

# ANALYST PRESENTATION

Milan, 26 February 2004



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# TABLE OF CONTENTS

■ ■ MISSION, OBJECTIVES AND STRATEGY

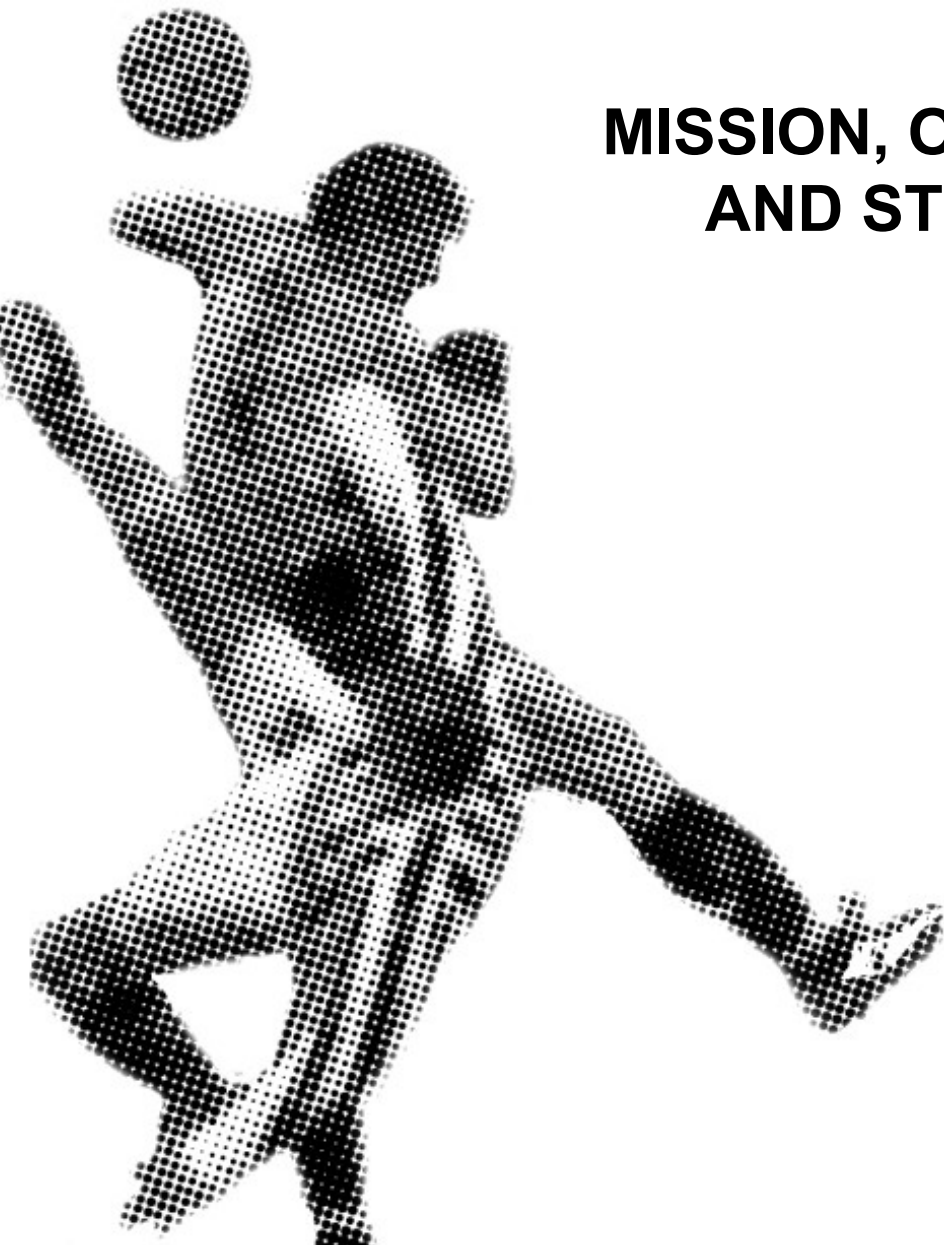
■ ■ KEY ISSUES AND RESULTS AT 31 DECEMBER 2003

■ ■ PLAYER MANAGEMENT

■ ■ SOCIAL COMMITMENT

■ ■ APPENDIX

# MISSION, OBJECTIVES AND STRATEGY



# MISSION, OBJECTIVES AND STRATEGY

## MISSION

- Maintain excellent sporting results
- Increase profitability and shareholders' value

## OBJECTIVES

- Maintain a highly skilled team
- Further spread the Juventus brand name to fully exploit it through sponsorship and partnership agreements
- Diversify our revenue stream aiming at further increasing and stabilizing our profitability

## STRATEGY

- Focus on youth sector; effective player management
- Enlarge supporter base inside and outside Europe; further develop advertising and promotional area; strengthen commercial and licensing activities through the partnership with Nike
- "Stadium" and "Mondo Juve" Projects

## COMPETITIVE AND EFFICIENT YOUTH SECTOR TO RECRUIT NEW TALENTS:

- 22 teams (4 teams take part in national competitions, 6 in regional and 12 in local ones). The youth department takes part in about 180 tournaments in Italy and abroad
- 431 young players
- 68 coaching and technical staff
- Some Juventus young players playing in other “Serie A” clubs
- More than 10 Juventus young players playing in “Serie B” clubs
- About 20 Juventus young players playing in “Serie C” clubs

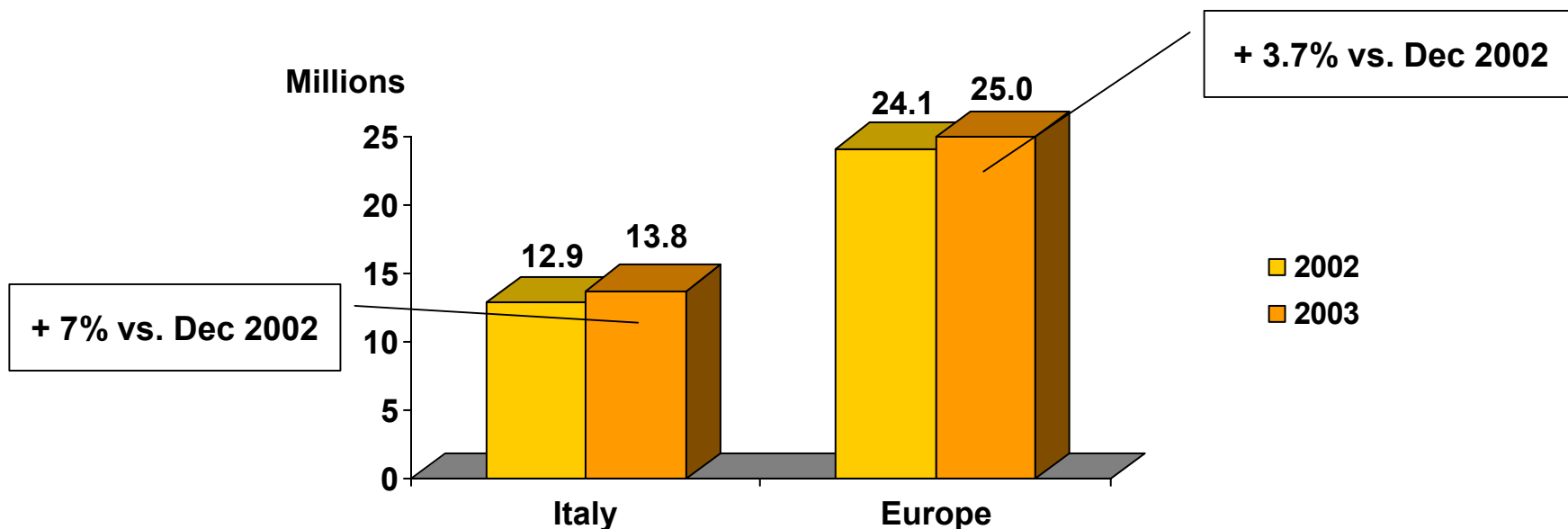
## MORE THAN € 5 MILLION SPENT ON YOUTH SECTOR IN THE 2002/2003 FINANCIAL YEAR

## JUVENTUS IS STUDYING A NEW PROJECT RELATED TO SOCCER SCHOOLS IN COOPERATION WITH NIKE

# A CONSTANTLY GROWING FAN BASE

■ ■ ACCORDING TO THE LATEST RESEARCH(\*) (DECEMBER 2003), JUVENTUS IS CONTINUING TO FURTHER DEVELOP ITS FAN BASE:

- 13,775,000 Italian fans, 44% of market share
- 24,989,000 European fans
- About 60,000,000 fans in China and Japan



- the most feminine team in Italy (41% compared to a national average of 37%)
- the kids' favourite team in Italy (children between 8 and 12 years are 35% of the total)

(\*) AC Nielsen CRA – December 2003, Sport+Markt – February 2003 and January 2004, WPP/Millward Brown – June 2003

# THE PARTNERSHIP WITH NIKE

- **Duration: 12 years<sup>(\*)</sup> starting from 1/7/03**
- **Total minimum guaranteed: € 187m**
- **Royalties:**
  - **10%-12%-14% on the net revenues deriving from the sale of Juventus-brand products**
  - **50% on the net profits deriving from the sale of Juventus-brand services and from retail operations**



## Juventus Stores

- **Opened in 2003:**
  - Turin
  - Tokyo

## www.juvestore.com

- **Registered users: 20,170**
- **Unique visitors: 804,000**



## Juventus Merchandising S.r.l.

- **Fully owned by the Nike Group**
- **Managing the entire licensing sector of Juventus and developing Juventus branded products and services**
- **First six-month period sales: +24% vs. forecast**

(\*) Nike has the right to terminate the contract at the end of each three year period if the Nike Group were to find itself in seriously adverse business conditions



- ON 15 JULY 2003 JUVENTUS SIGNED THE AGREEMENT WITH THE CITY OF TURIN FOR THE NINETY-NINE YEAR RIGHT TO EXPLOIT OF THE DELLE ALPI STADIUM AND ADJACENT AREAS; RENEWABLE ON EXPIRY
- ON 9 DECEMBER 2003 JUVENTUS REQUESTED THE FINAL AUTHORISATION FOR THE TECHNICAL PLAN TO RESTRUCTURE THE STADIUM (EXPECTED BY NEXT SPRING) FROM TURIN MUNICIPALITY
- DURING THE NEXT FEW MONTHS THE FINANCIAL STRUCTURE OF THE PROJECT WILL BE DEFINED
- THE BEGINNING OF THE RESTRUCTURING WORK ON THE STADIUM IS PLANNED FOR SUMMER 2004

## ■ ■ COMMERCIAL “PARK”

- On 30 June 2003, Juventus sold 27.2% of the share capital of the subsidiary company Campi di Vinovo S.p.A. to Costruzioni Generali Gilardi S.p.A., a Turin construction company, at the price of € 37.3 million, generating a capital gain of about € 32.5 million
- On 22 July 2003, the Piedmont Regional Executive approved the variations to the master development plan of Vinovo and Nichelino
- On 23 September 2003, the Piedmont Regional Executive granted commercial authorisation
- Juventus is dealing with several potential partners to develop the project and will finalise the technical plan in the coming months

## ■ ■ TRAINING CENTRE

- On 9 January 2004, Vinovo Municipality finally approved the technical plan related to the Training Centre. Juventus is defining the timing of the investment to begin construction

# KEY ISSUES AND RESULTS AT 31 DECEMBER 2003



# RESULTS AT 31 DECEMBER 2003



## 2003/2004 FIRST HALF RESULTS

in € m

Financial year 2002/2003		First Half 2003/2004			First Half 2002/2003		
Total		Operating activities	Player management	Total	Operating activities	Player management	Total
<b>215.4</b>	<b>Revenues</b>	<b>89.3</b>	<b>0.4</b>	<b>89.7</b>	<b>96.4</b>	<b>0.4</b>	<b>96.8</b>
(131.7)	Personnel cost	(60.8)	-	(60.8)	(58.0)	-	(58.0)
(67.4)	Other operating costs	(21.0)	(1.0)	(22.0)	(24.4)	(5.1)	(29.5)
<b>16.3</b>	<b>Ebitda</b>	<b>7.5</b>	<b>(0.6)</b>	<b>6.9</b>	<b>14.0</b>	<b>(4.7)</b>	<b>9.3</b>
(63.7)	Amortisation and write downs	(2.3)	(34.9)	(37.2)	(1.2)	(30.8)	(32.0)
13.0	Income on disposal of players' registration rights	-	4.0	4.0	-	13.2	13.2
4.1	Net financial income/(loss)	0.2	(1.8)	(1.6)	1.6	2.8	4.4
<b>(30.3)</b>	<b>Profit before extraordinary items and taxes</b>	<b>5.4</b>	<b>(33.3)</b>	<b>(27.9)</b>	<b>14.4</b>	<b>(19.5)</b>	<b>(5.1)</b>
39.8	Extraordinary income/(loss)	1.9	-	1.9	1.9	-	1.9
(7.3)	Taxes			3.5			(1.0)
<b>2.2</b>	<b>Net income/(loss)</b>			<b>(22.5)</b>			<b>(4.2)</b>



# RESULTS AT 31 DECEMBER 2003



## FINANCIAL HIGHLIGHTS

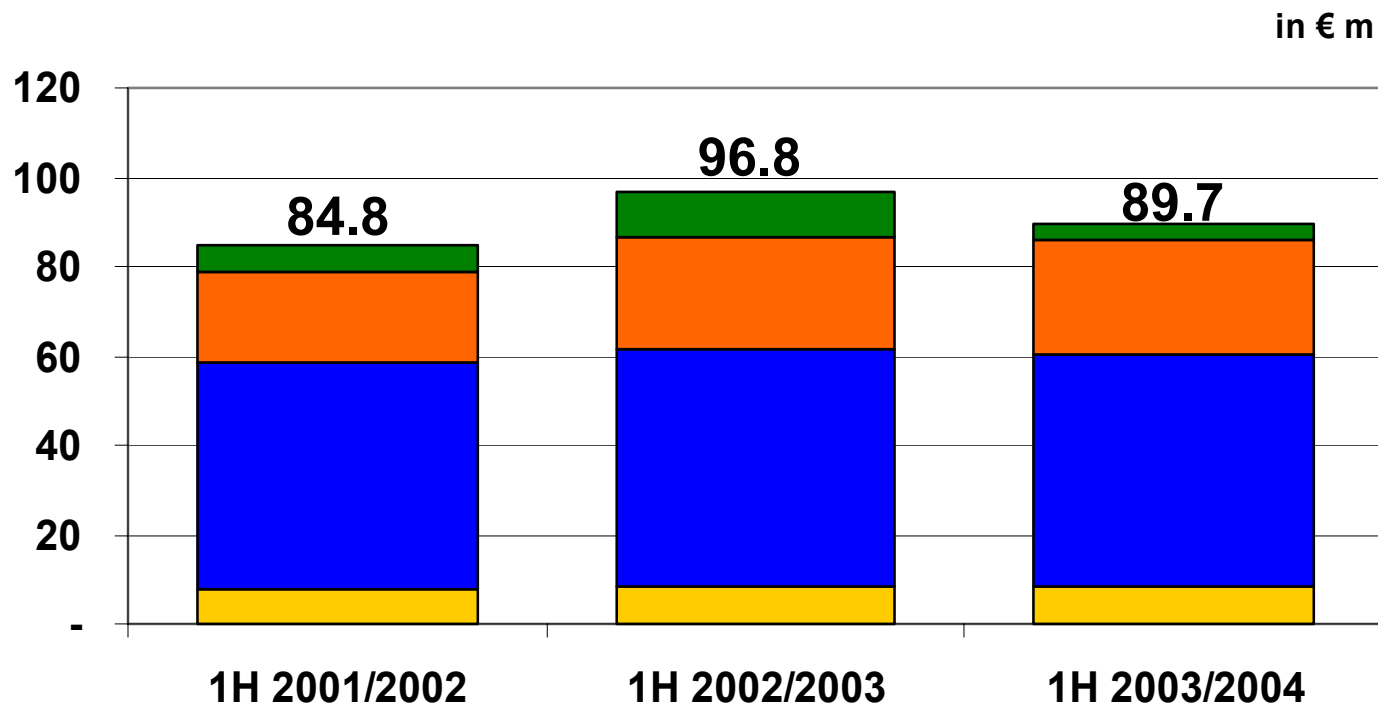
in € m

	31/12/03	30/09/03	Change absolute	30/06/03	Change absolute
Net fixed assets	243.0	259.6	-16.6	211.5	31.5
Net working capital	(145.1)	(186.6)	41.5	(142.8)	-2.3
Provisions and funds	(34.0)	(36.2)	2.2	(38.3)	4.3
<b>Net capital employed</b>	<b>63.9</b>	<b>36.8</b>	<b>27.1</b>	<b>30.4</b>	<b>33.5</b>
Shareholders' equity	77.0	84.7	-7.7	99.6	-22.6
Net financial position (*)	(13.1)	(47.9)	34.8	(69.2)	56.1
<b>Net equity and net financial position</b>	<b>63.9</b>	<b>36.8</b>	<b>27.1</b>	<b>30.4</b>	<b>33.5</b>

(\*) Negative items show a liquidity position

# TOTAL REVENUES

■ A 7.3% DECREASE DUE TO U.E.F.A. CHAMPIONS LEAGUE REVENUES AND OTHERS



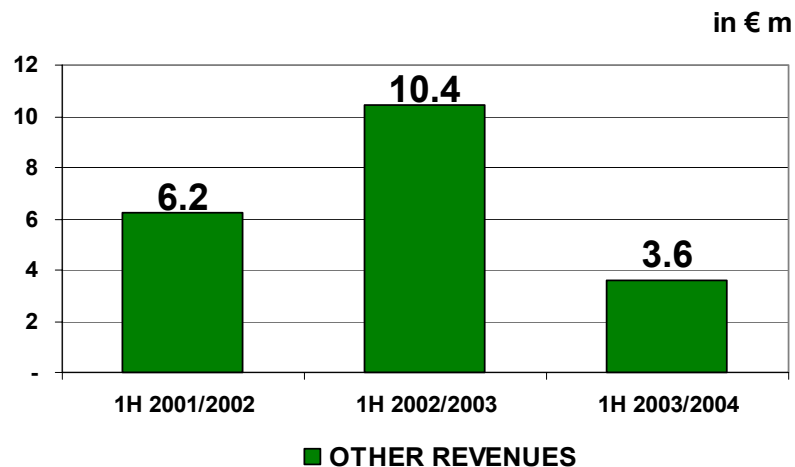
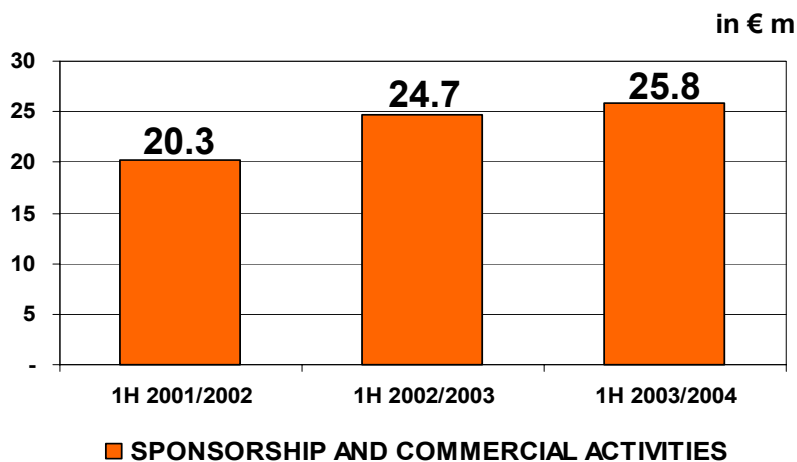
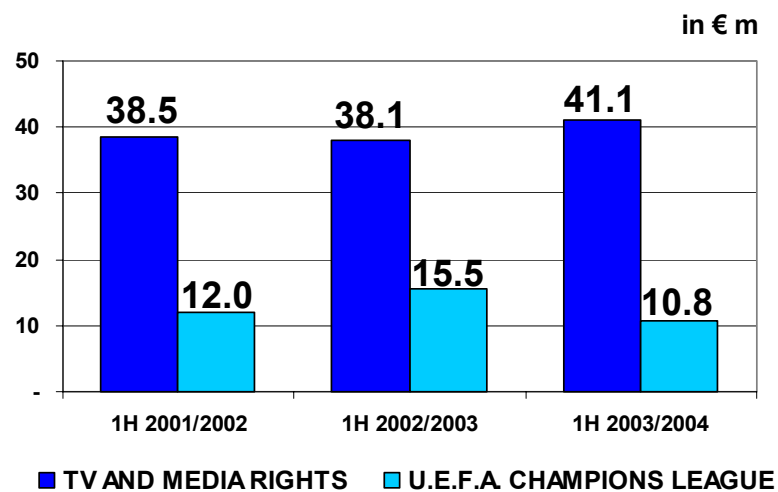
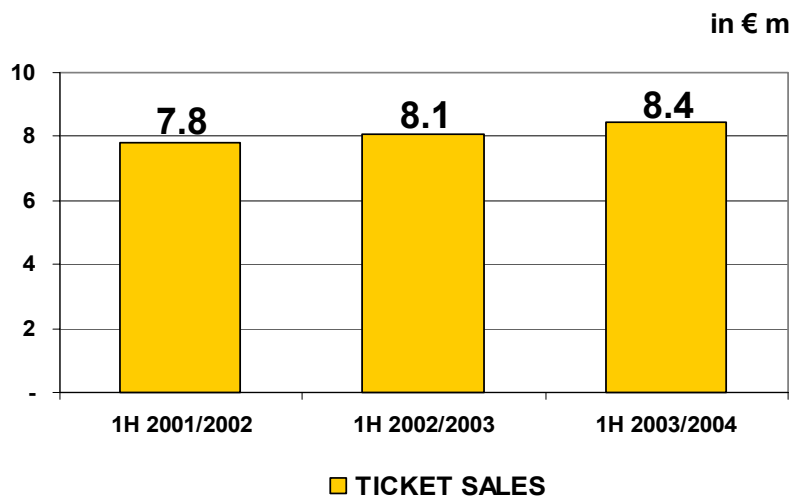
■ TICKET SALES

■ TV RIGHTS AND U.E.F.A. CHAMPIONS LEAGUE

■ SPONSORSHIP AND COMMERCIAL ACTIVITIES

■ OTHER REVENUES

# REVENUE BREAKDOWN

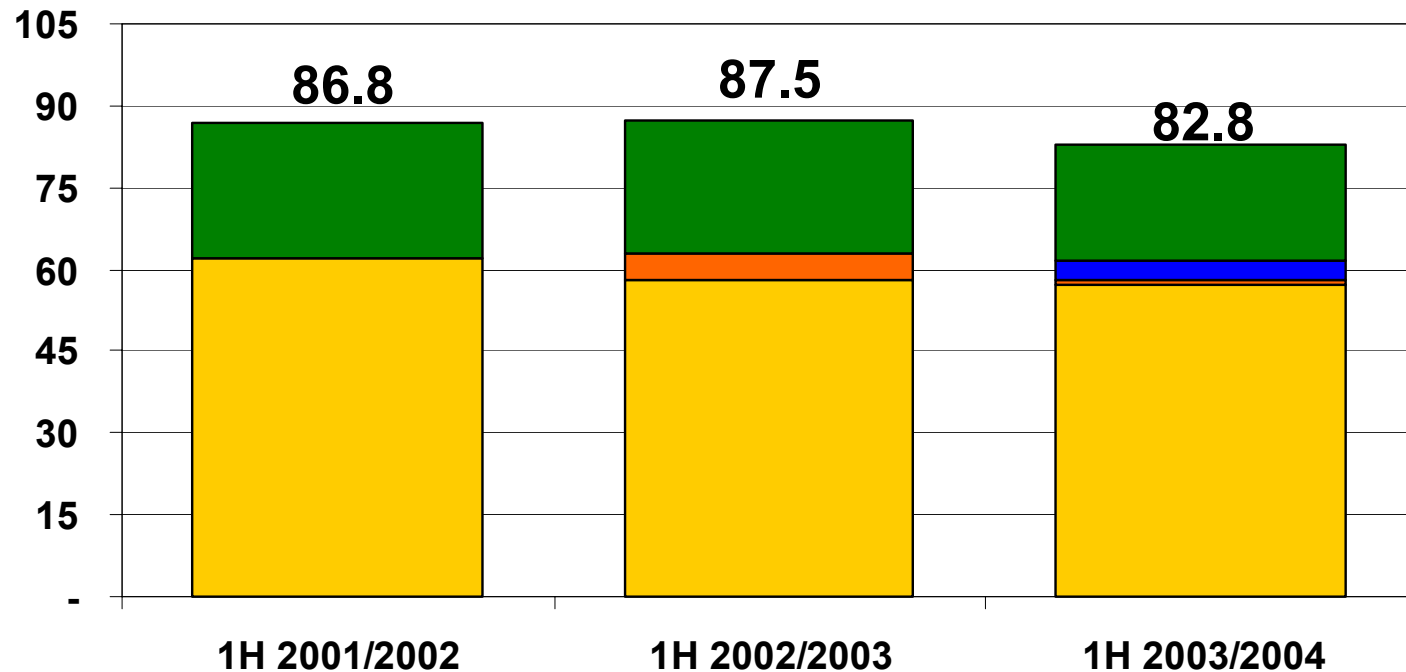


# TOTAL OPERATING COSTS



■ MORE EFFICIENT COST CONTROL

in € m



■ WAGES

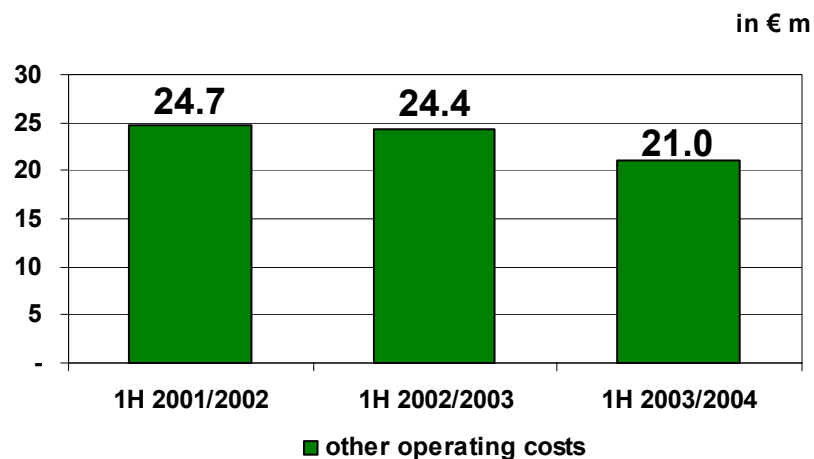
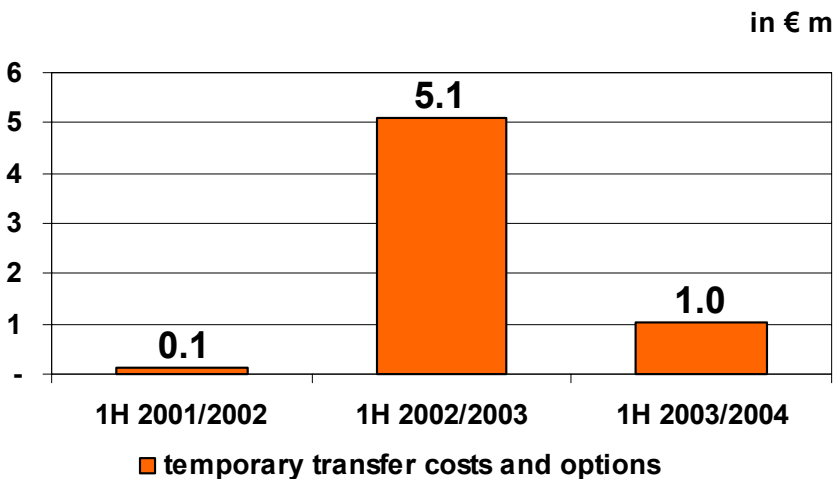
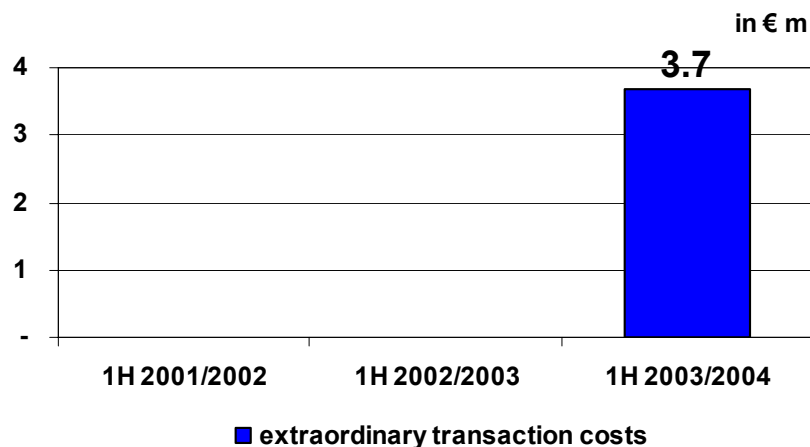
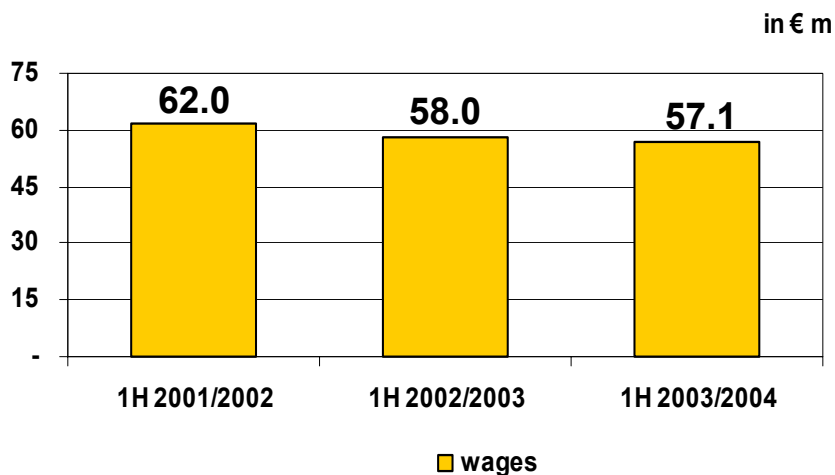
■ EXTRAORDINARY TRANSACTION COSTS

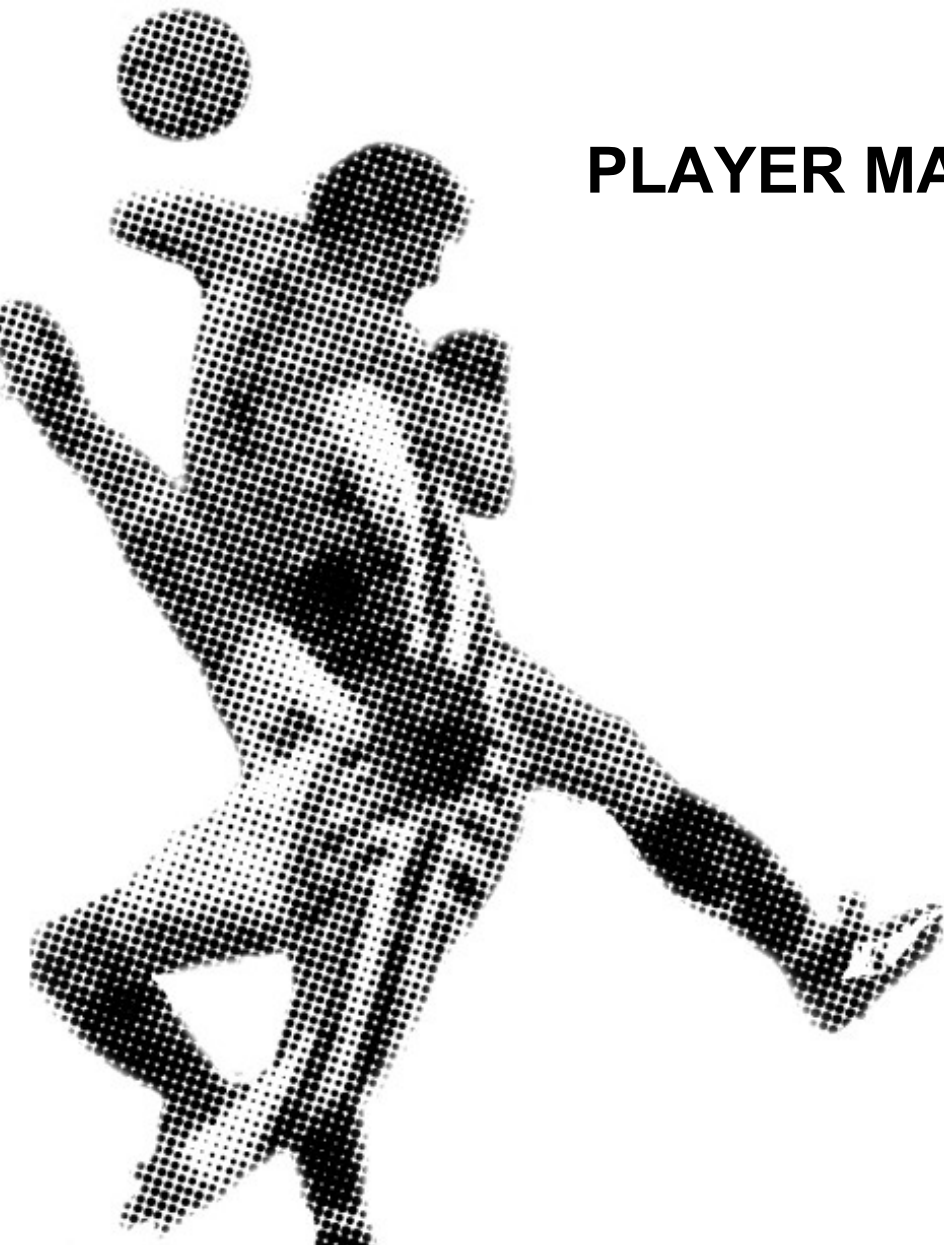
■ TEMPORARY TRANSFER COSTS AND OPTIONS

■ OTHER OPERATING COSTS



# OPERATING COST BREAKDOWN





# PLAYER MANAGEMENT

# 2003/2004 TRANSFER CAMPAIGN

## MAIN OPERATIONS RELATED TO FIRST TEAM PLAYERS WITHIN THE PERIOD 2 JANUARY – 31 JANUARY 2004:

- E. Davids – free temporary transfer to F.C. Barcelona
- R. Olivera – free temporary transfer to Atletico Madrid
- M. D. Zalayeta – free temporary transfer to Perugia
- S. Fresi – termination of the contract

## FINANCIAL AND ECONOMIC EFFECTS OF THE 2003/2004 CAMPAIGN:

in € m

P&L IMPACT		CASH IN/(OUT)	€m	TIMING			
				03/04	04/05	05/06	06/07
Net income	3.7	Purchases	(47.6)	(25.0)	(12.1)	(8.6)	(1.9)
		Disposals	11.0	7.0	3.0	0.8	0.2
Player sharing and options	(1.8)		(36.6)	(18.0)	(9.1)	(7.8)	(1.7)
			(3.5)	(2.0)	(1.3)	(0.1)	(0.1)
<b>TOTAL</b>	<b>1.9</b>	<b>TOTAL</b>	<b>(40.1)</b>	<b>(20.0)</b>	<b>(10.4)</b>	<b>(7.9)</b>	<b>(1.8)</b>

## PLAYER TEMPORARY TRANSFER:

- Purchases (2.0)
- Disposals 0.9



# SOCIAL COMMITMENT

## INITIATIVES IN PROGRESS:

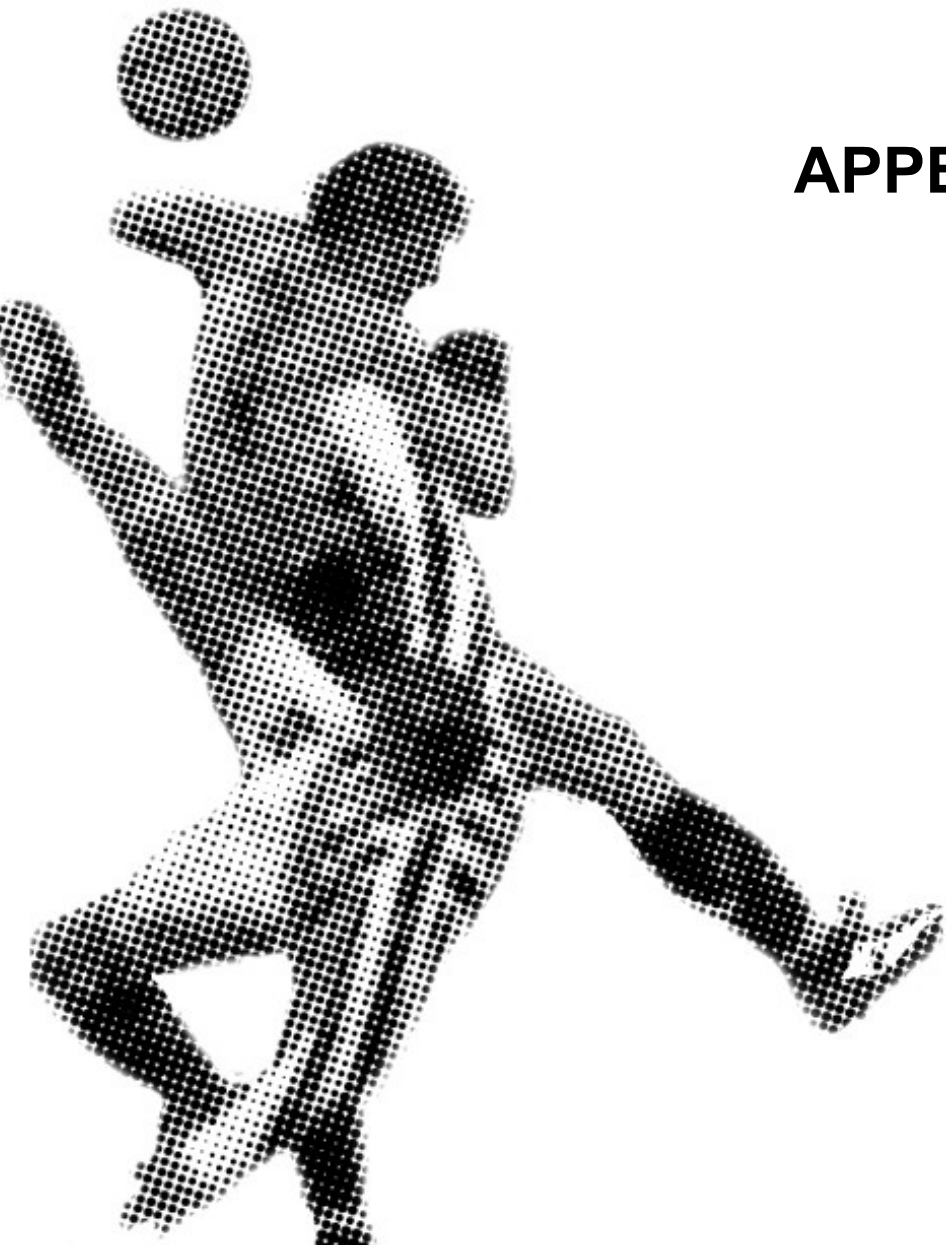
- “Fatti e Progetti per i Giovani” alongside the Don Bosco Mission
- The creation of a degree course in Sports Management with the University of Turin. Last year 10 scholarships in memory of Giovanni Alberto Agnelli were awarded to students
- Aid and support over many years for the “Fondazione Piemontese per la Ricerca sul cancro”

## NEW INITIATIVE:

- “Crescere insieme al Sant’Anna” an initiative to raise funds to finance the renovation of a department of the Sant’Anna Hospital in Turin. The aim of the project is to improve the quality of children’s care at the hospital



# APPENDIX





# APPENDIX

## RECLASSIFIED INCOME STATEMENT

in € m

Financial year 2002/2003		First Half 2003/2004	First Half 2002/2003	Change absolute	Change %
<b>215.4</b>	<b>Revenues</b>	<b>89.7</b>	<b>96.8</b>	<b>-7.1</b>	<b>-7.3%</b>
(131.7)	Personnel costs	(60.8)	(58.0)	-2.8	4.8%
(67.4)	Other operating costs	(22.0)	(29.5)	7.5	-25.4%
<b>16.3</b>	<b>Ebitda</b>	<b>6.9</b>	<b>9.3</b>	<b>-2.4</b>	<b>-25.8%</b>
(2.1)	Provisions/other amortisation	(2.3)	(1.2)	-1.1	91.7%
13.0	Income on disposal of players' reg. rights and sharing	4.0	13.2	-9.2	-69.7%
(61.6)	Amortisation	(34.9)	(30.8)	-4.1	13.3%
(48.6)	Income on disposal of players' registration rights less amortisation	(30.9)	(17.6)	-13.3	75.6%
4.1	Net financial income/(loss)	(1.6)	4.4	-6.0	n.a.
<b>(30.3)</b>	<b>Profit before extraordinary items and taxes</b>	<b>(27.9)</b>	<b>(5.1)</b>	<b>-22.8</b>	<b>n.m.</b>
39.8	Extraordinary income/(loss)	1.9	1.9	-	-
(7.3)	Taxes	3.5	(1.0)	4.5	n.a.
<b>2.2</b>	<b>Net income/(loss)</b>	<b>(22.5)</b>	<b>(4.2)</b>	<b>-18.3</b>	<b>n.m.</b>

## RECLASSIFIED BALANCE SHEET

	in € m				
	31/12/03	30/09/03	Change absolute	30/06/03	Change absolute
Net fixed assets	243.0	259.6	-16.6	211.5	31.5
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(\*) Negative items show a liquidity position



## STATEMENT OF CASH FLOW

in € m

	Financial Year 2002/2003	First Half 2003/2004
<b>Net financial position at the beginning of the period</b>	<b>95.0</b>	<b>69.2</b>
Cash flow	64.6	12.9
Variation in net working capital	(82.5)	2.3
Increase/(decrease) in funds	17.2	(4.3)
<b>Cash flow provided/(absorbed) by operating activities</b>	<b>(0.7)</b>	<b>10.9</b>
Cash flow used for investment	(23.0)	(66.9)
Dividends paid	(1.5)	-
Other changes in shareholders' equity	(0.6)	(0.1)
<b>Net financial position at the end of the period</b>	<b>69.2</b>	<b>13.1</b>