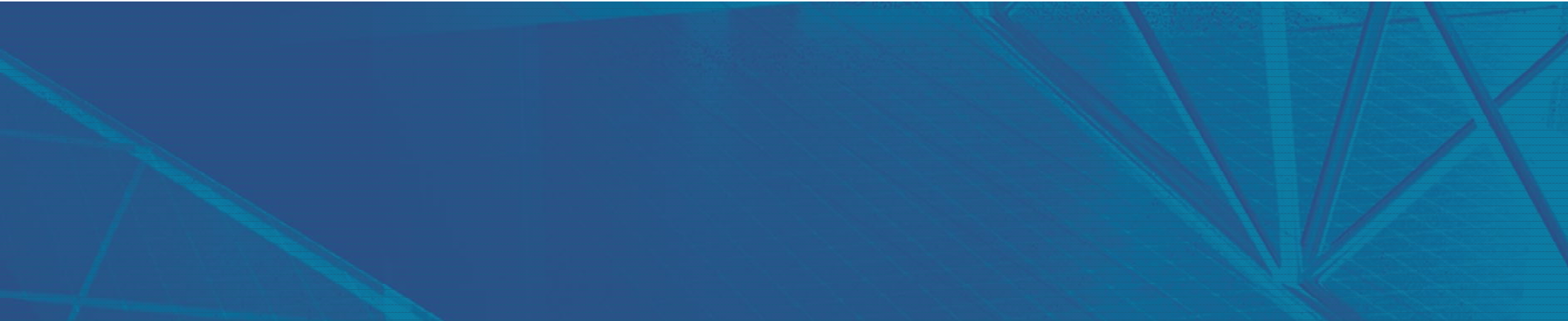




BAIRD 2017 GLOBAL HEALTHCARE CONFERENCE

September 6, 2017



Susan DeVore

President and Chief Executive Officer
Premier Inc.



Forward-looking statements and non-GAAP financial measures

Forward-looking statements — Certain statements made during Premier’s webcast and included in this presentation, including, but not limited to, those related to our financial and business outlook, the impact of the evolving healthcare environment, strategy and growth drivers, member retention, renewal rates and revenue visibility, cross and upsell opportunities, acquisition contributions, activities and pipeline, revenue available under contract, 2018 financial guidance and related assumptions, and target growth rate 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 federal securities laws. 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 definitions and further explanation and disclosure regarding our use of non-GAAP financial measures and such filings should be read in conjunction with this presentation.



Significant footprint and scale

3,900 HOSPITALS AND
HEALTH SYSTEMS

76% U.S. COMMUNITY HOSPITALS

MORE THAN
\$56 BILLION
IN SUPPLY CHAIN SPEND

150,000

OTHER PROVIDERS & ORGANIZATIONS

ANALYZE DATA
ON MORE THAN **45%**
HOSPITAL DISCHARGES NATIONWIDE

~2,300 CONTRACTS
~1,300 SUPPLIERS



Unique member model drives innovation and growth

ALIGNMENT

- Members own ~62% of equity
- 10 health system board members
- Premier field force embedded in member hospitals

COMMITMENT

- Member owner average tenure ~18 years (82% at 10+ years)
- Members view Premier as strategic partner

CO-INNOVATION

- Co-develop solutions with members
- Committees composed of ~195 member hospitals
- ~1,400 hospitals in performance improvement collaboratives



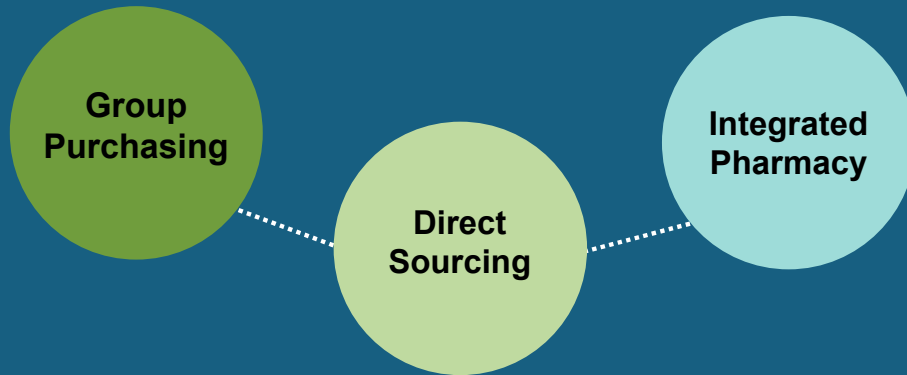
Note: Data as of fiscal year-end June 30, 2017, except member ownership, which is as of July 31, 2017.



Integrated platform delivers comprehensive solutions

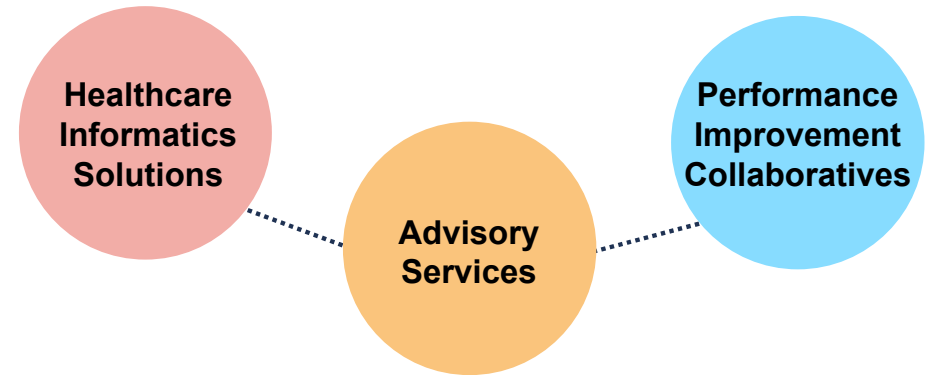
Supply Chain Services

~76% of FY17 Consolidated Net Revenue

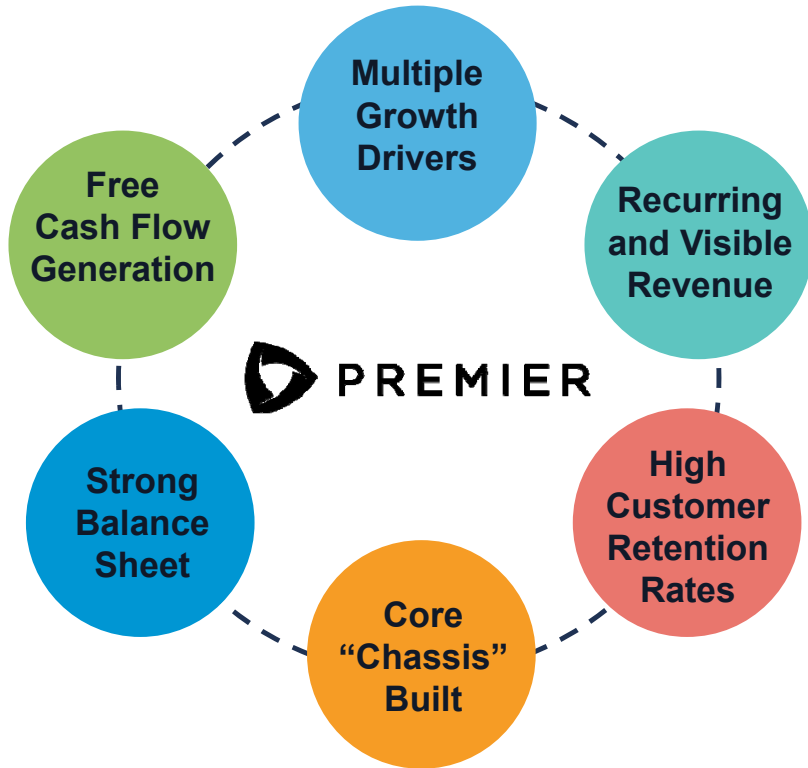


Performance Services

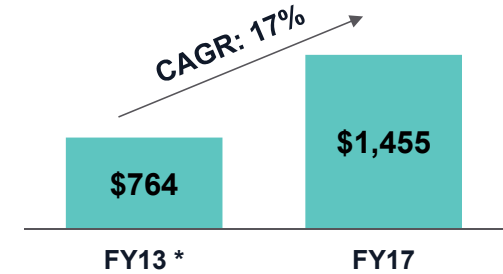
~24% of FY17 Consolidated Net Revenue



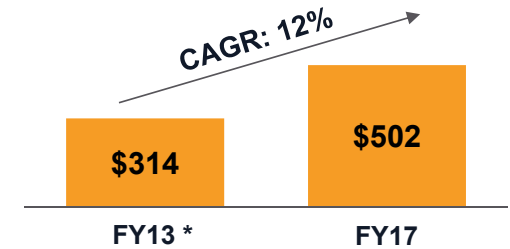
Diversified model has delivered consistent growth



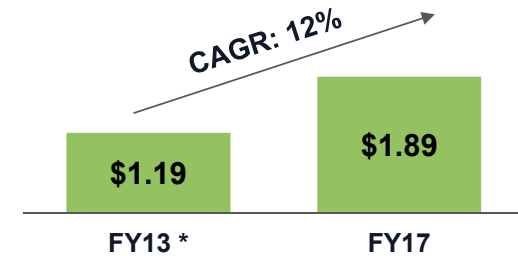
Consolidated Net Revenue*
(in millions)



Non-GAAP Adjusted EBITDA*
(in millions)



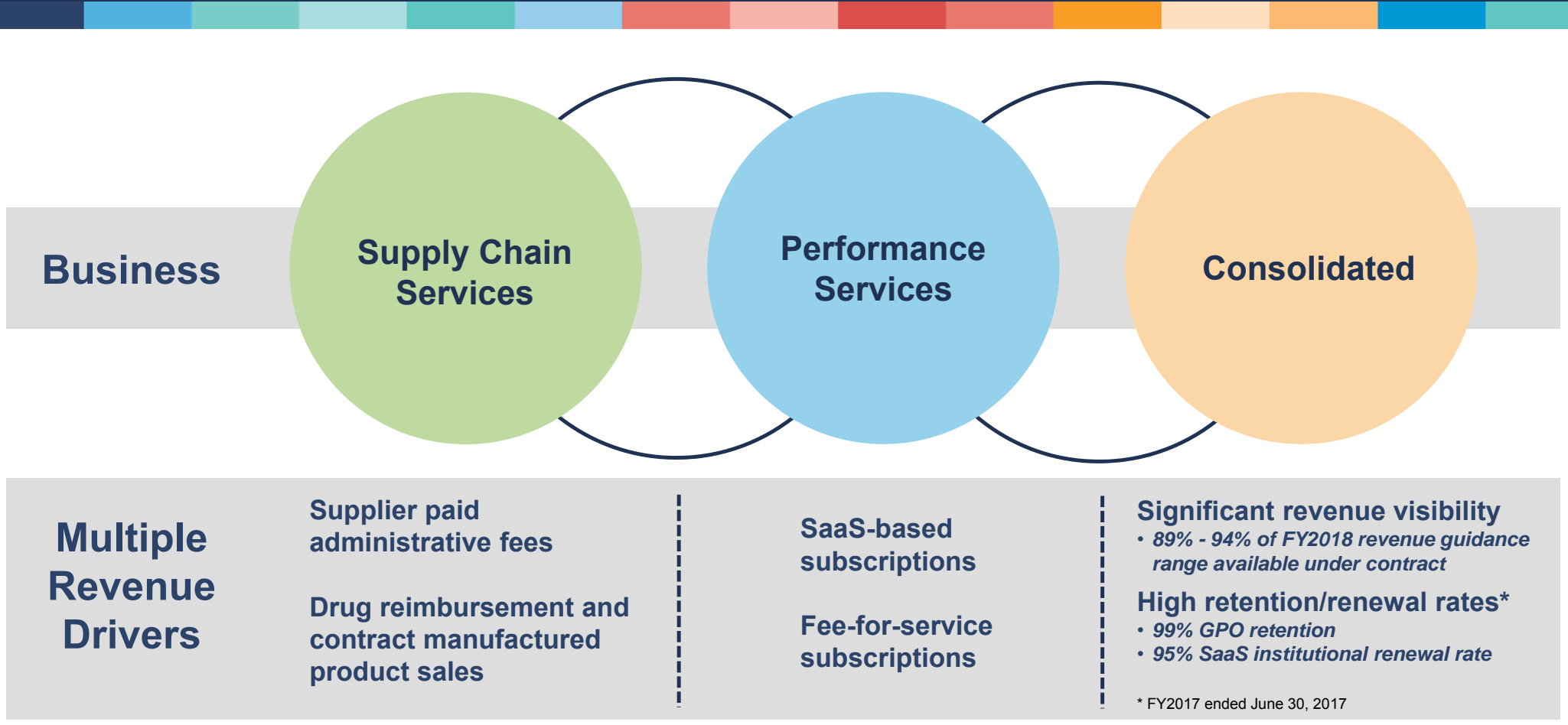
Non-GAAP Adjusted Fully Distributed EPS*



* For periods prior to October 1, 2013, 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.



Our model at a glance





The Premier difference

- 1 **Unique member alignment**
- 2 **Integrated platform to deliver solutions that span the entire continuum of care**
- 3 **Compelling financial model**
- 4 **Well-positioned to capitalize on industry trends**
- 5 **Disciplined growth strategy**



QUESTIONS



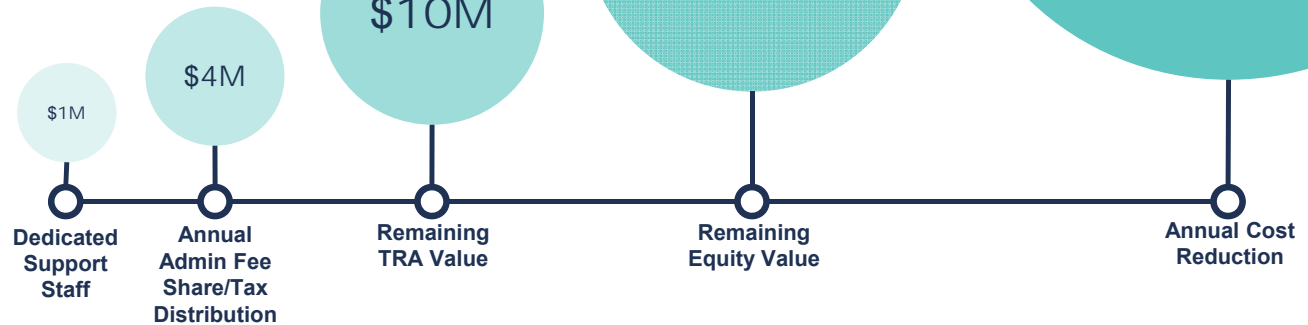
APPENDIX



Midwest health system's total value proposition with Premier *

An all-in enterprise relationship spanning 13 years of products/services partnership:

- GPO/Direct Sourcing
- Clinical Analytics (Quality/Safely)
- Labor Productivity Analytics
- Innovation Collaboratives (QUEST/Population Health)
- Enterprise Data Warehouse
- Advisory Services



ANNUAL SPEND

ANNUAL ROI Exclusive of Equity = 16:1

* For illustrative purposes. Each member's total value varies by scope of relationship with Premier, investment size, and utilization of Premier products and services.



Fiscal 2018 annual guidance (for year ending June 30, 2018)

Fiscal 2018 Financial Guidance ⁽¹⁾

Premier, Inc. introduces full-year fiscal 2018 financial guidance, as follows:

(in millions, except per share data)	FY 2018	% YoY Increase
Net Revenue:		
Supply Chain Services segment	\$1,200.0 - \$1,266.0	9% - 15%
Performance Services segment	\$364.0 - \$382.0	3% - 8%
Total Net Revenue	\$1,564.0 - \$1,648.0	8% - 13%
Non-GAAP adjusted EBITDA	\$532.0 - \$557.0	6% - 11%
Non-GAAP adjusted fully distributed EPS	\$1.98 - \$2.09	5% - 10%

⁽¹⁾ The company does not meaningfully reconcile guidance for non-GAAP adjusted EBITDA and non-GAAP adjusted fully distributed earnings per share to net income attributable to stockholders or earnings per share attributable to stockholders because the company cannot provide guidance for more significant reconciling items between net income attributable to stockholders and adjusted EBITDA and between earnings per share attributable to stockholders and non-GAAP adjusted fully distributed earnings per share without unreasonable effort. This is due to two primary reasons:

- Reasonable guidance cannot be provided for reconciling the adjustment of redeemable limited partners' capital to redemption amount – historically the largest adjustment in the reconciliation from non-GAAP to GAAP amounts – due to the fact that the increase or decrease in this item is based on the change in the number of shares of Class B stock outstanding and change in stock price between quarters, which the company cannot predict, control or reasonably estimate.
- Reasonable guidance cannot be provided for earnings per share attributable to stockholders because the ongoing quarterly member-owner exchange of Class B common stock and corresponding Class B units into shares of Class A common stock impacts the number of shares of Class A common stock outstanding each quarter, which the company cannot predict, control or reasonably estimate. Member owners have the right, but not the obligation, to exchange shares on a quarterly basis, and the company has the discretion to settle any exchanged shares for Class A common stock, cash, or a combination thereof, neither of which can be predicted, controlled or reasonably estimated at this time.



Fiscal 2018 annual guidance *(for year ending June 30, 2018)*

Key Assumptions:

Supply Chain Services assumptions:

- » Net administrative fee revenue growth of 13% to 17%
 - » Mid-single digit growth in legacy group purchasing business augmented by contributions from the Innovatix and Essensa businesses
- » Continued high GPO retention rates
- » 9-13% products revenue growth

Performance Services assumptions:

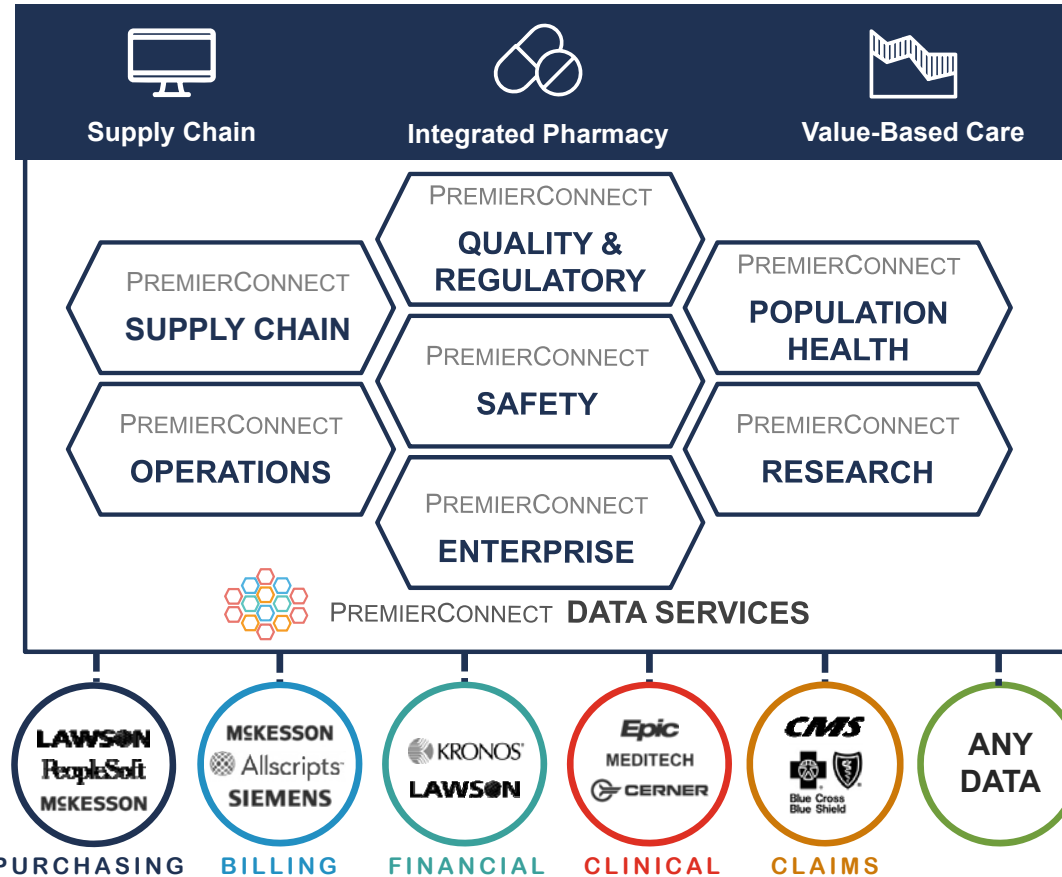
- » Continued demand for integrated offerings of SaaS-based subscription and licensed products, advisory services and collaboratives
- » Continued high SaaS institutional renewal rates

Other assumptions:

- » Estimated revenue available under contract of \$1.47 billion, which represents approximately 89% to 94% of our consolidated revenue guidance range
- » Non-GAAP free cash flow will approximate 40% or more of non-GAAP adjusted EBITDA
- » Capital expenditures of approximately \$85 million to \$90 million, representing 5% to 6% of consolidated net revenue
- » Consolidated non-GAAP adjusted EBITDA margin in the range of 33% to 34%
- » Adjusted fully distributed net income calculation continues to reflect an effective tax rate of 39 percent
- » Additional assumptions and detail as provided in the earnings release

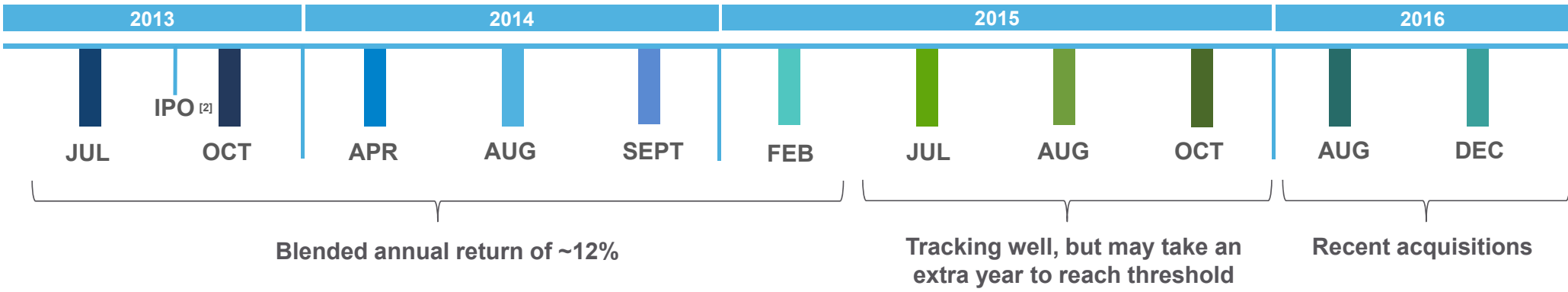
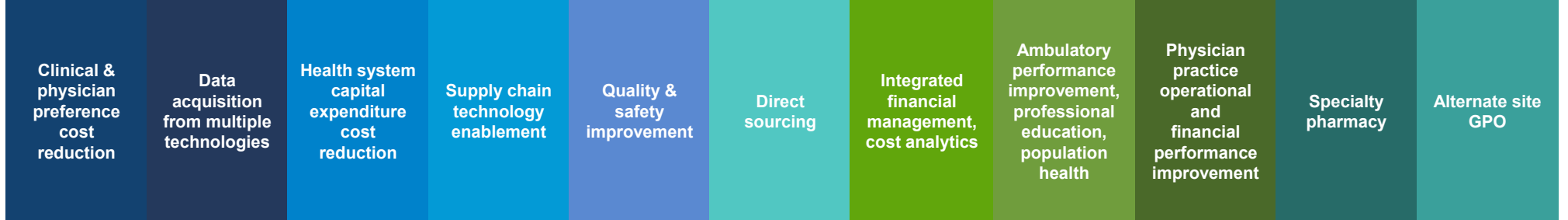


PremierConnect®: combines people, process and technology





Disciplined diversification strategy with a focus on optimizing acquisitions



[1] Purchased initial 60% ownership in 2011. Remaining 40% purchased in February 2015.

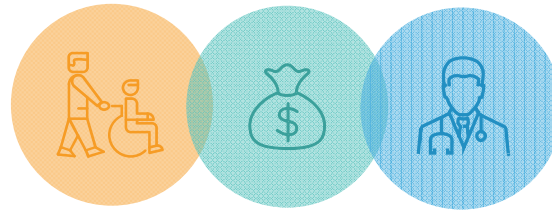
[2] Premier, Inc. initial public offering in October 2013.

[3] ROIC objective for portfolio of acquired companies is 8% annual run rate, which exceeds Premier's weighted average cost of capital, by third year post acquisition.

[4] Previously owned 50% of Innovatix. Remaining 50% was purchased on December 2, 2016.

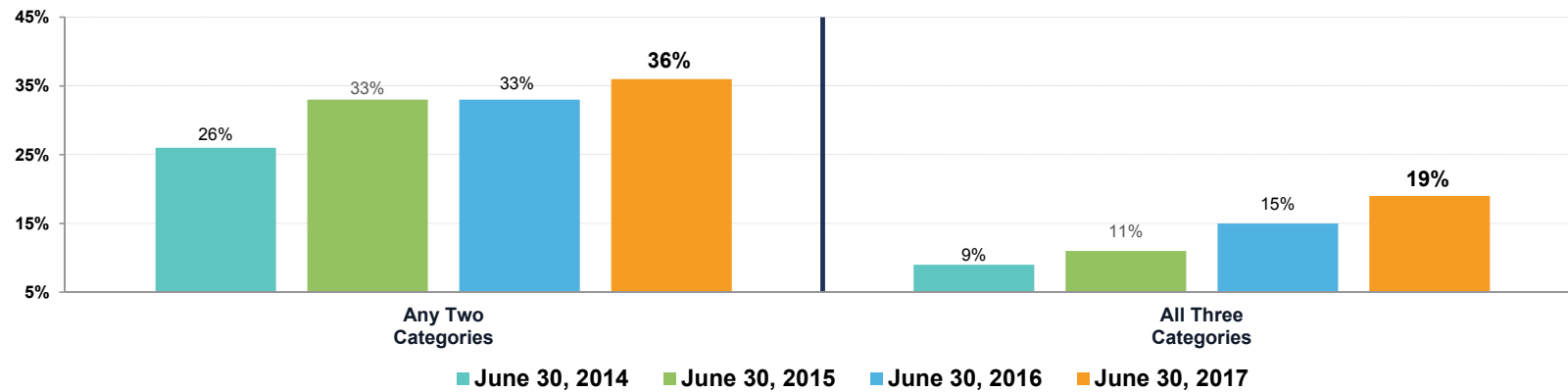


Cross-sell into well-established and expanding member base



Improve Quality and Safety | Reduce Costs | Optimize Value-Based Care

Premier Product Offering Penetration within Existing Member Base



^[1] Hospitals are counted in a category (reduce cost, improve quality & safety, value-based care) 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 June 30, 2014 and June 30, 2017 (denominator).



Fiscal 2017 and fiscal 2016 non-GAAP reconciliations

Supplemental Financial Information
Reconciliation of Net Income to Adjusted EBITDA
Reconciliation of Operating Income to Segment Adjusted EBITDA
Reconciliation of Net Income (Loss) Attributable to Stockholders to Non-GAAP Adjusted Fully Distributed Net Income
(Unaudited)
(In thousands)

	Three Months Ended		Twelve Months Ended	
	June 30,		June 30,	
	2017	2016	2017	2016
Net income	\$ 73,860	\$ 50,356	\$ 449,477	\$ 235,161
Interest and investment loss, net	1,486	40	4,512	1,021
Income tax expense	13,734	8,464	81,814	49,721
Depreciation and amortization	15,566	13,928	58,884	51,102
Amortization of purchased intangible assets	13,887	8,996	48,327	33,054
EBITDA	118,533	81,784	643,014	370,059
Stock-based compensation	7,384	11,988	26,860	49,081
Acquisition related expenses	4,307	4,105	15,790	15,804
Strategic and financial restructuring expenses	31	-	31	268
Adjustment to tax receivable agreement liabilities	(2,493)	-	(5,447)	(4,818)
ERP implementation expenses	287	1,630	2,028	4,870
Acquisition related adjustment - revenue	320	408	18,049	5,624
Remeasurement gain attributable to acquisition of Innovatix	(313)	-	(205,146)	-
Loss on disposal of long-lived assets	179	-	2,422	-
Loss on FFF put and call rights	3,849	-	3,935	-
Other expense (income), net	1	79	55	87
Adjusted EBITDA	\$ 132,085	\$ 99,994	\$ 501,591	\$ 440,975



Fiscal 2017 and fiscal 2016 non-GAAP reconciliations

Supplemental Financial Information
Reconciliation of Net Income to Adjusted EBITDA
Reconciliation of Operating Income to Segment Adjusted EBITDA
Reconciliation of Net Income (Loss) Attributable to Stockholders to Non-GAAP Adjusted Fully Distributed Net Income
(Unaudited)
(In thousands)

	Three Months Ended		Twelve Months Ended	
	June 30,		June 30,	
	2017	2016	2017	2016
Income before income taxes	\$ 87,594	\$ 58,820	\$ 531,291	\$ 284,882
Remeasurement gain attributable to acquisition of Innovativx	(313)	-	(205,146)	-
Equity in net income of unconsolidated affiliates	44	(5,645)	(14,745)	(21,647)
Interest and investment loss, net	1,486	40	4,512	1,021
Loss (gain) on disposal of assets	179	-	2,422	-
Other expense (income), net	2,521	(389)	(614)	1,692
Operating income	91,511	52,826	317,720	265,948
Depreciation and amortization	15,566	13,928	58,884	51,102
Amortization of purchased intangible assets	13,887	8,996	48,327	33,054
Stock-based compensation	7,384	11,988	26,860	49,081
Acquisition related expenses	4,307	4,105	15,790	15,804
Strategic and financial restructuring expenses	31	-	31	268
Adjustment to tax receivable agreement liabilities	(2,493)	-	(5,447)	(4,818)
ERP implementation expenses	287	1,630	2,028	4,870
Acquisition related adjustment - revenue	320	408	18,049	5,624
Equity in net income of unconsolidated affiliates	(44)	5,645	14,745	21,647
Deferred compensation plan income (expense)	1,242	468	4,020	(1,605)
Other income	87	-	584	-
Adjusted EBITDA	\$ 132,085	\$ 99,994	\$ 501,591	\$ 440,975



Fiscal 2017 and fiscal 2016 non-GAAP reconciliations

Supplemental Financial Information
Reconciliation of Net Income to Adjusted EBITDA
Reconciliation of Operating Income to Segment Adjusted EBITDA
Reconciliation of Net Income (Loss) Attributable to Stockholders to Non-GAAP Adjusted Fully Distributed Net Income
(Unaudited)
(In thousands)

	Three Months Ended		Twelve Months Ended	
	June 30,		June 30,	
	2017	2016	2017	2016
Segment Adjusted EBITDA:				
Supply Chain Services	\$ 129,539	\$ 109,371	\$ 493,763	\$ 439,013
Performance Services	33,641	20,629	121,090	110,787
Corporate	(31,095)	(30,006)	(113,262)	(108,825)
Adjusted EBITDA	\$ 132,085	\$ 99,994	\$ 501,591	\$ 440,975
Net income (loss) attributable to stockholders	\$ (313,727)	\$ 101,645	\$ 76,249	\$ 818,364
Adjustment of redeemable partners' capital to redemption amount	333,742	(91,101)	37,176	(776,750)
Net income attributable to non-controlling interest in Premier LP	53,845	39,812	336,052	193,547
Income tax expense	13,734	8,464	81,814	49,721
Amortization of purchased intangible assets	13,887	8,996	48,327	33,054
Stock-based compensation	7,384	11,988	26,860	49,081
Acquisition related expenses	4,307	4,105	15,790	15,804
Strategic and financial restructuring expenses	31	-	31	268
Adjustment to tax receivable agreement liabilities	(2,493)	-	(5,447)	(4,818)
ERP implementation expenses	287	1,630	2,028	4,870
Acquisition related adjustment - revenue	320	408	18,049	5,624
Remeasurement gain attributable to acquisition of Innovatix	(313)	-	(205,146)	-
Loss on disposal of long-lived assets	179	-	2,422	-
Loss on FFF put and call rights	3,849	-	3,935	-
Other expense (income), net	1	-	55	-
Non-GAAP adjusted fully distributed income before income taxes	115,033	85,947	438,195	388,765
Income tax expense on fully distributed income before income taxes	44,863	34,379	170,896	155,506
Non-GAAP Adjusted Fully Distributed Net Income	\$ 70,170	\$ 51,568	\$ 267,299	\$ 233,259



Fiscal 2017 and fiscal 2016 non-GAAP reconciliations

Supplemental Financial Information
Reconciliation of GAAP EPS to Non-GAAP EPS on Adjusted Fully Distributed Net Income
(Unaudited)
(In thousands, except per share data)

	Three Months Ended		Twelve Months Ended	
	June 30,		June 30,	
	2017	2016	2017	2016
Net income (loss) attributable to stockholders	\$ (313,727)	\$ 101,645	\$ 76,249	\$ 818,364
Adjustment of redeemable partners' capital to redemption amount	333,742	(91,101)	37,176	(776,750)
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Income tax expense	13,734	8,464	81,814	49,721
Amortization of purchased intangible assets	13,887	8,996	48,327	33,054
Stock-based compensation	7,384	11,988	26,860	49,081
Acquisition related expenses	4,307	4,105	15,790	15,804
Strategic and financial restructuring expenses	31	-	31	268
Adjustment to tax receivable agreement liabilities	(2,493)	-	(5,447)	(4,818)
ERP implementation expenses	287	1,630	2,028	4,870
Acquisition related adjustment - revenue	320	408	18,049	5,624
Remeasurement gain attributable to acquisition of Innovatix	(313)	-	(205,146)	-
Loss on disposal of long-lived assets	179	-	2,422	-
Loss on FFF put and call rights	3,849	-	3,935	-
Other expense (income), net	1	-	55	-
Non-GAAP adjusted fully distributed income before income taxes	115,033	85,947	438,195	388,765
Income tax expense on fully distributed income before income taxes	44,863	34,379	170,896	155,506
Non-GAAP Adjusted Fully Distributed Net Income	\$ 70,170	\$ 51,568	\$ 267,299	\$ 233,259



Fiscal 2017 and fiscal 2016 non-GAAP reconciliations

Supplemental Financial Information
Reconciliation of GAAP EPS to Non-GAAP EPS on Adjusted Fully Distributed Net Income
(Unaudited)
(In thousands, except per share data)

	Three Months Ended		Twelve Months Ended	
	June 30,		June 30,	
	2017	2016	2017	2016
Weighted Average:				
Common shares used for basic and diluted earnings (loss) per share	51,470	45,506	49,654	42,368
Potentially dilutive shares	1,545	2,911	720	2,366
Conversion of Class B common units	87,638	96,204	90,816	100,574
Weighted average fully distributed shares outstanding - diluted	140,653	144,621	141,190	145,308
GAAP earnings (loss) per share	\$ (6.10)	\$ 2.23	\$ 1.54	\$ 19.32
Adjustment of redeemable limited partners' capital to redemption amount	6.48	(2.00)	0.75	(18.33)
Net income attributable to non-controlling interest in Premier LP	1.05	0.87	6.77	4.57
Income tax expense	0.27	0.19	1.65	1.17
Amortization of purchased intangible assets	0.27	0.20	0.97	0.78
Stock-based compensation	0.14	0.26	0.54	1.16
Acquisition related expenses	0.08	0.09	0.32	0.37
Strategic and financial restructuring expenses	-	-	-	0.01
Adjustment to tax receivable agreement liabilities	(0.05)	-	(0.11)	(0.11)
ERP implementation expenses	0.01	0.04	0.04	0.11
Acquisition related adjustment - revenue	0.01	0.01	0.36	0.13
Remeasurement gain attributable to acquisition of Innovativ	(0.01)	-	(4.13)	-
Loss on disposal of long-lived assets	-	-	0.05	-
Loss on FFF put and call rights	0.07	-	0.08	-
Other expense (income), net	-	-	-	-
Impact of corporation taxes	(0.86)	(0.76)	(3.45)	(3.67)
Impact of dilutive shares	(0.86)	(0.77)	(3.49)	(3.90)
Non-GAAP EPS on Adjusted Fully Distributed Net Income	\$ 0.50	\$ 0.36	\$ 1.89	\$ 1.61



Fiscal 2016 and fiscal 2015 non-GAAP reconciliations

**Supplemental Financial Information - Reporting of 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,		Twelve Months Ended June 30,	
	2016	2015	2016	2015
<i>Reconciliation of Net Income to Adjusted EBITDA and Reconciliation of Segment Adjusted EBITDA to Income Before Income Taxes:</i>				
Net income	\$ 50,356	\$ 32,061	\$ 235,161	\$ 234,785
Interest and investment income (loss), net	40	(349)	1,021	(866)
Income tax expense	8,464	24,235	49,721	36,342
Depreciation and amortization	13,928	12,079	51,102	45,186
Amortization of purchased intangible assets	8,996	2,538	33,054	9,136
EBITDA	81,784	70,564	370,059	324,583
Stock-based compensation ^(a)	11,988	7,369	49,081	28,498
Acquisition related expenses	4,105	2,629	15,804	9,037
Strategic and financial restructuring expenses	—	92	268	1,373
Adjustment to tax receivable agreement liability	—	—	(4,818)	—
Loss on investment	—	—	—	1,000
ERP implementation expenses	1,630	—	4,870	—
Acquisition related adjustment - deferred revenue	408	4,147	5,624	13,371
Loss on disposal of long-lived assets	—	15,243	—	15,243
Other expense, net	79	60	87	70
Adjusted EBITDA	\$ 99,994	\$ 100,104	\$ 440,975	\$ 393,175

(a) Represents non-cash employee stock-based compensation expense, and \$0.1 million and \$0.4 million stock purchase plan expense in the three and twelve months ended June 30, 2016, respectively.

* Financial outlook does not contemplate any contribution from potential acquisitions. See the forward-looking statement at the beginning of this presentation. Readers should not place undue reliance on this preliminary financial outlook.



Fiscal 2016 and fiscal 2015 non-GAAP reconciliations

**Supplemental Financial Information - Reporting of 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		Twelve Months Ended	
	June 30,		June 30,	
	2016	2015	2016	2015
Segment Adjusted EBITDA:				
Supply Chain Services	\$ 109,371	\$ 100,970	\$ 439,013	\$ 391,180
Performance Services	20,629	22,518	110,787	90,235
Corporate	(30,006)	(23,384)	(108,825)	(88,240)
Adjusted EBITDA	\$ 99,994	\$ 100,104	\$ 440,975	\$ 393,175
Depreciation and amortization	(13,928)	(12,079)	(51,102)	(45,186)
Amortization of purchased intangible assets	(8,996)	(2,538)	(33,054)	(9,136)
Stock-based compensation ^(a)	(11,988)	(7,369)	(49,081)	(28,498)
Acquisition related expenses	(4,105)	(2,629)	(15,804)	(9,037)
Strategic and financial restructuring expenses	—	(92)	(268)	(1,373)
Adjustment to tax receivable agreement liability	—	—	4,818	—
ERP implementation expenses	(1,630)	—	(4,870)	—
Acquisition related adjustment - deferred revenue	(408)	(4,147)	(5,624)	(13,371)
Equity in net income of unconsolidated affiliates	(5,645)	(6,473)	(21,647)	(21,285)
Deferred compensation plan income (expense)	(468)	544	1,605	753
Operating income	\$ 52,826	\$ 65,321	\$ 265,948	\$ 266,042
Equity in net income of unconsolidated affiliates	5,645	6,473	21,647	21,285
Interest and investment income (loss), net	(40)	349	(1,021)	866
Loss on investment	—	—	—	(1,000)
Loss on disposal of long-lived assets	—	(15,243)	—	(15,243)
Other income (expense), net	389	(604)	(1,692)	(823)
Income before income taxes	\$ 58,820	\$ 56,296	\$ 284,882	\$ 271,127

(a) Represents non-cash employee stock-based compensation expense, and \$0.1 million and \$0.4 million stock purchase plan expense in the three and twelve months ended June 30, 2016, respectively.



Fiscal 2016 and fiscal 2015 non-GAAP reconciliations

**Supplemental Financial Information - Reporting of 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		Twelve Months Ended	
	June 30,		June 30,	
	2016	2015	2016	2015
<i>Reconciliation of Net Income (Loss) Attributable to Stockholders to Non-GAAP Adjusted Fully Distributed Net Income:</i>				
Net income (loss) attributable to stockholders	\$ 101,645	\$ (84,076)	\$ 818,364	\$ (865,292)
Adjustment of redeemable partners' capital to redemption amount	(91,101)	92,066	(776,750)	904,035
Income tax expense	8,464	24,235	49,721	36,342
Stock-based compensation ^(a)	11,988	7,369	49,081	28,498
Acquisition related expenses	4,105	2,629	15,804	9,037
Strategic and financial restructuring expenses	—	92	268	1,373
ERP implementation expenses	1,630	—	4,870	—
Adjustment to tax receivable agreement liability	—	—	(4,818)	—
Loss on investment	—	—	—	1,000
Acquisition related adjustment - deferred revenue	408	4,147	5,624	13,371
Loss on disposal of long-lived assets	—	15,243	—	15,243
Amortization of purchased intangible assets	8,996	2,538	33,054	9,136
Net income attributable to non-controlling interest in Premier LP	39,812	24,071	193,547	194,206
Non-GAAP adjusted fully distributed income before income taxes	85,947	88,314	388,765	346,949
Income tax expense on fully distributed income before income taxes	34,379	35,326	155,506	138,780
Non-GAAP Adjusted Fully Distributed Net Income	\$ 51,568	\$ 52,988	\$ 233,259	\$ 208,169

(a) Represents non-cash employee stock-based compensation expense, and \$0.1 million and \$0.4 million stock purchase plan expense in the three and twelve months ended June 30, 2016, respectively.



Fiscal 2016 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		Twelve Months Ended	
	June 30,		June 30,	
	2016	2015	2016	2015
<i>Reconciliation of numerator for GAAP EPS to Non-GAAP EPS on Adjusted Fully Distributed Net Income</i>				
Net income (loss) attributable to stockholders	\$ 101,645	\$ (84,076)	\$ 818,364	\$ (865,292)
Adjustment of redeemable limited partners' capital to redemption amount	(91,101)	92,066	(776,750)	904,035
Income tax expense	8,464	24,235	49,721	36,342
Stock-based compensation ^(a)	11,988	7,369	49,081	28,498
Acquisition related expenses	4,105	2,629	15,804	9,037
Strategic and financial restructuring expenses	—	92	268	1,373
ERP implementation expenses	1,630	—	4,870	—
Adjustment to tax receivable agreement liability	—	—	(4,818)	—
Loss on investment	—	—	—	1,000
Acquisition related adjustment - deferred revenue	408	4,147	5,624	13,371
Loss on disposal of long-lived assets	—	15,243	—	15,243
Amortization of purchased intangible assets	8,996	2,538	33,054	9,136
Net income attributable to non-controlling interest in Premier LP	39,812	24,071	193,547	194,206
Non-GAAP fully distributed income before income taxes	85,947	88,314	388,765	346,949
Income tax expense on fully distributed income before income taxes	34,379	35,326	155,506	138,780
Non-GAAP Adjusted Fully Distributed Net Income	\$ 51,568	\$ 52,988	\$ 233,259	\$ 208,169

(a) Represents non-cash employee stock-based compensation expense, and \$0.1 million and \$0.4 million stock purchase plan expense in the three and twelve months ended June 30, 2016, respectively.



Fiscal 2016 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		Twelve Months Ended	
	June 30,		June 30,	
	2016	2015	2016	2015
Reconciliation of denominator for GAAP EPS to Non-GAAP Adjusted Fully Distributed Earnings per Share				
Weighted Average:				
Common shares used for basic and diluted earnings (loss) per share	45,506	37,576	42,368	35,681
Potentially dilutive shares	2,911	1,592	2,366	1,048
Conversion of Class B common units	96,204	106,471	100,574	108,518
Weighted average fully distributed shares outstanding - diluted	144,621	145,639	145,308	145,247
Reconciliation of GAAP EPS to Non-GAAP Adjusted Fully Distributed EPS				
GAAP earnings (loss) per share	\$ 2.23	\$ (2.24)	\$ 19.32	\$ (24.25)
Adjustment of redeemable limited partners' capital to redemption amount	\$ (2.00)	\$ 2.45	\$ (18.33)	\$ 25.34
Impact of additions:				
Income tax expense	\$ 0.19	\$ 0.64	\$ 1.17	\$ 1.02
Stock-based compensation ^(a)	\$ 0.26	\$ 0.20	\$ 1.16	\$ 0.80
Acquisition related expenses	\$ 0.09	\$ 0.07	\$ 0.37	\$ 0.25
Strategic and financial restructuring expenses	\$ -	\$ -	\$ 0.01	\$ 0.04
ERP implementation expenses	\$ 0.04	\$ -	\$ 0.11	\$ -
Adjustment to tax receivable agreement liability	\$ -	\$ -	\$ (0.11)	\$ -
Loss on investment	\$ -	\$ -	\$ -	\$ 0.03
Acquisition related adjustment - deferred revenue	\$ 0.01	\$ 0.11	\$ 0.13	\$ 0.37
Loss on disposal of long-lived assets	\$ -	\$ 0.41	\$ -	\$ 0.43
Amortization of purchased intangible assets	\$ 0.20	\$ 0.07	\$ 0.78	\$ 0.26
Net income attributable to non-controlling interest in Premier LP	\$ 0.87	\$ 0.64	\$ 4.57	\$ 5.44
Impact of corporation taxes	\$ (0.76)	\$ (0.94)	\$ (3.67)	\$ (3.90)
Impact of increased share count	\$ (0.77)	\$ (1.05)	\$ (3.90)	\$ (4.40)
Non-GAAP Adjusted Fully Distributed Earnings Per Share	\$ 0.36	\$ 0.36	\$ 1.61	\$ 1.43

(a) Represents non-cash employee stock-based compensation expense, and \$0.1 million and \$0.4 million stock purchase plan expense in the three and twelve months ended June 30, 2016, respectively.



Fiscal 2015 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,	
	2015*	2014*	2015*	2014
<i>Reconciliation of Pro Forma Net Revenue to Net Revenue:</i>				
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
<i>Reconciliation of Net Income to Adjusted EBITDA and Reconciliation of Segment Adjusted EBITDA to Income Before Income Taxes:</i>				
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

* 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 2015 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,	
	2015*	2014*	2015*	2014
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 <i>(including pro forma adjustment)</i>	\$ 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)
	65,321	62,324	266,042	260,789
Pro forma adjustment for revenue share post-IPO	—	—	—	41,263
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 2015 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,	
	2015*	2014*	2015*	2014
Reconciliation of Non-GAAP Pro Forma Adjusted Fully Distributed Net Income:				
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 2015 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,	
	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 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 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

* 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 2015 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 June 30,		Year Ended June 30,	
	2015*	2014*	2015*	2014
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 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
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

* 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 2015 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,	
	2015*	2014*	2015*	2014
<i>Reconciliation of GAAP EPS to Adjusted Fully Distributed EPS</i>				
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.



Fiscal 2014 and fiscal 2013 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 Pro Forma Net Revenue to Net Revenue:</i>				
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
<i>Reconciliation of Pro Forma Adjusted EBITDA and Segment Adjusted EBITDA to Net Income and Operating Income:</i>				
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 tax receivable 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

* 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 2014 and fiscal 2013 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
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 tax receivable 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 2014 and fiscal 2013 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 2014 and fiscal 2013 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

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



Fiscal 2014 and fiscal 2013 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
<i>Reconciliation of GAAP EPS to Adjusted Fully Distributed EPS</i>				
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.