



Management Presentation

First Quarter 2020 Results

April 29, 2020

FORWARD LOOKING STATEMENTS & OTHER INFORMATION

This presentation contains forward-looking statements. Statements in this presentation that are not historical facts, including without limitation the information under the heading "Financial Outlook" and statements about the Company's beliefs and expectations, earnings (loss) 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 international, national and regional unfavorable economic conditions that could affect the Company or its clients, including as a result of the recent novel coronavirus outbreak ("COVID-19");
- the effects of the outbreak of COVID-19, including the measures to reduce its spread, and the impact on the economy and demand for our services, which may precipitate or exacerbate other risks and uncertainties;
- the Company's ability to attract new clients and retain existing clients;
- reduction in client spending and changes in client advertising, marketing and corporate communications requirements;
- financial failure of the Company's clients;
- the Company's ability to retain and attract key employees;
- the Company's ability to achieve the full amount of its stated cost saving initiatives;
- the Company's implementation of strategic initiatives;
- 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
- foreign currency fluctuations.

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



SUMMARY

- Organic Revenue growth of 2.0% driven by growth in Integrated Agencies and All Other Segments
- Aided by ongoing cost-reduction initiatives, MDC delivers year-over-year growth of 84.3% in 1Q 2020 Adjusted EBITDA and 560 basis point improvement in Adjusted EBITDA Margin to 12.1%
- Net new business of \$8.4 million as agencies continued to expand pipeline, with new business growth in each of the last four quarters



FIRST QUARTER 2020 FINANCIAL HIGHLIGHTS

- Revenue of \$327.7 million versus \$328.8 million in the prior year period
- Organic revenue increased by 2.0% versus the prior year period
- Net loss attributable to MDC Partners Inc. common shareholders of \$2.4 million in the first quarter of 2020 versus \$2.5 million in the prior year period
- Net loss attributable to MDC Partners common shareholders for the last twelve months (LTM) of \$17.2 million as of March 31, 2020 versus \$17.3 million as of December 31, 2019
- Adjusted EBITDA of \$39.6 million versus \$21.5 million in the prior year period, an increase of 84.3%
- Adjusted EBITDA Margin of 12.1% vs. 6.5% in prior year, an increase of 560 basis points
- Covenant EBITDA (LTM) of \$200.7 million for the first quarter of 2020 versus \$180.5 million at year end 2019, an increase of 11.2%
- Net new business wins of \$8.4 million



CONSOLIDATED REVENUE AND EARNINGS

(US\$ in millions, except percentages)

	Three Months Ended March 31,		
	2020	2019	% Change
Revenue:	\$ 327.7	\$ 328.8	(0.3) %
Operating Expenses:			
Cost of services sold	222.7	237.2	(6.1) %
Office and general expenses	66.4	67.1	(1.1) %
Depreciation and amortization	9.2	8.8	4.2 %
Other asset impairment	0.2	—	— %
Operating income	29.3	15.7	87.0 %
Interest expense and finance charges, net	(15.6)	(16.8)	
Foreign exchange gain (loss)	(14.8)	5.4	
Other, net	16.3	(3.4)	
Income tax expense	13.5	0.7	
Equity in earnings of non-consolidated affiliates	—	0.1	
Net income	1.8	0.3	
Net income attributable to the noncontrolling interest	(0.8)	(0.4)	
Accretion on and net income allocated to convertible preference shares	(3.4)	(2.4)	
Net loss attributable to MDC Partners Inc. common shareholders	\$ (2.4)	\$ (2.5)	



REVENUE SUMMARY

(US\$ in millions, except percentages)

	Three Months Ended	
	Revenue \$	% Change
March 31, 2019	\$ 328.8	
Organic revenue	6.4	2.0%
Non-GAAP acquisitions (dispositions), net	(5.7)	(1.7)%
Foreign exchange impact	(1.8)	(0.5)%
Total Change	(1.0)	(0.3)%
March 31, 2020	\$ 327.7	

Organic revenue increase of 2.0% in the first quarter of 2020 versus the prior year period.

Note: Actuals may not foot due to rounding



REVENUE BY GEOGRAPHY AND SEGMENT

(US\$ in millions, except percentages)

	2019									2020					
	Q1			Q2			Q3			Q4			Q1		
	Total	Total	Organic Revenue	Total	Total	Organic Revenue	Total	Total	Organic Revenue	Total	Total	Organic Revenue	Total	Total	Organic Revenue
	Revenue	Growth	Growth (Decline)	Revenue	Growth	Growth (Decline)	Revenue	Growth	Growth (Decline)	Revenue	Growth	Growth (Decline)	Revenue	Growth	Growth (Decline)
United States	\$ 263.0	2.5%	(1.7)%	\$ 284.7	(3.6)%	(3.8)%	\$ 271.7	(8.4)%	(8.5)%	\$ 296.7	(2.7)%	(2.6)%	\$ 264.6	0.6%	1.3%
Canada	22.4	(15.2)%	(3.8)%	24.6	(25.8)%	(5.6)%	25.9	(19.4)%	(7.0)%	32.2	(0.5)%	12.6%	18.3	(18.4)%	(1.7)%
<i>North America</i>	285.4	0.9%	(1.9)%	309.2	(5.8)%	(3.9)%	297.6	(9.5)%	(8.3)%	328.9	(2.5)%	(1.2)%	282.9	(0.9)%	1.1%
Other	43.4	(1.5)%	5.4%	52.9	3.0%	7.3%	45.3	(3.8)%	(1.5)%	53.0	(5.9)%	(3.6)%	44.9	3.5%	7.6%
Total	\$ 328.8	0.6%	(0.9)%	\$ 362.1	(4.6)%	(2.4)%	\$ 342.9	(8.8)%	(7.5)%	\$ 382.0	(3.0)%	(1.5)%	\$ 327.7	(0.3)%	2.0%
Integrated Agencies Network	\$ 206.9	2.7%	(1.3)%	\$ 236.6	(3.4)%	(2.8)%	\$ 228.4	(7.5)%	(6.9)%	\$ 251.9	(0.5)%	(0.2)%	\$ 208.3	0.7%	1.3%
Media & Data Network	43.2	(4.6)%	(3.5)%	39.5	(9.2)%	(8.3)%	36.2	(21.0)%	(20.6)%	42.5	(12.5)%	(12.6)%	41.1	(5.0)%	(4.5)%
All Other	78.6	(1.9)%	1.6%	86.0	(5.8)%	1.4%	78.3	(5.8)%	(1.9)%	87.5	(4.8)%	0.8%	78.4	(0.4)%	7.3%
Total	\$ 328.8	0.6%	(0.9)%	\$ 362.1	(4.6)%	(2.4)%	\$ 342.9	(8.8)%	(7.5)%	\$ 382.0	(3.0)%	(1.5)%	\$ 327.7	(0.3)%	2.0%

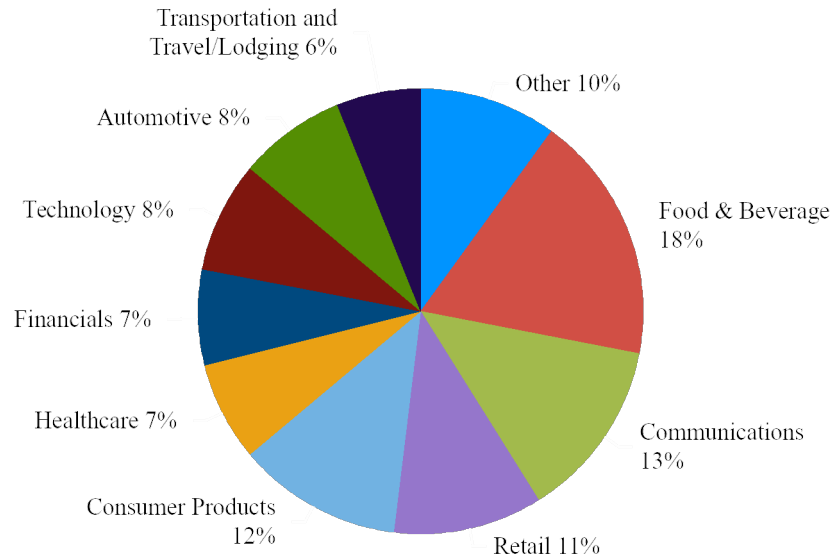
1 Effective in the first quarter of 2020, the Company reorganized its management structure resulting in the aggregation of certain Partner Firms into integrated groups ("Networks"). In connection with the reorganization, we reassessed our reportable segments to align our external reporting with how we operate the Networks under our new organizational structure. Prior periods presented have been recast to reflect the change in reportable segments.

Note: Actuals may not foot due to rounding



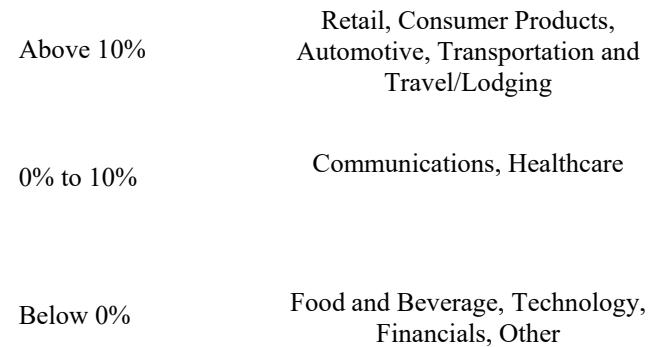
REVENUE BY CLIENT INDUSTRY

Q1 2020 Mix



Year-over-Year Growth by Category

Q1 2020 QTD



Top 10 clients decreased to 22.4% of revenue versus 23.5% a year ago (largest <4.7%)



ADJUSTED EBITDA ⁽¹⁾

(US\$ in millions, except percentages)

	2019				2020	<i>% Change</i>
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q1 2020 vs. Q1 2019</u>
Integrated Agencies Network	19.2	43.1	46.0	51.1	33.4	74.0 %
Media & Data Network	—	1.0	1.4	5.4	1.8	NM
All Other	6.8	10.9	9.2	10.7	9.9	45.6 %
Corporate Group	(4.6)	(8.6)	(7.3)	(10.1)	(5.6)	21.7 %
Adjusted EBITDA ⁽²⁾	\$ 21.5	\$ 46.4	\$ 49.2	\$ 57.0	\$ 39.6	84.2 %
<i>Adjusted EBITDA margin</i>	<i>6.5%</i>	<i>12.8%</i>	<i>14.3%</i>	<i>14.9%</i>	<i>12.1%</i>	

¹ Effective in the first quarter of 2020, the Company reorganized its management structure resulting in the aggregation of certain Partner Firms into integrated groups (“Networks”). In connection with the reorganization, we reassessed our reportable segments to align our external reporting with how we operate the Networks under our new organizational structure. Prior periods presented have been recast to reflect the change in reportable segments.

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

Note: Actuals may not foot due to rounding.



COVENANT EBITDA

	2019				2020	Covenant EBITDA (LTM) ⁽¹⁾	
	Q1	Q2	Q3	Q4	Q1	Q4-2019 - LTM	Q1-2020 - LTM
(US\$ in millions)							
Net income (loss) attributable to MDC Partners Inc. common shareholders	\$ (2.5)	\$ 0.8	\$ (5.1)	\$ (10.5)	\$ (2.4)	\$ (17.3)	\$ (17.2)
Adjustments to reconcile to operating income:							
Accretion on and net income allocated to convertible preference shares	2.4	3.5	3.3	3.4	3.4	12.6	13.6
Net income attributable to the noncontrolling interests	0.4	3.0	7.3	5.4	0.8	16.2	16.5
Equity in losses of non-consolidated affiliates	(0.1)	(0.2)	(0.1)	—	—	(0.4)	(0.3)
Income tax expense	0.7	2.1	3.5	4.2	13.5	10.5	23.3
Interest expense and finance charges, net	16.8	16.4	16.1	15.7	15.6	64.9	63.8
Foreign exchange loss (gain)	(5.4)	(2.9)	4.0	(4.3)	14.8	(8.8)	11.4
Other, net	3.4	0.7	0.4	(2.2)	(16.3)	2.4	(17.3)
Operating income	15.7	23.4	29.4	11.7	29.3	80.2	93.9
Adjustments to reconcile to Adjusted EBITDA:							
Depreciation and amortization	8.8	10.7	9.4	9.5	9.2	38.3	38.7
Goodwill and other asset impairment	—	—	1.9	5.9	0.2	7.8	8.0
Stock-based compensation	3.0	3.6	6.0	18.4	3.1	31.0	31.1
Deferred acquisition consideration adjustments	(7.6)	2.1	1.9	9.0	(4.6)	5.4	8.4
Distributions from non-consolidated affiliates	—	—	(0.2)	2.2	—	2.0	2.0
Other items, net ⁽²⁾	1.6	6.6	0.7	0.3	2.4	9.3	10.1
Adjusted EBITDA	21.5	46.4	49.2	57.0	39.6	174.2	192.2
Adjustments to reconcile to Covenant EBITDA:							
Proforma dispositions ⁽³⁾	(2.7)	(0.7)	(1.0)	(1.3)	(0.1)	(5.7)	(3.1)
Severance due to eliminated positions	1.5	2.3	2.0	3.2	2.1	9.1	9.7
Other adjustments, net ⁽⁴⁾	1.4	1.0	0.2	0.4	0.4	3.0	1.9
	\$ 21.7	\$ 49.0	\$ 50.4	\$ 59.3	\$ 41.9	\$ 180.5	\$ 200.7

⁽¹⁾ Covenant EBITDA is a measure that includes pro forma adjustments for acquisitions, one-time charges, permitted dispositions and other adjustments, as defined in the Company's 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 re-casted in the current period for any proforma adjustments related to acquisitions and/or dispositions in the current period. See "Non-GAAP Measures" herein.

⁽²⁾ Other items, net includes items such as severance expense, other restructuring expenses and costs associated with the Company's strategic review process.

⁽³⁾ Represents Kingsdale and Sloane EBITDA for the respective period.

⁽⁴⁾ 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)

	Three Months Ended March 31,	
	2020	2019
Net cash used in operating activities	\$ (20.0)	\$ (81.2)
Net cash provided by investing activities	16.6	18.1
Net cash provided by financing activities	119.6	60.8
Effect of exchange rate changes on cash, cash equivalents, and cash held in trusts	(2.2)	(0.6)
Net increase (decrease) in cash, cash equivalents, and cash held in trusts including cash classified within assets held for sale	114.2	(2.9)
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	—	1.7
Net increase (decrease) in cash and cash equivalents	\$ 114.2	\$ (4.5)

- **Operating activities driven by seasonal working capital requirements**
- **Investing activities primarily driven by the sale of Sloane**



2020 FINANCIAL OUTLOOK

- Given the uncertainties in the global business environment arising from the COVID-19 pandemic, the Company is not providing a 2020 outlook for Revenue and Covenant EBITDA at this time.



APPENDIX



REVENUE TRENDING SCHEDULE

(US\$ in thousands, except percentages)

	2019					2020
	Q1	Q2	Q3	Q4	YTD	Q1
Revenue						
United States	\$ 263,017	\$ 284,659	\$ 271,671	\$ 296,698	\$ 1,116,045	\$ 264,561
Canada	<u>22,378</u>	<u>24,564</u>	<u>25,895</u>	<u>32,230</u>	<u>105,067</u>	<u>18,256</u>
<i>North America</i>	285,395	309,223	297,566	328,928	1,221,112	282,817
Other	43,396	52,907	45,341	53,047	194,691	44,925
Total	\$ 328,791	\$ 362,130	\$ 342,907	\$ 381,975	\$ 1,415,803	\$ 327,742
% of Revenue						
United States	80.0%	78.6%	79.2%	77.7%	78.8%	80.7%
Canada	<u>6.8%</u>	<u>6.8%</u>	<u>7.6%</u>	<u>8.4%</u>	<u>7.4%</u>	<u>5.6%</u>
<i>North America</i>	86.8%	85.4%	86.8%	86.1%	86.2%	86.3%
Other	<u>13.2%</u>	<u>14.6%</u>	<u>13.2%</u>	<u>13.9%</u>	<u>13.8%</u>	<u>13.7%</u>
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Growth %						
United States	2.5%	(3.6)%	(8.4)%	(2.7)%	(3.2)%	0.6%
Canada	<u>(15.2)%</u>	<u>(25.8)%</u>	<u>(19.4)%</u>	<u>(0.5)%</u>	<u>(15.3)%</u>	<u>(18.4)%</u>
<i>North America</i>	0.9%	(5.8)%	(9.5)%	(2.5)%	(4.4)%	(0.9)%
Other	<u>(1.5)%</u>	<u>3.0%</u>	<u>(3.8)%</u>	<u>(5.9)%</u>	<u>(2.2)%</u>	<u>3.5%</u>
Total	0.6%	(4.6)%	(8.8)%	(3.0)%	(4.1)%	(0.3)%
Organic Revenue Growth (Decline) %						
United States	(1.7)%	(3.8)%	(8.5)%	(2.6)%	(4.2)%	1.3%
Canada	<u>(3.8)%</u>	<u>(5.6)%</u>	<u>(7.0)%</u>	<u>12.6%</u>	<u>(0.9)%</u>	<u>(1.7)%</u>
<i>North America</i>	(1.9)%	(3.9)%	(8.3)%	(1.2)%	(3.9)%	1.1%
Other	<u>5.4%</u>	<u>7.3%</u>	<u>(1.5)%</u>	<u>(3.6)%</u>	<u>1.7%</u>	<u>7.6%</u>
Total	(0.9)%	(2.4)%	(7.5)%	(1.5)%	(3.1)%	2.0%
Growth % from Foreign Exchange						
United States	0.0%	0.0%	0.0%	(0.0)%	(0.0)%	0.0%
Canada	<u>(4.7)%</u>	<u>(3.4)%</u>	<u>(1.1)%</u>	<u>1.0%</u>	<u>(1.9)%</u>	<u>(0.1)%</u>
<i>North America</i>	(0.4)%	(0.3)%	(0.1)%	0.1%	(0.2)%	—%
Other	<u>(8.8)%</u>	<u>(5.9)%</u>	<u>(4.3)%</u>	<u>(2.4)%</u>	<u>(5.2)%</u>	<u>(4.1)%</u>
Total	(1.6)%	(1.1)%	(0.6)%	(0.3)%	(0.9)%	(0.5)%
Growth % from Acquisitions (Dispositions), net						
United States	4.2%	0.2%	0.1%	(0.1)%	1.0%	(0.8)%
Canada	<u>(6.6)%</u>	<u>(16.8)%</u>	<u>(11.3)%</u>	<u>(14.1)%</u>	<u>(12.5)%</u>	<u>(16.6)%</u>
<i>North America</i>	3.2%	(1.5)%	(1.0)%	(1.4)%	(0.3)%	(2.0)%
Other	<u>1.9%</u>	<u>1.6%</u>	<u>1.9%</u>	<u>0.0%</u>	<u>1.3%</u>	<u>0.0%</u>
Total	3.0%	(1.1)%	(0.6)%	(1.2)%	(0.1)%	(1.7)%

Note: See appendix for definitions of non-GAAP measures

Note: Actuals may not foot due to rounding



ADJUSTED EBITDA TRENDING SCHEDULE

(US\$ in thousands)

	2019					2020
	Q1	Q2	Q3	Q4	YTD	Q1
PARTNER FIRMS						
Revenue	\$328,791	\$362,130	\$342,907	\$381,975	\$1,415,803	\$327,742
Operating income (loss)	20,504	40,073	38,532	26,899	126,008	37,667
Depreciation and amortization	8,621	10,442	9,176	9,222	37,461	8,974
Goodwill and other asset impairment	—	—	1,944	5,028	6,972	161
Stock-based compensation	4,545	2,442	5,193	16,980	29,160	2,928
Deferred acquisition consideration adjustments	(7,643)	2,073	1,943	9,030	5,403	(4,600)
Distributions from non-consolidated affiliates	—	—	(250)	—	(250)	—
Adjusted EBITDA ⁽¹⁾	\$ 26,027	\$ 55,030	\$ 56,538	\$ 67,159	\$ 204,754	\$ 45,130
CORPORATE GROUP						
Revenue	—	—	—	—	—	—
Operating loss	(4,823)	(16,631)	(9,111)	(15,203)	(45,768)	(8,338)
Depreciation and amortization	217	221	192	238	868	232
Goodwill and other asset impairment	—	—	—	847	847	—
Stock-based compensation	(1,573)	1,192	833	1,428	1,880	142
Distributions from non-consolidated affiliates	—	31	48	2,219	2,298	(14)
Other items, net	1,626	6,594	705	349	9,274	2,416
Adjusted EBITDA ⁽¹⁾	\$ (4,553)	\$ (8,593)	\$ (7,333)	\$ (10,122)	\$ (30,601)	\$ (5,562)
TOTAL						
Revenue	\$328,791	\$362,130	\$342,907	\$381,975	\$1,415,803	\$327,742
Operating income (loss)	15,681	23,442	29,421	11,696	80,240	29,329
Depreciation and amortization	8,838	10,663	9,368	9,460	38,329	9,206
Goodwill and other asset impairment	—	—	1,944	5,875	7,819	161
Stock-based compensation	2,972	3,634	6,026	18,408	31,040	3,070
Deferred acquisition consideration adjustments	(7,643)	2,073	1,943	9,030	5,403	(4,600)
Distributions from non-consolidated affiliates	—	31	(202)	2,219	2,048	(14)
Other items, net	1,626	6,594	705	349	9,274	2,416
Adjusted EBITDA ⁽¹⁾	\$ 21,474	\$ 46,437	\$ 49,205	\$ 57,037	\$ 174,153	\$ 39,568

⁽¹⁾Adjusted EBITDA is a non-GAAP measure. See appendix for the definition

Note: Actuals may not foot due to rounding



RECONCILIATIONS

(US\$ in thousands)

	2019					2020
	Q1	Q2	Q3	Q4	YTD	Q1
NON-GAAP ACQUISITIONS (DISPOSITIONS), NET						
GAAP revenue from current year acquisitions	\$ —	\$ 698	\$ 1,347	\$ 1,396	\$ 3,441	\$ —
GAAP revenue from prior year acquisitions ⁽¹⁾	15,685	1,519	1,109	291	18,604	—
Foreign exchange impact	—	—	470	(246)	224	(248)
Contribution to organic revenue ⁽²⁾	(4,008)	(440)	(2,185)	(1,694)	(8,327)	(411)
Prior year revenue from dispositions ⁽³⁾	(1,825)	(5,995)	(3,178)	(4,505)	(15,503)	(5,024)
Non-GAAP acquisitions (dispositions), net	\$ 9,852	\$ (4,218)	\$ (2,437)	\$ (4,758)	\$ (1,561)	\$ (5,683)
OTHER ITEMS, NET						
Severance and other restructuring expenses	—	6,703	705	—	7,408	1,334
Strategic review process costs	1,626	(109)	—	349	1,866	1,082
Total other items, net	\$ 1,626	\$ 6,594	\$ 705	\$ 349	\$ 9,274	\$ 2,416
CASH INTEREST, NET & OTHER						
Cash interest paid	\$ (1,629)	\$ (30,014)	\$ (882)	\$ (29,698)	\$ (62,223)	\$ 145
Bond interest accrual adjustment	(14,625)	14,625	(14,625)	14,625	—	(14,625)
Adjusted cash interest paid	(16,254)	(15,389)	(15,507)	(15,073)	(62,223)	(14,480)
Interest income	149	138	165	162	614	(114)
Total cash interest, net & other	\$ (16,105)	\$ (15,251)	\$ (15,342)	\$ (14,911)	\$ (61,609)	\$ (14,594)
CAPITAL EXPENDITURES, NET						
Capital expenditures	\$ (3,606)	\$ (4,317)	\$ (5,863)	\$ (4,810)	\$ (18,596)	\$ (1,546)
MISCELLANEOUS OTHER DISCLOSURES						
Net income attributable to the noncontrolling interests	\$ 429	\$ 3,043	\$ 7,265	\$ 5,419	\$ 16,156	\$ 791
Cash taxes	\$ 1,677	\$ 1,817	\$ 137	\$ (1,335)	\$ 2,296	\$ 849

⁽¹⁾ GAAP revenue from prior year acquisitions for 2020 and 2019 relates to acquisitions which occurred in 2019 and 2018, respectively.

⁽²⁾ Contributions to organic revenue 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>March 31, 2020</u>	<u>December 31, 2019</u>
Commitment Under Facility	\$ 250.0	\$ 250.0
Drawn	125.0	—
Undrawn Letters of Credit	<u>17.6</u>	<u>4.8</u>
Undrawn Commitments Under Facility	\$ 107.4	\$ 245.2
Total Cash & Cash Equivalents	<u>221.1</u>	<u>106.9</u>
Liquidity	\$ 328.5	\$ 352.1

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



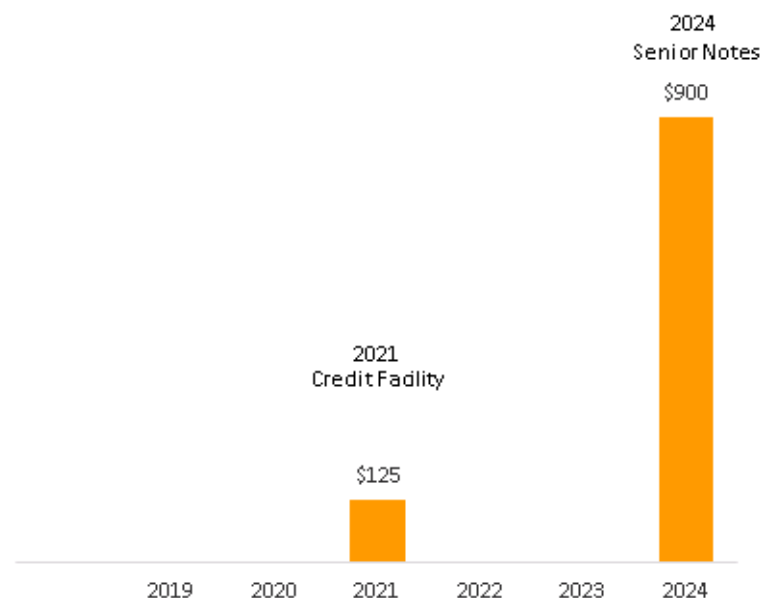
CURRENT CREDIT PICTURE

\$250 million Credit Facility Covenants ⁽¹⁾

(US\$ in millions)

Covenants		March 31, 2020
I.	Total Senior Leverage Ratio	(0.20)
	Maximum per covenant	2.00
II.	Total Leverage Ratio	4.29
	Maximum per covenant	6.25
III.	Fixed Charges Ratio	2.95
	Minimum per covenant	1.00
IV.	Covenant EBITDA ⁽²⁾	\$200.7
	Minimum per covenant	\$105.0
Debt Calculation		
Total Senior Leverage, net ⁽³⁾		\$(40.3)
Net Debt ⁽⁴⁾		\$860.4

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 (\$0.5 million as of March 31, 2020), and it does not include minority interest.

⁵ Based on borrowings as of March 31, 2020. Excludes letters of credit, and Deferred Acquisition Consideration.

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 acquisitions 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 dispositions 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, permitted dispositions and other items, as defined in the Credit Agreement. Pro forma adjustments for our real estate consolidation to our new headquarters at 1 World Trade Center ("1WTC") are calculated to include the lease expense recognized as of the first period required by US GAAP for 1WTC and excluding the future costs of all leases that will either be terminated or sublet as permitted dispositions in connection with the relocation. We believe that the presentation of Covenant EBITDA is useful to investors 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.

Note: A reconciliation of non-GAAP to US GAAP reported results has been provided by the Company in the tables included herein.



MDC Partners

Where Great Talent Lives

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