

**American Kennel Club Inc.**  
**Financial Statement**  
**For the Six Months Ended October31, 2017 vs. 2016**  
**(Unaudited)**

*(in thousands)*

	<i>2017</i>	<i>2016</i>
<b>Revenues :</b>		
<i>Registrations</i>	\$ 25,691	\$ 24,065
<i>Fees &amp; certified pedigrees</i>	16,269	16,094
<i>DNA, videos &amp; other services</i>	8,500	5,823
<i>All other income</i>	5,895	5,065
<i>Royalty &amp; sponsorship income</i>	1,949	2,120
<i>Publications</i>	748	742
<b>Total revenues</b>	<b>59,052</b>	<b>53,909</b>
<b>Operating Expenses :</b>		
<i>Payroll &amp; benefits</i>	28,290	24,116
<i>All other operating expenses</i>	25,941	24,798
<b>Total expenses</b>	<b>54,231</b>	<b>48,914</b>
<b>Operating surplus</b>	<b>4,821</b>	<b>4,995</b>
<b>Non-operating items:</b>		
<i>Gain on investments</i>	9,994	4,104
<b>Net surplus</b>	<b>\$ 14,815</b>	<b>\$ 9,099</b>