March 25, 2020

MAXIMUS Suspends Fiscal 2020 Guidance and Provides COVID-19 Status Update

RESTON, Va.--(BUSINESS WIRE)-- MAXIMUS (NYSE: MMS), a leading provider of government services worldwide, suspended its fiscal 2020 revenue and earnings guidance due to the uncertainty of the impact on global operations following the emergence of the coronavirus pandemic (COVID-19). The Company will provide an update on its next earnings call in May.

The full extent of the COVID-19 pandemic on the Company's operational and financial performance, including its ability to execute business operations, strategies, and initiatives over the expected time frame, is uncertain and will depend on future developments. The duration and broader implications of the pandemic and related developments cannot be reasonably predicted at this time, but MAXIMUS expects negative impacts to the income statement and cash flows for fiscal 2020.

The Company's strong balance sheet will enable it to meet its contractual and financial obligations as these come due, including its income protection plan for its employees. Going forward, MAXIMUS will continue to exercise a disciplined approach to cash outflows in an effort to maintain liquidity and flexibility. The Company will continue its ongoing evaluation of its cash position and use of cash on a holistic basis which includes its approach to buybacks, dividends, and M&A. The MAXIMUS share purchase program will conclude on March 25, 2020, under a share purchase plan previously implemented by the Company and will be re-evaluated once there is clarity around the impact of the COVID-19 crisis. MAXIMUS believes it has adequate cash reserves, including access to a $400 million revolving credit facility to navigate this pandemic.

Underscoring the critical nature of the Company's work, many government clients have deemed certain program operations as "essential services" to ensure vulnerable citizens continue to receive assistance at a time when the need for healthcare and safety-net programs will be high. MAXIMUS is working in close coordination with government clients to execute operational contingencies and modifications, increase work from home capabilities, and implement protocols to address these unprecedented circumstances.

Ensuring the safety and wellbeing of MAXIMUS employees is paramount as the Company works with government customers to ensure citizens continue to have access to the most essential programs. The Company has implemented Centers for Disease Control and Prevention (CDC) criteria for social distancing and increased sanitizing schedules. In consultation with its Chief Medical Officer, MAXIMUS implemented a standard protocol if an employee tests positive for COVID-19. This includes suspending operations and implementing the approved sanitation measures for disinfection and cleaning in accordance with the CDC. As outlined by the CDC, the Company would perform a tracing and notify other staff members that were in contact with the individual and advise them to self-quarantine for 14 days.

MAXIMUS is systematically moving employees to work from home, in partnership with its government clients for whom this is a new model. The Company is implementing this effort amidst constraints and shortages in the IT equipment supply chain that many companies are facing due to unprecedented demand. Equipment such as laptops and headsets are necessary tools for customer service representatives to conduct business at home.

Further, the Company has implemented income protection policies for employees who incur COVID-19 related absences. The Company's new MAXIMUS COVID-19 Temporary Response Policy, effective March 16, 2020, provides additional safeguarding measures, income-continuity, and relief for U.S-based employees amidst the COVID-19 outbreak. These include:

- Paid administrative leave for employees in self-quarantine pending diagnosis or diagnosed
  with COVID-19
- Emergency paid sick leave for government-mandated restriction or office closure that prevents an employee from working, childcare obligation if schools or daycares close, and care for sick relatives when remote work is not possible
- Emergency Paid Family and Medical Leave when schools or daycares close and an employee cannot arrange alternative care for the employee's own child under the age of 18
- Advance Paid Time Off (PTO) for non-COVID-19 related illness for an employee, or care for a family member

The Company is taking the same measures to safeguard employees and provide appropriate income continuity for employees that reside and work outside the United States. MAXIMUS is addressing this within each geography in order to maximize its localized response and to meet the differing requirements by geography.

"MAXIMUS employees are vital in serving the most disadvantaged populations who now face even greater challenges during this crisis. Through their commitment, perseverance, and unparalleled customer service, our employees are delivering essential services to those most in need," stated Bruce Caswell, Chief Executive Officer.

"Our primary objectives are to protect our employees and their families, take responsible action to stop the virus from spreading further, and ensure global business continuity as required by our government clients to help vulnerable citizens," Caswell further commented. "These are challenging times, and I'm personally committed to looking out for the safety of our employees and the citizens we serve as we work through this together."

The MAXIMUS Board of Directors is playing an important role in navigating the path forward, maintaining close contact with the CEO, and working with management to ensure the safety and wellbeing of MAXIMUS employees. Daily global management meetings are held to ensure flexibility and timely decision making. Regular communications are provided to all employees to keep them abreast of the situation.

"MAXIMUS has a solid balance sheet and a management team with a strong operational track record in place to navigate these challenges. Our income protection plan is aimed at supporting our employees who serve on the front-lines every day, helping citizens connect to essential services," commented Peter Pond, Chairman of the Board.

Caswell continued, “We are also helping states and federal clients during this urgent time to expand COVID-19 related information phone lines, and in the United Kingdom, we are working with the government to support the need for additional clinicians who wish to volunteer on behalf of the National Health Service. These are some of the examples that make me proudest to work here. Our Company is valued and turned-to by our customers in a time of critical need, and our employees are going the extra distance to serve our clients and citizens because they see this is about something bigger than themselves.”

About MAXIMUS

Since 1975, MAXIMUS has operated under its founding mission of*Helping Government Serve the People*®, enabling citizens around the globe to successfully engage with their governments at all levels and across a variety of health and human services programs. MAXIMUS delivers innovative business process management and technology solutions that contribute to improved outcomes for citizens and higher levels of productivity, accuracy, accountability and efficiency of government-sponsored programs. With more than 30,000 employees worldwide, MAXIMUS is a proud partner to government agencies in the United States, Australia, Canada, Saudi Arabia, Singapore, and the United Kingdom. For more information, visit maximus.com.

Special Note Regarding Forward-Looking Statements

Statements that are not historical facts, including statements about the Company’s confidence, strategies and initiatives and the Company’s expectations about revenues, results of operations, profitability, liquidity, market demand or the impact of COVID-19 are forward-looking statements that involve risks and uncertainties. These risks could cause the Company’s actual results to differ materially from those indicated by such forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: the continued spread of COVID-19, including the speed, depth, geographic reach and duration of the spread, actions to be taken by the Company in response to COVID-19; the legal, regulatory and administrative developments that occur at the federal, state and local levels in response to COVID-19; uncertainties of the impact of COVID-19 throughout our global operations, including our ability to execute business operations, strategies, and initiatives in the expected time frame; the demand for the Company’s services and products, including based on any downturns in the economy; a failure to meet performance requirements in our contracts, which might lead to contract termination and actual or liquidated damages; the effects of future legislative or government budgetary and spending changes; our failure to successfully bid for and accurately price contracts to generate our desired profit; our ability to maintain technology systems and otherwise protect confidential or protected information; our ability to attract and retain executive officers, senior managers and other qualified personnel to execute our business; our ability to manage capital investments and startup costs incurred before receiving related contract payments; our ability to manage our growth, including acquired businesses; the ability of government customers to terminate contracts on short notice, with or without cause; our ability to maintain relationships with key government entities from whom a substantial portion of our revenue is derived; the outcome of reviews or audits, which might result in financial penalties and impair our ability to respond to invitations for new work; a failure to comply with laws governing our business, which might result in the Company being subject to fines, penalties, suspension, debarment and other sanctions; the costs and outcome of litigation; difficulties

in integrating or achieving projected revenues, earnings and other benefits associated with acquired businesses; the effects of changes in laws and regulations governing our business, including tax laws, and applicable interpretations and guidance thereunder, or changes in accounting policies, rules, methodologies and practices, and our ability to estimate the impact of such changes; matters related to business we have disposed of or divested; and other factors set forth in Exhibit 99.1, under the caption “Special Considerations and Risk Factors,” in our Annual Report on Form 10-K for the year ended September 30, 2019, which was filed with the Securities and Exchange Commission on November 26, 2019.

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