



Management Presentation

Second Quarter 2019 Results

August 7, 2019

FORWARD LOOKING STATEMENTS & OTHER INFORMATION

This presentation contains forward-looking statements. Statements in this presentation that are not historical facts, including without limitation statements about the Company's beliefs and expectations, earnings guidance, recent business and economic trends, potential acquisitions, and estimates of amounts for redeemable noncontrolling interests and deferred acquisition consideration, constitute forward-looking statements. Words such as "estimates", "expects", "contemplates", "will", "anticipates", "projects", "plans", "intends", "believes", "forecasts", "may", "should", and variations of such words or similar expressions are intended to identify 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 below. 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 international, national and regional economic conditions;
- the Company's ability to attract new clients and retain existing clients;
- the spending patterns and 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 redeemable noncontrolling interests and deferred acquisition consideration;
- the successful completion and integration of acquisitions which complement and expand the Company's business capabilities, and the potential impact of one or more asset sales; and
- foreign currency fluctuations.

Investors should carefully consider these risk factors and the additional risk factors outlined in more detail in the Company's 2018 Annual Report on Form 10-K under the caption "Risk Factors", and in the Company's other SEC filings.



SUMMARY

- Net new business rebounded strongly to \$43.0 million as agencies took advantage of the continued strength of MDC's pipeline
- Aided by ongoing cost-reduction initiatives, MDC delivers strong year-over-year growth in Adjusted EBITDA and 150 basis point improvement in Adjusted EBITDA Margin in 2Q 2019
- 2Q 2019 revenue declines expected, driven by a combination of cycling through previous losses and the proactive move to exit two UK offices; Company expects improved revenue growth for the remainder of 2019
- MDC actively executing against two year strategic plan, designed to organize MDC's offerings, capitalize on its strengths, and enhance Company's go-to-market strategy and enable a return to revenue growth and consistent financial returns
 - Move to align MDC Media Partners and Gale Partners under common leadership marks the first in a series of actions aimed at bringing together the best talent across MDC into collaborative networks to elevate offering for the benefit of all clients
- FY 2019 Outlook - Company is providing additional commentary with respect to “Covenant EBITDA” as defined under the senior secured credit facility; Expects to complete FY2019 with approximately \$175 million to \$185 million of Covenant EBITDA, consistent with prior guidance

Note: See appendix for definitions of non-GAAP measures



SECOND QUARTER 2019 FINANCIAL HIGHLIGHTS

- Revenue of \$362.1 million versus \$379.7 million a year ago
- Organic revenue decrease 2.4%, including a 200 basis point benefit from billable pass through costs
- Net income attributable to MDC Partners Inc. common shareholders of \$0.8 million in the second quarter of 2019 versus income of \$1.1 million a year ago. Net loss attributable to MDC Partners common shareholders for the last twelve months (LTM) of \$103.7 million as of June 30, 2019 versus \$103.3 million loss as of March 31, 2019.
- Adjusted EBITDA of \$46.4 million versus \$43.0 million a year ago, an increase of 7.9%
- Adjusted EBITDA Margin of 12.8%, an increase of 150 basis points compared to prior year quarter.
- Covenant EBITDA (LTM) of \$187.9 million versus \$183.8 million for the first quarter of 2019, an increase of 2.2%.
- Net new business wins of \$43.0 million

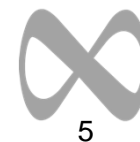
Note: See appendix for definitions of non-GAAP measures



SIX MONTHS 2019 FINANCIAL HIGHLIGHTS

- Revenue of \$690.9 million versus \$706.7 million a year ago
- Organic revenue decreased 1.7%, including a 209 basis point benefit from billable pass through costs
- Net loss attributable to MDC Partners Inc. common shareholders of \$1.4 million for the first six months of 2019 versus a loss of \$30.1 million a year ago
- Adjusted EBITDA of \$67.9 million versus \$50.8 million a year ago, an increase of 33.7%
- Adjusted EBITDA Margin improvement of 260 basis points to 9.8% versus 7.2% a year ago
- Net new business wins of \$31.3 million

Note: See appendix for definitions of non-GAAP measures



CONSOLIDATED REVENUE AND EARNINGS

(US\$ in millions, except percentages)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2019	2018	% Change	2019	2018	% Change
Revenue:	\$ 362.1	\$ 379.7	(4.6) %	\$ 690.9	\$ 706.7	(2.2) %
Operating Expenses:						
Cost of services sold	240.7	253.4	(5.0) %	477.9	496.4	(3.7) %
Office and general expenses	87.3	83.9	4.1 %	154.4	167.8	(8.0) %
Depreciation and amortization	10.7	11.7	(8.9) %	19.5	24.1	(19.0) %
Other asset impairment	—	—	—	—	2.3	(100.0) %
Operating income	23.4	30.8	(24.1) %	39.1	16.1	142.4 %
Interest expense and finance charges, net	(16.4)	(16.9)		(33.2)	(32.9)	
Foreign exchange gain (loss)	2.9	(6.5)		8.4	(13.2)	
Other, net	(0.7)	0.6		(4.1)	1.0	
Income tax expense (benefit)	2.1	2.0		2.8	(6.4)	
Equity in earnings (losses) of non-consolidated affiliates	0.2	—		0.3	0.1	
Net income (loss)	7.3	6.0		7.7	(22.6)	
Net income attributable to the noncontrolling interest	(3.0)	(2.5)		(3.5)	(3.4)	
Accretion on and net income allocated to convertible preference shares	(3.5)	(2.3)		(5.6)	(4.1)	
Net income (loss) attributable to MDC Partners Inc. common shareholders	\$ 0.8	\$ 1.1		\$ (1.4)	\$ (30.1)	



REVENUE SUMMARY

(US\$ in millions, except percentages)

	Three Months Ended		Six Months Ended	
	Revenue \$	% Change	Revenue \$	% Change
June 30, 2018	\$ 379.7		\$ 706.7	
Organic revenue growth (decline)	(9.2)	(2.4)%	(12.1)	(1.7)%
Non-GAAP acquisitions (dispositions), net	(4.2)	(1.1)%	5.6	0.8%
Foreign exchange impact	(4.2)	(1.1)%	(9.3)	(1.3)%
Total Change	(17.6)	(4.6)%	(15.8)	(2.2)%
June 30, 2019	\$ 362.1		\$ 690.9	

Organic revenue decline of 2.4%, including a 200 basis points benefit from increased billable pass-through costs incurred on clients' behalf from certain of our partner firms acting as principal.

Non-GAAP acquisitions (dispositions), net largely due to impact of the divestiture of Kingsdale



REVENUE BY GEOGRAPHY AND SEGMENT

(US\$ in millions, except percentages)

	Three Months Ended June 30, 2019			Six Months Ended June 30, 2019		
	Total Revenue	Total Growth	Organic Revenue Growth (Decline)	Total Revenue	Total Growth	Organic Revenue Growth (Decline)
United States	\$ 284.7	(3.6)%	(3.8)%	\$ 547.7	(0.7)%	(2.8)%
Canada	<u>24.6</u>	<u>(25.8)%</u>	<u>(5.6)%</u>	<u>46.9</u>	<u>(21.1)%</u>	<u>(4.8)%</u>
North America	309.3	(5.8)%	(3.9)%	594.6	(2.7)%	(3.0)%
Other	<u>52.9</u>	<u>3.0%</u>	<u>7.3%</u>	<u>96.3</u>	<u>0.9%</u>	<u>6.4%</u>
Total	\$ 362.1	(4.6)%	(2.4)%	\$ 690.9	(2.2)%	(1.7)%
Global Integrated Agencies	\$ 154.4	(2.4)%	(0.6)%	\$ 284.1	(1.3)%	1.0%
Domestic Creative Agencies	65.2	(10.7)%	(10.1)%	132.2	(5.3)%	(4.7)%
Specialist Communication	47.2	17.0%	15.1%	86.1	8.8%	7.0%
Media Services	21.3	(0.3)%	(0.3)%	41.5	(9.9)%	(9.9)%
All Other	<u>74.1</u>	<u>(14.8)%</u>	<u>(8.0)%</u>	<u>147.0</u>	<u>(4.7)%</u>	<u>(6.1)%</u>
Total	\$ 362.1	(4.6)%	(2.4)%	\$ 690.9	(2.2)%	(1.7)%

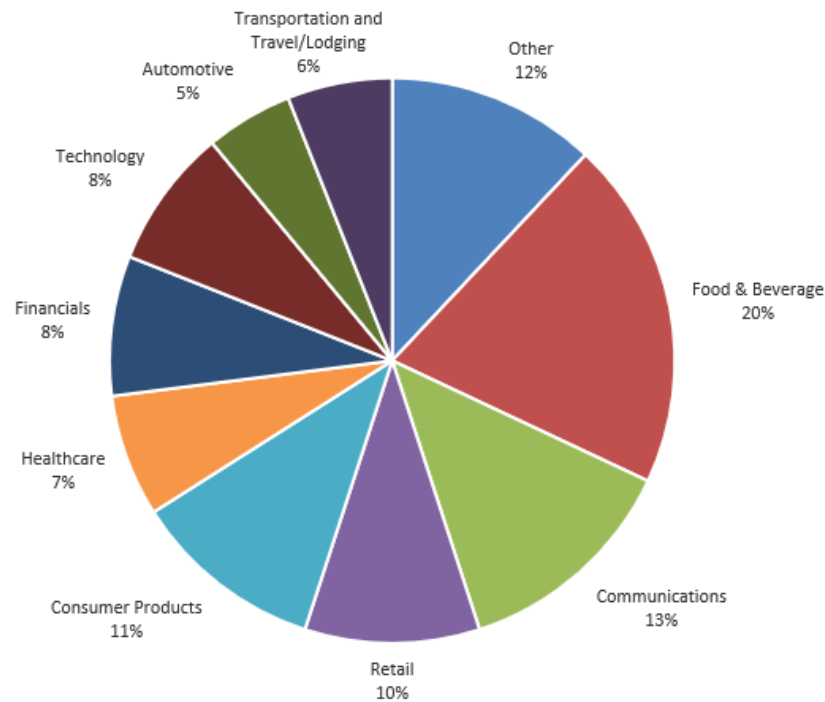
¹ Due to changes in the composition of certain business and the Company's internal management and reporting structure during 2019, reportable segment results for the 2018 periods presented have been recast to reflect the reclassification of certain businesses between segments. The changes were as follows: 1) Doner, previously within the Global Integrated Agencies category is now aggregated into the Domestic Creative Agencies reportable segment, 2) Yes and Co, previously within the Media Services category, was included within the Domestic Creative Agencies reportable segment, and 3) HL Design and Redscout, previously within Specialist Communications and All Other category, respectively are included in Yes & Company.

Note: Actuals may not foot due to rounding



REVENUE BY CLIENT INDUSTRY

Q2 2019 Mix



Year-over-Year Growth by Category

	Q2 2019	2019 YTD
Above 10%	Communications, Technology, Transportation	Technology, Transportation
0% to 10%	Retail, Consumer Products	Consumer Products, Communications, Financials
Below 0%	Food and Beverage, Automotive, Healthcare, Financials, Other	Automotive, Food and Beverage, Healthcare, Retail, Other

Top 10 clients increased to 24% of revenue versus 23% a year ago (largest <5.1%)

ADJUSTED EBITDA

(US\$ in millions, except percentages)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2019	2018	% Change	2019	2018	% Change
Advertising and Communications Group	\$ 55.0	\$ 54.8	0.4 %	\$ 81.1	\$ 72.7	11.6 %
Global Integrated Agencies	28.2	23.0	22.6 %	34.8	20.7	68.1 %
Domestic Creative Agencies	10.6	8.7	21.8 %	17.2	13.5	27.4 %
Specialist Communications	8.2	7.5	9.3 %	14.1	12.9	9.3 %
Media Services	1.2	(0.9)	NM	0.7	(0.1)	NM
All Other	6.9	16.5	(58.2) %	14.3	25.8	(44.6) %
Corporate Group	(8.6)	(11.8)	(27.1) %	(13.1)	(22.0)	(40.5) %
Adjusted EBITDA ⁽²⁾	\$ 46.4	\$ 43.0	7.9 %	\$ 67.9	\$ 50.8	33.7 %
<i>margin</i>	<i>12.8%</i>	<i>11.3%</i>		<i>9.8%</i>	<i>7.2%</i>	

YTD 2019 Adjusted EBITDA excluded \$1.5 million of costs related to the Company's strategic review process and \$6.7 million related to corporate severance.

¹NM - Not meaningful

²Adjusted EBITDA is a non-GAAP measure. See appendix for the definition.

³Due to changes in the composition of certain business and the Company's internal management and reporting structure during 2019, reportable segment results for the 2018 periods presented have been recast to reflect the reclassification of certain businesses between segments. The changes were as follows: 1) Doner, previously within the Global Integrated Agencies category is now aggregated into the Domestic Creative Agencies reportable segment, 2) Yes and Co, previously within the Media Services category, was included within the Domestic Creative Agencies reportable segment, and 3) HL Design and Redscout, previously within Specialist Communications and All Other category, respectively are included in Yes & Company.

Note: Actuals may not foot due to rounding.



COVENANT EBITDA

(US\$ in millions)	2018			2019		Covenant EBITDA (LTM) ⁽¹⁾	
	Q2	Q3	Q4	Q1	Q2	Q1-2019 LTM	Q2-2019 LTM
Net income (loss) attributable to MDC Partners Inc. common shareholders	\$ 1.1	\$ (18.2)	\$ (83.7)	\$ (2.5)	\$ 0.8	\$ (103.3)	\$ (103.7)
Adjustments to reconcile to operating profit (loss):							
Accretion on and net income allocated to convertible preference shares	2.3	2.1	2.2	2.4	3.5	8.9	10.2
Net income attributable to the noncontrolling interests	2.5	2.5	5.9	0.4	3.0	11.3	11.8
Equity in earnings (losses) of non-consolidated affiliates	—	(0.3)	0.3	(0.1)	(0.2)	(0.1)	(0.3)
Income tax expense	2.0	3.0	35.0	0.7	2.1	40.7	40.8
Interest expense and finance charges, net	16.9	17.1	17.1	16.8	16.4	67.8	67.3
Foreign exchange loss (gain)	6.5	(3.3)	13.3	(5.4)	(2.9)	11.2	1.7
Other income, net	(0.6)	(0.2)	1.0	3.4	0.7	3.6	4.9
Operating income (loss)	30.8	2.6	(9.1)	15.7	23.4	40.0	32.7
Adjustments to reconcile to Adjusted EBITDA:							
Depreciation and amortization	11.7	11.1	11.0	8.8	10.7	42.7	41.6
Goodwill and other asset impairment	—	21.0	56.7	—	—	77.7	77.7
Stock-based compensation	5.6	6.2	1.5	3.0	3.6	16.4	14.4
Deferred acquisition consideration adjustments	(5.1)	11.0	(9.0)	(7.6)	2.1	(10.7)	(3.5)
Distributions from non-consolidated affiliates	—	0.5	0.3	—	—	0.8	0.8
Other items, net ⁽²⁾	(0.1)	7.3	0.5	1.6	6.6	9.4	16.0
Adjusted EBITDA	43.0	59.8	52.0	21.5	46.4	176.2	179.7
Adjustments to reconcile to Covenant EBITDA:							
Proforma acquisitions/dispositions	(3.6)	(1.2)	(2.1)	(2.0)	—	(8.9)	(5.3)
Severance due to eliminated positions	4.2	1.2	3.6	1.5	2.3	10.5	8.7
Other adjustments, net ⁽³⁾	2.1	0.6	1.9	1.4	1.0	6.0	4.9
	\$ 45.6	\$ 60.4	\$ 55.3	\$ 22.5	\$ 49.8	\$ 183.8	\$ 187.9

(1) Covenant EBITDA is a measure that includes pro forma adjustments for acquisitions, one-time charges, and other adjustments, as defined in the Credit Agreement. Covenant EBITDA is calculated as the aggregate of operating results for the rolling last twelve months (LTM). Each quarter is presented to provide the information utilized to calculate Covenant EBITDA. Historical Covenant EBITDA may be recasted in the current period for any proforma adjustments related to acquisitions and/or dispositions in the current period.

(2) Other items, net includes items such as severance expense and other restructuring expenses and costs associated with the company's strategic review process. See Schedule 8 for a reconciliation of amounts.

(3) Other adjustments, net primarily includes one time professional fees and costs associated with real estate consolidation.

Note: Actuals may not foot due to rounding.



SUMMARY OF CASH FLOW

(US\$ in millions)

	Six Months Ended June 30,	
	2019	2018
Net cash used in operating activities	\$ (40.2)	\$ (61.7)
Net cash provided by (used in) investing activities	9.8	(36.1)
Net cash provided by financing activities	25.7	76.3
Effect of exchange rate changes on cash, cash equivalents, and cash held in trusts	—	0.3
Net decrease in cash, cash equivalents, and cash held in trusts including cash classified within assets held for sale	(4.7)	(21.2)
Change in cash and cash equivalents held in trusts classified within held for sale	(3.3)	—
Change in cash and cash equivalents classified within assets held for sale	4.4	—
Net decrease in cash and cash equivalents	\$ (3.6)	\$ (21.2)



2019 FINANCIAL OUTLOOK

2019 Outlook Commentary

Organic Revenue Growth	We expect approximately 0% to 2% growth in organic revenue.
Foreign Exchange Impact, net	Assuming currency rates remain where they are, and based on our most recent projections, the net impact of foreign exchange is expected to decrease revenue by 1%.
Impact of Non-GAAP Acquisitions (Dispositions), net	Our current expectations are that the impact of acquisitions, net of disposition activity, will decrease revenue by approximately 90 basis points.
Covenant EBITDA and Adjustments	The Company expects to complete fiscal year 2019 with approximately \$175 million to \$185 million of Covenant EBITDA. The Company has applied certain pro forma and other adjustments, as expressly provided under the credit facility to derive its 2019E Covenant EBITDA forecast.

Note: The Company has excluded a quantitative reconciliation with respect to the Company's 2019 guidance under the "unreasonable efforts" exception in item 10(e)(1)(i)(B) of Regulation S-K.
Note: See appendix for definitions of non-GAAP measures



APPENDIX

REVENUE TRENDING SCHEDULE

(US\$ in thousands, except percentages)

	2017 (ASC 605)					2018 (ASC 606)					2019		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YTD
Revenue													
United States	\$274,682	\$304,463	\$289,701	\$303,517	\$1,172,364	\$256,524	\$295,268	\$296,544	\$304,856	\$1,153,192	\$263,017	\$284,659	\$547,676
Canada	26,470	30,583	31,418	34,622	123,093	26,379	33,086	32,132	32,403	124,000	22,378	24,564	46,942
North America	301,152	335,046	321,119	338,140	1,295,457	282,903	328,354	328,676	337,260	1,277,193	285,395	309,223	594,618
Other	43,548	55,487	54,680	64,608	218,323	44,066	51,389	47,154	56,402	199,011	43,396	52,907	96,303
Total	\$344,700	\$390,533	\$375,799	\$402,747	\$1,513,779	\$326,968	\$379,743	\$375,831	\$393,662	\$1,476,203	\$328,791	\$362,130	\$690,921
% of Revenue													
United States	79.7%	78.0%	77.1%	75.4%	77.4%	78.5%	77.8%	78.9%	77.4%	78.1%	80.0%	78.6%	79.3%
Canada	7.7%	7.8%	8.4%	8.6%	8.1%	8.1%	8.7%	8.5%	8.2%	8.4%	6.8%	6.8%	6.8%
North America	87.4%	85.8%	85.4%	84.0%	85.6%	86.5%	86.5%	87.5%	85.7%	86.5%	86.8%	85.4%	86.1%
Other	12.6%	14.2%	14.6%	16.0%	14.4%	13.5%	13.5%	12.5%	14.3%	13.5%	13.2%	14.6%	13.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Growth %													
United States	8.9%	11.5%	5.5%	(0.2%)	6.2%	(6.6%)	(3.0%)	2.4%	0.4%	(1.6%)	2.5%	(3.6%)	(0.7%)
Canada	(6.8%)	(9.0%)	3.9%	8.7%	(0.8%)	(0.3%)	8.2%	2.3%	(6.4%)	0.7%	(15.2%)	(25.8%)	(21.1%)
North America	7.3%	9.3%	5.4%	0.7%	5.5%	(6.1%)	(2.0%)	2.4%	(0.3%)	(1.4%)	0.9%	(5.8%)	(2.7%)
Other	53.1%	82.3%	22.8%	18.4%	38.2%	1.2%	(7.4%)	(13.8%)	(12.7%)	(8.8%)	(1.5%)	3.0%	0.9%
Total	11.5%	15.9%	7.6%	3.2%	9.2%	(5.1%)	(2.8%)	0.0%	(2.3%)	(2.5%)	0.6%	(4.6%)	(2.2%)
Organic Revenue Growth (Decline) %													
United States	8.9%	11.5%	6.0%	1.3%	6.7%	(1.8%)	(2.1%)	0.7%	(1.2%)	(1.1%)	(1.7%)	(3.8%)	(2.8%)
Canada	(7.6%)	(2.5%)	0.2%	3.8%	(1.4%)	(1.1%)	(7.6%)	7.5%	0.5%	(0.1%)	(3.8%)	(5.6%)	(4.8%)
North America	7.2%	10.0%	5.4%	1.5%	5.9%	(1.8%)	(2.6%)	1.4%	(1.0%)	(1.0%)	(1.9%)	(3.9%)	(3.0%)
Other	(11.1%)	28.5%	23.8%	14.2%	15.1%	19.8%	3.7%	2.0%	3.3%	6.4%	5.4%	7.3%	6.4%
Total	5.6%	11.7%	7.8%	3.3%	7.0%	1.0%	(1.7%)	1.5%	(0.3%)	0.1%	(0.9%)	(2.4%)	(1.7%)
Growth % from Foreign Exchange													
United States	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	(0.0%)	(0.0%)	(0.0%)	0.0%	(0.0%)
Canada	3.2%	(4.6%)	4.2%	4.9%	1.8%	4.3%	4.0%	(4.3%)	(3.8%)	(0.2%)	(4.7%)	(3.4%)	(4.0%)
North America	0.3%	(0.5%)	0.4%	0.5%	0.2%	0.4%	0.4%	(0.4%)	(0.4%)	(0.0%)	(0.4%)	(0.3%)	(0.4%)
Other	(9.8%)	(11.7%)	3.0%	7.4%	(0.6%)	10.0%	3.4%	(5.1%)	(5.6%)	(0.1%)	(8.8%)	(5.9%)	(7.3%)
Total	(0.6%)	(1.5%)	0.8%	1.4%	0.1%	1.6%	0.8%	(1.1%)	(1.2%)	(0.0%)	(1.6%)	(1.1%)	(1.3%)
Growth % from Acquisitions (Dispositions), net													
United States	0.0%	0.0%	(0.5%)	(1.4%)	(0.5%)	(1.5%)	1.1%	2.3%	2.9%	1.2%	4.2%	0.2%	2.0%
Canada	(2.4%)	2.0%	(0.5%)	0.0%	(1.2%)	0.0%	0.0%	0.0%	0.0%	0.0%	(6.6%)	(16.8%)	(12.2%)
North America	(0.2%)	(0.2%)	(0.5%)	(1.3%)	(0.6%)	(1.4%)	1.0%	2.1%	2.6%	1.1%	3.2%	(1.5%)	0.6%
Other	74.1%	65.5%	(3.9%)	(3.2%)	23.7%	(2.7%)	(1.3%)	0.3%	1.4%	(0.4%)	1.9%	1.6%	1.8%
Total	6.6%	5.7%	(0.9%)	(1.6%)	2.2%	(1.5%)	0.6%	1.8%	2.4%	0.9%	3.0%	(1.1%)	0.8%

Note: See appendix for definitions of non-GAAP measures
 Note: Actuals may not foot due to rounding



ADJUSTED EBITDA TRENDING SCHEDULE

(US\$ in thousands, except percentages)

	2017 (ASC 605)					2018 (ASC 606)					2019		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YTD
ADVERTISING AND COMMUNICATIONS GROUP													
Revenue	\$344,700	\$390,532	\$375,800	\$402,747	\$1,513,779	\$326,968	\$379,743	\$375,830	\$393,662	\$1,476,203	\$328,791	\$362,130	\$690,921
Operating income (loss)	16,969	36,069	47,944	71,833	172,815	(561)	43,912	20,642	860	64,853	20,504	40,074	60,578
Depreciation and amortization	10,588	10,467	10,997	10,324	42,376	12,151	11,543	10,935	10,805	45,434	8,621	10,442	19,063
Goodwill and other asset impairment	-	-	-	3,238	3,238	-	-	21,008	56,732	77,740	-	-	-
Stock-based compensation	4,345	5,023	5,903	6,945	22,216	3,789	4,382	4,622	964	13,757	4,545	2,442	6,987
Deferred acquisition consideration adjustments	11,431	4,306	(2,462)	(18,173)	(4,898)	2,586	(5,067)	11,003	(8,979)	(457)	(7,643)	2,073	(5,570)
Distributions from non-consolidated affiliates	-	105	-	-	105	-	-	-	-	-	-	-	-
Other items, net	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA ⁽¹⁾	\$43,334	\$55,969	\$62,382	\$74,167	\$235,852	\$ 17,965	\$ 54,770	\$ 68,210	\$ 60,382	\$ 201,327	\$ 26,027	\$ 55,030	\$ 81,057
CORPORATE GROUP													
Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating loss	(8,570)	(9,688)	(10,724)	(11,874)	(40,856)	(14,072)	(13,140)	(18,024)	(9,921)	(55,157)	(4,822)	(16,631)	(21,453)
Depreciation and amortization	310	299	255	234	1,098	224	160	199	179	762	217	221	438
Goodwill and other asset impairment	-	-	-	1,177	1,177	2,317	-	-	-	2,317	-	-	-
Stock-based compensation	605	517	477	535	2,134	1,248	1,221	1,620	570	4,659	(1,573)	1,192	(381)
Distributions from non-consolidated affiliates	-	-	1,118	2,716	3,834	20	11	478	270	779	-	31	31
Other items, net	135	(100)	330	(112)	253	122	(68)	7,346	479	7,879	1,626	6,594	8,220
Adjusted EBITDA ⁽¹⁾	(\$7,521)	(\$8,971)	(\$8,544)	(\$7,324)	(\$32,360)	(\$10,141)	(\$11,816)	(\$8,381)	(8,423)	(\$38,761)	\$ (4,552)	\$ (8,594)	\$ (13,146)
TOTAL													
Revenue	\$344,700	\$390,532	\$375,800	\$402,747	\$1,513,779	\$326,968	\$379,743	\$375,830	\$393,662	\$1,476,203	\$328,791	\$362,130	\$690,921
Operating income (loss)	8,399	26,381	37,220	59,959	131,959	(14,633)	30,772	2,618	(9,061)	9,696	15,682	23,443	39,125
Depreciation and amortization	10,898	10,766	11,252	10,558	43,474	12,375	11,703	11,134	10,984	46,196	8,838	10,663	19,501
Goodwill and other asset impairment	-	-	-	4,415	4,415	2,317	-	21,008	56,732	80,057	-	-	-
Stock-based compensation	4,950	5,540	6,380	7,480	24,350	5,037	5,603	6,242	1,534	18,416	2,972	3,634	6,606
Deferred acquisition consideration adjustments	11,431	4,306	(2,462)	(18,173)	(4,898)	2,586	(5,067)	11,003	(8,979)	(457)	(7,643)	2,073	(5,570)
Distributions from non-consolidated affiliates	-	105	1,118	2,716	3,939	20	11	478	270	779	-	31	31
Other items, net	135	(100)	330	(112)	253	122	(68)	7,346	479	7,879	1,626	6,594	8,220
Adjusted EBITDA ⁽¹⁾	\$ 35,813	\$ 46,998	\$ 53,838	\$ 66,843	\$ 203,492	\$ 7,824	\$ 42,954	\$ 59,829	\$ 51,959	\$ 162,566	\$ 21,475	\$ 46,436	\$ 67,911

¹ Adjusted EBITDA is a non-GAAP measure. See appendix for the definition
Note: Actuals may not foot due to rounding



RECONCILIATIONS

(US\$ in millions)

	2018					2019		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	YTD
NON-GAAP ACQUISITIONS (DISPOSITIONS), NET								
GAAP revenue from current year acquisitions	\$ -	\$ 11,066	\$ 12,734	\$ 12,317	\$ 36,117	\$ -	\$ 698	\$ 698
GAAP revenue from prior year acquisitions ⁽¹⁾	-	-	-	-	-	15,685	1,519	17,204
Impact of adoption of ASC 606 exclusion	-	450	(1,122)	504	(168)	-	-	-
Foreign exchange impact	-	-	-	-	-	-	-	-
Contribution to organic revenue (growth) decline ⁽²⁾	-	(3,417)	(945)	(3,243)	(7,605)	(4,008)	(440)	(4,448)
Prior year revenue from dispositions ⁽³⁾	(5,261)	(5,592)	(3,847)	-	(14,700)	(1,825)	(5,995)	(7,820)
Non-GAAP acquisitions (dispositions), net	<u>\$ (5,261)</u>	<u>\$ 2,507</u>	<u>\$ 6,820</u>	<u>\$ 9,578</u>	<u>\$ 13,644</u>	<u>\$ 9,852</u>	<u>\$ (4,218)</u>	<u>\$ 5,634</u>
OTHER ITEMS, NET								
SEC investigation and class action litigation expenses	\$ 122	\$ 235	\$ (88)	\$ 131	\$ 400	\$ -	\$ -	\$ -
D&O insurance proceeds	-	(303)	(231)	(24)	(558)	-	-	-
Severance and other restructuring expenses	-	-	7,665	372	8,037	-	6,703	6,703
Strategic review process costs	-	-	-	-	-	1,626	(109)	1,517
Total other items, net	<u>\$ 122</u>	<u>\$ (68)</u>	<u>\$ 7,346</u>	<u>\$ 479</u>	<u>\$ 7,879</u>	<u>\$ 1,626</u>	<u>\$ 6,594</u>	<u>\$ 8,220</u>
CASH INTEREST, NET & OTHER								
Cash interest paid	\$ (649)	\$ (30,765)	\$ (1,597)	\$ (31,001)	\$ (64,012)	\$ (1,629)	\$ (30,014)	\$ (31,643)
Bond interest accrual adjustment	(14,625)	14,625	(14,625)	14,625	-	(14,625)	14,625	-
Adjusted cash interest paid	(15,274)	(16,140)	(16,222)	(16,376)	(64,012)	(16,254)	(15,389)	(31,643)
Interest income	148	159	91	227	625	149	138	287
Total cash interest, net & other	<u>\$ (15,126)</u>	<u>\$ (15,981)</u>	<u>\$ (16,131)</u>	<u>\$ (16,149)</u>	<u>\$ (63,387)</u>	<u>\$ (16,105)</u>	<u>\$ (15,251)</u>	<u>\$ (31,356)</u>
CAPITAL EXPENDITURES, NET								
Capital expenditures	\$ (3,799)	\$ (5,890)	\$ (5,543)	\$ (5,032)	\$ (20,264)	\$ (3,606)	\$ (4,317)	\$ (7,923)
Landlord reimbursements	219	851	291	442	1,803	1	-	1
Total capital expenditures, net	<u>\$ (3,580)</u>	<u>\$ (5,039)</u>	<u>\$ (5,252)</u>	<u>\$ (4,590)</u>	<u>\$ (18,461)</u>	<u>\$ (3,605)</u>	<u>\$ (4,317)</u>	<u>\$ (7,922)</u>
MISCELLANEOUS OTHER DISCLOSURES								
Net income attributable to the noncontrolling interests	\$ 897	\$ 2,545	\$ 2,458	\$ 5,885	\$ 11,785	\$ 429	\$ 3,043	\$ 3,472
Cash taxes	\$ 1,333	\$ 1,293	\$ 2,196	\$ (986)	\$ 3,836	\$ 1,677	\$ 1,817	\$ 3,494

(1) GAAP revenue from prior year acquisitions for 2019 and 2018 relates to acquisitions which occurred in 2018 and 2017, respectively.

(2) Contributions to organic revenue growth (decline) represents the change in revenue, measured on a constant currency basis, relative to the comparable pre-acquisition period for acquired businesses that is included in the Company's organic revenue growth (decline) calculation.

(3) Prior year revenue from dispositions reflects the incremental impact on revenue for the comparable period after the Company's disposition of such disposed business, plus revenue from each business disposed of by the Company in the previous year through the twelve month anniversary of the disposition.

Note: Actuals may not foot due to rounding.



AVAILABLE LIQUIDITY¹

(US\$ in millions)

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Commitment Under Facility	\$ 250.0	\$ 325.0
Drawn	27.5	68.1
Undrawn Letters of Credit	<u>4.7</u>	<u>4.7</u>
Undrawn Commitments Under Facility	\$ 217.8	\$ 252.2
Total Cash & Cash Equivalents	<u>27.3</u>	<u>30.9</u>
Liquidity	\$ 245.1	\$ 283.0

¹ Subject to available borrowings under the Credit Facility.
Note: Actuals may not foot due to rounding



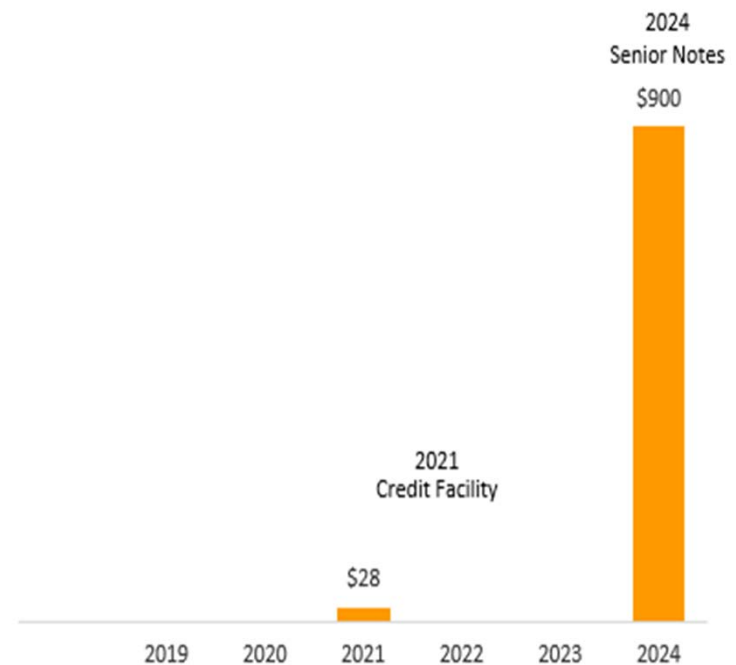
CURRENT CREDIT PICTURE

\$250 million Credit Facility Covenants ⁽¹⁾

(US\$ in millions)

Covenants		<u>June 30, 2019</u>
I.	Total Senior Leverage Ratio	0.11
	Maximum per covenant	2.00
II.	Total Leverage Ratio	4.91
	Maximum per covenant	6.25
III.	Fixed Charges Ratio	2.45
	Minimum per covenant	1.00
IV.	Covenant EBITDA ⁽²⁾	\$187.9
	Minimum per covenant	\$105.0
Debt Calculation		
Total Senior Leverage, net ⁽³⁾		\$21.0
Net Debt ⁽⁴⁾		\$922.0

Current Debt Maturity Profile ⁽⁵⁾



¹ These ratios and measures are not based on generally accepted accounting principles and are not presented as alternatives measures of operating performance or liquidity. Some of these ratios and measures include, among other things, pro forma adjustments for acquisitions, one-time charges, and other items, as defined in the Credit Agreement. They are presented here to demonstrate compliance with the covenants in the Credit Agreement, as non-compliance with such covenants could have a material adverse effect on the Company.

² Covenant EBITDA is a measure that includes pro forma adjustments for acquisitions, one-time charges, and other items, as defined in the Credit Agreement.

³ Total Senior Leverage is a measure that includes borrowings under the Credit Agreement, outstanding letters of credit, less cash held in depository accounts, as defined in the Credit Agreement

⁴ Net Debt is a measure that includes borrowings under the Credit Agreement, the Senior Notes, other outstanding debt and letters of credit, less cash held in depository accounts, as defined in the Credit Agreement. Net Debt does not include Deferred Acquisition Consideration with the exception of certain fixed components (\$0.9 million as of June 30, 2019), and it does not include minority interest.

⁵ Based on borrowings as of June 30, 2019. Excludes letters of credit, and Deferred Acquisition Consideration

.Note: Actuals may not foot due to rounding



TEMPORAL PUT OBLIGATIONS AND IMPACT ON ADJUSTED EBITDA

(US\$ in millions)	Estimated Put Impact at June 30, 2019			
	Payment Consideration			Incremental Income in Period
	Cash	Stock	Total	
2019	\$ 4.7	\$ —	\$ 4.7	\$ 2.0
2020	1.7	—	1.7	0.1
2021	3.8	—	3.8	1.8
2022	2.7	—	2.7	—
2023 and Thereafter	6.1	—	6.1	0.6
Total	<u>\$ 19.0</u>	<u>\$ —</u>	<u>\$ 19.0</u>	<u>\$ 4.4</u>

Effective Multiple

4.3x

¹ This amount is in addition to (i) \$23.5 million of options to purchase only exercisable upon termination not within the control of the Company, or death, and (ii) the excess of the initial redemption value recorded in Redeemable Noncontrolling Interests over the amount the Company would be required to pay to the holders should the Company acquire the remaining ownership interests. Note: Actuals may not foot due to rounding



DEFINITION OF NON-GAAP MEASURES

In addition to its reported results, MDC Partners has included in its earnings release and supplemental management presentation certain financial results that the Securities and Exchange Commission defines as "non-GAAP financial measures." Management believes that such non-GAAP financial measures, when read in conjunction with the Company's reported results, can provide useful supplemental information for investors analyzing period to period comparisons of the Company's results. Such non-GAAP financial measures include the following:

Organic Revenue: Organic Revenue: "Organic revenue growth" and "organic revenue decline" refer to the positive or negative results, respectively, of subtracting both the foreign exchange and acquisition (disposition) components from total revenue growth. The acquisition (disposition) component is calculated by aggregating prior period revenue for any acquired businesses, less the prior period revenue of any businesses that were disposed of during the current period. The organic revenue growth (decline) component reflects the constant currency impact of (a) the change in revenue of the partner firms which the Company has held throughout each of the comparable periods presented, and (b) "non-GAAP acquisitions (dispositions), net". Non-GAAP acquisitions (dispositions), net consists of (i) for acquisitions during the current year, the revenue effect from such acquisition as if the acquisition had been owned during the equivalent period in the prior year and (ii) for acquisitions during the previous year, the revenue effect from such acquisitions as if they had been owned during that entire year (or same period as the current reportable period), taking into account their respective pre-acquisition revenues for the applicable periods, and (iii) for dispositions, the revenue effect from such disposition as if they had been disposed of during the equivalent period in the prior year.

Net New Business: Estimate of annualized revenue for new wins less annualized revenue for losses incurred in the period.

Adjusted EBITDA: Adjusted EBITDA is a non-GAAP measure that represents operating profit (loss) plus depreciation and amortization, stock-based compensation, deferred acquisition consideration adjustments, distributions from non-consolidated affiliates, and other items.

Covenant EBITDA: Covenant EBITDA is a measure that includes pro forma adjustments for acquisitions, one-time charges, and other items, as defined in the Credit Agreement. We believe that the presentation of Covenant EBITDA is appropriate as it eliminates the effect of certain non-cash and other items not necessarily indicative of a company's underlying operating performance. In addition, the presentation of Covenant EBITDA provides additional information to investors about the calculation of, and compliance with, certain financial covenants in the Credit Agreement.

Included in the Company's earnings release and supplemental management presentation are tables reconciling MDC Partners' reported results to arrive at certain of these non-GAAP financial measures. We are unable to reconcile our projected 2019 organic revenue growth to the corresponding GAAP measure because we are unable to predict the 2019 impact of foreign exchange due to the unpredictability of future changes in foreign exchange rates and because we are unable to predict the occurrence or impact of any acquisitions, dispositions, or other potential changes. We are unable to reconcile our projected 2019 Covenant EBITDA to the corresponding GAAP measure because the amount and timing of many future charges that impact these measures (such as amortization of future acquired intangible assets, foreign exchange transaction gains or losses, impairment charges, provision or benefit for income taxes, and certain assumptions used in the calculation of deferred acquisition consideration) are variable, uncertain, or out of our control and therefore cannot be reasonably predicted without unreasonable effort, if at all. As a result, we are unable to provide reconciliations of these measures. In addition, we believe such reconciliations could imply a degree of precision that might be confusing or misleading to investors. For the same reasons, we are unable to address the probable significance of the unavailable information, which could have a potentially unpredictable, and potentially significant, impact on future GAAP financial results.

Note: A reconciliation of non-GAAP to US GAAP reported results has been provided by the Company in the tables included in the earnings release issued on August 7, 2019.





MDC Partners Innovation Center
745 Fifth Avenue, Floor 19
New York, NY 10151
646-429-1800
www.mdc-partners.com