Quarterly Results Presentation

Third Quarter of 2016

October 31, 2016

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, 2015, Form 10-Q for the quarterly period ended September 30, 2016 and other filings with the Securities and Exchange Commission. Among other things, these factors include adverse regulatory developments, government investigations or litigation.

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 October 31, 2016.

Q3’16 Financial Highlights

- **Adjusted EBITDA was $570 million**
  - Our health plan business lowered Adjusted EBITDA by $5 million this quarter.
  - We are exiting our health plan business.
- **Same-hospital patient revenue grew 5.3%**
  - Adjusted admissions increased 1.4% on a same-hospital basis.
  - Admissions increased 0.4% on a same-hospital basis.
  - Revenue per adjusted admission increased 3.9%, continuing the strength from the first half of 2016 and was partly due to growth in higher acuity service lines.
  - Uncompensated care declined 30 basis points to 21.4% of adjusted revenue, down from 21.7% in Q3’15.
  - Hospital segment Adjusted EBITDA was $334 million in 3Q’16, representing an increase of approximately 5% after adjusting for acquisitions, divestitures and an anticipated decline in electronic health record incentives. Note that the results of our health plans are included in our Hospital Operations and other segment.
- **Ambulatory Care same-facility system-wide revenue grew 9.7%**
  - Cases increased 4.0% and revenue per case increased 5.5% on a same-facility system-wide basis.
  - Ambulatory Care Adjusted EBITDA was $157 million, up 28.7% from $122 million in Q3’15.
  - Ambulatory Care Adjusted EBITDA less facility-level NCI was $103 million, up 21.2% from $85 million in Q3’15.
- **Conifer’s revenue increased 14.7% to $398 million driven by a 29.9% increase in third party revenue**
  - Adjusted EBITDA increased 29.5% to $79 million, representing a margin of 19.8%, aided by $9 million of annual customer performance incentives which were included in our Outlook.
  - Third party revenue growth at Conifer includes business retained from hospitals that Tenet has sold over the past year.
- **Adjusted Free Cash Flow was $368 million in the first nine months 2016 – reiterating 2016 Outlook of $400 to $600 million**
  - Free Cash Flow was $237 million in the first nine months of 2016.

Hospital Operations & Other Segment

	<------ Restated [1] ------>			<----------------------------- As Reported ----------------------------->					
	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16
Adjusted Admissions	4.8%	4.3%	5.9%	2.3%	0.7%	0.3%	2.2%	0.5%	1.4%
Admissions	3.9%	4.0%	4.9%	1.7%	-0.6%	-1.8%	-0.1%	-1.1%	0.4%
Revenue Per Adjusted Admission [2]	-3.4%	7.1%	2.3%	4.5%	5.8%	0.3%	3.7%	3.9%	3.9%
Inpatient Surgeries	0.4%	2.6%	2.4%	1.9%	-0.2%	-0.9%	0.2%	-0.1%	0.2%
Outpatient Surgeries	-0.3%	0.2%	0.8%	1.2%	1.5%	0.6%	5.6%	2.0%	-3.6%
Emergency Department Visits	5.1%	7.2%	7.2%	2.4%	1.5%	-0.6%	4.8%	0.9%	0.5%
Total Outpatient Visits	7.7%	9.2%	6.9%	4.6%	3.0%	3.0%	5.2%	0.8%	0.8%

(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 Q3'14 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	Q3 '14	Q4 '14	Q1 '15	Q2 '15	Q3 '15	Q4 '15	Q1 '16	Q2 '16	Q3 '16
Bad Debt Expense	$249	$356	$363	$352	$371	$391	$376	$352	$367
% of revenue before bad debt	*5.6%*	*7.4%*	*7.6%*	*7.3%*	*7.3%*	*7.2%*	*6.9%*	*6.7%*	*7.0%*
% of adjusted revenue (1)	*4.7%*	*6.2%*	*6.4%*	*6.2%*	*6.2%*	*6.1%*	*5.9%*	*5.8%*	*6.0%*
Charity Care Write-Offs	$254	$216	$174	$199	$268	$255	$220	$152	$228
% of adjusted revenue (1)	*4.8%*	*3.8%*	*3.1%*	*3.5%*	*4.5%*	*4.0%*	*3.5%*	*2.5%*	*3.7%*
Uninsured Discounts	$600	$704	$699	$675	$664	$774	$713	$706	$723
% of adjusted revenue (1)	*11.4%*	*12.3%*	*12.3%*	*11.8%*	*11.1%*	*12.0%*	*11.2%*	*11.6%*	*11.7%*
Uncompensated Care (2)	**$1,103**	**$1,275**	**$1,236**	**$1,226**	**$1,303**	**$1,420**	**$1,309**	**$1,210**	**$1,318**
Uncompensated Care Percentage (3)	**20.9%**	**22.2%**	**21.8%**	**21.4%**	**21.7%**	**22.0%**	**20.6%**	**19.9%**	**21.4%**

(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 [2] ------> Q3 '14	Q4 '14	Q1 '15	<------------------------- Pro forma [3] -------------------------> Q2 '15	Q3 '15	Q4 '15	Q1 '16	Q2 '16	Q3 '16
Surgical (ASCs, Surgical Hospitals & Aspen)									
Revenue	5.1%	8.9%	8.8%	6.7%	9.9%	12.5%	11.0%	11.8%	9.9%
Cases	2.9%	2.7%	4.7%	4.8%	5.3%	6.3%	9.0%	5.1%	4.1%
Revenue per case	2.2%	6.0%	3.9%	1.8%	4.3%	5.9%	1.9%	6.3%	5.5%
Non-Surgical (Imaging & Urgent Care)									
Revenue	-	-	-	12.4%	15.5%	11.5%	10.9%	9.7%	4.2%
Visits	-	-	-	13.9%	9.5%	9.3%	8.1%	5.4%	3.7%
Revenue per visit	-	-	-	-1.3%	5.5%	2.0%	2.6%	4.2%	0.5%
Ambulatory Segment Total									
Revenue	-	-	-	6.9%	10.1%	12.5%	11.0%	11.7%	9.7%
Cases	-	-	-	6.8%	6.3%	6.9%	8.6%	5.2%	4.0%
Revenue per case	-	-	-	0.1%	3.5%	5.2%	2.2%	6.1%	5.5%

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

(2) The growth rates presented for the quarters in calendar year 2014 and 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 Q3'16 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	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16
Net operating revenues	$287	$308	$295	$322	$329	$397	$429	$442	$448
% growth			*13.9%*	*12.6%*	*14.6%*	*28.9%*	*45.4%*	*37.3%*	*36.2%*
Equity in earnings of unconsolidated affiliates	$27	$43	$21	$28	$30	$47	$25	$26	$28
EBITDA	**$104**	**$134**	**$94**	**$115**	**$122**	**$158**	**$136**	**$139**	**$157**
% growth			***19.0%***	***4.5%***	***17.3%***	***17.9%***	***44.7%***	***20.9%***	***28.7%***
Net income attributable to noncontrolling interests (1)	$32	$33	$27	$31	$37	$48	$46	$52	$54
EBITDA less NCI (prior to Welsh Carson related NCI) (2)	**$72**	**$101**	**$67**	**$84**	**$85**	**$110**	**$90**	**$87**	**$103**
% growth			***13.6%***	***2.4%***	***18.1%***	***8.9%***	***34.3%***	***3.6%***	***21.2%***
Net income attributable to Welsh Carson's ownership interest (2)(3)(4)(5)	$6	$16	$7	$11	$11	$17	$11	$8	$14
EBITDA less NCI (after Welsh Carson related NCI) (2)	**$66**	**$85**	**$60**	**$73**	**$74**	**$93**	**$79**	**$79**	**$89**
% growth			***9.1%***	***2.8%***	***12.1%***	***9.4%***	***31.7%***	***8.2%***	***20.3%***
EBITDA margin	*36.2%*	*43.5%*	*31.9%*	*35.7%*	*37.1%*	*39.8%*	*31.7%*	*31.4%*	*35.0%*
EBITDA less NCI Margin (prior to Welsh Carson related NCI)	*25.1%*	*32.8%*	*22.7%*	*26.1%*	*25.8%*	*27.7%*	*21.0%*	*19.7%*	*23.0%*

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 one-time gains. These one-time gains increased USPI's net income by $41 million and resulted in a corresponding $20 million increase in net income attributable to noncontrolling interests. The $41 million of additional net income was due to $32 million of gains on the consolidation of certain businesses in the fourth quarter of 2015 and a $9 million favorable tax adjustment; these gains are not included in EBITDA.

(4) Welsh Carson related NCI expense was $29 million in Q1'16, but would have been $11 million excluding one-time gains. These one-time gains increased USPI's net income by $36 million and resulted in a corresponding $18 million increase in net income attributable to noncontrolling interests. The $36 million of additional net income was due to $29 million of gains on the consolidation of certain businesses in the first quarter of 2016 and a $7 million favorable tax adjustment; these gains are not included in EBITDA.

(5) Welsh Carson related NCI expense was $15 million in Q3'16, but would have been $14 million excluding one-time gains. These one-time gains increased USPI's net income by $3 million and resulted in a corresponding $1 million increase in net income attributable to noncontrolling interests. The $3 million of additional net income was due to $3 million of gains on the consolidation of certain businesses; these gains are not included in EBITDA.

Conifer Health Solutions Segment

Revenue grew 14.7% to $398 million, driven by 30% growth in revenue from non-Tenet customers

- EBITDA grew 29.5% year-over-year to $79 million.
- The results for the quarter included $9 million of annual customer performance incentives. These incentives were anticipated in our Outlook and may be achieved again in future years, but will not recur at these levels in the fourth quarter of 2016.
- Third party revenue growth at Conifer includes business retained from hospitals that Tenet has sold over the past year.
- Black Book ™ ranked Conifer Health #1 for End-to-End Revenue Cycle Management Outsourcing Solutions for Large Hospitals and Medical Centers for the fourth year in a row.

$ in millions	Q3'14	Q4'14	Q1'15 (1)	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16
Revenue from Tenet	$148	$165	$160	$165	$163	$178	$167	$162	$159
% growth	*60.9%*	*31.0%*	*14.3%*	*19.6%*	*10.1%*	*7.9%*	*4.4%*	*-1.8%*	*-2.5%*
Other Customers	$148	$162	$182	$175	$184	$206	$218	$224	$239
% growth	*11.3%*	*17.4%*	*25.5%*	*19.0%*	*24.3%*	*27.2%*	*19.8%*	*28.0%*	*29.9%*
Revenue	**$296**	**$327**	**$342**	**$340**	**$347**	**$384**	**$385**	**$386**	**$398**
% growth	*31.6%*	*23.7%*	*20.0%*	*19.3%*	*17.2%*	*17.4%*	*12.6%*	*13.5%*	*14.7%*
EBITDA	**$47**	**$64**	**$82**	**$60**	**$61**	**$61**	**$63**	**$63**	**$79**
% growth	*30.6%*	*77.8%*	*70.8%*	*36.4%*	*29.8%*	*-4.7%*	*-23.2%*	*5.0%*	*29.5%*
EBITDA Margin	**15.9%**	**19.6%**	**24.0%**	**17.6%**	**17.6%**	**15.9%**	**16.4%**	**16.3%**	**19.8%**

(1) Conifer's 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 Q3'16.

Tenet Outlook for 2016

$ in millions, except EPS	**2016 Outlook**
Net Revenue	$19,650 - $19,800
Adjusted EBITDA (1)	$2,400 - $2,450
Adjusted EBITDA Margin (1)	12.2% - 12.4%
Adjusted diluted E.P.S. from continuing operations (1)	$1.16 - $1.21
Adjusted Cash Flow from Operations (1)	$1,300 - $1,450
Capital Expenditures	$850 - $900
Adjusted Free Cash Flow (1)	$400 - $600
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	$120 - $130
Electronic Health Record Incentives	$30 - $35
Depreciation and Amortization	$840 - $850
Interest Expense	$970 - $980
Effective Tax Rate (2)	22% - 23%
Net Income Attributable to Noncontrolling Interests (3)	$340 - $360
Fully diluted weighted average shares outstanding	101

(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 2016, the following formula should be used: a) start with pre-tax income, which is estimated to be $590-$620 million; b) subtract GAAP NCI expense, which is estimated to be $340-$360 million in 2016, excluding the extra $18 million of NCI in Q1'16 and $1 million in Q3'16; c) add back permanent differences and non-deductible items, which are estimated to be approximately $35 million in 2016; d) add back approximately $50 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 22%-23% on Tenet's pre-tax income.

(3) This represents GAAP NCI expense to be recorded on the income statement, excluding $19 million of NCI recorded by USPI in the nine months ended 9/30/2016 related to $33 million of gains on consolidation of certain businesses and an associated $7 million favorable income tax adjustment. Cash distributions paid to noncontrolling interests are expected to be $220 - $240 million.

Segment Outlook for 2016

Hospital Operations and Other Segment

2016 EBITDA	**$1.535 - $1.555 billion**
Noncontrolling Interest (1)	$30 - $35 million
Net Revenue Growth (2)	4% - 5%
Pro forma EBITDA Growth (3)	3% - 5%
Adjusted Admissions Growth (2)	0.0% - 2.0%
Net Revenue per Adjusted Admission (2)	3.0% - 4.0%
Admissions Growth (2)	(1.0%) - 0.0%

(1) Based on GAAP NCI expense.

(2) Growth rates on a same hospital basis.

(3) EBITDA in the hospital segment is expected to decline in 2016 versus the $1.653 billion of reported EBITDA in 2015 as a result of divestitures.

Ambulatory Segment

2016 EBITDA	**$600 - $620 million**
Noncontrolling Interest (1)	$260 - $270 million
Net Revenue Growth (2)	9% - 11%
EBITDA Growth (3)	20% - 25%
EBITDA less NCI Growth (3)	10% - 15%
Case Growth (2)	5.0% - 6.0%
Net Revenue per Case Growth (2)	4.0% - 5.0%

(1) Based on GAAP NCI expense. Cash NCI distributions will be lower. Excludes $19 million of NCI expense recorded by USPI in the nine months ended 9/30/2016 related to a $33 million gain on consolidation and an associated $7 million favorable income tax adjustment.

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

(3) EBITDA growth in the ambulatory segment is based on pro forma Ambulatory segment EBITDA of $489 million and EBITDA less NCI of $300 million in 2015. The growth rate in 2016 is benefitting from the annualization of acquisitions that were completed in 2015.

Conifer Segment

2016 EBITDA	**$265 - $275 million**
Noncontrolling Interest (1)	$50 - $55 million
Net Revenue Growth (2)	10% - 15%
EBITDA Growth (3)	4% - 8%

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

(2) Conifer's revenue growth is benefitting from new customer wins.

(3) Conifer's EBITDA growth in 2016 is based on $255 million of EBITDA in 2015 after subtracting a non-recurring benefit of approximately $10 million during the first quarter of 2015.

Summary

- ✓ *Adjusted EBITDA was $570 million and would have been at the midpoint of our Outlook range excluding $5 million of negative EBITDA from our health plans*
- ✓ *Hospital segment delivered solid same-hospital patient revenue growth of 5.3%*
    - *Adjusted admissions increased 1.4%*
    - *Improved acuity contributed to the 3.9% increase in revenue per adjusted admission*
- ✓ *Ambulatory Care segment delivered strong same-facility system-wide revenue growth of 9.7%, with cases increasing 4.0%, and EBITDA less facility-level NCI growth of 21.2%*
- ✓ *Conifer continues to win new customers and expand relationships with existing clients*
- ✓ *We are exiting our health plan business*
- ✓ *Adjusted Free Cash Flow was $368 million for the first nine months of 2016*
- ✓ *Midpoint of our Adjusted EBITDA Outlook for 2016 was lowered by $25 million, primarily to reflect approximately $20 million of unanticipated losses in our health plans in 2H'16 and the business interruption and additional expenses associated with Hurricane Matthew*

Appendix and Reconciliation of Non-GAAP Financial Measures

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 account for 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 nine months ended September 30, 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 nine months ended September 30, 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 nine months ended September 30, 2016 and 2015.

Table #1 – Reconciliation of Adjusted EBITDA to Net Income Available (Loss Attributable) to Tenet Healthcare Corporation Common Shareholders

(Unaudited)

(Dollars in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	**2015**	**2016**	**2015**
Net loss attributable to Tenet Healthcare Corporation common shareholders	**$ (8)**	**$ (29)**	**$ (113)**	**$ (43)**
Less: Net income attributable to noncontrolling interests	(88)	(57)	(266)	(119)
Net income (loss) from discontinued operations, net of tax	1	(1)	(5)	(1)
Net income (loss) from continuing operations	79	29	158	77
Income tax benefit (expense)	(10)	(11)	(61)	—
Investment earnings (losses)	(1)	1	2	—
Interest expense	(243)	(248)	(730)	(664)
Operating income	333	287	947	741
Litigation and investigation costs	(4)	(50)	(291)	(67)
Gains on sales, consolidation and deconsolidation of facilities	3	—	151	—
Impairment and restructuring charges, and acquisition-related costs	(31)	(44)	(81)	(266)
Depreciation and amortization	(205)	(185)	(632)	(589)
Adjusted EBITDA	**$ 570**	**$ 566**	**$ 1,800**	**$ 1,663**
Net operating revenues	**$ 4,849**	**$ 4,692**	**$ 14,761**	**$ 13,608**
Net loss from continuing operations as a % of operating revenues	**(0.2)%**	**(0.6)%**	**(0.7)%**	**(0.3)%**
Adjusted EBITDA as % of net operating revenues (Adjusted EBITDA margin)	**11.8 %**	**12.1 %**	**12.2 %**	**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 September 30, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
Adjustments to calculate Adjusted Diluted EPS		(Expense) Income		
Impairment and restructuring charges, and acquisition-related costs	$ (31)	$ (44)	$ (81)	$ (266)
Litigation and investigation costs	(4)	(50)	(291)	(67)
Gain on sales, consolidation and deconsolidation of facilities	3	—	151	—
Pre-tax impact	$ (32)	$ (94)	$ (221)	$ (333)
Tax impact of above items	$ 8	$ 36	$ 33	$ 118
Total after-tax impact	$ (24)	$ (58)	$ (188)	$ (215)
Noncontrolling interests impact	(1)	—	(19)	—
Total income (loss) from items above	**$ (25)**	**$ (58)**	**$ (207)**	**$ (215)**
Net income available (loss attributable) to common shareholders	**$ (8)**	**$ (29)**	**$ (113)**	**$ (43)**
Less net income (loss) discontinued operations, net of tax	1	(1)	(5)	(1)
Net income (loss) from continuing operations, net of tax	**$ (9)**	**$ (28)**	**$ (108)**	**$ (42)**
Net loss (income) from adjustments above	25	58	207	215
Adjusted net income (loss) from continuing operations	**$ 16**	**$ 30**	**$ 99**	**$ 173**
Weighted average dilutive shares outstanding (in thousands)	**100,978**	**102,037**	**100,680**	**101,609**
Diluted earnings per share from continuing operations	**$ (0.09)**	**$ (0.28)**	**$ (1.09)**	**$ (0.42)**
Adjusted diluted EPS from continuing operations	**$ 0.16**	**$ 0.29**	**$ 0.98**	**$ 1.70**

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

(Unaudited)

(Dollars in millions)	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
Net cash provided by (used in) operating activities	**$ 269**	**$ 482**	**$ 851**	**$ 835**
Purchases of property and equipment	(201)	(207)	(614)	(566)
Free cash flow	**$ 68**	**$ 275**	**$ 237**	**$ 269**
Net cash provided by (used in) investing activities	**$ (204)**	**$ (287)**	**$ (150)**	**$ (1,272)**
Net cash provided by (used in) financing activities	**$ (72)**	**$ (44)**	**$ (408)**	**$ 694**
Net cash provided by (used in) operating activities	**$ 269**	**$ 482**	**$ 851**	**$ 835**
Less:				
Payments for restructuring charges, acquisition-related costs, and litigation costs and settlements	(33)	(71)	(132)	(157)
Net cash provided by (used in) operating activities from discontinued operations	1	(10)	1	(18)
Adjusted net cash provided by operating activities – continuing operations	**301**	**563**	**982**	**1,010**
Purchases of property and equipment – continuing operations	(201)	(207)	(614)	(566)
Adjusted free cash flow – continuing operations	**$ 100**	**$ 356**	**$ 368**	**$ 444**

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

(Unaudited)

(Dollars in millions)	Q4 2016		2016	
	Low	High	Low	High
Net income (loss) attributable to Tenet Healthcare Corporation common shareholders	**$ 4**	**$ 14**	**$ (109)**	**$ (99)**
Less: Net (income) loss attributable to noncontrolling interests	(94)	(114)	(360)	(380)
Net loss from discontinued operations, net of tax	(5)	-	(10)	(5)
Income from continuing operations	103	128	261	286
Income tax expense	(49)	(54)	(110)	(115)
Income from continuing operations, before income taxes	152	182	371	401
Investment earnings	-	-	2	2
Interest expense	(240)	(250)	(970)	(980)
Operating income	392	432	1,339	1,379
Gains on sales, consolidation and deconsolidation of facilities[a]	-	-	151	151
Impairment and restructuring charges, acquisition-related costs and litigation costs and settlements[a]	-	-	(372)	(372)
Depreciation and amortization	(208)	(218)	(840)	(850)
Adjusted EBITDA	**$ 600**	**$ 650**	**$ 2,400**	**$ 2,450**
Adjusted EBITDA as % of net operating revenues (Adjusted EBITDA margin)	**12.3 %**	**12.9 %**	**12.2 %**	**12.4 %**
Net income (loss) from continuing operations	**$ 9**	**$ 14**	**$ (99)**	**$ (94)**
Net income (loss) from continuing operations as a % of operating revenues	**0.2 %**	**0.3 %**	**(0.5)%**	**(0.5)%**
Net operating revenues	**$ 4,889**	**$ 5,039**	**$ 19,650**	**$ 19,800**
Adjusted EBITDA	**$ 600**	**$ 650**	**$ 2,400**	**$ 2,450**
Depreciation and amortization	(208)	(218)	(840)	(850)
Investment Earnings	-	- -	2	2
Interest expense	(240)	(250)	(970)	(980)
Adjusted income from continuing operations before income taxes	152	182	592	622
Income tax expense	(41)	(46)	(135)	(140)
Adjusted income from continuing operations	111	136	457	482
Net income attributable to noncontrolling interests	(94)	(114)	(340)	(360)
Adjusted net income attributable to common shareholders	**$ 17**	**$ 22**	**$ 117**	**$ 122**
Basic weighted average shares outstanding	**100**	**100**	**99**	**99**
Fully diluted weighted average shares outstanding (in millions)	**102**	**102**	**101**	**101**
Diluted earnings per share from continuing operations	**$ 0.09**	**$ 0.14**	**$ (1.00)**	**$ (0.95)**
Adjusted diluted earnings per share from continuing operations	**$ 0.17**	**$ 0.22**	**$ 1.16**	**$ 1.21**

[a] 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, 2016

(Dollars in millions)	2016	
	Low	High
Net cash provided by operating activities	**$ 1,163**	**$ 1,323**
Less:		
Payments for restructuring charges, acquisition-related costs and litigation costs and settlements[(a)]	(132)	(132)
Net cash provided by (used in) operating activities from discontinued operations, excluding income taxes	(5)	5
Adjusted net cash provided by operating activities – continuing operations	**$ 1,300**	**$ 1,450**
Purchases of property and equipment – continuing operations	(900)	(850)
Adjusted free cash flow – continuing operations	**$ 400**	**$ 600**

[(a)] Company does not forecast 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.

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