Reconciliation of Non-GAAP Items (Unaudited)

(in thousands)	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Three Months Ended June 30, 2023	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Revenue					
Nurse and allied solutions	$ 573,426	$ 828,317	$ 689,015	$ 2,086,921	$ 3,157,834
Physician and leadership solutions	159,554	175,152	176,229	501,540	530,355
Technology and workforce solutions	120,483	135,117	126,055	382,524	429,542
	$ 853,463	$ 1,138,586	$ 991,299	$ 2,970,985	$ 4,117,731
Segment operating income [1]					
Nurse and allied solutions	$ 82,882	$ 115,182	$ 102,993	$ 299,320	$ 471,141
Physician and leadership solutions	21,609	23,904	26,456	73,165	64,280
Technology and workforce solutions	50,664	71,145	55,623	173,297	232,526
	155,155	210,231	185,072	545,782	767,947
Unallocated corporate overhead [2]	21,425	28,398	23,254	70,670	95,824
Adjusted EBITDA [3]	$ 133,730	$ 181,833	$ 161,818	$ 475,112	$ 672,123
Adjusted EBITDA margin [4]	15.7 %	16.0 %	16.3 %	16.0 %	16.3 %
Segment operating margin [5]					
Nurse and allied solutions	14.5 %	13.9 %	14.9 %	14.3 %	14.9 %
Physician and leadership solutions	13.5 %	13.6 %	15.0 %	14.6 %	12.1 %
Technology and workforce solutions	42.1 %	52.7 %	44.1 %	45.3 %	54.1 %

	As of September 30, 2023	As of September 30, 2022	As of December 31, 2022
Leverage ratio [6]	1.4	0.8	1.0

Reconciliation of Non-GAAP Items (Unaudited)

(in thousands)	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Three Months Ended June 30, 2023	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Net income	$ 53,174	$ 92,445	$ 60,906	$ 198,190	$ 362,253
Net income as a % of revenue	6.2 %	8.1 %	6.1 %	6.7 %	8.8 %
Income tax expense	22,211	34,962	18,582	72,094	136,951
Income before income taxes	75,385	127,407	79,488	270,284	499,204
Interest expense, net, and other	11,541	8,961	12,175	33,975	28,630
Income from operations	86,926	136,368	91,663	304,259	527,834
Operating margin (7)	10.2 %	12.0 %	9.2 %	10.2 %	12.8 %
Depreciation and amortization	39,175	33,239	36,847	113,599	96,169
Depreciation (included in cost of revenue) (8)	1,552	1,091	1,387	4,196	2,918
Share-based compensation	306	4,898	4,818	15,442	24,670
Acquisition, integration, and other costs (9)	5,771	6,237	6,103	16,616	20,532
Legal settlement accrual changes (10)	—	—	21,000	21,000	—
Adjusted EBITDA (3)	$ 133,730	$ 181,833	$ 161,818	$ 475,112	$ 672,123
Selling, general and administrative ("SG&A") expenses	$ 163,405	$ 215,419	$ 201,771	$ 570,775	$ 717,428
SG&A margin (11)	19.1 %	18.9 %	20.4 %	19.2 %	17.4 %
Share-based compensation	306	4,898	4,818	15,442	24,670
Acquisition, integration, and other costs (9)	5,771	6,237	6,103	16,616	20,532
Legal settlement accrual changes (10)	—	—	21,000	21,000	—
Adjusted SG&A expenses (12)	$ 157,328	$ 204,284	$ 169,850	$ 517,717	$ 672,226
Adjusted SG&A margin (13)	18.4 %	17.9 %	17.1 %	17.4 %	16.3 %

Reconciliation of Non-GAAP Items (Unaudited)

	Three Months Ended			Nine Months Ended	
	September 30,		June 30,	September 30,	
	2023	2022	2023	2023	2022
Net income	$ 53,174	$ 92,445	$ 60,906	$ 198,190	$ 362,253
Adjustments:					
Amortization of intangible assets	22,563	20,884	22,120	66,340	60,843
Acquisition, integration, and other costs [9]	5,771	6,237	6,103	16,616	20,532
Legal settlement accrual changes [10]	—	—	21,000	21,000	—
Cumulative effect of change in accounting principle [14]	—	—	—	2,974	—
Tax effect of above adjustments	(7,367)	(7,051)	(12,798)	(27,802)	(21,157)
Tax effect of COLI fair value changes [15]	1,227	1,507	(1,744)	(2,324)	6,488
Excess tax deficiencies (benefits) related to equity awards [16]	134	(727)	(1,798)	(2,346)	(2,832)
Adjusted net income [17]	$ 75,502	$ 113,295	$ 93,789	$ 272,648	$ 426,127
GAAP diluted net income per share (EPS)	$ 1.39	$ 2.10	$ 1.55	$ 4.99	$ 7.99
Adjustments	0.58	0.47	0.83	1.87	1.41
Adjusted diluted EPS [18]	$ 1.97	$ 2.57	$ 2.38	$ 6.86	$ 9.40

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 nine months ended September 30, 2023, acquisition and integration costs were approximately $1.3 million and $3.3 million, respectively, expenses related to the closures of certain office leases were approximately $1.7 million and $3.7 million, respectively, increases in contingent consideration liabilities for recently acquired companies were approximately $2.4 million, certain legal expenses of approximately $1.2 million and $2.2 million, respectively, restructuring expenses were approximately $0.2 million and $1.8 million, respectively, and other nonrecurring expenses were approximately $1.4 million and $3.2 million, respectively. For the three and nine months ended September 30, 2022, acquisition and integration costs were approximately $1.1 million and $3.1 million, respectively, expenses related to the closures of certain office leases were approximately $1.7 million and $12.6 million, respectively, certain legal expenses were approximately $4.8 million, and other nonrecurring expenses were approximately $0.4 million and $1.2 million, respectively. Additionally, the aforementioned costs for the three and nine months ended September 30, 2022 were partially offset by net decreases in contingent consideration liabilities for recently acquired companies of approximately $1.8 million and $1.2 million, respectively.
(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.

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 nine months ended September 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.

AMN Healthcare

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 December 31, 2023	
	Low (1)	High (1)
Operating margin	5.9%	6.5%
Depreciation and amortization (total)	5.1%	5.0%
EBITDA margin	11.0%	11.5%
Share-based compensation	0.6%	0.6%
Acquisition, integration, and other costs	0.9%	0.9%
Adjusted EBITDA margin	12.5%	13.0%

(1) Guidance percentage metrics are approximate.