



AMN Healthcare to Acquire Stratus Video

January 29, 2020

DALLAS and SAN DIEGO, Jan. 29, 2020 /PRNewswire/ -- AMN Healthcare Services, Inc. (NYSE: AMN), the nation's leading innovator in healthcare talent solutions and staffing services, today announced a definitive agreement to acquire Stratus Video for a purchase price of \$475 million. The acquisition is expected to be immediately accretive to AMN's adjusted earnings per share.

Stratus Video, based in Clearwater, Florida, is the leading provider of video remote language interpretation services for the healthcare industry. The company has grown rapidly since its founding in 2012, surpassing \$100 million revenue in 2019. Based on fourth quarter 2019 results, Stratus' twelve-month annualized run rate was approximately \$119 million of revenue and \$34 million of adjusted EBITDA.

"We are very excited to have the talented team at Stratus Video soon join the AMN family and expand our workforce solutions offerings with the addition of the nation's leading healthcare remote video interpreting company," said AMN Healthcare Chief Executive Officer Susan R. Salka. "This acquisition is the result of our continued efforts to positively impact patient care through innovative total talent solutions. We believe Stratus will add great value to our clients and their patients and will provide further opportunity for us to expand in the virtual workforce and patient care arena.

"Qualified healthcare interpretation, which is mandated by federal and many state regulations, is a service that many healthcare organizations do not have the resources to provide for themselves. This acquisition also helps further deliver on AMN's commitment to help deliver quality, compassionate patient care, reduce complexity, increase efficiency and improve the patient and clinician experience. Quality medical interpretation services delivered through a secure communications platform also aligns with AMN commitment to equality and inclusion by supporting greater access to care for limited-English proficient patients, deaf and hard of hearing individuals along with their families," Ms. Salka added.

As the leading innovator in healthcare interpretation services, Stratus Video has developed proprietary technologies to seamlessly provide video remote interpretation, over-the-phone interpretation and in-person interpretation. Their cutting-edge technology platform enables real-time routing of video and audio calls, drives client efficiency with an in-person scheduling mobile application and powers interoperability with multiple telehealth platforms. Stratus employs a network of more than 3,000 interpreters with an on-shore/off-shore staffing model. Stratus serves more than 1,600 clients among health systems, acute care hospitals, community health centers, federally qualified health centers, ambulatory surgery centers, and post-acute and home health providers.

The transaction is expected to be funded through a combination of borrowings under our existing credit facility and cash on hand. The acquisition, subject to regulatory approvals and customary closing conditions, is expected to close by early March 2020. The acquisition is expected to be immediately accretive to AMN's adjusted earnings per share. The impact to GAAP earnings per share will depend in part on the annual amortization of intangibles assets, which has yet to be determined. Additional information regarding this transaction can be found in the Form 8-K filed in conjunction with this press release.

Advisors

J.P. Morgan served as exclusive financial advisor to AMN for this transaction, and legal counsel was provided by Sheppard Mullin. Evercore acted as exclusive financial advisor to Stratus Video, and Kirkland & Ellis provided legal counsel.

Investor Conference Call

AMN will host a conference call for analysts and investors on Thursday, January 30, 2020, at 12:00 pm ET to discuss the strategic and financial rationale for the acquisition. The conference call and webcast presentation can be accessed by going to <http://attexwc.webex.com/attexwc/onstage/g.php?d=960902748>, or by calling (844) 291-6364, or internationally (234) 720-6997, and entering access code 7903753#.

About AMN Healthcare

AMN Healthcare is the leader and innovator in healthcare total talent solutions to healthcare facilities across the nation. The Company provides unparalleled access to the most comprehensive network of quality healthcare professionals through its innovative recruitment and staffing strategies and breadth of career opportunities. With insights and expertise, AMN Healthcare helps providers optimize their workforce to successfully reduce complexity, increase efficiency and improve patient outcomes. AMN delivers managed services programs, healthcare executive search solutions, vendor management systems, recruitment process outsourcing, predictive labor analytics, revenue cycle management, credentialing solutions, and other services. AMN Healthcare is committed to fostering and maintaining a diverse team that reflects the communities we serve. Our commitment to the inclusion of many different backgrounds, experiences and perspectives enables our innovation and leadership in the healthcare services industry.

GAAP to Non-GAAP Reconciliation

Adjusted EBITDA for Stratus Video consists of GAAP net income plus income tax expense, interest expense, depreciation and amortization, acquisition-related expenses, certain non-recurring expenses and pro forma cost savings and adjustments.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, among others, statements concerning the impact the acquisition is expected to have on our adjusted earnings per share, revenue and adjusted EBITDA. The Company bases these forward-looking statements on its current expectations, estimates and projections about future events and the industry in which it operates using information currently available to it. Actual results could differ materially from those discussed in, or implied by, these forward-looking statements. Forward-looking

statements are identified by words such as "believe," "anticipate," "expect," "intend," "plan," "will," "may," "estimates," variations of such words and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements.

The Company's ability to meet the expectations noted in this press release depends upon, among other factors, our ability to (i) consummate the transaction and effectively incorporate Stratus Video into our workforce solutions portfolio, (ii) retain existing clients and increase demand (iii) mitigate pricing pressure, (iv) attract and retain qualified medical interpreters, (v) develop and evolve our current workforce solutions technology offerings and capabilities, (vi) comply with extensive, changing and complex federal and state laws and regulations related to the conduct of our operations, costs and payment for services and payment for referrals, privacy and employment practices, (vii) implement new infrastructure and technology systems to optimize our operating results and manage our business effectively and (viii) maintain reasonable information security measures.

For a discussion of additional risk factors and a more complete discussion of some of the cautionary statements noted above that could cause actual results to differ from those implied by the forward-looking statements contained in this press release, please refer to our most recent Annual Report on Form 10-K for the year ended December 31, 2018, our subsequent Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. Be advised that developments subsequent to this press release are likely to cause these statements to become outdated and the Company is under no obligation (and expressly disclaims any such obligation) to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

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