Reconciliation of Non-GAAP Items (Unaudited)

	Three Months Ended		
	March 31,		December 31,
(in thousands)	2023	2022	2022
Revenue			
Nurse and allied solutions	$ 824,480	$ 1,228,039	$ 824,619
Physician and leadership solutions	165,757	179,506	167,591
Technology and workforce solutions	135,986	144,993	133,301
	$ 1,126,223	$ 1,552,538	$ 1,125,511
Segment operating income [(1)]			
Nurse and allied solutions	$ 113,445	$ 195,089	$ 105,085
Physician and leadership solutions	25,100	20,381	28,051
Technology and workforce solutions	67,010	78,880	66,864
	205,555	294,350	200,000
Unallocated corporate overhead [(2)]	25,991	36,730	25,436
Adjusted EBITDA [(3)]	$ 179,564	$ 257,620	$ 174,564
Adjusted EBITDA margin [(4)]	15.9 %	16.6 %	15.5 %
Segment operating margin [(5)]			
Nurse and allied solutions	13.8 %	15.9 %	12.7 %
Physician and leadership solutions	15.1 %	11.4 %	16.7 %
Technology and workforce solutions	49.3 %	54.4 %	50.2 %

	As of March 31,		As of December 31,
	2023	2022	2022
Leverage ratio [(6)]	1.3	1.0	1.0

AMN Healthcare

Reconciliation of Non-GAAP Items (Unaudited)

	Three Months Ended		
	March 31,		December 31,
(in thousands)	2023	2022	2022
Net income	$ 84,110	$ 146,008	$ 81,797
Net income as a % of revenue	7.5 %	9.4 %	7.3 %
Income tax expense	31,301	52,336	25,702
Income before income taxes	115,411	198,344	107,499
Interest expense, net, and other (7)	10,259	9,589	11,768
Income from operations	125,670	207,933	119,267
Operating margin (8)	11.2 %	13.4 %	10.6 %
Depreciation and amortization	37,577	30,656	36,838
Depreciation (included in cost of revenue) (9)	1,257	854	1,186
Share-based compensation	10,318	11,259	5,396
Acquisition, integration, and other costs (10)	4,742	6,918	11,877
Adjusted EBITDA (3)	$ 179,564	$ 257,620	$ 174,564
Selling, general and administrative ("SG&A") expenses	$ 205,599	$ 257,579	$ 219,148
SG&A margin (11)	18.3 %	16.6 %	19.5 %
Share-based compensation	10,318	11,259	5,396
Acquisition, integration, and other costs (10)	4,742	6,918	11,877
Adjusted SG&A expenses (12)	$ 190,539	$ 239,402	$ 201,875
Adjusted SG&A margin (13)	16.9 %	15.4 %	17.9 %

Reconciliation of Non-GAAP Items (Unaudited)

	Three Months Ended		
	March 31,		December 31,
	2023	2022	2022
Net income	$ 84,110	$ 146,008	$ 81,797
Adjustments:			
Amortization of intangible assets	21,657	19,647	22,235
Acquisition, integration, and other costs [(10)]	4,742	6,918	11,877
Fair value changes of equity investments and instruments [(7)]	—	—	3,429
Cumulative effect of change in accounting principle [(14)]	2,974	—	—
Tax effect of above adjustments	(7,637)	(6,907)	(9,761)
Tax effect of COLI fair value changes [(15)]	(1,807)	876	(1,823)
Excess tax benefits related to equity awards [(16)]	(682)	(1,929)	(139)
Adjusted net income [(17)]	$ 103,357	$ 164,613	$ 107,615
GAAP diluted net income per share (EPS)	$ 2.02	$ 3.09	$ 1.88
Adjustments	0.47	0.40	0.60
Adjusted diluted EPS [(18)]	$ 2.49	$ 3.49	$ 2.48

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) **Leverage ratio** represents the ratio of the Company's debt outstanding (including the outstanding letters of credit collateralized by the senior credit facility) minus cash and cash equivalents at the end of the subject period to adjusted EBITDA for the twelve-month period ended at the end of the subject period.
(7) Changes in the fair value of equity investments and instruments are recognized in interest expense, net, and other. Since the changes in fair value are unrelated to the Company's operating performance, we exclude the impact from the calculation of adjusted net income and adjusted diluted EPS.
(8) **Operating margin** represents income from operations divided by revenue.
(9) A portion of depreciation expense for AMN Language Services is included in cost of revenue. We exclude the impact of depreciation included in cost of revenue from the calculation of adjusted EBITDA.
(10) **Acquisition, integration, and other costs** include acquisition and integration costs, net changes in the fair value of contingent consideration liabilities for recently acquired companies, certain legal expenses, restructuring expenses, and 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 months ended March 31, 2023, acquisition and integration costs were approximately $1.0 million, expenses related to the closures of certain office leases were approximately $1.1 million, certain legal expenses were approximately $1.0 million, and other nonrecurring expenses were approximately $1.6 million. For the three months ended December 31, 2022, acquisition and integration costs were approximately $1.4 million, expenses related to the closures of certain office leases were approximately $2.6 million, certain legal expenses were approximately $9.0 million, and other nonrecurring expenses were approximately $0.6 million. Additionally, the aforementioned costs for the three months ended December 31, 2022 were partially offset by decreases in contingent consideration liabilities for recently acquired companies of approximately $1.7 million. For the three months ended March 31, 2022, acquisition and integration costs were approximately $0.5 million and expenses related to the closures of certain office leases were approximately $6.4 million.
(11) **SG&A margin** represents selling, general and administrative ("SG&A") expenses divided by revenue.

Reconciliation of Non-GAAP Items (Unaudited)

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

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

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

(15) 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.

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

(17) **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 exercised since January 1, 2017, and (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.

Reconciliation of Non-GAAP Items (Unaudited)

(18) **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 June 30, 2023	
	Low [1]	High [1]
Operating margin	10.6%	11.2%
Depreciation and amortization	3.8%	3.7%
EBITDA margin	14.4%	14.9%
Share-based compensation	0.8%	0.8%
Acquisition, integration, and other costs	0.2%	0.2%
Adjusted EBITDA margin	15.4%	15.9%

(1) Guidance percentage metrics are approximate.

AMN® Healthcare