PREMIER

Powering healthcare provider success

Now and in the future

Investor Information
March 2018

Forward-looking statements and non-GAAP financial measures

Forward-looking Statements – Certain statements included in this presentation that are not historical or current facts including, but not limited to, those related to our financial and business outlook, impact of evolving healthcare environment, strategy and growth drivers, member retention rates and revenue visibility, anticipated member renewals of GPO participation agreements, cross and upsell opportunities, acquisition activities and pipeline, revenue available under contract, implications of share repurchases and tax reform, and 2018 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 periodic and current 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 periodic and current 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.

The future of healthcare

PREMIER

Providers must reduce costs, improve quality and safety outcomes and assume risk.

By integrating our core **supply chain** and **clinical** solutions with **technology** and wrap-around **consulting services**, we believe Premier is uniquely positioned to help healthcare providers achieve these critical objectives.

Premier partners with healthcare providers to:

reduce costs	improve quality	optimize value-based care
		
~$18.0 billion saved [1]	> 200k deaths avoided [1]	Best in KLAS 2017 [2]

[1] Cumulative nine-year data from Premier performance improvement collaborative of approximately 350 U.S. hospitals as of fiscal year ended June 30, 2017.
[2] Premier was ranked the top performer across five categories, including Value-Based Care Consulting, Enterprise Resource Planning, and Best Overall Healthcare Management Consulting, in the 2017 Best in KLAS: Software & Services report.

Significant footprint and scale

3,900 HOSPITALS AND HEALTH SYSTEMS

150K
OTHER PROVIDERS & ORGANIZATIONS

76%
U.S. COMMUNITY HOSPITALS

ANALYZE DATA ON ~45%
HOSPITAL DISCHARGES NATIONWIDE

MORE THAN
$56 BILLION
IN SUPPLY CHAIN SPEND

~2,300 CONTRACTS
~1,300 SUPPLIERS

Note: Data as of fiscal year ended June 30, 2017.

Unique healthcare system member alignment

ALIGNMENT

- Members own **~60%** 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 ended June 30, 2017, except member ownership as of January 31, 2018.

Integrated platform provides comprehensive solutions

supply chain services

~76% of FY17 Consolidated Net Revenue

Group Purchasing

Integrated Pharmacy

Direct Sourcing

performance services

~24% of FY17 Consolidated Net Revenue

Healthcare Informatics Solutions

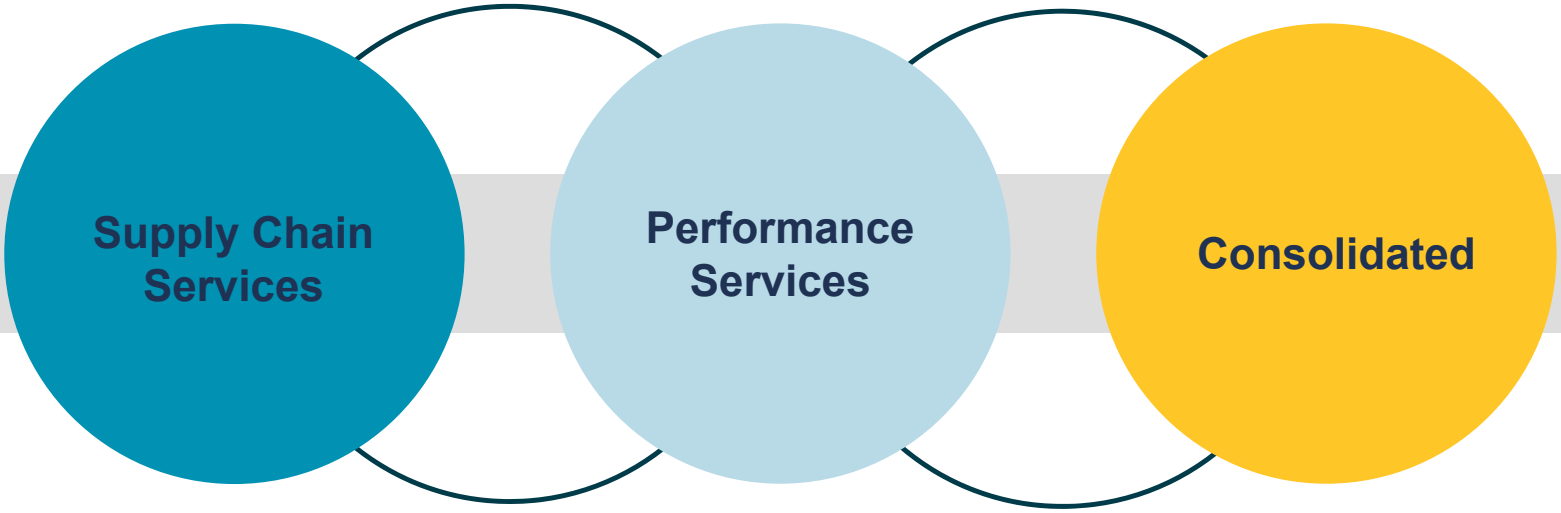
Consulting Services

Performance Improvement Collaboratives

Field and Consulting

eCommerce, Technology and Enterprise Analytics

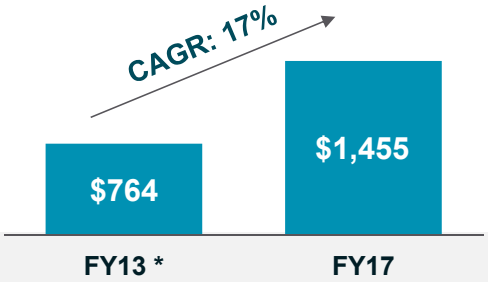
Our model at a glance



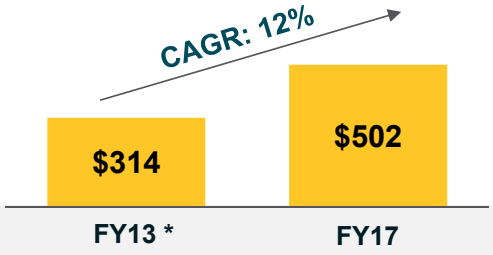
Multiple Revenue Drivers	Supply Chain Services	Performance Services	Consolidated
	Supplier paid administrative fees Drug reimbursement and contract manufactured product sales	SaaS-based subscriptions Fee-for-service subscriptions	**Significant revenue visibility** • *89% - 94% of FY2018 revenue guidance range available under contract* **High retention/renewal rates*** • *99% GPO retention* • *95% SaaS institutional renewal rate* * As of fiscal year-end June 30, 2017

Diversified model has delivered consistent growth

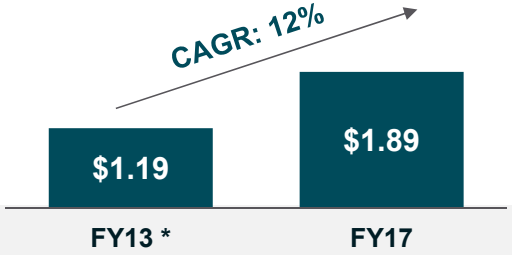
- Multiple growth drivers
- Core "chassis" built
- Recurring and visible revenue
- Strong balance sheet
- High customer retention rates
- Free cash flow generation



Consolidated Net Revenue*
(in millions)



Non-GAAP Adjusted EBITDA*
(in millions)



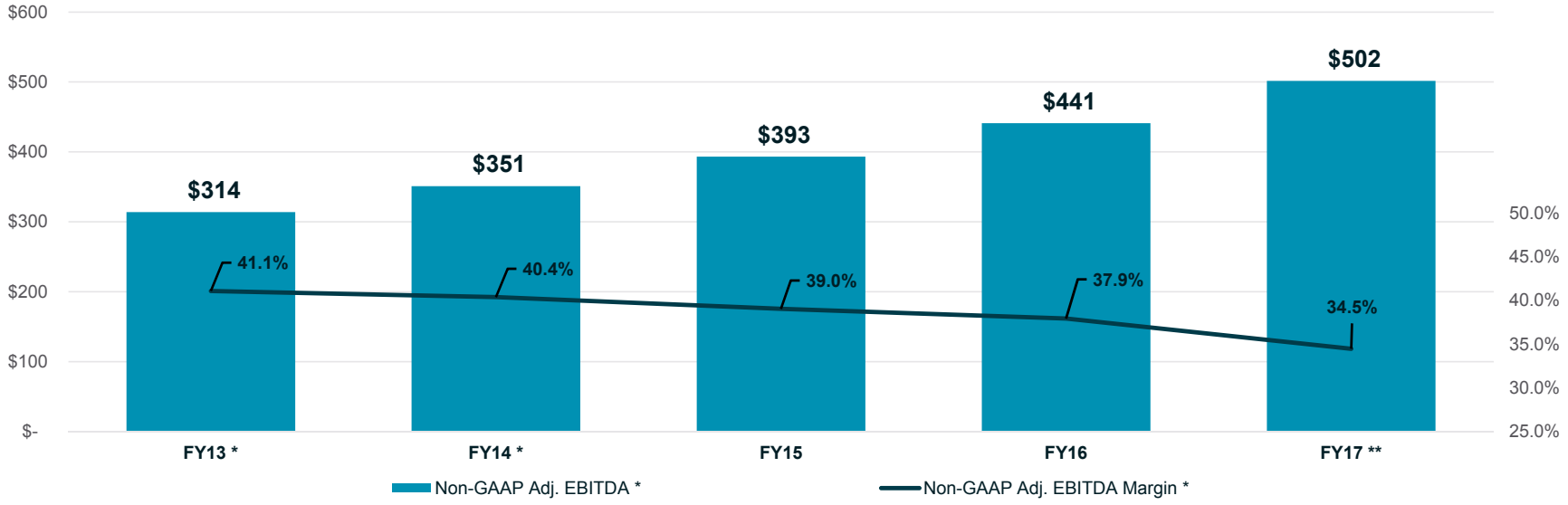
Non-GAAP Adjusted Fully Distributed EPS*

** 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.*

Strategic business diversification impact on non-GAAP adjusted EBITDA margin

Although consolidated non-GAAP adjusted EBITDA margin has compressed with strategic diversification, non-GAAP adjusted EBITDA in dollars has shown strong growth, supported by stable to expanding margin trends in the underlying businesses.

(in millions, except for adjusted EBITDA margin)



** 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.*
*** Y-O-Y Decline predominantly due to acquisition of Acro Pharmaceutical Services in August 2016.*

Member retention remains very high

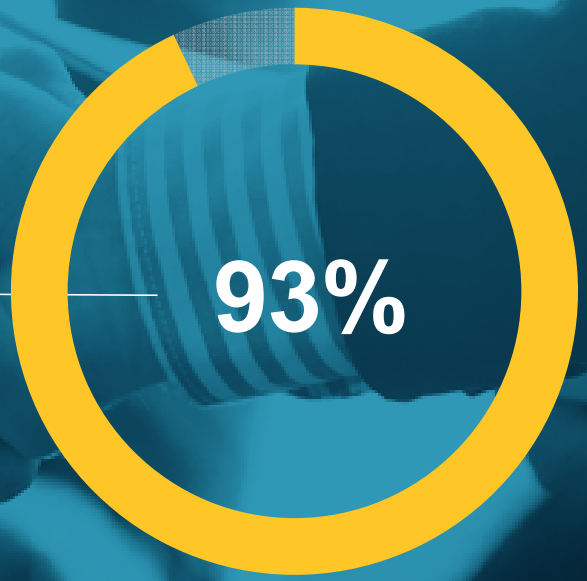
	FY17 [1]	FY16 [2]	4 Year Average [1]
GPO Retention Rate [3]	99%	97%	99%
SaaS Institutional Renewal Rate [4]	95%	92%	94%

[1] As of fiscal year-end June 30, 2017.
[2] As of fiscal year-end June 30, 2016.
[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.

Premier's GPO Contract Renewal*

Continued Support from Members

Net Admin Fee Revenue
currently extended beyond 2018 renewal date



- 5-year automatic renewals occurred October 2017

Expect vast majority of member owners will be (or will have) renewed by October 2018

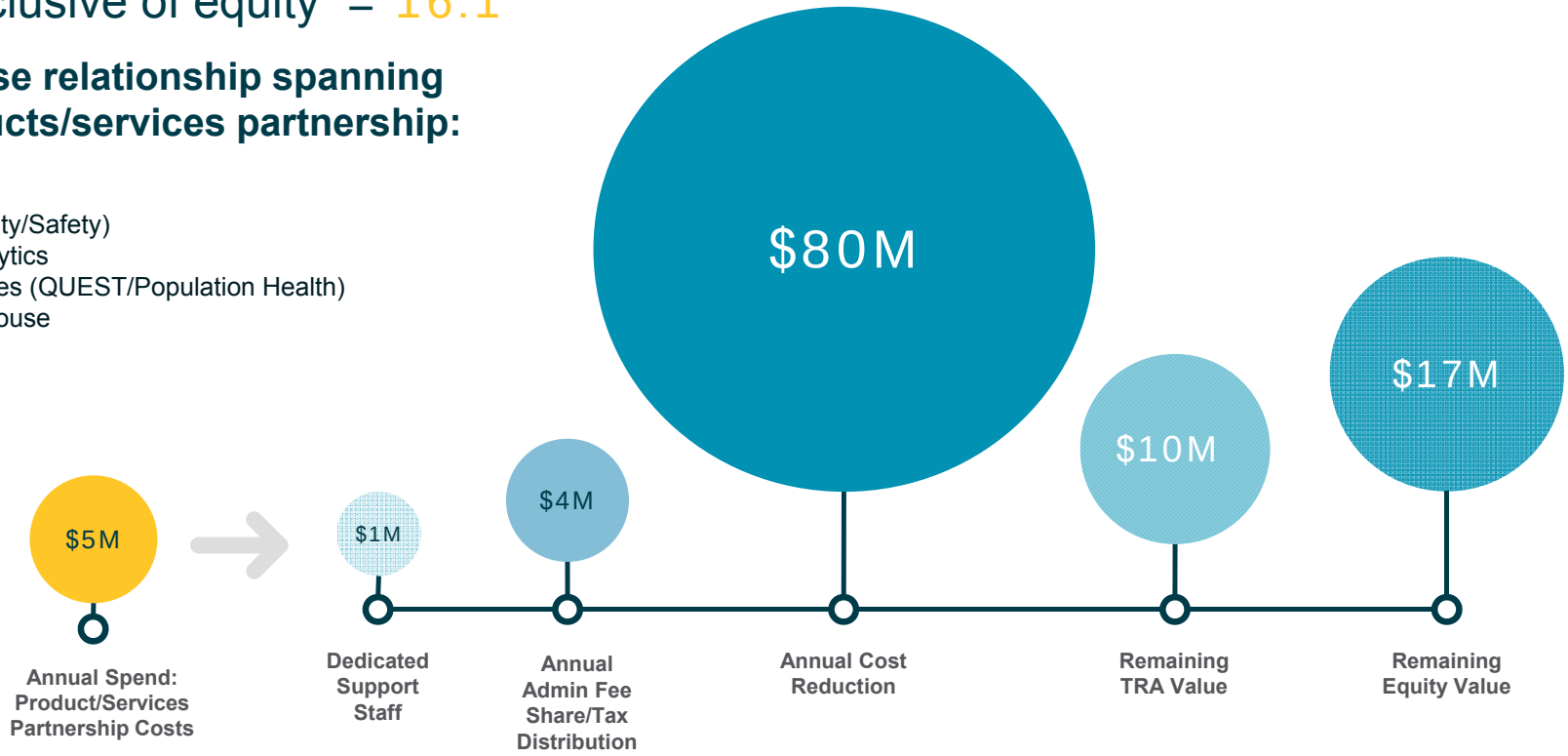
* As of October 1, 2017.

Delivering ROI for our member health systems*

2017 ROI exclusive of equity = 16:1

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

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



* Solely for illustrative purposes based on one member's actual experience in fiscal 2017. Each member's total value varies by scope of relationship with Premier, investment size, and utilization of Premier products and services. Illustrative example does not include the impact of the Tax Cuts and Jobs Act.

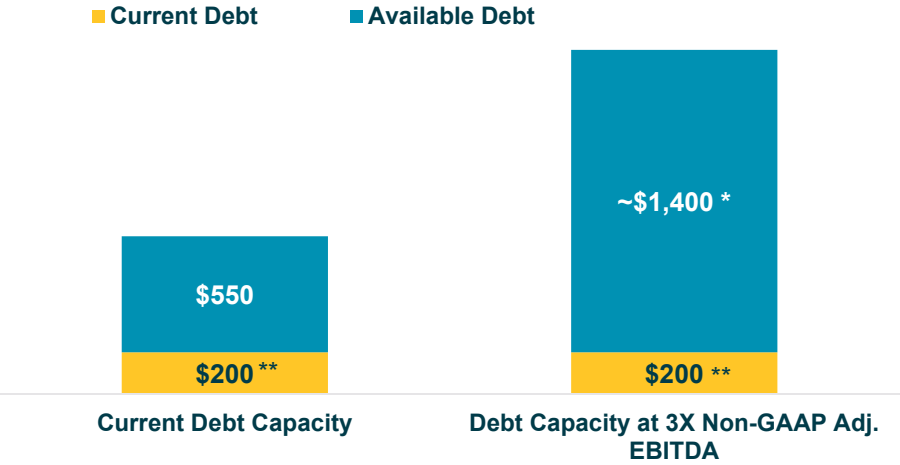
Financial flexibility

strong balance sheet

ample debt capacity

strong free cash flow

Total debt capacity *(in millions)*



FY18 Non-GAAP Free Cash Flow expected to be more than 40% of Non-GAAP Adj. EBITDA

Tax reform positive impact on FY18 FCF as % of Adj. EBITDA expected to approximate 4%

** Based on fiscal 2018 guidance.*
*** As of December 31, 2017.*

Capital allocation priorities

continue growth and expansion

maintain flexible balance sheet

return of capital to stockholders

Strategic priorities to drive long-term sustainable growth

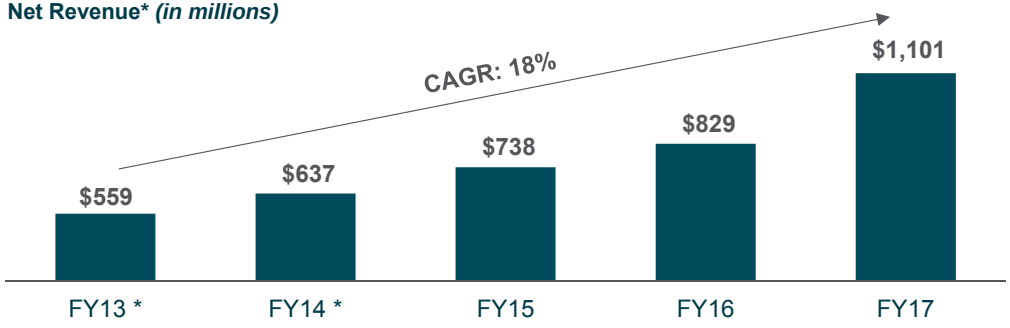
1. Drive consistent growth and returns in Supply Chain Services segment
2. Expand opportunities in Performance Services segment
3. Cross-sell into well-established and expanding member base
4. Optimize acquisitions
5. Continue to execute on strategic expansion to generate long-term stockholder value and address member needs

Supply Chain Services historical growth

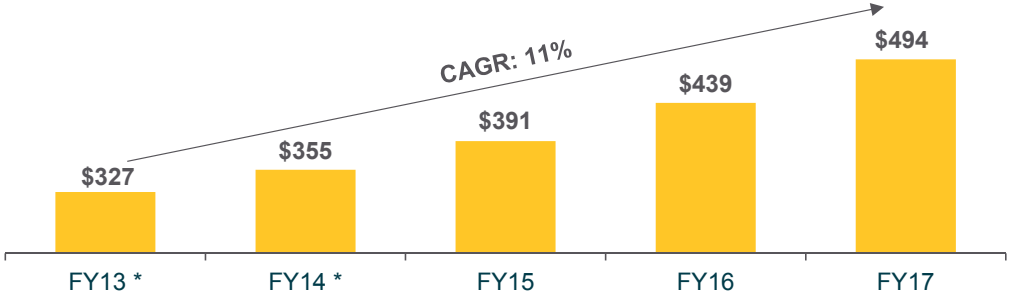
Uncover savings and value and disrupt the industry to drive consistent growth and returns

- Expand member base
- Leverage the supply chain "chassis"
- Integrate analytics capabilities
- Continue to expand product businesses

Supply Chain Services Segment
Net Revenue* ***(in millions)***



Supply Chain Services Segment
Non-GAAP Adj. EBITDA* ***(in millions)***

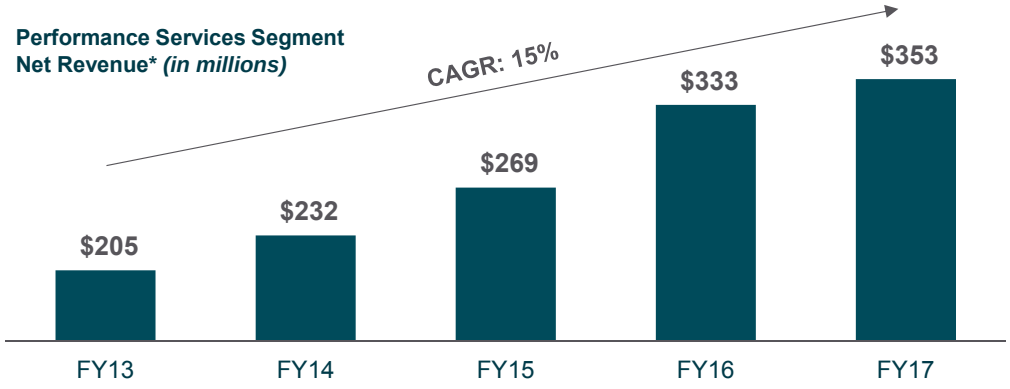


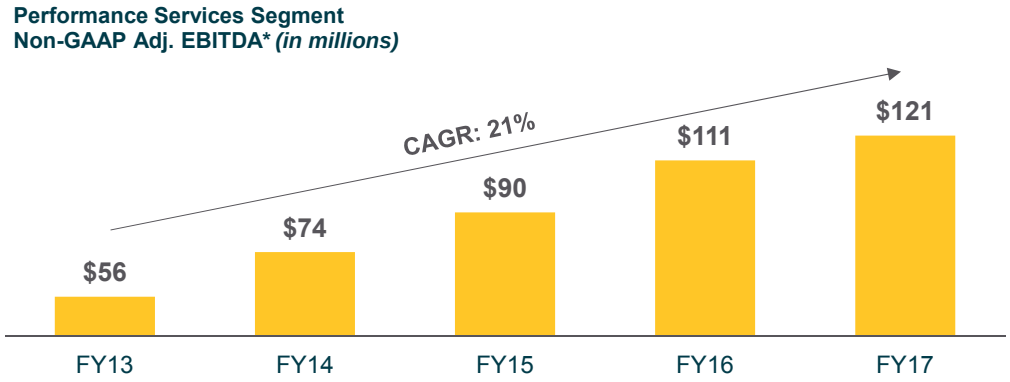
** For periods prior to October 1, 2013, comparisons are with non-GAAP pro forma information that reflects the impact of the company's 2013 reorganization and initial public offering. See non-GAAP reconciliations to GAAP equivalents in Appendix.*

Performance Services historical growth

Leverage analytics and consulting resources to drive economic and clinical transformation

- Co-innovation by leveraging cognitive computing "backbone"
- Navigate the journey to value-based payment models
- Enable care delivery transformation
- Facilitate integrated enterprise analytics through PremierConnect®

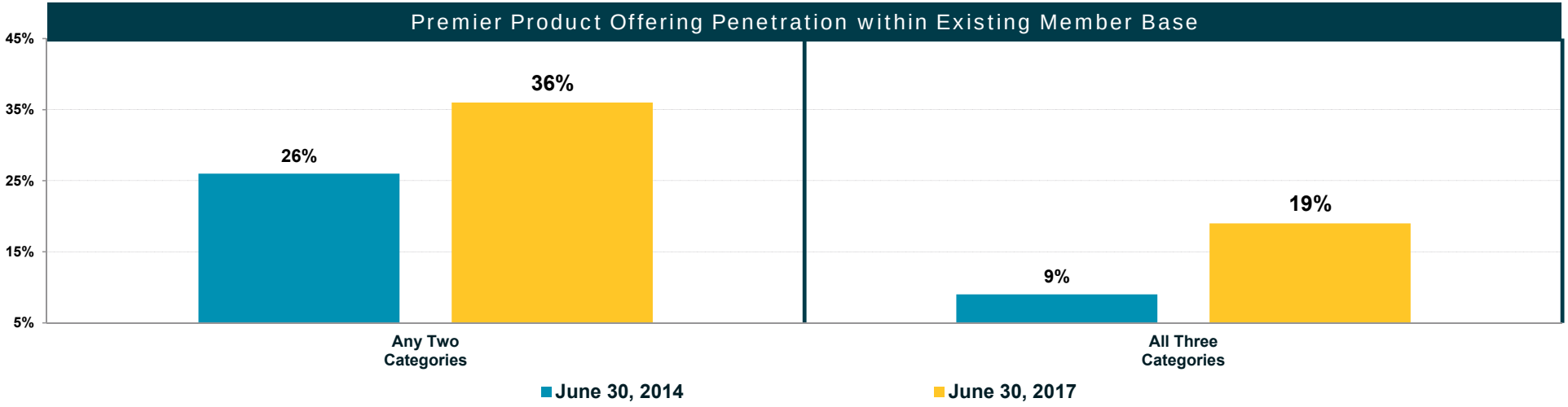




** See non-GAAP reconciliations to GAAP equivalents in Appendix.*

Cross-sell into well-established and expanding member base

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



[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).*

Disciplined diversification strategy with focus on optimizing acquisitions

SYMMEDRx	Meddius	MEMdata Equipping Hospitals	aperek	TheraDoc	S2S GLOBAL [1]	Health Care Systems	Quality	InflowHealth	ACRO	ESSENSA innovatix [3]
Clinical & physician preference cost reduction	Data acquisition from multiple technologies	Health system capital expenditure cost reduction	Supply chain technology enablement	Quality & safety improvement	Direct sourcing	Integrated financial management, cost analytics	Ambulatory performance improvement, professional education, population health	Physician practice operational and financial performance improvement	Specialty pharmacy	Alternate site GPO
JUL 2013	OCT 2013	APR 2014	AUG 2014	SEPT 2014	FEB 2015	JUL 2015	AUG 2015	OCT 2015	AUG 2016	DEC 2016

IPO [2]

✓ strategic fit ✓ financial assessment ✓ execution and culture

[1] *Purchased initial 60% ownership in 2011. Remaining 40% purchased in February 2015.*
[2] *Premier, Inc. initial public offering in October 2013.*
[3] *Previously owned 50% of Innovatix. Remaining 50% was purchased on December 2, 2016.*

Future state: the transformation of healthcare delivery is being shaped by several major evolving forces

Decentralization of Care	Volume to Value	Digitalization	Consumerism / Wellness	Vertical / Horizontal Integration
Decentralization of care delivery in in systems • Virtual care • Remote patient monitoring • Enhanced clinical data sharing • Alternative care settings such as retail	**Value dominates, even with regulatory shifts** • Insurers and therapeutic companies pushing more shared value-based contracts • Real world efficacy of every single solution • Double-sided risk assumption	**Digital transformation is occurring at every node of healthcare** • Optimization of EMRs • Growth of predictive analytics and machine learning • Precision medicine • Blockchain • Workflow and consumer experience	**The consumer is demanding more from their healthcare** • Price transparency • Always connected wellness • Access and management of their health data	**Stakeholders are consolidating to deliver better offerings** • Payer/provider • Retail/provider • Distributor/ manufacturer • Technology connectivity

Premier continues to evolve its strategy to address changing industry dynamics and provider needs

supply chain services

Analytics / Comparative Effectiveness / Resource Utilization

Comprehensive E-enablement

Strategic Sourcing / Predictive Aggregation

Fulfillment / Logistics Partner

Own Total Supply Chain Cost With Members

Connectivity

Master Data Management

Change Management

performance services

Clinical and Cost Analytics

Performance Improvement Services

Population Health Management

Precision Medicine

Own Total Cost and Clinical Performance with Members

Strategic acquisition, investment and partnership opportunities to expand capabilities to meet market and provider needs

supply chain services

- Supply chain analytics
- Workflow
- E-commerce
- Logistics fulfillment

Own Total Supply Chain Metrics with Members

performance services

- Value-based care delivery and payment
- Ambulatory clinical integration
- Research / Applied sciences
- Predictive analytics / Precision medicine

Own Total Outcomes Metrics with Members

Comprehensive data acquisition and management

Emerging technology enablement

Consumer engagement & activation

Vertically integrated services and standardized care

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Spotlight:

Premier's GPO economics / value equation

Efficient GPO model reduces costs for providers and manufacturers*

Net admin fee retained by GPO approximates 1% of product price

** Illustrative for average member owner in fiscal 2017, including 30% fee share and tax distribution.*

Collaborating to ensure consistent, low-cost & efficient supply chain

Member requires

- Best industry pricing with predictive aggregated demand and supply
- Efficient supply chain outcomes
- Confidence in product value
- Clinician confidence
- Value analysis
- E-commerce
- Long-term contracting
- Standardization/compliance
- Priority access
- Analytics
- Most innovative products
- Dedicated supply chain

PREMIER PROVIDES

- **High quality, safety, efficacy at low price**
- **Predictive aggregated supply**
- **Detailed price, comparative effectiveness & resource utilization analytics**
- **Management of shortages safety alerts & recalls**
- **Clinician and SME support**
- **Supplier contract flexibility for technology/pricing innovations**
- **Uniform sourcing process**
- **Disaster response, continuity management**

Supplier requires

- Reduced selling costs
- Aggregated demand
- One-time negotiation
- E-commerce
- Price-activation technology
- Field and SME support
- Dedicated supplier engagement team
- Regulator & recall interaction
- Analytics
- Standardization/compliance

Comparative online pricing survey

Premier compared pricing on the 100 products most frequently purchased* by members against other online retailers, including Amazon Business, NexTag and Google Shopping

the findings

Among all online retailers surveyed:

Competition pricing averaged **72% to 121%** **above** Premier**

*During the period from January – September 2017, based on pricing tiers.
**Pricing averaged during the period from Nov. 15-21, 2017. Statement has been clarified from original slide presented Jan. 9, 2018, to accurately reflect Premier cost savings. Previous slide incorrectly stated "Premier's pricing averaged 72% to 121% below the competition."

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Final thoughts:

Why invest in Premier?

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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
6. Multi-decade role as trusted partner to healthcare providers for performance improvement

appendix

Premier Leadership

Susan **DeVore**

President and CEO
14 years Premier, 28 years healthcare
Cap Gemini Ernst & Young

Mike **Alkire**

Chief Operating Officer
13 years Premier, 13 years healthcare
Cap Gemini Ernst & Young

Craig **McKasson**

Chief Financial Officer
21 years Premier, 24 years healthcare
Ernst & Young

David **Hargraves**

SVP, Supply Chain Services
15 years supply chain
University of Pittsburgh Medical Center (UPMC)

Leigh **Anderson**

SVP and Chief Information Officer
4 years Premier, 21 years healthcare informatics
Hospital Corporation of America, HealthTrust, GHX

Kelly **Rakowski**

SVP, Performance Partners
21 years healthcare
Cap Gemini Ernst & Young, Accenture,
Xerox, GE Healthcare

Note: Experience as of March 1, 2018.

The PremierConnect® Platform

Member owner exchange process has increased liquidity since IPO

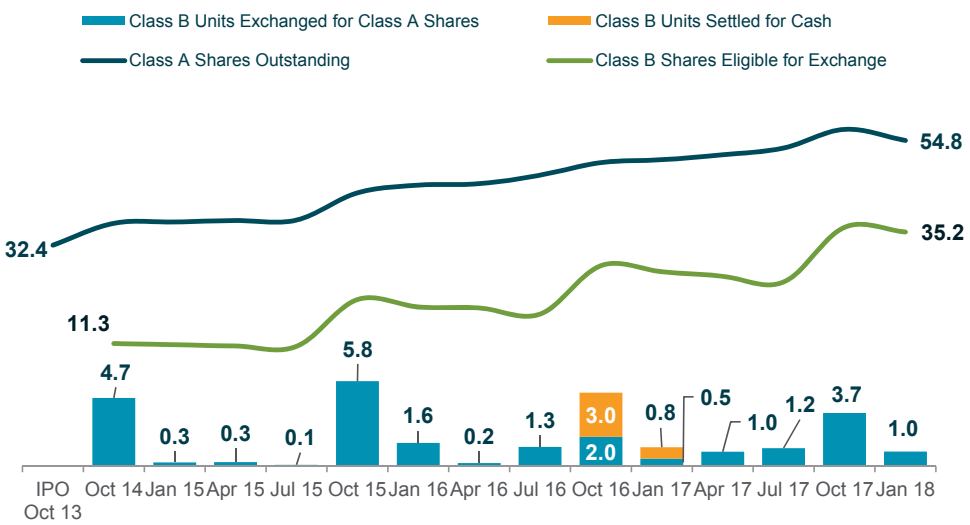
Premier, Inc. formed in 2013 with two classes of stock:

- 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 7-year period.

Member owners currently own ~60%of equity and have exchanged or settled for cash ~44% of shares eligible for exchange. [1]

Quarterly Share Exchange Results
(in millions)



At October 2013	At Jan. 31, 2018
Class B shares: 112.6 *(78%)*	81.2 *(60%)*
Total shares: 145.0 *(100%)*	136.0 *(100%)*

[1] As of January 31, 2018.

Updated fiscal 2018 guidance [1]

Fiscal 2018 Financial Guidance (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	$2.24 - $2.37	19% - 25%

(1) For the year ending June 30, 2018. Updated February 5, 2018. See accompanying page for notes and assumptions to guidance.

Fiscal 2018 annual guidance footnotes and key assumptions *(for year ending June 30, 2018)**

Guidance Footnotes:

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.

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
- 14-18% products revenue growth

Performance Services assumptions:

- Continued demand for integrated offerings of SaaS-based subscription and licensed products, consulting 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; tax reform positive impact on fiscal 2018 non-GAAP free cash flow as percent of non-GAAP adjusted EBITDA expected to approximate 4%
- 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 and earnings per share calculations to reflect an effective tax rate of 39% in the first half of the fiscal year and an effective tax rate of 25% in the second half of the fiscal year as a result of the impact of the Tax Cuts and Jobs Act, resulting in a blended effective tax rate of 32% for fiscal 2018 on a full year basis
- Tax reform is expected to positively impact fiscal 2018 non-GAAP adjusted fully distributed EPS by approximately $0.23, while the share repurchase is expected to add $0.03 to $0.05

*As of February 5, 2018

Structural implications of Premier Inc.

Structure

- Structured as "Up-C" with Premier, Inc. (parent C-Corp) above operating partnership and subsidiaries
- Premier, Inc. formed with two classes of stock
  - Class A shares held by public investors
  - Class B shares allocated to member owners

Impact of IPO and Exchange Process

- ~22% of Limited Partner interests sold to public, ~78% retained by member owners as Class B units
- Class B units eligible to exchange 1/7th per year, over seven-year period
- Exchange of Class B units for Class A shares (on a 1-for-1 basis) as B units become eligible for exchange subject to ROFR by members owners and Premier, Inc.
- Quarterly exchanges, beginning October 31, 2014, have been the primary driver for injecting liquidity into the public market.

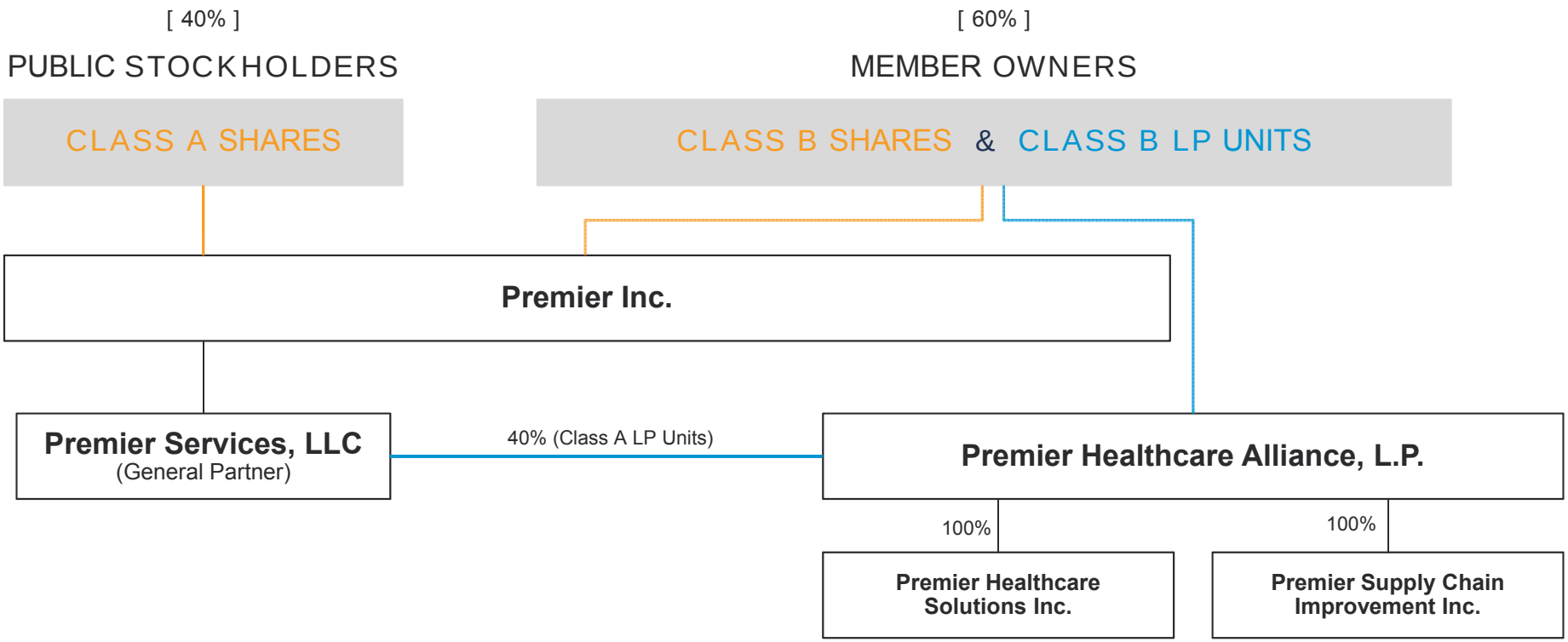
Adjusted fully distributed net income

- Given Up-C structure and differences between taxes paid by our Class A unit holder (Premier GP) vs. distributions to our Class B unit holders (members owners), we calculate Adjusted Fully Distributed Net Income for comparability purposes
- Reflects taxes and net income as if the Company was a C-Corp for all periods presented

Share count

- Class A and Class B shares will be used to calculate fully diluted EPS to eliminate variability due to member exchanges over time

Unique member alignment – ownership structure



Note: % Ownership as of January 31, 2018.

Fiscal 2017, fiscal 2016 and fiscal 2015 non-GAAP reconciliations

The following table provides the reconciliation of net income to Adjusted EBITDA and the reconciliation of income before income taxes to Segment Adjusted EBITDA (in thousands). Refer to "Our Use of Non-GAAP Financial Measures" in our most recently filed Form 10-K for further information regarding items excluded in our calculation of Adjusted EBITDA and Segment Adjusted EBITDA. **(Slide 1 of 3)**

	Year Ended June 30,		
	2017	2016	2015
Net income	$ 449,477	$ 235,161	$ 234,785
Interest and investment loss (income), net	4,512	1,021	(866)
Income tax expense	81,814	49,721	36,342
Depreciation and amortization	58,884	51,102	45,186
Amortization of purchased intangible assets	48,327	33,054	9,136
EBITDA	643,014	370,059	324,583
Stock-based compensation	26,860	49,081	28,498
Acquisition related expenses	15,790	15,804	9,037
Strategic and financial restructuring expenses	31	268	1,373
Adjustment to tax receivable agreement liabilities	(5,447)	(4,818)	—
ERP implementation expenses	2,028	4,870	—
Acquisition related adjustment - revenue	18,049	5,624	13,371
Remeasurement gain attributable to acquisition of Innovatix	(205,146)	—	—
Loss on disposal of long-lived assets	2,422	—	15,243
Loss on FFF Enterprises, Inc. put and call rights	3,935	—	—
Other expense, net	55	87	1,070
Adjusted EBITDA	**$ 501,591**	**$ 440,975**	**$ 393,175**

Fiscal 2017, fiscal 2016 and fiscal 2015 non-GAAP reconciliations

The following table provides the reconciliation of net income to Adjusted EBITDA and the reconciliation of income before income taxes to Segment Adjusted EBITDA (in thousands). Refer to "Our Use of Non-GAAP Financial Measures" in our most recently filed Form 10-K for further information regarding items excluded in our calculation of Adjusted EBITDA and Segment Adjusted EBITDA. **(Slide 2 of 3)**

	Year Ended June 30,		
	2017	2016	2015
Income before income taxes	$ 531,291	$ 284,882	$ 271,127
Remeasurement gain attributable to acquisition of Innovatix	(205,146)	—	—
Equity in net income of unconsolidated affiliates	(14,745)	(21,647)	(21,285)
Interest and investment loss (income), net	4,512	1,021	(866)
Loss on disposal of long-lived assets	2,422	—	15,243
Other expense (income), net	(614)	1,692	1,823
Operating income	**317,720**	**265,948**	**266,042**
Depreciation and amortization	58,884	51,102	45,186
Amortization of purchased intangible assets	48,327	33,054	9,136
Stock-based compensation	26,860	49,081	28,498
Acquisition related expenses	15,790	15,804	9,037
Strategic and financial restructuring expenses	31	268	1,373
Adjustment to tax receivable agreement liabilities	(5,447)	(4,818)	—
ERP implementation expenses	2,028	4,870	—
Acquisition related adjustment - revenue	18,049	5,624	13,371
Equity in net income of unconsolidated affiliates	14,745	21,647	21,285
Deferred compensation plan income (expense)	4,020	(1,605)	(753)
Other income	584	—	—
Adjusted EBITDA	**$ 501,591**	**$ 440,975**	**$ 393,175**

Fiscal 2017, fiscal 2016 and fiscal 2015 non-GAAP reconciliations

The following table provides the reconciliation of net income to Adjusted EBITDA and the reconciliation of income before income taxes to Segment Adjusted EBITDA (in thousands). Refer to "Our Use of Non-GAAP Financial Measures" in our most recently filed Form 10-K for further information regarding items excluded in our calculation of Adjusted EBITDA and Segment Adjusted EBITDA. **(Slide 3 of 3)**

	Year Ended June 30,		
	2017	2016	2015
Segment Adjusted EBITDA:			
Supply Chain Services	$ 493,763	$ 439,013	$ 391,180
Performance Services	121,090	110,787	90,235
Corporate	(113,262)	(108,825)	(88,240)
Adjusted EBITDA	**$ 501,591**	**$ 440,975**	**$ 393,175**

Fiscal 2017, fiscal 2016 and fiscal 2015 non-GAAP reconciliations

The following table shows the reconciliation of net income (loss) attributable to stockholders to Non-GAAP Adjusted Fully Distributed Net Income and the reconciliation of the numerator and denominator for earnings (loss) per share attributable to stockholders to Non-GAAP Adjusted Fully Distributed Earnings per Share for the periods presented (in thousands). Refer to "Our Use of Non-GAAP Financial Measures" in our most recently filed Form 10-K for further information regarding items excluded in our calculation of Non-GAAP Adjusted Fully Distributed Net Income and Non-GAAP Adjusted Fully Distributed Earnings per Share. **(Slide 1 of 3)**

	Year Ended June 30,		
	2017	**2016**	**2015**
Net income (loss) attributable to stockholders	$ 76,249	$ 818,364	$ (865,292)
Adjustment of redeemable limited partners' capital to redemption amount	37,176	(776,750)	904,035
Net income attributable to non-controlling interest in Premier LP	336,052	193,547	194,206
Income tax expense	81,814	49,721	36,342
Amortization of purchased intangible assets	48,327	33,054	9,136
Stock-based compensation	26,860	49,081	28,498
Acquisition related expenses	15,790	15,804	9,037
Strategic and financial restructuring expenses	31	268	1,373
Adjustment to tax receivable agreement liabilities	(5,447)	(4,818)	—
ERP implementation expenses	2,028	4,870	—
Acquisition related adjustment - revenue	18,049	5,624	13,371
Remeasurement gain attributable to acquisition of Innovatix	(205,146)	—	—
Loss on disposal of long-lived assets	2,422	—	15,243
Loss on FFF Enterprises, Inc. put and call rights	3,935	—	—
Other expense, net	55	—	1,000
Non-GAAP adjusted fully distributed income before income taxes	438,195	388,765	346,949
Income tax expense on fully distributed income before income taxes [(a)]	170,896	155,506	138,780
Non-GAAP Adjusted Fully Distributed Net Income	**$ 267,299**	**$ 233,259**	**$ 208,169**

(a) Reflects income tax expense at an estimated effective income tax rate of 39% of Non-GAAP adjusted fully distributed income before income taxes for the year ended June 30, 2017 and 40% of Non-GAAP adjusted fully distributed income before income taxes for the years ended June 30, 2016 and 2015 . The decrease in the estimated effective income tax rate during the year ended June 30, 2017 is primarily attributed to a 1% decrease in the North Carolina state income tax rate that occurred during the three months ended September 30, 2016.

Fiscal 2017, fiscal 2016 and fiscal 2015 non-GAAP reconciliations

The following table shows the reconciliation of net income (loss) attributable to stockholders to Non-GAAP Adjusted Fully Distributed Net Income and the reconciliation of the numerator and denominator for earnings (loss) per share attributable to stockholders to Non-GAAP Adjusted Fully Distributed Earnings per Share for the periods presented (in thousands). Refer to "Our Use of Non-GAAP Financial Measures" in our most recently filed Form 10-K for further information regarding items excluded in our calculation of Non-GAAP Adjusted Fully Distributed Net Income and Non-GAAP Adjusted Fully Distributed Earnings per Share. **(Slide 2 of 3)**

	Year Ended June 30,		
	2017	**2016**	**2015**
Reconciliation of denominator for earnings (loss) per share attributable to stockholders to Non-GAAP Adjusted Fully Distributed Earnings per Share			
Weighted average:			
Common shares used for basic and diluted earnings (loss) per share	49,654	42,368	35,681
Potentially dilutive shares	720	2,366	1,048
Conversion of Class B common units	90,816	100,574	108,518
Weighted average fully distributed shares outstanding - diluted	**141,190**	**145,308**	**145,247**

Fiscal 2017, fiscal 2016 and fiscal 2015 non-GAAP reconciliations

The following table shows the reconciliation of net income (loss) attributable to stockholders to Non-GAAP Adjusted Fully Distributed Net Income and the reconciliation of the numerator and denominator for earnings (loss) per share attributable to stockholders to Non-GAAP Adjusted Fully Distributed Earnings per Share for the periods presented (in thousands). Refer to "Our Use of Non-GAAP Financial Measures" in our most recently filed Form 10-K for further information regarding items excluded in our calculation of Non-GAAP Adjusted Fully Distributed Net Income and Non-GAAP Adjusted Fully Distributed Earnings per Share. **(Slide 3 of 3)**

	Year Ended June 30,		
	2017	2016	2015
Earnings (loss) per share attributable to stockholders	$ 1.54	$ 19.32	$ (24.25)
Adjustment of redeemable limited partners' capital to redemption amount	0.75	(18.33)	25.34
Net income attributable to non-controlling interest in Premier LP	6.77	4.57	5.44
Income tax expense	1.65	1.17	1.02
Amortization of purchased intangible assets	0.97	0.78	0.26
Stock-based compensation	0.54	1.16	0.80
Acquisition related expenses	0.32	0.37	0.25
Strategic and financial restructuring expenses	—	0.01	0.04
Adjustment to tax receivable agreement liabilities	(0.11)	(0.11)	—
ERP implementation expenses	0.04	0.11	—
Acquisition related adjustment - revenue	0.36	0.13	0.37
Remeasurement gain attributable to acquisition of Innovatix	(4.13)	—	—
Loss on disposal of long-lived assets	0.05	—	0.43
Loss on FFF Enterprises, Inc. put and call rights	0.08	—	—
Impact of corporation taxes [(a)]	(3.45)	(3.67)	(3.90)
Impact of dilutive shares [(b)]	(3.49)	(3.90)	(4.40)
Non-GAAP Adjusted Fully Distributed Earnings Per Share	**$ 1.89**	**$ 1.61**	**$ 1.43**

(a) Reflects income tax expense at an estimated effective income tax rate of 39% of Non-GAAP adjusted fully distributed income before income taxes for the year ended June 30, 2017 and 40% of Non-GAAP adjusted fully distributed income before income taxes for the years ended June 30, 2016 and 2015 . The decrease in the estimated effective income tax rate during the year ended June 30, 2017 is primarily attributed to a decrease in the North Carolina state income tax rate that occurred during the year ended June 30, 2017.

(b) Reflects impact of dilutive shares, which are primarily attributable to the assumed conversion of all Class B common units into shares of Class A common stock.

Fiscal 2017 and fiscal 2016 non-GAAP reconciliations

We define Non-GAAP Free Cash Flow as net cash provided by operating activities less distributions and TRA payments to limited partners and purchases of property and equipment. Free cash flow does not represent discretionary cash available for spending as it excludes certain contractual obligations such as debt repayments. A summary of Non-GAAP Free Cash Flow and reconciliation to net cash provided by operating activities for the periods presented follows (in thousands): **(Slide 1 of 1)**

	Year Ended June 30,	
	2017	2016
Net cash provided by operating activities	$ 392,247	$ 371,470
Purchases of property and equipment	(71,372)	(76,990)
Distributions to limited partners of Premier LP	(90,434)	(92,707)
Payments to limited partners of Premier LP related to tax receivable agreements	(13,959)	(10,805)
Non-GAAP Free Cash Flow	**$ 216,482**	**$ 190,968**

Fiscal 2014 and fiscal 2013 non-GAAP reconciliations

The table that follows shows the reconciliation of the numerator and denominator for (loss) earnings per share attributable to stockholders after adjustment of redeemable limited partners' capital to redemption amount to non-GAAP pro forma Adjusted Fully Distributed Earnings Per Share for the periods presented (in thousands): **(Slide 1 of 2)**

	Year Ended June 30,	
	2014	2013
Reconciliation of numerator for (loss) earnings per share to non-GAAP Adjusted Fully Distributed Earnings Per Share:		
Net (loss) income attributable to stockholders after adjustment of redeemable limited partners' capital to redemption amount	$ (2,713,256)	$ 7,376
Adjustment of redeemable limited partners' capital to redemption amount	2,741,588	—
Net income attributable to stockholders	28,332	7,376
Non-GAAP pro forma adjustment for revenue share post-IPO	(41,263)	(105,012)
Income tax expense	27,709	9,726
Stock-based compensation expense	19,476	—
Acquisition related expenses [a]	2,014	—
Strategic and financial restructuring expenses [b]	3,760	5,170
Gain on investment [c]	(38,372)	—
Adjustment to tax receivable agreement liability [d]	6,215	—
Amortization of purchased intangible assets	3,062	1,539
Net income attributable to noncontrolling interest in Premier LP [e]	303,336	369,189
Non-GAAP pro forma fully distributed income before income taxes	314,269	287,988
Income tax expense on fully distributed income before income taxes [f]	125,708	115,195
Non-GAAP pro forma Adjusted Fully Distributed Net Income	**$ 188,561**	**$ 172,793**

(a) Represents legal, accounting and other expenses related to acquisition activities.
(b) Represents legal, accounting and other expenses directly related to the Reorganization and IPO.
(c) Represents the gain on sale of investment in GHX.
(d) Represents adjustment to tax receivable agreement liability for the Premier LP change in tax accounting method approved by the Internal Revenue Service subsequent to the original recording of the tax receivable agreement liability.
(e) Reflects the elimination of the noncontrolling interest in Premier LP as if all member owners of Premier LP had fully exchanged their Class B common units for shares of Class A common stock.
(f) Reflects income tax expense at an estimated effective income tax rate of 40% of income before income taxes assuming the conversion of all Class B common units into shares of Class A common stock and the tax impact of excluding strategic and financial restructuring expenses.

Fiscal 2014 and fiscal 2013 non-GAAP reconciliations

The table that follows shows the reconciliation of actual and pro forma net income to Adjusted EBITDA and the reconciliation of actual and pro forma Segment Adjusted EBITDA to operating income for the periods presented (in thousands). **(Slide 2 of 2)**

	Year Ended June 30,			
	Actual		Pro Forma	
	2014	2013	2014	2013
Segment Adjusted EBITDA:				
Supply Chain Services	$ 396,470	$ 431,628	$ 355,207	$ 326,616
Performance Services	73,898	56,456	73,898	56,456
Corporate [g]	(78,080)	(69,059)	(78,080)	(69,059)
Adjusted EBITDA	392,288	419,025	351,025	314,013
Depreciation and amortization	(36,761)	(27,681)	(36,761)	(27,681)
Amortization of purchased intangible assets	(3,062)	(1,539)	(3,062)	(1,539)
Stock-based compensation expense	(19,476)	—	(19,476)	—
Acquisition related expenses [b]	(2,014)	—	(2,014)	—
Strategic and financial restructuring expenses [c]	(3,760)	(5,170)	(3,760)	(5,170)
Adjustment to tax receivable liability [e]	(6,215)	—	(6,215)	—
Equity in net income of unconsolidated affiliates	(16,976)	(11,968)	(16,976)	(11,968)
Deferred compensation plan expense	(1,972)	—	(1,972)	—
Operating income	**302,052**	**372,667**	**260,789**	**267,655**

(b) Represents legal, accounting and other expenses related to acquisition activities.
(c) Represents legal, accounting and other expenses directly related to strategic and financial restructuring expenses.
(e) Represents adjustment to tax receivable agreement liability for the Premier LP change in tax accounting method approved by the Internal Revenue Service subsequent to the original recording of the TRA liability.
(g) Corporate consists of general and administrative corporate expenses that are not specific to either of our segments.

Fiscal 2014 and fiscal 2013 non-GAAP reconciliations

The table that follows shows the reconciliation of the numerator and denominator for (loss) earnings per share attributable to stockholders after adjustment of redeemable limited partners' capital to redemption amount to non-GAAP pro forma Adjusted Fully Distributed Earnings Per Share for the periods presented (in thousands): **(Slide 1 of 2)**

	Year Ended June 30,	
	2014	2013
Reconciliation of numerator for (loss) earnings per share to non-GAAP Adjusted Fully Distributed Earnings Per Share:		
Net (loss) income attributable to stockholders after adjustment of redeemable limited partners' capital to redemption amount	$ (2,713,256)	$ 7,376
Adjustment of redeemable limited partners' capital to redemption amount	2,741,588	—
Net income attributable to stockholders	28,332	7,376
Non-GAAP pro forma adjustment for revenue share post-IPO	(41,263)	(105,012)
Income tax expense	27,709	9,726
Stock-based compensation expense	19,476	—
Acquisition related expenses [a]	2,014	—
Strategic and financial restructuring expenses [b]	3,760	5,170
Gain on investment [c]	(38,372)	—
Adjustment to tax receivable agreement liability [d]	6,215	—
Amortization of purchased intangible assets	3,062	1,539
Net income attributable to noncontrolling interest in Premier LP [e]	303,336	369,189
Non-GAAP pro forma fully distributed income before income taxes	314,269	287,988
Income tax expense on fully distributed income before income taxes [f]	125,708	115,195
Non-GAAP pro forma Adjusted Fully Distributed Net Income	**$ 188,561**	**$ 172,793**

(a) Represents legal, accounting and other expenses related to acquisition activities.
(b) Represents legal, accounting and other expenses directly related to the Reorganization and IPO.
(c) Represents the gain on sale of investment in GHX.
(d) Represents adjustment to tax receivable agreement liability for the Premier LP change in tax accounting method approved by the Internal Revenue Service subsequent to the original recording of the tax receivable agreement liability.
(e) Reflects the elimination of the noncontrolling interest in Premier LP as if all member owners of Premier LP had fully exchanged their Class B common units for shares of Class A common stock.
(f) Reflects income tax expense at an estimated effective income tax rate of 40% of income before income taxes assuming the conversion of all Class B common units into shares of Class A common stock and the tax impact of excluding strategic and financial restructuring expenses.

Fiscal 2014 and fiscal 2013 non-GAAP reconciliations

The table that follows shows the reconciliation of the numerator and denominator for (loss) earnings per share attributable to stockholders after adjustment of redeemable limited partners' capital to redemption amount to non-GAAP pro forma Adjusted Fully Distributed Earnings Per Share for the periods presented (in thousands). **(Slide 2 of 2)**

	Year Ended June 30,	
	2014	**2013**
Reconciliation of denominator for (loss) earnings per share to non-GAAP Adjusted Fully Distributed Earnings Per Share:		
Weighted Average:		
Common shares used for basic and diluted (loss) earnings per share	25,633	5,858
Potentially dilutive shares	124	—
Class A common stock outstanding	6,742	26,517
Conversion of Class B common units	112,584	112,608
Weighted average fully distributed shares outstanding - diluted	**145,083**	**144,983**

Fiscal 2014 and fiscal 2013 non-GAAP reconciliations

The table that follows shows the reconciliation of (loss) earnings per share attributable to stockholders to non-GAAP pro forma Adjusted Fully Distributed Earnings Per Share for the periods presented:

	Year Ended June 30,	
	2014	2013
(Loss) earnings per share attributable to stockholders after adjustment to redeemable limited partners' capital to redemption amount	$ (105.85)	$ 1.26
Adjustment to redeemable limited partners' capital to redemption amount	106.96	—
Non-GAAP pro forma adjustment for revenue share post-IPO	(1.61)	(17.93)
Impact of additions:		
Income tax expense	1.08	1.66
Stock-based compensation expense	0.76	—
Acquisition related expenses [a]	0.08	—
Strategic and financial restructuring expenses [b]	0.15	0.88
Gain on investment [c]	(1.50)	—
Adjustment to tax receivable agreement liability [d]	0.24	—
Amortization of purchased intangible assets	0.12	0.26
Net income attributable to noncontrolling interest in Premier LP [e]	11.83	63.02
Impact of corporation income tax [f]	(4.90)	(19.66)
Impact of increased share count [g]	(6.06)	(28.31)
Non-GAAP pro forma Adjusted Fully Distributed Earnings Per Share	**$ 1.30**	**$ 1.18**

(a) Represents legal, accounting and other expenses related to acquisition activities.
(b) Represents legal, accounting and other expenses directly related to the Reorganization and IPO. During the fiscal year ended June 30, 2015, strategic and financial restructuring expenses were incurred in connection with the company directed offering conducted pursuant to the Registration Rights Agreement. During the fiscal year ended June 30, 2014, strategic and financial restructuring expenses were incurred in connection with the Reorganization and IPO.
(c) Represents the gain on sale of investment in GHX.
(d) Represents adjustment to tax receivable agreement liability for the Premier LP change in tax accounting method approved by the Internal Revenue Service subsequent to the original recording of the tax receivable agreement liability.
(e) Reflects the elimination of the noncontrolling interest in Premier LP as if all member owners of Premier LP had fully exchanged their Class B common units for shares of Class A common stock.
(f) Reflects income tax expense at an estimated effective income tax rate of 40% of income before income taxes assuming the conversion of all Class B common units into shares of Class A common stock and the tax impact of excluding strategic and financial restructuring expenses.
(g) Reflects impact of increased share count assuming the conversion of all Class B common units into shares of Class A common stock.