

CARDINAL HEALTH PARTNERS, L.P.

QUARTERLY REPORT

3rd QUARTER, 2003

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If you have any questions regarding treatment of any confidential information received in connection with your investment in the Funds, please contact John J. Park at (609) 924-6452 or by email at johnpark@cardinalpartners.com.

CARDINAL HEALTH PARTNERS, L.P.

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3rd QUARTER, 2003

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TO: The Limited Partners
FROM: John K. Clarke
DATE: November 11, 2003
SUBJECT: Activity for the Quarter ended September 30, 2003

During the quarter, the portfolio continued its progress toward building value and liquidity. Athena and VISICU are meeting their aggressive growth targets and maintained their steady progression towards achieving cash flow break-even and profitability. At AccentCare, the new management team has greatly reduced cash burn and significantly improved accountability and productivity. Nexcura experienced a difficult quarter financially and has reduced expenditures to meet cash flow breakeven until market conditions improve. NDCHealth reported results close to analyst expectations and the stock has subsequently performed well. In September we distributed one-half of our holdings of NDC common stock. A synopsis of the quarter at each active portfolio company follows.

AccentCare – While financial performance at AccentCare lagged plan during the quarter, the company maintained a steady progression towards cash flow breakeven, reporting a positive EBITDA for the month of July. The new senior management team still has many challenges facing them, but the company has taken significant strides towards improving both operationally and financially. The team has implemented a performance metrics system, with a clearer emphasis on financial performance and revenue enhancement. Monthly financial reviews and realigned incentives are having a positive impact resulting in improved productivity and more predictable gross margins. This should enable the company to operate close to cash flow breakeven until new revenue initiatives begin to have an impact next year.

AthenaHealth – Athena continued its solid financial performance for 2003 through the third quarter, albeit with some hiccups early in the quarter. Revenues for the quarter were off plan due to higher than anticipated account attrition in July and early August. YTD revenues are within 2% of budget, with the company on track to again show year-to-year revenue growth of over 100% in 2003. The Q4 sales pipeline is strong and management expects to meet its sales budget for the year. Lower gross margins together with an implementation gap that existed at the beginning of the quarter drove net income to be \$439K behind plan. The company expects to close a \$6 million sub-debt facility in Q4. Increased interest expense related to this credit facility and additional sales and marketing expenses in Q4 2003 will move the attainment of cash flow breakeven into Q1 2004.

Esurg – Revenues and gross profit failed to meet expectations for the second quarter this year. Revenues showed a decline across all client groups during the quarter. Management is working diligently to enhance revenue growth prospects through leveraging its strategic partner relationships and improving the effectiveness of its sales and marketing initiatives. Overall, management continues to operate the company in a very efficient manner and the company remains ahead of plan for net income and cash burn.

NexCura – A continuation of an unfavorable economic climate at many of NexCura's customers has led to projects delays or cancellations. This resulted in an unfavorable variance in revenues to plan of \$1.4 million for the quarter. As a consequence of this general market malaise, management further revised its revenue forecast for the year down from \$4.0 to \$3.0 million. During the quarter, management enacted some significant reductions in expenses so as to be cash flow neutral as compared to the current forecast for the remainder of the year. Unfortunately, this will not make up for the disappointing results thus far and while the future outlook is brighter, cash will be tight for the next 12 months.

TechRx/NDCHealth – Results for the first quarter of Fiscal 2004 (FYE 5/31) for NDCHealth (NDC) were slightly below analyst expectations. The Company reported net income for the quarter of \$7.5 million and diluted earnings per share of \$0.21. Revenue increased 9% to \$108.9 million from \$100.1 million over the prior year quarter. Cash flow has continued to be strong, with operations providing \$19.6 million in cash during the quarter, a 200% increase over last year. During the quarter, Cardinal sold 18,982 shares of NDC stock netting \$416,436 and completed a distribution of 192,000 shares of NDC common stock valued at \$4,252,800.

Visicu – During the quarter, VISICU continued its good success in closing new clients. The company now has 9 clients under contract, closing two in the current quarter. While sales have lagged expectations for much of the first nine months of 2003, management remains confident in achieving its goal of 16 hospital clients under contract by year-end. The company currently has 838 beds under management, more than four times the number of beds as of the end of last year. Contract closings in the coming quarter are expected to net an additional 443 beds.

Included in this report are financial statements for the period, an investment valuation memorandum and a report on each of our portfolio companies.

Financial Results:

Fund activity for the quarter was highlighted by the \$4.3 million in-kind distribution of NDCHealth common stock to the partners in September. Net income for the quarter was \$2.2 million including: \$115K in net operating expenses; \$3.6 million in realized gains related to the NDC distribution and sale; and a net \$1.3 million unrealized loss related to NDC primarily from the reversal of previously unrealized gains. During the quarter, the general partners paid \$28k towards the principal balance of their capital contribution notes. The cash balance at the end of the period was \$465K, with net assets totaling \$18.4 million.

Looking forward:

We remain confident that the portfolio has value potential substantially beyond that of our current carrying value. We are diligently pursuing the realization of that value by working closely with management and exploring all alternatives to ensure the best return for our investors. Additional liquidity for our partners will be forthcoming from our NDCHealth holdings in the fourth quarter.

Our Limited Partner Annual Meeting will take place on Wednesday, November 19th in New York City. Brandon, Lisa, John, Geoff and I hope to see many of you there.

CARDINAL HEALTH PARTNERS, L.P.
Income Statement
For the Period Ended September 30, 2003

	Three Months Ended 09/30/03	Nine Months Ended 09/30/03
Revenue:		
Non Portfolio Income	\$7	\$116
Interest-Equivalent Amounts	0	0
Expenses:		
Management Fee	127,386	426,721
Professional Fees	4,804	15,018
NVCA Dues & Expenses	2,587	2,587
Amortization of Organization Costs	0	0
Miscellaneous Expenses	43	203
Total Expenses	134,820	444,529
Net Operating Expense	(134,813)	(444,413)
Investment Income	19,738	59,268
Net Income Before Gains (Losses)	(115,075)	(385,145)
Realized Gains (Losses)	3,622,132	5,256,136
Unrealized Gains (Losses)	(1,313,520)	(3,097,957)
Net Income (Loss)	\$2,193,537	\$1,773,034

CARDINAL HEALTH PARTNERS, L.P.
Balance Sheet
As of September 30, 2003

ASSETS:	Period Ended 09/30/03	Period Ended 06/30/03
Cash and Short-Term Investments	\$465,460	\$32,856
Accrued Interest	275	2,173
Escrow for Investment	0	0
Venture Capital Investments (Cost Basis - \$25,275,737)	18,207,501	20,568,125
Organization Costs (Net of Accum. Amortization)	0	0
Other Assets	181,167	205,819
	<u>\$18,854,403</u>	<u>\$20,808,973</u>
 LIABILITIES & CAPITAL:		
Accrued Expenses and Payables	\$413,578	\$308,885
Investment due Portfolio Company	0	0
Partners' Accounts	18,440,825	20,500,088
Total Liabilities and Capital	<u>\$18,854,403</u>	<u>\$20,808,973</u>

CARDINAL HEALTH PARTNERS, L.P.

Footnotes

As of September 30, 2003

Note 1 - Cardinal Health Partners, L.P. is a Limited Partnership and as such is not subject to income taxes at the partnership level.

Note 2 - Net Organization Costs:	<u>09/30/03</u>	<u>06/30/03</u>
Organization Costs	\$179,000	\$179,000
Accumulated Amortization	<u>(179,000)</u>	<u>(179,000)</u>
Total	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Note 3 - General Partner Promissory Notes:	<u>09/30/03</u>	<u>06/30/03</u>
GP Promissory Note Principal	\$181,167	\$205,819
Offset against Partners' Capital	<u>0</u>	<u>0</u>
Total	<u><u>\$181,167</u></u>	<u><u>\$205,819</u></u>

Note 4 - Accrued Expenses:	<u>09/30/03</u>	<u>06/30/03</u>
Accounting & Audit	\$14,250	\$9,500
Management Fees	396,721	299,335
NVCA Dues and Other	2,607	0
Legal & Other Professional Fees	<u>0</u>	<u>50</u>
Total	<u><u>\$413,578</u></u>	<u><u>\$308,885</u></u>

CARDINAL HEALTH PARTNERS, L.P.
Statement of Cash Flows
For the Period Ended September 30, 2003

	Three Months Ended 09/30/03	Nine Months Ended 09/30/03
Cash flows from operating activities		
Net Income Before Gains (Losses)	(\$115,075)	(\$385,145)
Adjustments to reconcile net income before gains (losses) to net cash used in operating activities:		
Accrued Interest Receivable	1,898	9,209
Net Organization Costs	0	0
Other Assets	0	0
Accrued Expenses & Payables	104,693	7,370
Net Cash used in Operating Activities	<u>(8,484)</u>	<u>(368,566)</u>
Cash flows from investing activities		
Purchases of venture capital investments	0	(100,000)
Sales of venture capital investments	416,436	3,165,440
Net cash used in investing activities	<u>416,436</u>	<u>3,065,440</u>
Cash flows from financing activities		
Cash contributions by partners	24,652	28,884
Cash distribution to partners	0	(2,300,000)
Net cash provided by financing activities	<u>24,652</u>	<u>(2,271,116)</u>
 Net Change in Cash and Short Term Investments	 432,604	 425,758
Cash and Short Term Investments, beginning	<u>32,856</u>	<u>39,702</u>
Cash and Short Term Investments, ending	<u>\$465,460</u>	<u>\$465,460</u>

CARDINAL HEALTH PARTNERS, L.P.
Schedule of Venture Capital Investments
As of September 30, 2003

Company	Debt	Equity	Total Cost	Fair Value	Unrealized Gain (Loss)
AccentCare, Inc.	\$0	\$4,500,002	\$4,500,002	\$3,898,100	(\$601,902)
AthenaHealth, Inc.	0	3,000,000	3,000,000	6,600,000	3,600,000
Esurg Corporation	0	3,999,999	3,999,999	1,000	(3,998,999)
MedContrax (Syntegra)	34,904	0	34,904	1,000	(33,904)
Molecular Mining Corporation	0	1,000,000	1,000,000	1,000	(999,000)
NDCHealth, Inc.	0	952,896	952,896	2,815,680	1,862,784
NexCura (CancerFacts)	0	4,831,812	4,831,812	2,284,721	(2,547,091)
Pointshare Corporation	0	1,859,020	1,859,020	1,000	(1,858,020)
VISICU, Inc. (ICUSA)	0	4,050,000	4,050,000	2,605,000	(1,445,000)
Totals	\$34,904	\$24,193,729	\$24,228,663	\$18,207,501	(\$6,021,132)

Cardinal Health Partners, L.P.
Statement of Partners' Contributions Accounts
As of September 30, 2003

	Partners' Total Subscription	Contributions Account 06/30/03	Period Contribution in Cash	Period Contribution by Note	Contributions Account 09/30/03	Partners' Outstanding Subscription
<u>Limited Partners</u>						
LACERA	\$10,000,000	\$10,000,000	\$0	\$0	\$10,000,000	\$0
Nassau Capital Funds	9,000,000	9,000,000	0	0	9,000,000	0
Robert Wood Johnson Foundation	7,500,000	7,500,000	0	0	7,500,000	0
State Teachers Ret. System of Ohio	6,992,127	6,992,127	0	0	6,992,127	0
Northwestern University	5,000,000	5,000,000	0	0	5,000,000	0
Fleet Growth Resources (Summit Bank)	5,000,000	5,000,000	0	0	5,000,000	0
Natl. Union Fire Ins. Co. of Pittsburgh	5,000,000	5,000,000	0	0	5,000,000	0
WIN 4 Holdings / BofA Capital Corp.	3,000,000	3,000,000	0	0	3,000,000	0
Wachovia Bank Pension Plan	3,000,000	3,000,000	0	0	3,000,000	0
UNISYS	2,500,000	2,500,000	0	0	2,500,000	0
Venture Investment Associates II	2,000,000	2,000,000	0	0	2,000,000	0
S.R. One Limited	1,500,000	1,500,000	0	0	1,500,000	0
Hillside Capital Incorporated	1,000,000	1,000,000	0	0	1,000,000	0
	\$61,492,127	\$61,492,127	\$0	\$0	\$61,492,127	\$0
<u>General Partner</u>						
Cardinal Health Partners Mgmt.	621,133	621,133	0	0	621,133	0
Total Partnership	\$62,113,260	\$62,113,260	\$0	\$0	\$62,113,260	\$0

Cardinal Health Partners, L.P.
Statement of Partners' Distributive of Net Assets
For the Period Ended September 30, 2003

	Private Securities	Public Securities	Cash	Other Assets	Total Assets	Accrued Expenses	Net Assets 09/30/03
<u>Limited Partners</u>							
LACERA	\$2,478,060	\$453,321	\$74,937	\$29,212	\$3,035,530	(\$66,585)	\$2,968,945
Nassau Capital Funds	2,230,248	407,988	67,444	26,290	2,731,970	(59,927)	2,672,043
Robert Wood Johnson Foundation	1,858,555	339,992	56,203	21,909	2,276,659	(49,939)	2,226,720
State Teachers Ret. System. of Ohio	1,732,523	316,936	52,393	20,423	2,122,275	(46,553)	2,075,722
Northwestern University	1,239,010	226,656	37,468	14,606	1,517,740	(33,292)	1,484,448
Fleet Growth Resources (Summit Bank)	1,239,010	226,656	37,468	14,606	1,517,740	(33,292)	1,484,448
Pine Street Holdings I LLC	1,239,010	226,656	37,468	14,606	1,517,740	(33,292)	1,484,448
WIN 4 Holdings LLC	743,425	135,997	22,481	8,764	910,666	(19,976)	890,690
Wachovia Bank Pension Plan	743,425	135,997	22,481	8,764	910,666	(19,976)	890,690
UNISYS	619,507	113,329	18,734	7,303	758,873	(16,646)	742,227
Venture Investment Associates II	495,610	90,664	14,987	5,842	607,103	(13,317)	593,786
S.R. One Limited	371,711	67,998	11,241	4,382	455,332	(9,988)	445,344
Hillside Capital Incorporated	247,811	45,333	7,494	2,921	303,559	(6,659)	296,900
	\$15,237,903	\$2,787,523	\$460,799	\$179,628	\$18,665,853	(\$409,442)	\$18,256,411
<u>General Partner</u>							
Cardinal Health Partners Mgmt.	153,918	28,157	4,661	1,814	188,550	(4,136)	184,414
Total Partnership	\$15,391,821	\$2,815,680	\$465,460	\$181,442	\$18,854,403	(\$413,578)	\$18,440,825

Cardinal Health Partners, L.P.
Statement of Partners' Capital *
For the Nine Months Ended September 30, 2003

	Partners' Capital 01/01/03	Net Capital Contributions	Non-Portfolio Income	Net Investment Income (Loss)	Realized Gains (Losses)	Total Income (Loss)	Unrealized Gains (Losses)	Distributions	Partners' Capital 09/30/03
<u>Limited Partners</u>									
LACERA	\$3,738,463	\$0	\$19	(\$62,025)	\$846,217	\$784,211	(\$498,759)	(\$1,054,970)	\$2,968,945
Nassau Capital Funds,	3,364,610	0	16	(55,822)	761,596	705,790	(448,882)	(949,475)	2,672,043
Robert Wood Johnson Foundation	2,803,853	0	14	(46,519)	634,664	588,159	(374,070)	(791,222)	2,226,720
State Teachers Ret. System of Ohio	2,613,793	0	13	(43,369)	591,686	548,330	(348,739)	(737,662)	2,075,722
Northwestern University	1,869,219	0	9	(31,013)	423,109	392,105	(249,380)	(527,496)	1,484,448
Fleet Growth Resources (Summit)	1,869,219	0	9	(31,013)	423,109	392,105	(249,380)	(527,496)	1,484,448
Pine Street Holdings I LLC	1,869,219	0	9	(31,013)	423,109	392,105	(249,380)	(527,496)	1,484,448
WIN 4 Holdings, LLC.	1,121,539	0	6	(18,608)	253,865	235,263	(149,628)	(316,484)	890,690
Wachovia Bank Pension Plan	1,121,539	0	6	(18,608)	253,865	235,263	(149,628)	(316,484)	890,690
UNISYS	934,611	0	5	(15,506)	211,555	196,054	(124,690)	(263,748)	742,227
Venture Investment Associates II	747,684	0	4	(12,405)	169,224	156,843	(99,752)	(210,989)	593,786
S.R. One Limited	560,780	0	3	(9,304)	126,933	117,632	(74,814)	(158,254)	445,344
Hillside Capital Incorporated	373,851	0	2	(6,203)	84,622	78,421	(49,876)	(105,496)	296,900
	\$22,988,380	\$0	\$115	(\$381,408)	\$5,203,574	\$4,822,281	(\$3,066,978)	(\$6,487,272)	\$18,256,411
<u>General Partner</u>									
Cardinal Health Partners Mgmt.	22,160	28,884	1	(3,853)	52,562	48,710	(30,979)	(65,528)	3,247
Total Partnership	\$23,010,540	\$28,884	\$116	(\$385,261)	\$5,256,136	\$4,870,991	(\$3,097,957)	(\$6,552,800)	\$18,259,658

* - Partners Capital, by definition, does not include contributions made by the General Partner in the form of a Promissory Note.

Cardinal Health Partners, L.P.
Statement of Partners' Accounts
For the Period from July 25, 1997 to September 30, 2003

	Partners' Contribution Account	Non-Portfolio Income	Net Investment Income (Loss)	Realized Gains (Losses)	Total Income (Loss)	Unrealized Gains (Losses)	Distributions	Partner Transfer	Partners' Account 09/30/03
<u>Limited Partners</u>									
LACERA	\$10,000,000	\$27,896	(\$1,251,556)	(\$775,516)	(\$1,999,176)	(\$1,148,781)	(\$3,883,098)	\$0	\$2,968,945
Nassau Capital Funds	9,000,000	25,104	(1,126,401)	(697,963)	(1,799,260)	(1,033,899)	(3,494,798)	0	2,672,043
Robert Wood Johnson Foundation	7,500,000	20,921	(938,667)	(581,635)	(1,499,381)	(861,586)	(2,912,313)	0	2,226,720
State Teachers Ret. System of Ohio	6,992,127	19,509	(875,105)	(542,250)	(1,397,846)	(803,241)	(2,715,318)	0	2,075,722
Northwestern University	5,000,000	13,947	(625,779)	(387,758)	(999,590)	(574,389)	(1,941,573)	0	1,484,448
Fleet Growth Resources (Summit)	5,000,000	13,947	(625,779)	(387,758)	(999,590)	(574,389)	(1,941,573)	0	1,484,448
National Union Fire Ins. Co. of Pitts.	5,000,000	13,938	(594,766)	(810,867)	(1,391,695)	(325,009)	(1,414,077)	(1,869,219)	0
Pine Street Holdings I LLC	0	9	(31,013)	423,109	392,105	(249,380)	(527,496)	1,869,219	1,484,448
Bank of America Capital Corporation	2,741,431	6,828	(184,638)	311,688	133,878	449,985	(582,797)	(2,742,497)	0
WIN 4 Holdings, LLC	258,569	1,541	(190,828)	(544,343)	(733,630)	(794,618)	(582,128)	2,742,497	890,690
Wachovia Bank Pension Plan	3,000,000	8,369	(375,466)	(232,655)	(599,752)	(344,633)	(1,164,925)	0	890,690
UNISYS	2,500,000	6,974	(312,888)	(193,878)	(499,792)	(287,195)	(970,786)	0	742,227
Venture Investment Associates II	2,000,000	5,579	(250,310)	(155,103)	(399,834)	(229,756)	(776,624)	0	593,786
S.R. One Limited	1,500,000	4,185	(187,733)	(116,327)	(299,875)	(172,317)	(582,464)	0	445,344
Hillside Capital Incorporated	1,000,000	2,789	(125,158)	(77,552)	(199,921)	(114,877)	(388,302)	0	296,900
	\$61,492,127	\$171,536	(\$7,696,087)	(\$4,768,808)	(\$12,293,359)	(\$7,064,085)	(\$23,878,272)	\$0	\$18,256,411
<u>General Partner</u>									
Cardinal Health Partners Mgmt.	621,133	1,731	(1,321,674)	81,459	(1,238,484)	1,042,952	(241,187)	0	184,414
Total Partnership	\$62,113,260	\$173,267	(\$9,017,761)	(\$4,687,349)	(\$13,531,843)	(\$6,021,133)	(\$24,119,459)	\$0	\$18,440,825

TO: The Limited Partners

FROM: John J. Park

DATE: October 20, 2003

SUBJECT: Portfolio Valuations for September 30, 2003

Investment securities held by Cardinal Health Partners, L.P. (the "Partnership") have been valued in accordance with the Amended Standard Valuation Policy of the Partnership. In accordance with the Policy, restricted securities are valued at cost, until subsequent events of a significant nature indicate the need for a change. Public securities are valued at a discount to market according to the trading restrictions or lack of liquidity accorded to them. This memorandum delineates the portfolio valuation calculations proposed by the General Partner for those investments not valued at cost as of September 30, 2003.

ACCENTCARE – In June 2001, AccentCare completed a \$24.5 million financing at \$0.9215 per share valuing the Company at \$54 million post-money after adjusting for the weighted average anti-dilution of the Series A and Series B Preferred. Two new investors, Three Arch Partners and Highland Capital Partners led this financing. Our investment is valued at the Series C price of \$0.9215, resulting in an unrealized loss of \$601,902 on our cost basis of \$4,500,002 as of September 30, 2003. This valuation represents no change from the valuation as of June 30, 2003.

Value Computation:

Series A Convertible Preferred Stock		
2,620,837 shares x \$0.9215	=	\$2,415,101
Series B Convertible Preferred Stock		
1,609,331 shares x \$0.9215	=	<u>1,482,999</u>
Total Value		<u>\$3,898,100</u>

ATHENAHEALTH – On November 17, 2000, AthenaHealth completed a \$31 million financing at \$3.08 per share, valuing the Company at \$81 million post-money. A new investor, Oak Investment Partners, led this financing. Our investment is valued at the Series D price of \$3.08, resulting in an unrealized gain of \$3,600,000 on our cost basis of \$3,000,000 as of September 30, 2003. This valuation represents no change from the valuation as of June 30, 2003.

Value Computation:

Series C Convertible Preferred Stock		
2,142,857 shares x \$3.08	=	<u>\$6,600,000</u>

CARDINAL HEALTH PARTNERS, L.P.
Portfolio Valuations as of September 30, 2003
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ESURG - In August 2001, Esurg completed a \$9 million financing at \$0.6265 per share, valuing the Company at \$36 million post-money. Two new investors, Accenture and United Parcel Service led this financing. However, the company has been unable to attain additional needed financing and therefore has had to make substantial operational cutbacks. Accordingly, in Q1 2002 we decided to reduce the value of the Esurg investment to a minimal value of \$1,000. As of September 30, 2003, the Esurg investment is valued at \$1,000 resulting in a cumulative unrealized loss of \$3,998,999 on our cost basis of \$3,999,999. This valuation represents no change from the valuation as of June 30, 2003.

MEDCONTRAX – In September 2001, MedContrax completed a \$500,000 insider financing at \$0.25 per share, valuing the company at \$6.5 million post-money. Subsequent bridge financings with a liquidation preference totaling \$5 million, including \$250K in secured promissory notes, were completed in Q1 2002. At the end of Q1 2002, discussions were terminated with a potential acquirer and the company ceased operations. Accordingly, we reduced the value of the MedContrax investment to \$1,000. In June 2002, the assets of the company were sold, but we expect only a minimal return after satisfaction of the company's creditors. In Q3 2002, it was determined that the equity holders would receive no return from their investment. Therefore, we have written off the equity portion of the MedContrax investment. The remaining investment continues to be valued at \$1,000, showing an unrealized loss of \$33,904 on our cost basis of \$34,904 as of September 30, 2003. This valuation represents no change from the valuation as of June 30, 2003.

Value Computation:

5% Secured Convertible Note Payable	
\$34,904 Principal Face Value	<u>1,000</u>
Total Value	= <u>\$1,000</u>

MOLECULAR MINING CORPORATION – During the first quarter of 2003, as the result of an inability to attain additional outside financing and the lack of sufficient operational progress to support continuing operations, management and the Board of Directors decided to cease operations and sell the assets of the company. Consequently, we have reduced the value of our Series A Preferred investment to a minimal value. This valuation produces an unrealized loss of \$999,000 on our investment cost basis of \$1,000,000 as of September 30, 2003. This valuation represents no change from the valuation as of June 30, 2003.

Value Computation:

Series A Convertible Preferred Stock	
1,000,000 shares	= <u>\$1,000</u>

CARDINAL HEALTH PARTNERS, L.P.
Portfolio Valuations as of September 30, 2003
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NDCHEALTH (TechRx) – In May 2002, NDCHealth (NDC) acquired a controlling interest in TechRx. As part of this transaction, Cardinal sold its Series B Preferred stock holdings for \$6 million in cash and 402,982 shares of NDC common stock (NYSE:NDC). These shares were unregistered and therefore subject to Rule 144 trading restrictions. In June 2003, the one-year holding period was completed and the shares became saleable under Rule 144. During Q3 2003, Cardinal sold 18,982 shares of NDC stock, netting \$416,436. As a result, we have recorded a realized gain of \$322,228 (\$416,436 - \$94,208) and reversed a previously unrealized gain of \$149,616. On September 9, 2003, Cardinal completed a distribution of 192,000 shares at \$22.15 per share for a total distribution value of \$4,252,800. As a result, we have recorded a realized gain of \$3,299,904 (\$4,252,800 - \$952,896) and reversed a previously unrealized gain of \$1,513,344.

As of the end of Q3 2003, Cardinal continued to hold 192,000 shares of NDC common stock. These shares are saleable, but remain subject to rule 144 trading restrictions. Accordingly, the shares are valued at a 30% discount from the closing price per share of \$20.95 for September 30, 2003. This results in a carrying value of \$2,815,680 with a corresponding unrealized gain of \$1,862,784 on a cost basis of \$952,896. After accounting for the sale and distribution activity during this quarter, this valuation represents a decrease of \$2,360,624 from the valuation for the NDC common as of June 30, 2003.

Value Computation:

$$\begin{array}{l} \text{NDCHealth Common Stock} \\ 192,000 \text{ shares} \times \$20.95 \times 70\% \qquad \qquad \qquad = \quad \underline{\underline{\$2,815,680}} \end{array}$$

NEXCURA – In June 2002, NexCura completed a \$3.9 million Series C financing led by a new investor. The price per share for the round was \$0.191 placing a pre-money value of \$11 million on the financing. Cardinal has invested a total of \$331,812 in the Series C round (\$231,812 in June 2002 and \$100,000 in June 2003), including the conversion of \$181,812 in promissory notes with accrued interest. We propose to value the NexCura investment at the price of the Series C round. After accounting for the anti-dilution effect of the Series C round, the resulting value for our NexCura investment is \$2,284,721, with an accumulated unrealized loss of \$2,547,091 on our cost basis of \$4,831,812. This valuation represents no change from the valuation as of June 30, 2003.

Value Computation:

$$\begin{array}{l} \text{Series B Convertible Preferred Stock} \\ 10,224,654 \text{ shares} \times \$0.191 \qquad \qquad \qquad = \quad \$1,952,909 \\ \text{Series C Convertible Preferred Stock} \\ 1,737,238 \text{ shares} \times \$0.191 \qquad \qquad \qquad = \quad \underline{\underline{331,812}} \\ \text{Total Value} \qquad \qquad \qquad \qquad \qquad \qquad \underline{\underline{\$2,284,721}} \end{array}$$

CARDINAL HEALTH PARTNERS, L.P.
Portfolio Valuations as of September 30, 2003
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POINTSHARE – As reported previously, PointShare has sold both operating units of the company, netting a total of ~ \$5 million for distribution to the investors. No proceeds were accorded to the Series A or Series B investors and those investments have been written off. During 2002, Cardinal received a total of \$140,981 from the distributions of proceeds of the sales of PointShare's assets. There remains one escrow account from which the investors may receive proceeds in late 2003. As of the end of 2002, we have reduced the cost basis in our Series C holding from \$2,000,001 to \$1,859,020 and reduced the carrying value for the investment to \$1,000. With the remaining investment valued at \$1,000, we show an unrealized loss of \$1,858,020 on our cost basis of \$1,859,020 as of September 30, 2003. This valuation represents no change from our carrying value as of June 30, 2003.

VISICU (formerly IC-USA) – On June 8, 2000, VISICU completed a \$12 million financing at \$1.37 per share valuing the Company at \$28 million post-money. A new investor, Pacific Venture Group, led this financing. In June 2002, the current investors led a \$6.8 million financing priced at the same level as the Series B round and valuing the company at \$38 million post-money. Cardinal invested \$50,000 in this financing. As the company has not met operational expectations, in Q3 of 2001 we elected to value our Series A and Series B investment at one-half of the Series B price until a substantial improvement in operational results or an independent financing event. We propose to maintain this valuation for both the Series A and Series B investments and to carry the Series C investment at cost. This results in a carrying value of \$2,605,000, producing an unrealized loss of \$1,445,000 on our cost basis of \$4,050,000 as of September 30, 2003. This valuation represents no change from our carrying value as of June 30, 2003.

Value Computation:

Series A Convertible Preferred Stock		
3,000,000 shares x \$1.37 x 50%	=	\$2,055,000
Series B Convertible Preferred Stock		
729,927 shares x \$1.37 x 50%		500,000
Series C Convertible Preferred Stock		
36,496 shares x \$1.37	=	<u>50,000</u>
Total Value		<u>\$2,605,000</u>

CARDINAL HEALTH PARTNERS, L.P.
Portfolio Investment Valuation Summary
For the Quarter Ended September 30, 2003

<u>Portfolio Company</u>	<u>Investment</u>	<u>Fair Value</u> <u>09/30/03</u>	<u>Fair Value</u> <u>06/30/03</u>	<u>Change from</u> <u>Prior Quarter</u>	<u>Reason for Change</u>
AccentCare, Inc.	\$4,500,002	\$3,898,100	\$3,898,100	\$0	
AthenaHealth, Inc.	3,000,000	6,600,000	6,600,000	0	
Esurg Corporation	3,999,999	1,000	1,000	0	
MedContrax, Inc. (formerly Syntegra)	34,904	1,000	1,000	0	
Molecular Mining	1,000,000	1,000	1,000	0	
NDCHealth, Inc.	952,896	2,815,680	5,176,304	(2,360,624)	Market Sale and Distribution (note 1)
NexCura (formerly CancerFacts.com)	4,831,812	2,284,721	2,284,721	0	
Pointshare Corporation	1,859,020	1,000	1,000	0	
VISICU, Inc. (formerly ICUSA)	4,050,000	2,605,000	2,605,000	0	
Total Portfolio	\$24,228,633	\$18,207,501	\$20,568,125	(\$2,360,624)	

- (1) During the quarter, Cardinal sold 18,982 shares of NDCHealth common stock netting \$416,436, and completed a distribution of 192,000 shares at a value of \$4,252,800. As a result of these two transactions, we have reduced the carrying value for the NDC Investment by \$2,710,064, recorded a realized gain totaling \$3,622,132 (\$4,669,236 - \$1,047,104), and reversed the previously unrealized gain totaling \$1,662,960 related to these shares. At the end of the quarter, Cardinal holds 192,000 shares of NDCHealth common stock (NYSE:NDC), which continues to be held at a 30% discount to market. The value of these holdings increased \$349,440 as a result of the change in the market share price from \$18.35 as of June 30, 2003 to \$20.95 as of September 30, 2003.

ACCENTCARE, INC.
Dana Point, CA
{www.accentcare.com}

Comprehensive Assistance Living Services for the Elderly Living at Home

Period Summary: 3rd Quarter, 2003

While financial performance at AccentCare lagged plan during the quarter, the company maintained a steady progression towards cash flow breakeven, reporting a positive EBITDA for the month of July. The new senior management team still has many challenges facing them, but in the first few quarters under their direction, the company has taken significant strides towards improving both operationally and financially. The team has implemented a redesigned performance metrics system, with a clearer emphasis on financial performance and revenue enhancement at each of the East and West Coast hub locations. Monthly financial reviews and realigned incentives seem to be having a positive impact resulting in improved productivity and a more predictable and steady level of gross margin. This should enable the company to operate close to cash flow breakeven until new revenue initiatives begin to have an impact early next year.

Revenues for the quarter were 17% below plan, at \$20.5 million vs. plan revenues of \$24.8 million. The revenue shortfall resulted from underperformance at all west coast centers coupled with lower than expected volumes with the primary customer in NY. Management reports some recent encouraging results from private pay clients and multiple programs have been initiated to enhance same store revenue growth. We expect next quarter's revenue to exceed \$21 million and the company to end the year with an annual revenue run rate of \$95 million, a 73% growth over last fiscal year.

Overall gross margin was 2% below plan, as margins on the East Coast were well below plan due to a shift in the contract mix towards lower margin business. West coast margins were on plan, as the improvement in workers compensation costs was offset by increased health insurance premiums. The company is currently bidding for a national health insurance contract that should provide lower overall benefit costs. Operating expenses were better than plan by 3% due to expense reductions initiated last quarter. The quarter was negatively impacted by \$503K in one-time, non-cash adjustments related to accounting accruals in the East Coast operations that have been determined to be incorrect. Without these non-recurring adjustments, expenses would have been more than 10% below budget. An integration of reporting and information systems as well as many of the basic accounting functions into corporate headquarters is being enacted to further improve results.

Cash flow for the period was also below budget, with an average monthly cash burn of \$240K. The quarter was exacerbated by the expenditures for personnel reductions at the beginning of the period. In October, the company expects to refinance its receivables credit facility with GMAC for a larger limit under more favorable terms. Management expects that the company will be operating cash flow positive for the last three months of 2003.

ACCENTCARE, INC. (cont.)

FINANCIAL RESULTS: (\$000)

Overview: (FYE 3/31)

	<i>FY01 Actual</i>	<i>FY02 Actual</i>	<i>FY03 Actual</i>	<i>2003 Budget*</i>
Revenues	18,530	22,502	54,815	73,672
Cost of Services	12,117	15,137	37,349	53,084
Operating Expenses	14,894	14,617	20,508	19,561
EBIT	-8,481	-7,252	-3,042	1,027
Interest and Taxes	-264	102	-558	-534
Net Income	-8,745	-7,150	-3,600	493

* - 2003 Budget reflects only nine months of operations.

Last Three Months: Quarter Ended September 30, 2003

	<i>Actual</i>	<i>Budget</i>	<i>Variance</i>
Revenues	20,481	24,783	-4,302
Cost of Services	15,184	17,813	+2,629
Operating Expenses	6,249	6,468	+219
EBIT	-952	502	-1,454
Interest and Taxes	-519	-174	-345
Net Income	-1,471	328	-1,799

Fiscal Year-to-Date: Six Months Ended September 30, 2003

	<i>Actual</i>	<i>Budget</i>	<i>Variance</i>
Revenues	41,076	47,627	-6,551
Cost of Services	30,268	34,413	+4,145
Operating Expenses	12,453	13,067	+614
EBIT	-1,645	147	-1,792
Interest and Taxes	-780	-357	-423
Net Income	-2,425	-210	-2,215

ACCENTCARE, INC. (cont.)

Summary Balance Sheet as of September 30, 2003: (\$000)

Cash	\$ 5,874	Accounts Payable	\$ 1,012
Accounts Receivable	9,900	Accrued Expenses	4,051
Other Current Assets	<u>1,713</u>	Other Current Liabilities	<u>5,786</u>
Total Current Assets	17,487	Total Current Liabilities	10,849
Net PP&E	1,430	Long Term Debt	10,760
Intangibles (Net)	9,164	Shareholders Equity	44,770
Other Assets	<u>945</u>	Retained Earnings	<u>-37,353</u>
Total Assets	<u>\$29,026</u>	Total Liabilities & Equity	<u>\$29,026</u>

Comments:

The company is behind plan in terms of cash flow due to the larger than budgeted cash burn, coupled with lower than anticipated use of its credit facilities. Management expects to be cash flow break even for the last three months of 2003. A renegotiated credit facility with better terms and a larger limit should be in place next quarter.

Cardinal Health Partners Holdings:

Series A Convertible Preferred Stock	2,500,000 shares
Common Stock Equivalents	2,620,837 shares
Assigned Fair Value (2,620,837 CSE's x \$0.9215)	\$2,415,101
Investment Cost	\$2,500,000
Cost per Common Stock Equivalent	\$0.954
Series B Convertible Preferred Stock	1,176,472 shares
Common Stock Equivalents	1,609,331 shares
Assigned Fair Value (1,609,331 CSE's x \$0.9215)	\$1,482,999
Investment Cost	\$2,000,002
Cost per Common Stock Equivalent	\$1.243
% Ownership (Full Dilution)	6.45%
Company Valuation at Cardinal Cost	\$69.8 million
Company Valuation at Assigned Fair Value	\$60.4 million

Outlook:

As the new management team implements its plan to improve operational and financial performance, we remain cautiously optimistic about the prospects for AccentCare.

ATHENAHEALTH, INC.
Waltham, MA
{www.athenahealth.com}

Web-Based Business Practice Management Services for Physician Offices

Period Summary: 3rd Quarter, 2003

Athena continued its solid financial performance for 2003 through the third quarter, albeit with some hiccups early in the quarter. Sales for the quarter were slightly below plan, however YTD sales remain ahead of budget. Revenues for the quarter were off plan due to higher than anticipated account attrition in July and early August (accounts which were sold, but subsequently could not be implemented or reversed decision on implementation). YTD revenues are within 2% of budget, with the company on tract to again show year-to-year revenue growth of over 100% in 2003. Lower gross margins together with an implementation gap that existed at the beginning of the quarter drove net income to be \$439K behind plan. Increased interest expense related to an anticipated \$6 million sub-debt facility to close next quarter coupled with additional sales and marketing expenses for Q4 2003 will move the attainment of cash flow breakeven into Q1 2004.

Revenues for the quarter exceeded \$6.5 million, increasing 16% over the prior quarter, but coming in 6% below plan. Implementations hit a new record of \$4.3 million for the quarter, but this failed to close the YTD gap caused by higher than planned account attrition early in the quarter. Net income and EBITDA both were negatively impacted by the lower revenue level and higher operating expenses due to several non-recurring items recorded in August. Monthly operating cash burn averaged \$175K for the period, down over 40% from the prior quarter. However, overall cash burn for the period was over budget due to working capital adjustments for amounts accrued at the end of last quarter. The cash balance at the end of September was \$4.7 million, 5% below the original budget of \$5.0 million.

Looking ahead, the Q4 sales pipeline is strong and management expects to meet its sales budget for the year. The company expects to close a \$6 million sub-debt facility (Orix/GE and Silicon Valley Bank), in Q4 and pursue a further \$1 million equipment line with GE Capital. With these additional capital resources in place, the company has greatly strengthened its balance sheet to support anticipated growth in the coming year. We continue to expect the company will finish 2003 with an annual revenue run rate exceeding \$30 million and be an attractive candidate for a liquidity event with its robust recurring revenue model and strong margins. We remain very excited about the prospects for the Athena investment.

ATHENAHEALTH, INC (cont.)

FINANCIAL RESULTS: (\$000)

Overview: (FYE 12/31)

	<i>2001 Actual</i>	<i>2002 Actual*</i>	<i>2003 Budget**</i>
Revenues	3,459	11,985	25,706
Direct Expenses	6,480	10,137	16,897
SG&A	9,278	8,860	9,813
EBITDA	-12,299	-7,012	-1,004
Depreciation	1,636	2,493	3,174
Interest and Taxes	855	-55	-432
Net Income	-13,080	-9,560	-4,610

* - Subject to Audit

** - Budget revised in February 2003

Last Three Months: Quarter Ended September 30, 2003

	<i>Actual</i>	<i>Budget**</i>	<i>Variance</i>
Revenues	6,485	6,872	-387
Direct Expenses	4,261	4,371	+110
SG&A	2,713	2,451	-262
EBITDA	-489	50	-539
Depreciation	718	823	+105
Interest and Taxes	-85	-106	+21
Net Income	-1,292	-879	-413

Fiscal Year-to-Date: Nine Months Ended September 30, 2003

	<i>Actual</i>	<i>Budget**</i>	<i>Variance</i>
Revenues	17,151	17,551	-400
Direct Expenses	11,600	12,171	+571
SG&A	7,433	6,991	-442
EBITDA	-1,882	-1,611	-271
Depreciation	2,122	2,334	+212
Interest and Taxes	-260	-295	+35
Net Income	-4,264	-4,240	-24

** Budget revised – February 2003

ATHENAHEALTH, INC. (cont.)

Summary Balance Sheet as of September 30, 2003: (\$000)

Cash	\$ 4,734	A/P and Accrued Expenses	\$ 2,495
Accounts Receivable	2,860	Deferred Revenue	1,910
Other Current Assets	<u>527</u>	Working Capital LOC	<u>2,230</u>
Total Current Assets	8,121	Total Current Liabilities	6,635
Net PP&E	2,702	Long Term Debt - Lease line	2,813
Intangibles (Net)	1,953	Shareholders Equity	43,335
Other Assets	<u>134</u>	Retained Earnings	<u>-39,873</u>
Total Assets	<u>\$12,910</u>	Total Liabilities & Equity	<u>\$12,910</u>

Comments:

Cash burn for the year is \$300K below expectations for the year. Management is close to completing a \$6 million sub-debt facility and an increase to the working capital line. In combination, these capital resources will greatly strengthen the balance sheet. The company is forecasting cash flow breakeven by the end of Q1 2004.

Cardinal Health Partners Holdings:

Series C Convertible Preferred Stock	2,142,857 shares
Assigned Fair Value (\$3.08 x 2,142,857)	\$6,600,000
Investment Cost	\$3,000,000
Cost per Share	\$1.40

% Ownership (Full Dilution)	8.3%
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Company Valuation at Cardinal Cost	\$36.4 million
Company Valuation at Assigned Fair Value	\$80.0 million

Outlook:

We remain very enthusiastic about the prospects for Athena, which continues to build backlog, enjoys a powerful recurring revenue model with high exit barriers, and retains a strong lead in the business of automating the business functions of physician offices.

ESURG CORPORATION
Seattle, WA
{www.esurg.com}

Online Supplies for Outpatient Surgery Centers

Period Summary: 3rd Quarter, 2003

Revenues and gross profit failed to meet expectations for the second quarter this year. Revenues showed a decline across all client groups during the quarter. Management is working diligently to enhance revenue growth prospects through leveraging its strategic partner relationships and improving the effectiveness of its sales and marketing initiatives. Overall, management continues to operate the company in a very efficient manner and the company remains ahead of plan for net income and cash burn.

Revenues of \$2.2 million for the quarter are slightly down from the previous quarter, but only 65% of plan. Gross margins grew to 12% and well ahead of plan. Operating expenses were 12% lower than last quarter and also well ahead of plan, resulting in a positive net income variance of 16%. Year to date the company is 19% behind its revenue forecast, but ahead of plan in terms of net income and cash burn. The cash balance at the end of the quarter was \$3.3 million, \$300K ahead of plan. With cash burn running at ~ \$200K per month the company can operate at this level through the end of 2004. However, management now forecasts that the company will not reach break even until attaining \$30 million in annual revenue. With an annual revenue run rate of about \$10 million, we don't believe the company can achieve this revenue level on existing cash.

Attempts to interest traditional medical supply distribution companies in a possible acquisition of Esurg have not progressed. Cardinal has recently introduced management to an investment banking firm that has a specific target client for a potential acquisition. The management team has proven to be hard working and determined to succeed. They continue to explore merger opportunities that would lessen the need for additional capital and shorten the time to breakeven. However, until such time as a viable acquirer appears, we continue to be pessimistic about a positive exit for our investment in Esurg.

ESURG CORPORATION (cont.)**FINANCIAL RESULTS: (\$000)**

Overview: (FYE 12/31)

	<i>2001 Actual</i>	<i>2002 Actual*</i>	<i>2003 Budget**</i>
Revenues	5,339	9,803	12,309
Cost of Sales	5,278	8,839	10,966
Operating Expenses	12,148	8,559	5,589
EBIT	-12,087	-7,595	-4,246
Interest and Taxes	304	198	101
Net Income	-11,783	-7,397	-4,145

* Subject to Audit

Last Three Months: Quarter Ended September 30, 2003

	<i>Actual</i>	<i>Budget**</i>	<i>Variance</i>
Revenues	2,171	3,370	-1,199
Cost of Sales	1,901	3,089	+1,188
Operating Expenses	-1,177	1,375	+198
EBIT	-907	-1,094	+187
Interest and Taxes	6	23	-17
Net Income	-901	-1,071	+170

Fiscal Year-to-Date: Nine Months ended September 30, 2003

	<i>Actual</i>	<i>Budget**</i>	<i>Variance</i>
Revenues	6,816	8,415	-1,599
Cost of Sales	6,024	7,495	+1,471
Operating Expenses	3,946	4,222	+276
EBIT	-3,154	-3,302	+148
Interest and Taxes	38	86	-48
Net Income	-3,116	-3,216	+100

** Budget revised – February 2003

ESURG CORPORATION (cont.)

Summary Balance Sheet as of September 30, 2003: (\$000)

Cash	\$ 3,297	Accounts Payable	\$ 591
Accounts Receivable	888	Accrued Expenses	142
Other Current Assets	<u>344</u>	Other Current Liabilities	<u>317</u>
Total Current Assets	4,529	Total Current Liabilities	1,050
Net PP&E	239	Long Term Debt	0
Intangibles (Net)	300	Shareholders Equity	40,904
Other Assets	<u>242</u>	Retained Earnings	<u>-36,644</u>
Total Assets	<u>\$ 5,310</u>	Total Liabilities & Equity	<u>\$ 5,310</u>

Comments:

Average monthly burn for the quarter was approximately \$200K. Under the current plan, the company can keep operating at this level through the end of 2004, while management and the investors try to map out a strategy to maximize the return on our investment.

Cardinal Health Partners Holdings:

Series C Convertible Preferred Stock	2,597,401 shares
Assigned Fair Value	\$1,000
Investment Cost	\$3,999,999
Cost per Share	\$1.54

% Ownership (Full Dilution) 4.0%

Company Valuation at Cardinal Cost	\$100.0 million
Company Valuation at Assigned Fair Value	Minimal

Outlook:

Expectations are low for a return from the Esurg investment.

MEDCONTRAX, INC.
(formerly Syntegra Healthcare Management Systems, Inc.)
Rockville, MD
{www.medcontrax.com}

Wholesale Price Clearing House for Pharmaceuticals Market

Period Summary: 3rd Quarter, 2003

There is no new activity to report for the quarter relative to our investment in MedContrax. In June 2002, the Bankruptcy Court completed an auction for the combined assets of MedContrax and Med-ecorp. The leading bid was for \$1.5 million in cash received from NeoForma, Inc. The sale closed into escrow in early July 2003. Claims filed by all of the company's creditors total \$2.5 million, including \$606,600 of investor promissory notes. Cardinal's portion of the investor notes is \$34,904.

Investor counsel continues to believe that distributable proceeds from the sale will range from \$1.0 to \$1.2 million. The current estimate of counsel is that the investors can expect to receive 50-75% back on the value of their promissory notes. We expect this process to be completed by the end of the year.

Cardinal Health Partners Holdings:

5% Convertible Promissory Note	\$34,904
Assigned Fair Value	\$1,000
% Ownership (Full Dilution)	3.6%

MOLECULAR MINING CORPORATION
Kingston, Ontario
{www.molecularmining.com}

Software Tools for Genomics Research

Period Summary: 3rd Quarter, 2003

By the end of the current quarter the liquidation process was substantially complete, with the exception of the sale of the intangible assets. All the tangible assets of the company have been sold and all of the liabilities of the company have been settled. PARTEQ Innovations is acting as agent to sell the intangible assets of the company. The agreement contains a revenue sharing component whereby PARTEQ will receive a ramping percentage of the proceeds, based upon the overall amount of the sale. Under the terms of the agreement, if the intangible assets are sold for any amount up to \$25.5 million, the proceeds will be split between the Series B Preferred shareholders and PARTEQ, with the Series A investors and the common shareholders receiving no return on their investment. There has been a good amount of activity from parties interested in buying the technology and other intangible assets, but we believe a price above \$2-\$3 million is highly unlikely. Therefore, we view it as highly unlikely that we will receive any return from the Cardinal Health Partners, L.P. investment.

It is expected that the liquidation process will be concluded over the next 3-6 months.

MOLECULAR MINING CORPORATION (cont.)**FINANCIAL RESULTS: (\$000)**

Overview: (FYE 12/31)

	<i>2001 Actual</i>	<i>2002 Actual</i>	<i>2003 Budget</i>
Revenues	131	414	1,238
Cost of Sales	20	132	147
Operating Expenses	3,261	3,926	2,625
EBIT	-3,150	-3,644	-1,534
Interest and Taxes	211	100	7
Net Income	-2,939	-3,544	-1,527

Last Three Months: Quarter Ended September 30, 2003

	<i>Actual*</i>	<i>Budget**</i>	<i>Variance</i>
Revenues	78		
Cost of Sales	0		
Operating Expenses	60		
EBIT	18		
Loss on Sale of Assets	0		
Interest and Taxes	1		
Net Income	19		

Fiscal Year-to-Date: Nine Months Ended September 30, 2003

	<i>Actual</i>	<i>Budget**</i>	<i>Variance</i>
Revenues	146		
Cost of Sales	1		
Operating Expenses	1,523		
EBIT	-1,378		
Loss on Sale of Assets	-332		
Interest and Taxes	12		
Net Income	-1,698		

* - Financial activity for the current quarter reflects corrections to prior periods.

** - No budget is presented, as Molecular Mining is no longer operational.

MOLECULAR MINING CORPORATION (cont.)

Summary Balance Sheet as of September 30, 2003: (\$000)

Cash	\$ 463	Accounts Payable	\$ 1
Accounts Receivable	95	Accrued Expenses	0
Prepaid Expenses	<u>0</u>	Notes Payable	<u>0</u>
Total Current Assets	558	Total Current Liabilities	1
Net PP&E	0	Long Term Debt	0
Intangibles (net)	0	Shareholders Equity	11,152
Other Assets	<u>0</u>	Retained Earnings	<u>-10,595</u>
Total Assets	<u>\$ 558</u>	Total Liabilities & Equity	<u>\$ 558</u>

Comments:

The company has liquidated all its tangible assets and settled all outstanding liabilities. The balance sheet does not contain any value for the intellectual property assets of the company, which are currently being sold. The current estimate is that approximately \$1 million will be available for distribution to the Series B investors upon completion of the liquidation. There will most likely be no return for the Series A investors or the common equity holders.

Cardinal Health Partners Holdings:

Series A Convertible Preferred Stock	1,000,000 shares
Assigned Fair Value	\$1,000
Investment Cost	\$1,000,000
Cost per Share	\$1.00
Series B Preferred Stock Warrants	34,206 shares
Exercise Price Per Share	\$2.0464
% Ownership (Full Dilution)	11.2%
Company Valuation at Cardinal Cost	\$8.8 million
Company Valuation at Assigned Fair Value	Minimal

Outlook:

There will most likely be no return on the Cardinal Health Partners, L.P. investment in Molecular Mining.

NEXCURA, INC.
(formerly CancerFacts.com)
Seattle, WA
{www.nexcure.com}

eCare Tools for Chronic Disease Management

Period Summary: 3rd Quarter, 2003

A continuation of an unfavorable economic climate at many of NexCura's customers has led to projects delays or cancellations. This resulted in an unfavorable variance in revenues to plan of \$1.4 million for the quarter. As a consequence of this general market malaise, management further revised its revenue forecast for the year down from \$4.0 to \$3.0 million. During the quarter, management enacted some significant reductions in expenses so as to be cash flow neutral as compared to the current forecast for the remainder of the year. Unfortunately, this will not make up for the disappointing results thus far and while the future outlook is brighter, cash will be tight for the next 12 months.

As a result of the revenue shortfall for the period, overall financial performance for the quarter was well behind plan. Operating cash burn averaged \$150K per month during the quarter, but after the headcount reduction in September, the burn has been reduced to almost zero. Even though the company is well behind its cash forecast for the year, management is confident that the company will be self-sustaining in through at least the middle of next year. The company is also close to attaining a receivables credit facility that will help them meet their commitment through the uneven cash flow streams inherent in many of their contracts.

The outlook for the remainder of the year remains cautiously optimistic. The sales pipeline is building and should produce enough contracts to meet management's modest goals for the next six months. Much of the forecast is already booked or carries a high probability of success. The investors are working closely with CEO, Peter Hoover to ensure that the company remains on track towards attaining cash flow breakeven by the end of the year. Now approaching his one-year anniversary at Nexcura, Peter is working hard to gain sales momentum and maintain morale.

NEXCURA, INC. (cont.)

FINANCIAL RESULTS: (\$000)

Overview: (FYE 12/31)

	<i>2001 Actual</i>	<i>2002 Actual*</i>	<i>2003 Budget</i>
Revenues	1,521	3,018	6,891
Cost of Sales	0	287	305
Operating Expenses	3,861	4,324	6,693
EBIT	-2,340	-1,593	-107
Interest and Taxes	-1,355	-83	-76
Net Income	-3,695	-1,676	-183

* Subject to Audit

Last Three Months: Quarter Ended September 30, 2003

	<i>Actual</i>	<i>Budget</i>	<i>Variance</i>
Revenues	538	1,927	-1,389
Cost of Sales	58	79	+21
Operating Expenses	699	1,668	+969
EBIT	-219	180	-399
Interest and Taxes	0	-18	+18
Net Income	-219	162	-381

Fiscal Year-to-Date: Nine Months ended September 30, 2003

	<i>Actual</i>	<i>Budget</i>	<i>Variance</i>
Revenues	1,797	4,964	-3,167
Cost of Sales	197	233	+36
Operating Expenses	3,497	4,983	+1,486
EBIT	-1,897	-252	-1,645
Interest and Taxes	3	-52	+55
Net Income	-1,894	-304	-1,590

NEXCURA, INC. (cont.)

Summary Balance Sheet as of September 30, 2003: (\$000)

Cash	\$ 276	Accounts Payable	\$ 252
Accounts Receivable	143	Accrued Expenses	317
Other Current Assets	<u>0</u>	Deferred Revenue	<u>369</u>
Total Current Assets	419	Total Current Liabilities	938
Net PP&E	120	Long Term Debt	55
Intangibles (Net)	0	Shareholders Equity	17,283
Other Assets	<u>276</u>	Retained Earnings	<u>-17,461</u>
Total Assets	<u>\$ 815</u>	Total Liabilities & Equity	<u>\$ 815</u>

Comments:

The lower than expected results for this year have forced management to take appropriate actions to maintain current capital resources. The company has implemented a reduced expenditure plan sufficient to sustain operations at the current revenue levels.

Cardinal Health Partners Holdings:

Series B Convertible Preferred Stock	5,184,331 shares
Common Stock Equivalents	10,224,654 shares
Assigned Fair Value (10,224,654 CSE's x \$0.191)	\$1,952,909
Investment Cost	\$4,500,000
Cost per Share	\$0.868
Series C Convertible Preferred Stock	1,737,238 shares
Assigned Fair Value (Investment Cost)	\$331,812
Investment Cost	\$331,812
Cost per Share	\$0.191
Common and Preferred Stock Warrants	288,912
Average Exercise Price Per Share	\$0.074
% Ownership (Full Dilution)	17.0%
Company Valuation at Cardinal Cost	\$27.8 million
Company Valuation at Assigned Fair Value	\$12.8 million

Outlook:

With the company experiencing a difficult year, we are more guarded about the prospects for NexCura.

POINTSHARE CORPORATION
Bellevue, WA
{www.pointshare.com}

Infrastructure Application Provider for Physician Practices

Period Summary: 3rd Quarter, 2003

There was no activity related to PointShare during the period. Currently, there remains \$290K in escrow from the sale of PointShare's assets, which would be distributed after settlement of all remaining corporate liabilities and creditor claims. Any distribution would be based on the liquidation preference of the Series C and Series D preferred stockholders. The total preference amount is \$46.7 million, with Cardinal holding \$2 million or 4.2985%. A final distribution of the remaining escrow is expected sometime in Q4 2003.

Cardinal Health Partners Holdings:

Series C Convertible Preferred Stock	727,273 shares
Percentage of Total Liquidation Preference	4.2985%
Assigned Fair Value	\$1,000

TECHRX INCORPORATED / NDCHEALTH
Pittsburgh, PA
{www.tech-rx.com} {www.ndchealth.com}

Leading Software Systems for High Volume Prescription Fulfillment

Period Summary: 3rd Quarter, 2003

Results for the first quarter of Fiscal 2004 (FYE 5/31) for NDCHealth (NDC) were slightly below analyst expectations. The Company reported net income for the quarter of \$7.5 million and diluted earnings per share of \$0.21. This includes a \$1.5 million restructuring charge, or \$0.03 per diluted share, primarily related to streamlining the organization and the further integration of TechRx. These results compare to a net income of \$11.2 million and diluted earnings per share of \$0.32 in the first quarter of fiscal 2003. Revenue increased 9% to \$108.9 million from \$100.1 million over the prior year quarter.

The first quarter results, and full-year Fiscal 2004 financial performance are expected to be, affected by increased interest expense related to the company's debt refinancing completed in November 2002. Interest costs for the period were double those of the prior year period.

Management guidance for Fiscal 2004 remained constant, with revenues of \$475 to \$490 million for the year and fully diluted earnings ranging from \$1.08 to \$1.25, including restructuring charges. Cash flow has continued to be strong, with operations providing \$19.6 million in cash during the quarter, a 200% increase over the prior year period. Management expects cash flow from operations for the full-year to range from \$105 to \$115 million, a significant increase over Fiscal 2003.

During the quarter, Cardinal sold 18,982 shares of NDC stock netting \$416,436 and completed a distribution of 192,000 shares of NDC common stock. The distribution was valued at \$22.15 per share for a total distribution value of \$4,252,800. As a result of these transactions, we have recorded a realized gain of \$3,622,132 (\$4,669,236-\$1,047,104) and reversed a previously unrealized gain of \$1,662,960. At the end of the period, Cardinal still holds 192,000 shares of NDC common stock.

TECHRX INCORPORATED / NDCHEALTH (cont.)

FINANCIAL RESULTS – NDCHealth: (\$000)

Overview: (FYE 5/31)

	<i>FY00 Actual</i>	<i>FY01 Actual</i>	<i>FY02 Actual</i>
Revenues	345,673	337,052	353,381
Cost of Revenue	181,001	168,691	174,944
Operating Expenses	120,455	79,796	76,961
Depreciation & Amortization	31,834	34,745	24,374
EBIT	12,383	53,820	77,102
Interest, Taxes and Other	52,548	21,280	61,992
Net Income	-40,165	32,540	15,110
Basic Earnings Per Share	-\$1.21	\$0.99	\$0.44

Income Statement: Quarter Ended Aug. 29, 2003

	<i>Three Months Ended</i>	
	<i>08/30/02</i>	<i>08/29/03</i>
Revenues	100,082	108,891
Cost of Revenue	51,801	55,152
Operating Expenses	20,153	24,685
Depreciation & Amortization	7,609	9,314
EBIT	20,513	19,740
Interest, Taxes and Other	9,354	12,386
Net Income	11,165	7,354
Basic Earnings Per Share	\$0.32	\$0.21

Summary Balance Sheet as of August 29, 2003:

Cash	\$ 14,668	Accounts Payable	\$ 60,683
Accounts Receivable	71,981	Current Obligations	14,970
Other Current Assets	<u>49,064</u>	Deferred Revenue	<u>34,507</u>
Total Current Assets	135,713	Total Current Liabilities	110,160
Net PP&E	123,922	Long Term Obligations	321,212
		Other Liabilities	40,397
Intangible Assets (Net)	473,422	Shareholders Equity	222,924
Other Assets	<u>46,809</u>	Retained Earnings	<u>85,173</u>
Total Assets	<u>\$779,866</u>	Total Liabilities & Equity	<u>\$779,866</u>

TECHRX INCORPORATED / NDCHEALTH (cont.)

NDCHealth Historical Common Stock Performance:

NDCHealth common stock is traded on the New York Stock Exchange under the symbol "NDC". The high and low stock prices for each quarter of the past fiscal year are listed below. The closing price on September 30, 2003 for NDCHealth common stock was \$20.95.

	High	Low
Quarter Ended 08/31/03	\$21.42	\$17.70
Quarter Ended 05/31/03	\$23.01	\$14.40
Quarter ended 02/28/03	\$22.75	\$17.10
Quarter ended 11/30/02	\$20.42	\$10.90
Quarter ended 08/31/02	\$32.28	\$16.80
Quarter ended 05/31/02	\$37.24	\$27.74

Cardinal Health Partners Holdings:

NDCHealth Common Stock (subject to Rule 144 Restrictions)	192,000 shares
Assigned Fair Value (192,000 x \$20.95 x 70%)	\$2,815,680
Investment Cost	\$952,896
Cost per Share	\$4.963
% Ownership of NDCHealth Common (Full Dilution)	0.65%
Company Valuation at Cardinal Cost	\$175 million
Company Valuation at Market Value (\$20.95 per share)	\$740 million

VISICU, INC.
Baltimore, MD
{www.visicu.com}

Remote Monitoring Services for Intensive Care Hospital Units

Period Summary: 3rd Quarter, 2003

During the quarter, VISICU continued to have good success in closing new clients. The company now has 9 clients under contract, closing two in the current quarter. While sales have lagged expectations for much of the first nine months of 2003, management remains confident in achieving its goal of 16 hospital clients under contract by year-end. The company currently has 838 beds under management, more than four times the number of beds as of the end of last year. Contract closings in the coming quarter are expected to net an additional 443 beds.

Financial results for the quarter were behind plan due to lower than forecast contract signings during the first nine months of the year. As a result, implementations were begun later than forecast and new client activations occurred during the quarter. Operating expenses were 6% higher than plan for the quarter due to higher than forecast headcount gearing up for implementations. Year to date operating expenses remain well ahead of plan primarily due to lower than forecast contract labor and consulting fees. The company was cash flow positive for the quarter and management forecasts not even utilizing the \$2 million credit facility closed last quarter for the next six months.

During the quarter, management completed the implementation of the revised accounting for revenue recognition on its contracts. Financial statements for 2003 have been restated and reflect a \$1.5 million reduction in revenue for the first six months of the year. This amount is now reflected in the balance sheet under deferred revenue and will be recognized ratably over the terms of the respective contracts. While this change does not affect the cash flow of the company, it significantly affects revenues for the next two years. However, the company will still more than double its revenue in each of 2003 and 2004. The balance sheet will build a significant concomitant deferred revenue account.

We remain very excited about the prospects for VISICU as the company moves through its first year of large-scale operations. CEO Frank Sample has moved the company full speed ahead on the sales and marketing front, while exercising sound control over cash burn. We are very optimistic about the company's prospects for building itself into a significant next generation healthcare company.

VISICU, INC. (cont.)

FINANCIAL RESULTS: (\$000)

Overview: (FYE 12/31)

	<i>2001 Actual</i>	<i>2002 Actual*</i>	<i>2003 Budget**</i>
Revenues	1,429	2,380	3,987
Cost of Sales	1,824	1,638	1,150
Operating Expenses	7,049	7,718	10,103
EBIT	-7,444	-6,976	-7,267
Interest and Taxes	232	36	3
Net Income	-7,212	-6,940	-7,264

* - Subject to Audit

Last Three Months: Quarter Ended September 30, 2003

	<i>Actual**</i>	<i>Budget**</i>	<i>Variance</i>
Revenues	666	1,163	-497
Cost of Sales	192	390	+198
Operating Expenses	2,695	2,546	-149
EBIT	-2,221	-1,773	-448
Interest and Taxes	2	2	0
Net Income	-2,219	-1,771	-448

Fiscal Year-to-Date: Nine Months Ended September 30, 2003

	<i>Actual**</i>	<i>Budget**</i>	<i>Variance</i>
Revenues	1,508	2,139	-631
Cost of Sales	552	753	+201
Operating Expenses	7,162	7,526	+364
EBIT	-6,206	-6,140	-66
Interest and Taxes	6	7	-1
Net Income	-6,200	-6,133	-67

** - 2003 financials and budgets revised in August for changes in revenue recognition.

VISICU, INC. (cont.)**Summary Balance Sheet as of September 30, 2003: (\$000)**

Cash	\$ 1,796	Accounts Payable	\$ 241
Accounts Receivable	599	Accrued Expenses	999
Prepaid Expenses	<u>270</u>	Deferred Revenue	<u>8,457</u>
Total Current Assets	2,665	Total Current Liabilities	9,697
Net PP&E	585	Note Payable & LTD	0
Deferred Costs	1,807	Shareholders Equity	29,799
Other Assets	<u>0</u>	Retained Earnings	<u>-34,439</u>
Total Assets	<u>\$ 5,057</u>	Total Liabilities & Equity	<u>\$ 5,057</u>

Comments:

The cash balance at the end of the quarter was \$1.8 million as projected. The company was actually cash flow positive for the last three months. Management has forecasted uneven cash flows over the next nine months, with the balance never dropping below \$1.1 million. The company has an untapped \$2 million credit facility in place for cushion.

Cardinal Health Partners Holdings:

Series A Convertible Preferred Stock	3,000,000 shares
Assigned Fair Value (3,000,000 x \$1.37 x 50%)	\$2,055,000
Investment Cost	\$3,000,000
Cost per Share	\$1.00
Series B Convertible Preferred Stock	729,927 shares
Assigned Fair Value (729,927 x \$1.37 x 50%)	\$500,000
Investment Cost	\$1,000,000
Cost per Share	\$1.37
Series C Convertible Preferred Stock	36,496 shares
Assigned Fair Value (Investment Cost)	\$50,000
Investment Cost	\$50,000
Cost per Share	\$1.37
% Ownership (Full Dilution)	14.5%
Company Valuation at Cardinal Cost	\$27.8 million
Company Valuation at Assigned Fair Value	\$17.9 million

Outlook:

We remain very optimistic about the prospects for our investment in VISICU.