



Management Presentation
Fourth Quarter 2017 Results
February 22, 2018

FORWARD LOOKING STATEMENTS & OTHER INFORMATION

This presentation, including our “2018 Financial Outlook”, 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, 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. 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 compliment and expand the Company’s business capabilities;
- foreign currency fluctuations; and
- risks associated with the ongoing Canadian class litigation claim.

The Company’s business strategy includes ongoing efforts to engage in 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 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 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.



SUMMARY

- Year of significant progress operationally and financially – delivered on key targets with industry-leading performance
- Best-in-class organic revenue growth with broad-based gains across agencies, in key verticals such as CPG, and continued double-digit growth internationally
- Increases in Adjusted EBITDA and Adjusted EBITDA margin driven by: growth of business; yields from investments made in emerging areas such as international and data analytics; leveraging cost structure
- Superior industry recognition... Assembly named “Media Agency of the Year”; Anomaly and 72andSunny earned spots on the A-List; CP+B recognized as an “Agency Standout”
- Deferred acquisition consideration liability and noncontrolling interests at new 6 ½ year low
- Strengthened financial position, including reduction of net leverage by 1.0x turns on a net debt/Adjusted EBITDA basis to 4.2x

FOURTH QUARTER 2017 FINANCIAL HIGHLIGHTS

- Revenue increased 3.2% to \$402.7 million from \$390.4 million
- Organic revenue growth of 3.3%, including a 50 basis points benefit from increased billable pass-through costs
- Net income attributable to MDC Partners common shareholders increased to \$220.7 million from \$9.1 million last year¹
- Net income benefitted by a combined \$206 million of non-cash tax-related benefits as a result of enactment of the Tax Cuts and Jobs Act of 2017 and reversal of the remainder of our U.S. valuation allowance that was not reversed as part of tax reform
- Adjusted EBITDA increased 19.9% to \$66.8 million from \$55.7 million, with margins expanding 230 basis points to 16.6%
- Net new business wins of \$10.2 million

¹ Revised due to the correction of prior period financial statements relating to the Company's deferred tax liability and income tax expense.
Note: See appendix for definitions of non-GAAP measures

FULL YEAR FINANCIAL HIGHLIGHTS

- Revenue increased 9.2% to \$1.51 billion from \$1.39 billion
- Organic revenue growth of 7.0%, including a 160 basis points benefit from increased billable pass-through costs
- Net income attributable to MDC Partners common shareholders increased to \$235.5 million from a loss of (\$45.8) million last year¹
- Net income benefitted by a combined \$206 million of non-cash tax-related benefits as a result of enactment of the Tax Cuts and Jobs Act of 2017 and reversal of the remainder of our U.S. valuation allowance that was not reversed as part of tax reform
- Adjusted EBITDA increased 15.2% to \$203.5 million from \$176.7 million, with margins expanding 60 basis points to 13.4%
- Net new business wins of \$87.4 million

¹ Revised due to the correction of prior period financial statements relating to the Company's deferred tax liability and income tax expense.
Note: See appendix for definitions of non-GAAP measures

CONSOLIDATED REVENUE AND EARNINGS

(US\$ in millions, except percentages)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2017	2016 (1)	% Change	2017 (1)	2016 (1)	% Change
Revenue	\$ 402.7	\$ 390.4	3.2 %	\$ 1,513.8	\$ 1,385.8	9.2 %
Operating expenses						
Cost of services sold	268.7	260.2	3.3 %	1,023.5	936.1	9.3 %
Office and general expenses	59.1	72.4	(18.3) %	310.5	306.3	1.4 %
Depreciation and amortization	10.6	12.4	(14.7) %	43.5	46.4	(6.4) %
Goodwill impairment and other asset impairment	4.4	18.9	(76.6) %	4.4	48.5	(90.9) %
Operating profit	60.0	26.6	125.7 %	132.0	48.4	172.5 %
Other, net	1.7	(9.3)		19.5	0.2	
Interest expense and finance charges	(16.3)	(16.6)		(65.1)	(65.9)	
Loss on redemption of notes	-	-		-	(33.3)	
Interest income	0.2	0.2		0.8	0.8	
Income tax benefit	185.7	10.6		168.1	9.4	
Equity (loss) in earnings of non-consolidated affiliates	0.2	(0.3)		2.1	(0.3)	
Net income (loss)	231.5	11.1		257.2	(40.6)	
Net income attributable to non-controlling interests	(8.8)	(2.0)		(15.4)	(5.2)	
Accretion on convertible preference shares	(2.0)	-		(6.4)	-	
Net income (loss) attributable to MDC Partners Inc. common shareholders	<u>\$ 220.7</u>	<u>\$ 9.1</u>		<u>\$ 235.5</u>	<u>\$ (45.8)</u>	

¹ Revised due to the correction of prior period financial statements relating to the Company's deferred tax liability and income tax expense.
Note: Actuals may not foot due to rounding.

REVENUE SUMMARY

(US\$ in millions, except percentages)

	Three Months Ended		Twelve Months Ended	
	Revenue \$	% Change	Revenue \$	% Change
December 31, 2016	\$390.4		\$1,385.8	
Organic Revenue Growth (Decline)	12.8	3.3%	96.4	7.0%
Non-GAAP Acquisitions (Dispositions), net (1)	(6.1)	(1.6%)	30.4	2.2%
Foreign Exchange impact, net	5.6	1.4%	1.2	0.1%
Total Change	12.3	3.2%	128.0	9.2%
December 31, 2017	\$402.7		\$1,513.8	

- **Organic revenue growth of 7.0% for the full year, favorably impacted by 160 basis points from increased billable pass-through costs incurred on clients' behalf**

¹ Non-GAAP Acquisitions (Dispositions), net consists of \$6.1 million of Dispositions for the three months ended December 31, 2017, and \$41.0 million of Acquisitions and \$10.6 million of Dispositions for the twelve months ended December 31, 2017.
Note: Actuals may not foot due to rounding.

REVENUE BY GEOGRAPHY AND SEGMENT

(US\$ in millions, except percentages)

	Three Months Ended December 31, 2017			Twelve Months Ended December 31, 2017		
	Total Revenue	Total Growth	Organic Revenue Growth (Decline)	Total Revenue	Total Growth	Organic Revenue Growth (Decline)
United States	\$303.5	(0.2%)	1.3%	\$1,172.4	6.2%	6.7%
Canada	<u>34.6</u>	<u>8.7%</u>	<u>3.8%</u>	<u>123.1</u>	<u>(0.8%)</u>	<u>(1.4%)</u>
<i>North America</i>	<i>338.1</i>	<i>0.7%</i>	<i>1.5%</i>	<i>1,295.5</i>	<i>5.5%</i>	<i>5.9%</i>
Other	<u>64.6</u>	<u>18.4%</u>	<u>14.2%</u>	<u>218.3</u>	<u>38.2%</u>	<u>15.1%</u>
Total	\$402.7	3.2%	3.3%	\$1,513.8	9.2%	7.0%
Global Integrated Agencies	\$209.7	1.5%	0.4%	\$786.6	13.0%	7.5%
Domestic Creative Agencies	23.2	17.8%	17.4%	90.7	5.5%	5.3%
Specialized Communications	47.1	(0.4%)	(1.1%)	172.6	1.3%	1.3%
Media Services	38.4	10.4%	22.9%	142.4	8.3%	12.5%
All Other	<u>84.3</u>	<u>2.7%</u>	<u>1.4%</u>	<u>321.5</u>	<u>6.6%</u>	<u>6.8%</u>
Total	\$402.7	3.2%	3.3%	\$1,513.8	9.2%	7.0%

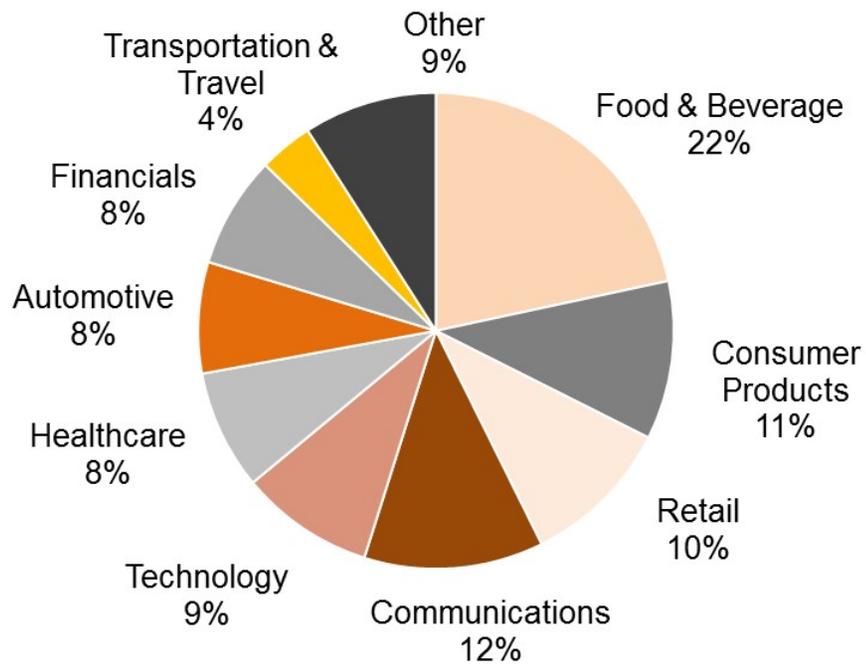
- **Full year organic growth by region: United States +6.7%, Other (International) +15.1%, Canada -1.4%**

Note: Actuals may not foot due to rounding



REVENUE BY CLIENT INDUSTRY

Q4 2017 Mix



Year-over-Year Growth by Category

	Q4 2017	2017
Above 10%	Communications, Financials, Consumer Products	Communications, Financials, Food & Beverage, Consumer Products
0% to 10%	Healthcare, Food & Beverage	Healthcare
Below 0%	Transportation & Travel, Technology, Automotive, Retail	Automotive, Transportation & Travel, Retail, Technology

- **Best performing sectors: Communications, Financials, Consumer Products**
- **Top 10 clients increased to 22.9% of revenue vs 22.7% a year ago (largest <4%)**

Note: Actuals may not foot due to rounding. Year-over-year category growth shown on a reported basis.



ADJUSTED EBITDA

(US\$ in millions, except percentages)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2017	2016	% Change	2017	2016	% Change
Advertising and Communications Group	\$ 74.2	\$ 64.6	14.9 %	\$ 235.9	\$ 213.5	10.5 %
Global Integrated Agencies	44.6	35.2	26.5 %	118.5	104.8	13.1 %
Domestic Creative Agencies	4.1	2.3	82.4 %	19.6	18.6	5.5 %
Specialized Communications	8.0	7.3	10.4 %	28.1	25.9	8.3 %
Media Services	3.9	3.7	6.2 %	16.4	12.7	28.6 %
All Other	13.5	16.1	(16.2) %	53.3	51.5	3.4 %
Corporate Group	(7.3)	(8.8)	(17.1) %	(32.4)	(36.8)	(12.1) %
Adjusted EBITDA (1)	\$ 66.8	\$ 55.7	19.9 %	\$ 203.5	\$ 176.7	15.2 %
<i>margin</i>	16.6%	14.3%		13.4%	12.8%	

➤ **Margin expansion of 230 basis points in Q4 and 60 basis points for the full year**

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

SUMMARY OF CASH FLOW

(US\$ in millions)

	Twelve Months Ended December 31,	
	2017	2016
Net cash provided by (used in) operating activities	\$115.3	(\$1.2)
Net cash used in investing activities	(\$20.9)	(\$25.2)
Net cash used in provided by financing activities	(\$75.4)	(\$9.3)
Effect of exchange rate changes on cash and cash equivalents	<u>(\$0.8)</u>	<u>\$2.1</u>
Net increase (decrease) in cash and cash equivalents	<u>\$18.3</u>	<u>(\$33.5)</u>

Note: Actuals may not foot due to rounding

2018 FINANCIAL OUTLOOK

2018 Guidance	
Organic Revenue	approximately 4% growth
Adjusted EBITDA Margin	approximately 20 basis points increase

Note: The Company has excluded a quantitative reconciliation with respect to the Company's 2018 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)

	2015					2016					2017				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Revenue															
United States	\$252,018	\$271,375	\$270,512	\$291,147	\$1,085,051	\$252,199	\$272,992	\$274,506	\$304,016	\$1,103,712	\$274,682	\$304,463	\$289,701	\$303,517	\$1,172,364
Canada	<u>29,826</u>	<u>35,433</u>	<u>29,560</u>	<u>34,221</u>	<u>129,039</u>	<u>28,406</u>	<u>33,614</u>	<u>30,233</u>	<u>31,848</u>	<u>124,101</u>	<u>26,470</u>	<u>30,583</u>	<u>31,418</u>	<u>34,622</u>	<u>123,093</u>
North America	281,843	306,807	300,072	325,368	1,214,090	280,605	306,606	304,739	335,864	1,227,813	301,152	335,046	321,119	338,140	1,295,457
Other	<u>20,379</u>	<u>29,799</u>	<u>28,345</u>	<u>33,645</u>	<u>112,168</u>	<u>28,437</u>	<u>30,442</u>	<u>44,515</u>	<u>54,578</u>	<u>157,972</u>	<u>43,548</u>	<u>55,487</u>	<u>54,680</u>	<u>64,608</u>	<u>218,323</u>
Total	\$302,222	\$336,606	\$328,417	\$359,013	\$1,326,258	\$309,042	\$337,048	\$349,254	\$390,442	\$1,385,785	\$344,700	\$390,533	\$375,799	\$402,747	\$1,513,779
% of Revenue															
United States	83.4%	80.6%	82.4%	81.1%	81.8%	81.6%	81.0%	78.6%	77.9%	79.6%	79.7%	78.0%	77.1%	75.4%	77.4%
Canada	<u>9.9%</u>	<u>10.5%</u>	<u>9.0%</u>	<u>9.5%</u>	<u>9.7%</u>	<u>9.2%</u>	<u>10.0%</u>	<u>8.7%</u>	<u>8.2%</u>	<u>9.0%</u>	<u>7.7%</u>	<u>7.8%</u>	<u>8.4%</u>	<u>8.6%</u>	<u>8.1%</u>
North America	93.3%	91.1%	91.4%	90.6%	91.5%	90.8%	91.0%	87.3%	86.0%	88.6%	87.4%	85.8%	85.4%	84.0%	85.6%
Other	<u>6.7%</u>	<u>8.9%</u>	<u>8.6%</u>	<u>9.4%</u>	<u>8.5%</u>	<u>9.2%</u>	<u>9.0%</u>	<u>12.7%</u>	<u>14.0%</u>	<u>11.4%</u>	<u>12.6%</u>	<u>14.2%</u>	<u>14.6%</u>	<u>16.0%</u>	<u>14.4%</u>
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%	100.0%	100.0%
Total Growth %															
United States	10.1%	11.6%	8.6%	6.9%	9.2%	0.1%	0.6%	1.5%	4.4%	1.7%	8.9%	11.5%	5.5%	(0.2%)	6.2%
Canada	<u>(3.5%)</u>	<u>(9.2%)</u>	<u>(22.3%)</u>	<u>(19.3%)</u>	<u>(14.2%)</u>	<u>(4.8%)</u>	<u>(5.1%)</u>	<u>2.3%</u>	<u>(6.9%)</u>	<u>(3.8%)</u>	<u>(6.8%)</u>	<u>(9.0%)</u>	<u>3.9%</u>	<u>8.7%</u>	<u>(0.8%)</u>
North America	8.5%	8.7%	4.5%	3.4%	6.1%	(0.4%)	(0.1%)	1.6%	3.2%	1.1%	7.3%	9.3%	5.4%	0.7%	5.5%
Other	<u>34.9%</u>	<u>73.3%</u>	<u>27.6%</u>	<u>33.9%</u>	<u>40.8%</u>	<u>39.5%</u>	<u>2.2%</u>	<u>57.0%</u>	<u>62.2%</u>	<u>40.8%</u>	<u>53.1%</u>	<u>82.3%</u>	<u>22.8%</u>	<u>18.4%</u>	<u>38.2%</u>
Total	10.0%	12.4%	6.1%	5.6%	8.4%	2.3%	0.1%	6.3%	8.8%	4.5%	11.5%	15.9%	7.6%	3.2%	9.2%
Organic Revenue Growth (Decline) %															
United States	6.9%	6.6%	6.1%	5.9%	6.4%	(1.2%)	(0.1%)	1.0%	4.3%	1.1%	8.9%	11.5%	6.0%	1.3%	6.7%
Canada	<u>3.2%</u>	<u>2.1%</u>	<u>(5.5%)</u>	<u>(4.3%)</u>	<u>(1.4%)</u>	<u>4.5%</u>	<u>(0.6%)</u>	<u>2.0%</u>	<u>(6.0%)</u>	<u>(0.2%)</u>	<u>(7.6%)</u>	<u>(2.5%)</u>	<u>0.2%</u>	<u>3.8%</u>	<u>(1.4%)</u>
North America	6.5%	6.0%	4.6%	4.5%	5.4%	(0.6%)	(0.1%)	1.1%	3.2%	1.0%	7.2%	10.0%	5.4%	1.5%	5.9%
Other	<u>23.7%</u>	<u>45.5%</u>	<u>20.0%</u>	<u>39.9%</u>	<u>31.9%</u>	<u>41.4%</u>	<u>4.7%</u>	<u>19.1%</u>	<u>9.5%</u>	<u>16.5%</u>	<u>(11.1%)</u>	<u>28.5%</u>	<u>23.8%</u>	<u>14.2%</u>	<u>15.1%</u>
Total	7.4%	8.3%	5.7%	7.2%	7.1%	2.2%	0.3%	2.7%	3.8%	2.3%	5.6%	11.7%	7.8%	3.3%	7.0%
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%	0.0%	0.0%
Canada	<u>(11.2%)</u>	<u>(11.3%)</u>	<u>(16.8%)</u>	<u>(15.0%)</u>	<u>(13.7%)</u>	<u>(9.3%)</u>	<u>(4.6%)</u>	<u>0.3%</u>	<u>0.5%</u>	<u>(3.2%)</u>	<u>3.2%</u>	<u>(4.6%)</u>	<u>4.2%</u>	<u>4.9%</u>	<u>1.8%</u>
North America	(1.3%)	(1.6%)	(2.2%)	(2.0%)	(1.8%)	(1.0%)	(0.5%)	0.0%	0.1%	(0.3%)	0.3%	(0.5%)	0.4%	0.5%	0.2%
Other	<u>(12.5%)</u>	<u>(16.5%)</u>	<u>(11.7%)</u>	<u>(7.6%)</u>	<u>(12.1%)</u>	<u>(4.3%)</u>	<u>(3.0%)</u>	<u>(7.4%)</u>	<u>(13.4%)</u>	<u>(7.5%)</u>	<u>(9.8%)</u>	<u>(11.7%)</u>	<u>3.0%</u>	<u>7.4%</u>	<u>(0.6%)</u>
Total	(2.0%)	(2.4%)	(2.9%)	(2.4%)	(2.5%)	(1.2%)	(0.7%)	(0.6%)	(1.2%)	(0.9%)	(0.6%)	(1.5%)	0.8%	1.4%	0.1%
Growth % from Acquisitions (Dispositions), net															
United States	3.2%	5.0%	2.5%	1.0%	2.8%	1.3%	0.7%	0.4%	0.2%	0.6%	0.0%	0.0%	(0.5%)	(1.4%)	(0.5%)
Canada	<u>4.5%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.9%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>(1.5%)</u>	<u>(0.4%)</u>	<u>(2.4%)</u>	<u>2.0%</u>	<u>(0.5%)</u>	<u>0.0%</u>	<u>(1.2%)</u>
North America	3.4%	4.3%	2.1%	0.8%	2.6%	1.2%	0.6%	0.4%	0.0%	0.5%	(0.2%)	(0.2%)	(0.5%)	(1.3%)	(0.6%)
Other	<u>23.8%</u>	<u>44.2%</u>	<u>19.3%</u>	<u>1.6%</u>	<u>21.0%</u>	<u>2.4%</u>	<u>0.5%</u>	<u>45.3%</u>	<u>66.1%</u>	<u>31.9%</u>	<u>74.1%</u>	<u>65.5%</u>	<u>(3.9%)</u>	<u>(3.2%)</u>	<u>23.7%</u>
Total	4.5%	6.6%	3.4%	0.9%	3.8%	1.3%	0.6%	4.3%	6.2%	3.2%	6.6%	5.7%	(0.9%)	(1.6%)	2.2%

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)

	2015					2016					2017				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
ADVERTISING AND COMMUNICATIONS GROUP															
Revenue	\$302,222	\$336,606	\$328,415	\$359,013	\$1,326,256	\$309,042	\$337,047	\$349,254	\$390,442	\$1,385,785	\$344,700	\$390,532	\$375,800	\$402,747	\$1,513,779
Operating profit (loss)	26,013	54,372	43,419	13,478	137,282	21,678	36,868	(3,700)	37,703	92,549	16,969	36,069	47,944	71,833	172,815
Depreciation and amortization	11,854	13,554	12,749	12,292	50,449	10,823	10,926	11,053	12,059	44,861	10,588	10,467	10,997	10,324	42,376
Goodwill and other asset impairment	-	-	-	-	-	-	-	29,631	18,893	48,524	-	-	-	3,238	3,238
Stock-based compensation	3,500	4,863	2,660	4,033	15,056	3,881	4,880	4,623	5,094	18,478	4,345	5,023	5,903	6,945	22,216
Acquisition deal costs (2)	284	255	108	58	704	65	402	639	31	1,137	-	-	-	-	-
Deferred acquisition consideration adjustments	2,248	(12,741)	4,927	41,913	36,347	6,327	(299)	11,152	(9,211)	7,969	11,431	4,306	(2,462)	(18,173)	(4,898)
Distributions from non-consolidated affiliates	334	176	67	102	679	-	-	-	-	-	-	105	-	-	105
Adjusted EBITDA (1)	\$44,233	\$60,479	\$63,930	\$71,876	\$240,517	\$42,774	\$52,777	\$53,398	\$64,569	\$213,518	\$43,334	\$55,969	\$62,382	\$74,167	\$235,852
CORPORATE GROUP															
Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating loss	(20,818)	(9,890)	(19,801)	(14,663)	(65,172)	(13,130)	(12,801)	(7,051)	(11,136)	(44,118)	(8,570)	(9,688)	(10,724)	(11,874)	(40,856)
Depreciation and amortization	446	453	337	538	1,774	397	510	359	319	1,585	310	299	255	234	1,098
Goodwill and other asset impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	1,177	1,177
Stock-based compensation	945	451	606	738	2,740	804	650	605	466	2,525	605	517	477	535	2,134
Acquisition deal costs (2)	590	587	620	411	2,208	488	505	167	343	1,503	-	-	-	-	-
Distributions from non-consolidated affiliates	8	112	30	7,122	7,272	-	-	1,247	802	2,049	-	-	1,118	2,716	3,834
Other items, net	5,762	(4,718)	7,751	(468)	8,327	1,486	252	(2,463)	371	(354)	135	(100)	330	(112)	253
Adjusted EBITDA (1)	(\$13,067)	(\$13,005)	(\$10,457)	(\$6,322)	(\$42,851)	(\$9,955)	(\$10,884)	(\$7,136)	(\$8,835)	(\$36,810)	(\$7,521)	(\$8,971)	(\$8,544)	(\$7,324)	(\$32,360)
TOTAL															
Revenue	\$302,222	\$336,606	\$328,415	\$359,013	\$1,326,256	\$309,042	\$337,047	\$349,254	\$390,442	\$1,385,785	\$344,700	\$390,532	\$375,800	\$402,747	\$1,513,779
Operating profit (loss)	5,195	44,482	23,618	(1,185)	72,110	8,548	24,067	(10,751)	26,567	48,431	8,399	26,381	37,220	59,959	131,959
Depreciation and amortization	12,300	14,007	13,086	12,830	52,223	11,220	11,436	11,412	12,378	46,446	10,898	10,766	11,252	10,558	43,474
Goodwill and other asset impairment	-	-	-	-	-	-	-	29,631	18,893	48,524	-	-	-	4,415	4,415
Stock-based compensation	4,445	5,314	3,266	4,771	17,796	4,685	5,530	5,228	5,560	21,003	4,950	5,540	6,380	7,480	24,350
Acquisition deal costs (2)	874	842	728	469	2,912	553	907	806	374	2,640	-	-	-	-	-
Deferred acquisition consideration adjustments	2,248	(12,741)	4,927	41,913	36,347	6,327	(299)	11,152	(9,211)	7,969	11,431	4,306	(2,462)	(18,173)	(4,898)
Distributions from non-consolidated affiliates	342	288	97	7,224	7,951	-	-	1,247	802	2,049	-	105	1,118	2,716	3,939
Other items, net	5,762	(4,718)	7,751	(468)	8,327	1,486	252	(2,463)	371	(354)	135	(100)	330	(112)	253
Adjusted EBITDA (1)	\$31,166	\$47,474	\$53,473	\$65,554	\$197,666	\$32,819	\$41,893	\$46,262	\$55,734	\$176,708	\$35,813	\$46,998	\$53,838	\$66,843	\$203,492

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

² Prior to 2017, Adjusted EBITDA included an additional adjustment for acquisition deal costs. Beginning with 2017, on a prospective basis we no longer include the acquisition deal cost adjustment but we continue to disclose this metric for your reference.

Note: Actuals may not foot due to rounding.



ACQUISITION REVENUE DETAIL

Reconciliation of Non-GAAP Acquisitions (Dispositions), net to Revenue in the Statement of Operations

(US\$ in millions)

	2015	2016					2017				
	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Revenue from acquisitions (dispositions), net (1)	\$ 45.8	\$ 6.6	\$ 2.8	\$ 17.1	\$ 24.7	\$ 51.1	\$ 18.6	\$ 25.0	\$ -	\$ -	\$ 43.5
Foreign exchange impact	1.3	0.0	0.0	0.1	1.3	1.5	1.0	1.3	-	-	2.4
Contribution to organic revenue (growth) decline (2)	(0.8)	(2.8)	(0.9)	(3.1)	(3.3)	(10.1)	1.5	(6.4)	-	-	(4.9)
Prior year revenue from dispositions	-	-	-	-	(0.5)	(0.5)	(0.7)	(0.7)	(3.2)	(6.1)	(10.6)
Non-GAAP acquisitions (dispositions), net	\$ 46.3	\$ 3.8	\$ 1.9	\$ 14.1	\$ 22.2	\$ 42.0	\$ 20.4	\$ 19.3	\$ (3.2)	\$ (6.1)	\$ 30.4

¹ For the twelve months ended December 31, 2017, revenue from acquisitions was comprised of \$43.5 million from 2016 acquisitions.

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.

Note: Actuals may not foot due to rounding



RECONCILIATIONS

(US\$ in millions)

	2015					2016					2017				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Non-GAAP acquisitions (dispositions), net															
GAAP revenue from prior year acquisitions *	n/a	n/a	n/a	n/a	n/a	\$ 6,556	\$ 2,817	\$ 17,083	\$ 24,657	\$ 51,113	\$ 18,552	\$ 24,983	\$ -	\$ -	\$ 43,535
Foreign exchange impact	n/a	n/a	n/a	n/a	n/a	39	7	113	1,343	1,502	1,046	1,341	-	-	2,387
Contribution to organic revenue (growth) decline **	n/a	n/a	n/a	n/a	n/a	(2,783)	(896)	(3,142)	(3,300)	(10,121)	1,470	(6,399)	-	-	(4,929)
Prior year revenue from dispositions ***	n/a	n/a	n/a	n/a	n/a	-	-	-	(499)	(499)	(691)	(660)	(3,153)	(6,103)	(10,607)
Non-GAAP acquisitions (dispositions), net	n/a	n/a	n/a	n/a	n/a	\$ 3,812	\$ 1,928	\$ 14,054	\$ 22,201	\$ 41,995	\$ 20,377	\$ 19,265	\$ (3,153)	\$ (6,103)	\$ 30,386
Other items, net															
SEC investigation and class action litigation expenses	\$ 5,762	\$ 3,882	\$ 2,722	\$ 1,340	\$ 13,706	\$ 1,486	\$ 1,359	\$ 767	\$ 454	\$ 4,066	\$ 339	\$ 382	\$ 330	\$ 287	\$ 1,338
SEC final settlement payment	-	-	-	-	-	-	-	-	1,500	1,500	-	-	-	-	-
D&O insurance proceeds	-	-	-	(1,000)	(1,000)	-	(1,107)	(3,230)	(1,583)	(5,920)	(204)	(482)	-	(399)	(1,085)
CEO repayment for certain perquisites and expenses	-	(8,600)	(1,877)	(808)	(11,285)	-	-	-	-	-	-	-	-	-	-
CEO and CAO termination related expenses	-	-	6,906	-	6,906	-	-	-	-	-	-	-	-	-	-
Total other items, net	\$ 5,762	\$ (4,718)	\$ 7,751	\$ (468)	\$ 8,327	\$ 1,486	\$ 252	\$ (2,463)	\$ 371	\$ (354)	\$ 135	\$ (100)	\$ 330	\$ (112)	\$ 253
Cash interest, net & other															
Cash interest paid	\$ (367)	\$ (25,401)	\$ (590)	\$ (26,308)	\$ (52,666)	\$ (25,703)	\$ (1,212)	\$ (1,063)	\$ (36,692)	\$ (64,670)	\$ (999)	\$ (30,567)	\$ (758)	\$ (30,571)	\$ (62,895)
Bond interest accrual adjustment	(12,403)	12,403	(12,403)	12,403	-	11,995	(15,680)	(14,625)	20,800	2,490	(14,625)	14,625	(14,625)	14,625	-
Adjusted cash interest paid	(12,770)	(12,998)	(12,993)	(13,905)	(52,666)	(13,708)	(16,892)	(15,688)	(15,892)	(62,180)	(15,624)	(15,942)	(15,383)	(15,946)	(62,895)
Interest income	119	105	114	129	467	178	203	218	209	808	227	178	145	209	759
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total cash interest, net & other	\$ (12,651)	\$ (12,893)	\$ (12,879)	\$ (13,776)	\$ (52,199)	\$ (13,530)	\$ (16,689)	\$ (15,470)	\$ (15,683)	\$ (61,372)	\$ (15,397)	\$ (15,764)	\$ (15,238)	\$ (15,737)	\$ (62,136)
Capital expenditures, net															
Capital expenditures	\$ (5,656)	\$ (3,848)	\$ (8,161)	\$ (5,910)	\$ (23,575)	\$ (5,539)	\$ (7,909)	\$ (6,275)	\$ (9,709)	\$ (29,432)	\$ (9,413)	\$ (11,743)	\$ (7,149)	\$ (4,653)	\$ (32,958)
Landlord reimbursements	356	36	1,259	805	2,456	-	871	248	3,651	4,770	75	3,146	1,357	1,858	6,436
Total capital expenditures, net	\$ (5,300)	\$ (3,812)	\$ (6,902)	\$ (5,105)	\$ (21,119)	\$ (5,539)	\$ (7,038)	\$ (6,027)	\$ (6,058)	\$ (24,662)	\$ (9,338)	\$ (8,597)	\$ (5,792)	\$ (2,795)	\$ (26,522)
Miscellaneous other disclosures															
Net income attributable to the noncontrolling interests	\$ 2,380	\$ 2,841	\$ 2,122	\$ 1,711	\$ 9,054	\$ 859	\$ 1,254	\$ 1,059	\$ 2,046	\$ 5,218	\$ 883	\$ 2,214	\$ 3,491	\$ 8,787	\$ 15,375
Cash taxes	\$ 540	\$ 175	\$ 685	\$ 487	\$ 1,887	\$ 143	\$ 664	\$ 1,991	\$ 97	\$ 2,895	\$ 1,293	\$ 2,130	\$ 3,486	\$ 1,191	\$ 8,100
Acquisition deal costs	\$ 874	\$ 842	\$ 728	\$ 469	\$ 2,913	\$ 553	\$ 907	\$ 806	\$ 374	\$ 2,640	\$ 234	\$ 242	\$ 216	\$ 185	\$ 877

* GAAP revenue from prior year acquisitions for 2017 and 2016 relates to acquisitions which occurred in 2016 and 2015, respectively.

** 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

*** 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>December 31, 2017</u>	<u>December 31, 2016</u>
Commitment Under Facility	\$325.0	\$325.0
Drawn	0.0	54.4
Undrawn Letters of Credit	5.1	4.4
Undrawn Commitments Under Facility	\$319.9	\$266.2
Total Cash & Cash Equivalents	46.2	27.9
Liquidity	\$366.1	\$294.1

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

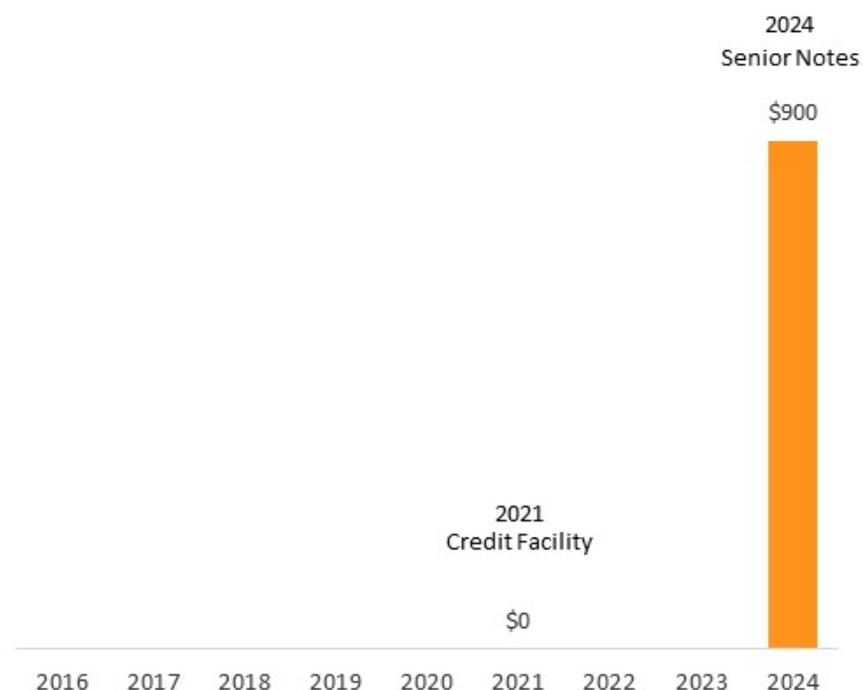
CURRENT CREDIT PICTURE

\$325 million Credit Facility Covenants (1)

(US\$ in millions)

	Twelve Months Ended	
	December 31, 2017	December 31, 2016
Covenants		
I. Total Senior Leverage Ratio	(0.0)	0.3
Maximum per covenant	2.0	2.0
II. Total Leverage Ratio	4.3	5.0
Maximum per covenant	5.5	5.5
III. Fixed Charges Ratio	2.5	2.0
Minimum per covenant	1.0	1.0
IV. Covenant EBITDA (2)	\$208.2	\$190.4
Minimum per covenant	\$105.0	\$105.0
Debt Calculation		
Total Senior Leverage, net (3)	(\$2.4)	\$53.7
Net Debt (4)	\$901.2	\$956.9

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, proforma 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 (\$2.9 million as of December 31, 2017 and \$2.8 million as of December 31, 2016), and it does not include minority interest.

⁵ Based on borrowings as of December 31, 2017. Excludes capital leases, other outstanding debt and 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 December 31, 2017			
	Payment Consideration			Incremental Income in Period
	Cash	Stock	Total	
2018	\$4.1	\$0.0	\$4.1	\$2.4
2019	2.8	0.1	2.9	0.0
2020	5.0	0.1	5.1	1.5
2021	1.9	0.0	1.9	0.0
Thereafter	1.8	0.0	1.8	0.5
Total	\$15.6	\$0.2	\$15.8 (1)	\$4.4

Effective Multiple 3.6x

¹ This amount is in addition to (i) \$41.7 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



RECONCILIATION OF ADJUSTED NON-GAAP RESULTS: IMPACT OF TAX ITEMS

(US\$ in millions)

	As Reported	Net Impact of Tax Cuts and Jobs Act (1)	Valuation Allowance Reversals (2)	Adjusted Results
Three Months Ended December 31, 2017				
Income (loss) before income taxes and equity in earnings of non-consolidated affiliates	\$ 45.6			\$ 45.6
Income tax benefit	185.7	(100.5)	(105.5)	(20.2)
Equity in earnings of non-consolidated affiliates	<u>0.2</u>			<u>0.2</u>
Net income (loss)	231.5			25.5
Net income attributable to the noncontrolling interests	(8.8)			(8.8)
Accretion on convertible preference shares	<u>(2.0)</u>			<u>(2.0)</u>
Net income (loss) attributable to MDC Partners Inc. common shareholders	<u>\$ 220.7</u>	<u>\$ (100.5)</u>	<u>\$ (105.5)</u>	<u>\$ 14.7</u>
Income (loss) per common share - Diluted	\$ 3.30	\$ (1.50)	\$ (1.58)	\$ 0.22
Weighted average number of common shares outstanding - Diluted	56.8			56.8
Twelve Months Ended December 31, 2017				
Income (loss) before income taxes and equity in earnings of non-consolidated affiliates	\$ 87.1			\$ 87.1
Income tax benefit	168.1	(100.5)	(105.5)	(37.9)
Equity in earnings of non-consolidated affiliates	<u>2.1</u>			<u>2.1</u>
Net income (loss)	257.2			51.2
Net income attributable to the noncontrolling interests	(15.4)			(15.4)
Accretion on convertible preference shares	<u>(6.4)</u>			<u>(6.4)</u>
Net income (loss) attributable to MDC Partners Inc. common shareholders	<u>\$ 235.5</u>	<u>\$ (100.5)</u>	<u>\$ (105.5)</u>	<u>\$ 29.5</u>
Income (loss) per common share - Diluted	\$ 3.71	\$ (1.58)	\$ (1.66)	\$ 0.46
Weighted average number of common shares outstanding - Diluted	55.5			55.5

¹ Reflects a net benefit of \$100.5 million as a result of the enactment of the Tax Cuts and Jobs Act, which was comprised of a \$34.1 million net benefit from the remeasurement of deferred tax assets, liabilities and valuation allowance under the new tax rates. In addition, a \$66.4 million benefit from the reversal of a valuation allowance was due to favorable tax law changes.

² Reflects a benefit of \$105.5 million from the reversal of a U.S. valuation allowance on our remaining deferred tax assets, primarily based on our current and historical taxable income and our expectations of future taxable income.



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. Prior to 2017, Adjusted EBITDA included an additional adjustment for acquisition deal costs. Beginning with 2017, on a prospective basis we no longer include the acquisition deal cost adjustment but we continue to disclose this metric for your reference.

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 2017 organic revenue growth to the corresponding GAAP measure because we are unable to predict the 2017 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, divestitures or other potential changes. We are unable to reconcile our projected 2017 increase in Adjusted EBITDA margin 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, and provision or benefit for income taxes) 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.

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 February 22, 2018.



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