

HCA Holdings, Inc.  
Form 10-Q  
August 05, 2015  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2015

Or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-11239

**HCA Holdings, Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of

**27-3865930**  
(I.R.S. Employer

incorporation or organization)

Identification No.)

**One Park Plaza**

**Nashville, Tennessee**  
(Address of principal executive offices)

**37203**  
(Zip Code)

**(615) 344-9551**

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

**Class of Common Stock**  
Voting common stock, \$.01 par value

**Outstanding at July 31, 2015**  
415,192,000 shares

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**Form 10-Q**

**June 30, 2015**

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## HCA HOLDINGS, INC.

## CONDENSED CONSOLIDATED INCOME STATEMENTS

FOR THE QUARTERS AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014

Unaudited

(Dollars in millions, except per share amounts)

	Quarter		Six Months	
	2015	2014	2015	2014
Revenues before provision for doubtful accounts	\$ 10,932	\$ 9,958	\$ 21,254	\$ 19,641
Provision for doubtful accounts	1,035	728	1,681	1,579
Revenues	9,897	9,230	19,573	18,062
Salaries and benefits	4,492	4,098	8,890	8,148
Supplies	1,670	1,532	3,308	3,064
Other operating expenses	1,755	1,644	3,472	3,289
Electronic health record incentive income	(18)	(35)	(37)	(65)
Equity in earnings of affiliates	(10)	(9)	(29)	(18)
Depreciation and amortization	469	454	942	901
Interest expense	425	427	844	887
Losses (gains) on sales of facilities	5	(11)	(4)	(32)
Losses on retirement of debt	125	226	125	226
Legal claim costs				78
	8,913	8,326	17,511	16,478
Income before income taxes	984	904	2,062	1,584
Provision for income taxes	319	272	677	498
Net income	665	632	1,385	1,086
Net income attributable to noncontrolling interests	158	149	287	256
Net income attributable to HCA Holdings, Inc.	\$ 507	\$ 483	\$ 1,098	\$ 830
Per share data:				
Basic earnings per share	\$ 1.22	\$ 1.10	\$ 2.63	\$ 1.88
Diluted earnings per share	\$ 1.18	\$ 1.07	\$ 2.54	\$ 1.82
Shares used in earnings per share calculations (in millions):				
Basic	416.407	438.833	418.267	440.482
Diluted	429.369	453.009	432.329	455.220

See accompanying notes.

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## HCA HOLDINGS, INC.

## CONDENSED CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS

## FOR THE QUARTERS AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014

Unaudited

(Dollars in millions)

	Quarter		Six Months	
	2015	2014	2015	2014
Net income	\$ 665	\$ 632	\$ 1,385	\$ 1,086
Other comprehensive income before taxes:				
Foreign currency translation	64	30	13	40
Unrealized (losses) gains on available-for-sale securities	(5)	4	(4)	8
Defined benefit plans				
Pension costs included in salaries and benefits	5	4	11	8
	5	4	11	8
Change in fair value of derivative financial instruments	(7)	(19)	(30)	(29)
Interest costs included in interest expense	31	32	62	65
	24	13	32	36
Other comprehensive income before taxes	88	51	52	92
Income taxes related to other comprehensive income items	34	18	19	34
Other comprehensive income	54	33	33	58
Comprehensive income	719	665	1,418	1,144
Comprehensive income attributable to noncontrolling interests	158	149	287	256
Comprehensive income attributable to HCA Holdings, Inc.	\$ 561	\$ 516	\$ 1,131	\$ 888

See accompanying notes.

**Table of Contents****HCA HOLDINGS, INC.****CONDENSED CONSOLIDATED BALANCE SHEETS****Unaudited****(Dollars in millions)**

	June 30, 2015	December 31, 2014
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 673	\$ 566
Accounts receivable, less allowance for doubtful accounts of \$4,798 and \$5,011	5,804	5,694
Inventories	1,348	1,279
Deferred income taxes	376	366
Other	1,092	1,025
	9,293	8,930
Property and equipment, at cost	33,803	32,980
Accumulated depreciation	(19,243)	(18,625)
	14,560	14,355
Investments of insurance subsidiaries	404	494
Investments in and advances to affiliates	182	165
Goodwill and other intangible assets	6,484	6,416
Other	787	620
	\$ 31,710	\$ 30,980
<b>LIABILITIES AND STOCKHOLDERS DEFICIT</b>		
Current liabilities:		
Accounts payable	\$ 1,884	\$ 2,035
Accrued salaries	1,282	1,370