

French club Lyon have been demoted to Ligue 2 because of the poor state of their finances. The club were provisionally demoted by the DNGC, the body which oversees the accounts of French professional football clubs, in November.

Lyon officials including owner John Textor, met with the DNGC on Tuesday but failed to convince the body that the club had sufficiently improved their financial situation to lift the punishment.

Last October, his Eagle Football Group, which owns a 77% stake in Lyon, announced debts of £422m.

In a statement, Lyon said the DNGC's decision was "incomprehensible" and confirmed they would appeal.

Lyon's relegation could prove significant to Crystal Palace's hopes of playing in the Europa League next season.

Their participation is currently in doubt because of Uefa rules, which prevent multiple teams under one multi-club ownership structure competing in the same European competition. Textor owns stakes in both clubs although he agreed a deal to sell his 43% share in Palace on Monday.