Reconciliation of Non-GAAP Items (Unaudited)

(in thousands)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Three Months Ended March 31, 2023	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Revenue					
Nurse and allied solutions	$ 689,015	$ 1,101,478	$ 824,480	$ 1,513,495	$ 2,329,517
Physician and leadership solutions	176,229	175,697	165,757	341,986	355,203
Technology and workforce solutions	126,055	149,432	135,986	262,041	294,425
	$ 991,299	$ 1,426,607	$ 1,126,223	$ 2,117,522	$ 2,979,145
Segment operating income [1]					
Nurse and allied solutions	$ 102,993	$ 160,870	$ 113,445	$ 216,438	$ 355,959
Physician and leadership solutions	26,456	19,995	25,100	51,556	40,376
Technology and workforce solutions	55,623	82,501	67,010	122,633	161,381
	185,072	263,366	205,555	390,627	557,716
Unallocated corporate overhead [2]	23,254	30,696	25,991	49,245	67,426
Adjusted EBITDA [3]	$ 161,818	$ 232,670	$ 179,564	$ 341,382	$ 490,290
Adjusted EBITDA margin [4]	16.3 %	16.3 %	15.9 %	16.1 %	16.5 %
Segment operating margin [5]					
Nurse and allied solutions	14.9 %	14.6 %	13.8 %	14.3 %	15.3 %
Physician and leadership solutions	15.0 %	11.4 %	15.1 %	15.1 %	11.4 %
Technology and workforce solutions	44.1 %	55.2 %	49.3 %	46.8 %	54.8 %

	As of June 30, 2023	As of June 30, 2022	As of December 31, 2022
Leverage ratio [6]	1.5	0.9	1.0

Reconciliation of Non-GAAP Items (Unaudited)

(in thousands)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Three Months Ended March 31, 2023	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Net income	$ 60,906	$ 123,800	$ 84,110	$ 145,016	$ 269,808
Net income as a % of revenue	6.1 %	8.7 %	7.5 %	6.8 %	9.1 %
Income tax expense	18,582	49,653	31,301	49,883	101,989
Income before income taxes	79,488	173,453	115,411	194,899	371,797
Interest expense, net, and other	12,175	10,080	10,259	22,434	19,669
Income from operations	91,663	183,533	125,670	217,333	391,466
Operating margin (7)	9.2 %	12.9 %	11.2 %	10.3 %	13.1 %
Depreciation and amortization	36,847	32,274	37,577	74,424	62,930
Depreciation (included in cost of revenue) (8)	1,387	973	1,257	2,644	1,827
Share-based compensation	4,818	8,513	10,318	15,136	19,772
Acquisition, integration, and other costs (9)	6,103	7,377	4,742	10,845	14,295
Legal settlement accrual changes (10)	21,000	—	—	21,000	—
Adjusted EBITDA (3)	$ 161,818	$ 232,670	$ 179,564	$ 341,382	$ 490,290
Selling, general and administrative (“SG&A”) expenses	$ 201,771	$ 244,430	$ 205,599	$ 407,370	$ 502,009
SG&A margin (11)	20.4 %	17.1 %	18.3 %	19.2 %	16.9 %
Share-based compensation	4,818	8,513	10,318	15,136	19,772
Acquisition, integration, and other costs (9)	6,103	7,377	4,742	10,845	14,295
Legal settlement accrual changes (10)	21,000	—	—	21,000	—
Adjusted SG&A expenses (12)	$ 169,850	$ 228,540	$ 190,539	$ 360,389	$ 467,942
Adjusted SG&A margin (13)	17.1 %	16.0 %	16.9 %	17.0 %	15.7 %

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Reconciliation of Non-GAAP Items (Unaudited)

	Three Months Ended			Six Months Ended	
	June 30,		March 31,	June 30,	
	2023	2022	2023	2023	2022
Net income	$ 60,906	$ 123,800	$ 84,110	$ 145,016	$ 269,808
Adjustments:					
Amortization of intangible assets	22,120	20,312	21,657	43,777	39,959
Acquisition, integration, and other costs [9]	6,103	7,377	4,742	10,845	14,295
Legal settlement accrual changes [10]	21,000	—	—	21,000	—
Cumulative effect of change in accounting principle [14]	—	—	2,974	2,974	—
Tax effect of above adjustments	(12,798)	(7,199)	(7,637)	(20,435)	(14,106)
Tax effect of COLI fair value changes [15]	(1,744)	4,105	(1,807)	(3,551)	4,981
Excess tax benefits related to equity awards [16]	(1,798)	(176)	(682)	(2,480)	(2,105)
Adjusted net income [17]	$ 93,789	$ 148,219	$ 103,357	$ 197,146	$ 312,832
GAAP diluted net income per share (EPS)	$ 1.55	$ 2.77	$ 2.02	$ 3.58	$ 5.87
Adjustments	0.83	0.54	0.47	1.29	0.93
Adjusted diluted EPS [18]	$ 2.38	$ 3.31	$ 2.49	$ 4.87	$ 6.80

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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, legal settlement accrual changes, and share-based compensation.
(2) **Unallocated corporate overhead** (as presented in the tables above) consists of unallocated corporate overhead (as reflected in our quarterly and annual financial statements filed with the SEC) less acquisition, integration, and other costs and legal settlement accrual changes.
(3) **Adjusted EBITDA** represents net income plus interest expense (net of interest income) and other, income tax expense (benefit), depreciation and amortization, depreciation (included in cost of revenue), acquisition, integration, and other costs, restructuring expenses, certain legal expenses, and share-based compensation. Management believes that adjusted EBITDA provides an effective measure of the Company's results, as it excludes certain items that management believes are not indicative of the Company's operating performance. Adjusted EBITDA is not intended to represent cash flows for the period, nor has it been presented as an alternative to income from operations or net income as an indicator of operating performance. Although management believes that some of the items excluded from adjusted EBITDA are not indicative of the Company's operating performance, these items do impact the statement of comprehensive income, and management therefore utilizes adjusted EBITDA as an operating performance measure in conjunction with GAAP measures such as net income.
(4) **Adjusted EBITDA margin** represents adjusted EBITDA divided by revenue.
(5) **Segment operating margin** represents segment operating income divided by revenue.
(6) **Leverage ratio** represents the ratio of the Company's debt outstanding (including the outstanding letters of credit collateralized by the senior credit facility) minus cash and cash equivalents at the end of the subject period to adjusted EBITDA for the twelve-month period ended at the end of the subject period.
(7) **Operating margin** represents income from operations divided by revenue.
(8) 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.
(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 six months ended June 30, 2023, acquisition and integration costs were approximately $1.0 million and $2.0 million, respectively, expenses related to the closures of certain office leases were approximately $0.9 million and $2.0 million, respectively, increases in contingent consideration liabilities for recently acquired companies were approximately $2.4 million, restructuring expenses were approximately $1.6 million, and other nonrecurring expenses were approximately $0.2 million and $1.8 million, respectively. Additionally, acquisition, integration, and other costs for the six months ended June 30, 2023 included certain legal expenses of approximately $1.0 million. For the three and six months ended June 30, 2022, acquisition and integration costs were approximately $1.5 million and $2.0 million, respectively, expenses related to the closures of certain office leases were approximately $4.5 million and $10.9 million, respectively, increases in contingent consideration liabilities for recently acquired companies were approximately $0.6 million, and other nonrecurring expenses were approximately $0.8 million.
(10) During the three months ended June 30, 2023, the Company recorded an increase to its legal accrual for a wage and hour claim in connection with reaching an agreement to settle the matter in its entirety. Since the settlement is largely unrelated to the Company's operating performance, we excluded its impact in the calculations of adjusted EBITDA, adjusted net income, and adjusted diluted EPS.

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Reconciliation of Non-GAAP Items (Unaudited)

(11) **SG&A margin** represents selling, general and administrative ("SG&A") expenses divided by revenue.
(12) **Adjusted SG&A expenses** represent SG&A expenses excluding the impact of share-based compensation, acquisition, integration, and other costs and legal settlement accrual changes. Management included this non-GAAP measure to provide investors and prospective investors with an alternative method for assessing the Company's operating results in a manner that is focused on its operating performance and to provide a more consistent basis for comparison between periods. However, investors and prospective investors should note that this non-GAAP measure involves judgment by management (in particular, judgment as to what is classified as a special item to be excluded in the calculation of adjusted SG&A expenses). Although management believes the items in the calculation of adjusted SG&A expenses are not indicative of the Company's operating performance, these items do impact the statement of comprehensive income, and management therefore utilizes adjusted SG&A expenses as an operating performance measure in conjunction with GAAP measures such as GAAP SG&A expenses.
(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 and six months ended June 30, 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.

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Reconciliation of Guidance Operating Margin to Guidance Adjusted EBITDA Margin

	Three Months Ending September 30, 2023	
	Low [1]	High [1]
Operating margin	8.8%	9.4%
Depreciation and amortization	4.6%	4.5%
EBITDA margin	13.4%	13.9%
Share-based compensation	0.5%	0.5%
Acquisition, integration, and other costs	0.4%	0.4%
Adjusted EBITDA margin	14.3%	14.8%

(1) Guidance percentage metrics are approximate.

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