Reconciliation of Non-GAAP Items (Unaudited)

(in thousands)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Three Months Ended September 30, 2023	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
Revenue					
Nurse and allied solutions	$ 537,588	$ 824,619	$ 573,426	$ 2,624,509	$ 3,982,453
Physician and leadership solutions	168,161	167,591	159,554	669,701	697,946
Technology and workforce solutions	112,520	133,301	120,483	495,044	562,843
	$ 818,269	$ 1,125,511	$ 853,463	$ 3,789,254	$ 5,243,242
Segment operating income [1]					
Nurse and allied solutions	$ 62,838	$ 105,085	$ 82,882	$ 362,158	$ 576,226
Physician and leadership solutions	21,801	28,051	21,609	94,966	92,331
Technology and workforce solutions	41,439	66,864	50,664	214,736	299,390
	126,078	200,000	155,155	671,860	967,947
Unallocated corporate overhead [2]	22,074	25,436	21,425	92,744	121,260
Adjusted EBITDA [3]	$ 104,004	$ 174,564	$ 133,730	$ 579,116	$ 846,687
Adjusted EBITDA margin [4]	12.7 %	15.5 %	15.7 %	15.3 %	16.1 %
Segment operating margin [5]					
Nurse and allied solutions	11.7 %	12.7 %	14.5 %	13.8 %	14.5 %
Physician and leadership solutions	13.0 %	16.7 %	13.5 %	14.2 %	13.2 %
Technology and workforce solutions	36.8 %	50.2 %	42.1 %	43.4 %	53.2 %

	As of December 31, 2023	As of December 31, 2022	As of September 30, 2023
Leverage ratio [6]	2.2	1.0	1.4

Reconciliation of Non-GAAP Items (Unaudited)

(in thousands)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Three Months Ended September 30, 2023	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
Net income	$ 12,489	$ 81,797	$ 53,174	$ 210,679	$ 444,050
Net income as a % of revenue	1.5 %	7.3 %	6.2 %	5.6 %	8.5 %
Income tax expense	1,516	25,702	22,211	73,610	162,653
Income before income taxes	14,005	107,499	75,385	284,289	606,703
Interest expense, net, and other (7)	20,165	11,768	11,541	54,140	40,398
Income from operations	34,170	119,267	86,926	338,429	647,101
Operating margin (8)	4.2 %	10.6 %	10.2 %	8.9 %	12.3 %
Depreciation and amortization	41,315	36,838	39,175	154,914	133,007
Depreciation (included in cost of revenue) (9)	1,817	1,186	1,552	6,013	4,104
Share-based compensation	2,578	5,396	306	18,020	30,066
Acquisition, integration, and other costs (10)	24,124	11,877	5,771	40,740	32,409
Legal settlement accrual changes (11)	—	—	—	21,000	—
Adjusted EBITDA (3)	$ 104,004	$ 174,564	$ 133,730	$ 579,116	$ 846,687
Selling, general and administrative (“SG&A”) expenses	$ 185,463	$ 219,148	$ 163,405	$ 756,238	$ 936,576
SG&A margin (12)	22.7 %	19.5 %	19.1 %	20.0 %	17.9 %
Share-based compensation	2,578	5,396	306	18,020	30,066
Acquisition, integration, and other costs (10)	24,124	11,877	5,771	40,740	32,409
Legal settlement accrual changes (11)	—	—	—	21,000	—
Adjusted SG&A expenses (13)	$ 158,761	$ 201,875	$ 157,328	$ 676,478	$ 874,101
Adjusted SG&A margin (14)	19.4 %	17.9 %	18.4 %	17.9 %	16.7 %

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Reconciliation of Non-GAAP Items (Unaudited)

	Three Months Ended			Twelve Months Ended	
	December 31,		Sept 30,	December 31,	
	2023	2022	2023	2023	2022
Net income	$ 12,489	$ 81,797	$ 53,174	$ 210,679	$ 444,050
Adjustments:					
Amortization of intangible assets	23,416	22,235	22,563	89,756	83,078
Acquisition, integration, and other costs (10)	24,124	11,877	5,771	40,740	32,409
Legal settlement accrual changes (11)	—	—	—	21,000	—
Fair value changes of equity investments and instruments (7)	6,701	3,429	—	6,701	3,429
Cumulative effect of change in accounting principle (15)	—	—	—	2,974	—
Tax effect of above adjustments	(14,103)	(9,761)	(7,367)	(41,905)	(30,918)
Tax effect of COLI fair value changes (16)	(3,446)	(1,823)	1,227	(5,770)	4,665
Excess tax deficiencies (benefits) related to equity awards (17)	1,174	(139)	134	(1,172)	(2,971)
Adjusted net income (18)	$ 50,355	$ 107,615	$ 75,502	$ 323,003	$ 533,742
GAAP diluted net income per share (EPS)	$ 0.33	$ 1.88	$ 1.39	$ 5.36	$ 9.90
Adjustments	0.99	0.60	0.58	2.85	2.00
Adjusted diluted EPS (19)	$ 1.32	$ 2.48	$ 1.97	$ 8.21	$ 11.90

Reconciliation of Non-GAAP Items (Unaudited)

(1) **Segment operating income** represents net income plus interest expense (net of interest income) and other, income tax expense, depreciation and amortization, depreciation (included in cost of revenue), unallocated corporate overhead, acquisition, integration, and other costs, and share-based compensation.
(2) **Unallocated corporate overhead** (as presented in the tables above) consists of unallocated corporate overhead (as reflected in our quarterly and annual financial statements filed with the SEC) less acquisition, integration, and other costs and legal settlement accrual changes.
(3) **Adjusted EBITDA** represents net income plus interest expense (net of interest income) and other, income tax expense (benefit), depreciation and amortization, depreciation (included in cost of revenue), acquisition, integration, and other costs, restructuring expenses, certain legal expenses, and share-based compensation. Management believes that adjusted EBITDA provides an effective measure of the Company's results, as it excludes certain items that management believes are not indicative of the Company's operating performance. Adjusted EBITDA is not intended to represent cash flows for the period, nor has it been presented as an alternative to income from operations or net income as an indicator of operating performance. Although management believes that some of the items excluded from adjusted EBITDA are not indicative of the Company's operating performance, these items do impact the statement of comprehensive income, and management therefore utilizes adjusted EBITDA as an operating performance measure in conjunction with GAAP measures such as net income.
(4) **Adjusted EBITDA margin** represents adjusted EBITDA divided by revenue.
(5) **Segment operating margin** represents segment operating income divided by revenue.
(6) **Leverage ratio** represents the ratio of the Company's debt outstanding (including the outstanding letters of credit collateralized by the senior credit facility) minus cash and cash equivalents at the end of the subject period to adjusted EBITDA for the twelve-month period ended at the end of the subject period.
(7) Changes in the fair value of equity investments and instruments are recognized in interest expense, net, and other. Since the changes in fair value are unrelated to the Company's operating performance, we exclude the impact from the calculation of adjusted net income and adjusted diluted EPS.
(8) **Operating margin** represents income from operations divided by revenue.
(9) A portion of depreciation expense for AMN Language Services is included in cost of revenue. We exclude the impact of depreciation included in cost of revenue from the calculation of adjusted EBITDA.
(10) **Acquisition, integration, and other costs** include acquisition and integration costs, net changes in the fair value of contingent consideration liabilities for recently acquired companies, certain legal expenses, restructuring expenses and other costs associated with exit or disposal activities, and certain nonrecurring expenses, which we exclude from the calculation of adjusted EBITDA, adjusted net income, and adjusted diluted EPS because we believe that these expenses are not indicative of the Company's operating performance. For the three and twelve months ended December 31, 2023, acquisition and integration costs were approximately $10.4 million and $13.7 million, respectively, expenses related to the closures of certain office leases were approximately $1.1 million and $4.8 million, respectively, certain legal expenses were approximately $(0.1) million and $2.1 million, respectively, restructuring expenses and other costs associated with exit or disposal activities were approximately $10.2 million and $13.9 million, respectively, and other nonrecurring expenses were approximately $2.5 million and $3.7 million, respectively. Additionally, acquisition, integration, and other costs for the twelve month ended December 31, 2023 included increases in contingent consideration liabilities for recently acquired companies of approximately $2.4 million. For the three and twelve months ended December 31, 2022, acquisition and integration costs were approximately $1.4 million and $4.4 million, respectively, expenses related to the closures of certain office leases were approximately $2.6 million and $15.3 million, respectively, certain legal expenses were approximately $9.0 million and $13.8 million, respectively, and other nonrecurring expenses were approximately $0.6 million and $1.8 million, respectively. Additionally, the aforementioned costs for the three and twelve months ended December 31, 2022 were partially offset by net decreases in contingent consideration liabilities for recently acquired companies of approximately $1.7 million and $2.9 million, respectively.

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Reconciliation of Non-GAAP Items (Unaudited)

(11) During the three months ended June 30, 2023, the Company recorded an increase to its legal accrual for a wage and hour claim in connection with reaching an agreement to settle the matter in its entirety. Since the settlement is largely unrelated to the Company's operating performance for the year ended December 31, 2023, we excluded its impact in the calculations of adjusted EBITDA, adjusted net income, and adjusted diluted EPS.

(12) **SG&A margin** represents selling, general and administrative ("SG&A") expenses divided by revenue.

(13) **Adjusted SG&A expenses** represent SG&A expenses excluding the impact of share-based compensation, acquisition, integration, and other costs and legal settlement accrual changes. Management included this non-GAAP measure to provide investors and prospective investors with an alternative method for assessing the Company's operating results in a manner that is focused on its operating performance and to provide a more consistent basis for comparison between periods. However, investors and prospective investors should note that this non-GAAP measure involves judgment by management (in particular, judgment as to what is classified as a special item to be excluded in the calculation of adjusted SG&A expenses). Although management believes the items in the calculation of adjusted SG&A expenses are not indicative of the Company's operating performance, these items do impact the statement of comprehensive income, and management therefore utilizes adjusted SG&A expenses as an operating performance measure in conjunction with GAAP measures such as GAAP SG&A expenses.

(14) **Adjusted SG&A margin** represents adjusted SG&A expenses divided by revenue.

(15) As a result of a change in accounting principle on January 1, 2023 related to forfeitures of share-based awards, the Company recognized the cumulative effect of the change in share-based compensation expense during the three months ended March 31, 2023. The cumulative effect of the change in accounting principle is immaterial to prior periods and, therefore, was recognized in the current period. Since the cumulative effect is unrelated to the Company's operating performance for the year ended December 31, 2023, we excluded its impact in the calculation of adjusted net income and adjusted diluted EPS.

(16) The Company records net tax expense (benefit) related to the income tax treatment of the fair value changes in the cash surrender value of its company owned life insurance. Since this change in fair value is unrelated to the Company's operating performance, we excluded the impact on adjusted net income and adjusted diluted EPS.

(17) The consolidated effective tax rate is affected by the recording of excess tax benefits and tax deficiencies relating to equity awards vested during the period. As a result of the adoption of a new accounting pronouncement on January 1, 2017, the Company no longer records excess tax benefits and tax deficiencies to additional paid-in capital, but such excess tax benefits and tax deficiencies are now recognized in income tax expense. The magnitude of the impact of excess tax benefits and tax deficiencies generated in the future, which may be favorable or unfavorable, is dependent upon the Company's future grants of share-based compensation and the Company's future stock price on the date awards vest in relation to the fair value of the awards on the grant date. Since these excess tax benefits and tax deficiencies are largely unrelated to our income before taxes and are unrepresentative of our normal effective tax rate, we excluded their impact in the calculation of adjusted net income and adjusted diluted EPS.

(18) **Adjusted net income** represents GAAP net income excluding the impact of the (A) amortization of intangible assets, (B) acquisition, integration, and other costs, (C) certain legal expenses, (D) changes in fair value of equity investments and instruments, (E) deferred financing related costs, (F) tax effect, if any, of the foregoing adjustments, (G) excess tax benefits and tax deficiencies relating to equity awards vested and exercised since January 1, 2017, and (H) net tax expense (benefit) related to the income tax treatment of fair value changes in the cash surrender value of its company owned life insurance, and (I) restructuring tax benefits. Management included this non-GAAP measure to provide investors and prospective investors with an alternative method for assessing the Company's operating results in a manner that is focused on its operating performance and to provide a more consistent basis for comparison between periods. However, investors and prospective investors should note that this non-GAAP measure involves judgment by management (in particular, judgment as to what is classified as a special item to be excluded in the calculation of adjusted net income). Although management believes the items in the calculation of adjusted net income are not indicative of the Company's operating performance, these items do impact the statement of comprehensive income, and management therefore utilizes adjusted net income as an operating performance measure in conjunction with GAAP measures such as GAAP net income.

Reconciliation of Non-GAAP Items (Unaudited)

(19) **Adjusted diluted EPS** represents adjusted net income divided by diluted weighted average common shares outstanding. Management included this non-GAAP measure to provide investors and prospective investors with an alternative method for assessing the Company’s operating results in a manner that is focused on its operating performance and to provide a more consistent basis for comparison between periods. However, investors and prospective investors should note that this non-GAAP measure involves judgment by management (in particular, judgment as to what is classified as a special item to be excluded in the calculation of adjusted net income). Although management believes the items in the calculation of adjusted net income are not indicative of the Company’s operating performance, these items do impact the statement of comprehensive income, and management therefore utilizes adjusted diluted EPS as an operating performance measure in conjunction with GAAP measures such as GAAP diluted EPS.

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Reconciliation of Guidance Operating Margin to Guidance Adjusted EBITDA Margin

	Three Months Ending March 31, 2024	
	Low[1]	**High[1]**
Operating margin	4.2%	4.9%
Depreciation and amortization (total)	5.4%	5.3%
EBITDA margin	9.6%	10.2%
Share-based compensation	0.9%	0.8%
Acquisition, integration, and other costs	0.7%	0.7%
Adjusted EBITDA margin	11.2%	11.7%

(1) Guidance percentage metrics are approximate.