

UNIVERSITY HEALTH CARE, INC AND AFFILIATES  
COMBINING STATEMENT OF FINANCIAL POSITION  
June 30, 2004

	HEALTH PROFESSIONALS OF WISCONSIN, INC.	UNIVERSITY HEALTH CARE, INC.	ELIMINATIONS	COMBINED TOTAL
<b>Assets</b>				
<b>Current Assets</b>				
Cash	319,881	872,773		1,192,654
Cash - Restricted		22,735		22,735
Accounts Receivable - Other	658,824	84,574	(677,961)	65,437
Risk Pool Receivable (Current Year)		3,215,202		3,215,202
Risk Pool Receivable (Prior Year)		5,241,090		5,241,090
Medical Management Receivable				
Prepaid Expenses	4,363	16,720		21,084
<b>TOTAL CURRENT ASSETS</b>	<b>983,069</b>	<b>8,453,093</b>	<b>(677,961)</b>	<b>9,758,201</b>
<b>Other Assets</b>				
Investment - HPW		793,846	(793,846)	
Investment - Other		431,100		431,100
<b>TOTAL OTHER ASSETS</b>		<b>1,224,946</b>	<b>(793,846)</b>	<b>431,100</b>
<b>Property &amp; Equipment</b>				
Land & Land Improvements	976,161			976,161
Accumulated Depreciation	(42,917)			(42,917)
	933,244			933,244
Leasehold Improvements		20,224		20,224
Accumulated Depreciation		(7,005)		(7,005)
		13,219		13,219
Buildings & Building Improvements	3,701,153			3,701,153
Accumulated Depreciation	(1,052,555)			(1,052,555)
	2,648,598			2,648,598
Furniture & Equipment	69,632	120,961		190,593
Accumulated Depreciation	(69,632)	(86,841)		(156,472)
		34,120		34,120
Data Processing Equipment		256,492		256,492
Accumulated Depreciation		(195,966)		(195,966)
		60,526		60,526
<b>NET PROPERTY AND EQUIPMENT</b>	<b>3,581,842</b>	<b>107,865</b>		<b>3,689,708</b>
<b>TOTAL ASSETS</b>	<b>4,564,911</b>	<b>10,785,904</b>	<b>(1,471,807)</b>	<b>13,879,008</b>

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June 30, 2004

	HEALTH PROFESSIONALS OF WISCONSIN, INC.	UNIVERSITY HEALTH CARE, INC.	ELIMINATIONS	COMBINED TOTAL
<b>Liabilities &amp; Equity</b>				
<b>Current Liabilities</b>				
Accounts Payable	143,364	1,211,056	(677,961)	676,459
Liability for Unity Withhold		22,735		22,735
Current Year Risk Pool Payable		3,215,202		3,215,202
Medical Management Payable				
Other Payable - Unity (Prior Year Risk Pool)		5,241,090		5,241,090
Current Maturities of Long Term Debt	148,832			148,832
Line of Credit - M&I Bank				
<b>TOTAL CURRENT LIABILITIES</b>	<b>292,196</b>	<b>9,690,083</b>	<b>(677,961)</b>	<b>9,304,318</b>
<b>Long-Term Liabilities</b>				
Long-Term Debt (less current maturities)	4,994,106			4,994,106
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>4,994,106</b>			<b>4,994,106</b>
<b>TOTAL LIABILITIES</b>	<b>5,286,302</b>	<b>9,690,083</b>	<b>(677,961)</b>	<b>14,298,424</b>
<b>Equity &amp; Net Assets</b>				
<b>Restricted Net Assets</b>				
Minority Interest - HPW	1,500,000			1,500,000
Common Stock	669,715		(669,715)	
<b>TOTAL RESTRICTED NET ASSETS</b>	<b>2,169,715</b>		<b>(669,715)</b>	<b>1,500,000</b>
<b>Unrestricted Net Assets</b>				
Capital Contributions				
Retained Earnings	(2,883,757)	1,135,329	(131,480)	(1,879,908)
Current Earnings	(7,349)	(39,508)	7,349	(39,508)
<b>TOTAL UNRESTRICTED NET ASSETS</b>	<b>(2,891,107)</b>	<b>1,095,821</b>	<b>(124,131)</b>	<b>(1,919,416)</b>
<b>TOTAL LIABILITIES, EQUITY AND NET ASSETS</b>	<b>4,564,911</b>	<b>10,785,904</b>	<b>(1,471,807)</b>	<b>13,879,008</b>

**UNIVERSITY HEALTH CARE, INC AND AFFILIATES**  
**COMBINING STATEMENT OF INCOME**  
**FOR THE SIX MONTHS ENDING JUNE 30, 2004**

	HEALTH PROFESSIONALS OF WISCONSIN, INC.	UNIVERSITY HEALTH CARE, INC.	ELIMINATIONS	COMBINED TOTAL
<b>Revenue</b>				
Capitation Fees		51,930,726		51,930,726
Program and Other Support		1,169,346		1,169,346
<b>TOTAL OPERATING REVENUES AND OTHER SUPPORT</b>		<b>53,100,072</b>	<b>0</b>	<b>53,100,072</b>
<b>Operating Expenses</b>				
Capitation Costs		51,930,725		51,930,725
Medical Management Expenses		518,102		518,102
Staff Salaries and Wages		591,843		591,843
Staff Benefits		185,114		185,114
Purchased Services, Administrative and Office Expense	30,145	413,214	(25,002)	418,357
Advertising, Promotion and Recruitment		21,190		21,190
Equipment Expense	6,624	29,722		36,347
Building Expense	76,117	125,555		201,672
<b>TOTAL OPERATING EXPENSES</b>	<b>112,886</b>	<b>53,815,466</b>	<b>(25,002)</b>	<b>53,903,350</b>
<b>Increase(Decrease) in Unrestricted Net Assets from Operation</b>	<b>(112,886)</b>	<b>(715,394)</b>	<b>25,002</b>	<b>(803,277)</b>
<b>Other Income (Expense)</b>				
Risk Pool Reimbursement		518,102		518,102
Risk Pool Interest Income - Note Receivable				
Risk Pool Interest Expense - Note Payable				
Investment Income:				
Interest and Dividends	9,487	6,288	(9,487)	6,288
Unity Joint Venture				
Unity Joint Venture PY Adjustment				
CHS, LLC				
Agnesian UW Health Ventures, LLC				
HPW		(7,349)	7,349	
Gain (Loss) on Disposal of Assets		111		111
Management, Rental, and Other Revenue	226,966	168,221	(25,002)	370,185
Interest Expense	(130,916)	(9,487)	9,487	(130,916)
<b>TOTAL OTHER INCOME AND EXPENSE</b>	<b>105,536</b>	<b>676,886</b>	<b>(17,653)</b>	<b>763,769</b>
<b>Increase(Decrease) in Unrestricted Net Assets</b>	<b>(7,349)</b>	<b>(39,508)</b>	<b>7,349</b>	<b>(39,508)</b>
<b>Restricted Net Assets at January 1, 2004</b>	<b>2,169,715</b>		<b>(669,715)</b>	<b>1,500,000</b>
<b>Unrestricted Net Assets at January 1, 2004</b>	<b>(2,883,757)</b>	<b>1,135,329</b>	<b>(131,480)</b>	<b>(1,879,908)</b>
<b>NET ASSETS AT JUNE 30, 2004</b>	<b>(721,392)</b>	<b>1,095,821</b>	<b>(793,846)</b>	<b>(419,416)</b>