

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT TO  
SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): January 14, 2020

ALLSCRIPTS HEALTHCARE SOLUTIONS, INC.  
(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

001-35547  
(Commission  
File Number)

36-4392754  
(IRS Employer  
Identification No.)

222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654  
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (312) 506-1200

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicated by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of Each Exchange on which Registered</u>
Common Stock, par value \$0.01 per share	MDRX	The Nasdaq Stock Market LLC (Nasdaq Global Select Market)

**Item 2.02. Results of Operations and Financial Condition.**

On January 14, 2020, Allscripts Healthcare Solutions, Inc. (“Allscripts”) issued a press release regarding Allscripts’ preliminary financial results for the fourth quarter ended December 31, 2019. A copy of the press release is attached hereto as Exhibit 99.1.

The information furnished pursuant to this item shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 7.01. Regulation FD Disclosure**

On January 15, 2020, Allscripts will present at the 38<sup>th</sup> Annual J.P. Morgan Healthcare Conference in San Francisco, California. A copy of the Company’s presentation is furnished as Exhibit 99.2. The Company intends to use this presentation at other investor conferences.

The information furnished pursuant to this Item shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statements and Exhibits.**

*(d) Exhibits.*

The following exhibits are furnished herewith:

<b>Exhibit No.</b>	<b>Description</b>
<a href="#">99.1</a>	<a href="#">Press release issued by Allscripts Healthcare Solutions, Inc. on January 14, 2020</a>
<a href="#">99.2</a>	<a href="#">Copy of Allscripts Healthcare Solutions, Inc. presentation slides</a>

---

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 14, 2020

ALLSCRIPTS HEALTHCARE SOLUTIONS, INC.

By: /s/ Dennis M. Olis  
Dennis M. Olis  
Chief Financial Officer

## Allscripts Announces Preliminary 2019 Results

### *Management to present at J.P. Morgan Healthcare Conference on January 15*

CHICAGO--(BUSINESS WIRE)--January 14, 2020--Allscripts Healthcare Solutions (NASDAQ: MDRX) today announced preliminary 2019 financial results.

The company anticipates bookings<sup>(1)</sup> for 2019 of between \$1,090 million to \$1,110 million, an increase from the prior outlook of between \$1,050 million to \$1,100 million. This result implies annual bookings growth of 13 percent to 15 percent.

GAAP and Non-GAAP revenue for the fourth quarter of 2019 is expected to be between \$450 million to \$455 million. This represents a year-over-year increase of 2 percent to 3 percent for non-GAAP revenue.

The company is also reaffirming its full year 2019 non-GAAP earnings per share outlook provided on November 4, 2019.

The preliminary financial information presented in this press release is based on expectations and may be adjusted as a result of, among other things, completion of customary quarterly review and audit procedures.

### **Management to Present at J.P. Morgan Healthcare Conference**

Allscripts management will conduct a presentation for investors on January 15, 2020, at 4:00 p.m. PT during the J.P. Morgan Healthcare Conference in San Francisco. A webcast link to this event and a presentation will be available at the Allscripts investor relations website.

### **Footnotes**

(1) Bookings have been determined on a continuing operations basis, excluding Netsmart, and reflect the value of executed contracts for software, hardware, client services, private cloud hosting services, outsourcing and other subscription-based services.

Non-GAAP revenue consists of GAAP revenue, as reported, and adds back recognized deferred revenue from the EIS business, Practice Fusion, HealthGrid, NantHealth's provider/patient solutions business and non-material consolidated affiliates that is eliminated for GAAP purposes due to purchase accounting adjustments.

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, legal and other costs; non-cash asset and long-term investment impairment charges; non-cash charges to interest expense and other, asset impairment charges; gain on sale of business, net; and equity in net earnings of unconsolidated investments and the related tax effect of the aforementioned adjustments. Non-GAAP net income also includes a GAAP to non-GAAP tax rate alignment adjustment.

---

Non-GAAP net income attributable to Allscripts Healthcare Solutions, Inc. is a non-GAAP measure and consists of non-GAAP net income, as described above, with an adjustment to reduce non-GAAP net income for the percentage of non-controlling interest outside Allscripts ownership position.

Non-GAAP earnings per share consist of non-GAAP net income, as defined above, divided by weighted shares outstanding – diluted during the applicable period.

### **Forward-Looking Statements**

*This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements, including the preliminary financial information included in this release, 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 final outcome of the criminal and civil investigations by the DOJ involving Practice Fusion, including our ability to negotiate final settlement agreements with the DOJ and the terms of such agreements; potential additional investigations and proceedings from governmental entities or third parties other than the DOJ related to the same or similar conduct underlying the DOJ’s investigations into Practice Fusion’s business practices; the expected financial results of businesses acquired by us; the successful integration of businesses acquired by us; the anticipated and unanticipated expenses and liabilities related to businesses acquired by us, including the civil investigation by the U.S. Attorney’s Office involving our EIS business; 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 ability to establish and maintain strategic relationships, including the recent strategic partnerships announced by our Veradigm business unit; 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; 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.*

---

## About Allscripts

Allscripts (NASDAQ: MDRX) is a leader in healthcare information technology solutions that advance clinical, financial and operational results. Our innovative solutions connect people, places and data across an Open, Connected Community of Health™. Connectivity empowers caregivers and consumers to make better decisions, delivering better care for healthier populations. To learn more, visit [www.allscripts.com](http://www.allscripts.com), [Twitter](#), [YouTube](#) and [It Takes A Community: The Allscripts Blog](#).

Allscripts, the Allscripts logo, and other Allscripts marks are trademarks of Allscripts Healthcare, LLC and/or its affiliates. All other products are trademarks of their respective holders, all rights reserved. Reference to these products is not intended to imply affiliation with or sponsorship of Allscripts Healthcare, LLC and/or its affiliates.

## Contacts

### Investors:

Stephen Shulstein

312-386-6735

[Stephen.Shulstein@allscripts.com](mailto:Stephen.Shulstein@allscripts.com)

### Media:

Tom Lynch

312-386-6765

[Tom.Lynch@allscripts.com](mailto:Tom.Lynch@allscripts.com)



Allscripts® / All *possible*



# Allscripts Healthcare Solutions

January 2020

J.P. Morgan  
Healthcare Conference

---

# Disclaimer

*This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements, including the preliminary financial information included in this presentation, 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 final outcome of the criminal and civil investigations by the DOJ involving Practice Fusion, including our ability to negotiate final settlement agreements with the DOJ and the terms of such agreements; potential additional investigations and proceedings from governmental entities or third parties other than the DOJ related to the same or similar conduct underlying the DOJ's investigations into Practice Fusion's business practices; the expected financial results of businesses acquired by us; the successful integration of businesses acquired by us; the anticipated and unanticipated expenses and liabilities related to businesses acquired by us, including the civil investigation by the U.S. Attorney's Office involving our EIS business; 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 ability to establish and maintain strategic relationships, including the recent strategic partnerships announced by our Veradigm business unit; 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; 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.*





# What Distinguishes Allscripts

*Connecting data sources across the community to  
improve the health of entire populations*



**Delivering  
Interoperability**



**Open**



**Breadth and Depth**



**Scale – 3<sup>rd</sup> Largest  
HIT Company**



**>\$1.25B investment  
in R&D and ~ 130  
patents since 2016**



**EHR Adjacent  
Growth Platforms**



# Culture – Giving Back

## Annual Global Impact Day



**18**  
participating offices



**59,071**  
meals prepared



**30**  
nonprofits supported



**35,000**  
pounds of food salvaged

**Countless lives impacted**

## Major Partnerships



# A Vision for Our Clients for Today and Tomorrow



# 2019 Was a Year of Progress on Strategic Goals

## Provider

- Strong renewal and expansion activity across base including at largest client, Northwell Health and 3rd largest client, PIH Health
- Northwell joint EHR development agreement
- Retained significant portion of Paragon base
- Expanded international presence with Sunrise in Philippines and Qatar
- EHR adjacent platforms are resonating with clients

## Veradigm

- Invested in key analytics capabilities and built Veradigm brand
- NextGen deal significantly increased ambulatory data and increased data exchange transactions using Veradigm solutions
- Partnered with Komodo Health to create largest linked EHR and claims dataset

## Corporate

- Accelerated bookings growth: ~14% expected for 2019
- Returned capital to shareholders: \$111M YTD 9/30/19
- Positioned to generate revenue growth and increased free cash flow in 2020 and beyond
- EHR solutions recognized as #1 globally in user satisfaction by Black Book



# Solidified Long Term Relationship with Northwell Health



2018

2H19

2H19

2H19

Renewed Touchworks Platform for an additional 5 years

Innovative Agreement to Create Next Generation EHR

Renewed Sunrise Platform Through 2027

Renewed Managed Services Agreement Through 2026



Largest client



23 Hospitals



700+ outpatient practices

**Managed Services renewal expected to add approximately \$500M to backlog as of 12/31/19**



# Unique Growth Platforms



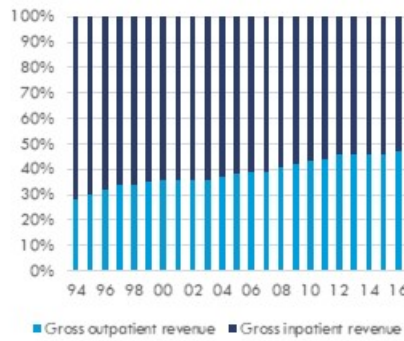
# Leading Ambulatory Share Positions Allscripts to Benefit from Shift to Outpatient

Outpatient net revenue at hospitals is close to eclipsing inpatient net revenue (billions)



Source: 2019 American Hospital Association Hospital Statistics

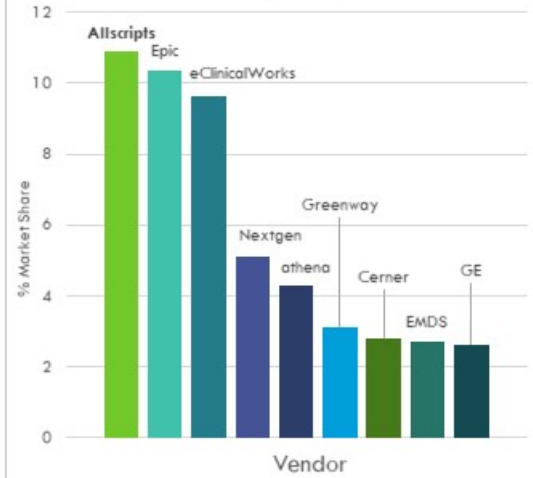
Outpatient services as part of overall hospital revenue grew between 1994 and 2016



Share of outpatient services in hospital revenue has almost doubled between 1994 and 2016.

Source: Deloitte analysis using data from AHA annual survey and Medicare cost reports (via Truven Health Analytics)

Ambulatory EHR Vendor Market Share



Source: IQVIA EHR market share data as of June 2019



# EHRs are a Mature Market

## What is the market demanding?



- 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.
- 08 Data Driven Solutions at the Point of Care for Payer and Life Science companies



# Our Investments in New Platforms Allow Us to Meet These New Demand Drivers



## Machine Learning & Cloud

Next Generation EHR with Northwell



## Consumer/Care Coordination

FollowMyHealth, HealthGrid, Careport



## Open Application Ecosystem

Allscripts Developer Program



## Precision Medicine

2bPrecise



## Interoperability

dbMotion



## Data and Analytics

Veradigm



# 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.		✓
Data Driven Solutions at the Point of Care for Payers and Life Science Companies	✓	



# Growth Platforms Are Differentiated from Other EHR Companies



# EHR Adjacent Platforms Provide Multiple Streams of High Margin Growth Opportunities



## Patient engagement

Serving the ambulatory and acute care environments, FollowMyHealth is a customizable patient engagement platform that improves the quality of care, outcomes and patient satisfaction



## Care coordination

Increase of risk-based contracting raising the importance of care coordination between traditional health care and post-acute



## Personalized medicine

Continued push of personalized medicine into mainstream clinical care boosting need to bridge between lab testing and clinical care



## Payer and life sciences

Largest source of deidentified patient data and unique portfolio provides data-driven actionable insights, derived from best-in-class analytics, and integrated with point of care technology solutions

Growing faster than clinical EHR systems





Recurring revenue with high margins

EHR agnostic

Sold inside and outside the Allscripts EHR installed base

Cloud based tech stack

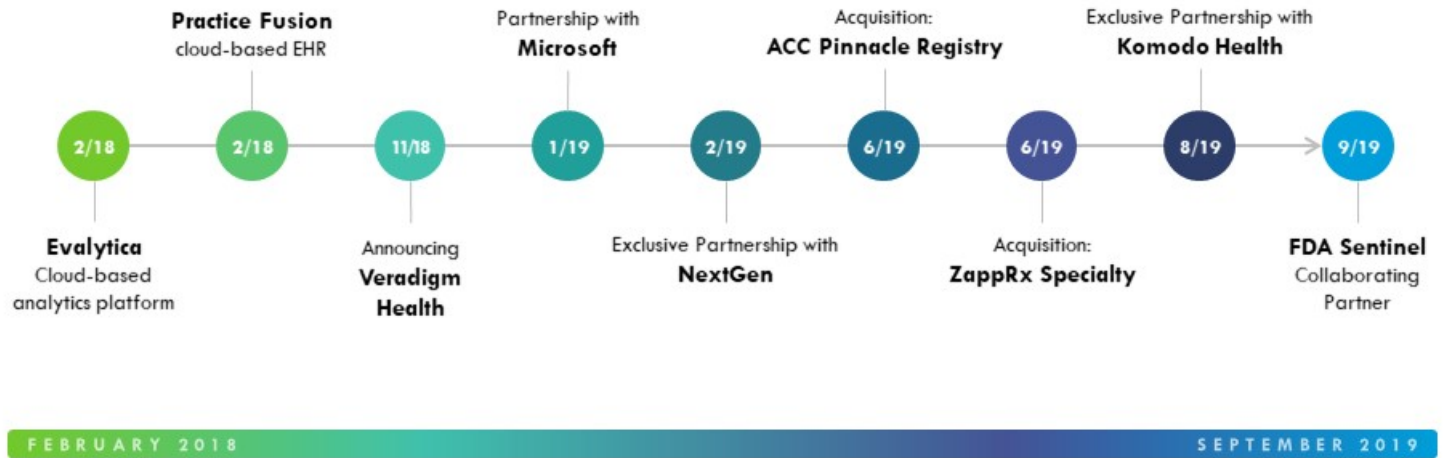
# Veradigm Solutions Address Key Needs for Payer & Life Sciences Companies

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	<ul style="list-style-type: none"> <li>Risk Adjustment Analytics</li> <li>Data Exchange</li> <li>Chart Retrieval</li> <li>Provider Messaging</li> </ul>	<ul style="list-style-type: none"> <li>ePrescribe/EPCS</li> <li>Messaging Solutions</li> <li>Price Transparency</li> <li>Rx Specialty Hub</li> </ul>	<ul style="list-style-type: none"> <li>Integrated Data</li> <li>Advanced Analytics</li> <li>Research Network</li> <li>Health Economic Studies</li> </ul>	<ul style="list-style-type: none"> <li>Cloud based Ambulatory EHR</li> <li>+23,000 Practices</li> </ul>
Veradigm Advantage	<ul style="list-style-type: none"> <li>Close Gaps in Care</li> <li>Bi-directional data connectivity</li> <li>Enterprise risk adjustment</li> <li>Quality platform</li> </ul>	<ul style="list-style-type: none"> <li>Streamline clinical workflows</li> <li>Improve outcomes</li> <li>Reduce patients' out-of-pocket</li> </ul>	<ul style="list-style-type: none"> <li>Data Asset (+150M Patients)</li> <li>Acute and Ambulatory Footprint</li> <li>Point of Care Access to Providers</li> <li>NextGen Partnership</li> </ul>	<ul style="list-style-type: none"> <li>Scalable, value based EHR platform</li> </ul>
Competition				



# Veradigm Has Significant Momentum Heading into 2020

Building an ecosystem of connected partners, creating a learning platform of health



# Financial Update

---



# 2019 Preliminary Results

## 2019 Bookings

\$1,090 million to \$1,110 million (up 13%-15%), an increase from the prior outlook of \$1,050 million to \$1,100 million

## 4Q19 Revenue

GAAP and Non-GAAP revenue is expected to be between \$450 million to \$455 million (up 2%-3% YoY on a non-GAAP basis)

## 2019 Non-GAAP EPS

Reaffirming 2019 non-GAAP EPS outlook provided on November 4, 2019

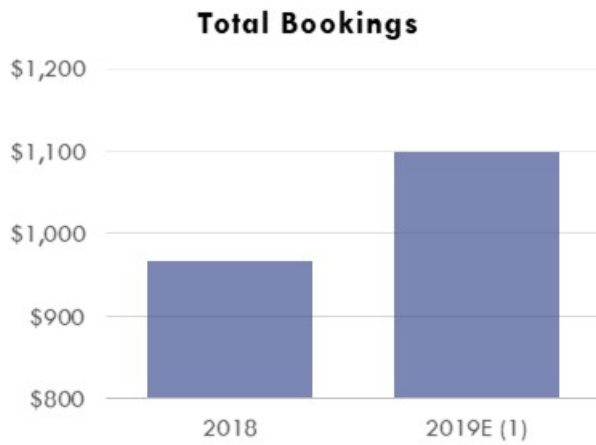
Note: Based on our January 14, 2020 disclosure.

© 2020 Allscripts Healthcare, LLC and/or its affiliates.





# Strong Bookings Provide the Foundation for Top Line Growth



(1) Reflects midpoint of 2019 guidance of \$1,090 to \$1,110 million. Dollars in millions.

© 2020 Allscripts Healthcare, LLC and/or its affiliates.



**~14% Growth**



Momentum broad-based and balanced across inpatient, outpatient and Veradigm



Pipeline of new deals remains strong heading into 2020



Indicator of improved revenue growth



# Free Cash Flow is Expected to Improve Significantly in 2020

More Normalized FCF Conversion of  
~60% of Non-GAAP Net Income <sup>(1)</sup>

Balanced Capital Allocation of  
Share Repurchase and M&A

- 2019 had significant negative free cash flow items that will not repeat or will decline significantly in 2020
  - ~\$30M related to Netsmart tax liability
  - ~\$50M related to transaction, severance and legal costs
- Optimization of hosting infrastructure
- \$102M remaining under existing share repurchase authorization
- M&A is expected to focus on Veradigm and other EHR adjacent opportunities

(1) Excludes impact from payments related to the Practice Fusion DOJ settlement.

© 2020 Allscripts Healthcare, LLC and/or its affiliates.



# 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



High recurring revenue model



Future growth opportunities distinguishes from EHR peers



Flexible balance sheet with capacity for investment and capital returns



Significant operating leverage



Track record of successful capital deployment

# Appendix: Non-GAAP Financial Measures

# 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>).

