Q4 2019
FINANCIAL RESULTS

FEBRUARY 24, 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 pressures; 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 recent 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, including the impact of the changes to the revenue recognition standards; 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; fluctuations in interest rates; 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 26, 2019, 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, Adjusted Net Income (including Adjusted Net Income per diluted share) 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, Adjusted Net Income (including Adjusted Net Income per diluted share) 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.

Adjusted Net Income (including Adjusted Net Income per diluted share) measures our operating performance by adjusting net income (loss) attributable to Medpace Holdings, Inc. to include cash expenditures related to rental payments on leases classified for accounting purposes as deemed landlord liabilities, and exclude amortization expense, certain stock based compensation award non-cash expenses, certain litigation expenses, deferred financing fees and certain other non-recurring items. Management uses this measure to evaluate our core operating results as it excludes certain items whose fluctuations from period-to-period do not necessarily correspond to changes in the core operations of the business, but includes certain items such as depreciation, interest expense and tax expense, which are otherwise excluded from EBITDA. We believe the presentation of Adjusted Net Income (including Adjusted Net Income per diluted share) enhances our investors' overall understanding of the financial performance and cash flow of our business. You should not consider Adjusted Net Income (including Adjusted Net Income per diluted share) as an alternative to net income (loss) attributable to Medpace Holdings Inc., determined in accordance with U.S. GAAP, as an indicator of operating performance.

EBITDA, EBITDA margin, Adjusted Net Income (including Adjusted Net Income per diluted share) 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 consolidated financial statements included elsewhere in this prospectus for our U.S. GAAP results. Additionally, for reconciliations of EBITDA, Adjusted Net Income (including Adjusted Net Income per diluted share) and Free Cash Flow to our closest reported U.S. GAAP measures, refer to the appendix of this presentation.

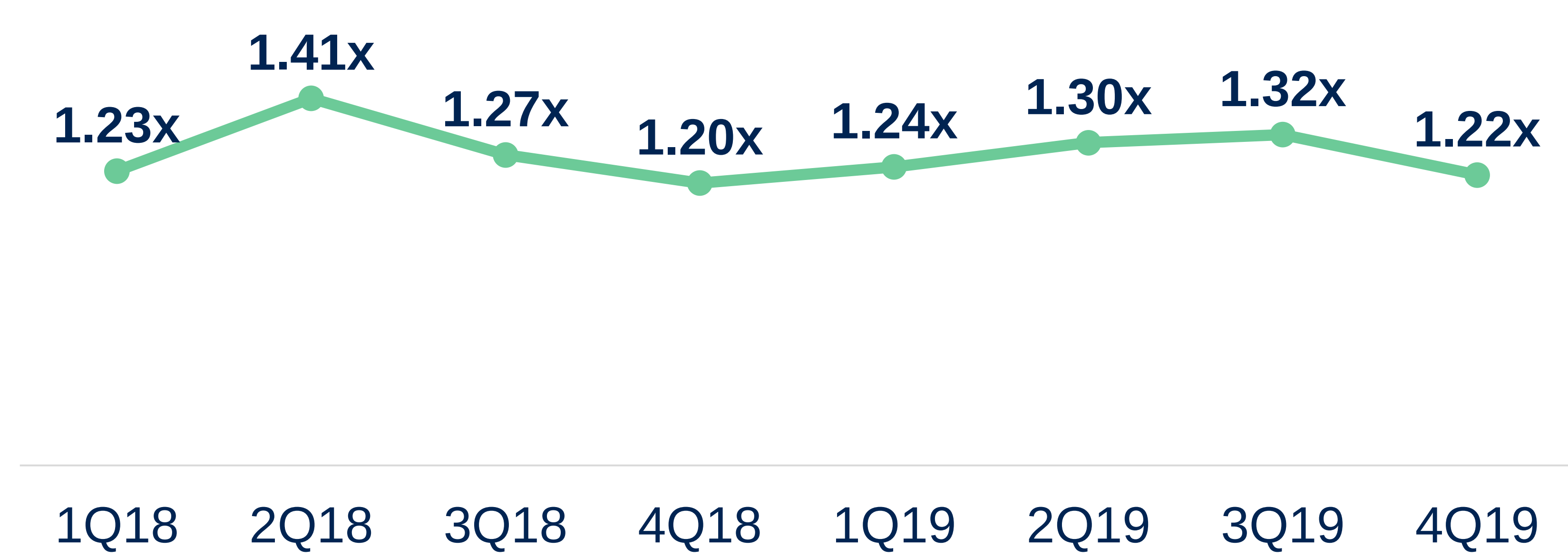
Q4 2019 – KEY OPERATING HIGHLIGHTS

($ in millions)	Fourth Quarter			Full Year		
	2019	2018	% Change	2019	2018	% Change
Revenue, net	$ 229.9	$ 192.1	19.7%	$ 861.0	$ 704.6	22.2%
Net New Business Awards	$ 281.1	$ 231.2	21.6%	$ 1,094.4	$ 899.4	21.7%
Net Book-to-Bill (A)	1.22	1.20	n.m.	1.27	1.28	n.m.
Ending Backlog	$ 1,283.2	$ 1,057.9	21.3%	--	--	--
Backlog Conversion Rate (B)	18.7%	18.8%	n.m.	18.9%	18.6%	n.m.
Headcount	3,476	2,909	19.5%	--	--	--

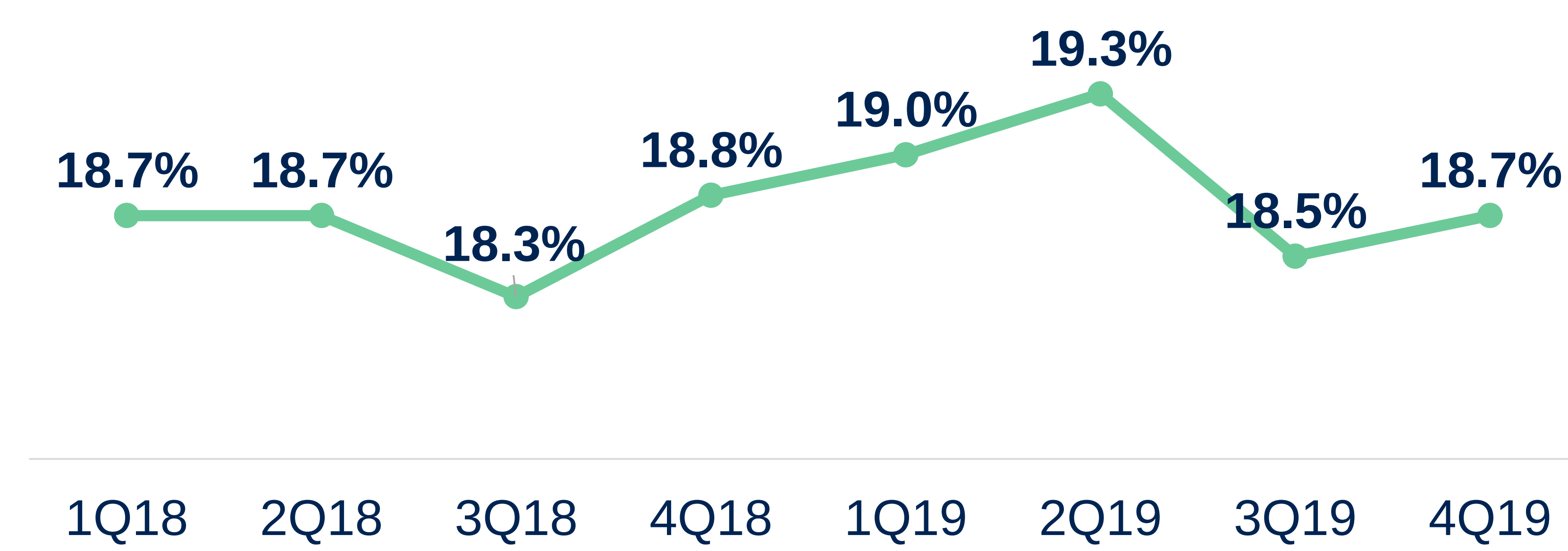
A. Net Book-to-Bill: Net New Business Awards divided by Revenue, net.
B. Backlog Conversion Rate: Revenue, net, for the quarter divided by beginning backlog. Full year backlog conversion figures represent the average backlog for all quarters.

BACKLOG AND NEW AWARD TRENDS

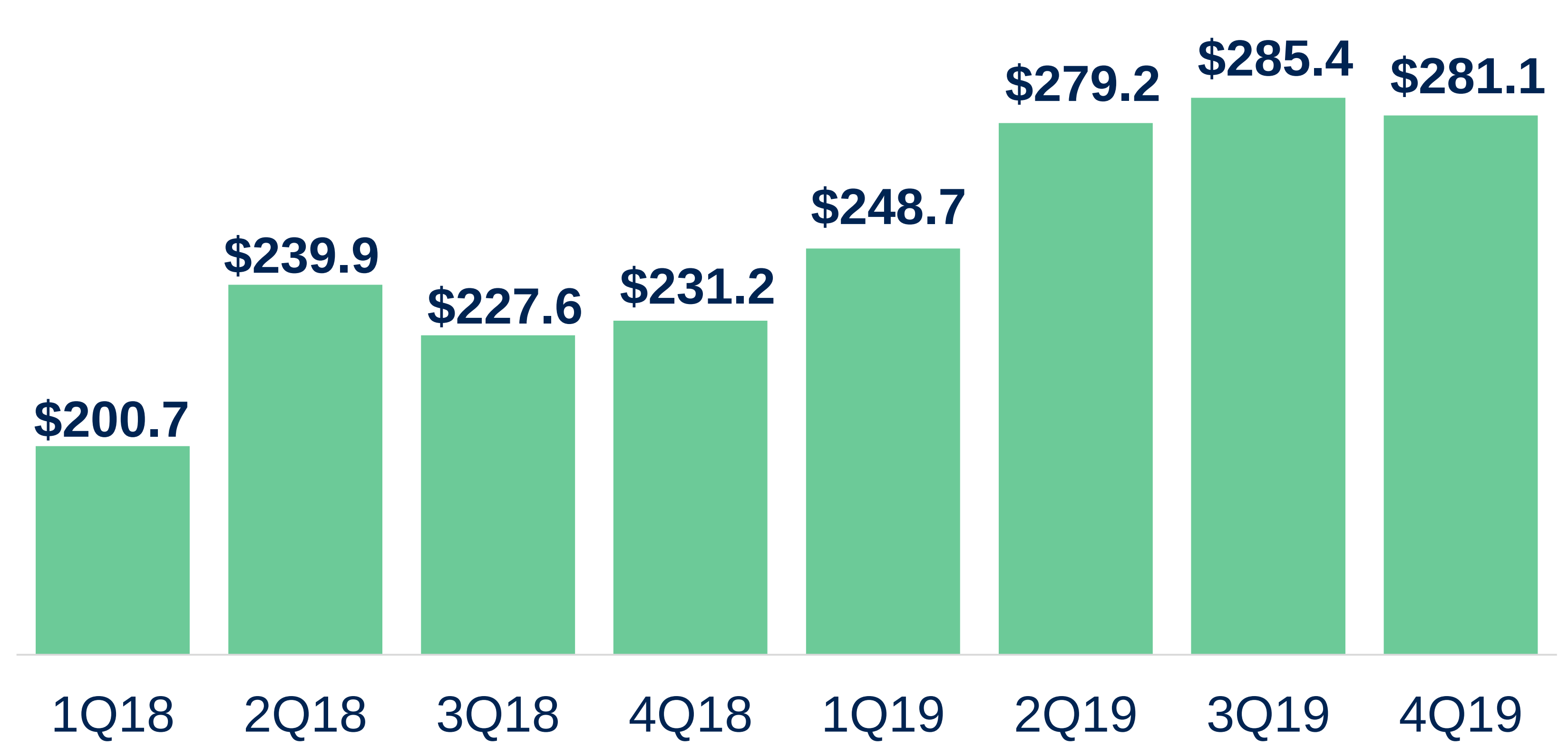
Net Book-to-Bill



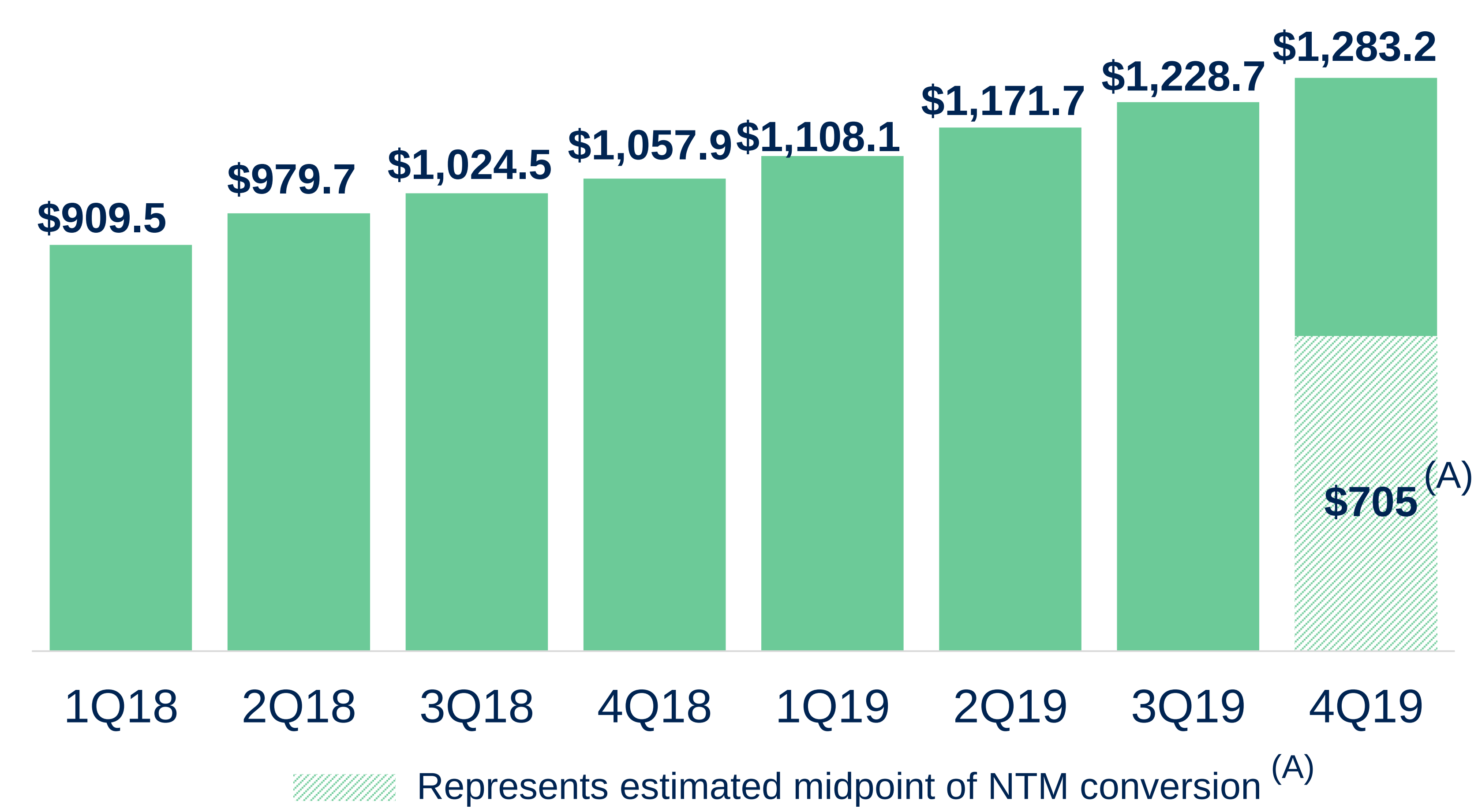
Backlog Conversion Rate



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.

Q4 2019 – KEY FINANCIAL HIGHLIGHTS

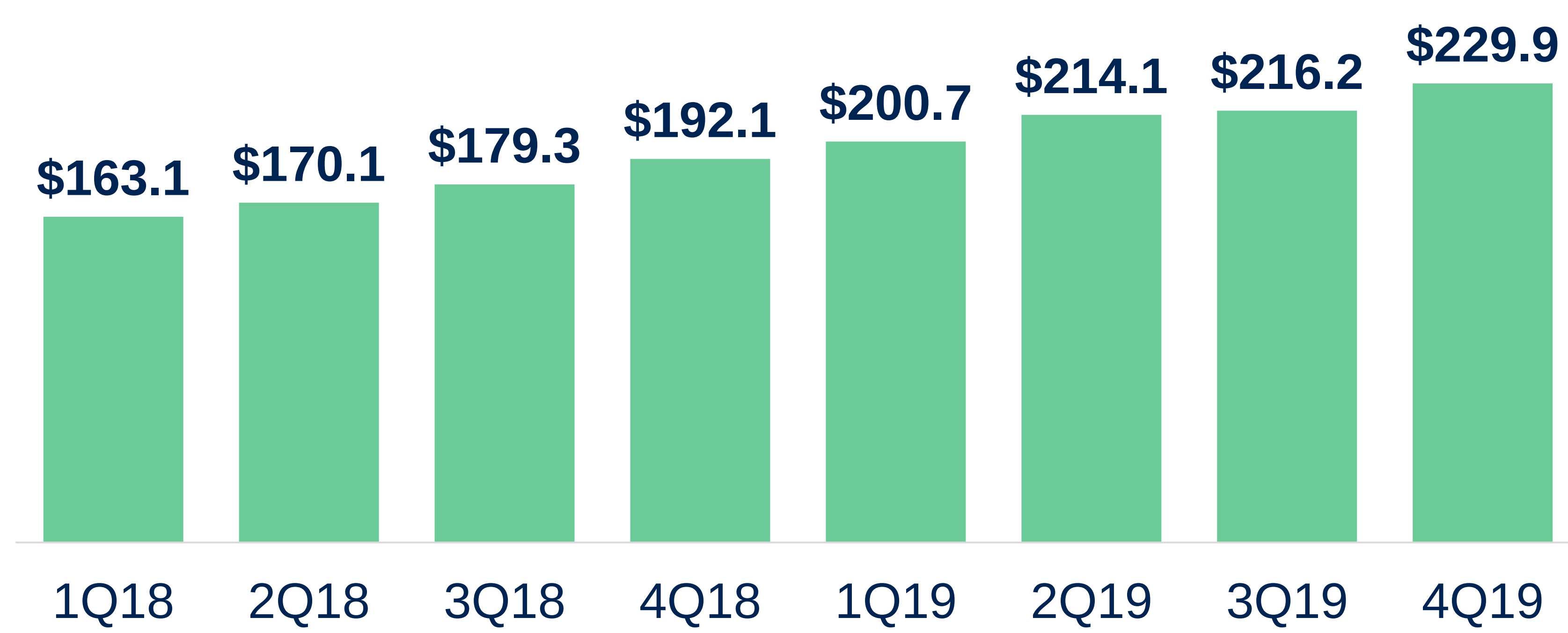
($ in millions, except per share data)	Fourth Quarter			Full Year		
	2019	2018	% Change	2019	2018	% Change
Revenue, net	$ 229.9	$ 192.1	19.7%	$ 861.0	$ 704.6	22.2%
EBITDA(A) (B)	$ 41.1	$ 40.7	1.2%	$ 149.6	$ 140.9	6.2%
% Margin	17.9%	21.2%	n.m.	17.4%	20.0%	n.m.
Net Income	$ 29.8	$ 22.8	31.0%	$ 100.4	$ 73.2	37.2%
Net Income per diluted share	$ 0.78	$ 0.61	27.9%	$ 2.67	$ 1.97	35.5%
Adjusted Net Income(A)	$ 32.2	$ 28.1	14.5%	$ 113.3	$ 95.5	18.7%
Adjusted Net Income per diluted share(A)	$ 0.85	$ 0.76	11.8%	$ 3.02	$ 2.59	16.6%

A. See the appendix for the non-GAAP reconciliation of the EBITDA, Adjusted Net Income and Adjusted Net Income per diluted share calculations.
B. Fourth quarter 2018 and full year 2018 EBITDA excluded corporate campus lease payments of approximately $1.0 million and $3.8 million, respectively. Full year 2018 EBITDA also included transaction-related expenses of $0.7 million.
Note: Adjusted Net Income is reflective of an estimated effective tax rate of 21% for 4Q19 and 23% for 4Q18.

KEY FINANCIAL TRENDS

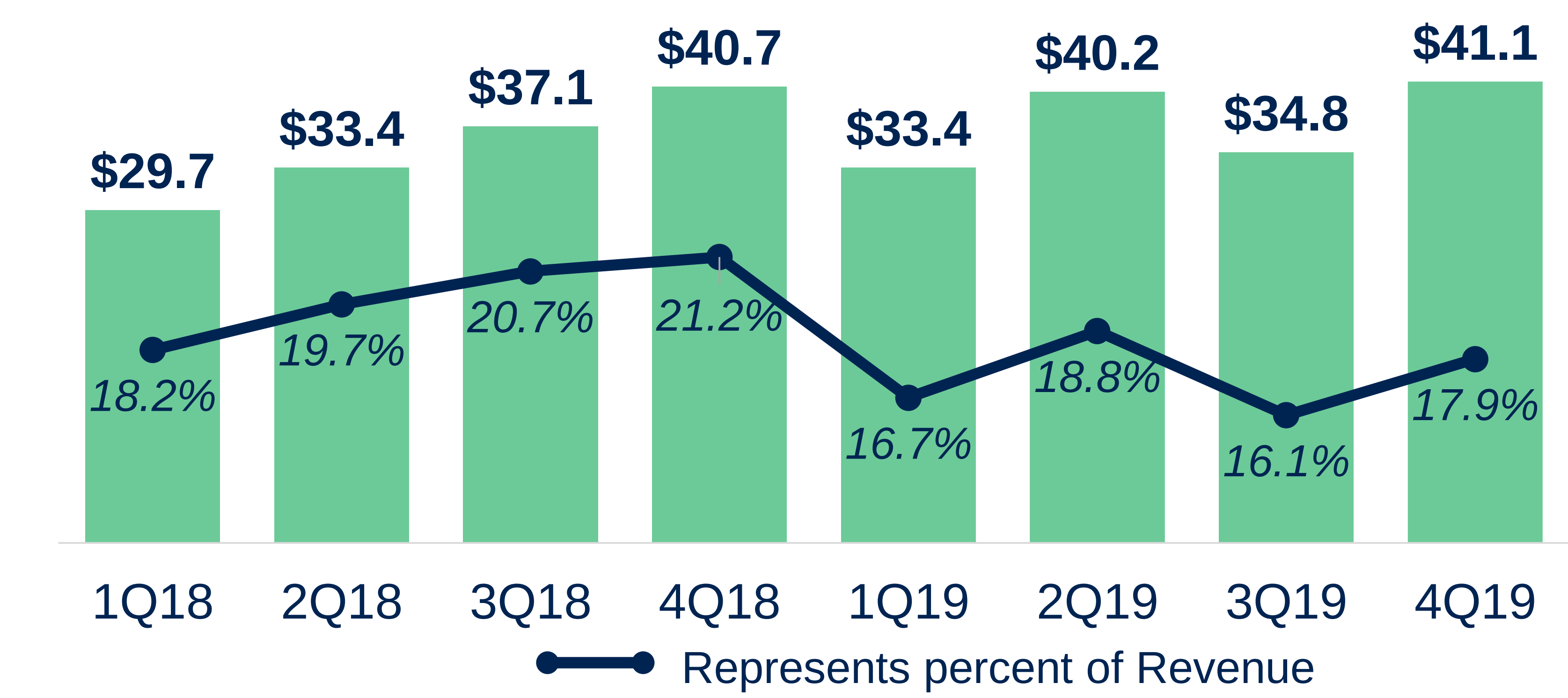
($ in millions)

Revenue, net



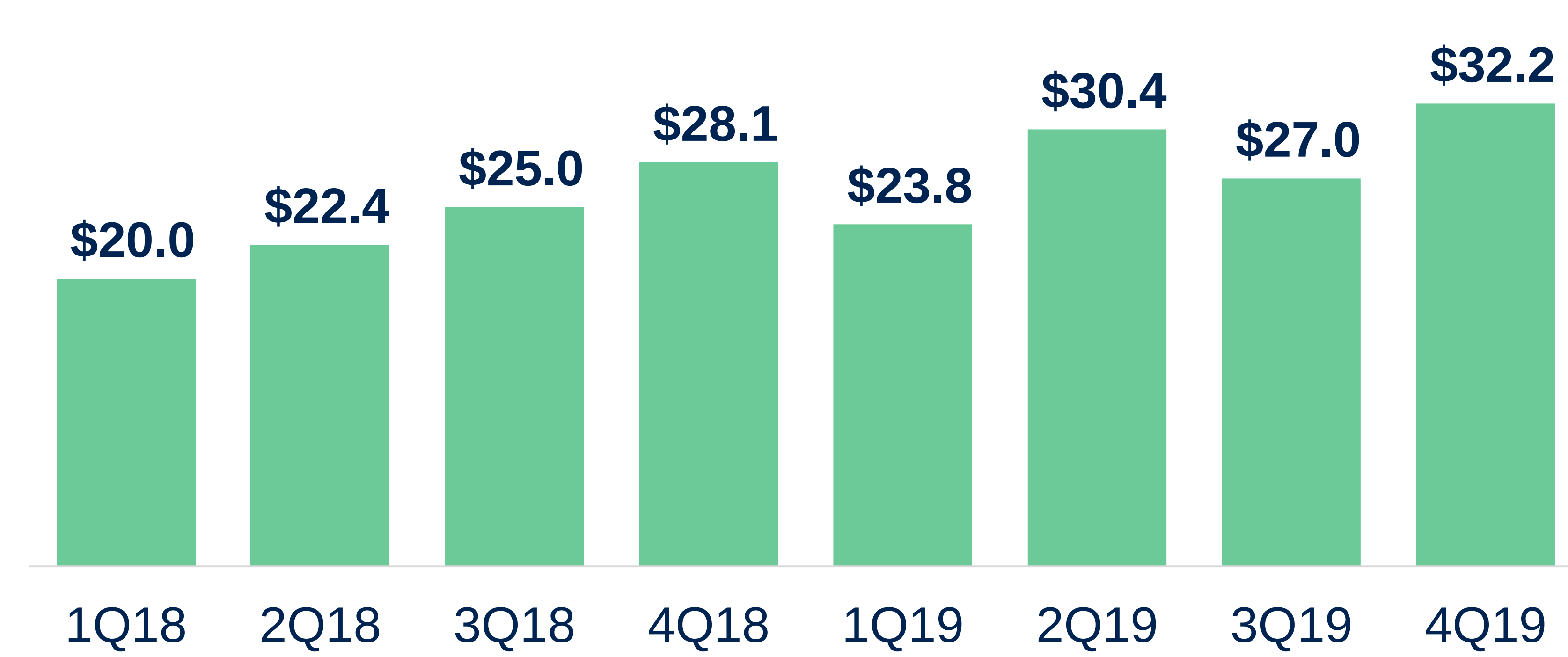
($ in millions)

EBITDA(A)(B)

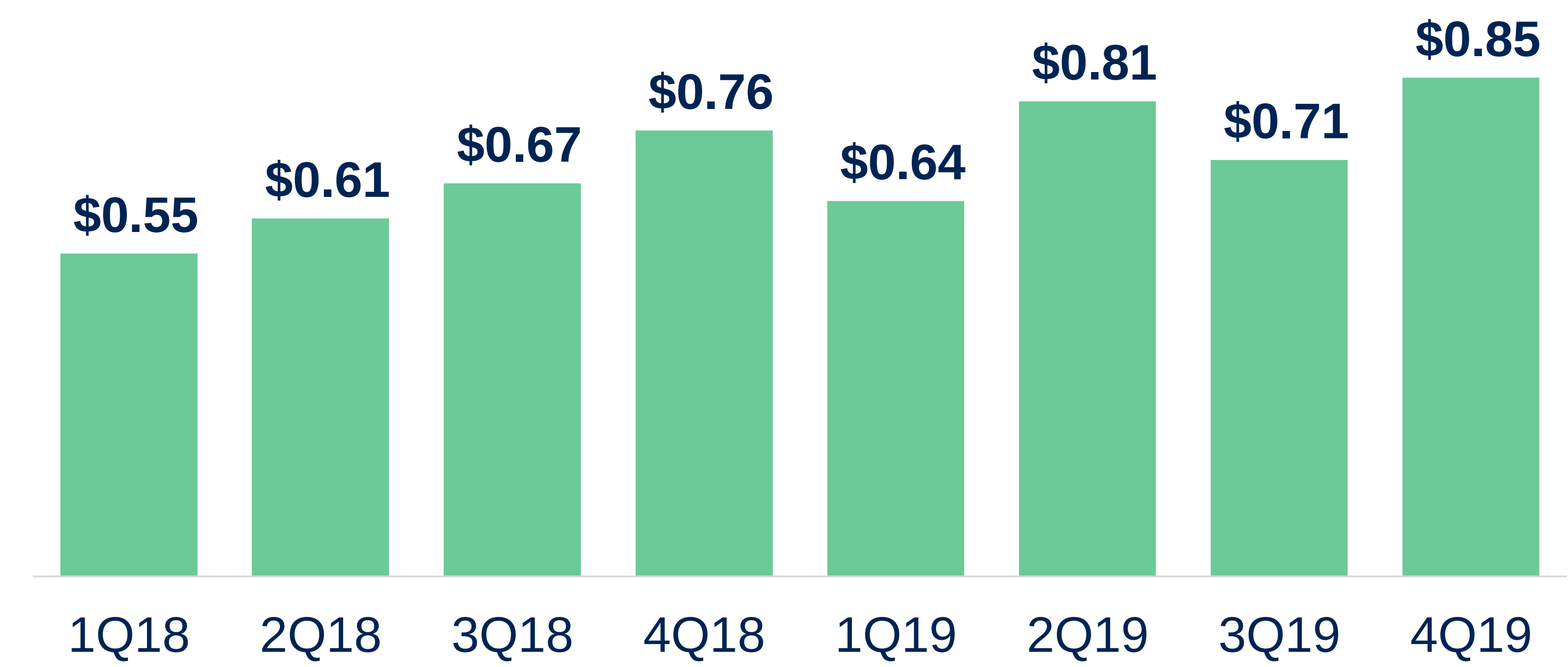


($ in millions)

Adjusted Net Income(A)



Adjusted Net Income per diluted share(A)



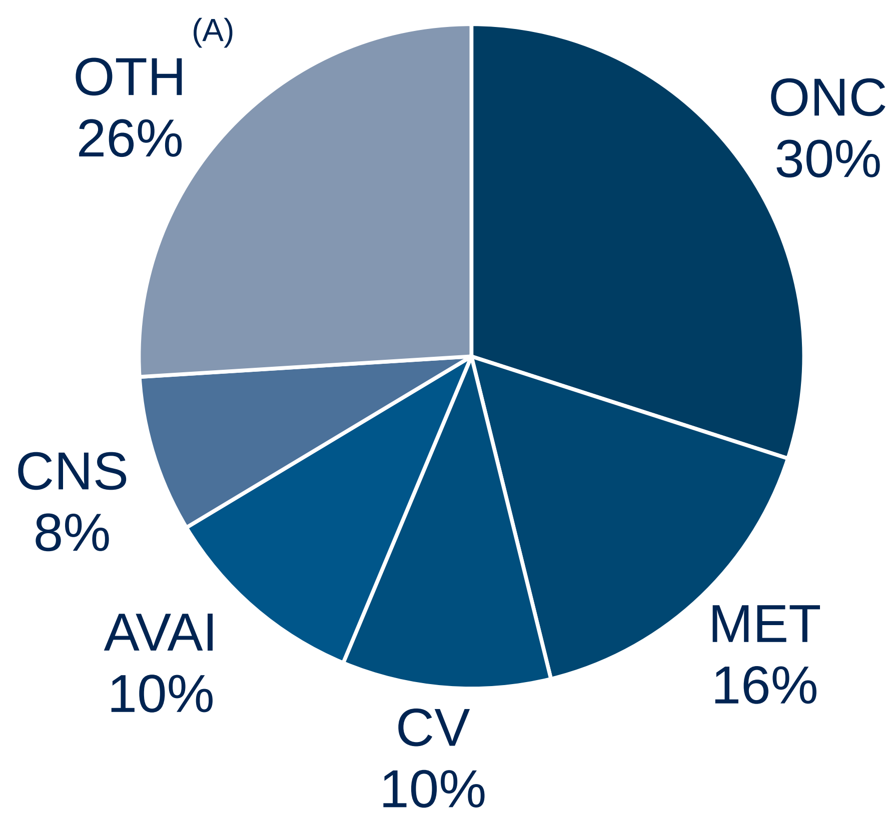
A. See the appendix for the non-GAAP reconciliation of the EBITDA, Adjusted Net Income and Adjusted Net Income per diluted share calculations.
B. In each quarter throughout 2018, EBITDA excluded $1.0 million of corporate campus lease payments. 2Q18 and 3Q18 EBITDA also included transaction-related expenses of $0.4 million and $0.3 million, respectively.

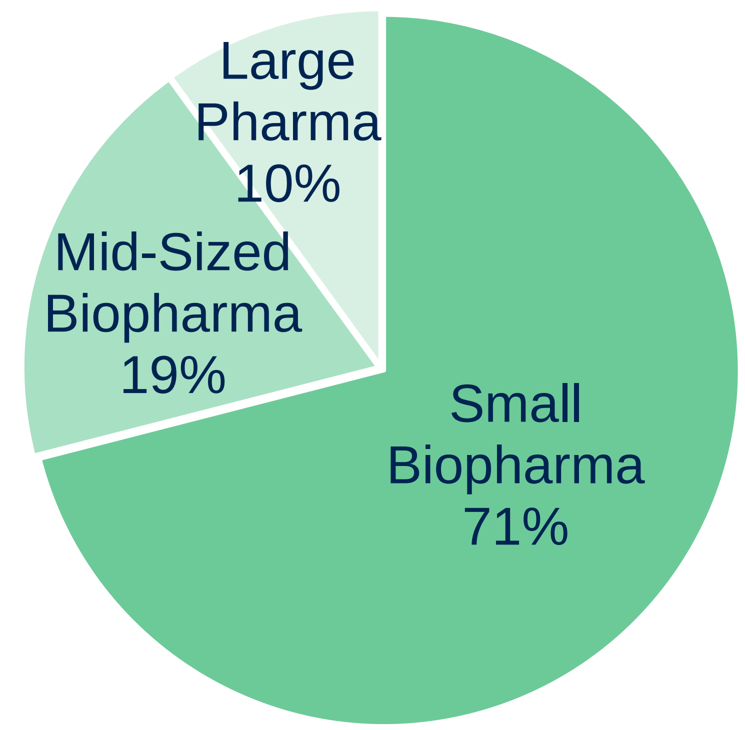
Note: Adjusted Net Income is reflective of an estimated effective tax rate of 21% for 4Q19 and 23% for 4Q18.

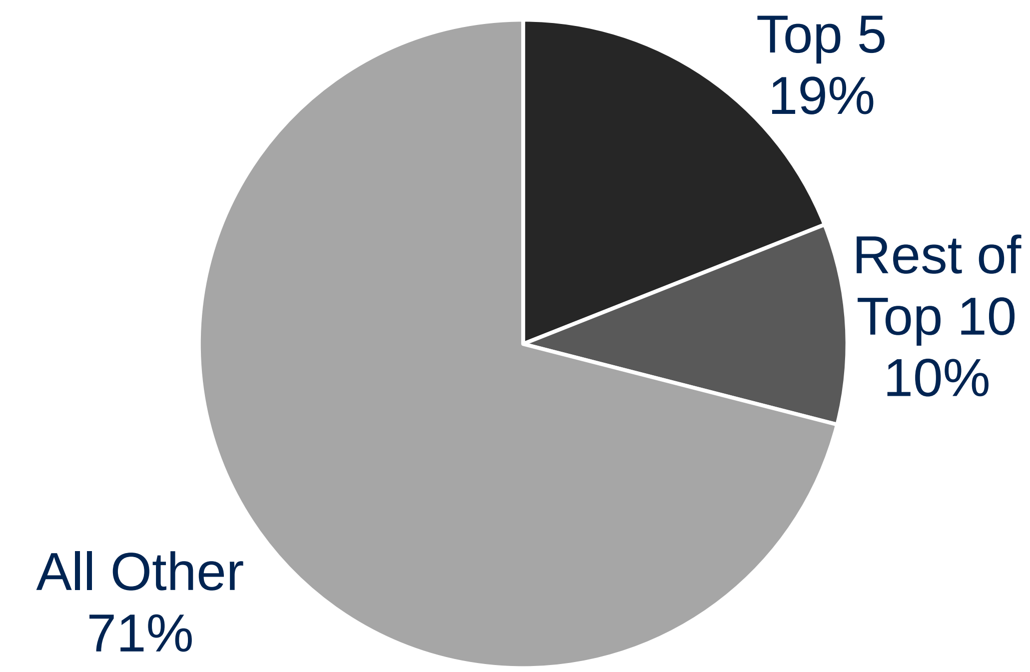
2019 – REVENUE COMPOSITION

Therapeutic Area Concentration	Customer Tier (B) (D) Concentration	Top 10 Customer Concentration (C)

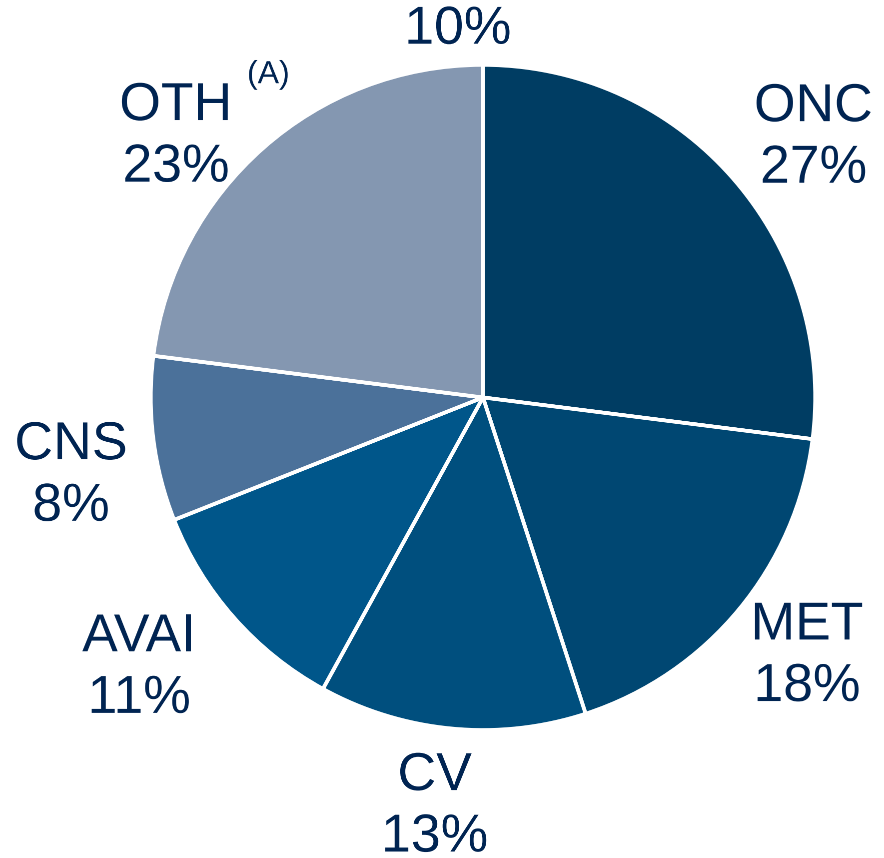
2019

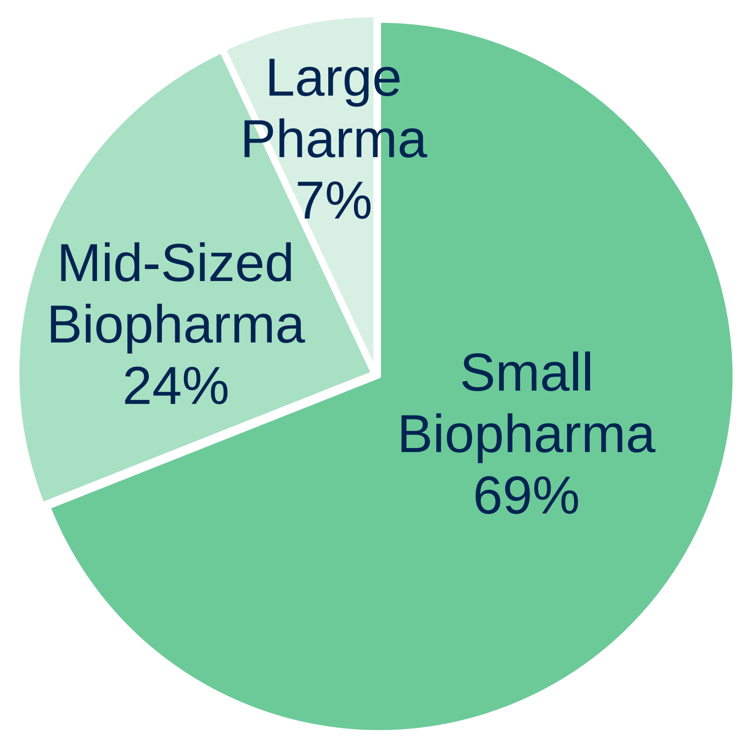


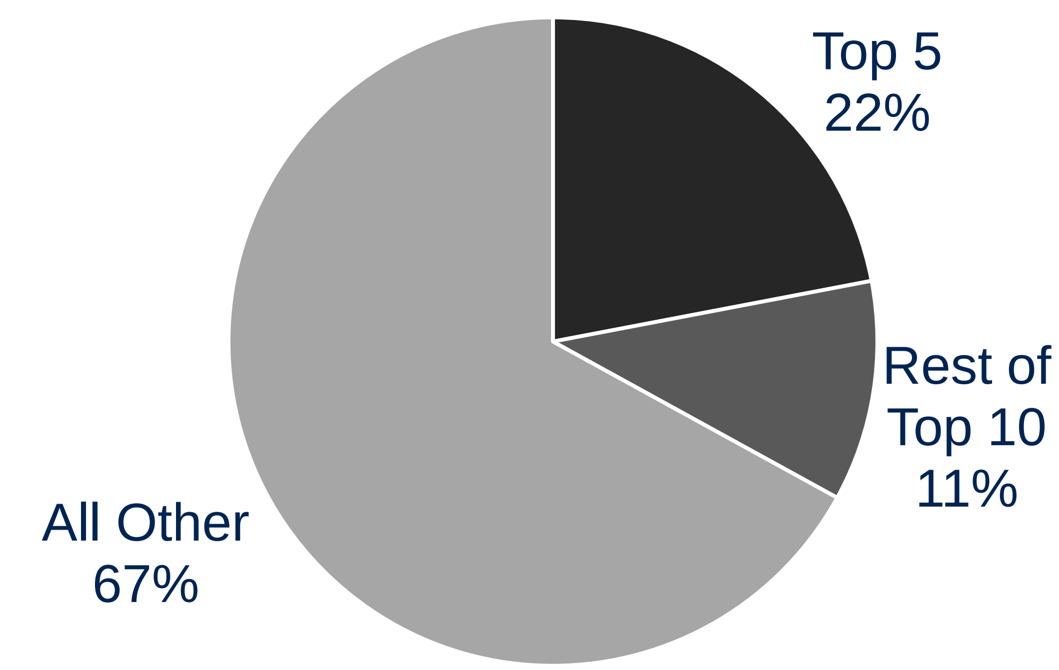




2018





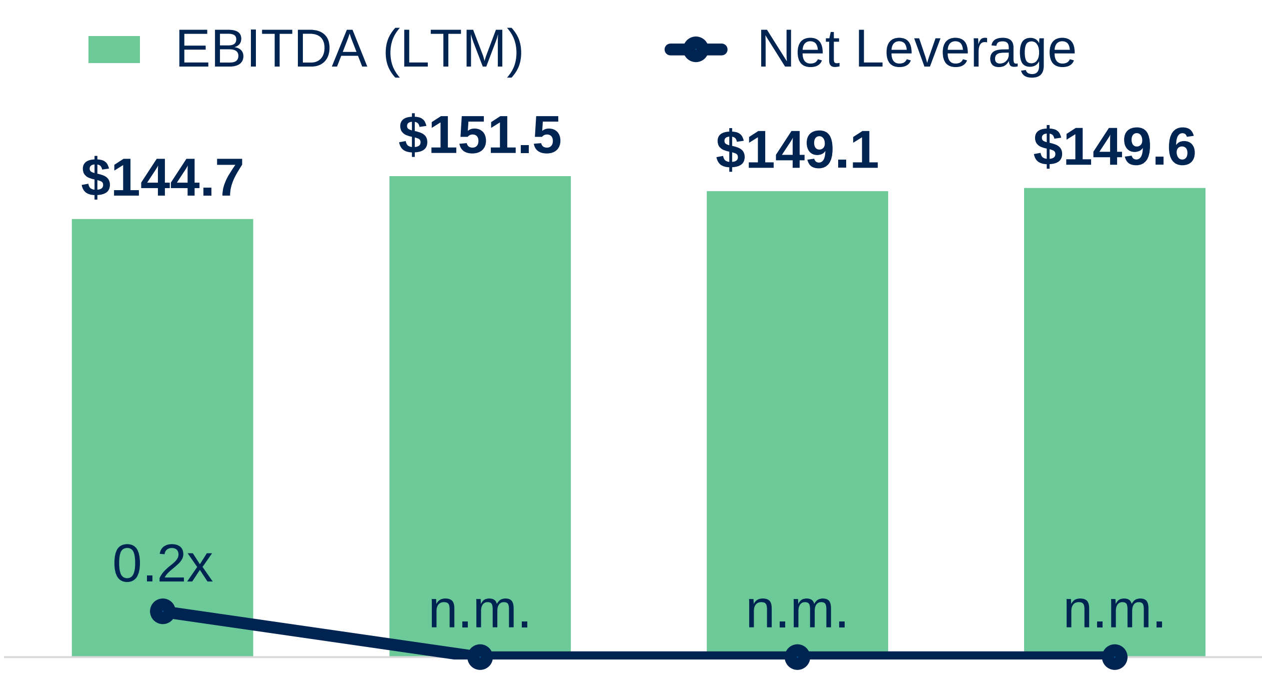


A. Other primarily includes Nephrology, Rheumatology, Musculoskeletal, Dermatology, Gastroenterology, and Ophthalmology therapeutic areas.
B. Current period customer tiers classified by Evaluate Ltd. via EvaluatePharma© as well as management analysis. Large Pharma represents the top 20 pharma companies 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.
D. Customer tier concentration has been restated to reflect an acquisition of a small biopharma customer by a large pharma customer. Excluding this acquisition, full year 2019 was 75% small biopharma, 19% mid-sized biopharma, and 6% large pharma.

LEVERAGE POSITION AND CASH FLOW

($ in millions)

Net Leverage[A] Trend (Quarterly)



	1Q19	2Q19	3Q19	4Q19
Gross Debt[B]	$56.4	-	-	-
Cash[C]	30.1	20.1	79.3	131.9
Net Debt (Cash)[D]	$26.3	($20.1)	($79.3)	($131.9)
Net DSO[E]	(9.2)	(6.6)	(12.5)	(14.7)

($ in millions)	Fourth Quarter		Full Year	
Free Cash Flow	**2019**	**2018**	**2019**	**2018**
Operating Cash Flow (GAAP)	$ 56.9	$ 39.4	$ 201.9	$ 156.6
Less: CAPEX	5.8	3.4	17.9	16.0
Less: Campus Lease [F]	-	0.5	-	1.9
Free Cash Flow (non-GAAP)	$ 51.2	$ 35.5	$ 184.0	$ 138.7
EBITDA (non-GAAP)	$ 41.1	$ 40.7	$ 149.6	$ 140.9
Free Cash Flow Conversion %[G] (non-GAAP)	124.4%	87.3%	123.0%	98.4%

A. Net Leverage defined as Net Debt divided by LTM EBITDA.
B. Gross debt is defined as Long-term Debt, including the current portion of Long-term Debt and the revolving credit facility balance, excluding unamortized discounts and unamortized debt issuance costs.
C. Cash is defined as Cash and Cash Equivalents.
D. Net Debt, a non-GAAP financial measure, is defined as Gross Debt less Cash.
E. 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.
F. Represents principal portion of Corporate Campus Lease payment.
G. Free Cash Flow Conversion % is equal to Free Cash Flow divided by EBITDA.

Note: Numbers may not sum due to rounding

FULL YEAR 2020 GUIDANCE

($ in millions, except per share data)	As of February 24, 2020	
	Guidance Range	**Growth Rate**
Revenue, net	$975.0 - $1,005.0	13.2% - 16.7%
EBITDA	$170.0 - $178.0	13.6% – 19.0%
GAAP Net Income	$123.4 - $127.4	22.9% – 26.8%
GAAP Net Income per diluted share	$3.24 - $3.34	21.3% – 25.1%

Note: See appendix for a detailed reconciliation.

APPENDIX

Q4 2019 – INCOME STATEMENT

($ in millions, except per share amounts)	4Q19	% Revenue, net	4Q18	% Revenue, net	4Q19 vs. 4Q18 $ Change	4Q19 vs. 4Q18 % Change
Revenue, net	$ 229.9	100.0%	$ 192.1	100.0%	37.8	19.7%
Operating Expenses:						
Direct service costs, excluding depreciation and amortization	85.5	37.2%	67.9	35.4%	17.5	25.8%
Reimbursed out-of-pocket expenses	81.7	35.5%	63.2	32.9%	18.5	29.3%
Total direct costs	167.2	72.7%	131.1	68.3%	36.1	27.5%
Selling, general and administrative	21.3	9.2%	20.6	10.7%	0.7	3.4%
Depreciation	2.3	1.0%	2.4	1.2%	(0.0)	(1.4%)
Amortization	3.0	1.3%	7.4	3.8%	(4.4)	(59.5%)
Total operating expenses	193.8	84.3%	161.4	84.0%	32.3	20.0%
Income from operations	36.1	15.7%	30.7	16.0%	5.5	
Other income (expense), net:						
Miscellaneous (expense) income, net	(0.3)	(0.1%)	0.3	0.1%	(0.5)	
Interest income (expense), net	0.4	0.2%	(1.6)	(0.8%)	2.0	
Total other income (expense), net	0.1	0.0%	(1.3)	(0.7%)	1.4	
Income before income taxes	36.2	15.8%	29.3	15.3%	6.9	
Income tax provision	6.4	2.8%	6.6	3.4%	(0.2)	
Net income	$ 29.8	13.0%	$ 22.8	11.8%	$ 7.1	
Basic EPS (GAAP)	$ 0.82		$ 0.64		$ 0.18	28.1%
Diluted EPS (GAAP)	$ 0.78		$ 0.61		$ 0.17	27.9%
Basic EPS (Adj.)	$ 0.89		$ 0.79		$ 0.10	12.7%
Diluted EPS (Adj.)	$ 0.85		$ 0.76		$ 0.09	11.8%
EBITDA	$ 41.1		$ 40.7		$ 0.5	1.2%
EBITDA Margin	17.9%		21.2%		(3.3%)	

Note: Numbers may not sum due to rounding

EBITDA RECONCILIATION

($ in millions)	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	Full Year 2018	Full Year 2019
Net income as reported (GAAP)	$ 14.6	$ 16.6	$ 19.3	$ 22.8	$ 19.2	$ 27.5	$ 24.0	$ 29.8	$ 73.2	$ 100.4
Income tax provision	3.1	4.9	6.2	6.6	5.5	7.0	5.5	6.4	20.8	24.4
Interest (income) expense, net	2.3	2.3	1.9	1.6	1.0	0.7	0.3	(0.4)	8.2	1.6
Depreciation	2.3	2.2	2.3	2.4	2.0	2.0	2.1	2.3	9.2	8.4
Amortization	7.4	7.4	7.4	7.4	5.8	3.0	3.0	3.0	29.6	14.8
EBITDA (non-GAAP)	$ 29.7	$ 33.4	$ 37.1	$ 40.7	$ 33.4	$ 40.2	$ 34.8	$ 41.1	$ 140.9	$ 149.6
Net income margin (GAAP)	8.9%	9.7%	10.8%	11.8%	9.6%	12.8%	11.1%	13.0%	10.4%	11.7%
EBITDA margin (non-GAAP)	18.2%	19.7%	20.7%	21.2%	16.7%	18.8%	16.1%	17.9%	20.0%	17.4%

Note: Numbers may not sum due to rounding

ADJUSTED NET INCOME RECONCILIATION

($ in millions, except per share amounts)		1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	Full Year 2018	Full Year 2019
Net income as reported (GAAP)		$ 14.6	$ 16.6	$ 19.3	$ 22.8	$ 19.2	$ 27.5	$ 24.0	$ 29.8	$ 73.2	$ 100.4
Amortization		7.4	7.4	7.4	7.4	5.8	3.0	3.0	3.0	29.6	14.8
Corporate campus lease payments-principal portion	(A)	(0.5)	(0.5)	(0.5)	(0.5)	-	-	-	-	(1.9)	-
Deferred financing fees	(B)	0.2	0.2	0.2	0.1	0.1	0.7	0.8	-	0.6	1.7
Other transaction expenses	(C)	-	0.4	0.3	-	-	-	-	-	0.7	-
Income tax effect of adjustments	(D)	(1.6)	(1.7)	(1.7)	(1.6)	(1.4)	(0.8)	(0.8)	(0.6)	(6.7)	(3.6)
Tax reform adjustments	(E)	-	-	-	(0.1)	-	-	-	-	(0.1)	-
Adjusted Net Income (non-GAAP)		$ 20.0	$ 22.4	$ 25.0	$ 28.1	$ 23.8	$ 30.4	$ 27.0	$ 32.2	$ 95.5	$ 113.3
Net Income per diluted share (GAAP)		$ 0.40	$ 0.45	$ 0.52	$ 0.61	$ 0.51	$ 0.73	$ 0.63	$ 0.78	$ 1.97	$ 2.67
Adjusted Net Income per diluted share (non-GAAP)		$ 0.55	$ 0.61	$ 0.67	$ 0.76	$ 0.64	$ 0.81	$ 0.71	$ 0.85	$ 2.59	$ 3.02
Diluted weighted average common shares outstanding (GAAP)		36.4	36.7	37.1	37.2	37.3	37.4	37.8	37.9	36.9	37.6

A. Represents cash rental payments on two corporate headquarter buildings that were accounted for as deemed assets and subject to depreciation expense over the life of the lease. Payments made for these leases were accounted for with a principal portion and an interest portion, consistent with deemed landlord liability accounting. These adjustments for purposes of arriving at Adjusted Net Income had the effect of presenting these leases consistently with all other office lease rentals that we have globally. As of January 1, 2019, we converted these buildings from deemed assets and liabilities to operating leases due to the adoption of ASC 842. Therefore, we no longer have the adjustment.
B. Represents amortization of the discount and issuance costs deferred on the consolidated balance sheets associated with the issuance of the Senior Secured Credit Facility.
C. Represents advisory costs and other fees incurred in connection with the follow-on offerings related to the 2017 S-3 registration statement.
D. Represents the tax effect of the total adjustments at an estimated effective tax rate of 23% for 1Q18 through 1Q19, 22% for 2Q19, and 21% for 3Q19 and 4Q19.
E. Consists of a one-time adjustment due to the finalization of U.S. federal tax reform.

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)	**$ 123.4**	**$ 127.4**	**$ 3.24**	**$ 3.34**
Amortization	7.9	7.9		
Depreciation	11.4	11.4		
Income tax provision	29.6	33.6		
Interest income, net	(2.3)	(2.3)		
EBITDA (non-GAAP)	**$ 170.0**	**$ 178.0**		

Note: Guidance represents a tax rate for FY2020 in the range of 19.0% to 21.0%.