Acquisition of Vanguard Health Systems

A New Company for a New Healthcare Environment

June 24, 2013

Disclosures / Forward-Looking Statements

Certain statements in our presentation are "forward-looking statements" under Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on current expectations. However, actual results may differ materially from expectations due to the risks, uncertainties and other factors that affect our business and Vanguard Health Systems' ("Vanguard") business. These factors include, among others, the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement; the failure to satisfy conditions to completion of the merger, including receipt of regulatory approvals; changes in the business or operating prospects of Vanguard; changes in health care and other laws and regulations; economic conditions; adverse litigation or regulatory developments; competition; our success in implementing our business development plans and integrating newly acquired assets; our ability to hire and retain health care professionals; our ability to meet our capital needs, including our ability to manage our indebtedness; and our ability to grow our Conifer Health Solutions business segment ("Conifer"). We and Vanguard provide additional information about these and other factors in the reports filed with the Securities and Exchange Commission, including, but not limited to, those described in "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our and Vanguard's annual reports on Form 10-K for the year ended December 31, 2012 and June 30, 2012, respectively. We disclaim any obligation to update any forward-looking statement in this presentation, whether as a result of changes in underlying factors, new information, future events or otherwise.

Non-GAAP Information

Our presentation includes certain financial measures such as Adjusted EBITDA, which are not calculated in accordance with generally accepted accounting principles (GAAP). Reconciliation between non-GAAP measures and related GAAP measures can be found at the end of this presentation.

Acquisition Highlights

- Tenet acquiring Vanguard for $21 cash per share, or an aggregate of $4.3 billion[(a)]
- Unanimously approved by both Boards of Directors
- Accretive to Tenet's earnings in year one
- $100-200 million in annual synergies expected – revenue cycle management efficiency and improvement, overhead reduction, and supply chain management and other operating improvement
- Ed Kangas, Non-Executive Chairman of Tenet, to continue as Non-Executive Chairman; Charlie Martin, Vanguard CEO, to join Tenet board
- Trevor Fetter to continue as President and CEO; Keith Pitts, Vice Chairman of Vanguard, to join Tenet as Vice Chairman
- Tenet intends to complete existing share repurchase program in 2013
- Leverage ratio projected to return to 4.75x-5.0x by year end 2014
- Expected to close by year end 2013

[(a)] Includes $2.5 billion in Vanguard debt

Well-Positioned for the New Healthcare Environment

Increased Scale

- 79 hospitals and 157 outpatient centers
- Applies proven cost management, quality improvement, care integration and network development strategies across a broader platform
- Enhances portfolio management opportunities

✓

Enhanced Geographic Breadth

- Expands market leader position – #1 or #2 position in 19 important markets
- Adds geographic diversification with expansion into additional states
- Adds important markets in Texas – San Antonio and South Texas

✓

Integrated Service Offering

- Leverages Conifer Health Solutions across broader portfolio
- Adding Vanguard health plan expertise expands Conifer value-based care and population health management capabilities

✓

Broader Physician Platform

- Physician alignment, recruitment and employment strategies applied across broader network
- Leverages Vanguard's health plan experience developing successful clinical integration and ACO models

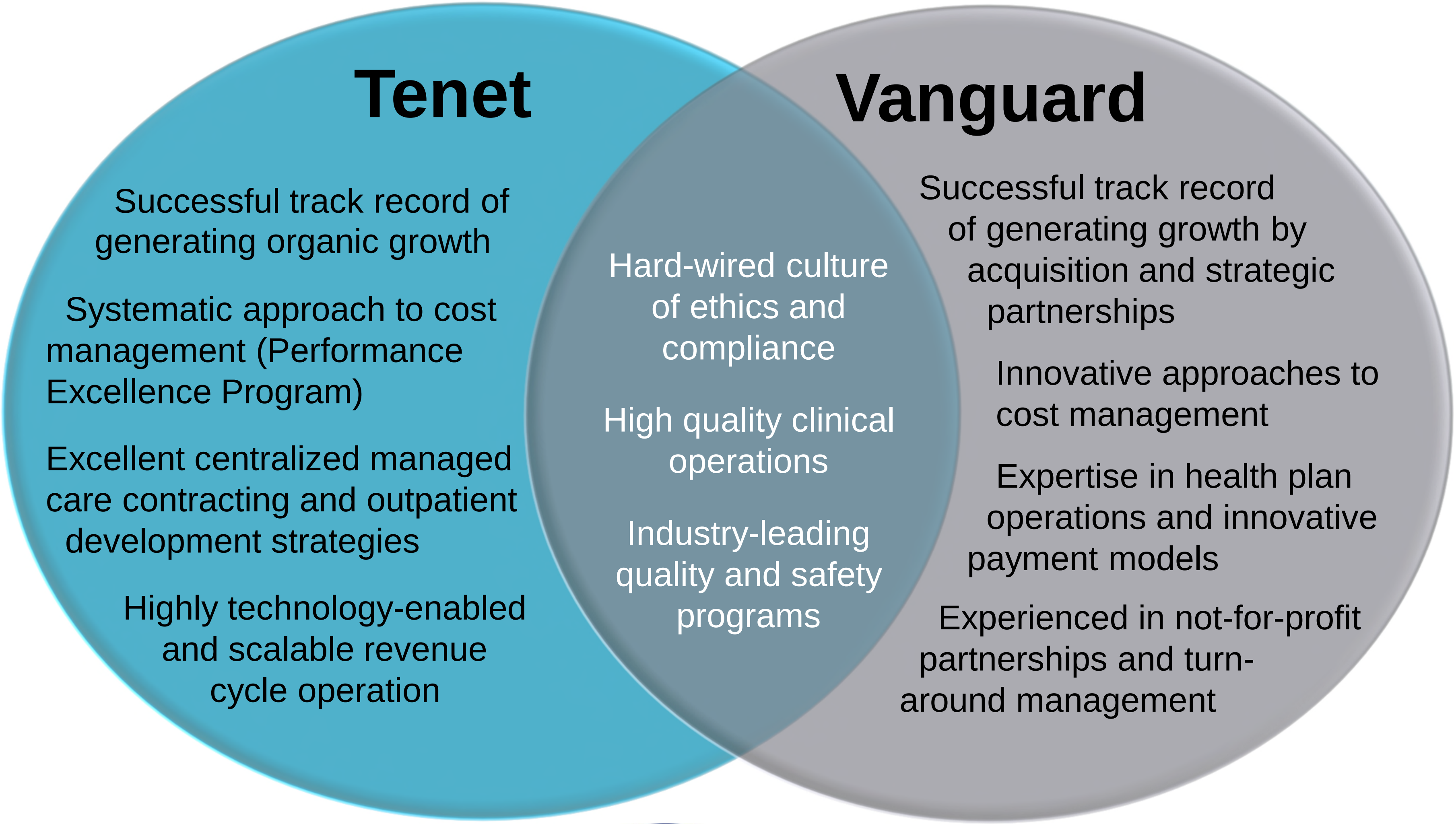
✓

Complementary Management Teams

- Combines two organizations with similar values, priorities and demonstrated cultures of ethics and compliance
- Tenet's proven management capabilities augmented by Vanguard turnaround expertise and experience in health plan operations

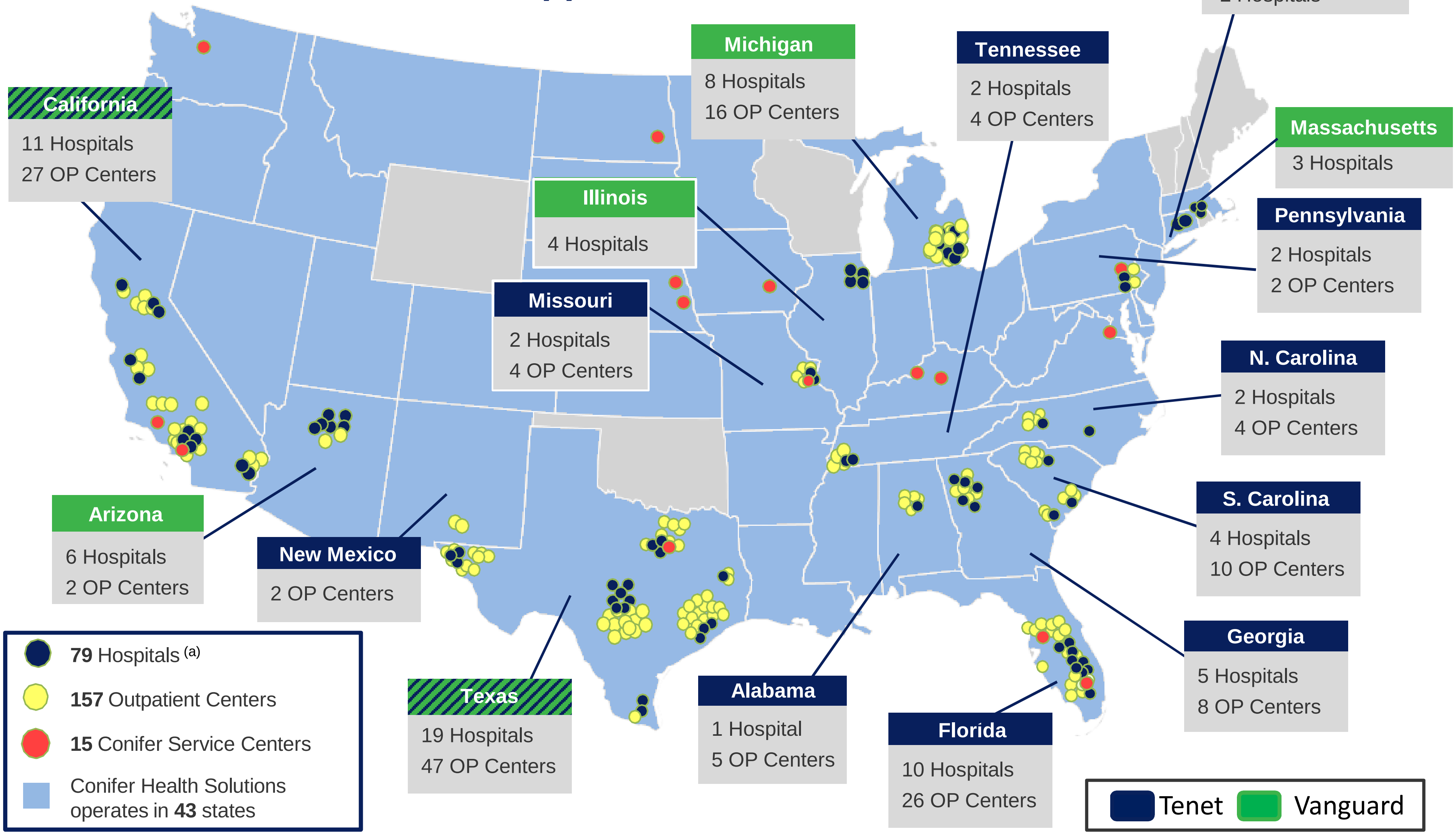
✓

Complementary Operational Strengths and Shared Values



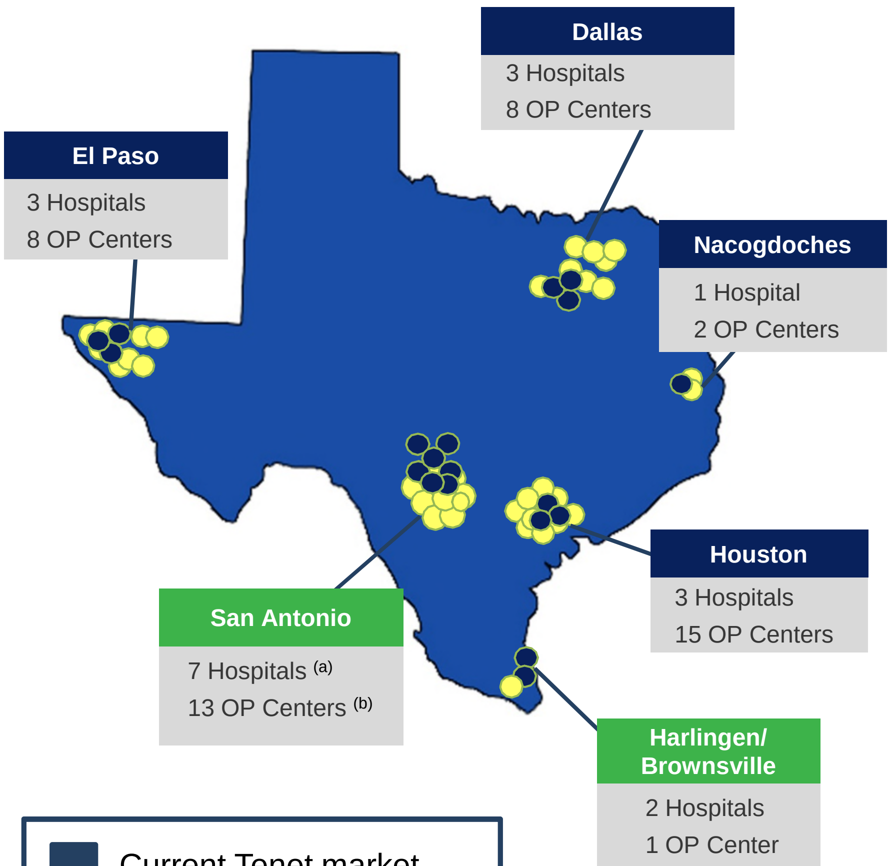
Established Positions in Key Markets

Greater Breadth Provides Opportunities for Revenue Growth



(a) Excludes 2 Connecticut hospitals currently under LOI

Adds Important New Markets in Texas



Current Tenet market

Current Vanguard market

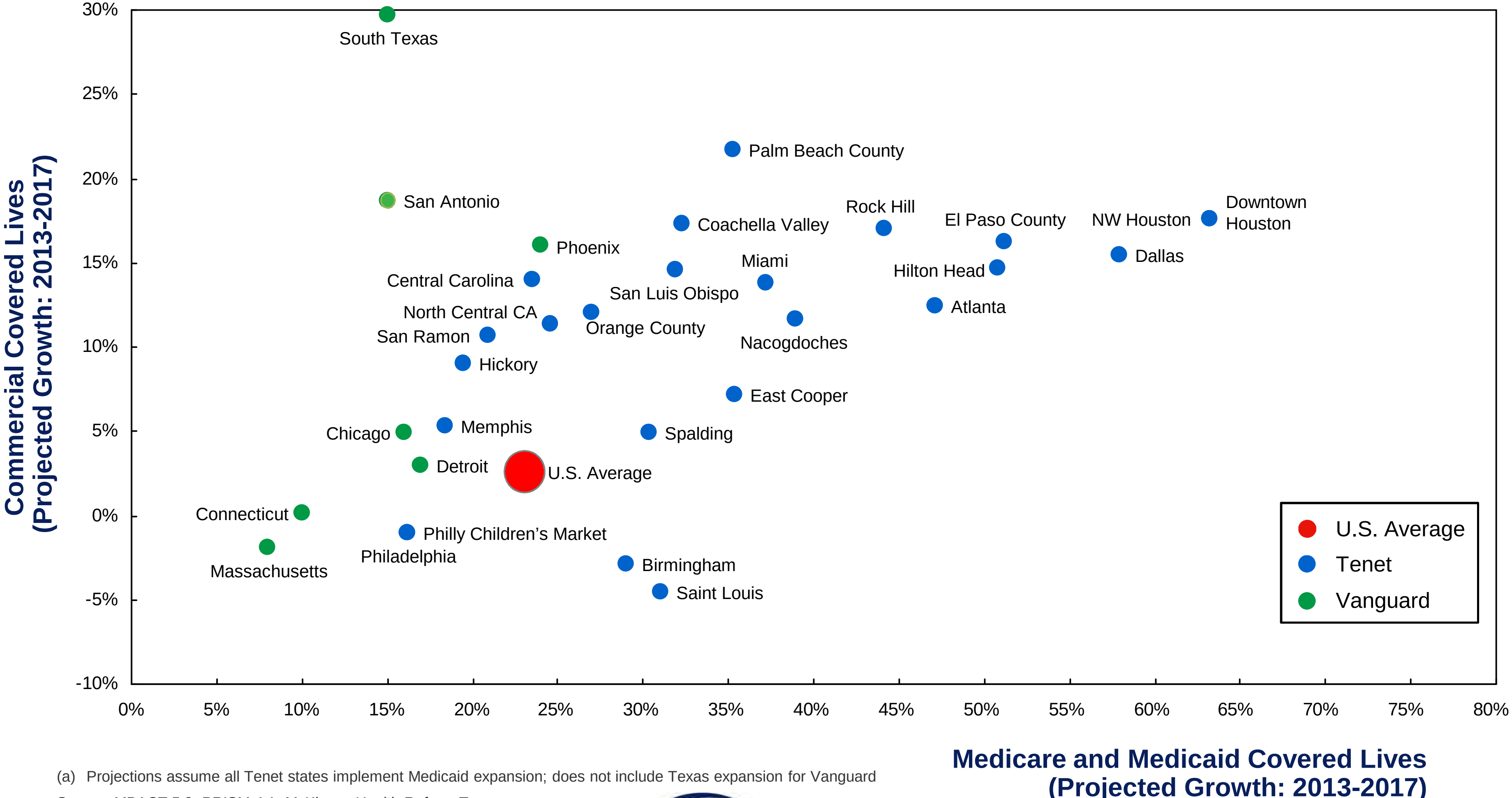
[a] Includes 2 Vanguard hospitals under development

[b] Includes 3 freestanding OP facilities recently acquired by Tenet

- Complements established Tenet positions in El Paso, Houston, Nacogdoches and Dallas
- Both new markets demonstrate underlying population growth
- Vanguard showing strong organic growth in its own operations/market share
- San Antonio
  - #2 system in Texas' 3rd largest market
  - Opportunities for additional growth
- Harlingen / Brownsville
  - Opportunities for further earnings improvement in strong market
- Pro forma revenue doubles from $1.5B to $3.0B
- Vanguard's health plan and ACE pilot program provide platform for innovative contracting models
- Positioned for significant upside from ACA

Geographic Presence Creates Substantial Benefit from Affordable Care Act

Projected Expansion of Insurance Coverage with Healthcare Reform[(a)]



(a) Projections assume all Tenet states implement Medicaid expansion; does not include Texas expansion for Vanguard

Source: MPACT 5.0, PRISM 4.1, McKinsey Health Reform Team

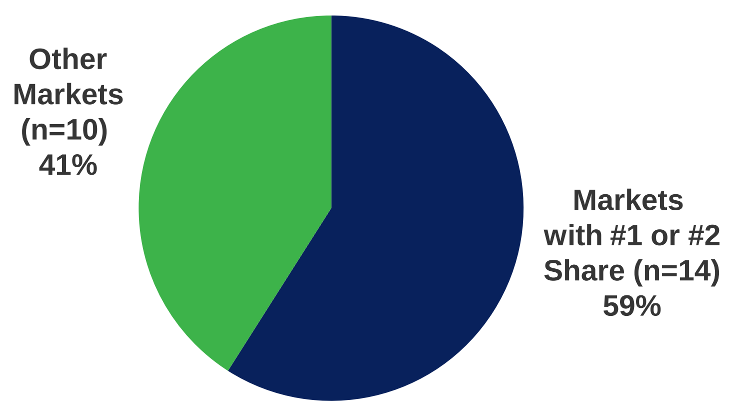
Tenet

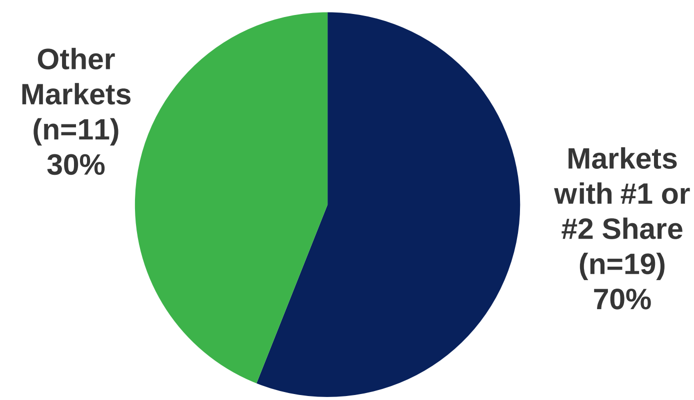
Established Positions in Key Markets

Greater Geographic Diversification Balances Revenue Sources

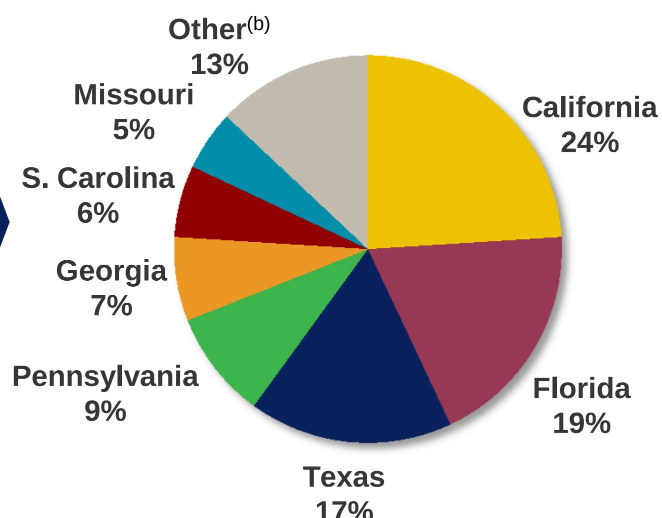
	Tenet Standalone	Tenet Post-Acquisition[a]

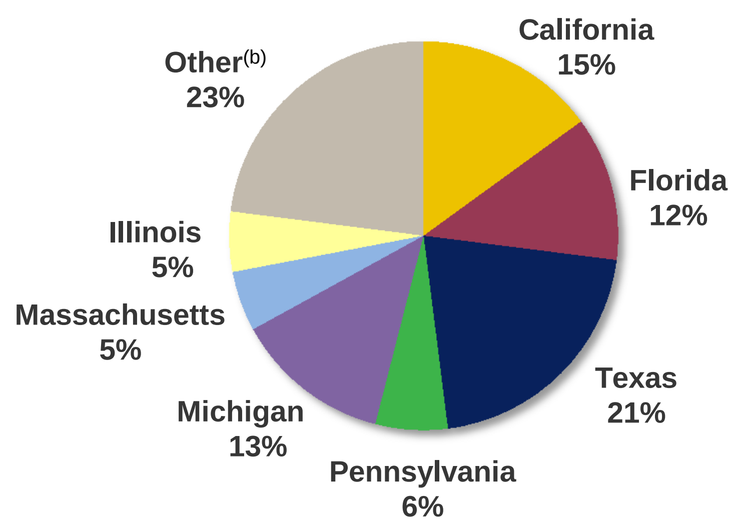
% of Revenues from #1 or 2 Market Share (CY 2012)





% of Revenues by State (CY 2012)





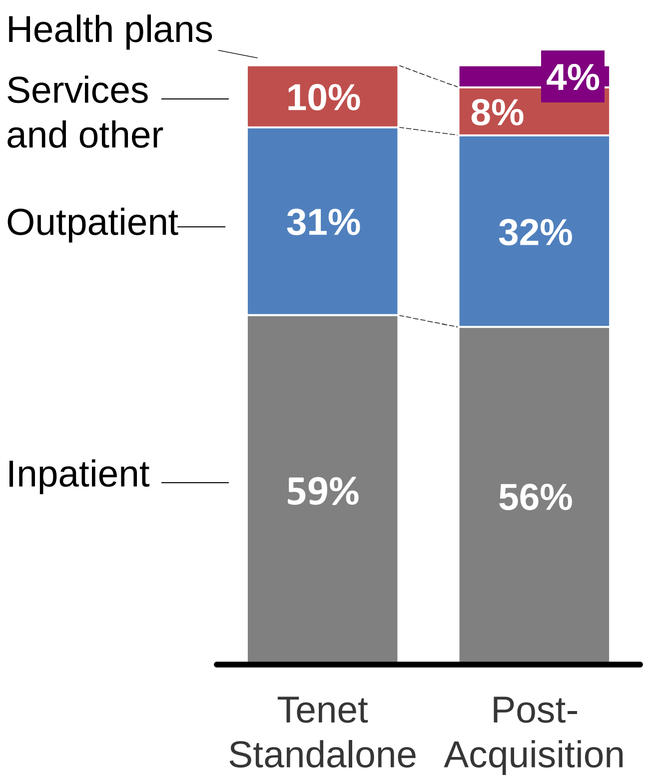
(a) For Vanguard, acute care only.
(b) Represents markets with less than 5% of revenue

Source: Vanguard and Tenet company financials

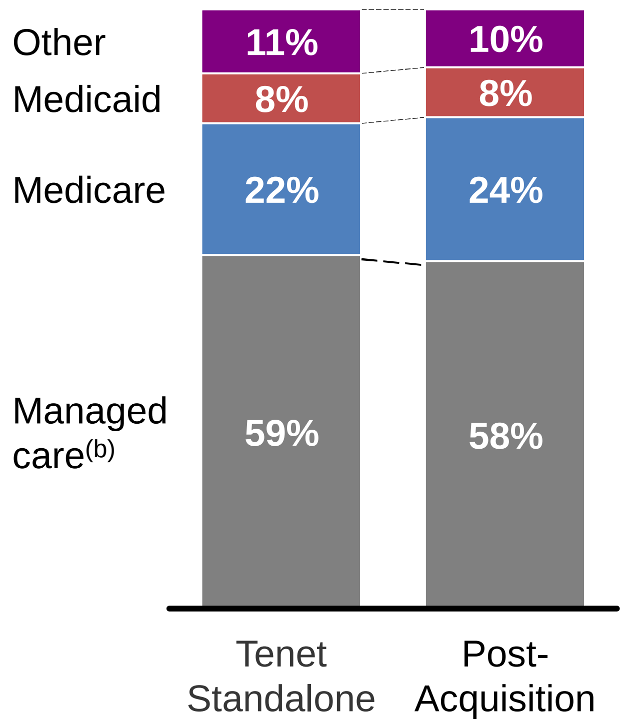
Revenue Breakdown

Broader Service Offering and Well-Balanced Payor Mix

Revenues By Service, CY 2013



Revenues By Payor[(a)], CY 2013



(a) Vanguard revenue payor mix is based on Q3YTD actual payor mix
(b) Managed care includes Managed Medicare and Managed Medicaid
Source: Vanguard and Tenet company financial projections

Builds Conifer's Position in Fast-Growing Healthcare Business Services Industry

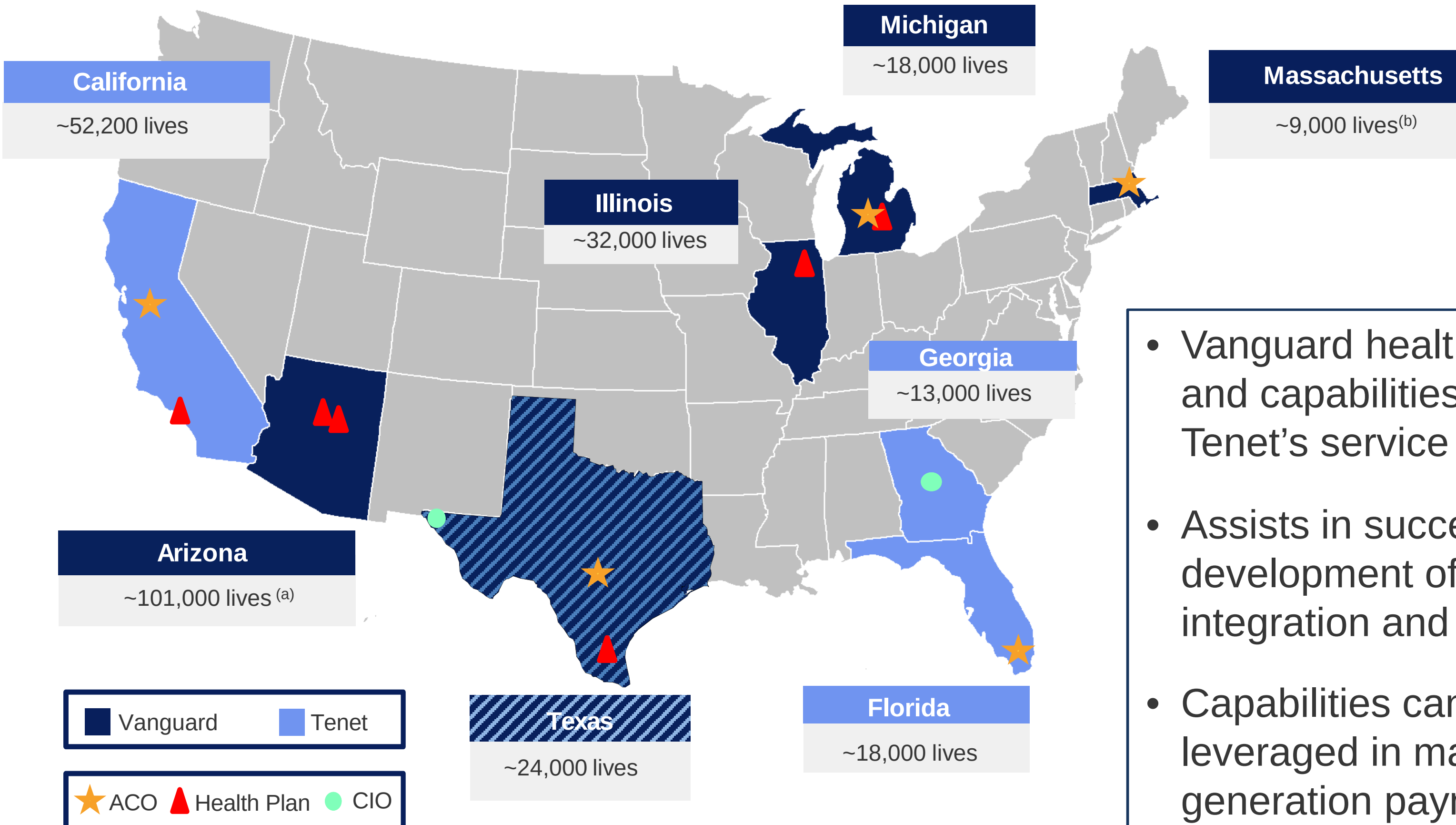
- 28% increase in Conifer revenues (incremental $250 million added by Vanguard annually)
- Health plans operations augment Conifer's value-based care capabilities

CONIFER HEALTH SOLUTIONS™	Conifer Current[a]	Conifer Post-Acquisition	% Increase
Net Client Revenue Processed Annually	$21B	$26B	24%
Patient Accounts Processed Annually	10M	12M	20%
Revenues	$890M	$1,140M	28%

[a] 2013 est. pro-forma for integration of Catholic Health Initiatives

Enhanced Health Plan Expertise

Creates Greater Scale and New Opportunities



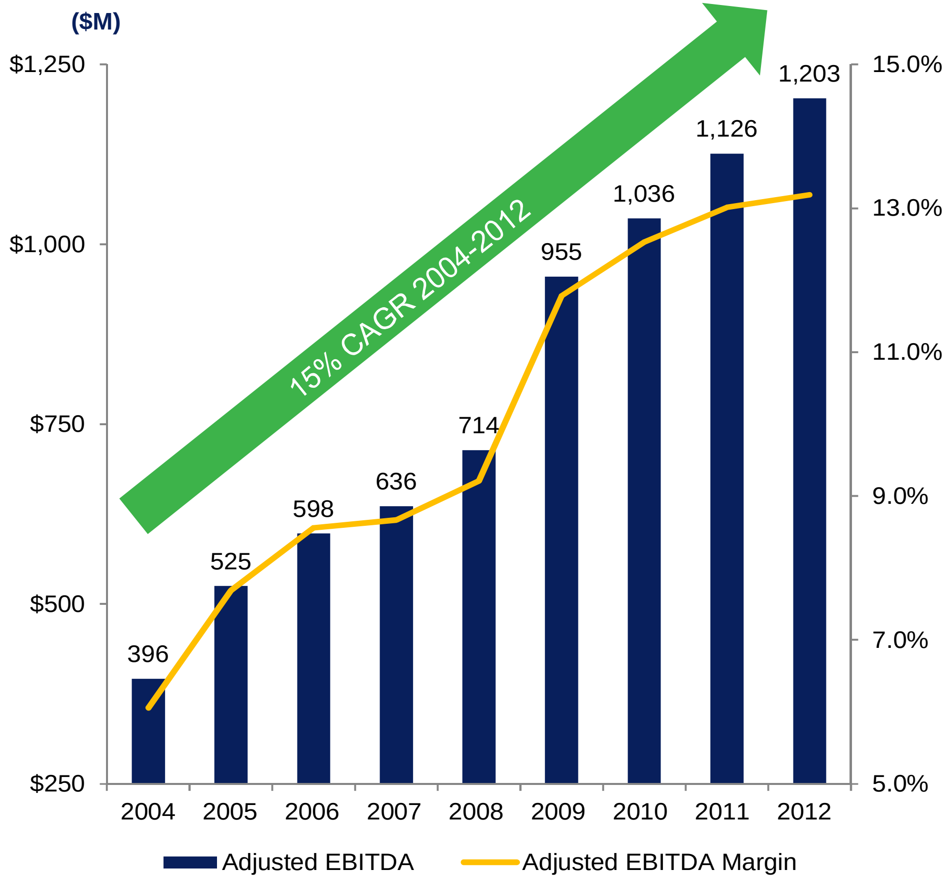
- Vanguard health plan skills and capabilities diversify Tenet's service offerings
- Assists in successful development of clinical integration and ACO models
- Capabilities can be leveraged in managing next generation payment models and population health

(a) Excludes member lives lost from Phoenix Health Plan, with exception of Maricopa
(b) To be launched in 2014

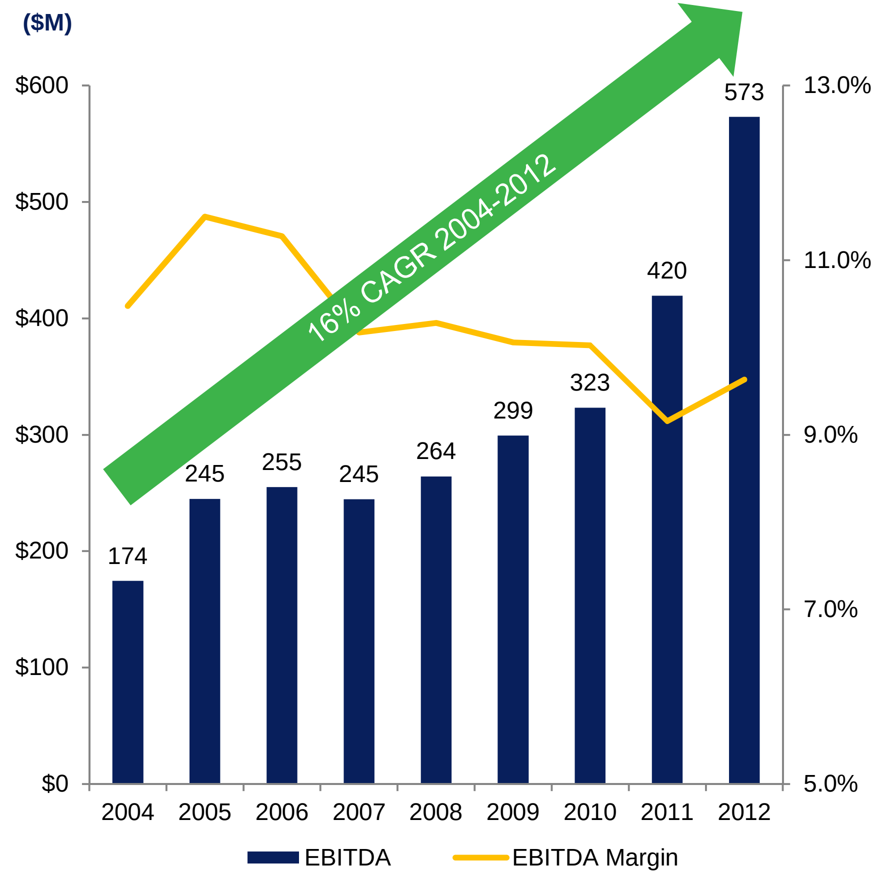
Source: Company website, Company financials, Vanguard management presentation

Both Management Teams Bring Strong Growth Track Records to Combination

Tenet



Vanguard (a)



(a) Source: Vanguard Management.
Figures shown on fiscal year basis.
Vanguard EBITDA does not reflect the effect of stock based compensation.

Synergies are Significant and Achievable

Clearly Identified Through Cost Savings, Benefits of Scale and Operating Opportunities

Projected Synergies

$100 - 200 million

Synergy Area	Estimated Timing
• Revenue Cycle Management Efficiency and Improvement	12-24 months
• Overhead Reduction	6-18 months
• Supply Chain Management and Other Operational Improvement	12-24 months

50% Projected to be Achieved Within the First Year Post-Closing

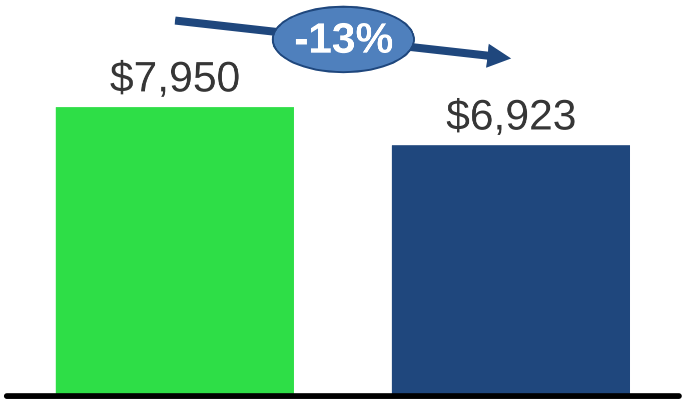
Tenet

Analysis Shows Clear Synergy Opportunities

Opportunities exist within Vanguard's acute care portfolio to capture synergies through cost optimization

- A large Vanguard market shows potential for cost reduction in operating expenses when compared to a set of Tenet comparable facilities

Cost metric	Example Vanguard market (Q3 FY2013 YTD)	Tenet comparable facilities (FY2012)
Total operating expense per adj. discharge ($, acuity-adjusted)	$7,950	$6,923



Source: Vanguard financials, Tenet financials

Tenet Retains Significant Financial Flexibility

- Modest multiple compared to historical industry transactions
- NPV of expected synergies of approximately $1.4 billion
- Committed financing in place from Bank of America Merrill Lynch
  - Tenet to refinance Vanguard debt at attractive rates
- Pro forma debt/EBITDA leverage ratios to decrease within first year after closing
  - Projected at 4.75x-5.0x by year-end 2014
  - Longer term post-acquisition leverage target of 4.25x-4.75x
- Tenet's existing share repurchase program to continue uninterrupted
- Existing NOLs of approximately $1.5 billion to be utilized across the earnings of the combined organization

Next Steps and Road to Completion

- Definitive agreement – no Tenet shareholder vote; voting commitments received from Vanguard controlling shareholders
- Regulatory approvals expected
  - Hart-Scott-Rodino
  - State and local approvals as required
- Tenet intends to complete existing share repurchase program in 2013
- Integration team assembled and ready to be deployed immediately upon closing
- Closing expected by year end 2013

Transaction Enhances Shareholder Value

Reconciliation of EBITDA

Adjusted EBITDA, a non-GAAP term, is defined by the Company as net income (loss) attributable to Tenet Healthcare Corporation common shareholders before (1) the cumulative effect of changes in accounting principle, net of tax; (2) net loss (income) attributable to noncontrolling interests; (3) preferred stock dividends; (4) income (loss) from discontinued operations, net of tax; (5) income tax benefit (expense); (6) investment earnings (loss); (7) gain (loss) from early extinguishment of debt; (8) net gain (loss) on sales of investments; (9) interest expense; (10) litigation and investigation benefit (costs), net of insurance recoveries; (11) hurricane insurance recoveries, net of costs; (12) impairment and restructuring charges, and acquisition-related costs; and (13) depreciation and amortization. The Company's Adjusted EBITDA may not be comparable to EBITDA reported by other companies.

The Company provides this information as a supplement to GAAP information to assist itself and investors in understanding the impact of various items on its financial statements, some of which are recurring or involve cash payments. The Company uses this information in its analysis of the performance of its business excluding items that it does not consider as relevant in the performance of its hospitals in continuing operations. In addition, from time to time we use this measure to define certain performance targets under our compensation programs. Adjusted EBITDA is not a measure of liquidity, but is a measure of operating performance that management uses in its business as an alternative to net income (loss) attributable to Tenet Healthcare Corporation common shareholders. Because Adjusted EBITDA excludes many items that are included in our financial statements, it does not provide a complete measure of our operating performance. Accordingly, investors are encouraged to use GAAP measures when evaluating the Company's financial performance. The reconciliation of net income (loss) attributable to Tenet Healthcare Corporation common shareholders, the most comparable GAAP term, to Adjusted EBITDA, is set forth below.

Dollars in Millions

	2004	2005	2006	2007	2008	2009	2010	2011	2012
Net Income (Loss) Attributable to Common Shareholders	$ (2,806)	$ (724)	$ (803)	$ (89)	$ 25	$ 181	$ 1,119	$ 58	$ 141
Less: Net income (loss) from noncontrolling interests	3	(2)	(7)	(4)	(7)	(10)	(9)	(12)	19
Preferred stock dividends	0	0	0	0	0	(6)	(24)	(24)	(11)
Income (loss) from cumulative effect of accounting change	0	(16)	2	0	0	0	0	0	0
Income (loss) from discontinued operations, net of tax	(1,024)	(422)	52	(39)	(36)	(17)	17	(9)	(76)
Income (loss) from continuing operations	(1,785)	(284)	(850)	(46)	68	214	1,135	103	209
Income tax benefit (expense)	(300)	82	258	59	25	23	977	(61)	(125)
Income (loss) from continuing operations, before income taxes	(1,485)	(366)	(1,108)	(105)	43	191	158	164	334
Net gain on sales of investments	8	4	5	0	139	15	0	0	0
Investment earnings	20	59	62	47	22	0	5	3	1
Interest expense	(333)	(403)	(408)	(419)	(418)	(445)	(424)	(375)	(412)
Net gain (loss) from extinguishment of long-term debt	(13)	(15)	0	0	0	97	(57)	(117)	(4)
Operating income (loss)	(1,167)	(11)	(767)	267	300	524	634	653	749
Litigation and investigation costs	(74)	(212)	(766)	(12)	(41)	(31)	(12)	(55)	(5)
Hurricane insurance recoveries, net of costs	0	(7)	14	3	0	0	0	0	0
Impairment and restructuring charges, and acquisition-related costs	(1,208)	(26)	(312)	(36)	(16)	(27)	(10)	(20)	(19)
Depreciation and amortization	(281)	(291)	(301)	(324)	(357)	(373)	(380)	(398)	(430)
Adjusted EBITDA	$ 396	$ 525	$ 598	$ 636	$ 714	$ 955	$ 1,036	$ 1,126	$ 1,203

For a presentation of Vanguard's reconciliation of Adjusted EBITDA to financial measures calculated in accordance with GAAP, see Exhibits 99.1 and 99.2 to Vanguard's Reports on Form 8-K filed with the SEC on August 23, 2012, August 25, 2011, August 26, 2010, September 1, 2009, September 22, 2008, September 18, 2007, September 19, 2006, September 12, 2005 and August 9, 2004.

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