RWJBarnabas Health

UNAUDITED QUARTERLY REPORTS

For the nine months ended September 30, 2026 and 2025

November 13, 2026



RWJ Barnabas Health, Inc.

Consolidated Financial Statements and Supplementary Information as of September 30, 2026 and December 31, 2025 and for the nine months ended September 30, 2026 and 2025

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RWJ BARNABAS HEALTH, INC.

Summary of Obligations under the
Master Trust Indenture and Other Credit Arrangements

September 30, 2026

Bond Obligations under the Master Trust Indenture

New Jersey Health Care Facilities Financing Authority Revenue and Refunding Bonds:

- RWJ Barnabas Health Obligated Group Issue, Series 2026A
- RWJ Barnabas Health Obligated Group Issue, Series 2026B-1 through B-4
- RWJ Barnabas Health Obligated Group Issue, Series 2024A
- RWJ Barnabas Health Obligated Group Issue, Series 2024B
- RWJ Barnabas Health Obligated Group Issue, Series 2021A
- RWJ Barnabas Health Obligated Group Issue, Series 2019A

Taxable/Other Debt:

- RWJ Barnabas Health Obligated Group Issue, Series 2019
- RWJ Barnabas Health Senior Secured Notes, Series A through D
- RWJ Barnabas Health Taxable Revenue Bonds, Series 2016

Other Credit Arrangements

- Revolving line of credit agreement with JPMorgan Chase Bank, N.A. for the principal amount of $150 million. No funds have been drawn down under such credit agreement. Includes a sublimit for letters of credit including the self-insured worker's compensation program. Secured under the Master Trust Indenture.
- Revolving line of credit agreement with Bank of America, N.A. for the principal amount of $100 million. No funds have been drawn down under such credit agreement.
- Construction loans (combined with grants) from the New Jersey Economic Development Authority under its HUD-funded Energy Resilience Bank program for the construction of combined heating and power systems at each of Cooperman Barnabas Medical Center, Newark Beth Israel Medical Center, Robert Wood Johnson University Hospital Somerset, Jersey City Medical Center, and Trinitas Regional Medical Center, and related funding from PSE&G. The aggregate maximum availability of the loans is approximately $24.4 million; approximately $24.2 million has been drawn down under the loans.
- The Corporation established a self-liquidity backed commercial paper program which serves as a source for interim liquidity needs. The program is authorized up to $200 million. As of September 30, 2026, no commercial paper was outstanding.

RWJ BARNABAS HEALTH, INC.

LIQUIDITY SUMMARY

September 30, 2026

(In thousands)

ASSETS		
Same Day Liquidity		
Deposit Accounts at A-1 rated Banks	$	413,180
US Government Securities and Agencies rated A-1 or better maturing under one year		160,826
Money Market Funds rated Am or better		2,452
Next Day Liquidity		
Investment Grade Debt not included above		515,218
Identified Same Day and Next Day Liquidity [(1)]	$	1,091,677
LIABILITIES (SELF LIQUIDITY DEBT)		
Commercial Paper Notes [(2)]	$	-
Variable Rate Demand Bonds [(3)]		200,000
Total Debt Subject to Self-Liquidity	$	200,000

(1) Total unrestricted cash and investments as of September 30, 2026 was $7.1 billion. Certain of these investments are excluded from the above liquidity summary as they are not assets pledged for self-liquidity. The Corporation also has a $150 million credit facility in place with an expiration date of March 26, 2027. On May 29, 2026 the Corporation opened a second credit facility with a separate lender in the amount of $100 million with an expiration date of May 28, 2027. As of September 30, 2026, $7 million of the $150 million credit facility was used in the form of standby letters of credit that provide liquidity support for the Corporation's self-insured workers' compensation and other programs. There was no cash drawn under either credit facility during the term.

(2) The Corporation established a self-liquidity backed commercial paper program which serves as a source for interim liquidity needs. The program is authorized up to $200 million. As of September 30, 2026, no commercial paper was outstanding.

(3) The Corporation issued $400 million in variable rate demand bonds on May 7, 2026 of which $100 million were backed by self-liquidity and the other $300 million were supported by direct pay letters of credit. On September 3, 2026, $100 million of the bonds supported by a direct pay letter of credit were converted to self-liquidity bringing the total to $200 million and decreasing the amount supported by direct pay letters of credit to $200 million. The interest rates on these bonds are reset daily.

RWJ BARNABAS HEALTH, INC.

System Overview

September 30, 2026

Facility	Location	Licensed Beds	
Acute Care Hospitals:			
Newark Beth Israel Medical Center	Newark	653	(1)
Community Medical Center	Toms River	617	(2)
Cooperman Barnabas Medical Center	Livingston	597	
Robert Wood Johnson University Hospital, New Brunswick Campus	New Brunswick	698	(3)
Robert Wood Johnson University Hospital, Somerset Campus	Somerville	343	
Monmouth Medical Center	Long Branch	514	(4)
Monmouth Medical Center, Southern Campus	Lakewood	241	(5)
Clara Maass Medical Center	Belleville	472	
Jersey City Medical Center	Jersey City	352	
Robert Wood Johnson University Hospital Rahway	Rahway	213	
Robert Wood Johnson University Hospital at Hamilton	Hamilton	248	
Trinitas Regional Medical Center	Elizabeth	553	(6)
Total Acute Care Beds		**5,501**	
Transitional Care Beds:			
Children's Specialized Hospital	New Brunswick	159	(7)
Community Medical Center Transitional Care Unit	Toms River	25	(2)
TRMC Hospital-based Long Term Care Facility	Elizabeth	124	(6)
Total Transitional Care Beds		**308**	
Specialty Hospitals:			
The Children's Hospital of NJ at Newark Beth Israel Medical Center	Newark	156	(1)
Barnabas Health Behavioral Health Center	Toms River	100	(5)
The Bristol-Myers Squibb Children's Hospital at Robert Wood Johnson University Hospital	New Brunswick	79	(3)
The Unterberg Children’s Hospital at Monmouth Medical Center	Long Branch	70	(4)
Total Specialty Hospital Beds		**405**	

(1) Newark Beth Israel Medical Center is licensed for 653 beds, 156 of which are licensed for Children’s Hospital of New Jersey at Newark Beth Israel Medical Center. For presentation purposes, these 156 beds are included in the licensed bed complement for both Newark Beth Israel Medical Center and it's designated Children's Hospital.

(2) For presentation purposes, the 25 Transitional Care beds located at the general acute care hospital are included in the licensed bed complement for Community Medical Center.

(3) Robert Wood Johnson University Hospital is licensed for 698 beds, of which 96 are licensed for the Morris Cancer Center and 79 are licensed for The Bristol-Myers Squibb Children's Hospital. For presentation purposes, these 79 beds are included in the licensed bed complement for both Robert Wood Johnson University Hospital and its designated Children’s Hospital. Robert Wood Johnson University Hospital has been granted temporary approval from the Department of Health to operate an additional 26 neonatal bassinets not included in the count.

(4) Monmouth Medical Center is licensed for 514 beds, 70 of which are licensed for The Unterberg Children’s Hospital at Monmouth Medical Center. For presentation purposes, these 70 beds are included in the licensed bed complement for both Monmouth Medical Center and its designated Children’s Hospital.

(5) Monmouth Medical Center, Southern Campus is licensed for 241 beds, 60 of which are psychiatric beds located at Barnabas Health Behavioral Health Center. For presentation purposes, these 60 beds are included in the licensed bed complements of both Monmouth Medical Center, Southern Campus combined with the 40 beds licensed to Barnabas Health Behavioral Health Center.

(6) Trinitas Regional Medical Center is licensed for 553 beds, 124 of which are long term and sub acute care. For presentation purposes, these 124 beds are included in the licensed bed complement of Trinitas Regional Medical Center.

(7) These licensed beds represent pediatric long term care and rehabilitation beds. Children’s Specialized Hospital operates at multiple locations in New Jersey, including the long term care beds in Mountainside and Toms River, New Jersey.

Our Organization

RWJ Barnabas Health, Inc. (RWJBH or the Corporation), the collective group of the entities described herein, is New Jersey's largest academic health care system. The Corporation is a New Jersey not-for-profit corporation exempt from federal and state income taxes. The core service area spans eight counties and has more than five million residents. The Corporation's core geographic coverage includes Hudson, Essex, Union, Middlesex, Mercer, Somerset, Monmouth, and Ocean Counties. RWJBH physicians, nurses, and other health professionals are committed to delivering high-quality patient care, training the next generation of health care providers, and through a long-term affiliation with Rutgers, The State University of New Jersey (Rutgers) advancing clinical research and innovative therapies. RWJBH also invests in community health initiatives and workforce development to address evolving health needs across New Jersey.

RWJBarnabas Health's Mission, Vision, and Values

RWJBH is one system, one family committed to being the best place to deliver excellent care. We deliver clinical excellence with care and compassion and honor and appreciate the privilege of creating and sustaining healthier communities, one person and one community at a time. We acknowledge the contributions of our team members and support each other in achieving our greatest potential.

Working together, our patients and families will always receive coordinated and equitable care, without compromise. We will challenge ourselves to collaborate and bring together our collective knowledge and talent to achieve world-class outcomes. We will celebrate our diversity and approach each day with a spirit of possibility and optimism.

RWJBH's mission reflects the Corporation's evolution from a "health care" company to an organization focused on health "Let's Be Healthy Together." The Mission, Vision, and Values statements are intended to guide the enterprise's strategic direction.

Our Mission
We are an academic health system, partnering with our communities to build and sustain a healthier New Jersey.

Our Vision
RWJBH will be the premier health care destination providing patient-centered, high-quality academic medicine in a compassionate and equitable manner, while delivering a best-in-class work experience to every member of the team.

Our Values
Accountability: An acceptance of responsibility for honest and ethical conduct towards others.
Compassion: Sympathetic concern for the sufferings or misfortunes of others.
Curiosity: A strong desire to know or learn something.
Empathy: The ability to understand and share the feelings of another.
Excellence: The quality of being outstanding or extremely good.
Kindness: The quality of being friendly, generous and considerate.

Respect: A feeling of deep admiration for someone or something elicited by their abilities, qualities or achievements.
Teamwork: The combined action of a group of people, especially when effective and efficient.

Affiliation with Rutgers, the State University of New Jersey - Realizing our Academic Vision

Through its long-standing relationship with Rutgers including Rutgers' two medical schools and schools of nursing, dentistry, pharmacy, allied health professions, public health, and biomedical sciences—the Corporation accesses current medical research and treatment technologies. Under a Master Affiliation Agreement (MAA) executed in 2018, RWJBH and Rutgers aligned their educational, research, and clinical missions. RWJBH, in collaboration with Rutgers' Robert Wood Johnson Medical School and New Jersey Medical School, trains and educates more than 1,800 medical residents, interns, and fellows across the Corporation's hospitals each year. This affiliation supports the Corporation's position as New Jersey's largest academic health care system, integrating patient care, research, and health professions education.

Under the terms of the MAA, the Corporation is to invest more than one billion dollars to expand the education and research missions of the academic health system. The affiliation includes the Rutgers Cancer Institute (RCI), the State's only National Cancer Institute (NCI)-designated Comprehensive Cancer Center and the Rutgers Institute for Translational Medicine and Science, a recipient of the National Institute of Health's Clinical Translational Science Award distinguishing the partnership as only one of a small group of institutions with access to clinical studies in both oncology and non-oncology.

Key Service Lines

The Corporation's operating model advances strategy through regional leadership and clinical service lines. Each region is led by a Regional President responsible for inpatient and outpatient operations partnering with service line leaders to integrate care across behavioral health, cardiovascular, oncology, neurosciences, orthopedics, primary care, women's health, children's health, and emergency and hospital medicine. RWJBH measures performance through patient outcomes, patient experience, and inpatient share within its core service area. Below are highlights of two key service lines.

Oncology Service Line

The centerpiece of RWJBH's Oncology service line is RCI, the State's only NCI-designated Comprehensive Cancer Center. The NCI designation is competitively awarded to centers with demonstrated scientific leadership, resources, and a strong track record of discovery across basic, clinical, and population-based research. Designated centers must meet rigorous standards for clinical care, research, prevention, and education and demonstrate an integrated, transdisciplinary approach to cancer care and research.

The Oncology service line integrates RCI with RWJBH's hospital and ambulatory programs, making RWJBH the leading provider of cancer services in New Jersey with more than 55,000 new patient visits annually. The service line promotes adherence to evidence-based clinical pathways through shared clinical leadership and a common clinical information system. A call center and navigation program helps patients access local care for routine treatment while connecting them to sub-specialists and advanced services across the network. The service line also supports research and education through a statewide clinical trials network and oncology fellowship programs and improves access for vulnerable populations

through initiatives such as ScreenNJ. From 2019 through 2025, volumes for radiation courses, chemotherapy infusions, malignant surgical cases, and cancer productivity (wRVUs) have increased 24%, 26%, 75%, and 121%, respectively.

As an NCI-designated Comprehensive Cancer Center, RCI supports recruitment of nationally recognized physicians and researchers. This academic and clinical platform helps identify care gaps, improve access and outcomes through aligned care models, and deploy leading-edge technology closer to the communities served. RCI is also a high-volume center for specialized cell therapy and immunotherapy for a variety of cancers. A Good Manufacturing Practices facility supports clinical trials by enabling production of innovative vectors and cells for adoptive cell transfer.

RWJBH is investing in cancer facilities, technology (including two magnetic resonance-guided linear accelerators), and physician recruitment across multiple markets. In May 2025, the Jack and Sheryl Morris Cancer Center in New Brunswick opened and became New Jersey's first freestanding cancer hospital. In June 2026, the Melchiorre Cancer Center at Cooperman Barnabas Medical Center (CBMC) became fully operational and serves as the northern hub for integrated oncology services offered by RWJBH and RCI. The Vogel Medical Campus Specialty and Cancer Care Center at Monmouth Medical Center, slated to open in the first quarter of 2027, will serve as the southern hub. These investments are designed to extend RCI's clinical research, expertise, and innovations closer to patients' homes.

Women's Health

The Women's Health service line is a core clinical platform within RWJBH, representing a high-volume, strategically important service line with a predictable demand and a sizeable share in the System's core service area. RWJBH operates a comprehensive obstetrical and neonatal network across nine birthing hospitals, delivering approximately 24,000 births annually.

RWJBH has implemented System-wide clinical standards and evidence-based care models designed to improve outcomes and reduce variability. These efforts have contributed to sustained improvements in key quality indicators, including reductions in primary cesarean section rates for low-risk, first-time mothers and performance that exceeds national benchmarks on many maternal quality measures. RWJBH continues to invest in obstetrical facilities, clinical staffing, and physician alignment to support volume growth and acuity management. Capital investments are targeted toward modernizing labor and delivery units, expanding neonatal capacity where needed, and ensuring geographic coverage aligned with population growth trends across the System's core service area.

Women's Health services extend beyond obstetrics and offer comprehensive, integrated, and specialized care for women across all life stages, featuring advanced services in OB/GYN, breast health, oncology, and specialized clinics. Key programs include dedicated women's cardiac care, reproductive endocrinology for hormone health, and tailored wellness programs focusing on osteoporosis and risk factor management. These services support longitudinal patient relationships and enhance continuity of care across the reproductive health lifecycle, contributing to patient retention and coordination of care and referral for other clinically appropriate services within the System. The service line also plays a key role in RWJBH's population health and value-based strategies. Integrated behavioral health screening, maternal mental health programs, and standardized care pathways are designed to reduce complications, avoid preventable readmissions, and manage total cost of care for maternity episodes.

The System's academic affiliation further supports clinical quality and workforce sustainability. As part of RWJBH's academic health system, obstetrical and perinatal providers participate in research, training, and quality improvement initiatives, strengthening physician recruitment and retention while supporting innovation in maternal and neonatal care delivery.

Ambulatory Care Network

Partnerships

RWJBH is expanding ambulatory services through joint venture acquisitions (the Ambulatory Care Network) to support a comprehensive care continuum and build healthier communities. The Ambulatory Care Network includes nearly 3,300 providers across 630 locations. Since 2019, the Corporation has prioritized partnerships with physician practices that expand preventive and specialty care across New Jersey. The network spans more than 20 service lines, including primary care, pediatrics, urgent care, behavioral health, women's health, anesthesia, gastroenterology, orthopedics, general and bariatric surgery, vascular, cardiology, infectious disease, ophthalmology, oncology, and hematology, across 19 New Jersey counties and certain out-of-state locations.

Ambulatory Centers

In addition to the Ambulatory Care Network partnerships and the cancer centers described above, RWJBH continues to expand outpatient and ambulatory facilities to provide accessible, coordinated care closer to home. The Corporation is investing in multi-specialty ambulatory hubs that integrate physician offices, ambulatory sites, and hospitals across the continuum of care and are designed to improve convenience and affordability for local residents.

In March 2025, RWJBH opened a 15-story Ambulatory Medical Pavilion in New Brunswick on the RWJUH New Brunswick campus, housing Rutgers Health specialists. The facility incorporates modern medical space design to support patient comfort and operational efficiency. Services include audiology; ear, nose, and throat care; cardiology and cardiac and vascular surgery; colorectal care; gastroenterology; neurology, neurophysiology, and stroke services; plastic and reconstructive surgery; and speech pathology.

In September 2025, RWJBH opened a new 72,000-square-foot, three-story multi-specialty ambulatory facility in Old Bridge, staffed by providers from RWJBarnabas Health Medical Group, Rutgers Health, and Family First Urgent Care. Services include urgent care, heart and vascular care, GI/digestive health, general surgery, endocrinology, neurosciences, and primary care.

RWJBH is developing a new 67,000-square-foot, three-story multi-specialty facility in Howell, expected to open in late 2026 or early 2027. Developed in partnership with The New Jersey Imaging Network, LLC (NJIN), Seaview Orthopaedic, LLC, and Family First Urgent Care, the facility will provide outpatient surgery, imaging, cardiology, and urgent care to support accessible, coordinated care.

Further Ambulatory densification is planned in Morristown in January 2027.

Staffing and labor action

Like many healthcare providers, the Corporation is experiencing shortages in certain clinical specialties, resulting in higher labor costs and increased investment in retention. RWJBH continues to strengthen recruitment and retention strategies, particularly for nursing, including enhanced tuition assistance and professional development, flexible scheduling, and retention and sign-on incentives. The Corporation has also improved benefits, including increased employer retirement contributions, standardized paid time off, and expanded parental leave. These enhancements support the Corporation's Total Wellbeing Promise and are intended to maintain a competitive total rewards package across the communities served.

On June 29, 2026, the United Steel Workers Local 4-200 at RWJUH New Brunswick ratified a new, three-year collective bargaining contract, which is set to expire June 30, 2029. The agreement provides

annual wage increases, targeted market adjustments, enhanced benefits, strengthened staffing and workplace safety provisions, and new artificial intelligence language that protects nurses' clinical judgment and establishes a labor management process to address emerging technology in the workplace.

Current negotiations are underway between CBMC and the New Jersey Nurses Union (NJNU), CWA Local 1091, which represents approximately 1,600 nurses. The contract expired on November 1, 2026. Other active negotiations are also underway between NJNU and Monmouth Medical Center Southern Campus as that contract expired on September 30, 2026.

RWJBarnabas Health School of Nursing

The nursing profession faces significant challenges across the nation and in New Jersey, a shortage of nurses continues to grow, driven by an aging workforce, rising healthcare demands, occupational fatigue and a shortage of qualified nursing faculty.

To meet this challenge, RWJBH renamed the RWJBarnabas Health Trinitas School of Nursing in Elizabeth, New Jersey to RWJBarnabas Health School of Nursing (School of Nursing) in support of an expansion to a second location in Oceanport, New Jersey. The nursing program currently offered in Elizabeth, through a partnership with Union College of Union County, will continue at the School of Nursing. The Registered Nurse program will now be offered at both locations while the LPN to RN program will continue to be offered at the Elizabeth location.

The new Oceanport campus, located at Fort Monmouth, opened on October 7, 2025 and is a 40,000-square-foot, state-of-the-art facility offering experienced faculty and hands-on training opportunities while allowing RWJBH to provide greater educational opportunities to more students – particularly those in the Corporation's southern region. Currently there are approximately 700 nurses enrolled in the program. This expansion reflects RWJBH's continuing commitment to excellence in nursing education and to educating and empowering the next generation of skilled nurses throughout New Jersey. The expansion also proactively addresses the growing nursing shortage and provides a pipeline of skilled nurses to RWJBH and to the State.

Advancing Social Impact

RWJBH has expanded its mission from "health care" to "health" and has developed initiatives focused on the social determinants of health (SDOH). The Corporation addresses priority SDOH needs by implementing programs and infrastructure that expand access to care and improve community health beyond traditional clinical settings. Key priorities include food insecurity, education and health literacy, and access to care and services, supported through evidence-based strategies developed with local, state, and national partners. The Corporation's community investments include:

- Fighting food insecurity through increased access to healthy food and nutrition education. These initiatives include Harvest: A Farm to Community Center in Newark which is an 8,000-square-foot food hub; Chef's Brigade in Newark which embeds seven chefs across 71 Newark public schools to nutritionally enhance meals and provide staff training; and Food Farmacies in Middlesex, Hudson, and Essex counties that provide healthy food pantries and nutrition counseling.

- Increased and improved access to health care through the Community Health Worker (CHW) Program in eight counties of New Jersey. CHW's follow patients for a minimum of 120 days to assist community members and ensure access to care through assistance with appointments, transportation, food, housing resources and more. Other initiatives also include the Corporation's support of the Essex County Pediatric Mobile Health Clinic, cost-free transportation, Federally

Qualified Health Centers, Newark Alliance Intensive Mobile Health Team and University Hospital Partnership in Newark.

- As an anchor institution, RWJBH works with local vendors throughout nine counties to promote economic growth in the communities served. RWJBH creates jobs and career paths inside and outside the Corporation for members of its local communities. RWJBH supports the Newark Asset Building Coalition and the United Way of Greater Newark in their efforts to address poverty in Newark. The Corporation continues to support Asset Limited, Income Constrained, Employed (ALICE) individuals through employment and training opportunities.

The Corporation also expanded its investments in local nonprofits and other organizations that strengthen community wellbeing, economic stability and access to care through the following:

- Developed a strategic partnership with Saint James Health (SJH), the leading Federally Qualified Health Center with three care locations in Newark. RWJBH partnered with SJH to increase access to care to the underserved communities of Newark by providing up to date Electronic Health Record systems.

- Launched The Bridge Project providing financial assistance to low-income mothers over their child's first three years to promote healthy development and stability.

- Partnered with United Way of Greater Newark to advance poverty-reduction efforts and improve long-term community stability.

- Supported Planet Harvest to enable the weekly distribution of food boxes to at-need families of Trinitas Women's Health Center

- Backed the North Ward Center in expanding its Center for Autism Adult Day Care program to increase support for adults with autism and their caregivers.

- Funded El Barrio Wellness at Las Casa de Don Pedro to bring bilingual trauma-informed mental health services for local children, adults and families.

Acquisitions, Mergers, Divestitures, Affiliations, and Alliances

RWJBH continuously evaluates potential acquisitions, mergers and affiliations as part of the overall strategic and development process, as well as decisions to divest and/or sell existing entities, services or products that currently comprise the Corporation. As part of this process, the Corporation is frequently in discussions with the State, health care systems both in New Jersey and in other states, and other stakeholders. These discussions can include any of the matters described in the preceding sentences or other participation by the Corporation, financial or otherwise, across the health care delivery spectrum. As a result, the group of affiliated health care entities currently comprising the Corporation and the properties and facilities operated by them may change over time including the following:

On January 5, 2026, the Corporation and Englewood Health (Englewood) signed a definitive agreement whereby Englewood will become part of the Corporation. Englewood Hospital, an affiliate of Englewood, is a 283 licensed-bed hospital with total revenues of approximately $1.3 billion. The relationship is designed to enhance healthcare services for residents of Bergen, Hudson and Passaic counties and the surrounding communities. The terms of the definitive agreement call for RWJBH to make capital investments in Englewood and to expand the network of outpatient services and community health programs. The consummation of the transaction, contemplated by the definitive agreement,

requires approvals from regulatory authorities. It is anticipated that this transaction will be completed in the first quarter of 2027.

Awards and Distinctions

RWJBH has been regularly recognized as a top employer by regional and national publications such as *Modern Healthcare*, *Becker's Hospital Review*, and *Newsweek*. The Corporation's hospitals, programs and services have earned distinctions in their respective fields, including multiple Magnet® designations for excellence in nursing and patient care, national recognition from *Healthgrades* as America's Best Hospitals, and inclusion among Best Regional Hospitals in the 2026–2027 *U.S. News & World Report* Best Hospitals edition. Additionally, the Corporation's hospitals receive strong quality and safety ratings from nationally respected organizations, including *The Leapfrog Group*, and have earned many Joint Commission certifications across specialty programs.

Select awards and distinctions are highlighted below:



2026 Plan of Finance

On May 7, 2026, the Corporation completed the RWJ Barnabas Health Obligated Group Issue, Series 2026A, in a principal amount of $1,122,395 and received total proceeds of $1,255,647, consisting of a $137,762 premium less a $4,510 underwriter's discount. The Corporation used $803,295 of the proceeds to defease the Series 2016A, 2019B-2, and 2019B-3 bonds, $450,935 to reimburse prior capital costs, and $1,128 to pay additional costs of issuance. The Series 2026A bonds mature from 2027 through 2043 and bear interest at rates ranging from 5.00% to 5.50%.

On May 7, 2026, the Corporation also completed the RWJ Barnabas Health Obligated Group Issue, Series 2026B-1, 2026B-2, 2026B-3, and 2026B-4, in an aggregate principal amount of $400,000 ($100,000 per Series) and received total proceeds of $399,565 after underwriter's discount. The Corporation used $399,065 of the proceeds to reimburse prior capital costs and $500 to pay additional costs of issuance. The Series 2026B bonds are variable rate demand bonds with interest rates that reset daily. Series 2026B-1, 2026B-2, and 2026B-3 are supported by letters of credit issued by TD Bank, N.A. Series 2026B-4 consist of unsecured variable rate demand bonds that, although subject to long-term amortization, may be put to the Corporation by bondholders for remarketing.

The transaction resulted in a gain on extinguishment of debt of $51,947. The interest expense for the remainder of the year related to the 2026 bond series is expected to be favorable to budget. Changes in the couponing structure, shift to variable rate bonds and significantly more bond premium due to market changes will contribute to the anticipated benefit.

On September 3, 2026, $100,000 million of the bonds supported by a direct pay letter of credit were converted to self-liquidity bringing the total to $200,000 and decreasing the amount supported by direct pay letters of credit to $200,000.

In conjunction with the financing, S&P and Moody's performed a credit analysis. S&P affirmed the 'AA-' long-term rating with a stable outlook, reflecting strong market position, improved financial performance, and solid cash flow. S&P also affirmed its A-1+ rating related to the commercial paper and short-term liquidity program. Moody's affirmed the A1 long-term rating and the P-1 commercial paper and short-term liquidity rating. The outlook has been revised to positive from stable. The revision reflects the Corporation's financial and operational strength and rising cash reserves - amid substantial capital investments - demonstrating highly effective financial strategy and risk management.

Management's Discussion and Analysis of Recent Financial Performance

Management's Discussion and Analysis of Recent Financial Performance is based upon the consolidated financial results of the Corporation since the members of the Corporation's Obligated Group represent 93% of the total consolidated assets and 80% of the total consolidated operating revenues as of and for the nine months ended September 30, 2026. Accordingly, the discussion below includes the financial results of entities that are not members of the Obligated Group.

Financial Highlights

The following table summarizes key operating performance results for the nine months ended September 30, 2026 and 2025 as compared to the S&P benchmark:

	Nine months ended September 30,		S&P
	2026	2025	AA-
Operating revenue	$ 9,267,684	7,886,071	5,185,068
Operating income	636,186	384,920	72,287
Operating margin	6.9%	4.9%	2.3%
Operating cash flow	1,042,634	761,005	N/A
Operating cash flow margin	11.3%	9.6%	6.7%
Excess of revenue margin	9.7%	10.2%	5.7%

The following table summarizes overall performance ratios as of September 30, 2026 and December 31, 2025 as compared to the S&P benchmark:

	September 30, 2026	December 31, 2025	S&P AA-
Unrestricted Cash and Investments	$ 7,051,581	5,289,241	4,595,828
Days cash on hand	233.1	194.4	242.5
Total outstanding long-term debt	4,063,308	3,372,786	1,619,564
Unrestricted cash to debt	173.5%	156.8%	256.4%
Debt to capitalization	32.3%	30.9%	23.3%
Debt service coverage ratio	7.5x	7.5x	6.4x

For the nine months ended September 30, 2026, the Corporation's total operating income and operating margin were $636,186 and 6.9%, respectively, compared to the operating income and operating margin of $384,920 and 4.9% for the nine months ended September 30, 2025. Total operating revenues grew by $1,381,613 or 17.5% compared to the nine months ended September 30, 2025, while operating expenses increased by $1,130,347 or 15.1% during the same period.

Overall, patient service revenue of $8,544,965 exceeded 2025 by $1,250,410 or 17.1%. The increase was due to growth in acute care inpatient (including the Medicaid County Option Program) and outpatient revenue and professional billing revenue. Other operating revenue increased by $131,203 or 22.2%, primarily due to FEMA grant revenue which was favorable to prior year due to the successful closure and reimbursement of the remaining two projects under the Covid-19 grant. Insurance recoveries, 340B contract pharmacy revenue, investment tax credits related to projects at select combined heat and power facilities, accountable care revenue and earnings in unconsolidated joint ventures also contributed to the positive variance. For additional information, refer to the Operating Revenue and Volume discussion.

The increase in operating expenses of $1,130,347 or 15.1% was driven by salaries and employee benefits due to annual salary increases, equity adjustments and additional full-time employees. Physician fees and

salaries, supplies, other expenses, interest and depreciation also exceeded prior year. For additional information, refer to the *Operating Expenses* discussion.

The Corporation's excess of revenues over expenses (EROE) and EROE margin for the nine months ended September 30, 2026 were $923,203 and 9.7%, respectively, compared to $851,222 and 10.2% for the nine months ended September 30, 2025. The increase in EROE was driven by income from operations, gain on extinguishment of debt, and gain on acquisition of subsidiaries. This was offset by a decrease in investment income of $198,433 and an impairment charge on a cost method investment of $59,141. For additional information, refer to the *Nonoperating Gains and Losses* discussion.

Operating Revenue and Volume

The following table presents consolidated operating revenue and select volume statistics for the nine months ended September 30, 2026 and 2025:

	Nine months ended September 30,	
	2026	**2025**
Operating Revenue:		
Inpatient patient service revenue	$ 4,386,897	3,587,699
Outpatient patient service revenue	2,891,964	2,601,876
Professional billing revenue	1,210,547	1,038,953
State of NJ subsidy revenue	55,557	66,027
Total patient service revenue	8,544,965	7,294,555
Other operating revenue	722,719	591,516
Total operating revenue	$ 9,267,684	7,886,071
Volume & utilization statistics:		
Acute care licensed beds	5,501	5,417
Average acute care beds in service	4,407	4,323
Acute care occupancy based on beds in service	75.3%	76.1%
Acute care length of stay	5.31	5.33
Acute care admissions	170,062	167,758
Adult and pediatric admissions	117,537	115,910
Newborn and NICU admissions	18,387	18,797
Maternity and obstetric cases	18,907	19,343
Patient days	905,935	897,986
Same day surgery cases	58,943	56,587
Emergency room visits (excl. admits)	523,190	521,058
Observations	94,469	99,626
Psychiatric hospital inpatient admissions	857	824

Acute Care payor mix, based on patient days, for the periods ended September 30, 2026 and December 31, 2025 is presented below:

Payor Mix	Patient Days	
	2026	2025
Medicare	24.7%	24.8%
Medicaid	6.0%	6.0%
Managed Medicare	24.4%	24.4%
Managed Medicaid	18.0%	17.9%
Managed Care	11.1%	10.4%
NJ Blue Cross & Commercial	8.9%	9.6%
Self-pay and Other	6.9%	6.9%
	100.0%	100.0%

Total Operating Revenue

Patient Service Revenue

Inpatient service revenue, excluding subsidy revenue, of $4,386,897 was favorable to prior year by $799,198 or 22.3%. Revenue from the Medicaid County Option Program increased from prior year by $526,251 as additional counties have been included and overall Program funding has increased. The Corporation also benefited from managed care rate increases and pay for performance bonuses which surpassed prior year by $17,166. Additionally, inpatient volume exceeded prior year by 1.4%.

Outpatient service revenue of $2,891,964 was favorable to prior year by $290,088 or 11.1%. The acute care hospitals accounted for $245,122 of the increase. Acute care outpatient volume exceeded prior year by 8.0% driven by medicine, cardiology and chemotherapy and infusion services. Same day surgical cases were also favorable compared to prior year by 4.2%. Medicaid Add-on and prior year cost report revenue were favorable compared to prior year by $41,237 and $11,255, respectively. This was partially offset by observation volume, which was unfavorable to prior year by 5.2%.

Subsidy revenue decreased from prior year by $10,470 due to decreased charity care funding.

Professional billing revenue of $1,210,547 was favorable to prior year by $171,594 or 16.5%. Community-based medical group practices contributed $59,539 to the growth driven by an increase in wRVU's over prior year of 10.7% as well as the addition of new practices. Emergency Medicine, Hospitalist, Anesthesia, and Radiology service lines were collectively favorable to prior year by $54,630 due to expansion of hospital-based services. The academic group and RCI were also favorable to prior year by $9,097 due to a positive rate variance as well as new practices. Additionally, ambulatory services and other entities collectively contributed $48,328. The increase is attributable to the continued focus on ambulatory densification.

Other Revenue

Other revenue of $722,719 was favorable to prior year by $131,203 or 22.2%. Other revenue includes income from grants including FEMA, pharmacy sales (some offset in expense), earnings from joint venture arrangements, contributions, net assets released from restriction, cafeteria, and parking. Pharmacy

revenue exceeded prior year by $35,181 due to 340B contract pharmacy revenue. Additionally, accountable care revenue, insurance recoveries, and increased energy credits collectively exceeded prior year by $24,248. Grants were favorable to prior year by $65,354 due to FEMA program. Joint venture earnings were also favorable compared to prior year by $5,174.

Certain joint ventures are reported using the equity method of accounting and are not fully consolidated in the Corporation's financial statements. Additional financial information for these joint ventures is included in the table below:

	Nine months ended September 30,					
	2026			2025		
	Operating Revenue	Net Income	Net Income Attributable to RWJBH	Operating Revenue	Net Income	Net Income Attributable to RWJBH
Ambulatory Surgery	$ 352,832	153,230	42,536	$ 336,807	149,342	41,676
Home Care & Hospice	127,047	5,353	2,723	123,224	6,360	3,231
Diagnostic Imaging	155,123	27,896	14,216	136,661	22,832	11,632
Medical Practice Joint Ventures	852,152	113,602	54,548	766,815	112,755	54,806
Other	63,985	15,879	4,676	43,186	6,409	2,180
	$ 1,551,139	315,959	118,699	$ 1,406,693	297,698	113,525

Ambulatory surgery ventures were favorable to prior year by $860 due to higher volumes at two centers.

Home care and hospice ventures were unfavorable to prior year by $508 due to volumes which decreased by 1.6%. The decrease in volume compared to prior year is attributed to lower homecare visits and hospice patient days by 1.4% and 1.9%, respectively.

Diagnostic imaging ventures were favorable to prior year by $2,584 due to volumes which increased by 2.8%. The volume increase was driven by CT, PET and MRI procedures which were higher than prior year by 2.1%, 1.9% and 2.3%, respectively. This was partially offset by expenses associated with imaging procedures which were unfavorable by 1.8% from the prior year.

Medical Practice joint ventures were unfavorable to prior year by $258. The decrease was primarily related to the reclassification of four businesses from equity method accounting to consolidated reporting during 2025 and 2026 because of the buyout of the joint venture partner. This was partially offset by revenue from new joint ventures acquired since September 2025.

Other ventures were favorable to prior year by $2,496. Volume and expenses were both favorable to prior year by 4.9% and 1.1%, respectively. The positive variance was driven by an inpatient rehabilitation venture which experienced an increase in patient days and average length of stay as compared to 2025.

Operating Expenses

Total operating expenses for the nine months ended September 30, 2026 of $8,631,498 were unfavorable to prior year by $1,130,347 or 15.1%.

Summarized below are the consolidated operating expenses for the nine months ended September 30, 2026 and 2025:

	Nine months ended September 30,	
	2026	2025
Salaries and employee benefits	$ 3,872,335	3,453,961
Physician fees and salaries	1,164,659	1,024,454
Supplies and other expenses	3,188,056	2,646,651
Interest	90,241	77,640
Depreciation and amortization	316,207	298,445
Total operating expenses	$ 8,631,498	7,501,151

Salaries and employee benefits increased by $418,374 or 12.1% compared to the nine months ended September 30, 2025. The increase is primarily driven by higher labor costs associated with additional full-time equivalents as well as the annual merit increase. Employee benefit expenses also increased due to higher employer payroll taxes and employer contributions to benefit plans resulting from higher salary expense. Additionally, increased participation in health benefit plans as well as the cost of care has resulted in higher medical and pharmacy claims as compared to the prior year.

Physician fees and salaries increased by $140,205 or 13.7% compared to the nine months ended September 30, 2025. Physician related expenses increased due to higher patient volumes and additional physician FTEs as well as annual merit increases across the community and academic practices. Conversion from independent practitioners to employed physicians to staff program expansions in anesthesia and radiology service lines also negatively impacted physician salaries.

Supplies and other expenses increased by $541,405 or 20.5% compared to nine months ended September 30, 2025. Supplies were unfavorable to prior year by $156,903 due in part to the opening of the Jack and Sheryl Morris Cancer Center in mid-2025 and the Melchiorre Cancer Center in June 2026. Additionally, the Corporation is experiencing higher drug costs primarily in antineoplastic agent. Adjusted admissions and adjusted patient days also exceeded prior year by 3.9% and 3.4%, respectively. Total surgical volume increased by 2.7% and heart, lung and bone marrow transplants also increased over prior year. Other expenses were unfavorable to prior year by $384,502. Tax assessments associated with the Medicaid County Option Program exceeded prior year by $199,847 (offset in patient revenue). Malpractice insurance was also unfavorable to prior year by $49,747. Additionally, purchased services, rentals, maintenance contracts and repairs, utilities and other expenses increased collectively over prior year by $134,908.

Interest expense increased by $12,601 or 16.2% compared to the nine months ended September 30, 2025. The increase was due to lower capitalized interest related to completion of certain capital projects as well as additional interest from short-term borrowings due to higher utilization of the commercial paper program. This was partially offset by savings from the 2026 Plan of Finance.

Depreciation and amortization increased by $17,762 or 6.0% compared to the nine months ended September 30, 2025. The increase is primarily driven by the opening of the Jack and Sheryl Morris Cancer Center in 2025 and investments in strategic capital projects which were completed in mid-2025. During 2025, the Community Medical Center parking garage, the final phases of the Newark Beth Isreal Medical Center Master Facility Plan and cogeneration plants at several facilities were completed. In June 2026, the Melchiorre Cancer Center at CBMC opened which also negatively impacted depreciation.

Nonoperating Gains and Losses

The following table presents a summary of nonoperating revenue and expenses of the Corporation for the nine months ended September 30, 2026 and 2025.

	Nine months ended September 30,	
	2026	**2025**
Investment income, net	$ 67,563	57,511
Realized gains on investments, net	81,758	33,242
Unrealized gain on investments, net	128,768	385,769
Gain on early extinguishment of debt	51,947	-
Gain on acquisition of subsidiary	24,804	-
Impariment of cost method investment	(59,141)	-
Net periodic benefit cost	(9,652)	(10,220)
Other	968	-
Total nonoperating revenue, net	$ 287,015	466,302

Net investment income and net realized investment gains were $149,321 and $90,753 for the nine months ended September 30, 2026 and 2025, respectively. For the nine months ended September 30, 2026 and 2025, net unrealized gain on investments were $128,768 and $385,769, respectively. Refer to the *Unrestricted Cash and Investments* discussion for further information on the Corporation's investment strategy.

As discussed in the *2026 Plan of Finance* section, the debt transactions executed during the second quarter resulted in a gain on the early extinguishment of debt of $51,947.

In 2026, the Corporation purchased the remaining equity interest in two of its medical group joint ventures that were previously accounted for on the equity method. The Corporation recognized a gain of $24,804 related to these business combinations.

The Corporation recognized an impairment in a cost method investment of $59,141.

Fundraising

The Foundations support the programs and services of their affiliated tax-exempt organization and support the capital campaign and other fundraising activities of the Corporation.

The following table presents contributions received by the foundations and fundraising expenses as well as capital and operating support the foundations provided to the hospitals. Conditional gifts are not included until the conditions have been met.

	Nine months ended September 30,	
	2026	2025
Contributions without donor restrictions	$ 3,161	3,396
Contributions with donor restrictions	19,086	24,976
Total contributions	$ 22,247	28,372
Fundraising Expenses	$ 14,258	14,757
Support to affiliates	$ 37,922	45,939

The foundations made distributions of $37,922 to the Corporation's hospitals and received contributions from donors of $22,247.

Unrestricted Cash and Investments

The Corporation's financial position remains strong with $16.8 billion in total assets and $8.8 billion in net assets. Total unrestricted cash and investments amounted to $7.1 billion (or 233.1 days) at September 30, 2026, reflecting an increase of $1,762,340 over the balance at December 31, 2025. Net proceeds from the new debt issuance were $750,000 ($100,000 was paid on July 1). Cash from operating activities totaled $1,344,749. During the period, unrealized gains on investments of $128,768 also positively impacted cash and investments. This was partially offset by capital investments of $388,906 through September. Investments in the ambulatory services division of $27,633 were also executed to expand the medical group joint venture practices. Additionally, the Corporation spent $28,577 to acquire full ownership of two joint ventures. Repayments under the commercial paper program also reduced cash and investments by $94,859.

Total unrestricted cash and investments for the Corporation as of September 30, 2026 and December 31, 2025 were as follows:

	September 30, 2026	December 31, 2025
Cash and cash equivalents	$ 1,101,011	217,606
Investments available for current operations	672,574	423,060
Noncurrent investments	5,277,996	4,648,575
Total unrestricted cash and investments	$ 7,051,581	5,289,241

The majority of the Corporation's total unrestricted cash and investments are managed in two investment portfolios: the Capital Reserve Fund (CRF) and the Long-Term Investment Portfolio (LTIP). The CRF is invested in high quality, low duration fixed income securities to support short-to-medium-term operating cash flow needs. The LTIP is invested with a longer-term horizon targeting higher risk adjusted returns through a diversified asset allocation to support strategic capital needs.

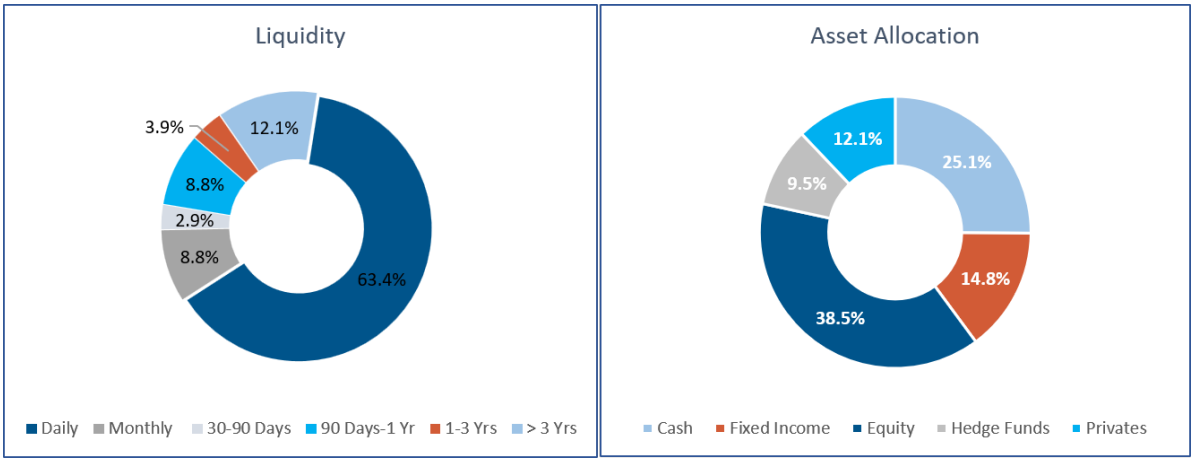
In addition to the LTIP and CRF, following the completion of a Multi-Series Bond Financing in May 2026, the Corporation established the Bond Issuance Portfolio (BIP). The BIP is invested in a diverse

portfolio of high quality, intermediate term fixed income securities and is aligned with the Corporation's projected capital spend horizon for the funds.

Additionally, the Corporation actively manages its operating cash balances, and other strategic pools of capital, the objectives of which are aligned with the financial plans and mission of the Health System.

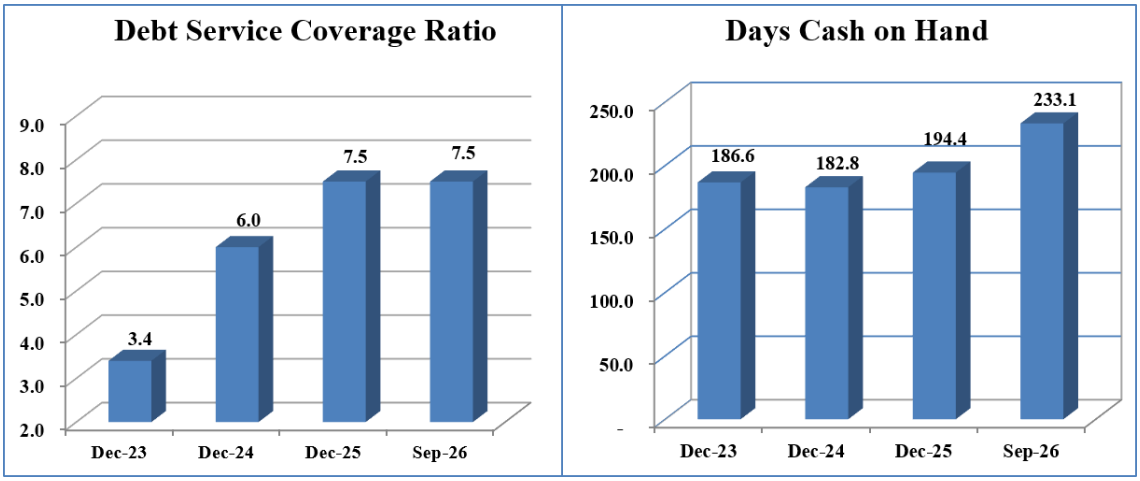
As of September 30, 2026, 72.2% of the Corporation's total unrestricted cash and investments of $7.1 billion is classified as monthly or daily liquidity.

The following charts present the allocation of the portfolio's liquidity and unrestricted cash and investments by asset type as of September 30, 2026:



Financial Condition

The following charts present the debt service coverage ratio and total cash on hand for the selected dates below:



The increase in debt service coverage ratio (DSCR) from 2023 to 2024 is attributable to an increase in income from operations, excluding work stoppage costs, over prior year. DSCR is flat to prior year. Days cash on hand (DCOH) increased from prior year due to net proceeds from the debt issuance of $750,000 which improved DCOH by 29.6 days as well as cash received from the Medicaid County Option

program. In March 2026, the Corporation renewed its secured revolving promissory note with JPMorgan increasing the principal available to $150,000. The note will be used for routine capital needs. The Corporation entered into a revolving line of credit agreement with Bank of America, N.A., for the principal amount of $100,000. There was no cash borrowed against the revolvers as of September 30, 2026.

The following table presents key financial indicators as of September 30, 2026 and December 31, 2025 and 2024 as compared to S&Ps "AA", "AA-" and "A+" medians.

	September 30, 2026	December 31, 2025	December 31, 2024	AA	AA-	A+
Debt service coverage	7.5x	7.5x	6.0x	8.2x	6.4x	4.6x
Debt-to-capitalization	32.3%	30.9%	36.8%	17.4%	23.3%	25.4%
Cash-to-debt	173.5%	156.8%	130.1%	348.8%	256.4%	221.1%
Days cash on hand	233.1	194.4	182.8	317.6	242.5	212.3

The following table presents other select ratios as of September 30, 2026, and December 31, 2025 and 2024:

	September 30, 2026	December 31, 2025	December 31, 2024
Days in patient accounts receivable	37.9	37.0	39.8
Days in accounts payable	52.5	58.8	65.3
Reinvestment ratio *	1.50	1.96	2.46

* Based on rolling 12-months.

RWJ BARNABAS HEALTH, INC.

Consolidated Balance Sheets
September 30, 2026 and December 31, 2025
(In thousands)

Assets		September 30, 2026 (unaudited)	December 31, 2025 (audited)
Current assets:			
Cash and cash equivalents	$	1,101,011	217,606
Investments available for current operations		672,574	423,060
Assets limited or restricted as to use		28,772	91,075
Patient accounts receivable		1,185,048	1,037,503
Estimated amounts due from third party payors		337,139	580,623
Other current assets		410,046	375,697
Total current assets		3,734,590	2,725,564
Assets limited or restricted as to use, non-current portion		534,039	497,010
Investments		5,277,996	4,648,575
Property, plant and equipment, net		5,274,444	5,282,181
Right of use asset		336,202	338,585
Other assets, net		1,655,721	1,593,350
Total assets	$	16,812,992	15,085,265
Liabilities and Net Assets			
Current liabilities:			
Accounts payable	$	670,691	658,919
Accrued expenses and other current liabilities		1,584,794	1,602,048
Estimated amounts due to third party payors		146,663	35,190
Short-term borrowings		4,481	99,340
Long-term variable-rate debt		199,476	-
Long-term debt		47,315	128,333
Lease obligation		56,557	52,107
Self-insurance liabilities		149,674	149,627
Total current liabilities		2,859,651	2,725,564
Estimated amounts due to third party payors, net of current portion		143,847	156,323
Self insurance liabilities, net of current portion		507,601	435,226
Long-term debt, net of current portion		3,816,517	3,244,453
Lease obligation, net of current portion		311,962	316,425
Accrued pension liability		46,267	56,035
Other liabilities		301,710	301,453
Total liabilities		7,987,555	7,235,479
Net assets:			
Without donor restrictions			
Controlling interest		8,496,280	7,509,403
Noncontrolling interest		32,253	30,615
Total net assets without donor restrictions		8,528,533	7,540,018
With donor restrictions		296,904	309,768
Total net assets		8,825,437	7,849,786
Total liabilities and net assets	$	16,812,992	15,085,265

See accompanying notes to consolidated financial statements.

RWJ BARNABAS HEALTH, INC.

Nine months ended September 30, 2026 and 2025

(In thousands)

(unaudited)

	2026	2025
Revenue:		
Patient service revenue	$ 8,544,965	7,294,555
Other revenue, net	722,719	591,516
Total revenue	9,267,684	7,886,071
Expenses:		
Salaries and wages	3,105,894	2,821,188
Physician fees and salaries	1,164,659	1,024,454
Employee benefits	766,441	632,773
Supplies	1,489,342	1,332,439
Other	1,698,714	1,314,212
Interest	90,241	77,640
Depreciation and amortization	316,207	298,445
Total expenses	8,631,498	7,501,151
Income from operations	636,186	384,920
Nonoperating revenue (expenses):		
Investment income, net	278,089	476,522
Other, net	8,926	(10,220)
Total nonoperating revenue, net	287,015	466,302
Excess of revenue over expenses	923,201	851,222
Other changes:		
Pension changes other than net periodic benefit cost	4,420	8,650
Net assets released from restriction for purchases of property and equipment	12,419	106,653
Other, net	48,475	82,652
Increase in net assets without donor restrictions	$ 988,515	1,049,177

See accompanying notes to consolidated financial statements.

RWJ BARNABAS HEALTH, INC.

Consolidated Statements of Changes in Net Assets
Nine months ended September 30, 2026 and 2025

(In thousands)

(unaudited)

	Controlling Interest	Noncontrolling Interest	Without donor restrictions	With donor restrictions	Total net assets
Net assets at December 31, 2024	$ 5,865,002	28,945	5,893,947	403,726	6,297,673
Changes in net assets:					
Excess of revenues over expenses	849,858	1,364	851,222	-	851,222
Pension related changes other than net periodic benefit cost	8,650	-	8,650	-	8,650
Change in interest in net assets of unconsolidated foundations	(162)	-	(162)	1,203	1,041
Net assets released from restriction	106,653	-	106,653	(126,368)	(19,715)
Restricted contributions	-	-	-	25,034	25,034
Investment income on restricted investments, net	-	-	-	587	587
Other	82,814	-	82,814	248	83,062
Changes in net assets	1,047,813	1,364	1,049,177	(99,296)	949,881
Net assets at September 30, 2025	6,912,815	30,309	6,943,124	304,430	7,247,554
Net assets at December 31, 2025	7,509,403	30,615	7,540,018	309,768	7,849,786
Changes in net assets:					
Excess of revenues over expenses	921,563	1,638	923,201	-	923,201
Pension changes other than net periodic benefit cost	4,420	-	4,420	-	4,420
Change in interest in net assets of unconsolidated foundations	(15)	-	(15)	13	(2)
Net assets released from restriction	12,419	-	12,419	(32,089)	(19,670)
Restricted contributions	-	-	-	19,091	19,091
Investment income on restricted investments, net	-	-	-	462	462
Other	48,490	-	48,490	(341)	48,149
Changes in net assets	986,877	1,638	988,515	(12,864)	975,651
Net assets at September 30, 2026	$ 8,496,280	32,253	8,528,533	296,904	8,825,437

See accompanying notes to consolidated financial statements.

RWJ BARNABAS HEALTH, INC.

Consolidated Statements of Cash Flows

Nine months ended September 30, 2026 and 2025

(In thousands)

(unaudited)

	2026	2025
Cash flows from operating activities:		
Change in net assets	975,651	949,881
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Pension changes other than net periodic benefit cost	(4,420)	(8,650)
Depreciation and amortization expense	316,207	298,445
Amortization of bond financing costs, premiums and discounts	(16,415)	(11,367)
Net change in unrealized gains on investments	(128,768)	(385,769)
Realized gains on investments	(81,758)	(33,242)
Equity-based compensation	2,700	2,670
Equity in income of joint venture	(118,699)	(113,525)
Distributions received from investments in joint ventures	88,318	86,770
Impairment in equity method and cost method joint ventures	62,331	-
Gain on sale of assets	(291)	(642)
Gain on acquisition of subsidiary	(36,504)	-
Gain on extinguishment of debt, net	(51,947)	-
Changes in operating assets and liabilities:		
Patient accounts receivable	(141,442)	(72,996)
Reduction in the carrying amount in the right-of-use assets	46,345	40,353
Other assets	(39,437)	17,558
Accounts payable, accrued expenses, and other current liabilities	109,911	115,752
Estimated amounts due from and to third-party payors, net	342,480	143,641
Accrued pension liability	(5,348)	(4,780)
Lease obligation, self-insurance and other long-term liabilities	25,835	19,462
Net cash provided by operating activities	1,344,749	1,043,561
Cash flows from investing activities:		
Purchases of property, plant, and equipment	(388,906)	(534,149)
Purchases of investments	(3,397,886)	(4,787,948)
Proceeds from the sale of investments	2,768,595	4,473,436
Investment in equity method and cost method joint ventures	(27,633)	(71,377)
Cash paid in acquisition of subsidiaries, net	(28,577)	(43,701)
Proceeds from sale of assets	449	772
Net cash used in investing activities	(1,073,958)	(962,967)
Cash flows from financing activities:		
Proceeds from issuance of debt	1,660,157	-
Repayments of long-term debt	(931,852)	(50,569)
Borrowings under commercial paper program and letter of credit	165,230	151,698
Repayments under commercial paper program and letter of credit	(260,089)	(151,698)
Payments for deferred financing costs	(6,989)	-
Net cash provided by (used in) financing activities	626,457	(50,569)
Net increase in cash, cash equivalents, and restricted cash	897,248	30,025
Cash, cash equivalents, and restricted cash at beginning of year	298,594	380,261
Cash, cash equivalents, and restricted cash at end of period	1,195,842	410,286
Cash and cash equivalents	1,101,011	330,029
Restricted cash included in assets limited or restricted as to use	94,831	80,257
Total cash, cash equivalents, and restricted cash	1,195,842	410,286
Supplemental disclosures of cash flow information:		
Cash paid for interest	121,076	120,766
Finance lease obligations incurred	24,787	379
Supplemental disclosure of noncash investing and financing activity:		
Change in noncash acquisitions of property, plant and equipment	(105,107)	(60,124)

See accompanying notes to the consolidated financial statements.

RWJ BARNABAS HEALTH, INC.

Notes to Consolidated Financial Statements

September 30, 2026 and 2025

(Information pertaining to the nine months ended September 30, 2026 and 2025 is unaudited)

(1) Organization

RWJ Barnabas Health, Inc. (the Corporation) is a not-for-profit, tax-exempt corporation located in West Orange, New Jersey. RWJ Barnabas Health, Inc. is the sole corporate member or sole shareholder of the Corporation's affiliated organizations. The Corporation was organized to develop and operate a multihospital healthcare system providing a comprehensive spectrum of healthcare services, principally to the residents of New Jersey and surrounding areas.

The services and facilities of the Corporation include 12 acute care hospitals, (including an academic medical center), three acute care children's hospitals, a pediatric rehabilitation hospital with a network of outpatient centers, a freestanding 100-bed behavioral health center, two trauma centers, a satellite emergency department, ambulatory care centers, geriatric centers, the state's largest behavioral health network, comprehensive home care and hospice programs, fitness and wellness centers, physical therapy services, retail pharmacy services, medical groups, multi-site imaging centers, an accountable care organization, a burn treatment facility, comprehensive cancer services, including a free standing cancer hospital, breast centers, and comprehensive cardiac surgery services, including a heart transplant center, a lung transplant center, and kidney transplant centers.

(2) Significant Accounting Policies

(a) Basis of Accounting of Financial Statement Presentation

The accompanying unaudited consolidated financial statements are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP) for interim financial reporting. Footnotes and other disclosures that would substantially duplicate the disclosures contained in an audited financial statement have been omitted. Accordingly, they do not include all of the information and notes required by GAAP for complete financial statements of the Corporation. Eliminations and reporting adjustments have been made to present the information in accordance with GAAP. The data should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2025 and related notes. Information as of and for the nine months ended September 30, 2026 is not based on audited information but, in the opinion of management, is presented on a basis consistent with the audited consolidated financial statements and includes adjustments necessary for a fair presentation therein. Adjustments to these financial statements may occur as a result of a more comprehensive review undertaken as part of the audit process for the year ending December 31, 2026.

The consolidated financial statements include all affiliates and other entities for which operating control is exercised by the Corporation. Investments in entities where the Corporation does not have operating control are recorded under the equity or cost method of accounting. The Corporation has included its equity share of income or losses from investments in unconsolidated affiliates in other operating revenue. Intercompany balances and transactions have been eliminated.

(b) Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements

and reported amounts of revenue and expenses during the reporting year. Actual results could differ from those estimates.

(c) Accounting Pronouncements

No new accounting pronouncements were released or adopted, which would have a material effect on the Corporation's consolidated financial statements.

(3) Revenue

(a) Patient Service Revenue

The Corporation's patient service revenue is recognized at the amount that reflects the consideration to which the Corporation expects to be entitled in exchange for providing patient care. These amounts are due from patients and third-party payors and include an estimate of variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Corporation bills the patients and third-party payors several days after the services are performed and/or the patient is discharged from a facility.

Revenue is recognized as performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by the Corporation. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Corporation believes that this method provides a reasonable representation of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. The Corporation 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 time of discharge.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Corporation has elected to apply the optional exemption to not disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at year-end, which primarily relate to in-house acute care patients. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of year-end.

The majority of the Corporation's services are rendered to patients with third-party payor insurance coverage. Reimbursement under these programs is based on a combination of prospectively determined rates, reimbursed costs, discounted charges, and per diem payments. Agreements with third-party payors typically provide for payments at amounts less than established charges. Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Corporation also provides services to uninsured patients, and offers those uninsured patients a discount, either by policy or law, from standard charges. The Corporation 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. Implicit price concessions are determined based on historical collection experience. Subsequent changes to the estimate of the transaction price are generally

recorded as adjustments to patient service revenue in the period of the change and are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Adjustments arising from a change in the transaction price were not significant for the nine months ended September 30, 2026 or 2025. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense. There was no bad debt expense for the nine months ended September 30, 2026 or 2025.

Consistent with the Corporation's mission, care is provided to patients regardless of their ability to pay. The Corporation has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances (e.g., co-pays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the Corporation expects to collect based on its collection history with those patients. Patients who meet the Corporation's criteria for charity care are provided care without charge or at amounts less than established charges. The Corporation has determined that it has provided sufficient implicit price concessions for these accounts. Price concessions, including charity care, are not reported as revenue.

The Corporation has elected the financing component practical expedient and 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 Corporation'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 payors pays for that service will be one year or less. However, the Corporation 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.

Amounts received under Medicare and Medicaid programs are subject to review and final determination by program intermediaries or their agents and the contracts the Corporation has with commercial payors also provide for retroactive audit and review of claims. The effect of cost report settlements and other adjustments increased patient service revenue by $9,038 and $3,951 for the nine months ended September 30, 2026 and 2025, respectively.

(b) Other Revenue

Other revenue, net includes income from grants, equity in the income of joint ventures, unrestricted contributions, net assets released from restriction for operations, cafeteria sales, and parking. Grant revenue and contributions of the Corporation are nonexchange transactions in which no commensurate value is exchanged. In such cases, contribution accounting is applied under Accounting Standards Codification (ASC) Topic 958-605, *Not-for-Profit Entities, Revenue Recognition*. Equity in the income of joint ventures is evaluated under ASC Topic 323, *Investments – Equity Method and Joint Ventures*.

Additionally, pharmacy sales and other contracts related to healthcare services are included in other revenue and consist of contracts, which vary in duration and in performance. Revenue is recognized when the performance obligations identified within the individual contracts are satisfied and collections are probable.

(4) Fair Value Measurements

ASC 820, *Fair Value Measurement* 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: Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include cash and cash equivalents and debt and equity securities that are traded in an active exchange market.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted market prices that are traded less frequently than exchange-traded instruments. This category generally includes certain U.S. government and agency mortgage-backed debt securities and corporate bonds.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. The Corporation currently holds no Level 3 investments.

The following tables present the Corporation's fair value hierarchy for those assets measured at fair value on a recurring basis, and exclude pledges receivable, net, other investments, and accrued interest receivable, as of September 30, 2026 and December 31, 2025:

	September 30, 2026				
	Fair value	**Level 1**	**Level 2**	**Level 3**	**NAV**
Investment categories:					
Cash and cash equivalents and money market funds	$ 230,461	230,461	—	—	—
Equity securities	3,303	3,303	—	—	—
Equity mutual funds	449,146	449,146	—	—	—
Equity funds	1,542,952	1,542,952	—	—	—
Public equity funds	780,826	—	—	—	780,826
Public fixed income funds	165,930	165,930	—	—	—
Unit investment trusts	1,523	1,523	—	—	—
Commercial mortgage-backed securities	235,837	—	235,837	—	—
Corporate bonds	586,260	—	586,260	—	—
Asset-backed securities	283,878	—	283,878	—	—
Government bonds	361,276	—	361,276	—	—
Government mortgage-backed securities	103,535	—	103,535	—	—
Municipal bonds	11,810	—	11,810	—	—
Alternative investments	1,520,226	—	—	—	1,520,226
Total	$ 6,276,963	2,393,315	1,582,596	—	2,301,052

	December 31, 2025				
	Fair value	**Level 1**	**Level 2**	**Level 3**	**NAV**
Investment categories:					
Cash and cash equivalents and money market funds	$ 359,782	359,782	—	—	—
Equity securities	2,810	2,810	—	—	—
Equity mutual funds	565,164	565,164	—	—	—
Equity funds	1,212,401	1,212,401	—	—	—
Public equity funds	762,050	—	—	—	762,050
Public fixed income funds	145,654	145,654	—	—	—
Unit investment trusts	1,361	1,361	—	—	—
Commercial mortgage-backed securities	70,699	—	70,699	—	—
Corporate bonds	454,523	—	454,523	—	—
Asset-backed securities	168,891	—	168,891	—	—
Government bonds	254,910	—	254,910	—	—
Government mortgage-backed securities	102,813	—	102,813	—	—
Municipal bonds	20,824	—	20,824	—	—
Alternative investments	1,325,621	—	—	—	1,325,621
Total	$ 5,447,503	2,287,172	1,072,660	—	2,087,671

(5) Long-term Debt

Long-term debt consists of the following:

	September 30, 2026	**December 31, 2025**
Revenue and refunding bonds	$ 3,209,648	2,599,018
Senior secured notes	300,000	300,000
Finance lease obligations	296,962	278,722
Total long-term debt	3,806,610	3,177,740
Plus unamortized bond premium	275,146	210,799
Less:		
Deferred financing costs, net	18,448	15,753
Long-term variable-rate debt	199,476	—
Current portion of long-term debt	47,315	128,333
Long-term portion	$ 3,816,517	3,244,453

Under the terms of the Master Trust Indenture (MTI), Children's Specialized Hospital, Clara Maass Medical Center, Community Medical Center, Cooperman Barnabas Medical Center, Jersey City Medical Center, Monmouth Medical Center, Newark Beth Israel Medical Center, RWJ Barnabas Health, Inc., RWJBH Corporate Services, Inc., Robert Wood Johnson University Hospital, Robert Wood Johnson University Hospital at Hamilton, and Robert Wood Johnson University Hospital Rahway, are members of an Obligated Group. Substantially all of the Corporation's debt is subject to the provisions of the MTI.

To secure its payment obligations, the Obligated Group has granted to the Trustee a first lien and security interest in the gross revenue of each member of the Obligated Group.

Obligated Group members are jointly and severally liable under the MTI. The Corporation does have the right to name designated affiliates. Though designated affiliates are not obligated to make debt service payments on the obligations under the MTI, the Corporation may cause each designated affiliate to transfer such amounts as necessary to enable the Obligated Group members to comply with the terms of the MTI, including payment of the outstanding obligations.

The Corporation's Obligated Group is required to maintain certain financial covenants in connection with the New Jersey Healthcare Facilities Financing Authority and credit arrangements with a consortium of banks, including JPMorgan Chase Bank, N.A. (JPMorgan) and U.S. Bank.

On May 7, 2026, the Corporation completed the RWJ Barnabas Health Obligated Group Issue, Series 2026A, in a principal amount of $1,122,395 and received total proceeds of $1,255,647, consisting of a $137,762 premium less a $4,510 underwriter's discount. The Corporation used $803,295 of the proceeds to defease the Series 2016A, 2019B-2, and 2019B-3 bonds, $450,935 to reimburse prior capital costs, and $1,128 to pay additional costs of issuance. The Series 2026A bonds mature from 2027 through 2043 and bear interest at rates ranging from 5.00% to 5.50%.

On May 7, 2026, the Corporation also completed the RWJ Barnabas Health Obligated Group Issue, Series 2026B-1, 2026B-2, 2026B-3, and 2026B-4, in an aggregate principal amount of $400,000 ($100,000 per Series) and received total proceeds of $399,565 after underwriter's discount. The Corporation used $399,065 of the proceeds to reimburse prior capital costs and $500 to pay additional costs of issuance. The Series 2026B bonds are variable rate demand bonds with interest rates that reset daily. Series 2026B-1, 2026B-2, and 2026B-3 are supported by letters of credit issued by TD Bank, N.A. Series 2026B-4 consist of unsecured variable rate demand bonds that, although subject to long-term amortization, may be put to the System by bondholders for remarketing.

On September 3, 2026, $100,000 of the bonds supported by a direct pay letter of credit were converted to self-liquidity bringing the total to $200,000 and decreasing the amount supported by direct pay letters of credit to $200,000.

The Corporation had entered into a secured revolving promissory note (the Note) for the principal amount of $100,000 with JPMorgan for routine working capital needs in 2025. The Note had a $50,000 accordion feature. The terms of the Note included a commitment fee of 0.08%. The interest rate was based on Secured Overnight Financing Rate (SOFR) and an adjusted term SOFR fixed rate of 0.10% for the interest period plus 0.50% per annum. The Note expired on March 27, 2026 and was replaced with a $150,000 secured revolving promissory note (New Note) with JPMorgan expiring on March 26, 2027. The terms of

the New Note have not changed from the prior Note, with the exception of removing the $50,000 accordion feature. As of September 30, 2026, $7,017 of the New Note was used in the form of standby letters of credit (LOC) that provides liquidity support for the Corporation's self-insured workers' compensation and other programs. There was no cash drawn from the Note or the New Note during the term.

On May 29, 2026, the Corporation entered into a revolving line of credit agreement with Bank of America, N.A. for the principal amount of $100 million. The revolving credit facility matures on May 28, 2027. The terms are the same as the New Note and as of September 30, 2026, there were no outstanding borrowings under this credit facility.

(6) Employee Benefit Plans

The Corporation maintains several benefit plans for its employees. The following are brief descriptions of those plans and related expenses for the nine months ended September 30, 2026 and 2025:

- The Corporation provides pension benefits to its employees through defined contribution plans. Contributions to these plans are based on percentages of annual salaries. It is the policy of the Corporation to fund accrued costs under these plans on a current basis. Expense related to these defined contribution plans was approximately $137,407 and $99,730 for the nine months ended September 30, 2026 and 2025, respectively.

- Certain affiliates of the Corporation contribute to various multiemployer defined benefit pension plans under the terms of collective bargaining agreements that cover union-represented employees. Contributions to these plans were $7,082 and $6,265 for the nine months ended September 30, 2026 and 2025, respectively.

- Certain employees of the Corporation participate in deferred compensation plans. Eligible employees may defer compensation under a salary reduction agreement, subject to certain dollar limitations. Payments, upon retirement or termination of employment, are based on amounts credited to individual accounts. In connection with these plans, certain affiliates deposit amounts with trustees on behalf of participating employees. Under the terms of these plans, the Corporation is not responsible for investment gains or losses incurred. The assets are restricted for payments under the plans. The plans are funded based upon the benefit formula as outlined in the plan documents.

The RWJ Barnabas Health Retirement Income Plan (the RWJBH Plan) covers substantially all employees of the Corporation. The RWJBH Plan is currently frozen, and no participants accrue credited service or contribute to the RWJBH Plan.

The RWJBH Plan Investment Policy Statement (IPS) establishes the investment guidelines and objectives for the Plan assets. The assets of the RWJBH Plan are managed under a liability-driven investment (LDI) strategy. Under the LDI strategy, the expected rate of return on plan assets is based upon the assumption that plan assets will be invested primarily in fixed income and other related securities based upon their ability to perform similarly to the characteristics of the plan liabilities over time.

The policy of the Corporation is to evaluate the annual funding liability on a calendar year basis to determine if a plan contribution, over the required minimum contribution, is appropriate. Based on this evaluation, contributions of $15,000 were made to the RWJBH Plan during the nine months ended September 30, 2026 and 2025, respectively. As of December 31, 2025, the Plan had a funded status of 93%.

(7) Partnership with Rutgers, the State University of New Jersey

The Corporation, Rutgers, the State University of New Jersey (Rutgers), and Rutgers Health Group (RHG) entered into a Master Affiliation Agreement (MAA) with the goal of integrating medical education, advanced research and healthcare delivery. The Corporation, Rutgers, the State University of New Jersey (Rutgers), and Rutgers Health Group (RHG) entered into a Master Affiliation Agreement (MAA) in 2018 with the goal of integrating medical education, advanced research and healthcare delivery.

The MAA requires reciprocal commitments and the alignment of each party's respective strategic, operational, and financial interests, and activities as part of a coordinated and mutually supportive academic health system. The Corporation and Rutgers have executed on strategies contemplated in the MAA including integrating the clinical operations of the Faculty of Robert Wood Johnson Medical School (RWJMS) and the Rutgers Cancer Institute (RCI) through Integrated Practice Agreements (IPA). Under the terms of these agreements, Rutgers will continue to employ providers and certain support staff, but the Corporation is responsible for the operations of the clinical practices and related financial results. This included establishing a unified medical records system across the Corporation's entire medical group (including RWJMS and RCI) and creating a unified and integrated patient experience.

As of September 30, 2026 and December 31, 2025, the Corporation owed Rutgers $168,107 and $130,560, net, respectively, under the MAA and IPA agreements. These amounts are included in accrued expenses and other current liabilities in the consolidated balance sheets.

(8) Potential Affiliations

On January 5, 2026, the Corporation and Englewood Health (Englewood) signed a definitive agreement whereby Englewood will become part of the Corporation. The relationship is designed to enhance healthcare services for residents of Bergen, Hudson and Passaic counties and the surrounding communities. The terms of the definitive agreement call for the Corporation to make capital investments in Englewood and to expand the network of outpatient services and community health programs. The consummation of the transaction contemplated by the definitive agreement requires approvals from state regulatory authorities. It is anticipated that this transaction will be completed in the first quarter of 2027. On August 21, 2026, the Corporation and Englewood executed a loan agreement not to exceed the principal amount of $100,000. On November 2, 2026, Englewood borrowed $2,896 under the loan. The loan terminates upon the earlier of the maturity date which is twenty-five years from the effective date and the closing of the affiliation transaction. The loan bears interest at a rate of 5.50% per annum.

(9) Subsequent Events

Management evaluated all events occurring subsequent to September 30, 2026 and through November 13, 2026, the date the consolidated financial statements were available to be issued. The Corporation did not have any recognizable subsequent events during the period, except as previously disclosed.

RWJ BARNABAS HEALTH, INC.

Note to Consolidated Financial Statements - Obligated Group

The following financial information as of September 30, 2026 (unaudited) and December 31, 2025 (audited) and for the nine months ended September 30, 2026 and 2025 (unaudited) on pages 34 and 35 of the Corporation's Obligated Group was prepared for purposes of accommodating a certain group of bond and note holders. The financial information reflects the financial position and results of operations and changes in net assets of the Obligated Group and not of the entire Corporation and is not intended to be presented in conformity with U.S. generally accepted accounting principles.

RWJ BARNABAS HEALTH, INC.

Consolidated Balance Sheets - Obligated Group

(In thousands)

Assets		September 30, 2026 (unaudited)	December 31, 2025 (audited)
Current assets:			
Cash and cash equivalents	$	1,063,844	187,803
Investments available for current operations		672,574	-
Assets limited or restricted as to use		2,072	64,360
Patient accounts receivable		958,757	839,681
Due from affiliates		1,099,564	817,293
Estimated amounts due from third party payors		303,769	561,674
Other current assets		409,132	351,397
Total current assets		4,509,711	2,822,208
Assets limited or restricted as to use, non-current portion		192,497	203,819
Investments		5,273,996	5,057,861
Property, plant and equipment, net		4,819,982	4,836,480
Right-of-use asset		171,739	180,265
Due from affiliates		66,538	60,989
Other assets, net		651,615	694,959
Total assets		15,686,078	13,856,581
Liabilities and Net Assets			
Current liabilities:			
Accounts payable		596,435	569,448
Accrued expenses and other current liabilities		1,032,547	1,121,157
Estimated amounts due to third party payors		138,529	30,369
Short-term borrowings		481	99,340
Long-term variable-rate debt		189,076	-
Long-term debt		45,492	112,555
Lease obligation		21,622	20,414
Due to affiliates		925,178	755,534
Self-insurance liabilities		73,761	73,715
Total current liabilities		3,023,121	2,782,532
Estimated amounts due to third party payors, net of current portion		132,443	142,956
Self insurance liabilities, net of current portion		177,424	145,975
Long-term debt, net of current portion		3,727,801	3,190,035
Lease obligation, net of current portion		160,728	169,906
Accrued pension liability		46,267	56,035
Other liabilities		178,560	202,084
Due to affiliates		14,813	14,813
Total liabilities		7,461,157	6,704,336
Net assets		8,224,921	7,152,245
Total liabilities and net assets	$	15,686,078	13,856,581

See accompanying note to consolidated financial statements - obligated group.

RWJ BARNABAS HEALTH, INC.

Consolidated Statements of Operations and Changes in Net Assets - Obligated Group

Nine months ended September 30, 2026 and 2025

(In thousands)

(unaudited)

	2026	2025
Revenue:		
Net patient service revenue	$ 6,615,030	5,684,601
Other revenue, net	783,235	591,914
Total revenue	7,398,265	6,276,515
Expenses:		
Salaries and wages	2,361,556	2,144,901
Physician fees and salaries	650,161	560,767
Employee benefits	616,696	509,068
Supplies	1,318,548	1,178,814
Other	1,363,761	1,026,659
Interest	85,619	73,642
Depreciation and amortization	279,748	263,865
Total expenses	6,676,089	5,757,716
Income from operations	722,176	518,799
Nonoperating (expenses) revenue:		
Investment income, net	278,030	475,547
Other, net	(16,950)	(10,070)
Total nonoperating revenue, net	261,080	465,477
Excess of revenue over expenses	983,256	984,276
Pension changes other than net periodic benefit cost	4,420	8,650
Net assets released from restriction for purchases of property and equipment	12,369	105,979
Net assets transferred from non-obligated group	718	-
Other, net	71,913	(107,342)
Total other changes in net assets	89,420	7,287
Increase in net assets	$ 1,072,676	991,563

See accompanying note to consolidated financial statements - obligated group.