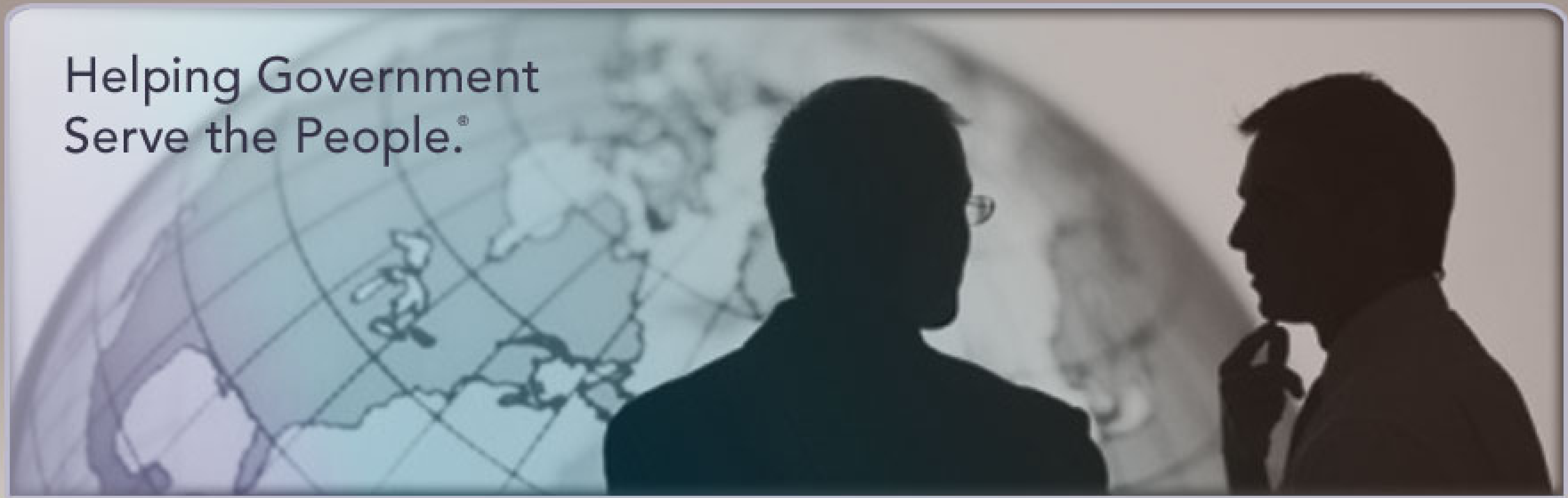



# David N. Walker
# Chief Financial Officer and Treasurer

## Second Quarter – Fiscal Year 2011

## May 5, 2011

*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) | Q2 FY 11 Actual | Q2 FY 10 Actual | $ change | % change |
|---|---|---|---|---|
| **Revenue** | | | | |
| Health Services | $ 137.8 | $ 127.3 | $ 10.5 | 8% |
| Human Services | 89.3 | 77.1 | 12.2 | 16% |
| **Total** | **$ 227.1** | **$ 204.4** | **$ 22.7** | **11%** |
| **Operating Income (Loss)** | | | | |
| Health Services | $ 19.4 | $ 12.7 | $ 6.7 | 53% |
| Human Services | 10.1 | 9.0 | 1.1 | 12% |
| Legal and settlement recovery | - | 6.1 | (6.1) | nm |
| **Total** | **29.5** | **27.8** | **1.7** | **6%** |
| *Operating margin % (excluding legal)* | *13.0%* | *10.6%* | | |
| Interest and other income, net | 0.9 | 0.2 | 0.7 | nm |
| Income before taxes - continuing ops | 30.4 | 28.0 | 2.4 | 9% |
| Provision for income taxes | 11.4 | 10.0 | 1.4 | 14% |
| Income from continuing ops | $ 19.0 | 18.0 | $ 1.0 | 6% |
| Fully diluted EPS - continuing ops | $ 1.07 | $ 1.00 | $ 0.07 | 7% |
| Pro forma adjustments* | $ - | $ (0.23) | $ 0.23 | nm |
| Adjusted EPS - continuing ops | $ 1.07 | $ 0.77 | $ 0.30 | 39% |

**Record FY 11 Q2 Revenue**

Q2 revenue grew 11% to $227.1 million, driven by solid delivery in both segments and across geographies

Strong performance resulted in operating margin of 13.0%

**Income & Earnings**

Income from continuing operations, net of taxes, increased to $19.0 million

Adjusted diluted EPS from continuing operations increased 39% to $1.07 compared to $0.77 last year

* Pro forma adjustments: Q2 FY 10 was normalized to exclude $0.21 of legal recovery and $0.02 of tax rate adjustments

# Health Services Segment

| | Q2 FY 11 | Q2 FY 10 | % change |
|---|---|---|---|
| **Revenue** | | | |
| Health Services | $ 137.8 | $ 127.3 | 8% |
| **Operating Income** | | | |
| Health Services | $ 19.4 | $ 12.7 | 52% |
| *Operating Margin %* | *14.0%* | *10.0%* | |

$ in millions

- FY 11 Q2 Health Services Segment revenue grew 8% to $137.8 million, driven primarily by organic growth and higher-than-normal volumes in the federal health appeals business
- Operating income grew to $19.4 million
- Strong performance, the surge in appeals volumes and favorable timing on certain contracts resulted in an operating margin of 14.0%

# Human Services Segment

| | Q2 FY 11 | Q2 FY 10 | % change |
|---|---|---|---|
| **Revenue** | | | |
| Human Services | $ 89.3 | $ 77.1 | 16% |
| **Operating Income** | | | |
| Human Services | $ 10.1 | $ 9.0 | 12% |
| *Operating Margin %* | *11.3%* | *11.7%* | |

$ in millions

- FY 11 Q2 Human Services Segment revenue grew 16% (10% on a constant currency basis) to $89.3 million, driven by growth in our international welfare-to-work programs
- Operating income grew 12% to $10.1 million
- Operating margin was 11.3%, consistent with the prior year period and dampened by cost growth on a fixed price contract
- Notified of three new contract awards under the U.K.'s Work Programme where MAXIMUS is the prime on two contracts and a subcontractor on the third contract

# Cash Flow and Balance Sheet

- Q2 FY 11 cash provided by operating activities from continuing operations totaled $6.0 million, with free cash flow* from continuing operations of $0.4 million
- DSOs were 61 days
- Share repurchases were not material in the quarter and $122.2 million remains under the repurchase program at March 31, 2011
- In February, MMS paid a quarterly cash dividend of $0.15 per share for a total of $2.6 million
- Cash and cash equivalents totaling $183.2 million at March 31, 2011, of which 52% is held domestically
- Cash overseas is not readily available for repurchases or dividend payments without incurring significant U.S. tax upon repatriation. Overseas funds are used for international expansion
- Actively engaged on the M&A side and evaluating acquisition opportunities that complement our core business offerings

Our balance sheet offers us considerable competitive advantages as governments look for reliable partners with strong financial flexibility.

*The Company defines free cash flow as cash provided by operating activities, less property, plant and equipment and capitalized software

# Updated FY 11 Guidance

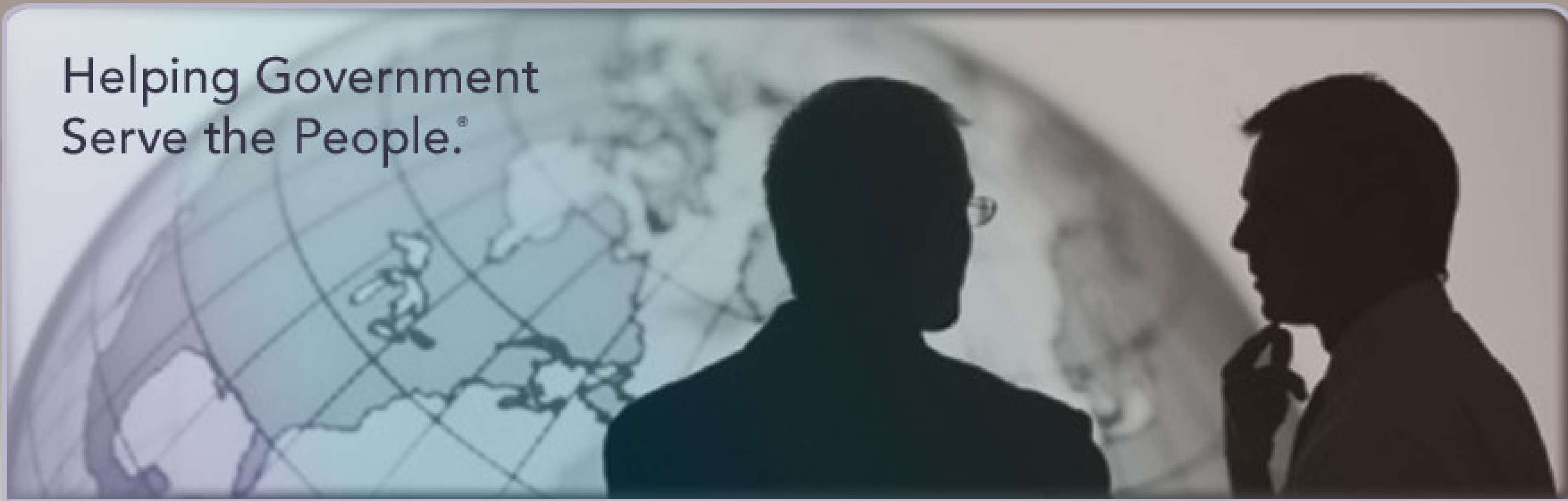
| | FY 11E |
|---|---|
| Revenue | $910-$920 million |
| Adjusted Diluted EPS | $4.10-$4.25 |
| Operating Margin | 12.5%-13.0% |
| Cash from Continuing Ops | $70-$90 million |
| Free Cash Flow from Cont. Ops | $50-$70 million |

- Increasing our FY 11 revenue guidance to $910 -$920 million and earnings to $4.10-$4.25
- Revenue and profit will be back-end loaded into Q4 due to seasonality, new work coming on-line and the expansion of existing contracts; Q3 revenue will be consistent with Q2; Q3 earnings will be slightly lower than Q2
- Now expecting FY 11 operating margin to range between 12.5% and 13.0%
- Now expecting FY 11 cash provided by operating activities derived from continuing operations to range between $70-$90 million and free cash flow from continuing operations to range between $50-70 million

# Financial Impacts from the new U.K. Contracts

- Revised fiscal 2011 total Company guidance includes contributions from new U.K. contracts; U.K. revenue estimates for FY 11 remain unchanged at $35-40 million
- Revenue and profit benefits from the wind down of FND will offset start-up costs for the Work Programme in Q4 of 2011
- Fiscal 2012 and long-term implications of U.K. contracts:
  - Three new contracts do not include incumbent region so we are winding down an accretive fully-ramped revenue stream and starting up three new contracts
  - Revenue from U.K. contracts in FY 12 will be approximately 40% lower than in F Y11
  - Expect revenue of from U.K. contracts to range between $20-25 million in FY 12
  - Vendor compensation tied to longer-term outcomes and expect revenue to ramp over a two-year period, resulting in start-up losses in FY 12 of approximately $9 million to $11 million, pre-tax, with the majority of the loss in the first half of FY 12 and the contracts nearing breakeven by Q4 FY 12
  - Longer-term economics are compelling and we are increasing our long-term financial expectations for the U.K. contracts. Once fully ramped, expect that they will contribute in excess of $90 million in annual revenue with operating margins north of 15%; programs will hit full run rate in Q4 of FY 13

When we blend the U.K. contracts with the rest of our business portfolio, FY 12 is shaping up to be a solid year for MAXIMUS.




# Richard A. Montoni
## President and Chief Executive Officer

Second Quarter – Fiscal Year 2011

May 5, 2011

# Another Solid Quarter for MAXIMUS

- Another solid quarter of financial results
- Remain keenly focused on further expansion of global operations and continued development and positioning of domestic operations
- Too early to provide specific 2012 guidance – still have elements to solidify including final signatures on the U.K. contracts. But we expect FY 12 will be a year of continued growth, both top-line and bottom-line
- With the pre-tax losses and associated start-up costs on the U.K. contracts in FY 12, earnings growth rate will be tempered in FY 12
- Overall, long-term remain on target for 10% plus growth with many exciting opportunities that offer multi-year growth trends

# United Kingdom's Work Programme Update

- Awarded three contracts under the U.K.'s Work Programme
- While many vendors heavily discounted prices, MAXIMUS offered a price structure that reflects commitment to prudent, balanced, profitable growth; the awards are the right balance of awarded territories and pricing terms
- MAXIMUS will serve as prime contractor on two contracts and Careers Development Group (CDG) will prime the third
- MAXIMUS-CDG alliance combines the best of private and non-profit sectors; CDG offers expertise in engaging hard-to-reach jobseekers and relationships with local community-based organizations
- Overall economics of the contracts are favorable to vendors who perform over the long-haul; program model aligned with our core competency of hitting outcome-based performance requirements

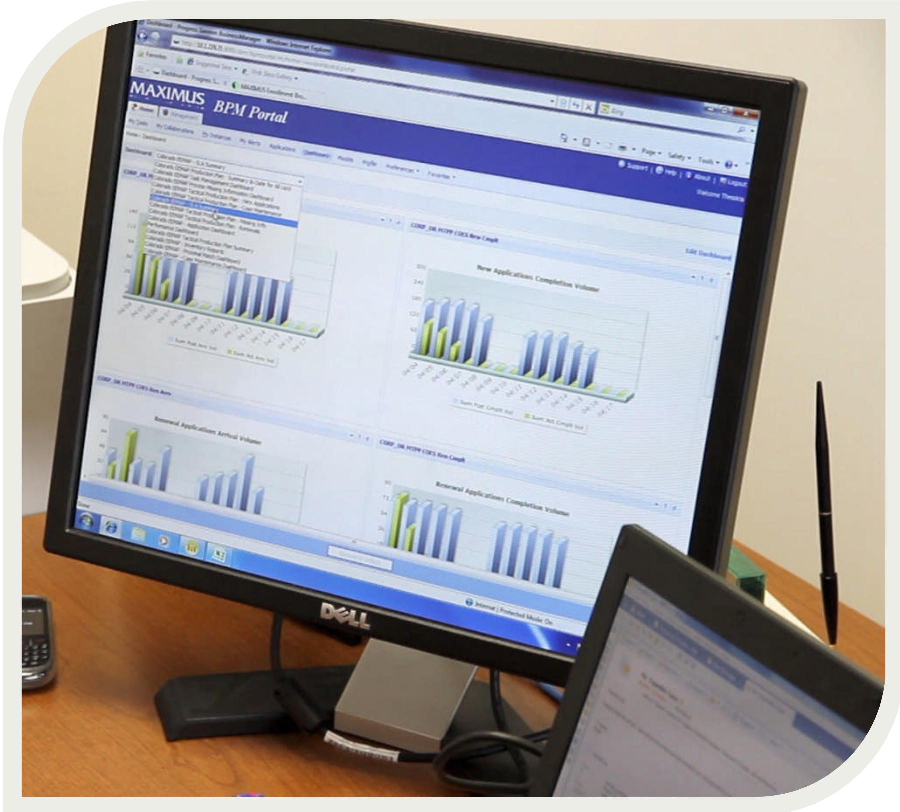
Both MAXIMUS and CDG possess enviable track records of moving high volumes of jobseekers into long-term, sustainable employment.

# A Proven *"Land and Expand"* Model

- U.K. work part of larger "land and expand" strategy that provides more meaningful platform for balanced, profitable growth
- Experience in Australia demonstrates our successfully execution of this strategy; since the acquisition in 2002, revenue has grown 800%
- Recently gained five location sites as a result of Star Rating system where the Australian government shifts under-performing welfare-to-work sites to higher-rated vendors
- Expect the U.K. will implement a similar rating system to incentivize vendors to focus on transitioning people from welfare to sustainable employment

# Gartner Names MAXIMUS BPM Program of the Year

- Gartner awarded MAXIMUS the ***2011 Business Process Management Program of the Year*** and top honors for ***Delivering Innovative BPM Solutions***
- Driving innovation, quality and efficiencies into government programs by optimizing people, process and technology
- The award recognizes the business process reengineering disciplines, including data-driven analytics and reporting to improve overall operations and service delivery, we implemented in our Texas Health operations
- These disciplines and best practices helped us win new work in Colorado and can be replicated across other programs to help states improve efficiencies and reduce costs



# States Shift to Medicaid Managed Care

- Many states actively shifting Medicaid populations from fee-for-service to managed care as a way to rein in costs
- In California, we are enrolling seniors and persons with disabilities (SPD populations) into Medicaid managed care plans
- In Texas, mandatory Medicaid managed care is moving beyond major cities and into rural regions where MMS will help 980,000 individuals select and enroll into plans
- Texas also introducing a new managed care dental program for all Medicaid clients under 21
- In the short-term, the additional volume and scope from these two initiatives will increase the value of our TX Medicaid contract in FY 12

# Health Care Reform Update

- We continue to see forward movement on health care reform
- Six states have enacted health insurance exchange laws and several states appear to be making progress on similar legislation
- Increase in activity from the recipients of the "Early Innovator" grants
- Political cross-currents continue to make headline news, but budgets remain under close scrutiny and governments face emphasis on accountability, deficient reduction and expense management
- Reducing health care costs through broad-based reform still remains a top priority for both parties

# New Awards and Sales Pipeline

| New Sales | 5/2/2011 |
|---|---|
| YTD signed awards | $904m |
| New contracts pending | $526m |
| | |
| **Sales Opportunities** | |
| Total pipeline | $1.2 Billion |

Signed two significant contracts (CA & TX)

Includes U.K. Work Programme award

Work moved into awarded categories

We will routinely experience fluctuations between the pipeline and new sales categories. The shifts are driven by the procurement process and the timing of when contracts are awarded and signed.

# Conclusion

With consistent, solid performance over the last couple of years, MAXIMUS stands well-positioned to capitalize on the many opportunities in front of us.

- Portfolio of longer-term contracts provides a more predictable stream of recurring revenue
- With several multi-year programs at different stages of maturity and profitability, we can absorb the dilutive impacts of the first year of the new U.K. program and still grow
- The overall dynamics in our portfolio today set the stage for continued top- and bottom-line growth in FY 12 and beyond
- We maintain a healthy balance sheet and continue to return excess cash to shareholders and look forward to longer-term strategic initiatives, which may include acquisitions
- We generated continued gains in our financial and operational performance, both domestically and internationally, with an increased outlook for FY 11 and anticipated growth in FY 12
- Recent wins reinforce our commitment to profitable growth

***MAXIMUS Investor Day June 29th in New York City; Invitations forthcoming***