Fiscal 2013 First Quarter Earnings

David N. Walker

Chief Financial Officer and Treasurer

February 7, 2013

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.

MAXIMUS®

HELPING GOVERNMENT SERVE THE PEOPLE®

Selected Financial Results from Continuing Operations

($mm, except per share data)	Q1 FY13 Actual	Q1 FY12 Actual	% Change
Revenue			
Health Services	$ 176.0	$ 158.0	11%
Human Services	110.3	81.6	35%
Total	**$ 286.3**	**$ 239.6**	19%
Operating Income (Loss)			
Health Services	$ 20.6	$ 16.8	23%
Human Services	13.7	10.3	33%
Segment Operating Income	34.3	27.1	27%
Operating Margin % excluding legal, settlement, and acquisition-related expenses	*12.0%*	*11.3%*	
Legal, settlement and acquisition-related expenses, net	(0.3)	(0.2)	nm
Interest and Other Income, net	1.1	1.1	nm
Income Before Taxes - Continuing Ops	35.1	28.0	25%
Provision for Income Taxes	13.3	10.3	29%
Net Income - Continuing Operations	$ 21.8	$ 17.7	23%
Diluted EPS - Continuing Ops	$ 0.62	$ 0.51	22%
Adj. Diluted EPS - Continuing Ops	**$ 0.63**	**$ 0.51**	24%

Q1 FY13 results in line with expectations

- Revenue grew 19%, driven by solid growth in both domestic and international operations and across both Segments
- Revenue grew 5% organically
- Better-than-expected earnings driven principally by accretive, transaction-based work in the Health Segment (primarily appeals work) and stronger-than-expected results in a domestic workforce services contract in the Human Services Segment
- Total segment operating income, excluding legal, settlement and acquisition-related expense, totaled $34.3 million (operating margin of 12.0%)
- Income from continuing ops, net of taxes, totaled $21.8 million (or $0.62 per diluted share) and included $0.01 per share of net legal, settlement and acquisition-related expenses
- Excluding net legal, settlement and acquisition-related expenses, adjusted EPS grew 24% to $0.63

Health Services Segment

($ in millions)	Q1 FY13 Actual	Q1 FY12 Actual	% Change
Revenue			
Health Services	$176.0	$ 158.0	11%
Operating Income			
Health Services	$ 20.6	$ 16.8	23%
Operating Margin %	*11.7%*	*10.6%*	

Revenue

- Q1 revenue increased 11% to $176.0 million, driven by the PSI acquisition, as well as organic growth resulting from new work and expansion of existing contracts

Operating Income & Margins

- Q1 operating income increased 23% to $20.6 million, with an operating margin of 11.7%, benefitting from growth on existing contracts and higher volumes in our Medicare appeals work. Last year's Q1 operating margin was tempered by the timing of a change order that was delayed until Q3 FY12 and margin dilution from the managed care expansion in Texas, where we experienced a temporary spike in low-margin revenue

Health Segment Over Delivery

- The Health Services Segment performed ahead of our expectations for Q1 FY13, driven principally by increased volumes in transaction-based programs, such as Medicare appeals where higher volumes resulted primarily from the growing activity from RAC contractors, a trend we expect to continue for the remainder of the fiscal year
- We've also started to see revenue materialize a little bit sooner than expected from work related to health insurance exchanges as states progress towards meeting implementation deadlines in late 2013 and 2014

Human Services Segment

($ in millions)	Q1 FY13 Actual	Q1 FY12 Actual	% Change
Revenue			
Human Services	$110.3	$ 81.6	35%
Operating Income			
Human Services	$ 13.7	$ 10.3	33%
Operating Margin %	*12.4%*	*12.6%*	

Revenue

- Q1 revenue increased 35% to $110.3 million, driven by the PSI acquisition, as well as organic growth principally from international operations, including the expected ramp of the UK Work Programme and new programs in Canada and Saudi Arabia

Operating Income & Margins

- Q1 operating income increased 33% to $13.7 million, with an operating margin of 12.4%
- The Human Services Segment benefitted from some performance-based payments on a large domestic welfare-to-work program, which we do not expect to see on this scale going forward. As expected, the UK contract was fully profitable in Q1 and remains on track to achieve full-year target operating margins. These contributions were offset by the anticipated lower margin from the Australia program resulting from economic and regulatory factors that were discussed last quarter; this margin change is expected to continue for the foreseeable future

Balance Sheet and Cash Flows

Cash Flows

- Q1 cash flow was consistent with seasonal expectations
- As expected, cash flow was dampened as a result of normal government payment slowdowns during the holidays and resulted in DSOs of 67 days; we do expect DSOs to continue at a similar level next quarter as a result of a couple of large programs that both have administrative processing challenges unrelated to funding
- Cash provided by operating activities from continuing operations totaled $10.1 million, with negative free cash flow* of approximately half a million dollars that reflected an expected increase in capital expenditures related to a high level of project start ups and the cash flow impact from the change in DSOs

Share Buybacks

- In Q1, we used $14.6 million to purchase 249,549 shares of MMS common stock
- At December 31, 2012, we had $114.6 million available for future purchases
- Buyback program is opportunistic in nature and the Company will continue to execute repurchases in this manner

Cash and Use of Cash

- At December 31, 2012 with cash and cash equivalents of $167.1 million, of which approximately 75% is held overseas
- Committed to sensible cash deployment where dividends and buybacks are part of overall strategy, with recent focus heavily weighted towards M&A opportunities in current geographies, including international markets, where we see increased demand for our core services
- This aligns with our investments in business development to also drive organic growth over the next 3-5 years

*The Company defines free cash flow as cash provided by operating activities from continuing operations less cash paid for property, equipment and capitalized software

FY 13 Guidance: Increased Revenue & Adjusted EPS

Consolidated Guidance	FY13 E
Revenue	$1.25B - $1.30B
Adjusted Diluted EPS	$3.00 - $3.15
Cash from Continuing Ops	$115M - $135M
Free Cash Flow from Cont Ops	$70M - $90M

Increasing Revenue and Earnings Guidance; Maintaining Cash Flow Guidance

1. New guidance bakes in the over-delivery in the first quarter and assumes the continuation of higher federal appeals volumes for the remainder of fiscal 2013
2. Our outlook for the California Healthy Families CHIP program has improved; as a reminder, the state is terminating the CHIP program and rolling the kids into Medicaid; we are reasonably confident that we will continue to play a key role in supporting the functions of this work on a go-forward basis; we will provide more details once ongoing contract discussions are finalized
3. We are starting to see revenue materialize sooner than expected from health insurance exchange work – including from existing clients where we have supported early planning tasks through existing contract vehicles

Improved outlook principally driven by the Health Segment; we expect Health margins to be a bit better than initially anticipated and Human Services margins will continue to be tempered in Australia, as discussed last quarter

Fiscal 2013 First Quarter Earnings

Richard A. Montoni

President and Chief Executive Officer

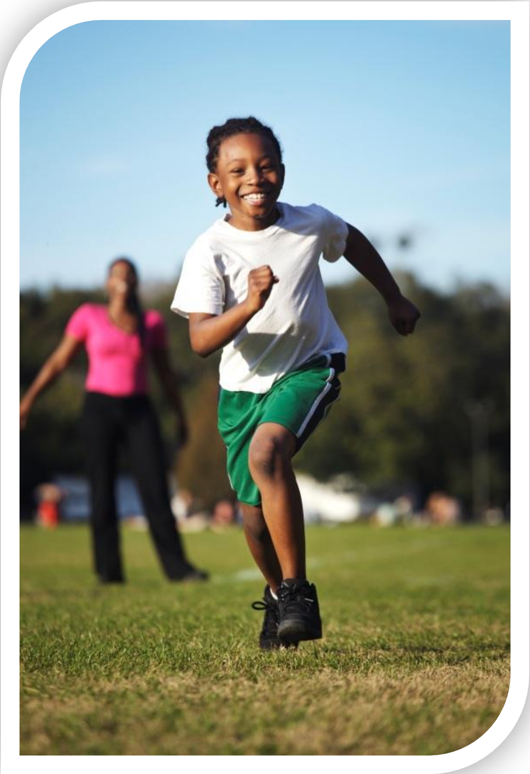
February 7, 2013

MAXIMUS®

HELPING GOVERNMENT SERVE THE PEOPLE®

Solid Start to Fiscal 2013

- Kicked off fiscal 2013 with strong performances from both Segments
- Starting to benefit from secular trends that are driving increasing demand for our services
- An unprecedented number of start-up programs are going largely as planned
- All-in-all, these tailwinds position us for exceptional top- and bottom-line growth in fiscal 2013 and give us the confidence to be raising our revenue and earnings estimates so early in the year



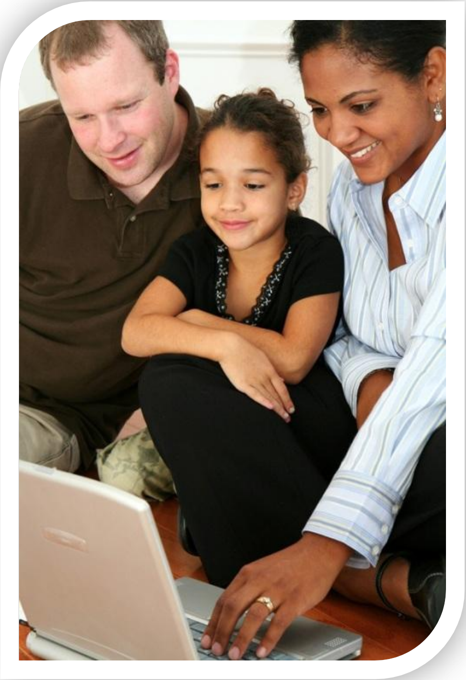
Health Care Reform as Primary Growth Driver

- Health care reform continues to serve as our primary domestic growth driver in the U.S.; making steady progress towards securing our fair share of the work
- As a reminder, management continues to believe that a reasonable target for HIX market share in the early years is approximately 20-25% of the $500 million (annually) in total addressable market that we've laid out; and we would expect this to grow over time
- Three RFPs for the Federal Exchange that could be of interest to MAXIMUS:
  1. <u>Eligibility support</u>, including paper-based support tasks for verifying and processing applications for enrollment into qualified health plans or insurance affordability programs, as well as SHOP applications and requests for exemptions
  2. <u>Call center operations</u> of the federal exchange, folded into the 1-800-Medicare rebid
  3. <u>Eligibility appeals</u>; however, a vendor cannot win both the eligibility support bid and the eligibility appeals work
- For competitive reasons, we have not provided further granularity on the expected size or our intent to bid on any of these
- We also continue to see activity pick up at the state level for ACA-related work

We are actively monitoring all opportunities and identifying where MAXIMUS can best add value.

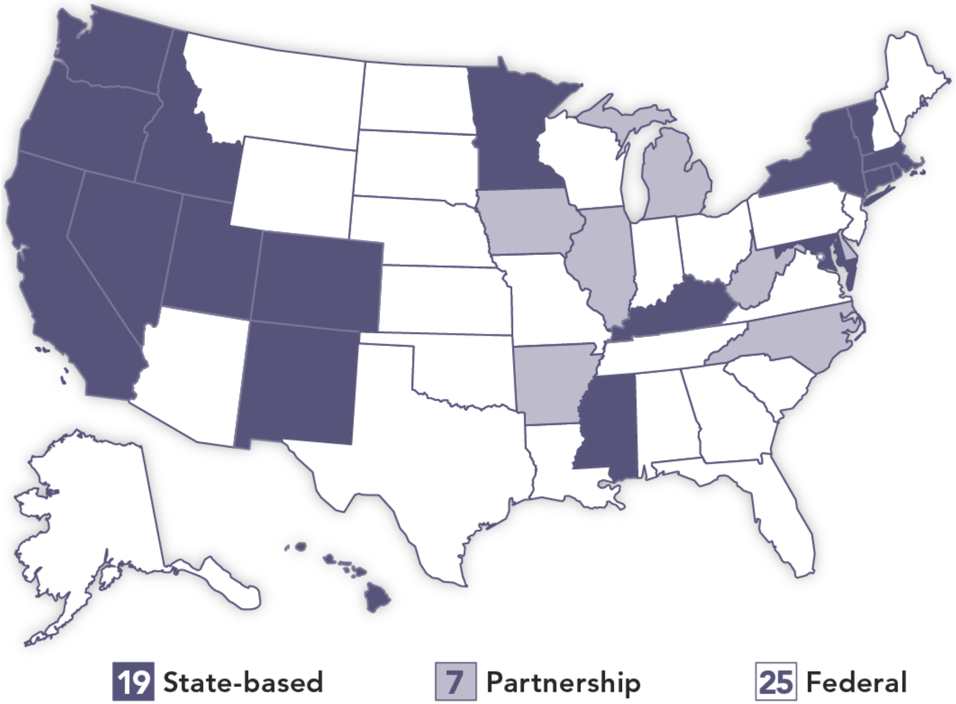
Supporting the NY Health Insurance Exchange

- New York State is leveraging and transforming the existing centralized Enrollment Center operated by MAXIMUS into a single entry point for all public health insurance programs
- The Enrollment Center will serve as the foundation for customer service and back room operations of the NY health insurance exchange, with MAXIMUS as the selected vendor partner
- The MAXIMUS Enrollment Center contract was modified to include planning and early implementation work:
  - Expanding our customer call center scope to respond to inquires from consumers, small businesses and other exchange stakeholders
  - Will handle consumer inquiries about premium tax credits, as well as questions from employers and employees about the small business exchange (SHOP)
- Look forward to helping the state realize its goals of providing more people with access to coverage and establishing a place where they can shop knowledgeably for insurance



MAXIMUS was also recently selected for the HIX service center operations for two small states and will share more details when contract negotiations are complete.

States Declare Initial HIX Models



- States remain at various stages of preparation to meet October's open enrollment deadline
- Last month, the U.S. Department of Health and Human Services announced that it will waive or extend deadlines for states that want to operate their own exchanges or regulate insurance offered through the federal exchange
- A recent analysis by the Kaiser Family Foundation indicated that 19 states (which includes the District of Columbia) have declared intent for a state-based exchange, 7 states are planning for a partnership exchange, and 25 states will participate in the federally facilitated exchange
- We are clearly monitoring any future adjustments to deadlines or requirements, as well as the decisions made by states

The HIX Landscape in 2013 and Beyond

- As expected, new entrants coming into the state-based exchange market, such as commercial call center companies
- We see an increasing presence in certain states from unions representing government employees; California is likely to use a combination of county and state workers for the majority of its HIX service center operations
- Over the long term, the market may follow a similar path as both the Medicaid and CHIP markets where states shifted administrative functions to private vendors as a way to alleviate the work burden on state staff and achieve efficiencies by managing labor resources more effectively
- Looking beyond initial HIX deadlines, we see future waves of procurement opportunities, such as BPO support to states moving from the federal exchange to their own state-based exchanges in 2015 and beyond
- This results in a steady glide path for HIX opportunities

As governments make progress for ensuring citizens have improved access to health insurance, they still must address issues like quality and cost. Health reform will be a multi-year, long-term growth driver.

International Operations Meeting Expectations

- Pilot program in Saudi Arabia is fully operational and meeting our expectations
- Work Programme contract in the UK remains fundamentally on track; continue to optimize our operations to meet caseload demands
- During the quarter, the UK Department of Work and Pensions published initial performance statistics for the Work Programme
  - Report represented a snapshot in time and did not include all job outcomes secured to date
  - MAXIMUS performed very well when compared to other vendors
  - Our team in the Thames Valley region achieved the highest rating for percentage of outcomes achieved

International Growth Strategy

- Longer-term international growth strategy focuses on tracking reform efforts where we see emerging opportunities for MAXIMUS
- Next 12 to 24 months may be the right time to expand core health services offerings to markets where our past focus has been on welfare-to-work
- Future opportunities in the BPO market dovetail nicely with our core capabilities as governments continue to look for solutions to control costs and improve their benefit programs
- Policy-level discussions taking place today could lead to RFP activity as soon as the end of this calendar year or early calendar year 2014
- We believe it's an opportune time to take a good look at bringing our health capabilities to new markets, either through a partnership or an acquisition

Contract Rebids and Option Years

- For fiscal 2013, we have 14 contracts up for rebid with a total value of approximately $475 million
  - Includes Texas Enrollment Broker and MassHealth contracts, which have a combined value of approx. $320 million
  - On January 7, the TX Health and Human Services Commission announced a tentative contract award to MAXIMUS
  - Current MassHealth contract runs through June, so we hope to share something in the next 30 to 60 days

New Awards and Sales Pipeline

New Sales	Dec. 31, 2012
YTD signed awards	$178 million
New contracts pending	$459 million
Sales Opportunities	**Feb. 1, 2013**
Total pipeline	$2.7 billion

At December 31, 2012:

- MAXIMUS signed $178 million in new contract awards
- We also had approximately $460 million of "awarded but unsigned" contracts where we've received notification of award and are in contract negotiations, but have not yet signed

At February 1, 2013:

- Total sales pipeline of opportunities remained robust at $2.7 billion, which includes opportunities across multiple geographies and both segments; this underscores our confidence that secular trends will continue to drive demand over a multi-year period
- Routine fluctuations between the pipeline and award categories are driven by the stages in the procurement process and the timing of when contracts are awarded and signed

Conclusion

- Governments are dealing with growing case volumes, aging populations and the increasingly complex benefits programs
- Companies like MAXIMUS can provide much-needed support as governments strive to address these issues
- MAXIMUS is gaining additional traction in the Health Segment as governments look for more efficient ways to run programs, while also tackling the implementation requirements under the Affordable Care Act
- Look forward to continuing progress on our long-term goals:
  - Expanding our global operations
  - Securing our fair share of health care reform work in the United States
  - Growing our federal operations