



MDC PARTNERS  
*Where Great Talent Lives*

**UBS Global Media and  
Communications Conference  
December 9, 2009**

(Nasdaq: MDCA / TSX: MDZ.A)

## Forward Looking Statements & Other Information

---

This presentation contains forward-looking statements. The Company's representatives may also make forward-looking statements orally from time to time. Statements in this presentation that are not historical facts, including statements about the Company's beliefs and expectations, recent business and economic trends, potential acquisitions, estimates of amounts for deferred acquisition consideration and "put" option rights, constitute forward-looking statements. These statements are based on current plans, estimates and projections, and are subject to change based on a number of factors, including those outlined in this section. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update publicly any of them in light of new information or future events, if any.

Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statements. Such risk factors include, but are not limited to, the following:

- risks associated with severe effects of national and regional economic downturn;
- the Company's ability to attract new clients and retain existing clients;
- the financial success of the Company's clients;
- the Company's ability to retain and attract key employees;
- the Company's ability to remain in compliance with its debt agreements and the Company's ability to finance its contingent payment obligations when due and payable, including but not limited to those relating to "put" option rights and deferred acquisition consideration;
- the successful completion and integration of acquisitions which complement and expand the Company's business capabilities; and
- foreign currency fluctuations.

The Company's business strategy includes ongoing efforts to engage in material acquisitions of ownership interests in entities in the marketing communications services industry. The Company intends to finance these acquisitions by using available cash from operations, from borrowings under its current Financing Agreement and through incurrence of bridge or other debt financing, either of which may increase the Company's leverage ratios, or by issuing equity, which may have a dilutive impact on existing shareholders proportionate ownership. At any given time the Company may be engaged in a number of discussions that may result in one or more material acquisitions. These opportunities require confidentiality and may involve negotiations that require quick responses by the Company. Although there is uncertainty that any of these discussions will result in definitive agreements or the completion of any transactions, the announcement of any such transaction may lead to increased volatility in the trading price of the Company's securities.

Investors should carefully consider these risk factors and the additional risk factors outlined in more detail in the Annual Report on Form 10-K under the caption "Risk Factors" and in the Company's other SEC filings.

The logo for MDC PARTNERS features the text "MDC" in a grey sans-serif font, followed by a stylized orange infinity symbol, and then the word "PARTNERS" in a grey sans-serif font.

MDC PARTNERS

## **Business Overview**



## MDC Partners is a Global Marketing Services Network Built for Growth

---

- 9<sup>th</sup> largest marketing services firm in the world with offices in the US, Canada and Europe and over 5,000 employees
- Network of 30+ agencies that provide advertising and performance marketing services to Fortune 100 companies
- Best in breed organic revenue growth – 2-3x more growth than peers
- We are not a traditional ad company
  - 71% of revenues from non-traditional marketing services
  - 31% of revenues from digital (targeting 40%)
- 2009E revenues of \$545 - \$575 million, EBITDA of \$63 - \$65 million and Free Cash Flow of \$39 - \$40 million
- Significant incremental Free Cash Flow conversion – 80% of Incremental EBITDA

## New Business Segment Reporting

*MDC Partners will now report its results through two business segments:*

### Strategic Marketing Services Group

- 67% of YTD Revenue
- Integrated marketing and communication service firms and strategic consulting service firms such as:

Crispin Porter + Bogusky

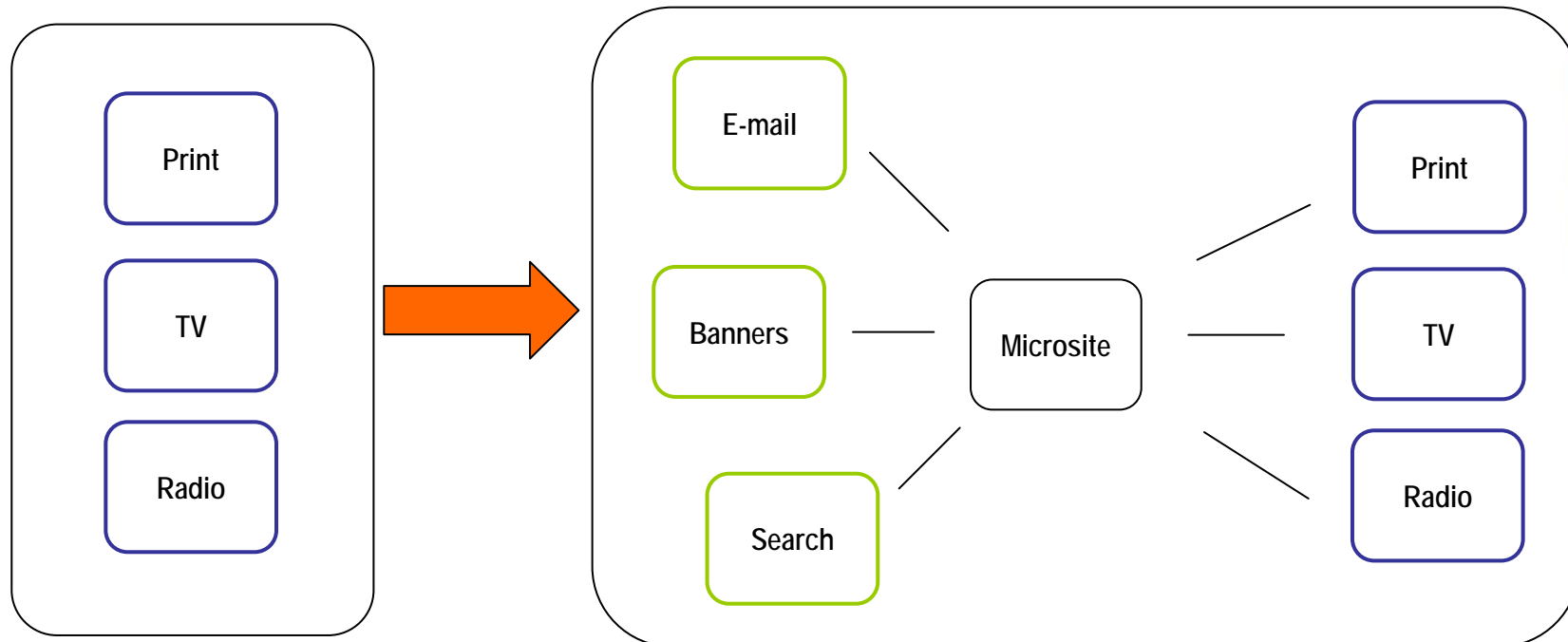


### Performance Marketing Services Group

- 33% of YTD Revenue
- Firms that use data analytics, database marketing, data mining and provide consumer insights, or one-to-one consumer engagements to achieve targetable, measurable solutions that drive Return on Marketing Investment such as:

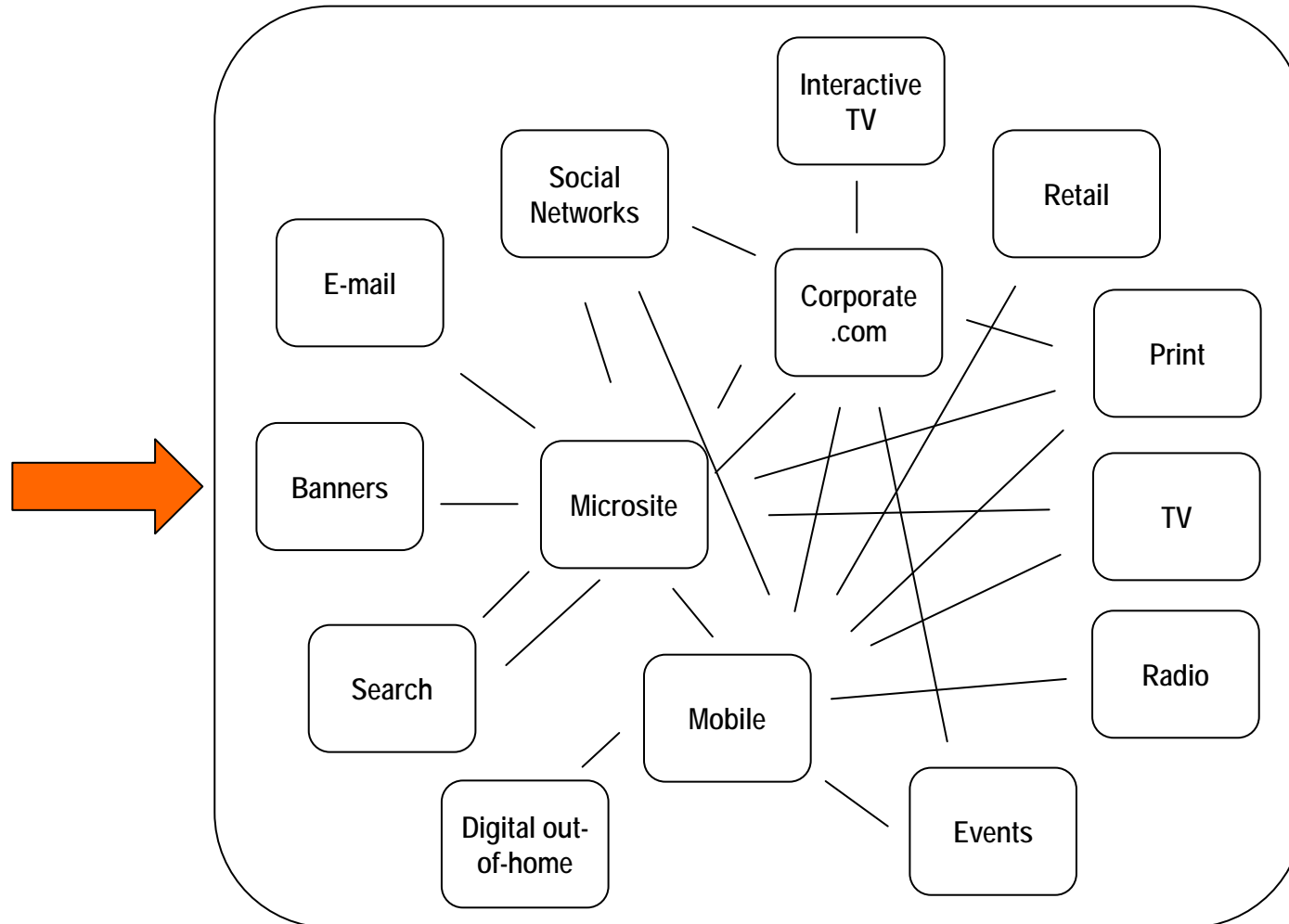


We have shifted from a traditional model driven by reach and frequency to a hybrid traditional/microsite model driving consumers to one primary point with an objective of increasing the financial return on consumer engagements...



Source: BOULDER DIGITALWORKS

...And are moving to a fully integrated, addressable, digital ecosystem creating data at every intersection



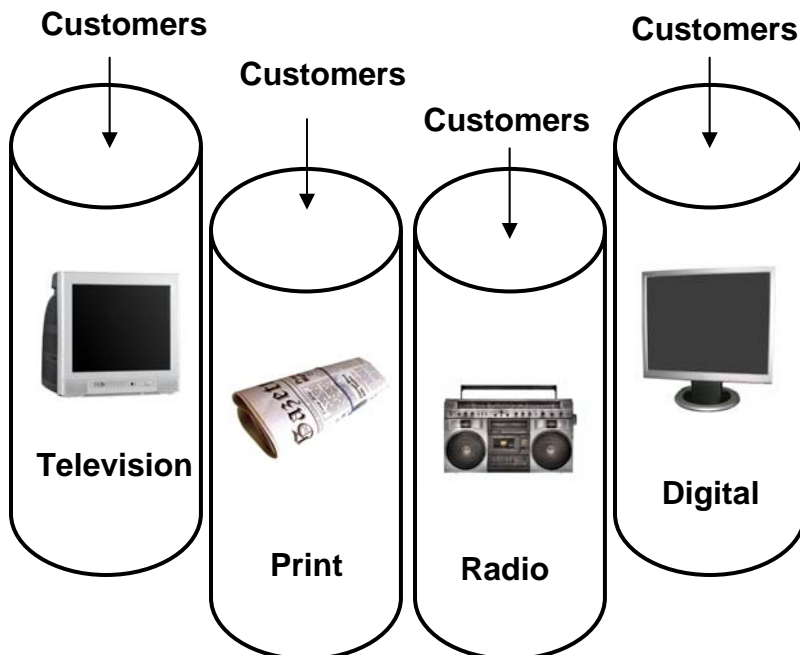
Source: BOULDER DIGITALWORKS

## Our Business Strategy Embraces this New World

- Nimble, media-agnostic approach allows agencies to produce better results for their clients
- Focused on driving digital and interactive services

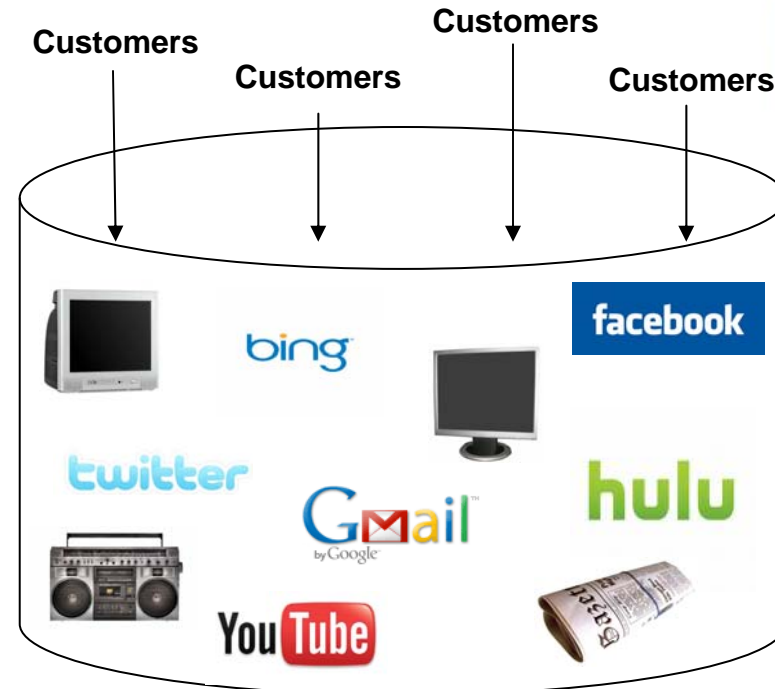
### Old Agency Model

- Silos for each media, each with a separate P&L
  - Inhibits ability to navigate the increasingly complex media landscape
  - Model tends to lead with TV first attitude



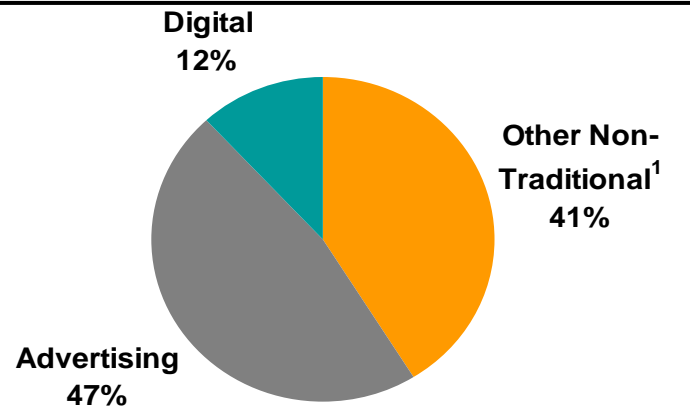
### New Agency Model

- Offers multiple media entry points to maximize initial impact
- Ability to navigate increasingly complex and fragmented media landscape

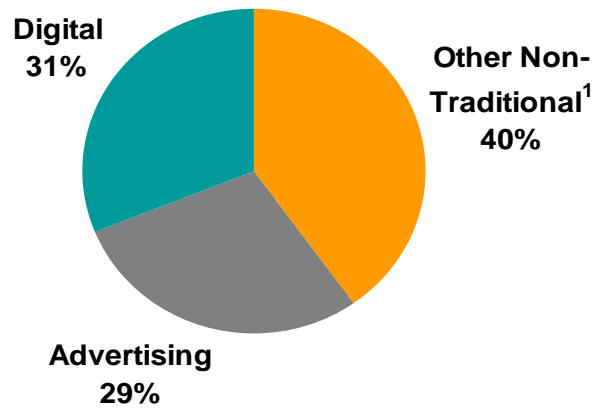


# MDC Partners Mix vs. Industry – Today and the Future

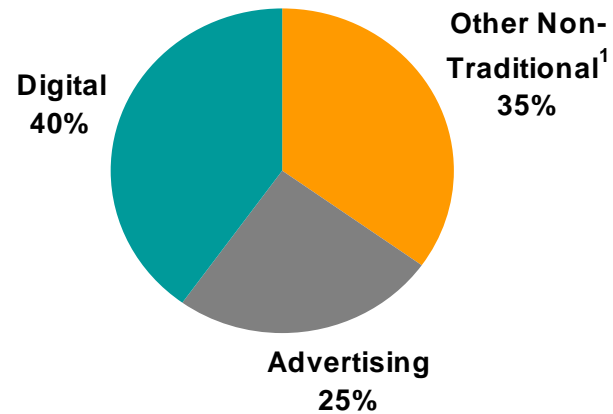
Industry Mix



MDC Mix - Today



MDC Mix - Future



Source: Company management, Advertising Age

1. Other Non-Traditional includes, but is not limited to, public relations, customer relationship management, promotions, research and direct marketing.

The logo for MDC PARTNERS features the text "MDC" in a grey sans-serif font, followed by an orange infinity symbol, and then "PARTNERS" in the same grey font. The background of the slide is a white space with a large, stylized graphic on the right side. This graphic consists of four overlapping shapes: a light blue inverted triangle at the top, an orange triangle pointing left at the bottom-left, a blue triangle pointing right at the bottom-right, and a blue triangle pointing up at the bottom. The right side of the graphic is a curved, vertical strip showing a blue sky with white clouds, suggesting a globe or a view from space.

MDC PARTNERS

## Why Consumer Insights Matter

## The Marketer's Dilemma

---

Finding the next big idea or creative break-through was difficult enough before the marketer's ecosystem became so fragmented and highly interconnected

Now marketers' to do list also includes:

- Do something with the abundant data that is created
- Talk to each person like you know them personally
- Figure out how to allocate your budget
- Measure and optimize Return on Marketing Investment

*The average lifespan of a Chief Marketing Officer is 22 months. Marketers have become Investment Managers with a principal objective of driving growth and increasing Return on Marketing Investment*

## The Next Generation CMO

---

“We believe that the next generation CMO will come from the Customer Intelligence discipline.

That’s not to say CMOs won't continue to care deeply about the brand, and the emotional connection that they create with their customers. But, as they struggle to engage with empowered, connected customers who have limited tolerance for marketing, firms will elevate CI within their organizations to influence mission critical business decisions with data-driven insights.

These CMOs will help their organizations to focus on customer value, and use it as the connective tissue that causes all marketers and business units to pull in the same direction.”

– Forrester Research

## Creativity + Consumer Insights = Superior Return on Marketing Investment

*“The analytical left brain must fully inform the creativity and big ideas born of the right brain to deliver superior Return on Marketing Investment”*

### Creativity

Our Strategic Marketing Services companies offer fully integrated, media-agnostic marketing, communication, and strategic consulting services to clients



### Insights

Our Performance Marketing companies use research, data mining, data analytics, and database marketing to improve Return on Marketing Investment through optimal targeting, conversion, measurement, and optimization

## Communifx Adds Scale to Our Performance Marketing Services Group

---

- We have entered into an agreement to acquire 75% of Communifx
- 'Customer Engagement Agency'
  - Leverages data analytics to drive ongoing on- and off-line customer acquisition, loyalty and retention programs
  - Combines strategy with execution leading to continuous campaign optimization
  - Performance metrics driven by an advanced data analytics system
- Key clients include: Verizon, Qualcomm, and rue21
- Communifx's strong capabilities will provide a solid platform from which to jump start the growth within our Performance Marketing Services Group

MDC  PARTNERS

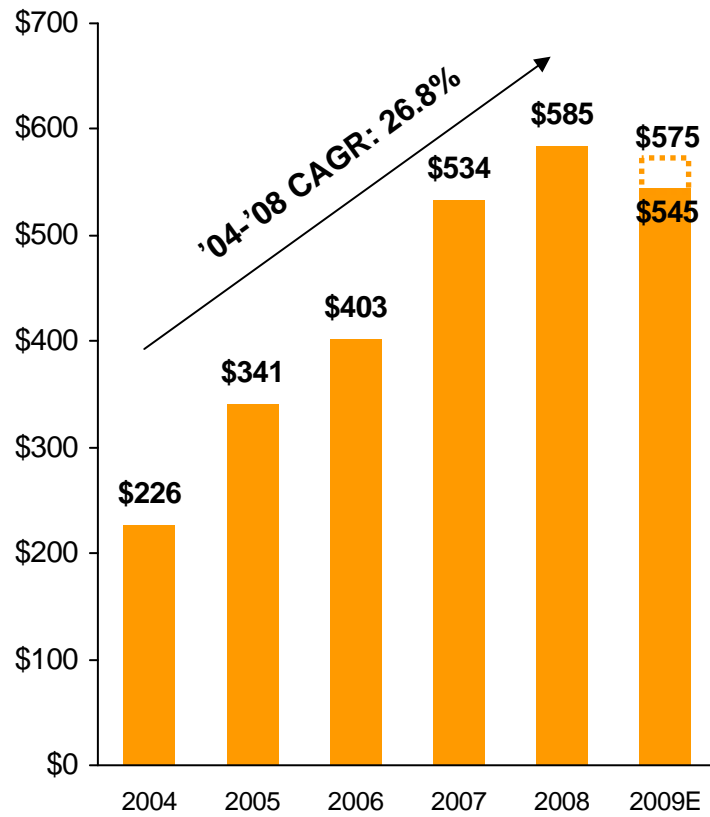
## Financial Review



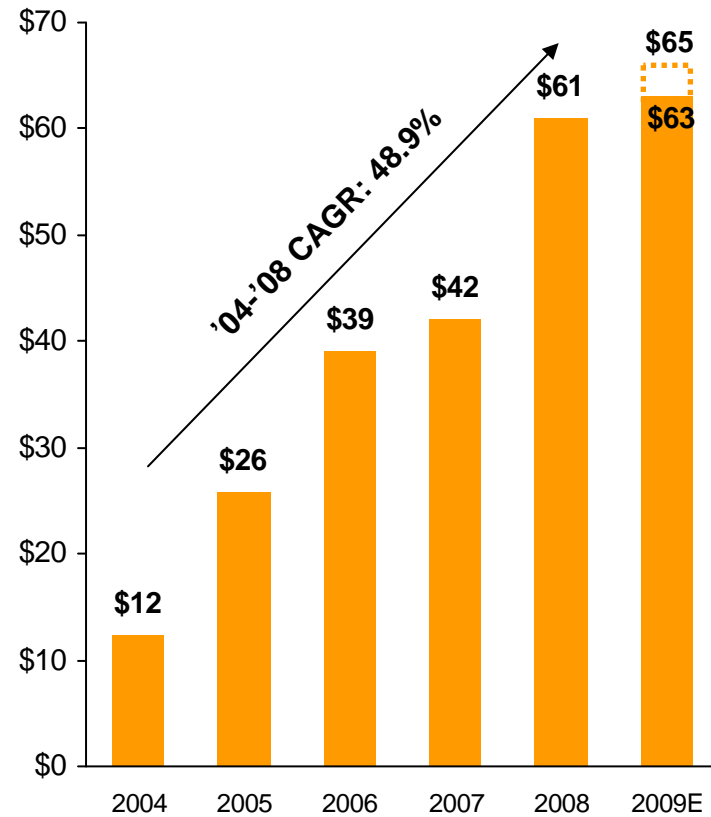
## Track Record of Strong Revenue and EBITDA Growth

\$US Millions

Revenue

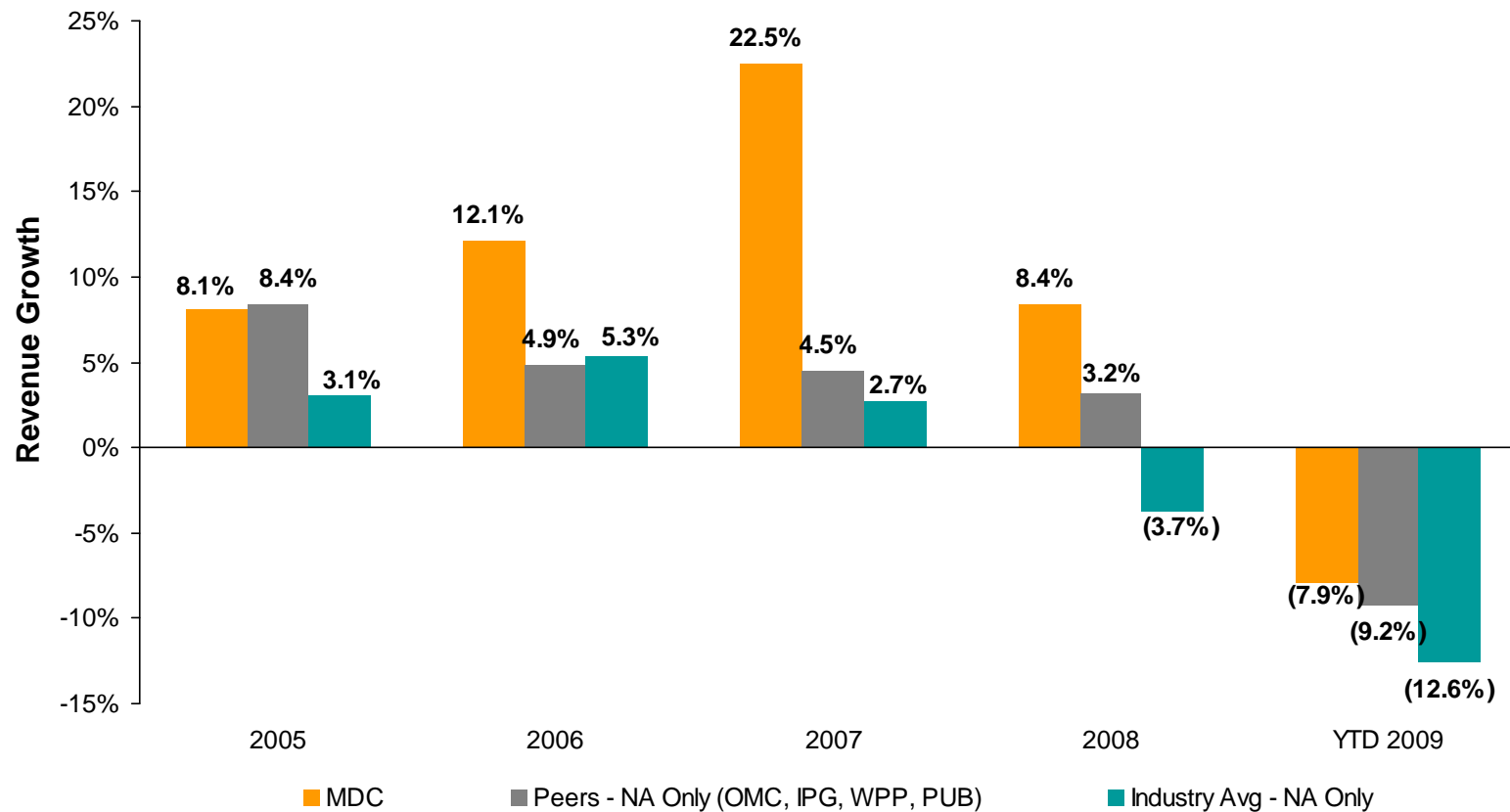


EBITDA



Source: Company management  
 Note: 2004 – 2006 results have been adjusted for discontinued operations.

## Market Leading Organic Revenue Growth



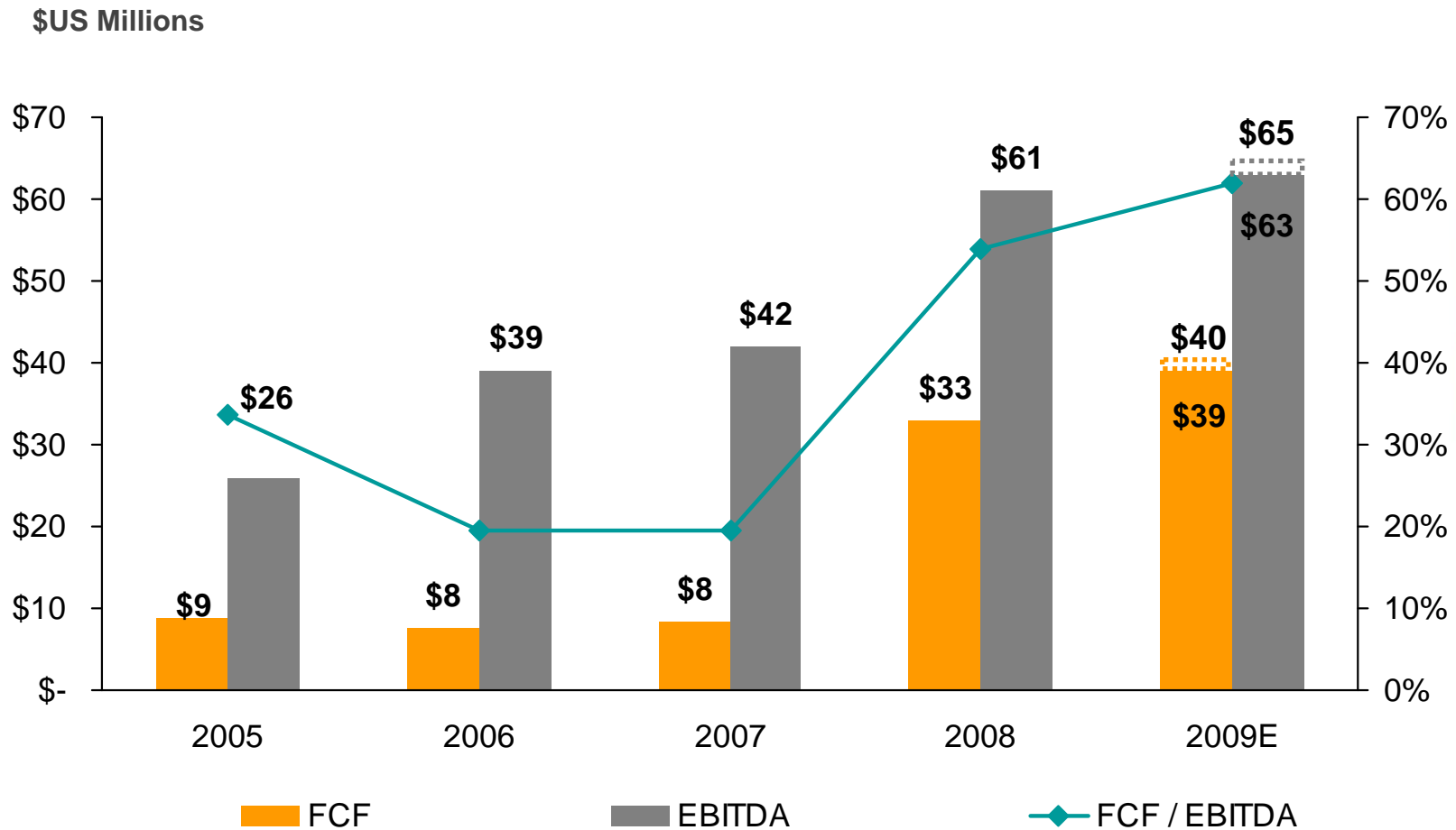
Source: Company filings. ZenithOptimedia Advertising Expenditure Forecasts – October 2009; YTD 2009 represents full year 2009 for industry forecast.  
 Note: 2005 – 2006 results have been adjusted for discontinued operations.

## Portfolio of World Class, Fortune 100 Clients in Diversified Industries

Communications / Media	Retailers	Consumer Products / Manufacturing	Technology	Automotive	Financials	Other
						
						
						
						

Significant opportunity to increase share of wallet from all clients

## Proven Free Cash Flow Conversion Capability



Source: Company management

Note: 2005 – 2006 results have been adjusted for discontinued operations. 2009 FCF / EBITDA based on mid-point of guidance for illustrative purposes.

## Liquidity is Strong, Allowing MDC to Optimize Shareholder Value

---

- MDC's balance sheet and financial strength is at an all-time high - \$138 million of liquidity and no maturities for 7 years
  - Cash of \$67 million<sup>1</sup>
  - Undrawn \$75 million credit facility
- FCF of \$39 - \$40 million estimated in 2009 with working capital improvements of an additional \$15 - \$20 million
- Redeemed Convertible Debentures on November 26<sup>th</sup> – eliminated potential equity dilution of 3 - 5 million shares
- Significant earnouts have been paid
  - Prepaid \$48.8 million of earnouts at discount on December 1<sup>st</sup> for a purchase price of \$46.0 million
  - Saved \$2.8 million for an annualized IRR of 17.2% for 4 months

<sup>1</sup> As of December 7, 2009

## Accelerating EPS Growth in 2010 and Beyond

---

- Several factors will lead to positive EPS in 2010 and beyond:
  - Growing EBITDA
  - Reduction of Amortization of Intangibles
  - Reduction of Depreciation

## 2009 Financial Outlook

	<b>Current Guidance</b>	<b>Implied Year over Year Change</b>
Revenue	\$545 - \$575 million	(6.8%) to (1.7%)
EBITDA	\$63 - \$65 million	3.3% to 6.6%
Free Cash Flow <sup>1</sup>	\$39 - \$40 million	18.5% o 21.6%
+ Estimated Impact from Change in Working Capital	\$15 - \$20 million	
<b>Total Free Cash Flow</b>	<b>\$54 - \$60 million</b>	

<sup>1</sup> Free Cash Flow = EBITDA - Capital Expenditures - Cash Interest - Cash Taxes

## Summary

---

- MDC Partners is well positioned for an improving economic and advertising outlook
  - Best in breed performance during the downturn with increasing profitability and Free Cash Flow throughout 2009
- Will benefit significantly from the movement of clients to media-agnostic, performance-based marketing firms that drive increases in Return on Marketing Investment
  - Opportunity to accelerate: Revenue growth, margin, Free Cash Flow and dividend
- Increasing Free Cash Flow and Earnings Per Share and attractive valuation
- Near-term catalysts include the deployment of untapped liquidity to drive expansion and incremental Free Cash Flow
- Global expansion is big opportunity



MDC PARTNERS  
*Where Great Talent Lives*

**UBS Global Media and  
Communications Conference  
December 9, 2009**

(Nasdaq: MDCA / TSX: MDZ.A)