

Saint Francis Care, Inc.
Consolidating Balance Sheet
September 30, 2010

	Saint Francis Care, Inc.	Saint Francis Hospital and Medical Center	Mount Sinai Rehabilitation Hospital, Inc.	Saint Francis Hospital and Medical Center Foundation, Inc.	Saint Francis Care Medical Group, P.C.	Saint Francis Medical Group, Inc.	Asylum Hill Family Medicine Center, Inc.	Total Prior to Elimination	Intercompany Elimination	Consolidated Saint Francis Care, Inc.
Assets										
Current assets:										
Cash and cash equivalents		\$ 117,550,202	\$ 1,240,998	\$ 334	\$ 57,255	\$ 1,709,416	\$ 1,497,827	\$ 122,056,032		\$ 122,056,032
Short-term investments		6,416,973	6,519,569	55,123				12,991,665		12,991,665
Assets whose use is limited for current liabilities		4,616,162						4,616,162		4,616,162
Accounts receivable, less allowance		58,962,373	3,292,109		75,897	3,256,513	403,231	65,990,123		65,990,123
Accounts receivable – other		7,546,839		2,396,888		170,600	478	10,114,805	\$ (4,157)	10,110,648
Due from third-party reimbursement agencies		1,950,767						1,950,767	(271,852)	1,678,915
Inventories of supplies		5,011,137						5,011,137		5,011,137
Prepaid expenses		6,794,254	195,899			136,667	1,299	7,128,119		7,128,119
Due from affiliated entities		325,866	2,416,365			173,789		2,916,020	(1,040,356)	1,875,664
Total current assets		209,174,573	13,664,940	2,452,345	133,152	5,446,985	1,902,835	232,774,830	(1,316,365)	231,458,465
Assets whose use is limited:										
Board-designated		51,320,356						51,320,356		51,320,356
Donor restricted		6,597,530						6,597,530		6,597,530
Held under bond indenture		34,987,876						34,987,876		34,987,876
Held in trusts by others		44,595,433						44,595,433		44,595,433
Investment in Foundation		4,395,605						4,395,605	(4,395,605)	-
		141,896,800						141,896,800	(4,395,605)	137,501,195
Assets whose use is limited for current liabilities		(4,616,162)						(4,616,162)		(4,616,162)
		137,280,638						137,280,638	(4,395,605)	132,885,033
Long-term investments	\$ 15,847,219	14,003,539						29,850,758	(15,847,219)	14,003,539
Property, plant, and equipment, net		427,878,498	4,746,410	2,104	32,781	196,371	138,488	432,994,652		432,994,652
Other assets:										
Bond issuance costs, less amortization		2,733,811						2,733,811		2,733,811
Goodwill and intangible assets, net					242,182			242,182		242,182
Due from affiliated entities, net		185,781						185,781		185,781
Other		2,447,289		19,807,962	22,311			22,277,562		22,277,562
	\$ 15,847,219	\$ 793,704,129	\$ 18,411,350	\$ 22,262,411	\$ 430,426	\$ 5,643,356	\$ 2,041,323	\$ 858,340,214	\$ (21,559,189)	\$ 836,781,025

Saint Francis Care, Inc.

Consolidating Balance Sheet (continued)

September 30, 2010

	Saint Francis Care, Inc.	Saint Francis Hospital and Medical Center	Mount Sinai Rehabilitation Hospital, Inc.	Saint Francis Hospital and Medical Center Foundation, Inc.	Saint Francis Care Medical Group, P.C.	Saint Francis Medical Group, Inc.	Asylum Hill Family Medicine Center, Inc.	Total Prior to Elimination	Intercompany Elimination	Consolidated Saint Francis Care, Inc.
Liabilities and net assets										
Current liabilities:										
Accounts payable		\$ 44,303,595	\$ 78,668	\$ 138,615	\$ 23,970	\$ 392,828	\$ 1,614,873	\$46,552,549	\$ (61,546)	\$46,491,003
Salaries and wages, payroll taxes and amounts withheld from employees		29,361,967	1,185,565		10,031	5,915,420	149,231	36,622,214		36,622,214
Accrued expenses and interest payable		6,253,947			53,072	86,402		6,393,421		6,393,421
Due to third-party reimbursement agencies			271,852					271,852	(271,852)	-
Due to affiliated entities					816,249		166,718	982,967	(982,967)	-
Current portion of long-term debt:										
Scheduled maturities		10,907,171						10,907,171		10,907,171
Debt subject to remarketing agreements		35,000,000						35,000,000		35,000,000
Total current liabilities		125,826,680	1,536,085	138,615	903,322	6,394,650	1,930,822	90,823,003	(1,316,365)	\$135,413,809
Pension and other accrued expenses		236,442,898		35,728				236,478,626		236,478,626
Long-term debt, less portion classified as a current liability		236,199,465						236,199,465		236,199,465
Net assets:										
Unrestricted	15,847,219	109,959,180	15,809,467	17,692,463	(472,896)	(751,294)	110,501	158,194,640	(15,847,219)	142,347,421
Temporarily restricted		36,394,960	1,065,798	4,182,153				41,642,911	(4,182,153)	37,460,758
Permanently restricted		48,880,946		213,452				49,094,398	(213,452)	48,880,946
	15,847,219	195,235,086	16,875,265	22,088,068	(472,896)	(751,294)	110,501	248,931,949	(20,242,824)	228,689,125
	\$ 15,847,219	\$ 793,704,129	\$ 18,411,350	\$ 22,262,411	\$ 430,426	\$ 5,643,356	\$ 2,041,323	\$ 812,433,043	\$ (21,559,189)	\$ 836,781,025

Saint Francis Care, Inc.

Consolidating Statement of Operations and Changes in Net Assets

Year Ended September 30, 2010

	Saint Francis Care, Inc.	Saint Francis Hospital and Medical Center	Mount Sinai Rehabilitation Hospital, Inc.	Saint Francis Hospital and Medical Center Foundation, Inc.	Saint Francis Care Medical Group, P.C.	Saint Francis Medical Group, Inc.	Asylum Hill Family Medicine Center, Inc.	Total Prior to Elimination	Intercompany Elimination	Consolidated Saint Francis Care, Inc.
Net patient service revenues	\$ 598,146,639	\$ 16,459,401		\$ 8,328,054	\$ 420,971	\$ 26,210,354	\$ 3,062,825	\$644,300,190		\$644,300,190
Other operating revenue	49,092,294	221,295		8,328,054	3,244	27,231,928	1,228,402	86,105,217	\$ (26,420,293)	59,684,924
Net assets released from restrictions for operations	4,693,884	397,152		3,920,496				9,011,532		9,011,532
	651,932,817	17,077,848		12,248,550	424,215	53,442,282	4,291,227	739,416,939	(26,420,293)	712,996,646
Operating expenses:										
Salaries	251,774,484	8,945,742		1,087,472	461,684	37,283,845	2,715,629	302,268,856		302,268,856
Supplies and expenses	339,520,797	6,918,324		1,702,776	441,937	15,433,222	1,540,825	365,557,881	(26,420,293)	339,137,588
Bad debts	19,462,433	43,258		302,534	28,700	1,121,150	154,116	21,112,191		21,112,191
Interest	8,965,622							8,965,622		8,965,622
Depreciation and amortization	26,375,320	544,177		245	33,826	25,246	20,895	26,999,709		26,999,709
	646,098,656	16,451,501		3,093,027	966,147	53,863,463	4,431,465	724,904,259	(26,420,293)	698,483,966
	5,834,161	626,347		9,155,523	(541,932)	(421,181)	(140,238)	14,512,680	-	14,512,680
Net gain on investment activity	1,622,470	46,613		920				1,670,003		1,670,003
Operating income (loss)	7,456,631	672,960		9,156,443	(541,932)	(421,181)	(140,238)	16,182,683	-	16,182,683
Interest savings on interest rate swaps	(1,311,310)							(1,311,310)		(1,311,310)
Change in fair market value of swap	(9,538,756)							(9,538,756)		(9,538,756)
Excess (deficiency) of revenues over expenses	(3,393,435)	672,960		9,156,443	(541,932)	(421,181)	(140,238)	5,332,617	-	5,332,617

Saint Francis Care, Inc.

Consolidating Statement of Operations and Changes in Net Assets (continued)

Year Ended September 30, 2010

	Saint Francis Care, Inc.	Saint Francis Hospital and Medical Center	Mount Sinai Rehabilitation Hospital, Inc.	Saint Francis Hospital and Medical Center Foundation, Inc.	Saint Francis Care Medical Group, P.C.	Saint Francis Medical Group, Inc.	Asylum Hill Family Medicine Center, Inc.	Total Prior to Elimination	Intercompany Elimination	Consolidated Saint Francis Care, Inc.
Other changes in unrestricted net assets:										
Net assets released from restrictions used for capital purchases		\$ 513,026						\$ 513,026		\$ 513,026
Net asset transfer		(681,907)		\$ (1,623,610)				(2,305,517)		(2,305,517)
Change in pension funding and postretirement obligations		(10,509,172)						(10,509,172)		(10,509,172)
Other		(50,043)						(50,043)		(50,043)
(Decrease) increase in unrestricted net assets	-	(14,121,531)	\$ 672,960	7,532,833	\$ (541,932)	\$ (421,181)	\$ (140,238)	(7,019,089)		(7,019,089)
Temporarily restricted net assets:										
Income from investments		287,069						287,069		287,069
Gifts, contributions, and donations		4,565,111	38,167	3,763,465				8,366,743		8,366,743
Net unrealized gain on investments		155,081						155,081		155,081
Net assets released from restriction		(5,206,910)	(397,152)	(3,920,496)				(9,524,558)		(9,524,558)
Net asset transfer		1,638,767	666,750					2,305,517		2,305,517
Increase in interest in Saint Francis Hospital and Medical Center Foundation		(157,031)						(157,031)	\$ 157,031	-
Increase (decrease) in temporarily restricted net assets		1,282,087	307,765	(157,031)				1,432,821	157,031	1,589,852
Permanently restricted net assets:										
Increase in assets held in trusts by others		1,992,330						1,992,330		1,992,330
Increase in permanently restricted net assets		1,992,330						1,992,330		1,992,330
(Decrease) increase in net assets		(10,847,114)	980,725	7,375,802	(541,932)	(421,181)	(140,238)	(3,593,938)	157,031	(3,436,907)
Net assets at beginning of year	\$ 15,847,219	206,082,200	15,894,541	14,712,266	69,036	(330,112)	250,739	252,525,889	(20,399,857)	232,126,032
Net assets at end of year	\$ 15,847,219	\$ 195,235,086	\$ 16,875,266	\$ 22,088,068	\$ (472,896)	\$ (751,293)	\$ 110,501	\$ 248,931,951	\$ (20,242,826)	\$ 228,689,125