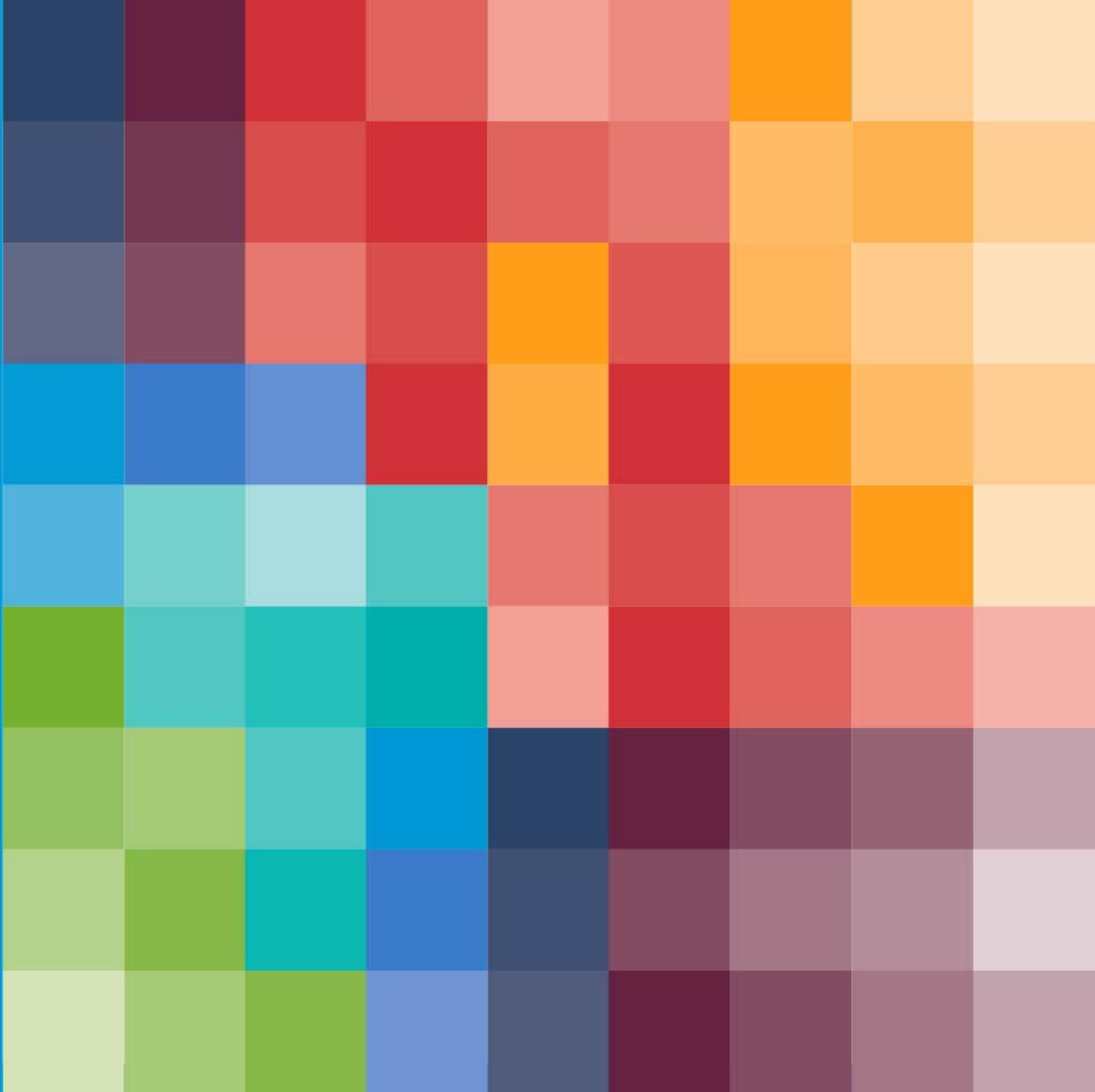




**Raymond James 37th
Annual Institutional
Investors Conference**

March 8, 2016





Forward-looking statements and Non-GAAP financial measures

Forward-looking statements — Certain statements included in this presentation, including, but not limited to, those related to our financial and business outlook, strategy and growth drivers, member retention and renewal rates and revenue visibility, cross and upsell opportunities, acquisition activities and pipeline, revenue available under contract, and 2016 financial guidance and related assumptions, are “forward-looking statements” within the meaning of the federal securities laws. Forward-looking statements may involve known and unknown risks, uncertainties and other factors that may cause the actual results of Premier to be materially different from historical results or from any future results or projections expressed or implied by such forward-looking statements. Accordingly, readers should not place undue reliance on any forward looking statements. Readers are urged to consider statements in the conditional or future tenses or that include terms such as “believes,” “belief,” “expects,” “estimates,” “intends,” “anticipates” or “plans” to be uncertain and forward-looking. Forward-looking statements may include comments as to Premier’s beliefs and expectations as to future events and trends affecting its business and are necessarily subject to uncertainties, many of which are outside Premier’s control. You should carefully read Premier’s current and future filings with the SEC for more information on potential risks and other factors that could affect Premier’s financial results. Forward-looking statements speak only as of the date they are made. Premier undertakes no obligation to publicly update or revise any forward-looking statements.

Non-GAAP financial measures — This presentation includes certain “non-GAAP financial measures” as defined in Regulation G under the Securities Exchange Act of 1934. Schedules are attached that reconcile the non-GAAP financial measures included in this presentation to the most directly comparable financial measures calculated and presented in accordance with Generally Accepted Accounting Principles in the United States. You should carefully read Premier’s current and future filings with the SEC for further explanation and disclosure regarding our use of non-GAAP financial measures and such filings should be read in conjunction with this presentation.



Why Invest

1

Unique customer alignment

2

Well-positioned to capitalize on industry trends

3

Differentiated approach using an integrated platform to deliver solutions

4

Compelling financial model

5

Experienced and tenured management team



Premier is a healthcare performance improvement company



REDUCE
Costs

\$13.2 billion
Saved ⁽¹⁾



IMPROVE
Quality and Care

160k deaths
avoided ⁽¹⁾



LEAD
Health Systems to
Value-Base Care

Best in KLAS
2015/2016 ⁽²⁾

(1) Cumulative six-year data from Premier performance improvement collaborative of 350 U.S. hospitals as of fiscal year ended June 30, 2014.

(2) Premier ranked #1 by KLAS in Value-Based Care Advisory Services for 2015/2016



Significant footprint and scale

74% U.S. COMMUNITY
HOSPITALS

\$44 BILLION
IN SUPPLY CHAIN SPEND

120,000
OTHER CARE PROVIDERS

ANALYZE DATA **40%**
HOSPITAL DISCHARGES NATIONWIDE

~2,000 CONTRACTS
~1,100 SUPPLIERS



Premier delivers a comprehensive solution

Supply Chain Services

73% of FY15 Consolidated Revenue

Group
Purchasing

Direct
Sourcing

Specialty
Pharmacy

Performance Services

27% of FY15 Consolidated Revenue

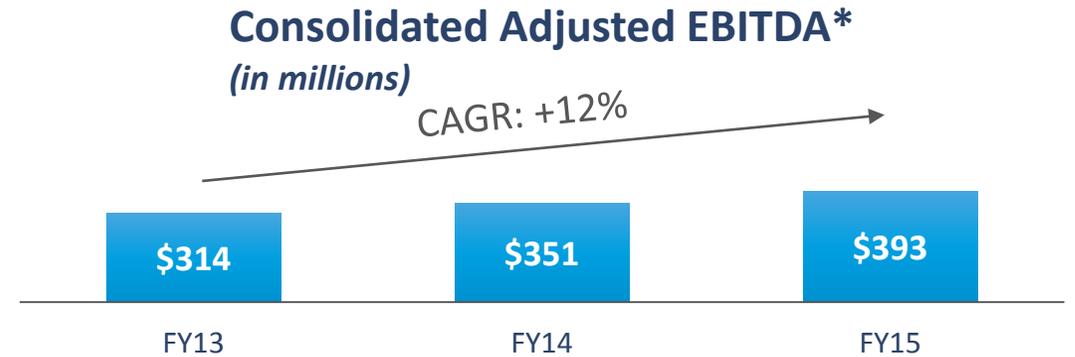
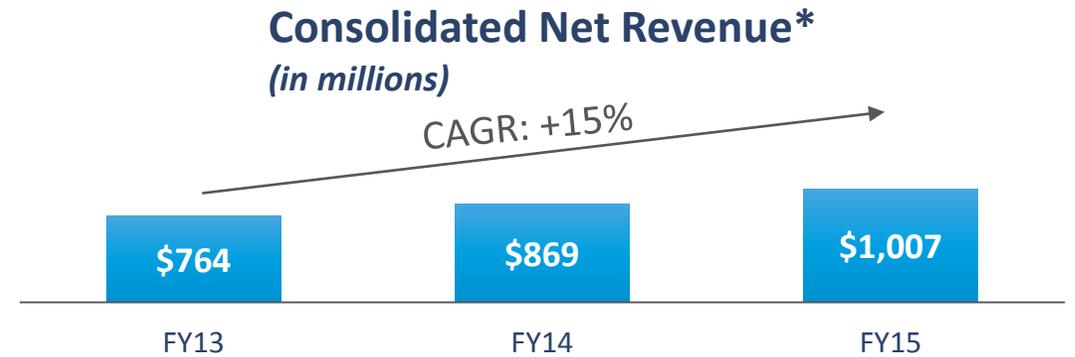
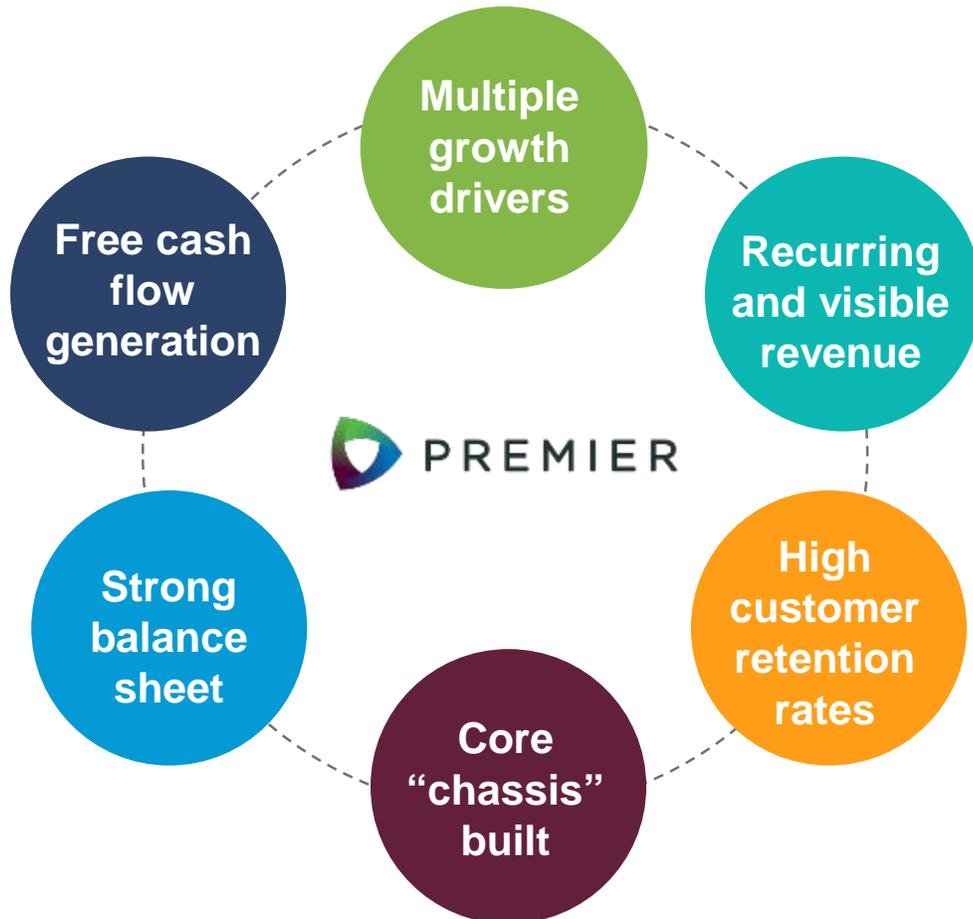
SaaS-based
Information
Products

Advisory
Services

Performance
Improvement
Collaboratives



Our financial model has delivered strong and consistent historical financial results



*Comparisons are with non-GAAP pro forma information that reflects the impact of the company's 2013 reorganization and initial public offering. See non-GAAP reconciliations to GAAP equivalents in Appendix.



Key Accomplishments Since IPO

- ✓ **Delivered annual double-digit growth and strong free cash flow**
- ✓ **Achieved 3-year average 97% retention rates in GPO business and 94% SaaS institutional renewal rates**
- ✓ **Acquired eight companies with ongoing integrations on-track**
- ✓ **Earned recognition as the industry leader in value-based care advisory services**
- ✓ **Developed deeper, more meaningful relationships with a larger percentage of our members**



Why we win: Key Differentiators

SCALE and **ALIGNMENT**

Strategic **PARTNER** changing healthcare from the inside

DATA-enabled insights across the continuum of care

Proven **RESULTS**

Our **PEOPLE**



~\$250 MILLION
IN COST OF CARE SAVINGS*



~\$50 MILLION
IN SUPPLY CHAIN SAVINGS ALONE*
thanks to an integrated effort led by our consulting team.

↓ DECREASES
IN MORTALITY AND READMISSIONS

“A” GRADES
in national patient safety ratings at all five hospitals



Challenges facing our industry are leading to a wide-ranging set of demands

Population health



MACRA



Healthcare information technology



Cost reduction/
drug pricing



Evolving payment models



Volume to Value

2016

2018

Track 1:
Value-based payments

85% of all Medicare payments

90% of all Medicare payments

Track 2:
Alternative payment models*

30% of all Medicare payments

50% of all Medicare payments

* ACOs, bundled payments, medical homes, CPCI, comprehensive ESDR, Medicare-Medicaid Financial Alignment Initiative FFS Model



Strategic priorities to drive long-term sustainable growth

1

Drive consistent returns in Supply Chain Services segment

2

Expand opportunities in Performance Services segment

3

Leverage long-standing relationships to cross-sell offerings into a well-established member base

4

Capitalize on co-development engine with our members to make strategic acquisitions addressing their needs



Drive consistent growth in SUPPLY CHAIN SERVICES segment

Change the game in supply chain, uncover savings and value, and lead the disruption of the industry

- Deliver stable administrative fee growth
- Leverage the supply chain “chassis”
- Integrate analytics capabilities
- Continue to scale product businesses

Supply Chain Services Segment Net Revenue*
(in millions)



Supply Chain Services Segment Adjusted EBITDA*
(in millions)



*Comparisons are with non-GAAP pro forma information that reflects the impact of the company's 2013 reorganization and initial public offering. See non-GAAP reconciliations to GAAP equivalents in Appendix.



Expand opportunities in PERFORMANCE SERVICES segment

Become the data analytics “backbone” with wrap-around services for cost and quality improvement over the short term and population health management solutions over the long term

- Member co-development
- Focus in emerging areas
- Drive acquisition synergies
- Leverage PremierConnect® Platform

Performance Services Segment Net Revenue*
(in millions)



Performance Services Segment Adjusted EBITDA*
(in millions)



*Comparisons are with non-GAAP pro forma information that reflects the impact of the company's 2013 reorganization and initial public offering. See non-GAAP reconciliations to GAAP equivalents in Appendix.



Leverage long-standing relationships to CROSS-SELL offerings into a well-established member base



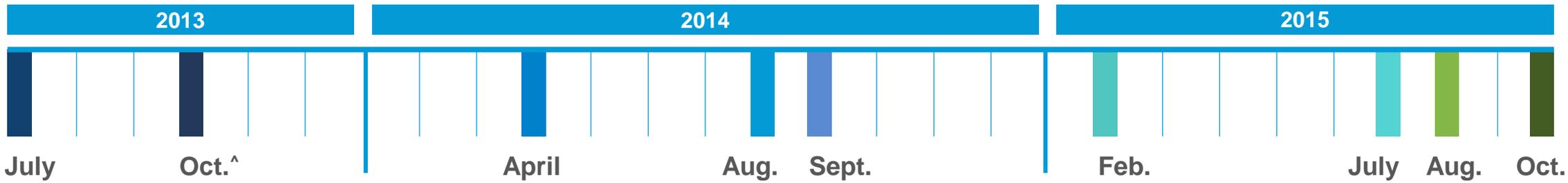
Premier Product Offering Penetration within Existing Member Base*



*Hospitals are counted in a category (reduce cost, improve quality & safety, population health) if they participate in at least one offering in that category (numerator). The hospital cohort is based on those hospitals that were Premier members at both 6/30/13 and 6/30/15 (denominator).



Capitalize on co-development engine with our members and make strategic ACQUISITIONS addressing their needs



*Purchased initial 60% ownership in 2011. Remaining 40% minority interest purchased in February 2015.

[^]Premier, Inc. initial public offering in October 2013.

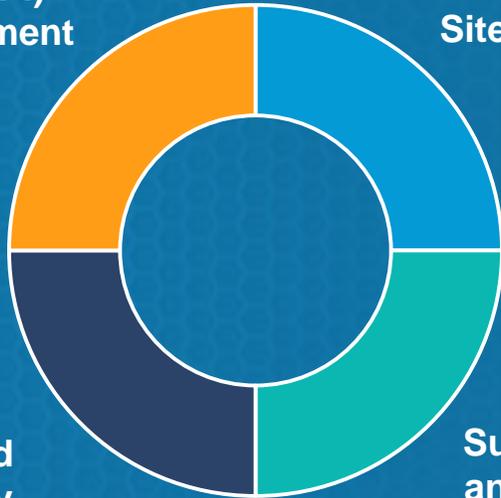


Acquisition strategy designed to drive ROI

Supply Chain Services

Physician preference
item (PPI)
management

Alternative
Site Expansion



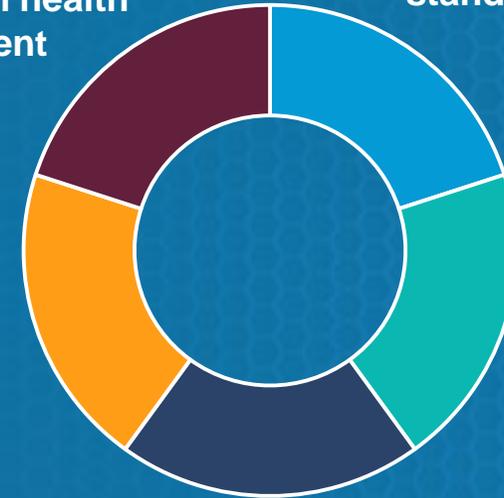
Integrated
Pharmacy

Supply Chain
analytics and
workflow

Performance Services

Population health
management

Shared services /
standardized care



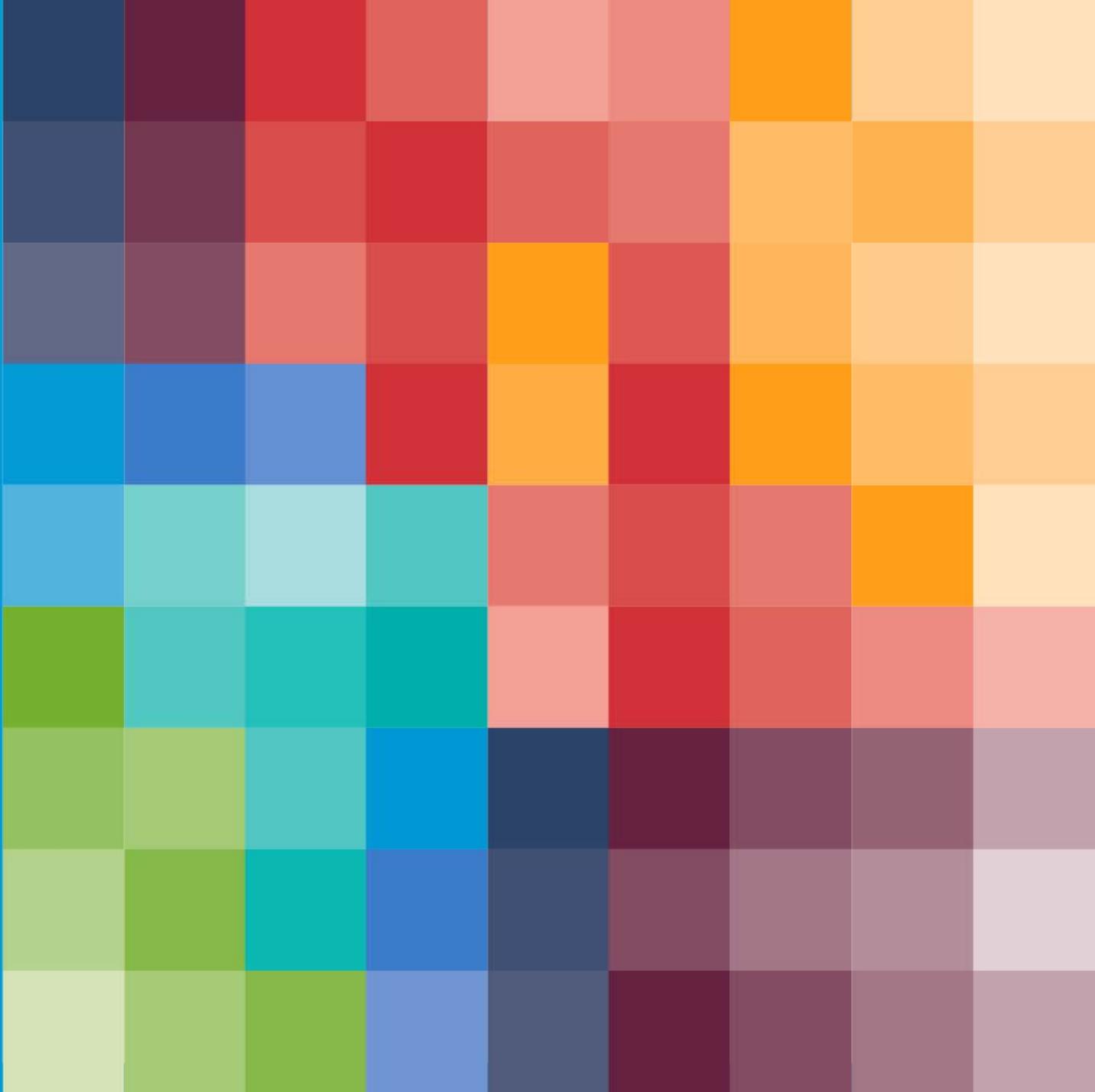
Patient
engagement
and
social
interaction

Data acquisition
and management

Ambulatory
clinical
integration



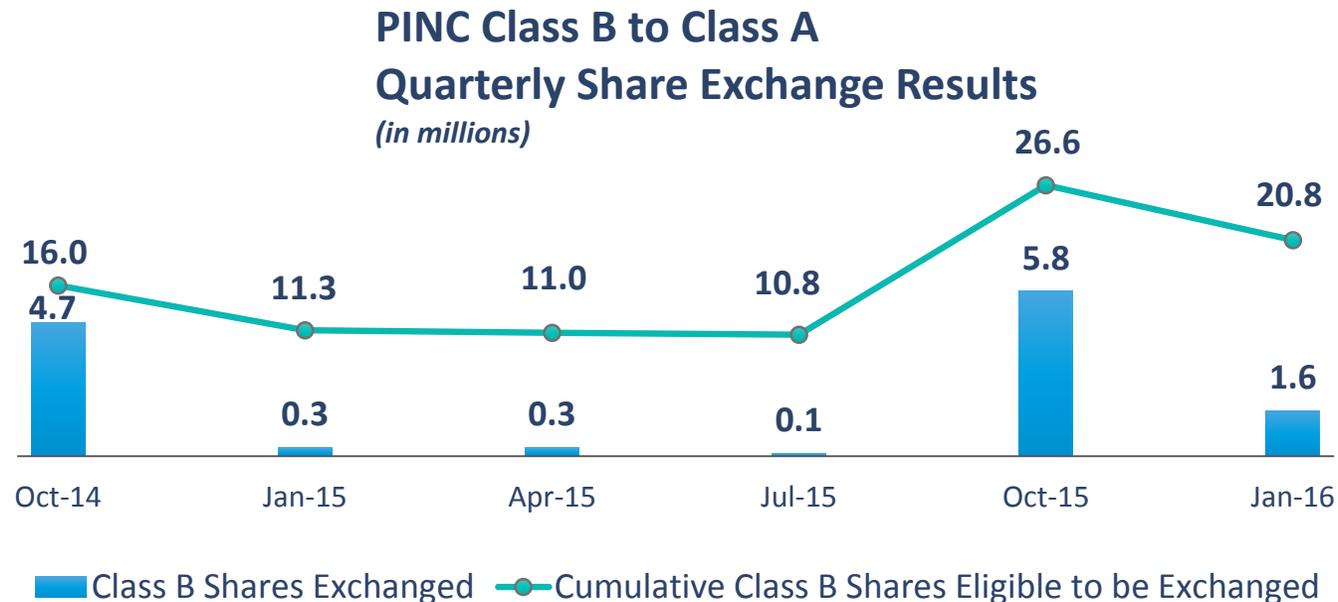
Financial Discussion





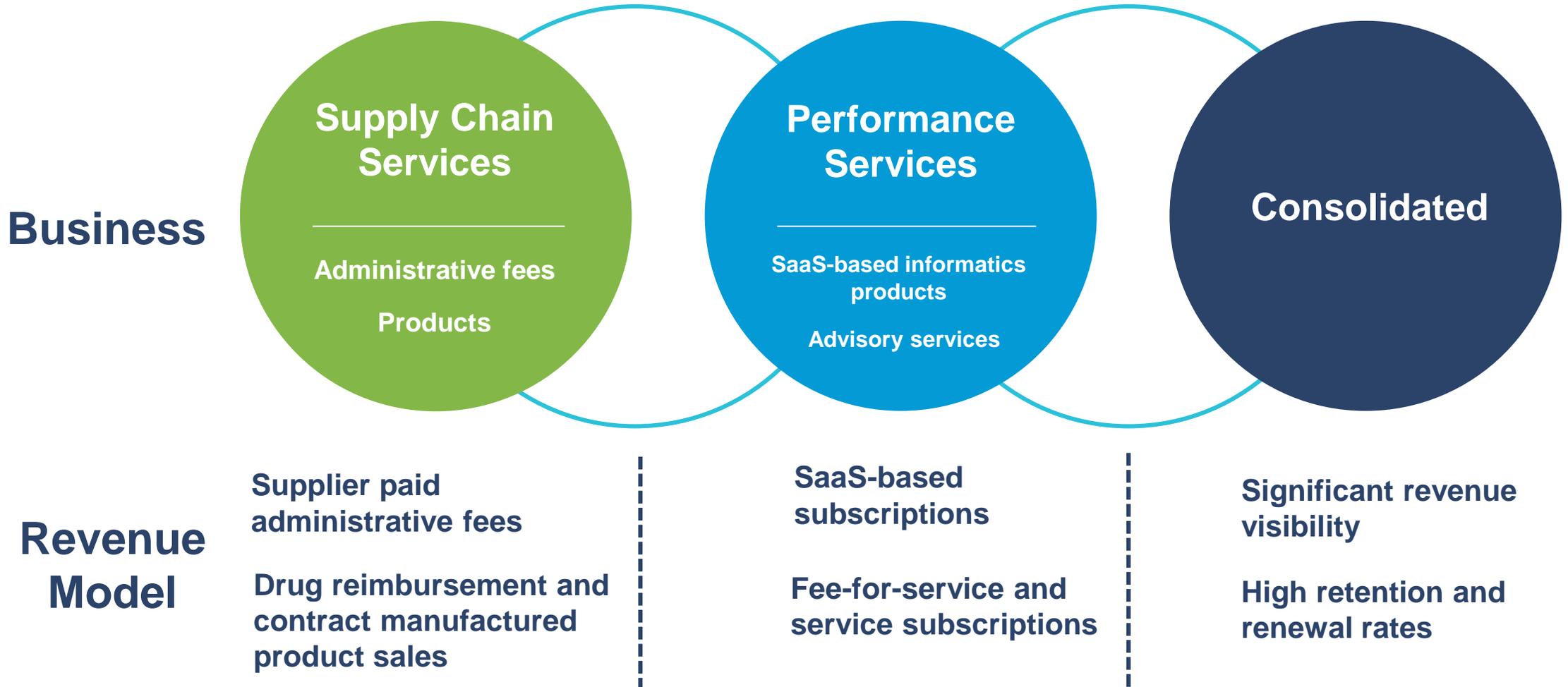
Ownership Structure: Majority-owned by health systems

- Premier, Inc. formed in 2013 with two classes of stock
 - Class A shares held by public investors
 - Class B shares held by member owners
- Class B units eligible to exchange 1/7th per year on quarterly basis, over seven-year period
- Member owners currently own ~68% of equity





Our model at a glance





Significant fiscal 2016 revenue visibility

**HIGH GPO RETENTION
AND SAAS INSTITUTIONAL
RENEWAL RATES**

**OVER 90%
FY 2016 REVENUE GUIDANCE
RANGE ALREADY AVAILABLE
UNDER CONTRACT**

PERFORMANCE METRICS

	<u>FY 2016</u>	<u>FY 2015</u> ⁽¹⁾	<u>3 Year Average</u> ⁽¹⁾
Revenue available under contract ⁽²⁾	~\$1.05B	---	---
GPO retention rate ⁽³⁾	---	99%	97%
SaaS institutional renewal rate ⁽⁴⁾	---	94%	94%

(1) As of fiscal year-end June 30, 2015. Based on assumptions set forth in our guidance press releases dated February 8, 2016.

(2) Revenue available under contract updated to include revenue visibility from CECity and Healthcare Insights. As of February 8, 2016, \$1.05 billion or 91 percent of the midpoint of the company's FY16 guidance range.

(3) The retention rate is calculated based upon the aggregate purchasing volume among all members participating in our GPO for such fiscal year less the annualized GPO purchasing volume for departed members for such fiscal year, divided by the aggregate purchasing volume among all members participating in our GPO for such fiscal year.

(4) The renewal rate is calculated based upon the total number of members that have SaaS revenue in a given period that also have revenue in the corresponding prior year period divided by the total number of members that have SaaS revenue in the same period of the prior year.

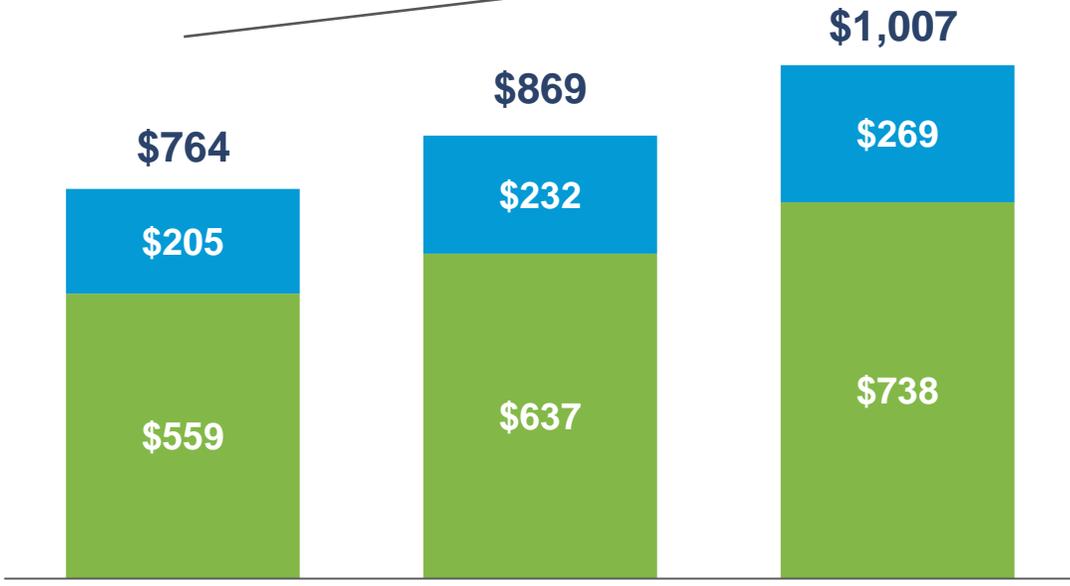


Diversified model driving consistent double-digit growth

Consolidated Net Revenue*

(in millions)

CAGR: +15%



■ Supply Chain Services ■ Performance Services

Consolidated Adjusted EBITDA*

(in millions)

CAGR: +12%



■ Supply Chain Services ■ Performance Services ■ Corporate

*Comparisons are with non-GAAP pro forma information that reflects the impact of the company's 2013 reorganization and initial public offering. See non-GAAP reconciliations to GAAP equivalents in Appendix.



Well-positioned in fiscal 2016 to deliver our 3rd consecutive year since IPO of double-digit growth

FISCAL 2016 FINANCIAL GUIDANCE ⁽¹⁾

<i>(in millions, except per share data)</i>	FY 2016	YoY Increase
Net revenue:		
Supply Chain Services	\$802 - \$823	9% - 12%
Performance Services	\$352 - \$362	31% - 35%
Total Net Revenue	\$1,154 - \$1,185	15% - 18%
Non-GAAP adjusted EBITDA	\$430 - \$449	9% - 14%
Non-GAAP adjusted fully distributed EPS	\$1.57 - \$1.65	10% - 15%

(1) Updated February 8, 2016. The Company does not reconcile guidance for adjusted EBITDA and non-GAAP adjusted fully distributed net income per-share to net income (loss) or GAAP earnings per share because the Company does not provide guidance for reconciling items between net income (loss) and adjusted EBITDA and non-GAAP adjusted fully distributed earnings per share. The Company is unable to provide guidance for these reconciling items since certain items that impact net income (loss) are outside of the Company's control and cannot be reasonably predicted. Accordingly, a reconciliation to net income (loss) or GAAP earnings per share is not available without unreasonable effort.



Maintain balance sheet strength and financial flexibility

- **Cash, cash equivalents & marketable securities of \$251.6 million at December 31, 2015**
- **Outstanding borrowings of \$100 million on \$750 million five-year unsecured revolving credit facility at December 31, 2015**
- **Six-month period ended December 31, 2015 cash flow from operations of \$138.8 million and free cash flow* of \$54.5 million**

**CONSIDERABLE CASH AND DEBT
CAPACITY AVAILABLE**

**AMPLE CAPITAL FLEXIBILITY FOR
FUTURE ACQUISITIONS AND BUSINESS
GROWTH**

**Company defines free cash flow as cash provided by operating activities less distributions to limited partners and purchases of property and equipment. See non-GAAP reconciliations to GAAP equivalents in Appendix.*

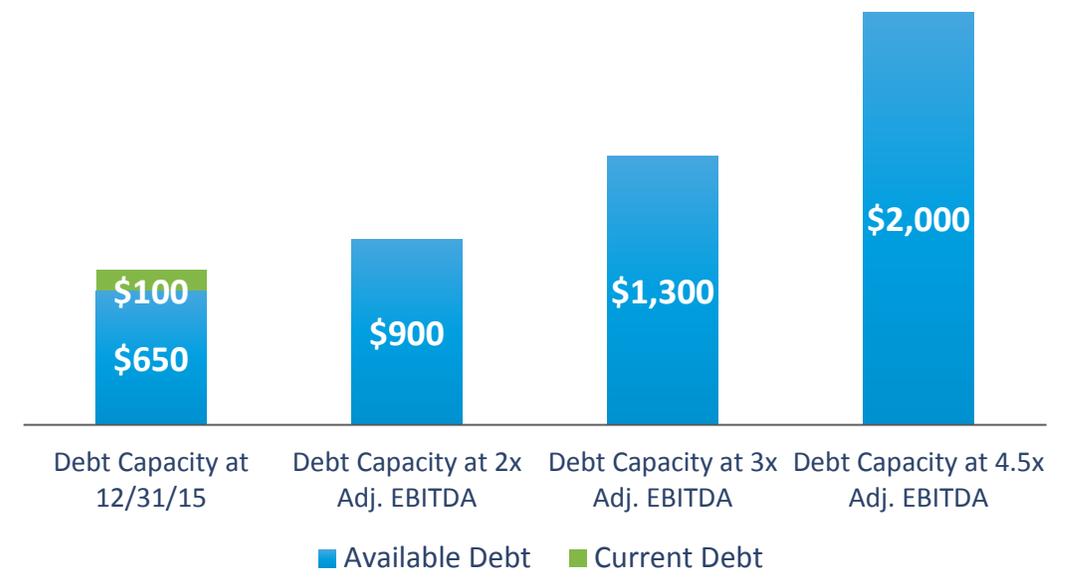
Note: In the first quarter of fiscal 2016, Premier used approximately \$315 million in cash and \$150 million from its credit facility to fund the acquisitions of Healthcare Insights and CECity, and paid down \$50 million of the credit facility balance in the second quarter.



Ample financial capacity to support further growth opportunities

- Minimal financial leverage
- Free cash flow* expected to equal 40% to 50% of adjusted EBITDA* in fiscal 2016
- Significant free cash flow generation provides flexibility to add incremental leverage for larger and more transformative potential acquisitions

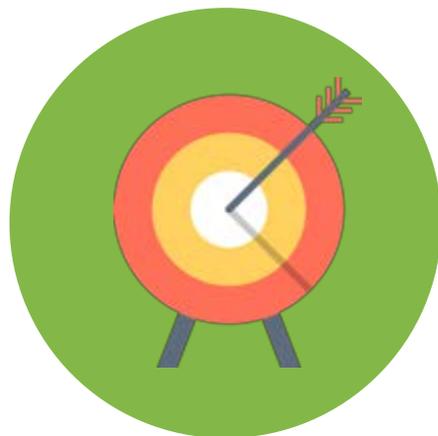
Total Debt Capacity
(in millions)



*Company defines free cash flow as cash provided by operating activities less distributions to limited partners and purchases of property and equipment. See non-GAAP reconciliations to GAAP equivalents in Appendix.



Disciplined approach to M&A



✓ Strategic Fit

- ✓ Alignment to member needs and strategic objectives
- ✓ Innovation
- ✓ Market impact



✓ Financial Assessment

- ✓ ROIC
- ✓ Payback period
- ✓ Revenue diversification
- ✓ Member benefit



✓ Execution and Fit

- ✓ Cultural fit
- ✓ Complexity
- ✓ Policy and compliance



Why Invest

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Compelling financial model

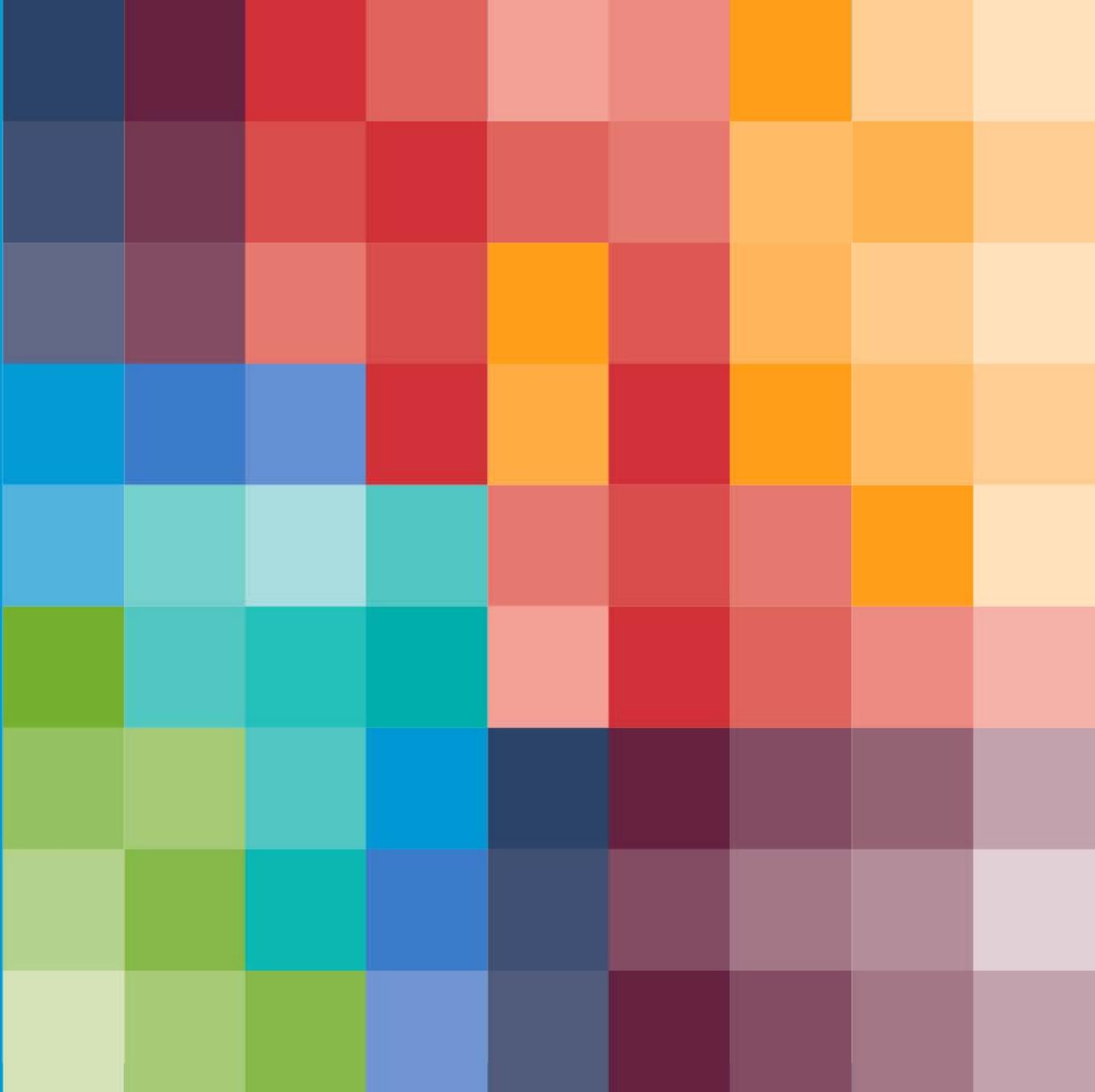
5

Experienced and tenured management team



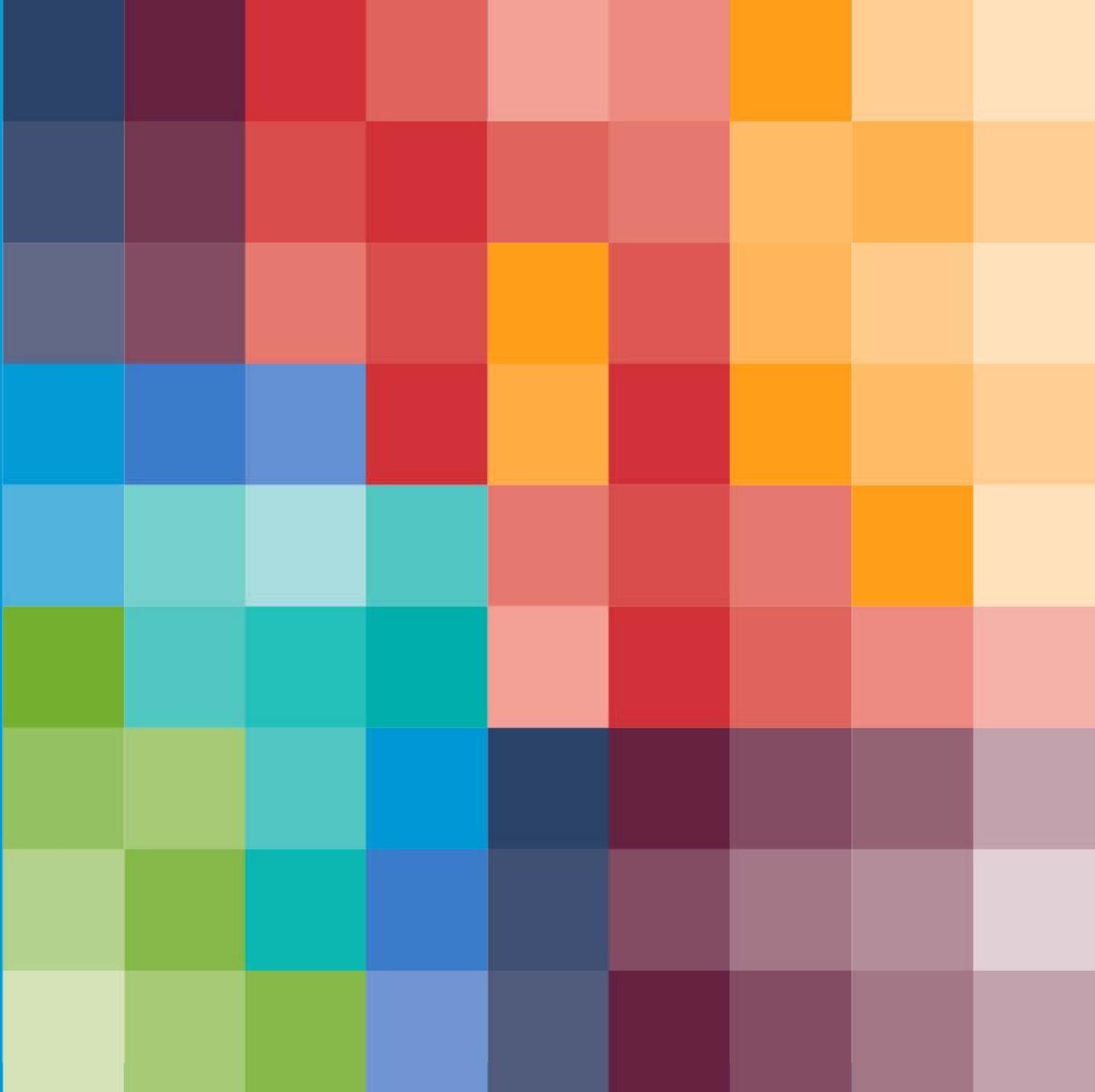
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Appendix





Fiscal 2013 and fiscal 2014 non-GAAP reconciliations

Supplemental Financial Information - Reporting of Pro Forma Adjusted EBITDA
and Non-GAAP Adjusted Fully Distributed Net Income
Reconciliation of Selected Non-GAAP Measures to GAAP Measures
(Unaudited)
(In thousands)

	Three Months Ended June 30,		Year Ended June 30,	
	2014*	2013	2014	2013
Reconciliation of Pro Forma Net Revenue to Net Revenue:				
Pro Forma Net Revenue	\$ 235,466	\$ 200,938	\$ 869,286	\$ 764,278
Pro forma adjustment for revenue share post-IPO	—	39,663	41,263	105,012
Net Revenue	\$ 235,466	\$ 240,601	\$ 910,549	\$ 869,290
Reconciliation of Pro Forma Adjusted EBITDA and Segment Adjusted EBITDA to Net Income and Operating Income:				
Net income	\$ 66,632	\$ 103,496	\$ 332,617	\$ 375,086
Pro forma adjustment for revenue share post-IPO	—	(39,663)	(41,263)	(105,012)
Interest and investment income, net	(378)	(366)	(1,019)	(965)
Income tax expense	3,248	3,788	27,709	9,726
Depreciation and amortization	9,809	7,883	36,761	27,681
Amortization of purchased intangible assets	904	385	3,062	1,539
Pro Forma EBITDA	80,215	75,523	357,867	308,055
Stock-based compensation	6,358	—	19,476	—
Acquisition related expenses	711	—	2,014	—
Strategic and financial restructuring expenses	146	1,823	3,760	5,170
Adjustment to taxreceivable agreement liability	6,215	—	6,215	—
Gain on sale of investment	(522)	—	(38,372)	—
Other (income) expense, net	121	783	65	788
Pro Forma Adjusted EBITDA	\$ 93,244	\$ 78,129	\$ 351,025	\$ 314,013
Pro Forma Adjusted EBITDA	\$ 93,244	\$ 78,129	\$ 351,025	\$ 314,013
Depreciation and amortization	(9,809)	(7,883)	(36,761)	(27,681)
Amortization of purchased intangible assets	(904)	(385)	(3,062)	(1,539)
Stock-based compensation	(6,358)	—	(19,476)	—
Acquisition related expenses	(711)	—	(2,014)	—
Strategic and financial restructuring expenses	(146)	(1,823)	(3,760)	(5,170)
Adjustment to taxreceivable agreement liability	(6,215)	—	(6,215)	—
Equity in net income of unconsolidated affiliates	(4,805)	(3,636)	(16,976)	(11,968)
Deferred compensation plan expense	(1,972)	—	(1,972)	—
	62,324	64,402	260,789	267,655
Pro forma adjustment for revenue share post-IPO	—	39,663	41,263	105,012
Operating income	\$ 62,324	\$ 104,065	\$ 302,052	\$ 372,667

* Note that no pro forma adjustments were made for the three months ended June 30, 2014; as such, actual results are presented for the three months ended June 30, 2014.



Fiscal 2013 and fiscal 2014 non-GAAP reconciliations

**Supplemental Financial Information - Reporting of Pro Forma Adjusted EBITDA
and Non-GAAP Adjusted Fully Distributed Net Income
Reconciliation of Selected Non-GAAP Measures to GAAP Measures
(Unaudited)
(In thousands)**

	Three Months Ended June 30,		Year Ended June 30,	
	2014*	2013	2014	2013
<i>Reconciliation of Non-GAAP Adjusted Fully Distributed Net Income:</i>				
Non-GAAP Adjusted Fully Distributed Net Income (pro forma):				
Net income (loss) attributable to shareholders	\$ 8,879	\$ (797)	\$ 28,332	\$ 7,376
Pro forma adjustment for revenue share post-IPO	—	(39,663)	(41,263)	(105,012)
Income tax expense	3,248	3,788	27,709	9,726
Stock-based compensation	6,358	—	19,476	—
Gain on sale of investment	(522)	—	(38,372)	—
Acquisition related expenses	711	—	2,014	—
Strategic and financial restructuring expenses	146	1,823	3,760	5,170
Adjustment to tax receivable agreement liability	6,215	—	6,215	—
Amortization of purchased intangible assets	904	385	3,062	1,539
Net income attributable to noncontrolling interest in Premier LP	57,281	104,726	303,336	369,189
Non-GAAP adjusted fully distributed income before income taxes	83,220	70,262	314,269	287,988
Income tax expense on fully distributed income before income taxes	33,288	28,105	125,708	115,195
Non-GAAP adjusted fully distributed net income (pro forma)	\$ 49,932	\$ 42,157	\$ 188,561	\$ 172,793

* Note that no pro forma adjustments were made for the three months ended June 30, 2014; as such, actual results are presented for the three months ended June 30, 2014.



Fiscal 2013 and fiscal 2014 non-GAAP reconciliations

Supplemental Financial Information - Reporting of Net Income and Earnings Per Share
Reconciliation of Selected Non-GAAP Measures to GAAP Measures
(Unaudited)
(In thousands, except per share data)

	Three Months Ended		Year Ended	
	June 30,		June 30,	
	2014*	2013	2014	2013
Reconciliation of numerator for GAAP EPS to Adjusted Fully Distributed EPS				
Net income (loss) attributable to shareholders after adjustment of redeemable limited partners' capital to redemption amount	\$ 491,389	\$ (797)	\$ (2,713,256)	\$ 7,376
Adjustment of redeemable limited partners' capital to redemption amount	(482,510)	-	2,741,588	-
Net income (loss) attributable to shareholders	8,879	(797)	28,332	7,376
Pro forma adjustment for revenue share post-IPO	-	(39,663)	(41,263)	(105,012)
Income tax expense	3,248	3,788	27,709	9,726
Stock-based compensation	6,358	-	19,476	-
Gain on sale of investment	(522)	-	(38,372)	-
Acquisition related expenses	711	-	2,014	-
Strategic and financial restructuring expenses	146	1,823	3,760	5,170
Adjustment to tax receivable agreement liability	6,215	-	6,215	-
Amortization of purchased intangible assets	904	385	3,062	1,539
Net income attributable to noncontrolling interest in Premier LP	57,281	104,726	303,336	369,189
Non-GAAP adjusted fully distributed income before income taxes	83,220	70,262	314,269	287,988
Income tax expense on fully distributed income before income taxes	33,288	28,105	125,708	115,195
Non-GAAP adjusted fully distributed net income (pro forma)	\$ 49,932	\$ 42,157	\$ 188,561	\$ 172,793
Reconciliation of denominator for GAAP EPS to Adjusted Fully Distributed EPS				
Weighted Average:				
Common shares used for basic and diluted earnings per share	32,375	5,733	25,633	5,858
Potentially dilutive shares	194	-	124	-
Class A common shares outstanding	-	26,642	6,742	26,517
Conversion of Class B common units	112,511	112,608	112,584	112,608
Weighted average fully distributed shares outstanding - diluted	145,080	144,983	145,083	144,983
Reconciliation of GAAP EPS to Adjusted Fully Distributed EPS				
GAAP income (loss) per share	\$ 15.18	\$ (0.14)	\$ (105.85)	\$ 1.26
Impact of adjustment of redeemable limited partners' capital to redemption amount	\$ (14.90)	\$ -	\$ 106.96	\$ -
Impact of additions:				
Pro forma adjustment for revenue share post-IPO	\$ -	\$ (6.92)	\$ (1.61)	\$ (17.93)
Income tax expense	\$ 0.10	\$ 0.66	\$ 1.08	\$ 1.66
Stock-based compensation	\$ 0.20	\$ -	\$ 0.76	\$ -
Gain on sale of investment	\$ (0.02)	\$ -	\$ (1.50)	\$ -
Acquisition related expenses	\$ 0.02	\$ -	\$ 0.08	\$ -
Strategic and financial restructuring expenses	\$ 0.00	\$ 0.32	\$ 0.15	\$ 0.88
Adjustment to tax receivable agreement liability	\$ 0.19	\$ -	\$ 0.24	\$ -
Amortization of purchased intangible assets	\$ 0.03	\$ 0.07	\$ 0.12	\$ 0.26
Net income attributable to noncontrolling interest in Premier LP	\$ 1.77	\$ 18.27	\$ 11.83	\$ 63.02
Impact of corporation taxes	\$ (1.03)	\$ (4.90)	\$ (4.90)	\$ (19.66)
Impact of increased share count	\$ (1.20)	\$ (7.06)	\$ (6.06)	\$ (28.31)
Non-GAAP earnings per share on adjusted fully distributed net income - diluted	\$ 0.34	\$ 0.29	\$ 1.30	\$ 1.19

* Note that actual results are presented for the three months ended June 30, 2014.



Fiscal 2014 and fiscal 2015 non-GAAP reconciliations

Supplemental Financial Information - Reporting of Pro Forma Adjusted EBITDA and Non-GAAP Adjusted Fully Distributed Net Income
Reconciliation of Selected Non-GAAP Measures to GAAP Measures
(Unaudited)
(In thousands)

	Three Months Ended June 30,		Year Ended June 30,	
	2015*	2014*	2015*	2014
Reconciliation of Pro Forma Net Revenue to Net Revenue:				
Pro Forma Net Revenue	\$ 266,553	\$ 235,466	\$ 1,007,029	\$ 869,286
Pro forma adjustment for revenue share post-IPO	—	—	—	41,263
Net Revenue	\$ 266,553	\$ 235,466	\$ 1,007,029	\$ 910,549
Reconciliation of Net Income to Adjusted EBITDA and Reconciliation of Segment Adjusted EBITDA to Income Before Income Taxes:				
Net income	\$ 32,061	\$ 66,632	\$ 234,785	\$ 332,617
Pro forma adjustment for revenue share post-IPO	—	—	—	(41,263)
Interest and investment income, net	(349)	(378)	(866)	(1,019)
Income tax expense	24,235	3,248	36,342	27,709
Depreciation and amortization	12,079	9,809	45,186	36,761
Amortization of purchased intangible assets	2,538	904	9,136	3,062
EBITDA	70,564	80,215	324,583	357,867
Stock-based compensation	7,369	6,358	28,498	19,476
Acquisition related expenses	2,629	711	9,037	2,014
Strategic and financial restructuring expenses	92	146	1,373	3,760
(Gain) loss on investment	—	(522)	1,000	(38,372)
Adjustment to tax receivable agreement liability	—	6,215	—	6,215
Acquisition related adjustment - deferred revenue	4,147	—	13,371	—
Loss on disposal of long-lived assets	15,243	—	15,243	—
Other expense (income), net	60	121	70	65
Adjusted EBITDA	\$ 100,104	\$ 93,244	\$ 393,175	\$ 351,025
Segment Adjusted EBITDA:				
Supply Chain Services	\$ 100,970	\$ 94,394	\$ 391,180	\$ 396,470
Pro forma adjustment for revenue share post-IPO	—	—	—	(41,263)
Supply Chain Services (including pro forma adjustment)	\$ 100,970	\$ 94,394	\$ 391,180	\$ 355,207
Performance Services	22,518	19,531	90,235	73,898
Corporate	(23,384)	(20,681)	(88,240)	(78,080)
Adjusted EBITDA	\$ 100,104	\$ 93,244	\$ 393,175	\$ 351,025
Depreciation and amortization	(12,079)	(9,809)	(45,186)	(36,761)
Amortization of purchased intangible assets	(2,538)	(904)	(9,136)	(3,062)
Stock-based compensation	(7,369)	(6,358)	(28,498)	(19,476)
Acquisition related expenses	(2,629)	(711)	(9,037)	(2,014)
Strategic and financial restructuring expenses	(92)	(146)	(1,373)	(3,760)
Adjustment to tax receivable agreement liability	—	(6,215)	—	(6,215)
Acquisition related adjustment - deferred revenue	(4,147)	—	(13,371)	—
Equity in net income of unconsolidated affiliates	(6,473)	(4,805)	(21,285)	(16,976)
Deferred compensation plan expense (income)	544	(1,972)	753	(1,972)
Pro forma adjustment for revenue share post-IPO	65,321	62,324	266,042	260,789
Operating income	\$ 65,321	\$ 62,324	\$ 266,042	\$ 302,052
Equity in net income of unconsolidated affiliates	6,473	4,805	21,285	16,976
Interest and investment income, net	349	378	866	1,019
(Loss) gain on investment	—	522	(1,000)	38,372
Loss on disposal of long-lived assets	(15,243)	—	(15,243)	—
Other (expense) income, net	(604)	1,851	(823)	1,907
Income before income taxes	\$ 56,296	\$ 69,880	\$ 271,127	\$ 360,326

* Note that no pro forma adjustments were made for the three months and year ended June 30, 2015 and the three months ended June 30, 2014; as such, actual results are presented for each of these periods.



Fiscal 2014 and fiscal 2015 non-GAAP reconciliations

**Supplemental Financial Information - Reporting of Pro Forma Adjusted EBITDA
and Non-GAAP Adjusted Fully Distributed Net Income
Reconciliation of Selected Non-GAAP Measures to GAAP Measures
(Unaudited)
(In thousands)**

	Three Months Ended June 30,		Year Ended June 30,	
	2015*	2014*	2015*	2014
<i>Reconciliation of Non-GAAP Pro Forma Adjusted Fully Distributed Net Income:</i>				
Net income attributable to shareholders	\$ 7,990	\$ 8,879	\$ 38,743	\$ 28,332
Pro forma adjustment for revenue share post-IPO	—	—	—	(41,263)
Income tax expense	24,235	3,248	36,342	27,709
Stock-based compensation	7,369	6,358	28,498	19,476
Acquisition related expenses	2,629	711	9,037	2,014
Strategic and financial restructuring expenses	92	146	1,373	3,760
(Gain) loss on investment	—	(522)	1,000	(38,372)
Adjustment to tax receivable agreement liability	—	6,215	—	6,215
Acquisition related adjustment - deferred revenue	4,147	—	13,371	—
Loss on disposal of long-lived assets	15,243	—	15,243	—
Amortization of purchased intangible assets	2,538	904	9,136	3,062
Net income attributable to noncontrolling interest in Premier LP	24,071	57,281	194,206	303,336
Non-GAAP pro forma adjusted fully distributed income before income taxes	88,314	83,220	346,949	314,269
Income tax expense on fully distributed income before income taxes	35,326	33,288	138,780	125,708
Non-GAAP Pro Forma Adjusted Fully Distributed Net Income	\$ 52,988	\$ 49,932	\$ 208,169	\$ 188,561

* Note that no pro forma adjustments were made for the three months and year ended June 30, 2015 and the three months ended June 30, 2014; as such, actual results are presented for each of these periods.



Fiscal 2014 and fiscal 2015 non-GAAP reconciliations

Supplemental Financial Information - Reporting of Non-GAAP Free Cash Flow
Reconciliation of Selected Non-GAAP Measures to GAAP Measures
(Unaudited)
(In thousands)

	Three Months Ended	
	June 30,	
	2015	2014
<i>Reconciliation of Non-GAAP Free Cash Flow to Net Cash Provided by Operating Activities:</i>		
Net cash provided by operating activities	\$ 108,483	\$ 79,431
Purchases of property and equipment	(19,670)	\$ (15,898)
Distributions to limited partners	(23,412)	\$ (21,299)
Payments to limited partners under tax receivable agreements	(11,499)	\$ —
Non-GAAP free cash flow	\$ 53,902	\$ 42,234



Fiscal 2014 and fiscal 2015 non-GAAP reconciliations

Supplemental Financial Information - Reporting of Net Income and Earnings Per Share
Reconciliation of Selected Non-GAAP Measures to GAAP Measures
(Unaudited)
(In thousands, except per share data)

	Three Months Ended		Year Ended	
	June 30,	June 30,	June 30,	June 30,
	2015*	2014*	2015*	2014
Reconciliation of numerator for GAAP EPS to Non-GAAP EPS on Net Income Attributable to Stockholders				
Net (loss) income attributable to stockholders after adjustment of redeemable	\$ (84,076)	\$ 491,389	\$ (865,292)	\$ (2,713,256)
Adjustment of redeemable limited partners' capital to redemption amount	92,066	(482,510)	904,035	2,741,588
Net income attributable to stockholders	7,990	8,879	38,743	28,332
Reconciliation of denominator for GAAP EPS to Non-GAAP EPS on Net Income Attributable to Stockholders				
Weighted Average:				
Common shares used for basic and diluted earnings per share	37,576	32,375	35,681	25,633
Potentially dilutive shares	1,592	194	1,048	124
Weighted average fully distributed shares outstanding - diluted	39,168	32,569	36,729	25,757
Reconciliation of GAAP EPS to Non-GAAP EPS on Net Income Attributable to Stockholders				
GAAP earnings (loss) per share	\$ (2.24)	\$ 15.18	\$ (24.25)	\$ (105.85)
Impact of adjustment of redeemable limited partners' capital to redemption amount	\$ 2.45	\$ (14.90)	\$ 25.34	\$ 106.96
Impact of potentially dilutive shares	\$ (0.01)	\$ (0.01)	\$ (0.04)	\$ (0.01)
Non-GAAP earnings per share on net income attributable to stockholders - diluted	\$ 0.20	\$ 0.27	\$ 1.05	\$ 1.10
Reconciliation of numerator for GAAP EPS to Non-GAAP EPS on Adjusted Fully Distributed Net Income				
Net (loss) income attributable to shareholders after adjustment of redeemable limited partners' capital to redemption amount	\$ (84,076)	\$ 491,389	\$ (865,292)	\$ (2,713,256)
Adjustment of redeemable limited partners' capital to redemption amount	92,066	(482,510)	904,035	2,741,588
Net income attributable to shareholders	7,990	8,879	38,743	28,332
Pro forma adjustment for revenue share post-IPO	—	—	—	(41,263)
Income tax expense	24,235	3,248	36,342	27,709
Stock-based compensation	7,369	6,358	28,498	19,476
Acquisition related expenses	2,629	711	9,037	2,014
Strategic and financial restructuring expenses	92	146	1,373	3,760
(Gain) loss on investment	—	(522)	1,000	(38,372)
Adjustment to taxreceivable agreement liability	—	6,215	—	6,215
Acquisition related adjustment - deferred revenue	4,147	—	13,371	—
Loss on disposal of long-lived assets	15,243	—	15,243	—
Amortization of purchased intangible assets	2,538	904	9,136	3,062
Net income attributable to noncontrolling interest in Premier LP	24,071	57,281	194,206	303,336
Non-GAAP pro forma adjusted fully distributed income before income taxes	88,314	83,220	346,949	314,269
Income tax expense on fully distributed income before income taxes	35,326	33,288	138,780	125,708
Non-GAAP pro forma adjusted fully distributed net income	\$ 52,988	\$ 49,932	\$ 208,169	\$ 188,561

* Note that no pro forma adjustments were made for the three months and year ended June 30, 2015 and the three months ended June 30, 2014; as such, actual results are presented for each of these periods.



Fiscal 2014 and fiscal 2015 non-GAAP reconciliations

Supplemental Financial Information - Reporting of Net Income and Earnings Per Share
Reconciliation of Selected Non-GAAP Measures to GAAP Measures
(Unaudited)
(In thousands, except per share data)

	Three Months Ended		Year Ended	
	June 30,		June 30,	
	2015*	2014*	2015*	2014
Reconciliation of denominator for GAAP EPS to Non-GAAP Adjusted Fully Distributed Net Income				
Weighted Average:				
Common shares used for basic and diluted earnings per share	37,576	32,375	35,681	25,633
Potentially dilutive shares	1,592	194	1,048	124
Class A common shares outstanding	-	-	-	6,742
Conversion of Class B common units	106,471	112,511	108,518	112,584
Weighted average fully distributed shares outstanding - diluted	145,639	145,080	145,247	145,083
Reconciliation of GAAP EPS to Adjusted Fully Distributed EPS				
GAAP earnings (loss) per share	\$ (2.24)	\$ 15.18	\$ (24.25)	\$ (105.85)
Impact of adjustment of redeemable limited partners' capital to redemption amount	\$ 2.45	\$ (14.90)	\$ 25.34	\$ 106.96
Impact of additions:				
Pro forma adjustment for revenue share post-IPO	\$ -	\$ -	\$ -	\$ (1.61)
Income tax expense	\$ 0.64	\$ 0.10	\$ 1.02	\$ 1.08
Stock-based compensation	\$ 0.20	\$ 0.20	\$ 0.80	\$ 0.76
Acquisition related expenses	\$ 0.07	\$ 0.02	\$ 0.25	\$ 0.08
Strategic and financial restructuring expenses	\$ 0.00	\$ 0.00	\$ 0.04	\$ 0.15
(Gain) loss on investment	\$ -	\$ (0.02)	\$ 0.03	\$ (1.50)
Adjustment to tax receivable agreement liability	\$ -	\$ 0.19	\$ -	\$ 0.24
Acquisition related adjustment - deferred revenue	\$ 0.11	\$ -	\$ 0.37	\$ -
Loss on disposal of long-lived assets	\$ 0.41	\$ -	\$ 0.43	\$ -
Amortization of purchased intangible assets	\$ 0.07	\$ 0.03	\$ 0.26	\$ 0.12
Net income attributable to noncontrolling interest in Premier LP	\$ 0.64	\$ 1.77	\$ 5.44	\$ 11.83
Impact of corporation taxes	\$ (0.94)	\$ (1.03)	\$ (3.90)	\$ (4.90)
Impact of increased share count	\$ (1.05)	\$ (1.20)	\$ (4.40)	\$ (6.06)
Non-GAAP earnings per share on adjusted fully distributed net income - diluted	\$ 0.36	\$ 0.34	\$ 1.43	\$ 1.30

* Note that no pro forma adjustments were made for the three months and year ended June 30, 2015 and the three months ended June 30, 2014; as such, actual results are presented for each of these periods.