UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): July 23, 2010

ALLSCRIPTS-MISYS HEALTHCARE SOLUTIONS, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	000-32085	36-4392754
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (312) 506-1200

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

Executive Leadership Team

Allscripts-Misys Healthcare Solutions, Inc. ("Allscripts") and Eclipsys Corporation ("Eclipsys") have determined that, following completion of the merger (the "Merger") contemplated by their previously announced Agreement and Plan of Merger, the executive leadership will include Glen Tullman as Chief Executive Officer, Lee Shapiro as President, William J. Davis as Chief Financial Officer, Eileen McPartland as Chief Operating Officer, John Gomez as President, Product Strategy and Development, Jeff Surges as President, Sales, Diane Adams as Executive Vice President, Culture and Talent, Laurie McGraw as Chief Client Officer and Kent Alexander as General Counsel. Further, Philip M. Pead, in addition to his role as Chairman of the Board of Directors of Allscripts following completion of the Merger, will work with Allscripts management in four key strategic areas: operational integration; product integration; international growth strategy; and client relationships and partnerships. Finally, Chris E. Perkins, current Chief Financial Officer of Eclipsys, will continue to lead the Integration Management Office of Allscripts following completion of the Merger.

Vesting of Misys Contingent Share Awards

Messrs. Tullman, Shapiro and Davis hold certain equity incentive awards consisting of shares of Misys plc ("Misys") stock granted on October 28, 2008 pursuant to The Misys Omnibus Share Plan. Messrs. Tullman, Shapiro and Davis were awarded 298,360, 198,907 and 198,907 Misys shares, respectively, referred to as "Contingent Share Awards." The Contingent Share Awards normally would vest on October 28, 2011 subject to the achievement of Misys earnings-per-share performance measures.

On July 23, 2010 the Remuneration Committee of Misys approved that the Contingent Share Awards of Messrs. Tullman, Shapiro and Davis will vest in full upon the closing of the previously announced "Coniston Transactions," which include: (i) the exchange of approximately 61.3 million shares of common stock of Allscripts for 100% of the issued and outstanding shares of an indirect subsidiary of Misys that will hold approximately 61.3 million shares of Allscripts common stock, (ii) the sale by Misys of shares of Allscripts common stock in an underwritten secondary public offering and (iii) the repurchase by Allscripts from Misys of approximately 24.4 million shares of Allscripts common stock. In the absence of such Remuneration Committee decision, the Contingent Share Awards would vest on a pro-rated basis according to the time elapsed during the performance period and the level of achievement of the performance measures. The Remuneration Committee made its decision after considering the terms of the employment agreements (the "2008 Employment Agreements") with Messrs. Tullman, Davis and Shapiro that were entered into in connection with the closing of the transactions (the "2008 Misys Transactions") contemplated by that certain Agreement and Plan of Merger by and among Misys, Misys Healthcare Systems, LLC and Allscripts on October 10, 2008. As previously disclosed, in the absence of the entry into these 2008 Employment Agreements, each of Messrs. Tullman, Davis and Shapiro would have, among other things, been entitled to terminate his employment with Allscripts and receive change in control payments as a result of the consummation of the 2008 Misys Transactions.

The full vesting of the Contingent Share Awards for Messrs. Tullman, Shapiro and Davis will result in the vesting of at least an additional one-third of the total Contingent Share Awards granted to each of them, but the exact number and value of the additional vested shares will not be known until the date of the closing of the Coniston Transaction is known and the achievement of the performance measures is determined.

On August 10, 2010, the closing sale price of a Misys ordinary share on the London Stock Exchange was 265.00 pence sterling, or approximately $4.18.

Debt Commitment

As previously disclosed, Allscripts signed a commitment letter with JPMorgan Chase Bank, N.A., Barclays Bank PLC, UBS Loan Finance LLC and certain of their affiliates providing for certain revolving and term loan facilities in an aggregate amount up to $720 million (the "Debt Commitment Letter"). In connection with the syndication of the credit facilities, Allscripts expects certain changes in the final terms thereof from the terms of the Debt Commitment Letter. Instead of $570 million of senior secured term loan facilities and a $150 million senior secured revolving facility, Allscripts expects the facilities at the closing to provide for a $470 million senior secured term loan facility and a $250 million senior secured revolving facility, each of which is expected to have a five year term and to close upon the closing of the Coniston Transactions (the "Financing"). Additional information regarding the terms of the expected Financing is contained in the pro forma financial information filed as Exhibit 99.2.

Historical Eclipsys and Pro Forma Financial Information

Filed as exhibits hereto are certain historical financial statements of Eclipsys and unaudited pro forma condensed combined financial statements giving effect to the Merger, the Financing and the other transactions described in the accompanying notes. There can be no assurance that the Merger, the Financing and the other transactions described in the accompanying notes will be consummated on the terms described herein or at all.

Important Information for Investors and Stockholders

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. This communication is being made in respect of the proposed merger transaction involving Allscripts-Misys Healthcare Solutions, Inc. ("Allscripts") and Eclipsys Corporation ("Eclipsys"). In connection with the proposed transaction, Allscripts and Eclipsys have each filed with the SEC a definitive joint proxy statement, which also constitutes a prospectus of Allscripts and an information statement for Allscripts' stockholders. Allscripts and Eclipsys have each mailed the definitive joint proxy statement/prospectus/information statement to their respective stockholders on or about July 15, 2010. BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, INVESTORS AND STOCKHOLDERS ARE URGED TO READ CAREFULLY IN THEIR ENTIRETY THE DEFINITIVE JOINT PROXY STATEMENT/PROSPECTUS/ INFORMATION STATEMENT REGARDING THE PROPOSED TRANSACTION, AND ANY OTHER RELEVANT DOCUMENTS FILED BY EITHER ALLSCRIPTS OR ECLIPSYS WITH THE SEC WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and stockholders of Allscripts and Eclipsys may obtain a free copy of the definitive joint proxy statement/prospectus/information statement, as well as other filings containing information about Allscripts and Eclipsys, without charge, at the website maintained by the SEC (http://www.sec.gov). Copies of the definitive joint proxy statement/prospectus/information statement and the filings with the SEC that are incorporated by reference in the definitive joint proxy statement/prospectus/information statement can also be obtained, without charge, on the investor relations portion of Allscripts' website (www.allscripts.com) or the investor relations portion of Eclipsys' website (www.eclipsys.com) or by directing a request to Allscripts' Investor Relations Department at 222 Merchandise Mart Plaza, Suite 2024, Chicago, Illinois 60654, or to Eclipsys' Investor Relations Department at Three Ravinia Drive, Atlanta, Georgia 30346.

Allscripts and its directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding Allscripts' directors and executive officers is available in Allscripts' proxy statement for its 2009 annual meeting of stockholders and Allscripts' Annual Report on Form 10-K for the year ended May 31, 2010, which were filed with the SEC on August 27, 2009 and July 27, 2010, respectively. Eclipsys and its directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding Eclipsys' directors and executive officers is available in Eclipsys' proxy statement for its 2010 annual meeting of stockholders and Eclipsys' Annual Report on Form 10-K for the year ended December 31, 2009, which were filed with the SEC on March 26, 2010 and February 25, 2010, respectively. Investors and stockholders can obtain free copies of these documents from Allscripts and Eclipsys using the contact information above. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, are contained in the definitive joint proxy statement/prospectus/information statement and other relevant materials that have been filed with the SEC.

Forward-Looking Statements

This communication contains forward-looking statements within the meaning of the federal securities laws. Statements regarding the proposed merger between Eclipsys and Allscripts, the respective stockholder meetings of Eclipsys and Allscripts with respect to the approval of the proposed merger, the proposed total number of shares to be sold, the per share price of such shares, and purchasers in, the secondary offering of Allscripts shares, the anticipated benefits of the proposed transaction, including future financial and operating results, the strategic opportunities available to the combined company, the combined company's plans, objectives, expectations and intentions, platform and product integration, the connection and movement of data among hospitals, physicians, patients and others, merger synergies and cost savings, client attainment of "meaningful use" and accessibility of federal stimulus payments, enhanced competitiveness and accessing new client opportunities, market evolution, the benefits of the combined companies' products and services, the availability of financing, future events, developments, future performance, as well as management's expectations, beliefs, intentions, plans, estimates or projections relating to the future are forward-looking statements within the meaning of these laws. These forward-looking statements are subject to a number of risks and uncertainties, some of which are outlined below. As a result, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of Allscripts, Eclipsys or the combined company or the proposed transaction.

Such risks, uncertainties and other factors include, among other things: any conditions or contingencies imposed in connection with the proposed merger; the ability to obtain governmental approvals of the merger on the proposed terms and schedule contemplated by the parties; the failure of Eclipsys' stockholders to approve the merger agreement; the failure of Allscripts' stockholders to approve the issuance of shares in the merger; the possibility that Eclipsys and/or the Allscripts stockholder meetings could be delayed as a result of pending litigation; the possibility that the proposed transaction does not close, including due to the failure to satisfy the closing conditions; the market factors that could affect the total number of shares and the per share price of the shares sold in the secondary offering of Allscripts shares; the failure of ValueAct Capital to purchase shares of Allscripts in the secondary offering; the possibility that the expected synergies, efficiencies and cost savings of the proposed transaction will not be realized, or will not be realized within the expected time period; potential difficulties or delays in achieving platform and product integration and the connection and movement of data among hospitals, physicians, patients and others; the risk that the contemplated financing is unavailable; the risk that the Allscripts and Eclipsys businesses will not be integrated successfully; disruption from the proposed transaction making it more difficult to maintain business and operational relationships; competition within the industries in which Allscripts and Eclipsys operate; failure to achieve certification under the Health Information Technology for Economic and Clinical Health Act could result in increased development costs, a breach of some customer obligations and could put Allscripts and Eclipsys at a competitive disadvantage in the marketplace; unexpected requirements to achieve interoperability certification pursuant to the Certification Commission for Healthcare Information Technology could result in increased development and other costs for Allscripts and Eclipsys; the volume and timing of systems sales and installations, the length of sales cycles and the installation process and the possibility that Allscripts' and Eclipsys' products will not achieve or sustain market acceptance; the timing, cost and success or failure of new product and service introductions, development and product upgrade releases; competitive pressures including product offerings, pricing and promotional activities; Allscripts' and Eclipsys' ability to establish and maintain strategic relationships; undetected errors or similar problems in Allscripts' and Eclipsys' software products; the outcome of any legal proceeding that has been or may be instituted against Allscripts, Misys plc or Eclipsys and others; compliance with existing laws, regulations and industry initiatives and future changes in laws or regulations in the healthcare industry, including possible regulation of Allscripts' and Eclipsys' software by the U.S. Food and Drug Administration; the possibility of product-related liabilities; Allscripts' and Eclipsys' ability to attract and retain qualified personnel; the implementation and speed of acceptance of the electronic record provisions of the American Recovery and Reinvestment Act of 2009; maintaining Allscripts' and Eclipsys' intellectual property rights and litigation involving intellectual property rights; risks related to third-party suppliers and Allscripts' and Eclipsys' ability to obtain, use or successfully integrate third-party licensed technology; and breach of Allscripts' or Eclipsys' security by third parties. See Allscripts' and Eclipsys' Annual Reports on Form 10-K and Annual Reports to Stockholders for the fiscal years ended May 31, 2010 and December 31, 2009, respectively, the definitive joint proxy statement/prospectus/information statement mailed by Allscripts and Eclipsys to their respective stockholders on or about July 15, 2010, and other public filings with the SEC for a further discussion of these and other risks and uncertainties applicable to Allscripts' and Eclipsys' respective businesses. The statements herein speak only as of their date and neither Allscripts nor Eclipsys undertakes any duty to update any forward-looking statement whether as a result of new information, future events or changes in their respective expectations.

Item 9.01. Financial Statements and Exhibits.

(a) *Financial Statements of Business Acquired.*

The unaudited consolidated financial statements of Eclipsys Corporation as of June 30, 2010 and for the three- and six-month periods ended June 30, 2010 and 2009, and the notes related thereto are incorporated by reference from Eclipsys' Quarterly Report on Form 10-Q for the quarter ended June 30, 2010.

(b) *Pro Forma Financial Information.*

The pro forma financial information as of and for the fiscal year ended May 31, 2010 with respect to the Merger is filed as Exhibit 99.2.

(d) *Exhibits.*

Exhibit No.	Description
99.1	The unaudited condensed consolidated financial statements of Eclipsys Corporation as of June 30, 2010 and for the three- and six-month periods ended June 30, 2010 and 2009, and the notes related thereto are incorporated by reference from Eclipsys' Quarterly Report on Form 10-Q for the quarter ended June 30, 2010.
99.2	Unaudited pro forma condensed combined financial statements.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

	ALLSCRIPTS-MISYS HEALTHCARE SOLUTIONS, INC.
Date: August 10, 2010	By: /s/ William J. Davis
	William J. Davis Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	The unaudited condensed consolidated financial statements of Eclipsys Corporation as of June 30, 2010 and for the three- and six-month periods ended June 30, 2010 and 2009, and the notes related thereto are incorporated by reference from Eclipsys' Quarterly Report on Form 10-Q for the quarter ended June 30, 2010.
99.2	Unaudited pro forma condensed combined financial statements.

Exhibit 99.2

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

The following unaudited pro forma condensed combined financial information combines the historical consolidated financial statements of Allscripts and Eclipsys as adjusted for the Coniston Transactions, the Contingent Share Repurchase and the merger, which we refer to collectively as the Transactions. The merger of Allscripts and Eclipsys will be accounted for as a business combination under ASC 805, *Business Combinations*. For this purpose, Allscripts will be deemed the accounting acquirer, and Eclipsys will be deemed the accounting acquiree. The pre-acquisition combined financial statements of Allscripts will be treated as the historical financial statements of the combined company.

Allscripts has a fiscal year end as of May 31, and Eclipsys has a fiscal year end as of December 31. As permitted by SEC rules and regulations, Allscripts has combined the Allscripts consolidated statement of operations for the twelve-months ended May 31, 2010 with Eclipsys' combined statement of operations for the twelve-months ended June 30, 2010, for purposes of the unaudited pro forma condensed combined financial statements.

The unaudited pro forma condensed combined statement of operations for the year ended May 31, 2010 gives effect to the Transactions as if they had occurred on June 1, 2009. The unaudited pro forma condensed combined balance sheet assumes that the Transactions were completed on May 31, 2010 and combines Allscripts' historical consolidated balance sheet as of May 31, 2010 with Eclipsys' historical consolidated balance sheet as of June 30, 2010.

The unaudited pro forma condensed combined consolidated statement of operations of Allscripts for the twelve-months ended May 31, 2010 was derived from the audited consolidated financial statements of Allscripts for the year ended May 31, 2010 (as filed on Form 10-K with the SEC on July 27, 2010).

The unaudited pro forma condensed consolidated statement of operations of Eclipsys for the twelve-months ended May 31, 2010 was derived from the unaudited consolidated financial statements of Eclipsys for the six-months ended June 30, 2010 (as filed on Form 10-Q with the SEC on August 5, 2010) and the audited consolidated financial statements of Eclipsys for the twelve-months ended December 31, 2009 (as filed on Form 10-K with the SEC on February 25, 2010).

The pro forma adjustments are based upon available information, preliminary estimates and certain assumptions that Allscripts believes are reasonable and are described in the accompanying notes to the unaudited pro forma condensed combined financial information. The unaudited pro forma condensed combined financial information does not take into account (i) any synergies or cost savings that may or are expected to occur as a result of the Transactions or (ii) any non-recurring cash or non-cash charges that Allscripts may incur in connection with the Transactions, the level and timing of which cannot yet be determined. The unaudited pro forma condensed combined financial statements have been prepared in accordance with SEC rules and regulations.

The total purchase price has been preliminarily allocated based on available information and preliminary estimates and assumptions that management believes are reasonable. However, the allocation of purchase price has not been finalized and the actual adjustments to Allscripts' financial statements upon the closing of the merger transaction will depend on a number of factors, including additional information available and the net assets on the closing date of the Transaction. Additionally, the value of the identified intangibles is also preliminary and has not been valued at the reporting unit level and potentially, other intangible assets may exist, such as in-process research and development and unfavorable/favorable contracts. Accordingly, there can be no assurance that the final allocation of purchase price will not materially differ from the preliminary allocations reflected in the unaudited pro forma combined financial information.

The unaudited pro forma condensed combined financial information is provided for informational purposes only, is subject to a number of uncertainties and assumptions and does not purport to represent what the combined company's actual performance or financial position would have been if the Transactions had occurred on the dates indicated and does not purport to indicate financial position or results of operations as of any future date or for any future period.

Please refer to the following information in conjunction with this unaudited pro forma condensed combined financial information: the accompanying notes to these unaudited pro forma condensed combined financial statements, Allscripts' and Eclipsys' historical financial statements and the accompanying notes thereto, "Management's Discussion and Analysis of Financial Condition and Results of Operations" from Eclipsys' Annual Report on Form 10-K for the years ended December 31, 2009, from Eclipsys' Quarterly Report on Form 10-Q as of and for the six months ended June 30, 2010, and from Allscripts' Annual Report on Form 10-K for the year ended May 31, 2010.

The Transactions

Pursuant to the Merger Agreement, Arsenal Merger Corp. will merge with and into Eclipsys, with Eclipsys surviving the merger and continuing as a wholly owned subsidiary of Allscripts. If the merger is completed, at the effective time of the merger each share of Eclipsys common stock will convert into the right to receive 1.2 shares of Allscripts common stock.

Pursuant to the Framework Agreement, as amended, Allscripts and Misys agreed, among other things and subject to certain conditions, to reduce Misys' existing indirect ownership interest in Allscripts. As of August 6, 2010, Misys held indirectly 79,811,511 shares of Allscripts common stock, representing approximately 55% of the aggregate voting power of Allscripts' capital stock. Upon completion of the Coniston Transactions described below and if Misys elects to exercise its right to require Allscripts to repurchase shares from Misys after the closing of the merger pursuant to the Contingent Share Repurchase described below, Misys' equity stake in Allscripts following the merger is expected to be approximately 13%.

Subject to the terms and conditions of the Framework Agreement, as amended, Misys and Allscripts agreed that:

- 100% of the issued and outstanding shares of an indirect subsidiary of Misys, which we refer to as Newco, and which will hold 61,308,295 shares of Allscripts common stock, will be transferred to Allscripts in exchange for 61,308,295 newly issued shares of Allscripts common stock (which shares we refer to as the Exchange Shares, and which transaction we refer to as the Exchange);
- Allscripts will repurchase from indirect subsidiaries of Misys 24,442,083 shares of Allscripts common stock at an aggregate purchase price of $577.4 million (which shares we refer to as the Repurchase Shares, and which transaction we refer to as the Share Repurchase), which includes a payment of a premium of $117.4 million in connection with the sale by Misys of its controlling interest in Allscripts;
- Misys, directly or through one or more of its subsidiaries, will sell at least 25 million shares of Allscripts common stock in an underwritten secondary public offering, as described below (which shares we refer to as the Secondary Offering Shares and which transaction we refer to as the Secondary Offering); and
- if the merger is completed, Misys will have the right to request that Allscripts repurchase from Misys or from one or more of its indirect subsidiaries 5,313,807 additional shares of Allscripts common stock at an aggregate purchase price of $101.6 million, which includes a payment of a premium of $1.6 million (which shares we refer to as the Contingent Share Repurchase Shares, and which transaction we refer to as the Contingent Share Repurchase), which right may be exercised for up to 10 days after completion of the merger.

Basis of Presentation

The unaudited pro forma condensed combined financial information has been prepared based on the historical financial information of Allscripts and Eclipsys giving effect to the Transactions and related adjustments described in these notes. Certain note disclosures normally included in the financial statements prepared in accordance with generally accepted accounting principles in the United States have been condensed or omitted as permitted by SEC rules and regulations.

For purposes of determining the number of outstanding shares of Allscripts common stock, this joint proxy statement/prospectus/information statement assumes that Allscripts does not exercise its rights under certain circumstances to issue and sell new shares of Allscripts common stock to satisfy the over-allotment option in the Secondary Offering.

This unaudited pro forma condensed combined financial information is not necessarily indicative of the results of operations that would have been achieved if the Transactions had actually taken place at the dates indicated and does not purport to be indicative of future position or operating results.

Acquisition accounting

Under the acquisition method, the purchase price is allocated to the assets acquired and liabilities assumed based on their estimated fair values, with any excess of the purchase price over the estimated fair value of the identifiable net assets acquired recorded as goodwill.

The cost of acquisition and related purchase price allocation included in the accompanying unaudited pro forma condensed combined financial statements is based on a preliminary evaluation of the fair value of the assets and liabilities assumed of Eclipsys and may change when the final valuation of certain intangible assets and acquired working capital is determined. Given a complete change in accounting basis of Eclipsys, the cost of acquisition represents the total fair value of Eclipsys at the date of acquisition. The total fair value of Eclipsys was calculated by the outstanding common shares of Eclipsys and the closing share price of Allscripts on August 6, 2010. The ultimate purchase price will change based on movements in Allscripts' share price until the final closing date.

The following represents the preliminary allocation of the cost of acquisition (in millions):

Shares eligible for conversion (including stock equivalents)	59.574
Common stock exchange ratio per share	1.2
Equivalent new shares issued (par value $0.01)	71.489
Allscripts common stock price on August 6, 2010	$ 16.85
Total preliminary purchase price	$1,204.6

The purchase price will be computed using the value of Allscripts common stock on the closing date, therefore the actual purchase price will fluctuate with the market price of Allscripts common stock until the Transaction is closed. As a result, the final purchase price could differ significantly from the current estimate, which could materially impact the pro forma financial statements.

The following table provides sensitivities to changes in purchase price due to changes in the per share price of Allscripts common stock (in millions, except per share amounts):

	Price of Allscripts Common Stock	Exchange Ratio	Calculated per Share Value of Eclipsys Common Stock	Eclipsys Shares to be Acquired	Total Purchase Price
As of August 6, 2010	$ 16.85	1.2	$ 20.22	59.574	$1,204.6
Decrease of 10%	$ 15.17	1.2	$ 18.20	59.384	$ 1,080.8
Increase of 10%	$ 18.54	1.2	$ 22.25	59.818	$ 1,331.0

Allscripts cash balances are expected to decrease by approximately $58.6 million for deal related costs that will be paid subsequent to May 31, 2010 upon completion of the Transactions, which primarily consist of approximately $41.4 million in investment banker fees, $3.8 million in executive management bonuses, $6.3 million in legal costs, $2.1 million integration consulting costs and $5.0 million in professional fees and other integration related costs. Approximately $21.8 million of the total deal related costs represent debt issuance costs that will be capitalized on the balance sheet, $3.8 million of Eclipsys executive management bonuses which will be accounted for in acquisition accounting and the remaining $33.0 million in deal related costs will be expensed as incurred.

The following represents the allocation of the total purchase price based on management's preliminary valuation (in millions):

Total preliminary purchase consideration	$1,204.6
Less historical Eclipsys' net assets acquired:	
Cash, marketable securities and restricted cash	183.1
Accounts receivable	120.4
Fixed assets	61.9
Goodwill, intangible assets and software development costs	184.9
Deferred tax assets	79.1
Other assets	59.0
Current deferred revenue	(141.4)
Other current liabilities	(68.2)
Long-term debt	(0.6)
Other liabilities	(20.2)
Total historical Eclipsys' net assets acquired	458.0

Excess purchase price over adjusted historical net assets acquired	746.6
Deferred income taxes associated with pro forma adjustments	135.9
Reclassification of existing Eclipsys capitalized software development costs to acquired intangible assets	54.3
Liability related to Eclipsys executive management bonuses	3.8
Step-up of net intangible assets	(360.4)
Fair value adjustment to deferred revenues	(42.3)
Pro forma adjustment to goodwill	$537.9

Net tangible assets were valued at their respective carrying amounts as management believes that these amounts approximate their current fair values. Eclipsys' net tangible assets were $273.1 million as of June 30, 2010, excluding goodwill and other intangible assets of $184.9 million. In addition, a liability of $3.8 million will be established in conjunction with the merger as a result of certain executive compensation arrangements. The following table represents the allocation of the purchase price to the condensed combined balance sheet (in millions):

Net tangible assets	$ 273.1
Goodwill	637.9
Identifiable intangible assets	391.0
Reduction in deferred revenue	42.3
Deferred taxes on acquired identifiable intangible assets and deferred revenue	(135.9)
Liability related to executive compensation arrangements	(3.8)
Total preliminary purchase price	$1,204.6

Goodwill represents the excess of the purchase price over the fair value of net tangible and identifiable intangible assets acquired. Goodwill is not amortized; rather it is tested for impairment on an annual basis or between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value below its carrying value. In the event that we determine that the value of goodwill has become impaired, we will incur an accounting charge for the amount of impairment during the fiscal quarter in which such determination is made.

Identifiable intangible assets acquired consist of acquired technology and customer relationships. The fair value of identifiable intangible assets is based on a preliminary estimate of fair value. Net tangible assets were valued at their respective carrying amounts, which we believe approximate fair market value, except for adjustments to deferred revenues.

Unaudited Pro Forma Condensed Combined Balance Sheet

As of May 31, 2010

	Historical Allscripts	Historical Eclipsys*	Share Repurchase Pro Forma Adjs.	Eclipsys Merger Pro Forma Adjs.	Pro Forma Combined
			(In thousands, except per share data)		
Assets					
Current assets:					
Cash and cash equivalents	$ 143,410	$ 143,284	($ 29,200) A	($ 36,803) B	$ 220,691
Restricted cash	—	2,495			2,495
Accounts receivable, net	181,920	120,421			302,341
Deferred income taxes	29,042	—			29,042
Inventories	3,184	—			3,184
Prepaid expenses and other current assets	50,598	47,149			97,747
Total current assets	408,154	313,349	(29,200)	(36,803)	655,500
Long-term marketable securities	1,925	37,345			39,270
Fixed assets, net	24,637	61,894			86,531
Software development costs, net	29,900	54,282		(54,282) C	29,900
Deferred income taxes	—	79,145		(79,145) F	—
Intangible assets, net	206,642	30,590		360,389 C	597,621
Goodwill	413,390	100,008		537,911 D	1,051,309
Other assets	10,042	11,835	66,277 A, M		88,154
Total assets	$1,094,690	$ 688,448	$ 37,077	$ 728,070	$2,548,285
Liabilities					
Current liabilities:					
Accounts payable	$ 32,295	$ 22,300			$ 54,595
Accrued expenses	56,495	—			56,495
Accrued compensation	18,206	21,624			39,830
Deferred revenue	103,984	141,415		(40,468) E	204,931
Other current liabilities	1,113	24,312		15,782 F	41,207
Total current liabilities	212,093	209,651	—	(24,685)	397,059
Long-term debt	—	594	570,000 A	—	570,594
Deferred income taxes	71,264	—		40,962 F	112,226
Other liabilities	4,508	20,240	45,000 M	(1,860) E	67,888
Total liabilities	287,865	230,485	615,000	14,417	1,147,767
Stockholders' equity and net parent investment:					
Preferred stock	—	—			—
Common stock	1,464	576		139 J	2,179
Treasury stock	—	—	(577,400) A	—	(577,400)
Additional paid in capital	889,738	612,142		591,739 J	2,093,619
Accumulated deficit	(84,421)	(154,941)	(523) A	121,961 J	(117,924)
Accumulated other comprehensive loss	44	186		(186) J	44
Total stockholders' equity and net parent investment	806,825	457,963	(577,923)	713,653	1,400,518
Total liabilities and stockholders' equity and net parent investment	$1,094,690	$ 688,448	$ 37,077	$ 728,070	$2,548,285

* As of June 30, 2010.

See accompanying notes to the unaudited pro forma condensed combined financial information.

Unaudited Pro Forma Condensed Combined Statement of Operations

For the Twelve-Months Ended May 31, 2010

	Historical Allscripts	Historical Eclipsys*	Share Repurchase Pro Forma Adjs.	Eclipsys Merger Pro Forma Adjs.	Pro Forma Combined
	(In thousands, except per share data)				
Revenue:					
Software and related services (including maintenance)	$ 403,098	$ 424,753			$ 827,851
Professional services	75,439	97,219			172,658
Transaction processing	225,965	—			225,965
Total software and services revenue	704,502	521,972	—	—	1,226,474
Prepackaged medications	—	—			—
Total revenue	704,502	521,972	—	—	1,226,474
Cost of revenue:					
Software and related services (including maintenance)	167,418	227,060		$ 531 C	395,010
Professional services	66,561	75,071			141,632
Transaction processing	81,679	—			81,679
Total software and services cost of revenue	315,658	302,132	—	531	618,321
Prepackaged medications	—	—			—
Total cost of revenue	315,658	302,132	—	531	618,321
Gross profit	388,844	219,841	—	(531)	608,153
Operating expenses:					
Selling, general and administrative expenses	224,995	124,972			349,967
Research and development	49,206	64,144			113,350
Restructuring	—	—			—
Amortization of intangible assets	10,060	2,848		6,776 C	19,683
Income from operations	104,583	27,876	—	(7,307)	125,152
Interest expense	(1,993)	(1,235)	(27,057) G	1,235 G	(29,050)
Interest income and other, net	946	(467)			479
Income before income taxes	103,536	26,174	(27,057)	(6,072)	96,582
Provision for income taxes	(40,666)	(11,437)	10,552 H	2,368 H	(39,183)
Net income	$ 62,870	$ 14,737	($16,505)	($ 3,704)	$ 57,399
Net income per share—basic	$ 0.42				$ 0.30
Net income per share—diluted	$ 0.42				$ 0.29
Weighted-average shares outstanding used in computing basic net income per share	145,146		(24,442) I	71,489 I	192,193
Weighted-average shares outstanding used in computing diluted net income per share	148,384		(24,442) I	71,489 I	195,431

* For the twelve-months ended June 30, 2010.

See accompanying notes to the unaudited pro forma condensed combined financial information

Notes To Unaudited Pro Forma Condensed Combined Financial Statements

(A) Pursuant to the Framework Agreement, Allscripts will repurchase shares of its stock held by Misys in the amount of $577.4 million. The repurchase of shares will be financed through borrowings of approximately $100 million under a $250 million senior secured revolving credit facility (the "Revolving Credit Facility"), a $470 million senior secured term loan (the "Term Loan") and $7.4 million of existing cash on hand. Allscripts expects debt issuance costs incurred with respect to the Term Loan and the related $250 million revolving credit facility (collectively, the "Senior Secured Credit Facilities") to be approximately $21.8 million, which issuance costs will be paid with existing cash on hand. See footnote G for further description of these Senior Secured Credit Facilities. These debt issuance costs are expected to be capitalized and amortized over the weighted average maturity date of the Senior Secured Credit Facilities and Allscripts expects to write off approximately $0.5 million of debt issuance costs associated with its existing senior credit facility. Allscripts' existing credit facility will be terminated at the time of the share repurchase. At May 31, 2010 there were no amounts outstanding under the Allscripts credit facility. In addition, pursuant to the Merger Agreement, the Eclipsys credit facility will also be terminated. There were no amounts outstanding under the Eclipsys credit facility at June 30, 2010.

(B) In connection with the acquisition of Eclipsys, Allscripts expects to incur approximately $36.8 million of cash expenses for deal related costs that will be paid subsequent to May 31, 2010 upon completion of the Transactions, which primarily consist of approximately $20.6 million in investment banker fees, $3.8 million in executive management bonuses, $5.3 million in legal costs, $2.1 million integration consulting costs and $5.0 million in professional fees and other integration related costs. These costs are exclusive of the approximately $21.8 million in debt issuance costs described in Footnote A.

(C) Reflects the pro forma impact of the recognized intangible assets of Eclipsys. The preliminary estimate of the step up to fair value of intangible assets acquired of $306.1 million has been allocated to developed technology with useful lives of 7-12 years and customer relationships with useful lives of 15-20 years, net of the impact from reclassifying $54.3 million of software development costs to intangible assets. The preliminary intangible amortization related to the acquired intangible assets is as follows (in millions):

	Preliminary Allscripts intangible asset	Estimated intangible lives (straight-line amortization assumed)	Annual intangible amortization
Preliminary Eclipsys intangible asset valuation	$ 391.0	7-20 years	$ 38.0
Portion of amortization related to acquired technology (A)	$ 227.4	7-12 years	$ 28.4
Less: historical acquired intangible and capitalized software amortization			(27.9)
Amortization adjustment related to acquired technology —adjustment recorded in cost of revenue			0.5

Portion of amortization related to customer relationships and other intangibles (B)	$163.6	15-20 years	$9.6
Less: historical intangible amortization related to customer relationships and other intangibles			(2.8)
Amortization adjustment related to acquired customer relationships and other intangibles —adjustment recorded in operating expenses			6.8
Total amortization (A+B)			$ 7.3

(D) Reflects the pro forma impact of the recognized goodwill of Eclipsys. The preliminary adjustment to estimate the fair value of goodwill is $537.9 million.

(E) Reflects the preliminary fair value adjustment to deferred revenues acquired of Eclipsys. The preliminary fair value represents the preliminary fair value of the future performance obligations based on the estimated cost plus an appropriate profit margin for the deferred revenue balances of Eclipsys as of June 30, 2010. The following adjustments represent the May 31, 2010 balance sheet adjustment (in millions):

	Eclipsys deferred revenue balance at June 30, 2010	Deferred revenue adj. to reflect future service	Adjusted Eclipsys deferred revenue as of May 31, 2010
Short-term	$ 141.4	$ (40.5)	$ 100.9
Long-term (included in other liabilities)	4.1	(1.8)	2.3
Total deferred revenue	$ 145.5	$ (42.3)	$ 103.2

(F) The pro forma adjustment to deferred taxes represents the estimated impact of the pro forma adjustments at a statutory tax rate of 39%. A deferred tax liability of $119.4 million has been recorded based on the preliminary step-up value of $306.1 million that has been allocated to acquired intangible assets as of May 31, 2010. A deferred tax liability of $16.5 million has been recorded based on the preliminary adjustments for deferred revenue of $42.3 million. Additionally, a $79.1 million deferred tax asset for Eclipsys has been reclassified as a deferred tax liability.

Adjustments to deferred tax liabilities are as follows (in millions):

Deferred tax liability for preliminary step-up value for acquired intangible assets	$119.4
Short-term deferred tax liability for deferred revenue adjustment	15.8
Long-term deferred tax liability for deferred revenue adjustment	0.7
Reclassification of long-term deferred tax asset	(79.1)
Pro forma adjustment to deferred taxes	$ 56.8

(G) In conjunction with the announcement of the transactions on June 9, 2010, Allscripts obtained fully underwritten commitments from three banks (the “Underwriters”) to provide financing in the form of $720 million of senior secured credit facilities consisting of a $150 million revolving credit facility and a $570 million term loan (collectively, the “Underwritten Commitment”). Subsequent to June 8, 2010, the Underwriters have obtained commitments from a syndicate of banks to provide financing in the form of $720 million of senior secured credit facilities consisting of the $250 million Revolving Credit Facility and the $470 million senior secured Term Loan. The Senior Secured Credit Facilities are expected to close in conjunction with the share repurchase transaction and will replace the Underwritten Commitment at that time.

The Term Loan is expected to have a five year maturity and will be payable in 20 quarterly installments with 1.25%, 2.50%, 3.75%, 5.00% and 6.25% of the initial aggregate principal amount payable each quarter in Years 1 through 5, respectively, with the remaining principal balance due and payable on the fifth anniversary of the closing date of the merger.

The Term Loan will carry an initial interest rate equal to the Eurodollar Rate plus an applicable margin, which is based on the applicable corporate ratings of the borrower. For purposes of the pro forma financial statements, the resulting effective annual interest rate for the Term Loan is 4.00%. Interest expense associated with the Term Loan for the twelve-months ended May 31, 2010 is $22.4 million.

The $250 million Revolving Credit Facility requires a commitment fee of 0.50% on the average daily unused portion. The pro forma financial statement assumes that there were $100 million of borrowings under the Revolving Credit Facility. The commitment fee associated with the Revolving Credit Facility for the twelve-months ended May 31, 2010 is $0.8 million.

Amortization of debt issuance costs of $21.8 million is estimated to be $5.2 million for the twelve-months ended May 31, 2010.

The following table provides the impact of potential changes of the interest rate on the Term Loan in both dollars and percent change (in millions):

Change in Interest Rate	Pro Forma Interest Expense	% Change
100 basis point increase	$ 28.1	25.0%
50 basis point increase	25.3	12.5%
10 basis point increase	23.0	2.5%
10 basis point decrease	21.9	(2.5)%
50 basis point decrease	19.6	(12.5)%
100 basis point decrease	16.8	(25.0)%

Interest expense associated with Eclipsys' borrowings under its existing credit facility in the amount of $1.2 million for the twelve-months ended May 31, 2010 has been eliminated as this debt is required to be repaid upon completion of the merger. In addition, interest expense associated with Allscripts' borrowings under its existing credit facility in the amount of $1.4 for the twelve-months ended May 31, 2010 has been eliminated.

(H) The pro forma adjustment to income tax expense represents the estimated income tax impact of the pro forma adjustments at a statutory tax rate of 39%.

(I) Pro forma earnings per share (EPS), basic and diluted, includes the addition of 71.5 million shares of common stock which will be issued in conjunction with the closing of the merger and a reduction of 24.4 million shares of common stock from the share repurchase from Misys. The following adjustments represent the changes to basic and diluted weighted average shares (in millions):

	Historical weighted average shares—basic	Share Issuance	Share Repurchase	Pro forma weighted average shares—basic
For the year ended May 31, 2010	145.1	71.5	(24.4)	192.2

	Historical weighted average shares—diluted	Share Issuance	Share Repurchase	Pro forma weighted average shares—diluted
For the year ended May 31, 2010	148.4	71.5	(24.4)	195.5

(J) The following table details the pro forma adjustments to the combined stockholders' equity (in millions):

	Purchase Price Allocation	Stock Issuance for Purchase	Acquisition Related Expenses	Total Pro Forma Adjustments
Common stock	$ (0.6)	$ 0.7	—	$ 0.1
Additional paid in capital	(612.1)	1,203.9	—	591.8
Accumulated deficit	154.9	—	$ (33.0)	121.9
Accumulated other comprehensive loss	(0.2)	—	—	(0.2)

(K) Reclassification entries have been made to Eclipsys' revenue and cost of revenue to realign them with Allscripts' reported results. In addition, Allscripts' software and related services and maintenance revenue and cost of revenue have been combined for presentation purposes.

(L) Effective June 1, 2009, Allscripts adopted accounting guidance which states that unvested share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are considered participating securities and shall be included in the computation of earnings per share pursuant to the two-class method. The two-class method is an earnings allocation formula that treats a participating security as having rights to earnings that would otherwise have been available to common stockholders. Restricted stock units awards granted by Allscripts to certain management-level employees participate in dividends on the same basis as common shares and are nonforfeitable by the holder. As a result, these restricted stock units awards meet the definition of a participating security.

(M) The Framework Agreement provides that Misys will indemnify Allscripts and its affiliates from, among other taxes, taxes imposed on Newco as a result of the share repurchase transaction and certain related restructuring transactions. Under the Framework Agreement, at or prior to the closing of the Coniston Transactions, Misys is required to obtain a bank guarantee in favor of Allscripts in an amount of $168 million to support this indemnification obligation. Misys is also required under the Framework Agreement to indemnify and hold harmless Allscripts and its affiliates from taxes imposed on Newco for periods on and prior to the closing date of the Coniston Transactions and to obtain, at or prior to the closing of the share repurchase transaction, a bank guarantee in favor of Allscripts in an amount of $45 million to support this indemnification obligation.

Allscripts will be the primary obligor for any income taxes related to Newco and will account for this potential tax liability under ASC 740, *Accounting for Income Taxes*. In addition, there will also be an indemnification asset recorded, measured on the same basis as the associated tax liability. We have recorded an adjustment of $45 million to reflect the tax liability and the associated indemnification asset.

The following items are not adjusted for, but are important information to consider when evaluating, the pro forma combined financial information.

(N) As described in "*Description of the Transactions and acquisition and basis of presentation—The Transactions*," Misys will receive a put option that will require, at Misys' option, Allscripts to repurchase an additional 5.3 million shares held by Misys for $101.6 million subject to certain events. The pro forma combined results do not reflect the exercise of this put option since there can be no assurance that Misys will exercise its option. In the event that Misys chose to exercise the put option, the impact on the pro forma combined results would be to decrease cash and marketable securities by $101.6 million, increase Treasury stock by a similar amount and reduce the weighted average shares outstanding. Additionally, the Secondary

Offering does not have an impact on the pro forma combined financial information.

(O) Eclipsys had a $79.1 million deferred tax asset as of June 30, 2010. We have not provided any adjustment to this amount and based on our preliminary analysis we expect the combined company to realize this deferred tax asset after consummation of the merger.