

# Real Madrid 2010 · 2011



Annual Report





04 Letter from the President

06 Football

26 Basketball

36 Social Area

46 Assets

52 Revenue

66 Communication, Media & Content

74 Real Madrid Foundation

82 Real Madrid UEM University  
Studies School

86 Former Players

90 Consolidated Financial Statements

98 Corporate Responsibility Report

BOARD OF  
DIRECTORS

President

Florentino Pérez

Honorary President

Alfredo Di Stéfano

1st Vicepresident

Fernando Fernández Tapias

2nd Vicepresident

Eduardo Fernández de Blas

3rd Vicepresident

Pedro López Jiménez

Secretary

Enrique Sánchez González

Members

Ángel Luis Heras Aguado

Santiago Aguado García

Luis Gómez-Montejano y Arroyo

Jerónimo Farré Muncharaz

Enrique Pérez Rodríguez

Manuel Cerezo Velázquez

José Sánchez Bernal

Luis Blasco Bosqued

Gumersindo Santamaría Gil

Raúl Ronda Ortiz

José Manuel Otero Lastres

Nicolás Martín-Sanz García



Letter from the President

Florentino Pérez



Dear Members:

Last season was a transition one, having laid the foundations for the future. We have worked with all our might, especially because, year after year, you keep proving your unshakable loyalty to our club.

It is true that we live in very complex times, full of difficulties. Without a doubt, this has increased the scope of the challenge we face and must overcome. We have but one objective in mind since our return: to make Real Madrid the undisputed leader in all areas.

Therefore, we work to be leaders from sporting, social, facility and solidarity perspectives, but also, of course, from an economic standpoint, because only this will guarantee that we will always remain the sole owners of our club.

We are consolidating many of these challenges little by little. The last few years have strengthened our institution, precisely during these most complex and highly competitive times.

The institutional stability we have today is exemplary and indispensable to continue to grow strong into the future. The values of Madridismo are and will remain the yardsticks we live by. We are well aware of the commitment and the responsibility we face to preserve the best of our identity.

After 109 years of history, today's Real Madrid, as this annual report reflects, is the undisputed economic leader in the world of football. This allows us, as members, to be the masters of the destiny of our club.

In spite of the crisis and other adversities, our economic strength enables us to continue shaping a spectacular squad whose goal is to be on a par with our dreams.

We have an extraordinarily young team, even stronger, with great quality and a coach with a phenomenal track record and an undeniable winning spirit. After 18 years waiting, the Spanish Cup we won in Valencia is a true source of pride and sets the pace for the future. However, we are fully conscious that the challenges and the desire for victory ahead of us require sacrifice, commitment and lots of talent.

Real Madrid is part of our lives and our emotions. That is why, once more, this Board of directors I have the honour of presiding guarantees that it will devote all the necessary time and effort to make our club stronger and an undisputed benchmark in the world of sports.

Thank you very much.

*Florentino Pérez*





## Football

2010/11 First Team Squad

Spanish Cup Champions

2010/2011 Season Highlights

Brilliant Performance in the Champions  
League and La Liga

Highlights: Football

Academy Overview





# FIRST TEAM

## FOOTBALL SQUAD 2010/11



### COACHING STAFF



José  
Mourinho



Aitor  
Karanka



Rui  
Faria

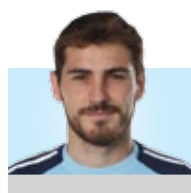


Silvino  
Louro



José  
Morais

### GOAL-KEEPERS



Iker  
Casillas



Jerzy  
Dudek



Antonio  
Adán

### DEFENDERS



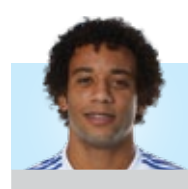
Képler Laveran  
Pepe



Sergio Ramos  
García



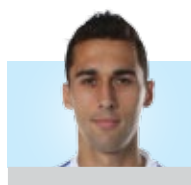
Raúl  
Albiol



Marcelo  
Vieira



Ricardo  
Carvalho



Álvaro  
Arbeloa

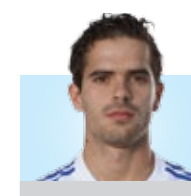


Ezequiel Marcelo  
Garay



David  
Mateos\*

### MID-FIELDERS



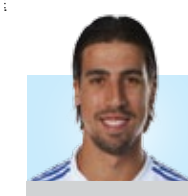
Fernando  
Gago



Lassana Diarra  
Lass



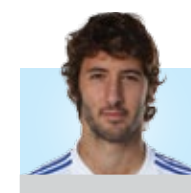
Xabi  
Alonso



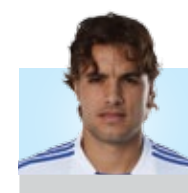
Sami  
Khedira



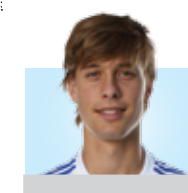
Ricardo  
Kaká



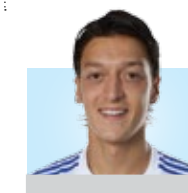
Esteban  
Granero



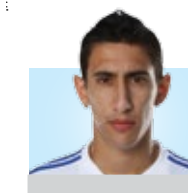
Pedro León  
Sánchez



Sergio  
Canales



Mesut  
Özil



Ángel  
Di María



Mahamadou  
Diarra\*

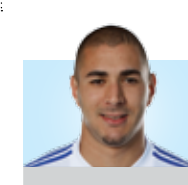
### FORWARDS



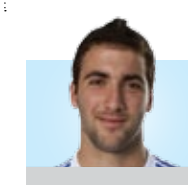
Emmanuel  
Adebayor\*\*



Cristiano  
Ronaldo



Karim  
Benzema



Gonzalo  
Higuaín

\*Left January 2011  
\*\*Signed January 2011





R

onaldo's overtime goal during the Spanish Cup's tournament final on 20th April 2011 gave José Mourinho his first title as Real Madrid's manager when he hadn't yet completed his first year. Following a tough competition during which the Whites had faced the tournament's standing champion and runner up —Sevilla and Atlético Madrid— and Barcelona in the final, the club seized a title it had not won since 1993. Murcia and Levante were contenders during the competition's first stages and Real Madrid beat the latter 8-0 at the Bernabéu.

## Spanish Cup Champions

Real Madrid was crowned the Spanish Cup king in Valencia —where it had won its last cup 18 years back— beating Barcelona during overtime with a world-class header by Ronaldo after a perfect one-two between Marcelo and Di María.

Madrid was the better team during the thrilling match but was unable to come ahead during the first 90 minutes. Pepe headed once against the woodwork and Ronaldo had two very clear opportunities. Still, not enough to subdue its opponent: overtime was necessary. When Barcelona put on the pressure, Casillas proved why he's considered the world's best keeper.

José Mourinho secured the first title for the Whites just 40 days shy of his first year as Real Madrid manager.

More than twenty thousand Madrid fans travelled to Valencia to support their team. It was a proper party before, during and after the match. When Casillas lifted the Cup, Real Madrid fans the world over burst with joy and a took to the streets in celebration. When the players arrived in Cibeles, 150,000 fans joined them to commemorate the return of the Spanish Cup to the Trophy Room of the Santiago Bernabéu



MINUTE 12, OVERTIME:  
DI MARÍA AND MARCELO  
CREATED; RONALDO  
SEALED THE MATCH.  
A BEAUTIFUL ONE-  
TWO DOWN THE LEFT  
FLANK ALLOWED THE  
ARGENTINE TO SET UP A  
PERFECT CROSS FOR THE  
PORTUGUESE STAR, WHO  
SCORED THE WINNING  
GOAL FOR REAL MADRID.  
THE ROAR OF THE 20,000  
PLUS MADRID FANS IN  
THE MESTALLA STADIUM  
WAS THE PRELUDE TO A  
SPANISH CUP VICTORY  
THAT HAD BEEN 18 YEARS  
IN THE WAITING.



**2011 Spanish Cup**  
12th min, Cup final overtime. Ronaldo heads it in.



## 2010/11 SEASON HIGHLIGHTS



**R**eal Madrid signed new coach José Mourinho on 31st May. For Madrid fans, this date marked the beginning of the very exciting 2010-2011 season that was to come. From the outset, the world's best coach—a recognition he would receive from FIFA just months later—renewed the high hopes of fans, who took in the new players with the same enthusiasm they had showed for the new manager. Carvalho landed in the Bernabéu backed by a success-filled career; and Di María joined the team just after having been named best player of the Portuguese league; German players Khedira and Özil had been two of the most outstanding players for their national team in the recent South African World Cup; Spanish players Canales and Pedro León completed the list.

### The Path to the Cup

During one of his first press conferences as Real Madrid's head coach, newly arrived José Mourinho declared that one of his team's top objectives was winning the Cup. But it would prove a tough ride.

In the last 32 stage and with an aggregate of 5-1 (0-0 and 5-1), Real Madrid beat Murcia, a Segunda B team that, at that stage, was the undefeated group

whites in the home game hindered a sure spot in the semis despite Madrid's 3-goal comeback. A strike by Ronaldo in the 23<sup>rd</sup> minute of the away match held in Atlético's Vicente Calderón, for a 4-1 aggregate, put Real Madrid just two games shy of a Cup it hadn't lifted since 2004.

Sevilla, the standing champion and two-time Cup winner in the previous five years, was sure to be a tough rival in the semis. A superb goal by Benzema during the first match held at the Ramón Sánchez Pizjuán stadium led the way to the final. After a one-two in midfield, the Frenchman sprinted his way past every Sevilla defender to the top of the box, where he crossed the ball into the net: 1-0 away and half way to the final in Valencia. The return in the Santiago Bernabéu proved to be an uphill battle for Mourinho's men, but Özil and Adebayor authored a 2-0 result that gave Real Madrid the ticket to the final.

leader and would later promote to the Liga Adelante. Levante, the first BBVA Liga rival, was next. In the last 16 stage, and with a goal-less draw in Valencia, this team was one of the few to remain unbeaten by the Whites in the League. But that would change. The first match of the tie was held at the Santiago Bernabéu for a historic 8-0 goal fest that guaranteed Real Madrid's spot in the quarterfinals.

Atlético de Madrid, the prior season's Cup runner-up, would be the next opponent. An early goal by the red and



*"It was a tough stretch to the final of the 2011 Spanish Cup for Real Madrid."*





BRILLIANT PERFORMANCE  
IN THE CHAMPIONS  
LEAGUE AND LA LIGA



Spain and Europe were in awe of Özil's magic.

Not since 2002-2003, eight seasons earlier, had Real Madrid played in the UEFA Champions League semifinals. The Whites rallied to their best start in the history of the competition since its changeover from the former European Cup. They outperformed every team in the 32-side group stage with 16 points, 15 strikes for only 2 conceded, 5 victories and 1 draw.

Olympique Lyonnais awaited its turn in the Last-16 for the second consecutive year. After drawing 1-1 in the away leg, Madrid did justice with a 3 nil win at the Bernabéu (3-0). Next up it was Tottenham in the quarterfinals. A resounding 4-0 victory in the Santiago Bernabéu leg and a single goal by Ronaldo in London guaranteed the team's presence in the semis against FC Barcelona. They took the first game played in Madrid winning 2-0, and the return was a draw, with one goal per team.



ONCE AGAIN, AND WITH RECORD STATS, REAL MADRID OUTDID ITSELF DURING THE 2010-2011 LIGA: 16 HOME WINS, WITH 14 CONSECUTIVE ONES IN THE FIRST 28 WEEKS; 102 STRIKES, JUST 5 SHY OF ITS ALL-TIME RECORD. MEANWHILE RONALDO'S 40 GOALS, A SPANISH LEAGUE NEW HISTORIC RECORD, MADE HIM THE SEASON'S TOP SCORER.

Top-scoring Team in La Liga

To the delight of its fans, Madrid was also the most lavish striker in home games, scoring 61 of the 102 season goals in the Santiago Bernabeu, just 5 shy of its 1989-1990 record. It was in this area that Ronaldo shone. With 40 goals under his belt, the Portuguese franchise player surpassed the legendary 38-goal record held by Zarra and Hugo Sánchez, establishing a new league record that earned him the Spanish Pichichi and the European Golden Shoe trophies.

Undefeated during the Pre-season

The Real Madrid pre-season was organised around 6 total matches. On 28th July, the squad travelled to Los Angeles, where it trained in the UCLA Campus and played its two first games. Club América and LA Galaxy were the rivals. The results were identical: 3-2 for the Whites. In addition, Mourinho's side beat Bayern München, the standing European Champions League runner-up, on the occasion of the Beckenbauer benefit match with a stellar performance by Casillas in the penalty shoot-out. Two more friendlies against Standard Liège (1-1) and Hércules (3-1) completed the prep-work of the Madridistas before duking it out at the 32nd Santiago Bernabéu Trophy versus Peñarol, with a 2-0 victory to wrap up their undefeated pre-season.

HIGHLIGHTS: FOOTBALL

BBVA La Liga

WEEK	DATE	MATCH	RESULTS	STRIKERS
1	29/08/2010	Mallorca-R. Madrid	0-0	
2	11/09/2010	R. Madrid-Osasuna	1-0	Carvalho
3	18/09/2010	R. Sociedad-R. Madrid	1-2	Di María & Pepe
4	21/09/2010	R. Madrid-Espanyol	3-0	Cristiano Ronaldo, Higuaín & Benzema
5	25/09/2010	Levante-R. Madrid	0-0	
6	03/10/2010	R. Madrid-Deportivo	6-1	Cristiano Ronaldo (2), Özil, Di María, Higuaín & Zé Castro (o.g.)
7	16/10/2010	Málaga-R. Madrid	1-4	Higuaín (2) & Cristiano Ronaldo (2)
8	23/10/2010	R. Madrid-Racing	6-1	Higuaín, Cristiano Ronaldo (4) & Özil
9	30/10/2010	Hércules-R. Madrid	1-3	Di María & Cristiano Ronaldo (2)
10	07/11/2010	R. Madrid-Atlético	2-0	Carvalho & Özil
11	14/11/2010	Sporting-R. Madrid	0-1	Higuaín
12	20/11/2010	R. Madrid-Athletic	5-1	Higuaín, Cristiano Ronaldo (3) & Sergio Ramos
13	29/11/2010	Barcelona-R. Madrid	5-0	
14	04/12/2010	R. Madrid-Valencia	2-0	Cristiano Ronaldo (2)
15	12/12/2010	Zaragoza-R. Madrid	1-3	Özil, Cristiano Ronaldo & Di María
16	19/12/2010	R. Madrid-Sevilla	1-0	Di María
17	03/01/2011	Getafe-R. Madrid	2-3	Cristiano Ronaldo (2) & Özil
18	09/01/2011	R. Madrid-Villarreal	4-2	Cristiano Ronaldo (3) & Kaká
19	16/01/2011	Almería-R. Madrid	1-1	Granero
20	23/01/2011	R. Madrid-Mallorca	1-0	Benzema
21	30/01/2011	Osasuna-R. Madrid	1-0	
22	06/02/2011	R. Madrid-R. Sociedad	4-1	Kaká, Cristiano Ronaldo (2) & Adebayor
23	13/02/2011	Espanyol-R. Madrid	0-1	Marcelo
24	19/02/2011	R. Madrid-Levante	2-0	Benzema & Carvalho
25	26/02/2011	Deportivo-R. Madrid	0-0	
26	03/03/2011	R. Madrid-Málaga	7-0	Benzema (2), Di María, Marcelo & Cristiano Ronaldo (3)
27	06/03/2011	Racing-R. Madrid	1-3	Adebayor & Benzema (2)
28	12/03/2011	R. Madrid-Hércules	2-0	Benzema (2)
29	19/03/2011	Atlético-R. Madrid	1-2	Benzema & Özil
30	02/04/2011	R. Madrid-Sporting	0-1	
31	09/04/2011	Athletic-R. Madrid	0-3	Kaká (2) & Cristiano Ronaldo
32	16/04/2011	R. Madrid-Barcelona	1-1	Cristiano Ronaldo
33	23/04/2011	Valencia-R. Madrid	3-6	Benzema, Higuaín (3) & Kaká (2)
34	30/04/2011	R. Madrid-Zaragoza	2-3	Sergio Ramos & Benzema
35	07/05/2011	Sevilla-R. Madrid	2-6	Sergio Ramos, Cristiano Ronaldo (4) & Kaká
36	10/05/2011	R. Madrid-Getafe	4-0	Cristiano Ronaldo (3) & Benzema
37	15/05/2011	Villarreal-R. Madrid	1-3	Cristiano Ronaldo (2) & Marcelo
38	21/05/2011	R. Madrid-Almería	8-1	Cristiano Ronaldo (2), Adebayor (3), Benzema (2) & Joselu

Strikers:  
Cristiano Ronaldo 40, Benzema 15, Higuaín 10, Kaká 7, Özil 6, Di María 6, Adebayor 5, Carvalho 3, Sergio Ramos 3, Marcelo 3, Pepe 1, Granero 1 & Joselu 1.

Spanish Cup

STAGE	DATE	MATCH	RESULTS	STRIKERS
Last 32	26/10/2010	Murcia-R. Madrid	0-0	
Last 32	10/11/2010	R. Madrid-Murcia	5-1	Granero, Higuaín, Cristiano Ronaldo, Benzema & Xabi Alonso
Last 16	22/12/2010	R. Madrid-Levante	8-0	Benzema (3), Özil, Cristiano Ronaldo (3) & Pedro León
Last 16	06/01/2011	Levante-R. Madrid	2-0	
Quarterfinals	13/01/2011	R. Madrid-Atlético	3-1	Sergio Ramos, Cristiano Ronaldo & Özil
Quarterfinals	20/01/2011	Atlético-R. Madrid	0-1	Cristiano Ronaldo
Semifinals	26/01/2011	Sevilla-R. Madrid	0-1	Benzema
Semifinals	02/02/2011	R. Madrid-Sevilla	2-0	Özil & Adebayor
Final	20/04/2011	Barcelona-R. Madrid	0-1	Cristiano Ronaldo

Strikers:  
Cristiano Ronaldo 7, Benzema 5, Özil 3, Granero 1, Higuaín 1, Xabi Alonso 1, Sergio Ramos 1, Adebayor 1 & Pedro León 1.

UEFA Champions League

STAGE	DATE	MATCH	RESULTS	STRIKERS
Group Stage	15/09/2010	R. Madrid-Ajax	2-0	Anita (o.g.) and Higuaín
Group Stage	28/09/2010	Auxerre-R. Madrid	0-1	Di María
Group Stage	19/10/2010	R. Madrid-Milan	2-0	Cristiano Ronaldo & Özil
Group Stage	03/11/2010	Milan-R. Madrid	2-2	Higuaín & Pedro León
Group Stage	23/11/2010	Ajax-R. Madrid	0-4	Benzema, Arbeloa & Cristiano Ronaldo (2)
Group Stage	08/12/2010	R. Madrid-Auxerre	4-0	Benzema (3) & Cristiano Ronaldo
Last 16	22/02/2011	O. Lyon-R. Madrid	1-1	Benzema
Last 16	16/03/2011	R. Madrid-O. Lyon	3-0	Marcelo, Benzema & Di María
Quarterfinals	05/04/2011	R. Madrid-Tottenham H.	4-0	Adebayor (2), Di María & Cristiano Ronaldo
Quarterfinals	13/04/2011	Tottenham H.-R. Madrid	0-1	Cristiano Ronaldo
Semifinals	27/04/2011	R. Madrid-Barcelona	0-2	
Semifinals	03/05/2011	Barcelona-R. Madrid	1-1	Marcelo

Strikers:  
Cristiano Ronaldo 6, Benzema 6, Di María 3, Adebayor 2, Higuaín 2, Marcelo 2, Özil 1, Arbeloa 1 & Pedro León 1.

Santiago Bernabéu Trophy

YEAR	DATE	MATCH	RESULT	STRIKERS
32 <sup>nd</sup>	24/08/2010	R. Madrid-C. A. Peñarol	2-0	Di María & Van der Vaart





#### 2011 Spanish Cup

Real Madrid celebrates the Cup title at the Mestalla stadium



## ACADEMY OVERVIEW

# A 'FACTORY OF CHAM- PIONS'

## THE REAL MADRID ACADEMY FINISHED A GREAT SEASON EARNING EIGHT NEW TITLES.

THE THREE UNDER-18,  
THE TWO UNDER-16, THE  
TWO UNDER-10 AND THE  
UNDER-14 A TEAMS WERE  
LEAGUE CHAMPIONS  
IN THEIR RESPECTIVE  
COMPETITIONS.

Real Madrid Castilla had a superb season. Alberto Toril took charge of the second team and Castilla played an impeccable second leg of the championship with zero defeats. The dedication, commitment and hard work of the entire squad paid off and the team achieved the dream it had been chasing for six years: to qualify for the Second Division promotion qualifiers. The young squad was unlucky, with a complicated tie against Alcoyano, but displayed talent and quality throughout. Forwards Morata and Joselu were Group stage top-scorers with 14 goals each.



The Real Madrid C team missed the promotional qualifiers by a meager two points. The Madridistas had a great run and the competition was red hot up until the last match. Their top striker, Óscar Plano, was one of the leading squad players scoring 12 goals.

On 26<sup>th</sup> March, the Under-18 A team secured the first Academy title of the season; with still two weeks to go before the end of the competition they defeated Atlético Madrid 2-1 and became league champions.

They were also runners-up of the Champions Cup, topping a splendid season. Most outstandingly, Jesé's performance won him a spot in the 2011-2012 first team pre-season. On 10<sup>th</sup> April, it was the turn of the Under-18 B team, which secured the title three weeks before the end of the season. The boys of Víctor Manuel Torres were top scorers in their Group, putting 91 into the net. Meanwhile, on 14<sup>th</sup> May, the Under-18 C team followed suit and conquered the final Academy title of the year with a total of 26 victories.

It was an extremely successful season for the White Academy, which continued to bring back the goodies. And so, the two Under-16, the two Under-10 and the Under-14 A teams were champions in their respective groups. Special mention goes to the Under-10 B team with a dizzying 236 strikes in just 24 matches.



# 10

## Academy Players Made their Debut with Mourinho

The outstanding path travelled by the up-and-coming hopefuls of the RM Academy went even further. José Mourinho made the dreams of ten academy players come true when he had them debut with the first team this season: Adán, Mateos, Juan Carlos, Sarabia, Morata, Álex Fernández, Nacho Fernández, Tomás Mejías, Jesús, and Joselu, who scored in his debut match at the Bernabéu. They were one step closer to their goal of becoming first team members. The Portuguese head coach can boast an academy season full of successes and titles and, more importantly, with players who could very well be donning the first team shirt in the near future.





### Real Madrid Castilla

Spanish 2<sup>nd</sup> Division B Championship.  
Group 1. 3<sup>rd</sup>.  
Played the 2nd Division promotion qualifiers.

### Real Madrid C

Third Division Championship. Group 7.  
5<sup>th</sup>.

### Under-18 A

Under-18 First Division. Group 5.  
**Champions.**  
Champions Cup Runner-up.

### Under-16 B

Under-16 Regional Division. Group 1.  
**Champions.**

### Under-14 A

1<sup>st</sup> Division.  
**Champions.**

### Under-14 B

Under-14 1<sup>st</sup> Regional Division. Group 1.  
3<sup>rd</sup>.

### Under-18 B

Spanish Under-18 League. Group 12.  
**Champions.**

### Under-18 C

Under-18 Regional 1<sup>st</sup> Division. Group 1.  
**Champions.**

### Under-16 A

Under-16 Regional 1<sup>st</sup> Division. Group 1.  
**Champions.**

### Under-12 A

Under-12 1<sup>st</sup> Regional Division. Group 1.  
2<sup>nd</sup>.

### Under-12 B

Under-12 1<sup>st</sup> Regional Division. Group 2.  
3<sup>rd</sup>.

### Under-10 A

Under-10 Football 10. Group 21, Madrid.  
**Champions.**

### Under-10 B

Under-10 Football 10. Group 22, Madrid.  
**Champions.**





---

## Basketball

---

2010-2011 Season Highlights  
Highlights: Basketball  
Basketball Academy





2010/11 BASKETBALL  
FIRST TEAM SQUAD



COACHING  
STAFF



**Ettore Messina\***  
Head Coach



**Emanuele Molin\*\***  
Assistant Coach/  
Head Coach



**José Ramón Cuspinera**  
Assistant



**Tirso Lorente**  
Assistant



**Juan Jesús Trapero**  
Fitness Trainer

PLAYERS



**Ante Tomic**  
Center



**Pablo Prigioni**  
Point Guard



**Carlos Suárez**  
Small Forward



**Felipe Reyes**  
Center



**Nikola Mirotic**  
Power Forward



**Sergio Rodríguez**  
Point Guard



**Novica Velickovic**  
Power Forward



**Mirza Begic\*\***  
Center



**Sergi Vidal**  
Small Forward



**D'or Fischer**  
Center



**Sergio Llull**  
Shooting Guard



**Clay Tucker**  
Small Forward



**Josh Fisher\*\*\***  
Point Guard



**Jorge Garbajosa\***  
Power Forward

\* Up to 4<sup>th</sup> March 2011.  
\*\* From 4<sup>th</sup> March 2011.

\* Up to 14<sup>th</sup> March 2011.  
\*\* From 18<sup>th</sup> January 2011.  
\*\*\* Up to November 2010.



## SEASON HIGHLIGHTS 2010/11

Real Madrid's season was a challenging one. New signings Carlos Suárez and Sergio Rodríguez reinforced the club's investment in young, Spanish talent, while the signings of D'or Fischer and Clay Tucker strengthened the team both inside and outside the paint. Slovenian international Mirza Begic joined the team in January. After 15 years, Real Madrid qualified for the Final Four played in Barcelona.

*“Real Madrid was the only Spanish team to make it to the Final Four, the event where Europe's four best teams meet to play each other.”*



Real Madrid Basketball began the 2010/2011 season in La Nucía, Alicante, winning two friendly games against Power Electronics Valencia and Meridiano Alicante. The team then went on to play its first official competition, the ACB Supercup, held in Vitoria, capital of the Basque Country, but was defeated in the semifinal against Regal F. C. Barcelona.

Later in the season, the Whites renewed their regional championship after winning the 17th Madrid Regional Basketball Tournament: first defeating Baloncesto Fuenlabrada 85 to 81, and then Asefa Estudiantes 84 to 79.

Real Madrid earned second place in the regular season of the ACB League winning 26 games and losing 8. They were unbeaten in the 17 home games played in La Caja Mágica.

In the quarterfinals, the Madridistas faced Baloncesto Fuenlabrada. They won both home and away games 93 to 72 and 68 to 55, making their way to the semifinals.

In this best-of-five round, Real Madrid lost against Bizkaia Bilbao Basket 3 to 1. The 2011 King's Cup was played in Madrid. The team beat Gran Canaria 2014 by 78 to 72 in the quarterfinals and Power Electronics Valencia 69 to 59 in the semis.

The final, held in Madrid's own Palacio

de los Deportes on 13<sup>th</sup> February 2011, gave Regal F. C. Barcelona the winning hand 68 to 60.

In the Euroleague, Real Madrid performed brilliantly and qualified for Barcelona's Final Four, making this the team's best season in 15 years

For the Group stage, the Whites played in Group B, pitted against Unicaja, Brose Baskets, Virtus Roma, Olympiacos and Spirou Basket. They came in second after Olympiacos following six victories and four defeats. Real Madrid then played the Top 16 stage in Group G alongside Montepaschi, Efes Pilsen and Partizan. They came in first, with 5 wins to 1 loss. It was the first time they had gone past this round since the creation of the current Euroleague in the 2000-2001 season. They had made it to the quarterfinal qualifiers with a superb two-stage run.

However, Madrid's head coach Ettore Messina resigned following the 95 to 77 defeat against Montepaschi Siena in the last week of the Last 16 Group Stage. Emanuele Molin, his second in command, took his place.

In a very hard-fought quarterfinal series, the Merengues overpowered a very combative Power Electronics Valencia by 3-2, a result that saw them return to the Final Four elite after 15 years. Real Madrid was the only Spanish side at the 4-way event in Barcelona. The team led by Emanuele Molin lost the semis against Maccabi Electra 82 to 63 and 80 to 62 against Montepaschi in the game for third and fourth place.



### PABLO LASO NEW HEAD COACH

Pablo Laso Biurrún (Vitoria, 13/10/1967) became Real Madrid Basketball's new coach on 26<sup>th</sup> June. Having played for the Whites three seasons, from 1995 to 1998, he extrapolated the marvelous vision he was known for back then as a point guard. As a coach, he first trained Pamesa Valencia and then went on to lead the promotion of Lagun Aro GBC (then called Bruesa GBC) to the ACB during the 2007/08 season. Laso returns to Madrid to take charge of a project full of young talent and high hopes.



SPORTING OVERVIEW

BASKETBALL

ACB League

WEEK	DATE	GAMES	RESULTS
1	30/09/2010	Asefa Estudiantes - Real Madrid	79 – 84
2	10/10/2010	Real Madrid - Assignia Manresa	81 – 63
3	16/10/2010	Bizkaia Bilbao Basket - Real Madrid	73 – 75
4	23/10/2010	Real Madrid - Power Electronics Valencia	75 – 63
5	30/10/2010	Meridiano Alicante - Real Madrid	78 – 67
6	07/11/2010	Real Madrid - Lagun Aro GBC	83 – 53
7	13/11/2010	DKV Joventut - Real Madrid	64 – 72
8	21/11/2010	Real Madrid - Blancos de Rueda Valladolid	87 – 82
9	28/11/2010	Gran Canaria 2014 - Real Madrid	70 – 59
10	04/12/2010	Real Madrid - Unicaja	88 – 72
11	12/12/2010	Real Madrid - CAI Zaragoza	84 – 65
12	18/12/2010	Caja Laboral - Real Madrid	67 – 72
13	30/12/2010	Regal F. C. Barcelona - Real Madrid	95 – 75
14	02/01/2011	Real Madrid - C.B. Granada	84 – 57
15	09/01/2011	Real Madrid - Menorca Basquet	95 – 84
16	13/01/2011	Cajasol - Real Madrid	75 – 89
17	16/01/2011	Real Madrid - Baloncesto Fuenlabrada	76 – 75
18	22/01/2011	Real Madrid - Asefa Estudiantes	82 – 61
19	30/01/2011	Assignia Manresa - Real Madrid	61 – 62
20	05/02/2011	Real Madrid - Bizkaia Bilbao Basket	76 – 72
21	19/02/2011	Power Electronics Valencia - Real Madrid	59 – 52
22	27/02/2011	Blancos de Rueda Valladolid - Real Madrid	74 – 65
23	05/03/2011	Real Madrid - DKV Joventut	78 – 60
24	10/03/2011	Lagun Aro GBC - Real Madrid	78 – 88
25	13/03/2011	Real Madrid - Meridiano Alicante	80 – 62
26	19/03/2011	Unicaja - Real Madrid	69 – 68
27	26/03/2011	Real Madrid - Gran Canaria 2014	74 – 73
28	03/04/2011	C.B. Granada - Real Madrid	65 – 73
29	09/04/2011	Real Madrid - Regal F. C. Barcelona	77 – 72
30	16/04/2011	CAI Zaragoza - Real Madrid	86 – 84
31	23/04/2011	Real Madrid - Caja Laboral	76 – 71
32	01/05/2011	Baloncesto Fuenlabrada - Real Madrid	88 – 79
33	12/05/2011	Real Madrid - Cajasol	78 – 59
34	15/05/2011	Menorca Basquet - Real Madrid	76 – 91

ACB League Play-Offs

STAGE	DATE	GAMES	RESULTS
Quarterfinals	20/05/2011	Real Madrid - Baloncesto Fuenlabrada	93 – 72
Quarterfinals	22/05/2011	Baloncesto Fuenlabrada - Real Madrid	55 – 68
Semifinals	27/05/2011	Real Madrid - Bizkaia Bilbao Basket	78 – 67
Semifinals	29/05/2011	Real Madrid - Bizkaia Bilbao Basket	66 – 71
Semifinals	31/05/2011	Bizkaia Bilbao Basket - Real Madrid	68 – 51
Semifinals	02/06/2011	Bizkaia Bilbao Basket - Real Madrid	80 – 72

Turkish Airlines Euroleague

STAGE	WEEK	DATE	GAMES	RESULTS
Regular Season	1	18/10/2010	Olympiacos - Real Madrid	82 – 66
Regular Season	2	28/10/2010	Real Madrid - Unicaja	68 – 56
Regular Season	3	04/11/2010	Lottomatica Roma - Real Madrid	56 – 74
Regular Season	4	11/11/2010	Real Madrid - Brose Basket	83 – 81
Regular Season	5	17/11/2010	Spirou Charleroi - Real Madrid	67 – 49
Regular Season	6	25/11/2010	Real Madrid - Olympiacos	82 – 68
Regular Season	7	02/12/2010	Unicaja - Real Madrid	75 – 71
Regular Season	8	09/12/2010	Real Madrid - Lottomatica Roma	72 – 50
Regular Season	9	15/12/2010	Brose Baskets - Real Madrid	82 – 75
Regular Season	10	23/12/2010	Real Madrid - Spirou Charleroi	94 – 45
Top 16	1	19/01/2011	Real Madrid - Partizán	78 – 58
Top 16	2	26/01/2011	Montepaschi Siena - Real Madrid	68 – 78
Top 16	3	03/02/2011	Real Madrid - Efes Pilsen	89 – 86
Top 16	4	17/02/2011	Efes Pilsen - Real Madrid	60 – 77
Top 16	5	24/02/2011	Partizán - Real Madrid	56 – 61
Top 16	6	03/03/2011	Real Madrid - Montepaschi Siena	77 – 95
Play-Off	1	22/03/2011	Real Madrid - Power Electronics Valencia	71 – 65
Play-Off	2	24/03/2011	Real Madrid - Power Electronics Valencia	75 – 81
Play-Off	3	29/03/2011	Power Electronics Valencia - Real Madrid	66 – 75
Play-Off	4	31/03/2011	Power Electronics Valencia - Real Madrid	81 – 72
Play-Off	5	05/04/2011	Real Madrid - Power Electronics Valencia	66 – 58
Final Four	1	06/05/2011	Maccabi Electra - Real Madrid	82 – 63
Final Four	2	08/05/2011	Real Madrid - Montepaschi Siena	62 – 80

King's Cup

STAGE	DATE	GAMES	RESULTS
Quarterfinals	10/02/2011	Real Madrid - Gran Canaria 2014	78 – 72
Semifinals	12/02/2011	Real Madrid - Power Electronics Valencia	69 – 59
Final	13/02/2011	Real Madrid - Regal F. C. Barcelona	60 – 68

Madrid's 17<sup>th</sup> Regional Basketball Tournament

GAMES	RESULTS
Real Madrid - Baloncesto Fuenlabrada	85 – 81
Asefa Estudiantes - Real Madrid	79 – 84





The Madridista academy is settling in. The structural changes that were made last season are beginning to bear their fruit. The **EBA** team, whose average age is 19, completed a great year, coming in second in Group B and playing the promotion qualifiers, where it lost against ABP Badajoz.

**The Junior Team** showed its superiority during the League to become Madrid champions led by boy wonder Jorge Sanz, who was voted MVP of the final stage. In the Spanish championship, the Madridistas placed 5th after losing to Unicaja Malaga in the quarterfinals.

**Both the Under-16 A and Under-14 A** teams were runners-up in the Madrid League for their respective categories. In the Spanish championship, the Under-16 A team made it to the quarterfinals while the Under 14 A team came in third. Javier de la Blanca (Under-16) and Santiago Yusta (Under-14) were the top scorers and best players in their respective Madrid regional final rounds.

**The Under-16 B** team finished 9<sup>th</sup>, a great result considering all the team members are one year younger than the Under-16 A side in the same category. Meanwhile, the Under-14 B side came in second in Group C4 of the qualifying stage. Worth mentioning are the first team debuts of center Víctor Arteaga and Jorge Sanz. The B-team starting center Arteaga played in the Euroleague against Belgian side Spirou Basket. Sanz, a 17 year-old Junior Academy player, made his debut against CAI Zaragoza in the ACB League.



### EBA

EBA League. Group B. 2<sup>nd</sup> position.  
First stage of the promotional play-offs.

### Under-16 B

Madrid Regional A1 League.  
9<sup>th</sup>.

### Junior Team

Madrid Regional League. Champions.  
Spanish Championship.  
5<sup>th</sup>.

### Under-14 A

Madrid Regional A1 League. Runner-up.  
Spanish Championship.  
3<sup>rd</sup>.

### Under-16 A

Madrid Regional A1 League. Runner-up.  
Spanish Championship.  
6<sup>th</sup>.

### Under-14 B

Madrid Regional A2 League.  
2<sup>nd</sup>.





## Social Area

Representative Members Assembly  
Assembly of Representative Members  
Pin Badge Presentation  
Member Services Office  
Online Member Services Office  
Member Hotline & Real Madrid Hotline  
Seat Allocation Service  
Publications and Communication  
Player Events  
Social Discipline Commission  
Member Demographics  
New Member Admission  
E-bulletin







## ASSEMBLY OF REPRESENTATIVE MEMBERS

The Annual Report, Balance Sheet and Profit & Loss Statement for the 2009-2010 season, as well as the 2010-2011 season budget, were approved during the Ordinary and Extraordinary General Assemblies held on 12<sup>th</sup> September 2010. The decision to freeze membership dues for the 2011-2012 season was also approved. Finally, the increase in the number of board seats was ratified during the Extraordinary General Assembly, and Ángel Luis de las Heras Aguado appointed new Member of the Board.

## General Assembly Structure

Board of Directors	16
President	1
Former Presidents	2
Honorary Members	7
First 100 members	100
Elected Members	1,948

## Pin Badge Presentation

The official ceremony and presentation of the club's pin badges to those members celebrating their 25<sup>th</sup>, 50<sup>th</sup> and 60<sup>th</sup> anniversary membership with Real Madrid, was held on 12<sup>th</sup> March. A total of 2,633 commemoration membership badges were presented, specifically, 146 gold and diamond, 141 gold and 2,346 silver.

Club President Florentino Pérez chaired the Act escorted by a selection of Real Madrid legends led by Honorary Club President Alfredo Di Stéfano and a number of board directors.

The event boasted the presence of famed flamenco singer and club member José Mercé who performed his very own version of the Real Madrid C. F. anthem. All attending members received an event commemoration video in recognition of their loyalty.

## New Honorary Members

In a session held on 16<sup>th</sup> March 2011 presided by Florentino Pérez, the Real Madrid C. F. Board of Directors named Vicente del Bosque, Plácido Domingo and Rafael Nadal honorary members, the club's top distinction. With this honour, the club publicly recognised the professional careers of these illustrious Madridistas who carry Real Madrid in their heart.

Vicente del Bosque, for his work as manager of the Spanish National Team that won the World Cup in South Africa; Plácido Domingo, as a music phenomenon that has risen to the altars of opera history; and Rafa Nadal, as number 1 of world tennis... they have all more than accredited that they are deserving of the highest distinction the club can give..

This extraordinary recognition has also been given to other prestigious personalities such as Alfredo Di Stéfano, Honorary President of Real Madrid C. F., and Joseph Blatter, President of FIFA.





## Member Services Office

The Member Services Office (MSO) continues to offer comprehensive personalised care services to our members and fans. Accessible from Gate 55 of the Santiago Bernabéu stadium, it is open Monday to Friday from 9 am to 7 pm. The Member Services Office handles over 16,000 visits and 33,000 telephone calls every year. In addition, the official MSO email service has responded and solved over 13,000 requests for information or for remote paperwork handling.

## Online Member Services Office

The recent creation of the Online Member Services Office allows members to access and change their personal information and other requests: mailing address, telephone, email, PIN code, etc. It has received no less than 38,000 member visits since it opened in March.

The benefits of this service were confirmed during the ticket request periods for the 2011 Spanish Cup Final and for the UEFA Champions League semifinal.

## Member Hotline & Real Madrid Hotline

The 902 212 002 Member Hotline offers live service to members after identification via a PIN number. A total of 35,204 calls confirm the success of this exclusive communication channel. The 902 31 17 09 Real Madrid Hotline has also placed over 7,000 calls for different club member campaigns.

Likewise, over 62,733 fans have made use of the Real Madrid Hotline requesting information about different club areas or departments.

## Seat Allocation Service

The data confirm the success of this service that continues to offer more benefits with each passing season:

- › Unlimited discount in the next season ticket fee thanks to the Seat Allocation Service, allowing members to recover up to 100% of the traditional season ticket fee.
- › The allocation of 115,886 seats during the 2010-2011 season, an increase of 8.74% over last year's season.
- › Ticket sales reaching 82,827, an increase of 8.46% when compared to the previous season.
- › Revenue of 2,035,967 € from member

seat allocations.

## Publications and Communication

**Club Bylaws:** Official document containing the rules that govern the entity. The existing bylaws were approved in the Extraordinary General Assembly held on 29<sup>th</sup> March 2009.

**Member's Bulletin:** Official Publication with institutional club information as well as news of interest for members.

**Annual Report:** Official document with all the activities undertaken by Real Madrid C. F.: institutional, sporting, social, business, economic and communication, together with the financial report.

**Halamadrid, Halamadrid Junior and Tiempo Descuento magazines:** Quarterly magazines featuring the club's latest news, reports, interviews, offers, and promotions. Last season, four publications were sent to members and fans..

## Player Events

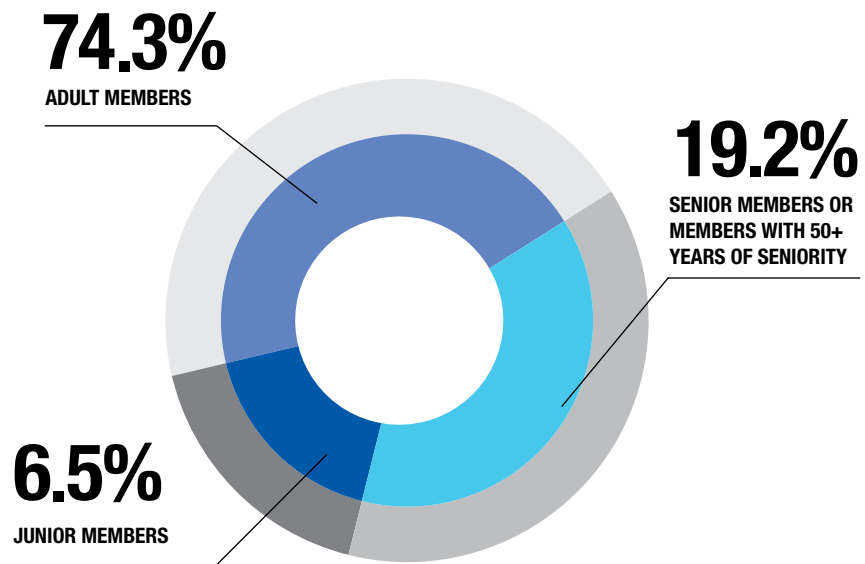
Players have participated in signing events in all the Real Madrid C. F away matches. Members in the locations where the team travelled to were invited to attend.

## Social Discipline Commission

During the 2010-2011 season, the Social Discipline Commission has continued to develop its responsibility as social discipline regulator pursuant to club bylaws. The following disciplinary actions are worth mentioning: one member was acquitted; warnings were issued to 33 members, and 31 members received temporary suspensions ranging from two months to four years, depending on each case. In addition, there are 152 member disciplinary actions pending.

## Member Demographics

Real Madrid C. F. has 89,706 members: 67,309 are adults, 16,248 are juniors, and 6,149 are senior citizens or have been members for more than 50 years. Gender wise 74,164 are male while 15,542 are female.



- › During the 2010/2011 season, member fees were frozen, as has been the case for the previous five seasons.
- › The 67,309 adult members paid a fee of 143 €.
- › The 4,313 junior members 11 to 14 years old– paid a fee of 49 €.
- › The 3,008 members who were either over 65 years old, retirees, or had been members for 25 years, paid a reduced membership fee of 71.50 €.
- › The 3,141 members who have been with the club for more than 50 years were exempt of this membership fee.
- › The 11,935 Under-11 members are also exempt.
- › Members may pay the annual fee in instalments thanks to the Real Madrid-Banesto card, which offers a 9-month interest-free payment option.
- › Members who do not have a season pass have ticket purchase priority and price discounts.
- › Members may take the Tour of the Bernabéu and access Real Madrid City to attend the matches of Real Madrid Castilla and the academy teams free of charge.

## New Member Admission

The Board of Directors of Real Madrid C. F. agreed, pursuant to the commitment made by our President during the Elected Member Assembly, that current club members could request membership for their children and grandchildren. The club has programmed new member admission campaigns in the upcoming seasons to cover membership cancellations. These campaigns will be announced through the official club channels.

## E-bulletin

June saw the birth of the Members E-bulletin, an exclusive publication that capitalises on the investment the club made on new technologies. The club intends to establish a closer, faster, more agile relationship with its members, while keeping them informed of the most relevant events, as well as of the latest offers and promotions.







**2011 Spanish Cup**  
The fans celebrate in Cibeles

**MADRID FANS WERE 100% BEHIND THEIR TEAM AND TRAVELLED TO VALENCIA EN MASSE, WHERE CELEBRATIONS BEGAN WAY BEFORE THE MATCH STARTED.**

THOUSANDS OF SUPPORTERS CHEERED ON IN THE SPACE RESERVED FOR OUR FAN BASE, WHO STOOD BEHIND THE TEAM DURING EVERY MOMENT OF THE DAY THE FINAL WAS HELD. THAT NIGHT, THE FANS AWAITED IN CIBELES. .



FAN CLUBS IN SPAIN

1. ANDALUSIA	439
Almería	52
Cádiz	42
Córdoba	79
Granada	81
Huelva	41
Jaén	69
Málaga	52
Seville	23
2. ARAGÓN	39
Saragossa	17
Huesca	12
Teruel	10
3. ASTURIAS	48
4. BALEARIC ISLANDS	42
5. CANARY ISLANDS	30
6. CANTABRIA	26
7. CASTILE LA MANCHA	274
Albacete	54
Ciudad Real	75
Cuenca	44
Guadalajara	30
Toledo	71
8. CASTILE LEÓN	149
Ávila	31
Burgos	15
León	26
Palencia	9
Salamanca	19
Segovia	18
Soria	3
Valladolid	15
Zamora	13

9. CATALONIA	121
Barcelona	71
Tarragona	17
Lérida	14
Gerona	19
10. CEUTA	1
11. COMMUNITY OF VALENCIA	193
Alicante	80
Valencia	58
Castellón	55
12. EXTREMADURA	231
Cáceres	89
Badajoz	142
13. GALICIA	126
A Coruña	37
Lugo	29
Orense	26
Pontevedra	34
14. LA RIOJA	29
15. MADRID	194
16. MELILLA	2
17. MURCIA	75
18. NAVARRE	20
19. BASQUE COUNTRY	16
Álava	4
Guipúzcoa	7
Vizcaya	5
TOTAL SPAIN	2.055

- › Meetings with Fan clubs in each of the team’s official away games in Spain.
- › 657 fan clubs.
- › Fraternization luncheons with rival fan clubs.
- › Over 150 Real Madrid C. F. and rival team fan clubs have participated in different fan fraternization events.
- › Attendance of Club representatives to events organized by Real Madrid fan clubs.
- › 260 events. Highlights: in 2011, 12 fan clubs celebrated their 25th anniversary while 1 its 50<sup>th</sup>.
- › Fan clubs in the making.
- › 144 fan clubs.
- › 2011 Fan Club Reunion.
- › The 2011 Fan Club Reunion took place in Valdebebas on 5th June. Over 1,000 fan clubs and 4,000 people attended the event.

FAN CLUBS ABROAD

FOREIGN FAN CLUBS	
ALBANIA	1
ANDORRA	1
AUSTRALIA	1
AZERBAIJAN	1
BELGIUM	6
BRAZIL	1
BULGARIA	1
BYELORUSSIA*	1
CHILE	1
CHINA	4
COSTA RICA	1
CUBA	1
CYPRUS	1
DENMARK	1
DOMINICAN REPUBLIC	1
EGYPT	1
ENGLAND	1
EQUATORIAL GUINEA	2
FRANCE	4
GERMANY	4
GIBRALTAR (UK)	1
GREECE	1
GUATEMALA	2
HUNGARY	1
INDONESIA	1
JAPAN	2
JORDAN	1
MEXICO	2
MOROCCO	7
NETHERLANDS	2
NORWAY	1
PANAMA	1
PERU	1
PHILIPPINES	1
POLAND	1
PORTUGAL	1
PUERTO RICO (USA)	1

SENEGAL	1
SWEDEN	1
SWITZERLAND	12
SYRIA	2
RUSSIA	2
TUNISIA	12
UKRAINE	1
UNITED ARAB EMIRATES	2
USA	3
VENEZUELA	2
TOTAL ABROAD	88
AGGREGATE WORLDWIDE	2.143





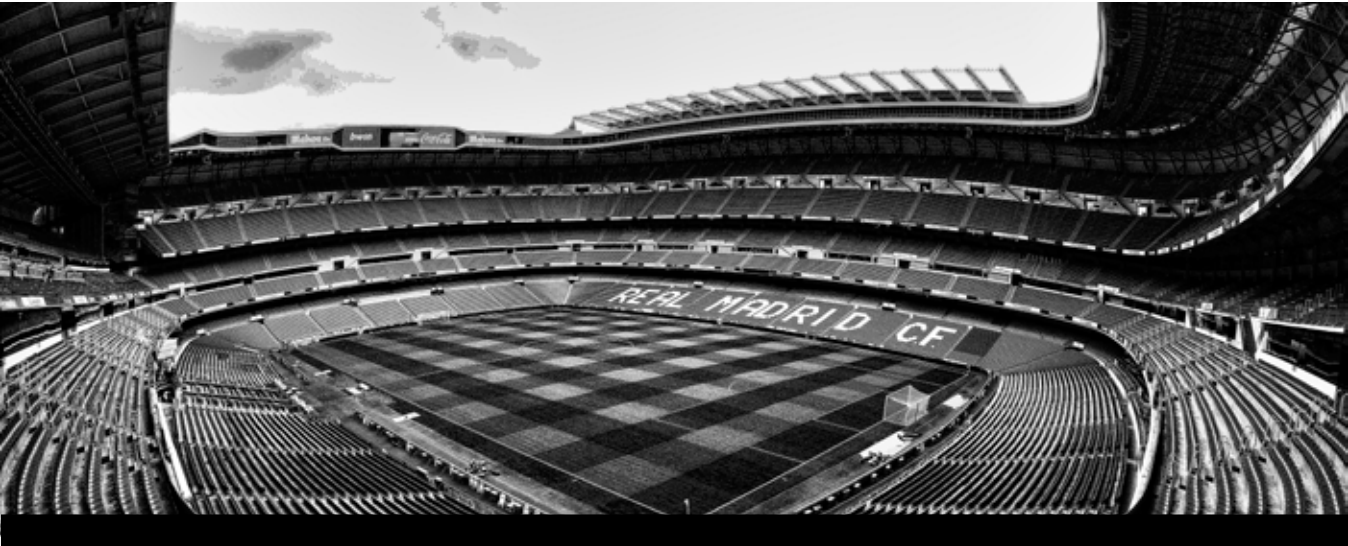


## Assets

Management of Infrastructures  
New Online Member Services Office  
Integral Stadium Control Unit Renovation  
Club Media Wi-Fi Network  
Real Madrid City  
Santiago Bernabéu Stadium







During the 2010/2011 season, both the IT and the Infrastructures Departments developed activities in these areas:

- › Facility upkeep and maintenance.
- › Improvements in Member Services, Security Systems and Media services.

FOLLOWING THE LAST  
STADIUM RENOVATION  
AND THE OPENING  
OF REAL MADRID  
CITY, THE CLUB HAS  
INVESTED HEAVILY IN  
MAINTENANCE.

Work for carpentry, metalwork, glass-work, flooring, painting, etc., had an annual cost of EUR 3 million.

A list and brief description of noteworthy investments and activities carried out follows

New Online Member  
Services Office

Realmadrid.com opened the new Online Member Care Office service in early March 2011. This new secure and confidential service operating 24/7 allows members to access their member accounts and submit requests without needing to go to the club's offices.

Members may access and change their personal information, pin number or banking information, among others. The club intends to make this the primary channel for member relations, gaining efficiency and speed for all formalities. One example of the potential this new exclusive was the handling of the 2011 Spanish Cup ticket request process. There were over 15,596 requests by 44,933 members, and these were handled efficiently and securely.

Integral Stadium Control  
Unit Renovation

Pursuant to the new needs in stadium operation and service control, between the months of December 2010 and February 2011 the club renovated the Stadium Control Unit, a worldwide benchmark in entertainment-day facility management that receives 15 yearly visits to check its working operation.

The renovation included the actual size of the Control Unit, which has been enlarged by 40% to improve the space available to the professionals in charge of stadium surveillance, as well as the its infrastructure, which guarantees the operation even in case of emergencies (electric and voice/data/video network redundancy) and the software used to control of physical and logical elements.

Wi-Fi Network for the Media

Following the successful pilot experience during the 2010 Champions League final, the club has installed Wi-Fi networks for all the media covering matches in the stadium -photographers, press, radios, TV anchors- and training sessions in Real Madrid City for the 2010/2011 season, thus guaranteeing quality coverage.

Real Madrid City  
Sustainability Investment

This investment includes upgrades and minor maintenance work. Season highlights were:

› Interior and exterior electric and water supplies in Real Madrid City.

This season the club has carried out the necessary work to regularise the supply of regenerated irrigation water and fire hazard water. It has also completed the work on the RMS or regulating and metering station, as well as initiated the formalities to implement a definitive solution for the electrical installation.

› Access. Once work on the M-11 motorway was completed, the Real Madrid City access located in front of Madrid's International Trade Fair IFEMA was opened and the issue of the southern entrance to the Real Madrid City resolved.







# SANTIAGO BERNABÉU STADIUM



## Santiago Bernabéu Stadium Sustainability Investment

The investment groups upgrades and minor work. Highlights were:

- › **Restructuring of the First Tier.** Once the viability was established, a new 860-seater row was installed in the first tier, including 26 new seats behind the Presidential Box and new platforms for cameras that UEFA required for the upcoming year. Capitalising on this initiative, the club will give the stand areas near the restaurants and the Presidential Box a face wash. The project is scheduled to be ready for the first match of the 2011/2012 season.
- › **Renovation of the East Gallery.** In keeping with the improvements to the galleries and adjacent areas of the stadium and pursuant to the VIP Area

renovation commitments, the club has aesthetically upgraded the galleries next to the grandstand. Likewise, it has modified the access and exit staircases of the first tier for a more aesthetic and functional access to seats and boxes.

- › **Box Adaptation and Extension.** Following the request made by the Director of the President's Office and the Director of Services & Operations, a total of 32 seats have been added to the box area by eliminating partitions. Likewise, the annex catering area corresponding to the current basketball offices has been expanded. Once the resulting comfortability has been assessed a final decision will be made regarding this extension.
- › **First Tier Box Division.** Boxes 3009, 3019, 3025 and 3026 have been divided and made smaller thus allowing for the sale of additional seats.

- › **West Stand Internal Box Adaptation.** Renovation requested by the VIP Area Director for the improvement of the product offered to clients.





## Revenue

Capacity Management and VIP Area  
Sponsorship and Advertising  
Marketing Area  
Facility Management  
New Media





# CAPACITY MANAGEMENT AND VIP AREA



## Attendance

Official competition and Santiago Bernabéu Trophy match attendance this season has increased to almost 1.8 million spectators.

## Ticket Sales

Ticket sales this season have increased to surpass the 500,000 mark.

## Seat Allocation

The improvement and modernisation of season ticket allocation have optimised this service, offering season ticket holders considerable savings. Likewise, the result is improved stadium turnout, enabling more Madridistas to enjoy their team's games, a statistic that keeps growing

with every passing year. This season, over 115.000 allocated seats were sold, which also translates to important savings for the season ticket holders who allocated them.

This year a new SMS allocation system has been implemented. It enables our season ticket holders to ceded their seat by simply replying to a text message sent by the club. That's it! The system was implemented at the end of the season and will be fully functional next year, enabling our season ticket holders easier access.

## Sales by Channels

This season, 360,000 tickets were sold through remote channels, a 20% increase over last year's sales that stood at 300,000.

Within this remote channel, the consistent increase in the number of ticket sold to clients outside of Spain is noteworthy.

**Basketball.** This campaign has seen the team change its games to another venue: La Caja Mágica. Firs season conclusions are positive, including the modernisation of the court. The club has implemented a two-way shuttle service for members and supporters to simplify access to the new facility.

## VIP Area

The VIP Area has performed a number of commercial actions to promote the sale of season boxes and seats, as well as VIP seats per game, resulting in a 6% hike in revenue over the 2009/10 season.

The sale of VIP seats per game is definitely on the up mayor, having increased dramatically over last season's.

Meanwhile, the VIP Area continues to work on the management model implemented last, season which is based on a price policy per and section. Additionally, the department has adopted a new CRM tool which simplifies management, organization and control.

Today, the VIP Area boasts 4,862 VIP seats distributed throughout the entire Santiago Bernabéu stadium.

The number of boxes is 217 for a total of 2,690 seats. The remaining 2,172 are inside and outside seating located in a series of stadium sections, including the four restaurants: Puerta 57, Real Café, Asador de la Esquina and Zen Market.





SPONSORSHIP  
AND ADVERTISING

ONE MORE YEAR,  
IN LIGHT OF THE  
INTERNATIONAL  
RECOGNITION OF THE  
BRAND, REAL MADRID  
HAS OBTAINED OF  
SPONSORSHIP OF  
GREAT CORPORATIONS  
WORLDWIDE, LEADERS IN  
THEIR OWN INDUSTRIES  
THAT HAVE CHOSEN  
TO LINK THEIR BRAND  
TO THE VALUES  
REPRESENTED BY  
THE CLUB

Within the framework of their long-haul commitments, **Bwin** renewed their confidence in the global communication platform that is Real Madrid, performing countless successful communication and promotional campaigns.

This year, Real Madrid reached an important strategic sponsorship agreement in the Telecommunications sector with **Telefónica** for the next two seasons. **Telefónica** will be linked to Real Madrid in all key markets for the telephone operator worldwide throughout a number of exclusive promotional actions of our club and the different brands of **Telefónica**. Paramount among them are **Movistar**, **Imagenio**, **Terra**, **O2**, etc. With this agreement, **Telefónica** will also be present in those club advertising platforms with international repercussion.

**Mahou San-Miguel Group** announced its decision to extend their condition as international sponsorship for three more seasons.



In this new stage, the brewing group is reinforcing its international strategy on the back of Real Madrid. Their minds are set on expanding their brand in new markets, such as the US, or in emerging ones, such as Africa, as well as improving preference rates and recognition in more established markets, such as Europe.

At the same time, during this season all Madridistas continued to thrive on the unique and exclusive experiences that **Mahou** offered throughout the many marketing initiatives developed jointly with Real Madrid.

**Audi**, as official Real Madrid sponsor since 2003 and following the very positive results obtained over these past few years, has also decided to renew the agreement that links the international automotive giant with the club until the 2013/2014 season.

This year, the traditional event where first team players receive cars took place in the Santiago Bernabéu; they all got to drive onto the pitch with their brand new cars. The surprise of the event was the exclusive Audi A1 car with the colours of the Real Madrid badge, the only one of its kind in the world, especially manufactured as a symbol of the excellent relationship binding both institutions for the past eight seasons.

**Dua Kelinci** has joined the group of international sponsors of Real Madrid within the framework of the regional agreements for their specific territories. The agreement binds the snack foods company to club sponsorship in Indonesia for the next two years. In this capacity, **Dua Kelinci** can use and operate the image rights of Real Madrid, as well as their promotional rights, in this South-East Asia country.

Under this sponsorship model we also find **Empresas Polar**, leader in food and

large consumption sector in Venezuela, and **STC**, leading telephone operator in Saudi Arabia and the Middle East, both of which have consolidated their condition as strategic members and will continue to promote the Real Madrid brand worldwide.

**Real Madrid will promote the Spain and Madrid tourist brands in the world.**

In February, the **Spanish Ministry of Industry, Tourism and Commerce**, through their agency **Turespaña**, and the **Madrid Regional** and **City Governments** and the Madrid City signed a collaboration agreement with Real Madrid for the international promotion of Spain and Madrid as top tourism destinations for the next three seasons.

Through this pioneer agreement, the Real Madrid brand and its players will become the image and the voice of a range of different international advertising campaigns. Real Madrid expects to reach over 300 million people and, thus, this is a unique opportunity for the touristic promotion of these two brands under the slogan **‘Visit Spain, Visit Madrid’**.

This collaboration will allow for the creation of a number of promotional activities and projects, as well as planning long-haul actions in strategic markets.





THE NATIONAL SPONSORS OF REAL MADRID HAVE AGAIN DEMONSTRATED THE SUCCESS OF LICENSING RIGHTS OBTAINED IN THE DOMESTIC MARKET WITH THEIR RESULTS AND THROUGH BRAND RECOGNITION.

The numerous promotional campaigns linked with Real Madrid undertaken this season, together with the development of social networking, have consolidated our entity as an exceptional and flexible platform on which our sponsors can build on to launch integrated marketing campaigns.

The media visibility and coverage of Real Madrid are key elements for two of our sponsors, **Coca-Cola** and **Solán de Cabras**. They have found in our club the perfect premium platform to showcase their products versus their competitor's and to position them as a leading brand in their industry in Spain. This is of special importance in sectors with great regionalisation; such is the case in the world of mineral waters.

**Sanitas**, a leading private healthcare company in Spain, has set the bar for the Medical Services it provides to Real Madrid at the highest level, incorporating the best health specialists and medical equipment it boasts worldwide. Through communication campaigns and special actions created on the back of this agreement, a special bond has been created in both sectors vis-à-vis the consumer.

In response to the club's firm commitment to Corporate Social Responsibility and to helping the environment, **Solaria Energía y Medio Ambiente**, a Spanish firm leader in global solar energy and the only company in its sector that is listed

in the Spanish Stock Exchange, continues to sponsor Real Madrid for the third consecutive year. In an industry of growing expansion, as is the case with solar energy, Solaria uses its licensing rights as a PR platform and as a strategy to stand out vis a vis its competitors both on a domestic and an international level.

Leche Pascual Group, new official sponsor of Real Madrid's youth categories

This season, the 13 youth categories that make up Real Madrid's academy are sponsored by **Leche Pascual Group**, leader of the Spanish milk market and pioneering firm in a number of fields of the Food industry.

Their commitment to the promotion of sports and physical activities, both of which are complementary to a healthy diet , to a better quality of life , and to the prevention of obesity, makes them the perfect sponsor for our young talents, while delivering a responsible and healthy message to our society.

Other agreements: Pedro del Hierro fashion firm to dress Real Madrid

Real Madrid and **Pedro del Hierro** reached an agreement by whereby the **Grupo Cortefiel** company will dress the football and basketball first team players as well as RM Castilla during the season.

The Real Madrid players will use **Pedro del Hierro's** made-to-measure tailoring service/department to design a modern and elegant look, expressly made to offer the players maximum comfort during their official trips.

Thus, whether sporting a casual look or the official uniform, our players have become the best ambassadors of the firm's exclusive tailoring.

Player's Image

In today's corporate world, traditional communication is increasingly in the hands of an opinion leader who contributes differentiation, value, closeness, and emotional attachment, positioning a firm one step above its competitors. It is in this capacity that the members of the Real Madrid squad have become outstanding ambassadors.

**The Mahou-San Miguel Group** extended its agreement with Real Madrid skipper Iker Casillas three more seasons. Throughout this year and as a result of their image campaigns, Iker and **Mahou** have further reinforced their bond and closeness with the consumer. One of the clips had Casillas surrounded by his life-long friends. This was the last spot of 2010 before the New Year, having aired in most Spanish TV stations.

This year, Iker Casillas, whose relationship with **Reebok** dates back 10 years, has become one of the key sport stars in the launch of the worldwide campaign of Reebok's new line Zig Tech, reinforcing its international presence.

**Philips**, global leader in healthcare, consumer and lifestyle products, has placed its trust in the image of Iker Casillas for their campaigns in Spain, linking his personal values with the firm's. The first ad was shortlisted for the San Sebastián Advertising Festival first prize.

**Gillette**, a leading personal care company that traditionally works with top international sports stars, entrusted its Spanish strategy to midfielder Xabi Alonso, who became the firm's skin care image with a view to changing consumer perception of their company.

**Adidas** has renewed its agreement, opting for Sergio Canales this season, who is now part of the pool of prestigious sportsmen that this sponsor uses to prescribe their products worldwide.

One more year, **Electronic Arts**, a global leader in the videogame industry, has reaffirmed its commitment with the players of Real Madrid as the image of their star product: FIFA 11.

Kaká was the chosen worldwide videogame ambassador, while Benzema, Carvalho and Özil were the selected prescribers of the FIFA 11 license in their respective countries of origin.

Complementing the international sponsorship agreement signed with **Telefónica**, the Spanish multinational picked Gonzalo Higuaín as their company and product prescriber.

The international dimension and clear-cut values of the player are a perfect match for the brand's expansion strategy, mainly in Latin America. The agreement was signed for the next two years.

**Nike** joins the array of firms that has

selected Gonzalo Higuaín as the brand's international prescriber this season.

Cristiano Ronaldo remains one of the biggest advertising claims for A-level international firms. This season, the Portuguese player added another two contracts –**Toyota** and **Time Force**– and renewed with **Banco Espírito Santo** and **Nike**.

This year's newcomer and one of the biggest appeals for leading international brands of any sector is the first team's coach.

This year's newcomer and one of the biggest appeals for leading international brands of any sector is the first team's coach.

**Delacour, Banco Millenium, Saudi**

**Telecom Company, Braun** and **Adidas** have all thought of José Mourinho as their brand ambassador and main asset for their global communication campaigns.





Peripheral Advertising

Yet again, the market has placed its chips on the qualitative presence of this outside platform. The growing fragmentation of TV audiences gives additional value to brand presence in a premium content environment such as the matches of Real Madrid. Given its format, this advertising platform is the least invasive for the viewer.

The commitment of the market is reflected in the renewal of 100 % of last year's brands in this format.

Names such as Pullmantur, which began investing in this platform at the end of the 2009/10 season, underlined its ongoing interest by signing for the entire 10/11 season.

Top-level agreements with leading brands include peripheral advertising, making it one of the most limited access platforms in the market today.

Friendly Games

The international expansion of the club continues to soar. Good proof of this is the exceptional welcome receptions the team enjoyed during last year's pre-season matches. In addition to being a superb platform to showcase the club's image, these games are necessary for the players' prep work.

The 2010-2011 pre-season kicked off with a stop in Los Angeles from 28th July to 7th August. The team was invited to use the exceptional UCLA facilities. During their stay, the Whites played two preparation matches. The first took place on 4th August in San Francisco against Club América de México, while the second saw Real Madrid tee off against L.A. Galaxy in the mythical Los Angeles Rose Bowl stadium.

The last two matches were held on Spanish soil and put a wrap to the pre-season. The first was at the José Rico Pérez stadium in Alicante versus Hércules CF. The very last match was played on the occasion of the traditional Santiago Bernabéu Trophy against guest Club Atlético Peñarol from Montevideo, Uruguay. Fifty years after the first Intercontinental Cup between these two very teams, this wonderful occasion saw them face each other yet again.

The globalisation process that Real Madrid has undergone and the development of the brand in foreign markets continue to grow backed by solid

agreements with leading international market leaders. They bring Real Madrid a revolving source of revenue as well as the promotion of club image in different corners of the world where our team has great following.

These overseas games allow Real Madrid to come closer to their foreign fans, who have a chance to see their idols in the flesh.

PRE-SEASON GAMES IN THE US AND EUROPE		
DATE	GAME	STADIUM
04/08	Club América - Real Madrid	Candlestick Park (San Francisco)
07/08	Los Ángeles Galaxy - Real Madrid	Rose Bowl (Los Ángeles)
13/08	Bayern Múnich - Real Madrid	Allianz Arena (Múnich)
17/08	Standard de Lieja - Real Madrid	Stade de Sclessin (Lieja)
21/08	Hércules - Real Madrid	José Rico Pérez (Alicante)
24/08	Trofeo Santiago Bernabéu: Real Madrid - Peñarol	Santiago Bernabéu



MARKETING

Licensing

Today, Real Madrid has more than 120 licensing companies and a wide variety of Official Merchandising Products geared for audiences of all ages.

Real Madrid merchandising licensees continue to grow both domestically and internationally, with a good many new licensed products and promotional actions.

THE LICENSING AND CONSUMER PRODUCTS AREA HAS CONSOLIDATED ITS STRONG NATIONAL MARKET PRESENCE AND HAS EXPERIMENTED GREAT INTERNATIONAL EXPANSION

All of this thanks to agent and collaboration agreements signed with a number of companies distributed worldwide in locations with a strong presence of Real Madrid supporters, namely Mexico and Central America, China, Scandinavia and Israel. These agreements have increased international awareness of the Real Madrid brand.

With each new merchandising license it signs, the club attempts to improve on the profile of licensees, trying to embark only the top companies in each of the sectors.

One of the innovations of the 2010-2011 season was the marked outreach of the club and its licensees to the female public with exclusively female products for women of all ages: necklaces, bracelets, key chains, purses, dressing gowns and nightwear. Products that were originally targeted for a male public have been adapted to the female market with new designs and colours.

Continuing the collaboration with great licensing firms to boost the Real Madrid brand positioning as a home product label, the club has brought in new market references, most importantly Pikolin mattresses and pillows.

In this line, the brand has developed new product categories such as bedroom furniture for young adults, headboards, suitcases, cradles, etc.



Madridistas

In the ninth year since its launch, the Madridistas loyalty program, devoted to design new benefits and promotions for members and supporters, has incorporated 25,000 new Madridistas to the group of card-carrying supporters, for a grand total of 170,000 active members.

In tune with the market's current juncture, the program offers more affordable rates to become an official Madridistas supporter club. One such example is the Madridista Kit, only cashable at the Santiago Bernabéu, where 40 € will suffice to get a kit made up of: a scarf, a free ticket to the Bernabéu Stadium Tour and a personalised Madridista card. This promotional initiative has increased international adherence to the loyalty program.

Meanwhile, the new eMadridista option, launched last season, has increased by 100,000 new members, having reached the 650,000 mark of eMadridistas in the 2010-2011 season.

The club has increased its communication with them, incorporating new e-bulletins to inform them of new Real Madrid products, services and promotions. Specifically, they have been able to access information concerning ticket purchasing for a number of football games as well as new online services.

El club continues to attempt to put all Madridistas worldwide in closer contact. Today, it maintains regular contact with over 1 million supporters in all the corners of the world through its Madridistas loyalty scheme.



# FACILITY MANAGEMENT

## Merchandising and Distribution

The alliance between German giants Adidas and Real Madrid is well into its twelfth year. This time has enabled both entities to set the foundations of an ongoing international collaboration and to boost the spread and access to new markets of our official products.

The Adidas-Real Madrid product collection is available for all fans in over 90 countries worldwide. Thus, following the presentation of the new 2010/2011 season collection, sales reached levels that few international sporting entities can achieve. Key markets were: Iberia (Spain and Portugal), UK, Germany, Japan, China, USA and LatAm.

Equally relevant were the sales of the standard collection and the development of the “Hala Madrid” brand, now tagged the ideal promotional vehicle for different companies, as well as a key element in the fight against trademark piracy.

With more than 1.5 million visitors and after five years of operation, the Bernabéu Store has become an international sports store benchmark. In addition to its huge official club product range, the consumer can find a range of items for different sports. Meanwhile, the Carmen St. Store, located in the heart of Madrid, continues to attract a good number of visitors and positive turnover, mainly from tourists.

## Bernabéu Stadium Tour

During the 2010/2011 season, the Bernabéu Stadium Tour has surpassed all records with over 750,000 visitors from a myriad of countries: 45 % were from abroad –USA, China, Italy, France, UK, Japan and Germany among others– all with a very high level of satisfaction.

The unparalleled location of the Santiago Bernabéu stadium, the exhaustive



itinerary and the proactive dynamism of its contents make the Bernabéu Tour one of the most coveted and visited tourist spots of Madrid.

It is definitely one of the compulsory high points of the leisure and entertainment circuit of the Spanish capital.

Likewise, the club has established different commercial alliances with the main national and international sales operators of the city (tour operators, hotel chains, entertainment centres and parks), as well as varied business initiatives geared at groups which have sparked visits from over 3000 groups over the season.

Likewise, the product and service offer within the Tour itinerary is continuously being improved (theme restaurants, digital photography, official store), adapting to the needs of our visitors and increasing the ratio of client consumption and satisfaction.

Special mention goes to the adaptation and update of Tour content with the incorporation of the 18th Spanish Cup, which has recently become one of the most sought after visiting points. The Tour received 170,000 visitors between the months of April and May in 2011.

## Corporate Events

Both the Santiago Bernabéu stadium and Real Madrid City have become benchmarks in the corporate event circuit.

With over 180 events a year, the goal is to deseasonalise and rationalise the use of said facilities when football or another sporting activity is not being carried out. It is all possible thanks to the club’s commercial and operational team, as well as the alliances entered with the main domestic and international operators in the industry.

The ongoing renovation and improvement of the offer and of the product catalogue (football matches, gala dinners, conferences, large format events, etc.) enables Real Madrid to boast the confidence of a large array of companies from the most varied activity sectors who see its facilities as ideal corporate event venues.

Low client turnover is an unequivocal symptom of their high level of satisfaction and has allowed to consolidate this busi-

ness line as one of the forward-looking, long-term commitments and as an avenue of internationalisation of Real Madrid’s offer.

We are committed to the incorporation of the latest technologies. Having satisfactorily completed the launch of the digital catalogue and the event room management tool in 360° format, in the upcoming months we will implement a management software that will allow the club to maximise the use and ROI of our facilities..

## Restaurants

The ZEN Market restaurant opened on May 2011 at the Santiago Bernabéu stadium. It is a first-class Asian food venue that blends Chinese and Japanese cuisines. It can be accessed through the East, on Concha Espina avenue, and has a privileged position overlooking the turf.

The decor is top class, incorporating millenary pieces brought over from China and featuring a highly decorative and artistic flavour.

This new establishment completes the top-notch gastronomic offer of the Santiago Bernabéu stadium, joining restaurants Puerta 57, Real Café and El Asador de la Esquina.

This activity broadens the commercial offer of the stadium, diversifying capacity management and establishing a line of work that is able to generate added revenue for the club.





# NEW MEDIA



## Realmadrid TV

Realmadrid TV, the theme channel created and produced for all Madridistas throughout the world, continues to pioneer initiatives, both from a production and diversification standpoint. Its two versions, Spanish and International, continue to expand in the international market. Over 20 million households worldwide enjoy the best content the club has to offer and can get the scoop on the inside story of an entity that boasts no racial or territorial limits.

From South East Asia to Scandinavia and the most remote corners of the African continent, all Real Madrid fans, whatever their nationality, can feel closer to the best club of the 20th century.

The exposure and coverage it gives the rest of the club activities make Realmadrid TV an ideal platform for added visibility, greater consumption and, when possible, strengthening our brand awareness.

## Mobile Marketing

Real Madrid is still at the forefront of the Mobile Marketing sector. In this last season, the club has further developed this communication vehicle, bringing club contents and services in the most interactive manner possible and in real time to all **Madridistas**.

MyMadrid, the club's official mobile app, took one step further in its consolidation strategy with the launch of the first Android and second iPhone versions in November 2010. This app is available internationally and has beaten all records at 450,000 downloads during its first 7 months.

MyMadrid boasts innovative services, making it the benchmark app in the football industry. Therefore, it is the first sports

app that has direct connection to the club's official TV channel: Real Madrid TV. It also offers a very innovative section of m-commerce or mobile e-commerce, which allows users to purchase the entire official physical product range of the club and acquire the Madridista supporter card directly from their terminal. Thus, Mymadrid is fast becoming the first mobile platform of a football club which enables users to buy jerseys, training kits, tickets or become a Madridista directly from their smartphone. In turn, this allows the club to make its services available to all fans and to the entire planet, whether they have a PC or not, directly from a mobile device.

From a product standpoint, in October 2010 Real Madrid launched the first social multi-platform game: Real Madrid Fantasy Manager 11. This game, which can be accessed not only on Facebook, but also through an iPhone or via Android (soon on iPad), has been quite the success, exceeding 1 million downloads with an average 20,000 active users each day.

Operating on multiple platforms enables the maximisation of social distribution, immediacy and convenience advantages. The design of the game allows users to enjoy a single account for both platforms. In this manner, the user can start a game on the mobile phone and then, get home and continue playing on the computer.

For this project, the club has capitalised on its international fan base on Facebook as well as the user base of the MyMadrid mobile app, which features a wide array of paid downloads and a client base which makes continuous content purchases.

From a content standpoint and after renewing and reinforcing international relations in regions where the brand was already present, such as Japan, the Middle East, India and Portugal, the club signed a very important agreement with Prisa Digital this year. The objective is to offer all Real Madrid fans who reside in North and South America the best official mobile contents.

In this line, at the end of 2010 Real Madrid signed an agreement with Zed Iberia, a leading mobile marketing and new technologies company, which will enrich

Real Madrid mobile content in Spain. This way, the club can offer the best content catalogue possible for the growing number of Madridistas which subscribe to this exclusive service.

Relevant special actions include the use of mobile phones as the habitual communication tool between all club bodies and collectives, making use of 3G technology to send Christmas greeting cards or special event announcements for domestic fans.

Next season, Real Madrid will continue to develop its mobile channel as a vehicle to disseminate information and contents, reinforcing its international presence and launching new ranges of official products.

## Realmadrid.com and Internationalisation

In 2011, the club added an Arabic version ([www.realmadrid-arabia.com](http://www.realmadrid-arabia.com)) and a Japanese version ([www.realmadrid.jp](http://www.realmadrid.jp)) to the existing Spanish and English services. The new websites have achieved high visitor traffic since their inception, which has benefited the club both from the communication & image and the business viewpoints, including heightened e-commerce, mobile services and sponsorship. In the case of the Arabic website, the club



has provided online video content versus only written content in this language in order to heighten user experience for fans in this region.

As per the Japanese web service ([www.realmadrid.jp](http://www.realmadrid.jp)), the agreement with MLJ Japan has enabled the development of a website that offers real time information to our fans in this country. Moreover, the site is an advertising and communication platform for the club's mobile services that MLJ manages locally.

## Real Madrid and Social Networking

The club's social network presence grew exponentially in 2010. Added to new dynamics in said networks, it has allowed the club to offer new avenues of entertainment for our supporters and new communication and promotion channels for the club and its collaborators.

The club's official webpage on **Facebook**, [www.facebook.com/realmadrid](http://www.facebook.com/realmadrid), hasn't stopped growing, exceeding an average of one million new fans a month. Only in the first six months of the 2010-2011 season, eight million new fans joined the page and to began receiving club information and content through this online service.

The great fan base and its constant interaction with the brand have allowed our sponsors to find a new and powerful market for their acquired rights. Adidas, Bwin, and Mahou among others have developed interesting campaigns using this most dynamic of media.

In 2011, **Twitter** became one of the world's leading communication platforms. The club was not oblivious to this trend. During the season, the club has continued to heighten its activity on its official Twitter accounts: Spanish, English (@realmadrid), Arabic (@realmadridarab) and Japanese (@realmadridjapan). This has enabled fans to access first-hand, real-time information of Real Madrid's sporting activities and, especially, a minute-by-minute update of the games of the first team. This last content has fast become one of the most demanded services by our supporters, who follow-up on the goings-on via Twitter and share them with other audiences and followers. This dynamics has translated into heightened account growth, achieving a total of 1.7 million followers by the end of the season.

With respect to online video streaming,

the club has increased the activity of its official video channel on **YouTube**: [www.youtube.com/realmadridcf](http://www.youtube.com/realmadridcf). In the last few months, interviews with players and coaching staff, as well as sports information and contents produced by our sponsors, have raised much interest among our fans. The capacity of this platform to integrate with all other social networks has allowed for efficient distribution and the far reach of our content, amply distributed and commented.

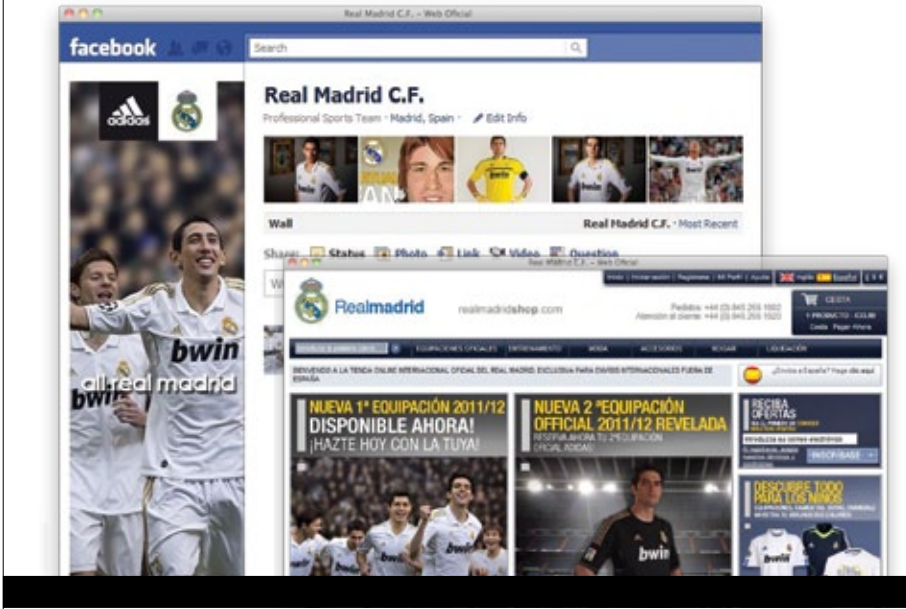
## E-commerce

The official online store of Real Madrid has continued to progress during this season vis-à-vis its international presence and the service offered to members and fans.

In 2010-2011, the two official Real Madrid online stores ([www.realmadridshop.com](http://www.realmadridshop.com) and [www.tiendarealmadrid.com](http://www.tiendarealmadrid.com)) have achieved over 6.1 million visits from over 200 countries worldwide. Over 50,000 unique sales were made for a grand total of 85,000 products delivered to thousands of members and fans, all of whom have benefitted from exclusive promotions and offers, in addition to the discounts for members and Madridista card-carrying members.

In numbers, this is a 12% growth during this season. Similar progression is expected during the 2011-2012 season based on the hike of marketing campaigns

— which allow for increased outreach to Madridistas inside Spain and abroad —, an increased and more native presence in the social media, an improved configuration of our available product catalogues, and the continued improvement of club services to its members and supporters.







## Communication, Media and Content

Press  
Realmadrid.com  
Publications  
Realmadrid TV





Press

The relationship of Real Madrid C. F. with the mass media is as intense as an entity like ours needs. The Communication Department works hard to make the work of the media professionals that report on the news of our teams and of the club in general as easy as possible.

During the 2010-2011 season, the club accredited a total average of 250 journalists for the domestic competitions and 400 for the Champions League. This competition's first leg semifinal match at the Santiago Bernabéu beat all previous records with 1,200 accredited professionals, 500 of which were journalists from the attending 132 foreign and 80 Spanish media.

The club organised 262 first team player interviews and 98 with the coaching staff (76 with Mourinho and 22 with Assistant Coach Karanka), 64 player press conferences and 126 with the coaching staff (105 Mourinho and 21 Karanka). In the 51 games played by the first football team, players gave 246 superflash interviews, Mourinho 83 and Karanka 6.

In the basketball department, players and coaching staff alike gave 780 interviews and 70 press conferences.

Players and trainers of the Academy teams gave a total of 665 interviews, mixed zone interviews and press conferences, of which 336 were by Real Madrid Castilla, the first team of the youth academy.

The premises managed by the Communication Office in its relationship with the media are: press room, press area on the stands, and superflash interview area at the Santiago Bernabéu stadium. At Real Madrid City, the club offers a first team



press room and several small interview studios. At the Alfredo Di Stéfano stadium we have a press room and a press area on the stands. Finally, La Caja Mágica for basketball also features a press room and a press area on the stands.

Realmadrid.com

The official website of Real Madrid C. F., a worldwide benchmark with fans and visitors in all continents, beat its traffic record this season with 15,016,714 visitors in the month of April in 2011. In total, during the 2010-2011 season, Realmadrid.com received 93,903,631 visits. It is a very significant visit hike versus 2009-2010 figures, at 48,454,130 visitors. In other words, in just one season, this platform has practically doubled its audience (+93.80%).

The universal character of this truly mass media platform obliges the club to maintain its fan base informed 24/7. That is why Realmadrid.com has become a basic pillar of the club's communication platforms.

The club's website is in constant evolution with a view to meeting its objectives. It features ongoing modifications and innovations to improve the image and communication quality of Real Madrid C. F. The main innovations during the 2010-2011 season were:

- › Publishing the 300 football player profiles that make up all football categories of the club, from the first team to the Under-10 B team. Updating the results and placings of the academy teams practically as soon as their games are over.
- › Publishing the close to 80 basketball player profiles that make up the section and updating their results.
- › Video consolidation in all news pieces.
- › Publishing of flash teasers of the press conferences offered by football players and coaching staff.
- › Implementation of live text commentary of all basketball games.
- › Exclusive news specials, highlighting the coverage of the 2011 Spanish Cup.
- › Integration of Twitter, Tuenti, and Facebook account access in all news.

- › Online streaming of RMTV's 5 main programs: Real, Top Goals, La Fábrica, Realmadrid Life and 6,75.
- › Online Member Services Office.
- › Download of each game's press dossier.
- › Increased online traffic: 278,042,464 page views, a 56.45% hike versus the 2009-2010 season's 177,715,892 page views.





The contents of Realmadrid.com are also broadcasted via social networking. Real Madrid has official profiles on Facebook and Twitter and a dedicated channel on YouTube. Thanks to these new digital tools, the club is able to connect with 19 million Madridistas the world over on a daily basis. As such, Real Madrid is the planet's most popular football club in the social media according to data from FameCount.com, a service that performs statistical studies and surveys of these social communication platforms.

The approximately 17 million Facebook friends, the two million Twitter followers and the 37 and a half video downloads in the dedicated YouTube channel have given Real Madrid a popularity rating of 53.76 %, a percentage that places the club as the top influence leader in the ensemble of the social networks and as the sports club with more progression in Facebook worldwide. Additionally, its two million Twitter followers make the Whites the most followed team in Europe in the 140-character platform.

Real Madrid players are no newcomers to social networking, amply proving their expertise. The most evident example is Cristiano Ronaldo, who has become the most popular player in the world thanks to its 31 million friends on Facebook, the over three million followers on Twitter and the four and a half million video downloads in his YouTube channel. Ricardo Kaká is second to Ronaldo, with nearly ten million followers on Facebook and five million on Twitter.

Quality in numbers... but it's not only the numbers that place Real Madrid at the very top of the social media ranking. A recent survey by prestigious agency Lewis PR concludes that the Whites are the team "with highest Internet and social media popularity of all the Spanish first and second division teams". The survey analysed the online presence of the 42 Spanish clubs and underlines how Real Madrid is "the club with best online presence and highest activity in its social media accounts". The

quality of the news pieces, the differentiation between the first team profile and the rest of the club sections and categories, and a combined strategy with the official webpage are at the core of Real Madrid's success in social media, according to the aforementioned agency.

The social media of Real Madrid have become one of the preferred information channels for Madridistas all over the world thanks to the news published in five languages: Spanish, English, French, Arabic and Japanese. Moreover, on Facebook, the Real Madrid Fantasy Manager game, with an average 140,000 monthly players, allows our fans to train or even preside the club. The YouTube channel also makes the difference, with Real Madrid being the only club that offers exclusive content free of charge in three languages (English, Spanish and Arabic).



## Publications

Ten publications were published this season: Hala Madrid, Hala Madrid Junior, Grada Blanca, Hala Madrid on-line, eMadridistas, Basketball Press Guide, Members Bulletin, League Press Dossier, Champions League Draw and Santiago Bernabéu Trophy.

The club publishes two quarterly magazines: Hala Madrid, with a circulation for 200,000 members and adult Madridistas; and Hala Madrid Junior, which makes its way to 30,000 members and Madridistas between the ages of 7 and 14. The Hala Madrid On-line and eMadridistas e-bulletins are sent on a quarterly basis to over 500,000 readers.

On every home match of the Spanish BBVA League, the club distributes a game program at the stadium entitled Grada Blanca, with a circulation of 40,000, and a press dossier, with a restricted circulation of 700 copies, 400 for the Presidential Box and 300 for all accredited journalists. Finally, the Members Bulletin is published twice per season, with a circulation of 80,000 copies.

During the last two seasons, the novelty was the UEFA Champions League draw dossier to facilitate the job of all the professionals who cover the games of this competition: clubs, press, fans.

The Basketball Press Guide features all the current and historical news of Real Madrid.

The Publications Area also supervises the two publications of the Real Madrid Foundation: the ReALMAdrid magazine and the Annual Report. These publications have increased their circulation given the numerous projects propelled by the Foundation.





## Realmadrid TV

In 2010-2011, Realmadrid Television has had great journalistic incentives. Starting with the exclusive 2010 Pre-season Tour in Los Angeles, RmTV has witnessed with enthusiasm the powerful sporting boost of the club, which reached its climax with the Spanish Cup final victory. RmTV celebrated the feat with a special 18-hour live program and the documentary In the Heart of the Cup, with exclusive images of the pre-match preparation and post-match celebration of the first team. The Clásicos against Barcelona and the derbies against Atlético Madrid also deserved special coverage, an expression of the commitment to the club's outstanding credentials in the League and the Champions League.

RmTV was also there to cover the presentation of prestigious accolades: FIFA World Coach of the Year for manager José Mourinho; Golden Shoe for Cristiano Ronaldo; and UNICEF Goodwill Ambassador for Iker Casillas.

RmTV also had a very special programming moment broadcasting the Real exclusive, in-depth interview series... a more humane look at our boys which premiered José Mourinho, coach of Real Madrid, followed by Iker Casillas, Cristiano Ronaldo, Sergio Ramos, Higuaín and many other players.

In basketball, RmTV covered in full the Euroleague and its Final Four, the King's Cup and the ACB League semi-finals.

The renewed impulse of the Annual Fan Club Reunion at Real Madrid City was

a very special occasion for RmTV. The channel also accompanied the Realmadrid Foundation and President Florentino Pérez to Jordan for the foundation of a Madridista academy.

The Youth Academy experienced the best coverage ever during the 2010-2011 season, with all Real Madrid Castilla games broadcasted live and special attention to the rest of the categories in its daily program grid and its youth program La Fábrica (The Factory).

RmTV broadcasts in over 50 countries around the world\*, covering all continents. And coverage continues to grow. It broadcasts two 24-hour channels simultaneously, each with its own programming in Spanish and English. Its strength is the Madridista news, wherever they may happen — News and hourly News Bulletins —, its magazine shows (Real Madrid Life, Top Goals), talk shows (La Tertulia, Extratime) and special programs (Hoy Jugamos, The Match, 6.75), which cover all sporting, social and institutional club angles.

*\* Sweden, Norway, Finland, Denmark, Hong Kong, Singapore, Thailand, Malaysia, Brunei, India, Pakistan, Vietnam, Kampuchea, Algeria, Bahrain, Yemen, United Arab Emirates, Tunisia, Sudan, Syria, Somalia, Saudi, Qatar, Morocco, Mauritania, Libya, Palestine, Oman, Djibouti, Comoros Islands, Kuwait, Lebanon, Egypt, Jordan, Iraq, Hungary, Romania, Israel, Russia, Belarus, Latvia, Estonia, Lithuania, Italy, Poland, Angola, Mozambique, Cyprus, France, Malta, Australia, New Zealand, United States and LatAm.*



## First Audiovisual History of the Club

Recapping the best goals of Di Stéfano, the best stops by Iker, the unforgettable episodes of Real Madrid history, all are now possible thanks to a DVD collection comprising the audiovisual history of Real Madrid, the best club in the world. The presentation act was presided by Real Madrid Honorary President Alfredo Di Stéfano and first team skipper Iker Casillas.

It is the first audiovisual history of Real Madrid published by the club. "I have enjoyed watching footage I had never seen before," recognised Di Stéfano. A total of six hours summarise the history and values of Real Madrid, full of unforgettable moments.

## On-Line Strategy

The mission of the Online Strategy Department is to promote innovation at the club and at the Realmadrid Foundation on the Internet.

During the 2010-2011 season, a strategic online model for the club in the upcoming years was designed. The club identified a number of resulting commercial opportunities. Additionally, it worked on a new internal operating model for Facebook and Twitter.

In June, Real Madrid officially initiated its presence in the Chinese social networks, whose potential audience is estimated at 700 million people. Today, the club has 231,445 followers on QQ Tencent and 84,131 on Ren Ren, with solid growth patterns which we believe will follow the same upward pattern during the 2011/12 season.







---

## Real Madrid Foundation

---

National  
International  
Events  
Historical Heritage





## NATIONAL

### Football and Basketball Sports Academies

The sports academies of the Real Madrid Foundation continue to cast football and basketball as an excellent tool for the transmission of positive values. The clear intention is to develop healthy sporting habits and collaborate with families in the overall education of 2,300 boys and girls aged 5 to 17 years old. There are a total of 19 football academies in different locations (Community of Madrid, Arroyo de la Luz, Ceuta, Jódar, Navas del Marqués and Lanzarote) and 8 basketball ones. The main novelty is the opening of a basketball academy specially designed for young people with intellectual disabilities in the Majadahonda City Hall, Madrid.

The sports academies offer several training and educational programs specially geared to the teacher and student bodies, with a view to improving the teaching-learning process of the youth who train at these academies, namely: "They Play We Educate" and "For a REAL Education: Values and Sport". From the months of February to May, the sports academies organise an intramural tournament (at Valdebebas for football academies and at Arganzuela for basketball academies), where boys and girls put to practice what they have learned during the entire season in training

and enjoy their favourite sport together with friends, family and colleagues. The basketball training program is completed with the celebration of the 3rd Basketball Inclusive Campus, where young people without disabilities from our academies bunk up with other youth in wheel chairs for a five-day retreat of training. They are all passionate for one thing: basketball.

This ongoing education and training program is completed with the celebration of a Summer Football and Basketball camp, the Campus Summer Experience, where, in addition to contributing to the technical and tactical improvement of the participating players, there is a most comprehensive program of fun and innovative training activities. This last year boasted the presence of 1,300 young people of different nationalities aged 7 to 17.

### Social Integration Academies

Integration Academies contribute to the social undertaking developed by the Real Madrid Foundation. The goal is to create healthy lifestyle habits through sports, increasing the integration of marginalised groups of people which are at risk of being ousted by society. These academies intend to offer an overall education and the enjoyment of football, completing the training of kids from a technical, tactical, physical and psychological standpoint, and their education from a humane, ethical and intellectual perspective.

The academies located in Canal and San Vicente de Paul, in the capital, and in Pozuelo de Alarcón, Torrejón de Ardoz, Fuenlabrada, Aranjuez, Leganés and Guadalajara, surrounding the capital, were operative this season. Also, the Cervera de Pisuegra and Orcasitas academies opened this year.

### Penitentiary Sports Academies

During the 2010-2011 season, the Real Madrid Foundation has extended its presence in penitentiaries throughout Mainland Spain. Today, the Foundation is present in 40 centres in Spain, half for football and half for basketball.

### Shelter Sports Academies

The purpose of these academies is to foster the practice of sports and its inherent values within a framework of social integration. Today, there are three academies of this type which have worked with great success in the region of Madrid: the first is in Picón de Jarama, near Paracuellos, the second is located in the Manzanares Residence, and the third is in Madrid's historic district of Chamberí.

## THE SPORTS ACADEMIES OF THE REALMADRID FOUNDATION CONTINUE TO CAST FOOTBALL AND BASKETBALL AS AN EXCELLENT TOOL FOR THE TRANSMISSION OF POSITIVE VALUES





SOCIO-SPORTING  
ACADEMIES ATTEND TO  
THE MOST VULNERABLE  
PEOPLE ANYWHERE IN  
THE WORLD

We can assert that our presence throughout Latin America, Central America and The Caribbean is a very established reality: thousands of boys and girls get to play and learn in our academies. We should underline the exceptional work being done at the Jesuit priest academy in Lima, Peru, with the support of Endesa, and in the favelas of Rio de Janeiro, with the Misiones Salesianas and the backing of Fundación MAPFRE. Colombia is the most dynamic country, boasting the largest number of enrolled kids with almost six thousand. Venezuela and Trinidad and Tobago are the last countries to join our project in the Americas.

The club intends to open academies in North America next season, specifically in the United States.

The work carried out in Africa will receive an incredible booster through “Project Africa”, a program grouping 20 projects in 17 countries which will come true thanks to the proceeds from the Corazón Classic Match “Together for Africa” that the veterans of Real Madrid Bayern Munich played recently.

In the Middle East, the Foundation has a consolidated presence in Israel, Palestine, Jordan, United Arab Emirates and Saudi Arabia, and it will continue to grow in Bahrain, Oman, Qatar, Lebanon, Syria and Iraq.

Thanks to the agreement signed between Real Madrid Foundation and the Ferenc Puskas Academy, the first international socio-sporting academy in Europe will open in September under the name “RealTanoda”.

European academies are newcomers to the project and have great acceptance in neighbouring countries. We should highlight the exceptional collaboration in

Portugal with the local governments of Vila Real de Santo Antonio and Vilanova de Gaia, or the statements of purpose signed for new projects in Romania, Poland, Russia and Albania.

Asia is the biggest challenge for the Real Madrid Foundation, which has to work in the two most populated countries in the world: India and China. In India, the first academy opened in Kolkata in collaboration with the Institute for Indian Mother and Child; and in China, Guangzhou will be the starting point for a project that will bring comprehensive education for kids and teens through the practice of sports and the disclosure of values.



Foundation Gala:  
“Alma Awards”

The Real Madrid Foundation organised its Annual Gala, with the presentation of the first 2010 Alma Awards to illustrious personalities: Alfredo Di Stéfano (sporting career), AC Milan Glorie (solidarity), Penitentiary Institutions –Spanish Ministry of the Interior– and Horizontes Abiertos (collaboration in national projects), Álvaro Uribe, former Colombian president (international cooperation) and Rafael Nadal (extraordinary).

Among other events and activities, we should highlight: the Luis de Carlos Forum “The sixth European Cup of Real Madrid”, a tribute on the occasion of its 45th anniversary; the content update of the Bernabéu Stadium Tour; recent books published, such as the biographies of Alfredo Di Stéfano, Stories of a Legend, and Zinedine Zidane, the Elegance of the Simple Hero; and the service rendered by the Historical Heritage Centre to the entire club and the entities that want to pay homage to Real Madrid and its Foundation.



2011 Corazón Classic Match  
“Together for Africa”

The Real Madrid Foundation organised this charitable football match between the most important former players of the recent history of Real Madrid C. F. and F. C. Bayern Munich. Among them were Zidane, Figo, Suiker, Morientes, Helguera, Butragueño, Buyo, Redondo, Santillana, Brehme, Breitenr, Augenthaler or Makaay. Proceeds were destined to Project Africa for the development of Real Madrid Foundation member sports academies on African soil.

Today, the Real Madrid Foundation hosts academies in Morocco, Senegal,

Mali, Sierra Leone, South Africa, Equatorial Guinea, Cameroon, Mozambique, Burundi, Malawi, Tanzania, Kenya and Ethiopia. The Real Madrid Foundation program aims to have active academies by 2014 in Tunisia, Algeria, Angola, Burkina Faso, Togo, Niger, Benin, Cape Verde, São Tomé and Príncipe, Democratic Republic of Congo, Central African Republic, Uganda, Madagascar, Ghana, Gambia, Gabon, Nigeria, Ivory Coast, Rwanda, Mauritania, Egypt, Sudan, Chad, Libya, Zimbabwe, Namibia, Lesotho, Swaziland, Botswana, Zambia, Eritrea, Somalia, Guinea-Conakry, Guinea-Bissau and Liberia.



HISTORICAL  
HERITAGE CENTRE

The Realmadrid Foundation has transferred the Historical Heritage Centre to a larger facility at Real Madrid City. The Centre is in charge of admitting, classifying, inventorying, cataloguing and digitising all the objects and documents of the club's own administrative and sports management offices, on top of all items donated or loaned by sympathizers of Real Madrid who want to contribute generously to the dissemination of the history of Real Madrid.

Today, there are more than 217,000 objects and documents catalogued. During this season, the total contribution was over 22,000 items. Among them are player profiles and contracts, trophies, gifts, pennants, shirts, match posters, images, audio tapes, videos, etc.

Part of this material has enabled the club to extend and renovate the contents of the Bernabéu Stadium Tour. There are new posters and tickets of historical matches, old footballs and basketballs, sports jerseys and boots, old sports sculptures, player profile cards, membership cards, etc. These objects bring back many childhood memories to the older audiences and do not cease to surprise the younger public.

On another token, on the occasion of the Luis de Carlos Forum “The sixth European Cup of Real Madrid”, a tribute to its 45th anniversary in 2010, the Foundation organised a small exhibit with age-old objects related to said trophy.

Also this year, Real Madrid commemorated the 80 years of life of the basketball section. The anteroom of the Santiago Bernabéu stadium held the tribute to this section with a private exhibit featuring countless photos from all the years past, the shirts, the magazines and the player profiles.

All Real Madrid bodies are aware of the importance of the Heritage Centre. As a re-



sult, over 104,000 objects and documents were handed over this season. We should highlight old images (slides, negatives and photos), player profiles and contracts, magazines, posters, maps, videos and recordings, etc.



ITEMS	AMOUNT
Audio Clips	10,773
Pennants	1,612
Documents	11,956
Federation cards	14,076
Maps	638
Posters	4,271
Paintings	771
Images	124,424
Clothing	1,129
Press	5,238
Publications	4,771
Medals	115
Plaques	3,021
Gifts	2,213
Trophies	5,667
Videos	10,723
Other Assets	3,521







## Real Madrid UEM University Studies School

School Origin and Objectives

School Data since its Opening in 2006

School Data in the 2010 – 2011 School Year







School Origin and Objectives

Over the last few years, sports has become a discipline that has transcended its own limits, making a impact in society and generating both professional and training needs in all areas of expertise: science and health, the media, business, management, leisure and entertainment, among others.

In response to this new multidimensional and avant-garde concept of sports, the Real Madrid University Studies School - European University of Madrid (UEM), pioneering the higher education market, was created in 2006.

The Real Madrid University Studies School - European University of Madrid trains professional leaders in all disciplines which, in a way, are related to the world of sports. Its programs are geared to university graduates and professionals who wish to devote their professional careers to the sporting industry.

The school is born with a clearly international vocation, was a reflection of the two institutions behind this project: Real Madrid C. F., one of the brands with greatest worldwide brand awareness, and the European University of Madrid, from the Laureate International Universities network, with presence in 28 countries from four continents.

School Data since its Opening in 2006

- › 12 campuses: Spain, Portugal, Morocco, Turkey, Germany, Cyprus, Mexico, Brazil, Chile, Costa Rica, Ecuador and Peru.
- › 30 graduate, postgraduate and PhD degrees.
- › Over 1,100 graduates from all 12 locations.
- › 150,000€ in research grants for 30 projects through the Real Madrid Chair, directed by Mario Vargas Llosa.
- › Three published books on the research of Physical Activity and Sports.

School Data in the 2010-2011 School Year

- › 650 students enrolled in the 12 campuses.
- › Opening of the Morocco campus (Université Internationale de Casablanca), 11th location and first seat of the School in Africa.
- › Opening of the Portugal campus (ISLA, Lisbon), the 12th location.
- › 10 Master classes, taught by important personalities from the world of sports, broadcasted from the Santiago Bernabéu to the other seats.
- › Exchange programs for students in New York, London and Amsterdam, visiting the Ajax football club academy.

- › Exchange programs in Madrid for the students of the remaining locations, visiting the facilities of Real Madrid and receiving classes from the club's directors.
- › New Masters in Detection and Management of Talent in Football, directed by Miguel Pardeza
- › 50,000€ in aid for 10 research projects through the Real Madrid Chair, directed by Mario Vargas Llosa, the recent Nobel Prize in Literature 2010.
- › Celebration of the "White Week", a week of classes at the Santiago Bernabéu stadium and at the Valdebebas Sports City, with classes taught by directors of Real Madrid C.F.
- › International Congress of Paediatric Physical Activity, in collaboration with the Faculty of Science of Physical Activities and Sports of the European University of Madrid.
- › The School was awarded the Seven Star Award for Excellence in Quality and Management.

IEDE

Business School

Universidad Europea de Madrid  
LAUREATE INTERNATIONAL UNIVERSITIES



<b>Mexico</b> Universidad del Valle	<b>Costa Rica</b> Universidad Latina	<b>Ecuador</b> Universidad de Las Ámericas	<b>Brasil</b> Amhembi Morumbi	<b>Peru</b> Universidad Peruana de las Ciencias Aplicadas	<b>Chile</b> Universidad de Las Ámericas
<b>Portugal</b> Isla	<b>Germany</b> Business and Information Technology School	<b>Spain</b> Universidad Europea de Madrid	<b>Morocco</b> Université Internationale de Casablanca	<b>Turkey</b> Istanbul Bilgi University	<b>Cyprus</b> European University of Cyprus







## Veterans

Real Madrid Former Football Players Association  
Real Madrid Former Basketball Players Association





THE FINANCIAL HEALTH THIS ENTITY ENJOYS WAS MADE EVIDENT ONCE AGAIN DURING THE LAST GENERAL ASSEMBLY, HELD IN THE PRESS ROOM OF THE SANTIAGO BERNABÉU STADIUM AND CHAIRED BY ALFREDO DI STÉFANO, HONORARY PRESIDENT OF THE CLUB. THE 2010 FINANCIAL STATEMENTS WERE REVIEWED AND THE ASSEMBLY MEMBERS TOOK STOCK OF THE CLUB’S SPORTS AND SOCIAL RESULTS



Real Madrid Former Football Players Association

Demonstrating their on-going commitment to the club, the Veteran’s Association continues to participate in all institutional events. Acting as Real Madrid C.F. representatives, these former players come together for many charitable events both in Spain and abroad. They also attend events organised by the Realmadrid Foundation, the Madridista fan clubs and members, and provide financial support to former players and families in need.

The financial health this entity enjoys was made evident once again during the last general assembly, held in the press room of the Santiago Bernabéu stadium and chaired by Alfredo di Stéfano, honorary president of the club. The 2010 financial statements were reviewed and the assembly members took stock of the club’s sports and social results.

From a sports perspective, their activities continue to reap great results. This season they played a total of 23 matches, 4 more than the previous one, winning 18 games, drawing 3 and losing 2. The games fall into three different categories —Football 11, Indoor Football and Football 6— having been played in Cordova, Toledo, Bilbao, Orense, Vigo, Seville, Saint Sebastian, Valencia, Valladolid and Madrid.

Without a doubt, the match that touched everyone’s hearts was the ‘Corazón Classic Match 2011’. Organ-



ised to raise charity proceeds, it brought Real Madrid’s team of veterans face to face with the All Stars of Bayern Munich, another European top team. The match was a goal fest (8-3) and a show of world class football. Figo, Zidane, Breitner, Elber, Redondo, Makaay, Butragueño, De la Red, Suiker, Sagnol, Karembeu... couldn’t have represented the club better. More importantly, they attracted a sensational crowd to the Santiago Bernabéu stadium and the money raised will be used for an African academy development project that the Real Madrid Foundation sponsors.

Real Madrid Former Basketball Players Association

Yet another season, Real Madrid’s basketball legends have shown what they are worth across Spanish and European courts. This season, the highlight was the Friendship Tournament held in Dubrovnik in June, where our boys won the title after beating Jugoplastika, Barcelona and Maccabi Tel Aviv.

Worthy of mention was their participation in the Udi Segal Tournament, held in Eilat, Israel, in February. They played against teams of great renown: Maccabi, Hapoel Jerusalem and Hapoel Eilat. Real Madrid was crowned champion after beating Maccabi 72-0 in the final.

They participated in the Congenital Heart Disease Conference celebrated during the 28th week of the ACB League, playing away against the FC Barcelona veterans at the Palau Blaugrana in a game that ended on a 78-point draw.

They also played an international friendly game against API Udine in Valle de las Cañas on Saturday 12th March winning 83-69, and a charity game against the Unicaja Malaga veterans to raise funds for the César Scariolo Foundation. In total, this season, Real Madrid’s basketball legends played a total of 8 games.

In their effort to encourage the younger population to play basketball, they successfully organized the 4th edition of their



Campus, held in July 2010 in San Javier, Murcia. A total of 34 male and female participants ranging from 8 years of age to 16 enjoyed the numerous activities, organised mainly around the game of basketball, and the lessons taught by ex players Beirán (technique and shooting practice), Toñín Llorente (ball handling and dribbling) and Darío Quesada (Center pivoting).

The association supports academy teams through the Sponsorship Program, with the participation of former players Javier García Coll, Arlauckas, Beirán, Rullán, Romay, Paniagua or Brabender. During the season, they provide scholarships to those students with the best academic record and proven dedication to the game of basketball. In addition, the association continues to help veterans in need. In this capacity, they have continued helping with the school expenses of Elisa and María, the daughters of Carlos García Ribas, deceased in 2009.

REAL MADRID’S BASKETBALL LEGENDS HAVE SHOWN WHAT THEY ARE WORTH ACROSS SPANISH AND EUROPEAN COURTS. THE HIGHLIGHT THIS TIME WAS THE FRIENDSHIP TOURNAMENT HELD IN DUBROVNIK IN JUNE.





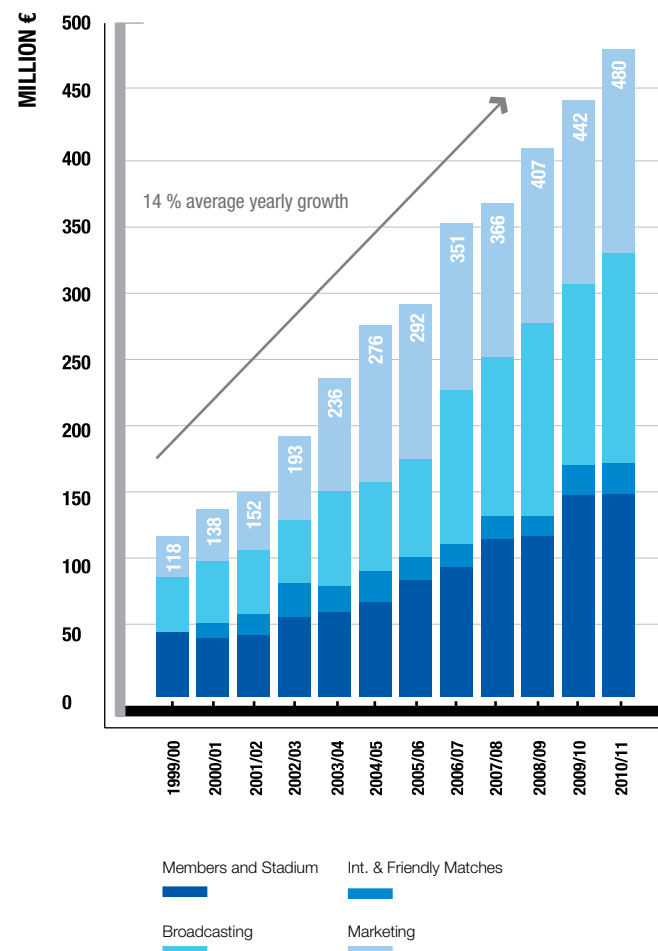
## Consolidated Financial Statements

Group management report for the year  
ended June 30, 2011

The management report for Real Madrid  
Club de Fútbol and Subsidiary, including  
an analysis of its earnings performance in  
2010/2011, is presented below.







## OPERATING INCOME (PRIOR TO DISPOSALS OF NON-CURRENT ASSETS)

2010/2011 operating income totaled €480 million, a 9% increase over the previous year, and the world's highest figure for sports income.

This income comes from the Club's business lines: the stadium, television, and marketing. The income from player transfers is not included; this is reflected in the income statement under "Gains (losses) on disposals and other gains and losses."

The business lines which contributed most to income growth in 2010/2011 were the stadium and marketing.

Member contributions, from both quotas as well as season passes, represented 9.8% of total income.

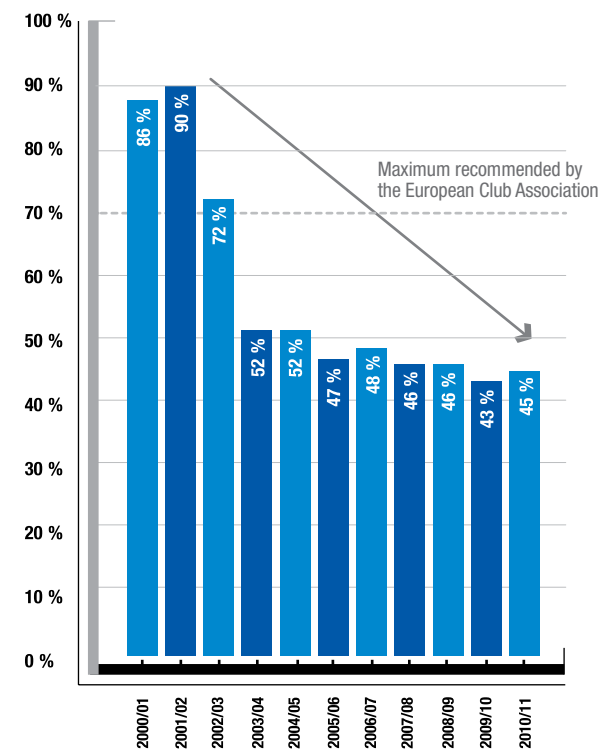
Over the 1999-2011 period, income averaged annual growth of 14%.

Future projections are based on strengthening the brand by investing in and commercializing great players, and developing business lines while expanding internationally; these are the Club's main competitive advantages which position it as one of the world's top football clubs.

## BREAKDOWN OF OPERATING INCOME (BEFORE NET GAINS FROM DISPOSALS)

The Club has attained a balanced income structure, with its three main revenue drivers (stadium, broadcasting, and marketing) each contributing around one-third of the total.

The diversification of recurring revenue sources confers financial stability to the Club, cushioning the impact of potential fluctuations in revenue as a result of varying performance on the field and the broader economic backdrop.



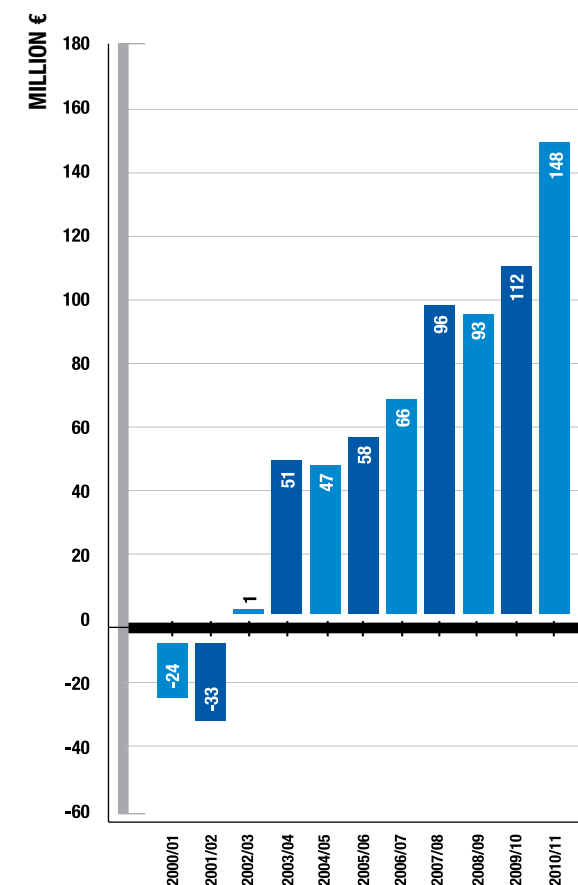
## WAGES TO TURNOVER RATIO

This chart depicts the trend in the ratio of the Club's total personnel expenses and operating income (prior to disposals of non-current assets).

This is an internationally-used parameter to measure a football club's operating efficiency, necessary to determine its future viability. The lower the ratio, the more efficiently the Club is performing.

Income growth was accompanied by a concerted effort to contain costs and improve efficiency, reflected in a stable ratio of 45% in 2011.

Real Madrid's ratio is well under the 50% standard considered the excellence threshold, and substantially below 70%, which is the maximum level recommended by the European Club Association (ECA).

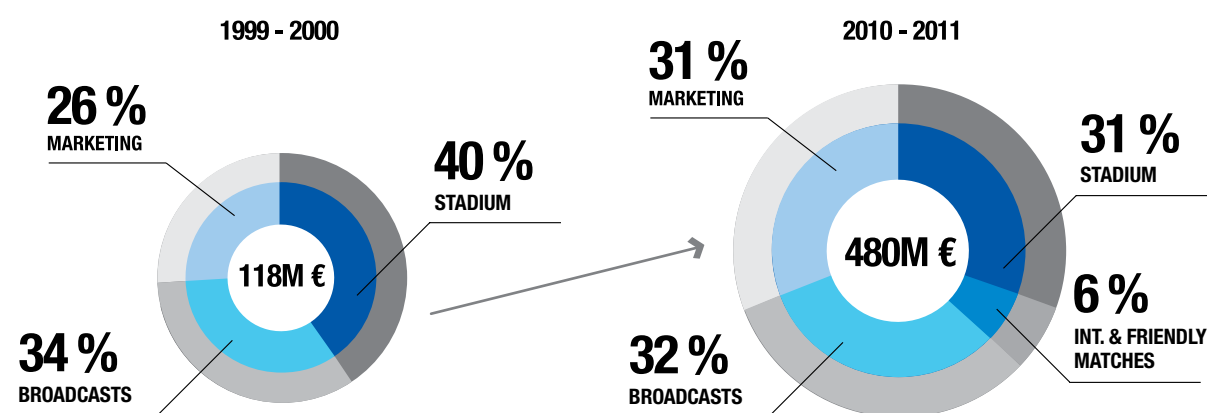


## OPERATING PROFIT BEFORE DEPRECIATION AND AMORTIZATION AND GAINS (LOSSES) ON DISPOSALS (EBITDA BEFORE "GAINS (LOSSES) ON DISPOSALS")

EBITDA (before net gains on disposals) is the Club's operating surplus after deducting personnel and other operating expenses from recurring revenue. This is the Club's source of recurring revenue which enables it to invest in the players and facilities set out in its business plan, as well as to meet its financial commitments.

As evident in the reconciliation of this year's income statement to the budget, included in the notes to the 2010/11 consolidated financial statements, EBITDA (before net gains on disposals) was €148 million, representing 33% growth year-on-year. EBITDA of €148 million (before net gains on disposals) represents a margin of 31% on the €480 million of operating income, i.e., for every €100 of income the Club generates a surplus of €31 once covering its expenses.

Looking back in time, EBITDA (before net gains on disposals) has trended consistently higher, highlighting the priority focus of the Club's financial management on raising profitability by combining topline growth with cost control.



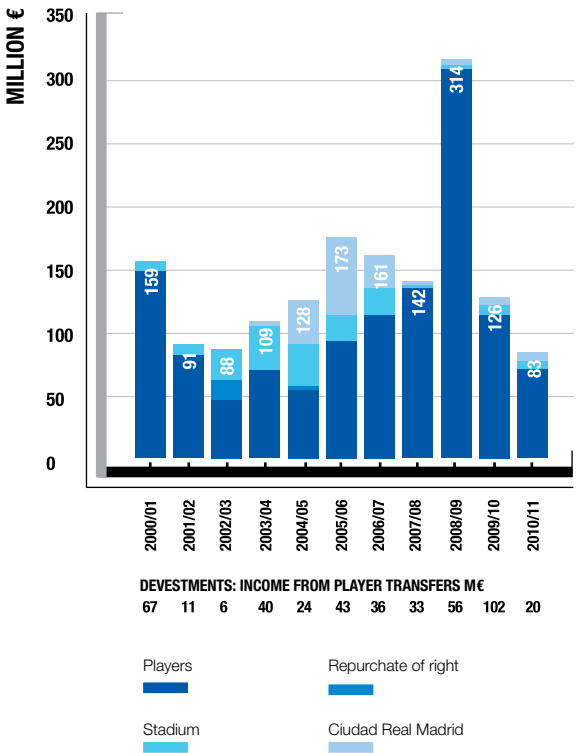


INCOME STATEMENT

In 2010/2011, operating income at €480 million was up 9% year-on-year. Operating profit before amortization, depreciation and net gains on disposals was €148 million, up 33%. If the gains from player transfers are factored in this gives an EBITDA of €151 million. After deducting amortization/depreciation and finance expenses, this operating surplus represents a pre-tax profit of €47 million, a 51% increase over the prior year.

This outstanding profit growth achieved during a challenging economic climate and the robust profit obtained without any non-recurring gains from the disposal of non-sporting assets are a clear indication of the Club's profitability and economic potential.

Million €	2009/2010	2010/2011
OPERATING INCOME	442	480
Annual growth	9 %	9 %
OPERATING SURPLUS before net gains on disposals (EBITDA before net gains on disposals)	112	148
% Income	25 %	31 %
Annual growth	20 %	33 %
EBITDA	146	151
PROFIT BEFORE TAXES	31	47



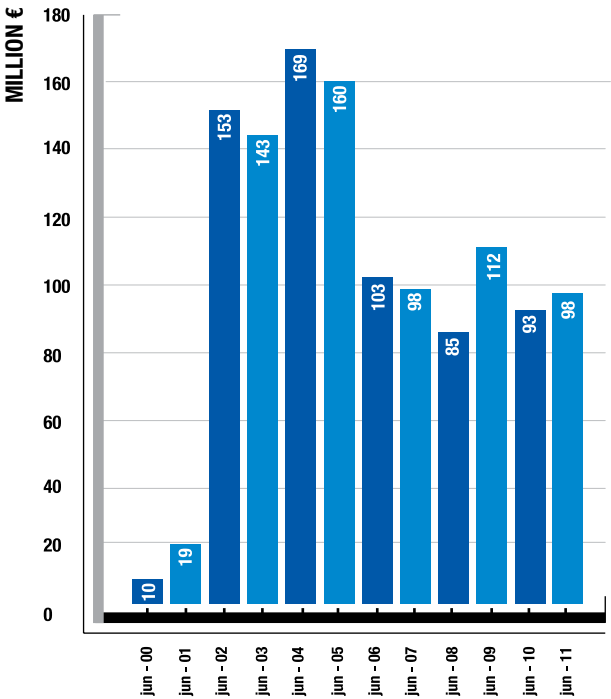
INVESTMENTS

During the 2010/2009 period, the Club invested €83 million: 12 million euros was spent on improving facilities, while 71 million euros were spent on acquiring new players.

The enormous investment made in previous years enabled the Club to continue strengthening its team, while managing to invest €51 million in players (acquisitions-transfers) this year. These achievements were possible thanks to revenue from the sale of players in the year amounting to €20 million.

An analysis of the performance of investments between 2000 and 2011 reveals that, apart from investing in players, the Club has also earmarked significant amounts for building and upgrading its facilities:

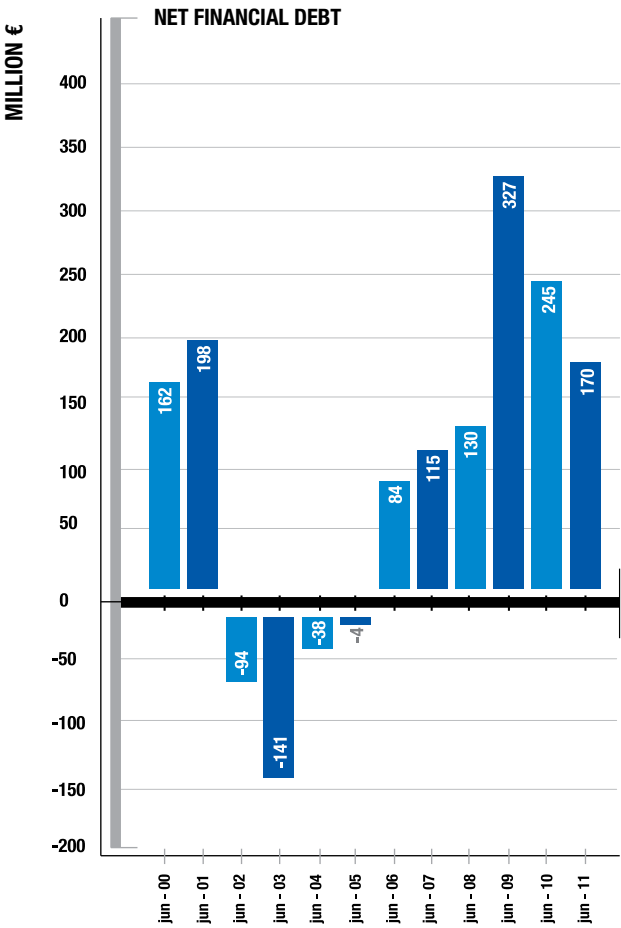
- › €191 million were spent on the stadium to modernize the facilities and improve their quality and user-friendliness for spectators, as well as to equip the media and services facilities to further enhance the stadium's marketing potential, generating a very significant annual return.
- › €139 million were invested in the building of the Real Madrid City training complex (Ciudad Real Madrid), currently considered the largest sports complex ever built by a football club. Extending 120 hectares, it is 10 times the size of the former sports complex. Due to its ideal location in one of the fastest developing areas of Madrid with excellent public transportation, the Real Madrid City complex is a strategic enclave for a first rate sports and entertainment center.



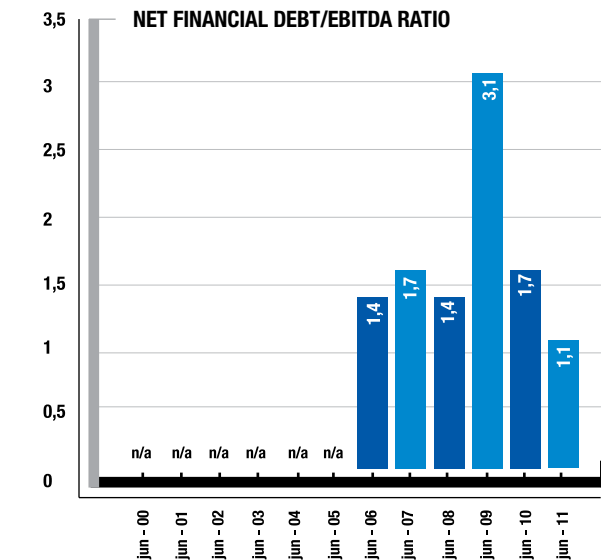
CASH AND CASH EQUIVALENTS

The Club ended the year with a cash balance of €98 million, up 5% over last year. Along with projected 2011/2012 cash flow, this figure will enable the Club to meet its payment commitments comfortably.





Net financial debt: Bank debt + accounts receivable from/payable to asset acquisition/transfers - cash and cash equivalents.  
A negative sign represents negative liquidity position.



EBITDA: Operating profit before depreciation and amortization Due to the application of the new Spanish GAAP, impairment losses and gains (losses) on disposal of non-current assets are included as of 2008/09.

## NET FINANCIAL DEBT

During the year, the Club's net financial debt decreased €75 million (31%), totaling €170 million at June 30, 2010.

Relating this debt to the Club's financial wherewithal, as measured by ordinary cash flow (EBITDA:€151 million), yields a debt/EBITDA ratio—a commonly-used solvency indicator— at June 30, 2011, of 1.1.a. The reduction of debt, leveraged by the growth of the EBITDA, is reflected in the notable improvement of this ratio, which decreased from 1.7% at the beginning of the year to 1.1% by year end, constituting an excellent credit ranking in the eyes of financial institutions.

## BALANCE SHEET

ASSETS	Thousand €		EQUITY AND LIABILITIES	Thousand €	
	30/06/2010	30/06/2011		30/06/2010	30/06/2011
Intangible sporting assets	353.076	315.928	Social fund and reserves	190.023	213.954
Intangible non-sporting assets	7.451	6.297	Profit for the year attributed to the parent company	23.931	31.523
Tangible fixed assets	281.785	282.691	EQUITY	213.954	245.477
Investment property	7.118	6.888	Minority interests	161	201
Player transfer receivables	31.022	21.374	Grants, donations and bequests received	5.573	5.429
Tax receivables	0	0	EQUITY CAPITAL	219.688	251.107
Deferred tax assets	5.860	4.995			
Long term tax credit	0	0			
Other financial assets	676	573	Deferred income	0	0
Pluriannual expenses	0	0	Provisions	12.466	8.326
NON-CURRENT ASSETS	686.988	638.746	Bank borrowings	118.261	138.926
			Player transfer payables	81.504	48.849
			Long term creditors from investments in Stadium and Ciudad Real Madrid	34.546	28.537
			Long term creditors from repurchase of rights	4.555	2.277
			Deferred tax liabilities	32.592	19.505
			Accruals	1.454	0
			NON CURRENT LIABILITIES	285.378	246.420
Non-current assets held for sale	0	0	Provisions	738	755
Inventories	2.481	1.558	Bank borrowings	48.253	6.836
Player transfer receivables	33.875	28.082	Player transfer payables	94.423	76.797
Trade receivables	56.139	69.823	Short term creditors from investments in Stadium and Ciudad Real Madrid	18.371	12.446
Tax credit and prepaid taxes	0	0	Short term creditors from repurchase of rights	2.277	2.278
Current tax assets	4.311	427	Trade and other payables	85.389	81.469
			Current tax liabilities		18.010
Financial investments	0	0	Accrued wages and salaries	55.961	71.218
Cash and cash equivalents	92.731	97.769	Deferred tax	0	0
Accruals	3.079	4.623	Accruals	69.125	73.692
CURRENT ASSETS	192.615	202.282	CURRENT LIABILITIES	374.537	343.501
TOTAL ASSETS	879.603	841.028	TOTAL EQUITY AND LIABILITIES	879.603	841.028

At June 30, 2011, assets/liabilities amounted to €841 million, a decrease of €39 million.

Non-current assets reflect a decline of €48 million, due primarily to the drop in the value of sporting assets (players), since the amount of depreciation charged for these assets exceeded the investment made. Current assets, however, grew by €10 million, due to an increase both in cash and receivables derived from the growth in income.

Liabilities includes a significant decrease in credit balances resulting from outstanding payments on investments, with a total reduced current and non-current balance of 64 million euros; this is the result of a moderation of investment activities during the year as well as payment of a large portion of pending commitments. Total current and non-current borrowings fell €21 million.

Negative working capital (current assets less current liabilities) amounted to a negative €141 million. While still negative, the Club has managed to reduce this year's figure considerably, as last year's figure stood at €182 million. The main factor behind negative working capital is intrinsic to the workings of a football club: significant operations-driven accounts payable (purchases and services received, player transfer payments, upfront collection of membership dues/season passes); in other words, the nature of the business means that they are renewed on a yearly basis. At June 30, 2010, the balance of these recurring accounts payable is 226 million euros (€81 million for purchase/services, €71 million in player signings/other personnel, and €74 million in membership and season passes, others), which is yet another factor determining the amount of negative working capital at year end. These balances will be rolled over, and therefore will reflect similar amounts at year end 2010. At June 30, 2010, current balances payable in 2011/2011 correspond to payables related to investments and bank debt which will be paid using cash available in June as well as surplus cash generated on a monthly basis through the Club's transactions, since current operating income is much higher than current expenses.

At year end, equity stood at 251 million euros, which is 31 million euros higher than the preceding year.





## Corporate Responsibility Report

Real Madrid C. F.  
Corporate Responsibility at Real Madrid  
Fulfilment of Undertakings for the 2010 /  
2011 Fiscal Year







# REAL MADRID C.F.

## 1.

### 1.1 Institutional Profile

Real Madrid C.F. is a sports entity whose purpose and objectives consist in managing its activities and assets in order to achieve, as a first and specific priority, the promotion of football across all categories and ages, and on more general basis, the practice of all sports that its executive organs may establish. In addition, and on a supplementary basis, it may promote the development of the physical, moral and intellectual culture of its members by enabling social relationships and spiritual connections among them.

Real Madrid C.F. was founded in March 1902 and its first articles of incorporation date back to 18th April of that same year. It is a legally established entity pursuant to current legislation and it operates under the Spanish Football Association and any other federations that might require it depending on the different sports sections that the club may incorporate from season to season.

#### 1.1.1 Mission

Real Madrid C.F. is an open and multicultural club, loved and respected throughout the world for its sporting successes and for the values it disseminates. These values contribute to the fulfilment of the expectations of its members and supporters through the achievement of excellence both on and outside the playing field.

#### 1.1.2 Vision

A world class football and basketball club that, thanks to the successes achieved in the world of sports, responds to

the dreams and expectations of all its followers on a national and international level, preserving its rich historic legacy, managing its assets in a transparent and honest fashion for the benefit of its members, and carrying out its activities following social responsibility criteria as well as the principles of good corporate governance.

#### 1.1.3 Values

**WINNING SPIRIT** – The goal of Real Madrid is to obtain the highest position in all competitions it may participate in, never giving up while demonstrating its dedication, perseverance, work and loyalty to all fans.

**SPORTSMANSHIP** – Real Madrid is an honest and sincere rival in the playing field, acts in good faith and respects not only the teams it competes against but also their fans. Outside the playing field it aims to maintain fraternal and supportive relationships with other clubs, collaborating with them as well as with national and international sports authorities.

**EXCELLENCE AND QUALITY** – Real Madrid aims to have the best Spanish and international players among its ranks, instilling in them a commitment to the club's values that include paying back the fans for their support with work based on sportsmanship, quality, discipline and dedication on the field. Concerning the management of its activities, Real Madrid complies with the principles of good governance and is committed to a constant search for excellence.

**TEAM WORK PHILOSOPHY** – All individuals who make up Real Madrid, including players and other professionals, are committed to teamwork, giving the best of themselves for the benefit of the club, and not falling prey to personal or professional selfishness.



**VOCATIONAL TRAINING** – Real Madrid is committed to devoting its best and most constant effort in the search and dissemination of new sports values, giving special attention to the resources the club's youth academy may need and caring not only for the sports training of young talent but also for their social, moral and civic education.

**SOCIAL RESPONSIBILITY** – Real Madrid is aware of the high social repercussions its activities have and for that reason allocates resources to guarantee the highest levels of good corporate governance, to promote the highest sports standards, to strengthen its relationships with members, former players, fan clubs and supporters and to develop charitable programmes in favour of collectives in and outside of Spain.

**ECONOMIC RESPONSIBILITY** – Because Real Madrid knows that it manages tangible and intangible assets of exceptional value and importance, it is committed to administering them in a responsible, efficient and honest fashion for the benefit of its members.

**1.1.4 Real Madrid Foundation**  
Real Madrid carries out its initiatives of social corporate responsibility and develops its social and educational objectives through the Real Madrid Foundation. To that end, Real Madrid makes a yearly donation to the Foundation so that it may carry out its activities.

The foundation was established to promote, both in Spain and abroad, the values that are inherent in the practice of a sport, and to use such values as an educational tool that may contribute to the development of the personality of those individuals who practice it, or as a means of helping those individuals who may be marginalised to become more integrated into their group or community. Finally, the Real Madrid Foundation was established to promote and become an advocate of all cultural aspects relative to the world of sports.

The Real Madrid Foundation exists thanks to the help and support it receives not only from Real Madrid C.F., but also from different public administrations and from the individual patronages and sponsorships of thousands of Real Madrid fans and players who wish to express and reinforce their link with Real Madrid.

The Foundation develops its programs in five different areas: the promotion of

sports, the development of sound values through sports education, social projects, international charitable projects and institutional activities and, finally, a documentation centre.

The Foundation is audited on an annual basis. The audit is presented to its Board and to the Foundations Protectorate of the Spanish Ministry of Education and Sports, and it is published in its Annual Report and in the Foundation's Magazine.

**1.1.5 Real Madrid Management of Copyrights and Image Rights**  
The club is the parent company of a group of firms that includes Real Madrid Gestión de Derechos S. L. It is an independent entity and the club directly owns 70% of its shares (4.200 €). Real Madrid Gestión de Derechos S. L. was incorporated in Madrid on 10th June 2004. It began operations on 1st July 2004 and its headquarters are located in Madrid. Its shareholding structure is as follows: 70 % Real Madrid Club de Fútbol; 12.5 % Accionariado y Gestión S. L.; 10 % Sogecable S. A.; and 7.5 % Media Cam Producciones Audiovisuales, S. L. Its corporate object is to administer the assets and rights owned by its shareholders, and jointly manage a part of the merchandising rights, the image of the club and its players, internet and distribution.

## 1.2 Sustainability at Real Madrid

Real Madrid C.F. is a century-old institution that was established in 1902. Its corporate object and the unequivocal will of its members make it a permanent and perpetual entity. For that reason, it plans for the long term and considers its sustainability in all its decision processes. Its sustainability is made viable by strictly complying with the principles of good corporate governance, by implementing responsible economic management that guarantees it can indefinitely carry out its activities, by reducing the environmental impact of its activities, by maximizing its contribution to society in the promotion of sports and in financial, employment and community service terms.

## 1.3 Real Madrid's Corporate Governance

**1.3.1 Social Structure**  
Real Madrid C.F. is a non-profit private sports entity owned by its members

whose corporate objects are the promotion and practice of sports pursuant to its Corporate Bylaws.

**1.3.2 Club Administration**  
The General Assembly, the President and the Board of Directors represent the entity and are in charge of managing it. They are democratically elected by the club members, whose will they represent in their duty to manage and administer the club. Pursuant to the principles of good corporate governance, they are systematically responsible and held accountable for all club areas.

Good corporate governance, as applied to the management of the club, is guaranteed through the implementation of transversal policies and procedures that in turn guarantee that key decisions, such as key appointments, retributions, purchases or investments are properly managed and controlled.

All critical processes have been established and defined so that they can be fully verified, traced and audited. Guided by principles of good corporate governance, all key decisions are tested and validated three times: first, by the director of the corresponding department or area; second, by the Operations Director who oversees all the club's departments (HR, Legal Services, Purchasing, Cost Control, etc.); and third, by the different committees appointed by the club's executive and Board members. The Purchasing and Economic Committees meet periodically and make decisions regarding the purchase of assets or hiring of services, investments, budget control and other actions that have been taken or that need to be taken to minimize contingencies or risks. The Executive Committee, whose members are directors and officers, make all Personnel decisions (hiring, personnel reduction, redundancies, lay offs, appointments, promotions, compensation, retributions, etc.) Finally, the Controller & Audit Director ensures that all these processes are properly executed. By following all these steps, the club guarantees that decisions are properly made, that they comply with the club's strategy, and that they fall within the budget.

These processes are the result of the club's professionalism and of the systematic application of the principles of good corporate governance. By implementing proper controls, testing decisions, and demanding accountability from all departments with the necessary rigour,

the club can ensure that decisions are not made arbitrarily and that no one makes a decision that might compromise the good name and administration of the club.

With the same objective in mind, and in order to avoid abuses in sensitive areas, mandatory and auditable processes have been put in place for invoicing, cost control and payment, and other protocols.

This exhaustive control is not limited to costs. There is also a process in place to monitor and track invoices issued. In this way, outstanding invoices and delinquent accounts payable are kept to a minimum in all areas of the club. The day to day operations are managed by the administration and ultimately supervised by the Economic Committee.

**1.3.3 Member Rights**  
Members have the right to enjoy club activities in accordance to the norms established to that effect, and to democratically elect Real Madrid's representative and governing bodies, as well as the organs that monitor and control Real Madrid's corporate governance bodies.

**1.3.4 General Assembly**  
It is the responsibility of the General Assembly, the club's executive governing body, to approve, ratify or censure the President and the Board of Directors.

The General Assembly is made up of all members who have voting rights in accordance with the bylaws that define Real Madrid's democratic and representative process.

The General Assembly will examine, and if applicable, approve the Annual Report, Balance Sheet and Profit & Loss Statements of each financial year as well as the budget for the following financial year.

The General Assembly is the ultimate embodiment of the principle of responsibility and accountability that guarantees the proper governance and management of Real Madrid.

The General Assembly may also modify bylaws, make major financial decisions, initiate votes of no-confidence against the President or the Board of Directors, or call for a referendum among members in order to make a decision of major importance. All these rights give the General Assembly major decision power, which in turn guarantees the good corporate governance of the club.

**1.3.5 Election of the President and the Board of Directors**  
The Board of Directors is directly responsible for the administration, governance, management and representation of the club and reports directly to the General Assembly, which guarantees that the principles of good corporate governance are applied in the management of Real Madrid. Elections must be held to democratically elect the President and the Board of Directors. Members who comply with certain conditions contained in the bylaws may present their candidacy for President and for the Board of Directors.

Elections for president and for positions in the Board of Directors must be held in the following cases:

- a) When the term in office of the President and the Board of Directors has ended.
- b) When the President so wishes, following the Board of Director's approval.
- c) When the General Assembly so dictates if the Board of Directors resigns or is deemed unfit, or if, due to resignations, deaths or physical incapacities, the total number of Board members is less than five.

d) Following a vote of no-confidence pursuant to the statutes and the exercise of the control procedures that the General Assembly is responsible for and that are in place to guarantee that the principles of good corporate governance are followed.

The duration of term in office of the Board of Directors is four years from the day their election is ratified and members may present their candidature for re-election either jointly or independently of other candidacies.

The Board of Directors has full capacity to govern, administer and represent the entity, except as limited by those responsibilities that fall within the jurisdiction of the General Assembly, which is the ultimate representative body of the club's members.

**1.3.6 Control Systems**  
Real Madrid C.F. operates with total transparency and undertakes to adhere to the principles of good corporate governance, in particular to the principle of accountability and its systematic application to all Real Madrid management levels. The department of supervision and control is responsible for the constant and permanent scrutiny of all operations that ensure that the internal executive bodies, members, and relationships with the different authorities and with the media are working

properly. The club's internal executive body is the Internal Control and Audit Executive Department, which defines and audits procedures of maximum institutional level independently while reporting directly to the club's president. Members exercise their control though the Assembly of Representative Members and through the Board of Directors. The sports authorities (national and international federations, national championships, and the Spanish Sports Council) also permanently supervise the club. In addition, Real Madrid receives constant coverage in the media and through this relationship the club demonstrates the transparency that exists in all its activities.

Together, these control systems guarantee compliance with the principles of good corporate governance that Real Madrid embraces without reservation. By implementing proper controls, testing decisions, and demanding accountability from all departments with the necessary rigor, the club can ensure that decisions are not made arbitrarily and that no one acts in a way that might compromise the good name and administration of the club.



## CORPORATE RESPONSIBILITY AT REAL MADRID

# 2.

### 2.1 Interest Groups Serviced by Real Madrid

#### 2.1.1 Members

The Real Madrid C.F. members are those individuals who, after complying with the norms and regulations established and approved by the General Assembly, become a part of the entity, and acquire the rights and obligations contained and defined in the bylaws. The members are the owners of the club and, as such, they are the first interest group Real Madrid services.

#### 2.1.2 Players & Sportspeople

The corporate purpose of Real Madrid is to promote sports. As such, all players and sportspeople, including officials, are a part of an interest group of utmost importance for the club.

#### 2.1.3 Employees

In order to carry out all of its activities, Real Madrid not only needs its players but also the rest of the employees that provide professional services to the entity.

#### 2.1.4 Public and Sports Administrations

The practice of sports means having to constantly interact with sports administrations: national and international federations, the professional championships we participate in, and the Spanish Sports Council. Our economic activity also requires constant interaction with the country's Public Administration Departments (the Public Revenue service, Social Security), with regional authorities (the Community of Madrid) and with local ones (Madrid's Local Government).

#### 2.1.5 Other Clubs

Real Madrid's activities necessarily mean participating in local, national and international competitions. The other clubs we compete against are another of our top interest groups, with whom we wish to establish and fulfill solid commitments.

#### 2.1.6 Clients

Our activity requires receiving payments from our clients. Our clients are both companies and individuals. The companies include TV stations, sponsors, and licensees as well as entities that lease boxes or other spaces to celebrate all kinds of events. The club's individual clients are all those who purchase tickets to any sporting event we organise or to visit our facilities or our exhibits, as well as those who buy our brand products.

#### 2.1.7 Fans

Fans are supporters of our teams in the different competitions we participate in. Real Madrid is open to everyone. The fans who belong to established fan clubs or those who maintain a direct relationship with the club through loyalty programs are especially important to Real Madrid.

#### 2.1.8 Suppliers

Suppliers are also a strategic interest group in our value chain. Such is the case for those indispensable collaborators that Real Madrid needs to manage assets and services, who comply with defined service parameters and who help Real Madrid reach its objectives.

Purchases and services are managed and regulated according to internal rules and processes in order to obtain the best product possible and maximize the return on investment.

#### 2.1.9 Social Initiatives

We also feel we have a responsibility with society in general that we want to translate into commitments. Real Madrid is an institution that is in debt with its community,

from whom it receives a lot of support. In response, Real Madrid wishes to commit resources to help those individuals who need it the most and to community projects that can benefit the most from Real Madrid's values and experiences in the practice of sports.

#### 2.1.10 Environment

Our dedication to the present and the future compels us to support the youngest members of our society and to commit to their future. For that reason, we want to ensure our activities do not disturb the environment, and that future generations may rightfully enjoy it.

#### 2.1.11 Communication and Media

The club is aware of the interest it holds for society and for public opinion. As such, the media fulfils an essential role that Real Madrid is perfectly aware of, and so it wishes to include them as an important and relevant interest group.

### 2.2 Real Madrid Interest Groups and Undertakings

#### 2.2.1 Members

With regards to members, Real Madrid C.F. undertakes to maintain and promote the values of Madridismo; to comply with the strictest principles of good corporate governance; to create the conditions that enable members to partake in all internal processes in accordance with the channels established for that purpose in the bylaws; and, most especially, to the ongoing search for sporting achievements, while maintaining the club's finances healthy and supervising them with the utmost transparency by systematically using the audit and control processes that comply with the general principles of accountability.

#### 2.2.2 Players & Sportspeople

With regards to players and officials, Real Madrid undertakes to embrace the principles of sportsmanship including fair play, respect and competitiveness. With regards to players in all club categories, it permanently undertakes to develop the academy, promote the health of all its players, fully comply with the conditions set forth in their contracts, maintain the highest levels of competitiveness to allow all players to be the best in their categories, to offer players great facilities, excellent professional technicians, and personal visibility in the

media. These commitments extend to those individuals who no longer play official competitions for Real Madrid and who belong to the Veterans Association.

#### 2.2.3 Employees

Real Madrid aspires to be an excellent place to work by providing its employees with permanent jobs and salaries at market level, respecting the strictest principles of equality, promoting diversity in the workplace, offering opportunities to balance their professional and personal lives, providing continuing education options and emphasising, at all times, a healthy and secure workplace.

#### 2.2.4 Public and Sports Administrations

With regards to sports authorities, Real Madrid undertakes to strictly respect the principles of fair play, institutional collaboration, respect for authority and compliance with all the necessary rules when playing a sport. With regards to public administrations, Real Madrid undertakes to fully comply with all its fiscal, social, and environmental obligations, working closely together with the authorities in community projects and, in particular, in ensuring that the sporting events we organize are handled in an orderly and secure manner.

#### 2.2.5 Other Clubs

As a sports competitor, Real Madrid plays fair, shows competitiveness, is respectful in all the events it participates in, and collaborates with community initiatives and charitable projects.

#### 2.2.6 Clients

With regards to clients, Real Madrid undertakes to maintain the highest levels of quality and innovation, to promote customer satisfaction, and to maintain professional processes for claims handling.

#### 2.2.7 Fans

With regards to sports fans, Real Madrid undertakes to adhere to the principles of fair play, making the maximum effort to promote sportsmanship and transparent information dissemination practices, as well as organising safe and respectful events. Fans who subscribe to the Madridista program have preferential treatment: first-hand information, advantages when purchasing Real Madrid products or services, and promotional offers from companies specialising in entertainment activities that the club has agreements with.

#### 2.2.8 Suppliers

Real Madrid adheres to the principles of professional ethics and to the system of free competition when choosing suppliers and making purchases. The process it follows is transparent, fair and responsible and falls under the responsibility of the Purchasing Committee, which is responsible for establishing good commercial relationships while avoiding payment conditions that may jeopardise the club's solvency. It establishes communication channels that favour transparent commercial transactions and promote an easy flow of information that allows both parties to understand each other's needs. It is proactive. In addition, and whenever possible, it tries to purchase local products while encouraging the creation of wealth in its immediate surroundings.

#### 2.2.9 Social Initiatives

Real Madrid strives to fulfil its social commitments through the work of the Real Madrid Foundation, in particular through the creation and management of social integration programs and sports academies, and the support it provides to charitable initiatives, dedicating much of its resources to children, current and former players, and underprivileged groups.

#### 2.2.10 Environment

Real Madrid undertakes to devote its best efforts and resources to the recycling of residues and to the efficient use of energy and water supplies. It also undertakes to care for green spaces in accordance with environmental and sustainability criteria.

#### 2.2.11 Media

Real Madrid undertakes to follow a policy of collaboration based on mutual respect and transparency without prejudice to data protection legislation and to recognising the importance of the work the media does.





## FULFILMENT OF UNDERTAKINGS FOR THE 2010/2011 FISCAL YEAR

# 3.

### 3.1 Members

Real Madrid C. F. has 89,706 members: 67,309 are adults, 16,248 are juniors, and 6,149 are senior citizens or have been members for more than 50 years. Gender wise, 74,164 are male while 15,542 are female.

There are 59,982 football season ticket holders, who are also members. Of the 3,788 basketball season ticket holders, 1,618 are members, 1,192 are Madridista card-holders and 978 general public.

The Representative members make up the General Assembly, the highest governing body of the club. There are currently 2,074 members, including the Board of Directors, honorary members and the first 100 members.

The General Members Assembly, following the recommendation of the Board of Directors, elects the Disciplinary Commission, which is in charge of examining those occurrences or actions that members are responsible for and that have been reported as delinquent. The Commission meets on a bi-weekly basis to examine and resolve matters that fall under its jurisdiction. During the 2010-2011 season, it opened 214 disciplinary files.

#### 3.1.1 Institutional Events with Members:

##### **Ordinary and Extraordinary General Representative Members Assemblies:**

both held 12th September 2010. The following proposals were approved:

- › Closing of the budget, the Annual Report, the Balance Sheet, and the Profit & Loss Statement of Real Madrid C.F, as well

as the 2009-2010 Consolidated Financial Statements of the club's subsidiaries.

- › Consolidated Income & Expense Budget and Activity Proposal Budget for financial year 2010-2011.

- › Freezing membership fees for the 2011-2012 season.

- › Ratification of the agreement reached by the Board of Directors on 27th January 2010 whereby the number of Board Members was increased and Mr. Ángel Luis de las Heras Aguado was appointed new member of the Board.

The official ceremony and presentation of the **club's pin badges** to those members who, in 2010, had celebrated their 25th, 50th and 60th anniversary with Real Madrid, was held on 12th March.

The number of members who received pin badges were as follows:

Gold and Diamond (60 years of club membership): **146**

Gold (50 years of club membership): **141**

Silver (25 years of club membership): **2,346**

#### 3.1.2 Corporate Governance Actions:

Real Madrid is firmly committed to following the highest and strictest principles of good corporate governance. The Board of Directors is the body directly responsible for the administration, governance, management and representation of the club. The Board of Directors met 7 times during the 2010-2011 season.

Members exercise their right to receive information and supervise the club through the General Assembly of Representative Members, made up of 2,074 representative members who are directly elected by members pursuant to the process established in the club's by-laws.

The Executive Committee, incorporated by the president and other club executives, is responsible for the creation of operating plans and for the execution of key decisions needed to reach the

objectives established by the Board of Directors. During the 2010-2011 season, the Executive Committee met 30 times. The Executive Committee receives the support of the Economic Committee and the Purchasing Committee, both made up of Board Members and club executives. The Economic Committee met 8 times to supervise the progress of the current financial year, to introduce corrective measures where needed, to review quarterly financial statements, and to update the annual budget. The Purchase Committee has met 7 times to supervise and approve the purchase of goods and services needed to carry out budgetary line items as set forth by the Club's Annual Budget.

All phases of the budget cycle comply with the strictest principles of good corporate governance. All Department Directors participate in the creation of the Annual Budget in accordance with the strategic directives established by the Board of Directors, which then approves it before submitting it for final approval and ratification by the General Assembly of Representative Members at the start of each season.

During the 2010-2011 season, the budgetary cycle ended successfully once again. The degree of budgetary compliance has been very satisfactory and the excellent financial results achieved are proof thereof. The financial objectives of the club are to maintain a sound financial standing on a long term basis, which in turn enables financing all the obligations that arise out of the fulfilment of its sports objectives, in strict compliance, as always, with current legislation. The club's Financial Statements, which show significant income growth and improved efficiency, profitability and solvency, are proof of the club's excellent financial standing.

The club's annual financial statements for the 2010-2011 season were externally audited by Ernst & Young. The audit report has no reservations and is attached to this season's Economic Report. The club's financial statements are first approved by the Board of Directors and then submitted for final approval by the General Assembly of Representative Members.

In addition, Real Madrid's audit process is strengthened by the existence of a Department of Internal Audit and Control, which operates independently of the General Executive Departments and reports directly to the president and the Board of Directors. The work of the aforementioned Department can be seen in the

creation and approval by the Executive Committee of 50 internal processes that set the operating directives of the club's most important internal processes. The Department of Internal Audit and Control supervises process implementation. In 2010-2011, it has completed 20 of these 50 internal audit processes.

#### 3.1.3 Member Services and Information:

**Member Services Office:** Offers comprehensive personalised services to members and has handled 16,000 visits and more than 33,000 telephone queries. In addition it has responded and solved more than 13,000 requests for information and for remote paperwork handling. It has also placed 7,800 calls to representative members and regular members for different campaigns and events such as the presentation of anniversary pin badges or signature requests.

**Online Member Services Office:** With the recent creation of the Online Member Services office, members can request tickets, access or modify their personal information (mailing address, contact telephone number, email address, PIN code, etc.) and other requests.

The benefits of this service were confirmed during the ticket request periods for the 2011 Spanish Cup Final and for the UEFA Champions League semifinal.

**The Representative Members Office handles queries from representative members such as:** requests for information; ticket requests for football matches, basketball games, Real Madrid Castilla matches, or club events; Assembly documentation; and other formalities.

**Troubleshooting Stand:** This service is available only on match days to help members who have forgotten, lost or been dispossessed of their season ticket. Once the member is identified, a new replacement ticket corresponding to his allocated season ticket seat is issued. During this season this stand has handled 4,219 member requests.

**The 902 212 002 Member Hotline**, which is exclusively available to members after confirmation of their member and PIN numbers, has handled a total of 35,204 calls.

**The 902 31 17 09 Real Madrid Hotline** has handled 62,733 calls from supporters requesting information relative to the club.

**Member's Bulletin:** A bulletin was sent on May 2010 with information regarding pricing, renewal requirements and how to make the best use of season tickets.

Another bulletin was sent on October 2010 with information relative to the 2010 Representative Members Assembly.

**Hala Madrid Magazine:** Quarterly publication featuring the club's latest news.

## 3. 2 Players and Sportspeople

### Football

During the 2010-2011 season, the first team came in second in La Liga with record numbers (92 points, 102 goals scored, and only 33 conceded) and made it to the UEFA Champion's League semifinals. The year climaxed with the victory in the Spanish Cup against Barcelona F.C and the first team manager won the FIFA World Coach of the Year 2011 award.

Real Madrid Castilla came in third and made it to the Second Division promotion qualifiers after winning every game of the second leg, but they were finally eliminated.

The C team finished 5th in Group 7.

The Junior Youth teams won the following titles:

The Under-18 A team: Group 5 First Division Under-18 League Champions. Runners-up of the Champions Cup.

Likewise, the following academy teams won the championships in their respective leagues: Under-18 B, Under-18 C, Under-16 A, Under-16 B, Under 14 A and Under-10 A and B.

We also received the 2010-2011 Football Draft Award to the club that has most promoted its academy players. This recognition was given to Real Madrid for being the Spanish team that, in 2009-10, had the most academy players make their debut in the first team.

All these data confirm the success of our academy teams in their different categories and is proof of the club's commitment to young talent in an increasingly competitive market, not only because of the sheer number of teams whose interest in football has increased in recent years, but also because of other factors including a larger pool of agents.

During this season the club has acquired the rights for seventy-one new players, with twenty-one Under-12 players as the biggest category representation. The club believes in recruiting young talent. We are convinced that the longer the education process lasts, the easier it is to instil and teach the values of the club.





Equally ambitious is our policy with regards to collaboration agreements. As of today, we have agreements signed with 26 sports entities, including the Brunete Football Academy, U. D. San Sebastián de los Reyes, C. D. Séneca and C. D. Canillas.

The club pays special attention to players from other provinces and facilitates entry into SEK, on of Madrid's most prestigious boarding schools, which provides travel subsidies for these out-of-town academy recruits and their parents.

Our academy trains many players who now play for their national teams, from the first national team to the following categories: Under-21, Under-19, Under-18, Under-17 and Under-16.

To guarantee proper medical attention that will ensure a player performs in top form, the Club has subscribed an agreement with Sanitas that has been implemented to complete satisfaction. During the 2010-2011 season, in addition to the day-to-day medical care given to players, 154 diagnostic tests and 7 surgeries were performed. Likewise, we have purchased 14 defibrillators, 3 of them located at the Santiago Bernabéu Stadium and the rest in Real Madrid City.

#### Football Players from the Real Madrid Academy:

A total of 115 active players from Real Madrid's Academy have gone on to play professionally: 41 of them currently play for Spanish premiership teams, as follows: U.D. Almería (1), Atlético Madrid (3), Deportivo (3), Español (2), Getafe C.F. (6), Hércules (2), Málaga (1), R. C. D. Mallorca (2), C. A. Osasuna (3), Racing Santander (1), Sevilla F.C. (2), Sporting de Gijón (4), Levante U.D. (2), Valencia C.F. (2), Villarreal C.F. (2) and Real Zaragoza (1).

The following 45 Real Madrid academy graduates play for Spanish second division teams, namely: Albacete (2), Alcorcón (3), Betis (1), Cartagena (3), Celta (1), Córdoba (4), Granada (1) Elche (5), Nastic Tarragona (2), Girona (1), C.D. Tenerife (2), S. D. Huesca (3), U.D. Las Palmas (2), Numancia (1), Rayo Vallecano (6), U.D. Salamanca (1), Real Valladolid (3) and Xerez, C.D. (4).

Finally, 29 Real Madrid Academy footballers play in the major European leagues for Italian, Greek, German and Turkish teams.

#### Basketball

During the 2010/2011 season, the first basketball team came in second in the ACB Regular Season, placed 3rd in the play-offs

and played the King's Cup final, finishing 2nd. With regards to the European competition, it got to the Euroleague Final Four. It had been 15 years since they last played this competition and came in 4th place.

Importantly, this season, just like last season, the first basketball team won the 27th Madrid Regional Tournament.

The second basketball team finished 2nd in the EBA League and qualified for the playoffs to move up to the LEB Plata division. It is the youngest team in the EBA League: the youngest player is 17 and the oldest 21. It is also the team with the best defence in the B Group.

The Junior team won the Madrid Championship and placed 5th in Spain's National Championship. They finished 2nd in the prestigious Hospitalet Tournament, after eliminating Zalgiris Kaunas, the odds-on favourite, in the semis.

The Under-16 A team was the runner up in the Madrid Championship and was eliminated in the quarterfinals of Spain's National Championship.

The Under-14 A team was runner up in the Madrid Championship, and placed 3rd in Spain's National Championship held in Lanzarote.

The Under-16 B and Under-14 B sides achieved the training goals established at the start of the season.

During this season, the club purchased 2 new players for the first team, Carlos Suárez and Mirza Begic, and 33 for the Academy youth teams. Of the total number of recruits, the largest representation goes to the Under-14 category with 23 new players. The club believes in recruiting young talent in and around the region of Madrid. We are convinced that the earlier they join, the easier it is to instil and teach the values of the club.

With regards to collaboration agreements this season, the club signed only 3 with Madrid-based clubs: C. B. Torrejón, C. B. Alcobendas and C. B. Pozuelo. The idea was to concentrate our focus and our players in three clubs. The result has been more than satisfactory; handling only three relationships has worked much better than the sixteen we managed last year.

The club pays special attention to the nine players from other provinces or from abroad, and facilitates their entry into SEK, one of Madrid's most prestigious boarding schools, which provides travel subsidies for these out-of-town academy recruits and their parents.

A total of 6 players from the first basketball team played for their national teams

during the 2010 World Cup held in Turkey, namely Spain, Argentina, Serbia and Croatia. Noteworthy was the debut of Nikola Mirotic with the Under-20 National Spanish team in the 2010 European Championship held in Croatia.

Our academy trains many players who now play for their national teams in the following categories: Under-20 (4 players), Under-18 (4 players), Under-16 (3 players), Under-15 (1 player), Under-14 (2 players), Under-13 (1 player).

To guarantee the medical attention that ensures a player performs in top form, the Club has subscribed an agreement with Sanitas that has been implemented to complete satisfaction.

#### Basketball players from the Real Madrid Academy:

One of this season's highlights was when Nikola Mirotic permanently joined the first basketball team. Nicola, who was born in Montenegro, now has a Spanish passport. Real Madrid welcomed him to the academy youth categories when he was only 14 years old.

In addition there are 5 Real Madrid academy graduates who currently play for teams in the ACB League: Zaragoza (1), Gran Canaria (2), Joventut (1), Bilbao (1) and another 10 players for play for LEB Oro and Plata category teams.

### 3.3 Employees

During the 2010-2011 season, the number of Real Madrid employees contributing to the Spanish Social Security was 609: 235 players, 83 workers with permanent seasonal contracts and 291 ordinary employees. The percentage of temporary contracts is 1.97%, while the remaining 98.93% are permanent indefinite contracts. 37,80% of total employees are women, and a total of 39 women are in management-level positions.

The non-playing personnel is from 11 different nationalities, which is a good indicator of the international nature of the club's activities. This past season, 6 employees have fully retired and 3 have partially retired. In addition, 7 female and 7 male employees have taken maternity or paternity leaves, 2 employees have taken leaves of absences to take care of their children, and 8 more have moved to a part-time working schedule to take care of their children.

Real Madrid has continued investing

in ongoing education programs. This investment exceeded 100,000€ and has been used to fund 58 ongoing education programs for an aggregate of 468 participants and 12,000 hours. During the 2010-2011 season, elections were held to elect the workers' committee that will represent employee both at the Santiago Bernabéu stadium and Real Madrid City in Valdebebas.

### 3.4 Public and Sports Administrations

#### Football

Real Madrid has representation within the top domestic and international football authorities, namely:

UEFA: This season Real Madrid has held a very active role in the varied committees and activities within this European football authority, as well as in the ECA, the association that represents the leading European football clubs. Real Madrid representatives are part of the executive committee and others.

RFEF: This season the club has held a very active role, highlighting the participation of our president in the institution's Board of Directors.

LNFP: This season the club has held a very active role in all the activities organised by this institution.

During this season, Real Madrid has continued to comply with its tax payments and social security contributions, being perfectly up to date with all its fiscal obligations to public administrations. Likewise, it has continued to collaborate institutionally with both the regional and the local authorities.

#### Basketball

Real Madrid has representation within the top domestic and international football authorities, namely:

ACB: Not all scheduled compulsory assemblies were held this season due to the difference of opinion of the majority of member clubs of the Basketball Club Association in their attempt to change its structure to allow for more direct club participation in said association. Real Madrid has played an active role in this attempted change, achieving some organizational changes, especially concerning the appointment of the new Executive Committee, which had not met for over a season.

EUROLEAGUE: This season the club

has played a very active role in the meetings of the Executive Board of this tournament, which it is a part of, along with the other clubs, leagues, and federations which make up this board.

COMMUNITY OF MADRID: The club has complied with all the obligations reflected in the sponsorship agreement it signed two seasons ago for a period of three calendar years with the Community of Madrid. Likewise, the club just received the payment of the second instalment from the Community, so said institution is up to date with its obligations towards the Club for this current season.

The Real Madrid Academy has representation in the Spanish and Madrilénian Basketball Associations. Alberto Angulo participated in the FEB General Assembly and in several meetings with the Madrid Basketball Association throughout the year, achieving a more balanced communication and relation between the club and the different associations.

### 3.5 Other Clubs

The relationship of Real Madrid with other clubs takes shape in the form of its participation in tournaments and friendlies, as well as the active participation with other clubs in congresses and symposiums:

**Tournaments and friendlies:** The football teams of Real Madrid's different categories have played several friendly matches and have been invited to participate in the most renowned tournaments, both in Spain and abroad. In total, it has been 52 tournaments and 64 friendly games. Among them, we should highlight the participation of Real Madrid Castilla in the Generation Adidas match, of Real Madrid C in the Ginés Pagán Tournament, of the Under-21 B team in the Romania and Cracow Tournaments and of the Under-21 C in the Puskas Cup in April.

Meanwhile, the first basketball team has played 5 friendly games in Valencia, against Mislata, in Pozuelo against Khimki Moscow and Fuenlabrada, and in Benidorm against C. B. Murcia and Meridiano Alicante. The two games held in Benidorm were celebrated during the team's pre-season preparation in said city from 16 to 22 September. The team also participated in the Supercup organised by the ACB which took place in Vitoria on 24 and 25 September.

The basketball academy teams have

also played friendly games and have been invited to participate in prestigious domestic and international tournaments, for a total of 32 tournaments.

We should highlight the participation of the EBA team in the Madrid Regional Tournament as well as that of the Junior team in the Hospitalet Tournament, organised by the Euroleague.

**Congress and Symposium Attendance:** The academy's training team has actively partaken in the 1st Football Congress de organised by RCD Espanyol and INEF in Catalonia.

Likewise, the club's medical team has actively participated in numerous specialised congresses and prestigious symposiums in the medical arena, such as the medical meetings organised by UEFA in Milan, courses in Bologna, a Traumatology Congress held in Norway and the Sports Medicine Congress de of the Spanish Olympic Committee (COE). Likewise, the members of the medical team have imparted lessons and lectures in conferences organised by the Community of Madrid, Fraternidad-Muprespa, American College of Sports Medicine, School of Physicians, INEF, and have participated in round tables concerning sudden death in sports, the "Medical assistance in mass sporting events", "Real Madrid CF and the fight against doping" (Visit of the European Council to the Spanish Anti-doping Agency), as well as the attendance to UEFA summits for team physicians.

### 3.6 Clients

In 2010-2011, the club worked with 340 companies, with revenues for Real Madrid of over EUR 240 million. Clients include manufacturers, broadcasters, operators, etc., both domestic and international. Among them, 152 were new arrivals to the Real Madrid client portfolios, while the club renewed agreements with another 88 firms.

With over 120 contracts, the licensing and retailer areas generate in excess of EUR 70 million. The sponsorship and advertising area, with close to 40 clients, had a turnover of more than EUR 52 million during the season. The Events area has managed over 150 events for third parties in Real Madrid premises, from product presentations to corporate meetings, gala dinners, amateur games, etc.

Real Madrid has generated over EUR 30 through the product and service merchandising for its fans. We should



highlight the more than 700,000 visitors to the Bernabéu Stadium Tour and the more than 364,000 clients of the official Real Madrid stores. The Bernabéu Stadium Tour's visitors are 56 % Spanish and 44 % International. The average rating of visitors on a scale from 1 to 10 is 8.8. This season, the club has filed 15 claims that were then completely solved. The number of claims or complaints in the stores was down to 11, once again all of them solved. In the 2010-2011 season, the club implemented the mobile Tour ticket sale and official product purchase channel. These services are offered in the official club app, *“My Madrid”*.

### 3.7 Fans

Real Madrid boasts over 160,000 fans subscribed to the Madridistas supporter program. These fans are fully identified by the club and have a direct relationship with Real Madrid. They receive 4 quarterly magazines in their households, in addition to specific offer and promotion notifications through different communication platforms, including email. To this effect, the club has sent out 50 e-bulletins this season. Madridistas have a call centre service to clear doubts or process complaints. This Hotline manages a total of 54,000 telephone calls and 12,000 emails from Madridistas, while it makes 70,000 outgoing calls for recovery and administrative paperwork actions.

The club also has a close relationship with the so-called e-Madridista. It is a total of 600,000 fans with which it communicates regularly via email maintaining them informed of the club's most relevant news, as well as of timely official product offers. This season Real Madrid has sent 6 million emails to this group.

### 3.8 Suppliers

The IT integration of the Products and Services Management Process took place during the 2010-2011 season, thus centralising all product and service purchase processes with one tool and closing the cycle from supplier conformation to purchase. Moreover, it is possible to check on the status and track record of each management action in real time, reinforcing their transparency.

A total of 1,500 product purchase actions were processed, with total turnover of EUR 2 million and close to 200 different

suppliers, while 1.300 service purchases were processed with 600 different suppliers and a turnover of close to EUR 60 million.

There have been tow purchase process audits with satisfactory results.

The Purchase Committee, the executive organ in charge of the most important transactions and the establishment and control of the policies that govern the product and service purchase process, with the participation of members of the Board of Directors and of the club's executive bodies, has held 7 meetings throughout the fiscal year.

In 2010-2011, the club performed 54 health and occupational risk coordination actions with a number of suppliers that have provided this service, whether in our premises or in others where we acted as promoters, without them being property of the club: Madrid Caja Mágica, Madrid Arena and Pabellón Municipal Valle de the Cañas, venues for our basketball team games, and the fans welcome tent in Valencia, on the occasion of the Spanish Cup final.

All coordination actions performed were aimed at ensuring that all the workers of Real Madrid suppliers comply with the occupational health, protection and security policies, as reflected in the workers statutes, and mainly in Spanish Act 31/1995 of Health and Occupational Risk and in R.D. 171/2004:

### 3.9 Social Action

The RealMadrid Foundation, as a vehicle for social initiatives of Real Madrid, has focused its activities during the 2010-2011 season in the following areas:

#### 3.9.1 Sports Area

The Foundation has increased its presence in this area with the creation of new sports centres (Jódar –Jaén-, Lanzarote, Arroyo de laLuz –Cáceres-, Ceuta and Navas del Marqués –Ávila-) in addition to its current undertakings, registering over 5,000 participating kids in the football and basketball academies.

Meanwhile, over 1,300 kids from ten different nationalities attended the Summer Experience 2010 camps.

It continues to foster sports values with the program “For a Real education, values and sports: the values teamsheet”, for basketball academies.

The Foundation has implemented the football training program “They Play, We

Educate” for the benefit of the Spanish sports academies trainers, as well as those in Panama, Ecuador, Haiti, South Africa, El Salvador, Kheadach, Calcutta, the Middle East, Colombia, Tamba-counda, Senegal, Rio de Janeiro, Brazil, Ethiopia and Peru.

#### 3.9.2 Social Work

The Realmadrid Foundation is now active in 11 autonomous communities where it has introduced a series of social integration programs: 20 sports academies in penitentiaries spread throughout the country, sports academies for immigrants as well as basketball academies in Madrid hospitals and shelters. These are some of the projects among a total of 50 throughout Spain. In total, the Realmadrid Foundation provides some kind of social care ad attention to more than 5,000 people.

#### 3.9.3 International Cooperation

The Foundation has experienced a qualitative jump this season with the creation of socio-sporting academies in more than 30 countries. There are currently over one hundred of these schools spread throughout almost every corner of the globe and well over 10,000 beneficiaries. The presence of the following Real Madrid personalities in the different centre openings this year is noteworthy: President Florentino Pérez in Abu Dhabi and Riyadh, Emilio Butragueño in Budapest and Rio de Janeiro, and former player Isidoro San José in Kheadach Calcutta. We have also opened academies in Tambacounda, Senegal, Ethiopia, Ecuador, and Venezuela. In addition, this year, the Realmadrid Foundation will begin sponsoring activities in China, following the trip the first team took there in the summer.

Finally, HRH Princess Elena, director of Social and Cultural Services for the Mapfre Foundation, together with Androulla Vassiliou, European Commissioner for Education, Culture, Multilingualism & Youth, officially visited the school in Rio de Janeiro, and Rafa Nadal, one of the top tennis players in the world and honorary member of Real Madrid, visited the schools located in Colombia.

#### 3.9.4. Cultural and Institutional Events

The Realmadrid Foundation organised its Annual Gala, with the presentation of the first 2010 Alma Awards to illustrious personalities: Alfredo Di Stéfano (spor-

ting career), AC Milan Glorie (solidarity), Penitentiary Institutions –Spanish Ministry of the Interior– and Horizontes Abiertos (collaboration in national projects), Álvaro Uribe, former Colombian president (international cooperation) and Rafael Nadal (extraordinary).

Among other events and activities, we should highlight: the Luis de Carlos Forum “The sixth European Cup of Real Madrid”, a tribute on the occasion of its 45th anniversary; the content update of the Bernabéu Stadium Tour; recent books published, such as the biographies of Alfredo Di Stéfano, Stories of a Legend, and Zinedine Zidane, the Elegance of the Simple Hero; and the service rendered by the Historical Heritage Centre to the entire club and the entities that want to pay homage to Real Madrid and its Foundation.

#### 3.9.5 Large-scale Events

The Realmadrid Foundation organised this charitable football match between the most important former players of the recent history of Real Madrid C. F. and F. C. Bayern Munich. Among them were Zidane, Figo, Suker, Morientes, Helguera, Butragueño, Buyo, Redondo, Santillana, Brehme, Breitner, Augenthaler or Makaay. Proceeds were destined to Project Africa for the development of Realmadrid Foundation member sports academies on African soil.

Today, within the framework of the aforementioned Project Africa, the Realmadrid Foundation hosts academies in Morocco, Senegal, Mali, Sierra Leone, South Africa, Equatorial Guinea, Cameroon, Mozambique, Burundi, Malawi, Tanzania, Kenya and Ethiopia. The Realmadrid Foundation program aims to have active academies by 2014 in Tunisia, Algeria, Angola, Burkina Faso, Togo, Niger, Benin, Cape Verde, São Tomé and Príncipe, Democratic Republic of Congo, Central African Republic, Uganda, Madagascar, Ghana, Gambia, Gabon, Nigeria, Ivory Coast, Rwanda, Mauritania, Egypt, Sudan, Chad, Libya, Zimbabwe, Namibia, Lesotho, Swaziland, Botswana, Zambia, Eritrea, Somalia, Guinea-Conakry, Guinea-Bissau and Liberia.

#### 3.9.6 Presence of Veterans

The Foundation has channelled the participation of Real Madrid veterans in the Corazón Classic Match 2011 “Together for Africa” charity match, played by former footballers of Real Madrid and Bayer Munich; in the Inclusive sports week, playing

football with blind persons and basketball with physically disabled persons; in the two solidarity golf tournaments; in football matches against inmates from penitentiary centres in Meco, Soto del Real, Alcalá Meco, Aranjuez and with the Rais Foundation; in the Luis de Carlos Forum, paying tribute to “The Sixth European Cup of Real Madrid”; and in the charitable dinner organised in Malaga in favour of the Institute for Indian Mother and Child.

#### 3.9.7 Player Presence

The Foundation has relied on the presence of different players in a number of institutional events: Carvalho and Canales (signing of collaboration agreement with Mapfre Foundation); Kaká and Marcelo (signing of collaboration agreement with Endesa); Sergio Rodríguez and Carlos Suárez (awareness event against gender violence); Granero (Community of Madrid campaign “When you take a child in, your family grows”); Kaká and Pedro León (“No children without a toy for Christmas” campaign); Pedro León and Canales (presentation of the camp “Summer Experience 2011”).

All the football first team players, together with their managers, paid a visit to the children participating in the summer camps; partook in the charity match in favour of the Lorca earthquake victims held in Murcia; and visited the sports school in the Niño Jesús children's hospital. During Christmas, the first team players participated in gift giving events that were held in various hospitals in Madrid.

Worth noting was the presence and support given to the Foundation's programs by members of the Board of Directors and other top executives such as Emilio Butragueño and Miguel Pardeza, among others.

### 3.10 Environment

Real Madrid, through its collaboration agreements with entities specialising in selective garbage pick up that are managed by a company that handles industrial garbage and cleaning, handles all the collection, removal, transportation and treatment of toxic and non-toxic residues that its industrial operations generate.

In 2007 Real Madrid signed an agreement with Ecoembes España, S.A for the segregated removal of plastic and metal containers and of carton tetra pak containers from the Santiago Bernabéu

stadium and from Real Madrid City. We have since created a recycling system that includes collection, removal and transportation of recyclable materials that exceeds European directives.

During the last financial year, 657,617 kilograms of containers were collected at the Santiago Bernabéu stadium, which includes shopping centre La Esquina del Bernabéu. In cold numbers, there were 498,283 kilograms of plastic and metal containers and 111,605 kilograms of carton tetra pak containers. Approximately 7.5% of all collected materials were unrecyclable.

In Real Madrid City, 86,020 kilograms of containers were collected, including 17,465 kilograms of plastic and metal containers and 17,465 kilograms of carton tetra pak containers. At this location, 9.5% of collected materials were unrecyclable.

In recent financial years, Real Madrid has invested in technical upgrades and in the management of infrastructures and resources. The installation of automatic and programmable lighting in the Santiago Bernabéu stadium and in Real Madrid City has resulted in considerable savings in the energy bill. Likewise, the installation of climate control and temperature regulating systems has resulted in a more comfortable environment for users as well as in a reduction in the energy bill.

In addition to the physical improvements made to help manage lighting and climate control, users have also received ample training and this has translated into a slightly lower consumption of energy.

With regards to the gas bill, the club has upgraded the turf management and upkeep systems and invested in night-time solar radiation systems. This has resulted in a lower gas bill (better management of ground heating) and healthier grass.

The water in Real Madrid City, a resource that is essential to our activity, has been drawn entirely from its subsoil. Following the investment the club made in a system that is able to separate water according to how it is going to be used, and in an industrial sewage treatment and water purifying station adequate for the tertiary sector, it can guarantee that the extracted water complies with the necessary quality standards to be used for irrigation purposes. In addition, this past financial year it has invested in the construction of a 2,800 m³ water deposit and in the necessary piping and infrastru-



res to be able use the recycled water of the city of Madrid. This will guarantee, in the short and in the long term, the best use of hydric resources.

Finally, the investments made in solar energy and ice production infrastructures will guarantee the supply of hot water and climate control in Real Madrid City. All these initiatives and investments are made in order to make Real Madrid a point of reference when it comes to the use of sustainable resources and environmental awareness.

### 3.11 Media

The Communication Department of Real Madrid has managed the relationship between the club and the media during la 2010-2011 season according to the operations described below:

#### 3.11.1 Interviews and Press Conferences

The club organised 262 first team player interviews and 98 with the coaching staff (76 with Mourinho and 22 with Assistant Coach Karanka), 64 player press conferences and 126 with the coaching staff (105 Mourinho and 21 Karanka). In the 51 games played by the first football team, players gave 246 superflash interviews, Mourinho 83 and Karanka 6.

In the basketball department, players and coaching staff alike gave 780 interviews and 70 press conferences. Players and trainers of the Academy teams gave a total of total de 665 interviews, flash interviews and press conferences, of which 336 were by Real Madrid Castilla, the first team of the youth academy. The premises managed by the Communication Office in its relationship with the media are: press room, press area on the stands, and superflash interview area at the Santiago Bernabéu stadium. At Real Madrid City, the club offers a first team press room and several small interview studios. At the Alfredo Di Stéfano stadium we have a press room and a press area on the stands. Finally, La Caja Mágica for basketball also features a press room and a press area on the stands.

#### 3.11.2 Publications

The official Realmadrid.com website publishes an average 10-15 new on no-match days and 15-20 on the days before, during and after the match.

The club publishes five quarterly

magazines, namely, Hala Madrid, with a circulation for 200,000 members and adult ***Madridistas***, and ***Hala Madrid Junior***, which makes its way to 30,000 members and ***Madridistas*** between the ages of 7 and 14. ***The Hala Madrid On-line*** and ***eMadridistas e-bulletins*** are sent on a quarterly basis to over 600,000 readers

On every home match of the Spanish BBVA League, the club distributes a game program at the stadium entitled Grada Blanca, with a circulation of 40,000, and a press dossier, with a restricted circulation of 700 copies, 400 for the Presidential Box and 300 for all accredited journalists. Finally, the Members Bulletin is published every three months, with a circulation of 80,000 copies.

#### 3.11.3 Realmadrid TV

In 2010-2011, Realmadrid Television has had great journalistic incentives. Starting with the exclusive 2010 Pre-season Tour in Los Angeles, RMTV has witnessed with enthusiasm the powerful sporting boost of the club, which reached its climax with the Spanish Cup final victory. RMTV celebrated the feat with a special 18-hour live program and the documentary In the Heart of the Cup, with exclusive images of the pre-match preparation and post-match celebration of the first team. The Clásicos against Barcelona and the derbies against Atletico Madrid also deserved special coverage, an expression of the commitment to the club's outstanding credentials in the League and the Champions League.

RMTV was also there to cover the presentation of prestigious accolades: FIFA World Coach of the Year for manager José Mourinho; Golden Shoe for Cristiano Ronaldo; and UNICEF Goodwill Ambassador for Iker Casillas.

RmTV also had a very special programming moment broadcasting the Real exclusive, in-depth interview series... a more humane look at our boys which premiered José Mourinho, coach of Real Madrid, followed by Iker Casillas, Cristiano Ronaldo, Sergio Ramos, Higuaín and many other players.

In basketball, RMTV covered in full the Euroleague and its Final Four, the King's Cup and the ACB League semi-finals.

The renewed impulse of the Annual Fan Club Reunion at Real Madrid City was a very special occasion for RMTV, which accompanied the Realmadrid Foundation and President Florentino Pérez to Jordan for the foundation of a socio-sporting academy.

The Youth Academy experienced the

best coverage ever during the 2010-2011 season, with all Real Madrid Castilla games broadcasted live and special attention to the rest of the categories in its daily program grid and its youth program La Fábrica (The Factory).

RmTV broadcasts in over 50 countries around the world\*, covering all continents. And coverage continues to grow. It broadcasts two 24-hour channels simultaneously, each with its own programming in Spanish and English. Its strength is the Madridista news, wherever they may happen —News and hourly News Bulletins—, its magazine shows (Real Madrid Life, Top Goals), talk shows (La Tertulia, Extratime) and special programs (Hoy Jugamos, The Match, 6.75), which cover all sporting, social and institutional club angles.

\* Sweden, Norway, Finland, Denmark, Hong Kong, Singapore, Thailand, Malaysia, Brunei, India, Pakistan, Vietnam, Kampuchea, Algeria, Bahrain, Yemen, United Arab Emirates, Tunisia, Sudan, Syria, Somalia, Saudi, Qatar, Morocco, Mauritania, Libya, Palestine, Oman, Djibouti, Comoros Islands, Kuwait, Lebanon, Egypt, Jordan, Iraq, Hungary, Romania, Israel, Russia, Belarus, Latvia, Estonia, Lithuania, Italy, Poland, Angola, Mozambique, Cyprus, France, Malta, Australia, New Zealand, United States and LatAm.











Real Madrid

Annual Report  
2010 · 2011