

PEDIATRIX MEDICAL GROUP, INC.
RECONCILIATION OF DILUTED NET INCOME PER SHARE
TO ADJUSTED INCOME PER DILUTED SHARE ("ADJUSTED EPS")
(In thousands, except per share data)
(Unaudited)

	<u>Three Months</u> <u>Ended March 31,</u> <u>2025</u>		<u>Three Months</u> <u>Ended June 30,</u> <u>2025</u>		<u>Three Months</u> <u>Ended September 30,</u> <u>2025</u>		<u>Three Months</u> <u>Ended December 31,</u> <u>2025</u>		<u>Twelve Months</u> <u>Ended December 31,</u> <u>2025</u>	
Weighted average diluted shares outstanding	85,430		85,529		85,613		84,415		85,268	
Net income and diluted income per share	\$ 20,737	\$ 0.24	\$ 39,260	\$ 0.46	\$ 71,708	\$ 0.84	\$ 33,683	\$ 0.40	\$ 165,388	\$ 1.94
Adjustments ⁽¹⁾ :										
Amortization (net of tax of \$430, \$421, \$482, \$545 and \$1,879)	1,290	0.01	1,266	0.01	1,447	0.01	1,635	0.01	5,638	0.06
Stock-based compensation (net of tax of \$573, \$503, \$851, \$992 and \$2,919)	1,720	0.02	1,508	0.02	2,553	0.03	2,975	0.04	8,756	0.10
Transformational and restructuring expenses (net of tax of \$1,651, \$959, \$1,489, \$1,469 and \$5,568)	4,954	0.06	2,875	0.03	4,466	0.05	4,409	0.05	16,704	0.20
Net gain on investments in divested businesses (net of tax \$5,226)	-	-	-	-	(15,680)	(0.18)	-	-	(15,680)	(0.18)
Net impact from discrete tax events	(175)	-	739	0.01	(7,003)	(0.08)	(195)	-	(6,634)	(0.08)
Adjusted income and diluted EPS	<u>\$ 28,526</u>	<u>\$ 0.33</u>	<u>\$ 45,648</u>	<u>\$ 0.53</u>	<u>\$ 57,491</u>	<u>\$ 0.67</u>	<u>\$ 42,507</u>	<u>\$ 0.50</u>	<u>\$ 174,172</u>	<u>\$ 2.04</u>

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