

Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2007, or tax year beginning 07/01, 2007, and ending 06/30, 2008
For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

2007

Department of the Treasury
Internal Revenue Service

▶ See instructions on back.

Name of exempt organization

Employer identification number

STRAUB CLINIC & HOSPITAL

91-2151670

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8453-EO and enter the applicable amount from the return, if any. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line for the return for which you are filing this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

1a	Form 990 check here	▶ <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, line 12)	1b	<u>272741662.</u>
2a	Form 990-EZ check here	▶ <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b	
3a	Form 1120-POL check here	▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b	
4a	Form 990-PF check here	▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b	
5a	Form 8868 check here	▶ <input type="checkbox"/>	b Balance due (Form 8868, line 3c)	5b	

Part II Declaration of Officer

6 I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2007 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) the date of any refund.

Sign Here

Signature of officer

Date

5/11/09
VICE PRESIDENT
Title

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-file (MeF) Information for Authorized e-file Providers. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only	ERO's signature	<u><i>Alvin</i></u>	Date	<u>5/12/09</u>	Check if also paid preparer	<input checked="" type="checkbox"/>	Check if self-employed	<input type="checkbox"/>	ERO's SSN or PTIN	
	Firm's name (or yours if self-employed), address, and ZIP code	<u>ERNST & YOUNG U.S. LLP</u> <u>55 MERCHANT ST., SUITE 1900, C-120</u> <u>HONOLULU HI 96813</u>							EIN	<u>34-6565596</u>
									Phone no.	<u>808-531-2037</u>

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Paid Preparer's Use Only	Preparer's signature		Date		Check if self-employed	<input type="checkbox"/>	Preparer's SSN or PTIN			
	Firm's name (or yours if self-employed), address, and ZIP code								EIN	
									Phone no.	

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2007 calendar year, or tax year beginning 07/01, 2007, and ending 06/30/2008

<p>B Check if applicable:</p> <p><input type="checkbox"/> Address change</p> <p><input type="checkbox"/> Name change</p> <p><input type="checkbox"/> Initial return</p> <p><input type="checkbox"/> Termination</p> <p><input type="checkbox"/> Amended return</p> <p><input type="checkbox"/> Application pending</p>	<p>Please use IRS label or print or type. See Specific Instructions.</p>	<p>C Name of organization STRAUB CLINIC & HOSPITAL</p> <p>Number and street (or P.O. box if mail is not delivered to street address) Room/suite 55 MERCHANT STREET, 24TH FLOOR</p> <p>City or town, state or country, and ZIP + 4 HONOLULU, HI 96813</p>	<p>D Employer identification number 91-2151670</p> <p>E Telephone number (808) 522-3146</p> <p>F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶</p>
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• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and **I** are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? (If "No," attach a list. See instructions.) Yes No

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number ▶

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Website: ▶ **WWW.HAWAIIIPACIFICHEALTH.ORG**

J Organization type (check only one) ▶ 501(c) (3) ◀ (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **272,746,956.**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Revenue	1	Contributions, gifts, grants, and similar amounts received:			
	a	Contributions to donor advised funds	1a		
	b	Direct public support (not included on line 1a)	1b		
	c	Indirect public support (not included on line 1a)	1c	1,720,290.	
	d	Government contributions (grants) (not included on line 1a)	1d		
	e	Total (add lines 1a through 1d) (cash \$ <u>1,720,290.</u> noncash \$ _____)	1e		1,720,290.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		270,072,041.
	3	Membership dues and assessments	3		
	4	Interest on savings and temporary cash investments	4		211,603.
	5	Dividends and interest from securities	5		
	6a	Gross rents	6a	113,904.	
	b	Less: rental expenses	6b		
c	Net rental income or (loss). Subtract line 6b from line 6a	6c		113,904.	
7	Other investment income (describe ▶ _____)	7			
8a	Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
b	Less: cost or other basis and sales expenses	8a	NONE		
c	Gain or (loss) (attach schedule)	8b	5,294.		
d	Net gain or (loss). Combine line 8c, columns (A) and (B)	8c	-5,294.		
8d				-5,294.	
9	Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>				
a	Gross revenue (not including \$ _____ of contributions reported on line 1b)	9a			
b	Less: direct expenses other than fundraising expenses	9b			
c	Net income or (loss) from special events. Subtract line 9b from line 9a	9c			
10a	Gross sales of inventory, less returns and allowances	10a			
b	Less: cost of goods sold	10b			
c	Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c			
11	Other revenue (from Part VII, line 103)	11		629,118.	
12	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12		272,741,662.	
Expenses	13	Program services (from line 44, column (B))	13	213,367,474.	
	14	Management and general (from line 44, column (C))	14	61,400,754.	
	15	Fundraising (from line 44, column (D))	15		
	16	Payments to affiliates (attach schedule)	16		
	17	Total expenses. Add lines 16 and 44, column (A)	17		274,768,228.
Net Assets	18	Excess or (deficit) for the year. Subtract line 17 from line 12	18	-2,026,566.	
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	85,256,296.	
	20	Other changes in net assets or fund balances (attach explanation) STMT 7.	20	23,387,516.	
	21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	106,617,246.	

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	1,211,159.	1,211,159.		
25b Compensation of former officers, directors, key employees, etc. listed in Part V-B	NONE	NONE		
25c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c	112,721,883.	105,190,623.	7,531,260.	
27 Pension plan contributions not included on lines 25a, b, and c	3,020,847.	2,757,127.	263,720.	
28 Employee benefits not included on lines 25a - 27	8,890,718.	8,048,729.	841,989.	
29 Payroll taxes	6,840,268.	6,308,160.	532,108.	
30 Professional fundraising fees				
31 Accounting fees	271,263.		271,263.	
32 Legal fees	5,322.	5,322.		
33 Supplies	39,879,483.	39,235,997.	643,486.	
34 Telephone	436,148.	188,698.	247,450.	
35 Postage and shipping	167,960.	58,622.	109,338.	
36 Occupancy	5,577,079.	2,653,886.	2,923,193.	
37 Equipment rental and maintenance	5,260,051.	4,028,930.	1,231,121.	
38 Printing and publications				
39 Travel	900,031.	823,652.	76,379.	
40 Conferences, conventions, and meetings				
41 Interest	2,350,637.	16,007.	2,334,630.	
42 Depreciation, depletion, etc. (attach schedule)	11,937,124.	11,937,124.		
43 Other expenses not covered above (itemize):				
a STMT 8	75,298,255.	30,903,438.	44,394,817.	
b _____				
c _____				
d _____				
e _____				
f _____				
g _____				
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15).	274,768,228.	213,367,474.	61,400,754.	

Joint Costs. Check if you are following SOP 98-2.
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____ : (ii) the amount allocated to Program services \$ _____
 (iii) the amount allocated to Management and general \$ _____ : and (iv) the amount allocated to Fundraising \$ _____

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A)		(B)		
		Beginning of year		End of year		
Assets	45	Cash - non-interest-bearing		-2,464,490.	45	-1,580,012.
	46	Savings and temporary cash investments			46	
	47a	47a	86,186,763.			
	b	47b	56,401,011.	22,337,194.	47c	29,785,752.
	48a	48a				
	b	48b			48c	
	49	Grants receivable			49	
	50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)			50a	
	b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)			50b	
	51a	Other notes and loans receivable (attach schedule)				
	b	51b			51c	
	52	Inventories for sale or use		2,798,004.	52	3,133,704.
	53	Prepaid expenses and deferred charges		964,800.	53	932,574.
	54a	Investments - publicly-traded securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54a	
	b	Investments - other securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54b	
55a	Investments - land, buildings, and equipment: basis					
b	55b	Less: accumulated depreciation (attach schedule)			55c	
56	Investments - other (attach schedule) STMT 11 .		5,376,252.	56	6,665,179.	
57a	57a	Land, buildings, and equipment: basis		136,846,817.		
b	57b	Less: accumulated depreciation (attach schedule)		46,276,093.	57c	90,570,724.
58	Other assets, including program-related investments (describe <input type="checkbox"/> STMT 12)		36,712,710.	58	38,028,811.	
59	Total assets (must equal line 74). Add lines 45 through 58		149,763,949.	59	167,536,732.	
Liabilities	60	Accounts payable and accrued expenses		19,517,044.	60	23,476,770.
	61	Grants payable			61	
	62	Deferred revenue			62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)			63	
	64a	Tax-exempt bond liabilities (attach schedule)			64a	
	b	Mortgages and other notes payable (attach schedule)			64b	
	65	Other liabilities (describe <input type="checkbox"/> STMT 13)		44,990,609.	65	37,442,716.
66	Total liabilities. Add lines 60 through 65		64,507,653.	66	60,919,486.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.					
	67	Unrestricted		85,074,493.	67	105,023,455.
	68	Temporarily restricted		181,803.	68	555,640.
	69	Permanently restricted			69	1,038,151.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.					
	70	Capital stock, trust principal, or current funds			70	
	71	Paid-in or capital surplus, or land, building, and equipment fund			71	
	72	Retained earnings, endowment, accumulated income, or other funds			72	
73	Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)		85,256,296.	73	106,617,246.	
74	Total liabilities and net assets/fund balances. Add lines 66 and 73		149,763,949.	74	167,536,732.	

Part VI Other Information (continued)

82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? 82a X
b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b
83a Did the organization comply with the public inspection requirements for returns and exemption applications? 83a X
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions? 83b X
84a Did the organization solicit any contributions or gifts that were not tax deductible? 84a X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 84b N/A
85a 501(c)(4), (5), or (6). Were substantially all dues nondeductible by members? 85a N/A
b Did the organization make only in-house lobbying expenditures of \$2,000 or less? 85b N/A
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.
c Dues, assessments, and similar amounts from members 85c N/A
d Section 162(e) lobbying and political expenditures 85d N/A
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A
f Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? 85g N/A
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? 85h N/A
86 501(c)(7) orgs. Enter: a initiation fees and capital contributions included on line 12 86a N/A
b Gross receipts, included on line 12, for public use of club facilities 86b N/A
87 501(c)(12) orgs. Enter: a Gross income from members or shareholders 87a N/A
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b N/A
88a At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX 88a X
b At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI 88b X
89a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 NONE ; section 4912 NONE ; section 4955 NONE
b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction 89b X
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 NONE
d Enter: Amount of tax on line 89c, above, reimbursed by the organization NONE
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? 89e X
f All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract? 89f X
g For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? 89g N/A
90a List the states with which a copy of this return is filed N/A
b Number of employees employed in the pay period that includes March 12, 2007 (See instructions.) 90b 1529
91a The books are in care of EARL INOUYE Telephone no. 808-527-2595
Located at 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI ZIP + 4 96813
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? 91b X
If "Yes," enter the name of the foreign country
See the Instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.

Part VI Other Information (continued)

Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c Yes No

If "Yes," enter the name of the foreign country ▶ _____

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here ▶

and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92 | N/A

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a STMT 30		472,592.			166,368,573.
b					
c					
d					
e					
f Medicare/Medicaid payments					103,230,876.
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	211,603.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	113,904.	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	-5,294.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a STMT 31				-205,133.	834,251.
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		472,592.		115,080.	270,433,700.
105 Total (add line 104, columns (B), (D), and (E)) ▶					271,021,372.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
▼	SEE STATEMENT 3

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
STMT 32	%		2,743,825.	6,571,266.
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity. Yes No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	SEE STATEMENT 33			
b				
c				
Totals				27,866,959.

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity. Yes No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	SEE STATEMENT 35			
b				
c				
Totals				1,920,673.

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above? Yes No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here

Signature of officer _____ Date _____
Type or print name and title _____

Paid Preparer's Use Only

Preparer's signature: *Aunt* Date: 5/12/09 Check if self-employed: Preparer's SSN or PTIN (See Gen. Inst. X): _____
Firm's name (or yours if self-employed), address, and ZIP + 4: **ERNST & YOUNG U.S. LLP** EIN: **34-6565596**
55 MERCHANT ST., SUITE 1900, C-120 Phone no.: **808-531-2037**
HONOLULU, HI 96813

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),
or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information - (See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No. 1545-0047

2007

Name of the organization

STRAUB CLINIC & HOSPITAL

Employer identification number

91-2151670

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 37				
Total number of other employees paid over \$50,000 . . . ▶	672			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 38		
Total number of others receiving over \$50,000 for professional services ▶	19	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 39		
Total number of other contractors receiving over \$50,000 for other services ▶	22	

Part III Statements About Activities (See page 2 of the instructions.)

Yes No

1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ 1,244. (Must equal amounts on line 38, Part VI-A, or line I of Part VI-B.)

1 X

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)

a Sale, exchange, or leasing of property?

2a X

b Lending of money or other extension of credit?

2b X

c Furnishing of goods, services, or facilities?

2c X

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? .SEE. 990. PART V-A .

2d X

e Transfer of any part of its income or assets?

2e X

3a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)

3a X

b Did the organization have a section 403(b) annuity plan for its employees?

3b X

c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement

3c X

d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?

3d X

4a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g

4a X

b Did the organization make any taxable distributions under section 4966?

4b N/A

c Did the organization make a distribution to a donor, donor advisor, or related person?

4c N/A

d Enter the total number of donor advised funds owned at the end of the tax year ▶

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the rights to provide advice on the distribution or investment of amounts in such funds or accounts ▶

NONE

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶

NONE

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ► _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III - Functionally Integrated Type III - Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer Identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting. NOT APPLICABLE

Table with columns: Calendar year (or fiscal year beginning in), (a) 2006, (b) 2005, (c) 2004, (d) 2003, (e) Total. Rows 15-25: Gifts, grants, and contributions received; Membership fees received; Gross receipts from admissions, merchandise sold or services performed; Gross income from interest, dividends; Net income from unrelated business activities; Tax revenues levied; Value of services or facilities furnished; Other income; Total of lines 15 through 22; Line 23 minus line 17; Enter 1% of line 23.

Table for lines 26a-26f: Organizations described on lines 10 or 11. Includes instructions for public support percentage calculation and a list of disqualified persons.

Table for lines 27a-27h: Organizations described on line 12. Includes instructions for public support percentage calculation and a list of disqualified persons.

Table for lines 27c-27h: Public support and investment income percentages.

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 9 of the instructions.) **NOT APPLICABLE**
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30	
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) ----- ----- -----	31	
32 Does the organization maintain the following: a Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
33 Does the organization discriminate by race in any way with respect to: a Students' rights or privileges?	33a	
b Admissions policies?	33b	
c Employment of faculty or administrative staff?	33c	
d Scholarships or other financial assistance?	33d	
e Educational policies?	33e	
f Use of facilities?	33f	
g Athletic programs?	33g	
h Other extracurricular activities?	33h	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
34 a Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.)

(To be completed ONLY by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for all electing organizations
(The term "expenditures" means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	1,244.
40	Total exempt purpose expenditures (add lines 38 and 39)	40	1,244.
41	Lobbying nontaxable amount. Enter the amount from the following table - If the amount on line 40 is - The lobbying nontaxable amount is -		
	Not over \$500,000 20% of the amount on line 40		
	Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000		
	Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000	41	249.
	Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000		
	Over \$17,000,000 \$1,000,000		
42	Grassroots nontaxable amount (enter 25% of line 41)	42	62.
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount	249.	249.			498.
46 Lobbying ceiling amount (150% of line 45(e))					747.
47 Total lobbying expenditures					
Grassroots nontaxable amount	62.	62.			124.
49 Grassroots ceiling amount (150% of line 48(e))					186.
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities **NOT APPLICABLE**

(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

FORM 990 - GENERAL EXPLANATION ATTACHMENT

FORM 990, PART VI - NAMES OF RELATED ORGANIZATIONS
 FORM 990, PART VI, LINE 80B

NAMES OF RELATED ORGANIZATIONS	EIN	EXEMPT	NON-EXEMPT
HAWAI'I PACIFIC HEALTH FKA KAPI'OLANI HEALTH	99-0246363	X	
KAPIOLANI HEALTH FOUNDATION	99-0246364	X	
KAPIOLANI MEDICAL SPECIALISTS	99-0322406	X	
KAPIOLANI MEDICAL CENTER FOR WOMEN & CHILDREN	99-0177350	X	
KAPIOLANI MEDICAL CENTER AT PALI MOMI	99-0274038	X	
HAWAII PACIFIC HEALTH PARTNERS, INC. & SUBSIDIARIES*	99-0318588		X
*HICORD, INC.	99-0251496		X
PROVIDERS INSURANCE CORPORATION	71-0893000	X	
WILCOX MEMORIAL HOSPITAL	99-0074365	X	
WILCOX HOSPITAL FOUNDATION	99-0204242	X	
KAUAI MEDICAL CLINIC	99-0326099	X	
STRAUB CLINIC & HOSPITAL	91-2151670	X	
STRAUB FOUNDATION	99-0109350	X	
STRAUB PHARMACY, INC.	99-0145107		X
STRAUB PROFESSIONAL SERVICES, INC.	99-0265504		X

FORM 990 - GENERAL EXPLANATION ATTACHMENT

FIXED ASSETS AND DEPRECIATION
 FORM 990, DEPRECIATION, PART II, LINE 42 & FIXED ASSETS, PART IV, LINE 57

ASSET	BASIS	ACC DEP	DEP	NET
LAND	8,709,732	0	0	8,709,732
LAND IMPROVEMENTS	0	0	0	0
BUILDINGS	64,791,421	10,981,117	2,723,120	51,087,184
LEASEHOLD IMPROVEMENTS	8,001,682	1,490,532	987,157	5,523,993
FIXED EQUIPMENT	24,996,189	11,901,326	3,649,170	9,445,693
MAJOR MOVEABLE EQUIP	27,384,333	9,979,450	3,396,448	14,008,435
FURNITURE & FIXTURES	1,441,213	465,164	123,929	852,119
AUTOMOTIVE	0	0	0	0
CONSTRUCTION IN PROG	822,852	0	0	822,852
CAPITAL LEASES	644,092	408,195	133,883	102,014
DIETARY SERVICE EQUIP	55,302	32,874	3,727	18,701
TOTAL	136,846,817	35,258,658	11,017,435	90,570,724
AMORTIZATION OF GOODWILL			919,689	
TOTAL DEPRECIATION/AMORTIZATION EXPENSE			11,937,124	

FORM 990 - GENERAL EXPLANATION ATTACHMENT

RELATIONSHIP OF ACTIVITIES TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES
FORM 990, PART VIII

STRAUB CLINIC & HOSPITAL HAS BEEN SERVING THE HEALTHCARE NEEDS OF HAWAII FOR MORE THAN 80 YEARS, AND IS A FULLY INTEGRATED HEALTHCARE SYSTEM WITH NEIGHBORHOOD CLINICS AND VISITING SPECIALISTS PROGRAMS STATEWIDE. AS AN AFFILIATE OF HAWAII PACIFIC HEALTH, THE STATE'S LARGEST HEALTHCARE PROVIDER, STRAUB IS COMMITTED TO CARING FOR THE RESIDENTS OF OAHU ON BOTH AN INPATIENT AND OUTPATIENT BASIS AND TO SERVING THE COMMUNITY AS A PROVIDER OF CHARITY CARE, HEALTH EDUCATION AND PREVENTATIVE PROGRAMS.

STRAUB OFFERS PHYSICIANS OF ALL SPECIALTIES UNDER ONE ROOF, PROVIDING PATIENTS WITH COMPLEX MEDICAL PROBLEMS THE ABILITY TO QUICKLY RECEIVE EXPERT DIAGNOSIS AND TREATMENT.

MANY OF ITS PHYSICIANS ARE LEADERS IN THEIR FIELDS AND UPHOLD A TRADITION OF DELIVERING MEDICAL FIRSTS FOR THE BENEFIT OF PATIENTS ACROSS THE STATE AND THROUGHOUT THE PACIFIC BASIN. THE CLINIC AND HOSPITAL'S REVENUE FROM PATIENT SERVICES (LINE NO. 93) INCLUDES PAYMENTS FROM THE STATE OF HAWAII FOR SERVICES RENDERED TO MEDICAID, QUEST AND OTHER LOW-INCOME PATIENTS, AS WELL AS PAYMENTS FROM THE FEDERAL GOVERNMENT, PRIVATE INSURERS AND PRIVATE INDIVIDUALS.

STRAUB CLINIC & HOSPITAL STRIVES TO OFFER THE BEST CARE IN HAWAII, DRIVEN BY A LEGACY OF MEDICAL EXCELLENCE AND A COMMITMENT TO CONTINUALLY IMPROVING HEALTH SERVICES. IN FISCAL 2008, STRAUB HEART CENTER RECEIVED A THREE-STAR DESIGNATION, THE HIGHEST TIER, FOR QUALITY CARDIAC SURGERY FROM THE SOCIETY FOR THORACIC SURGEONS.

FORM 990 - GENERAL EXPLANATION ATTACHMENT
 =====

FORMER OFFICERS, DIRECTORS AND TRUSTEES
 FORM 990, PART V-B: FORMER OFFICER, DIRECTORS, AND TRUSTEES

THE INDIVIDUALS LISTED BELOW AND DETAILED IN PART V-B ARE FORMER OFFICERS WHO WERE PAID THE FOLLOWING COMPENSATION AMOUNTS FROM HAWAII PACIFIC HEALTH, AN AFFILIATED EXEMPT ENTITY. HAWAII PACIFIC HEALTH'S FEDERAL IDENTIFICATION NUMBER IS 99-0246363.

NAME	COMPENSATION	CONTR TO EMP BENEFIT PLAN	EXPENSE ACCOUNT
ROGER DRUE	14,079	NONE	NONE
BONNIE CASTONGUAY	8	NONE	NONE
DEW-ANNE LANGCAON	199,964	1,410	NONE
RICHARD ROBEL	86,988	NONE	NONE
JANA HALL	8,404	NONE	NONE
MICHELLE KAKAZU	10,969	NONE	NONE

FORM 990 - GENERAL EXPLANATION ATTACHMENT
=====

SALES OF OTHER TYPES OF INVESTMENTS
PART I, LINE 8 C AND D

DESCRIPTION: VARIOUS EQUIPMENT
ACQUISITION DATE: VARIOUS
SALES DATE: VARIOUS

SALE PROCEEDS: NONE
COST: \$2,338,179
ACCUMULATED DEPRECIATION: \$2,332,885
NET COST: \$5,294

GAIN/(LOSS) ON DISPOSAL OF PROPERTY, PLANT & EQUIPMENT: (5,294)

FORM 990 - GENERAL EXPLANATION ATTACHMENT
=====

FORM 990, PART IV - BEGINNING BALANCE SHEET
=====

SOME OF THE BEGINNING BALANCE SHEET LINE ITEMS WERE MOVED TO DIFFERENT
LINES ON THE BALANCE SHEET TO BE CONSISTENT WITH CURRENT YEAR REPORTING.

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES
=====

DESCRIPTION -----	AMOUNT -----
UNREALIZED GAIN ON INVESTMENTS	130,688.
EQUITY TRANSFER FROM HAWAII PACIFIC HEALTH, A RELATED 501(C)(3) ORG	14,126,763.
OBLIGATED GROUP INTERCOMPANY	7,569,925.
CHANGE IN INTEREST IN KHF AND WHF	1,497,765.
CAPITAL RELEASED	62,375.

TOTAL	23,387,516.
	=====

FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL
HEALTHCARE PROFESSIONALS	2,439,516.	2,347,820.	91,696.
INSURANCE/REAL PROPERTY TAXES	204,237.		204,237.
MISCELLANEOUS	2,500,352.	499,024.	2,001,328.
DEFERRED COMPENSATION EXPENSE	1,121,371.		1,121,371.
CORPORATE ALLOCATION	16,923,072.		16,923,072.
INTERNAL SERVICES PROVIDED	13,995,047.	345,193.	13,649,854.
INSURANCE	4,580,763.	4,389,006.	191,757.
SERVICES	5,773,943.	3,293,776.	2,480,167.
OTHER UTILITIES	3,151,896.	233,123.	2,918,773.
PROVISION FOR BAD DEBT	10,286,254.	10,286,254.	
LAB SERVICES	7,185,814.	7,185,814.	
OUTSOURCED FOOD & NUTRITION, PLANT OPER & ENV SERVICES	5,580,064.	767,502.	4,812,562.
TRANSCRIPTION SERVICES	1,469,782.	1,469,782.	
PROGRAM SERVICE EXPENDITURES	86,144.	86,144.	
TOTALS	75,298,255.	30,903,438.	44,394,817.

FORM 990, PART III - PROGRAM SERVICE ACCOMPLISHMENTS

PROGRAM SERVICE ACCOMPLISHMENT A

FOR MORE THAN 80 YEARS, STRAUB CLINIC & HOSPITAL HAS BEEN SERVING THE HEALTHCARE NEEDS OF HAWAII, AND IS A FULLY INTEGRATED HEALTHCARE SYSTEM WITH NEIGHBORHOOD CLINICS AND VISITING SPECIALISTS PROGRAMS STATEWIDE. AS AN AFFILIATE OF HAWAII PACIFIC HEALTH, THE STATE'S LARGEST HEALTHCARE PROVIDER, STRAUB IS COMMITTED TO CARING FOR THE RESIDENTS OF HAWAII ON BOTH AN INPATIENT AND OUTPATIENT BASIS, AND TO SERVING ITS COMMUNITY AS A PROVIDER OF CHARITY CARE, HEALTH EDUCATION AND PREVENTATIVE PROGRAMS.

STRAUB CLINIC & HOSPITAL PROVIDES 159 BEDS IN SERVICE AND OFFERS PHYSICIANS OF ALL SPECIALTIES UNDER ONE ROOF, PROVIDING PATIENTS WITH COMPLEX MEDICAL PROBLEMS THE ABILITY TO QUICKLY RECEIVE EXPERT DIAGNOSIS AND TREATMENT. PHYSICIANS AT STRAUB REPRESENT MORE THAN 30 DIFFERENT SPECIALTIES, INCLUDING ALLERGY, ANESTHESIOLOGY, CARDIOLOGY, CHEST DISEASES, DERMATOLOGY, EMERGENCY, ENDOCRINOLOGY/DIABETES, FAMILY MEDICINE, GASTROENTEROLOGY, GERIATRIC MEDICINE, HEALTH EDUCATION, HOSPITAL SERVICES/HOSPITALIST, INTERNAL MEDICINE, LABORATORY/PATHOLOGY, NEUROLOGY, NUCLEAR MEDICINE, OBSTETRICS/GYNECOLOGY, OCCUPATIONAL HEALTH, ONCOLOGY/HEMATOLOGY, OPHTHALMOLOGY, OTOLARYNGOLOGY, PEDIATRICS, PLASTIC SURGERY, PSYCHIATRY AND PSYCHOLOGY, RADIOLOGY, ORTHOPEDIC, SPORTS MEDICINE, RHEUMATOLOGY, NEUROSURGERY, VASCULAR SURGERY, CARDIAC SURGERY, GENERAL SURGERY AND UROLOGY.

IN FISCAL 2008, STRAUB CLINIC & HOSPITAL ADMITTED 6,185 PATIENTS FOR A TOTAL OF 35,891 PATIENT DAYS. THE EMERGENCY ROOM TREATED 22,517 PATIENTS. INPATIENT SURGERY CASES TOTALED 2,383, WHILE THERE WERE 2,505 OUTPATIENT SURGERY CASES AND 678,048 CLINIC ENCOUNTERS.

STRAUB HOUSES SEVERAL SPECIALTY CARE UNITS, RESPECTED BOTH STATEWIDE AND NATIONALLY. THE BURN UNIT AT STRAUB IS THE ONLY MULTI-DISCIPLINARY BURN UNIT IN THE PACIFIC REGION. THE STRAUB HEART CENTER PROVIDES COMPREHENSIVE CARDIAC SERVICES, FROM EDUCATION AND PREVENTION TO EVALUATION, DIAGNOSIS, TREATMENT AND REHABILITATION. THIS PAST YEAR, THE STRAUB HEART CENTER RECEIVED A THREE-STAR DESIGNATION, DENOTING THE HIGHEST TIER, FOR QUALITY CARDIAC SURGERY IN A RATING SYSTEM BY THE SOCIETY FOR THORACIC SURGEONS. STRAUB

FORM 990, PART III - PROGRAM SERVICE ACCOMPLISHMENTS
=====

HEART CENTER, A PARTICIPANT OF THE PROGRAM, WAS AMONG 12 PERCENT OF MEDICAL FACILITIES ACROSS THE NATION TO RECEIVE A THREE-STAR RATING.

THE VASCULAR CENTER AT STRAUB OFFERS COMPREHENSIVE CARE FOR THE TREATMENT OF ABDOMINAL AORTIC ANEURYSMS, CAROTID ARTERY DISEASE, LEG ISCHEMIA, DEEP VEIN THROMBOSIS, VENOUS STASIS ULCERS, PROBLEM WOUNDS, AND SPIDER AND VARICOSE VEINS. STRAUB'S BONE AND JOINT CENTER WAS THE FIRST IN HAWAII TO OFFER MINIMALLY INVASIVE HIP AND JOINT REPLACEMENT. STRAUB CLINIC AND HOSPITAL IS ALSO IN THE PROCESS OF IMPLEMENTING (EPIC) AN ELECTRONIC PATIENT MEDICAL RECORD WHICH WILL ENABLE ALL SCH PHYSICIANS TO SHARE MEDICAL INFORMATION.

STRAUB CLINIC & HOSPITAL HAS AN ESTABLISHED CHARITY CARE POLICY THAT SETS GUIDELINES ON WHICH PATIENTS QUALIFY FOR FREE CARE. IN FISCAL 2008, THE HOSPITAL PROVIDED \$4.2 MILLION WORTH OF CARE TO PATIENTS WHO WERE UNINSURED OR UNABLE TO PAY FOR THEIR CARE.

IN FISCAL 2008, MEDICAL SPECIALISTS FROM STRAUB DELIVERED FREE PUBLIC HEALTH EDUCATION PROGRAMS THAT HELPED THOUSANDS OF INDIVIDUALS LEARN THE LATEST STRATEGIES FOR PREVENTING OR MANAGING HEART ATTACKS, CANCER, ARTHRITIS, ASTHMA, ALLERGIES, STRESS MANAGEMENT, OSTEOPOROSIS, OBESITY AND DRUG ABUSE. PROGRAMS INCLUDED STRAUB'S KIDS FEST, LIVING HEALTHY IN PARADISE, WOMEN'S WAY TO HEALTH, CANCER CARE: CURRENT ISSUES, BREATHE WITH EASE, VALENTINE IN PARADISE AND GETTING A GRIP ON ARTHRITIS. ONE OF STRAUB'S MOST VISIBLE ROLES IN THE HONOLULU COMMUNITY IS THE ANNUAL STRAUB/ KAPI'OLANI WOMEN'S 10K RUN, WHICH CELEBRATED WOMEN'S HEALTH FOR THE 31ST YEAR IN A ROW.

FORM 990, PART IV - INVESTMENTS - OTHER

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
INVESTMENT IN HEALTH UNITED	25,000.	25,000.
INVESTMENT IN PACIFIC RADIOPHARMACY	339,580.	134,447.
INVESTMENT IN STRAUB PHARMACY, INC., A FOR PROFIT AFFILIATE	5,010,672.	5,006,967.
INVESTMENT IN STRAUB PROFESSIONAL SERVICES, INC. A FOR PROFIT AFFILIATE	1,000.	1,000.
BENEFICIAL INTEREST IN NET ASSETS	NONE	1,497,765.
TOTALS	----- 5,376,252. =====	----- 6,665,179. =====

FORM 990, PART IV - OTHER ASSETS

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
OTHER RECEIVABLES	1,098,394.	647,792.
GOODWILL AND OTHER INTANGIBLES	13,332,785.	12,413,096.
DEPOSITS AND OTHER ASSETS	6,199,149.	5,699,050.
CAPITAL LEASE	NONE	1,824.
DUE FROM KAPIOLANI HEALTH FOUNDATION, AN EXEMPT AFFIL.	10,820.	14,821.
DUE FROM STRAUB FOUNDATION, AN EXEMPT AFFILIATE	18,117.	10,106.
DUE FROM HAWAII PACIFIC HEALTH, AN EXEMPT AFFILIATE	145,400.	NONE
DUE FROM HAWAII PACIFIC HEALTH PARTNERS, INC., AN EXEMPT AFFILIATE	6,440.	4,424.
DUE FROM KAUAI MEDICAL CLINIC, AN EXEMPT AFFILIATE	13,585.	NONE
DUE FROM PROVIDERS INSURANCE, AN EXEMPT AFFILIATE	NONE	337,967.
DUE FROM KAPIOLANI MEDICAL SPECIALIST, AN EXEMPT AFFIL.	NONE	17,238.
DUE FROM GOVT AGENCIES	NONE	3,210,524.
BOARD DESIGNATED INVESTMENTS	15,888,020.	15,671,969.
	-----	-----
TOTALS	36,712,710.	38,028,811.
	=====	=====

FORM 990, PART IV - OTHER LIABILITIES

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
CAPITAL LEASE	30,052.	NONE
OTHER LONG TERM LIABILITIES	36,926,685.	32,844,621.
DUE TO STRAUB PHARMACY, A FOR-PROFIT AFFILIATE	4,555,888.	4,555,888.
DUE TO HAWAII PACIFIC HEALTH, AN EXEMPT AFFILIATE	1,900,000.	NONE
DUE TO KAPIOLANI MEDICAL SPECIALISTS, AN EXEMPT AFFILIATE	1,466.	NONE
DUE TO WILCOX HOSPITAL FOUNDATION, AN EXEMPT AFFILIATE	1,924.	2,153.
DUE TO STRAUB PROFESSIONAL SERVICES, INC., A FOR-PROFIT AFFILIATE	1,000.	1,000.
DUE TO PROVIDERS INSURANCE CORPORATION, AN EXEMPT AFFILIATE	1,573,594.	NONE
DUE TO KAUAI MEDICAL CLINIC, AN EXEMPT AFFILIATE	NONE	39,054.
TOTALS	----- 44,990,609. -----	----- 37,442,716. -----

FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN

DESCRIPTION	AMOUNT
TEMPORARILY RESTRICTED NET ASSETS RELEASED FROM RESTR	86,144.
RECLSS LOSS ON DISPOSAL OF PROPERTY, PLANT & EQUIPMENT	5,294.
TOTAL	91,438.

FORM 990, PART IV-B - OTHER EXPENSES ON BOOKS BUT NOT ON RETURN

DESCRIPTION	AMOUNT
RECLASS LOSS ON DISPOSAL PROPERTY, PLANT & EQUIPMENT	5,294.
TOTAL	5,294.

FORM 990, PART IV-B - OTHER EXPENSES ON RETURN BUT NOT ON BOOKS

DESCRIPTION	AMOUNT
ROUNDING	1.
TOTAL	1.

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
MICHAEL GIBSON ESQ 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR 1.00	NONE	NONE	NONE
B JEANNIE HEDBERG CPA 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	CHAIRMAN 1.00	NONE	NONE	NONE
FAYE WATANABE KURREN 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR 1.00	NONE	NONE	NONE
CHARLES A STED 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR 3.00	NONE	NONE	NONE
CHARLES R CHING 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	SECRETARY, GENERAL COUNSEL, SVP 3.00	NONE	NONE	NONE
RAYMOND P VARA JR 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR, EXEC VP, CEO 9.00	NONE	NONE	NONE
DAVID Y OKABE	EVP, CFO, TREASURER 6.00	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813				
KENNETH B ROBBINS MD 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR, EVP & CMO 40.00	NONE	NONE	NONE
TERRY LONG 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT 1.00	NONE	NONE	NONE
ARTHUR GLADSTONE 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT & COO 50.00	NONE	NONE	NONE
STEVEN ROBERTSON 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	SR VICE PRESIDENT & CIO 15.00	NONE	NONE	NONE
GAIL LERCH 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	EXEC VICE PRESIDENT 5.00	NONE	NONE	NONE
EARL INOUE 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT & CONTROLLER 6.00	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
WARREN CHAIKO 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT 15.00	NONE	NONE	NONE
PRUDENCE KUSANO 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	COMPLIANCE OFFICER 1.00	NONE	NONE	NONE
HILTON RAETHEL 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT 10.00	NONE	NONE	NONE
SUSAN MASUMOTO-NONAKA 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT 12.00	NONE	NONE	NONE
VIRGINIA PRESSLER FISHER 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	EXEC VICE PRESIDENT 2.00	NONE	NONE	NONE
PAULA DIAS 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT 1.00	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
KATIE SHIGEMITSU 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT 50.00	NONE	NONE	NONE
KIM HADDEN 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE PRESIDENT & CNE 50.00	NONE	NONE	NONE
MELINDA ASHTON MD 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	MEDICAL DIRECTOR 1.00	NONE	NONE	NONE
DAVID FOX 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	PRIVACY/INFO SECURITY OFFICER 1.00	NONE	NONE	NONE
JESSICA BRUGGEMANN 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	ASSISTANT CORPORATE SECRETARY 1.00	NONE	NONE	NONE
THOMAS J NORDYKE MD 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	VICE CHAIRMAN 1.00	242,716.	37,862.	NONE
KENN SARUWATARI MD	DIRECTOR 1.00	229,201.	56,144.	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813				
ROBERT W SCHULZ MD 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	DIRECTOR 1.00	603,213.	42,023.	NONE
GRAND TOTALS		1,075,130.	136,029.	NONE

FORM 990, PART V-A RELATIONSHIP SCHEDULE

RELATIONSHIP SCHEDULE

NAME OF OFFICER, DIRECTOR, ETC:	FAYE WATANABE KURREN
NAME OF RELATED ENTITY:	B JEANNIE HEDBERG CPA
TITLE OR ROLE:	CHAIRMAN
RELATIONSHIP:	BUSINESS RELATIONSHIP - ACCTG SVCS

NAME OF OFFICER, DIRECTOR, ETC:	MELINDA ASHTON MD
NAME OF RELATED ENTITY:	B JEANNIE HEDBERG CPA
TITLE OR ROLE:	CHAIRMAN
RELATIONSHIP:	BUSINESS RELATIONSHIP - ACCTG SVCS

FORM 990, PART V-A COMPENSATION PROVIDED BY RELATED ORGANIZATION

NAME, ORGANIZATION NAME, RELATIONSHIP	EMPLOYER ID #	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
CHARLES A STED HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	1,148,152.	176,157.	14,961.
CHARLES R CHING HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	350,046.	74,363.	NONE
RAYMOND P VARA JR HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	731,873.	138,856.	9,989.
DAVID Y OKABE HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	524,890.	83,702.	10,863.
KENNETH B ROBBINS MD HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	533,604.	113,144.	7,800.

FORM 990, PART V-A COMPENSATION PROVIDED BY RELATED ORGANIZATION

NAME, ORGANIZATION NAME, RELATIONSHIP	EMPLOYER ID #	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
TERRY LONG HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	188,207.	70,447.	NONE
ARTHUR GLADSTONE HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	316,737.	63,126.	NONE
STEVEN ROBERTSON HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	315,414.	85,173.	NONE
GAIL LERCH HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	480,408.	96,223.	7,800.
EARL INOUYE HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	212,425.	71,418.	NONE

FORM 990, PART V-A COMPENSATION PROVIDED BY RELATED ORGANIZATION

NAME, ORGANIZATION NAME, RELATIONSHIP	EMPLOYER ID #	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
WARREN CHAIKO HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	226,611.	61,068.	4,800.
PRUDENCE KUSANO HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	129,533.	33,693.	NONE
HILTON RAETHEL HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	197,299.	53,717.	1,323.
SUSAN MASUMOTO-NONAKA HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	192,620.	65,588.	NONE
VIRGINIA PRESSLER FISHER HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	369,069.	80,169.	2,834.

FORM 990, PART V-A COMPENSATION PROVIDED BY RELATED ORGANIZATION

NAME, ORGANIZATION NAME, RELATIONSHIP	EMPLOYER ID #	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
PAULA DIAS HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	210,560.	50,338.	NONE
KATIE SHIGEMITSU HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	166,713.	54,517.	NONE
KIM HADDEN HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	165,654.	38,350.	NONE
MELINDA ASHTON MD HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	218,724.	34,595.	NONE
DAVID FOX HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	92,405.	25,710.	NONE

FORM 990, PART V-A COMPENSATION PROVIDED BY RELATED ORGANIZATION

NAME, ORGANIZATION NAME, RELATIONSHIP	EMPLOYER ID #	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
JESSICA BRUGGEMANN HAWAII PACIFIC HEALTH SUPPORTING ORGANIZATION	99-0246363	75,032.	8,453.	NONE
GRAND TOTALS		6,845,976.	1,478,807.	60,370.

FORM 990, PART V-B - FORMER OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	LOANS AND ADVANCES	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
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ROGER DRUE 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	NONE	NONE	NONE	NONE
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SEE STATEMENT 4, FORM 990, PART V-B FORMER OFFICERS, DIRECTORS, AND TRUSTEES

BONNIE CASTONGUAY 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	NONE	NONE	NONE	NONE
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SEE STATEMENT 4, FORM 990, PART V-B FORMER OFFICERS, DIRECTORS, AND TRUSTEES

DEW-ANNE LANGCAON 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	NONE	NONE	NONE	NONE
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SEE STATEMENT 4, FORM 990, PART V-B FORMER OFFICERS, DIRECTORS, AND TRUSTEES

RICHARD ROBEL 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	NONE	NONE	NONE	NONE
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FORM 990, PART V-B - FORMER OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	LOANS AND ADVANCES	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
SEE STATEMENT 4, FORM 990, PART V-B FORMER OFFICERS, DIRECTORS, AND TRUSTEES				
JANA HALL 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	NONE	NONE	NONE	NONE
SEE STATEMENT 4, FORM 990, PART V-B FORMER OFFICERS, DIRECTORS, AND TRUSTEES				
MICHELLE KAKAZU 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813	NONE	NONE	NONE	NONE
SEE STATEMENT 4, FORM 990, PART V-B FORMER OFFICERS, DIRECTORS, AND TRUSTEES				
GRAND TOTALS	NONE	NONE	NONE	NONE

FORM 990, PART VII - PROGRAM SERVICE REVENUE

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
NET PATIENT SERVICE					160,914,204.
OTHER HEALTHCARE SERVICES					2,904,347.
PREMIUM REVENUE	446110	40,452.			2,111,201.
PHARMACY UBI	446199	432,140.			
OPTICAL SHOP UBI					
RENTAL INCOME					438,821.
TOTALS		472,592.			166,368,573.

FORM 990, PART VII - OTHER REVENUE

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
PARKING					837,956.
EQUITY INCOME FROM UNCONSOLIDATED SUBSIDIARIES					-3,705.
INCOME FROM INVESTMENT IN PACIFIC RADIOPHARMACY	14			-205,133.	
TOTALS				-205,133.	834,251.

FORM 990, PART IX - INFORMATION REGARDING TAXABLE SUBSIDIARIES

NAME AND ADDRESS EMPLOYER IDENTIFICATION NUMBER	PERCENTAGE OWNERSHIP INTEREST	NATURE OF BUSINESS ACTIVITIES	TOTAL INCOME	ENDING ASSETS
STRAUB PROFESSIONAL SERVICES 55 MERCHANT STREET, 24TH FL HONOLULU, HI 96813 99-0265504	100.000000	MEDICAL SERVICES	NONE	1,000.
STRAUB PHARMACY INC 55 MERCHANT STREET 24TH FLOOR HONOLULU, HI 96813 99-0145107	100.000000	PHARMACY	NONE	4,971,708.
PACIFIC RADIOPHARMACY 347 NORTH KUAKINI HONOLULU, HI 96813 99-0164521	50.000000	PHARMACY	2,743,825.	1,598,558.
TOTAL INCOME			2,743,825.	6,571,266.

FORM 990, PART XI - TRANSFERS TO CONTROLLED ENTITIES STATEMENT
 =====

CONTROLLED ENTITY'S NAME: KAPIOLANI MEDICAL CENTER FOR WOMEN & CH
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR
 CITY, STATE & ZIP: HONOLULU, HI 96813
 EIN: 99-0177350
 TRANSFER AMOUNT: 710,733.
 EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
 INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: PROVIDERS INSURANCE CORPORATION
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR
 CITY, STATE & ZIP: HONOLULU, HI 96813
 EIN: 71-0893000
 TRANSFER AMOUNT: 4,294,787.
 EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
 PROFESSIONAL LIABILITY PREMIUMS

CONTROLLED ENTITY'S NAME: HAWAII PACIFIC HEALTH
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR
 CITY, STATE & ZIP: HONOLULU, HI 96813
 EIN: 99-0246363
 TRANSFER AMOUNT: 13,030,102.
 EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
 FIXED ASSET TRANSFERS

CONTROLLED ENTITY'S NAME: PROVIDERS INSURANCE CORPORATION
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR
 CITY, STATE & ZIP: HONOLULU, HI 96813
 EIN: 71-0893000
 TRANSFER AMOUNT: 207,120.
 EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
 INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: HAWAII PACIFIC HEALTH
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET, 24TH FLOOR
 CITY, STATE & ZIP: HONOLULU, HI 96813
 EIN: 99-0246363
 TRANSFER AMOUNT: 1,900,000.
 EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
 CAPITAL CONTRIBUTION-HELLER DEBT

FORM 990, PART XI - TRANSFERS TO CONTROLLED ENTITIES STATEMENT (CONT'
=====

CONTROLLED ENTITY'S NAME: WILCOX MEMORIAL HOSPITAL
CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET, 24TH FLOOR
CITY, STATE & ZIP: HONOLULU, HI 96813
EIN: 99-0074365
TRANSFER AMOUNT: 37,896.
EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: WILCOX HEALTH FOUNDATION
CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET, 24TH FLOOR
CITY, STATE & ZIP: HONOLULU, HI 96813
EIN: 99-0204242
TRANSFER AMOUNT: 228.
EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: HAWAII PACIFIC HEALTH PARTNERS, INC.
CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET, 24TH FLOOR
CITY, STATE & ZIP: HONOLULU, HI 96813
EIN: 99-0318588
TRANSFER AMOUNT: 2,016.
EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: HAWAII PACIFIC HEALTH
CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET, 24TH FLOOR
CITY, STATE & ZIP: HONOLULU, HI 96813
EIN: 99-0246363
TRANSFER AMOUNT: 7,684,077.
EXPLANATION OF TRANSFER TO CONTROLLED ENTITY:
INTERNAL SUPPORT SERVICES PROVIDED

FORM 990, PART XI - TRANSFERS FROM CONTROLLED ENTITIES STATEMENT
=====

CONTROLLED ENTITY'S NAME: STRAUB FOUNDATION
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR
 CITY, STATE & ZIP: HONOLULU, HI 96813
 EIN: 99-0109350
 TRANSFER AMOUNT: 58,698.
 EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:
 INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: HAWAII PACIFIC HEALTH
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR
 CITY, STATE & ZIP: HONOLULU, HI 96813
 EIN: 99-0246363
 TRANSFER AMOUNT: 803,338.
 EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:
 INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: KAPIOLANI MEDICAL CENTER AT PALI MOMI
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR
 CITY, STATE & ZIP: HONOLULU, HI 96813
 EIN: 99-0274038
 TRANSFER AMOUNT: 768,108.
 EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:
 INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: KAPIOLANI MEDICAL SPECIALISTS
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR
 CITY, STATE & ZIP: HONOLULU, HI 96813
 EIN: 99-0322406
 TRANSFER AMOUNT: 180,503.
 EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:
 INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: HAWAII PACIFIC HEALTH RESEARCH INSTITUTE
 CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET 24TH FLOOR
 CITY, STATE & ZIP: HONOLULU, HI 96813
 EIN: 99-0246363
 TRANSFER AMOUNT: 94,674.
 EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:
 INTERNAL SUPPORT SERVICES PROVIDED

FORM 990, PART XI - TRANSFERS FROM CONTROLLED ENTITIES STATEMENT (CON
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CONTROLLED ENTITY'S NAME: KAPIOLANI HEALTH FOUNDATION
CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET, 24TH FLOOR
CITY, STATE & ZIP: HONOLULU, HI 96813
EIN: 99-0246364
TRANSFER AMOUNT: 4,000.
EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:
INTERNAL SUPPORT SERVICES PROVIDED

CONTROLLED ENTITY'S NAME: KAUAI MEDICAL CLINIC
CONTROLLED ENTITY'S ADDRESS: 55 MERCHANT STREET, 24TH FLOOR
CITY, STATE & ZIP: HONOLULU, HI 96813
EIN: 99-0326099
TRANSFER AMOUNT: 11,352.
EXPLANATION OF TRANSFER FROM CONTROLLED ENTITY:
INTERNAL SUPPORT SERVICES PROVIDED

SCHEDULE A, PART I - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCOUNT
HINGSON M CHUN 55 MERCHANT STREET 24TH FLOOR HONOLULU, HI 96813	PHYSICIAN 40.00	762,357.	58,615.	NONE
MARK S GERBER 55 MERCHANT STREET 24TH FLOOR HONOLULU, HI 96813	PHYSICIAN 40.00	723,339.	29,209.	NONE
KENNETH C M LEE 55 MERCHANT STREET 24TH FLOOR HONOLULU, HI 96813	PHYSICIAN 40.00	692,985.	70,958.	NONE
WESLEY J KAI 55 MERCHANT STREET 24TH FLOOR HONOLULU, HI 96813	PHYSICIAN 40.00	665,498.	127,565.	NONE
J ROY CHEN 55 MERCHANT STREET 24TH FLOOR HONOLULU, HI 96813	PHYSICIAN 40.00	570,895.	56,777.	NONE
TOTAL COMPENSATION		3,415,074.	343,124.	NONE

SCH. A, PART II-A COMPENSATION OF THE 5 HIGHEST PAID FOR PROF. SERV.

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NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
-----	-----	-----
CLINICAL LABORATORIES OF HAWAII LLP P.O. BOX 1300 HONOLULU, HI 96807	LAB SERVICES	6,787,360.
HEARTLAND INFORMATION SERVICES INC P.O. BOX L2567 COLUMBUS, OH 43260	TRANSCRIPTION SRVCS	1,367,656.
COMPHEALTH INC P.O. BOX 972651 DALLAS, TX 75397	STAFFING SRVCS	668,240.
FRESENIUS MEDICAL CARE P.O. BOX 93403 HONOLULU, HI 96807	MEDICAL SERVICES	561,060.
HAWAII RESIDENCY PROGRAMS INC 1356 LUSITANA ST., #510 HONOLULU, HI 96813	RESIDENCY & TRAINING	506,414.
TOTAL COMPENSATION		----- 9,890,730. =====

SCH. A, PART II-B COMPENSATION OF THE 5 HIGHEST PAID FOR OTHER SERV.

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NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
-----	-----	-----
SODEXHO INC AND AFFILIATES 888 S. KING STREET HONOLULU, HI 96813	FOOD PREP & CATERING	5,492,587.
CONSTRUCTORS HAWAII INC 740 KOHOU STREET HONOLULU, HI 96817	CONSTRUCTION SRVCS	1,708,353.
UNITED LAUNDRY SERVICES INC 2291 ALAHAO PL. HONOLULU, HI 96819	LAUNDRY SERVICES	718,288.
FILE MINDERS OF HAWAII LLC 91-238 KAUHI STREET KAPOLEI, HI 96707	FILING & STORAGE	464,132.
PHILLIPS MEDICAL SYSTEMS NA CO P.O. BOX 100355 ATLANTA, GA 30384	EQUIPMENT RENTAL	422,613.
TOTAL COMPENSATION		----- 8,805,973. =====

Department of the Treasury
Internal Revenue Service (77)

For calendar year 2007 or other tax year beginning 07/01, 2007, and
ending 06/30, 2008. See separate instructions.

Check box if
address changed

Name of organization (Check box if name changed and see instructions.)

D Employer identification number
(Employees' trust, see instructions for Block D
on page 9.)

B Exempt under section
 501(c)(3) 220(e)
 408A 530(a)
 529(a)

**Print
or
Type**

STRAUB CLINIC & HOSPITAL
Number, street, and room or suite no. If a P.O. box, see page 9 of instructions.

91-2151670

55 MERCHANT STREET, 24TH FLOOR

E Unrelated business activity codes
(See instructions for Block E on page 9.)

City or town, state, and ZIP code

446199 446110

F Group exemption number (See instructions for Block F on page 9.)

**C Book value of all assets
at end of year**

167,536,732.

G Check organization type 501(c) corporation 501(c) trust 401(a) trust Other trust

H Describe the organization's primary unrelated business activity. **OPTICAL GOODS STORE, OUTPATIENT PHARMACY**

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No
If "Yes," enter the name and identifying number of the parent corporation. **SEE STATEMENT 1**

J The books are in care of **EARL INOUYE** Telephone number **808-527-2595**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales	472,592.			
b Less returns and allowances				
c Balance		472,592.		
2 Cost of goods sold (Schedule A, line 7)		212,069.		
3 Gross profit. Subtract line 2 from line 1c		260,523.		260,523.
4 a Capital gain net income (attach Schedule D)				
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)				
c Capital loss deduction for trusts				
5 Income (loss) from partnerships and S corporations (attach statement)				
6 Rent income (Schedule C)				
7 Unrelated debt-financed income (Schedule E)				
8 Interest, annuities, royalties, and rents from controlled organizations (Schedule F)				
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)				
10 Exploited exempt activity income (Schedule I)				
11 Advertising income (Schedule J)				
12 Other income (See page 11 of the instructions; attach schedule.)				
13 Total. Combine lines 3 through 12		260,523.		260,523.

Part II Deductions Not Taken Elsewhere (See page 12 of the instructions for limitations on deductions.)
(Except for contributions, deductions must be directly connected with the unrelated business income.)

14 Compensation of officers, directors, and trustees (Schedule K)	14		
15 Salaries and wages	15		114,890.
16 Repairs and maintenance	16		
17 Bad debts	17		
18 Interest (attach schedule)	18		
19 Taxes and licenses	19		1,512.
20 Charitable contributions (See page 14 of the instructions for limitation rules.)	20		
21 Depreciation (attach Form 4562)	21	13,606.	
22 Less depreciation claimed on Schedule A and elsewhere on return	22a		13,606.
23 Depletion	23		
24 Contributions to deferred compensation plans	24		
25 Employee benefit programs	25		15,242.
26 Excess exempt expenses (Schedule I)	26		
27 Excess readership costs (Schedule J)	27		
28 Other deductions (attach schedule)	28	SEE STATEMENT 2	85,732.
29 Total deductions. Add lines 14 through 28	29		230,982.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30		29,541.
31 Net operating loss deduction (limited to the amount on line 30)	31		29,541.
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32		
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions.)	33		1,000.
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32.	34		

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation on page 15. Controlled group members (sections 1561 and 1563) check here [X] See instructions and:
a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):
(1) NONE (2) NONE (3) NONE
b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750)
(2) Additional 3% tax (not more than \$100,000)
c Income tax on the amount on line 34 35c NONE
36 Trusts Taxable at Trust Rates. See instructions for tax computation on page 16. Income tax on the amount on line 34 from: [] Tax rate schedule or [] Schedule D (Form 1041) 36
37 Proxy tax. See page 16 of the instructions 37
38 Alternative minimum tax 38
39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies 39 NONE

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) 40a
b Other credits (see page 17 of the instructions) 40b
c General business credit. Check here and indicate which forms are attached:
[] Form 3800 [] Form(s) (specify) 40c
d Credit for prior year minimum tax (attach Form 8801 or 8827) 40d
e Total credits. Add lines 40a through 40d 40e
41 Subtract line 40e from line 39 41 NONE
42 Other taxes. Check if from: [] Form 4255 [] Form 8611 [] Form 8697 [] Form 8866 [] Other (attach schedule) 42
43 Total tax. Add lines 41 and 42 43 NONE
44a Payments: A 2006 overpayment credited to 2007 44a
b 2007 estimated tax payments 44b
c Tax deposited with Form 8868 44c
d Foreign organizations: Tax paid or withheld at source (see instructions) 44d
e Backup withholding (see instructions) 44e
f Other credits and payments: [] Form 2439 [] Other Total 44f
45 Total payments. Add lines 44a through 44f 45
46 Estimated tax penalty (see page 4 of the instructions). Check if Form 2220 is attached 46
47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed 47 NONE
48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid 48 NONE
49 Enter the amount of line 48 you want: Credited to 2008 estimated tax Refunded 49 NONE

Part V Statements Regarding Certain Activities and Other Information (see instructions on page 18)

1 At any time during the 2007 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1. If YES, enter the name of the foreign country here X
2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see page 5 of the instructions for other forms the organization may have to file. X
3 Enter the amount of tax-exempt interest received or accrued during the tax year \$

Schedule A - Cost of Goods Sold. Enter method of inventory valuation

1 Inventory at beginning of year 1
2 Purchases 2
3 Cost of labor 3
4a Additional section 263A costs (attach schedule) 4a
b Other costs (attach schedule) 4b
5 Total. Add lines 1 through 4b 5
6 Inventory at end of year 6
7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2, 7
8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? Yes No X

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here Signature of officer Date 5/14/09 Title Vice President May the IRS discuss this return with the preparer shown below (see instructions)? Yes X No

Paid Preparer's Use Only Preparer's signature Date 5/12/09 Check if self-employed Preparer's SSN or PTIN P00216618 Firm's name (or yours if self-employed), address, and ZIP code ERNST & YOUNG U.S. LLP 55 MERCHANT ST., SUITE 1900, C-120 HONOLULU, HI 96813 EIN 34-6565596 Phone no. 808-531-2037

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions on page 20)

1 Description of property

(1)
(2)
(3)
(4)

2 Rent received or accrued

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real end personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3 Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total	Total	

Total deductions. Enter here and on page 1, Part I, line 6, column (B) . . . ▶

Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) . . . ▶

Schedule E - Unrelated Debt-Financed Income (see instructions on page 20)

1 Description of debt-financed property	2 Gross income from or allocable to debt-financed property	3 Deductions directly connected with or allocable to debt-financed property		
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Column 4 divided by column 5	7 Gross income reportable (column 2 x column 6)	8 Allocable deductions (column 8 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals ▶			Enter here and on page 1, Part I, line 7, column (A).	Enter here and on page 1, Part I, line 7, column (B).

Total dividends-received deductions included in column 8 ▶

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions on page 21)

1 Name of Controlled Organization	2 Employer Identification Number	Exempt Controlled Organizations			
		3 Net unrelated income (loss) (see instructions)	4 Total of specified payments made	5 Part of column 4 that is included in the controlling organization's gross income	6 Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7 Taxable Income	8 Net unrelated income (loss) (see instructions)	9 Total of specified payments made	10 Part of column 9 that is included in the controlling organization's gross income	11 Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
Totals ▶			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization

(see instructions on page 22)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
Totals ▶		Enter here and on page 1, Part I, line 9, column (A).		Enter here and on page 1, Part I, line 9, column (B).

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income

(see instructions on page 22)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals ▶		Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).			Enter here and on page 1, Part II, line 26.

Schedule J - Advertising Income (see instructions on page 22)

Part I Income From Periodicals Reported on a Consolidated Basis

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5)) ▶						

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I						
Totals, Part II (lines 1-5) . . . ▶	Enter here and on page 1, Part I, line 11, col. (A).	Enter here and on page 1, Part I, line 11, col. (B).				Enter here and on page 1, Part II, line 27.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions on page 23)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
			%
			%
			%
			%
Total. Enter here and on page 1, Part II, line 14 ▶			

NAME AND FEIN OF PARENT CORPORATION
=====

HAWAII PACIFIC HEALTH
99-0246363

FORM 990T - PART II - LINE 28 - TOTAL OTHER DEDUCTIONS

PURCHASED SERVICES	2,675.
COPORATE OVERHEAD ALLOCATION	80,467.
MISCELLANEOUS EXPENSES	2,590.

PART II - LINE 28 - OTHER DEDUCTIONS	85,732.
	=====

Straub Clinic & Hospital
EIN: 91-2151670
UBIT NOL Carryforward
FY June 30, 2008

Net Operating Loss

FYE 06/30/2003	2,285,760
FYE 06/30/2004	2,557,423
FYE 06/30/2005	1,502,412
FYE 06/30/2006	<u>408,111</u>
NOL Carryforward to FYE 6/30/07	6,753,706
FYE 06/30/2008	<u>(29,541)</u>
NOL Carryforward to FYE 6/30/2009	<u><u>6,724,165</u></u>

CONTROLLED GROUP ELECTION STATEMENTS

ELECTION TO ALLOCATE \$125,000 BUSINESS ASSET EXPENSE

The undersigned corporation, component members of a controlled group of corporation, as defined in Internal Revenue Code §179(d)(7), hereby consent to the apportionment plan listed below with respect to the taxable year of each corporation which includes June 30, 2008.

ELECTION TO ALLOCATE \$40,000 ALTERNATIVE MINIMUM TAX EXEMPTION

The undersigned corporation, component members of a controlled group of corporation (within the meaning of Internal Revenue Code §1563(a)), hereby consent under IRC §1.58-1(c)(3) to the apportionment plan listed below with respect to the taxable year of each corporation which includes June 30, 2008.

ELECTION TO ALLOCATE \$150,000 ALTERNATIVE MINIMUM TAX EXEMPTION

The undersigned corporation, component members of a controlled group of corporation (within the meaning of Internal Revenue Code §1563(a)), hereby consent under IRC §1.58-1(c)(3) to the apportionment plan listed below with respect to the taxable year of each corporation which includes June 30, 2008.

ELECTION TO ALLOCATE TAXABLE INCOME BRACKETS

The undersigned corporation, component members of a controlled group of corporation (within the meaning of Internal Revenue Code §1563(a)), hereby consent under IRC §1.58-1(c)(3) to the apportionment plan listed below with respect to the taxable year of each corporation which includes June 30, 2008.

ELECTION TO ALLOCATE ACCUMULATED EARNINGS CREDIT

The undersigned corporation, component members of a controlled group of corporation (within the meaning of Internal Revenue Code §1563(a)), hereby consent under IRC §1.535-3 to the apportionment plan listed below with respect to the taxable year of each corporation which includes June 30, 2008.

Company	Employer Number	Apport. of Depr. Business Asset Expense	Apport. of \$40,000 Alt. Min Tax Exemption	Apport. of \$150,000 Alt. Min. Tax Exemption
1	99-0318588	\$125,000	\$40,000	\$150,000
2	99-0177350	None	None	None
3	99-0274038	None	None	None
4	99-0145107	None	None	None
5	99-0265504	None	None	None
6	99-0326099	None	None	None
7	91-2151670	None	None	None

CONTROLLED GROUP ELECTION STATEMENTS





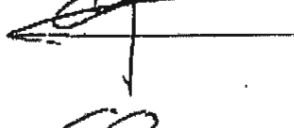
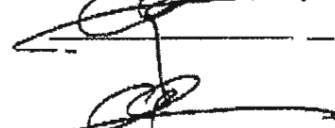

STATEMENT OF TAX BRACKET ALLOCATION

The amounts in each taxable income bracket in the tax table in IRC §11(b) have been allocated to the following corporations pursuant to §1.1563-3(a)

Company	Employer Number	First \$50,000 of Taxable Income	Taxable income over \$50,000 but not over \$75,000	Taxable income over \$75,000 but not over \$100,000	Taxable income over \$100,000 but not over \$335,000	Taxable income over \$335,000 but not over \$10,000,000
1	99-0318588	\$50,000	\$25,000	\$25,000	\$235,000	\$9,665,000
2	99-0177350	None	None	None	None	None
3	99-0274038	None	None	None	None	None
4	99-0145107	None	None	None	None	None
5	99-0265504	None	None	None	None	None
6	99-0326099	None	None	None	None	None
7	91-2151670	None	None	None	None	None

CONTROLLED GROUP ELECTION STATEMENTS

IDENTIFICATION AND SIGNATURES:

Company	Employer Number	Name and Address	Taxable Year End	Signature and Title of Officer
1	99-0318588	Hawaii Pacific Health Partners, Inc. & Subsidiaries 55 Merchant Street, 24 th Floor Honolulu, HI 96813	06/30/08	
2	99-0177350	Kapiolani Medical Center for Women and Children 55 Merchant Street, 24 th Floor Honolulu, HI 96813	06/30/08	
3	99-02474038	Kapiolani Medical Center at Pali Momi 55 Merchant Street, 24 th Floor Honolulu, HI 96813	06/30/08	
4	99-0145107	Straub Pharmacy, Inc. 55 Merchant Street, 24 th Floor Honolulu, HI 96813	06/30/08	
5	99-0265504	Straub Professional Services, Inc. 55 Merchant Street, 24 th Floor Honolulu, HI 96813	06/30/08	
6	99-0326099	Kauai Medical Clinic, Inc. 3-3420 Kuhio Highway, Suite B Lihue, Hawaii 96766	06/30/08	
7	91-2151670	Straub Clinic & Hospital 55 Merchant Street, 24 th Floor Honolulu, HI 96813	06/30/08	

Straub Clinic & Hospital
EIN: 91-2151670
UBIT NOL Carryforward
FY June 30, 2008

Net Operating Loss

FYE 06/30/2003	2,285,760
FYE 06/30/2004	2,557,423
FYE 06/30/2005	1,502,412
FYE 06/30/2006	<u>408,111</u>
NOL Carryforward to FYE 6/30/07	6,753,706
FYE 06/30/2008	<u>(29,541)</u>
NOL Carryforward to FYE 6/30/2009	<u><u>6,724,165</u></u>