



INVESTOR PRESENTATION

JUNE 2017

# ■ ■ FORWARD-LOOKING STATEMENTS AND NON-GAAP FINANCIAL INFORMATION

## **Forward-Looking Statements**

Certain statements and information in this communication may be deemed to be “forward-looking statements” within the meaning of the Federal Private Securities Litigation Reform Act of 1995. Forward-looking statements may include, but are not limited to, statements relating to the Company’s financial and operating objectives, plans and strategies, and all statements (other than statements of historical facts) that address activities, events or developments that the Company intends, expects, projects, believes or anticipates will or may occur in the future. These statements are often characterized by terminology such as “believe,” “hope,” “may,” “anticipate,” “should,” “intend,” “plan,” “will,” “expect,” “estimate,” “project,” “positioned,” “strategy” and similar expressions, and are based on assumptions and assessments made by the Company’s management in light of their experience and their perception of historical trends, current conditions, expected future developments, and other factors they believe to be appropriate. Any forward-looking statements in this communication are made as of the date hereof, and the Company undertakes no duty to update or revise any such statements, whether as a result of new information, future events or otherwise. Forward-looking statements are not guarantees of future performance. Whether actual results will conform to expectations and predictions is subject to known and unknown risks and uncertainties, including: (i) risks and uncertainties discussed in the reports and other documents that the Company files with the Securities and Exchange Commission; (ii) general economic, market, or business conditions; (iii) the impact of legislative or regulatory changes, such as changes to the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010; (iv) changes in governmental reimbursement programs; (v) decreases in revenue and profit margin under fee-for-service contracts due to changes in volume, payor mix and reimbursement rates; (vi) the loss of existing contracts; (vii) risks associated with the ability to successfully integrate the Company’s operations and employees following the merger; (viii) the ability to realize anticipated benefits and synergies of the business combination; (ix) the potential impact of the consummation of the transaction on the Company’s relationships, including with employees, customers and competitors; and (x) other circumstances beyond the Company’s control.

## **Non-GAAP Financial Information**

This presentation includes certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”), including Adjusted EBITDA and Adjusted EPS. The items excluded from these non-GAAP measures are important in understanding the Company’s historical financial performance, and any non-GAAP measures presented should not be considered in isolation of, or as an alternative to, the most directly comparable GAAP financial measures. Since these non-GAAP financial measures are not measures determined in accordance with GAAP, have no standardized meaning prescribed by GAAP and are susceptible to varying calculations, these measures, as presented, may not be comparable to other similarly titled measures of other companies.

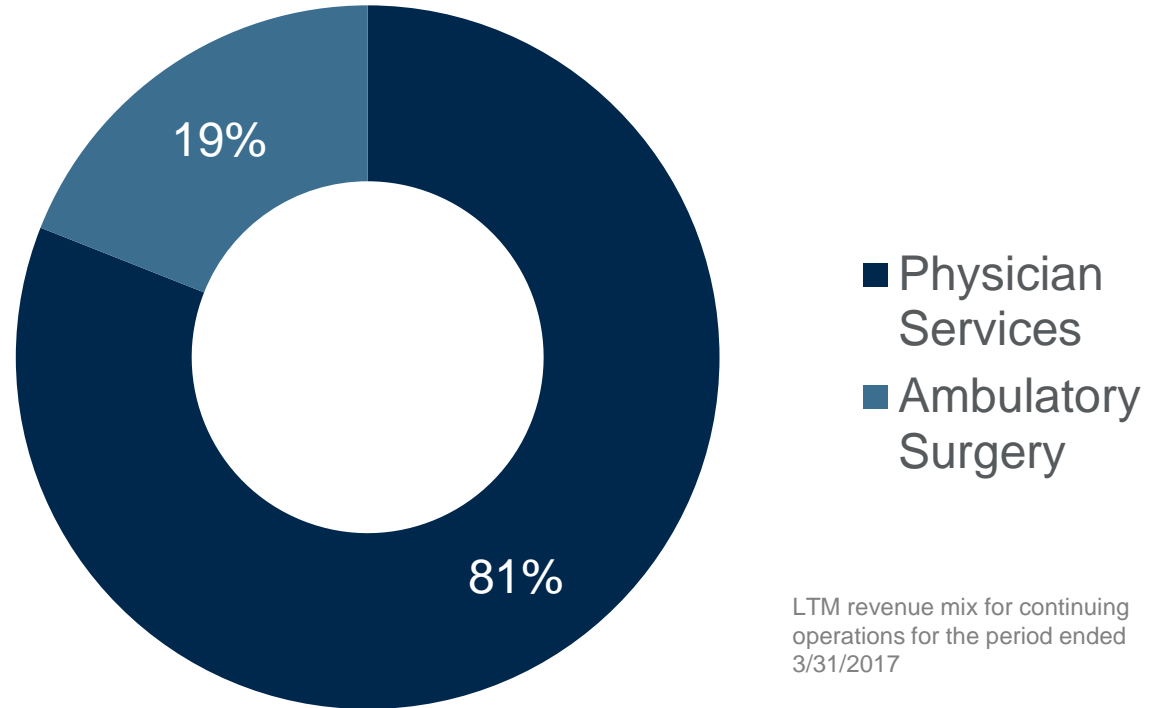
Reconciliations of the non-GAAP measures used herein to the most directly comparable GAAP measures are included in the Company’s quarterly earnings release for the three months ended March 31, 2017, which are available at the Company’s website at [investor.evhc.net](http://investor.evhc.net).

Adjusted EBITDA of Envision Healthcare Corporation is defined as earnings before interest expense, net, income taxes, depreciation, amortization, transaction and integration costs, share-based compensation, impairment charges, debt extinguishment costs, gain or loss on de-consolidations, changes in contingent purchase price consideration, purchase accounting adjustments related to mergers and acquisitions and discontinued operations. Except for purposes of calculating leverage ratios, Adjusted EBITDA does not include pro forma results for completed acquisitions. Adjusted EPS is defined as diluted earnings per share adjusted for acquisition-related amortization expense, share-based compensation expense, transaction and integration costs, gains and losses on future deconsolidation transactions, impairment charges, debt extinguishment costs and purchase accounting adjustments, net of tax impact.

# ENVISION 2017: NATIONAL SCALE, LEADING POSITIONS

<b>Business Segments</b>	<ul style="list-style-type: none"> <li>➤ Physician Services Provider</li> <li>➤ Ambulatory Surgery Center (ASC) Operator</li> </ul>
<b>Vision</b>	To be the Trusted Strategic Partner for Providers, Health Systems, Communities and Payers in the Common Pursuit of the Highest Quality of Care for the Patients We Serve
<b>Mission</b>	To Support Physicians in the Alignment with Health Systems, Payers and Communities to Form High-Performing Networks
<b>Focus</b>	<ul style="list-style-type: none"> <li>➤ Physician-Centric Culture</li> <li>➤ Quality / Performance Enhancement</li> <li>➤ Market Relevance, Specialization &amp; Scale</li> </ul>

Envision Healthcare Segment Revenue Mix  
Continuing Operations



LTM revenue mix for continuing operations for the period ended 3/31/2017

Key Stats	
<b>States</b>	➤ 45 & District of Columbia
<b>Physician Services</b>	➤ 1,600 clinical departments in healthcare facilities
<b>Ambulatory Surgery</b>	➤ 264 centers

# PHYSICIAN SERVICES SEGMENT HIGHLIGHTS



**> 800**  
EMERGENCY  
MEDICINE &  
HOSPITALIST SITES



**> 500**  
ANESTHESIA  
PROGRAMS



**13 Million**  
RADIOLOGY  
STUDIES  
Pro forma, 2017

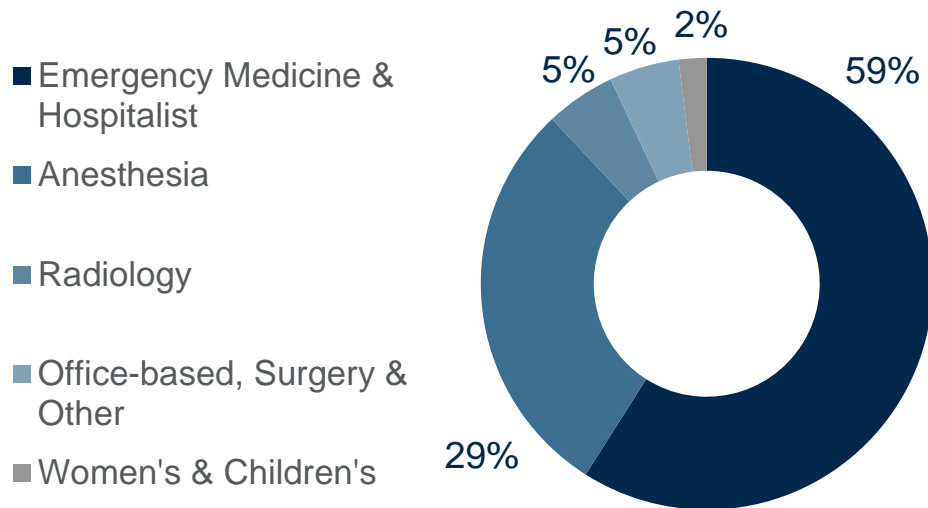


**> 80**  
NEONATOLOGY  
PROGRAMS



**> 23,000**  
PHYSICIANS AND  
ADVANCED  
PRACTITIONERS

## Envision Physician Services % Revenue by Specialty



LTM revenue mix for the period ended 3/31/2017

## DEMAND DRIVERS

- Consolidation
- Mandate for clinical integration
- Value-based pricing innovation
- Lack of scaled physician practices
- Physician supply shortages
- Hospital cost pressures
- MACRA readiness
- Increasing regulation

# ■ ■ AMBULATORY SERVICES SEGMENT HIGHLIGHTS



**264**  
AMBULATORY SURGERY  
CENTERS NATIONWIDE

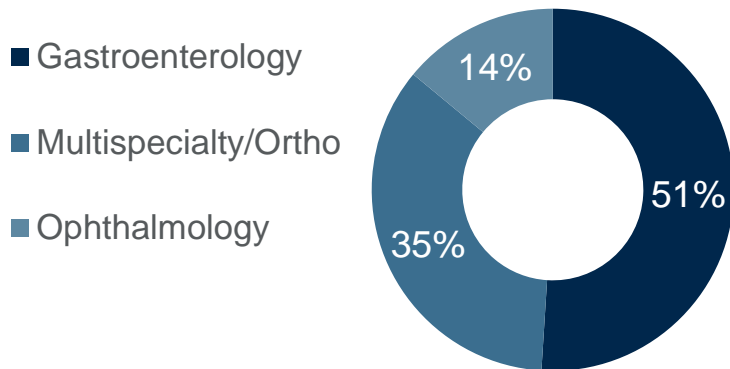


**1.7 MILLION**  
SURGICAL PROCEDURES  
(LTM 3/31/2017)



**> 3,000**  
PHYSICIANS  
AND UTILIZERS

% Revenue



LTM revenue mix for the period ended 3/31/2017

## Market Leader Across Specialties

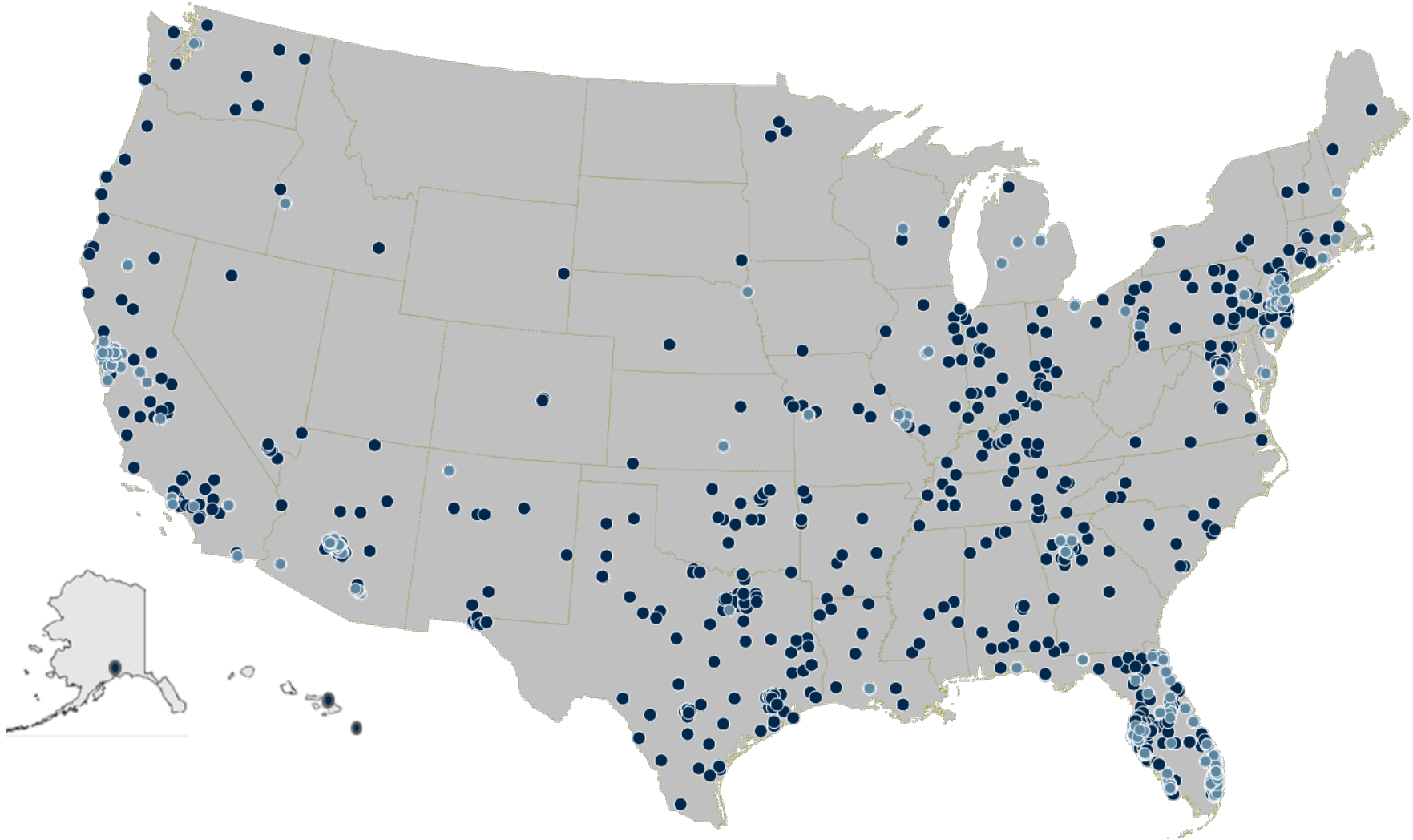
Business	Centers	Segment Size (\$ Revenues)
Gastroenterology	159	\$3bn - \$4bn
Ophthalmology	38	\$2bn - \$3bn
Multi-Specialty	67	\$5bn - \$8bn
<b>Total</b>	<b>264</b>	<b>\$10bn - \$15bn</b>

# ■ ■ NATIONAL PRESENCE

**>1,600**  
Clinical Departments

**>260**  
ASCs

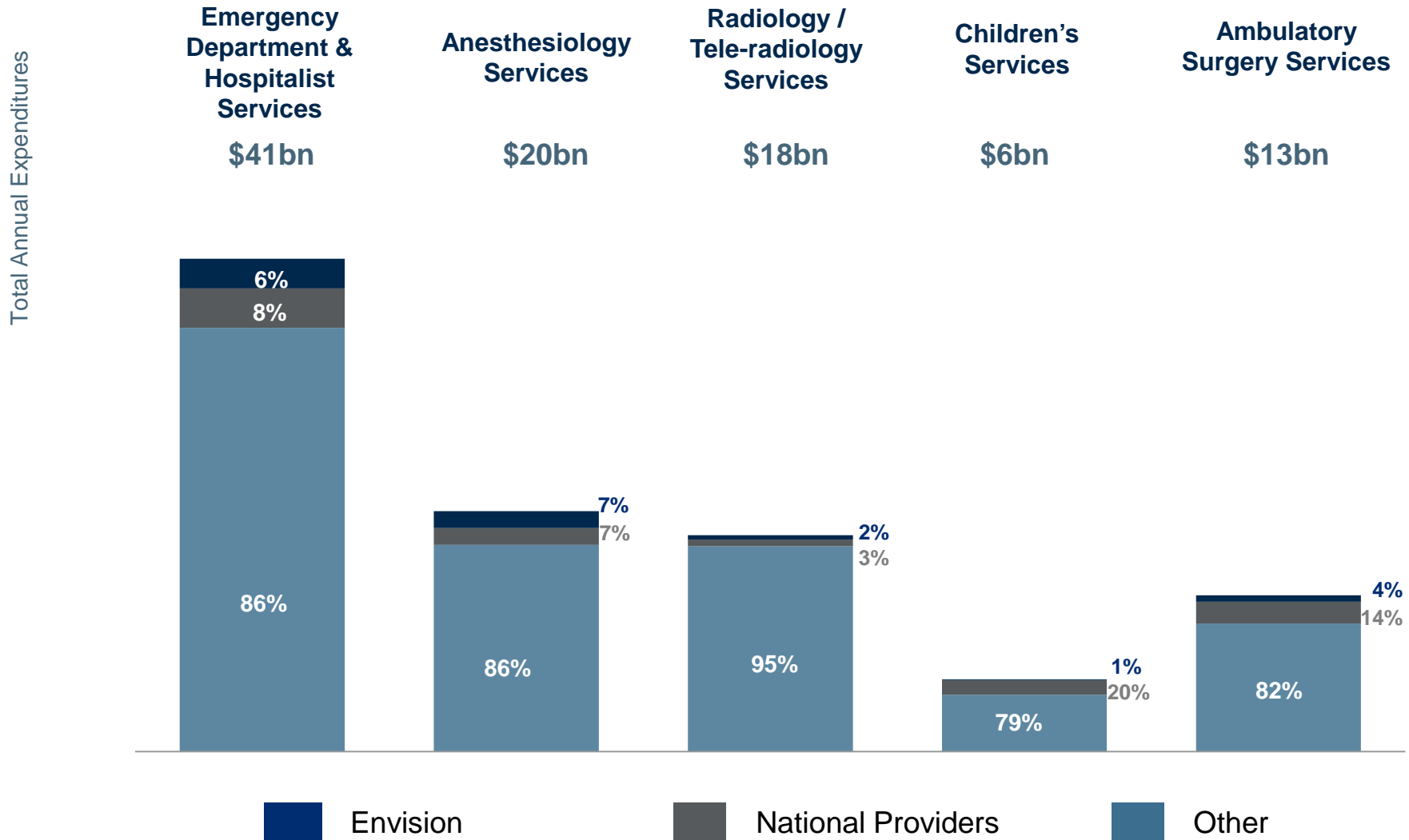
**45**  
States & D.C.



- Physician Services Practices
- Ambulatory Surgical Centers

# GROWTH OPPORTUNITY

## \$98 BILLION HIGHLY FRAGMENTED ADDRESSABLE MARKETS



# ■ ■ STRATEGIC DISCUSSION: WHERE WE'RE GOING

## Strategic Review

- Advancing Physician-Centric Focus on:
  - Facility-based Physician Services, including post-acute services
  - Ambulatory Surgery Center
- AMR Medical Transportation Segment reported as discontinued operations
  - Divestiture process expected to be completed by year end
- Population Health contract provided under Evolution Health subsidiary terminated

## Capital Deployment

- Net proceeds from possible AMR divestiture to fund debt reduction, incremental M&A in Physician Services, Ambulatory Surgery segments

## Managed Care: Move to In Network

- Physician Services billings under emergency medicine to move predominantly to In-Network with commercial payors
- Neutral impact to Envision revenue and margin
- Improves cash flow, reducing DSO

## Limited Exposure to Health Reform





Envision

HEALTHCARE

## ■ ■ 2017 FINANCIAL OUTLOOK

Envision provided its most recent financial outlook for continuing operations on May 2, 2017, as follows:

2017	
Net Revenue	\$7.80 billion to \$8.05 billion
Same-Contract Revenue Growth, by segment	Physician Services 3% to 4%
	Ambulatory Services 0% to 1%
Adjusted EBITDA	\$1.038 Billion to \$1.066 Billion
Adjusted EPS	\$3.38 to \$3.52
2017 Second Quarter	
Adjusted EBITDA	\$247 Million to \$258 Million
Adjusted EPS	\$0.78 to \$0.84

## ■ ■ DEBT STRUCTURE

Debt Instruments <sup>(1)</sup>	As of March 31, 2017 (\$000)
Term Loan B-2023	\$ 3,486,300
Senior Unsecured Notes due 2022 (5.625%)	1,100,000
Senior Unsecured Notes due 2022 (5.125%)	750,000
Senior Unsecured Notes due 2024 (6.250%)	550,000
Other debt	53,300
	\$ 5,939,600
Cash and cash equivalents	225,300
Net debt	\$ 5,618,000
Ratio of Combined Company Pro Forma Net Debt to Combined Company LTM Adjusted EBITDA	4.3x
Asset-based Lending Facility, Availability at March 31, 2017	\$ 688,000

(1) Amount includes current portion of long-term debt of \$46.8 million.



Envision

HEALTHCARE