

Mayo Clinic

Unaudited Condensed Consolidated Financial Reports
September 30, 2026

Mayo Clinic

Contents

Unaudited Condensed Consolidated Financial Reports

Condensed consolidated statements of financial position	1
Condensed consolidated statements of operations and changes in net assets	2-3
Condensed consolidated statements of cash flows	4
Notes to unaudited condensed consolidated financial statements	5-24

MAYO CLINIC

Condensed Consolidated Statements of Financial Position
Unaudited (In Millions)

	September 30, 2026 Unaudited	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	**$ 63**	$ 45
Accounts receivable for medical services	**2,539**	2,169
Other receivables	**832**	794
Other current assets	**555**	489
Total current assets	**3,989**	3,497
Investments	**27,682**	24,866
Other long-term assets	**6,796**	5,832
Property, plant, and equipment, net	**8,482**	7,687
Total assets	**$ 46,949**	$ 41,882
Liabilities and net assets		
Current liabilities:		
Accounts payable	**$ 790**	$ 696
Accrued payroll	**1,011**	1,120
Accrued employee benefits	**177**	188
Deferred revenue	**156**	85
Long-term variable-rate debt	**760**	620
Other current liabilities	**803**	587
Total current liabilities	**3,697**	3,296
Long-term debt, net of current portion	**4,930**	4,383
Accrued pension and postretirement benefits, net of current portion	**889**	899
Other long-term liabilities	**3,038**	2,693
Total liabilities	**12,554**	11,271
Net assets:		
Without donor restrictions	**26,453**	23,767
With donor restrictions	**7,942**	6,844
Total net assets	**34,395**	30,611
Total liabilities and net assets	**$ 46,949**	$ 41,882

See notes to condensed consolidated financial statements.

MAYO CLINIC

Condensed Consolidated Statements of Operations and Changes in Net Assets
Unaudited (in Millions)

	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025
Revenue, gains and other support:		
Net medical service revenue	**$ 5,015**	4,581
Grants and contracts	**211**	198
Investment return allocated to current activities, net	**123**	124
Contributions available for current activities	**31**	27
Other	**436**	431
Net assets released from restrictions used for operations	**110**	81
Total revenue, gains and other support	**5,926**	5,442
Expenses:		
Salaries and benefits	**2,936**	2,820
Supplies and services	**2,187**	1,838
Depreciation and amortization	**216**	198
Facilities	**124**	113
Finance and investment	**49**	48
Total expenses	**5,512**	5,017
Operating income	**414**	425
Non-operating income and losses		
Contributions not available for current activities, net	**—**	(8)
Unallocated investment return, net	**380**	631
Income tax expense	**(31)**	(15)
Benefit credit	**86**	85
Other	**11**	(81)
Net non-operating (loss) income	**446**	612
Excess of revenues over expenses	**860**	1,037
Other changes in net assets without donor restrictions		
Pension and other postretirement benefit adjustments	**5**	3
Other changes in net assets	**(61)**	—
Capital assets released from restrictions	**1**	—
Increase in net assets without donor restriction	**805**	1,040
Change in net assets with donor restrictions		
Contributions	**287**	183
Investment returns, net	**140**	184
Net assets released from restriction	**(97)**	(81)
Other changes in net assets	**(19)**	—
(Decrease) increase in net assets with donor restriction	**311**	286
Increase in net assets	**1,116**	1,326
Net assets at beginning of period	**33,279**	27,069
Net assets at end of period	**$ 34,395**	$ 28,395

See notes to condensed consolidated financial statements.

MAYO CLINIC

Condensed Consolidated Statements of Operations and Changes in Net Assets
Unaudited (in Millions)

	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Revenue, gains and other support:		
Net medical service revenue	**14,645**	13,430
Grants and contracts	**622**	598
Investment return allocated to current activities, net	**393**	368
Contributions available for current activities	**70**	88
Other	**1,264**	1,190
Net assets released from restrictions used for operations	**295**	205
Total revenue, gains and other support	**17,289**	15,879
Expenses:		
Salaries and benefits	**8,688**	8,291
Supplies and services	**6,170**	5,375
Depreciation and amortization	**633**	570
Facilities	**344**	325
Finance and investment	**142**	140
Total expenses	**15,977**	14,701
Operating income	**1,312**	1,178
Non-operating income and losses		
Contributions not available for current activities, net	**—**	(40)
Unallocated investment return, net	**1,357**	1,168
Income tax expense	**(63)**	(40)
Benefit credit	**259**	255
Other	**(159)**	(178)
Net non-operating (loss) income	**1,394**	1,165
Excess of revenues over expenses	**2,706**	2,343
Other changes in net assets without donor restrictions		
Pension and other postretirement benefit adjustments	**16**	7
Other changes in net assets	**(42)**	**—**
Capital assets released from restrictions	**6**	**—**
Increase in net assets without donor restriction	**2,686**	**2,350**
Change in net assets with donor restrictions		
Contributions	**950**	402
Investment returns, net	**468**	391
Net assets released from restriction	**(301)**	(205)
Other changes in net assets	**(19)**	**—**
(Decrease) increase in net assets with donor restriction	**1,098**	**588**
Increase in net assets	**3,784**	**2,938**
Net assets at beginning of period	**30,611**	25,457
Net assets at end of period	**$ 34,395**	**$ 28,395**

MAYO CLINIC

See notes to condensed consolidated financial statements.

Condensed Consolidated Statements of Cash Flows
Unaudited (In Millions)

	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Cash flows from operating activities:		
Cash from medical services	**$ 13,385**	$ 12,494
Cash from external lab services	**890**	796
Cash from grants and contracts	**624**	589
Cash from benefactors	**249**	194
Cash from other activities	**1,136**	1,171
Cash for salaries and benefits	**(8,760)**	(8,372)
Cash for supplies, services, and facilities	**(6,406)**	(5,751)
Interest and dividends received	**393**	293
Interest paid	**(92)**	(96)
Income taxes paid	**(28)**	(10)
Net cash provided by operating activities	**1,391**	1,308
Cash flows from investing activities:		
Purchase of property, plant, and equipment	**(1,399)**	(982)
Purchases of investments	**(18,796)**	(17,439)
Sales and maturities from investments	**17,849**	16,737
Net cash used in investing activities	**(2,346)**	(1,684)
Cash flows from financing activities:		
Restricted gifts, bequests, and other	**184**	84
Borrowings on long-term debt	**802**	404
Payment of long-term debt	**(5)**	(104)
Payment on finance leases	**(8)**	(8)
Net cash provided by financing activities	**973**	376
Net increase (decrease) in cash and cash equivalents	**18**	—
Cash and cash equivalents at beginning of period	**45**	48
Cash and cash equivalents at end of period	**$ 63**	$ 48

See notes to condensed consolidated financial statements.

Note 1. Basis of Presentation

Mayo Clinic and its Arizona, Florida, Iowa, Minnesota, Wisconsin and international affiliates (the Clinic) provide comprehensive medical care and education in clinical medicine and medical sciences and conduct extensive programs in medical research. The Clinic also provides hospital and outpatient services, and at each major location, the clinical practice is closely integrated with advanced education and research programs. The Clinic and most of its subsidiaries have been determined to qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code (the Code) and as a public charity under Section 509(a)(2) of the Code.

Included in the Clinic's condensed consolidated financial statements are all of its wholly owned or wholly controlled subsidiaries, which include both tax-exempt and taxable entities. All significant intercompany transactions have been eliminated in consolidation.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included and are of a normal and recurring nature. Operating results for the nine months ended September 30, 2026 are not necessarily indicative of the results to be expected for the year ending December 31, 2026. For further information, refer to the audited consolidated financial statements and notes thereto for the year ended December 31, 2025.

Effective January 1, 2026, the Clinic has elected to change the format of the statement of activities to a statement of operations and changes in net assets to better align with industry practice and enhance clarity around operating performance. This change in presentation does not affect the total change in net assets or financial position.

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Liquidity and Availability

Financial assets available for general expenditure within one year of the consolidated statement of financial position date, are composed of the following:

	September 30, 2026	December 31, 2025
Cash and cash equivalents	$ 63	$ 45
Accounts receivable	2,539	2,169
Promises to give	318	312
Grants receivable	169	164
Other receivables	346	318
Investments	16,561	15,304
Total financial assets available within one year	$ 19,996	$ 18,312

Note 3. Medical Service Revenue

Medical service revenue is reported at the amount that reflects the consideration to which the Clinic expects to be entitled in exchange for providing patient care. These amounts, representing transaction prices, are due from patients, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Clinic bills the patients and third-party payors several days after the services are performed and/or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Clinic. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Clinic believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to the provisioning of inpatient acute care services at the Clinic's hospitals. The Clinic measures the performance obligation from admission into the hospital to the point when it is no longer required to provide services to that patient, which is generally at the point-in-time services are rendered. Revenue for performance obligations satisfied at a point in time is recognized when goods or services are provided and the Clinic does not believe it is required to provide additional goods or services to the patient.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Clinic has elected to apply the optional exemption provided in the Financial Accounting Standards Board's Accounting Standards Codification (FASB ASC) 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

The Clinic determines the transaction price based on standard charges for goods and services provided to patients, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Clinic’s policy, and/or implicit price concessions based on historical collection experience.

Note 3. Medical Service Revenue (Continued)

Agreements with third-party payors typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payors follows:

Medicare: Certain inpatient acute care services are paid at prospectively determined rates per discharge based on clinical, diagnostic, and other factors. Certain services are paid based on cost-reimbursement methodologies subject to certain limits. Physician services are paid based upon established fee schedules. Outpatient services are paid using prospectively determined rates.

Medicaid: Reimbursements for Medicaid services are generally paid at prospectively determined rates per discharge, per occasion of service, or per covered member.

Other: Payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations provide for payment using prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the Clinic's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Clinic. In addition, the contracts that the Clinic has with commercial payors also provide for retroactive audit and review of claims.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Clinic also provides services to uninsured patients and offers those uninsured patients a discount, either by policy or law, from standard charges. The Clinic estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to medical service revenue in the period of the change. For the nine months ended September 30, 2026 and 2025, revenue recognized due to changes in its estimates of transaction price concessions for performance obligations satisfied in prior years was not significant. Subsequent changes that are determined to be the result of an adverse change in the patients ability to pay are recorded as bad debt expense. Bad debt expense for the nine months ended September 30, 2026 and 2025 was not significant.

Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor, and the Clinic's historical settlement activity, including an assessment to ensure it is probable a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available) or as years are settled or are no longer subject to

Note 3. Medical Service Revenue (Continued)

such audits, reviews, and investigations. Adjustments arising from a change in the transaction price were not significant for the nine months ended September 30, 2026 and 2025. Net receivables from third-party payors for final settlements was $64 and $93 for the nine months ended September 30, 2026 and 2025, respectively.

Patients who meet the Clinic's criteria for charity care are provided care without charge or at amounts less than established rates. Such amounts which are determined to qualify as charity care are not reported as revenue.

Note 3. Medical Service Revenue (Continued)

The composition of medical service revenue based on the regions of the country in which the Clinic operates in, its lines of business, and timing of revenue recognition for the three months ended are as follows:

	Three Months Ended September 30, 2026			
	Midwest	Southeast	Southwest	Total
Hospital	$ 1,823	$ 449	$ 556	$ 2,828
Clinic	1,157	341	327	1,825
Senior Care and Nursing Home	7	—	—	7
Other	30	—	—	30
Total patient care service revenue	3,017	790	883	4,690
External lab	325	—	—	325
Total medical service revenue	$ 3,342	$ 790	$ 883	$ 5,015
Timing of revenue and recognition:				
Point-in-time services rendered	$ 1,512	$ 341	$ 327	$ 2,180
Services rendered over time	1,830	449	556	2,835
Total	$ 3,342	$ 790	$ 883	$ 5,015

	Three Months Ended September 30, 2025			
	Midwest	Southeast	Southwest	Total
Hospital	$ 1,632	$ 415	$ 492	$ 2,539
Clinic	1,098	315	305	1,718
Senior Care and Nursing Home	4	—	—	4
Other	29	—	—	29
Total patient care service revenue	2,763	730	797	4,290
External lab	291	—	—	291
Total medical service revenue	$ 3,054	$ 730	$ 797	$ 4,581
Timing of revenue and recognition:				
Point-in-time services rendered	$ 1,418	$ 315	$ 305	$ 2,038
Services rendered over time	1,636	415	492	2,543
Total	$ 3,054	$ 730	$ 797	$ 4,581

Note 3. Medical Service Revenue (Continued)

The composition of medical service revenue based on the regions of the country in which the Clinic operates in, its lines of business, and timing of revenue recognition for the nine months ended are as follows:

	Nine Months Ended September 30, 2026			
	Midwest	Southeast	Southwest	Total
Hospital	$ 5,286	$ 1,322	$ 1,645	$ 8,253
Clinic	3,388	994	969	5,351
Senior Care and Nursing Home	18	—	—	18
Other	84	1	—	85
Total patient care service revenue	8,776	2,317	2,614	13,707
External lab	938	—	—	938
Total medical service revenue	$ 9,714	$ 2,317	$ 2,614	$ 14,645
Timing of revenue and recognition:				
Point-in-time services rendered	$ 4,410	$ 995	$ 969	$ 6,374
Services rendered over time	5,304	1,322	1,645	8,271
Total	$ 9,714	$ 2,317	$ 2,614	$ 14,645

	Nine Months Ended September 30, 2025			
	Midwest	Southeast	Southwest	Total
Hospital	$ 4,770	$ 1,204	$ 1,533	$ 7,507
Clinic	3,212	887	903	5,002
Senior Care and Nursing Home	14	—	—	14
Other	66	1	—	67
Total patient care service revenue	8,062	2,092	2,436	12,590
External lab	840	—	—	840
Total medical service revenue	$ 8,902	$ 2,092	$ 2,436	$ 13,430
Timing of revenue and recognition:				
Point-in-time services rendered	$ 4,118	$ 888	$ 903	$ 5,909
Services rendered over time	4,784	1,204	1,533	7,521
Total	$ 8,902	$ 2,092	$ 2,436	$ 13,430

Note 3. Medical Service Revenue (Continued)

Hospital revenue includes a variety of services mainly covering inpatient procedures requiring overnight stays or outpatient operations that require anesthesia or use of complex diagnostic and surgical equipment as well as emergency care for traumas and other critical conditions. Clinic revenue includes services primarily focused on the care of outpatients covering primary and specialty health care needs.

The Clinic's practice is to record certain radiology, pathology, and other hospital related services in the Midwest region as clinic revenue which amounted to $397 and $356, respectively, for the three months ended September 30, 2026 and 2025 and $1,145 and $1,039, respectively, for the nine months ended September 30, 2026 and 2025. Revenue related to these services is recognized as hospital revenue in other regions. Examples of revenue recognized at the time services are rendered include clinical services, lab and transport, and services transferred over time include hospital and senior care revenue.

The composition of medical service revenue by payor for the three months ended September 30, is as follows:

	2026	2025
Medicare	$ 1,344	$ 1,242
Medicaid	173	154
Contract	2,935	2,702
Other, including self-pay	563	483
Total	$ 5,015	$ 4,581

The composition of medical service revenue by payor for the nine months ended September 30, is as follows:

	2026	2025
Medicare	$ 3,962	$ 3,657
Medicaid	560	492
Contract	8,520	7,878
Other, including self-pay	1,603	1,403
Total	$ 14,645	$ 13,430

The Clinic’s practice is to assign a patient to the primary payor and not reflect other uninsured balances (for example, coinsurance and deductibles) as self-pay. Therefore the payors listed above contain patient responsibility components, such as coinsurance and deductibles.

The Clinic has elected the practical expedient allowed under FASB ASC 606-10-32-18 *a*nd does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the Clinic’s expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less. However, the Clinic does, in certain instances, enter into payment agreements with patients that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

Note 4. Investments

Investments in equity, debt securities, and alternative investments are recorded at fair value. Realized gains and losses are calculated based on the average cost method. Investment income or loss (including

Note 4. Investments (Continued)

realized and unrealized gains and losses on investments, interest, and dividends) are included in the condensed consolidated statements of operations and changes in net assets.

Alternative investments (principally limited partnership interests in absolute return, hedge, private equity, real estate and natural resources funds) represent the Clinic's ownership interest in the respective partnership, which is valued at fair value based on net asset value (NAV) obtained from fund manager statements and historically audited financial statements, as a practical expedient. The investments in alternative investments may individually expose the Clinic to securities lending, short sales, and trading in futures and forward contract options and other derivative products. The Clinic's risk is limited to the investment's carrying value.

From time to time, the Clinic invests directly in certain derivative contracts that do not qualify for hedge accounting and are recorded at fair value within investments. Changes in fair value are reported as a component of net unrealized gains or losses within investment returns. These contracts are used in the Clinic's investment management program to minimize certain investment risks. For the three and nine months ended September 30, 2026 and 2025, the realized and unrealized gain/loss from derivative contracts was not significant.

It is the Clinic's intent to maintain a long-term investment portfolio to support research, education and other activities. Accordingly, the total investment return is reported in the condensed consolidated statements of operations and changes in net assets in two categories. The investment return allocated to current activities is determined by formula. Management believes this return is approximately equal to the real return that the Clinic expects to earn on its investments over the long term. The unallocated investment return in the condensed consolidated statements of operations and changes in net assets, represents the difference between the total investment return and the amount allocated to current activities, net of investment costs.

Note 5. Fair Value Measurements

The Clinic holds certain financial instruments that are required to be measured at fair value on a recurring basis. The valuation techniques used to measure fair value under the FASB ASC 820 are based upon observable and unobservable inputs. The standard establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the same term of the financial instrument.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Note 5. Fair Value Measurements (Continued)

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Clinic's policy is to recognize transfers in and transfers out as of the actual date of the event or change in circumstances that caused the transfer.

There were no significant transfers within Levels for the three and nine months ended September 30, 2026 and 2025.

Note 5. Fair Value Measurements (Continued)

The following tables present the financial instruments carried at fair value as of September 30, 2026 and December 31, 2025, on the condensed consolidated statements of financial position categorized by the valuation hierarchy and NAV:

	September 30, 2026				
	Level 1	Level 2	Level 3	NAV	Total Fair Value
Assets:					
Securities lending collateral	$ 25	$ —	$ —	$ —	$ 25
Investments:					
Cash and cash equivalents	$ 2,381	$ —	$ —	$ —	$ 2,381
Fixed income securities:					
U.S. government	—	3,175	—	—	3,175
U.S. government agencies	—	849	—	—	849
U.S. corporate	—	1,239	—	—	1,239
Foreign	—	14	—	—	14
Common and preferred stocks:					
U.S.	1,049	—	—	—	1,049
Foreign	943	—	—	—	943
Funds:					
Fixed income	520	—	—	—	520
Equities	1,813	1,152	—	—	2,965
Other investments	—	—	—	—	—
Less securities under lending agreement	(96)	—	—	—	(96)
Investments at NAV	—	—	—	14,547	14,547
Total investments	$ 6,610	$ 6,429	$ —	$ 14,547	$ 27,586
Investments under securities lending agreement	$ 96	$ —	$ —	$ —	$ 96
Other long-term assets:					
Trust receivables	$ 78	$ 30	$ 239	$ —	$ 347
Technology-based ventures	—	—	532	—	532
Total other long-term assets	$ 78	$ 30	$ 771	$ —	$ 879
Total assets at fair value	$ 6,809	$ 6,459	$ 771	$ 14,547	$ 28,586
Liabilities:					
Securities lending payable	$ 25	$ —	$ —	$ —	$ 25
Total liabilities at fair value	$ 25	$ —	$ —	$ —	$ 25

Note 5. Fair Value Measurements (Continued)

	December 31, 2025				
	Level 1	Level 2	Level 3	NAV	Total Fair Value
Assets:					
Securities lending collateral	$ 30	$ —	$ —	$ —	$ 30
Investments:					
Cash and cash equivalents	$ 2,070	$ 404	$ —	$ —	$ 2,474
Fixed-income securities:					
U.S. government	—	2,231	—	—	2,231
U.S. government agencies	—	1,009	—	—	1,009
U.S. corporate	—	1,235	—	—	1,235
Foreign	—	19	—	—	19
Common and preferred stocks:					
U.S.	1,221	—	—	—	1,221
Foreign	926	—	—	—	926
Funds:					
Fixed income	467	—	—		467
Equities	1,610	981	—	—	2,591
Less securities under lending agreement	(136)	—	—	—	(136)
Investments at NAV	—	—	—	12,693	12,693
Total investments	$ 6,158	$ 5,879	$ —	$ 12,693	$ 24,730
Investments under securities lending agreement	$ 136	$ —	$ —	$ —	$ 136
Other long-term assets:					
Trust receivables	$ 74	$ 29	$ 235	$ —	$ 338
Technology-based ventures	—	—	331	—	331
Total other long-term assets	$ 74	$ 29	$ 566	$ —	$ 669
Total assets at fair value	$ 6,398	$ 5,908	$ 566	$ 12,693	$ 25,565
Liabilities:					
Securities lending payable	$ 31	$ —	$ —	$ —	$ 31
Total liabilities at fair value	$ 31	$ —	$ —	$ —	$ 31

Note 5. Fair Value Measurements (Continued)

The following is a description of the Clinic's valuation methodologies for assets and liabilities measured at fair value. Fair value for Level 1 is based upon quoted market prices. Fair value for Level 2 is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources, including market participants, dealers, and brokers. Level 3 consists of trusts recorded at fair value based on the underlying value of the assets in the trust or discounted cash flow of the expected payment streams.

The trusts reported as Level 3 are primarily perpetual trusts managed by third parties invested in stocks, mutual funds, and fixed-income securities that are traded in active markets with observable inputs, and since the Clinic will never receive the trust assets, these perpetual trusts are reported as Level 3. In addition, technology-based ventures, composed primarily of shares in start-up companies, are recorded at fair value based on inputs relying on factors such as the financial performance of the company, sales performance, financial projections, sales projections, management representation, industry developments, market analysis, and any other pertinent factors that would affect the fair value or based on the quoted price of an otherwise identical unrestricted security of the same issuer, adjusted for the effect of the restriction.

The methods described above and those recorded at NAV may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Clinic believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The carrying values of cash and cash equivalents, short-term investments, accounts receivable, other current assets, and accounts payable are reasonable estimates of their fair value due to the short-term nature of these financial instruments.

The following information pertains to those alternative investments recorded at NAV in accordance with FASB ASC 820.

At September 30, 2026, alternative investments recorded at NAV consisted of the following:

	Fair Value	Unfunded Commitment	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Absolute return/hedge funds (a)	$ 6,639	$ 196	Monthly to annually	30–90 days
Private partnerships (b)	7,908	2,275		
Total alternative investments	$ 14,547	$ 2,471		

Note 5. Fair Value Measurements (Continued)

At December 31, 2025, alternative investments recorded at NAV consisted of the following:

	Fair Value	Unfunded Commitment	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Absolute return/hedge funds (a)	$ 5,909	$ 222	Monthly to annually	30–90 days
Private partnerships (b)	6,784	2,112		
Total alternative investments	$ 12,693	$ 2,334		

(a) This category includes investments in absolute return/hedge funds, which are actively managed commingled investment vehicles that derive the majority of their returns from factors other than the directional flow of the markets in which they invest. Representative strategies include high-yield credit, distressed debt, merger arbitrage, relative value, and long-short equity strategies. The fair values of the investments in this category have been estimated using the NAV per share of the investments. Investments in this category generally carry “lockup” restrictions that do not allow investors to seek redemption in the first year after acquisition. Following the initial lockup period, liquidity is generally available monthly, quarterly, or annually following a redemption request. Over 90 percent of the investments in this category have at least annual liquidity.

(b) This category includes limited partnership interests in closed-end funds that focus on venture capital, private equity, real estate, and resource-related strategies. The fair values of the investments in this category have been estimated using the NAV of the Clinic’s ownership interest in partners’ capital. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is estimated that the underlying assets of most funds will generally be liquidated over a seven- to ten-year period.

Note 6. Financing

On April 24, 2026, the Clinic issued bonds in the amount of $750 of par with a net premium of $52. The bonds were a mix of fixed and variable rate debt. The coupon rates for the fixed rate series varies between 4.00% and 5.00%. The bonds have final maturities in varying amounts between the years 2046 – 2066 and the new debt will be used for construction projects.

Note 7. Securities Lending

The Clinic has an arrangement with its investment custodian to lend Clinic securities to approved brokers in exchange for a fee. Among other provisions that limit the Clinic’s risk, the securities lending agreement specifies that the custodian is responsible for lending securities and obtaining adequate collateral from the borrower. Collateral is limited to cash, government securities, and irrevocable letters of credit. Investments are loaned to various brokers and are returnable on demand. In exchange, the Clinic receives collateral. The cash collateral is shown as both an asset and a liability on the condensed consolidated statements of financial position.

At September 30, 2026 and December 31, 2025, the aggregate market value of securities on loan under securities lending agreements totaled $96 and $136, respectively, and the total value of the collateral supporting the securities was $101 and $143, respectively, which represents 105 and 104 percent of the value of the securities on loan at September 30, 2026 and December 31, 2025, respectively. The cash

portion of the collateral supporting the securities as of September 30, 2026 and December 31, 2025, is $25 and $31, respectively. Noncash collateral provided to the Clinic is not recorded in the condensed consolidated statements of financial position, as the collateral may not be sold or repledged. The Clinic's claim on such collateral is limited to the market value of loaned securities. In the event of nonperformance by the other parties to the securities lending agreements, the Clinic could be exposed to a loss.

Note 8. Board-Designated Funds

Board-designated funds are included in net assets without donor restrictions and are subject to expenditure for the following purposes as of the periods ended:

	September 30, 2026	December 31, 2025
Research	$ 1,971	$ 1,848
Education	410	384
Buildings and equipment	4	4
Charity care	16	15
Clinical	200	189
Other	1,349	1,277
Total designation for specified purpose	$ 3,950	$ 3,717

Board designated funds were classified as follows as of the periods ended:

	September 30, 2026	December 31, 2025
Quasi endowments	$ 3,711	$ 3,468
Professional liability reserve	196	209
Other reserves	43	40
Total	$ 3,950	$ 3,717

Note 9. Net Assets with Donor Restrictions

The Clinic receives contributions in support of research, education, and clinical activities. Net assets with donor restrictions were available for the following purposes:

	September 30, 2026	December 31, 2025
Subject to expenditure for specified purposes:		
Research	$ 936	$ 883
Education	77	67
Buildings and equipment	345	244
Charity care	43	41
Clinical	102	89
Other	39	38
Total expenditure for specified purposes	1,542	1,362
Subject to passage of time:		
Pledges and trusts	1,642	1,033
Endowments:		
Perpetual in nature:		
Research	1,480	1,412
Education	403	392
Charity care	15	15
Clinical	238	229
Other	67	66
Pledges and trusts	260	283
Total perpetual in nature	2,463	2,397
Subject to endowment spending policy:		
Research	1,333	1,194
Education	559	498
Charity care	69	65
Clinical	264	233
Other	70	62
Total subject to endowment spending policy	2,295	2,052
Total endowments	4,758	4,449
Total net assets with donor restrictions	$ 7,942	$ 6,844

Note 9. Net Assets with Donor Restrictions (Continued)

Net assets were released from donor restrictions as expenditures were made, which satisfied the following restricted purposes for the three months ended September 30:

	2026	2025
Research	$ 79	$ 63
Education	12	10
Buildings and equipment	1	—
Other	5	8
Total net assets released from donor restrictions	$ 97	$ 81

Net assets were released from donor restrictions as expenditures were made, which satisfied the following restricted purposes for the nine months ended September 30:

	2026	2025
Research	$ 236	$ 146
Education	32	30
Buildings and equipment	6	—
Other	27	29
Total net assets released from donor restrictions	$ 301	$ 205

Note 10. Functional Expenses

The condensed consolidated financial statements present certain expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Benefits and payroll taxes are allocated based on factors of either salary expense or hours worked. Overhead costs that include professional services, office expenses, information technology, interest, insurance, and other similar expenses are allocated based on on a variety of factors including revenues, hours worked, and salary expense. Costs related to space including occupancy, depreciation and amortization, and property taxes are allocated on a square footage basis.

The expenses reported in the condensed consolidated statements of operations and changes in net assets for the three months ended September 30, 2026 and 2025 supported the following programs and functions:

	2026							
	Patient care	Lab and technology ventures	Research	Graduate and other education	General and administrative	Development expenses	Other activities	Total expenses
Salaries and benefits	$ 2,473	$ 67	$ 211	$ 122	$ 38	$ 6	$ 19	$ 2,936
Supplies and services	1,514	445	113	32	33	3	47	2,187
Depreciation and amortization	180	3	23	4	5	—	1	216
Facilities	96	4	8	4	11	(1)	2	124
Finance & investment	48	2	5	1	1	(1)	(7)	49
Total	$ 4,311	$ 521	$ 360	$ 163	$ 88	$ 7	$ 62	$ 5,512

	2025							
	Patient care	Lab and technology ventures	Research	Graduate and other education	General and administrative	Development expenses	Other activities	Total expenses
Salaries and benefits	$ 2,352	$ 58	$ 210	$ 115	$ 59	$ 8	$ 18	$ 2,820
Supplies and services	1,285	392	82	26	27	4	22	1,838
Depreciation and amortization	164	2	22	4	5	—	1	198
Facilities	86	2	6	4	14	—	1	113
Finance & investment	44	1	5	1	—	—	(3)	48
Total	$ 3,931	$ 455	$ 325	$ 150	$ 105	$ 12	$ 39	$ 5,017

Note 10. Functional Expenses (Continued)

The expenses reported in the condensed consolidated statements of operations and changes in net assets for the nine months ended September 30, 2026 and 2025 supported the following programs and functions:

	2026							
	Patient care	Lab and technology ventures	Research	Graduate and other education	General and administrative	Development expenses	Other activities	Total expenses
Salaries and benefits	$ 7,293	$ 191	$ 641	$ 356	$ 130	$ 22	$ 55	$ 8,688
Supplies and services	4,305	1,275	298	91	73	10	118	6,170
Depreciation and amortization	525	8	68	13	15	—	4	633
Facilities	267	7	21	13	33	—	3	344
Finance & investment	144	5	16	2	2	—	(27)	142
Total	$ 12,534	$ 1,486	$ 1,044	$ 475	$ 253	$ 32	$ 153	$ 15,977

	2025							
	Patient care	Lab and technology ventures	Research	Graduate and other education	General and administrative	Development expenses	Other activities	Total expenses
Salaries and benefits	$ 6,904	$ 173	$ 634	$ 330	$ 174	$ 22	$ 54	$ 8,291
Supplies and services	3,744	1,140	255	80	68	9	79	5,375
Depreciation and amortization	469	7	63	12	16	—	3	570
Facilities	248	4	18	12	40	—	3	325
Finance & investment	134	4	14	2	2	—	(16)	140
Total	$ 11,499	$ 1,328	$ 984	$ 436	$ 300	$ 31	$ 123	$ 14,701

Note 11. Employee Benefit Programs

The Clinic serves as plan sponsor for several defined-benefit pension funds and other postretirement benefits.

Components of net periodic benefit cost for the three months ended September 30 are as follows for the defined-benefit pension plans:

	Qualified	
	2026	2025
Service cost	$ 104	$ 99
Interest cost	127	121
Expected return on plan assets	(231)	(220)
Amortization of unrecognized:		
Prior service benefit	2	2
Net benefit cost	$ 2	$ 2

Components of net periodic benefit cost for the three months ended September 30 are as follows for the other postretirement benefits:

	Postretirement Benefits	
	2026	2025
Service cost	$ 1	$ 1
Interest cost	13	12
Amortization of unrecognized:		
Net gain	3	—
Net benefit cost	$ 17	$ 13

Components of net periodic benefit cost for the nine months ended September 30 are as follows for the defined-benefit pension plans:

	Qualified	
	2026	2025
Service cost	$ 312	$ 298
Interest cost	382	364
Expected return on plan assets	(696)	(662)
Amortization of unrecognized:		
Prior service benefit	7	7
Net benefit cost	$ 5	$ 7

Note 11. Employee Benefit Programs (Continued)

Components of net periodic benefit cost for the nine months ended September 30 are as follows for the other postretirement benefits:

	Postretirement Benefits	
	2026	2025
Service cost	$ 2	$ 2
Interest cost	39	37
Amortization of unrecognized:		
Net gain	9	—
Net benefit cost	$ 50	$ 39

Note 12. Commitments and Contingencies

The Clinic has various construction projects in progress related to patient care, research, and educational facilities. The estimated costs committed to complete the various projects at September 30, 2026, approximated $7,535, all of which is expected to be expended over the next three to five years. This includes a $5 billion initiative for the Rochester, Minnesota campus project with five new buildings and related technology and infrastructure investments. It also includes a $2 billion initiative for the Phoenix, Arizona campus project with more than one million square feet of new clinical space across three buildings designed around integrated care neighborhoods, along with technology and infrastructure investments.

While the Clinic is self-insured for a substantial portion of its general, professional, and workers' compensation liabilities, the Clinic maintains commercial insurance coverage against catastrophic loss. Additionally, the Clinic maintains a self-insurance program for its long-term disability coverage. The provision for estimated self-insured claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported.

The Clinic is a defendant in various lawsuits arising in the ordinary course of business and records an estimated liability for probable claims. Although the outcome of these lawsuits cannot be predicted with certainty, management believes the ultimate disposition of such matters will not have a material effect on the Clinic's condensed consolidated statements of financial position or statements of operations and changes in net assets.

Note 13. Subsequent Events

The Clinic evaluated events and transactions occurring subsequent to September 30, 2026, through November 18, 2026, the date of issuance of the condensed consolidated financial statements. There were no nonrecognized subsequent events requiring disclosure.

MAYO CLINIC



MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2026

November 2026

TAKING BOLD STEPS TO BENEFIT PATIENTS

For more than 160 years, Mayo Clinic has integrated clinical practice, research and education to meet the needs of patients. Today, our Bold. Forward. strategy builds on that foundation and guides our work to Cure, Connect and Transform healthcare. Over the past eight years, this strategy has shaped investments in our campuses, expanded access to Mayo Clinic care and expertise, and supported new approaches to serious and complex health challenges. Our data, research and clinical expertise are central to this work, informing how we design care environments and move discoveries into practice more quickly, with the goal of bringing more hope and healing to patients.

Matthew R. Callstrom, M.D., PhD., is named next Mayo Clinic president and CEO

Mayo Clinic's Board of Trustees elected Matthew R. Callstrom, M.D., Ph.D., as Mayo Clinic's next president and CEO, effective January 1, 2027. He will succeed Gianrico Farrugia, M.D., who will continue to serve as president and CEO through December 31, 2026, and work closely with Dr. Callstrom to support a seamless leadership transition. Dr. Callstrom brings nearly 25 years of experience at Mayo Clinic, with leadership responsibilities spanning clinical practice, research, education, strategy, AI and innovation. He currently serves on Mayo Clinic's Board of Governors and Board of Trustees and as medical director for Mayo Clinic Strategy and the AI Program. His extensive institutional experience and leadership across key strategic priorities position him to guide Mayo Clinic's continued execution of our long-term strategy while maintaining continuity in our mission, values and commitment to transforming healthcare for patients worldwide.

Third-quarter highlights

Mayo Clinic tops Newsweek rankings for smart hospitals and specialized hospitals

- Mayo Clinic in Rochester was named the No. 1 smart hospital in the world in Newsweek's "World's Best Smart Hospitals 2027" list. Newsweek's smart hospital rankings recognize 410 healthcare organizations in 33 countries for their use of digital technologies to improve healthcare. The recognition reflects the expertise, collaboration and innovation of teams across Mayo Clinic and their shared focus on continually improve care for patients.
- Together with previously having been named the No. 1 hospital in the world, Mayo Clinic in Rochester has earned more No. 1 specialty rankings than any other hospital worldwide in Newsweek's "World's Best Specialized Hospitals 2027" list. Mayo Clinic in Rochester earned five No. 1 rankings in cardiac surgery, endocrinology, neurosurgery, pulmonology and urology.

Key collaborations help power healthcare transformation

- Mayo Clinic and Thermo Fisher Scientific launched Precure, LLC to identify biological signs of disease before symptoms appear. Precure, LLC will generate comprehensive multi-omics data — including information about genes, proteins and other biological processes — from around 1 million biospecimens and link that data with longitudinal clinical information. To support this work, Precure, LLC selected Helix, an enterprise genomics company connecting clinical care and discovery, as its multi-omics laboratory and AI tools provider. Thermo

Fisher will contribute its proteomics expertise and technologies, while Helix will provide clinical whole-genome sequencing, proteomic sequencing and AI tools. By combining molecular data with clinical information from Mayo Clinic, Precure, LLC will accelerate earlier disease detection, prevention, diagnosis and treatment to help make more personalized, precise care possible. Mayo Clinic will serve as the majority owner of Precure, LLC.

- Mayo Clinic Care Network reached a 15-year milestone as a global community of more than 50 member organizations, representing 80 hospitals and nearly 20,000 physicians. Created in 2011, Mayo Clinic Care Network includes carefully selected independent organizations worldwide committed to enhancing the quality of healthcare to advance patient care. Members have access to Mayo Clinic's clinical knowledge and specialists while continuing to serve patients in their local communities. The network supports needs across clinical care, education, operations, leadership and innovation. With the launch of Mayo Clinic Platform in 2019, Care Network members gained additional opportunities to engage with data-driven innovation and emerging technologies designed to support the evolving needs of their organizations and communities.
- Mayo Clinic and Einstein Hospital Israelita announced a milestone in their collaboration to advance responsible AI-enabled healthcare innovation. Einstein's de-identified clinical data is now available through Mayo Clinic Platform's secure, privacy-preserving global healthcare innovation ecosystem. The collaboration strengthens South American representation in global health datasets and enables researchers and innovators to develop, validate and scale AI-enabled solutions across a broader representation of patient populations.
- Mayo Clinic is part of a five-year multidisciplinary initiative supported by a $27.7 million Advanced Research Projects Agency for Health (ARPA-H) award to advance gene-editing therapies for rare inherited immune disorders. As one of three clinical sites in the effort, Mayo Clinic will contribute capabilities in pediatric immunology, transplantation and gene therapies to evaluate investigational treatments for children with rare inherited immune disorders — a group of more than 500 genetic disorders that currently have limited treatment options and no cures.
- Mayo Clinic is working with Techcyte to advance digital pathology through a multiyear collaboration that combines Mayo Clinic’s clinical expertise and intellectual property with Techcyte’s technology platform. The organizations co-developed Techcyte Fusion AP, which brings whole-slide imaging, case information, workflow tools, clinical data and AI into a single environment for pathologists. Fusion AP now provides enterprise-wide access to nearly 23 million current and historical pathology images and connects with Mayo Clinic’s electronic health record and laboratory systems. The collaboration also creates a framework for Mayo Clinic, Techcyte and third-party developers to bring AI tools into pathology workflows, with the goal of making diagnostic work more connected and efficient and supporting timely, informed patient care.
- Mayo Clinic and GE HealthCare launched the MI-BET (Molecular Imaging Biomarker-Based End of Therapy Trial), a research collaboration to explore more personalized radioligand therapy (RLT) for patients with advanced prostate cancer. The study will combine imaging, clinical outcomes and blood-based biomarkers to assess individual responses and inform treatment decisions, including whether therapy can be paused. The research also aims to identify predictive markers, reduce unnecessary treatment and expand patient access to

advanced theranostic care through community outreach and telemedicine. The collaboration is a direct result of the 2023 Strategic Radiology Research Alliance between Mayo Clinic and GE HealthCare.

- Mayo Clinic Laboratories and Pathology Asia Holdings (PAH) announced a strategic investment and collaboration to expand access to advanced diagnostics and precision medicine across Southeast Asia, Australia and New Zealand. The collaboration unites Mayo Clinic's global clinical and diagnostic expertise with the regional healthcare network, capabilities and market knowledge of PAH and its genomics subsidiary, LifeStrands Genomics. Mayo Clinic Laboratories and LifeStrands Genomics together will broaden access to advanced molecular and genomic testing, with applications spanning identification of genetic conditions, disease risk assessment, diagnosis and treatment planning, enabling healthcare providers to integrate clinically relevant genomic insights into personalized care.
- Mayo Clinic researchers in Arizona, in collaboration with the Terasaki Institute for Biomedical Innovation, have developed a real-time monitoring system designed to give transplant teams a more complete picture of a donor liver's health while the liver is outside the body. Whereas traditional monitoring methods rely on manually collecting fluid samples from the liver every 30 to 60 minutes, this technology continuously measures important markers of liver health and streams results to the care team. This enables the care team to detect issues and intervene before permanent damage occurs so that more donated livers can safely reach patients who need them.

Mayo Clinic researchers discover immune "off switch" used by cancer cells

Mayo Clinic researchers have identified TRAILshort, a protein that acts as an immune "off switch" that allows cancer cells to evade the body's defenses. It prevents T cells — the immune system's primary cancer-fighting cells — from recognizing and destroying cancer and virus-infected cells. TRAILshort appears in cancer, HIV, COVID-19, tuberculosis, lupus and Crohn's disease, conditions in which the immune system is failing or misfiring. The study found that blocking TRAILshort restored immune activity and improved the effectiveness of CAR-T cell therapy in preclinical models. The discovery could lead to new cancer treatments and may have broader implications for infectious and autoimmune diseases.

Bringing clinical trials closer to patients improves access to investigational treatments

A Mayo Clinic study found that bringing cancer clinical trials closer to where patients live can significantly expand participation in research. The study evaluated Mayo Clinic's decentralized clinical trials program, which enables many research activities to take place outside traditional research sites through services such as remote informed consent, video visits, in-home blood draws, remote monitoring and home delivery of oral study medications. Researchers found that this approach increased participation among people in rural communities and underserved populations, giving more people access to investigational treatments that otherwise might be difficult to reach.

Mayo Clinic researchers develop experimental drug with AI

Mayo Clinic in Florida researchers have developed an experimental drug with the help of AI to target an "undruggable" protein that enables different types of cancer to grow and resist

treatment. In laboratory studies, the drug slowed tumor growth, improved survival and enhanced the effects of chemotherapy. This represents a potential new strategy for future combination therapies to treat treatment-resistant cancers.

New health tech incubator collaborates with Mayo Clinic and builds startup recruitment
A new life sciences incubator in Rochester, Minnesota, is creating space for early-stage biotechnology and health technology companies to grow and connect with Mayo Clinic expertise. BioLabs Rochester, MN, a 17,000-square-foot facility in the Discovery Square Innovation District, was developed through a collaboration among Mayo Clinic, BioLabs, Destination Medical Center and Mortenson Properties. The facility provides shared laboratory and office space, entrepreneurial resources and connections to Mayo Clinic expertise, creating new opportunities to advance diagnostics, therapeutics, medical devices and digital health technologies while supporting Rochester's growing life sciences ecosystem.

Generous gifts help transform how healthcare is delivered and experienced
Mayo Clinic announced significant philanthropic gifts from benefactors who are deeply committed to Mayo's efforts to transform healthcare. The gifts advance Bold. Forward. Unbound., Mayo Clinic's $10 billion enterprise-wide investment to put the needs of the patient first by reimagining clinical spaces, digital capabilities and support systems around the needs of patients and care teams. These projects mark important milestones in the transformation of Mayo Clinic's downtown Rochester campus, enabling Mayo Clinic to create a fundamentally new model for how care is delivered and experienced.

- In recognition of a generous gift from the Penske Foundation, Mayo Clinic has named the Penske Arrival Building, a new gateway to the downtown Rochester campus designed to create a seamless, welcoming experience for patients and families. It integrates parking, transportation, navigation, hospitality and personal support.
- Mayo Clinic's largest new clinical building will be named the Duan Family Building in recognition of a generous gift from the Duan family. The 1.25-million-square-foot building initially will include eight floors above ground and a subway level. It will be located near the Bernard E. and Edith B. Waterman Building and the existing Gonda Building.
- In recognition of a generous $100 million gift commitment from Everett J. "Sparky" and Jane M. Hauck supporting Bold. Forward. Unbound. in Rochester, Mayo Clinic will name the Everett J. and Jane M. Hauck Lobby and the Everett J. and Jane M. Hauck Promenade on the ground floor of the Duan Family Building in downtown Rochester.

About Mayo Clinic

Mayo Clinic is the No. 1-ranked hospital in the world. With a global workforce of 85,000, Mayo Clinic earned over $21.5 billion in annual revenue while providing high-quality, compassionate care to patients from all 50 states and 141 countries in 2025.

DISCUSSION OF THIRD QUARTER 2026 RESULTS

For the three months ended September 30, 2026, Mayo Clinic generated operating income of $414 million, equivalent to a 7.0% margin. Non-operating income during this period was $446 million, and the increase in net assets was $1.12 billion.

For the nine months ended September 30, 2026, income from operating activities was $1.31 billion, equivalent to a 7.6% margin. Non-operating income during this period was $1.39 billion, and the increase in net assets was $3.78 billion.

($ in millions):	Three months ended Sept. 30 2025	2026	Change from 2025	Nine months ended Sept. 30 2025	2026	Change from 2025
Total revenue	$5,442	$5,926	8.9%	$15,879	$17,289	8.9%
Total expenses	5,017	5,512	9.9%	14,701	15,977	8.7%
Operating income	**$425**	**$414**	**-2.6%**	**$1,178**	**$1,312**	**11.4%**
Non-operating income and losses	612	446	-27.1%	1,165	1,394	19.7%
Excess of revenues over expenses	**$1,037**	**$860**	**-17.1%**	**$2,343**	**$2,706**	**15.5%**
Postretirement adjustment/other	3	(55)		7	(20)	
Increase in net assets without donor restriction	**$1,040**	**$805**	**-22.6%**	**$2,350**	**$2,686**	**14.3%**
Changes in net assets with donor restrictions	286	311	8.7%	588	1,098	86.7%
Increase in net assets	**$1,326**	**$1,116**	**-15.8%**	**$2,938**	**$3,784**	**28.8%**

REVENUE

($ in millions):	Three months ended Sept. 30 2025	2026	Change from 2025	Nine months ended Sept. 30 2025	2026	Change from 2025
Revenue						
Net medical service revenue	$4,581	$5,015	9.5%	$13,430	$14,645	9.0%
Grants and contracts	198	211	6.6%	598	622	4.0%
Contributions	27	31	14.8%	88	70	-20.5%
Investments	124	123	-0.8%	368	393	6.8%
Other	431	436	1.2%	1,190	1,264	6.2%
Net assets released from restrictions used for operations	81	110	35.8%	205	295	43.9%
Total operating revenue	**$5,442**	**$5,926**	**8.9%**	**$15,879**	**$17,289**	**8.9%**

For the three months ended September 30, 2026, net medical service revenue of $5.02 billion comprised 84.6% of total revenue and reflected a 9.5% increase from the prior year. This growth was driven by strong outpatient, surgical and hospital volumes and favorable reimbursement yields. Mayo Clinic's total operating revenue for the period was $5.93 billion, an 8.9% increase over the same period in 2025. As of September 30, 2026, year-to-date net medical service revenue was $14.65 billion, representing 84.7% of total revenue and a 9.0% increase from the prior year. Mayo Clinic's total operating revenue for the period was $17.29 billion, reflecting an 8.9% increase over the same period in 2025.

Contributions available for operating activities decreased slightly from 2025 to 2026 due to a greater portion of total giving being directed to restricted activities such as endowments and capital projects. Investment income available for operating activities increased slightly from 2025 to 2026 due to favorable interest rates generated from short-term liquidity funds.

Effective January 1, 2026, the income statement presentation has been updated from a Statement of Activities format to a Statement of Operations to better align with industry practice and enhance clarity around operating performance. This change in presentation does not affect the total change in net assets or financial position.

VOLUME METRICS

The table below shows year-to-date 2026 clinical volumes. All measures show an increase compared to 2024 and 2025, reflecting strong, sustained demand for services.

	Nine months ended Sept. 30			Change	
	2024	2025	2026	From 2025	From 2024
Outpatient visits	4,100,461	4,285,904	4,386,469	2.3%	7.0%
Surgical cases	115,211	119,857	122,044	1.8%	5.9%
Admissions	98,200	105,303	108,651	3.2%	10.6%
Patient days	558,528	587,568	612,118	4.2%	9.6%

EXPENSES

Operating expenses for the three months ended September 30, 2026, were $5.51 billion, reflecting year-over-year growth of 9.9%. Salaries and benefits, totaling $2.94 billion, rose by 4.1% from the prior period and accounted for 53.3% of total expenses. For the nine months ended September 30, 2026, operating expenses reached $15.98 billion, representing an 8.7% year-over-year growth. Salaries and benefits, at $8.69 billion, increased 4.8% from the prior period and made up 54.4% of total expenses. Volume increases similarly drove the rise in supplies and services expenses. An increase in facilities and depreciation is due to recently completed construction projects and campus improvements.

($ in millions):	Three months ended Sept. 30 2025	2026	Change from 2025	Nine months ended Sept. 30 2025	2026	Change from 2025
Expenses						
Salaries and benefits	$2,820	$2,936	4.1%	$8,291	$8,688	4.8%
Supplies and services	1,838	2,187	19.0%	5,375	6,170	14.8%
Facilities	311	340	9.3%	895	977	9.2%
Finance and investment	48	49	2.1%	140	142	1.4%
Total expenses	**$5,017**	**$5,512**	**9.9%**	**$14,701**	**$15,977**	**8.7%**

NON-OPERATING INCOME AND LOSSES

Non-operating and other items include investment income not available to support operating activities, deferred compensation and other charges, as well as income tax expense and certain benefit credits. For the three months ending September 30, 2026, non-operating investment returns (including those with donor restrictions) totaled $520 million, compared to $815 million for the same period in 2025. Year to date, non-operating investment returns (including those with donor restrictions) totaling $1.83 billion exceeded the 2025 total of $1.56 billion.

CASH AND INVESTMENTS

As of September 30, 2026, cash and investments totaled $27.75 billion, a $2.84 billion increase since the beginning of the year, largely driven by investment results and the issuance of $750 million in debt. Of this total, $4.85 billion, or 17.5%, is held in working capital and short-term funds providing accessible liquidity for capital projects and other needs. Mayo Clinic's cash and investment position included $20.37 billion in long-term investments, comprising $12.12 billion of unrestricted reserves and $8.25 billion of endowed funds (both donor and board-restricted). For the quarter ended September 30, 2026, these investments generated a 3.3% gain, and year to date, a gain of 11.6%. On a one-year, three-year, five-year and 10-year basis, investment returns have met or exceeded investment objectives with returns of 17.0%, 14.2%, 7.8% and 10.8%, respectively, over these periods. Investment earnings on Mayo Clinic's endowed funds are a key source of support for our research and education programs, enabling sustained investments in long-term initiatives that advance Mayo Clinic’s mission to transform healthcare, offsetting volatility in external funding.

CAPITAL EXPENDITURES AND BALANCE SHEET STRENGTH

For the nine-month period ended September 30, 2026, capital expenditures totaled $1.39 billion. The total includes $795 million for major projects, $405 million for equipment and $188 million for other smaller projects. Capital expenditures in Rochester, Minnesota, were $868 million; $173 million in Jacksonville, Florida; $134 million in Phoenix, Arizona, and $213 million enterprise-wide, including Mayo Clinic Health Systems locations.

The table below shows continued strength in key balance sheet metrics, all of which remain strong and well within Mayo Clinic’s "AA" credit rating parameters.

	12/31/2024	12/31/2025	9/30/2026
Days revenue outstanding	44.4	41.7	45.3
Days cash on hand	362	397	414
Max debt service coverage ratio	9.1x	9.9x	9.8x
Cash to debt	384%	419%	409%
Debt to capitalization	19%	17%	18%

SUMMARY

Driven by our long-standing commitment to put the needs of the patient first, Mayo Clinic's 2026 third-quarter results reflect continued strong financial performance and meaningful progress toward our goals to Cure, Connect and Transform healthcare for people everywhere. This performance enables Mayo Clinic to care for patients and support our staff today while investing in new physical and digital infrastructure and emerging technologies that accelerate healthcare transformation. This progress is made possible by our dedicated staff and their commitment to advancing Mayo Clinic's mission.