

Special Report

The European Club Football Investment Landscape



Contents

Executive Summary	02
<hr/>	
European Football Landscape	03
Country-wise Revenues Big Five League Revenues (Historical & Estimates)	
<hr/>	
M&A Deal Activity in European Football	05
Deal Value & Count Largest Deals	
<hr/>	
Rise of Private Capital Investments in European Football	07
Club Ties with Private Capital Investors	
<hr/>	
Multi-Club Ownership (MCO) and Investments	08
MCO Clubs in the Big Five Leagues US Investor Participation Active MCO Investors	
<hr/>	
Most Active MCO Investors	12
<hr/>	
Trends in European Football Investment Landscape	14
<hr/>	

Executive Summary

The European Club Football Investment Landscape



Overview of European Football Landscape

- England, Germany, Spain, Italy and France are the “Big Five” Leagues in Europe with combined revenues over €17.5 Bn (UEFA).
- England leads the race as Germany and Spain fight for the number two spot.



Multi-Club Ownership (MCO) Structure

- 105 top-division clubs (13% of all UEFA clubs) have cross-investments with one or more clubs.
- In the Big Five Leagues, 24 clubs have MCO structures with US participation, compared to 16 clubs with non-US participation.



M&A Deal Activity in European Football

- Pitchbook estimates dealmaking in the Big Five Leagues to reach €10.6 Bn in 2023 from €4.9 Bn in 2022 and €66.7 Mn in 2018.
- The sale of Chelsea FC for €3.0 Bn in 2022 was the largest deal ever recorded in club football.



Most Active MCO Investors

- UAE-headquartered City Football Group (CFG) and US-based Silver Lake, which has a stake in CFG, are the most active MCO investors.
- Other prominent investors include 777 Partners, MSP Sports Capital, Red Bull and INEOS.



Rise of Private Capital Investments

- 37 out of the 96 (38%) clubs in Europe have ties with private capital investors.
- Europe witnessed direct investments in football leagues through designated companies, club takeovers and minority investments.

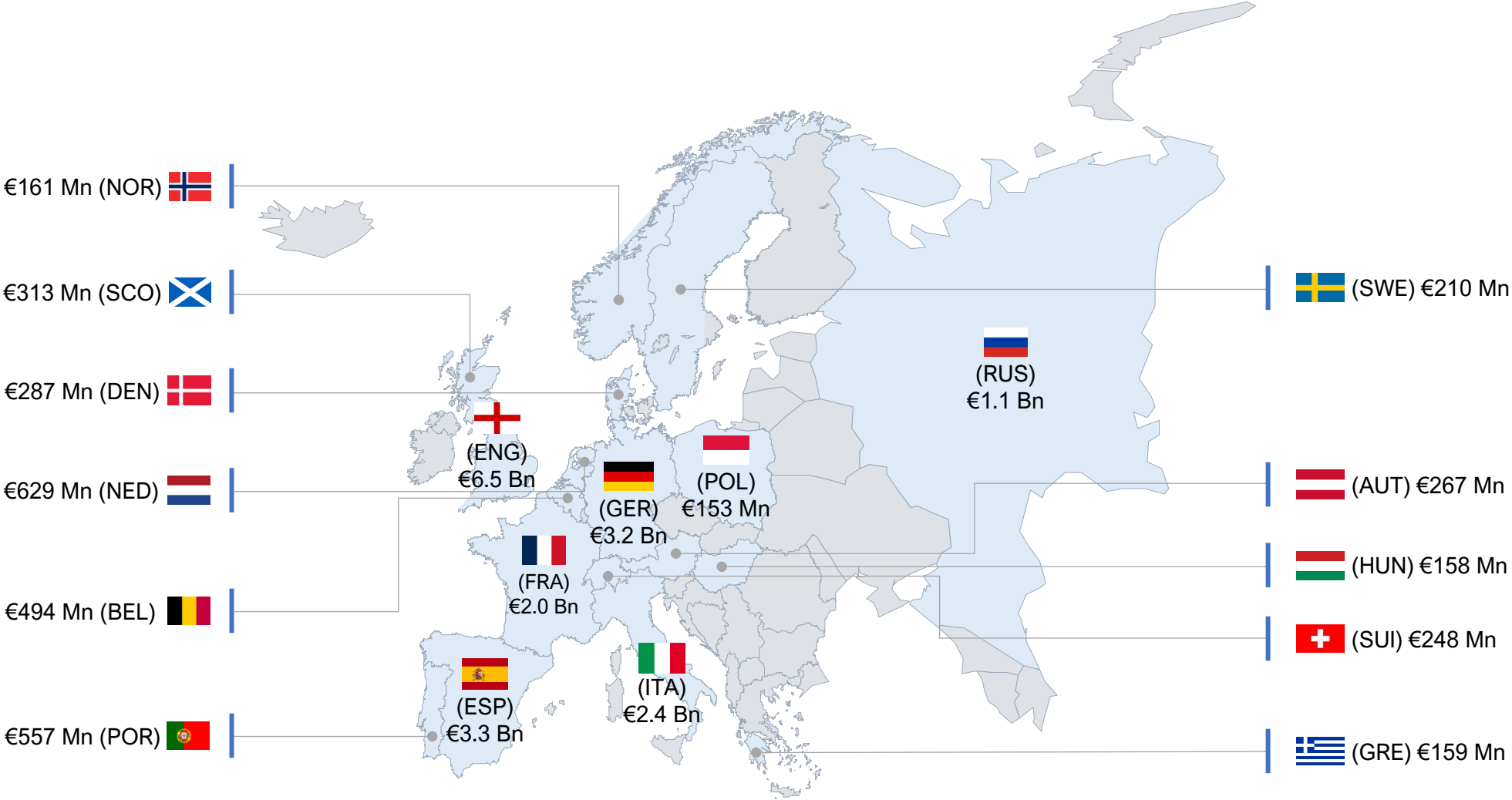


Trends in European Football Landscape

- Investors shifting focus from top-tier to lower division clubs.
- Multi-club ownership and investment is one of the fastest growing trend in the football financial ecosystem.

European Football Landscape

England, Spain, Germany, Italy and France are the top five footballing nations in Europe



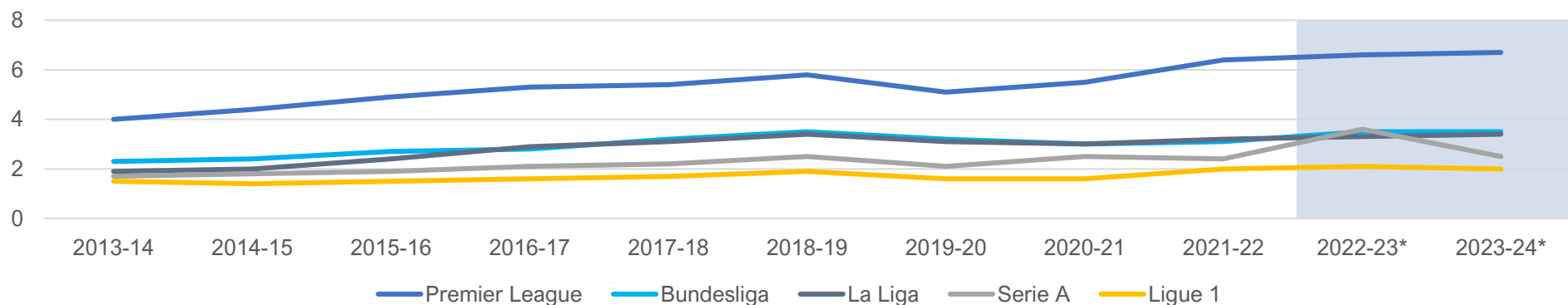
Source: UEFA

“Big Five” League Revenues

The English Premier League generated the highest revenues over the last 10 years

Revenues

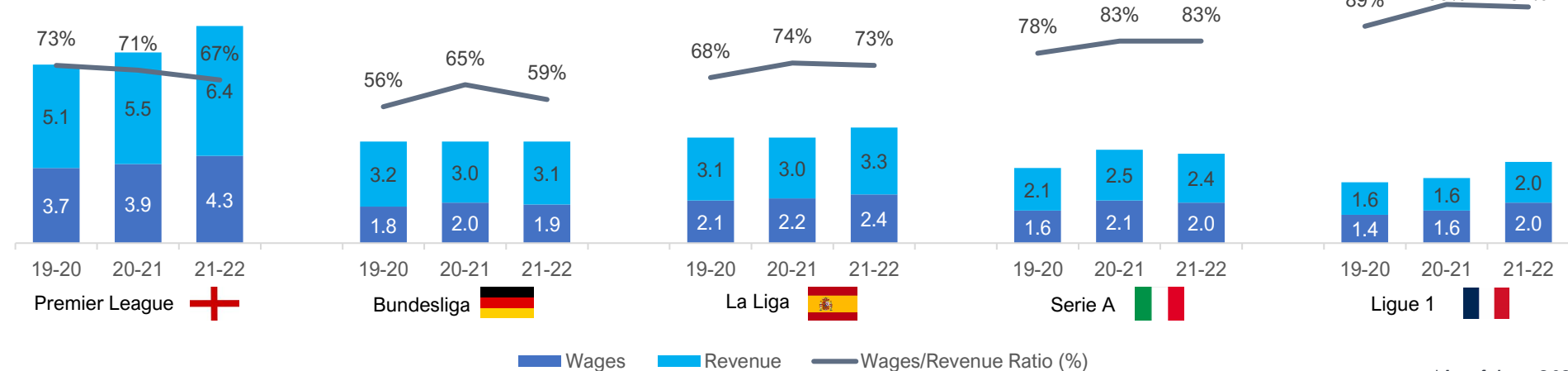
€ Billion



* Revenues are estimated for 2022-23 and 2023-24

Revenues & Wages over three football seasons*

€ Billion



*As of June 2023

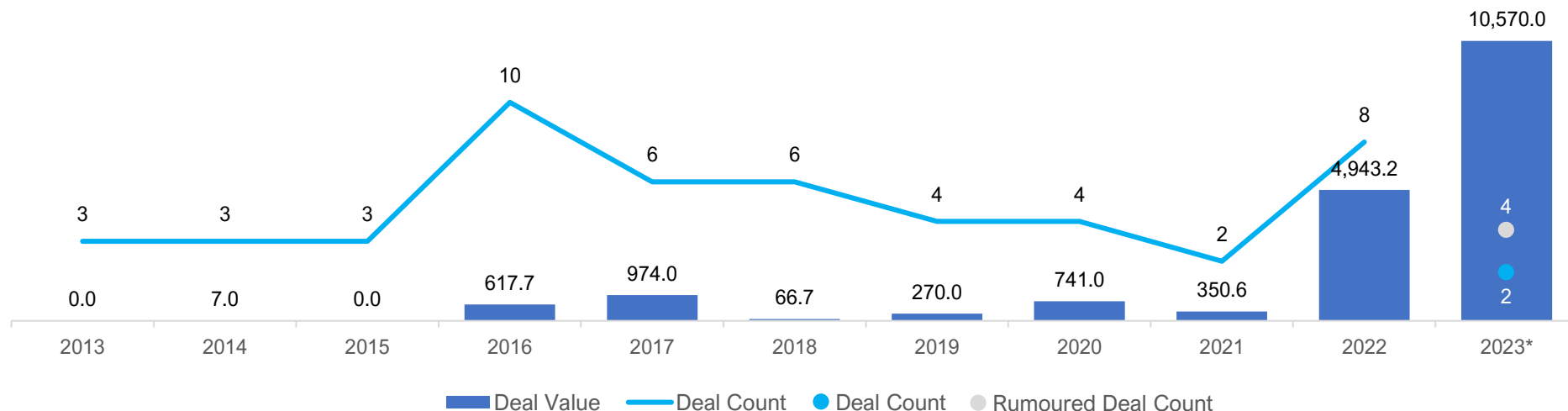
Source: Pitchbook, Deloitte

M&A Deal Activity in European Football

Dealmaking within the Big Five leagues is expected to reach €10.6 billion in 2023

M&A Deal Activity

€ Million



* As of Aug 3, 2023

- According to Pitchbook, dealmaking within the Big Five leagues went from €66.7 million in 2018 to €4.9 billion in 2022 and is expected to reach €10.6 billion in 2023.
- The largest deal ever recorded in football saw Chelsea sold through a leveraged buyout (LBO) to a consortium of US-based PE firms in 2022 for €3.0 billion after its former Russian owner was forced to sell the club—which he had bought for €85.7 million in 2003.
- Other recent PE deals include the purchase of AC Milan for €1.2 billion, Newcastle United for €350.6 million and Atalanta for €275.0 million.
- INEOS agreed to buy a 25% stake in Manchester United for €1.5 billion with an additional investment of \$300 million in the club.

Source: Pitchbook

Note: 2023 Rumoured Deal Value

Largest Deals in European Football by Deal Size

Top 10 Deals from 2005 – 2023*

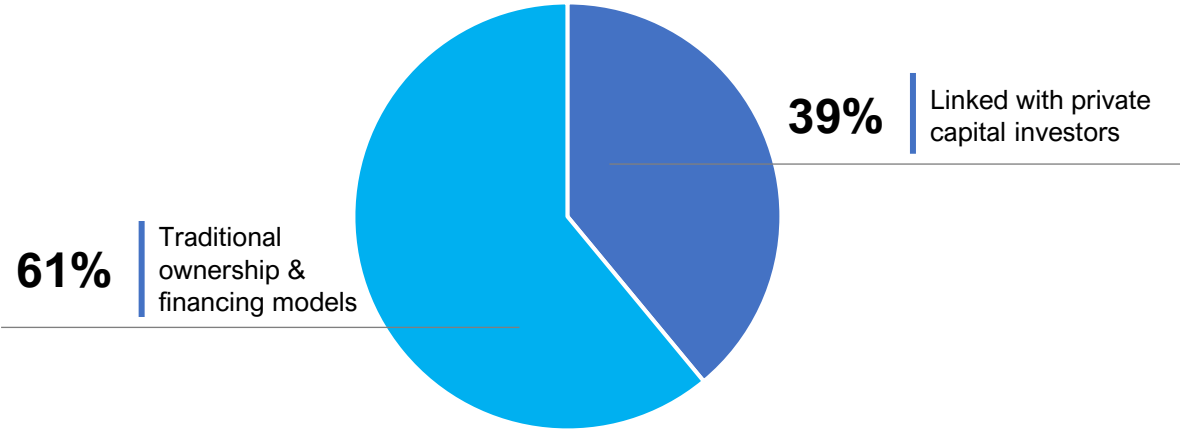
Football Club	Deal Size (€m)	Deal Type	Deal Date	Country
Chelsea FC 	2,991.9	Buyout/LBO	04-May-2022	
Manchester United 	1,300.0	Partial Acquisition	24-Dec-2023	
AC Milan 	1,200.0	Buyout/LBO	31-Aug-2022	
AC Milan 	740.0	Buyout/LBO	13-Apr-2017	
A.S. Roma 	591.0	M&A	17-Aug-2017	
Manchester United 	550.3	Buyout/LBO	15-Sep-2005	
Newcastle United 	350.6	Buyout/LBO	07-Oct-2021	
Liverpool 	348.4	M&A	15-Oct-2010	
Atalanta B.C. 	275.0	Buyout/LBO	19-Feb-2022	
F.C. Internazionale Milano 	270.0	M&A	05-Jun-2016	

Source: Pitchbook
*As of 3rd August 2023

Rise of Private Capital Investments in European Football

Direct investments in football leagues through designated companies, minority investments and club takeovers

Big Five Clubs' Links with Private Capital Investors



37 out of 96 clubs in Europe's Big Five Leagues have ties with private capital investors



- Major professional sports leagues in the US have abandoned their long-standing family ownership structure to accommodate private equity investments aimed at raising the value of highly appreciated franchises by unlocking their potential.
- In the US, PE investors are often passive with typically no direct involvement in daily operations.
- In Europe, this has taken the form of direct investments in football leagues through designated companies, club takeovers and minority investments.

- European Football witnessed a surge in private equity investments since the start of the pandemic and in recent years driven by a unique combination of factors.
- Financial investors began to examine the potential returns in elite sports even before the pandemic, driven by relaxed rules in major US sports leagues and a few successful exit transactions.
- The pandemic significantly impacted European football, leading to a financial crisis for multiple clubs and leagues that required cash infusions to remain operational. This situation occurred against a backdrop where private capital investors, having accumulated large sums over two decades, began injecting significant amounts of money into the European football scene.

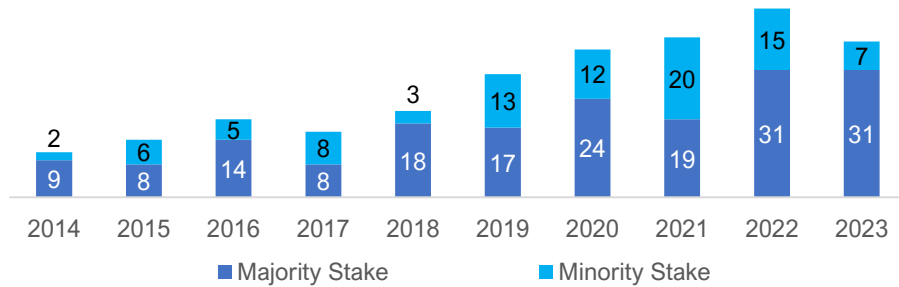
Source: UEFA, RPC UK

Multi-club Ownership and Investments

38 multi-club investment deals were recorded in 2023

Multi-club Investment Deals

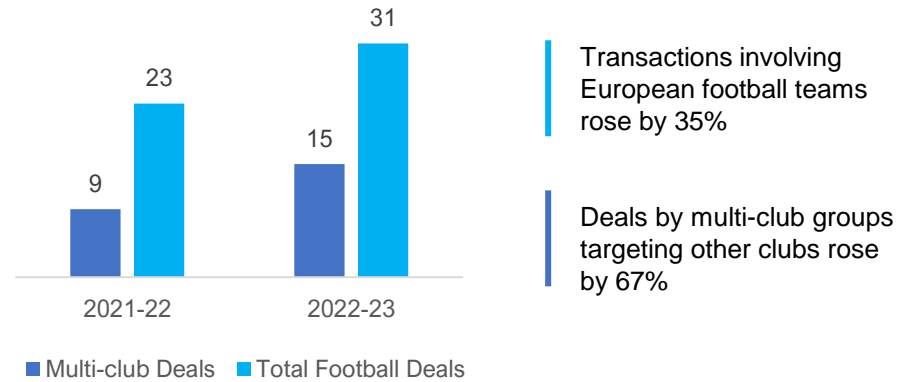
Number of Deals



105 top-division clubs (13% of all UEFA clubs) have cross-investments with one or more different clubs

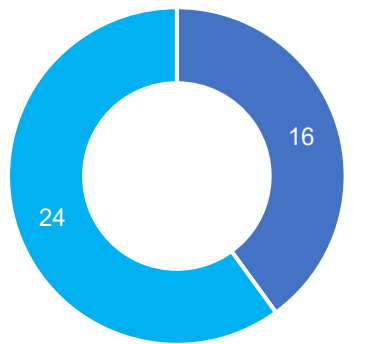
Deals Targeting Football Clubs

Number of Deals



MCO Club Count within the Big Five Leagues by Type

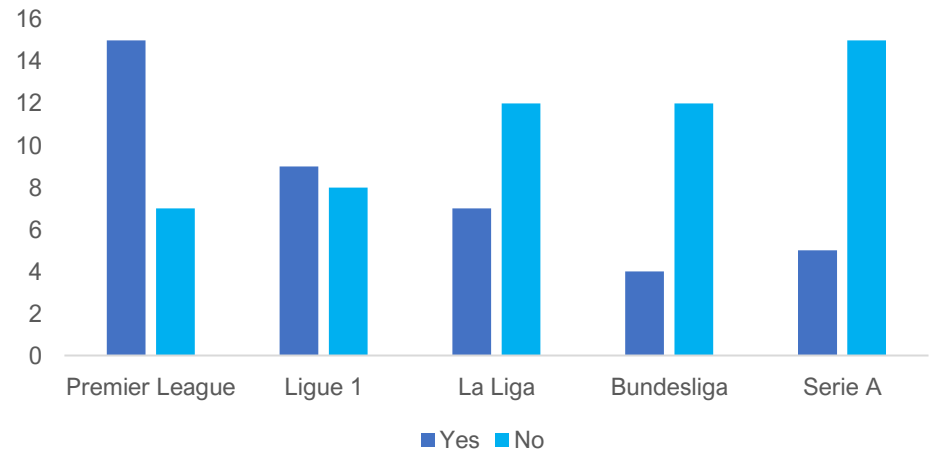
Number of Clubs



- MCO clubs with no US participation
- MCO clubs with US participation

MCO Operated Count within the Big Five Leagues

Number of Clubs



Source: UEFA, Pitchbook

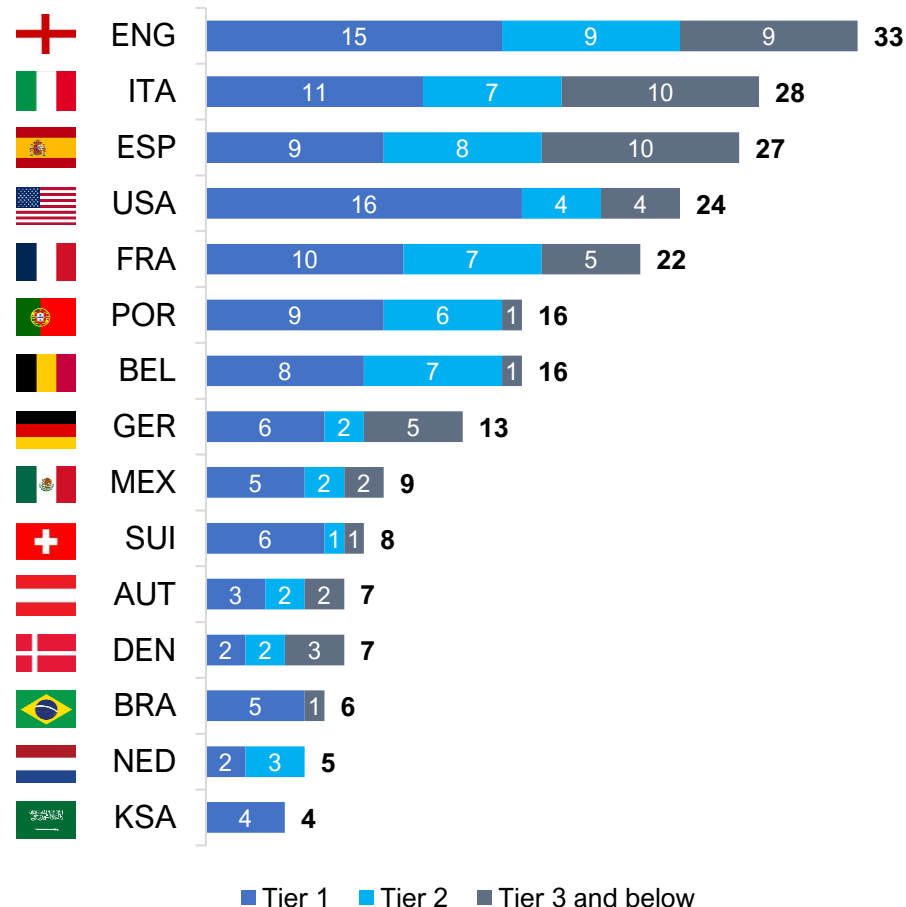
Multi-club Ownership and Investments by Country

US investors actively look for investment opportunities in football clubs

Top 15 Countries with the most clubs involved in MCO Structures

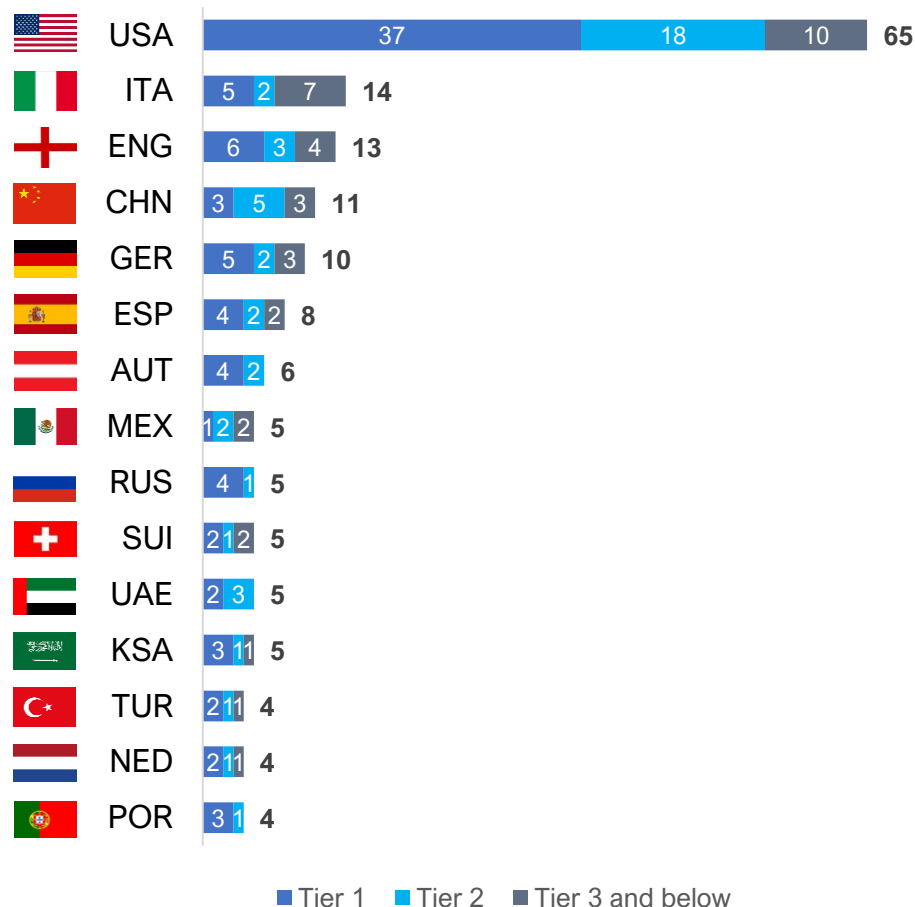
Structures

Number of Clubs



Top 15 Countries by Ownership Origin

Number of Clubs



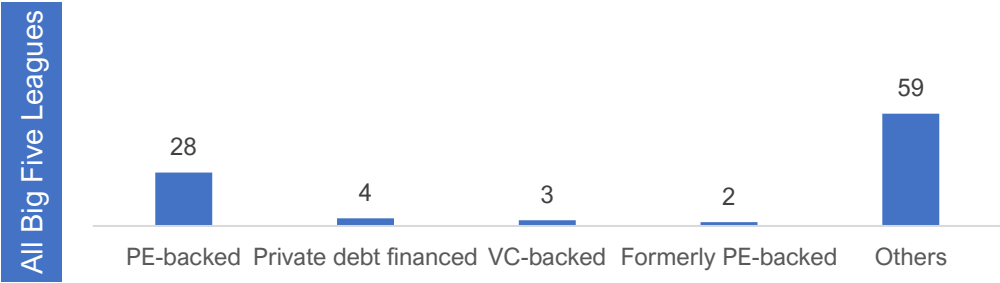
Source: UEFA

Multi-club Ownerships and Investments in Big Five Leagues (1/2)

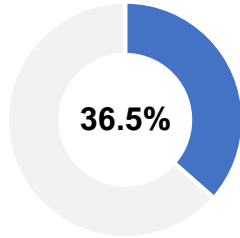
The English Premier League has seen the most US investor participation and MCO across the Big Five Leagues

MCO Club Count within the Big Five Leagues by Type

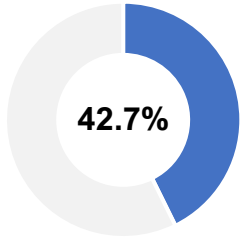
Number of Clubs



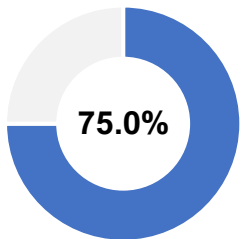
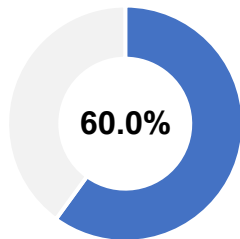
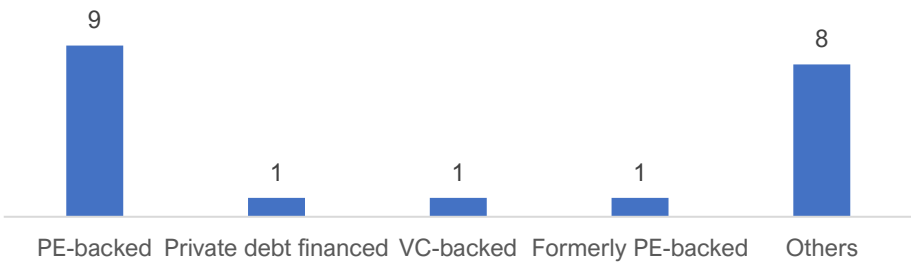
US Investor Participation



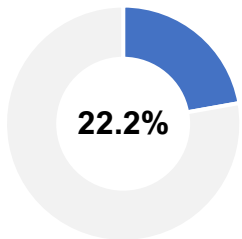
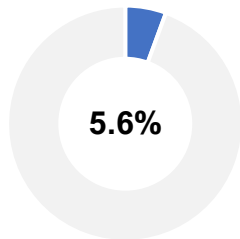
Multi-club Ownership



Premier League



Bundesliga



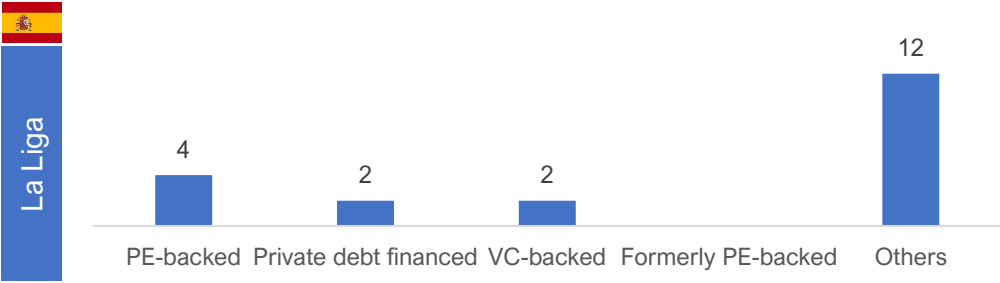
Source: Pitchbook

Multi-club Ownerships and Investments in Big Five Leagues (2/2)

The English Premier League has seen the most US investor participation and MCO across the Big Five Leagues

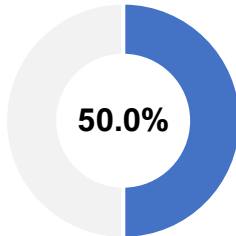
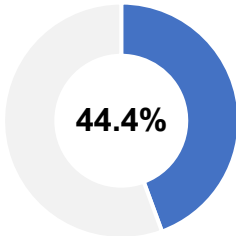
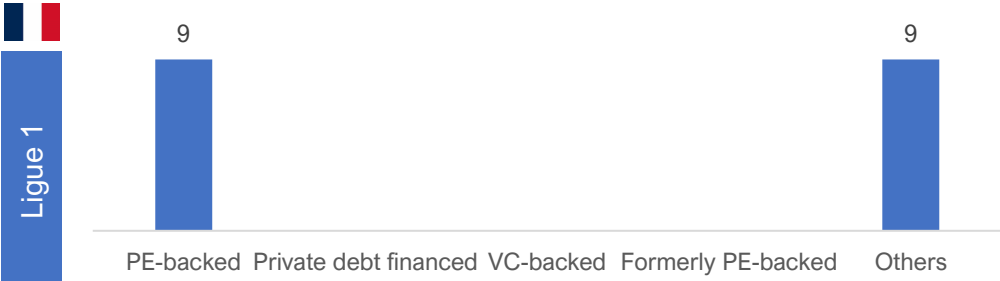
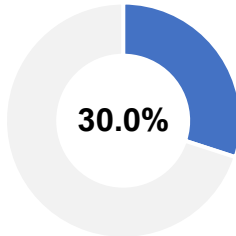
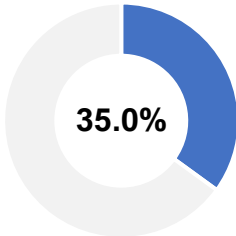
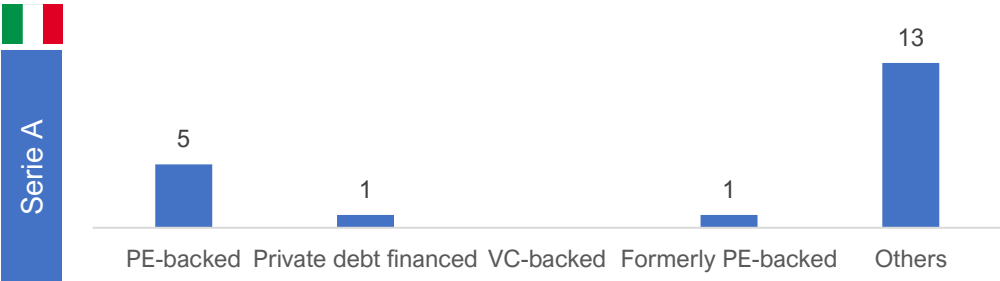
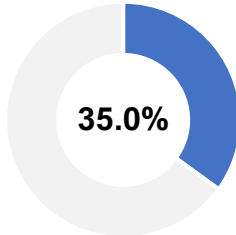
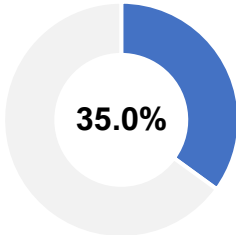
MCO Club Count within the Big Five Leagues by Type

Number of Clubs



US Investor Participation

Multi-club Ownership



Source: Pitchbook

Most Active MCO Investors (1/2)

City Football Group is the most prominent MCO investor with 13 investments

Investors	Football Investment Count	Investor Type	Investor HQ Country	Clubs Invested In
	13	PE/SWF	UAE	
	13	PE	USA	
	8	PE	USA	
	7	PE	USA	
	6	Corporate	Austria	

Source: Pitchbook

Note: Silver Lake has 18% stake in City Football Group

Most Active MCO Investors (2/2)

City Football Group (CFG) is the most prominent MCO investor with 13 investments

Investors	Football Investment Count	Investor Type	Investor HQ Country	Clubs Invested In
	4	PE	USA	   
	4	HNW	USA	   
	4	Corporate/HNW	UK	   
	3	PE	USA	  
	3	PE	Switzerland	  
	3	PE	USA	  
	3	VC	UK	  

Source: Pitchbook

Trends in European Football Investment Landscape

Europe's football investment landscape continues to evolve as economic factors & investment trends drive the market



Ever-changing Club Investment Landscape – End of an Historic Wave of Investments?

- A distinct combination of internal and external forces may have culminated in the record number of deals in 2021 and 2022, marking the pinnacle of an investment wave.
- As the drivers of this trend begin to fade, it would be interesting to observe if the current slowdown is a result of a broader shift in the investment landscape or simply a temporary adaptation to changing conditions.



Investors continue to adjust to shifting market conditions

- Several investors are shifting their focus from top-tier to lower-division clubs because of the evolving club investment landscape.
- Another trend is the growing prevalence of minority investment in clubs. What was once considered a less appealing investment opportunity is now gaining traction as a strategy to navigate high valuations and volatile market conditions.
- This trend has been highlighted by high-profile deals with new investors acquiring minority stakes in clubs like Manchester United and PSG.



Securitization of European Football

- Increasing interest from financial investors has created a complex financial landscape marked by convoluted transactions and dispersed ownership structure. Investors are employing various tools to expand their exposure to football teams.
- These include quasi-equity structures such as convertible debt and preferred shares, mezzanine financing—which sits between debt and equity—royalty-based finance that aligns investor interests with club performance, and the factoring of transfer receivables to secure future transfer payments.



Ever-increasing trend of multi-club investments

- With an increasing number of instances observed globally, multi-club ownership and investment is one of the fastest growing trends in the football financial ecosystem. Several macro-economic factors and global investment trends led to a sharp increase in multi-club investments.
- As per UEFA, more than 230 clubs worldwide were part of a multi-club investment structure in 2023, compared to less than 100 clubs five years ago and less than 40 clubs in 2012.



2500+

Global Clients

500+

Strong professional team across
multi-disciplinary domains

120+

Sectors and sub-sectors
researched by our analysis

80+

Countries where we have
delivered projects

ABOUT ARANCA



Growth Advisory

CXOs in Strategy, SBUs, Sales, Marketing, CI/MI, Innovation



Valuation & Financial Advisory

CFOs in Start-ups, PE/VC Firms, Corporate M&A Teams, Mid-market Companies



Technology | IP Research & Advisory

R&D, Tech Scouting, Open Innovation, IP Teams, Product Development



Investment Research & Analytics

Brokerage, Hedge Funds, IRPs, I-Banks, AMCs, Investor Relations

Connect with our Team



Shubham Chitre

Senior Analyst,
Investment Research

+91 223937 9999
shubham.chitre@aranca.com



Akash Khairnar

Senior Manager,
Investment Research

+91 223937 9999
akash.khairnar@aranca.com

For more details: www.aranca.com | <https://www.linkedin.com/company/aranca> | <https://www.aranca.com/knowledge-library>

Decide Fearlessly

From startups to the Fortune 500, private equity and global financial firms, Aranca is the trusted research and advisory partner for over 2500 companies



www.aranca.com



This material is exclusive property of Aranca. No part of this presentation may be used, shared, modified and/or disseminated without permission.
All rights reserved.