

Healthways, Inc.
Reconciliation of Non-GAAP Measures to GAAP Measures
(Unaudited)

**Reconciliation of Revenues Excluding the Two Terminated Contracts
to Revenues, GAAP Basis**

	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012
Revenues excluding the two terminated contracts ⁽¹⁾	\$ 161.0	\$ 144.2
Revenues attributable to the two terminated contracts ⁽²⁾	1.3	26.0
Revenues, GAAP basis	<u>\$ 162.3</u>	<u>\$ 170.2</u>

(1) Revenues excluding the two terminated contracts is a non-GAAP financial measure. The Company excludes revenues attributable to the two terminated contracts from this measure because of the significance of these terminated contracts. The Company believes it is useful to investors to provide disclosures of its operating results and guidance on the same basis as that used by management. You should not consider revenues excluding the two terminated contracts in isolation or as a substitute for revenues determined in accordance with accounting principles generally accepted in the United States.

(2) Revenues attributable to the two terminated contracts consist of pre-tax revenues of \$1.3 million and \$26.0 million for the three months ended June 30, 2013 and 2012, respectively.