Reconciliation of Non-GAAP Items (Unaudited)

	Three Months Ended		
	March 31,		December 31,
($ in thousands, except per share amounts)	2017	2016	2016
Revenue			
Nurse and allied solutions	313,523	297,724	307,898
Locum tenens solutions	102,843	102,738	103,822
Other workforce solutions	78,803	67,540	76,138
	495,169	468,002	487,858
Segment operating income [1]			
Nurse and allied solutions	45,980	41,618	43,262
Locum tenens solutions	12,219	13,291	15,123
Other workforce solutions	19,857	17,586	21,139
	78,056	72,495	79,524
Unallocated corporate overhead	14,891	13,805	18,649
Adjusted EBITDA [2]	63,165	58,690	60,875
Adjusted EBITDA margin [3]	12.8%	12.5%	12.5%
Depreciation and amortization	7,668	6,765	7,732
Share-based compensation	2,681	3,381	2,604
Acquisition and integration costs	781	1,234	778
Income from operations	52,035	47,310	49,761
Operating margin [4]	10.5%	10.1%	10.2%
Interest expense, net, and other	5,130	3,249	6,400
Income before income taxes	46,905	44,061	43,361
Income tax expense	14,897	18,192	17,010
Net income	32,008	25,869	26,351

Reconciliation of Non-GAAP Items (Unaudited)

Continued from page 1

	Three Months Ended		
	March 31,		December 31,
	2017	2016	2016
GAAP diluted net income per share (EPS)	$0.65	$0.53	$0.54
Adjustments:			
Amortization of intangible assets	0.09	0.09	0.10
Acquisition and integration costs	0.02	0.03	0.01
Debt financing related costs	0.00	0.00	0.02
Tax effect of adjustments	(0.04)	(0.05)	(0.05)
Excess tax benefits (5)	(0.09)	0.00	0.00
Adjusted diluted EPS (6)	$0.63	$0.60	$0.62

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, depreciation and amortization, unallocated corporate overhead, acquisition and integration costs and share-based compensation.

(2) **Adjusted EBITDA** represents net income plus interest expense (net of interest income) and other, income tax expense, depreciation and amortization, acquisition and integration costs 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 and is a measure used in the Company's credit facilities and the indenture governing our 5.125% Senior Notes due 2024. 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.

(3) **Adjusted EBITDA margin** represents adjusted EBITDA divided by revenue.

(4) **Operating margin** represents income from operations divided by revenue.

(5) The consolidated effective tax rate for the three months ended March 31, 2017 was favorably affected by the recording of excess tax benefits 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, we no longer record excess tax benefits as an increase to additional paid-in capital, but record such excess tax benefits on a prospective basis as a reduction of income tax expense, which amounted to $4,297,000 for the three months ended March 31, 2017. Since a majority of our equity awards vest during the first quarter, we do not anticipate the recording of additional excess tax benefits of this magnitude for the reminder of the year. The magnitude of the impact of excess tax benefits generated in the future, which may be favorable or unfavorable, are dependent upon the Company's future grants of share-based compensation, the Company's future stock price on the date awards vest or exercise in relation to the fair value of the awards on the grant date or the exercise behavior of the Company's stock appreciation rights holders. Since these favorable tax benefits are largely unrelated to our current year's income before taxes and are unrepresentative of our normal effective tax rate, we excluded its impact on adjusted diluted EPS for the three months ended March 31, 2017.

(6) **Adjusted diluted EPS** represents GAAP diluted EPS excluding the impact of (A) amortization of intangible assets, (B) acquisition and integration costs, (C) debt financing related costs, (D) tax effect, if any, of the foregoing adjustments, and (E) excess tax benefits relating to equity awards vested and exercised since January 1, 2017. 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 from adjusted diluted EPS). Although management believes the items excluded from adjusted diluted EPS 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.

AMN® Healthcare

Reconciliation of Guidance Adjusted EBITDA Margin to Guidance Operating Margin

	Three Months Ending June 30, 2017
Adjusted EBITDA margin	12.5% [1]
Deduct:	
Share-based compensation	0.6%
EBITDA margin	11.9%
Depreciation and amortization	1.6%
Operating margin	10.3%

(1) Guidance percentage metrics are approximate. No significant labor disruption revenues are projected for this quarter.