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JUVENTUS FOOTBALL CLUB

Press release

Faithful unsworn translation of the Italian version

Juventus Football Club: Board of Directors approves figures for the first Quarter '03-'04

Turin, 14 November 2003 – The Board of Directors of Juventus Football Club S.p.A., chaired by Franzo Grande Stevens, approved today the results for the first quarter of the 2003/2004 financial year (July-September 2003).

Revenues for the first quarter of the 2003/2004 financial year amounted to € 36.6 million, a reduction of 3.8% compared to € 38.1 million in the first quarter of the previous financial year due to the reduction in "Other revenues" (€ 1.1 million, against € 4.3 million in the first quarter of the previous financial year) following lower insurance payments for injured players.

This reduction was partly compensated by the increase in match revenues (for € 4.1 million against € 2.7 million in the first quarter of the previous financial year) which benefited in particular from higher fees for summer friendly matches (for € 1.7 million in the first quarter of 2003/2004 against € 0.6 million in the corresponding period of the previous financial year) and higher revenues for home Championship matches (€ 0.7 million in the first quarter of 2003/2004 against € 0.5 million in the corresponding period of the previous financial year for the same number of matches played).

Revenues from television, radio and telephone rights and the U.E.F.A. Champions League (for € 19 million) are essentially in line with the comparable period of the previous year.

Revenues from sponsorship and commercial income rose from € 12 million in the first quarter of the 2002/2003 financial year to € 12.4 million in the first quarter of the 2003/2004 financial year, essentially following the increase in the sum for the period envisaged by the technical sponsorship contract (€ 3.5 million in the first quarter of the 2003/2004 financial year from Nike European Operations Netherlands B.V. against € 2.6 million in the corresponding period of the 2002/2003 financial year from Lotto Sport Italia S.p.A.), net of the reduction in other revenues from sponsorship and licensing.

Operating costs in the first quarter of the 2003/2004 financial year came to a total of € 37.6 million, a fall of 1.8% compared to € 38.3 million in the corresponding period of the 2002/2003 financial year, thanks to lower expenses for services (€ 4.5 million in the first quarter of the 2003/2004 financial year against € 5.5 million in the corresponding period of the previous financial year) as there was no payment for the insurance premium for the policy covering injured players' wages, no longer underwritten, and lower rent and leasing costs (for € 1 million against € 1.8 million in the first quarter of the previous financial year) due to the reduction in the cost of the temporary acquisition of players' registration rights (from € 0.9 million in the previous year to € 0.5 million in the quarter in question) and lower costs for the rental of the Stadio Delle Alpi (down € 0.4 million).

Miscellaneous operating costs were also lower, going from € 2.9 million in the first quarter of the 2002/2003 financial year to € 2.3 million for the quarter in question, due to costs for extraordinary mutual aid payments to some Serie A teams lower than in the 2002/2003 financial year and other less significant variations.



The containment of costs for services and miscellaneous operating costs was partly compensated by the higher costs borne for personnel (€ 29.4 million against € 27.8 million in the first quarter of the 2002/2003 financial year) following the new contracts signed in the course of the first phase of the 2003/2004 Transfer Campaign.

The **Gross Operating Margin** for the first quarter of the 2003/2004 financial year was negative for € 1 million, against a negative balance of € 0.3 million in the first quarter of the previous year.

Net revenues from the management of players' registration rights in the first quarter of the 2003/2004 financial year amounted to € 4 million, a decrease compared to € 13.2 million in the corresponding period of the 2002/2003 financial year.

The negative **Net Result** for the first quarter of the 2003/2004 financial year was € 14.9 million, a reduction compared to the positive result of € 0.5 million in the corresponding period of the 2002/2003 financial year due to the reduction in income from Player Management (negative for € 15.7 million, against the negative result of € 0.2 million in the first quarter of the previous year) and the worsening for Operations excluding Player Management (negative for € 1.2 million, against a positive result for € 1.2 million in the first quarter of the 2002/2003 financial year).

As far as **financial aspects and assets** are concerned, the following points should be noted:

- the **Net Financial Position** at 30 September 2003 was positive for € 47.9 million, a reduction compared to the positive result of € 69.2 million at 30 June 2003. The positive result for € 47.9 million derived from liquid assets for € 45.9 million (€ 67.2 million at 30 June 2003) and financial operations for € 2 million (€ 2 million at 30 June 2003) held by unrelated third parties. The Net Financial Position at 30 September 2003 does not therefore include any debt and/or credit position towards related parties. The reduction of € 21.3 million in the Net Financial Position is due to the balance of the reduction in Net Working Capital (€ 43.8 million), the reduction in the Employees' Severance Indemnity and other funds (€ 2.1 million), net investments made (€ 66 million) and the positive cash flow (€ 3 million).

As regards seasonal effects and the impact of advance receipts on the Net Financial Position (with the related impact on the Net Working Capital in terms of prepaid income included in operating debts), it should be underlined that, as specified in the contract with Europa TV/Telepiù, which was taken over on 1 June 2003 by Sky Italia S.r.l., the sums agreed for the granting of encrypted television rights for the 2004/2005 season were received in June 2003 (for a sum of € 77.5 million), while the sums agreed for granting foreign encrypted television rights (for € 10.3 million) were received in July 2003. The sums for encrypted television rights pertaining to the 2003/2004 financial year (for a total sum for Italy/abroad of € 81.6 million) were received in the 2001/2002 financial year.

- **Shareholders' Equity** at 30 September 2003 amounted to € 84.7 million, a fall compared to € 99.6 million at 30 June 2003 due to the net loss for the period. As the net financial position continues to be positive, the **Net Debt/Equity** ratio is not significant.



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OVERVIEW OF FINANCIAL DATA, ASSETS AND LIABILITIES

Year 2002/2003		First quarter 2003/2004	First quarter 2002/2003
	NET FINANCIAL POSITION/(INDEBTEDNESS)		
69,173	- short term positive/(negative) components*	47,920	56,534
-	- mid-long term positive/(negative) components*	-	-
69,173	TOTAL	47,920	56,534
	FREE CASH FLOW AVAILABLE		
(25,670)	- variation in cash at bank and in hand	(21,253)	(38,319)
(197)	- variation in short-term financial operation	-	(187)
**	DEBT/EQUITY RATIO	**	**

* Figures at the end of the relevant period.

** As at 30 September 2002, at 30 June 2003 and at 30 September 2003 the Company had no short or medium-long term debt, this index is not significant.

2003/2004 Transfer Campaign

On the basis of the operations completed, the first phase of the Transfer Campaign entailed a financial loss of € 39.4 million, due to:

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Investments	(46,568)
Termination of player sharing and acquisition of options	(3,770)
Disposals	10,978
Balance	(39,360)

The economic effect, also including terminations of player sharing and the failure to exercise options, gross of any additional expenses, was positive for € 2.3 million. The temporary purchases and disposals of players' registration rights led to a net negative economic and financial effect for € 1.1 million. The overall negative financial result is therefore € 40.5 million of which:

- € 31.3 million will be settled through the LNP (expenditure of € 15.5 million in the 2003/2004 season; expenditure of € 8.5 million in the 2004/2005 season; expenditure of € 5.7 million in the 2005/2006 season and expenditure of € 1.6 million in the 2006/2007 season). The expenditure of € 15.5 million will influence the net financial position at 30 June 2004, while the remaining negative balance of € 15.8 million will reduce the net working capital at the end of the 2003/2004 financial year.
- € 6.4 million will be paid directly to foreign football clubs (expenditure for € 2.8 million in the 2003/2004 season; expenditure of € 1.7 million in the 2004/2005 season; expenditure of € 1.9 million in the 2005/2006 season). The expenditure of € 2.8 million will have an impact on the net financial position at 30 June 2004, while the negative balance of € 3.6 million will be recorded in accounts in debts and, therefore, reduce the net working capital at the end of the 2003/2004 financial year.



- € 2.8 million (payment for consultancy services provided by sports agents) will be settled directly.

On 9 July 2003, Banca Sella S.p.A. guaranteed the payment of the deferred part of the negative balance determined by the first part (up to and including 5 July 2003) of the first phase of the national Transfer Campaign of the 2003/2004 season, issuing a guarantee in favour of F.I.G.C. – LNP, as envisaged by the sports regulations in force, for a total maximum sum of about € 20.6 million. This sum is to be added to the existing amount of € 53.5 million covered by the guarantees issued on 27 July 2001 (for € 45.8 million) and on 26 July 2002 (for € 7.7 million) by the indirect parent company IFI S.p.A. in favour of F.I.G.C. – LNP.

Following the market operations after 5 July 2003 (up to and including 30 August 2003) the total guarantees outstanding in favour of F.I.G.C – LNP were reduced by € 8.2 million and precisely by € 5.1 million regarding the guarantee issued by IFI S.p.A. and by € 3.1 million for those issued by Banca Sella.

Season Ticket Campaign

The Season Ticket Campaign for the 2003/2004 season began on 1 July 2003. At 30 September 2003 28,531 season tickets had been sold (gross revenue of € 8.2 million and net income of € 7.1 million), against 33,343 season tickets sold in the 2002/2003 season (gross revenue of € 7.3 million for net income of € 6.4 million) at the same date. A total of 33,438 season tickets were sold in the 2002/2003 season, with gross revenue of € 7.4 million for net income of € 6.5 million. The figures for receipts included additional services with the exception of advance sales.

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Business outlook

The results for the 2003/2004 financial year may be significantly affected by events in the football season, the economic effects of the second phase of the 2003/2004 Transfer Campaign and any extraordinary operations referring to other assets.

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Further information:

For Shareholders and Institutional Investors
Juventus Football Club S.p.A.
Marco Re
Tel. +39 011 65 63 437
Fax. +39 011 56 31 177
e-mail: investor.relations@juventus.com

For the Press
Juventus Football Club S.p.A.
Stefano Coscia
Tel. +39 011 65 63 436
Fax. +39 011 44 07 461
e-mail: ufficiostampa@juventus.com



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The tables in the Balance Sheet and Income Statement given below have been reclassified following financial analysis criteria in order to make them easier to read and to facilitate analysis of the Company's economic, asset and financial data. In particular, the Income Statement has been drawn up following a scheme that distinguishes "operations excluding player management" from "player management". The purpose of this scheme is to represent the profits and losses deriving from the disposal of players' registration rights and from the termination of player sharing contracts ex art. 102 bis N.O.I.F., the costs and revenues deriving respectively from the acquisitions and temporary disposals of players' registration rights as well as the costs related to the amortisation of these players' registration rights and to any waiver to the exercise of option rights. In the Income Statement the contingent assets and liabilities have been reclassified as extraordinary items and costs related to third party guarantees in favour of the Company have been reclassified under Net Financial Income/(Loss). The reclassification criteria chosen make it possible, in any case, to compare each item with those envisaged by the regulations in force for the annual accounts.

RECLASSIFIED BALANCE SHEET

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	30/09/2003	30/06/2003	Change	30/09/2002	Change
- <i>Players' registration rights</i>	372,728	335,659	37,069	335,348	37,380
- <i>Accumulated amortisation</i>	(176,813)	(161,601)	-15,212	(116,013)	-60,800
Net players' registration rights	195,915	174,058	21,857	219,335	-23,420
Other net intangible fixed assets	507	559	-52	694	-187
Net tangible fixed assets	37,874	11,809	26,065	7,620	30,254
Net investments	25,256	25,112	144	29,864	-4,608
NET FIXED ASSETS	259,552	211,538	48,014	257,513	2,039
- <i>Net receivables from football clubs</i>	45,403	84,365	-38,962	86,563	-41,160
- <i>Payables to football clubs</i>	(46,822)	(94,957)	48,135	(98,366)	51,544
Net credit/(debit) position to other football clubs	(1,419)	(10,592)	9,173	(11,803)	10,384
Other operating receivables	95,945	103,898	-7,953	62,915	33,030
Other operating payables	(281,118)	(236,112)	-45,006	(244,066)	-37,052
NET WORKING CAPITAL	(186,592)	(142,806)	-43,786	(192,954)	6,362
SEVERANCE INDEMNITY AND OTHER FUNDS	(36,170)	(38,286)	2,116	(21,057)	-15,113
NET INVESTED CAPITAL	36,790	30,446	6,344	43,502	-6,712
SHAREHOLDERS' EQUITY	84,710	99,619	-14,909	100,036	-15,326
Current financial assets (*)	(1,975)	(1,975)	-	(1,985)	10
Bank and post-office deposits (*)	(45,929)	(67,185)	21,256	(54,539)	8,610
Cash at bank and in hand (*)	(16)	(13)	-3	(10)	-6
NET FINANCIAL POSITION (*)	(47,920)	(69,173)	21,253	(56,534)	8,614
TOTAL NET SHAREHOLDERS' EQUITY AND NET FINANCIAL POSITION	36,790	30,446	6,344	43,502	-6,712
MEMORANDUM ACCOUNTS					
Third-party assets held by the Company	62	62	-	61	1
Company assets held by third parties	1,993	1,993	-	1,256	737
Guarantees given	83,069	72,822	10,247	115,569	-32,500
Guarantees received	42,787	7,938	34,849	10,487	32,300
Options granted by third parties	6,600	6,000	600	23,333	-16,733
Options granted by the Company	23,835	-	23,835	-	23,835
Forward agreements	6,923	51,298	-44,375	139	6,784
TOTAL MEMORANDUM ACCOUNTS	165,269	140,113	25,156	150,845	14,424

(*) Negative items show a liquidity position.

The Quarterly Report at 30 September 2003 is unaudited.



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RECLASSIFIED INCOME STATEMENTS

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YEAR 2002/2003			FIRST QUARTER 2003/2004			FIRST QUARTER 2002/2003			Changes		
Oper. excl. players' manag.	Players' manag.	Total	Oper. excl. players' manag.	Players' manag.	Total	Oper. excl. players' manag.	Players' manag.	Total	Oper. excl. players' manag.	Players' manag.	Total
22,589	-	22,589	4,082	-	4,082	2,737	-	2,737	1,345	-	1,345
122,413	-	122,413	18,997	-	18,997	19,009	-	19,009	-12	-	-12
54,612	-	54,612	12,412	-	12,412	11,977	-	11,977	435	-	435
14,804	1,016	15,820	926	203	1,129	4,119	220	4,339	-3,193	-17	-3,210
214,418	1,016	215,434	36,417	203	36,620	37,842	220	38,062	-1,425	-17	-1,442
(1,926)	-	(1,926)	(372)	-	(372)	(309)	-	(309)	-63	-	-63
(28,984)	-	(28,984)	(4,522)	-	(4,522)	(5,528)	-	(5,528)	1,006	-	1,006
(3,463)	(9,050)	(12,513)	(536)	(511)	(1,047)	(858)	(942)	(1,800)	322	431	753
(131,693)	-	(131,693)	(29,398)	-	(29,398)	(27,815)	-	(27,815)	-1,583	-	-1,583
(22,576)	(1,435)	(24,011)	(2,274)	-	(2,274)	(2,861)	-	(2,861)	587	-	587
(188,642)	(10,485)	(199,127)	(37,102)	(511)	(37,613)	(37,371)	(942)	(38,313)	269	431	700
25,776	(9,469)	16,307	(685)	(308)	(993)	471	(722)	(251)	-1,156	414	-742
(836)	(61,581)	(62,417)	(299)	(17,578)	(17,877)	(186)	(15,468)	(15,654)	-113	-2,110	-2,223
(1,324)	-	(1,324)	(318)	-	(318)	(634)	-	(634)	316	-	316
1,540	2,750	4,290	157	(1,808)	(1,651)	516	2,750	3,266	-359	-4,558	-4,917
(197)	-	(197)	-	-	-	(187)	-	(187)	187	-	187
-	13,040	13,040	-	4,009	4,009	-	13,191	13,191	-	-9,182	-9,182
24,959	(55,260)	(30,301)	(1,145)	(15,685)	(16,830)	(20)	(249)	(269)	-1,125	-15,436	-16,561
39,844	-	39,844	(62)	-	(62)	1,242	-	1,242	-1,304	-	-1,304
64,803	(55,260)	9,543	(1,207)	(15,685)	(16,892)	1,222	(249)	973	-2,429	-15,436	-17,865
		<u>(7,393)</u>			<u>1,983</u>			<u>(472)</u>			<u>2,455</u>
		2,150			(14,909)			501			-15,410

The Quarterly Report at 30 September 2003 is unaudited.



STATEMENT OF CASH FLOW

€/000

	Year 2002/2003	First quarter 2003/2004
NET FINANCIAL POSITION AT THE BEGINNING	95,040	69,173
Operating activities:		
Net income	2,150	(14,909)
Amortisation of players' registration rights	61,581	17,578
Other depreciation	836	299
Cash Flow	<u>64,567</u>	<u>2,968</u>
(Increase)/Decrease in receivables from football clubs	34,177	38,962
Increase/(Decrease) in payables due to football clubs	(58,936)	(48,135)
(Increase)/Decrease in other receivables	(67,849)	7,953
Increase/(Decrease) in other payables	<u>10,070</u>	<u>45,006</u>
Variation in Net Working Capital	(82,538)	43,786
Increase/(Decrease) of employees' severance indemnity fund and other provisions	<u>17,215</u>	<u>(2,116)</u>
Cash flow provided/(absorbed) by operating activities	(756)	44,638
Investments:		
Purchase of players' registration rights	(39,999)	(46,352)
Disposal of players' registration rights	24,939	6,917
Other net investments	<u>(7,986)</u>	<u>(26,456)</u>
Cash flow used for investing activities	(23,046)	(65,891)
Capital increase	-	-
Dividends paid	(1,452)	-
Other changes in shareholders' equity	(613)	-
NET FINANCIAL POSITION AT THE END	69,173	47,920

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