



***SURA Financial Overview
October – February 05***

**April 8th, 2005
Hamilton Crown Plaza, DC**

Recompete/Partnering Strategy

Financial Concerns



- Keeping SURA whole financially
- Not diminishing SURA's size as a \$100+ million organization.....SURA needs to be the consolidating party
- Safeguarding SURA's tax exempt status

YTD Performance Highlights and Outlook for Year End



- **Lower costs contribute to smaller than planned operating loss (\$0.7 million vs. \$2.1 million), but +/- 70% of the \$1.4 savings will reverse later in the year**
- **Operating loss of \$0.7 mil was amply offset by \$2.4 mil in ROI resulting in a net change in assets (net income) of \$1.7 million versus a budgeted loss of \$856K**
- **Outlook for year end FY05 is improving and both the budgeted operating loss of \$5 million and the negative change in net assets of \$1.9 million are expected to be lower by +/- 800K**

***Continued Strong Balance Sheet
With Solid Liquidity Ratios***



	\$000's	
	Actual	Budget
Assets		
Current Assets	\$3,661	\$3,194
Net Property & Equip.	1,328	1,375
L.T. Investments	38,423	37,306
Total assets	<u>\$43,412</u>	<u>\$41,875</u>
Liabilities & Net Assets		
Current Liabilities	\$4,130	\$4,647
Bank Debt	4,950	5,500
Contract Reserve	450	450
Total Liabilities	<u>9,530</u>	<u>10,597</u>
Unrestricted Net Assets	<u>33,882</u>	<u>31,278</u>
Total Liab. & Net Assets	<u>\$43,412</u>	<u>\$41,875</u>

***FY 05 2/28/05 YTD Operating Results
Ahead of Budget***



	\$000'S		
	Actual FY05	Budget FY05	5 Month Variance
Revenues			
DOE Fee/Cost	\$875	\$875	
Programs & Other	2,272	4,333	
	<u>3,147</u>	<u>5,208</u>	<u>(2,061)</u>
Expenses			
Corporate G&A	1,368	1,840	
Program	2,461	5,512	
	<u>3,829</u>	<u>7,352</u>	<u>3,523</u>
Operating Loss	<u>(682)</u>	<u>(2,144)</u>	<u>1,462</u>
ROI & Other	2,388	1,288	1,100
Change in Net Assets	<u><u>\$1,706</u></u>	<u><u>(\$856)</u></u>	<u><u>\$2,562</u></u>

**2005 YTD Ahead of Prior Year
Operating Results But Trailing in ROI**



	<u>\$000's</u>	
	Act 05	Act 04
Revenues	\$3,147	\$3,328
Expenses		
Corp G&A	1,368	1,586
Program	<u>2,661</u>	<u>2,628</u>
	3,829	4,214
Operating Income (Loss)	(682)	(886)
Return on Investment		
Yield	351	332
Net Appreciation	<u>2,037</u>	<u>3,323</u>
Net ROI	2,388	3,655
Net Operating Income	<u><u>\$1,706</u></u>	<u><u>\$2,769</u></u>

Investment Portfolio Continues Steady Growth..... Now at 6.8% Versus 9% Annual Target

