# ANNUAL REPORT 2018

AGICOA
The Rights People

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More content
being accessed
by more consumers
is fundamentally
good news

As hoped, 2018 brought closure to a long period of regulatory uncertainty about the licensing of audio visual works across new digitally-enabled forms of retransmission that are changing how consumers access content. When the dust has settled, the EU's decision to extend collective rights management principles established 26 years ago in its Directive for satellite and cable viewing to new delivery technologies will bring welcome stability for rightsholders.

The choice to update the existing framework in the form of a Directive rather than issue a new Regulation means that member countries have two years to enact national legislation with a further two year allowance for platforms to amend existing contracts. Significant changes at national level are unlikely.

I have no doubt that the advocacy efforts of AGICOA and its partners in Brussels and other European capitals had a positive influence on an out-come that favours both the organization and its members. In effect, the more complex the broadcast environment, the more rightsholders and platforms can gain from collective management agreements.

More content being accessed by more consumers is fundamentally good news, but it is already difficult for many producers and other rightsholders to keep track of increasingly widespread use of their work. AGICOA is in a position to do so accurately and cost-effectively.

For platforms, individual licensing can be burdensome and negotiating broader collective agreements for the forms of retransmission mandated by the new Directive makes sense. AGICOA's tracking collection and distribution systems ensure accuracy and compliance.

In the course of 2018, AGICOA offered its members the option of extending their mandate to cover certain new services already offered by platforms, some of which will be covered by the new Directive. Most reacted positively, although others may wait for the national outcome in countries of interest before making decisions. We got off to a timely start and will continue to work with them in the months ahead to deliver the level of service they require.

Many of us will look back on 2018 as a milestone year in which the increasingly unmanageable gap between regulation and today's broadcast marketplace was recognized and addressed. Some room for manoeuver remains in areas such as direct injection of signals but this is to be expected in a fast-moving sector. Indeed, the technology story is far from over. Somewhere up ahead, for example, developments in artificial intelligence could open up entirely new possibilities in the protection of intellectual property and management of royalties.

AGICOA's commitment to members is to go on doing what it has been doing to good effect for almost four decades – negotiating licensing agreements, tracking use of their work and ensuring the timely collection and distribution of royalties. But 2018 also endorsed the value of helping them make sense of what's happening in a turbulent industry, what's likely to happen tomorrow, and of being in a position to make informed business choices

**CHRIS MARCICH** – AGICOA PRESIDENT

# FACTS & FIGURES

Distribution reached in 2018: €145M.
A solid revenue stream for producers.

**18,588**
RIGHTSHOLDERS
A great collective strength; the more rightsholders; bigger the voice.

**1,405,483**
MANDATES
The number of declared works & rights continues to grow.

**36**
COUNTRIES
A unique international collection and distribution coverage.

**8.35%**
FEES
Low service fee further reduced to 7.96% for 2019.

**2,019,668**
BROADCASTS

**148**
CHANNELS
In 2018, AGICOA processed over 2M broadcasts from 148 channels in its information system.

**1,157,409**
BROADCASTS MATCHING THE AGICOA REPERTOIRE
Independently produced content excluding news programs, live sport and other live events, teleshopping, weather forecasts, infomercials, commercials and trailers.

AGICOA helps rightsholders secure licensed use of their works across a range of new digitally-enabled forms of content delivery

As technology-driven change continues to redefine consumer choice and commercial possibilities at every level of the broadcast industry, AGICOA helps audio visual rightsholders secure licensed use of their works across a range of new digitally-enabled forms of content delivery.

The scope of our member support agenda broadened significantly in 2018. We began to offer extended voluntary mandates for the collective management of royalties for new digital retransmission options, and our advocacy efforts on behalf of member interests in Brussels and elsewhere in Europe helped influence a positive outcome to the EU's regulatory rethink of licensing requirements for new signal technologies and forms of content delivery.

The EU decision that new formats including mobile options should be subject to the mandatory licensing principles that apply to satellite and cable retransmission ended a period of uncertainty and reluctance by some operators to recognize new royalty obligations. The provisions of the new EU Directive – which must be implemented by nation states within two years – will strengthen the position of AGICOA members in future collective negotiations.

Demand for linear TV is declining in the face of consumer preference for time-shifted viewing options such as Catch-up, Start from the Beginning, Pause and Resume, for location flexibility and mobile access on a range of devices, and the appeal of OTT subscription programming from Netflix, Amazon Prime and alike.

The drift away from linear viewing may continue in the short-term, but its impact on future collective management agreements and revenue streams can be countered by bundling the licensing of retransmission and related digital services into bigger, more cost-efficient packages. The critical mass and the one-stop shopping options that AGICOA can provide are advantageous for platform operators as well as rightsholders.

Although the broadcast world is radically different to the one that existed when AGICOA was founded 40 years ago, our purpose is unchanged – to ensure the efficient collection and distribution of royalties to independent producers of audio visual works within the scope of agreed mandates.

While we are not the primary source of licensing revenue for audio visual producers, we can be an increasingly important supplementary one as the broadcast universe expands, demand for content increases, and consumer viewing options multiply. Our goal is to take advantage of the opportunities this will continue to create and contribute as fully as possible to the vitality of member businesses.

Our first duty is to inform members of licensing developments so they can take informed decisions about the royalty management options available to them. That done, we aim to provide the level of service that best meets their needs. But the choice of mandate is always theirs.

Early in 2018, our portfolio team began a round of contacts to brief rightsholders on the technological and regulatory outlook, and outlined proposals to extend AGICOA's general mandate on a voluntary basis to include a range of time-shifted and mobile retransmission formats. By year-end, 65% of those approached had opted to extend use of our services.

AGICOA is uniquely equipped to manage transactional complexity.

We also put the finishing touches to a distribution plan for revenue from these new sources. In effect, we already had a template from handling the international distribution needs of our AGICOA Alliance partners in Scandinavia where collective rights management was already mandatory for some new forms of content delivery.

In other respects, 2018 was a business-as-usual year. Despite market turbulence and a mix of old and new royalty payment challenges, distribution of revenues to members totalled €145m, maintaining recent satisfactory levels. Collections were down on the previous year at €113m pending the conclusion of on-going negotiations in some key markets.

Rightsholder demand for our services remains strong. Membership increased by 5%, totalling 18,588 at year-end, and the number of declared works and rights passed the 1.4 million mark, reaching their highest-ever levels.

AGICOA is uniquely equipped to manage transactional complexity. The state-of-the-art IT systems at its Geneva offices – nerve center of our collective management operations – monitored over two million broadcasts from 148 channels in 36 countries in 2018, matching content use to member data to initiate royalty collection and distribution processes.

These powerful tools enable AGICOA and its Alliance partners to operate seamlessly and internationally across the complicated matrix of channels and platforms that make use of members' work. Data security is an absolute priority. Regular intrusion tests ensure exceptionally high levels of protection, and there are rapid recovery contingency plans in place to protect against physical loss or damage.

As trustees, we take pride in the prudent management of members' financial assets in transit with us. We have a duty of care to guarantee their protection and only work with leading banks that guarantee the integrity of the continuous flow of international transactions we make each year.

The objective is to 'cash out' by distributing royalty revenue as soon as possible. We conform to strict EU distribution guidelines in this respect, and also have resolution processes in place to help ensure that conflicting royalty claims are settled and blocked revenue is released as quickly as possible.

AGICOA's internal management processes are subject to ISAE 3000 scrutiny and certification of internal controls. Our operations and governance are fully aligned with the provisions of the EU Directive on Collective Management Organizations (CMO) and with EU and Swiss data protection laws. Our annual transparency report can be accessed at www.agicoa.org.

Our operations are funded by a management fee applied to the distribution of royalty revenues. This is approved each year by the General Assembly of members, and was reduced from 9.16% to 8.35% in 2018. A further decrease to 7.96% will be applied in 2019. The General Assembly agrees an annual budget and any variance, after operating costs are deducted and any other revenue are added, is returned to rightsholder accounts. A saving of 3.40% was entirely re-allocated in this way at the end of 2018.

My AGICOA colleagues and I would like to thank members for their continuing trust and confidence, we look forward to servicing them in the future.

**TOM DE LANGE** – GENERAL MANAGER



# DISTRIBUTION TABLE

## GENERAL MANDATE

### FIRST DISTRIBUTION

| | |
|---|---|
| AUSTRALIA | 2017 |
| AUSTRIA | 2014 |
| BELGIUM | 2017 |
| CANADA | 2016 |
| DENMARK | 2016 |
| FINLAND | 2016 |
| GERMANY | 2017 |
| HUNGARY | 2016-2017 |
| ICELAND | 2015 |
| IRELAND | 2017 |
| LATVIA | 2014-2015 |
| LITHUANIA | 2016 |
| LUXEMBOURG | 2017 |
| MACEDONIA | 2015-2016 |
| NORWAY | 2016 |
| POLAND | 2017 |
| PORTUGAL | 2016, 2017 |
| SERBIA | 2015-2016 |
| SLOVAKIA | 2016 |
| SLOVENIA | 2010-2016 |
| SPAIN | 2017 |
| SWEDEN | 2017 |
| SWITZERLAND | 2016 |
| THE NETHERLANDS | 2017 |
| UNITED KINGDOM | 2017 |

### FINAL DISTRIBUTION

| | |
|---|---|
| AUSTRALIA | 2009 |
| AUSTRIA | 2001-2003 |
| BELGIUM | 2014 |
| CANADA | 2014 |
| DENMARK | 2012 |
| FINLAND | 2013 |
| GERMANY | 2014 |
| IRELAND | 2012 |
| LUXEMBOURG | 2014 |
| NORWAY | 2012, 2014 |
| POLAND | 2014 |
| PORTUGAL | 2014 |
| SWEDEN | 2014 |
| SWITZERLAND | 2010 |
| THE NETHERLANDS | 2014 |
| UNITED KINGDOM | 2014 |

## OTHER SERVICES

### FIRST DISTRIBUTION

| | |
|---|---|
| AUSTRIA | 2015-2016 |
| ESTONIA | 2016 |
| HUNGARY | 2014, 2016 |
| LATVIA | 2012-2013 |
| POLAND | 2016 |
| PORTUGAL | 2014 |
| REPUBLIC CZECH | 2015 |
| SLOVAKIA | 2015 |
| SWITZERLAND | 2010, 2014-2015 |
| THE NETHERLANDS | 2007-2015 |

### FINAL DISTRIBUTION

| | |
|---|---|
| HUNGARY | 2012-2015 |
| POLAND | 2015 |
| SLOVAKIA | 2011-2014 |

Our Geneva-based operations are overseen by a member-elected board that agrees management fees and ensures transparency. You're in charge.



# AGICOA MEMBERS

AGICOA's members are audio visual producers or distributors, their associations and/or collective management organizations from all over the world. The members, through the General Assembly, define AGICOA's purpose in its by-laws and fundamental rules of royalty distribution. They approve the annual operating budget and the AGICOA fee applicable over royalties put into distribution.

| | |
|---|---|
| ARGENTINA | CAPIT |
| AUSTRALIA | SCREENRIGHTS |
| AUSTRIA | VAM |
| BELGIUM | BAVP |
| | COMEDIA |
| BOSNIA & HERZEGOVINA | UFI |
| BULGARIA | FILMAUTOR |
| CANADA | CRC |
| CHINA | CFCA |
| DENMARK | PRD |
| FINLAND | APFI |
| FRANCE | FIAD |
| | FIAPF |
| GERMANY | GWFF |
| | VDF |
| | VGF |
| GREECE | SAPOE |
| ICELAND | SIK |

| | |
|---|---|
| INDIA | PRODUCERS' GUILD OF INDIA |
| IRELAND | SCREEN PRODUCERS IRELAND |
| ITALY | ANICA |
| LUXEMBOURG | ALGOA |
| | SAMSA FILM |
| NORWAY | AGICOA NORGE |
| POLAND | ZAPA |
| PORTUGAL | GEDIPE |
| RUSSIA | PRODUCERS' GUILD OF RUSSIA |
| SERBIA | FILM CENTER SERBIA |
| SLOVAK REPUBLIC | SAPA |
| SLOVENIA | AIPA |
| SPAIN | EGEDA |
| | IBAIA |
| | PAC |
| | UPCT |

| | |
|---|---|
| SWEDEN | FRF |
| SWITZERLAND | SUISSIMAGE |
| THE NETHERLANDS | ENDEMOL SHINE GROUP |
| | FINTAGE HOUSE |
| | SEKAM |
| TURKEY | SE-YAP |
| UGANDA | UFMI |
| UKRAINE | APU |
| UNITED KINGDOM | 560 MEDIA RIGHTS |
| | COMPACT MEDIA GROUP |
| | EMI MUSIC PUBLISHING |
| | PACT |
| USA | APTPA-PBS |
| | IFTA |
| | MPAA |

# 2018 AGICOA ADMINISTRATIVE BOARD

The Administrative Board has a supervisory role and approves the AGICOA strategy.

## PRESIDENT

Chris Marcich (USA)

## VICE-PRESIDENTS

Ronald Frohne, GWFF (DE)
Substitute: Gertraude Müller-Ernstberger

**Until September 2018**
Nicole La Bouverie, BAVP (BE)

**Afterwards**
Max Rumney, PACT (UK)
Substitute: Brendan Fairweather

## MEMBERS

Miguel Angel Benzal Medina, EGEDA (ES)
Substitute: José Antonio Suarez

Sylwia Biadun, ZAPA (PL)
Substitute: Dominik Skoczek

Marcel Hoogenberk, Fintage (NL)
Substitute: Niels Teves

Jane Hyndman, Compact Media Group (GB)
Substitute: Mark Rowland

An Jacobs, BAVP (BE)
Substitute: Jan Huyse

John M. Jacobsen, AGICOA Norge (NO)
Substitute: Tom Eilertsen

Jean Prewitt, IFTA (USA)
Substitute: Ian Bonifield

Paulo Santos, GEDIPE (PT)
Substitute: Victor Castro Rosa

Jane Saunders, MPA (USA)
Substitute: Cristina Morgia

## TREASURER

**Until September 2018**
Michael Brodie (GB)

**Afterwards**
Max Rumney, PACT (UK)

## OBSERVER

Börje Hansson for FIAPF
Substitute: Johannes Klingsporn for FIAD



# AGICOA ALLIANCE

The AGICOA Alliance is a unique partnership of collective management organizations that enables the efficient international collective management of intellectual property rights. It is an international "one-stop-shop" where a single audio visual work declaration applies worldwide wherever we operate. Our Alliance partners subscribe to common practices and rules; so rightsholders' interests are managed in a consistent way across countries and regions. It is based on a local presence (close to the beneficiaries) with central services (enabling economies of scale) and combined negotiation power.

## THE AGICOA ALLIANCE

| | |
|---|---|
| BELGIUM | AGICOA EUROPE BRUSSELS |
| FINLAND | APFI |
| FRANCE | ANGOA |
| GERMANY | AGICOA GMBH |
| LUXEMBOURG | AGICOA EUROPE |
| | ALGOA |
| NORWAY | AGICOA NORGE |
| POLAND | ZAPA |
| PORTUGAL | GEDIPE |
| SPAIN | EGEDA |
| SWEDEN | FRF |
| SWITZERLAND | AGICOA |

# WHO WE ARE

## THE RIGHTS PEOPLE

We are a not-for-profit organization established by independent producers in 1981. We negotiate, collect and distribute royalties for retransmission and related digital services of audio visual works. We monitor life cycle use of over 1.4 million properties registered by 18,588 members. We are a revenue safety net for them, and a short-cut to compliance with licensing requirements for platforms which bring the world's finest content to viewers in 36 countries. Our Geneva-based operations are overseen by a member-elected board that agrees management fees and ensures transparency. You're in charge.

## AT YOUR SERVICE

AGICOA helps finance your next project with revenue from the last one. Our members have benefited from over €2 billion in royalty distributions since 2000. Our information systems process more than 2 million broadcasts yearly, tracking the outcome of collective management agreements made on your behalf. We are also your eyes and ears on tomorrow's broadcast world and your voice in critical regulatory debates. Think of us as a well-informed association that puts unique levels of experience, resource and fire power at your disposal – and lets you concentrate on your day job.

## THE FUTURE IS NOW

The broadcast industry has been transformed by digital technology, an explosion of viewing options and new business models. We are here to make sure more consumers watching more content means more revenue for its originators. For platforms agreeing terms for a wide range of programming through a blanket licence is preferable to negotiating separate contracts with many different producers. We manage complexity – and make sure members don't leave money on the table. We make collective sense of it all.

# FINANCIAL STATEMENTS OF AGICOA (CHF)

| SUMMARY BALANCE SHEET | 2018 | 2017 |
|---|---|---|
| **Assets** | | |
| **Current Assets** | | |
| Cash and term-deposits | 18,949 | 24,352 |
| Receivables from the fiduciary funds | 549,703 | 128,276 |
| Other receivables and prepaid expenses | 792,492 | 771,117 |
| | **1,361,144** | **923,745** |
| **Non-Current Assets** | | |
| Deposits and guarantees | 43,471 | 64,635 |
| Investments in affiliates | 99,828 | 99,828 |
| Other receivables | 0 | 71,295 |
| Receivables ISAN International Agency | 2,520,795 | 2,524,465 |
| Tangible fixed assets | 240,027 | 328,462 |
| | **2,904,121** | **3,088,685** |
| **Total Assets** | **4,265,265** | **4,012,430** |
| **Liabilities** | | |
| **Current Liabilities** | | |
| Accounts payable | 750,329 | 588,748 |
| Accounts payable related to affiliates | 14,032 | 7,276 |
| Other short term liabilities | 611,983 | 776,649 |
| Accruals/provisions | 368,126 | 115,292 |
| | **1,744,470** | **1,487,965** |
| **Non-Current Liabilities** | | |
| Provision ISAN International Agency | 2,520,795 | 2,524,465 |
| **Equity** | 0 | 0 |
| | **2,520,795** | **2,524,465** |
| **Total Liabilities and Equity** | **4,265,265** | **4,012,430** |

| SUMMARY STATEMENT OF INCOME | 2018 | 2017 |
|---|---|---|
| **Operating Expenses** | | |
| Salaries and social charges | 5,208,334 | 5,201,995 |
| Professional fees and administrative expenses | 1,692,375 | 2,146,247 |
| Depreciation | 155,735 | 115,319 |
| Costs incurred by partner organizations | 4,820,480 | 5,489,863 |
| Special projects | 15,000 | 46,885 |
| **Total Operating Expenses** | **11,891,924** | **13,000,309** |
| **Financial (Income)/Expenses** | | |
| Interest and bank charges, net | 3,975 | 5,556 |
| Exchange (gains)/losses, net | 75,205 | (93,693) |
| **Total Financial (Income)/Expenses** | **79,180** | **(88,137)** |
| **Miscellaneous (Income)/Expenses** | | |
| External services | (423,983) | (428,411) |
| Rent office space | (85,120) | (62,265) |
| Other income | (22,000) | (22,663) |
| Other expenses | 461,126 | 209,334 |
| **Total Miscellaneous Income** | **(69,977)** | **(304,005)** |
| **Total Net Expenses before Taxes** | **11,901,127** | **12,608,167** |
| Direct Taxes | 72,369 | 68,300 |
| **Total Net Expenses** | **11,973,496** | **12,676,467** |
| **Funding of Net Expenses** | | |
| Operational budget | 12,395,416 | 12,895,861 |
| Operational budget surplus | (421,920) | (219,394) |
| **Total Funding of Net Expenses** | **11,973,496** | **12,676,467** |

# FIDUCIARY FUNDS MANAGED BY AGICOA (EURO)

| SUMMARY FIDUCIARY FUNDS BALANCE SHEET | 2018 | 2017 |
|---|---|---|
| **Current Fiduciary Assets** | | |
| Cash and term-deposits | 172,870,193 | 192,964,081 |
| Other assets | 2,133,440 | 2,366,410 |
| | **175,003,633** | **195,330,491** |
| **Non-Current Fiduciary Assets** | | |
| Investment property | 5,183,250 | 5,183,250 |
| | **5,183,250** | **5,183,250** |
| **Total Fiduciary Assets** | **180,186,883** | **200,513,741** |
| **Fiduciary Liabilities, Reserves and Provisions** | | |
| **Short-Term Fiduciary Liabilities** | | |
| Payable to rightsholders | 9,596,196 | 13,344,505 |
| AGICOA current account payable | 488,433 | 109,706 |
| Payables of/to national partner organizations | 718,013 | 344,407 |
| Fiduciary funds put into distribution pending allocation to rightsholders | 79,191,299 | 79,618,318 |
| Fiduciary funds to be put into distribution | 66,093,047 | 84,455,489 |
| | **156,086,988** | **177,872,425** |
| **Fiduciary Reserves and Provisions** | **24,099,895** | **22,641,316** |
| **Total Fiduciary Liabilities, Reserves and Provisions** | **180,186,883** | **200,513,741** |

| SUMMARY FIDUCIARY FUNDS STATEMENT OF INCOME | 2018 | 2017 |
|---|---|---|
| **Revenues** | | |
| Royalties collected | 81,497,276 | 100,442,675 |
| Financial and other revenues | 150,755 | 660,881 |
| **Total Revenues** | **81,648,031** | **101,103,556** |
| **Distributions and other Charges** | | |
| Fiduciary funds put into distribution | (92,359,625) | (92,492,037) |
| AGICOA fees | (8,148,219) | (8,390,692) |
| Bank charges | (14,181) | (11,607) |
| Foreign currency translation adjustment | 97,161 | (1,472,984) |
| **Total Distributions and other Charges** | **(100,424,864)** | **(102,367,320)** |
| **Net Deficit prior to Allocations** | **(18,776,833)** | **(1,263,764)** |
| **Total Releases** | **18,776,833** | **1,263,764** |
| **Net Surplus after Releases** | **0** | **0** |

The fiduciary funds financial statements exclude the fiduciary funds managed by AGICOA Urheberrechtsschutz GmbH (Germany), ANGOA (France) and EGEDA (Spain).

# FIDUCIARY FUNDS SPLIT AGICOA & PARTNER ORGANIZATIONS (EURO)

| SUMMARY FIDUCIARY FUNDS BALANCE SHEET | 2018<br>AGICOA Alliance | 2018<br>AGICOA Geneva | 2018<br>Partner Organizations |
|---|---|---|---|
| **Current Fiduciary Assets** | | | |
| Cash and term-deposits | 172,870,193 | 99,216,276 | 73,653,917 |
| Other assets | 2,133,440 | 735,449 | 1,397,991 |
| | **175,003,633** | **99,951,725** | **75,051,908** |
| **Non-Current Fiduciary Assets** | | | |
| Investment property | 5,183,250 | 5,183,250 | 0 |
| | **5,183,250** | **5,183,250** | **0** |
| **Total Fiduciary Assets** | **180,186,883** | **105,134,975** | **75,051,908** |
| **Fiduciary Liabilities, Reserves and Provisions** | | | |
| **Short-Term Fiduciary Liabilities** | | | |
| Payable to rightsholders | 9,596,196 | 1,444,768 | 8,151,428 |
| AGICOA current account payable | 488,433 | 488,433 | 0 |
| Payables of/to national partner organizations | 718,013 | 339,811 | 378,202 |
| Fiduciary funds put into distribution pending allocation to rightsholders | 79,191,299 | 44,527,944 | 34,663,355 |
| Fiduciary funds to be put into distribution | 66,093,047 | 40,266,077 | 25,826,970 |
| | **156,086,988** | **87,067,033** | **69,019,955** |
| **Fiduciary Reserves and Provisions** | **24,099,895** | **18,067,942** | **6,031,953** |
| **Total Fiduciary Liabilities, Reserves and Provisions** | **180,186,883** | **105,134,975** | **75,051,908** |

| SUMMARY FIDUCIARY FUNDS STATEMENT OF INCOME | 2018<br>AGICOA Alliance | 2018<br>AGICOA Geneva | 2018<br>Partner Organizations |
|---|---|---|---|
| **Revenues** | | | |
| Royalties collected | 81,497,276 | 45,187,017 | 36,310,259 |
| Financial and other revenues | 150,755 | (4,979) | 155,734 |
| **Total Revenues** | **81,648,031** | **45,182,038** | **36,465,993** |
| **Distributions and other Charges** | | | |
| Fiduciary funds put into distribution | (92,359,625) | (43,809,812) | (48,549,813) |
| AGICOA fees | (8,148,219) | (3,559,923) | (4,588,296) |
| Bank charges | (14,181) | (8,915) | (5,266) |
| Foreign currency translation adjustment | 97,161 | 97,161 | 0 |
| **Total Distributions and other Charges** | **(100,424,864)** | **(47,281,489)** | **(53,143,375)** |
| **Net Deficit prior to Allocations** | **(18,776,833)** | **(2,099,451)** | **(16,677,382)** |
| **Total Releases** | **18,776,833** | **2,099,451** | **16,677,382** |
| **Net Surplus after Releases** | **0** | **0** | **0** |

Deloitte.

**Report of the independent auditor on the summary financial statements**

To the General Meeting of the Members of
**Association de Gestion Internationale Collective des Œuvres Audio-Visuelles (AGICOA),** Geneva

The accompanying summary financial statements, which comprise the summary balance sheet as at December 31, 2018, the summary statement of income for the year then ended, the summary fiduciary funds balance sheet, the summary fiduciary funds statement of income and the summary fiduciary funds split AGICOA & Partner Organizations are derived from the audited financial statements of Association de Gestion Internationale Collective des Œuvres Audio-Visuelles (AGICOA), for the year ended December 31, 2018. We expressed an unmodified audit opinion on those financial statements in our report dated April 15, 2019.

The summary financial statements do not contain all the disclosures required by Swiss law and the association's by-laws. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of AGICOA.

**Administrative Board of the Association's Responsibility for the Summary Financial Statements**

The Administrative Board of the Association is responsible for the preparation of the summary financial statements in accordance with Swiss law and the Association's by-laws.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Swiss Auditing Standard (SAS) 810, Engagements to Report on Summary Financial Statements.

**Opinion**

In our opinion, the summary financial statements derived from the audited financial statements of AGICOA for the year ended December 31, 2018 are consistent, in all material respects, with those financial statements, in accordance with Swiss law and the Association's by-laws.

Deloitte SA – Geneva, April 25, 2019

FABIEN BRYOIS
PARTNER

LAURE LESNIEWSKI
MANAGER

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