SUCCESS OF THE NEW BUSINESS MODEL

RECORD REVENUE: €250M (€218.1M IN 2015/16)

EBITDA > €50M FOR THE SECOND CONSECUTIVE YEAR

PROFIT FROM ORDINARY ACTIVITIES UP 13% AT €30.6M

Lyon, 3 October 2017

The Board of Directors of OL Groupe met on 3 October 2017 and approved the financial statements for the 2016/17[1] financial year.

In the 2016/17 financial year, Groupama Stadium was operated for 12 months, vs six months in the previous financial year. This enabled OL Groupe to successfully pursue the implementation of its strategy, with the following highlights:

- OL Groupe confirmed the functionality and quality of its infrastructure, with total attendance of over 1 million;
- The new business model was deployed, generating recurrent revenue;
- The Group's debt refinancing was finalised and will lead to substantial savings in future interest expense.

Lastly, on 12 July 2017, OL Groupe signed a naming contract for the new stadium, which is now called Groupama Stadium.

Revenue reached a record high of €250 million in 2016/17, vs. €218.1 million in 2015/16, an increase of €31.8 million, or 15%. In two years, the Group has increased its revenue by nearly €150 million or 142%.

Total revenue excluding player trading increased very sharply to nearly €200 million in 2016/17. It has more than doubled in two years, from €96.3 million in 2015/16 to €198.3 million in 2016/17.

The OL Academy, a source of value creation and recurrent revenue, saw its excellence recognised once again. Revenue from the sale of player registrations, related principally to players trained at the OL Academy (94% of the total), totalled €51.7 million and exceeded €50 million for the second year in a row.

[1] *The financial statements for the 2015/16 financial year have been audited by the Statutory Auditors and the corresponding certification reports are being prepared.*

Specifically, the transfers of Corentin Tolisso (June 2017) and Alexandre Lacazette (to be recognised in the 2017/18 financial year), totalled nearly €100 million, excluding incentives. These amounts are the highest Olympique Lyonnais has ever achieved on player transfers. The capital gain on these transfers is equal to the amount of the transfer, as both players were products of the OL Academy.

For the second consecutive year, EBITDA totalled more than €50 million (€51.0 million vs €52.1 million in 2015/16). It represented 20% of total revenue.
Profit from ordinary activities also reached an all-time high, at €30.6 million (vs €27.0 million in 2015/16), or 12% of total revenue.
After taking into account net interest expense of €23.2 million (vs €10.3 million in 2015/16, which included only six months of interest on new stadium financing), pre-tax income stood at €7.4 million (vs €16.7 million in 2015/16).

Beginning with the 2017/18 financial year, the refinancing transaction realised on 30 June 2017 will generate an annual reduction in interest expense of approximately €6 million (assuming no change in benchmark rates).

1/ TOTAL REVENUE: INCREASE OF €31.8 MILLION, OR 15%, TO €250 MILLION

(in € m)	2016/17	2015/16	Chg. in €m	% chg.
Ticketing	**44.0**	**27.7**	**16.2**	**58%**
of which French Ligue 1	*29.4*	*24.4*	*5.0*	*21%*
of which European play	*13.6*	*2.8*	*10.8*	*383%*
of which other matches	*0.9*	*0.5*	*0.4*	*75%*
Sponsoring - Advertising	**29.1**	**26.9**	**2.2**	**8%**
Media and marketing rights	**98.9**	**83.1**	**15.9**	**19%**
of which LFP/FFF	*49.3*	*43.6*	*5.7*	*13%*
of which UEFA	*49.6*	*39.5*	*10.1*	*26%*
Events	**9.2**	**5.7**	**3.5**	**61%**
Brand-related revenue	**17.1**	**16.6**	**0.6**	**3%**
of which derivative products	*9.6*	*9.0*	*0.6*	*7%*
of which image/video, travel and misc.	*7.6*	*7.6*	*0.0*	*0%*
Revenue excluding player trading	**198.3**	**160.0**	**38.3**	**24%**
Revenue from sale of player registrations	**51.7**	**58.1**	**-6.4**	**-11%**
Total revenue	**250.0**	**218.1**	**31.8**	**15%**

As indicated in our 26 July 2017 press release, total revenue was up 15% at €250 million, driven principally by revenue excluding player trading. This robust figure reflected the Group's strategy in operating Groupama Stadium, with the intention to increase revenue through new product lines and more recurrent activities.

2/ CONSOLIDATED INCOME STATEMENT

EBITDA > €50 MILLION FOR THE SECOND YEAR IN A ROW AND A RECORD HIGH €30.6 MILLION PROFIT FROM ORDINARY ACTIVITIES

(€ m)	2016/17	2015/16	change	% Change
Revenue	**250.0**	**218.1**	**31.8**	**15%**
External purchases and expenses	-79.6	-55.9	-23.7	
Taxes other than income taxes	-6.9	-4.6	-2.3	
Personnel costs	-109.2	-100.0	-9.2	
NBV of player registrations sold	-3.3	-5.5	2.3	
EBITDA	**51.0**	**52.1**	**-1.0**	**-2%**
Amortisation & provisions, player registrations	-13.7	-14.0	0.3	
Depreciation, amortisation & provisions	-17.4	-9.4	-8.1	
Other ordinary income and expenses	10.7	-1.7	12.4	
Profit from ordinary activities	**30.6**	**27.0**	**3.6**	**13%**
Net financial expense	-23.2	-10.3	-12.9	
Pre-tax profit	**7.4**	**16.7**	**-9.3**	**-56%**
Income tax expense	-2.5	-6.9	4.5	
Share in net profit of associates	-0.1	0.0	-0.1	
Net profit	**4.9**	**9.8**	**-4.9**	**-50%**
Total Group share	**4.7**	**9.8**	**-5.1**	**-52%**

The 2016/17 income statement was the first to show operation of Groupama Stadium over 12 months (six months in 2015/16).

For the second consecutive year, EBITDA totalled more than €50 million (€51.0 million vs €52.1 million in 2015/16).

The payroll/revenue ratio stood at 44%, in line with the Group's objective (<50%). Personnel costs totalled €109 million, an increase of €9 million.

External purchases and expenses rose to €79.6 million in 2016/17, or 32% of total revenue, vs €55.9 million in 2015/16. This was a result of the operation of Groupama Stadium over 12 months. Numerous events (OL and other) were held in Groupama Stadium, generating new direct costs (reception, security, ticket verification, ushers, etc.) related to growth in the corresponding revenue lines (ticketing, sponsoring and events). In addition, the ongoing operation of the infrastructure over 12 months (maintenance, repair, fluids, etc.) contributed to the increase in this line item. Lastly, the Lagardère contract, which came into effect when the stadium opened, caused expenses and fees related to this sports marketing contract to be recognised in this line item.

Profit from ordinary activities reached a record high of €30.6 million, up €3.6 million or 13% from 2015/16. It included a net €10.7 million of other operating revenue and expense, corresponding to capital gains on the December 2016 sale of property assets (Gerland site and the "hotel island" in Décines) and a player insurance payment. Profit from ordinary activities reflected the impact of depreciation on the stadium, the training centre and the training academy infrastructure, which now totals €18 million annually, and that of amortisation of player registrations, which was virtually stable during the year (€13.7 million vs €14.0 million).

Net financial expense totalled €23.2 million (€10.3 million in 2014/15). It reflected a full year of interest expense related to the initial stadium financing and a €2.7 million non-recurring financial expense related to the refinancing of the Group's debt signed on 30 June 2017.

Starting in 2017/18, net financial expense will be reduced by annual interest savings of around €6 million, related to the new financing structure (assuming no change in benchmark rates). The average annual interest rate on the new, long-term stadium financing (the A & B tranches of the bank loan and the bond issue; see 30 June 2017 press release) is now estimated at ca. 4.3% (assuming no change in benchmark rates and excluding structuring costs). Previously, the average annual financing cost stood at around 6.5%, taking into account swaps and caps.

For the second consecutive year, pre-tax income was well into positive territory, at €7.4 million (€16.7 million in 2015/16).

After income tax of €2.5 million (€6.9 million in 2015/16), the Group share of net profit was €4.7 million, vs €9.8 million in 2015/16.

3/ STRENGTHENED BALANCE SHEET

EQUITY UP €104 MILLION; NET DEBT DOWN €79 MILLION

ASSETS (in € m)	30/06/2017	30/06/2016
Intangible assets	49.6	34.4
of which player registrations	*47.0*	*31.7*
Property, plant & equipment	415.0	420.8
Player registration receivables (>1 yr.)	12.6	4.9
Other non-current assets	11.9	12.2
Total non-current assets	**489.0**	**472.2**
Trade receivables	43.9	48.8
Player registration receivables (<1 yr.)	39.1	34.0
Other current assets	22.5	16.9
Cash & cash equivalents	19.7	32.5
Total current assets	**125.2**	**132.1**
TOTAL ASSETS	**614.2**	**604.4**

EQUITY & LIABILITIES (in € m)	30/06/2017	30/06/2016
Total equity	**249.2**	**145.0**
of which non-controlling interests	*2.9*	*2.8*
Long-term bonds and bank borrowings	205.2	299.3
Player registration payables (>1 yr.)	7.8	6.5
Other non-current liabilities	24.3	25.5
Total non-current liabilities	**237.3**	**331.2**
Financial debt (<1 yr.)	13.9	4.2
Player registration payables (<1 yr.)	18.7	14.9
Trade accounts payable	29.7	28.1
Tax and social security liabilities	38.4	45.7
Other current liabilities	27.0	35.1
Total current liabilities	**127.7**	**128.1**
TOTAL EQUITY AND LIABILITIES	**614.2**	**604.4**

As of 30 June 2017, the balance sheet total stood at €614.2 million, vs €604.4 million as of 30 June 2016.

On the assets side, the net book value of player registrations was €47.0 million as of 30 June 2017, vs €31.7 million as of 30 June 2016. This figure included the following registrations acquired at the start of the 2016/17 financial year: Emanuel Mammana (€8.5 million), Jean-Philippe Mateta (€4.1 million), as well as the acquisition of Memphis Depay (€19.0 million) in January 2017.

Property, plant & equipment, composed essentially of the new infrastructure (Groupama Stadium, Groupama OL Training Center and Groupama OL Academy) totalled €415.0 million as of 30 June 2017, vs €420.8 million as of 30 June 2016.

Equity increased with investment by IDG European Sports Investment Ltd

The Group's equity was strengthened in 2016/17, with IDG European Sports Investment Ltd subscribing to new shares and OSRANEs (subordinated bonds redeemable in new or existing shares) in two tranches (see press releases dated 27 December 2016 and 27 February 2017) for a total gross amount of €100 million.
This investment represented 20% of OL Groupe's share capital on a fully-diluted basis (after issuance of the new shares and new OSRANEs). It was based on a valuation of OL Groupe (OSRANEs included) of €400 million pre-money and €500 million post-money and excluding debt.

As a result, shareholders' equity as of 30 June 2017 was €249.2 million (including non-controlling interests), vs €145.0 million as of 30 June 2016.

A substantial portion of the funds received from IDG European Sports Investment Ltd (ca. €80 million), as well as the new financing implemented as part of the refinancing transaction (see press release of 30 June 2017) were used to reduce debt and extend its maturity (2024 instead of 2020). Debt net of cash (including net receivables and payables on player registrations) was thereby reduced by €79.4 million as of 30 June 2017 to €174.2 million, vs €253.6 million as of 30 June 2016.

At the same time, potential capital gains on player assets remained very high. The market value of the men's professional team was estimated at €208.5 million (OL's estimate based on Transfermarkt) and exceeded its net book value by more than €160 million. These potential capital gains related principally to players trained at the OL Academy; as of 30 June 2017 they represented nearly 76% of total potential capital gains.

4/ OUTLOOK

Further development in Groupama Stadium operations

On 12 July 2017, OL Groupe signed a strategic partnership with Groupama Rhône Alpes Auvergne, which included stadium naming. This agreement will contribute to the growth in the Group's sponsoring revenue over the next three financial years.

The Group owns 100% of its infrastructure and will endeavour to maximise use of it so as to increase the amount and the recurrent nature of revenue generated by Groupama Stadium, now an international benchmark for sporting and other events. Several major events will take place in Groupama Stadium during the 2017/18 financial year. Following the Celine Dion concert in July 2017, Groupama Stadium will host a France/All Blacks rugby match on 14 November 2017, the UEFA Europa League final on 16 May 2018, the two Top 14 rugby semi-finals on 25 and 26 May 2018, Monster Jam in June 2018, and probably two major concerts that are currently being negotiated.

On 19 September 2017 in Paris, FIFA confirmed that Olympique Lyonnais' stadium will host the semi-final and final matches of the 2019 Women's Football World Cup (2, 3 and 7 July 2019).

Olympique Lyonnais is continuing to develop the attractiveness of its sports complex. Building rights for other facilities on the site (office buildings, leisure & entertainment complex, medical centre, etc.) are expected to be sold in 2017/18.

Leveraging 18 months of experience in operating the new stadium, the Group will seek to increase operating profitability by optimising operating and organisational costs, while maintaining the customer experience as a key priority.

International development

As part of its efforts to develop the OL brand internationally, the Group has strengthened its activities in China by creating Beijing OL FC. The Board of Directors of this joint venture met for the first time in July on the occasion of the match against Inter Milan (owned by Suning) in Nanjing. OL expertise transfer/partnership agreements have already been signed with several Chinese football academies and are expected to be developed over the course of the year. Agreements have also been signed with academies in Senegal, Lebanon, Korea and Vietnam.

The Academy remains central to the Group’s strategy

Amid an inflationary player transfer market, Olympique Lyonnais has successfully developed a visionary and resilient model. It is the full owner of its assets, has one of the best performing football academies in Europe and has a women's team that has won 11 consecutive French championships and its fourth Champions League title. All this has been achieved with a measured, contained level of investment by the Group.

During the 2017 summer transfer window, OL Groupe transferred or loaned 15 players for a total of nearly €120 million. This amount included the largest transfer the club has ever achieved, that of Alexandre Lacazette in July 2017 (2017/18 financial year) to Arsenal for a maximum of €60 million (€53 million + a maximum of €7 million in incentives).

Concurrently, eight confirmed or highly promising players were recruited for a total of ca. €50 million. The balance of the summer's transfers was thus ca. €70 million, giving Olympique Lyonnais the third-highest transfer surplus in Europe for the 2017 summer transfer window, behind AS Monaco and Borussia Dortmund (source: CIES Observatory).

The player roster has been revitalised so as to create a high-performance team ready to achieve the club's domestic and European goals. The club is competing this year in the Europa League.

Lastly, the women's team and the OL Academy remain central to OL Groupe's strategic plan. After achieving their second consecutive triple (Champions League, French championship, Coupe de France) and their 11th consecutive French championship in the 2016/17 season, the OL women are continuing to nourish high goals on the pitch for 2017/18. The Group is also continuing to capitalise on the Academy, which is training OL’s future players and constitutes a source of very high potential capital gains. In this regard, several talented players began to integrate the men's first team during the summer of 2017 (Gouiri, Geubbels, Maolida, et al.).

The slideshow of the 4 October 2017 information meeting will be available at the following address: http://www.olweb.fr

“This document contains indications about OL Groupe’s goals. Known and unknown risks, uncertainties and other factors may affect the achievement of these goals, and consequently, OL Groupe’s future results, performance and achievements may differ significantly from implied or stated goals. These factors could include changes to the economic and business environment, regulations, and risk factors detailed in OL Groupe’s 2015/16 Registration Document and First-half Financial Report 2016/17.”

Next press release: 1st-quarter 2017/18 revenue on 13 November 2017, after the market close.

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