

## 17. Income and expenses

### 17.1. Revenue

The distribution of revenue by activity and geographical segments at June 30, 2018 and 2017 is as follows:

<b>June 30, 2018:</b>	<b>Thousands of euros</b>		
	<b>First team, soccer</b>	<b>Other sports and structure</b>	<b>Total</b>
<b>Activities</b>			
Revenue from competitions:			
Gate money from La Liga matches	38,447	908	39,355
Gate money from other Spanish competitions	13,683	15	13,698
Gate money from international competitions	9,768	734	10,502
Friendly and other matches	17,523	3,627	21,150
Hospitality	18,990	306	19,296
Total revenue from competitions	98,411	5,590	104,001
Revenue from membership card holders and season ticket holders	41,137	18,871	60,008
Revenue from TV broadcasts and TV rights	175,564	11,819	187,383
Revenue from marketing and advertising (*):			
Marketing	49,731	59,247	108,978
Sponsorship	214,583	10,844	225,427
Advertising and other income	461	213	674
Total revenue from marketing and advertising	264,775	70,304	335,079
<b>Total</b>	<b>579,887</b>	<b>106,584</b>	<b>686,471</b>

(\*) It includes revenue from marketing as a result of participating in the Champions League

<b>Geographical markets</b>	<b>Percentage</b>		
	<b>First team, soccer</b>	<b>Other sports and structure</b>	<b>Total</b>
Spain	63%	7%	70%
International	27%	3%	30%
<b>Total</b>	<b>90%</b>	<b>10%</b>	<b>100%</b>

<b>June 30, 2017:</b>	<b>Thousands of euros</b>		
	<b>First team, soccer</b>	<b>Other sports and structure</b>	<b>Total</b>
<b>Activities</b>			
Revenue from competitions:			
Gate money from La Liga matches	45,319	678	45,997
Gate money from other Spanish competitions	7,482	-	7,482
Gate money from international competitions	11,860	676	12,536
Friendly and other matches	7,303	693	7,996
Hospitality	18,673	270	18,943
Total revenue from competitions	90,637	2,317	92,954
Revenue from membership card holders and season ticket holders	32,416	18,467	50,883
Revenue from TV broadcasts and TV rights	171,437	6,522	177,959
Revenue from marketing and advertising (*):			
Marketing	43,889	64,773	108,662
Sponsorship	197,513	8,388	205,901
Advertising and other income	718	1,112	1,830
Total revenue from marketing and advertising	242,120	74,273	316,393
<b>Total</b>	<b>536,610</b>	<b>101,579</b>	<b>638,189</b>

(\*) It includes revenue from marketing as a result of participating in the Champions Lea

<b>Geographical markets</b>	<b>Percentage</b>		
	<b>First team, soccer</b>	<b>Other sports and structure</b>	<b>Total</b>
Spain	49%	6%	55%
International	42%	3%	45%
<b>Total</b>	<b>91%</b>	<b>9%</b>	<b>100%</b>

## 17.2. Other operating income

The breakdown of this heading at June 30, 2018 and 2017 is as follows:

<b>Geographical markets</b>	<b>Thousands of euros</b>	
	<b>06/30/2018</b>	<b>06/30/2017</b>
Other	3,300	9,660
Operating grants	528	369
<b>Total</b>	<b>3,828</b>	<b>10,029</b>

## 17.3. Employee benefits expense

The breakdown of this heading for the year ended June 30, 2018 and 2017 is as follows:

<b>June 30, 2018:</b>	<b>Thousands of euros</b>					
	<b>Wages and salaries</b>	<b>Termination benefits</b>	<b>Collective bonuses</b>	<b>Social security</b>	<b>Other (*)</b>	<b>Total</b>
Wages and salaries of sports personnel:						
First team players and coaching staff	303,227	-	88,087	366	20,712	412,392
Second team players and coaching staff	10,164	257	944	341	33	11,739
Rest of coaching staff and other sports employees	50,097	1,444	5,378	4,027	604	61,550
<b>Total wages and salaries of sports personnel</b>	<b>363,488</b>	<b>1,701</b>	<b>94,409</b>	<b>4,734</b>	<b>21,349</b>	<b>485,681</b>
Total wages and salaries of structure personnel	33,294	1,726	-	6,372	2,048	43,440
<b>Total</b>	<b>396,782</b>	<b>3,427</b>	<b>94,409</b>	<b>11,106</b>	<b>23,397</b>	<b>529,121</b>

(\*) The "Other" column in wages and salaries of sports personnel corresponds to remuneration earned by the sports personnel in addition to the annual payroll and which is not paid during the year.

	<b>Thousands of euros</b>					
	<b>Wages and salaries</b>	<b>Termination benefits</b>	<b>Collective bonuses</b>	<b>Social security</b>	<b>Other</b>	<b>Total</b>
Squad registrable with LFP	313,391	257	89,031	707	20,745	424,131
Squad not registrable with LFP	50,097	1,444	5,378	4,027	604	61,550
<b>Total</b>	<b>363,488</b>	<b>1,701</b>	<b>94,409</b>	<b>4,734</b>	<b>21,349</b>	<b>485,681</b>

**June 30, 2017:**

	Thousands of euros					
	Wages and salaries	Termination benefits	Collective bonuses	Social security	Other (*)	Total
Wages and salaries of sports personnel:						
First team players and coaching staff	225,517	1,150	45,417	342	5,258	277,684
Second team players and coaching staff	-	-	-	-	-	-
Rest of coaching staff and other sports	51,001	874	4,889	4,127		60,891
<b>Total wages and salaries of sports</b>	<b>276,518</b>	<b>2,024</b>	<b>50,306</b>	<b>4,469</b>	<b>5,258</b>	<b>338,575</b>
Total wages and salaries of structure	31,516	519	-	5,490	1,834	39,359
<b>Total</b>	<b>308,034</b>	<b>2,543</b>	<b>50,306</b>	<b>9,959</b>	<b>7,092</b>	<b>377,934</b>

(\*) The "Other" column in wages and salaries of sports personnel corresponds to remuneration earned by the sports personnel in addition to the annual payroll and which is not paid during the year.

	Thousands of euros					
	Wages and salaries	Termination benefits	Collective bonuses	Social security	Others	Total
Squad registrable with LFP	225,517	1,150	45,417	342	5,258	277,684
Squad not registrable with LFP	51,001	874	4,889	4,127	-	60,891
<b>Total</b>	<b>276,518</b>	<b>2,024</b>	<b>50,306</b>	<b>4,469</b>	<b>5,258</b>	<b>338,575</b>

The breakdown of total expenses associated with the sporting squad for the years ended June 30, 2018 and 2017 is as follows:

	Thousands of euros					
	6/30/2018			6/30/2017		
	Squad registrable with LFP	Squad not registrable with LFP	Total	Squad registrable with LFP	Squad not registrable with LFP	Total
Wages and salaries of sports personnel	424,131	61,550	485,681	277,684	60,891	338,575
Image rights to companies	31,568	935	32,503	16,544	900	17,444
Expenses associated with the Sports personnel:						
Amortization of players	116,537	2,139	118,676	64,510	2,535	67,045
Expenses from impairment of players	12,042	-	12,042	8,564	-	8,564
Reversal of impairment of players	(9,542)	-	(9,542)	(3,609)	-	(3,609)
Loss/profit on the sale of players	(206,129)	(1,648)	(207,777)	(15,902)	(5,812)	(21,714)
Loss/profit on the loan of players	285	626	911	(4,771)	2,054	(2,717)
Others	891	1,716	2,607	5,894	2,805	8,699
<b>Total Cost of Sports Personnel</b>	<b>369,783</b>	<b>65,318</b>	<b>435,101</b>	<b>348,150</b>	<b>64,137</b>	<b>412,287</b>

The total employee benefits expense shown below includes the amounts detailed in the calculation of the indicator of employee benefits expense associated with the squad registrable with LFP, as defined by the Economic Control Regulations of the LFP, as well as the amounts associated with the squad not registrable with LFP:

	Thousands of euros	
	2017/18	2016/17
Wages and salaries of personnel	529,121	377,934
Image rights to companies	32,503	17,444
Others	2,607	8,699
<b>Total</b>	<b>564,231</b>	<b>404,077</b>

#### 17.4. External services

This heading in the accompanying income statement includes, among others, the amounts incurred by the Club for the image rights of players and coaches composing the Club's sporting squads, amounting to 32,503 thousand euros in the current year and 17,444 thousand euros in the 2016/17 season. The breakdown of these costs is as follows:

	2017/18		2016/17	
	Average period of agreements	Thousands of euros	Average period of agreements	Thousands of euros
Soccer	4.8 years	31,568	5 years	16,544
Basketball	4.5 years	859	3.8 years	821
Handball and other sports	4 years	76	4 years	79
		<b>32,503</b>		<b>17,444</b>

As for the players that have sold their image rights to Image Management Companies, the Club pays them for this concept a maximum amount of 15% of the overall remuneration earned by the player. During the current year, the Club has recorded an expense amounting to 2,607 thousand euros corresponding to the remuneration earned by sports agents (8,699 thousand euros in the 2016/17 season). This amount includes, where appropriate, the payment of applicable taxes.

### 17.5. Charges for the year and utilization of provisions and others

The breakdown of this item in the income statement for the years ended June 30, 2018 and 2017 is as follows:

	Thousands of euros	
	2017/18	2016/17
Charges for the year	(8,463)	(6,663)
Others	-	-
<b>Charge for the year and other non-recurring</b>	<b>(8,463)</b>	<b>(6,663)</b>
Reversal of provisions	265	28,953
<b>Utilization of provisions and other non-recurring</b>	<b>265</b>	<b>28,953</b>
<b>Total</b>	<b>(8,198)</b>	<b>22,290</b>

"Charge for the year" mainly consists of a provision for future tax liabilities.

"Reversal of provisions" includes the effects of the new appraisal of the plots of land in Can Rigalt (L'Hospitalet del Llobregat) and Viladecans, which has resulted in an increase in the fair value of said plots of land, thus generating a reversal of 166 and 99 thousand euros, respectively, at June 30, 2018.

"Reversal of provisions" in 2016/17 includes the effects of the lawsuit filed by the Spanish Competition Commission against the Club for an amount of 3,600 thousand euros, since it was settled in favor of the Club, and the release of the provision for the arbitration settlement on the Can Rigalt plots of land (L'Hospitalet de Llobregat) for an amount of 25,353 thousand euros, since the Club reached an agreement on the recovery of the plots of land.