Reconciliation of Non-GAAP Items (Unaudited)

(in thousands)	Three Months Ended December 31, 2021	Three Months Ended December 31, 2020	Three Months Ended September 30, 2021	Twelve Months Ended December 31, 2021	Twelve Months Ended December 31, 2020
Revenue					
Nurse and allied solutions	$ 1,081,908	$ 447,802	$ 627,049	$ 2,990,103	$ 1,699,311
Physician and leadership solutions	163,720	111,042	150,663	594,243	466,622
Technology and workforce solutions	117,417	72,427	100,088	399,889	227,781
	$ 1,363,045	$ 631,271	$ 877,800	$ 3,984,235	$ 2,393,714
Segment operating income (1)					
Nurse and allied solutions	$ 177,543	$ 58,299	$ 92,564	$ 461,311	$ 232,005
Physician and leadership solutions	19,073	16,910	19,301	81,439	62,342
Technology and workforce solutions	55,626	30,398	47,210	187,578	93,212
	252,242	105,607	159,075	730,328	387,559
Unallocated corporate overhead (2)	29,631	16,313	20,724	94,902	66,886
Adjusted EBITDA (3)	$ 222,611	$ 89,294	$ 138,351	$ 635,426	$ 320,673
Adjusted EBITDA margin (4)	16.3 %	14.1 %	15.8 %	15.9 %	13.4 %
Segment operating margin (5)					
Nurse and allied solutions	16.4 %	13.0 %	14.8 %	15.4 %	13.7 %
Physician and leadership solutions	11.6 %	15.2 %	12.8 %	13.7 %	13.4 %
Technology and workforce solutions	47.4 %	42.0 %	47.2 %	46.9 %	40.9 %

AMN Healthcare

Reconciliation of Non-GAAP Items (Unaudited)

(in thousands)	Three Months Ended December 31, 2021	Three Months Ended December 31, 2020	Three Months Ended September 30, 2021	Twelve Months Ended December 31, 2021	Twelve Months Ended December 31, 2020
Net income	$ 116,217	$ 9,308	$ 74,023	$ 327,388	$ 70,665
Net income as a % of revenue	8.5 %	1.5 %	8.4 %	8.2 %	3.0 %
Income tax expense (benefit)	42,577	(3,330)	26,583	116,533	20,858
Income before income taxes	158,794	5,978	100,606	443,921	91,523
Interest expense, net, and other (6)	9,799	22,681	5,223	34,077	57,742
Income from operations	168,593	28,659	105,829	477,998	149,265
Operating margin (7)	12.4 %	4.5 %	12.1 %	12.0 %	6.2 %
Depreciation and amortization	27,054	23,670	26,104	101,152	92,766
Depreciation (included in cost of revenue) (8)	772	440	686	2,545	1,421
Share-based compensation	7,322	5,419	2,589	25,217	20,465
Acquisition, integration, and other costs (9)	18,870	31,106	3,143	28,514	56,756
Adjusted EBITDA (3)	$ 222,611	$ 89,294	$ 138,351	$ 635,426	$ 320,673

AMN Healthcare

Reconciliation of Non-GAAP Items (Unaudited)

	Three Months Ended			Twelve Months Ended	
	December 31,		Sept 30,	December 31,	
	2021	2020	2021	2021	2020
Net income	$ 116,217	$ 9,308	$ 74,023	$ 327,388	$ 70,665
Adjustments:					
Amortization of intangible assets	15,997	15,746	16,011	63,015	63,817
Acquisition, integration, and other costs [(9)]	18,870	31,106	3,143	28,514	56,756
Fair value changes of equity investments and instruments [(6)]	—	—	(5,412)	(6,683)	1,891
Debt financing related costs	—	11,513	—	158	13,286
Tax effect of above adjustments	(9,065)	(15,175)	(3,573)	(22,101)	(35,711)
Tax effect of COLI fair value changes [(10)]	12	(2,403)	(600)	(2,767)	(2,622)
Excess tax benefits related to equity awards [(11)]	(37)	(813)	(230)	(1,820)	(2,840)
Restructuring tax benefits [(12)]	—	(1,615)	—	—	(1,615)
Adjusted net income [(13)]	$ 141,994	$ 47,667	$ 83,362	$ 385,704	$ 163,627
GAAP diluted net income per share (EPS)	$ 2.42	$ 0.19	$ 1.54	$ 6.81	$ 1.48
Adjustments	0.53	0.81	0.19	1.22	1.95
Adjusted diluted EPS [(14)]	$ 2.95	$ 1.00	$ 1.73	$ 8.03	$ 3.43

AMN Healthcare

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 (benefit), 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.
(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) 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.
(7) **Operating margin** represents income from operations divided by revenue.
(8) 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.
(9) **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.

AMN Healthcare

Reconciliation of Non-GAAP Items (Unaudited)

(10) 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.

(11) 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 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.

(12) 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.

(13) **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.

(14) **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.

Reconciliation of Guidance Operating Margin to Guidance Adjusted EBITDA Margin

	Three Months Ending March 31, 2022	
	Low[1]	**High[1]**
Operating margin	12.9%	13.4%
Depreciation and amortization	2.1%	2.1%
EBITDA margin	15.0%	15.5%
Share-based compensation	0.6%	0.6%
Acquisition, integration, and other costs	0.4%	0.4%
Adjusted EBITDA margin	16.0%	16.5%

(1) Guidance percentage metrics are approximate.