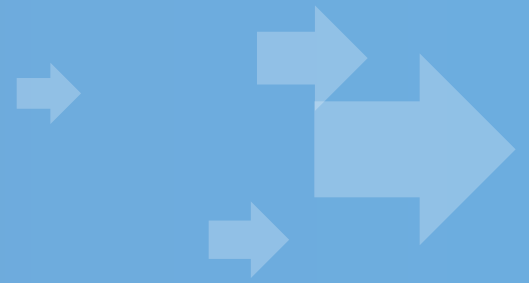


2007 FINANCIALS



Photo by Julius Shulman and Juergen Nogai



Patient Information

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

CHARGES FOR PATIENT SERVICES	2007		2006	
Medicare	\$ 271,785	25.7%	\$ 231,246	25.4%
Indemnity insurance	4,354	0.4%	2,975	0.3%
Managed care contracts	601,479	56.6%	523,300	57.3%
Subsidized care	184,143	17.3%	155,332	17.0%
Total	\$1,061,761	100.0%	\$ 912,853	100.0%

PATIENTS TREATED (BASED ON ADMISSIONS)	2007	2006
New patient referrals	7,553	6,419
Patients treated during year	19,918	17,695
Admissions	5,791	4,934
Patient days	52,165	49,330
Clinic and infusion visits	121,417	109,603
Bone marrow transplants (BMT)	562*	605*

*includes BMT performed through City of Hope-Banner BMT Program

City of Hope and Affiliates Combined Statements of Financial Position

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

ASSETS

CURRENT ASSETS	2007	2006
Cash and cash equivalents	\$ 75,979	\$ 49,473
Investments	100,536	71,072
Patient accounts receivable, less allowances for uncollectible accounts of \$5,709 in 2007 and \$3,377 in 2006	70,387	64,415
Grants and other receivables	14,189	15,187
Donor restricted unconditional promises to give, net	17,977	10,588
Prepaid and other	18,528	28,291
Total current assets	297,596	239,026
PROPERTY, PLANT AND EQUIPMENT, net of accumulated depreciation of \$304,681 in 2007 and \$273,123 in 2006	382,010	371,440
OTHER ASSETS		
Investments	8,908	9,133
Board-designated investments	195,477	161,234
Bond trust funds	89,268	41,774
Donor restricted assets	155,404	128,989
Other assets	13,201	11,870
Total other assets	462,258	353,000
TOTAL ASSETS	\$1,141,864	\$ 963,466

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

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	2007	2006
Accounts payable and accrued liabilities	\$ 78,723	\$ 72,281
Long-term debt, current portion and accrued interest	14,676	14,015
Total current liabilities	93,399	86,296
LONG-TERM DEBT, net of current portion and unamortized discount of \$2,002 and \$2,131 as of September 30, 2007 and 2006, respectively	282,314	241,144
ANNUITY AND SPLIT-INTEREST AGREEMENT OBLIGATIONS	19,877	19,670
Other	7,468	7,036
Total liabilities	403,058	354,146

COMMITMENTS AND CONTINGENCIES

NET ASSETS		
Unrestricted	547,365	457,589
Restricted	191,441	151,731
Total net assets	738,806	609,320
TOTAL LIABILITIES AND NET ASSETS	\$1,141,864	\$ 963,466

City of Hope and Affiliates Combined Statements of Activities

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

REVENUES	2007	2006
Net patient service revenues	\$ 372,473	\$ 332,195
Contributions and net special event revenues	118,801	124,867
Royalties and research grants	171,017	151,884
Other	39,110	32,330
Total revenues	701,401	641,276
EXPENSES		
Program services	496,390	441,862
Supporting services	94,589	83,780
Total expenses	590,979	525,642
Operating income	110,422	115,634
Change in net unrealized gain (loss) on investments	19,141	(998)
Loss on interest rate swap agreement	(77)	(506)
Changes in net assets	129,486	114,130
Net assets, beginning of year	609,320	495,190
Net assets, end of year	\$ 738,806	\$ 609,320

City of Hope and Affiliates Combined Statements of Cash Flow

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

CASH FLOWS FROM OPERATING ACTIVITIES	2007	2006
Changes in net assets	\$ 129,486	\$ 114,130
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	32,973	31,333
Unrealized (gain) loss on investments	(19,141)	998
Other changes in operating assets and liabilities	(32,993)	(59,830)
Total adjustments	(19,161)	(27,499)
Net cash provided by operating activities	110,325	86,631
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of property, plant and equipment	4,444	416
Additions to property, plant and equipment	(42,255)	(36,212)
Change in investments	(119,002)	(95,632)
Net cash used in investing activities	(156,813)	(131,428)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash provided by financing activities	72,994	43,229
Net increase (decrease) in cash and cash equivalents	26,506	(1,568)
Cash and cash equivalents, beginning of year	49,473	51,041
Cash and cash equivalents, end of year	\$ 75,979	\$ 49,473