Investor Presentation

2025 J.P. Morgan Healthcare Conference

January 2025

AMN® Healthcare

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 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, 2023, (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 November 7, 2024, including our financial condition and our results of operations, future demand for staffing and other services, our ability to attract new clients and the opportunities ahead for AMN, the intensity, impact and duration of workforce shortages, our ability to anticipate and quickly respond to changing marketplace conditions, such as alternative modes of healthcare delivery, reimbursement, or client needs, our ability to implement our strategic plan and advancement in our technology platform and processes, our projected capital expenditures, our ability to effectively incorporate acquisitions into our business operations, 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

We Innovate to Solve Problems in the Healthcare Labor Force
Technology-Driven Solutions Enable Flexibility for Professionals and Their Employers

Sustainable Long-term Macro Growth Drivers
Aging U.S. and Clinical Population Driving Higher Demand for Workforce Solutions

Purpose-Driven, Value-Based Organization
Celebrating 40 Years, Broad Solutions, High-Quality Leadership with Diverse Experience and Industry Knowledge

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

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

AMN Overview

#1
Leader in Healthcare Total Talent Solutions

3.1K
Corporate Employees

~150K
LTM Healthcare Professional Placements

Recognized Leader in Diversity and Governance Practices

$3.1B
LTM Revenue

Nurse & Allied Solutions

WORKFORCE STAFFING
Travel Nursing
Local Staffing
International Staffing
Labor Disruption
Allied Healthcare
School Staffing
Revenue Cycle Solutions

Revenue Mix: 62%
Operating Margin: 10%

Physician & Leadership Solutions

WORKFORCE STAFFING
Locum Tenens
Interim Leadership

LEADERSHIP SEARCH
Executive Search
Clinical Leadership

PHYSICIAN SEARCH
Retained Search for Physicians and AP

Revenue Mix: 24%
Operating Margin: 12%

Technology & Workforce Solutions

TALENT MANAGEMENT
Vendor Management System
Recruitment Solutions
Float Pool Management
Scheduling & Staff Planning
Analytics & Assessment

VIRTUAL CARE
Language Services

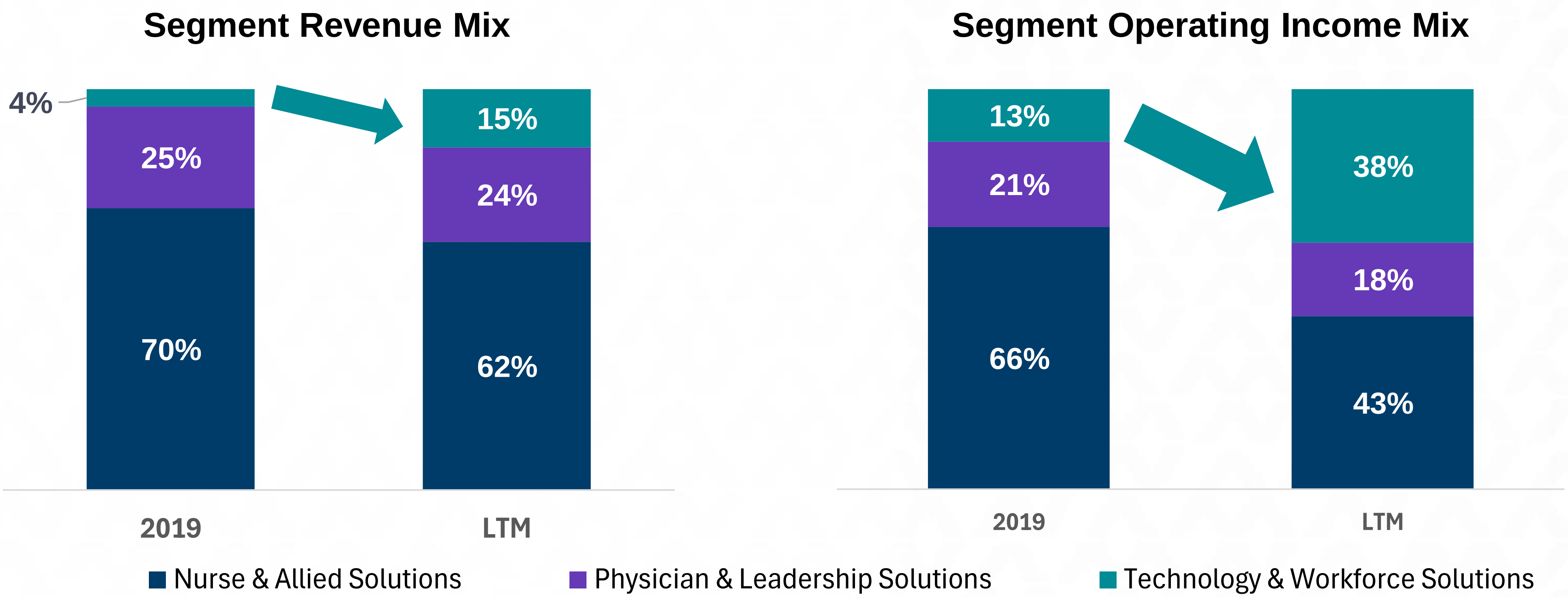
Revenue Mix: 14%
Operating Margin: 39%

Strategic partner with healthcare providers, market-leading spectrum of MSP, VMS and specialty staffing

Career partner for professionals across the care spectrum

Revenue, Segment Revenue, Segment Operating Margin, and Healthcare Professional Placements are LTM as of September 30, 2024

Diversified Solutions Mix Enables Superior Operating Leverage



- Our diversified solutions mix provides a range of benefits including more durable revenue growth and better operating leverage compared with traditional staffing companies
- Our Technology & Workforce Solutions services deliver significantly higher operating margins, illustrating the value of our fee-based and tech-enabled services

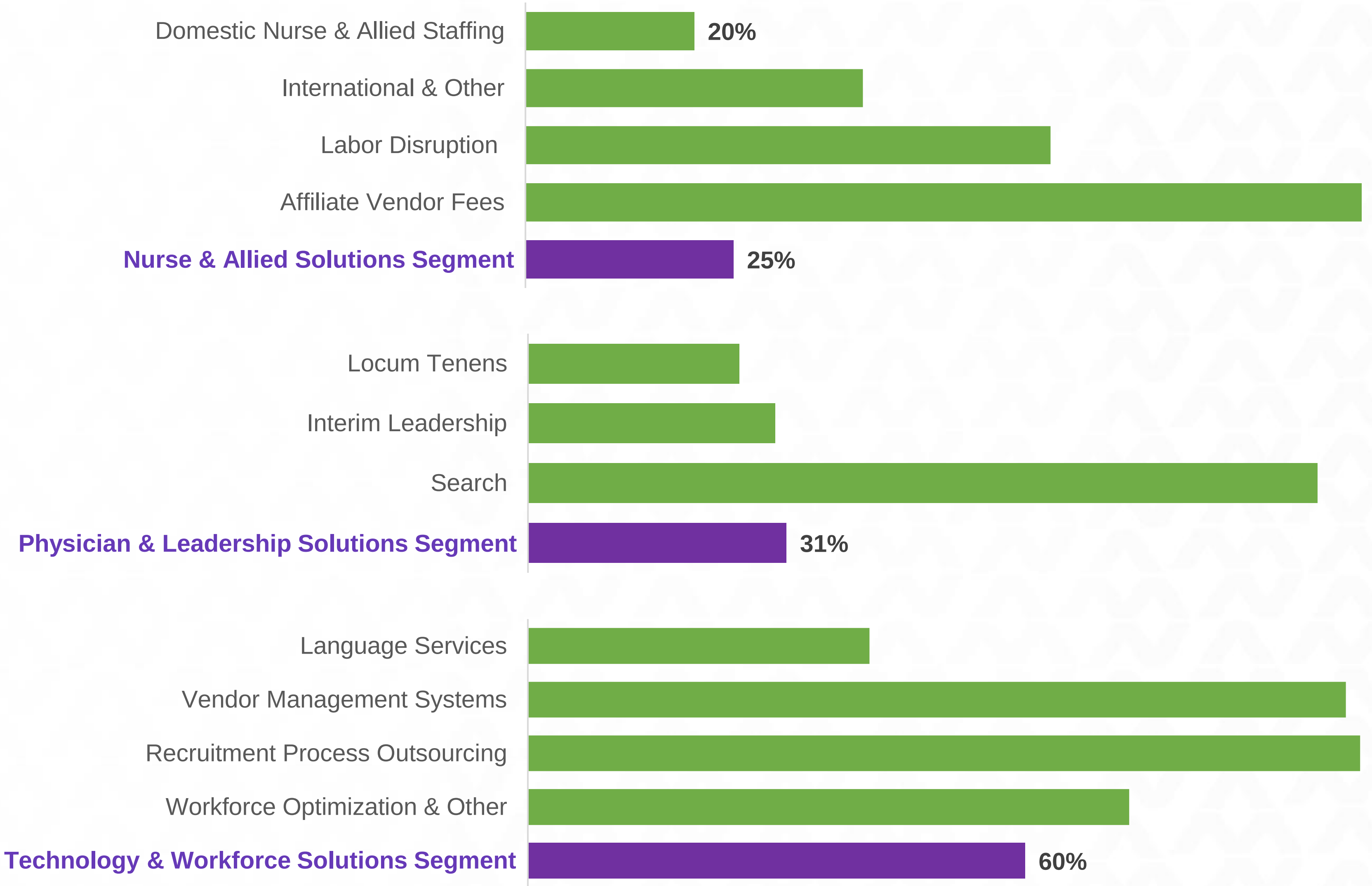
Revenue and segment operating income mix are for LTM as of September 30, 2024

Diversity of Revenue Mix Improves Gross Margin Profile

AMN business segments have a blend of high- and lower-margin business lines

- The blend between specialty staffing and fee-based technology services delivers greater value-add than staffing-only vendors
- Core nurse and allied staffing gross margin is in line with the market average
- Search businesses provide a margin boost to the PLS segment
- Technology and Workforce Solutions exemplifies the benefits of the tech-enabled services model

Gross Margin by Business Segment



Gross margin figures are for LTM as of September 30, 2024

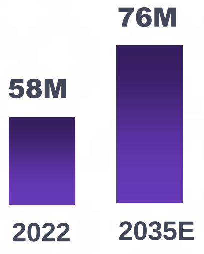
Well-Positioned Amid Long-Term U.S. Secular Trends

Aging Population

U.S. Population Aged 65+

More Days Spent in Hospital

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



~50% RNs and physicians are 50+

~33% physicians will be 65+ by 2030

Labor Demand and Supply

~4.5 Million Global Shortage
of nurses is expected by 2030

~86,000 Shortage
of U.S. physicians by 2036

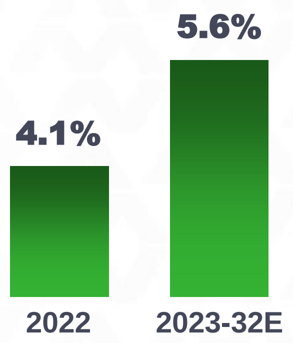
~900,000 RNs anticipated to leave the workforce by the end of 2027

28% Voluntary Turnover
in first half 2024 – higher than all of pre-pandemic history

Healthcare Spend

Annual Growth in Healthcare Spend

Is projected to average +5.6% per year for 2023-2032, while growth in Medicare spending is projected to reach **+7.4% per year for 2023–32**, reflecting **faster expected growth in healthcare utilization**



Sources: U.S. Census, Population Surveys; National Health Expenditure Projections - 6/24; "The Complexities of Physician Supply and Demand," AAMC, 3/24; "Examining the Impact of the COVID-19 Pandemic on Burnout & Stress Among U.S. Nurses", NCSBN, April 2023; "Nursing and midwifery", WHO 5/24

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, permanent and temporary, for workers throughout the career life cycle

- Helping clients optimize their labor mix across all work settings and terms
- Bringing tech-enabled solutions that drive labor force optimization
- Continuing to build the industry's most powerful healthcare recruiting engine

- Focusing on unparalleled capabilities to serve large health systems gaining share by consolidation
- Investing more heavily in digital recruiting, job marketing and career management to increase value proposition and efficiency

Significant Opportunity with a Large, Fragmented Market

Total Addressable Market: ~$41B

Reaching Our Market Potential

- Ready to serve more diverse needs driven by increasing complexity of large health systems across all care settings
- Meeting needs driven by dramatic changes in care delivery and value-based reimbursement
- Other addressable markets we serve:
  - Language Services
  - Permanent Placement / Search
  - Recruitment Process Outsourcing
  - Healthcare VMS

1 Source: AMN internal estimates.

AMN Competitive Advantage: Solving Healthcare Workforce Problems

SEAMLESS INTEGRATIONS to make it easier to manage your workforce with your existing systems

ADVANCED COMPLIANCE MANAGEMENT to ensure a high-quality workforce

PREDICTIVE ANALYTICS to forecast needs and fill orders in advance

ANALYTICS & **DASHBOARDS** to optimize labor mix

ENGAGED TALENT NETWORK at the ready

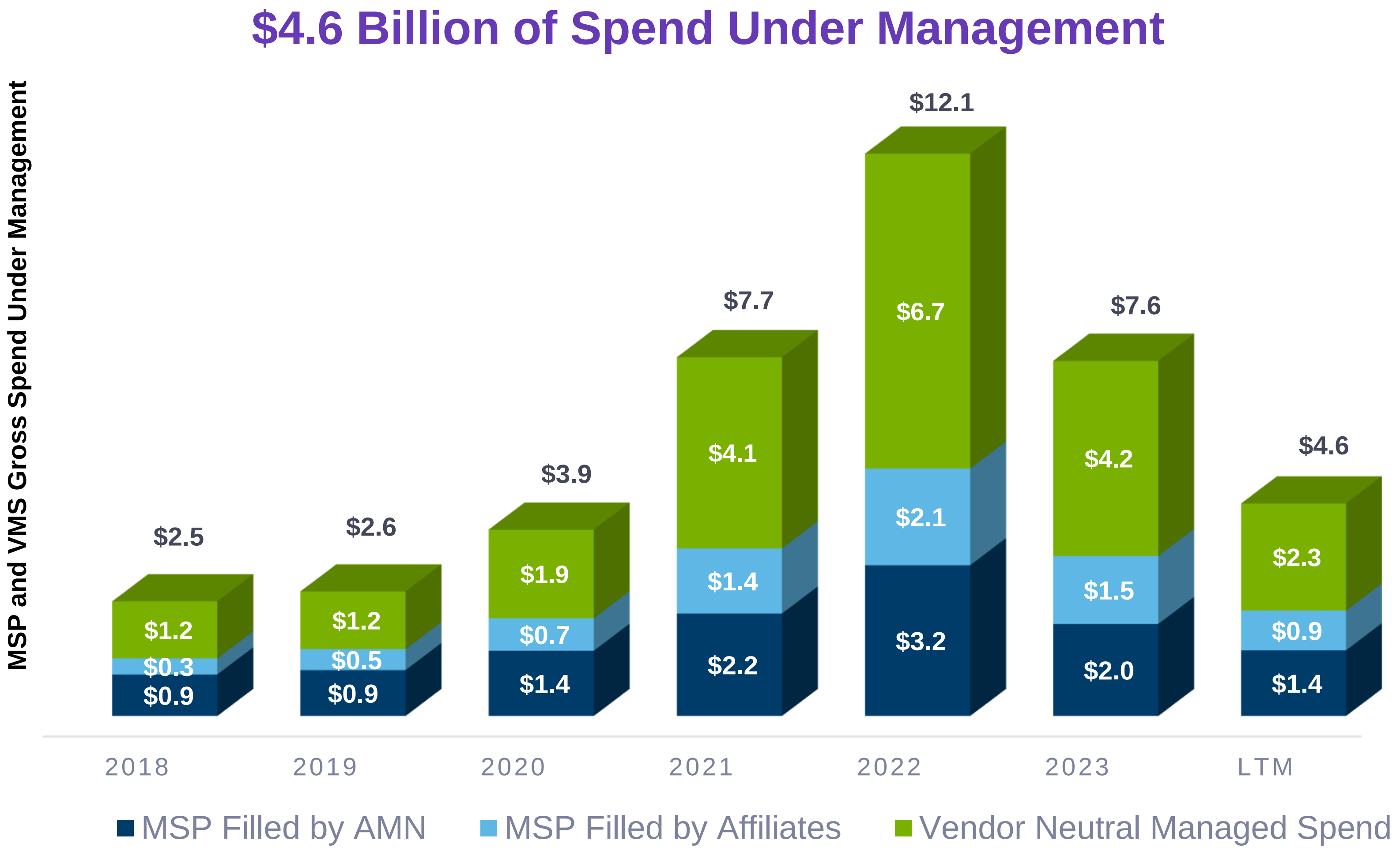
STREAMLINED & AUTOMATED FULFILLMENT for increased speed to fill

SELF-SERVICE enabled workforce reduces the cost of doing business

AMN provides a comprehensive set of workforce solutions at scale for healthcare across the care spectrum with $4.6B Spend Under Management

Spend Under Management is LTM as of September 30, 2024

MSP and VMS Lead Our Value Proposition



LTM as of September 30, 2024

Top MSP clients use an average of 10 AMN solutions

AMN Healthcare 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

Key Pillars To Our Long-Term Growth

INVEST
in
Innovation

LEVERAGE
Total Talent
Solutions

SUSTAIN
Financial
Discipline

BE A HOLISTIC PARTNER FOR OUR CLIENTS AND CLINICIANS

Investing in Innovation & Infrastructure

How We Are Addressing Current Challenges

Investing in integrated and intuitive systems to make it easier for clients to work with AMN's broad set of solutions, from advisory services to workforce management and optimization

Where We Are Making Investments Internally

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

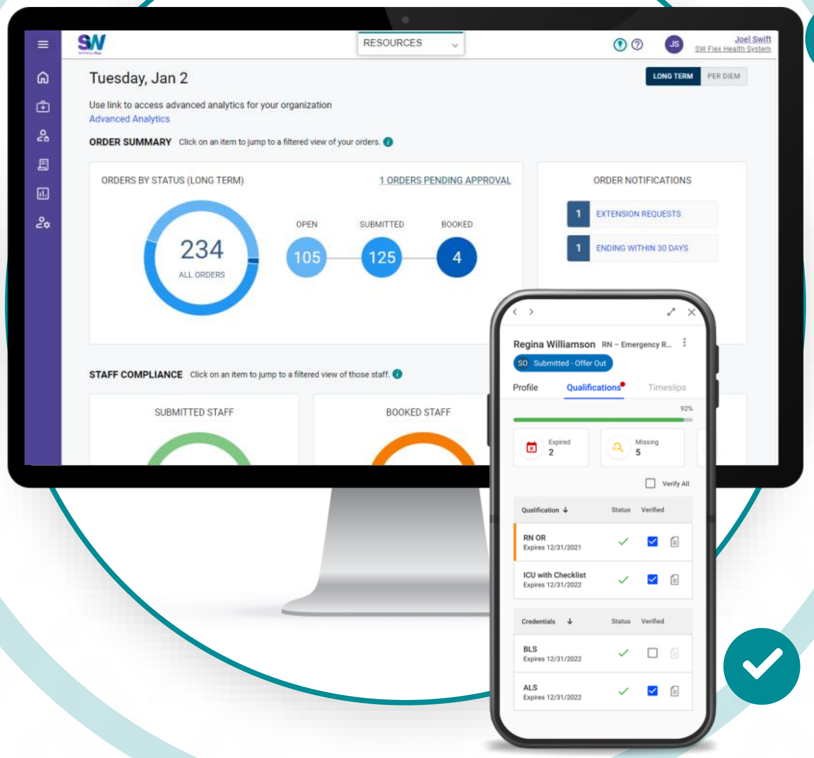
- **Mobile Applications**
- **Data Analytics Platform**
- **Artificial Intelligence**
- **Personalized Digital Experience**

Continue To Expand Our Solutions Into More Stages Of Talent Lifecycle

Our Industry Leading VMS Solution ShiftWise Flex

ShiftWise Flex

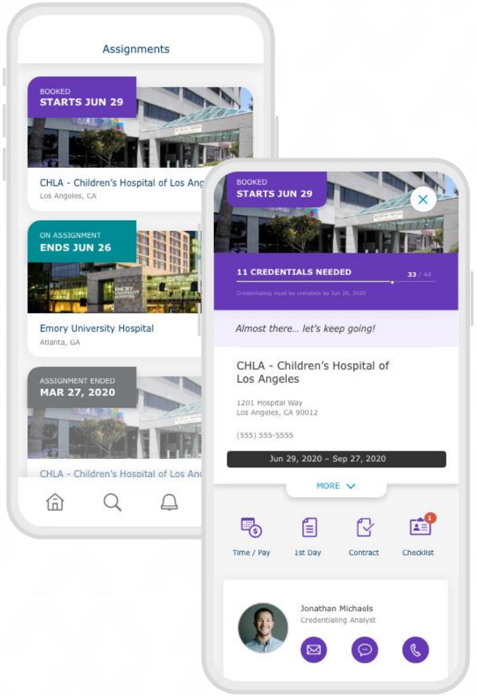
- Order Management
- Submission Workflow
- Compliance Automation
- Spend Management
- Time and Invoice
- Supplier Network



- Instant Access to Talent Network
- Strong App Based Clinician Engagement
- Auto Order Distribution
- Sourcing Excellence with AI
- Self Service Booking
- Enhance Supplier Experience
- Data & Analytics
- Bill Rate Transparency
- Industry Leading Quality & Compliance
- Cutting Edge, Secure, Integrated Technology
- Automated Credentialing Tracking

73k+	1700+	89%
Submissions/month YTD Avg.	Supplier Network	Order Fill Rate YTD

Innovation in Action: AMN Passport



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
• More mobile, two-way, seamless • Mobile apps for recruiting and engagement	• Insightful reporting and predictive analytics • Data integrations for speed and accuracy	• Shifting to an integrated tech ecosystem • Help clients manage/ optimize total workforce • Investing in AI	• Creating new big-data assets • 360° view of clients and candidates

Continuing Our Long Track Record of Innovation

Tech-Enabled Total Talent Solutions - OneAMN

Our tech enabled total talent solutions enable high quality, flexible workforce and care delivery for clients

Solutions range from traditional staffing to holistic workforce management platform

Easy to use platform for talent: reliable, fast, and transparent

Available for all healthcare settings (physical and virtual)

Entire spectrum of workforce resources available (employed, temp, per diem / flex)

Talent network includes all roles (nurse, physician, allied, interpreters, leaders)

Seamless integration of technology enabling flexible deployment across healthcare spectrum

Strong Acquisition History

Strategic Acquisitions

Long successful history of integrating acquisitions to enhance and grow our total talent solutions

Physician Solutions

2023: MSDR
2015: Locum Leaders
2005: Merritt Hawkins/Staff Care

Nurse & Allied Staffing

2022: Connetics
2019: Advanced Medical
2015: Onward
2010: Medfinders
2001: O'Grady Peyton Int'l

Language Interpretation

2020: Stratus Video

Vendor Management Systems

2019: b4health
2015: Medefis
2013: ShiftWise

Teletherapy and Virtual Care

2019: Advanced Medical

Leadership Solutions

2018: Phillips DiPisa/LFT
2016: B.E. Smith
2015: The First String

Revenue Cycle Solutions

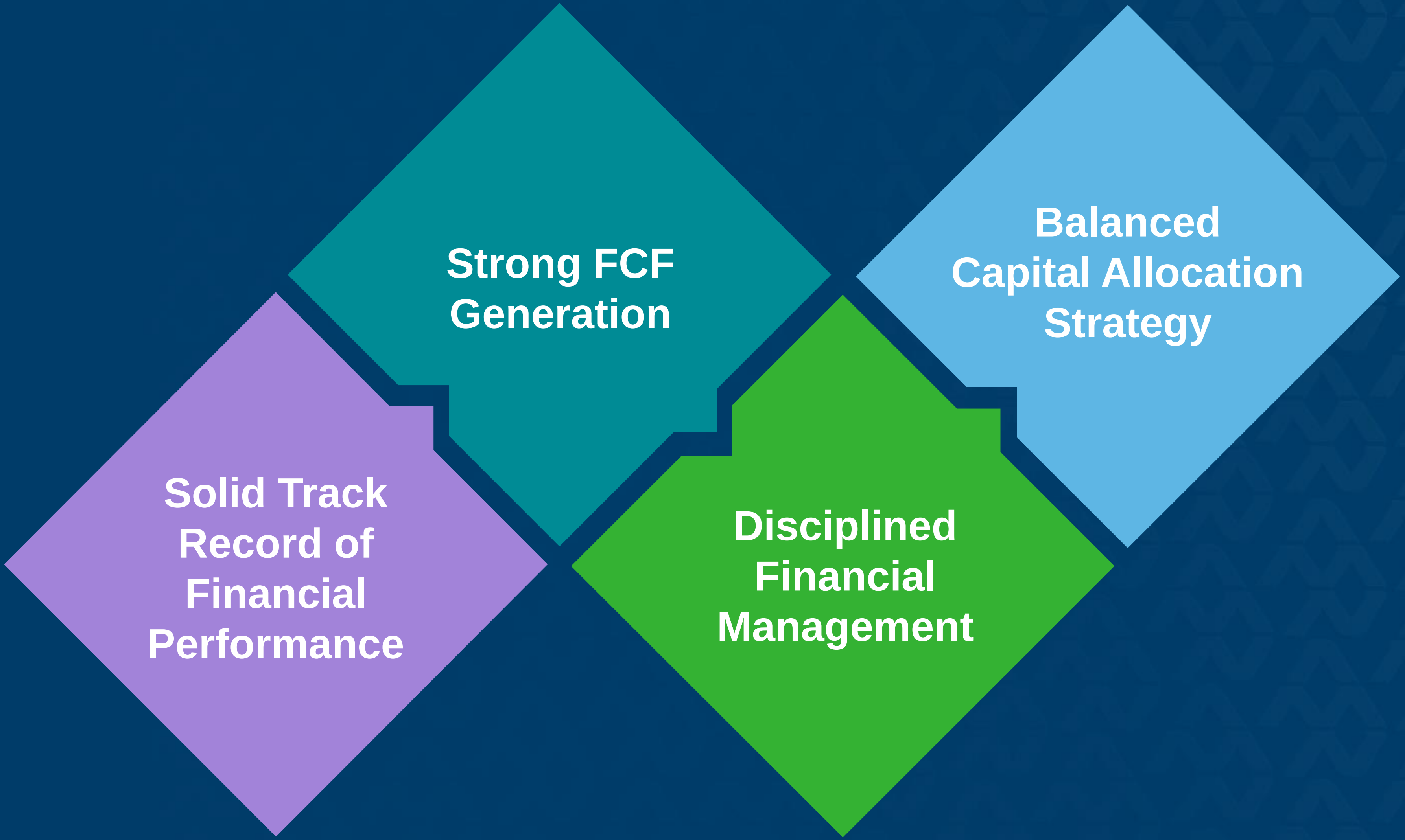
2018: MedPartners
2016: Peak

Scheduling & Predictive Workforce Analytics

2014: Avantas

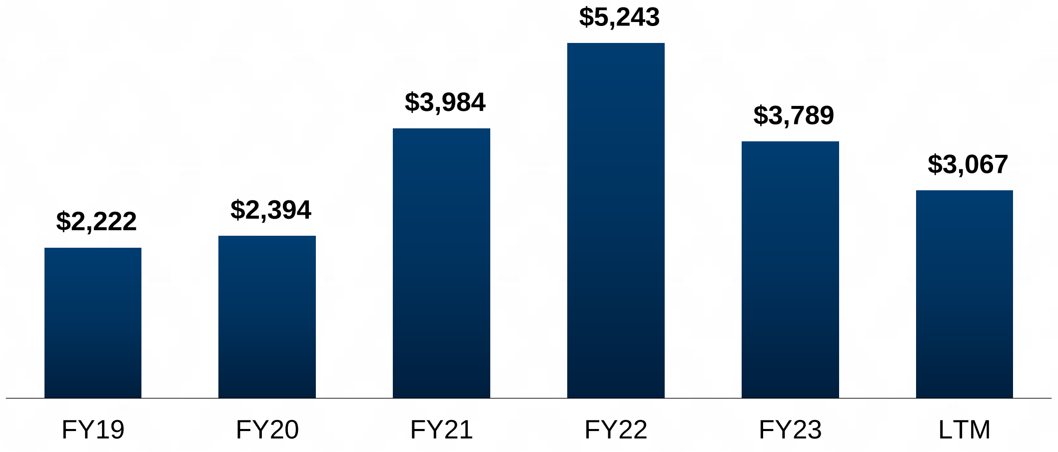
Enhancing Existing Capabilities and Adding New Tech Enabled Solutions

Sustainable Financial Discipline

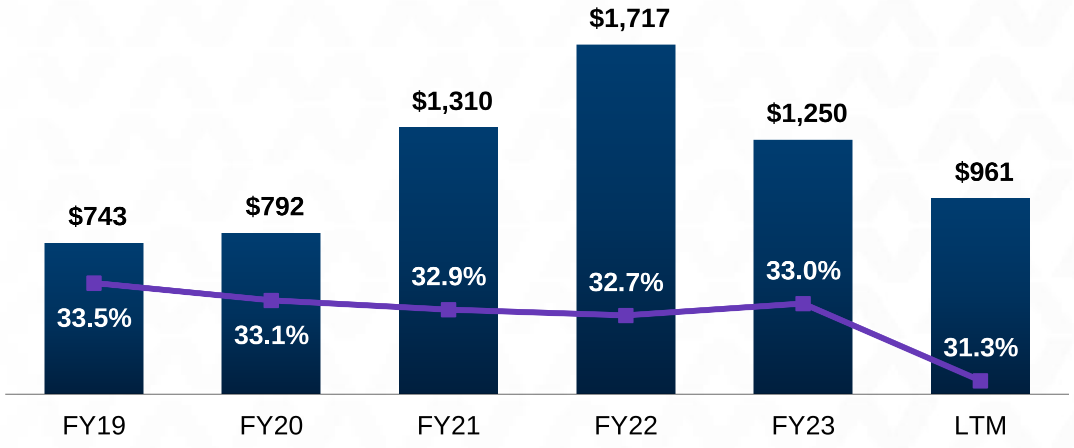


AMN Historical Financial Summary

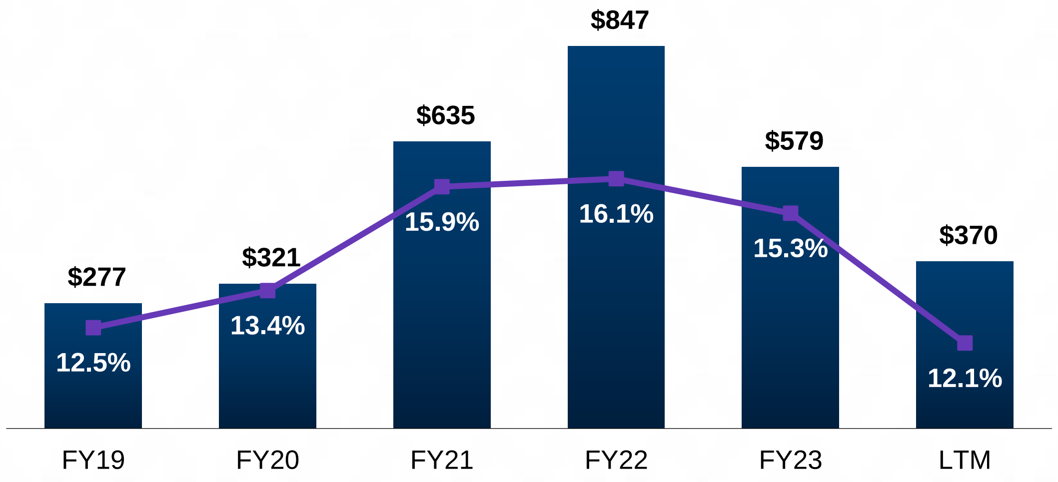
Total Revenue ($M)



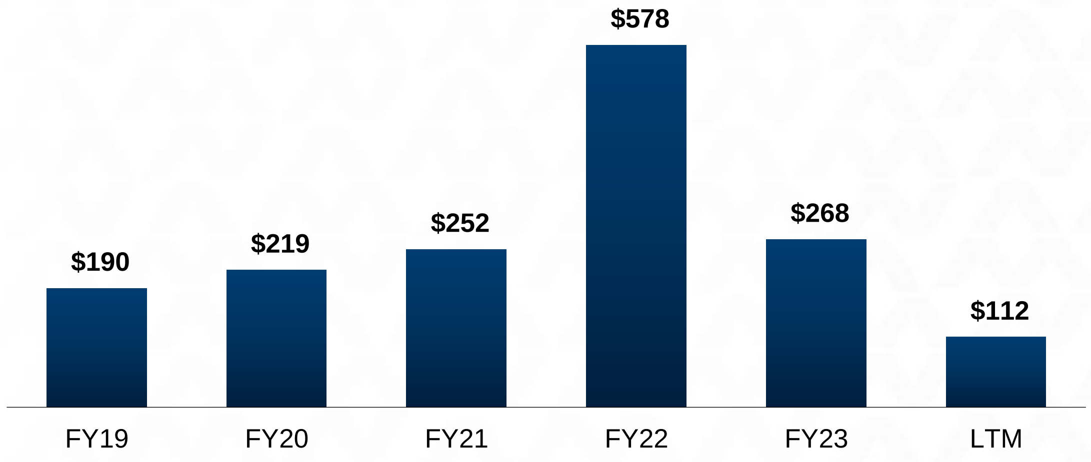
Gross Profit ($M) and Margin (%)



Adjusted EBITDA ($M) and Margin (%)



Free Cash Flow ($M)



LTM as of September 30, 2024

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

Balance Sheet Highlights

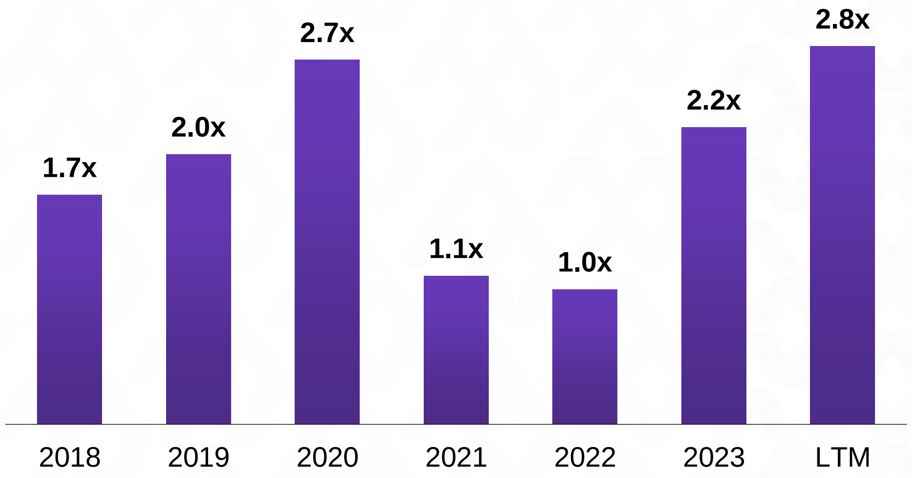
Summary Balance Sheet ($M, 9/30/24)

Cash and Cash Equivalents	**$ 31**
Total Current Assets	**$ 612**
Total Assets	**$ 2,668**
Total Current Liabilities	**$ 519**
Total Debt	**$ 1,135**
Total Equity	**$ 891**

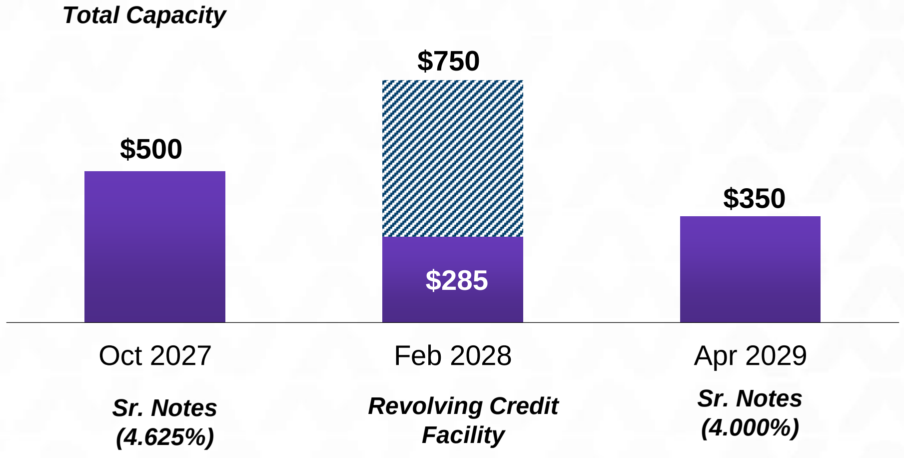
($M, 9/30/24)

Cash and Cash Equivalents	**$ 31**
Available Credit[2]	**$ 445**
Total Available Liquidity	**$ 476**

Net Leverage Ratio[1]



Debt Maturity Schedule ($M)



1 Leverage ratio represents the ratio of the consolidated funded indebtedness (as calculated per the Company's credit agreement) at the end of the subject period to the consolidated adjusted EBITDA (as calculated per the Company's credit agreement) for the 12-month period ended at the end of the subject period.

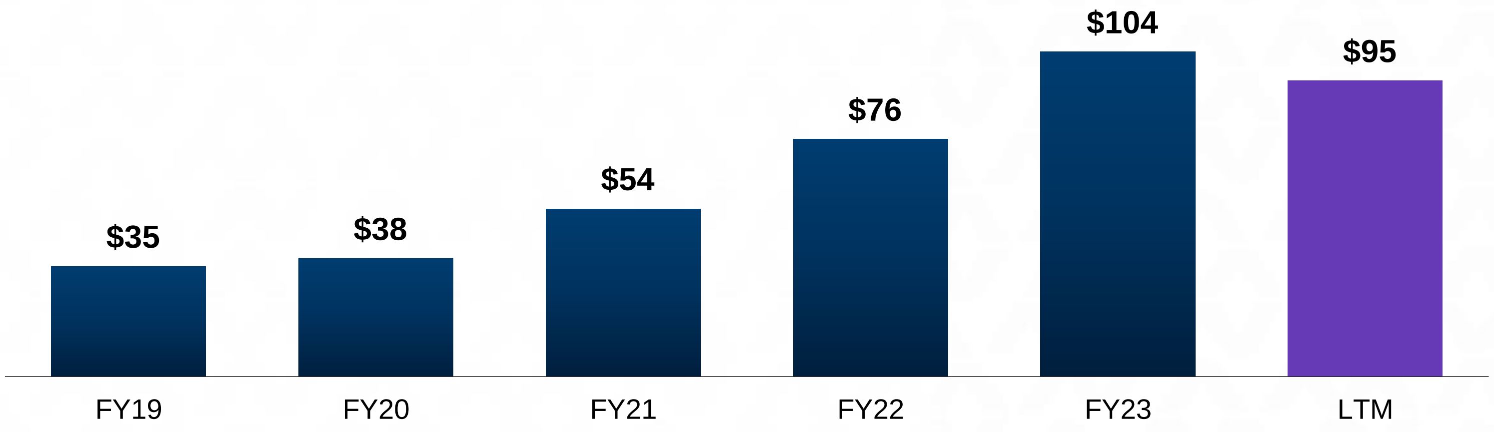
2 Available credit is net of $20.4 million used as collateral for letters of credit (in green in chart on right).

LTM as of September 30, 2024

Total Leverage Ratio Objective Is Range Of 2-2.5x

Capital Expenditure Breakdown

Capital Expenditure Spend ($M)



Cap Ex as a % of Revenue

FY19	FY20	FY21	FY22	FY23	LTM
1.6%	*1.6%*	*1.3%*	*1.4%*	*2.7%*	*3.1%*

2025 Capex Plan
$40-50 Million

Wide Range of 2024 Capex Investments

- Nurse & Allied Technology Enhancements
  - ATS, AMN Passport
- Language Services devices and technology
- VMS technology
  - ShiftWise Flex
  - API integration

- Workforce Strategy & Optimization
  - Smart Square
- One AMN brand integration
- Data analytics platform
- Business process automation
- Backoffice IT infrastructure & ERP upgrades

LTM as of September 30, 2024

Investment Highlights

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Technology-Driven Solutions Enable Flexibility for Professionals and Their Employers

Sustainable Long-term Macro Growth Drivers
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Well-Positioned to Generate Long-Term Profitable Growth with **Strong Cash Flow Generation**

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

Appendix

Reconciliation of Non-GAAP Items (Unaudited)

(Dollars in thousands)	For the Twelve Months Ended September 30, 2024				
	Fourth Quarter 2023	First Quarter 2024	Second Quarter 2024	Third Quarter 2024	Twelve Months Ended
Net income	$ 12,489	$ 17,328	$ 16,237	$ 6,989	$ 53,043
Income tax expense	1,516	5,989	5,730	819	14,054
Income before income taxes	14,005	23,317	21,967	7,808	67,097
Interest expense, net, and other [1]	20,165	16,628	15,715	14,444	66,952
Income from operations	34,170	39,945	37,682	22,252	134,049
Depreciation and amortization	41,315	42,719	43,101	41,122	168,257
Depreciation (included in cost of revenue) [2]	1,817	1,798	1,637	1,928	7,180
Share-based compensation	2,578	7,739	6,357	5,555	22,229
Acquisition, integration, and other costs [3]	24,124	5,465	5,310	3,017	37,916
Adjusted EBITDA [4]	$ 104,004	$ 97,666	$ 94,087	$ 73,874	$ 369,631
Revenue	$ 818,269	$ 820,878	$ 740,685	$ 687,509	$ 3,067,341
Gross profit	$ 260,948	$ 257,506	$ 229,827	$ 213,055	$ 961,336
Gross margin	31.9 %	31.4 %	31.0 %	31.0 %	31.3 %
Net income	$ 12,489	$ 17,328	$ 16,237	$ 6,989	$ 53,043
Net income as a % of revenue	1.5 %	2.1 %	2.2 %	1.0 %	1.7 %
Adjusted EBITDA [4]	$ 104,004	$ 97,666	$ 94,087	$ 73,874	$ 369,631
Adjusted EBITDA margin [5]	12.7 %	11.9 %	12.7 %	10.7 %	12.1 %

Reconciliation of Non-GAAP Items (Unaudited)

(Dollars in thousands)	For the Years Ended December 31, 2019	2020	2021	2022	2023
Net income	$ 113,988	$ 70,665	$ 327,388	$ 444,050	$ 210,679
Income tax expense	34,500	20,858	116,533	162,653	73,610
Income before income taxes	148,488	91,523	443,921	606,703	284,289
Interest expense, net, and other (1)	28,427	57,742	34,077	40,398	54,140
Income from operations	176,915	149,265	477,998	647,101	338,429
Depreciation and amortization	58,520	92,766	101,152	133,007	154,914
Depreciation (included in cost of revenue) (2)	—	1,421	2,545	4,104	6,013
Share-based compensation	16,241	20,465	25,217	30,066	18,020
Acquisition, integration, and other costs (3)	25,723	56,756	28,514	32,409	40,740
Legal settlement accrual changes (6)	—	—	—	—	21,000
Adjusted EBITDA (4)	$ 277,399	$ 320,673	$ 635,426	$ 846,687	$ 579,116
Revenue	$ 2,222,107	$ 2,393,714	$ 3,984,235	$ 5,243,242	$ 3,789,254
Gross profit	$ 743,465	$ 791,778	$ 1,309,601	$ 1,716,684	$ 1,249,581
Gross margin	33.5 %	33.1 %	32.9 %	32.7 %	33.0 %
Net income	$ 113,988	$ 70,665	$ 327,388	$ 444,050	$ 210,679
Net income as a % of revenue	5.1 %	3.0 %	8.2 %	8.5 %	5.6 %
Adjusted EBITDA (4)	$ 277,399	$ 320,673	$ 635,426	$ 846,687	$ 579,116
Adjusted EBITDA margin (5)	12.5 %	13.4 %	15.9 %	16.1 %	15.3 %

Reconciliation of Non-GAAP Items (Unaudited)

(Dollars in thousands)	Fourth Quarter 2023	First Quarter 2024	Second Quarter 2024	Third Quarter 2024	Twelve Months Ended
	For the Twelve Months Ended September 30, 2024				
Revenue					
Nurse and allied solutions	$ 537,588	$ 519,297	$ 442,399	$ 399,368	$ 1,898,652
Physician and leadership solutions	168,161	188,797	186,065	180,605	723,628
Technology and workforce solutions	112,520	112,784	112,221	107,536	445,061
	$ 818,269	$ 820,878	$ 740,685	$ 687,509	$ 3,067,341
Segment operating income (7)					
Nurse and allied solutions	$ 62,838	$ 53,342	$ 46,207	$ 35,110	$ 197,497
Physician and leadership solutions	21,801	22,222	21,661	18,134	83,818
Technology and workforce solutions	41,439	44,270	47,259	41,948	174,916
	$ 126,078	$ 119,834	$ 115,127	$ 95,192	$ 456,231
Unallocated corporate overhead (8)	22,074	22,168	21,040	21,318	86,600
Adjusted EBITDA (4)	$ 104,004	$ 97,666	$ 94,087	$ 73,874	$ 369,631

Reconciliation of Non-GAAP Items (Unaudited)

(Dollars in thousands)	For the Years Ended December 31, 2019	2020	2021	2022	2023
Revenue					
Nurse and allied solutions	$ 1,562,588	$ 1,699,311	$ 2,990,103	$ 3,982,453	$ 2,624,509
Physician and leadership solutions	562,762	466,622	594,243	697,946	669,701
Technology and workforce solutions	96,757	227,781	399,889	562,843	495,044
	$ 2,222,107	$ 2,393,714	$ 3,984,235	$ 5,243,242	$ 3,789,254
Segment operating income (7)					
Nurse and allied solutions	$ 219,862	$ 232,005	$ 461,311	$ 576,226	$ 362,158
Physician and leadership solutions	71,378	62,342	81,439	92,331	94,966
Technology and workforce solutions	43,899	93,212	187,578	299,390	214,736
	$ 335,139	$ 387,559	$ 730,328	$ 967,947	$ 671,860
Unallocated corporate overhead (8)	57,740	66,886	94,902	121,260	92,744
Adjusted EBITDA (4)	$ 277,399	$ 320,673	$ 635,426	$ 846,687	$ 579,116

Reconciliation of Non-GAAP Items (Unaudited)

(Dollars in thousands)	For the Twelve Months Ended September 30, 2024				
	Fourth Quarter 2023	First Quarter 2024	Second Quarter 2024	Third Quarter 2024	Twelve Months Ended
Net income	$ 12,489	$ 17,328	$ 16,237	$ 6,989	$ 53,043
Adjustments:					
Amortization of intangible assets	23,416	24,886	24,744	22,104	95,150
Acquisition, integration, and other costs [3]	24,124	5,465	5,310	3,017	37,916
Fair value changes of equity investments and instruments [1]	6,701	—	—	—	6,701
Tax effect of above adjustments	(14,103)	(7,891)	(7,814)	(6,532)	(36,340)
Tax effect of COLI fair value changes [9]	(3,446)	(2,734)	(910)	(2,530)	(9,620)
Tax deficiencies (benefits) related to equity awards and ESPP [10]	1,174	174	(235)	206	1,319
Adjusted net income [11]	$ 50,355	$ 37,228	$ 37,332	$ 23,254	$ 148,169

Reconciliation of Non-GAAP Items (Unaudited)

(Dollars in thousands)	For the Years Ended December 31, 2019	2020	2021	2022	2023
Net income	$ 113,988	$ 70,665	$ 327,388	$ 444,050	$ 210,679
Adjustments:					
Amortization of intangible assets	36,493	63,817	63,015	83,078	89,756
Acquisition, integration, and other costs (3)	25,723	56,756	28,514	32,409	40,740
Legal settlement accrual changes (6)	—	—	—	—	21,000
Fair value changes of equity investments and instruments (1)	—	1,891	(6,683)	3,429	6,701
Debt financing related costs	594	13,286	158	—	—
Cumulative effect of change in accounting principle (12)	—	—	—	—	2,974
Tax effect of above adjustments	(16,331)	(35,711)	(22,101)	(30,918)	(41,905)
Tax effect of COLI fair value changes (9)	(3,266)	(2,622)	(2,767)	4,665	(5,770)
Tax benefits related to equity awards and ESPP (10)	(5,915)	(2,840)	(1,820)	(2,971)	(1,172)
Restructuring tax benefits (13)	—	(1,615)	—	—	—
Adjusted net income (11)	$ 151,286	$ 163,627	$ 385,704	$ 533,742	$ 323,003

Reconciliation of Non-GAAP Items (Unaudited)

(Dollars in thousands)	Fourth Quarter 2023	First Quarter 2024	Second Quarter 2024	Third Quarter 2024	Twelve Months Ended
	For the Twelve Months Ended September 30, 2024				
Net cash provided by (used in) operating activities	$ (41,130)	$ 81,386	$ 99,515	$ 66,703	$ 206,474
Purchase and development of fixed assets	(29,856)	(18,145)	(27,266)	(19,260)	(94,527)
Free cash flow [14]	$ (70,986)	$ 63,241	$ 72,249	$ 47,443	$ 111,947

(Dollars in thousands)	2019	2020	2021	2022	2023
	For the Years Ended December 31,				
Net cash provided by operating activities	$ 224,862	$ 256,826	$ 305,356	$ 653,733	$ 372,165
Purchase and development of fixed assets	(35,218)	(37,702)	(53,573)	(75,831)	(103,687)
Free cash flow [14]	$ 189,644	$ 219,124	$ 251,783	$ 577,902	$ 268,478

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 calculations 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 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 nine months ended September 30, 2024, acquisition and integration costs were approximately $0.3 million and $1.8 million, respectively, expenses related to the closures of certain office leases were approximately $0.7 million and $1.8 million, respectively, certain legal expenses of approximately $(2.3) million and $1.0 million, respectively, restructuring expenses and other costs associated with exit or disposal activities were approximately $3.3 million and $6.3 million, respectively, and other nonrecurring expenses were approximately $1.0 million and $5.3 million, respectively. Additionally, the aforementioned costs for the nine months ended September 30, 2024 were partially offset by an immaterial out-of-period adjustment of $2.4 million related to acquisition-related costs incurred in connection with the acquisition of MSDR. 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 year ended December 31, 2023 included increases in contingent consideration liabilities for recently acquired companies of approximately $2.4 million. For the year ended December 31, 2022, acquisition and integration costs were approximately $4.4 million, expenses related to the closures of certain office leases were approximately $15.3 million, certain legal expenses were approximately $13.8 million, and other nonrecurring expenses were approximately $1.8 million. Additionally, the aforementioned costs for the year ended December 31, 2022 were partially offset by net decreases in contingent consideration liabilities for recently acquired companies of approximately $2.9 million. For the year ended December 31, 2021, acquisition and integration costs were approximately $7.3 million, expenses related to the closures of certain office leases were approximately $11.5 million, certain legal expenses were approximately $7.0 million, and other nonrecurring expenses were approximately $0.4 million. Additionally, acquisition, integration, and other costs for the year ended December 31, 2021 included an adjustment of $2.3 million to correct an immaterial out-of-period error.

(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.

Reconciliation of Non-GAAP Items (Unaudited)

(6) During the year ended December 31, 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, we excluded its impact in the calculations of adjusted EBITDA and 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, legal settlement accrual changes, and share-based compensation.

(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 and legal settlement accrual changes.

(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 tax benefits and tax deficiencies relating to equity awards vested during the period and tax benefits recognized for disqualifying dispositions related to our employee stock purchase plan ("ESPP"). The magnitude of the impact of tax benefits and tax deficiencies generated in the future related to equity awards and ESPP is dependent upon the Company's future grants of share-based compensation, the Company's future stock price on the date equity awards vest in relation to the fair value of the awards on the grant date, the Company's future stock price on either the ESPP's offering date or purchase date, whichever is lower, and the length of time the shares issued under the ESPP are held by employees. Since these tax benefits and tax deficiencies related to equity awards and ESPP 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.

(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) cumulative effect of change in accounting principle, (G) tax effect, if any, of the foregoing adjustments, (H) excess tax benefits and tax deficiencies relating to equity awards vested and ESPP, (I) 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 (J) 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) 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 first quarter of 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.

(13) 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.

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