

PEDIATRIX MEDICAL GROUP, INC.
RECONCILIATION OF DILUTED (LOSS) INCOME FROM CONTINUING OPERATIONS PER SHARE
TO ADJUSTED INCOME FROM CONTINUING OPERATIONS PER DILUTED SHARE ("ADJUSTED EPS")
(in thousands, except per share data)
(Unaudited)

	Three Months Ended March 31, 2022		Three Months Ended June 30, 2022		Three Months Ended September 30, 2022		Three Months Ended December 31, 2022		Twelve Months Ended December 31, 2022	
Weighted average diluted shares outstanding	85,405		85,619		82,776		82,158		84,121	
(Loss) income from continuing operations and diluted income from continuing operations per share attributable to Pediatrix Medical Group, Inc.	\$ (20,941)	\$ (0.25)	\$ 30,701	\$ 0.36	\$ 28,808	\$ 0.35	\$ 24,000	\$ 0.29	\$ 62,568	\$ 0.74
Adjustments ⁽¹⁾ :										
Amortization (net of tax of \$541, \$541, \$554, \$606 and \$2,242)	1,621	0.02	1,624	0.02	1,662	0.02	1,820	0.02	6,727	0.08
Stock-based compensation (net of tax of \$1,109, \$1,084, \$1,030, \$374 and \$3,596)	3,326	0.04	3,252	0.04	3,090	0.03	1,120	0.01	10,788	0.13
Transformational and restructuring expenses (net of tax of \$355, \$1,335, \$244, \$4,894 and \$6,828)	1,066	0.01	4,003	0.05	733	0.01	14,682	0.18	20,484	0.24
Loss on early extinguishment of debt (net of tax of \$14,254)	42,762	0.50	-	-	-	-	-	-	42,762	0.51
Net impact from discrete tax events	492	0.01	294	-	(1,083)	(0.01)	(3,073)	(0.03)	(3,370)	(0.04)
Adjusted income and diluted EPS from continuing operations attributable to Pediatrix Medical Group, Inc.	<u>\$ 28,326</u>	<u>\$ 0.33</u>	<u>\$ 39,874</u>	<u>\$ 0.47</u>	<u>\$ 33,210</u>	<u>\$ 0.40</u>	<u>\$ 38,549</u>	<u>\$ 0.47</u>	<u>\$ 139,959</u>	<u>\$ 1.66</u>

⁽¹⁾A blended tax rate of 25% was used to calculate the tax effects of the adjustments.