Quarterly Results Presentation

Fourth Quarter of 2016

February 27, 2017

FORWARD-LOOKING STATEMENTS

Certain statements in this presentation constitute “forward-looking statements” – that is, statements that relate to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance and financial condition, and often contain words such as “expect,” “assume,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “see,” or “will.” Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include, but are not limited to, the factors disclosed under “Forward-Looking Statements” and “Risk Factors” in our Form 10-K for the year ended December 31, 2016 and other filings with the Securities and Exchange Commission.

NON-GAAP FINANCIAL INFORMATION

This presentation contains non-GAAP financial measures. Reconciliations of these non-GAAP measures to the most comparable GAAP measure are included in the financial tables at the end of this presentation as well as at the end of the Company’s press release dated February 27, 2017.

2016 Strategic Highlights

Strengthened Acute Care Hospital Business

- ✓ Increased percentage of markets with top two share positions to 72%
- ✓ Initiated a process to sell or exit our health plan business
- ✓ Enhanced operational efficiencies through new supply chain agreement with HPG, in-sourcing of purchasing functions, and other activities designed to control growth in costs per adjusted admission
- ✓ Negotiated multi-year contract renewals with major payers, including UnitedHealthcare and Centene

Expanded Ambulatory Business

- ✓ Gained three new health system partners and grew existing relationships
- ✓ Added 19 facilities through acquisitions and de novos (nine ambulatory surgery centers, eight urgent care centers and two imaging centers)
- ✓ Increased ownership stake in USPI (Tenet now owns ~56% and expects to use approximately $320-$340 million to increase its ownership stake in USPI to ~69% in 2017)

Broadened Conifer Client Base

- ✓ Added new clients in revenue cycle and value-based care businesses
- ✓ Expanded engagements with existing clients
- ✓ Achieved No. 1 ranking for large hospital revenue cycle management in Black Book survey for 4th consecutive year

2016 Financial Highlights

- **Adjusted EBITDA was $2.413 billion, up 6% from 2015**
  - The results of the health plan business lowered Adjusted EBITDA by $37 million in 2016.
  - The Company's initial Adjusted EBITDA Outlook for 2016 of $2.4 billion to $2.5 billion assumed breakeven results from the health plan business.
- **Hospital segment delivered solid same-hospital patient revenue growth of 4.8% in 2016**
  - Adjusted admissions increased 0.9% on a same-hospital basis.
  - Admissions decreased 0.2% on a same-hospital basis.
  - Revenue per adjusted admission increased 3.8%.
  - Uncompensated care declined 90 basis points to 20.9% of adjusted revenue in 2016, down from 21.8% in 2015.
  - Hospital segment Adjusted EBITDA was $1.521 billion in 2016, representing an increase of approximately 10% after adjusting for acquisitions, divestitures and an anticipated decline in electronic health record incentives.
- **Ambulatory Care segment delivered strong same-facility system-wide revenue growth of 9.6% in 2016**
  - Cases increased 5.2% and revenue per case increased 4.2% on a same-facility system-wide basis in 2016.
  - Ambulatory Care Adjusted EBITDA was $615 million, up 25.8% on a pro forma basis in 2016.
  - Ambulatory Care Adjusted EBITDA less facility-level NCI was $395 million, up 14.2% on a pro forma basis in 2016.
- **Conifer's revenue increased 11.2% to $1.571 billion driven by a 23.2% increase in third party revenue**
  - Conifer's Adjusted EBITDA was $277 million, up 4.5% from 2015 and was up 8.6% after excluding a $10 million non-recurring benefit in 1Q'15.
  - Third party revenue growth at Conifer includes business retained from hospitals that Tenet has sold over the past year.
- **Adjusted Free Cash Flow was $380 million in 2016, below our Outlook of $400 to $600 million**
  - Adjusted Free Cash Flow was negatively affected by an unanticipated increase in AR days in Q4'16 and an $80 million payment delay by the State of California.
  - Free Cash Flow was an outflow of $317 million in 2016, including $517 million of payments related to the resolution of the Clinica de la Mama matter in Q4'16.

Q4’16 Financial Highlights

- **Adjusted EBITDA was $613 million in Q4’16**
  - The health plan business lowered Adjusted EBITDA by $29 million in Q4’16.
  - The fourth quarter Adjusted EBITDA Outlook of $600 million to $650 million assumed that the health plan business would lower Adjusted EBITDA by $15 million.
  - Our results were also negatively impacted by Hurricane Matthew, which affected more than 12 hospitals and 50 outpatient centers for one or more days.
- **Hospital segment delivered 3.2% same-hospital patient revenue growth in Q4’16**
  - Adjusted admissions decreased 0.5% on a same-hospital basis and grew 1.1% excluding patients insured by Humana in both periods.
  - Admissions decreased 0.2% on a same-hospital basis and grew 1.3% excluding patients insured by Humana in both periods.
  - Revenue per adjusted admission increased 3.7%.
  - Uncompensated care declined 50 basis points to 21.5% of adjusted revenue, down from 22.0% in Q4’15.
  - Hospital segment Adjusted EBITDA was $358 million in Q4’16, representing an increase of approximately 20% after adjusting for acquisitions, divestitures and an anticipated decline in electronic health record incentives.
- **Ambulatory Care same-facility system-wide revenue grew 5.9% in Q4’16**
  - Cases increased 1.7% and revenue per case increased 4.1% on a same-facility system-wide basis.
  - One fewer surgical day in Q4’16 lowered case growth by approximately 160 basis points.
  - Ambulatory Care Adjusted EBITDA was $183 million, up 15.8% from $158 million in Q4’15.
  - Ambulatory Care Adjusted EBITDA less facility-level NCI was $115 million, up 4.5% from $110 million in Q4’15.
- **Conifer’s revenue increased 4.7% to $402 million driven by a 16.0% increase in third party revenue**
  - Adjusted EBITDA increased 18.0% to $72 million, representing a margin of 17.9%.

Strategic Priorities in 2017

- **Driving hospital organic revenue growth and margin expansion.**
  - Growing key service lines
  - Adding patient access points
  - Opening several large hospital construction projects
- **Completing hospital divestitures and allocating the capital to higher return investments across the capital structure.**
- **Exiting the health plan, home health, and hospice businesses.**
- **Expanding ambulatory platform through acquisitions and de novo opportunities.**
- **Increasing Tenet's ownership of USPI.**
- **Enhancing Conifer's core capabilities and implementing initiatives to drive growth.**
- **Reducing the Company's ratio of debt-to-EBITDA.**
- **Improving Adjusted Free Cash Flow.**

Hospital Operations & Other Segment

Same-hospital growth rates	Q1'15 [1]	Q2'15	Q3'15	Q4'15	2015	Q1'16	Q2'16	Q3'16	Q4'16	2016
Adjusted Admissions	4.7%	2.3%	0.7%	0.3%	**2.4%**	2.2%	0.5%	1.4%	-0.5%	**0.9%**
Admissions	2.0%	1.7%	-0.6%	-1.8%	**1.1%**	-0.1%	-1.1%	0.4%	-0.2%	**-0.2%**
Revenue Per Adjusted Admission [2]	4.7%	4.5%	5.8%	0.3%	**3.1%**	3.7%	3.9%	3.9%	3.7%	**3.8%**
Inpatient Surgeries	5.7%	1.9%	-0.2%	-0.9%	**0.8%**	0.2%	-0.1%	0.2%	-2.0%	**-0.4%**
Outpatient Surgeries	8.1%	1.2%	1.5%	0.6%	**1.3%**	5.6%	2.0%	-3.6%	-1.5%	**0.5%**
Emergency Department Visits	6.1%	2.4%	1.5%	-0.6%	**2.7%**	4.8%	0.9%	0.5%	-0.7%	**1.3%**
Total Outpatient Visits	7.2%	4.6%	3.0%	3.0%	**4.5%**	5.2%	0.8%	0.8%	-1.3%	**1.4%**

(1) Hospital segment statistics have been restated to exclude the 49 surgery centers and 20 imaging centers that Tenet contributed to the joint venture with United Surgical Partners International (USPI). Prior to the joint venture with USPI, these outpatient revenues and volumes had been included in our hospitals' calculation of adjusted admissions, revenue per adjusted admission, outpatient surgeries and total outpatient visits.

(2) Year-over-year metrics from Q1’14 though Q4’15 were impacted by the full year 2014 California Provider revenues not being recorded until Q4’14 due to the timing of the approval of the program. After normalizing for differences related to the timing of the recognition of California Provider Fee revenue in Q4'14, same hospital revenue per adjusted admission increased 3.2% in Q4'15.

Uncompensated Care Trends

$ in millions	Q1 '15	Q2 '15	Q3 '15	Q4 '15	2015	Q1 '16	Q2 '16	Q3 '16	Q4 '16	2016
Net Revenue before bad debt	$4,787	$4,843	$5,064	$5,417	**$20,111**	$5,420	$5,220	$5,216	$5,214	**$21,070**
Bad Debt Expense	$363	$352	$371	$391	**$1,477**	$376	$352	$367	$354	**$1,449**
% of revenue before bad debt	*7.6%*	*7.3%*	*7.3%*	*7.2%*	***7.3%***	*6.9%*	*6.7%*	*7.0%*	*6.8%*	***6.9%***
% of adjusted revenue [(1)]	*6.4%*	*6.2%*	*6.2%*	*6.1%*	***6.2%***	*5.9%*	*5.8%*	*6.0%*	*5.7%*	***5.8%***
Charity Care Write-Offs	$174	$199	$268	$255	**$896**	$220	$152	$228	$212	**$812**
% of adjusted revenue [(1)]	*3.1%*	*3.5%*	*4.5%*	*4.0%*	***3.8%***	*3.5%*	*2.5%*	*3.7%*	*3.4%*	***3.3%***
Uninsured Discounts	$699	$675	$664	$774	**$2,812**	$713	$706	$723	$766	**$2,908**
% of adjusted revenue [(1)]	*12.3%*	*11.8%*	*11.1%*	*12.0%*	***11.8%***	*11.2%*	*11.6%*	*11.7%*	*12.4%*	***11.7%***
Uncompensated Care [(2)]	**$1,236**	**$1,226**	**$1,303**	**$1,420**	**$5,185**	**$1,309**	**$1,210**	**$1,318**	**$1,332**	**$5,169**
Uncompensated Care Percentage [(3)]	**21.8%**	**21.4%**	**21.7%**	**22.0%**	**21.8%**	**20.6%**	**19.9%**	**21.4%**	**21.5%**	**20.9%**

(1) Adjusted Revenue equals the sum of: a) Net operating revenues before provision for doubtful accounts, b) Charity Care Write-Offs, and c) Uninsured Discounts.

(2) Uncompensated Care equals the sum of: a) Bad debt, b) Charity Care Write-Offs, and c) Uninsured Discounts.

(3) The Uncompensated Care Percentage equals: a) Uncompensated Care, divided by b) Adjusted Revenue.

Ambulatory Care Segment

Same-facility system-wide growth [1]	USPI only Q1 '15 [2]	<---------- Pro forma [3] Q2 '15	Q3 '15	Q4 '15	Q1 '16	Q2 '16	Q3 '16	Q4 '16 ---------->	2016
Surgical (ASCs, Surgical Hospitals & Aspen)									
Revenue	8.8%	6.7%	9.9%	12.5%	11.0%	11.8%	9.9%	6.0%	**9.7%**
Cases	4.7%	4.8%	5.3%	6.3%	9.0%	5.1%	4.1%	1.5%	**5.0%**
Revenue per case	3.9%	1.8%	4.3%	5.9%	1.9%	6.3%	5.5%	4.5%	**4.5%**
Non-Surgical (Imaging & Urgent Care)									
Revenue	-	12.4%	15.5%	11.5%	10.9%	9.7%	4.2%	2.9%	**7.3%**
Visits	-	13.9%	9.5%	9.3%	8.1%	5.4%	3.7%	2.2%	**5.4%**
Revenue per visit	-	-1.3%	5.5%	2.0%	2.6%	4.2%	0.5%	0.7%	**1.8%**
Ambulatory Segment Total									
Revenue	-	6.9%	10.1%	12.5%	11.0%	11.7%	9.7%	5.9%	**9.6%**
Cases	-	6.8%	6.3%	6.9%	8.6%	5.2%	4.0%	1.7%	**5.2%**
Revenue per case	-	0.1%	3.5%	5.2%	2.2%	6.1%	5.5%	4.1%	**4.2%**

(1) Same-facility system-wide includes the results of both consolidated and unconsolidated facilities.

(2) The growth rates presented for Q1'15 are based on the same-facility system-wide growth rates reported by USPI-only and exclude: a) the results of Aspen, b) CareSpot, and c) the surgery and imaging centers that Tenet contributed to the USPI joint venture.

(3) The pro forma growth rates for the Ambulatory Segment shown from Q2'15 to Q4'16 include: a) USPI facilities, including its ambulatory surgery centers and surgical hospitals, b) Aspen, c) the surgery and imaging centers that Tenet contributed to the USPI joint venture, and d) CareSpot on a same-facility system-wide basis. Note that CareSpot was acquired by USPI on 12/31/2015 and is included in the growth rates starting in Q1'16.

Ambulatory Care Segment (continued)

$ in millions	Q1'15	Q2'15	Q3'15	Q4'15	2015	Q1'16	Q2'16	Q3'16	Q4'16	2016
Net operating revenues	$295	$322	$329	$397	$1,343	$429	$442	$448	$478	$1,797
% growth	*13.9%*	*12.6%*	*14.6%*	*28.9%*	*17.8%*	*45.4%*	*37.3%*	*36.2%*	*20.4%*	*33.8%*
Equity in earnings of unconsolidated affiliates	$21	$28	$30	$47	$126	$25	$26	$28	$43	$122
Adjusted EBITDA	**$94**	**$115**	**$122**	**$158**	**$489**	**$136**	**$139**	**$157**	**$183**	**$615**
% growth	***19.0%***	***4.5%***	***17.3%***	***17.9%***	***14.5%***	***44.7%***	***20.9%***	***28.7%***	***15.8%***	***25.8%***
Net income attributable to noncontrolling interests [1]	$27	$31	$37	$48	$143	$46	$52	$54	$68	$220
Adjusted EBITDA less NCI (prior to Welsh Carson related NCI) [2]	**$67**	**$84**	**$85**	**$110**	**$346**	**$90**	**$87**	**$103**	**$115**	**$395**
% growth	***13.6%***	***2.4%***	***18.1%***	***8.9%***	***10.2%***	***34.3%***	***3.6%***	***21.2%***	***4.5%***	***14.2%***
Net income attributable to Welsh Carson's ownership interest [2][3][4][5][6]	$7	$11	$11	$17	$46	$11	$8	$14	$18	$51
Adjusted EBITDA less NCI (after Welsh Carson related NCI) [2]	**$60**	**$73**	**$74**	**$93**	**$300**	**$79**	**$79**	**$89**	**$97**	**$344**
% growth	***9.1%***	***2.8%***	***12.1%***	***9.4%***	***8.3%***	***31.7%***	***8.2%***	***20.3%***	***4.3%***	***14.7%***
Adjusted EBITDA margin	*31.9%*	*35.7%*	*37.1%*	*39.8%*	*36.4%*	*31.7%*	*31.4%*	*35.0%*	*38.3%*	*34.2%*
Adjusted EBITDA less NCI Margin (prior to Welsh Carson related NCI)	*22.7%*	*26.1%*	*25.8%*	*27.7%*	*25.8%*	*21.0%*	*19.7%*	*23.0%*	*24.1%*	*22.0%*

Note: These figures represent the pro forma financial results for Tenet's Ambulatory Care segment, including the results for USPI, Aspen and the surgery and imaging centers contributed by Tenet to the USPI joint venture for all periods shown.

(1) Represents subsidiary level NCI expense prior to Tenet recording additional NCI expense related to Welsh Carson's and other USPI shareholders' ownership interest in the USPI joint venture.

(2) The amount labeled as Welsh Carson related NCI represents noncontrolling interest expense related to Welsh Carson's and other USPI shareholders' ownership interest in the USPI joint venture; neither Tenet nor USPI intend to make cash distributions to Welsh Carson or other USPI shareholders.

(3) Welsh Carson related NCI expense was $37 million in Q4'15, but would have been $17 million excluding gains not included in Adjusted EBITDA.

(4) Welsh Carson related NCI expense was $29 million in Q1'16, but would have been $11 million excluding gains not included in Adjusted EBITDA.

(5) Welsh Carson related NCI expense was $15 million in Q3'16, but would have been $14 million excluding gains not included in Adjusted EBITDA.

(6) Welsh Carson related NCI expense was $13 million in Q4'16, but would have been $18 million excluding charges not included in Adjusted EBITDA. During 2016, Welsh Carson related NCI expense was $65 million, but would have been $51 million excluding gains and charges not included in Adjusted EBITDA.

Conifer Health Solutions Segment

Revenue grew 4.7% to $402 million, driven by 16% growth in revenue from non-Tenet customers

- Adjusted EBITDA grew 18.0% year-over-year to $72 million in Q4’16.
- Third party revenue growth at Conifer includes business retained from hospitals that Tenet has sold over the past year.
- The decline in revenue from Tenet’s hospitals in 2016 is due to divestitures.
- Anticipate Adjusted EBITDA of $280-$290 million in 2017, representing growth of 1%-5% from 2016. The growth rate in 2017 is being affected by:
  - The loss of earnings that Conifer previously generated from Tenet’s health plan business.
  - Start-up costs on new contracts, including Verity and WellStar.
  - Driving a greater level of cash flow performance for Tenet’s hospitals.

$ in millions	Q1'15 [1]	Q2'15	Q3'15	Q4'15	2015	Q1'16	Q2'16	Q3'16	Q4'16	2016
Revenue from Tenet	$160	$165	$163	$178	$666	$167	$162	$159	$163	$651
% growth	*14.3%*	*19.6%*	*10.1%*	*7.9%*	*12.7%*	*4.4%*	*-1.8%*	*-2.5%*	*-8.4%*	*-2.3%*
Other Customers	$182	$175	$184	$206	$747	$218	$224	$239	$239	$920
% growth	*25.5%*	*19.0%*	*24.3%*	*27.2%*	*24.1%*	*19.8%*	*28.0%*	*29.9%*	*16.0%*	*23.2%*
Revenue	**$342**	**$340**	**$347**	**$384**	**$1,413**	**$385**	**$386**	**$398**	**$402**	**$1,571**
% growth	*20.0%*	*19.3%*	*17.2%*	*17.4%*	*18.4%*	*12.6%*	*13.5%*	*14.7%*	*4.7%*	*11.2%*
Adjusted EBITDA	**$82**	**$60**	**$62**	**$61**	**$265**	**$63**	**$63**	**$79**	**$72**	**$277**
% growth	*70.8%*	*36.4%*	*31.9%*	*-4.7%*	*30.5%*	*-23.2%*	*5.0%*	*27.4%*	*18.0%*	*4.5%*
Adjusted EBITDA Margin	**24.0%**	**17.6%**	**17.9%**	**15.9%**	**18.8%**	**16.4%**	**16.3%**	**19.8%**	**17.9%**	**17.6%**

(1) Conifer's Adjusted EBITDA in Q1'15 benefitted from approximately $10 million of non-recurring customer incentive revenue.

Note: Tenet and Catholic Health Initiatives represented approximately 75% of Conifer's revenue in Q4'16.

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Tenet Outlook for 2017

$ in millions, except EPS	2017 Outlook
Net Revenue	$19,700 - $20,100
Adjusted EBITDA [(1)]	$2,500 - $2,600
Adjusted EBITDA Margin [(1)]	12.7% - 12.9%
Adjusted diluted E.P.S. from continuing operations [(1)]	$1.05 - $1.30
Adjusted Cash Flow from Operations [(1)]	$1,300 - $1,550
Capital Expenditures	$700 - $750
Adjusted Free Cash Flow [(1)]	$600 - $800
Assumptions:	
Bad Debt Ratio	6.75% - 7.25%
Total Hospital Expenses per Adjusted Admission Growth	2.5% - 3.5%
Equity in Earnings of Unconsolidated Affiliates	$145 - $155
Electronic Health Record Incentives	$8 - $10
Depreciation and Amortization	$860 - $880
Interest Expense	$1,025 - $1,035
Effective Tax Rate [(2)]	19% - 21%
Net Income Attributable to Noncontrolling Interests [(3)]	$390 - $410
Fully diluted weighted average shares outstanding	102

Note: The Outlook for 2017: a) includes a full year of financial results from hospitals which may be divested in 2017; b) assumes that the new California Provider Fee program is approved by December 31, 2017; and c) excludes approximately $30 million of negative Adjusted EBITDA that the Company expects to incur in its health plan business prior to the sale or exit of this business in 2017.

(1) Excludes restructuring charges, acquisition-related costs, litigation costs and settlements, discontinued operations, and gains on sales, consolidation and deconsolidation of facilities.

(2) In order to estimate Tenet's income tax expense in 2017, the following formula should be used: a) start with pre-tax income, which is estimated to be $615-$685 million; b) subtract GAAP NCI expense, which is estimated to be $390-$410 million in 2017; c) add back permanent differences and non-deductible items, which are estimated to be approximately $25-$35 million in 2017; d) add back approximately $45 million of non-cash NCI expense that Tenet is recognizing related to the portion of USPI that the company does not own; and, e) multiply the result by a 40% tax rate. The result is an effective tax rate of approximately 19%-21% on Tenet's pre-tax income.

(3) This represents GAAP NCI expense to be recorded on the income statement, including approximately $45 million related to portion of USPI that Tenet does not own and approximately $50-$55 million related to the portion of Conifer that Tenet does not own. Cash distributions paid to noncontrolling interests are expected to be $280-$320 million.

Segment Outlook for 2017 and Beyond

Outlook for 2017

Hospital Operations and Other Segment

Adjusted EBITDA	$1.525 - $1.595 billion
Noncontrolling Interest [1]	$40 - $45 million
Net Patient Revenue Growth [2]	2% - 4%
Pro forma Adjusted EBITDA Growth [3]	1% - 6%
Adjusted Admissions Growth [2]	(1.0%) - 1.0%
Net Revenue per Adjusted Admission [2]	2.5% - 3.5%
Admissions Growth [2]	(1.0%) - 1.0%

(1) Based on GAAP NCI expense.

(2) Growth rates on a same hospital basis.

(3) Excluding: a) Electronic health record incentives in both 2016 and 2017, b) $25 million of EBITDA in Q1'16 generated by hospitals that have been divested, and c) $37 million of health plan losses in 2016.

Ambulatory Segment

Adjusted EBITDA	$695 - $715 million
Noncontrolling Interest [1]	$300 - $310 million
Net Revenue Growth [2]	4% - 6%
Adjusted EBITDA Growth	13% - 16%
Adjusted EBITDA less NCI Growth [3]	11% - 14%
Case Growth [2]	2.0% - 3.0%
Net Revenue per Case Growth [2]	2.0% - 3.0%

(1) Based on GAAP NCI expense, including approximately $45 million related to portion of USPI that Tenet does not own.

(2) Growth rates on a same facility system wide basis.

(3) Represents the expected growth in EBITDA less facility-level NCI. Calculated using $395 million of Ambulatory segment EBITDA less facility level NCI in 2016. This calculation excludes $65 million of NCI in 2016 and an estimated $45 million in 2017 related to the portion of USPI that Tenet does not own.

Conifer Segment

Adjusted EBITDA	$280 - $290 million
Noncontrolling Interest [1]	$50 - $55 million
Net Revenue Growth	3% - 5%
Adjusted EBITDA Growth	1% - 5%

(1) Based on GAAP NCI expense. Cash NCI distributions will be zero.

Long Term Growth Expectations

Hospital Operations and Other Segment Adjusted EBITDA Growth	Ambulatory Segment Adjusted EBITDA less NCI Growth [1]	Conifer Segment Adjusted EBITDA Growth
3% - 5%	8% - 10%	5% - 7%

(1) Represents organic EBITDA less facility level NCI growth of 4-6% plus growth from acquisitions.

Summary

- ✓ *Adjusted EBITDA was $613 million in the quarter and would have exceeded the midpoint of our Outlook range excluding greater than anticipated losses from our health plans*
- ✓ *Hospital segment delivered solid same-hospital patient revenue growth of 3.2% in the quarter*
  - *Adjusted admissions declined 0.5% and grew 1.1% excluding patients insured by Humana*
  - *Improved acuity contributed to the 3.7% increase in revenue per adjusted admission*
- ✓ *Ambulatory Care segment delivered strong same-facility system-wide revenue growth of 5.9% in the quarter, with cases increasing 1.7%, and Adjusted EBITDA less facility-level NCI growth of 4.5%*
- ✓ *Conifer grew revenue by 4.7% and Adjusted EBITDA by 18.0%, delivering a margin of 17.9%, in the quarter*
- ✓ *Adjusted Free Cash Flow was $380 million in 2016 and is expected to be $600-$800 million in 2017*
- ✓ *We are pursuing the sale of additional hospitals and exiting our health plan business in 2017*
- ✓ *Adjusted EBITDA expected to be $2.5 billion to $2.6 billion in 2017, representing growth of 4% to 8%*
  - *Expect to deliver Adjusted EBITDA growth of 2% to 6% in 2017, excluding health plan losses in both 2016 and 2017*

Appendix and Reconciliation of Non-GAAP Financial Measures

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Non-GAAP Financial Measures

Adjusted EBITDA, a non-GAAP measure, 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, (2) net loss (income) attributable to noncontrolling interests, (3) income (loss) from discontinued operations, (4) income tax benefit (expense), (5) investment earnings (losses), (6) gain (loss) from early extinguishment of debt, (7) interest expense, (8) litigation and investigation (costs) benefit, net of insurance recoveries, (9) net gains (losses) on sales, consolidation and deconsolidation of facilities, (10) impairment and restructuring charges and acquisition-related costs, and (11) depreciation and amortization. Litigation and investigation costs do not include ordinary course of business malpractice and other litigation and related expense.

Adjusted net income from continuing operations, a non-GAAP measure, is defined by the Company as net income (loss) attributable to Tenet Healthcare Corporation common shareholders before (1) impairment and restructuring charges, and acquisition-related costs, (2) litigation and investigation costs, (3) gains on sales, consolidation and deconsolidation of facilities, (4) the associated impact of these three items on taxes and noncontrolling interests, and (5) net income (loss) from discontinued operations. Adjusted diluted earnings per share from continuing operations, a non-GAAP term, is defined by the Company as Adjusted net income from continuing operations divided by the weighted average diluted shares outstanding in the reporting period.

Free Cash Flow, a non-GAAP measure, is defined by the Company as (1) net cash provided by (used in) operating activities, less (2) purchases of property and equipment from continuing operations.

Adjusted Free Cash Flow, a non-GAAP measure, is defined by the Company as (1) Adjusted net cash provided by (used in) operating activities from continuing operations, less (2) purchases of property and equipment from continuing operations. Adjusted net cash provided by (used in) operating activities, a non-GAAP measure, is defined by the Company as cash provided by (used in) operating activities prior to (1) payments for restructuring charges, acquisition-related costs and litigation costs and settlements, and, (2) net cash provided by (used in) operating activities from discontinued operations.

The Company believes the foregoing non-GAAP measures are useful to investors and analysts because they present additional information on the Company's financial performance. Investors, analysts, Company management and the Company's Board of Directors utilize these non-GAAP measures, in addition to GAAP measures, to track the company's financial and operating performance and compare the Company's performance to its peer companies, which utilize similar non-GAAP measures in their presentations. The Human Resources Committee of the Company's Board of Directors also uses certain of these measures to evaluate management's performance for the purpose of determining incentive compensation. Additional information regarding the purpose and utility of specific non-GAAP measures used in this release is set forth below.

(continued on the following page)

Non-GAAP Financial Measures

(continued from the prior page)

The Company believes that Adjusted EBITDA is a useful measure, in part, because certain investors and analysts use both historical and projected Adjusted EBITDA, in addition to other GAAP and non-GAAP measures, as factors in determining the estimated fair value of shares of the Company's common stock. Company management also regularly reviews the Adjusted EBITDA performance for each operating segment. The Company does not use Adjusted EBITDA to measure liquidity, but instead to measure operating performance.

We use, and we believe investors and analysts use, Free Cash Flow and Adjusted Free Cash Flow as supplemental measures to analyze cash flows generated from our operations because we believe it is useful to investors in evaluating our ability to fund distributions paid to noncontrolling interests, acquisitions, purchasing equity interests in joint ventures or repaying debt.

These non-GAAP measures may not be comparable to similarly titled measures reported by other companies. Because these measures exclude many items that are included in our financial statements, they do not provide a complete measure of our operating performance. For example, the Company's definitions of Free Cash Flow and Adjusted Free Cash Flow do not include other important uses of cash including (1) cash used to purchase businesses or joint venture interests, or (2) any items that are classified as Cash Flows From Financing Activities on the Company's Consolidated Statement of Cash Flows, including items such as (i) cash used to repay borrowings, (ii) distributions paid to noncontrolling interests, or (iii) payments under the Put/Call Agreement for USPI redeemable noncontrolling interest, which are recorded on the Statement of Cash Flows as the purchase of noncontrolling interest. Accordingly, investors are encouraged to use GAAP measures when evaluating the Company's financial performance.

A reconciliation of Adjusted EBITDA to net income (loss) attributable to Tenet Healthcare Corporation common shareholders, the most comparable GAAP measure, is set forth in Table #1 below for the three and twelve months ended December 31, 2016 and 2015. A reconciliation of Adjusted net income from continuing operations to net income (loss) attributable to Tenet Healthcare Corporation common shareholders, the most comparable GAAP measure, is set forth in Table #2 below for the three and twelve months ended December 31, 2016 and 2015. A reconciliation of Free Cash Flow and Adjusted Free Cash Flow to net cash provided by (used in) operating activities, the most comparable GAAP measure, is set forth in Table #3 below for the three and twelve months ended December 31, 2016 and 2015.

Table #1 – Reconciliation of Adjusted EBITDA to Loss Attributable to Tenet Healthcare Corporation Common Shareholders

(Unaudited)

(Dollars in millions)	Three Months Ended December 31,		Years Ended December 31,	
	2016	2015	2016	2015
Net loss attributable to Tenet Healthcare Corporation common shareholders	**$ (79)**	**$ (97)**	**$ (192)**	**$ (140)**
Less: Net income attributable to noncontrolling interests	(102)	(99)	(368)	(218)
Net income (loss) from discontinued operations, net of tax	—	3	(5)	2
Net income (loss) from continuing operations	23	(1)	181	76
Income tax expense	(6)	(68)	(67)	(68)
Investment earnings	6	1	8	1
Loss from early extinguishment of debt	—	(1)	—	(1)
Interest expense	(249)	(248)	(979)	(912)
Operating income	272	315	1,219	1,056
Litigation and investigation costs	(2)	(224)	(293)	(291)
Gains on sales, consolidation and deconsolidation of facilities	—	186	151	186
Impairment and restructuring charges, and acquisition-related costs	(121)	(52)	(202)	(318)
Depreciation and amortization	(218)	(208)	(850)	(797)
Adjusted EBITDA	**$ 613**	**$ 613**	**$ 2,413**	**$ 2,276**
Net operating revenues	**$ 4,860**	**$ 5,026**	**$ 19,621**	**$ 18,634**
Net loss from continuing operations as a % of operating revenues	**(1.6)%**	**(2.0)%**	**(1.0)%**	**(0.8)%**
Adjusted EBITDA as % of net operating revenues (Adjusted EBITDA margin)	**12.6 %**	**12.2 %**	**12.3 %**	**12.2 %**

Table #2 – Pre-Tax, After-Tax and Earnings Per Share Impact of Certain Items on Continuing Operations

(Unaudited)

(Dollars in millions except per share amounts)	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015	Years Ended December 31, 2016	Years Ended December 31, 2015
Adjustments to calculate Adjusted Diluted EPS		(Expense) Income		
Impairment and restructuring charges, and acquisition-related costs	$ (121)	$ (52)	$ (202)	$ (318)
Litigation and investigation costs	(2)	(224)	(293)	(291)
Loss from early extinguishment of debt	—	(1)	—	(1)
Gain on sales, consolidation and deconsolidation of facilities	—	186	151	186
Pre-tax impact	$ (123)	$ (91)	$ (344)	$ (424)
Tax impact of above items	$ 33	$ (24)	$ 66	$ 94
Total after-tax impact	$ (90)	$ (115)	$ (278)	$ (330)
Noncontrolling interests impact	5	(20)	(14)	(20)
Total loss from items above	**$ (85)**	**$ (135)**	**$ (292)**	**$ (350)**
Net income available (loss attributable) to common shareholders	**$ (79)**	**$ (97)**	**$ (192)**	**$ (140)**
Less net income (loss) discontinued operations, net of tax	—	3	(5)	2
Net loss from continuing operations, net of tax	**$ (79)**	**$ (100)**	**$ (187)**	**$ (142)**
Net loss from adjustments above	85	135	292	350
Adjusted net income from continuing operations	**$ 6**	**$ 35**	**$ 105**	**$ 208**
Weighted average dilutive shares outstanding (in thousands)	**100,928**	**101,361**	**100,742**	**101,547**
Diluted loss per share from continuing operations	**$ (0.79)**	**$ (1.01)**	**$ (1.88)**	**$ (1.43)**
Adjusted diluted EPS from continuing operations	**$ 0.06**	**$ 0.35**	**$ 1.04**	**$ 2.05**

Table #3 – Reconciliations of Free Cash Flow and Adjusted Free Cash Flow

(Unaudited)

(Dollars in millions)	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015	Years Ended December 31, 2016	Years Ended December 31, 2015
Net cash provided by (used in) operating activities	**$ (293)**	**$ 191**	**$ 558**	**$ 1,026**
Purchases of property and equipment	(261)	(276)	(875)	(842)
Free cash flow	**$ (554)**	**$ (85)**	**$ (317)**	**$ 184**
Net cash provided by (used in) investing activities	**$ (280)**	**$ (45)**	**$ (430)**	**$ (1,317)**
Net cash provided by (used in) financing activities	**$ 640**	**$ (240)**	**$ 232**	**$ 454**
Net cash provided by (used in) operating activities	**$ (293)**	**$ 191**	**$ 558**	**$ 1,026**
Less:				
Payments for restructuring charges, acquisition-related costs, and litigation costs and settlements	(559)	(43)	(691)	(200)
Net cash used in operating activities from discontinued operations	(7)	(3)	(6)	(21)
Adjusted net cash provided by operating activities – continuing operations	**273**	**237**	**1,255**	**1,247**
Purchases of property and equipment – continuing operations	(261)	(276)	(875)	(842)
Adjusted free cash flow – continuing operations	**$ 12**	**$ (39)**	**$ 380**	**$ 405**

Table #4 – Reconciliation of Outlook Adjusted EBITDA to Outlook Net Income Attributable to Tenet Healthcare Corporation Common Shareholders

(Unaudited)

(Dollars in millions)	Q1 2017		2017	
	Low	High	Low	High
Net income (loss) attributable to Tenet Healthcare Corporation common shareholders	**$ (65)**	**$ (45)**	**$ 97**	**$ 133**
Less: Net (income) loss attributable to noncontrolling interests	(85)	(95)	(390)	(410)
Net loss from discontinued operations, net of tax	(5)	-	(10)	-
Income from continuing operations	25	50	497	543
Income tax benefit (expense)	15	10	(118)	(142)
Income from continuing operations, before income taxes	10	40	615	685
Interest expense	(250)	(260)	(1,025)	(1,035)
Operating income	260	300	1,640	1,720
Depreciation and amortization	(215)	(225)	(860)	(880)
Adjusted EBITDA	**$ 475**	**$ 525**	**$ 2,500**	**$ 2,600**
Adjusted EBITDA as % of net operating revenues (Adjusted EBITDA margin)	**10.0 %**	**10.6 %**	**12.7 %**	**12.9 %**
Net income (loss) from continuing operations	**$ (60)**	**$ (45)**	**$ 107**	**$ 133**
Net income (loss) from continuing operations as a % of operating revenues	**(1.3)%**	**(0.9)%**	**0.5 %**	**0.7 %**
Net operating revenues	**$ 4,750**	**$ 4,950**	**$ 19,700**	**$ 20,100**
Adjusted EBITDA	**$ 475**	**$ 525**	**$ 2,500**	**$ 2,600**
Depreciation and amortization	(215)	(225)	(860)	(880)
Interest expense	(250)	(260)	(1,025)	(1,035)
Adjusted income from continuing operations before income taxes	10	40	615	685
Income tax benefit (expense)	15	10	(118)	(142)
Adjusted income from continuing operations	25	50	497	543
Net income attributable to noncontrolling interests	(85)	(95)	(390)	(410)
Adjusted net income (loss) attributable to common shareholders	**$ (60)**	**$ (45)**	**$ 107**	**$ 133**
Basic weighted average shares outstanding (in millions)	**100**	**100**	**100**	**100**
Fully diluted weighted average shares outstanding (in millions)	**101**	**101**	**102**	**102**
Diluted earnings (loss) per share from continuing operations	**$ (0.60)**	**$ (0.45)**	**$ 1.05**	**$ 1.30**
Adjusted diluted earnings (loss) per share from continuing operations	**$ (0.60)**	**$ (0.45)**	**$ 1.05**	**$ 1.30**

The Company does not forecast impairment and restructuring charges, acquisition-related costs and litigation costs and settlements and gains on sales, consolidation and deconsolidation of facilities because the Company does not believe that it can forecast these items with sufficient accuracy since some of these items are indeterminable at the time the Company provides its financial Outlook.

Table #5 – Reconciliation of Outlook Adjusted Free Cash Flow for the Year Ending December 31, 2017

(Dollars in millions)	2017	
	Low	High
Net cash provided by operating activities	**$ 1,295**	**$ 1,550**
Less:		
Net cash used in operating activities from discontinued operations	(5)	0
Adjusted net cash provided by operating activities – continuing operations	**$ 1,300**	**$ 1,550**
Purchases of property and equipment – continuing operations	(700)	(750)
Adjusted free cash flow – continuing operations[(1)]	**$ 600**	**$ 800**

The Company does not forecast impairment and restructuring charges, acquisition-related costs and litigation costs and settlements because the Company does not believe that it can forecast these items with sufficient accuracy since some of these items may be indeterminable at the time the Company provides its financial Outlook.

[(1)] The Company's definition of Adjusted Free Cash Flow does not include other important uses of cash including (1) cash used to purchase businesses or joint venture interests, or (2) any items that are classified as Cash Flows From Financing Activities on the Company's Consolidated Statement of Cash Flows, including items such as (i) cash used to repay borrowings, (ii) distributions paid to noncontrolling interests, or (iii) payments under the Put/Call Agreement for USPI redeemable noncontrolling interest, which are recorded on the Statement of Cash Flows as the purchase of noncontrolling interest.

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