European Video: the industry overview

DVD volume still climbing

DVD unit sales increased by five per cent in 2007 – rising for the ninth consecutive year since the launch of the format – from 715.3m units in 2006 to 753.4m. Growth in volume was slightly less pronounced than in 2006, when unit sales increased by eight per cent year-on-year, reflecting the fact that the average price of a retail DVD was more resilient in 2007.

This may be due in part to the increasing availability of cheap DVDs outside the mainstream retail channels. In 2007 continental Europe witnessed an explosion in DVD 'cover-mounts' (DVDs bundled with newspapers and magazines). Unlike the phenomenon that hit the UK in 2005, where DVDs were given away for free with national newspapers, consumers on the continent are generally required to pay a nominal fee for the disc. The 'cover-mounts' trend was identified in a number of markets in 2007, notably France – where it exists within the established kiosk business – Sweden and the Czech Republic (see 'Kiosks and cover-mounts' section for more information).

Although Screen Digest analyses kiosk sales separately from the mainstream market, to reflect the different business models in play, this trend may have had an impact on the mainstream channel. Consumers who are purchasing cheap DVDs outside the traditional retail channel are less likely to be buying super-budget titles in mainstream stores. This may have contributed to the deceleration in the decline of average DVD prices through mainstream channels. In 2007, the average price of a retail DVD in Europe fell by just four per cent, compared with a year-on-year decrease of seven per cent in 2006. In a number of territories, the average price actually rose in 2007, reflecting an increase in sales of premium-priced product – TV DVD box sets and new releases – and the ongoing downturn in the number of 'super-budget' titles sold through mainstream retail channels.

In Western Europe – which, for the purpose of this overview, consists of 17 out of the 22 European countries assessed by Screen Digest – the average price of a retail DVD in the mainstream market fell by just two per cent year-on-year in 2007. In Central and Eastern (CE) Europe, the average price declined by 10 per cent, but this represents a significant improvement on the 26 per cent year-on-year decrease registered in 2006.

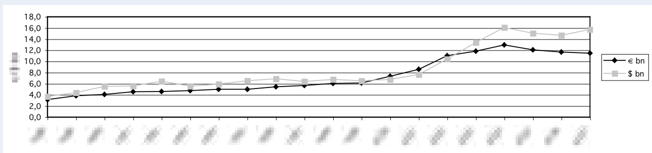
This helped push spending in CE Europe up 21 per cent in 2007, from €305.0m in 2006 to €369.5m in 2007. In Western Europe consumer spending on retail DVD was stable but the region continued to account for the lion's share of total consumer spending, generating 96 per cent of European DVD sales by value in 2007 at €9.1bn.

The big five European markets alone – France, Germany, Italy, Spain and the UK – represented 74 per cent of total spending in the region. The UK remained the single biggest contributor to total European spending, with a 36 per cent share of the market, followed by France with 16 per cent and Germany with 14 per cent.

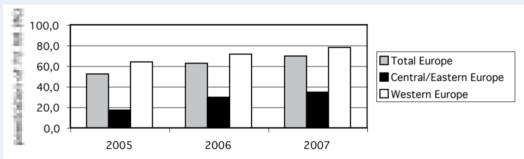
Both the competing high-definition disc formats – Blu-ray Disc (BD) and HD DVD – were promoted heavily throughout 2007 and, whilst still small, both helped boost consumer spending on total video in Europe in 2007. Between them, the formats generated €85.7m in their first full year since launch, up from just over €500,000 in 2006. Screen Digest analysis indicates that Blu-ray dominated hi-def disc spending, accounting for 77 per cent of the European market in 2007, reflecting its substantially larger installed hardware base.

Growth in the hi-def sector helped compensate for the collapse of the retail VHS business. According to the available data, European consumers bought just 2.2m VHS cassettes in 2007, generating €8m. In fact, just five of the 22 markets assessed in this overview

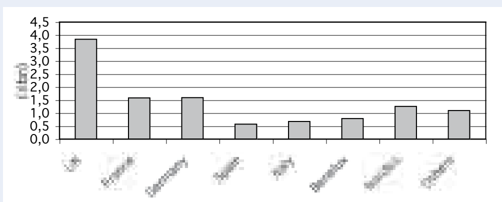
EUROPEAN SPENDING ON VIDEO SOFTWARE 1988-2007



PENETRATION OF DVD VIDEO PLAYERS/RECORDERS IN EUROPE 2005-2007



EUROPEAN CONSUMER SPENDING ON DVD SOFTWARE BY TERRITORY 2007



Source: Screen Digest/IVF

reported a measurable retail VHS business at consumer level in 2007. Even fewer markets reported activity at trade level, and in each case, returns exceeded shipments. In line with industry feedback, in such cases Screen Digest has recorded zero values rather than show distorted figures.

Readers will notice that historical data for some markets in the 2008 Yearbook differs slightly to figures reported last year. Italy and France are among those affected. In most cases such changes reflect methodological adjustments made by the relevant IVF member associations; in all cases we believe that they offer a more robust assessment of market size.

DVD rental falls further in 2007

European consumer spending on DVD rental fell for the second year in a row in 2007, down 13 per cent year-on-year from €2.1bn in 2006 to €1.9bn. This is slightly more pronounced than the nine per cent decline registered in 2006 and is entirely due to the downturn in traditional store-based rental. While the online DVD rental business continued to grow in 2007 – consumer spending in Europe rose 31 per cent from €158.2m in 2006 to €206.9m – rental spending through brick-and-mortar outlets and automated vending machines (which have long characterised some European markets) fell by 16 per cent, from €2.0bn in 2006 to €1.6bn.

The steady erosion of average retail prices and the availability of cheap product via newspaper kiosks and cover-mounts have made traditional DVD rental a less compelling value proposition for European consumers. In addition, DVD rental competes directly with pirated product. The latter has been blamed for conditions in Spain – which has one of Western Europe's highest rates of piracy – where DVD rental spending plummeted by 25 per cent in 2007, following a 13 per cent decline in 2006.

The climate in the Spanish rental market led to the withdrawal of rental giant Blockbuster in March 2006, followed by a spate of further closures in 2007, affecting both the family-owned rental stores that still dominate the sector, and the country's extensive network of DVD vending machines.

Spain was not the only major market to experience a steep decline in rental spending. In fact, four of the big five European markets recorded double-digit declines in 2007. This contributed to a 12 per cent decrease in total DVD rental spending in Western Europe from €2.1bn in 2006 to €1.8bn. Consumers in the region rented half as many discs as they did five years ago, with the DVD rental tie ratio (the average annual number of DVD rental transactions per equipped household) dropping from 8.5 units in 2003 to 4.4 in 2007. The decline in spending was even more severe in CE Europe where rental spending dropped by 22 per cent €27.6m in 2006 to €21.6m. This was due largely to the complete collapse of the DVD rental market in Russia. According to Screen Digest research, as a result of widespread piracy and very low average prices for legitimate retail DVD, the rental model is simply no longer viable in Russia.

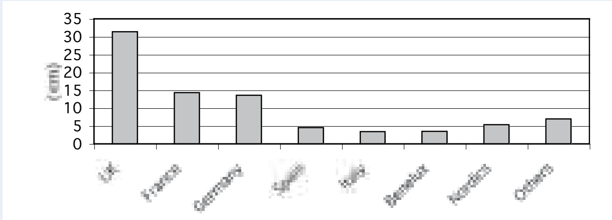
Meanwhile, the online DVD rental segment continued to grow steadily, but not quickly enough to compensate for the decline in traditional DVD rental. Consumer spending on DVD 'rentmail' services increased by almost one third in 2007 according to Screen Digest analysis. This meant that online DVD rental accounted for 11 per cent of total rental spending in 2007, compared with seven per cent in 2006.

Hi-def starts to make its mark

The emerging market for hi-def disc gained momentum in 2007, as total unit sales of Blu-ray Disc (BD) and HD DVD reached 2.9m, compared with just over 200,000 units in 2006. Combined, the hi-def disc formats generated consumer spending of €85.7m, at an average price of €29.00, more than double the DVD equivalent.

Screen Digest analysis of available data indicates that BD dominated total hi-def disc spending, accounting for 77 per cent of the European market in 2007. Screen Digest and the IVF have opted to present combined figures for the hi-def disc market.

European consumer spending on BD by territory in 2007



Source: Screen Digest/IVF

Average DVD prices steady in Western Europe

The deceleration in the rate of decline in average DVD prices continued in 2007, with a year-on-year decrease of just two per cent in Western Europe from €13.72 in 2006 to €13.40. This follows declines of four per cent in 2006 and 11 per cent in 2005. Average prices actually increased in a number of territories in 2007, thanks to an increase in the proportion of premium-priced product, such as TV DVD box sets and new movie releases. An exceptional release slate in the fourth quarter of 2007 – which included instalments of major franchises such as *Spiderman*, *Pirates* of the *Caribbean*, *Shrek* and *Harry Potter* – boosted new release sales, helping to sustain average prices.

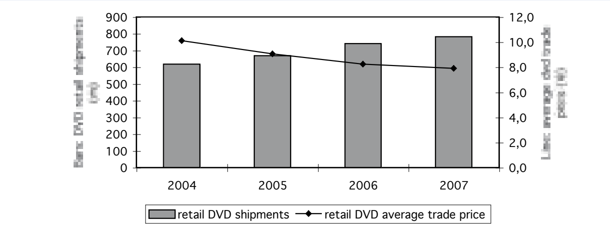
Another key factor was the ongoing downwards trend in sales of 'super-budget' titles, which could be related to the increasing availability of cheap DVDs outside the mainstream retail channel. In 2007, several continental European markets experienced a surge in paid-for DVD 'cover-mounts' (DVDs bundled with newspapers and magazines).

Two of the big five European markets, Italy and Spain, were among those that experienced an upturn in average prices in 2007. In Italy, consumers paid two per cent more for a DVD on average in 2007 than they did in 2006; in Spain, the average price rose by five per cent. Moreover, the year-on-year declines experienced by the other three major markets were only marginal – down one percentage point in France and Germany and four per cent in the UK.

The average price in CE Europe decreased by 10 per cent to €5.07. This equates to less than half the average price in Western Europe. Nonetheless, it represents an improvement on the 26 per cent decline registered in 2006. This is largely due to prices stabilising in Russia, where, having successfully stimulated the legitimate market with aggressive pricing strategies (and, in some cases, short theatrical-to-DVD release windows), the major studios are adopting a more conservative approach to pricing. On average, the price of a retail DVD in Russia fell by just 10 per cent year-on-year in 2007 according to Screen Digest research, compared with 24 per cent in 2006.

Iceland continued to boast the highest average price for retail DVD in Europe at €19.20, followed by France at €16.85. In spite of a reported 29 per cent increase in average DVD prices in 2007 – the highest in Europe by far – the average price in Portugal remained the lowest in Europe at €10.22.

DVD retail shipments in Europe v average DVD retail trade price 2004- 2007



Source: Screen Digest/IVF

Kiosks and cover-mounts

Historically, street corner newspaper kiosks and similar outlets have been a key distribution channel for video product not stocked in mainstream outlets in several European markets, notably France, Italy and Spain. Consequently, Screen Digest analyses video product sold through kiosks separately from the mainstream retail market. This ensures that the methodology is consistent across all the markets covered in the Yearbook.

However, the landscape of the kiosk market has changed in recent years as the major market players have increasingly utilised the channel and alternative business models – such as cover-mounts – have proliferated.

According to Screen Digest research, the kiosk market can broadly be divided into three categories:

- 'Part-works' or 'collections': release of one disc at a time over a number of weeks, usually with an accompanying magazine or pamphlet and often at a low introductory price which rises as the series progresses. This is the traditional kiosk business model for DVD.
- Cover-mounts: bundled with newspapers and magazines, usually commanding a nominal additional fee but sometimes free of charge. These frequently consist of catalogue studio titles or local product.
- New studio releases: distributed through kiosks day-and-date with the mainstream retail product, by the same distributor and at the same suggested retail price (SRP).

In **France**, Screen Digest understands that growth in the kiosk DVD business in 2007 was driven by an explosion in sales of paid-for cover-mounts. Indeed, this helped mask a decline in sales of traditional kiosk product.

Consumer spending through the kiosk channel in France reached €240m in 2007, up one per cent from €238m in 2006. Volume growth was stronger, with unit sales up 10 per cent from 23m in 2006 to 25m. This means kiosks bucked the trend in France's mainstream video business, where unit sales and consumer spending declined by 10 per cent and 11 per cent respectively.

This is in spite of the fact that prices fell further on average in the kiosk channel than at mainstream outlets. Screen Digest analysis indicates that the average consumer price in the mainstream business stabilised in 2007 but fell by eight per cent in the kiosk channel, from €10.37 in 2006 to €9.57 in 2007. Figures for 2005 and 2006 are slightly different to those reported previously, reflecting improved access to data on this market sector.

Meanwhile, in **Italy**, consumer spending on kiosk DVD product increased by two per cent, from €300m in 2006 to €306m in 2007. This means Italy boasts the largest kiosk market in Europe. Unit sales grew at a slightly less pronounced rate, up one percentage point year-on-year to 37m – due to a modest increase in the average price of a kiosk DVD which reflects an increase in the number of studio titles being released through this channel.

Unlike in France and some other European markets, cover-mounts are not a new trend in Italy. Indeed, revenues from this sector, which experienced its strongest growth back in 2002, actually declined in 2007. Instead, growth was driven by continued expansion in the part-works category, which accounted for almost 45 per cent of kiosk DVD sales in 2007. Overall, the Italian kiosk market – like the traditional business – is reaching maturity.

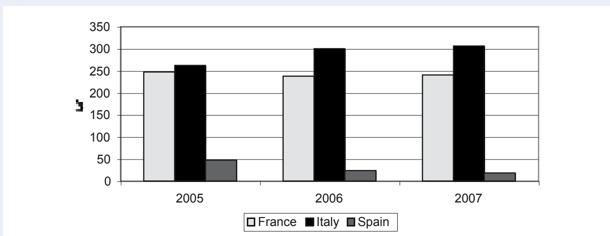
In **Spain**, the kiosk market appears to have already peaked, with DVD unit sales through kiosks falling by 26 per cent in 2007 – from 8m in 2006 to 6m – and spending declining by 22 per cent – from €23.9m to €18.5m. The decline in the kiosk business was much steeper than in the mainstream market, where unit sales fell by just four per cent and spending actually increased by one per cent in 2007.

Outside these three major markets there are no established, measurable kiosk channels, however, in recent years – particularly in 2007 – there has been a proliferation of cover-mounts. In Sweden, tabloid newspapers Aftonbladet and Expressen sold 5m units between them in 2007 which equates to around 22 per cent of mainstream unit sales. Under the cover-mount model, Swedish consumers purchased the tabloid for SEK 10 (€1) and paid a further SEK 59 (€6) for the DVD.

This trend has also been identified in the Czech Republic, with a focus on local product. According to Screen Digest research, all but one of the country's national newspapers was offering cover-mounts in 2007 for around one tenth of the average consumer price of a mainstream retail DVD, generating an estimated CKr 870m (€31m).

Screen Digest believes that the proliferation of cover-mounts may have contributed to the stabilisation of average prices in the mainstream market; if consumers are purchasing cheap DVDs outside the traditional retail channel, they are less likely to be buying super-budget titles in mainstream stores. The trend might also, arguably, be cannibalising mainstream retail unit sales and therefore depressing growth in the mainstream market. However, previous Screen Digest research has suggested that some cover-mounts can actually stimulate

Consumer spending on DVD in kiosks 2005-2007



Source: Screen Digest/IVF

sales of the same or similar product through mainstream channels, as the title being promoted benefits from increased publicity.

The European video hardware landscape

More than three quarters of TV households in Western Europe were equipped with at least one stand-alone DVD player or recorder by the end of 2007 (these figures do not include households equipped with a DVD enabled games console or PC) according to Screen Digest analysis of available data. Average DVD penetration in the region reached 78 per cent, up from 71 per cent in 2006, which translates into 128.8m DVD households.

In CE Europe average DVD penetration remains lower by comparison but continues to climb steadily, rising from 42 per cent at the end of 2006 to 50 per cent in 2007. At the end of the year there were 34.6m DVD households in CE Europe, of which Russia alone represented 27m.

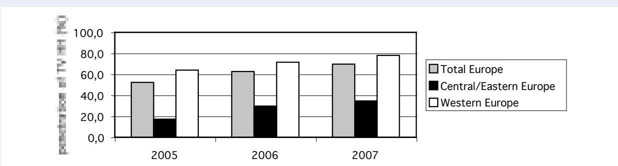
Overall, average DVD penetration in Europe reached 70 per cent in 2007 which equates to 163.5m DVD households. This represents 36 per cent of DVD households worldwide, giving Europe a larger installed base than any other world region, including North America, Asia Pacific and Latin America.

Meanwhile, hi-def hardware began to make its presence felt in Europe in 2007, as the competing formats depressed prices, particularly for standalone players. Early entry-level Blu-ray players were priced at €1,000 but within 12 months devices were available for €400. Without the competition between the two formats, and the consistently lower prices of HD DVD hardware, it is unlikely that prices would have fallen this quickly. Indeed Screen Digest analysis indicates that DVD hardware prices took five years to fall to similar levels.

By the end of the year, 3.4m European households were equipped for hi-def, with either a standalone player or a games console. The now-defunct HD DVD format may have outsold standalone BD players, but it accounted for just three per cent of hi-def hardware sales in Europe in 2007, with Sony's PlayStation 3 (PS3) games console ensuring Blu-ray dominated the emerging market. Indeed, the PS3 alone outsold all standalone hi-def players combined by 10:1 in Europe according to Screen Digest analysis.

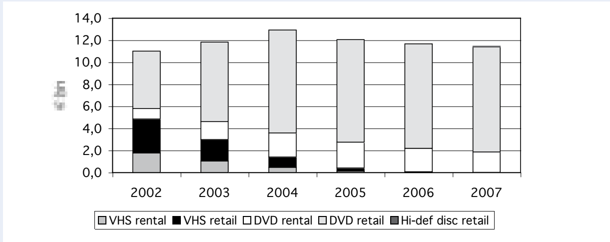
The PS3's relatively low price point and high specifications – it is one of the few early BD devices equipped with internet connectivity, enabling it to evolve via firmware upgrades with the format – made it an attractive option for consumers shopping for Blu-ray hardware in 2007. However, it is important to note that since the primary function of the device is to play games, not all PS3 households will necessarily be active BD movie buyers. Nevertheless, Sony is hoping to convert them – the studio is actively promoting the device as a Blu-ray player in the US and a similar approach can be expected in Europe.

Penetration of DVD video player/recorders in Europe 2005-2007



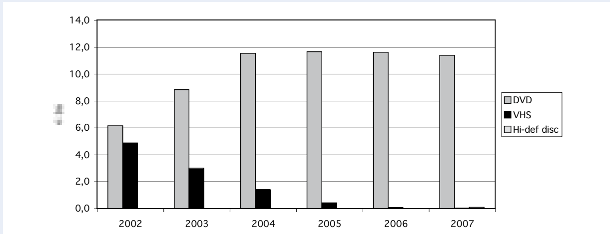
Source: Screen Digest/IVF

European consumer spending on video software by sector 2002-2007



Source: Screen Digest/IVF

European consumer spending on video software by format 2002-2007



Source: Screen Digest/IVF

Development of Blu-ray's interactive features has been ongoing but hardware support for these features was not mandatory at launch. From December 2007, all new standalone Blu-ray players must include support for BD interactive features, however, devices released before November 2007 will require a number of complex manual firmware updates to fully support more recent Blu-ray releases and are unlikely to support the majority of interactive features

Europe on the world stage

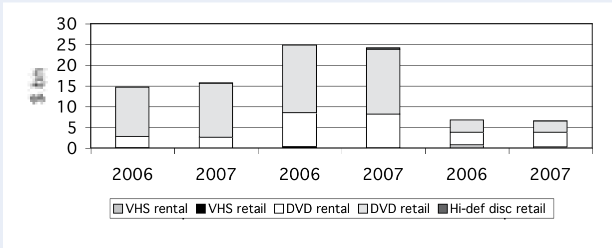
European consumers spent $15.7bn on video software (all sectors, all formats) overall in 2007, giving the region a 29 per cent share of worldwide video spending. This represented an increase of seven per cent in dollar values – but a decrease of one per cent in euro values. This discrepancy illustrates one of the problems involved in comparing data on international markets, particularly following a year of such extreme exchange rate fluctuations as 2007.

The US market did not perform as well by comparison, with consumer spending on video falling by three per cent in local currency to $24.1bn (€17.6bn at 2007 rates). The US remains the single biggest contributor to the worldwide video business, accounting for 45 per cent of total video spending worldwide, but its share slipped two percentage points compared with 2006. In Japan, video spending declined by three per cent in 2007 to $6.5bn (12 per cent of worldwide spending) as the average DVD buy rate in Japan fell by 20 per cent between 2006 and 2007, from 4.0 units to 3.2 units. The decline in the average European buy rate was much more modest at five per cent, from 4.9 units to 4.6 units. In the US, the average buy rate fell by 11 per cent in 2007, but the US continues to boast one of the highest buy rates worldwide at 11.4 units.

The depression in average buy rates is characteristic of mature consumer electronics markets but Screen Digest research indicates it could also be a result of a shift in purchasing habits, away from catalogue titles and towards TV DVD box sets and new releases, which would mean that consumers bought fewer units for the same financial outlay. This assessment is borne out by the stabilisation of average prices in 2007.

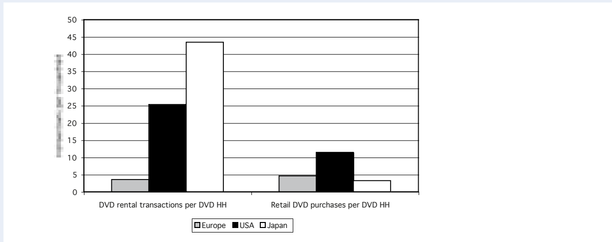
Meanwhile, on the rental side, tie ratios in Europe and the US fell by 21 per cent and seven per cent respectively. European consumers rented just 3.5 DVDs on average in 2007 versus 4.5 in 2006. The US tie ratio remains much higher by comparison at 25 transactions per household per year. However, the highest DVD tie ratio of all belongs to Japan, where a strong consumer preference for rental and the high number of households using a PS2 as their primary DVD player (and thus excluded from these calculations) combine to ensure that the mathematical tie ratio bucks the prevailing trend by rising 11 per cent from 39 units in 2006 to 43.

International consumer spending on video software 2006-2007



Source: Screen Digest/IVF

International DVD tie ratios 2007



Source: Screen Digest/IVF

RETAIL VHS UNITS SOLD

	2007 (m)	2006 (m)	% change
Belgium	0,03	0,08	-62,5
Denmark			
France	0,35	0,99	-64,5
Germany	0,80	2,31	-65,3
Ireland	0,01	0,14	-94,9
Italy	0,96	2,60	-63,2
Netherlands	0,05	0,22	-79,1
Norway	0,00	0,02	-100,0
Portugal			
Spain			
Sweden			
Switzerland	0,00	0,07	-100,0
UK	0,07	0,85	-91,6
All Western Europe	**7,7**	**34,9**	**-77,9**
Croatia	0,00	0,11	-100,0
Hungary	0,00	0,18	-100,0
Poland	0,00	0,19	-100,0
All Europe	**2,3**	**9,0**	**-74,8**

RETAIL DVD UNITS SOLD

	2007 (m)	2006 (m)	% change
Belgium	23,9	23,6	1,0
Denmark	18,1	17,3	4,9
France	87,8	97,3	-9,8
Germany	103,3	100,7	2,6
Ireland	12,6	11,3	11,9
Italy	37,5	37,0	1,4
Netherlands	35,2	33,6	4,8
Norway	22,6	19,8	13,8
Portugal	6,9	9,8	-30,4
Spain	29,8	31,1	-3,9
Sweden	21,8	20,6	5,8
Switzerland	13,6	14,3	-4,9
UK	248,1	227,0	9,3
All Western Europe	**675,3**	**633,2**	**6,6**
Croatia	0,4	0,2	58,0
Hungary	3,4	3,1	8,6
Poland	4,7	4,1	15,0
All Europe	**755,7**	**723,0**	**4,5**

Source: Screen Digest/IVF
Note: Excluding Ireland and Switzerland the countries listed above are IVF members. Regional totals include some countries not listed.

VHS RENTAL TRANSACTIONS

	2007 (m)	2006 (m)	% change
Belgium			
Denmark			
France			
Germany	0,0	0,3	-100,0
Ireland	0,0	0,3	-100,0
Italy	0,2	4,4	-95,5
Netherlands	0,0	0,1	-100,0
Norway			
Portugal			
Spain			
Sweden			
Switzerland			
UK	0,0	0,3	-100,0
All Western Europe	**0,2**	**5,5**	**-96,3**
Croatia	0,0	0,2	-100,0
Hungary	0,0	2,0	-100,0
Poland	0,0	1,3	-100,0
All Europe	**0,2**	**9,3**	**-97,9**

DVD RENTAL TRANSACTIONS

	2007 (m)	2006 (m)	% change
Belgium	20,8	19,8	5,0
Denmark	13,8	14,7	-5,9
France	36,3	47,6	-23,7
Germany	108,5	111,3	-2,5
Ireland	14,5	15,0	-3,2
Italy	72,2	82,2	-12,1
Netherlands	24,4	27,3	-10,5
Norway	16,8	19,1	-12,4
Portugal	10,7	14,1	-24,1
Spain	85,6	114,9	-25,5
Sweden	38,3	30,6	25,2
Switzerland	2,6	2,6	-1,1
UK	98,0	115,6	-15,2
All Western Europe	**561,6**	**634,7**	**-11,5**
Croatia	2,8	3,4	-18,1
Hungary	1,6	2,0	-21,7
Poland	3,6	4,7	-24,0
All Europe	**575,1**	**652,9**	**-11,9**

AVERAGE ANNUAL VHS SALES PER VCR HH

	2007 (m)	2006 (m)	% change
Belgium	0,01	0,03	-59,1
Denmark			
France	0,02	0,06	-60,3
Germany	0,04	0,11	-61,4
Ireland	0,01	0,18	-94,5
Italy	0,07	0,17	-62,2
Netherlands	0,02	0,04	-64,4
Norway	0,00	0,01	-100,0
Portugal			
Spain			
Sweden			
Switzerland	0,00	0,04	-100,0
UK	0,00	0,04	-90,6
All Western Europe	**0,0**	**0,1**	**-67,6**
Croatia	0,00	0,89	-100,0
Hungary	0,00	0,88	-100,0
Poland	0,00	0,13	-100,0
All Europe	**0,0**	**0,1**	**-72,1**

AVERAGE ANNUAL DVD SALES PER DVD HH

	2007 (m)	2006 (m)	% change
Belgium	7,9	8,6	-8,0
Denmark	8,2	8,5	-3,1
France	4,8	5,6	-15,4
Germany	3,7	3,8	-1,5
Ireland	11,0	12,2	-9,5
Italy	1,8	2,2	-17,7
Netherlands	5,8	5,9	-1,9
Norway	12,0	12,1	-0,6
Portugal	2,5	4,1	-40,0
Spain	2,6	2,9	-10,6
Sweden	6,4	6,9	-7,1
Switzerland	5,0	5,9	-14,4
UK	11,2	11,2	0,6
All Western Europe	**5,3**	**5,7**	**-7,1**
Croatia	0,8	0,6	29,9
Hungary	1,9	1,9	-1,7
Poland	1,2	1,2	-4,7
All Europe	**4,6**	**4,9**	**-6,2**

Source: Screen Digest/IVF
Note: Excluding Ireland and Switzerland the countries listed above are IVF members. Regional totals include some countries not listed.

AVERAGE ANNUAL VHS RENTALS PER VCR HH

	2007 (m)	2006 (m)	% change
Belgium			
Denmark			
France			
Germany	0,0	0,0	-100,0
Ireland	0,0	0,3	-100,0
Italy	0,0	0,3	-95,4
Netherlands	0,0	0,0	-100,0
Norway			
Portugal			
Spain			
Sweden			
Switzerland			
UK	0,0	0,0	-100,0
All Western Europe	**0,0**	**0,1**	**-96,0**
Croatia	0,0	0,6	-100,0
Hungary	0,0	1,7	-100,0
Poland	0,0	0,2	-100,0
All Europe	**0,0**	**0,1**	**-97,6**

AVERAGE ANNUAL DVD RENTALS PER DVD HH

	2007 (m)	2006 (m)	% change
Belgium	6,9	7,2	-4,2
Denmark	6,3	7,3	-13,1
France	2,0	2,8	-28,4
Germany	3,9	4,2	-6,4
Ireland	12,7	16,2	-21,7
Italy	3,5	4,9	-28,6
Netherlands	4,0	4,8	-16,2
Norway	8,9	11,6	-23,5
Portugal	3,8	5,9	-34,6
Spain	7,4	10,6	-30,6
Sweden	11,2	10,2	9,9
Switzerland	0,9	1,1	-11,0
UK	4,4	5,7	-22,0
All Western Europe	**4,4**	**5,4**	**-19,5**
Croatia	6,5	9,6	-32,7
Hungary	0,9	1,2	-29,2
Poland	0,9	1,4	-37,0
All Europe	**48,5**	**73,0**	**-33,5**

AVERAGE CONSUMER PRICE OF RETAIL VHS CASSETTE

	2007 (€)	2006 (€)	% change
Belgium	2,67	4,38	-39,0
Denmark			
France	6,04	4,35	38,9
Germany	4,61	5,15	-10,6
Ireland	6,25	5,94	5,2
Italy	2,82	3,46	-18,5
Netherlands	4,00	3,22	24,2
Norway	0,00	5,71	-100,0
Portugal			
Spain			
Sweden			
Switzerland	0,00	4,94	-100,0
UK	7,60	6,94	9,6
All Western Europe	**4,14**	**4,60**	**-10,2**
Croatia	0,00	2,73	-100,0
Hungary	0,00	5,98	-100,0
Poland	0,00	4,50	-100,0
All Europe	**4,14**	**4,86**	**-14,9**

AVERAGE CONSUMER PRICE OF RETAIL DVD DISC

	2007 (€)	2006 (€)	% change
Belgium	10,86	11,28	-3,7
Denmark	10,73	11,85	-9,5
France	16,85	17,00	-0,9
Germany	12,71	12,86	-1,2
Ireland	15,77	17,02	-7,3
Italy	12,44	12,24	1,6
Netherlands	10,96	11,46	-4,4
Norway	14,10	14,79	-4,7
Portugal	10,22	7,91	29,1
Spain	12,33	11,73	5,1
Sweden	11,90	12,31	-3,3
Switzerland	14,50	16,00	-9,4
UK	13,70	14,31	-4,2
All Western Europe	**13,40**	**13,72**	**-2,3**
Croatia	11,02	11,73	-6,0
Hungary	10,09	10,19	-1,0
Poland	10,04	9,97	0,7
All Europe	**12,60**	**13,11**	**-3,9**

Source: Screen Digest/IVF
Note: Excluding Ireland and Switzerland the countries listed above are IVF members. Regional totals include some countries not listed.

AVERAGE CONSUMER DVD RENTAL PRICE

	2007 (€)	2006 (€)	% change
Belgium	3,05	3,14	-2,6
Denmark	4,76	4,74	0,3
France	2,76	2,99	-7,6
Germany	2,53	2,55	-0,6
Ireland	4,64	4,67	-0,6
Italy	2,91	3,18	-8,5
Netherlands	3,14	3,30	-5,0
Norway	4,88	6,24	-21,9
Portugal	2,00	2,00	0,0
Spain	2,33	2,32	0,6
Sweden	4,41	4,32	2,2
Switzerland	3,93	4,09	-4,0
UK	4,42	4,31	2,7
All Western Europe	**3,26**	**3,30**	**-1,1**
Croatia	1,63	1,64	-0,2
Hungary	2,54	2,43	4,5
Poland	1,40	1,39	0,7
All Europe	**3,22**	**3,25**	**-0,8**

AVERAGE CONSUMER VHS RENTAL PRICE

	2007 (€)	2006 (€)	% change
Belgium			
Denmark			
France			
Germany	0,00	2,53	-100,0
Ireland	0,00	4,00	-100,0
Italy	1,00	2,70	-63,0
Netherlands	0,00	3,00	-100,0
Norway			
Portugal			
Spain			
Sweden			
Switzerland			
UK	0,00	4,28	-100,0
All Western Europe	**1,00**	**2,86**	**-65,0**
Croatia	0,00	1,09	-100,0
Hungary	0,00	1,34	-100,0
Poland	0,00	1,38	-100,0
All Europe	**1,00**	**2,21**	**-54,7**

RETAIL HI-DEF DISC UNITS SOLD

	2007 (m)	2006 (m)	% change
Belgium	0,05		
Denmark	0,03		
France	0,54	0,00	122740,9
Germany	0,46	0,01	5467,0
Ireland	0,04		
Italy	0,12	0,00	8549,6
Netherlands	0,07		
Norway	0,06		
Portugal	0,06		
Spain	0,16	0,00	35967,2
Sweden	0,06		
Switzerland	0,06		
UK	1,09	0,01	10776,1
All Western Europe	**2,83**	**0,02**	**12793,9**
Croatia			
Hungary			
Poland			
All Europe	**2,90**	**0,02**	**13080,5**

AVERAGE CONSUMER PRICE OF RETAIL HI-DEF DISC

	2007 (€)	2006 (€)	% change
Belgium	26,00		
Denmark	39,00		
France	26,44	28,00	-5,6
Germany	29,57	28,00	5,6
Ireland	33,59		
Italy	27,06	23,19	16,6
Netherlands	29,41		
Norway	33,10		
Portugal	28,43		
Spain	28,60	28,00	2,2
Sweden	22,79		
Switzerland	25,36		
UK	28,75	26,83	7,1
All Western Europe	**28,43**	**27,10**	**4,9**
Croatia			
Hungary			
Poland			
All Europe	**28,63**	**27,10**	**5,7**

Source: Screen Digest/IVF
Note: Excluding Ireland and Switzerland the countries listed above are IVF members. Regional totals include some countries not listed.
Based on combined Blu-ray Disc and HD DVD sales.