million (CHF 60m) from “Deferred EURO 2004 Earnings” into the EURO pool to finance future HatTrick programmes in favour of the member associations.

It was possible to make a total of EUR 123.3 million available in 2005/06 for solidarity payments.

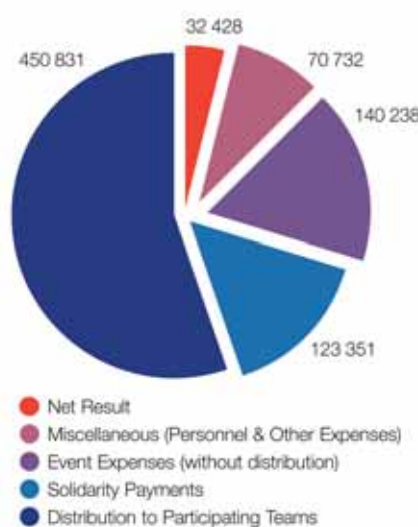
Broadcast revenue continues to be the most important source of income. Commercial rights revenue remains in second position, but with the gap between it and broadcast revenue tending to decrease. This tendency was accentuated by the fact that EURO 2008 commercial rights income was already received in 2005/06, whereas the payments from EURO 2008

broadcasters are not due until later. Additional information related to the key figures published in this income statement can be found in the “Notes and Explanations to the 2005/06 Income Statement”. The net profit for 2005/06 of KEUR 32 428 has been assigned to the “Retained Earnings” position and consequently to equity.

Source of Income: 2005/2006 in KEUR



Use of Income: 2005/2006 in KEUR



The charts show the sources and uses of income. For this purpose, total income has been calculated as follows:

- KEUR 700 448 Total revenue according to position IS 7
- KEUR 117 132 Total “non-operating items” according to IS 22–25
- KEUR 817 580 Total sources and uses of income as shown in the charts**

Please also refer to page 29 of this report, where the 2005/06 income statement is published in Swiss francs and without taking UEFA’s affiliated companies into consideration. This makes comparison possible with the figures published in last year’s financial report, as well as with the budget approved by the UEFA Congress.

Consolidated Income Statement: 2005/06

	Notes	ACTUAL 2004 / 05*	ACTUAL 2005 / 06
Broadcast Revenue	IS 1	485 226	511 628
Commercial Rights Revenue	IS 2	135 125	175 345
Ticket Revenue	IS 3	3 291	4 120
Other Football-related Revenue	IS 4	7 875	7 655
Non Football-related Income	IS 5	27 498	568
Allocated Value-in-Kind Income	IS 6	182	1 132
TOTAL REVENUE	IS 7	659 197	700 448
Distribution to Participating Teams	IS 8	-441 533	-450 831
Direct Event Expenses	IS 9	-65 536	-47 493
Rights Delivery	IS 10	-928	-13 994
Hospitality Expenses	IS 11	0	-2 201
TV Production	IS 12	-278	-6 227
Web Production & Computer Solutions	IS 13	-12 603	-15 681
Match Officials	IS 14	-17 332	-17 432
Period Adjustment	IS 15	6 179	-36 078
Allocated Value-in-Kind Expenses	IS 16	-1 285	-1 132
Total Event Expenses		-533 316	-591 069
GROSS RESULT		125 881	109 379
Salaries & Social Expenses		-24 646	-31 799
Other Personnel Expenses		-829	-1 181
Total Personnel Expenses	IS 17	-25 475	-32 980
Travel, Hotel & Daily Allowances		-9 220	-11 196
Consultancy & Temporary Staff	IS 18	-5 818	-7 591
Public Relations & Marketing	IS 19	-6 965	-8 069
Office Running Expenses	IS 20	-5 394	-7 284
Rental, Building Maintenance & Security	IS 21	-2 481	-3 612
Total Other Expenses		-29 878	-37 752
OPERATING RESULT		70 528	38 647
Financial Items	IS 22	14 508	17 479
Extraordinary Items & Taxes	IS 23	-303	-295
Formation of Provisions	IS 24	-3 333	-42 892
Use of Provisions & EURO Pool	IS 25	75 346	142 840
Total Non Operating Items		86 218	117 132
Solidarity	IS 26	-58 212	-58 079
HatTrick Scheme	IS 27	-71 053	-61 365
Contributions & Donations	IS 28	-5 048	-3 335
Development & Aid Projects	IS 29	-968	-572
Total Solidarity Payments		-135 281	-123 351
NET RESULT	IS 30	21 465	32 428

All amounts in 1 000 EUR (KEUR)

(*11 months)



The drop in the balance sheet total to EUR 773 million (from 826m the previous year) is the consequence of UEFA's policy to finance some of its activities and programmes from balance sheet accounts. During the year under review, EUR 61 million from the EURO pool to finance the HatTrick scheme in favour of the national associations.

This also explains the decrease in the "Cash and Cash Equivalents" position, which is also affected by the fact that a further EUR 32 million was invested in long-term securities. Conversely, EURO 2008 payments of around EUR 50 million received by UEFA in 2005/06 reduced this effect.

By adding the 2005/06 net result of EUR 32.4 million, UEFA's equity now stands at a total of EUR 242.5 million (CHF 379.8m).

Although at a slightly lower level for the reasons explained above, the structure of UEFA's consolidated balance sheet as at 30 June 2006 remains the same as at the previous year's closing date (see chart below).

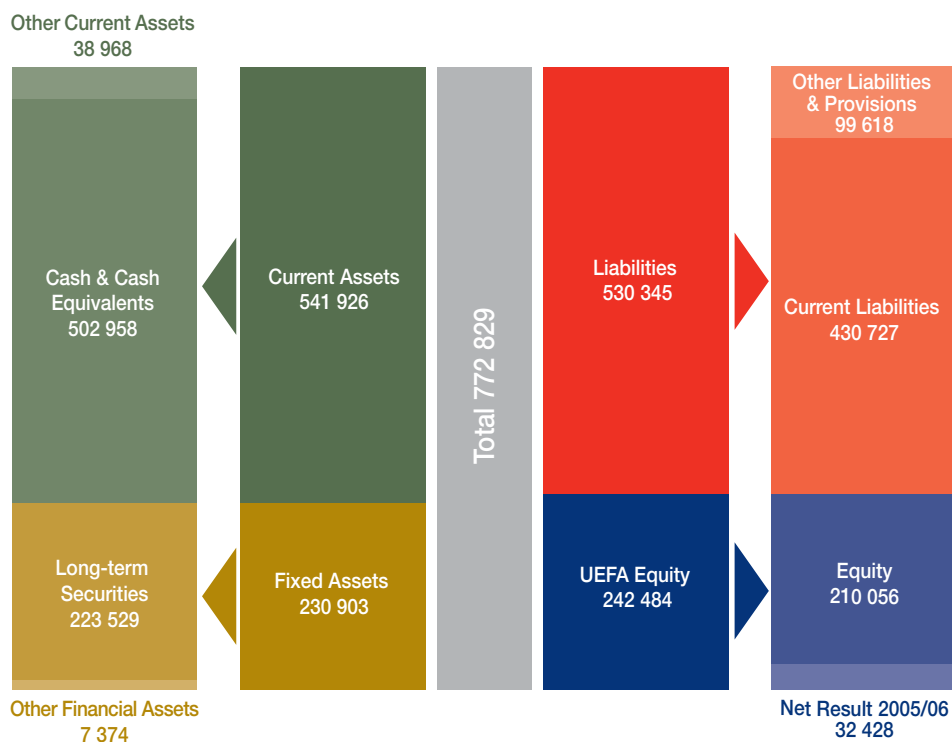
The reason for the nominal reduction in the "Cash & Cash Equivalents" position can best be traced by consulting the consolidated cash flow statement on the following page.

Current liabilities represent 56% of UEFA's balance sheet total, but the lion's share relates to future payments in favour of UEFA's member associations and their leagues and clubs, as detailed in the Notes to the Balance Sheet.

The significant decrease in provisions, i.e. in the deferred EURO 2004 Earnings included in this position, is the consequence of the EUR 77.5 million (CHF 120m) released during the year under review:

- half to co-finance UEFA's activities in 2005/06; and
- the other half transferred to the EURO pool in favour of the member associations.

It is in fact due to this transaction that the EURO pool balance allows additional payments to already be made to the associations during the current 2004–2008 HatTrick programme, during the UEFA 2006/07 and 2007/08 financial years to be precise.



Consolidated Balance Sheet as at 30.06.2006

	Notes	30.06.2005		30.06.2006	
Cash & Postal Accounts		119		120	
Bank: Current Accounts		4 327		5 268	
Bank: Call Accounts		34 578		26 612	
Bank: Money Market		552 290		463 134	
Marketable Securities		8 290		7 824	
Cash & Cash Equivalents	BS 1	599 604	72.6%	502 958	65.1%
Receivables: Associations		646		890	
Receivables: Football Partners	BS 2	6 625		12 458	
Receivables: Others	BS 3	6 050		4 924	
Prepaid Expenses	BS 4	2 831		5 421	
Advances to Suppliers		221		195	
Projects in progress / Inventories	BS 5	7 051		15 080	
Other Current Assets		23 424	2.8%	38 968	5.0%
Total Current Assets		623 028	75.4%	541 926	70.1%
Loans	BS 6	9 782		7 342	
Long-term Securities	BS 7	193 428		223 529	
Participations	BS 8	0		32	
Financial Assets		203 210	24.6%	230 903	29.9%
Computer Hard- & Software	BS 9	0		0	
Office Equipment / Vehicles	BS 10	0		0	
Land & Buildings	BS 11	0		0	
Other Fixed Assets		0	0.0%	0	0.0%
Total Fixed Assets		203 210	24.6%	230 903	29.9%
TOTAL ASSETS		826 238	100%	772 829	100%
Payables: Suppliers		9 651		10 517	
Payables: Associations	BS 12	387 790		348 353	
Payables: Football Partners	BS 13	189		1 632	
Payables: Others	BS 14	1 245		1 862	
Accrued Expenses	BS 15	6 251		9 856	
Deferred Income	BS 16	585		45 076	
Advances from Third Parties	BS 17	30 503		13 431	
Current Liabilities		436 214	52.8%	430 727	55.7%
Other Liabilities	BS 18	3 530		2 745	
Provisions	BS 19	174 683		96 873	
Other Liabilities & Provisions		178 213	21.6%	99 618	12.9%
Total Liabilities		614 427	74.4%	530 345	68.6%
Equity		168 166		168 166	
Retained Earnings		23 685		45 150	
Translation Differences		-1 505		-3 260	
Net Result		21 465		32 428	
Total UEFA Equity	BS 20	211 811	25.6%	242 484	31.4%
TOTAL LIABILITIES & UEFA EQUITY		826 238	100%	772 829	100%

All amounts in 1 000 EUR (KEUR)



The cash flow statement on page 10 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 KEUR 38 647 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 all investments 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:

- KEUR 58 079 from the 2005/06 UEFA Champions League project account for the same financial period.
- KEUR 61 365 from the EURO Pool to finance the 2005/06 HatTrick scheme. This EURO Pool was established in 2003/04 with EURO 2004 income. These funds are made available to UEFA's member associations in the three years following EURO 2004, meaning that the net cash position decreases accordingly. UEFA's net result is not affected, however, as an equivalent amount is released from the "EURO 2004 Deferred Earnings" account in the provisions.
- 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 193.4 million on the 2005 closing date and EUR 191.5 million for 2006, i.e. a difference of EUR -1.9 million with no cash flow having occurred.
- The negative cash flow from operating activities in 2004/05 is the consequence of EURO 2004 in June 2004. Most income was in fact generated in the 2003/04 financial year, but payments to the participating teams were made in the course of the 2004/05 UEFA financial year.

Consolidated Cash Flow Statement 2005/06

		2004/05*	2005/06
	Net cash & cash equivalents, opening balance	841 235	599 604
∕.	Net foreign exchange difference	-3 791	-6 785
	Net cash & cash equivalents, closing balance	599 604	502 958
=	CHANGE IN NET CASH AND CASH EQUIVALENTS	-237 840	-89 861
	Operating result	70 528	38 647
	Depreciation added back	6 779	9 001
	Extraordinary items/Taxes	-303	-295
	Formation/use of provisions	72 013	99 948
	Change in other liabilities & Provisions	-2 327	-76 085
	<i>Subtotal</i>	<i>146 690</i>	<i>71 216</i>
	Change in receivables	17 655	-5 032
	Change in prepaid expenses & Advances to suppliers	1 978	-2 568
	Change in projects in progress & Inventories	4 858	-8 018
	Change in payables	-174 068	-32 271
	Change in accrued expenses & Deferred income	-12 323	47 687
	Change in advances from third party	-33 126	-16 607
	<i>Change in net working capital</i>	<i>-195 026</i>	<i>-16 809</i>
	CASH FLOW FROM OPERATING ACTIVITIES	-48 336	54 407
	Financial items	14 508	17 479
	Change in loans	16 711	2 321
	Change in long term securities	-81 282	-31 684
	Change in participations	2 619	-32
	Capital expenditure in computer hard & software	-6 143	-7 863
	Capital expenditure in furniture, equipment & Vehicles	-636	-1 138
	Capital expenditure in land and buildings	0	0
	CASH FLOW FROM INVESTING ACTIVITIES	-54 223	-20 917
	Solidarity payments	-135 281	-123 351
	CASH FLOW FROM FINANCING ACTIVITIES	-135 281	-123 351
	CHANGE IN NET CASH AND CASH EQUIVALENTS	-237 840	-89 861

All amounts in 1 000 EUR (KEUR)

(*11 months)

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GENERAL INFORMATION

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 52 national associations as at 30 June 2006 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**

UEFA has decided to prepare for the first time consolidated financial statements for the year ending 30 June 2006 with restated comparatives for the period (11 months) ending 30 June 2005.

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 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

Notes to the Consolidated Financial Statements 2005/06

that the control commences until the date the control ceases. Where necessary, adjustments are made to the financial statements of the subsidiaries to 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 associates included in these consolidated financial statements are listed in note FS 1.

The consolidated financial statements include the Group's share of the earnings of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases. Investments in associates are initially carried in the balance sheet at cost. The carrying value is subsequently adjusted to recognise post-acquisition changes in the Group's share of the net assets of the associates. When the Group's share of losses of an associate, if any, exceeds the carrying amount of the associate on the balance sheet, the carrying amount is reduced to nil and the recognition of further losses is discontinued except for the extent that the Group has incurred obligations in respect of the associate.

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 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 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 2005	Monthly rates average 2004/05
CHF/EUR	1.550964	1.5408

	30 June 2006	Monthly rates average 2005/06
CHF/EUR	1.566346	1.5552



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. Events expenses are related to the organisation of competitions organised 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 Championship Qualifications)
- Main national 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
- Other football-related income: Fines, FIFA and EFP contributions (fines are used to finance UEFA's humanitarian help 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, a "period adjustment" is recorded in the income statement to defer the net result of this competition as described in note (g).

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:

- Direct contribution to local organising committees (LOCs)
- Various costs incurred during events such as technical and audiovisual equipment, other material, including trophies and flags, and temporary event staff
- Rights-delivery costs such as signage, event promotion and right protection expenses
- Commission to agencies
- Computer expenses such as IT projects in the football, event and administrative domain
- 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, 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

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 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.

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 two main categories:

- Yearly solidarity payments out of the UEFA Champions League income to clubs and leagues.
- 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

State retirement benefits are provided in the country in which the Group operates. Payments made to State retirement benefit plan 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 cover also 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 a defined contribution plan and corresponding payments are charged to 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 consist 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 Equivalentents

Cash and cash equivalentents comprise cash, bank term deposits up to twelve months and marketable securities readily convertible to cash.

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. They consist of alternative products offering capital protection only at maturity date and are not intended to be sold before that date. Some long-term securities are callable instruments which contain an option that allows issuers to redeem them at nominal value prior to their maturity dates.

These alternative 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.

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

- Land and Buildings Fully depreciated once purchased
- 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 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 result and was established to finance the HatTrick scheme, as defined in note (h) “solidarity payments”, from the period 2004/05 till 2007/08. 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 Board is responsible for approving and monitoring individual projects at the 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” will be recognised as an expense on a cash basis in the income statement. An equal reversal from the corresponding pool will be 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 probably 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.

An additional provision described as “deferred earnings” was recorded after the EURO 2004 in order to co-finance the Group’s activities during the following three financial years without EURO competition. This provision is then reversed gradually over the period of time taken into account.

r) Equity

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

Equity is impacted 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’s equity is shown in note BS 20.



This section provides details of the most important positions in the 2005/06 income statement published on page 6.

When comparing the 2005/06 figures with those of the previous year, it should be borne in mind that 2004/05 consisted of only 11 months.

IS 1 – Broadcast Revenue

UEFA Champions League	481 785
EURO 2008	5 138
Other competitions – incl. club competition finals and levies from UEFA Cup matches	24 705
TOTAL 2005/06	KEUR 511 628

IS 2 – Commercial Rights Revenue

UEFA Champions League	124 485
EURO 2008	46 382
Other competitions (incl. club competition finals)	4 478
TOTAL 2005/06	KEUR 175 345

IS 3 – Ticket Revenue

This result refers to levies from UEFA Cup matches (the only competition for which levies still have to be paid to UEFA), UEFA's share from the UEFA Champions League final in Paris and the Under-21 final round in Portugal in June 2006.

IS 4 – Other Football Revenue

FIFA financial assistance programme (FAP) contribution	2 074
Fines	1 959
UEFA Intertoto Cup (European Football Pool contribution)	2 573
Sales of publications (souvenir programmes)	444
Other (incl. FIFA Club World Cup)	605
TOTAL 2005/06	KEUR 7 655

IS 5 – Non-Football-related Income

This income includes kickbacks from airlines as well as extraordinary income, e.g. payments received in 2005/06 but referring to the previous year.

IS 6 – 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. The 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.

IS 7 – Total Revenue

The details and percentages of UEFA's total income are shown in graph form on page 5.

Reference is also made to the table on page 34, which shows the net 2005/06 result by competition/cost driver, as well as total revenue and total expenses.

IS 8 – Distribution to Participating Teams

Distributions to UEFA Champions League clubs according to the table published on page 38	437 134
Distributions to club participants in other competitions (UEFA Cup final and UEFA Super Cup, UEFA Intertoto Cup)	11 538
Other competitions (incl. Under-21)	2 159
TOTAL 2005/06	KEUR 450 831

IS 9 – Direct Event Expenses

Contributions to local organisers and agency commission	43 669
Other direct event expenses (e.g. venue rental, event material, other facilities and temporary event staff)	3 824
TOTAL 2005/06	KEUR 47 493

IS 10 – Rights Delivery

Rights-delivery costs related to the UEFA Champions League, the UEFA Cup final and UEFA Super Cup as well as EURO 2008 are included in this total, which covers signage fees, event promotion and rights-protection expenses, among other costs.

It should be noted that for the previous year, rights-delivery costs for the *UEFA Champions League* were entered under “direct event expenses”.

IS 11 – Hospitality Expenses

This heading has been introduced to reflect the cost of hospitality at the most important matches, first and foremost at UEFA Champions League and EURO 2008 venues. These costs refer to catering and other services offered to sponsors, guests and officials.

Hospitality has the potential to generate more significant income in the future, as hospitality packages are also sold to the public. For this reason, a “Hospitality Revenue” position will soon be opened in UEFA’s books.

IS 12 – TV Production

UEFA’s affiliated company UEFA Media Technologies SA is preparing the future. Apart from the core activity of preparing the host broadcasting for EURO 2008, TV production expertise is also needed for other competitions and events, such as draws. Please refer to the UEFA Media Technologies section in the annual report of the Chief Executive.

IS 13 – Web Production & Computer Solutions

Web production	7 810
Computer solutions	7 871

TOTAL 2005/06	KEUR	15 681
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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 during 2005/06, mainly in computer solutions, are related 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 purchase ordering system (POS) and e-learning tools.

IS 14 – Match Officials

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

Referees	9 845
Contributions to associations for referee costs	3 382
Delegates & Venue Directors	3 260
Doping controls	872
Insurance of match officials	73

TOTAL 2005/06	KEUR	17 432
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IS 15 – Period Adjustment

UEFA recognises revenue as described in the accounting principles, para e. Applying this principle, adjustments have to be made and entered under this heading, according to para. g.

IS 16 – Allocated Value-In-Kind Expenses

See IS 6.

IS 17 – Total Personnel Expenses

The increase in personnel expenses over the previous year has to be viewed primarily 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	31 799
Other personnel expenses	1 181

TOTAL 2005/06	KEUR	32 980
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IS 18 – Consultancy & Temporary Staff

Consultancy	5 718
Temporary staff	780
Outsourced translations and interpreters	1 093
TOTAL 2005/06	KEUR 7 591

IS 19 – Public Relations & Marketing

Publishing and publications	3 766
Representation (incl. Executive Committee entitlement)	1 347
Branding	978
Gifts & awards & uniforms	980
Marketing & promotions	998
TOTAL 2005/06	KEUR 8 069

IS 20 – Office Running Expenses

Office supplies/printing	792
Postage, freight & customs	859
Telephone communications	660
IT running expenses	4 227
Other expenses (vehicles, other non-specified)	746
TOTAL 2005/06	KEUR 7 284

IS 21 – 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)	541
Repairs & maintenance	331
Furniture & equipment	1 077
Security	327
Audiovisual equipment	138
Rental (office building Le Martinet)	903
Various (gardens, taxes, building insurance, etc.)	295
TOTAL 2005/06	KEUR 3 612

IS 22 – Financial Items

Interest income & result of alternative investm.	14 288
Realised currency exchange gains	2 163
Non-realised currency exchange gains	790
Realised currency exchange losses	-210
Realised currency exchange gains UEFA Champions League	448
TOTAL 2005/06	KEUR 17 479

IS 23 – Extraordinary Items & Taxes

This total refers to taxes paid by UEFA and its affiliated companies UEFA Media Technologies SA and Euro 2008 SA as well as to non-recoverable value-added tax.

IS 24 – Formation of Provisions

EUR 38.8 million out of this total was transferred into the EURO pool to finance future HatTrick programmes in favour of the national associations. Given the pleasing results of the first two financial years after EURO 2004 and the promising prospects for 2006/07, the Executive Committee decided to transfer this amount to the EURO Pool, thereby increasing the associations’ share from the EURO 2004 result from the share originally reserved to co-finance UEFA’s activities in the three years following EURO 2004.

EURO pool increase for HatTrick	38 760
Fines for future humanitarian aid	2 745
Other transactions (incl. increase in risk provision, provision for non-realised currency gains and translation differences)	1 387
TOTAL 2005/06	KEUR 42 892

IS 25 – Use of Provisions & EURO Pool

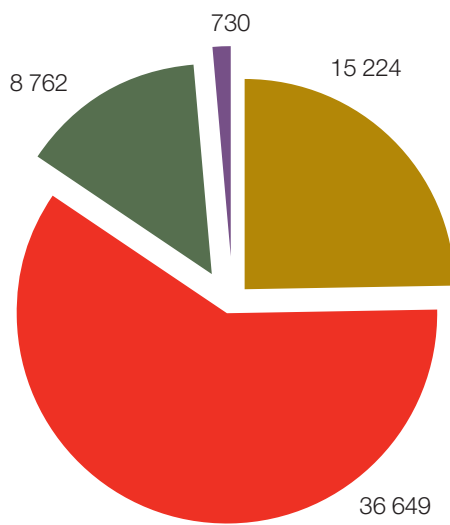
This position has to be seen in conjunction with para q “Provisions” of the chapter describing the significant accounting policies.

Reversal of deferred EURO 2004 earnings:	
– to co-finance UEFA activities in 2005/06	38 760
– transferred to the EURO pool (see IS 24)	38 760
HatTrick 2005/06 financed via EURO pool	61 365
Reversal of funds for humanitarian aid	3 530
Other reversals (for risk provision used in 05/06, offsetting EURO 2004 provisions no longer needed and incl. translation differences)	425

TOTAL 2005/06	KEUR 142 840
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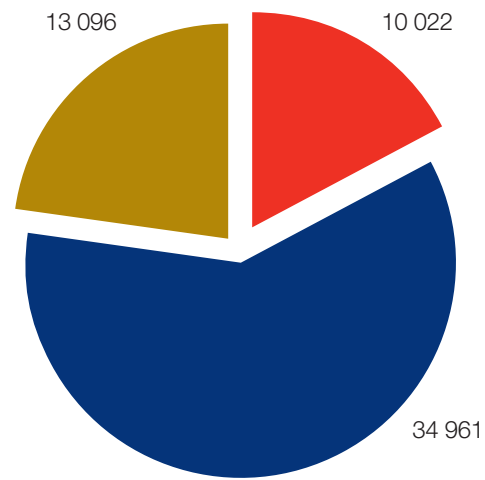
Total Solidarity Payments

Details HatTrick Payments
in KEUR



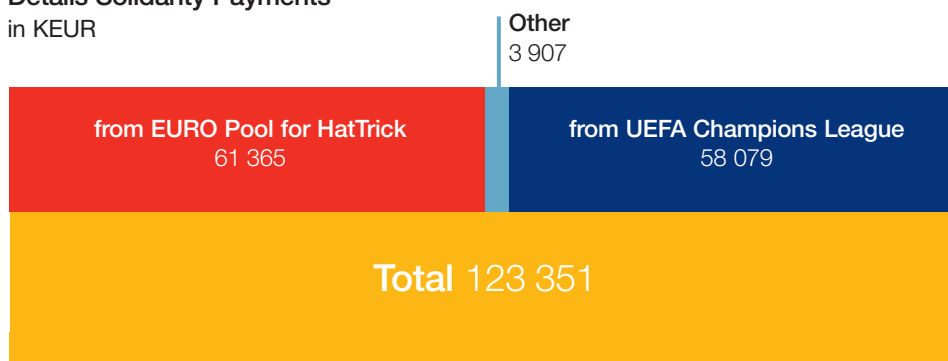
- Investment Programme
- Yearly Solidarity Payments
- Mini-Pitches
- Education

Details UEFA Champions League Solidarity
in KEUR



- Transfer into EURO Pool
- Leagues (youth football development)
- Clubs (eliminated at first stage)

Details Solidarity Payments
in KEUR



**IS 26 – Solidarity**

All amounts shown as solidarity are financed from 2005/06 UEFA Champions League income.

	KCHF	KEUR
Solidarity to associations (credited to EURO pool)	15 600	
Solidarity to leagues	54 417	
Solidarity to clubs	20 280	
TOTAL 2005/06	90 297	58 079



see charts on page 20

IS 27 – HatTrick Scheme

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 25. In this financial year, the following payments were made:

Investment programme	15 224
Yearly solidarity payments to associations	36 649
Mini-pitches	8 762
Education scheme	730
TOTAL 2005/06	61 365

IS 28 – Contributions & Donations

International Committee of the Red Cross, Geneva	548
Cross Cultures Project Association	387
Special Olympics, Brussels	322
FARE, Vienna	387
(Other) anti-racism activities	276
Monaco / UEFA Super Cup charity cheque	644
Nyon Sports Foundation	225
Other contributions & donations	546
TOTAL 2005/06	3 335

IS 29 – Development & Aid Projects

The KEUR 572 invested under this heading refers to UEFA's contribution to projects of other confederations, such as the Meridian Project and Vision Asia. Grassroots development schemes were also supported in 2005/06 and are included in this total.

IS 30 – Net Result

The actual net result of EUR 32.4 million – compared with the budgeted EUR 10 million (CHF 15.6m) as approved by the 2005 Congress – is all the more satisfying given that only EUR 38.8 million (CHF 60m, instead of the budgeted 70m) had to be taken from provisions to co-finance the many activities.

Notes to the Consolidated Financial Statements 2005/06

Notes and Explanations to the Balance Sheet

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

BS 1 – Cash & Cash Equivalent

Original Currency	Equivalent in 1 000 EUR (KEUR)	
KCHF	538 000	343 474
KEUR	153 790	153 790
KGBP	1 152	1 667
KUSD	5 149	4 027

TOTAL 30.06.2006	KEUR	502 958
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The KEUR values are based on the exchange rates on the closing date, as indicated below:

	CHF	=	EUR
Other currencies	1.566346	=	1
1 GBP	= 2.265699	=	1.44649
1 USD	= 1.225	=	0.78207

NB: Two guarantees have been issued by the bank in favour of third parties for a total of KEUR 213. For this purpose, UEFA has pledged an equivalent amount from its cash balances to the bank.

BS 2 – Receivables: Football Partners

This total includes the following positions:

EURO 2008 debtors Invoiced in June – due in 2006/07	9 269
UEFA Champions League project accounts (kept by TEAM AG)	1 431
ISL (maximum dividend upon liquidation)	1 387
Bad debts (ISL “provision”)	-1 387
Other (other competitions, media rights)	1 758

TOTAL 30.06.2006	KEUR	12 458
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As the liquidation of ISL following its bankruptcy in 2001 is still in progress, an amount of KEUR 1 387 and a related “bad debt” provision for the same amount still appear in UEFA’s books. Based on notification from the receivers and the expected dividend, the respective amounts have been reduced to 10% of the initial UEFA claim.

BS 3 – Receivables: Other

VAT receivable	2 916
Current account Euro 2004 SA	1 582
Withholding tax to be claimed	288
Others	138

TOTAL 30.06.2006	KEUR	4 924
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The amount due to UEFA from Euro 2004 SA corresponds to the refund of VAT paid in Portugal. This refund has since been claimed by Euro 2004 SA and is due to be paid to UEFA in December 2006.

BS 4 – Prepaid Expenses

This position represents expenses already paid in 2005/06 for costs relating to the 2006/07 financial year.

BS 5 – Projects in Progress/Inventories

Euro 2008 SA: organisational costs as at 30 June 2006	12 645
UEFA Media Technologies SA: cost of domain names in respect of EURO 2008	103
UEFA Champions League OB vans	1 648
Gifts (inventory)	684

TOTAL 30.06.2006	KEUR	15 080
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Euro 2008 SA organisational costs as at 30 June 2006 have not been offset against the deferred EURO 2008 income published under BS 16 as this will be done (in the books of Euro 2008 SA) the following year against income generated from the sale of EURO 2008 tickets, due to start in spring 2007.

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. The OB vans will be used for another three seasons, meaning that the equivalent will be written off over the same period.



BS 6 – Loans

Four categories of loan were granted:

Stadium credits to 12 member associations	2 544
Mortgages in favour of UEFA staff members	1 862
UEFA staff pension scheme	2 873
Clearing account (operated by TRIANON SA)	63

TOTAL 30.06.2006	KEUR	7 342
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Stadium loans were granted to associations lacking at least one stadium meeting UEFA requirements. These credit facilities were offered from 1998 until the introduction of the HatTrick scheme on 1 August 2003. All of these loans will be paid off during the 2004–2008 HatTrick cycle by reducing the yearly HatTrick payments of the associations concerned.

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.

A separate bank account has been opened to outsource the salary payments of senior management staff to Trianon SA. 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 the "Loans Granted" balance sheet position.

BS 7 – Long-term Securities

In line with the investment policy approved by the Executive Committee, capital-protected "alternative investments" were made in order to improve the asset management result. The capital protection is granted at maturity or in the case of early redemption by the issuer.

Such alternative products cannot be sold and 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 potential loss.

Invested in products linked to shares of 20 international companies (blue chips).		UEFA's books KEUR
Purchased at nominal value	KCHF 100 000	
In UEFA's books (equivalent nominal value in EUR)		63 843

Invested in products linked to the LIBOR rate (London Inter-Bank Offered Rate).		
Purchased at nominal value	KCHF 200 000	
In UEFA's books (equivalent nominal value in EUR)		127 686

Invested in products linked to the spread between a ten-year euro swap minus a two-year euro swap rate.		
Purchased at nominal value	KEUR 32 000	
In UEFA's books (nominal value)		32 000

TOTAL Long-term Securities 30.06.2006	KEUR	223 529
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Market value of these investments as at 30 June 2006	KEUR 210 514
For info: Interest received in 2005/06	KEUR 5 528

Notes to the Consolidated Financial Statements 2005/06

BS 8 – Participations

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

BS 9 – Computer Hard- & Software / BS 10 – Office Equipment/Vehicles

The following movements have been entered:

	Computer hard- & software	Office equipment & vehicles
Net balance as at 31.07.2004	0	0
Acquisitions	6 143	636
Depreciation charged for the year	-6 143	-636

Net balance as at 30.06.2005 (KEUR)	0	0
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Initial balance	0	0
Acquisitions	7 863	1 138
Exchange difference	56	11
Depreciation charged for the year	-7 863	-1 138
Exchange difference	-56	-11

Net balance as at 30.06.2006 (KEUR)	0	0
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BS 11 – Land & Buildings

No acquisitions or depreciations have been made since the inauguration of the House of European Football in the 1999/2000 financial year.

	Land	Building	Total
Closing balance	7 885	42 036	49 921
Accumulated depreciation	-7 885	-42 036	-49 921

Net balance as at 30.06.2006 (KEUR)	0	0	0
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Fire insurance values

Real estate KCHF 52 781 (KEUR 33 697)
Furniture, fixtures and EDP equipment KCHF 15 050 (KEUR 9 608)

The historical cost, in Swiss Francs is:

- KCHF 65 843 for the building
- KCHF 12 350 for the land

BS 12 – Payables – Associations

Current accounts in favour of the associations	15 873
EURO Pool – according to breakdown below	296 486
UEFA Champions League solidarity pool in favour of leagues (see details below)	35 994

TOTAL 30.06.2006	KEUR	348 353
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↳ Breakdown EURO Pool

	KCHF	KEUR
Available as at 1 July 2005	484 250	312 225
Reversed to finance the 2005/06 HatTrick payments	-95 450	
Transferred from UEFA Champions League 2005/06 solidarity payments, KCHF 300 per association	15 600	
Transferred from EURO 2004 “deferred earnings” (no longer needed to co-finance UEFA’s future activities)	60 000	

TOTAL	464 400	296 486
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↳ Breakdown UEFA Champions League solidarity payments in favour of leagues

	KCHF	KEUR
Balance as at 1 July 2005	57 192	36 875
Made available in 2005/06 for the 16 leagues with UEFA Champions League teams	42 800	
Made available in 2005/06 for the 36 leagues without UEFA Champions League teams	11 617	
Payments made to leagues in 2005/06	-55 229	

TOTAL	56 380	35 994
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The balance as at 30 June 2006 refers to:

- | | | |
|--|------|--------|
| • 4 leagues in respect of their shares from previous seasons | KCHF | 1 963 |
| • 52 leagues in respect of their 2005/06 share | KCHF | 54 417 |



BS 13 – Payables – Football Partners

The amount refers to consolidated UEFA Champions League project accounts.

BS 14 – Payables: Other

Local organisers of 2006 UEFA club competition finals (for tickets)	944
VAT payable	353
Cheques issued (still to be cashed)	565

TOTAL 30.06.2006	KEUR	1 862
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BS 15 – Accrued Expenses

This position reflects costs that still fall under the 2005/06 financial year but which will only be paid during the 2006/07 financial year.

Staff costs (social security, accruals for bonus, overtime and holidays)	3 329
(Other) accrued expenses related to the UEFA group	4 794
Accrued expenses related to the 2005/06 UEFA Champions League	1 733

TOTAL 30.06.2006	KEUR	9 856
-------------------------	-------------	--------------

BS 16 – Deferred Income

	KCHF	KEUR
Brought forward (1 July 2005)	907	585
EURO 2008 payments received	77 568	
EURO 2008 expenses incurred	-7 618	
Transfer of EURO 2008 expenses entered in 2003/04 (ex “Projects in Progress” balance sheet position)	-252	

TOTAL 30.06.2006	70 605	45 076
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These figures do not include Euro 2008 SA costs (totalling KEUR 12 645), which have been capitalised and included in the “Projects in Progress” position (see BS 5).

BS 17 - Advances from Third Parties

UEFA Champions League 2005/06 (incl. surplus)	1 204
UEFA Champions League – advance payments for the 2006/07 season	5 128
UEFA club competition finals 2006 (UEFA Cup and UEFA Super Cup – final accounts closed in 2006/07)	4 521
Other (incl. UEFA Intertoto Cup)	2 578

TOTAL 30.06.2006	KEUR	13 431
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BS 18 – Other Liabilities

Fines – reserved for humanitarian aid	2 375
Nyon Sports Foundation (UEFA contribution)	370

TOTAL 30.06.2006	KEUR	2 745
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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 2006 represents the amount already received but reserved for future humanitarian aid.

UEFA contributes an annual amount of KCHF 350 to the Nyon Sports Foundation. The relevant amount is shown as a cost and at the same time entered under “Other Liabilities” on the balance sheet. The board of this foundation, on which UEFA is represented, is entitled to approve payments for the special purposes defined in the foundation’s statutes. UEFA’s yearly payment is voluntary and considered as aid to the development of sports facilities in/near Nyon – infrastructure which in some cases can also be used by UEFA. This contribution is a token of appreciation for the hospitality shown by the town of Nyon towards UEFA.

BS 19 – Provisions

Provisions are evaluated at every closing date in accordance with the accounting principles (see para. q).

Included in this total is the EUR 76.6 million remainder from EURO 2004 deferred earnings. A total of CHF 240 million was set aside in 2003/04 to co-finance UEFA’s activities in the three financial years following EURO 2004, CHF 120 million (EUR 76.6m) of which was released in the year under review:

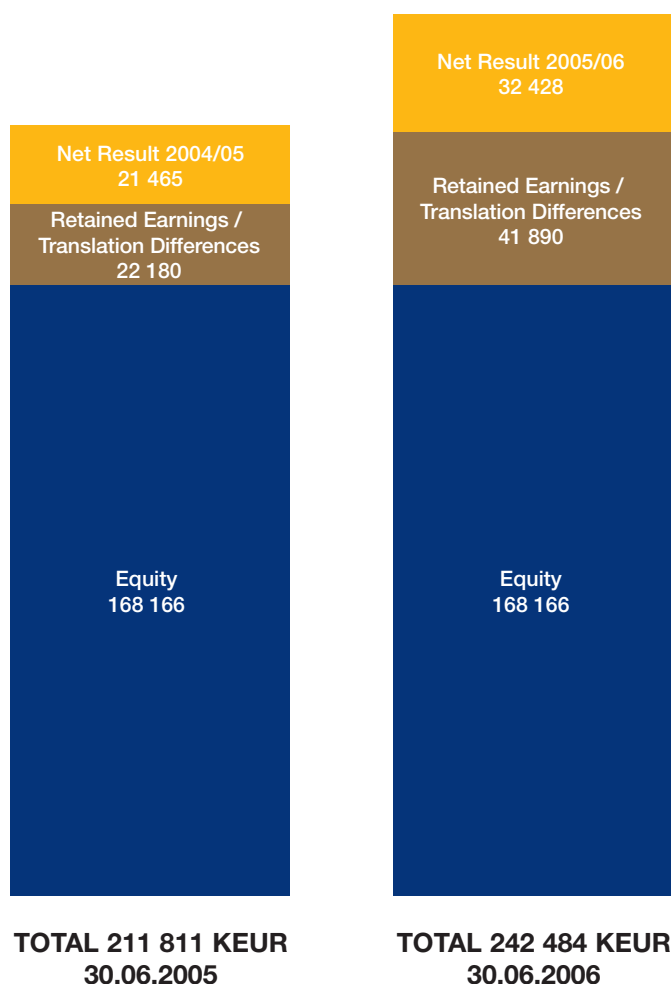
- half to co-finance UEFA’s activities in 2005/06; and
- the other half transferred to the EURO pool in favour of the member associations.

Notes to the Consolidated Financial Statements 2005/06

Consolidated Statement of Changes in Equity

BS 20 – Consolidated Statement of Changes in Equity

		Association capital	Retained earnings	Translation reserve	Total
TOTAL 31.07.2004	KEUR	168 166	23 685	-	191 851
Net result for 2004/05		-	21 465	-	21 465
Foreign currency effect		-	-	-1 505	-1 505
TOTAL 30.06.2005	KEUR	168 166	45 150	-1 505	211 811
Net result for 2005/06		-	32 428	-	32 428
Foreign currency effect		-	-	-1 755	-1 755
TOTAL 30.06.2006	KEUR	168 166	77 578	-3 260	242 484





FS 1 – Entities within the scope of consolidation

Name (activity)	Country of incorporation	Consolidation method	Share capital	Ownership	
				30 June 2006	30 June 2005
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%	0%

Changes in the scope of consolidation:

- Euro 2008 SA was included within the scope of consolidated financial statements 2004/05 on 17 Dec 2004.
- Team Holding AG was included within the scope of consolidated financial statements 2005/06 on 30 Nov 2005.

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.

UEFA uses forward contracts and currency options to hedge this foreign currency risk. Those derivative financial instruments are entered into at the date of signature of the broadcasting contracts in order to guarantee that all calculations in respect of the UEFA Champions League distribution, and therefore, the future payments to the participating teams are fixed in advance and not impacted by currency risk. Most hedging contracts have maturities of up to 24 months.

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

Report of the group auditors



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

Lausanne, December 1, 2006

Report of the group auditors

As group auditors, we have audited the consolidated financial statements (balance sheet, income statement, cash flow statement and notes) of the Union des Associations Européennes de Football (UEFA) for the year ended June 30, 2006.

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

Serge Clément
Swiss Certified Accountant
(in charge of the audit)

Claude Heri
Swiss Certified Accountant



UEFA Income Statement 2005/06

29-30 not consolidated, i.e. without UEFA Media Technologies SA and Euro 2008 SA

	ACTUAL 2004 / 05*	ACTUAL 2005 / 06
Broadcast Revenue	745 895	795 343
Commercial Rights Revenue	208 074	272 527
Ticket Revenue	5 091	6 421
Other Football-related Revenue	12 109	11 891
Non Football-related Income	42 492	882
Allocated Value-in-Kind Income	282	1 762
TOTAL REVENUE	1 013 943	1 088 826
Distribution to Participating Teams	-678 451	-699 901
Direct Event Expenses	-101 013	-72 650
Rights Delivery	-1 367	-21 647
Hospitality Expenses	0	-3 425
TV Production	0	-9 446
Web Production & Computer Solutions	-12 110	-158
Match Officials	-26 675	-27 101
Period Adjustment	3 483	-70 021
Intercompany Transactions	-17 650	-40 534
Allocated Value-in-Kind Expenses	-1 982	-1 762
Total Event Expenses	-835 765	-946 645
GROSS RESULT	178 178	142 181
Salaries & Social Expenses	-30 715	-35 825
Other Personnel Expenses	-1 139	-1 548
Total Personnel Expenses	-31 854	-37 373
Travel, Hotel & Daily Allowances	-13 283	-15 993
Consultancy & Temporary Staff	-8 227	-10 492
Public Relations & Marketing	-10 075	-11 676
Office Running Expenses	-4 352	-3 720
Rental, Building Maintenance & Security	-2 358	-2 609
Total Other Expenses	-38 295	-44 490
OPERATING RESULT	108 029	60 318
Financial Items	22 435	27 216
Extraordinary Items & Taxes	-307	-84
Formation of Provisions	-5 150	-66 761
Use of Provisions & EURO Pool	116 439	222 311
Total Non Operating Items	133 417	182 682
Solidarity	-89 917	-90 297
HatTrick Scheme	-109 236	-95 343
Contributions & Donations	-7 790	-5 166
Development & Aid Projects	-1 493	-893
Total Solidarity Payments	-208 436	-191 699
NET RESULT	33 010	51 301

All amounts in 1 000 CHF (KCHF)

(*11 months)

UEFA Balance Sheet as at 30.06.2006

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

	30.06.2005		30.06.2006	
Cash & Postal Accounts	182		183	
Bank: Current Accounts	5 695		7 681	
Bank: Call Accounts	53 629		41 684	
Bank: Money Market	856 582		725 428	
Marketable Securities	12 858		12 256	
Cash & Cash Equivalents	928 946	72.3%	787 232	65.0%
Receivables: Associations	1 003		1 395	
Receivables: Football Partners	10 649		19 514	
Receivables: Euro 2008 SA	4 207		19 491	
Receivables: Others	9 299		7 034	
Prepaid Expenses	4 391		7 447	
Advances to Suppliers	114		229	
Projects in progress / Inventories	4 835		3 652	
Other Current Assets	34 498	2.7%	58 762	4.8%
Total Current Assets	963 444	75.0%	845 994	69.8%
Loans	15 171		11 501	
Loans: Euro 2008 SA	1 075		0	
Long-term Securities	300 000		350 123	
Participations: Group	4 250		4 250	
Participations: Others	0		50	
Financial Assets	320 496	25.0%	365 924	30.2%
Other Fixed Assets	0	0.0%	0	0.0%
Total Fixed Assets	320 496	25.0%	365 924	30.2%
TOTAL ASSETS	1 283 940	100%	1 211 918	100%
Payables: Suppliers	12 995		10 990	
Payables: Associations	601 448		545 642	
Payables: Football Partners	667		2 557	
Payables: UEFA Media Technologies SA	5 360		9 989	
Payables: Others	1 931		2 916	
Accrued Expenses	8 409		12 332	
Deferred Income	907		70 605	
Advances from Third Parties	47 308		21 037	
Current Liabilities	679 025	52.9%	676 068	55.8%
Other Liabilities	5 476		4 300	
Provisions	270 927		151 737	
Other Liabilities & Provisions	276 403	21.5%	156 037	12.9%
Total Liabilities	955 428	74.4%	832 105	68.7%
Equity	259 021		259 021	
Retained Earnings	36 481		69 491	
Net Result	33 010		51 301	
Total UEFA Equity	328 512	25.6%	379 813	31.3%
TOTAL LIABILITIES & UEFA EQUITY	1 283 940	100%	1 211 918	100%

All amounts in 1 000 CHF (KCHF)



Notes to the UEFA Financial Statement as at 30.06.2006

31-32

All amounts in 1 000 CHF (KCHF)

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.

	30.06.2005	30.06.2006
Fire insurance values of the tangible fixed assets		
Real estate (House of European Football)	52 781	52 781
Furniture, fixtures and IT equipment	14 308	15 050
Significant participations		
UEFA Media Technologies SA, Nyon	100%	100%
Euro 2008 SA, Nyon	100%	100%
TEAM Holding AG, Luzern	0%	20%
<i>Additional information</i>		
<i>Details of the Financial Items position</i>		
Interest income & Result on alternative investments	14 952	22 253
Realised currency exchange gains	561	3 338
Non-realised currency exchange gains	4 421	1 216
Realised currency exchange losses	-627	-289
Non-realised currency exchange losses	-1 732	0
Realised currency exchange gains UCL	1 929	698
Dividend Euro 2004 Ltd	2 931	0
Total Financial Items	22 435	27 216

Depreciation

An amount of KCHF 320 (KCHF 10 045 for 2004/2005) representing the depreciation of the fixed assets is included under "Rental, Building Maintenance & Security".

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, November 3, 2006

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 June 30, 2006.

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

Serge Clément
Swiss Certified Accountant
(in charge of the audit)

Claude Heri
Swiss Certified Accountant



As reported in previous CEO annual reports, UEFA has introduced a cost accounting system with the aim of providing the controller 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 6).

**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 2005/06 can therefore be broken down into subtotals per competition and cost driver. For the purpose of comparison with the previous financial year, the 2004/05 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 21 key figures published consist of 250 individual figures, all from the competition and cost driver perspective on the third dimension.

By including the 2005/06 **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.

It should be noted, however, 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".

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.

Net Result by Competition / Cost Driver 2005/06

	ACTUAL 2004 / 05*	ACTUAL 2005 / 06	REVENUE 2005 / 06	EXPENSES 2005 / 06
EURO Final Round	26 530	1 304	53 582	-52 278
UEFA Champions League	35 844	36 205	608 940	-572 735
UEFA Cup	3 566	4 868	17 988	-13 120
UEFA Super Cup	-2 084	-106	4 123	-4 229
UEFA European Under-21 Championship	-1 691	1 690	8 086	-6 396
Result Top Competitions	62 165	43 961	692 719	-648 758
Youth Competitions	-2 532	-3 144	44	-3 188
Women's Competitions	-2 130	-3 559	9	-3 568
UEFA Intertoto Cup	-1 518	-1 683	2 581	-4 264
Futsal Competitions	-849	-538	0	- 538
Other Competitions	41	700	1 333	- 633
Result Non-top Competitions	-6 988	-8 224	3 967	-12 191
Result UEFA Competitions	55 177	35 737	696 686	-660 949
Projects	-10 254	-14 303	503	-14 806
Media Technologies	3 063	409	409	0
Institutional & Disciplinary Proceedings	-7 056	-6 110	5 307	-11 417
Events	-2 136	-2 929	0	-2 929
Football Development & Education	-3 051	-3 489	0	-3 489
Committees & Panels	-1 423	-1 535	0	-1 535
Total Other UEFA Activities	-20 857	-27 957	6 219	-34 176
HatTrick Scheme	-71 763	-62 262	0	-62 262
UEFA Administration Expenses	-24 065	-27 408	163	-27 571
Asset Management	11 304	15 615	15 808	-193
Provisions	71 669	98 703	98 703	0
NET RESULT	21 465	32 428	817 580	-785 152

All amounts in 1 000 EUR (KEUR)

(*11 months)



The UEFA Champions League was played according to the same format as the previous season, involving 32 teams, with one group stage consisting of 96 matches, followed by 29 knock-out matches (first knock-out round, quarter-finals, semi-finals and final), i.e. a total of 125 matches and 13 match days.

Out of the **gross revenue of CHF 943 million** (EUR 607m):

- **CHF 678.6 million** (EUR 437.1m) was earmarked **for the 32 UEFA Champions League clubs**;
- **solidarity payments** amounting to **CHF 90.3 million** (EUR 58.1m) were made.

The proven revenue distribution system for this gross revenue was retained, resulting in payments in favour of the different stakeholders as detailed on this and the next three pages. It should be noted that the contracts for this 14th edition of the UEFA Champions League – and consequently the payments – were made in Swiss francs.

2006/07 is not only the first season in a new three-year contractual cycle – it will also be marked by the fact that the euro will replace the Swiss franc as the UEFA Champions League (project account) currency.

Distribution to the 32 UEFA Champions League clubs

Fifty years after the first European Champion Clubs' Cup final, this year's UEFA Champions League final in Paris saw Barcelona beat Arsenal.

The London club nevertheless received more income from the competition than their Catalan rivals because of the greater value of the English TV market.

The following elements of the revenue distribution system were applied:

- Each participating club received a fixed sum of CHF 2.5 million as a starting premium, plus CHF 578 125 from the surplus of revenue generated compared with the sum initially budgeted.
- Each club received CHF 500 000 for each group match played, i.e. CHF 3 million in total.
- Clubs received CHF 500 000 for a win and CHF 250 000 for a draw in the group stage. None of the participants received the maximum of CHF 3 million.
- Qualification for the first knock-out round was worth CHF 2.5 million, while each quarter-finalist received

an additional CHF 3 million. The semi-finalists each received a further CHF 4 million. Finally, Barcelona were awarded CHF 10 million for winning the final and the runners-up took home CHF 6 million.

- The participants also received a share of the revenue based on the value of their 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 2004/05 and the number of matches played in this season's UEFA Champions League.

Details of these payments per club are given on page 38 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 2005/06

Solidarity payments

As in previous years, while about three-quarters of the competition revenue was paid to the participating clubs, solidarity payments were also made to benefit European football as a whole. These payments included:

CHF 20.28 million (EUR 13m) for the clubs:

- CHF 80 000 per round for each club eliminated in the UEFA Champions League qualifying rounds;
- CHF 80 000 per round for each club eliminated in the qualifying competition or first round of the UEFA Cup;
- An additional CHF 150 000 for each domestic champion which failed to qualify for the UEFA Champions League group stage.

CHF 54.42 million (EUR 35m) 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:

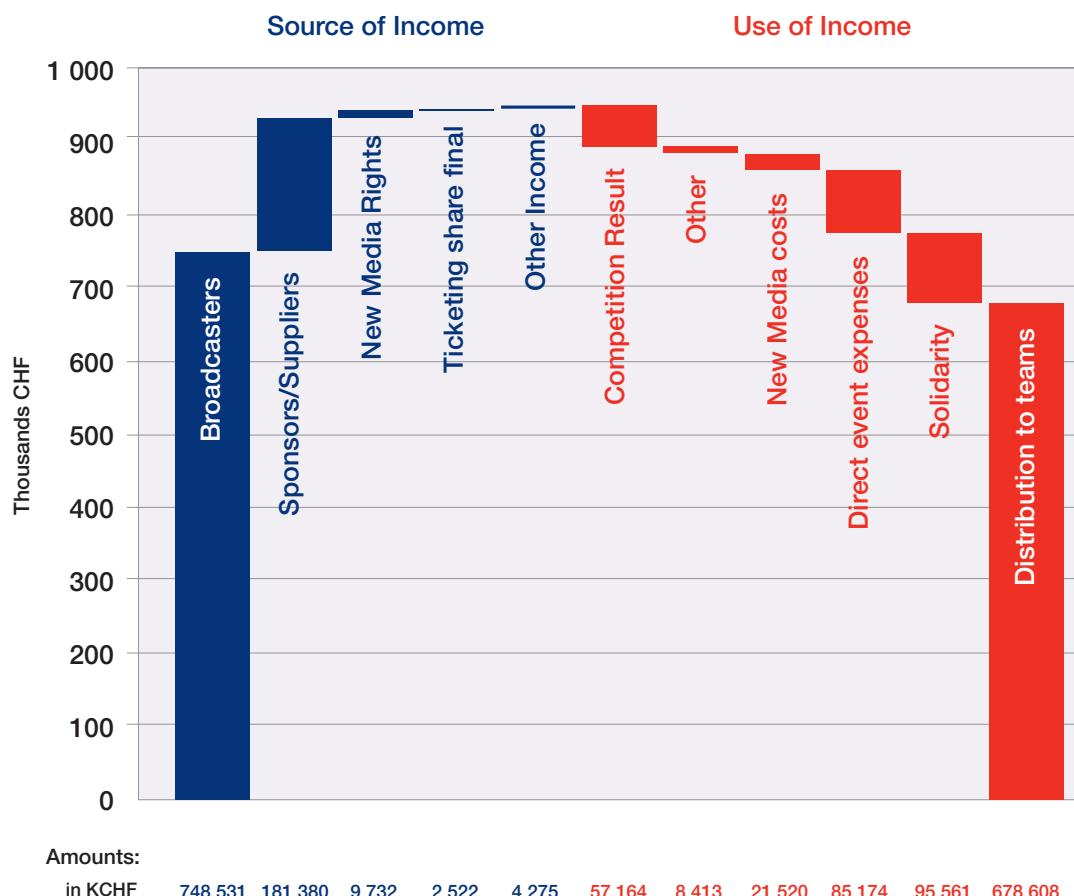
- CHF 42.8 million (EUR 27.5m) to the 16 leagues represented by one or more clubs in the 2005/06 Champions League;
- CHF 11.62 million (EUR 7.5m) to the other 36 leagues.

Reference is also made to the section “Money Flow in European Football” on page 39 of this report.

A further **CHF 15.6 million (EUR 10m)** was transferred to the **EURO pool**.

NB: Another **CHF 5.26 million (EUR 3.38m)** was paid out to the associations. CHF 8 000 per home club match was also made available to compensate for the expenses related to match officials that the association had to assume for these matches.

Details of UEFA Champions League 2005/06





		Gross Income	Share European Football	Share 32 UCL Teams
Revenue (generated by contracts)				
- Television Europe		704 632		
- Television Overseas		43 899		
- Sponsors / Suppliers		181 380		
- New Media Rights		9 732		
- Other income (incl. licensing, currency exchange gains)		3 574		
TOTAL REVENUE (for distribution)		943 217		
Distribution up to:	25% / 75%	800 000	200 000	600 000
Distribution in excess of KCHF 800 000	18% / 82%	133 485	24 027	109 458
Distribution of New Media Rights	50% / 50%	9 732	4 866	4 866
			228 893	714 324
Share in favour of 16 leagues of the 32 UCL teams:				
5% of the "Share 32 UCL Teams"				-35 716
to be credited to "Share European Football" (distributed through UEFA, incl. in "Solidarity payments" below)			35 716	
				437 134
AVAILABLE FOR DISTRIBUTION (in accordance with the Regulations, paragraphs 24.05 & 24.06)				
SHARE EUROPEAN FOOTBALL (GROSS)			264 609	678 608
Direct event expenses (incl. agency commission)			-85 174	
Sub-total			179 435	
Solidarity payments to:				
- 16 leagues of the 32 UCL teams		-42 800		
- 36 other leagues		-11 617		
- UEFA member associations (CHF 300 000 each transferred to the EURO Pool)		-15 600		
- Teams eliminated in UCL qualifying round and UEFA Cup		-20 280		
			58 079	-90 297
Match officials:				
- Referees		-3 400		
- Delegates, Venue Directors and Doping Control costs		-2 377		
- UEFA member associations (CHF 8 000 per club/match)		-5 264		
			-11 041	
Host of the UCL final (French FA)				-2 003
Allocated UEFA New Media costs				-21 520
Other UCL event expenses				-633
UEFA ticketing share UCL final, Paris				2 522
Other income (incl. interest)				701
			36 205	
Competition result				57 164

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

To enable a comparison with figures published in KEUR, some equivalent amounts in KEUR are illustrated here

All amounts in KCHF

UEFA Champions League 2005/06

UEFA CHAMPIONS LEAGUE 2005/06: Distribution

TEAMS	GROUP MATCHES				Market Pool incl. additional	FINAL PHASE				TOTAL KCHF
	participation bonus	additional participation bonus	match bonus	performance bonus		1st knock-out round	Quarter- finals	Semi-finals	Final	
Group A										
Juventus FC	2 500	578.12	3 000	2 500	15 382	2 500	3 000			29 460.12
SK Rapid Wien	2 500	578.12	3 000	0	1 886					7 964.12
FC Bayern München	2 500	578.12	3 000	2 250	20 276	2 500				31 104.12
Club Brugge KV	2 500	578.12	3 000	1 250	2 041					9 369.12
Group B										
FC Thun	2 500	578.12	3 000	750	2 192					9 020.12
AC Sparta Praha	2 500	578.12	3 000	500	204					6 782.12
AFC Ajax	2 500	578.12	3 000	2 000	6 409	2 500				16 987.12
Arsenal FC	2 500	578.12	3 000	2 750	29 999	2 500	3 000	4 000	6 000	54 327.12
Group C										
FC Barcelona	2 500	578.12	3 000	2 750	20 733	2 500	3 000	4 000	10 000	49 061.12
Udinese Calcio	2 500	578.12	3 000	1 250	7 141					14 469.12
Panathinaikos FC	2 500	578.12	3 000	750	4 257					11 085.12
Werder Bremen	2 500	578.12	3 000	1 250	14 046	2 500				23 874.12
Group D										
LOSC Lille Métropole	2 500	578.12	3 000	1 250	17 667					24 995.12
Villarreal CF	2 500	578.12	3 000	2 000	12 940	2 500	3 000	4 000		30 518.12
Manchester United FC	2 500	578.12	3 000	1 250	14 361					21 689.12
SL Benfica	2 500	578.12	3 000	1 500	1 753	2 500	3 000			14 831.12
Group E										
FC Schalke 04	2 500	578.12	3 000	1 500	15 519					23 097.12
AC Milan	2 500	578.12	3 000	2 000	14 284	2 500	3 000	4 000		31 862.12
Fenerbahçe SK	2 500	578.12	3 000	750	6 182					13 010.12
PSV Eindhoven	2 500	578.12	3 000	1 750	7 083	2 500				17 411.12
Group F										
Rosenborg BK	2 500	578.12	3 000	750	3 620					10 448.12
Olympique Lyonnais	2 500	578.12	3 000	2 750	25 162	2 500	3 000			39 490.12
Real Madrid CF	2 500	578.12	3 000	1 750	14 282	2 500				24 610.12
Olympiacos CFP	2 500	578.12	3 000	750	4 705					11 533.12
Group G										
Liverpool FC	2 500	578.12	3 000	2 250	16 914	2 500				27 742.12
Chelsea FC	2 500	578.12	3 000	2 000	28 084	2 500				38 662.12
RSC Anderlecht	2 500	578.12	3 000	500	1 847					8 425.12
Real Betis Balompíe	2 500	578.12	3 000	1 250	8 591					15 919.12
Group H										
FC Internazionale Milano	2 500	578.12	3 000	2 250	9 583	2 500	3 000			23 411.12
Rangers FC	2 500	578.12	3 000	1 500	9 928	2 500				20 006.12
FC Porto	2 500	578.12	3 000	1 000	1 231					8 309.12
FC Artmedia Bratislava	2 500	578.12	3 000	1 250	198					7 526.12
TOTAL	80 000	18 500	96 000	48 000	338 500	40 000	24 000	16 000	16 000	677 000
Balance in favour of the 32 teams (each team received KCHF 50.25)										1 608
TOTAL IN FAVOUR OF 32 UCL TEAMS										678 608 in KCHF

Equivalent
KEUR 437 134

All amounts in 1 000 CHF (KCHF)



UCL Distribution			Country	HatTrick Yearly Solidarity Payments				UCUP Revenue
32 UCL Teams	52 Leagues	Clubs eliminated		Fixed amount	Incentive Club Licensing	Incentive non-top competition	Total payment 2005/06	Levies ticket sales & TV contracts
	Solidarity							
	292	470	ALBANIA	500	300	235	1 035	
	273	230	ANDORRA	500	280	205	985	
	273	470	ARMENIA	500	290	275	1 065	
8 014	853	400	AUSTRIA	500	300	305	1 105	
	273	470	AZERBAIJAN	500	270	300	1 070	
	277	550	BELARUS	500	300	330	1 130	
17 895	1 064	240	BELGIUM	500	300	*355	1 155	102
	285	550	BOSNIA-HERZEGOVINA	500	300	330	1 130	
	312	310	BULGARIA	500	300	300	1 100	303
	312	390	CROATIA	500	300	330	1 130	
	323	870	CYPRUS	500	300	260	1 060	
6 832	676	240	CZECH REPUBLIC	500	300	330	1 130	36
	770	630	DENMARK	500	300	305	1 105	97
142 621	9 397	160	ENGLAND	500	300	330	1 130	1 459
	273	390	ESTONIA	500	300	305	1 105	
	273	470	FAROE ISLANDS	500	300	245	1 045	
	340	710	FINLAND	500	300	330	1 130	
64 586	4 504	80	FRANCE	500	300	330	1 130	747
	285	470	GEORGIA	500	300	275	1 075	
78 226	5 242	320	GERMANY	500	300	330	1 130	2 250
22 719	1 597	240	GREECE	500	300	330	1 130	88
	346	550	HUNGARY	500	300	330	1 130	
	282	470	ICELAND	500	300	305	1 105	
	349	390	ISRAEL	500	300	305	1 105	56
99 403	4 879	0	ITALY	500	300	330	1 130	878
	276	230	KAZAKHSTAN	500	230	330	1 060	
	273	470	LATVIA	500	280	275	1 055	
	273	160	LIECHTENSTEIN	500	270	180	950	
	273	470	LITHUANIA	500	300	300	1 100	
	273	470	LUXEMBOURG	500	300	210	1 010	
	280	630	FYR. MACEDONIA	500	300	300	1 100	
	290	390	MALTA	500	300	240	1 040	
	273	550	MOLDOVA	500	280	330	1 110	
34 499	2 074	160	NETHERLANDS	500	300	330	1 130	301
	273	470	NORTHERN IRELAND	500	250	275	1 025	
10 499	1 035	400	NORWAY	500	300	305	1 105	108
	460	630	POLAND	500	300	330	1 130	
23 241	968	320	PORTUGAL	500	300	330	1 130	25
	383	630	REPUBLIC OF IRELAND	500	300	305	1 105	
	351	150	ROMANIA	500	300	330	1 130	761
	494	310	RUSSIA	500	300	330	1 130	309
	273	230	SAN MARINO	500	300	210	1 010	
20 057	1 699	240	SCOTLAND	500	300	305	1 105	
	302	550	SERBIA & MONTENEGRO	500	300	330	1 130	70
7 576	675	240	SLOVAKIA	500	300	330	1 130	3
	282	550	SLOVENIA	500	300	330	1 130	
120 309	5 947	80	SPAIN	500	300	330	1 130	182
	450	470	SWEDEN	500	300	305	1 105	46
9 070	885	310	SWITZERLAND	500	300	305	1 105	553
13 061	1 305	160	TURKEY	500	300	210	1 010	92
	327	390	UKRAINE	500	300	330	1 130	90
	273	550	WALES	500	300	305	1 105	
678 608	54 417	20 280	TOTAL IN KCHF	26 000	15 350	15 595	56 945	8 556
437 134	34 961	13 096	TOTAL IN KEUR (equivalent)	16 734	9 879	10 036	36 649	5 475
Details see page 38	*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 27	

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:

- 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 or the UEFA Cup: CHF 80 000 per round played and an additional CHF 150 000 for each domestic champion.

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

- a fixed annual amount of CHF 500 000;
- an incentive of up to CHF 300 000 to further develop the club licensing scheme in the associations
- an incentive of up to CHF 330 000 for participation in UEFA's non-top competitions

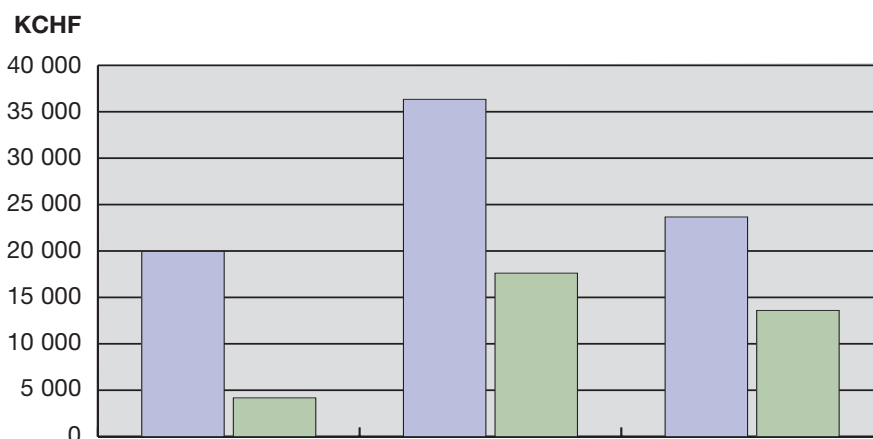
The HatTrick scheme is more than the yearly solidarity payments. Over the four-year period between EURO 2004 and EURO 2008, each association is due to receive:

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

As these contributions are available once over a four-year period, it does not make sense to include the payments made during the year under review in the chart on the opposite page, given that it only shows 2005/06 payments.

The table below, however, shows the total HatTrick payments made to UEFA's member associations over the years to develop infrastructure and build mini-pitches.

- Finally, the column highlighted in **yellow** shows the revenue generated by UEFA in the form of levies from ticket sales and television contracts. Only clubs of 21 associations were concerned, namely those that qualified for the group stage of the UEFA Cup.



	2003/04	2004/05	2005/06
Investment Programme	19 946	36 338	23 664
Mini Pitches	4 175	17 614	13 597
Total	24 121	53 952	37 261

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