

TABULA RASA HEALTHCARE, INC.
UNAUDITED RECONCILIATION OF GAAP TO NON-GAAP MEASURES
(In thousands)

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	(In thousands)			
Reconciliation of Adjusted EBITDA to net income (loss)				
Net loss	\$ (142)	\$ (3,264)	\$ (219)	\$ (3,949)
Add:				
Change in fair value of warrant liability	(626)	3,293	(639)	3,477
Interest expense	1,242	1,468	4,250	4,418
Loss on extinguishment of debt	1,396	—	1,396	—
Income tax (benefit) expense	(164)	36	11	212
Depreciation and amortization	1,276	992	3,415	2,935
Change in fair value of acquisition-related contingent consideration expense (income)	47	(330)	146	(1,348)
Stock-based compensation expense	223	159	481	471
Adjusted EBITDA	<u>\$ 3,252</u>	<u>\$ 2,354</u>	<u>\$ 8,841</u>	<u>\$ 6,216</u>

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	(In thousands except per share amounts)			
Reconciliation of diluted net income (loss) per share attributable to common shareholders to Adjusted Diluted EPS				
Net loss	\$ (142)	\$ (3,264)	\$ (219)	\$ (3,949)
Decretion (accretion) of redeemable convertible preferred stock	2,641	(10,802)	2,439	(12,058)
Undistributed income attributable to redeemable convertible preferred stockholders	(1,271)	—	(1,140)	—
Net income (loss) attributable to common stockholders, basic, and net income (loss) per share attributable to common stockholders, basic	<u>\$ 1,228</u>	<u>\$ 0.25</u>	<u>\$ (14,066)</u>	<u>\$ (3.21)</u>
Decretion of redeemable convertible preferred stock	(2,641)	—	(2,439)	—
Revaluation of warrant liability, net of tax ⁽¹⁾	(661)	—	(675)	—
Adjustment to undistributed income attributable to redeemable convertible preferred	1,271	—	1,140	—
GAAP Net income (loss) attributable to common stockholders, diluted, and net income (loss) per share attributable to common stockholders, diluted	<u>\$ (803)</u>	<u>\$ (0.08)</u>	<u>\$ (14,066)</u>	<u>\$ (3.21)</u>
Adjustments:				
Accretion of redeemable convertible preferred stock	—	10,802	—	12,058
Change in fair value of warrant liability	—	3,293	—	3,477
Loss on extinguishment of debt	1,396	—	1,396	—
Change in fair value of acquisition-related contingent consideration expense (income)	47	(330)	146	(1,348)
Stock-based compensation expense	223	159	481	471
Impact to income taxes ⁽¹⁾	(51)	—	(51)	—
Adjusted net income (loss) attributable to common stockholders and Adjusted Diluted EPS	<u>\$ 812</u>	<u>\$ 0.06</u>	<u>\$ (142)</u>	<u>\$ (0.01)</u>

- (1) Impact to income taxes is calculated by taking the tax provision as determined for GAAP purposes and subtracting a recalculated tax provision that excludes the effect of the respective items added back in determining adjusted net income (loss).

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>September 30,</u>		<u>September 30,</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Reconciliation of weighted average shares of common stock outstanding, diluted, to weighted average shares of common stock outstanding, diluted for Adjusted Diluted EPS				
Weighted average shares of common stock outstanding	4,918,885	4,379,796	4,817,285	4,232,350
Effect of potential dilutive securities:				
Dilutive effect from preferred stock and preferred stock warrants assuming conversion	5,414,838	—	5,414,765	—
Weighted average shares of common stock outstanding, diluted for GAAP	<u>10,333,723</u>	<u>4,379,796</u>	<u>10,232,050</u>	<u>4,232,350</u>
Adjustments:				
Weighted average dilutive effect of stock options	1,994,389	—	1,983,298	—
Weighted average dilutive effect of common shares from stock warrants	203,486	—	266,501	—
Weighted average dilutive effect of restricted stock	3,221	—	1,081	—
Dilutive effect from preferred stock and preferred stock warrants assuming conversion ⁽¹⁾	—	5,353,497	—	5,337,534
Weighted average shares of common stock outstanding, diluted for Adjusted Diluted EPS	<u>12,534,819</u>	<u>9,733,293</u>	<u>12,482,930</u>	<u>9,569,884</u>

- (1) In computing Adjusted Diluted EPS, net income attributable to common stockholders was adjusted to eliminate the effects of outstanding preferred stock and preferred stock warrants. As such, the weighted average share amounts of these potentially dilutive securities were included in the computation of diluted net loss per share attributable to common stockholders for the three and nine months ended September 30, 2015.