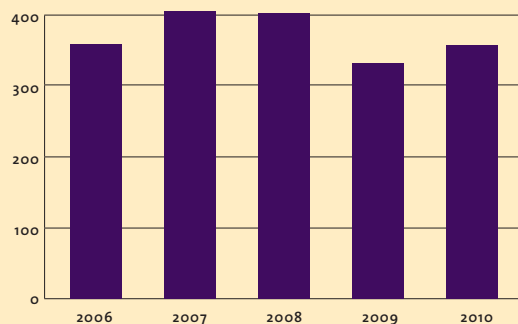
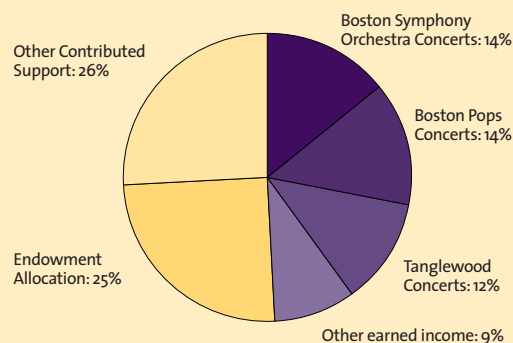


## TOTAL ENDOWMENT INVESTMENTS

As of August 31, 2010  
(in millions of dollars)

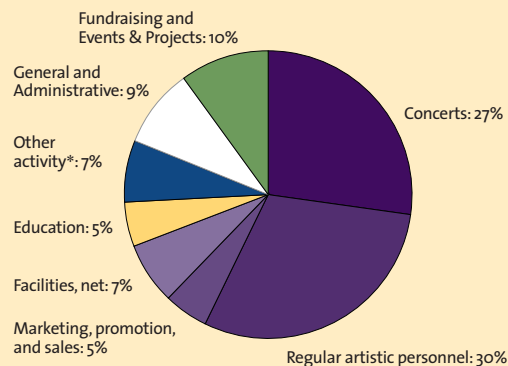


## FY2010 TOTAL REVENUES\*: \$81,108,000



\*Revenue as percentage of total revenue

## FY2010 TOTAL EXPENSES: \$80,829,000



\*Other includes electronic media and other expenses

Audited Financial Statements are available upon request by contacting the BSO's Business Office at 617-638-9220.

## Treasurer's Statement

The Boston Symphony Orchestra ended the fiscal year on August 31, 2010 with a modest operating surplus of \$279,000, on total expenses of \$80.8 million. This year's essentially break-even result was made possible by the infusion of \$2.3 million in Immediate Impact Funds made possible by the extraordinary generosity of those donors contributing to this multi-year initiative undertaken by the Board of Trustees to provide transitional operating support to help offset the recessionary impact of economic forces in 2008 and 2009. Without the benefit of this year's Immediate Impact Funds, the operating loss for fiscal year 2010 would have been \$2.0 million.

These results reflect the continuation of a period of increasing financial challenge for the BSO. While 2009-10 Winter Subscription Season sales experienced difficulty, Holiday Pops and Spring Pops sales exceeded expectations. In addition, Annual Contributed Income (exclusive of Immediate Impact Funds) rebounded from the significant decline experienced in FY2009, returning to the FY2008 level of giving achieved prior to the economic crisis. Total operating expenses for FY2010 declined by \$1.8 million compared with FY2009, reflecting the implementation of a range of organization-wide cost control efforts.

The market value of BSO Endowment as of August 31, 2010 was \$354.4 million, up by \$24.4 million from a year earlier. While the BSO Endowment assets and Pensions Trust Fund assets have seen some recovery since the market decline in 2008, their impact on projected operating results will continue to be felt for some time. The Endowment will see a diminished income-producing capacity for several years to come, as the BSO uses a twelve-quarter trailing average market value to compute the endowment draw. At the same time, the reduced value of pension assets, combined with lower interest rates used to value the pension obligation, have significantly increased the annual expense for the pension plans in place for the players and staff.

As mentioned in last year's report, BSO management has undertaken steps to implement a wide-ranging series of cost control measures to respond to the changed financial environment. At the same time, the Board of Trustees initiated and successfully completed a \$12.0 million multi-year Immediate Impact Funds campaign to generate additional operating support to help maintain financial stability during this particularly challenging period. These efforts are part of a broader plan to ensure that the institution emerges from the economic crisis with a sound financial footing that positions the BSO well for the years ahead.

Vincent M. O'Reilly  
Treasurer

## Five-Year Financial Highlights

OPERATING ACTIVITY (in thousands of dollars)	2006	2007	2008	2009	2010
<b>OPERATING REVENUES</b>					
Concerts	\$ 31,961	\$ 32,048	\$ 32,678	\$ 32,373	\$ 32,222
Tours	2,350	3,457	2,472	2,045	-
Other*	7,680	8,172	8,067	8,784	7,466
<b>TOTAL OPERATING REVENUES</b>	<b>41,991</b>	<b>43,677</b>	<b>43,217</b>	<b>43,202</b>	<b>39,688</b>
<b>DIRECT OPERATING EXPENSES</b>	32,714	34,813	36,448	35,322	31,498
<b>FIXED COSTS</b>					
Artistic	20,598	21,261	20,962	22,514	24,210
Facilities net	4,871	5,253	5,455	5,611	5,737
Marketing, promotion and sales	3,554	3,539	3,983	3,792	4,044
General and administrative	6,234	6,294	6,573	6,703	6,901
<b>TOTAL FIXED COSTS</b>	35,257	36,347	36,973	38,620	40,892
<b>TOTAL OPERATING EXPENSES</b>	<b>67,971</b>	<b>71,160</b>	<b>73,421</b>	<b>73,942</b>	<b>72,390</b>
<b>DEFICIENCY FROM OPERATIONS</b>	(25,980)	(27,483)	(30,204)	(30,740)	(32,702)
<b>SUPPORT</b>					
Annual contributions	13,875	15,616	17,019	15,917	18,192
Fundraising and sponsorship expenses	(5,361)	(5,733)	(6,766)	(7,646)	(7,500)
Fundraising events and projects (net)	2,634	2,446	2,191	1,760	2,009
Endowment allocation	13,405	15,627	17,331	19,839	20,280
<b>NET SUPPORT</b>	24,553	27,956	29,775	29,870	32,981
<b>SURPLUS (DEFICIT)</b>	<b>(1,427)</b>	<b>473</b>	<b>(429)</b>	<b>(870)</b>	<b>279</b>
<b>TOTAL REVENUES</b>	73,467	78,475	80,664	81,759	81,108
<b>TOTAL EXPENSES</b>	74,894	78,002	81,093	82,629	80,829
<b>PROPERTY AND ENDOWMENT (in thousands of dollars)</b>					
<b>PROPERTY</b>	34,539	35,400	36,920	37,897	36,643
<b>ENDOWMENT</b>					
Pooled endowment and other investments	326,514	370,691	370,499	306,883	331,182
Assets held by others	29,086	31,446	28,353	23,105	23,294
<b>TOTAL ENDOWMENT INVESTMENTS</b>	<b>\$ 355,600</b>	<b>\$ 402,137</b>	<b>\$ 398,852</b>	<b>\$ 329,988</b>	<b>\$ 354,476</b>
<b>POOLED ENDOWMENT TOTAL RETURN FOR THE YEAR</b>	<b>11.5%</b>	<b>14.3%</b>	<b>0.6%</b>	<b>-13.6%</b>	<b>9.5%</b>

\* Other includes electronic media, education, merchandise sales, hall rental, concession income, and other revenues

### ATTENDANCE 2009–10 SEASON

BSO CONCERTS	CONCERTS	ATTENDANCE
BSO Winter Season <sup>(a)</sup>	101	232,755
Boston Pops <sup>(b)</sup>	90	215,069
Tanglewood (BSO Events)	34	231,419
Youth and Family Concerts	14	22,868
Esplanade	6	434,200
	<b>245</b>	<b>1,136,311</b>
<b>BSO-PRODUCED CONCERTS</b>	<b>CONCERTS</b>	<b>ATTENDANCE</b>
Chamber Players <sup>(c)</sup> and other ensemble performances	21	6,870
Seiji Ozawa Hall Recital Series	15	23,217
Popular Artists/July 4th at Tanglewood/Jazz Weekend	10	75,090
Shed Recitals/Visiting Orchestras	1	5,232
Tanglewood Music Center	37	16,041
	<b>84</b>	<b>126,450</b>
<b>Total</b>	<b>329</b>	<b>1,262,761</b>

<sup>(a)</sup> includes subscription and Carnegie Hall concerts

<sup>(b)</sup> includes spring and holiday Pops seasons at Symphony Hall and runout concerts

<sup>(c)</sup> includes concerts in Boston at Jordan Hall and Symphony Hall and at Tanglewood