

# CHINA (PEOPLE'S REPUBLIC)

(Pop: 1.38 billion; GDP \$23.12 trillion)

## (1) CHINA: THEATRICAL MARKET OVERVIEW, 2010-17

	2010	2011	2012	2013	2014	2015	2016	2017
<b>Screens</b>	6,256	9,286	13,118	18,195	24,607	31,627	41,179	50,776
<b>Theatrical admissions (millions)</b>	290	370	470	612	830	1.260	1.370	1.620
<b>Per capita attendance</b>	0.2	0.3	0.3	0.4	0.6	0.9	1.0	1.2
<b>Box office (EUR billions*)</b>	1.12	1.59	2.08	2.57	3.96	6.24	6.29	6.95
<b>Average ticket price (EUR*)</b>	3.5	4.8	5.0	4.8	5.3	4.97	4.85	4.29
<b>German releases</b>	3	4	1	2	1	1	1	3
<b>Domestic market share</b>	53.6%	53.6%	48.5%	58.7%	54.5%	61.6%	58.3%	53.8%

\*EUR equivalents are calculated throughout at the exchange rate for December 31 of the year in question.

NOTE: Some estimates. Please note: there is insufficient data to create our usual German market share and country-of-origin release charts, or the charts recording release and box office by genre. Moreover, as pointed out in Section (4), statistics are lacking in other key areas and conclusions must, therefore, be treated as tentative.

## (2) CHINA: THEATRICAL RELEASES OF GERMAN FILMS, 2010-17

Title	Distributor	Release date	Box office \$US
<b>2010 German films (100% or majority co-productions)</b>			
DIE JAGD NACH DEM SCHATZ DER NIBELUNGEN (Ger)	Tangde International	27.09.10	1,190,000
JERRY COTTON (Ger)	New View Media	12.10.10	1,000,000
IN THE NAME OF THE KING: A DUNGEON SIEGE TALE (Ger/Can/US)	n/a	18.05.10	n/a
<b>2010 German minority co-productions</b>			
RESIDENT EVIL: AFTERLIFE (UK/Ger/US)	Sony Pictures Releasing	16.11.10	21,640,678
MY MOM'S NEW BOYFRIEND (US/Ger)	n/a	04.06.10	1,200,000
<b>2011 German films (100% or majority co-productions)</b>			
KONFERENZ DER TIERE (Ger)	Huaxia Film Distribution	24.05.11	10,000,000
KLEINER STARKER PANDA (Ger/Cn/Bel/Sp)	China Film Group	02.02.11	7,060,000
I PHONE YOU (Ger/Cn)	n/a	13.10.11	610,000
LAURAS STERN UND DER GEHEIMNISVOLLE DRACHE NIAN (Ger/Cn)	Toonmax Media/Beijing Kaku Media	24.04.11	406,479
<b>2012 German films (100% or majority co-productions)</b>			
THE THREE MUSKETEERS (Ger/Fr/UK/US)	Huaxia Film Distribution	15.05.12	6,286,229

### 2012 German minority co-productions

THE MECHANIC (US/Ger)	Huaxia Film Distribution	02.08.12	14,000,000
LARGO WINCH II (Fr/Ger/Bel)	Huaxia Film Distribution	12.02.12	294,000
THE KING OF FIGHTERS (Cn/Tai/Ger/Can/US/UK)	Huaxia Film Distribution	12.10.12	351,661

### 2013 German films (100% or majority co-productions)

CLOUD ATLAS (Ger/US)	Warner Bros. China	30.01.13	27,054,445
RESIDENT EVIL: RETRIBUTION (Ger/Can)	Sony Pictures Releasing	17.03.13	17,474,588

### 2014 German films (100% or majority co-productions)

SCHUTZENGEL (Ger)	China Film Group	n/a	1,032,168
TARZAN 3D (Ger)	Huaxia Film Distribution	21.08.14	90,916

### 2014 German minority co-productions

THE MONUMENTS MEN (US/Ger)	China Film Group	28.03.14	7,350,000
THE MORTAL INSTRUMENTS: CITY OF BONES (Ger/Can)	Huaxia Film Distribution	03.01.14	4,260,000
NIKO 2: LENTÄJÄVELJEKSET (Fin/Den/Ire/Ger)	China Film Group	01.02.14	3,969,184
LA BELLE ET LA BÊTE (Fr/Ger)	Huaxia Film Distribution	12.09.14	2,674,569
POMPEII (Can/Ger)	Huaxia Film Distribution	14.08.14	90,916

### 2015 German films (100% or majority co-productions)

WHO AM I – KEIN SYSTEM IST SICHER (Ger)	Lionsgate	12.04.15	550,000
---	-----------	----------	---------

### 2015 German minority co-productions

POINT BREAK (US/Ger)	DMG Entertainment	06.12.15	38,415,714
RUSH (UK/Ger/US)	Leeding Media	12.11.15	3,068,339

### 2016 German films (100% or majority co-productions)

OOOPS! DIE ARCHE IST WEG (Ger/Ire/Bel/Lux)	Flame Node Entertainment	08.12.16	1,830,151
--	--------------------------	----------	-----------

### 2016 German minority co-productions

EDDIE THE EAGLE (UK/US/Ger)	Sony Pictures Releasing	18.03.16	970,358
-----------------------------	-------------------------	----------	---------

### 2017 German films (100% or majority co-productions)

RESIDENT EVIL: THE FINAL CHAPTER (Ger/Aus/Can)	Sony Pictures Releasing	24.02.17	1,573,334
VIER GEGEN DIE BANK (Ger)	China Film Group	01.12.17	518,610
RICHARD DER STORCH (Ger)	China Film Group	22.09.17	344,929

### 2017 German minority co-productions

COLLIDE (UK/Ger)	DMG Entertainment	02.07.17	2,119
------------------	-------------------	----------	-------

The discrepancies in recording box-office revenue above mean a Top Ten of German films would be misleading.

### (3) CHINA: DISTRIBUTORS OF GERMAN FILMS, 2010-17

	2010	2011	2012	2013	2014	2015	2016	2017	Total
China Film Group	-	1	-	-	1	-	-	2	4
Huaxia Film Distribution		-	-	*1	1	1	-	-	3
Sony Pictures Releasing		-	-	1	-	-	-	1	2
Beijing Kaku Media		*1	-	-	-	-	-	-	1
Flame Node Entertainment	-	-	-	-	-	-	1	-	1
Lionsgate		-	-	-	-	1	-	-	1
New View Media	1	-	-	-	-	-	-	-	1
Tangde International	1	-	-	-	-	-	-	-	1
Toonmax Media		*1	-	-	-	-	1	-	1
Warner Bros. China	-	-	-	1	-	-	-	-	1
Distributor unknown	1	2	-	-	-	-	-	-	3

\*joint distribution

#### (4) CHINA: THEATRICAL MARKET OVERVIEW

The growth curve of the Chinese market seems to have resumed after a slow 2016, although not as dramatically as before. That, of course, would have been hard. The number of admissions to cinemas in China grew annually by around 100 million between 2010 and 2012; by 150 million between 2012 and 2013; by over 200 million between 2013 and 2014; and by a staggering 400 million between 2014 and 2015. Between 2015 and 2016, however, the growth rate was just five million. A similar trend can be seen in box-office revenue.

But those who warned that the building of so many new multiplexes was over-ambitious and that so sharp a growth rate could not be sustained will be reassured by the 2016-17 figures: admissions up by 18%, box office by 10% - not as spectacular as earlier in the decade, but strong all the same. Meanwhile the growth in screens has resumed: at 50,776, they are up by 23% on last year and by over 700% on 2010.

Not that this will have made much difference for German films. Chinese films accounted for 47% of box office in 2017, including co-productions and US studio films for 35%. The highest grossing German film of the year with a lukewarm \$1.5 million at the Chinese box office was *RESIDENT EVIL: THE FINAL CHAPTER*, which qualified as a studio film thanks to Sony handling world rights. The only two other German films we have been able to identify as opening in China is 2017 comedy thriller *VIER GEGEN DIE BANK* and animated film *RICHARD DER STORCH*, which took only \$850,000 between them.

Accessing the Chinese market for a foreign film is still difficult. The importation of foreign films is strictly controlled and can follow one of three routes. A co-production with China is treated as a Chinese film and faces no restrictions - although, of course, the process of setting up a co-production can be extremely complex. The second system involves revenue-sharing and is, in practice, limited to films from the American studios or mini-majors. Introduced in 1994, it was initially capped at 10 films a year, then increased in 2001 to 20, with a further 14 slots added for 3D and IMAX films in 2012. Marketing costs are borne by the foreign film company and revenue return is capped at 25% of the gross.

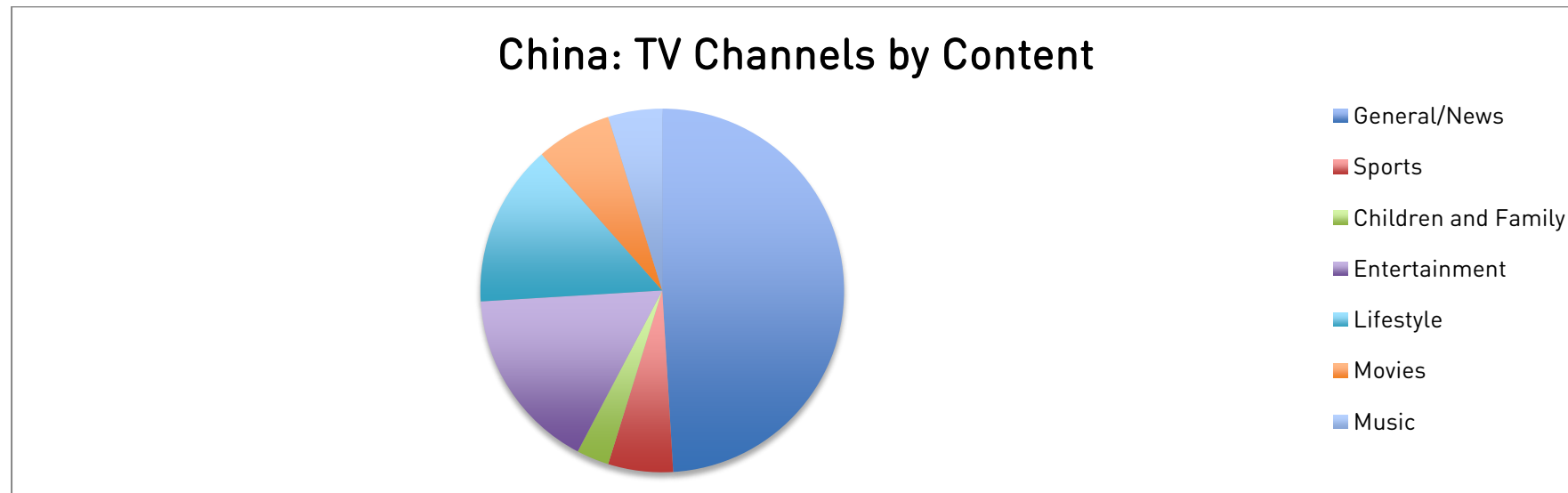
The third system is the one by which most non-studio (and European) films access the market: a flat-fee system, equivalent to that which operated in the US in the early days of cinema. A distributor buys all rights to the film, with no further revenue accruing to the foreign filmmaker no matter how well the movie does. This is - or was - the only viable point of access for US indie and European films. Both complex and inefficient, it is more or less on a par with other imported-related developments in China.

The Alliance of Arthouse Cinemas had recruited 479 screens by the end of 2017 but has so far shown no interest in foreign, let alone German, films. Likewise, no further mention has been made of a plan by the China Film Archive to set up a Chinese arthouse circuit in which 'curated' films, both Chinese and foreign, would be able to be released outside the existing system. This has still to be implemented and has a built-in roadblock: all films will have first to be imported by China Film Import and Export, then certified by the Film Bureau. Physical distribution will be by state-owned China Film Group or Huaxia Film Distribution.

As things now stand, very few German films make their way onto the Chinese market through any of these portals: we have been able to identify just 16 over the past eight years (and just one in four of those years). Of these, three - KLEINER STARKER PANDA; I PHONE YOU; and LAURAS STERN UND DER GEHEIMNISVOLLE DRACHE NIAN - all released in 2011, were co-productions. The remainder were films distributed worldwide by the studios or by major independents (WHO AM I - KEIN SYSTEM IST SICHER was released in China by Lionsgate, whose position in the territory was cemented by the TWILIGHT films). But as the available information in Section (2) shows, distribution can be lucrative: get into wide distribution in China and the potential is considerable. It will, however, be some time before there is the same transparency and therefore the same ability to analyse the market from the point of view of German films as there is for most of the other 29 territories analysed in these reports.

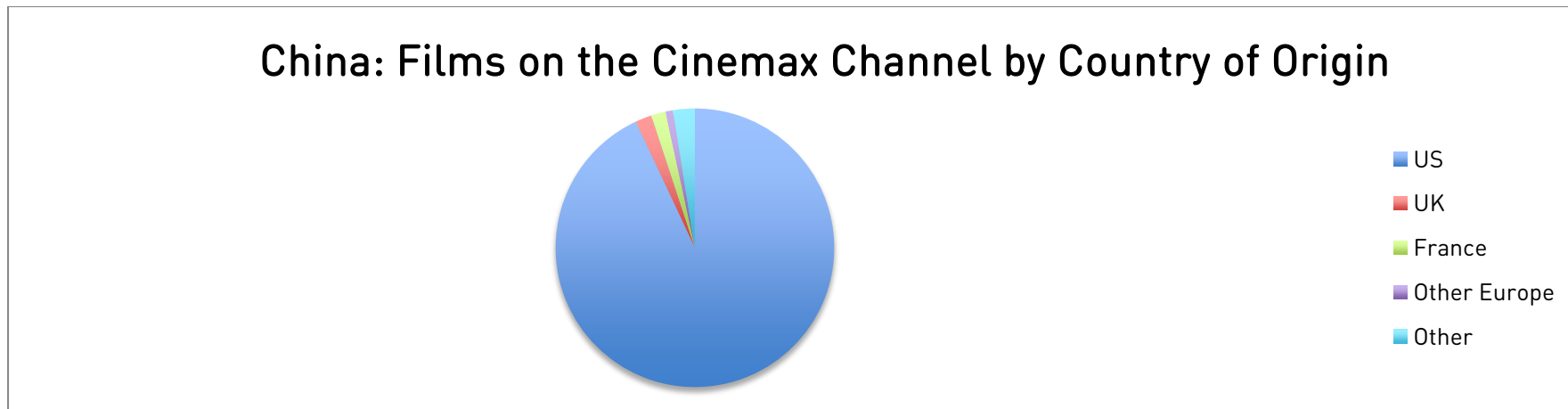
## (5) CHINA: GERMAN FILMS ON TELEVISION OVERVIEW

A complete snapshot of the channels available on Chinese TV is harder than usual to establish, not just because of language problems but also because the exact content of many of the channels is not specified. The chart below is based on what appears to be available on cable in Guangzhou province (GCable) on a timetabled basis (ie. not VOD). This caveat is necessary because it seems probable that there are more sports and movie channels delivered into Chinese homes than is indicated in the chart. It is a notable feature of the scheduling that many of the channels involve the relaying of semi-local channels from other provinces.





When it comes to movies on Chinese TV, the People's Republic is like any other country in the region in receiving the standard English-language package, with occasional censorship or programme changes. Chinese films take up most of the airtime. Meanwhile the main English-language platform Cinemax, which covers most of Asia, offers an overwhelming number of US titles on its China schedule: 440 of the 473 programming slots during the period surveyed were filled with US titles, with the remainder films made in English elsewhere in the world. No German films were programmed.



For details of on-line VOD platforms available in China, see the appropriate appendix.

## **(6) CHINA: SOURCES AND ACKNOWLEDGMENTS**

CIA World Factbook, Xe.com, European Audiovisual Observatory, Box-Office Mojo, Rentrak, China Media News (CMM), with thanks to Anke Redl, Digital TV Research, National Bureau of Statistics Republic of China, State Administration of Radio, Film & TV (SARFT), China Film Biz, FilmBiz Asia, channellists.com, The Hollywood Reporter, FilmDoo.com. HBO Cinemax, Baidu.