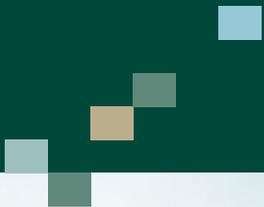


# A PATTERN OF PROGRESS

2011 ANNUAL REPORT



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## MISSION STATEMENT

Our mission is to help our clients prosper by providing them with a wide array of professional business and individual services, products, and solutions to help them better manage their finances and employees. We endeavor to provide superior client service and build long-term client relationships. Our unwavering commitment to our clients is equaled by our commitment to our associates and our focus on improving shareholder value. We will maintain a professional culture that is supportive and motivating, fosters and rewards high performance, and creates meaningful career opportunities.

## CORPORATE PROFILE

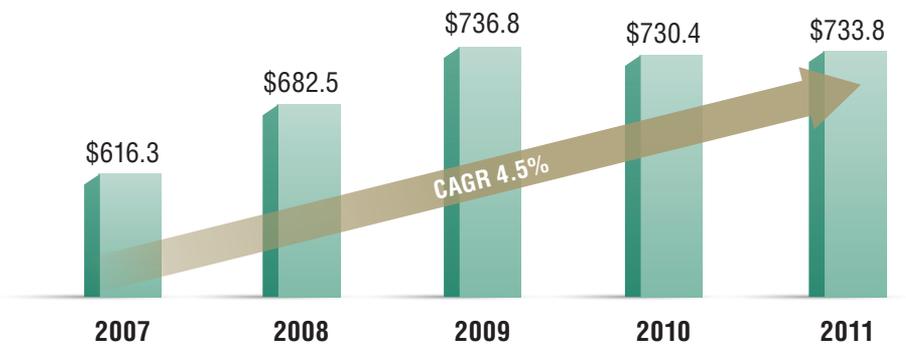
As a trusted advisor to more than 90,000 businesses and individuals across the U.S., CBIZ provides our clients with solutions that help them improve their operations and profitability. From our many service platforms – in areas ranging from accounting and employee benefits to medical practice management – we strive to ensure that our clients receive the most effective professional solutions. With over 5,000 associates in 130 offices across the country, CBIZ's resources and services are uniquely suited to support the growth and success of our clients.



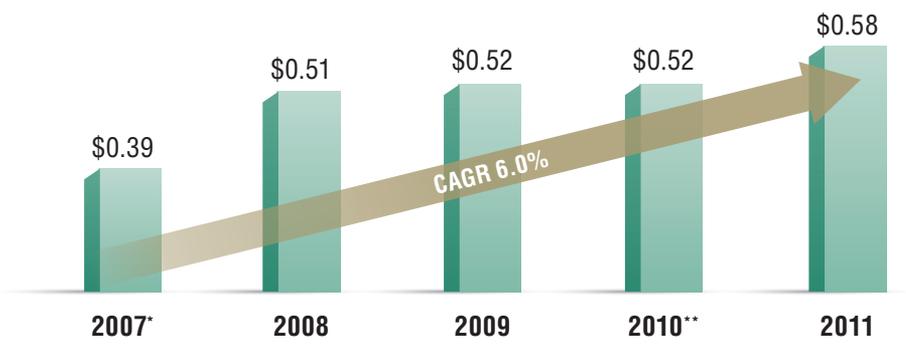
### **CBIZ, INC. CORPORATE OFFICE CLEVELAND, OHIO**

6050 Oak Tree Boulevard, South  
Suite 500  
Cleveland, OH 44131  
216.447.9000 | [www.cbiz.com](http://www.cbiz.com)

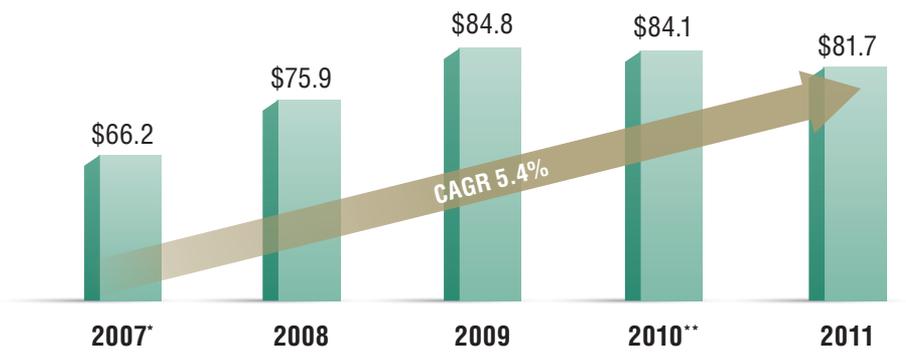
**TOTAL COMPANY REVENUE** (in millions)



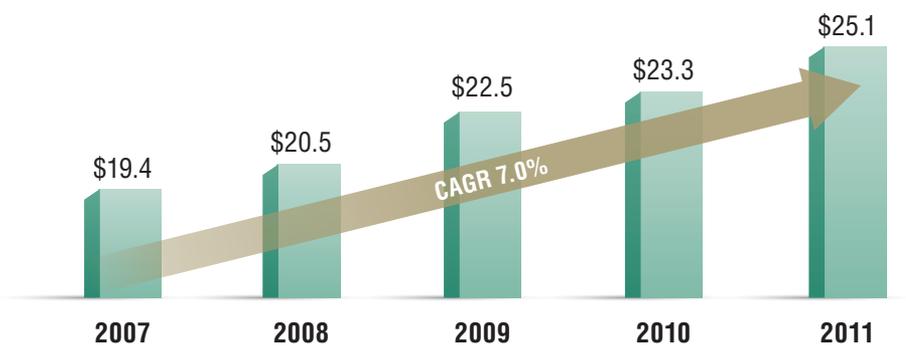
**DILUTED EARNINGS PER SHARE** from continuing operations



**ADJUSTED EBITDA** (in millions)



**CROSS-SERVING REVENUE** estimated first year annualized (in millions)



This annual report to shareholders contains forward-looking statements, which by their nature involve risks and uncertainties. CBIZ's Annual Report on Form 10-K, which is filed with the Securities and Exchange Commission, contains a detailed description of certain factors that may cause actual results to differ from results contemplated from such statements.

\*Results exclude a non-recurring gain of \$4.6 million or \$0.07 per share from the sale of a long-term investment

\*\*Results exclude a restructuring charge of (\$0.02) related to the integration of Goldstein Lewin in Boca Raton, Florida and (\$0.02) charge for the early retirement of Convertible Notes

## DEAR FELLOW SHAREHOLDERS,

I am pleased to share with you our 2011 results. Once again, we continued our pattern of progress by delivering solid operating performance, expanding our service offerings through strategic acquisitions, and continuing to generate increasing cash flow while maintaining a strong balance sheet. Our performance in 2011 came as a result of our continued commitment to client service as evidenced by our very high client retention rates and our ability to provide outstanding solutions to the financial and employee needs of our over 90,000 clients.

### 2011 RESULTS

Revenue in 2011 was \$733.8 million, an increase of \$3.4 million or 0.5% over 2010. Keep in mind that during the first quarter of 2011, we sold our individual wealth management business which generated about \$6.6 million of revenue in 2010. Adjusting for the sale of this business, total revenue increased by approximately \$10.0 million this year, or by 1.4% compared with a year ago. Despite the challenges most companies faced in 2011, we did start to see some modest economic improvement as the year progressed.

For the year-ended December 31, 2011, we reported diluted earnings per share from continuing operations of \$0.58 a share compared with \$0.48 a year ago, which is a 21% improvement. The 2010 results include charges of \$0.02 per share for lease restructuring in connection with an acquisition in the first quarter of last year and \$0.02 per share for financing costs incurred in the third quarter of last year. Normalizing the 2010 results to exclude these

charges, the \$0.58 per share reported for 2011 is 11.5% higher than a normalized \$0.52 per share a year ago.

Cash flow continues to be very strong and EBITDA was \$81.7 million for the year-ended 2011. At December 31, 2011, the outstanding balance on our \$275.0 million unsecured credit facility was \$145.0 million. That is an increase of \$26.1 million from \$118.9 million balance at the beginning of the year. During the year we used \$39.2 million of this credit facility to retire the majority of our 3.125% Convertible Notes that were due in June and we used \$29.3 million for acquisition and related earn-out payments. In addition, we used \$8.9 million during the year to repurchase 1.4 million shares of our common stock, which is consistent with our plan to repurchase shares in order to neutralize the dilutive impact of new shares issued for share grants and acquisitions.

Cash earnings per share, a non-GAAP measure that includes certain non-cash items, increased 6.8% to \$1.10 per diluted share for 2011 compared with \$1.03 per diluted share in 2010.

### BUSINESS SEGMENT HIGHLIGHTS

Within our Financial Services group, 2011 total revenue increased by \$11.1 million, or by 2.9%. In 2011, the earnings contribution from this group was relatively flat compared to the prior year as the revenue growth we achieved came primarily from an acquisition we completed in the second half of the year when, seasonally, our accounting business tends to experience relatively lower margins compared with the first half of the year.

Employee Services total revenue declined by 1.7% for the full year. This decline was primarily due to the impact of the sale of our individual wealth management business which occurred in the first quarter of 2011. Excluding this sale, our revenue in this segment would have increased by 2.2%. Same-unit revenue for this group increased for the full year and this was led by strength in our retirement plan advisory business, our human resources recruiting and consulting business and in our payroll business. Pricing in the property and casualty business continued to be soft throughout the year and we experienced a modest decline in our employee benefits business resulting from lower levels of employment.

Revenue from our Medical Management Professionals segment declined by \$7.4 million, or by 5%, for the full year 2011 due to continued challenges from lower reimbursement rates and a slight decrease in volume of procedures. Despite the decline in revenue, we were successful in maintaining our earnings contribution as a result of our productivity improvements and continued focus on managing expenses. As a result, the margin on this business segment improved slightly.

### LONG-TERM PERFORMANCE

While this annual report primarily compares 2011 with 2010, we should not lose sight of the bigger picture for CBIZ. Notwithstanding the fact that we have come through three economically challenging years, it should be noted that **since 2006, our revenue has increased by 31%, our EBITDA has increased by 41%, our cash earnings has increased by 96%, and our diluted earnings per share has increased by 81%**. This is a record that we,

and you, our shareholders, can be proud of and is a direct result of the outstanding effort and performance of our over 5,000 associates.

## STRATEGIC ACQUISITIONS

In keeping with a key element of our growth strategy, CBIZ completed four acquisitions in 2011 and one additional acquisition thus far in 2012, all focused on our core businesses with the purchase of: 1) Thompson Dunavant, the largest, locally-owned accounting and tax provider in Memphis, Tennessee; 2) Multiple Benefit Services, an employee benefits consulting company in Atlanta, Georgia; 3) Gresham Smith, an accounting service provider in St. Louis, Missouri and Tulsa, Oklahoma; 4) Advantage Benefit Planning, an employee benefit and retirement business in Pleasantville, New Jersey; and 5) Meridian Insurance Group, an employee benefit provider in Boca Raton, Florida and Atlanta, Georgia.

## CROSS-SERVING REVENUE

Cross-serving, our strategy of providing new products and services to existing clients, continues to be an important contributor to our organic growth and a source of incremental revenue. Cross-serving revenue has consistently grown every year since the launch of the initiative eight years ago. We generated more than \$25.0 million, or 3.4% of revenue, in 2011, our highest level yet.

## OUTLOOK FOR 2012

In 2012 we expect revenue to continue to grow by 3% to 4% and expect to increase earnings

per share within a range of 6% to 8% over the \$0.58 per diluted share that we reported for 2011, as we intend to leverage revenue growth and continue to improve margins. Cash flow in 2012 will continue to be strong and EBITDA is expected to improve from about \$81.7 million reported for 2011 to approximately \$85.0 million.

In serving our clients, we are committed to delivering the resources and support they will need to grow as the economy continues to regain its balance. Internally, we will continue to focus on growing revenue organically, by cross-serving, through acquisitions, as well as other new business development strategies. We will also continue our focus on cost and resource management, process improvement, effectively managing risks, and making sound investments.

In closing, 2011 was a productive year in which CBIZ continued its pattern of progress. I am grateful to our dedicated associates for their commitment to our clients, to our Board of Directors for their insight and guidance, and to our shareholders for their ongoing support.

Sincerely,

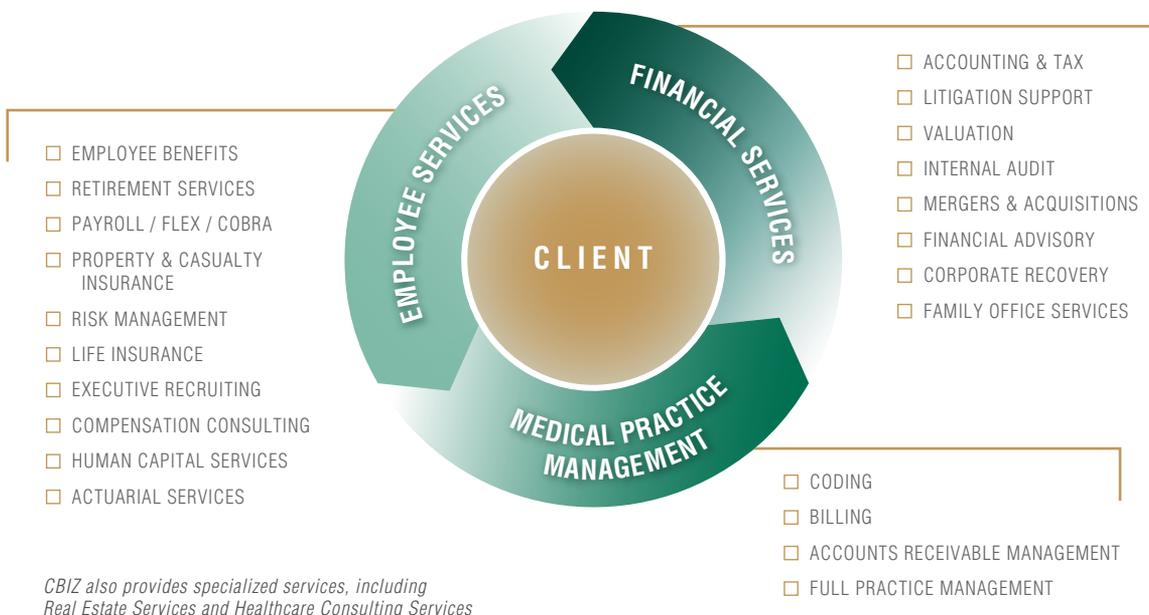


*Steven L. Gerard*  
Chairman and  
Chief Executive Officer  
March 27, 2012

**SINCE 2006, OUR REVENUE HAS INCREASED BY 31%, OUR EBITDA HAS INCREASED BY 41%, OUR CASH EARNINGS HAS INCREASED BY 96%, AND OUR DILUTED EARNINGS PER SHARE HAS INCREASED BY 81%.**

**2011 WAS A PRODUCTIVE YEAR IN WHICH CBIZ CONTINUED ITS PATTERN OF PROGRESS.**

# SERVICES / LOCATIONS



**CBIZ IS A LEADING PROVIDER OF PROFESSIONAL SERVICES THROUGHOUT THE U.S. AND HELPS CLIENTS SUCCEED BY ENABLING THEM TO BETTER MANAGE THEIR FINANCES AND EMPLOYEES.**



*With over 5,000 associates in 130 offices across the country, CBIZ's resources and services are uniquely suited to support the growth and success of our clients.*

## BOARD OF DIRECTORS

### **Steven L. Gerard**

Chairman and  
Chief Executive Officer,  
CBIZ, Inc.

### **Rick L. Burdick**

Senior Partner,  
Akin Gump Strauss  
Hauer & Feld LLP

### **Michael H. DeGroot**

President, Westbury International  
Corporation

### **Joseph S. DiMartino**

Chairman,  
The Dreyfus Family of Funds

### **Richard C. Rochon**

Chairman and  
Chief Executive Officer,  
Royal Palm Capital Partners

### **Todd J. Slotkin**

Managing Partner,  
Newton Pointe LLC

### **Donald V. Weir**

Vice President of  
Private Equity,  
Sanders Morris Harris  
Group, Inc.

### **Benaree Pratt Wiley**

Principal, The Wiley Group



**Steven L. Gerard**

Chairman and  
Chief Executive Officer



**Jerome P. Grisko, Jr.**

President and  
Chief Operating Officer



**Ware H. Grove**

Senior Vice President and  
Chief Financial Officer

## KEY PERSONNEL

### **Steven L. Gerard**

Chairman and  
Chief Executive Officer

### **Jerome P. Grisko, Jr.**

President and  
Chief Operating Officer

### **Ware H. Grove**

Senior Vice President and  
Chief Financial Officer

### **George A. Dufour**

Senior Vice President and  
Chief Technology Officer

### **Michael W. Gleespen**

Corporate Secretary and  
General Counsel

### **Michael P. Kouzelos**

Senior Vice President,  
Strategic Initiatives and  
Chief Operating Officer,  
Employee Services

### **Mark M. Waxman**

Senior Vice President and  
Chief Marketing Officer

### **Teresa E. Bur**

Senior Vice President,  
Human Resources

### **David J. Sibits**

President, Financial Services

### **Robert A. O'Byrne**

President, Employee Services

### **G. Darrell Hulsey**

President, Medical  
Management Professionals

### **Chris Spurio**

Chief Operating Officer,  
Financial Services

### **S. Mark Talley**

Chief Operating Officer,  
Medical Management  
Professionals

### **Brian T. Carey**

Vice President,  
Corporate Development

### **Sunny D. Claggett**

Vice President,  
Talent Management

### **Brian D. Gregory**

Vice President, Internal  
Audit and President,  
Risk and Advisory Services

### **Bruce J. Kowalski**

Vice President,  
Corporate Tax

### **Kevin P. Nussbaum**

Vice President,  
New Business Development

### **Kelly J. Marek**

Corporate Treasurer

### **Robert A. Bosak**

Corporate Controller

# SHAREHOLDER INFORMATION

## Independent Public Accountants

### KPMG LLP

One Cleveland Center  
1375 East Ninth Street, Suite 2600  
Cleveland, OH 44114-1796

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## Security Markets

Shares of CBIZ, Inc. are listed on the New York Stock Exchange under the ticker symbol "CBZ"

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## Shareholders' Information

Copies of the Annual Report on Form 10-K for the year ended December 31, 2011 as filed with the Securities and Exchange Commission are available without charge to stockholders upon request to:

### INVESTOR RELATIONS

CBIZ, Inc.  
6050 Oak Tree Blvd., South, Suite 500  
Cleveland, OH 44131  
216.447.9000

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## Electronic Version

[www.cbiz.com](http://www.cbiz.com)

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## Legal Counsel

### AKIN GUMP STRAUSS HAUER & FELD LLP

Robert S. Strauss Building  
1333 New Hampshire Avenue, NW  
Washington, DC 20036-1564

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## Stock Transfer Agent and Registrar

Shareholders requiring a change of name, address, or ownership of stock, as well as information about shareholder records or lost or stolen certificates should contact:

### COMPUTERSHARE INVESTOR SERVICES, LLC

First Class/Registered/Certified Mail:  
Computershare Investor Services  
P.O. Box 43078  
Providence, RI 02940-3078

#### *Courier Services:*

Computershare Investor Services  
250 Royall Street  
Canton, MA 02021

## Annual Meeting:

The Annual Meeting of Shareholders will be held on Thursday, May 10, 2012, at 11:00 a.m. at Park Center Plaza II 6150 Oak Tree Blvd., South, LL Independence, OH 44131

