

Western Europe: key data 2002

Population	493m
Households	207m
TV households	157m
VCR households	124m (79%)
DVD player/recorder households	28.8m (18.4%)
Total distributor revenues from video software	€ 6,2bn
Total consumer spending on video software	€ 11,2bn



The Industry Overview

Impressive DVD Market Performance Secures Growth Overall

In 2002, consumer spending on the rental and purchase of videocassettes and DVDs in Western Europe exceeded EUR 11 bn for the first time. This represents an increase of 26 per cent on the previous year's figure.

And it is the progress made by DVD - the fastest growing home entertainment product in history - towards the mainstream that has made it possible.



VIDEO MARKET: WESTERN EUROPE



	1997	1998	1999	2000	2001	2002	change 02/01
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EXCHANGE RATES

exchange rate: Euro 1=

exchange rate: \$1=

exchange rate: \$1=	Euro	0,88	0,89	0,94	1,08	1,12	1,06
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GENERAL

population	m	385,9	385,6	387,6	389,4	389,9	493,4	26,5%
households	m	156,3	157,7	159,0	160,3	162,1	207,4	27,9%

HARDWARE

TV households	m	149,0	151,5	152,7	154,5	156,4	156,8	0,2%
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VCR sector

VCR households	m	108,2	111,8	115,7	119,7	122,6	124,1	1,2%
VCR penetration of TV households	%	72,6	73,8	75,8	77,5	78,4	79,2	

DVD sector

DVD Video player/recorder HHs	m	0,0	0,2	1,4	5,0	13,1	28,9	120,5%
Penetration of DVD Video player/recorders	%		0,1	0,9	3,2	8,4	18,4	

DVD console households	m				0,7	5,4	12,3	129,6%
Penetration of DVD Video consoles	%				0,4	3,4	7,8	

TOTAL VIDEO SOFTWARE MARKET

TRADE LEVEL

total revenues from video software	m							
total revenues from video software	euro m	2.951,0	3.210,5	3.240,3	4.154,0	4.826,0	6.177,1	28,0%

CONSUMER LEVEL

total spending on video software	m							
total spending on video software	euro m	5.570,6	6.286,8	6.376,3	7.556,4	8.809,1	11.160,7	26,7%



VIDEO MARKET: WESTERN EUROPE



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RETAIL VIDEO MARKET

outlets stocking retail video	no	59.895	60.065	58.937	59.592	58.627	58.414	
retail chains with 10 or more outlets	no	216	215	219	219	219	220	
kiosks stocking retail video	no	75.250	75.340	69.190	74.320	78.820	78.322	

Trade level: VHS retail

revenues from retail VHS	m							
revenues from retail VHS	euro m	2.349,2	2.518,0	2.235,8	2.371,3	2.015,7	1.814,6	-10,0%
retail cassettes shipped to trade	m	272,5	291,9	277,9	288,6	266,8	254,2	-4,7%
average trade price								
average trade price	euro	8,6	8,6	8,0	8,2	7,6	7,1	-5,5%
number of titles released	no	23.951,0	21.540,6	22.273,1	19.150,6	19.563,6	18.324,0	-6,3%

Trade level: DVD retail

revenues from retail DVD	m							
revenues from retail DVD	euro m		46,8	323,1	1.023,0	2.004,5	3.549,5	77,1%
retail DVD discs shipped to trade	m		3,0	20,4	64,2	133,4	263,4	97,4%
average trade price								
average trade price	euro		15,5	15,8	15,9	15,0	13,5	-10,3%
number of titles released	no		2.743,0	8.967,2	14.053,7	24.887,2	31.302,0	25,8%

Consumer level: VHS retail

spending on retail VHS	m							
spending on retail VHS	euro m	3.735,7	4.161,7	3.852,5	3.838,4	3.440,3	3.065,8	-10,9%
retail cassettes sold to consumers	m	262,7	288,1	273,3	275,7	261,5	242,8	-7,1%
average consumer price							-0,2	
average consumer price	euro	14,2	14,4	14,1	13,9	13,2	12,6	-4,0%

Consumer level: DVD retail

spending on retail DVD	m							
spending on retail DVD	euro m		52,0	403,4	1.369,9	2.952,1	5.471,9	85,4%
DVD discs sold to consumers	m		1,9	15,4	53,7	122,2	249,3	104,0%
average consumer price							440,6	
average consumer price	euro		26,8	26,2	25,5	24,2	21,9	-9,1%



VIDEO MARKET: WESTERN EUROPE



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VIDEO RENTAL MARKET

video rental outlets	no	34.035	35.743	30.820	30.447	29.847	30.109	0,9%
rental chains with 10 or more outlets	no	162	176	175	132	131	133	1,5%

Trade level: VHS rental

revenues from rental VHS	m							
revenues from rental VHS	euro m	601,8	645,8	671,6	707,7	674,7	502,3	-25,5%
rental cassettes shipped to trade	m	15,4	17,9	18,9	22,7	23,0	19,0	-17,0%
average trade price								
average trade price	euro	39,1	36,1	35,4	31,1	29,4	26,4	-10,3%
number of titles released	no	9.099,4	8.499,5	9.188,6	9.440,9	9.466,0	8.654,0	-8,6%

Trade level: DVD rental

revenues from rental DVD	m							
revenues from rental DVD	euro m			9,8	52,0	131,0	310,8	137,1%
rental discs shipped to trade	m			0,5	2,7	6,2	13,7	121,7%
average trade price								
average trade price	euro			18,5	19,3	21,3	22,8	6,9%
number of titles released for rental	no		2.018,6	8.145,9	12.695,8	18.934,8	17.609,0	-7,0%

Consumer level: VHS rental

spending on VHS rental	m							
spending on VHS rental	euro m	1.834,9	2.073,0	2.103,3	2.247,6	2.101,1	1.693,9	-19,4%
VHS rental transactions	m	642,2	712,9	710,4	726,9	667,5	501,4	-24,9%
average rental charge								
average rental charge	euro	2,9	2,9	3,0	3,1	3,1	3,4	7,3%

Consumer level: DVD rental

spending on DVD rental	m							
spending on DVD rental	euro m			17,1	100,5	315,5	929,1	194,4%
DVD rental transactions	m			5,6	30,1	96,0	266,5	177,6%
average rental price						3,2	2,8	
average rental price	euro			3,1	3,3	3,3	3,5	6,1%

Source: Screen Digest/IVF

Note: Distributor level excludes and consumer level includes VAT/sales tax