

# Investor Presentation

June 2022

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THE LEADER AND INNOVATOR IN TOTAL TALENT SOLUTIONS

# Non-GAAP Measures

This presentation contains certain financial measures that are not in accordance with generally accepted accounting principles in the United States (“GAAP”) or with rules adopted by the SEC that apply to registration statements under the Securities Act of 1933, as amended, and periodic reports under the Exchange Act. These “non-GAAP financial measures,” as defined under the rules of the SEC, are intended as supplemental measures of our operating performance that are not required by, or presented in accordance with GAAP, and are not intended to be an alternative to the Company's condensed consolidated financial statements presented in accordance with GAAP. The non-GAAP financial measures included in this presentation consist of (1) Adjusted EBITDA, (2) Adjusted Net Income, (3) Adjusted EBITDA Margin, and (4) Free Cash Flow (which means cash flow from operations less capital expenditures) referenced throughout the presentation. Management believes that the items excluded from Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, and Free Cash Flow are significant components in understanding and assessing operating performance. Therefore, Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, and Free Cash Flow should not be considered a substitute for net income, cash flows from operating, investing or financing activities, operating margin, or cash flow from operations, as the case may be. Because Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, and Free Cash Flow are not measurements determined in accordance with GAAP and are thus susceptible to varying calculations, the Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, and Free Cash Flow numbers contained herein may not be comparable to other similarly titled measures of other companies. In addition, our management believes that Adjusted EBITDA and Adjusted EBITDA Margin serve as industry-wide financial measures. The non-GAAP measures contained in this presentation should not be used in isolation to evaluate the Company's performance. A quantitative reconciliation of the Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin and Free Cash Flow non-GAAP measures identified in this presentation, along with further detail about the use and limitations of certain of these non-GAAP measures, to the most directly comparable GAAP financial measures may be found in the appendix slides to this presentation and on the Company's website at <http://ir.amnhealthcare.com>.

# Forward-Looking Statements

This investor presentation 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 (the “Exchange Act”). Forward-looking statements include, among others, statements concerning the trajectory of the healthcare industry and economic recovery, future demand for our services and demand within the healthcare industry, duration and severity of labor shortages, our debt and leverage strategies, our capabilities related to our digital customer experience and technology-enabled solutions and analytics, our ability to attract and retain talent and continue to serve the needs of large and growing clients, our ability to deliver long-term profitable growth, our working capital needs and our capabilities to address challenges and trends in the healthcare industry. AMN Healthcare Services, Inc. (the “Company”) bases these forward-looking statements on its current beliefs, expectations, estimates, forecasts and projections about future events and the industry in which it operates. Forward-looking statements are identified by words such as “believe,” “anticipate,” “expect,” “intend,” “plan,” “will,” “should,” “would,” “project,” “may,” variations of such words and other similar expressions. In addition, statements that refer to performance; plans, objectives and strategies for future operations; and other characterizations of future events or circumstances, are forward-looking statements.

The Company’s actual results could differ materially from those discussed in, or implied by, these forward-looking statements. Factors and other cautionary statements that could cause actual results to differ from those discussed in or implied by the forward-looking statements contained in this presentation are set forth in (i) the Company’s Annual Report on Form 10-K for the year ended December 31, 2021, (ii) its subsequent periodic reports, current reports, and other SEC filings, and (iii) the cautionary statements included in the Company’s most recent earnings release issued on May 5, 2022, including our financial condition and our results of operations, the intensity, impact and duration of and reasons behind the workforce shortages, our ability to attract new clients and the opportunities ahead for AMN and the vital role it plays in healthcare delivery, our ability to anticipate and quickly respond to changing marketplace conditions, such as alternative modes of healthcare delivery, reimbursement, or client needs, and our ability to manage the pricing impact that the labor market and consolidation of healthcare delivery organizations may have on our business.

Be advised that developments subsequent to this presentation 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.

# Investment Highlights



**Purpose-Driven,  
Values-Based  
Organization**  
Committed to  
Serving All Our  
Stakeholders



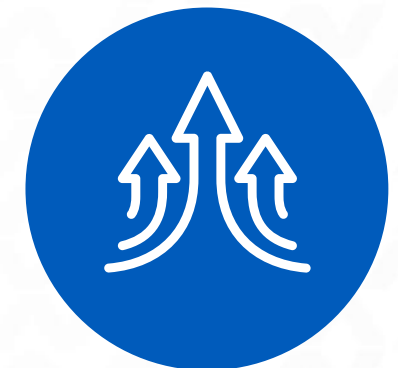
**Leader and  
Innovator in Total  
Talent Solutions  
for Healthcare;**  
Uniquely Positioned  
to Serve Growing  
Health Systems  
and Diverse Care  
Settings



**Experienced,  
Diverse and Deep  
Leadership Team**  
Driving Tech-  
Enabled Innovation  
that Benefits  
Healthcare  
Professionals and  
Clients



Well-Positioned to  
Generate Long-  
Term Profitable  
Growth with **Strong  
Balance Sheet  
and Cash Flow  
Generation**



**Continued  
Opportunity for  
Disciplined and  
Strategic M&A** to  
Deliver Higher  
Margins and More  
Resilient Revenues

# AMN Overview



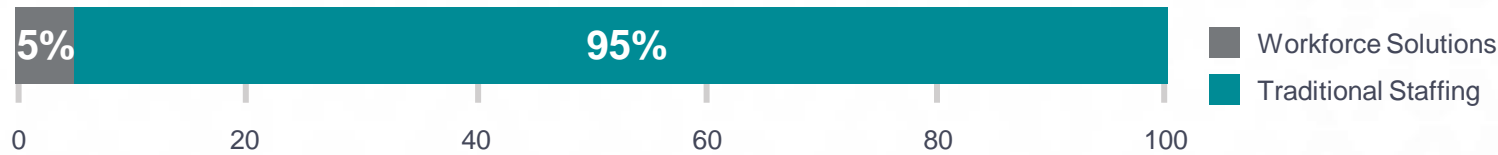
# Our Transformation to Leader in Total Talent Solutions

2008

Where We Were

## Limited Offerings with Strong Foundation

- Managed Services Programs (MSPs) had little market penetration
- Business was primarily diversified staffing fulfillment
- Smaller average client size

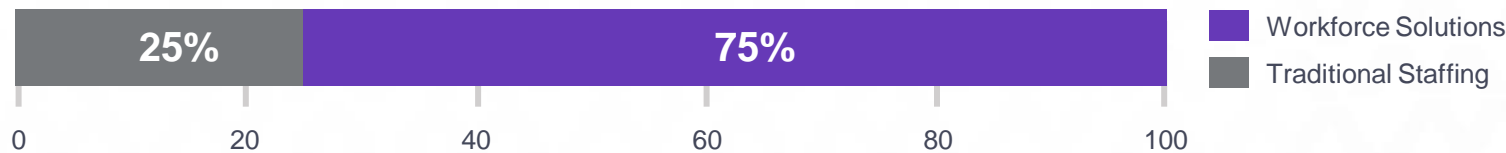


2022

Where We Are

## Innovative Staffing and Total Talent Solutions Partner

- Strategic partner to major health systems
- Top 30 MSPs use average of >7 AMN solutions
- Full spectrum of workforce technology, staffing and search solutions
- Added businesses that reduce our economic sensitivity



Revenue mix for 2022 is LTM as of March 31, 2022.

2022+

## WHERE WE ARE GOING

Provider of **comprehensive total talent solutions**

Creating new, tech-enabled solutions for an **industry that needs innovation** to cost-effectively manage persistent labor challenges

**Enhanced digital experience** for clinicians and clients

**Focus on Being the Total Talent Solutions Partner for Our Clients**



# Our Sustainable Competitive Advantages

- Passionate and Engaged **Company Culture**
- **Leader and Innovator** in Total Talent Solutions
- Strong Team Blending **Deep Industry Expertise with Dynamic New Leadership**
- **Leading Digital and Analytics Capabilities** Support Deeper Client and Clinician Relationships
- Ability to Create **Repeatable, Predictable and Value-Added MSP Programs**
- Unparalleled Ability to **Serve the Needs of Large, Diverse Health Systems and Multiple Care Settings**
- Recognized **Leader in ESG, Committed to Diversity, Equality and Inclusion** in Partnership with Our Clients and Communities

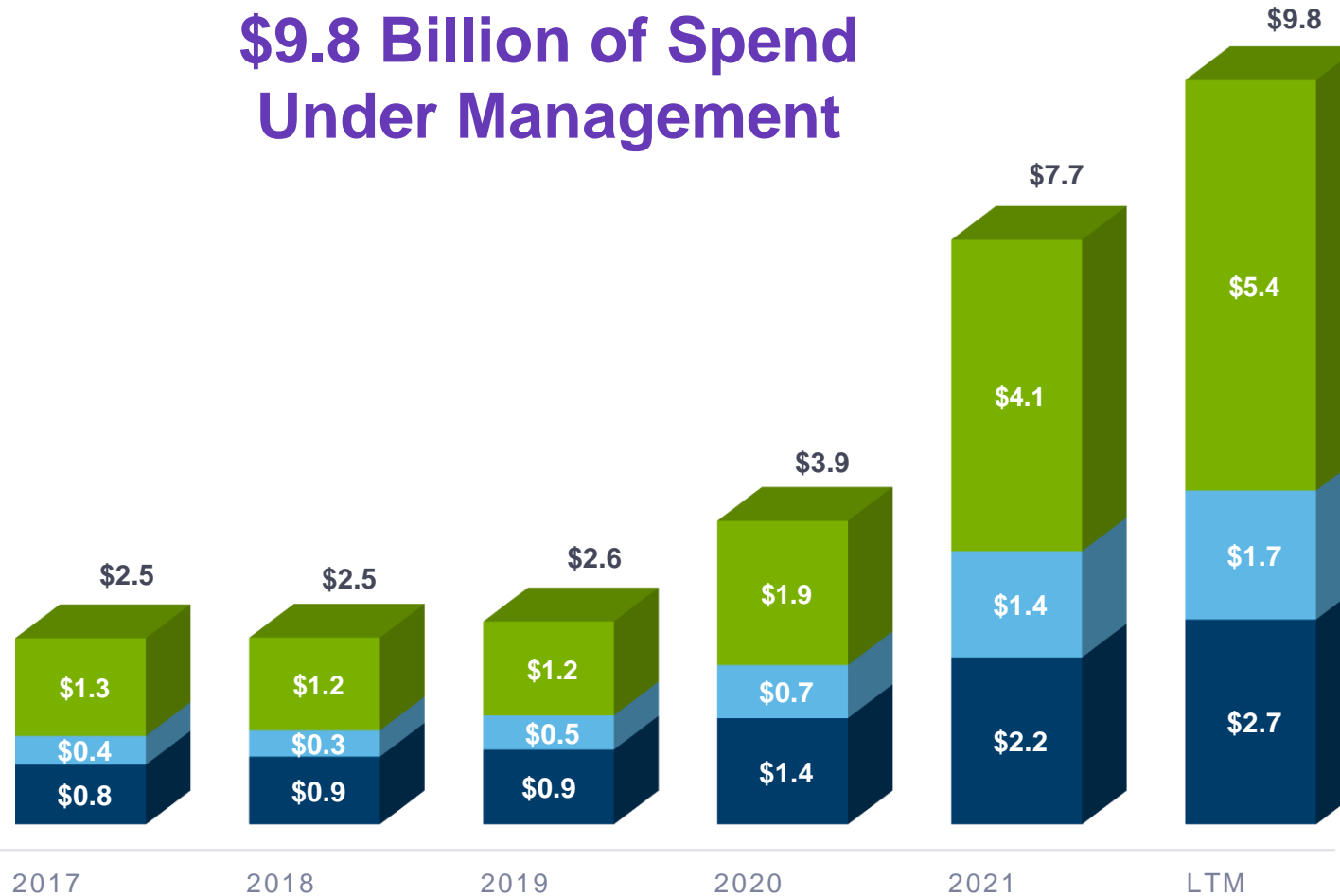


Value-Based  
Organization  
Committed To  
Serving All Our  
Stakeholders

# MSP and VMS Lead Our Value Proposition

**\$9.8 Billion of Spend Under Management**

MSP and VMS Gross Spend Under Management (\$B)



■ MSP Filled by AMN    ■ MSP Filled by Affiliates    ■ Vendor Neutral Managed Spend



brings together people, processes and technology to deliver better care. We offer a complete range of managed services solutions, from technology-only VMS to vendor-neutral and staffing-led MSP



# Diverse, Industry-Leading Talent



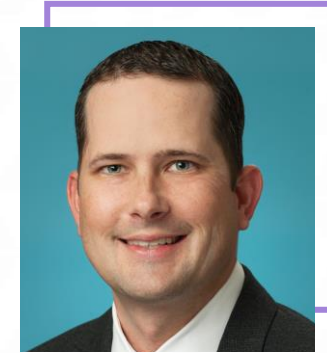
**Susan Salka**  
President & CEO  
Joined: 1990



**Jeff Knudson**  
Chief Financial & Accounting  
Officer  
Joined: 2021



**Kelly Rakowski**  
Group President & COO,  
Strategic Talent Solutions  
Joined: 2018



**Landry Seedig**  
Group President & COO,  
Nursing and Allied Solutions  
Joined: 2008



**James Taylor**  
Group President & COO,  
Physician & Leadership Solutions  
Joined: 2021



**Denise Jackson**  
Chief Legal Officer  
& Corporate Secretary  
Joined: 2000



**Mark Hagan**  
Chief Information  
and Digital Officer  
Joined: 2018



**Carolyn Kenny**  
Chief People Officer  
Joined: 2021



**Nishan Sivathasan**  
Chief Strategy & Experience Officer  
Joined: 2019



**Dr. Cole Edmonson**  
Chief Clinical Officer  
Joined: 2019

*Culture of Accountability and Continuous Improvement*

# Talented, Diverse Board of Directors



**Douglas Wheat**

Chairman of the Board, AMN Healthcare  
Managing Partner, Wheat Investments  
Director Since: 1999



**Susan Salka**

President & CEO,  
AMN Healthcare  
2003



**Jeffrey Harris**

Former General Counsel,  
Apogent Technologies  
2005



**Martha Marsh**

Former President & CEO,  
Stanford Hospital  
2010



**Mark Foletta**

Former CFO, Amylin  
Pharmaceuticals  
2012



**Daphne Jones**

Former SVP,  
GE Healthcare  
2018



**Teri Fontenot**

CEO Emeritus,  
Woman's Hospital  
2019



**Sylvia Trent-Adams**

SVP & Chief Strategy Officer, University of North  
Texas Health Science Center  
2020



**Jorge A. Caballero**

Managing Partner,  
Deloitte Business Tax Services  
2021

## Skills Matrix

Healthcare Industry **89%**

Strategy **89%**

C-Suite Leadership **78%**

Board Leadership / Governance **78%**

M&A **56%**

Finance **56%**

Risk Mgmt. / Legal **56%**

Digital **11%**

Seasoned & New  
Directors Focused  
on Increasing  
Stakeholder Value

# ESG Is in Our DNA

*Our CSR Mission: Deliver Sustainable Value to All Stakeholders by Promoting a Diverse, Inclusive and Supportive Culture That Fosters Innovation and Trust at All Levels of AMN and in Communities We Serve*



## Investing in Diversity, Equality and Inclusion

- Named to **Bloomberg Gender-Equality Index, Human Rights Campaign Corporate Equality Index, Barron's 100 Most Sustainable Companies, and Newsweek America's Most Responsible Companies**
- Honored by **Women's Forum of NY** as national leader with 56% female corporate Board representation
  - **67%** of AMN team members identify as women
  - **60%** of leadership roles are held by women
  - **36%** of workforce and **25%** of leaders identify as people of color
  - **56%** of AMN Board of Directors identify as women and **33%** of AMN Board is racially diverse
- Increased our **Small Business and Diverse Supplier Spend to \$378M**
- **Donated more than \$8.9M** to nonprofits focused on advancing social justice, DEI, health, equity, and resilience in healthcare
- Expanded our Employee Resource Groups to 8 engaging one-quarter of our corporate team members

## Focused on Sustainability

- Set a goal to be **Net Zero by 2024** in our direct operations (Scopes 1 and 2)
- **Established Sustainability Champions** to advance our ESG program, serving alongside our Diversity Champions and Community Champions
- Committed to measuring our Scope 3 GHG emissions in 2022 and setting science-based targets by 2024

**Values-Based, Purpose-Driven Organization Creating a Positive Impact**

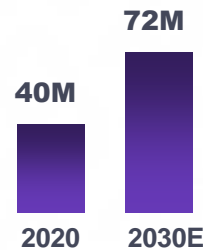
# Well-Positioned to Capture Long-Term U.S. Secular Trends

## Aging Population

### U.S. Population Aged 65+

*More Days Spent in Hospital*

- **3x** for 65+
- **4x** for 75+



### U.S. Population Aged 65+



~50% RNs and physicians are 50+

~33% physicians will be 65+ by 2030

## Job Openings / Turnover

### ~139,000 Shortage

of U.S. physicians by 2033

### Regional & Specialty Nurse Shortage

is expected by 2032

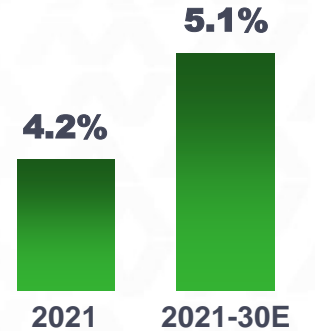
### 39% Turnover

in 2021 – as the pandemic accelerated the impact of anticipated labor shortages

## Healthcare Spend

### Annual Growth in Healthcare Spend

Growth in Medicare spending is projected to reach **+7.2% per year for 2021–30**, reflecting **faster expected growth in healthcare costs**



Sources: U.S. Census, Population Surveys; National Health Expenditure Projections – CMS, 3/22; “The Complexities of Physician Supply and Demand,” AAMC, 4/20; “The Future of Nursing 2020-2030: Charting a Path to Achieve Health Equity,” National Academy of Medicine, May 2021

## We Are Proactively Addressing These Trends

- Working with clients to develop a long-term vision to build a flexible, sustainable workforce
- Providing flexible work opportunities for older workers, enabling them to stay in the labor force longer
- Helping clients to have the right clinician, in the right place, at the right time
- Bringing new solutions that enable clients to optimize workforce mix
- Continuing to build the industry’s most powerful healthcare recruiting engine
- Focusing on unparalleled capabilities to serve large health systems gaining share by consolidation
- Sharpening recruiting tools as demand grows faster than labor supply
- Investing more heavily in digital to increase value proposition and efficiency



# Significant Opportunity with a Large, Fragmented Market

**Total Addressable Market: ~\$40B**



**Well-Positioned To Increase Market Share**

## Commentary

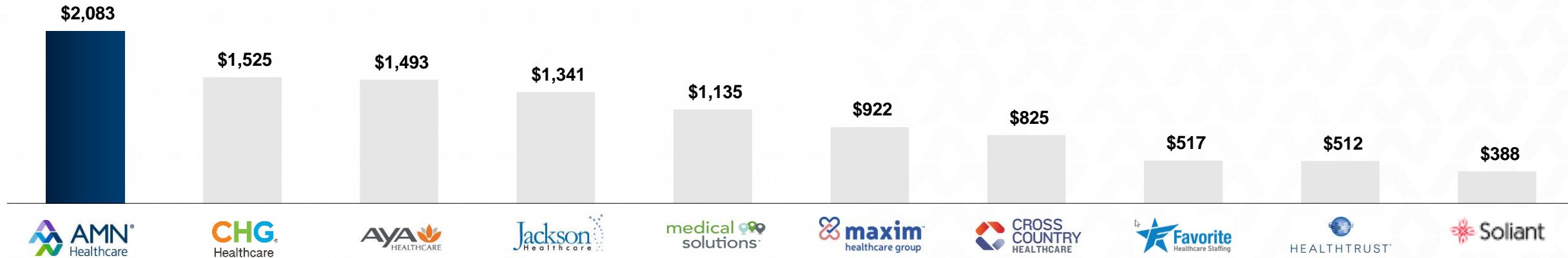
- Evolving to serve more diverse needs driven by increasingly complexity of large, growing health systems
- Proactively anticipating needs driven by dramatic changes in care delivery and value-based reimbursement
- Other addressable markets we serve:
  - Permanent Placement / Search
  - Recruitment Process Outsourcing
  - Workforce Consulting
  - Credentialing
  - Language Interpretation

<sup>1</sup> Source: Staffing Industry Analysts / Crain Communications. <sup>2</sup> Source: AMN internal estimates of other markets.

<sup>3</sup> Revenue is for FY 2021.

# Healthcare Staffing Market Landscape

## Top 10 Largest Firms Ranked by U.S. Healthcare Temporary Staffing Revenue



## Most Comprehensive Set of Total Talent Solutions

	Staffing Solutions			Workforce Solutions				
	Travel Nurse	Allied Health	Locum Tenens	MSP	Leadership / Search	RPO	VMS	Video Interpretation
AMN Healthcare	#2	#1	#3	#1	#1	✓	#1	#1
CHG Healthcare	✓	✓	✓				✓	
Jackson Healthcare	✓	✓	✓	✓	✓			
medical solutions	✓	✓		✓			✓	
CROSS COUNTRY HEALTHCARE	✓	✓	✓	✓	✓	✓		

Source: Staffing Industry Analysts 2020 total healthcare temporary staffing revenues.



# Key Pillars To Our Long-Term Growth

**INVEST**  
in  
Innovation



**LEVERAGE**  
Total Talent  
Solutions



**SUSTAIN**  
Financial  
Discipline

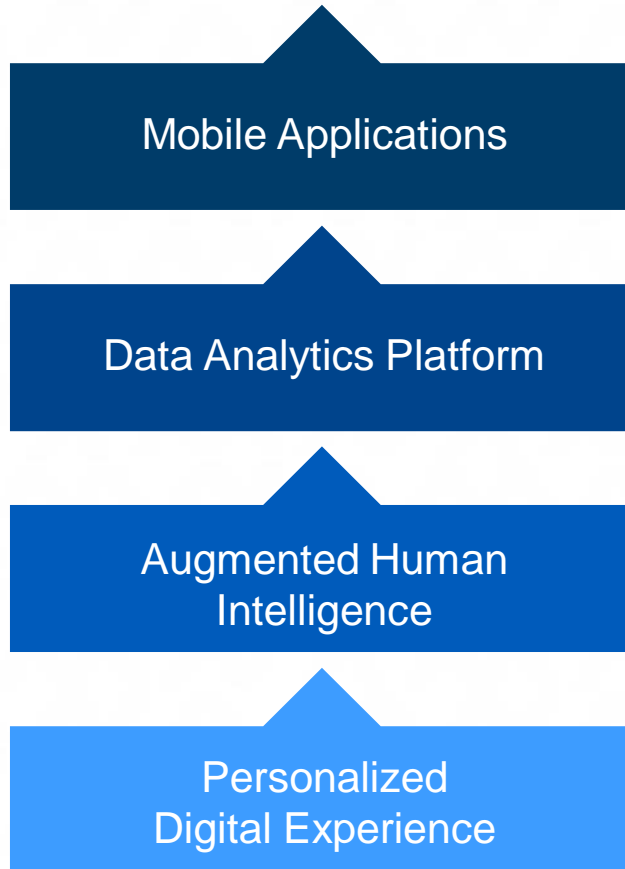


**BE A HOLISTIC PARTNER FOR OUR CLIENTS**

# Invest in Innovation



## Where We Are Making Investments Internally



## How We Are Addressing Current Challenges

Invest in Innovation through Internal Development and Strategic Acquisitions to Expand Our Total Talent Solutions

*Over 50% of Our Annual Capex is for Innovation and Digital Enhancements*

## Select Acquisitions



### Nurse & Allied Staffing

2010: Nursefinders | 2015: Onward  
| 2019: Advanced Medical



### Vendor Management Systems

2013: ShiftWise | 2015: Medefis |  
2019: b4health



### Language Interpretation

2020: Stratus Video



### Credentialing

2019: Silversheet



### Leadership Solutions

2015: The First String | 2016: B.E. Smith | 2018: PDA/LFT\*



### Scheduling & Predictive Workforce Analytics

2014: Avantas



### Teletherapy and Virtual Care

2019: Advanced Medical | 2021: Synzi



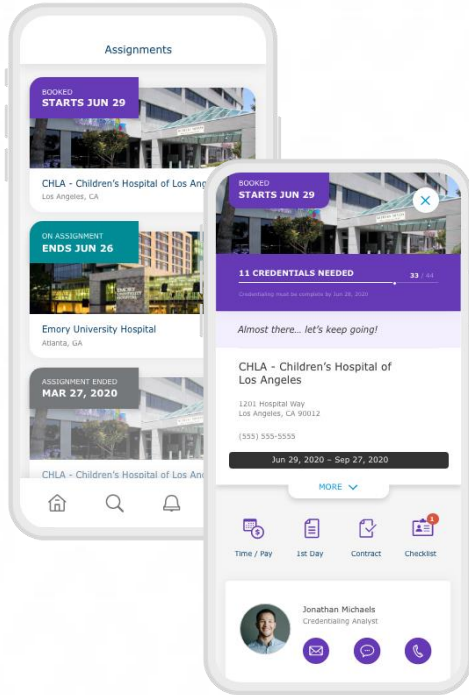
### Revenue Cycle Solutions

2016: Peak | 2018: MedPartners

\* Phillips DiPisa and Leaders For Today

*Continue To Expand Our Solutions Into More Stages Of Talent Lifecycle*

# Innovation in Action: AMN Passport



Personalized Top Jobs



Timely Notifications



Self-Service Capabilities



AMN Contact List



Time & Pay Details



Profile Management

## Our Technology Roadmap

Candidate Engagement	Client Experience	Total Talent Solutions	AMN Operations
<ul style="list-style-type: none"> <li>More mobile, two-way, seamless</li> <li>Mobile apps for recruiting and engagement</li> </ul>	<ul style="list-style-type: none"> <li>Insightful reporting and predictive analytics</li> <li>Data integrations for speed and accuracy</li> </ul>	<ul style="list-style-type: none"> <li>Shifting to an integrated tech ecosystem</li> <li>Help clients manage/ optimize total workforce</li> <li>Investing in AI</li> </ul>	<ul style="list-style-type: none"> <li>Creating new big-data assets</li> <li>360° view of clients and candidates</li> </ul>

*Continuing Our Long Track Record of Innovation*

# Leverage Scale and Expertise to Drive Client Efficiencies



## Our Scale and Expertise

- **Largest provider of healthcare staffing** with a strong presence in all major specialties\*
- **Largest provider of MSP** with unique capabilities to serve multiple, large customers
  - **Expanding relationships with largest healthcare systems** as they grow and consolidate
- **Leading provider focused on total talent solutions for large health systems** that address the full spectrum of labor spend (clinical and non-clinical; contingent and core flex and permanent talent)
- **Resources to bring innovation and solve problems** in crises
- Leveraging **strong AMN Healthcare brand**

\*SIA Largest Healthcare Staffing Firms in the United States (2021 Update)

## Our Impact

**Assisting** clients to centralize and better utilize contingent staff spending

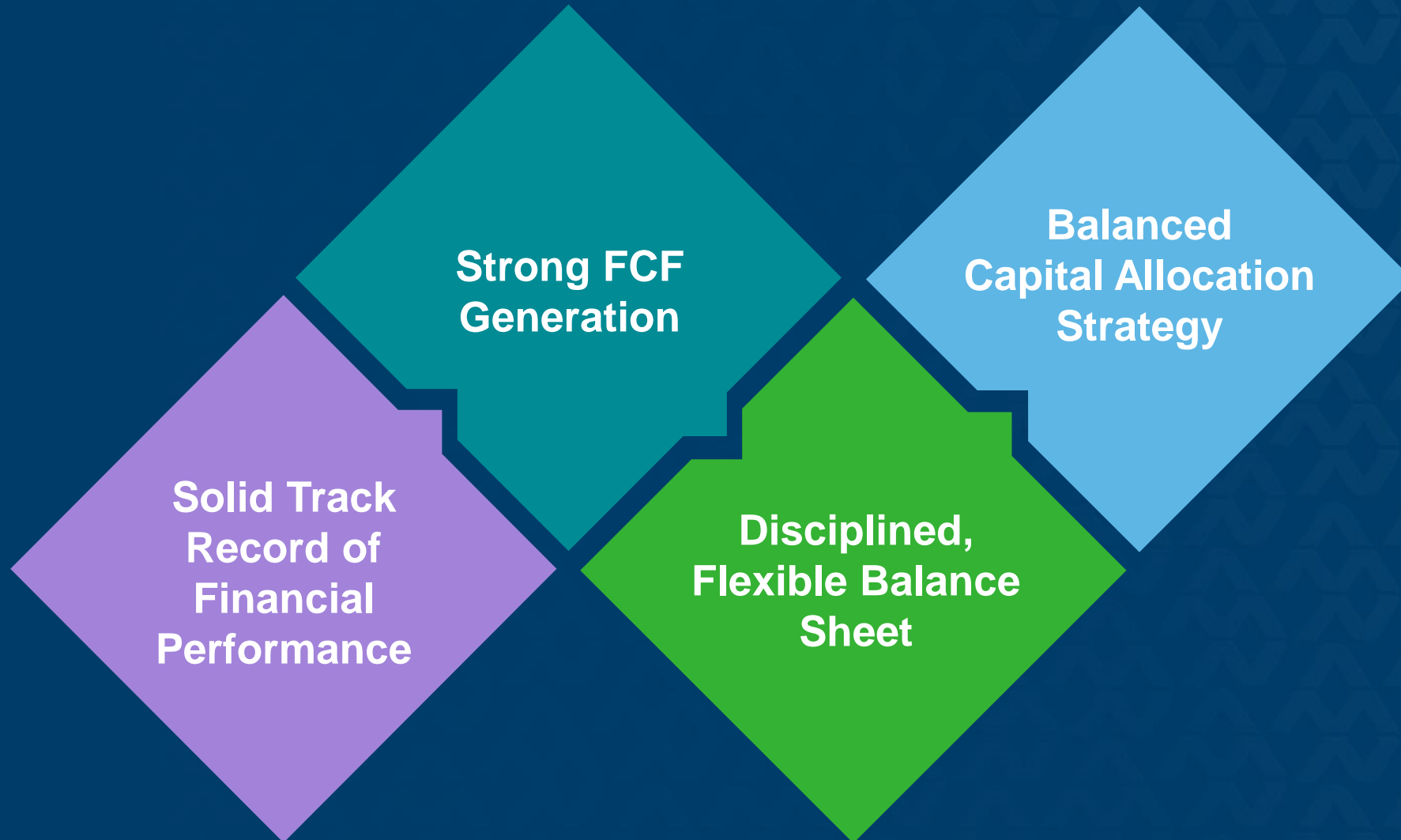
**Ensuring** flexibility in labor planning to drive efficiency

**Accelerating** time to hire and fulfilling the need for healthcare professionals

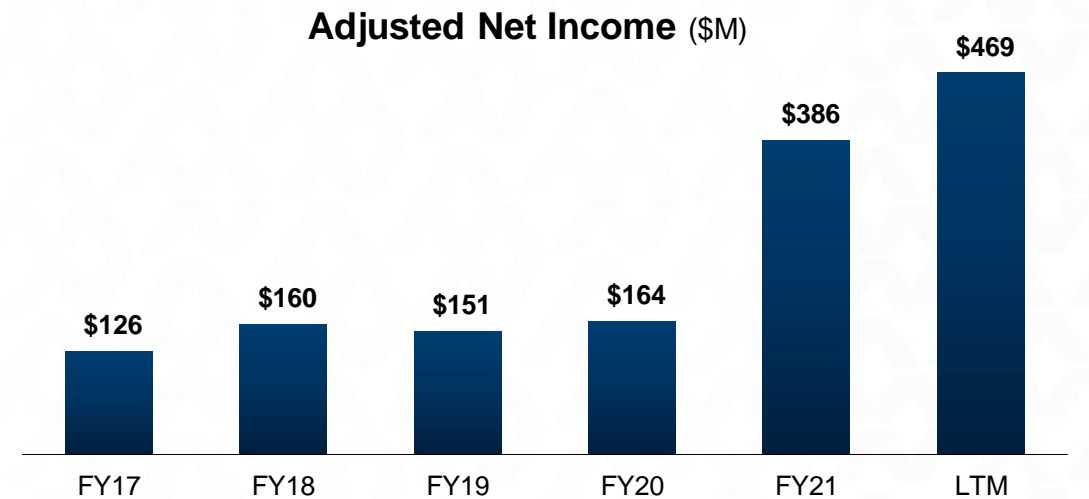
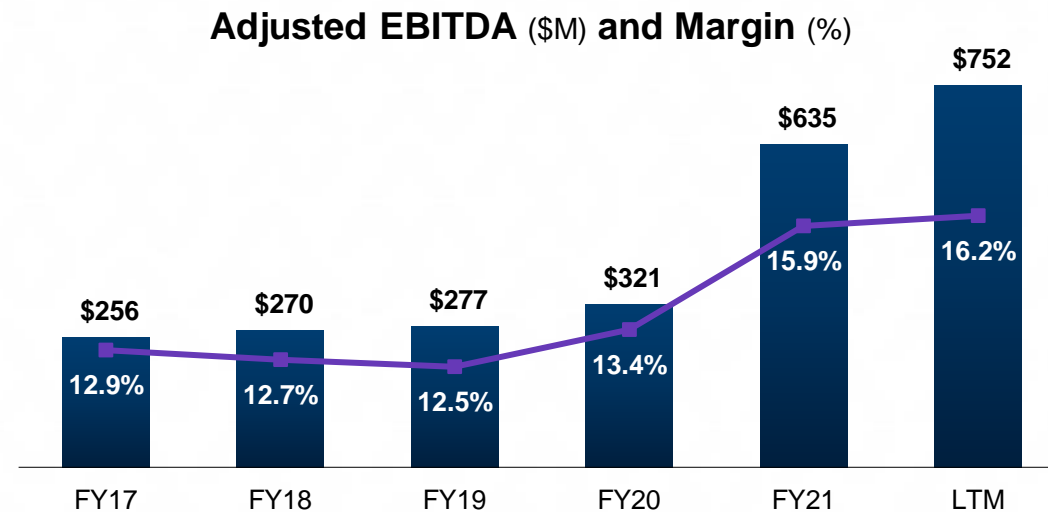
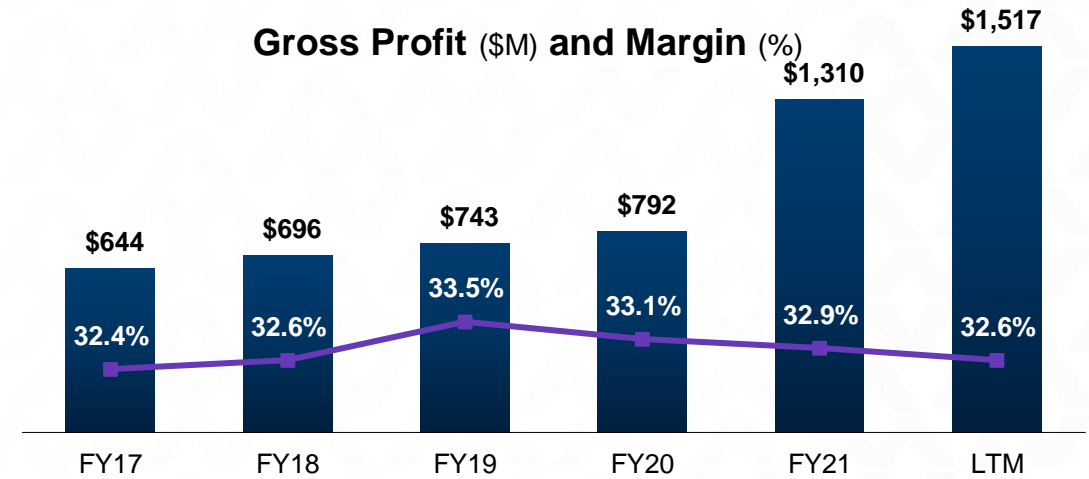
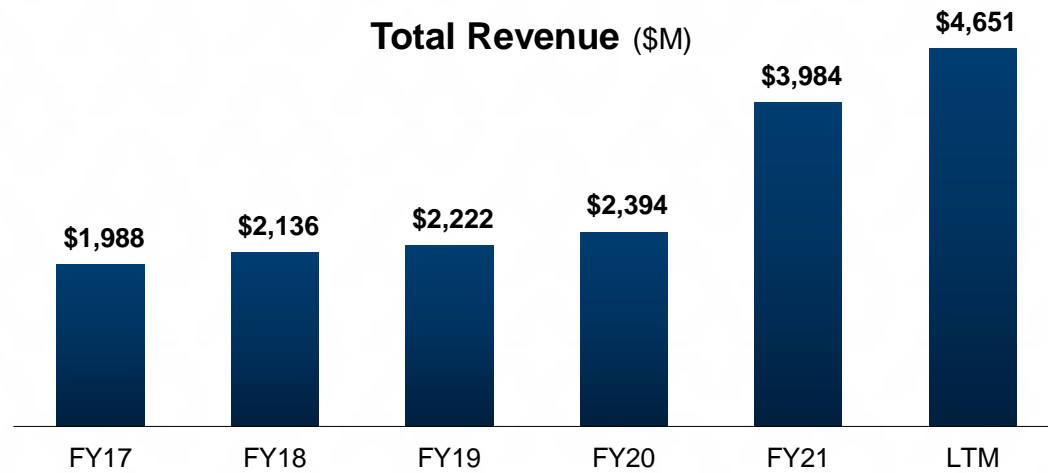
**Maintaining or improving** consistently high quality of care

*Expanding Relationships with Largest Healthcare Systems*

# Sustainable Financial Discipline



# AMN Historical Financial Summary



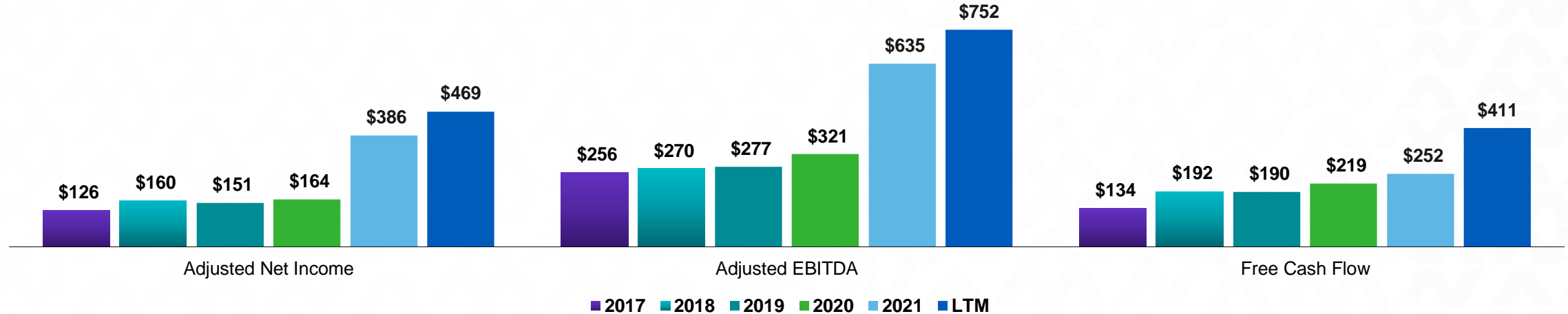
Please refer to non-GAAP reconciliations in the appendix of this presentation.



# Strong Free Cash Flow Generation



Adjusted Net Income, Adjusted EBITDA & Free Cash Flow (\$M)



## Commentary

- Scalable operating model – ability to flex cost structure and create operating leverage to drive attractive cash flow and earnings growth
- Strong free cash generation supports balanced capital allocation strategy and future growth
- 207% growth in FCF since 2017 as revenue grew and operating leverage improved
- We project \$70M - \$80M annual capital expenditures, or about 1.5% - 2.0% of revenue
- Capex budget is approximately 30% - 40% maintenance, more than half innovation and digital enhancements

*Cash Flows Enable Multi-faceted Growth Strategy*

# Disciplined, Flexible Balance Sheet

## Summary Balance Sheet (\$M, 3/31/22)

Cash and Cash Equivalents	\$ 113
Total Current Assets	\$ 1,479
Total Assets	\$ 3,249
Total Current Liabilities	\$ 1,148
Total Debt	\$ 850
Total Equity	\$ 1,081

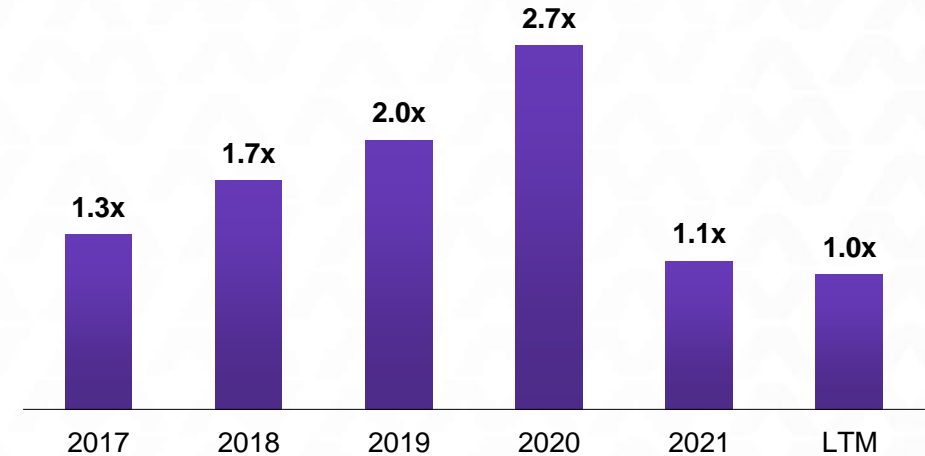
(\$M, 3/31/22)

Cash and Cash Equivalents	\$ 113
Available Credit <sup>2</sup>	\$ 379
Total Available Liquidity	\$ 492

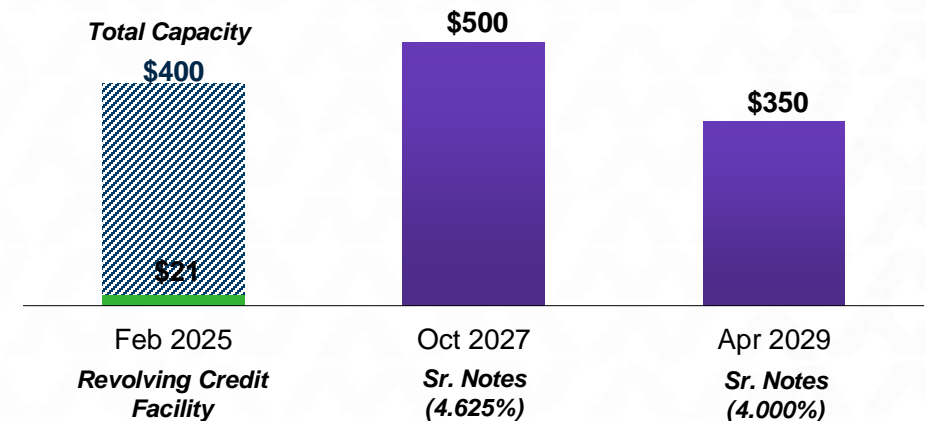
1 Leverage Ratio represents the ratio of the Company's debt outstanding (including the outstanding letters of credit collateralized by the senior credit facility) minus cash and cash equivalents at the end of the subject period to adjusted EBITDA for the twelve-month period at the end of the subject period.

2 Available credit is net of \$21.4 million used as collateral for letters of credit (in green in chart on right).

## Net Leverage Ratio<sup>1</sup>



## Debt Maturity Schedule (\$M)

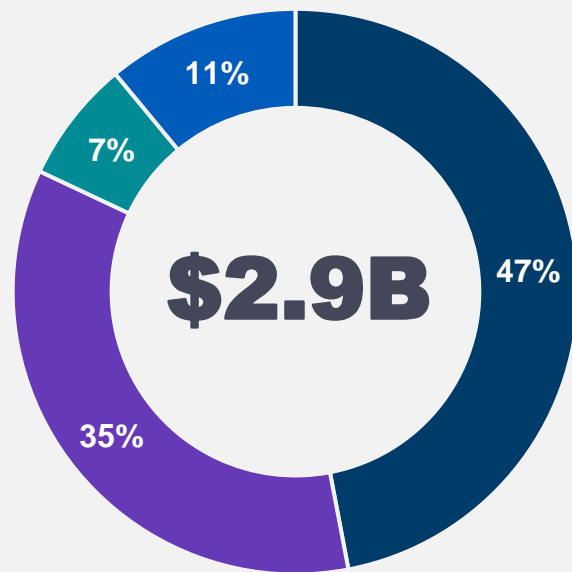


Total Leverage Ratio Objective Is In Range Of 2-2.5x

# Balanced Capital Allocation Strategy

## Historical Use of Capital

(2017 – Q1 2022)



- Debt Reduction
- M&A
- Reinvestment
- Buybacks

### Debt Reduction

- Target net leverage ratio of 2-2.5x
- Current leverage ratio opens borrowing capacity for future investments

### M&A

- Acquisitions remain a high priority in uses of capital
- Seek tech-enabled solutions that deepen our expertise

### Reinvestment

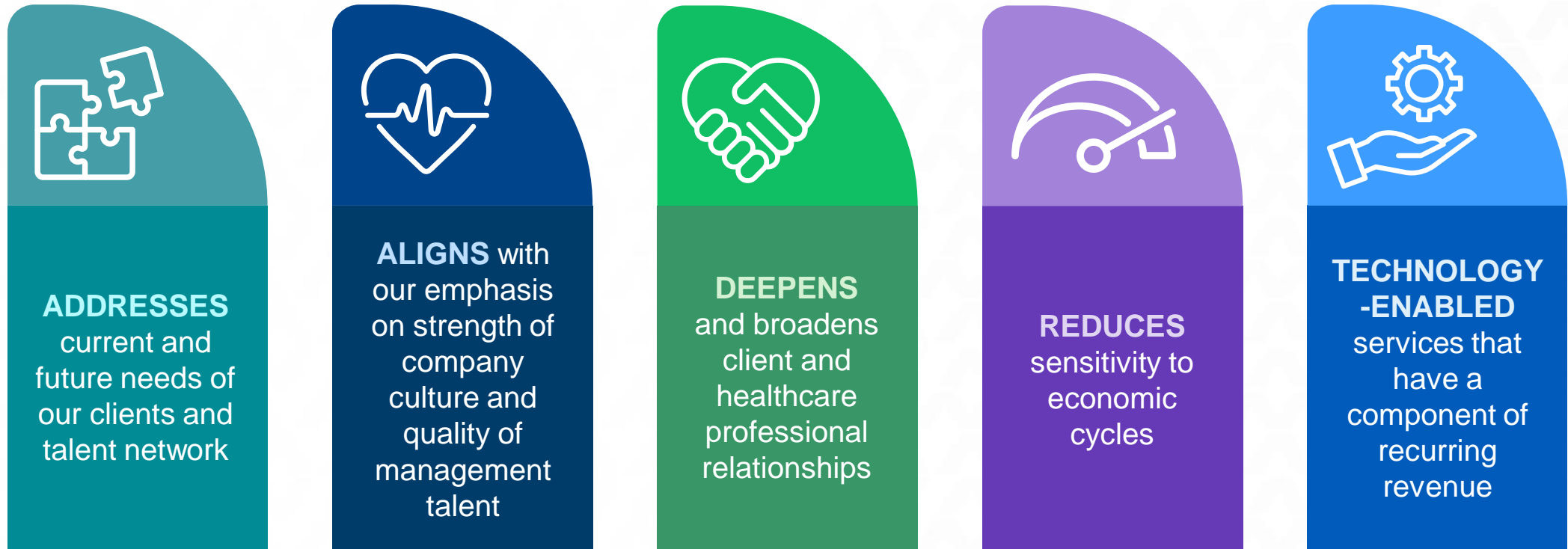
- Development to drive future growth
- Making IT systems smarter and more integrated

### Share Buybacks

- Since 2016, AMN repurchased 4.9 million shares for \$350M <sup>(1)</sup>
- As of Mar. 31, 2022, \$250M remained authorized for buybacks

<sup>1)</sup> As of March 31, 2022

# Our Strategic Approach to M&A



## FINANCIAL FILTERS

**Accretive** to Profit Margins and Revenue Growth

**ROIC** > Cost of Capital

**Adjusted EPS Accretion** in First Full Year

# Investment Highlights



## Purpose-Driven, Values-Based Organization

Committed to  
Serving All Our  
Stakeholders



## Leader and Innovator in Total Talent Solutions for Healthcare;

Uniquely Positioned  
to Serve Growing  
Health Systems  
and Diverse Care  
Settings



## Experienced, Diverse and Deep Leadership Team

Driving Tech-  
Enabled Innovation  
that Benefits  
Healthcare  
Professionals and  
Clients



Well-Positioned to  
Generate Long-  
Term Profitable  
Growth with **Strong  
Balance Sheet  
and Cash Flow  
Generation**



**Continued  
Opportunity for  
Disciplined and  
Strategic M&A** to  
Deliver Higher  
Margins and More  
Resilient Revenues

# Appendix

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# Reconciliation of Non-GAAP Items (Unaudited)

	For the Twelve Months Ended March 31, 2022				
(Dollars in thousands)	Second Quarter 2021	Third Quarter 2021	Fourth Quarter 2021	First Quarter 2022	Twelve Months Ended
Net income	\$ 66,770	\$ 74,023	\$ 116,217	\$ 146,008	\$ 403,018
Income tax expense	22,293	26,583	42,577	52,336	143,789
Income before income taxes	89,063	100,606	158,794	198,344	546,807
Interest expense, net, and other <sup>(1)</sup>	10,111	5,223	9,799	9,589	34,722
Income from operations	99,174	105,829	168,593	207,933	581,529
Depreciation and amortization	24,740	26,104	27,054	30,656	108,554
Depreciation (included in cost of revenue) <sup>(2)</sup>	616	686	772	854	2,928
Share-based compensation	6,019	2,589	7,322	11,259	27,189
Acquisition, integration, and other costs <sup>(3)</sup>	2,999	3,143	18,870	6,918	31,930
Adjusted EBITDA <sup>(4)</sup>	\$ 133,548	\$ 138,351	\$ 222,611	\$ 257,620	\$ 752,130
Revenue	\$ 857,445	\$ 877,800	\$ 1,363,045	\$ 1,552,538	\$ 4,650,828
Gross profit	\$ 280,543	\$ 305,865	\$ 434,325	\$ 496,168	\$ 1,516,901
Gross margin	32.7 %	34.8 %	31.9 %	32.0 %	32.6 %
Net income	\$ 66,770	\$ 74,023	\$ 116,217	\$ 146,008	\$ 403,018
Net income as a % of revenue	7.8 %	8.4 %	8.5 %	9.4 %	8.7 %
Adjusted EBITDA <sup>(4)</sup>	\$ 133,548	\$ 138,351	\$ 222,611	\$ 257,620	\$ 752,130
Adjusted EBITDA margin <sup>(5)</sup>	15.6 %	15.8 %	16.3 %	16.6 %	16.2 %

# Reconciliation of Non-GAAP Items (Unaudited)

(Dollars in thousands)	For the Years Ended December 31,				
	2017	2018	2019	2020	2021
Net income	\$ 132,558	\$ 141,741	\$ 113,988	\$ 70,665	\$ 327,388
Income tax expense	60,205	44,944	34,500	20,858	116,533
Income before income taxes	192,763	186,685	148,488	91,523	443,921
Interest expense, net, and other <sup>(1)</sup>	19,677	16,143	28,427	57,742	34,077
Income from operations	212,440	202,828	176,915	149,265	477,998
Depreciation and amortization	32,279	41,237	58,520	92,766	101,152
Depreciation (included in cost of revenue) <sup>(2)</sup>	—	—	—	1,421	2,545
Share-based compensation	10,237	10,815	16,241	20,465	25,217
Acquisition, integration, and other costs <sup>(3)</sup>	1,458	3,358	25,723	56,756	28,514
Legal settlement accrual increases <sup>(6)</sup>	—	12,140	—	—	—
Adjusted EBITDA <sup>(4)</sup>	\$ 256,414	\$ 270,378	\$ 277,399	\$ 320,673	\$ 635,426
Revenue	\$ 1,988,454	\$ 2,136,074	\$ 2,222,107	\$ 2,393,714	\$ 3,984,235
Gross profit	\$ 644,419	\$ 696,383	\$ 743,465	\$ 791,778	\$ 1,309,601
Gross margin	32.4 %	32.6 %	33.5 %	33.1 %	32.9 %
Net income	\$ 132,558	\$ 141,741	\$ 113,988	\$ 70,665	\$ 327,388
Net income as a % of revenue	6.7 %	6.6 %	5.1 %	3.0 %	8.2 %
Adjusted EBITDA <sup>(4)</sup>	\$ 256,414	\$ 270,378	\$ 277,399	\$ 320,673	\$ 635,426
Adjusted EBITDA margin <sup>(5)</sup>	12.9 %	12.7 %	12.5 %	13.4 %	15.9 %

# Reconciliation of Non-GAAP Items (Unaudited)

(Dollars in thousands)	For the Twelve Months Ended March 31, 2022				
	Second Quarter 2021	Third Quarter 2021	Fourth Quarter 2021	First Quarter 2022	Twelve Months Ended
Revenue					
Nurse and allied solutions	\$ 624,485	\$ 627,049	\$ 1,081,908	\$ 1,228,039	\$ 3,561,481
Physician and leadership solutions	139,104	150,663	163,720	179,506	632,993
Technology and workforce solutions	93,856	100,088	117,417	144,993	456,354
	<u>\$ 857,445</u>	<u>\$ 877,800</u>	<u>\$ 1,363,045</u>	<u>\$ 1,552,538</u>	<u>\$ 4,650,828</u>
Segment operating income <sup>(7)</sup>					
Nurse and allied solutions	\$ 89,674	\$ 92,564	\$ 177,543	\$ 195,089	\$ 554,870
Physician and leadership solutions	21,849	19,301	19,073	20,381	80,604
Technology and workforce solutions	42,653	47,210	55,626	78,880	224,369
	<u>\$ 154,176</u>	<u>\$ 159,075</u>	<u>\$ 252,242</u>	<u>\$ 294,350</u>	<u>\$ 859,843</u>
Unallocated corporate overhead <sup>(8)</sup>	20,628	20,724	29,631	36,730	107,713
Adjusted EBITDA <sup>(4)</sup>	<u>\$ 133,548</u>	<u>\$ 138,351</u>	<u>\$ 222,611</u>	<u>\$ 257,620</u>	<u>\$ 752,130</u>

# Reconciliation of Non-GAAP Items (Unaudited)

(Dollars in thousands)	For the Years Ended December 31,				
	2017	2018	2019	2020	2021
Revenue					
Nurse and allied solutions	\$ 1,268,116	\$ 1,431,018	\$ 1,562,588	\$ 1,699,311	\$ 2,990,103
Physician and leadership solutions	634,040	617,488	562,762	466,622	594,243
Technology and workforce solutions	86,298	87,568	96,757	227,781	399,889
	<u>\$ 1,988,454</u>	<u>\$ 2,136,074</u>	<u>\$ 2,222,107</u>	<u>\$ 2,393,714</u>	<u>\$ 3,984,235</u>
Segment operating income <sup>(7)</sup>					
Nurse and allied solutions	\$ 188,069	\$ 201,866	\$ 219,862	\$ 232,005	\$ 461,311
Physician and leadership solutions	91,045	86,077	71,378	62,342	81,439
Technology and workforce solutions	36,254	41,373	43,899	93,212	187,578
	<u>\$ 315,368</u>	<u>\$ 329,316</u>	<u>\$ 335,139</u>	<u>\$ 387,559</u>	<u>\$ 730,328</u>
Unallocated corporate overhead <sup>(8)</sup>	58,954	58,938	57,740	66,886	94,902
Adjusted EBITDA <sup>(4)</sup>	<u>\$ 256,414</u>	<u>\$ 270,378</u>	<u>\$ 277,399</u>	<u>\$ 320,673</u>	<u>\$ 635,426</u>

# Reconciliation of Non-GAAP Items (Unaudited)

(Dollars in thousands)	For the Twelve Months Ended March 31, 2022				
	Second Quarter 2021	Third Quarter 2021	Fourth Quarter 2021	First Quarter 2022	Twelve Months Ended
Net income	\$ 66,770	\$ 74,023	\$ 116,217	\$ 146,008	\$ 403,018
Adjustments:					
Amortization of intangible assets	15,806	16,011	15,997	19,647	67,461
Acquisition, integration, and other costs <sup>(3)</sup>	2,999	3,143	18,870	6,918	31,930
Fair value changes of equity investments and instruments <sup>(1)</sup>	—	(5,412)	—	—	(5,412)
Tax effect of above adjustments	(4,889)	(3,573)	(9,065)	(6,907)	(24,434)
Tax effect of COLI fair value changes <sup>(9)</sup>	(1,093)	(600)	12	876	(805)
Excess tax benefits related to equity awards <sup>(10)</sup>	(877)	(230)	(37)	(1,929)	(3,073)
Adjusted net income <sup>(11)</sup>	\$ 78,716	\$ 83,362	\$ 141,994	\$ 164,613	\$ 468,685

# Reconciliation of Non-GAAP Items (Unaudited)

(Dollars in thousands)	For the Years Ended December 31,				
	2017	2018	2019	2020	2021
Net income	\$ 132,558	\$ 141,741	\$ 113,988	\$ 70,665	\$ 327,388
Adjustments:					
Amortization of intangible assets	18,628	24,239	36,493	63,817	63,015
Acquisition, integration, and other costs <sup>(3)</sup>	1,458	3,358	25,723	56,756	28,514
Legal settlement accrual increases <sup>(6)</sup>	—	12,140	—	—	—
Fair value changes of equity investments and instruments <sup>(1)</sup>	—	(7,349)	—	1,891	(6,683)
Debt financing related costs	—	574	594	13,286	158
Tax effect of above adjustments	(7,833)	(8,570)	(16,331)	(35,711)	(22,101)
Tax correction related to prior periods <sup>(12)</sup>	—	(2,501)	—	—	—
Tax effect of COLI fair value changes <sup>(9)</sup>	—	1,676	(3,266)	(2,622)	(2,767)
Excess tax deficiencies (benefits) related to equity awards <sup>(10)</sup>	(5,449)	(5,401)	(5,915)	(2,840)	(1,820)
Tax law effect on deferred taxes <sup>(13)</sup>	(13,039)	—	—	—	—
Restructuring tax benefits <sup>(14)</sup>	—	—	—	(1,615)	—
Adjusted net income <sup>(11)</sup>	<u>\$ 126,323</u>	<u>\$ 159,907</u>	<u>\$ 151,286</u>	<u>\$ 163,627</u>	<u>\$ 385,704</u>



# Reconciliation of Non-GAAP Items (Unaudited)

	For the Twelve Months Ended March 31, 2022				
(Dollars in thousands)	Second Quarter 2021	Third Quarter 2021	Fourth Quarter 2021	First Quarter 2022	Twelve Months Ended
Net cash provided by operating activities	\$ 171,494	\$ 16,746	\$ 77,985	\$ 200,215	\$ 466,440
Purchase and development of fixed assets	(11,462)	(15,641)	(14,863)	(13,590)	(55,556)
Free cash flow <sup>(15)</sup>	\$ 160,032	\$ 1,105	\$ 63,122	\$ 186,625	\$ 410,884

	For the Years Ended December 31,				
(Dollars in thousands)	2017	2018	2019	2020	2021
Net cash provided by operating activities	\$ 160,518	\$ 226,993	\$ 224,862	\$ 256,826	\$ 305,356
Purchase and development of fixed assets	(26,529)	(35,206)	(35,218)	(37,702)	(53,573)
Free cash flow <sup>(15)</sup>	\$ 133,989	\$ 191,787	\$ 189,644	\$ 219,124	\$ 251,783

# Reconciliation of Non-GAAP Items (Unaudited)

- (1) 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.
- (2) A portion of depreciation expense for AMN Language Services (formerly known as Stratus Video, which was acquired in February 2020 and has since been rebranded) is included in cost of revenue. We exclude the impact of depreciation included in cost of revenue from the calculation of adjusted EBITDA.
- (3) **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 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, 2021, acquisition and integration costs were approximately \$900,000 and \$7,300,000, respectively, expenses related to the closures of certain office leases were approximately \$8,700,000 and \$11,500,000, respectively, and certain legal expenses were approximately \$7,000,000. Additionally, acquisition, integration, and other costs for the three and twelve months ended December 31, 2021 included an adjustment of \$2,264,000 to correct an immaterial out-of-period error identified in the fourth quarter related to the write-off of assets recognized in prior years from costs incurred to fulfill a contract with a customer. For the three and twelve months ended December 31, 2020, net increases in the fair value of contingent consideration liabilities for recently acquired companies were \$6,600,000 and \$4,900,000, respectively, and certain legal expenses were approximately \$20,000,000 and \$21,000,000, respectively. Additionally, acquisition, integration, and other costs for the twelve months ended December 31, 2020 were partially offset by a one-time insurance policy benefit of \$1,601,000. The certain legal expenses primarily relate to increases to the Company's legal reserve during the fourth quarters of 2020 and 2021 for a wage and hour claim.
- (4) **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.
- (5) **Adjusted EBITDA margin** represents adjusted EBITDA divided by revenue.
- (6) During the third quarter of 2018, the Company recorded increases to its legal accruals established in connection with settlement agreements entered into during September and October 2018 in two class actions related to wage and hour claims, both of which were paid during 2019. Since the settlements are largely unrelated to the Company's operating performance, we excluded their impact in the calculation of adjusted EBITDA and adjusted net income. Amounts recorded in prior quarters in these two class actions and legal accruals related to other matters are immaterial and their impact was not excluded in the calculation of adjusted EBITDA or adjusted net income.
- (7) **Segment operating income** 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), unallocated corporate overhead, acquisition, integration, and other costs, and share-based compensation.

# Reconciliation of Non-GAAP Items (Unaudited)

(8) **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.

(9) 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.

(10) The consolidated effective tax rate is affected by the recording of excess tax benefits and tax deficiencies relating to equity awards vested and exercised 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, 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.

(11) **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, (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.

(12) During the first quarter of 2018, the Company recorded a net tax benefit to adjust for an immaterial out-of-period error identified in that quarter related to the income tax treatment of fair value changes in the cash surrender value of its company owned life insurance for years ended December 31, 2015 through December 31, 2017. These fair value changes had not previously been included as a benefit in the tax provision of the related years.

(13) During the year ended December 31, 2017, we recorded a discrete net tax benefit of \$14,039,000 and a discrete tax expense of \$1,000,000 from a remeasurement of our deferred tax assets and liabilities related to the impact of the Tax Cuts and Jobs Act and prior period share based awards, respectively. We excluded these non-cash items in the calculation of adjusted net income as they were unrelated to our prior year's income before taxes.

(14) The Company recorded a restructuring tax benefit during the year ended December 31, 2020, which was related to the acquisition of Stratus Video. Since this benefit is largely unrelated to our income before taxes and is unrepresentative of our normal effective tax rate, we excluded its impact in the calculation of adjusted net income.

(15) **Free cash flow** represents cash flow from operations less capital expenditures.