Allscripts Closes $650 million of New Senior Secured Credit Facilities

July 2, 2013

- In total, nearly $1 billion in capital structure enhancements completed in the last two weeks.
- After refinancing existing obligations, more than $400 million of available liquidity remains to support strategic growth.
- Significantly enhanced covenant flexibility.

CHICAGO, July 2, 2013 /PRNewswire/ -- Allscripts announced today that it has closed its new senior secured credit facilities and completed other previously announced capital structure initiatives.

Allscripts recent capital structure initiatives provide the Company with improved capital efficiency as well as enhanced financial flexibility by extending debt maturities, increasing liquidity and lowering the Company's cash interest costs. With the successful completion of these activities, Allscripts is well positioned to maximize its focus on long-term strategic growth initiatives.

Specific capital structure enhancements include:

- The closing of $650.0 million of new senior secured credit facilities (the "Senior Credit Facilities") on June 28, 2013 consisting of:
    - a five-year $225 million senior secured term loan; and
    - a five-year $425 million senior secured revolving credit facility.
- Issuance of $345.0 million of 1.25% cash convertible senior unsecured notes (the "Convertible Notes") due 2020, completed on June 18, 2013.

Commenting on today's announcement, Richard J. Poulton, Allscripts Chief Financial Officer said, "These highly successful transactions, consisting of almost $1.0 billion in financing activities, were very well received by institutional investors and lenders and represent an emphatic vote of confidence in Allscripts long-term outlook.

"The closing of the new credit agreement creates additional strength and lends improved efficiency to Allscripts capital structure. In addition to improving our debt maturity profile and reducing our cash interest expense, we have significantly enhanced our financial flexibility. As a result of these activities, the Company will have over $400 million of available liquidity in support of our long-term strategic growth initiatives."

Senior Credit Facilities

As of March 31, 2013, the Company had approximately $544 million of borrowings under its previous senior credit facilities. Certain proceeds under the new Senior Credit Facilities were used to repay the previous senior credit facilities which the Company chose to cancel. In addition, the Company paid down the remaining $39 million of seller notes and deferred purchase price obligations incurred in connection with the Company's acquisition of dbMotion, Ltd.

Borrowings under the new Senior Credit Facilities will bear interest, at the Company's option, at a rate per annum equal to either (1) a floating Eurodollar rate based on LIBOR, or (2) the highest of (a) the prime rate, (b) the federal funds effective rate from time to time plus 0.5%, and (c) the Eurocurrency Rate for a one month interest period plus 1.0%, plus, in each case, the applicable margin. The applicable margin for borrowings under the Company's new Senior Credit Facilities will initially be 1.25% for all loans except for loans based on the Eurocurrency Rate, for which the applicable margin will initially be 2.25%.

Quarterly principal repayments for the term loan commencing on September 30, 2013 will be $2.8 million for each of the first four installments and $5.6 million for each of the next four installments. Additional details on the new Senior Credit Facilities are available in the Company's Current Report on Form 8-K filed today with the Securities and Exchange Commission.

Convertible Notes

In addition, as disclosed on June 18, 2013, Allscripts completed an unregistered Rule 144A offering of $345 million aggregate principal amount of its 1.25% Cash Convertible Senior Notes due 2020. The Convertible Notes were offered only to qualified institutional buyers (as defined in the Securities Act of 1933, as amended).

The Notes bear interest at a rate of 1.25% per annum from and including June 18, 2013, payable semiannually in arrears on January 1 and July 1 of each year, beginning on January 1, 2014. The Notes will mature on July 1, 2020, unless earlier repurchased by the Company or converted into cash in accordance with their terms prior to such date.

The conversion rate for the Convertible Notes initially will be 58.1869 shares of common stock per $1,000 principal amount of the Convertible Notes, which is equivalent to an initial conversion price of approximately $17.19 per share of the Company's common stock.

The initial conversion price of the Convertible Notes represents a premium of approximately 30% to the $13.22 per share last reported sale price of the Company's common stock on June 12, 2013.

In connection with the pricing of the Convertible Notes, Allscripts entered into a series of transactions for the purpose of effectively increasing the conversion price of the Convertible Notes. Specifically, Allscripts entered into privately negotiated cash convertible note hedge transactions with certain of the initial purchasers of the Convertible Notes or their respective affiliates (the "option counterparties"). The cash convertible note hedge transactions are expected to reduce Allscripts exposure to potential cash payments due upon conversion of the notes in excess of the principal amount thereof. Allscripts also entered into privately negotiated warrant transactions with the option counterparties with an initial strike price of $23.1350 per share, subject to certain adjustments, which represents a premium of approximately 75% to the $13.22 per share last reported sale price of Allscripts common stock on June 12, 2013.

Net proceeds from the sale of the Convertible Notes were approximately $337.2 million, after deducting the initial purchasers' fees but before deducting other estimated expenses.

The Company used approximately $31.6 million of the net proceeds to pay the cost of the above hedging transactions, and the Company used the remainder of the net proceeds to repay a portion of the Company's outstanding indebtedness under its previous senior credit facilities.

Additional details regarding the Convertible Notes are available in the Company's Current Report on Form 8-K filed on June 18 by Allscripts with the Securities and Exchange Commission.

About Allscripts
Allscripts (NASDAQ: MDRX) delivers the insights that healthcare providers require to generate world-class outcomes. The company's Electronic Health Record, practice management and other clinical, revenue cycle, connectivity and information solutions create a *Connected Community of Health*™ for physicians, hospitals and post-acute organizations. To learn more about Allscripts, please visit www.allscripts.com, Twitter, YouTube and It Takes A Community: The Allscripts Blog.

Forward-Looking Statements
This press release contains forward-looking statements within the meaning of the federal securities laws. Statements regarding future events or developments, our future performance, as well as management's expectations, beliefs, intentions, plans, estimates or projections relating to the future are forward-looking statements with the meaning of these laws. These forward-looking statements are subject to a number of risks and uncertainties, some of which are outlined below. As a result, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on our results of operations or financial condition. Such risks, uncertainties and other factors include, among other things: the possibility that our current initiatives focused on product delivery, client experience, streamlining our cost structure, and financial performance may not be successful, which could result in declining demand for our products and services, including attrition among our existing customer base; the impact of the realignment of our sales and services organization; potential difficulties or delays in achieving platform and product integration and the connection and movement of data among hospitals, physicians, patients and others; the risks that we will not achieve the strategic benefits of the merger with Eclipsys Corporation (Eclipsys) or our acquisition of dbMotion, Ltd. (dbMotion), or that the Allscripts products will not be integrated successfully with the Eclipsys and dbMotion products; competition within the industries in which we operate, including the risk that existing clients will switch to products of competitors; failure to maintain interoperability certification pursuant to the Health Information Technology for Economic and Clinical Health Act (HITECH), with resulting increases in development and other costs for us and possibly putting us at a competitive disadvantage in the marketplace; the volume and timing of systems sales and installations, the length of sales cycles and the installation process and the possibility that our products will not achieve or sustain market acceptance; the timing, cost and success or failure of new product and service introductions, development and product upgrade releases; any costs or customer losses we may incur relating to the standardization of our small office electronic health record and practice management systems that could adversely affect our results of operations; competitive pressures including product offerings, pricing and promotional activities; our ability to establish and maintain strategic relationships; errors or similar problems in our software products or other product quality issues; the outcome of any legal proceeding that has been or may be instituted against us and others; compliance obligations under new and existing laws, regulations and industry initiatives, including new regulations relating to HIPAA/HITECH, increasing enforcement activity in respect of anti-bribery, fraud and abuse, privacy, and similar laws, and future changes in laws or regulations in the healthcare industry, including possible regulation of our software by the U.S. Food and Drug Administration; the possibility of product-related liabilities; our ability to attract and retain qualified personnel; the continued implementation and ongoing acceptance of the electronic record provisions of the American Recovery and Reinvestment Act of 2009, as well as elements of the Patient Protection and Affordable Care Act (aka health reform) which pertain to healthcare IT adoption, including uncertainty related to changes in reimbursement methodology and the shift to pay-for-outcomes; maintaining our intellectual property rights and litigation involving intellectual property rights; legislative, regulatory and economic developments; risks related to third-party suppliers and our ability to obtain, use or successfully integrate third-party licensed technology; breach of data security by third parties and unauthorized access to patient health information by third parties resulting in enforcement actions, fines and other litigation. See our Annual Report on Form 10-K/10K-A for 2012 and other public filings with the SEC for a further discussion of these and other risks and uncertainties applicable to our business. The statements herein speak only as of their date and we undertake no duty to update any forward-looking statement whether as a result of new information, future events or changes in expectations.

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