Q2 2020
FINANCIAL RESULTS

JULY 27, 2020

MEDPACE

FORWARD LOOKING STATEMENTS & NON-GAAP FINANCIAL MEASURES

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this presentation that do not relate to matters of historical fact should be considered forward-looking statements, including without limitation statements regarding our anticipated financial results and effective tax rate used for non-GAAP adjustment purposes. In this context, forward-looking statements often address expected future business and financial performance and financial condition, and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," "target," "forecast," "may," "could," "likely," "anticipate," "project," "goal," "objective," similar expressions, and variations or negatives of these words.

These forward-looking statements are based on management's current expectations. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our financial condition, actual results, performance (including share price performance), or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the following: the potential loss, delay or non-renewal of our contracts, or the non-payment by customers for services we have performed; the failure to convert backlog to revenue at our present or historical conversion rate; fluctuation in our results between fiscal quarters and years; decreased operating margins due to increased pricing pressure or other factors; failure to perform our services in accordance with contractual requirements, government regulations and ethical considerations; the impact of underpricing our contracts, overrunning our cost estimates or failing to receive approval for or experiencing delays with documentation of change orders; our failure to successfully execute our growth strategies; the impact of a failure to retain key executives or other personnel or recruit experienced personnel; the risks associated with our information systems infrastructure, including potential security breaches and other disruptions which could compromise our information; our failure to manage our growth effectively; adverse results from customer or therapeutic area concentration; the risks associated with doing business internationally, including the effects of tariffs and trade wars; the risks associated with the Foreign Corrupt Practices Act and other anti-corruption laws; future net losses; the impact of changes in tax laws and regulations; the risks associated with our intercompany pricing policies; our failure to attract suitable investigators and patients to our clinical trials; the liability risks associated with our research and development services; the risks related to our Phase I clinical services; inadequate insurance coverage for our operations and indemnification obligations; fluctuations in exchange rates; the risks related to our relationships with existing or potential customers who are in competition with each other; our failure to successfully integrate potential future acquisitions; potential impairment of goodwill or other intangible assets; our limited ability to utilize our net operating loss carryforwards or other tax attributes; the risks associated with the use and disposal of hazardous substances and waste; the failure of third parties to provide us critical support services; our limited ability to protect our intellectual property rights; the risks associated with potential future investments in our customers' business or drugs; general economic conditions in the markets in which we operate, including financial market conditions; the impact of a natural disaster or other catastrophic event; negative outsourcing trends in the biopharmaceutical industry and a reduction in aggregate expenditures and research and development budgets; our inability to compete effectively with other CROs; the impact of healthcare reform; the impact of consolidation in the biopharmaceutical industry; failure to comply with federal, state and foreign healthcare laws; the effect of current and proposed laws and regulations regarding the protection of personal data; our potential involvement in costly intellectual property lawsuits; actions by regulatory authorities or customers to limit the scope of or withdraw an approved drug, biologic or medical device from the market; failure to keep pace with rapid technological changes; the impact of industry-wide reputational harm to CROs; the effect of the U.K.'s withdrawal from the EU, which could have implications on our research, commercial and general business operations in the U.K. and the EU; changes in U.S. generally accepted accounting principles; risks related to internal control over financial reporting; our ability to fulfill our debt obligations; the risks associated with incurring additional debt or undertaking additional debt obligations; the effect of covenant restrictions under our debt agreements on our ability to operate our business; our inability to generate sufficient cash to service all of our indebtedness or other funding obligations; fluctuations in interest rates; the risks and uncertainties related to disruptions to or reductions in business operations or prospects due to pandemics, epidemics, widespread health emergencies, or outbreaks of infectious diseases such as coronavirus disease COVID-19; and our dependence on our lenders, which may not be able to fund borrowings under the credit commitments, and our inability to borrow.

These and other important factors discussed under the caption "Risk Factors" in our Annual Report on Form 10-K filed with the Securities and Exchange Commission, or SEC, on February 25, 2020, and our other reports filed with the SEC could cause actual results to differ materially from those indicated by the forward-looking statements made in this presentation. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release and in our filings with the SEC. Any such forward-looking statements represent management's estimates as of the date of this presentation. We cannot guarantee that any forward-looking statement will be realized. Achievement of anticipated results is subject to substantial risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. While we may elect to update such forward-looking statements at some point in the future, we disclaim any obligation to do so, even if subsequent events cause our views to change. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this presentation.

Non-GAAP Financial Measures

Certain financial measures presented in this presentation, such as EBITDA, EBITDA margin, and Free Cash Flow, are not recognized under generally accepted accounting principles in the United States of America, or U.S. GAAP. Management uses EBITDA, EBITDA margin, and Free Cash Flow or comparable metrics as a measurement used in evaluating our operating performance on a consistent basis, as a consideration to assess incentive compensation for our employees, for planning purposes, including the preparation of our internal annual operating budget, and to evaluate the performance and effectiveness of our operational strategies.

We believe that EBITDA and EBITDA margin are useful to provide additional information to investors about certain material non-cash and non-recurring items. While we believe these financial measures are commonly used by investors to evaluate our performance and that of our competitors, because not all companies use identical calculations, this presentation of EBITDA and EBITDA margin may not be comparable to other similarly titled measures of other companies and should not be considered as an alternative to performance measures derived in accordance with U.S. GAAP. EBITDA is calculated as net income (loss) attributable to Medpace Holdings, Inc. before income tax expense, interest expense, net, depreciation and amortization. EBITDA margin is calculated by dividing EBITDA by Revenue, net for each period. Our presentation of EBITDA and EBITDA margin should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

We utilize Free Cash Flow as a measure of profitability and an assessment of our ability to generate cash. Free Cash Flow is a commonly utilized metric that companies provide to investors, although the calculation of Free Cash Flow may not be comparable to other similarly titled metrics of other companies and should not be considered as an alternative to cash flow measures derived in accordance with U.S. GAAP. We define Free Cash Flow as net cash provided by operating activities, less capital expenditures and the principal portion of payments related to campus leases classified for accounting purposes as deemed landlord liabilities.

EBITDA, EBITDA margin, and Free Cash Flow have important limitations as analytical tools and you should not consider them in isolation, or as a substitute for, analysis of our results as reported under U.S. GAAP. See the condensed consolidated financial statements included elsewhere in this prospectus for our U.S. GAAP results. Additionally, for reconciliations of EBITDA to our closest reported U.S. GAAP measures, refer to the appendix of this presentation.

Q2 2020 – KEY OPERATING HIGHLIGHTS

($ in millions)	Second Quarter			Year-to-Date		
	2020	2019	% Change	2020	2019	% Change
Revenue, net	$ 205.0	$ 214.1	-4.3%	$ 435.9	$ 414.8	5.1%
Net New Business Awards	254.1	279.2	-9.0%	501.0	527.9	-5.1%
Net Book-to-Bill (A)	1.24	1.30	n.m.	1.15	1.27	n.m.
Net Book-to-Bill (LTM)	1.21	1.26	n.m.	--	--	--
Ending Backlog	$ 1,342.8	$ 1,171.7	14.6%	--	--	--
Backlog Conversion Rate (B)	15.8%	19.3%	n.m.	16.9%	19.1%	n.m.
Headcount	3,372	3,193	5.6%	--	--	--

A. Net Book-to-Bill: Net New Business Awards divided by Revenue, net.
B. Backlog Conversion Rate: Revenue, net, for the quarter divided by beginning backlog. Year-to-date backlog conversion figures represent the average backlog for all quarters.

BACKLOG AND NEW AWARD TRENDS

Net Book-to-Bill

Backlog Conversion Rate

Net New Business Awards

Ending Backlog and Est. NTM Backlog Conversion[A]

($ in millions)

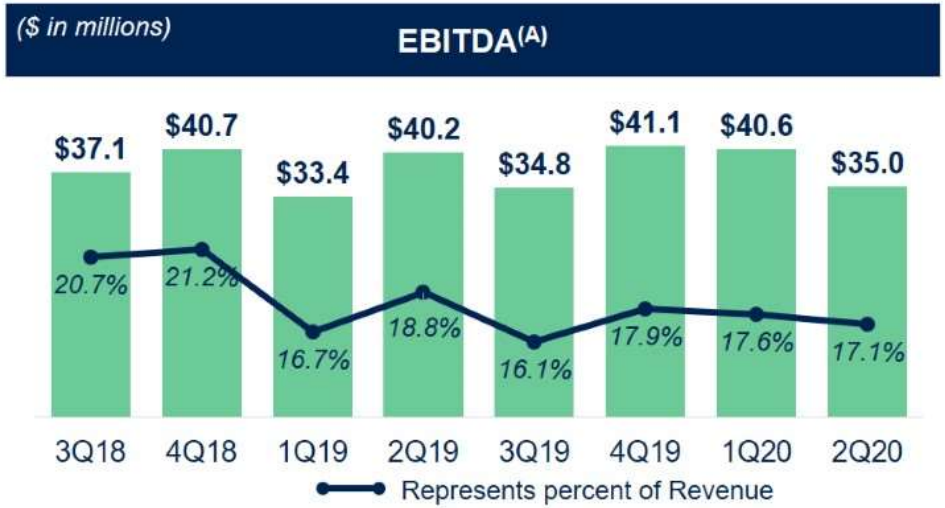
A. Amount of backlog estimated to convert to revenue in the next twelve months.

Q2 2020 – KEY FINANCIAL HIGHLIGHTS

($ in millions, except per share data)	Second Quarter			Year-to-Date		
	2020	2019	% Change	2020	2019	% Change
Revenue, net	$ 205.0	$ 214.1	-4.3%	$ 435.9	$ 414.8	5.1%
EBITDA[A]	35.0	40.2	-12.9%	75.6	73.7	2.6%
% Margin	17.1%	18.8%	n.m.	17.3%	17.8%	n.m.
Net Income	24.1	27.5	-12.2%	53.1	46.7	13.7%
Net Income per diluted share	$ 0.64	$0.73	-12.3%	$ 1.40	$1.24	12.9%

A. See the appendix for the non-GAAP reconciliation of the EBITDA calculations.

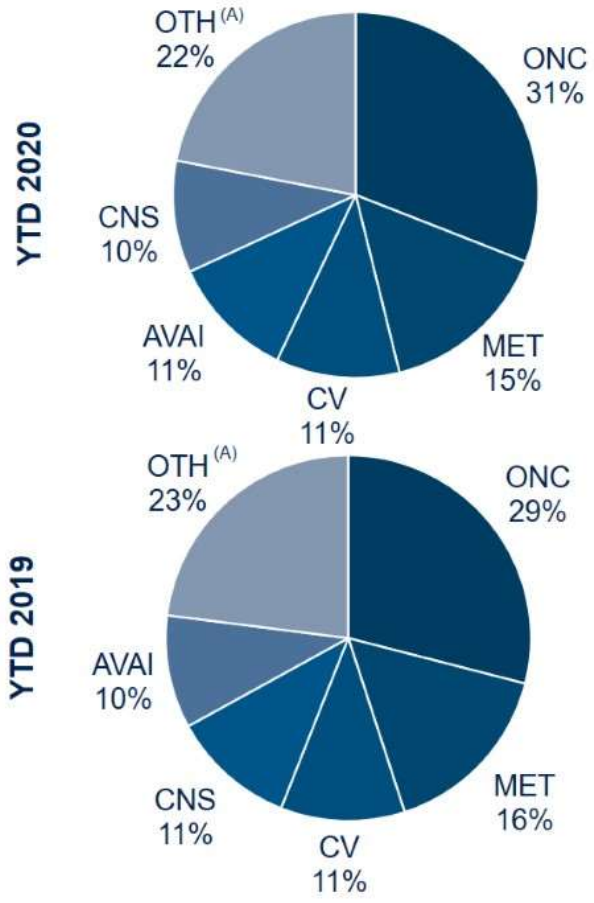
KEY FINANCIAL TRENDS



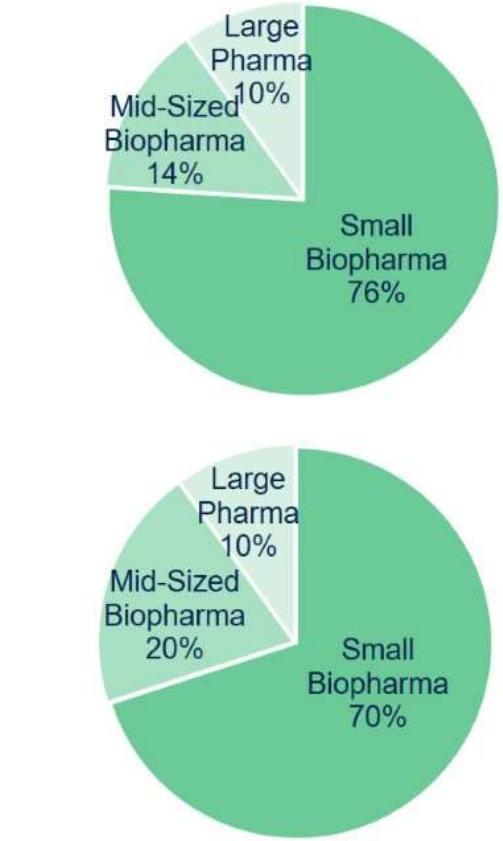
A. See the appendix for the non-GAAP reconciliation of the EBITDA calculations. In each quarter throughout 2018, EBITDA excluded $1.0 million of corporate campus lease payments. 3Q18 EBITDA also included transaction-related expenses of $0.3 million.

YTD 2020 – REVENUE COMPOSITION

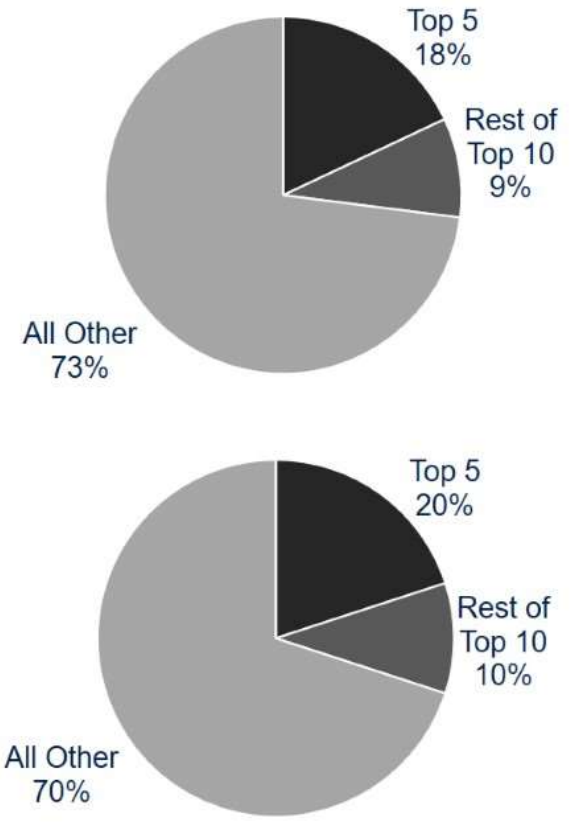
Therapeutic Area Concentration



Customer Tier Concentration (B)



Top 10 Customer Concentration (C)



A. Other primarily includes Nephrology, Rheumatology, Musculoskeletal, Dermatology, Gastroenterology, and Ophthalmology therapeutic areas.
B. Current period customer tiers classified by Evaluate Ltd. via EvaluatePharma© as well as management analysis. Large Pharma represents the top 20 pharma companies worldwide based on annual sales as of 12/31/18. Mid-sized biopharma represents customers with >$250M of annual sales. Small Biopharma represents customers with <$250M of annual sales.
C. No single customer represents over 10% of revenue.

Q2 2020 – CASH POSITION

($ in millions)

Free Cash Flow and Free Cash Flow Conversion[A]

	2Q19	3Q19	4Q19	1Q20	2Q20
Net Cash	$20.1	$79.3	$131.9	$134.0	$160.9
Net DSO[B]	(6.6)	(12.5)	(14.7)	(21.0)	(30.2)

($ in millions)

Free Cash Flow	Second Quarter 2020	Second Quarter 2019	Year-to-Date 2020	Year-to-Date 2019
Operating Cash Flow (GAAP)	$44.3	$ 46.6	$93.4	$ 80.6
Less: CAPEX	9.3	3.5	14.9	6.0
Free Cash Flow (non-GAAP)	$34.9	$ 43.2	$78.5	$ 74.6
EBITDA (non-GAAP)	$35.0	$ 40.2	$75.6	$ 73.7
Free Cash Flow Conversion %[A] (non-GAAP)	99.8%	107.3%	103.9%	101.3%

A. Free Cash Flow Conversion % is equal to Free Cash Flow divided by EBITDA.
B. Net Days Sales Outstanding (DSO) reflects Revenue, net, and is based on billed and unbilled Accounts receivable, net of Advanced billings, including Reimbursed out-of-pocket revenue and expenses.

Note: Numbers may not sum due to rounding

FULL YEAR 2020 GUIDANCE

($ in millions, except per share data)	As of July 27, 2020	
	Guidance Range	Growth Rate
Revenue, net	$880.0 - $920.0	2.2% - 6.9%
EBITDA	$180.0 - $190.0	20.3% - 27.0%
GAAP Net Income	$136.0 - $144.0	35.4% - 43.4%
GAAP Net Income per diluted share	$3.62 - $3.83	35.6% - 43.4%

Note: See appendix for a detailed reconciliation.

APPENDIX

Q2 2020 – INCOME STATEMENT

($ in millions, except per share amounts)	2Q20	% Revenue, net	2Q19	% Revenue, net	2Q20 vs. 2Q19 $ Change	2Q20 vs. 2Q19 % Change
Revenue, net	$ 205.0	100.0%	$ 214.1	100.0%	(9.1)	(4.3%)
Operating Expenses:						
Direct service costs, excluding depreciation and amortization	86.6	42.3%	79.3	37.1%	7.3	9.2%
Reimbursed out-of-pocket expenses	61.7	30.1%	71.0	33.2%	(9.3)	(13.0%)
Total direct costs	148.4	72.4%	150.3	70.2%	(2.0)	(1.3%)
Selling, general and administrative	21.9	10.7%	23.6	11.0%	(1.7)	(7.2%)
Depreciation	2.7	1.3%	2.0	0.9%	0.7	34.9%
Amortization	2.0	1.0%	3.0	1.4%	(1.0)	(33.9%)
Total operating expenses	174.9	85.3%	178.8	83.5%	(4.0)	(2.2%)
Income from operations	30.1	14.7%	35.3	16.5%	(5.1)	
Other income (expense), net:						
Miscellaneous income (expense), net	0.2	0.1%	(0.0)	(0.0%)	0.3	
Interest expense, net	(0.0)	(0.0%)	(0.7)	(0.3%)	0.7	
Total other income (expense), net	0.2	0.1%	(0.8)	(0.4%)	1.0	
Income before income taxes	30.4	14.8%	34.5	16.1%	(4.1)	
Income tax provision	6.3	3.1%	7.0	3.3%	(0.8)	
Net income	$ 24.1	11.8%	$ 27.5	12.8%	$ (3.4)	
Basic EPS (GAAP)	$ 0.68		$ 0.76		$ (0.08)	(10.5%)
Diluted EPS (GAAP)	$ 0.64		$ 0.73		$ (0.09)	(12.3%)
EBITDA	$ 35.0		$ 40.2		$ (5.2)	(12.9%)
EBITDA Margin	17.1%		18.8%		(1.7%)	

Note: Numbers may not sum due to rounding

EBITDA RECONCILIATION

($ in millions)	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20
Net income as reported (GAAP)	$ 19.3	$ 22.8	$ 19.2	$ 27.5	$ 24.0	$ 29.8	$ 29.0	$ 24.1
Income tax provision	6.2	6.6	5.5	7.0	5.5	6.4	7.5	6.3
Interest expense (income), net	1.9	1.6	1.0	0.7	0.3	(0.4)	(0.4)	0.0
Depreciation	2.3	2.4	2.0	2.0	2.1	2.3	2.5	2.7
Amortization	7.4	7.4	5.8	3.0	3.0	3.0	2.0	2.0
EBITDA (non-GAAP)	$ 37.1	$ 40.7	$ 33.4	$ 40.2	$ 34.8	$ 41.1	$ 40.6	$ 35.0
Net income margin (GAAP)	10.8%	11.8%	9.6%	12.8%	11.1%	13.0%	12.5%	11.8%
EBITDA margin (non-GAAP)	20.7%	21.2%	16.7%	18.8%	16.1%	17.9%	17.6%	17.1%

Note: Numbers may not sum due to rounding

FY2020 GUIDANCE RECONCILIATION

($ in millions, except per share amounts)	Net Income		Net Income per diluted share	
	Low	High	Low	High
Net Income and Net Income per diluted share (GAAP)	$ 136.0	$ 144.0	$ 3.62	$ 3.83
Income tax provision	24.9	26.9		
Interest income, net	(0.4)	(0.4)		
Depreciation	11.6	11.6		
Amortization	7.9	7.9		
EBITDA (non-GAAP)	$ 180.0	$ 190.0		

Note: Guidance represents a tax rate for FY2020 in the range of 15.0% to 16.0%.