The following material and presentation contains information which is forward-looking within the meaning of federal securities law. These forward-looking statements are based on the current plans and expectations of Advocate Health Care Network ("Advocate") that, although believed to be reasonable, are subject to a number of known and unknown uncertainties and risks inherent in the operation of health care facilities, many of which are beyond Advocate’s control, that could significantly affect current plans and expectations and Advocate’s future financial position and results of operations. These forward-looking statements speak only as of the date made. Investors are cautioned not to unduly rely on such forward-looking statements. This presentation should be reviewed in conjunction with Advocate’s December 31, 2016 and September 30, 2017 continuing disclosure reports.
Overview & Strategic Focus

Jim Skogsbergh
President and Chief Executive Officer
Advocate Health Care

Physicians
- 1,350 Employed
- 4,970 Physician Partners
- 6,300 Medical Staff

Associates
- 37,000 Associates

Hospitals
- 11 Acute Care
- 4 Teaching / 1 Children’s
- 5 Level 1 Trauma Centers

Financials
- $6.0 B. Total Revenue
- $660+ M. Community Benefits

Post-Acute
- Home Health / Hospice Palliative Care / LTACH
- SNF Partnerships

Location
- Chicagoland/Central IL
MISSION - To serve the health needs of individuals, families and communities through a wholistic philosophy rooted in our fundamental understanding of human beings as created in the image of God.

VALUES - Compassion, equality, excellence, partnership and stewardship guide our actions as we work together to provide health services to others in our communities.

PHILOSOPHY - Is grounded in the principles of human ecology, faith and community-based health care. These principles arise from an understanding of human beings as a whole person in light of their relationship to God, themselves, their families and the society in which they live.
National Recognition

More than $692M community benefit (2016)

Thyen Health Analytics | IBM Watson Health
100 TOP HOSPITALS

MAGNET Recognized
AMERICAN NURSES CREDENTIALING CENTER

DECKER'S Hospital CFO Report

BestPlaces to Work 2017

TOP WORKPLACES 2017

Modern Healthcare PLACES TO WORK 2017

Chicago Tribune

BEST CHILDREN'S HOSPITALS

2017 Practice Greenhealth ENVIRONMENTAL EXCELLENCE AWARDS

BEST HOSPITALS US News RANKINGS

2017 GET WITH THE GUIDELINES AWARD GOLD PLUS

SCIENTIFIC REGISTRY OF TRANSPLANT RECIPIENTS

Becker's Hospital Review

52 Great Health Systems

AHP Association for Healthcare Philanthropy

Diversity Inc TOP 12 HOSPITALS AND HEALTH SYSTEMS

INFLUENCE HEALTH

TOMORROW STARTS TODAY.

Advocate Health Care
Advocate 2025: Trends & Implications

- **SAFETY & QUALITY**: Maintain unrelenting focus on safety and health outcomes
- **REVENUE GROWTH**: Increase patient retention, scale and new revenue
- **CONSUMERS**: Create consumer-friendly experience enabled by digital technology to build loyalty
- **COSTS**: Standardize and innovate to reduce cost
ADVOCATE 2025
MISSION, VALUES & PHILOSOPHY

VISION
To be a faith-based system providing the safest environment and best health outcomes, while building lifelong relationships with the people we serve.

STRATEGIES
TRANSFORMATION
CONSUMER-FIRST
GROWTH

IMPERATIVES
SAFETY
QUALITY
AFFORDABILITY
ADVOCATECARE®
OUTSTANDING CARE EXPERIENCE
CONSUMER-FRIENDLY TRANSACTIONS
RETENTION SCALE
NEW REVENUE

FOUNDATION
Strong Physician and Associate Engagement

TOMORROW STARTS TODAY.
ZERO Serious Safety Events by 2020

- Current decline 54%
- 2018 decline target 75%
- Culture of safety

Insurance Expense

TOMORROW STARTS TODAY.
Through the Medicare Shared Savings Program in 2016:

- Saved taxpayers $60.6 million
- Achieved shared savings 2nd consecutive year
- Achieved 97.28% of total quality points
- Ranked 2nd nationally in savings out of 432 ACOs
Improved Public Exchange Performance

• 68,000 lives
• Collaborative Product with BCBSIL
• Break even performance in 2017 projected
• Significant 2018 premium increase
Retail Clinics Drive Patient Acquisition

• 56 clinics opened May 2016
• Nearly 400,000 visits to-date
• 62 percent new to Advocate
• $25 million additional 2017 downstream revenue
Advocate Aurora Health

By the numbers

- $10.7B Total Revenue
- 5.9% Operating Margin
- $15.3B Total Assets
- 290.7 Days Cash on Hand
- 15.5% EBDIT %
- 70,000 Employees
- 3,300+ Employed Physicians
- 27 Hospitals
- 500 Outpatient Locations
- 2.7M Unique Patients
- 100 Retail Clinics
- Nearly $2B Community Benefits in 2016
Advocate Aurora Health

• Full asset merger
• Single board of directors – equal representation
• Co-CEOs
• Dual headquarters
• Combined executive team
• Continue existing brands
• Consolidated financial statements
Advocate Aurora Strategic Value Drivers

- Adjacent markets in contiguous states
- Complementary expertise
- Alignment of strategic plans and strong cultures
- Embrace population health
- Enhanced scale and operational synergies
- Investment yield upside
Advocate Well Positioned

• National leader in safety and health outcomes
• Top decile workforce engagement
• Strong physician partnerships
• #1 in brand recognition
• Financial strength
• Advocate Aurora Health
Financial Profile

Dominic J. Nakis
Chief Financial Officer and Treasurer
<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017 YTD*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Global Capitation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial HMO</td>
<td>203,000</td>
<td>206,000</td>
<td>253,000</td>
<td>257,000</td>
</tr>
<tr>
<td>Medicare Advantage</td>
<td>34,000</td>
<td>37,000</td>
<td>47,000</td>
<td>47,000</td>
</tr>
<tr>
<td><strong>Partial Capitation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial HMO</td>
<td>28,000</td>
<td>31,000</td>
<td>36,000</td>
<td>38,000</td>
</tr>
<tr>
<td><strong>Shared Savings</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial PPO/EPO</td>
<td>185,000</td>
<td>207,000</td>
<td>303,000</td>
<td>444,000</td>
</tr>
<tr>
<td>Medicare Shared Savings</td>
<td>134,000</td>
<td>146,000</td>
<td>136,000</td>
<td>144,000</td>
</tr>
<tr>
<td>Medicaid FHP</td>
<td>72,000</td>
<td>97,000</td>
<td>95,000</td>
<td>86,000</td>
</tr>
<tr>
<td><strong>Total Lives</strong></td>
<td>656,000</td>
<td>724,000</td>
<td>870,000</td>
<td>1,016,000</td>
</tr>
</tbody>
</table>

*November 2017
Revenue Growing

$390 $414 $412 $488
$1,303
$4,548 $4,816 $4,981 $5,100

2013 2014 2015 2016 2017 Projected

Risk Based Revenues Net Patient Service & Other Revenues including Shared Savings

5.8% CAGR
## Operating Results Trend in Line with Peers

### Operating Income and Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Income</th>
<th>Operating Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$300</td>
<td>6.1%</td>
</tr>
<tr>
<td>2014</td>
<td>$339</td>
<td>6.3%</td>
</tr>
<tr>
<td>2015</td>
<td>$331</td>
<td>6.1%</td>
</tr>
<tr>
<td>2016</td>
<td>$264</td>
<td>4.7%</td>
</tr>
<tr>
<td>2016 Q3 YTD</td>
<td>$172</td>
<td>4.1%</td>
</tr>
<tr>
<td>2017 Q3 YTD</td>
<td>$153</td>
<td>3.3%</td>
</tr>
</tbody>
</table>

*Note: YTD stands for Year-Over-Year.*
Operating Cash Flow is Solid

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Cash Flow</th>
<th>Operating Cash Flow Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$567</td>
<td>11.5%</td>
</tr>
<tr>
<td>2014</td>
<td>$636</td>
<td>12.0%</td>
</tr>
<tr>
<td>2015</td>
<td>$633</td>
<td>11.7%</td>
</tr>
<tr>
<td>2016</td>
<td>$587</td>
<td>10.5%</td>
</tr>
<tr>
<td>2016 Q3 YTD</td>
<td>$420</td>
<td>10.1%</td>
</tr>
<tr>
<td>2017 Q3 YTD</td>
<td>$417</td>
<td>9.0%</td>
</tr>
</tbody>
</table>

Dollars in Millions
Investment Assets and Yields Contribute to Financial Strength

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment Income</th>
<th>Investment Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$343</td>
<td>7.1%</td>
</tr>
<tr>
<td>2014</td>
<td>$188</td>
<td>3.2%</td>
</tr>
<tr>
<td>2015</td>
<td>$(184)</td>
<td>-2.6%</td>
</tr>
<tr>
<td>2016</td>
<td>$374</td>
<td>7.8%</td>
</tr>
<tr>
<td>2016 Q3 YTD</td>
<td>$326</td>
<td>7.1%</td>
</tr>
<tr>
<td>2017 Q3 YTD</td>
<td>$487</td>
<td>8.8%</td>
</tr>
</tbody>
</table>

Actual September 30

- Hedge Funds: 31%
- Fixed Income: 28%
- Private Equity: 12%
- Public Equity: 29%
Capital Spend Moderating

Dollars in Millions

Cash Spending

Capital Spend Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash Spending</th>
<th>Capital Spend Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$386</td>
<td>182%</td>
</tr>
<tr>
<td>2014</td>
<td>$508</td>
<td>212%</td>
</tr>
<tr>
<td>2015</td>
<td>$504</td>
<td>196%</td>
</tr>
<tr>
<td>2016</td>
<td>$402</td>
<td>149%</td>
</tr>
<tr>
<td>2016 Q3 YTD</td>
<td>$304</td>
<td>149%</td>
</tr>
<tr>
<td>2017 Q3 YTD</td>
<td>$270</td>
<td>123%</td>
</tr>
</tbody>
</table>
Debt Profile – low, level & long

Total debt of $1.6 billion, annual debt service is level and average life is 18 years.
Debt Profile – Well Diversified

Underlying Debt Mix
- Fixed Rate: $930, 60%
- Weekly VRDOs: $321, 21%
- Tender Bonds: $142, 9%
- Direct Purchase: $100, 6%
- Windows VRDBs: $70, 4%

Net Interest Rate Mix
- Fixed Rate: $930, 60%
- Synthetic Fixed Rate: $142, 9%
- Intermediate: $326, 21%

Renewal Risk
- Term Loan: $127.9
- DP: $77.5
- Tender Bonds: $50.0
- Direct Placement: $42.8
- SBPA: $49.2

Credit Provider Mix
- Fixed Rate: $930, 60%
- Self Liquidity: $185, 12%
- JP Morgan: $212, 14%
- US Bank: $144.2
- Northern: $100, 6%
- Wells: $77.5
Advocate Aurora Health Merger

• Neither Advocate nor Aurora has agreed to assume any liability for or otherwise guarantee the other party’s debt as part of the transaction

• Evaluation of optimal credit structure, and any potential refinancing of all or part of existing debt, will be determined based upon market conditions, management considerations and other factors
Strong Coverage & Capitalization

<table>
<thead>
<tr>
<th>Year</th>
<th>Debt Service Coverage Ratio (times)</th>
<th>Debt as % of Unrestricted Capitalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>9.5</td>
<td>24.0%</td>
</tr>
<tr>
<td>2014</td>
<td>9.4</td>
<td>23.2%</td>
</tr>
<tr>
<td>2015</td>
<td>7.6</td>
<td>23.9%</td>
</tr>
<tr>
<td>2016</td>
<td>8.5</td>
<td>21.8%</td>
</tr>
<tr>
<td>2016 Q3 YTD</td>
<td>8.7</td>
<td>22.3%</td>
</tr>
<tr>
<td>2017 Q3 YTD</td>
<td>9.1</td>
<td>20.2%</td>
</tr>
</tbody>
</table>

Debt Service Coverage Ratio (times) Debt as % of Unrestricted Capitalization
Robust Cash to Debt Ratio

2013 | 2014 | 2015 | 2016 | 2016 Q3 | 2017 Q3
---|---|---|---|---|---
283 | 296 | 280 | 297 | 298 | 321
Pension Plans Fully Funded

Dollars in Millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Assets</th>
<th>PBO</th>
<th>Percent Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$840</td>
<td>$838</td>
<td>100%</td>
</tr>
<tr>
<td>2014</td>
<td>$899</td>
<td>$937</td>
<td>96%</td>
</tr>
<tr>
<td>2015</td>
<td>$915</td>
<td>$945</td>
<td>97%</td>
</tr>
<tr>
<td>2016</td>
<td>$979</td>
<td>$999</td>
<td>98%</td>
</tr>
<tr>
<td>2017</td>
<td>$1,060</td>
<td>$1,037</td>
<td>102%</td>
</tr>
</tbody>
</table>

2013-2017 Q3 YTD
Substantial Liquidity Position

<table>
<thead>
<tr>
<th>Year</th>
<th>Dollars</th>
<th>Days Cash and Investments on Hand</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$4,518</td>
<td>386</td>
</tr>
<tr>
<td>2014</td>
<td>$4,725</td>
<td>383</td>
</tr>
<tr>
<td>2015</td>
<td>$4,712</td>
<td>368</td>
</tr>
<tr>
<td>2016</td>
<td>$4,962</td>
<td>370</td>
</tr>
<tr>
<td>2016 Q3 YTD</td>
<td>$4,966</td>
<td>371</td>
</tr>
<tr>
<td>2017 Q3 YTD</td>
<td>$5,329</td>
<td>353</td>
</tr>
</tbody>
</table>

TOMORROW STARTS TODAY.
Advocate Well Positioned

- National leader in safety and health outcomes
- Strong brand
- Physician partnerships
- Top decile workforce engagement
- Balance sheet strength and solid operating performance
- AA+ (S&P), Aa2 (M) AA (F) bond ratings, stable outlooks
- Advocate Aurora Health