



THE 2019 **ECONOMIC REPORT**

THE 2017-18 SEASON AT A GLANCE

€3.81 bn is the revenue generated by the Bundesliga

clubs in the 2017-18 season – the 14th successive year of record revenue. The revenue generated by the Bundesliga 2 clubs declined slightly to €608 million but exceeded the €600 million mark for the third year in a row.

18,773,618

tickets were sold for the 612 Bundesliga and Bundesliga 2 matches in the 2017-18 season. With an average of 43,879 tickets sold per match, the Bundesliga remained the best-attended football league in the world.

55,142

people were employed either directly or indirectly in the Bundesliga or Bundesliga 2 in the 2017-18 season – a record figure.



€177.12 mn

is the amount invested in academies, one of the quality features of German football, by the professional clubs in the 2017-18 season. This figure represents a record.



€1.28 bn

is the aggregate amount of taxes and duties paid to the financial authorities and social security institutions by the 36 professional clubs in the 2017-18 season. This was a new all-time high and represented an increase of 238 per cent compared with the 2004-05 season (€379,343,015).

85

projects were supported by the DFL Foundation, the umbrella organisation for the social commitment of German professional football, in the 2017-18 season.



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President of the DFL

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Amounts shown in this economic report are rounded to thousands of euros; the addition of these amounts may therefore result in rounding differences.

THE 2019 ECONOMIC REPORT

THE FINANCIAL SITUATION OF GERMAN LICENSED FOOTBALL



FOREWORD BY THE CEO OF THE DFL



LADIES AND GENTLEMEN,

German professional football confirmed its positive development again in the 2017-18 season. The growth was driven in particular by the first-time impact of the revenue from the current contracts for the marketing of national media rights and the significant upturn in this area. The 36 clubs of the Bundesliga and Bundesliga 2 exceeded the €4 billion barrier in terms of total revenue for the second time. Revenue rose by around ten per cent year-on-year to €4.42 billion, meaning that German professional football enjoyed its 14th successive year of record revenue. The Bundesliga and Bundesliga 2 did however see a differing revenue development in the 2017-18 season, which was mainly due to the change in the composition of the Bundesliga 2 as a result of promotion and relegation.

Almost all of the key performance indicators underline the positive overall trend. This is why this economic report by the DFL Deutsche Fußball Liga is testament to a continued ambitious development – and the only reliable source for valid aggregated data on German professional football. Unlike some other studies, for example, it includes all of the relevant items for a league's economic strength – including transfer fees.

Equity of €1.6 billion represented another record for the Bundesliga clubs. The economic strength of German professional football is continuing to have a significant fiscal effect. This is illustrated by the taxes and duties paid by the 36 clubs and limited companies, which reached a new high of €1.28 billion. This is also reflected in the employment statistics: For the first time, more than 55,000 people were employed directly or indirectly within German professional football.

In order to create the optimal environment for the clubs and existing and potential partners alike, the DFL is working systematically to enhance the conditions for German professional football. In the area of new technologies, the DFL has strengthened its role as an innovation leader for sport by co-founding SportsInnovation alongside Messe Düsseldorf, by starting to establish a portfolio of participations in innovative companies (“DFL for Equity”) and by taking a pioneering role among the world’s professional football leagues in the field of eFootball, among other things. The DFL has recently also made important progress in terms of its internationalisation. The opening of a representative office for the Americas in New York was followed by the conclusion of a strategic partnership with IMG Reliance for the development of the Bundesliga brand in India. The DFL will also open a representative office in China in 2019. The aim of these measures is for the DFL to further increase the visibility and appeal of the Bundesliga and its clubs – thereby working intensively to lay the foundations for the successful future of German professional football both nationally and globally.

Yours sincerely,



Christian Seifert
CEO of the DFL

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The DFL is working systematically to **enhance** the conditions for German professional football.

FOREWORD BY THE PRESIDENT OF THE DFL



LADIES AND GENTLEMEN,

2018 was not an easy year for German football, including the disappointing performance of the German national team at the World Cup in Russia. The officials of the German Football Association (DFB) and the DFL have since engaged in an intensive and constructive dialogue with a view to addressing the sporting situation following the early departure from the World Cup and examining general aspects of and prospects for the overall development and promotion of German football. It is a common aim to bring the national team and the development of German football back to a world-class level, also in the light of the unsatisfactory performance of the German clubs in the international competitions in the 2017-18 season.

The Bundesliga made its response clear in the first half of the current 2018-19 season, with more goals than there have been for many years, lots of new stars and emerging talents, and match days full of spectacular scenes and surprising results. And above all, excitement in every area of the league table. This is a promising start; now it is about turning these snapshots into something for the medium and long term.

A good day for German football was unquestionably the 27th of September 2018. This was the day when the German bid to host EURO 2024 was selected. We all have the emotions from the 2006 World Cup in vivid memory and are looking forward to welcoming another major international football event that will capture the imagination of many people both in Germany and beyond.

The DFL itself will soon be seeing some changes that will pave the way for its future. After Rüdiger Fritsch

and Steffen Schneekloth succeeded Michael Meeske and Soeren Oliver Voigt as new members of the DFL Board in 2018, the composition will change again at the General Assembly in August 2019. The months until then will be my last as President of the DFL, having announced last autumn that I will not be standing for office at the DFL again after twelve years in this position. Until the General Assembly, I will, of course, continue to work extremely hard on behalf of the clubs in order to leave things in good shape.

One thing is for sure: German professional football will continue to meet its social obligation in the future. The DFL Foundation's latest annual report underlines the extent to which we are aware of this responsibility. In the past year alone, the DFL Foundation supported young people in particular across a total of 85 projects. Since its formation around a decade ago, it has invested over €21.5 million in social projects. Around three-quarters of its funds come from the DFL Group. This means that, irrespective of capital market interest rates and in spite of the low interest on its assets, the DFL Foundation is one of the most active foundations in Germany. It has systematically expanded its activities – and will undoubtedly continue to do so.

Yours sincerely,



Dr Reinhard Rauball
President of the DFL

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German professional football will continue to meet its **social obligation** in the future.





FORWARD-
LOOKING.
INNOVATIVE.
FAST-GROWING.

German licensed football can look back on a 2017-18 season in which it continued the positive business trend seen in recent years. The total revenue of the two professional leagues exceeded €4 billion for the second time (2016-17: €4.01 billion). The record figure of €4.42 billion represents a year-on-year increase of around €412 million or 10.3 per cent.

A large proportion of this substantial revenue growth was attributable to the marketing of national media rights. The new contracts, which have been concluded for a period of four years up to and including the 2020-21 season, had an economic impact for the first time. However, the other pillars of revenue development, such as match, advertising and transfer revenue, also remained at a high level. Having amounted to €2.59 billion in 2012-13, revenue has risen by a good 70 per cent in the last five years alone. This strong and consistent growth has created the broad foundations on which German professional football can continue to flourish.

The main driver of this development is the Bundesliga, which generated record revenue for the 14th year in succession at €3.81 billion and has doubled its revenue in the space of seven years (2010-11: €1.94 billion). Revenue rose by 13 per cent compared with the previous season, and the Bundesliga is feeling the benefit across the board, with 17 clubs generating annual revenue in excess of €100 million. By way of comparison, nine Bundesliga clubs exceeded this level in 2014-15.

In the past ten years, the Bundesliga has considerably outperformed the national economy of the Federal Republic of Germany in terms of economic growth. Looking at the Bundesliga's revenue mix shows that media revenue has become increasingly relevant: Having reached an absolute high of €1.25 billion, this item now accounts for one-third of total income – rising from 28.5 per cent to 32.7 per cent in the space of a year.

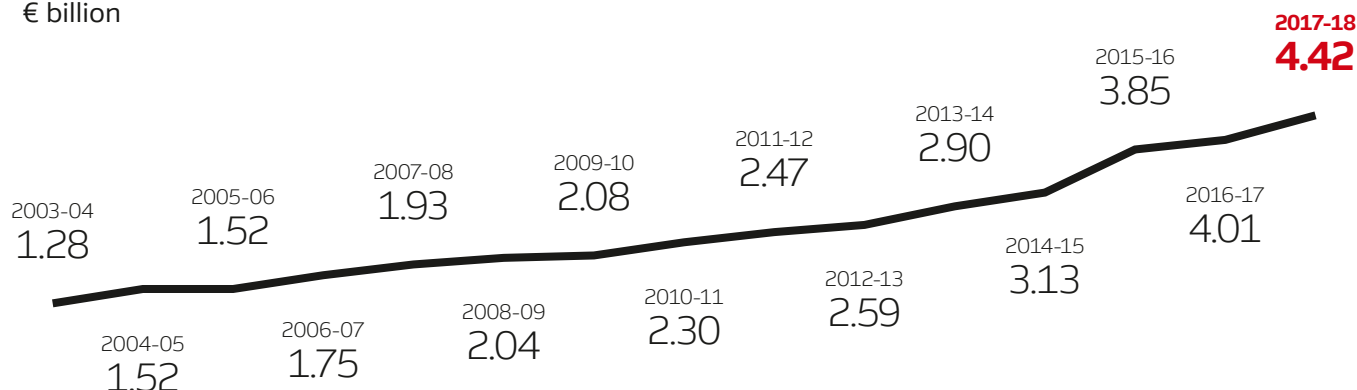
The second-largest item is advertising revenue (22.9 per cent), followed by transfer revenue (16.9 per cent) and match revenue (14.1 per cent), which primarily consists of ticket sales.

In absolute terms, match revenue increased to over €538 million. A trend that is also attributable to the composition of the league: Match revenue tends to increase more readily when the Bundesliga clubs have stadiums with high capacity and a comparatively large fan base. With up to three teams being promoted and relegated every season, the basis for match revenue changes from year to year.

Another significant item is transfer revenue, which totalled almost €646 million in 2017-18, an increase of 17 per cent on the previous season and 2.8 times higher than in 2014-15. While media, match and advertising revenue can generally be forecast within predictable ranges due to long-term contracts and conditions, the same does not apply to player transfers.

REVENUE DEVELOPMENT BUNDESLIGA + BUNDESLIGA 2

€ billion





In recent times, some of the world's leading top clubs have become financially able and eager to invest vast amounts of money in transfer fees. This has taken transfers to a new magnitude, with the consequences also being felt in the Bundesliga. The absolute amount of transfer revenue and expenditure fluctuates over the years, as does the trend towards a positive or negative net cash flow in this area. In 2017-18, for example, the Bundesliga clubs spent significantly more on transfers than they generated, whereas they recorded a slight profit two years previously.

In spite of this volatility, one trend has established itself: The volume of transfer fees, and hence their proportion of the total economic volume of the Bundesliga, has risen substantially. Transfer revenue accounted for just under 9 per cent of total revenue in the 2014-15 season; in the three following seasons, this figure came in at consistently between 16 and 17 per cent. However, it is important to note that the stable revenue mix means there is no risk of the Bundesliga clubs becoming excessively dependent on transfer business, even if high eight-digit transfer fees stopped being a rarity in global football years ago.

€4.42 bn

was the total revenue generated by licensed football, thereby **exceeding the €4 billion mark** for the second year in succession.

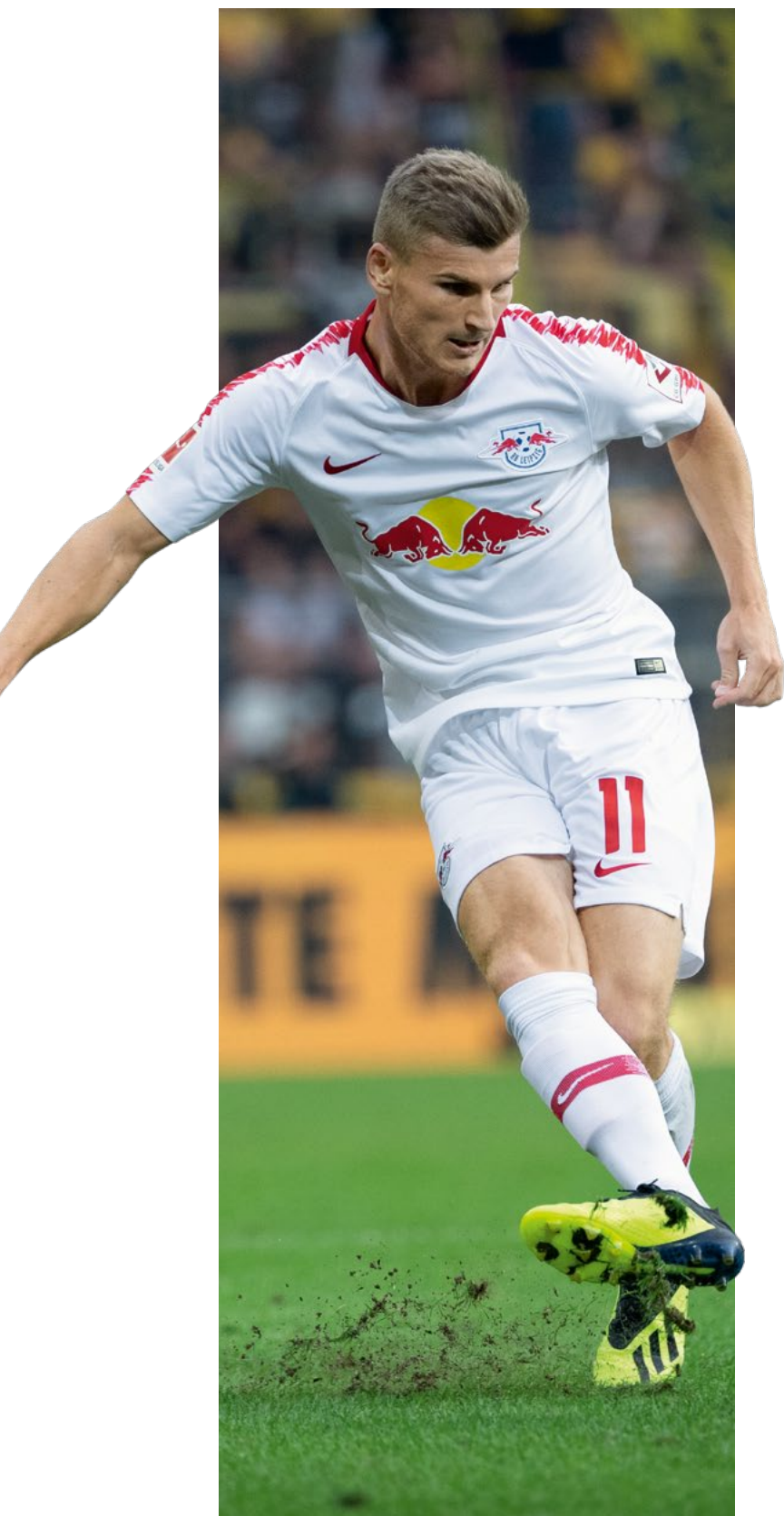
The revenue data for recent years shows that the Bundesliga has enjoyed dynamic performance over a long period of time and entered a new economic dimension. The Bundesliga again achieved substantial growth in the spirit of entrepreneurial responsibility in the 2017-18 season, a fact that is central to its present and future success. The 18 Bundesliga clubs generated a total result after taxes of almost €102 million. Although this figure was 32 per cent lower than in the previous season, this falls well within the normal range of fluctuation. The result generated depends on a number of factors, including sporting success in national and international competitions.

However, it is important to act in a forward-looking manner in order to ensure profitability. The Bundesliga has been achieving this in impressive fashion for some time now, reporting a positive result for the eighth year in succession and a nine-digit result for the third year in a row. Not all of the clubs made an equal contribution to this development. 13 of the 18 Bundesliga clubs recorded a profit, compared with 16 in each of the previous two seasons and 11 in the 2014-15 season.

Expenditure increased by 15 per cent to €3.71 billion in the past season, thereby slightly outpacing the growth in

Above all the marketing of the national media rights for the Bundesliga generated **€287 million in additional revenue** (up 30 per cent) compared with the previous year. This means that media revenue is one of the key pillars of the Bundesliga's total revenue, accounting for a share of one-third.





REVENUE MIX

€ million

BUNDESLIGA

MATCH REVENUE

538.4

Contribution to total revenue **14.1%**

ADVERTISING

871.7

Contribution to total revenue **22.9%**

MEDIA REVENUE

1,247.9

Contribution to total revenue **32.7%**

TRANSFERS

645.5

Contribution to total revenue **16.9%**

MERCHANDISING

183.4

Contribution to total revenue **4.8%**

OTHER TAKINGS

326.6

Contribution to total revenue **8.6%**

TOTAL

3,813.5

MATCH REVENUE Primarily revenue from ticket sales for matches in national and international competitions

ADVERTISING Primarily revenue from contracts with main sponsors and shirt sponsors as well as stadium and club rights

MEDIA REVENUE Primarily revenue from the marketing of media rights to matches in

national and international competitions

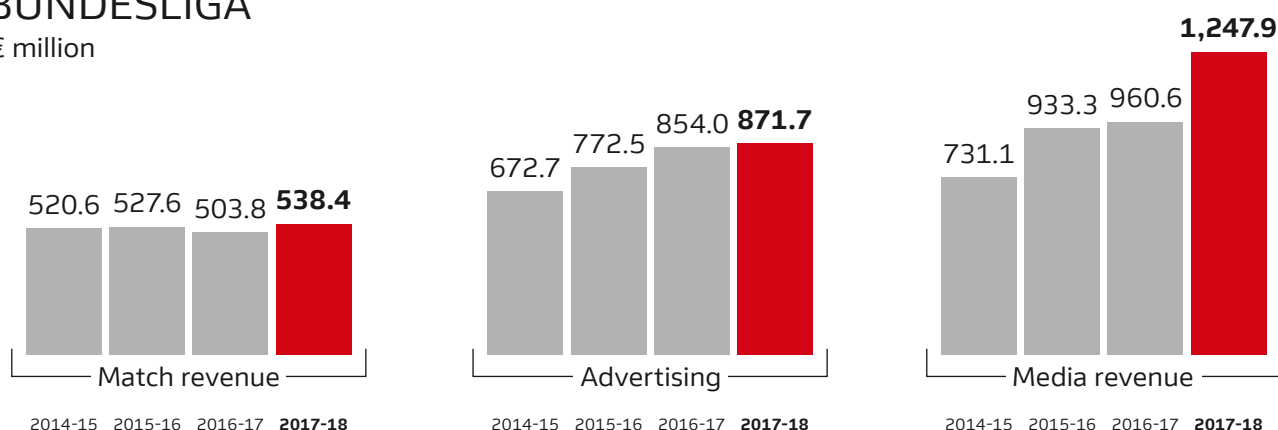
TRANSFERS Revenue for all transfer and training compensation fees

MERCHANDISING Revenue from merchandising

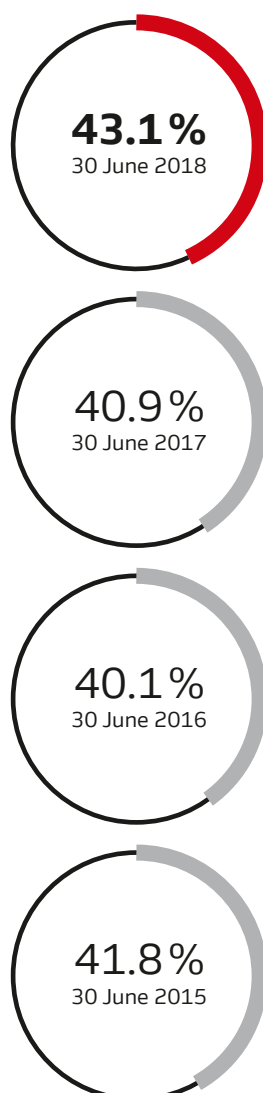
OTHER TAKINGS Revenue from the transfer of utilisation rights, public catering, letting and leasing, membership fees and other items

MATCH, ADVERTISING AND MEDIA REVENUE BUNDESLIGA

€ million

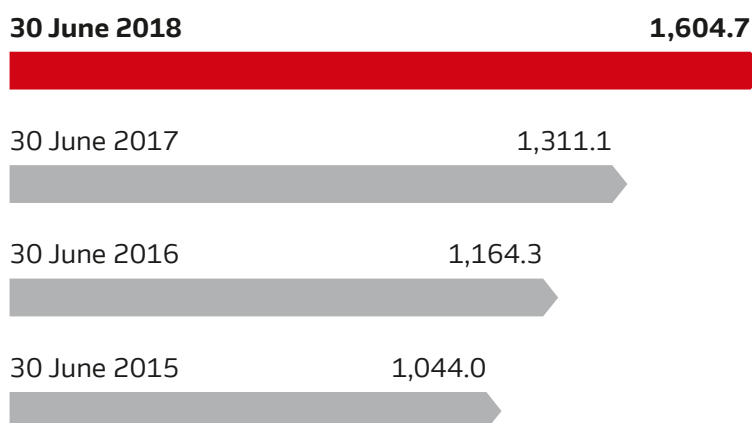


EQUITY RATIO BUNDESLIGA



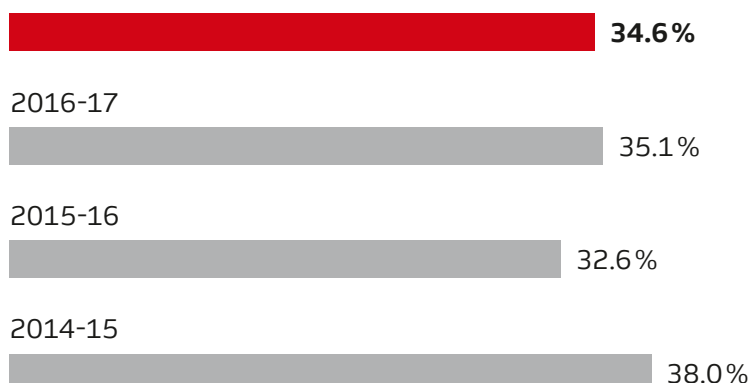
EQUITY BUNDESLIGA

€ million



PAYROLL COST RATIO BUNDESLIGA

2017-18



Figures of the 2017-18 season shown in red.

revenue. Transfer expenditure made a notable contribution to this trend, rising by €166 million or 25 per cent. Expenditure for players, trainers and coaching staff remained the largest cost-side item, increasing by eleven per cent to €1.3 billion. However, the share of total expenditure attributable to this item decreased slightly from 36.7 per cent to 35.5 per cent, a modest figure compared with the other international leagues in particular. This also shows that salaries and bonuses have changed only moderately in response to the higher level of overall revenue.

The Bundesliga clubs spent more on youth, amateurs and academies, with expenditure in this area reaching a new high of almost €141 million (up 16 per cent). This is considered to be an investment in the future. The establishment and expansion of the targeted development of new talent began many years ago and remains one of the quality features of German football.

Total assets increased by 16 per cent year-on-year. The two biggest asset items, player assets and tangible fixed assets, were largely identical. The value of tangible fixed

The Bundesliga recorded a **positive result for the eighth year in succession** – and a nine-digit result for the third year in a row.





assets, i.e. stadiums, training centres and other infrastructure, rose by 14 per cent to €1.13 billion. This is due to the further consolidation of stadium subsidiaries in the consolidated financial statements as well as the composition of the Bundesliga.

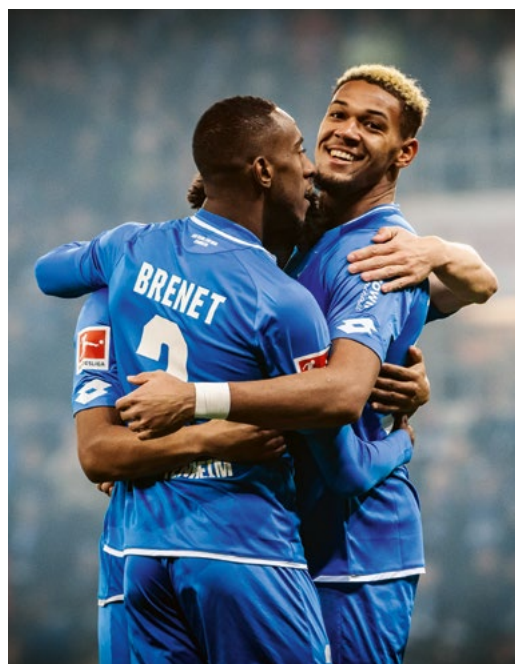
Player assets, i.e. the balance sheet value of the professional footballers in the Bundesliga, exceeded tangible fixed assets for the first time. At €1.19 billion, they were 26 per cent higher than in the previous season and more than double the figure recorded three years ago. This reflects the willingness of the Bundesliga clubs to invest in outstanding footballers in order to meet the sporting challenges of national and international competitions.

On the equity and liability side, liabilities increased to €85.3 million per club; at 8.3 per cent, however, the growth rate was considerably lower than the average for the comparative period (2014-15 to 2017-18). By contrast, equity increased sharply to €89.1 million per club (up 22.4 per cent). Unlike in the two previous

years, equity therefore considerably exceeded liabilities. One of the key indicators for a company's financial stability is its equity ratio (ratio of equity to total capital). The equity ratio of the Bundesliga clubs exceeded 40 per cent for the fourth year in succession, reaching a new high of 43.1 per cent. This was driven by the good economic performance in the 2017-18 season as well as targeted measures by individual clubs (capital increases).

BUNDESLIGA 2 ALSO RECORDS POSITIVE RESULT

Bundesliga 2 also enjoyed positive economic performance, with revenue declining slightly by four per cent but coming in at over €600 million for the third year in succession. This stability is all the more notable as the composition of Bundesliga 2 can change by up to one-third every season, with up to six new clubs entering the division depending on promotion and relegation. Among other things, this traditionally higher volatility means



The advertising revenue of the Bundesliga clubs increased to almost €872 million in the 2017-18 season – **an all-time high.**



The equity of the Bundesliga clubs also **reached a record high** of €1.6 billion.

more pronounced fluctuations in terms of economic figures. At the end of the 2016-17 season, the composition of Bundesliga 2 changed with the promotion of VfB Stuttgart and Hannover 96 to the Bundesliga and the relegation of FC Ingolstadt 04 and SV Darmstadt 98 from the Bundesliga to Bundesliga 2. Würzburger Kickers, Karlsruher SC and TSV 1860 München were relegated from Bundesliga 2, while MSV Duisburg, Holstein Kiel and SSV Jahn Regensburg were promoted to Bundesliga 2 from the third division.

The revenue mix in the 2017-18 season was similar to that of the Bundesliga. Media revenue accounted for a good third of total revenue (34 per cent), increasing by an impressive 29.6 per cent compared with the previous year – this also reflected the new contract for the marketing of national media rights. This item also includes media revenue from the DFB-Pokal, among other things. Transfers saw the second-highest growth rate of 9.1 per cent, although they were only the fifth-largest revenue item at €73 million. The Bundesliga 2 clubs spent considerably less on transfers than in the previous years, a fact that was also attributable to the composition of the division.



The ratio of payroll costs for match operations to total expenditure is remarkably constant, coming in at between just under 33 per cent and a good 34 per cent in each of the last four years. The clubs and limited companies benefited from disciplined cost management in 2017-18: Having reported a loss of €40.6 million in the previous season, the 18 clubs generated a positive result after taxes of €26.7 million. 15 of the clubs were profitable in the 2017-18 season, compared with only half of the clubs in 2016-17.

The balance sheet reflects the change in the composition of Bundesliga 2 to a considerable extent in some cases.

Player assets amounted to €27 million, lower than at any time in the past four years. Total assets declined by 15 per cent compared with the previous season, although the equity ratio increased to an impressive 16.6 per cent (previous year: 3.1 per cent).

28 OF THE 36 PROFESSIONAL CLUBS TURNED A PROFIT

The share of the total revenue of German licensed football attributable to the Bundesliga increased to 86 per cent, two percentage points more than in the previous year. The largest individual item was media revenue,

TOTAL ASSETS

€ million

		2014-15	2015-16	2016-17	2017-18
Total assets	Bundesliga	2,500.2	2,906.2	3,207.2	3,721.4
	Bundesliga 2	338.4	481.0	494.3	420.5
Player assets	Bundesliga	585.5	696.4	947.4	1,193.4
	Bundesliga 2	47.2	72.7	46.3	27.0
Tangible fixed assets	Bundesliga	968.0	1,011.6	988.0	1,127.3
	Bundesliga 2	166.2	187.3	232.9	177.7
Financial assets	Bundesliga	31.3	37.3	19.8	61.0
	Bundesliga 2	1.7	3.8	19.0	4.1
Equity	Bundesliga	1,044.0	1,164.3	1,311.1	1,604.7
	Bundesliga 2	3.7	51.9	15.5	69.8
Liabilities	Bundesliga	1,031.9	1,261.2	1,417.5	1,535.3
	Bundesliga 2	248.6	315.2	332.8	254.0
Equity ratio	Bundesliga	41.8%	40.1%	40.9%	43.1%
	Bundesliga 2	1.1%	10.8%	3.1%	16.6%



which generated €1.46 billion for the 36 professional clubs (33 per cent). This was followed by advertising (23 per cent), transfers (16 per cent) and gate receipts (14 per cent). The result after taxes amounted to a good €128 million, the second-highest figure in the period under review. 28 of the 36 professional clubs turned a profit.

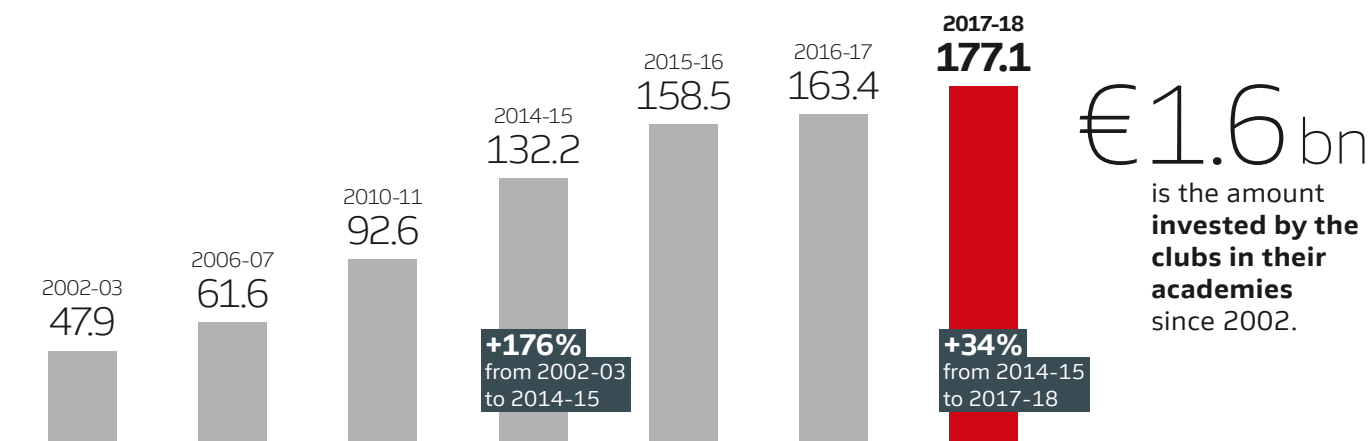
The balance sheet is characterised by growth in key items, with capitalised player assets notably reaching a new all-time high of €1.2 billion and approaching the level of tangible fixed assets (€1.3 billion). Equity also achieved a new record of €1.6 billion, while the equity

ratio exceeded 40 per cent for the first time. This was attributable to the strong performance of licensed football as a whole, as well as to capital increases at individual clubs.

This DFL Economic Report illustrates the sustained positive economic development of German professional football. The current national media contract is making a significant contribution to this, but other revenue items like advertising and ticket sales also remain important factors. On an international level, salaries and transfer fees for top players are rising, in some cases significantly, with a corresponding impact on the revenue cycle. Under

INVESTMENTS BY THE CLUBS IN ACADEMIES

€ million





these circumstances, ensuring responsible business and achieving sporting success are becoming increasingly challenging. However, this is a challenge that can be overcome – as the Bundesliga and Bundesliga 2 are demonstrating by building on the foundations that the DFL is systematically putting in place in order to create a future-oriented environment for German professional football. This includes the intelligent marketing of media rights, innovation leadership in global football and milestones in sports technology, some of which are described on pages 22 to 27 of this economic report, as well as consistent digitalisation, a growing global presence and the tried-and-tested licensing process as a seal of approval of the quality of German professional football – to name just a few examples.

The success enjoyed in recent years clearly shows that in-depth analysis and creative ideas coupled with a willingness to change and actively shape the environment will remain key factors in the future.

The 2019 Economic Report illustrates the **sustained positive development** of German professional football.

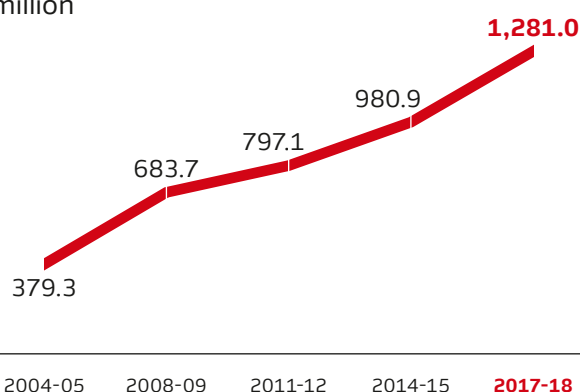


ONCE AGAIN: RECORD FIGURES!

The number of people employed directly or indirectly within professional football and the taxes and duties paid by the 36 clubs and their employees increased once again in the 2017-18 season. This positive development is illustrated in particular by a long-term comparison.

LICENSED FOOTBALL TAXES AND DUTIES

€ million



238%

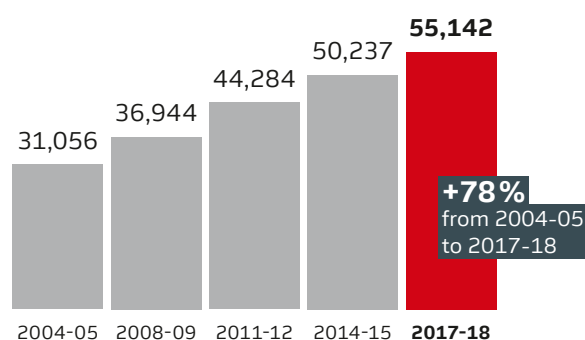
is the rate of
growth in
the taxes

and duties paid to the financial authorities and social security institutions by the 36 professional clubs since the 2004-05 season. The figure for the 2017-18 season was **€1.28 billion**, representing a year-on-year increase of around €113 million. This meant that German professional football remained a significant economic factor.

55,142

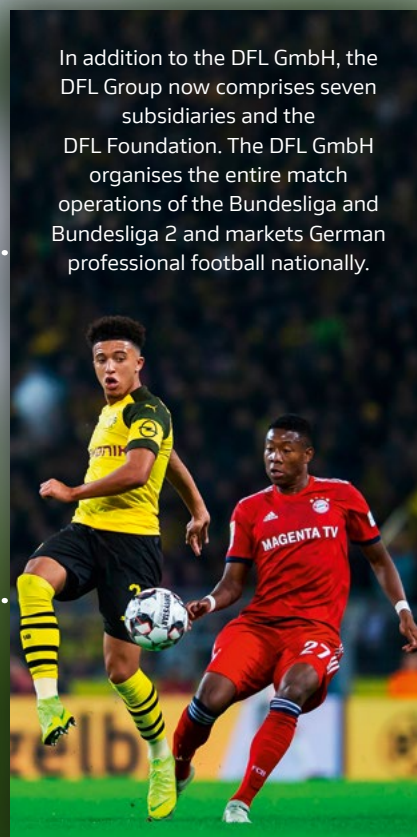
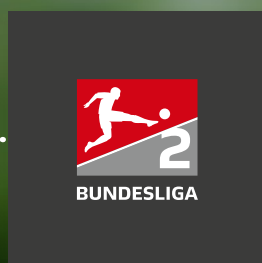
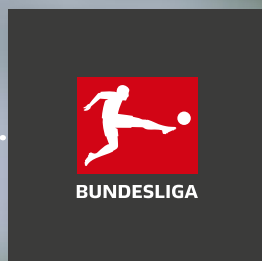
people were employed either directly or indirectly in the Bundesliga or Bundesliga 2 in the 2017-18 season, an increase of 867 on the previous year. For the first time ever, the number of jobs exceeded 55,000.

LICENSED FOOTBALL JOBS



ALL INCLUSIVE

Since 2006, the DFL has been working with its subsidiaries to cover the media value chain of German professional football itself.



SPORTCAST

Since its founding in 2006, Sportcast has carried out the TV production of more than 9,500 live matches. It is responsible for the full production package, from producing the base signal through to global distribution.



**SPORTEC
SOLUTIONS**

Since 2017, Sportec Solutions has been responsible for the recording, administration, quality assurance and supply of official match data for all matches in German professional football.



**DFL DIGITAL
SPORTS**

DFL Digital Sports, which was formed in 2012, uses the base signal and the collected data to create digital content with a focus on tailored content for partners and clubs as well as storytelling. It distributes this content nationally and internationally across all platforms.



**BUNDESLIGA
INTERNATIONAL**

Bundesliga International, which superseded the DFL Sports Enterprises in 2017, markets the audiovisual media rights to matches in the licensed leagues abroad, as one of many key tasks.



DFL FOR EQUITY

Participations in start-ups and SMEs represent the next stage of the DFL's corporate development.

In the interests of the Bundesliga and Bundesliga 2 clubs, the DFL is looking to benefit to a considerably greater extent from the growth in "DFL invested companies" as a result of their cooperation with the DFL Group. By participating in innovative start-ups and SMEs from the media, technology and sports industries, the DFL initiated the next stage of its corporate development in autumn 2018. "DFL for Equity" represents the logical continuation of the DFL's strategy of addressing the media value chain for German professional football itself – a unique selling

point in world football. With its investment strategy, the DFL has become the first football league to establish a portfolio of participations in promising and innovative companies. It primarily contributes intangible assets to these participations. Following on from the investment in the Israeli start-up Track160 – the first in the "DFL for Equity" programme – the five key assets presented on the opposite page will continue to play a major role for the DFL and its subsidiaries Bundesliga International, DFL Digital Sports, Sportcast and Sportec Solutions in future partnerships.

ORDER VOLUME

Major technological projects like **comprehensive match data collection**, the **production and distribution of the base signal** for all Bundesliga and Bundesliga 2 matches and the **production of the International Product Portfolio** ensure a reliable order volume for partners.

GLOBAL NETWORK

The DFL's **global network** encompasses cooperation with **more than 60 media partners worldwide** and **contact with more than 50 leagues**. As the **co-founder of SportsInnovation**, the DFL also offers a unique technology and industry platform for high-performance sport. This is supplemented by a **content network in more than 30 countries**.

CONTENT

The DFL offers content from a wide range of areas – including tens of thousands of data records from the **Official Match Database**, the specially designed **scouting feed** (also known as the “tactics cam”) for internal match and video analysis by clubs and media partners, about 150,000 hours of historical film and video material from the **German Football Archive** and thousands of shots every season from specific angles in the **Bundesliga Photo Database**.

EXPERTISE

The DFL can boast globally acknowledged expertise in numerous areas – including the **licensing process** for Bundesliga and Bundesliga 2, **academy certification**, the co-development of **state-of-the-art tracking systems for data collection** and the realisation of its **Media Days** with the annual production of more than 20,000 items of digital content for clubs and partners. The Bundesliga is also the first league in the world to regularly use **virtual advertising** on LED boards – opening up a new marketing opportunity for clubs. In 2012, the DFL also became the first professional league in the world to have its own eFootball competition when it launched the **TAG Heuer Virtual Bundesliga** – making it one of just two professional leagues to enable the placement of club partners in the football simulation EA SPORTS FIFA through **in-game advertising**.

SIGNAL EFFECT

The DFL organises **one of the world's most popular and prestigious sports leagues**: the Bundesliga. In partnerships like those concluded under the “DFL for Equity” programme, the DFL's role as an **innovation leader for sport** also has a signal effect.

LOOKING TO THE FUTURE

SportsInnovation 2018 marked the DFL's first participation in a trade fair that intends to set new standards as an industry platform for technology companies and other stakeholders from the world of football. The next edition will be held in March 2020.

Two unique days of looking to the future – with the premiere of SportsInnovation in May 2018 having been a success, it is no surprise that a date for the next edition is already set: The technology and industry platform for high-performance sport will be held for a second time on 25 and 26 March 2020. The location for the event, which will again be organised by Messe Düsseldorf in close cooperation with the DFL, will be the MERKUR SPIEL-ARENA in Düsseldorf.

SportsInnovation is setting new standards with its concept: Established companies and modern start-ups present the latest solutions and innovative trends from the field of sports technology to a specialist audience under live conditions. The event provides guests from national and international clubs and associations, media partners, sports facility operators and the field of science with an exclusive insight into new state-of-the-art technologies and the trends of the future.

The first edition focused on several innovation matches between the youth teams of Bundesliga and Bundesliga 2 clubs, which were specially organised for this purpose in order to demonstrate the use of new technological developments in a live environment. The innovation matches were produced using a total of 29 cameras, with seven of the 14 special cameras in use for the very first time in the TV production of football matches. Exhibitors

presented their products and services in the stadium's luxury boxes and hospitality areas. This was accompanied by talk and information events with high-profile participants from sports and industry on a central stage.

"I am convinced that – besides the sporting success of the teams – digitalisation and internationalisation will be the key growth drivers of the future but also challenges for every sports organisation," said DFL CEO Christian Seifert in the context of the first SportsInnovation. Messe Düsseldorf and the DFL created this new platform in order to address precisely these developments.

47 exhibitors from
11 countries

923 guests from
21 countries



Technologies like a wireless, free-moving remote dolly camera (third photo from top) and other special cameras were also presented to the audience in a live environment.



Augmented reality features were among the innovations presented, as was virtual reality technology (photo, right), which allows users to see the match through the eyes of every player on the pitch in real time using match data.



AROUND THE WORLD

With its new representative office in New York, the DFL is bringing the Bundesliga closer to the American markets. The opening of a branch in China represents another milestone of the DFL's internationalisation.

The first representative office in the Americas will allow the DFL to create even closer links between the Bundesliga and the local markets, facilitate contact with media and marketing partners and support Bundesliga clubs' local activities. The branch in New York opened its doors in October 2018. The official opening was attended by numerous international guests, representatives of the Bundesliga clubs and former stars from the German top flight, including three members of the DFL's "Bundesliga Legends Network": Lothar Matthäus, the most capped German player of all time, Pavel Pardo from Mexico and Steven Cherundolo from the USA. After Singapore (since 2012) and New York, the next milestone of the DFL's internationalisation will follow in March 2019 with the opening of a branch in China. With this representative office, which also falls within the responsibility of the DFL subsidiary Bundesliga International, the DFL intends to address the huge popularity of football in the world's most populous country, intensify contacts with China and reach new target groups.

The international offices are supported by localised marketing measures like "Bundesliga Legends Tours" and "Bundesliga Experiences". These trips, whose destinations in 2018 included the USA, South Africa, Mexico, Colombia, Brazil and Japan, involve former Bundesliga players spreading the values and unique features of German professional football. In the past year, Lothar Matthäus also visited the Indian cities of Kochi and Mumbai following the conclusion of a strategic partnership between the DFL and IMG Reliance for the development of the Bundesliga brand and the promotion of football in India. The Bundesliga is already the second most popular international football league in India. Among other things, the new partnership is intended to build on this popularity in conjunction with the clubs and bring the fascination of the Bundesliga to life in India.



The new representative office in New York was also visited by Steven Cherundolo, Lothar Matthäus, Jürgen Klinsmann, Jermaine Jones and Pavel Pardo. In 2018, Matthäus (in India), Jay-Jay Okocha (in South Africa) and Oliver Kahn (in Japan) drew attention to the Bundesliga globally on behalf of the DFL.





THE NEXT VIRTUAL LEVEL

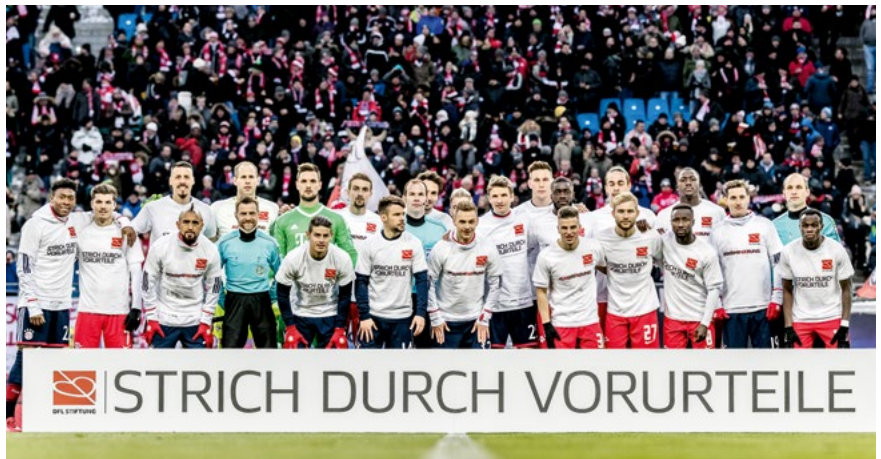
The DFL has intensified its eSport activities and created a new competition in conjunction with EA SPORTS.

The DFL is pressing ahead with its commitment to eSport and has enhanced the TAG Heuer Virtual Bundesliga (VBL): In addition to the established German championship for individual players, the Bundesliga and Bundesliga 2 clubs were given the opportunity to compete for the title of German eFootball champion for the first time in the 2018-19 season as part of the "VBL Club Championship" launched by the DFL and EA SPORTS. 22 professional clubs are participating in the first edition of the new competition. In summer 2018, the positive development of eSport in recent years prompted an exchange between club officials and

the DFL in which the strategic relevance of eSport was affirmed and joint initiatives under the umbrella of the DFL were discussed. It was clearly defined and decided by the DFL Board that the DFL will only participate in football simulations for the time being. In 2012, the DFL became the first professional football league to have its own eFootball competition when it launched the VBL, which was also the first competition of a professional league to be directly integrated into the EA SPORTS FIFA game series. The VBL has enjoyed steadily growing popularity since its launch and now has more than 150,000 participants.

CROSSING OUT PREJUDICES

In 2018, the DFL Foundation dedicated a matchday of the Bundesliga and Bundesliga 2 to social cohesion.



It was a strong signal for tolerance: In 2018, the DFL Foundation (“DFL Stiftung”) launched an extensive campaign against discrimination with the motto “Crossing out prejudices” (“Strich durch Vorurteile”). One key element of the initiative was a dedicated Bundesliga and Bundesliga 2 matchday accompanied by TV and print adverts. The adverts, which also ran with the DFL’s national media partners, starred Manuel Neuer and Naldo, both of whom are ambassadors for the DFL Foundation, as well as Kevin-Prince Boateng, who was still playing in the Bundesliga for Eintracht Frankfurt at the time. The adverts also featured sports journalist Marcel Reif, the new Chairman of the DFL Foundation’s Board of Trustees since January 2019, and Wolfgang

Niedecken, lead singer of the rock group BAP and also a member of the Board of Trustees. At the stadiums, the professional clubs used various means of drawing attention to the campaign on match-day 27 of the 2017-18 season – including mixed team photos with corresponding display boards. Each Bundesliga and Bundesliga 2 club also nominated an integration project from the surrounding area to be presented online by the DFL Foundation. These projects received financial support from the DFL Foundation and assistance with the reciprocal exchange of information and their own public relations. The DFL Foundation and the professional clubs support more than 430 social projects every year.



SUCCESSFUL PROMOTION OF YOUNG TALENT

488 medals in ten years: 2018 was an anniversary year for the partnership between professional football and German Sports Aid.

550 talented young athletes supported, 425 world and European medals, 63 medals at the Olympic and Paralympic Games – this is what the partnership between professional football and German Sports Aid (“Deutsche Sporthilfe”) has achieved to date. A cooperation that reached a milestone in 2018 with its tenth anniversary. The motto: “Elite Sport unifies” (“Spitzensport verbindet”). At the heart of the partnership is the support for young athletes funded by the DFL Foundation, which has been accompanied by more than ten TV campaigns and related activities since 2008. The DFL Foundation’s commitment to assisting talented athletes from Olympic, Paralympic and deaf sports expresses professional football’s solidarity for other sporting disciplines. The Supercup 2018 in Frankfurt/Main was also held in the spirit of this partnership. Alongside helping children to grow up healthy and active and promoting integration and participation, elite sport is the third key area of the DFL Foundation, with a total of 85 projects receiving support in the past financial year.



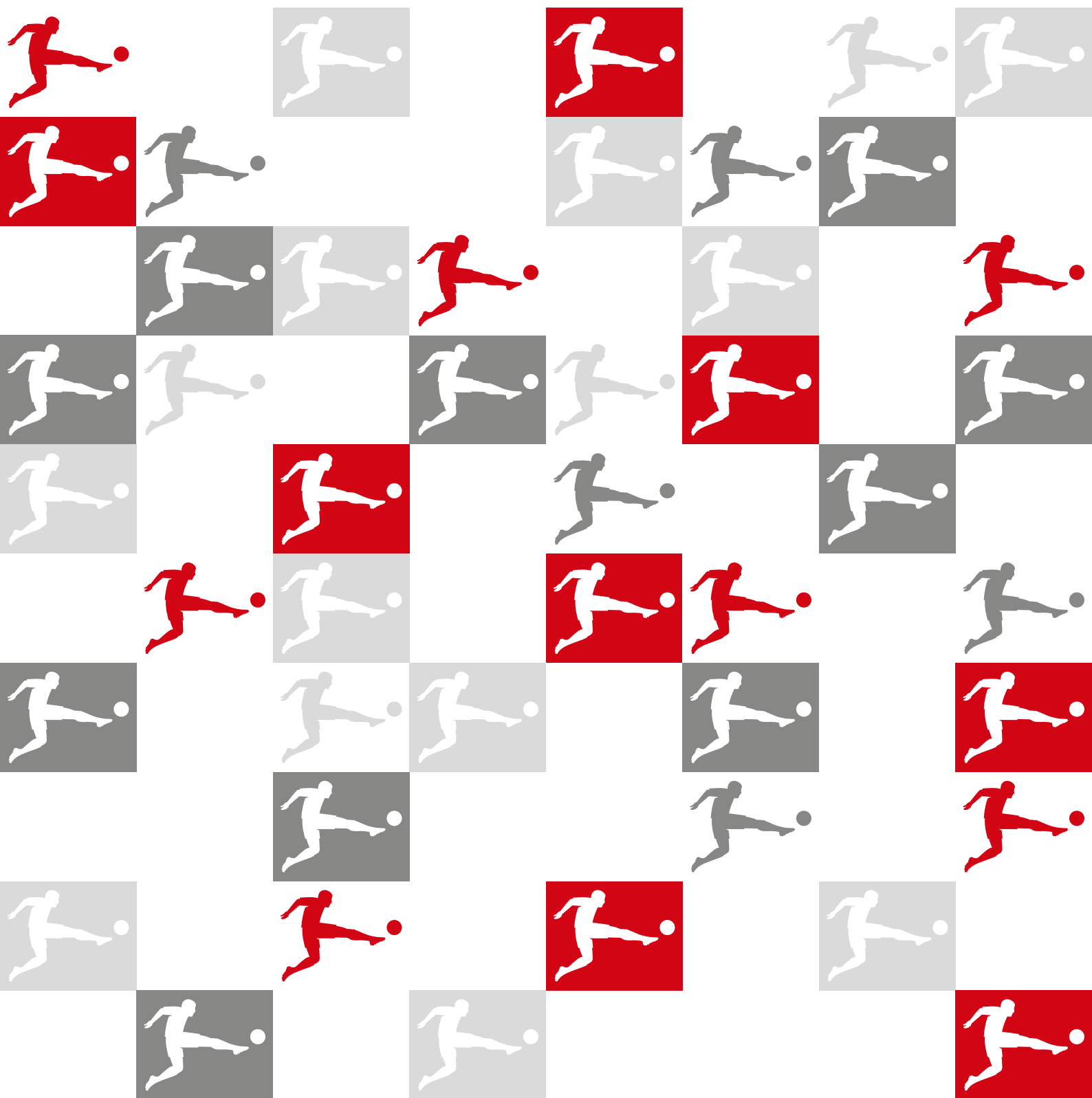
Our partnership with German Sports Aid is **globally unique**. I am proud of how the partnership has developed and continually expanded.

Christian Seifert, DFL CEO and Deputy Chairman of the DFL Foundation Board



The solidarity of professional football is helping to support German Sports Aid and its athletes. As well as **financial support**, this benefits us in terms of **media attention** in particular.

Dr Michael Ilgner,
Chairman of German Sports Aid



ECONOMIC FIGURES
BUNDESLIGA

BALANCE SHEET

IN ITS 55TH SEASON, the Bundesliga reported record figures once again. Having exceeded €3 billion for the first time in the previous year (€3.2 billion), the aggregated total assets of the 18 clubs increased by a further €514 million to €3.72 billion in the 2017-18 season. All in all, the clubs' total assets have risen by 62.5 per cent in the four years since 2014. For the fifth time, total assets for 2018 – calculated from the financial statements of all 18 Bundesliga clubs submitted within the scope of the licensing process – again included the financial statements of the clubs with corporate group structures (in the period under review: eleven). Equity also improved significantly by around €293 million year-on-year to just under €1.61 billion. This represents

an increase of 22.4 per cent and means that equity has almost doubled in the past four years. This was accompanied by an improvement in the equity ratio, as the €118 million increase in liabilities was considerably lower than the simultaneous rise in equity. The resulting equity ratio of 43.1 per cent was the highest in Bundesliga history and marked the fourth year in succession with an equity ratio in excess of 40 per cent. Player assets exceeded €1 billion for the first time, increasing by €246 million or 26 per cent year-on-year and more than doubling within the space of three years. At €1.19 billion, player assets, which express the value of professional football players on the balance sheet, exceeded tangible fixed assets (€1.13 billion).

BUNDESLIGA ASSETS (€ 000's)

	30 June 2017	30 June 2018
Intangible assets (excl. player assets)	61,655	62,566
Player assets	947,442	1,193,393
Tangible fixed assets	987,991	1,127,335
Financial assets	19,812	60,971
Receivables, stocks, securities	558,689	610,781
Cash in hand, bank balances	522,798	557,092
Prepaid expenses	98,276	99,964
Deferred tax assets	5,249	4,990
Surplus of plan assets over benefit obligations	5,300	4,348
Total	3,207,212	3,721,440

BUNDESLIGA EQUITY AND LIABILITIES (€ 000's)

	30 June 2017	30 June 2018
Equity	1,311,106	1,604,670
Special item for investment subsidies	41,602	68,367
Provisions	171,163	189,973
Liabilities	1,417,502	1,535,328
of which: from bonds	90,250	84,537
of which: to banks	78,682	164,185
of which: from trade accounts payable	158,679	165,239
of which: other liabilities	1,089,891	1,121,367
Deferred income	265,672	322,634
Deferred tax liabilities	167	467
Total	3,207,212	3,721,440

INCOME STATEMENT

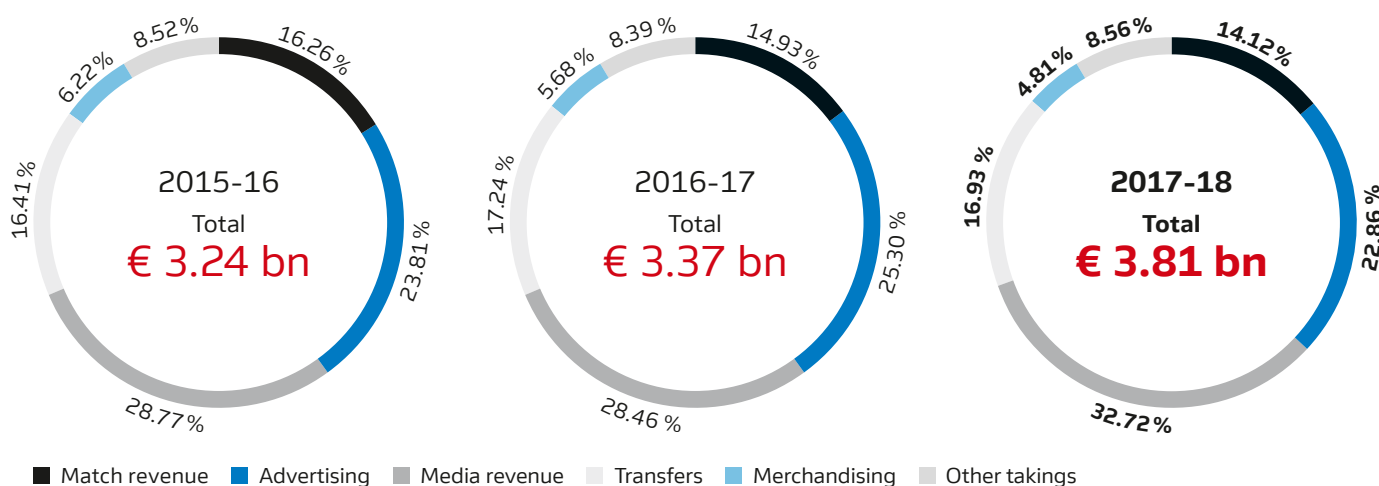
REVENUE In the 2017-18 season, the 18 Bundesliga clubs increased their revenue by €438.5 million or 13 per cent compared to the previous season. Total revenue of €3.81 billion represented another new record for the Bundesliga, with the clubs and limited companies achieving revenue growth for the 14th year in succession. On average, each club generated around 56 per cent more than four years previously. For the first time, 17 of the 18 clubs reported revenue in excess of €100 million. By way of comparison, nine clubs exceeded this level in the 2014-15 season. Media revenue saw the most significant

increase of €287 million or almost 30 per cent. Thanks to the new national media contracts, the clubs generated almost €1.25 billion, meaning that an individual revenue item exceeded €1 billion for the first time. However, advertising, match revenue, transfers and other revenue also enjoyed growth. Transfer revenue increased by a further €64 million year-on-year, reinforcing its position as the third-largest item in the Bundesliga revenue mix at €645.5 million. Taken together, media revenue, advertising, transfers and match revenue accounted for 86.6 per cent of total revenue.

BUNDESLIGA REVENUE (€ 000's)

	2015-16	2016-17	2017-18
Match revenue	527,648	503,829	538,430
Contribution to total revenue	16.26%	14.93%	14.12%
Advertising	772,477	853,974	871,666
Contribution to total revenue	23.81%	25.30%	22.86%
Media revenue	933,306	960,564	1,247,892
Contribution to total revenue	28.77%	28.46%	32.72%
Transfers	532,550	581,721	645,502
Contribution to total revenue	16.41%	17.24%	16.93%
Merchandising	201,774	191,840	183,376
Contribution to total revenue	6.22%	5.68%	4.81%
Other takings	276,574	283,065	326,619
Contribution to total revenue	8.52%	8.39%	8.56%
Total	3,244,330	3,374,993	3,813,486

BUNDESLIGA REVENUE



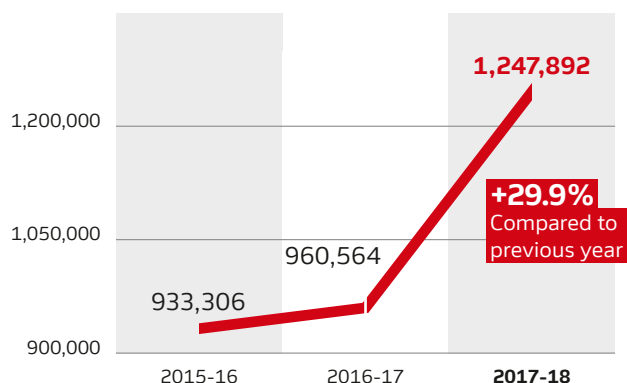
EXPENDITURE Reflecting the development of revenue, the expenditure of the Bundesliga clubs increased significantly by around 15 per cent or €486.6 million to €3.71 billion. However, expenditure remained significantly lower than revenue. At €1.32 billion, the largest individual item was payroll costs for match operations, i.e. players and coaches, which rose by €133 million or 11.2 per cent as against the previous year. However, the proportion of total revenue attributable to this item

declined to 35.5 per cent, one of the lowest levels in Bundesliga history. As in the previous years, transfer expenditure increased significantly by €166 million year-on-year to €839 million. Other expenditure, which includes the costs of administration, advertising, materials and commercial staff, also increased again to €733.5 million, although this remains €45 million lower than the figure recorded two years ago.

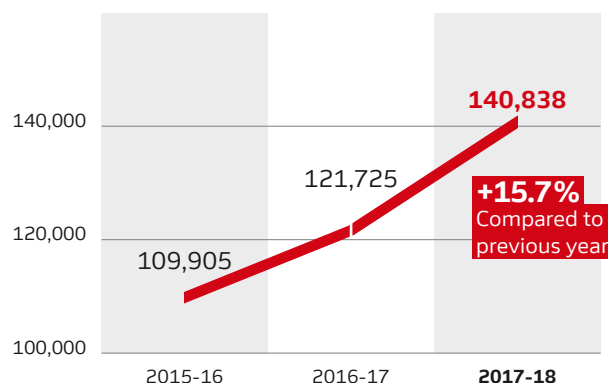
BUNDESLIGA EXPENDITURE (€ 000's)

	2015-16	2016-17	2017-18
Payroll costs for match operations	1,058,837	1,184,637	1,317,801
Contribution to total expenditure	34.85 %	36.73 %	35.50 %
Commercial/administrative staff	206,036	211,225	260,278
Contribution to total expenditure	6.78 %	6.55 %	7.01 %
Transfers	511,960	672,760	839,018
Contribution to total expenditure	16.85 %	20.86 %	22.60 %
Match operations	372,811	380,623	420,323
Contribution to total expenditure	12.27 %	11.80 %	11.32 %
Youth, amateurs, academies	109,905	121,725	140,838
Contribution to total expenditure	3.62 %	3.77 %	3.79 %
Other expenditure	778,597	654,209	733,540
Contribution to total expenditure	25.63 %	20.28 %	19.76 %
Total	3,038,147	3,225,180	3,711,797

BUNDESLIGA MEDIA REVENUE (€ 000's)



BUNDESLIGA EXPENDITURE YOUTH, AMATEURS, ACADEMIES (€ 000's)

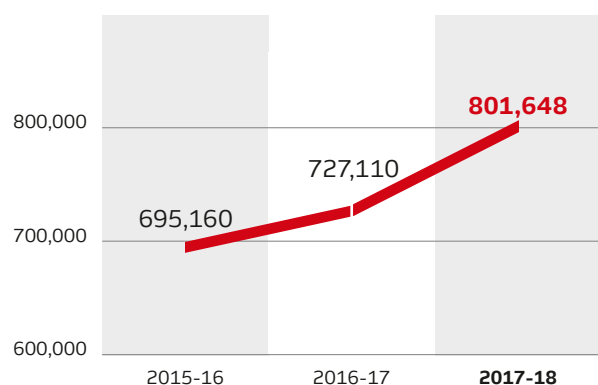


RESULTS AND INDICATORS

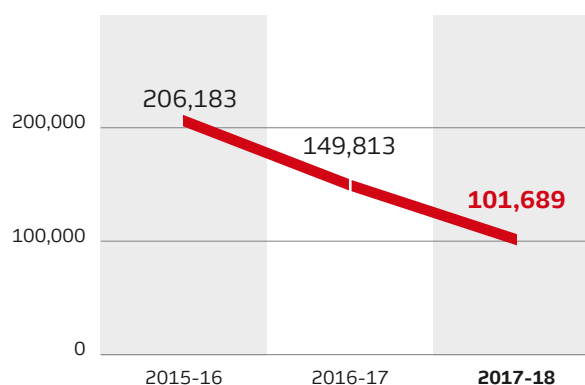
THE BUNDESLIGA again generated a substantial profit in the 2017-18 season. All in all, the clubs generated €101.7 million more than they spent. Although this is lower than in the past two years, it still represents the fourth-highest figure in Bundesliga history. The clubs therefore recorded a profit for the eighth year in a row and the eleventh time in the last twelve years. Mean-

while, EBITDA (earnings before interest, taxes, depreciation and amortisation) reached another record high, once again exceeding the prior-year level at an average of €44.5 million per club and €801.6 million in total. A total of 13 of the 18 clubs ended the season with a profit, while all 18 clubs again recorded positive EBITDA.

BUNDESLIGA EBITDA (€ 000's)



BUNDESLIGA TOTAL RESULT AFTER TAXES (€ 000's)



BUNDESLIGA NUMBER OF CLUBS WITH A POSITIVE RESULT AFTER TAXES



RATIO OF PAYROLL COSTS FOR MATCH OPERATIONS TO TOTAL REVENUE

PAYROLL COSTS FOR PLAYERS as an average per Bundesliga club increased by €7.4 million year-on-year in the 2017-18 season. All in all, payroll costs for players and coaches rose by €133 million or 11.2 per cent.

Despite this development, the payroll cost ratio, i.e. payroll costs for players and coaches in relation to total revenue, declined again to 34.6 per cent, the second-lowest figure in Bundesliga history.

BUNDESLIGA TOTAL (€ 000's)

	2015-16	2016-17	2017-18
Payroll costs for match operations	1,058,837	1,184,637	1,317,801
Ratio I	32.6 %	35.1 %	34.6 %
Payroll costs for match operations and commercial/administrative staff	1,264,874	1,395,863	1,578,079
Ratio II	39.0 %	41.4 %	41.4 %
Total revenue	3,244,330	3,374,993	3,813,486

GROUPS BY PAYROLL COSTS FOR MATCH OPERATIONS

THE ECONOMIC conditions of the 18 Bundesliga clubs vary considerably in some cases. In order to improve the comparability of their economic performance, the clubs have been clustered into three groups based on the expenditure for their respective professional teams. These groups were then assigned the corresponding revenue and expense items. This analysis shows that the six clubs with the highest expenditure for their professional players reported revenue and expenditure amounting to 173 per cent and

171 per cent of the Bundesliga average respectively. While the theoretical “average club” reported revenue of €211.9 million and expenditure of €206.2 million, the clubs with the highest payroll costs generated total revenue of €367 million and spent a total of €353.6 million. The clubs in the middle group reported 72 per cent of the average revenue and 75 per cent of the average expenditure for the Bundesliga as a whole, while the clubs in the lower group came in at 55 per cent and 53 per cent respectively.

GROUPS The clubs were divided into three groups of six based on their payroll costs for match operations in the 2017-18 season:

GROUP I Clubs with payroll costs for match operations of over €62 million

GROUP II Clubs with payroll costs for match operations of between €48 million and €62 million

GROUP III Clubs with payroll costs for match operations of less than €48 million

BUNDESLIGA REVENUE (AVERAGE PER LICENSEE – € 000's)

2017-18	Match revenue	Advertising	Media revenue	Transfers	Merchandising	Other takings	Total
Group I	45,314 151%	100,169 207%	102,807 148%	67,803 189%	20,186 198%	30,751 169%	367,031 173%
Group II	26,803 90%	24,455 51%	56,385 81%	21,088 59%	6,316 62%	16,711 92%	151,758 72%
Group III	17,620 59%	20,653 43%	48,791 70%	18,693 52%	4,061 40%	6,974 38%	116,792 55%
BL average	29,913 100%	48,426 100%	69,327 100%	35,861 100%	10,188 100%	18,146 100%	211,860 100%

BUNDESLIGA EXPENDITURE (AVERAGE PER LICENSEE – € 000's)

2017-18	Payroll costs for match operations	Administrative staff	Transfers	Match operations	Youth/amateurs/academies	Other expenditure	Total
Group I	124,848 171%	24,475 169%	89,643 192%	35,171 151%	13,493 172%	65,982 162%	353,611 171%
Group II	56,265 77%	12,109 84%	28,237 61%	18,848 81%	4,813 62%	35,161 86%	155,434 75%
Group III	38,521 53%	6,796 47%	21,956 47%	16,035 69%	5,167 66%	21,114 52%	109,589 53%
BL average	73,211 100%	14,460 100%	46,612 100%	23,351 100%	7,824 100%	40,752 100%	206,211 100%

GROUPS BY LEAGUE TABLE POSITION

THE CORRELATION between the clubs' success on the pitch and their economic conditions is illustrated by clustering them into three groups based on the league table position achieved. This analysis also shows that the financially strongest clubs outperform the Bundesliga average. In the same way as for the analysis of payroll costs for match operations, their revenue and expendi-

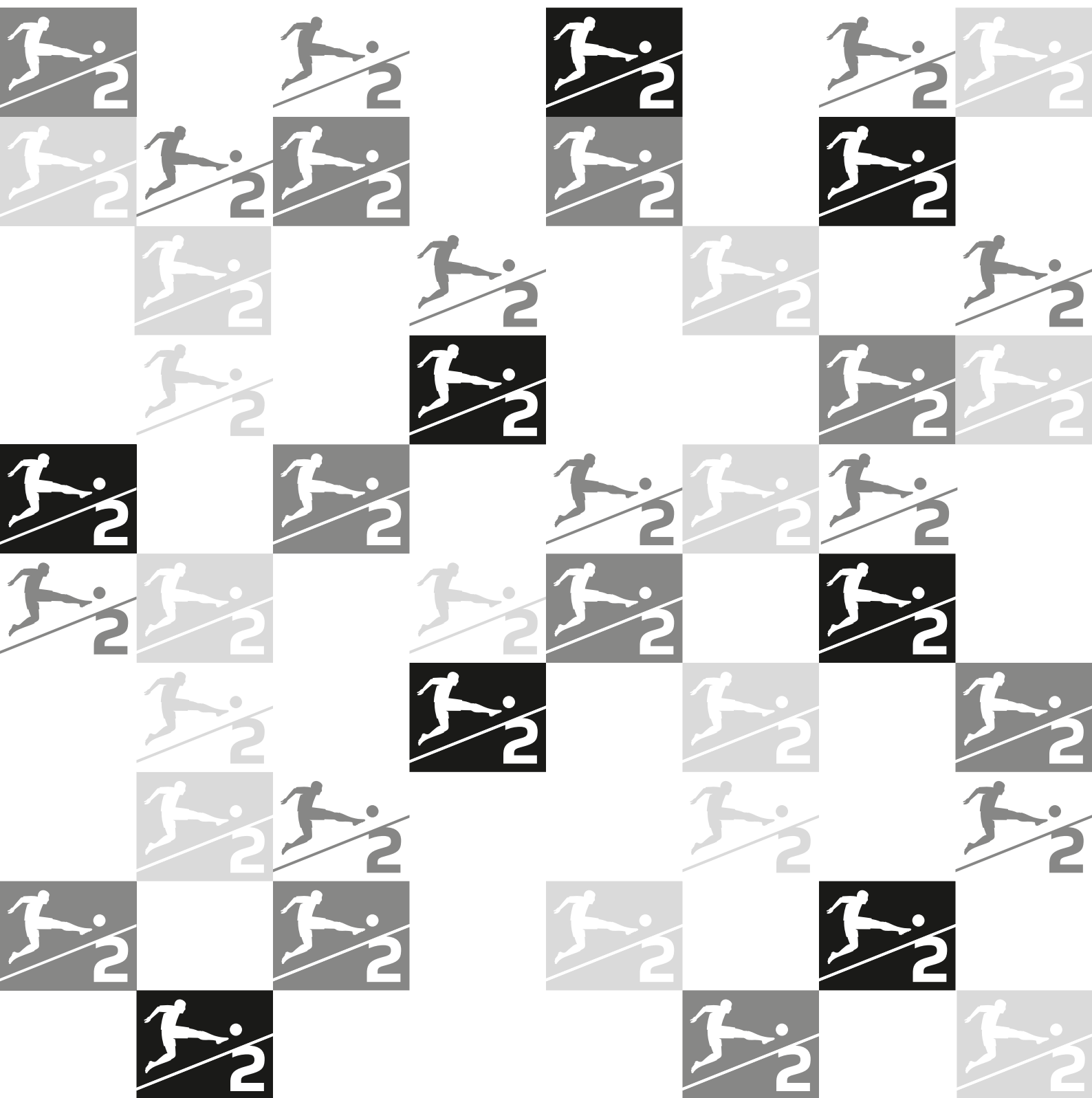
ture was substantially higher than the average at 168 per cent and 166 per cent respectively. Notably, the six clubs in the lower third came in at 70 per cent of the average revenue and expenditure, thereby outperforming the clubs in the middle group (62 per cent and 64 per cent respectively).

BUNDESLIGA REVENUE (AVERAGE PER LICENSEE – € 000's)

2017-18	Match revenue	Advertising	Media revenue	Transfers	Merchandising	Other takings	Total
Positions 1–6	46,964 157 %	86,499 179 %	103,427 149 %	70,870 198 %	20,097 197 %	27,162 150 %	355,020 168 %
Positions 7–12	24,195 81 %	23,650 49 %	54,102 78 %	14,544 41 %	5,851 57 %	9,363 52 %	131,706 62 %
Positions 13–18	18,579 62 %	35,129 73 %	50,453 73 %	22,169 62 %	4,615 45 %	17,910 99 %	148,854 70 %
BL average	29,913 100 %	48,426 100 %	69,327 100 %	35,861 100 %	10,188 100 %	18,146 100 %	211,860 100 %

BUNDESLIGA EXPENDITURE (AVERAGE PER LICENSEE – € 000's)

2017-18	Payroll costs for match operations	Administrative staff	Transfers	Match operations	Youth/ amateurs/ academies	Other expenditure	Total
Positions 1–6	118,353 162 %	24,458 169 %	83,366 179 %	33,633 144 %	10,174 130 %	71,556 176 %	341,541 166 %
Positions 7–12	49,101 67 %	9,349 65 %	22,611 49 %	18,058 77 %	4,508 58 %	29,008 71 %	132,634 64 %
Positions 13–18	52,179 71 %	9,572 66 %	33,859 73 %	18,363 79 %	8,791 112 %	21,693 53 %	144,457 70 %
BL average	73,211 100 %	14,460 100 %	46,612 100 %	23,351 100 %	7,824 100 %	40,752 100 %	206,211 100 %



ECONOMIC FIGURES
BUNDESLIGA 2

BALANCE SHEET

THE TOTAL ASSETS of Bundesliga 2 exceeded €400 million for the third year in succession. Total assets of €420.5 million were down 14.9 per cent on the previous year but still represented the third-highest figure in the history of the league. Seven clubs (previous year: nine) are included in the overall calculation with their

consolidated financial statements. Equity enjoyed a particularly encouraging development, increasing more than fourfold year-on-year to €69.8 million (previous year: €15.5 million). With liabilities simultaneously declining by €78.8 million, the equity ratio rose to 16.6 per cent, the best figure since 2008.

BUNDESLIGA 2 ASSETS (€ 000's)

	30 June 2017	30 June 2018
Intangible assets (excl. player assets)	22,435	23,753
Player assets	46,292	27,023
Tangible fixed assets	232,925	177,653
Financial assets	19,031	4,063
Receivables, stocks, securities	85,920	75,348
Cash in hand, bank balances	74,770	105,610
Prepaid expenses	12,540	6,924
Deferred tax assets	388	151
Surplus of plan assets over benefit obligations	0	0
Total	494,302	420,524

BUNDESLIGA 2 EQUITY AND LIABILITIES (€ 000's)

	30 June 2017	30 June 2018
Equity	15,541	69,754
Special item for investment subsidies	19,629	2,105
Provisions	49,243	39,280
Liabilities	332,763	253,989
of which: from bonds	14,807	14,604
of which: to banks	110,096	80,376
of which: from trade accounts payable	45,591	35,948
of which: other liabilities	162,269	123,060
Deferred income	75,613	53,297
Deferred tax liabilities	1,513	2,099
Total	494,302	420,524

INCOME STATEMENT

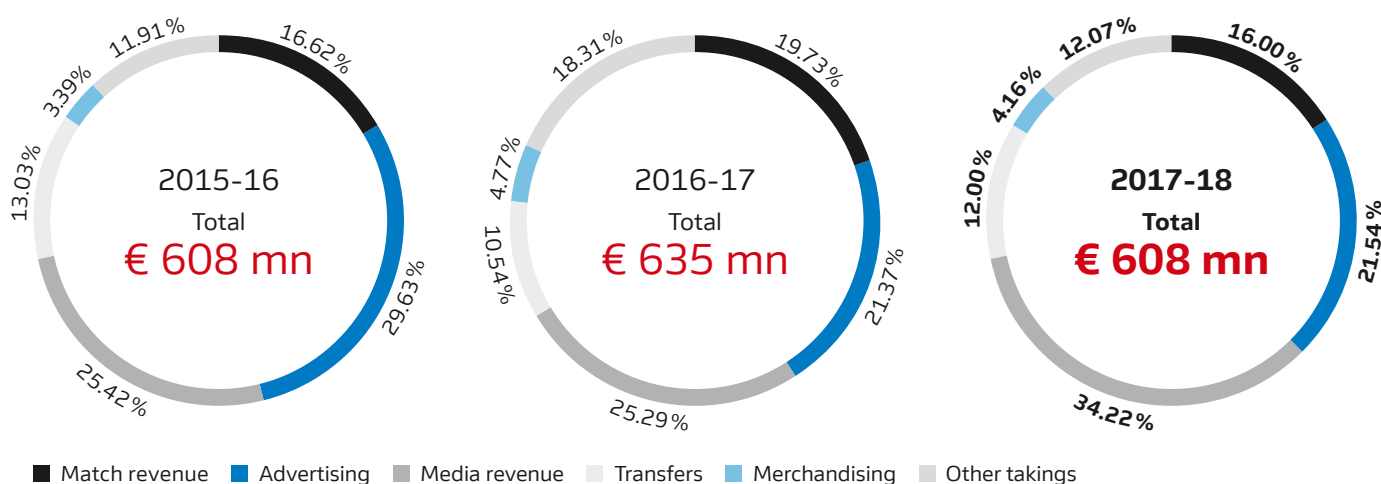
REVENUE The 18 Bundesliga 2 clubs again generated revenue in excess of €600 million. Although the record revenue reported in the previous year was not repeated, the figure of €608.4 million was in line with the level recorded two years ago. The largest single item was media revenue, which rose by 29.6 per cent to €208.2 million. Transfer revenue also increased by around €6 million or 9.1 per cent to €73 million. Match revenue declined substantially by 22.3 per cent to €97.4 million. Effects like these are primarily due to

changes in the composition of the league, with the data for Bundesliga 2 traditionally being relatively volatile. After the 2016-17 season, VfB Stuttgart and Hannover 96 were promoted to the Bundesliga and Würzburger Kickers, Karlsruher SC and TSV 1860 München were relegated from Bundesliga 2. Meanwhile, FC Ingolstadt 04 and SV Darmstadt 98 were relegated from the Bundesliga to Bundesliga 2, and MSV Duisburg, Holstein Kiel and SSV Jahn Regensburg were promoted to Bundesliga 2 from the third division.

BUNDESLIGA 2 REVENUE (€ 000's)

	2015-16	2016-17	2017-18
Match revenue	101,091	125,303	97,369
Contribution to total revenue	16.62%	19.73%	16.00%
Advertising	180,245	135,727	131,048
Contribution to total revenue	29.63%	21.37%	21.54%
Media revenue	154,646	160,641	208,198
Contribution to total revenue	25.42%	25.29%	34.22%
Transfers	79,233	66,938	73,034
Contribution to total revenue	13.03%	10.54%	12.00%
Merchandising	20,641	30,279	25,309
Contribution to total revenue	3.39%	4.77%	4.16%
Other takings	72,458	116,331	73,432
Contribution to total revenue	11.91%	18.31%	12.07%
Total	608,314	635,219	608,390

BUNDESLIGA 2 REVENUE



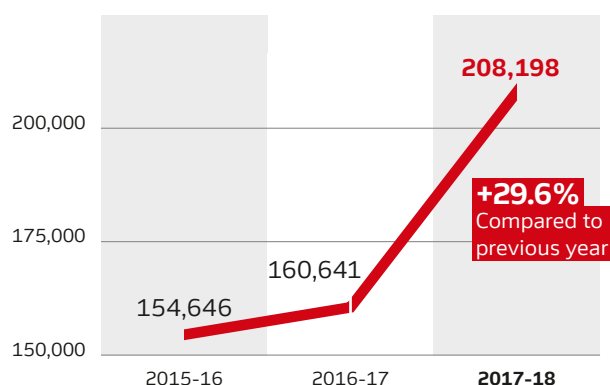
EXPENDITURE The Bundesliga 2 clubs succeeded in significantly reducing their expenditure in 2017-18. Compared with the 2016-17 season, they spent a total of €94.1 million or almost 14 per cent less. Payroll costs for players declined by €28.8 million. Payroll costs as a proportion of total expenditure amounted to 32.9 per

cent, just above the historical low recorded in the previous year. €42.7 million was spent on player transfers, almost one-third or €20.9 million less than in the previous season. With transfer revenue simultaneously rising, the overall result was significant growth in this area.

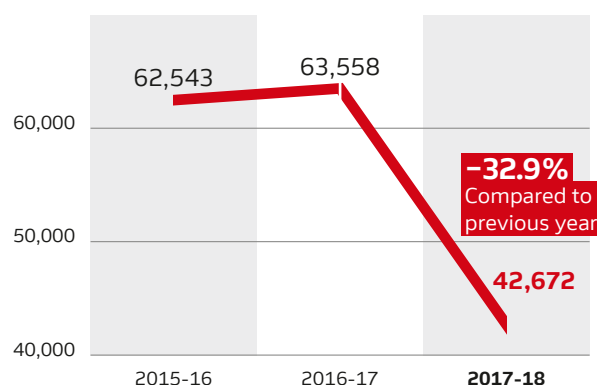
BUNDESLIGA 2 EXPENDITURE (€ 000's)

	2015-16	2016-17	2017-18
Payroll costs for match operations	202,670	220,404	191,557
Contribution to total expenditure	33.39 %	32.61 %	32.93 %
Commercial/administrative staff	45,419	60,540	49,680
Contribution to total expenditure	7.48 %	8.96 %	8.54 %
Transfers	62,543	63,558	42,672
Contribution to total expenditure	10.30 %	9.40 %	7.34 %
Match operations	106,699	114,379	111,474
Contribution to total expenditure	17.58 %	16.92 %	19.16 %
Youth, amateurs, academies	48,553	41,681	36,284
Contribution to total expenditure	8.00 %	6.17 %	6.24 %
Other expenditure	141,119	175,259	150,027
Contribution to total expenditure	23.25 %	25.93 %	25.79 %
Total	607,003	675,821	581,694

BUNDESLIGA 2 MEDIA REVENUE (€ 000's)



BUNDESLIGA 2 EXPENDITURE TRANSFERS (€ 000's)

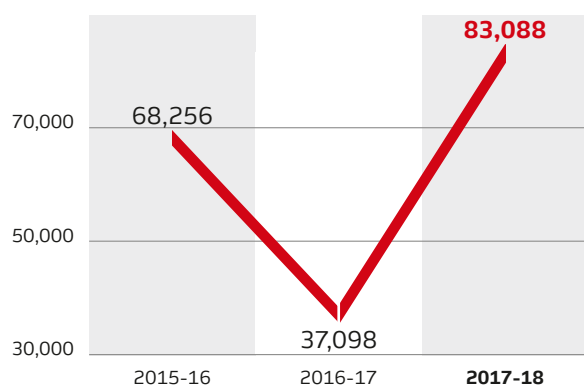


RESULTS AND INDICATORS

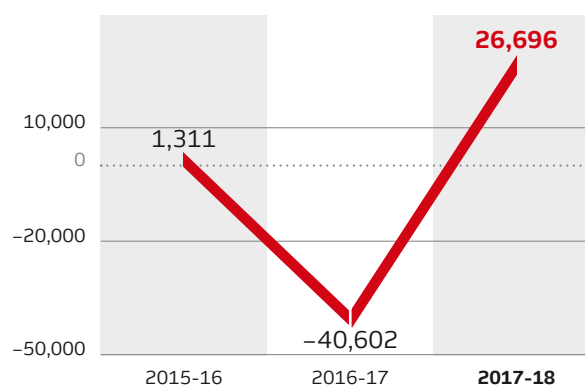
THE BUNDESLIGA 2 CLUBS closed the 2017-18 season with a record profit. All in all, the 18 clubs generated a net profit of €26.7 million. This represented a €67.3 million improvement on the previous year, when the clubs recorded a net loss of €40.6 million. 15 of the 18 clubs reported an operating profit compared with

nine in the previous year. EBITDA (earnings before interest, taxes, depreciation and amortisation) also reached a new high of €83.1 million, up €14.8 million on the previous record from the 2015-16 season. All of the clubs were profitable in EBITDA terms.

BUNDESLIGA 2 EBITDA (€ 000's)



BUNDESLIGA 2 TOTAL RESULT AFTER TAXES (€ 000's)



BUNDESLIGA 2 NUMBER OF CLUBS WITH A POSITIVE RESULT AFTER TAXES



RATIO OF PAYROLL COSTS FOR MATCH OPERATIONS TO TOTAL REVENUE

NEVER BEFORE in the history of Bundesliga 2 has the ratio of payroll costs for players and coaches to total revenue been as low as in the 2017-18 season. The payroll cost ratio fell to a historical low of 31.5 per cent, a further 1.8 percentage points lower than the previous

best figure from the 2015-16 season. This was due to the fact that the payroll costs of the Bundesliga 2 clubs declined by 13.1 per cent whereas their total revenue fell by 4.2 per cent.

BUNDESLIGA 2 TOTAL (€ 000's)

	2015-16	2016-17	2017-18
Payroll costs for match operations	202,670	220,404	191,557
Ratio I	33.3 %	34.7 %	31.5 %
Payroll costs for match operations and commercial/administrative staff	248,089	280,944	241,237
Ratio II	40.8 %	44.2 %	39.7 %
Total revenue	608,314	635,219	608,390

GROUPS BY PAYROLL COSTS FOR MATCH OPERATIONS

IN THE SAME WAY as in the Bundesliga, it was the Bundesliga 2 clubs with the highest payroll costs for players and coaches that recorded the highest revenue and expenditure. However, Bundesliga 2 is more economically balanced than the Bundesliga: The six top clubs reported 132 per cent of the revenue

and 131 per cent of the expenditure of the theoretical “average club” in Bundesliga 2. The clubs in the middle group were also above average at 105 and 108 per cent respectively. Meanwhile, the six clubs with the lowest payroll costs came in at just below two-thirds of the league average in both categories.

GROUPS The clubs were divided into three groups of six based on their payroll costs for match operations in the 2017-18 season:

GROUP I Clubs with payroll costs for match operations of over €11.5 million

GROUP II Clubs with payroll costs for match operations of between €9.3 million and €11.5 million

GROUP III Clubs with payroll costs for match operations of less than €9.3 million

BUNDESLIGA 2 REVENUE (AVERAGE PER LICENSEE – € 000's)

2017-18	Match revenue	Advertising	Media revenue	Transfers	Merchandising	Other takings	Total
Group I	6,282 116%	9,869 136%	14,264 123%	8,041 198%	1,728 123%	4,526 111%	44,710 132%
Group II	6,939 128%	6,482 89%	12,028 104%	2,826 70%	1,904 135%	5,459 134%	35,637 105%
Group III	3,007 56%	5,491 75%	8,408 73%	1,305 32%	586 42%	2,254 55%	21,051 62%
BL 2 average	5,409 100%	7,280 100%	11,567 100%	4,057 100%	1,406 100%	4,080 100%	33,799 100%

BUNDESLIGA 2 EXPENDITURE (AVERAGE PER LICENSEE – € 000's)

2017-18	Payroll costs for match operations	Administrative staff	Transfers	Match operations	Youth/amateurs/academies	Other expenditure	Total
Group I	14,000 132%	3,624 131%	4,403 186%	7,148 115%	2,290 114%	10,847 130%	42,311 131%
Group II	10,031 94%	3,252 118%	2,056 87%	6,896 111%	2,704 134%	10,002 120%	34,940 108%
Group III	7,896 74%	1,404 51%	653 28%	4,535 73%	1,054 52%	4,156 50%	19,698 61%
BL 2 average	10,642 100%	2,760 100%	2,371 100%	6,193 100%	2,016 100%	8,335 100%	32,316 100%

GROUPS BY LEAGUE TABLE POSITION

THE CLUBS WERE EXTREMELY CLOSE in terms of their performance relative to the league table position achieved. In this analysis, the clubs that finished between seventh and twelfth reported the highest revenue and expenditure and were the only group to outperform the

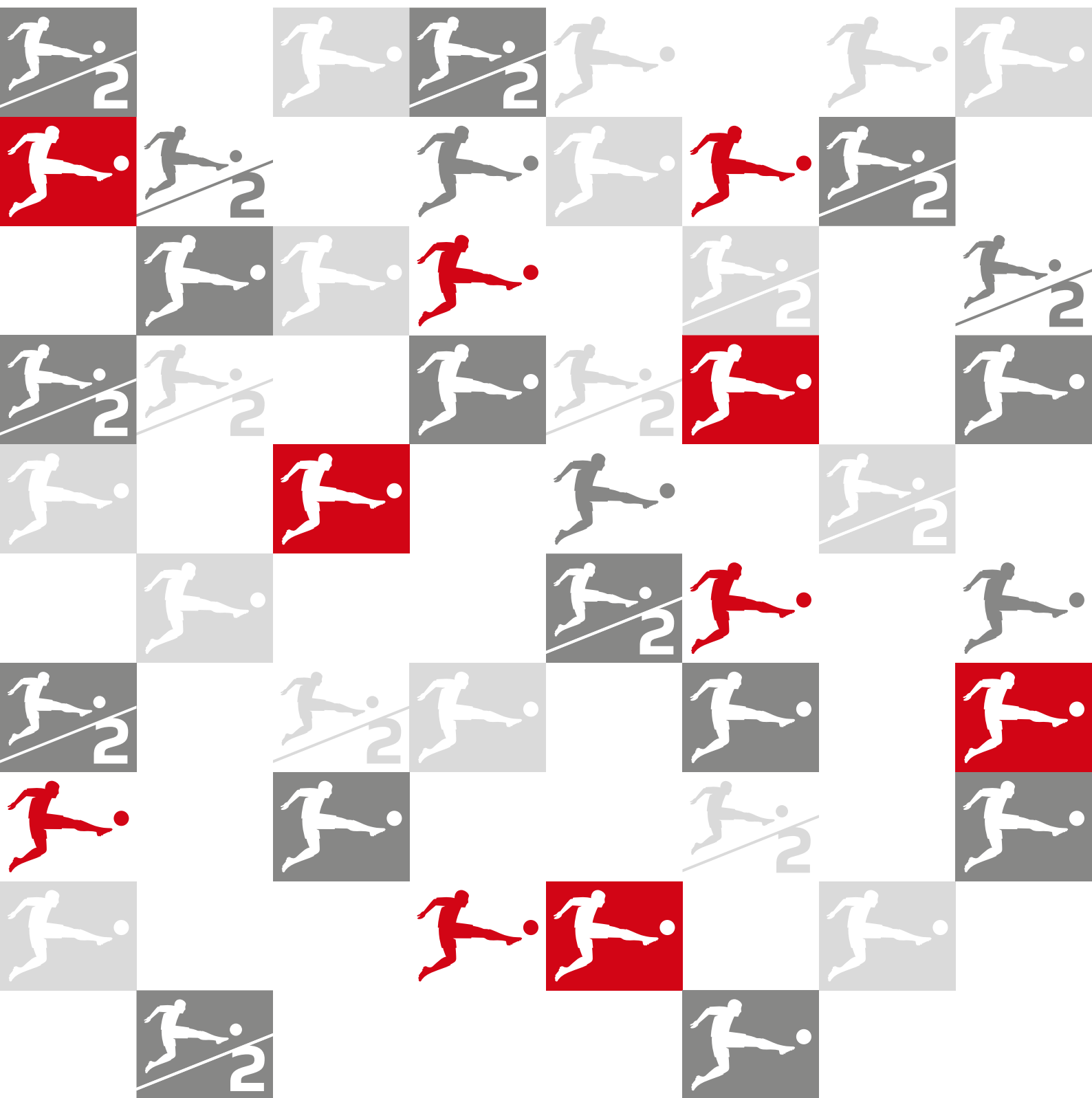
average, coming in at 118 per cent of revenue and 116 per cent of expenditure. The top clubs and the six clubs in the bottom third of the table fell just below the average, recording almost identical performance of 94 and 94 per cent and 88 and 90 per cent respectively.

BUNDESLIGA 2 REVENUE (AVERAGE PER LICENSEE – € 000's)

2017-18	Match revenue	Advertising	Media revenue	Transfers	Merchandising	Other takings	Total
Positions 1–6	6,149 114 %	7,135 98 %	10,368 90 %	3,628 89 %	1,483 106 %	3,036 74 %	31,799 94 %
Positions 7–12	5,026 93 %	8,774 121 %	12,928 112 %	5,947 147 %	2,085 148 %	5,042 124 %	39,803 118 %
Positions 13–18	5,053 93 %	5,932 81 %	11,404 99 %	2,598 64 %	649 46 %	4,160 102 %	29,796 88 %
BL 2 average	5,409 100 %	7,280 100 %	11,567 100 %	4,057 100 %	1,406 100 %	4,080 100 %	33,799 100 %

BUNDESLIGA 2 EXPENDITURE (AVERAGE PER LICENSEE – € 000's)

2017-18	Payroll costs for match operations	Administrative staff	Transfers	Match operations	Youth/ amateurs/ academies	Other expenditure	Total
Positions 1–6	10,917 103 %	2,253 82 %	1,577 67 %	6,319 102 %	1,924 95 %	7,308 88 %	30,298 94 %
Positions 7–12	11,730 110 %	3,520 128 %	3,533 149 %	5,629 91 %	1,853 92 %	11,317 136 %	37,582 116 %
Positions 13–18	9,279 87 %	2,507 91 %	2,002 84 %	6,631 107 %	2,270 113 %	6,380 77 %	29,069 90 %
BL 2 average	10,642 100 %	2,760 100 %	2,371 100 %	6,193 100 %	2,016 100 %	8,335 100 %	32,316 100 %



ECONOMIC FIGURES
**LICENSED
FOOTBALL**



REVENUE AND EXPENDITURE

GERMAN LICENSED FOOTBALL again increased its total revenue to €4.42 billion. In total, the 36 Bundesliga and Bundesliga 2 clubs generated €411.6 million more than in the previous season. This corresponds to an increase of 10.3 per cent. The 18 Bundesliga clubs were responsible for 86.2 per cent of the revenue generated by

licensed football. Reflecting the level of revenue growth, the expenditure of the 36 professional clubs increased by around 10 per cent in the 2017-18 season. Although expenditure exceeded €4 billion for the first time, it was €128.4 million lower than revenue. All in all, expenditure rose by €392.5 million as against the previous year.

LICENSED FOOTBALL REVENUE (€ 000's)

	2015-16	2016-17	2017-18
Bundesliga	3,244,330	3,374,993	3,813,486
Contribution to total revenue	84.21 %	84.16 %	86.24 %
Bundesliga 2	608,314	635,219	608,390
Contribution to total revenue	15.79 %	15.84 %	13.76 %
Total	3,852,644	4,010,212	4,421,876

LICENSED FOOTBALL EXPENDITURE (€ 000's)

	2015-16	2016-17	2017-18
Bundesliga	3,038,147	3,225,180	3,711,797
Contribution to total expenditure	83.35 %	82.68 %	86.45 %
Bundesliga 2	607,003	675,821	581,694
Contribution to total expenditure	16.65 %	17.32 %	13.55 %
Total	3,645,150	3,901,001	4,293,491

TAXES AND DUTIES

THE TAXES AND DUTIES paid by the 36 clubs and limited companies of DFL Deutsche Fußball Liga e.V. to the financial authorities and social security institutions again increased substantially in line with the renewed revenue growth. All in all, the clubs paid €1.28 billion to the financial authorities and social security institutions –

€112.7 million more than in the previous year. Personal taxes and duties amounted to €912.4 million or around 71 per cent of the total. Payroll tax, church tax and the solidarity surcharge, as well as employees' social security and accident insurance cover, increased by €97.3 million compared with the previous season.

LICENSED FOOTBALL TAXES AND DUTIES (IN €)

	Bundesliga	Bundesliga 2	Licensed football
Corporate taxes and duties			
VAT (excluding input tax) as at 31 Dec 2017	613,352,837	98,102,144	711,454,981
Corporate income tax	21,810,010	5,322,173	27,132,182
Trade tax	25,586,708	5,430,877	31,017,585
Other taxes and duties	7,628,862	2,797,351	10,426,213
Total	668,378,416	111,652,545	780,030,961
Personal taxes and duties			
Income tax on wages and salaries	632,448,021	70,932,315	703,380,336
Church tax and solidarity surcharge	42,771,914	5,169,455	47,941,368
Social security (pension, unemployment, health insurance)	86,411,382	31,401,173	117,812,555
Social insurance against occupational accidents	27,167,622	16,114,204	43,281,826
Total	788,798,938	123,617,148	912,416,086
Total corporate and personal taxes and duties	1,457,177,354	235,269,693	1,692,447,047
minus input tax refunded (input tax is an indicator of the company's willingness to invest)	366,359,802	45,065,244	411,425,046
Outflow of funds from taxes and duties (VAT adjusted for input tax)	1,090,817,552	190,204,449	1,281,022,001

JOBS

THE CLUBS of the Bundesliga and Bundesliga 2 again created new jobs in the 2017-18 season. All in all, 55,142 people were employed directly or indirectly within German professional football – 867 more than in the previous year. The 36 clubs and limited companies employed 15,659 people, up 413 on the previous year. A further 5,741 people were employed at the subsidiaries

of the clubs, meaning that a total of 21,400 people were directly employed within German professional football, of which 6,708 worked full-time and the others as trainees, part-time staff or temporary workers. Service providers commissioned by the clubs employed a total of 33,742 people, the majority of which were employed by catering or security companies.

NUMBER OF STAFF IN LICENSED FOOTBALL

	Bundesliga		Bundesliga 2		Licensed football	
	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18
Licensees						
Full-time staff	3,581	3,872	1,703	1,614	5,284	5,486
Trainees	56	58	27	27	83	85
Part-time staff	1,032	1,238	676	657	1,708	1,895
Temporary workers	5,374	5,310	2,797	2,883	8,171	8,193
Total	10,043	10,478	5,203	5,181	15,246	15,659
Subsidiaries						
Full-time staff	698	1,039	266	183	964	1,222
Trainees	23	38	19	10	42	48
Part-time staff	520	483	92	67	612	550
Temporary workers	2,251	3,148	1,630	773	3,881	3,921
Total	3,492	4,708	2,007	1,033	5,499	5,741
Contractors						
Security companies	8,756	8,704	4,883	5,274	13,639	13,978
Caterers	8,639	9,714	4,720	3,588	13,359	13,302
Medical services	1,046	1,083	755	767	1,801	1,850
Other	3,138	3,369	1,593	1,243	4,731	4,612
Total	21,579	22,870	11,951	10,872	33,530	33,742
Grand total	35,114	38,056	19,161	17,086	54,275	55,142

SPECTATOR REPORT

THE BUNDESLIGA remained the best-attended football league in the world in the 2017-18 season. The figure of 43,879 tickets sold per match was the second-highest average for all seasons since 1963-64, beaten only by the record 2011-12 season (44,293). The average number of tickets sold increased by almost eight per cent compared with the previous season (40,693). This includes free and complimentary tickets. These figures are based on the number of tickets sold, as has been

the case since they were first collected. This counting system also applies to other leagues – irrespective of whether the tickets are used or not. Bundesliga 2 saw an average of 17,473 ticket holders per match in the 2017-18 season (2016-17: 21,560). The development of these figures is also due to the change in the composition of the two leagues as a result of promotion and relegation. The total number of tickets sold in Bundesliga and Bundesliga 2 in the 2017-18 season was 18,773,618.

BUNDESLIGA PAYING SPECTATORS

	2015-16	2016-17	2017-18
Spectators – total	12,980,815	12,451,953	13,426,855
of which: season tickets (total)	7,481,122	7,136,872	7,633,653
proportion of season tickets (relative)	57.63 %	57.32 %	56.85 %
of which day tickets (total)	5,499,693	5,315,081	5,793,202
proportion of day tickets (relative)	42.37 %	42.68 %	43.15 %
Paid admissions, per match	42,421	40,693	43,879
of which: season tickets per match	24,448	23,323	24,947
of which: day tickets per match	17,973	17,370	18,932

BUNDESLIGA 2 PAYING SPECTATORS

	2015-16	2016-17	2017-18
Spectators – total	5,819,100	6,597,409	5,346,763
of which: season tickets (total)	3,110,320	3,581,832	2,998,102
proportion of season tickets (relative)	53.45 %	54.30 %	56.07 %
of which day tickets (total)	2,708,780	3,015,577	2,348,661
proportion of day tickets (relative)	46.55 %	45.70 %	43.93 %
Paid admissions, per match	19,017	21,560	17,473
of which: season tickets per match	10,164	11,705	9,798
of which: day tickets per match	8,853	9,855	7,675

LICENSED FOOTBALL PAYING SPECTATORS

	2015-16	2016-17	2017-18
Spectators – total	18,799,915	19,049,362	18,773,618
of which: season tickets (total)	10,591,442	10,718,704	10,631,755
proportion of season tickets (relative)	56.34 %	56.27 %	56.63 %
of which day tickets (total)	8,208,473	8,330,658	8,141,869
proportion of day tickets (relative)	43.66 %	43.73 %	43.37 %

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AND BUNDESLIGA 2



OFFICIAL LICENSED PARTNERS OF THE
BUNDESLIGA AND BUNDESLIGA 2



KEY INDICATORS AT A GLANCE COMPARING THE 2016-17 AND 2017-18 SEASONS

BUNDESLIGA

Total result	2016-17	2017-18	Number of clubs	2016-17	2017-18
after taxes in € 000's	149,813	101,689	with a positive result		
EBITDA in € 000's	727,110	801,648	after taxes	16	13

BALANCE SHEET DATA					
Assets in € 000's	30 June 2017	30 June 2018	Equity and liabilities in € 000's	30 June 2017	30 June 2018
Player assets	947,442	1,193,393	Equity	1,311,106	1,604,670
Tangible fixed assets	987,991	1,127,335	Liabilities	1,417,502	1,535,328
Total	3,207,212	3,721,440	Total	3,207,212	3,721,440

Equity ratio	as at 30 June 2017: 40.9%	as at 30 June 2018: 43.1%
--------------	---------------------------	----------------------------------

Revenue in € 000's	2016-17	2017-18	Expenditure in € 000's	2016-17	2017-18
Match revenue	503,829	538,430	Payroll costs for match operations	1,184,637	1,317,801
Contribution to total revenue	14.93%	14.12%	Contribution to total expenditure	36.73%	35.50%
Advertising	853,974	871,666	Commercial/administrative staff	211,225	260,278
Contribution to total revenue	25.30%	22.86%	Contribution to total expenditure	6.55%	7.01%
Media revenue	960,564	1,247,892	Transfers	672,760	839,018
Contribution to total revenue	28.46%	32.72%	Contribution to total expenditure	20.86%	22.60%
Transfers	581,721	645,502	Match operations	380,628	420,323
Contribution to total revenue	17.24%	16.93%	Contribution to total expenditure	11.80%	11.32%
Merchandising	191,840	183,376	Youth, amateurs, academies	121,725	140,838
Contribution to total revenue	5.68%	4.81%	Contribution to total expenditure	3.77%	3.79%
Other takings	283,065	326,619	Other expenditure	654,209	733,540
Contribution to total revenue	8.39%	8.56%	Contribution to total expenditure	20.29%	19.76%
Total	3,374,993	3,813,486	Total	3,225,180	3,711,797

Ratio of payroll costs to total revenue	2016-17	2017-18
Match operations	1,184,637	1,317,801
Ratio I	35.1%	34.6%
Match operations and commercial/administrative staff	1,395,862	1,578,079
Ratio II	41.4%	41.4%

LICENSED FOOTBALL

Revenue in € 000's	2016-17	2017-18
Bundesliga	3,374,993	3,813,486
Contribution to total revenue	84.16%	86.24%
Bundesliga 2	635,219	608,390
Contribution to total revenue	15.84%	13.76%
Total	4,010,212	4,421,876

Taxes and duties	2016-17	2017-18
Bundesliga	965,511,449	1,090,817,552
Bundesliga 2	202,829,473	190,204,449
Licensed football	1,168,340,922	1,281,022,001

Staff	2016-17	2017-18
Bundesliga	35,114	38,056
Bundesliga 2	19,161	17,086
Licensed football	54,275	55,142

Spectators in the stadium	2016-17	2017-18
Bundesliga	12,451,953	13,426,855
Bundesliga 2	6,597,409	5,346,763
Licensed football	19,049,362	18,773,618

Expenditure in € 000's	2016-17	2017-18
Bundesliga	3,225,180	3,711,797
Contribution to total expenditure	82.68%	86.45%
Bundesliga 2	675,821	581,694
Contribution to total expenditure	17.32%	13.55%
Total	3,901,001	4,293,491

COMPOSITION OF THE LEAGUES 2017-18

Bundesliga FC Augsburg, Hertha BSC, SV Werder Bremen, Borussia Dortmund, Eintracht Frankfurt, Sport-Club Freiburg, Hamburger SV, Hannover 96, TSG 1899 Hoffenheim, 1. FC Köln, RB Leipzig, Bayer 04 Leverkusen, 1. FSV Mainz 05, Borussia Mönchengladbach, FC Bayern München, FC Schalke 04, VfB Stuttgart, VfL Wolfsburg

Bundesliga 2 FC Erzgebirge Aue, 1. FC Union Berlin, DSC Arminia Bielefeld, VfL Bochum 1848, Eintracht Braunschweig, SV Darmstadt 98, SG Dynamo Dresden, MSV Duisburg, Fortuna Düsseldorf, SpVgg Greuther Fürth, 1. FC Heidenheim 1846, FC Ingolstadt 04, 1. FC Kaiserslautern, Holstein Kiel, 1. FC Nürnberg, FC St. Pauli, SSV Jahn Regensburg, SV Sandhausen

Total result	2016-17	2017-18
after taxes in € 000's	-40,602	26,696
EBITDA in € 000's	37,098	83,088

Number of clubs	2016-17	2017-18
with a positive result after taxes	9	15

BALANCE SHEET DATA					
Assets in € 000's	30 June 2017	30 June 2018	Equity and liabilities in € 000's	30 June 2017	30 June 2018
Player assets	46,292	27,023	Equity	15,541	69,754
Tangible fixed assets	232,925	177,653	Liabilities	332,763	253,989
Total	494,302	420,524	Total	494,302	420,524

Equity ratio	as at 30 June 2017: 3.1 %	as at 30 June 2018: 16.6 %
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Revenue in € 000's	2016-17	2017-18
Match revenue	125,303	97,369
Contribution to total revenue	19.73 %	16.00 %
Advertising	135,727	131,048
Contribution to total revenue	21.37 %	21.54 %
Media revenue	160,641	208,198
Contribution to total revenue	25.29 %	34.22 %
Transfers	66,938	73,034
Contribution to total revenue	10.54 %	12.00 %
Merchandising	30,279	25,309
Contribution to total revenue	4.77 %	4.16 %
Other takings	116,331	73,432
Contribution to total revenue	18.31 %	12.07 %
Total	635,219	608,390

Expenditure in € 000's	2016-17	2017-18
Payroll costs for match operations	220,404	191,557
Contribution to total expenditure	32.61 %	32.93 %
Commercial/administrative staff	60,540	49,680
Contribution to total expenditure	8.96 %	8.54 %
Transfers	63,558	42,672
Contribution to total expenditure	9.40 %	7.34 %
Match operations	114,379	111,474
Contribution to total expenditure	16.92 %	19.16 %
Youth, amateurs, academies	41,681	36,284
Contribution to total expenditure	6.17 %	6.24 %
Other expenditure	175,259	150,027
Contribution to total expenditure	25.94 %	25.79 %
Total	675,821	581,694

Ratio of payroll costs to total revenue	2016-17	2017-18
Match operations	220,404	191,557
Ratio I	34.7 %	31.5 %
Match operations and commercial/administrative staff	280,944	241,237
Ratio II	44.2 %	39.7 %



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