



Q2'09
Earnings Call

August 4, 2009

Forward-looking statements

Certain statements contained in this presentation constitute forward-looking statements. Such forward-looking statements are based on management's current expectations and involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results to be materially different from those expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions, both nationally and regionally; industry capacity; demographic changes; changes in, or the failure to comply with, laws and governmental regulations; the ability to enter into managed care provider arrangements on acceptable terms; changes in Medicare and Medicaid payments or reimbursement, including those resulting from a shift from traditional reimbursement to managed care plans; liability and other claims asserted against the Company; competition, including the Company's failure to attract patients to its hospitals; the loss of any significant customers; technological and pharmaceutical improvements that increase the cost of providing, or reduce the demand for, health care; a shortage of raw materials, a breakdown in the distribution process or other factors that may increase the Company's cost of supplies; changes in business strategy or development plans; the ability to attract and retain qualified personnel, including physicians, nurses and other health care professionals, including the impact on the Company's labor expenses resulting from a shortage of nurses or other health care professionals; the significant indebtedness of the Company; the availability of suitable acquisition opportunities and the length of time it takes to accomplish acquisitions; the Company's ability to integrate new businesses with its existing operations; and the availability and terms of capital to fund the expansion of the Company's business, including the acquisition of additional facilities. Certain additional risks and uncertainties are discussed in the Company's filings with the Securities and Exchange Commission, including the Company's annual report on Form 10-K and quarterly reports on Form 10-Q. Do not rely on any forward-looking statement, as we cannot predict or control many of the factors that ultimately may affect our ability to achieve the results estimated. We make no promise to update any forward-looking statement, whether as a result of changes in underlying factors, new information, future events or otherwise.

Non-GAAP Information

This document includes certain financial measures including such as adjusted EBITDA which are not calculated in accordance with Generally Accepted Accounting Principles (GAAP). Management recommends that you focus on the GAAP numbers as the best indicator of financial performance. These alternative measures are provided only as a supplement to aid in analysis of the Company.

Reconciliation between non-GAAP measures and related GAAP measures can be found in our Q2'09 quarterly earnings release issued on August 4, 2009.



Trevor Fetter

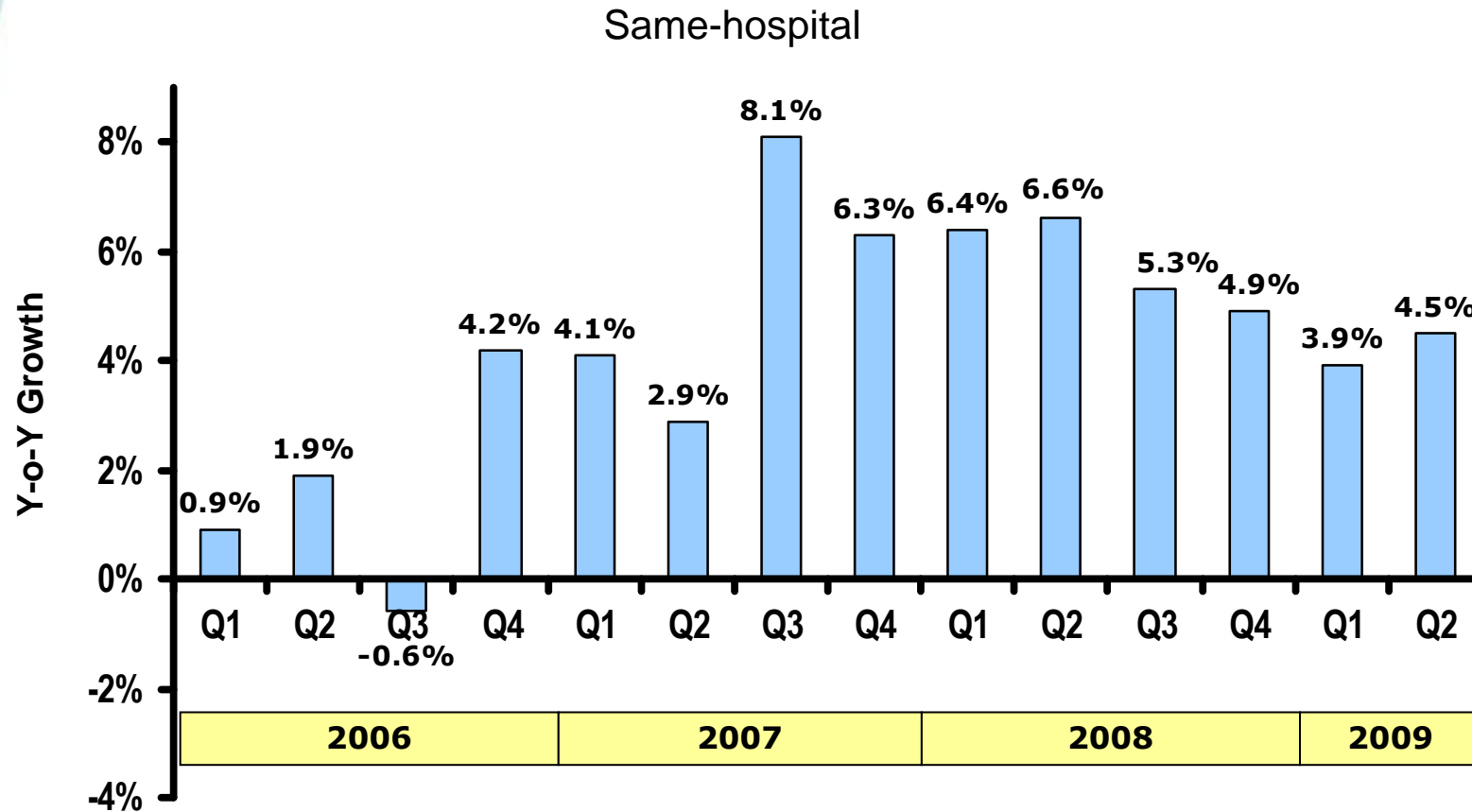
**President &
Chief Executive Officer**

Q2'09 Highlights

- 5.5% growth in net operating revenues (a)
- 51% growth in adjusted EBITDA (a)
- Adjusted EBITDA Outlook increased to \$810-875mm
 - \$524mm YTD
- 1H'09 performance supported by:
 - Solid revenue growth
 - Excellent cost control
 - Outpatient volume growth

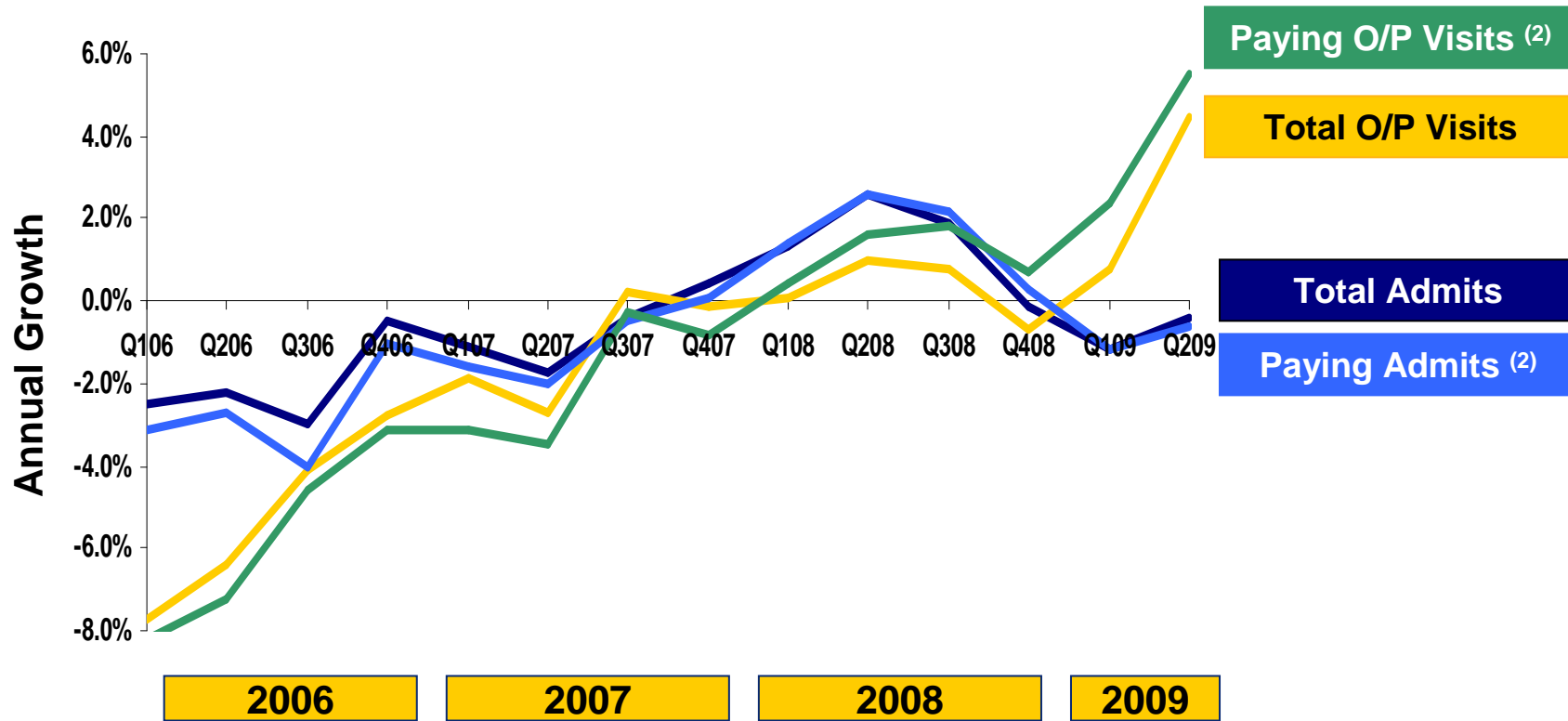
(a) Total-company, Q2'09 as compared to Q2'08

Net revenue growth sustained despite weak economy



Volume growth trends (1)

(same-hospital)



(1) Q1'09 growth rates data not adjusted for Leap Year

(2) Paying admissions/visits are defined as total admissions/visits less charity and uninsured admissions/visits

Outpatient growth sparked Q2'09 performance

- 4.5% increase in outpatient visits (same-hospital, Q2'09 vs Q2'08)
- Commercial outpatient visits grew by 0.6%
- 3.5% growth in outpatient surgeries
- Outpatient growth driven by multiple factors:
 - Capex focused on outpatient
 - Net growth in active medical staff
 - Dedicated PRP reps focused on outpatient business
 - Competition becoming less aggressive
- OP's wider margins contributed to Q2's margin expansion

Recent volume trends

- Q2'09: 5.7% decline in commercial admissions (same-hospital, Q2'09 vs Q2'08)
 - April 1 - May 26^(a) : 7.0% decline in commercial admissions
 - June '09: Commercial admissions decline moderated
- July 1 – July 28^(b):
 - 2.3% decline in commercial admissions
 - 0.8% increase in commercial outpatient visits
 - 1.3% growth in total admissions (same-hospital)
 - 0.8% growth in paying admissions

(a) First 8 complete 7-day weeks of Q2'09

(b) First 4 complete 7-day weeks of Q3'09

2H'09 performance sensitivities

- Cost efficiencies
 - Likely to be sustainable
 - Sensitive to volume volatility at the hospital level
- Bad debt
 - Could be sensitive to continuing macroeconomic softness and rising unemployment
 - Tenet has been proactive in addressing bad debt issues
 - Tenet remains an industry leader in managing the revenue cycle
- Revenue exposure to state budgets

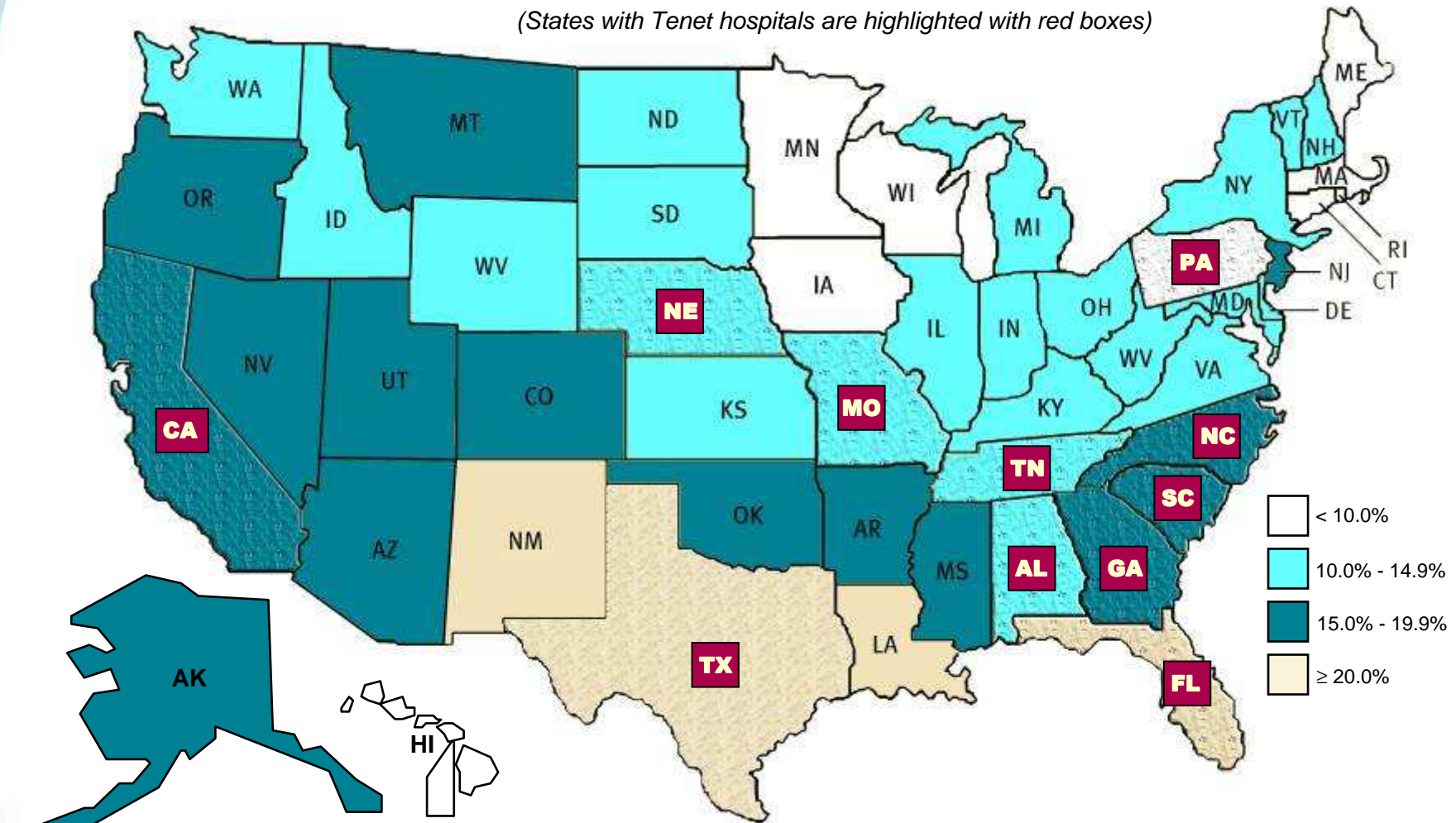
Cash position strengthened

- \$758mm in cash at 6/30/09
- 1H'09 adjusted free cash flow approximately breakeven
 - Despite seasonal cash use in first quarter
- July '09: used approx \$60mm in cash to repurchase \$68mm par value debt

Tenet's geography could benefit from broader coverage of the uninsured

Percent of State Population which is Uninsured (Average for 2005 – 2007)

(States with Tenet hospitals are highlighted with red boxes)



Source: US Census Bureau, Income, Poverty, and Health Insurance Coverage in the United States: 2007.

Q2'09 Summary

- Positive momentum heading into 2H'09
- Strong cost culture in place
- Outpatient growth trend has strengthened

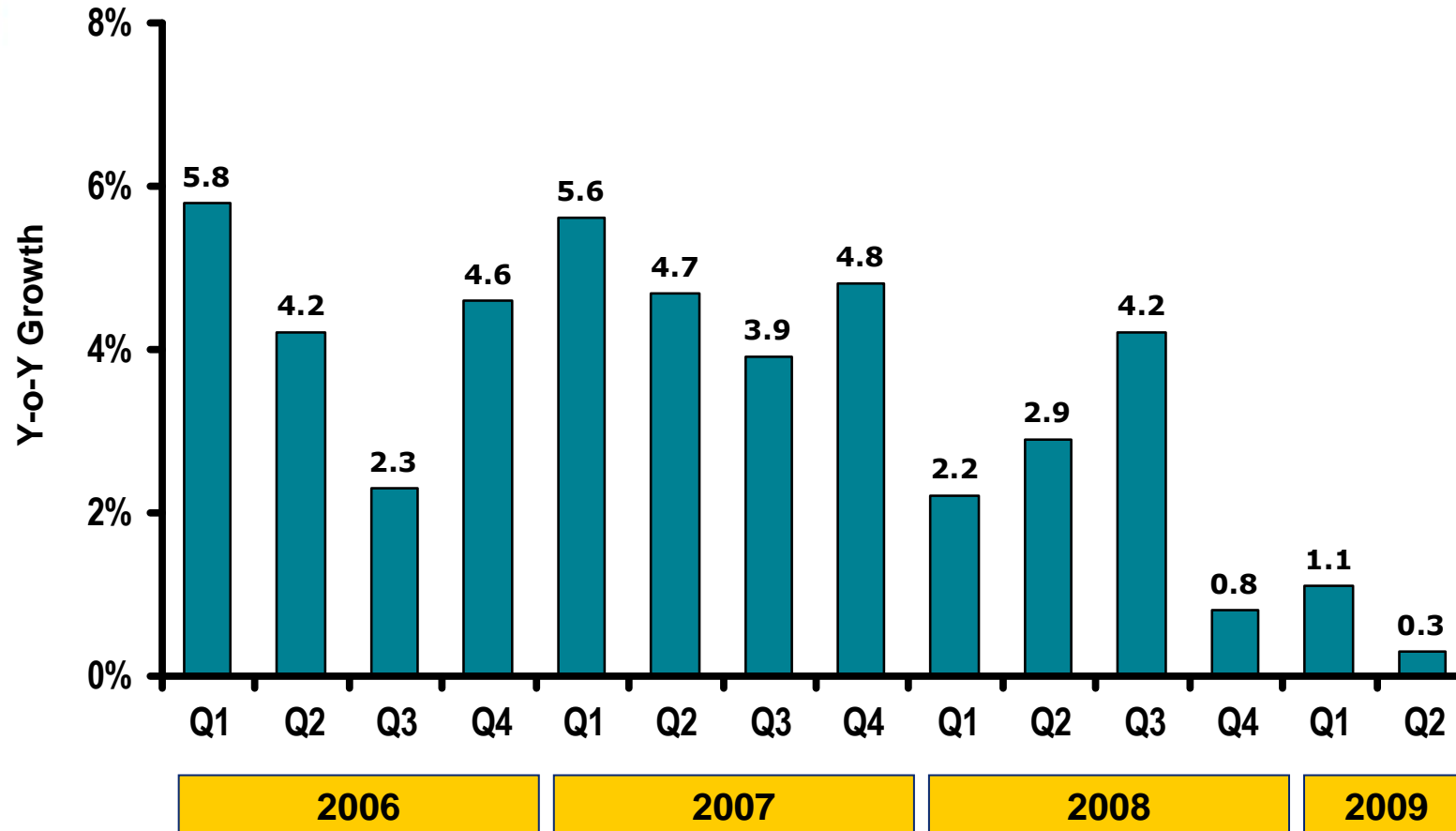


Stephen L. Newman, M.D.

Chief Operating Officer

Cost control has been excellent

Controllable Expenses⁽¹⁾ per Adjusted Patient Day



(1) Same-hospital controllable expenses defined as SWB, supplies, and other operating expenses.

Strong cost culture



0.9% increase in SW&B per adjusted patient day (same-hospital)



29% decline in overtime and contract labor expense



26% decline in employee turnover



29% decline in registered nurse turnover



0.1% decline in supply expenses as percent of net operating expenses despite 1.5% increase in surgeries (same-hospital)



\$11mm (29%) decline in malpractice expense



0.3% increase in total controllable operating expense PAPD (same-hospital)

Volume initiatives are being aggressively implemented



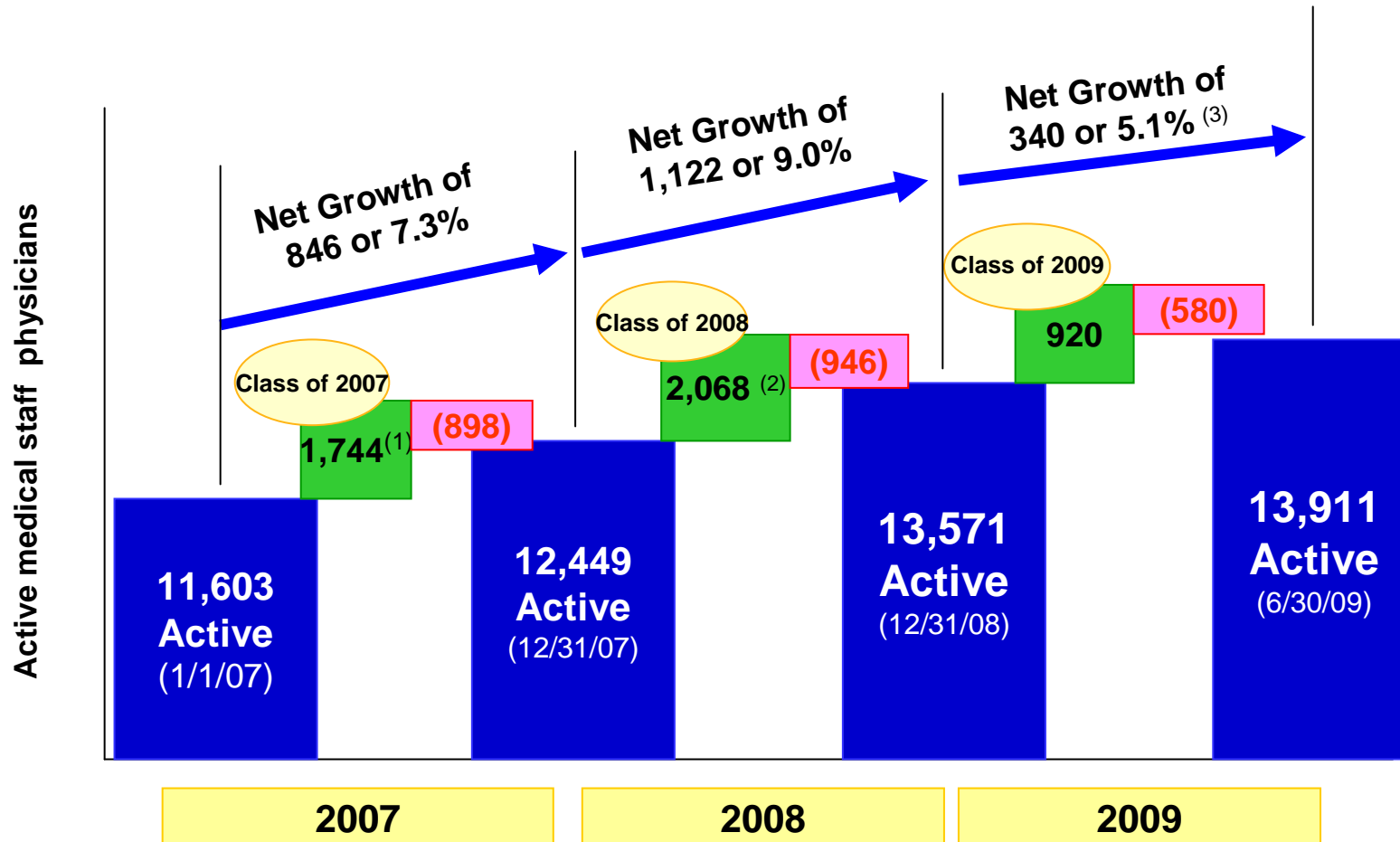
B2B – Business to business marketing



Direct to consumer data base marketing

PRP

19.9% net growth in active physicians since Jan 1, 2007



- (1) Includes 166 physicians with existing privileges at other Tenet hospitals, primarily in El Paso
- (2) Includes 103 physicians with existing privileges at other Tenet hospitals, primarily in El Paso
- (3) 1H'09 growth annualized

Volume growth from physician Classes of 2007 and 2008

Class of 2007

- Averaged 8.6 admissions per active physician in Q2'09
 - 18% increase in total admissions (Q2'09 vs Q2'08)
 - 15% increase in commercial managed care admissions
- 67,000 outpatient referrals in Q2'09
 - 2.7% increase (Q2'09 vs Q2'08)

Class of 2008

- 58,000 outpatient visit referrals in Q2'09



Biggs C. Porter
Chief Financial Officer

2009 Outlook Assumptions

		Current Assumptions	Prior Assumptions (6/01/09)
Admissions - growth ^(a)	(%)	n/c	(1.0) – 0.0
Outpatient visits – growth ^(a)	(%)	n/c	1.5 – 3.0
Net operating revenues – growth	(%)	n/c	3.0 – 5.0
Net operating revenues	(\$Bil)	n/c	8.9 – 9.1
Controllable operating expenses PAPD – growth ^(a)	(%)	0.25 - 1.0	1.0 – 2.0
Controllable operating expenses	(\$Bil)	7.3 – 7.4	7.4 – 7.5
Bad debt ratio	(%)	7.8 – 8.5	8.3 – 9.3
Bad debt expense	(\$mm)	700 – 750	750 - 850
Adjusted EBITDA ^(b)	(\$mm)	810 - 875	760 - 825
Depreciation and amortization	(\$mm)	n/c	400 – 420
Interest Expense, net	(\$mm)	n/c	460 – 445
Loss from continuing operations before income taxes ^(b)	(\$mm)	(50) – 10	(100) - (40)
Net income (loss) from cont. ops. (normalized at 37.1% tax rate) ^(b)	(\$mm)	(31) – 6	(63) - (25)
Net income attributable to noncontrolling interests	(\$mm)	(8) – (13)	(5) – (10)
Net income (loss) attributable to shareholders ^(b)	(\$mm)	(39) – (7)	(68) – (35)
E.P.S. (normalized at 37.1% tax rate, continuing operations) ^(b)	(\$)	(0.08) – (0.01)	(0.14) – (0.07)

(a) Growth versus 2008 (same-hospital)

(b) Excludes impairment of long-lived assets and goodwill, and restructuring charges, litigation and investigation costs, loss from early extinguishment of debt, and net gain on sales of investments.

“n/c” indicates “no change”

2009 adjusted EBITDA walk-forward

(Continuing operations)

Revised Outlook - Aug 4, 2009

	(\$mm)	Revenue	Bad Debt Expense	Controllable Cost	Adjusted EBITDA	Change	Prior Outlook (6/1/09)
1	2008 ^(a)	8,585	(628)	(7,218)	739	7	732
2	Volume – assuming constant mix ^(b)	25	(2)	(14)	9	-	9
3	– impact from adverse mix shift	(69)	(4)	-	(73)	-	(73)
4	Pricing – Base Line Increase ^(c)	292	(28)	-	264	-	264
5	- Managed Care ^(d)	49		-	49	-	49
6	Costs – Base Line Inflation ^(e)	-		(253)	(253)	-	(253)
7	- Cost Reduction Initiatives ^(f)	-		188	188	8	180
8	Bad Debt – impact of rate differential only ^(g)	-	(75)	-	(75)	35	(110)
9	Other ^(h)	57	(7)	(23)	27	-	27
10	Total – Upper End of Adjusted EBITDA Range	8,939	(744)	(7,320)	875	50	825
11	Allowance for Risk ⁽ⁱ⁾				(65)	-	(65)
12	Total – Lower End of Adjusted EBITDA Range				810	50	760

(a) 2008 restated for NorthShore Regional Medical Center reclassification to discontinued operations.

(b) Assumes admissions growth of negative 0.3% and outpatient visit growth of positive 2.5%, using 2008 average pricing. Margin assumption on incremental revenues is 40%.

(c) Base line pricing increases of approximately 3.5%. This assumption is before discrete initiatives valued in this analysis.

(d) Rate parity price increases in existing contracts and anticipated future increases plus \$7mm from P4P payments.

(e) Inflation rate of 3.5% reflects normal merit increases, union contract adjustments, supply cost increases and other items before discrete initiatives valued in this analysis.

(f) Full year impact of cost initiatives initiated in late 2008 and malpractice reductions.

(g) Assumes 2009 bad debt ratio of approximately 8.3%, a 70 basis point increase over our Q4'08 bad debt ratio of 7.6%. Bad debt ratio was 7.3% in 2008.

(h) Includes impact of Sierra Providence East Medical Center (El Paso) and Coastal Carolina Hospital.

(i) Various risks including volume growth, volume mix, and bad debt create at least \$65 million in uncertainties for 2009 performance.

This schedule is not intended to provide a series of spot estimates or line item guidance. Other combinations of line item performance could produce the same or higher or lower results.



2009 Cash Walk Forward

(\$mm)

Revised

Prior

Low

High

Change

Low

High

	Low	High	Change	Low	High
2009 EBITDA	810	875	50	760	825
Add Back: Stock Compensation Charges	20	25	-	20	25
Changes in Cash from Operating Assets and Liabilities	(120)	(100)	-	(120)	(100)
Interest Payments	(420)	(435)	-	(420)	(435)
Adjusted Net Cash Provided by Operating Activities – Cont. Ops.	290	365	50	240	315
Capital Expenditures – Cont. Ops.	(400)	(450)	-	(400)	(450)
Adjusted Free Cash Flow – Cont. Ops.	(110)	(85)	50	(160)	(135)
Income Tax Refunds	15	25	-	15	25
Payments against Reserves for Restructuring Charges, Litigation Costs and Settlements	(195)	(185)	(5)-(15)	(190)	(170)
Net Cash Provided by (Used In) Operating Activities from Disc. Ops.	28	38	38-28	(10)	10
Investing Activities, Reserve Fund, Divestitures and Other	300	335	(8)	308	343
Net Financing Activities	(130)	(120)	(110)-(90)	(20)	(30)
Net Increase (Decrease) in Cash and Cash Equivalents	(92)	8	(35)	(57)	43
Cash and Cash Equivalents December 31, 2008	507		-	507	
Cash and Cash Equivalents December 31, 2009	415	515	(35)	450	550

July 1 – Dec 31, 2009 - - Cash Walk Forward

(\$mm)

	Low	High
EBITDA Outlook (Q3'09-Q4'09)	286	351
Add Back: Stock Compensation Charges	7	12
Changes in Cash from Operating Assets and Liabilities	12	32
Interest Payments	(185)	(200)
Adjusted Net Cash Provided by Operating Activities – Continuing Operations	120	195
Capital Expenditures – Continuing Operations	(227)	(277)
Adjusted Free Cash Flow – Continuing Operations	(107)	(82)
Income Tax Refunds (Payments)	(7)	3
Payments against Reserves for Restructuring Charges, Litigation Costs and Settlements	(139)	(129)
Net Cash Provided by Operating Activities from Discontinued Operations	-	10
Investing Activities, Reserve Fund, Divestitures and Other	(23)	12
Net Financing Activities	(67)	(57)
Net Decrease in Cash and Cash Equivalents	(343)	(243)
Cash and Cash Equivalents June 30, 2009	758	
Cash and Cash Equivalents December 31, 2009	415	515

Summary

- Strong Q2'09 performance:
 - Solid revenue growth
 - Excellent cost control
 - Strong cash flow
 - Outpatient volume acceleration has mitigated impact of softer commercial admissions
 - Bad debt pressures have been manageable
- Further upside potential if stability in:
 - Bad debt
 - Payor mix
 - State government reimbursement
- Confident in our strategies