

PROFESSIONAL FOOTBALL SITUATION

SEASON 2019 / 2020



CON- TENTS



	KEY FIGURES 2018/2019	5
01	LIGUE 1	8
1.1	Key figures	10
1.1.1	Summary	10
1.1.2	Earnings	12
1.1.3	Operating expenses	24
1.1.4	Player operations	30
1.1.5	Results	32
1.1.6	Club funding	36
1.1.7	Analysis of achievements against initial 2019/2020 season budgets	38
1.2	link between sports results and financial characteristics	39
1.2.1	Sports results	39
1.2.2	Sports and payroll risks/opportunities	42
1.2.3	Strong impact of sports results on earnings	45
1.2.4	Correlation between annual average gross payroll and sports success	46
1.2.5	Analysis by club groups for the 2019/2020 season	48
02	LIGUE 2	50
2.1	Key figures	52
2.1.1	Summary	52
2.1.2	Earnings	54
2.1.3	Operating expenses	63
2.1.4	Player operations	70
2.1.5	Results	72
2.1.6	Club funding	74
2.1.7	Analysis of achievements against initial 2019/2020 season budgets	76
2.2	link between sports results and financial characteristics	77
2.2.1	Sports results	77
2.2.2	Sports and payroll risks/opportunities	80
2.2.3	Strong impact of sports results on earnings	82
2.2.4	Correlation between gross payroll and sports success	83
2.2.5	Analysis by club groups for the 2019/2020 season	84
03	EUROPEAN BENCHMARK	86
3.1	European benchmark excluding transfer operations	88
3.2	Correlation between sports results and earnings	107
3.3	What is at stake for French clubs?	113

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LIGUE 1 AND LIGUE 2**KEY FIGURES 2019/2020**

LIGUE 1/LIGUE 2 CUMULATIVE ACCOUNTS	2018/2019	2019/2020	VARIATION
In millions of euros			
Total operating income	2,114	1,791	-15%
Operating income	-835	-1,201	-44%
Result of transfer operations	740	738	0%
Current operating profit	-96	-463	-383%
Net profit (loss)	-160	-269	-68%
Shareholders equity	956	870	-9%
Shareholders' current accounts	642	583	-9%
Cash net of indebtedness	-239	-183	+23%

LIGUE 1/LIGUE 2 COMBINED INCOME STATEMENT	2018/2019	2019/2020	VARIATION
In thousands of euros			
Broadcasting rights	1,016,161	795,795	-22%
Sponsors - Advertising	456,126	509,798	+12%
Gate receipts	221,985	186,892	-16%
Other income (including merchandising)	419,367	298,946	-29%
TOTAL NON-TRANSFER EARNINGS	2,113,640	1,791,431	-15%
Total payroll	1,225,871	1,267,984	+3%
Social charges	361,948	330,421	-9%
Transfer fees	409,682	510,680	+25%
Agents' fees	112,386	135,468	+21%
Other expenses	839,209	748,151	-11%
TOTAL NON-TRANSFER EXPENSES	2,949,095	2,992,705	+2%
NON-TRANSFER OPERATING RESULT	-835,455	-1,201,275	-44%
RESULT OF TRANSFER OPERATIONS	739,567	738,333	0%
CURRENT OPERATING PROFIT	-95,888	-462,942	-383%
Financial profit (loss)	-53,462	-52,892	+1%
Exceptional profit (loss): other	-16,829	98,620	+686%
Income tax	-19,268	-18,609	+3%
Except. profit (loss): discontinuations/reversals of current accounts	25,553	166,652	+552%
NET PROFIT (LOSS)	-159,894	-269,171	-68%

TOTAL BALANCE SHEET	2018/2019	2019/2020	VARIATION
In thousands of euros			
Intangible assets: transfer fees	1,071,883	1,292,135	+21%
Other fixed assets	881,998	913,045	+4%
Receivables relative to player transfers	771,840	615,006	-20%
Other current assets	562,376	682,926	+21%
Cash and short-term investments	319,328	474,288	+49%
TOTAL ASSETS	3,607,425	3,977,400	+10%
Shareholders equity	955,968	869,703	-9%
Shareholders' current accounts	641,602	582,558	-9%
Provisions for liabilities and charges	65,491	74,631	+14%
Financial liabilities	557,922	657,134	+18%
Liabilities relative to player transfers	484,835	756,884	+56%
Other liabilities	901,606	1,036,489	+15%
TOTAL LIABILITIES	3,607,425	3,977,400	+10%
PROFIT / LOSS FOR THE YEAR	-159,894	-269,171	-68%



LIGUE 1





OLYMPIQUE LYONNAIS

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LIGUE 1

1.1 KEY FIGURES

1.1.1 SUMMARY

COMBINED INCOME STATEMENT	2018/2019	2019/2020	VARIATION
In thousands of euros			
Broadcasting rights	900,786	690,124	-23%
Sponsors - Advertising	414,882	472,615	+14%
Gate receipts	201,123	169,922	-16%
Other income (including merchandising)	385,639	264,866	-31%
TOTAL NON-TRANSFER EARNINGS	1,902,430	1,597,527	-16%
Total payroll	1,085,370	1,134,043	+5%
Social charges	303,726	282,395	-7%
Transfer fees	397,035	494,913	+25%
Agents' fees	104,223	126,046	+21%
Other expenses	715,222	629,769	-12%
TOTAL NON-TRANSFER EXPENSES	2,605,576	2,667,167	+2%
NON-TRANSFER OPERATING RESULT	-703,146	-1,069,640	-52%
RESULT OF TRANSFER OPERATIONS	634,998	623,521	-2%
CURRENT OPERATING PROFIT	-68,148	-446,120	-555%
Financial profit (loss)	-51,464	-52,096	-1%
Exceptional profit (loss): other	-15,384	79,886	+619%
Income tax	-17,740	-16,448	+7%
Except. profit (loss): discontinuations/reversals of current accounts	26,295	165,052	+528%
NET PROFIT (LOSS)	-126,441	-269,726	-113%

TOTAL BALANCE SHEET	2018/2019	2019/2020	VARIATION
In thousands of euros			
Intangible assets: transfer fees	1,048,769	1,270,766	+21%
Other fixed assets	745,461	783,224	+5%
Receivables relative to player transfers	729,663	540,019	-26%
Other current assets	498,702	630,687	+27%
Cash and short-term investments	282,504	389,056	+38%
TOTAL ASSETS	3,305,099	3,613,752	+9%
Shareholders equity	889,211	761,490	-14%
Shareholders' current accounts	568,066	534,982	-6%
Provisions for liabilities and charges	58,005	64,786	+12%
Financial liabilities	522,280	578,669	+11%
Liabilities relative to player transfers	469,647	745,916	+59%
Other liabilities	797,889	927,908	+16%
TOTAL LIABILITIES	3,305,099	3,613,752	+9%
PROFIT / LOSS FOR THE YEAR	-126,441	-269,726	-113%

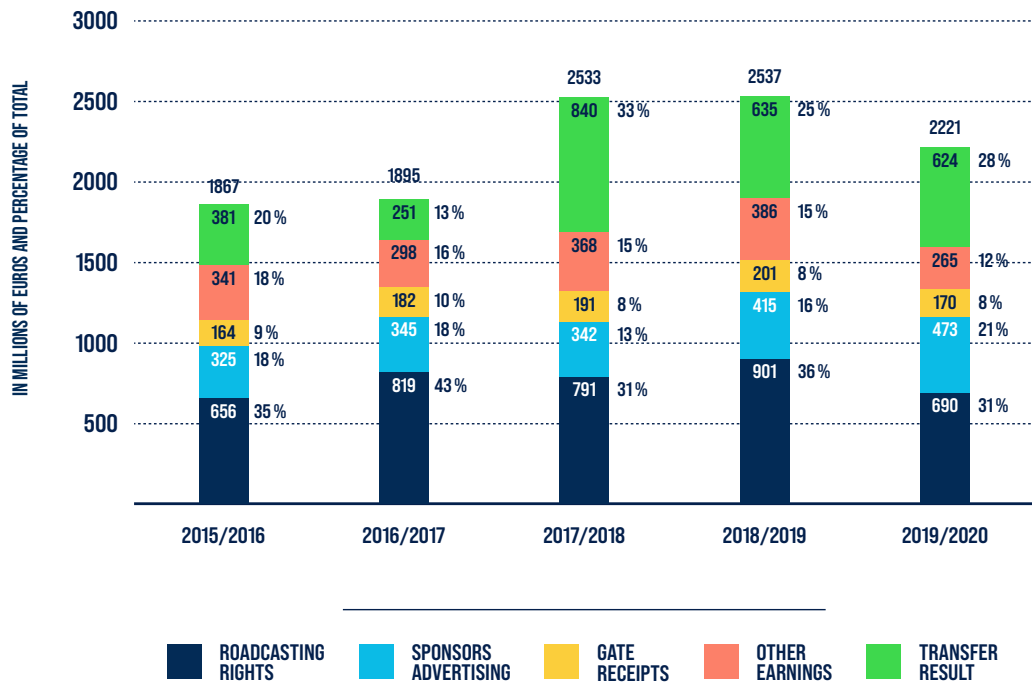
1.1.2

EARNINGS

DEVELOPMENT OF TOTAL EARNINGS (INCLUDING TRANSFER EARNINGS)

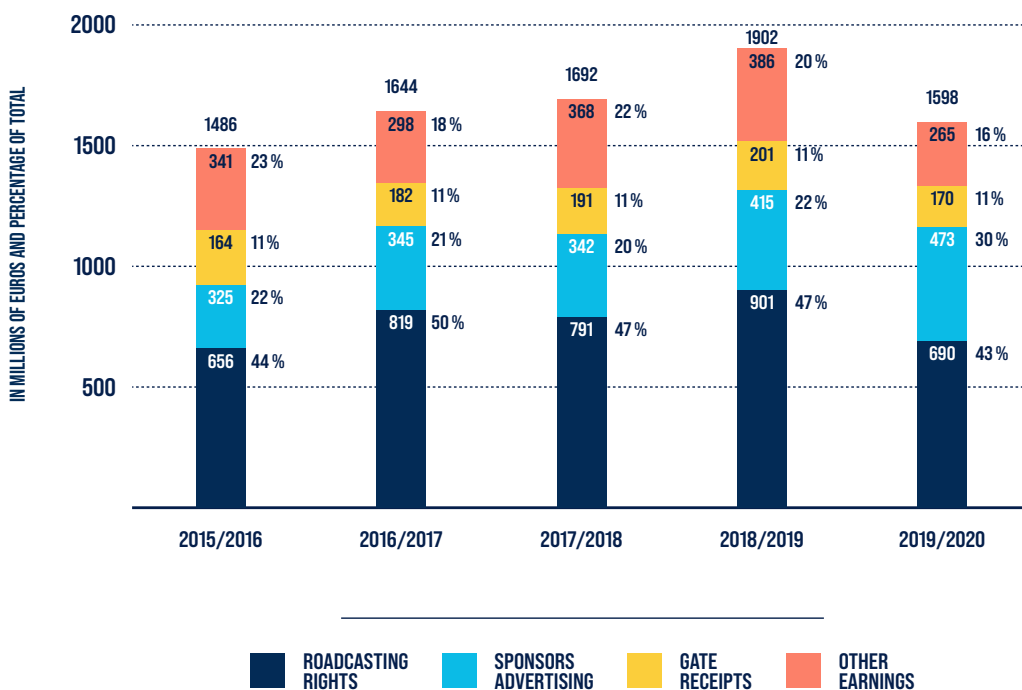
- Total earnings including the result of transfer operations amounted to 2.221 billion euros in Ligue 1 in 2019/2020.
- Overall, earnings fell sharply this year compared to the 2018/2019 season (-€316 million).

This weakening conceals a certain disparity, as the non-transfer earnings fell significantly (-16%) while the result of transfer operations remain stable.

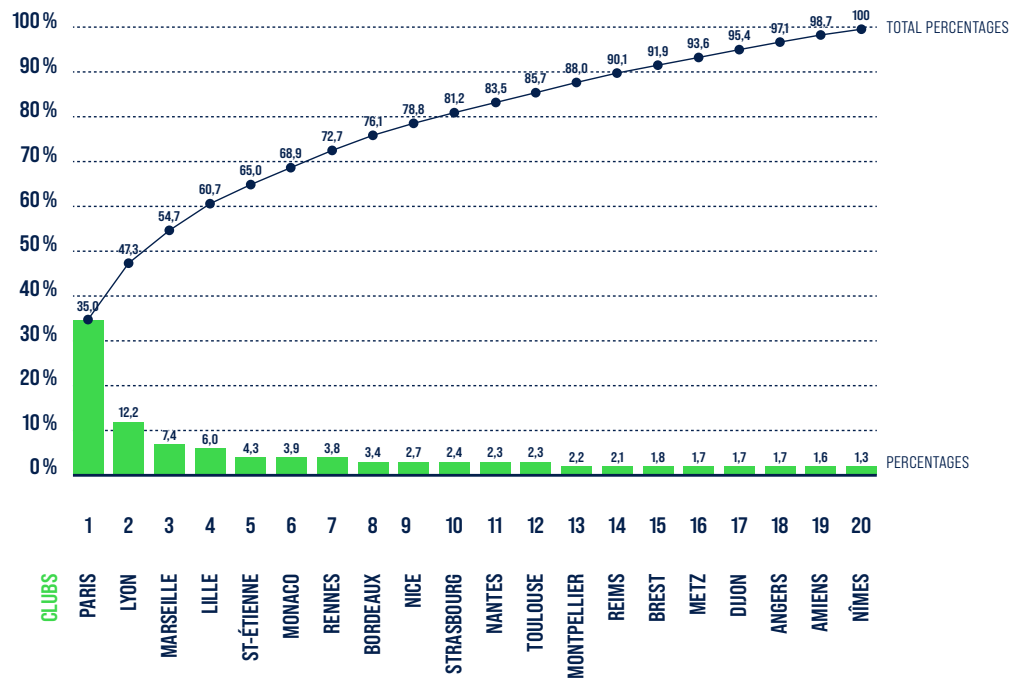


CHANGE OF OPERATING REVENUES

- Non-transfer earnings amounted to €1.598 billion in Ligue 1 for 2019/2020 [-€304 million compared to 2018/2019].
- The different types of earnings are down compared to 2018/2019, with the exception of sponsorship / advertising earnings [+€58 million]. The biggest decrease concerns broadcasting rights [-€211 million].



DISTRIBUTION OF THE NON-TRANSFER EARNINGS



On the x-axis are the teams ranked from those with the highest non-transfer earnings to those with the lowest non-transfer earnings.
 On the y-axis is the cumulative percentage of Ligue 1 non-transfer earnings.

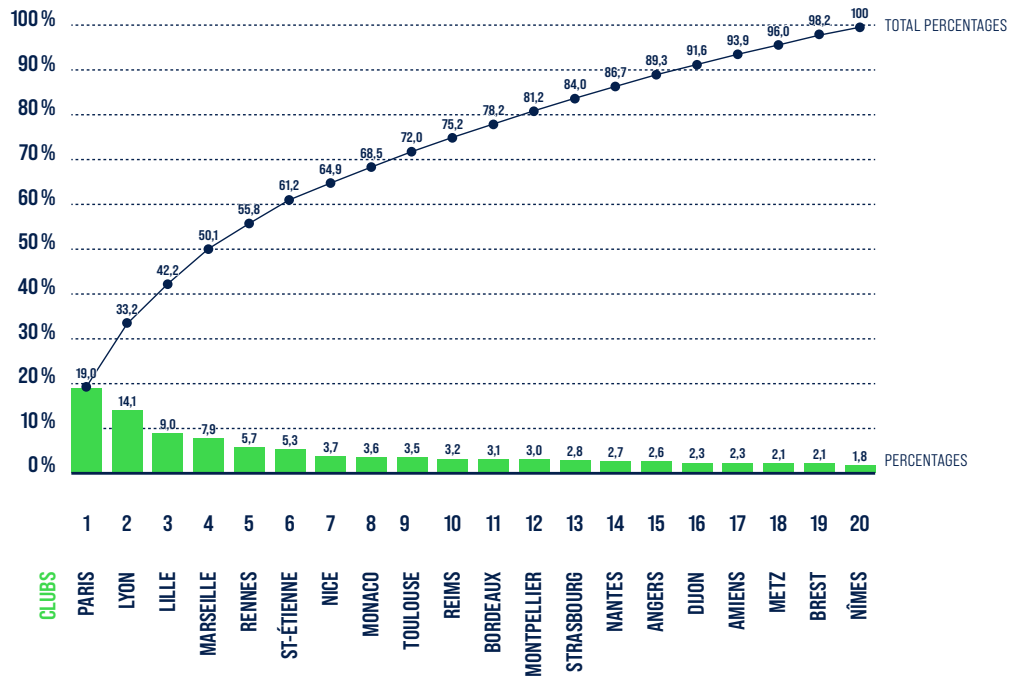
- As in 2018/2019, the curve indicates a strong concentration of earnings on a small number of clubs:
- The 3 clubs with the highest non-transfer earnings (Paris, Lyon and Marseille) account for more than half of Ligue 1 non-transfer earnings. This proportion would be 15% if all Ligue 1 teams had the same non-transfer earnings.
- On its own, PSG generates more than one third of the Ligue 1's revenues, equal to all of the revenues of the lowest-earning 15 clubs.



1.1.2.1

BROADCASTING RIGHTS

BROADCASTING RIGHTS FOR THE LIGUE 1 CHAMPIONSHIP



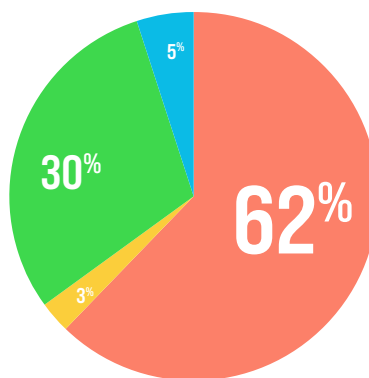
- The blue line indicates a relatively uneven distribution of the championship broadcasting rights:
- The top 3 clubs represent 42.2% of the broadcasting rights of the Ligue 1 championship, compared to 39.3% for the 2018/2019 season.
- The top 4 clubs account for just over half of the rights (50.1%).

BROADCASTING RIGHTS FOR CLUBS THAT TOOK PART IN EUROPEAN CUPS

CLUB	EUROPEAN ITINERARY	EUROPEAN BROADCASTING RIGHTS	LIGUE 1 BROADCASTING RIGHTS	TOTAL BROADCASTING RIGHTS	EUROPEAN CUP SHARE
LYON	Champions League semifinal	€64.4 million	€29.5 million	€97.6 million	66%
PARIS	Champions League final	€84.9 million	€41.7 million	€131.4 million	64.6%
LILLE	Champions League group phases	€36.4 million	€23.9 million	€61.9 million	58.8%
ST-ÉTIENNE	Europa League group phases	€12.8 million	€22 million	€36.9 million	34.6%
RENNES	Europa League group phases	€12.1 million	€26 million	€39.3 million	30.8%
TOTAL		€210.6 MILLION	€143.1 MILLION	€367.1 MILLION	57.4%

- Overall, more than half of the broadcasting rights collected by clubs qualified for the European Cups come from European competitions.
- Broadcasting rights are down sharply compared to the previous season: -€38 million for European rights, -€100.6 million for Ligue 1 and -€142 million for total broadcasting rights.
- Logically, the European share of broadcasting rights is higher for clubs in the Champions League than for clubs in the Europa League: around 60% for PSG, Lyon and Lille compared to 30% for St-Étienne and Rennes.

DISTRIBUTION OF BROADCASTING RIGHTS BY COMPETITION

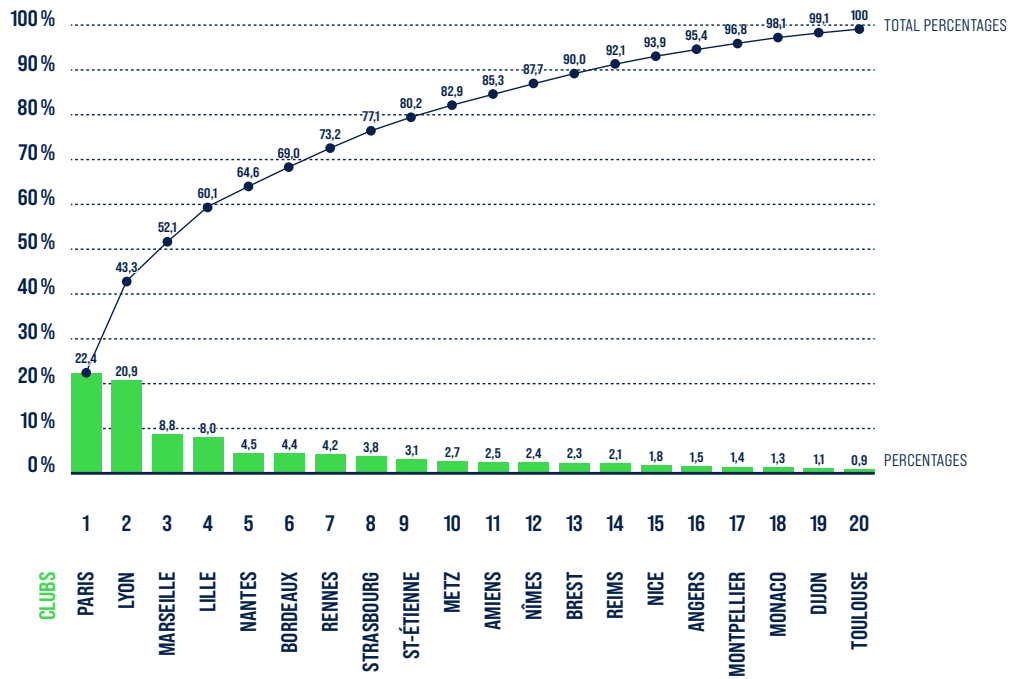


■ Overall, broadcasting rights linked to international cups accounted for 30% of total broadcasting rights in 2019/2020, compared to 28% in 2018/2019.

1.1.2.2

TICKETING RECEIPTS

LIGUE 1 CHAMPIONSHIP GATE RECEIPTS



■ As in previous seasons, Ligue 1 gate receipts are much more concentrated than the championship broadcasting rights. Lyon and Paris alone account for 43.3% of Ligue 1 gate receipts thanks to their very high filling rate and the average price of their tickets.

GATE RECEIPTS: ANALYSIS BY SPECTATOR CATEGORY

	2018/2019	2019/2020	VARIATION
Spectator category (number)	Average per match		
Subscribers	13,239	12,201	-8%
Per match payment	7,253	6,762	-7%
TOTAL PAID SPECTATORS	20,492	18,963	-7%
TOTAL RECEIPTS € MILLIONS	197.2	131.4	-33%
Average subscription price	24.04 €	22.69 €	-6%
Spectators average price paid per match	27.65 €	28.47 €	+3%
Paying spectators average price	25.32 €	24.75 €	-2%

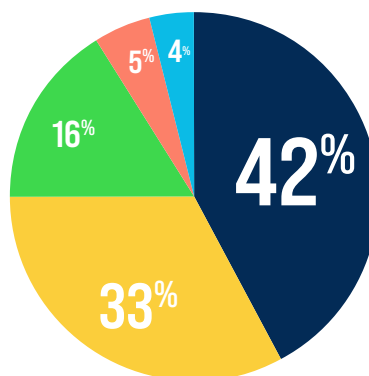
- Total ticketing receipts are down 33%. This drop is due to the exceptional stoppage of Ligue 1 on the 28th day (instead of the 38th) due to the coronavirus pandemic.
- The average number of paid spectators per game decreased by 7% compared to the 2018/2019 season.
- Overall, the average ticket price decreased by €0.57 compared to 2018/2019.

GATE RECEIPTS: ANALYSIS OF CLUBS HAVING PARTICIPATED IN A EUROPEAN COMPETITION

CLUB	EUROPEAN ITINERARY	EUROPEAN CUP GATE RECEIPTS	TOTAL GROSS GATE RECEIPTS	TICKETING SHARE OF EUROPEAN CUPS
LYON	Champions League semifinal	€12.1 million	€35.5 million	34%
PARIS	Champions League final	€6.3 million	€38.1 million	16.6%
LILLE	Champions League group phases	€5.3 million	€13.6 million	39.2%
RENNES	Europa League group phases	€2 million	€7.2 million	28.4%
ST-ÉTIENNE	Europa League group phases	€0.8 million	€5.3 million	15.3%
TOTAL		€26.5 MILLION	€99.7 MILLION	26.6%

- Overall, clubs involved in European Cups generated more than a quarter of their ticketing receipts during European matches, compared to only a fifth for the 2018/2019 season.
- This increase of the share of European club receipts results mainly from the premature cessation of domestic competitions but also from the Lyon-Juventus match, that was still able to be played to a sold-out crowd before the general move behind closed doors for European matches.

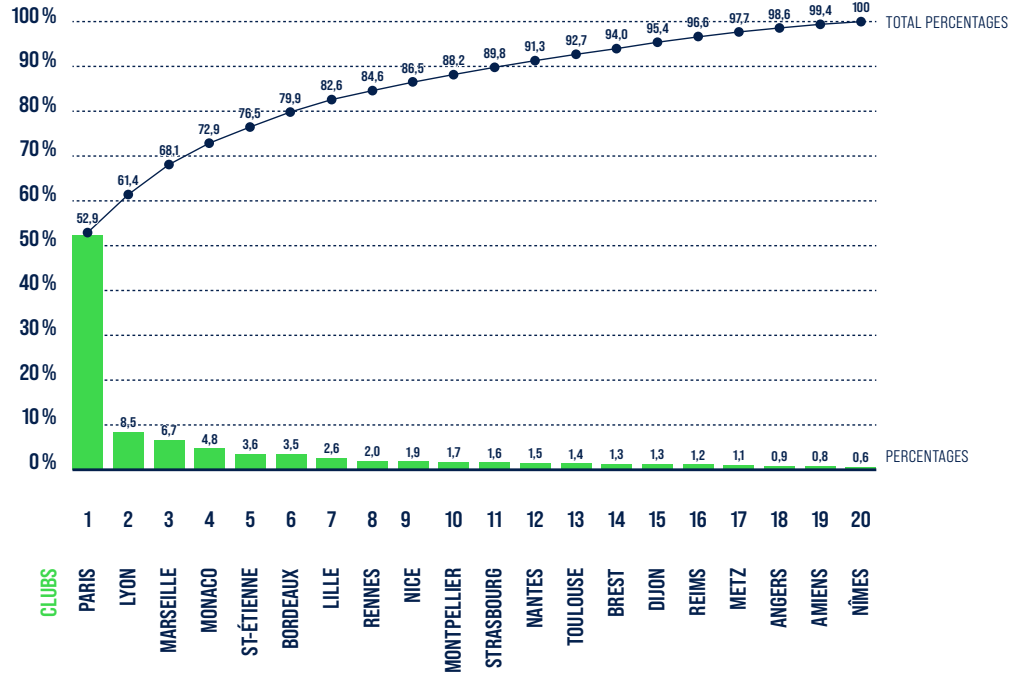
DISTRIBUTION OF GATE RECEIPTS BY COMPETITION



- Gate receipts from championship matches account for the bulk of clubs' gate receipts (75%).
- As during the 2018/2019 season, the gate receipts generated by subscribers is higher than the gate receipts generated by paying spectators per match.
- Gate receipts in the European Cups represent 16% of gate receipts collected by all Ligue 1 clubs, compared to 13% for the 2018/2019 season. This overall figure masks the significant weight of European Cup gate receipts within the gate receipts of clubs qualifying for European Cups (see previous table).

1.1.2.3

SPONSORING / ADVERTISING, MERCHANDISING, COMMUNITY SUBSIDIES AND OTHER EARNINGS

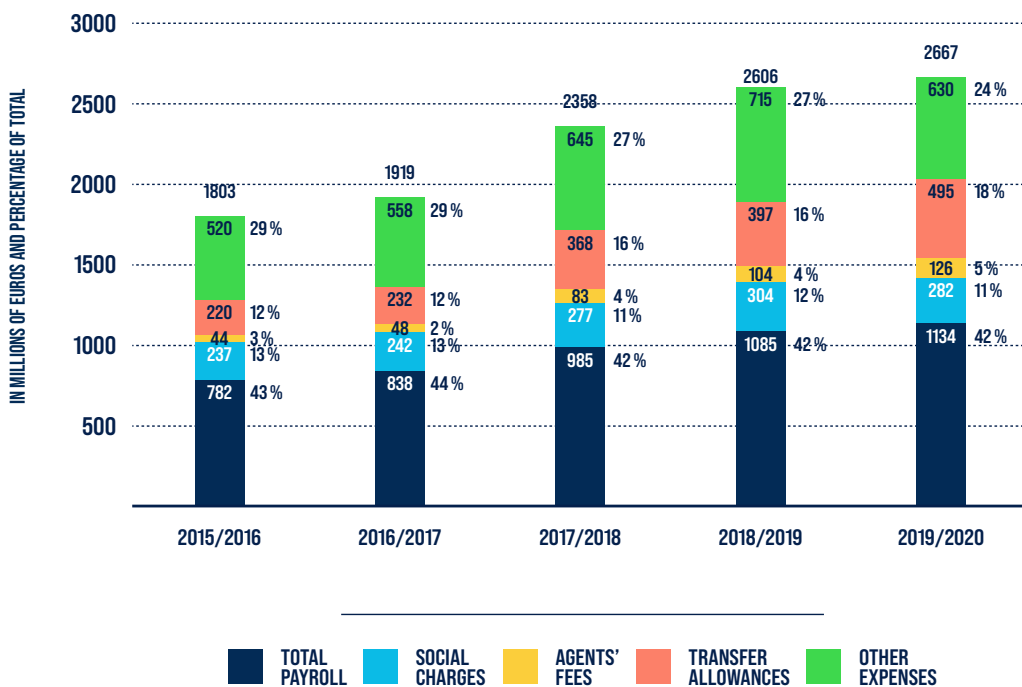


■ The blue line indicates a very high concentration of these revenues. This concentration is explained by PSG that alone accounts for 52.9% of the total earnings from sponsorship, merchandising, subsidies and other earnings.

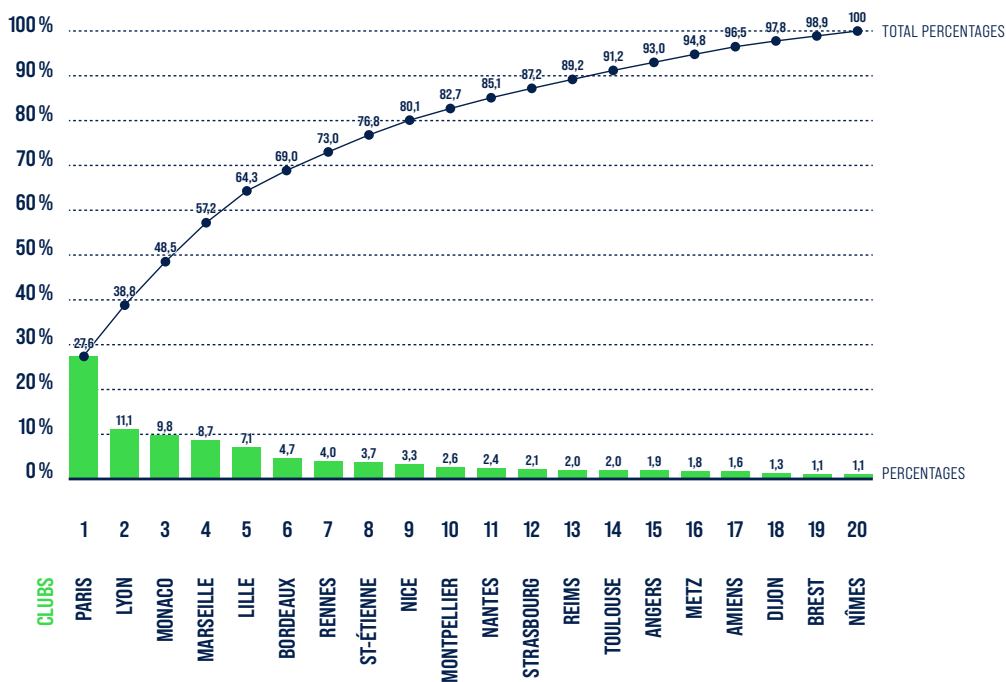
1.1.3 OPERATING EXPENSES

CHANGE OF OPERATING EXPENSES

- Operating expenses amounted to €2.667 billion in Ligue 1, more than €1 billion more than non-transfer earnings.
- After an increase of 23% between 2016/2017 and 2017/2018 and 11% between 2017/2018 and 2018/2019, operating expenses increased slightly again in 2019/2020 (+2%). This increase is due to an increase of several expenditure items:
 - Transfer fees: +25%,
 - Fees of agents and intermediaries: +21%,
 - Total payroll: +5%



DISTRIBUTION OF OPERATING EXPENSES

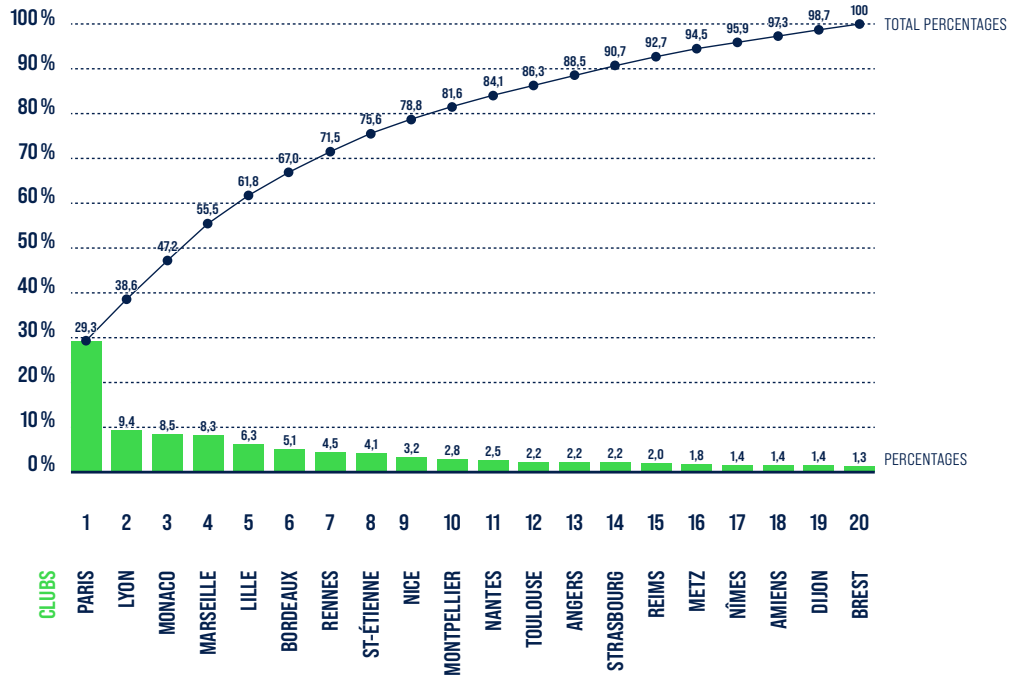


- Just like the earnings, expenses are highly concentrated in Ligue 1: 6 clubs alone account for nearly 70% of the total Ligue 1 operating expenses.
- The share of PSG in the total operating expenses is lower than its share of total operating income (27.6% versus approximately 35%).
- Monaco is the third Ligue 1 club in terms of operating expenses (9.8%), but the 6th in terms of earnings (3.9%).

1.1.3.1

TOTAL PAYROLL

DISTRIBUTION OF THE TOTAL PAYROLL



- The total payroll is the main expenditure item for Ligue 1 clubs (53% of total operating expenses).
- The wages vary greatly from one club to another. As such, PSG accounts for more than a quarter of the Ligue 1 wage bill, i.e. as much as the 14 clubs with the lowest payrolls.

1.1.3.2

PAYROLL ANALYSIS

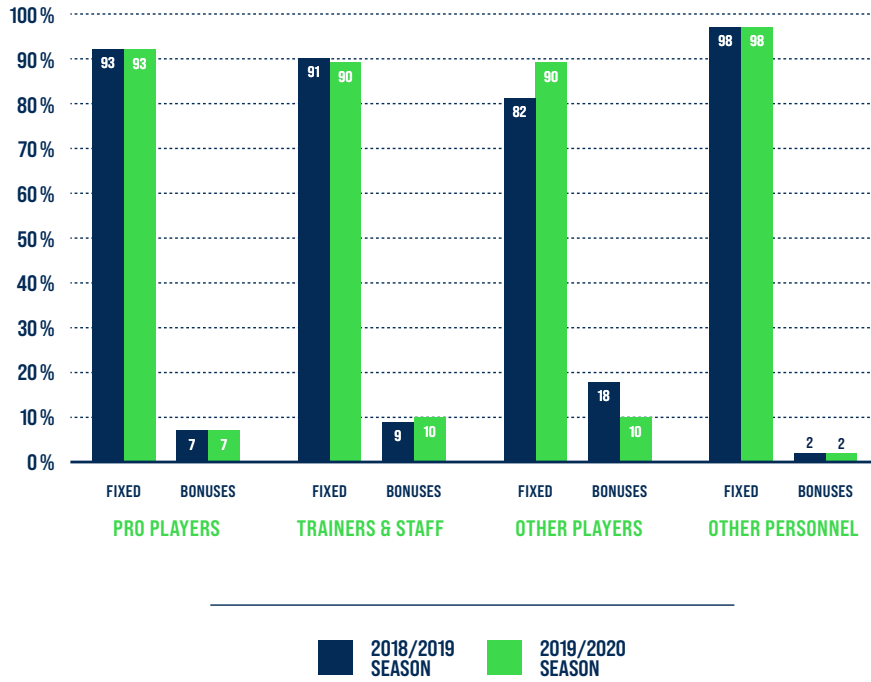
DETAILS OF REMUNERATION BY PERSONNEL CATEGORY

In thousands of euros	2018/2019	2019/2020	VARIATION
Professional players	778,963	853,778	+10%
Base salary	723,643	793,115	+10%
Variable bonuses	55,320	60,663	+10%
Professional coaches and staff	124,419	90,095	-27%
Base salary	113,006	81,095	-28%
Variable bonuses	11,413	9,000	-21%
Other players	31,019	24,322	-22%
Base salary	25,509	21,789	-15%
Bonuses	5,510	2,533	-54%
Other personnel	145,409	156,971	+8%
Base salary	142,065	153,556	+8%
Bonuses	3,344	3,415	+2%

■ Variable bonuses represent a small proportion of the wages, for all employee categories.

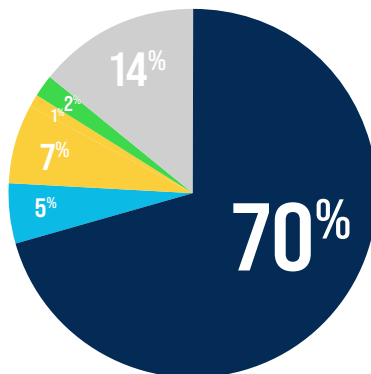
■ The category of professional coaches and staff experienced the greatest decline of its payroll (-27%). This is mainly due to the fact that during the 2018/2019 season, significant redundancy compensation was paid, artificially inflating the payroll of this category (+32% compared to the 2017/2018 season).

FIXED AND VARIABLE REMUNERATION



■ The variable share of wages is broadly stable and never exceeds 10% of total remuneration, irrespective of the personnel category.

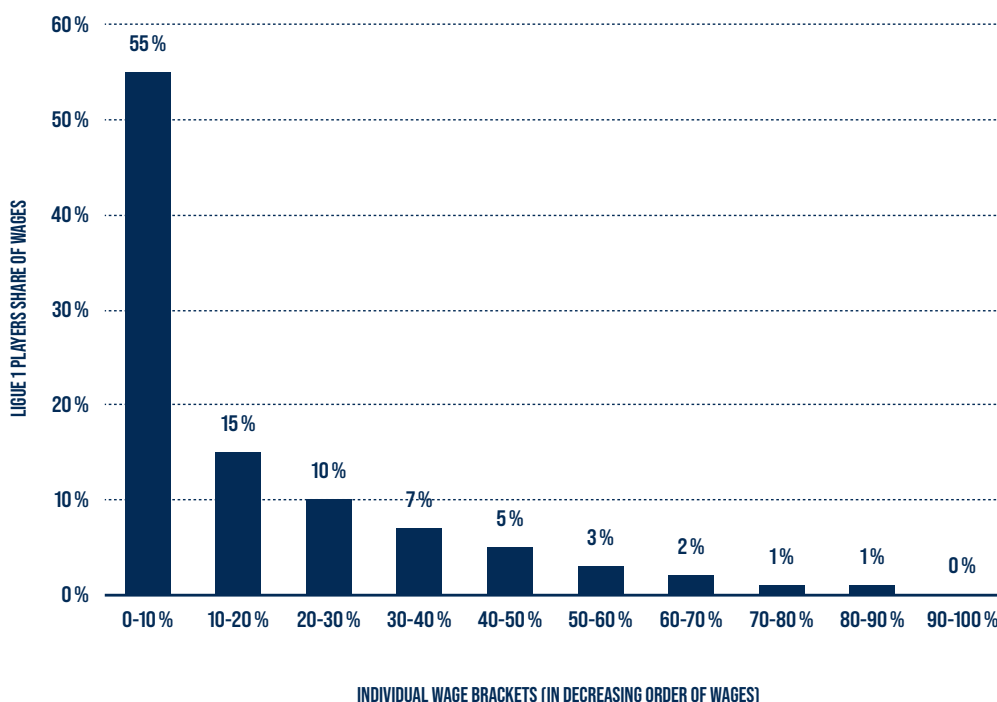
DISTRIBUTION OF THE TOTAL PAYROLL



■ PRO PLAYERS FIXED ■ PRO PLAYERS VARIABLE ■ FIXED STAFF ■ STAFF VARIABLE
 ■ FIXED OTHER PLAYERS ■ OTHER PLAYERS VARIABLE ■ FIXED OTHER PERSONS ■ VARIABLE OTHER PERSONS

■ Professional players account for 75% of the wage bill of Ligue 1 clubs, i.e. €854 million compared to €779 million in 2018/2019.

CUMULATIVE PERCENTAGE OF PLAYER WAGES PER DECILE

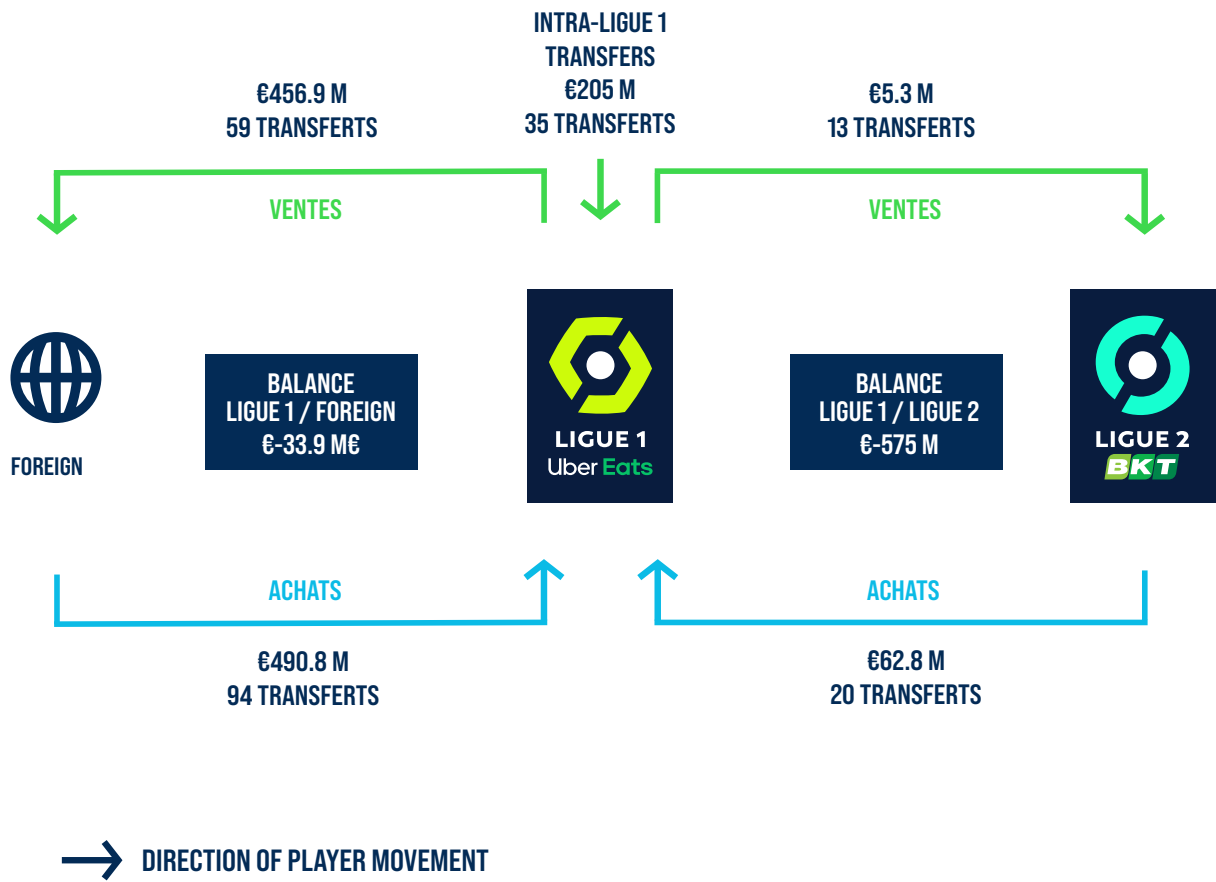


■ As in 2018/2019, very significant disparities are noted between the contractual wages of Ligue 1 players. The 10% of best-paid players are paid more than 90% of the least well-paid players.

Analysis of the player portfolio	30/06 2020	30/06 2021	30/06 2022	30/06 2023	30/06 2024
Percentage of the number of expiring contracts	21%	26%	29%	18%	6%
Percentage of the sum of expiring wages	21%	19%	28%	20%	12%

1.1.4 OPERATIONS INVOLVING PLAYERS

PLAYER TRANSFERS FROM FRENCH PROFESSIONAL CLUBS FOR THE 2019-2020 SEASON



Evolution of the balance of transfers in €M	2017/2018	2018/2019	2019/2020
France sales	314.2	108.1	210.3
Foreign sales	581.4	677.7	456.9
France purchases	-354.2	-137.4	-267.8
Foreign purchases	-560.5	-370.2	-490.8
TRADE BALANCE	-19.1	278.2	-91.4

- While the transfer balance had been largely profitable in 2018/2019, it decreased sharply in 2019/2020 and became loss-making [-€91.4 million].

Cross transfers by league in €M

Departure league	Foreign	Arrival league		
		Ligue 1	Ligue 2	Total
Foreign				
Number of transfers		94	17	111
Amount		490.8	4.9	495.7
Ligue 1				
Number of transfers	59	35	13	107
Amount	456.9	205	5.3	666.2
Ligue 2				
Number of transfers	25	20	10	55
Amount	33.5	62.8	13	109.3
TOTAL NUMBER	84	149	40	273
TOTAL AMOUNT OF TRANSFERS	490.4	758.6	23.2	1,271.2

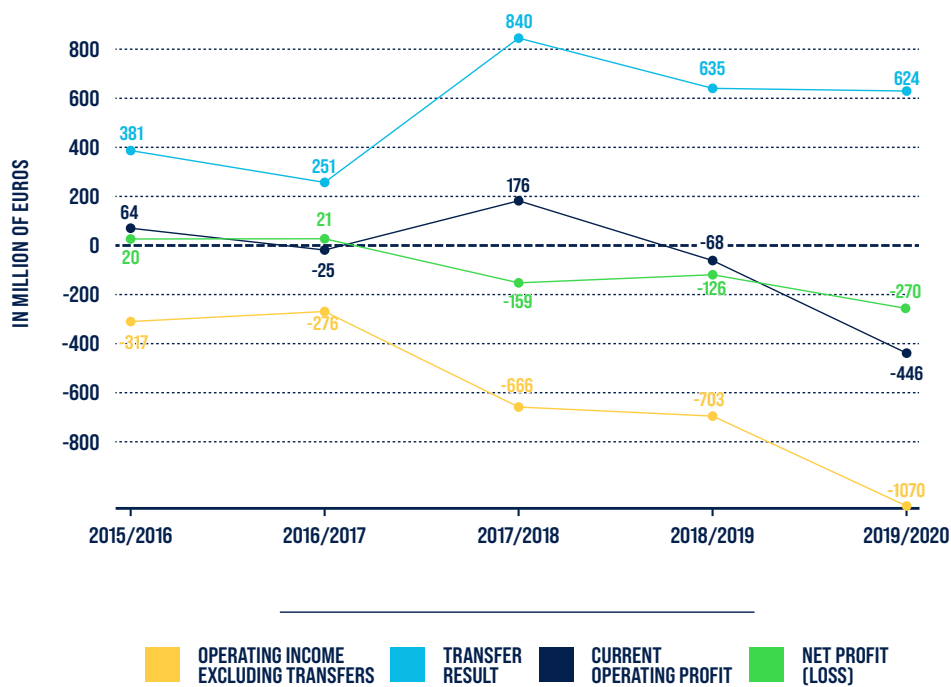
Transfer operations in €M

Sale price	836.6
Net book value of players sold	181.6
Transfers capital gains	655
Reversal of provisions for transfer fees	11.9
Provision allowances depreciation of transfer fees	43.4
Result of transfer operations	623.5

1.1.5

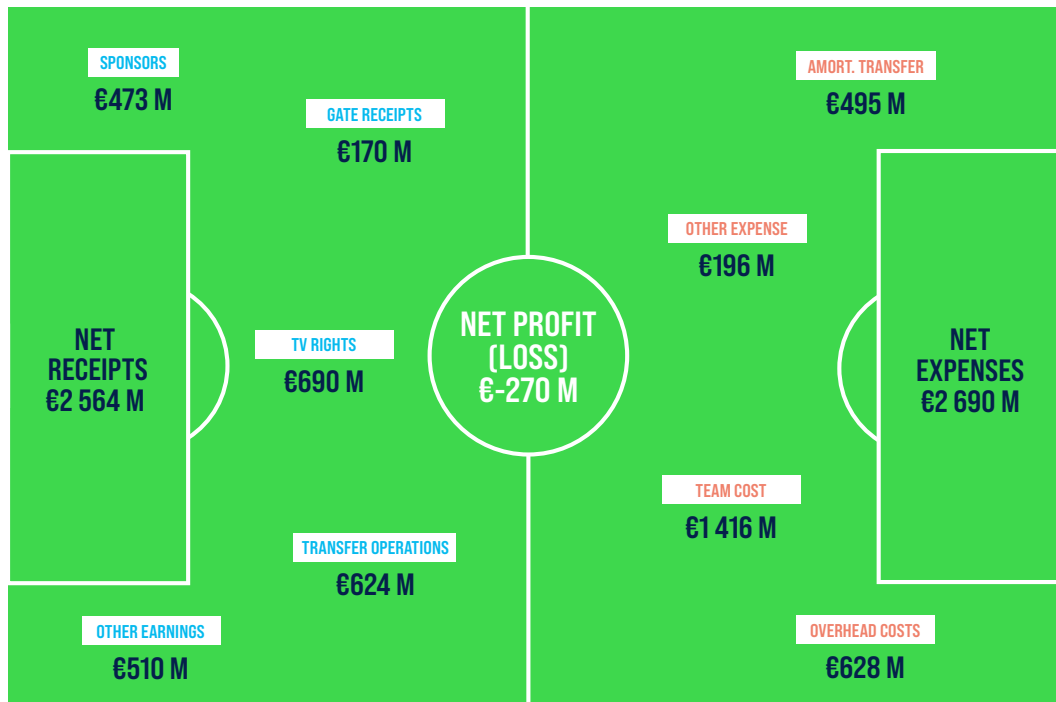
RESULTS

BREAKDOWN OF NET INCOME

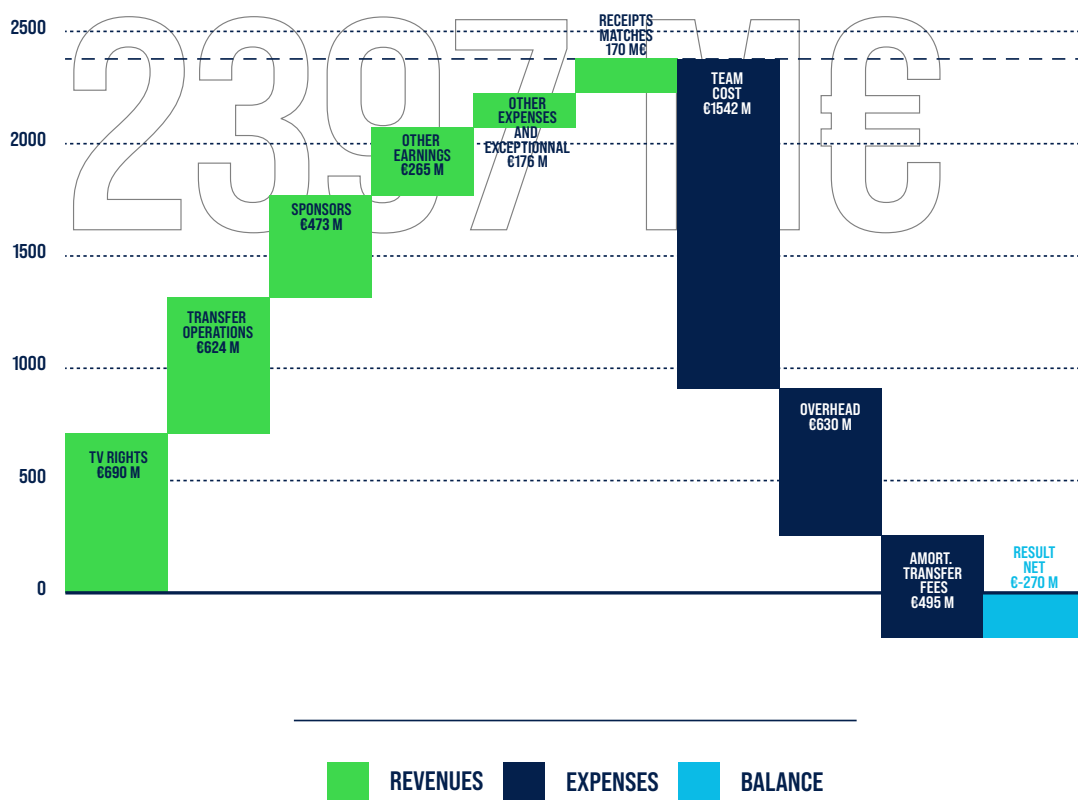


- The net income of Ligue 1 clubs is negative for the fourth consecutive season.
- The current operating income fell sharply from -€68 million to -€446 million.

FORMATION OF THE NET INCOME



ANALYSIS OF THE FORMATION OF THE NET INCOME



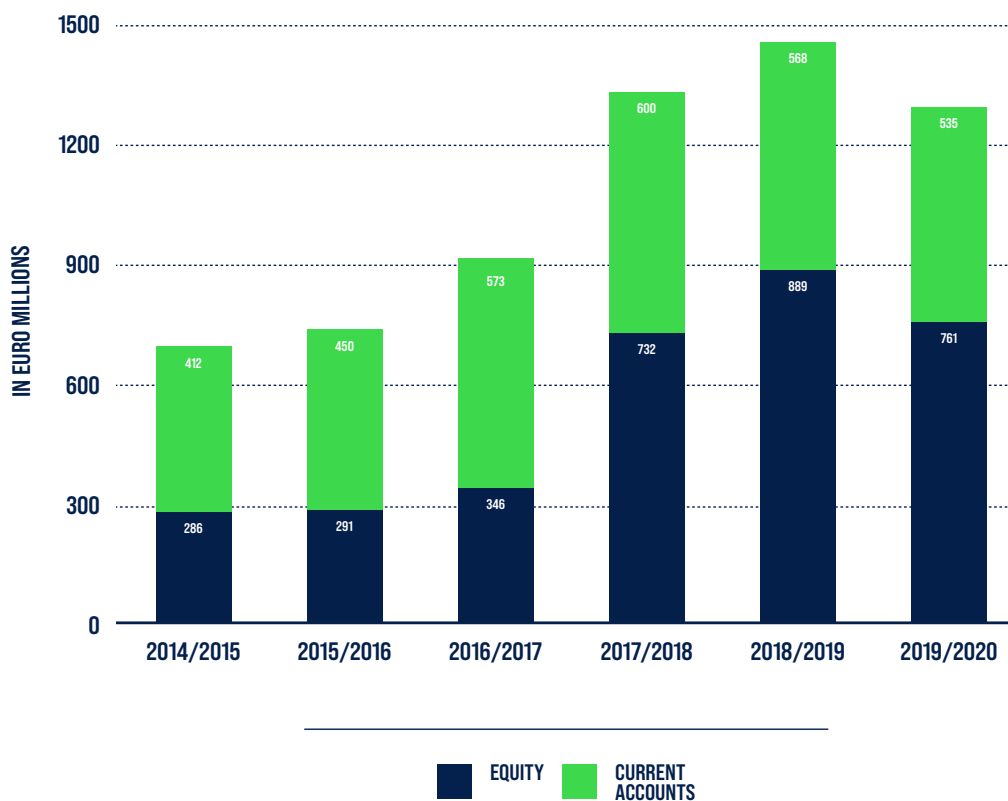


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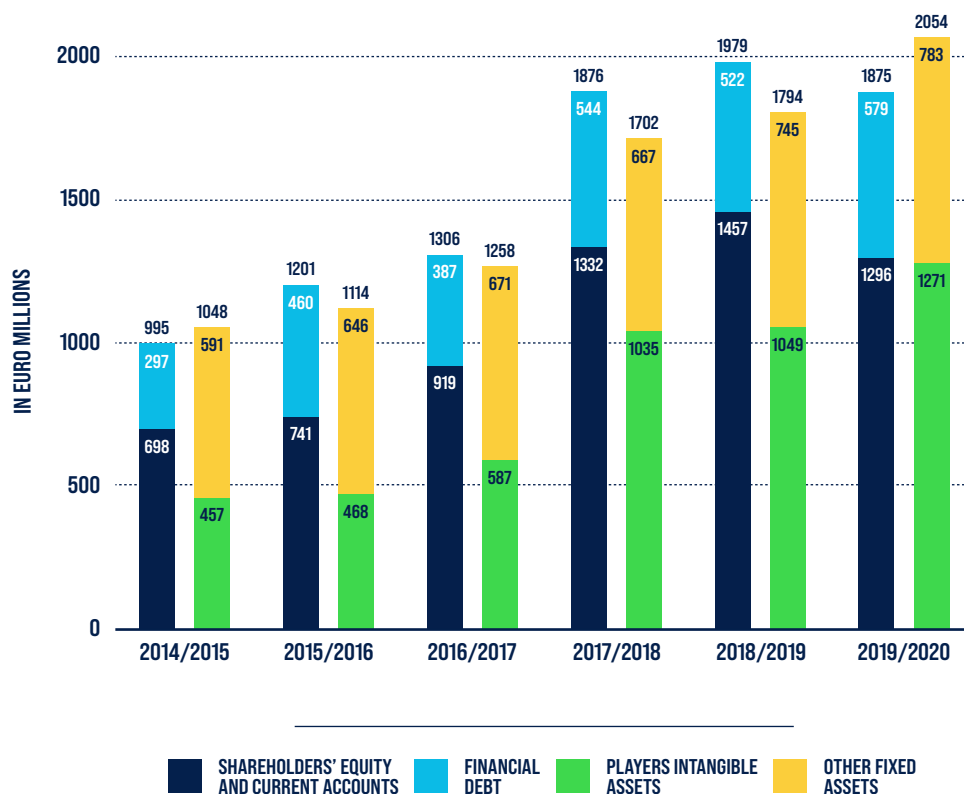
1.1.6 FINANCING OF THE CLUBS

CHANGES OF SHAREHOLDERS EQUITY AND CURRENT ACCOUNTS

■ Shareholder contributions (shareholders equity and shareholder current accounts) declined for the first time in seven seasons (-11%). They fell back below the level observed during the 2017/2018 season.



COVERAGE OF FIXED ASSETS BY SHAREHOLDERS EQUITY AND CURRENT ACCOUNTS



- For the first time since the 2014/2015 season, the overall coverage of fixed assets fell below the 100% threshold with 91% coverage in 2019/2020 compared to 110% in 2019/2018.
- More specifically, the main cause of this change originates with the twofold effect of the increase of player intangible fixed assets (clubs invested heavily in anticipation of expected TV rights receipts) while the shareholders equity is declining (impact of the sharply unprofitable net income).

Cash flow table (in €M)	2018/2019	2019/2020
Net cash inflows / outflows from operational activities	-327	-437
Net cash inflows / outflows from investment activities	49	257
Net cash inflows / outflows from financing activities	201	277
Other cash inflows / outflows	-1.1	25
Net inflows / outflows during the reporting period	-78	122

1.1.7 ANALYSIS OF ACHIEVEMENTS AGAINST INITIAL BUDGETS 2019/2020 SEASON

In thousands of euros	INITIAL BUDGET	ACTUAL	GAP
Broadcasting rights	856,392	690,124	-166,268
Sponsors - Advertising	503,665	472,615	-31,050
Gate receipts	230,653	169,922	-60,731
Other income (including merchandising)	182,435	264,866	+82,431
TOTAL NON-TRANSFER EARNINGS	1,773,146	1,597,527	-175,619
Total payroll	1,426,854	1,416,438	-10,416
Cost of transfers	529,177	620,959	+91,782
Other expenses	650,707	629,769	-20,938
TOTAL OPERATING EXPENSES	2,606,738	2,667,167	+60,429
NON-TRANSFER OPERATING RESULT	-833,593	-1,069,641	-236,048
RESULT OF TRANSFER OPERATIONS	747,603	623,521	-124,082
CURRENT OPERATING PROFIT	-85,989	-446,120	-360,131
Financial profit (loss)	-45,260	-52,096	-6,836
Exceptional profit (loss): other	-7,268	79,886	+87,154
Income tax	-8,761	-16,448	-7,687
Except. profit (loss): discontinuations/reversals of current accounts	52,073	165,052	+112,979
NET PROFIT (LOSS)	-95,204	-269,726	-174,522

- The non-transfer earnings are much lower than in the initial budget (-10%) that had been prepared before the health crisis, while non-transfer operating expenses are slightly higher than in the initial budget (+2%), due to the strong investments made in player transfers.
- For their part, the exceptional results are much higher than in the initial budget (cumulatively +€200 M), due to the recognition of the PGE by many clubs as exceptional income and the greater than expected shareholder support.
- In the end, the net income is significantly lower, as the negative impact of the health crisis on the COP is greater than the corresponding exceptional receipts.

1.2

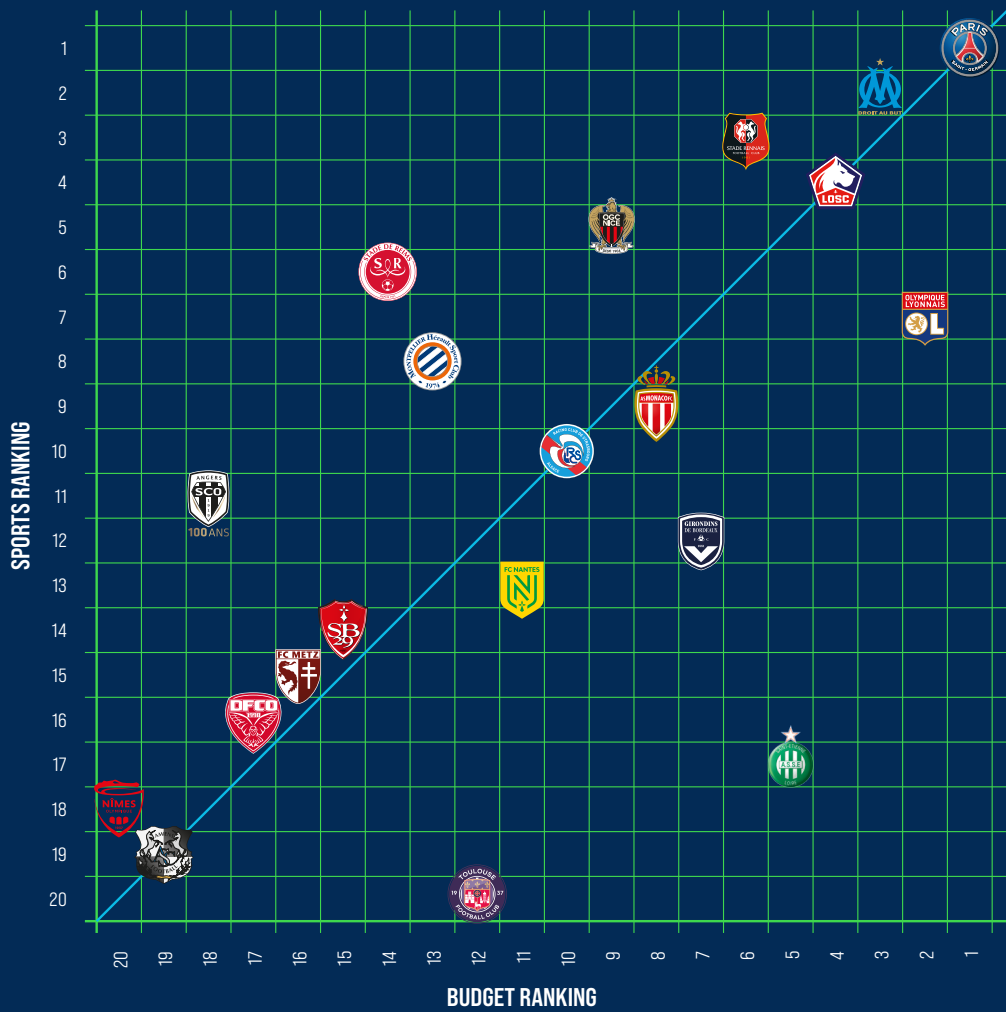
LINK BETWEEN SPORTS RESULTS
AND FINANCIAL CHARACTERISTICS

1.2.1

SPORTS RESULTS

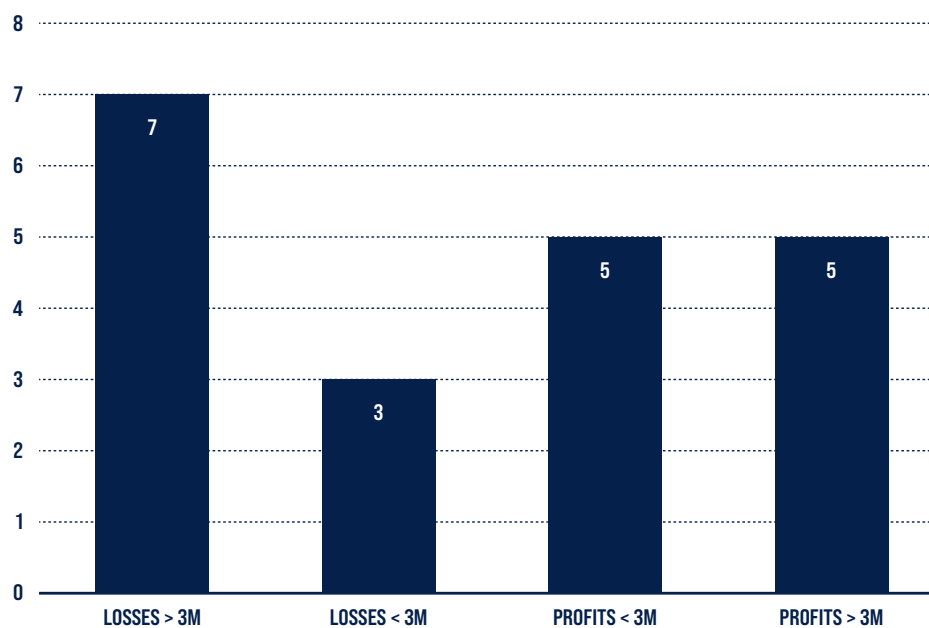
TEAMS	RANKING	POINTS
Paris	1	68
Marseille	2	56
Rennes	3	50
Lille	4	49
Nice	5	41
Reims	6	41
Lyon	7	40
Montpellier	8	40
Monaco	9	40
Strasbourg	10	38
Angers	11	39
Bordeaux	12	37
Nantes	13	37
Brest	14	34
Metz	15	34
Dijon	16	30
St-Étienne	17	30
Nîmes	18	27
Amiens	19	23
Toulouse	20	13

TEAMS	ELIMINATION	NUMBER OF EUROPEAN MATCHES PLAYED
CHAMPIONS LEAGUE		
Paris Saint-Germain	finale	13
Olympique Lyonnais	1/2 finale	12
LOSC Lille	Phase de groupe	6
EUROPA LEAGUE		
Stade Rennais FC	Phases de groupe	6
AS St-Étienne	Phases de groupe	6
WINNER OF THE LEAGUE CUP		
Paris Saint-Germain		
WINNER OF THE FRENCH CUP		
Paris Saint-Germain		



- In Ligue 1, the correlation between the budget and sports rankings is quite strong, especially for the biggest budgets: three of the four “richest” clubs finish in the top 4 of the championship.
- St. Etienne, the club with the 5th highest budget, nevertheless finished 17th in the championship. On the other hand, Reims ranked 6th with the 14th budget.

NUMBER OF PROFITABLE AND LOSS-MAKING CLUBS

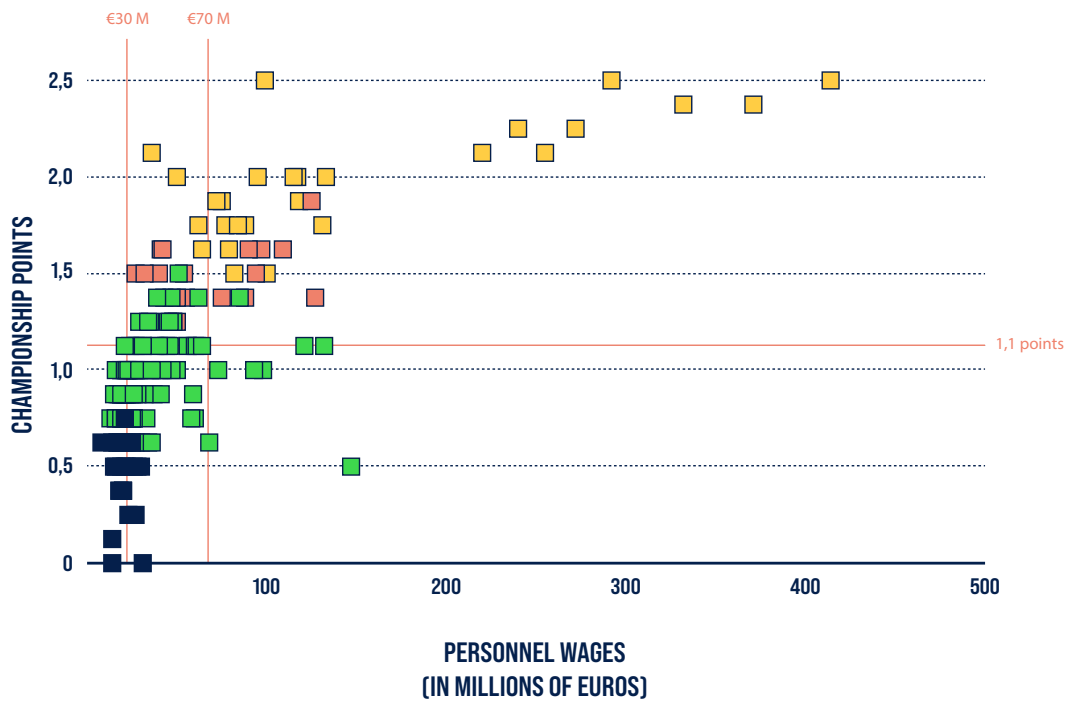


- 10 Ligue 1 clubs will be profitable in 2019/2020, against 15 clubs in the 2018/2019 season.
- 7 clubs have losses in excess of €3 million compared to only 4 in the 2018/2019 season.

1.2.2 SPORTS RISKS/OPPORTUNITIES AND PAYROLL

- The relationship between total payroll and average points earned per match in the championship is relatively strong, but it does not explain everything: with equal payroll, the points differential can be extremely high.
- Symmetrically, there is tremendous variability in the wage bill for teams that score the same number of points per match.
- Thus, a higher wage bill is not an absolute guarantee of better sports results.

[2011/2012 TO 2019/2020 SEASONS]



■ RELEGATION ■ MAINTAINING WITHOUT EUROPEAN CUPS ■ UEL QUALIFICATION ■ UCL QUALIFICATION

There are two major risks for Ligue 1 clubs:

- Relegation for those that have a budget to bet on maintenance,
- The lack of qualification for European Cups for those that have a budget to play in a European Cup.

The above graph analyses the relationship between the average number of points scored per match in the championship and the payroll over the past nine seasons. The findings of previous DNCG reports are still valid for the 2019/2020 season:

Only one team with a total payroll in excess of €30 million has been relegated over the course of the last nine years: Toulouse during the 2019/2020 season.

With the exception of OGC Nice at the end of the 2012/2013 season, no team with a payroll of less than €30 million has qualified for the Europa League via its classification in the championship.

With the exception of Montpellier at the end of the 2011/2012 season, Lille at the end of the 2013/2014 season, Nice in 2016/2017 and Rennes in 2019/2020, no team with a payroll of less than €70 million has qualified for the Champions League.

ST-ÉTIENNE



As such, we can identify three groups of teams:

- **Group 1:** clubs with a payroll in excess of €70 million. 82% of them have qualified for European Cups and not one has been relegated in the last nine seasons. The main risk for these clubs is the lack of qualification in the Champions League group phases.
- **Group 2:** clubs with a payroll of between €30 and 70 million. Only 2% have been relegated over the past nine seasons. Of all of these clubs, nearly one club in four has qualified for European Cups over the same period (Europa League: 16%, Champions League: 7%).
- **Group 3:** clubs with a payroll of under €30 million. Of these clubs, more than a quarter (27%) have been relegated and only 1% have qualified for European Cups (Europa League only) during the last nine seasons.

SPORTS RESULTS BASED ON PAYROLL (2011/2012 TO 2019/2020 SEASONS)

PAYROLL	SHARE OF RELEGATED TEAMS	SHARE OF TEAMS MAINTAINED WITHOUT EUROPEAN CUPS	SHARE OF TEAMS QUALIFIED FOR THE EUROPA LEAGUE	SHARE OF TEAMS QUALIFIED FOR THE CHAMPIONS LEAGUE
Above €70 million	0%	18%	21%	61%
Between €30 and 70 million	2%	75%	16%	7%
Below €30 million	27%	72%	1%	0%

1.2.3

STRONG IMPACT OF SPORTS RESULTS ON REVENUES

At the end of a season, there are four possible scenarios for a Ligue 1 team: relegation to Ligue 2, remaining in Ligue 1 without qualifying for the European Cup, qualifying for the Europa League or qualifying for the Champions League.

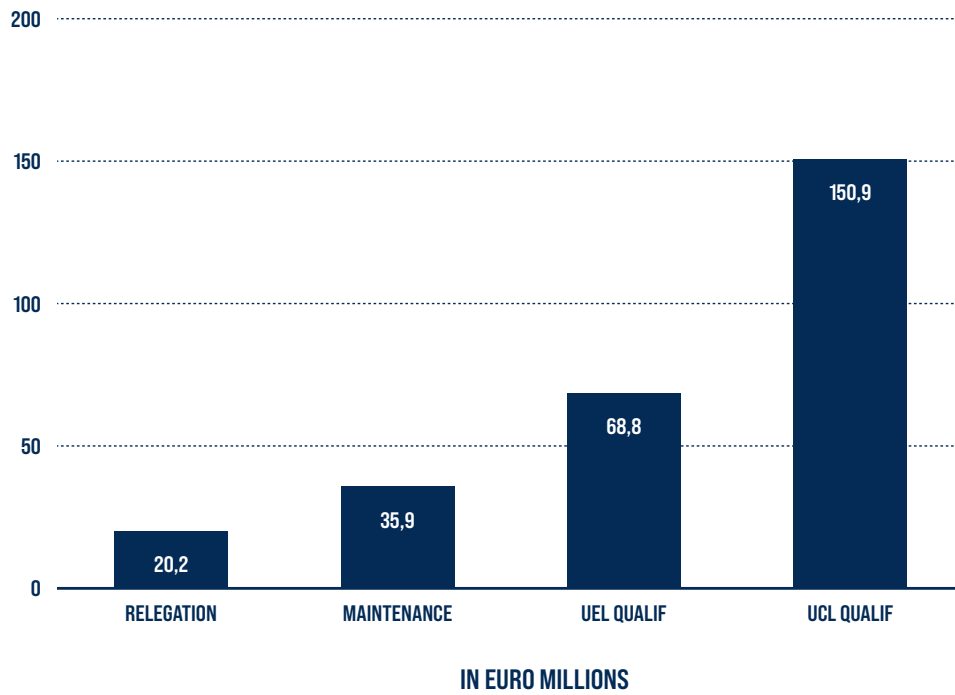
All four scenarios have very important consequences for club revenues:

- **Relegation:** on average, non-transfer earnings for the two Ligue 1 teams relegated at the end of the 2018/2019 season (Caen and Guingamp) fell by €23 million between 2018/2019 and 2019/2020. Each club lost 58% and 63% of its revenues, respectively.
- **Qualification for the Europa League:** this competition generates revenues of up to €15 million for clubs, based on UEFA's broadcasting rights and ticket sales.
- **Qualification for the final phase of the Champions League:** this competition generates revenues ranging from €36.8 million (Lille) to €91.2 million (PSG) for clubs, based on UEFA's broadcasting rights and ticket sales. If its participation in the final phase of the Champions League enabled the PSG to generate such revenues, it is mainly because of the club's performance during this competition: it went all the way to the final. Its revenues could have been higher if its matches during the round of 16 had taken place with a full audience and not behind closed doors.

1.2.4

CORRELATION BETWEEN AVERAGE ANNUAL GROSS PAYROLL AND SPORTS SUCCESS

AVERAGE GROSS PAYROLL BASED ON THE SPORTS PERFORMANCE OF CLUBS (2011/2012 TO 2019/2020 SEASON)



The observation made in the DNCG 2018/2019 report is still valid if the 2019/2020 season is included:

Over the past eight seasons:

- The teams that were relegated had an average payroll of just over €20 million.
- Teams that were maintained without qualifying for the European Cup had an average payroll of around €36 million.
- Teams that qualified for the Champions League had an average payroll of around €151 million.



EDUARDO CAMAVINGA
STADE RENNAIS

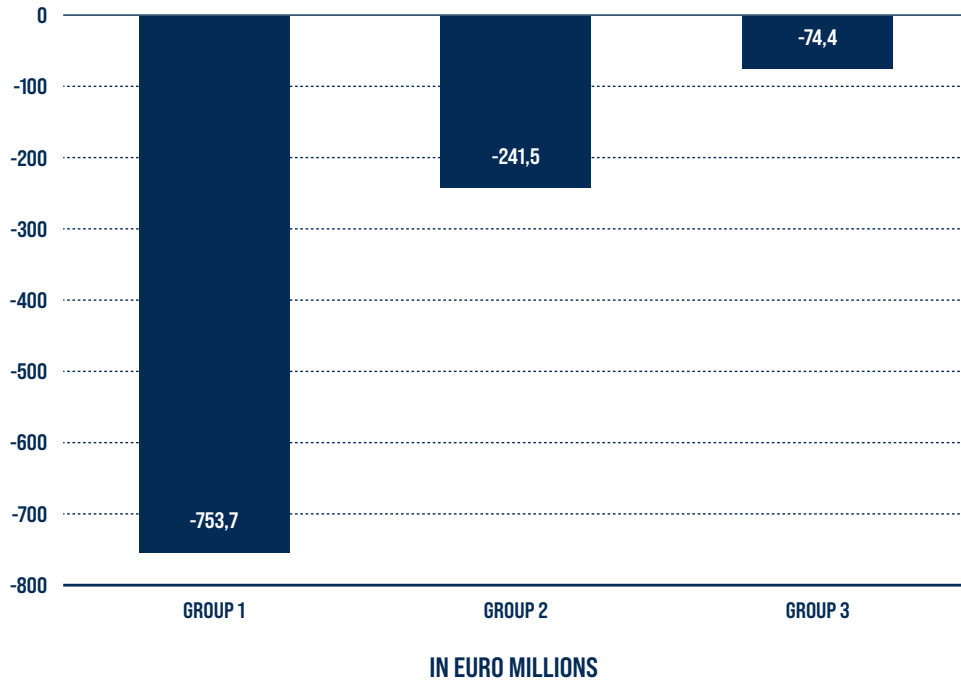


1.2.5 ANALYSIS BY GROUPS OF CLUBS FOR THE 2019/2020 SEASON

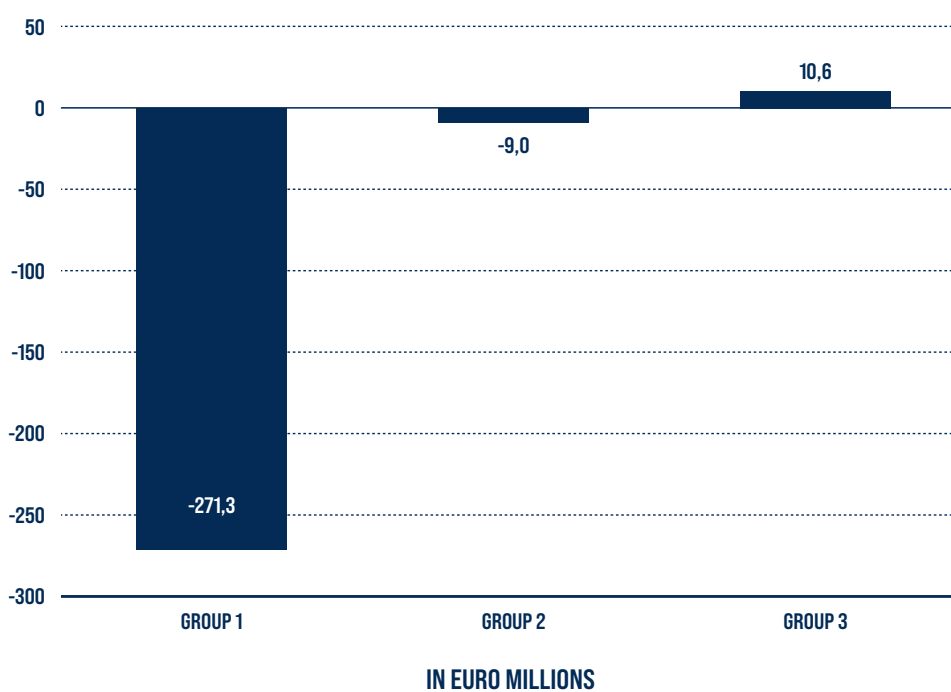
Following the above analyses, 3 groups of clubs can be distinguished according to their overall payroll:

Group	Clubs
Group 1: Payroll above €70 million	Paris, Marseille, Monaco, Lyon, Lille, Bordeaux
Group 2: Payroll between €30 and 70 million	St-Étienne, Rennes, Montpellier, Nice, Toulouse, Nantes, Angers, Strasbourg
Group 3: Payroll below €30 million	Dijon, Amiens, Reims, Nimes, Metz, Brest

CUMULATIVE OPERATING INCOME BY GROUP (2019/2020 SEASON)



■ The cumulative operating deficit of group 1 clubs is more than three times greater than that of group 2, which in turn is more than three times greater than that of group 3.

CUMULATIVE NET PROFIT BY GROUP (2019/2020 SEASON)

- In terms of net profit, only group 3 manages to make a slight profit, while group 2 generates a slight deficit.
- Group 1 accounts for the entire loss of Ligue 1.



LIGUE 2





FC LORIENT

2 LIGUE 2

2.1 KEY FIGURES

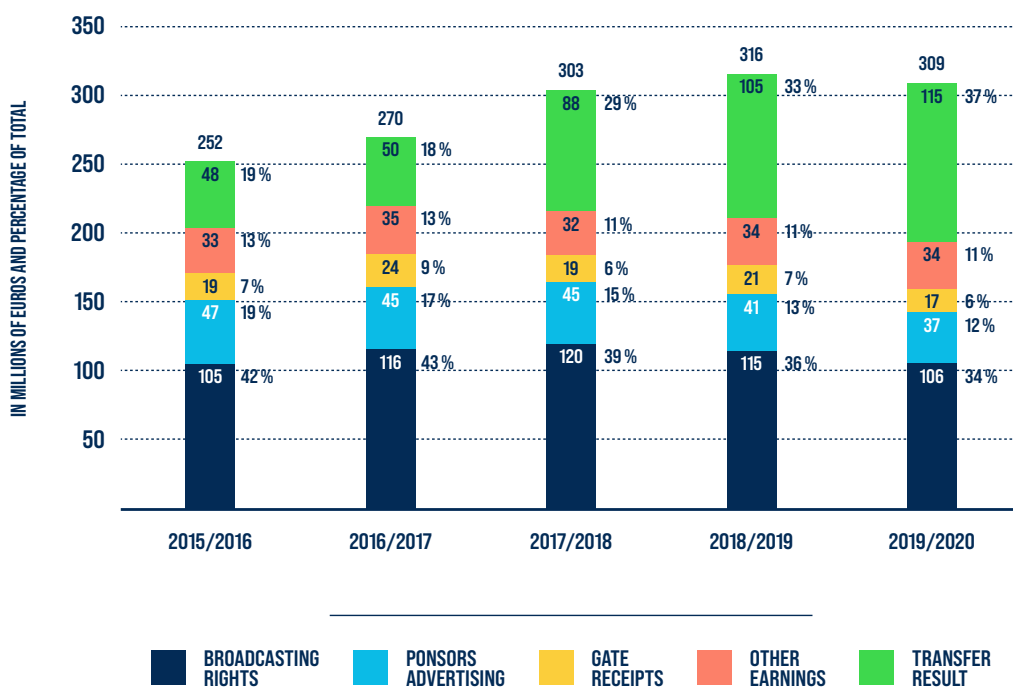
2.1.1 SUMMARY

COMBINED INCOME STATEMENT	2018/2019	2019/2020	VARIATION
In thousands of euros			
Broadcasting rights	115,375	105,671	-8%
Sponsors - Advertising	41,244	37,183	-10%
Gate receipts	20,862	16,970	-19%
Other income (including merchandising)	33,728	34,080	+1%
TOTAL NON-TRANSFER EARNINGS	211,210	193,904	-8%
Total payroll	140,501	133,941	-5%
Social charges	58,222	48,026	-18%
Transfer fees	12,647	15,767	+25%
Agents' fees	8,163	9,422	+15%
Other expenses	123,987	118,382	-5%
TOTAL OPERATING EXPENSES	343,519	325,538	-5%
NON-TRANSFER OPERATING RESULT	-132,309	-131,634	+1%
RESULT OF TRANSFER OPERATIONS	104,569	114,812	+10%
CURRENT OPERATING PROFIT	-27,740	-16,822	+39%
Financial profit (loss)	-1,998	-796	+60
Exceptional profit (loss): other	-1,445	18,734	+1,397
Income tax	-1,528	-2,161	-41%
Except. profit (loss): discontinuations/reversals of current accounts	-742	1,600	+316%
NET PROFIT (LOSS)	-33,454	555	+102%

TOTAL BALANCE SHEET	2018/2019	2019/2020	VARIATION
In thousands of euros			
Intangible assets: transfer fees	23,114	21,369	-8%
Other fixed assets	136,537	129,821	-5%
Receivables relative to player transfers	42,177	74,987	+78%
Other current assets	63,674	52,239	-18%
Cash and short-term investments	36,824	85,232	+132%
TOTAL ASSETS	302,326	363,648	+20%
Shareholders equity	66,757	108,213	+62%
Shareholders' current accounts	73,536	47,576	-35%
Provisions for liabilities and charges	7,486	9,845	+32%
Financial liabilities	35,642	78,465	+120%
Liabilities relative to player transfers	15,188	10,968	-28%
Other liabilities	103,717	108,581	+5%
TOTAL LIABILITIES	302,326	363,648	+20%
PROFIT / LOSS FOR THE YEAR	-33,454	555	+102%

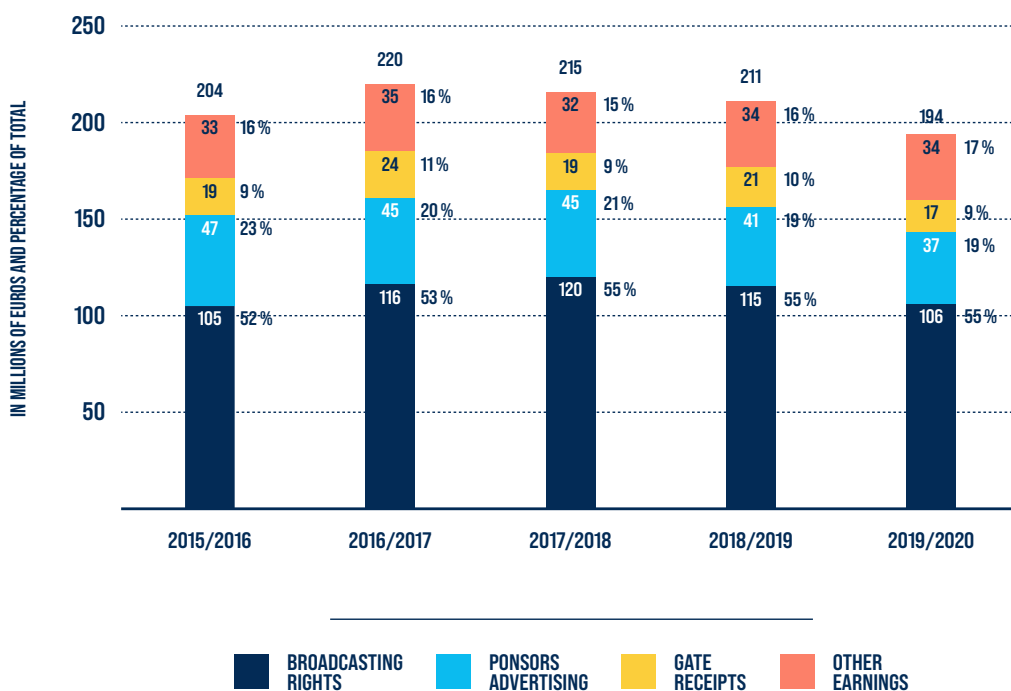
2.1.2 EARNINGS

DEVELOPMENT OF TOTAL EARNINGS (INCLUDING TRANSFER EARNINGS)



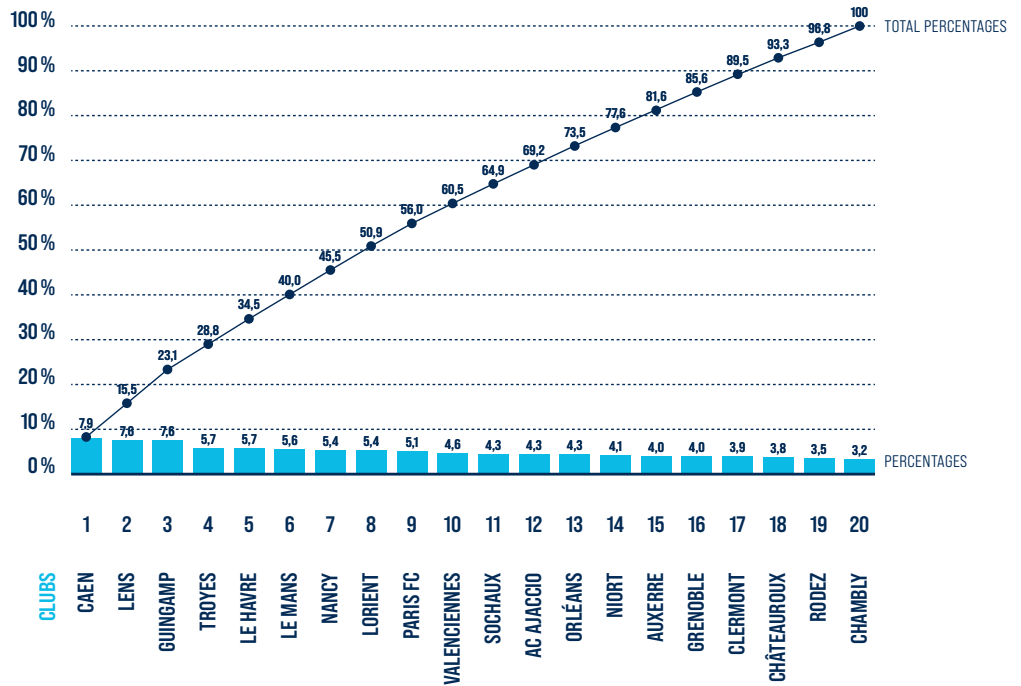
- Total earnings amounted to €309 million for Ligue 2 as a whole in 2019/2020, versus €316 million in 2018/2019, which corresponds to a 2% decline.
- This decrease is mainly due to sharply lower receipts from ticket offices (-19%), advertising sponsors (-10%) and broadcasting rights (-8%).
- Conversely, the results from transfers continue to increase (+10%).

CHANGE OF OPERATING REVENUES



- Total non-transfer earnings amounted to €194 million for Ligue 2 in 2019/2020, versus €211 million in 2018/2019, which corresponds to an 8% decline.
- Ligue 2 non-transfer earnings amounted represent 12% of the Ligue 1 non-transfer earnings.

CUMULATIVE PERCENTAGE OF OPERATING REVENUES



On the x-axis are the teams ranked from those with the highest non-transfer earnings to those with the lowest non-transfer earnings.
 On the y-axis is the cumulative percentage of Ligue 2 non-transfer earnings.

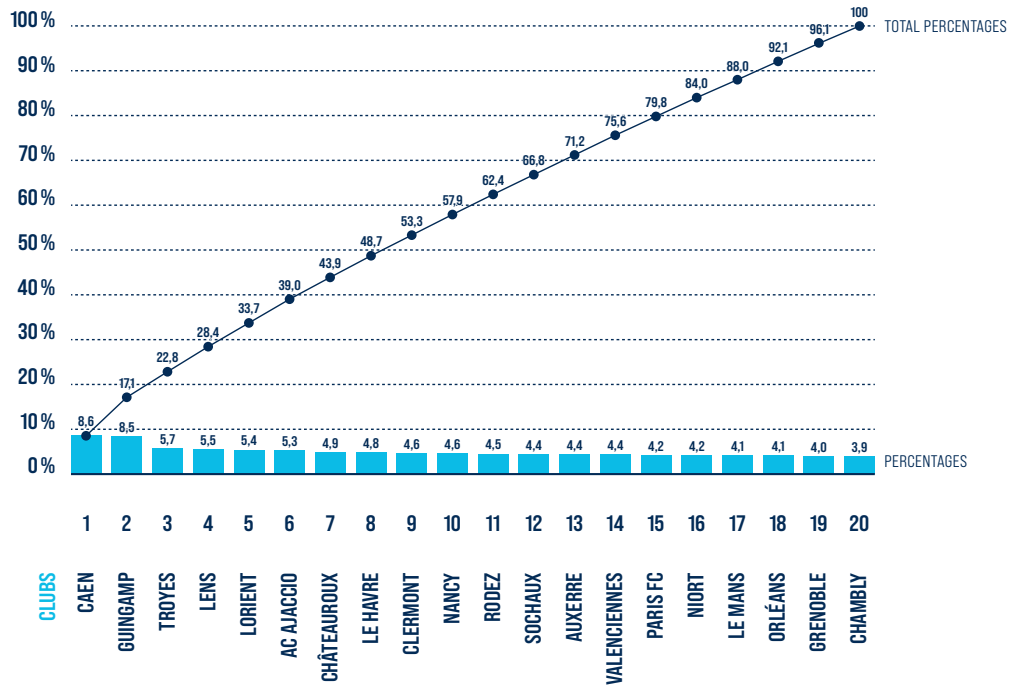
- Non-transfer earnings are much less concentrated in Ligue 2 than in Ligue 1. Together, the top 5 highest Ligue 2 revenues account for 34.5% of total Ligue 2 revenues (compared with 65.5% in Ligue 1).
- The operating revenues of Ligue 2 clubs are between €6.1 and 15.3 million.

**THE OPERATING
REVENUES
OF LIGUE 2
CLUBS ARE
BETWEEN
€6.1 AND
15.3 MILLION.**

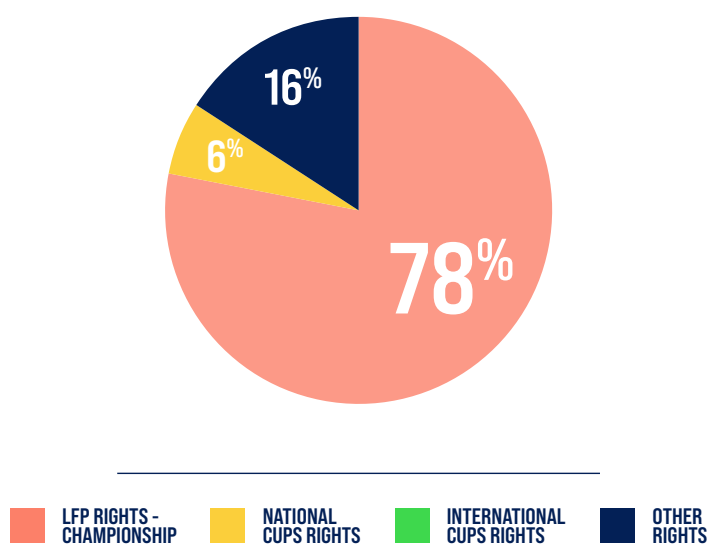
2.1.2.1

BROADCASTING RIGHTS

DISTRIBUTION OF BROADCASTING RIGHTS OF LIGUE 2 CLUBS



- The broadcasting rights of Ligue 2 are divided equally between the teams. This very balanced distribution can be explained by the manner in which the broadcasting rights are redistributed amongst Ligue 2 clubs, where the fixed share is predominant.
- The first in the ranking (Caen) accounts for 8.6% of broadcasting rights, versus 8.5% for Metz in 2018/2019, and 10.6% for Lorient in 2017/2018.

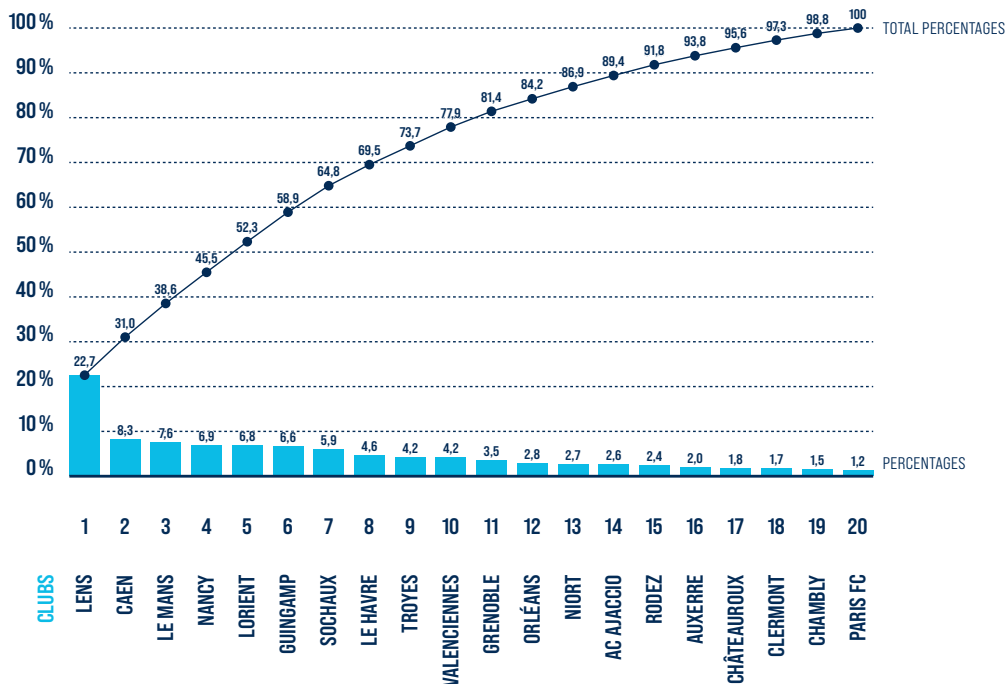
BREAKDOWN OF BROADCASTING RIGHTS OF LIGUE 2 CLUBS BY COMPETITION

- Most of the broadcasting rights collected by Ligue 2 clubs are championship rights.
- As during the last season, the share of National cups in the broadcasting rights was very low (only 6%). This is explained by the fact that no Ligue 2 team has reached a very advanced stage in these competitions.
- The category of "Other rights" consists mainly of relegation aid and UEFA subsidies for training centres.

2.1.2.2

GATE RECEIPTS

LIGUE 2 CHAMPIONSHIP GATE RECEIPTS



- The amount of gate receipts for the championship is more variable from one Ligue 2 club to another than the amount of the broadcasting rights.
- Lens, Caen, Le Mans, Nancy and Lorient stand out from the other clubs: these five account for almost 52.3% of receipts, i.e. more than the other 15 clubs in Ligue 2.
- The ten Ligue 2 clubs with the lowest revenues account for only 20% of the total.

The top 5 clubs account for nearly 52.3% of receipts.

GATE RECEIPTS: ANALYSIS BY SPECTATOR CATEGORY

	2018/2019	2019/2020	VARIATION
Spectator category (number)	Average per match		
Subscribers	3,650	3,233	-11.4%
Per match payment	1,914	1,969	+2.9%
TOTAL PAID SPECTATORS	5,664	5,202	-8%
TOTAL RECEIPTS € MILLIONS	20.9	15.7	-23.4%
Average subscription price	7.61 €	8.86 €	+16.5%
Spectators average price paid per match	13.63 €	13.94 €	+2.3%
Paying spectators average price	9.68 €	10.78 €	+11.4%

RC LENS

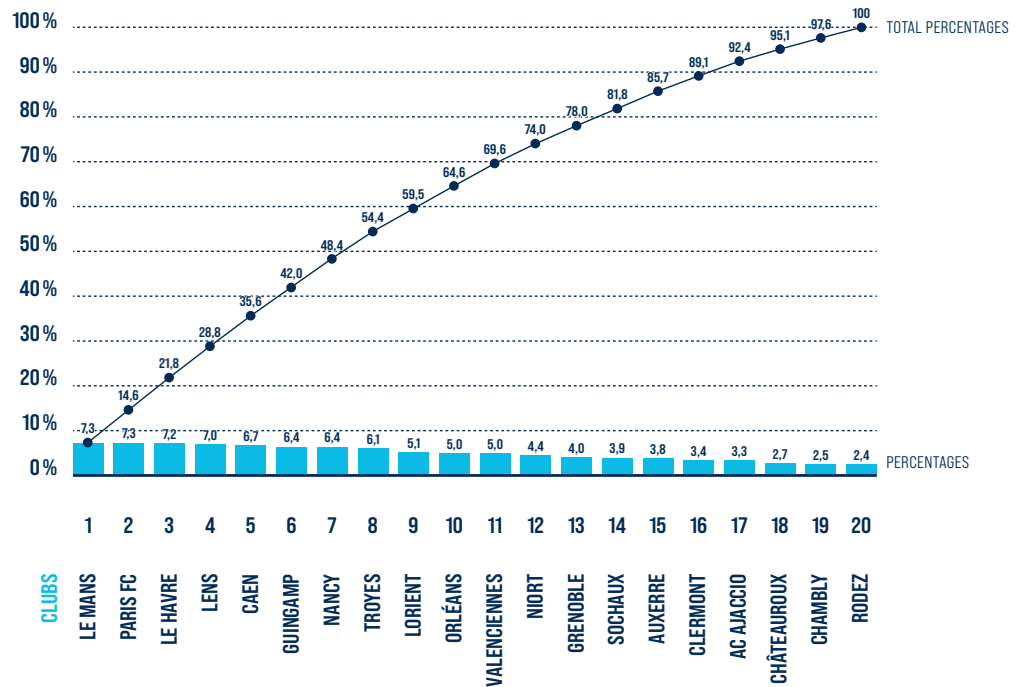


2.1.2.3

SPONSORING / ADVERTISING, MERCHANDISING, COMMUNITY SUBSIDIES AND OTHER EARNINGS

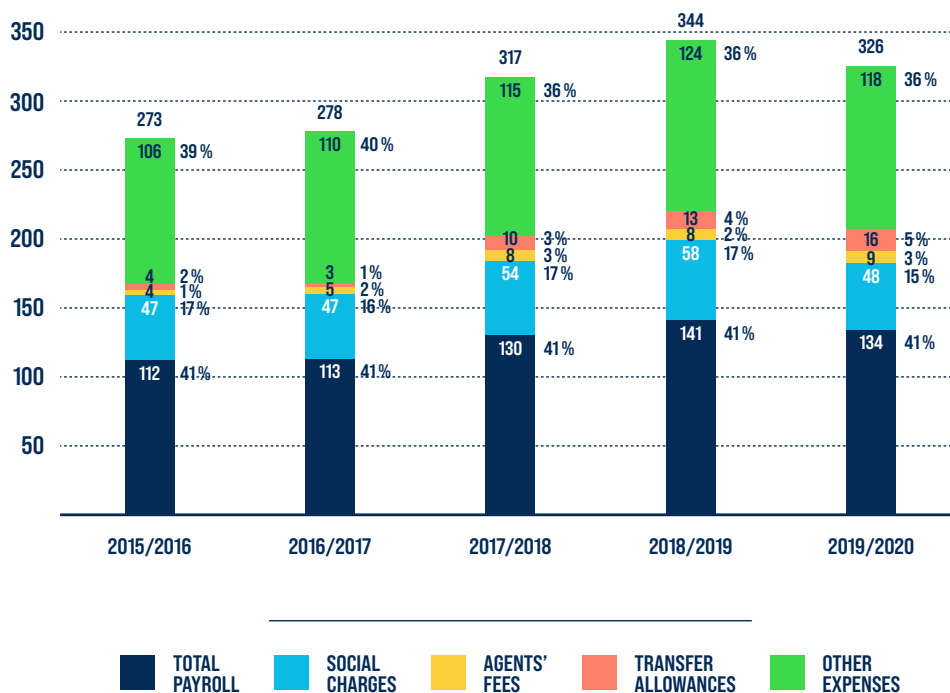
- The sponsoring/advertising, merchandising, community subsidies and other earnings categories together account for 37% of total Ligue 2 non-transfer earnings, as opposed to 35% during the last season.
- Within these categories, sponsorship and advertising have a preponderant weight, even though this share has declined over the seasons (52% compared to 55% in 2018/2019 and 58% in 2017/2018).
- These revenues are moderately concentrated: 10 clubs represent 64.6% of the total.

DISTRIBUTION OF RECEIPTS FOR SPONSORING / ADVERTISING, MERCHANDISING, COMMUNITY SUBSIDIES AND OTHER EARNINGS



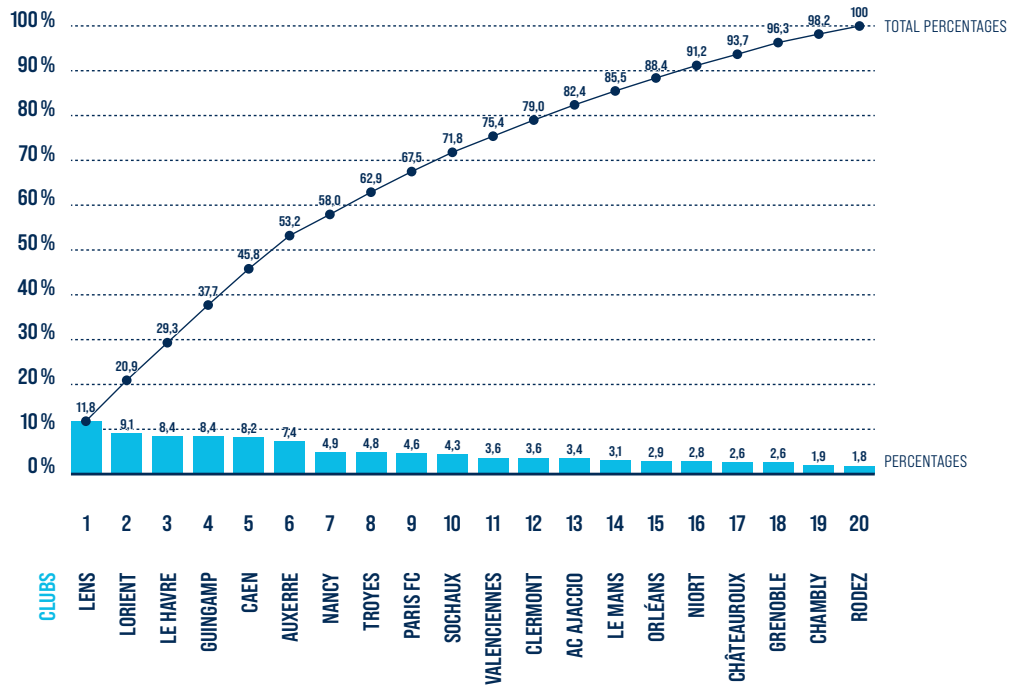
2.1.3 OPERATING EXPENSES

EVOLUTION THE OPERATING EXPENSES



- Ligue 2 operating expenses amounted to €325 million [-6% compared to 2018/2019].
- The breakdown of the operating expenses of Ligue 2 clubs in 2019/2020 is very similar to that of the 2018/2019 season.

DISTRIBUTION OF OPERATING EXPENSES

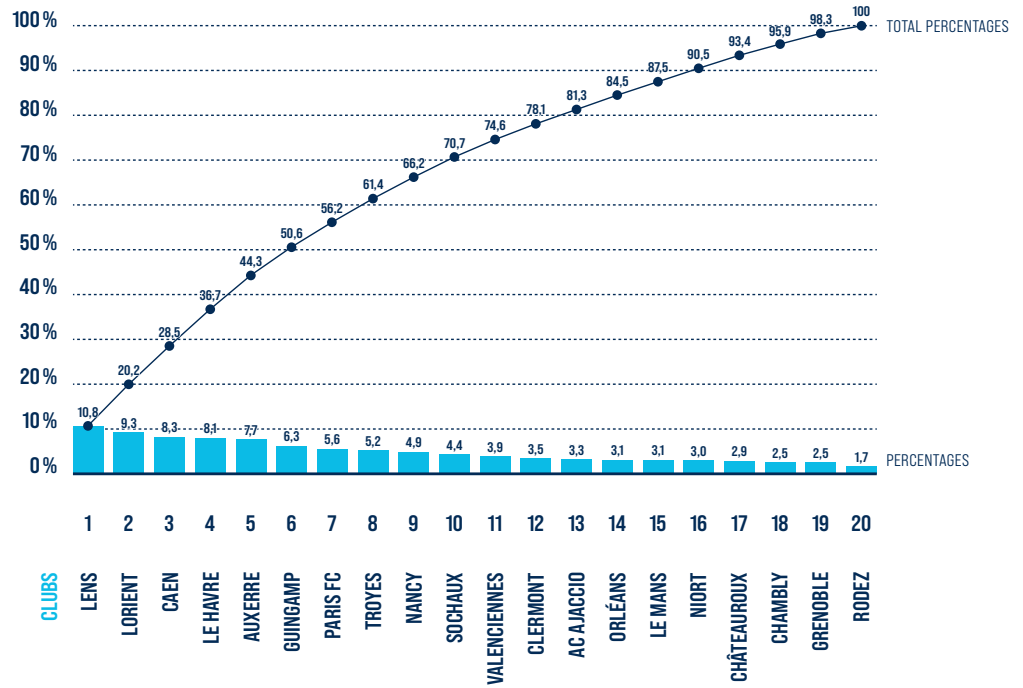


■ Just like last season, operating expenses are slightly more concentrated than non-transfer earnings in Ligue 2. There are therefore slightly more disparities in the expenses than in earnings between Ligue 2 clubs.

2.1.3.1

TOTAL PAYROLL

DISTRIBUTION OF THE TOTAL PAYROLL



■ There is little payroll concentration in Ligue 2: the top 3 represents only 28.5% of the total payroll (27.6% in 2018/2019).

2.1.3.2

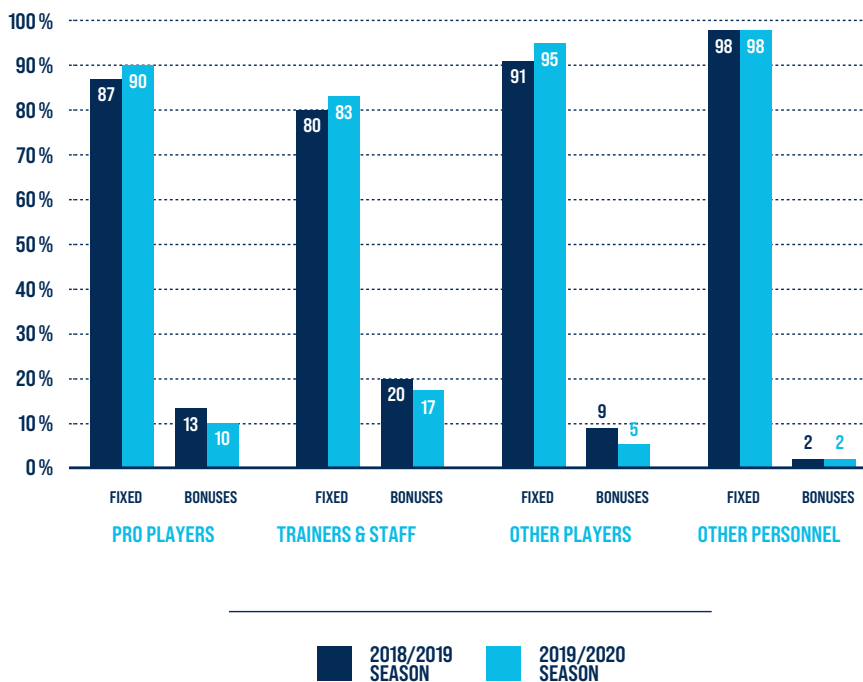
PAYROLL ANALYSIS

DETAILS OF REMUNERATION BY PERSONNEL CATEGORY

In millions of euros	2018/2019	2019/2020	VARIATION
Professional players	82.1	77.2	-6%
Base salary	71.1	69.8	-2%
Variable bonuses	11	7.4	-33%
Professional coaches and staff	16.4	14.8	-10%
Base salary	13.1	12.2	-7%
Variable bonuses	3.2	2.5	-22%
Other players	5.8	6.7	+15%
Base salary	5.3	6.3	+19%
Bonuses	0.5	0.3	-31%
Other personnel	36.2	35.3	-2%
Base salary	35.6	34.7	-2%
Bonuses	0.6	0.5	-9%

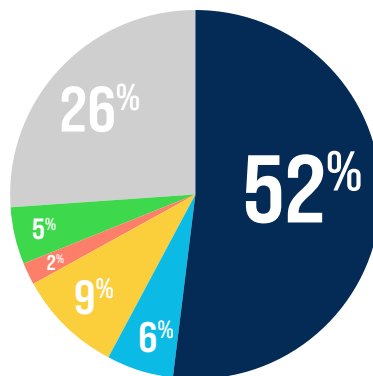
Variable remuneration is considered to be the share of wages received once objectives are reached, both individually and collectively. These bonuses may be based on sports results (European Cup qualification, maintenance, final ranking, Cup itinerary, etc. ...) as well as on the presence of players in the personnel (actual presence on the match sheet, number of caps, number of matches played, ...).

FIXED AND VARIABLE REMUNERATION



- Variable bonuses account for a small proportion of wages for all personnel categories in Ligue 2 clubs.
- The variable share of wages decreased very slightly between the 2018/2019 and 2019/2020 seasons, for all personnel categories.

DISTRIBUTION OF THE TOTAL PAYROLL



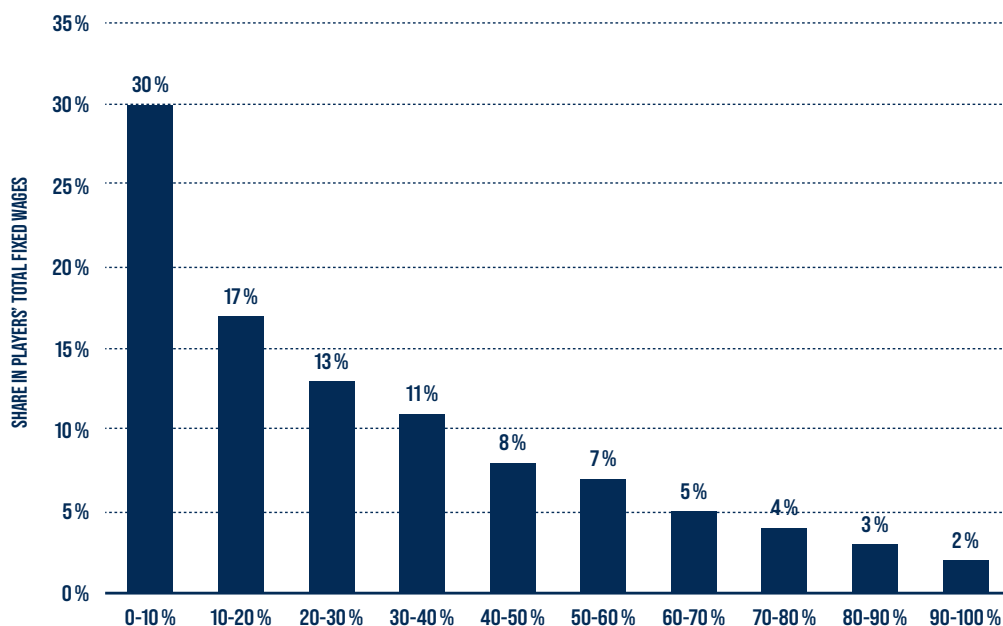
- PRO PLAYERS FIXED
- PRO PLAYERS VARIABLE
- FIXED STAFF
- STAFF VARIABLE
- FIXED OTHER PLAYERS
- OTHER PLAYERS VARIABLE
- FIXED OTHER PERSONS
- VARIABLE OTHER PERSONS

- Professional players account for 58% of the wage bill of Ligue 2 clubs.
- The wages of non-players and staff represent 26% of the salaries paid by Ligue 2 clubs, compared with 14% of the salaries paid by Ligue 1 clubs.

CHAMOIS NIORTAIS FC



CUMULATIVE PERCENTAGE OF PLAYER WAGES PER DECILE

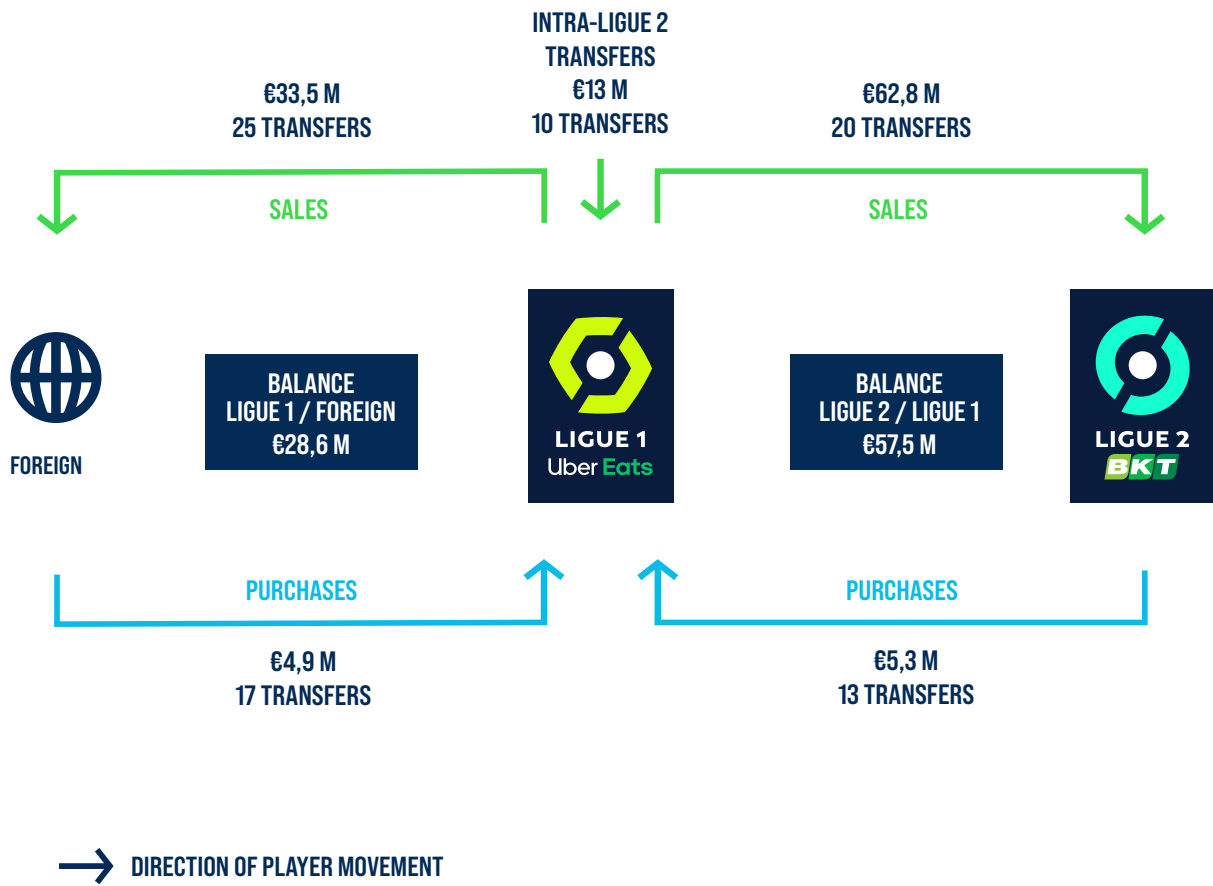


Analysis of the player portfolio	30/06 2020	30/06 2021	30/06 2022	30/06 2023	30/06 2024
Percentage of the number of expiring contracts	39%	28%	25%	6%	1%
Percentage of the sum of expiring wages	34%	29%	25%	11%	1%

■ The salaries of players are much more homogeneous in Ligue 2 than in Ligue 1. The top 10% of the highest paid players in Ligue 2 only represent 30% of the Ligue 2 payroll.

2.1.4 OPERATIONS INVOLVING PLAYERS

PLAYER TRANSFERS FROM FRENCH PROFESSIONAL CLUBS FOR THE 2019-2020 SEASON



Evolution of the balance of transfers in €M	2017/2018	2018/2019	2019/2020
France sales	48.9	36.9	75.8
Foreign sales	11.3	48.7	35.5
France purchases	-8.9	-7.6	-18.3
Foreign purchases	-5.8	-8.9	-4.9
TRADE BALANCE	45.5	69.1	86.1

Cross transfers by league in €M

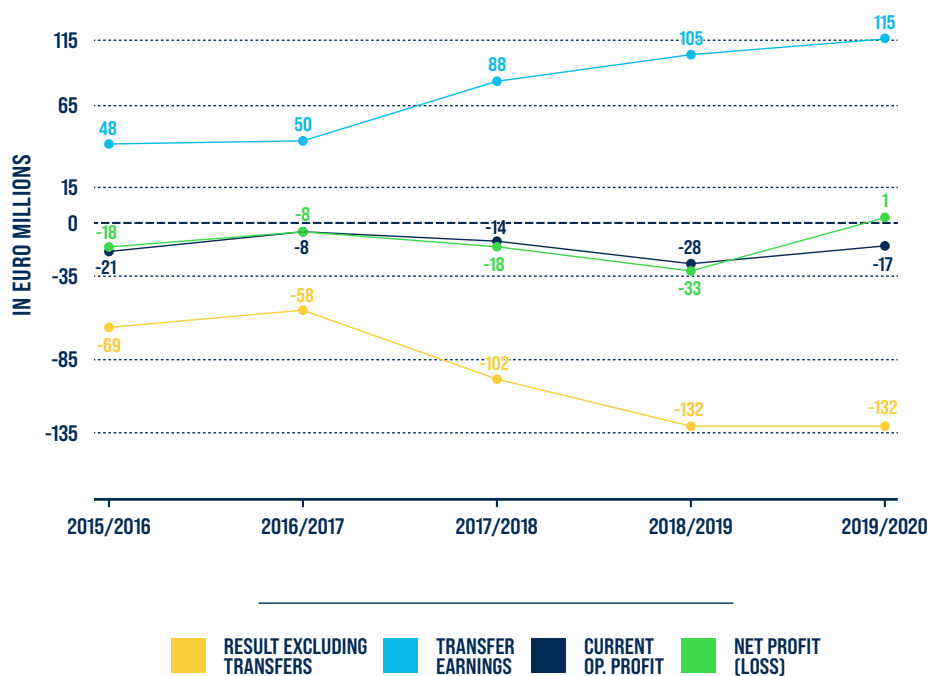
Departure league	Foreign	Arrival league		Total
		Ligue 1	Ligue 2	
Foreign				
Number of transfers		94	17	111
Amount		490.8	4.9	495.7
Ligue 1				
Number of transfers	59	35	13	107
Amount	456.9	205	5.3	666.2
Ligue 2				
Number of transfers	25	20	10	55
Amount	33.5	62.8	13	109.3
TOTAL NUMBER	84	149	40	273
TOTAL AMOUNT OF TRANSFERS	490.4	758.6	23.2	1,271.2

2.1.5

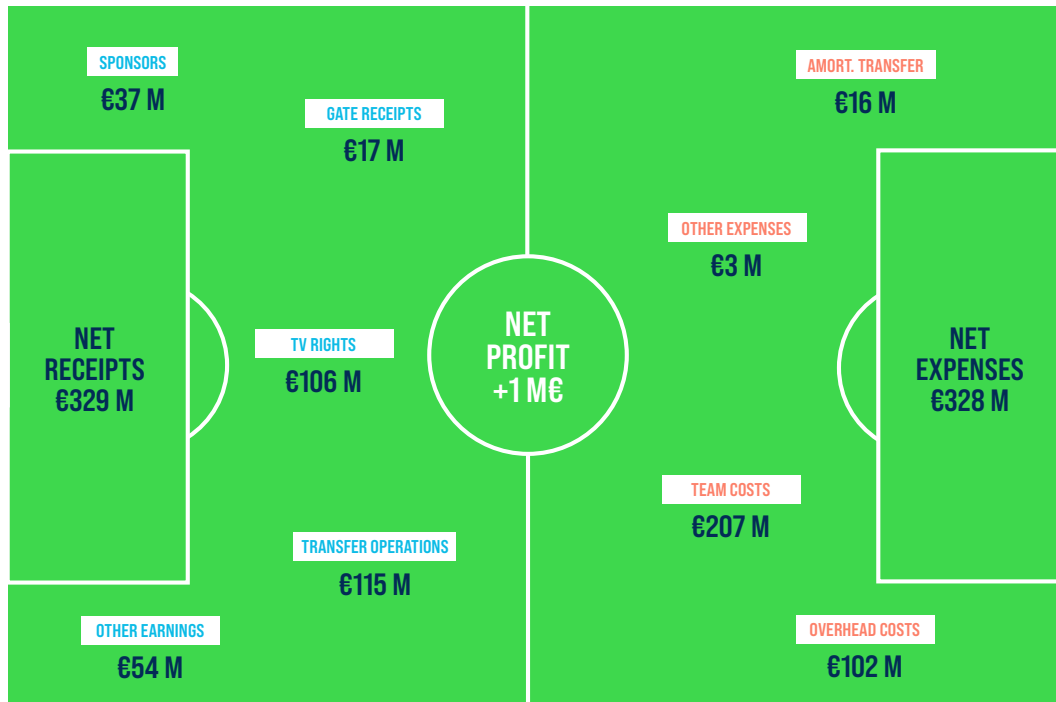
RESULTS

- All indicators of results show an improvement relative to the 2018/2019 season, with the exception of non-transfer operating income, which remained stable.
- Net profit rose from -€33 million in 2018/2019 to +€1 million in 2019/2020. This is the first time that the net income has been positive since the 2013/2014 season.

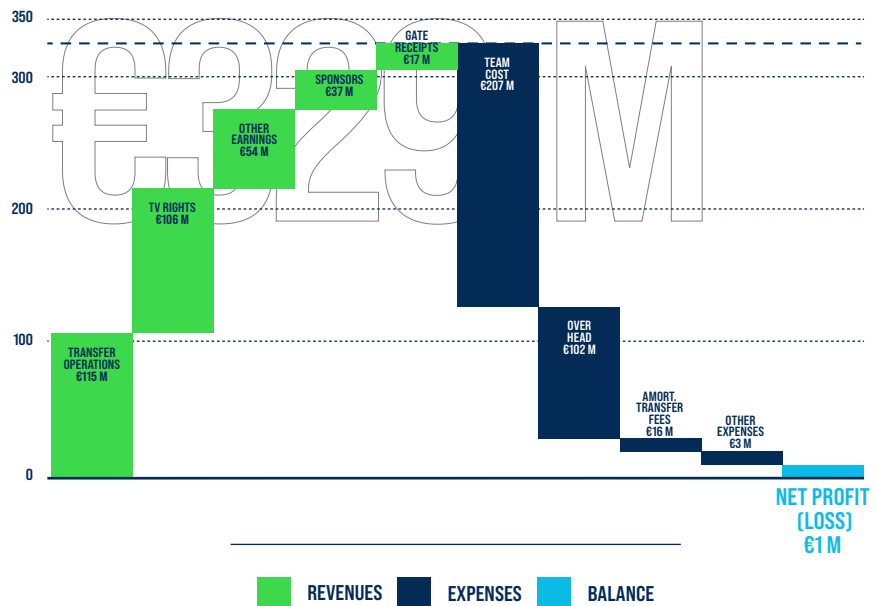
BREAKDOWN OF NET INCOME



FORMATION OF THE NET INCOME

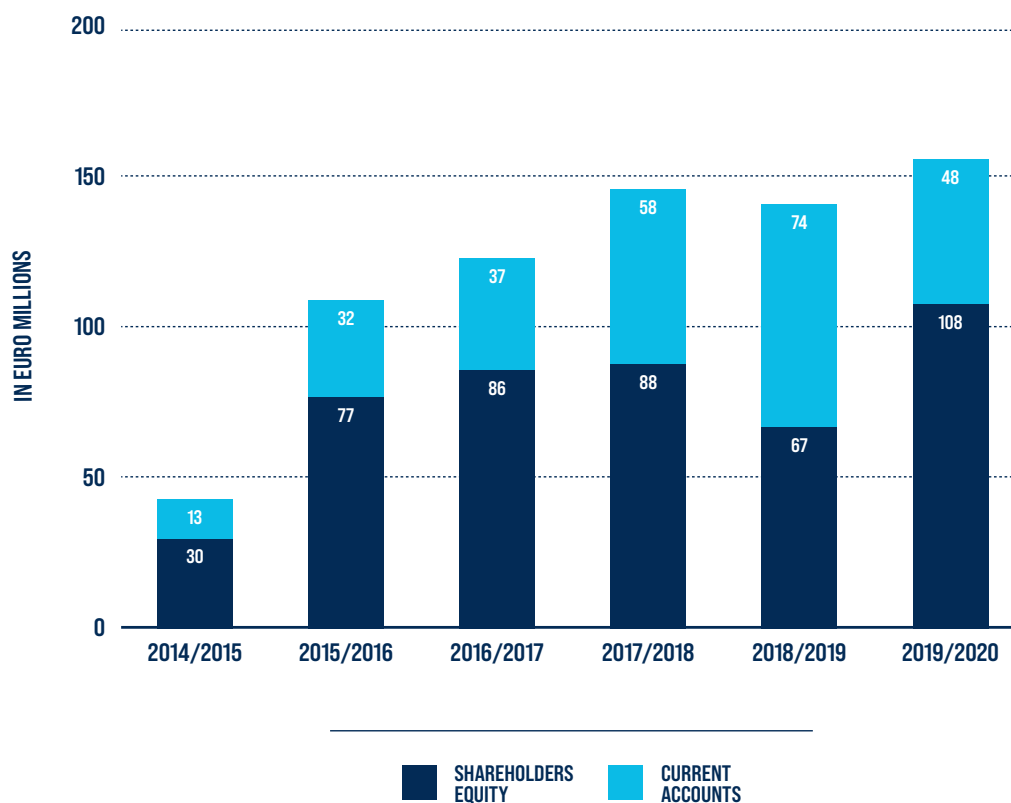


ANALYSIS OF THE FORMATION OF THE NET INCOME



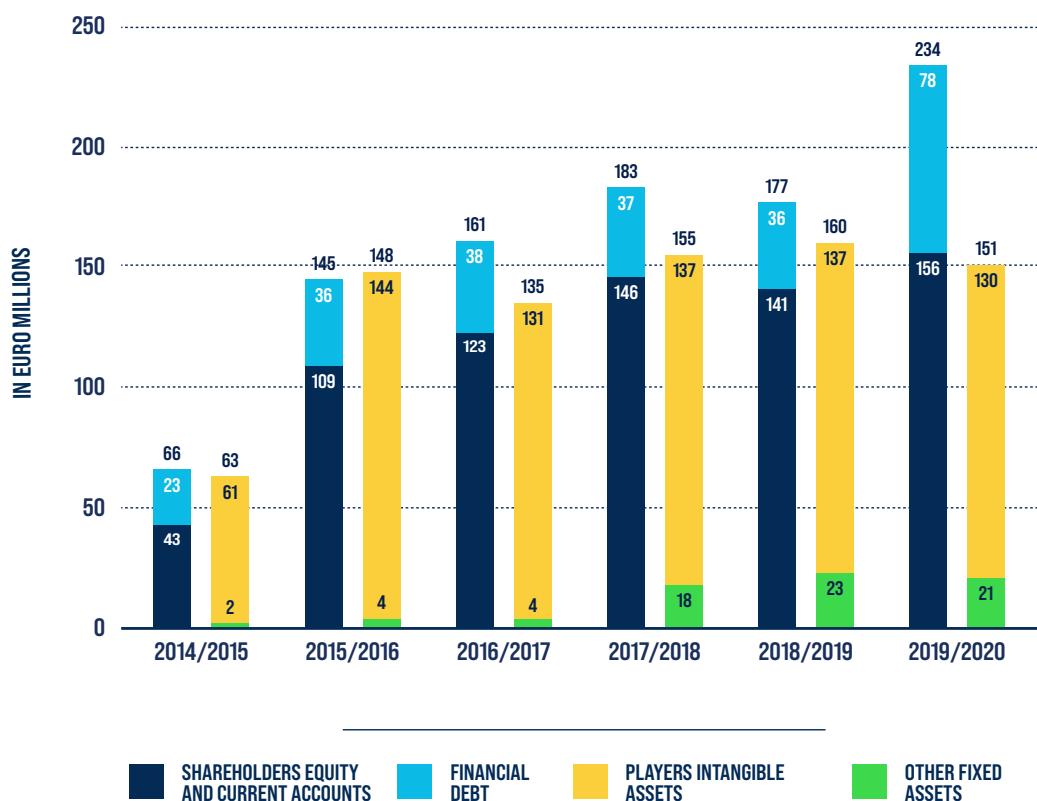
2.1.6 FINANCING OF THE CLUBS

CHANGE OF SHAREHOLDERS EQUITY AND CURRENT ACCOUNTS



- After an increase of current accounts and a decrease of shareholders equity in the 2018/2019 season, the reverse trend was seen in the 2019/2020 season: equity increased by 61% and current accounts decreased by 35%.
- Overall, shareholder and similar funds once again turned up during the 2019/2020 season (+11%).

COVERAGE OF FIXED ASSETS BY SHAREHOLDERS EQUITY AND CURRENT ACCOUNTS



- The trend seen in the last three seasons has been confirmed: shareholders equity and current accounts are significantly higher than player intangible assets.
- The difference between shareholders equity and fixed assets took on very large proportions during the 2019/2020 season due to a very strong increase of financial debts (+117%).

2.1.7

ANALYSIS OF ACHIEVEMENTS AGAINST
INITIAL BUDGETS 2019/2020 SEASON

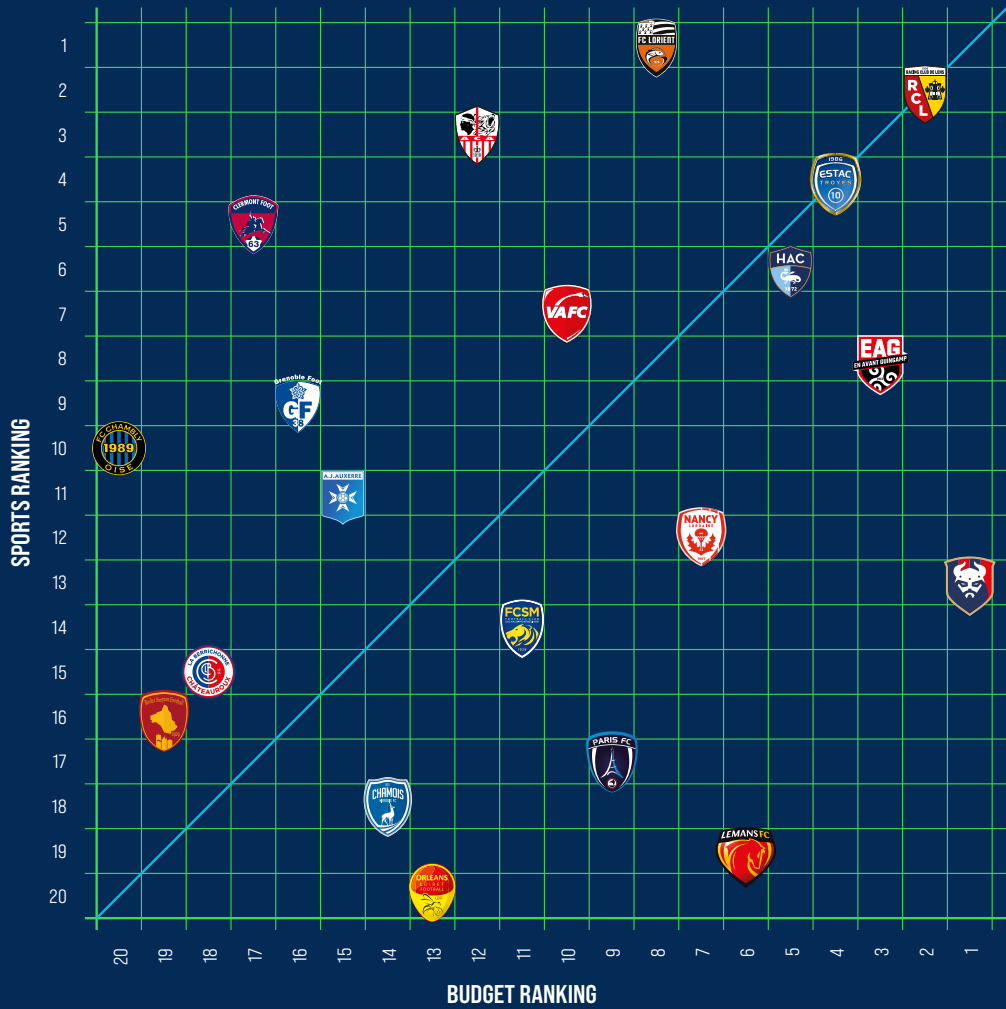
In thousands of euros	INITIAL BUDGET	ACTUAL	GAP
Broadcasting rights	112,595	105,671	-6,924
Sponsors - Advertising	44,069	37,183	-6,886
Gate receipts	19,811	16,970	-2,841
Other income (including merchandising)	27,070	34,080	+7,010
TOTAL NON-TRANSFER EARNINGS	203,545	193,904	-9,641
Total payroll	174,268	181,967	+7,699
Cost of transfers	19,890	25,189	+5,299
Other expenses	105,952	118,382	+12,430
TOTAL OPERATING EXPENSES	300,110	325,538	+25,428
NON-TRANSFER OPERATING RESULT	-96,566	-131,634	-35,068
RESULT OF TRANSFER OPERATIONS	71,503	114,812	+43,309
CURRENT OPERATING PROFIT	-25,062	-16,822	+8,240
Financial profit (loss)	-1,668	-796	+872
Exceptional profit (loss): other	8,803	18,734	+9,931
Income tax	-147	-2,161	-2,014
Except. profit (loss): discontinuations/reversals of current accounts	0	1,600	+1,600
NET PROFIT (LOSS)	-18,074	555	+18,629

2.2 LINK BETWEEN SPORTS RESULTS AND FINANCIAL CHARACTERISTICS

2.2.1 SPORTS RESULTS

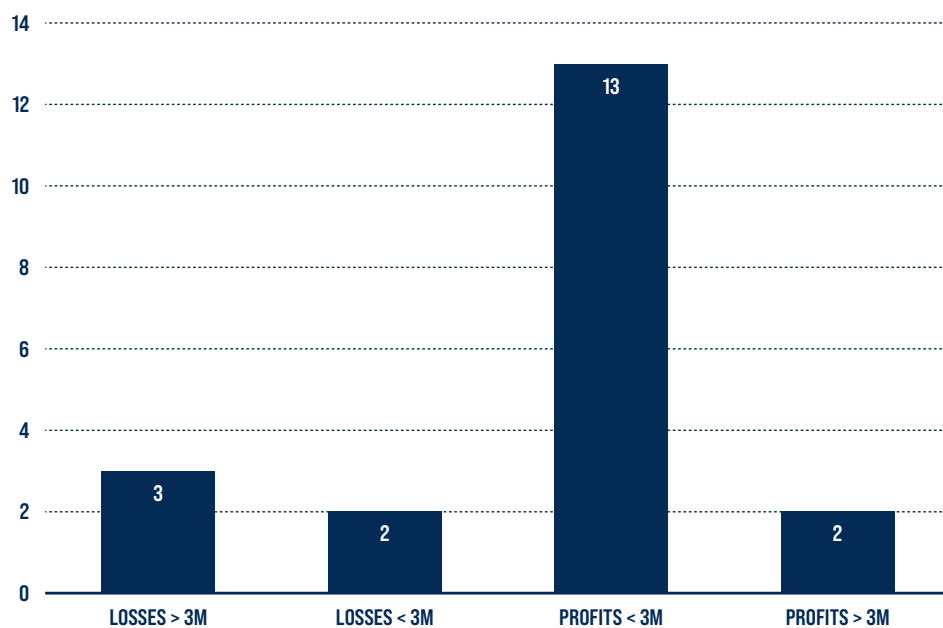
TEAMS	RANKING	POINTS
Lorient	1	54
Lens	2	53
AC Ajaccio	3	52
Troyes	4	51
Clermont	5	50
Le Havre	6	44
Valenciennes	7	42
Guingamp	8	39
Grenoble	9	35
Chambly	10	35
Auxerre	11	34
Nancy	12	34
Caen	13	34
Sochaux	14	34
Châteauroux	15	34
Rodez	16	32
Paris FC	17	28
Niort	18	26
Le Mans	19	26
Orléans	20	19

BUDGET AND SPORTS RANKING



■ Contrary to the previous season, the relationship between budget ranking and sports ranking is not very pronounced in Ligue 2. Caen, the club with the largest budget, is ranked 13th in the championship, while Lorient is the season champion while its budget is ranked 8th. However, the top 8 places of the championship nevertheless include 4 of the 5 clubs with the biggest budgets.

NUMBER OF PROFITABLE AND LOSS-MAKING CLUBS

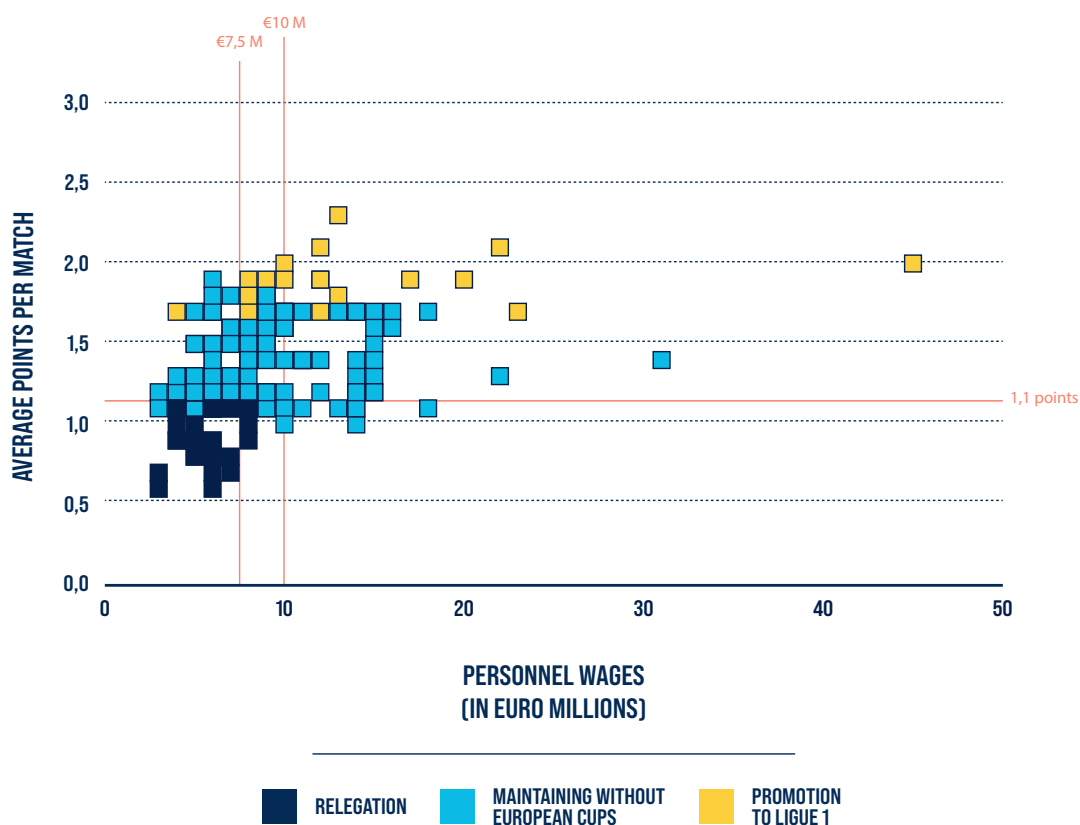


■ 15 Ligue 2 clubs are profitable in the 2019/2020 season, versus 11 during the previous season. The number of loss-making clubs dropped from 9 to 5.

2.2.2

SPORTS RISKS/OPPORTUNITIES AND PAYROLL

[2011/2012 TO 2019/2020 SEASONS]



The following regular features have been observed in Ligue 2 over the past nine seasons:

- The vast majority of the teams that were relegated had a payroll of under €7.5 million.
- No team with a payroll above €10 million was relegated.
- With the exception of Gazelec at the end of the 2014/2015 season, Amiens in 2016/2017 and AC Ajaccio in 2017/2018, all teams that were promoted to Ligue 1 had a payroll of more than €7.5 million.

SPORTS RESULTS BASED ON PAYROLL (2011/2012 TO 2019/2020 SEASONS)

PAYROLL	RISK OF RELEGATION TO NATIONAL 1	CHANCE OF STAYING IN LIGUE 2	CHANCE OF PROMOTION TO LIGUE 1
Above €10 million	0%	71%	29%
Between €7.5 and 10 million	7%	72%	21%
Below €7.5 million	26%	71%	3%

The table is read line by line. Example: amongst teams with a payroll of under €7.5 million, 26% were relegated, 71% were maintained and 3% advanced to Ligue 1.

With regard to the observed regular features, we can thus identify three groups of Ligue 2 teams:

- **Group 1:** clubs with a payroll in excess of €10 million. These teams have almost no risk of being relegated. Most of the time they remain where they are, with a less than 3 in 10 chance of advancing to Ligue 1.
- **Group 2:** clubs with a payroll of between €7.5 and 10 million. For these teams, all three scenarios are possible, but remaining in Ligue 2 is most common (72% of cases). The main difference between these teams and Group 1 is the risk of relegation (7%).
- **Group 3:** clubs with a payroll of under €7.5 million. These teams have a one in four chance of being relegated to National 1 and have virtually no chance of advancing to Ligue 1. The main risk for these teams is relegation. A payroll of €7.5 million in Ligue 2 is therefore almost equivalent to a payroll of €30 million in Ligue 1. In both cases, teams that do not cross these thresholds have almost a one in four chance of being relegated to the lower division.

2.2.3

STRONG IMPACT OF SPORTS RESULTS ON REVENUES

- At the end of a season, three scenarios are possible for Ligue 2 teams: dropping down to National, remaining in Ligue 2 and advancing to Ligue 1.
- The revenues of clubs relegated to National decline very sharply.
- The revenues of clubs that remain in Ligue 2 vary relatively little from season to season.
- The non-transfer earnings of the two teams promoted at the end of the 2018/2019 season increased more than their operating expenses between 2018/2019 and 2019/2020:
 - The non-transfer earnings of Metz increased from €19.5 million to 27.8 million (multiplied by 1.4), while its operating expenses increased from €41.5 to 47.5 million (multiplied by 1.1).
 - The non-transfer earnings of Brest increased from €16.9 million to 28.5 million (multiplied by 1.7), while its operating expenses increased from €19 to 29.6 million (multiplied by 1.5).

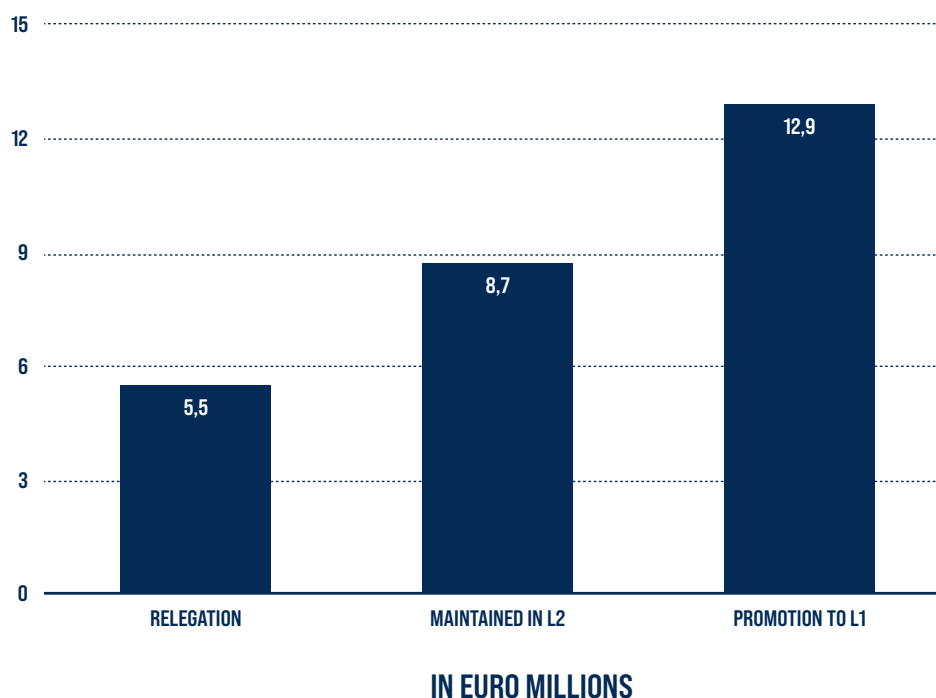
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2.2.4

CORRELATION BETWEEN AVERAGE GROSS PAYROLL AND SPORTS SUCCESS

AVERAGE GROSS PAYROLL BASED ON THE SPORTS PERFORMANCE OF CLUBS (2011/2012 TO 2019/2020 SEASON)



Over the past nine seasons:

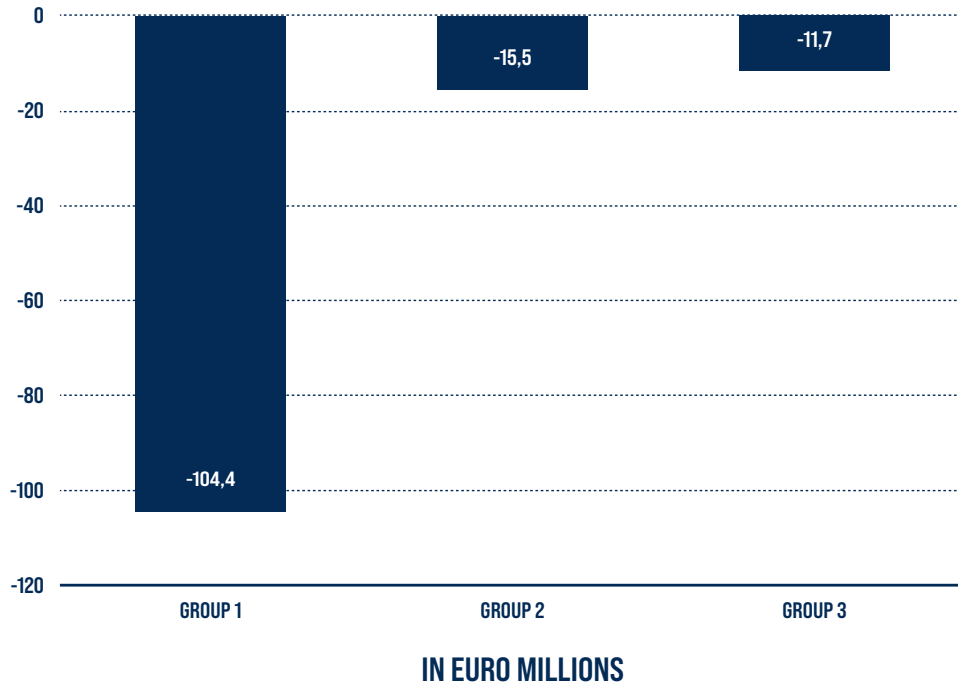
- Teams relegated to National had an average payroll of €5.5 million.
- Teams that remained in Ligue 2 had an average payroll of €8.7 million.
- Teams that were promoted to Ligue 1 had a payroll of €12.9 million.

2.2.5 ANALYSIS BY GROUPS OF CLUBS FOR THE 2019/2020 SEASON

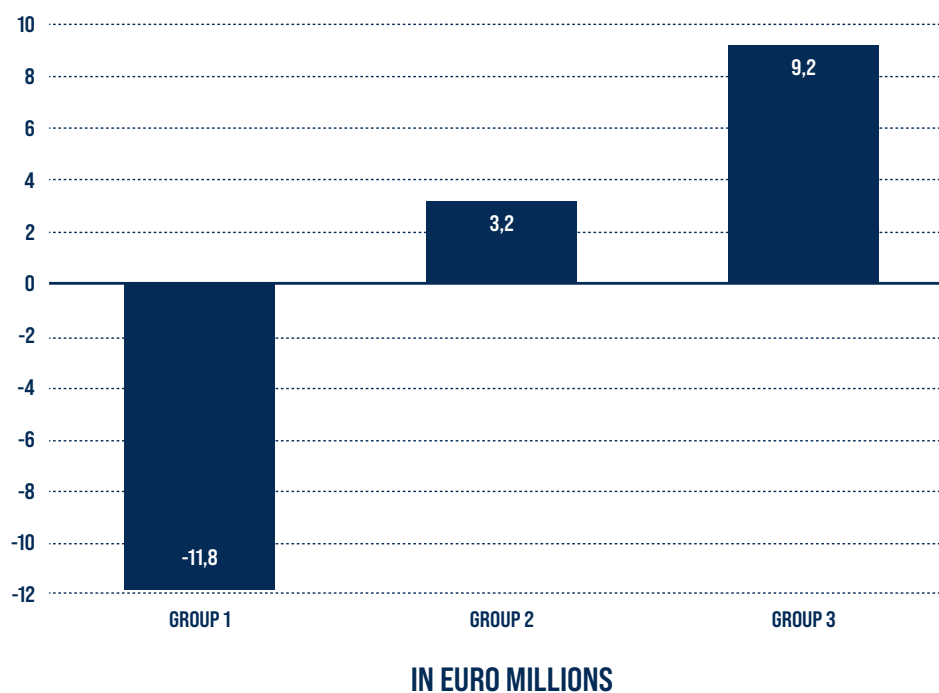
Subsequent to the above analyses, 3 groups of clubs can be distinguished according to their overall payroll in 2019/2020:

Group	Clubs
Group 1: Payroll above €10 million	Lens, Lorient, Le Havre, Auxerre, Caen, Guingamp, Paris FC
Group 2: Payroll between €7.5 and 10 million	Troyes, Nancy, Sochaux
Group 3: Payroll below €7.5 million	Valenciennes, Le Mans, Orléans, Grenoble, Clermont, Châteauroux, Niort, AC Ajaccio, Chambly, Rodez

CUMULATIVE OPERATING INCOME BY GROUP (2019/2020 SEASON)



■ The operating loss in Ligue 2 is mainly due to clubs with payroll costs in excess of €10 million (Group 1).

CUMULATIVE NET PROFIT BY GROUP (2019/2020 SEASON)

- Only Group 1 generated losses in the 2019/2020 season while Groups 2 and 3 had positive net income. However, all three groups had negative net income for the 2018/2019 season.
- Although Group 1 had negative net income in the 2019/2020 season, it halved its loss compared to the 2018/2019 season from -€24.2 million to -€11.8 million.

E U R O P E A N

BENCH- MARK

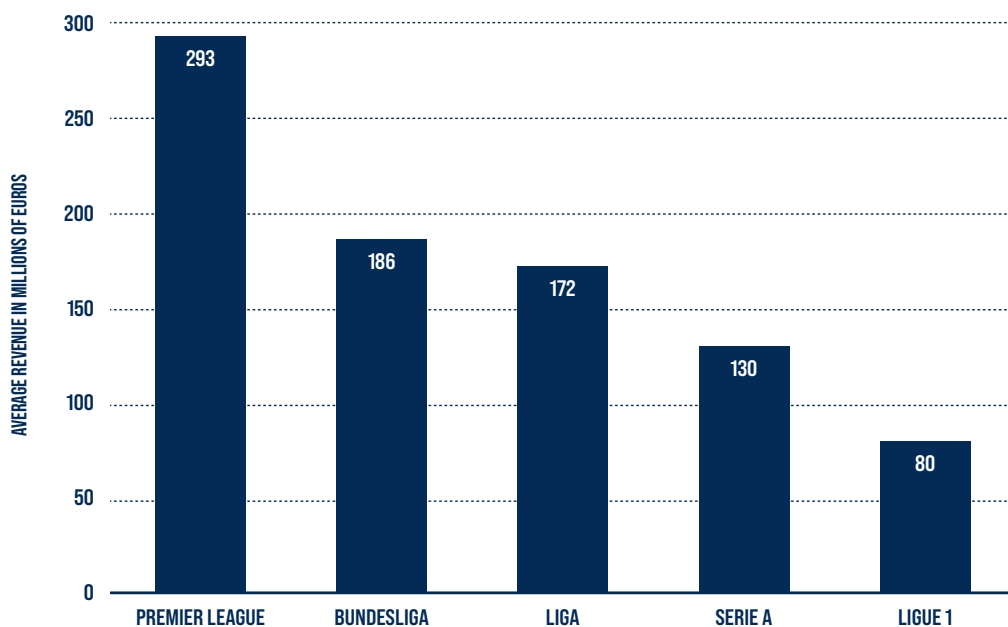


FC BAYERN

3 EUROPEAN BENCHMARK

3.1 EUROPEAN BENCHMARK EXCLUDING TRANSFER OPERATIONS

3.1.1 AVERAGE CLUB REVENUES* IN THE FIVE MAJOR EUROPEAN CHAMPIONSHIPS



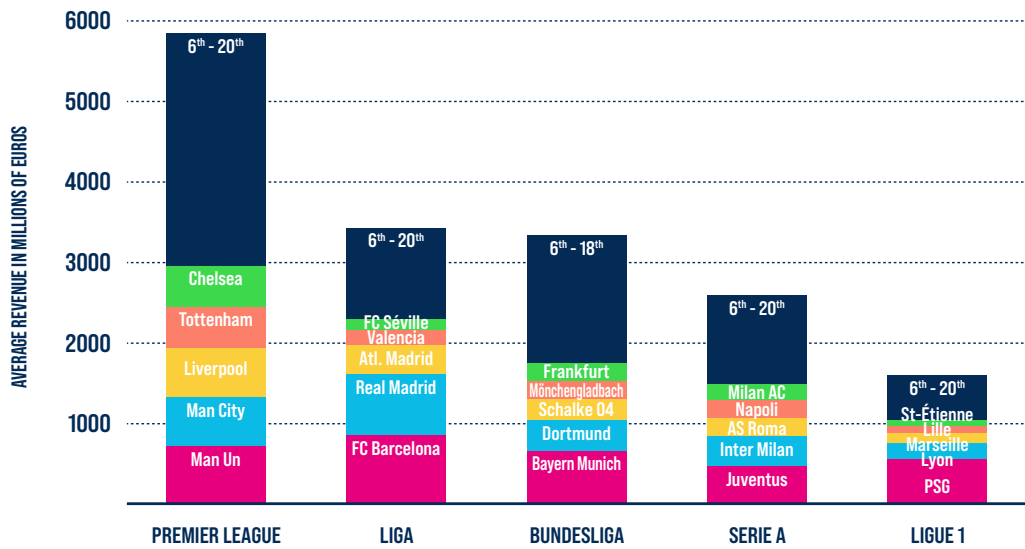
*Total income excluding transfer operations; source: DNCG and UEFA Football Benchmark 2019
 Note: Figures for 2019/2020 financial year for Ligue 1 and 2018/2019 financial year for other leagues.

■ There are significant revenue disparities between the five major European championships: the average revenues of Premier League clubs (€293 million on average) are 3.7 times higher than that of Ligue 1 clubs (€80 million on average).

3.1.2

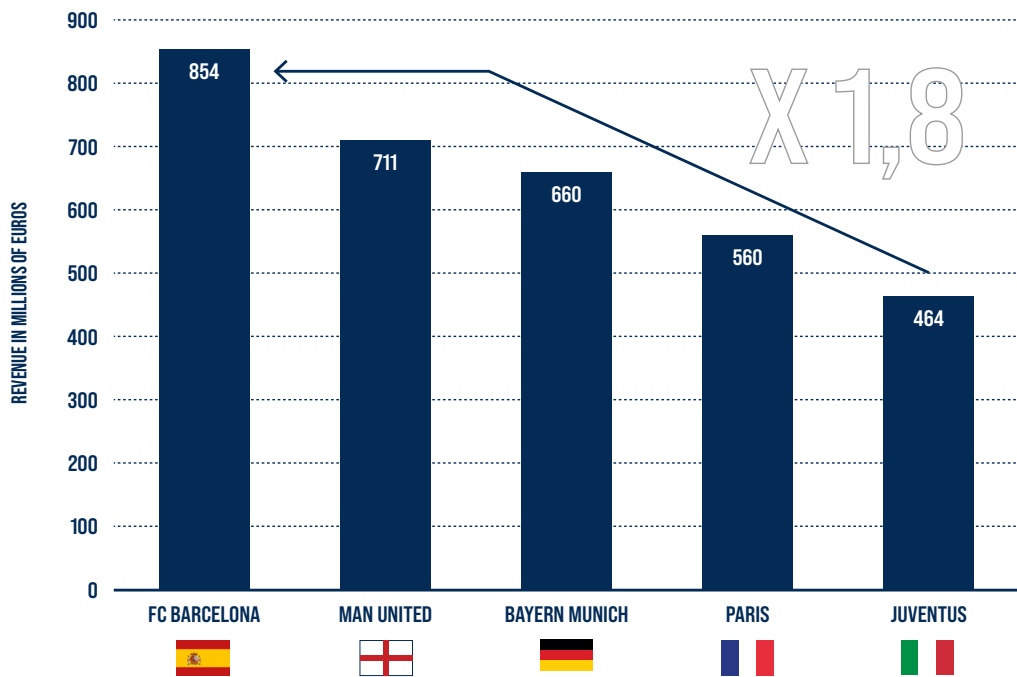
DISTRIBUTION OF REVENUES BETWEEN EUROPEAN CHAMPIONSHIP CLUBS

CLUB REVENUES IN THE FIVE MAJOR EUROPEAN CHAMPIONSHIPS (IN € MILLIONS)



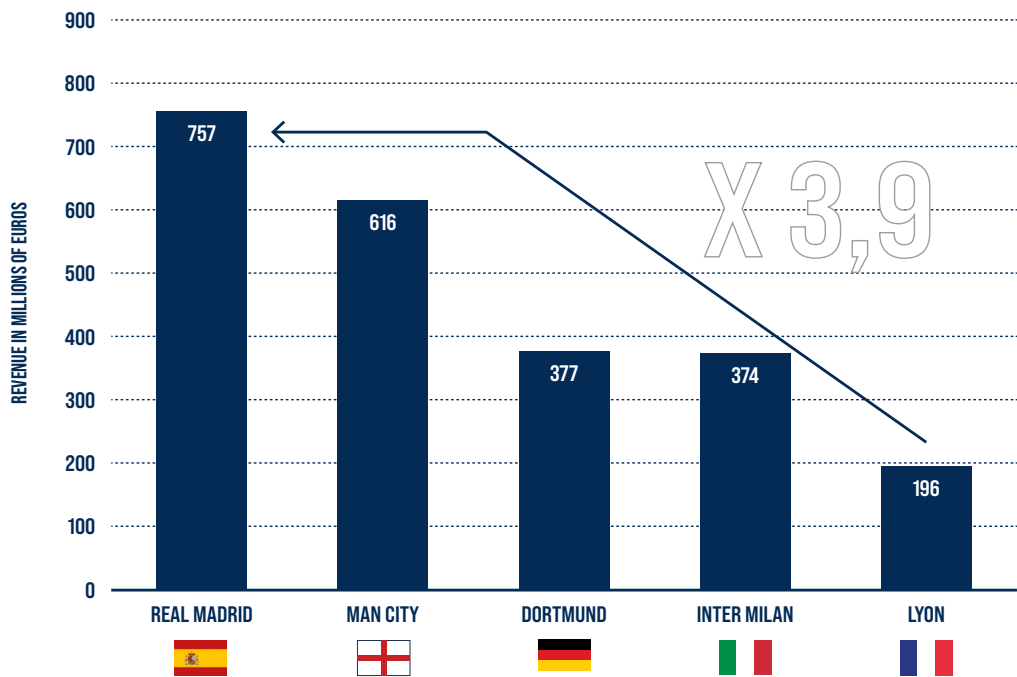
Very significant revenue differences can be seen between the European championships, but also significant differences of revenue distribution between the clubs within the various championships.

CLUBS WITH THE HIGHEST REVENUES OF EACH LEAGUE



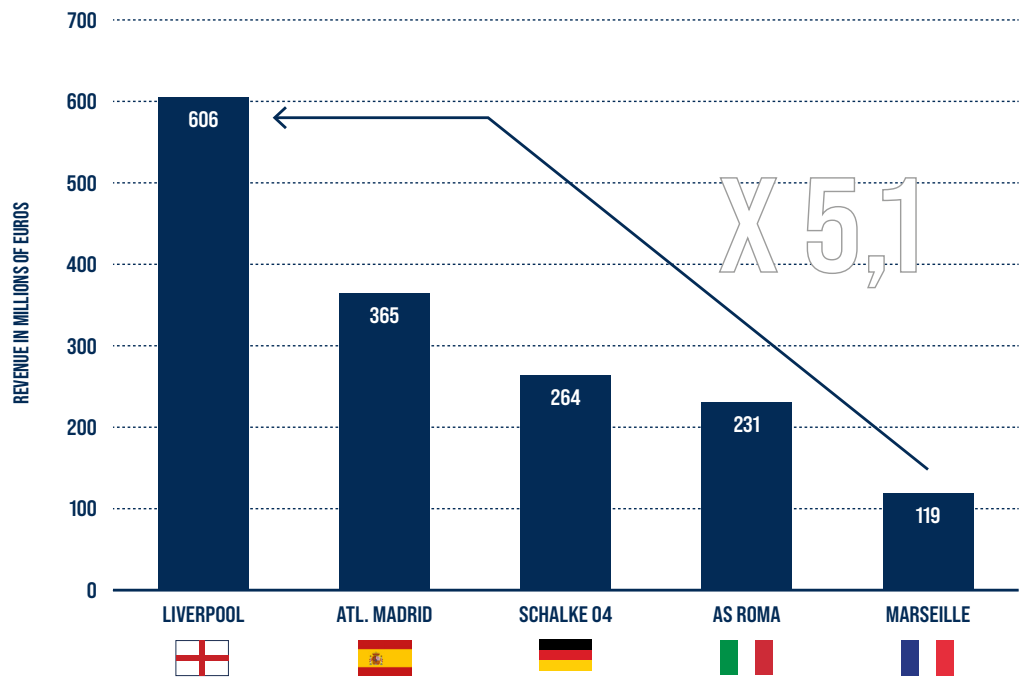
Note: Figures for 2019/2020 financial year for Ligue 1 and 2018/2019 financial year for other leagues.

CLUBS WITH THE 2ND HIGHEST REVENUES OF EACH LEAGUE

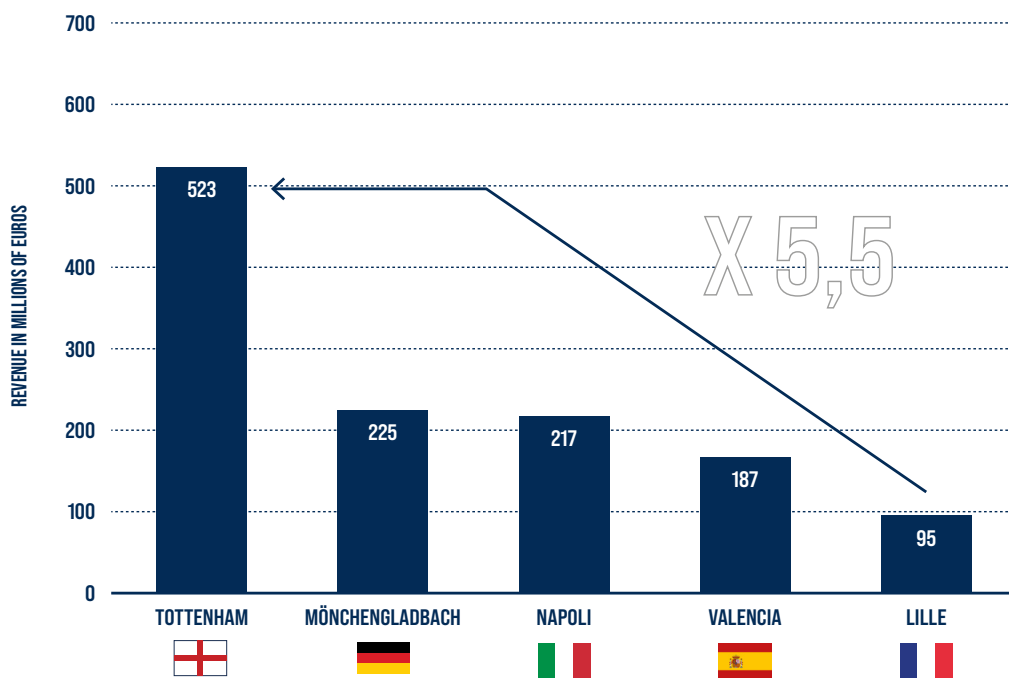


Note: Figures for 2019/2020 financial year for Ligue 1 and 2018/2019 financial year for other leagues.

CLUBS WITH THE 3RD HIGHEST REVENUES OF EACH LEAGUE

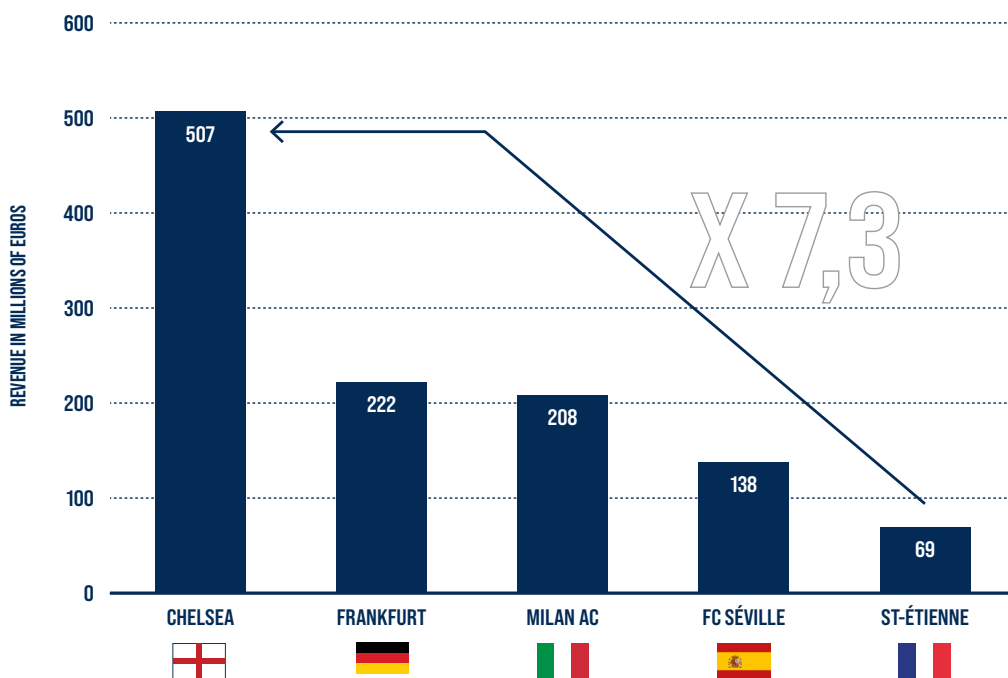


CLUBS WITH THE 4TH HIGHEST REVENUES OF EACH LEAGUE



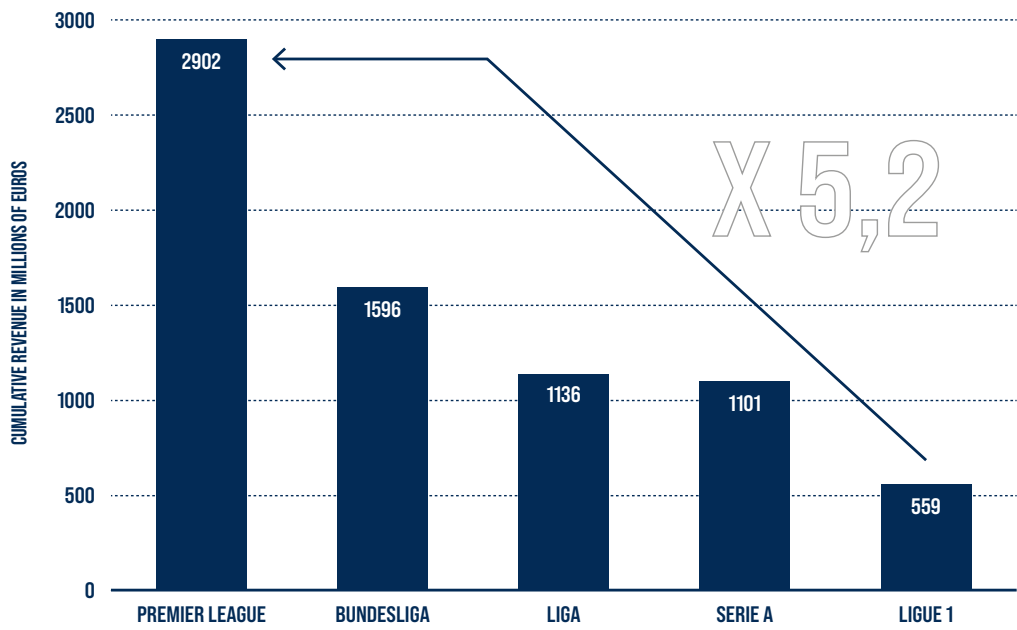
Note: Figures for 2019/2020 financial year for Ligue 1 and 2018/2019 financial year for other leagues.

CLUBS WITH THE 5TH HIGHEST REVENUES OF EACH LEAGUE



Note: Figures for 2019/2020 financial year for Ligue 1 and 2018/2019 financial year for other leagues.

CLUBS WITH THE 6TH TO 20TH HIGHEST REVENUES OF EACH LEAGUE



*18th for the Bundesliga.

Note: Figures for 2019/2020 financial year for Ligue 1 and 2018/2019 financial year for other leagues.

- **Even if the total revenues of Ligue 1 are the lowest, PSG competes with the biggest clubs of the European championships:** PSG (€560 million) has a budget higher than that of Juventus (€464 million) and close to that of Bayern Munich (€660 million).
- **On the other hand, the other French clubs are far behind their European counterparts:**
 - **Lyon (2nd French club)** has revenues of €196 million compared to €757 million for Real Madrid (2nd Spanish club), €616 million for Manchester City (2nd English club), €377 million for Dortmund (2nd German club) and €374 million for Inter Milan (2nd Italian club),
 - **Marseille (3rd French club)** has revenues of €119 million compared to €606 million for Liverpool (3rd English club), €365 million for Atletico Madrid (3rd Spanish club), €264 million for Schalke 04 (3rd German club) and €231 million for AS Roma (3rd Italian club).

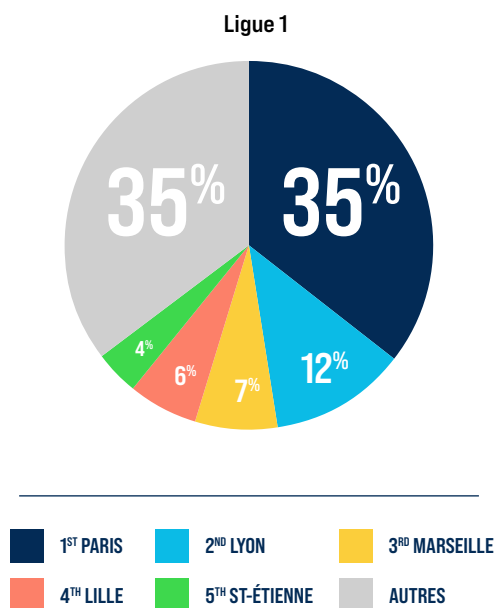
More generally, the revenues of the 4 largest French clubs behind PSG (Lyon, Marseille, Lille and St-Étienne) represent €482 million (less than PSG alone) compared to €2251 million in Premier League, €1447 million in Liga, €1088 million in Bundesliga and €1030 million in Serie A.

- **For clubs having revenues beyond the 5th place in their championship, the difference between French clubs and the clubs in other European leagues is even more pronounced.** The revenues of these clubs are all between €20 and 70 million in Ligue 1, while they are between €130 and 510 million in Premier League.

PSG

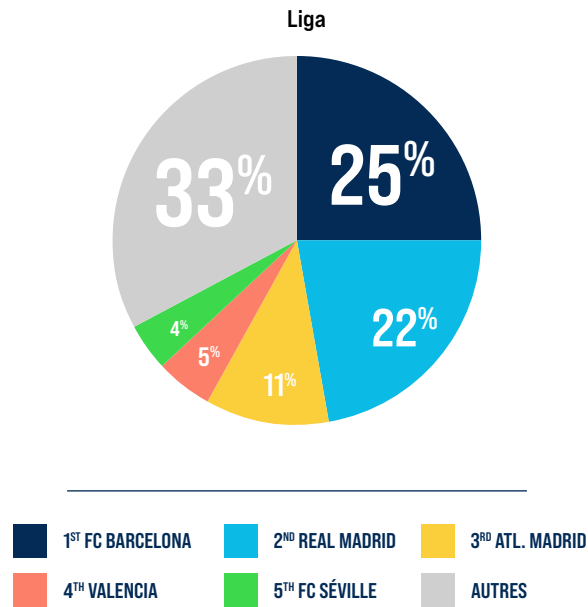


DISTRIBUTION OF REVENUES BETWEEN CLUBS (AS A %)



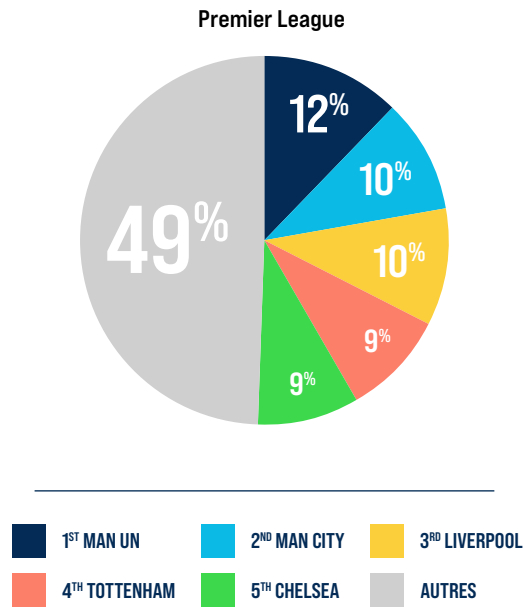
- In Ligue 1, one club alone accounts for more than a third of the championship's revenue: PSG with 35% of total revenue. Lyon, the 2nd club, then only generates 12% of revenues. On their own, these two clubs account for almost 50% of total revenues. Then the drop is very sharp: Marseille, Lille and St-Étienne have revenues between 4% and 7%. Finally, clubs in 6th to 20th places account for 35% of total revenues, the same as PSG on its own.

DISTRIBUTION OF REVENUES BETWEEN CLUBS (AS A %)



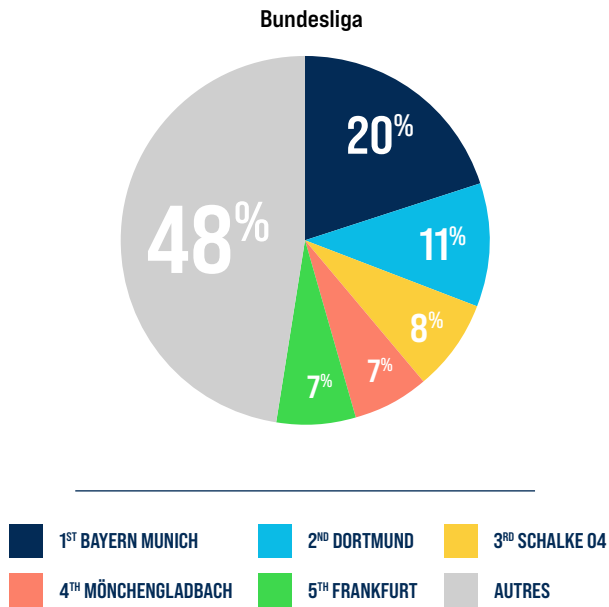
■ **La Liga** has a similar profile to Ligue 1, except that instead of one, there are two clubs that strongly dominate the championship in terms of their revenues: on their own, FC Barcelona (25%) and Real Madrid (22%) account for almost 50% of the total budget. The decline of club revenues is again very sharp thereafter: Atletico Madrid accounts for only 11% of revenues and Valencia and FC Seville respectively 5% and 4%. Finally, clubs from the 6th to 20th places account for 33% of total revenues, a percentage very close to the Ligue 1 percentage.

DISTRIBUTION OF REVENUES BETWEEN CLUBS (AS A %)



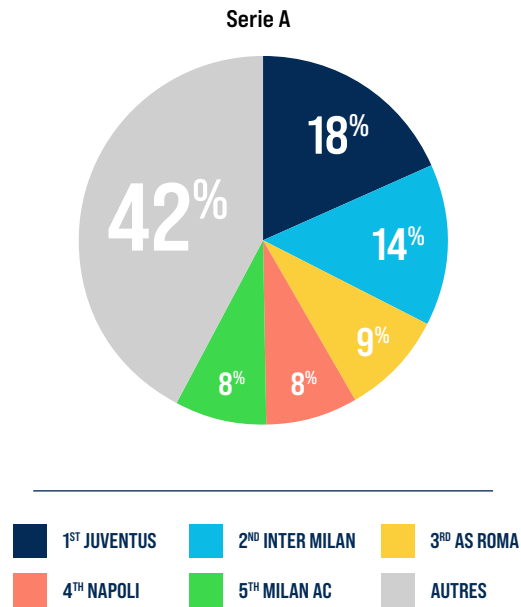
■ **The Premier League** has a very different distribution profile from that of Ligue 1 and la Liga. The top 5 clubs (Manchester United, Manchester City, Liverpool, Tottenham and Chelsea) have similar revenues ranging from 9% to 12% of the total budget. The revenues of these first 5 clubs must therefore be taken together in order to reach 50% of the total revenues. The revenue decline is then is more gradual, and clubs from the 6th to 20th places account for 49% of the revenues.

DISTRIBUTION OF REVENUES BETWEEN CLUBS (AS A %)



■ The Bundesliga has a profile similar to that of the Premier League. With the exception of Bayern Munich, that alone accounts for 20% of revenues, the top 5 clubs have similar revenues of between 7% and 11% of the total budget. Again, the revenues of these first 5 clubs must be taken together in order to reach 50% of the total revenues. Once again, the revenue decline is then is more gradual, and clubs from the 6th to 18th places account for 48% of the revenues.

DISTRIBUTION OF REVENUES BETWEEN CLUBS (AS A %)



■ **Serie A** has a profile halfway between the two previous distribution profiles. On their own, two clubs account for a relatively large share of revenues (but less so than in Ligue 1 and la Liga): Juventus (18%) and Inter Milan (14%). After that, AS Roma, Naples and Milan AC have similar revenues between 8% and 9% of total revenues (close to the Premier League and Bundesliga cases). Finally, clubs from the 6th to 20th places account for 42% of total revenues, halfway between the proportions of Ligue 1 and Premier League.





MEASURES OF INEQUALITIES IN REVENUE DISTRIBUTION IN EUROPEAN CHAMPIONSHIPS

LEAGUE	MAX. / MIN.	5th / 15th	GINI COEFFICIENT
LIGUE 1	26.8	2.5	0.51
LIGA	16.5	2.3	0.52
BUNDESLIGA	9.6	2.4	0.35
SERIE A	6.7	3.7	0.41
PREMIER LEAGUE	5	3.2	0.32

Note: perimeter difference between Ligue 1 figures and figures from other European leagues
 - 2019/2020 season for Ligue 1,
 - 2018/2019 season for the other leagues.

The above table presents 3 indicators to measure inequalities of revenue distribution between clubs in the five major European championships.

- **The first (Max/min)** is the ratio between the revenues of the club with the highest budget and those of the club with the lowest budget. The greatest inequalities can be seen in Ligue 1: the budget of PSG is more than 26 times higher than that of Nîmes. On the other hand, the Premier League appears to be the most egalitarian league: the budget of Manchester United is only 5 times that of Bournemouth.
- **The second (5th/15th)** is the ratio between the revenues of the club with the 5th highest budget and those of the club with the 15th highest budget. This indicator therefore measures the revenue inequalities of clubs that are in the middle of the table. With this indicator, Ligue 1 is in this regard one of the most egalitarian championships: the budget of St-Étienne is only 2.5 times that of Metz. On the contrary, in the Premier League, the budget of Chelsea is 3.2 times that of Southampton.

The differences of results between this indicator and the previous one bring to light the differences in the distribution profile of club revenues between the various championships. As such, the revenues of Ligue 1 clubs drop sharply from the 3rd club whereas in the Premier League, the revenue distribution is smoother.

■ This distribution difference compels the use of a more complex indicator in order to measure overall distribution inequalities within the different championships: the GINI coefficient. This indicator, typically used to measure income inequality within a country, is a coefficient varying between 0 and 1. Value 0 means that all clubs have the same revenues and value 1 means that all of the revenue is in the hands of a single club. The European championships can then be split into two groups:

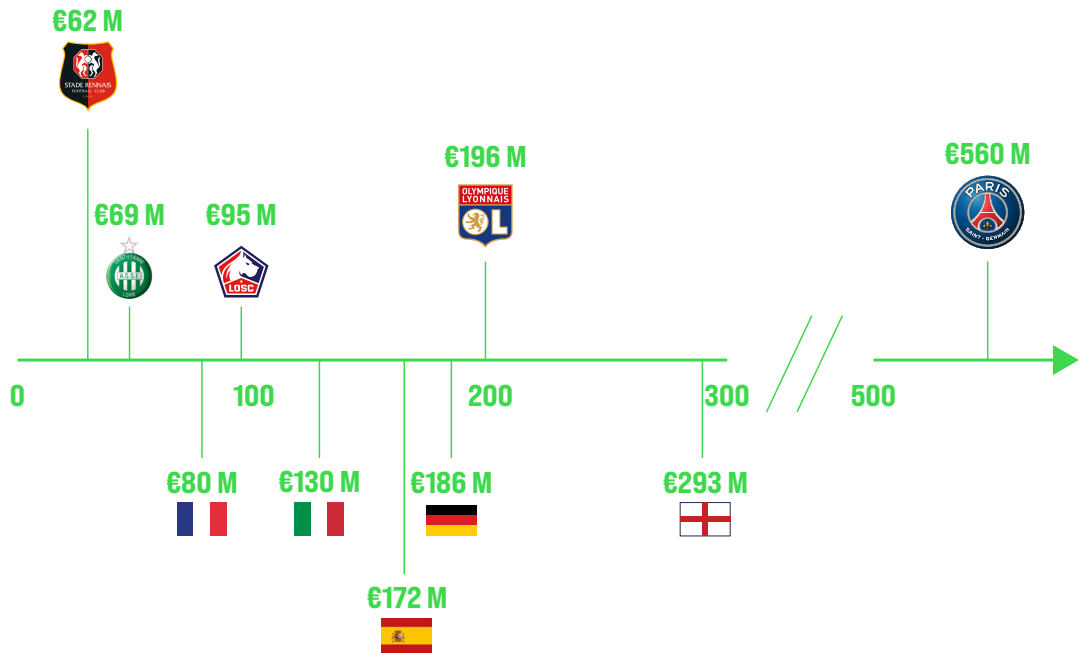
- The rather non-egalitarian championships (GINI > 0.5): Ligue 1 and la Liga,
- The more egalitarian championships (GINI < 0.5): Premier League, Bundesliga and to a lesser extent Serie A.

■ These two groups correspond to the two previously observed distribution profiles:

A 1st group composed of Ligue 1 and la Liga with strong revenue disparities between clubs. In these championships, the two largest clubs alone account for about half of total revenues.

- **A 2nd group composed of the Premier League, Bundesliga and to a lesser extent Serie A.** Here, the two biggest clubs in terms of budget in each championship represent a smaller share of total revenues and the decline of club revenues is more gradual. As such, in Premier League and Bundesliga, the revenues of the top 5 clubs must be combined in order to reach 50% of the total revenues. For example, Manchester United (club with the highest Premier League revenues) accounts for only 12% of total revenues of the Premier League.

3.1.3 COMPARISON OF THE REVENUES OF THE 5 FRENCH CLUBS THAT PLAYED A EUROPEAN CUP WITH THE AVERAGE REVENUES OF THE EUROPEAN CHAMPIONSHIPS



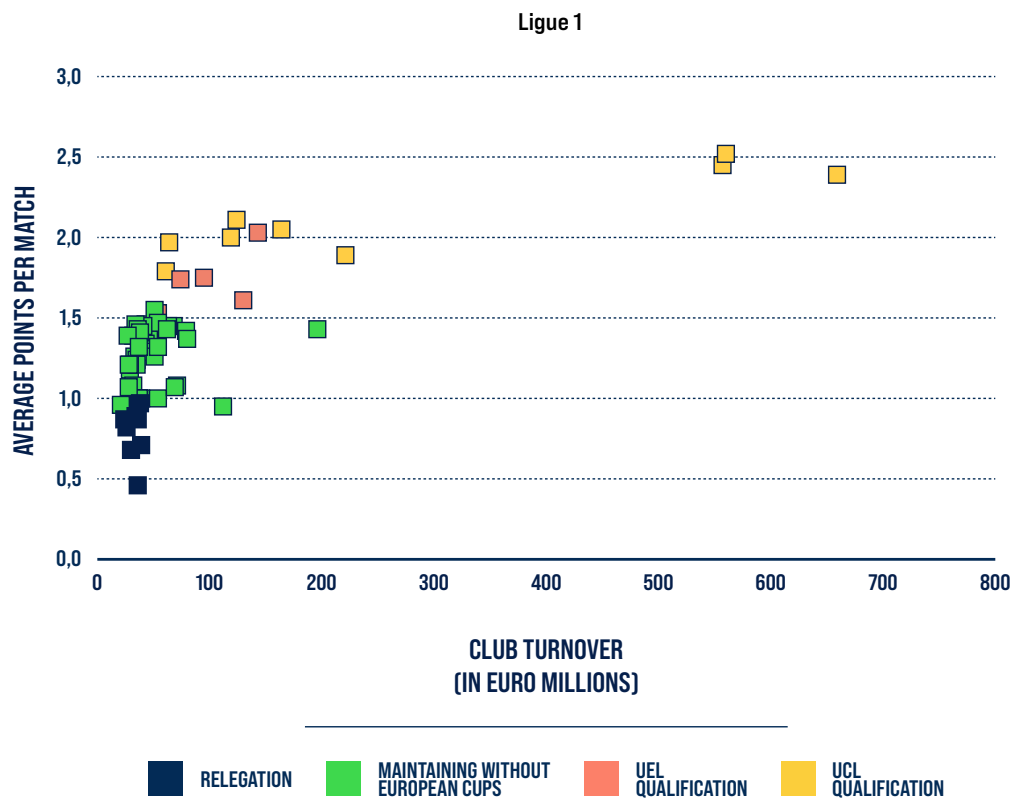
Note: Figures for 2019/2020 financial year for Ligue 1 and 2018/2019 financial year for other leagues.

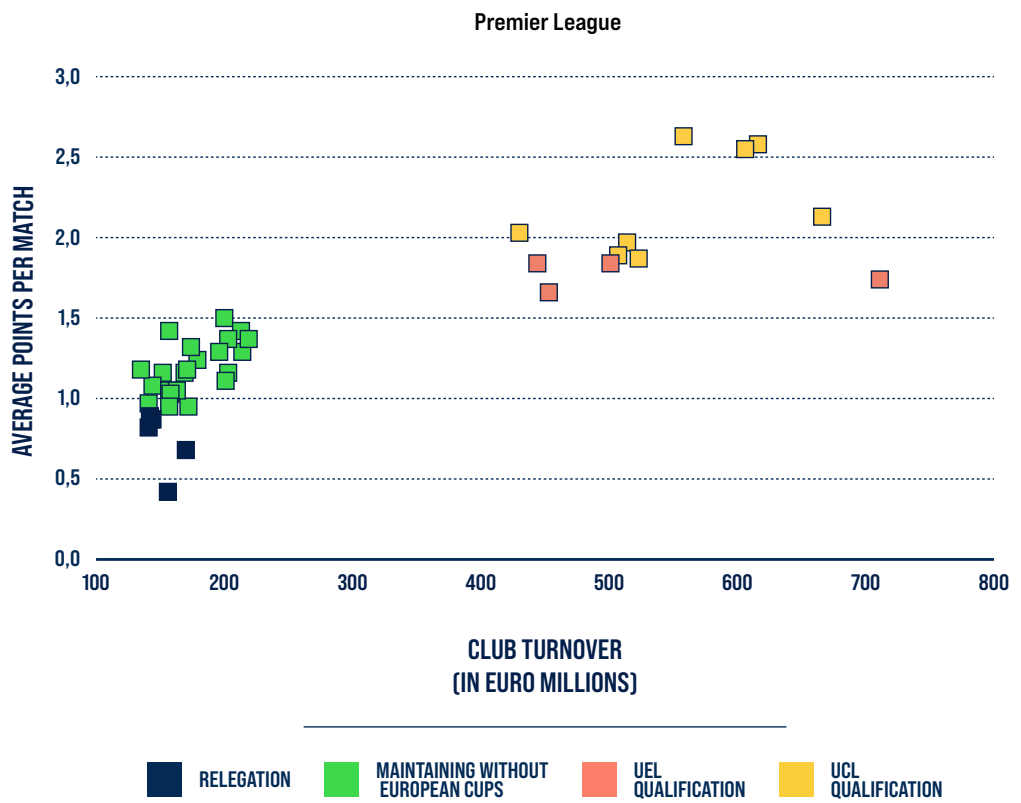
- Amongst French clubs that played in the European Cup, PSG stands out with a budget almost twice the average budget of the Premier League clubs.
- Lyon has a budget between the average budgets of German and English clubs.
- Lille, St-Étienne and Rennes have budgets lower than the average budget of clubs in the big five championships.

3.2

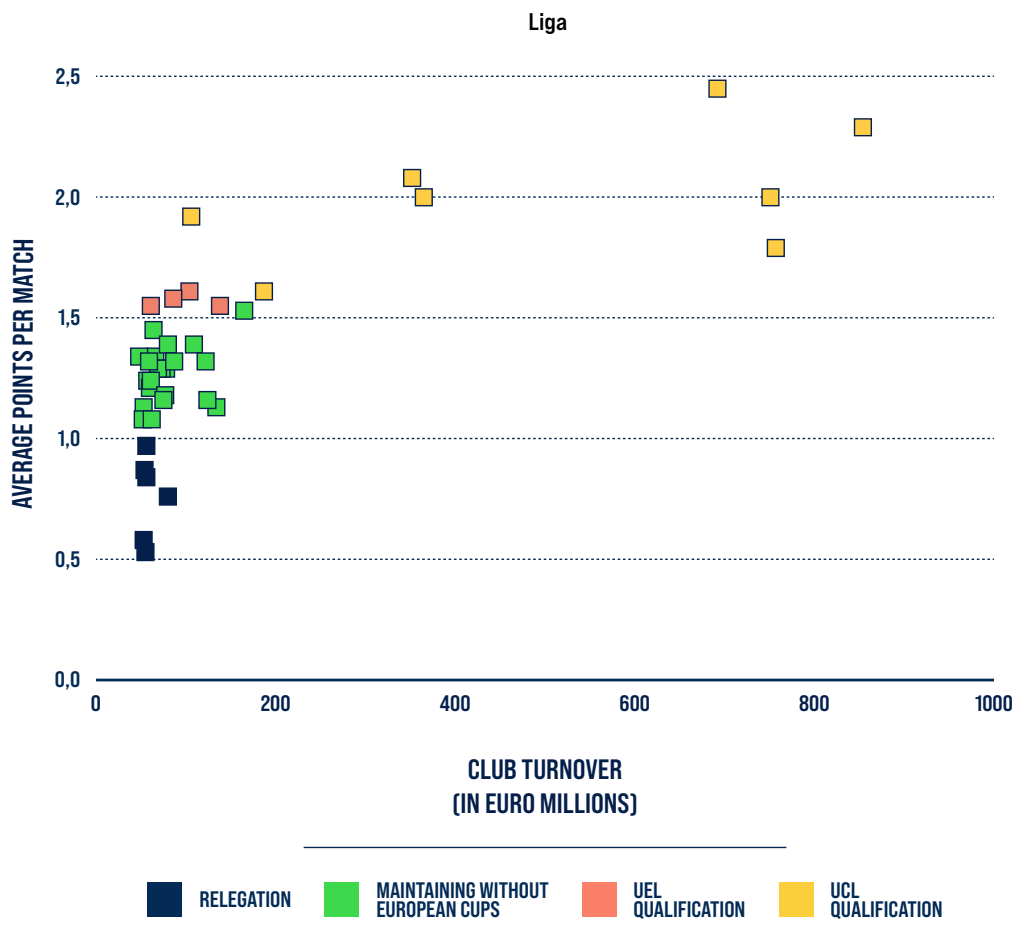
CORRELATION BETWEEN SPORTS RESULTS AND REVENUES

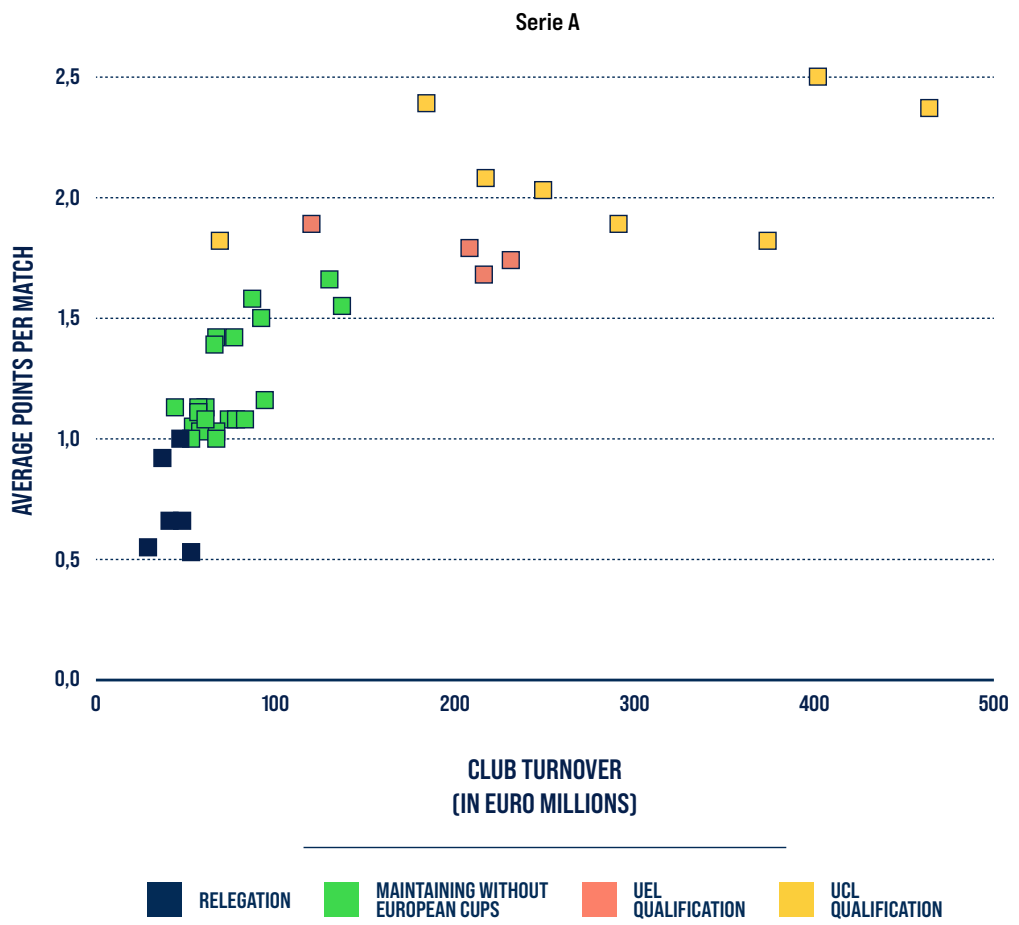
- In Ligue 1, the turnover from which a club is unlikely to be relegated is lower than that of other major European leagues:
 - No Ligue 1 club with a turnover above €50 million has been relegated.
 - This non-relegation threshold is equal to €200 million in Bundesliga, €170 million in Premier League, €100 million in La Liga and €60 million in Serie A.
- The entry ticket to the European Cups is lower in Ligue 1 than in the other European championships. The minimum turnover at which 90% of the clubs participate in a European Cup is:
 - €120 million in Ligue 1.
 - €230 million in Premier League, €200 million in Bundesliga and La Liga, and €150 million in Serie A.
- Beyond these differences between the thresholds for relegation and qualification in the European Cup, **the five main European championships all share a strong correlation between club revenue and sporting results.**
- In particular, with the exception of the Premier League and the famous “**Big Six**” (Manchester City, Manchester United, Arsenal, Chelsea, Liverpool and Tottenham), the European championships have all been dominated in recent years by one or two clubs with the largest budgets:
 - **PSG** for Ligue 1 (champion 5 times in the last 6 championships),
 - **Bayern Munich** for Bundesliga (champion 6 times in the last 6 championships),
 - **FC Barcelona** and **Real Madrid** for La Liga (champions 6 times between them in the last 6 championships),
 - **Juventus** for Serie A (champion 6 times in the last 6 championships).











3.3

BREXIT: WHAT IS AT STAKE FOR FRENCH CLUBS?

On Friday 1 January 2021, the withdrawal of the United Kingdom from the European Union (“Brexit”) took full effect with regard to football and player transfers.

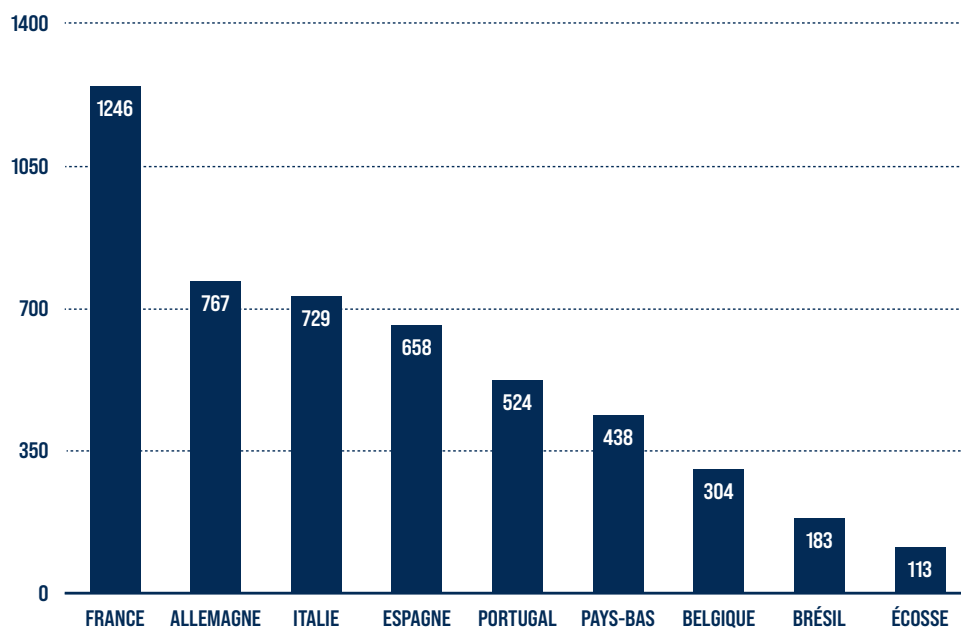
For English clubs, these measures mean:

- A ban on recruiting young foreigners under the age of 18,
- A limitation for those under the age of 21 (maximum 3 players per transfer period and therefore maximum 6 per season),
- For players from the European Union, application of the same immigration procedure as for non-EU players, i.e. a scale with a number of points to be reached on the basis of several criteria (number of appearances as part of the national team, pedigree of the original club, etc.) in order to obtain a work permit.

For British football, this means fostering the emergence of national talent without preventing English clubs from recruiting the best foreign players. These restrictive measures limiting the arrival of foreign players in British clubs are concomitant with the financial consequences of the current health crisis and, in all likelihood, will contribute to slowing the movement of players to English clubs.

Without prejudging the impact that Brexit will have on football clubs in the future, it is possible to at least measure the stakes for French clubs based on the history of transfers to England.

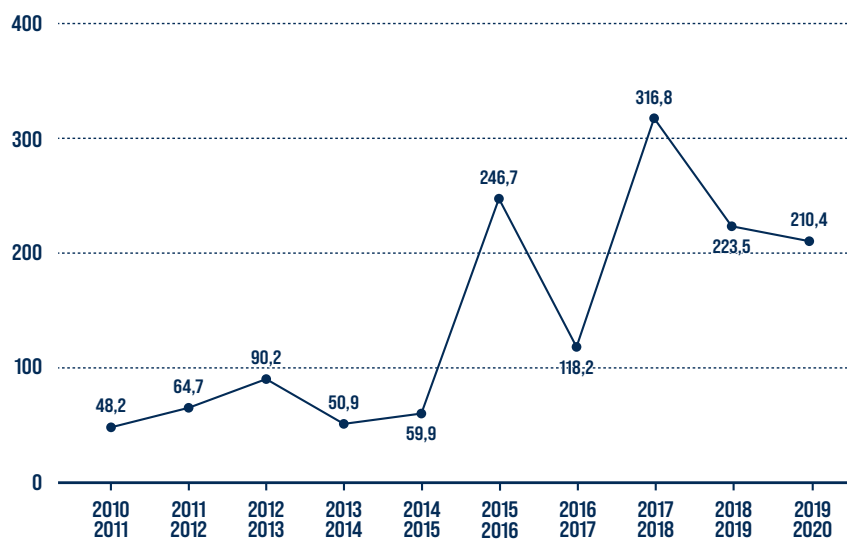
MAIN TRANSFER CASH BALANCES BETWEEN THE PREMIER LEAGUE
AND OTHER FIRST DIVISION CHAMPIONSHIPS BETWEEN 2010
AND 2019, IN € MILLIONS



Source: CIES-Observatoire du football, "Analyse financière du marché des transferts dans les ligues du Big 5 (2010-2019)".

For 9 years, Ligue 1 has therefore been, by far, the main exporter of players to the Premier League in terms of value. A tightening of the incoming conditions for foreign players to the Premier League should therefore have an initial impact on French clubs.

HISTORY OF PLAYER TRANSFERS FROM THE FRENCH CHAMPIONSHIPS TO THE PREMIER LEAGUE BETWEEN THE 2010/2011 AND 2019/2020 SEASONS, IN € MILLIONS

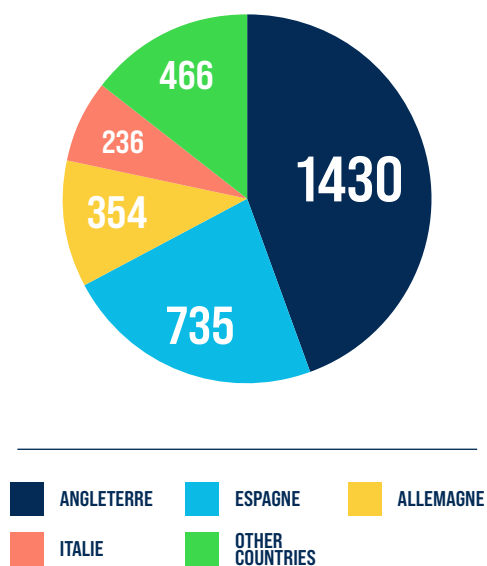


The history of player movements from the French championships to the Premier League over the past 10 years clearly shows the significant amounts generated by these transfers.

Over this period, the Première League accounted for 13% of player departures in number, but 44% in value. It is therefore essentially a market for large transfers that generate high capital gains for our clubs. Indeed, 46 transfers over €10 million were made to the Premier League over this period, i.e. almost 50% of all foreign sales in this price category (94 departures for €10 million or more).

Finally, while the market for player sales by French clubs quadrupled in value over this period, the market for player sales to the Premier League increased by a factor of 4.4. It is therefore a particularly dynamic market for French clubs.

DISTRIBUTION OF PLAYER SALES FROM THE FRENCH CHAMPIONSHIPS BY DESTINATION BETWEEN THE 2010/2011 AND 2019/2020 SEASONS, IN € MILLIONS



Almost half of the players sold abroad were sold to England (44% of total foreign sales by value).

The 2nd recipient country, Spain, represented barely more than half of the sales made to England.

This is true for Ligue 1 clubs, for which the Premier League is the main “customer” in terms of transfers over this period, but also for Ligue 2 clubs, for which the Premier League is the 2nd preferred destination, after Ligue 1.



**LIGUE DE FOOTBALL
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