

May 3, 2012



# MAXIMUS Reports Fiscal 2012 Second Quarter Results

## - Company Completes PSI Acquisition and Updates Guidance -

RESTON, Va.--(BUSINESS WIRE)-- MAXIMUS (NYSE: MMS), a leading provider of government services worldwide, today reported financial results for its fiscal second quarter ended March 31, 2012.

Key highlights include:

- Revenue for the second quarter grew 7% to \$243.5 million compared to the same period last year.
- Adjusted diluted earnings per share from continuing operations totaled \$0.49 for the second quarter.
- The Company generated strong cash in the second quarter with cash provided by operating activities from continuing operations of \$41.5 million and free cash flow of \$36.4 million.
- Cash and cash equivalents totaled \$229.5 million at March 31, 2012.
- Subsequent to quarter end, the Company signed the \$450 million extension for its Australian contract.
- On April 30, 2012, MAXIMUS closed its acquisition of Policy Studies Inc. for a cash purchase price of \$67 million.

Revenue for the fiscal 2012 second quarter increased 7% to \$243.5 million compared to \$227.1 million for the same period last year, driven by growth in the Health Services Segment, most notably from the Medicaid managed care expansion in Texas.

The Company is revising its tax rates upward to account for a greater mix of business from higher tax rate jurisdictions. In the second quarter, the Company recorded a discrete tax adjustment expense of \$3.0 million, or \$0.09 per diluted share, related to higher state taxes. Second quarter earnings also included a benefit of \$0.6 million, or \$0.01 per diluted share, from a net legal recovery. A normalization table is included in the accompanying financial schedules.

As a result, second quarter GAAP income from continuing operations, net of taxes, totaled \$14.2 million, or \$0.41 per diluted share. Excluding the \$0.09 discrete tax expense and the \$0.01 legal recovery benefit, adjusted diluted earnings per share from continuing operations totaled \$0.49. As expected, adjusted diluted earnings per share from continuing operations were lower compared to last year primarily due to the ramp up of the Work Programme contract in the United Kingdom.

“Second quarter revenue and adjusted earnings from continuing operations were in-line with

our expectations,” commented Richard A. Montoni, Chief Executive Officer of MAXIMUS. “We are pleased to complete the PSI acquisition, which closed earlier this week, and we expect a seamless transition as integration efforts are underway. This combination brings together industry-leading subject matter experts who possess extensive experience and knowledge in our core markets. The acquisition allows us to leverage infrastructure, drive further innovation, and bring more business development resources to bear as macro trends continue to drive demand for our services around the world. Most importantly, the acquisition of PSI is a prudent use of cash for driving growth in our core markets and it creates a stronger platform for increasing and maximizing long-term shareholder value.”

### **Health Services Segment**

Health Services Segment revenue for the second quarter of fiscal 2012 increased 17% to \$161.2 million compared to \$137.8 million for the same period last year, principally driven by the expansion of Medicaid managed care in Texas that was completed in the second quarter. Operating income for the second quarter totaled \$18.2 million with an operating margin of 11.3%. Operating margin was lower compared to the same period last year due to normal life-cycle fluctuations in contracts that include new programs ramping up and recently rebid contracts. Operating margin in the quarter was also tempered by growth from a lower-margin contract in Texas and increased SG&A spending on bid and proposal activities in the second quarter.

### **Human Services Segment**

Human Services Segment revenue for the fiscal 2012 second quarter totaled \$82.3 million, which was 8% lower (10% on a constant currency basis) compared to the prior-year period principally due to the transition to the UK Work Programme contract. Operating income for the second quarter was \$8.6 million with an operating margin of 10.5%, which is lower compared to the same period last fiscal year.

### **Sales and Pipeline**

At April 25, 2012, fiscal year-to-date signed contract wins totaled \$812 million compared to \$904 million reported for the same period last year; the prior-year period included nearly \$600 million for two contract renewals. New contracts pending (awarded but unsigned) totaled \$284 million compared to \$526 million last year. Sales opportunities (pipeline) at April 25, 2012 totaled \$1.7 billion (consisting of \$435 million in proposals pending, \$446 million of proposals in preparation and \$837 million in proposals tracking) compared to \$1.2 billion the prior year.

### **Balance Sheet and Cash Flows**

Cash and cash equivalents increased to \$229.5 million at March 31, 2012. For the fiscal 2012 second quarter, cash provided by operating activities from continuing operations totaled \$41.5 million with free cash flow of \$36.4 million. The Company defines free cash flow as cash provided by operating activities from continuing operations of \$41.5 million, less cash paid for property and equipment of \$4.0 million and capitalized software of \$1.1 million. Cash flow in the quarter was driven by solid net income and strong collections, which led to improved Days Sales Outstanding (DSO) of 55 days in the quarter.

On February 29, 2012, MAXIMUS paid a quarterly cash dividend of \$0.09 per share and in April 2012, the Company announced its next quarterly cash dividend of \$0.09 per share, payable on May 31, 2012 to shareholders of record on May 15, 2012.

In anticipation of the acquisition of PSI, MAXIMUS did not purchase shares during the second quarter of fiscal 2012. At March 31, 2012, the Company had \$129.8 million available for repurchases under the current program.

## **Outlook**

The Company is updating its fiscal 2012 guidance to include the contributions from the acquisition of PSI for the period from May 1, 2012 through September 30, 2012. PSI is expected to generate approximately \$55 million to \$60 million in revenue for fiscal 2012. MAXIMUS now expects consolidated revenue from continuing operations in the range of \$1.030 billion to \$1.060 billion for fiscal 2012, which is an increase from its prior guidance of \$980 million to \$1.015 billion. Excluding acquisition-related costs, the Company expects PSI to be up to \$0.05 accretive in fiscal 2012, which is expected to be offset by a higher tax rate for the remainder of the fiscal year. As a result, the Company still expects adjusted diluted earnings per share from continuing operations in the range of \$2.20 to \$2.30.

## **Website Presentation, Conference Call and Webcast Information**

MAXIMUS will host a conference call this morning, May 3, 2012, at 9:00 a.m. (ET). The call is open to the public and can be accessed under the Investor Relations page of the Company's website at [www.maximus.com](http://www.maximus.com) or by calling:

877.407.8289 (Domestic)/201.689.8341 (International)

For those unable to listen to the live call, a replay will be available through May 17, 2012. Callers can access the replay by calling:

877.660.6853 (Domestic)/201.612.7415 (International)

Replay account number: 316

Replay conference ID number: 393073

## **About MAXIMUS**

MAXIMUS is a leading health and human services administrator for governments in the United States, United Kingdom, Canada and Australia. The Company delivers administrative solutions to improve the cost effectiveness, efficiency and quality of government-sponsored benefit programs, such as Medicaid, Medicare, Children's Health Insurance Program (CHIP), Health Insurance BC (British Columbia), as well as welfare-to-work and child support enforcement programs across the globe. The Company's primary customer base includes federal, provincial, state, county and municipal governments. Operating under its founding mission of *Helping Government Serve the People*<sup>®</sup>, MAXIMUS has more than 8,800 employees located in more than 270 offices worldwide. For more information, visit [www.maximus.com](http://www.maximus.com).

## Non-GAAP Measures

This release refers to non-GAAP financial measures, including free cash flows from operating activities and adjusted diluted earnings per share from continuing operations. The Company believes the measure of free cash flows from operations is a useful basis for comparing its performance to prior periods and competitors and to analyze the underlying trends in the Company's business. The presentation of free cash flows from continuing operations should not be considered in isolation, nor should it be used in place of net income or cash flows from operating activities as a measure of performance. The Company believes the measure of adjusted diluted earnings per share from continuing operations provides a framework for assessing how the ongoing business performed, or is expected to perform, excluding the effects of legal and settlement expenses or recoveries and certain discrete tax items which have not occurred in the most recent prior years. These adjustments may vary significantly and, in the opinion of management, do not reflect the underlying business of the Company. Adjusted diluted earnings per share should not be used in isolation, nor should it be used in place of diluted earnings per share as a measure of profitability. Reconciliations of both non-GAAP measures to their most comparable GAAP measure have been included in this document.

*Statements that are not historical facts, including statements about the Company's confidence and strategies and the Company's expectations about revenues, results of operations, profitability, future contracts, market opportunities, market demand or acceptance of the Company's products are forward-looking statements that involve risks and uncertainties. These uncertainties could cause the Company's actual results to differ materially from those indicated by such forward-looking statements and include reliance on government clients; risks associated with government contracting; risks involved in managing government projects; legislative changes and political developments; opposition from government unions; challenges resulting from growth; adverse publicity; and legal, economic, and other risks detailed in Exhibit 99.1 to the Company's most recent Annual Report filed with the Securities and Exchange Commission, found on [www.maximus.com](http://www.maximus.com).*

**MAXIMUS, Inc.**  
**CONSOLIDATED BALANCE SHEETS**  
(In thousands)

|   | <b>March 31,<br/>2012</b> | <b>September<br/>30,<br/>2011</b> |
|---|---------------------------|-----------------------------------|
|   | <u>(unaudited)</u>        | <u></u>                           |
| <b>ASSETS</b>   |                           |                                   |
| Current assets:   |                           |                                   |
| Cash and cash equivalents   | \$ 229,537                | \$ 172,950                        |
| Restricted cash   | 6,681                     | 4,839                             |
| Accounts receivable — billed, net of reserves of \$3,486 and \$3,265  | 140,664                   | 146,900                           |
| Accounts receivable — unbilled  | 7,242                     | 7,170                             |
| Prepaid income taxes  | 4,109                     | 12,959                            |
| Deferred income taxes   | 23,943                    | 19,256                            |
| Prepaid expenses and other current assets   | 29,406                    | 27,202                            |
| Total current assets  | <u>441,582</u>            | <u>391,276</u>                    |
| Property and equipment, net   | 50,722                    | 51,740                            |
| Capitalized software, net   | 26,697                    | 26,616                            |
| Goodwill  | 72,705                    | 71,323                            |
| Intangible assets, net  | 5,246                     | 5,651                             |
| Deferred contract costs, net  | 6,939                     | 8,020                             |
| Deferred income taxes   | 812                       | 732                               |
| Deferred compensation plan assets   | 9,116                     | 8,004                             |
| Other assets, net   | 2,015                     | 1,917                             |
| Total assets  | <u>\$ 615,834</u>         | <u>\$ 565,279</u>                 |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>   |                           |                                   |
| Current liabilities:  |                           |                                   |
| Accounts payable  | \$ 67,278                 | \$ 55,470                         |
| Accrued compensation and benefits   | 40,409                    | 47,748                            |
| Deferred revenue  | 59,265                    | 47,902                            |
| Current portion of long-term debt   | 132                       | 42                                |
| Acquisition-related contingent consideration  | 2,005                     | 1,840                             |
| Income taxes payable  | 5,497                     | 5,104                             |
| Other accrued liabilities   | 2,377                     | 5,787                             |
| Total current liabilities   | <u>176,963</u>            | <u>163,893</u>                    |
| Deferred revenue, less current portion  | 3,553                     | 2,575                             |
| Long-term debt  | 1,625                     | 1,654                             |
| Acquisition-related contingent consideration, less current portion  | 401                       | 388                               |
| Income taxes payable, less current portion  | 1,538                     | 1,484                             |
| Deferred income taxes   | 11,136                    | 11,945                            |
| Deferred compensation plan liabilities, less current portion  | 9,895                     | 8,883                             |
| Total liabilities   | <u>205,111</u>            | <u>190,822</u>                    |
| Shareholders' equity:   |                           |                                   |
| Common stock, no par value; 60,000 shares authorized; 56,413 and 56,018 shares issued and 33,951 and 33,793 shares outstanding at March 31, 2012 and September 30, 2011, at stated amount, respectively | 389,477                   | 377,579                           |
| Treasury stock, at cost; 22,462 and 22,225 shares at March 31, 2012 and September 30, 2011, respectively  | (425,651)                 | (416,850)                         |
| Accumulated other comprehensive income  | 20,069                    | 12,480                            |
| Retained earnings   | 426,828                   | 401,248                           |
| Total shareholders' equity  | <u>410,723</u>            | <u>374,457</u>                    |
| Total liabilities and shareholders' equity  | <u>\$ 615,834</u>         | <u>\$ 565,279</u>                 |

MAXIMUS, Inc.

CONSOLIDATED STATEMENTS OF OPERATIONS  
(In thousands, except per share data)  
(Unaudited)

|   | Three Months     |                  | Six Months       |                  |
|---|------------------|------------------|------------------|------------------|
|   | Ended March 31,  |                  | Ended March 31,  |                  |
|   | 2012             | 2011             | 2012             | 2011             |
| Revenue   | \$243,452        | \$227,116        | \$483,055        | \$441,230        |
| Cost of revenue                                       | 178,686          | 164,050          | 358,442          | 322,205          |
| Gross profit  | 64,766           | 63,066           | 124,613          | 119,025          |
| Selling, general and administrative expenses          | 37,959           | 33,572           | 70,715           | 62,239           |
| Legal and settlement recovery, net                    | 591              | —                | 405              | —                |
| Operating income from continuing operations           | 27,398           | 29,494           | 54,303           | 56,786           |
| Interest and other income, net                        | 824              | 919              | 1,928            | 1,410            |
| Income from continuing operations before income taxes | 28,222           | 30,413           | 56,231           | 58,196           |
| Provision for income taxes                            | 14,011           | 11,375           | 24,362           | 21,571           |
| Income from continuing operations                     | 14,211           | 19,038           | 31,869           | 36,625           |
| Discontinued operations, net of income taxes:         |                  |                  |                  |                  |
| Income (loss) from discontinued operations            | —                | (265)            | —                | (265)            |
| Gain (loss) on disposal                               | 62               | (554)            | 108              | (659)            |
| Income (loss) from discontinued operations            | 62               | (819)            | 108              | (924)            |
| Net income  | <u>\$ 14,273</u> | <u>\$ 18,219</u> | <u>\$ 31,977</u> | <u>\$ 35,701</u> |
| Basic earnings (loss) per share:                      |                  |                  |                  |                  |
| Income from continuing operations                     | \$ 0.42          | \$ 0.55          | \$ 0.95          | \$ 1.06          |
| Income (loss) from discontinued operations            | —                | (0.02)           | —                | (0.02)           |
| Basic earnings per share                              | <u>\$ 0.42</u>   | <u>\$ 0.53</u>   | <u>\$ 0.95</u>   | <u>\$ 1.04</u>   |
| Diluted earnings (loss) per share:                    |                  |                  |                  |                  |
| Income from continuing operations                     | \$ 0.41          | \$ 0.54          | \$ 0.92          | \$ 1.03          |
| Income (loss) from discontinued operations            | —                | (0.03)           | —                | (0.02)           |
| Diluted earnings per share                            | <u>\$ 0.41</u>   | <u>\$ 0.51</u>   | <u>\$ 0.92</u>   | <u>\$ 1.01</u>   |
| Dividends paid per share                              | <u>\$ 0.09</u>   | <u>\$ 0.08</u>   | <u>\$ 0.18</u>   | <u>\$ 0.14</u>   |
| Weighted average shares outstanding:                  |                  |                  |                  |                  |
| Basic   | 33,788           | 34,422           | 33,725           | 34,392           |
| Diluted   | <u>34,728</u>    | <u>35,574</u>    | <u>34,638</u>    | <u>35,500</u>    |

**MAXIMUS, Inc,**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
(In thousands, except per share data)  
(Unaudited)

|   | <u>Three Months</u>    |                  | <u>Six Months</u>      |                  |
|---|------------------------|------------------|------------------------|------------------|
|   | <u>Ended March 31,</u> |                  | <u>Ended March 31,</u> |                  |
|   | <u>2012</u>            | <u>2011</u>      | <u>2012</u>            | <u>2011</u>      |
| <b>Cash flows from operating activities:</b>                                      |                        |                  |                        |                  |
| Net income  | \$ 14,273              | \$ 18,219        | \$ 31,977              | \$ 35,701        |
| Adjustments to reconcile net income to net cash provided by operating activities: |                        |                  |                        |                  |
| Loss from discontinued operations   | (62)                   | 819              | (108)                  | 924              |
| Depreciation and amortization   | 5,434                  | 5,551            | 11,545                 | 10,783           |
| Deferred income taxes   | (2,891)                | 156              | (5,315)                | 1,146            |
| Non-cash equity based compensation  | 2,836                  | 2,438            | 5,633                  | 4,495            |
| Change in assets and liabilities:   |                        |                  |                        |                  |
| Accounts receivable — billed  | 9,741                  | (23,741)         | 7,268                  | (1,596)          |
| Accounts receivable — unbilled  | 355                    | 3,575            | (63)                   | 2,021            |
| Prepaid expenses and other current assets   | (2,471)                | 628              | (4,092)                | 1,669            |
| Deferred contract costs   | 319                    | (649)            | 1,109                  | (1,229)          |
| Accounts payable  | 4,528                  | 8,339            | 12,298                 | 12,287           |
| Accrued compensation and benefits   | 4,266                  | 4,986            | (6,287)                | (6,567)          |
| Deferred revenue  | 3,662                  | (6,026)          | 11,291                 | (11,296)         |
| Income taxes  | 3,932                  | (6,864)          | 8,910                  | (10,334)         |
| Other assets and liabilities  | (2,440)                | (1,426)          | (5,128)                | (1,618)          |
| Cash provided by continuing operations  | 41,482                 | 6,005            | 69,038                 | 36,386           |
| Cash used in discontinued operations  | —                      | (212)            | —                      | (951)            |
| Cash provided by operating activities   | 41,482                 | 5,793            | 69,038                 | 35,435           |
| <b>Cash flows from investing activities:</b>                                      |                        |                  |                        |                  |
| Proceeds from sale of discontinued operations                                     | —                      | —                | 2,240                  | —                |
| Purchases of property and equipment   | (4,022)                | (4,057)          | (6,576)                | (6,464)          |
| Capitalized software costs  | (1,112)                | (1,574)          | (1,832)                | (3,872)          |
| Proceeds from note receivable   | 124                    | —                | 272                    | —                |
| Cash used in investing activities — continuing ops                                | (5,010)                | (5,631)          | (5,896)                | (10,336)         |
| <b>Cash flows from financing activities:</b>                                      |                        |                  |                        |                  |
| Employee stock transactions   | 1,959                  | 3,684            | 1,687                  | 8,013            |
| Repurchases of common stock   | —                      | (89)             | (9,749)                | (8,459)          |
| Tax benefit due to option exercises and restricted stock units vesting            | 770                    | 2,787            | 2,510                  | 3,818            |
| Issuance of long-term debt  | —                      | 300              | —                      | 300              |
| Cash dividends paid   | (3,038)                | (2,576)          | (6,061)                | (4,643)          |
| Cash used in financing activities — continuing ops                                | (309)                  | 4,106            | (11,613)               | (971)            |
| Effect of exchange rate changes on cash and cash equivalents                      | 2,326                  | 1,883            | 5,058                  | 3,706            |
| Net increase in cash and cash equivalents   | 38,489                 | 6,151            | 56,587                 | 27,834           |
| Cash and cash equivalents, beginning of period                                    | 191,048                | 177,004          | 172,950                | 155,321          |
| Cash and cash equivalents, end of period  | <u>\$229,537</u>       | <u>\$183,155</u> | <u>\$229,537</u>       | <u>\$183,155</u> |

**MAXIMUS, Inc.**  
**SEGMENT INFORMATION**  
(Dollars in thousands)  
(Unaudited)

|   | <u>Three Months Ended March 31,</u> |              |                  |              | <u>Six Months Ended March 31,</u> |              |                  |              |
|---|-------------------------------------|--------------|------------------|--------------|-----------------------------------|--------------|------------------|--------------|
|   | <u>2012</u>                         | <u>% (1)</u> | <u>2011</u>      | <u>% (1)</u> | <u>2012</u>                       | <u>% (1)</u> | <u>2011</u>      | <u>% (1)</u> |
| Revenue:                                      |                                     |              |                  |              |                                   |              |                  |              |
| Health Services                               | \$161,170                           | 100%         | \$137,779        | 100%         | \$319,213                         | 100%         | \$267,790        | 100%         |
| Human Services                                | 82,282                              | 100%         | 89,337           | 100%         | 163,842                           | 100%         | 173,440          | 100%         |
| Total   | <u>243,452</u>                      | 100%         | <u>227,116</u>   | 100%         | <u>483,055</u>                    | 100%         | <u>441,230</u>   | 100%         |
| Gross Profit:                                 |                                     |              |                  |              |                                   |              |                  |              |
| Health services                               | 41,137                              | 25.5%        | 38,320           | 27.8%        | 77,136                            | 24.2%        | 72,597           | 27.1%        |
| Human Services                                | 23,629                              | 28.7%        | 24,746           | 27.7%        | 47,477                            | 29.0%        | 46,428           | 26.8%        |
| Total   | <u>64,766</u>                       | 26.6%        | <u>63,066</u>    | 27.8%        | <u>124,613</u>                    | 25.8%        | <u>119,025</u>   | 27.0%        |
| Selling, general, and administrative expense: |                                     |              |                  |              |                                   |              |                  |              |
| Health Services                               | 22,935                              | 14.2%        | 18,968           | 13.8%        | 42,151                            | 13.2%        | 34,422           | 12.9%        |
| Human Services                                | 15,024                              | 18.3%        | 14,623           | 16.4%        | 28,564                            | 17.4%        | 27,802           | 16.0%        |
| Corporate/Other                               | —                                   | NM           | (19)             | NM           | —                                 | NM           | 15               | NM           |
| Total   | <u>37,959</u>                       | 15.6%        | <u>33,572</u>    | 14.8%        | <u>70,715</u>                     | 14.6%        | <u>62,239</u>    | 14.1%        |
| Operating income from continuing operations:  |                                     |              |                  |              |                                   |              |                  |              |
| Health services                               | 18,202                              | 11.3%        | 19,352           | 14.0%        | 34,985                            | 11.0%        | 38,175           | 14.3%        |
| Human Services                                | 8,605                               | 10.5%        | 10,123           | 11.3%        | 18,913                            | 11.5%        | 18,626           | 10.7%        |
| Corporate/Other                               | —                                   | NM           | 19               | NM           | —                                 | NM           | (15)             | NM           |
| Subtotal: Segment Operating Income            | <u>26,807</u>                       | 11.0%        | <u>29,494</u>    | 13.0%        | <u>53,898</u>                     | 11.2%        | <u>56,786</u>    | 12.9%        |
| Legal and settlement recovery (expense), net  | 591                                 | NM           | —                | NM           | 405                               | NM           | —                | NM           |
| Total   | <u>\$ 27,398</u>                    | 11.3%        | <u>\$ 29,494</u> | 13.0%        | <u>\$ 54,303</u>                  | 11.2%        | <u>\$ 56,786</u> | 12.9%        |

(1) Percentage of respective segment revenue. Changes not considered meaningful are marked "NM."



**MAXIMUS, Inc.**  
**Supplemental Pro Forma Diluted EPS from Continuing Operations ("Adjusted Diluted EPS")**  
**FY 2011 and FY 2012**  
**(Unaudited)**

|   | <b>Quarter Ended</b> |                 |                 |                  | <b>Year</b>    |
|---|----------------------|-----------------|-----------------|------------------|----------------|
|   | <b>Dec. 31,</b>      | <b>Mar. 31,</b> | <b>Jun. 30,</b> | <b>Sept. 30,</b> | <b>Ended</b>   |
|   | <b>2010</b>          | <b>2011</b>     | <b>2011</b>     | <b>2011</b>      | <b>2011</b>    |
| Diluted EPS from continuing operations-GAAP basis | \$ 0.50              | \$ 0.54         | \$ 0.56         | \$ 0.73          | \$ 2.31        |
| Pro forma adjustments:                            |                      |                 |                 |                  |                |
| Legal and settlement expense (recovery), net      | -                    | -               | -               | (0.02)           | (0.02)         |
| Adjustment for tax accounts                       | 0.01                 | 0.01            | 0.01            | (0.07)           | (0.04)         |
| Subtotal pro forma adjustments                    | 0.01                 | 0.01            | 0.01            | (0.09)           | (0.06)         |
| Adjusted Diluted EPS from continuing operations   | <u>\$ 0.51</u>       | <u>\$ 0.55</u>  | <u>\$ 0.57</u>  | <u>\$ 0.64</u>   | <u>\$ 2.25</u> |

|   | <b>Quarter Ended</b> |                 |
|---|----------------------|-----------------|
|   | <b>Dec. 31,</b>      | <b>Mar. 31,</b> |
|   | <b>2011</b>          | <b>2012</b>     |
| Diluted EPS from continuing operations-GAAP basis | \$ 0.51              | \$ 0.41         |
| Pro forma adjustments:                            |                      |                 |
| Legal and settlement expense (recovery), net      | -                    | (0.01)          |
| Tax rate adjustment charge                        | -                    | 0.09            |
| Subtotal pro forma adjustments                    | -                    | 0.08            |
| Adjusted Diluted EPS from continuing operations   | <u>\$ 0.51</u>       | <u>\$ 0.49</u>  |

MAXIMUS, Inc.  
Lisa Miles, 703-251-8637

Source: MAXIMUS, Inc.