The European Club Footballing Landscape

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Club Licensing Benchmarking Report
Financial Year 2018


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Foreword

Welcome to the eleventh edition of the UEFA Club Licensing Benchmarking Report, which again focuses on football finances but also other off-the-field trends in the European football ecosystem.

This year UEFA presented its new strategy, Together for the Future of Football, a blueprint for future-proofing UEFA and European football. One of the strategy's key policies of optimising intelligence and deepening knowledge for better decision-making chimes perfectly with this report.

The benchmarking report's thorough analysis of the finances and more of more than 700 top-division clubs provides a hugely valuable appreciation of the successes of and challenges facing European club football; essential information for future decision-making. The headline figure is a second successive year of overall profitability for European top-division clubs. As financial performance has improved, the clubs' financial position has become significantly healthier, with club net assets increasing from less than €2 billion to more than €9 billion in the space of a decade, a testament to the success of UEFA's Financial Fair Play regulations, the stable European football ecosystem and sustained and sensible investment. Equally encouraging is the revelation in the report's new section on training infrastructure that almost 80% of clubs have invested in training facility improvements in the past five years. It is also welcome to see the report widen its scope to include women's football this year.

The data in this report and other research by our new intelligence centre helps to inform our decision-making and, therefore, the report highlights a number of threats to continued European football stability and success. These include the risks of globalisation-fuelled revenue polarisation, of a fragmenting media landscape, and of cases of overdependence on transfer activity revenue. The report also shows that European club football is strong, united and resilient, and I am certain that European football can and will overcome these challenges and others just as successfully as it dealt with the threat of spiralling losses in the recent past.

Aleksander Čeferin

UEFA President


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Introduction

The UEFA Club Licensing Benchmarking Report offers an authoritative overview of European club football, on the one hand providing a granular guide to club football across all 55 UEFA member associations, and on the other hand identifying and documenting many of the important trends of our time.

This report is always evolving, and this year, for the first time, we include a profile of women's domestic football, as well as some initial findings from a wide-ranging study covering more than 900 club training facilities. This supplements the standard chapters on club ownership, stadium infrastructure, supporters, sponsorship, and league and cup competitions, as well as the usual detailed analysis of financial matters.

Professional football in Europe operates as a unique ecosystem, with clubs bound together in leagues and sharing mutual interests. This stable pyramid helps to make club football remarkably resilient, as illustrated by more than 20 consecutive years of revenue growth. The 2018 financial year was the second consecutive year of overall profitability for European top-division club football – a significant turnaround compared with the €5bn of losses that were recorded in just three years at the turn of the decade. Just as important for the underlying health of football is the continued strengthening of club balance sheets, with clubs' assets exceeding their liabilities/debts by €9bn at the end of 2018.

However, the interconnectedness of club football also brings with it a number of risks, particularly as regards the transfer system. The transfer system acts as a financial compensation mechanism for player development, with many millions of euros moving downwards through the pyramid – from large clubs to medium-sized clubs to small clubs – in return for a steady flow of talent rising back up the pyramid. The doubling of transfer fees in recent years has increased these rewards, with transfer inflation being driven by excess operating profits as a result of bumper TV deals for domestic football in England, Germany and Spain and UEFA competitions. With transfer profits growing far faster than other income streams, talent-exporting clubs have naturally become more dependent on transfer activity to cover their players' wages and other operating costs. Such over-dependency may potentially result in risks, with research by UEFA showing that transfer prices (and profits) fell by 20–30% for medium and lower-value transfers after the last Europe-wide recession in 2009–12.

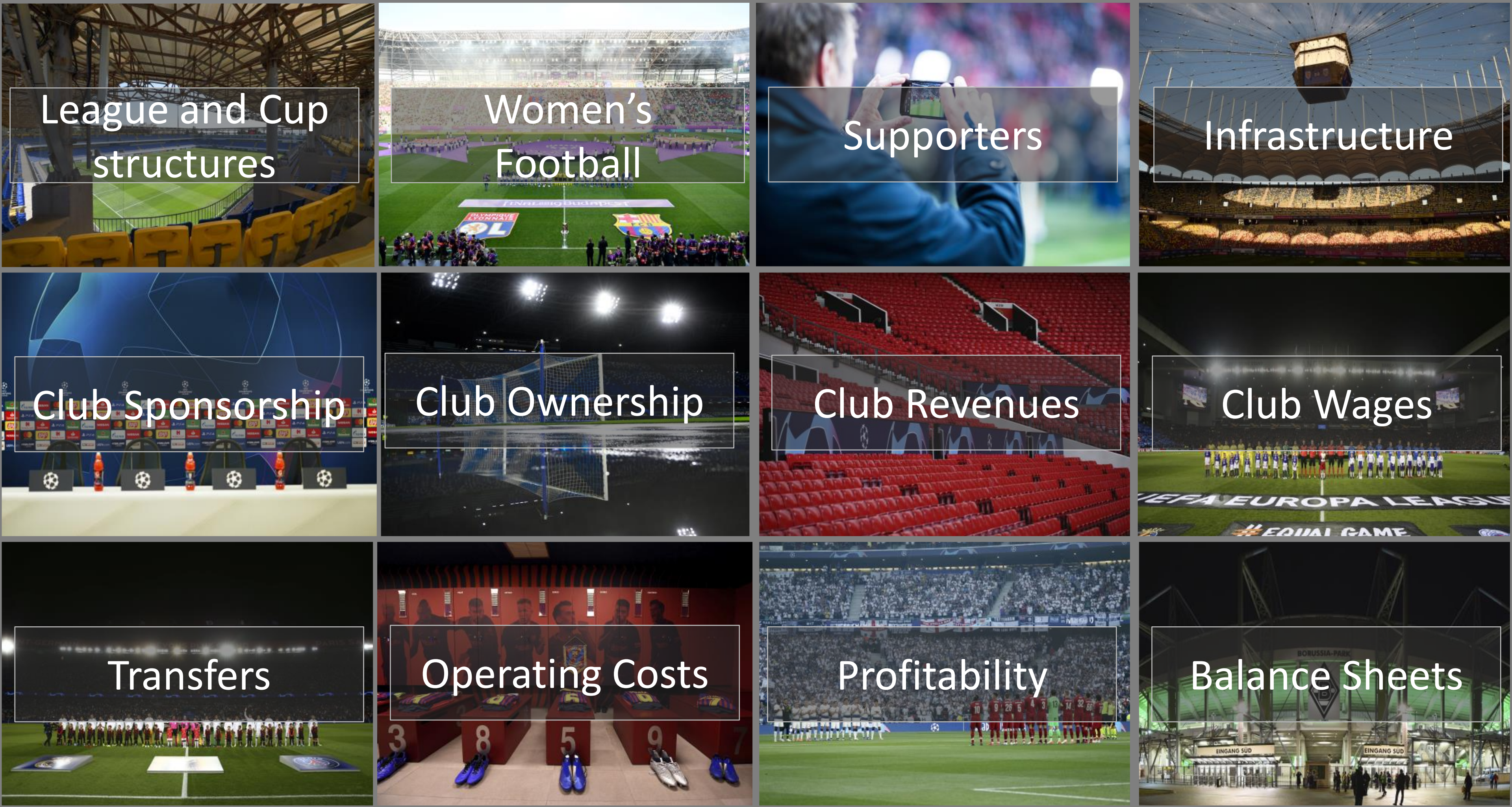
Rising transfer profits can also lead to financial complacency, with clubs' wage bills edging upwards across Europe. Indeed, wage inflation totalled €1.2bn in 2018, exceeding clubs' total revenue growth of €1.0bn. UEFA will monitor this trend carefully, as another year of strong wage growth in 2019 could further eat into operating profits if average revenue growth evolves as expected (with new TV cycles limited to UEFA competitions and Italian domestic football).

Looking forward, no one can predict with any certainty the impact that the increasingly rapid fragmentation of the media landscape will have on football, but the general consensus is that the financial situation is likely to change considerably over the next ten years, both across Europe and beyond. Clubs, leagues and other organisations will have to adapt their business models and strategies in this fast-changing environment – something that will not be easy or painless for what is still quite a traditional game. Future versions of this report will document the impact of those developments.

In 2018, the UEFA Executive Committee approved the creation of a new strategic research unit – the UEFA intelligence centre – which includes a data scientist, an econometricist, a statistician and a rights advisor, who together combine specific technical expertise with in-depth knowledge of the football landscape. This is providing decision makers with a better understanding of the environment they are regulating in key areas such as the transfer system and competitive balance. The UEFA intelligence centre routinely cooperates with member associations on strategic topics. Recent assignments include analysing the impact of foreign player rules on the relative standing of an association's national team and domestic league and looking at girls' participation rates in different age groups and regions. The writing and production of this benchmarking report also falls within the remit of the UEFA intelligence centre, thereby contributing to one of UEFA's key objectives – greater transparency in the off-pitch workings of European football.

This report would not have been possible without the considerable input and support of a great many clubs and national licensing managers, as well as numerous colleagues, to whom we extend our thanks.

Sefton Perry
Head of UEFA Intelligence Centre Analytics


League and Cup structures
Women's Football
Supporters
Infrastructure
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CHAPTER #01

Domestic competitions and governance

Domestic football comes in many shapes and forms. The first chapter gives a unique state of the game of the continuously changing formats and regulations across the domestic league and cup competitions.

League and Cup Structures Highlights

4

Number of top divisions in Europe that have changed their league format since the 2018/19 season

Multiple

Domestic cup competitions are in place in 10 countries for the 2019/20 season

8

Number of countries that have made changes to their locally trained and/or club-trained player rules since last season

58%

Percentage of countries that have nationality-based rules in place

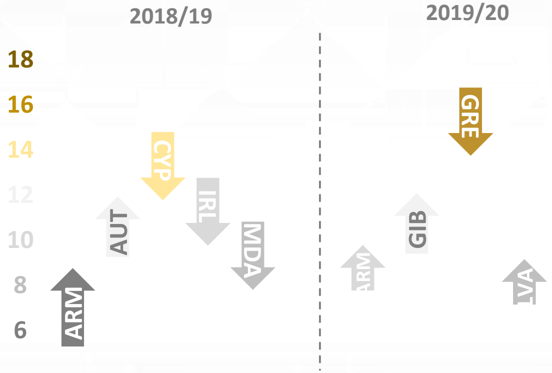
Number of top-division clubs up by two since last season, with four leagues changing size

As usual, this report kicks off with an overview of the various league structures that are in place across Europe. The next two pages show the ways in which Europe's top divisions differ in terms of size, format and timing, highlighting the continuously changing nature of that landscape. It should be noted that this chapter is based on countries' most recent domestic season (i.e. summer 2019 or winter 2019/20), rather than the 2018 financial year.

Number of clubs in top division

20	ENG, ESP, FRA, ITA
18	GER, NED, POR, TUR
16	BEL, BLR, CZE, NOR, POL, RUS, SRB, SWE
15	SMR
14	BUL, DEN, GRE, ISR, LUX, MLT, ROU
12	AUT, BIH, CYP, FIN, GIB, HUN, ISL, KAZ, KOS, NIR, SCO, SVK, UKR, WAL
10	ALB, ARM, CRO, EST, FRO, GEO, IRL, MKD, MNE, SUI, SVN
9	LVA
8	AND, AZE, LTU, MDA

Changes to the size of countries' top divisions in the last two seasons

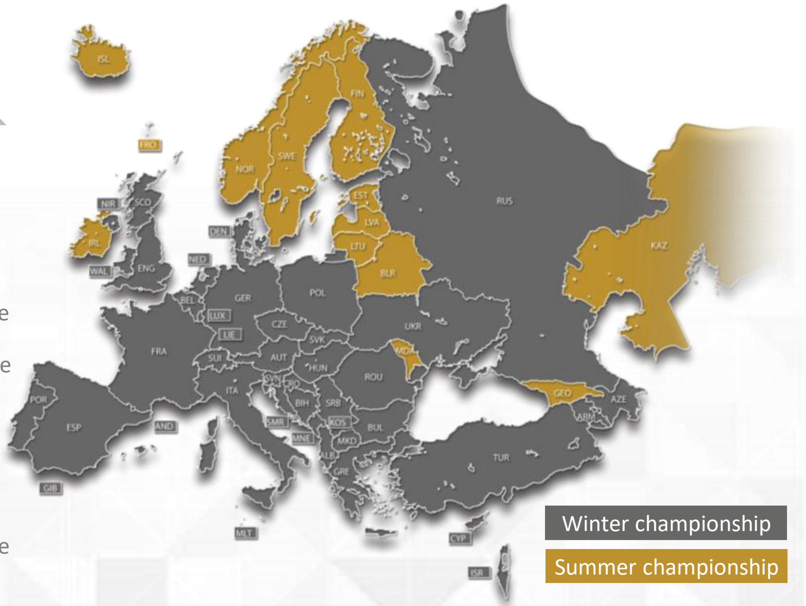


Eight top divisions have changed their size in the last two seasons

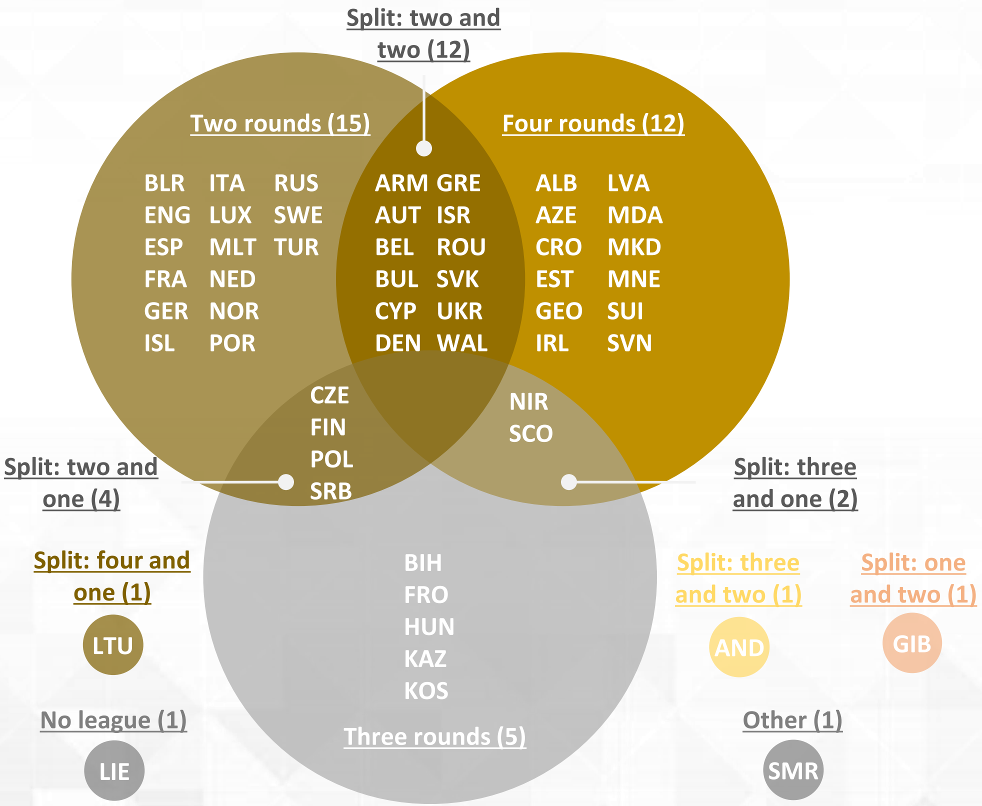
Eight of Europe's top divisions have adjusted their size since 2017/18, with the total number of top-division clubs rising from 711 to 712. Despite that increase, the total number of clubs is actually smaller than it was five years ago, when there were 730 top-division teams. For the 2019/20 season, Armenia and Latvia have both increased the size of their top divisions by one club, going from 9 to 10 and from 8 to 9 respectively. Gibraltar has also made a substantial change, going from 10 to 12 clubs. Meanwhile, Greece has cut its top division from 16 to 14 clubs.

No scheduling changes this year

Scheduling changes are less common than other format changes. Following recent shifts in Moldova and Georgia, no countries have switched from a summer championship to a winter championship or vice versa this season.



Split-season formats on the rise, with four more leagues making the transition



The majority of leagues still have a traditional format

32 of the 54 countries still have traditional league formats where all teams play each other the same number of times. The most common traditional format involves two rounds, but some leagues (typically those with fewer teams) have formats in which teams compete over three or four rounds.

Split-season formats continuing to gain in popularity

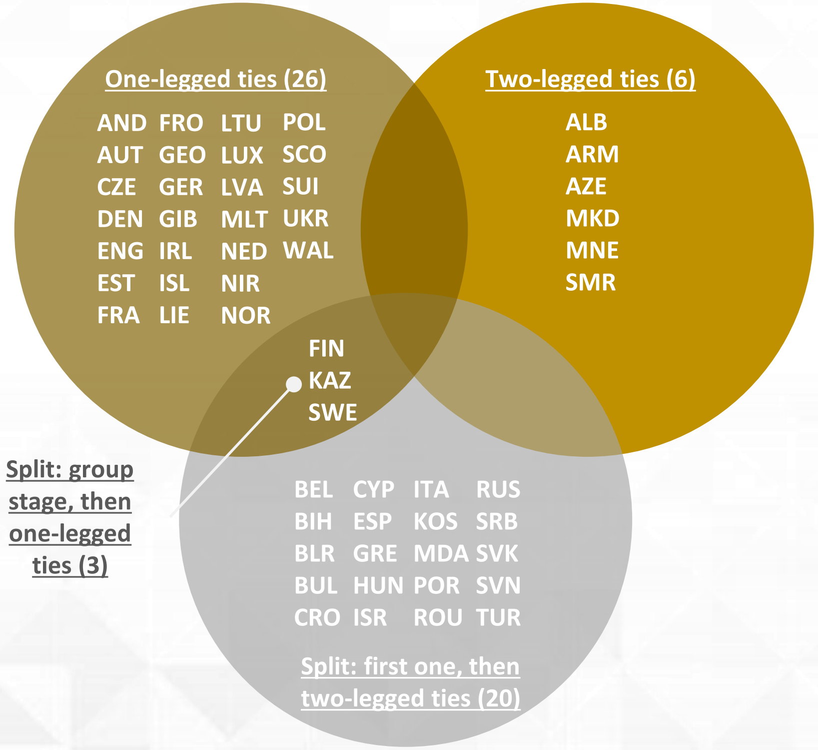
Most of the 22 top divisions that do not have a traditional format have opted for a 'split-season' format. In a split-season format, the teams in the league are divided into two or more groups at a predefined point in the season, with teams only playing other teams in their group from then on. In the most commonly used format, all teams play each other twice, before splitting into groups and playing the other teams in their group another two times.

Four top divisions have a new format this season

Four countries have made changes to the format of their top domestic competition this season, with all of those changes involving a switch from a traditional format to a split season. Finland and Gibraltar have both changed from a three-round format to a format whereby the 12 top-division teams are split into two groups of six for subsequent matches. Greece has introduced a split-season format whereby the 14 top-division teams are split into a group of six and a group of eight. And Armenia has switched from a four-round format to one where the teams are split into two groups and then play two additional rounds.

More than 3,500 clubs participating in main stages of domestic cup competitions in 2019/20

The next two pages provide a high-level summary of the formats used for countries' main cup competitions. For the purposes of this analysis, only the main stages of countries' primary domestic cup competitions have been taken into account (i.e. preliminary rounds and regional stages have not been included).



Most common format involves single-legged ties throughout the competition

Almost half of the various cup competitions across Europe have opted for a single-legged format throughout, with the two teams playing a single match (either home or away) and the winner progressing to the next round. In contrast, the main cup competitions in Albania, Armenia, Azerbaijan, North Macedonia, Montenegro and San Marino all use two-legged ties for every round except the final, with teams playing each other both home and away.

Three cup competitions feature a group stage

The primary cup competitions in Finland, Kazakhstan and Sweden are the only ones to feature a group stage, with clubs then progressing to one-legged knockout rounds.

A number of countries switch from one to two legs

A significant number of cup competitions use traditional one-legged ties for the early rounds, before switching to two-legged ties when the competition reaches the round of 16, the quarter-finals or the semi-finals. Four countries use a two-legged format from the round of 16, four switch to two legs at the quarter-final stage, and nine make that switch at the semi-final stage. Bosnia and Herzegovina is the only country to have a two-legged final.

Extra time the most common form of tie-breaker in primary cup competitions

Number of rounds in main domestic cup competition

9	GRE, NIR, ROU, TUR
8	BEL, ENG, FRA, HUN, ITA, POR, SCO
7	BLR, CZE, ESP, EST, GEO, ISL, LUX, LVA, MLT, NOR, SVK, UKR, WAL
6	ALB, AUT, DEN, GER, ISR, MDA, NED, POL, RUS, SUI, SVN, SWE
5	BIH, BUL, CRO, CYP, FIN, GIB, IRL, KAZ, KOS, LIE, LTU, MKD, MNE, SRB
4	AND, ARM, AZE, FRO, SMR

Cup competitions range from four to nine rounds

The Greek, Northern Irish, Romanian and Turkish competitions have the most rounds. In terms of the largest potential number of matches for the winners, the Turkish and Greek cups lead the way, as the main phases of their competitions can feature as many as 12 matches, with two-legged ties as of the round of 16.

Extra time the most common form of tie-breaker

In the event of a draw after 90 minutes, most cup competitions opt for the traditional method of extra time plus a penalty shoot-out to determine the winner. The cup competitions in Belgium, Bosnia and Herzegovina, Gibraltar, Serbia and Slovakia go directly to penalties.* In Albania, Azerbaijan, North Macedonia and Montenegro (which use two-legged ties), the away goals rule applies throughout the tournament (with the exception of the final).

Different tie-breakers in cup competitions:

Extra time	AND, ARM, AUT, CZE, DEN, EST, FRA, FIN, FRO, GEO, GER, IRL, ISL, ISR, LIE, LTU, LUX, LVA, MLT, NED, NIR, NOR, POL, SMR, SUI, SWE, UKR, WAL
Penalties	BEL, BIH, GIB, SRB, SVK
Away goals	ALB, AZE, MKD, MNE
Extra time + Away goals	BLR, BUL, CRO, CYP, ESP, GRE, HUN, ITA, KAZ, KOS, MDA, POR, ROU, RUS, SVN, TUR
2x (Replay)	ENG, SCO

Extra time | Penalties | Away goals | Replay (2x)

Replays are more the exception than the rule

The national cup competitions in England and Scotland are the only cup competitions in Europe to still feature replays in the event of a draw.**

* The Belgian cup competition switches to extra time as of the fourth round; and the Serbian and Slovak cup competitions use the away goals rule in their two-legged semi-finals.
** In the English cup competition, replays are replaced with extra time as of the fifth round; and in Scotland, extra time is used for the semi-finals.

More than half of all national associations organise a super cup

This page looks at second cup competitions (typically referred to as 'league cups') and super cups across Europe.

Countries with a second domestic cup competition:

League

AND	ISR
ENG	NIR
FRA	POR
IRL	SCO
ISL	WAL

NA

Countries with a super cup:

22x

NO

5x

YES

During domestic league season

28x

YES

Before start of domestic league season

Ten countries organise a second cup competition

Currently, just ten countries – less than 20% of Europe's national associations – organise a second domestic cup competition in addition to their main competition. The timing of those second cup competitions varies significantly from country to country, with the Republic of Ireland and Israel scheduling their finals for September, and England and France playing theirs in March. The format also varies between countries, with Iceland, Israel, Portugal and Scotland using group stages, whereas all other countries use knockout rounds throughout.

33 countries organise a super cup in the 2019/20 season

A super cup is a match between the winners of the previous season's domestic cup competition and the winners of the domestic league competition. This season, the total number of national associations organising a super cup stands at 33, with the match taking place in advance of the domestic league season in 28 of those countries. The biggest national associations to organise the match *after* the start of the domestic league season are Spain which introduced a new four-team format involving semi-finals and a final, and Italy. Both super cup competitions games were contested in Saudi Arabia this season.

14 countries have changed their player eligibility rules since last season

Last year's report featured an overview of squad limits, loan restrictions and nationality rules. The next three pages provide updated information on those various types of regulation, which has been collected via UEFA's audit of all national associations' licensing departments. As well as highlighting changes to squad limits, loan restrictions and nationality rules, this section also provides an overview of the collective bargaining agreements and separate league entities that are in existence across the various countries.

Number of rule changes since last season and countries involved:

BIH	KOS
CRO	LTU
EST	LVA
GEO	POL
GIB	ROU
GRE	RUS
HUN	SMR

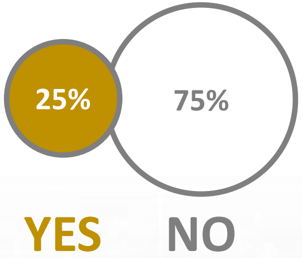
2x Loan limits

2x Squad limits

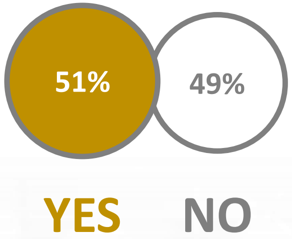
8x Locally/club-trained player rules

11x Nationality rules

CBA?



Separate league entity?



Further increase in locally trained player rules

All in all, 23 changes have been made to loan limits, squad limits, foreign player limits and home-grown player rules in European domestic club football. Kosovo (maximum of two players) and Lithuania (maximum of four players) have introduced new loan limits for their top-division clubs. Lithuania and Russia have adjusted their current squad limits, which now restrict clubs to a maximum of 25 players. Eight countries (Croatia, Estonia, Gibraltar, Latvia, Poland, Romania, Russia and San Marino) have strengthened their rules on locally trained and club-trained players. And 11 countries have adjusted their nationality rules, which will be explained in more detail on the next two pages.

Collective bargaining agreements (CBAs) more common in north-west Europe

A total of 13 countries report having a CBA – a written agreement between players and/or their trade unions and the league and/or national association which regulates the terms and conditions of work. Meanwhile, 28 countries (unchanged from last year) report having a separate league entity that is responsible for one or more of the following: sale of commercial rights, management of fixtures, and disciplinary or refereeing matters.

Wide range of nationality-based squad restrictions across Europe

Squad restrictions and limits come in many forms, involving many different definitions. The next two pages represent a unique attempt to provide an overview of all of those disparate rules. It is worth noting, however, that the typology that is presented on these two pages is not able to cover all of the various types of rule that are applied across Europe, with several countries having squad management regulations that fall outside the scope of this analysis.

Nineteen countries have non-national rules in place

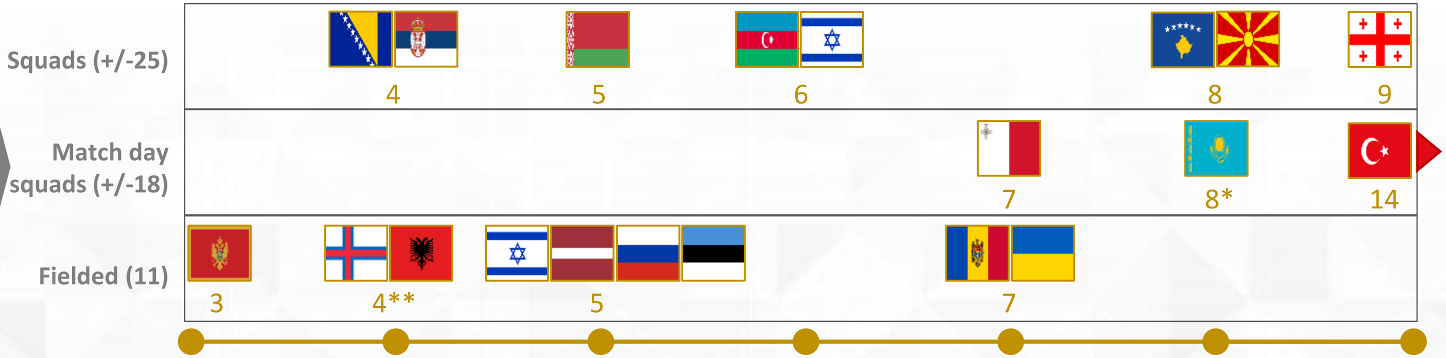
Just over a third of all European countries apply some sort of restriction on the number of foreign players that a club can use. Turkey applies one of the most relaxed restrictions on foreign players, allowing clubs to have 14 non-Turkish players in their 18-man matchday squads. Meanwhile, at the other end of the spectrum, Montenegro allows only three foreign players to be fielded, and Bosnia and Herzegovina and Serbia allow only four foreign players in clubs' squads.

37 nationality based squad restrictions across 33 countries

This section provides details of 36 different restrictions across 32 different countries, with Bulgaria, Israel and Greece all having multiple restrictions in place. (In addition, there are also 18 countries with work permit regimes.) Those restrictions place limits on three different things: clubs' squads (i.e. the players that a club is allowed to register), clubs' matchday squads (i.e. the starting XI plus the seven or so substitutes for a given match) and the players that are fielded (i.e. the players that are on the pitch at any given time).

The chart on the right shows the maximum number of foreign/ non-EU players per country. It should be noted that a squad restriction will be more limiting than the equivalent restriction on fielded players. For example, a rule preventing clubs from having more than four foreign players in a 25-player squad will be more restrictive than a rule stating that clubs are allowed no more than four foreign players on the pitch at any one time.

Non-national player regulations top tier in each country



* In Kazakhstan, players need to be locally trained, rather than having Kazakh nationality. However, since 95%+ of locally trained players are Kazakh nationals, this is equivalent to a nationality-based rule for the purposes of this analysis. ** In the Faroe Islands, there are limits on the number of non-Scandinavian players, rather than the number of foreign or non-EU players.

18x countries apply work permit regime

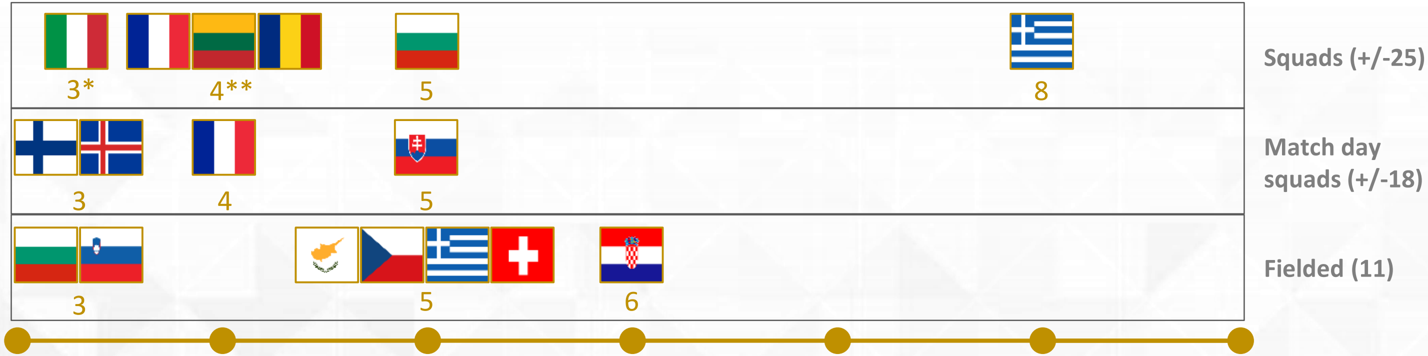
14 countries limit the number of non-EU players

In addition to the 19 countries that impose limits on the number of foreign players that a club can use, there are also 14 countries that limit the number of players coming from outside the European Union. In Greece, for example, clubs are not allowed to have more than eight non-EU players in their squads, and in Bulgaria and Slovenia clubs are allowed to field a maximum of three non-EU players at any one time.

Looking ahead, FIFA set to impose new rules on loans

As of the 2020/21 season, restrictions on international loans will gradually be introduced, with a maximum of eight incoming/outgoing loans in 2020/21, seven in 2021/22 and six from 2022/23 onwards. Those restrictions will not apply to Under-21 players who qualify as 'club-trained' (in accordance with UEFA's definition under the locally trained player rule). As of next season, loans between pairs of clubs will also be limited to three, irrespective of players' ages, and bridge transfers and sub-loans will be prohibited.

Restrictions on non-EU players in countries' top tiers



* Italy's regulations provide for a transitional exemption for clubs that already had more than two players from non-EU countries on 30 June 2018. The regulations allow those clubs to register two additional non-EU players, provided that those additional players either (i) replace other non-EU players or (ii) have been selected for the relevant national team in at least two matches. ** The French League rules allow a maximum of four 'non-EU' and 'non-Cotonou' players in their matchday squads, with 'Cotonou' referring to a group of 76 (mainly African) countries which have signed an agreement with the EU. Players with a passport from such country and with either at least one official cap with their national team in a game organised by FIFA or their respective confederation, or a three-year minimum official license in France, are excluded from the four player rule as per French League rules.

CHAPTER #02

Women's Football

Women's football has grown rapidly in recent years. This season for the first time women's football is required to meet minimum club licensing requirements. This chapter provides insights in the way women's football is currently organised across the various national associations.

Women's Football Highlights

485

Total number of clubs in women's top divisions

36%

Percentage of men's top-division clubs that also have a senior women's team

98%

Percentage of domestic women's leagues that are managed by their national associations

Cup

Competitions are organised in 37 European countries

Women's top divisions range from 3-16 teams

As indicated in last year's report, women's football is now a key pillar of UEFA's club licensing programme. As a result of the new licensing requirements for clubs entering the UEFA Women's Champions League, this report is now able to provide a high-level overview of the administration of senior women's football* across Europe's 55 national associations. It is worth noting that this chapter is based on countries' most recent domestic season (i.e. summer 2019 or winter 2019/20), rather than the 2018 financial year.

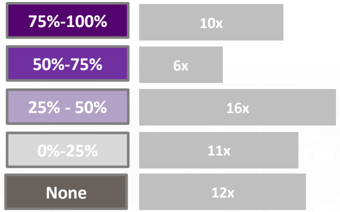
Number of clubs in women's top division

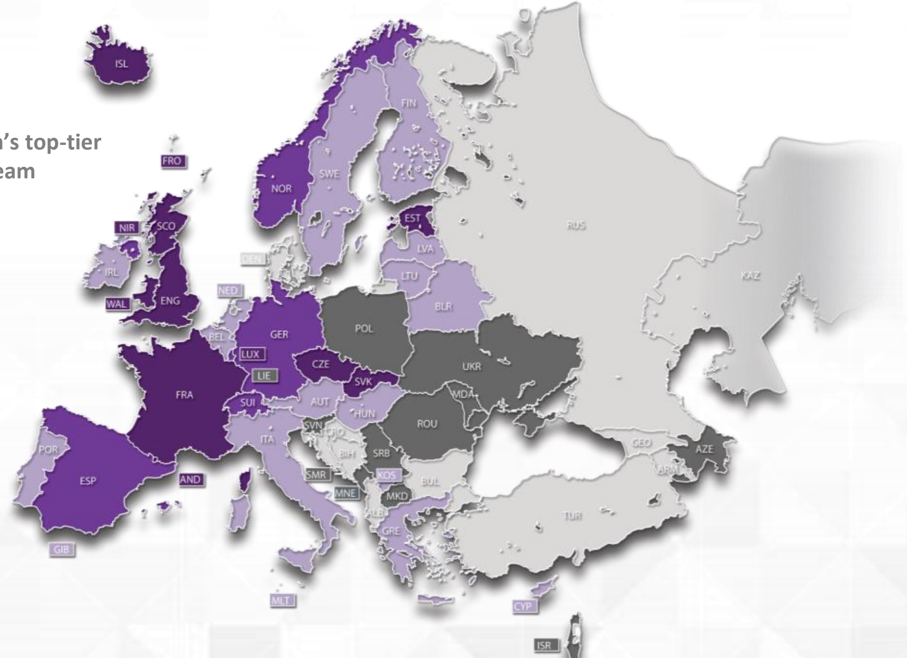
16	ESP
14	MKD
12	ALB, ENG, FRA, GER, GRE, ITA, KOS, LUX, NOR, POL, POR, ROU, SWE, TUR
11	BUL
10	AUT, CYP, FIN, GEO, ISL, SVK, UKR
9	MDA, WAL
8	AZE, BIH, BLR, CRO, CZE, DEN, EST, HUN, IRL, ISR, NED, RUS, SCO, SRB, SUI, SVN
7	MLT, MNE, NIR
6	ARM, BEL, KAZ, LVA
5	FRO, LTU
3	GIB
No top-division	AND, LIE, SMR

43 top divisions have at least one senior men team that also has a senior women team

As the map below shows, in some countries senior women's teams tend to belong to the same club as senior men's teams, whereas in other countries women's teams tend to be established independently of men's teams. On average, the size of the men's top division leagues consists of 12.3 teams, whereas the average across women's top division leagues is 9.3 teams.

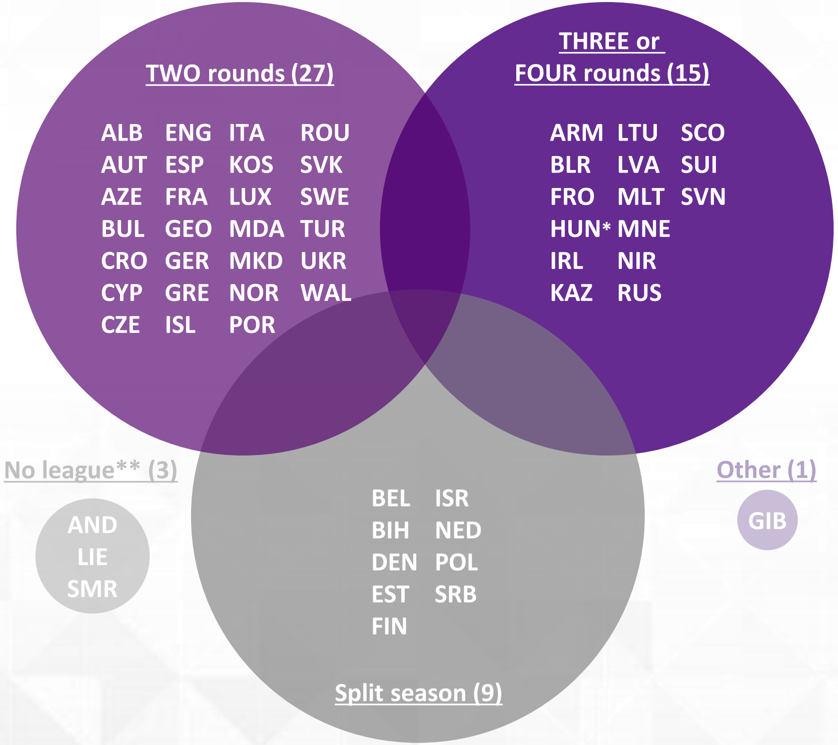
Breakdown by percentage of men's top-tier clubs that also have a women's team





* This chapter provides an initial assessment of senior women's football across Europe. It does not, therefore, cover Under-19, Under-17 or other youth teams.

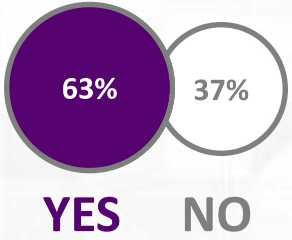
The traditional 'round-robin' format, with home and away matches, is the most popular way of structuring women's football



Split-season formats less popular than in men's top divisions

Half the top divisions have a traditional season format in which each team in the league plays every other team twice (once home and once away). In addition to that traditional two-round format, there are also ten leagues with three rounds and six with four rounds. Of the nine leagues that have a split-season format, the majority (six) play two regular rounds, before splitting into two groups for two additional rounds. Gibraltar organised a domestic women's league for the first time this year, with three teams playing ten matches each.

Promotion/ relegation



Nearly two-thirds of countries with women's leagues have a system of promotion and relegation

Of the 52 national associations that have women's leagues, 33 have a system of promotion and relegation. In the majority of cases, one team is relegated to a lower tier at the end of the season, with one other team earning promotion from a lower division.

* Hungary's top division uses a two-legged final to determine the winner of the competition.
** Women's teams from Liechtenstein and San Marino participate in the Swiss and Italian leagues respectively.

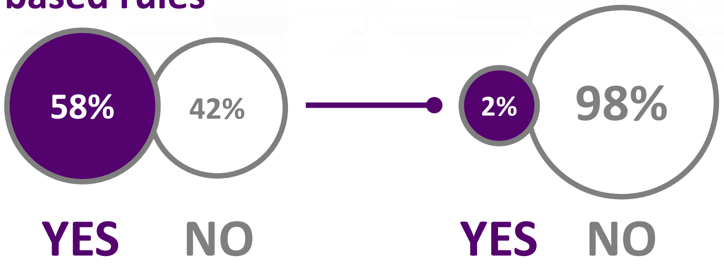
34 different nationality based squad restrictions across 30 countries

The next two pages provide further high-level insight into the organisation of women's football by looking at the entities that are responsible for organising competitions, nationality-based rules* and cup competitions.

Organisation of women top divisions:

Nationality-based rules

League entity



Only one country where championship is organised by separate league entity

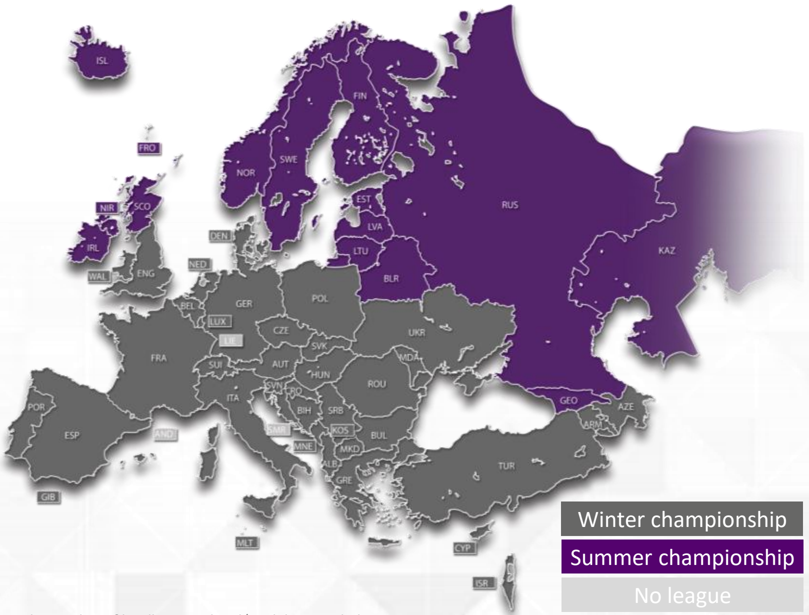
Northern Ireland is the only country where the women's league is organised by a separate entity. In the other 51 countries, the national association performs that role. In men's football, by comparison, there are 28 top divisions where a separate league entity carries out some or all tasks.

More than half of all competitions apply nationality-based rules

There is considerable variety across the different countries when it comes to nationality-based restrictions, ranging from the relaxed system in place in Latvia (where clubs are allowed to field as many as eight foreign players) to the more restrictive systems in countries such as England (where half of all players in the squad must be locally trained). Portugal has the strictest rules in this regard, with teams required to field at least ten locally trained players in each match.

Fifteen top divisions apply a summer league format

In total, there are two more women's top divisions organised in summer months than are on the men's side. Northern Ireland, Scotland and Russia hold a summer league for the women's division, compared to the winter for the men's division. In Moldova, it is the opposite case.



* Nationality-based rules include limits on the number of foreign players and restrictions relating to the number of locally trained and/or club-trained players.

37 countries also have a women's cup competition

This page provides a high-level overview of the various women's cup competitions across Europe. For the purpose of this analysis, only the main stages of countries' primary domestic cup competitions have been taken into account (i.e. preliminary rounds and regional stages have not been included).

Countries with women's cup competition:

League & Cup

ARM	ENG	GIB	NED	SUI
AUT	ESP	HUN	NIR	SVN
BEL	EST	ISL	NOR	SWE
BLR	FIN	ISR	POL	UKR
CRO	FRA	ITA	POR	WAL
CYP	FRO	LUX	ROU	
CZE	GEO	MDA	RUS	
DEN	GER	MLT	SCO	

Cup competitions range from two to eight rounds

The most popular cup format in women's football is a knockout set-up taking place over six rounds. In Finland, the Faroe Islands, Gibraltar and Italy, the domestic cup competition features a group stage, which is counted as a single round in the graphic on the right-hand side.

Women's FA Cup has the highest number of participants

The formats of Europe's various domestic cup competitions differ significantly from country to country. The main stage of England's national cup competition (the Women's FA Cup) is contested by 71 different teams, compared with just six in the Faroe Islands.

Number of rounds in main stage of domestic women's cup competition

* The intermediate round in the Netherlands has not been included in the number of rounds for the purposes of this analysis.

CHAPTER #03

Supporters

Football remains one of the most popular pastimes in Europe – if not the most popular. This chapter provides further evidence of the prominent role that football plays in the daily lives of millions of people around the world, looking at both stadium attendances and use of social media.

Supporters Highlights

2%

Increase in European top-division attendances in 2018/19 relative to the previous season

15

Number of clubs with aggregate attendances of more than 1 million in 2018/19

5:1

Differential between total social media followers of Premier League and La Liga and all other leagues combined

Engagement

Clubs generated more than 8 billion social media interactions from their 1.4 billion followers in the 2018/19 season

Highest average attendance levels in the last decade, totalling just under 105 million

The number of people making their way to football stadiums to support their team remains an important indicator of the health of club football. The following two pages provide a broad overview of the league attendances in Europe's top divisions in the 2018/19 season.

On average, domestic football attendances up by 160 attendants

For the second year in a row, average European attendances increased relative to the previous season, rising by just under 2% in 2018/19 (with an average of just under 9,000). The main drivers of this increase were Russia, Greece and Turkey, where average attendances rose by more than 1,000. Overall, more than a third of all leagues reported year-on-year changes of less than 5%, underlining the general stability of European club football.

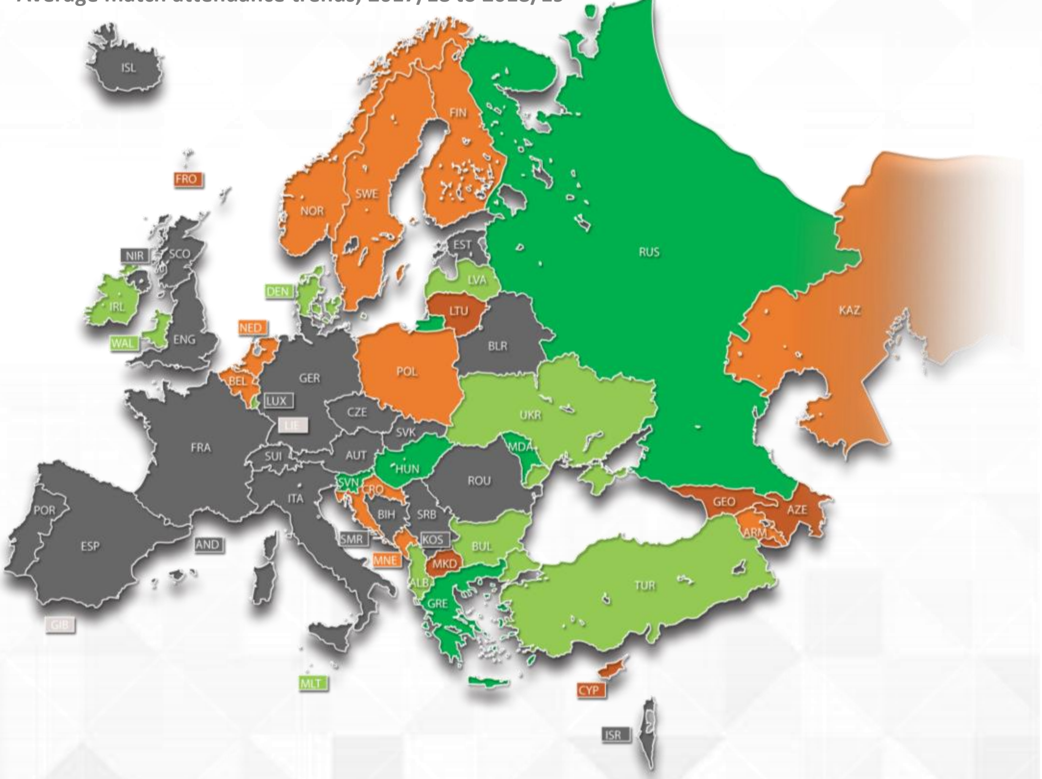
Top divisions with summer championships report declines

Seven of the 13 top divisions with summer championships reported significant declines in their average attendance figures in 2018/19 – probably at least partly on account of the 2018 FIFA World Cup, which was taking place at the same time.

Average match attendance evolution:

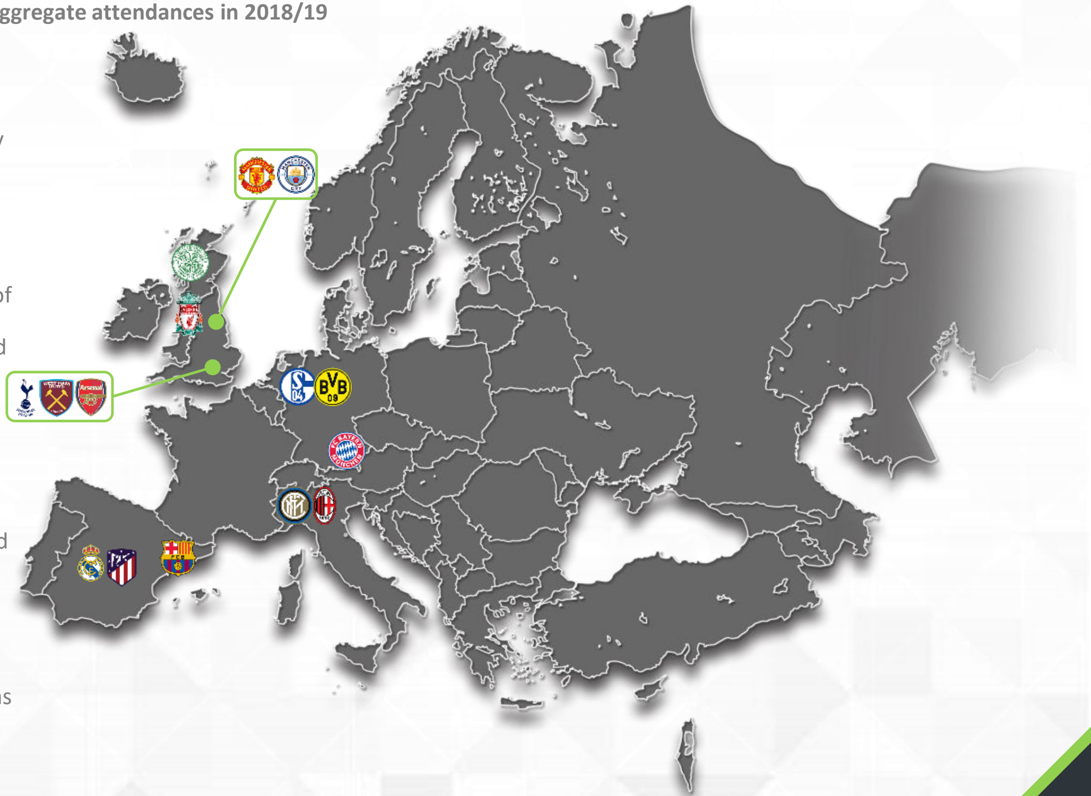
Increase of more than 15%	5x
Increase of 5% to 15%	10x
Increase/decrease of less than 5%	21x
Decrease of 5% to 15%	10x
Decrease of more than 15%	6x
Unknown	3x

Average match attendance trends, 2017/18 to 2018/19



Once again, 15 clubs had aggregate attendances of more than 1 million in 2018/19

Top 15 clubs based on aggregate attendances in 2018/19



The 1 million mark

In line with last year's figures, 15 clubs achieved aggregate attendances of more than 1 million in 2018/19: six clubs in England, three each in Germany and Spain, two in Italy, and one in Scotland.

FC Barcelona top the list

FC Barcelona had the highest aggregate attendance of any club in 2018/19 with a total of 1,436,400 visitors, surpassing Manchester United FC a total of 1,415,462 visitors, who had secured top spot in 2017/18. Tottenham Hotspur FC (who moved into their new stadium in April 2019, having played their home games at Wembley Stadium while that construction work was being carried out), dropped from 3rd to 13th in the list (now totalling 1,030,104 visitors.

Seven clubs with aggregate increases of more than 7,000

FC Rostov and FC Ural Yekaterinburg (both from Russia), PAOK FC and Olympiacos FC (both from Greece), FC Barcelona (Spain), SS Lazio (Italy) and Fenerbahçe SK (Turkey) all saw their aggregate attendance figures increase by more than 6,000. FC Rostov and FC Ural Yekaterinburg moved to new/renovated stadiums for the 2018/19 season, after those venues had been used for the 2018 FIFA World Cup, positively impacting their attendance figures. Meanwhile, FC Barcelona reaped the rewards of significant renovation work that improved their stadium's capacity, whereas attendances at PAOK FC benefited from the club winning the Greek Super League in 2018/19.

Premier League and La Liga dominate across social media platforms

The analysis below builds on the findings in last year's report, this year examining the popularity of the various top leagues across Europe. This page illustrates the popularity of those top divisions' official Facebook and Instagram accounts.*

Premier League on Instagram, La Liga on Facebook

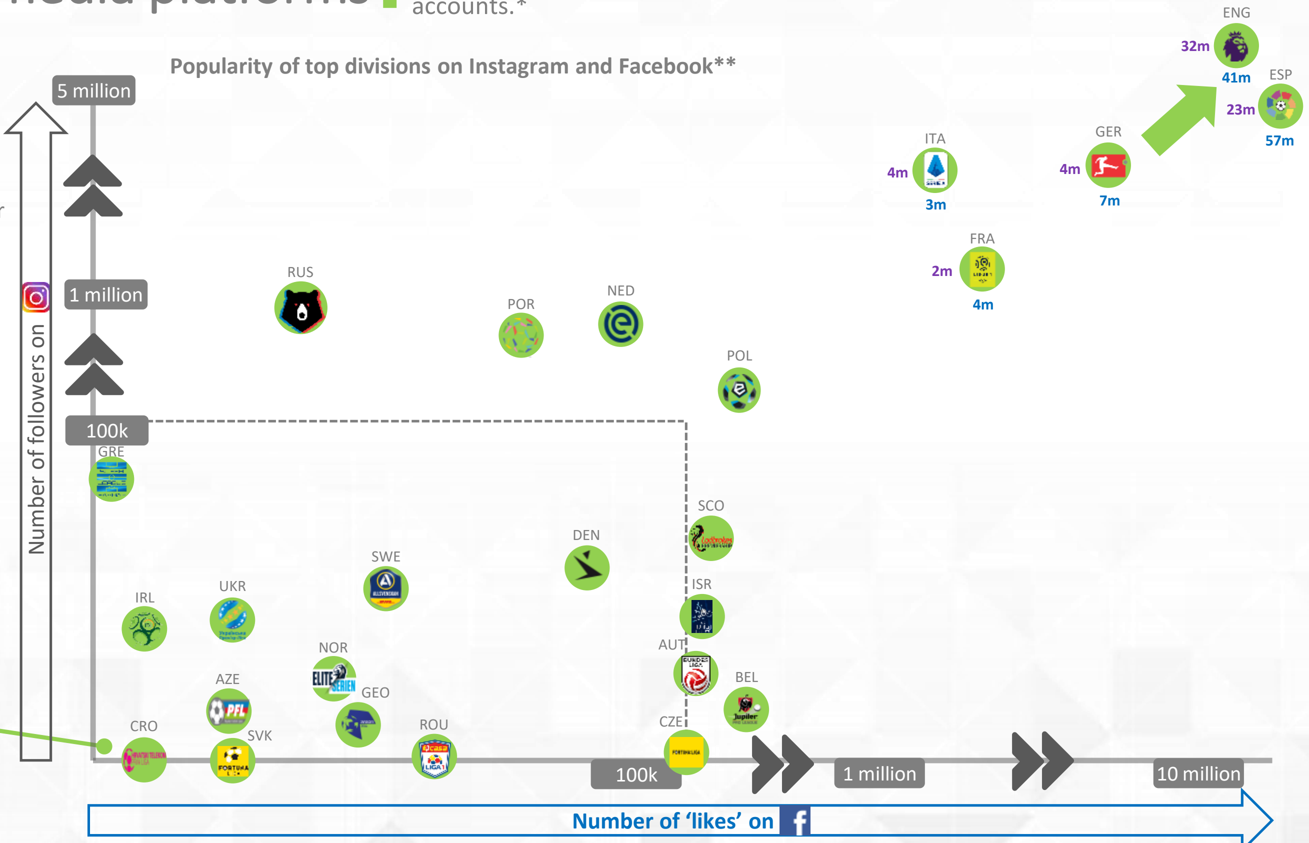
The English Premier League and Spain's La Liga leave the other leagues trailing in their wake when it comes to popularity on social media. The Premier League leads the way on Instagram with more than 32 million followers, while La Liga is ahead on Facebook with more than 56 million 'likes'. In contrast, 21 of Europe's top divisions do not have official accounts on either Facebook or Instagram.

Less coverage on Twitter and YouTube

Twitter and YouTube are also important social media platforms for football fans. There are 30 top divisions that have official Twitter accounts and 19 top divisions that have official YouTube accounts.

Leagues with fewer than 25,000 followers/ 'likes'

Popularity of top divisions on Instagram and Facebook**



* The social media figures in this section were collected in mid-November 2019. ** Only leagues with an independent social media account (separate from that of the national association and/or the national team) that is linked to their official website have been taken into account here.

Social media popularity and engagement of followers: a key indicator of clubs' global and local footprints

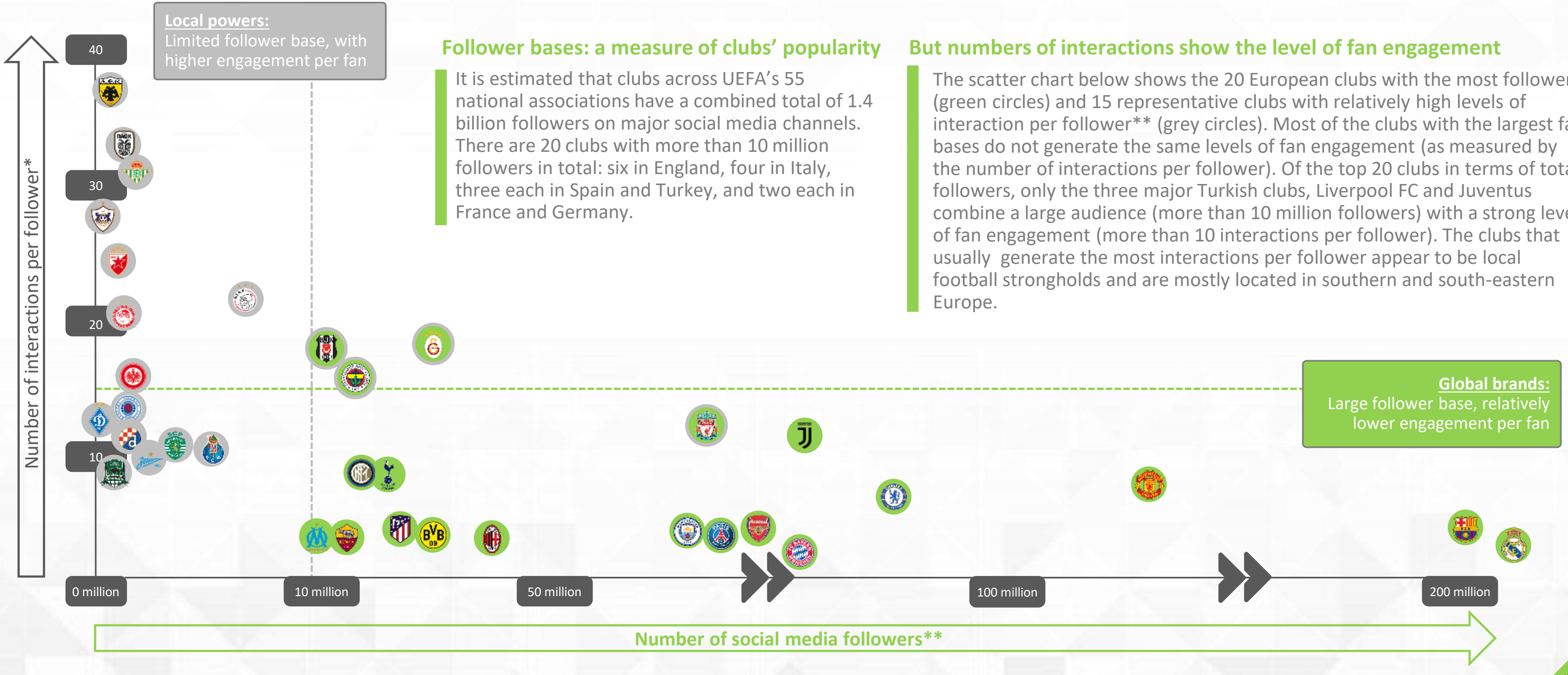
This page paints a picture of European clubs' social media environments, looking at various aspects relating to popularity and fan engagement.

Follower bases: a measure of clubs' popularity

It is estimated that clubs across UEFA's 55 national associations have a combined total of 1.4 billion followers on major social media channels. There are 20 clubs with more than 10 million followers in total: six in England, four in Italy, three each in Spain and Turkey, and two each in France and Germany.

But numbers of interactions show the level of fan engagement

The scatter chart below shows the 20 European clubs with the most followers (green circles) and 15 representative clubs with relatively high levels of interaction per follower** (grey circles). Most of the clubs with the largest fan bases do not generate the same levels of fan engagement (as measured by the number of interactions per follower). Of the top 20 clubs in terms of total followers, only the three major Turkish clubs, Liverpool FC and Juventus combine a large audience (more than 10 million followers) with a strong level of fan engagement (more than 10 interactions per follower). The clubs that usually generate the most interactions per follower appear to be local football strongholds and are mostly located in southern and south-eastern Europe.



* Aggregate number of followers on Facebook, Instagram, Twitter, VK, Weibo and YouTube as at mid-June 2019.
** Based on UEFA data as at June 2019, excluding clubs with fewer than 400,000 followers in total.

CHAPTER #04

Infrastructure

Modern infrastructure is essential to the long-term health of European club football. With that in mind, this chapter looks at the development of stadiums and training facilities across Europe.

Infrastructure Highlights

241

Number of stadium projects that have taken place on European soil in the last ten years

43

Number of European countries where a stadium project has been completed in the last decade

36%

Percentage of top-division clubs that own the training facilities they currently use

80%

Percentage of top-division clubs that have invested in training facility improvements in the past five years

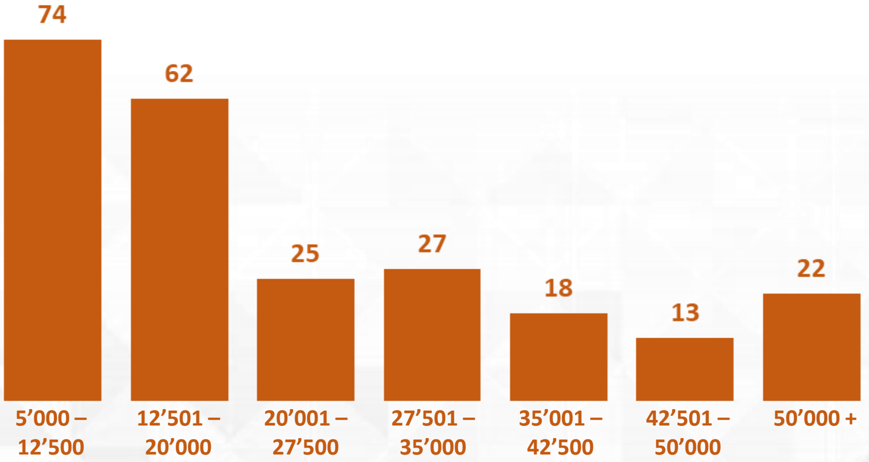
Almost half of all stadium projects in the last ten years have been new builds

Stadium projects come in many different shapes and sizes, so for reasons of consistency the analysis in this report is limited to outdoor stadiums with a capacity of over 5,000, in line with the analysis contained in the report three years ago. It also focuses solely on projects completed over the last decade (i.e. between 2010 and 2019)*.

45% of stadium projects in the last decade have had a capacity of 25,000 or more

A wide range of stadium projects have been completed since 2010, from the 5,000-seat Acre Municipal Stadium in Israel to the giant Luzhniki Stadium in Russia (which has a capacity of 81,000). 85% of all stadiums built in the last ten years have a club or national association as their anchor tenant or were constructed for a major sporting event. Moreover, at least 20 stadiums are due to be completed between the publication date of this report and the end of 2020, showing that stadium development is a constant and ongoing feature of Europe's football landscape.

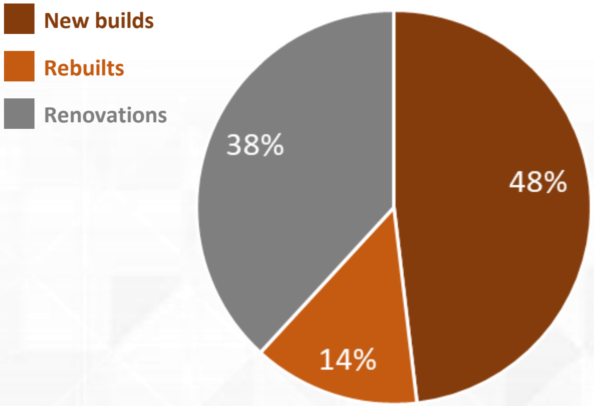
Stadium projects by capacity, 2010–19



Almost 100 major stadium renovation projects in the last decade

The chart below breaks stadium projects down into three categories: new builds (i.e. completely new stadiums in new locations), rebuilds (i.e. stadiums that have been largely rebuilt on the original site) and renovations (i.e. existing stadiums that have undergone significant renovation work).** In 2019, 47% of stadium projects were renovations, while a third were new builds (including high-profile projects such as the new Tottenham Hotspur Stadium in London and the Puskás Aréna in Budapest).

Stadium projects by type, 2010–19



* The analysis presented on this page and the next page looks at stadium projects completed up to 30 November 2019.
** Cosmetic renovations (e.g. the replacement of seating) are not included.

Stadium projects completed in 43 European countries in the last decade

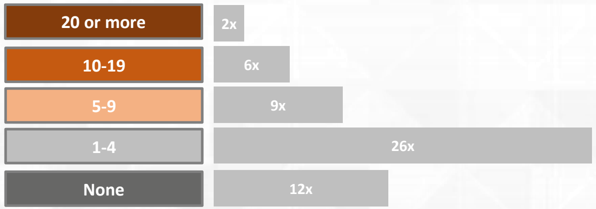
Poland and Turkey continue to lead the way in stadium development

In line with last year's report, Turkey and Poland are the only two countries to have completed 20 or more stadium projects in the last ten years. Poland was more active in the first half of the decade, whereas the growth seen in stadium projects in Turkey kicked off around 2016. In terms of size, the stadium projects carried out in Russia have had the highest cumulative capacity at just over 700,000.

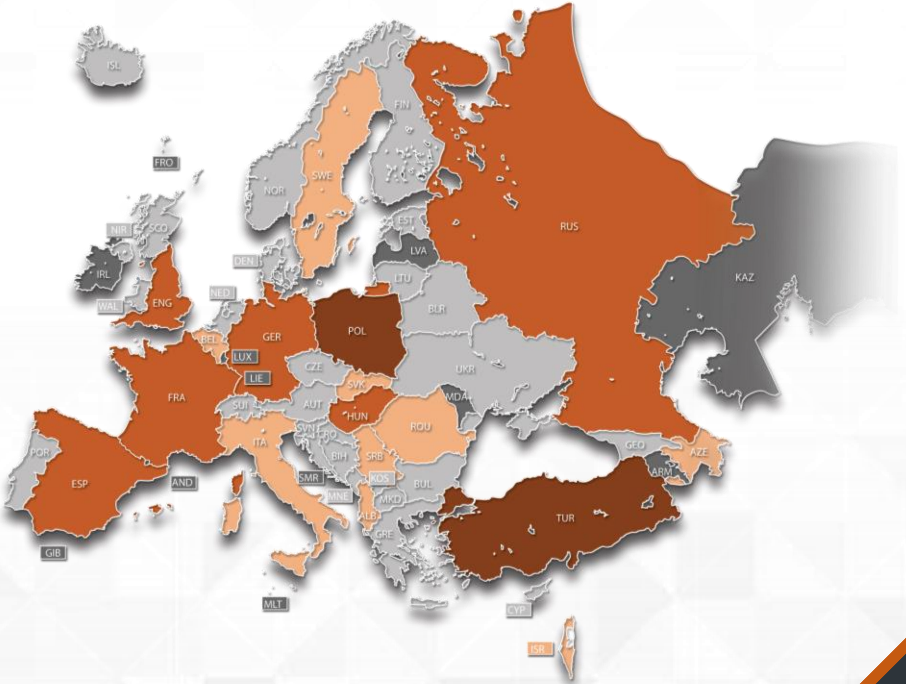
19 countries have completed stadium projects in 2018 and/or 2019

Stadium development is high on the agenda across Europe, as confirmed by the broad range of stadium projects that have taken place in the last ten years. Seven countries have built new national stadiums, while four countries have undertaken projects as a result of hosting major football tournaments such as UEFA EUROs or the FIFA World Cup.

Number of stadium projects in the last ten years



Number of stadium projects in last decade

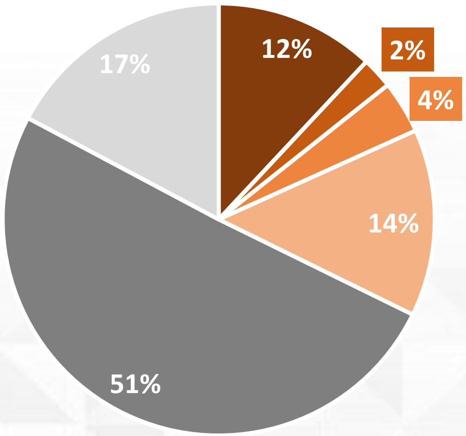


Fewer than 20% of European clubs own their own stadium

Stadium ownership still the exception rather than the rule

Stadium ownership remains the exception rather than the rule for European clubs. Only 12% of Europe's top-tier clubs directly own their stadiums and just 18% of clubs' stadiums are fully included on their balance sheets. There are just five countries where at least half of all top-division clubs have their stadiums on their balance sheets: England (15 out of 20 clubs), Germany (11 out of 18 clubs), Northern Ireland (6 out of 12 clubs), Scotland (10 out of 12 clubs) and Spain (15 out of 20 clubs). Changes relative to last year in this regard mainly reflect the promotion and relegation of clubs.

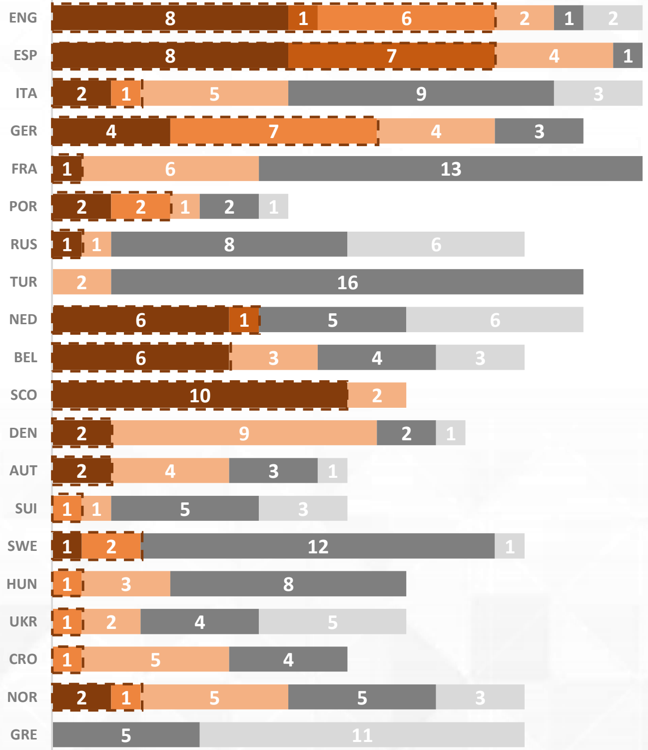
Top-division clubs' stadium ownership



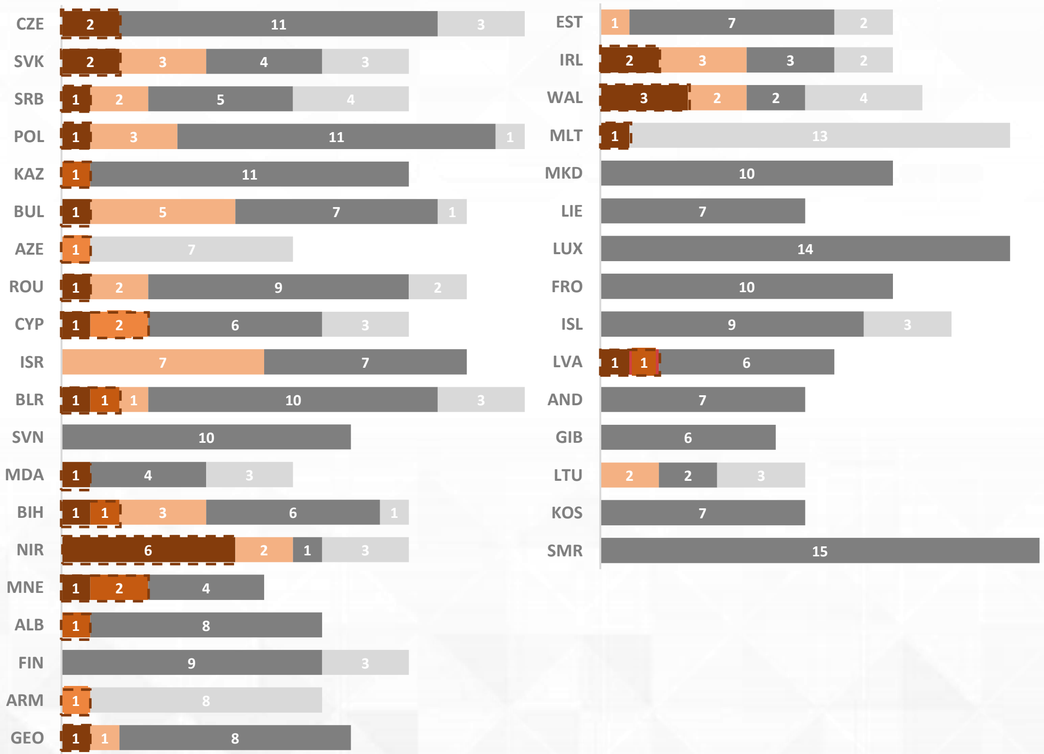
Stadium included as club asset

- Owned directly by club
- Owned by municipality or state but considered a club asset (long-term finance lease)
- Owned by other entity within group (association, parent or subsidiary) and included as a club asset
- Partially included as a club asset (leasehold improvements)
- Stadium owned by municipality or state and not reported on club's balance sheet
- Owned by another party and not included on club's balance sheet

Stadium ownership in the top 20 leagues by average club assets



Stadium ownership in other leagues



18 countries have no club-owned stadiums at all

Stadium ownership remains even more exceptional outside of the top 20 leagues, where only 38 out of 397 clubs have their stadiums fully included on their balance sheets as club assets. Indeed, there are 16 countries where no clubs own their own stadiums.

Numerous clubs with stable long-term leases

While owning a stadium indirectly (through a long-term finance lease or via another entity within the same group) provides a club with stable foundations, a club's ability to improve the quality of its facilities, modernise the stadium and diversify revenues depends on the type of lease agreement between the club and the stadium owner or operator. The inclusion of leasehold improvements on club balance sheets (light orange colour in chart) provides some indication of where clubs have been able to invest in improving stadium facilities despite not having any type of stadium ownership.

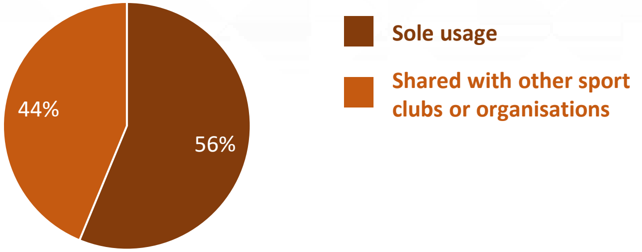
Stadium included as club asset

- **Owned directly by club**
- **Owned by municipality or state but considered a club asset (long-term finance lease)**
- **Owned by other entity within group (association, parent or subsidiary) and included as a club asset**
- **Partially included as a club asset (leasehold improvements)**
- **Stadium owned by municipality or state and not reported on club's balance sheet**
- **Owned by another party and not included on club's balance sheet**

44% of clubs share their primary training facilities

Thanks to a survey launched in late summer 2019, the UEFA intelligence centre now has – for the first time ever – comprehensive information on the main training facilities used by 664 clubs across 54 countries. That survey contained more than 60 questions on clubs' training facilities and youth development. The UEFA intelligence centre intends to publish a detailed report in spring 2020 building on the results of that survey, with interactive dashboards being made available to national associations.

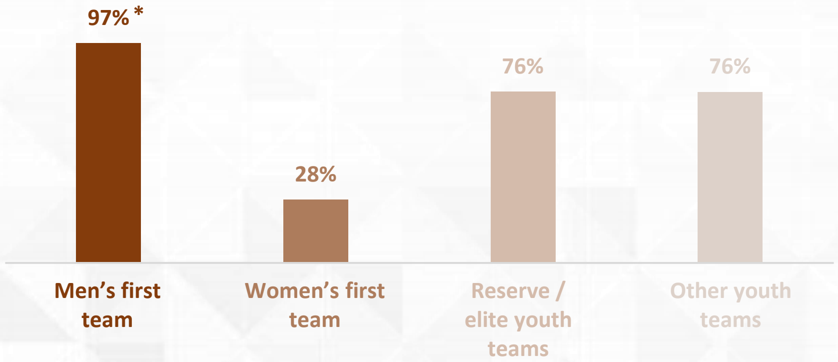
Clubs' usage of their primary facilities



Just over half of all clubs are sole users of their primary training facilities

In total, 56% of respondent clubs across 50 countries reported that they were the sole users of their primary training facilities, with the remaining 44% reporting that they shared their premises with other sports clubs or organisations. At one end of the spectrum, all respondents in Andorra, Finland, San Marino and Wales reported that they shared their facilities, while at the other end, all respondents in Luxembourg and Turkey said that they were the sole users of their training facilities.

Percentage of primary facilities that are accessible to different club squads



Use of training facilities extends far beyond the men's first team

It is fairly unusual for the men's first-team squad to have sole use of the club's primary training facility (with such arrangements being observed in just 11% of cases). In a further 8% of cases, usage is restricted to the men's first and reserve teams. At the other end of the scale, 22% of facilities are used by all of the relevant club's squads (first, reserve, women's and youth teams). If we dig a little deeper, we find that 28% of primary training facilities are open to women's first teams, while clubs usually grant access to a whole range of youth teams (both male and female).

* 19 of the 664 clubs reported that their men's first team used their secondary training facility, rather than their main facility.

54% of top division clubs currently use more than one training centres

Types of training facility influenced by geographical location

Indoor training facilities are more prevalent in northern parts of Europe on account of the weather, with more than half of all clubs in the Faroe Islands, Iceland, Norway and Sweden having indoor training facilities.

69% of clubs have partnerships with educational institutions

Education remains an important part of talent development, as highlighted by the fact that two-thirds of clubs have partnerships with local educational institutions. In addition, three-quarters of clubs have some sort of gym/fitness facility on-site.

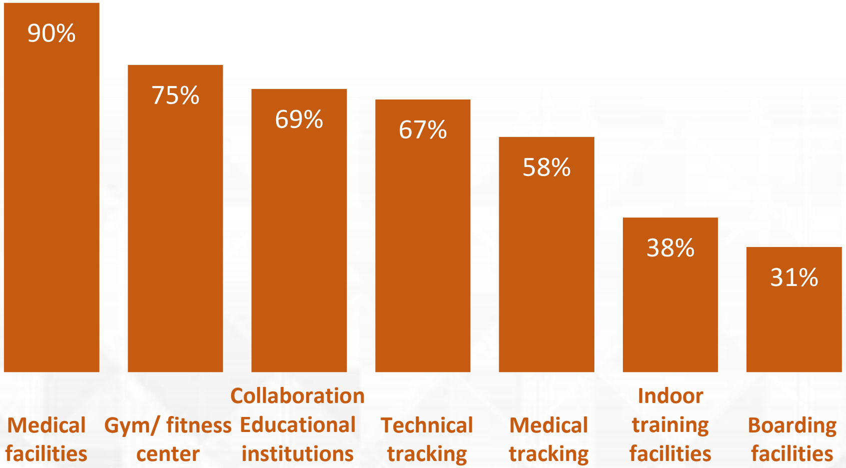
Secondary training facilities most common in North Macedonia, Belarus and Latvia

Only three top-division clubs in England and four in Spain reported having multiple training centres, with clubs in those countries generally preferring to have a central training centre covering all senior and youth squads. Secondary training facilities are far more common in countries such as North Macedonia, Belarus and Latvia.

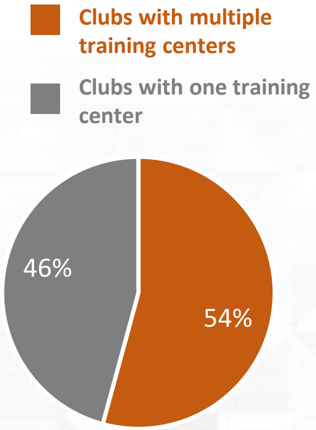
Just under a third of clubs have boarding facilities for players

There were nine countries (Denmark, France, Germany, Iceland, Italy, Portugal, Russia, Turkey and Ukraine) where more than half of all top-division clubs reported having boarding facilities at their training centre, with nearly a third of clubs overall reporting the existence of such facilities.

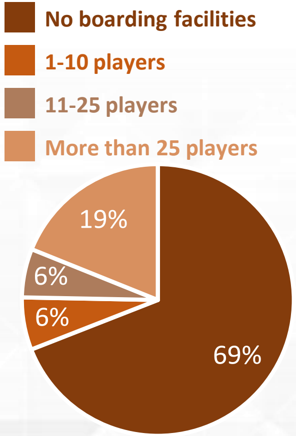
Facilities available at training centres



Secondary facilities



Capacity youth boarding facilities



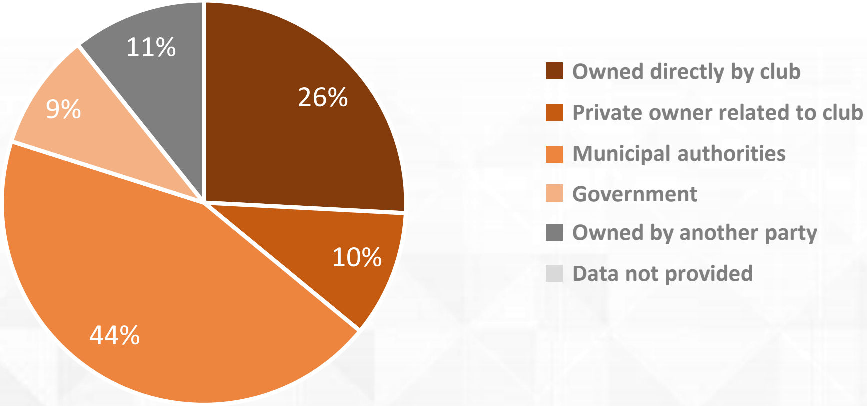
Just over a third of clubs own their main training facilities

The analysis on the next two pages looks solely at ownership of primary training facilities. Secondary and other additional training facilities are not taken into account here.

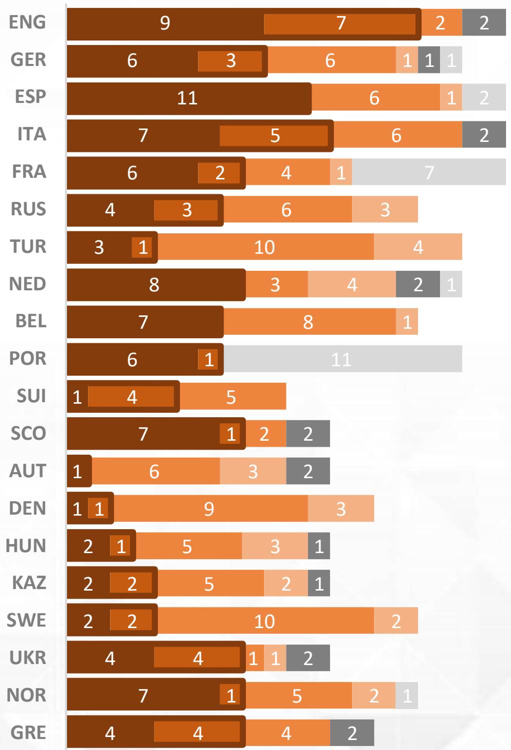
Ownership of training infrastructure the exception rather than the rule

There are only 14 leagues where at least half of all clubs own their own training facilities. The English Premier League sits at the top of that list with 80%, ahead of Malta (79%) and Wales (75%). The total percentage of clubs that own their own training facilities rises from 36% to 45% if we look only at the top 20 leagues by revenue.

Ownership of top-division clubs' training facilities

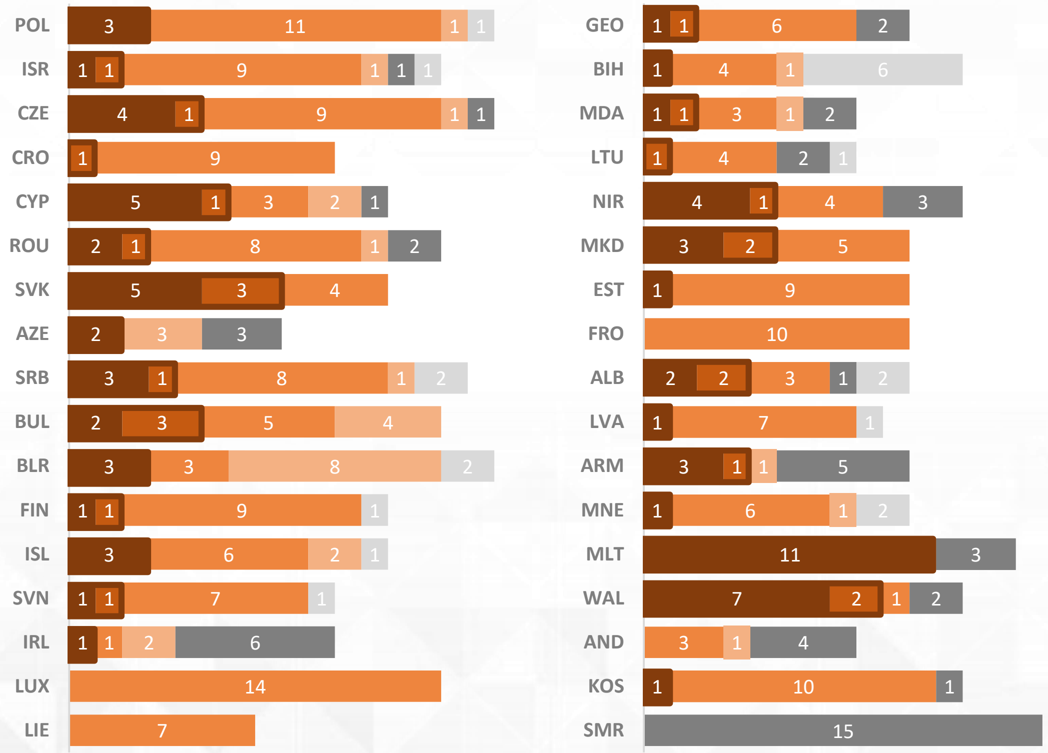


Ownership of training infrastructure in the top 20 leagues by revenue*



* A number of clubs failed to provide information about ownership of their training infrastructure. They are shown here as 'data not provided'.

Ownership of training facilities in other countries*



Key role played by municipal authorities

Municipal authorities are the most common owner of training facilities. Together, municipal and governmental authorities own more than half of all training facilities. In the 34 countries outside the top 20 for which data are available, there are 19 where municipal authorities own at least half of the training facilities of top-division clubs.

Five countries have no club-owned training centres

In Andorra, the Faroe Islands, Liechtenstein and Luxembourg, all clubs' main training facilities are owned by municipal authorities or the government. And in San Marino, all training centres are owned by the San Marino Olympic Committee.

- Owned directly by club
- Private owner related to club
- Municipal authorities
- Government
- Owned by another party
- Data not provided

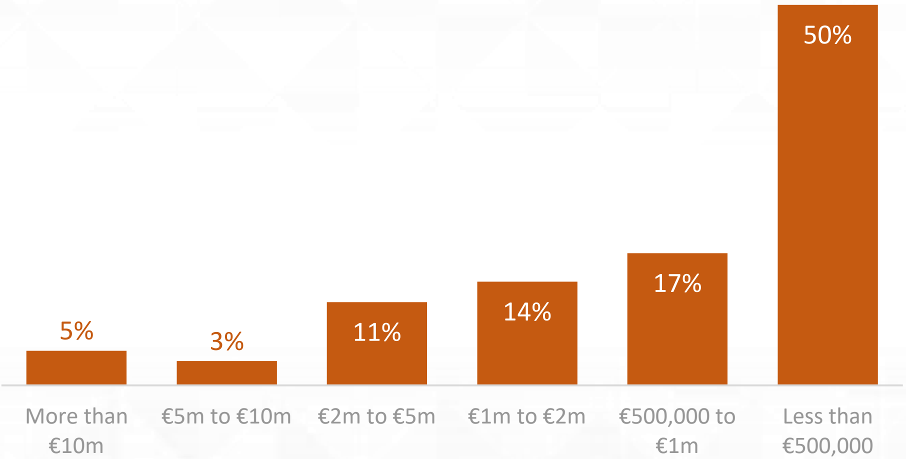
* A number of clubs failed to provide information about ownership of their training infrastructure. They are shown here as 'data not provided'.


ATLÉTICO DE MADRID
atleticodemadrid.com
atleticodemadridstore.com
Clínica Universidad de Navarra
bwin
bwin
FIFA20
LG OLED TV 4K
Coca-Cola
HYUNDAI
Plus500

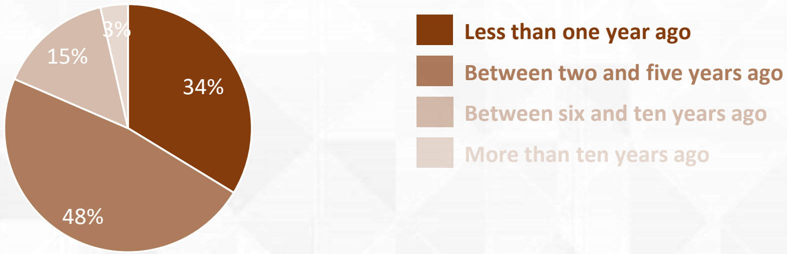
Around 80% of clubs have carried out major work on their training centre in the last five years

In the last ten years, 473 clubs across 54 national associations have carried out significant construction, refurbishment or renovation work at their primary training facilities.

Last improvement work on training facilities: distribution by amount spent



Timing of last major project



Sums of money spent on improving training facilities vary significantly

The average amount of money spent on clubs' last improvement work on their training facilities stands at €1.7m. That average spans a whole range of different scenarios. Half of all clubs reported recent investment of less than €500,000 in their training facilities, typically involving limited improvements focused mainly on training pitches. At the other end of the spectrum, 19% of clubs reported a single investment of €2m or more, which was typically used to fund the construction of a new training centre or the full refurbishment of existing facilities.

Majority of major improvement work carried out in the last five years

UEFA's survey data shows that clubs have undertaken a wide variety of different projects with a view to improving their training facilities, ranging from the construction of a brand new training centre to the renovation of a single training pitch. Improvements to training pitches are the most common type of project, whether carried out in isolation or as part of a full refurbishment, with 258 clubs across 51 countries reporting such a project. Solidarity payments made as part of UEFA's HatTrick programme are commonly mentioned as a source of funding when it comes to financing simple improvements to training pitches (new turf, floodlights, etc.). In the vast majority of cases (82%), clubs' last major improvement work was carried out in the last five years, with 33 clubs reporting that they built a brand new training facility in that five-year period.

CHAPTER #05

Club Sponsorship

Sponsorship is an important source of revenue for football clubs. Across Europe's club football landscape, stakeholders are continuing to find more and more ways of monetising sponsorship properties, as this chapter observes.

Club Sponsorship Highlights

Retail

Is the most-featured industry (17%) of principal sponsors across Europe

53

Number of different kit manufacturers across Europe's top divisions in 2019/20

15%

Percentage of stadiums with sponsor naming rights attached

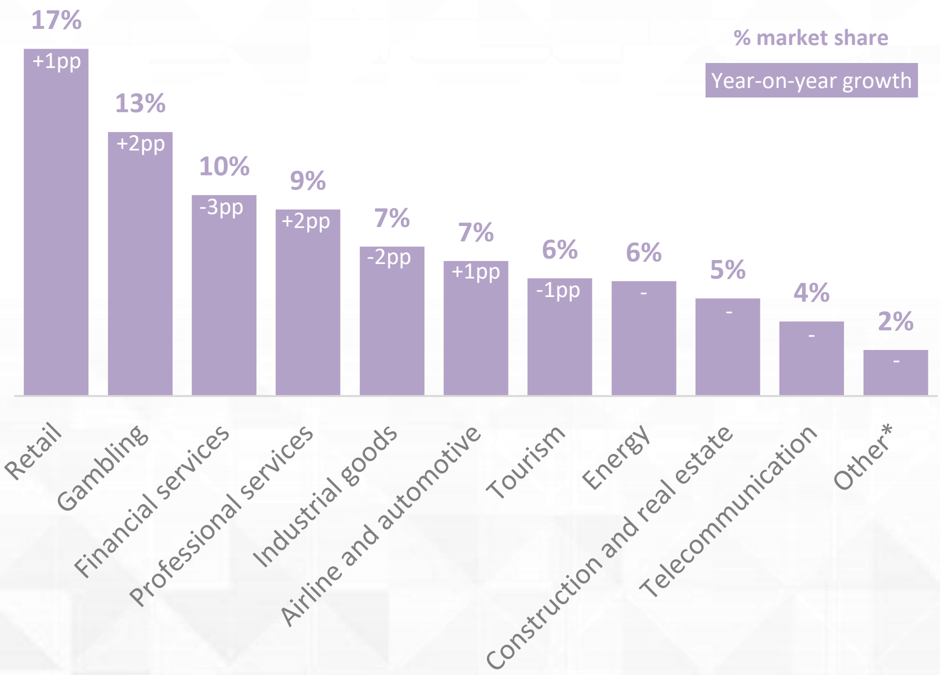
Two-third

Number of Europe's top-division leagues that have a title sponsor

Retail most widely represented industry in 2019/20, increasing its market share by 1 percentage point (pp)

The first two pages of this chapter look at the shirt sponsors of clubs in Europe's top divisions. For the purposes of this analysis, shirt sponsors are defined as the main company appearing on the front of a club's home shirt. The data presented in this section is derived from various different sources, including UEFA's sponsorship database, clubs' submissions and UEFA's club licensing network.

Spread of club main shirt sponsorship by industry sector, 2019/20



Industry subcategories examples by category

Retail: Fast-moving consumer goods, retail stores and e-shops
Gambling: Gambling and sports betting companies
Financial services: Banks and insurance companies
Professional services: Technology companies, business services, logistics
Industrial goods: Machinery, manufacturing plants, raw materials
Airlines and automotive: Airline operators and car/tyre manufacturers
Tourism: Countries and regions, hotels, education
Energy: Natural resource companies
Construction and real estate: Construction companies, real estate agents
Telecommunication: Television, internet and phone services

Retail most widely represented industry

The retail and gambling industries have cemented their positions as the two sectors that appear on the most club shirts. Both industries feature on the shirts of more than ten additional clubs relative to last season, with the financial services sector and the industrial goods industry both seeing their market shares fall.

15% of club had no shirt sponsor in place at start of season

A total of 15% of clubs had no shirt sponsor in place at the start of this season, an increase of 1 percentage point relative to last season, with 40 top divisions featuring at least one club without a shirt sponsor (compared with 39 last season).

* 'Other' includes governmental and charitable organisations, as well as individual philanthropists.

A quarter of top-division clubs have changed their shirt sponsor since last season

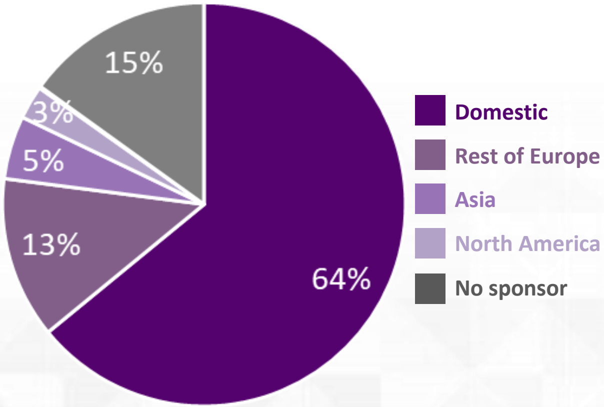
In England, Spain and Ukraine, more than half of shirt sponsors originate from another country*

The English Premier League has further strengthened its reputation as the league with the most global appeal, with 18 foreign shirt sponsors in 2019/20 (13 from Asia, 4 from North America and 1 from Africa). Spain (11) and Ukraine (7) are the other two countries where more than half of the shirt sponsors in the top division have their headquarters in a foreign country. At the other end of the spectrum, all Austrian, Dutch and Norwegian clubs have domestic brands as their shirt sponsors for the 2019/20 season.

30% of clubs have a new shirt sponsor**

70% of all top-division clubs that have a shirt sponsor have retained the same shirt sponsor as last season with 30% changing. The shirt sponsor of main kit is usually, but not always, the largest value club sponsor/partner.

Origins of shirt sponsors, 2019/20



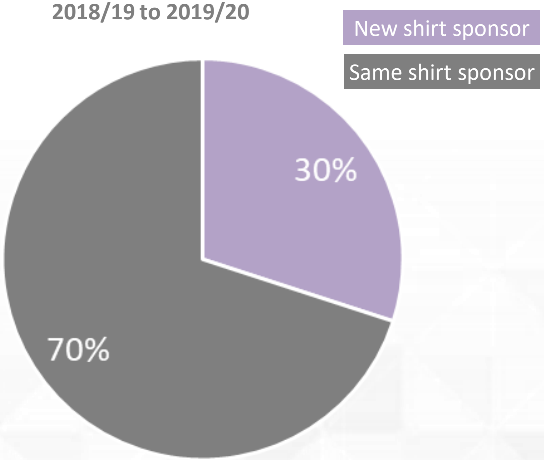
150 foreign shirt sponsors – up by six since last season

There are a total of 150 foreign shirt sponsors, 92 of which are based in another European country. Furthermore, 56 clubs across 24 leagues have a non-European shirt sponsor, showing that the appeal and exposure of European football is becoming increasingly global. Shirt sponsors headquartered in Asia appear on 36 different clubs' shirts, with 19 clubs being sponsored by North American entities and 1 shirt sponsor originating from Africa.

Shirt sponsors less common in Albania, Andorra, Gibraltar, Kazakhstan and Montenegro

At the start of this season, 40 of Europe's 54 top divisions had at least one club without a season-long shirt sponsor. In Albania, Andorra, Gibraltar, Kazakhstan and Montenegro, at least half of all clubs fell into that category.

Turnover of shirt sponsors, 2018/19 to 2019/20



* Deciding whether a company or brand is a domestic or international firm can sometimes be a subjective exercise. Where a shirt sponsor is headquartered domestically but the brand is international, the firm is regarded as a domestic sponsor for the purposes of this analysis. All sponsors that are headquartered in UEFA countries are regarded as European. ** Uefa reviews 700 clubs sponsorship properties each year. However the 104 promoted teams were outside last year's scope and so are excluded from analysis.

Market share of top five kit manufacturers now stands at 64% – up 4 percentage points

This page looks at the kit manufacturers that are supplying Europe's top-division clubs in the 2019/20 season.

More than 50 kit manufacturers across Europe

This season, there are 53 different manufacturers across the 54 top divisions (down from 62 last year, pointing to a degree of consolidation in the market). Firms with market shares of less than 5% (including brands such as Jako, Umbro and Hummel) have been grouped together under 'Other' in the chart in the bottom right.

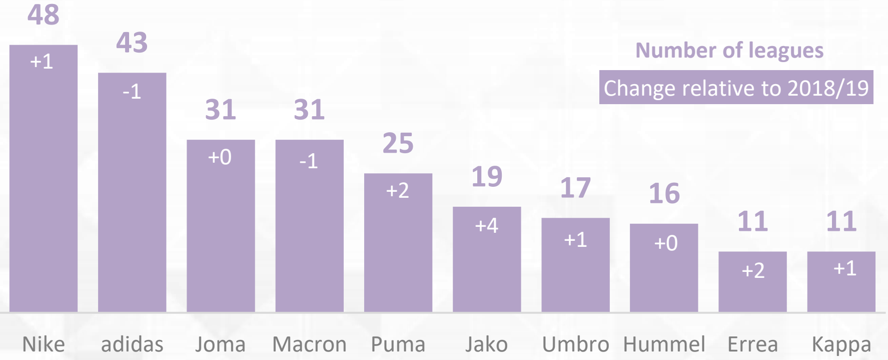
Stable landscape for kit manufacturers

More than 80% of last year's top-division clubs* are using the same kit manufacturer for this year's home shirt. This highlights the stability of kit manufacturing, with a significant number of clubs having long-term agreements in place.

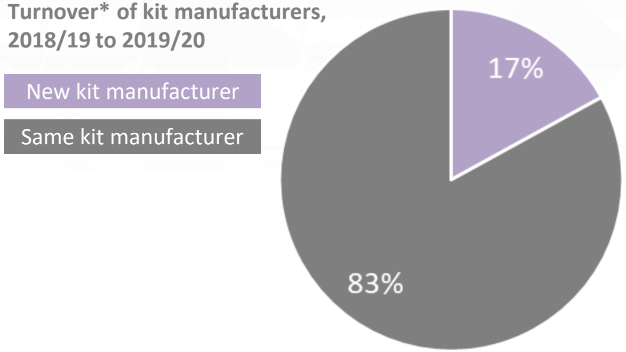
Nike records biggest year-on-year increase

Nike (up nine clubs), adidas (up eight clubs) and Macron (up six clubs) have achieved the strongest growth in market share since last season. Errea has moved into the top ten in terms of geographical spread (see chart below), replacing Legea, which has reported the largest year-on-year decline.

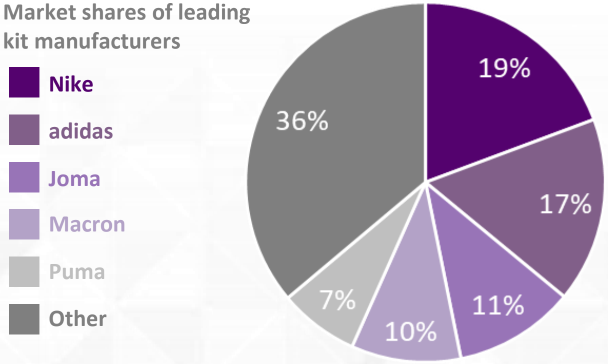
Number of European leagues which kit manufacturers are active in



Turnover* of kit manufacturers, 2018/19 to 2019/20



Market shares of leading kit manufacturers



* Uefa reviews 700 clubs sponsorship properties each year. However the 104 promoted teams were outside last year's scope and so are excluded from analysis.

46% of clubs have sleeve sponsors, and 29% have shorts sponsors

This page looks at two new sub-categories of sponsorship: sleeve sponsorship and shorts sponsorship (i.e. the printing of sponsors' names/logos on the sleeves of clubs' home shirts and on clubs' home shorts).

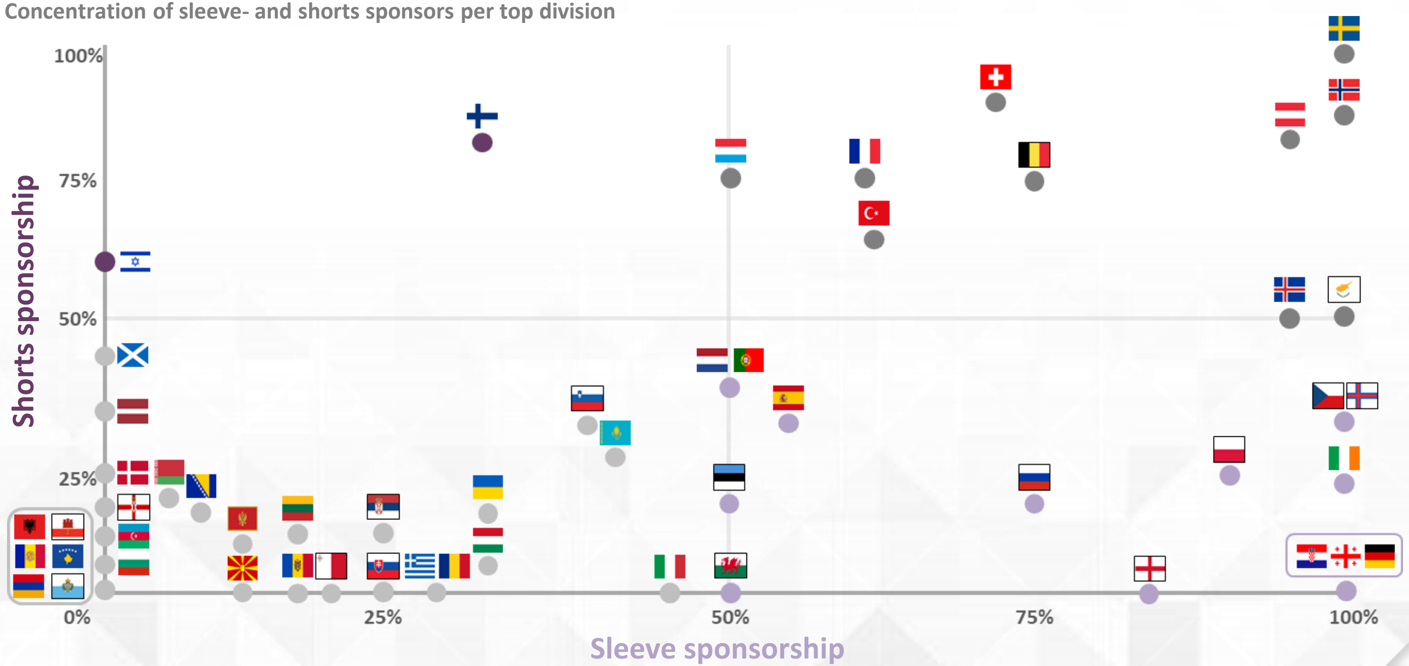
Sleeve sponsorship can be found in 41 different top divisions

There are sleeve sponsors in 41 of Europe's top divisions this season. Indeed, there are nine countries where every single club has a sleeve sponsor. In some countries, sleeve sponsorship is organised collectively by the league, but in most cases it is arranged by individual clubs.

Shorts sponsorship similarly widespread

There are shorts sponsors in 36 top divisions across Europe, with Azerbaijan, Bulgaria, Denmark, Israel, Latvia, Northern Ireland and Scotland the only seven countries where there are shorts sponsors, but no sleeve sponsors. Meanwhile, there are also 26 top divisions across Europe where more than half of clubs have no shorts or sleeve sponsors.

Concentration of sleeve- and shorts sponsors per top division



Only 15% of all top-division clubs have stadium naming rights partners

This page looks at the various stadium naming rights partners across Europe's 54 top divisions in the 2019/20 season. Stadium naming rights partners are defined as sponsors that appear in the official name of the stadium where the club plays its home league matches.

Stadium naming rights still the exception rather than the rule

Just over 100 clubs in Europe's top divisions had stadium naming rights deals in place at the start of this season. Such deals are more common in northern and western Europe and less common in southern and eastern countries.

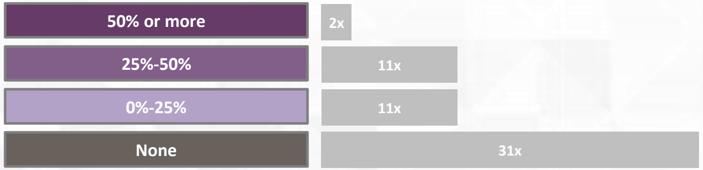
Stadium naming rights strongly dependent on stadium ownership

Of the 136 clubs that own their own stadium, 41 clubs (i.e. 30%) have stadium naming rights deals in place.* In contrast, where the municipality or state is the owner of the stadium, only 10% of stadiums have a naming rights partner.

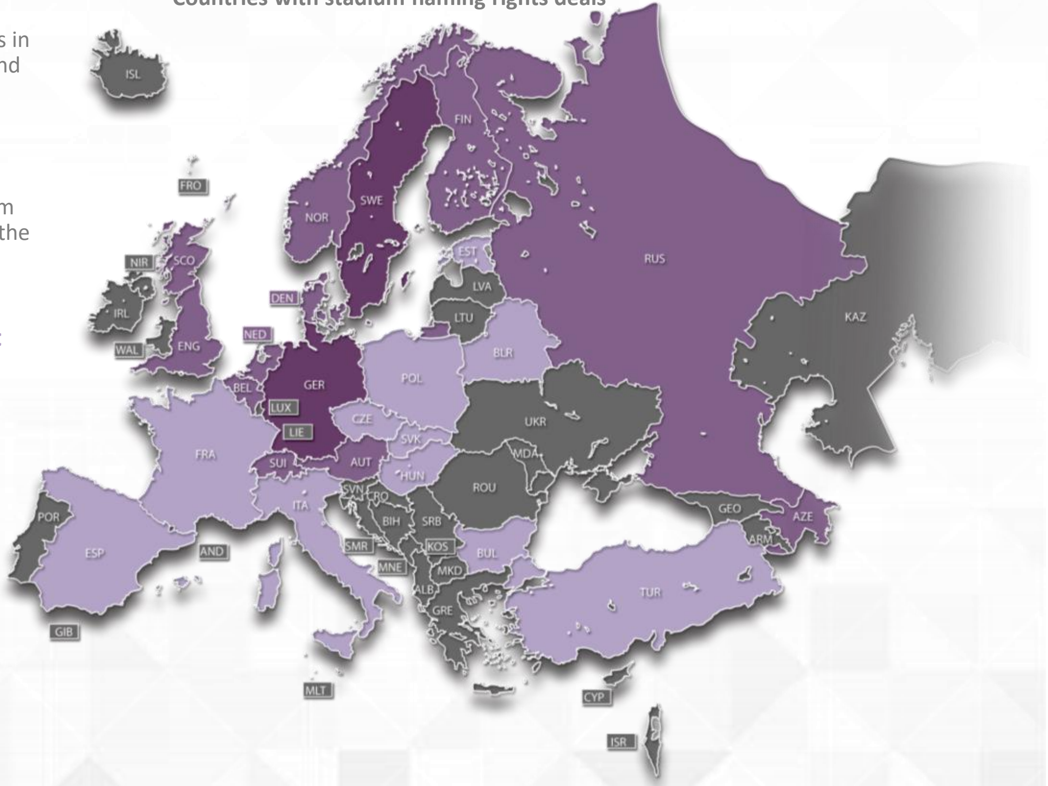
Financial services firms most active in stadium naming rights segment

A quarter of all stadium naming rights partners are companies in the financial services industry. That industry also has the broadest geographical spread, with stadium naming rights deals in 12 of Europe's 54 top divisions.

Concentration of stadium naming rights in Europe's top divisions, 2019/20



Countries with stadium naming rights deals



* This includes both clubs that own their stadium directly and situations where the stadium is owned by the club's parent company and/or owner(s).

Over two-thirds of Europe's top division leagues have naming rights deals

This page looks at the various official naming right partners across Europe's fifty-four top divisions for the 2019/20 season. Official naming right partners can be defined as (main) sponsors that appear in the official name of the highest national football league.

League naming rights deals more concentrated in southern and eastern Europe

More than half of Europe's top divisions have a naming rights deal with a domestic partner. Unlike stadium naming rights, which are strongly concentrated in northern and western regions of Europe, league naming rights deals are less concentrated. The English Premier League and the German Bundesliga are two of the most high-profile top divisions that do not have a naming rights partner.

Four leagues with non-European naming rights partners

The top divisions in Bulgaria, Iceland, Serbia and Ukraine have sold their naming rights to companies based outside of Europe: three firms from North America and a company based in Asia.

Gambling companies most prevalent as naming right partners

Almost a third of official naming rights partners are gambling companies. Financial services firms (mainly banks) and telecommunications companies also feature prominently, sponsoring ten and eight of Europe's top divisions respectively.

Top divisions with naming rights

CHAPTER #06

Club ownership

Club ownership can be a contentious subject, often triggering strong opinions on all sides. This chapter adds colour to that debate by providing insight into the current situation and recent trends across all of Europe’s 55 national associations.

Club Ownership Highlights

Half

Share of private ownership in Europe’s top divisions in 2018

67

Number of top-division clubs controlled by a foreign owner

13%

Percentage of top-division clubs that changed owners in 2018 relative to 2017.

14

Number of countries that impose checks and tests on new club owners

Public or private ownership across Europe's top divisions – an even split

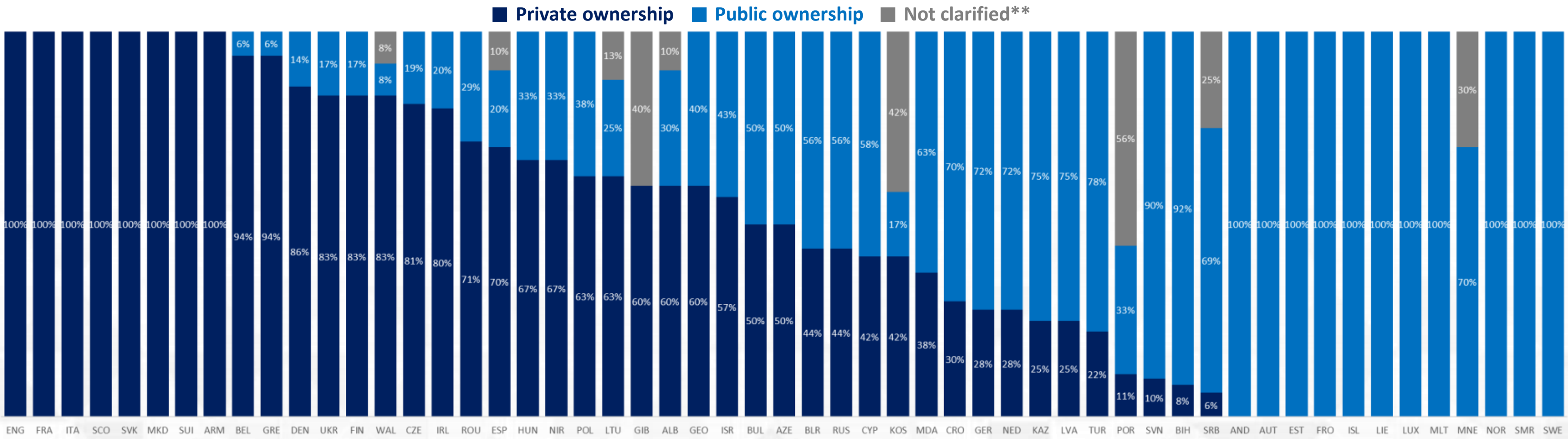
As in previous editions of this report, the next four pages provide a high-level summary of ownership profiles and trends across European football. There are various forms of club ownership structure across Europe, partly owing to differences in statutory regulations, domestic legislation and commercial ambitions. The analysis on this page introduces a typology of private and public club owners* across Europe, which is followed by more detailed information on the various forms of ownership (and the regulations that govern them) on subsequent pages.

Eight leagues where all clubs are under private ownership

In the 2018 financial year, there were 28 countries where at least half of all top-division clubs were owned by a private party or individual(s), and eight where all clubs were privately owned. The most common club legal form is a limited company although there are many derivations of this. These clubs under 'private' ownership can potentially change owners.

11 countries where all clubs classified as associations

In 2018, the vast majority of publicly owned clubs were classified as associations and governed by their members. Indeed, there were 11 leagues where all clubs fell into this category. There were also 13 top divisions where other types of public institution (municipal entities or state-funded entities) owned at least one club. In Belarus and Kazakhstan, at least half of all clubs were owned by such entities.



* This page distinguishes between private ownership (where ownership can be traced back to private persons) and public ownership (where legal entities such as associations and public institutions are the ultimate controlling party). ** 36 clubs did not provide UEFA with sufficient information regarding their ownership structure. It should be noted that some of these clubs did not apply for a UEFA licence for the following season.

Four out of five private owners come from the same country as the club in question

As on the previous page, the figures on this page are based on UEFA member associations' submissions for the 2018 financial year (which, as with the analysis of club finances in this report, are based on the submissions of 685 clubs).

Italy and Greece with most domestic owners

In the 43 leagues that had privately owned clubs in 2018, the vast majority of owners came from the same country as the club in question. However, there were also 27 leagues with one or more foreign owners. Italy and Greece had the highest levels of domestic private ownership.

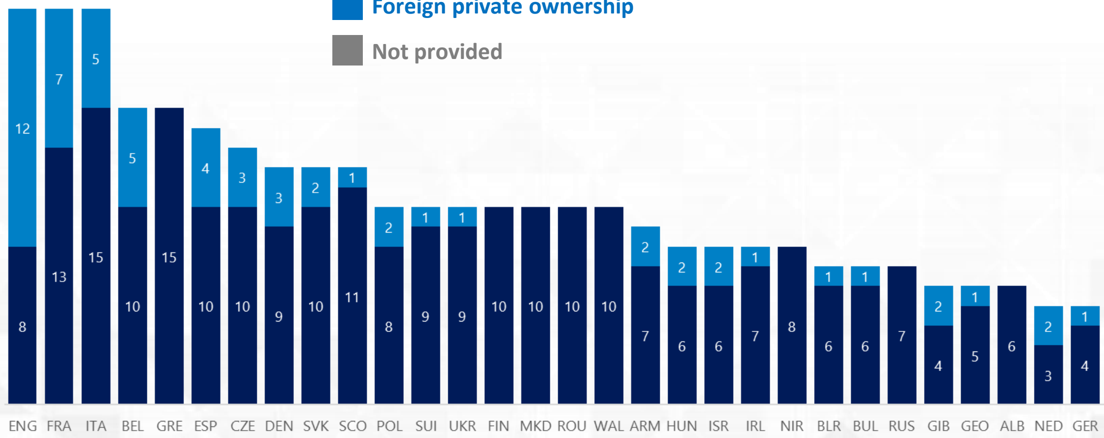
Premier League has most foreign owners

The English Premier League had the highest number of foreign private owners in 2018 with 12. Together, England, France, Italy, Belgium and Spain accounted for almost half of all foreign owners in Europe in that year.

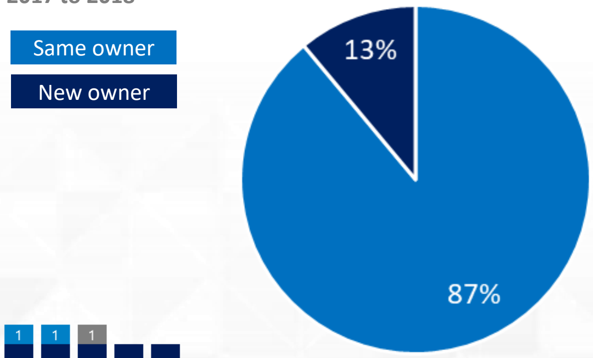
Club ownership fairly stable in 2018

Just under 13% of clubs (64) reported a change of ownership in the 2018 financial year, underlining the stability of club ownership across Europe's top divisions.* Belgium, Greece and Moldova saw the highest levels of churn, with each reporting five changes of ownership relative to the previous year.

Domestic vs foreign private ownership in 2018



Turnover of club owners*, 2017 to 2018



* Uefa reviews 700 clubs ownership profiles each year. However the 104 promoted teams were outside last year's scope and so are excluded from the turnover analysis.

Almost half of all countries have at least one foreign-owned club

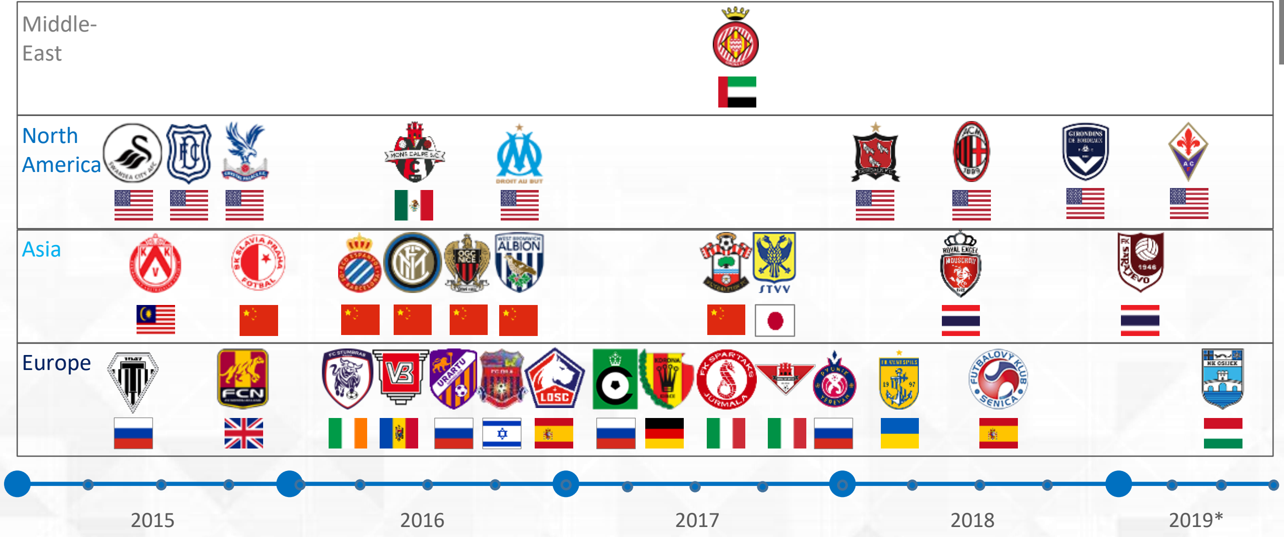
The timeline on this page shows the foreign owners who acquired controlling stakes in top-division clubs between 2015 and September 2019 across all 55 member associations.* That timeline illustrates the diversity of current club owners and shows how the profile of club ownership has shifted over the last decade.

Investment from Asia peaked in 2016

Between 2015 and 2017, a total of six top-division clubs (and several lower-division clubs) were taken over by investors from China, a level not matched by any other country in that period. However, since Southampton FC's acquisition in the summer of 2017, no other top-division clubs have fallen under Chinese control.

Fewer foreign acquisitions in last two years

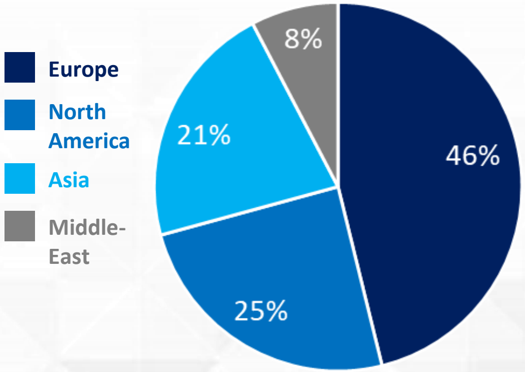
Between 2018 and September 2019, just nine top-division clubs were taken over by foreign investors. In contrast, 11 and eight clubs were acquired by foreign owners in 2016 and 2017 respectively. In addition to a decline in the total number of foreign acquisitions, a shift in the profile of foreign owners can be detected, with investors from eight different countries being involved in the last twelve foreign acquisitions (with US investors acquiring four of those clubs).



England attractive for minority foreign investors

In addition to the foreign club owners that are illustrated on the left, there are another 45 foreign individuals who have acquired minority stakes in top-division clubs across Europe. These shareholders are spread across 22 different leagues and come from 20 different countries. The English Premier League is the most attractive league for minority investment from abroad, with foreign investors holding minority stakes of between 10% and 49% in seven different clubs.

Origins of current foreign owners

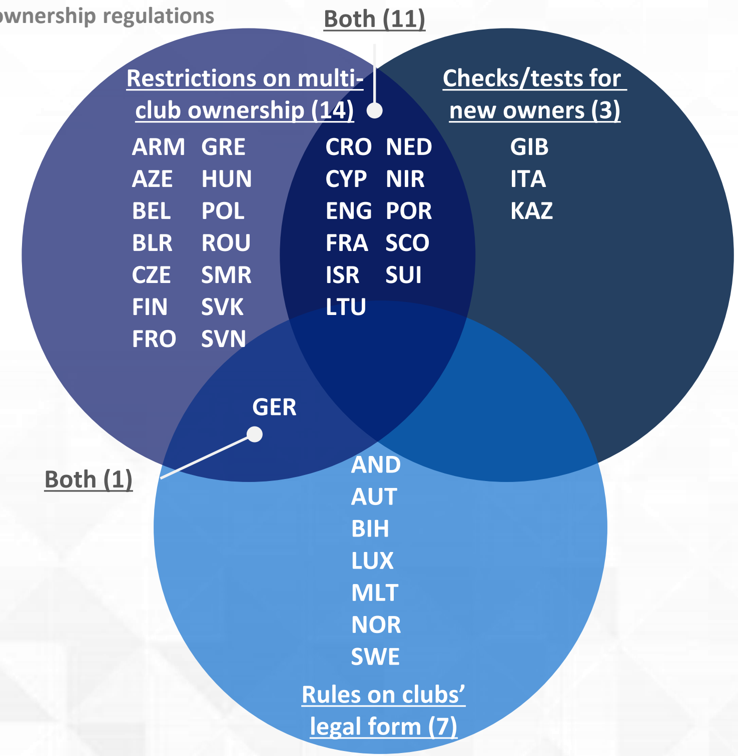


* The analysis on this page only includes finalised changes in club ownership that were communicated up to September 2019.

36 countries impose restrictions on club ownership in 2019/20

Restrictions on club ownership come in many shapes and forms. This page seeks to provide a broad overview of the various special requirements that clubs and their owners are subject to (i.e. requirements which go beyond the standard domestic financial reporting or listing procedures that clubs are obliged to comply with where they constitute private companies).

Simplified picture of ownership regulations



Almost half of all countries place restrictions on ownership of multiple clubs

Restrictions that limit ownership of multiple clubs within the same country/league are common across Europe. Most countries fully prohibit ownership of multiple clubs, but some (e.g. Finland and Portugal) apply softer restrictions whereby stakes in a second club cannot exceed 10%.

14 countries impose checks and tests on new club owners

Almost a quarter of all countries currently have some sort of check or test that new owners have to pass before taking control of a football club. The vast majority of these countries apply some kind of 'fit and proper person test' and/or require proof of funds.

Eight countries have rules on the legal form of top-division clubs

Eight countries have domestic regulations dictating clubs' legal form and/or structure. The German '50+1' rule is probably the best known regulation of this kind, but seven other countries also have rules on clubs' legal form (which limit private ownership).

19 countries impose no restrictions on club ownership

The 19 countries that do not feature in the Venn diagram on the left have not reported any rules or restrictions of this kind. However, Denmark and Georgia have both indicated a willingness to look at introducing tests and other measures for new owners entering the league in the near future.

CHAPTER #07

Club revenues

European football is a global success story, underlined by 20 years of continuous club revenue growth. This chapter breaks down trends in the different sources of revenue and highlights the variation in revenues between leagues and clubs.

Club revenue highlights

€21bn

Top-division clubs reported total combined revenues of €21bn in FY2018, up 5% on FY2017.

49%

The top 30 clubs achieved combined revenues of more than €10bn, accounting for 49% of the revenues of all top-division clubs.

40%

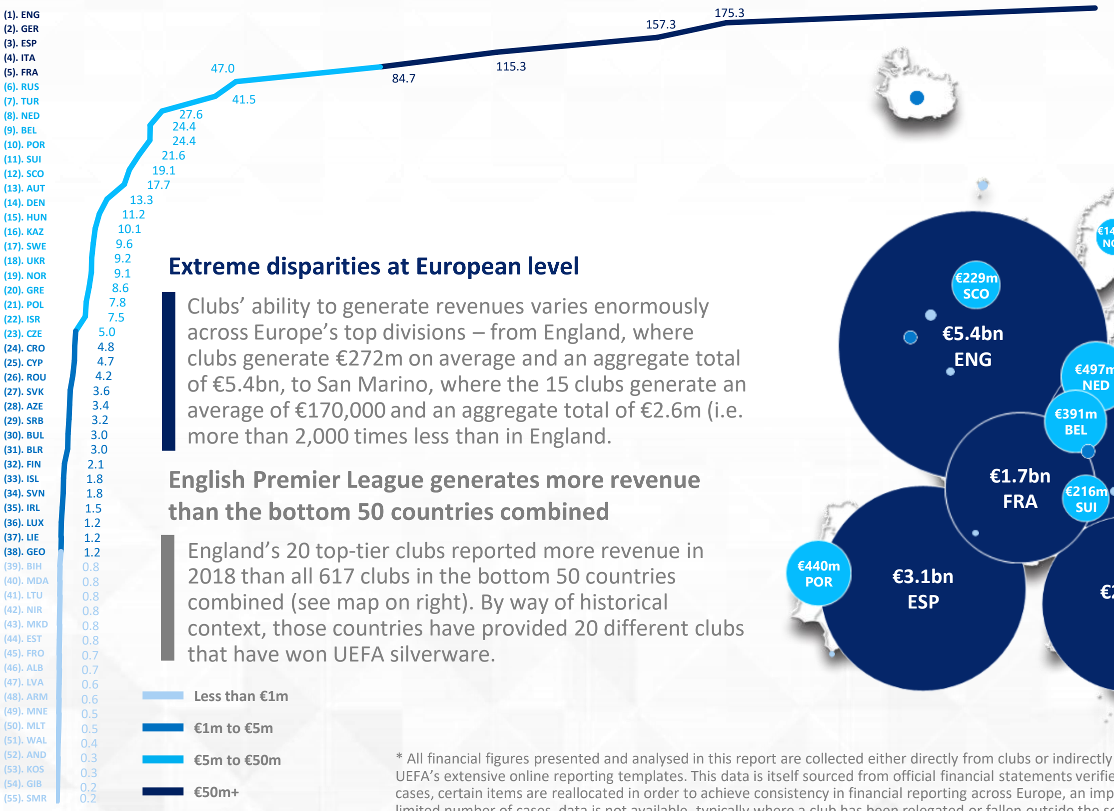
Share of overall revenue growth in FY2018 that came from domestic TV.

+8%

Increase in revenue from gate receipts in FY2018, the highest in ten years.

Extreme disparities in the revenues of European clubs

Average top division club revenue by country



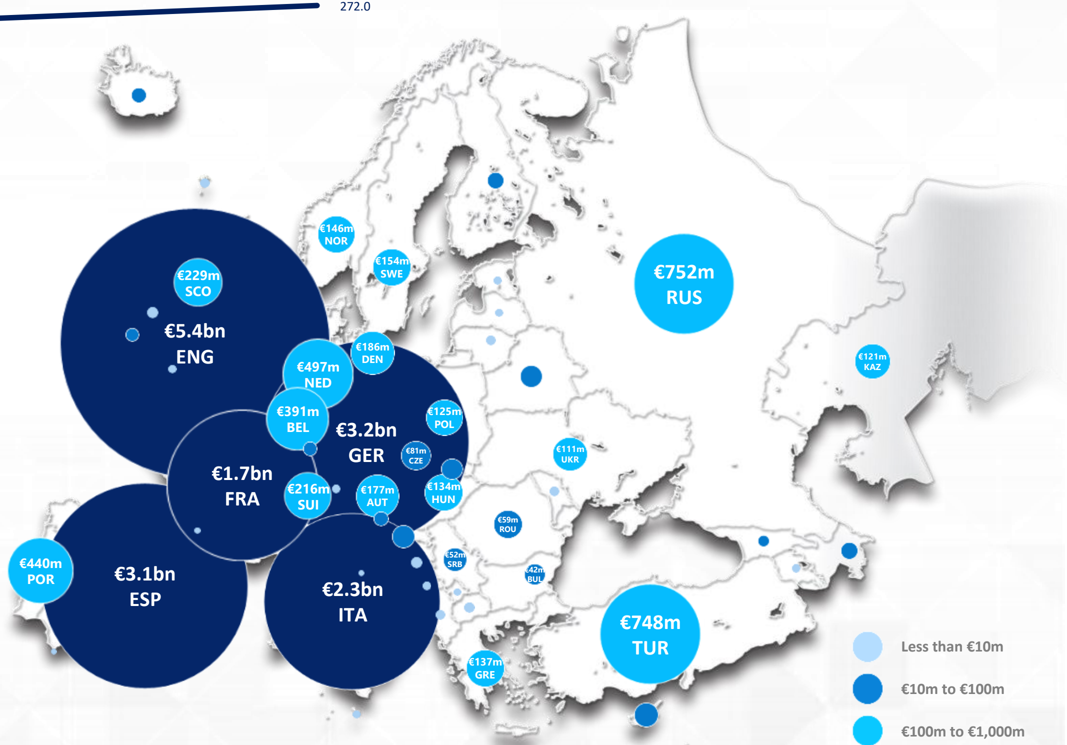
Extreme disparities at European level

Clubs' ability to generate revenues varies enormously across Europe's top divisions – from England, where clubs generate €272m on average and an aggregate total of €5.4bn, to San Marino, where the 15 clubs generate an average of €170,000 and an aggregate total of €2.6m (i.e. more than 2,000 times less than in England.

English Premier League generates more revenue than the bottom 50 countries combined

England's 20 top-tier clubs reported more revenue in 2018 than all 617 clubs in the bottom 50 countries combined (see map on right). By way of historical context, those countries have provided 20 different clubs that have won UEFA silverware.

Aggregate 2018 revenue per league

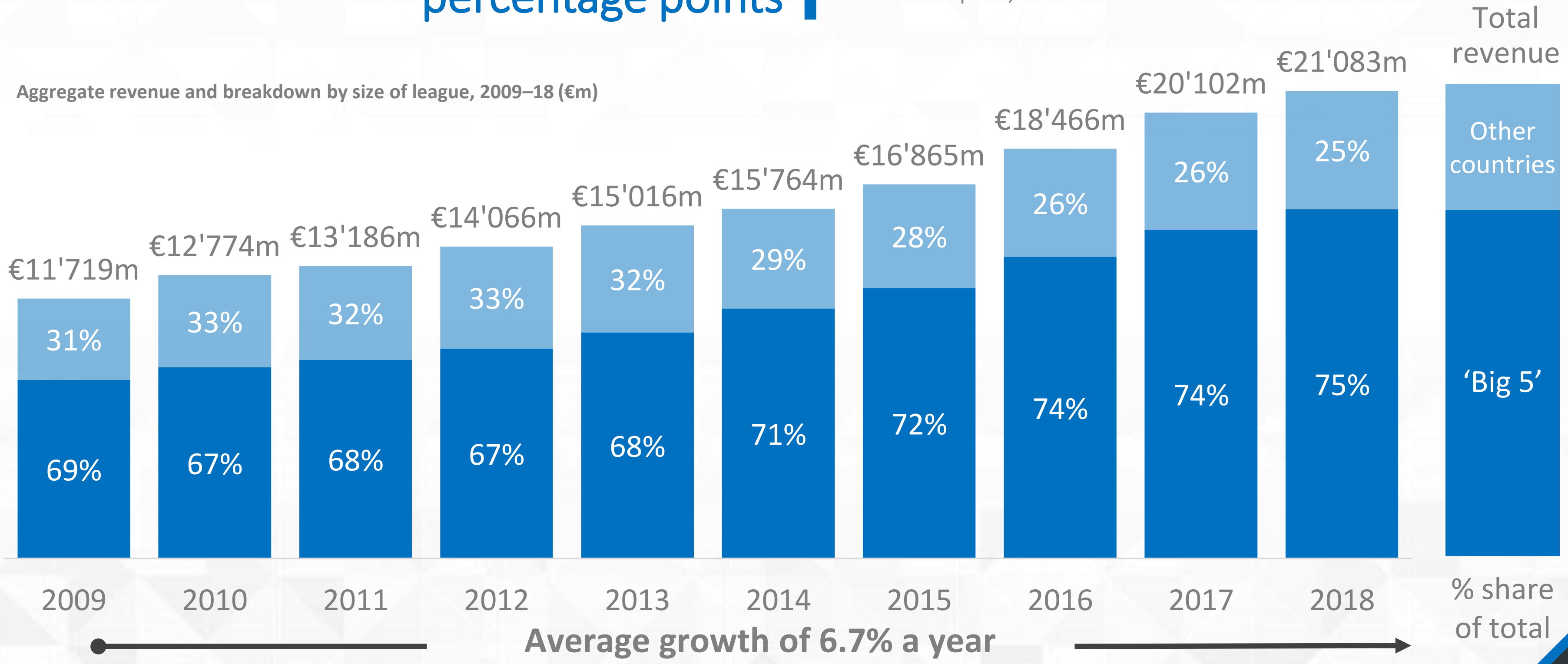


* All financial figures presented and analysed in this report are collected either directly from clubs or indirectly through national associations or leagues, using UEFA's extensive online reporting templates. This data is itself sourced from official financial statements verified by independent external auditors. In some cases, certain items are reallocated in order to achieve consistency in financial reporting across Europe, an important requirement of benchmarking. In a limited number of cases, data is not available, typically where a club has been relegated or fallen outside the scope of the club licensing system. In these cases, the missing data is simulated by UEFA using data for the relevant club from the previous year or, if this is not representative, extrapolating from data for clubs with a similar profile in the same league. Simulated data makes up less than 1% of total data in value terms.

Continuous increase in club revenues, with English clubs' share up 5 percentage points

Top-division club revenues have increased by 80% over the last ten years, rising from €11,719m in 2009 to €21,083m in 2018. As the graphic below shows, the percentage of total revenue generated by the 'big five' leagues (England, Spain, Germany, Italy and France) has risen from 69% to 75% – its highest level ever. This is largely at the expense of countries outside the top ten, whose share has fallen from 16% to 12%.

Aggregate revenue and breakdown by size of league, 2009–18 (€m)



Strong long-term revenue growth throughout the period 2009–18 from TV, UEFA competitions, sponsorship and commercial sources

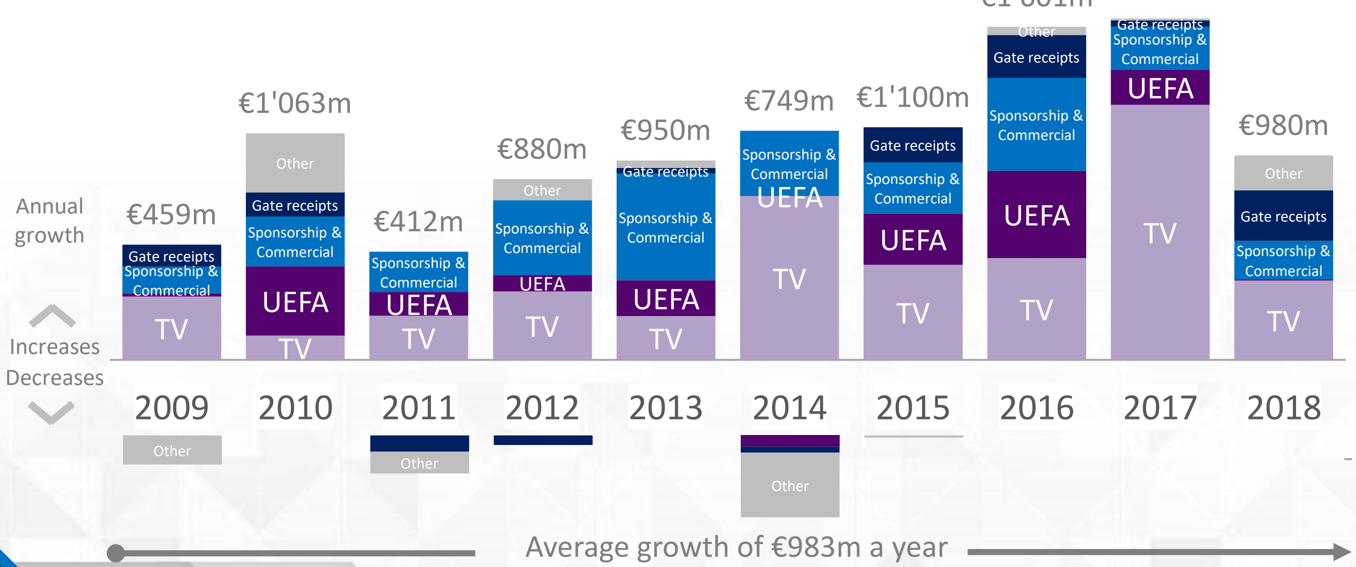
Average growth of about €1bn a year over the last ten years

The FY2018 revenue growth of €980m is very similar to the average annual European top-division club growth across the decade. Over the last ten years, total European club revenues have grown by 80%.

TV has driven the majority of revenue growth

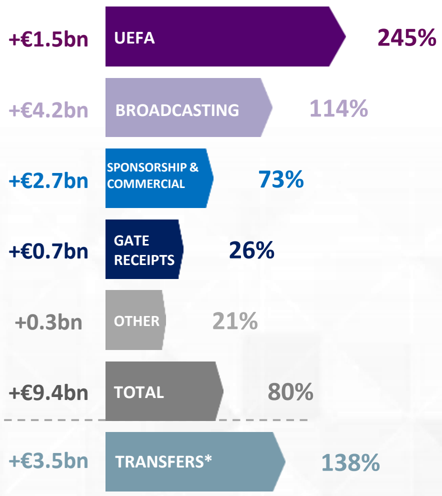
Clubs' revenue mix has changed over the years, with gate receipts and other revenues (mainly donations, grants and one-off revenues) growing at a slower rate. UEFA prize money is the fastest growing source in percentage terms, followed by gross transfer income (not included in revenue, but analysed separately in financial reports) and broadcasting revenue. TV has directly generated €4.2bn of revenue growth and has contributed the bulk of the additional €1.5bn revenue growth from UEFA competitions.

Aggregate annual net revenue growth and sources of growth, 2009-18



Aggregate € and percentage increase for each revenue stream, 2009–18

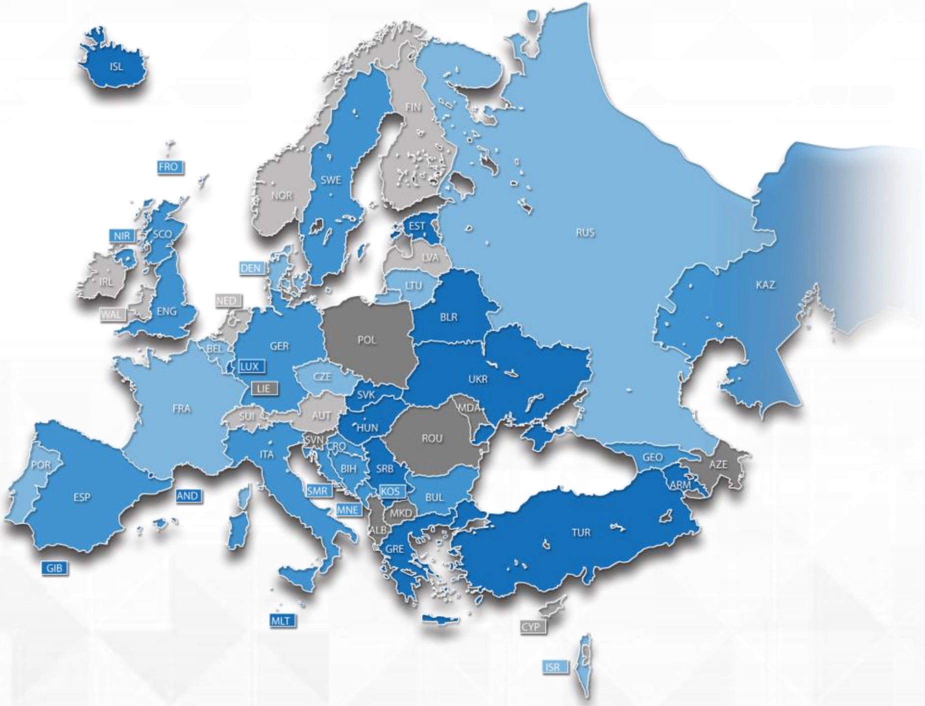
(all 55 countries)



* It should be noted that revenue does not include transfers but the grow earnings has been included here for context. Transfers in this context is the gross transfer earnings, which is reported separately in club accounts and analysed further in chapter 9 of this report.

29 European countries reported strong revenue growth of more than 5% in 2018

Year-on-year revenue growth in 2018 in local currency terms*



Increase of 15%+	15x
Increase of 5% to 15%	14x
Increase of less than 5%	9x
Decrease of less than 5%	8x
Decrease of 5% to 15%	1x
Decrease of 15%+	8x

Continued growth overall across Europe

A total of 38 countries grew their revenues in 2018, down from the record 43 in 2017. All in all, 15 countries reported very significant revenue growth of more than 15%, a further 14 countries reported notable growth of between 5% and 15%, and nine countries reported growth of less than 5%.

Participation in UEFA competitions significantly affects revenues in middle-income leagues

While aggregate European club revenues have seen consistent growth, country-specific developments are naturally more varied. For middle-income leagues, a single club missing out on qualification for the group stage of a UEFA club competition can have a major impact. Indeed, this was the case for all 8 countries where revenue declined more than 15%.

* Where clubs do not operate in euros , fluctuation in the value of their local currency can affect their financial results. When looking at the underlying trend within a particular league or country (as on this page), it is important to neutralise the impact of exchange rates and analyse the trend in local currency terms. When looking at aggregate European trends or making cross-border comparisons (as elsewhere in the report), it is more appropriate and meaningful to analyse trends in euro terms, since the value of the domestic currency affects competitiveness.

Revenue growth concentrated in top 20 clubs

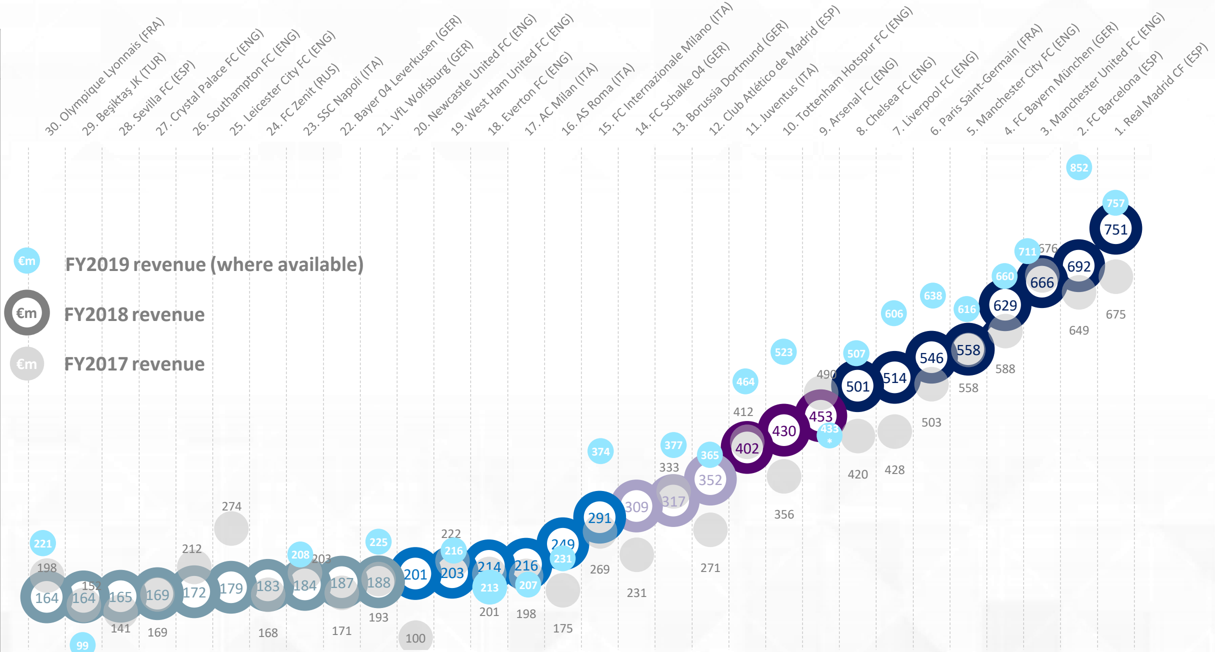
The average revenue growth reported by the 30 biggest clubs was three times the size of the average across all top-division clubs. Even then, that growth was actually concentrated in the top 20 clubs, with clubs 21–30 recording falling revenues on average (mostly on account of declines in UEFA payments).

Top 30 clubs by revenue

+€396m

+€343m

Rank	Club	Country	FY18	Year-on-year growth	Growth rate in €	Growth rate in local currency
1	Real Madrid CF	ESP	€751m	€76m	11%	11%
2	FC Barcelona	ESP	€692m	€42m	6%	6%
3	Manchester United FC	ENG	€666m	-€10m	-2%	2%
4	FC Bayern München	GER	€629m	€41m	7%	7%
5	Manchester City FC	ENG	€558m	€0m	0%	3%
6	Paris Saint-Germain	FRA	€546m	€43m	9%	9%
7	Liverpool FC	ENG	€514m	€86m	20%	25%
8	Chelsea FC	ENG	€501m	€80m	19%	23%
9	Arsenal FC	ENG	€453m	-€37m	-8%	-4%
10	Tottenham Hotspur FC	ENG	€430m	€73m	21%	24%
11	Juventus	ITA	€402m	-€9m	-2%	-2%
12	Club Atlético de Madrid	ESP	€352m	€80m	30%	30%
13	Borussia Dortmund	GER	€317m	-€15m	-5%	-5%
14	FC Schalke 04	GER	€309m	€77m	33%	33%
15	FC Internazionale Milano	ITA	€291m	€22m	8%	8%
16	AS Roma	ITA	€249m	€74m	42%	42%
17	AC Milan	ITA	€216m	€18m	9%	9%
18	Everton FC	ENG	€214m	€12m	6%	10%
19	West Ham United FC	ENG	€203m	-€18m	-8%	-5%
20	Newcastle United FC	ENG	€201m	€102m	102%	108%
21	VfL Wolfsburg	GER	€188m	-€5m	-2%	-2%
22	Bayer 04 Leverkusen	GER	€187m	€16m	10%	10%
23	SSC Napoli	ITA	€184m	-€19m	-9%	-9%
24	FC Zenit	RUS	€183m	€15m	9%	22%
25	Leicester City FC	ENG	€179m	-€94m	-34%	-32%
26	Southampton FC	ENG	€172m	-€40m	-19%	-16%
27	Crystal Palace FC	ENG	€169m	€0m	0%	3%
28	Sevilla FC	ESP	€165m	€24m	17%	17%
29	Beşiktaş JK	TUR	€164m	€12m	8%	34%
30	Olympique Lyonnais	FRA	€164m	-€34m	-17%	-17%
1-30	Average		€342m	€21m	9%	12%
1-30	Aggregate		€10'249m	€615m	6%	16%



Ten top 30 clubs report declining revenues

Even top clubs are subject to fluctuations, with ten of the top 30 reporting declines. Clubs 11–20 posted much stronger average growth than the top ten (14% vs 7%), fuelled by the reappearance of recently promoted Newcastle United FC.

Almost half of all revenues accounted for by 30 clubs

The top 30 clubs' combined revenues increased by 7% to stand at €10.2bn in 2018, accounting for 49% of the revenues of all top-division clubs in that year (up from 48% in 2017). Revenue growth for 2019 for a sample of 22 of the top 30 clubs is 8%.

* The Arsenal 2019 revenue is an estimate based on Arsenal club accounts.


Expedia
pepsi MAX
Santander

Domestic TV contributed 40% of overall revenue growth in 2018

Solid TV revenue growth following two record years

Following the largest ever increase in domestic broadcast revenue in FY2017, TV revenue rose by a further €380m in FY2018 (an increase of 5% year on year). The 2017/18 season was the first year of the Bundesliga's upgraded domestic rights cycle, which accounted for 70% (€265m) of that increase. Domestic TV money remains the largest source of club revenue, contributing 37% of all revenues and the bulk of revenue from UEFA.

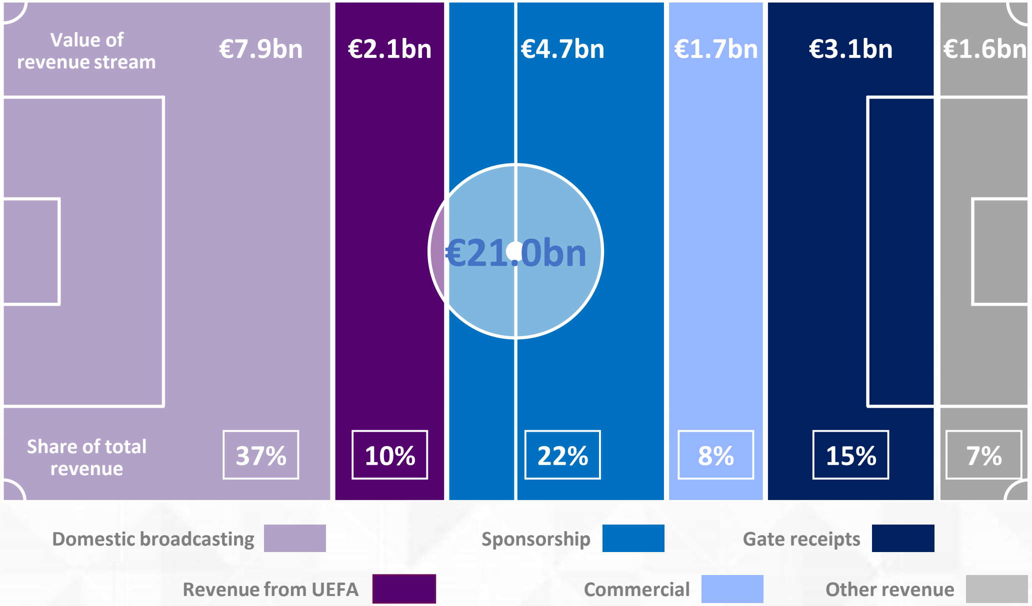
No change in total revenue from UEFA

Total revenue from UEFA was unchanged at €2.1bn in FY2018 as the rights were mid-cycle. Changes in the amount of UEFA money received by clubs reflected their sporting performance, with English clubs receiving €39m more in FY2018 and Spanish clubs receiving €44m less.

Currency variations influence growth figures

Details of two different growth rates are provided in this section. Figures in euro terms allow a comparison across leagues and clubs, while figures in domestic currency terms show the underlying trend for each country or club. Differences between growth rates expressed in euro and local currency terms reflect the euro's appreciation or depreciation against the local currency in question.

Breakdown of 2018 revenue by source



Strong growth in gate receipts and commercial revenues

Strong commercial growth

Commercial revenues experienced a strong increase of 10% in local currency terms, translating to a solid 8% growth in Euro terms. This year, commercial revenue shifts were concentrated, with the first ten leagues accounting for 55% of the changes: Spain and France contributed the most growth (€107 million combined), while Russia was the only country where commercial revenues decreased by more than €10 million.

Very strong gate receipt growth

Revenue from gate receipts increased by 10% in 2018 in local currency terms, following growth of 5% the previous year. This is the highest growth in gate receipts in ten years, although this was concentrated in a few clubs, with 30 clubs accounting for the majority of growth. Elsewhere clubs were split 50:50 between higher and lower gate receipts. Gate receipts are heavily influenced by performance on the pitch, as poor performance means fewer cup matches and lower average crowds, especially at clubs with a small percentage of season ticket holders.

Weak sponsorship growth

In contrast, club sponsorship revenues experienced weak growth of just 4% in local currency terms (1% in euro terms), partly explained by lower related party sponsorship revenues.

Solid growth in ‘other’ revenues

‘Other’ revenues increased by 16% in 2018 in local currency terms, mostly thanks to exceptional revenues, while subsidies or related party donations remained flat at approximately €600 million in 2018.

Transfers not included in club revenue

It should be noted that revenue does not include transfers, which are reported separately in club accounts as profits on the sale of assets. However, to provide some context, clubs reported €6.0billion of gross income from transfers in 2018, equivalent to 29% of total revenues and up 25% on the previous year. Transfer income has more than doubled in the last five years, reflecting the price inflation in the transfer market and is further analysed in chapter 9.

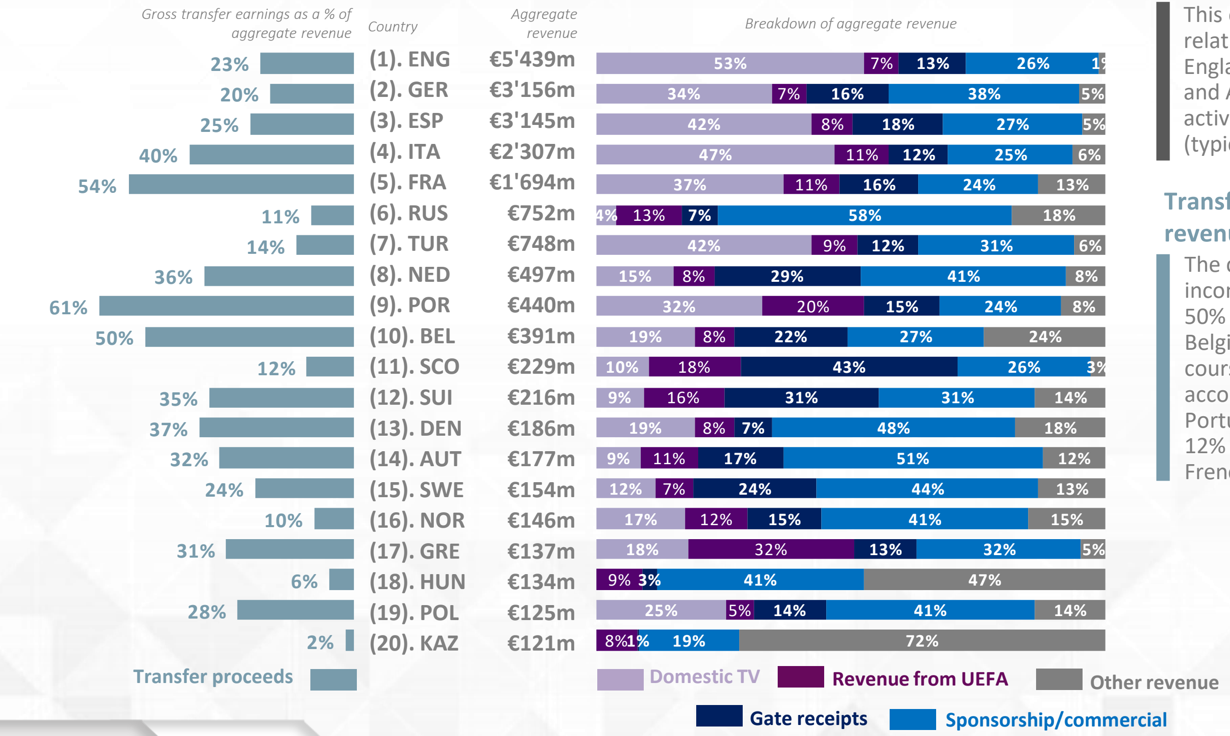
Year-on-year growth in percentage terms

€ terms	Domestic currency	
+0%	+3%	UEFA
+5%	+8%	BROADCASTING
+8%	+10%	COMMERCIAL
+1%	+4%	SPONSORSHIP
+8%	+10%	GATE RECEIPTS
+12%	+16%	OTHER
+5%	+8%	TOTAL
+23%	+25%	TRANSFERS

Huge variety across leagues in terms of sources of revenue

The chart below breaks total revenue down by income source for the 20 countries with aggregate revenues of more than €120m. Transfer earnings have been added on the left to provide some additional context, but are not included in revenue.

Revenue streams and transfer earnings in the 20 countries with aggregate club revenues of more than €120m



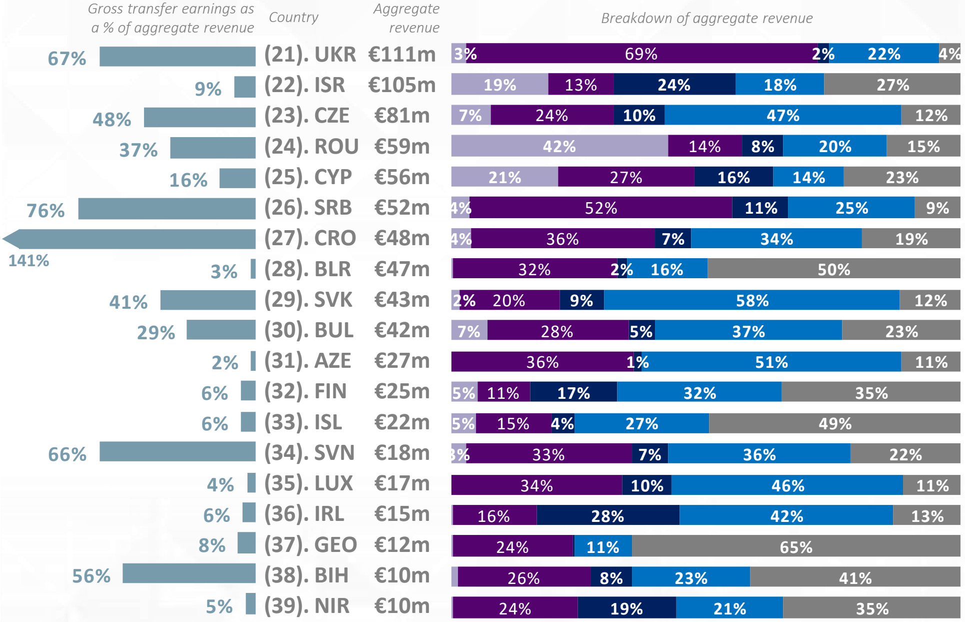
Significant variation across countries

This chart clearly shows the significant variation in the relative importance of the various revenue streams. In England, the majority of revenue comes from TV; in Russia and Austria, it comes from sponsorship and commercial activities; and in Kazakhstan, it comes from other sources (typically grants, donations or subsidies).

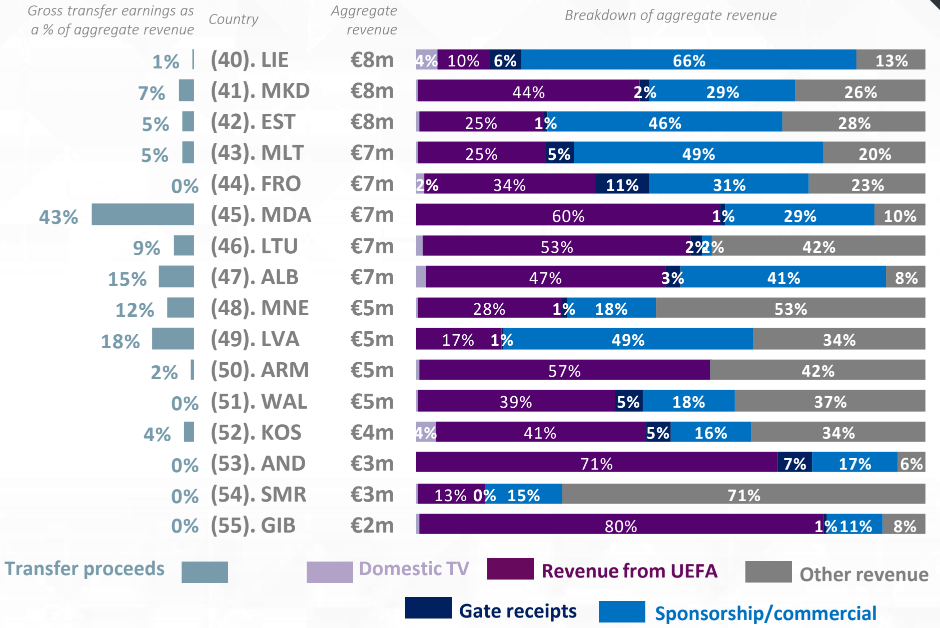
Transfer earnings are very significant relative to other revenue in France, Portugal, Belgium and Ukraine

The chart also clearly shows the importance of transfer income, with gross transfer earnings in 2018 equivalent to 50% or more of total revenue in France, Portugal and Belgium. That being said, gross transfer earnings are, of course, very different from net transfer earnings (which take account of both the sale and the purchase of players). Portuguese and Belgian net earnings were equivalent to 18%, 12% and 26% of total revenue respectively in 2018, while French clubs reported a net spend.

Revenue streams and transfer earnings in the 19 countries with total club revenues of between €10m and €120m



Revenue streams and transfer earnings in the 16 countries with total club revenues of less than €10m



Only three leagues outside top 20 derive more than 10% of their revenue from TV

In contrast with most of the top 20 leagues, revenue from TV deals is limited for middle-income leagues and almost completely irrelevant for the lowest earners. Only clubs in Israel, Romania and Cyprus get more than 10% of their revenue from domestic TV deals.

Transfers a crucial part of the finances of certain talent-developing leagues

Once again, Croatian clubs (141%) and Serbian clubs (76%) had the highest transfer earnings relative to total revenue. However, the financial importance of talent development and transfer earnings varies enormously across middle and lower-income leagues.

Middle and lower-income clubs reliant on donations and other types of income

‘Other’ revenues include numerous items, but donations and grants are the most common. The relatively large percentage of revenue coming from this source underlines the precarious nature of club finances in many middle and lower-income leagues.

UEFA revenues important for clubs in middle and lower-income leagues

Revenue from UEFA club competitions is very important for clubs in most middle and lower-income leagues. In 16 of the bottom 35 countries, UEFA payments accounted for a third or more of all revenue.

TV contributes between 4% and 54% of clubs' revenue, depending on the league

The table below gives an overview of clubs' revenue stemming from domestic football broadcast in the main European markets. Net revenues are presented on this page. They typically exclude production and/or agency costs, revenue sharing with second division clubs, parachute payments to relegated clubs and/or other solidarity payments. The overview of 'gross' rights values are explored on page 72.

Top 20 leagues by average broadcast revenue per club

Percentage of total club revenue	*Ranking by club average*	*Underlying growth*	*Aggregate*	*Club average (€m)*
53%	(1). ENG	2%	€2'863m	143.2
42%	(2). ESP	7%	€1'332m	66.6
34%	(3). GER	32%	€1'085m	60.3
47%	(4). ITA	2%	€1'080m	54.0
37%	(5). FRA	1%	€622m	31.1
42%	(6). TUR	40%	€317m	17.6
32%	(7). POR	13%	€143m	7.9
19%	(8). BEL	18%	€75m	4.7
15%	(9). NED	3%	€76m	4.2
19%	(10). DEN	8%	€36m	2.6
25%	(11). POL	1%	€32m	2.0
9%	(12). SUI	49%	€20m	2.0
10%	(13). SCO	8%	€23m	1.9
4%	(14). RUS	-26%	€29m	1.8
42%	(15). ROU	0%	€25m	1.8
17%	(16). NOR	7%	€25m	1.6
18%	(17). GRE	-24%	€25m	1.5
9%	(18). AUT	-2%	€15m	1.5
19%	(19). ISR	54%	€20m	1.4
12%	(20). SWE	18%	€18m	1.1

Premier League TV revenues broadly unchanged

The current Premier League TV rights cycle, which further separated English clubs from their rivals in FY2017, was in its second year in FY2018. TV now accounts for 53% of all Premier League clubs' revenues (the highest level in Europe), followed by Italy (47%), Spain and Turkey (42% each). Premier League TV revenues declined slightly (by 2%) in euro terms in FY2018 on account of a weakening of the pound – the first such decline in more than ten years. In absolute terms, however, English clubs' TV money continues to dwarf most other clubs' TV revenue.

New domestic cycles fuelling strong growth in Germany and Turkey

In 2018, German clubs reported a large increase (32%) from the first year of their new domestic TV deal, which saw them surpass Serie A clubs in aggregate terms and helped them get closer to La Liga clubs in average terms (albeit, new deals for La Liga and Serie A clubs have since come into force in 2019). Meanwhile, Turkish TV revenues were up 40% in lira terms, thanks to a new TV cycle, which further extends its position as the sixth biggest TV deal among European leagues.

New TV cycles boost revenues in Switzerland and Belgium; Russia and Austria set to follow suit

The start of new TV rights cycles led to strong double-digit revenue growth in Belgium and Switzerland in 2018, while Norwegian and Scottish clubs have also seen their revenues rise (albeit to a lesser extent). Austrian and Russian clubs are expected to climb the table when figures for 2019 are published, thanks to significant increases resulting from new TV cycles.

TV revenue of least wealthy 400 clubs less than 25% of one average Premier League club

While broadcast revenues are the largest revenue stream for many of the larger markets, Romania (42%) and Cyprus (21%) are the only leagues outside the top 20 where they contribute more than 10% of clubs' revenue. To further place the difference in scale in context, the combined domestic TV revenue of all 400 clubs outside the top 20 leagues is less than a quarter of that of the average Premier League club.

Premier League's TV dominance continues

English clubs dominate top 20

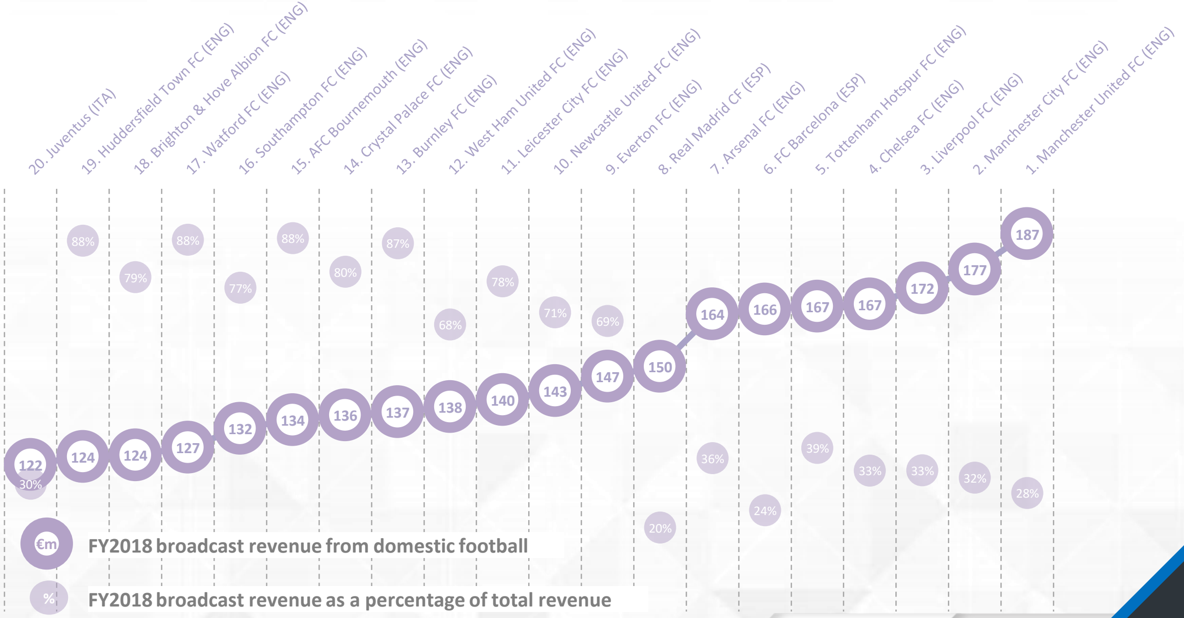
English clubs occupy 17 of the top 20 places in the broadcast revenue table. Moreover, for the second consecutive year, an English club has topped the list outright. In the past, one of Real Madrid CF, FC Barcelona or Juventus would always receive more domestic TV revenue. While those three clubs remain in the top 20, the top five are all English clubs.

Top 20 clubs by broadcast revenue

Rank	Club	Country	FY18	Year-on-year growth in %	% of total revenue	Multiple of the league average
1	Manchester United FC	ENG	€187m	4%	28%	1.3 x
2	Manchester City FC	ENG	€177m	-2%	32%	1.2 x
3	Liverpool FC	ENG	€172m	-4%	33%	1.2 x
4	Chelsea FC	ENG	€167m	-8%	33%	1.2 x
5	Tottenham Hotspur FC	ENG	€167m	-5%	39%	1.2 x
6	FC Barcelona	ESP	€166m	8%	24%	2.5 x
7	Arsenal FC	ENG	€164m	-2%	36%	1.1 x
8	Real Madrid CF	ESP	€150m	5%	20%	2.2 x
9	Everton FC	ENG	€147m	-4%	69%	1.0 x
10	Newcastle United FC	ENG	€143m	n/a	71%	1.0 x
11	Leicester City FC	ENG	€140m	-1%	78%	1.0 x
12	West Ham United FC	ENG	€138m	-4%	68%	1.0 x
13	Burnley FC	ENG	€137m	12%	87%	1.0 x
14	Crystal Palace FC	ENG	€136m	0%	80%	0.9 x
15	AFC Bournemouth	ENG	€134m	-7%	88%	0.9 x
16	Southampton FC	ENG	€132m	-12%	77%	0.9 x
17	Watford FC	ENG	€127m	0%	88%	0.9 x
18	Brighton & Hove Albion FC	ENG	€124m	n/a	79%	0.9 x
19	Huddersfield Town FC	ENG	€124m	n/a	88%	0.9 x
20	Juventus	ITA	€122m	-1%	30%	2.3 x
1-20	Average		€148m	-1%	57%	
1-20	Aggregate		€2'953m	14%	43%	

TV contributes 80% or more of all revenue for seven Premier League clubs

Some Premier League TV money is distributed in equal shares, and some is determined by performance and how many times a team is selected for TV coverage, which leads to some performance-based year-on-year changes. As the chart below shows, TV money plays a dominant role in the revenue mix of many Premier League clubs (accounting for as much as 88% of total revenue in the case of AFC Bournemouth, Watford FC and Huddersfield Town FC). The chart and the table also show that TV money is still significant, but nowhere near as important, for the wealthiest 'global' clubs, contributing less than 30% of total revenue at Real Madrid CF (20%), FC Barcelona (24%) and Manchester United FC (28%).



Trend towards more balanced sharing of TV money, but still considerable variation across leagues

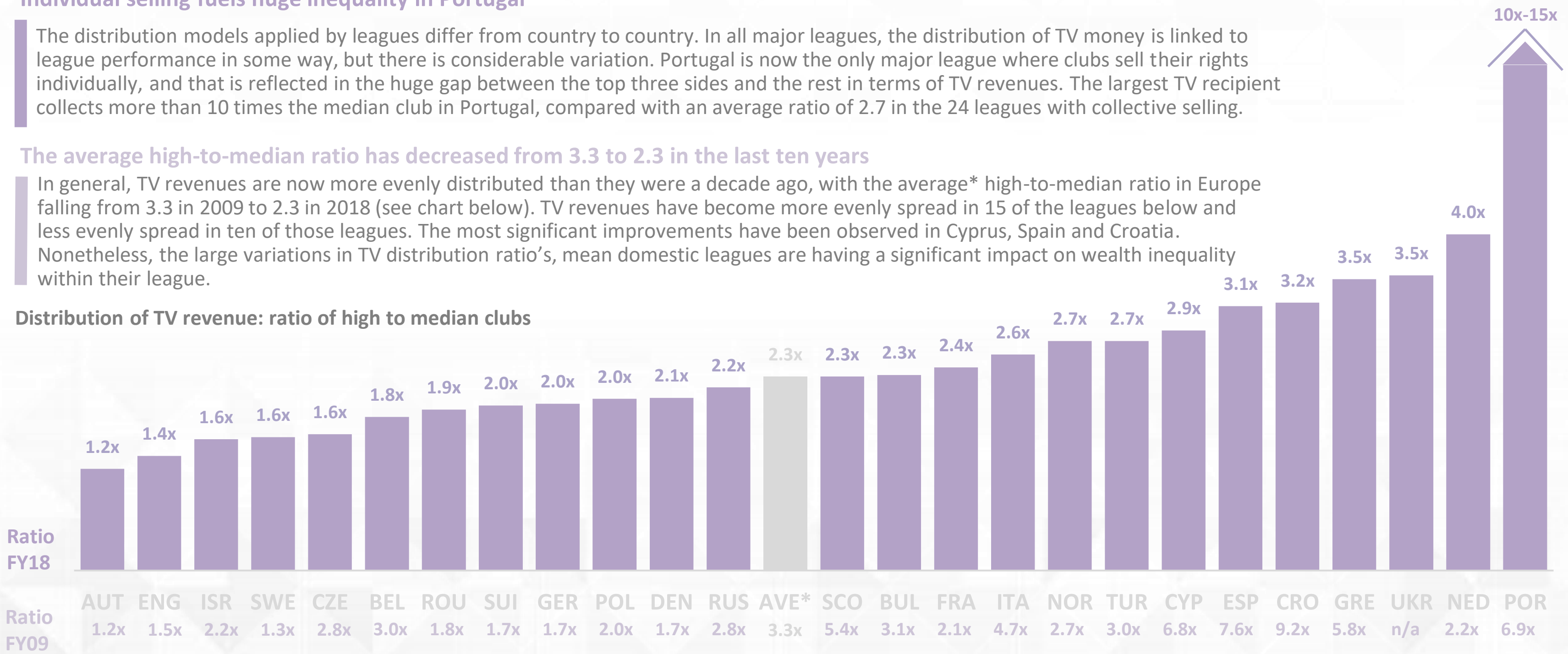
Individual selling fuels huge inequality in Portugal

The distribution models applied by leagues differ from country to country. In all major leagues, the distribution of TV money is linked to league performance in some way, but there is considerable variation. Portugal is now the only major league where clubs sell their rights individually, and that is reflected in the huge gap between the top three sides and the rest in terms of TV revenues. The largest TV recipient collects more than 10 times the median club in Portugal, compared with an average ratio of 2.7 in the 24 leagues with collective selling.

The average high-to-median ratio has decreased from 3.3 to 2.3 in the last ten years

In general, TV revenues are now more evenly distributed than they were a decade ago, with the average* high-to-median ratio in Europe falling from 3.3 in 2009 to 2.3 in 2018 (see chart below). TV revenues have become more evenly spread in 15 of the leagues below and less evenly spread in ten of those leagues. The most significant improvements have been observed in Cyprus, Spain and Croatia. Nonetheless, the large variations in TV distribution ratio's, mean domestic leagues are having a significant impact on wealth inequality within their league.

Distribution of TV revenue: ratio of high to median clubs



*This average ratio only covers 23 leagues with collective selling it excludes Portugal. In addition, Ukraine is excluded from the ratio to ensure comparability between FY09 and FY18 average ratios.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New TV deals will be negotiated in five of the six biggest markets in the next two years

The table below provides a high-level overview of the estimated aggregate gross broadcast rights* paid for the ten largest domestic leagues by rights value and their anticipated future evolution. It also includes UEFA competitions rights cycle information.

TV deals overview (€m)			PAST DEALS				ONGOING RIGHTS DEAL				FUTURE RIGHTS DEAL			ONGOING 19/20 vs. 17/18	
Country	Property	Rights in €'m	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Growth €m	Growth %
England	Premier League	Total per year	1,255	2,256	2,442	2,505	3,643	3,512	3,555	3,602	3,635	3,635	To be negotiated	90	3%
		Domestic cycle €/£	2,207 / 1,765 (3 years)	4,048 /3,273 (3 years)			7,241 / 5,385 (3 years)			5,531 / 4,896 (3 years)					
		International cycle	1,629 (3 years)	2,916 (3years)			4,590 (3 years)			5,127 (3 years)					
Spain	La Liga	Total per year	845	927	947	862	1,688	1,688	1,808	2,049	2,049	2,049	To be negotiated	361	21%
		Domestic cycle	685	693	713	628	998	998	1'118	3'455 (3 years)					
		International cycle	481 (3 years)	703 (3 years)			2,070 (3 years)			4,485 (5 years)					
Italy	Serie A	Total per year	967	967	967	1,151	1,151	1,151	1,313	1,313	1,313	To be negotiated		162	14%
		Domestic cycle	2,532 (3 years)			2,895 (3 years)			2'919 (3yrs)						
		International cycle	369 (3 years)			557 (3 years)			1,020 (3 years)						
Germany	Bundesliga	Total per year	444	669	669	794	794	1,335	1,440	1,440	1,440	To be negotiated		105	8%
		Domestic cycle	1,574 (4 years)	2,477 (4 years)				4'640 (4 years)							
		International cycle	150 (3 years)			525 (3 years)			840 (3 years)						
France	Ligue 1	Total per year	640	640	640	640	771	771	818	818	1,232	1,232	1,232	48	6%
		Domestic cycle	2,428 (4 years)				2,952 (4 years)				4,608 (4 years)				
		International cycle	Part of domestic deal						480 (6 years)						
Portugal**	Primeira Liga	Total per year	63	65	77	84	119	126	172	198	190	190	190	72	57%
		Domestic cycle	63	65	77	84	119	126	172	198	190	190	190		
		International cycle	Part of domestic deal					8	8	8	To be negotiated				
Turkey	Süper Lig	Total per year	259	259	256	328	328	453	453	371	371	371	To be negotiated	-82	-18%
		Domestic cycle	1,033 (4 years)			655 (2 years)		906 (2 years)		1,114 (3 years)					
		International cycle	Part of domestic deal			Part of domestic deal		Part of domestic deal		Part of domestic deal					
Netherlands	Eredivisie	Total per year	46	107	118	118	118	118	119	119	119	119	To be negotiated	2	1%
		Domestic cycle	40	941 (9 years)											
		International cycle	6	6	50 (4 years)				56 (4 years)						
Belgium	First Division A	Total per year	61	61	75	75	75	83	83	83	To be negotiated			0	0%
		Domestic cycle	61	61	225 (3 years)			249 (3 years)							
		International cycle	Part of domestic deal												
Poland	Ekstraklasa	Total per year	28	28	26	32	32	32	32	58	58	To be negotiated		26	84%
		Domestic cycle	83 (3 years)		153 (5 years)					116 (2 years)					
		International cycle	Part of domestic deal		Part of domestic deal					Part of domestic deal					
UEFA club competitions		Total per year	1,324	1,324	1,324	1,978	1,978	1,978	2,744	2,744	2,744	To be negotiated		766	39%
		UEFA Territories	1,053 (3 years)			1,498 (3 years)			2,067 (3 years)						
		Rest of World	271 (3 years)			480 (3 years)			677 (3 years)						

* The figures in the table above should be regarded as benchmarking estimates only. They are based on gross figures communicated by the various leagues and in some cases a consensus estimate derived from SportBusiness, sporting intelligence and UEFA. These figures cover all the main TV rights arrangements, including fees for live match, highlights, mobile clips, VOD/pay per view and delayed broadcasts, where applicable. The foreign exchange rate at time of deal has been applied to the rights cycle values, apart from the Premier League 'total per year' which is more impacted by currency fluctuations and where the average rates relevant to the financial year have been applied (assuming a 50% hedge at the deal signing). ** Rights in Portugal are not sold collectively. All figures estimated totals from individual club sales.

TV deals overview: gross vs. net revenue

The 'total per year' for 2017/18 is the 'gross' value, which is naturally higher than the 'net' TV revenue reported by clubs and analysed on the preceding pages. On the one hand, the club 'net' figures include TV revenue from domestic cup(s) and friendly matches and in some cases other centrally distributed revenues from title sponsor or commercial sources. On the other hand, the estimated 'gross' values are typically before production and/or agency costs are paid, before any revenue sharing with second division clubs, parachute payments to relegated clubs and/or other solidarity payments are taken into account and before the league share to cover operating costs. In addition, the table presents figures broken down by sporting season, while figures for some clubs with financial years ending in December include broadcast revenue from two different seasons.

Medium-term rights deals to be negotiated in the next two years

While Premier League rights are expected to remain relatively even in euro terms over the next three financial years (FY2019 to FY2021), Spanish, Italian and German leagues are expected to receive an extra €100-160m per year in FY19 compared to the FY18 values.

The largest increase in next year's FY19 report will come from the uplifted UEFA rights which jumped by over €750m per year, with these distributed widely across clubs from all leagues. Spanish clubs will increase further by an estimated €240m in FY20 and French league rights are scheduled to jump by more than €400m from FY21.

Increasing Premier League international rights are currently expected to cover the reduction in domestic rights value although the 3% estimated growth is dependent on currency fluctuations and the extent of currency hedging. In addition it is worth noting that some of the Premier League international rights will now be distributed for the first time based on performance, rather than equal shares for each club, meaning the net revenue for the top clubs will increase.

TV deals overview: domestic and international cycles

As highlighted in the table in the previous page, TV rights outside 'Big 5' leagues tend to be much smaller. Turkish clubs generate comfortably the sixth highest TV rights, but revenue is anticipated to decrease by as much as 18% in euro terms from FY20, affected by a local economic slowdown and the Turkish lira's depreciation against the euro. In Portugal, where clubs individually sell their rights, overall broadcast revenues are expected to stay flat in the next four years. The situation is similar for the Eredivisie in the Netherlands, where the league tends to sign longer-term deals compared to other countries. In Poland, a recent short-term deal significantly improved the amount to be received by the clubs, which should materialise in Polish clubs' FY20 financial statements.

UEFA TV rights have more than doubled over the last three cycles

UEFA sells its broadcast rights on a three-years cycle basis. Over the period described in the table on the left, TV rights for UEFA clubs competitions, the UEFA Champions League, the Europa League and Super Cup, have more than doubled. This includes both healthy 'domestic' (inside Europe) and 'international' (outside Europe) TV rights growth, although the % international growth rate is higher, in common with the top domestic leagues.

UEFA revenues fluctuate strongly depending on performance

The amount of UEFA prize money that a club receives is determined partly by its sporting performance and partly by its national broadcaster's contribution to the market pool. From 2018/19, a club's ten-year ranking, taking into account historical titles, is also feeding into the calculation.

Top 20 leagues by average club revenue received from UEFA in 2018*

Average % of club revenue received from UEFA – all clubs	*Ranking by club average*	*Percentage change*	*Aggregate*	*Highest % share of club revenue received from UEFA*
7%	(1). ENG	16%	€369m	15%
8%	(2). ESP	-15%	€254m	29%
11%	(3). ITA	1%	€247m	34%
7%	(4). GER	16%	€215m	17%
11%	(5). FRA	-8%	€186m	38%
69%	(6). UKR	78%	€76m	82%
13%	(7). RUS	61%	€97m	50%
20%	(8). POR	-10%	€89m	38%
9%	(9). TUR	6%	€67m	28%
18%	(10). SCO	13%	€42m	30%
16%	(11). SUI	-7%	€34m	39%
32%	(12). GRE	85%	€44m	56%
8%	(13). NED	-35%	€39m	31%
11%	(14). AUT	-1%	€20m	24%
8%	(15). BEL	-37%	€31m	26%
36%	(16). CRO	14%	€17m	68%
52%	(17). SRB	116%	€27m	66%
27%	(18). CYP	-37%	€15m	58%
24%	(19). CZE	-4%	€20m	57%
36%	(20). AZE	-49%	€10m	90%

UEFA revenues broadly unchanged at the end of the 2015–18 cycle

UEFA competition rights, prize money and solidarity payments to non-competing teams all operate on a three-year cycle, with FY2018 marking the end of the 2015/16–2017/18 cycle for most of the large western European clubs with summer financial year ends. UEFA distributions totalled €2,091m in clubs' FY2018 figures, an increase of €5m relative to the previous year. In the top 20 markets, the significance of those UEFA payments ranged from 7% of total club revenue in England and Germany to more than 50% in Serbia and Ukraine.

In many less wealthy leagues, UEFA accounts for more than 50% of club revenues

Outside the top 20 leagues, UEFA competition revenues tend to make up a greater proportion of overall club revenues. In relative terms, qualifying round solidarity payments (which in this cycle range from €200,000 for the first qualifying round of the UEFA Europa League to €400,000 for the third qualifying round of the UEFA Champions League) can make up a greater proportion of smaller clubs' total revenues than the multi-million Champions League group stage bonuses received by the larger clubs. This can be seen in the FY2018 figures, with UEFA accounting for more than 50% of total club revenues in Andorra, Armenia, Gibraltar, Lithuania and Moldova, despite the fact that no clubs from those countries reached the group stage of the Champions League or the Europa League.

Large increases at all levels from 2018/19

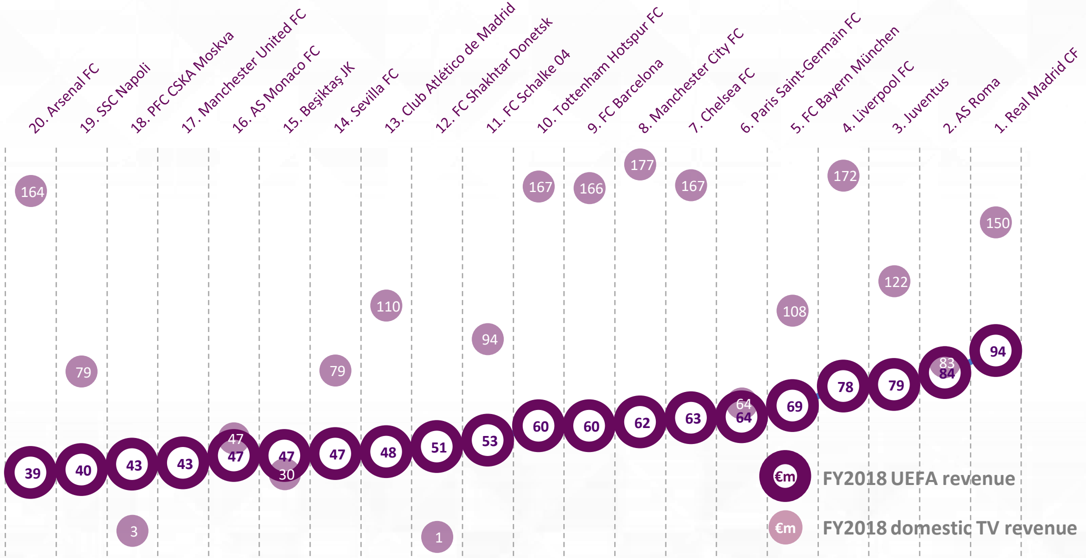
UEFA prize money reported by clubs in their financial statements, will significantly increase in FY19 on the back of the new TV rights cycle. Prize money for participants will rise significantly, as will solidarity payments for clubs taking part in qualifying rounds and clubs not participating in either UEFA club competition.

* All data is based on all of the teams in the league, rather than just the four to seven teams participating in UEFA competitions during the financial period in question. This is consistent with the analysis of other revenue streams. In all cases, the club in the first column was a participant in the group stage of the UEFA Champions League or the UEFA Europa League. The aggregate figure includes all direct revenues, including prize money, solidarity payments for clubs competing in qualifying rounds and, in most cases, solidarity payments for non-participating clubs distributed through the relevant league. Indirect revenues (i.e. sponsor and commercial partner bonuses and gate receipts) are reported elsewhere. In this case, percentage changes have been calculated in euros, rather than in local currency, since all payments relating to UEFA club competitions are distributed in euros.

Performance pays: 10 clubs with highest UEFA revenues all reached Champions League knockout stages in 2017/18

Top 20 clubs by UEFA revenue

					Comparisons			
Rank	Club	Country	Revenue from UEFA FY18	Sporting performance	% of FY18 revenue	Domestic TV revenue FY18	Ratio UEFA to domestic TV	Revenue from UEFA FY17
1	Real Madrid CF	ESP	€94m	UCL F	12%	€150m	0.6x	€90m
2	AS Roma	ITA	€84m	UCL SF	34%	€83m	1.0x	€28m
3	Juventus	ITA	€79m	UCL QF	20%	€122m	0.6x	€112m
4	Liverpool FC	ENG	€78m	UCL F	15%	€172m	0.5x	€3m
5	FC Bayern München	GER	€69m	UCL SF	11%	€108m	0.6x	€57m
6	Paris Saint-Germain FC	FRA	€64m	UCL R16	12%	€64m	1.0x	€58m
7	Chelsea FC	ENG	€63m	UCL R16	13%	€167m	0.4x	€7m
8	Manchester City FC	ENG	€62m	UCL QF	11%	€177m	0.3x	€56m
9	FC Barcelona	ESP	€60m	UCL QF	9%	€166m	0.4x	€61m
10	Tottenham Hotspur FC	ENG	€60m	UCL R16	14%	€167m	0.4x	€45m
11	FC Schalke 04	GER	€53m	UCL GS*	17%	€94m	0.6x	€6m
12	FC Shakhtar Donetsk	UKR	€51m	UCL R16 / UCL GS*	72%	€0.7m	74.4x	€29m
13	Club Atlético de Madrid	ESP	€48m	UCL GS & UEL F	14%	€110m	0.4x	€62m
14	Sevilla FC	ESP	€47m	UCL QF	29%	€79m	0.6x	€36m
15	Beşiktaş JK	TUR	€47m	UCL R16	28%	€30m	1.5x	€40m
16	AS Monaco FC	FRA	€47m	UCL GS	38%	€47m	1.0x	€65m
17	Manchester United FC	ENG	€43m	UCL R16	6%	€187m	0.2x	€46m
18	PFC CSKA Moskva	RUS	€43m	UEL R16 / UCL QF*	50%	€3m	12.2x	€24m
19	SSC Napoli	ITA	€40m	UCL GS & UEL R32	22%	€79m	0.5x	€66m
20	Arsenal FC	ENG	€39m	UEL SF	9%	€164m	0.2x	€66m
1-20	Average		€58m			€109m		€48m
1-20	Aggregate		€1'169m		15%	€2'171m	0.5x	€955m



Europa League revenues of €39m for Arsenal FC

2017/18 Champions League winners Real Madrid CF top the UEFA revenue listings for FY2018. Unsurprisingly, the top 10 clubs by UEFA revenue all reached the knockout stages of the 2017/18 Champions League. The €39m that Arsenal received for getting to the semi-final of the Europa League, propelled it into the top 20 club recipients in 2017/18, demonstrating why qualifying for the Europa League can be of significant commercial interest for clubs.

Four clubs received more from UEFA than they did from their own domestic TV deals

TV revenue from domestic football has been included in this chart to illustrate the relative importance of the two revenue streams for each club. Most clubs in the top 20 received more revenue from domestic TV than they did from UEFA, although four clubs received more from UEFA, and two Ligue 1 clubs (Paris Saint-Germain FC and AS Monaco FC) received the same amount from both. The most extreme example here is FC Shakhtar Donetsk, who received 74 times as much from participating in the Champions League group stage and the round of 16 as they did from their domestic TV deal (for which they received less than 700,000 euros).

* The timing of payments and accounting recognition policies mean that the prize money published by UEFA for 2017/18 will not exactly match the values reported in clubs' financial statements. For clubs with a summer financial year end, the amounts are usually broadly in line, with just the final market pool uplift typically recorded the following year. In this year's list of the top 20 clubs by UEFA revenue, FC Schalke 04, FC Shakhtar Donetsk and PFC CSKA Moskva have a 31 December financial year end, with the reported prize money covering a mix of the 2018/19 group stages and payments relating to the second half of the 2017/18 UEFA club competitions.

Solid 8% growth in gate receipts shared across leagues

The top 14 leagues all reported growth in 2018, driving the 8% increase in gate receipts that was observed across Europe as a whole. English Premier League clubs generated €723m in gate receipts in 2018, a 4% increase in euro terms and a 8% increase in domestic currency terms.

Top 20 leagues by average club gate receipts

Percentage of total club revenue	*Ranking by club average*	*Underlying growth*	*Aggregate*	*Club average (€m)*
13%	(1). ENG	8%	€723m	36.2
16%	(2). GER	4%	€511m	28.4
18%	(3). ESP	14%	€555m	27.8
12%	(4). ITA	24%	€268m	13.4
16%	(5). FRA	13%	€266m	13.3
43%	(6). SCO	19%	€98m	8.1
29%	(7). NED	2%	€143m	7.9
31%	(8). SUI	1%	€66m	6.6
22%	(9). BEL	4%	€86m	5.4
12%	(10). TUR	52%	€89m	4.9
15%	(11). POR	11%	€64m	3.6
7%	(12). RUS	13%	€52m	3.2
17%	(13). AUT	7%	€30m	3.0
24%	(14). SWE	4%	€37m	2.3
24%	(15). ISR	0%	€25m	1.8
15%	(16). NOR	-15%	€21m	1.3
14%	(17). POL	-8%	€18m	1.1
13%	(18). GRE	12%	€17m	1.1
7%	(19). DEN	18%	€14m	1.0
16%	(20). CYP	-1%	€9m	0.7

Matchday punters again critical for Scottish clubs' finances

Once again, gate receipts made the largest contribution to total revenue in Scotland (43%), where Hibernian FC returned to the top flight after three seasons playing in the Scottish Championship, leading to a 19% increase in gate receipts in 2018. At the other end of the scale, gate receipts generated just 7% of revenue in Denmark and Russia.

Strong growth in Turkey and Italy

Eight other countries also reported double-digit growth rates: Spain, Italy, France, Turkey, Portugal, Russia, Greece and Denmark. Turkish clubs, in particular, posted a massive 52% increase in gate receipts (albeit that was only 21% in euro terms), driven by (i) tremendous growth at İstanbul Başakşehir (+158%) owing to their improved sporting performance and (ii) a positive impact stemming from clubs' promotions and relegations. Italy, meanwhile, reported a 24% increase, driven mainly by strong improvements at three major clubs: AC Milan (+120%), AS Roma (+44%) and FC Internazionale Milano (+30%).

Outside the top 20 markets

Gate receipts generate less than 10% of total revenues across many leagues outside the top 20 markets. However, they remain a significant part of the revenue mix in certain northern European countries, such as Finland (17%), Northern Ireland (19%) and the Republic of Ireland (28%).

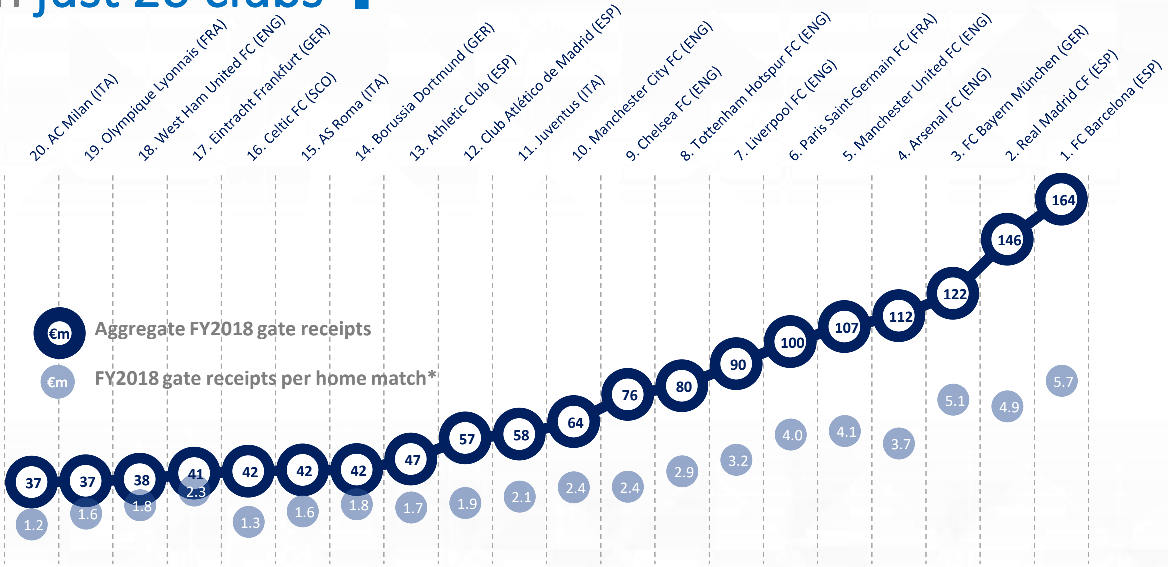
Positive trend over 2015-2018

While clubs' other revenue streams have generally carried on growing over the last ten years, despite Europe's challenging economic climate, gate receipts actually declined between 2008 and 2014 following the global financial crisis. The last four seasons have seen a solid recovery, with gate receipts increasing at an average rate of 6% per year between 2014 and 2018. However, across the full ten-year period gate receipts have declined as a percentage of overall revenue (from 21% in 2008 to 15% in 2018).

Almost half of all gate receipts concentrated in just 20 clubs

Top 20 clubs by gate receipts

Rank	Club	Country	FY18	Year-on-year growth %	% of total revenue	Multiple of the league average	Estimated receipts per match	Number home matches
1	FC Barcelona	ESP	€164m	15%	24%	5.9 x	€5.7m	29
2	Real Madrid CF	ESP	€146m	3%	19%	5.3 x	€4.9m	30
3	FC Bayern München	GER	€122m	4%	19%	4.3 x	€5.1m	24
4	Arsenal FC	ENG	€112m	-5%	25%	3.1 x	€3.7m	30
5	Manchester United FC	ENG	€107m	-11%	16%	2.9 x	€4.1m	26
6	Paris Saint-Germain	FRA	€100m	11%	18%	7.5 x	€4.0m	25
7	Liverpool FC	ENG	€90m	6%	18%	2.5 x	€3.2m	28
8	Tottenham Hotspur FC	ENG	€80m	57%	19%	2.2 x	€2.9m	28
9	Chelsea FC	ENG	€76m	11%	15%	2.1 x	€2.4m	32
10	Manchester City FC	ENG	€64m	6%	11%	1.8 x	€2.4m	27
11	Juventus	ITA	€58m	-3%	14%	4.4 x	€2.1m	28
12	Club Atlético de Madrid	ESP	€57m	38%	16%	2.0 x	€1.9m	30
13	Athletic Club	ESP	€47m	31%	35%	1.7 x	€1.7m	27
14	Borussia Dortmund	GER	€42m	-4%	13%	1.5 x	€1.8m	23
15	AS Roma	ITA	€42m	44%	17%	3.1 x	€1.6m	26
16	Celtic FC	SCO	€42m	15%	36%	5.1 x	€1.3m	32
17	Eintracht Frankfurt	GER	€41m	11%	26%	1.4 x	€2.3m	18
18	West Ham United FC	ENG	€38m	-16%	19%	1.1 x	€1.8m	21
19	Olympique Lyonnais	FRA	€37m	-15%	23%	2.8 x	€1.6m	24
20	AC Milan	ITA	€37m	120%	17%	2.7 x	€1.2m	30
1-20	Average		€75m	16%	20%	3.2 x	€2.8m	27
1-20	Aggregate		€1'501m	8%	19%		€2.8m	538



Top 20 clubs generate 48% of all top-division gate receipts

The top 20 includes seven English clubs, four Spanish clubs, three Italian clubs, three German clubs, two French clubs and one Scottish club. Together, these 20 clubs generated €1,501m in gate receipts in FY2018, which is equivalent to 48% of all European top-division gate receipts.

* Gate receipts per match are calculated by dividing total gate receipt revenue by the number of official competitive domestic league and cup matches and UEFA matches hosted during the financial year (i.e. home matches only, plus finals). This may in some cases lead to a slight overestimation of revenue per match if clubs also generated gate receipts from non-official friendly matches. In addition, there are also various revenue-sharing arrangements for domestic league and cup matches that can increase or decrease receipts per match.

Five clubs generate more than €4m per home match

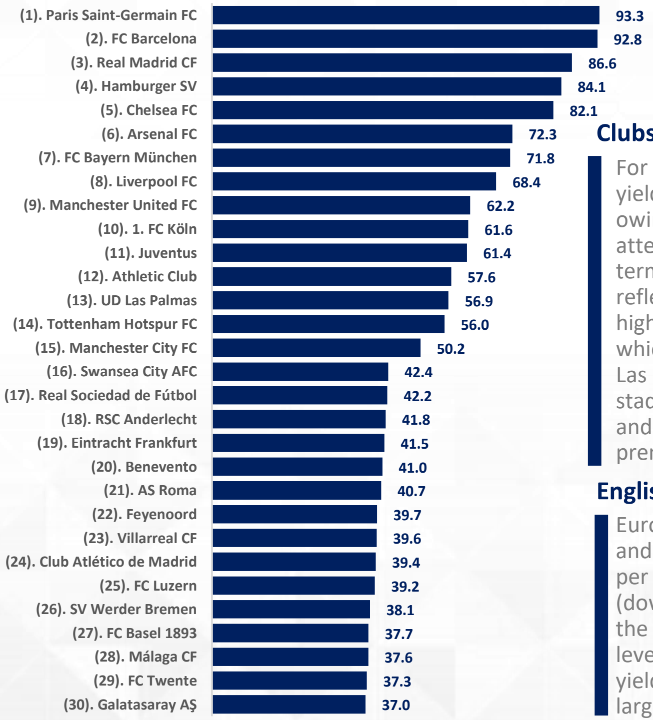
Six clubs generated €100m or more from gate receipts in FY2018, at an average of between €3.7m and €5.7m per home match.* Clubs' ability to generate revenue from gate receipts differs markedly, with the fourth highest earner (Arsenal FC) generating almost twice as much as the club in 11th place (Juventus). Most of the clubs in the top 20 operate at or near full capacity, thus limiting their potential for future growth to price increases.

Some clubs showcase strong growth, either due to matches played in bigger stadiums (Tottenham Hotspur FC, +57% and Club Atlético de Madrid, +38%), increased success in UEFA club competitions (AS Roma , +44%), or renewed interest from improved sporting performance (AC Milan, +120%, albeit from a smaller base).

The bigger the club, the higher the price

The average yield provides a benchmark for the price of attending football matches.* It reflects all types of gate receipt, including season tickets, matchday tickets, membership fees (where tickets are part of that membership), premium ticketing and hospitality (matchday usage).

Top 30 clubs by average yield per match attendee* (in euros)



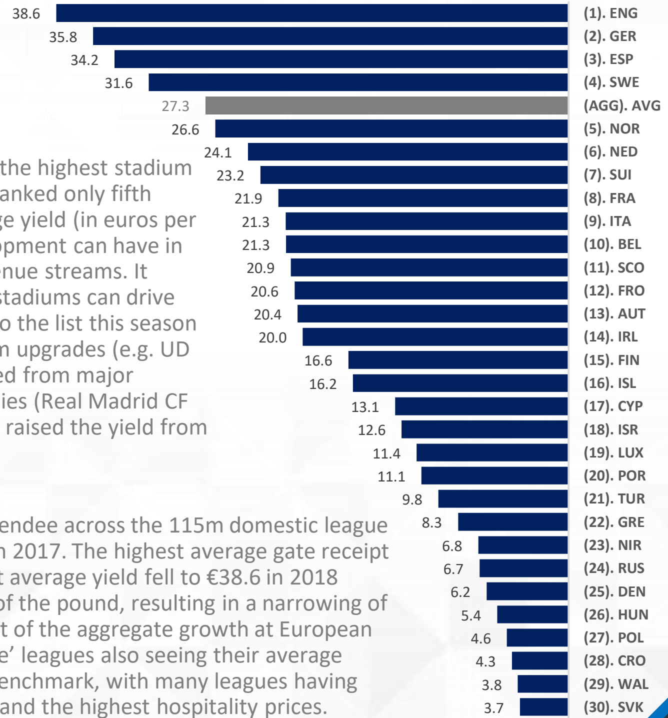
Clubs benefiting from stadium investment

For the second consecutive year, Paris Saint-Germain FC had the highest stadium yield in Europe, while the first English club (Chelsea FC) was ranked only fifth owing to further weakening of the pound in 2018. The average yield (in euros per attendee) underlines the positive impact that stadium development can have in terms of increasing a club's revenues and diversifying its revenue streams. It reflects a combination of normal and premium pricing. New stadiums can drive high yields, as evidenced by a number of clubs that are new to the list this season which reported immediate increases thanks to recent stadium upgrades (e.g. UD Las Palmas). Other clubs near the top of the list have benefited from major stadium upgrades (Liverpool FC) or regular upgrades to facilities (Real Madrid CF and Paris Saint-Germain FC) that have increased capacity and raised the yield from premium ticketing.

English clubs top the list again

European clubs generated an average of €27.3 per paying attendee across the 115m domestic league and UEFA club competition matches in 2018, up from €25.8 in 2017. The highest average gate receipt per paying attendee was again seen in England, although that average yield fell to €38.6 in 2018 (down from €45.7 in 2017) owing to the decline in the value of the pound, resulting in a narrowing of the gap between the Premier League and other leagues. Most of the aggregate growth at European level was driven by medium-sized leagues, with other 'big five' leagues also seeing their average yields decline. At the same time, the average yield is only a benchmark, with many leagues having large differences between the cheapest adult or child tickets and the highest hospitality prices.

Top 30 countries by average yield per match attendee* (in euros)



* The average yield is calculated by dividing gate receipt revenues by the number of attendees at league and UEFA competition matches. The actual 'true' yield covering all competitions and friendly matches can be expected to be slightly lower. For consistency reasons, no adjustment is made for cup match or friendly match attendances, as an exact calculation of yield taking into account cup attendances or excluding domestic cup ticketing is not possible. While UEFA now requires ticketing income to be broken down into domestic and UEFA competitions, figures for cup matches alone are not readily available. Moreover, detailed attendances are not always available for all cup competitions across Europe. For the purposes of this analysis, it is assumed that all match receipts go to the home club and are not shared between the home and away clubs and/or subject to levies.

14 of top 20 leagues reported increases in sponsorship and commercial revenue in 2018

Discussions regarding financial polarisation tend to focus on the distribution of TV revenues or UEFA prize money, but clubs' differing ability to generate sponsorship and establish commercial partnerships is equally significant.

Top 20 leagues by average sponsorship and commercial revenue per club

Percentage of total club revenue	*Ranking by club average*	*Underlying growth*	*Aggregate*	*Club average (€m)*
26%	(1). ENG	8%	€1'421m	71.0
38%	(2). GER	3%	€1'185m	65.9
27%	(3). ESP	23%	€861m	43.1
25%	(4). ITA	11%	€566m	28.3
58%	(5). RUS	-1%	€436m	27.3
24%	(6). FRA	-21%	€400m	20.0
31%	(7). TUR	21%	€230m	12.8
41%	(8). NED	2%	€202m	11.2
51%	(9). AUT	-3%	€90m	9.0
31%	(10). SUI	-5%	€66m	6.6
27%	(11). BEL	4%	€106m	6.6
48%	(12). DEN	2%	€89m	6.3
24%	(13). POR	12%	€106m	5.9
26%	(14). SCO	9%	€60m	5.0
41%	(15). HUN	30%	€55m	4.5
44%	(16). SWE	11%	€67m	4.2
41%	(17). NOR	-16%	€59m	3.7
41%	(18). POL	-6%	€51m	3.2
32%	(19). GRE	16%	€44m	2.8
47%	(20). CZE	6%	€38m	2.3

38 English and German clubs generate 41% of all sponsorship and commercial revenues

Sponsorship and commercial revenues, which now total €6.2bn, have continued to grow, with 14 of the top 20 leagues reporting year-on-year growth in 2018 (in local currency terms). The two dominant leagues, England and Germany, recorded healthy growth rates of 8% and 3% respectively, in line with the previous year. Spanish clubs, starting from a lower base, reported their third consecutive year of double-digit growth in 2018, with Italian, Turkish, Portuguese, Hungarian, Swedish and Greek clubs also reporting year-on-year growth of more than 10%. Nonetheless, the 38 English and German top-division clubs are still responsible for 41% of all top-division sponsorship and commercial revenues.

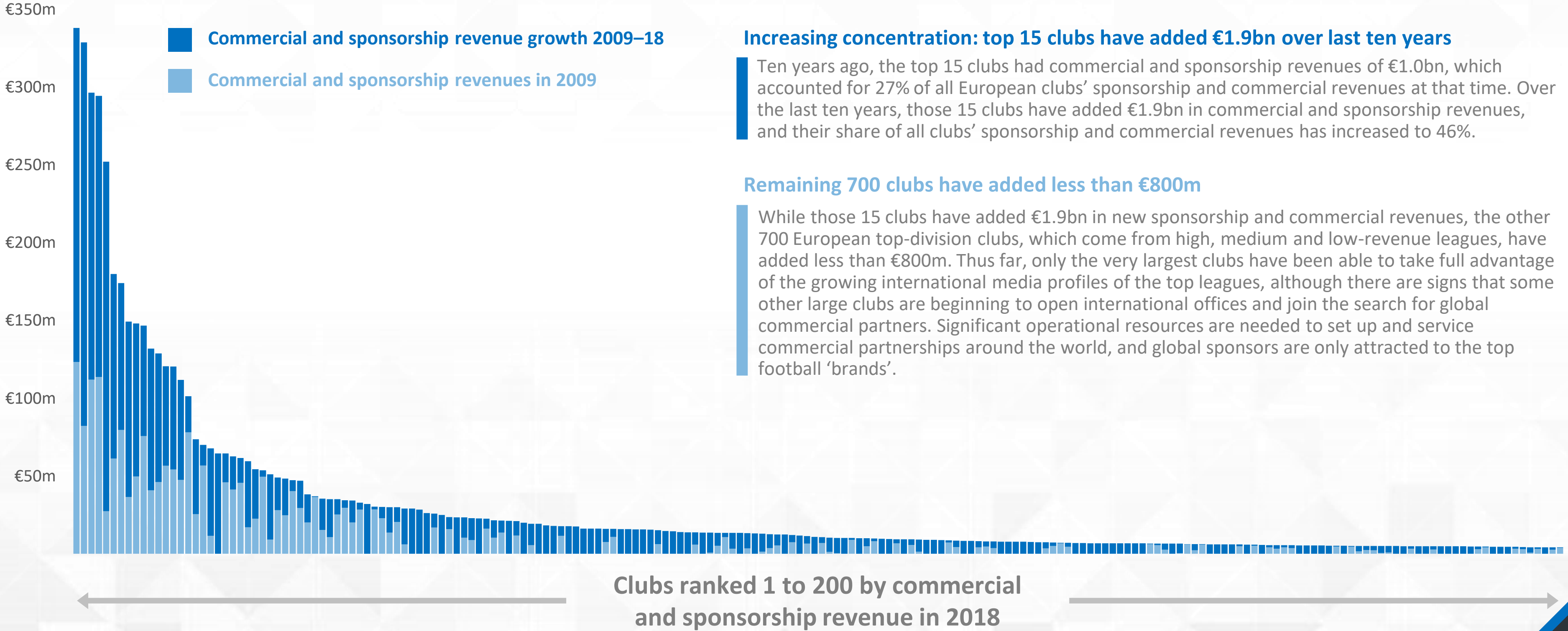
Some declines in eastern and south-east Europe

Outside the top 20, the picture is mixed. Although commercial and sponsorship revenues increased in the majority (27) of those 35 countries in 2018, there is evidence that conditions remain difficult in eastern and south-east Europe, with Moldova, Lithuania, Bosnia and Herzegovina and North Macedonia all reporting double-digit declines in commercial and sponsorship revenues. At the same time, it is important to remember that the line between sponsorship and donations can become blurred for the many clubs which are still reliant on benefactor funding. Sponsorship and commercial revenues account for 26% of club revenues in leagues outside the top 20.

Revenues largely concentrated at top clubs

In 2018, the top 20 clubs were responsible for 47% of the €200m revenue growth in this area. In contrast, those clubs have generated 15% of all TV revenue growth.

Top 15 clubs' share of total sponsorship and commercial revenues up from 27% to 46% in ten years



Increasing concentration: top 15 clubs have added €1.9bn over last ten years

Ten years ago, the top 15 clubs had commercial and sponsorship revenues of €1.0bn, which accounted for 27% of all European clubs' sponsorship and commercial revenues at that time. Over the last ten years, those 15 clubs have added €1.9bn in commercial and sponsorship revenues, and their share of all clubs' sponsorship and commercial revenues has increased to 46%.

Remaining 700 clubs have added less than €800m

While those 15 clubs have added €1.9bn in new sponsorship and commercial revenues, the other 700 European top-division clubs, which come from high, medium and low-revenue leagues, have added less than €800m. Thus far, only the very largest clubs have been able to take full advantage of the growing international media profiles of the top leagues, although there are signs that some other large clubs are beginning to open international offices and join the search for global commercial partners. Significant operational resources are needed to set up and service commercial partnerships around the world, and global sponsors are only attracted to the top football 'brands'.

CHAPTER #08

Club wages

Salaries paid to players and other employees are the clubs' single biggest cost component. In this chapter, we analyse recent trends in payroll evolution, and draw a comprehensive picture of club wages in Europe's 20 richest leagues.

Club wages highlights

Wage inflation

Wages grew by 9.4% in FY2018, the highest rate of growth in 11 years.

13

A record 13 leagues below the top 20 have wage-to-revenue ratios of more than 80%.

11x

Top clubs pay 11x the wages of smaller clubs in Spain, 3.6x in England.

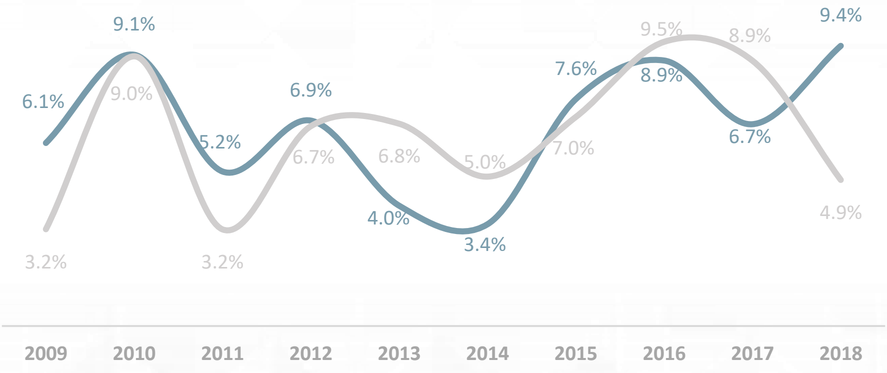
35

A record 35 clubs have wage bills in excess of €100m.

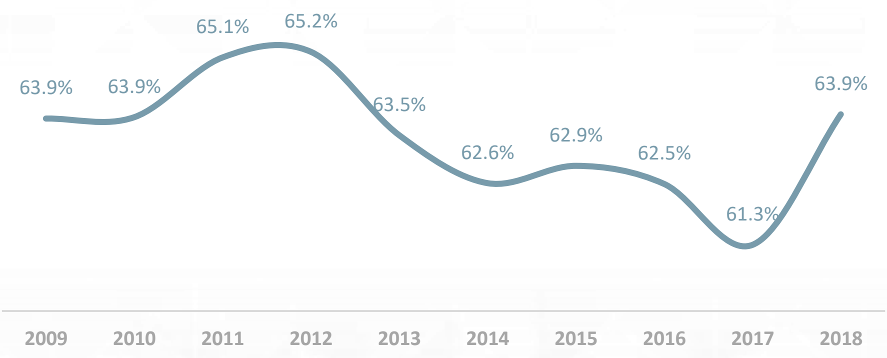
Very high wage growth, 9.4%, with 64% of revenue now paid out in wages

Football clubs' wages (which include playing staff, technical staff and administrative staff)* absorb a very large percentage of their revenues – more than in nearly every other industry. Wage control is key to a clubs' sustainable financial health. This section examines trends in wages and analyses the sources and key drivers of wage growth.

Evolution of total revenue and wages (annual percentage growth)



Percentage of club revenue spent on wages



Wage growth at a historical high after years of moderation v revenue growth

In four of the last six years, European club revenues have grown faster than club wages, a clear reversal of the trend seen prior to 2012, when wages grew faster than revenues every year. This increase in cost control is the principal driver for the improvement seen in club finances. However, high wage inflation returned in 2018, outpacing revenue growth of 4.9%. Wage inflation stood at 9.4% in 2018, the highest in the last decade.

Wage-to-revenue ratio back up after a record-low in 2017

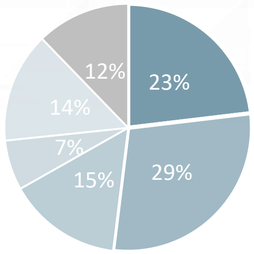
The wage-to-revenue ratio, which is widely regarded** as one of the key financial indicators for football clubs, went up to 63.9% in 2018, having reached a ten-year low of 61.3% in 2017. The ratio remains lower than it was before 2011 and the introduction of financial fair play, but its increase in 2018 is the main reason for the decrease in operating profit analysed elsewhere in this report. For the first time in the last six years, the wage increase expressed in € terms (€1.2bn) exceeded aggregate growth in revenue (€1.0bn).

* In this section of the report, the terms 'wages', 'wage level' and 'wage bill' refer to all employment costs (including the club's share of social contributions) for all employees (technical and administrative staff, as well as players), except when otherwise mentioned, 'players' wages' in particular.** This ratio features in the annual reports of all major football clubs and is a key indicator in all benchmarking studies.


TRAPP
31
Eintracht
12
#EQUAL GAME
RESPECT
UEFA
EUROPA
LEAGUE
BRIANZA

Big 5 leagues responsible for almost 90% of Europe-wide wage increases in FY18

Share of total wage bill increase by country



England
Spain
Germany
Italy
France
Rest of Europe

Wage inflation driven by larger markets

Wages in the 'big5' leagues increased by +€1,012 million in 2018 with Spanish clubs recording the largest increase of €332 million. This represents a 20% year on year wage increase for LaLiga clubs and a 29% contribution to the overall Europe-wide wage increase.

Wages also increased significantly in France with the 15% year on year growth taking the wage to revenue ratio from 68% to a high 76%. Notable wage growth of 13%* and 11% also occurred in England and Germany but the wage to revenue ratios remain at a healthy level below 60%.

As context the pie chart illustrates that the rest of Europe, outside these 'big5' leagues, was responsible for just 12% of the Europe-wide wage increase. Wages increased by €49 million for the fifteen other countries listed in the table, ranked 6 to 20 by average club wage bill.

Top 20 leagues by average club wages

Club wages to revenue ratio in 2018	Club wages to revenue ratio in 2017	Ranking by club average	Underlying growth	Aggregate	Club average in 2017 (€m)	Club average in 2018 (€m)
59%	56%	(1). ENG	13%	€3,235m	148	161.7
64%	58%	(2). ESP	20%	€2,020m	84	101.0
53%	53%	(3). GER	11%	€1,664m	83	92.4
65%	66%	(4). ITA	5%	€1,495m	71	74.8
76%	68%	(5). FRA	15%	€1,281m	56	64.1
70%	72%	(6). RUS	2%	€527m	36	32.9
79%	76%	(7). TUR	36%	€592m	31	32.9
75%	68%	(8). POR	13%	€331m	16	18.4
71%	67%	(9). BEL	9%	€279m	16	17.4
61%	60%	(10). NED	-1%	€301m	17	16.7
70%	67%	(11). SUI	1%	€152m	16	15.2
68%	69%	(12). AUT	-2%	€121m	12	12.1
63%	59%	(13). SCO	20%	€143m		12.0
64%	61%	(14). DEN	8%	€119m		8.5
76%	98%	(15). UKR	3%	€83m		7.0
66%	72%	(16). KAZ	5%	€80m		6.7
74%	97%	(17). GRE	-12%	€101m		6.3
78%	78%	(18). ISR	4%	€82m		5.9
61%	62%	(19). SWE	11%	€94m		5.9
74%	57%	(20). POL	5%	€92m		5.8

2018 ratio | 2017 ratio | 2017 value | 2018 value

* English club wage growth in comparative EURO terms was 9%.

Wages have risen in 17 of the top 20 leagues with wage inflation above 10% in 8 countries

Wages increased in 17 of the top 20 leagues

Wages increased in 17 of the top 20 leagues, with only Austria, the Netherlands and Greece reporting a decrease in wages, albeit a marginal decrease for the first two.

In local currency percentage terms, Turkey posted the highest wage growth of 36% (6% in Euro terms), due to the sharp depreciation of the lira against the euro and the payment of part of their wage bill in US dollar or EURO.

Wage gap between Premier League and La Liga further narrows by €65m

The depreciation of the pound and strong double-digit growth in Spain resulted in the gap between English, Spanish and German clubs narrowing further in 2018, despite English wages increasing by 13% in local currency terms. In 2018, English clubs paid 1.6 times the wages of La Liga clubs (in € terms), dropping from 1.8 in 2017 and 2.2 in 2016 and 2015. Nonetheless, English clubs still have by far the largest wage bill, surpassing €3.2bn.

Wages exceed 70% of revenue in 10 of the top 20 countries

Germany continues to have the lowest wage-to-revenue ratio (53%) in the top 20 leagues. At the other end of the scale, France, Russia, Turkey, Portugal, Belgium, Switzerland, Ukraine, Greece, Israel and Poland have average wage bills of between 70% and 80% of revenue. Given that other – mainly fixed – operating costs tend to consume between 33% and 40% of revenues, a wage-to-revenue ratio in excess of 70% is highly likely to result in losses, unless there is a significant surplus from transfers. In addition, a continuation of the low revenue growth reported in FY2018 coupled with a reduction in transfer profits could leave clubs with high wage to revenue ratio's heavily exposed and potentially lead to financial distress. This explains why the 70% ratio is included as a risk indicator in the UEFA Club Licensing and Financial Fair Play Regulations.

Players' share of club wages once again increasing

The wage analysis presented in this section covers all types of employee, as typically required to be disclosed under international financial reporting. UEFA analysis goes deeper than this by also analysing the player share of employee costs and this share edged upwards from 76.0% in 2017 to 76.5% in 2018. Senior executives, coaching and other technical staff are all increasingly well remunerated, but in 2018 the players received an 81% share of the wage growth with all other employees receiving a 19% share.

In terms of year on year growth, this translates to a 10% growth in player wages in 2018 and a 7% growth in wages of other employees.

Placing wage levels in second tier leagues in context

This report focuses on clubs in the top division of each country, for which UEFA receives detailed financial information. All tables and charts are based on that information. However, third-party league benchmarking reports suggest that the sixth league in Europe in 2018 with highest aggregate and average club wages was the English second tier league (Championship), with €844m paid in total to 24 clubs, resulting in a €35.1m average wage per club. In addition, the German second tier reported average wages per club of €12.7m, which would have put that league in 13th place. The Italian and French second tiers would have ranked 16th and 17th with average wages of €10.9m and €9.2m per club, respectively.

Wages have risen in almost all middle and lower-income leagues

Countries ranked from high to low by average club wages

Percentage of total club revenue	Ranking by club average	Underlying growth	Aggregate	Club average (€m)
47%	(21). HUN	16%	€64m	5.3
58%	(22). NOR	6%	€84m	5.3
105%	(23). CRO	1%	€50m	5.0
97%	(24). CZE	50%	€78m	4.9
87%	(25). ROU	-1%	€52m	3.7
110%	(26). SRB	62%	€57m	3.5
67%	(27). CYP	9%	€38m	3.2
84%	(28). BUL	13%	€36m	2.5
126%	(29). SVN	14%	€22m	2.2
63%	(30). AZE	12%	€17m	2.1
54%	(31). SVK	30%	€23m	1.9
62%	(32). BLR	25%	€29m	1.8
58%	(33). FIN	10%	€15m	1.2
60%	(34). ISL	18%	€13m	1.1
83%	(35). GEO	10%	€10m	1.0

Wage-to-revenue ratios of more than 80% in 13 leagues below the top 20

In FY2018, five leagues outside the top 20 – the top divisions in Croatia, Serbia, Slovenia, Kosovo and Gibraltar – reported wage-to-revenue ratios of more than 100%, while eight others reported a ratio of more than 80%. This is a significant deterioration of the situation, following three years of tremendous improvement. The situation is not worse than the previous record of 2014, when 14 leagues had ratios of more than 80%. A possible explanation is that UEFA solidarity payments remained flat in FY2018, while most clubs in these leagues kept increasing wages.

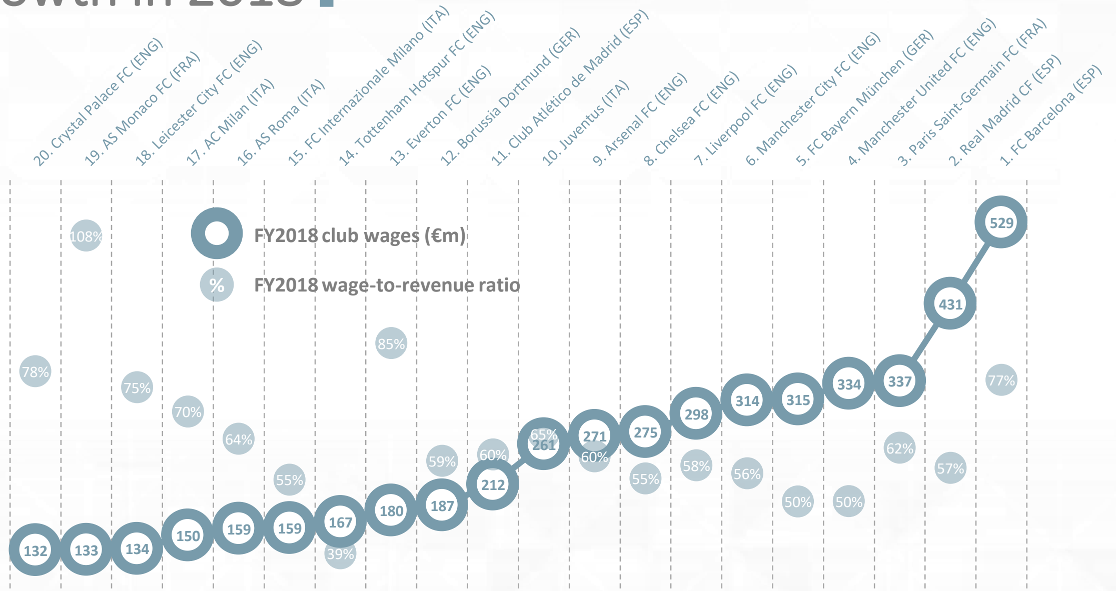
Countries ranked from high to low by average club wages

Percentage of total club revenue	Ranking by club average	Underlying growth	Aggregate	Club average (€m)
63%	(36). IRL	9%	€9m	0.9
69%	(37). LIE	-17%	€6m	0.8
93%	(38). BIH	23%	€9m	0.8
60%	(39). LUX	16%	€10m	0.7
89%	(40). MKD	-4%	€7m	0.7
81%	(41). LTU	4%	€5m	0.7
76%	(42). EST	23%	€6m	0.6
58%	(43). MDA	-8%	€4m	0.5
86%	(44). MLT	16%	€6m	0.5
74%	(45). MNE	18%	€4m	0.4
61%	(46). ALB	-29%	€4m	0.4
107%	(47). KOS	92%	€4m	0.4
58%	(48). LVA	0%	€3m	0.4
54%	(49). FRO	8%	€4m	0.4
63%	(50). ARM	209%	€3m	0.3
42%	(51). NIR	12%	€4m	0.3
75%	(52). AND	50%	€2m	0.3
104%	(53). GIB	27%	€3m	0.3
52%	(54). WAL	10%	€3m	0.2
69%	(55). SMR	6%	€2m	0.1

Half of the top 20 clubs reported double- digit wage growth in 2018

Top 20 clubs by wages

Rank	Club	Country	FY18	Year-on-year growth %	% of total revenue	Multiple of the league average
1	FC Barcelona	ESP	€529m	40%	77%	5.2 x
2	Real Madrid CF	ESP	€431m	6%	57%	4.3 x
3	Paris Saint-Germain	FRA	€337m	24%	62%	5.3 x
4	Manchester United FC	ENG	€334m	9%	50%	2.1 x
5	FC Bayern München	GER	€315m	14%	50%	3.4 x
6	Manchester City FC	ENG	€314m	-6%	56%	1.9 x
7	Liverpool FC	ENG	€298m	22%	58%	1.8 x
8	Chelsea FC	ENG	€275m	8%	55%	1.7 x
9	Arsenal FC	ENG	€271m	16%	60%	1.7 x
10	Juventus	ITA	€261m	-1%	65%	3.5 x
11	Club Atlético de Madrid	ESP	€212m	19%	60%	2.1 x
12	Borussia Dortmund	GER	€187m	5%	59%	2.0 x
13	Everton FC	ENG	€180m	47%	85%	1.1 x
14	Tottenham Hotspur FC	ENG	€167m	13%	39%	1.0 x
15	FC Internazionale Milano	ITA	€159m	3%	55%	2.1 x
16	AS Roma	ITA	€159m	9%	64%	2.1 x
17	AC Milan	ITA	€150m	17%	70%	2.0 x
18	Leicester City FC	ENG	€134m	2%	75%	0.8 x
19	AS Monaco FC	FRA	€133m	34%	108%	2.1 x
20	Crystal Palace FC	ENG	€132m	0%	78%	0.8 x
1-20	**Average**		€249m	14%	64%	
1-20	**Aggregate**		€4'978m	13%	60%	



Strong wage growth in FY2018

The number of clubs with wage bills in excess of €100m increased from 27 in 2017 to a record 35 in 2018. In spite of the devaluation of the pound, headline top 20 wage growth was up to 13% in 2018, from a low 4% in 2017. England is home to nine of the 20 clubs with the highest wage bills and only one of those reported a decline in wages once figures are converted into euros.

Wage inflation at the top two Spanish clubs

Like Real Madrid CF in 2017, FC Barcelona reported the largest wage increase in absolute terms (€151m), becoming the first club ever to record a total wage bill in excess of €500m. Everton FC (47%), AS Monaco FC (34%), Paris Saint-Germain FC (24%) and Liverpool FC (22%) also reported sizeable increases in their wage bills in FY2018. For some of them, this can be attributed to success bonuses paid following successful sporting results (domestic league or UEFA Champions League results).

15 of the top 20 clubs report ratios of 70% or less

Of the 20 highest-paying clubs, five – FC Barcelona, Everton FC, Leicester City FC, AS Monaco FC and Crystal Palace FC – reported a wage bill of over 70% of total revenue. Meanwhile, 10 clubs recorded healthy wage-to-revenue ratios of 60% or less.

Top clubs pay 3.6x the wages of smaller clubs in England, 11x in Spain

The analysis on the next two pages groups clubs on the basis of wages and then compares the averages of those clusters by country.*

Insights based on peer group analysis

Peer-group analysis, in which similar clubs are clustered together, paints a revealing picture of the relative spending power of clubs within and across leagues. The strong link between wage bills and performance means that the three clusters roughly comprise clubs typically competing in the UEFA Champions League or the UEFA Europa League, and the remaining clubs that rarely take part in UEFA competitions.

Bottom-half clubs in England pay higher wages than ‘Europa League’ clubs in most other major leagues

In addition, the English Premier League’s TV deal is such that the average wages of the third cluster of clubs in England (those ranked 9 to 20) are higher (at €84m) than those of clubs ranked 5 to 8 in Spain (€74m), Italy (€80m) and France (€63m).

‘Europa League’ clubs in ‘big five’ leagues

The average wage bills of ‘Europa League’ clubs in Spain, Italy, Germany and France are similar to those of ‘Champions League’ clubs on the next page. These clubs often drop down into the Europa League during Champions League qualifying rounds or go straight into the Europa League, which helps to explain why the Europa League group stage is so competitive.

Large gaps even among top clubs in some leagues

There are considerable differences between the ‘top four’ clubs in the wealthiest leagues, so only limited conclusions can be drawn from a comparison of this peer group across leagues. For example, the French ‘top four’ wage bill ranges from €337m to €116m, while the equivalent Spanish wage bill ranges from €529m to €118m.

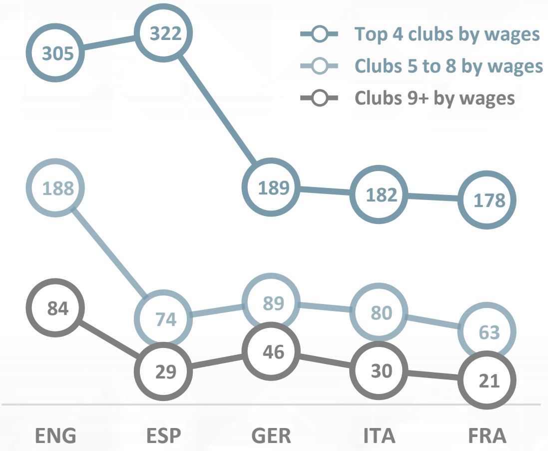
English ‘Europa League’ clubs on a par with German, Italian and French ‘Champions League’ clubs

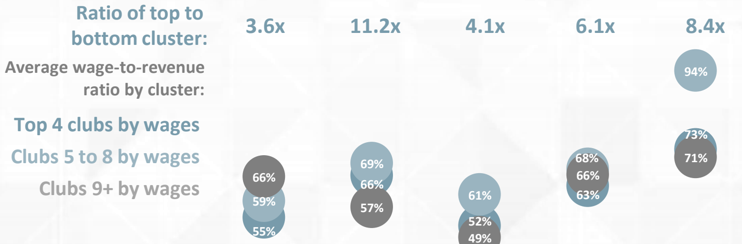
The financial strength of English Premier League clubs is such that the average wages of the second cluster of clubs, those ranked 5 to 8, are similar (at €188m) to those of the first cluster of clubs (the top 4) in Germany (€189m), Italy (€182m) and France (€178m).

Highest wage at ‘Europa League’ and bottom-half clubs in France

The highest wage-to-revenue ratio (94%) was reported by clubs ranked 5 to 8 in France. Elsewhere, wage-to-revenue ratios increased across all three groups of English and Spanish clubs, while declines were observed for two of three groups in Germany.

Average wage bill in leagues 1 to 5 by wage cluster (€m)





* This year’s report uses the same methodology as last year’s, with the top 20 leagues analysed on the basis of three league groupings and the number of clubs within each group varying according to the league’s relative strength and approximate access to UEFA competitions, with groups of four clubs for the top five leagues, groups of three clubs for leagues 6 to 11 and groups of two clubs for leagues 12 to 20. Owing to the relative distribution of financial strength between clubs from the financially strongest downwards, and owing to leagues’ differing access to UEFA club competitions, these flexed peer groups allow more meaningful comparisons.

Three Nordic leagues have most even spread of wages

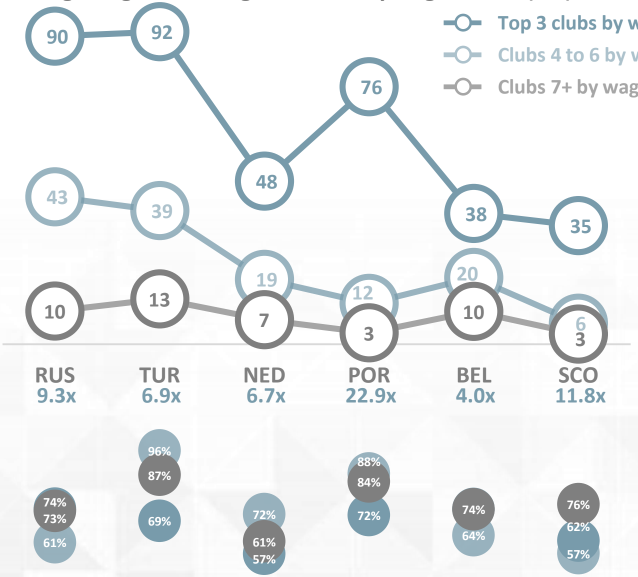
Huge wage gaps within some leagues make results on the pitch more predictable

The gap between the top two clusters in the two groups presented on this page is highly revealing. In Portugal and Scotland in particular, that difference in spending power makes it extremely unlikely for the league to be won by a club below the top two/three. In other leagues, there is greater balance, with the top two clusters closer to each other. That is particularly true in Belgium, Denmark, Sweden and Norway, where the average ratio of the two groups' wages is less than two to one.

Wage bills of Russian and Turkish 'Europa League' clubs almost double those of other clubs in leagues 6 to 20

Comparisons of relative buying power across leagues depend on the tier. For example, while the top three Portuguese clubs can be regarded as equivalent (both on and off the pitch) to the top three Russian or Turkish clubs, Portuguese clubs below the top three have a fraction of the spending power of the same-tier Russian or Turkish clubs.

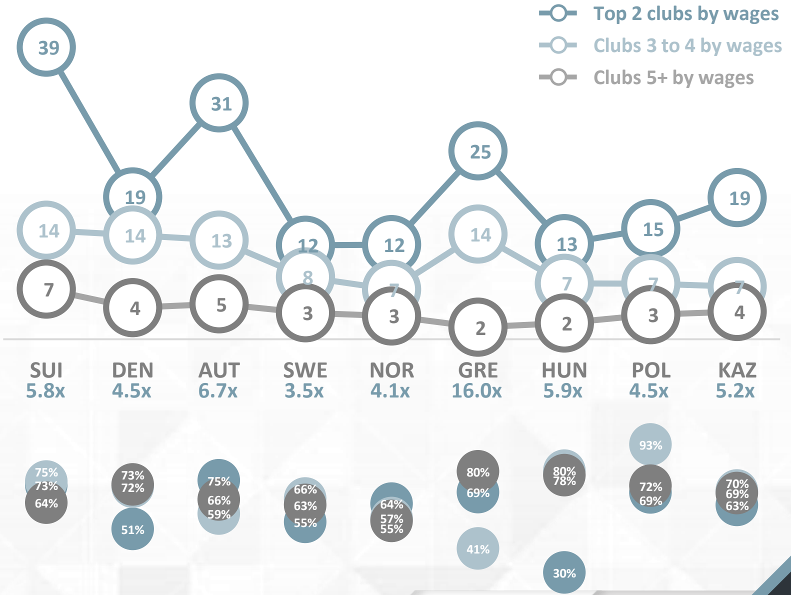
Average wage bill in leagues 6 to 11 by wage cluster (€m)



Ratio of top to bottom cluster

Average wage-to-revenue ratio by wage cluster

Average wage bill in leagues 12 to 20 by wage cluster (€m)



CHAPTER #09

Transfer activity

Transfers are a unique aspect of club football, providing financial rewards and incentives to talent developers. In this chapter, we analyse recent trends in transfer activity that have increased the importance and dependence on transfers in the clubs' financial mix.

Transfer activity highlights

€5bn

Clubs posted a record €5.0bn in transfer income in FY2018.

Big 5

85% of gross transfer spending and 75% of related earnings was recorded in Europe’s big 5 leagues.

2x

Clubs outside the twenty richest leagues are twice as likely to report transfer gains as spends.

€282m

In FY2018, Manchester City FC posted a €282m in net transfer spend, the highest ever recorded.

Transfers positively impact on Clubs financial results for the second consecutive year due to record transfer incomes of €5 billion

The accounting and disclosure of transfer activity is quite complex. To minimise confusion, in this report, we refer to two types of analysis: Transfer earnings and transfer spend which reflects the underlying transfer activity undertaken during the 12 months, and; Transfer incomes and costs which are the figures impacting the financial statement results and included on this page.

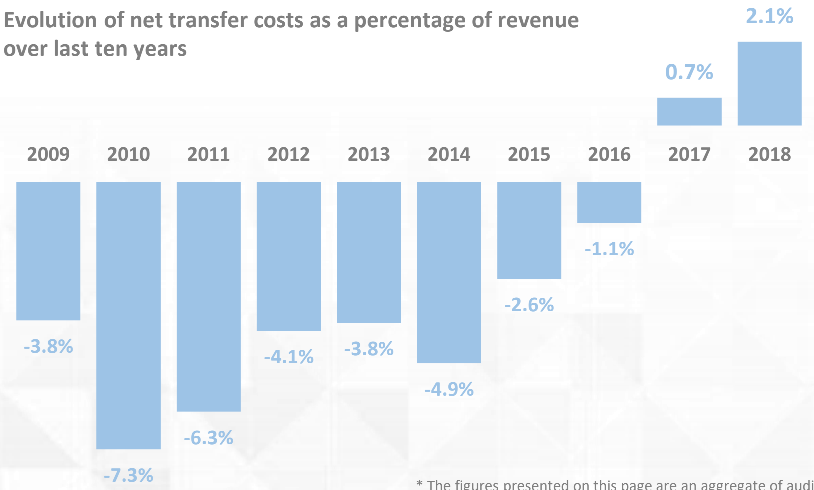
Accounting for transfer activity

When it comes to transfers, accounting is somewhat counterintuitive. When transfer spending goes up, the net cost of transfer activity, and therefore the level of aggregate club losses, is likely to go down. This is because of a difference in timing: incomes, which increase if transfer activity goes up, are triggered immediately on sale, while costs, which also increase if transfer activity goes up, are spread out over the duration of players' contracts, typically three to five years.

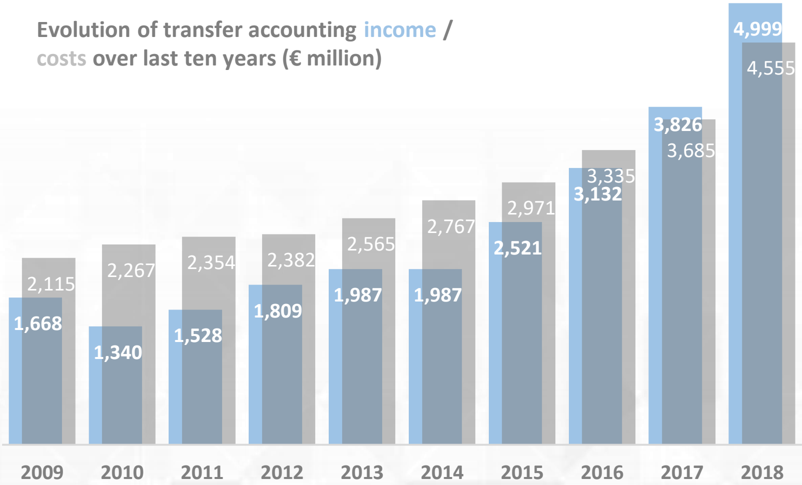
Clubs made a net income on transfer activity in 2018, thanks to higher prices

The rise of European club transfer values has resulted in net transfer incomes rising from €2.0bn in FY2013 and FY2014 to €5.0bn in FY2018. Every transfer has two sides, but transfer costs have increased more gradually than income, as costs are spread out over the duration of the player's contract. The net impact on clubs' profits and losses has been significant: whereas transfer activity resulted in net costs equivalent to 4.9% of revenue in FY2014, a net income equivalent to 2.1% of revenue was reported in FY2018.

Evolution of net transfer costs as a percentage of revenue over last ten years



Evolution of transfer accounting income / costs over last ten years (€ million)



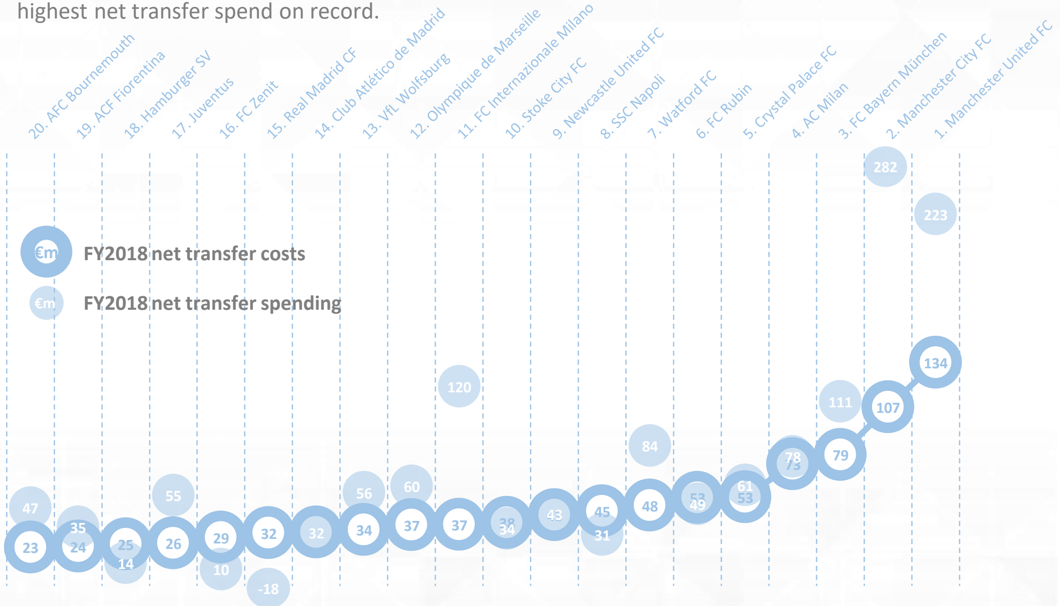
* The figures presented on this page are an aggregate of audited accounting figures for 700+ top-division clubs. These are the figures that determine each club's bottom-line financial result, and they are calculated on the basis of profits or losses triggered on sale, as well as depreciation, amortisation and non-capitalised transfer costs recorded in the year in question. By definition, these figures reflect accounting treatments and differ from the pure transfer spending and income presented elsewhere in this chapter, which is based on the reported inwards and outwards transfers (financial commitments) in each period.

7 English clubs feature in the Top 20 clubs by net transfer costs

The analysis of net transfer activity for the 20 highest cost clubs indicates how there can be large variation between the net transfer cost (impacting clubs FY2018 financial results) and net transfer spend (Underlying activity within the 12 month period). At its most extreme, Paris Saint-Germain FC do not even appear on the top 20 clubs by net transfer cost but had the second highest net transfer spend on record.

The top 20 clubs by net transfer costs in FY2018

Rank	Club	Country	Transfer costs	Transfer incomes	Net transfer costs	5 year rank	Net transfer costs as % of revenue	Net transfer spending	Club revenue
1	Manchester United FC	ENG	€155m	€20m	€134m	1	20%	€223m	€666m
2	Manchester City FC	ENG	€152m	€44m	€107m	2	19%	€282m	€558m
3	FC Bayern München	GER	€107m	€28m	€79m	5	13%	€111m	€629m
4	AC Milan	ITA	€113m	€40m	€73m	4	34%	€78m	€216m
5	Crystal Palace FC	ENG	€57m	€4m	€53m	12	32%	€61m	€169m
6	FC Rubin	RUS	€67m	€14m	€53m	21	68%	€49m	€78m
7	Watford FC	ENG	€52m	€4m	€48m	22	34%	€84m	€144m
8	SSC Napoli	ITA	€76m	€31m	€45m	20	24%	€31m	€184m
9	Newcastle United FC	ENG	€47m	€4m	€43m	16	21%	€43m	€201m
10	Stoke City FC	ENG	€63m	€25m	€38m	13	26%	€34m	€144m
11	FC Internazionale Milano	ITA	€93m	€56m	€37m	7	13%	€120m	€291m
12	Olympique de Marseille	FRA	€38m	€1m	€37m	43	26%	€60m	€143m
13	VfL Wolfsburg	GER	€65m	€31m	€34m	24	18%	€56m	€188m
14	Club Atlético de Madrid	ESP	€82m	€50m	€32m	31	9%	€32m	€352m
15	Real Madrid CF	ESP	€85m	€53m	€32m	6	4%	-€18m	€751m
16	FC Zenit	RUS	€28m	-€1m	€29m	18	16%	€10m	€183m
17	Juventus	ITA	€128m	€102m	€26m	14	6%	€55m	€402m
18	Hamburger SV	GER	€38m	€13m	€25m	15	17%	€14m	€152m
19	ACF Fiorentina	ITA	€41m	€17m	€24m	65	26%	€35m	€92m
20	AFC Bournemouth	ENG	€30m	€7m	€23m	26	15%	€47m	€152m
1-20	Average		€76m	€27m	€49m		22%	€70m	
1-20	Aggregate		€1'516m	€544m	€973m		17%	€1'407m	€5'695m



Putting the figures in context

Manchester United FC reported the highest net transfer costs across the last five years and also absorbed the highest net cost of €134 million in FY2018. Seven English clubs feature in the top 20 list and net transfer costs absorbed 22% of revenue for these high spending clubs. The net transfer cost ranged from 4% of revenue for Real Madrid to absorbing 68% of revenue for FC Rubin.

Transfer spending and costs differ

In FY2018, Manchester City FC posted the highest net transfer spending ever recorded (€282 million), while Paris Saint-Germain FC and Manchester United FC also broke the previous record set by Real Madrid CF in FY2009 (€221 million). With transfer prices doubling between summer 2014 and 2017 and increasing again in 2019, six of the ten highest transfer spends in history took place in 2018. The cost of those 2018 acquisitions will be felt in future years as they are spread out over the players' contract length. The top 20 clubs reported net transfer costs of €973 million but operated an underlying net transfer spend of €1,407 million.


1
FC Schalke 04
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FC Schalke 04
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Increasing concentration of transfer spend and earnings among the Big 5 leagues

The record transfer prices and spend of the summer of 2017 can be seen in the FY2018 results. Rapid price inflation means the gap between transfer costs (€5bn) and transfer spend (€8bn) has never been so extreme. FY2019 is difficult to predict as summer 2018 spending reduced during the World Cup summer followed by a new high in the summer of 2019.

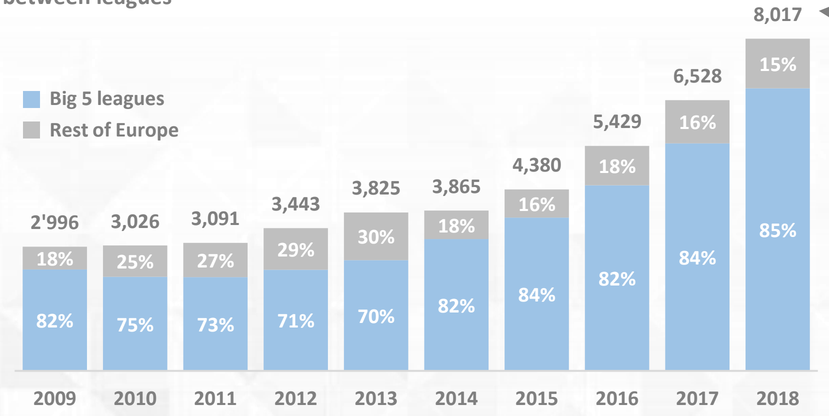
Big 5 countries' share of transfer spend (85%) and earnings (75%) reaches record levels in 2018

Transfer spending has grown at a very fast 23% in FY2018, to reach a record €8.0bn. As a result, transfer spend expressed as a percentage of clubs' revenues increased to a record high of 38% for UEFA's 55 national associations, up from 32% in FY2017. The big five leagues, England, Germany, Italy, Spain and France spent a record 85% of European top-division transfers in FY2018. The big five league concentration of transfer earnings also increased in FY2018 to 75%.

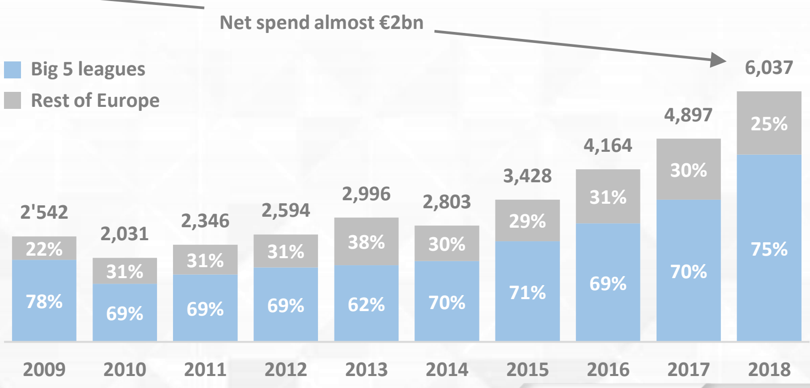
Numerous other historic transfer records broken in FY2018: a record transfer spend in FY2018, including €1.0bn paid to agents

In FY2018, Europe top-division clubs earned more from transfers (€6.0bn) than ever before. The €2.0bn gap between transfer spend and income is also the largest on record and explained by the following factors. First, around €450m of earnings are recorded outside Europe's 55 top-division leagues, in European lower divisions or outside Europe. Second, agent fees of around 12%-15% are usually paid throughout the transfer process, which comes to approx. €1.0bn outside the transfer system in FY2018. Some up front factoring of transfer receivables can also reduce the transfer earnings. Third, the auditors' accounting treatment of transfer activity will tend to be conservative, so that conditional spending (e.g. payment after 50 matches) will be recorded when probable, but earnings when the condition is reached. Fourth, the difference in timings of financial year-ends of some buying and selling clubs offsets the gap even further.

Transfer spend over last ten years (€ million) and share between leagues



Transfer earnings over last ten years (€ million) and share between leagues



Transfer activity significance: income statement perspective

On the next two pages, we further break down the key transfer-related indicators by country, highlighting which countries inject net spending into the market, and which are particular successful/dependent on transfer earnings and hence exposed to any potential fluctuations in prices. This page further highlights the relative scale of underlying transfers in FY2018 compared to clubs total revenue.

Top 20 leagues by transfer activity significance*

Transfer spend to revenue ratio in 2018	Transfer spend to revenue ratio in 2017	Ranking by country significance*	Net transfer spend / proceeds	Transfer proceeds	Transfer spend in 2017	Transfer spend in 2018
49%	35%	(1). ENG	- €1,434m	€1'237m	1,888	2,672
61%	61%	(2). ITA	- €483m	€919m	1,327	1,402
54%	34%	(3). FRA	€15m	€923m	554	908
29%	26%	(4). ESP	- €134m	€793m	746	927
29%	35%	(5). GER	- €266m	€644m	977	910
43%	47%	(6). POR	€81m	€270m	205	189
38%	37%	(7). BEL	€47m	€197m	141	150
32%	14%	(8). NED	€19m	€180m	69	161
22%	24%	(9). RUS	- €87m	€79m	191	166
16%	12%	(10). TUR	- €12m	€106m	89	117
40%	16%	(11). UKR	€29m	€74m		45
16%	15%	(12). SUI	€40m	€76m		35
18%	23%	(13). DEN	€35m	€69m		34
17%	19%	(14). AUT	€27m	€58m		30
41%	36%	(15). CRO	€48m	€67m		20
55%	34%	(16). CZE	- €6m	€38m		44
29%	21%	(17). GRE	€2m	€42m		40
15%	14%	(18). SCO	- €7m	€26m		34
31%	32%	(19). SRB	€23m	€39m		16
8%	10	(20). SWE	€25m	€37m		12

2017 value 2018 value

*Countries are ranked by value of combined clubs' gross transfer spend and income in FY18.

Premier League clubs responsible for third of transfer spending

The increasing operating profits of the English Premier League clubs allowed them to undertake record transfer spending of €2.7 billion in FY2018, up 42%, from €1.9 billion in FY2017. This transfer spend is equivalent to a third of all European top division transfer spending. While there are talent exporting and developing clubs in each country, at the league level the Premier League clubs' net spend of €1.4 billion overshadows all other leagues with Italy and Germany the next highest net spenders in FY2018 (€483 million and €266million respectively).

Transfer spending relative to revenue and high future costs

Despite the huge transfer spending of English clubs, there were other countries where clubs transfer spending was higher relative to the clubs' revenues. In both the last two years Italian club transfer spending has been equivalent to 61% of club revenues. French and Czech clubs have also undertaken transfer spending of more than 50% of annual revenue in FY2018. While high transfer earnings have triggered incomes in recent years in Italy, this continued high spending is creating a legacy of large amortisation costs that will negatively impact future financial results.

Impact of subsequent transfer windows

Having observed what has happened in January and summer 2019 (not reflected in this report's figures) and summer 2018 (reflected in full for those clubs with a December year-end but only partially for clubs with summer year-end), we anticipate that transfer spend and earnings will level off for FY2019 before increasing in FY2020. As has been the case in recent decades before and during a world cup summer, transfer activity dipped 10% between the summer of 2017 and 2018 and was also lower in January 2019 than January 2018. However summer 2019 transfer spending is reported to have reached record high levels, estimated at €1 billion more than 2017. We await to see if January 2020 is higher or lower than recent windows.

Transfer activity significance: balance sheet perspective

This page further explores the relative scale of transfer activity, this time looking at club balance sheets. Transfers are usually paid in instalments rather than up front and the unpaid or unreceived amounts are called transfer payables and receivables. These are called short-term if the amounts are due to be paid/received within 12 months of the final day of the financial year, and 'long-term' if the payment date stretched beyond 12 months.

Top 20 leagues by transfer activity significance*

Gross transfer receivables and payables to revenue ratio in 2018	Gross transfer receivables and payables to revenue ratio in 2017	Ranking by country significance*	Net transfer payables	Gross transfer receivables	Gross transfer payables in 2017	Gross transfer payables in 2018
45%	30%	(1). ENG	€874m	€791m	1,101	1,665
98%	87%	(2). ITA	€384m	€940m	1,071	1,324
74%	34%	(3). FRA	- €260m	€758m	309	498
29%	25%	(4). ESP	€341m	€291m	453	633
17%		(5). GER	€35m	€247m	260	282
119%	116%	(6). POR	- €53m	€288m	219	235
53%	48%	(7). BEL	- €75m	€142m	58	67
51%	30%	(8). NED	- €86m	€170m	34	84
17%		(9). RUS	€40m	€42m	67	82
13%		(10). TUR	€33m	€34m	46	67
35%	20%	(11). UKR	- €16m	€27m		11
21%		(12). SUI	- €28m	€36m		8
27%		(13). DEN	- €20m	€35m		15
12%		(14). AUT	- €5m	€13m		8
79%	67%	(15). CRO	- €26m	€32m		6
27%	21%	(16). CZE	- €4m	€13m		9
22%	34%	(17). GRE	€1m	€14m		16
22%		(18). SCO	€15m	€18m		33
23%	27%	(19). SRB	€1m	€5m		7
4%		(20). SWE	- €6m	€6m		0

2017 value 2018 value

Increasing level of transfer debt (payables)

On the back of rapidly inflating transfer spending, transfer payables posted on European clubs' balance sheets in FY2018 totalled €5.1 billion, up 37% in just one year from €3.7 billion in FY2017. As a result, transfer payables expressed as a percentage of clubs' revenues jumped to a record high of 24% across UEFA's 55 national associations, up from 18% in FY2017. The size of transfer payables or receivables depends on the size of recent transfer activity and the payment terms. It is therefore not surprising that English and Italian clubs have the largest balances and the big-5 league clubs are liable for 87% of outstanding transfer payables. In England, transfer payables are now equivalent to 31% of club annual revenues but the situation is more striking in Italy, where transfer payables (€1.3 billion) are equivalent to 57% of FY2018 club revenues.

Higher transfer balances increase systemic risk

The special nature of transfer payables are acknowledged in club licensing and financial fair play and through preferential creditor status in some countries. This is because transfer activity links more than one club, so any delay or non-payment can have a knock-on effect on the carefully planned cash flow of many clubs along a chain of transfer balances. To assess the exposure** of countries to outstanding transfer balances, the aggregate of both transfer receivables and payables are compared to revenues on the table left hand side. The combined transfer-related receivables and payables reached a record €9.0 billion in FY2018, equivalent to 43% of clubs' revenues. Italy, Portugal and Poland have particularly high ratios.

More long-term transfer payables Europe-wide

The proportion of transfer debts payable in more than one year increased from 32% to 38% in 2018. In the big 5 leagues, this ratio ranges from 26% in Germany to 48% in Spain where longer payment terms are more common. Anecdotal evidence suggests an increase in the assigning of club transfer debts and factoring of their receivables to third-party financial intermediaries. From current financial reporting, it is unclear whether in some cases these two transactions lead to understatement of transfer activities on clubs' balance sheets.

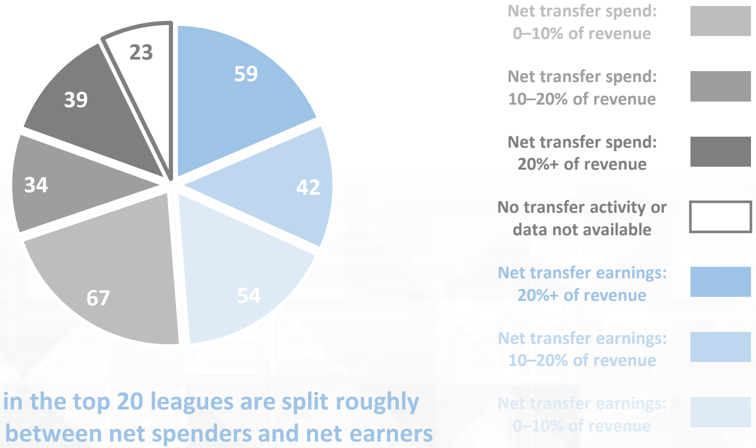
*Countries are ranked by value of combined clubs' gross transfer spend and income in FY18. ** Transfer payables and even more so, transfer receivables, are part of a clubs individual financing and cash flow choices and not per se a bad thing. The 'exposure' simply refers to the scale of transfer balances to the business. Large balances may also increase the chance of factoring of receivables or assigning of debts to financial intermediaries.

Transfer spend and earnings vary within every league

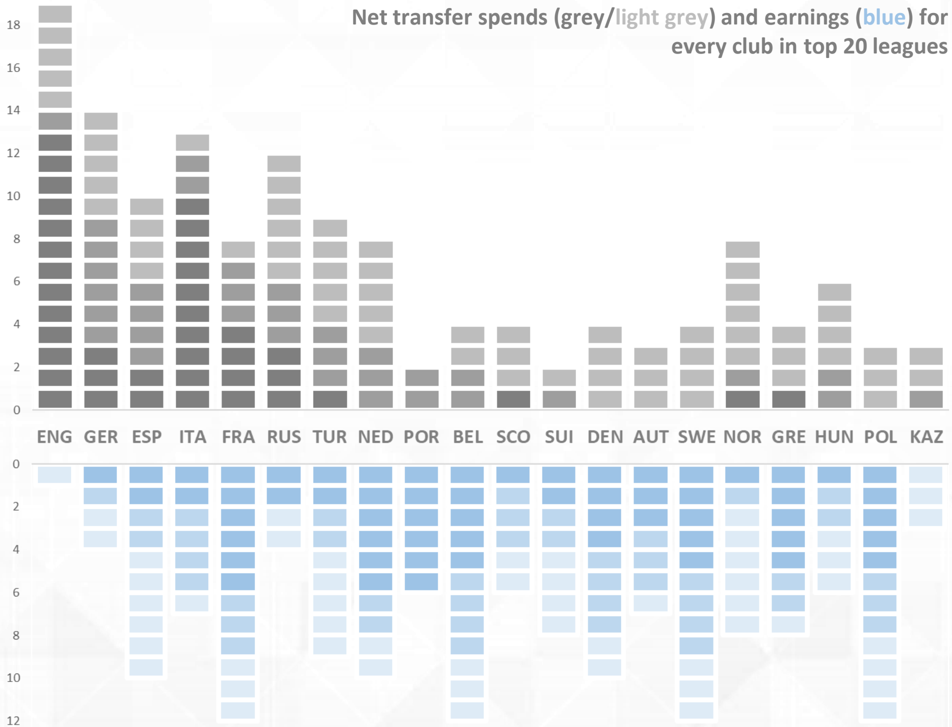
The tile charts on the final two pages of this chapter show that transfer activity is more nuanced than just the big leagues buying from the smaller leagues. There are net buyers and net sellers within nearly all leagues, with the exception of some smaller semi-professional leagues where transfer fees are rare.

More than half of the 39 clubs with high net transfer spends in the top 20 leagues are English or Italian

In FY2018, 39 clubs in the top 20 leagues (and ten clubs from other leagues) reported a net transfer spend of more than 20% of their revenues. Of those 39 clubs, 13 were English and 10 were Italian. Fairly well-controlled wage spending has allowed those clubs to operate at that relatively high level of net transfer spending.



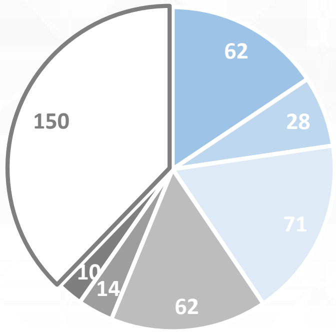
Net transfer spends (grey/light grey) and earnings (blue) for every club in top 20 leagues



Clubs in the top 20 leagues are split roughly 50:50 between net spenders and net earners

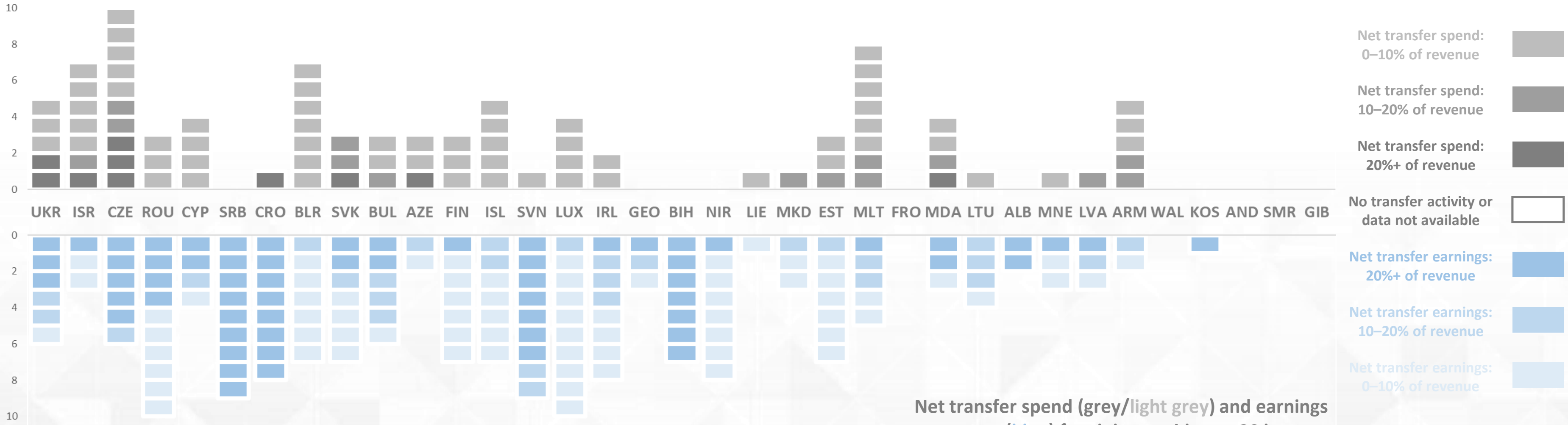
Across the top 20 leagues, roughly equal numbers of clubs reported a net transfer spend (140) and net transfer earnings (155) in FY2018. The majority of clubs generated net transfer earnings during FY2018 in Belgium, France, the Netherlands, Portugal and most leagues 11-20, as well as 50% of Spanish clubs.

Clubs in less wealthy leagues are twice as likely to report net transfer earnings as spend



In smaller leagues, the number of clubs reporting net gains is roughly twice the number reporting net spends

In leagues outside the top 20, the number of clubs generating net earnings from transfers in FY2018 (161) was approximately twice the number undertaking a net spend (86), showing that the transfer system acts as an important financial solidarity mechanism. In particular, a significant number of Croatian, Czech, Serbian and Slovenian clubs generated net earnings equivalent to more than 20% of revenue.



Net transfer spend (grey/light grey) and earnings (blue) for clubs outside top 20 leagues

CHAPTER #10

Club operating and non-operating costs

Clubs have many other costs besides wages and transfers. In this chapter, we analyse the drivers of clubs' operating costs and look at how financing and one-off exceptional items affected the profitability of clubs in Europe's various leagues in 2018.

Club costs highlights

33%

Operating costs absorbed 33% of clubs' revenue in FY2018 – up slightly from the all-time low of 32% recorded in FY2017

50%

Outside the top 20 leagues, operating costs often absorb more than 50% of clubs' revenue

+11%

The top 20 clubs' operating costs increased by 11% in FY2018, driven by high commercial development costs

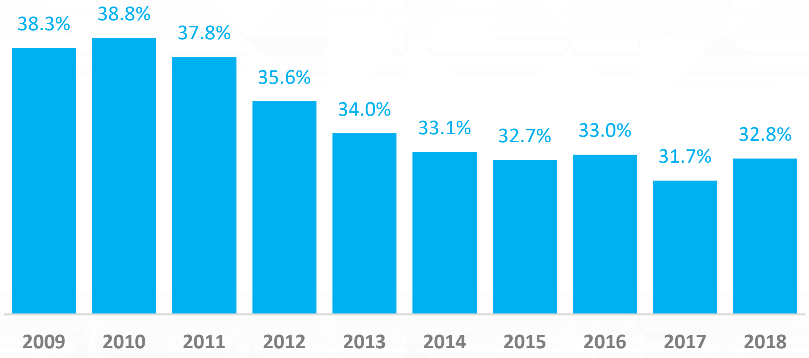
+20%

Non-operating costs rose by 20% in FY2018, driven by increases in financial and FX expenses

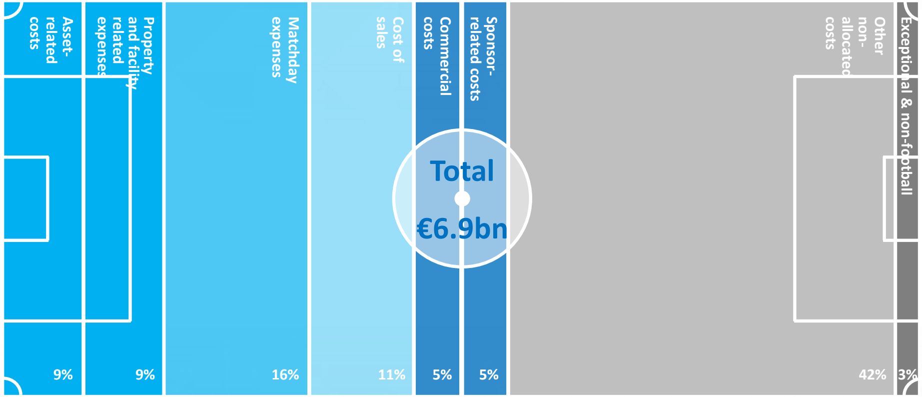
Operating costs total 33% of revenue, up slightly from 2017's historic low

Historically, much of a club's operating cost base has been either fixed (assets and property, cost of facilities and basic administrative costs) or linked to the number of matches played (matchday expenses).* With revenues increasing significantly each year, the proportion of revenue that is dedicated to (non-wage) operating costs has declined markedly, falling from 39% in FY2010 to 32% in FY2017 and 33% in FY2018.

Evolution of operating costs as a percentage of revenue over last ten years



Breakdown of operating costs



Evolution of operating costs as a percentage of revenue

As last year's report showed, non-wage operating costs rose by just 5% in FY2017 (growing far more slowly than revenue), which resulted in the ratio of operating costs to revenue falling to 32% – the lowest on record. In FY2018, non-wage operating costs grew at a slightly faster rate of 8%, with the ratio of operating costs to revenue rising to 33%. All in all, 80% of aggregate growth in non-wage operating costs in FY2018 was concentrated in the top five leagues, with Spain accounting for almost a third of that growth following a one-off increase at Athletic Club.

Comparability

The quality and extent of the financial disclosure of operating costs varies across Europe, which makes comparisons challenging.** Individual clubs' cost structures vary considerably. One obvious example is stadium ownership, which will have a major impact on 'asset-related costs' (including depreciation) and 'property and facility-related expenses' (including repairs/maintenance expenses and rental/leasing costs). Merchandising and hospitality arrangements also affect the 'cost of sales' (including raw materials), 'matchday expenses' and 'commercial costs'. The main components are set out in the graphic above, albeit with unallocated 'other' operating costs totalling 42%.

* References to the 'operating cost base' and 'operating costs' in this report exclude employee costs (which have been analysed separately) and transfer activity (amortisation also analysed elsewhere in this report). ** Disclosure of operating costs varies significantly across financial reporting frameworks. UEFA and many of its member associations require additional disclosure from clubs, above and beyond normal company reporting, and this enables club operating costs to be broken down into different categories.

Operating costs vary across countries, absorbing between 23% and 88% of revenue

Clubs where TV revenue exceeds commercial or matchday revenue tend to have lower operating cost ratios. Indeed, it is common for the agency or commission costs associated with TV revenue to be netted out before distribution to clubs, with the result that they do not affect operating costs. This is reflected in the percentage of revenue that is absorbed by operating costs, which tends to be higher where leagues do not benefit from large TV deals.*

Top 20 leagues by average operating costs

Percentage of total club revenue	*Ranking by club average*	*Underlying growth*	*Aggregate*	*Club average (€m)*
23%	(1). ENG	8%	€1'236m	61.8
34%	(2). GER	10%	€1'077m	59.8
32%	(3). ESP	18%*	€1'021m	51.1
30%	(4). ITA	8%	€695m	34.7
38%	(5). FRA	11%	€642m	32.1
29%	(6). RUS	21%*	€218m	13.6
48%	(7). NED	5%	€238m	13.2
52%	(8). BEL	12%	€204m	12.7
29%	(9). TUR	31%	€219m	12.2
46%	(10). POR	9%	€203m	11.3
43%	(11). SUI	-1%	€94m	9.4
42%	(12). AUT	-1%	€74m	7.4
37%	(13). SCO	6%	€84m	7.0
50%	(14). DEN	5%	€93m	6.7
57%	(15). GRE	-3%	€79m	4.9
51%	(16). SWE	12%	€78m	4.9
47%	(17). NOR	-6%	€68m	4.2
53%	(18). POL	11%	€66m	4.1
37%	(19). KAZ	35%	€45m	3.7
48%	(20). ISR	0%	€51m	3.6

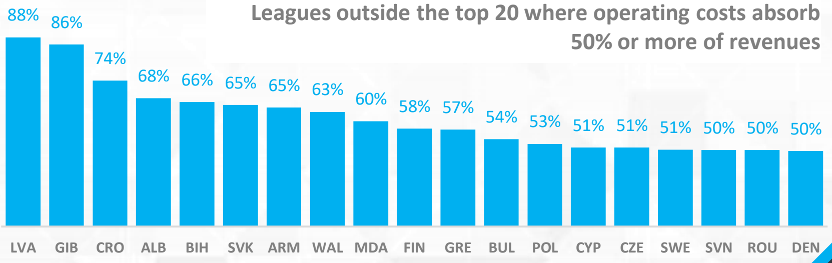
English and German clubs have highest operating costs

The revenue analysis earlier in the report highlighted the extent of English and German clubs' commercial operations, and the scale of those activities is also reflected on the cost side, with club operating costs in those two countries averaging €61.8m and €59.8m respectively – considerably more than the equivalent figures for other major leagues. The high stadium ownership rates in England and Germany are one factor contributing to those relatively high operating costs. At the same time, with operating costs absorbing just 23% of English clubs' revenues, there is still plenty of income left to pay high wages and transfer fees.

Outside the top 20 markets

Outside the top 20 leagues, there is a tendency for fixed operating costs to absorb a higher percentage of revenues. Operating costs absorb an average of 50% of revenues at clubs in those countries, and at least half of all revenues at clubs in the 19 leagues in the chart below. (Of the top 20 leagues, only Belgium, Greece, Sweden and Poland have average ratios in excess of 50%.) With non-wage operating costs at such a high level, clubs obviously need to make profits from player transfers in order to balance their books.

Leagues outside the top 20 where operating costs absorb 50% or more of revenues

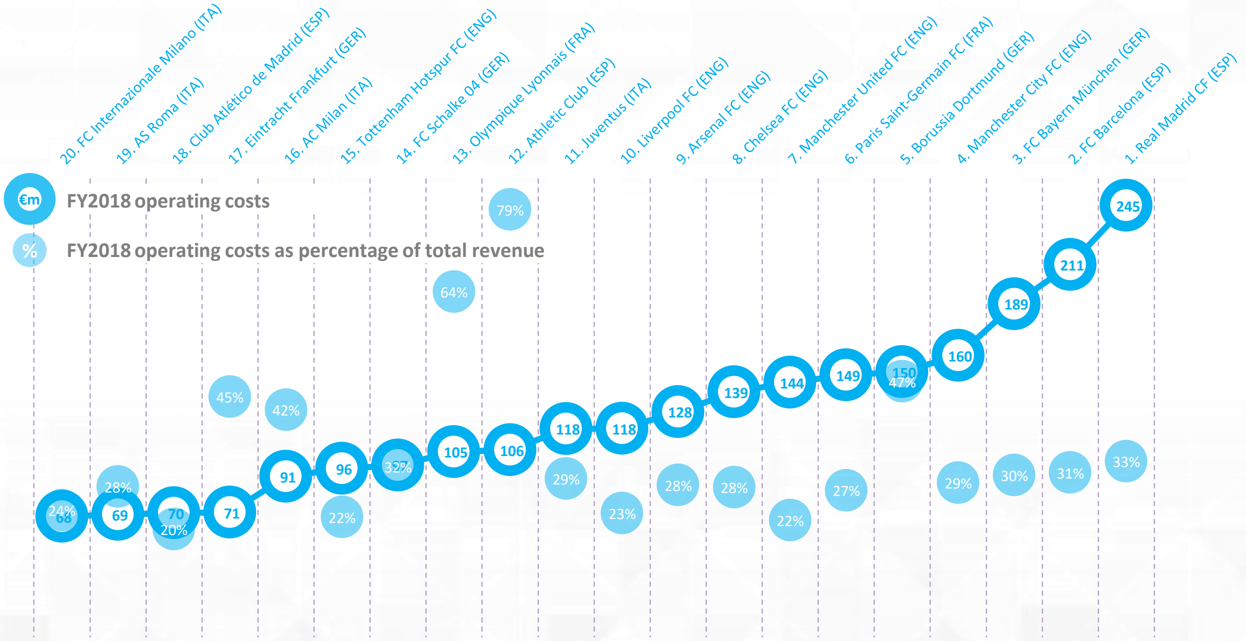


* In certain cases, relatively large changes are linked to non-recurring and/or external factors. The increase in Spanish operating costs can be attributed to non-recurring exceptional items in the previous year. In Russia, the increase is due to a combination of the following factors: (i) further weakening of the rouble against hard currencies, and (ii) a one-off increase at PFC CSKA Moskva.

The club with the largest costs has roughly double the operating costs of the tenth club and almost four times those of the 20th club

Top 20 clubs by operating costs*

Rank	Club	Country	FY18	% of total revenue	Year-on-year growth*
1	Real Madrid CF	ESP	€245m	33%	22%
2	FC Barcelona	ESP	€211m	31%	-2%
3	FC Bayern München	GER	€189m	30%	-4%
4	Manchester City FC	ENG	€160m	29%	3%
5	Borussia Dortmund	GER	€150m	47%	2%
6	Paris Saint-Germain	FRA	€149m	27%	1%
7	Manchester United FC	ENG	€144m	22%	-2%
8	Chelsea FC	ENG	€139m	28%	13%
9	Arsenal FC	ENG	€128m	28%	15%
10	Liverpool FC	ENG	€118m	23%	8%
11	Juventus	ITA	€118m	29%	18%
12	Athletic Club	ESP	€106m	79%	306%*
13	Olympique Lyonnais	FRA	€105m	64%	0%
14	FC Schalke 04	GER	€97m	32%	19%
15	Tottenham Hotspur FC	ENG	€96m	22%	-18%
16	AC Milan	ITA	€91m	42%	27%
17	Eintracht Frankfurt	GER	€71m	45%	27%
18	Club Atlético de Madrid	ESP	€70m	20%	49%
19	AS Roma	ITA	€69m	28%	8%
20	FC Internazionale Milano	ITA	€68m	24%	7%
1-20	Average		€126m	30%	
1-20	Aggregate		€2'525m	30%	11%



Operating costs range gets wider in FY2018

Operating costs absorbed an average of 30% of the top 20 clubs' revenues in FY2018, ranging from 20% at Club Atlético de Madrid to 79% at Athletic Club.

Operating costs rise by 11%

The operating costs of the top 20 clubs increased by an average of 11% in FY2018, above the Europe-wide average of 8%. The sheer scale of the global super clubs' non-wage costs highlights their significant resources and the investment they make in the global expansion of their commercial activities. This is the flipside of the major increases in commercial revenues that were highlighted earlier in the report.

* The high growth rate reported by Athletic Club is largely due to one-off provisions (classified as 'other operating costs') reported by the club.

Non-operating costs rose by 20% in 2018, driven by higher financial and FX expenses

Breakdown of European clubs' non-operating costs

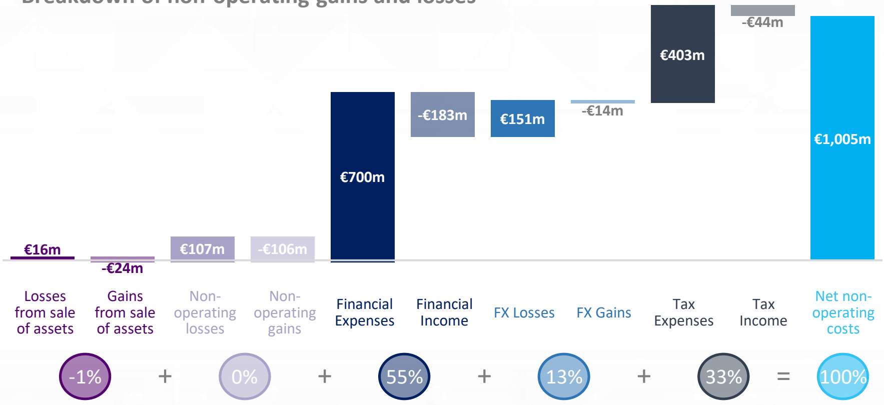
In addition to wages, transfer spending and normal operating costs, clubs reported net costs derived from non-operating items (gains offset against losses) of just over €1bn in FY2018, a 4% increase vs. FY2017 (€968m). That net cost (which covers financing, divestment, other non-operating gains and losses, and tax) was equivalent to 4.8% of revenue and reduced bottom-line profits. It should be noted that many of these items are adjusted or removed when calculating a club's financial fair play break-even result. As in the rest of this report, however, no adjustments have been made to the figures published here.

High financing costs weigh on Italian and Turkish clubs

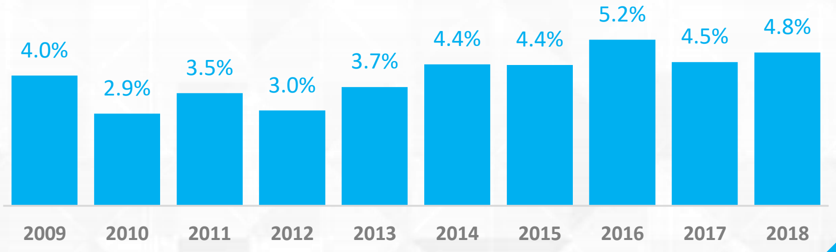
The relatively high financing costs of Turkish and Italian clubs continue to absorb a sizeable percentage of club revenues, with total net non-operating costs equivalent to 29% and 7% of revenue respectively. In Turkey this trend is mainly driven by the recent devaluation of the Turkish Lira: foreign exchange losses of €125m hit Turkish clubs in FY 2018 even harder than in FY2017 (€73m). In Italy, it appears that high financing costs are used mainly to cover operating activities.

Country	Losses (+) / gains (-) on divestment	Non-operating expenses (+) / income (-)	Net finance costs (+) / income (-)*	Net tax expenses (+) / income (-)	Net non-operating costs (+) / income (-)	Net non-operating costs as % of revenue
TUR	€0m	€17m	€201m	€2m	€220m	29.4%
ENG	-€8m	-€7m	€87m	€111m	€182m	3.3%
ITA	€0m	-€6m	€108m	€57m	€160m	6.9%
ESP	-€1m	€9m	€68m	€58m	€133m	4.2%
FRA	€1m	€3m	€51m	€41m	€96m	5.7%
GER	€1m	€0m	€26m	€64m	€91m	2.9%
POR	€1m	-€1m	€37m	€1m	€38m	8.6%
NED	€0m	€0m	€5m	€11m	€15m	3.1%
RUS	€3m	€1m	€14m	-€7m	€12m	1.6%
Other	-€5m	-€16m	€57m	€21m	€57m	1.9%
Total	-€9m	€0m	€654m	€359m	€1'005m	4.8%

Breakdown of non-operating gains and losses



Ten-year evolution of net non-operating items as a percentage of revenue



CHAPTER #11

Underlying and bottom-line profitability

Club profitability is now an increasingly prominent issue following the introduction of financial fair play rules. In this chapter we document the significant improvements that have been seen in both operating profits and 'bottom-line' results and look at how this varies across Europe.

Underlying and bottom-line profitability highlights

€697m

Aggregate operating profits of Europe's top-division clubs in FY2018, down from €1.4bn in FY2017.

€382m

English clubs profits of €382m drives Top 20 leagues profits in 2018, but significant differences remain.

2x

Second consecutive time that European clubs reported bottom-line net profits.

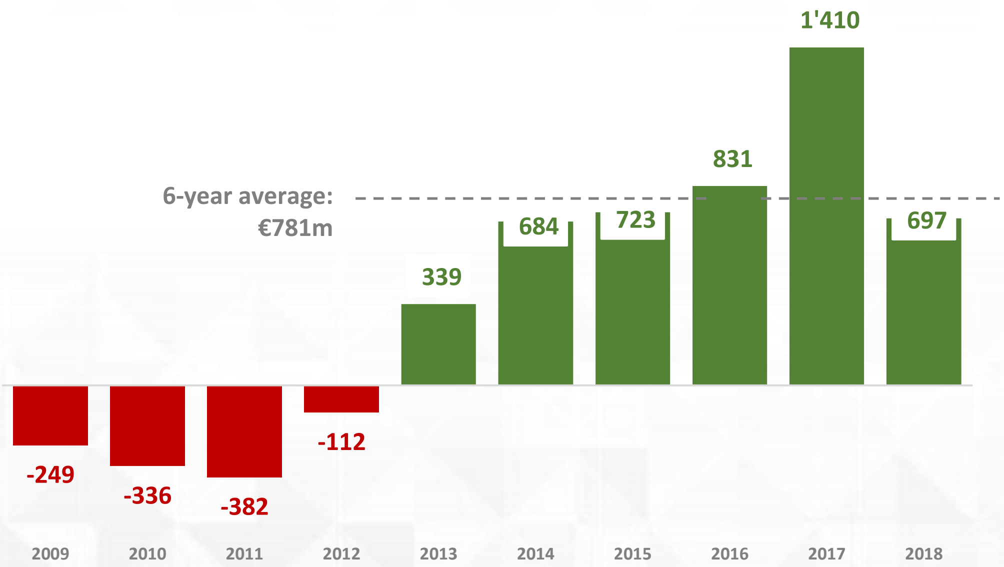
2x

Two Champions League finalists recorded two of the three highest profits in history in FY2018.

Healthy operating profits of €697m, reverting back to recent levels

This chapter uses two different measures of clubs' profitability (i.e. profits or losses). The first is operating profit, which measures clubs' underlying ability to generate profits that can be reinvested back into transfer and financing activity. The second measure is net profit after tax, which we refer to as 'bottom-line profit', as it is the final result after all costs, gains and losses.

Aggregate European operating profits (€m)



2018 operating profits stabilizing around 6-year average

This year's operating profits continued the general improvement seen in clubs' underlying profitability since the introduction of financial fair play, with a fifth consecutive year of significant operating profits for European club football. However, the aggregate operating profit of €697m across all top-division clubs was less than half of FY2017's record figure of FY2017 €1,410m record*, and the lowest in four years , with growth in costs surpassing growth in revenue for the first time in five years. As highlighted in Chapter 8 of the report, this trend is primarily driven by recent spike observed in club wages (+9.4% in FY2018). Europe's clubs have now generated more than €4.3bn in operating profits over the last five years. In contrast, combined operating losses of more than €740m were reported in the five years from 2009 to 2013.

* UEFA started collecting detailed club-by-club Europe-wide data in 2008. Meanwhile, aggregate data for the largest leagues (which have accounted for approximately 70% of top-division revenues and costs over the last two decades) has been collected and analysed by Deloitte for almost 20 years. Refer to UEFA FY2017 Club Licensing Benchmarking Report for more details.

Second consecutive aggregate bottom-line profit, despite thinner operating margins

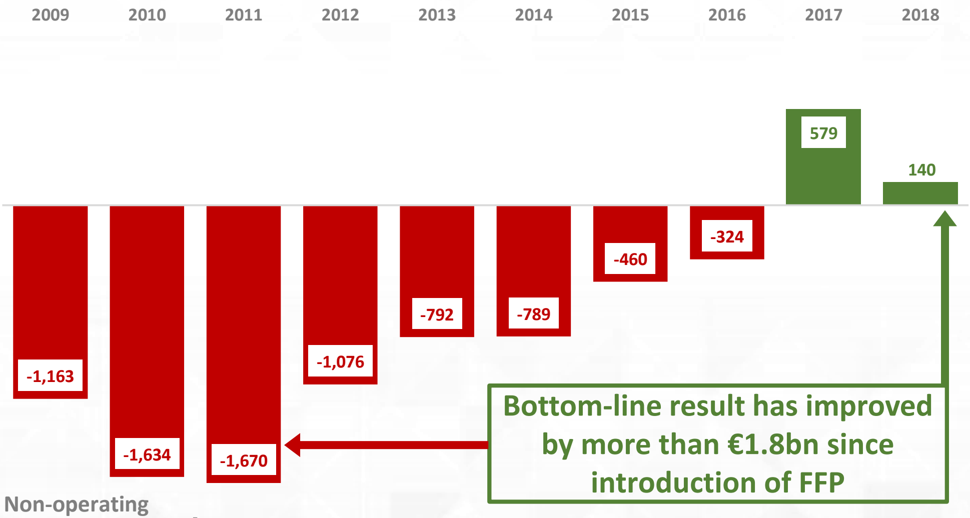
All of the profits and losses that are reported here and referred to throughout the report – whether at club, league or European level – are final audited financial statement figures after tax, sometimes referred to as 'bottom-line figures'.

Aggregate bottom-line profits of €140m in FY2018

After transfers, non-operating income/costs, financing, tax and divestments had been taken into account, Europe's clubs recorded an aggregate bottom-line profit of €140m in FY2018. This was the second year in a row that European clubs had achieved an aggregate bottom-line profit, albeit that profit was much smaller than the one recorded in FY2017. Most of that decline can be attributed to the compression of clubs' operating margins as a result of their cost bases growing faster than their revenue bases.

Overall, the sharp improvement in bottom-line figures over the last ten years has been driven primarily by underlying profits on operating activities, but also by improved transfer results. From 2009-2012, net losses were driven by significant transfer costs, as the prices had gone down on the transfer market back then, and players' amortization inherited from previous transfers was surpassing transfer profits made by clubs. Such a situation represents a potential threat for the future of European clubs after FY2018, in the event of a slowdown of revenue and / or transfer market growth.

Aggregate European net profits (€m)



From operating result to net bottom-line result

Operating profits/losses + Transfer income/costs + Gains/losses from divestment of assets + Non-operating income/costs + Financial gains/losses, excluding impact of exchange rates + Tax income/ costs = Net bottom-line profits/losses*

*This is not the same as the break-even result, which includes various adjustments (such as the removal of costs related to virtuous investments in youth football, community activities and infrastructure, the removal of certain taxes, and fair-value assessments of related-party transactions). However, in seeking to meet break-even targets, clubs do tend to improve their bottom-line profitability.

English clubs achieve aggregate profit of €382m – but significant differences remain across countries

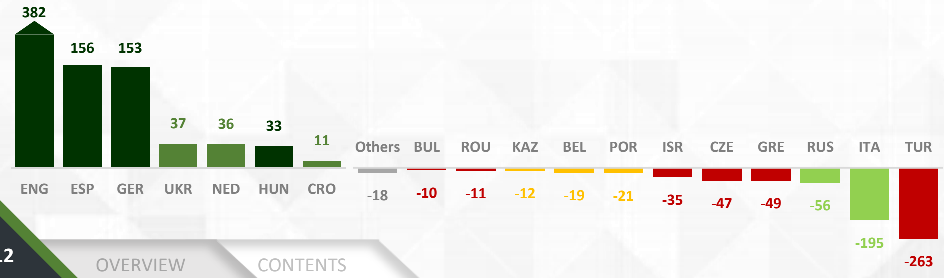
Profits down on FY2017, but still far better than before introduction of FFP

Although they are not as good as in FY2017, European clubs' underlying and bottom-line profits are still significantly better than they were before financial fair play (FFP) was introduced. However, there are still notable differences between Europe's various leagues. The bar chart below indicates the main contributors to the aggregate bottom-line profits of €140m that were reported in FY2018, while the scatter chart on the right sets out the operating and bottom-line profits of each of the top 20 leagues. The combined operating profit margin of all clubs in the top 20 leagues stood at 5% in FY2018, resulting in a bottom-line profit margin of 1% (including net income from transfers). Eleven of the top 20 leagues reported profits, and only two reported loss margins of more than 10%.

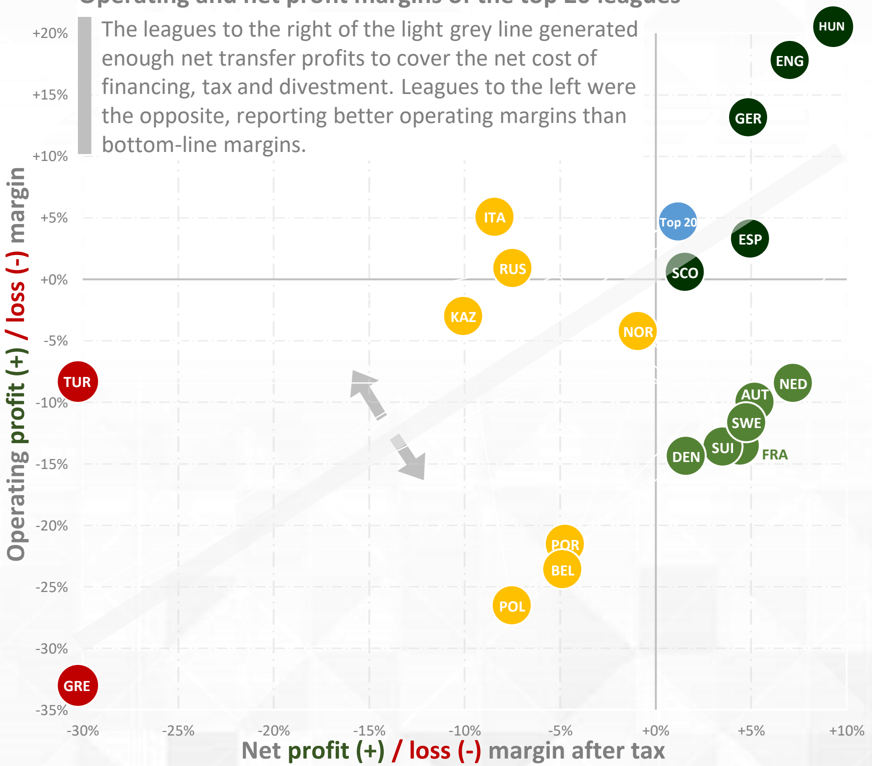
Top and bottom three countries are the most significant factors

As the bar chart below shows, a small number of countries were responsible for the bulk of the net profits recorded in Europe in FY2018. Turkish clubs reported losses for the fourth year in a row, while Italian clubs recorded a significant loss in FY2018, following a large profit in FY2017. The next double-page spread looks at the profitability of individual clubs in the various leagues, highlighting the limitations of aggregate analyses and the care that must be taken when using them to make generalisations (as some Turkish clubs, for example, reported profits in FY2018).

Notable bottom-line profits and losses at league level (€m)

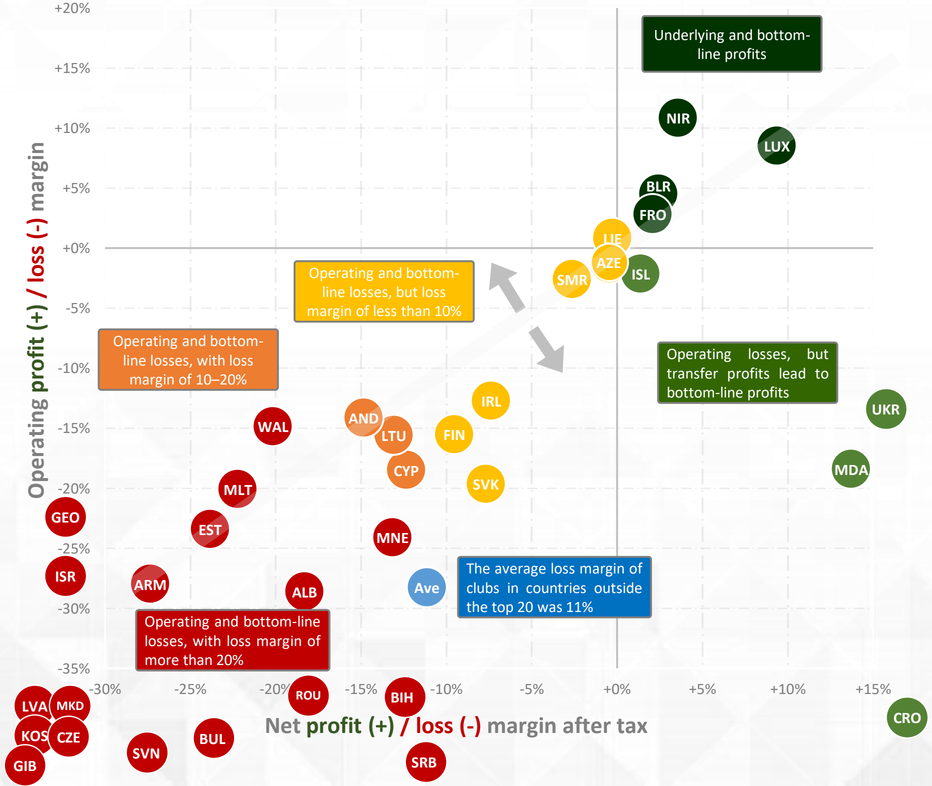


Operating and net profit margins of the top 20 leagues



Transfer activity turns large operating loss margin of 28% into smaller net loss margin of 11%

Operating and net profit margins of countries outside the top 20



Most middle and lower-income leagues report operating losses

While aggregate operating profits were reported at the level of Europe as a whole in FY2018 and a small bottom-line net profit was recorded, results varied considerably across Europe. Aggregate operating profits were recorded in just 5 of the 35 countries outside the top 20 in FY2018. In those 35 countries, wages accounted for an average of 79% of revenue, leaving clubs with less revenue to cover other – mainly fixed – operating costs.

Average operating loss margin of 28%

On an aggregate basis across the 397 clubs outside the top 20 leagues, the operating loss margin increased to reach 28% in FY2018, from 23% in FY2017. When comparing these leagues with the top 20, what stands out is the greater reliance on benefactors, transfer profits and UEFA club competition prize money, which can lead to larger fluctuations in financial performance from year to year.

Eight countries outside the top 20 reported bottom-line profits in 2018

At net profit level (i.e. after transfers, non-operating income/costs, financing, tax and divestments had been taken into account), 8 of the 35 countries below the top 20 reported aggregate profits in FY2018. Four of those countries reported both operating and net profits, while another four – Iceland, Ukraine, Moldova and Croatia – had their operating losses turned into bottom-line profits thanks to transfer profits.

Still 13 leagues with aggregate loss margins in excess of 20%

At the same time, the number of countries reporting net loss margins of more than 20% increased from 11 in FY2017 to 13 in FY2018, with 7 countries – Israel, the Czech Republic, Georgia, North Macedonia, Latvia, Kosovo and Gibraltar – reporting a loss margin of more than 30%. On aggregate, the 397 clubs outside the top 20 leagues reported a bottom-line loss margin of 11% in FY2018 – slightly better than in FY2017 (12%).

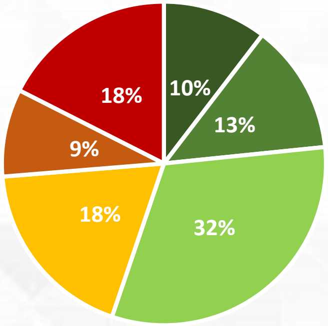
Another profitable year for clubs in top 20 leagues

55% of clubs in the top 20 leagues recorded net profits in 2018

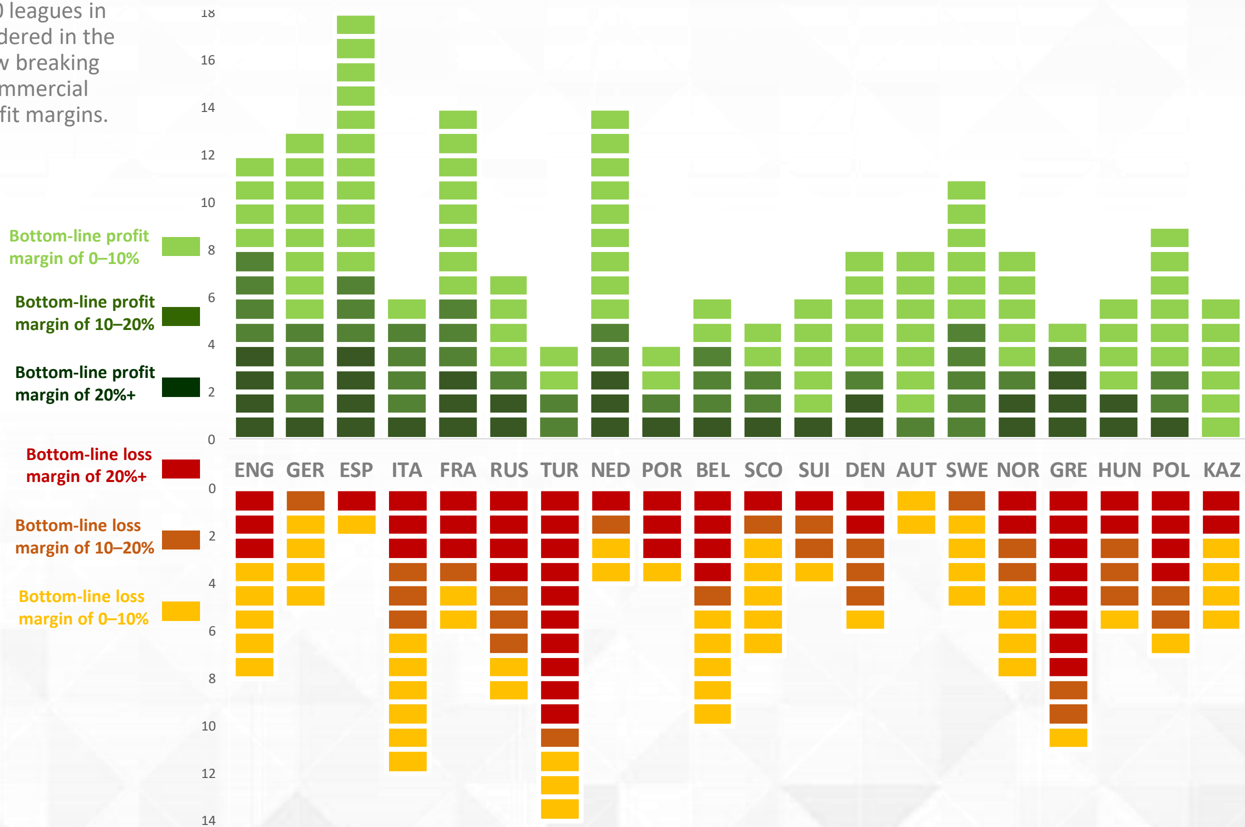
Bottom-line profits were reported by 55% of clubs in the top 20 leagues in FY2018, down from 61% in FY2017.* This figure has to be considered in the context of club football, where the majority of club owners view breaking even with hope rather than expectation, in contrast to most commercial activities, where the central objective is to generate steady profit margins.

Strong improvement in Spain

A record 18 Spanish top-tier clubs reported net profits in FY2018, as did 12 English clubs (down from 18 in FY2017). This comes as an achievement a few years after a financial control mechanism has been implemented by La Liga. Germany and the Netherlands also appear to be among the best in class, due to an efficient cost control at clubs. On the other side of the spectrum, even more Italian and Turkish clubs (12 and 14, respectively) posted losses in FY2018. From the 2019/20 season, a budget control mechanism is being implemented in Turkey, that aims at restoring clubs financial sustainability.

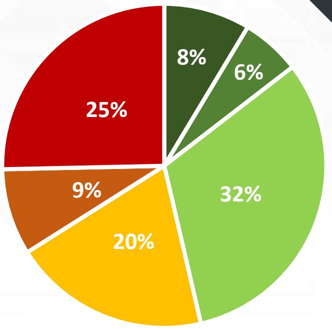


Bottom-line profits and losses across the top 20 leagues*



* Data was provided for nearly all clubs in the top 20 leagues, with the exception of ten Portuguese clubs. Consequently, the club-by-club analysis for this league is limited to 8 clubs.

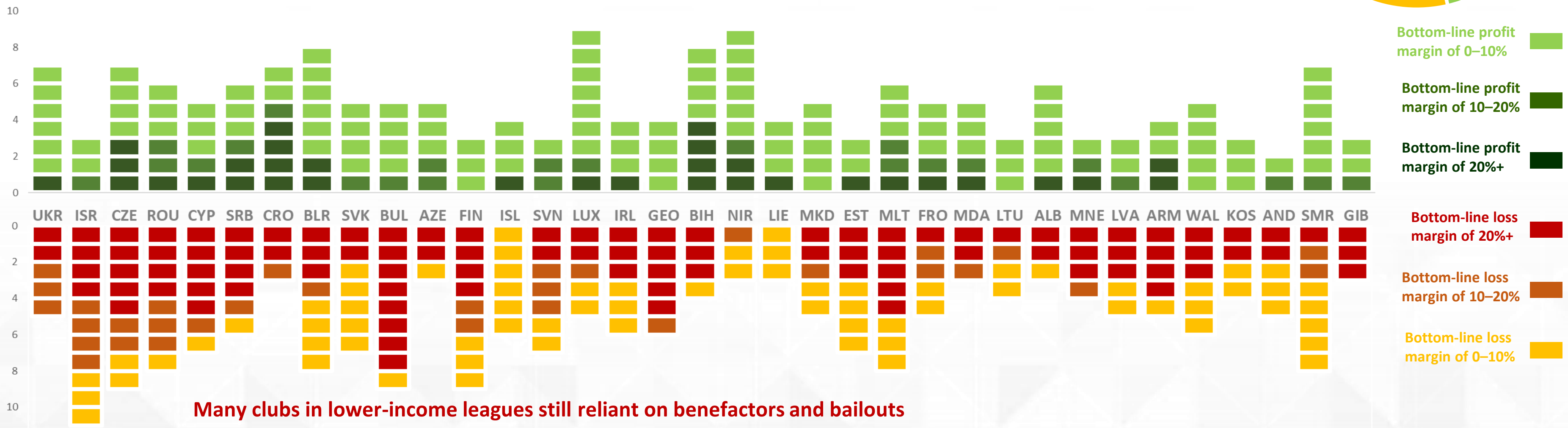
Percentage of profitable clubs in middle and lower-income leagues stands at 46%



Net profits and losses of clubs outside top 20 leagues

Nearly half of clubs outside the top 20 leagues recorded net profits in 2018

46% of clubs outside the top 20 leagues reported bottom-line profits in FY2018, down from 49% in FY2017 but up from 45% in FY2016. For the first time since FY11, every league in Europe had at least two profitable clubs.



Many clubs in lower-income leagues still reliant on benefactors and bailouts

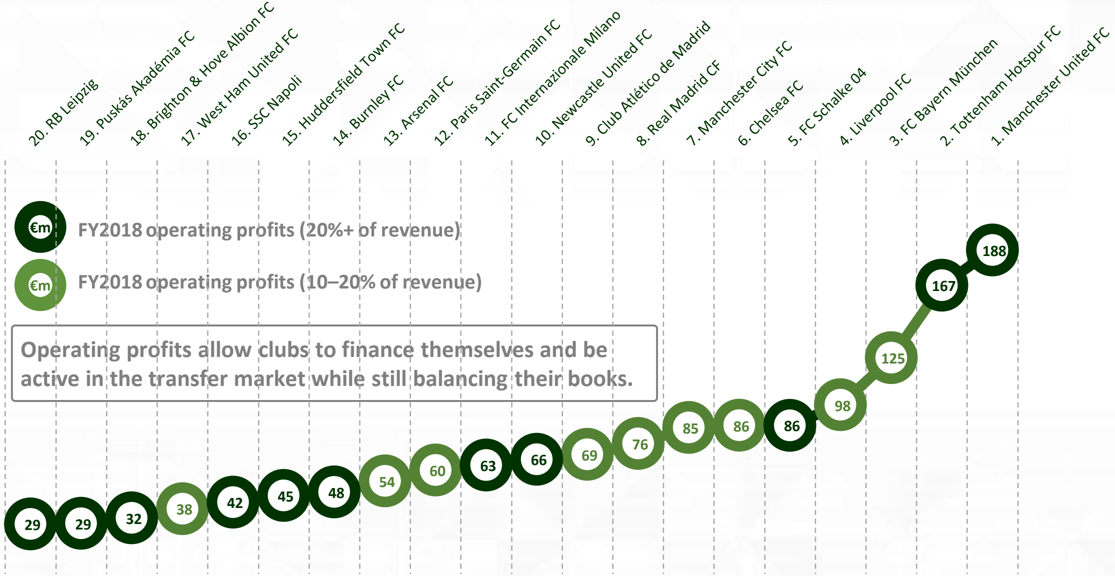
Many of the clubs in this group are too small to be assessed under the break-even rule, with their income and costs totalling less than €5m. Given the number of clubs spending at least €6 for every €5 they make (i.e. with loss margins in excess of 20%), there appears to be a continued reliance on benefactors and occasional income from transfers and training compensation. Indeed, there are a number of countries where profitability remains the exception, rather than the rule.

* For the majority of the leagues analysed on this page, data was provided for all clubs. In total, data was supplied for 377 of the 397 top-division clubs outside the top 20 leagues. The most incomplete data relates to Kosovo (only 7 out of 12 clubs), Serbia (12 out of 16), Gibraltar (6 out of 10) and Montenegro (7 out of 10).

Size matters: nine of the ten largest clubs by revenue also reported the largest operating profits

Top 20 clubs on the basis of operating profits

2018						2009-18	
Rank	Club	Country	FY18 operating profit	Operating profit margin in %	FY18 revenue rank	% of years with operating profit*	Aggregate operating profits
1	Manchester United FC	ENG	€188m	28%	3	100%	€1'371m
2	Tottenham Hotspur FC	ENG	€167m	39%	10	100%	€509m
3	FC Bayern München	GER	€125m	20%	4	100%	€738m
4	Liverpool FC	ENG	€98m	19%	7	90%	€353m
5	FC Schalke 04	GER	€86m	28%	14	90%	€243m
6	Chelsea FC	ENG	€86m	17%	8	50%	-€10m
7	Manchester City FC	ENG	€85m	15%	5	60%	€191m
8	Real Madrid CF	ESP	€76m	10%	1	100%	€1'012m
9	Club Atlético de Madrid	ESP	€69m	20%	12	100%	€283m
10	Newcastle United FC	ENG	€66m	33%	20	88%*	€197m
11	FC Internazionale Milano	ITA	€63m	22%	15	30%	-€192m
12	Paris Saint-Germain FC	FRA	€60m	11%	6	80%	€597m
13	Arsenal FC	ENG	€54m	12%	9	100%	€689m
14	Burnley FC	ENG	€48m	30%	33	57%*	€155m
15	Huddersfield Town FC	ENG	€45m	32%	42	n/a	€45m
16	SSC Napoli	ITA	€42m	23%	23	100%	€398m
17	West Ham United FC	ENG	€38m	19%	19	70%	€214m
18	Brighton & Hove Albion FC	ENG	€32m	21%	32	n/a	€32m
19	Puskás Akadémia FC	HUN	€29m	56%	104	n/a	€47m
20	RB Leipzig	GER	€29m	27%	56	n/a	€108m
1-20	Average		€74m	24%	21	82%	€349m
1-20	Aggregate		€1'488m	21%	9 of top10		€6'980m



Two of the five highest operating profits in history, with 11 of top 20 clubs report their highest ever operating profits

Nine of the ten clubs with the largest revenues are among the top 20 clubs on the basis of operating profits, with the sole exception – FC Barcelona – having generated an operating loss in FY2018. Manchester United FC and Tottenham Hotspur FC reported the third and fourth highest club operating profits in history in FY2018, with the weak pound narrowly preventing the former from beating its own 2016 and 2017 records in euro terms.

What is more, no fewer than 11 clubs in the top 20 reported their highest ever operating profits in FY2018.

Ten years of operating profits

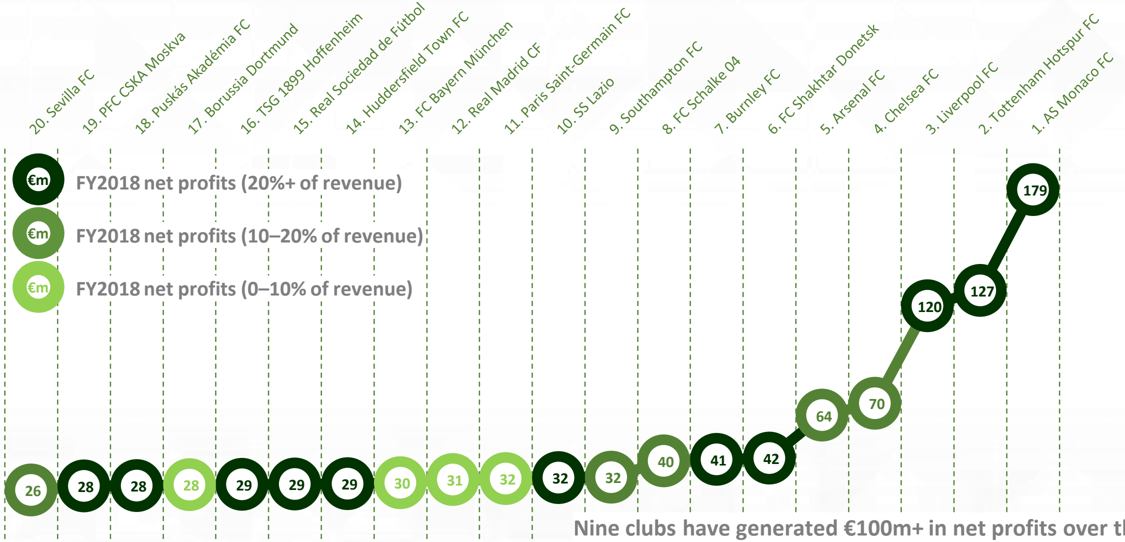
In terms of aggregate operating profits over the last ten years, Manchester United FC top the list with €1,4bn, followed by Real Madrid CF (€1.0bn), FC Bayern München (€738m), Arsenal FC (€689m) and FC Barcelona (€617m).

* For asterisked clubs ,data is not always available for periods when the club is outside the top division: if data is publicly available, it has been included in the '% of years' calculation. Less than five years of data is available for Huddersfield Town FC, Brighton & Hove Albion FC, Puskás Akadémia FC and RB Leipzig, so ten-year calculations have not been carried out for those clubs.

The two 2019/20 Champions League finalists recorded two of three highest net profits in history in 2018

Top 20 clubs on the basis of net profits*

2018						2009-18	
Rank	Club	Country	FY18 net profit	Operating profit margin in %	FY18 revenue rank	% of years with net profit*	Aggregate net profits
1	AS Monaco FC	FRA	€179m	145%	46	40%	€58m
2	Tottenham Hotspur FC	ENG	€127m	30%	10	80%	€327m
3	Liverpool FC	ENG	€120m	23%	7	40%	-€38m
4	Chelsea FC	ENG	€70m	14%	8	40%	-€304m
5	Arsenal FC	ENG	€64m	14%	9	100%	€316m
6	FC Shakhtar Donetsk	UKR	€42m	60%	81	30%	-€96m
7	Burnley FC	ENG	€41m	26%	33	50%	€88m
8	FC Schalke 04	GER	€40m	13%	14	60%	€45m
9	Southampton FC	ENG	€32m	19%	26	63%*	€98m
10	SS Lazio	ITA	€32m	27%	48	70%	€52m
11	Paris Saint-Germain FC	FRA	€32m	6%	6	n/a	€0m
12	Real Madrid CF	ESP	€31m	4%	1	100%	€302m
13	FC Bayern München	GER	€30m	5%	4	100%	€174m
14	Huddersfield Town FC	ENG	€29m	20%	42	n/a	€29m
15	Real Sociedad de Fútbol	ESP	€29m	33%	67	100%*	€101m
16	TSG 1899 Hoffenheim	GER	€29m	24%	49	40%	€44m
17	Borussia Dortmund	GER	€28m	9%	13	80%	€162m
18	Puskás Akadémia FC	HUN	€28m	54%	104	n/a	€42m
19	PFC CSKA Moskva	RUS	€28m	33%	69	20%	-€105m
20	Sevilla FC	ESP	€26m	16%	28	90%	€80m
1-20	Average		€52m	29%	33	65%	€69m
1-20	Aggregate		€1'037m	18%	9 of top10		€1'373m



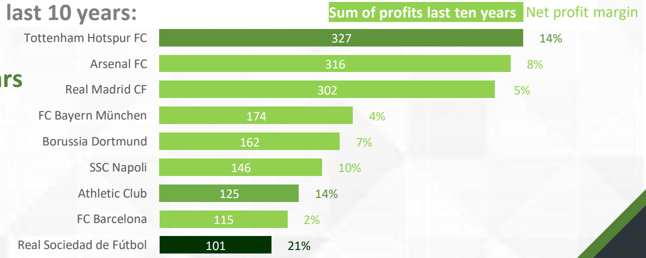
Six English clubs in top ten

On the back of exceptional transfer profits, AS Monaco FC recorded an all time record net profit of €179m in 2018. Large operating profits stemming from UEFA Champions League prize money and English TV revenue resulted in Tottenham Hotspur FC generating the second highest net profit in history in FY2018 (€127m), with Liverpool FC recording the third highest net profit ever (€120m).

Arsenal FC, Real Madrid CF and FC Bayern München reported profits in each of last 10 years

While the clubs in this year's list regularly report net profits (66% incidence over the last ten years), only three have reported a net profit in each of the last ten years (Arsenal FC, FC Bayern München and Real Madrid CF).

Nine clubs have generated €100m+ in net profits over the last 10 years:



For asterisked clubs, data is not always available for periods when the club is outside the top division: if data is publicly available, it has been included in the '% of years' calculation. Less than five years of data is available for Huddersfield Town FC and Puskás Akadémia FC .

CHAPTER #12

Club balance sheets

Club balance sheets provide a snapshot of football clubs' relative health. In this chapter, we look at how that health varies across Europe and analyse the main parts of club balance sheets, focusing on stadiums, training facilities and player assets, as well as the debts incurred by clubs.

Club balance sheets highlights

€1bn+

Third year in a row that clubs have invested more than €1bn in stadiums and other fixed assets

88%

Percentage of player asset value that is concentrated in the five big leagues, with England alone accounting for 34% of the total

Net debt

The healthy net debt-to-revenue ratio of 40% recorded in FY2018, despite increased borrowing by big clubs

500%

Clubs' balance sheets have been strengthened significantly in the last ten years, with net equity increasing by 500%, while liabilities only grew by 50%

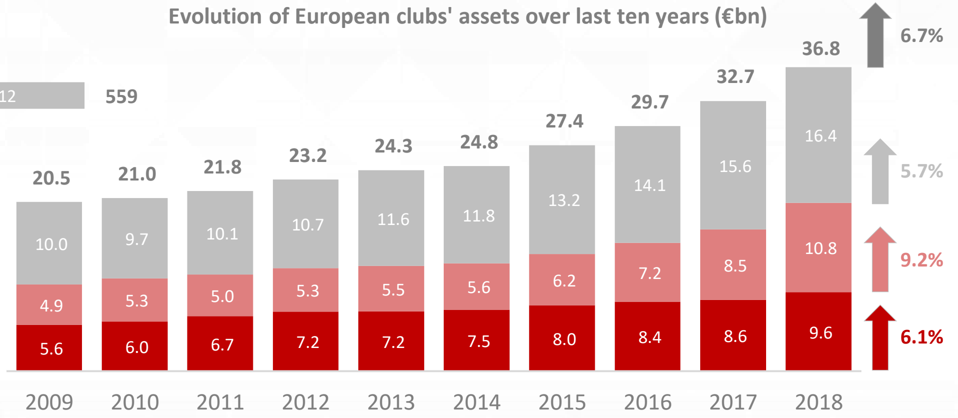
The big five leagues account for 77% of total European club assets

Top 20 leagues by average club assets

Total assets as a multiple of club revenue	Ranking by club average	Underlying growth	Aggregate	Club average (€m): Fixed assets	Players	Other assets	Total
2.1x	(1). ENG	18%	€11'172m	164	182	212	559
1.7x	(2). ESP	11%	€5'347m	76	79	112	267
2.1x	(3). ITA	7%	€4'847m	18	99	125	242
1.2x	(4). GER	11%	€3'779m	63	68	79	210
2.0x	(5). FRA	36%	€3'331m	32	52	83	167
3.7x	(6). POR	6%	€1'607m				89
1.3x	(7). RUS	13%	€984m				62
1.3x	(8). TUR	53%	€962m				53
1.6x	(9). NED	13%	€787m				44
1.5x	(10). BEL	11%	€604m				38
1.8x	(11). SCO	27%	€409m				34
2.2x	(12). DEN	-3%	€417m				30
1.4x	(13). AUT	8%	€251m				25
0.9x	(14). SUI	1%	€191m				19
1.6x	(15). SWE	-3%	€248m				15
1.4x	(16). HUN	33%	€181m				15
1.6x	(17). UKR	28%	€180m				15
2.8x	(18). CRO	12%	€133m				13
1.4x	(19). NOR	-6%	€202m				13
1.1x	(20). GRE	-12%	€152m				10

Total assets
- Other assets
- Players
- Fixed assets

Evolution of European clubs' assets over last ten years (€bn)



European club assets grew by 12% in 2018

The value of European clubs' asset base rose by 12% in FY2018 and now stands at €36.8bn. Since the phasing-in of UEFA's financial fair play requirements began in 2010, the balance sheet value of clubs' fixed assets has increased by €3.6bn. Over the full ten-year period, player assets have increased at the fastest rate, at almost 10% per year.

Premier League clubs responsible for 30% of all club assets

The value of club assets and their size relative to revenue varies considerably across clubs and leagues. English clubs have more than twice the assets of Spanish clubs and account for 30% of all European club assets. The asset-to-revenue ratios of the top five leagues range from 120% in Germany to 210% in Italy and England. The highest ratios overall can be found in the Portuguese, Danish and Croatian leagues, while only one country in the top 20 – Switzerland – has total assets that are worth less than its annual revenue, with an asset-to-revenue ratio of 90%.

Third year in a row that clubs have invested more than €1bn in stadiums and other fixed assets

Top 20 increases in book value of tangible fixed assets between 2009 and 2018*

Rank	Club name	Country	Increase 2009-18	Type of expansion	Tangible Fixed Assets in 2018	Increase in fixed assets in 2018
1	Tottenham Hotspur FC	ENG	€1,036m	New stadium; new training ground	€1,157m	€555m
2	FC Bayern München	GER	€448m	Stadium moved into club	€473m	€20m
3	Olympique Lyonnais	FRA	€425m	New stadium	€444m	€3m
4	Manchester City FC	ENG	€335m	Stadium moved into club; upgraded campus	€541m	€0m
5	Borussia Dortmund	GER	€288m	Stadium moved into club	€318m	€7m
6	SL Benfica	POR	€272m	Stadium moved into club	€290m	€13m
7	FC Schalke 04	GER	€234m	Stadium moved into club	€249m	€5m
8	Club Atlético de Madrid	ESP	€221m	New stadium	€439m	€86m
9	Juventus	ITA	€193m	New stadium	€224m	€9m
10	FC Barcelona	ESP	€191m	Stadium redevelopment	€305m	€21m
11	FC Porto	POR	€190m	Stadium moved into club	€193m	€1m
12	PFC CSKA Moskva	RUS	€184m	New stadium	€185m	€59m
13	Bayer 04 Leverkusen	GER	€173m	Stadium moved into club	€180m	€2m
14	Liverpool FC	ENG	€167m	Stadium moved into club	€284m	€6m
15	Hamburger SV	GER	€161m	Stadium moved into club	€162m	€1m
16	Valencia CF	ESP	€145m	Partial completion of new stadium	€333m	€2m
17	Paris Saint-Germain	FRA	€142m	Stadium redevelopment	€146m	€0m
18	Real Madrid CF	ESP	€140m	Upgraded facilities	€419m	€25m
19	TSG 1899 Hoffenheim	GER	€135m	New stadium	€139m	€4m
20	Arsenal FC	ENG	€133m	Upgraded facilities	€650m	€0m
1-20	Average		€261m		€357m	€41m
1-20	Aggregate		€5,211m		€7,131m	€819m
Rest of Europe	Average		€2.4m		€9.5m	€0.7m
(685 clubs)	Aggregate		€1,612m		€6,488m	€455m
All	Average		€9.7m		€19.3m	€1.8m
(705 clubs)	Aggregate		€6,823m		€13,619m	€1,274m

Large increases in the value of fixed assets over the last ten years

A total of 21 clubs (20 of which are listed in the table on the left) increased the value of their fixed assets by more than €100m between 2009 and 2018. Of those 21, six built or are building new stadiums, seven upgraded or redeveloped their stadiums, and eight shifted their stadium into the club's reporting perimeter.

Investment in fixed assets in 2018

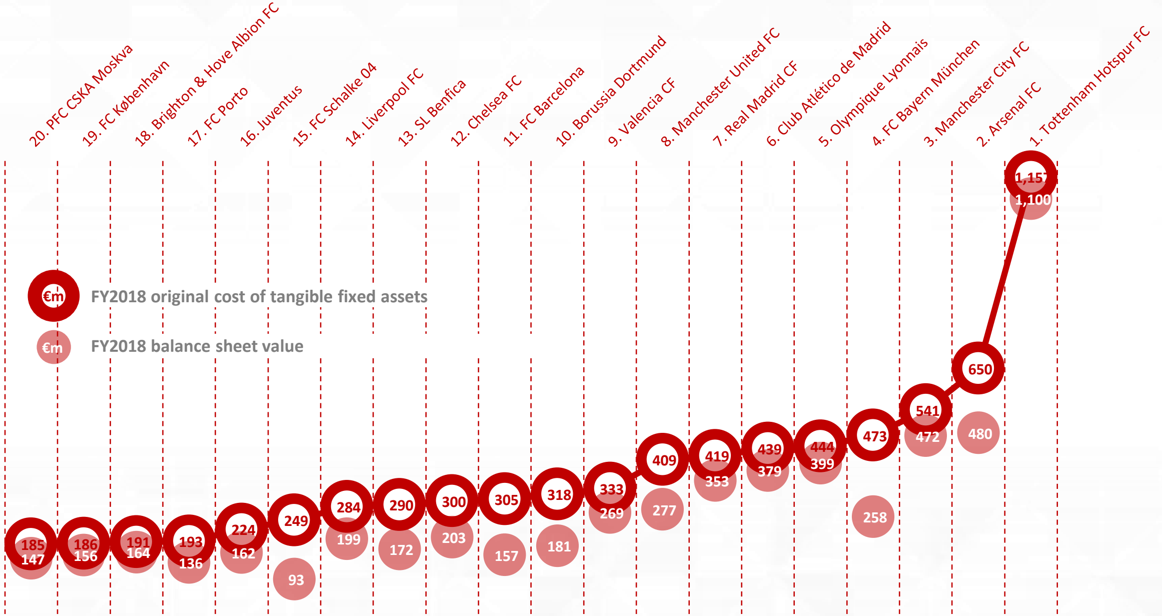
For the third year in a row, European top-division clubs invested more than €1bn in new fixed assets in FY2018, investing a total of €1.3bn. There were 16 clubs that invested more than €10m in new fixed assets in FY2018: four Spanish clubs, two German clubs, two Portuguese clubs, one English club, and one club each in Austria, Hungary, Italy, Norway, Russia, Scotland and Slovakia. Tottenham Hotspur FC topped the list for the second season in a row, with the construction of their new stadium and training ground adding an additional €555m to their fixed assets, having already invested a then-record €257m in FY2017.

* Fixed assets include stadiums, land, other facilities such as training complexes, stadiums and facilities that are under construction, motor vehicles, and various equipment, fixtures and fittings. The terms 'stadium investment' and 'fixed asset investment' are used interchangeably in this report, as stadiums account for the vast majority of fixed assets by value, as evidenced by the fact that all of the 30 clubs with the most fixed assets on their balance sheets either own their stadium, have a long-term finance lease (regarded as equivalent to ownership) or are in the process of building a stadium of their own.

20 clubs account for 79% of all top-division fixed asset investment

20 clubs with highest levels of stadium/fixed asset investment*

Rank	Club	Country	Original fixed assets costs	Balance sheet value	Depreciation	Asset costs as a multiple of revenue
1	Tottenham Hotspur FC	ENG	€1,157m	€1,100m	5%	2.7x
2	Arsenal FC	ENG	€650m	€480m	26%	1.4x
3	Manchester City FC	ENG	€541m	€472m	13%	1.0x
4	FC Bayern München	GER	€473m	€258m	46%	0.8x
5	Olympique Lyonnais	FRA	€444m	€399m	10%	2.7x
6	Club Atlético de Madrid	ESP	€439m	€379m	14%	1.2x
7	Real Madrid CF	ESP	€419m	€353m	16%	0.6x
8	Manchester United FC	ENG	€409m	€277m	32%	0.6x
9	Valencia CF	ESP	€333m	€269m	19%	3.1x
10	Borussia Dortmund	GER	€318m	€181m	43%	1.0x
11	FC Barcelona	ESP	€305m	€157m	49%	0.4x
12	Chelsea FC	ENG	€300m	€203m	32%	0.6x
13	SL Benfica	POR	€290m	€172m	41%	2.4x
14	Liverpool FC	ENG	€284m	€199m	30%	0.6x
15	FC Schalke 04	GER	€249m	€93m	63%	0.8x
16	Juventus	ITA	€224m	€162m	28%	0.6x
17	FC Porto	POR	€193m	€136m	29%	1.8x
18	Brighton & Hove Albion FC	ENG	€191m	€164m	15%	1.2x
19	FC København	DEN	€186m	€156m	16%	4.4x
20	PFC CSKA Moskva	RUS	€185m	€147m	20%	2.2x
1-20	Average		€379m	€288m	27%	1.5x
1-20	Aggregate		€7,590m	€5,756m	24%	1.0x



Correlation between revenue and fixed asset investment

The 20 clubs in the list above comprise seven English clubs, four Spanish clubs, three German clubs, two Portuguese clubs and one club each from Denmark, France, Italy and Russia. The €5.8bn in the balance sheets of those 20 clubs accounts for a large proportion (60%) of all top-division clubs' tangible fixed assets. It is noticeable that 13 of the top 14 clubs by revenue are also in the top 20 clubs by fixed asset investment, with only Paris Saint-Germain FC (sixth highest revenue) missing.

Newer facilities have lower depreciation rates

The extent to which tangible fixed assets depreciate is affected by the age of those assets, but also by their accounting treatment (the period over which assets are written down in value) and the asset mix (stadium, land and other fixed assets). The difference between balance sheet value and original investment cost is smallest for clubs with newer stadiums or ongoing investments, as in the case of Olympique Lyonnais and Tottenham Hotspur FC.

* Fixed assets include stadiums, land, other assets such as training complexes, stadiums and facilities that are under construction, motor vehicles, and various equipment, fixtures and fittings. The terms 'stadium investment' and 'fixed asset investment' are used interchangeably in this report, as stadiums account for the vast majority of fixed assets by value, as evidenced by the fact that all of the 30 clubs with the most fixed assets on their balance sheets either own their stadium, have a long-term finance lease (regarded as equivalent to ownership) or are in the process of building a stadium of their own.

Top five leagues have higher player values on balance sheets

The figures included in this section were taken at a fixed point in time (financial year end) and are not as up to date as other transfer market reviews published by sports agencies or consultancies. Nonetheless, the figures used here are the only market-wide figures covering both national and cross-border transfer activity that are based on independently audited and verified transfer fees, and they can therefore be regarded as an authoritative snapshot.

Top 20 leagues by average value of players on clubs' balance sheets

Squad cost as a multiple of total revenue	*Original squad cost (transfer fees)*	*Ranking by club average*	*Underlying growth*	*Aggregate value on balance sheets*	*Average value on clubs' balance sheets (€m)*
0.7x	€6,709m	(1). ENG	40%	€3,639m	182
0.9x	€3,634m	(2). ITA	17%	€1,985m	99
0.5x	€2,792m	(3). ESP	26%	€1,588m	79
0.4x	€2,413m	(4). GER	12%	€1,215m	68
0.6x	€1,812m	(5). FRA	56%	€1,042m	52
0.8x	€638m	(6). POR	12%	€356m	20
0.3x	€352m	(7). RUS	-3%	€197m	12
0.4x	€279m	(8). NED	74%	€174m	10
0.4x	€227m	(9). BEL	23%	€138m	8.6
0.2x	€255m	(10). TUR	68%	€127m	7.0
0.3x	€86m	(11). DEN	3%	€50m	3.6
0.2x	€77m	(12). SCO	39%	€38m	3.2
0.2x	€60m	(13). AUT	21%	€29m	2.9
0.3x	€63m	(14). UKR	282%	€33m	2.7
0.2x	€70m	(15). GRE	10%	€32m	2.0
0.1x	€104m	(16). SUI	-6%	€18m	1.8
0.3x	€27m	(17). CRO	41%	€16m	1.6
0.2x	€33m	(18). ISR	-10%	€16m	1.2
0.3x	€25m	(19). ROU	41%	€15m	1.1
0.1x	€40m	(20). NOR	43%	€16m	1.0

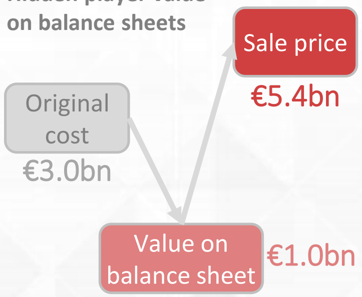
Italy and Portugal have the highest squad transfer costs relative to revenue

While the total value of players on clubs' balance sheets is €10.8bn, the total transfer fees paid to assemble those squads stood at €19.8bn at the end of FY2018.* As indicated elsewhere, there is a high degree of concentration in the transfer market, with English, Italian, Spanish, German and French clubs responsible for 88% of all top-division transfer spending and year-end balance sheet value. Italy and Portugal have the highest aggregate transfer fees as a percentage of annual revenue, with those ratios standing at 86% and 81% respectively.

Value of players on balance sheets increases in 17 of top 20 leagues as transfer prices rise

With European clubs continuing to spend large amounts of money in the transfer market, players account for a larger percentage of clubs' balance sheet assets, with that percentage rising from 26% in FY2017 to 29% in FY2018. The value of intangible fixed assets (players) increased in 17 of the top 20 leagues, with 16 of them reporting double-digit growth, reflecting transfer price inflation.

Hidden player value on balance sheets



Players sold for more than five times their balance sheet value

Player accounting provides a consistent way of valuing players across all clubs, but it is not a particularly accurate way of assessing the value of players on clubs' balance sheets. Players sold in FY2018 had a combined transfer fee of €5.4bn, but were valued at just €1.0bn at the time of their sale.

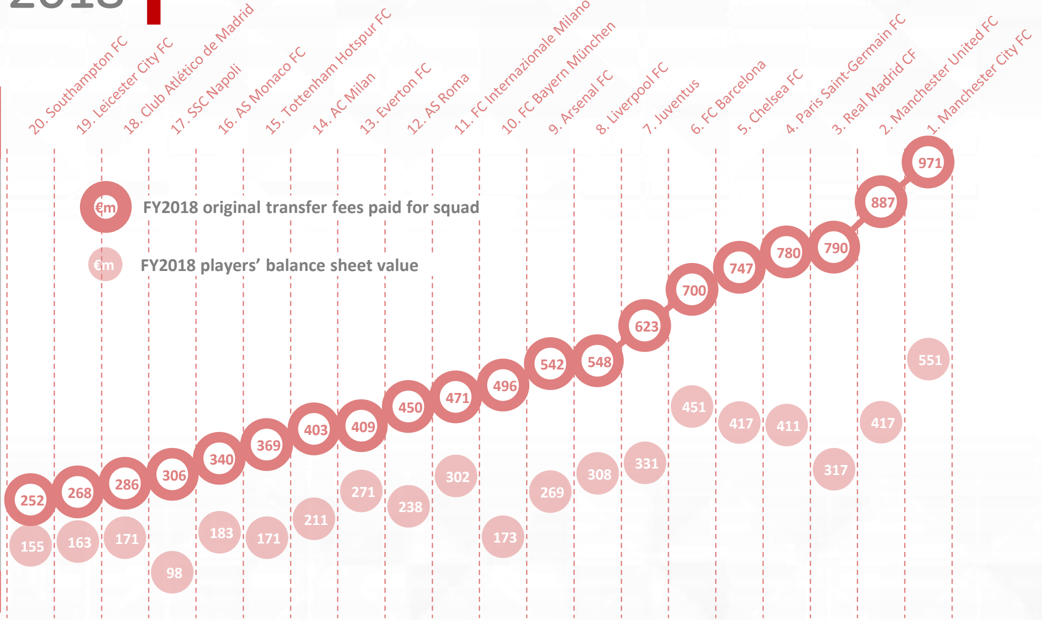
* Total transfer fees are obtained from the detailed notes accompanying each club's financial statement, which indicate the combined transfer costs of the players on their books at the start and end of the financial year. These have been externally audited by qualified independent accountants and can therefore be considered more accurate than other transfer figures that appear in the print media, in reports or on websites.

Squad costs of 20 most expensively assembled teams rise by 26% in FY2018

The figures below give details on the share of players' value on clubs' balance sheets. Actual players' net book value is expected to be translated into future players' amortization costs, unless the player is transferred to another club.

Top 20 clubs by 'squad cost' (total transfer fees of squad)

Rank	Club name	Country	Players' balance sheet value	Original transfer fees ('squad cost')	Year-on-year growth in %	Squad cost as a multiple of club revenue	Squad cost as a multiple of club wages
1	Manchester City FC	ENG	€551m	€971m	21%	1.7x	3.1x
2	Manchester United FC	ENG	€417m	€887m	18%	1.3x	2.7x
3	Real Madrid CF	ESP	€317m	€790m	0%	1.1x	1.8x
4	Paris Saint-Germain FC	FRA	€411m	€780m	49%	1.4x	2.3x
5	Chelsea FC	ENG	€417m	€747m	41%	1.5x	2.7x
6	FC Barcelona	ESP	€451m	€700m	63%	1.0x	1.3x
7	Juventus	ITA	€331m	€623m	18%	1.5x	2.4x
8	Liverpool FC	ENG	€308m	€548m	40%	1.1x	1.8x
9	Arsenal FC	ENG	€269m	€542m	7%	1.2x	2.0x
10	FC Bayern München	GER	€173m	€496m	20%	0.8x	1.6x
11	FC Internazionale Milano	ITA	€302m	€471m	19%	1.6x	3.0x
12	AS Roma	ITA	€238m	€450m	31%	1.8x	2.8x
13	Everton FC	ENG	€271m	€409m	68%	1.9x	2.3x
14	AC Milan	ITA	€211m	€403m	22%	1.9x	2.7x
15	Tottenham Hotspur FC	ENG	€171m	€369m	32%	0.9x	2.2x
16	AS Monaco FC	FRA	€183m	€340m	28%	2.8x	2.6x
17	SSC Napoli	ITA	€98m	€306m	5%	1.7x	2.5x
18	Club Atlético de Madrid	ESP	€171m	€286m	3%	0.8x	1.4x
19	Leicester City FC	ENG	€163m	€268m	50%	1.5x	2.0x
20	Southampton FC	ENG	€155m	€252m	31%	1.5x	2.0x
1-20	Average		€280m	€532m	28%	1.4x	2.3x
1-20	Aggregate		€5,606m	€10,636m	26%	1.3x	2.2x



Players' balance sheet values equivalent to just 53% of their original transfer fees

The players at the 20 clubs in the table above originally cost €10.6bn in transfer fees, but are valued at just €5.6bn on those clubs' balance sheets – 53% of their original fees. The net book value and original transfer costs of the top 20 squads have both increased by more than 60% since FY2015, reflecting major increases in transfer prices. In relative terms, the average squad cost of clubs in the top 20 (€532m) is equivalent to 140% of those clubs' average FY2018 revenues.

Top 20 squads cost between 80% and 280% of annual revenue to build

With a squad cost of €971m, ranked first for the second consecutive year, Manchester City FC have the most expensively built team in history in terms of total transfer fees. Relative to annual club revenue, the most affordable of the top 20 squads were those of FC Bayern München, Club Atlético de Madrid and Tottenham Hotspur FC, each of which cost less than 100% of revenue, with AS Monaco FC (280% of revenue) at the other end of the scale. There is significant variation in the way that player spending is broken down into transfer fees (squad cost) and wages, with the combined transfer fees of the 20 most expensive squads equal to 220% of the combined wages of those clubs.

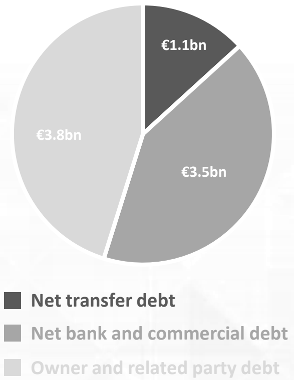

MERTENS
14
Lete
INSIGNE
24
Lete
DI LORENZO
22
Lete

Net debt ratios have declined significantly over last ten years

Top 20 leagues by average net club debt*

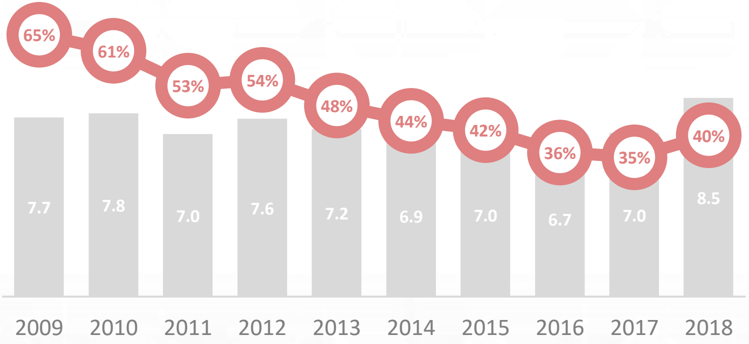
Percentage of total revenue	Ranking by club average	Underlying growth	Aggregate	Club average (€m)
45%	(1). ENG	93%	€2,474m	123.7
78%	(2). ITA	25%	€1,808m	90.4
131%	(3). TUR	29%	€983m	54.6
22%	(4). ESP	15%	€680m	34.0
120%	(5). POR	-8%	€529m	29.4
62%	(6). RUS	1%	€463m	29.0
31%	(7). FRA	-17%	€530m	26.5
7%	(8). GER	36%	€212m	11.8
65%	(9). DEN	-26%	€120m	8.6
27%	(10). BEL	40%	€107m	6.7
34%	(11). AUT	12%	€61m	6.1
79%	(12). ISR	151%	€83m	5.9
123%	(13). BUL	8%	€52m	3.7
78%	(14). ROU	38%	€46m	3.3
36%	(15). NOR	-33%	€52m	3.2
28%	(16). KAZ	107%	€35m	2.9
58%	(17). CYP	12%	€33m	2.8
304%	(18). MDA	-13%	€20m	2.5
73%	(19). AZE	154%	€20m	2.5
48%	(20). CZE	23%	€39m	2.4

Make-up of net debt



Calculation of net debt

Net debt can be calculated in various ways, but the definition in the UEFA Club Licensing and Financial Fair Play Regulations includes net borrowing (i.e. bank overdrafts and loans, other loans and accounts payable to related parties, minus cash and cash equivalents) and the net player transfer balance (i.e. the difference between accounts receivable and payable from player transfers).



Significant decline in net debt as a percentage of revenue over the last ten years

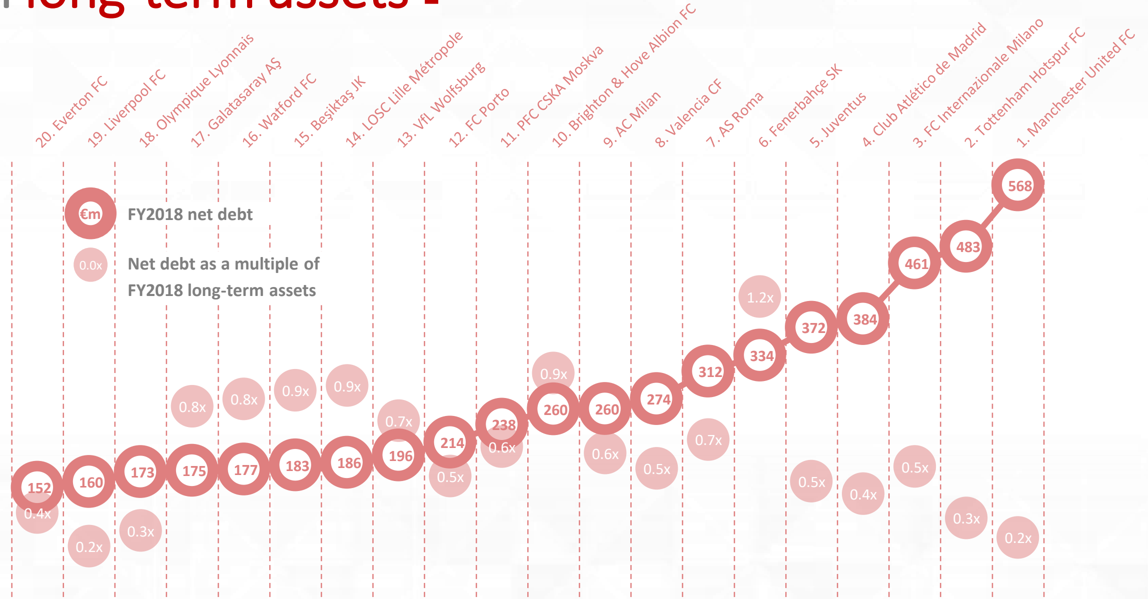
The combined net debt of Europe's top-division clubs expressed as a percentage of revenue has declined markedly in the last ten years, falling from the equivalent of 65% of revenue in FY2009 to 40% of revenue at the end of FY2018. Clubs' total net debt actually rose in FY2018, rising from €7.0bn to €8.5bn, pointing to an increased reliance on debt after years of steady declines. The top two countries by average club net debt are telling different stories. While in England the increase in net debt can be mainly attributed to the debt financing structure of Tottenham Hotspur FC's new stadium, in Italy it appears that debt is mainly used to cover operating and transfer activities.

* Net debt is calculated in accordance with the definition in the UEFA Club Licensing and Financial Fair Play Regulations, which offsets bank overdrafts, bank and other loans, related-party loans and payables and transfer payables against transfer receivables and cash balances. Some other liabilities, including debts to tax authorities or employees, are not included in this definition, but may nonetheless attract finance charges. Gross debt includes all of the items above without taking into account cash balances or transfer receivables.

Only one club in the top 20 with net debt higher than long-term assets

20 clubs with highest net debt*

Rank	Club	Country	FY18 Net Debt	Year-on-year growth	As multiple of revenue	As multiple of long-term assets**
1	Manchester United FC	ENG	€568m	24%	0.9x	0.2x
2	Tottenham Hotspur FC	ENG	€483m	2762%	1.1x	0.3x
3	FC Internazionale Milano	ITA	€461m	5%	1.6x	0.5x
4	Club Atlético de Madrid	ESP	€384m	-8%	1.1x	0.4x
5	Juventus	ITA	€372m	29%	0.9x	0.5x
6	Fenerbahçe SK	TUR	€334m	49%	2.9x	1.2x
7	AS Roma	ITA	€312m	42%	1.3x	0.7x
8	Valencia CF	ESP	€274m	29%	2.6x	0.5x
9	AC Milan	ITA	€260m	-4%	1.2x	0.6x
10	Brighton & Hove Albion FC	ENG	€260m	n/a	1.6x	0.9x
11	PFC CSKA Moskva	RUS	€238m	4%	2.8x	0.6x
12	FC Porto	POR	€214m	21%	2.0x	0.5x
13	VfL Wolfsburg	GER	€196m	96%	1.0x	0.7x
14	LOSC Lille Métropole	FRA	€186m	133%	3.5x	0.9x
15	Beşiktaş JK	TUR	€183m	3%	1.1x	0.9x
16	Watford FC	ENG	€177m	76%	1.2x	0.8x
17	Galatasaray AŞ	TUR	€175m	-29%	1.5x	0.8x
18	Olympique Lyonnais	FRA	€173m	0%	1.1x	0.3x
19	Liverpool FC	ENG	€160m	-29%	0.3x	0.2x
20	Everton FC	ENG	€152m	n/m***	0.7x	0.4x
1-20	**Average**		€278m		1.5x	0.6x
1-20	**Aggregate**		€5,561m	38%	1.2x	0.5x



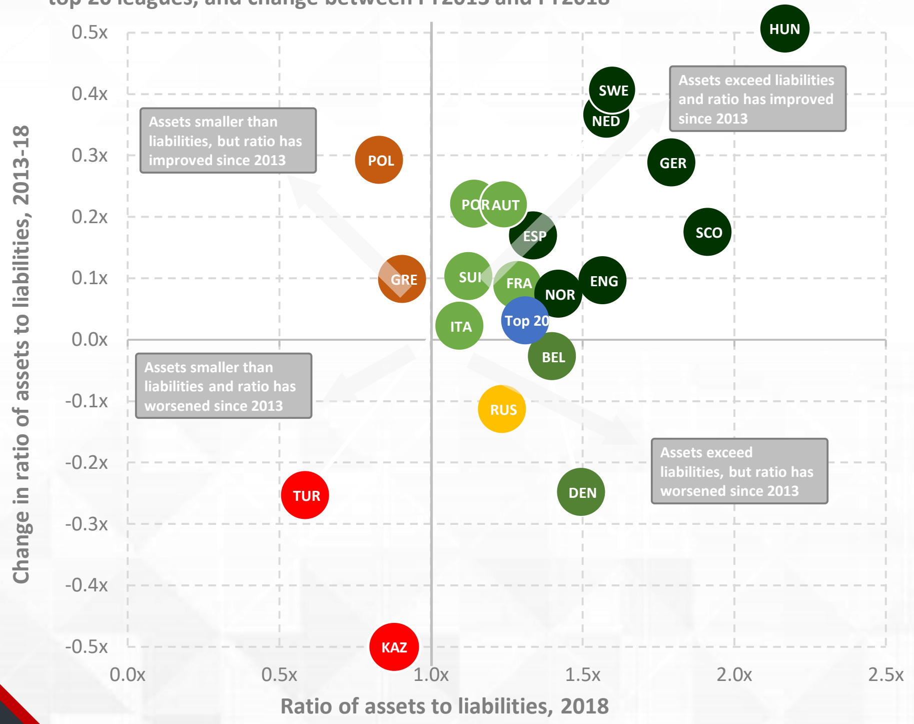
Context is key

It is important to look at net debt in context, rather than in isolation, as the debt taken on to finance investment is clearly perceived as far less risky compared to that of debt taken on to fund operating activities, which might lead to financial sustainability issues for clubs. The chart and table on this page show the ratio of net debt to revenue, which is used as a risk indicator for the purposes of financial fair play, as well as the ratio of debt to long-term assets, with such assets often being used as security for debt and often being funded or part-funded by debt.

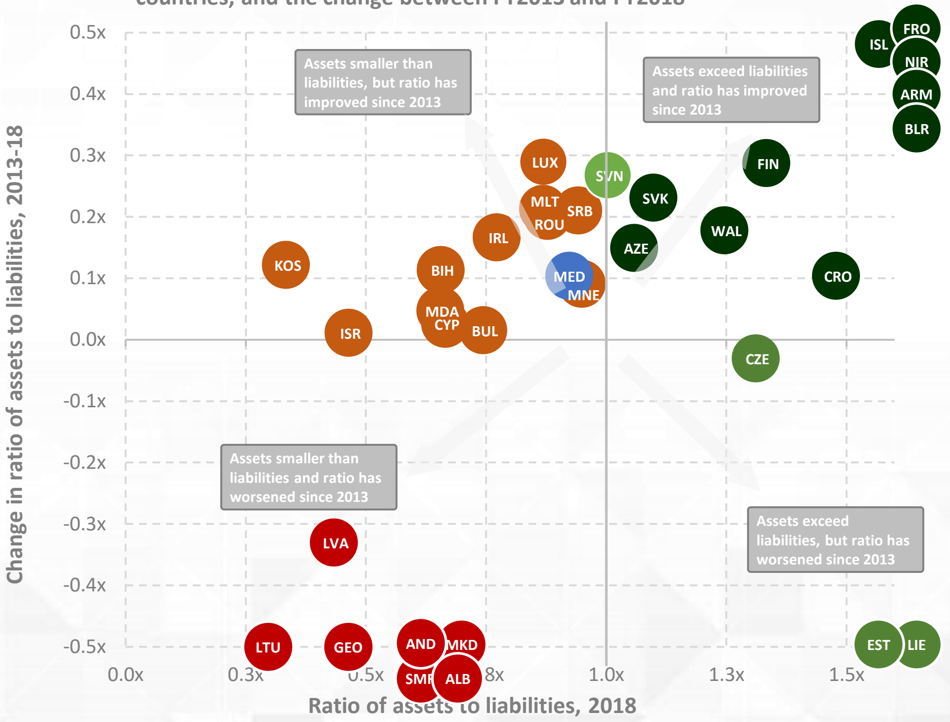
* Net debt is calculated in accordance with the definition in the UEFA Club Licensing and Financial Fair Play Regulations, which offsets bank overdrafts, bank and other loans, related-party loans and payables and transfer payables against transfer receivables and cash balances. Some other liabilities, including debts to tax authorities or employees, are not included in this definition, but may nonetheless attract finance charges. Gross debt includes all of the items above without taking into account cash balances or transfer receivables. ** Here, long-term assets are calculated as the sum of all tangible fixed assets and intangible player assets. They do not include other long-term assets such as goodwill or internally generated intangible assets. *** Everton FC posted a positive net cash position in FY2017, so the year-on-year growth rate is not meaningful here.

Significant variation across leagues in terms of balance sheet health

Ratio of assets to liabilities (debts and obligations) in the top 20 leagues, and change between FY2013 and FY2018*



Ratio of assets to liabilities (debts and obligations) in other countries, and the change between FY2013 and FY2018*



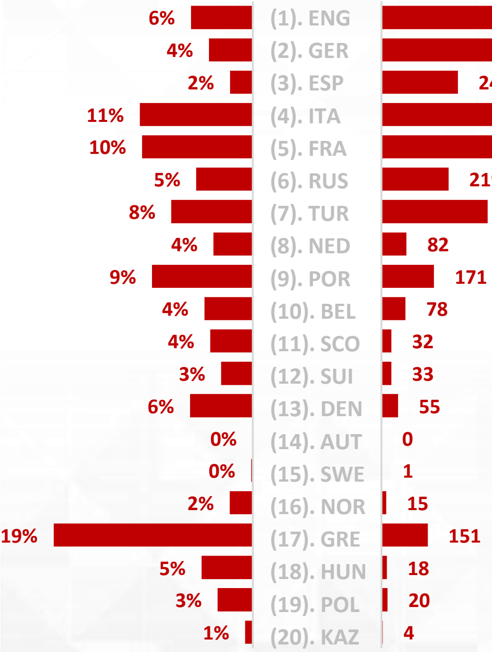
* The x axes of the charts on this page illustrate the value of assets relative to liabilities (debts and obligations). A multiplier of more than 1.0x denotes positive net equity, with assets exceeding liabilities. The y axes indicate changes in the ratio of assets to liabilities, showing whether a ratio has improved or worsened between the end of 2013 and the end of 2018. The results are presented by league – i.e. as an aggregate of all the clubs in the league in each year (which will not necessarily be the same in both years). The difference between 2013 and 2018 may also be influenced by exchange rate effects and the mix of clubs in the top division.

Clubs' net equity has quintupled in last ten years

Equity/capital increases in the top 20 leagues over the last five years

Equity/capital increases as % of club costs

Club equity/capital increases, FY2013 to FY2018(€m)



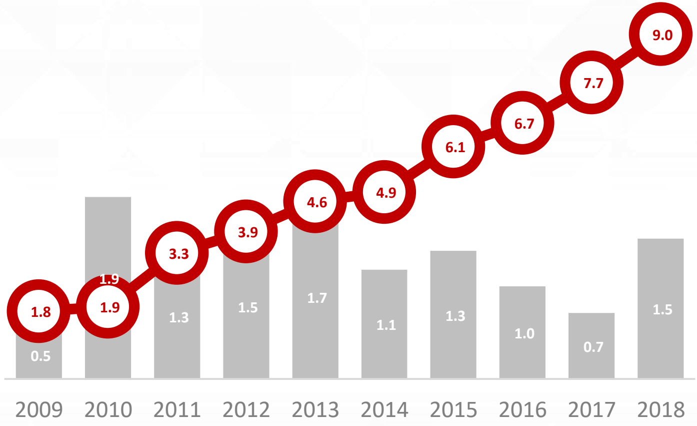
Financial fair play improving balance sheets in two different ways

Financial fair play has had a significant impact on clubs' balance sheets in two different respects: first, by limiting major losses; and second, by requiring owners to inject permanent capital, rather than letting soft loans build up year after year.

Premier League clubs lead the way

English clubs have enjoyed equity increases and capital contributions (either new capital injections or debt write-offs) totalling €1.3bn in the last five years, with Italian clubs (€1.2bn) and French clubs (€808m) the other big beneficiaries. The chart on the left also compares those capital and equity injections with clubs' costs, providing an indication of the relative size of those increases. This shows that Greek owners injected equity/capital totalling almost 20% of club costs during that five-year period.

Evolution of European top-division clubs' net equity (assets minus liabilities; €bn) and annual capital contributions (€bn)



Nine consecutive years of improved balance sheet health

European club balance sheets have strengthened for the ninth consecutive year. Net equity, calculated as assets minus all debts and liabilities, has increased fivefold over the last ten years, rising from €1.8bn to €9.0bn. Over the same period, clubs liabilities, consisting mostly in debt (financial and transfer-related), only increased by 50%, from €18.7bn to €27.8bn. This trend has been driven by owner contributions and capital increases of €12.5bn over that period, combined with sharp reductions in aggregate club losses, culminating in bottom-line profits in FY2017 and FY2018. The aggregate European club balance sheet of today bears very little resemblance to the situation in 2010 when financial fair play was approved.*

* The evolution of the aggregate balance sheet of European top-tier football is affected by changes in club ownership, corporate restructuring and the mix of clubs in each top-tier league (i.e. promotions and relegations), as well as the financial performance and financing of those clubs. As highlighted in previous benchmarking reports, the large jump in net equity between FY2010 and FY2011 was largely due to changes in the reporting perimeters of a number of English and German clubs. The improvement since FY2011 (after the introduction of the break-even rule) is almost entirely due to increases in owners' capital contributions and the writing-off of debt owed to owners, both of which are actively encouraged under the break-even requirements.

Appendix: Glossary

Data sources and notes	
General	Throughout this report several logos and icons have been used to illustrate club, league or country names. In addition, several abbreviations are used to illustrate the various national associations. This page aims to clarify these symbols and abbreviations. Financial Year, referenced in the report as FY, represents the accounting period over which European clubs submitted their financial statements to UEFA. FY2018 refers to the clubs' reporting period ending in 2018, irrespective of the month: most clubs have a financial year-end in June or December. For details of clubs that submitted financial information covering more or less than twelve months, please refer to the following section, *Clubs' financial figures: short and long reporting periods in financial sections.*
Country trigrams	ALB: Albania, AND: Andorra, ARM: Armenia, AUT: Austria, AZE: Azerbaijan, BEL: Belgium, BIH: Bosnia and Herzegovina, BLR: Belarus, BUL: Bulgaria, CRO: Croatia, CYP: Cyprus, CZE: Czech Republic, DEN: Denmark, ENG: England, ESP: Spain, EST: Estonia, FIN: Finland, FRA: France, FRO: Faroe Islands, GEO: Georgia, GER: Germany, GIB: Gibraltar, GRE: Greece, HUN: Hungary, IRL: Republic of Ireland, ISL: Iceland, ISR: Israel, ITA: Italy, KAZ: Kazakhstan, KOS: Kosovo, LIE: Liechtenstein, LTU: Lithuania, LUX: Luxembourg, LVA: Latvia, MDA: Moldova, MKDA: North Macedonia, MLT: Malta, MNE: Montenegro, NED: Netherlands, NIR: Northern Ireland, NOR: Norway, POL: Poland, POR: Portugal, ROU: Romania, RUS: Russia, SCO: Scotland, SMR: San Marino, SRB: Serbia, SUI: Switzerland, SVK: Slovakia, SVN: Slovenia, SWE: Sweden, TUR: Turkey, UKR: Ukraine and WAL: Wales.
Top-division logos by social media popularity (page 28)	The club logos on page 31, ranked from the lowest number of Facebook likes to the highest number of Facebook likes: Linglong Tire SuperLiga (Serbia), Optibet Virslīga (Latvia), Vysheyshaya Liga (Belarus), Cymru Premier (Wales), Danske Bank Premiership (Northern Ireland), Raiffeisen Super League (Switzerland), A Lyga (Lithuania), Veikkausliiga (Finland), SSE Airtricity League Premier Division (Republic of Ireland), Prva liga Telekom Slovenije (Slovenia), Hrvatski Telekom Prva Liga (Croatia), Azərbaycan Premyer Liqası (Azerbaijan), Fortuna liga (Slovakia), Ukrainian Premier League (Ukraine), Russian Premier League (Russia), Eliteserien (Norway), Erovnuli Liga (Georgia), Allsvenskan (Sweden), Casa Liga 1 (Romania), Liga NOS (Portugal), Danish Superliga (Denmark), Eredivisie (Netherlands), Bundesliga (Austria), Fortuna liga (Czech Republic), Tel Aviv Stock Exchange League (Israel), Ladbrokes Premiership (Scotland), Jupiler Pro League (Belgium), PKO BP Ekstraklasa (Poland), Serie A TIM (Italy), Ligue 1 Conforama (France), Bundesliga (Germany), Premier League (England) and La Liga Santander (Spain).

Data sources and notes	
Club logos by social media popularity (page 29)	The logos on page 29, by accumulated number of followers on Facebook, Instagram, Twitter and YouTube from low to high: AEK Athens F.C. (Greece), PAOK FC (Greece), Real Betis (Spain), Qarabağ FK (Azerbaijan), FK Crvena zvezda (Serbia), AFC Ajax (Netherlands), Eintracht Frankfurt (Germany), Rangers F.C. (Scotland), Olympiacos F.C. (Greece), FC Dynamo Kyiv (Ukraine), GNK Dinamo Zagreb (Croatia), Sporting CP (Portugal), FC Zenit Saint Petersburg (Russia), FC Porto (Portugal), FK Krasnodar (Russia), Olympique de Marseille (France), Beşiktaş J.K. (Turkey), A.S. Roma (Italy), Fenerbahçe S.K. (Turkey), Inter Milan (Italy), Tottenham Hotspur F.C. (England), Atlético Madrid (Spain), Borussia Dortmund (Germany), Galatasaray S.K. (Turkey), A.C. Milan (Italy), Manchester City F.C. (England), Liverpool F.C. (England), Paris Saint-Germain F.C. (France), Arsenal F.C. (England), FC Bayern Munich (Germany), Juventus F.C. (Italy), Chelsea F.C. (England), Manchester United F.C. (England), FC Barcelona (Spain) and Real Madrid C.F. (Spain).
Clubs with currently under foreign ownership (page 54)	The clubs logos illustrated on page 54 are the logo's of the following clubs (listed in chronological order of the takeover date): Swansea City A.F.C. (England), FC Torpedo Minsk (Belarus), K.V. Kortrijk (Belgium), Dundee F.C. (Scotland), Crystal Palace F.C. (England), FC Nordsjælland (Denmark), SK Slavia Prague (Czech Republic), FC Stumbras (Lithuania), RCD Espanyol de Barcelona (Spain), Vejle Boldklub (Denmark), Mons Calpe SC (Gibraltar), Inter Milan (Italy), FC Urartu (Armenia), OGC Nice (France), FC Dila Gori (Georgia), West Bromwich Albion F.C. (England), Olympique de Marseille (France), Lille OSC (France), Cercle Brugge K.S.V. (Belgium), Korona Kielce (Poland), FK Spartaks Jūrmala (Latvia), Southampton F.C. (England), Girona FC (Spain), Sint-Truidense V.V. (Belgium), Gibraltar United F.C. (Gibraltar), FC Pyunik (Armenia), Dundalk F.C. (Scotland), FK Ventspils (Latvia), Royal Excel Mouscron (Belgium), A.C. Milan (Italy), FK Senica (Slovakia), FC Girondins de Bordeaux (France), FK Sarajevo (Bosnia and Herzegovina), ACF Fiorentina (Italy) and NK Osijek (Croatia).

Appendix: Data sources and notes

Data sources and notes

Data sources and notes	
Underlying data source for benchmarking figures	Unless otherwise stated in the report, footnotes or this appendix, the financial figures used in this introductory section were taken directly from figures submitted by clubs or national associations through UEFA's online financial reporting tool in May and July 2019. These figures relate to the financial year ending in 2018, in most cases the year ending on 31 December 2018. The figures were extracted from financial statements prepared using national accounting practices or the International Financial Reporting Standards and audited in accordance with the International Standards on Auditing.
Sources for analysis of domestic competitions and governance & women's football (chapters 1 & 2)	For the domestic competitions and women's football section of this report, data was collected through the club licensing network. All information on the men's league and cup structures and governance was provided directly to UEFA by all 55 national associations, before being audited independently by SGS. This information was also verified using several external third-party resources. The data on the women's football section was collected in the organisation-wide UEFA GRASS survey before being verified by the club licensing network.
Sources for analysis of supporters (chapter 3)	European league attendances are based on the figures published on www.european-football-statistics.co.uk/attn.htm, which features club-by-club data covering the vast majority of European leagues. These are supplemented by figures provided directly to UEFA by leagues and national associations. The social media data was taken directly from the relevant social media channels (www.facebook.com, www.twitter.com, www.instagram.com, www.vk.com, www.weibo.com and www.youtube.com) of clubs, leagues and national associations in late June 2019.
Sources for analysis of stadium development (chapter 4)	The outdoor stadium project data presented in this chapter was collected from a number of sources. In most cases, the data was taken from www.stadiumdb.com and supplemented by figures provided directly to UEFA by leagues and national associations. The sample only covers outdoor stadium projects with a minimum capacity of 5,000 that have been completed since 2009. Stadium renovations are included, but not cosmetic renovations (such as improvements to seating) which have no impact on stadium capacity.
Sources for analysis of training facilities (chapter 4)	The training centre infrastructure data was collected in an independent questionnaire organised by the UEFA Intelligence Centre that contained around 60 questions examining the current state of training facilities and youth development in the current top division clubs. The questionnaire collected responses from 664 cubs in 54 national associations (Gibraltar missing). For the following national associations, clubs were missing: Albania 2x, Bosnia and Herzegovina 6x, Belarus 2x, Spain 2x, Finland 1x, France 7x, Germany 1x, Greece 3x, Iceland 1x, Israel 1x, Lithuania 1x, Montenegro 2x, Netherlands 1x, Poland 1x, Portugal 11x, Serbia 2x and Slovenia 1x.
Sources for analysis of club sponsorship (chapter 5)	For the sponsorship section of this report, data was extracted directly from figures submitted by clubs or national associations in UEFA's online financial reporting tool in May and July 2019. This year, the online financial reporting tool contained a number of new input lines requesting additional information about sponsorship. This was supplemented by information taken from the websites of shirt sponsors, kit manufacturers, sleeve sponsors and shorts sponsors, as well as information collected from clubs' official websites and other UEFA Intelligence Centre partners.

Data sources and notes	
Sources for analysis of club ownership (chapter 6)	Club ownership data was obtained from UEFA's online financial reporting tool over FY2018. This year, that online financial reporting tool contained a number of new input lines requesting additional information with regard to the ownership of football clubs. In addition to the data submitted using this tool, desk research was performed in early October 2019 to incorporate the most recent changes to club ownership structures.
Clubs' financial figures: short and long reporting periods in financial sections (chapters 7 to 12)	Each year, a number of clubs change their financial year end, and in so doing extend or shorten their financial reporting period. In the interests of consistent benchmarking, UEFA changes clubs' profit and loss data if the reporting period is shorter than 9 months or greater than 15 months by extrapolating/interpolating the data submitted. Data for 9–15 month periods is not adjusted. In FY2017, the following clubs submitted data that was subsequently adjusted: PFC Slavia Sofia, RB Leipzig, FC Zürich (all 6 months) and FC Zlín (18 months).
Clubs' wages (chapter 8)	For the following clubs in the top 20 countries by club wages, the share of players' wages as part of the total employee benefit expenses was missing, so UEFA extrapolated the share of their players' wages by applying the average proportion at other clubs in the same league for FY2018: Girona FC (ESP), Larissa FC (GRE), Hapoel Akko FC (ISR), Celtic FC and Kilmarnock FC (SCO).

Currency rates applied throughout the report (euro exchange rates)

Where necessary, all club financial data was converted to euros for the purposes of comparison. The exchange rate used was the average rate during the financial year of each club, calculated as the average of the 12 month-end rates. The rate used has been tailored to each club, as clubs in a given country will not necessarily share the same financial year end. For example, the 2018 GBP:EUR exchange rate for English clubs with a May year end was 1.1289; for clubs with a June year end, it was 1.1287; and for clubs with a July year end, it was 1.1286. A full list of all the exchange rates used can be found below:

Country	Year-End	Common Year-End or Various	Currency	Average Rate Applied
ALB	12	Common	LEK	0.0078
AND	12	Common	€	1.0000
ARM	12	Common	DRAM	0.0018
AUT	6	Common	€	1.0000
AZE	12	Common	MANAT	0.4983
BEL	6 / 12	Various	€	1.0000
BIH	12	Common	MARK	0.5114
BLR	12	Common	BYR	0.4154
BUL	12	Common	LEV	0.5113
CRO	12	Common	KUNA	0.1348
CYP	5 / 12	Various	€	1.0000
CZE	6 / 12	Various	Kroner	0.03901 / 0.03895
DEN	6 / 12	Various	KRONE	0.1342 / 0.1343
ENG	5 / 6 / 7	Various	GBP	1.1289 / 1.1287 / 1.1286
ESP	6	Common	€	1.0000
EST	12	Common	€	1.0000
FIN	11 / 12	Various	€	1.0000
FRA	6 / 12	Various	€	1.0000
FRO	12	Common	KRONE	0.1342
GEO	12	Common	LARI	0.3345
GER	6 / 12	Various	€	1.0000
GIB	3 / 12	Various	GIP	1.1313 / 1.1302
GRE	6 / 12	Various	€	1.0000
HUN	12	Common	FORINT	0.0031
IRL	11	Common	€	1.0000
ISL	12	Common	KRONA	0.0078
ISR	5	Common	SHEKEL	0.2387

Country	Year-End	Common Year-End or Various	Currency	Average Rate Applied
ITA	6 / 12	Various	€	1.0000
KAZ	12	Common	TENGE	0.0025
KOS	12	Common	€	1.0000
LIE	6 / 12	Various	CHF	0.8646 / 0.8670
LTU	12	Common	€	1.0000
LUX	12	Common	€	1.0000
LVA	12	Common	€	1.0000
MDA	12	Common	LEU	0.0504
MKD	12	Common	Denar	0.0163
MLT	12	Common	€	1.0000
MNE	6 / 12	Various	€	1.0000
NED	6	Common	€	1.0000
NIR	4 / 5 / 12	Various	GBP	1.1313 / 1.1289 / 1.1302
NOR	12	Common	KRONER	0.1041
POL	6 / 12	Various	ZLOTY	0.2365 / 0.2350
POR	6	Common	€	1.0000
ROU	12	Common	LEU	0.2149
RUS	12	Common	ROUBLE	0.0135
SCO	5 / 6 / 7	Various	GBP	1.1289 / 1.1287 / 1.1286
SMR	6	Common	€	1.0000
SRB	6 / 12	Various	DINAR	0.00846 / 0.0085
SUI	6 / 12	Various	CHF	0.8646 / 0.8670
SVK	12	Common	€	1.0000
SVN	12	Common	€	1.0000
SWE	12	Common	SEK	0.0977
TUR	5 / 12	Various	LIRA	0.2238 / 0.1800
UKR	12	Common	HRYVNIA	0.0310
WAL	5 / 6 / 11 / 12	Various	GBP	1.1289 / 1.1287 / 1.1318 / 1.1302

Production

Financial Sustainability & Research Division / UEFA Intelligence Centre

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