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Fan power Football Money League



The top 20 Money
League clubs generated
combined revenues
of €4.4 billion in
2010/11, over a
quarter of the European
football market

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Welcome

Welcome to the 15th edition of the Deloitte Football Money League, in which we profile the highest earning clubs in the world's most popular sport. Published nine months after the end of the 2010/11 season, the Money League is the most contemporary and reliable analysis of clubs' relative financial performance.

Whilst there are a number of non-financial methods that can be used to determine a club's relative size – including measures of attendance, fanbase, broadcast audience, or on-pitch success – we focus on clubs' ability to generate revenue from day to day football operations. We therefore rank clubs based on the money coming in. We do not consider a club's budget for outgoings, what someone might pay to buy or invest in a club or owner wealth.

Strength in numbers

The top 20 clubs generated combined revenues of over €4.4 billion in 2010/11, which is the focus of this edition, a 3% increase on the previous year. This represents over a quarter of the total revenues of the European football market.

Continued growth in revenues of the top 20 emphasises the strength of football's top clubs in these tough economic times. Whilst clubs have undoubtedly had to adjust their approach in certain areas, the large and loyal supporter bases, ability to drive strong broadcast audiences and continuing attraction to corporate partners has made them relatively resistant to the economic downturn.

Whilst, in their home currency, seven of the top 20 clubs experienced a drop in revenue, this was mostly due to less successful on-pitch performance, particularly in European competition, and the resulting decreases in central distributions and matchday revenues rather than wider recessionary impacts. Nine of the 20 clubs enjoyed double digit percentage revenue growth in 2010/11.

The huge fan interest in both domestic and international markets underpin the brand strength of football's very top clubs and means there is limited movement in positions at the top of the Money League. For the fourth successive year, the clubs comprising the top six remain the same with no movement amongst these six for the last three years.

El clásico

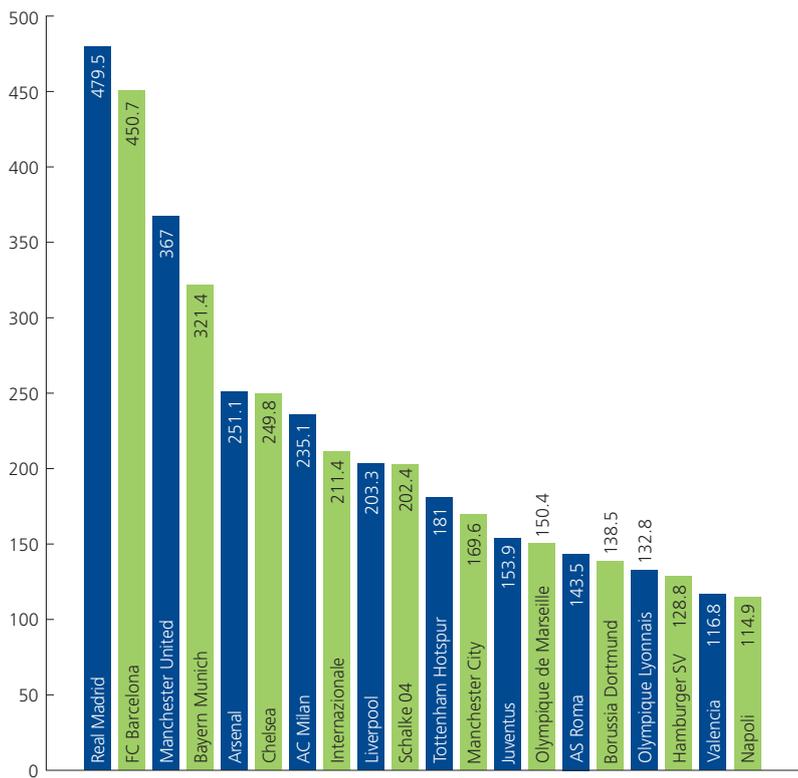
Real Madrid top the Money League for the seventh successive year with an impressive €41m (9%) revenue growth to €480m in 2010/11. One more year in top position will match the dominance of Manchester United during the first eight years of the Money League. A phenomenal achievement.

FC Barcelona retain second place, maintaining a Spanish one-two for the third successive year, with a €53m (13%) growth driving revenues beyond €450m. Nonetheless they remain €29m behind their arch rivals.

The full impact of Barca's shirt sponsorship deal with the Qatar Foundation worth an average of €30m a season and US\$5m (€3.5m) prize money gained from winning the FIFA Club World Cup will boost the club's revenue in 2011/12. This may allow it to narrow, or even bridge, the gap to Real. However, relative on-pitch performance particularly in the Champions League, may determine next year's top two Money League placings.

In any case, both clubs are closing in on revenues of €500m and are likely to pass this threshold within the next few years. Each club's annual revenues have grown by almost €200m compared with five years before, a remarkable achievement.

Total revenues 2010/11 (€m)



Source: Deloitte analysis.

Euro boost

As a result of the club's run to the semi-final of the UEFA Champions League German club Schalke 04 is this year's biggest climber, jumping six places and breaking into the Money League top ten for the first time. Not since our very first edition covering the 1996/97 season has another German club, Borussia Dortmund, joined Bayern Munich in the top ten.

Schalke push Italian giants Juventus out of the top ten. Aside from Schalke, the other nine clubs in the top ten have maintained a position in the top half of the Money League for each of the last eight years.

The German club's strong Champions League performance means Tottenham just miss out on a top ten position despite achieving the second highest rate of revenue growth amongst Money League clubs – 36% (£44m) – following its first participation in the Champions League.

Schalke's run in the Champions League resulted in the club reaching the Money League top ten

The emergence of Manchester City within European club football's elite, supported by heavy investment from the club's Abu Dhabi based owners, and participation in the Champions League in 2011/12 means that the club looks set to break into the top ten from next year, at the expense of Schalke who missed out on Champions League qualification in 2011/12.

Emerging forces

There are three new entrants in the top 20 with Borussia Dortmund, Valencia and Napoli replacing Atlético de Madrid, VfB Stuttgart and Aston Villa.

Dortmund's resurgent on-pitch form, which resulted in Die Borussen lifting the Bundesliga, provided a €33m (£30m) increase in revenue, allowing the club to return to the Money League after a one year absence. Indeed, French champions Lille is the only club of the 'big five' domestic league title winners in 2010/11 not to gain a place in the Money League.

Valencia return to the Money League after a three year absence as a result of participation in the Champions League. Italian club Napoli's third place finish in Serie A, its highest finishing position since the Diego Maradona inspired team won the Scudetto in 1989/90, means it gains a Money League placing for the first time.

Champions League participation in 2011/12 for both Dortmund and the Neapolitans will result in these two famous clubs achieving further revenue growth and as a result they should climb up next year's Money League.

The revenue advantage that Real and Barca enjoy over their European peers indicates that a more even distribution of La Liga broadcast revenues would not necessarily challenge the two clubs' dominance at the top of the Money League

Famous five

Once again, our top 20 comprises clubs from the 'big five' European leagues in England (six clubs), Italy (five), Germany (four), Spain (three) and France (two).

The population and economic size of these five countries coupled with the popularity of football, match attendances and broadcast audiences, provides the platform for the biggest clubs in these markets to dominate the Money League.

Portuguese club Benfica is the highest placed club from a non 'big five' league and miss out on a top 20 place by c.€12m. A strong supporter base, excellent facilities at the Estadio da Luz and, participation in the Champions League allowed the club to generate just over €102m in revenues in 2010/11.

Competing in Europe

Participation in European competition remains important not only in gaining a top 20 position but also in terms of movement within the top 20. Six of the top 20 clubs did not participate in the Champions League – Liverpool, Manchester City, Juventus, Dortmund, Hamburger SV, and Napoli. Of these, only Hamburg didn't participate in either UEFA competition.

The revenues that European club competition participation delivers on a matchday and through central UEFA distributions are an important component of most Money League clubs' revenue profiles.

From 2012/13, four German clubs will qualify for the Champions League compared with three clubs from Italy, a reversal of the current situation. Five clubs from Italy, and four from Germany, appear in this year's Money League. This change in allocation could potentially shift the balance of clubs from the two countries within the top 20 in future editions.

Bridging the divisions

Real Madrid and Barcelona will head the list and contest the top two Money League positions for the foreseeable future. Manchester United's disappointing Champions League performance in 2011/12 means it is unlikely to close the €84m gap to the Spanish clubs. The gulf may widen to over €100m next year.

Spanish clubs are currently negotiating a collective model for the distribution of La Liga broadcast revenues, potentially from 2015/16. The revenue advantage that Real and Barca enjoy over their European peers indicates that a more even distribution of La Liga broadcast revenues would not necessarily challenge the two clubs' dominance at the top of the Money League.

We are starting to see widening gaps between clubs at the top of the Money League. In addition to the €84m gap between second placed Barcelona and third placed Manchester United, there is a €70m gap between fourth placed Bayern and fifth placed Arsenal. These are unlikely to be bridged in the short term unless a club fails to qualify for the Champions League.

Clubs immediately below the Money League top 20

Club	Reported revenue €m
Benfica	102.5
Atlético de Madrid	99.9
Werder Bremen	99.7
Aston Villa	99.3
Newcastle United	98.0
Ajax	97.1
VfB Stuttgart	95.5
Everton	90.8
West Ham United	89.1
Sunderland	87.9

The clubs placed from sixth to tenth have revenues between €200m and €250m with a €20m gap to 11th placed Tottenham, although it is possible to break into the top ten as Schalke has proved this year and Manchester City is likely to do in next year's edition.

Two of this year's new entries – Borussia Dortmund and Napoli – will enjoy revenue boosts from participation in the Champions League in 2011/12 whilst the other new entry, Valencia, has again participated in the competition. As a consequence it is possible that the 20 clubs comprising the Money League could remain the same in next year's edition, the first time this has happened since we started our Money League analysis in 1996/97. However Benfica may break the 'big five' country stranglehold on the Money League should it progress in the knock-out stages of the Champions League, although there remains at least a €10m gap to bridge.

Getting the house in order

Whilst the Money League covers clubs' revenue performance, there is an increasing focus within European football on achieving more sustainable levels of expenditure given UEFA's financial fair play break-even requirement.

Some commentators may argue that regulating clubs' expenditure relative to revenue may further concentrate on-pitch success amongst those clubs earning the most. Nonetheless, we believe disciplined and responsible

Participation in European competition remains crucially important not only in gaining a top 20 position but also in terms of movement within the top 20



governance structures and financial management within European football, whilst providing the platform for investment in facilities and youth development, should only be encouraged.

Of course, generating the highest revenues does not guarantee on-pitch success. Only two of the highest revenue generating clubs in the 'big five' leagues won their respective domestic leagues in 2010/11 and only two of the five leagues saw the clubs with the highest overall wage costs lift the domestic crown.

This edition

In this year's edition we supplement our usual profiles of the top 20 clubs with a feature article on UEFA's Europa League and an insight into the clubs and leagues in emerging football markets in Brazil, Eastern Europe, China and the USA.

The Deloitte Football Money League was compiled by Dan Jones, Austin Houlihan, Richard Battle, Tim Bridge, Adam Bull, Chris Hanson, Richard Taylor and Alexander Thorpe. Our thanks go to all those who have assisted us, inside and outside the Deloitte international network. We hope you enjoy this edition.

Dan Jones, Partner
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How we did it

We have used the figure for total revenue extracted from the annual financial statements of the company or group in respect of each club, or other direct sources, for the 2010/11 season.

Revenue excludes player transfer fees, VAT and other sales related taxes. In a few cases we have made adjustments to total revenue figures to enable, in our view, a more meaningful comparison of the football business on a club by club basis. For instance, where information was available to us, significant non-football activities or capital transactions have been excluded from revenue.

Each club's financial information has been prepared on the basis of national accounting practice or International Financial Reporting Standards ("IFRS"). The financial results of some clubs have changed, or may in future change, due to the change in the basis of accounting practice. In some cases these changes may be significant.

Based on the information made available to us in respect of each club, to the extent possible, we have split revenue into three categories – being revenue derived from matchday, broadcast and commercial sources. Clubs are not wholly consistent with each other in the way they classify revenue. In some cases we have made reclassification adjustments to the disclosed figures to enable, in our view, a more meaningful comparison of the financial results.

Matchday revenue is largely derived from gate receipts (including season tickets and memberships). Broadcast revenue includes revenue from both domestic and international competitions. Commercial revenue includes sponsorship and merchandising revenues. For a more detailed analysis of the comparability of revenue generation between clubs, it would be necessary to obtain information not otherwise publicly available. Some differences between clubs, or over time, may arise due to different commercial arrangements and how the transactions are recorded in the financial statements, due to different financial reporting perimeters in respect of a club, and/or due to different ways in which accounting practice is applied such that the same type of transaction might be recorded in different ways.

Revenue excludes player transfer fees, VAT and other sales related taxes. In a few cases we have made adjustments to total revenue figures to enable, in our view, a more meaningful comparison

The publication contains a variety of information derived from publicly available or other direct sources, other than financial statements.

We have not performed any verification work or audited any of the information contained in the financial statements or other sources in respect of each club for the purpose of this publication.

For the purpose of the international comparisons, all figures for the 2010/11 season have been translated at 30 June 2011 exchange rates (£1 = €1.1073). Comparative figures have been extracted from previous editions of the Deloitte Football Money League.

There are many ways of examining the relative wealth or value of football clubs and at Deloitte we have developed models of anticipated future cash flows to help potential investors or sellers do just that. However, for an exercise such as this, there is insufficient public information to do that. Here, in the Deloitte Football Money League, we use revenue as the most easily available and comparable measure of financial wealth.



Ups and downs

2010/11 Revenue (€m)

1	↔	0	Real Madrid	479.5
2	↔	0	FC Barcelona	450.7
3	↔	0	Manchester United	367
4	↔	0	Bayern Munich	321.4
5	↔	0	Arsenal	251.1
6	↔	0	Chelsea	249.8
7	↔	0	AC Milan	235.1
8	↑	1	Internazionale	211.4
9	↓	1	Liverpool	203.3
10	↑	6	Schalke 04	202.4
11	↑	1	Tottenham Hotspur	181
12	↓	1	Manchester City	169.6
13	↓	3	Juventus	153.9
14	↑	1	Olympique de Marseille	150.4
15	↑	3	AS Roma	143.5
16	n/a	new	Borussia Dortmund	138.5
17	↓	3	Olympique Lyonnais	132.8
18	↓	5	Hamburger SV	128.8
19	n/a	new	Valencia	116.8
20	n/a	new	Napoli	114.9

2009/10 Revenue (€m)

1	↔	0	Real Madrid	438.6
2	↔	0	FC Barcelona	398.1
3	↔	0	Manchester United	349.8
4	↔	0	Bayern Munich	323
5	↔	0	Arsenal	274.1
6	↔	0	Chelsea	255.9
7	↑	3	AC Milan	244
8	↓	1	Liverpool	225.3
9	↔	0	Internazionale	224.8
10	↓	2	Juventus	205
11	↑	9	Manchester City	152.8
12	↑	3	Tottenham Hotspur	146.3
13	↓	2	Hamburger SV	146.2
14	↓	1	Olympique Lyonnais	146.1
15	↓	1	Olympique de Marseille	141.1
16	↔	0	Schalke 04	139.8
17	↑	1	Atlético de Madrid	124.5
18	↓	6	AS Roma	122.7
19	n/a	new	VfB Stuttgart	114.8
20	n/a	new	Aston Villa	109.4

■ Position in Football Money League

■ Change on previous year

■ Number of positions changed



1. Real Madrid

€479.5m
(£433m)

2010 Revenue €438.6m (£359.1m)
2010 Position (1)

A €40.9m (9%) increase in revenues to €479.5m (£433m) sees Real Madrid maintain its position at the top of the Money League for the seventh consecutive season. Following the appointment of José Mourinho as manager, the club emerged victorious in the Copa del Rey but again finished runners up in La Liga to their great rivals Barcelona who also knocked Real out of the Champions League at the semi-final stage.

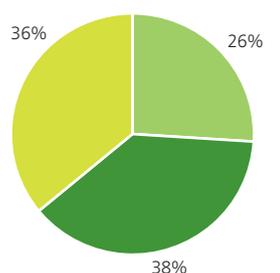
Real has enjoyed phenomenal growth, with annual revenues increasing by almost €200m over the past five years and is closing in on revenues of €500m.

Broadcast revenue increased by €24.8m (16%) to €183.5m (£165.7m) in 2010/11. This increase was driven in large part by a return to form in the UEFA Champions League. Progress to the semi-final stage delivered €39.3m (£35.5m) in UEFA distributions compared with €27.2m in 2009/10. The majority of the club's broadcast revenue is still generated from its broadcast rights contract with Mediapro which runs until 2013/14.

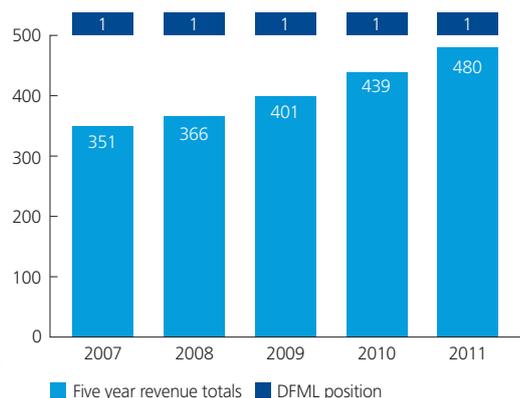
Commercial revenue increased by €21.6m (14%) to a total of €172.4m (£155.7m) in 2010/11, with Real Madrid second only to Bayern Munich in terms of commercial revenue generation. Los Blancos' commercial success continues to be underpinned by

Los Blancos' commercial success continues to be underpinned by strong revenue growth across merchandising, sponsorship and non-matchday activities

Real Madrid: Revenue sources and percentages (€m)



■ Matchday €123.6m (£111.6m)
■ Broadcasting €183.5m (£165.7m)
■ Commercial €172.4m (£155.7m)



strong revenue growth across areas including merchandising, sponsorship and non-matchday activities. The club's shirt front deal with Bwin runs until 2012/13, with Real also generating significant revenue through its continued kit sponsorship with Adidas. The club's commercial revenue looks set to remain strong with Real recently securing a five year partnership with Emirates Airlines from 2011/12.

The club's attendance levels decreased slightly in 2010/11 with an average league match home crowd of 66,261. The club also lost the benefit of the one-off revenue it had received from the hosting of the Champions League final in 2009/10. As a result, despite prolonged European and domestic cup campaigns contributing to an increase in gate receipts, overall matchday revenue in 2010/11 fell by €5.5m (4%) to €123.6m (£111.6m).

Strong revenue growth has kept Real Madrid at the top of this year's Money League. Although Barcelona has narrowed the gap, Real still had a €28.8m revenue advantage in 2010/11. The club hope the arrival of the "Special One" and continued investment in playing staff translates into on-pitch domestic and European success, in order to assist Real in maintaining its long-term supremacy at the top of the Money League.

2. FC Barcelona

€450.7m
(£407m) **2010 Revenue** €398.1m (€325.9m)
2010 Position (2)

FC Barcelona’s recent on-pitch success continued in 2010/11, as the club won the Champions League and La Liga, allowing them to remain in second place in the Money League for a third successive year. This was the second time in three years Barca has won the Champions League and the third consecutive season as La Liga champions. The club also finished runner-up in the Copa del Rey.

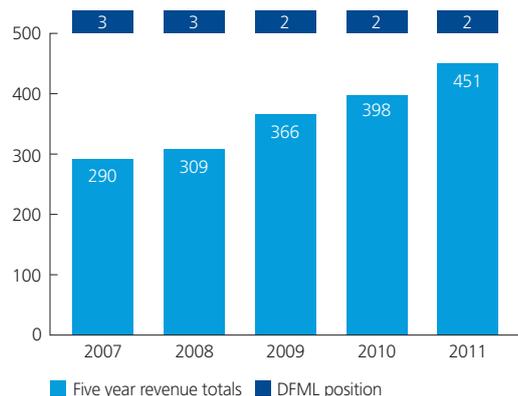
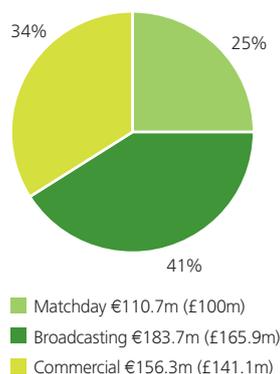
A revenue increase across all three categories, totalling €52.6m (13%), has resulted in Barca extending their lead over third placed Manchester United from €48.3m to €83.7m (£75.6m). They also closed the gap on leaders Real Madrid from €40.5m in 2009/10 to €28.8m (£26m) in 2010/11.

Matchday revenue exceeded €100m for the first time, increasing from €97.8m to €110.7m (£100m) for the 2010/11 season. As well as playing more matches in 2010/11, up from 27 to 29, FC Barcelona’s average home league attendance of 79,186 is the highest in the Money League.

Broadcast revenue also increased, from €178.1m to €183.7m (£165.9m), which maintains Barcelona’s position as the number one Money League club from this source. The upturn can be attributed to an increase in UEFA distributions, with Barcelona receiving €51m as

This was the second time in three years Barca has won the Champions League and the third consecutive season as La Liga champions

FC Barcelona: Revenue sources and percentages (€m)



a result of winning Europe’s top club competition in 2010/11. The club has recently extended its broadcast rights deal with Mediapro by a further year until the end of the 2014/15 season.

Commercial revenue increased significantly from €122.2m in 2009/10 to a club record €156.3m (£141.1m) in 2010/11, boosted by a €15m contribution from the new shirt sponsorship deal with the Qatar Foundation. The agreement was announced mid-season and will be worth an average of €30m per season until the end of the 2015/16 season. The club reports that the other key factors in this increase in commercial revenues were contractual bonuses from winning the Champions League, increased stadium tour visitors (1.5m), and the development of their new Seient Lliure ticket exchange service in Barcelona.

Barcelona will benefit from a full season of the Qatar Foundation agreement, as well as prize money from winning the FIFA Club World Cup, during 2011/12. If, in addition, Barcelona can continue their on-pitch success both in La Liga and the UEFA Champions League, this may allow them to further close the revenue gap on Real Madrid and to challenge them for the top position in the Money League.





3. Manchester United

€367m
(£331.4m) **2010 Revenue** €349.8m (€286.4m)
2010 Position (3)

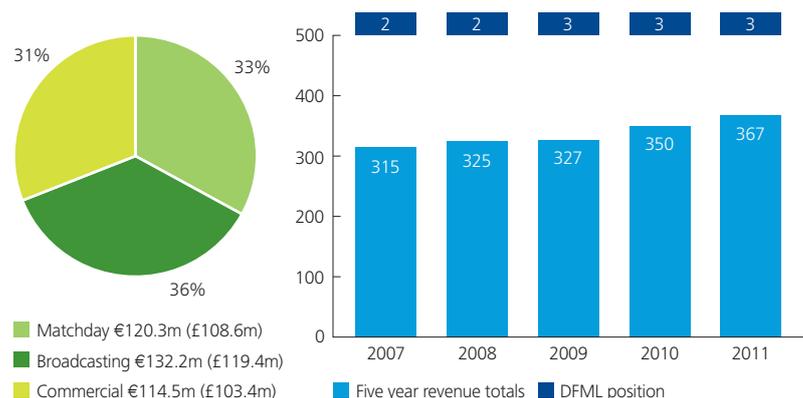
Manchester United's continued success on the pitch contributed to a growth in revenues of €45m (16%) to £331.4m (€367m) in a domestic season which saw the club reach the final of the UEFA Champions League, become English champions for a record 19th time and reach the semi-finals of the FA Cup. The increased revenues helped the club retain third place in the Money League behind the Spanish duopoly of Real Madrid and Barcelona.

A £22m (27%) increase in commercial revenue to £103.4m (€114.5m) was the largest contributor to the club's revenue growth, driven by the four-year shirt sponsorship deal with Aon Corporation, reportedly worth £20m (€22.1m) per season, which began in June 2010. Other contributors to this growth in commercial revenue included contractual increases from the club's alliance with Nike, and new commercial partnerships such as those with Telekom Malaysia and Turkish Airlines.

The club is continuing to use its global brand to attract commercial partners, with new agreements such as the four-year training kit sponsorship with DHL, reportedly worth £40m (€44.3m), set to improve commercial revenues from 2011/12. The partnership with DHL is a first for the club, which will see the company sponsor United's training kit for all domestic matches.

Record revenues helped the club retain third place in the Money League, behind the Spanish duopoly of Real Madrid and Barcelona

Manchester United: Revenue sources and percentages (€m)



The first year of the new collective Premier League broadcast rights deal saw Manchester United earn a record €60.4m (€66.9m) in broadcast payments. This was the principal driver behind the €14.6m (14%) growth in broadcast revenues to £119.4m (€132.2m). The Red Devils' run to the Champions League final generated €53.2m (€48m) in UEFA distributions compared to €46.4m in 2009/10, which also contributed to the growth in broadcast revenue.

An average home league attendance of 75,109, together with an extended run in both the FA Cup and Champions League, helped the club to generate £108.6m (€120.3m) in matchday revenue – an increase of €8.4m (8%) over the 2009/10 season, and the second highest of any Money League club behind Real Madrid. The number of home games rose from 28 to 29, meaning average revenue stood at £3.7m (€4.1m) per home match.

The club's consistent on-pitch success has helped establish it as a continued fixture in the top three of the Money League, yet in recent years a gap has grown between themselves and the Spanish giants Real Madrid and Barcelona, rising again to €83.7m in this year's edition. United's failure to qualify for the 2011/12 Champions League knockout phase will have a detrimental effect on revenues relative to the top two, which may result in this gap increasing to over €100m.

4. Bayern Munich

€321.4m
(£290.3m)

2010 Revenue €323m (£264.5m)
2010 Position (4)

A comparatively disappointing season on the pitch for Bayern Munich was mirrored by a slight decrease in total revenues from €323m to €321.4m (£290.3m) in 2010/11. The club finished third in the Bundesliga and exited the Champions League at the first knockout round, as compared with a domestic double and Champions League final appearance in the previous season. This resulted in Bayern parting ways with manager Louis van Gaal, replacing him with Jupp Heynckes.

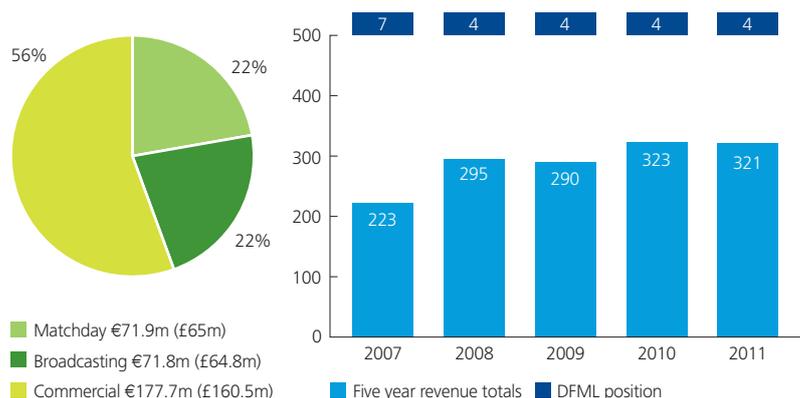
Despite a small drop in revenue, Bayern have maintained fourth position in the Money League, although the gap between the Bavarians and third placed Manchester United has increased from €26.8m to €45.6m (£41.2m).

Bayern's disappointing Champions League campaign contributed to an overall fall in broadcast revenue of €11.6m (14%) to €71.8m (£64.8m). The club's exit at the round of 16 resulted in UEFA distributions totalling €32.6m (£29.4m). This is a decrease of €12.8m on the €45.3m they received for the 2009/10 campaign in which the club reached the final, finishing runner-up to Internazionale.

Despite the Allianz Arena hosting fewer home games in the 2010/11 season, 23 compared with 25 in 2009/10, matchday revenue increased by €5.2m (8%) to €71.9m (£65m). This was due to a combination of higher ticket pricing, more friendly matches and more attractive home opposition in the domestic cup. The club continued to enjoy sell out home attendances of 69,000, for league matches.

Bayern continue to lead the Money League in terms of commercial revenue, with an increase of €4.8m (3%) to €177.7m (£160.5m) in 2010/11. While Real Madrid have narrowed the gap in terms of commercial revenue from €22.1m to €5.3m (£4.8m) in 2010/11, Bayern appear well placed to enjoy continued commercial revenue growth. The Bavarians recently extended its kit sponsorship agreement with Adidas, worth a reported €25m annually, for a further eight years until 2020.

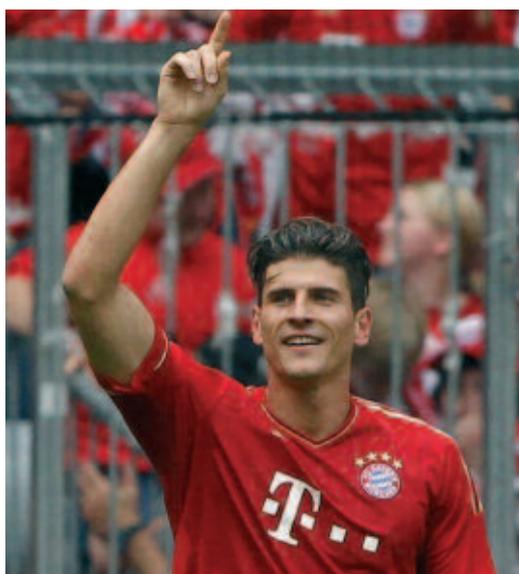
Bayern Munich: Revenue sources and percentages (€m)



The club has complemented this by signing an extension to its premium partner sponsorship with Audi. It has also recently been reported that the club is in talks to secure a partnership agreement with Russian energy company Gazprom, further indicating that commercial revenue looks set to remain strong in coming years.

This commercial strength is a key contributor in allowing the club to pay off the debt associated with the building of the stadium. Club president Uli Hoeness recently commented that Bayern hope to be free of stadium debt in six to seven years.

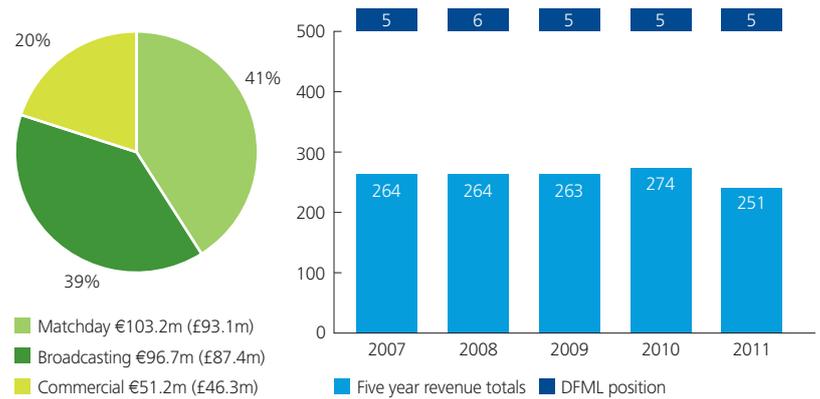
A return to domestic league and cup success, as well as prolonged European campaigns, appears crucial if Bayern are to build on their commercial revenue superiority and mount a challenge to the Money League's top three.



5. Arsenal



Arsenal: Revenue sources and percentages (€m)



€251.1m 2010 Revenue €274.1m (€224.4m)
(£226.8m) 2010 Position (5)

Arsenal narrowly remain in fifth place in this year's Money League after recording revenues of £226.8m (€251.1m) for 2010/11, which in sterling terms, is a £2.4m increase on the £224.4m earned in 2009/10.

Whilst football related revenues remained stable, Arsenal generated a further £30m (€33m) in property development revenue, despite a sharp though anticipated decrease, from the £157m reported in 2009/10. Our analysis focuses on football related revenue only. Although the Gunners reached the League Cup final, this was their sixth consecutive season without winning a major trophy or finishing in the top two of the Premier League.

Arsenal continue to benefit from excellent facilities and full capacity attendances at the Emirates Stadium, with a league match average of 60,025 in 2010/11. However, there were two fewer Champions League fixtures in 2010/11 and, as a result, a small reduction of £0.8m (1%) in matchday revenue from £93.9m to £93.1m (€103.2m). Nonetheless, this still represents the fourth highest amount from this source of all Money League clubs and Arsenal are the only club in the top 20 who accumulated more revenue from matchday than any other source.

Broadcast revenue only increased slightly from £86.5m to £87.4m (€96.7m) in 2010/11 due in part to Arsenal's UEFA distributions reducing from €33.8m to €30m (£27.1m), as a result of only reaching the last 16 of the

Champions League, compared to the quarter-finals the previous season. However, this was wholly offset however by an increase in Premier League distributions and for English clubs, a more beneficial exchange rate from the UEFA distributions.

In contrast to their strength in matchday revenue, commercial revenue only accounted for 20% of Arsenal's total football related revenue. In absolute terms this is over £57m behind the leading English club, Manchester United. The club is bound to its long term (£90m) agreement with Emirates, which runs until 2020/21 for stadium naming rights and 2013/14 for shirt sponsor. Given the financial values of the shirt sponsor deals agreed by some of the other top clubs in the Money League, Arsenal will have a significant opportunity to boost commercial revenue when this deal expires.

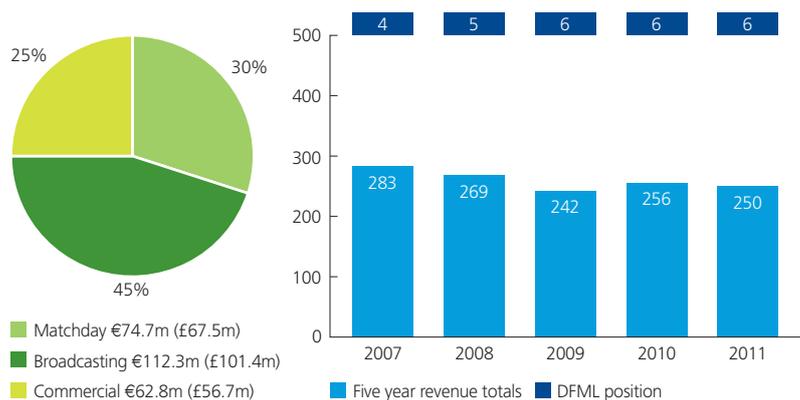
The club is making headway with commercial revenue, growing from £44m in 2009/10 to £46.3m (€51.2m) in 2010/11. Looking ahead to the 2011/12 season, the club have agreed new partnership deals with Indesit, Betsson, Thomas Cook and Carlsberg, as well as a three-year renewal with Citroën, which should all contribute to an increase in commercial revenue in the next edition of Money League.

Arsenal remain committed to a long term vision of a self-sustainable football club built on solid foundations. If the Gunners are to retain their position in the top five of the Money League, they will need to close the gap in commercial revenues with Europe's other top clubs, whilst continuing to qualify for the Champions League.

6. Chelsea



Chelsea: Revenue sources and percentages (€m)



€249.8m (€225.6m)
2010 Revenue €255.9m (€209.5m)
2010 Position (6)

Chelsea remain in sixth position in the Money League with a £16.1m (8%) increase in revenues to £225.6m (€249.8m), closing the gap to fifth placed Arsenal from £14.9m to £1.2m (€1.3m).

A disappointing season on the pitch, compared with the previous year, saw the Blues finish runner-up in the Premier League to Manchester United, who also defeated them in the Champions League quarter finals. FC Porto's Europa League winning coach André Villas-Boas has replaced Carlo Ancelotti as team manager for the 2011/12 season.

Broadcast revenues accounted for almost all of Chelsea's increase, with matchday and commercial revenues similar to the previous year.

Broadcast revenue increased £15.4m (18%) to £101.4m (€112.3m), due to a more successful Champions League campaign delivering increased UEFA distributions and increased Premier League payments. Progression to the Champions League quarter-finals saw distributions increase from €32.6m to €44.5m (€40.2m). The new Premier League broadcast deals saw Chelsea's distribution grow by £4.9m (9%) to £57.7m (€63.9m), despite finishing runner-up in 2010/11 compared to Champions in the previous year.

Matchday revenue increased slightly by £0.3m to £67.5m (€74.7m), with capacity average league home match attendances of 41,435 in 2010/11. Prolonged European and domestic cup campaigns are needed to increase matchday revenue, due to the capacity constraints at Stamford Bridge. Chelsea's average matchday revenue of £2.5m (€2.8m) in 2010/11 is significantly below that of Manchester United, who generated £3.7m (€4.1m) per home match, and Arsenal at £3.3m (€3.7m). With the Blues continuing to be amongst the lower half of Money League clubs in terms of average attendance, the club is currently exploring options to either redevelop Stamford Bridge or move to a new stadium.

Chelsea showed a small increase in commercial revenue of £0.4m (1%) to £56.7m (€62.8m). The club's commercial revenue is underpinned by shirt sponsorship and kit supply deals with Samsung and Adidas respectively. Chelsea complemented their commercial partnership portfolio by signing a six-year deal from 2011/12 with Right to Play, the international humanitarian charity, which will see the charity's logo appear on the Blues' Champions League shirts.

Significantly outperforming Arsenal in the Champions League and Premier League is fundamental to challenging for a top five Money League placing in the short term, whilst a sustained longer term challenge is dependent on addressing its stadium issues in order to drive higher matchday and commercial revenues.

7. AC Milan

€235.1m
(£212.3m)

2010 Revenue €244m (£199.8m)
2010 Position (7)

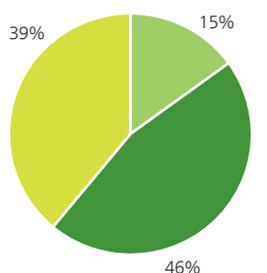
AC Milan is the leading Italian club in the Money League, sitting one place above city rivals Internazionale in seventh place, after achieving revenues of €235.1m (£212.3m) in 2010/11. Milan won the Serie A title in 2010/11 for the 18th time, the first since 2003/04, and reached the Round of 16 in the Champions League for the second successive season, losing to Tottenham.

Broadcast revenue totalled €107.7m (£97.3m) 46% of total revenue. This was underpinned by the central distribution from the new Serie A collective broadcast deals, whilst the club enjoyed a small increase of €1.7m in UEFA distributions to €25.8m (£23.3m). If Milan are to improve on their broadcast revenue in 2011/12, and hence their short term position in the Money League, they will need to go further than the last 16 of the Champions League, the stage at which they have been eliminated in both 2009/10 and 2010/11.

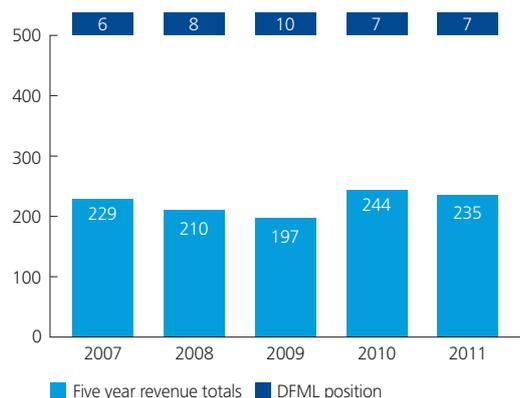
Matchday revenue increased to €35.6m (£32.1m) even though the club played the same number of home matches (25) as the previous season. The Scudetto



AC Milan: Revenue sources and percentages (€m)



■ Matchday €35.6m (£32.1m)
■ Broadcasting €107.7m (£97.3m)
■ Commercial €91.8m (£82.9m)



winning season drove a 10,800 increase in average home league match attendance to 53,600. Nonetheless, apart from Inter, AC Milan has the lowest matchday revenue of any club in the Money League top ten. Compared with the clubs above it in the Money League, the Rossoneri have less than half the matchday revenue of Chelsea and Bayern, and between €67m and €88m less than that of the other four clubs.

Commercial revenue also improved significantly in 2010/11 to €91.8m (£82.9m). This was driven by the first season of a shirt sponsorship deal with Emirates, worth a reported €12m per season, as well as several new partnership deals including those with Audi, Dolce&Gabbana, MSC Crociere and Taci Oil.

AC Milan remain comfortably in the top ten of the Money League, something that is unlikely to change in 2011/12. However, if the Rossoneri are to maintain or improve upon this position in the longer-term, addressing stadium issues in order to provide the platform for matchday and commercial revenue growth is crucial.

8. Internazionale

€211.4m
(£190.9m) **2010 Revenue** €224.8m (£184.1m)
2010 Position (9)

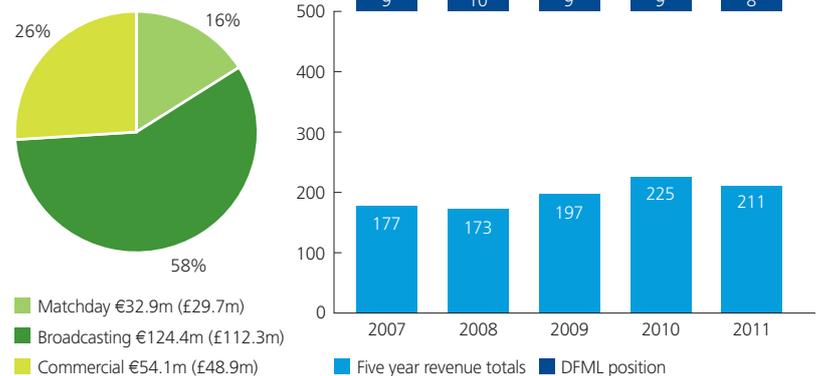
Internazionale leapfrog Liverpool to claim eighth position in this year's Money League. Despite winning the FIFA Club World Cup, the Coppa Italia and reaching the quarter-finals of the UEFA Champions League, Internazionale's revenues declined by €13.4m (6%) to €211.4m (£190.9m). Given the club's on-pitch success in 2009/10 and the adoption of the collective selling of broadcast rights in Italy in 2010/11, generating revenues similar to the prior year was always going to be a challenge. Inter finished runner-up to their city rivals AC Milan in Serie A and are also one place (€24.5m) below them in the Money League.

Broadcast revenue fell €13.5m (10%) to €124.4m (£112.3m). Like their city rivals and Juventus, Inter suffered financially as a result of the introduction of collective selling arrangements for broadcast rights in Serie A. Broadcast revenue contributed the second highest relative proportion of total revenue (58%) of any Money League club behind AS Roma (64%). The Nerazzurri's run to the quarter-finals of the Champions League saw them receive €38m (£34.3m) in central distributions from UEFA, down from the €49.2m earned in 2009/10.

Despite average home league attendance levels of 52,788, matchday revenue decreased by €5.7m (15%) to €32.9m (£29.7m), equivalent to €1.3m (£1.2m) per home match. Matchday revenue accounted for 16% of Inter's total, far below the club's European rivals – a weakness shared by each of the Italian Money League clubs. Since Italy's 2016 UEFA Euro bid was unsuccessful, no imminent plans have been announced to redevelop the San Siro, which may limit the ability of the club to grow matchday and commercial revenues in the immediate future.

Commercial revenue increased by €5.8m (12%) to €54.1m (£48.9m), as the club announced they would adopt a new sponsorship strategy which will reportedly see the number of commercial partners reduced from 60 to 25. The club's long-term agreements with Nike (as kit supplier) and Pirelli (shirt sponsor) generated revenues of c.€12m (£11m) each.

Internazionale: Revenue sources and percentages (€m)



With broadcast revenue representing 58% of Inter's 2010/11 revenue, the challenge for the Nerazzurri, along with the other Italian Money League clubs, is to increase revenue from other sources to avoid being left behind by the European competition. In addition, the reduction in Champions League places available to Italian clubs from 2012/13 means that success in Serie A is of utmost importance to remain in contention for the Money League top ten.

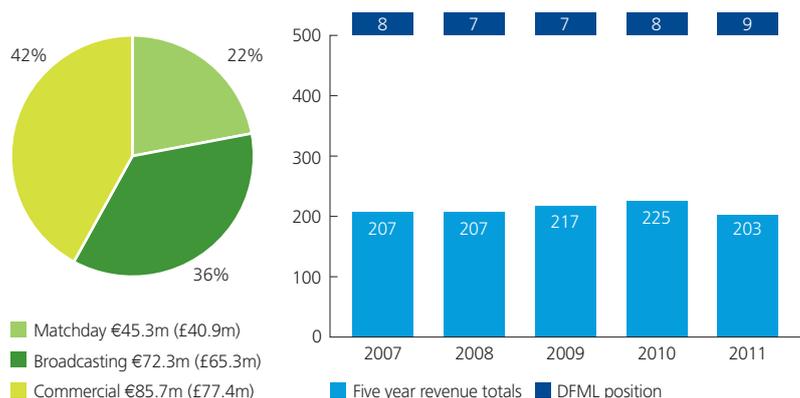
The challenge for the Nerazzurri, is to increase revenue from other sources to avoid being left behind by the competition



9. Liverpool



Liverpool: Revenue sources and percentages (€m)



€203.3m (€183.6m) **2010 Revenue** €225.3m (€184.5m) **2010 Position** (8)

Liverpool continue to slip down the Money League, dropping one place to ninth position, after the club experienced its first season without Champions League football since 2003/04. They are the only top ten Money League club that did not compete in Europe's top club competition in 2010/11.

The club's overall revenues fell slightly in sterling terms, although reductions in both matchday and broadcast revenue were almost completely offset by a £15.3m (25%) increase in commercial revenue to £77.4m (€85.7m).

Driving the commercial revenue increase was the new four-year shirt sponsorship deal with Standard Chartered Bank, one of the largest in European football at a reported £20m (€22m) per season, and an estimated £12.5m annual increase on the previous shirt deal with Carlsberg. This allowed Liverpool to strengthen its position as the second highest earning English club, behind Manchester United, from this source.

Liverpool will further increase its commercial revenues from 2012/13, with a new six-year kit deal with Warrior Sports, worth a reported £25m per year, replacing its current deal with Adidas.

Matchday revenue decreased by £2m (5%) to £40.9m (€45.3m) in 2010/11, despite the fact Liverpool played the same number of games at Anfield (27) as in the

previous two seasons. The principal factor in this was the replacement of three Champions League matches with the same number of Europa League fixtures, which attracted lower attendances at reduced ticket prices.

Broadcast revenue experienced a significant drop of £14.2m (18%) to £65.3m (€72.3m), mainly due to a substantial reduction in distributions from UEFA of €26.3m to €6.1m (€5.5m). A further fall is likely in 2011/12 as the club failed to qualify for a European competition for the first time in more than a decade. The reduction in UEFA distributions in 2010/11 was partly offset by an increase in Premier League distribution payments, which, following the improved central deals, which resulted in Liverpool's distribution increasing from £48m to £55.2m (€61.1m).

Liverpool's owners, New England Sports Ventures, have invested in the playing squad since they acquired the club in October 2010 and, in the short-term, will need this to translate to improved on-pitch performance and qualification for the Champions League if it is to halt its slide down the Money League. The club needs European football each year to maintain its status in the Money League top ten in future editions. In the medium to longer term, the Warrior Sports deal will underpin further commercial revenue growth, whilst formulating a viable plan to either redevelop Anfield or move to a new home is key in driving matchday revenue increases.

10. Schalke 04

€202.4m
(£182.8m) **2010 Revenue** €139.8m (£114.5m)
2010 Position (16)

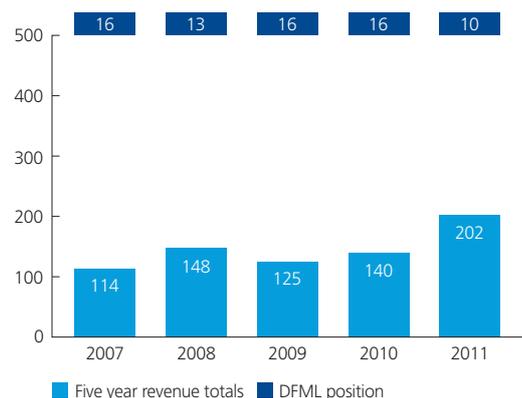
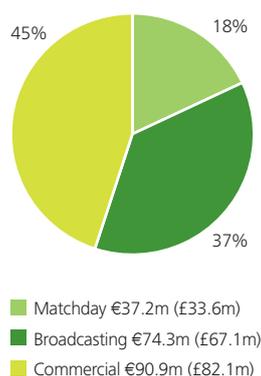
Schalke is the biggest climber in this year's Money League, with total revenues increasing by €62.6m (45%) to €202.4m (£182.8m). This was due to a Champions League campaign that saw the club reach the semi-finals of the competition, beating holders Internazionale along the way. A disappointing 14th place finish in the Bundesliga was in some part offset by the Royal Blues' success in lifting the German Cup, which will provide UEFA Europa League football in 2011/12.

The club's most successful European performance in their history saw them receive €39.8m (£35.9m) in UEFA distributions, helping broadcast revenues more than double, from €35.4m to €74.3m (£67.1m). Failure to secure Champions League qualification for 2011/12 will mean that this spike in broadcast revenue, which contributed 37% of the club's total, will not be repeated and Schalke will drop back out of the top ten in next year's Money League.

The main proportion of Schalke's revenue came from commercial sources (45%), which increased by €11.9m (15%) to €90.9m (£82.1m). This level of commercial revenue, the fifth highest in the Money League, is underpinned by a long-term partnership with sports rights agency Infront Germany. This relationship with Schalke includes the marketing of the stadium for sports and entertainment events, as well as perimeter advertising sales, as part of a long term plan to maximise revenues from the use of the Veltins Arena. The multi-purpose venue has been used to host boxing, biathlon events, ice hockey and concerts.

Matchday revenue grew by €11.8m (46%) to €37.2m (£33.6m). The club once again sold out the 61,673 capacity Veltins Arena for most matches and the run in the Champions League provided an additional six home matches. Average revenue of €1.6m (£1.4m) per match, is still only around half the €3.1m (£2.8m) of Bundesliga rivals Bayern Munich.

Schalke 04: Revenue sources and percentages (€m)



Looking to the future, Schalke have recently extended their partnership with Gazprom for a further five years, reportedly worth c.€75m (£67.7m), through to the 2017/18 season. Coupled with the long-term kit sponsorship deal with Adidas, as well as commercial partners including Volkswagen and Ergo, this should see a sustained level of commercial revenue in future years.

The club's failure to qualify for the Champions League football in 2011/12 means that the club will not be able to maintain their lofty position in the Money League. However, Schalke have made a promising start to the 2011/12 Bundesliga season, and have progressed to the knock-out stage of the Europa League.



Aside from Schalke,
the other nine clubs
in the top ten have
maintained a position
in the top half of the
Money League for each
of the last eight years

A new chapter

For the 2009/10 season onwards, the UEFA Cup was rebranded as the UEFA Europa League. Here we provide a brief guide to this revamped competition, examining how it compares with the Champions League and the opportunity it provides for a wider group of clubs to experience European competition.

Although the trophy for the winners remained the same, the competition format was amended. The group stage was expanded to 12 groups of four teams, rather than eight groups of five teams, with the top two teams from each group joined in the Round of 32 by the eight clubs finishing third in their Champions League group.

Each national association within UEFA is allocated three places in the Europa League (including its qualifying rounds), with the exception of those nations ranked seven to nine (under UEFA's coefficient ranking system),

which have four, nations ranked 52 and 53, which have two, and Liechtenstein which qualifies only the cup winners. An additional place in the first qualifying round is given to the national associations finishing in the top three places of UEFA's Respect Fair Play rankings. These associations are entitled to enter the club which won their domestic top division fair play competition.

Offering European football to a wider group of clubs is part of UEFA's desire to provide the opportunity for more of the 'football family' to take part in UEFA club competitions. To this end, the group stage of the 2011/12 Europa League contained clubs from 24 different nations.

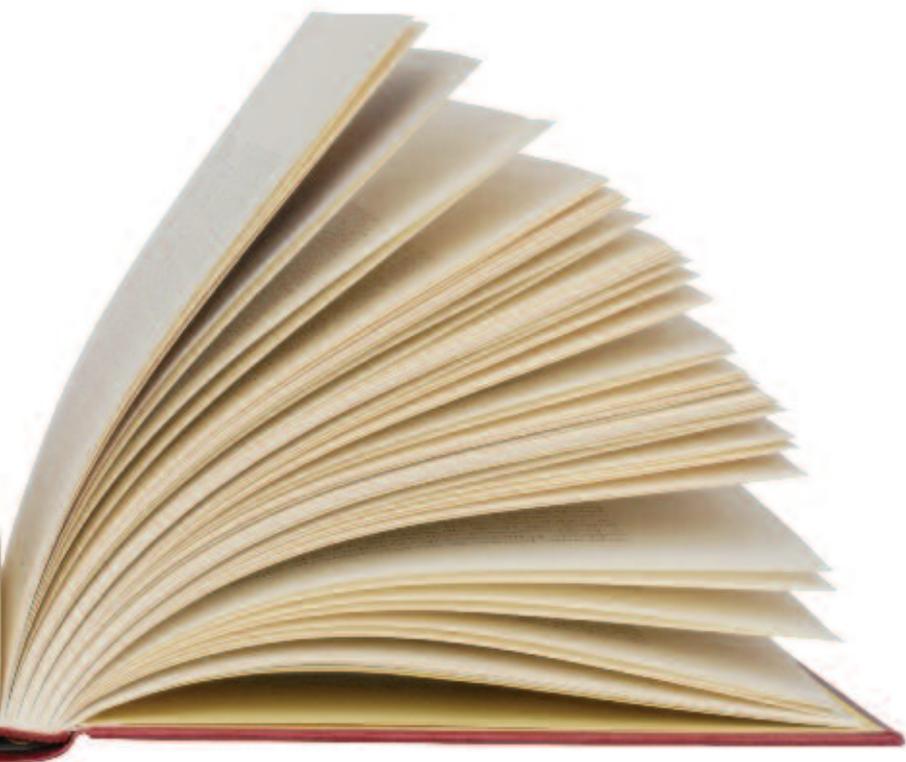
The stage at which clubs enter the competition is determined by the sporting criteria for their qualification, i.e. final league position or domestic cup performance, and their national association's UEFA coefficient ranking. This ranking is based on the performance of the association's clubs in UEFA club competitions over the preceding five years.

Our Mutual Friend

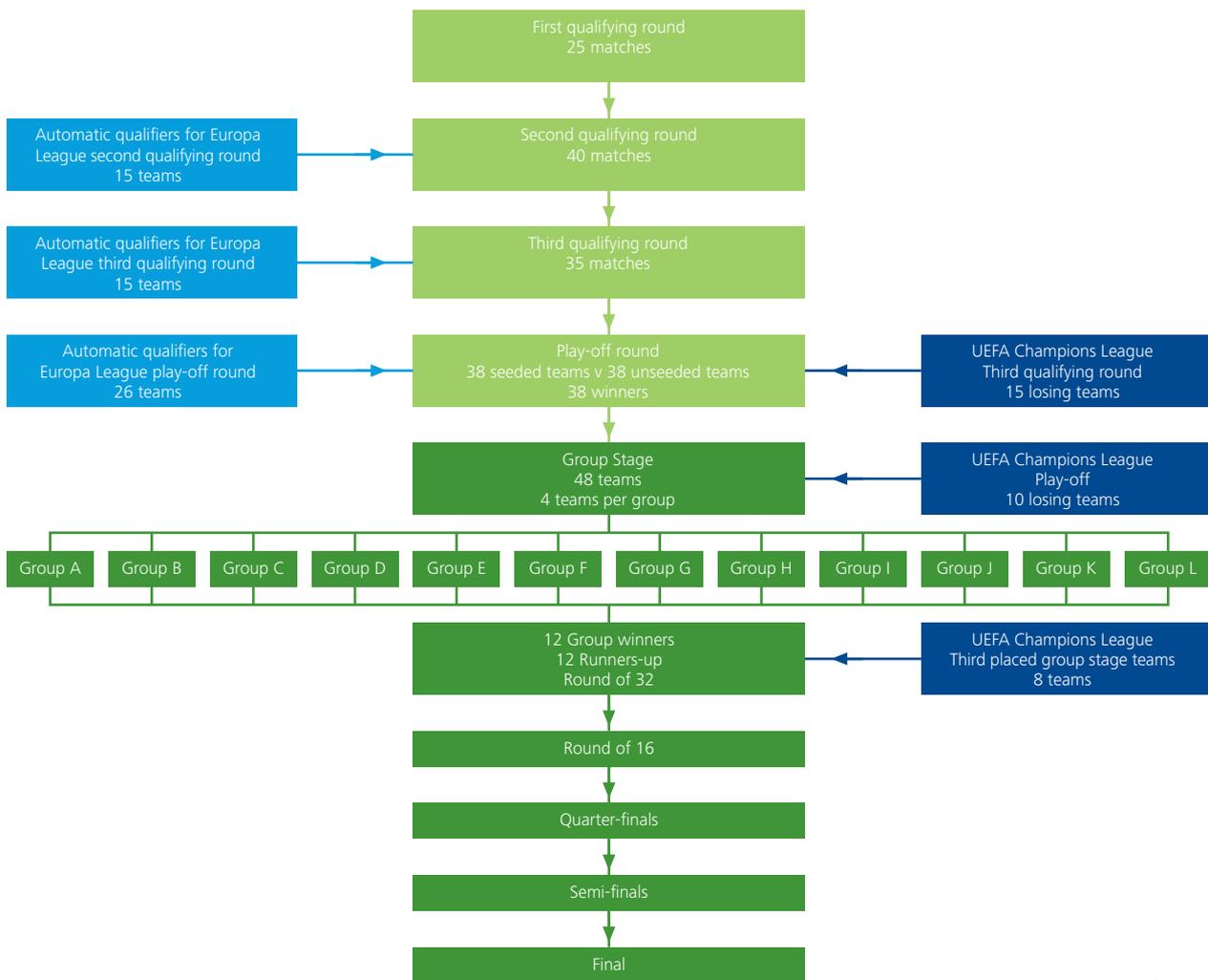
In 2010/11 the Europa League distributed €150m between the 56 clubs reaching at least the group stage of the competition. This is only around a fifth of the €754m distributed across the 32 clubs reaching the Champions League group stage. However, to put this in context, Champions League distributions alone would amount to the sixth highest revenue generating league in Europe.

In fact, the rebranding of the Europa League, including the collective selling of repackaged broadcast rights for more of the competition and the introduction of SEAT as the presenting sponsor, has seen 2010/11 Europa League distributions increase almost fourfold from the €39m distributed in the last season of the UEFA Cup, 2008/09. For that season the distributions to clubs reaching at least the group stage of the UEFA Cup were only 7% of those distributed to clubs reaching the group stage of the Champions League.

For individual clubs, the increased distributions meant that reaching the group stage of the Europa League in 2010/11 was worth at least €1.1m, compared with €0.2m two years earlier in the UEFA Cup.



Europa League format



Source: UEFA; Deloitte analysis.

The distribution mechanism is similar to the Champions League with clubs receiving a mix of fixed (€1m in 2010/11) and performance related income from UEFA, in addition to the market pool distributions. Before the rebranding, clubs only received money from the market pool if they reached the quarter-final of the competition. In the Europa League it is paid to all the clubs qualifying for the group stage. The size of a club's market pool distribution is determined by a variety of factors including the proportional value of the club's national TV market within the overall European total.

In 2010/11, the high value of the Spanish broadcast rights to the competition led to a market pool distribution of €5.9m to Villarreal, a losing semi-finalist, helping them earn €9m in distributions, the highest of any Europa League club. This was €1.2m more than the €7.8m earned by the tournament winners, FC Porto, who received a market pool payment of €1.5m. Similarly, Besiktas, who were beaten in the Round of 32, received the second highest distribution from the competition, €8.5m, largely due to a market pool distribution of €6.6m, reflecting the high value of Turkish broadcast rights.

Hard Times

For clubs entering European competitions infrequently, or even those who regularly competed in the UEFA Cup, the revenue from the Europa League can be significant. However, for those clubs used to playing in the group stage of the Champions League the reduction in revenue is very significant. In 2010/11, MSK Zilina, who finished bottom of their Champions League group losing all six matches and scoring only three goals, received UEFA distributions of €7.4m, the lowest amount of all the clubs reaching the group stage, yet still almost as much as the Europa League winners.

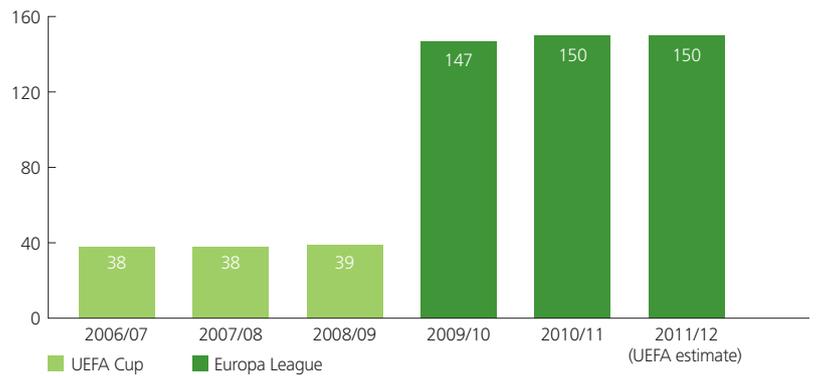
By way of illustration, we estimate the impact on prize money alone, excluding the market pool distribution and group stage payments, on Manchester United after their exit from the 2011/12 Champions League at the group stage.

In 2010/11 the club received €16.1m in UEFA distributions for progressing through the knockout stages to the final of the Champions League. Having entered the 2011/12 Europa League at the Round of 32, if they were to win the final in Bucharest in May 2012, they would receive €4.6m in UEFA distributions from the knockout games. This would be a reduction of €11.5m on the previous year, despite having played a game more.

Matchday revenue may also decrease if a club reduces ticket prices to try and maintain the attendances achieved in the Champions League in a previous year. This may at least partially be offset by the additional home game played in order to reach the Europa League final. There may also be a reduction in commercial revenue as it is common for clubs to have performance related payments built into their commercial contracts, such that progress in the Champions League generates more revenue than reaching the same stage of the Europa League.

Nonetheless, although not as lucrative as the Champions League, the Europa League does provide the eight Champions League clubs finishing third in their group the opportunity to win a European trophy and to earn further revenue after their Champions League exit. In 2010/11 a total of €11.6m was distributed by UEFA to those clubs entering the Europa League from the Champions League, with losing finalists Braga earning

UEFA Cup/Europa League distributions to clubs – 2006/07 to 2011/12 (£m)



Source: UEFA.

€4.5m from Europa League distributions. If an English club reached the Europa League final they would receive more than this as the market pool distribution is worth more to English clubs because of the higher value of the broadcast rights in England compared with Portugal.

Great Expectations

Some clubs, particularly those in the highest revenue generating leagues, point out the difficulty in balancing progression in the Europa League with the demands of other competitions, which often provides clubs with contrasting priorities, especially if the distributions from domestic leagues are substantial. For example, finishing a place higher at the end of the Premier League season is worth c.£0.8m.



Clubs pushing to enter the Champions League or those fighting to avoid relegation from the Premier League have to assess the value of achieving such aims alongside the value of progression in the Europa League.

This pressure of managing resources is often greater for those clubs competing in the Europa League all season as they usually have less strength in depth in their playing squads compared with the top clubs in the Champions League.

Fulham played 19 matches in their run to the Europa League final in 2009/10, effectively another half season in the Premier League with increased travel, and had they reached the same stage in 2011/12, when they entered the competition in June through a fair play place, they would have played 23 matches.

Nevertheless, the Europa League does provide much needed revenue for many clubs at a time when clubs' finances are being scrutinised more than ever before. In 2009/10 Fulham's run to the Europa League final, where they ultimately lost in extra time to Atlético de Madrid, generated £12.5m, 16% of the club's revenue for that season.

For many clubs the Europa League gives them the most realistic opportunity to experience European competition, whilst for others it provides a useful chance to establish themselves and gain experience in European football, with the longer term aim of progression in the Champions League.

Stoke City's qualification for the 2011/12 Europa League gave the Potters the opportunity to play in a European competition for the first time in 37 years with manager Tony Pulis stating that it gave Stoke a better chance of attracting bigger name players.

For many clubs the Europa League gives them the most realistic opportunity to experience European competition, whilst for others it provides a useful chance to establish themselves and gain experience in European football

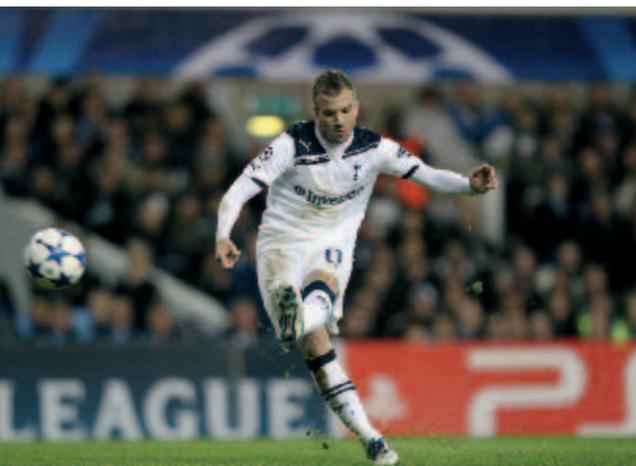
Having won the UEFA Cup in 2007/08 and reached the Round of 16 of the UEFA Cup in 2008/09 and the Europa League in 2010/11, Zenit St Petersburg have gained valuable experience of competing in European competitions. This helped them progress through the 2011/12 Champions League group stage and into the knockout rounds. Similarly, having won the UEFA Cup in 2008/09 and qualified for the knockout stages of the Europa League in 2009/10, Shakhtar Donetsk qualified for the quarter-finals of the 2010/11 Champions League before losing to the eventual winners, FC Barcelona.

The benefits of performing strongly in the Europa League are also apparent for the individuals taking part, not just the clubs involved. The Europa League's 2010/11 winning manager, André Villas-Boas, left Porto for Chelsea in June 2011 becoming the Premier League's youngest manager at the time. His, and the tournament's, top scorer in that season, Radamel Falcao, joined Atlético de Madrid in August 2011 for a reported record transfer fee for a Portuguese club of €40m.

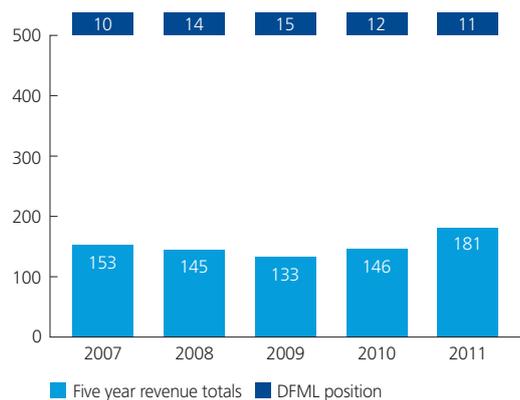
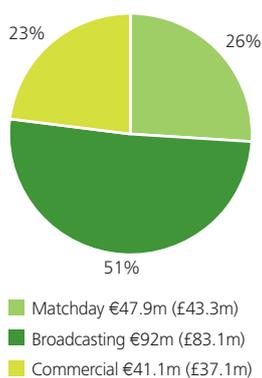
A Tale of Two Cities

The Europa League is unable to offer clubs the revenue available to those competing in the Champions League, but when assessed on its own merit there are many things to admire. The re-branding of the competition has significantly increased the revenue available to the clubs taking part, as well as offering clubs and players from across Europe the opportunity to gain valuable experience of participating in European competition.

11. Tottenham Hotspur



Tottenham Hotspur: Revenue sources and percentages (€m)



€181m
(£163.5m)

2010 Revenue €146.3m (£119.8m)
2010 Position (12)

Tottenham Hotspur have leapfrogged Manchester City into 11th place in the Money League, just short of their highest ever position. Spurs generated record revenues of £163.5m (€181m) which represents a 36% (£43.7m) increase from the 2009/10 season. This is primarily due to the club's inaugural participation in the UEFA Champions League where they reached the quarter-final stages, which helped the club increase all three revenue streams.

The most notable increase was the 61% (£31.6m) growth in broadcast revenue to £83.1m (€92m), including the receipt of €31.1m (£28.1m) in UEFA distributions.

Matchday revenue increased by 18% (£6.5m) to £43.3m (€47.9m). This is largely due to the Champions League campaign and that 27 competitive home matches were played in 2010/11 compared with 24 in 2009/10. It is also testament to the fact that White Hart Lane continued to be sold out for all Premier League matches. However, the club does remain constrained by the relatively small capacity of its stadium. With 36,240 seats, White Hart Lane was only the 10th largest stadium in the Premier League in 2010/11.

Spurs' commercial revenue increased by 18% (£5.6m) to £37.1m (€41.1m) with two shirt sponsorship deals, one for Premier League matches, and another for European and domestic cup competitions. Autonomy and Investec are the sponsors respectively with the deals reportedly

worth a combined £14.5m (€16.1m) per season. The club has announced a new five-year kit deal with Under Armour from 2012/13 which will further boost commercial revenue.

Tottenham's participation in the Champions League provided them with the increased revenue required to move up the Money League in 2010/11 but with no Champions League involvement in 2011/12, we expect them to slip back in our next edition.

Spurs now have planning consent for a new stadium and a significant regeneration project in Tottenham. A glance across North London to Arsenal leaves little doubt that increased matchday revenue opportunities arise from a modern stadium development. This coupled with a continuation of their recent on-pitch form could secure a Money League top ten position on a frequent basis.

The new stadium development coupled with a continuation of their recent on-pitch form could secure a Money League top ten position on a frequent basis

12. Manchester City

€169.6m
(£153.2m) **2010 Revenue** €152.8m (£125.1m)
2010 Position (11)

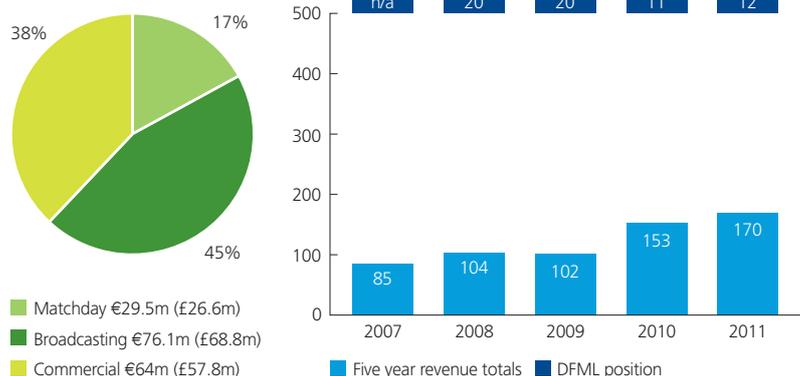
Manchester City achieved a £28.1m (22%) increase in revenues to £153.2m (€169.6m) in 2010/11 yet slipped down one place in the Money League, due to Schalke and Tottenham's performances in the Champions League. On the pitch, City enjoyed its most successful season of the modern era, ending a 35 year wait for a major trophy by winning the FA Cup, reaching the last 16 of the Europa League, and finishing third in the Premier League, thus qualifying for the Champions League.

Commercial revenue increased by £11.1m (24%) to £57.8m (€64m) and now represents 38% of total revenue having tripled over the past two years. A batch of new sponsorship deals commenced from 2010/11, including those with Heineken and Jaguar, to expand the club's portfolio which already includes Etihad Airways, Umbro, Aabar, Abu Dhabi Tourism Authority and Etisalat.

The club has secured a ground breaking new ten-year partnership with Etihad covering shirt sponsorship, stadium naming rights and other commercial opportunities, which will further substantially boost commercial revenues from 2011/12.



Manchester City: Revenue sources and percentages (€m)



City enjoyed its most successful season of the modern era, ending a 35 year wait for a major trophy by winning the FA Cup

Manchester City's broadcasting revenue grew by £14.8m (27%) primarily due to their highest ever finish in the Premier League, but also the successful FA Cup campaign and participation in the Europa League which delivered €6.1m (£5.5m) in UEFA distributions.

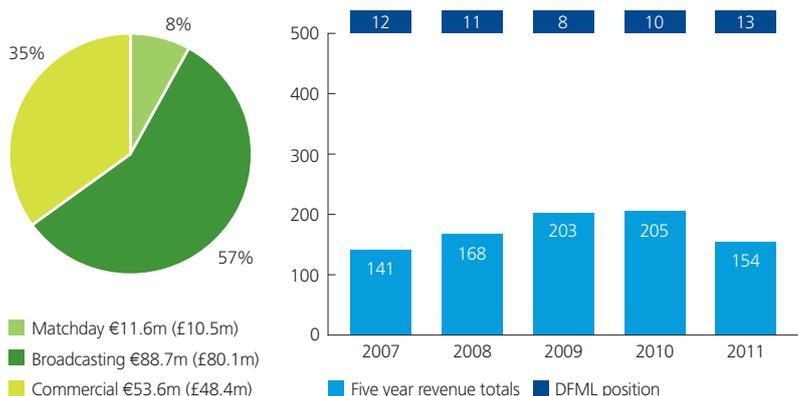
Matchday revenue increased by £2.2m (9%) to £26.6m (€29.5m) primarily due to the 29 games hosted at the Etihad Stadium (compared with 24 games in 2009/10). Over the past two seasons the club has regularly achieved near capacity attendances for league matches, with an average of 45,880 (96% utilisation) in 2010/11.

The club's heavy squad investment has secured Champions League football for 2011/12. This, when combined with the new Etihad arrangement, will provide substantial growth across all three revenue sources, and will see City enter the top ten in the Money League next year.

13. Juventus



Juventus: Revenue sources and percentages (€m)



€153.9m
(£139m) **2010 Revenue** €205m (£167.8m)
2010 Position (10)

A decline in revenues of €51.1m (25%) to €153.9m (£139m) has seen Juventus fall out of the Money League top ten and further behind their Italian rivals Internazionale and AC Milan. Failure to qualify from the group stages of the Europa League meant that the club received €1.8m (£1.6m) in UEFA distributions, a fraction of the €22.6m generated from participation the previous year in the Champions League.

The return to collective selling of Serie A broadcast rights further reduced Juventus' broadcast revenue as it fell by €43.8m (33%) to €88.7m (£80.1m). As with the other Italian clubs, Juventus rely heavily on this source which represented 57% of total revenue in 2010/11. A seventh place finish in Serie A will result in Juventus receiving no UEFA distributions in 2011/12.

Commercial revenue declined by €2m (4%) to €53.6m (£48.4m), despite the re-introduction of a dual shirt sponsorship strategy. Sports betting company BetClic secured the rights to sponsor the Bianconeri's home jersey through to the end of the 2011/12 season and Balocco, the Italian confectioner, acquired the rights to the away jersey for the 2010/11 campaign – a partnership which was subsequently extended until the end the 2011/12 season. The club's commercial partnership with Nike continues to generate at least €12.4m (£11.2m) a season through to 2015/16.

A seventh place finish in Serie A will mean that Juventus will receive no UEFA distributions in 2011/12

Matchday revenue declined by €5.3m (31%) to €11.6m (£10.5m), the lowest value of any of the Money League clubs and equating to an average of €0.5m (£0.4m) per home match. The 2010/11 season marked Juventus' last at the Stadio Olimpico, as the club moved into a privately owned 41,000 capacity stadia for the 2011/12 season.

The 2010/11 campaign was one of significant change for the club, with a substantial overhaul of the playing squad taking place. After failing to qualify for European competition, capitalising on the opportunity to increase matchday and commercial revenues through the new stadium is essential if Juventus is not to fall further behind its historic European peers. The club that was in the top ten in our Money League in each of the first ten years has now sunk to its lowest ever placing.

A continuation of its strong form so far in the 2011/12 Serie A season should help in returning Juventus to a higher placing in future editions of the Money League.

14. Olympique de Marseille

€150.4m
(£135.8m)

2010 Revenue €141.1m (£115.5m)
2010 Position (15)

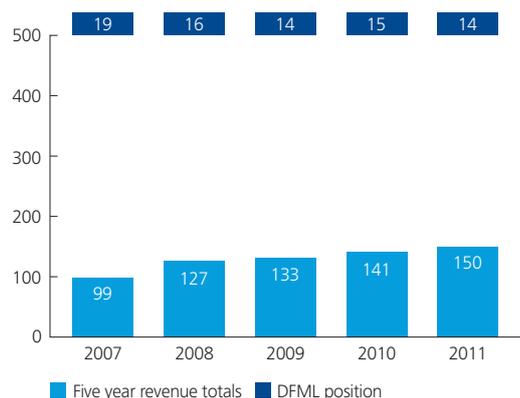
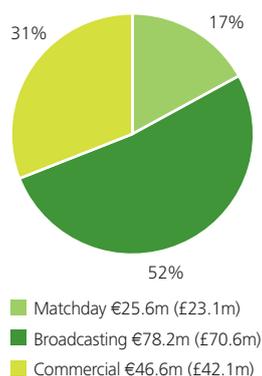
Olympique de Marseille overtake rivals Olympique Lyonnais to be ranked as the highest placed French team in the Money League for the first time in seven years, moving up one place to reclaim the 14th position they lost last year. Total revenues increased by €9.3m (7%) to €150.4m (£135.8m), which was €17.6m (£15.9m) more than that generated by Olympique Lyonnais.

Marseille's on-pitch performance was mixed in 2010/11 with the club finishing runner-up in Ligue 1 to Lille but retaining the League Cup, the first club to do so since the competition's inception in 1994/95, as well as progressing to the knock out stage of the Champions League.

This improved performance in Europe's top clubs competition, which ended with the club being eliminated in the Round of 16 by finalists Manchester United, drove an increase in UEFA distributions of €7.1m to €25.1m. The increase in UEFA distributions matched the increase in Marseille's broadcast revenue, which grew by €7.4m to €78.2m (£70.6m), 52% of total revenues.



Olympique de Marseille: Revenue sources and percentages (€m)



Matchday revenue increased by €0.4m, with Marseille still enjoying the highest average league match attendance amongst French clubs, with an average crowd of 51,081 in 2010/11. The Stade Vélodrome is currently being redeveloped ahead of Euro 2016. This will result in an increase in capacity to 67,000 as well as the installation of a roof. During this redevelopment, capacity has temporarily decreased. It may be expected that, as a result, the club's matchday revenue could decrease in the short term.

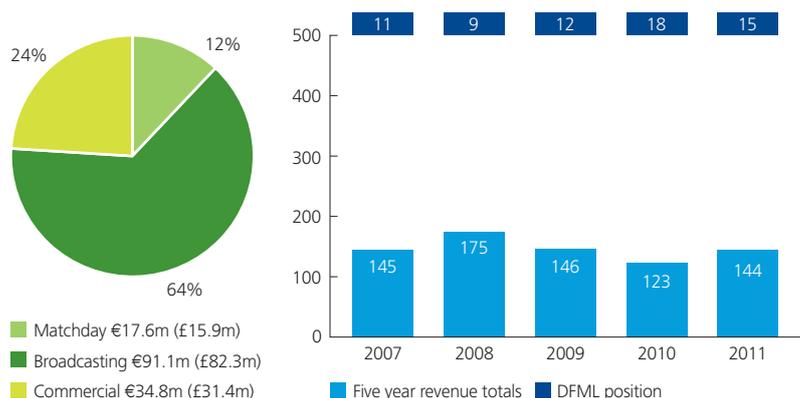
Commercial revenue grew by €1.5m in 2010/11 to total €46.6m (£42.2m). 2010/11 was the first year of the club's shirt sponsorship deal with BetClic. OM have recently signed a new shirt sponsorship agreement with Intersport which will see the sports goods retailer's logo appear on OM's shirts for the 2012/13 and 2013/14 seasons.

Under challenge from Olympique Lyonnais and Paris Saint-Germain, Marseille's ability to maintain and potentially improve their position as France's top club in the Money League remains dependent on domestic success as well as continued participation in the latter stages of the Champions League.

15. AS Roma



AS Roma: Revenue sources and percentages (€m)



€143.5m (€129.6m)
2010 Revenue €122.7m (€100.5m)
2010 Position (18)

AS Roma's return to the Champions League helped it to rise three places in this year's Money League, with overall revenues growing by €21.2m (17%) to €143.9m (£130m). However, the Giallorossi were unable to sustain their domestic title challenge from the prior season, finishing sixth in Serie A and losing out in the semi-final of the Coppa Italia.

Despite participation in the Champions League in 2010/11, Roma's matchday revenue decreased by €1.4m (7%) to €17.6m (£16.3m) as average attendance levels fell by 15% to 34,665. The club are reportedly looking to complete the construction of a new, wholly-owned stadium by 2014. This would see them move away from the council owned Stadio Olimpico, offering the opportunity to generate additional matchday and commercial revenues.

Roma's broadcast revenues increased by €25.5m (39%) to €91.1m (£82.3m), despite the introduction of collective selling arrangements in Serie A. The club's progression to the last 16 of the Champions League earned €30.1m (£27.2m) in UEFA distributions, compared with the €2.4m earned from the Europa League in 2009/10.

Commercial revenue declined by €3.3m to €34.8m (£31.4m). This revenue stream is underpinned by long term agreements with shirt sponsor Wind and kit supplier Basic Italia, contributing at least €6m (£5.4m) and €5.1m (£4.6m) respectively. The 2012/13 season will be the final year under the sponsorship deal with Wind.

The end of the 2010/11 season saw significant changes at the club, with a number of high profile signings made under the instruction of new head coach Luis Enrique. The Spaniard was appointed shortly after a change in ownership of the club, with the Sensi family selling to a consortium led by US entrepreneur Thomas DiBenedetto in April 2011. However, this has not translated to on-pitch success with Roma making a stuttering start to the 2011/12 season. The Giallorossi's failure to qualify for either European competition in 2011/12 could threaten their position in next year's Money League.

The club are reportedly looking to complete the construction of a new, wholly-owned stadium by 2014

16. Borussia Dortmund

€138.5m
(£125.1m)

2010 Revenue €105.2m (£86.1m)
2010 Position (n/a)

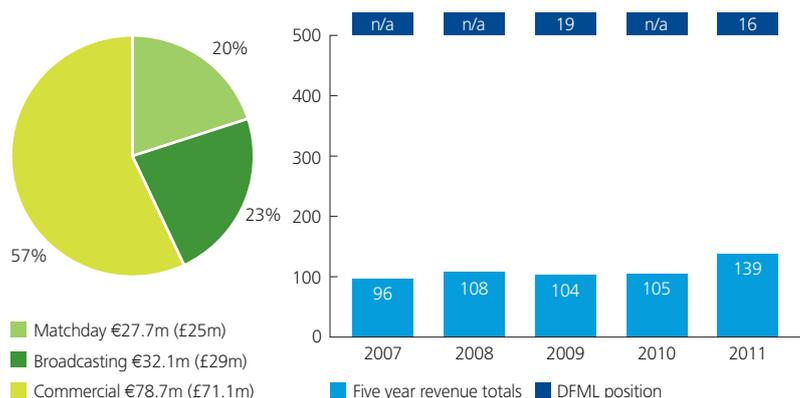
Borussia Dortmund re-enter the Money League on the back of a successful domestic campaign in 2010/11, which saw the club crowned Bundesliga champions for the first time since 2001/02. This helped generate record revenues of €138.5m (£125.1m), a €33.3m (32%) increase on 2009/10.

Commercial revenue contributed the most to Dortmund's increase – up €18m (30%) to €78.7m (£71.1m). More significantly, this represented 57% of the club's total revenues, the highest proportion of any Money League club. The club's long-term marketing agreement with Sportfive provides the platform for strong commercial performance, which includes recently extended deals with shirt sponsor Evonik Industries and stadium naming rights holder Signal Iduna (both until 2015/16). These deals generate a reported €9m (£8.1m) and €4m (£3.6m) per season respectively.

Die Borussen's home league matches drew on an average crowd of 78,416, second only to Barcelona in this year's Money League, which helped matchday revenue increase by €4.3m (18%) to €27.7m (£25m). Low ticket prices, particularly in the Südtribüne terrace which houses c.25,000 standing supporters, led to comparatively low average matchday revenue of only €1.3m (£1.2m).



Borussia Dortmund: Revenue sources and percentages (€m)



A successful domestic campaign in 2010/11 saw Die Borussen crowned Bundesliga champions for the first time since 2001/02

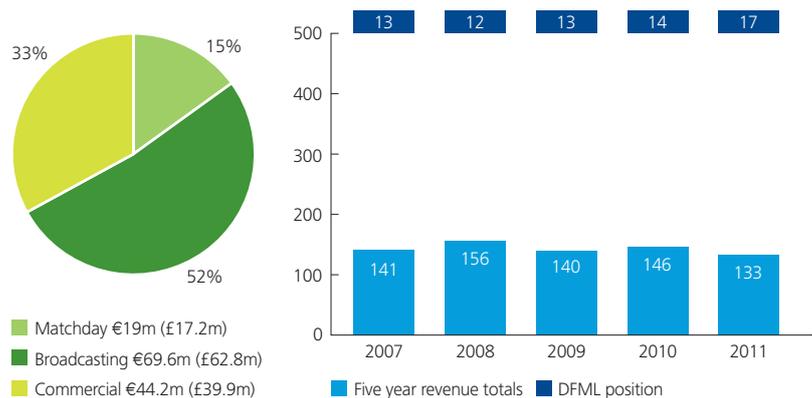
Broadcast revenue increased by €11m (52%) to €32.1m (£29m), thanks in part to Dortmund's return to UEFA competition. The club received €4.5m (£4.1m) in UEFA distributions as a result of its Europa League participation. The club's higher league position also provided additional Bundesliga broadcast distributions.

Dortmund continue to progress their commercial partnerships, with Puma confirmed to replace Kappa as kit supplier from 2012/13, as well as a number of 'Champion Partners' being added to the expanding roster of commercial partnerships. This strategy, together with the club's participation in the Champions League in 2011/12, should see Die Borussen challenge further up next year's Money League.

17. Olympique Lyonnais



Olympique Lyonnais: Revenue sources and percentages (€m)



€132.8m (€119.9m)
2010 Revenue €146.1m (€119.6m)
2010 Position (14)

Olympique Lyonnais claim a place in the Money League for the seventh successive year but drop three places to 14th, due to a €13.3m (9%) decrease in revenues to €132.8m (€119.9m).

The principal reason for OL's decline in revenue in 2010/11 was a less successful Champions League campaign, reaching the last 16 compared with the semi-final in 2009/10. As a result, broadcast revenue decreased from €78.4m to €69.6m (€62.8m) in 2010/11 largely due to a €6.7m reduction in UEFA distributions.

OL played three fewer home Champions League fixtures contributing to a fall in matchday revenue of €5.8m (23%) to €19m (€17.2m). The average league attendance also decreased slightly from 35,767 to 35,266.

After a significant decrease of €6.2m in 2009/10, OL's commercial revenue increased from €1.3m (3%) to €44.2m (€39.9m), underpinned by a new ten year kit deal with Adidas which commenced in 2010/11. Lyon's shirt sponsorship agreement with BetClac expanded to include the Poker Everest brand on away shirts for 2010/11 season. Other official club partners include Groupama, MDA, and Veolia.

With the emergence of Paris Saint-Germain as another domestic rival, the race to qualify for the Champions League will be increasingly competitive in the future

Qualification for the Champions League, which OL has achieved for the past 12 seasons, is crucial in underpinning its position in the Money League. After three seasons without winning a trophy and the emergence of Paris Saint-Germain as another domestic rival, the race to qualify for the Champions League will be increasingly competitive in the future.

It is therefore also crucial that OL's new stadium, Stade des Lumières, is completed as scheduled in 2014, providing the platform for increased matchday and commercial revenue in order to facilitate squad investment and remain competitive relative to its French peers.

18. Hamburger SV

€128.8m
(£116.3m)

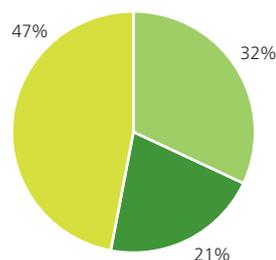
2010 Revenue €146.2m (£119.7m)
2010 Position (13)

As we predicted in last year's edition of the Money League, the lack of European football in 2010/11 has seen Hamburger SV drop five places to 18th, with a decline in revenues of €17.4m (12%) to €128.8m (£116.3m). A disappointing eighth place finish in the Bundesliga, combined with no European football, saw Die Rothosen drop behind Schalke and Dortmund, to be the fourth placed Bundesliga club in the Money League.

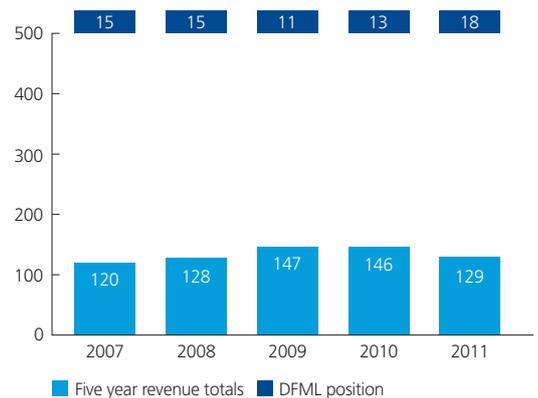
In keeping with the other Bundesliga clubs in the Money League, commercial revenue represented the most important revenue stream to Hamburger SV, with 47% of its total coming from this source. Commercial revenue declined the least of the three streams, by €2.9m (5%) to €60.3m (£54.5m) in 2010/11. Hamburg's commercial revenues are supported by an extended deal with shirt sponsor Emirates, running until 2014/15, and the six-year stadium naming rights deal with Imtech, worth a reported €4.2m (£3.8m) per season through to the 2015/16 season.

Matchday revenue decreased by €7.5m (15%) to €41.8m (£37.7m) as the club's absence from European competition, compared with its semi-final appearance in the Europa League in 2009/10, meant Hamburg played nine fewer home matches than in the prior season (17 compared to 26). Average attendances – at 54,445 –

Hamburger SV: Revenue sources and percentages (€m)



■ Matchday €41.8m (£37.7m)
■ Broadcasting €26.7m (£24.1m)
■ Commercial €60.3m (£54.5m)



remained in excess of 95% of capacity, yet average matchday revenue per home match actually increased from €1.9m to €2.5m. This was largely due to cheaper ticket pricing for the club's Europa League matches in the previous season.

Hamburg was the only Money League club to not participate in European competition in 2010/11, with broadcast revenues of €26.7m (£24.1m) the smallest of any Money League club and €7m below the previous year, as the club did not receive a UEFA distribution (€7.5m in 2009/10).

Hamburg's commercial operations underpin the club's position in the Money League and have remained fairly resilient to the club's on-pitch difficulties. However, consistent qualification for European competition is the key to securing a higher Money League position in future editions.

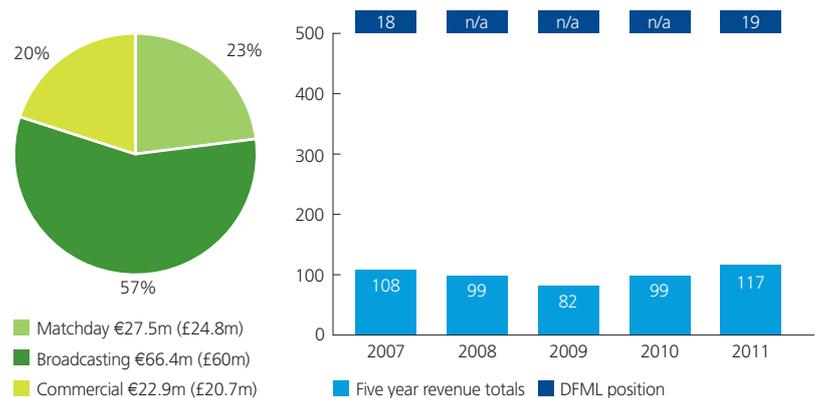


In keeping with the other Bundesliga clubs in the Money League, commercial revenue represented the most important revenue stream to Hamburger SV

19. Valencia



Valencia: Revenue sources and percentages (€m)



€116.8m 2010 Revenue €99.3m (£81.3m)
(£105.5m) 2010 Position (n/a)

After a three year absence Valencia reclaim a place in this year's Money League with a return to the Champions League driving a €17.5m (18%) increase in revenues to €116.8m (£105.5m). Despite well publicised financial problems and the recent sale of several high profile players, the club performed remarkably well on the pitch in 2010/11, finishing third in La Liga behind Real Madrid and Barcelona and reaching the Round of 16 in the Champions League.

Broadcast revenue increased by €19.5m (42%) to €66.4m (£60m) thanks to Los Che's participation in Europe's top club competition and the receipt of €24.1m (£21.8m) in UEFA distributions compared with €5.1m in 2009/10 when they competed in the Europa League.

Matchday revenue decreased by 3% (€0.9m) year on year as the club played three fewer home games (25) compared with the previous year. Its average league match attendance decreased from 40,842 to 36,540, delivering an average matchday revenue of €1.1m (£1m).

Valencia's commercial revenue fell by 5% (€1.1m) in 2010/11 to €22.9m (£20.7m), the lowest of all Money League clubs. The difficulties the club experienced in securing sponsorship revenues were common amongst a number of Spanish clubs below the big two.

These problems remained for the first half of the 2011/12 season with the club taking the inventive step to advertise its own Twitter feed on their shirts whilst the search for a regular sponsor continued. Subsequently, the club announced a deal with the renewable energy company JinkoSolar, which will be the shirt sponsor until the end of the 2011/12 season.

As the only Spanish side other than Real Madrid and Barcelona in the Money League, Valencia's reappearance serves to highlight firstly the importance of Champions League participation but also the polarisation in revenue generation within Spanish football.

Champions League football in 2011/12 may preserve Valencia's appearance in next year's Money League whilst work has recommenced on construction of the new stadium (the Nou Mestalla), after financial problems had halted its development. Should the development be completed on schedule by 2014, Valencia should be able to deliver further matchday and commercial revenue growth.

After a three year absence Valencia reclaim a place in this year's Money League with a return to the Champions League

20. Napoli

€114.9m
(£103.8m)

2010 Revenue €91.6m (£75m)
2010 Position (n/a)

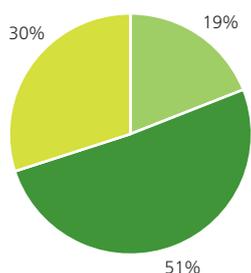
With revenues of €114.9m (£103.8m), Napoli makes its first appearance in the Money League top 20, with improved on-pitch performances resulting in third place in Serie A, its highest placed finish since the Diego Maradona inspired team won the Scudetto in 1989/90. The club also reached the knockout stages of the Europa League.

Unlike some of the Italian clubs higher up the Money League, Napoli benefited from the new Serie A broadcast rights deals, which helped drive a €18.6m (47%) increase in broadcast revenue to €58m (£52.4m), 51% of the club's overall total. Napoli also received €2.3m (£2.1m) in UEFA distributions from reaching the Round of 32 in the Europa League. The Azzurri will see a further increase in broadcast revenue for the 2011/12 season, following their qualification for the knockout stages of the Champions League, in the first season that the club has participated in this competition.

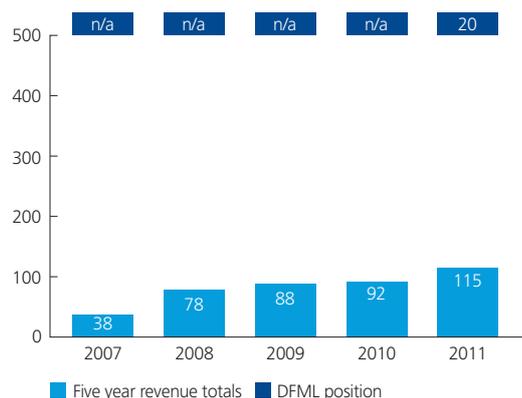
Matchday revenue increased by €7.5m (52%) to €22m (£19.9m), with Europa League participation meaning five more home fixtures (26 in total) compared with the previous season, whilst the average home league match attendance continued to be strong at over 41,000.



Napoli: Revenue sources and percentages (€m)



■ Matchday €22m (£19.9m)
■ Broadcasting €58m (£52.4m)
■ Commercial €34.9m (£31.5m)



Napoli benefitted from the new Serie A central broadcast deal, which helped increase broadcast revenue to €58m

Commercial revenue totalled €34.9m (£31.5m), underpinned by a long-term shirt sponsorship agreement with bottled water company Lete and a kit supplier agreement with Macron. It is likely that commercial revenue will increase in 2011/12, following a new deal with MSC Cruises who will become joint shirt sponsor with Lete.

Napoli's participation in the 2011/12 Champions League will ensure a higher position in next year's edition of the Money League. Consistent qualification for Europe's top club competition and a resurrection of plans to renovate the Stadio San Paolo, which following Italy's failed Euro 2016 bid, appear to have been shelved, may be required to secure a Money League position in the longer term.

Around the world in 90 minutes



The last club from outside one of the ‘big five’ European leagues to earn a place in the Money League was Fenerbahçe in 2009, off the back of a record performance in the 2007/08 UEFA Champions League which saw the club reach the quarter-final.

Here we take the opportunity to analyse the position and prospects of five leagues from around the globe which have made the news in the past months, each for different reasons.

No country for old men

Supported by a growing economy and able to generate more revenue than clubs elsewhere in Latin America, the clubs of Brazil’s Série A are nevertheless unable to match the strongest of their European counterparts. We estimate that the Brazilian clubs with the highest reported revenues, Corinthians and São Paulo, would rank amongst the top 50 Money League clubs, with revenues of c.€70m-€80m.

Supported by the national passion for football and large urban populations, top Brazilian clubs have the chance to benefit from significant local fan bases. However, large numbers of followers do not translate directly into high attendances. The average attendance for the 2011 season in Brazil’s Série A was slightly below 15,000; some way behind top European leagues, or indeed the 64,000 who turned out to see São Paulo take on Flamengo in the best attended Brazilian league match.

That attendances of this magnitude can be achieved for domestic games shows the potential for Brazilian clubs. Brazil’s hosting of the 2014 FIFA World Cup, and the investment in stadia that will accompany it, will provide an excellent opportunity for clubs to improve the matchday experience for spectators thus allowing them to achieve both high attendances with greater regularity and increased ticket prices, which we estimate to be lower than €10 on average.

Broadcast rights for Brazil’s Série A are driven by domestic value and are not as readily exportable as those of top European leagues. The perceived relative weakness of the league and late kick-off times, which when coupled with the time zone do not make for

convenient viewing in Europe and Asia, put Brazilian clubs at a disadvantage. Rights values for the Copa Libertadores are similarly constrained.

With sizeable followings, Flamengo and Corinthians among the largest, top clubs are attractive to commercial partners who wish to market to the fan base. The appeal becomes even stronger for brands who can associate themselves with signings of players who have represented Brazil at the highest level in what has in recent decades been an export-led market.

Of the players set out in Table 2, all except Deco and Juninho Pernambucano returned to their homeland aged 30 or younger, suggesting they could continue to play at a high standard for several seasons to come. The local pride and global publicity that surrounds the signings of such players can bring significant exposure for shirt sponsors, sportswear manufacturers and club partners.

The commercial strength of Brazil's biggest clubs and their star players means they can generate c.€20m from sponsorships and advertising, a sum that the majority of clubs in the 'big five' leagues would envy. Nevertheless, cost control remains critical for clubs' long term financial stability.

A selection of Brazilian internationals who have returned to the country since 2010

Player	Club
Luis Fabiano	São Paulo
Adriano	Corinthians
Robinho ¹	Santos
Ronaldinho	Flamengo
Deco ²	Fluminense
Juninho Pernambucano	Vasco da Gama

Key:

1 Robinho was on loan at Santos. He now plays for AC Milan.

2 Deco played international football for Portugal, but was born in Brazil.

Source: Deloitte analysis.

The transfer of Nicolas Anelka to Shanghai Shenhua has thrown the Chinese Super League (CSL) into the Western European spotlight

Whilst Brazilian clubs are not currently able to match the revenues of the Money League clubs, the World Cup in 2014 and related stadium development could prove a catalyst for growth in attendances and values of already strong commercial deals, helping Série A clubs better compete with their European rivals to retain the best young talent and bring back established stars.

Shanghai knights

The transfer of Nicolas Anelka to Shanghai Shenhua has thrown the Chinese Super League (CSL) into the Western European spotlight. His signing comes less than six months after that of Dario Conca for whom Guangzhou Evergrande reportedly paid Fluminense €7.5m. Both players are reported to have annual wages in excess of €10m.

The CSL consists of 16 teams, with both private and state businesses having ownership interests. The league's low profile, until recently, is representative of the lack of high profile signings and limited engagement of the Chinese domestic market.

The broadcast market for football in China is significant, and growing. However, the market is very competitive with European leagues more widely followed than the CSL. The challenge facing Chinese football is that of growing the profile and appeal of the league, which is in turn heavily dependent on the growth of interest in football as a whole in the country.

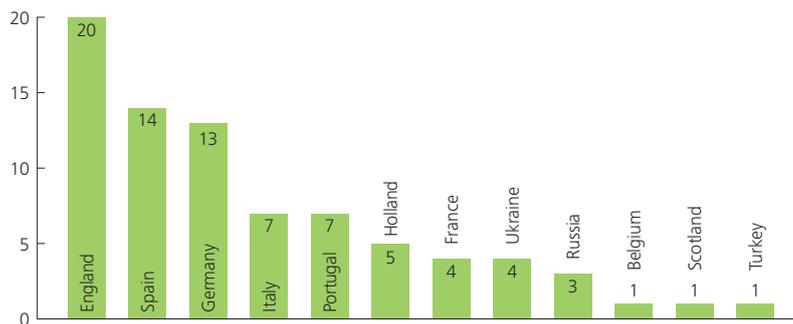
The national team has qualified for only one FIFA World Cup (2002) and has already been eliminated from the qualifiers for the 2014 tournament. China is yet to find its footballing Yao Ming, a figurehead who can galvanise the nation and foster the belief that it can produce players to compete with the best in the world in the way Hidetoshi Nakata did for Japan in the late 1990s.

Not only are players of such quality pivotal in engaging the nation, they are also fundamental to the quality of football for a league that limits a team's foreigners to four on the pitch at any one time.

Revenue generation for Chinese clubs will evolve hand-in-hand with the wider growth of the sport in the country; the growth of matchday revenues, broadcast rights and commercial values is a factor of the quality of the product, the improvement of which is dependent on the quality of foreign signings, the production of internationally competitive Chinese footballers and the strong governance of the game.

Whilst there is no doubt that China has inherent advantages, by way of population and a growing economy, such that its clubs should be able to generate significant revenues in the long term, a lengthy period of growth will be required before it can rival the J-League as the biggest league in Asia. During this time clubs will require substantial benefactor funding if they are to continue to attract players of the calibre and profile of Anelka and Conca.

Number of quarter-finalists in European competition over the past five seasons provided by each country



From Russia with love

UEFA's Club Licensing Benchmarking Report indicates that in the 2009/10 season clubs in Russia's top flight had average revenues of €38m, more than twice the average of €15m for their Ukrainian counterparts.

Note: Figures include UEFA Champions League, Europa League and the UEFA Cup; figures relate to seasons 2006/07 to 2010/11.

Source: Deloitte analysis.

We estimate that the highest-earning Russian and Ukrainian clubs would rank in the top hundred worldwide in terms of revenue generation, generating significantly greater revenues than the smaller clubs in the two countries.

Clubs from both countries have enjoyed success in the UEFA Cup in recent years, with CSKA Moscow, Zenit St Petersburg and Shakhtar Donetsk all lifting the UEFA Cup within the space of five seasons to 2008/09. In 2004/05 CSKA Moscow became the first club from either country to lift a major European trophy since Dynamo Kyiv in 1986.

However, as shown by the chart, the Eastern European clubs still have some way to go if their performance in UEFA competitions is to consistently match the continent's biggest leagues.

In leagues where total revenues are lower, the comparative advantage provided by distributions from the Europa League and, in particular, the Champions League is accentuated. CSKA Moscow and Shakhtar Donetsk each received central distributions totalling €21m for their runs to the quarter-finals of the Champions League in 2009/10 and 2010/11 respectively, more than the average annual turnover of a Ukrainian top flight club.



In 2009 Shakhtar Donetsk moved to a new stadium, the Donbass Arena, with a capacity in excess of 50,000. It reportedly cost €320m to build and was funded by the club's owner, Rinat Akhmetov.

The move to the new stadium was the catalyst for a significant jump in attendances, as we have regularly seen to be the case in Western Europe. The Donbass Arena includes a conference centre and multiple restaurants which will equally allow the club to increase commercial income on non-matchdays.

Poland and the Ukraine's successful bid to host UEFA Euro 2012 triggered investment in stadia in the Ukraine across the other three host cities. With the 2018 World Cup on the horizon, Russia too has a great opportunity to redevelop or build new stadia with the aim of generating levels of stadium-related income that narrow the gap to their competitors in the West.

The signing of Samuel Eto'o by Anzhi Makhachkala of Dagestan has brought into the spotlight the ability of certain Russian clubs to afford and attract world class players. However, deals of this magnitude for clubs with such limited revenue are reliant on benefactor funding – a business model typical of a number of Russian clubs.

Paying wages sufficient to attract players of the ability that will allow Russian and Ukrainian clubs to be increasingly competitive against the established Money League clubs must be balanced with revenue generation, excluding benefactor funding, sufficient to absorb the costs to ensure the long term financial health of the clubs and avoid falling foul of UEFA's financial fair play (FFP) regulations.

We estimate that the highest-earning Russian and Ukrainian clubs would rank in the top hundred worldwide

American beauty

Since its inaugural season in 1996 Major League Soccer (MLS) has expanded from ten teams to 18. Whilst the signing of David Beckham in 2007 stands out, steady growth has been founded on a strong domestic economy with experience of sound sports business management, a centrally controlled league and investment in the infrastructure of the game. Nine different teams have lifted the MLS Cup in 16 seasons, testament to the competitive balance of the competition.

Teams who have won the MLS Cup

Teams	Titles
D.C. United	4
Los Angeles Galaxy	3
Houston Dynamo	2
San Jose Earthquakes	2
Chicago Fire	1
Colorado Rapids	1
Columbus Crew	1
Real Salt Lake	1
Sporting Kansas City ¹	1

Key:
 1 Sporting Kansas City were known as Kansas City Wizards when they won the 2000 MLS Cup.

Source: Deloitte analysis.

The strength of the market in the USA is reflected by the fact that in 2005 FIFA signed a deal worth US\$425m for the rights to broadcast its competitions from 2007-2014; one of FIFA's most valuable deals on an individual territory basis.

Even before the inception of the MLS, the size of the US sports market was not in question; the challenge was for soccer to find its place in a highly competitive sports landscape amongst American Football, Baseball, Basketball and Ice Hockey.

In 2011, the average attendance at MLS regular season games was close to 18,000. This compares favourably to the National Basketball Association (NBA) and the National Hockey League (NHL), who both had regular season attendances below 17,500. That the MLS can regularly attract more fans per match than these two established leagues is testament to the growth of both the league itself and soccer as a whole over the past two decades.

Note: USA figure is for the 2011 regular season; Brazil figure is for the 2011 season; Russia and Ukraine figures are for the 2010/11 season.

Source: Sports Business Daily, UEFA Club Licensing Benchmark Report, Confederação Brasileira de Futebol.

Average attendances for the top division in selected countries

Country	Average attendance
USA (MLS)	17,872
Brazil	14,976
Russia	12,250
Ukraine	9,225

The table above demonstrates MLS' ability to attract paying spectators, compared to selected global peers.

The USA men's national soccer team has become stronger since the country hosted the 1994 World Cup; its best World Cup performance of modern times being a run to the quarter-finals in 2002. The increasing number of American players able to compete on the same stage as the best players in the world has supported not only the national team but also the MLS. This strong home-grown base has been supplemented with high profile signings of players who have played at the top level in Europe, including David Beckham, Rafael Marquez and Thierry Henry.

That some players such as Beckham (AC Milan), Henry (Arsenal), Robbie Keane (Aston Villa) and Landon Donovan (Everton) have used the MLS' winter break to represent European clubs not only shows that they can compete in the strongest leagues in the world, but also serves to ensure that Major League Soccer maintains a high profile in Europe.

Up

The growth and sustained success of domestic leagues is dependent on the size of the market they are able to reach. The large populations of the countries discussed above and growing or already strong economies present opportunities for the growth of football.

Success is also dependent on the quality of football on show. Whilst clubs in some less well established football regions are able to sign top players, and pay them well, providing them with a team and quality of football that matches their aspirations will be fundamental to retaining them. For the time being, the biggest European leagues remain the destination for the very best playing talent.

Robust and transparent governance is fundamental to the quality, integrity and credibility of any competition. If leagues can achieve this alongside competitive balance and maintaining a core of talented domestic players, they will become more attractive to commercial partners and fans both at home and abroad.

This offers the opportunity to develop a 'virtuous circle' where the quality of the league drives increased revenues which can then be re-invested in further improving the league.

In any territory, for clubs to be viable in the long term they must generate revenues sufficient to cover their costs. Whilst benefactor funding can provide an impetus, it is unsustainable for clubs with significantly inferior revenue to the Money League clubs to compete with them in the long term on wages for top players. The arrival of FFP makes this particularly pertinent for clubs who wish to participate in UEFA competitions.



Both Real and Barca
are likely to generate
in excess of €500m in
revenues within the
next few years

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