

**Inova Health System Obligated Group**  
**Computation of Long-Term Debt Service Coverage Ratio**  
**12/31/2016**

	<u>(In thousands)</u>
Income Available for Debt Service (from Schedule A below)	A \$ 680,700
Long-Term Debt Service Requirement (preceding rolling 12 months)	B \$ 81,142
Long-Term Debt Service Coverage Ratio (A divided by B)	8.4 to 1.0
Required Debt Service Coverage Ratio	1.0 to 1.0

Schedule A - Income Available for Debt Service	Rolling 12-Months
Excess of revenue over expenses	329,696
Add back:	
Depreciation and amortization	205,502
Interest on long-term indebtedness	53,314
Loss on settlement of defined benefit pension plan and recognized actuarial loss	64,494
Loss on extinguishment of debt	18,000
Loss on swap termination	1,853
Unrealized loss on trading portfolio	10,373
Gain on change in fair value of swaps	(2,532)
<b>Income Available for Debt Service</b>	<u><u>\$ 680,700</u></u>

**NOTE:** The Obligated Group consists of Inova Health System Foundation, Inova Health Care Services and Loudoun Hospital Center, and the financial statements presented for the Obligated Group includes only their accounts, which includes their investment interest in controlled, affiliated entities, but does not include in the revenues, expenses, assets or liabilities of the Obligated Group the revenues, expenses, assets or liabilities of any of those controlled, affiliated entities.