

MEDNAX, Inc.
2019 Quarterly Income from Continuing Operations and
Reconciliations of Income from Continuing Operations to Adjusted Earnings Before Interest, Taxes,
Depreciation and Amortization and Transformation and Restructuring Related Expenses
(“Adjusted EBITDA from Continuing Operations”)
and Diluted (Loss) Income from Continuing Operations per Share to Adjusted Income from Continuing
Operations per Share (“Adjusted EPS from Continuing Operations”)
(in thousands, except per share data)
(Unaudited)

| | 2019 Quarters | | | |
|--|---------------|------------|------------|------------|
| | First | Second | Third | Fourth |
| Net revenue | \$ 427,092 | \$ 439,154 | \$ 454,913 | \$ 458,600 |
| Operating expenses: | | | | |
| Practice salaries and benefits | 294,753 | 284,627 | 301,306 | 300,073 |
| Practice supplies and other operating expenses | 24,705 | 25,402 | 22,581 | 23,162 |
| General and administrative expenses | 59,023 | 63,011 | 63,284 | 59,255 |
| Depreciation and amortization | 6,183 | 6,239 | 6,408 | 7,101 |
| Transformation and restructuring related expenses | 2,439 | 16,820 | 12,766 | 28,865 |
| Total operating expenses | 387,103 | 396,099 | 406,345 | 418,546 |
| Income from operations | 39,989 | 43,055 | 48,568 | 40,144 |
| Investment and other income | 1,249 | 726 | 802 | 909 |
| Interest expense | (30,349) | (31,013) | (29,909) | (27,657) |
| Equity in earnings of unconsolidated affiliate | 464 | 503 | 786 | 517 |
| Total non-operating expenses | (28,636) | (29,784) | (28,321) | (26,231) |
| Income from continuing operations before income taxes | 11,353 | 13,271 | 20,247 | 13,913 |
| Income tax benefit (provision) | 1,514 | (6,744) | (7,360) | (3,986) |
| Income from continuing operations | \$ 12,867 | \$ 6,527 | \$ 12,887 | \$ 9,927 |
| Per common and common equivalent share data: | | | | |
| Income from continuing operations: | | | | |
| Basic | \$ 0.15 | \$ 0.08 | \$ 0.16 | \$ 0.12 |
| Diluted | \$ 0.15 | \$ 0.08 | \$ 0.16 | \$ 0.12 |
| Weighted average common shares: | | | | |
| Basic | 86,073 | 83,234 | 82,441 | 82,592 |
| Diluted | 86,545 | 83,689 | 82,883 | 83,288 |
| Adjusted EBITDA from continuing operations: | | | | |
| Income from continuing operations | \$ 12,867 | \$ 6,527 | \$ 12,887 | \$ 9,927 |
| Interest expense | 30,349 | 31,013 | 29,909 | 27,657 |
| Income tax (benefit) provision | (1,514) | 6,744 | 7,360 | 3,986 |
| Depreciation and amortization | 6,183 | 6,239 | 6,408 | 7,101 |
| Transformation and restructuring related expenses | 2,439 | 16,820 | 12,766 | 28,865 |
| Adjusted EBITDA from continuing operations | \$ 50,324 | \$ 67,343 | \$ 69,330 | \$ 77,536 |
| Adjusted EBITDA margin from continuing operations ⁽¹⁾ | 11.8% | 15.3% | 15.2% | 16.9% |
| ⁽¹⁾ Adjusted EBITDA as a percentage of GAAP net revenue | | | | |
| Adjusted income and EPS from continuing operations⁽²⁾: | | | | |
| Adjusted income from continuing operations | \$ 19,156 | \$ 30,393 | \$ 31,285 | \$ 37,085 |
| Adjusted EPS from continuing operations | \$ 0.22 | \$ 0.36 | \$ 0.38 | \$ 0.45 |

⁽²⁾ See separate reconciliations