

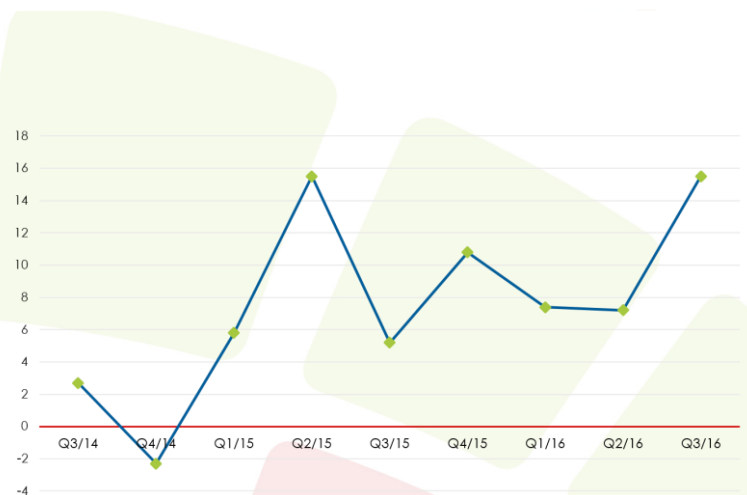
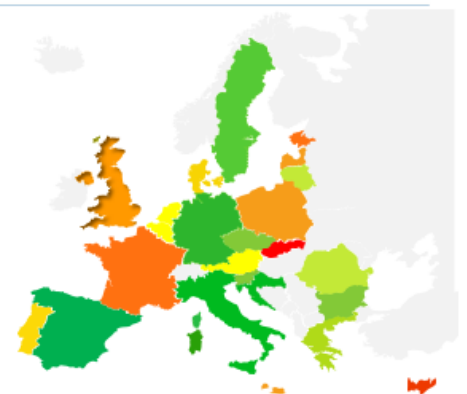
European ad industry enters the last quarter of 2016 with a business confidence boost

Brussels, 07 November 2016 - Business confidence levels in the European advertising and marketing industry recorded a sharp growth from +7 in July 2016 to +16 in October 2016, according to the European Advertising Business Climate Index released today by the European Association of Communications Agencies.

The boost is tempered by the UK's recovery from a post-Brexit shock (soaring from -31 to +4.1), a confidence increase in Spain and Germany, and a decline in Denmark, Cyprus and Slovakia. Following the latest positive economic developments in the country, Spain marks the highest advertising business confidence in Europe (+38). The Italian ad sector experienced a slight decrease in confidence, falling from +35 to +30, but is still among the highest in Europe, together with the ad industries of Sweden and Germany (+27). Surprisingly, Greece marks a significant jump from -2 to +21, making it to the positive side of the spectrum for the first time in 2 years. The Croatian ad industry also experienced a remarkable confidence boost rising from +7 to +31.

eaca Advertising Business Confidence Index

| | |
|--------------------|---------------------|
| Austria: 12 | Italy: 30 |
| Belgium: 14 | Latvia: 6 |
| Bulgaria: 22 | Lithuania: 18 |
| Czech Republic: 22 | Malta: 5 |
| Denmark: 9 | Netherlands: 12 |
| Germany: 27 | Poland: 5 |
| Estonia: -2 | Portugal: 10 |
| Greece: 21 | Romania: 18 |
| Spain: 38 | Slovenia: 23 |
| France: -5 | Slovakia: -17 |
| Croatia: 31 | Sweden: 27 |
| Cyprus: -9 | United Kingdom: 4.1 |

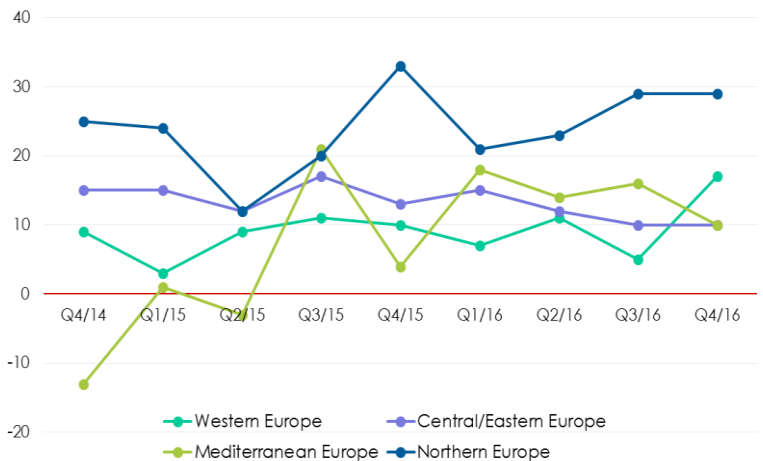


Conversly, Slovakia has the lowest business confidence in Europe (-17), and is, together with Cyprus (-9), France (-5) and Estonia (-2), on the negative side of the scale.

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Both the demand and expectations for advertising services across Europe increased. The demand rose from +11 in Q2/2016 to +20 in Q3/2016, and expectations increased even more significantly, from +6 to +18 for the last quarter of 2016.



Just as in the previous quarter, advertising and marketing companies from Northern Europe continue to demonstrate the highest expectation of demand for their services (+29). However, the ad sector in Western Europe shows greater expectations for Q4/2016 (+17) than in Q3/2016 (+5). For both, Central/Eastern and Mediterranean European regions, demand expectations remain positive (+10).

The situation for employment trends is slightly different, since the actual evolution of employment in the EU ad sector decreased from +11 in Q2/2016 to +1 in Q3/2016, marking the lowest score in this category since the beginning of 2015. On a positive note, employment expectations rose to +18 for the last quarter of 2016 from +3 in the Q3/2016.

When asked how they expect their companies' employment to change in the next three months, companies in all European regions remained optimistic. Hence, expectations in Western Europe marked a notable increase from +2 to +20, in Northern Europe from +23 to +27, whereas Mediterranean and Central/Eastern European regions report expectation growth from +7 to +12 and +10 to +12, respectively.

Please find the European Advertising Business Climate Index report [here](#).

EACA will publish the next edition of the European Advertising Business Climate Index in February 2017.

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