



Figure 19: Community Health Systems (CYH)

Community Health Systems (CYH)												www.chs.net		
	FY	FY	Q3	Q3	%	LTM	Market	Create						
\$ mm	2015	2016	09/30/16	09/30/17	Change	Normalized ¹	Value	Normalized ¹	Q4	FY	FY			
						09/30/17	of Debt	09/30/17	12/31/17	2017	2018			
Revenue	22,564	18,438	4,380	3,666	-16.3%	16,785		16,785	3,646	15,942	14,848			
EBITDA	2,670	2,225	465	371	-20.2%	1,556		1,556	428	1,761	1,667			
Interest	973	962	233	238	2.1%	938		938	230	936	919			
Taxes	116	(104)	(29)	(59)	103.4%	(37)		(37)	-	(74)	10			
Capex (Includes Other Investments)	1,158	986	242	189	-21.9%	747		747	252	775	750			
FCF Before Working Capital and Other	423	381	19	3		(92)		(92)	(54)	124	(12)			
FCF as % Net Debt	2.5%	2.5%		0.1%		-0.7%		-0.8%	-1.6%	0.9%	-0.1%			
EBITDA %	11.8%	12.1%	10.6%	10.1%		9.3%		9.3%	11.7%	11.0%	11.2%			
EBITDA/Interest	2.7x	2.3x	NA	1.6x		1.7x		1.7x	1.9x	1.9x	1.8x			
Net Secured Debt/EBITDA	4.0x	4.0x	NA	5.0x		4.8x		4.5x	4.3x	4.2x	4.4x			
Total Debt/EBITDA	6.4x	6.9x	NA	9.4x		9.0x		7.5x	8.1x	7.9x	8.3x			
Net Debt/EBITDA	6.3x	6.7x	NA	9.0x		8.6x		7.1x	7.8x	7.6x	8.0x			
Cash	184	238	NA	590		590		590	616	616	535			
Availability	NA	955	NA	866		866		866	866	866	866			
Liquidity	NA	1,193	NA	1,456		1,456		1,456	1,482	1,482	1,401			
Secured Debt	10,836	9,203	NA	7,995		7,995		7,593	7,984	7,984	7,938			
Total Debt	17,051	15,244	NA	13,941		13,941		11,698	13,930	13,930	13,884			
Net Debt	16,867	15,006	NA	13,351		13,351		11,108	13,314	13,314	13,349			
Debt Structure														
\$739 mm Revolver L+300 due 01/27/21	NA	(10)	NA	-		-	100	-	-	-	-			
\$1000 mm Term A Loan L+275 due 01/27/19	NA	745	NA	-		-	100	-	-	-	-			
\$1600 mm Term G Loan L+275 due 12/31/19	NA	1,510	NA	1,059		1,059	100	1,059	1,055	1,055	1,039			
\$2944 mm Term H Loan L+300 due 01/27/21	NA	2,776	NA	1,941		1,941	100	1,941	1,934	1,934	1,904			
\$1000 mm 5.125% Secured Bond due 08/01/21	NA	972	NA	1,000		1,000	91	908	1,000	1,000	1,000			
\$3100 mm 6.25% Secured Bond due 3/31/23	NA	-	NA	3,100		3,100	90	2,790	3,100	3,100	3,100			
Receivables Facility	NA	675	NA	532		532	100	532	532	532	532			
Capital Leases	NA	328	NA	308		308	100	308	308	308	308			
Other	NA	74	NA	55		55	100	55	55	55	55			
Total Secured Debt	10,836	9,203	NA	7,995		7,995		7,593	7,984	7,984	7,938			
\$1925 mm 8% Bond due 11/15/19	NA	1,920	NA	1,925		1,925	85	1,641	1,925	1,925	1,925			
\$1200 mm 7.125% Bond due 07/15/20	NA	1,189	NA	1,200		1,200	75	903	1,200	1,200	1,200			
\$3000 mm 6.875% Bond due 02/01/22	NA	2,932	NA	3,000		3,000	58	1,740	3,000	3,000	3,000			
Unamortized Deferred Debt Issuance Costs and Note Premium	NA	-	NA	(179)		(179)	100	(179)	(179)	(179)	(179)			
Total Debt	17,051	15,244	NA	13,941		13,941		11,698	13,930	13,930	13,884			
Preferred / Other	-	-	-	-		-		-	-	-	-			
Basic Shares Out	114	111	NA	112		112		112	112	112	112			
Share Price	\$ 21.83	\$ 5.59	NA	\$ 4.00		\$ 4.00		\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00			
Market Cap	2,499	620	NA	448		448		448	448	448	448			
TEV	19,366	15,626	NA	13,799		13,799		11,556	13,762	13,762	13,797			
TEV/EBITDA	7.3x	7.0x	NA	9.3x		8.9x		7.4x	8.0x	7.8x	8.3x			

1. Normalized based on 2H17 expected EBITDA using \$371 mm before hurricane impact for Q317 and \$407 mm for Q407 which reflects the mid-point of FY17 guidance.

Source: Deutsche Bank and Company Disclosures