



MedAssets Announces Financial Guidance for Full-Year 2010

ATLANTA, Dec 09, 2009 (BUSINESS WIRE) -- **MedAssets, Inc.** (NASDAQ: MDAS) today announced its financial guidance for the full year ending December 31, 2010, as summarized below:

(In millions, except EPS)	FY 2009	FY 2010	% Change
Net Revenue:			(midpoint to midpoint)
Revenue Cycle Management	\$ 206 - 209	\$ 245 - 251	20%
Spend Management	133 - 136	144 - 150	9
Total Net Revenue	341 - 345	390 - 400	15
Diluted Earnings Per Share (EPS)	0.31 - 0.37	0.45 - 0.55	47
Non-GAAP adjusted EBITDA	110 - 114	120 - 128	11
Non-GAAP cash diluted EPS	\$ 0.78 - 0.84	\$ 0.86 - 0.96	11%

Conference Call Information

Time/Date: 8:00 a.m. ET today, Wednesday, December 9, 2009

Phone: 866-811-1812 (or 702-696-4559 international/local), conference code 44749641

Webcast: <http://ir.medassets.com>, "Events & Presentations" page

Replay: Webcast will be archived for at least 30 days, or call 800-642-1687 (conf code 44749641)

About MedAssets

MedAssets (NASDAQ: MDAS) partners with healthcare providers to improve their financial strength by implementing spend management and revenue cycle solutions that help control cost, improve margins and cash flow, increase regulatory compliance, and optimize operational efficiency. MedAssets serves more than 125 health systems, 3,300 hospitals and 30,000 non-acute care healthcare providers. For more information, go to www.medassets.com.

Use of Non-GAAP Financial Information

In order to provide investors with greater insight, promote transparency and allow for a more comprehensive understanding of the information used by management in its financial and operational decision-making, the Company supplements its consolidated financial statements presented on a GAAP basis with non-GAAP financial information, including: EBITDA; adjusted EBITDA; and cash diluted EPS. Reconciliations of these non-GAAP measures to their most directly comparable GAAP measures, where possible, are included in the accompanying financial schedules. Also, see "Use of Non-GAAP Financial Measures" following these financial schedules for more information.

Safe Harbor Statement

This Press Release contains statements that constitute forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. Forward-looking statements contained in this Press Release include the intent, belief or current expectations of the Company and its management team with respect to the Company's future business operations that include, but are not limited to: 2009 and 2010 financial projections; contracted revenue forecasts; and the Company's ability to successfully integrate and capitalize on synergies associated with its past acquisitions. Investors are cautioned that any such forward-looking statements are not guarantees of future performance, and involve risks and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. Important factors currently known to management that could cause actual results to differ materially from those contemplated by the forward-looking statements in this Press Release include, but are not limited to: failure to realize improvements in performance, efficiency and profitability; failure to complete anticipated sales under negotiations; failure to successfully implement revenue backlog; lack of revenue growth; client losses; and adverse developments with respect to the operation or performance of the Company's business units or the market price of its common stock. Additional factors that could cause actual results to differ materially from those contemplated within this Press Release

can also be found in the Company's Risk Factor disclosures in its Form 10-K for the year ended December 31, 2008 filed with the Securities and Exchange Commission and available at <http://ir.medassets.com>. The Company disclaims any responsibility to update any forward-looking statements.

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SUPPLEMENTAL 2009 & 2010 ADJUSTED EBITDA GUIDANCE
RECONCILIATION OF SELECTED NON-GAAP MEASURES TO GAAP MEASURES
(UNAUDITED)

In 000s	Guidance Range for Twelve Months Ending December 31,			
	2009		2010	
	(Low)	(High)	(Low)	(High)
Net Income	\$ 18,100	\$ 21,200	\$ 26,600	\$ 32,400
Depreciation	12,700	12,300	18,600	18,000
Amortization of intangibles	28,000	28,000	23,200	23,200
Amortization of intangibles (included in cost of revenue)	3,200	3,200	3,500	3,500
Interest expense, net	18,200	17,800	14,600	14,100
Income tax expense	12,200	14,300	17,400	21,200
Non-GAAP EBITDA	92,400	96,800	103,900	112,400
Share-based compensation	17,500	17,100	16,500	16,000
Rental income from capitalized building lease	(400)	(400)	(400)	(400)
Purchase accounting adjustments	500	500	-	-
Non-GAAP adjusted EBITDA	\$110,000	\$114,000	\$120,000	\$128,000

SUPPLEMENTAL 2009 & 2010 EARNINGS PER SHARE GUIDANCE
RECONCILIATION OF SELECTED NON-GAAP MEASURES TO GAAP MEASURES
(UNAUDITED)

In 000s, except per share data	Guidance Range for Twelve Months Ending December 31,			
	2009		2010	
	(Low)	(High)	(Low)	(High)
Net Income	\$ 18,100	\$ 21,200	\$ 26,600	\$ 32,400
Diluted EPS	0.31	0.37	0.45	0.55
Non-cash, tax-adjusted acquisition-related intangible amortization	0.29	0.29	0.24	0.24
Non-cash, tax-adjusted share-based compensation	0.18	0.18	0.16	0.17
Non-GAAP cash diluted EPS	\$ 0.78	\$ 0.84	\$ 0.86	\$ 0.96
Fully diluted weighted average shares outstanding	57,400	57,400	59,200	59,200

See "Use of Non-GAAP Financial Measures" following financial schedules for more information on non-GAAP measures.

Use of Non-GAAP Financial Measures

In order to provide investors with greater insight, promote transparency and allow for a more comprehensive understanding of the information used by management and the board of directors in their financial and operational decision-making, the Company supplements its condensed consolidated financial statements presented on a GAAP basis with the following non-GAAP financial information: EBITDA, adjusted EBITDA and cash diluted EPS.

These non-GAAP financial measures may have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Company's results as reported under GAAP. The Company compensates for such limitations by relying primarily on the Company's GAAP results and using non-GAAP financial measures only supplementally. Where possible, the Company provides reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures. Investors are encouraged to carefully review those reconciliations. In addition, because these non-GAAP measures are not measures of financial performance under GAAP and are susceptible to varying calculations, these measures, as defined by the Company, may differ from and may not be comparable to similarly titled measures used by other companies.

The Company defines: EBITDA as net income (loss) before net interest expense, income tax expense (benefit), depreciation and amortization; adjusted EBITDA as net income (loss) before net interest expense, income tax expense (benefit), depreciation and amortization and other non-recurring, non-cash or non-operating items; and adjusted diluted EPS as earnings per share excluding non-cash acquisition-related intangible amortization and non-recurring expense items on a tax-adjusted basis. EBITDA, adjusted EBITDA and adjusted diluted EPS are used by the Company to facilitate a comparison of its operating performance on a consistent basis from period to period and provides for a more complete understanding of factors and trends

affecting our business. These measures assist management and the board of directors and may be useful to investors in comparing the Company's operating performance consistently over time as it removes the impact of its capital structure (primarily interest charges and amortization of debt issuance costs), asset base (primarily depreciation and amortization) and items outside the control of the management team (taxes), as well as other non-cash (purchase accounting adjustments and imputed rental income) and non-recurring items, from the Company's operational results. Adjusted EBITDA also removes the impact of non-cash share-based compensation expense. EBITDA, adjusted EBITDA and adjusted diluted EPS are not measures of liquidity under GAAP, or otherwise, and are not alternatives to cash flow from continuing operating activities.

The Company defines cash diluted EPS as earnings per share excluding non-cash acquisition-related intangible amortization and non-recurring expense items on a tax-adjusted basis and non-cash tax-adjusted share-based compensation expense. Cash diluted EPS is not a measure of liquidity under GAAP, or otherwise, and is not an alternative to cash flow from continuing operating activities. Cash diluted EPS growth is used by the Company as the financial performance metric tied to the vesting of certain equity awards granted pursuant to the Company's Long-Term Performance Incentive Plan. Use of this measure for this purpose allows management and the board of directors to analyze the Company's operating performance on a consistent basis by removing the impact of certain non-cash and non-recurring items from our operations, and by rewarding organic growth and accretive business transactions. As a significant portion of senior management's incentive based compensation is based on the achievement of certain cash diluted EPS growth over time, investors may find such information useful.

Additionally, the Company may provide investors with a contracted revenue estimate, which is a forward-looking operating measure used by management and the board of directors to better understand revenue growth trends within the Company's business segments as it reflects the Company's current estimate of contractually committed revenue to be generated under existing customer contracts in the forward 12-month period. Such information may be useful to investors in their analysis of the Company's revenue growth trends. A reconciliation to the most directly comparable GAAP measure cannot be performed without unreasonable effort.

SOURCE: MedAssets, Inc.

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