

January 10, 2017

Allscripts Investor Presentation

J.P. Morgan 2017 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 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 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 response of customers and competitors to the Netsmart joint business entity; the expected financial contribution and results of the Netsmart joint business entity, including consolidation for financial reporting purposes; 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; Allscripts ability to establish and maintain strategic relationships; risks related to the acquisition of new companies or technologies; 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; security breaches; 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 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.

Non-GAAP Financial Measures

This presentation includes references to non-GAAP gross margin, selling, general and administrative expenses (SG&A), non-GAAP earning per share, Adjusted EBITDA and Adjusted EBITDA, net of non-controlling interest which are also considered non-GAAP financial measures under Section 101 of Regulation G under the Securities Exchange Act of 1934, as amended. Each of these measures adjusts for certain items and are not considered financial measures under generally accepted accounting principles in the United States ("GAAP").

- Non-GAAP revenue consists of GAAP revenue and adds back deferred revenue from the Netsmart transaction that is eliminated for GAAP purposes due to purchase accounting adjustments.
- Non-GAAP gross margin consists of non-GAAP gross profit as a percentage of GAAP revenue in the applicable period, as defined above.
- Non-GAAP selling, general and administrative expenses, as reported, and excludes non-recurring expenses and transaction-related costs and stock-based compensation expense recorded to SG&A.
- Adjusted EBITDA is a non-GAAP measure and consists of GAAP net income (loss) as reported and adjusts for: acquisition-related deferred revenue adjustments; depreciation and amortization; stock-based compensation expense; non-recurring expenses and transaction-related costs; non-cash asset impairment charges; interest expense and other, net; equity in net earnings of unconsolidated investments; and tax provision (benefit).
- Adjusted EBITDA, net of non-controlling interest, is a non-GAAP measure and consists of Adjusted EBITDA as described above, with an adjustment to reduce Adjusted EBITDA for the percentage of non-controlling interest in consolidated subsidiaries. For this presentation, Netsmart preferred stock is treated as if it was converted to common stock.
- 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. For this presentation, Netsmart preferred stock is treated as if it was converted to common stock.
- Non-GAAP earnings per share consists of non-GAAP net income, as defined above, divided by weighted shares outstanding – diluted in the applicable period.

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 measures are performance measures only, and they do not provide any measure of cash flow or liquidity. 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 reconciliation of non-GAAP financial measures with GAAP financial measures contained within the company's press releases dated November 3, 2016 and February 18, 2016. For the purpose of providing financial guidance, the company does not reconcile non-GAAP revenue, non-GAAP earnings, Adjusted net 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://www.investor.Allscripts.com>).

WHO WE ARE

A Global Leader in Healthcare Technology

The Midcap Leader in Healthcare IT

Our Company



NASDAQ: MDRX
Public since 1999

Global HQ: Chicago, IL

2016E Non-GAAP Revenue:
~\$1.6B
~78% recurring

Our Team



7,300 team associates globally

Veteran executive leadership

Clients, team members in 13
countries incl. Australia, Canada,
Israel & UK

Note: Revenue based on anticipated 2016 non-GAAP revenue results consisting of 9 month actuals and fourth quarter 2016 guidance range. See reconciliation of non-GAAP metrics in the appendix of this presentation.

Comprehensive IT Portfolio: Healthcare Providers and Payers

**PRECISION MEDICINE/
CONSUMER SOLUTIONS**



**POPULATION HEALTH
MANAGEMENT**

**ELECTRONIC
HEALTH RECORDS**

**FINANCIAL
MANAGEMENT**

...meeting the complex needs of healthcare globally today and tomorrow

Unrivaled connectivity, network and data potential across healthcare



~2,500
HOSPITALS



45K+
PHYSICIAN
PRACTICES



~180K
PHYSICIANS



2B+
OPEN API DATA SHARES



~14M
POST-ACUTE
REFERRALS



10M+
CONNECTED
CONSUMERS



45K+
POST-ACUTE
NETWORK

Building OPEN, Connected Communities of Health™

Demand Fundamentals Strong Amid Federal Uncertainty



- **Fundamentals transcend politics**
- **Specific Federal regulations could be moderated/slowed. But needs remain:**
 - increased efficiency;
 - tools to manage risk;
 - enabling technology to manage ever-more-complex reimbursement models;
 - new models required for coordinated care

**Value-Based
Care Here to
Stay**

Evidence: Medicare Access and CHIP Reauthorization Act of 2015 (MACRA), enabling Federal physician payment reform, has strong bipartisan support

Momentum in Reputation and Recognition



- **HIT Loyalty Index 2016:** Allscripts recognized as a “Most Loyal” vendor by customers – the top tier rating
- **2016, 2015, 2014 Top Rated Inpatient EHR:** Large Hospitals & Academic Medical Centers (+200 beds)
- **2016, 2015, 2014 Top Ambulatory EHR:** Large Group Practices



- **Peer60 2016:** Mindshare Leader in Revenue Cycle Management
- **Peer60 2016:** Mindshare Leader in Patient Engagement



- **2015 Perfect Scores:** Best practices for User-Centered Design

Strong finish to 2016



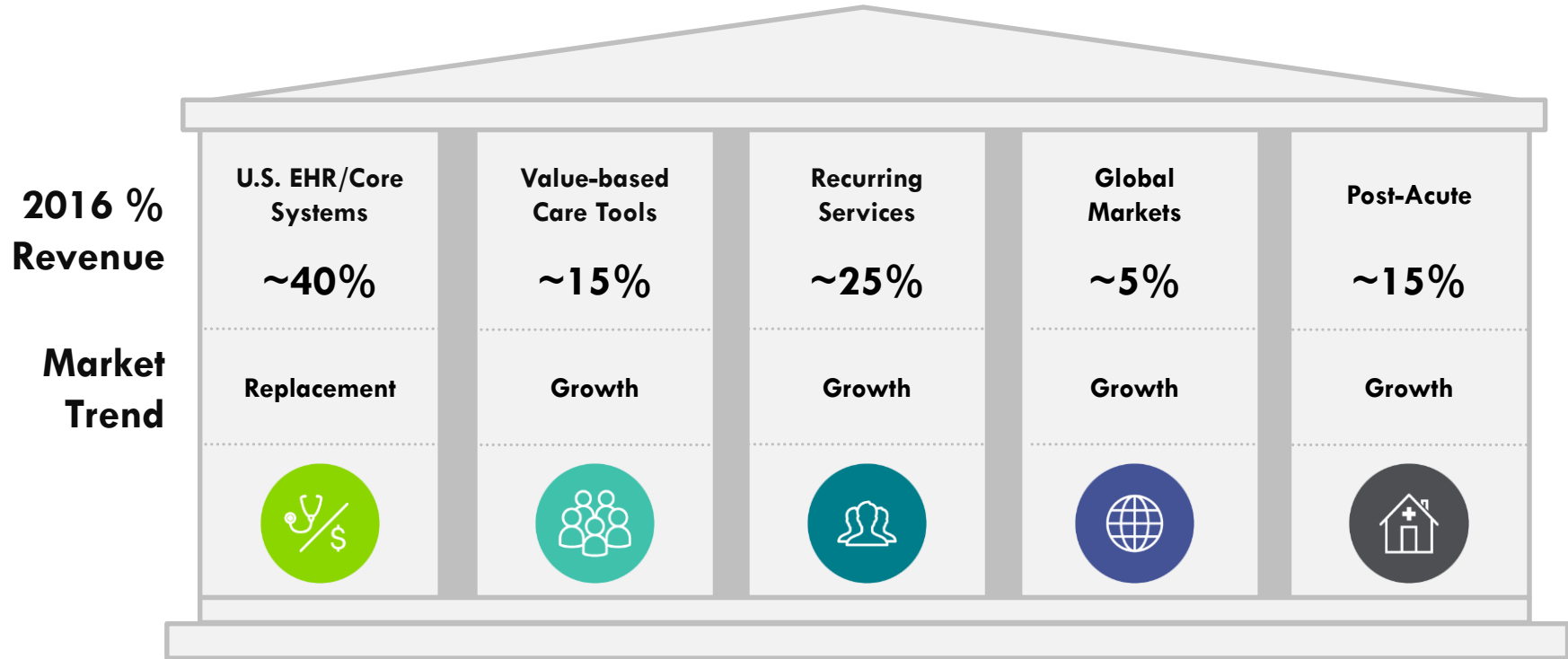
- Expected Q4 consolidated bookings >\$400M
 - **Record** fourth quarter bookings
- **Affirm fourth quarter guidance** range for all measures
- Implies **2016 double digit growth** –
 - **Bookings;**
 - **Non-GAAP revenue;**
 - **Adjusted Net EBITDA;**
 - **Non-GAAP EPS**

See reconciliation of non-GAAP metrics in the appendix of this presentation. Guidance range as provided in Allscripts press release dated November 3, 2016. Period-over-period comparability is affected by the inclusion of Netsmart in consolidated results beginning April 19, 2016.

POSITION AND STRATEGY

Growth Opportunity

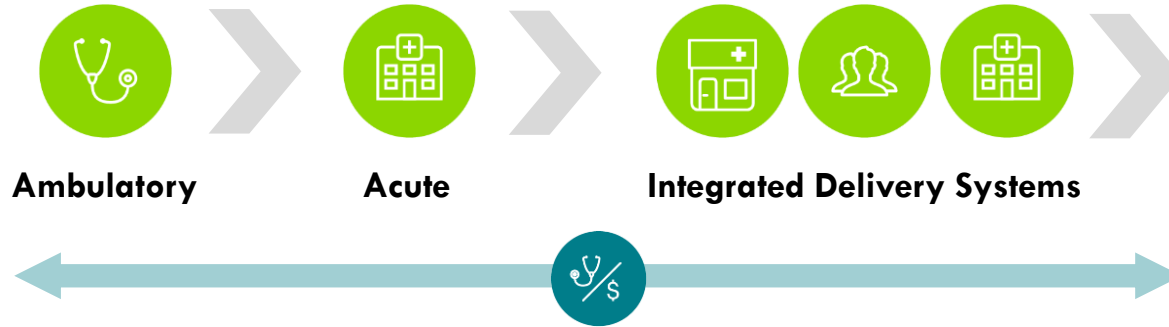
Diversified Growth Strategy



Strong foundational core with multiple growth segments for the future

Domestic EHR/Core Systems

A Comprehensive Software Foundation



- Serving **all** market segments for integrated **clinical** and **revenue cycle management**
- Well positioned to be a net share-shift winner via industry consolidation/maturation

Evidence:

- ✓ ***The largest Sunrise™ acute facilities expansion in corporate history during 2016***
- ✓ ***OptumCare™ to standardize core systems for employed/affiliated providers nationally w/Allscripts***

Value-Based Care Tools



Population Health Differentiators:

- Connects, aggregates community data to create a True Harmonized View of the patient
- Care coordination sets clinical interventions into action
- Patient-Centric engagement across all settings



Financial Decision Support Differentiators:

- Enables Full Enterprise Financial Performance Management



Precision Medicine Differentiators

- Bridging the chasm between the laboratory and care delivery



Payer Analytics Differentiators:

- Comprehensive solutions including risk analytics and service offerings

Recurring Services



Opportunity Drivers

- Reimbursement complexity, cash flow challenges
- No scale for efficient technology deployment, staffing
- Revenue upside from risk-based reimbursement

Allscripts Offering

- Revenue Cycle Services
- Managed IT/Private Cloud and Staff Outsourcing
- Financial/clinical decision support services

Significant white space growth opportunity within Allscripts client base

Global Markets



Key Advantages

- Outstanding reputation and presence in **English speaking** countries
- Leverage **single Sunrise™ platform** to international growth markets
- Complete solution: clinical/financial + **value-based care**
- U.K., Australia, others lag the U.S. in healthcare digital automation

Allscripts 2016 Success

Sales

- Several new government contracts/U.K. Trusts
 - Dudley Group NHS Trust, U.K.
 - Government of Bahamas

Implementations

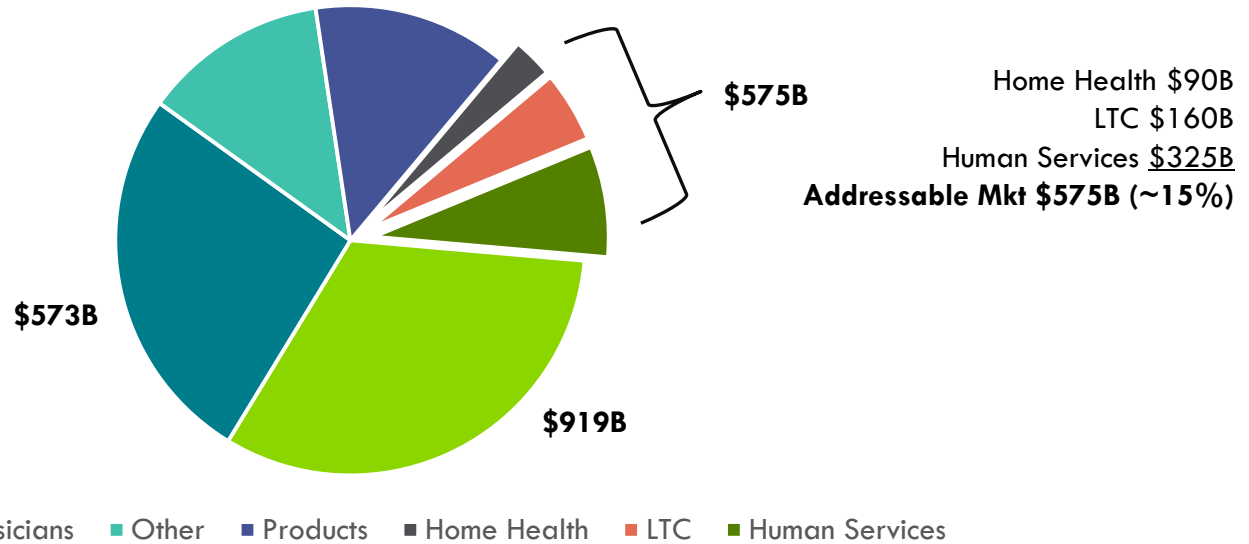
- Highly successful go-live at King's College Hospital NHS Foundation Trust, London
- Government of South Australia

Market Expansion

- Largest EHR provider in Singapore
- Geographic expansion acquisition in Australia

Post-Acute Care: High Growth IT Potential

2015 National Health Expenditures = \$3.2T



Large software/technology market: 3-5% spend (\$15~\$25B), growing double digits

NME Source: CMS 2015 National Health Expenditures

The Leading Growth Platform in Post-Acute Care



- ✓ Netsmart the **largest provider** of post-acute medical/behavioral digital solutions
- ✓ Chronic illness are 2-3x¹ more costly w/ behavioral comorbidity
- ✓ **CONCLUSION: Post-acute care *integration* critical for value-based care models**

¹Economic Impact of Integrated Medical-Behavioral Healthcare. Milliman, Inc. April 2014.

Financial Model

Consistent Execution Since 2013



Operating Playbook

Maximize client relation

Generate consistent results

Increase operational efficiency

New growth sources

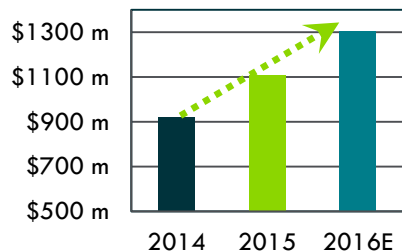


Results

- Recurring revenue = 78%
- Bookings 17+% 2016E
- Margin expansion; expense leverage while increasing R&D to 17% of revenue
- Multiple growth pillars

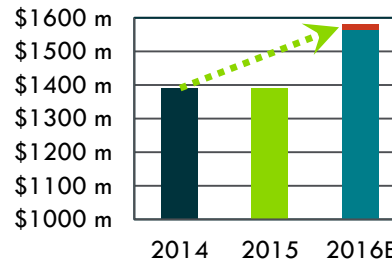
Note: Bookings based on anticipated actual provided January 9, 2017. Actuals subject to change. See reconciliation of non-GAAP metrics in the appendix of this presentation or Allscripts Investor Relations Website.

2016 Metrics Demonstrate Healthy Growth



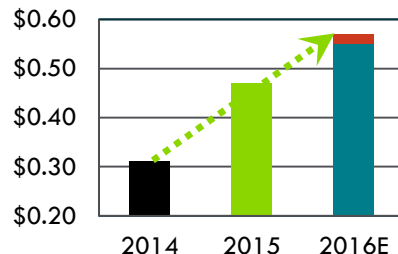
Bookings

17+%
Growth Y/Y



Non-GAAP Revenue

~13-14%
Growth Y/Y



Non-GAAP EPS

~17-21%
Growth Y/Y

Q4 Guidance Range ■

Driving high recurring revenues, outsized non-GAAP EPS growth

Note: Growth based on anticipated Q4 actuals within guidance ranges provided November 3, 2016 and affirmed January 9, 2017 except Bookings. The latter is based on anticipated actual provided January 9, 2017 Actuals subject to change. See reconciliation of non-GAAP metrics in the appendix of this presentation. Period-over-period comparability is affected by the inclusion of Netsmart in consolidated results beginning April 19, 2016.

Financial Model & Capital Deployment



- Excellent long-term revenue visibility **revenue backlog** of \$3.9B
- Expanding **gross margins** (up ~300bps Y/Y)
- Outstanding **discretionary expense management**
- **Repurchased ~\$100M of stock in 2016** through mid-November
 - New authorization for additional **\$200M** through 2019

Deploy cash to innovate, drive top line and directly increase shareholder returns

See reconciliation of non-GAAP metrics in the appendix of this presentation. Y/Y refers to nine months ended September 30th.

Preliminary Growth Outlook for 2017



- Non-GAAP Revenue: \$1.71-\$1.74B
- Consolidated Adjusted EBITDA \$345-\$365M
 - Netsmart¹ Adjusted EBITDA between \$90-100M
 - Allscripts Excl. Netsmart Adjusted EBITDA between \$255-265M
- Non-GAAP EPS growth 10%-15%

¹Netsmart Adjusted EBITDA contribution includes 100% of the former Allscripts Homecare business.
Period-over-period comparability is affected by the inclusion of Netsmart in consolidated results beginning April 19, 2016.

Attractive Long-Term Growth Investment



1. Large, diverse client base and mix drives sustainable, recurring revenue and cash flow
2. Beyond the EHR – high-value cross sale into expansive base
3. Well positioned for multiple growth opportunities including value-based care and post-acute
4. Strong momentum in global markets
5. Seasoned executive team focused on cash and consistent performance

Upcoming Events



Allscripts 4Q and 2016 Earnings Call
Thursday, February 16 4:30 pm ET



HIMSS 2017
Orlando, February 19 - 23



Allscripts Investor Day
New York City, March 21 8:00 am ET



SunTrust HIT Summit
Park City, March 23

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APPENDIX – Non-GAAP Reconciliations

Reconciliations: Recurring/Non-Recurring Revenue

Allscripts Healthcare Solutions, Inc.
Non-GAAP Financial Information
(In millions)
(unaudited)

Non-GAAP Revenue	2014					2015					2016		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3
Software Delivery, Support & Maintenance													
Recurring revenue	191.5	186.6	190.9	191.8	760.8	197.4	195.5	194.2	193.9	781.0	194.5	215.3	222.9
Non-recurring revenue	38.1	38.7	37.6	35.7	150.1	30.2	37.0	36.5	33.7	137.4	34.7	42.6	39.4
Total Software Delivery, Support & Maintenance	229.6	225.3	228.5	227.5	910.9	227.6	232.5	230.7	227.6	918.4	229.2	257.9	262.3
Client Services													
Recurring revenue	58.7	57.8	58.8	61.3	236.5	60.1	67.8	71.0	72.9	271.8	73.5	88.7	93.9
Non-recurring revenue	56.5	70.7	60.4	54.5	242.2	46.9	51.4	52.8	45.1	196.2	42.9	50.0	47.9
Total Client Services	115.2	128.5	119.2	115.8	478.7	107.0	119.2	123.8	118.0	468.0	116.4	138.7	141.8
Total non-GAAP revenue	344.8	353.8	347.7	343.2	1,389.5	334.6	351.7	354.5	345.6	1,386.4	345.6	396.6	404.1
Revenue Mix													
Recurring revenue	73%	69%	72%	74%	72%	77%	75%	75%	77%	76%	78%	77%	78%
Non-recurring revenue	27%	31%	28%	26%	28%	23%	25%	25%	23%	24%	22%	23%	22%
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Reconciliations: Non-GAAP Net Income and EPS Q3'16

Allscripts Healthcare Solutions, Inc.
Condensed Non-GAAP Financial Information
(In millions, except per share amounts and percentages)
(Unaudited)

	Nine Months Ended September 30,	
	2016	2015
Net loss attributable to Allscripts Healthcare Solutions, Inc. stockholders, as reported	(\$18.3)	(\$18.5)
Less: Net loss attributable to non-controlling interest	0.1	0.1
Less: Accretion of redemption preference on redeemable convertible non-controlling interest - Netsmart	18.3	0.0
Net income (loss), as reported	\$0.1	(\$18.4)
Acquisition-related deferred revenue adjustments	21.8	0.0
Acquisition-related amortization	46.6	46.4
Stock-based compensation expense	30.9	28.7
Non-recurring expenses and transaction-related costs	6.8	23.4
Non-cash asset impairment charges	4.7	0.3
Non-cash charges to interest expense and other	8.5	9.5
Equity in net earnings of unconsolidated investments	7.5	1.7
Tax effect of adjustments to reconcile GAAP to non-GAAP net income	(44.4)	(38.4)
Tax rate alignment	(1.7)	9.2
Total Non-GAAP net income	\$80.8	\$62.4
Less: Non-GAAP net income attributable to non-controlling interest	(3.1)	(0.1)
Non-GAAP net income attributable to Allscripts Healthcare Solutions, Inc.	\$77.7	\$62.3
Non-GAAP effective tax rate	35%	35%
Weighted shares outstanding - diluted	189.3	185.1
Loss per share - basic and diluted, as reported	(\$0.10)	(\$0.10)
Non-GAAP earnings per share attributable to Allscripts Healthcare Solutions, Inc. - diluted	\$0.41	\$0.34

Reconciliations: Non-GAAP Net Income and EPS 2015

Allscripts Healthcare Solutions, Inc.
Condensed Non-GAAP Financial Information
(In millions, except per share amounts and percentages)
(Unaudited)

	Year Ended December 31,	
	2015	2014
Net income (loss) attributable to Allscripts Healthcare Solutions, Inc. stockholders, as reported	(\$2.2)	(\$66.5)
Deferred revenue and other adjustments	-	7.6
Acquisition-related amortization	37.9	43.2
Stock-based compensation expense	23.8	25.6
Non-recurring expenses and transaction-related costs	15.1	16.1
Non-cash asset impairment charges	1.0	1.6
Non-cash charges to interest expense and other	7.8	6.5
Equity in net earnings of unconsolidated investments	2.1	-
Tax rate alignment	2.5	22.2
Non-GAAP net income attributable to Allscripts Healthcare Solutions, Inc.	\$88.0	\$56.3
Non-GAAP effective tax rate	35%	35%
Weighted shares outstanding - diluted	186.5	179.8
Earnings (loss) per share - basic and diluted, as reported	(\$0.01)	(\$0.37)
Non-GAAP earnings per share - diluted	\$0.47	\$0.31

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