## FINANCIALS

Mayo Clinic reports a solid performance in 2012 and plans for growth in services and programs to meet the needs of tomorrow's patients in new and creative ways.

## Consolidated Statements of Activities Years Ended Dec. 31, 2012 and 2011 (In Millions)

Revenue, gains and other support	2012	2011
Net medical service revenue	\$ 7,484.7	\$ 6,983.6
Grants and contracts	384.7	368.5
Investment return allocated to current activities	154.7	144.6
Contributions available for current activities	158.0	254.7
Premium revenue	113.0	108.5
Other	548.8	458.3
Total revenue, gains and other support	8,843.9	8,318.2
Expenses		
Salaries and benefits	5,608.6	5,141.3
Supplies and services	2,127.3	1,899.8
Facilities	650.0	614.6
Finance and investment	62.6	52.3
Total expenses	8,448.5	7,708.0
Income from current activities	395.4	610.2
Noncurrent and other items		
Contributions not available for current activities – net	72.7	55.6
Unallocated investment return – net	310.6	(9.0)
Income tax expense	(23.7)	(22.9)
Contribution received from affiliation	104.8	16.2
Other	(0.4)	0.4
Total noncurrent and other items	464.0	40.3
Increase (decrease) in net assets before other changes in net assets	859.4	650.5
Pension and other postretirement benefit adjustments	(902.5)	(734.9)
Increase (decrease) in net assets	(43.1)	(84.4)
Net assets at beginning of year	4,729.4	4,813.8
Net assets at end of year	\$ 4,686.3	\$ 4,729.4
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### Consolidated Statements of Financial Position Years Ended Dec. 31, 2012 and 2011 (In Millions)

Assets	2012	2011
Cash and cash equivalents	\$ 59.6	\$ 141.3
Accounts receivable for medical services – net	1,327.6	1,422.4
Investments – at market	5,260.7	4,237.4
Other assets	894.1	828.8
Property, plant and equipment – net	3,773.6	3,499.0
Total assets	\$ 11,315.6	\$ 10,128.9
Liabilities and Net Assets		
Accounts payable and current liabilities	\$ 1,584.8	\$ 1,459.3
Long-term debt	2,102.0	1,631.9
Other long-term liabilities	2,942.5	2,308.3
Net assets	4,686.3	4,729.4
Total liabilities and net assets	\$ 11,315.6	\$ 10,128.9

Mayo Clinic Services and People	2012	
Measures of Service		
Total clinic patients*	1,165,000	
Hospital admissions	131,000	
Hospital days of patient care	626,000	
Number of Personnel (including temporary and supplemental employees	···	
Staff physicians and medical scientists	4,100	
Allied health	53,600	
Residents, fellows and students	3,400	
Total	61,100	

<sup>\*</sup> Individual patients are counted once annually

This summary is intended to present a brief review of Mayo Clinic's financial condition and activities for 2012 compared with 2011. The Consolidated Financial Statements of Mayo Clinic for the years ended Dec. 31, 2012 and 2011, were examined by McGladrey & Pullen, LLP.

A copy of their report and Mayo Clinic's financial statement can be obtained by writing to:

Treasurer, Mayo Clinic Rochester, MN 55905

# Mayo Clinic experienced strong revenue growth in 2012 despite another challenging economic environment.

- Mayo Clinic built on its solid 2011 financial performance, ending 2012 with total income from operating activity of \$395 million, which translates as 4.5 percent operating margin and aligns with the clinic's long-term objectives.
- Compared to 2011, revenues grew by 6.3 percent to \$8.8 billion while expenses grew by 9.6 percent to \$8.4 billion.
- Funding for education and research programs totaled \$885 million, with Mayo Clinic investing \$452 million.
- Benefactors, primarily grateful patients, contributed \$361 million (includes trusts, estates and other future commitments) to fund Mayo Clinic programs in practice, education and research.
- Grateful patients and committed benefactors gave Mayo Clinic about 750 philanthropic gifts per workday, totaling 191,619 gifts in 2012.

#### **Responsible Stewardship**

Mayo Clinic ensures benefactor dollars have the largest impact on patient care possible by keeping our fundraising costs low. In 2012, we spent 11 cents to raise \$1, making us one of the most efficient academic medical institutions in the country. According to the latest data available, our peer institutions spend 22 percent more.

#### **Research + Education Funding**

(in Millions)

- Mayo Clinic Funds + Benefactor Gifts
- Extramural Funds



#### **Investment Performance**

Mayo Clinic's sound investment strategy has outperformed benchmarks for several years in a row, even during the bleakest moments of the recent financial downturn. This success gives Mayo Clinic a solid foundation to plan for the future. A strong endowment also gives researchers dependable resources as they develop strategies to discover new treatments and cures.

In 2012, return on investments supplied \$155 million in support of research, education and operations.

#### Investment Performance (Annualized Return)

	ONE-YEAR	THREE-YEAR	TEN-YEAR
General Fund	12.1%	9.6%	10.5%
Benchmark	10.1%	8.9%	7.3%