

MAXIMUS Notified of Award on United Kingdom Work Programme

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-DWP Awards Three Contracts to MAXIMUS and its Alliance Partner, CDG-

RESTON, Va.--(BUSINESS WIRE)--MAXIMUS (NYSE:MMS), a leading provider of government services worldwide, announced today that its United Kingdom subsidiary, MAXIMUS Employment & Training and its alliance partner Careers Development Group (CDG), have been notified of award for three contracts under the Department of Work and Pensions (DWP) new Work Programme. The Company is negotiating final terms and conditions and expects to sign the contracts in May.

Under the Work Programme, MAXIMUS will be responsible for helping unemployed individuals seek long-term employment and transition off welfare, setting them on a path to economic independence. The work will be performed within three regions including: (1) West London, (2) South East (Thames Valley, Hampshire and Isle of Wight), and (3) East London. Operations are expected to launch this summer. The Work Programme replaces several existing welfare-to-work programs with a single, comprehensive program designed to deliver more consistent, capable support for job seekers through a simplified and streamlined process.

"We are pleased with this award, which reinforces the UK Government's commitment to transitioning individuals from welfare dependency to long-term sustained employment," said Richard Montoni, Chief Executive Officer. "As the top-rated provider in the UK under the Flexible New Deal program and a leading integrated employment services company around the world, MAXIMUS is ideally positioned to deliver the required outcomes and help job seekers achieve meaningful employment and economic independence. We look forward to building on our proven track record of demonstrated results and long-term outcomes as we expand our presence in this important market."

This redesigned welfare-to-work model ties provider compensation to job seekers' sustained employment and long-term job retention, which is aligned with MAXIMUS' core competency of achieving performance requirements on outcomes-based programs. With provider compensation tied to long term retention rates, MAXIMUS anticipates that revenue will ramp over a two-year period while costs will remain relatively consistent. This is expected to result in a front-end loss with the contracts nearing breakeven by the end of fiscal 2012 and becoming profitable thereafter. MAXIMUS estimates that when these performance-based contracts are fully ramped in fiscal 2014 they will contribute in excess of \$80 million in annual revenue. The Company believes that the long-term economics of these contracts are favorable and, despite the upfront accounting losses, the contracts are expected to yield an operating margin in excess of 15% over the life of the contracts.

At this time, MAXIMUS does not currently anticipate any change to its fiscal 2011 revenue or earnings guidance as a result of the combined contribution from all UK contracts, subject to final contract signature. The Company expects to provide updated information on its May 5th earnings call.

The Company's financial expectations for the Work Programme contracts are modeled on its experience in similar welfare-to-work programs which have performance-based outcomes such as long-term retention rates. Under the Work Programme, revenue and profit are tied to caseload volumes and successful job retention outcomes, both of which cannot be guaranteed over the life of the contracts.

MAXIMUS is a pioneering leader of welfare reform around the world. The Company has been at the forefront of welfare reform since 1997, providing services to the ground-breaking Wisconsin Works (W-2) program since its inception. Prior to the UK's new Work Programme, W-2 was considered to be the most ambitious and comprehensive welfare reform initiative undertaken and is credited with ending the cycle of welfare-for-life in the United States. MAXIMUS operates model programs in Australia, the United States and the UK.

About MAXIMUS

MAXIMUS is a leading provider of government services worldwide and is devoted to providing health and human services program management and consulting services to its clients. The Company has more than 6,500 employees located in more than 220 offices in the United States, Canada, Australia and the United Kingdom. Additionally, MAXIMUS is included in the Russell 2000 Index and the S&P SmallCap 600 Index.

Statements that are not historical facts, including statements about the Company's confidence and strategies, results of

operations, profitability, future contracts, market opportunities, or market demands are forward-looking statements that involve risks and uncertainties. These uncertainties could cause the Company's actual results to differ materially from those indicated by such forward-looking statements. These risks are detailed in Exhibit 99.1 to the Company's most recent Annual Report filed with the Securities and Exchange Commission, found on www.maximus.com.

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