Fiscal 2015 Third Quarter Earnings

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Chief Financial Officer

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HELPING GOVERNMENT SERVE THE PEOPLE®

Forward-looking Statements & Non-GAAP Information

These slides should be read in conjunction with the Company's most recent quarterly earnings press release, along with listening to or reading a transcript of the comments of Company management from the Company's most recent quarterly earnings conference call.

This document may contain non-GAAP financial information. Management uses this information in its internal analysis of results and believes that this information may be informative to investors in gauging the quality of our financial performance, identifying trends in our results, and providing meaningful period-to-period comparisons. These measures should be used in conjunction with, rather than instead of, their comparable GAAP measures. For a reconciliation of non-GAAP measures to the comparable GAAP measures presented in this document, see the Company's most recent quarterly earnings press release.

Throughout this presentation, numbers may not add due to rounding.

A number of statements being made today will be forward-looking in nature. Such statements are only predictions and actual events or results may differ materially as a result of risks we face, including those discussed in our SEC filings. We encourage you to review the summary of these risks in Exhibit 99.1 to our most recent Form 10-K filed with the SEC. The Company does not assume any obligation to revise or update these forward-looking statements to reflect subsequent events or circumstances.

Total Company Results – Third Quarter

($ in millions)	Q3 FY15	Q3 FY14	% Change
Revenue			
Health Services	$ 439.6	$ 305.3	44%
Human Services	132.7	114.6	16%
Total	$ 572.3	$ 419.9	36%
Operating Income			
Health Services	$ 60.0	$ 43.2	39%
Human Services	16.8	13.6	24%
Intangibles Amortization	(3.3)	(1.5)	
Other	(2.5)	-	
Total	$ 71.1	$ 55.2	29%
Operating Margin %	*12.4%*	*13.2%*	
Net Income attributable to MAXIMUS	$ 41.7	$ 34.1	22%
Diluted EPS	$ 0.62	$ 0.49	27%
Adjusted Diluted EPS	$ 0.64	$ 0.49	31%

- Revenue increased 36% driven by organic & acquired growth in both Segments
- Approximately 20% of the top-line growth was organic; remainder attributable to Acentia & Remploy acquisitions
- Revenue unfavorably impacted by currency exchange rates of approximately $20M (or $0.02 diluted earnings per share)
- On a constant currency basis, revenue would have grown 41%
- Q3 effective tax rate was 40% due to greater mix of income from U.S. operations, offset by projects outside U.S. in start-up phase; now estimate an effective tax rate for FY15 of approx. 38%-38.5%
- Net income attributable to MAXIMUS totaled $41.7M or $0.62 per diluted share, included approximately $0.02 acquisition-related expenses
- Excluding $0.02 acquisition expenses, adjusted diluted earnings per share were $0.64

Health Services Segment

($ in millions)	Q3 FY15	Q3 FY14	% Change
Revenue			
Health Services	$ 439.6	$ 305.3	44%
Operating Income			
Health Services	$ 60.0	$ 43.2	39%
Operating Margin %	*13.7%*	*14.2%*	

Revenue

- Delivered another strong quarter of financial results
- Grew 44% compared to prior year period through combination of organic and acquired growth
- Majority growth was organic, with approx. 27% coming from new work and expansion of existing contracts
- Unfavorably impacted by currency headwinds; on a constant currency basis, revenue would have increased 47%

Operating Income & Margin

- Operating income increased to $60.0M
- Operating margin of 13.7%; as expected lower than the same period last year due to:
  - Anticipated volume decline in our U.S. appeals business
  - Larger share of lower-margin cost reimbursable contracts
  - New contracts in start-up phase

Recent Positive Developments

- Scope expansion on a couple of existing domestic health contracts, but expect margin levels to be lower initially
- Awarded a new subcontract with an existing client in our U.S. federal business for a relatively new program; already started work on this health-related contract
- Revenue will materialize from these contracts in Q4 and is the principal reason for increase to FY15 revenue guidance

U.K. Assessment Contract

- The additional revenue in the Health Services Segment will be offset by start-up challenges with Health Assessment Advisory Service (HAAS) contract in the U.K.
- In March 2015, took over the contract from the prior provider; at time of takeover it was a very troubled program
- Many things are going well with the contract and we remain confident that we can bring about positive change to the program over time
- Since our last earnings call, the recruiting and retaining of health care professionals has proved to be tougher than we had anticipated
- As a result, we are experiencing volume and (to a lesser extent) quality variances from our plan, which means lower revenue and profit contributions at this time
- The project is still expected to be profitable for both FY15 and FY16 and we've implemented many initiatives to drive recruitment and increase new applicant retention

HAAS is one of several new programs in start-up and we operate a portfolio of contracts that are in various stages of maturity. As a result, at any given time, our more mature contracts offset our newer programs.

Human Services Segment

($ in millions)	Q3 FY15	Q3 FY14	% Change
Revenue			
Human Services	$ 132.7	$ 114.6	16%
Operating Income			
Human Services	$ 16.8	$ 13.6	24%
Operating Margin %	*12.7%*	*11.9%*	

Revenue

- Revenue grew 16% compared to Q3 FY14
- On a constant currency basis, revenue would have increased 26%
- Increase driven by Remploy acquisition and organic growth in our international welfare-to-work. This increase was offset by detrimental currency impact

Operating Income & Margin

- Operating income totaled $16.8M
- Operating margin was strong at 12.7%

Recently awarded new jobactive contract – Australia

- In latter part of Q3 FY15, experienced a slight tempering from wind-down of previous Job Services Australia contract as we cut over to new jobactive contract on July 1. Felt the transition impact a little bit sooner than expected, but overall view remains unchanged
- Still expect start-up impact of approx. $0.06 to $0.09 of diluted EPS for FY15, with largest impact in Q4
- Contract is still expected to turn profitable by end of Q1 FY16
- Pleased with the transition to new contract

Cash Flows and Balance Sheet

Cash from Operating Activities
- Driven by solid net income and collections

Reconciliation to Free Cash Flow	
$ in millions	**Q3 FY15**
Cash provided from operating activities	$118.9
Cash paid for property, equipment and capitalized software	($25.7)
Free cash flow	$93.2

Reconciliation to free cash flow can be found in financial tables in the Q3 FY15 earnings press release.

Days Sales Outstanding (DSOs)
- DSOs improved to 64 days
- As mentioned last quarter, new U.K. contracts were primary reason behind higher DSOs as of March 31, but as expected we have experienced normal collections on these contracts during Q3 FY15

Acquisitions
- In April, completed acquisitions of Acentia and Remploy, resulting in an increase in amortizations of intangibles
- Acentia: intangible assets are approx. $70M with amortization straight-lined over 14 years – or $5M a year
- Remploy: intangible assets are approx. $4.8M to be amortized over two years – $600,000 per quarter through March 2017
- Borrowed $225M to complete acquisition of Acentia; at June 30, balance on the credit facility was approx. $166M

Cash and Cash equivalents
- At June 30 cash and cash equivalents totaled $81.9M, of which approximately 80% is held outside U.S.

Capital Allocation
- Plans remain unchanged, continue to focus on sensible uses of cash for long-term growth of the business
- Have continued to make further investments in infrastructure and people in support of multi-year strategic objectives of the Company
- Other priority uses of cash continue to be selective M&A, quarterly cash dividend and opportunistic share buyback program

FY15 Guidance

Revenue	$2.10B - $2.14B
Diluted EPS	$2.33 - $2.40

- Updated FY15 revenue guidance driven by expansion on existing contracts and some new work in our U.S. federal business, offset by the weakness in our U.K. start-up
- As a result, we continue to expect FY15 diluted EPS in the range of $2.33 - $2.40

Cash provided from operating activities	$165M - $190M
Free cash flow	$100M - $125M

- Maintaining cash flow guidance for FY15
- Year-to-date cash from operating activities of approximately $180M, we do expect a bias toward upper end of $165M - $190M range
- Technology and infrastructure investments will cause free cash flow to be toward lower end of targeted $100M - $125M range

FY16 Preliminary Guidance

Revenue	$2.4B - $2.5B
Diluted EPS	$2.85 - $3.05

- In middle of annual planning process for FY16
- We have been making investments in IT infrastructure and modernization to ensure that we maintain our competitive position and have required scale and flexibility to continue to grow for years to come
- To date, some of this spend has been cap ex, but further investments in people and other resources to support these initiatives will be needed
- Reminder – we manage an entire portfolio of contracts; in any given year, expect to experience some headwinds and tailwinds; a number of variables can always affect our financial results
- Maintaining FY16 preliminary guidance and will provide formal guidance in November

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Richard Montoni

Chief Executive Officer

August 6, 2015

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Start-Up Updates

- Portfolio of contracts, many of which are tied to operating long-term programs with clearly defined program life cycles
- Often times, profitability may be lower in early days then improve as programs mature
- As part of our established risk management strategy, we place a tremendous amount of focus on closely managing our start-ups; includes identifying and fixing issues early-on because well-executed start-ups turn into mature, profitable contracts
- Update on three of these start-ups:
    1. U.K. Health Assessment Advisory Service
    2. U.K. Fit for Work
    3. Australia jobactive

U.K. Health Assessment Advisory Service

- MAXIMUS is conducting assessments for individuals seeking certain disability benefits according to the rules set by Parliament
- Program faced significant obstacles prior to MAXIMUS taking over contract in March 2015
- All along, we’ve recognized that it would take some time to bring meaningful improvements to the program
- With five months of operations now under our belt, we have a keen understanding of additional improvements we need to bring to bear; several initiatives are well underway
- Performance under this program is tied to quality, timeliness and number of assessments completed; we are focused on hitting the required performance metrics
- Our efforts to drive recruitment and improve retention are gaining traction and are the right course of action. This includes, but is not limited to, an aggressive recruitment campaign that’s well underway and should drive significant uplift in qualified applicants.
- We are working diligently to ensure the longer-term success of this program and we believe that we can bring out the right changes to improve the overall service to customers

U.K. Fit for Work

- Fit for Work is a support service to help working people who face long-term absence due to illness return to their jobs more quickly
- Launched phase one of the contract last December
- Recently launched phase two, which is the nationwide rollout of the service

Fit for Work

Australia jobactive

- Successfully launched on July 1; key rebid for MAXIMUS
- As a reminder, gained a net pick-up in expected volumes, which increased overall market share of caseload allocations
- Under the same contract, also increased our footprint for the Work for the Dole program where we arrange activities with community-based and not-for-profit organizations
- Our Australian team worked tirelessly to ensure that we were ready to go when doors opened July 1
- We’ve introduced new technologies and applications to improve connectivity between job seekers and employers
- Our world-class operations will enable more job seekers to find and maintain meaningful employment
- Congratulations to the team on a job well done!

Acquisitions Update

Integration efforts going well. Both acquisitions complementary to our long-term growth strategy

Acentia

- We now hold positions on several additional federal contract vehicles and have access to more federal health and civilian agencies
- Already seeing many new prospects that combine BPO and IT that will develop over the next several years
- Business development team is finalizing our integrated go-to market plan that strengthens our sales resources, enhances our offerings, and identifies new areas of future opportunities

Remploy

- We are increasing our global presence as a leading provider of disability employment services and enhancing our business development efforts for emerging opportunities

Mergers & Acquisitions program

- One component of our long-term growth strategy
- We continue to look for strategic acquisitions that will complement our core offerings, add value and are accretive
- We're selective in our process and have a methodical approach that we've found to be successful

ACENTIA
A MAXIMUS FEDERAL COMPANY

Remploy in partnership with MAXIMUS

Affordable Care Act – Third Open Enrollment

- We are also deep in the heart of planning for the Affordable Care Act's third open enrollment period; starts on November 1
- June's U.S. Supreme Court's decision essentially maintains the status quo; some states are still considering using waivers as a way to increase autonomy over time
- MAXIMUS offers states:
  - A deep understanding of new potential policies within the context of waivers
  - Additional benefit of greater flexibility in how exchange functions integrate with current public health insurance programs
- We still see long-term opportunities for growth as states continue to shift and expand their health services programs and seek ways to operate their current programs more effectively

Technology Investments

- There are necessary technology investments to ensure that we are best positioned for continued growth over the long run

- We operate in a competitive environment and must keep technology capabilities sharp to maintain position as a trusted and preferred partner to governments worldwide

- At the end of 2014, we brought in a new Chief Information Officer to execute the Company's broader global technology strategy

- Recently completed a top-down review of our global infrastructure and believe that now is the time to make necessary investments to best position MAXIMUS for years to come

Three Areas for IT Investments

Infrastructure

- Investing in the scalability and resiliency of our infrastructure to introduce additional efficiencies in our operations – and ultimately drive financial performance
- Examining technology areas such as:
  - Production systems
  - Data centers
  - Enterprise telephony
  - Networks

Security

- Capabilities to support increasing security and integrity requirements
- Cyberattacks on well known retailers, service providers and government agencies resulted in data breaches affecting millions of people
- As governments consider a shift away from paper-based programs, agencies are increasingly relying on electronic communications, benefits and administrative transactions for public programs
- Every day, we touch personal data for millions of participants in public programs who trust us to make sure their information is handled appropriately – we want to reinforce our security infrastructure, processes and procedures to make sure they are best-in-class

Digital platforms

- Mobile technology trend moving to government programs, people expect access to government programs and services through digital platforms
- We have been expanding our outreach efforts to include digital platforms
- Already operate several social media sites on behalf of government programs and have mobile apps to help participants navigate public programs
- See value in embedding leading-edge analytical tools into BPO solutions to drive productivity, gain efficiencies, and transform customer experience
- Opportunity to lead and further differentiate us through advanced development of digital solutions that dovetail with core business process management services

New Awards and Pipeline

New Awards	June 30, 2015
YTD signed awards	$2.9B
New contracts pending	$256M
Sales Opportunities	**June 30, 2015**
Total pipeline	$2.8B

At June 30, 2015:

- Year-to-date signed contract awards remained strong
- Sales pipeline includes opportunities from our new acquisitions
- Our new acquisitions bring along a much broader pipeline that lays out opportunities over next three to five years and isn't captured in six-month outlook that our reported pipeline provides
- Overall, both short-term and longer-term pipeline of sales opportunities holds a broad mix of rebids and new work, representing multiple geographies and both segments.

Pipeline reflects opportunities where we believe the request for proposals to be released within the next six months

Conclusion

- Optimistic about macro trends that should continue to fuel our future growth and long-term demand for our services remains strong
- Will provide formal guidance for FY16 on November's earnings call
- We continue to see growth opportunities that span multiple business areas and geographies
- Acquisition of Acentia and addition of Remploy have strengthened our position for future opportunities in key markets
- Proud of our teams' efforts for launching new contracts and advancing solutions to keep our start-ups on track
- Squarely committed to generating long-term shareholder value as we continue to grow the business

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Appendix

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Drivers to FY16 Preliminary Guidance

(+) Full-year contributions from Acentia and Remploy

(+) New work and expansion of existing contracts

(+) Growth from contracts in start-up phase during FY15:
AUS jobactive, U.K. HAAS, U.K. Fit for Work and U.S. Dept. of Education

(+/-) Normal-course portfolio headwinds and tailwinds

(-) Incremental IT and infrastructure investments

Preliminary Guidance: Revenue of $2.4B to $2.5B and diluted EPS of $2.85 to $3.05