

## 2008 FINANCIALS



## Patient Information

For fiscal years beginning October 1 and ending September 30  
(dollar amounts in thousands)

CHARGES FOR PATIENT SERVICES	2008	%	2007	%
Medicare	\$ 331,878	27.2%	\$ 271,785	25.7%
Indemnity insurance	7,201	0.6%	4,354	0.4%
Managed care contracts	672,961	55.1%	601,479	56.6%
Subsidized care	209,203	17.1%	184,143	17.3%
<b>TOTAL</b>	<b>\$ 1,221,243</b>	<b>100.0%</b>	<b>\$ 1,061,761</b>	<b>100.0%</b>

PATIENTS TREATED (based on admissions)	2008	2007
New patient referrals	7,179	7,553
Patients treated during year	20,960	19,918
Admissions	6,295	5,791
Patient days	54,878	52,165
Clinic and infusion visits	128,830	121,417
Bone marrow transplants (BMT)	608*	562*

\* includes BMT performed through City of Hope-Banner Bone Marrow Transplant Program

## City of Hope and Affiliates Combined Statements of Financial Position

For fiscal years beginning October 1 and ending September 30  
(amounts in thousands)

### ASSETS

CURRENT ASSETS	2008	2007
Cash and cash equivalents	\$ 158,129	\$ 69,019
Investments	110,801	107,496
Patient accounts receivable, less allowances for uncollectible accounts of \$930 in 2008 and \$5,709 in 2007	72,227	70,387
Grants and other receivables	13,348	14,189
Donor restricted unconditional promises to give, net	16,416	17,977
Prepaid and other	13,915	18,528
<b>Total current assets</b>	<b>384,836</b>	<b>297,596</b>
PROPERTY, PLANT AND EQUIPMENT, net of accumulated depreciation of \$336,538 in 2008 and \$304,681 in 2007	426,571	382,010
<b>OTHER ASSETS</b>		
Investments	10,384	8,908
Board designated investments	355,963	195,477
Bond trust funds	65,424	89,268
Donor restricted assets	163,082	155,404
Other assets	15,763	13,201
<b>Total other assets</b>	<b>610,616</b>	<b>462,258</b>
<b>TOTAL ASSETS</b>	<b>\$1,422,023</b>	<b>\$ 1,141,864</b>

## City of Hope and Affiliates Combined Statements of Financial Position (continued)

For fiscal years beginning October 1 and ending September 30  
(amounts in thousands)

### LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	2008	2007
Accounts payable and accrued liabilities	\$ 102,110	\$ 78,723
Long-term debt, current portion and accrued interest	14,727	14,676
Total current liabilities	116,837	93,399
LONG-TERM DEBT, net of current portion and unamortized discount of \$1,871 and \$2,001 as of September 30, 2008 and 2007, respectively	272,085	282,314
ANNUITY AND SPLIT-INTEREST AGREEMENT OBLIGATIONS	20,140	19,877
Other	10,040	7,468
Total liabilities	419,102	403,058

### COMMITMENTS AND CONTINGENCIES

NET ASSETS		
Unrestricted	798,391	547,365
Restricted	204,530	191,441
Total net assets	1,002,921	738,806
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$1,422,023</b>	<b>\$ 1,141,864</b>

## City of Hope and Affiliates Combined Statements of Activities

For fiscal years beginning October 1 and ending September 30  
(amounts in thousands)

REVENUES	2008	2007
Net patient service revenues	\$ 423,533	\$ 372,473
Contributions and net special event revenues	100,810	118,801
Royalties and research grants	462,679	171,017
Other	28,451	39,110
<b>Total revenues</b>	<b>1,015,473</b>	<b>701,401</b>
<b>EXPENSES</b>		
Program services	596,838	496,390
Supporting services	102,595	94,589
<b>Total expenses</b>	<b>699,433</b>	<b>590,979</b>
Operating income	316,040	110,422
Change in net unrealized (loss) gain on investments	(51,338)	19,141
Loss on interest rate swap agreement	(587)	(77)
Change in net assets	264,115	129,486
Net Assets, beginning of year	738,806	609,320
<b>Net Assets, end of year</b>	<b>\$1,002,921</b>	<b>\$ 738,806</b>

## City of Hope and Affiliates Combined Statements of Cash Flow

For fiscal years beginning October 1 and ending September 30  
(amounts in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES	2008	2007
Changes in net assets	\$ 264,115	\$ 129,486
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	34,468	32,973
Unrealized loss (gain) on investments	51,338	(19,141)
Other changes in operating assets and liabilities	(3,660)	(32,993)
Total adjustments	82,146	(19,161)
Net cash provided by operating activities	346,261	110,325
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of property, plant and equipment	1,454	4,444
Additions to property, plant and equipment	(79,004)	(42,255)
Change in investments	(199,695)	(119,417)
Net cash used in investing activities	(277,245)	(157,228)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash provided by financing activities	20,094	72,994
Net increase (decrease) in cash and cash equivalents	89,110	26,091
Cash and Cash Equivalents, beginning of year	69,019	42,928
Cash and Cash Equivalents, end of year	\$ 158,129	\$ 69,019