MUNICIPAL MORTGAGE & EQUITY LLC
Form 424B3
February 01, 2005

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Registration No. 333-121815

Subject to Completion

Preliminary Prospectus Supplement dated February 1, 2005

PROSPECTUS SUPPLEMENT

(To prospectus dated January 14, 2005)

2,000,000 Common Shares

Municipal Mortgage & Equity, LLC

Municipal Mortgage & Equity, LLC is selling all of the shares in this offering. The shares trade on the New York Stock Exchange under the symbol MMA. On January 31, 2005, the last sale price as reported on the New York Stock Exchange was $27.20 per share.

Investing in the common shares involves risks that are described in the Risk Factors section beginning on page S-6 of this prospectus supplement.

	Per Share	Total
Public offering price	$	$
Underwriting discount	$	$
Proceeds, before expenses, to Municipal Mortgage & Equity, LLC	$	$

The underwriters may also purchase up to an additional 300,000 shares from Municipal Mortgage & Equity, LLC at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement to cover overallotments.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery in New York, New York on or about , 2005.

Joint Book-Running Managers

Merrill Lynch & Co. **RBC Capital Markets**

Banc of America Securities LLC

The date of this prospectus supplement is , 2005.

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Prospectus Supplement

Prospectus

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of the date of the document in which the information appears. Our business, financial condition, results of operations and prospects may have changed since those dates.

In this prospectus supplement, we, us, our and ours each refer to Municipal Mortgage & Equity, LLC, together with all of its subsidiaries. Municipal Mortgage & Equity, LLC is a Delaware limited liability company that is treated as a partnership for federal income tax purposes. Not all of its subsidiaries are treated as partnerships. We refer to **MuniMae** when we discuss only the parent of all of our entities Municipal Mortgage & Equity, LLC and not our subsidiaries. Most of our tax-exempt mortgage revenue bond portfolio is held by MuniMae TEI Holdings, LLC through subsidiaries. MuniMae TEI Holdings, LLC is a direct wholly owned subsidiary of MuniMae. In this prospectus supplement, MuniMae TEI Holdings, LLC and its direct and indirect subsidiaries are referred to as the **TEI Group**. MMA Financial Holdings, Inc. and its direct and indirect subsidiaries, through which we conduct a substantial portion of the tax credit and mortgage banking segments of our business, are referred to in this prospectus supplement as **MFH**.

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PROSPECTUS SUPPLEMENT SUMMARY

This prospectus supplement summary is not complete and may not contain all of the information that is important to you. To understand this offering of common shares, you should read the entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference carefully, especially the risk factors and federal income tax considerations.

The Company

We invest in, and earn asset management and other fees from, multifamily housing and other real estate investments. At September 30, 2004, we owned or managed a portfolio of debt and equity investments secured directly or indirectly by 2,217 properties that contained a total of 249,850 units and were located in 49 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. We operate under the trade name MMA Financial. Our operations consist of three business segments:

An investing segment consisting of subsidiaries that hold investments producing primarily tax-exempt interest income. These investments consist of (1) tax-exempt mortgage revenue bonds issued by state and local governments or their agencies or authorities to finance affordable multifamily housing developments; (2) tax-exempt bonds issued by community development districts to finance the development of infrastructure supporting single-family housing developments; and (3) equity investments in multifamily housing, which generate taxable dividend income.

A tax credit segment consisting of subsidiaries that primarily generate taxable fee income by providing tax credit equity syndication and asset management services.

A mortgage banking segment consisting of subsidiaries that primarily generate taxable fee income by providing loan servicing, loan origination and other related services. The mortgage banking segment also generates spread income from borrowed funds and funding mortgages.

MuniMae is organized as a limited liability company. This structure allows it to combine the limited liability, governance and management characteristics of a corporation with the pass-through income features of a partnership. As a result, the tax-exempt income MuniMae derives from certain investments remains tax-exempt when MuniMae passes the income through to shareholders. We conduct most of the business of our mortgage banking and tax credit segments through corporate subsidiaries, which do not have the pass-through and other tax advantages of limited liability companies. Absent the impact of capital gains and losses, which impact may be different for each shareholder, and dividends from our corporate subsidiaries, approximately 94% of our net income distributed to shareholders for the three years ended December 31, 2003 was tax-exempt.

We use our combination of real estate and tax-exempt investment expertise to select and manage our investments and to develop financing opportunities. Our senior management team has an average of eight years of experience with us and our affiliates, and an average of 19 years of experience in the real estate industry.

Business Segments and Sources of Income

Investing Segment

Subsidiaries in our investing segment hold both debt and equity investments for our own account.

Debt Investments. The subsidiaries in our investing segment hold tax-exempt bonds, or interests in bonds, issued by state and local governments or their agencies or authorities primarily to finance multifamily housing developments.

These tax-exempt bonds are not general obligations of the state and local governments or the agencies or authorities that issue the bonds. The multifamily housing developments, as well as the rents paid by the tenants, typically secure these investments. Subsidiaries in our investing segment also hold tax-exempt bonds issued by community development districts to finance the development of community infrastructure supporting single-family housing or commercial developments that are secured by specific payments or assessments pledged by the local improvement district that issues the bonds.

Interest income derived from the majority of bond investments held in our investing segment is exempt income for federal income tax purposes. For the nine months ended September 30, 2004, we committed to purchase $202.4 million of tax-exempt bond investments to be held by subsidiaries in our investing segment.

Equity Investments. Certain subsidiaries in our investing segment hold taxable equity investments in income producing real estate operating partnerships. For the nine months ended September 30, 2004, we invested $12.1 million in real estate operating partnerships to be held by subsidiaries in our investing segment.

Tax Credit Segment

Subsidiaries in our tax credit segment acquire, syndicate and sell interests in partnerships that receive and distribute low-income housing tax credits to investors. Investors in tax credit equity syndication funds are typically Fortune 500 companies who can benefit from the tax credits. Subsidiaries in our tax credit segment earn syndication fees on the placement of these interests with investors and earn asset management fees over the life of the funds. Subsidiaries in our tax credit segment also earn fees for providing guarantees on certain tax credit equity funds. For the nine months ended September 30, 2004, we syndicated equity investments totaling $616.2 million and provided guarantees on $83.6 million of tax credit investment funds. In addition, at September 30, 2004 we managed approximately $5.7 billion in tax credit investment funds.

Mortgage Banking Segment

Subsidiaries in our mortgage banking segment originate, invest in and service investments in multifamily housing and other real estate, both for our own account and on behalf of third parties. Our mortgage banking segment generates taxable income through (1) origination fees, (2) loan servicing fees, or in the case of construction loans, construction administration fees and (3) guarantee and other fees in cases where we provide credit support for the obligations of a borrower to a third party. Subsidiaries in our mortgage banking segment also earn income from the difference between the interest received on loans and the interest due under notes payable and other funding sources. For the nine months ended September 30, 2004, our mortgage banking segment originated $707.3 million of loans.

Recent Developments

October 2004 Offering of MuniMae TE Bond Subsidiary, LLC Preferred Shares

In October 2004, our subsidiary, MuniMae TE Bond Subsidiary, LLC (**TE Bond Sub**), completed a $73 million private placement to institutional investors of rated tax-exempt perpetual preferred shares with a weighted average distribution rate of 5.17%. Moody s Investors Services, Inc. has assigned ratings to these preferred shares and each series of preferred shares issued by TE Bond Sub previously. The offering included five new series of tax-exempt securities as shown below:

Rating	Preferred Shares	Distribution Rate	Remarketing Date
A3	$20.0 million Series A-2	4.90%	September 30, 2014
Baa1	$14.0 million Series B-2	5.20%	September 30, 2014
Baa2	$13.0 million Series C	4.70%	September 30, 2009
Baa2	$13.0 million Series C-1	5.40%	September 30, 2014
Baa2	$13.0 million Series C-2	5.80%	September 30, 2019

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Recent Securitization Transactions

In October 2004, we securitized three community development district bonds (Dove Mountain, Fiddler s Creek 2002A and Fiddler s Creek 2002B). We retained an aggregate residual position in the securitization of $0.7 million, or approximately 4.0% of the transaction. In December 2004, we securitized a $49.6 million trust certificate and retained all of the senior interests and a $5,000 residual interest. We sold $25.0 million of the senior interests in January 2005 and retained $24.6 million of senior interests and the residual interest. The trust receipts underlying the securitization evidence 100% ownership in four multifamily housing revenue bonds (Churchill at Pinnacle Park, Kensington Place, Stonehouse Valley and Tranquility Bay).

Investments in Tax-Exempt Bonds

In the fourth quarter of 2004, we committed to purchase approximately $99.5 million in face value of tax-exempt bonds to be held by subsidiaries in our investing segment, of which we funded approximately $63.4 million at December 31, 2004. Although historically we have funded the entire face amount of the bonds at the time of closing, we have agreed with certain borrowers that we will advance only a portion of the funding and make the remainder available to the borrowers as they are able to employ the funds for costs of the project. Using this draw-down mechanism reduces the amount of our capital at risk in the event the project is not completed and reduces the interest cost to the borrower until all of the funds are drawn. The following table sets forth summary data regarding our recent transactions.

	Face Amount of Underlying Bond	Weighted Average Permanent Interest Rate	Date of Initial Purchase	Amount Funded at December 31, 2004
	(dollars in thousands)			
Vineyards at Brown s Mill	$ 12,100	6.55%	10/21/2004	$ 6,050
Fiddler s Creek 2004A	17,905	6.75%	11/05/2004	7,645
Breckenridge	12,300	6.55%	11/30/2004	10,000
Evergreen at Lewisville	12,200	6.60%	12/09/2004	12,200
Wyndham Pointe	9,400	6.60%	12/15/2004	9,400
Harmony CDD	15,590	6.75%	12/16/2004	4,450
Costa Cadiz	8,200	6.50%	12/17/2004	8,200
Planters Retreat	11,850	6.50%	12/21/2004	5,500
	$ 99,545			$ 63,445

In January 2005, we committed to purchase approximately $26.4 million in face amount of two tax-exempt bonds (Rosemont at Pleasanton and Evergreen at Keller) to be held by subsidiaries in our investing segment, of which we funded the entire face amount of the bonds.

Bond Defaults

In October 2004, notices of default were delivered to the borrowers under the Arlington and Cool Springs bond investments. As of December 31, 2004, the fair value of our investment in these bonds totaled $19.6 million. We have caused the transfer of the membership interests in the borrower of the Cool Springs bond and are negotiating with the borrower to transfer the membership interests in the borrower for the Arlington bond.

In November 2004, the borrower under the Rancho Mirage/Villas at Castle Hills bond defaulted. In December 2004, the borrower under the Jefferson Commons bond defaulted. As of December 31, 2004, the fair value of our investment in these bonds totaled $27.8 million. We are currently reviewing our options related to these bonds in an attempt to resolve the issues with minimal loss of capital.

We believe we have exercised and continue to exercise prudent business practices to enforce our creditor s rights under the applicable bond documents, including initiating foreclosure proceedings on the mortgaged properties when advisable.

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Redemption and Sale of Investments

From time to time our investments may be redeemed or repaid by the borrowers, or we may sell our investments. During the fourth quarter of 2004, the borrower caused the redemption of a $968,125 portion of our Jefferson at Town Lake A-1 bond, a $259,665 portion of our Jefferson at Town Lake A-2 bond, a $500,000 portion of our Hidden Brooks bond and a $1,000,000 portion of our Trails at Vintage Creek bond, resulting in aggregate gross proceeds to us of approximately $2.7 million.

New Credit Agreement

On November 12, 2004, we entered into a new credit agreement with a syndicate of banks. Borrowings under the agreement may not exceed the lesser of $250.0 million or the borrowing base (as defined in the agreement), which is generally based on value of the bonds and construction loans pledged to the lenders subject to certain adjustments and limitations. Borrowings under the agreement bear interest at a floating rate of interest determined by reference to a base rate or the eurodollar (LIBOR) rate, plus a margin. The borrowers may prepay advances under the agreement at any time without premium or penalty, other than standard LIBOR breakage costs, if applicable. The facility matures on November 12, 2006 unless the borrowers exercise the option to extend the maturity date for an additional year. The agreement for this new facility contains customary covenants and events of default for agreements of this type in our industry.

Succession of Michael L. Falcone as Chief Executive Officer

On December 9, 2004, we announced that the Board of Directors approved Michael L. Falcone to succeed Mark K. Joseph as Chief Executive Officer as of January 1, 2005. Mr. Joseph will continue as Chairman of the Board of Directors and remain active in the business. Mr. Falcone has more than 21 years of real estate industry experience. Since January 1, 1998, he held the position of President and Chief Operating Officer of MuniMae and has been a director since 1999. Mr. Falcone led the team that created MuniMae through the restructuring of its predecessor, the SCA Tax Exempt Fund Limited Partnership. Prior to his involvement with MuniMae, Mr. Falcone served as Senior Vice President and Partner at The Shelter Group, a Baltimore-based real estate development and property management firm where he began his career in 1983. He is a graduate of Dartmouth College and Harvard Business School.

Quarterly Distribution

On January 21, 2005, our board of directors raised our quarterly distribution from $0.4675 to $0.4725 per common share. The distribution is payable on February 11, 2005 to the holders of record as of January 31, 2005. This represents an annualized distribution of $1.89 per common share and an annualized yield of 7.0% based on the closing share price of our common shares reported on the New York Stock Exchange on January 31, 2005.

Acquisition of AXA Financial, Inc. s Real Estate Investment Management Group

On January 27, 2005, we announced that we had entered into a definitive agreement to acquire MONY Realty Capital, Inc. (**MRC**) from AXA Financial, Inc. MRC consists of a regional network of approximately 35 professionals who source, underwrite, structure, close, and manage commercial real estate investments. Following the closing of the transaction MRC will operate under the name MMA Realty Capital, Inc. The completion of the acquisition of MRC is subject to customary closing conditions, which may be waived, including the consents of various third parties.

The Offering

Common shares offered	2,000,000
Common shares outstanding after the offering	37,113,279(1)
Use of proceeds	We estimate that our net proceeds from this offering, after payment of expenses related to the offering and the underwriter discounts and commissions, without exercise of the overallotment option will be approximately $ million. We intend to use the net proceeds to fund future investment activity, to repay a portion of our outstanding indebtedness and for general corporate purposes. See Use of Proceeds.
Risk Factors	See Risk Factors and other information included in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference for a discussion of factors you should carefully consider before deciding to invest in the common shares.
New York Stock Exchange symbol	MMA

(1) The number of shares outstanding after the offering excludes 1,096,144 shares available for issuance and 590,935 common shares subject to outstanding options with a weighted average exercise price of $18.92 as of December 31, 2004 and does not account for vesting of deferred shares or exercise or forfeiture of options to purchase common shares since December 31, 2004. In addition, this number assumes that the underwriters overallotment option is not exercised. If the overallotment option is exercised in full, we will issue and sell an additional 300,000 common shares yielding estimated additional net proceeds, after payment of expenses related to the offering and the underwriter discounts and commissions, of approximately $ million.

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RISK FACTORS

Before you invest in our common shares, you should be aware that should any of the events described in this risk factors section and elsewhere in this prospectus supplement and the accompanying prospectus materialize, it could have a material adverse effect on our business, financial condition, prospects and results of operations. You should carefully consider these risk factors, together with all of the other information included in this prospectus supplement and the accompanying prospectus, before you decide to purchase our common shares.

The properties securing our investments may not generate sufficient income to make the payments due to us.

Multifamily Housing. One of the major risks of owning investments secured by multifamily residential properties is the possibility that the owner of the property securing an investment does not make the payments due to us. The following is a list of some of the things that might cause us to receive less income from our investments than expected:

- Persistent high levels of unemployment and other adverse economic conditions, either local, regional or national, may limit the amount of rent that can be charged for rental units at the properties. Adverse economic conditions may also result in a reduction in timely rent payments or a reduction in occupancy levels;

- Occupancy and rent levels may decrease due to the construction of additional housing units or the establishment of rent stabilization or rent control laws or similar arrangements;

- A decline in the level of mortgage interest rates may encourage tenants in multifamily rental properties to purchase housing, reducing the demand for rental housing;

- City, state and federal housing programs that subsidize many of the properties impose rent limitations and may limit the ability of the operators of the properties to increase rents. This may discourage operators from maintaining the properties in proper condition during periods of rapid inflation or declining market value of the properties. In addition, the programs may impose income restrictions on tenants, which may reduce the number of eligible tenants in the properties and result in a reduction in occupancy rates. Even if a property is not subject to legal restrictions on the amount of rent that may be charged to low and moderate income tenants, rental market conditions and other factors may result in reduced rents;

- Tenants who are eligible for subsidies or similar programs may not find the differences in rents between the subsidized or supported properties and other multifamily rental properties in the same area to be a sufficient economic incentive to reside at a subsidized or supported property, which may have fewer amenities or otherwise be less attractive as a residence; and

- Expenses at the property level, including but not limited to capital needs, real estate taxes and insurance, may increase.

All of these conditions and events may increase the possibility that a property owner may be unable to meet its obligations with respect to mortgage bonds or other investments held by us. This could negatively affect the amount of cash that we have available to make distributions to holders of our common shares and the value of your common shares. We sometimes invest directly in taxable mortgage loans. The same risks apply to these investments.

These conditions and events could also result in a decline in the value of a mortgage bond or mortgage loan. If the mortgage bond has been securitized, a decline in its value could require us to terminate the securitization, which could result in our making payments to the liquidity provider, or require us to post additional investments as collateral. See Our income would be adversely affected by declining property values and property performance. Accordingly, a decline in value of a mortgage bond could have a negative effect on the amount of cash that we have available to make distributions to holders of our common shares and the value of your common shares.

Assisted Living and Congregate Care Facilities. As of September 30, 2004, five of the properties underlying our investments were assisted living or other elder care facilities. In addition, one of our recent transactions, the Evergreen at Lewisville bond, is secured by an elder care facility. See Prospectus Supplement Summary Recent Developments Investments in Tax-Exempt Bonds. We may acquire additional investments secured, directly or indirectly, by assisted living and/or congregate care facilities. In addition to the risks associated with investing in tax-exempt mortgage revenue bonds, investments that are secured by assisted living or other congregate care facilities are subject to risks related to the operation and regulation of the facility because under many state laws these facilities may be subject to regulation as healthcare providers. Assisted living and elder care facilities are subject to additional regulatory oversight, licensing requirements, restrictions on evicting tenants and zoning. In addition, the Internal Revenue Code of 1986, as amended (the **Code**) and related regulations establish restrictions on the operation of these facilities to maintain their tax-exempt status. Finally, the residents of assisted living or other congregate care facilities are generally elderly, disabled or other similar individuals. Many of these residents may have limited financial means or may participate in federal or state assistance programs. To that extent, operators of the facility may have difficulty increasing rates or revenues or may have difficulty collecting payments in excess of the federal or state assistance that the residents receive, which could depress the value of the facility and adversely impact the facility s ability to service its mortgage obligations. As discussed under Prospectus Supplement Summary Recent Developments Bond Defaults, the borrowers under the Arlington and Cool Springs bond investments were in default as of December 31, 2004.

Student Housing Facilities. As of September 30, 2004, three of the properties underlying our tax-exempt mortgage revenue bonds were student housing facilities. In addition to the risks associated with investing in tax-exempt mortgage revenue bonds, investments that are secured by student housing facilities are subject to risks associated with a primarily student population and the facility s relationship with nearby educational institutions. Particularly where other competing student housing units have been constructed in the area, occupancy may be lower; due to the nature of educational housing, occupancy contracts tend to be for school year periods, so the effect of a low rental rate for a school year will likely be felt for the entire year, resulting in lower revenues to support the expenses of the project and debt service. Moreover, recent IRS audit activity of bonds financing certain student housing facilities could adversely affect the value of our investments in the market. As discussed under Prospectus Supplement Summary Recent Developments Bond Defaults, the borrower under the Jefferson Commons bond defaulted in December 2004.

Other Real Estate Investments. We have acquired nine, and may acquire other, investments related to large scale real estate developments, including single-family housing developments. The risks associated with these investments may be different from those associated with investing in tax-exempt mortgage revenue bonds because many of these investments are secured only by specific payments pledged by the local government or local improvement district that issues the bonds. Some of these investments are secured by assessment payments imposed on the residents of the development. Other investments are secured by special taxes or tax increments imposed on the development, including on a subordinate basis. Periods of economic decline may affect the ability of residents of or other taxpayers in the development to pay assessments or taxes. Additionally, a decline in the property value of the development would reduce any taxes that secure the bonds. Further, many of these developments, and related infrastructures, have not been constructed when the bonds are issued, so that an economic decline could affect the construction schedule and subsequent sale of the development to residents and other users, in which case the value of assessments or taxes paid or the value of the tax increment would be adversely affected. Because these financings are generally not secured by a mortgage, a decline in assessments or taxes increases the possibility of a loss in the event of a default, particularly if our bond investment is on a subordinate basis.

Some of the properties underlying our revenue bonds are owned by charities.

As of September 30, 2004, 23 revenue bonds in our portfolio were issued on behalf of non-profit organizations described in Section 501(c)(3) of the Code and finance low income multifamily properties or facilities for the elderly. Because an allocation of a state s volume cap is not needed for these revenue bonds,

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they may be more readily available than revenue bonds which require an allocation of volume cap. However, because charities are not profit-motivated, they may not operate properties as efficiently as for-profit owners. Many charities are thinly capitalized and are unable to invest significant amounts of equity in multifamily properties acquired by them. This may increase the likelihood of default because the charity (i) may not have the capital required to operate and maintain the property if the cash flow expected to be generated by rental income is less than expected or (ii) may be more willing to abandon a property experiencing financial difficulty because its investment is minimal. In addition, investing in revenue bonds secured by properties owned by charities is subject to other risks, including:

- changes in governmental sponsorship of subsidized programs;
- subsidization of indigent persons who use their facilities, which may reduce the cash flow available to pay debt service on revenue bonds secured by such facilities;
- the possibility that a charity s status as an exempt organization could be revoked or the possibility that the property is sold to a person which is not an exempt organization that is described in Section 501(c)(3) of the Code, for example, as a result of a foreclosure sale, thereby resulting in the interest on the revenue bonds issued for the benefit of such charity becoming includable in gross income for purposes of U.S. federal income taxation from the date of issue of the respective revenue bond; and
- the inability of the owner of the revenue bond to recover sufficient value in the event of a default and subsequent foreclosure, because of the loss of the benefit of the tax-exempt financing and, in some cases, real estate tax abatements, unless the project is promptly resold to another qualifying non-profit organization.

Our income would be adversely affected by declining property values and property performance.

Our business would be adversely affected by periods of economic slowdown or recession that result in declining property values or property performance, particularly declines in the value or performance of multifamily properties. Any material decline in property values weakens the value of the properties as collateral for our investments, may require us to post additional assets as collateral (which limits our ability to generate income from those assets) and increases the possibility of a loss in the event of a default. Additionally, some of our income comes from contingent interest on participating tax-exempt mortgage revenue bonds and equity investments in partnerships that own multifamily housing developments. Accordingly, a decline in the performance of the related multifamily housing developments would likely have a negative effect on the amount of cash that we have available to make distributions to holders of our common shares and the value of your common shares.

Substantially all of our investments are illiquid.

Our investments lack a regular trading market and are illiquid, particularly during turbulent market conditions or if any of our tax-exempt bonds become taxable or in default. There is no limit to the percentage of our investments that may be invested in illiquid mortgage or other bonds, residual interests and other bond-related investments. In addition, the illiquidity associated with our investments makes them hard to value and may cause significant changes in the fair value of our investments, which would be reflected in our book value and other comprehensive income. In the event that we require additional cash, we may have to liquidate our investments on unfavorable terms that could substantially reduce the value of your common shares.

The Treasury Department recently issued proposed regulations that apply to practitioners issuing opinions on tax-exempt bonds, as well as final changes to the regulations applicable to all other tax practitioners. The proposed regulations, if adopted in their current form, would apply to most but not all tax-exempt bonds and would not apply to bond-related investments. The proposed regulations may require changes to disclosure materials prepared in connection with tax-exempt bond offerings and require, generally, higher levels of documentation as to the tax diligence performed on the transaction. These developments may substantially alter the tenor of opinions on, or disclosures with respect to, tax-exempt bonds, possibly affecting the fair market value and liquidity of tax-exempt bonds. The final regulations impose due diligence requirements on tax professionals rendering certain opinions, which require, among other things, that those opinions identify and consider all relevant facts. The regulations generally will apply to opinions issued in connection with our tax-credit syndication business, as well as to bonds and bond-related investments not covered by the more lenient rules of the proposed regulations. The final regulations could adversely affect our business by making it more difficult for us to obtain tax opinions and increasing the cost of obtaining such opinions.

We may suffer adverse consequences from changing interest rates.

Changes in Interest Rates. A decrease in market interest rates may result in a bond issuer redeeming or a bond borrower prepaying or refinancing the bond prior to its stated maturity. We may not be able to reinvest the proceeds of any redeemed investment at an attractive rate of return or in an investment that otherwise satisfies our investment criteria, including investments of a type suitable for us to comply with our exemption from registration under the Investment Company Act of 1940. See We are not required to be registered under the Investment Company Act of 1940 and would not be able to conduct our business as we currently conduct it if we were required to be registered. This may adversely affect the amount of cash that we have available to make distributions to holders of our common shares and the value of your common shares.

An increase in market interest rates may lead our securitization counterparties or prospective purchasers of our existing investments to demand a higher annual yield than they currently receive. This could increase our cost of capital and reduce the market value of our investments, and may result in a reduction, possibly to zero, of interest distributions we receive from our residual trust interests. These occurrences would adversely affect the amount of cash that we have available to make distributions to holders of our common shares. In addition, an increase in market interest rates could lead to a decrease in the value of some of our investments. This could cause some counterparties to demand additional collateral to preserve our existing securitization facilities. To the extent that additional collateral could not be provided to satisfy these demands, these securitization facilities could be terminated, which could also adversely affect our financial condition, the amount of cash that we have available to make distributions to holders of our common shares and the value of your common shares.

Hedging Strategies. Developing an effective interest rate risk management strategy is complex, and no strategy can completely insulate us from all potential risks associated with interest rate changes. There is a significant risk that we could be required to liquidate investments to satisfy margin calls if interest rates rise or fall dramatically. In addition, certain hedging activities involve transaction costs. If we hedge against interest rate risks, we may substantially reduce our net income or adversely affect our financial condition.

At September 30, 2004, we had $379.6 million of floating interest rate exposure related to our bond securitizations. At September 30, 2004, we had entered into interest rate swap transactions that offset a portion of this floating rate exposure in the amount of $305.3 million. Net payments received by us from our interest rate hedges, if any, will be taxable income, even though the investments we are hedging typically pay tax-exempt interest. We enter into hedges for limited time periods that are typically substantially shorter than the term of our interest rate exposure. At September 30, 2004, the weighted average maturities of our floating rate securitizations and interest rate hedges were approximately 5.2 and 2.8 years, respectively. There can be no assurance that we will be able to enter into new hedges at favorable rates, or at all, when the existing arrangements expire, a risk that is increased by our use of a strategy that requires us to enter into new arrangements often. In addition, while we have historically hedged most of our securitization-related floating rate exposure using interest rate swaps, we may reevaluate our interest rate risk management policies and determine to hedge less of our securitization-related floating rate risk as we grow and diversify our product lines.

Our operations are expected to result in higher income for us in the second and fourth fiscal quarters than in the first and third fiscal quarters.

Our operating results from our tax credit equity syndication business are expected to fluctuate based on seasonal patterns. We anticipate that our highest revenues from that business, and thus overall, will occur in the

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second and fourth calendar quarters. In addition, seasonality in tax-exempt bond issuances results in higher volume in the third calendar quarter and especially in the fourth calendar quarter. Because of the effect of seasonality on our business, results for any quarter are not necessarily indicative of the results that may be achieved for a full fiscal year and cannot be used to indicate financial performance for a full fiscal year.

Our income depends on the performance of counterparties to our contractual obligations.

All of our income is derived from contractual obligations to make payments to us. Some of our structured transactions, such as the securitization transactions, are extremely complex. See Other parties have priority over us with respect to the payment of interest and principal of some of our investments. We also engage in limited amounts of buying and selling of hedging products and mortgage instruments, including, but not limited to, buying and selling total return swaps and financial futures contracts and options on financial futures contracts and trading forward contracts in order to hedge bond purchase commitments. These instruments are complex and can produce volatile results, including margin calls. Hedging and participating in structured transactions, particularly of a complex nature, exposes us to the credit risks of our counterparties who may in certain circumstances not pay or perform under their contracts. Accordingly, we cannot assure you that our investment or hedging strategies will have the desired results. If our counterparties fail to satisfy their obligations under these contractual arrangements, it could also adversely affect our financial condition and the value of your common shares.

Other parties have priority over us with respect to the payment of interest and principal on some of our investments.

Investments owned by MuniMae TE Bond Subsidiary, LLC and its subsidiaries. We own 100% of the common shares of TE Bond Sub; however, TE Bond Sub has also issued $168.0 million of preferred shares to third parties. The holders of the preferred shares have the first right to income and principal of the investments held by TE Bond Sub, up to the liquidation preference of the preferred shares of $168.0 million plus unpaid distributions upon any liquidation. The investments held in TE Bond Sub and its subsidiaries represented $898.1 million of fair value or 21.5% of our gross assets as of September 30, 2004 and generated $45.8 million or 29.5% of our gross income for the nine months ended September 30, 2004. As of September 30, 2004, 73.6% of the fair value of our tax-exempt bonds and bond-related investments was held by TE Bond Sub and its subsidiaries.

Securitized or Collateralized Investments. We securitize some of our investments that generate tax-exempt income to provide funds for other investments at what we believe is a low cost relative to the cost of other forms of financing. In a typical short-term securitization, we cause tax-exempt bonds to be deposited into a trust. The trust sells to third-party investors short-term floating rate interests that have first priority on the cash flow from the deposited tax-exempt bonds. We purchase from the trust the right to receive the interest remaining after the trust makes payments to the holders of the senior floating rate interests, which is called a residual interest. In the event the trust cannot meet its obligations, all or a portion of the deposited tax-exempt bonds may be sold to satisfy the obligations to the holders of the senior interests. Therefore, cash flow from these tax-exempt bonds may not be available to pay any amounts on our residual interests. In the event of the liquidation of the tax-exempt bonds, no payment will be made to us except to the extent that the sale price received for the tax-exempt bonds exceeds the amounts due on the senior obligations of the trust.

Typically the payment of the interest and principal on the senior floating rate interests is guaranteed by a third-party credit enhancement provider. We also typically pledge tax-exempt bonds, but may pledge other types of assets, to secure the credit enhancement provider s guarantee of payment to the holders of the senior floating rate certificates. If the trust has insufficient income to repay the short-term senior floating rate certificates and the third party is required to repay the senior floating rate certificates, our pledged assets may be sold to reimburse the third party for its advance of funds and we may lose the cash flow from the tax-exempt bonds and our ownership interest in them. Our ability to remedy defaults inside the trust is limited. At September 30, 2004, $278.2 million, or 22.8% of the fair value, of our tax-exempt bonds and bond-related investments (in addition to the underlying tax-exempt bonds that are the subject of the securitization), was pledged to secure repayment by a

third party of $379.6 million in principal amount of short-term senior floating rate certificates and $34.8 million in principal amount of short-term senior fixed rate certificates. These assets that were pledged as collateral produced $21.5 million, or 23.0%, of our *pro forma* annual interest income from our tax-exempt bonds and bond-related investments.

In addition to short-term securitizations, we also utilize longer term fixed-rate securitizations. The interests sold from the longer term securitization trusts bear interest at a fixed rate or at a fixed rate for several years and then are subject to a remarketing. Similar to short-term securitizations, we pledge other tax-exempt bonds that we own to secure our repayment obligation. At September 30, 2004, approximately $37.4 million, or 3.1% of the fair value, of our tax-exempt bonds and bond-related investments (in addition to the underlying tax-exempt bonds that are the subject of the securitization) was pledged to secure repayment of the $155.1 million in principal amount of senior trust certificates issued by the securitization facilities. The assets that were pledged as collateral produced $3.4 million, or 3.7%, of our *pro forma* annual interest income from our tax-exempt bonds and bond-related investments.

Subordinated Investments. A portion of our investments are subordinated securities or interests in bonds that are junior in right of payment to other bonds, notes or instruments. At September 30, 2004, these investments represented $64.9 million, or 5.3% of the fair value, of our tax-exempt bonds and bond-related investments and produced $5.5 million, or 5.9%, of our *pro forma* annual interest income from tax-exempt bonds and bond-related investments. Among the risks of these investments are that borrowers may not be able to make payments on both the senior and the junior interests and that the value of the underlying asset may be less than the amounts owed to both the senior and the junior interest holders. In certain circumstances, the borrower may also issue additional senior debt, further reducing the security available for the junior interest holders. As a consequence, we, as a holder of the junior security, could receive less than the full and timely repayment of our investment. Moreover, the holders of the senior interests may control the ability to enforce remedies. Without the consent of the senior holders, we will have limited ability to take actions that might protect our interests. If the cash flow with respect to a particular investment is not sufficient to make full payments on the junior interests, this may adversely affect our financial condition, the amount of cash that we have available to make distributions to holders of our common shares and the value of your common shares.

Our financial condition may be adversely affected if we were required to fulfill the obligations under our guarantee or loss-sharing agreements.

As part of our regular business, we sometimes guarantee obligations of third parties and agree to share losses, if any, with investors and other counterparties. These commitments include guarantees of payment on bank credit lines, tax indemnities to holders of preferred shares issued by one of our subsidiaries, guarantees for the benefit of investors in our tax credit equity syndication business, guarantees of performance on certain financing and swap agreements and guarantees of payment and loss sharing agreements with Fannie Mae and other financial partners. We assume these obligations to facilitate the completion of some investments we make and transactions we structure, and to increase the yield we can offer investors and realize ourselves or decrease the rate charged to us by investors or lenders. If we were required to fulfill our obligations on one or more of these commitments, this would adversely affect our financial condition, the amount of cash that we have available to make distributions to holders of our common shares and the value of your common shares.

Our results may be impacted by our status as a Fannie Mae and Federal Home Loan Mortgage Corporation (Freddie Mac) underwriter/servicer.

As a Fannie Mae Delegated Underwriter and Servicer (**DUS**) lender, we underwrite and originate multifamily housing loans in accordance with Fannie Mae s underwriting guidelines and sell those loans directly to Fannie Mae. Under the DUS loan program, we have agreed to bear a portion of any loss incurred on a DUS loan originated by us and sold to Fannie Mae in accordance with loss sharing formulas under which we would be subject to a level of responsibility that varies depending upon the characteristics of the loan. Our maximum responsibility to Fannie Mae is limited to 20% of the original unpaid principal balance for loans constituting

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97.7% of the principal balance outstanding on all DUS loans, 30% of the original unpaid principal balance for loans constituting 2.25% of the principal balance outstanding on all DUS loans, and 40% of the original unpaid principal balance for loans constituting less than 0.1% of the principal balance outstanding on all DUS loans.

Fannie Mae and Freddie Mac also benefit from a number of government-provided benefits, including exemptions from state and local corporate income taxes; exemptions from Securities and Exchange Commission (the **Commission**) registration requirements; and eligibility for unlimited investment by federally insured thrifts, national banks and state bank members of the Federal Reserve system. These advantages, coupled with the size and prominence of Fannie Mae and Freddie Mac in the mortgage-backed securities market, have led to recent scrutiny of their role in the mortgage market. Recently, management and accounting issues have been publicized concerning both Fannie Mae and Freddie Mac and each of these two entities has been investigated by the Commission. Legislation may be proposed to change the relationship between Fannie Mae or Freddie Mac and the federal government. This may have the effect of reducing the actual or perceived credit quality of Fannie Mae and Freddie Mac, which provide credit enhancement that facilitate the securitization of certain of our assets. If Fannie Mae or Freddie Mac ceased to provide such support, we would have to seek alternative forms of credit support in order to continue to leverage our assets.

We have debt that could adversely affect our business and growth prospects.

We are party to a number of credit facilities and other borrowings that could have significant adverse effects on our business. This debt (excluding nonrecourse factored notes payable and mortgage notes payable of $411.4 million), which totaled $1.6 billion as of September 30, 2004, makes it more difficult for us to obtain additional financing on favorable terms due to increased leverage and the existence of covenants that may limit our ability to conduct our business, requires us to dedicate a substantial portion of our cash flows from operations to the repayment of principal and interest on our debt, imposes on us operating and financial restrictions, including minimum capital requirements, that may reduce our ability to respond to changing business and economic conditions or to grow our business and makes us more vulnerable to economic downturns. If we are unable to generate sufficient cash flows from operations in the future, we may have to refinance all or a portion of our debt and/or obtain additional financing. We cannot assure you that we will be able to obtain refinancing or additional financing on favorable terms, if at all.

We have limited recourse upon a tax-exempt revenue bond default or upon the bankruptcy of a borrower under a tax-exempt bond.

Although state or local governments or their agencies or authorities issue the tax-exempt bonds that we own (or that underlie many of our investments), the revenue bonds are not general obligations of any state or local government. No government is liable under the tax-exempt bonds, nor is the taxing power of any government pledged to the payment of principal or interest under the tax-exempt bonds.

For tax-exempt bonds that are mortgage revenue bonds, an assignment of the related mortgage loan secures each bond we own. The loan is secured by a mortgage on the underlying property and an assignment of rents. The owners of the underlying properties are only liable for the payment of principal and interest under the mortgage loans to the extent of the cash flow and sale proceeds from the properties. Accordingly, the revenue derived from the operation of the properties and amounts derived from the sale, refinancing or other disposition of the properties is the sole source of funds for payment of principal and interest to us under the tax-exempt mortgage revenue bonds.

Our revenue may also be adversely affected by the bankruptcy of a borrower. A borrower under bankruptcy protection may be able to restructure its debt payment and stop making mortgage payments.

Our community development bonds are secured by special assessments to be paid by the owners of the land being improved as part of the community development project. The land owners are not legally bound to pay more than the assessment on their parcel of land, so if any development does not meet financial expectations or is otherwise delayed, or in the event of a developer bankruptcy, there could be a shortfall in the amount of assessment revenues to pay the bonds.

We hold investments that have failed in the past to meet their debt service obligations and may fail to meet their obligations again in the future.

As of September 30, 2004, tax-exempt bonds that accounted for approximately 18.0% of our *pro forma* annual interest income from tax-exempt bonds and bond-related investments failed for some period of time to meet their full debt service obligations and bonds representing 9.6% of our *pro forma* annual interest income from tax-exempt bonds continued to be in default at September 30, 2004. In lieu of foreclosure, the deeds to the properties securing two of these tax-exempt bonds were transferred to affiliates. These two bonds that are in default were acquired by our predecessor and represent approximately 1.8% of our *pro forma* annual interest income from tax-exempt bonds and bond-related investments. In addition, subsequent to September 30, 2004, others of our tax-exempt bonds and bond-related investments failed for some period of time to meet their full debt service obligations and four of those bonds are in default as of the date of this prospectus supplement. See Prospectus Supplement Summary Recent Developments Bond Defaults. Additionally, some of our tax-exempt bonds have been refunded on terms that defer, and in certain circumstances reduce, the debt service obligations on such tax-exempt bonds. We generally have no ability to limit or initiate these refundings. We cannot assure you that defaults and refundings will not occur in the future and that when they do occur, that they will not result in reduced cash flow from our investments.

We are subject to construction completion and rehabilitation risks.

A portion of our interest income from investments is secured by residential rental housing properties which are still in various stages of construction or which are undergoing substantial rehabilitation. Construction and/or rehabilitation of such properties generally takes approximately 12 to 24 months. The principal risk associated with this type of lending is the risk of noncompletion of construction or rehabilitation which may arise as a result of: (i) underestimated initial construction or rehabilitation costs; (ii) delays; (iii) failure to obtain governmental approvals; and (iv) adverse weather and other unpredictable contingencies beyond the control of the developer. If the underlying mortgage securing one of our investments is called due to construction and/or rehabilitation not being completed as required in the underlying documents, we, as the holder of the investments secured by such mortgage, will incur certain costs and may be required to invest additional capital in order to preserve our investment.

The properties securing certain of our investments, which are currently in a lease-up phase, may experience financial distress if they do not meet occupancy and debt service coverage levels sufficient to stabilize such properties.

A portion of our interest income from investments is secured by mortgages on properties which are currently in a lease-up phase. The lease-up of these properties may not be completed on schedule or at anticipated rent levels, resulting in a greater risk that these investments may go into default than investments secured by mortgages on properties that are stabilized or fully leased-up. Moreover, there can be no assurance that the underlying property will achieve expected occupancy or debt service coverage levels.

The value of the common shares and our ability to make distributions depend on the application of tax laws.

Publicly traded partnership status. MuniMae operates as a partnership for federal income tax purposes. This permits MuniMae to pass through most of its tax items including taxable income, tax-exempt income, deductions, credits and other tax items to shareholders. The listing of common shares on the New York Stock Exchange, however, causes MuniMae to be treated as a publicly traded partnership for federal income tax purposes. As a publicly traded partnership, MuniMae will be taxed as a corporation for any taxable year in which less than 90.0% of its gross income consists of qualifying income. Qualifying income includes interest, dividends, real property rents, gains from the sale or other disposition of real property or other capital assets held for the production of interest or dividends, and certain other items. Clifford Chance US LLP, our counsel, has advised us that, although the issue is not free from doubt, tax-exempt interest income constitutes qualifying income for this purpose.

In addition, in the opinion of Clifford Chance US LLP, although the issue is not free from doubt, each of MuniMae and its predecessor has been and is properly treated as a partnership for federal income tax purposes. In this regard, we have represented to Clifford Chance US LLP that, in all relevant prior years of MuniMae s and its predecessor s existence, at least 90.0% of its gross income was qualifying income, and have covenanted to conduct MuniMae s operations in a manner such that at least 90.0% of its gross income, including tax-exempt income, will constitute qualifying income. Clifford Chance US LLP s opinion is based on, and subject to, our foregoing representation and the discussion below entitled Federal Income Tax Considerations General.

If, for any reason, less than 90.0% of MuniMae s gross income constitutes qualifying income, MuniMae s income, deductions, credits and other tax items would not pass through to shareholders, and shareholders would be treated as stockholders in a corporation for federal income tax purposes. In addition, distributions by MuniMae to its shareholders would constitute ordinary dividend income, taxable to the shareholders to the extent of MuniMae s earnings and profits, which would include tax-exempt net income, as well as any taxable net income it may have, reduced by any federal income taxes paid. MuniMae would not be able to deduct the payment of these dividends. Also, MuniMae would be required to pay federal income tax at regular corporate rates on its net income, with the exception of tax-exempt income. See Federal Income Tax Considerations General Publicly Traded Partnership Rules.

Tax-exempt status of the bonds

General. Except as described below under Risk of treatment of certain bonds as equity, on the date of initial issuance of any bond that we hold or have held, directly or indirectly, bond counsel or special tax counsel rendered its opinion to the effect that, based on the law in effect on the date of issuance, interest on such bond is excludable from gross income for U.S. federal income tax purposes. These opinions were subject to customary exceptions, including an exception for any bond (other than a bond the proceeds of which are loaned to a charitable organization described in Section 501(c)(3) of the Code) during any period in which it is held by a substantial user of the corresponding property or a person related to a substantial user within the meaning of the Code. See Substantial user limitation.

Clifford Chance US LLP, our counsel for this offering, has not passed upon, and does not assume any responsibility for, but rather has assumed the continuing correctness of, the opinions of bond counsel or special tax counsel relating to the exclusion of interest from gross income for U.S. federal income tax purposes and has not independently verified whether any events or circumstances have occurred since the original issuance of the bonds that would adversely affect such opinions of bond counsel or special tax counsel. However, as of the date of this prospectus supplement, neither of us nor Clifford Chance US LLP has knowledge of any events that may adversely affect the tax-exempt status of the bonds, including any notice that a preliminary or other determination by the Internal Revenue Service (the ISPLAY: inline; FONT-FAMILY: times new roman; FONT-SIZE: 10pt"> 147,017 133,310

Costs of services and sales				
Attain Fertility Centers	48,537	45,481	95,525	89,645
Vein Clinics	21,992	18,206	40,710	33,618
Total costs of services and sales	70,529	63,687	136,235	123,263

Contribution				
Attain Fertility Centers	4,594	4,172	8,863	8,606
Vein Clinics	1,068	1,192	1,919	1,441
Total contribution	5,662	5,364	10,782	10,047
General and administrative expenses	4,537	3,001	7,421	6,042
Legal settlement	-	1,650	-	1,650
Interest income	(36)	(48)	(78)	(96)
Interest expense	96	131	201	273
Total other expenses, net	4,597	4,734	7,544	7,869
Income before income taxes	1,065	630	3,238	2,178
Income tax provision	589	282	1,454	872
Net income	$476	$348	$1,784	$1,306
Basic and diluted net earnings per share of Common Stock				
Basic earnings per share	$0.04	$0.03	$0.15	$0.11
Diluted earnings per share	$0.04	$0.03	$0.15	$0.11
Weighted average shares – basic	11,987	11,836	11,981	11,825
Weighted average shares - diluted	12,053	11,878	12,037	11,873

See accompanying notes to consolidated financial statements.

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INTEGRAMED AMERICA, INC
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
(all amounts in thousands)
(unaudited)

	For the three-month period Ended June 30, 2012	For the three-month period Ended June 30, 2011	For the six-month period Ended June 30, 2012	For the six-month period Ended June 30, 2011
Net Income as reported	$476	$348	$1,784	$1,306
Unrealized gain (loss) on hedging transaction	14	(25)	19	(5)
Related tax (provision) / benefit	(5)	9	(7)	2
Total comprehensive income	$485	$332	$1,796	$1,303

See accompanying notes to consolidated financial statements.

INTEGRAMED AMERICA, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(all amounts in thousands)
(unaudited)

	Common Stock				Treasury Shares			
	Shares	Amount	Capital in Excess of Par	Accumulated Comprehensive Income (loss)	Shares	Amount	Retained Earnings	Total Equity
Balance at December 31, 2011	11,894	$119	$78,156	$ (42)	(37)	$(330)	$11,639	$89,542
Stock awards granted, net	112	1	(1)	—	—	—	—	—
Restricted stock award and stock option expense amortization	—	—	587	—	—	—	—	587
Stock options exercised	18	—	52	—	—	—	—	52
Unrealized gain on hedging transaction	—	—	—	19	—	—	—	19
Tax effect of equity transactions	—	—	—	(7)	—	—	—	(7)
Net income for the six months ended June 30, 2012	—	—	—	—	—	—	1,784	1,784
Balance at June 30, 2012	12,024	$120	$78,794	$ (30)	(37)	$(330)	$13,423	$91,977

See accompanying notes to consolidated financial statements.

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INTEGRAMED AMERICA, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(all amounts in thousands)
(unaudited)

	For the Six-month period ended June 30, 2012	2011
Cash flows from operating activities:		
Net income	$1,784	$1,306
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,313	3,935
Deferred income tax provision	(998)	223
Stock-based compensation	587	780
Changes in assets and liabilities —		
Decrease (increase) in assets		
Patient and other accounts receivable	(861)	(927)
Other current assets	(1,675)	(763)
Other assets	(154)	(174)
(Decrease) increase in liabilities		
Accounts payable	(1,464)	(1,327)
Accrued liabilities	1,456	5,752
Due to fertility medical practices	5,254	2,911
Attain IVF Deferred revenue and other patient deposits	618	2,325
Net cash provided by operating activities	8,860	14,041
Cash flows from investing activities:		
Purchase of business service rights	(1,380)	(2,395)
Purchase of fixed assets, net	(6,858)	(6,212)
Net cash used in investing activities	(8,238)	(8,607)
Cash flows from financing activities:		
Debt repayments	(1,914)	(1,834)
Proceeds from stock option exercises	52	92
Net cash used in financing activities	(1,862)	(1,742)
Net (decrease) increase in cash and cash equivalents	(1,240)	3,692
Cash and cash equivalents at beginning of period	57,909	50,183
Cash and cash equivalents at end of period	$56,669	$53,875
Supplemental Information:		
Interest paid	188	285
Income taxes paid	1,584	211

See accompanying notes to consolidated financial statements.

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INTEGRAMED AMERICA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 1 — GENERAL:

Acquisition by Sagard Capital

On June 10, 2012, the Company entered into a definitive agreement to be acquired by affiliates formed by Sagard Capital Partners, L.P. ("Sagard Capital"), an investment fund and IntegraMed shareholder. The acquisition consideration is $14.05 per share, net to the the Company's shareholders in cash, without interest thereon and subject to applicable withholding taxes or a total equity purchase price of approximately $169.5 million. The agreement is subject to shareholder approval as well as other regulatory and customary closing conditions. If approved by the Company's shareholders and if the other conditions to closing are satisfied, the transaction is expected to be completed as promptly as practicable, but no later than mid-November 2012. The merger is subject to certain closing conditions and there can be no assurance that the merger will be consummated.

The accompanying unaudited financial statements do not include the effects of the merger, nor do they include any adjustments associated with the purchase price allocation of the merger.

Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions of the Securities and Exchange Commission (SEC) rules related to Form 10-Q and, accordingly, do not include all of the information and footnotes required by generally accepted accounting principles for complete consolidated financial statements. In the opinion of management, the accompanying unaudited interim consolidated financial statements contain all adjustments (consisting only of normal recurring accruals) necessary to present fairly the consolidated financial position at June 30, 2012, and the consolidated results of operations and cash flows for the interim periods presented. Operating results for the interim period are not necessarily indicative of results that may be expected for the year ending December 31, 2012 or any other period. These consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in IntegraMed America, Inc.'s Annual Report on Form 10-K filed with the SEC for the year ended December 31, 2011.

NOTE 2 — EARNINGS PER SHARE:

The reconciliation of the numerators and denominators of the basic and diluted earnings per share computations for the three and six month periods ended June 30, 2012 and 2011 is as follows (000's omitted, except for per share amounts):

For the six-month period

	For the three-month period ended June 30,		ended June 30,	
	2012	2011	2012	2011
Numerator				
Net Income	$476	$348	$1,784	$1,306
Denominator				
Weighted average shares outstanding (basic)	11,987	11,836	11,981	11,825
Effect of dilutive options and warrants	66	42	56	48
Weighted average shares and dilutive potential Common shares (diluted)	12,053	11,878	12,037	11,873
Basic earnings per share	$0.04	$0.03	$0.15	$0.11
Diluted earnings per share	$0.04	$0.03	$0.15	$0.11

INTEGRAMED AMERICA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

For the three and six months ended June 30, 2012, there were no options to purchase shares of common stock which were excluded from the computation of diluted earnings per share as the exercise price of all options was at or below the average market price of the shares of common stock.

For the three and six months ended June 30, 2011, options to purchase approximately 12,000 and 18,000 shares of common stock, respectively, were excluded from the computation of diluted earnings per share as the exercise price of the options was above the average market price of the shares of common stock.

As of June 30, 2012, there were 12,023,921 shares of common stock issued of which 11,986,713 were outstanding and 37,208 held as treasury shares. As of December 31, 2011, there were 11,894,302 shares of common stock issued of which 11,857,094 were outstanding and 37,208 held as treasury shares.

NOTE 3 — SEGMENT INFORMATION:

We currently report two major operating segments and a corporate office that provides shared services. These operating segments reflect our organizational structure, lines of responsibility and management's perspective of the organization. Each segment includes an element of overhead costs specifically associated with its operations with the corporate shared services group responsible for support functions generic to both segments.

Performance by segment, for the three and six month periods ended June 30, 2012 and 2011 are presented below (000's omitted):

	Attain Fertility Centers	Vein Clinics	Corp G&A	Consolidated
For the three months ended June 30, 2012				
Total Revenues, net	$53,131	$23,060		$ 76,191
Cost of Services and Sales	48,537	21,992		70,529
Contribution	4,594	1,068		5,662
Operating margin	8.61 %	4.6 %	0.0 %	7.4 %
General and Administrative	-	-	4,537	4,537
Interest, net	-	-	60	60
Income before income taxes	$4,594	$1,068	$(4,597)	$ 1,065
Depreciation expense included above	$1,060	$658	$184	$ 1,902
Capital Expenditures	$1,247	$2,640	$181	$ 4,068
Total Assets	$40,247	$59,761	$63,172	$ 163,180

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INTEGRAMED AMERICA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

	Attain Fertility Centers	Vein Clinics	Corp G&A	Consolidated
For the six months ended June 30, 2012				
Total Revenues, net	$104,388	$42,629		$ 147,017
Cost of Services and Sales	95,525	40,710		136,235
Contribution	8,863	1,919		10,782
Operating margin	8.5 %	4.5 %	0.0 %	7.3 %
General and Administrative			7,421	7,421
Interest, net			123	123
Income before income taxes	$8,863	$1,919	$(7,544)	$ 3,238
Depreciation expense included above	$2,058	$1,267	$339	$ 3,664
Capital Expenditures	$2,673	$3,564	$621	$ 6,858
Total Assets	$40,247	$59,761	$63,172	$ 163,180
For the three months ended June 30, 2011				
Total Revenues, net	$49,653	$19,398		$69,051
Cost of Services and Sales	45,481	18,206		63,687
Contribution	4,172	1,192		5,364
Operating margin	8.4 %	6.1 %	0.0 %	7.8 %
General and Administrative			3,001	3,001
Legal settlement			1,650	1,650
Interest, net	(37)		120	83
Income before income taxes	$4,209	$1,192	$(4,771)	$630
Depreciation expense included above	$1,008	$526	$165	$1,699
Capital Expenditures	$1,104	$849	$109	$2,062
Total Assets	$44,060	$57,199	$57,624	$158,883
For the six months ended June 30, 2011				
Total Revenues, net	$98,251	$35,059		$133,310
Cost of Services and Sales	89,645	33,618		123,263
Contribution	8,606	1,441		10,047
Operating margin	8.8 %	4.1 %	0.0 %	7.5 %
General and Administrative	-		6,042	6,042
Legal settlement			1,650	1,650
Interest, net	(70)		247	177
Income before income taxes	$8,676	$1,441	$(7,939)	$2,178
Depreciation expense included above	$1,983	$970	$334	$3,287

Capital Expenditures	$2,534	$3,384	$294	$6,212
Total Assets	$44,060	$57,199	$57,624	$158,883

INTEGRAMED AMERICA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 4 – CASH AND CASH EQUIVALENTS:

To the extent that cash balances exceed short term operating needs, excess cash is invested in short term interest bearing instruments. It is our policy to restrict our investments to high-quality securities with fixed principal amounts and maturity dates of one year or less. As of June 30, 2012 and December 31, 2011, our entire cash balances were held in accounts with depository institutions or were invested in certificate of deposits and are considered cash or cash equivalents.

NOTE 5 – PATIENT AND OTHER RECEIVABLES, NET:

Patient and other receivables are principally comprised of patient and insurance receivables from our Vein Clinics division which represent outstanding balances due for patient treatments less estimated allowances for uncollectible balances. Reserves for uncollectable accounts are based on both historical trends and specific identification of specific accounts. As of June 30, 2012 and December 31, 2011, we believe that our receivable reserves were adequate to provide for any collection issues.

The composition of our patient and other receivables is as follows (000's omitted):

	June 30, 2012 (unaudited)	December 31, 2011
Vein Clinic patient and insurance receivables	$7,503	$7,045
Reserve for uncollectible accounts	(487)	(769)
Subtotal Vein Clinic receivables, net	$7,016	$6,276
Other receivables	217	96
Total Patient and other receivables, net	$7,233	$6,372

NOTE 6 – DIRECT RESPONSE ADVERTISING:

Direct Response Advertising Costs are included in other current assets in the accompanying consolidated balance sheet and were $3.8 million and $1.3 million as of June 30, 2012 and December 31, 2011, respectively. These costs consist of capitalized advertising costs which have met the criteria outlined in Accounting Standards Codification (ASC) 340, including; probable future benefit, the ability to uniquely track individual responses to specific advertisements, and the absence of material selling or marketing expenses expected to occur after the advertisement. These capitalized direct response advertising costs are amortized and recognized as an expense over a seven or six month useful life (depending on the segment that the advertising relates to). These amounts (which relate primarily to specific broadcast and internet based advertisements) are capitalized and begin to amortize at the time of use, based on the broadcast date or month of usage and are amortized over the expected period that revenue will be generated as a result of these costs.

NOTE 7 – INTANGIBLE ASSETS:

As of June 30, 2012 and December 31, 2011, our financial statements contained intangible assets totaling approximately $60 million and $59 million, respectively, as per the table below (000's):

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	June 30, 2012		December 31, 2011	
Goodwill		$30,334		$30,334
Trademarks		4,442		4,442
Business Service Rights - Refundable	13,437		12,167	
Business Service Rights - Non-Refundable, net	11,408	24,845	11,947	24,114
		$59,621		$58,890

In evaluating the recoverability of our intangible assets, we follow the guidance contained in FASB ASU 2011-08 Intangibles – Goodwill and Other (Topic 350), which provides for a qualitative assessment of intangible asset valuation, followed by a quantitative two-step process to determine impairment if necessary.

Based on a review of relevant events, circumstances and expected trends as contained in FASB ASU 2011-08 section 350-20-35-3C, as well as other qualifiers, we concluded that as of June 30, 2012, it is more likely than not that the carrying value of our goodwill and intangible assets, in whole and individually, is less than their fair value, and no impairment has occurred.

If the fair value is less than the carrying amount, an impairment loss would be recognized in an amount equal to the excess of the carrying amount of the intangible assets over their fair values. To date we have not recorded any impairment losses.

NOTE 8 – DUE TO FERTILITY MEDICAL PRACTICES:

Due to Fertility Medical Practices is comprised of the net amounts owed by us to fertility practices contracted for full service practice management services. We do not consolidate the results of the Fertility Medical Practices into our accounts (as discussed in Note 2 of the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2011). This balance is comprised of amounts due to us by the medical practices for funds which we advance for use in financing their accounts receivable and selected other transactions, less balances owed to the fertility practices by us for undistributed physician earnings and patient deposits which we hold on behalf of the fertility practices.

While we are responsible for the management and collection of the fertility practices' accounts receivable, as part of the business services we provide, the credit and collection risk for these receivables remains with the fertility practice. We generally finance the receivables with full recourse. Amounts financed relating to uncollectible accounts are recovered from the fertility practice in the month uncollectible reserves are established or accounts are written-off.

As of June 30, 2012 and December 31, 2011, Due to Fertility Medical Practices was comprised of the following balances (000's omitted):

	June 30, 2012 (unaudited)	December 31, 2011
Advances to Partner fertility practices	$(18,363)	$(17,552)
Undistributed Physician Earnings	7,594	5,508
Physician Practice Patient Deposits	30,252	26,273
Due to Fertility Medical Practices, net	$19,483	$14,229

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NOTE 9 – NOTES PAYABLE AND OTHER OBLIGATIONS:

Notes payable and other obligations as of June 30, 2012 and December 31, 2011 consisted of the following (000's omitted):

	June 30, 2012 (unaudited)	December 31, 2011
Note payable to bank	$9,024	$10,904
Derivative fair valuation adjustment	46	66
Obligations under capital leases	-	33
Total notes payable and other obligations	$9,070	$11,003
Less — current portion	(9,070)	(3,816)
Long-term notes payable and other obligations	$-	$7,187

Note payable to Bank —

In May, 2010, we entered into a syndicated amended and restated financing arrangement with Bank of America, N.A., TD Bank, N.A., and Webster Bank, N.A. and secured a $35 million three-year revolving credit facility (amounts available to be borrowed are based on eligible patient receivables and as of June 30, 2012, approximately $14.5 million of the $35 million line of credit was available) and a $25 million three-year term loan. Both the term loan and the revolving credit facility mature in May 2013. Interest on the term loan and revolving loans are payable based on a tiered pricing structure related to a defined leverage ratio. As of June 30, 2012 interest on the term loan was payable at a rate of approximately 3.5%. As of June 30, 2012, the company had a $90 thousand letter of credit against the revolving credit facility and the unused balance bore a commitment fee of 0.25%.

Our credit facility is collateralized by substantially all of our assets. As of June 30, 2012, we were in full compliance with all of our applicable debt covenants.

NOTE 10 – STOCK-BASED EMPLOYEE COMPENSATION:

We currently have stock option plans which have been previously approved by the stockholders, the details of which are described more fully in Note 19 of the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2011. Under these plans, stock options and stock grants may be granted to employees, directors and such other persons as the Board of Directors determines will contribute to our success. Vesting periods are set by the Board of Directors and stock options are generally exercisable during a five or ten-year period following the date of grant. The Board of Directors has the authority to accelerate the maturity of any stock option or grant at its discretion, and all stock options and grants have anti-dilution provisions. Under all of our plans, options expire three months from the date of the holder's termination of employment or twelve months in the event of disability or death. As of June 30, 2012, there were 690,064 shares available for granting under these Plans.

The following table sets forth information about the weighted-average fair value of options granted in periods below. No options were granted in the three months ended June 30, 2012.

	For the three-month period Ended June 30, 2012	2011	For the six-month period Ended June 30, 2012	2011
Fair value of options granted			$ 6.06	
Dividend yield	%	%	%	%
Expected volatility	%	%	47%	%
Risk free interest rate	%	%	2%	%
Expected term in years			10	

We recognize compensation cost for stock option plans over the vesting period which approximates the service period, based on the fair value of the option as of the date of the grant.

Stock award activity for the first six months of 2012 under these plans is summarized below:

	Number of shares of Common Stock underlying options	Weighted Average Exercise Price
Options outstanding at December 31, 2011	164,543	$ 7.55
Granted – stock options	51,569	$ 8.10
Granted – stock awards	112,034	$ 8.10
Exercised – stock options	(17,585)	$ 2.94
Exercised – stock awards	(112,034)	$ 8.10
Canceled	(6,287)	$ 4.79
Options outstanding at June 30, 2012	192,240	$ 8.21
Options exercisable at:		
December 31, 2011	119,948	$ 7.37
June 30, 2012	113,020	$ 8.32

The aggregate intrinsic value (difference between exercise price and current value of our common stock) of options outstanding and exercisable as of June 30, 2012 and December 31, 2011 was approximately $348,454 and $205,000, respectively.

We recorded a charge to earnings to recognize compensation expense related to outstanding stock options of $59,000 and $71,000 for the three-month periods ended June 30, 2012 and 2011, respectively and $132,000 and $122,000 for the six-month periods ended June 30, 2012 and 2011. As of June 30, 2012, we had approximately $398,000 of unrecognized compensation costs related to stock options which will be recognized over their remaining vesting period, which approximates the service period of 4 years.

We also issue stock grants to officers and members of the Board of Directors. Stock granted to Board members vests immediately and stock granted to officers is restricted and generally vests over a period of three to five years. We recorded a charge to earnings to recognize compensation expense related to stock grants of $236,000 and $356,000 for the three-month periods ended June 30, 2012 and 2011, respectively. For six-month periods ended June 30, 2012 and 2011, we recorded $455,000 and $658,000, respectively. As of June 30, 2012, we had approximately $1,425,000 of unrecognized compensation costs related to stock grants which will be recognized over their remaining vesting period, which approximates the service period.

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NOTE 11 – OTHER COMPREHENSIVE LOSS:

IntegraMed is exposed to the risk that its earnings and cash flows could be adversely impacted by market driven fluctuations in the level of interest rates. It is our policy to manage these risks by using a mix of fixed and floating rate debt and derivative instruments. After the expiration of an existing interest rate swap agreement in the third quarter of 2010, we entered into another interest rate swap agreement, with a nominal value of $10 million and maturity of May 2013, which is designed to help manage the interest rate risk associated with our long term debt. As a result of the swap agreement entered into during the third quarter of 2010, our net income for the three and six months ended June 30, 2012 includes additional financing costs of approximately $16,000 and $32,000, respectively. In addition to the costs included in our reported net income, the interest rate swap is accounted for as a cash flow hedge and has also generated a non-recognized after-tax loss of approximately $30,000 as of June 30, 2012 which is reported as part of our comprehensive income.

This fair value of this hedge was calculated in accordance with ASC 820, utilizing Level 2 inputs of quoted prices for similar liabilities in active markets.

We deem this hedge to be highly effective as it shares the same amortization schedule as the underlying debt subject to the hedge and any change in fair value inversely mimics the appropriate portion of the hedged item. As of June 30, 2012, we had no other hedge or derivative transactions.

NOTE 12 – LITIGATION AND COMPLIANCE WITH HEALTHCARE REGULATIONS:

From time to time, we and our Partner fertility centers and vein clinics and their physicians are parties to legal proceedings in the ordinary course of business. We are exposed to claims of professional negligence based on services performed by our employees, including physician assistants and nurse practitioners, as well as based on our relationships with physicians providing treatments at our Partner fertility centers and vein clinics. We maintain, for our medical practices and certain of our employees, medical malpractice insurance with limits of $3 million per claim, regardless of the number of the covered defendants, and $10 million per year in the aggregate, with respect to our Partner fertility centers, and with limits generally equal to $1 million per physician and $10 million per year in the aggregate, with respect to our vein clinics. Our Partner fertility centers, vein clinics and their physicians are additional named insured under our policies. All of our insurance policies are subject to deductibles or a self-insured retention. A portion of the insurance for certain of our fertility centers is provided by ARTIC (a captive insurance company, which provides coverage for a number of our partner centers).

On April 13, 2012, we gave notice to Southeastern Fertility Centers, PA., our fertility partner practice located outside of Charleston, South Carolina ("SEFC"), that SEFC was in default of our joint Business Service agreement (BSA). A recent binding order of arbitration mandates dissolution of SEFC, which automatically constitutes a default under the BSA. Pursuant to the terms of the BSA, SEFC is obligated to pay us (i) the right to manage fee originally paid by us to SEFC, which was $950,000, (ii) the net book value of all our fixed assets at SEFC's facility, which net book value at March 31, 2012 was $230,680 and (iii) other obligations owed to the Company, which amount at March 31, 2012 was $110,739. Additionally, SEFC is obligated to re-purchase all uncollected accounts receivable which amount at March

31, 2012 was $402,772.

On April 18, 2012, we entered into a non-binding letter of intent ("LOI") with one of the disputing shareholders of SEFC pursuant to which we will, among other things, enter into a new Business Services Agreement with such shareholder and a non-shareholder SEFC physician, who are forming a new professional association to practice medicine in the Charleston area. If we are successful in entering into this new arrangement, we do not expect the termination of the Agreement to have a material adverse effect on our business, financial condition, results of operations and cash flows, but we have no assurances that negotiating a definitive agreement will be successful.

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Subsequent to the conclusion of the arbitration between our Attain Fertility Centers Division practice in Charlotte, North Carolina, Reproductive Endocrine Associates of Charlotte, P.C. ("REACH") and their patients , Sally and Christopher Ware, in which $2,026,381 was awarded to Plaintiffs for wrongful conception and emotional distress because their daughter was born with cystic fibrosis, we received a letter dated April 19, 2011 from Medical Mutual Insurance Company of North Carolina ("MMIC") demanding, as Subrogee of REACH, indemnification from IntegraMed based on the indemnification provision in the management agreement between REACH and IntegraMed dated September 1, 2003 (the "MSA"). IntegraMed rejected the demand. On September 30, 2011, we were served with a complaint filed in the General Court of Justice, Superior Court Division, Guildford County, South Carolina in which MMIC is claiming, among other things, a willful refusal of IntegraMed to indemnify MMIC under the MSA as a result of payments made by MMIC to Sally and Christopher Ware as a result of the arbitral award. We have retained North Carolina counsel and are vigorously defending the claims based on meritorious defenses. The parties have agreed to the arbitrators who will arbitrate the matter in Q4. Although we will vigorously defend the allegations, we cannot assure you that we will ultimately prevail.

In June 2012, subsequent to the Company's June 11, 2012 announcement of an Agreement and Plan of Merger with SCP-325 Holding Corp and SCP-325 Merger Sub, Inc., affiliates of Sagard Capital Partners, LP, two lawsuits (Shane Ruth Vs. IntegraMed, et. al. , New York Supreme Court, Westchester County and Charles Francis vs. IntegraMed et. al., Chancery Court, State of Delaware) were filed against the Company, its Board of Directors and Sagard. The plaintiff in the New York action seeks injunctive and other equitable relief, including enjoining the merger, and damages, as well as recovery of costs, including reasonable attorneys' fees. In July 2012, the plantiffs in both lawsuits began coordinating their claims and the plaintiff in the Delaware case requested that the action in Delaware be stayed pending resolution of the New York case, which the Delaware Chancery Court granted. Although the Company believes that the claims in these lawsuits are without merit, the Company can offer no assurances that it will be successful in defending the claims.

NOTE 13 – RECENT ISSUED ACCOUNTING GUIDANCE:

Comprehensive Income (Topic 220): Presentation of Comprehensive Income (ASU No. 2011-05)

In June 2011, the FASB issued a new accounting standard on presenting comprehensive income with the intention of increasing its prominence in financial statements by eliminating the option to report other comprehensive income and its components in the statement of changes in stockholder's equity. The standard requires comprehensive income to be reported in either a single statement that presents the components of net income, the components of other comprehensive income, and total comprehensive income, or in two consecutive statements. The standard is effective for fiscal years, and interim periods within those years, beginning after December 15, 2011 for public companies. We have adopted the relevant provisions of ASU 2011-05 in the first quarter of 2012. The adoption of this standard did not have a material impact on our consolidated financial statements.

Health Care Entities (Topic 954): Presentation and Disclosure of Patient Service Revenue (ASU No. 2011-07)

In July 2011, the FASB issued a new accounting standard on the presentation of patient service revenue and related provisions for doubtful accounts. Under the term of this pronouncement certain health care entities are required to change the presentation of their statement of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts). This pronouncement is applicable to only those entities that recognize significant amounts of patient service revenue at the time services are rendered even though the entities do not assess a patient's ability to pay. All other entities would continue to present the provision for bad debts (including bad debts associated with patient service revenue) as an operating expense. The new standard is effective for public companies effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2011. As the patient service revenue included in our financials includes an assessment of a patient's ability to pay, and is presented net of related contractual allowances, it is our opinion that this standard is not applicable to our statement of operations, and therefore we will continue to present the provision for bad debts as an operating expense.

ITEM 2.Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the consolidated financial statements and notes thereto included in this report and with IntegraMed America, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2011. This discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results and timing of events could differ materially from those anticipated in the forward-looking statements as a result of many factors, including those discussed under the caption "Risk Factors" appearing under Item 1-A included in our Form 10-K for the year ended December 31, 2011.

On June 11, 2012, we entered into a merger agreement, as further described in Note 1 above to our condensed consolidated financial statements.

In connection with the transactions contemplated by the merger agreement, we paid advisory fees of $1.0 million and legal and other professional fees totaling approximately $471,000 during the second quarter 2012. In addition, approximately $1.0 million in additional advisory fees will be payable upon the consummation of the merger.

Overview

We manage highly specialized outpatient centers in emerging, technology-based, niche medical markets. We currently operate in two healthcare sectors, fertility care and vein treatment. We support our operations with an established and extensive infrastructure of clinical and business resources. Each of our operating divisions is presented as a separate segment for financial reporting purposes.

The Attain Fertility Centers Division is comprised of 35 contracted fertility centers, located in major markets across the United States. Each contracted center is composed of a multi-physician practice with most offering multiple clinical locations in their service area. This Division provides an array of services to contracted fertility centers ranging from consumer marketing services to complete practice management services. The strategy of the Attain Fertility Centers Division is to support the long term growth of contracted centers by attracting and retaining new patients, expanding market share, and for our partner practices (those that we provide the full range of management service), we enable superior clinical and patient care, and increase the operational efficiency of the fertility center. The Attain Fertility Centers Division drives growth at our contracted fertility centers through a number of business development and marketing initiatives, these include our suite of Attain™ IVF programs. The Attain™ IVF programs consist of product offerings which allow a patient to pay one fee for multiple treatment cycles and under certain programs, patients are eligible for a refund if they do not take home a baby.

Our Vein Clinics Division began operations on August 8, 2007, with the purchase of Vein Clinics of America, Inc. ("VCA"), a company that had been in business since 1981. The Vein Clinics Division currently manages a network of 50 clinics located in 15 states, which specialize in the treatment of vein disease and other vein disorders.

The primary elements of our overall business strategy include:

- Drive growth at our contracted fertility centers by providing additional management; services.

- Expand the relationships to additional fertility centers through the sale of consumer product offerings;
- Develop de novo vein clinics;
- Increase the total number of patients treated;
- Increase the penetration of our Attain IVF programs; and
- Continue to improve operating efficiencies.

Major Events Impacting Financial Condition and Results of Operations

2012

On June 11, 2012, the Company entered into a definitive agreement to be acquired by affiliates formed by Sagard Capital Partners, L.P. ("Sagard Capital"), an investment fund and IntegraMed shareholder. The Merger Agreement was filed as an exhibit to a Current Report on Form 8-K filed with the Securities and Exchange Commission on June 11, 2012.

On April 13, 2012, we gave notice to Southeastern Fertility Centers, PA., our fertility partner practice located outside of Charleston, South Carolina ("SEFC"), that SEFC was in default of our joint Business Service agreement (BSA). A recent binding order of arbitration mandates dissolution of SEFC, which automatically constitutes a default under the BSA. Pursuant to the terms of the BSA, SEFC is obligated to pay us (i) the right to manage fee originally paid by us to SEFC, which was $950,000, (ii) the net book value of all our fixed assets at SEFC's facility, which net book value at March 31, 2012 was $230,680 and (iii) other obligations owed to the Company, which amount at March 31, 2012 was $110,739. Additionally, SEFC is obligated to re-purchase all uncollected accounts receivable which amount at March 31, 2012 was $402,772.

On April 18, 2012, we entered into a non-binding letter of intent ("LOI") with one of the disputing shareholders of SEFC pursuant to which we will, among other things, enter into a new Business Services Agreement with such shareholder and a non-shareholder SEFC physician, who are forming a new professional association to practice medicine in the Charleston area. If we are successful in entering into this new arrangement, we do not expect the termination of the Agreement to have a material adverse effect on our business, financial condition, results of operations and cash flows, but we have no assurances that negotiating a definitive agreement will be successful.

On March 5, 2012, we announced that our Attain Fertility Centers Division had acquired Palmetto Fertility Center in Miami Lakes, Florida, for a purchase price of approximately $0.5 million. Palmetto Fertility Center was an established fertility practice serving the greater Miami area and was integrated into our existing South Florida based Partner fertility center.

On February 10, 2012, we announced that our Attain Fertility Centers Division had entered into an agreement with UNC Health Care System's to provide full complement of support services, including operational and financial management, revenue cycle management, patient marketing and sales, information systems support to their fertility practice. Under the terms of this 20-year agreement, our service fees are comprised of a fixed percentage of revenues, reimbursed costs of services, and an additional fixed percentage of the center's earnings. We also committed up to $0.5 million to fund any necessary capital needs of the practice

2011

On August 2, 2011, we amended our credit facility with Bank of America, N.A., TD Bank, N.A., and Webster Bank, N. A.. This amendment revised our consolidated EBITDA covenant.

On June 30, 2011, we announced the appointment of Mr. Michael C. Howe to our Board of Directors.

On March 2, 2011, we amended our credit facility with Bank of America, N.A, TD Bank, N.A., and Webster Bank, N.A. This amendment revised two financial covenants (Consolidated EBITDA and in the method of calculating the fixed charge covenant) to better align our credit facility with our business strategy.

On January 14, 2011 we announced the acquisition of Northwest Center for Reproductive Science (NCRS) for a purchase price of approximately $2.4 million. NCRS was an established fertility practice based in the Pacific Northwest and was integrated into Seattle Reproductive Medicine, our Seattle based Partner fertility center.

Results of Operations

The following table shows the percentage of net revenues represented by various expenses and other income items reflected in our consolidated statements of operations for the three and six month periods ended June 30, 2012 and 2011:

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	For the three-month period Ended June 30, (unaudited)		For the six-month period Ended June 30, (unaudited)	
	2012	2011	2012	2011
Revenues, Net				
Attain Fertility Centers	69.7%	71.9%	71.0%	73.7 %
Vein Clinics	30.3%	28.1%	29.0%	26.3 %
Total revenues	100.0 %	100.0%	100.0%	100.0 %
Cost of services and sales				
Attain Fertility Centers	63.7%	65.9%	65.0%	67.2 %
Vein Clinics	28.9%	26.4%	27.7%	25.2 %
Total cost of services and sales	92.6%	92.3%	92.7%	92.4
Contribution				
Attain Fertility Centers	6.0%	6.0%	6.0%	6.5 %
Vein Clinics	1.4%	1.7%	1.3%	1.1 %
Total contributions	7.4%	7.7%	7.3%	7.6 %
General and administrative expenses	6.0%	4.3%	5.0%	4.5 %
Legal settlement	0.0%	2.4%	0.0%	1.2 %
Interest income	(0.1)%	(0.1)%	(0.1)%	(0.1)%
Interest expense	0.1%	0.2%	0.1%	0.2 %
Total other expenses, net	6.0%	6.8%	5.1%%	5.8 %
Income before income taxes	1.4%	0.9%	2.2%	1.8 %
Income tax provision	0.8%	0.4%	1.0%	0.7 %
Net income	0.6%	0.5%	1.2%	1.1%

For the three months ended June 30, 2012, total revenues were $76.2 million, an increase of approximately $7.1 million, or 10.3%, from the same period in 2011. Revenue at our Attain Fertility Centers Division grew $3.5 million, or 7.0%, above the same period in 2011, based on growth in both our Partner fertility centers and Attain IVF programs. Revenue at our Vein Clinics Division was up approximately $3.7 million, or 18.9%.

For the six months ended June 30, 2012, total revenues were $147.0 million, an increase of approximately $13.7 million, or 10.3%, from the same period in 2011. Revenue growth at our Attain Fertility Centers Division of $6.1 million was 6.2% above the same period in 2011 based on growth in both our Partner fertility centers and Attain IVF programs. Revenue at our Vein Clinics Division was up approximately $7.6 million, or 21.6%.

A segment-by-segment discussion is presented below.

Attain Fertility Centers:

Our Attain Fertility Centers segment is comprised primarily of our Partner fertility centers, which represent the provider aspect of the fertility market, and our Attain IVF Programs, which are directed at the consumer portion of the market.

Partner fertility centers

In providing clinical care to patients, each of our Partner fertility centers generates patient revenues which we do not report in our consolidated financial statements. Although we do not consolidate the Partner fertility center practice financials with our own, these financials do directly affect our revenues.

The components of our revenues from most of the Partner fertility centers are:

- A base service fee calculated as a percentage of patient revenues as reported by the Partner fertility center (this percentage generally varies depending on the agreement and the level of patient revenues);

- Cost of services equal to reimbursement for the expenses which we advanced to the Partner fertility center during the month (representing substantially all of the expenses incurred by the center, except physician compensation); and

- Our additional fees which represent our share of the net income of the Partner fertility center (which also varies depending on the underlying center, subject to limits in some circumstances).

Our revenues from one Partner clinic are not based on this three-part structure. Rather, our revenues for this clinic are based on a cost-plus formula and are generally equal to the operating expenses associated with managing the medical practice plus 9.5% of such expenses.

In addition to these revenues generated from our fertility centers, we often receive miscellaneous other revenues related to providing non-medical services to medical practices. From the total of our revenues, we subtract the amortization of our business service rights under several agreements, which are the rights to provide business services to each of the centers.

During the three and six months ended June 30, 2012, revenue from our partner practices in our Attain Fertility Centers Division, increased by $2.7 million, or 6.4%, and $5.4 million, or 6.5%, respectively, relative to the same period in the prior year. This increase was the result of a rise in same-center revenues and profitability compared to the same period in 2011. The increased revenue from same-centers was due in part to the increased number of physicians practicing at these locations as well as facility fees earned from affiliated physicians who utilized our clinical facilities.

The table below illustrates the components of the Attain Fertility Centers revenues in relation to the Partner fertility center practice financials for the three and six month periods ended June 30, 2012 and 2011 (000's omitted):

		For the three-month period Ended June 30,		For the six-month period Ended June 30,	
		2012	2011	2012	2011
		(unaudited)		(unaudited)	
	Physician Financials				
(a)	Patient revenue	$62,807	$60,714	$125,216	$118,441
(b)	Cost of services	40,606	37,739	80,241	74,960
(c)	Base service fee	3,095	2,974	6,196	5,872
(d)	Practice contribution (a-b-c)	19,106	20,001	38,779	37,609
(e)	Physician compensation	17,715	18,335	35,725	34,377
(f)	IntegraMed additional fee	1,391	1,666	3,054	3,232
	IntegraMed Financials				
(g)	IntegraMed gross revenue (b+c+f)	45,092	42,379	89,491	84,064

(h) Amortization of business service rights	(325)	(324)	(649)	(648)
(i) Other revenue	31	31	62	62
(j) IntegraMed fertility services revenue (g+h+i)	44,798	42,086	88,904	83,478
(k) Costs of services	40,606	37,771	80,241	75,021
(l) Division overhead	2,276	2,010	4,379	4,239
(m) Contribution of Integramed Centers (j-k-l)	$1,916	$2,305	$4,284	$4,218

(i) Other revenue includes administrative fees we receive from ARTIC, the captive insurance company as well as other miscellaneous fees.

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The Company's revenue generated from the business services provided to the physician Partner clinics (line g) is comprised of the three fee components, the cost of service fee (line b), the base service fee (line c) and the additional service fee (line f).

The revenue recorded by our physician Partner clinics (line "a") is derived from providing medical services to patients. As the exclusive service provider to these clinics, we supply the clinics with all resources necessary for the physicians to provide these medical services. In return, we receive reimbursement for the cost of these resources (line "b") plus two additional fees (lines "c" and "f") which are based on the performance of specific operations under the service agreement. The residual financial results of the partner physician's business (patient revenue, line "a", less costs and fees of the business) (line "e"), are a right of the partner physicians (the business owners), and as such are not consolidated in the financial results of IntegraMed.

The following summarized quarterly data for the three months and six months ended June 30, 2012 and 2011 is presented for additional analysis and demonstration of the slight seasonality of our Attain Fertility Centers Division. New patients visits are an indicator of initial patient interest in fertility treatment and IVF cases completed are an indicator of billable charges (000's omitted, except IVF statistics).

	Q2 2012	Q2 2011	Change	% Change	YTD 2012	YTD 2011	Change	% Change
Revenue, Net	$53,131	$49,653	$3,478	7.0 %	$104,388	$98,251	$6,137	6.2 %
Contribution	$4,594	$4,172	422	10.1 %	$8,863	$8,606	257	3.0 %
Partner Centers Statistics								
New Patient Visits	7,340	7,458	(118)	(1.6)%	15,943	15,101	842	5.6 %
IVF Cycles	4,013	3,886	127	3.3 %	8,398	7,695	703	9.1 %
IUI Cycles	6,445	6,410	35	0.6 %	13,461	12,427	1,034	8.3 %
Attain Statistics								
Applications	603	719	(116)	(16.1)%	1,300	1,480	(180)	(12.2)%
Enrollments	404	457	(53)	(11.6)%	874	896	(22)	(2.5)%
Pregnancies	311	269	42	15.6 %	572	534	38	7.1 %

Patients enrolled in our Attain IVF Refund Program pay us an up-front fee (deposit) in return for up to six treatment cycles (consisting of three fresh IVF cycles and three frozen embryo transfers). Any non-refundable portion of these fees is recognized as revenue, based on the relative fair value of each treatment cycle completed relative to the total fair value of the contracted treatment package available to the patient. The refundable portion of the program contract amount is recognized as revenue when the patient becomes pregnant. At the time of pregnancy, we establish a reserve for future medical costs should the patient miscarry and require additional contracted treatment cycles. The two main factors that impact Attain IVF Refund Program financial performance are:

- the number of patients enrolled and receiving treatment, and

- clinical pregnancy rates.

Patients enrolled in our Attain IVF Multi-Cycle Program pay us a single fee, which is slightly less than the average cost of two fresh IVF cycles, in return for up to four treatment cycles (consisting of two fresh IVF cycles and two frozen embryo transfers). With respect to our Attain IVF Multi-Cycle Program, we recognize a pro rata share of the contract amount as revenue as each treatment cycle is completed. The refundable portion of the program contract amount is recognized as revenue when the patient becomes pregnant. Under such revenue recognition methodology, we never recognize more revenue than the potential refundable amount under the program. At the time of pregnancy, we establish a reserve for future medical costs should the patient miscarry and require additional contracted treatment cycles. The main factors that impacts Attain IVF Multi-Cycle Program financial performance is the number of patients enrolled and receiving treatment as well as clinical outcomes.

For the three and six months ended June 30, 2012, revenues from our Attain IVF programs increased by $0.8 million, or 11.2%, and $0.8 million, or 5.6%, respectively, versus the same periods in the prior year. This growth was fueled primarily by the expansion of our Multi-Cycle product offering launched during fiscal 2011 which helped drive enrollments and pregnancies in our Attain IVF programs.

Contribution from our Attain Fertility Centers Division for the three and six month periods ended June 30, 2012 increased by $422 thousand or 10.1%, and $257 thousand or 3.0%, respectively, versus the same periods in the prior year. This increase is primarily the result of increased patient revenues at the clinic level coupled with increased favorable outcomes within our Attain IVF product offerings.

Vein Clinics Segment:

Revenues within our Vein Clinics segment are generated from direct billings to patients or their insurer for vein disease treatment services and these revenues are consolidated directly into our financials.

Revenues for the three and six months ended June 30, 2012 increased by $3.7 million or 18.9%, and $7.6 million or 21.6%, respectively, from the comparable periods in 2011. During the first six months of 2012, we opened 6 new vein clinic locations in Wayne, PA, Geneva IL, Annapolis, MD, Plano and Allen, TX, and Mid-Town (Atlanta) , GA, These additional clinics brought our total number of vein clinics to 50 as of June 30, 2012.

Contribution for the three and six months ending June 30, 2012 was $1.1 million and $1.9 million, respectively, versus $1.2 million and $1.4 million, respectively, for the same periods in the prior year. The reduction in contribution for the three month period ended June 30, 2012 is due to additional new clinic start-up losses incurred in the quarter versus the same period in the prior year.

Our strategy is to continue to expand our clinic footprint by opening additional new vein clinics in locations across the United States during 2012 and in future years. We plan to open three clinics through the remainder of 2012. As a result of this expansion program, we incurred new clinic start-up losses on clinics opened in 2012 totaling $1.1 million during the first two quarters of 2012, and we estimate incurring start-up losses of approximately $2.0 million for all of fiscal 2012. The pace of these openings is dependent upon our ability to identify and develop appropriate site locations for clinics which comprise both adequate reimbursement rates and patient demographics, and to recruit qualified physicians to staff those sites.

Vein Clinics Division data for the three and six month periods ended June 30, 2012 and 2011 appear below (in thousands, except first leg starts).

	Q2 2012	Q2 2011	Change	% Change	YTD 2012	YTD 2011	Change	% Change
Revenues, Net	$23,060	$19,398	$3,662	18.9 %	$42,629	$35,059	$7,570	21.6 %
Contribution	1,068	1,192	(124)	(10.4)%	1,919	1,441	478	33.2 %
Inquiries	9,667	8,912	787	8.5 %	16,256	14,353	1,903	13.3 %

New Consultations	6,382	5,604	778	13.9	%	10,650	9,156	1,494	16.3	%
First Leg Starts	3,100	2,759	340	12.3	%	5,600	4,787	813	16.9	%

General and Administrative Expenses

General and administrative expenses are comprised of salaries and benefits, administrative, regulatory compliance and operational support costs defined as our Shared Services group, which are not specifically related to individual center or clinic operations or other product offerings. These costs totaled $4.5 million for the three months ended June 30, 2012, versus $3.0 million recognized in the same period in the prior year, and $7.4 million for the six months ended June 30, 2012, versus $6.0 million for the prior year period.

As previously noted, the three and six month periods in 2012 included approximately $1.5 million of costs related to our proposed merger with affiliates of Sagard Capital. Excluding these costs, General and Administrative expenses would have been approximately even with prior year levels for both the three and six month periods ending June 30, 2012.

We continue to actively manage general and administrative expenses in an effort to leverage our Shared Services group and extract economies of scale as those opportunities arise.

Interest

Interest expense for the three and six months ended June 30, 2012 was $96 thousand and $201 thousand, respectively, down $36 thousand and $72 thousand from their respective prior year periods. These reductions are due primarily to lower interest costs resulting from scheduled debt payments on our outstanding term loan.

Income Tax Provision

Our provision for income tax was approximately $0.6 million and $1.5 million for the three and six months ended June 30, 2012, respectively, or 55.3% and 44.9%, respectively, of pre-tax income. This is compared to approximately $0.3 million and $0.9 million, or 44.8% and 40.0%, respectively, of pre-tax income during the same period last year. Our effective tax rates for 2012 and 2011 reflect provisions for both current and deferred federal and state income taxes. Our effective income tax rate for the three and six months ended June 30, 2012 and 2011 includes additional interest for uncertain tax position items. Our effective income tax rate for the three and six months ended June 30, 2012 also includes the tax effect of non-deductible merger costs that caused our effective income tax rate to increase.

Off-Balance Sheet Arrangements

Current accounting guidance addresses how a business enterprise should evaluate whether it has a controlling financial interest in an entity through means other than voting rights and accordingly should consolidate the entity. In June 2009, the Financial Accounting Standards Board ("FASB") amended its guidance on accounting for variable interest entities ("VIE"). The new accounting guidance is effective for reporting periods after January 1, 2010 requires continuous assessments of whether an enterprise is the primary beneficiary of a VIE. An enterprise is required to consolidate if it has the power to direct the activities of the VIE that most significantly impact the entity's economic performance, and is the primary beneficiary or obligor of the VIE. As of June 30, 2012, through our ownership of Vein Clinics of America, Inc, we have interests in the individual vein clinics, where we are the primary beneficiary and obligor of their financial results (our contract provides for us to receive any excess or deficit profits from the vein clinics). As such we have consolidated these vein clinic operations in our consolidated financial statements. Since we do not have any financial interest in the individual fertility centers and we are not the primary beneficiary or obligor of their financial results (our contracts provide for the physician owners of the clinics to receive any excess or deficit profits), we do not consolidate the results of the fertility centers in our accounts. Also, since we do not have a controlling interest in the captive insurance provider and we are not the primary beneficiary, we do not consolidate the results of the captive insurance company in our accounts.

Liquidity and Capital Resources

As of June 30, 2012, we had approximately $56.7 million in cash and cash equivalents on hand as compared to $57.9 million at December 31, 2011. We had a working capital of approximately $10.1 million and $19.6 million as of June 30, 2012 and December 31, 2011, respectively.

Deferred revenue and other patient deposits from our Attain IVF programs, which are reflected as a current liability, represent funds received from patients in advance of treatment cycles and are an indication of future revenues. These deposits totaled approximately $14.4 million and $13.9 million as of June 30, 2012 and December 31, 2011, respectively. The change in deposit balances are a direct result of patient enrollment, and through-put, in our treatment programs. These deposits are a significant source of cash flow and represent interest-free financing for us. These funds are not restricted and the cash balances are included in our cash and cash equivalents.

In May, 2010, we entered into a syndicated amended and restated financing arrangement with Bank of America, TD Bank and Webster Bank and secured a $35 million three-year revolving credit facility (amounts available to be borrowed are based on eligible patient receivables and as of June 30, 2012, approximately all of the $35 million line of credit was available) and a $25 million three-year term loan. Both the term loan and the revolving credit facility mature in May 2013. Interest on the term loan and revolving loans are payable based on a tiered pricing structure related to a defined leverage ratio. Commitment fees on unused portions of the revolving credit facility are also payable based on a tiered pricing structure tied to the same defined leverage ratio. At June 30, 2012, there were no outstanding balances on the revolving credit facility.

As of June 30, 2012, we were in full compliance with all of our applicable debt covenants. We continuously review our credit agreements and may renew, revise or enter into new agreements from time to time as deemed necessary.

During the third quarter of 2010 we also entered into an interest rate swap agreement to help manage interest rate risk. This swap agreement will mature in the third quarter of 2013, at which time we will re-evaluate our options for managing interest rate risk.

As of June 30, 2012, we did not have any significant contractual commitments for the acquisition of fixed assets or construction of leasehold improvements. However, we do anticipate upcoming capital expenditures during the normal course of business which we will be able to finance from our operating cash flows. These expenditures are primarily related to medical equipment, information system infrastructure and leasehold improvements.

We believe that working capital, specifically cash, remains at adequate levels to fund our operations and our commitments for fixed asset acquisitions. We also believe that the cash flows from our operations plus our available credit facility will be sufficient to provide for our future liquidity needs over the next twelve months.

Significant Contractual Obligations and Other Commercial Commitments

The following summarizes our contractual obligations and other commercial commitments at June 30, 2012, and the effect such obligations are expected to have on our liquidity and cash flows in future periods.

	Payments due by period (000's omitted)				
	Total	Less than 1 Year	1-3 Years	4-5 Years	After 5 Years
Notes payable	$ 9,070	$ 9,070	$	$	$
Interest on debt	214	214			
Operating leases (rents)	76,933	5,720	25,206	19,529	26,478
Total contractual cash	$ 86,217	$ 15,004	$ 25,206	$ 19,529	$ 26,478

obligations

	Amount of Commitment Expiration per Period (000's omitted)				
	Total	Less than 1 Year	1-3 Years	4-5 Years	After 5 Years
Unused lines of credit	$ 35,000	$ 35,000	$	$	$

We also have commitments to provide working capital financing to Partner centers in our Attain Fertility Centers division that are not included in the above table. A significant portion of these commitments relate to our transactions with the medical practices themselves. Our responsibilities to these medical practices are to provide financing for their accounts receivable and to hold patient deposits on their behalf, as well as undistributed physician earnings. Disbursements to the medical practices generally occur monthly. The medical practice's repayment hierarchy consists of the following:

- We provide a cash credit to the practice for billings to patients and insurance companies;
- We reduce the cash credit for center expenses that we have incurred on behalf of the practice;
- We reduce the cash credit for the base portion of our service fee which relates to the Partner revenues;
- We reduce the cash credit for the variable portion of our service fee which relates to the Partner earnings; and
- We disburse to the medical practice the remaining cash amount which represents the physician's undistributed earnings.

We are also responsible for the collection of the Partner accounts receivables. We continuously fund these needs from our cash flows from operations, the collection of prior months' receivables and deposits from patients in advance of treatment. If delays in repayment are incurred, which have not as yet been encountered, we could draw on our existing revolving line of credit. We also make payments on behalf of the Partner for which we are reimbursed in the short-term. Other than these payments, as a general course, we do not make other advances to the medical practices. We have no other funding commitments to the Partner centers.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

In the normal course of business, our interest income and expense items are sensitive to changes in the general level of interest rates. We are currently subject to interest rate risk associated with our credit facilities as well as our short term investments and certain advances to our Partner Fertility Centers, some of which are tied to either short term interest rates, LIBOR or the prime rate. As of June 30, 2012, we do not believe that a one percent change in market level interest rates would have a material impact our pre-tax income.

Item 4. Controls and Procedures

(a) Evaluation of disclosure controls and procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15 under the Securities Exchange Act of 1934) as of June 30, 2012 (the "Evaluation Date"). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the Evaluation Date, our disclosure controls and procedures were effective.

(b) Changes in internal controls

There were no changes made in our internal control over financial reporting during the quarter ended June 30, 2012 covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II OTHER INFORMATION

Item 1 Legal Proceedings

From time to time, we are party to legal proceedings in the ordinary course of business. Please refer to Note 12 of these financial statements for additional disclosures.

Item 1A. Risk Factors

There have been no material changes from the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2011.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Item 5. Other Information

None.

Item 6. Exhibits

See Index to Exhibits on Page 28

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

			INTEGRAMED AMERICA, INC. (Registrant)
Date	August 7, 2012	By:	/s/Timothy P. Sheehan Timothy P. Sheehan Senior Vice President Finance and Chief Financial Officer (Principal Financial and Accounting Officer)

INDEX TO EXHIBITS

Exhibit Number	Description
31.1	CEO Certification Pursuant to Rule 13a-14(a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 dated August 7, 2012
31.2	CFO Certification Pursuant to Rule 13a-14(a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 dated August 7, 2012
32.1	CEO Certification Pursuant to 18 U.S.C. § 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 dated August 7, 2012
32.2	CFO Certification Pursuant to 18 U.S.C. § 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 dated August 7, 2012
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Document
101.DEF	XBRL Taxonomy Extension Definition Document
101. LAB	XBRL Taxonomy Extension Label Document
101.PRE	XBRL Taxonomy Extension Presentation Document