

**FROEDTERT MEMORIAL LUTHERAN HOSPITAL, INC.**

**Schedule of Annual Land Lease Payment <sup>(1)</sup>**

**Year ended June 30, 2017**

**(In thousands)**

Revenues in excess of expenses	\$	120,800
Land lease expenses included in operating expenses		8,985
Depreciation and amortization		53,616
Increase in current liabilities, except current instalments of long-term debt and current liabilities related to annual land lease accrual		20,146
Increase in current assets except cash, short-term investments, and current assets whose use is limited		(26,144)
Repayments of principal on debt existing at December 31, 1995		<u>—</u>
Annual operating cash flows		177,403
		<u>5.25 %</u>
Annual land lease payment	\$	<u><u>9,314</u></u>

<sup>(1)</sup> All computations and amounts were determined pursuant to Section 4 of the Amended and Restated Lease Agreement dated December 21, 1995, between Froedtert Memorial Lutheran Hospital, Inc. and Milwaukee County.

See accompanying independent accountants' report.