Allscripts

Allscripts Healthcare Solutions

JEFFERIES HEALTHCARE CONFERENCE

DENNIS OLIS, CFO

JUNE 2019

Disclaimer

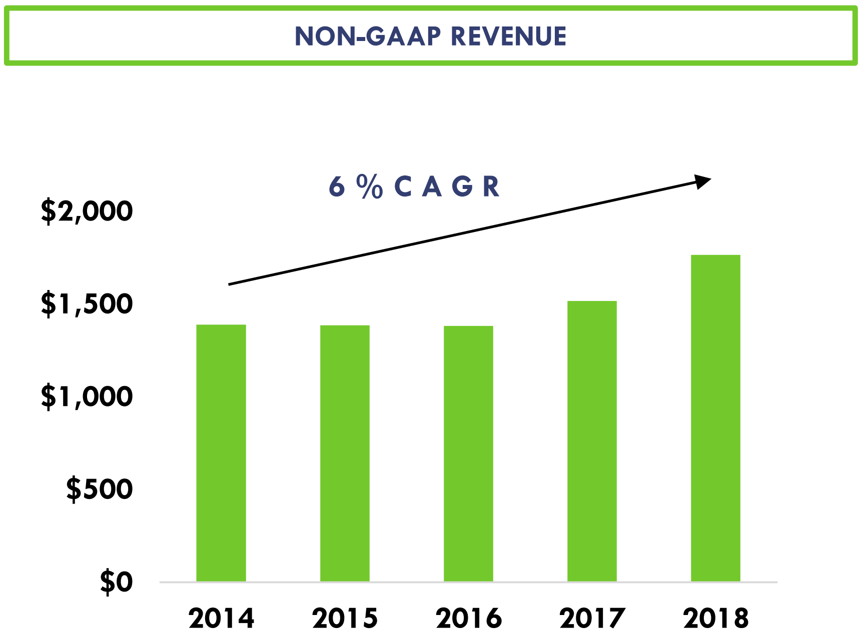
This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including the statements under "Financial Model and 2019 Financial Outlook". These forward-looking statements are based on the current beliefs and expectations of Allscripts management, only speak as of the date that they are made and are subject to significant risks and uncertainties. Such statements can be identified by the use of words such as "future," "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "will," "would," "could," "can," "may," and similar terms. Actual results could differ significantly from those set forth in the forward-looking statements and reported results should not be considered an indication of future performance. Certain factors that could cause Allscripts actual results to differ materially from those described in the forward-looking statements include, but are not limited to: the expected financial contribution of businesses acquired by us, including the EIS business, the NantHealth provider/patient solutions business, Practice Fusion and HealthGrid; the successful integration of businesses recently acquired by us; the anticipated and unanticipated expenses and liabilities related to the EIS business, the NantHealth provider/patient solutions business, Practice Fusion and HealthGrid, including the investigations by the U.S. Attorney's Office involving our EIS business and Practice Fusion; security breaches resulting in unauthorized access to our or our clients' computer systems or data, including denial-of-services, ransomware or other Internet-based attacks; Allscripts failure to compete successfully; consolidation in Allscripts industry; current and future laws, regulations and industry initiatives; increased government involvement in Allscripts industry; the failure of markets in which Allscripts operates to develop as quickly as expected; Allscripts or its customers' failure to see the benefits of government programs; changes in interoperability or other regulatory standards; the effects of the realignment of Allscripts sales, services and support organizations; market acceptance of Allscripts products and services; the unpredictability of the sales and implementation cycles for Allscripts products and services; Allscripts ability to manage future growth; Allscripts ability to introduce new products and services; Allscripts ability to establish and maintain strategic relationships; risks related to the acquisition of new businesses or technologies; the performance of Allscripts products; Allscripts ability to protect its intellectual property rights; the outcome of legal proceedings involving Allscripts; Allscripts ability to hire, retain and motivate key personnel; performance by Allscripts content and service providers; liability for use of content; price reductions; Allscripts ability to license and integrate third party technologies; Allscripts ability to maintain or expand its business with existing customers; risks related to international operations; changes in tax rates or laws; business disruptions; Allscripts ability to maintain proper and effective internal controls; and asset and long-term investment impairment charges. Additional information about these and other risks, uncertainties, and factors affecting Allscripts business is contained in Allscripts filings with the Securities and Exchange Commission, including under the caption "Risk Factors" in the most recent Allscripts Annual Report on Form 10-K and subsequent Form 10-Qs. Allscripts does not undertake to update forward-looking statements to reflect changed assumptions, the impact of circumstances or events that may arise after the date of the forward-looking statements, or other changes in its business, financial condition or operating results over time.

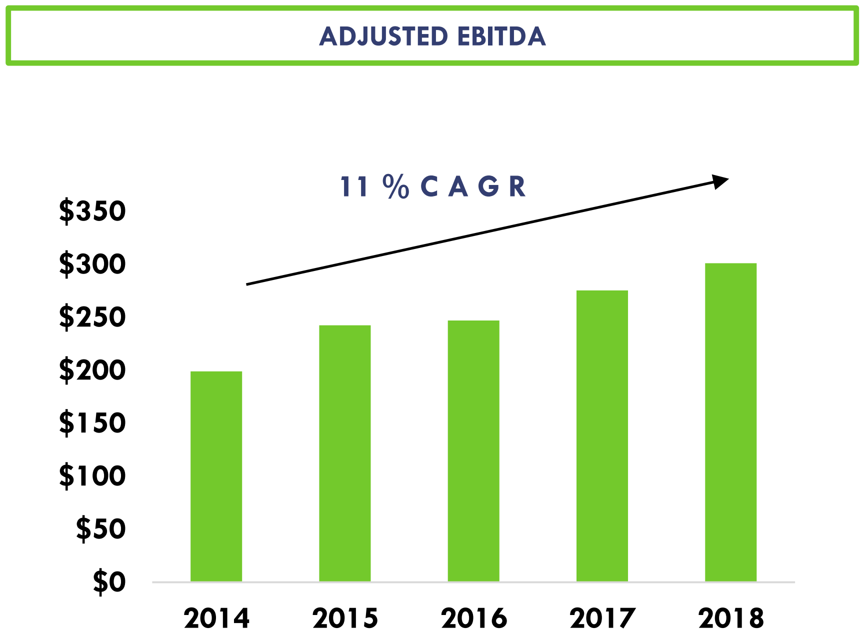
Allscripts

Allscripts Today: A Business Transformed

PAST		PRESENT
Experienced leadership team	→	Longest tenured leadership team among public peers
Shift to subscription based revenue	→	~80% annual recurring revenue
Gaps in EHR solution set	→	Full EHR solution set
Increased leverage to drive strategic investments	→	De-risked balance sheet: leverage ~2x post Netsmart sale
Complex financial reporting	→	Simplified reporting post Netsmart sale
Focus on provider end markets	→	Focus on provider and high growth payer and life sciences
Consolidator of EHR platforms	→	Increased scale to drive operating leverage and industry relevance
Investments in culture	→	High performance culture focused on client success and giving back

Strong Financial Performance (Excluding Netsmart)





Dollars in millions. See reconciliation of non-GAAP metrics in the appendix of this presentation and on the Allscripts investor relations website.

Efficient Capital Deployment…

~$270M
FREE CASH FLOW GENERATED
2014-1Q 2019

$337M
RETURNED TO SHAREHOLDERS

Repurchased 29 million shares

$148 million remaining under current authorization as of 3/31/19

$0M
(FREE) M&A

12 acquisitions/investments

2 divestitures

Added:

$300M, net in annual recurring revenue

Growth platforms in:

- Care coordination
- Consumer / Patient engagement
- Payer / life science end markets

See reconciliation of non-GAAP metrics in the appendix of this presentation and on the Allscripts investor relations website.

…Positioned Allscripts to be a Long-Term Winner

NO.	VENDOR	2018 EST. REVENUE (MIL)
1	Cerner	$5,366
2	Epic (estimated)	$2,700
3	**Allscripts** **(ex-Netsmart)**	**$1,765**
4	athenahealth	$1,341
5	NextGen	$530
6	MEDITECH	$480
7	GE (owned by Veritas now)	$450
8	eClinicalWorks (estimated)	$450
9	Greenway (estimated)	$350
10	CPSI	$280

Source: Company filings, Nasdaq consensus estimate for ATHN as of 12/13/18, https://www.healthcare-informatics.com/hci100/2018-hci-100-list

Allscripts

Future Growth

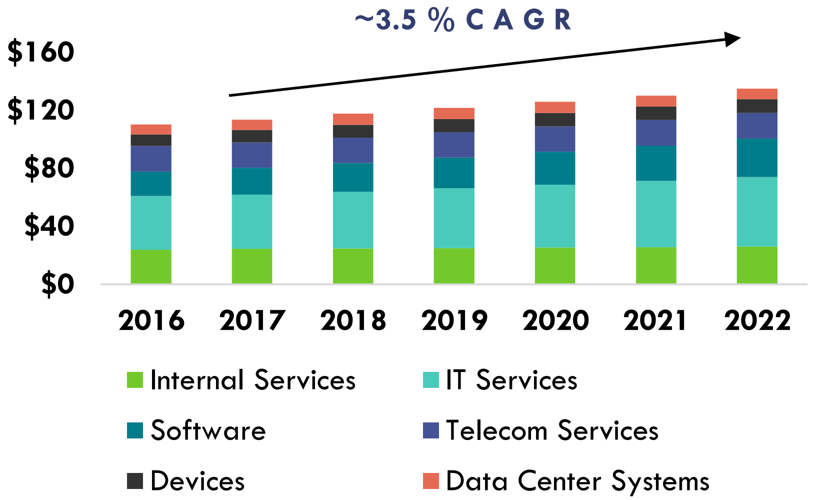
Healthcare Provider Software and Services

Healthcare provider IT spending is projected to increase over the next 5 years, regardless of how the economy performs (shift from fee for service to value based)

~$120B

GLOBAL HEALTHCARE IT MARKET IN 2019

HEALTHCARE PROVIDER GLOBAL IT SPENDING



Dollars in billions.
Source: Gartner

EHRs are a Mature Market

What will providers be buying?

01 Consumer / Patient Engagement Solutions

02 Financial Decision Support Systems, Real-Time Resource Allocation

03 Care Coordination between Traditional and Post-Acute Care

04 Personalized Medicine Solutions

05 Predictive Analytics and Optimization Solutions

06 Revenue Cycle Solutions and Services

07 Basic Clinical and Practice Management Solutions outside the U.S.

Allscripts is Well Positioned in These Areas

AREAS	BEST IN CLASS	COMPETITIVE
Patient Engagement	✓	
Financial Decision Support	✓	
Care Coordination	✓	
Personalized Medicine	✓	
Predictive Analytics and Optimization		✓
Revenue Cycle Solutions and Services		✓
Clinical and Practice Management Solutions outside the U.S.		✓

Payer & Life Sciences Market Size & Growth

The payer & life sciences market is larger than the provider software market today, and growing at more than twice the rate

$32B MARKET | 9.2% CAGR

	Clinical research	Healthcare analytics	Medication therapy mgmt.	Provider messaging	Provider and patient connectivity	Provider software market
Market size	$22B	$4.1B	$2.5B	$2.0B	$1.4B	$20B
5-YEAR CAGR	5%	22%	12%	14%	10%	3-4%

Source: Oliver Wyman

Veradigm Solutions Address Key Needs for Payer & Life Sciences Companies

BUSINESS	Health Plans	Clinical Workflow	Life Sciences	Practice Fusion
Addressable Market	~$5B	~$8B	~$20B	~$3B
Customers	Regional & National Payers, PBMs (MA, Medicaid, ACA, Commercial)	Providers, Life Sciences, HCIT partners	Life Sciences Data, Real World Evidence, Clinical Research and Emerging Data Markets	Independent Practices (1-10 segment)
Core Products	Risk Adjustment Analytics Data Exchange -Chart Retrieval Provider Messaging	ePrescribe/ EPCS Messaging Solutions Price Transparency Rx Specialty Hub	Integrated Data Advanced Analytics Research Network Health Economic Studies	Cloud based Ambulatory EHR + 23,000 Practices
Veradigm Advantage	Close Gaps in Care Bi-directional data connectivity enterprise risk adjustment and quality platform	Streamline clinical workflows Improve outcomes Reduce patients' out-of-pocket	Data Asset (+150M Patients) Acute and Ambulatory Footprint Point of Care Access to Providers NextGen Partnership	Scalable, value based cloud EHR platform
Competition	OPTUM, inovalon, CHANGE HEALTHCARE, CENTAURI HEALTH SOLUTIONS	DrFirst, Lash Group AmerisourceBergen, connective Rx, McKESSON	COVANCE, IQVIA, DRG, PPD, PAREXEL	virence, kareo Go Practice, AdvancedMD

Financial Model and 2019 Outlook

Top Line Growth Derived Across Our Different End Markets

Expected 3 Year (2019-2021) Non-GAAP Revenue CAGR

	3 YEAR (2019-2021) REVENUE CAGR	RELATIVE SIZE	WEIGHTED IMPACT
Provider	~2-4%	~90%	~2.0 – 3.5
Veradigm	~15-25%	~10%	~1.5 – 2.5
Organic Non-GAAP Revenue CAGR			**3.5% – 6.0%**
Non-Organic Non-GAAP Revenue CAGR			**2.0% – 3.0%**
Total Non-GAAP Revenue CAGR			**5.5% – 9.0%**

2019 Outlook

2019 Bookings

- $900 million to $1,000 million

2Q19 Non-GAAP Revenue

- $445 million to $455 million

2019 Non-GAAP EPS

- $0.65 to $0.70

Note: Based on our May 2, 2019 disclosure.

Investment Considerations

We enable providers, payers and life science companies to optimize value at the point of care

Robust, diversified and award winning solutions portfolio

Flexible balance sheet with capacity for investment and capital returns

High recurring revenue model

Significant operating leverage

Future growth opportunities distinguishes from EHR peers

Track record of successful capital deployment

Allscripts

Allscripts Healthcare Solutions

JEFFERIES HEALTHCARE CONFERENCE

DENNIS OLIS, CFO

JUNE 2019

Appendix: Non-GAAP Reconciliations

Non-GAAP Financial Measures

This presentation includes references to non-GAAP revenue, non-GAAP earnings per share, Adjusted EBITDA, and free cash flow, which are considered non-GAAP financial measures under Section 101 of Regulation G under the Securities Exchange Act of 1934, as amended. Each of these measures are not considered financial measures under generally accepted accounting principles in the United States ("GAAP"). The definitions of these non-GAAP financial measures are as follows:

- Non-GAAP revenue consists of GAAP revenue, as reported, and adds back recognized deferred revenue from acquired businesses and non-material consolidated affiliates that is eliminated for GAAP purposes due to purchase accounting adjustments.
- Adjusted EBITDA consists of GAAP net income (loss), as reported, and adjusts for: acquisition-related deferred revenue adjustments; depreciation and amortization; stock-based compensation expense; transaction-related and other costs; non-cash asset and long-term investment impairment charges; gain on sale of business, net; interest expense and other, net; equity in net earnings of unconsolidated investments; and tax (benefit) provision.
- Non-GAAP net income consists of GAAP net income/(loss), as reported, and adds back: acquisition-related deferred revenue adjustments; acquisition-related amortization; stock-based compensation expense; transaction-related and other costs; non-cash asset and long-term investment impairment charges; non-cash charges to interest expense and other; gain on sale of business, net; equity in net earnings of unconsolidated investments; and the related tax effect of the aforementioned adjustments. Non-GAAP net income also includes a tax rate alignment adjustment.
- Non-GAAP earnings per share consist of non-GAAP net income, as defined above, divided by weighted average diluted shares outstanding in the applicable period.
- Free cash flow consists of GAAP cash flows provided by operating activities in the applicable period, net of capital expenditures and capitalized software costs.

Management also believes that non-GAAP measures provide useful supplemental information to management and investors regarding the underlying performance of Allscripts business operations. Acquisition accounting adjustments made in accordance with GAAP can make it difficult to make meaningful comparisons of the underlying operations of the business without considering the non-GAAP adjustments provided and discussed herein. Management also uses this information internally for forecasting and budgeting, as it believes that these measures are indicative of core operating results. In addition, management may use non-GAAP measures to measure achievement under Allscripts stock and cash incentive compensation plans. Note, however, that non-GAAP revenue, non-GAAP earnings per share, and Adjusted EBITDA are performance measures only, and they do not provide any measure of cash flow or liquidity. Allscripts considers free cash flow to be a liquidity measure that provides useful information to management and investors about the amount of cash generated by the business after capital expenditures and capitalized software costs. Free cash flow provides management and investors a valuable measure to determine the quantity of capital generated that can be deployed to create additional shareholder value by a variety of means. Non-GAAP financial measures are not in accordance with, or an alternative for, measures of financial performance prepared in accordance with GAAP and may be different from non-GAAP measures used by other companies. Non-GAAP measures have limitations in that they do not reflect all of the amounts associated with Allscripts results of operations as determined in accordance with GAAP. Investors and potential investors are encouraged to review the definitions and reconciliations of non-GAAP financial measures with GAAP financial measures contained in the Appendix to this presentation. For the purpose of providing financial guidance, the company does not reconcile non-GAAP revenue, non-GAAP earnings, Adjusted EBITDA or non-GAAP earnings per share guidance to the corresponding GAAP financial measures. Allscripts does not provide guidance for the various reconciling items since certain items that impact GAAP revenue and net income are either outside of its control and/or cannot be reasonably predicted. These are available on Allscripts investor relations website (http://investor.allscripts.com).

Reconciliations: Non-GAAP Revenue and Adjusted EBITDA

Allscripts Healthcare Solutions, Inc.

Non-GAAP Financial Information - Adjusted EBITDA

(In millions, except percentages)

(Unaudited)

	Year Ended December 31,				
	2014	**2015**	**2016**	**2017**	**2018**
Total revenue, as reported	$1,377.9	$1,386.4	$1,386.1	$1,497.7	$1,750.0
Acquisition-related deferred revenue adjustments	11.6	-	6.4	29.5	24.3
Non-GAAP Revenue related to businesses reported as discontinued operations	-	-	183.2	313.6	354.4
Total non-GAAP revenue	**$1,389.5**	**$1,386.4**	**$1,575.7**	**$1,840.8**	**$2,128.7**
Net (loss) income from continuing operations, as reported	($66.5)	($2.0)	$31.3	($184.5)	$12.7
Acquisition-related deferred revenue adjustments	11.6	-	6.4	29.5	24.3
Depreciation and amortization	174.3	161.0	139.2	157.3	192.3
Stock-based compensation expense	39.3	36.6	38.4	39.5	39.3
Transaction-related and other costs (a)	24.2	23.4	8.6	51.1	82.3
Interest expense and other, net (b)	15.3	17.4	11.8	23.5	35.3
Asset impairment charges	2.4	1.5	4.7	-	71.7
Impairment of and losses on long-term investments	-	-	7.5	165.3	15.5
Gain on sale of business, net	-	-	-	-	(172.3)
Equity in net (loss) income of unconsolidated investments	-	2.1	-	(0.8)	(0.3)
Tax (benefit)/provision	(1.6)	2.6	(1.0)	(5.5)	0.4
Netsmart	-	-	56.8	98.2	102.2
Adjusted EBITDA	**$199.0**	**$242.6**	**$303.7**	**$373.6**	**$403.4**
Adjusted EBITDA margin (c)	*17%*	*17%*	*19%*	*20%*	*19%*

(a) Transaction-related and other costs has been adjusted from the amounts presented in the reconciliation of GAAP and non-GAAP income from operations in order to remove the accelerated amortization of assets to be disposed from transaction-related and other costs since such amortization is also included in depreciation and amortization.

(b) Interest expense and other, net has been adjusted from the amounts presented in the statements of operations in order to remove the amortization of the fair value of the cash conversion option embedded in the 1.25% Cash Convertible Notes and deferred debt issuance costs from interest expense since such amortization is also included in depreciation and amortization.

(c) Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by non-GAAP revenue.

Reconciliations: Non-GAAP EPS

Allscripts Healthcare Solutions, Inc.
Condensed Non-GAAP Financial Information
(In millions, except per share amounts and percentages)
(Unaudited)

	Year Ended December 31,	
	2018	**2017**
Net income (loss) attributable to Allscripts Healthcare Solutions, Inc. stockholders, as reported	$363.7	($196.5)
Net (loss) attributable to non-controlling interest	(4.5)	(1.5)
Accretion of redemption preference on redeemable convertible non-controlling interest - discontinued operations	48.6	43.8
(Income) from discontinued operations, net of tax	105.3	(30.3)
Gain on sale of Netsmart	(500.4)	0.0
(Loss) income from continuing operations, net of tax	$12.7	($184.5)
Acquisition-related deferred revenue adjustments	24.3	29.5
Acquisition-related amortization	65.1	50.4
Stock-based compensation expense	39.3	39.5
Transaction-related [(a)]	97.7	74.6
Non-cash charges to interest expense and other	12.7	12.0
Asset impairment charges	71.7	0.0
Impairment of long-term investments	15.5	165.3
Gain on sale of business, net	(172.3)	0.0
Equity in net loss (income) of unconsolidated investments	(0.3)	(0.8)
Tax effect of adjustments to reconcile GAAP to non-GAAP net income	(25.5)	(122.2)
Tax rate alignment	(9.1)	61.0
Total Non-GAAP net income	$131.8	$124.8
Less: Non-GAAP net income attributable to non-controlling interest	(2.9)	(11.9)
Non-GAAP net income attributable to Allscripts Healthcare Solutions, Inc.	$128.9	$112.9
Non-GAAP effective tax rate	23%	35%
Weighted shares outstanding - diluted	178.5	182.5
GAAP earnings (loss) per share - diluted, as reported	$2.04	($1.09)
Non-GAAP earnings per share attributable to Allscripts Healthcare Solutions, Inc. - diluted	$0.72	$0.62

Note: Adjustments to reconcile GAAP to non-GAAP net income are presented gross of tax, with net tax effects included in row titled "Tax effect of adjustments to reconcile GAAP to non-GAAP net income".

(a) Transaction-related and other costs included in cost of revenue, operating expenses and non-operating expenses are comprised of the following for the periods presented as well as the net impact of businesses treated as discontinued operations.

	Year Ended December 31,	
	2018	**2017**
Legal and other costs	64.5	29.7
Transaction-related costs	33.2	44.9
Total transaction-related and other costs	97.7	$74.6

Reconciliations: Non-GAAP EPS

Allscripts Healthcare Solutions, Inc.
Condensed Non-GAAP Financial Information
(In millions, except per share amounts and percentages)
(Unaudited)

	Year Ended December 31, 2016
Net (loss) income attributable to Allscripts Healthcare Solutions, Inc. stockholders, as reported	($25.7)
Less: Net loss attributable to non-controlling interest	0.2
Less: Accretion of redemption preference on redeemable convertible non-controlling interest - Netsmart	28.5
Net income (loss), as reported	$3.0
Acquisition-related deferred revenue adjustments	25.8
Acquisition-related amortization	71.1
Stock-based compensation expense	44.2
Non-recurring expenses and transaction-related costs (a)	13.4
Non-cash asset impairment charges	4.7
Non-cash charges to interest expense and other	16.6
Equity in net earnings of unconsolidated investments	7.5
Tax effect of adjustments to reconcile GAAP to non-GAAP net income	(64.1)
Tax rate alignment	(12.6)
Total Non-GAAP net income	$109.6
Less: Non-GAAP net income attributable to non-controlling interest	(5.5)
Non-GAAP net income attributable to Allscripts Healthcare Solutions, Inc.	$104.1
Non-GAAP effective tax rate	35%
Weighted shares outstanding - diluted	187.9
(Loss) earnings per share - basic and diluted, as reported	($0.14)
Non-GAAP earnings per share attributable to Allscripts Healthcare Solutions, Inc. - diluted	$0.55

Note: Adjustments to reconcile GAAP to non-GAAP net income are presented gross of tax, with net tax effects included in row titled "Tax effect of adjustments to reconcile GAAP to non-GAAP net income".

(a) Non-recurring expenses and transaction-related costs included in cost of revenue and operating expenses are comprised of the following for the periods presented:

	Year Ended December 31, 2016
Severance and other costs	2.7
Transaction-related costs	10.7
Total non-recurring expenses and transaction related costs	$13.4

Reconciliations: Free Cash Flow

Allscripts Healthcare Solutions, Inc.
Condensed Non-GAAP Financial Information - Free Cash Flow
(In millions)
(Unaudited)

	1/1/2014 - 3/31/19 TOTAL
Net cash provided by operating activities	$937.2
Cash flows from investing activities:	
Capital expenditures	(151.7)
Capitalized software	(442.2)
Cash flows from investing activities - discontinued operations	(73.5)
Free cash flow	$269.8