



3rd Quarter 2024 Earnings Release Presentation

October 29, 2024



Cautionary Statements

This presentation includes “forward looking statements.” These statements relate to future events, including, but not limited to, statements regarding our liquidity, operating results, future earnings, financial position, operational and strategic initiatives, and developments in legislation, regulation, and the healthcare industry more generally. These forward-looking statements represent management’s expectations, based on currently available information, as to the outcome and timing of future events, but, by their nature, address matters that are uncertain. Actual results, performance or achievements could differ materially from those expressed in any forward-looking statement.

Examples of uncertainties that may cause our actual results, performance or achievements to be materially different from those expressed or implied by forward looking statements include, but are not limited to, the factors described under “Forward Looking Statements” and “Risk Factors” in our Forms 10-Q, 10-K, and other filings with the Securities and Exchange Commission. We assume no obligation to update any forward-looking statements or information subsequent to the dates such statements are made. Investors are cautioned not to place undue reliance on our forward-looking statements.

NON-GAAP FINANCIAL INFORMATION

This presentation contains financial measures that are not in accordance with accounting principles generally accepted in the United States of America (GAAP). Reconciliations of these non-GAAP measures to the most comparable GAAP measures and management’s reasoning for using these non-GAAP financial measures are included in our earnings press releases dated February 8, 2024 and October 29, 2024, which are available on our website at www.tenethealth.com/investors. We are not able to reconcile certain forward looking non-GAAP financial measures to the most comparable U.S. GAAP financial measures without unreasonable efforts due to uncertainty regarding items outside of our control.

Third Quarter 2024 Highlights

Consolidated Adjusted EBITDA of \$978 million, 15% above third quarter 2023 and well above the upper end of our third quarter Outlook range

Ambulatory

- 19% Adjusted EBITDA growth
- 8.7% same-facility revenue growth
- 7.6% net revenue per case growth
- 38.5% Adjusted EBITDA margin
- 6 de novo centers added in third quarter

Hospitals

- 11% Adjusted EBITDA growth (24% Adjusted EBITDA growth ex-divested hospitals**)
- 5.2% same-hospital admission growth
- 13.5% Adjusted EBITDA margin
- Consolidated SW&B as a % of revenue: 43.3% Q3'24 vs. 45.2% Q3'23

FY 2024 Outlook Increased \$50 million - Consolidated Adjusted EBITDA of \$3.9 to \$4.0 billion
(Cumulative guidance increase of \$565 million YTD)

~20% Consolidated growth* / **~17%** USPI growth* at the midpoint of guidance

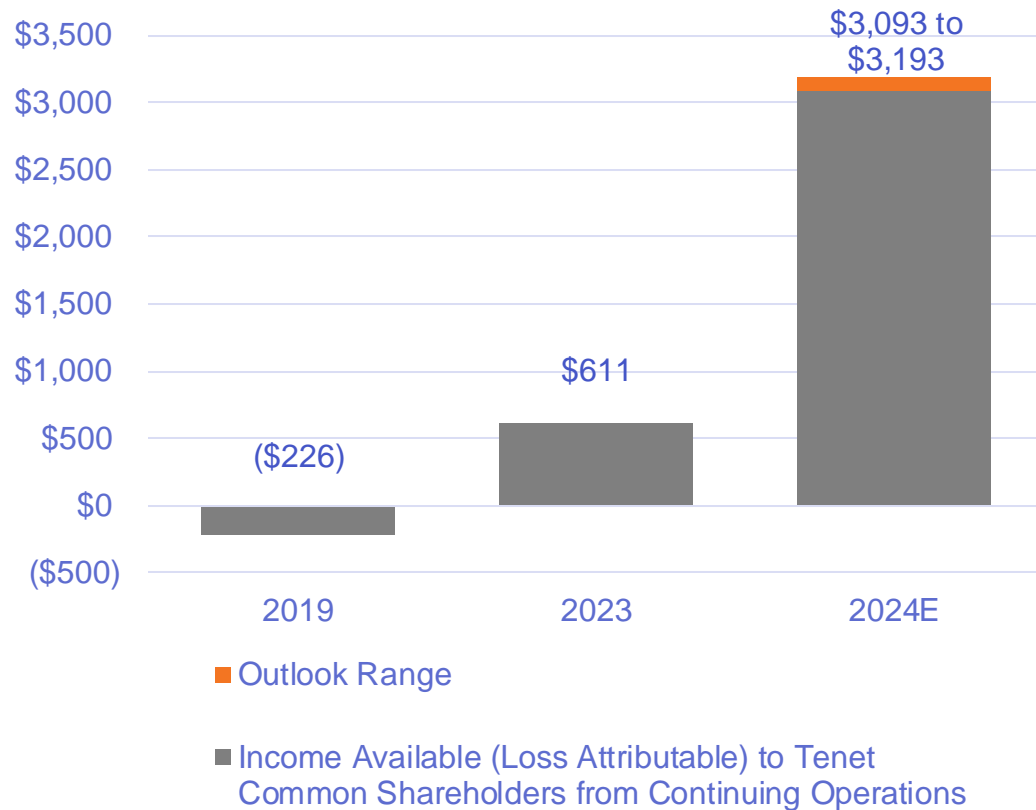
*Excluding \$23M of reduced FY 2024 Adjusted EBITDA at USPI and \$229M in the Hospitals due to 2024 divestitures

**Excluding \$50M of reduced Q3 2024 Adjusted EBITDA in the Hospitals due to 2024 divestitures

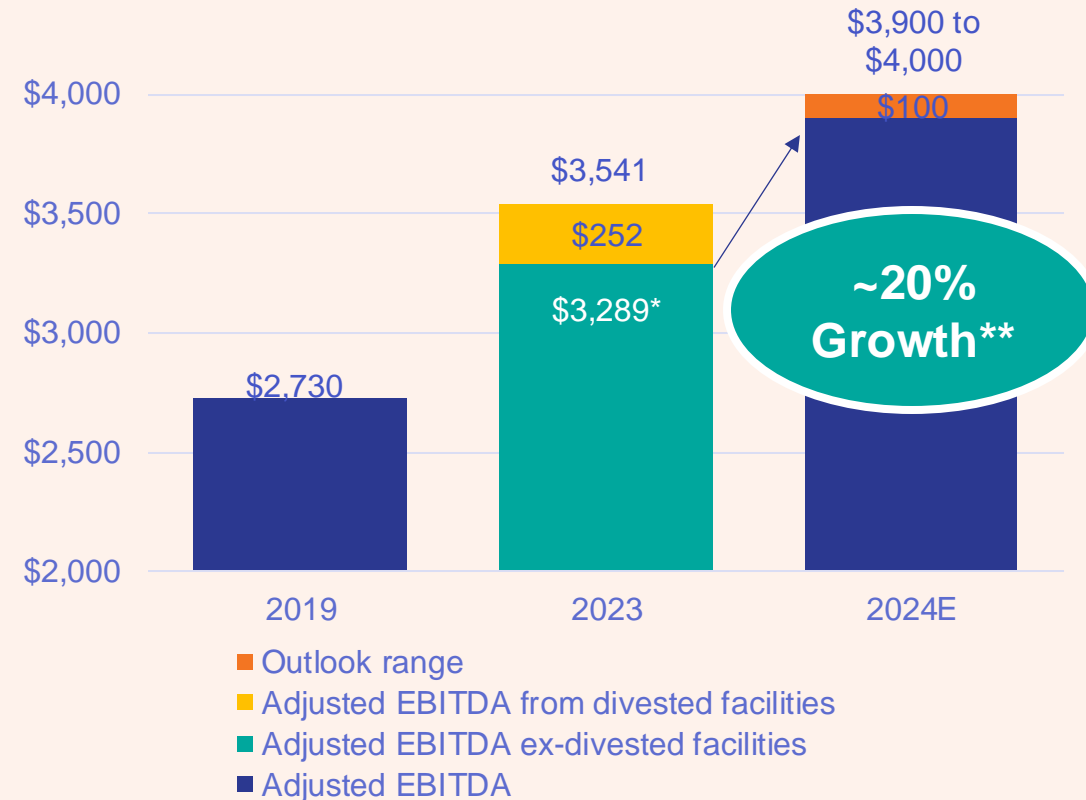
2024 Financial Outlook (\$ in millions)

Income Available

(Loss Attributable) to Tenet Common Shareholders from Continuing Operations



Consolidated Adjusted EBITDA



*Represents Adjusted EBITDA excluding facilities divested in 2024

**2024E is based on the Company's outlook as of October 29, 2024, ~20% Growth in Consolidated Adjusted EBITDA ex-divested facilities

2024 Financial Outlook*

| | |
|------------------------|-------------------|
| Net operating revenues | \$20.6 to \$20.8B |
|------------------------|-------------------|

Adjusted EBITDA

| | |
|------------|-------------------|
| Ambulatory | \$1.76 to \$1.80B |
|------------|-------------------|

| | |
|-----------|-------------------|
| Hospitals | \$2.14 to \$2.20B |
|-----------|-------------------|

| | |
|--------------|-------------------|
| Consolidated | \$3.90 to \$4.00B |
|--------------|-------------------|

| | |
|------------------------|----------------|
| Adjusted EBITDA margin | 18.9% to 19.2% |
|------------------------|----------------|

Fourth Quarter 2024 Adjusted EBITDA
\$953M to \$1,053M

*2024 Financial Outlook is based on the Company's Outlook as of October 29, 2024

**Includes ~\$875M income tax payments associated with 2024 hospital sales

Changes vs. prior year

| | |
|----------------------------------|-----------|
| Ambulatory surgical case volumes | Up 0 - 1% |
|----------------------------------|-----------|

| | |
|-------------------------------|-----------|
| Net revenue per surgical case | Up 6 - 7% |
|-------------------------------|-----------|

| | |
|----------------------|-----------|
| Inpatient admissions | Up 4 - 5% |
|----------------------|-----------|

| | |
|---------------------|---------------|
| Adjusted admissions | Up 1.5 - 2.5% |
|---------------------|---------------|

Capital Deployment

| | |
|---|---------------------|
| Net cash provided by operating activities | \$1.775 to \$2.125B |
|---|---------------------|

| | |
|----------------------|-----------------|
| Capital expenditures | \$800 to \$900M |
|----------------------|-----------------|

| | |
|----------------|----------------------|
| Free cash flow | \$975M to \$1.225B** |
|----------------|----------------------|

| | |
|------------------------|-----------------|
| NCI cash distributions | \$725 to \$775M |
|------------------------|-----------------|

| | |
|---------------------------------------|-------------------|
| Free Cash Flow less NCI distributions | \$250 to \$450M** |
|---------------------------------------|-------------------|

FY 2024 Adjusted EBITDA* Outlook Bridge *(\$ in millions)*

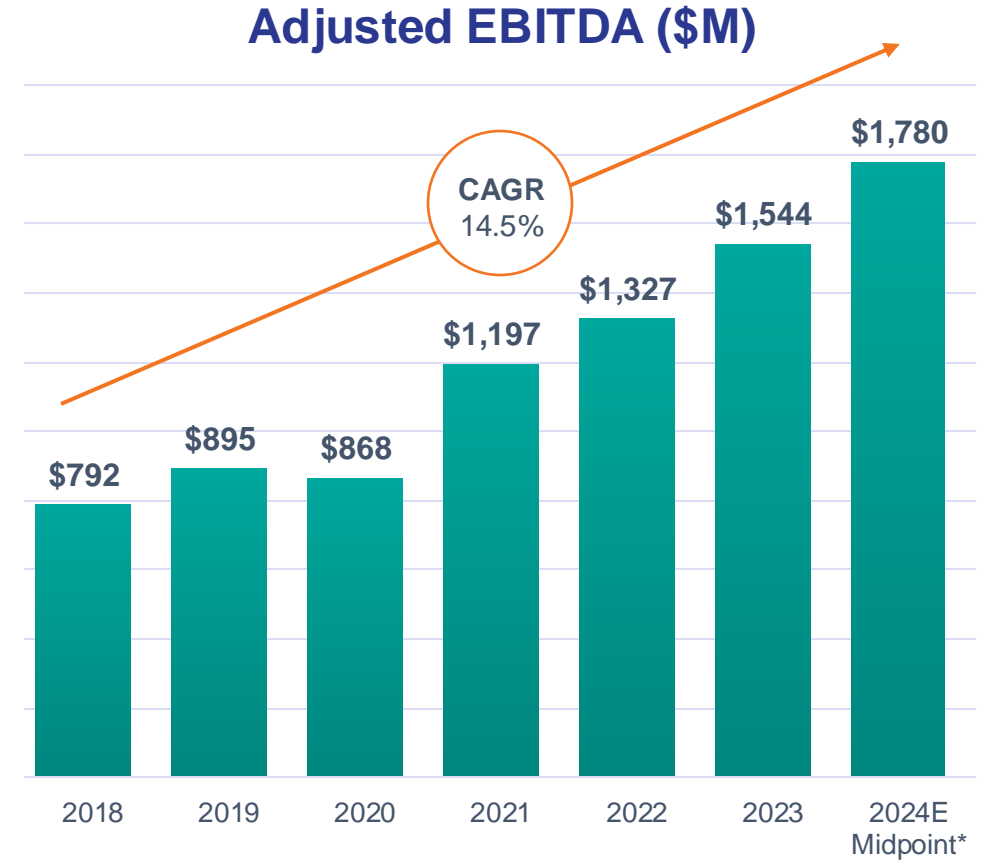
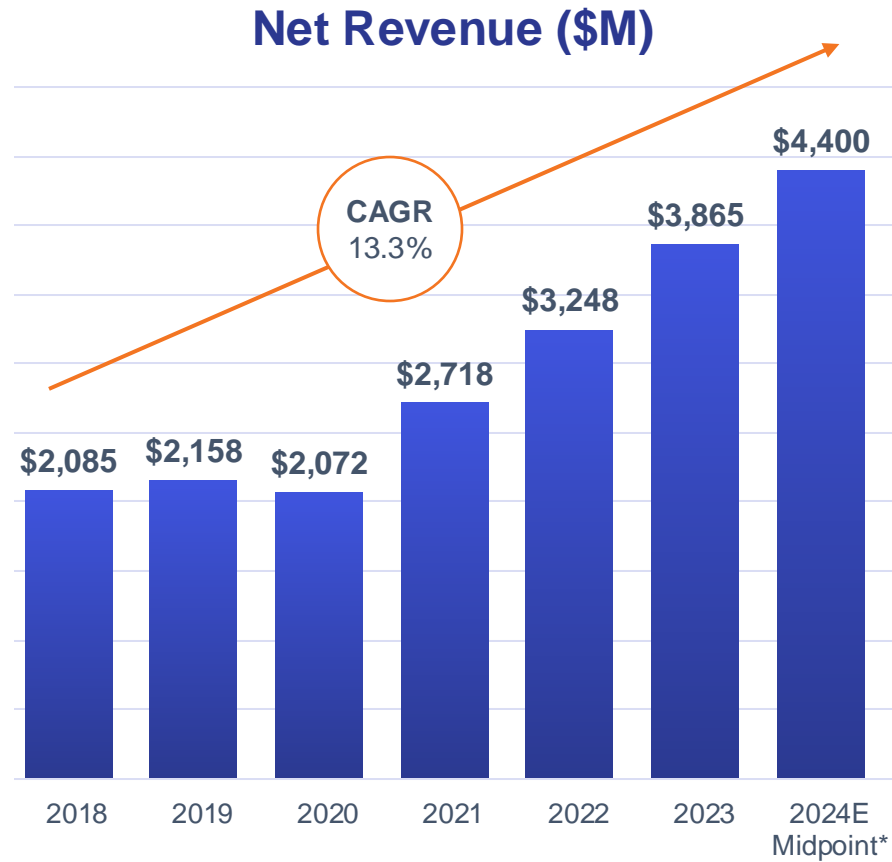
| <i>(\$ in millions)</i> | Ambulatory | Hospital | Total |
|--|----------------|----------------|----------------|
| 2024 Initial Guidance | \$1,650 | \$1,735 | \$3,385 |
| Central Coast Divestiture | - | (\$24) | (\$24) |
| Michigan HRA Adjustment | - | \$209 | \$209 |
| Incremental USPI Acquisition & Development Activity Above Initial Plan | \$30 | - | \$30 |
| April 2024 Revised Guidance | \$1,680 | \$1,920 | \$3,600 |
| Increase in guidance due to outperformance / revised expectations | \$100 | \$200 | \$300 |
| July 2024 Revised Guidance | \$1,780 | \$2,120 | \$3,900 |
| Alabama Divestiture | - | (\$20) | (\$20) |
| Increase in guidance due to outperformance / revised expectations | - | \$70 | \$70 |
| October 2024 Revised Guidance | \$1,780 | \$2,170 | \$3,950 |

Significant improvement in Adjusted EBITDA expectations due to strong growth and operational performance

*2024 Adjusted EBITDA Outlook is based on the Company's Outlook as of October 29, 2024

USPI

USPI Track Record of Double-Digit Growth and Strong Margins



Consistent Track Record of ~40% Adjusted EBITDA Margins

* 2024E is based on the Company's outlook as of October 29, 2024

USPI Long Term Organic Growth Consistency

6.0% Same-facility System-wide Revenue CAGR from 2015-2024



Organic Growth Rates Driven by USPI Leadership in Strategy & Execution

Established Expertise in Starting New Service Lines

162

Service Line Additions
YTD 2024

Expansion of High Acuity Cases

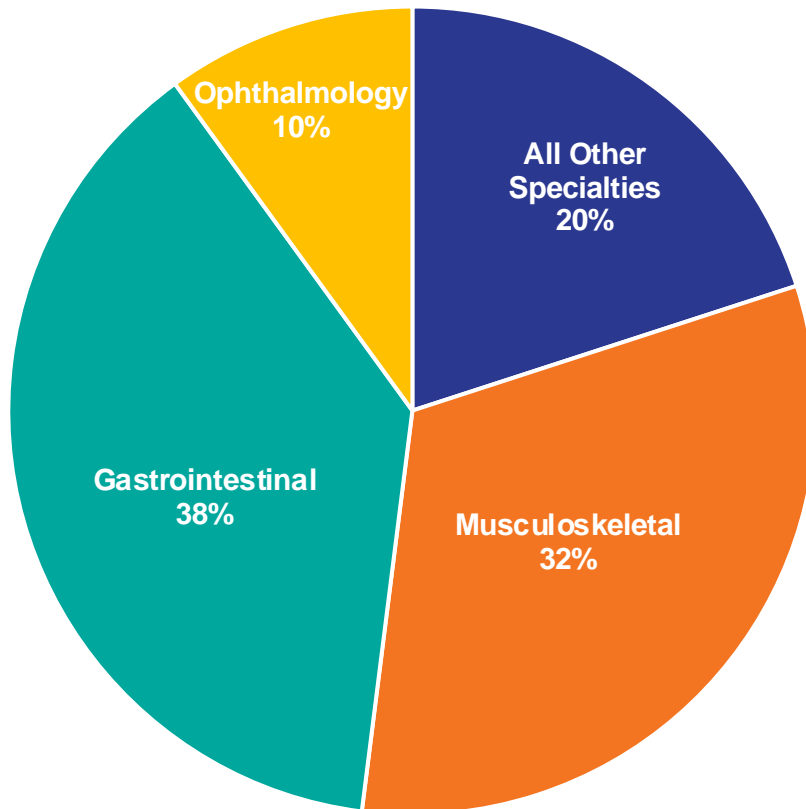
19.3%

Same-facility ASC
Total Joints Growth
Q3 2024*

*Same-facility ASCs excludes acquired facilities or de novos opened after September 30, 2023

USPI Case Mix / Clinical Quality

2023 Case Mix



Commitment to Quality Drives Strong Patient Experience



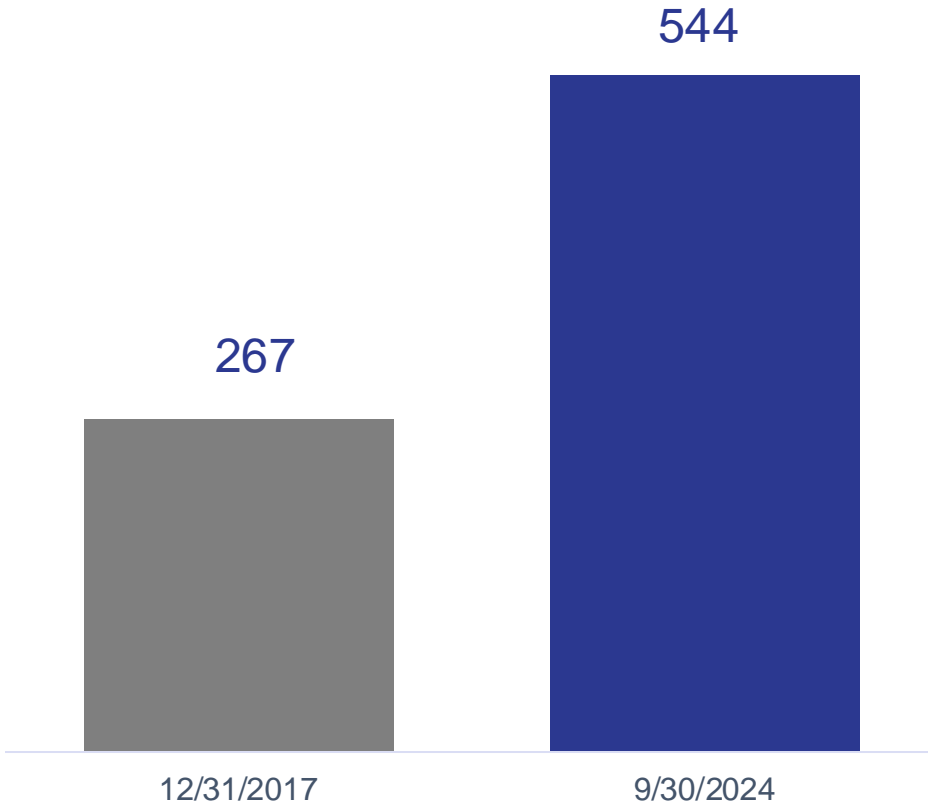
96.6

2023 Overall
Patient
Experience Score

USPI Acquisitions and De Novos Deliver Significant Returns on Invested Capital

Total Number of Facilities

2017 – 2024



Achievement of Attractive Returns

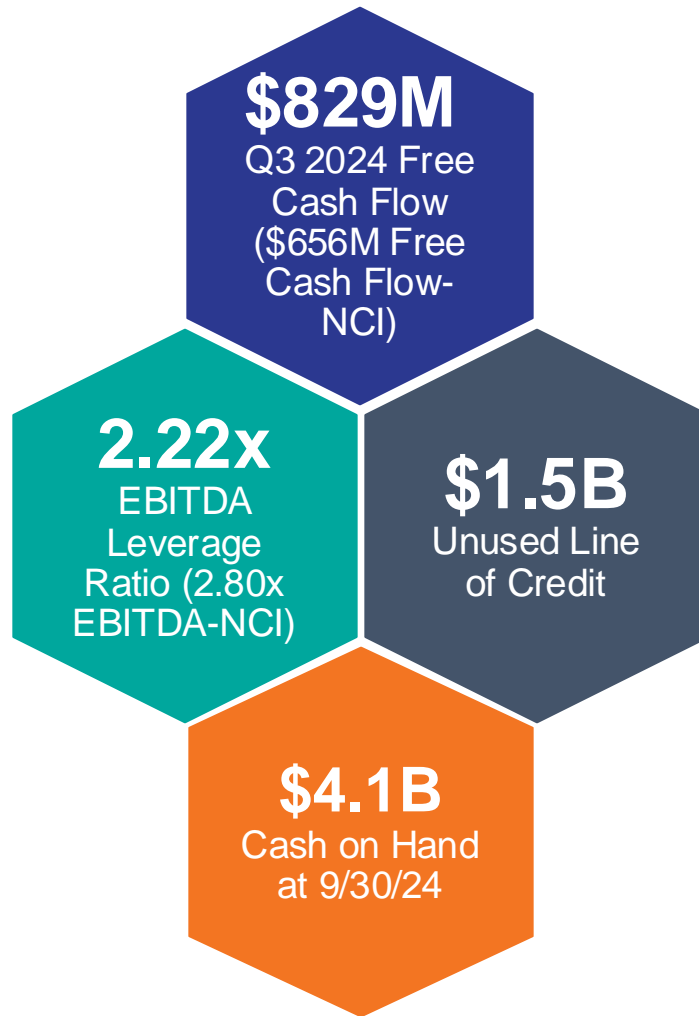


Dedicated development team and strong partnership economic returns drive competitive deal advantages

* Targeted Acquisition Effective Multiple generally realized over a three-year period post-acquisition

Cash Flow and Capital

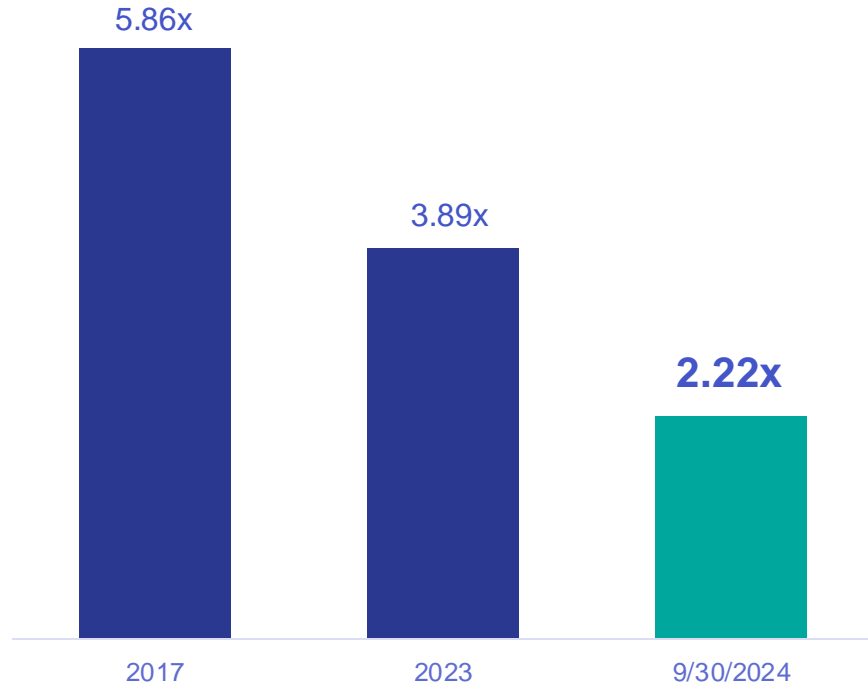
2024 Cash Flows Continue to Support Growth



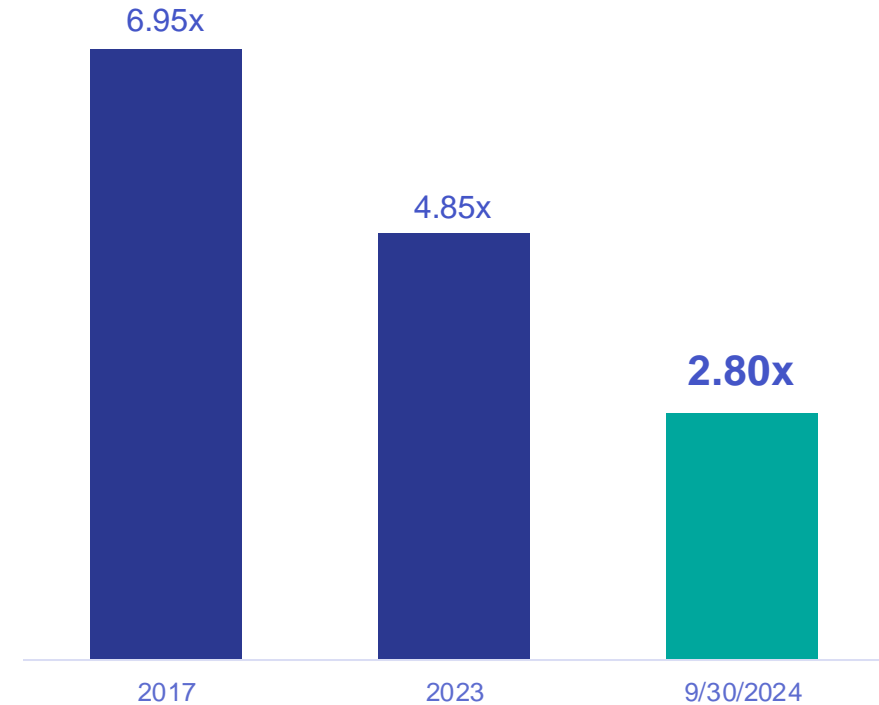
- Our cash flow and balance sheet position provide us capital allocation financial flexibility:
 - ✓ Ample liquidity and access to capital markets to pursue our growth strategy while returning capital to shareholders
- Third Quarter 2024 Corporate Development activity:
 - ✓ 6 de novo ambulatory centers added
- Repurchased ~0.8 million shares in third quarter 2024 for \$124 million
 - ✓ Repurchased ~5.6 million shares YTD for \$672 million

Significant Deleveraging of the Balance Sheet

LEVERAGE RATIO (EBITDA)



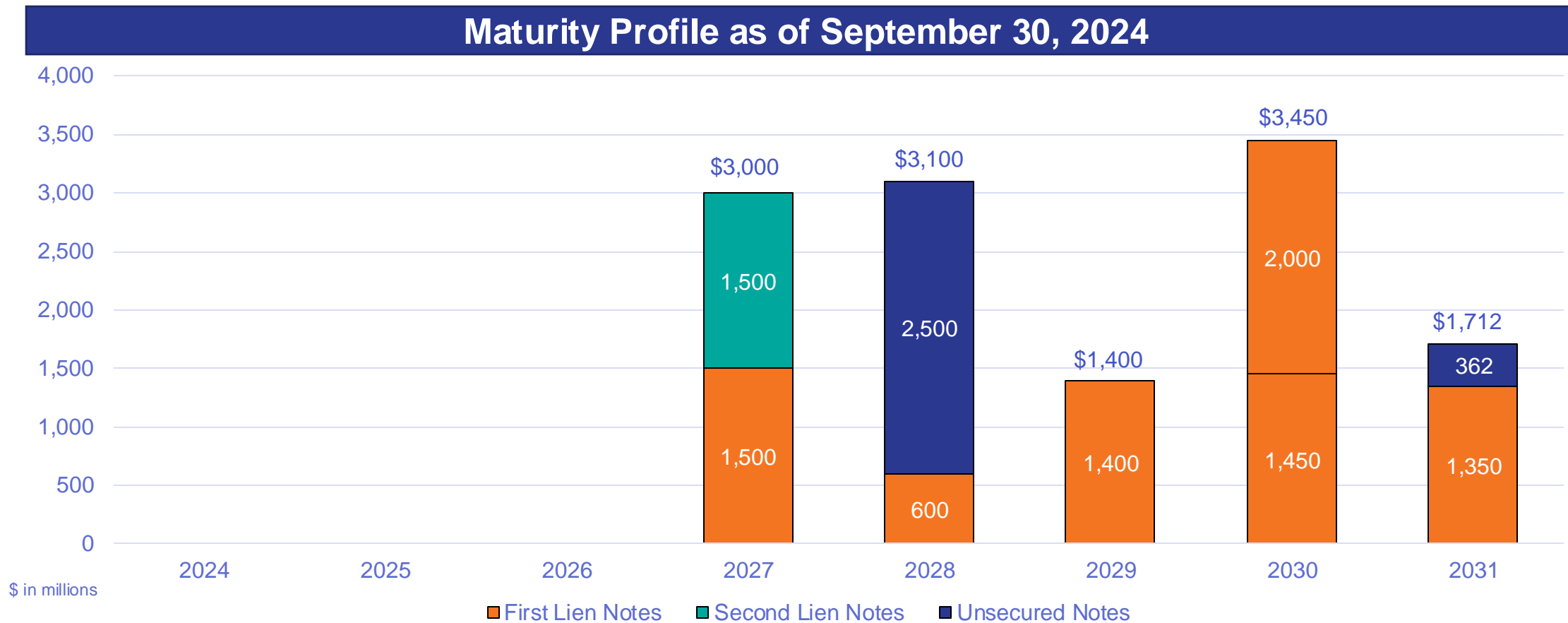
LEVERAGE RATIO (EBITDA-NCI)



Substantial reduction in leverage following significant performance improvement and hospital sales

Note: The September 30, 2024 cash balance includes ~\$700M of cash for tax payments to be made prior to December 31, 2024 related to hospital divestitures, the impact of which would increase our leverage ratios by ~20bps based on our current 2024 Adjusted EBITDA guidance. As of September 30, 2024, ~\$175M of cash tax payments related to the hospital divestitures have been made.

Debt Maturity Profile - No Significant Maturities Until 2027



- ~\$6.0 billion of secured debt capacity available as of September 30, 2024

Note: Excludes Capital Leases and Mortgage Notes, Unamortized Note Discounts and Premiums and Letters of Credit Facility amounts.

Capital Deployment Priorities

We prioritize the deployment of the free cash flow generated by our businesses to the following areas:

Investments in our ASC platform

M&A and de novo investments – baseline intention is \$250 million per year

Investments in our Hospital Business

Continued investment in technology, robotics, and targeted surgical hospital expansion focused on higher acuity services

Continued de-leveraging

Continued focus on deleveraging the balance sheet through earnings growth and debt repayment

Share repurchase program

\$1.38 billion share repurchase authorization remaining

GAAP to Non-GAAP Reconciliations

NON-GAAP FINANCIAL INFORMATION

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Supplemental Non-GAAP disclosures

Table #1 – Reconciliations of Net Income Available to Tenet Healthcare Corporation Common Shareholders to Adjusted Net Income Available to Common Shareholders

(Unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|----------------|------------------------------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| <i>(Dollars in millions, except per share amounts)</i> | | | | |
| Net income available to Tenet Healthcare Corporation common shareholders | \$ 472 | \$ 101 | \$ 2,882 | \$ 367 |
| Less: | | | | |
| Impairment and restructuring charges, and acquisition-related costs | (19) | (47) | (75) | (84) |
| Litigation and investigation costs | (9) | (14) | (18) | (28) |
| Net gains (losses) on sales, consolidation and deconsolidation of facilities | 348 | (1) | 2,906 | 12 |
| Loss from early extinguishment of debt | — | — | (8) | (11) |
| Tax and noncontrolling interests impact of above items | (130) | 10 | (755) | 17 |
| Adjusted net income available to common shareholders | \$ 282 | \$ 153 | \$ 832 | \$ 461 |
| Diluted earnings per share | \$ 4.89 | \$ 0.94 | \$ 29.27 | \$ 3.41 |
| Less: | | | | |
| Impairment and restructuring charges, and acquisition-related costs | (0.20) | (0.45) | (0.76) | (0.80) |
| Litigation and investigation costs | (0.09) | (0.13) | (0.19) | (0.27) |
| Net gains (losses) on sales, consolidation and deconsolidation of facilities | 3.60 | (0.01) | 29.50 | 0.12 |
| Loss from early extinguishment of debt | — | — | (0.08) | (0.10) |
| Tax and noncontrolling interests impact of above items | (1.35) | 0.09 | (7.67) | 0.16 |
| Adjusted diluted earnings per share | \$ 2.93 | \$ 1.44 | \$ 8.47 | \$ 4.30 |
| Weighted average basic shares outstanding (in thousands) | 95,665 | 101,544 | 97,505 | 101,869 |
| Weighted average dilutive shares outstanding (in thousands) | 96,652 | 104,425 | 98,518 | 105,021 |

Supplemental Non-GAAP disclosures

Table #2 – Reconciliations of Net Income Available to Tenet Healthcare Corporation Common Shareholders to Adjusted EBITDA
(Unaudited)

| <i>(Dollars in millions)</i> | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|-------------------------------------|-----------------|------------------------------------|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Net income available to Tenet Healthcare Corporation common shareholders | \$ 472 | \$ 101 | \$ 2,882 | \$ 367 |
| Less: | | | | |
| Net income available to noncontrolling interests | (209) | (165) | (610) | (488) |
| Net income | 681 | 266 | 3,492 | 855 |
| Income tax expense | (241) | (79) | (1,101) | (243) |
| Loss from early extinguishment of debt | — | — | (8) | (11) |
| Other non-operating income, net | 35 | 4 | 89 | 8 |
| Interest expense | (202) | (227) | (623) | (674) |
| Operating income | 1,089 | 568 | 5,135 | 1,775 |
| Litigation and investigation costs | (9) | (14) | (18) | (28) |
| Net gains (losses) on sales, consolidation and deconsolidation of facilities | 348 | (1) | 2,906 | 12 |
| Impairment and restructuring charges, and acquisition-related costs | (19) | (47) | (75) | (84) |
| Depreciation and amortization | (209) | (224) | (625) | (654) |
| Adjusted EBITDA | \$ 978 | \$ 854 | \$ 2,947 | \$ 2,529 |
| Net operating revenues | \$ 5,122 | \$ 5,066 | \$ 15,593 | \$ 15,169 |
| Net income available to Tenet Healthcare Corporation common shareholders as a % of net operating revenues | 9.2 % | 2.0 % | 18.5 % | 2.4 % |
| Adjusted EBITDA as a % of net operating revenues (Adjusted EBITDA margin) | 19.1 % | 16.9 % | 18.9 % | 16.7 % |

Supplemental Non-GAAP disclosures

Table #3 – Reconciliations of Net Cash Provided by Operating Activities to Free Cash Flow and Adjusted Free Cash Flow

(Unaudited)

| | 2024 | |
|---|-----------------|-------------------|
| | Q3 | YTD |
| <i>(Dollars in millions)</i> | | |
| Net cash provided by operating activities | \$ 1,045 | \$ 2,378 |
| Purchases of property and equipment | (216) | (601) |
| Free cash flow | \$ 829 | \$ 1,777 |
| Net cash provided by investing activities | \$ 667 | \$ 3,801 |
| Net cash used in financing activities | \$ (498) | \$ (3,313) |
| | | |
| Net cash provided by operating activities | \$ 1,045 | \$ 2,378 |
| Less: | | |
| Payments for restructuring charges, acquisition-related costs, and litigation costs and settlements | (55) | (119) |
| Adjusted net cash provided by operating activities | 1,100 | 2,497 |
| Purchases of property and equipment | (216) | (601) |
| Adjusted free cash flow | \$ 884 | \$ 1,896 |
| | | |
| | | |
| | 2023 | |
| | Q3 | YTD |
| <i>(Dollars in millions)</i> | | |
| Net cash provided by operating activities | \$ 503 | \$ 1,550 |
| Purchases of property and equipment | (176) | (543) |
| Free cash flow | \$ 327 | \$ 1,007 |
| Net cash used in investing activities | \$ (169) | \$ (636) |
| Net cash used in financing activities | \$ (214) | \$ (718) |
| | | |
| Net cash provided by operating activities | \$ 503 | \$ 1,550 |
| Less: | | |
| Payments for restructuring charges, acquisition-related costs, and litigation costs and settlements | (27) | (105) |
| Adjusted net cash provided by operating activities | 530 | 1,655 |
| Purchases of property and equipment | (176) | (543) |
| Adjusted free cash flow | \$ 354 | \$ 1,112 |

Supplemental Non-GAAP disclosures

Table #4 – Reconciliations of Outlook Net Income Available to Tenet Healthcare Corporation Common Shareholders to Outlook Adjusted Net Income Available to Common Shareholders

(Unaudited)

(Dollars in millions, except per share amounts)

| | Fourth Quarter 2024 | | FY 2024 | |
|--|---------------------|----------------|-----------------|-----------------|
| | Low | High | Low | High |
| Net income available to Tenet Healthcare Corporation common shareholders | \$ 211 | \$ 311 | \$ 3,093 | \$ 3,193 |
| Less: | | | | |
| Impairment and restructuring charges, acquisition-related costs, and litigation costs and settlements ⁽¹⁾ | (57) | (7) | (150) | (100) |
| Net gains on sales, consolidation and deconsolidation of facilities ⁽²⁾ | — | — | 2,906 | 2,906 |
| Loss from early extinguishment of debt ⁽²⁾ | — | — | (8) | (8) |
| Tax and noncontrolling interests impact of above items | 10 | — | (745) | (755) |
| Adjusted net income available to common shareholders | \$ 258 | \$ 318 | \$ 1,090 | \$ 1,150 |
| Diluted earnings per share | \$ 2.20 | \$ 3.24 | \$ 31.56 | \$ 32.58 |
| Less: | | | | |
| Impairment and restructuring charges, acquisition-related costs, and litigation costs and settlements | (0.59) | (0.07) | (1.53) | (1.02) |
| Net gains on sales, consolidation and deconsolidation of facilities | — | — | 29.65 | 29.65 |
| Loss from early extinguishment of debt | — | — | (0.08) | (0.08) |
| Tax and noncontrolling interests impact of above items | 0.10 | — | (7.60) | (7.70) |
| Adjusted diluted earnings per share | \$ 2.69 | \$ 3.31 | \$ 11.12 | \$ 11.73 |
| Weighted average basic shares outstanding (in thousands) | 95,000 | 95,000 | 97,000 | 97,000 |
| Weighted average dilutive shares outstanding (in thousands) | 96,000 | 96,000 | 98,000 | 98,000 |

(1) The figures shown represent the Company's estimate for restructuring charges plus the actual year-to-date results for impairment and restructuring charges, acquisition-related costs, and litigation costs and settlements. The Company does not generally forecast impairment charges, acquisition-related costs, and litigation costs and settlements because it 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.

(2) The Company does not generally forecast net gains on sales, consolidation and deconsolidation of facilities or losses from the early extinguishment of debt because the Company does not believe that it can forecast these items with sufficient accuracy since it is indeterminable at the time the Company provides its financial Outlook. The figures shown relate to transactions that have already occurred in 2024.

Supplemental Non-GAAP disclosures

**Table #5 – Reconciliations of Outlook Net Income Available to Tenet Healthcare Corporation
Common Shareholders to Outlook Adjusted EBITDA**
(Unaudited)

| (Dollars in millions) | Fourth Quarter 2024 | | FY 2024 | |
|--|---------------------|-----------------|------------------|------------------|
| | Low | High | Low | High |
| Net income available to Tenet Healthcare Corporation common shareholders | \$ 211 | \$ 311 | \$ 3,093 | \$ 3,193 |
| Less: | | | | |
| Net income available to noncontrolling interests | (225) | (245) | (835) | (855) |
| Income tax expense | (84) | (114) | (1,185) | (1,215) |
| Interest expense | (207) | (197) | (830) | (820) |
| Loss from early extinguishment of debt ⁽²⁾ | — | — | (8) | (8) |
| Other non-operating income, net | 26 | 36 | 115 | 125 |
| Net gains on sales, consolidation and deconsolidation of facilities ⁽²⁾ | — | — | 2,906 | 2,906 |
| Impairment and restructuring charges, acquisition-related costs, and litigation costs and settlements ⁽¹⁾ | (57) | (7) | (150) | (100) |
| Depreciation and amortization | (195) | (215) | (820) | (840) |
| Adjusted EBITDA | \$ 953 | \$ 1,053 | \$ 3,900 | \$ 4,000 |
| Net income available to Tenet Healthcare Corporation common shareholders | \$ 211 | \$ 311 | \$ 3,093 | \$ 3,193 |
| Net operating revenues | \$ 5,007 | \$ 5,207 | \$ 20,600 | \$ 20,800 |
| Net income available to Tenet Healthcare Corporation common shareholders as a % of net operating revenues | 4.2 % | 6.0 % | 15.0 % | 15.4 % |
| Adjusted EBITDA as a % of net operating revenues (Adjusted EBITDA margin) | 19.0 % | 20.2 % | 18.9 % | 19.2 % |

- (1) The figures shown represent the Company's estimate for restructuring charges plus the actual year-to-date results for impairment and restructuring charges, acquisition-related costs, and litigation costs and settlements. The Company does not generally forecast impairment charges, acquisition-related costs, and litigation costs and settlements because it 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.
- (2) The Company does not generally forecast net gains on sales, consolidation and deconsolidation of facilities or losses from the early extinguishment of debt because the Company does not believe that it can forecast these items with sufficient accuracy since it is indeterminable at the time the Company provides its financial Outlook. The figures shown relate to transactions that have already occurred in 2024.

Supplemental Non-GAAP disclosures

Table #6 – Reconciliations of Outlook Net Cash Provided by Operating Activities to Outlook Free Cash Flow and Outlook Adjusted Free Cash Flow

(Unaudited)

| | FY 2024 | |
|---|-----------------|-----------------|
| | Low | High |
| <i>(Dollars in millions)</i> | | |
| Net cash provided by operating activities | \$ 1,775 | \$ 2,125 |
| Purchases of property and equipment | (800) | (900) |
| Free cash flow | \$ 975 | \$ 1,225 |
| Net cash provided by operating activities | \$ 1,775 | \$ 2,125 |
| Less: | | |
| Payments for restructuring charges, acquisition-related costs and litigation costs and settlements ⁽¹⁾ | (175) | (125) |
| Adjusted net cash provided by operating activities | 1,950 | 2,250 |
| Purchases of property and equipment | (800) | (900) |
| Adjusted free cash flow⁽²⁾ | \$ 1,150 | \$ 1,350 |

(1) The figures shown represent the Company's estimate for restructuring payments plus the actual year-to-date payments for restructuring charges, acquisition-related costs, and litigation costs and settlements. The Company does not generally forecast payments for acquisition-related costs, and litigation costs and settlements because it 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.

(2) 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, and (ii) distributions paid to noncontrolling interests.

